

Veidekke ASA

Third quarter 2021



Key figures¹⁾

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue, segment	9 295	9 534	27 416	27 866	38 140
Pre-tax profit, segment	530	505	949	743	1 134
Construction Norway	117	118	367	377	532
Infrastructure Norway	325	263	328	162	244
Construction Sweden	11	53	132	126	175
Infrastructure Sweden	54	33	81	80	128
Denmark/Hoffmann A/S	50	47	130	122	200
Other	-27	-10	-90	-123	-145
Profit margin	5.7%	5.3%	3.5%	2.7%	3.0%
EBITDA	769	850	1 628	1 522	2 079
Profit per share (NOK)	2.90	2.70	4.90	3.70	5.80
Net interest bearing position ²⁾	3 195	5 507	3 195	5 507	3 078
Cash flow from operations ¹⁾	784	616	1338	1485	2 350
Return on equity past 12 months ²⁾	31%	50%	31%	50%	53%
Total order book	40 057	37 730	40 057	37 730	37 460
Order intake	8 435	6 449	18 499	17 974	39 267
LTI rate	5.7	4.4	6.4	4.3	4.4
Sickness absence	4.2%	3.9%	4.5%	4.4%	5.1%

1) The figures relate to continued operations, unless otherwise specified.

2) Comprises continued operations and the operation sold at 1 September 2020.

Results Q3 2021

Veidekke achieved revenues of NOK 9.3 billion in Q3. The pre-tax profit of NOK 530 million equates to a quarterly profit per share of NOK 2.90. The order book totalled NOK 40 billion at quarter-end.

“Veidekke achieved stable revenue and improved its profits in the quarter, with the infrastructure operations standing out amid strong performances throughout the group,” says Jimmy Bengtsson, Group CEO, Veidekke ASA.

“Over the year since third quarter last year, we raised our profits by about NOK 200 million. Our profit margin has increased to 3.6%, and we are on track to achieve our profitability targets. There is still considerable potential for improving profitability and, with a solid cash position, we are well equipped for investment in further growth,” says Bengtsson.

“Activity in the construction and civil engineering market appears to have returned to pre-pandemic levels. Several major construction and civil engineering orders in Oslo and eastern Norway have boosted Veidekke’s order book above NOK 40 billion for the first time. While high timber and rebar prices remain an industry-wide challenge, we expect most delivery difficulties to be temporary and to be resolved in the foreseeable future,” says Bengtsson.

Veidekke achieved revenues of NOK 9.3 billion in Q3, compared to NOK 9.5 billion in the third quarter of last year. The quarterly pre-tax profit totalled NOK 530 million, up from NOK 505 million in Q3 2020. The result of the Swedish operations included a NOK 21 million allocation in respect of restructuring costs related to reorganisation. The profit increase compared to last year is attributable to Infrastructure Norway and Infrastructure Sweden. Overall, the profit margin increased to 5.7%, up from 5.3% in Q3 2020. All operational areas improved their profitability compared to last year, with the exception of Construction Sweden, which experienced a weak quarter.

Net interest-bearing assets amounted to NOK 3.2 billion at quarter-end, compared to NOK 3.1 billion at the beginning of the year. The statement of financial position totalled NOK 17.6 billion at the end of Q3, compared to NOK 17.5 billion at the beginning of the year.

The Q3 order intake was NOK 8.4 billion, compared to NOK 6.4 billion in Q3 2020. The order book totalled NOK 40 billion at quarter-end, compared to NOK 37.7 billion one year ago. There was an increase in orders for public buildings and for other civil engineering projects, while demand for transport infrastructure, commercial buildings and residential buildings fell. Approximately two-thirds of the order book will be converted into revenue in the next 12 months.

The third-quarter LTI (lost time injury) rate was 5.7, up from 5.5 in the previous quarter and 4.4 in Q3 2020. No serious injuries were reported during the quarter. The sick leave rate was 4.2%, down on the preceding quarter (4.7%).

Earlier this year, Veidekke decided to implement a structural and organisational reorientation of the Swedish operation. As a result, Veidekke Sweden has now been split into two operational entities: Construction Sweden and Infrastructure Sweden. The new organisational structure is reflected in the group’s reporting as of Q3 2021.

Veidekke Construction Norway

NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue	3 005	3 381	10 040	10 562	14 638
Pre-tax profit	117	118	367	377	532
Profit margin	3.9%	3.5%	3.7%	3.6%	3.6%
Order book	13 318	14 048	13 318	14 048	13 358

The Norwegian construction operation generated revenues of NOK 3.0 billion in the third quarter of 2021, down 11% from NOK 3.4 billion in Q3 2020. The decline is attributable to a reduced order intake in the past 12 months. Revenues were high in Oslo and central parts of eastern Norway, but dropped in southwestern Norway.

The Q3 pre-tax profit totalled NOK 117 million, compared to NOK 118 million in Q3 2020. Despite reduced revenues, Construction Norway as a whole delivered a substantial profit improvement, increasing its profit margin from 3.5% to 3.9% year-on-year. The operations in Oslo and central parts of eastern Norway achieved further profit growth from an already high level in Q3 2020. However, the profitability of the operations in southwestern Norway was weak, and these operations achieved lower profits than in the corresponding quarter last year.

The quarterly order intake amounted to NOK 3.7 billion, compared to NOK 2.7 billion one year ago.

New contracts signed in the quarter:

- Majorstuhjemmene care home for Omsorgsbygg Oslo KF. Contract value NOK 608 million.
- Hartvig Nissen VGS. School building for Oslobygg KF. Contract value NOK 550 million.
- Frysjaparken tract B. Residential units in Oslo for Stor-Oslo Eiendom AS. Contract value NOK 250 million.
- Tvedestrand primary school for Tvedestrand municipality. Contract value NOK 172 million.
- Søndre Borgen healthcare centre in Asker for Asker municipality. Contract value NOK 132 million.

At quarter-end, the order book totalled NOK 13.3 billion, compared to NOK 14.0 billion last year. The reduction is attributable to the commercial buildings and residential segments.

Veidekke Infrastructure Norway

NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue	2 777	2 782	6 699	6 798	8 847
Civil engineering	1 390	1 652	4 178	4 587	5 933
Asphalt, Aggregates	1 388	1 130	2 521	2 211	2 914
Pre-tax profit	325	263	328	162	244
Civil engineering	96	51	182	113	161
Asphalt, Aggregates	229	212	147	49	83
Profit margin	11.7%	9.5%	4.9%	2.4%	2.8%
Civil engineering	6.9%	3.1%	4.3%	2.5%	2.7%
Asphalt, Aggregates	16.5%	18.7%	5.8%	2.2%	2.8%
Order book	8 554	7 813	8 554	7 813	7 206

Veidekke Infrastructure Norway achieved revenues of NOK 2.8 billion in the third quarter, on a par with the same quarter last year. The pre-tax profit totalled NOK 325 million, compared to NOK 263 million in Q3 2020. The entire civil engineering operation delivered an improved profit performance. Ongoing adjustments to address low profitability are being made to the portfolio of major civil engineering projects. Overall, the profit margin was 11.7%, up from 9.5% in the third quarter of 2020.

The civil engineering operation generated revenues of NOK 1.4 billion in Q3, compared to NOK 1.7 billion in the corresponding quarter of last year. The profit totalled NOK 96 million, compared to NOK 51 million in Q3 2020. All three civil engineering operations – Major Civil Engineering Projects, Specialist Units and Road Maintenance – delivered better profits than last year. The quarterly profit margin was 6.9%, up from 3.1% in Q3 2020. Specialist Units and Road Maintenance made a positive contribution to the profit margin, while Major Civil Engineering Projects is still being adjusted. Overall, however, the project portfolio is improving.

The asphalt and aggregates operations achieved total revenues of NOK 1.4 billion in the third quarter, up from NOK 1.1 billion last year. The revenue increase is attributable to both increased volumes and higher commodity prices. The quarterly asphalt volume was 1,046,000 tonnes, up 15% year-on-year. The quarterly profit was NOK 229 million, compared to NOK 212 million in the third quarter of 2020. The profit margin was 16.5%, compared to 18.7% in Q3 2020.

The third-quarter order intake amounted to NOK 2.2 billion, compared to NOK 832 million last year. The order intake includes civil engineering orders and road maintenance contracts.

New contracts signed in the quarter:

- Government district, Oslo. Basement structure for Statsbygg. Contract value NOK 2.1 billion.

At quarter-end, the order book of the Norwegian infrastructure operation totalled NOK 8.6 billion, compared to NOK 7.8 billion last year. Maintenance contracts accounted for NOK 4.2 billion of the order book, compared to NOK 3.4 billion in Q3 2020.

Veidekke Construction Sweden

NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue	1 874	1 800	6 053	5 629	7 867
Pre-tax profit	11	53	132	126	175
Profit margin	0.6%	2.9%	2.2%	2.2%	2.2%
Order book	10 498	9 153	10 498	9 153	8 885

The Swedish construction operation achieved revenues of NOK 1.9 billion in Q3, compared to NOK 1.8 billion last year. The quarterly profit was NOK 11 million, compared to NOK 53 million in Q3 2020, and included allocations in respect of restructuring costs related to reorganisation, totalling NOK 14 million. The profit margin for the third quarter was 0.6%, down from 2.9% in the same quarter last year. The weak performance is attributable to low profitability in the Stockholm and Uppsala operations.

The quarterly order intake amounted to NOK 1.5 billion, compared to NOK 1.9 billion in Q3 2020.

New contracts signed during the quarter:

- Brf Ramselyckan. Residential units in Öjersjö near Gothenburg for HSB. Contract value NOK 189 million.
- Kunskaen 1. School in Malmö for Wihlborgsfastigheter AB. Contract value NOK 168 million.
- Kvarngärdet. Residential units in Uppsala for Nordr. Contract value NOK 156 million.
- Arnhult Kv. Residential units in Torslanda near Gothenburg for Terrester AB. Contract value NOK 137 million.
- Sigtuna Seldonet. Residential units in Stockholm for OBOS Bostadsutveckling AB. Contract value NOK 102 million.

At the end of the third quarter, Construction Sweden's order book stood at NOK 10.5 billion, up from NOK 9.2 billion one year ago. Measured in local currency, the order book grew by 20%.

Veidekke Infrastructure Sweden

NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue	1 086	1 034	3 029	3 140	4 426
Pre-tax profit	54	33	81	80	128
Profit margin	5.0%	3.2%	2.7%	2.5%	2.9%
Order book	4 741	4 112	4 741	4 112	5 495

The Swedish infrastructure operation generated revenues of NOK 1.1 billion in the third quarter, compared to NOK 1.0 billion last year. The quarterly profit was NOK 54 million, compared to NOK 33 million in Q3 2020, and included allocations in respect of restructuring costs related to reorganisation, totalling NOK 7 million. The profit improvement is attributable to increased profitability in many parts of the operation. The quarterly profit margin was 5.0%, compared to 3.2% one year ago.

The quarterly order intake amounted to NOK 812 million, compared to NOK 747 million in Q3 2020.

New contracts signed during the quarter:

- ST 1 Amine. Civil engineering and concrete works in Gothenburg for ST1 Gothenburg Biorefinery AB. Contract value NOK 133 million.
- Kulturbbyggnader 3A. Relocation of historical buildings in Kiruna for LKAB. Contract value NOK 120 million.

At the end of the third quarter, Infrastructure Sweden's order book stood at NOK 4.7 billion, up from NOK 4.1 billion one year ago. Measured in local currency, the order book grew by 21%.

Veidekke Denmark/Hoffmann A/S

NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue	622	635	1 772	1 966	2 652
Pre-tax profit	50	47	130	122	200
Profit margin	8.0%	7.4%	7.3%	6.2%	7.5%
Order book	2 947	2 604	2 947	2 604	2 516

The Danish operation achieved revenues of NOK 622 million in the third quarter, compared to NOK 635 million in the corresponding quarter last year. The third-quarter pre-tax profit was NOK 50 million, compared to NOK 47 million in Q3 2020. The project portfolio remains robustly profitable, with a profit margin of 8.0%, compared to 7.4% in the third quarter of last year.

The quarterly order intake totalled NOK 278 million, compared to NOK 287 million last year. No major contracts were signed during the quarter.

At the end of Q3, Hoffmann's order book stood at NOK 2.9 billion, compared to NOK 2.6 billion last year. While the order book is strong, several projects are not scheduled to start until mid-2022, and lower activity levels are therefore expected in the short term.

Other operations

Other operations consist of unallocated costs associated with the group's corporate administration and financial management, the group's ownership role in Public-Private Partnerships (PPP) and the elimination of intra-group profits. The result for the second quarter was a loss of NOK 27 million.

Financial situation

Net interest-bearing assets amounted to NOK 3.2 billion at quarter-end, compared to NOK 3.1 billion at the beginning of the year. Quarterly operational cash flow totalled NOK 784 million, compared to NOK 616 million in the same quarter of 2020, and was driven by strong project liquidity in Sweden. The statement of financial position totalled NOK 17.6 billion at quarter-end, compared to NOK 17.5 billion at the beginning of the year.

Veidekke refinanced its existing borrowing facilities with DNB and SEB in December 2020. As at the end of Q3, Veidekke had not drawn on any of its available credit totalling NOK 2.5 billion.

Shareholder information

A total of 11.7 million Veidekke shares were traded in the third quarter of 2021. The share price ranged from NOK 106.20 to NOK 116.00 and was NOK 107.30 at 30 September 2021. The foreign shareholding was 26.9%. Approximately 13% of the shares in the company are owned by Veidekke employees.

Largest shareholders at 30 September 2021	Ownership share
OBOS BBL	19.3%
FOLKETRYGDFONDET	10.8%
BNP Paribas Securities Services	3.7%
VERDIPAPIRFONDET ODIN NORGE	2.5%
MUST INVEST AS	2.2%
MP PENSJON PK	2.0%
Skandinaviska Enskilda Banken AB	2.0%
State Street Bank and Trust Company 1	1.7%
Pareto Aksje Norge Verdipapirfond	1.6%
State Street Bank and Trust Company 2	1.6%
Total 10 largest shareholders	47.5%
Other shareholders	52.5%
Total	100.0%
Total number of 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 third quarter of 2021. For a more detailed description of related-party transactions, see Veidekke's Annual and sustainability report 2020.

Risks

Veidekke's business primarily involves the execution of individual projects. Projects vary 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. This applies particularly to transport infrastructure projects, in which the contractual sums are large. Although Veidekke seeks to reach agreement with clients through negotiations, some disputes do end up in the court system. As at the end of the quarter, Veidekke was involved in one major dispute currently before the courts.

In the aftermath of the Covid-19 pandemic, Veidekke's risk profile is characterised by potential difficulties with the delivery of goods and components, as well as more volatile raw material prices.

In Sweden, uncertainty has arisen about the future availability of cement for the construction and civil engineering markets. In a July 2021 judgment, Sweden's Land and Environment Court refused a new mining licence for the Cementa cement factory in Slite on Gotland. The factory currently accounts for around 75% of Sweden's total cement production. The judgment required the Cementa facility to stop all quarrying of limestone at a nearby site on 31 October 2021. However, the Swedish Government has granted Cementa an exemption permitting continued operation of the quarry for a further eight months from October 2021. Unless a long-term solution is found, many parts of Sweden will experience cement shortages. Veidekke is monitoring the situation closely.

For further discussion of the company's financial risk, climate risk and other risk factors, see Note 30 to Veidekke's Annual and sustainability report 2020.

Oslo, 10 November 2021
The board of directors of Veidekke ASA

Svein Richard Brandtzæg
chair

Gro Bakstad Ingolv Høyland Daniel Kjørberg Siraj Hanne Rønneberg Per-Ingemar Persson

Klara-Lise Aasen Carola Lavén Inge Ramsdal Odd Andre Olsen Arve Fludal

Jimmy Bengtsson
Group CEO

INCOME STATEMENT

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Revenue	9 295	9 534	27 416	27 866	38 140
Operating expenses	-8 527	-8 691	-25 785	-26 363	-36 022
Share of net income from joint ventures	1	7	-3	19	4
Operating profit before depreciation (EBITDA)	769	850	1 628	1 522	2 122
Depreciation	-219	-227	-669	-683	-910
Operating profit (EBIT)	550	623	959	839	1 213
Financial income	2	8	56	62	80
Financial costs	-22	-15	-66	-90	-91
Pre-tax profit, continued operations	530	616	949	810	1 202
Tax expenses	-122	-139	-216	-182	-279
Post-tax profit, continued operations	407	477	732	628	922
of which non-controlling interests	19	23	77	62	81
Post-tax profit, discontinued operations		1 059		1 271	1 266
of which non-controlling interests		-		-	-
Post-tax profit for the period	407	1 536	732	1 898	2 189
Profit per share (NOK), continued operations	2.90	3.40	4.90	4.20	6.20
Profit per share (NOK), discontinued operations		7.80		9.40	9.40
Profit per share (NOK), continued and discontinued operations	2.90	11.20	4.90	13.60	15.60

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Post-tax profit for the period	407	1 536	732	1 898	2 189
Revaluation of pensions	-	-	-	-	-37
Net items that will not be reclassified subsequently to profit or loss	-	-	-	-	-37
Currency translation differences	-12	-87	-52	111	40
Fair value adjustment of financial assets	15	-25	46	-79	-47
Net items that may be reclassified subsequently to profit or loss	3	-112	-6	31	-7
Total comprehensive income	410	1 424	727	1 930	2 144
of which non-controlling interests	17	24	75	65	84

STATEMENT OF FINANCIAL POSITION VEIDEKKE GROUP¹⁾

Figures in NOK million	30 Sep 2021	30 Sep 2020 ¹⁾	31 Dec 2020	31 Dec 2019 ¹⁾
ASSETS				
Non-current assets				
Goodwill	1 792	1 837	1 824	1 790
Other intangible assets	105	80	130	94
Land and buildings	1 267	1 281	1 318	1 253
Plant and machinery	2 322	2 457	2 411	2 644
Investments in joint ventures	148	192	197	219
Financial assets	638	537	571	535
Total non-current assets	6 272	6 383	6 452	6 535
Current assets				
Residential projects	10	53	32	53
Inventories	627	671	580	544
Trade and other receivables, contract assets	6 791	6 961	6 718	5 683
Financial investments	540	-	540	-
Cash and cash equivalents	3 340	6 142	3 219	241
Total current assets	11 307	13 827	11 089	6 522
Total assets discontinued operations	-	-	-	8 920
Total assets	17 579	20 211	17 541	21 977
EQUITY AND LIABILITIES				
Equity				
Share capital	67	67	67	67
Other equity	2 620	5 616	2 785	3 740
Non-controlling interests	19	23	25	142
Total equity	2 706	5 706	2 877	3 949
Non-current liabilities				
Pensions and deferred tax liabilities	1 123	911	1 136	908
Bonds	600	600	600	1 600
Amounts due to credit institutions	194	168	198	1 507
Other non-current liabilities	1 224	1 095	1 097	1 161
Total non-current liabilities	3 141	2 773	3 031	5 177
Current liabilities				
Debt to credit institutions	14	24	29	12
Trade payables and warranty provisions	7 009	6 959	7 113	6 957
Public duties and taxes payable	1 361	1 459	1 102	751
Other current liabilities and contract liabilities	3 348	3 290	3 389	2 800
Total current liabilities	11 732	11 732	11 633	10 520
Total liabilities related to discontinued operations	-	-	-	2 331
Total equity and liabilities	17 579	20 211	17 541	21 977

1) In the balance sheet as at 31 December 2019 and 30 June 2020, all items relating to the property development operation are presented as assets and liabilities related to discontinued operations.

STATEMENT OF CASH FLOWS

CONTINUED OPERATIONS

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Pre-tax profit, continued operations	530	616	949	810	1 202
Tax paid	-11	-39	-65	-85	-81
Depreciation/impairment	219	227	669	683	909
Other operational items	46	-188	-215	77	319
Cash flow from operating activities	784	616	1 338	1 485	2 350
Acquisition/disposal of property, plant and equipment	-78	-112	-217	-412	-682
Other investing activities	5	-45	34	-105	-119
Short-term bond fund investment	-	-	-	-	-540
Change in interest-bearing receivables	21	14	23	38	50
Cash flow from investing activities	-53	-142	-161	-480	-1 291
Change in interest-bearing liabilities	-44	-1 654	-42	-2 134	-2 032
Dividend paid	-	-	-776	-	-3 037
Change in liabilities, discontinued operations	-	4 287	-	4 158	4 158
Other financial items	-14	-214	-237	-283	-356
Cash flow from financing activities	-58	2 418	-1 055	1 742	-1 266
Total cash flow from continued operations	673	2 892	122	2 748	-208
Cash flow from discontinued operations	-	3 119	-	3 069	3 103
Change in cash and cash equivalents	673	6 011	122	5 817	2 895
Cash and cash equivalents, start of period	2 667	128	3 219	318	318
Exchange rate adjustment foreign cash balances	-	3	-2	7	7
Cash and cash equivalents, end of period	3 340	6 142	3 340	6 142	3 219

TOTAL OPERATIONS (CONTINUED AND DISCONTINUED OPERATIONS)

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
Pre-tax profit, total operations	530	1 653	949	2 060	2 451
Gains from sale of operations	-	-1 159	-39	-1 153	-1 153
Depreciation/impairment	219	229	669	688	914
Other operational items	35	-20	-241	-223	58
Cash flow from operating activities	784	703	1 338	1 372	2 270
Acquisition/disposal of property, plant and equipment	-78	-114	-217	-413	-682
Sale of subsidiaries	-	6 950	135	6 968	6 968
Other investing activities	26	22	-78	-79	-621
Cash flow from investing activities	-53	6 858	-161	6 476	5 664
Change in interest-bearing liabilities	-44	-1 353	-42	-1 680	-1 561
Dividend paid	-	-	-776	-	-3 037
Other financial items	-14	-197	-237	-351	-442
Cash flow from financing activities	-58	-1 550	-1 055	-2 031	-5 039
Change in cash and cash equivalents	673	6 011	122	5 816	2 895
Cash and cash equivalents, start of period	2 667	128	3 219	318	318
Exchange rate adjustment foreign cash balances	-	3	-2	7	7
Cash and cash equivalents, end of period	3 340	6 142	3 340	6 142	3 219

NET INTEREST-BEARING POSITION

Figures in NOK million	30 Sep 2021	30 Sep 2020	31 Dec 2020	31 Dec 2019
Cash and cash equivalents	3 340	6 142	3 219	283
Interest-bearing assets (short-term)	540	-	540	-
Interest-bearing assets (long-term)	123	158	145	195
Interest-bearing liabilities	-808	-792	-827	-3 131
Net interest-bearing position	3 195	5 507	3 078	-2 653
Cash in housing cooperatives	-	-	-	35
Interest bearing debt, housing cooperatives	-	-	-	-678
Net interest-bearing position incl. housing cooperatives	3 195	5 507	3 078	-3 296

OTHER KEY FIGURES

Figures in NOK million	30 Sep 2021	30 Sep 2020	31 Dec 2020	31 Dec 2019
Order backlog (NOK million)	40 057	37 730	37 460	36 704
Equity ratio	15%	28%	16%	18%
Return on equity past 12 months	31%	50%	53%	25%
Number of employees (Total operations)	7 892	8 181	8 082	8 557

BUSINESS SEGMENTS

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
CONSTRUCTION NORWAY					
Revenue	3 005	3 381	10 040	10 562	14 638
Operating expenses	-2 848	-3 230	-9 556	-10 094	-13 976
Share of net income from joint ventures	-	-	-	-	-
Depreciation/impairment	-40	-40	-128	-124	-168
Operating profit (EBIT)	116	110	355	345	494
Net financial items	1	8	13	32	38
Pre-tax profit (EBT)	117	118	367	377	532
Total assets, segment	6 504	6 430	6 504	6 430	6 924
INFRASTRUCTURE NORWAY					
Revenue	2 777	2 782	6 699	6 798	8 847
Operating expenses	-2 329	-2 398	-6 004	-6 255	-8 103
Share of net income from joint ventures	-2	3	-1	1	5
Depreciation/impairment	-111	-114	-336	-344	-457
Operating profit (EBIT)	336	274	358	200	292
Net financial items	-11	-11	-30	-38	-48
Pre-tax profit (EBT)	325	263	328	162	244
Total assets, segment	5 652	6 004	5 652	6 004	5 066
CONSTRUCTION SWEDEN					
Revenue	1 874	1 800	6 053	5 629	7 867
Operating expenses	-1 843	-1 727	-5 867	-5 452	-7 624
Share of net income from joint ventures	-2	-1	-2	1	-
Depreciation/impairment	-15	-21	-58	-60	-82
Operating profit (EBIT)	14	52	126	119	162
Net financial items	-3	1	6	7	13
Pre-tax profit (EBT)	11	53	132	126	175
Total assets, segment	3 318	2 915	3 318	2 915	3 032
INFRASTRUCTURE SWEDEN					
Revenue	1 086	1 034	3 029	3 140	4 426
Operating expenses	-993	-973	-2 837	-2 971	-4 156
Share of net income from joint ventures	-	-	-16	-	-25
Depreciation/impairment	-36	-28	-94	-87	-116
Operating profit (EBIT)	58	32	82	81	130
Net financial items	-4	1	-1	-2	-1
Pre-tax profit (EBT)	54	33	81	80	128
Total assets, segment	1 486	1 460	1 486	1 460	1 500

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
DENMARK					
Revenue	622	635	1 772	1 966	2 652
Operating expenses	-566	-582	-1 625	-1 825	-2 429
Share of net income from joint ventures	-	-	-	-	-
Depreciation/impairment	-6	-7	-18	-23	-29
Operating profit (EBIT)	50	46	130	117	194
Net financial items	-	1	-	4	6
Pre-tax profit (EBT)	50	47	130	122	200
Total assets, segment	1 782	1 738	1 782	1 738	1 828
OTHER OPERATIONS¹⁾					
Revenue	40	28	120	50	49
Operating expenses	-56	-24	-186	-110	-142
Share of net income from joint ventures	5	5	16	16	23
Depreciation/impairment	-12	-17	-36	-45	-56
Operating profit (EBIT)	-22	-8	-87	-89	-127
Net financial items	-4	-	2	-32	-19
Pre-tax profit (EBT)	-26	-7	-85	-122	-146
GROUP ELIMINATIONS CONTINUED OPERATIONS					
Revenue	-110	-127	-297	-279	-339
Operating expenses	108	129	290	278	339
Share of net income from joint ventures	-	-	-	-	-
Depreciation/impairment	1	-	1	-	-
Operating profit (EBIT)	-1	2	-6	-1	1
Net financial items	-	-5	-	-	-
Pre-tax profit (EBT)	-1	-3	-6	-1	1
TOTAL VEIDEKKE GROUP SEGMENT ACCOUNTS CONTINUED OPERATIONS					
Revenue	9 295	9 534	27 416	27 866	38 140
Operating expenses	-8 527	-8 805	-25 785	-26 430	-36 090
Share of net income from joint ventures	1	7	-3	19	4
Depreciation/impairment	-219	-227	-669	-683	-909
Operating profit (EBIT)	550	508	959	771	1 145
Net financial items	-20	-4	-10	-29	-11
Pre-tax profit (EBT)	530	505	949	743	1 134
Total assets, segment	17 579	20 211	17 579	20 211	17 541

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

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
PROPERTY DEVELOPMENT (UNTIL AUGUST 2020)					
Revenue		412		1 893	1 893
Operating expenses		-385		-1 748	-1 748
Share of net income from joint ventures		52		179	179
Depreciation/impairment		-1		-4	-4
Operating profit (EBIT)		79		320	320
Net financial items		-7		-2	-2
Pre-tax profit (EBT)		71		318	318
ELIMINATIONS BETWEEN PROPERTY DEVELOPMENT AND CONTINUED OPERATIONS, GAIN FROM SALE OF PROPERTY DEVELOPMENT OPERATIONS					
Revenue		-114		-721	-721
Operating expenses		114		721	721
Share of net income from joint ventures		-		-	-
Depreciation/impairment		-		-	-
Gain from sale of property development operations		594		594	591
Operating profit (EBIT)		594		594	591
Net financial items		-		-	-
Pre-tax profit (EBT)		594		594	591
TOTAL VEIDEKKE GROUP SEGMENT ACCOUNTS (CONTINUED AND DISCONTINUED OPERATIONS)					
Revenue	9 295	9 832	27 416	29 039	39 313
Operating expenses	-8 527	-9 076	-25 785	-27 457	-37 117
Share of net income from joint ventures	1	59	-3	198	183
Depreciation/impairment	-219	-229	-669	-688	-914
Gain from sale of property development operations	-	594	-	594	591
Operating profit (EBIT)	550	1 181	959	1 685	2 056
Net financial items	-20	-11	-10	-31	-13
Pre-tax profit (EBT)	530	1 170	949	1 654	2 043
Tax expenses	-122	-138	-216	-190	-290
Post-tax profit	407	1 033	732	1 464	1 753
Total assets, segment	17 579	20 211	17 579	20 211	17 541

RECONCILIATION OF SEGMENT ACCOUNTS AND FINANCIAL ACCOUNTS

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
TOTAL VEIDEKKE GROUP SEGMENTS (CONTINUED AND DISCONTINUED OPERATIONS)					
Revenue	9 295	9 832	27 416	29 039	39 313
Operating expenses	-8 527	-9 076	-25 785	-27 457	-37 117
Share of net income from joint ventures	1	59	-3	198	183
Depreciation/impairment	-219	-229	-669	-688	-914
Gain from sale of property development operations	-	594	-	594	591
Operating profit (EBIT)	550	1 181	959	1 685	2 056
Net financial items	-20	-11	-10	-31	-13
Pre-tax profit (EBT)	530	1 170	949	1 654	2 043
Income tax expenses	-122	-138	-216	-190	-290
Post-tax profit	407	1 033	732	1 464	1 753
Total assets, segment	17 579	20 211	17 579	20 211	17 541

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
TOTAL IFRS ADJUSTMENTS					
Revenue		-412		-408	-408
Operating expenses		472		361	362
Share of net income from joint ventures		-7		21	21
Depreciation/impairment		-		-	-
Gain from sale of property development operations		432		432	433
Operating profit (EBIT)		485		407	408
Net financial items		-		-	-
Pre-tax profit (EBT)		485		407	408
Income tax expenses		19		28	28
Post-tax profit		503		434	436

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
SEPARATION OF DISCONTINUED OPERATIONS					
Revenue		114		-765	-765
Operating expenses		-87		733	733
Share of net income from joint ventures		-45		-200	-200
Depreciation/impairment		1		4	4
Gain from sale of property development operations		-1 025		-1 025	-1 024
Operating profit (EBIT)		-1 043		-1 253	-1 252
Net financial items		4		2	2
Pre-tax profit (EBT)		-1 039		-1 251	-1 249
Income tax expenses		-20		-20	-17
Post-tax profit		-1 059		-1 271	-1 266

Figures in NOK million	Q3 2021	Q3 2020	At 30 Sep 2021	At 30 Sep 2020	2020
TOTAL VEIDEKKE GROUP FINANCIAL ACCOUNTS (CONTINUED OPERATIONS)					
Revenue	9 295	9 534	27 416	27 866	38 140
Operating expenses	-8 527	-8 691	-25 785	-26 363	-36 022
Share of net income from joint ventures	1	7	-3	19	4
Depreciation/impairment	-219	-227	-669	-683	-909
Operating profit (EBIT)	550	623	959	839	1 213
Net financial items	-20	-7	-10	-29	-11
Pre-tax profit (EBT)	530	616	949	810	1 202
Income tax expenses	-122	-139	-216	-182	-279
Post-tax profit	407	477	732	628	922
Total assets group	17 579	20 211	17 579	20 211	17 541

STATEMENT OF CHANGES IN EQUITY

Figures in NOK million	EQUITY HOLDERS OF VEIDEKKE ASA							MINORITY		
	Share capital	Other paid-in capital ¹⁾	Reeval. of pensions	Currency translation differences	Other retained earnings	Fair value adjustments ²⁾	Other comprehensive income, discount. operations	Total	Non-controlling interests	Total
Equity at 1 January 2020	67	419	-9	-17	3 405	-93	34	3 807	142	3 949
Profit					1 837			1 837	62	1 898
Other comprehensive income				141		-79	-34	28	3	31
Transactions, non-controlling interests					12			12	-31	-20
Change, non-controlling interests, housing cooperatives in Sweden									-119	-119
Dividend									-35	-35
Equity at 30 Sep 2020	67	419	-9	125	5 253	-172		5 683	23	5 706
Equity at 1 January 2020	67	419	-9	-17	3 405	-93	34	3 807	142	3 949
Profit for the year					2 108			2 108	81	2 189
Other comprehensive income			-37	71	15	-63	-34	-48	3	-45
IFRS 2 – share-based transactions employees					4			4		4
Transactions, non-controlling interests					18			18	-48	-30
Change, non-controlling interests, housing cooperatives in Sweden									-119	-119
Dividend					-3 037			-3 037	-35	-3 071
Equity at 31 December 2020	67	419	-46	54	2 514	-156	-	2 853	25	2 877
Equity at 1 January 2021	67	419	-46	54	2 514	-156	-	2 853	25	2 877
Profit					655			655	77	732
Other comprehensive income				-50		46		-4	-2	-6
IFRS 2 – share-based transactions employees					-25			-25		-25
Transactions, non-controlling interests					-15			-15	-28	-43
Dividend					-776			-776	-53	-829
Equity at 30 Sep 2021	67	419	-46	4	2 353	-109	-	2 688	19	2 706

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

2) Financial assets and derivatives defined as hedging instruments are measured at fair value in other comprehensive income

NOTE 1. 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 2021 include Veidekke ASA and its subsidiaries and the group's investments in associates and joint ventures.

On 1 September 2020, Veidekke transferred the group's property development operation to new owners. The

decision to sell the property development operation has influenced the presentation of both the profit and loss account and the balance sheet for 2020. Reference is made to Note 2 Accounting principles. Through the sale of the property development operation, Veidekke has become a streamlined construction business.

Accounting figures in quarterly accounts are not audited.

NOTE 2. 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 2020.

The decision to divest the property development operation had far-reaching effects on the presentation of Veidekke's accounts. As a result of the decision, the accounting standard "IFRS 5 Non-current assets held for sale" became applicable, and the property development operation was reported on separately in the accounts. The purpose of the accounting standard is to present accounting figures for continued operations separately from operations which have been sold or offered for sale. This means that the accounting figures presented can be compared to previous periods, when the property development operation was not yet sold.

The accounting standard IFRS 5 Non-current assets held for sale

Veidekke will present a disposal group as being held for sale if the balance sheet value will largely be recovered through a sale transaction and such a transaction is highly likely to occur within one year. The disposal group is valued at the lower of balance sheet value and actual value, less sale costs. An operation held for sale is an operational unit which has been disposed of or which is classified as held for sale and represents a separate and material operation. The post-tax profit/loss of an operation held for sale is presented on a separate line in the profit and loss account, recalculated for earlier periods. Internal transactions between continued operations and operations held for sale are eliminated on the line in the accounts entitled Post-tax profit/loss, discontinued operations. This ensures that continued operations reflect, to the greatest possible degree, the position of this part of the business after completion of the sale.

NOTE 3. SEGMENT INFORMATION

BUSINESS AREAS

Figures in NOK million	Construction Norway		Infrastructure Norway		Construction Sweden ¹⁾		Infrastructure Sweden ¹⁾		Denmark		Other		Eliminations		Group, continued operations	
	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20
INCOME STATEMENT																
Revenue	10 040	10 562	6 699	6 798	6 053	5 629	3 029	3 140	1 772	1 966	120	50	-297	-279	27 416	27 866
Operating expenses	-9 556	-10 094	-6 004	-6 255	-5 867	-5 452	-2 837	-2 971	-1 625	-1 825	-186	-110	290	278	-25 785	-26 430
Share of net income from joint ventures	-	-	-1	1	-2	1	-16	-	-	-	16	16	-	-	-3	19
Depreciation	-128	-124	-336	-344	-58	-60	-94	-87	-18	-23	-36	-45	1	-	-669	-683
Operating profit	355	345	358	200	126	119	82	81	130	117	-87	-89	-6	-1	959	771
Net financial items	13	32	-30	-38	6	7	-1	-2	-	4	2	-32	-	-	-10	-29
Profit before tax	367	377	328	162	132	126	81	80	130	122	-85	-122	-6	-1	949	743
STATEMENT OF FINANCIAL POSITION																
Non-current assets	1 304	1 252	2 477	2 634	987	1 054	615	619	221	262	2 836	2 663	-2 167	-2 103	6 272	6 382
Current assets	2 267	1 915	3 012	3 350	1 364	1 322	427	551	323	79	634	538	-60	-68	7 967	7 687
Cash and cash equivalents	2 933	3 263	162	20	967	539	444	290	1 239	1 397	1 280	4 562	-3 685	-3 930	3 340	6 142
Total assets	6 504	6 430	5 651	6 004	3 318	2 915	1 486	1 460	1 782	1 738	4 750	7 764	-5 912	-6 101	17 579	20 211
Equity	1 499	1 551	1 256	756	623	563	263	226	536	543	916	4 307	-2 385	-2 240	2 706	5 705
Non-current liability	885	745	1 454	1 941	629	540	101	79	107	90	3 682	3 323	-3 718	-3 945	3 141	2 774
Current liabilities	4 120	4 134	2 940	3 307	2 067	1 813	1 122	1 155	1 140	1 105	152	134	191	84	11 732	11 731
Total equity and liabilities	6 504	6 430	5 651	6 004	3 318	2 915	1 486	1 460	1 782	1 738	4 750	7 764	-5 912	-6 101	17 579	20 211
KEY FIGURES																
Number of employees	2 826	2 971	2 254	2 410	1 224	1 222	1 049	1 004	410	445	129	129	-	-	7 892	8 181
Order backlog	13 318	14 048	8 554	7 813	10 498	9 153	4 741	4 112	2 947	2 604	-	-	-	-	40 057	37 730
- due for completion within 12 months	9 212	9 821	3 737	3 160	7 398	6 163	2 554	2 528	1 663	1 988	-	-	-	-	24 563	23 660

1) Veidekke has amended its segment structure in Sweden as of Q3 2021. Accordingly, Veidekke Sweden has been split into two new operational entities: Construction Sweden and Infrastructure Sweden. The changes is in line with Veidekke's strategic orientation as a streamlined construction company and secures a clear organisational structure with an operational focus and shorter lines of communication between management and projects.

BUSINESS AREAS

Figures in NOK million	Group, continued operations		Property development		Eliminations between continued operations and Property development, gains from sale		Group	
	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20	At 30 Sep 21	At 30 Sep 20
INCOME STATEMENT								
Revenue	27 416	27 866		1 893		-721	27 416	29 039
Operating expenses	-25 785	-26 430		-1 748		721	-25 785	-27 457
Share of net income from joint ventures	-3	19		179		-	-3	198
Depreciation	-669	-683		-4		-	-669	-688
Gain from sale of property development operations							594	594
Operating profit	959	771		320		594	959	1 685
Net financial items	-10	-29		-2		-	-10	-31
Profit before tax	949	743		318		594	949	1 654
STATEMENT OF FINANCIAL POSITION AT 30 JUNE								
Non-current assets	6 272	6 382					6 272	6 382
Current assets	7 967	7 687					7 967	7 687
Receivables, discontinued operations	-	-					-	-
Cash and cash equivalents	3 340	6 142					3 340	6 142
Total assets	17 579	20 211					17 579	20 211
Equity	2 706	5 705					2 706	5 705
Non-current liability	3 141	2 774					3 141	2 774
Current liabilities	11 732	11 731					11 732	11 731
Total equity and liabilities	17 579	20 211					17 579	20 211
KEY FIGURES								
Number of employees	7 892	8 181					7 892	8 181
Order backlog	40 057	37 730					40 057	37 730
- due for completion within 12 months	24 563	23 660					24 563	23 660

NOTE 4. 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	3 717	-	1 745	-	76	-	5 539
Commercial buildings	3 084	-	2 601	-	1 158	-	6 843
Public buildings	2 766	-	1 589	-	370	-	4 724
Transport infrastructure – road	-	133	-	403	-	-	536
Transport infrastructure – rail	-	1 443	-	204	-	-	1 647
Industry and energy	-	2 916	2	1 082	-	-	4 000
Other civil engineering, incl. Asphalt	473	1 306	116	1 340	168	-	3 403
Maintenance contracts (maintenance and operation)	-	901	-	-	-	-	901
Other / Eliminations	-	-	-	-	-	-178	-178
Total 30 Sep 2021	10 040	6 699	6 053	3 029	1 772	-178	27 416

Figures in NOK million	Construction Norway	Infrastructure Norway	Construction Sweden	Infrastructure Sweden	Denmark	Other	Group
Service area							
Apartments and small houses	4 199	-	1 715	-	46	-	5 959
Commercial buildings	2 603	-	2 634	-	1 518	-	6 755
Public buildings	2 596	-	1 280	-	223	-	4 100
Transport infrastructure – road	38	231	-	497	179	-	944
Transport infrastructure – rail	-	2 165	-	548	-	-	2 713
Industry and energy	26	3 236	-	878	-	-	4 141
Other civil engineering, incl. Asphalt	1 100	187	-	1 216	-	-	2 503
Maintenance contracts (maintenance and operation)	-	980	-	-	-	-	980
Other / Eliminations	-	-	-	-	-	-229	-229
Total 30 Sep 2020	10 562	6 798	5 629	3 140	1 966	-229	27 866

NOTE 5. 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 Q3 2021 as in the 2020 annual accounts.

NOTE 6. NON-CURRENTS ASSETS

Figures in NOK million	Q3 2021	Q3 2020	31 Dec 2020	31 Dec 2019
PROPERTY, PLANT, EQUIPMENT AND OTHER INTANGIBLE ASSETS				
Carrying amount at start of period	3 708	3 922	3 859	3 990
Additions	211	145	696	516
Additions from acquisitions of operations	22	1	87	1
Depreciation / amortisation	-219	-224	-669	-683
Currency translation differences, etc.	-4	5	-34	89
Disposals of non-current assets	-24	-32	-245	-95
Carrying amount at end of period	3 694	3 818	3 694	3 818
Other intangible assets	105	80	105	80
Land and buildings	1 267	1 281	1 267	1 281
Plant and machinery	2 322	2 457	2 322	2 457
Carrying amount at end of period	3 694	3 818	3 694	3 818

Figures in NOK million	Q3 2021	Q3 2020	31 Dec 2020	31 Dec 2019
GOODWILL				
Carrying amount at start of period	1 798	1 841	1 824	1 790
Additions	-	-	16	-
Impairment	-	-	-1	-
Currency translation differences	-5	10	-36	96
Disposals	-1	-14	-11	-48
Carrying amount at end of period	1 792	1 837	1 792	1 837

NOTE 7. 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 8. ACQUISITIONS, SALES OF OPERATIONS

In the first quarter of 2021, Infrastructure Norway sold its asphalt and aggregates operation in Rogaland. The decision to divest was based on an assessment of the group's asphalt and aggregates positions in Norway, and on the fact that Veidekke has not achieved satisfactory profitability from the Rogaland asphalt operation. The divested operation had a revenue of NOK 125 million in 2020, with a slightly negative result. The operation was sold for NOK 135 million, resulting in an accounting profit before tax of NOK 38 million. The transaction was recognised under Infrastructure in the first quarter 2021 accounts.

NOTE 9. 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 2020.

NOTE 10. DIVIDENDS

The annual general meeting on 5 May 2021 approved a dividend payment of NOK 5.75 per share for the financial year 2020, amounting to NOK 776 million in total. The dividend has been recognised in the accounts for the second quarter 2021.

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 December 2023 and two one-year extension options). Both facilities remained unutilised as at 30 June 2021.

Cash and cash equivalents amounts to NOK 3.3 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

No events have occurred after the balance sheet date which would have had a material effect on the issued accounts.

NOTE 13. ALTERNATIVE PERFORMANCE MEASURES

Veidekke generally reports its financial results in line with International Financial Reporting Standards (IFRS). In addition, 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 backlog

The order backlog provides an indication of future activity in the group's construction operations. The order backlog 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.

Invested capital

The return on invested capital is calculated by dividing the pre-tax profit/loss plus interest costs over the previous 12 months by the average invested capital over the same period.

The average invested capital is calculated by averaging invested capital over the four preceding quarters.

Invested capital comprises equity and interest-bearing debt. Interest-bearing receivables and cash are excluded from the definition of interest-bearing debt.

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.

$$\frac{\text{Post-tax profit last 12 months}}{\text{Average equity last 12 months}}$$

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



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