



Q3

Third quarter
2023

Key figures

Figures in NOK million	Q3 2023	Q3 2022	30.09.2023	30.09.2022	2022
Revenue	10 387	9 550	31 012	27 821	38 658
Profit/loss before tax	601	545	841	845	1 467
Construction Norway	165	123	465	358	530
Infrastructure Norway	283	301	90	307	496
Construction Sweden	41	49	88	122	140
Infrastructure Sweden	62	59	114	105	290
Denmark	65	53	182	129	213
Other	-15	-41	-97	-177	-203
Profit margin	5.8%	5.7%	2.7%	3.0%	3.8%
Operating profit/loss (EBIT)	603	566	829	930	1 508
Operating margin	5.8%	5.9%	2.7%	3.3%	3.9%
Operating profit/loss before depreciation and amortisation (EBITDA)	862	792	1 593	1 598	2 446
Shareholders' profit/loss share	441	404	595	601	1 092
Profit/loss per share (NOK)	3.3	3.0	4.4	4.5	8.1
Net interest-bearing assets	1 446	2 324	1 446	2 324	2 840
Net cash flow from operations	589	474	1 087	502	1 409
Return on equity past 12 months	43%	36%	43%	36%	43%
Order book	40 704	43 675	40 704	43 675	41 334
- Of which to be implemented next 12 months	26 827	24 905	26 827	24 905	25 699
Order intake	4 953	7 643	27 501	31 189	39 032
LTI rate	1.7	2.4	3.1	3.1	3.0
Sickness absence	5.0%	4.6%	5.5%	5.0%	5.5%

Q3 2023 results

Veidekke achieved revenues of NOK 10.4 billion in Q3, and a profit before tax of NOK 601 million. The group’s order book totalled NOK 40.7 billion at quarter-end. The profit per share was NOK 3.3.

“Veidekke has maintained stable profitability despite increasingly challenging market conditions, and has improved both revenues and profits in the third quarter,” says Group CEO Jimmy Bengtsson.

“Rising interest rates and ongoing high material costs are increasing hesitancy among clients and delaying project starts. Although we have a good overview of activity in the next 12 months, we expect to feel the impact of market conditions on revenue towards the end of 2024. However, we also see opportunities in

a weaker market, and are prepared to exploit these,” says Jimmy Bengtsson.

“Despite the challenging market conditions, Veidekke is maintaining a strong order book of high-quality projects. The third-quarter order intake primarily came from the private sector, and can be attributed to strong, long-term customer relationships developed by profitable group entities,” says Bengtsson.

“Market conditions vary significantly between our different operational regions and segments. The

market downturn has long been apparent in the Swedish residential segment, and we will therefore be implementing an extensive reorganisation in Sweden in Q4 which will reduce the workforce by 60 persons,” says Bengtsson.

Veidekke achieved revenues of NOK 10.4 billion in Q3 2023, up 9% from NOK 9.6 billion in the third quarter of 2022. The increase is attributable to Construction Norway, Construction Sweden and Infrastructure Sweden.

Higher activity levels improved the group’s nominal result, with the quarterly profit before tax totalling NOK 601 million, compared to NOK 545 million in the third quarter of last year. Overall, the profit margin was 5.8%, compared to 5.7% in Q3 2022.

The group’s quarterly order intake was NOK 5.0 billion, compared to NOK 7.6 billion in Q3 2022. At quarter-end, the order book amounted to NOK 40.7 billion, down 2% since the start of the year and down 7% on the same

quarter last year. Approximately 66% of the order book will be converted into revenue in the next 12 months.

Net interest-bearing assets totalled NOK 1.4 billion at the end of Q3 2023, compared to NOK 2.3 billion last year. Cash flow from operational activities in the first three quarters of the year amounts to NOK 1.1 billion, up from NOK 502 million in the same period in 2022. Cash flow from investment activity amounted to NOK -998 million, compared to NOK -399 million last year. The statement of financial position totalled NOK 18.3 billion at quarter-end, compared to NOK 17.6 billion at the beginning of the year and NOK 17.9 billion one year ago.

The third-quarter LTI (lost time injury) rate was 1.7, compared to 3.7 in the preceding quarter and 2.4 in Q3 2022. One serious injury occurred during the third quarter. The quarterly sick leave rate was 5.0%, compared to 4.2% in the preceding quarter and 4.6% in the third quarter of last year.

Construction Norway

NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Revenue	3 695	3 097	11 762	9 507	13 370
Profit/loss before tax	165	123	465	358	530
Profit margin	4.5%	4.0%	4.0%	3.8%	4.0%
Order book	14 922	17 218	14 922	17 218	16 584
- To be implemented next 12 mos.	11 378	10 170	11 378	10 170	11 794

The Norwegian construction operation generated revenues of NOK 3.7 billion in the third quarter of 2023, up from NOK 3.1 billion in the third quarter of 2022. The revenue increase is primarily attributable to operations in central Eastern Norway and in Trøndelag County.

The Q3 profit before tax totalled NOK 165 million, compared to NOK 123 million in the third quarter of 2022. The quarterly profit margin was 4.5%, compared to 4.0% in Q3 2022. The increase in the quarterly profit is attributable to higher activity levels. Profitability was satisfactory across large parts of the operation.

The third-quarter order intake was NOK 2.4 billion, compared to NOK 3.6 billion in Q3 2022.

- New contracts signed in the quarter:**
- Ulven B1 Residential. Residential project at Ulven, Oslo, for OBOS. Contract value NOK 597 million.
 - Sia Lund Torv. Student housing in Kristiansand for Studentsamskipnaden i Agder. Contract value NOK 461 million.
 - Krødsherad school. Krødsherad Primary and Lower Secondary School in Noresund for Krødsherad municipality. Contract value NOK 160 million.

Construction Norway’s order book totalled NOK 14.9 billion at quarter-end, down 13% from NOK 17.2 billion last year. The current order book indicates that revenues will flatten out in the 2023/2024 winter season.

Infrastructure Norway

NOK million	Q3 2023	Q3 2022	30 Sep 2023¹	30 Sep 2022	2022
Total revenue	2 798	2 815	6 641	7 053	9 583
- Civil engineering	1 300	1 472	4 016	4 641	6 333
- Asphalt, Aggregates	1 498	1 343	2 626	2 412	3 251
Total profit/loss before tax	283	301	90	307	496
- Civil engineering	63	119	68	301	485
- Asphalt, Aggregates	221	183	22	6	11
Total profit margin	10.1%	10.7%	1.3%	4.4%	5.2%
- Civil engineering	4.8%	8.1%	1.7%	6.5%	7.7%
- Asphalt, Aggregates	14.7%	13.6%	0.8%	0.3%	0.3%
Order book	9 543	8 947	9 543	8 947	8 242
- To be implemented next 12 mos.	4 149	3 794	4 149	3 794	3 527

¹ The profit before tax as at 30 September 2023 includes a settlement with a profit effect in Q2 of NOK -110 million linked to an older dispute involving the civil engineering operation.

Infrastructure Norway achieved revenues of NOK 2.8 billion in the third quarter, on a par with the same quarter of last year. While civil engineering entities reported lower revenues, higher asphalt prices gave the asphalt operation a revenue boost. The profit before tax totalled NOK 283 million, compared to NOK 301 million in Q3 2022. The profit decline is

attributable to the civil engineering operation, and came about despite improved profits in the asphalt operation. Overall, the profit margin was 10.1%, compared to 10.7% in Q3 2022.

The civil engineering operation generated revenues of NOK 1.3 billion in Q3, compared to NOK 1.5 billion

in the corresponding quarter of last year. Combined with a weaker market and reduced activity levels in the groundworks and foundation segments, the completion of several large civil engineering projects contributed to a year-on-year fall in revenue. The profit before tax was NOK 63 million, down from NOK 119 million in Q3 2022. Both the major civil engineering projects portfolio and the road maintenance operation achieved good profitability. However, the performance of the latter operation was somewhat down on last year, when project profitability was extraordinarily high. The rest of the profit decline is linked to reduced activity levels. Overall, the profit margin of the civil engineering operation was 4.8%, compared to 8.1% in Q3 2022.

The asphalt and aggregates operations achieved total revenues of NOK 1.5 billion in the third quarter, compared to NOK 1.3 billion in Q3 2022. In tonnage terms, asphalt volumes were on a par with last year, while increased prices contributed to higher revenue and profit improvements. The aggregates operation experienced lower activity levels and a drop in profits attributable to reduced demand for rock-based products and excavated material processing. The quarterly profit was NOK 221 million, up from

NOK 183 million last year. The profit margin was 14.7%, compared to 13.6% in the third quarter of 2022.

Infrastructure Norway secured new orders valued at NOK 342 million in Q3, compared to NOK 453 million in the same period last year. No major new contracts were signed during the quarter.

During the quarter, Veidekke signed a collaborative construction contract with the Norwegian Public Roads Administration, related to rebuilding and upgrading of the Hammersborg Tunnel and Vaterland Tunnel, which are part of the Ring 1 road in Oslo. The contract includes both design and construction of a new tunnel under the government district. The design phase runs until spring 2024, and the actual tunnel construction contract will not be signed until after the design has been completed.

At quarter-end, the order book totalled NOK 9.5 billion, compared to NOK 8.9 billion last year. Road maintenance contracts amounted to NOK 4.5 billion, up from NOK 4.1 one year ago.

Construction Sweden

NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Revenue	2 032	1 824	6 546	6 211	8 858
Profit/loss before tax	41	49	88	122	140
Profit margin	2.0%	2.7%	1.3%	2.0%	1.6%
Order book	7 537	8 311	7 537	8 311	8 158
- To be implemented next 12 mos.	6 009	5 903	6 009	5 903	5 337

Construction Sweden recorded revenues of NOK 2.0 billion in the third quarter, compared to NOK 1.8 billion in the same quarter of last year. Measured in local currency, revenues increased by 9%. The uptick in activity is attributable to the Gothenburg-based subsidiary BRA, as Stockholm and Malmö recorded significant drops in residential construction activity. In Stockholm, a lack of residential building starts was compensated for by increased demand from public-sector clients, while demand was low in all market segments in Skåne.

The third-quarter profit was NOK 41 million, compared to NOK 49 million last year. The quarterly profit margin was 2.0%, compared to 2.7% in Q3 2022. While BRA in Gothenburg delivered satisfactory profitability, profitability was weak in other parts of the operation.

Construction Sweden is adapting its cost structure to lower activity levels. A reorganisation due to be completed in the fourth quarter will reduce the workforce by 60 persons.

The third-quarter order intake totalled NOK 975 million, and only included one major order: Tranviks Udde for Thermo Fischer in Uppsala with a contract value of NOK 152 million. In contrast, last year’s Q3 order intake was NOK 2.1 billion.

At the end of the third quarter, the order book stood at NOK 7.5 billion, compared to NOK 8.3 billion one year ago. Measured in local currency, the order book shrank by 10%.

Infrastructure Sweden

NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022 ¹
Revenue	1 349	1 209	4 135	3 569	5 247
Profit/loss before tax	62	59	114	105	290
Profit margin	4.6%	4.9%	2.7%	2.9%	5.5%
Order book	6 390	5 831	6 390	5 831	5 277
- To be implemented next 12 mos.	3 390	2 670	3 390	2 670	2 714

¹ The 2022 profit before tax included a NOK 130 million gain on the sale of an industrial site outside Stockholm

Infrastructure Sweden generated revenues of NOK 1.3 billion in the third quarter of 2023, compared to NOK 1.2 billion in Q3 2022. Measured in local currency, revenues increased by 9%. The increase is attributable to high production on major civil engineering projects in the Stockholm region.

The quarterly profit amounted to NOK 62 million, compared to NOK 59 million in the same period last year. The quarterly profit margin was 4.6%, compared to 4.9% in the third quarter of 2022. While the project portfolio in Northern and Southern Sweden delivered satisfactory profitability, the

profitability of the industrial operation was weaker than last year.

The third-quarter order intake totalled NOK 931 million, up from NOK 653 million in Q3 2022. The order intake primarily comprised increased volumes in ongoing projects. No major new contracts were signed during the quarter.

At the end of Q3, 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 9%.

Denmark

NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Revenue	673	663	2 280	1 637	2 420
Profit/loss before tax	65	53	182	129	213
Profit margin	9.6%	8.0%	8.0%	7.9%	8.8%
Order book	2 311	3 367	2 311	3 367	3 074
- To be implemented next 12 mos.	1 901	2 368	1 901	2 368	2 327

The Danish operation, Hoffmann, achieved revenues of NOK 673 million in the third quarter, compared to NOK 663 million in the corresponding quarter of last year. Measured in local currency, this equates to a 10% drop, which is attributable to lower activity levels in the Copenhagen region.

The profit before tax was NOK 65 million, compared to NOK 53 million in Q3 2022. The profit margin was 9.6%, compared to 8.0% in the third quarter of 2022.

The third-quarter order intake totalled NOK 337 million, compared to NOK 898 million last year. No major new contracts were signed during the quarter.

The order book stood at NOK 2.3 billion at the end of the third quarter, compared to NOK 3.4 billion one year ago. Measured in local currency, the order book shrank by 35%. Market conditions are challenging, and it is proving difficult to satisfy client demands and wishes while maintaining satisfactory profitability. Revenues are expected to fall in the year ahead.

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), as well as the elimination of intra-group profits. The result for the third quarter was NOK -15 million, compared to NOK -41 million in Q3 2022.

Financial situation

Net interest-bearing assets amounted to NOK 1.4 billion at quarter-end, compared to NOK 2.3 billion one year ago. The change since last year is attributable to a final payment linked to a 2018 acquisition by Construction Sweden, as well as a buy-out of minority shareholders in Construction Norway. Both of these payments were made in the first half of the year. Construction Norway’s strong project liquidity has impacted cash flow from operational activities, which has amounted to NOK 1.1 billion thus far in 2023, compared to NOK 502 million in the same period last year. Cash flow from investment activities totalled NOK -998 million, compared to NOK -399 million in the corresponding period in 2022. The statement of financial position totalled NOK 18.3 billion at quarter-end, up from NOK 17.6 billion at the beginning of the year and NOK 17.9 billion one year ago.

As at the end of Q3 2023, Veidekke had not drawn on any of its available credit totalling NOK 2.5 billion.

Shareholder information

A total of 3.8 million Veidekke shares were traded in the third quarter of 2023. The share price ranged from NOK 97.60 to NOK 116.00, and was NOK 97.60 as at 30 September. The foreign shareholding was 23.8%. In total, approximately 12% of the shares in the company are owned by Veidekke employees.

Largest shareholders as at 30 September 2023	Shareholding
OBOS BBL	19.5%
Folketrygdfondet	10.5%
If Skadeförsäkring AB	3.7%
Pareto Asset Management	3.2%
Vanguard	2.8%
Must Invest AS	2.2%
MP Pensjon PK	2.0%
Danske Invest	1.8%
Verdipapirfond ODIN Norge	1.7%
RBC Global Asset Management	1.4%
Total 10 largest shareholders	49.0%
Others	51.0%
Total	100.0%
Total number of issued shares	134 956 267

Related-party transactions

Veidekke’s business primarily involves the execution of construction and infrastructure projects for private and public-sector clients in Norway,

Sweden and Denmark. In the past year, increasing market uncertainty has brought about further rises in energy and other commodity prices, higher interest-rate levels and higher inflation. These developments are impacting financial capacity and investment decisions in both the private and public sectors, and are triggering the deferment, redesign or cancellation of planned projects. The clearest impact is being seen in the residential market, in the form of very weak new-unit sales. Veidekke’s order book was strong at the end of Q3 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. Following settlement of a dispute relating to the E39 motorway, the number of legal disputes is at a normal level, and there were no major ongoing court cases as at the end of Q3 2023.

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

Oslo, 7 November 2023
The board of directors of Veidekke ASA

Gro Bakstad chair	Hanne Rønneberg	Per-Ingemar Persson	Carola Lavén	Pål Eitrheim
Nils Morten Bøhler	Inge Ramsdal	Odd Andre Olsen	Arve Fludal	Jimmy Bengtsson Group CEO

Statement of comprehensive income

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Revenue	10 387	9 550	31 012	27 821	38 658
Operating expenses	-9 524	-8 764	-29 434	-26 242	-36 250
Share of net income from joint ventures	-	6	15	19	37
Operating profit before depreciation and amortisation (EBITDA)	862	792	1 593	1 598	2 446
Depreciation	-258	-225	-764	-668	-938
Operating profit/loss (EBIT)	603	566	829	930	1 508
Financial income	26	4	86	28	45
Financial costs	-28	-26	-74	-114	-87
Profit/loss before tax	601	545	841	845	1 467
Tax expenses	-132	-123	-185	-190	-308
Profit/loss for the period	469	422	656	655	1 159
of which non-controlling interests	28	18	61	53	67
Profit/loss per share (NOK)	3.3	3.0	4.4	4.5	8.1

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Profit/loss for the period	469	422	656	655	1 159
Revaluation of pensions	-	-	-	-	33
Net items that will not be reclassified subsequently to profit or loss	-	-	-	-	33
Currency translation differences	-42	24	42	30	4
Fair value adjustment of financial assets	6	13	13	92	91
Net items that may be reclassified subsequently to profit or loss	-36	37	55	122	95
Total comprehensive income	433	459	711	777	1 287
of which non-controlling interests	27	21	60	56	68

Statement of financial position Veidekke group

Figures in NOK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
ASSETS			
Non-current assets			
Goodwill	2 067	1 794	2 016
Other intangible assets	210	149	137
Rights of use assets	942	813	857
Land and buildings	747	684	740
Plant and machinery	2 336	2 195	2 349
Investments in joint ventures	321	252	278
Financial assets	550	512	524
Total non-current assets	7 173	6 399	6 901
Current assets			
Inventories	696	690	639
Trade and other receivables, contract assets	8 649	8 106	6 867
Financial investments	326	511	523
Cash and cash equivalents	1 409	2 174	2 714
Total current assets	11 080	11 482	10 743
Total assets	18 253	17 881	17 644

Figures in NOK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
EQUITY AND LIABILITIES			
Equity			
Share capital	67	67	67
Other equity	2 434	2 508	2 906
Non-controlling interests	90	24	22
Total equity	2 591	2 600	2 995
Non-current liabilities			
Pensions and deferred tax liabilities	1 249	1 375	1 239
Bonds	193	193	193
Amounts due to credit institutions	102	162	194
Other non-current liabilities	730	754	687
Total non-current liabilities	2 274	2 484	2 313
Current liabilities			
Debts to credit institutions	-	13	14
Trade payables and warranty provisions	8 096	7 166	7 082
Public duties and taxes payable	1 681	1 485	1 102
Other current liabilities and contract liabilities	3 611	4 132	4 137
Total current liabilities	13 387	12 797	12 336
Total equity and liabilities	18 253	17 881	17 644

Statement of cash flows

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
OPERATING ACTIVITIES					
Profit/loss before tax	601	545	841	845	1 467
Tax paid for the period	-31	-28	-255	-96	-290
Depreciation, amortisation and impairments	258	225	764	668	938
Other operational items	-240	-269	-262	-914	-706
Net cash flow from operating activities	589	474	1 087	502	1 409
INVESTING ACTIVITIES					
Acquisition/disposal of property, plant and equipment	-152	-115	-487	-339	-429
Other investing activities	37	19	-510	-88	-289
Change in interest-bearing receivables	-	4	-1	28	17
Net cash flow from investing activities	-116	-92	-998	-399	-701
FINANCING ACTIVITIES					
Change in interest-bearing liabilities	-38	-14	-107	-	33
Repayment of bond loan	-	-	-	-420	-420
Dividend paid	-	-	-1 046	-945	-945
Other financial items	-173	-61	-420	-378	-477
Net cash flow from financing activities	-211	-75	-1 573	-1 743	-1 808
Total cash flow	262	307	-1 483	-1 640	-1 100
Cash and cash equivalents, start of period	1 127	1 867	2 714	3 814	3 814
Exchange rate adjustment foreign cash balances	20	-	179	-	-
Cash and cash equivalents, end of period	1 409	2 174	1 409	2 174	2 714

Net interest-bearing position

Figures in NOK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
Cash and cash equivalents	1 409	2 174	2 714
Interest-bearing assets (short-term)	326	511	523
Interest-bearing assets (long-term)	6	7	5
Interest-bearing liabilities	-295	-369	-402
Net interest-bearing position	1 446	2 324	2 840

Other key figures

Figures in NOK million	30 Sep 2023	30 Sep 2022	31 Dec 2022
Order book	40 704	43 675	41 334
Equity ratio	14%	15%	17%
Return on equity past 12 months	43%	36%	43%
Number of employees	8 063	7 829	7 933

Business segments

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Construction Norway					
Revenue	3 695	3 097	11 762	9 507	13 370
Operating expenses	-3 512	-2 937	-11 229	-9 044	-12 732
Share of net income from joint ventures	-	-1	-	-1	-
Depreciation, amortisation and impairments	-42	-47	-127	-131	-171
Operating profit/loss (EBIT)	141	111	406	330	467
Net financial items	24	12	59	28	63
Profit/loss before tax (EBT)	165	123	465	358	530
Total assets	7 643	6 692	7 643	6 692	6 963
Infrastructure Norge					
Revenue	2 798	2 815	6 641	7 053	9 583
Operating expenses	-2 348	-2 396	-6 097	-6 394	-8 595
Share of net income from joint ventures	3	3	4	3	10
Depreciation, amortisation and impairments	-131	-108	-387	-326	-450
Operating profit/loss (EBIT)	323	315	162	336	548
Net financial items	-39	-13	-72	-29	-52
Profit/loss before tax (EBT)	283	301	90	307	496
Total assets	6 201	5 969	6 201	5 969	4 796

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Construction Sweden					
Revenue	2 032	1 824	6 546	6 211	8 858
Operating expenses	-1 972	-1 757	-6 402	-6 031	-8 617
Share of net income from joint ventures	1	-1	2	1	1
Depreciation, amortisation and impairments	-21	-17	-63	-58	-98
Operating profit/loss (EBIT)	40	50	82	122	144
Net financial items	1	-	6	-	-3
Profit/loss before tax (EBT)	41	49	88	122	140
Total assets	2 469	2 993	2 469	2 993	3 174
Infrastructure Sweden					
Revenue	1 349	1 209	4 135	3 569	5 247
Operating expenses	-1 236	-1 121	-3 899	-3 378	-4 826
Share of net income from joint ventures	-11	-	-11	-	-
Depreciation, amortisation and impairments	-39	-30	-110	-87	-130
Operating profit/loss (EBIT)	62	58	114	104	291
Net financial items	-	1	-	-	-1
Profit/loss before tax (EBT)	62	59	114	105	290
Total assets	1 980	1 846	1 980	1 846	1 781

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Denmark					
Revenue	673	663	2 280	1 637	2 420
Operating expenses	-609	-605	-2 096	-1 492	-2 190
Share of net income from joint ventures	-	-	-	-	-
Depreciation, amortisation and impairments	-6	-6	-20	-16	-23
Operating profit/loss (EBIT)	58	52	164	129	208
Net financial items	7	1	19	-	5
Profit/loss before tax (EBT)	65	53	182	129	213
Total assets	2 090	1 889	2 090	1 889	1 900
Other operations¹					
Revenue	118	105	249	198	193
Operating expenses	-126	-111	-312	-259	-300
Share of net income from joint ventures	7	5	20	17	27
Depreciation, amortisation and impairments	-20	-18	-58	-51	-68
Operating profit/loss (EBIT)	-20	-18	-102	-96	-149
Net financial items	5	-22	-	-86	-53
Profit/loss before tax (EBT)	-15	-40	-102	-181	-202
Total assets	2 074	2 855	2 074	2 855	4 197

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

Figures in NOK million	Q3 2023	Q3 2022	30 Sep 2023	30 Sep 2022	2022
Group eliminations					
Revenue	-279	-164	-600	-353	-1 012
Operating expenses	278	163	603	356	1 009
Share of net income from joint ventures	-	-	-	-	-
Depreciation, amortisation and impairments	-	-	1	1	2
Operating profit/loss (EBIT)	-	-1	4	4	-2
Net financial items	-	-	-	-	-
Profit/loss before tax (EBT)	-	-1	4	4	-2
Total assets	-4 203	-4 363	-4 203	-4 363	-5 168
Total Veidekke group segment accounts					
Revenue	10 387	9 550	31 012	27 821	38 658
Operating expenses	-9 524	-8 764	-29 434	-26 242	-36 250
Share of net income from joint ventures	-	6	15	19	37
Depreciation, amortisation and impairments	-258	-225	-764	-668	-938
Operating profit/loss (EBIT)	603	566	829	930	1 508
Net financial items	-3	-22	12	-85	-42
Profit/loss before tax (EBT)	601	545	841	845	1 467
Total assets	18 253	17 881	18 253	17 881	17 644

Statement of changes in equity

	Equity holders of Veidekke ASA						Minority		
Figures in NOK million	Share capital	Other paid-in capital ¹	Reevaluation of pensions	Currency translation differences	Other retained earnings	Fair value adjustments ²	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	-	-	-	-	601	-	601	53	655
Other comprehensive income	-	-	-	27	-	92	120	2	122
Share-based transactions employees	-	-	-	-	-15	-	-15	-	-15
Additions from acquisitions of operations – non-controlling interests	-	-	-	-	-	-	-	6	6
Transactions, non-controlling interests	-	-	-	-	-34	-	-34	-4	-38
Dividend	-	-	-	-	-945	-	-945	-50	-995
Equity at 30 September 2022	67	419	-85	3	2 189	-18	2 576	24	2 600
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	-	-	-	-	595	-	595	61	656
Other comprehensive income	-	-	-	43	-	13	56	-	55
Share-based transactions employees	-	-	-	-	-34	-	-34	-	-34
Transactions, non-controlling interests	-	-	-	-	-49	-	-49	70	21
Sale of own shares	-	-	-	-	5	-	5	-	5
Dividend	-	-	-	-	-1 046	-	-1 046	-62	-1 108
Equity at 30 September 2023	67	419	-52	19	2 053	-6	2 501	90	2 591

¹ Paid-in capital over and above nominal value of shares.

² 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 Q3 2023 include Veidekke ASA and its subsidiaries and the group's investments in associates and joint ventures. At the end of Q3 2023, the group included essentially the same units as in the annual accounts submitted 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.

The segment and financial statements presented are prepared in line with 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 conjunction with the group's annual accounts for 2022, which are available at www.veidekke.com.

Note 03. Operating income

The tables below show the group’s revenues for 2023 and 2022, 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	2 791	-	975	-	14	-	3 780
Commercial buildings	4 249	-	4 712	-	1 160	-	10 121
Public buildings	3 915	305	543	-	855	-	5 617
Transport infrastructure – road	-	9	-	322	-	-	331
Transport infrastructure – rail	-	1 309	-	377	-	-	1 686
Asphalt and aggregates	-	2 659	-	500	-	-	3 159
Other civil engineering	806	1 199	316	2 935	251	-	5 507
Maintenance contracts (road maintenance)	-	1 161	-	-	-	-	1 161
Other/Eliminations	-	-	-	-	-	-351	-351
Total 30 September 2023	11 762	6 641	6 546	4 135	2 280	-351	31 012

Figures in NOK million	Construction Norway	Infrastructure Norway	Construction Sweden	Infrastructure Sweden	Denmark	Other	Group
Service area							
Apartments and small houses	3 407	-	1 520	15	34	-	4 975
Commercial buildings	1 763	-	3 578	4	678	-	6 023
Public buildings	3 497	425	917	-	783	-	5 621
Transport infrastructure – road	-	12	-	355	-	-	366
Transport infrastructure – rail	-	1 726	-	442	-	-	2 168
Asphalt and aggregates	-	2 434	-	522	-	-	2 956
Other civil engineering	840	1 324	196	2 232	142	-	4 734
Maintenance contracts (road maintenance)	-	1 132	-	-	-	-	1 132
Other/Eliminations	-	-	-	-	-	-155	-155
Total 30 September 2022	9 507	7 053	6 211	3 569	1 637	-155	27 821

Note 04. Estimates

Veidekke’s operations comprise construction projects. Accounting for project activities is largely based on estimates. The significant assessments when applying the group’s accounting policies and the main sources of estimate uncertainty are the same at the end of Q3 2023 as in the 2022 annual accounts.

Note 05. Non-current assets

Figures in NOK million	Q3 2023	Q3 2022	As at 31 Dec 2022
Property, plant, equipment and other intangible assets			
Carrying amount at start of period	4 083	3 935	3 935
Additions of non-current assets excl. Rights of use assets	608	465	785
Additions of Rights of use assets	337	160	312
Additions from acquisitions of operations	19	12	72
Disposals of non-current assets excl. Rights of use assets	-66	-65	-80
Disposals of Rights of use assets	-8	-	-
Depreciation/amortisation of non-current assets excl. Rights of use assets	-446	-424	-572
Depreciation of Rights of use assets	-318	-244	-348
Currency translation differences, etc.	27	-	-21
Carrying amount at end of period	4 235	3 841	4 083
Other intangible assets	210	149	137
Rights of use assets	942	813	857
Land and buildings	747	684	740
Plant and machinery	2 336	2 195	2 349
Carrying amount at end of period	4 235	3 841	4 083

Figures in NOK million	Q3 2023	Q3 2022	As at 31 Dec 2022
Goodwill			
Carrying amount at start of period	2 016	1 758	1 758
Additions	19	29	289
Disposals	-	-	-
Impairment	-	-	-18
Currency translation differences	32	7	-14
Carrying amount at end of period	2 067	1 794	2 016

Note 06. Operations significantly affected by seasonal fluctuations

The group's asphalt and aggregates operations, which report to the Infrastructure business area, are subject to seasonal fluctuations related to climatic conditions. Production takes place mainly between May and October, and, consequently, the bulk of the operation's turnover is generated during this period. However, costs related to salaried employees, maintenance of production facilities and depreciation accrue throughout the year. As a result, the quarterly accounts for the Infrastructure business area will, as a rule, 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 contributed a total profit of NOK 717 million before tax for the period 2018–2022. As of 31 March 2023, Veidekke had nearly 100% ownership of the BRA group. Veidekke values employee co-ownership, and to ensure the continued high commitment of key personnel in this company, the group performed a sell-down of shares in BRA in Q2 2023, reducing Veidekke's share of ownership to 70%.

Note 08. Special items

Veidekke and the Norwegian Public Roads Administration agreed on the final settlement of the project E39 Svevatjørn–Rådal outside Bergen in Q2 2023. For Veidekke, the settlement entailed a NOK -110 million loss, which has been recorded under Infrastructure Norway in the Q1 2023 accounts. The settlement has provided capital influx in the amount of NOK 300 million, comprising payments withheld for work performed and previously paid-in VAT. The positive cash flow from overpaid VAT has been recorded in the 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 was paid to shareholders, amounting to NOK 1 046 million in total. The dividend was approved at the Annual General Meeting on 10 May 2023, and was 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 third quarter 2023. Cash and cash equivalents amounted to NOK 1.4 billion, including NOK 0.8 billion invested in money market funds. Veidekke also has NOK 0.3 billion invested in bond funds. This investment has been classified as Financial investments in the Statement of financial position.

Note 12. Events after the reporting date

No events have occurred after the balance sheet date 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:

EBITDA

EBITDA is an abbreviation for earnings before interest, taxes, depreciation and amortisation. The key figure indicates operational profitability after operating expenses have been deducted.

EBIT

EBIT is an abbreviation for earnings before interest and taxes. The key figure indicates operational profitability after operating expenses, depreciation and amortisation have been deducted.

Net interest-bearing position

An expression of the group’s financial position, this key figure is determined from 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 and 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.



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