



Q1 2014

Investor presentation
Thursday, 8 May 2014

Contents

- Highlights
Chief Executive Officer Arne Giske
- Profit and loss, segments and Group
Vice President Terje Larsen, CFO
- Areas of focus
Chief Executive Officer Arne Giske



Lista wind power plant

Picking up the
pace moving
into 2014



Maria Strøm Nakstad



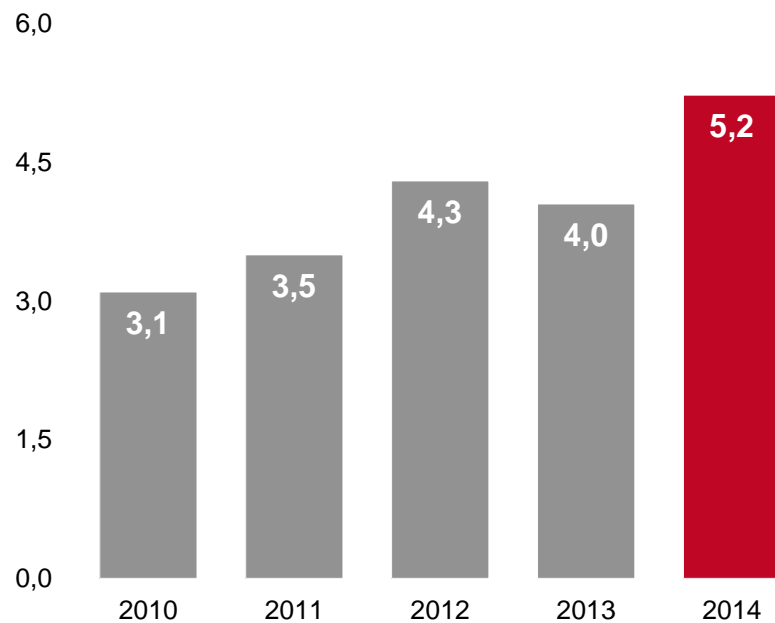
Positive trend continues in Q1

- Strong growth in sales
- Considerable improvement in profits
- Good backlog of orders

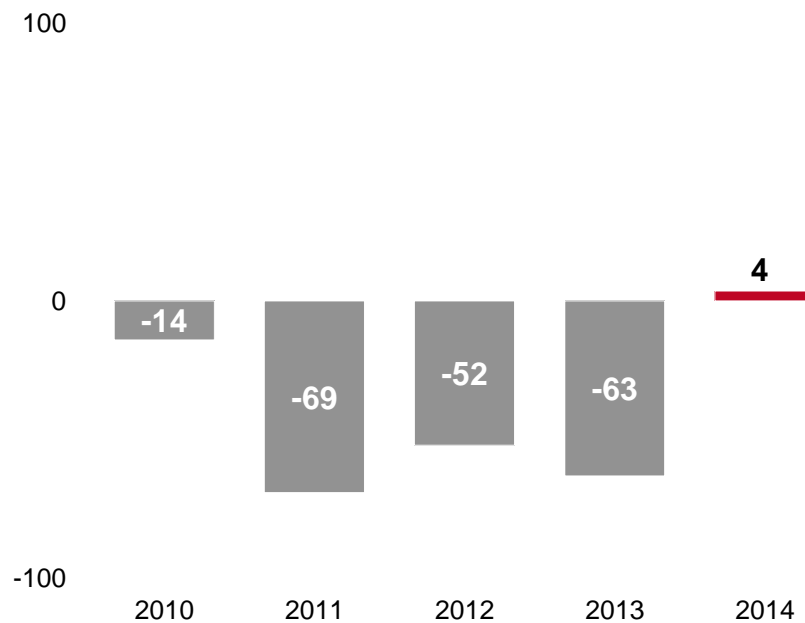


Key figures

Q1 sales
NOK billion

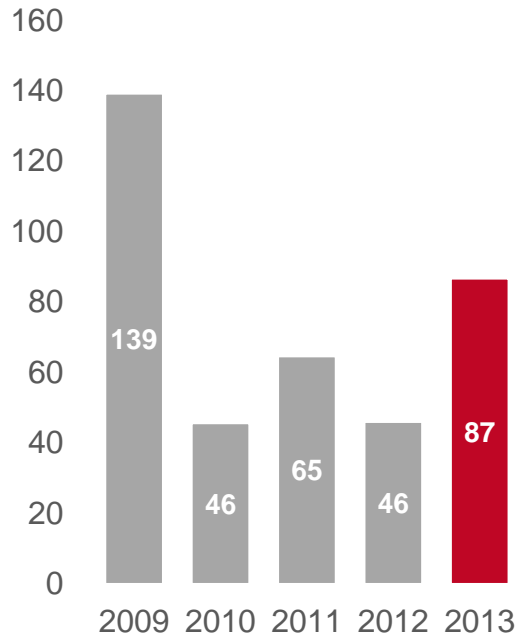


Q1 earnings before tax
MNOK

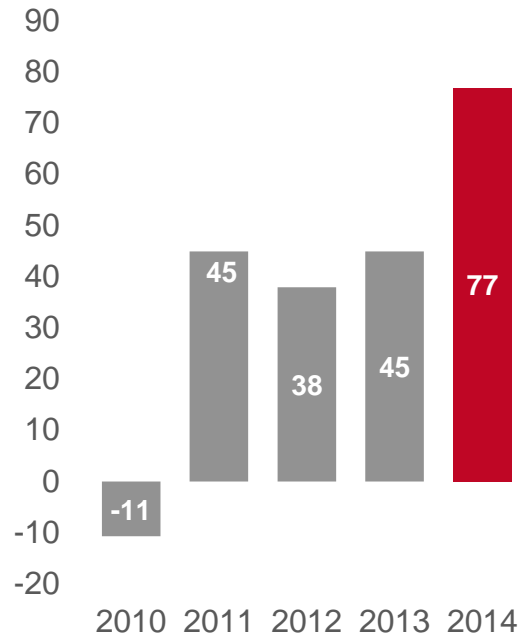


Strong in all segments

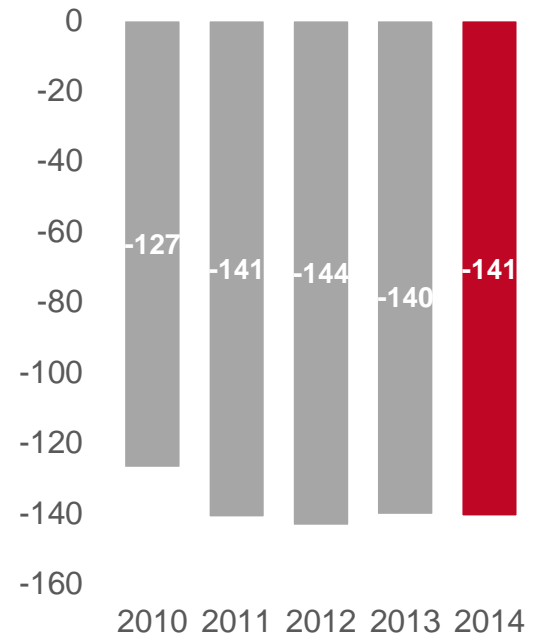
EBT: Construction
Q1 MNOK



EBT: Property
Q1 MNOK



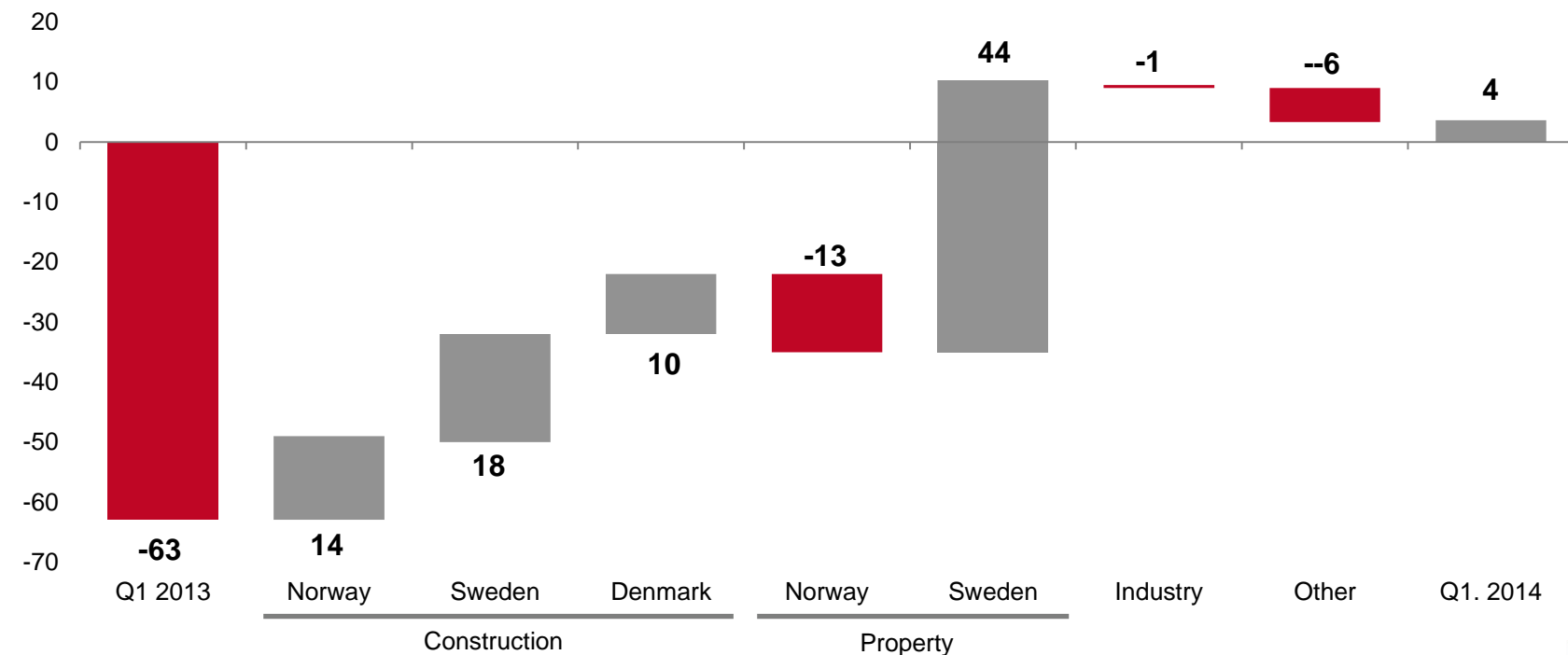
EBT: Industry
Q1 MNOK



Change in earnings before tax

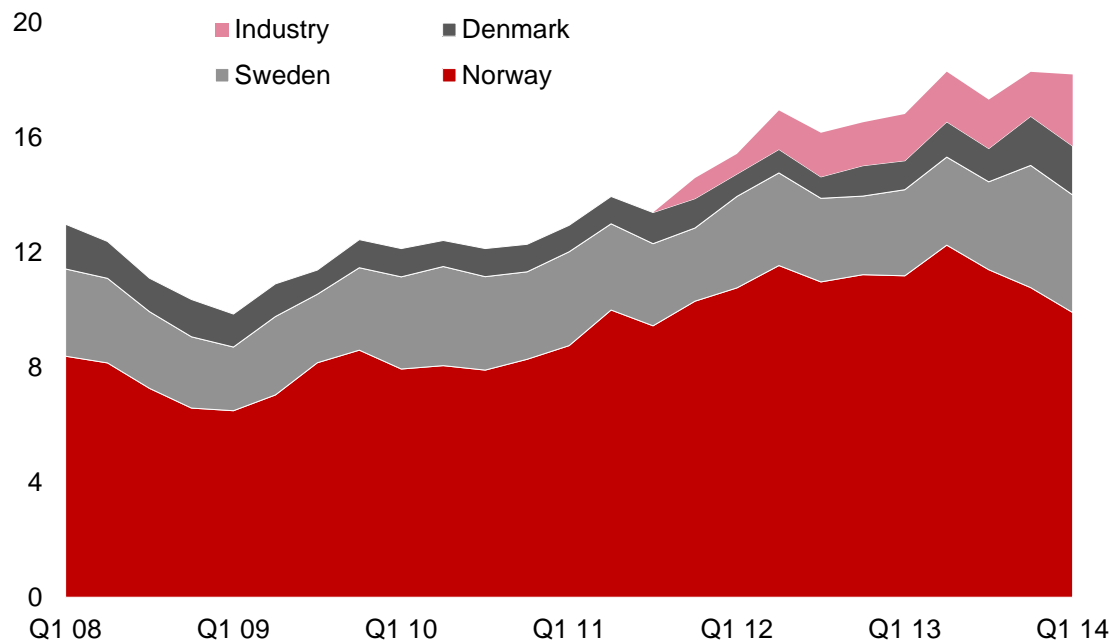
Earnings before tax

MNOK

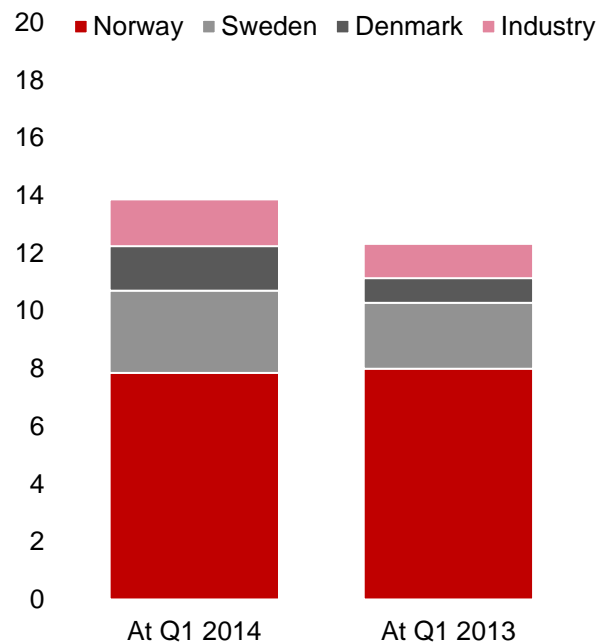


Good order backlog

Order backlog
MNOK



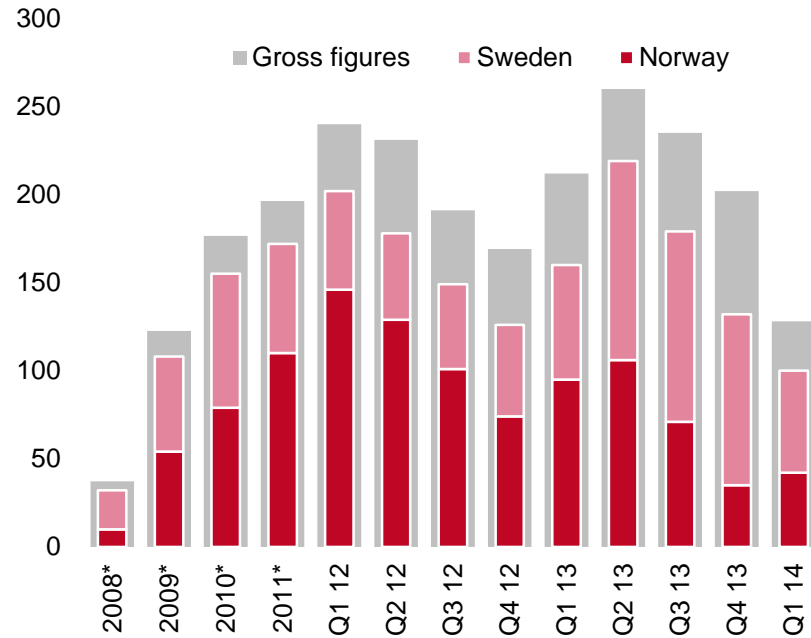
Order coverage next 12 months
MNOK



Lower sales in Property

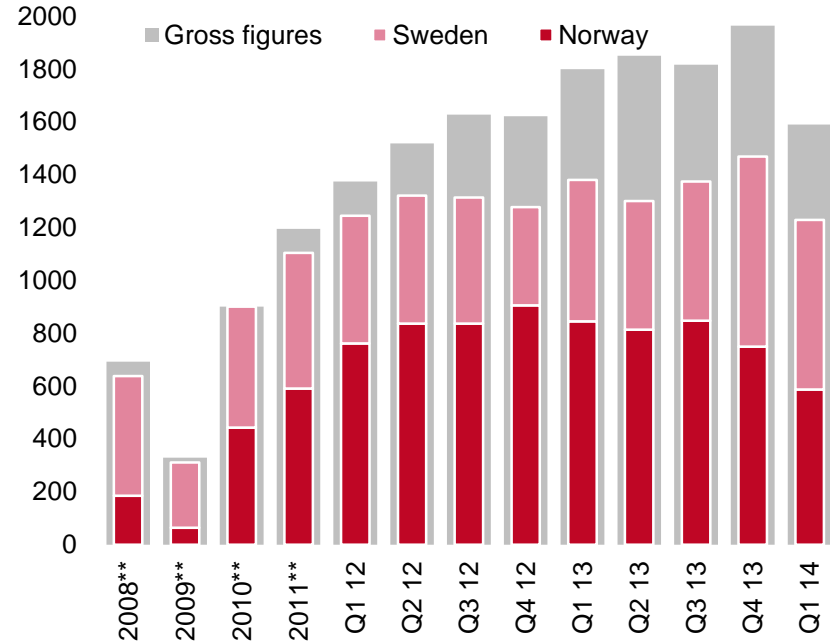
Sales during the quarter

Number of units



Under production at end quarter

Number of units

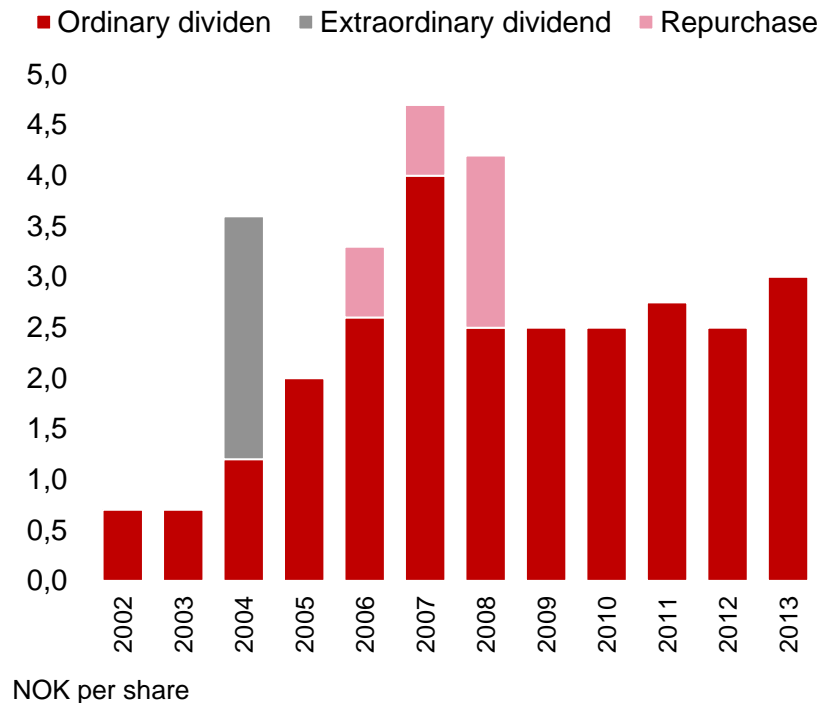


*Quarterly average

**Year end

General Meeting held on 7 May 2014

- Dividend of NOK 3.00 per share adopted
 - Total dividends of MNOK 401
 - To be paid out on 23 May
- Authorisation for the buy-back of shares and share issue continued
- No changes in the composition of the Board



Health, Safety and the Environment

Lost time injury rate (LTI)

Number of lost time injuries per million hours worked

Accumulated*	At Q1 14	At Q4 13	At Q1 13
Norway	5.5	4.2	6.1
Sweden	12.5	11.7	12.1
Denmark	2.8	1.5	4.9
Scandinavia	6.3	5.2	6.9

Absence due to illness

Per cent

Accumulated*	At Q1 14	At Q4 13	At Q1 13
Norway	4.7	4.4	4.8
Sweden	4.4	3.6	3.6
Denmark	1.1	1.3	1.7

*12-month rolling



Robust start to 2014

Good quality order
backlog

Strong financial
position





Vännerbanen and E45, Gothenburg

Business areas

Business Areas Q1

	Q1 2014			Q1 2013		
Figures in MNOK	Operating rev.	EBT	Margin	Operating rev.	EBT	Margin
Construction Norway	2 806.0	63.8	2.3%	2 572.6	50.3	2.0%
Construction Sweden	1 093.1	5.9	0.5%	735.0	-11.6	-1.6%
Construction Denmark	419.4	17.0	4.0%	282.8	7.3	2.6%
Total Construction	4 318.4	86.7	2.0%	3 590.4	46.0	1.3%
Property Norway	210.8	33.1	15.7%	290.1	46.4	16.0%
Property Sweden	539.3	43.8	8.1%	115.5	-1.5	-1.3%
Total Property	750.1	76.9	10.3%	405.6	44.9	11.1%
Veidekke Industry	403.4	-140.9	-34.9%	287.5	-140.4	-48.8%
Other	-244.3	-19.1	-	-234.4	-13.4	-
Total Group	5 227.6	3.6	0.1%	4 049.1	-62.9	-1.6%

Construction Operations in Norway

- High level of activity
 - Sales up 9%
 - Construction with fastest growth 18%
- Higher profit margin, 2.3%
 - Improved margins in Building, stable in Construction
- Good cash flow
 - Certain disputes were resolved during the period, but the level of disputes is still too high in transport infrastructure projects
- Decline in order backlog, but good overall order coverage
 - Slower activity in housing
 - Better project mix in Construction
 - Good quality backlog of orders

Figures in MNOK	Q1 2014	Q1 2013	2013
Operating income	2 806.0	2 572.6	12 131.7
Operating profit (EBIT)	47.0	42.0	333.8
Net financial items	16.8	8.3	26.0
Earnings before tax (EBT)	63.8	50.3	359.9
Profit margin (%)	2.3	2.0	3.0
Order backlog	9,902	11 179	10 769

Construction operations in Sweden

- Rapid growth in sales 40%
 - Arcona traded for MNOK 250 during the quarter
 - Good production in Construction
- Negative performance trend turned around
 - Continued weak profitability in certain units
- Business developing favourably
 - The acquisition of Arcona has met expectations, development of projects jointly
 - Key people in place
- Order backlog stable
 - New orders primarily in Building
- Positive outlook
 - Housing
 - Infrastructure

Figures in MNOK	Q1 2014	Q1 2013	2013
Operating income	1 093.1	735.0	3 499.4
Operating profit (EBIT)	5.9	-12.6	12.8
Net financial items	0.0	0.9	-1.4
Earnings before tax (EBT)	5.9	-11.6	11.4
Profit margin (%)	0.5	-1.6	0.3
Order backlog	4 089	2 995	4 250

Construction operations in Denmark

- Increased operating income by 49%
 - High production in the largest projects
- Strong profitability
 - Continued generally good margins
- The 'participative collaboration' concept a success factor
 - '2013 Process Prize' awarded to Hoffmann
- Selectivity in choice of projects/customers
- Good order backlog

Figures in MNOK	Q1 2014	Q1 2013	2013
Operating income	419.4	282.8	1 336.5
Operating profit (EBIT)	14.7	6.0	65.7
Net financial items	2.3	1.3	8.6
Earnings before tax (EBT)	17.0	7.3	74.3
Profit margin (%)	4.0	2.6	5.6
Order backlog	1 700	1 007	1 709

Property development in Norway

- Lower sales and profits
 - Reduced production and sales, especially in eastern Norway
 - More projects in collaboration with others
- Moderate increase in sales from preceding quarter, signs of market recovery
- Several smaller projects ready for sale in Q2 and Q3
- Land bank of 3 900 units divided among 41 projects

	Q1 2014	Q1 2013	2013
Operating income	210.8	290.1	1 069.8
Operating profit (EBIT)	32.6	41.6	160.0
Net financial items	0.5	4.8	10.0
Earnings before tax (EBT)	33.1	46.4	170.1

Capital invested	1 867	1 998	2 017
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	Q1 14	Q4 13	Q1 13	2013
Number of project starts	1	3	2	12
Number of units under production	537	749	845	749
Number of units sold	42	35	95	307
Sales ratio	66%	71%	78%	71%

Property development in Sweden

- Rapid growth in operating income
 - Housing production on the rise
 - Project starts
- Substantial improvement in profits
 - Higher contribution from housing projects
 - Gains on project sales
- Decline in sales from preceding quarter, good sales of central projects
- Land bank of 7 100 units divided among 80 different projects
- Good housing market
 - Continued low interest rate
 - Political will to build more housing

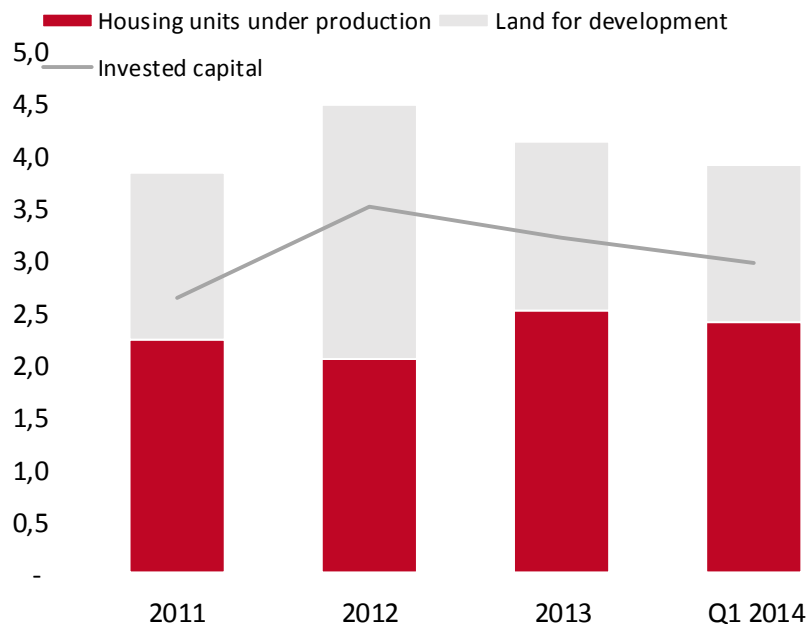
	Q1 2014	Q1 2013	2013
Operating income	539.3	115.5	712.8
Operating profit (EBIT)	47.4	1.8	54.5
Net financial items	-3.5	-3.2	-4.0
Earnings before tax (EBT)	43.8	-1.5	50.5

Capital invested	1 102	1 305	1 207
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	Q1 14	Q4 13	Q 1 13	2013
Number of project starts	3	3	3	9
Number of units under production	642	720	536	720
Number of units sold	58	97	65	384
Sales ratio	81%	76%	76%	76%

Capital tied up in Property

Capital in Property NOK billion



- Invested capital: NOK 3.0 bill.
 - Norway: NOK 1.9 bill.
 - Sweden: NOK 1.1 bill.
- Total assets: NOK 3.9 bill.
 - Housing units under construction NOK 1.5 bill.
 - 75% sales ratio
 - Land NOK 2.4 bill.
 - Norway NOK 1.2 bill.
 - Sweden NOK 1.2 bill.
- Capital framework: Invested capital NOK 3.5 bill.

Industry operations

- Seasonally low activity
 - Increased sales linked to Operations and Maintenance
 - Performance on a par with preceding year
- High percentage of Public Roads Administration's asphalt tenders
 - Order backlog NOK 1.4 billion
- Net four new contracts in Operations and Maintenance
 - Order backlog NOK 1.1 billion (next 18 months.)
- Good demand for Crushed stone and Gravel

	Q1 2014	Q1 2013	2013
Operating income	403.4	287.5	3 475.9
Operating profit (EBIT)	-134.4	-135.3	178.0
Net financial items	-6.5	-5.2	-19.8
Earnings before tax (EBT)	-140.9	-140.4	158.2

Profit margin (%)	-34.9	-48.8	4.6
Capital invested	1 055	919	982
Order backlog	2 492	1 627	1 545

Earnings Q1 2014	Asphalt	Stone	Road Maint.
Operating income	78.4	74.6	250.4
Earnings before tax (EBT)	-133.4	-13.8	6.3



Raggovidda Wind Farm

Consolidated Financial Statement (IFRIC 15)

Income statement

	Q1 2014	Q1 2013	2013
Operating revenues	5 306.2	4 234.2	21 780.9
Operating expenses	-5 218.6	-4 247.5	-20 833.3
Profit, associated companies	21.5	2.3	65.2
Depreciation	-81.3	-73.2	-321.1
Operating profit (EBIT)	27.9	-84.2	691.7
Net financial items	11.7	8.4	26.6
Earnings before tax (EBT)	39.6	-75.8	718.3
Tax	-8.9	17.1	-162.6
Profit for the year	30.7	-58.7	555.8
Of which, non-controlling interests	1.7	-3.7	12.1
Net profit for the period	29.0	-55.0	543.7
Earnings per share (NOK)	0.2	-0.4	4.1
Earnings before tax (EBT), segment	3.6	-62.9	775.8

Balance sheet – Assets

Figures in MNOK (IFRIC 15)	31 March 2014	31 March 2013	2013
Goodwill and intangible assets	863.3	687.2	879.7
Deferred tax asset	55.5	62.4	55.5
Buildings/land	494.2	512.3	499.5
Machinery, etc.	1 239.4	1 210.4	1 229.6
Investments in associated companies	951.2	748.1	908.3
Financial items	407.6	414.8	417.4
Total fixed assets	4 011.2	3 635.3	3 990.0
Non-residential and residential projects (sites included)	2 856.1	3 465.1	3 147.7
Inventories	325.5	358.2	307.9
Accounts receivable	3 354.7	3 412.9	3 457.2
Cash and cash equivalents	868.8	138.5	763.6
Total current assets	7 405.1	7 374.6	7 676.3
Total assets	11 416.4	11 009.9	11 666.4

Balance Sheet - Equity and liabilities

Figures in MNOK (IFRIC 15)	31 March 2014	31 March 2013	2013
Equity	2 470.0	2 150.0	2 466.4
Pension liability and deferred tax	558.9	461.3	557.6
Bonds	750.0	-	750.0
Liabilities to credit institutions etc.	344.2	1 198.1	53.4
Other non-current liabilities	40.4	28.3	36.5
Total non-current liabilities	1 693.5	1 687.6	1 397.5
Commercial papers and liabilities to credit institutions	471.9	616.9	672.4
Trade payables and warranty provisions	3 442.9	3 450.7	3 769.1
Public duties and tax payable	760.9	433.7	669.5
Other current liabilities	2 577.2	2 671.0	2 691.4
Total current liabilities	7 252.9	7 172.3	7 802.4
Total equity and liabilities	11 416.4	11 009.9	11 666.4
Net interest-bearing position	-396.6	-1 358.4	-395.7
Equity ratio (%)	21.6	19.5	21.1

Statement of cash flows

	Q1 2014					Q1 2013
Amounts in MNOK (IFRIC 15)	Construction /Other	Property	Industry	Dividend	Group	Group
Earnings before tax	103.6	76.9	-140.9	-	39.6	-75.8
Depreciation and write-downs	46.0	1.6	33.8	-	81.3	73.2
Other working capital, etc.	1.1	172.1	-60.2	-	113.0	208.2
Cash flow, operating activities	150.6	250.5	-167.3	-	233.8	205.6
Investments production equipment, net	-28.2	-0.5	-43.4		-72.0	-34.9
Changes in other investments, etc.	-170.4	24.8	0.3	-	-145.3	-16.8
Cash flow, investing activities	-198.6	24.3	-43.1	-	-217.4	-51.7
Dividend paid	-	-	-			
Change, other financing	0.3	-8.7	-9.0	-	-17.4	-6.5
Cash flow, financing activities	0.3	-8.7	-9.0	-	-17.4	-6.5
Change, interest-bearing liabilities	-47.7	266.1	-219.4	-	-0.9	147.3
Invested capital at 31 March 2014	11	2 970	1 055		4 036	3 978



Motorway 73 between Stockholm and Nynäshamn

Focus on the tasks at hand

Veidekke's main responsibilities

SECURE ASSIGNMENTS



PERFORM ASSIGNMENTS



STRATEGY

- In keeping with Veidekke's expertise and capacity
- Appropriate margin and risk profile
- Ensuring that HSE is taken into account

- Participative collaboration
- Good production
- Injury-free Veidekke

TARGET FIGURES

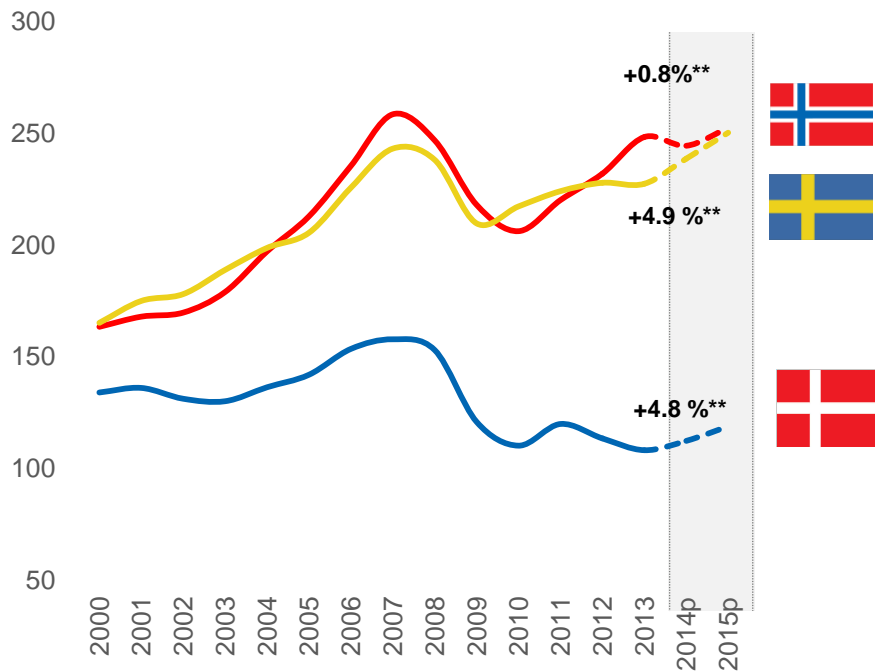
- Orders received
- Quality of the order backlog; margin and risk
- Order coverage

- Project and profit margin
- Customer satisfaction
- Lost time injury rate (LTI)

The B/C markets in Scandinavia

- Norway: Continued positive outlook
 - B/C investments flattening out
- Sweden: Economic trends picking up
 - B/C investments on the rise
- Denmark: Gradual improvement
 - Growth in B/C, but a lot of room for improvement

Investments in B/C
NOK billion* 2011 prices. Growth in % for 2014-2015

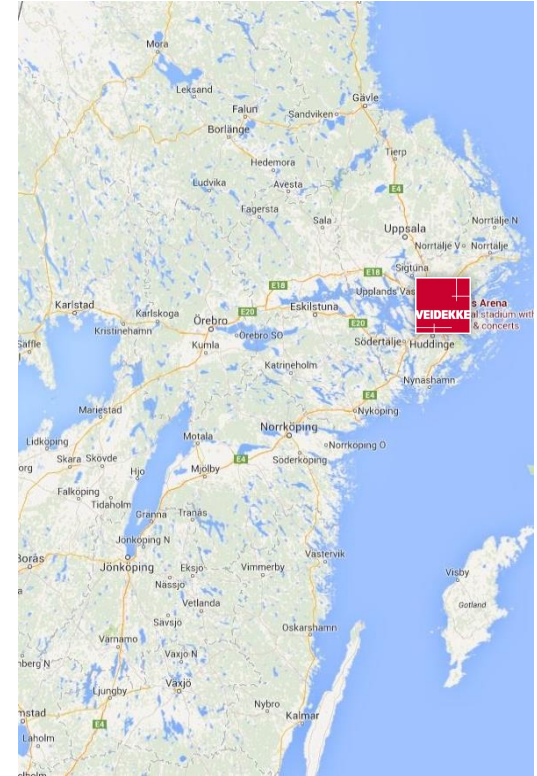
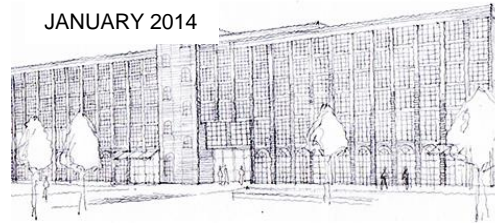


Source: Veidekke, SCB, DST and Statistics Norway

* Foreign exchange rates in Q4 2013
** Compound annual growth rate (CAGR)

The Winery Hotel in Stockholm

- Turnkey project for building a new concept hotel for Fabege
- Contract value of SEK 200 million
- Cooperation between Building Stockholm and Arcona



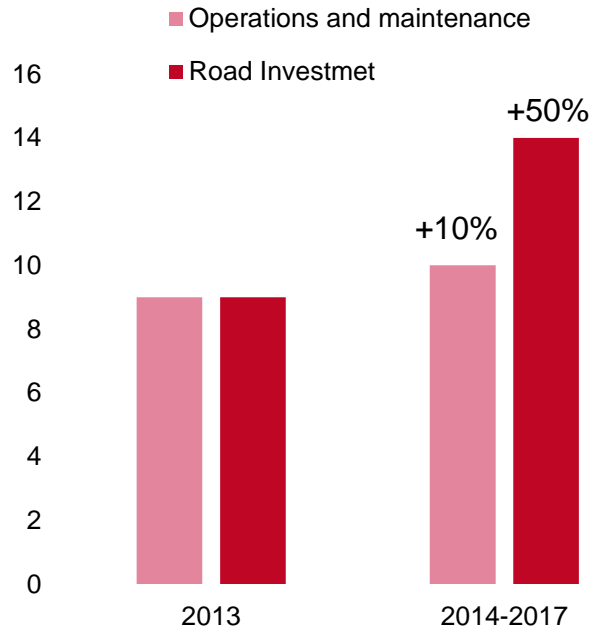
OSL Gardermoen

- Three new assignments for Oslo Lufthavn AS (OSL) worth a total of roughly NOK 700 million
- 120-metre extension of the bridge outside the main terminal at OSL
- Building and construction works in connection with extension of taxi runway Tango and construction of new taxi runway Bravo
- Completion in July 2016



Industry advancing in a growing market

National Transport Plan NOK billion per year



Source: National Transport Plan



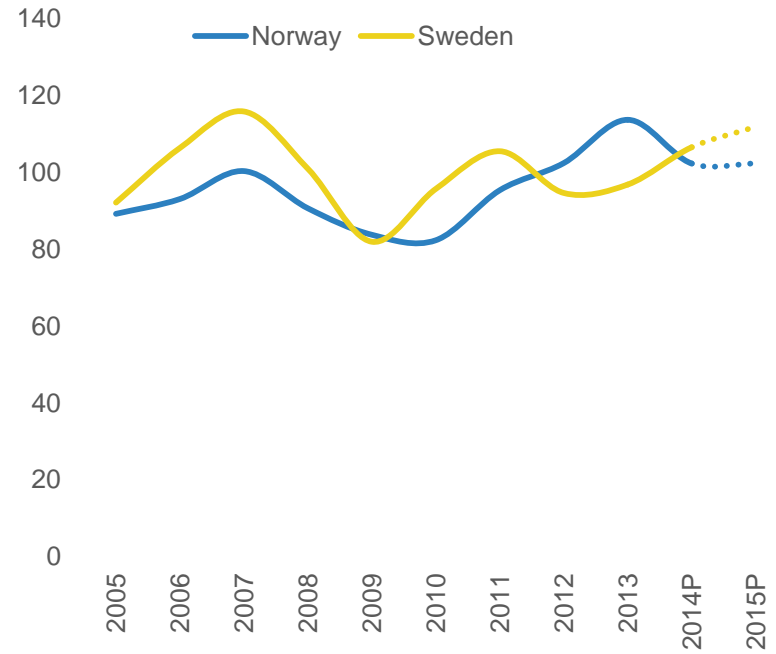
OPERATIONS AND MAINTENANCE CONTRACTS



Housing market

- A large and long-term need for housing in both Norway and Sweden
 - Population growth
 - Immigration
 - Urbanisation
- The fundamental premises are present for Veidekke:
 - Land bank
 - Competence
 - Capital

Investments in housing
SEK and NOK billion (2011 values)



Source: Veidekke

Land bank

- A total of 13 600 units
 - Veidekke's share 11 000
- In Norway:
 - 6 100 units
 - Veidekke's share 3 900
- In Sweden
 - 7 500 units
 - Veidekke's share 7 100
 - 70% options



Veidekke's main responsibilities

SECURE ASSIGNMENTS



PERFORM ASSIGNMENTS



STRATEGY

- In keeping with Veidekke's expertise and capacity
- Appropriate margin and risk profile
- Ensuring that HSE is taken into account

- Participative collaboration
- Good production
- Injury-free Veidekke

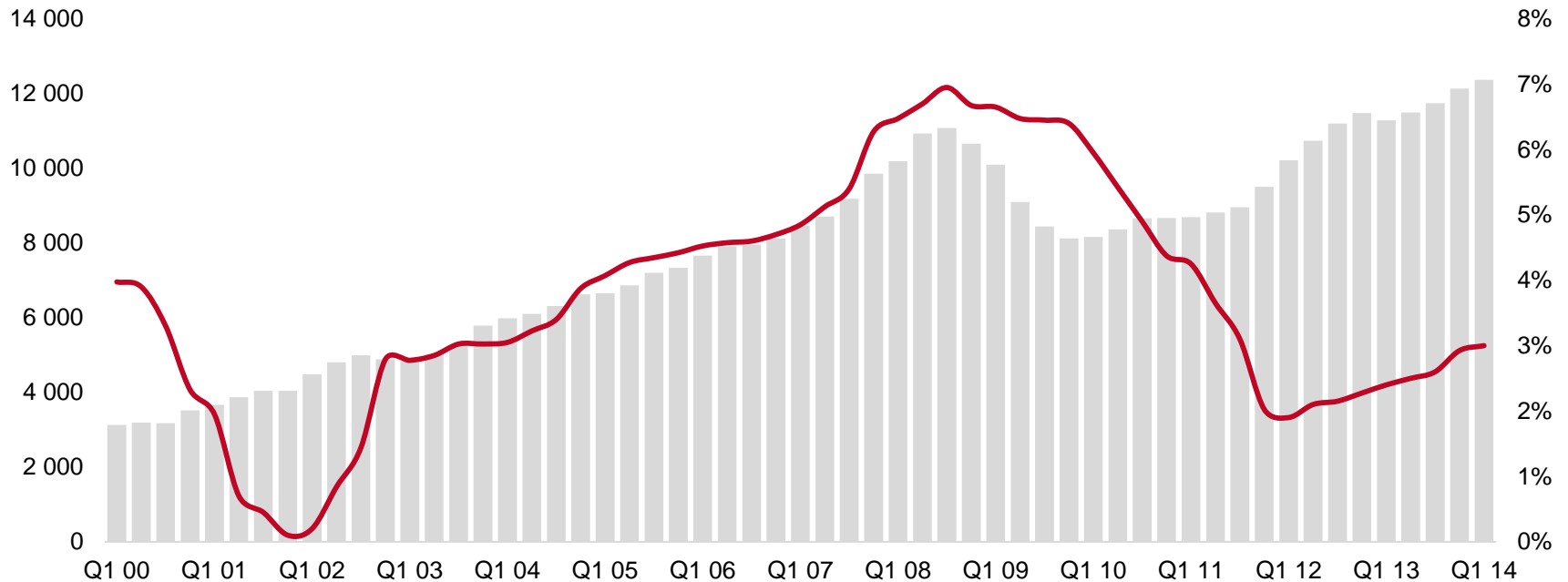
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- Quality of the order backlog; margin and risk
- Order coverage

- Project and profit margin
- Customer satisfaction
- Lost time injury rate (LTI)

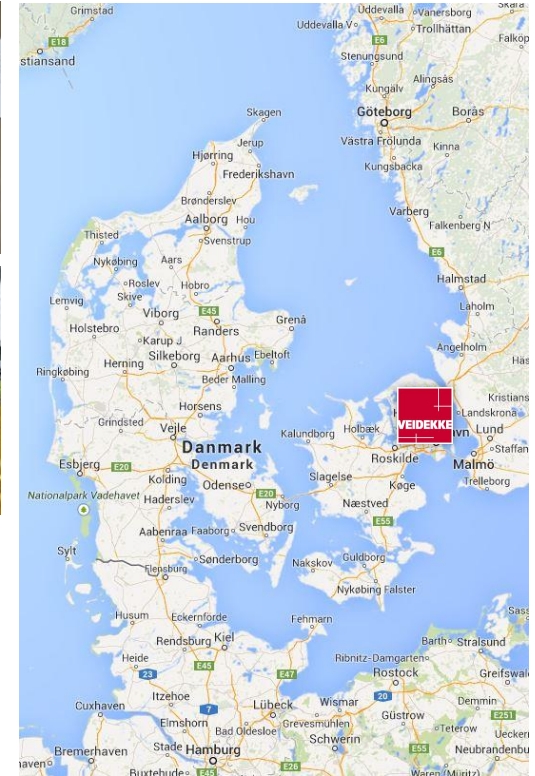
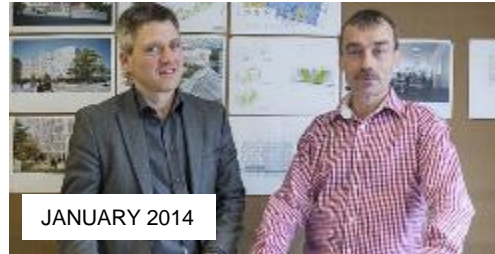
Improved margins

12-month rolling sales and profit margin in Construction Norway
Percentage and MNOK



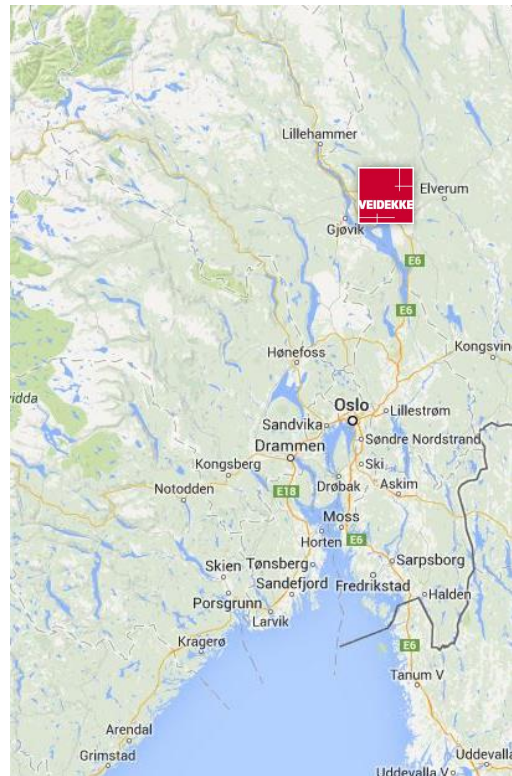
Microsoft's head office in Denmark

- The contract is a turnkey project worth DKK 450 million
- 18 000 m² of office space and a parking facility covering 12 000 m²
- The project is a result of teamwork between all areas of expertise



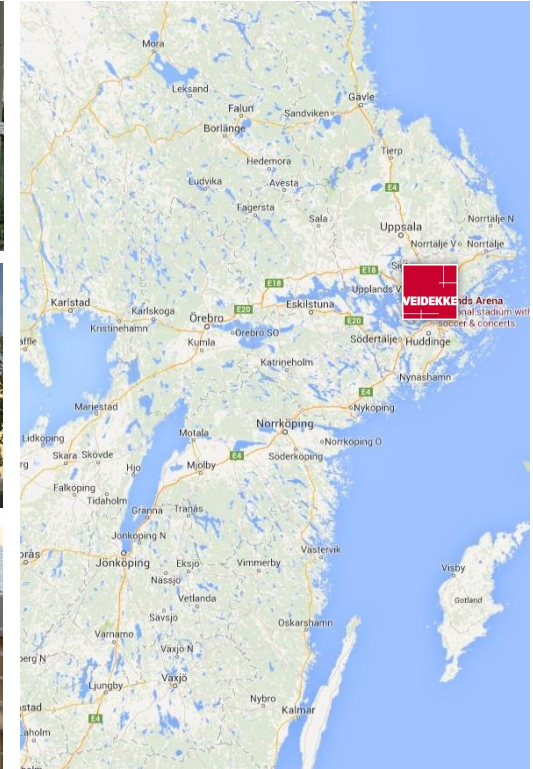
CC Hamar Stadium

- The project is a turnkey project with a total value of NOK 900 million
- Shops, offices, parking facilities and more
- The private housing part of the project is developed together with OBOS/Veidekke Property (53 units)
- The project consists of about 65 000 m² of new buildings



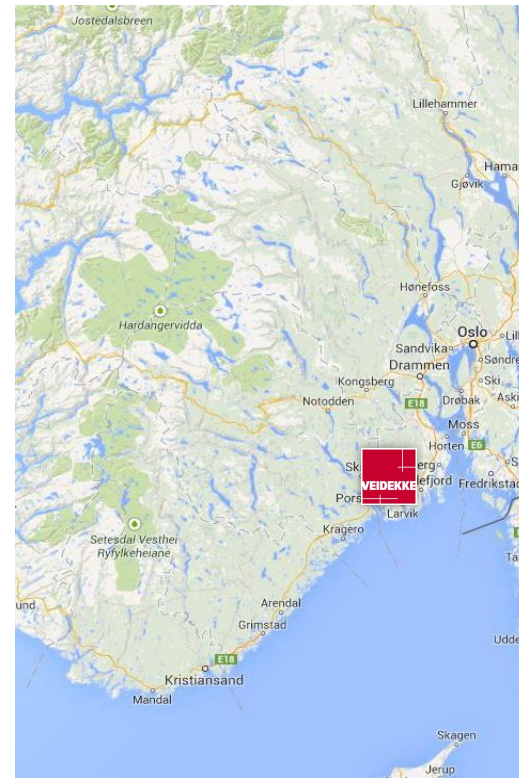
Svea Fanfar

- Veidekke is developing and constructing a new housing area
- Unique location on Östermalm in Stockholm
- 360 apartements with a high standard
- Development in several steps over the period 2013-2020



UFP 05 Skillingsmyr

- A new line on the Vestfold Line
- Contract value of NOK 960 millioner
- 5,75 km double tracks between Farriseidet – Porsgrunn
- The project includes two tunnels and two bridges



Areas of focus



Improvement in profitability

- Continuing to strengthen the organisation and position in weak units
- Selective in the choice of projects
- Project margins, smooth operations and HSE
- Exploit available capacity in tunnel operations in Sweden



Focus on sales and products

- Get projects ready for sale
- Optimise the land bank
- Enhance the turnaround time from project to sold housing unit



Focus on operations

- Implementation capacity and cost awareness
- Taking part in the growing market for investments in the road network

Summary

2014 off to a good start

- Improved margins in Norway
- Sweden is on the road to recovery
- Denmark delivering robust results

Areas of focus

- Focus on units with weak profitability
- Selective when choosing projects
- Get housing projects ready for sale

Positive outlook

- The markets are on the road to recovery in Sweden
- Housing crisis 'called off' in Norway
- Large public investments planned

Q2 2014

14 August 2014

Economic Activity Report

15 September 2014

Welcome back

Konjunkturrapport FOR DE SKANDINAVISKE LANDENE

- Norge – fortsatt positive utsikter
- Sverige – konjunktorene på vei opp
- Danmark – gradvis bedring

Mars 2014



APPENDICES

Business areas

Figures in MNOK	2013			2012		
	Operating rev.	EBT	Margin	Operating rev.	EBT	Margin
Construction Norway	12 131,7	359,9	3,0 %	11 480,2	356,7	3,1 %
Construction Sweden	3 499,4	11,4	0,3 %	3 555,6	87,7	2,5 %
Construction Denmark	1 336,5	74,3	5,6 %	1 275,1	52,3	4,1 %
Total Construction	16 967,5	445,6	2,6 %	16 310,9	496,7	3,0 %
Property Norway	1 069,8	170,1	15,9 %	1 341,1	173,8	13,0 %
Property Sweden	712,8	50,5	7,1 %	769,6	-0,8	-0,1 %
Total Property	1 782,6	220,5	12,4 %	2 110,7	172,9	8,2 %
Veidekke Industry	3 475,9	158,2	4,6 %	3 192,5	38,3	1,2 %
Other	-1 035,1	-48,5	-	-1 154,0	-27,6	-
Total Group	21 190,8	775,8	3,7 %	20 460,1	680,4	3,3 %

Housing portfolio

Property Housing portfolio - Net	In production at 31 Dec. 2012	Completed 2013	Start-up 2013	In production at 31 Dec. 2013	Completed 2014	Start-up 2014	In production at 31. March 2014
Production - number of homes							
Norway	906	-500	343	749	-231	19	537
Sweden	371	-135	485	720	-142	64	642
Total in the production	1 277	-635	828	1 469	-373	83	1 179
Of which sold							
Norway	722			533			361
Sweden	293			548			519
Total sold in the production	1 015			1 081			880
Sales rate %	80 %			74 %			75 %
Finished unsold dwellings							
Norway	10			16			33
Sweden	13			6			7
Denmark	-			-			-
Total done unsold dwellings	23			22			40
Number of projects under production							
Norway	25	-14	12	23	-6	1	18
Sweden	7	-2	9	14	-2	5	17
Total of projects under production	32	-16	21	37	-8	6	35