

# Interim report

## January 1 – September 30, 2011

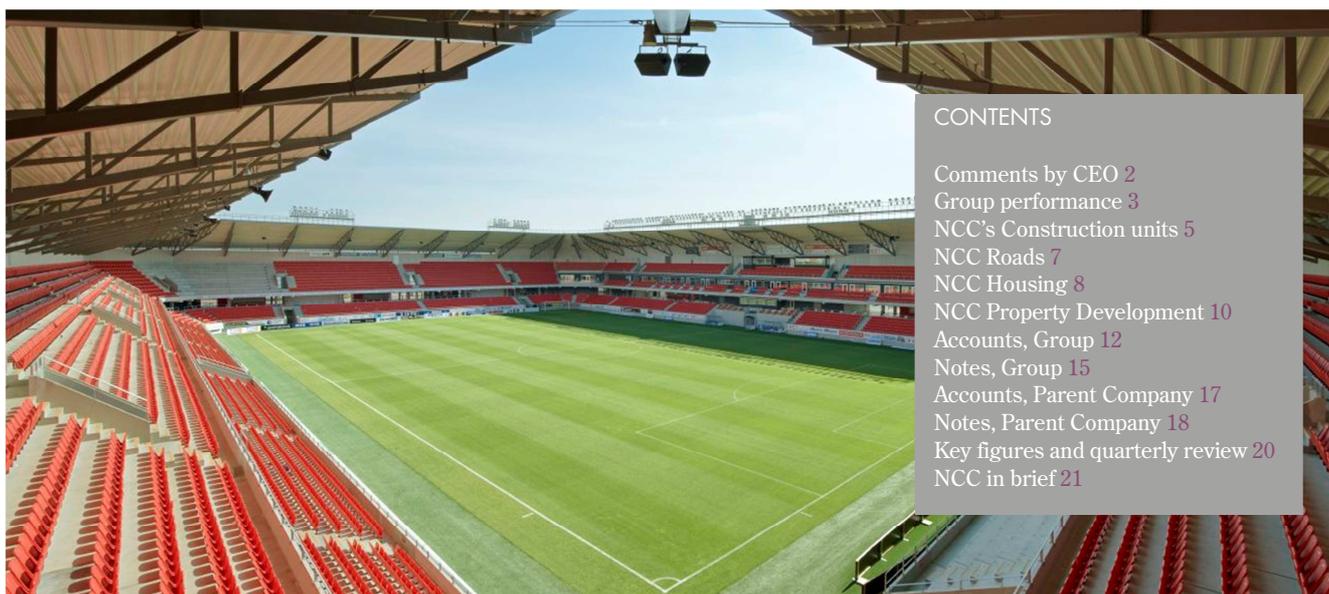
### *July 1 – September 30, 2011*

- Orders received SEK 12,499 M (12,183)
- Net sales SEK 13,033 M (12,448)
- Profit after financial items SEK 553 M (773)
- Profit after tax for the period SEK 413 M (618)
- Earnings per share SEK 3.79 (5.66)

### *January 1 – September 30, 2011*

- Orders received SEK 42,935 M (40,788)
- Net sales SEK 34,416 M (34,082)
- Profit after financial items SEK 729 M (1,207)
- Profit after tax for the period SEK 544 M (937)
- Earnings per share SEK 5.00 (8.61)

SEK M	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10- Sep. 11	2010 Jan.-Dec.
Orders received	<b>12,499</b>	12,183	<b>42,935</b>	40,788	57,089	54,942
Net sales	<b>13,033</b>	12,448	<b>34,416</b>	34,082	49,754	49,420
Operating profit/loss	<b>612</b>	850	<b>876</b>	1,406	1,725	2,254
Profit/loss after financial items	<b>553</b>	773	<b>729</b>	1,207	1,530	2,008
Net profit/loss for the period	<b>413</b>	618	<b>544</b>	937	1,135	1,527
Profit/loss per share after dilution, SEK	<b>3.79</b>	5.66	<b>5.00</b>	8.61	10.44	14.05
Cashflow before financing	<b>-403</b>	72	<b>-3,110</b>	727	-1,905	1,934
Return on shareholders' equity after tax, %					15	20
Debt/equity ratio, times	<b>0.6</b>	0.2	<b>0.6</b>	0.2	0.6	0.1
Net indebtedness	<b>4,621</b>	1,610	<b>4,621</b>	1,610	4,621	431



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## Comments from CEO Peter Wågström

The first nine months of the year were characterized by favorable demand for NCC's products and services, which has enabled us to build a historically high order backlog. This is reassuring and will provide us with the scope to take action in the event that we enter a period of weaker economic growth. Many signs now indicate that this will be the case in 2012.

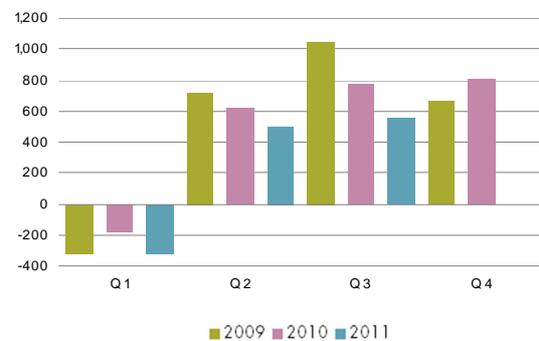
Our orders received in the third quarter remained strong and were in line with the year-earlier period. We were successful in our efforts to select projects with margins that exceed the average reflected in the order backlog. I am particularly pleased to note that our Danish operations are consistently following our strategy of focusing exclusively on projects that generate favorable profitability, even if this results in a decrease in orders received.

Profit after financial items amounted to SEK 553 M (773) for the quarter, which I consider to be an unsatisfactory result. During the quarter, we were forced to post impairment losses on the value of land in Denmark and Latvia in a total amount of SEK 140 M. NCC's impairment losses on land in the year-earlier period amounted to SEK 38 M. The housing market in Denmark has been weak since 2006 and housing prices outside the Copenhagen region fell during the third quarter, resulting in an impairment requirement in our Danish portfolio of development rights. In Norway and Finland, we have posted impairment losses on projects during the year, as well as during the quarter, as a result of previously implemented measures. As usual, our project portfolio was subject to both write-ups and impairment losses, with the amount of impairment losses unfortunately outweighing the amount of write-ups during the quarter.

I am pleased to announce that NCC Roads delivered strong earnings for the quarter. We delivered higher volumes of aggregates at a higher price than in the past and maintained high asphalt volumes, which impacted earnings.

Since we started relatively few development projects (housing units and commercial properties) in 2009 and early 2010, our earnings from development operations were low. However, we initiated a significantly greater number of residential and proprietary property development project starts in 2010 and 2011, which will impact future earnings. Property Development leased out 40,000 square meters during the quarter, which is a strong sign that our products and processes are functioning well. The number of housing units sold to private customers in our residential operations was in line with the year-earlier period.

PROFIT/LOSS AFTER FINANCIAL ITEMS, SEK M



NCC's core values are honesty, respect and trust. All I can say is that the unlawful collaboration in which we were involved in the Trondheim region between 2005 and 2008 was a violation of the law, our internal regulations and our values. We have trained more than 3,000 managers in the areas of competition law and business ethics, invested considerable work in our values and established clear-cut regulations that cannot be misinterpreted. As soon as our involvement was discovered, we enhanced our training package, reviewed our processes and placed even greater emphasis on our values. Regardless of what we do now, we cannot undo what has happened, which I regret deeply. I am now doing my utmost to rebuild trust in NCC.

Peter Wågström, President and CEO  
Solna, October 28, 2011



## Group performance

### MOST RECENT QUARTER, JULY – SEPTEMBER 2011

#### ORDERS RECEIVED AND ORDER BACKLOG

Orders received amounted to SEK 12,499 M (12,183). The construction operations in Finland reported high orders received as a result of several major projects, while orders received were lower in Denmark and for NCC Housing. The Group's order backlog amounted to a historically high SEK 49,437 M. Exchange-rate effects had an adverse impact of SEK 152 M on orders received compared with the year-earlier period.

#### NET SALES

Net sales amounted to SEK 13,033 M (12,448). NCC's Construction units have been experiencing higher orders received for a long period, which, after a certain time lag, result in increased sales. NCC Roads' sales increase tracked the higher level of activity in the Nordic construction markets. Exchange-rate effects had an adverse impact of SEK 177 M on sales compared with the year-earlier period.

#### EARNINGS

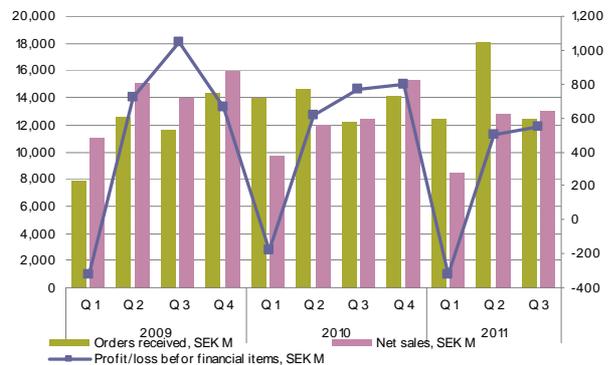
NCC's operating profit amounted to SEK 612 M (850). The year-on-year difference was primarily attributable to impairment losses on land and weaker earnings in NCC Construction Finland and NCC Construction Norway. Despite higher net indebtedness, net financial items improved to an expense of SEK 59 M (expense: 77) due to positive interest-rate changes and a higher yield on cash and cash equivalents.

#### CASH FLOW

Cash flow from operating activities was weaker than in the year-earlier period due to lower earnings and lower adjustments for non-cash items (essentially exchange-rate differences). Capital tied up in properties classed as current assets increased as a result of a higher number of housing project starts.

Cash flow from other working capital improved mainly because of an increase in interest-free financing.

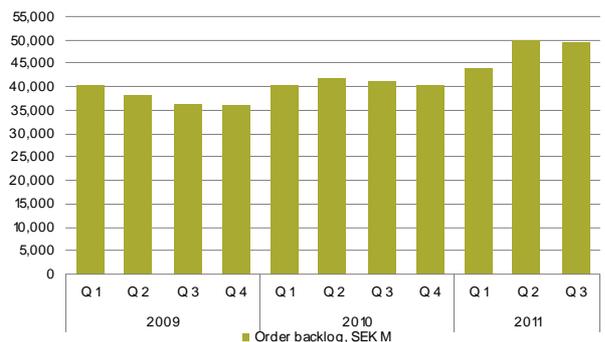
### GROUP PERFORMANCE



### SEASONAL EFFECTS

NCC Roads' operations and certain operations in NCC's Construction units are impacted by seasonal variations due to cold weather. The first and final quarters are normally weaker than the rest of the year. For the rolling 12-month period ending September 30, 2011, net sales amounted to SEK 49,754 M (50,026) and operating profit to SEK 1,725 M (2,173).

### ORDER BACKLOG



### NET INDEBTEDNESS

Net indebtedness (interest-bearing liabilities less cash and cash equivalents less interest-bearing receivables) on September 30 amounted to SEK 4,621 M (1,610), refer also to Note 5, Specification of net indebtedness. At June 30, 2011, net indebtedness was SEK 4,302 M. The capital maturity period for interest-bearing liabilities, excluding loans in Finnish housing companies and Swedish tenant owner associations, was 30 (34) months at the end of the quarter. NCC's unutilized committed lines of credit on September 30 amounted to SEK 3.6 billion (3.6), with an average remaining maturity of 20 (30) months.

## INTERIM PERIOD, JANUARY – SEPTEMBER 2011

### ORDERS RECEIVED OCH ORDER BACKLOG

Orders received amounted to SEK 42,935 M (40,788). The increase was attributable to such factors as favorable demand for housing during the first six months of the year. Orders received in the third quarter were in line with the year-earlier period. Exchange-rate effects had an adverse impact of SEK 1,276 M on orders received compared with the year-earlier period. The order backlog rose SEK 9,011 M from January 1 and amounted to SEK 49,437 M.

### NET SALES

Net sales amounted to SEK 34,416 M (34,082). Sales in all of NCC's Construction units and in NCC Roads increased. NCC Housing reported weaker sales due to a lower average price per recognized unit for private customers and weaker sales to investors. Exchange-rate effects had an adverse impact of SEK 976 M on sales compared with the year-earlier period.

### EARNINGS

NCC's operating profit totaled SEK 876 M (1,406). The year-on-year difference was primarily attributable to weaker earnings in NCC Construction Finland, NCC Construction Norway and NCC Housing, as well as impairment losses on land. Net financial items amounted to an expense of SEK 148 M (expense: 199). The improvement was due to lower interest-rate levels and a higher yield on cash and cash equivalents.

### CASH FLOW

Cash flow from operating activities was weaker than in the year-earlier period due to lower earnings and lower adjustments for non-cash items (essentially exchange-rate differences). Capital tied up in properties classed as current assets increased as a result of a higher number of housing project starts.

Cash flow from other working capital improved mainly due to an increase in interest-free financing.

### NET INDEBTEDNESS

SEK M	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10- Sep. 11	2010 Jan.-Dec.
<b>Net indebtedness, opening balance</b>	<b>-4,302</b>	<b>-1,734</b>	<b>-431</b>	<b>-1,784</b>	<b>-1,610</b>	<b>-1,784</b>
Cash flow before financing	-403	72	-3,110	727	-1,903	1,934
Sale of treasury shares			3		3	
Dividend			-1,084	-650	-1,084	-650
Other changes in net indebtedness	84	51	1	96	-27	69
<b>Net indebtedness, closing balance</b>	<b>-4,621</b>	<b>-1,610</b>	<b>-4,621</b>	<b>-1,610</b>	<b>-4,621</b>	<b>-431</b>

### ORDERS RECEIVED AND ORDER BACKLOG

SEK M	Orders received						Backlog		
	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10- Sep. 11	2010 Jan.-Dec.	2011 Sep. 30	2010 Sep. 30	2010 Dec. 31
NCC Construction Sweden	5,061	4,951	19,624	18,309	25,298	23,983	23,068	20,215	19,132
NCC Construction Denmark	522	929	2,420	2,734	3,517	3,831	3,081	2,652	2,845
NCC Construction Finland	2,652	1,004	5,924	4,816	7,620	6,512	6,312	4,643	4,637
NCC Construction Norway	1,077	1,158	3,585	3,215	4,740	4,370	4,157	4,027	3,867
NCC Roads	2,865	2,872	8,401	7,975	10,986	10,561	4,111	4,160	3,803
NCC Housing	1,339	2,187	6,730	7,045	10,219	10,534	12,413	7,650	9,251
<b>Total</b>	<b>13,516</b>	<b>13,101</b>	<b>46,683</b>	<b>44,095</b>	<b>62,379</b>	<b>59,792</b>	<b>53,141</b>	<b>43,347</b>	<b>43,536</b>
<i>of which</i>									
<i>proprietary housing projects to private customers</i>	1,252	1,737	6,133	6,008	9,080	8,955	11,608	7,013	8,492
<i>proprietary property development projects</i>	1,343	765	1,923	1,845	2,337	2,258	2,592	1,653	1,632
Other items and eliminations	-1,016	-918	-3,748	-3,307	-5,290	-4,850	-3,704	-2,323	-3,110
<b>Group</b>	<b>12,499</b>	<b>12,183</b>	<b>42,935</b>	<b>40,788</b>	<b>57,089</b>	<b>54,942</b>	<b>49,437</b>	<b>41,024</b>	<b>40,426</b>

### NET SALES AND OPERATING RESULTS

SEK M	Net sales						Operating profit					
	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10- Sep. 11	2010 Jan.-Dec.	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10- Sep. 11	2010 Jan.-Dec.
NCC Construction Sweden	5 548	5 010	15 717	14 155	22 523	20 962	193	222	432	501	855	924
NCC Construction Denmark	815	748	2 269	2 051	3 124	2 906	41	33	114	80	157	124
NCC Construction Finland	1 495	1 463	4 404	4 149	6 046	5 791	6	48	-3	91	38	132
NCC Construction Norway	1 158	1 049	3 337	2 993	4 685	4 341	-28	31	-17	114	16	147
NCC Roads	3 853	3 674	8 218	7 732	11 165	10 679	432	428	315	233	438	356
NCC Housing	1 289	1 313	3 751	4 817	5 813	6 880	-34	-38	54	244	137	327
NCC Property Development	344	356	909	875	2 055	2 020	-18	-7	-41	6	70	116
<b>Total</b>	<b>14 501</b>	<b>13 615</b>	<b>38 604</b>	<b>36 772</b>	<b>55 411</b>	<b>53 579</b>	<b>591</b>	<b>717</b>	<b>854</b>	<b>1 268</b>	<b>1 712</b>	<b>2 126</b>
Other items and eliminations	-1 467	-1 167	-4 187	-2 690	-5 656	-4 159	20	133	23	138	12	128
<b>Group</b>	<b>13 033</b>	<b>12 448</b>	<b>34 416</b>	<b>34 082</b>	<b>49 754</b>	<b>49 420</b>	<b>612</b>	<b>850</b>	<b>876</b>	<b>1 406</b>	<b>1 725</b>	<b>2 254</b>

## NCC's Construction units

### MARKET PERFORMANCE

The market trend was positive during the first nine months of the year and demand was favorable. However, the turbulence in the global economy could impact future demand. Initial signs of decreased activity were noted in the most recent quarter. GDP growth forecasts in several countries were reduced for 2012 and NCC does not expect its construction investments to grow significantly in 2012.

### MOST RECENT QUARTER, JULY – SEPTEMBER 2011

#### ORDERS RECEIVED AND ORDER BACKLOG

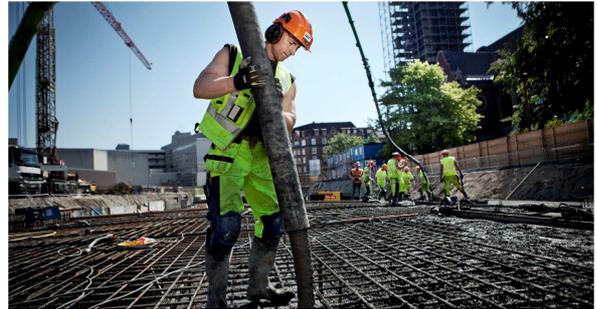
Orders received rose compared with the year-earlier period. The start-up of four proprietary property development projects contributed to the increase. Orders received were lower in Denmark due to strict project selection. The strong orders received in Finland contributed to an increase in the order backlog during the period.

#### NET SALES

Net sales increased in all Construction units.

#### OPERATING RESULTS

Earnings in the Swedish operations were at virtually the same level as in the year-earlier period. The Danish operations reported higher results and a stronger operating margin due to successful risk management and project selection. The results in Finland declined as a result of continued impairment losses in a major project. Following the implementation of measures in Finland, it became evident that earlier impairment losses in a project were insufficient. Additional central resources have been allocated to complete the project. The results in Norway were impacted adversely by impairment losses on projects in the North West region, as well as increased guarantee costs and pension costs.



### INTERIM PERIOD, JANUARY – SEPTEMBER 2011

#### ORDERS RECEIVED AND ORDER BACKLOG

Orders received increased due to favorable demand for housing units and civil engineering projects in the first six months of the year, and the start-up of proprietary property development projects contributed to the increase in the third quarter.

#### NET SALES

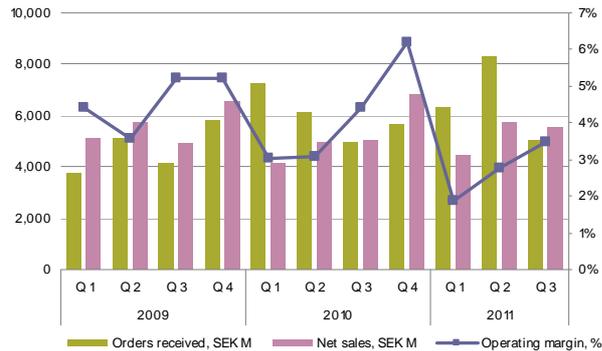
Net sales were stronger year-on-year in all units due to a higher opening order backlog and a continued increase in orders received during the year.

#### OPERATING RESULTS

The results in the Swedish operations were lower than in the year-earlier period, while the results of the Danish operations were higher year-on-year. The results in Finland declined due to impairment losses on a major project and a weak market in the Baltic countries. Impairment losses on projects and increased guarantee costs and pension costs impacted the results in Norway.

SEK M	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10 - Sep. 11	2010 Jan.-Dec.
<b>NCC Construction Sweden</b>						
Orders received	5,061	4,951	19,624	18,309	25,298	23,983
Order backlog	23,068	20,215	23,068	20,215	23,068	19,132
Net sales	5,548	5,010	15,717	14,155	22,542	20,962
Operating profit/loss	193	222	432	501	855	924
Operating margin, %	3.5	4.4	2.7	3.5	3.8	4.4
<b>NCC Construction Denmark</b>						
Orders received	522	929	2,420	2,734	3,517	3,831
Order backlog	3,081	2,652	3,081	2,652	3,081	2,845
Net sales	815	748	2,269	2,051	3,124	2,906
Operating profit/loss	41	33	114	80	157	124
Operating margin, %	5.0	4.4	5.0	3.9	5.0	4.3
<b>NCC Construction Finland</b>						
Orders received	2,652	1,004	5,924	4,816	7,620	6,512
Order backlog	6,312	4,643	6,312	4,643	6,312	4,637
Net sales	1,495	1,463	4,404	4,149	6,046	5,791
Operating profit/loss	6	48	-3	91	38	132
Operating margin, %	0.4	3.3	-0.1	2.2	0.6	2.3
<b>NCC Construction Norway</b>						
Orders received	1,077	1,158	3,585	3,215	4,740	4,370
Order backlog	4,157	4,027	4,157	4,027	4,157	3,867
Net sales	1,158	1,049	3,337	2,993	4,685	4,341
Operating profit/loss	-28	31	-17	114	16	147
Operating margin, %	-2.4	3.0	-0.5	3.8	0.3	3.4

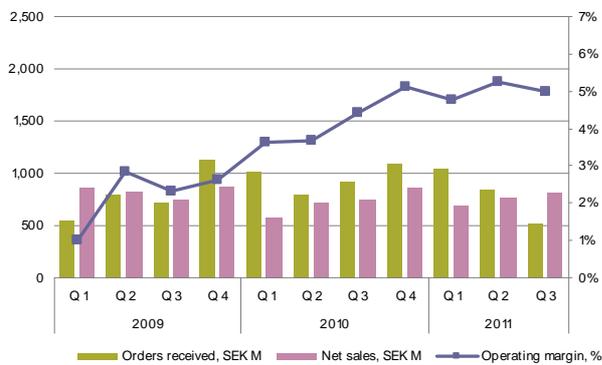
NCC CONSTRUCTION SWEDEN



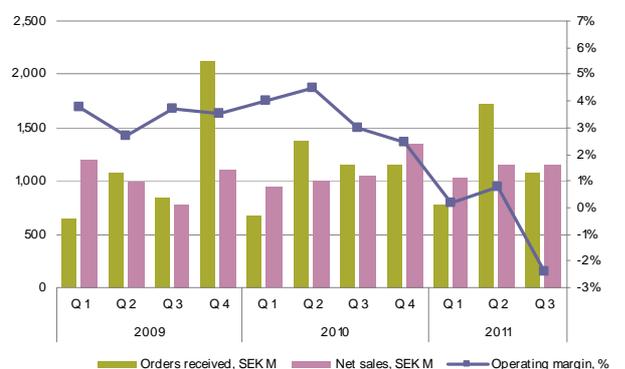
NCC CONSTRUCTION FINLAND



NCC CONSTRUCTION DENMARK



NCC CONSTRUCTION NORWAY



## NCC Roads

### MARKET PERFORMANCE

The increased demand in the construction market resulted in higher demand for aggregates. Following a significant decline in the aggregates market in 2009, volumes recovered in 2010 and 2011. Asphalt volumes declined in 2010, but have increased in 2011.

### MOST RECENT QUARTER, JULY – SEPTEMBER 2011

#### NET SALES

In line with earlier quarters, the third quarter was characterized by higher volumes, primarily for aggregates but also to a certain extent for asphalt. Sales rose year-on-year and amounted to SEK 3,853 M (3,674).

#### OPERATING RESULTS

Earnings for the quarter were higher than in the year-earlier period. Operating profit rose to SEK 432 M (428), mainly due to increased volumes and higher market prices for aggregates. Higher prices for input materials, primarily oil-based products, resulted in lower earnings for asphalt/paving compared with the year-earlier period.

#### CAPITAL EMPLOYED

Capital employed rose SEK 0.2 billion as a result of a continued high level of activity and amounted to SEK 3.8 billion.

### INTERIM PERIOD, JANUARY – SEPTEMBER 2011

#### NET SALES

High volumes, primarily for aggregates and to a certain extent asphalt, resulted in a year-on-year increase in sales, which amounted to SEK 8,218 M (7,732).



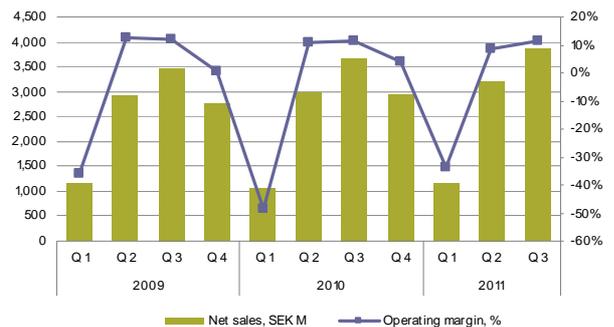
#### OPERATING RESULTS

Profit for the period improved year-on-year and amounted to SEK 315 M (233). The increase was mainly attributable to a stronger first quarter and a stable trend in the second and third quarters, primarily for aggregates and road services.

#### CAPITAL EMPLOYED

Capital employed rose SEK 1.0 billion as a result of increased activity and amounted to SEK 3.8 billion.

#### QUARTERLY DATA



SEK M	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10 - Sep. 11	2010 Jan.-Dec.
<b>NCC Roads</b>						
Orders received	2,865	2,872	8,401	7,975	10,986	10,561
Order backlog	4,111	4,160	4,111	4,160	4,111	3,803
Net sales	3,853	3,674	8,218	7,732	11,165	10,679
Operating profit/loss	432	428	315	233	438	356
Operating margin, %	11.2	11.7	3.8	3.0	3.9	3.3
Capital employed			3,820	3,168	3,820	2,820

## NCC Housing

### MARKET PERFORMANCE

Demand in the housing markets in Sweden, Finland and Germany is stable. The supply of newly produced housing and housing in the second-hand market was high and price adjustments were made in several markets, particularly for housing in Denmark. In Norway and St. Petersburg, demand is favorable and housing prices increased. In all of NCC's principal markets with the exception of Denmark, there is an underlying need for housing, and NCC's assessment is that prices for newly produced housing units will be stable in 2012.

### MOST RECENT QUARTER, JULY – SEPTEMBER 2011

#### HOUSING SALES AND CONSTRUCTION STARTS

NCC sold a total of 581 (600) housing units to private customers and 0 (330) to the investor market. The focus was on facilitating housing starts and a total of 926 (596) housing units were started for private customers during the quarter and 61 (330) for the investor market.

#### NET SALES

Net sales were in line with the year-earlier period. During the quarter, 546 (343) housing units for private customers and 0 (194) housing units for the investor market were recognized in profit. The average price per housing unit was lower year-on-year since many of the units recognized were small apartments in Finland.

#### OPERATING RESULTS

NCC Housing posted a loss of SEK 34 M (loss: 38). The result for the period includes impairment losses of SEK 102 M on land in Denmark. The result for the year-earlier period included impairment losses on land amounting to SEK 84 M, which were largely attributable to Denmark.

#### CAPITAL EMPLOYED

As a result of higher volumes of ongoing projects, capital employed rose SEK 0.2 billion during the quarter to SEK 7.6 billion.

## INTERIM PERIOD, JANUARY – SEPTEMBER 2011

### HOUSING SALES AND CONSTRUCTION STARTS

Sales of housing units declined somewhat compared with the year-earlier period. A total of 1,819 (1,927) housing units were sold to private customers and 332 (727) to the investor market. During the first nine months of the year, construction was started on a total of 2,671 (2,294) housing units to private customers and 415 (727) to the investment market. The number of unsold, completed housing units was low at the end of the period and amounted to 117 (146). The number of housing units under construction for private customers has increased continuously since mid-2010 and amounted to 4,708 (2,853) on September 30, 2011. The sales rate for units under construction for private customers was 51 percent (63) and the completion rate was 45 (46) percent.

### NET SALES

During the period, 1,477 (1,015) housing units for private customers and 332 (897) housing units for the investment market were recognized in profit. The housing units that were recognized in profit during the period had a lower average price compared with the year-earlier period. Sales amounted to SEK 3,751 M (4,817).

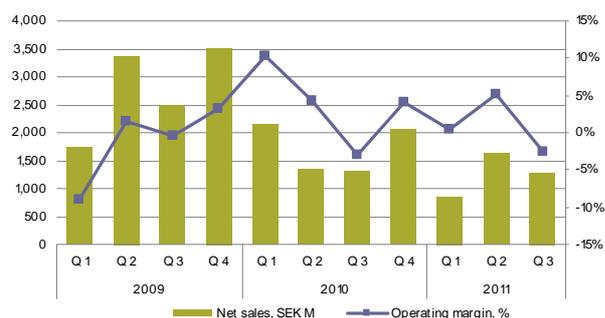
### OPERATING RESULTS

Profit amounted to SEK 54 M (244). The weaker result was mainly attributable to lower sales and impairment losses in Denmark. During 2010, NCC increased the number of housing starts for private customers, which will increase the number of housing units recognized in profit in 2011 and 2012.

### CAPITAL EMPLOYED

As a result of higher volumes of ongoing projects, capital employed rose SEK 0.7 billion during the period to SEK 7.6 billion.

### QUARTERLY DATA



SEK M	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10 - Sep. 11	2010 Jan.-Dec.
<b>NCC Housing</b>						
Orders received	1,339	2,187	6,730	7,045	10,219	10,534
Order backlog	12,413	7,650	12,413	7,650	12,413	9,251
Net sales	1,289	1,313	3,751	4,817	5,813	6,880
Operating profit/loss	-34	-38	54	244	137	327
Operating margin, %	-2.6	-2.9	1.4	5.1	2.4	4.8
Capital employed			7,567	6,980	7,567	6,818

HOUSING PERFORMANCE

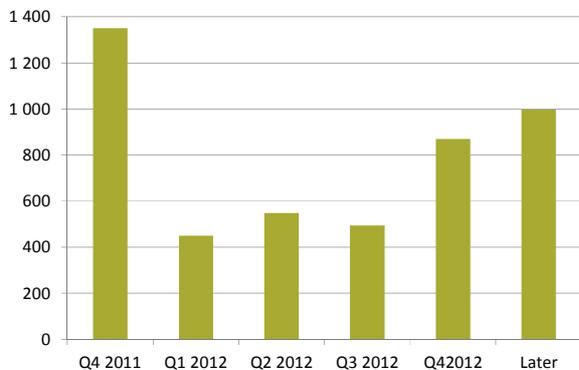
	Sweden					Denmark					Finland					Baltic region				
	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010
Building rights, end of period	13,800	13,300	13,800	13,300	13,100	1,300	1,200	1,300	1,200	1,200	7,000	6,200	7,000	6,200	6,400	2,700	2,400	2,700	2,400	2,400
Of which development rights on options	3,600	3,200	3,600	3,200	3,000	0	0	0	0	0	4,300	3,100	4,300	3,100	3,600	0	0	0	0	0
<b>Housing development to private customers</b>																				
Housing starts, during the period	62	221	662	696	1,089	0	63	43	63	95	150	74	674	756	1,126	88	12	149	32	108
Housing units sold, during the period	111	160	405	562	822	10	27	36	56	79	156	158	627	653	859	22	12	75	84	121
Housing units under construction, end of period	1,327	839	1,327	839	1,079	138	63	138	63	95	1,301	877	1,301	877	1,211	149	32	149	32	108
Sales rate units under construction, end of period %	48	65	48	65	60	49	32	49	32	40	61	67	61	67	62	11	0	11	0	15
Completion rate units under construction, end of period %	40	40	40	40	35	72	14	72	14	29	52	39	52	39	45	39	47	39	47	41
Profit-recognized housing units, during the period	117	68	412	339	501	0	7	6	36	41	210	73	582	132	179	50	12	75	84	105
Unsold housing units, end of period	23	30	23	30	21	4	15	4	15	10	21	30	21	30	19	53	41	53	41	20
Housing units for sale (ongoing and completed), at end of period	710	320	710	320	453	74	58	74	58	67	531	320	531	320	484	186	73	186	73	112
<b>Housing development to the investor market</b>																				
Housing starts, during the period	34	0	34	0	0	0	0	0	0	0	0	194	332	591	732	0	0	0	0	0
Housing units sold, during the period	0	0	0	0	0	0	0	0	0	0	0	194	332	591	732	0	0	0	0	0
Housing units under construction, end of period	34	0	34	0	0	0	0	0	0	0	905	1,402	905	1,402	1,049	0	0	0	0	0
Sales rate units under construction, end of period %	0	0	0	0	0	0	0	0	0	0	100	100	100	100	100	0	0	0	0	0
Completion rate units under construction, end of period %	0	0	0	0	0	0	0	0	0	0	68	58	68	58	55	0	0	0	0	0
Profit-recognized housing units, during the period	0	0	0	0	0	0	0	0	0	0	0	194	332	591	732	0	0	0	0	0
Unsold housing units, end of period	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

	St. Petersburg					Norway					Germany					Group				
	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010	Jul-sept 2011	Jul-sept 2010	Jan-sept 2011	Jan-sept 2010	Jan-dec 2010
Building rights, end of period	4,300	3,900	4,300	3,900	3,700	2,000	1,900	2,000	1,900	1,800	1,800	1,900	1,800	1,800	1,800	32,900	30,800	32,900	30,800	30,300
Of which development rights on options	0	0	0	0	0	700	700	700	700	700	500	500	500	500	500	9,100	7,500	9,100	7,500	7,900
<b>Housing development to private customers</b>																				
Housing starts, during the period	482	0	482	128	255	0	40	97	176	223	144	186	564	443	593	926	596	2,671	2,294	3,489
Housing units sold, during the period	94	12	130	12	48	18	42	87	109	157	170	189	459	451	641	581	600	1,819	1,927	2,727
Housing units under construction, end of period	737	128	737	128	255	266	276	266	276	272	790	638	790	638	513	4,708	2,853	4,708	2,853	3,533
Sales rate units under construction, end of period %	24	9	24	9	19	61	66	61	66	65	67	71	67	71	71	51	63	51	63	58
Completion rate units under construction, end of period %	25	22	25	22	37	39	52	39	52	37	58	70	58	70	65	45	46	45	46	43
Profit-recognized housing units, during the period	0	0	0	0	0	24	18	104	31	83	145	165	298	393	670	546	343	1,477	1,015	1,579
Unsold housing units, end of period	0	0	0	0	0	0	1	0	1	0	16	29	16	29	27	117	146	117	146	97
Housing units for sale (ongoing and completed), at end of period	559	116	559	116	207	105	96	105	96	95	280	215	280	215	175	2,445	1,198	2,445	1,198	1,593
<b>Housing development to the investor market</b>																				
Housing starts, during the period	0	0	0	0	66	0	0	0	0	0	27	136	49	136	211	61	330	415	727	1,009
Housing units sold, during the period	0	0	0	0	66	0	0	0	0	0	0	136	0	136	211	0	330	332	727	1,009
Housing units under construction, end of period	66	0	66	0	66	0	0	0	0	0	260	214	260	214	211	1,265	1,616	1,265	1,616	1,326
Sales rate units under construction, end of period %	100	0	100	0	100	0	0	0	0	0	81	100	81	100	100	93	100	93	100	100
Completion rate units under construction, end of period %	44	0	44	0	17	0	0	0	0	0	76	32	76	32	23	67	54	67	54	48
Profit-recognized housing units, during the period <sup>1)</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0	306	384	0	194	332	897	1,116
Unsold housing units, end of period	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

The opening balances for 2010 were adjusted, partly due to a reclassification to investor market projects, partly since the transition to IFRIC 15 has changed the accounting date for the completion of housing units.

1) Of the total number of housing units under construction to the investor market, 1,265 (1,616), 904 (1,402) has already been profit-recognized and 360 (214) remains to be profit-recognized.



The diagram shows the estimated date of completion for housing production in progress for private customers (both housing sold and those for sale). Recognition of results of housing projects sold to private customers occurs at the time of transfer.

## NCC Property Development

### MARKET PERFORMANCE

Concerns regarding the debt crisis in Europe manifested in a cautious approach in the market, resulting in protracted decision-making processes. No major changes occurred in the rental markets in the third quarter with regard to rents and vacancy rates.

### MOST RECENT QUARTER, JULY – SEPTEMBER 2011

#### PROPERTY PROJECTS

Two projects were recognized during the quarter: the CH3 Skejby office project in Denmark and the Polaris 3 office project in Finland. Four new projects were started during the period: the Plaza Loiste office project and Tavestehus centrum shopping center in Finland, the Torsplan retail and office project in Sweden and the CH Tangen office project in Denmark.

At the end of the quarter, 23 projects were in progress or completed but not yet recognized in profit. Expenses incurred in all of NCC Property Development's ongoing projects amounted to SEK 2.0 billion (1.1), corresponding to 37 percent (41) of the total project cost of SEK 5.4 billion (2.7). Leases were signed for 40,000 square meters during the quarter. The leasing rate for ongoing or completed projects was 45 percent.

#### NET SALES

Net sales were somewhat lower year-on-year and the two projects that were recognized accounted for the largest portion of sales.

#### OPERATING RESULTS

Two projects were recognized in profit, which also included land sales. Profit was charged with impairment losses on land in Riga, Latvia, totaling SEK 38 M, which resulted in lower year-on-year operating profit.

#### CAPITAL EMPLOYED

Capital employed declined compared to previous quarter to SEK 3.3 billion.



### INTERIM PERIOD, JANUARY – SEPTEMBER 2011

#### PROPERTY PROJECTS

A total of four projects were recognized: two in Denmark, one in Sweden and one in Finland. Construction started on eight projects: three in Sweden, three in Finland and two in Denmark. Leases were signed for 61,000 square meters during the period.

#### NET SALES

Net sales were higher than in the year-earlier period. The largest portion of net sales was from the two projects recognized in the second and third quarters.

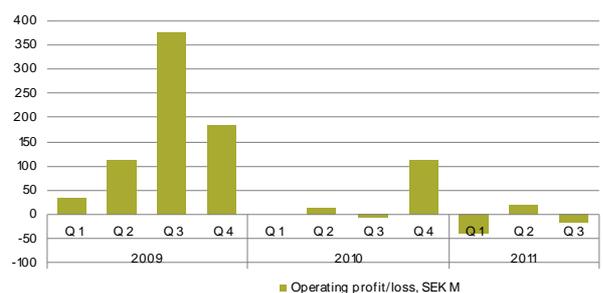
#### OPERATING RESULTS

Operating profit declined year-on-year. During the first quarter, no projects were recognized in profit, only one land sale with a minor impact on revenue. During the second quarter, two projects were recognized in profit: one in Denmark and one in Sweden.

#### CAPITAL EMPLOYED

Capital employed rose as a result of investments in ongoing property projects and amounted to SEK 3.3 billion.

#### QUARTERLY DATA



	2011 Jul.-Sep.	2010 Jul.-Sep.	2011 Jan.-Sep.	2010 Jan.-Sep.	Oct. 10 - Sep. 11	2010 Jan.-Dec.
SEK M						
<b>NCC Property Development</b>						
Net sales	344	356	909	875	2,055	2,020
Operating profit/loss	-18	-7	-41	6	70	116
Capital employed			3,289	3,011	3,289	2,838

PROPERTY DEVELOPMENT PROJECTS AT SEPTEMBER 30, 2011 <sup>1)</sup>

Project	Type	City	Sold, estimated recognition in profit	Work up rate, %	Leasable area, m <sup>2</sup>	Letting ratio, %
<b>Sweden</b>						
Stenhagen II	Retail	Uppsala	Q4, 2011	97%	3,700	100%
Arendal	Logistic	Göteborg	Q2, 2012	70%	20,400	100%
Ullevi Park II	Office	Göteborg		28%	14,500	11%
Triangeln <sup>2)</sup>	Retail/Garage	Malmö		30%	16,200	43%
Eslöv	Retail	Eslöv		96%	3,900	95%
Koggen 2	Office	Malmö	Q3, 2012	29%	8,100	0%
Torsplan	Retail/Office	Stockholm		3%	30,500	18%
<b>Total Sweden</b>				<b>27%</b>	<b>97,300</b>	<b>31%</b>
<b>Denmark</b>						
Gladsaxe	Office	Gladsaxe	Q2, 2012	78%	35,700	100%
Herredsentret I	Retail	Hilleröd		95%	1,200	100%
Roskildevej	Retail	Taastrup		97%	4,000	46%
Viborg Retailpark	Retail	Viborg		100%	700	100%
Kolding Retailpark II	Retail	Kolding		98%	5,600	59%
Viborg Retail III	Retail	Viborg		98%	2,400	49%
Lyngby Hovedgade	Retail	Lyngby		86%	2,300	54%
Tegholm	Office	Köpenhamn		45%	9,200	0%
Herredsentret II	Retail	Hilleröd		90%	5,700	84%
Haahr	Retail	Hilleröd		90%	200	100%
CH Tangen	Office	Århus		16%	10,500	100%
<b>Total Denmark</b>				<b>72%</b>	<b>77,500</b>	<b>75%</b>
<b>Finland</b>						
Myllymäki Retail Park I	Retail	Villmanstrand		86%	3,700	81%
Plaza Hehku II	Office	Vanda	Q4, 2011	71%	5,700	54%
Alberga B	Office	Esbo		35%	5,400	17%
Plaza Loiste	Office	Vanda		15%	6,900	74%
Tavastehus Centrum	Retail	Tavastehus		1%	25,500	37%
<b>Total Finland</b>				<b>17%</b>	<b>47,200</b>	<b>43%</b>
<b>Total</b>				<b>37%</b>	<b>222,000</b>	<b>45%</b>

1) The table refers to ongoing or completed real estate projects not yet recognized in profit. In addition, NCC is leasing space (rental guarantees/additional purchase price) in ten previously sold and profit recognized real estate projects, the largest of the projects consist of an office building in Fredriksberg, Denmark, and two office properties in Esbo, Finland.

2) The project is in collaboration between the business areas, NCC Property Development and NCC Housing with an allocation of 70 and 30 percent respectively. The leasable area refers to all commercial area in the project.

## Consolidated income statement

Group		2011	2010	2011	2010	Oct. 10-	2010
SEK M	Note 1	Jul.-Sep.	Jul.-Sep.	Jan.-Sep.	Jan.-Sep.	Sep. 11	Jan.-Dec.
Net sales		13,033	12,448	34,416	34,082	49,754	49,420
Production costs	Note 2,3	-11,813	-11,026	-31,567	-30,747	-45,307	-44,487
<b>Gross profit</b>		<b>1,220</b>	<b>1,422</b>	<b>2,849</b>	<b>3,335</b>	<b>4,447</b>	<b>4,933</b>
Selling and administrative expenses	Note 2	-608	-576	-1,976	-1,933	-2,725	-2,682
Result from sales of owner-occupied properties			2	2	2	2	2
Impairment losses, fixed assets	Note 3	-3		-4		-6	-2
Result from sales of Group companies				2		2	
Result from participations in associated companies		2	2	3	2	5	4
<b>Operating profit/loss</b>		<b>612</b>	<b>850</b>	<b>876</b>	<b>1,406</b>	<b>1,725</b>	<b>2,254</b>
Financial income		25	7	77	72	105	99
Financial expense		-84	-84	-225	-271	-300	-345
<b>Net financial items</b>		<b>-59</b>	<b>-77</b>	<b>-148</b>	<b>-199</b>	<b>-195</b>	<b>-246</b>
<b>Profit/loss after financial items</b>		<b>553</b>	<b>773</b>	<b>729</b>	<b>1,207</b>	<b>1,530</b>	<b>2,008</b>
Tax on net profit/loss for the period		-140	-155	-185	-270	-395	-481
<b>Net profit/loss for the period</b>		<b>413</b>	<b>618</b>	<b>544</b>	<b>937</b>	<b>1,135</b>	<b>1,527</b>
<b>Attributable to:</b>							
NCC's shareholders		411	613	542	933	1,133	1,524
Non-controlling interests		1	5	2	4	2	4
<b>Net profit/loss for the period</b>		<b>413</b>	<b>618</b>	<b>544</b>	<b>937</b>	<b>1,134</b>	<b>1,527</b>
<b>Earnings per share</b>							
<i>Before dilution</i>							
Net profit/loss for the period, SEK		3.79	5.66	5.00	8.61	10.44	14.05
<i>After dilution</i>							
Net profit/loss for the period, SEK		3.79	5.66	5.00	8.61	10.44	14.05
<b>Number of shares, millions</b>							
Total number of issued shares		108.4	108.4	108.4	108.4	108.4	108.4
Average number of shares before dilution during the period		108.4	108.4	108.4	108.4	108.4	108.4
Average number of shares after dilution		108.4	108.4	108.4	108.4	108.4	108.4
Number of shares outstanding before dilution at the end of the period		108.4	108.4	108.4	108.4	108.4	108.4

## Consolidated statement of comprehensive income

Group		2011	2010	2011	2010	Oct. 10-	2010
SEK M	Note 1	Jul.-Sep.	Jul.-Sep.	Jan.-Sep.	Jan.-Sep.	Sep. 11	Jan.-Dec.
<b>Net profit/loss for the period</b>		<b>413</b>	<b>618</b>	<b>544</b>	<b>937</b>	<b>1,134</b>	<b>1,527</b>
<b>Other comprehensive income</b>							
Exchange differences on translating foreign operations		13	-161	62	-380	26	-415
Change in hedging/fair value reserve		-15	107	-38	215	-22	230
Cash flow hedges		-19	-4	-13	-15	21	18
Income tax relating to components of other comprehensive income		9	-27	13	-52		-65
<b>Other comprehensive income for the year, net of tax</b>		<b>-12</b>	<b>-84</b>	<b>25</b>	<b>-233</b>	<b>25</b>	<b>-232</b>
<b>Total comprehensive income</b>		<b>401</b>	<b>534</b>	<b>568</b>	<b>704</b>	<b>1,159</b>	<b>1,295</b>
<b>Attributable to:</b>							
NCC's shareholders		400	529	566	700	1,157	1,291
Non-controlling interests		1	5	2	4	2	4
<b>Total comprehensive income</b>		<b>401</b>	<b>534</b>	<b>568</b>	<b>704</b>	<b>1,159</b>	<b>1,295</b>

## Consolidated balance sheet

Group SEK M	Note 1, 7	2011 Sep. 30	2010 Sep. 30	2010 Dec. 31
<b>ASSETS</b>				
<i>Fixed assets</i>				
Goodwill		1,674	1,624	1,613
Other intangible assets		153	121	115
Owner-occupied properties		612	613	576
Machinery and equipment		2,039	1,757	1,816
Other long-term holdings of securities		236	158	189
Long-term receivables	Note 5	1,435	1,350	1,363
Deferred tax assets		93	102	68
<b>Total fixed assets</b>		<b>6,241</b>	<b>5,726</b>	<b>5,739</b>
<i>Current assets</i>				
Property projects	Note 4	3,859	3,179	2,931
Housing projects	Note 4	10,559	8,888	8,745
Materials and inventories		643	555	537
Tax receivables		254	313	41
Accounts receivable		7,339	6,702	6,481
Worked-up, non-invoiced revenues		1,496	1,313	804
Prepaid expenses and accrued income		1,385	1,427	988
Other receivables	Note 5	1,305	1,180	1,384
Short-term investments <sup>1)</sup>	Note 5	243	455	741
Cash and cash equivalents	Note 5	1,047	2,683	2,713
<b>Total current assets</b>		<b>28,132</b>	<b>26,695</b>	<b>25,366</b>
<b>TOTAL ASSETS</b>		<b>34,373</b>	<b>32,421</b>	<b>31,104</b>
<b>EQUITY</b>				
Share capital		867	867	867
Other capital contributions		1,844	1,844	1,844
Reserves		-55	-56	-79
Profit brought forward, including current-year profit		4,941	4,865	5,479
<b>Shareholders' equity</b>		<b>7,597</b>	<b>7,520</b>	<b>8,111</b>
Non-controlling interests		11	21	21
<b>Total shareholders' equity</b>		<b>7,608</b>	<b>7,540</b>	<b>8,132</b>
<b>LIABILITIES</b>				
<i>Long-term liabilities</i>				
Long-term interest-bearing liabilities	Note 5	2,824	2,773	2,712
Other long-term liabilities		641	848	921
Deferred tax liabilities		562	873	439
Other provisions		2,589	2,640	2,723
<b>Total long-term liabilities</b>		<b>6,616</b>	<b>7,134</b>	<b>6,796</b>
<i>Current liabilities</i>				
Current interest-bearing liabilities	Note 5	3,461	2,308	1,546
Accounts payable		4,064	3,400	3,414
Tax liabilities		13	33	449
Invoiced revenues not worked-up		4,747	4,942	4,092
Accrued expenses and prepaid income		3,096	3,161	3,327
Provisions		3	13	9
Other current liabilities		4,765	3,890	3,341
<b>Total current liabilities</b>		<b>20,149</b>	<b>17,746</b>	<b>16,177</b>
<b>Total liabilities</b>		<b>26,765</b>	<b>24,881</b>	<b>22,973</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>34,373</b>	<b>32,421</b>	<b>31,104</b>
<b>ASSETS PLEDGED</b>		<b>1,893</b>	1,450	1,612
<b>CONTINGENT LIABILITIES</b>		<b>1,903</b>	2,449	1,926

1) Includes short-term investments with maturities exceeding three months at the acquisition date, see also cash-flow statement.

## Changes in shareholders' equity, Group

Group	Sep. 30, 2011			Sep. 30, 2010		
	Shareholders' equity	Non-controlling interests	Total shareholders' equity	Shareholders' equity	Non-controlling interests	Total shareholders' equity
SEK M						
<b>Opening balance, January 1</b>	<b>8,111</b>	<b>21</b>	<b>8,132</b>	<b>7,470</b>	<b>18</b>	<b>7,488</b>
Transactions with non-controlling interests		-11	-11			
Total comprehensive income for the year	566	2	568	700	4	704
Dividends	-1,084		-1,084	-650	-1	-651
Sale of treasury shares	3		3			
<b>Closing balance</b>	<b>7,597</b>	<b>11</b>	<b>7,608</b>	<b>7,520</b>	<b>21</b>	<b>7,540</b>

## Consolidated cash-flow statement, condensed

Group	2011		2010		2010	
	Jul.-Sep.	Jul.-Sep.	Jan.-Sep.	Jan.-Sep.	Oct. 10-Sep. 11	2010 Jan.-Dec.
SEK M						
<b>OPERATING ACTIVITIES</b>						
Profit/loss after financial items	553	773	729	1,207	1,529	2,008
Adjustments for items not included in cash flow	121	542	126	923	329	1,127
Taxes paid	-95	-56	-749	-139	-736	-126
<b>Cash flow from operating activities before changes in working capital</b>	<b>578</b>	<b>1,259</b>	<b>105</b>	<b>1,992</b>	<b>1,122</b>	<b>3,009</b>
<b>Cash flow from changes in working capital</b>						
Divestment of property projects	202	325	682	687	836	841
Gross investments in property projects	-370	-351	-1,329	-1,201	-1,662	-1,533
Divestment of housing projects <sup>1)</sup>	956	664	3,199	2,949	4,008	3,758
Gross investments in housing projects <sup>1)</sup>	-1,773	-909	-5,147	-2,387	-5,930	-3,171
Other changes in working capital	157	-748	-10	-938	448	-481
<b>Cash flow from changes in working capital</b>	<b>-829</b>	<b>-1,018</b>	<b>-2,604</b>	<b>-890</b>	<b>-2,301</b>	<b>-586</b>
<b>Cash flow from operating activities</b>	<b>-250</b>	<b>241</b>	<b>-2,499</b>	<b>1,101</b>	<b>-1,179</b>	<b>2,423</b>
<b>INVESTING ACTIVITIES</b>						
Sale of building and land	6		17	9	74	65
Increase (-)/Decrease (+) from investing activities Note 7	-159	-169	-628	-383	-800	-555
<b>Cash flow from investing activities</b>	<b>-153</b>	<b>-169</b>	<b>-611</b>	<b>-374</b>	<b>-726</b>	<b>-489</b>
<b>CASH FLOW BEFORE FINANCING</b>	<b>-403</b>	<b>72</b>	<b>-3,110</b>	<b>727</b>	<b>-1,905</b>	<b>1,934</b>
<b>FINANCING ACTIVITIES</b>						
<b>Cash flow from financing activities</b>	<b>713</b>	<b>97</b>	<b>1,440</b>	<b>-333</b>	<b>269</b>	<b>-1,504</b>
<b>CASH FLOW DURING THE PERIOD</b>	<b>310</b>	<b>169</b>	<b>-1,670</b>	<b>394</b>	<b>-1,634</b>	<b>430</b>
Cash and cash equivalents at beginning of period	740	2,525	2,713	2,317	2,683	2,317
Effects of exchange rate changes on cash and cash equivalents	-5	-11	2	-29	-3	-34
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>1,045</b>	<b>2,683</b>	<b>1,045</b>	<b>2,683</b>	<b>1,045</b>	<b>2,713</b>
Short-term investments due later than three months	243	455	243	455	243	741
<b>Total liquid assets</b>	<b>1,288</b>	<b>3,138</b>	<b>1,288</b>	<b>3,138</b>	<b>1,288</b>	<b>3,454</b>

1) In the third quarter 2011 adjustments have been made of the cash flow of previous periods.

## Notes

### NOTE 1. ACCOUNTING POLICIES

This interim report has been compiled pursuant to IAS 34 Interim Financial Reporting. It has been prepared in accordance with the International Financial Reporting Standards (IFRS) and the interpretations of prevailing accounting standards by the International Financial Reporting Interpretations Committee (IFRIC), as approved by the EU.

The interim report has been prepared pursuant to the same accounting policies and methods of calculation as the 2010 Annual Report (Note 1, pages 56-63).

### NOTE 2. DEPRECIATION/AMORTIZATION

SEK M	2011	2010	2011	2010	Oct. 10-	2010
	Jul.-Sep.	Jul.-Sep.	Jan.-Sep.	Jan.-Sep.	Sep. 11	Jan.-Dec.
Other intangible assets	-6	-5	-12	-13	-17	-18
Owner-occupied properties	-5	-8	-19	-24	-27	-32
Machinery and equipment	-134	-127	-382	-388	-510	-517
<b>Total depreciation/amortization</b>	<b>-145</b>	<b>-140</b>	<b>-413</b>	<b>-426</b>	<b>-554</b>	<b>-567</b>

### NOTE 3. IMPAIRMENT LOSSES

SEK M	2011	2010	2011	2010	Oct. 10-	2010
	Jul.-Sep.	Jul.-Sep.	Jan.-Sep.	Jan.-Sep.	Sep. 11	Jan.-Dec.
Housing projects	-102	-38	-102	-41	-91	-30
Property projects within NCC Property Development	-38		-38		-38	
Owner-occupied properties	-4		-4		-4	-1
Other intangible assets					-2	-2
<b>Total impairment expenses</b>	<b>-144</b>	<b>-38</b>	<b>-145</b>	<b>-41</b>	<b>-136</b>	<b>-32</b>

### NOTE 4. SPECIFICATION OF PROPERTY PROJECTS AND HOUSING PROJECTS

SEK M	2011	2010	2010
	Sep. 30	Sep. 30	Dec. 31
Properties held for future development	1,933	2,127	1,828
Ongoing property projects	1,647	701	881
Completed property projects	279	351	222
<b>Total property development projects</b>	<b>3,859</b>	<b>3,179</b>	<b>2,931</b>
Properties held for future development, housing	4,728	5,128	4,978
Capitalized developing cost	959	878	838
Ongoing proprietary housing projects	4,651	2,564	2,714
Unsold completed housing	221	318	215
<b>Total housing projects</b>	<b>10,559</b>	<b>8,888</b>	<b>8,745</b>

### NOTE 5. SPECIFICATION OF NET INDEBTEDNESS

SEK M	2011	2010	2010
	Sep. 30	Sep. 30	Dec. 31
Long-term interest-bearing receivables	291	252	297
Current interest-bearing receivables	327	537	817
Short-term investments	263	790	806
Cash and bank balances	784	1,893	1,907
<b>Total interest-bearing receivables, cash and cash equivalents</b>	<b>1,665</b>	<b>3,471</b>	<b>3,828</b>
Long-term interest-bearing liabilities	2,824	2,774	2,712
Current interest-bearing liabilities	3,461	2,308	1,546
<b>Total interest-bearing liabilities</b>	<b>6,286</b>	<b>5,082</b>	<b>4,258</b>
<b>Net indebtedness</b>	<b>4,621</b>	<b>1,610</b>	<b>431</b>

## NOTE 6. SEGMENT REPORTING

SEK M	NCC Construction				NCC Roads	NCC Housing	NCC Property Development	Segment total	Other items and eliminations <sup>1)</sup>	Group
	Sweden	Denmark	Finland	Norway						
<b>January - September 2011</b>										
Net sales, external	14,559	1,762	2,574	3,170	7,686	3,749	907	34,407	8	34,416
Net sales, internal	1,158	507	1,830	167	531	2	2	4,197	-4,197	
Net sales, total	15,717	2,269	4,404	3,337	8,218	3,751	909	38,604	-4,189	34,416
Operating profit	432	114	-3	-17	315	54	-41	853	23	876
Net financial items										-148
Profit/loss after financial items										729
	NCC Construction									
<b>July - September 2011</b>										
Net sales, external	5,128	626	916	1,101	3,603	1,288	343	13,006	28	13,033
Net sales, internal	419	189	578	57	250	1	1	1,496	-1,496	
Net sales, total	5,548	815	1,495	1,158	3,853	1,289	344	14,501	-1,467	13,033
Operating profit	193	41	6	-28	432	-34	-18	592	20	612
Net financial items										-59
Profit/loss after financial items										553
	NCC Construction									
<b>January - September 2010</b>										
Net sales, external	13,510	1,936	2,813	2,912	7,213	4,816	871	34,071	11	34,082
Net sales, internal	645	115	1,336	82	519	1	5	2,703	-2,703	
Net sales, total	14,155	2,051	4,149	2,993	7,732	4,817	875	36,772	-2,690	34,082
Operating profit	501	80	91	114	233	244	6	1,268	138	1,406
Net financial items										-199
Profit/loss after financial items										1,207
	NCC Construction									
<b>July - September 2010</b>										
Net sales, external	4,785	708	958	1,061	3,351	1,313	354	12,531	-82	12,448
Net sales, internal	226	40	505	-12	322	1	2	1,084	-1,084	
Net sales, total	5,010	748	1,463	1,049	3,674	1,313	357	13,615	-1,167	12,448
Operating profit	222	33	48	31	428	-38	-7	717	133	850
Net financial items										-77
Profit/loss after financial items										773

1) The figures for the first nine months includes among others NCC's head office, results from small subsidiaries and associated companies and remaining parts of NCC International Projects, totalling an expense of SEK 35 M (income: 23), prior year including SEK 57 M from the Polish highway project A2. Eliminations of internal profits amount to an expense of SEK 48 M (income: 57) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the group (pensions) amount to an income of SEK 106 M (income: 57).

2) The quarter includes among others NCC's head office, result from small subsidiaries and associated companies and remaining parts of NCC International Projects, totalling an expense of SEK 9 M (income: 24). Furthermore elimination of internal profits are included, an expense of SEK 17 M (income: 87) and other Group adjustments, mainly consisting of differences of accounting policy between the segments and the Group (pensions), an income of SEK 47 M (income: 22).

**NOTE 7. ACQUISITION OF OPERATIONS**

Two small companies were acquired during the second quarter of 2011 by NCC Construction Norway. The cost totaled SEK 115 M and net cash flow was SEK 83 M. Goodwill amounted to SEK 33 M and was attributable to

stronger market positions. The total cost and fair values established were provisional since they were based on preliminary measurements. Consequently, the acquisition accounting may be adjusted.

**Parent Company****MOST RECENT QUARTER, JULY – SEPTEMBER 2011**

Invoicing for the Parent Company amounted to SEK 4,966 M (5,954). Decreased invoicing resulted in weaker results. Profit after financial items was SEK 427 M (529). In the Parent Company, profit is recognized when projects are subject to final profit recognition.

**INTERIM PERIOD, JANUARY – SEPTEMBER 2011**

Invoicing for the Parent Company amounted to SEK 16,678 M (19,003). Decreased invoicing, somewhat lower margins in the contracting operations and lower dividends from subsidiaries resulted in weaker results. Profit after financial items was SEK 940 M (1,649). In the Parent Company, profit is recognized when projects are subject to final profit recognition. The average number of employees was 6,917 (6,483).

**Parent Company income statement**

SEK M	Note 1	2011 Apr.-Jun.	2010 Apr.-Jun.	2011 Jan.-Jun.	2010 Jan.-Jun.	Jul. 10- Jun. 10	2010 Jan.-Dec.
Net sales		4,966	5,954	16,678	19,003	23,052	25,377
Production costs		-4,287	-5,140	-14,984	-16,844	-20,986	-22,846
<b>Gross profit</b>		<b>679</b>	<b>814</b>	<b>1,693</b>	<b>2,159</b>	<b>2,066</b>	<b>2,531</b>
Selling and administrative expenses		-273	-272	-967	-918	-1,283	-1,235
Result from sales of properties				2		2	
<b>Operating profit</b>		<b>406</b>	<b>542</b>	<b>729</b>	<b>1,241</b>	<b>785</b>	<b>1,296</b>
<i>Result from financial investment</i>							
Result from participations in Group companies		39		252	418	1,092	1,258
Result from participations in associated companies					1	-24	-24
Result from other financial fixed assets					18		18
Result from financial current assets		50	70	140	197	175	232
Interest expense and similar items		-69	-83	-181	-226	-232	-277
<b>Result after financial items</b>		<b>427</b>	<b>529</b>	<b>940</b>	<b>1,649</b>	<b>1,796</b>	<b>2,504</b>
Appropriations					-11	182	171
Tax on net profit for the period		-122	-128	-202	-303	-427	-528
<b>Net profit for the period</b>		<b>304</b>	<b>401</b>	<b>738</b>	<b>1,335</b>	<b>1,551</b>	<b>2,148</b>

**Parent Company statement of comprehensive income**

SEK M	Note 1	2011 Apr.-Jun.	2010 Apr.-Jun.	2011 Jan.-Jun.	2010 Jan.-Jun.	Jul. 10- Jun. 10	2010 Jan.-Dec.
<b>Net profit for the period</b>		<b>304</b>	<b>401</b>	<b>738</b>	<b>1,335</b>	<b>1,551</b>	<b>2,148</b>
<b>Total comprehensive income during the year</b>		<b>304</b>	<b>401</b>	<b>738</b>	<b>1,335</b>	<b>1,551</b>	<b>2,148</b>

## Parent Company balance sheet, condensed

SEK M	Note 1	2011 Sep. 30	2010 Sep. 30	2010 Dec. 31
<b>ASSETS</b>				
Intangible fixed assets		14		
<b>Total intangible fixed assets</b>		<b>14</b>		
Tangible fixed assets		113	243	138
Financial fixed assets		6,774	6,649	6,727
<b>Total fixed assets</b>		<b>6,901</b>	<b>6,892</b>	<b>6,865</b>
Housing projects		2,027	1,143	214
Materials and inventories		32	22	25
Current receivables		5,188	4,868	5,822
Short term investments		5,950	7,069	6,295
Cash and bank balances		1,235	1,007	819
<b>Total current assets</b>		<b>14,431</b>	<b>14,108</b>	<b>13,175</b>
<b>TOTAL ASSETS</b>		<b>21,332</b>	<b>20,999</b>	<b>20,039</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
Shareholders' equity		6,681	6,210	7,023
Untaxed reserves		331	513	331
Provisions		1,217	1,292	1,277
Long term liabilities		2,918	3,107	3,053
Current liabilities		10,187	9,877	8,355
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>21,332</b>	<b>20,999</b>	<b>20,039</b>
<b>Assets pledged</b>		<b>12</b>	<b>12</b>	<b>12</b>
<b>Contingent liabilities</b>		<b>15,450</b>	<b>12,921</b>	<b>12,955</b>

## Notes to the Parent Company's income statement and balance sheet

### NOTE 1. ACCOUNTING POLICIES

The Parent Company has compiled its interim report pursuant to the Swedish Annual Accounts Act (1995:1554) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities (September 2011). The latter one contains new principles regarding accounting of group contributions.

The interim report for the Parent Company has been prepared in accordance with the same accounting policies and methods of calculation as the 2010 Annual Report (Note 1, pages 56-63).

### Significant risks and uncertainties

#### GROUP

The recent uncertainty in the global economy has also led to concerns regarding the subsequent impact on the Nordic construction and property market. Future developments may in turn have an impact on the measurement of certain items that are based on appreciations and estimations. Values that

may be impacted include land held for future development and ongoing property development and housing projects. An account of the risks to which NCC may be exposed is presented in the 2010 Annual Report (pages 41-43). This description remains relevant.

#### PARENT COMPANY

Significant risks and uncertainties for the Parent Company are identical to those of the Group.

### Related-party transactions

The companies related to the Parent Company are the Nordstjernan Group, the Axel Johnson Group and NCC's subsidiaries, associated companies and joint ventures. The Parent Company's related-party transactions were of a production character. Related-company sales during the July-September quarter amounted to SEK 32 M (32) and purchases to SEK 126 M (120). For the January-September interim period, sales amounted to SEK 140 M (95) and purchases to SEK 397 M (343). The transactions were conducted on normal market terms.

## Events after the close of the quarter

As previously disclosed by NCC (press release, interim report and Annual Report), an investigation has been under way since 2010 into suspected infringements of Norwegian competition law. On October 17, the Norwegian Competition Authority issued a preliminary ruling to the effect that NCC will have to pay competition infringement damages corresponding to approximately SEK 200 million. The alleged infringements pertain to asphalt paving work in two areas during 2005-2008. NCC considers the amount of damages to be excessive, but admits to a number of circumstances. NCC is now evaluating the ruling by the Norwegian Competition Authority and has six weeks to refute it. Subsequently, the Competition Authority will arrive at its definitive ruling on the matter, which can then be heard in a court of law. NCC made a provision in the third quarter to cover any future payment liability, although the provision amount is significantly lower than the amount called for by the Norwegian Competition Authority.

Senior Vice President Corporate Communications Annica Gerentz vacated this position on October 10 and thereafter

will be available to assist the CEO. Ulf Thorné, currently Communication Manager for NCC Construction Sverige AB, will serve as Acting Vice President Corporate Communications until a successor for Annica Gerentz has been appointed.

## Reporting occasions

Year-end report 2011	February 1, 2012
Annual General Meeting	April 4, 2012
Interim report January-March	April 27, 2012
Interim report, January-June	August 15, 2012
Interim report, January-September	October 26, 2012

## Signature

Solna, October 28, 2011  
NCC AB

Peter Wågström  
*President and CEO*

## Review report

We have reviewed condensed interim financial information of NCC AB for the period January 1, 2011 to September 30, 2011. It is the Board of Directors and the President who are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on the interim financial information based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and a substantially more limited scope than an audit conducted in accordance with the International Standards on Auditing and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed on the basis of a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial information has not, in all material aspects, been compiled for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act, and for the Parent Company in accordance with the Swedish Annual Accounts Act.

Solna, October 28, 2011

PricewaterhouseCoopers AB

Håkan Malmström  
Authorized Public Accountant  
Auditor in charge

Ulf Westerberg  
Authorized Public Accountant

## Quarterly review

	2011	2011	2011	2010	2010	2010	2010	2009	2009
	Jul.-Sep.	Apr.-Jun.	Jan.-Mar.	Okt.-Dec.	Jul.-Sep.	Apr.-Jun.	Jan.-Mar.	Okt.-Dec.	Jul.-Sep.
<b>Financial statements, SEK M</b>									
Net sales	13,033	12,851	8,533	15,338	12,448	11,949	9,685	15,944	13,992
Operating profit/loss	612	545	-281	848	850	670	-114	767	1,180
Profit/loss after net financial items	553	502	-326	801	773	617	-182	664	1,046
Profit/loss for the period	411	369	-238	590	613	457	-134	481	879
<b>Cash flow, SEK M</b>									
Cash flow from operating activities	-250	-1,137	-1,111	1,322	241	-82	943	2,930	3,096
Cash flow from investing activities	-153	-297	-161	-115	-169	-87	-118	-61	-104
Cash flow before financing	-403	-1,435	-1,272	1,207	72	-169	824	2,869	2,992
Cash flow from financing activities	713	311	416	-1,171	97	416	-845	-2,505	-3,777
Net debt	4,621	4,302	1,700	431	1,610	1,734	930	1,784	4,657
<b>Order status, SEK M</b>									
Orders received	12,499	18,038	12,398	14,154	12,183	14,601	14,004	14,352	11,660
Order backlog	49,437	49,882	43,947	40,426	41,024	42,026	40,497	35,951	36,512
<b>Personnel</b>									
Average number of employees	16,799	16,050	15,147	16,731	16,314	15,596	14,707	17,745	17,512

## Summary of key figures

	2011	2010	2010	2010	2010	2009	2008 <sup>3)</sup>	2007 <sup>3)</sup>	2006 <sup>3)</sup>
	Jul.-Sep.	Jul.-Sep.	Okt. 10- Sep. 11	Okt. 09- Sep. 10	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.	Jan.-Dec.
<b>Profitability ratios</b>									
Return on shareholders equity, % <sup>1)</sup>	15	20	15	20	20	25	27	34	27
Return on capital employed, % <sup>1)</sup>	14	18	14	18	19	17	23	28	24
<b>Financial ratios at period-end</b>									
Interest-coverage ration, % <sup>1)</sup>	4.9	4.9	4.9	4.9	5.3	5.0	7.0	10.2	11.5
Equity/asset ratio, %	22	23	22	23	26	23	19	21	22
Interest bearing liabilities/total assets, %	18	16	18	16	14	15	15	10	9
Net debt, SEK M	4,621	1,610	4,621	1,610	431	1,784	3,207	744	430
Debt/equity ratio, times	0.6	0.2	0.6	0.2	0.1	0.2	0.5	0.1	0.1
Capital employed at period end, SEK M	13,894	12,622	13,894	12,622	12,390	12,217	12,456	10,639	9,565
Capital employed, average	12,878	12,400	12,878	12,400	12,033	15,389	11,990	10,521	10,198
Capital turnover rate, times	3.9	4.0	3.9	4.0	4.1	3.6	4.8	5.6	5.5
Share of risk-bearing capital, %	24	26	24	26	28	25	20	23	24
Average interest rate, % <sup>6)</sup>	4.4	4.2	4.4	4.2	4.6	4.5	5.9	5.2	4.8
Average period of fixed interest, years <sup>6)</sup>	1.0	0.8	1.0	0.8	1.5	1.8	1.6	1.8	2.6
<b>Per share data</b>									
Profit/loss after tax, before dilution, SEK	3.79	5.67	10.45	13.03	14.05	15.26	16.69	20.75	15.80
Profit/loss after tax, after dilution, SEK	3.79	5.67	10.45	13.04	14.05	15.26	16.69	20.73	15.74
Cash flow from operating activities, before dilution, SEK	-2.31	2.22	-10.85	37.19	22.35	59.39	1.18	9.51	20.03
Cash flow from operating activities, after dilution, SEK	-3.72	0.67	-17.55	33.17	17.84	54.96	-1.64	10.75	15.29
P/E ratio <sup>1)</sup>	11	11	11	11	11	8	3	7	12
Dividend, ordinary, SEK					10.00	6.00	4.00	11.00	8.00
Extraordinary dividend, SEK								10.00	10.00
Dividend yield, %					6.8	5.1	8.1	15.1	9.6
Dividend yield excl. extraordinary dividend, %					6.8	5.1	8.1	7.9	4.3
Shareholders' equity before dilution, SEK	70.06	69.36	70.06	69.36	74.81	68.91	63.10	66.48	62.86
Shareholders' equity after dilution, SEK	70.06	69.35	70.06	69.35	74.80	68.90	63.10	66.48	62.69
Share price/shareholders' equity, %	161	199	161	199	198	172	78	209	298
Share price at period-end, NCC B, SEK	113.00	137.80	113.00	137.80	147.80	118.25	49.50	139.00	187.50
<b>Number of shares, millions</b>									
Total number of issued shares <sup>2)</sup>	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4
Treasury shares at period-end	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3
Total number of shares outstanding at period-end before dilution	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.1
Average number of shares outstanding before dilution during the period	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.4	108.0
Market capitalization before dilution, SEK M	12,222	14,977	12,222	14,977	16,005	12,809	5,209	14,999	20,242
<b>Financial objectives and dividend</b>									
Return on shareholders equity, % <sup>1)</sup>	20	25	18	27	34	27			
Debt/equity ratio, times	0.1	0.2	0.1	0.5	0.1	0.1			
Dividend, ordinary, SEK	10.00	6.00	6.00	4.00	11.00	8.00			
Extraordinary dividend, SEK					10.00	10.00			

1) Calculations are based on a 12 month average.

2) All shares issued by NCC are common shares.

3) Columns are not recalculated according to IFRIC 15.

4) New objective as of 2007: 20 percent. Previous objective: 15 percent.

5) New objective as of 2010: < 1.5. Previous objective: < 1.0.

6) Excluding liabilities pertaining to Swedish tenant-owners' associations and Finnish housing companies.

For definitions of key figures, see p. 22 and Annual Report, p. 109.

## NCC in brief

### VISION

NCC's vision is to be the leading company in the development of future environments for working, living and communication.

### OBJECTIVE

NCC's overriding objective is to have the industry's highest production efficiency and the best employees and thereby be able to develop the most attractive customer offerings.

### BUSINESS CONCEPT – RESPONSIBLE ENTERPRISE

NCC develops and builds future environments for working, living and communication. Supported by its values, NCC and its customers jointly identify needs-based, cost-effective and high-quality solutions that generate added value for all of NCC's stakeholders and contribute to sustainable social development.

### ORGANIZATION

The Group conducts construction and development operations that extend from development to production and the aftermarket. The various operating sectors encompass the entire chain, but focus on different phases and have different capital requirements. The development operations are represented by NCC Housing and NCC Property Development and are characterized by early capital investments that are tied up for many years in, for example, a land investment or the sale of a finished project. The producing Construction units in NCC's construction and civil engineering operations require small amounts of tied-up capital and generate favorable cash flows. NCC Roads' operations are capital-intensive since they utilize such fixed

assets as asphalt plants and quarries. NCC Roads also accounts for most of the aftermarket through repair and maintenance activities for road networks.

### FOCUS AREAS OF THE STRATEGY

NCC's strategic orientation is to focus on products and services that give the Group a competitive edge over its competitors. The Group's geographical focus is on the Nordic region, Germany, the Baltic countries and St. Petersburg.

NCC's primary focus is on profitable growth and the Group aims to be a leading player in its existing and highly familiar markets. Growth must not compromise profitability and profitability is a prerequisite for growth. Achieving profitability requires a focus on quality and costs. Capitalizing on Group synergies across business areas and borders will strengthen the customer offering and lower the Group's costs. Sharper focus on the customer will strengthen NCC's position in the value chain. Since becoming the customers' first choice requires the foremost expertise and the best employees, the focus areas of the strategy are customers, costs and competence.

### CUSTOMERS

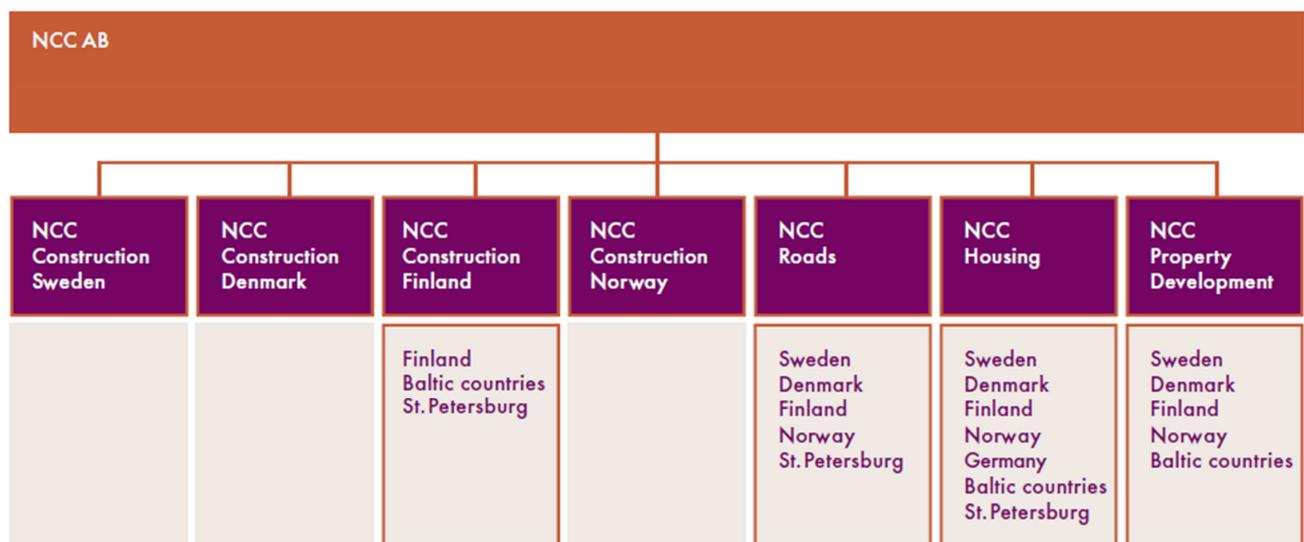
The most attractive customer offering.

### COSTS

The highest level of production efficiency.

### COMPETENCE

The best company to work for.



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## Information meeting

An information meeting with an integrated web and teleconference will be held on October 28 at 2:30 p.m. at Vallgatan 5 in Solna, Sweden. The presentation will be held in Swedish. To participate in this teleconference, call +46 (0)8 505 598 53, five minutes prior to the start of the conference. State "NCC".

In its capacity as issuer, NCC AB is releasing the information in this interim report for January-September 2011 pursuant to Chapter 17 of the Swedish Securities Market Act (2007:528). The information was distributed to the media for publication at 12.00 CET on Friday, October 28.

## Definitions

### INDUSTRY-SPECIFIC GLOSSARY

**Construction costs:** The cost of constructing a building, including building accessories, utility-connection fees, other contractor-related costs and VAT. Construction costs do not include the cost of land.

**Required yield:** The property yield required by NCC Property Development's and NCC Housing's investors for their investment, which is to be achieved through rental guarantees. Operating revenue less operating expenses divided by the investment value, also called yield.

**Proprietary project:** When NCC, for its own development purposes, acquires land, designs a project, conducts construction work and then sells the project. Pertains to both housing projects and commercial property projects.

**Leasing rate:** The percentage of anticipated rental revenues that corresponds to signed leases (also called leasing rate based on revenues).

### FINANCIAL KEY FIGURES

**Return on equity:** Net profit for the year according to the income statement excluding non-controlling interests, as a percentage of average shareholders' equity.

**Return on capital employed:** Profit after financial items including results from participations in associated companies following the reversal of interest expense in relation to average capital employed.

**Dividend yield:** The dividend as a percentage of the market price at year-end.

**Net indebtedness:** Interest-bearing liabilities and provisions less financial assets including cash and cash equivalents.

**Net sales:** The net sales of construction operations are recognized in accordance with the percentage-of-completion principle. These revenues are recognized in pace with the gradual completion of construction projects within the company. For NCC Housing, net sales are recognized when the housing unit is transferred to the end customer. Property sales are recognized on the date on which significant risks and benefits are transferred to the buyer, which normally coincides with the transfer of ownership. In the Parent Company, net sales correspond to recognized sales from completed projects.

**Orders received:** Value of received projects and changes in existing projects during the period concerned. Proprietary projects for sale, if a decision to initiate the assignment has been taken, are also included among assignments received, as are finished properties included in inventory.

**Order backlog:** Period-end value of the remaining non-worked-up project revenues for projects received, including proprietary projects for sale that have not been completed.

**Capital employed:** Total assets less interest-free liabilities including deferred tax liabilities. Average capital employed is calculated as the average of the balances per quarter.

Rounding-off differences may arise in all tables.

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