

Press release

April 20, 2016

No. 13/2016

NCC – 2015 comparative figures for continuing operations

NCC publishes 2015 comparative figures regarding continuing operations and operations being discontinued (Bonava).

NCC's Annual General Meeting on April 12, 2016 resolved to spin off all of the shares of HoldCo Residential 1 AB (publ), ("Bonava" formerly NCC Housing), to the shareholders and to list the company on Nasdaq Stockholm. The intention is that the spinoff and listing will occur during 2016.

NCC's continuing operations comprise the business areas NCC Industry, NCC Building, NCC Infrastructure and NCC Property Development.

Bonava (Housing) is recognized as discontinued operations.

The tables and figures below are not prepared according to IFRS and have not been audited or examined by the company's auditors. The comparative figures illustrate the impact on NCC's income statement, balance sheet and cash flow assuming that Bonava (Housing) had been recognized in 2015 as discontinued operations.

NCC will publish its interim report for January-March 2016 on April 29.

As of the first quarter of 2016, the income statement will comply with the structure shown below, in which Bonava (Housing) is recognized on a line under profit for the period from discontinued operations.

Income statement - comparative figures 2015

SEK M	2015 Jan.-Mar.	2015 Jan.-Jun.	2015 Jan.-Sep.	2015 Jan.-Dec.
Continuing operations				
Net sales ¹⁾	10,311	23,528	36,848	53,116
Production costs ¹⁾	-9,877	-21,851	-33,906	-48,683
Gross profit	434	1,677	2,942	4,432
Selling and administrative expenses	-669	-1,374	-1,931	-2,765
Other operating income/operating expenses	1	2	15	-6
Operating profit	-235	306	1,027	1,661
Financial income	19	21	26	39
Financial expense	-27	-41	-52	-78
Net financial items	-8	-20	-26	-39
Profit after financial items	-243	286	1,001	1,623
Tax	48	-54	-197	-302
Net profit/loss for the period from continuing operations	-195	232	804	1,321
DISCONTINUED OPERATIONS				
Discontinued operations, after tax	-9	1	76	798
Net profit/loss for the period from discontinued operations	-9	1	76	798
CONTINUING OPERATIONS AND DISCONTINUED OPERATIONS				
Net profit/loss for the period from continuing operations and discontinued operations	-204	232	879	2,120

1) In Q1, net sales and production costs for NCC has increased with SEK 867 M as a result of non eliminated income against Bonava.

1) In Q2, net sales and production costs for NCC has increased with SEK 1 796 M as a result of non eliminated income against Bonava.

1) In Q3, net sales and production costs for NCC has increased with SEK 2 520 M as a result of non eliminated income against Bonava.

1) In Q4, net sales and production costs for NCC has increased in with SEK 3 690 M as a result of non eliminated income against Bonava.

As of the first quarter of 2016, the assets and liabilities of Bonava (Housing) will be recognized on an accumulated basis on separate lines of the balance sheet. Although comparative figures for 2015 will not be restated, Bonava's (Housing's) share of the NCC Group's balance sheet during 2015 is illustrated below.

Balance sheet - comparative figures 2015

SEK M	2015 Mar. 31	whereof Bonava	2015 Jun. 30	whereof Bonava	2015 Sep. 30	whereof Bonava	2015 Dec. 31	whereof Bonava
ASSETS								
<i>Fixed assets</i>								
Goodwill	1,851	22	1,837	22	1,825	22	1,792	22
Other intangible assets	415	59	436	62	423	64	439	62
Owner-occupied properties	770	51	803	49	803	49	826	50
Machinery and equipment	2,479	53	2,503	57	2,473	62	2,417	61
Long-term holdings of securities	206	8	228	8	198	8	201	4
Long-term receivables	360	176	361	225	449	177	557	236
Deferred tax assets ⁵⁾	209	312	209	336	222	351	204	338
Total fixed assets	6,289	679	6,376	758	6,393	732	6,435	773
<i>Current assets</i>								
Property projects	5,182		5,313		4,871		4,430	
Housing projects ⁷⁾	13,695	13,815	14,184	14,448	14,597	14,717	12,288	12,378
Materials and inventories	786	6	788	7	757	9	696	5
Tax receivables	146	44	396	46	311	45	33	20
Accounts receivable	6,268	507	7,560	487	7,380	550	7,083	623
Worked-up, non-invoiced revenues	1,587	5	1,911		2,190		1,400	6
Prepaid expenses and accrued income	1,188	197	1,145	58	1,156	98	1,262	326
Other receivables ⁷⁾	1,126	479	1,292	376	1,470	756	1,407	788
Short-term investments	253		81		158		190	
Cash and cash equivalents	1,207	534	648	379	1,629	570	4,177	585
Total current assets	31,439	15,587	33,319	15,991	34,519	16,745	32,967	14,732
TOTAL ASSETS	37,729 ¹⁾	16,267	39,696 ²⁾	16,749	40,912 ³⁾	17,477	39,402 ⁴⁾	15,506
EQUITY								
Total shareholders' equity	7,128	291	7,638	200	7,942	284	9,714	4,732
LIABILITIES								
<i>Long-term liabilities</i>								
Long-term interest-bearing liabilities	7,239	1,431	5,990	1,503	6,192	1,717	5,887	2,033
Other long-term liabilities	426	223	323	185	361	229	609	487
Provisions for pensions and similar obligations	857	54	749	57	1,158	66	338	
Deferred tax liabilities	83		368		297		322	
Other provisions	2,094	292	2,009	302	1,841	247	1,970	357
Total long-term liabilities	10,699	1,999	9,438	2,046	9,849	2,259	9,126	2,877
<i>Current liabilities</i>								
Current interest-bearing liabilities ⁶⁾	2,461	9,365	4,048	9,645	3,928	9,296	3,154	3,046
Accounts payable	3,905	353	5,201	886	4,221	338	4,694	677
Tax liabilities	97	112	80	97	103	121	287	152
Invoiced revenues, not worked up	4,623	4	4,968	4	5,408	3	4,244	5
Accrued expenses and prepaid income	3,638	507	3,374	505	3,399	673	4,012	840
Other current liabilities	5,177	3,635	4,949	3,364	6,063	4,504	4,112	3,175
Other provisions							59	
Total current liabilities	19,902	13,976	22,620	14,501	23,122	14,933	20,562	7,896
Total liabilities	30,601	15,975	32,058	16,548	32,970	17,193	29,688	10,773
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	37,729 ¹⁾	16,267	39,696 ²⁾	16,749	40,912 ³⁾	17,477	39,402 ⁴⁾	15,506

In the interim report Q1 2016, the column "whereof" will be reported on one line on the asset side and on one line at the liability side. The lines are called "Assets held for distribution" and "Liabilities related to assets held for distribution".

Equity for Bonava will be reported on the lines "Reserves" and "Profit/loss brought forward, including current-year profit/loss". The total amounts to SEK 291 M, SEK 200 M, SEK 284 M and SEK 4 732 M for the respective quarters.

1) Non-interest bearing receivables and liabilities increase by SEK 383 M and interest-bearing receivables and liabilities increase by SEK 7 393 M if Bonava is not included in the Group.

2) Non-interest bearing receivables and liabilities increase by SEK 415 M and interest-bearing receivables and liabilities increase by SEK 7 531 M if Bonava is not included in the Group.

3) Non-interest bearing receivables and liabilities increase by SEK 312 M and interest-bearing receivables and liabilities increase by SEK 7 185 M if Bonava is not included in the Group.

4) Non-interest bearing receivables and liabilities increase by SEK 453 M and interest-bearing receivables and liabilities increase by SEK 1 170 M if Bonava is not included in the Group.

5) NCC recognizes deferred tax liabilities and deferred tax assets net by country. The same applies for Bonava, which is why the amounts in the column "Whereof" is higher than the amounts in the column for NCC.

6) Bonava has interest-bearing liabilities to NCC Treasury. In the column for NCC, those are eliminated. During the fourth quarter 2015, Bonava got a capital injection from NCC which was used to offset their interest-bearing liabilities against remaining NCC.

7) In December, an internal item of SEK 90 M has been reclassified between "Housing projects" and "Other receivables". Analog reclassification has not been made during the other three quarters. Thus, the amount in the "where of"-column for these quarters is higher since especially intercompany profits between Building and Bonava affects the "NCC"-column.

As of the first quarter of 2016, the cash flow impact of Bonava (Housing) will be recognized on a separate line of operating activities. Although comparative figures for 2015 will not be restated, Bonava's (Housing's) share of the NCC Group's cash flow during 2015 is illustrated below.

Cash-flow statement - comparative figures 2015

SEK M	2015 Mar. 31	whereof Bonava	2015 Jun. 30	whereof Bonava	2015 Sep. 30	whereof Bonava	2015 Dec. 31	whereof Bonava
OPERATING ACTIVITIES								
Profit/loss after financial items, continuing operations	-254		287		1,094		2,656	
Profit/loss after financial items, discontinued operations		-11		1		94		1,033
Adjustments for items not included in cash flow	299	13	342	49	471	-24	1,160	52
Tax paid	-173	-27	-285	-73	-333	-86	-379	-125
Cash flow from operating activities before changes in working capital	-128	-25	343	-23	1,232	-16	3,436	959
Cash flow from changes in working capital								
Divestment of property projects	321		520		1,362		2,529	
Gross investments in property projects	-451		-902		-1,174		-1,858	
Divestment of housing projects	1,490	1,503	3,073	3,077	4,841	4,996	9,900	10,075
Gross investments in housing projects	-1,931	-1,959	-4,064	-4,224	-6,553	-6,647	-9,725	-9,842
Other changes in working capital	-129	36	-621	350	-204	1,017	-222	258
Cash flow from changes in working capital	-700	-420	-1,995	-797	-1,727	-633	624	491
Cash flow from operating activities	-828	-445	-1,652	-820	-495	-650	4,061	1,450
INVESTING ACTIVITIES								
Cash flow from investing activities	-170	-9	-425	-26	-579	-44	-730	-13
CASH FLOW BEFORE FINANCING	-998	-454	-2,077	-846	-1,074	-1,788	3,331	1,437
FINANCING ACTIVITIES	-373	526	151	759	125	804	-1,713	-1,301
CASH FLOW DURING THE PERIOD	-1,372	72	-1,927	-86	-950	111	1,618	136
Cash and cash equivalents at beginning of period	2,592	463	2,592	463	2,592	463	2,592	463
Effects of exchange rate changes on cash and cash equivalents	-13		-17	2	-13	-3	-32	-14
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,207	534	648	379	1,629	570	4,177	585

In the interim report Q1 2016, Bonavas cash flow will be stated in a note which means that Bonava's cash flow from each section will be reflected here.

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This is the type of information that NCC could be obligated to disclose pursuant to the Securities Market Act. The information was issued for publication on April 20, 2016, at 08:15 a.m. (CET).

All of NCC's press releases are available at www.ncc.se/press.

NCC is one of the leading construction and property development companies in the Nordic region. In 2015, NCC reported sales of SEK 62 billion and had 18,000 employees.