

NCC

The share is set for another good year

- Impressive figures from Infrastructure
- ~SEK 50 per share in completed assets will unlock value
- TP implies 10x '25e earnings vs 15y median of 12x

Underlying Infra margins improved ~70bps in '23

NCC beat Infront consensus EBIT expectations for BII (Building, Infrastructure & Industry) by ~6% in Q4'23 (+9% vs ABGSCe), with Infrastructure the shining star. A negative surprise in Other & Eliminations was the one drawback, driven by e.g., IT investments that are set to continue, although not at the same level as in Q4'23. The margin outlook for Infrastructure remains solid, despite an underlying improvement of ~70bps in 2023; so do the growth opportunities in e.g., energy & water treatment and from increased military expenditure. We raise Infrastructure EBIT by ~15% for '24e-'25e, and group EBIT by 5% and 7%, respectively.

Headwinds in Building while the opposite in Industry

Building EBIT was 4% below cons and in line with ABGSCe, where Sweden for the second quarter in a row disappointed with an EBIT margin of 1.9% vs. expectations of 2.5%; price pressure being the main driver, and we cut our estimates for the fourth consecutive quarter. Industry, on the other hand, is set for another profitable year, and in total we expect BII EBIT to increase by 7% adjusted for the divestment of Bergnäset in 2023.

Low multiples with earnings potential

We believe the transaction market could thaw in 2024, and NCC currently has four completed office assets with an avg. occupancy rate of ~87% and a book value of ~SEK 5.0bn (~SEK 50 per share). In total, it has ~SEK 10bn of capital employed in Property Development, which implies solid capital inflow once divested, opening up for both extra dividends and share buybacks. We continue to be positive on the name as there is plenty of earnings potential, while the share is trading at ~9x 2024e vs the 15-year median 12-month forward P/E of 12x. We raise our TP to SEK 155 (145) on positive estimate changes.

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SEKm	2022	2023	2024e	2025e	2026e
Sales	54,198	56,932	56,615	59,413	58,407
EBITDA	2,589	3,019	3,074	3,159	3,159
EBITDA margin (%)	4.8	5.3	5.4	5.3	5.4
EBIT adj.	1,468	1,626	1,845	1,929	1,930
EBIT adj. margin (%)	2.7	2.9	3.3	3.2	3.3
Pretax profit	1,299	1,802	1,744	1,866	1,866
EPS	10.49	16.11	14.73	15.68	15.68
EPS adj.	11.56	14.31	14.73	15.68	15.68
Sales growth (%)	1.5	5.0	-0.6	4.9	-1.7
EPS growth (%)	-25.2	53.6	-8.5	6.4	0.0

Source: ABG Sundal Collier, Company Data

Reason: Post-results comment

BUY ● HOLD ○ SELL ○

Constr. & Real Estate

Estimate changes (%)

	2024e	2025e	2026e
Sales	1.2	2.7	0.0
EBIT	4.8	7.0	0.0
EPS	6.6	9.0	0.0

Source: ABG Sundal Collier

NCC.B-SE/NCCB SS

Share price (SEK)	31/1/2024	133.00
Target price	(145.0)	155.0

MCap (SEKm)	13,257
MCap (EURm)	1,171
No. of shares (m)	99.8
Free float (%)	85.4
Av. daily volume (k)	1,156

Next event AGM 9 April 2024

Performance



— NCC — OMX Stockholm All Share Index

	2024e	2025e	2026e
P/E (x)	9.0	8.5	8.5
P/E adj. (x)	9.0	8.5	8.5
P/BVPS (x)	1.63	1.50	1.39
EV/EBITDA (x)	5.4	4.7	4.7
EV/EBIT adj. (x)	8.9	7.7	7.7
EV/sales (x)	0.29	0.25	0.25
ROE adj. (%)	18.8	18.4	17.0
Dividend yield (%)	6.4	6.8	6.8
FCF yield (%)	10.7	24.3	13.5
Le. adj. FCF yld. (%)	5.9	19.5	8.8
Net IB debt/EBITDA (x)	2.1	1.4	1.3
Le. adj. ND/EBITDA (x)	1.4	0.8	0.7

Company description

NCC operates in the Nordic countries with Sweden accounting for >50% of revenues. The business units have an operational split, and NCC has third-party contracts within Building, Infrastructure and Industry. The pre-payments in the third-party contracts are reinvested in property Development. Since the Housing exit in Q2 2016, the interest-bearing debt has been low, which enables further growth in Property Development.

Risks

Construction operation is about managing the risk taken. In our view, the risk increases when growing market shares is in focus, which NCC did in Norway a few years ago. There is also a general risk of margin contraction in a strong market as subcontractors are raising prices faster than expected.

Estimate changes

Segment reporting (SEKm)	2024e (old est.)	2024e (new est.)	Delta	2025e (old est.)	2025e (new est.)	Delta	2026e (old est.)	2026e (new est.)	Delta
Sales	55,932	56,615	1%	57,872	59,413	3%		58,360	
EBIT	1,760	1,845	5%	1,804	1,929	7%		1,754	
EBIT margin	3.1%	3.3%	-0.1 pp.	3.1%	3.2%	-0.1 pp.		3.0%	
EO	0	0		0	0			0	
EBIT adj.	1,760	1,845		1,804	1,929			0	
Net financial items	-125	-101		-92	-64			0	
Pretax profit	1,635	1,744	7%	1,711	1,866	9%		1,682	
Taxes	-286	-307		-308	-336			-302	
Tax rate	17%	18%		18%	18%			18%	
Net profit	1,349	1,438	7%	1,403	1,530	9%		1,380	
EPS (SEK)	13.82	14.73	7%	14.38	15.68	9%		14.12	
EPS adj. (SEK)	13.82	14.73		14.38	15.68			0.00	
DPS (SEK)	7.00	8.50	21%	7.50	9.00	20%		7.57	
Order intake	53,634	54,450	2%	55,027	56,459	3%		57,838	
Book-to-bill	96%	96%		95%	95%			99%	
Sales (SEKm)	2024e (old est.)	2024e (new est.)	Delta	2025e (old est.)	2025e (new est.)	Delta	2026e (old est.)	2026e (new est.)	Delta
Building Sweden	13,244	13,653	3%	13,526	13,944	3%		13,887	
Building Nordics	13,712	13,898	1%	14,006	14,197	1%		15,501	
Infrastructure	17,814	17,661	-1%	18,213	18,143	0%		18,292	
Industry	11,433	11,729	3%	11,604	11,905	3%		12,029	
Property Development	3,480	2,964	-15%	4,342	4,566	5%		2,179	
Other & Eliminations	-3,750	-3,290	-12%	-3,820	-3,340	-13%		-3,348	
Sales	55,932	56,615	1%	57,872	59,413	3%		58,539	
EBIT (SEKm)	2024e (old est.)	2024e (new est.)	Delta	2025e (old est.)	2025e (new est.)	Delta	2026e (old est.)	2026e (new est.)	Delta
Building Sweden	329	289	-12%	352	320	-9%		363	
Building Nordics	360	375	4%	382	397	4%		406	
Infrastructure	504	579	15%	533	613	15%		522	
Industry	417	427	2%	453	462	2%		452	
Property Development	399	393	-2%	338	357	6%		237	
Other & Eliminations	-249	-217	-13%	-254	-220	-13%		-223	
EBIT	1,760	1,845	5%	1,804	1,929	7%		1,757	
EBIT margin, %	2024e (old est.)	2024e (new est.)	Delta	2025e (old est.)	2025e (new est.)	Delta	2026e (old est.)	2026e (new est.)	Delta
Group EBIT margin	3.1%	3.3%	0.1 pp.	3.1%	3.2%	0.1 pp.		3.0%	
Building Sweden	2.5%	2.1%	-0.4 pp.	2.6%	2.3%	-0.3 pp.		2.6%	
Building Nordics	2.6%	2.7%	0.1 pp.	2.7%	2.8%	0.1 pp.		2.6%	
Infrastructure	2.8%	3.3%	0.5 pp.	2.9%	3.4%	0.5 pp.		2.9%	
Industry	3.7%	3.6%	0.0 pp.	3.9%	3.9%	0.0 pp.		3.8%	
Property Development	11.5%	13.3%	1.8 pp.	7.8%	7.8%	0.0 pp.		10.9%	
EBIT margin excl. Property Development	2.6%	2.7%	0.1 pp.	2.7%	2.9%	0.1 pp.		2.7%	

Source: ABG Sundal Collier, Company data

Business unit forecasts

P&L (SEKm)	2022				2023				2024			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e
Net sales	10,111	14,001	14,068	16,018	12,464	14,854	14,022	15,592	10,634	14,649	14,551	16,781
Production costs	-9,534	-12,755	-13,046	-14,867	-11,568	-13,566	-12,801	-14,312	-9,960	-13,322	-13,364	-15,364
Gross profit	577	1,246	1,022	1,151	896	1,288	1,221	1,280	674	1,327	1,187	1,418
SG&A	-445	-469	-200	-293	-462	-480	-98	-626	-424	-463	-201	-443
EBITDA	132	777	822	858	434	808	1,123	654	250	863	986	975
Depreciation	-302	-303	-312	-314	-282	-306	-334	-296	-307	-307	-305	-309
Impairments	0	0	0	0	0	0	0	0	0	0	0	0
EBIT	-170	474	510	544	152	502	789	358	-57	557	681	666
EBIT margin	-1.7%	3.4%	3.6%	3.4%	1.2%	3.4%	5.6%	2.3%	-0.5%	3.8%	4.7%	4.0%
EO	0	10	-120	0	0	0	175	0	0	0	0	0
EBIT adj.	-170	464	630	544	152	502	614	358	-57	557	681	666
EBIT adj. margin	-1.7%	3.3%	4.5%	3.4%	1.2%	3.4%	4.4%	2.3%	-0.5%	3.8%	4.7%	4.0%
Net financial items	-5	-10	-20	-24	33	-10	-18	-4	-17	-39	-27	-19
Pretax profit	-175	464	490	520	185	492	771	354	-74	518	654	646
Taxes	28	-81	-65	-113	-32	-86	-150	38	14	-83	-121	-116
Tax rate	-16%	-17%	-13%	-22%	-17%	-17%	-19%	11%	-19%	-16%	-19%	-18%
Net profit	-147	383	426	408	153	406	621	392	-60	435	533	530
EPS (SEK)	-1.37	3.59	4.13	4.13	1.57	4.16	6.36	4.02	-0.62	4.46	5.46	5.43
EPS adj. (SEK)	-1.37	3.50	5.30	4.13	1.57	4.16	4.57	4.02	-0.62	4.46	5.46	5.43
Order intake	16,635	12,763	11,607	12,280	16,288	14,691	9,681	16,159	15,598	14,029	8,245	16,577
Order intake growth y-o-y	17%	-23%	30%	-24%	-2%	15%	-17%	32%	-4%	-5%	-15%	3%
P&L Operational	2022				2023				2024			
Sales (SEKm)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e
Building Sweden	3,099	3,778	3,028	4,273	3,490	3,743	2,970	4,272	3,141	3,556	2,940	4,016
Building Nordics	2,855	3,346	3,226	4,140	3,503	3,756	3,576	3,780	3,048	3,568	3,540	3,742
Infrastructure	3,501	4,359	4,135	5,262	3,935	4,602	4,114	5,017	3,542	4,694	4,258	5,168
Industry	977	3,280	3,637	3,374	1,058	3,471	3,862	3,094	1,074	3,540	3,959	3,156
Property Development	329	58	836	77	1,146	61	69	100	530	150	784	1,500
Other & eliminations	-650	-820	-794	-1,108	-668	-779	-569	-671	-700	-860	-930	-800
Net sales	10,111	14,001	14,068	16,018	12,464	14,854	14,022	15,592	10,634	14,649	14,551	16,781
EBIT (SEKm)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e
Building Sweden	92	117	-56	98	60	73	59	80	53	78	65	92
Building Nordics	56	92	104	95	18	94	93	139	49	96	106	123
Infrastructure	42	124	139	124	67	140	333	182	67	155	162	195
Industry	-305	240	50	23	-261	281	281	99	-279	287	309	110
Property Development	29	1	183	268	256	-37	-18	42	112	5	76	200
Other & eliminations	-84	-100	90	-64	12	-49	41	-184	-60	-65	-37	-56
EBIT	-170	474	510	544	152	502	789	358	-57	557	681	666
EBIT excl. Property Development	-199	473	327	276	-104	539	807	316	-169	552	604	466
EBIT margin	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e
Building Sweden	3.0%	3.1%	-1.8%	2.3%	1.7%	2.0%	2.0%	1.9%	1.7%	2.2%	2.2%	2.3%
Building Nordics	2.0%	2.7%	3.2%	2.3%	0.5%	2.5%	2.6%	3.7%	1.6%	2.7%	3.0%	3.3%
Infrastructure	1.2%	2.8%	3.4%	2.4%	1.7%	3.0%	8.1%	3.6%	1.9%	3.3%	3.8%	3.8%
Industry	-31.2%	7.3%	1.4%	0.7%	-24.7%	8.1%	7.3%	3.2%	-26.0%	8.1%	7.8%	3.5%
Property Development	8.8%	1.7%	21.9%	348.1%	22.3%	-60.7%	-26.1%	42.0%	21.1%	3.3%	9.7%	13.3%
Other & eliminations	12.9%	12.2%	-11.3%	5.8%	-1.8%	6.3%	-7.2%	27.4%	8.5%	7.5%	4.0%	7.0%
EBIT margin	-1.7%	3.4%	3.6%	3.4%	1.2%	3.4%	5.6%	2.3%	-0.5%	3.8%	4.7%	4.0%
EBIT margin excl. Property Development	-2.0%	3.4%	2.5%	1.7%	-0.9%	3.6%	5.8%	2.0%	-1.7%	3.8%	4.4%	3.0%
Building, Infrastructure & Industry (SEKm)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e
BII revenues	10,432	14,763	14,026	17,049	11,986	15,572	14,522	16,163	10,804	15,359	14,697	16,081
BII EBIT	-115	573	237	340	-116	588	766	500	-110	616	641	522
BII EBIT margin	-1.1%	3.9%	1.7%	2.0%	-1.0%	3.8%	5.3%	3.1%	-1.0%	4.0%	4.4%	3.2%
BII EBIT margin TTM	2.8%	2.8%	2.0%	1.8%	1.8%	1.8%	2.7%	3.0%	3.1%	3.1%	2.9%	2.9%
Order intake (SEKm)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1e	Q2e	Q3e	Q4e
Building Sweden	4,792	3,726	2,367	3,825	3,398	3,543	2,510	3,210	3,534	3,685	2,259	3,082
Building Nordics	4,852	2,680	2,321	2,469	5,098	4,731	2,461	4,363	4,180	3,879	1,600	4,581
Infrastructure	4,404	3,056	4,466	3,465	4,617	3,522	2,655	5,913	4,986	3,628	2,124	6,209
Industry	2,755	3,776	2,333	2,774	3,307	3,089	2,218	2,846	3,042	3,182	2,285	2,931
Other & eliminations	-168	-475	120	-253	-132	-194	-163	-173	-145	-344	-23	-226
Order intake	16,635	12,763	11,607	12,280	16,288	14,691	9,681	16,159	15,598	14,029	8,245	16,577

Source: ABG Sundal Collier, Company Data

Business unit forecasts

P&L (SEKm)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Net sales	53,116	52,927	54,608	57,345	58,234	53,922	53,415	54,198	56,932	56,615	59,413	58,407
Production costs	-48,682	-48,479	-50,461	-55,204	-54,133	-49,590	-48,871	-50,202	-52,247	-52,009	-54,596	-53,620
Gross profit	4,434	4,448	4,147	2,141	4,101	4,332	4,544	3,996	4,685	4,605	4,817	4,787
SG&A	-1,966	-2,270	-2,038	-1,666	-1,374	-1,535	-1,388	-1,407	-1,666	-1,532	-1,658	-1,627
EBITDA	2,468	2,178	2,109	475	2,727	2,797	3,156	2,589	3,019	3,074	3,159	3,159
Depreciation	-759	-726	-717	-785	-1,408	-1,411	-1,306	-1,231	-1,218	-1,228	-1,230	-1,230
Impairments	-46	0	-150	-453	-22	-26	-25	0	0	0	0	0
EBIT	1,663	1,452	1,242	-763	1,297	1,360	1,825	1,358	1,801	1,845	1,929	1,930
EBIT margin	3.1%	2.7%	2.3%	-1.3%	2.2%	2.5%	3.4%	2.5%	3.2%	3.3%	3.2%	3.3%
EO	0	0	-75	-1,245	0	-45	-20	-110	175	0	0	0
EBIT adj.	1,709	1,452	1,467	935	1,319	1,431	1,870	1,468	1,626	1,845	1,929	1,930
EBIT adj. margin	3.2%	2.7%	2.7%	1.6%	2.3%	2.7%	3.5%	2.7%	2.9%	3.3%	3.2%	3.3%
Net financial items	-39	-112	-91	-86	-113	-80	-60	-59	1	-101	-64	-63
Pretax profit	1,624	1,340	1,151	-849	1,184	1,280	1,765	1,299	1,802	1,744	1,866	1,866
Taxes	-302	-225	-143	100	-309	-22	-256	-230	-230	-307	-336	-336
Tax rate	-19%	-17%	-12%	-12%	-26%	-2%	-15%	-18%	-13%	-18%	-18%	-18%
Net profit	1,322	1,115	1,008	-749	875	1,258	1,509	1,069	1,572	1,438	1,530	1,530
EPS (SEK)	19.65	17.36	15.92	-6.93	8.11	11.68	14.03	10.49	16.11	14.73	15.68	15.68
EPS adj. (SEK)	12.68	10.30	11.41	8.79	8.31	12.34	14.44	11.56	14.31	14.73	15.68	15.68
DPS (SEK)	3.00	8.00	8.00	4.00	2.50	5.00	6.00	6.00	8.00	8.50	9.00	9.00
Order intake	51,492	56,505	56,990	61,843	58,048	51,198	55,787	53,285	56,819	54,450	56,459	57,817
Order intake growth y-o-y	-16%	10%	1%	9%	-6%	-12%	9%	-4%	7%	-4%	4%	2%
P&L Operational												
Sales (SEKm)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Building Sweden				15,701	14,851	13,375	13,868	14,178	14,475	13,653	13,944	14,223
Building Nordics		25,675	24,728	10,752	11,769	12,135	11,325	13,567	14,615	13,898	14,197	14,480
Infrastructure		17,006	18,552	19,791	20,049	18,496	16,339	17,257	17,668	17,661	18,143	18,687
Industry		10,761	12,393	12,967	12,971	12,528	10,756	11,268	11,485	11,729	11,905	12,083
Property Development		2,824	2,567	2,158	3,056	2,738	4,776	1,300	1,376	2,964	4,566	2,225
Other & eliminations		-3,339	-3,632	-4,024	-4,462	-5,350	-3,649	-3,372	-2,687	-3,290	-3,340	-3,291
Net sales	53,116	52,927	54,608	57,345	58,234	53,922	53,415	54,198	56,932	56,615	59,413	58,407
EBIT (SEKm)	1,663	1,452	1,242	-763	1,297	1,360	1,825	1,358	1,801	1,845	1,929	1,930
Building Sweden				452	364	381	456	251	272	289	320	344
Building Nordics		489	514	-226	232	343	410	347	344	375	397	420
Infrastructure		162	-137	-992	233	323	393	429	722	579	613	650
Industry		534	577	351	511	380	220	8	400	427	462	480
Property Development		327	601	-182	312	434	478	481	243	393	357	253
Other & eliminations		-60	-313	-166	-355	-501	-132	-158	-180	-217	-220	-217
EBIT excl. Property Development	1,663	1,452	1,242	-763	1,297	1,360	1,825	1,358	1,801	1,845	1,929	1,930
EBIT margin	3.1%	2.7%	2.3%	-1.3%	2.2%	2.5%	3.4%	2.5%	3.2%	3.3%	3.2%	3.3%
EBIT margin excl. Property Development		2.2%	1.2%	-1.1%	1.8%	1.8%	2.8%	1.7%	2.8%	2.7%	2.9%	3.0%
Building, Infrastructure & Industry (SEKm)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
BII revenues	53,442	55,673	59,211	59,640	56,534	52,288	56,270	58,243	56,941	58,187	59,473	
BII EBIT	1,185	954	-415	1,340	1,427	1,479	1,035	1,738	1,669	1,793	1,894	
BII EBIT margin	2.2%	1.7%	-0.7%	2.2%	2.5%	2.8%	1.8%	3.0%	2.9%	3.1%	3.2%	
Order intake (SEKm)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Building Sweden				15,610	12,741	14,485	14,368	14,710	12,661	12,559	13,235	13,499
Building Nordics		26,066	28,738	25,092	10,694	16,081	11,876	13,297	12,322	16,653	14,241	14,620
Infrastructure		15,621	18,664	21,810	24,880	18,219	14,350	18,376	15,391	16,707	16,947	18,307
Industry		10,986	11,251	12,523	12,944	12,853	12,250	10,296	11,638	11,460	11,783	12,137
Other & eliminations		-1,181	-2,148	-2,435	-2,285	-1,846	-1,763	-550	-776	-662	-737	-747
Order intake	51,492	56,505	56,990	61,843	58,048	51,198	55,787	53,285	56,819	54,450	56,459	57,817

Source: ABG Sundal Collier, Company Data

Income Statement (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Sales	54,608	57,345	58,234	53,922	53,415	54,198	56,932	56,615	59,413	58,407
COGS	-50,461	-55,204	-54,133	-49,590	-48,871	-50,202	-52,247	-52,009	-54,596	-53,620
Gross profit	4,147	2,141	4,101	4,332	4,544	3,996	4,685	4,605	4,817	4,787
Other operating items	-2,038	-1,666	-1,374	-1,535	-1,388	-1,407	-1,666	-1,532	-1,658	-1,627
EBITDA	2,109	475	2,727	2,797	3,156	2,589	3,019	3,074	3,159	3,159
Depreciation and amortisation	-717	-785	-1,408	-1,411	-1,306	-1,231	-1,218	-1,228	-1,230	-1,230
of which leasing depreciation	0	0	-731	-725	-646	-569	-588	-587	-593	-593
EBITA	1,392	-310	1,319	1,386	1,850	1,358	1,801	1,845	1,929	1,930
EO Items	-75	-1,245	0	-45	-20	-110	175	0	0	0
Impairment and PPA amortisation	-150	-453	-22	-26	-25	0	0	0	0	0
EBIT	1,242	-763	1,297	1,360	1,825	1,358	1,801	1,845	1,929	1,930
Net financial items	-91	-86	-113	-80	-60	-59	1	-101	-64	-63
Pretax profit	1,151	-849	1,184	1,280	1,765	1,299	1,802	1,744	1,866	1,866
Tax	-143	100	-309	-22	-256	-230	-230	-307	-336	-336
Net profit	1,008	-749	875	1,258	1,509	1,069	1,572	1,438	1,530	1,530
Minority interest	0	0	0	0	0	0	0	0	0	0
Net profit discontinued	0	0	0	0	0	0	0	0	0	0
Net profit to shareholders	1,008	-749	875	1,258	1,509	1,069	1,572	1,438	1,530	1,530
EPS	9.32	-6.93	8.11	11.68	14.03	10.49	16.11	14.73	15.68	15.68
EPS adj.	11.41	8.79	8.31	12.34	14.44	11.56	14.31	14.73	15.68	15.68
Total extraordinary items after tax	-66	-1,098	0	-44	-17	-91	153	0	0	0
Leasing payments	0	0	-731	-725	-646	-569	-588	-587	-593	-593
<i>Tax rate (%)</i>	<i>12.4</i>	<i>11.8</i>	<i>26.1</i>	<i>1.7</i>	<i>14.5</i>	<i>17.7</i>	<i>12.8</i>	<i>17.6</i>	<i>18.0</i>	<i>18.0</i>
<i>Gross margin (%)</i>	<i>7.6</i>	<i>3.7</i>	<i>7.0</i>	<i>8.0</i>	<i>8.5</i>	<i>7.4</i>	<i>8.2</i>	<i>8.1</i>	<i>8.1</i>	<i>8.2</i>
<i>EBITDA margin (%)</i>	<i>3.9</i>	<i>0.8</i>	<i>4.7</i>	<i>5.2</i>	<i>5.9</i>	<i>4.8</i>	<i>5.3</i>	<i>5.4</i>	<i>5.3</i>	<i>5.4</i>
<i>EBITA margin (%)</i>	<i>2.5</i>	<i>-0.5</i>	<i>2.3</i>	<i>2.6</i>	<i>3.5</i>	<i>2.5</i>	<i>3.2</i>	<i>3.3</i>	<i>3.2</i>	<i>3.3</i>
<i>EBIT margin (%)</i>	<i>2.3</i>	<i>-1.3</i>	<i>2.2</i>	<i>2.5</i>	<i>3.4</i>	<i>2.5</i>	<i>3.2</i>	<i>3.3</i>	<i>3.2</i>	<i>3.3</i>
<i>Pre-tax margin (%)</i>	<i>2.1</i>	<i>-1.5</i>	<i>2.0</i>	<i>2.4</i>	<i>3.3</i>	<i>2.4</i>	<i>3.2</i>	<i>3.1</i>	<i>3.1</i>	<i>3.2</i>
<i>Net margin (%)</i>	<i>1.8</i>	<i>-1.3</i>	<i>1.5</i>	<i>2.3</i>	<i>2.8</i>	<i>2.0</i>	<i>2.8</i>	<i>2.5</i>	<i>2.6</i>	<i>2.6</i>
Growth Rates y-o-y	-	-	-	-	-	-	-	-	-	-
<i>Sales growth (%)</i>	<i>3.2</i>	<i>5.0</i>	<i>1.6</i>	<i>-7.4</i>	<i>-0.9</i>	<i>1.5</i>	<i>5.0</i>	<i>-0.6</i>	<i>4.9</i>	<i>-1.7</i>
<i>EBITDA growth (%)</i>	<i>-3.2</i>	<i>-77.5</i>	<i>474.1</i>	<i>2.6</i>	<i>12.8</i>	<i>-18.0</i>	<i>16.6</i>	<i>1.8</i>	<i>2.8</i>	<i>0.0</i>
<i>EBITA growth (%)</i>	<i>-4.1</i>	<i>-122.3</i>	<i>-525.5</i>	<i>5.1</i>	<i>33.5</i>	<i>-26.6</i>	<i>32.6</i>	<i>2.5</i>	<i>4.6</i>	<i>0.0</i>
<i>EBIT growth (%)</i>	<i>-14.5</i>	<i>-161.4</i>	<i>-270.0</i>	<i>4.9</i>	<i>34.2</i>	<i>-25.6</i>	<i>32.6</i>	<i>2.5</i>	<i>4.6</i>	<i>0.0</i>
<i>Net profit growth (%)</i>	<i>-9.6</i>	<i>-174.3</i>	<i>-216.8</i>	<i>43.8</i>	<i>20.0</i>	<i>-29.2</i>	<i>47.1</i>	<i>-8.5</i>	<i>6.4</i>	<i>0.0</i>
<i>EPS growth (%)</i>	<i>-87.3</i>	<i>-174.3</i>	<i>-216.9</i>	<i>44.1</i>	<i>20.1</i>	<i>-25.2</i>	<i>53.6</i>	<i>-8.5</i>	<i>6.4</i>	<i>0.0</i>
Profitability	-	-	-	-	-	-	-	-	-	-
<i>ROE (%)</i>	<i>18.2</i>	<i>-17.7</i>	<i>29.3</i>	<i>35.9</i>	<i>30.7</i>	<i>16.4</i>	<i>21.7</i>	<i>18.8</i>	<i>18.4</i>	<i>17.0</i>
<i>ROE adj. (%)</i>	<i>22.1</i>	<i>19.0</i>	<i>30.0</i>	<i>37.9</i>	<i>31.6</i>	<i>17.8</i>	<i>19.6</i>	<i>18.8</i>	<i>18.4</i>	<i>17.0</i>
<i>ROCE (%)</i>	<i>13.4</i>	<i>-8.5</i>	<i>13.6</i>	<i>10.9</i>	<i>13.6</i>	<i>10.4</i>	<i>13.7</i>	<i>12.7</i>	<i>12.9</i>	<i>12.6</i>
<i>ROCE adj. (%)</i>	<i>15.8</i>	<i>11.3</i>	<i>13.8</i>	<i>11.5</i>	<i>13.9</i>	<i>11.2</i>	<i>12.4</i>	<i>12.7</i>	<i>12.9</i>	<i>12.6</i>
<i>ROIC (%)</i>	<i>18.8</i>	<i>-4.2</i>	<i>12.2</i>	<i>13.1</i>	<i>14.1</i>	<i>9.5</i>	<i>11.9</i>	<i>10.8</i>	<i>11.5</i>	<i>11.9</i>
<i>ROIC adj. (%)</i>	<i>19.8</i>	<i>12.8</i>	<i>12.2</i>	<i>13.5</i>	<i>14.2</i>	<i>10.2</i>	<i>10.8</i>	<i>10.8</i>	<i>11.5</i>	<i>11.9</i>
Adj. earnings numbers	-	-	-	-	-	-	-	-	-	-
<i>EBITDA adj.</i>	<i>2,184</i>	<i>1,720</i>	<i>2,727</i>	<i>2,842</i>	<i>3,176</i>	<i>2,699</i>	<i>2,844</i>	<i>3,074</i>	<i>3,159</i>	<i>3,159</i>
<i>EBITDA adj. margin (%)</i>	<i>4.0</i>	<i>3.0</i>	<i>4.7</i>	<i>5.3</i>	<i>5.9</i>	<i>5.0</i>	<i>5.0</i>	<i>5.4</i>	<i>5.3</i>	<i>5.4</i>
<i>EBITDA lease adj.</i>	<i>2,184</i>	<i>1,720</i>	<i>1,996</i>	<i>2,117</i>	<i>2,530</i>	<i>2,130</i>	<i>2,256</i>	<i>2,486</i>	<i>2,567</i>	<i>2,567</i>
<i>EBITDA lease adj. margin (%)</i>	<i>4.0</i>	<i>3.0</i>	<i>3.4</i>	<i>3.9</i>	<i>4.7</i>	<i>3.9</i>	<i>4.0</i>	<i>4.4</i>	<i>4.3</i>	<i>4.4</i>
<i>EBITA adj.</i>	<i>1,467</i>	<i>935</i>	<i>1,319</i>	<i>1,431</i>	<i>1,870</i>	<i>1,468</i>	<i>1,626</i>	<i>1,845</i>	<i>1,929</i>	<i>1,930</i>
<i>EBITA adj. margin (%)</i>	<i>2.7</i>	<i>1.6</i>	<i>2.3</i>	<i>2.7</i>	<i>3.5</i>	<i>2.7</i>	<i>2.9</i>	<i>3.3</i>	<i>3.2</i>	<i>3.3</i>
<i>EBIT adj.</i>	<i>1,467</i>	<i>935</i>	<i>1,319</i>	<i>1,431</i>	<i>1,870</i>	<i>1,468</i>	<i>1,626</i>	<i>1,845</i>	<i>1,929</i>	<i>1,930</i>
<i>EBIT adj. margin (%)</i>	<i>2.7</i>	<i>1.6</i>	<i>2.3</i>	<i>2.7</i>	<i>3.5</i>	<i>2.7</i>	<i>2.9</i>	<i>3.3</i>	<i>3.2</i>	<i>3.3</i>
<i>Pretax profit Adj.</i>	<i>1,376</i>	<i>849</i>	<i>1,206</i>	<i>1,351</i>	<i>1,810</i>	<i>1,409</i>	<i>1,627</i>	<i>1,744</i>	<i>1,866</i>	<i>1,866</i>
<i>Net profit Adj.</i>	<i>1,224</i>	<i>802</i>	<i>897</i>	<i>1,328</i>	<i>1,551</i>	<i>1,160</i>	<i>1,419</i>	<i>1,438</i>	<i>1,530</i>	<i>1,530</i>
<i>Net profit to shareholders adj.</i>	<i>1,224</i>	<i>802</i>	<i>897</i>	<i>1,328</i>	<i>1,551</i>	<i>1,160</i>	<i>1,419</i>	<i>1,438</i>	<i>1,530</i>	<i>1,530</i>
<i>Net adj. margin (%)</i>	<i>2.2</i>	<i>1.4</i>	<i>1.5</i>	<i>2.5</i>	<i>2.9</i>	<i>2.1</i>	<i>2.5</i>	<i>2.5</i>	<i>2.6</i>	<i>2.6</i>

Source: ABG Sundal Collier, Company Data

Cash Flow (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
EBITDA	2,109	475	2,727	2,797	3,156	2,589	3,019	3,074	3,159	3,159
Net financial items	-91	-86	-113	-80	-60	-59	1	-101	-64	-63
Paid tax	-432	-53	-110	-188	-243	-216	-52	-307	-336	-336
Non-cash items	243	399	270	128	-7	-317	-846	0	0	0
Cash flow before change in WC	1,829	735	2,774	2,657	2,846	1,997	2,122	2,666	2,760	2,760
Change in working capital	-151	55	604	174	-794	-213	368	-42	72	76

Cash Flow (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Operating cash flow	1,678	790	3,378	2,831	2,052	1,784	2,490	2,624	2,832	2,837
Capex tangible fixed assets	-796	-782	-702	-462	-364	-401	-447	-618	-614	-614
Capex intangible fixed assets	0	0	0	0	0	0	0	0	0	0
Acquisitions and Disposals	479	-1,166	-1,165	-1,263	201	-1,518	-1,683	-622	940	-465
Free cash flow	1,361	-1,158	1,511	1,106	1,889	-135	360	1,384	3,158	1,758
Dividend paid	-865	-864	-450	-269	-538	-608	-586	-781	-830	-878
Share issues and buybacks	0	0	0	0	0	-1,018	0	0	0	0
Leasing liability amortisation	0	0	-1,030	-1,355	-688	-654	-621	-621	-621	-621
Other non-cash items	-719	-957	-1,875	598	708	1,970	-169	621	621	621
Balance Sheet (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Goodwill	1,848	1,862	1,893	1,800	1,852	1,943	1,913	1,913	1,913	1,913
Other intangible assets	335	339	368	342	335	326	545	528	510	492
Tangible fixed assets	3,759	4,131	3,636	3,307	3,189	3,530	3,305	3,102	2,869	2,636
Right-of-use asset	0	0	1,579	1,952	1,600	1,420	1,300	1,029	754	478
Total other fixed assets	4,856	5,641	7,001	7,960	8,206	9,753	11,639	12,141	11,111	11,486
Fixed assets	10,798	11,973	14,477	15,361	15,182	16,972	18,702	18,713	17,157	17,006
Inventories	764	902	993	953	1,059	1,079	1,120	1,105	1,131	1,158
Receivables	12,410	12,930	12,005	10,080	10,619	10,980	11,421	11,266	11,529	11,809
Other current assets	0	0	0	0	0	0	0	0	0	0
Cash and liquid assets	3,063	1,197	2,416	2,155	2,561	534	707	1,090	2,412	2,667
Total assets	27,035	27,002	29,891	28,549	29,421	29,565	31,950	32,173	32,229	32,640
Shareholders equity	5,516	2,931	3,044	3,972	5,844	7,183	7,324	7,981	8,681	9,333
Minority	12	17	0	0	0	0	0	0	0	0
Total equity	5,528	2,948	3,044	3,972	5,844	7,183	7,324	7,981	8,681	9,333
Long-term debt	1,669	1,342	3,568	3,965	2,038	3,286	3,006	3,406	3,021	3,018
Pension debt	1,407	2,279	2,840	2,832	1,997	0	556	556	556	556
Convertible debt	0	0	0	0	0	0	0	0	0	0
Leasing liability	0	0	1,732	2,055	1,700	1,507	1,380	1,194	1,007	821
Total other long-term liabilities	2,500	2,936	1,735	872	1,454	1,977	1,740	1,305	871	436
Short-term debt	919	1,051	796	606	2,176	1,012	2,289	2,289	2,289	2,289
Accounts payable	5,179	5,164	4,275	4,487	4,567	5,165	6,105	6,022	6,163	6,313
Other current liabilities	9,833	11,282	11,901	9,760	9,645	9,435	9,550	9,420	9,640	9,875
Total liabilities and equity	27,035	27,002	29,891	28,549	29,421	29,565	31,950	32,173	32,229	32,640
Net IB debt	932	3,475	6,520	7,303	5,350	5,271	6,524	6,355	4,462	4,017
Net IB debt excl. pension debt	-475	1,196	3,680	4,471	3,353	5,271	5,968	5,799	3,906	3,461
Net IB debt excl. leasing	932	3,475	4,788	5,248	3,650	3,764	5,144	5,161	3,454	3,195
Capital employed	9,523	7,620	11,980	13,430	13,755	12,988	14,555	15,426	15,555	16,017
Capital invested	6,460	6,423	9,564	11,275	11,194	12,454	13,848	14,336	13,143	13,350
Working capital	-1,838	-2,614	-3,178	-3,214	-2,534	-2,541	-3,114	-3,072	-3,144	-3,220
EV breakdown	-	-	-	-	-	-	-	-	-	-
Market cap. diluted (m)	14,377	14,364	14,351	14,324	14,311	12,981	12,981	12,981	12,981	12,981
Net IB debt adj.	149	3,045	2,757	2,768	1,232	1,493	2,930	3,467	1,946	1,873
Market value of minority	0	0	0	0	0	0	0	0	0	0
Reversal of shares and participations	-129	-119	-114	-93	-82	-184	0	0	0	0
Reversal of conv. debt assumed equity	-	-	-	-	-	-	-	-	-	-
EV	14,655	17,528	17,222	17,185	15,625	14,658	15,911	16,447	14,926	14,854
Total assets turnover (%)	208.6	212.2	204.7	184.5	184.3	183.8	185.1	176.6	184.5	180.1
Working capital/sales (%)	-3.3	-3.9	-5.0	-5.9	-5.4	-4.7	-5.0	-5.5	-5.2	-5.4
Financial risk and debt service	-	-	-	-	-	-	-	-	-	-
Net debt/equity (%)	16.9	117.9	214.2	183.9	91.5	73.4	89.1	79.6	51.4	43.0
Net debt / market cap (%)	6.5	24.2	45.4	51.0	37.4	40.6	50.3	49.0	34.4	30.9
Equity ratio (%)	20.4	10.9	10.2	13.9	19.9	24.3	22.9	24.8	26.9	28.6
Net IB debt adj. / equity (%)	2.7	103.3	90.6	69.7	21.1	20.8	40.0	43.4	22.4	20.1
Current ratio	1.02	0.86	0.91	0.89	0.87	0.81	0.74	0.76	0.83	0.85
EBITDA/net interest	23.2	5.5	24.1	35.0	52.6	43.9	3,019.0	30.4	49.6	50.0
Net IB debt/EBITDA (x)	0.4	7.3	2.4	2.6	1.7	2.0	2.2	2.1	1.4	1.3
Net IB debt/EBITDA lease adj. (x)	0.1	1.8	1.4	1.3	0.5	0.7	1.3	1.4	0.8	0.7
Interest coverage	11.0	2.2	9.3	13.0	23.4	15.9	23.8	12.2	15.3	16.1

Source: ABG Sundal Collier, Company Data

Share Data (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Actual shares outstanding	108	108	108	108	108	98	98	98	98	98
Actual shares outstanding (avg)	108	108	108	108	108	98	98	98	98	98

Share Data (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
All additional shares	0	-0	-0	-0	-0	-10	0	0	0	0
Issue month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assumed dil. of shares from conv.	0	0	0	0	0	0	0	0	0	0
As. dil. of shares from conv. (avg)	0	0	0	0	0	0	0	0	0	0
Conv. debt not assumed as equity	0	0	0	0	0	0	0	0	0	0
No. of warrants	0	0	0	0	0	0	0	0	0	0
Market value per warrant	0	0	0	0	0	0	0	0	0	0
Dilution from warrants	0	0	0	0	0	0	0	0	0	0
Issue factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Actual dividend per share	8.00	4.00	2.50	5.00	6.00	6.00	8.00	8.50	9.00	9.00
Reported earnings per share	-	-	-	-	-	-	-	-	-	-

Source: ABG Sundal Collier, Company Data

Valuation and Ratios (SEKm)	2017	2018	2019	2020	2021	2022	2023	2024e	2025e	2026e
Shares outstanding adj.	108	108	108	108	108	98	98	98	98	98
Diluted shares adj.	108	108	108	108	108	98	98	98	98	98
EPS	9.32	-6.93	8.11	11.68	14.03	10.49	16.11	14.73	15.68	15.68
Dividend per share	8.00	4.00	2.50	5.00	6.00	6.00	8.00	8.50	9.00	9.00
EPS adj.	11.41	8.79	8.31	12.34	14.44	11.56	14.31	14.73	15.68	15.68
BVPS	51.03	27.14	28.21	36.88	54.31	73.60	75.04	81.77	88.95	95.63
BVPS adj.	30.83	6.76	7.26	16.99	33.99	50.35	49.86	56.76	64.12	70.98
Net IB debt/share	1.38	28.19	25.55	25.70	11.45	15.30	30.02	35.52	19.93	19.19
Share price	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00	133.00
Market cap. (m)	14,377	14,364	14,351	14,324	14,311	12,981	12,981	12,981	12,981	12,981
Valuation	-	-	-	-	-	-	-	-	-	-
P/E (x)	14.3	-19.2	16.4	11.4	9.5	12.7	8.3	9.0	8.5	8.5
EV/sales (x)	0.27	0.31	0.30	0.32	0.29	0.27	0.28	0.29	0.25	0.25
EV/EBITDA (x)	6.9	36.9	6.3	6.1	5.0	5.7	5.3	5.4	4.7	4.7
EV/EBITA (x)	10.5	-56.5	13.1	12.4	8.4	10.8	8.8	8.9	7.7	7.7
EV/EBIT (x)	11.8	-23.0	13.3	12.6	8.6	10.8	8.8	8.9	7.7	7.7
Dividend yield (%)	6.0	3.0	1.9	3.8	4.5	4.5	6.0	6.4	6.8	6.8
FCF yield (%)	9.5	-8.1	10.5	7.7	13.2	-1.0	2.8	10.7	24.3	13.5
Le. adj. FCF yld. (%)	9.5	-8.1	3.4	-1.7	8.4	-6.1	-2.0	5.9	19.5	8.8
P/BVPS (x)	2.61	4.90	4.71	3.61	2.45	1.81	1.77	1.63	1.50	1.39
P/BVPS adj. (x)	4.31	19.68	18.33	7.83	3.91	2.64	2.67	2.34	2.07	1.87
P/E adj. (x)	11.7	15.1	16.0	10.8	9.2	11.5	9.3	9.0	8.5	8.5
EV/EBITDA adj. (x)	6.7	10.2	6.3	6.0	4.9	5.4	5.6	5.4	4.7	4.7
EV/EBITA adj. (x)	10.0	18.7	13.1	12.0	8.4	10.0	9.8	8.9	7.7	7.7
EV/EBIT adj. (x)	10.0	18.7	13.1	12.0	8.4	10.0	9.8	8.9	7.7	7.7
EV/CE (x)	1.5	2.3	1.4	1.3	1.1	1.1	1.1	1.1	1.0	0.9
Investment ratios	-	-	-	-	-	-	-	-	-	-
Capex/sales (%)	1.5	1.4	1.2	0.9	0.7	0.7	0.8	1.1	1.0	1.1
Capex/depreciation	1.1	1.0	1.0	0.7	0.6	0.6	0.7	1.0	1.0	1.0
Capex tangibles / tangible fixed assets	21.2	18.9	19.3	14.0	11.4	11.4	13.5	19.9	21.4	23.3
Capex intangibles / definite intangibles	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Depreciation on intang / def. intang	20	19	16	22	14	15	11	11	12	12
Depreciation on tangibles / tangibles	17.32	17.45	16.97	18.48	19.25	17.34	17.31	18.81	20.16	21.94

Source: ABG Sundal Collier, Company Data

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Company: NCC

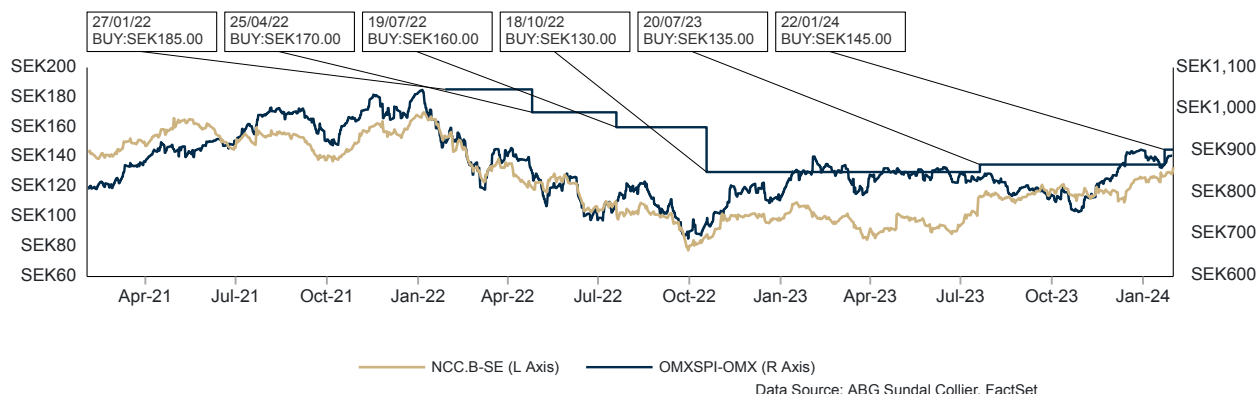
Currency: SEK

Current Recommendation: BUY

Date: 31/1/2024

Current Target price: 155.0

Current Share price: 133.00



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