



Q1

First quarter  
2023

# Key figures

Figures in NOK million	Q1 2023	Q1 2022	2022
Revenue	9 461	8 369	38 658
Profit/loss before tax	-147	-55	1 467
Construction Norway	136	108	530
Infrastructure Norway	-303	-149	496
Construction Sweden	10	30	140
Infrastructure Sweden	-8	-9	290
Denmark	55	31	213
Other	-38	-66	-203
Profit margin	-1.6%	-0.7%	3.8%
Operating profit/loss before depreciation and amortisation (EBITDA)	84	197	2 446
Shareholders' profit/ loss share	-120	-54	1 092
Profit/loss per share (NOK)	-0.9	-0.4	8.1
Net interest-bearing assets	2 504	3 289	2 840
Net cash flow from operations	320	1	1 409
Return on equity past 12 months	40%	36%	43%
Order book	43 092	39 571	41 334
Order intake	10 331	10 395	39 032
LTI rate	3.9	5.4	3.0
Sickness absence	6.2%	4.7%	5.5%

# Results Q1 2023

**Veidekke achieved revenues of NOK 9.5 billion in Q1. A dispute with the Norwegian Public Roads Administration was settled with a negative impact on earnings. The underlying loss was NOK -37 million before tax. The group's order book totalled NOK 43.1 billion at quarter-end. The loss per share was NOK -0.9.**

“The underlying performance of the group's operations is strong, in a first quarter that displayed the customary seasonal downturn,” says Group CEO Jimmy Bengtsson.

“We have reached an agreement with the National Public Roads Administration in the dispute over E39 Svegatjørn–Rådal, a project started in 2015. This dispute has been with us over many years and has required considerable time and resources both from us and the client. Although the outcome of the negotiations was not what we had originally envisioned, we look forward to putting this matter behind us,” says Bengtsson.

“We are very pleased that our order intake has remained so robust despite difficult market conditions, and that we have been able to boost revenues by 13% compared to the same quarter last year,” says Bengtsson.

“Although the market is more challenging now, with longer lead times and some project deferments, Veidekke has strengthened its order book thanks to the strong overall inflow of new projects at the start of 2023,” says Jimmy Bengtsson.

“However, there are substantial variations between our different geographical regions and market segments. In Sweden, a generally weak residential market is currently the greatest challenge, while in other regions the primary difficulty is uncertainty about next year's activity levels,” says Bengtsson.

The group's quarterly order intake was NOK 10.3 billion, compared to NOK 10.4 billion in Q1 2022. Around two-thirds of the order book will be converted into revenue in the next 12 months. At quarter-end, the order book amounted to NOK 43.1 billion, up 4%

since the beginning of the year and up 9% compared to the same period last year. Measured against local currencies, the order book was on a par with year-end 2022.

Veidekke achieved revenues of NOK 9.5 billion in Q1 2023, compared to NOK 8.4 billion in the first quarter of 2022. The construction operations in Norway and Denmark and Infrastructure Sweden improved their revenues. Construction Sweden's revenue performance was on a par with last year, while Infrastructure Norway's revenues fell by 18%.

In 2015, Veidekke and the Norwegian Public Roads Administration entered into an agreement on construction of the project E39 Svegatjørn–Rådal outside Bergen. The project resulted in several disputes, the final settlement included. The main legal hearing regarding the disputed final settlement was scheduled for September 2023. The parties have agreed to a negotiated settlement, and the case is now closed. The settlement resulted in a loss of NOK -110 million for Veidekke in Q1, and capital influx of NOK 300 million which will be recorded in Q2 and Q3.

The loss for the quarter totalled NOK -147 million. With the settlement of the dispute taken into account, the underlying loss was NOK -37 million, compared to a loss of NOK -55 million in Q1 2022, where the Q1 2022 result included extraordinary finance costs totalling NOK 33 million. As usual, the group's first-

quarter performance was impacted by seasonal downturns in the asphalt and aggregates operations, as well as some civil engineering segments. Increased activity boosted the profits of Construction Norway and the Danish operation, while cost increases for the asphalt operation and further losses made by the construction operation in Stockholm had a negative impact. Taking the settlement of the E39 dispute into account, the overall profit margin was -0.4%, compared to -0.7% in the first quarter of 2022.

Net interest-bearing assets totalled NOK 2.5 billion at the end of Q1 2023, compared to NOK 3.3 billion at the beginning of the year. Cash flow from operational activities amounted to NOK 320 million in Q1, up from NOK 1 million in Q1 2022. Cash flow from investment activities amounted to NOK -786 million, compared to NOK -128 million in the first quarter of last year. The change from 2022 is linked to a payout under an earnout agreement relating to Construction Sweden. The statement of financial position totalled NOK 17.6 billion, on a par with year-end 2022, and up from NOK 16.5 billion in the corresponding quarter of last year.

The first-quarter LTI (lost time injury) rate was 3.9, compared to 2.9 in the preceding quarter and 5.4 in Q1 2022. One serious injury occurred during the quarter. The sick leave rate was 6.2%, compared to 6.4% in the preceding quarter and 4.7% in the first quarter of last year.

# Construction Norway

NOK million	Q1 2023	Q1 2022	2022
Revenue	3 977	3 196	13 370
Profit/loss before tax	136	108	530
Profit margin	3.4%	3.4%	4.0%
Order book	14 947	14 389	16 584

The Norwegian construction operation generated revenues of NOK 4.0 billion in the first quarter of 2023, up 24% from NOK 3.2 billion in Q1 2022. A majority of the business contributed to the revenue increase, which is the result of a high order intake in the first half of 2022.

The Q1 pre-tax profit totalled NOK 136 million, compared to NOK 108 million in the first quarter of last year. The quarterly profit margin was 3.4%, the same as in Q1 2022. The nominal increase in the quarterly profit is attributable to higher activity levels.

After quarter-end, Veidekke entered into an agreement to acquire the shares in Haugerud Vikeby AS, a construction company based in Mysen, Indre Østfold municipality, Norway. The company has a workforce of 36 and generated revenues of around NOK 200 million in 2022. The profit margin has been around 4% in recent years. Veidekke will take over the company in May 2023.

The first-quarter order intake was NOK 2.4 billion, compared to NOK 4.1 billion in Q1 2022.

**New contracts signed in the quarter:**

- Fylkeshus Steinkjer. Office building for Steinkjer Fylkeshus AS. Contract value NOK 219 million.
- Nygatakvartalet. Residential and commercial building for Sartor Holding AS in Straume, Øygarden municipality. Contract value NOK 210 million.
- Eckbobanen. Clubhouse and commercial premises in Oslo for Næringsgruppen Eiendom AS. Contract value NOK 172 million.
- Kvarteret kvartal 2. Residential building in Lillestrøm for Nesgata 19 Utvikling AS. Contract value NOK 145 million.

At quarter-end, the order book totalled NOK 14.9 billion, compared to NOK 14.4 billion last year. The increase in the order book is attributable to the operation in Trøndelag County.

# Infrastructure Norway

NOK million	Q1 2023 <sup>1</sup>	Q1 2022	2022
<b>Total revenue</b>	<b>1 407</b>	<b>1 715</b>	<b>9 583</b>
- Civil engineering	1 289	1 576	6 333
- Asphalt, Aggregates	117	138	3 251
<b>Total profit/loss before tax</b>	<b>-303</b>	<b>-149</b>	<b>496</b>
- Civil engineering	-59	61	485
- Asphalt, Aggregates	-245	-211	11
<b>Total profit margin</b>	<b>-21.5%</b>	<b>-8.7%</b>	<b>5.2%</b>
- Civil engineering	-4.5%	3.9%	7.7%
- Asphalt, Aggregates	-208.4%	-152.1%	0.3%
<b>Order book</b>	<b>9 816</b>	<b>8 370</b>	<b>8 242</b>

<sup>1</sup> Q1 2023 includes a NOK -110 million loss related to the settlement of an older dispute in the civil engineering business.

Infrastructure Norway achieved revenues of NOK 1.4 billion in the first quarter, compared to NOK 1.7 billion in the same quarter of last year. The revenue decrease is attributable to the civil engineering operation, while the asphalt and aggregates operations experienced their traditional Q1 seasonal downturn. The loss before tax was NOK -303 million, which includes the NOK -110 million loss related to the settlement in the dispute

over the E39 Sveгатjørn-Rådal project in the civil engineering business. Taking this settlement into account, the underlying loss was NOK -193 million, compared to NOK -149 million in Q1 2022. The drop in profits is attributable to increased costs during the winter season for the asphalt operation. The portfolio of major civil engineering projects was robustly profitable, as was the road maintenance operation. Specialist engineering operations

achieved somewhat weaker profitability. With the settlement of the dispute taken into account, the total profit margin was -12.7%, compared to -8.7% in Q1 2022.

The civil engineering operation generated revenues of NOK 1.3 billion in Q1, compared to NOK 1.6 billion in the corresponding quarter of last year. Considering the settlement of the dispute, the pre-tax profit totalled NOK 51 million, compared to NOK 61 million in Q1 2022. The drop is attributable to specialist engineering operations. The profit margin was 3.7%, compared to 3.9% in Q1 2022.

The asphalt and aggregates operations achieved total revenues of NOK 117 million in the first quarter, compared to NOK 138 million last year. The quarterly loss was NOK -245 million, compared to NOK -211 million in Q1 2022. The decline in profits is attributable to increased costs during the winter season for the asphalt operation. In this year’s tendering round for the asphaltting of national and county roads, volumes are down approx. 30% on last year. Veidekke has secured a large part of the contracts, 45%, and maintains the same volume as last year in this customer segment, despite the

lower total volumes. Asphaltting contracts linked to national and county roads normally make up a third of Veidekke’s total asphalt volume.

Infrastructure Norway secured new orders valued at NOK 3.0 billion in Q1, up from NOK 2.5 billion last year.

**New contracts signed in the quarter:**

- Vestfold og Telemark Øst. Maintenance contract for the Norwegian Public Roads Administration. Contract value NOK 807 million.
- Feios power station. Hydropower station at Feios in Vik municipality for Sognekraft Produksjon AS. Contract value NOK 500 million.
- Ringerike. Maintenance contract for the Norwegian Public Roads Administration. Contract value NOK 325 million.
- Nedre Telemark. Maintenance contract for Vestfold and Telemark County Municipality. Contract value NOK 180 million.

At quarter-end, the order book totalled NOK 9.8 billion, up from NOK 8.4 billion last year. Road maintenance contracts amounted to NOK 4.9 billion, up from NOK 3.9 billion in the corresponding quarter of 2022.

# Construction Sweden

NOK million	Q1 2023	Q1 2022	2022
Revenue	2 209	2 134	8 858
Profit/loss before tax	10	30	140
Profit margin	0.5%	1.4%	1.6%
Order book	9 085	8 128	8 158

Construction Sweden recorded revenues of NOK 2.2 billion in the first quarter, compared to NOK 2.1 billion in the same quarter of last year. Measured in local currency, revenue was on a par with Q1 2022. While revenue increased in Gothenburg, it declined in Stockholm and Malmö.

The first-quarter profit was NOK 10 million, compared to NOK 30 million last year. The Stockholm operation made a quarterly loss due to low activity and to costs increases during the final phase of a loss-making project.

The first-quarter profit margin was 0.5%, compared to 1.4% in Q1 2022. Construction Sweden’s profits were reduced by both the weak performance of the Stockholm operation and low revenue generation by the operation in Skåne. The Gothenburg-based subsidiary BRA, on the other hand, has high activity and a strong, robustly profitable project portfolio comprised mainly of commercial buildings.

The first-quarter order intake totalled NOK 2.6 billion, compared to NOK 1.1 billion last year.

**New contracts signed in the quarter:**

- Volvo STL AE. Offices and commercial premises in Gothenburg for Volvo Lastvagnar AB. Contract value NOK 1.5 billion.
- Tellus idrottshallar. Sports halls in Stockholm for Nystad Stockholm Idrott och Skolfastigheter AB. Contract value NOK 217 million.
- Vallentuna Upper Secondary School. School building in Vallentuna for Vallentuna municipality. Contract value NOK 175 million.

At the end of the first quarter, the order book stood at NOK 9.1 billion, compared to NOK 8.1 billion last year. Measured in local currency, the order book grew by 4%.

# Infrastructure Sweden

NOK million	Q1 2023	Q1 2022	2022 <sup>1</sup>
Revenue	1 191	973	5 247
Profit/loss before tax	-8	-9	290
Profit margin	-0.7%	-0.9%	5.5%
Order book	6 410	5 768	5 277

<sup>1</sup> The 2022 pre-tax profit included a NOK 130 million gain on the sale of an industrial site outside Stockholm

Infrastructure Sweden generated revenues of NOK 1.2 billion in the first quarter of 2023, up from NOK 973 million in Q1 2022. Measured in local currency, revenue increased by 18%, driven by a number of larger projects in and around Stockholm.

The quarterly result was a loss of NOK -8 million, compared to NOK -9 million last year. The quarterly profit margin was -0.7%, compared to -0.9% one year ago.

The first-quarter order intake totalled NOK 2.0 billion, compared to NOK 2.1 billion in Q1 2022. The order intake includes Infrastructure Sweden’s share of a project for Volvo Lastvagnar AB in Gothenburg, which is being executed jointly with Construction Sweden.

At the end of the first quarter, the order book stood at NOK 6.4 billion, up from NOK 5.8 billion last year. Measured in local currency, the order book grew by 3%.

# Denmark

NOK million	Q1 2023	Q1 2022	2022
Revenue	796	444	2 420
Profit/loss before tax	55	31	213
Profit margin	7.0%	7.0%	8.8%
Order book	2 834	2 916	3 074

The Danish operation achieved revenues of NOK 796 million in the first quarter, compared to NOK 444 million in the corresponding quarter of last year. Measured in local currency, this corresponds to a 62% year-on-year increase.

The pre-tax profit was NOK 55 million, compared to NOK 31 million in Q1 2022. The profit margin was 7.0%, the same as in the first quarter of 2022.

The first-quarter order intake totalled NOK 333 million, compared to NOK 624 million in Q1 2022. No major new contracts were signed in the quarter.

The order book stood at NOK 2.8 billion at the end of the first quarter, compared to NOK 2.9 billion last year. Measured in local currency, the order book shrank by 17%.



Other operations

Other operations consist of unallocated costs associated with the group’s corporate administration, the sale of administrative services to the group’s Norwegian operations, financial management and the group’s ownership role in Public–Private Partnerships (PPP), and the elimination of intra-group profits. The result for the first quarter was NOK -38 million, compared to NOK -66 million in Q1 2022. The Q1 2022 figure includes extraordinary finance costs totalling NOK 33 million.

Financial situation

Net interest-bearing assets amounted to NOK 2.5 billion at quarter-end, compared to NOK 3.3 billion last year. Operational cash flow totalled NOK 320 million in Q1, up from NOK 1 million in Q1 2022. Cash flow from investment activities amounted to NOK -786 million, compared to NOK -128 million in the first quarter of last year. The majority of the increase is linked to a payout under an earnout agreement relating to the subsidiary BRA, which is part of Construction Sweden. The statement of financial position totalled NOK 17.6 billion, on a par with year-end 2022, and up from NOK 16.5 billion in the corresponding quarter of last year.

As at the end of Q1 2023, Veidekke had not drawn on any of its available credit totalling NOK 2.5 billion.

Shareholder information

A total of 4.9 million Veidekke shares were traded in the first quarter of 2023. The share price ranged from NOK 95.00 to NOK 118.20, and was NOK 111.20 as at 31 March. The foreign shareholding was 25.1%. Approximately 12% of the shares in the company are owned by Veidekke employees.

Largest shareholders as at 31 March 2023	Shareholding
OBOS BBL	19.5%
Folketrygdfondet	10.2%
If Skadeförsäkring AB	3.7%
Vanguard	2.8%
Verdipapirfond ODIN Norge	2.7%
Pareto Aksje Norge Verdipapirfond	2.4%
Must Invest AS	2.2%
MP Pension PK	2.0%
Danske Invest	1.9%
DNB Asset Management	1.3%
<b>Total 10 largest shareholders</b>	<b>48.7%</b>
Others	51.3%
<b>Total</b>	<b>100.0%</b>
Total number of issued shares	134 956 267

Related-party transactions

Veidekke is regularly involved in transactions with related parties in the course of its ordinary operations, including contracts for the development of specific projects. There were no other significant related-party transactions in the first quarter of 2023. For a more

detailed description of related-party transactions, see Veidekke’s Annual and Sustainability Report 2022.

Risks

Veidekke’s business primarily involves the execution of construction and infrastructure projects for private and public-sector clients in Norway, Sweden and Denmark. A recent increase in market uncertainty has triggered rises in energy and other commodity prices.

The past year has seen significant increases in both interest rates and inflation. These developments are expected to impact financial capacity and investment decisions in both the private and public sectors, and to result in the deferment, redesign or cancellation of planned projects. Significant effects on the residential market are already being felt in the form of lower sales of newbuild units and falling prices. Veidekke’s order book was strong at the end of Q1 2023, but the company is prepared for challenging market conditions going forward. The company is engaged in an ongoing dialogue with clients and suppliers, and has an organisational and cost structure that allows rapid adaptation to altered framework conditions. The order book’s development in recent months indicates that the market is functioning, but there are large variations between different geographical regions and market segments. Veidekke presents its outlook for the Scandinavian contracting markets twice a year. The market update is available on the Veidekke website.

Veidekke’s project portfolio varies greatly in terms of complexity, size, duration and risk, and systematic risk management in all parts of the business and during all project phases is therefore of crucial importance.

This encompasses matters such as project selection, processes, tender quality, project follow-up and project execution. Having the necessary expertise to ensure optimal assignment execution is key when deciding which projects to tender for. At the tender preparation stage, risks are identified and assessed, and plans are made for managing risk during the execution phase. Veidekke’s projects are increasing in size and complexity, making risk management a high priority. Certain forms of contract permit differing interpretations of contractual performance, giving room for disagreement between contractor and client regarding

final payment. Although Veidekke seeks to reach agreement with clients through negotiations, some disputes do end up in the court system. Veidekke settled a major dispute with the Norwegian Public Roads Administration in Q1, and now has no major disputes before the courts.

For further discussion of the company’s financial risk, climate risk and other risk factors, see [Note 29](#) in Veidekke’s Annual and Sustainability Report 2022.

Consolidated interim financial statement (unaudited)

- A. FINANCIAL STATEMENT, FOURTH QUARTER
- B. BUSINESS SEGMENTS
- C. STATEMENT OF CHANGES IN EQUITY
- D. NOTES TO THE INTERIM FINANCIAL STATEMENTS

Oslo, 10 May 2023  
The board of directors of Veidekke ASA

Gro Bakstad  
chair

Hanne Rønneberg

Per-Ingemar Persson

Klara Lise Aasen

Carola Lavén

Pål Eitrheim

Inge Ramsdal

Odd Andre Olsen

Arve Fludal

Jimmy Bengtsson  
Group CEO

# Statement of comprehensive income

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
Revenue	9 461	8 369	38 658
Operating expenses	-9 384	-8 177	-36 250
Share of net income from joint ventures	7	4	37
Operating profit before depreciation and amortisation (EBITDA)	<b>84</b>	<b>197</b>	<b>2 446</b>
Depreciation	-248	-221	-938
<b>Operating profit/loss (EBIT)</b>	<b>-164</b>	<b>-24</b>	<b>1 508</b>
Financial income	37	15	45
Financial costs	-20	-47	-87
<b>Profit/loss before tax</b>	<b>-147</b>	<b>-55</b>	<b>1 467</b>
Tax expenses	32	12	-308
<b>Profit/loss for the period</b>	<b>-115</b>	<b>-43</b>	<b>1 159</b>
of which non-controlling interests	5	11	67
Profit/loss per share (NOK)	-0.9	-0.4	8.1

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Profit/loss for the period</b>	<b>-115</b>	<b>-43</b>	<b>1 159</b>
Revaluation of pensions	-	-	33
<b>Net items that will not be reclassified subsequently to profit or loss</b>	<b>-</b>	<b>-</b>	<b>33</b>
Currency translation differences	81	-36	4
Fair value adjustment of financial assets	8	55	91
<b>Net items that may be reclassified subsequently to profit or loss</b>	<b>88</b>	<b>19</b>	<b>95</b>
<b>Total comprehensive income</b>	<b>-26</b>	<b>-24</b>	<b>1 287</b>
of which non-controlling interests	7	10	68

# Statement of financial position Veidekke group

Figures in NOK million	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	2 080	1 729	2 016
Other intangible assets	225	153	137
Rights of use assets	952	890	857
Land and buildings	756	680	740
Plant and machinery	2 268	2 151	2 349
Investments in joint ventures	291	237	278
Financial assets	564	531	524
<b>Total non-current assets</b>	<b>7 136</b>	<b>6 372</b>	<b>6 901</b>
<b>Current assets</b>			
Inventories	668	624	639
Trade and other receivables, contract assets	6 927	5 836	6 867
Financial investments	528	525	523
Cash and cash equivalents	2 292	3 143	2 714
<b>Total current assets</b>	<b>10 416</b>	<b>10 128</b>	<b>10 743</b>
<b>Total assets</b>	<b>17 552</b>	<b>16 500</b>	<b>17 644</b>

Figures in NOK million	31 Mar 2023	31 Mar 2022	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	67	67	67
Other equity	2 855	2 718	2 906
Non-controlling interests	28	11	22
<b>Total equity</b>	<b>2 951</b>	<b>2 797</b>	<b>2 995</b>
<b>Non-current liabilities</b>			
Pensions and deferred tax liabilities	1 253	1 156	1 239
Bonds	193	193	193
Amounts due to credit institutions	152	202	194
Other non-current liabilities	806	1 325	687
<b>Total non-current liabilities</b>	<b>2 404</b>	<b>2 876</b>	<b>2 313</b>
<b>Current liabilities</b>			
Debts to credit institutions	4	16	14
Trade payables and warranty provisions	7 126	6 137	7 082
Public duties and taxes payable	1 270	1 196	1 102
Other current liabilities and contract liabilities	3 798	3 478	4 137
<b>Total current liabilities</b>	<b>12 197</b>	<b>10 827</b>	<b>12 336</b>
<b>Total equity and liabilities</b>	<b>17 552</b>	<b>16 500</b>	<b>17 644</b>

# Statement of cash flows

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>OPERATING ACTIVITIES</b>			
Profit/loss <b>before tax</b>	-147	-55	1 467
Tax paid for the period	-186	-37	-290
Depreciation, amortisation and impairments	248	221	938
Other operational items	405	-127	-706
<b>Net cash flow from operating activities</b>	<b>320</b>	<b>1</b>	<b>1 409</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition/disposal of property, plant and equipment	-113	-79	-429
Other investing activities	-645	-65	-289
Change in interest-bearing receivables	-28	16	17
<b>Net cash flow from investing activities</b>	<b>-786</b>	<b>-128</b>	<b>-701</b>
<b>FINANCING ACTIVITIES</b>			
Change in interest-bearing liabilities	-53	42	33
Repayment of bond loan	-	-420	-420
Dividend paid	-	-	-945
Other financial items	-51	-166	-477
<b>Net cash flow from financing activities</b>	<b>-104</b>	<b>-544</b>	<b>-1 808</b>
<b>Total cash flow</b>	<b>-570</b>	<b>-671</b>	<b>-1 100</b>
Cash and cash equivalents, start of period	2 714	3 814	3 814
Exchange rate adjustment foreign cash balances	148	-	-
<b>Cash and cash equivalents, end of period</b>	<b>2 292</b>	<b>3 143</b>	<b>2 714</b>

# Net interest-bearing position

Figures in NOK million	31 Mar 2023	31 Mar 2022	31 Dec 2022
Cash and cash equivalents	2 292	3 143	2 714
Interest-bearing assets (short-term)	528	525	523
Interest-bearing assets (long-term)	32	32	5
Interest-bearing liabilities	-349	-411	-402
Net interest-bearing position	2 504	3 289	2 840

# Other key figures

Figures in NOK million	31 Mar 2023	31 Mar 2022	31 Dec 2022
Order book	43 092	39 571	41 334
Equity ratio	17%	17%	17%
Return on equity past 12 months	40%	36%	43%
Number of employees	7 948	7 748	7 933

# Business segments

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Construction Norway</b>			
Revenue	3 977	3 196	13 370
Operating expenses	-3 813	-3 058	-12 732
Share of net income from joint ventures	-	-	-
Depreciation, amortisation and impairments	-41	-41	-171
<b>Operating profit/loss (EBIT)</b>	<b>123</b>	<b>97</b>	<b>467</b>
Net financial items	12	11	63
<b>Profit/loss before tax (EBT)</b>	<b>136</b>	<b>108</b>	<b>530</b>
<b>Total assets</b>	<b>7 543</b>	<b>6 645</b>	<b>6 963</b>
<b>Infrastructure Norge</b>			
Revenue	1 407	1 715	9 583
Operating expenses	-1 572	-1 746	-8 595
Share of net income from joint ventures	-	-1	10
Depreciation, amortisation and impairments	-128	-109	-450
<b>Operating profit/loss (EBIT)</b>	<b>-294</b>	<b>-143</b>	<b>548</b>
Net financial items	-9	-7	-52
<b>Profit/loss before tax (EBT)</b>	<b>-303</b>	<b>-149</b>	<b>496</b>
<b>Total assets</b>	<b>4 793</b>	<b>4 855</b>	<b>4 796</b>

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Construction Sweden</b>			
Revenue	2 209	2 134	8 858
Operating expenses	-2 183	-2 085	-8 617
Share of net income from joint ventures	1	-	1
Depreciation, amortisation and impairments	-20	-20	-98
<b>Operating profit/loss (EBIT)</b>	<b>7</b>	<b>29</b>	<b>144</b>
Net financial items	4	-	-3
<b>Profit/loss before tax (EBT)</b>	<b>10</b>	<b>30</b>	<b>140</b>
<b>Total assets</b>	<b>2 833</b>	<b>2 976</b>	<b>3 174</b>
<b>Infrastructure Sweden</b>			
Revenue	1 191	973	5 247
Operating expenses	-1 168	-953	-4 826
Share of net income from joint ventures	-	-	-
Depreciation, amortisation and impairments	-33	-29	-130
<b>Operating profit/loss (EBIT)</b>	<b>-10</b>	<b>-9</b>	<b>291</b>
Net financial items	2	-	-1
<b>Profit/loss before tax (EBT)</b>	<b>-8</b>	<b>-9</b>	<b>290</b>
<b>Total assets</b>	<b>1 792</b>	<b>1 697</b>	<b>1 781</b>

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Denmark</b>			
Revenue	796	444	2 420
Operating expenses	-741	-407	-2 190
Share of net income from joint ventures	-	-	-
Depreciation, amortisation and impairments	-7	-5	-23
<b>Operating profit/loss (EBIT)</b>	<b>48</b>	<b>31</b>	<b>208</b>
Net financial items	7	-	5
<b>Profit/loss before tax (EBT)</b>	<b>55</b>	<b>31</b>	<b>213</b>
<b>Total assets</b>	<b>2 062</b>	<b>1 683</b>	<b>1 900</b>
<b>Other operations<sup>1</sup></b>			
Revenue	84	44	193
Operating expenses	-110	-62	-300
Share of net income from joint ventures	6	5	27
Depreciation, amortisation and impairments	-19	-16	-68
<b>Operating profit/loss (EBIT)</b>	<b>-39</b>	<b>-29</b>	<b>-149</b>
Net financial items	1	-36	-53
<b>Profit/loss before tax (EBT)</b>	<b>-39</b>	<b>-65</b>	<b>-202</b>
<b>Total assets</b>	<b>4 334</b>	<b>3 889</b>	<b>4 197</b>

<sup>1</sup> Other operations include the group's net financial items and central unassigned costs.

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Group eliminations</b>			
Revenue	-203	-135	-1 012
Operating expenses	204	134	1 009
Share of net income from joint ventures	-	-	-
Depreciation, amortisation and impairments	-	-	2
<b>Operating profit/loss (EBIT)</b>	<b>1</b>	<b>-1</b>	<b>-2</b>
Net financial items	-	-	-
<b>Profit/loss before tax (EBT)</b>	<b>1</b>	<b>-1</b>	<b>-2</b>
<b>Total assets</b>	<b>-5 805</b>	<b>-5 246</b>	<b>-5 168</b>
<b>Total Veidekke group segment accounts</b>			
Revenue	9 461	8 369	38 658
Operating expenses	-9 384	-8 177	-36 250
Share of net income from joint ventures	7	4	37
Depreciation, amortisation and impairments	-248	-221	-938
<b>Operating profit/loss (EBIT)</b>	<b>-164</b>	<b>-24</b>	<b>1 508</b>
Net financial items	17	-31	-42
<b>Profit/loss before tax (EBT)</b>	<b>-147</b>	<b>-55</b>	<b>1 467</b>
<b>Total assets</b>	<b>17 552</b>	<b>16 500</b>	<b>17 644</b>



# Statement of changes in equity

	Equity holders of Veidekke ASA							Minority	
Figures in NOK million	Share capital	Other paid-in capital¹	Reevaluation of pensions	Currency translation differences	Other retained earnings	Fair value adjustments²	Total	Non-controlling interests	Total
Equity at 1 January 2022	67	419	-85	-25	2 581	-110	2 848	17	2 865
Profit/loss for the period	-	-	-	-	-54	-	-54	11	-43
Other comprehensive income	-	-	-	-35	-	55	19	-1	19
Share-based transactions employees	-	-	-	-	-15	-	-15	-	-15
Transactions, non-controlling interests	-	-	-	-	-13	-	-13	3	-11
Dividend	-	-	-	-	-	-	-	-18	-18
Equity at 31 March 2022	67	419	-85	-60	2 499	-55	2 786	11	2 797
Equity at 1 January 2022	67	419	-85	-25	2 581	-110	2 848	17	2 865
Profit/loss for the period	-	-	-	-	1 092	-	1 092	67	1 159
Other comprehensive income	-	-	33	1	-	91	125	2	128
Share-based transactions employees	-	-	-	-	-31	-	-31	-	-31
Additions, acquisitions of operations, non-controlling interests	-	-	-	-	-	-	-	8	8
Transactions, non-controlling interests	-	-	-	-	-112	-	-112	-21	-133
Purchase of own shares	-	-	-	-	-5	-	-5	-	-5
Dividend	-	-	-	-	-945	-	-945	-50	-995
Equity at 31 December 2022	67	419	-52	-24	2 581	-19	2 973	22	2 995
Equity at 1 January 2023	67	419	-52	-24	2 581	-19	2 973	22	2 995
Profit/loss for the period	-	-	-	-	-120	-	-120	5	-115
Other comprehensive income	-	-	-	79	-	8	87	1	88
Share-based transactions employees	-	-	-	-	-10	-	-10	-	-10
Transactions, non-controlling interests	-	-	-	-	-13	-	-13	31	19
Sale of own shares	-	-	-	-	5	-	5	-	5
Dividend	-	-	-	-	-	-	-	-31	-31
Equity at 31 March 2023	67	419	-52	56	2 443	-11	2 922	28	2 951

<sup>1</sup> Paid-in capital over and above nominal value of shares.

<sup>2</sup> Financial assets and derivatives defined as hedging instruments that are both valued at fair value through comprehensive income.

# Notes Veidekke group

## Note 01. General information

Veidekke is one of Scandinavia's largest construction companies. The company is headquartered in Oslo and is listed on the Oslo Stock Exchange. The consolidated accounts for Q1 2023 include Veidekke ASA and its subsidiaries and the group's investments in associates and joint ventures. The group included mainly the same units as of Q1 2023 as in the submitted annual accounts for 2022.

Accounting figures in quarterly accounts are not audited.

## Note 02. Accounting principles

The group's financial reports are prepared in accordance with international accounting standards (IFRS) approved by the EU. The quarterly accounts have been prepared in accordance with IAS 34 on interim financial reporting, and comply with applicable stock-exchange rules. The quarterly accounts were prepared in accordance with the same accounting principles as the annual accounts for 2022.

Segment and financial statements are presented according to the same accounting principles, and there is therefore no difference between IFRS and the principles applied by management to follow up on business.

The quarterly accounts do not include all information required in a complete annual report and should therefore be read in connection with the group's annual accounts for 2022, which are available at [www.veidekke.com](http://www.veidekke.com).

Note 03. Operating income

The tables below show the group’s revenues split into service areas.

Figures in NOK million	Construction Norway	Infrastructure Norway	Construction Sweden	Infrastructure Sweden	Denmark	Other	Group
Service area							
Apartments and small houses	1 398	-	399	-	4	-	1 801
Commercial buildings	962	-	1 567	-	396	-	2 924
Public buildings	1 387	105	140	-	319	-	1 951
Transport infrastructure – road	-	-	-	76	-	-	76
Transport infrastructure – rail	-	419	-	134	-	-	553
Asphalt and aggregates	-	121	-	62	-	-	183
Other civil engineering	230	269	103	919	77	-	1 598
Maintenance contracts (road maintenance)	-	493	-	-	-	-	493
Other/Eliminations	-	-	-	-	-	-119	-119
Total 31 March 2023	3 977	1 407	2 209	1 191	796	-119	9 461

Figures in NOK million	Construction Norway	Infrastructure Norway	Construction Sweden	Infrastructure Sweden	Denmark	Other	Group
Service area							
Apartments and small houses	1 159	-	593	-	17	-	1 769
Commercial buildings	688	-	1 231	-	219	-	2 138
Public buildings	1 061	287	289	-	168	-	1 804
Transport infrastructure – road	-	5	-	64	-	-	69
Transport infrastructure – rail	-	420	-	101	-	-	521
Asphalt and aggregates	-	143	-	67	-	-	209
Other civil engineering	296	449	36	736	40	-	1 556
Maintenance contracts (road maintenance)	-	448	-	-	-	-	448
Other/Eliminations	-8	-36	-15	5	-	-91	-146
Total 31 March 2022	3 195	1 715	2 134	973	444	-91	8 369

Note 04. Estimates

Veidekke’s operations comprise construction projects. Accounting for project activities is largely based on estimates. Significant judgements used in applying the group’s accounting policies as well as main sources of estimate uncertainty are the same at the end of Q1 2023 as in the 2022 annual accounts.

Note 05. Non-current assets

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Property, plant, equipment and other intangible assets</b>			
<b>Carrying amount at start of period</b>	<b>4 083</b>	<b>3 935</b>	<b>3 935</b>
Additions of non-current assets excl. Rights of use assets	197	148	785
Additions of Rights of use assets	151	84	312
Additions from acquisitions of operations	16	-	72
Disposals of non-current assets excl. Rights of use assets	-51	-141	-80
Disposals of Rights of use assets	-1	-80	-
Depreciation/amortisation of non-current assets excl. Rights of use assets	-150	-27	-572
Depreciation of Rights of use assets	-98	-42	-348
Currency translation differences, etc.	53	-3	-21
<b>Carrying amount at end of period</b>	<b>4 200</b>	<b>3 874</b>	<b>4 083</b>
Other intangible assets	225	153	137
Rights of use assets	952	890	857
Land and buildings	756	680	740
Plant and machinery	2 268	2 151	2 349
<b>Carrying amount at end of period</b>	<b>4 200</b>	<b>3 874</b>	<b>4 083</b>

Figures in NOK million	Q1 2023	Q1 2022	As at 31 Dec 2022
<b>Goodwill</b>			
<b>Carrying amount at start of period</b>	<b>2 016</b>	<b>1 758</b>	<b>1 758</b>
Additions	5	-	289
Disposals	-	-	-
Impairment	-	-	-18
Currency translation differences	59	-29	-14
<b>Carrying amount at end of period</b>	<b>2 080</b>	<b>1 729</b>	<b>2 016</b>

## Note 06. Operations significantly affected by seasonal fluctuations

The group's asphalt and aggregates operations, which report under the Infrastructure business area, is subject to seasonal fluctuations related to climatic conditions. Production takes place mainly between May and October, and the bulk of the operation's turnover is consequently generated during this period. However, costs related to salaried employees, maintenance of production facilities and depreciation accrue throughout the year. As a result, quarterly accounts for the Infrastructure business area will normally fluctuate significantly.

## Note 07. Acquisitions, sales of operations

In Q1 2023, Construction Sweden acquired the remaining 9.9% of the shares in BRA (Billström Riemer Andersson AB), and paid the remaining purchase price for shares transferred to Veidekke in 2018. A NOK 642 million payment made in Q1 also includes the acquisition of shares from minorities in certain BRA subsidiaries. During Veidekke's period of ownership, BRA has produced excellent results, and has contributed a total profit of NOK 717 million before tax for the period 2018–2022. As of 31 March 2023, Veidekke had almost 100% ownership of the BRA group. Veidekke values employee co-ownership, and to ensure the continued high commitment of key personnel in this company, in Q2 2023, Veidekke has performed a sell-down of shares in BRA, reducing Veidekke's share of ownership to 70%.

## Note 08. Special items

Veidekke and the Norwegian Public Roads Administration have agreed on the final settlement of the project E39 Svevatjørn–Rådal outside Bergen. For Veidekke, the settlement entails a NOK -110 million loss, which has been recorded in the Q1 2023 accounts, under Infrastructure Norway. The settlement will provide capital influx in the amount of NOK 300 million, comprising payments withheld for work performed and previously paid-in VAT. The positive cash flow will be recorded in the Q2 and Q3 2023 accounts.

## Note 09. Financial instruments

There were no significant changes during the period related to financial risk and the group's use of financial instruments. For further details, see the annual report for 2022.

## Note 10. Dividends

For the financial year 2022, a dividend of NOK 7.75 per share has been approved, which in total amounts to NOK 1 046 million. The dividend was approved at the Annual General Meeting on 10 May 2023, and will therefore be accounted for in Q2 2023.

Note 11. Loan agreement covenants

Veidekke has a NOK 1.75 billion overdraft facility with DNB (rolling 364-day maturity) and a NOK 0.75 billion credit facility with SEB (with maturity until 31. December 2025). Both facilities remained unutilised as at the end of first quarter 2023. Cash and cash equivalents amount to NOK 2.3 billion, including NOK 1.3 billion invested in money market funds. Veidekke has also invested NOK 0.5 billion in bond funds, and this investment has been classified as Financial investments in the Statement of financial position.

Note 12. Events after the reporting date

After the balance sheet date, Veidekke reached an agreement with the Norwegian Public Roads Administration on the final settlement of the project E39 Sveгатjørn–Rådal. Reference is made to [note 8](#). No further events have occurred that would have had a significant effect on the submitted accounts.

Note 13. Alternative performance measures

Veidekke generally reports its financial results in line with International Financial Reporting Standards (IFRS). The following alternative performance measures are also reported:

**Net interest-bearing position**

This key figure expresses the group’s financial position and is determined on the basis of the group’s capitalised interest-bearing debt on the date of calculation, less bank deposits and interest-bearing receivables, both current and non-current. This key figure is also included in the calculation of covenants in the loan agreement.

**Order book**

The order book provides an indication of future activity in the group’s construction and civil engineering operations. The order book is defined as contracted and signed contracts on the measurement date. This key figure also includes road maintenance contracts in Infrastructure’s Road maintenance unit.

**Return on equity**

This key figure indicates the return on equity during the period. It is calculated by dividing the post-tax profit by average equity.

Profit for the last 12 months

Average equity last 12 months

Average equity over the last 12 months is calculated by averaging equity over the preceding four quarters.

Veidekke is one of Scandinavia's largest contractors. In addition to undertaking all types of building and civil engineering assignments, the group also maintains roads and produces asphalt and aggregates. Veidekke emphasises stakeholder involvement and local experience. The annual turnover is NOK 39 billion, and nearly half of its 8 000 employees own shares in the company. Veidekke is listed on the Oslo Stock Exchange and has posted a profit every year since its inception in 1936.



[veidekke.com](http://veidekke.com)