



Q1 2009

# Presentation to Investors

Friday 8 May 2009

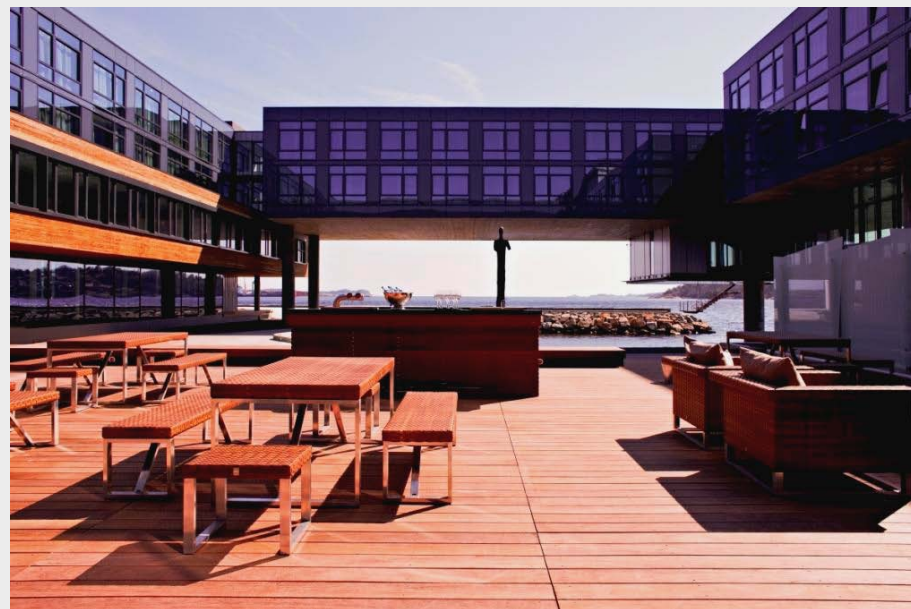
[www.veidekke.com](http://www.veidekke.com)



# Agenda



- Highlights
- Performance Q1
  - Group
  - Business areas
- Market outlook
- The road ahead



Hotel Farris Bad, Larvik  
Photo: Morten Rakke

# Results per quarter

## *Tough times*

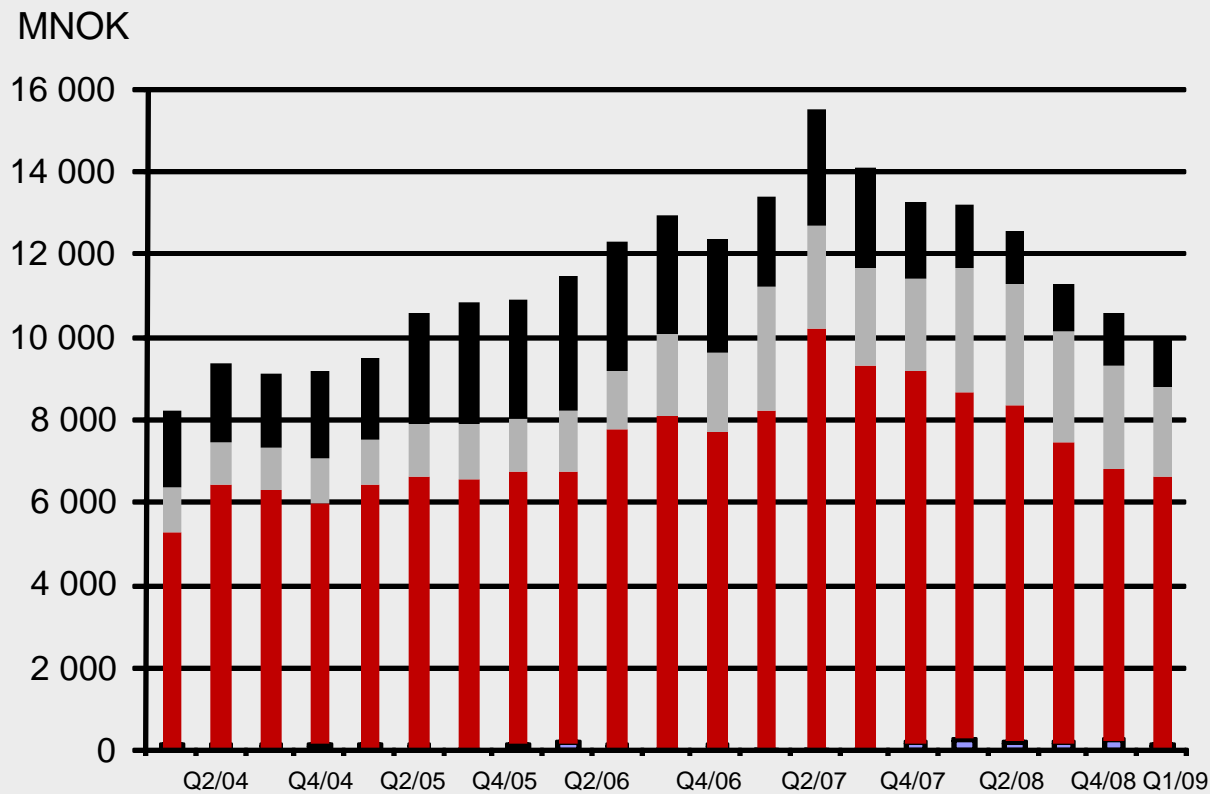


# Highlights

- **Good results in Construction operations**
  - 3.5% profit margin, up from 2.8 last year
  - Turnover down by 21%
- **Property development**
  - Low production and low sales gave weak results
  - Veidekke's shares in Hansa Property written down by MNOK 13
- **Very weak figures in Industry**
  - Project write-downs and stock estimates lead to write-offs totalling MNOK 27
  - Up to 30% reduction in private customers turnover
  - Traditionally, Q1 is a quarter of expenditure
- **Strong financial position**
  - Cash flow in Q1: + 98 MNOK (-316 last year)
  - Net interest-bearing position -162 MNOK

# Falling volume of new orders

## *Signs of volume levelling off*



- Almost no housing projects in order book
- Weak market for private non-residential buildings
- Increase in heavy construction market

■ Norway    ■ Sweden    ■ Denmark

# Annual General Meeting on 7 May

- New chairman of the Board
  - Martin Mæland, President and CEO of OBOS
  - OBOS is Veidekke's largest shareholder with a 28% ownership share
- Proposed dividend of NOK 2.50 per share adopted
  - Total dividend of MNOK 334.3
  - To be distributed on 20 May
- Proposed cancellation of company's own shares adopted
  - 2,254,400 shares (1.7%) cancelled
  - There will be 133,704,942 shares outstanding on 8 May
- Authorisation for repurchase of own shares and authorisation for share issue renewed

# Veidekke share at 6 May 2009

Return	Year to date 2009	2008
AF Gruppen	+ 11 %	- 29 %
Skanska	+ 15 %	- 32 %
NCC	+ 68 %	- 59 %
Veidekke	+ 37 %	- 52 %
Peab	+ 62 %	- 66 %
Oslo Stock Exchange	+ 19 %	- 54 %

## Share Price

NOK per share



# Performance Q1



Railway project Lysaker - Sandvika

# Income statement

Q1 2008	Q1 2009	Figures in MNOK	2008	2007
4 337.4	3 325.3	<b>Operating revenues</b>	<b>19 395.3</b>	<b>19 335.9</b>
-4 266.9	-3 346.8	Operating expenses	-18 303.1	-18 219.8
-66.7	-80.5	Ordinary depreciation	-296.0	-233.6
<b>3.8</b>	<b>-102.0</b>	<b>Operating profit (EBIT)</b>	<b>796.2</b>	<b>882.5</b>
14.0	-5.8	Profit, associated companies	123.3	325.8
47.8	-25.7	Net financial items	-103.9	-27.3
<b>16.0</b>	<b>-133.5</b>	<b>Earnings before tax (EBT)</b>	<b>815.6</b>	<b>1 181.0</b>
-3.5	30.7	Tax	-200.1	-179.9
<b>12.5</b>	<b>-102.8</b>	<b>Profit for the year</b>	<b>615.5</b>	<b>1 001.1</b>
3.6	-	Of which, minorities	4.2	11.4
<b>8.9</b>	<b>-102.8</b>	<b>Net profit for the year</b>	<b>611.3</b>	<b>989.7</b>
<b>0.1</b>	<b>-0.8</b>	<b>Earnings per share (NOK)</b>	<b>4.5</b>	<b>7.1</b>

# Balance sheet - Assets

<i>Figures in MNOK</i>	31 March 2009	31 Dec. 2008	31 March 2008
Goodwill and intangible assets	562.4	556.6	536.3
Buildings/land	571.4	583.4	458.7
Machinery, etc.	1 250.0	1 200.0	994.8
Investments in associated companies	536.1	672.6	590.1
Deferred tax asset	35.9	35.9	45.6
Financial items	299.6	303.2	409.4
<b>Total fixed assets</b>	<b>3 255.4</b>	<b>3 371.5</b>	<b>3 008.1</b>
Non-residential and residential projects (sites included)	1 753.1	1 751.3	1 357.6
Stocks	315.2	322.5	306.1
Debtors	2 656.6	3 166.3	3 809.4
Cash and cash equivalents	196.0	354.0	357.2
<b>Total current assets</b>	<b>4 920.9</b>	<b>5 594.1</b>	<b>5 830.3</b>
<b>Total assets</b>	<b>8 176.3</b>	<b>8 965.6</b>	<b>8 838.4</b>

# Balance sheet – Equity and liabilities

<i>Figures in MNOK</i>	<b>31 March 2009</b>	<b>31 Dec. 2008</b>	<b>31 March 2008</b>
<b>Equity</b>	<b>1 936.5</b>	<b>2 113.9</b>	<b>2 150.1</b>
Pension commitments and deferred tax	346.2	391.1	484.5
Debt to credit-issuing institutions	555.5	841.5	918.4
Creditors	3 499.5	3 499.8	3 745.6
Public duties payable	524.9	715.7	530.0
Other liabilities	1 313.7	1 410.9	1 009.8
<b>Total liabilities</b>	<b>6 239.8</b>	<b>6 851.7</b>	<b>6 688.3</b>
<b>Total equity and liabilities</b>	<b>8 176.3</b>	<b>8 965.6</b>	<b>8 838.4</b>
<b>Net interest-bearing position</b>	<b>-162</b>	<b>-260</b>	<b>-124</b>
<b>Equity ratio (%)</b>	<b>23.7</b>	<b>23.6</b>	<b>24.3</b>

# Cash flow statement

## 1 January – 31 March 2009



<i>Figures in MNOK</i>	Construction/ Other operations	Property development	Industry	Group
Earnings before tax	84.3	-38.2	-179.6	-133.5
Depreciation	39.5	1.6	39.4	80.5
Other working capital, etc.	-81.8	303.3	101.9	323.4
<b>Other operating capital etc.</b>	<b>42.0</b>	<b>266.7</b>	<b>-38.3</b>	<b>270.4</b>
Investments in property, plant and equipment net	-35.5	-5.2	-109.8	-150.5
Other investing activities	-14.7	13.0	-1.2	-2.9
<b>Cash flow from investing activities</b>	<b>-50.2</b>	<b>7.8</b>	<b>-111.0</b>	<b>-153.4</b>
Repurchase of own shares	-	-	-	-
Other items	-13.9	-4.6	-0.1	-18.6
<b>Cash flow from financing activities</b>	<b>-13.9</b>	<b>-4.6</b>	<b>-0.1</b>	<b>-18.6</b>
<b>Change net interest-bearing position</b>	<b>-22.1</b>	<b>269.9</b>	<b>-149.4</b>	<b>98.4</b>
<b>Capital invested at 31 March 2009</b>	<b>-907</b>	<b>2 204</b>	<b>1 195</b>	<b>2 492</b>

# Business areas, Q1



<i>Figures in MNOK</i>	Q1 2009		Q1 2008	
	Operating revenues	EBT	Operating revenues	EBT
Construction Norway	1 992.2	84.9	2 557.7	112.0
Construction Sweden	551.8	9.1	630.4	5.8
Construction Denmark	398.3	7.0	514.9	-12.3
<b>Total construction</b>	<b>2 942.3</b>	<b>102.0</b>	<b>3 703.0</b>	<b>105.5</b>
Property development Norway	65.3	-36.6	218.1	15.5
Property development Sweden	77.6	6.9	184.0	28.5
Property development Denmark	1.0	-8.5	32.6	-2.3
<b>Total property development</b>	<b>143.9</b>	<b>-38.2</b>	<b>434.7</b>	<b>41.7</b>
<b>Veidekke Industry</b>	<b>274.9</b>	<b>-179.6</b>	<b>387.5</b>	<b>-118.6</b>
Other operations	-35.8	-17.7	-187.8	-12.6
<b>Total</b>	<b>3 325.3</b>	<b>-133.5</b>	<b>4 337.4</b>	<b>16.0</b>

# Business areas



Vestas, Århus

# Construction operations



<i>Figures in MNOK</i>	Q1 2009			Q1 2008			2008		
	Operating revenues	EBT	EBT %	Operating revenues	EBT	EBT %	Operating revenues	EBT	EBT %
Construction Norway	1 992.2	84.9	4.3	2 557.7	112.0	4.4	10 660.2	707.9	6.6
Construction Sweden	551.8	9.1	1.6	630.4	5.8	0.9	2 801.1	52.7	1.9
Construction Denmark	398.3	8.0	2.0	514.9	-12.3	-2.4	2 073.0	13.2	0.6
<b>Total Construction</b>	<b>2 942.3</b>	<b>102.0</b>	<b>3.5</b>	<b>3 703.0</b>	<b>105.5</b>	<b>2.8</b>	<b>15 534.3</b>	<b>773.8</b>	<b>5.0</b>

# Construction Norway

## *Good operations*



- Stable profit margin
  - Stable margin and good project earnings
- Turnover down by 22%
- Volume of new orders levelling off after six quarters of reduction
  - Tough market
  - Focus on project margins
- Much activity in heavy construction market
- Building market still weak

Figures in MNOK	Q1 2009	Q2 2008	Year 2008
Operating revenues	1 992.2	2 557.7	10 660.2
Operating expenses	-1 910.2	-2 454.5	-10 005.4
Depreciation	-27.8	-21.9	-94.8
<b>Operating profit (EBIT)</b>	<b>54.2</b>	<b>81.3</b>	<b>560.0</b>
Profit, associated companies	-	-	-3.6
Net financial items	30.7	30.7	151.5
<b>Earnings before tax (EBT)</b>	<b>84.9</b>	<b>112.0</b>	<b>707.9</b>
<b>Profit margin (%)</b>	<b>4.3</b>	<b>4.4</b>	<b>6.6</b>



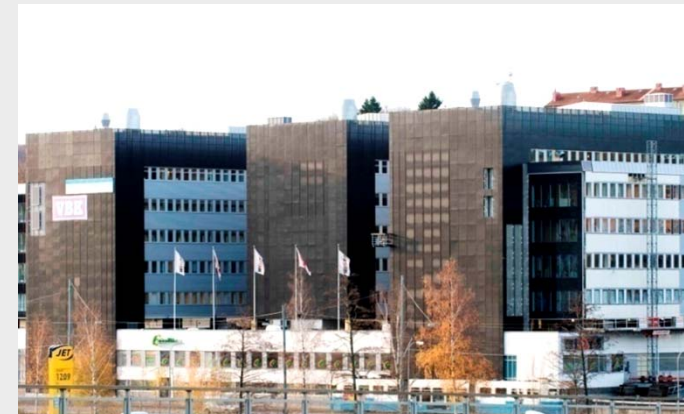
# Construction Sweden

## *Regional differences*



- Positive margins in all regions
  - Good development in building operations in Stockholm
- Turnover down by 13%
- Volume of new orders down by 11% so far this year
  - Stable situation in Stockholm and in heavy construction segment
  - Other regions in need of new orders
- Market situation
  - Good heavy construction market
  - Weak building market, particularly the housing market

Figures in MNOK	Q1 2009	Q2 2008	Year 2008
Operating revenues	551.8	630.4	2 801.1
Operating expenses	-536.3	-622.0	-2 737.3
Depreciation	-5.0	-2.2	-17.1
<b>Operating profit (EBIT)</b>	<b>10.5</b>	<b>6.2</b>	<b>46.7</b>
Profit, associated companies	-	-	-
Net financial items	-1.4	-0.4	6.0
<b>Earnings before tax (EBT)</b>	<b>9.1</b>	<b>5.8</b>	<b>52.7</b>
<b>Profit margin (%)</b>	<b>1.6</b>	<b>0.9</b>	<b>1.9</b>



# Construction Denmark

## *Some improvement*



- Positive results
  - Profit margin 2%
- Order volume down by 12% so far this year
  - Increased price competition
  - Potential customers hesitating to start up new projects
- Operational capacity adapted to decline in market
  - Substantial cost reductions carried out

	Q1 2009	Q2 2008	Year 2008
<b>Figures in MNOK</b>			
Operating revenues	398.3	514.9	2 073.0
Operating expenses	-388.8	-528.4	-2 066.3
Depreciation	-2.5	-2.4	-9.7
<b>Operating profit (EBIT)</b>	<b>7.0</b>	<b>-15.9</b>	<b>-3.0</b>
Profit, associated companies	-	-	0.7
Net financial items	1.0	3.6	15.5
<b>Earnings before tax (EBT)</b>	<b>8.0</b>	<b>-12.3</b>	<b>13.2</b>
<b>Profit margin (%)</b>	<b>2.0</b>	<b>-2.4</b>	<b>0.6</b>



# Property development



Victoriagården apartment building, Sandvika

# Property development, Scandinavia



<i>Figures in MNOK</i>	Q1 2009			Q1 2008			2008		
	Operating revenues	EBT	EBT %	Operating revenues	EBT	EBT %	Operating revenues	EBT	EBT %
Property development Norway	65.3	-36.6	-56.0	218.1	15.5	7.1	631.7	-49.9	-7.9
Property development Sweden	77.6	6.9	8.9	184.0	28.5	15.5	719.7	101.8	14.1
Property development Denmark	1.0	-8.5	-	32.6	-2.3	-7.1	50.4	-32.5	-64.5
<b>Total property development</b>	<b>143.9</b>	<b>-38.2</b>	<b>-26.5</b>	<b>434.7</b>	<b>41.7</b>	<b>9.6</b>	<b>1 401.8</b>	<b>19.4</b>	<b>1.4</b>

# Property development, Scandinavia

- Weak market and results in Q1
  - Low activity level and low sales influenced earnings
  - Shareholdings in Hansa Property written down by 13 MNOK
  
- 2009 result depending on
  - Contributions from sale of unsold dwellings
  - Project sales
  - Start-up of new projects

Figures in MNOK	Q1 2009	Q1 2008	Year 2008
Operating revenues	143.9	434.7	1 401.8
Operating expenses	-152.0	-382.8	-1 272.4
Depreciation	-1.6	-1.4	-7.0
<b>Operating profit (EBIT)</b>	<b>-9.7</b>	<b>50.5</b>	<b>122.4</b>
Profit, associated companies	-0.2	9.1	77.1
Net financial items	-28.3	-17.9	-180.1
<b>Earnings before tax (EBT)</b>	<b>-38.2</b>	<b>41.7</b>	<b>19.4</b>
<b>Capital invested</b>	<b>2 156</b>	<b>2 318</b>	<b>2 635</b>



# Veidekke's housing portfolio

	Under production at 31 Dec. 2008	Completed Q1	Start-ups Q1	Under production at 31 March 2009
<b>Number of units under production</b>				
Norway	185	-62		123
Sweden	453	-54	45	444
Denmark	0			0
<b>Total, units under production</b>	<b>638</b>	<b>-116</b>	<b>45</b>	<b>567</b>
<b>Of which sold</b>				
Norway	113			80
Sweden	424			406
Denmark				
<b>Total, sold units under production</b>	<b>537</b>			<b>486</b>
Sales ratio	84 %			86 %
<b>Unsold, completed units</b>				
Norway	110			121
Sweden	3			2
Denmark	17			17
<b>Total, unsold completed units</b>	<b>130</b>			<b>140</b>
<b>Number of projects under production</b>				
Norway	6	-2		4
Sweden	11	-1	1	11
Denmark	0			0
<b>Total, projects under production</b>	<b>17</b>	<b>-3</b>	<b>1</b>	<b>15</b>

# Housing market and Veidekke

## Housing market, in general

- Improvement in last part of quarter
  - Especially in areas surrounding Stockholm and Oslo
- Apparently better market for family dwellings
  - Projects consisting of wooden houses/individual houses
  - Smaller apartment buildings in border areas
- Market still difficult for sale of larger apartment building projects

## Veidekke

- Number of unsold dwellings reduced
  - Limited exposure, many dwellings hired out
  - A total of 60 dwellings sold, including re-sales
- We aim to start several new projects at the end of the year
  - 150-200 dwellings distributed over 8-10 projects
  - Pre-sale of minimum 50 % required
- Based on a good land bank:
  - We will continue to develop projects so that as many as possible will be ready for sale and construction when the market returns
    - Secures continued increase in value

# Property development Scandinavia

## *Unsold dwellings*



	Number of unsold units at 31 Dec. 2008	Number of unsold units at 31 March 2009	Original sales price MNOK	Market Value MNOK	Book value MNOK	Number of units hired out
Under production	101	81	159	159	131	-
Completed	130	140	381	343	297	72
Total	231	221	540	502	428	72

- Projects under production will be completed during first half of 2009
- Valuation of each housing unit based on own and external assessments
- Interest rate reductions contribute to increased interest in market

# Sales rate, number of dwellings

	Norway	Sweden	Denmark	Total
Q1 2007	49	133	2	184
Q2 2007	106	369	3	478
Q3 2007	91	100	0	191
Q4 2007	43	97	0	140
Q1 2008	31	22	1	54
Q2 2008	13	40	2	55
Q3 2008	-5	24	0	19
Q4 2008	2	0	0	2
Q1 2009	13	21	0	34

# Hansa Property

- Substantial reorganisation of company following drop in property market and lack of cash flow
  - Cuts in workforce and cost reductions
  - Renegotiated and substantially improved interest rate and principal repayment terms
- To cover capital needs, a share issue of MNOK 330 is underway
  - Issue price: NOK 1.- per share
  - Will cover interests and running operations until end of Q2 in 2011
- Veidekke deems Hansa to be a prudent investment at an issue price of NOK 1
  - We will subscribe for our ownership share of 8.7 %
  - The company has a good land bank and a good organisation
  - Implied land value is low, and the company has good future prospects

# Industry



# Industry

## *A very weak start to the year*



- Generally speaking, Q1 is a quarter of expenditure
- Write-downs on projects in Mid-Norway
  - Result reduced by MNOK 27
  - Connected to disputes and stock value estimates
  - Restructuring of organisation in progress
- Ordinary cost increases
  - Fixed costs increased by MNOK 15
- Turnover and thus result contributions much lower than expected
  - Demand from private customers down by 25 to 30 per cent in recycling operations and in gravel and crushed stone
  - MNOK 50 ascribable to transfer of plant contracting operations from industry division to construction division

Figures in MNOK	Q1 2009	Q1 2008	Year 2008
Operating revenues	274.9	387.5	3 292.6
Operating costs	-395.6	-461.2	-3 030.1
Depreciation	-39.4	-36.3	-152.6
<b>Operating profit (EBIT)</b>	<b>-160.1</b>	<b>-110.0</b>	<b>109.9</b>
Profit, associated companies	-5.6	4.5	41.7
Net financial items	-13.9	-13.1	-83.5
<b>Earnings before tax(EBT)</b>	<b>-179.6</b>	<b>-118.6</b>	<b>68.1</b>
<b>Profit margin (%)</b>	<b>-65.3</b>	<b>-30.6</b>	<b>2.1</b>

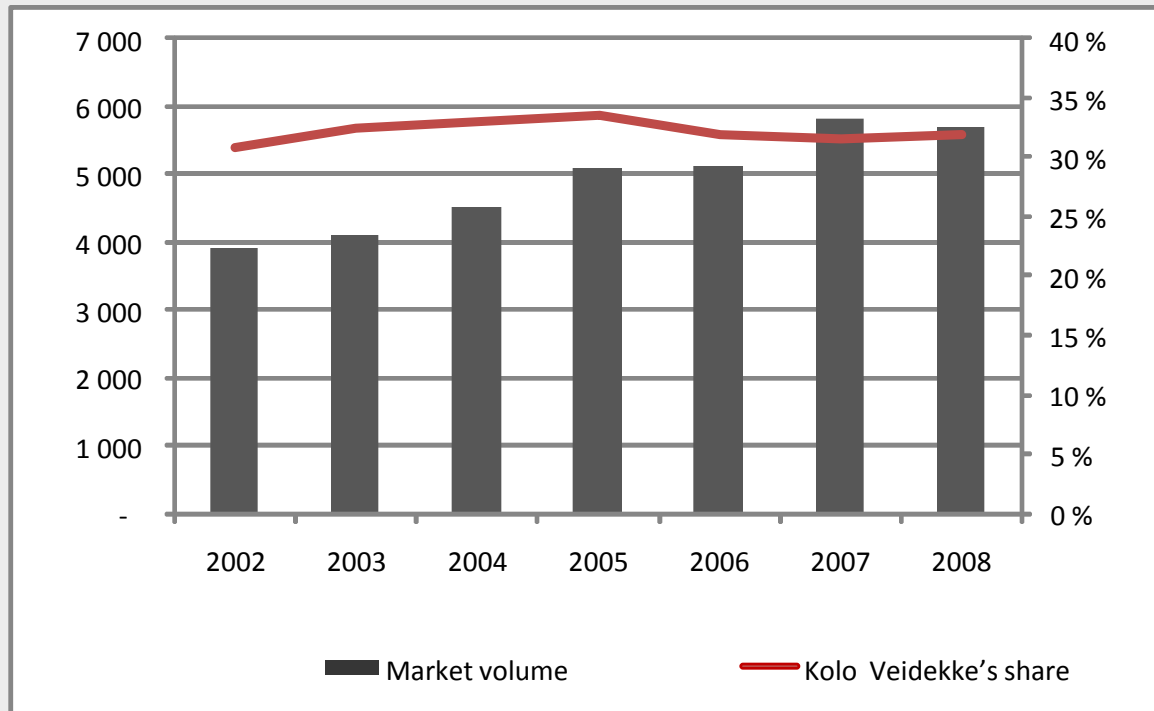


# Industry

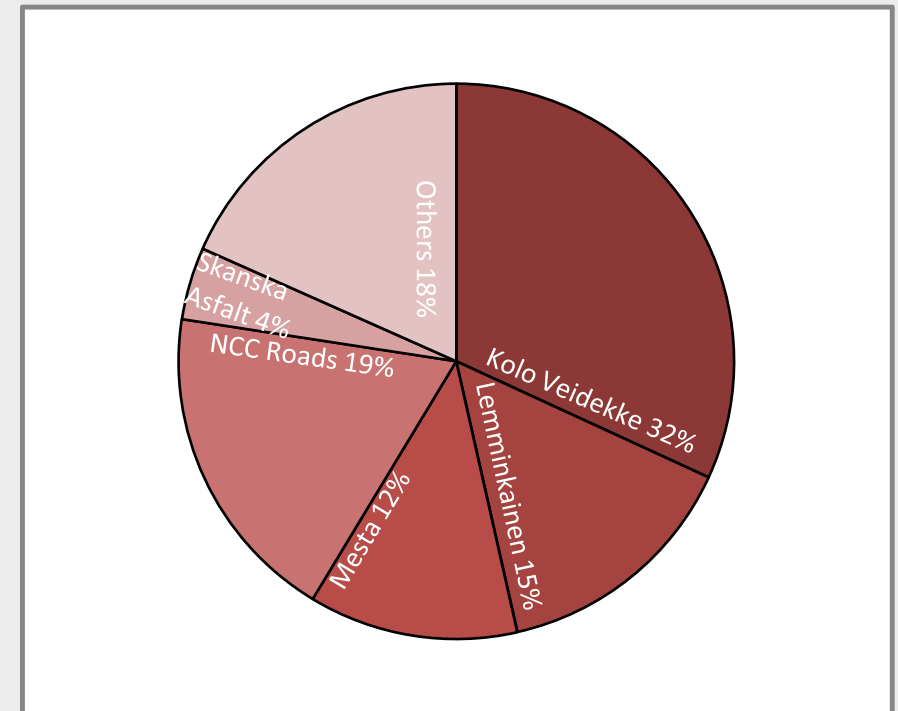
## Asphalt volume and market



Volume in total market and Kolo Veidekke's market share



Market share 2008



# Industry

## *Asphalt bids for Public Roads Administration*



	March 2009		March 2008		March 2007	
	Tonnes	Share	Tonnes	Share	Tonnes	Share
Total volume	1 876 000		1 654 000		1 622 000	
Kolo Veidekke	520 000	28%	652 000	39%	601 000	37%
NCC Roads	137 000	7%	391 000	24%	355 000	22%
Mesta	643 000	34%	254 000	15%	273 000	17%
Lemminkäinen	325 000	17%	210 000	13%	231 000	14%
Skanska Asfalt	135 000	7%	65 000	4%	77 000	5%
Other companies	116 000	6%	82 000	5%	85 000	5%

# Industry

## *A market in change?*



- New competitive situation
  - Lower activity for private sector, more competition for public contracts
  - Fewer contracts awarded to Veidekke by Public Roads Administration
  - 4 new road maintenance contracts awarded to Veidekke. Substantial increase in prices in this year's bidding round; average increase of 66%
  
- Important initiatives taken ahead of this year's production season
  - Strengthened marketing and sales
  - Strengthened productivity work
  - Adjustment of organisation and work force

# Market outlook



# Market

## *Federal stimulus of building and construction markets all over Scandinavia*



### ■ Norway

- Bank rate at 1.5%; further reductions expected
- Stimulus package of BNOK 20 (2.3% of GNP) presented in January; much of which earmarked for public building and construction projects
- National transport plan promises almost 50% increase in investments in improved roads, railway and air traffic

### ■ Sweden

- Bank rate at 0.5 %; further reductions towards 0% possible
- Investments amounting to BSEK 45 this year and BSEK 60 next year to counter financial crises
- Today, large amounts of money are being invested in road and railway projects

### ■ Denmark

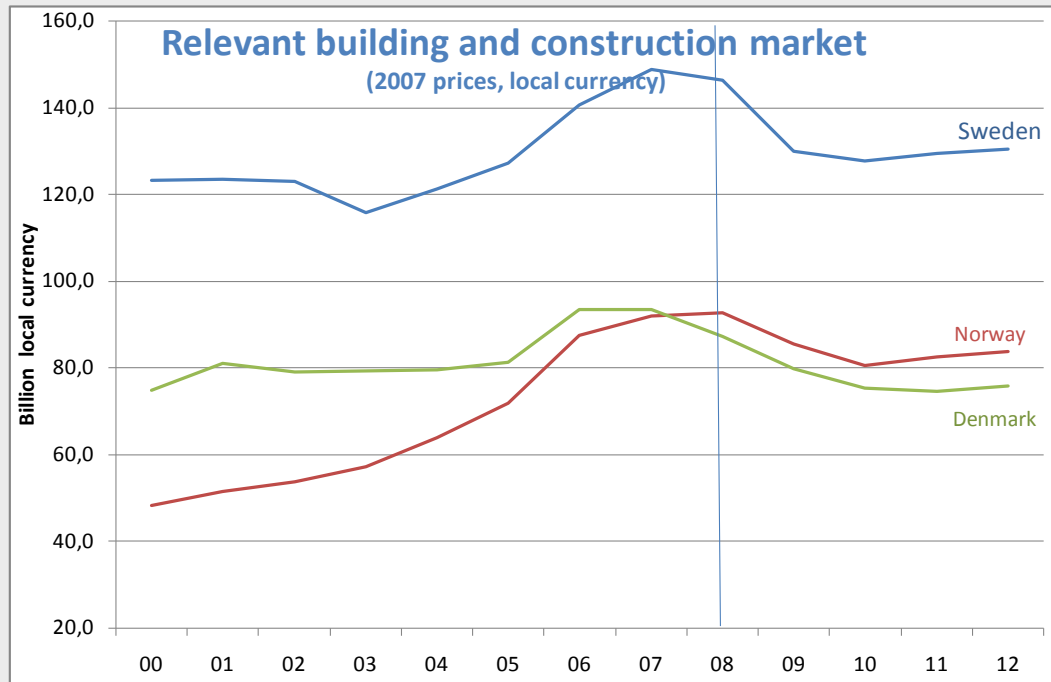
- Bank rate at 1.75%; lower interest rate level possible
- Investments in upgrade and repair of infrastructure projects
- Tax stimuli of more than BDKK 28

# Building and construction market

## Scandinavia



Accessible market: Total market less public work for own account executed by smaller companies



- Continued uncertainty regarding development of building and construction market in future
  - When and how quickly will governmental initiatives be effective?
- In short term, housing market is stimulated by low interest rates
  - Increasing unemployment will probably contribute to continued weak development
- Private non-residential building market still down
  - Affected by weak development in economic life
- Increase in public building and construction activities in all countries

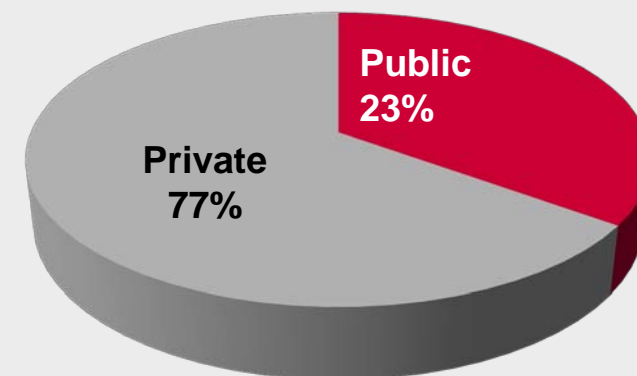
# Our position

## At the start of 2009

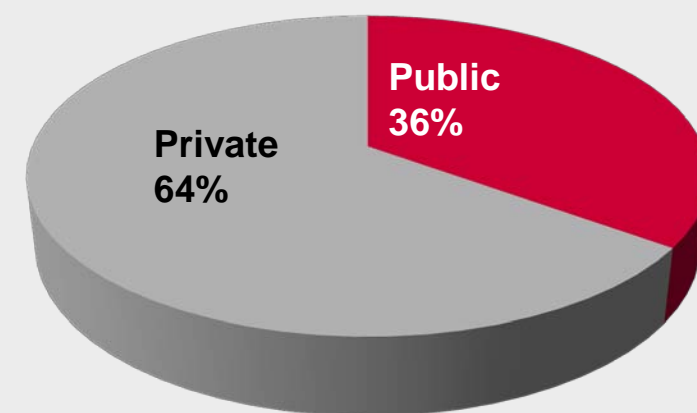


Business segment	2008 (NOK billion)	Private market (NOK billion)	Public market (NOK billion)
Building	10.7	8.2	2.5
Heavy construction	5.1	2.1	3.0
Property development	1.4	1.4	–
Asphalt, maintenance, gravel/crushed stone and recycling	3.0	1.5	1.5
Other	- 0.8	- 0.8	–
Group	19.4	12.4	7.0

Total market



Veidekke



# The road ahead



# Changes in organisation

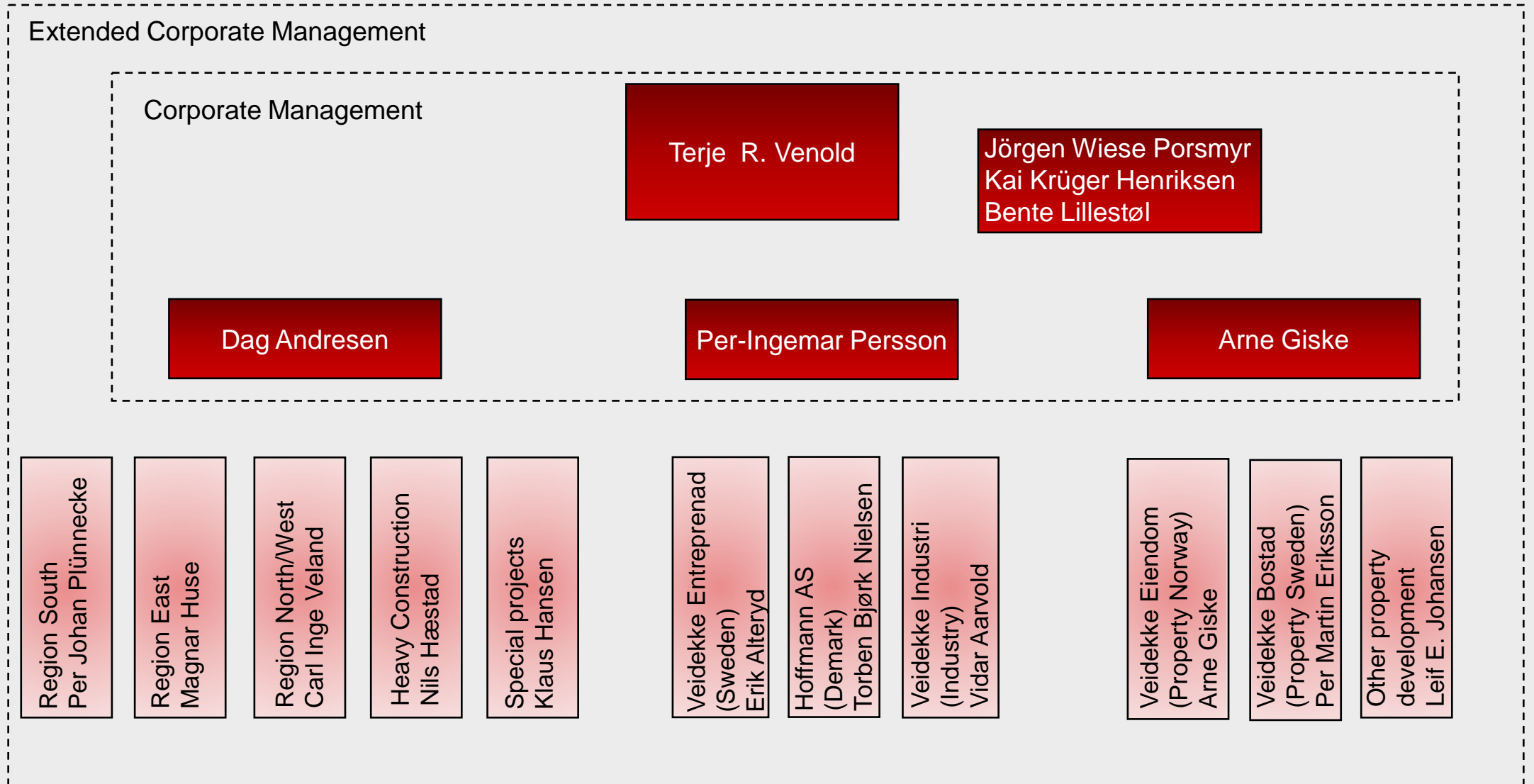
## *As of Q1*



- Property development in Scandinavia merged under the leadership of Arne Giske
- Construction operations in Denmark and Sweden as well as industrial operations are now under the leadership of Per-Ingemar Persson
- Construction operations in Norway unchanged under the leadership of Dag Andresen
- Corporate accounts and finance headed by Jørgen Wiese Porsmyr (CFO)
- Strengthened focus on environmental issues under the leadership of Bente Lillestøl
- Communication and public affairs headed by Kai Krüger Henriksen

# New organisation as of 1 April 2009

## Management



# Our focus areas ahead

## Short term

- Maintain focus on good operations
- Maintain good financial freedom of action
- Develop good working processes further
- Handle market uncertainty
  - Strengthen monitoring and preparedness
- Exercise management in demanding times
  - Training individual managers to deal with threats and possibilities

## Long term

- Secure competence
- Develop Veidekke's culture and value drivers further
- Profit from the uncertainty and exploit the opportunities

# To sum up for Q1

- A weak first quarter
  - Turnover down by approximately 20 per cent
  - Improved margins in construction operations
  - Property market still weak
  - Weak result in industry division; asphalt operations pulling result down
- Strong financial position
- Organisation calm and core competence in place
- Continuing improvement processes

# Appendices



Kv. Jericho, Stockholm

# Financial key figures

	Q1 2009	Q1 2008	2008	2007	2006
<b>Equity (MNOK)</b>					
Investments	151	140	714	543	395
Net-interest bearing items	-162	-124	-260	192	-534
Equity	1 937	2 150	2 114	2 286	1 778
Equity ratio (%)	25.0	24.3	23.6	26.3	21.4
<b>Profitability (%)</b>					
Operating profit margin	-3.1	0.1	4.1	4.6	4.3
Profit margin	-4.0	0.4	4.2	6.1	5.6
Return on equity	-5.1	0.6	28.0	49.3	44.5
<b>Shares *</b>					
Earnings per share (NOK)	-0.8	0.1	4.5	7.1	5.0
Share price (NOK)	30.0	50.3	22.3	50.8	474
Market price (MNOK)	4 011	6 842	2 982	7 056	6 680
Outstanding shares (average no. in millions)	133.7	137.4	135.2	140.0	142.9

\*) Adjusted for share split 1:5

# Results by country

<i>Figures in MNOK</i>	<b>Q1 2009</b>			<b>Q1 2008</b>		
	<i>Operating revenues</i>	<i>EBT</i>	<i>Margin</i>	<i>Operating revenues</i>	<i>EBT</i>	<i>Margin</i>
Construction	1 992.2	84.9	4.3 %	2 557.7	112.0	4.4 %
Property development	65.3	-36.6	-56.0 %	218.1	15.5	7.1 %
Industry	274.9	-179.6	-65.3 %	387.5	-118.6	-30.6 %
Intra-group turnover	-90.1	-	-	-135.6	-	-
<b>Total Norway</b>	<b>2 242.3</b>	<b>-131.3</b>	<b>-5.9 %</b>	<b>3 027.7</b>	<b>8.9</b>	<b>0.3 %</b>
Construction	551.8	9.1	1.6 %	630.4	5.8	0.9 %
Property development	77.6	6.9	8.9 %	184.0	28.5	15.5 %
Intra-group turnover	-47.0	-	-	-84.5	-	-
<b>Total Sweden</b>	<b>582.4</b>	<b>16.0</b>	<b>2.7 %</b>	<b>729.9</b>	<b>34.3</b>	<b>4.7 %</b>
Construction	398.3	8.0	2.0 %	514.9	-12.3	-2.4 %
Property development	1.0	-8.5	-	32.6	-2.3	-7.1 %
Intra-group turnover	0.7	-	-	-12.4	-	-
<b>Total Denmark</b>	<b>400.0</b>	<b>-0.5</b>	<b>-0.1 %</b>	<b>535.1</b>	<b>-14.6</b>	<b>-2.7 %</b>
Other operations	100.6	-17.7	-	44.7	-12.6	-
<b>Total</b>	<b>3 325.3</b>	<b>-133.5</b>	<b>-4.0 %</b>	<b>4 337.4</b>	<b>16.0</b>	<b>0.4 %</b>

# Status - order backlog



<i>Figures in MNOK</i>	31 March 2009	31 December 2008	31 March 2008	Change last 12 months
Norway	6 487	6 579	8 383	-1 %
Sweden	2 215	2 479	3 035	-11 %
Denmark	1 147	1 298	1 555	- 12 %
Other operations	92	208	240	- 56 %
<b>Total order backlog</b>	<b>9 941</b>	<b>10 564</b>	<b>13 213</b>	

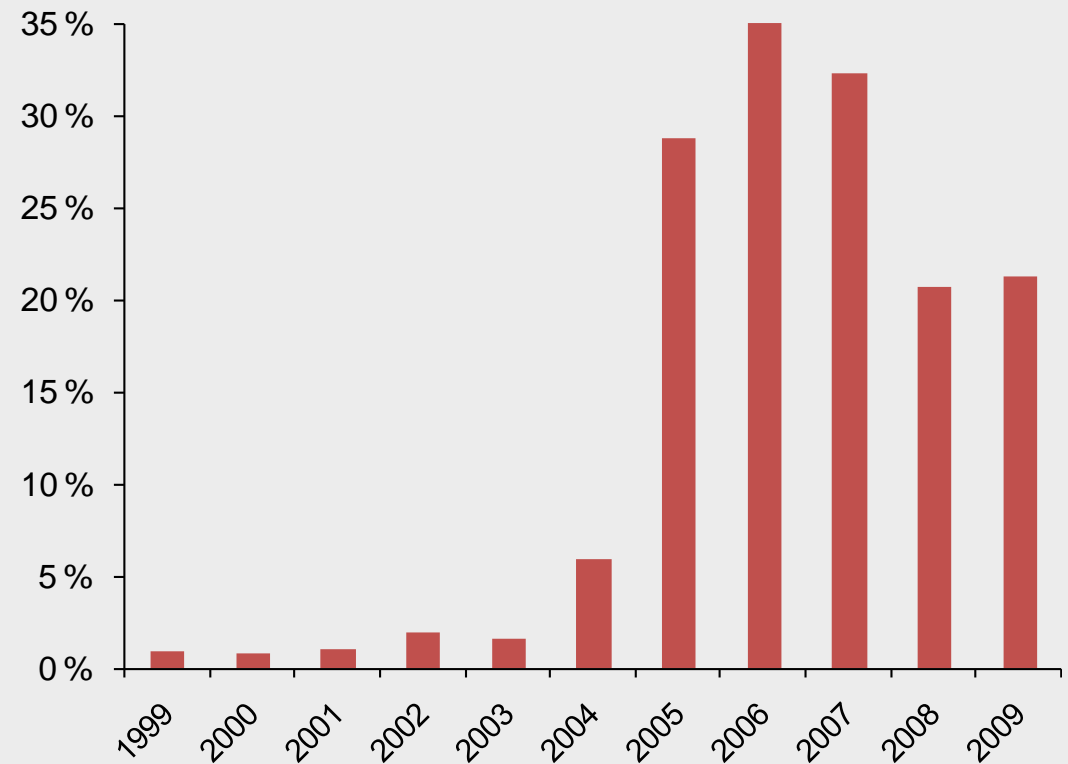
# Major ongoing projects

Project	Type	Turnover
<b>Norway:</b>		
Gulskogen Senter	Shopping centre	MNOK 871
Elkem Solar Fluor	Factory	MNOK 820
Dobbeltspor Lysaker – Sandvika (LS01/LS02)	Two railway projects	MNOK 720
Lørentunnelen	Tunnel	MNOK 664
Kjøsnesfjorden kraftverk	Hydroelectric power plant	MNOK 571
Thor Heyerdahl videregående skole	School	MNOK 488
FMC Kongsberg	New headquarters	MNOK 475
Bybanen, Bergen	City line	MNOK 345
Hardangerbrua	Concrete works	MNOK 331
Nydalen Videregående skole	School	MNOK 328
<b>Sweden:</b>		
Norra Länken 33/34	Two road tunnel projects	MSEK 1 087
Kv. Bocken	Office building	MSEK 489
Nynäsv V73	Road construction	MSEK 341
Pelarbacken	Renovation	MSEK 281
Kista Gård	Apartments	MSEK 196
Kv. Ugglan 22	Apartments	MSEK 176
<b>Denmark:</b>		
Det ny Gentofte Sygehus	Hospital	MDKK 333
AAB/AB Silkeborg	Renovation work	MDKK 319
Glostrup Storcenter	Shopping centre	MDKK 199
Herford Plejecenter	Apartments	MDKK 149
Stignæsværket	Power plant	MDKK 145

# Shareholders

Major shareholders at 8 May	
OBOS Forretningsbygg	28.0 %
If Skadeforsikring	8.7 %
Folketrygdfondet	8.2 %
First Securities	4.9 %
KB Gruppen	4.8 %
MP Pensjon	2.3 %
Must Invest	1.9 %
JP Morgan	1.5 %
Rasmussengruppen	1.4 %
State Street Bank	0.7 %
3 488 employees	18.0 %

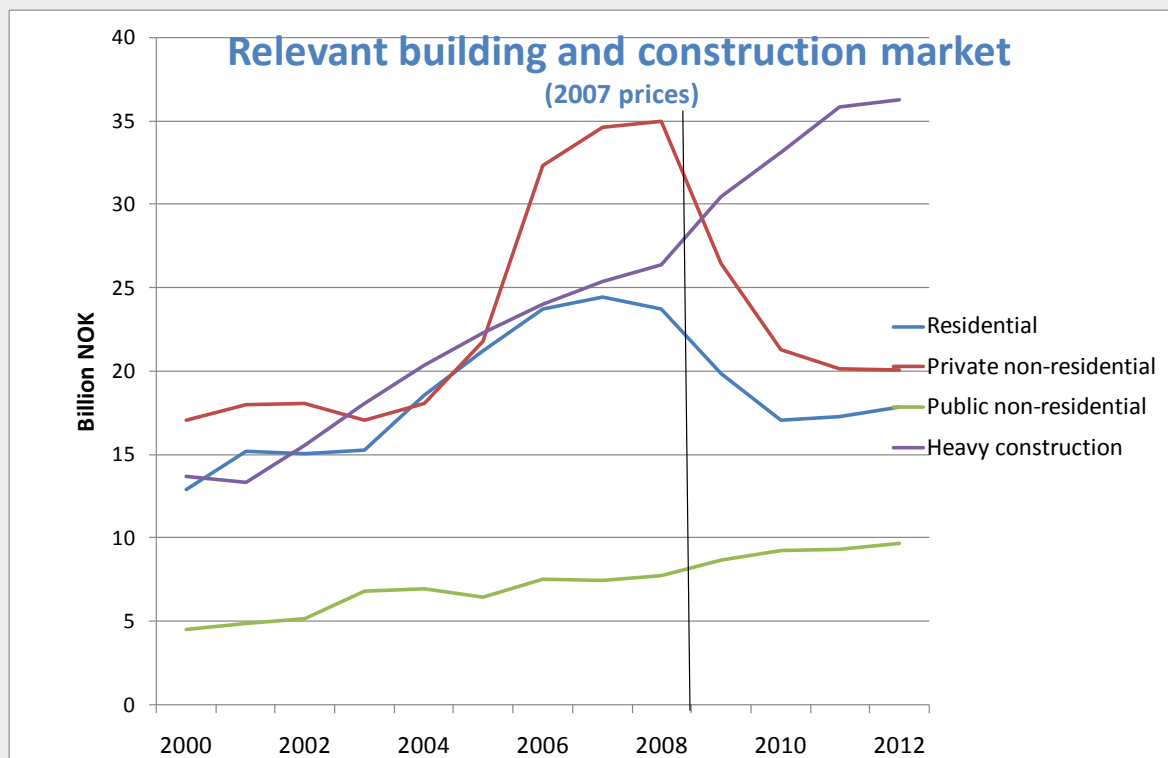
Number of foreign shareholders steady at approximately 20 %



# Accessible building and construction market Norway



Accessible market in 2009 approximately BNOK 85



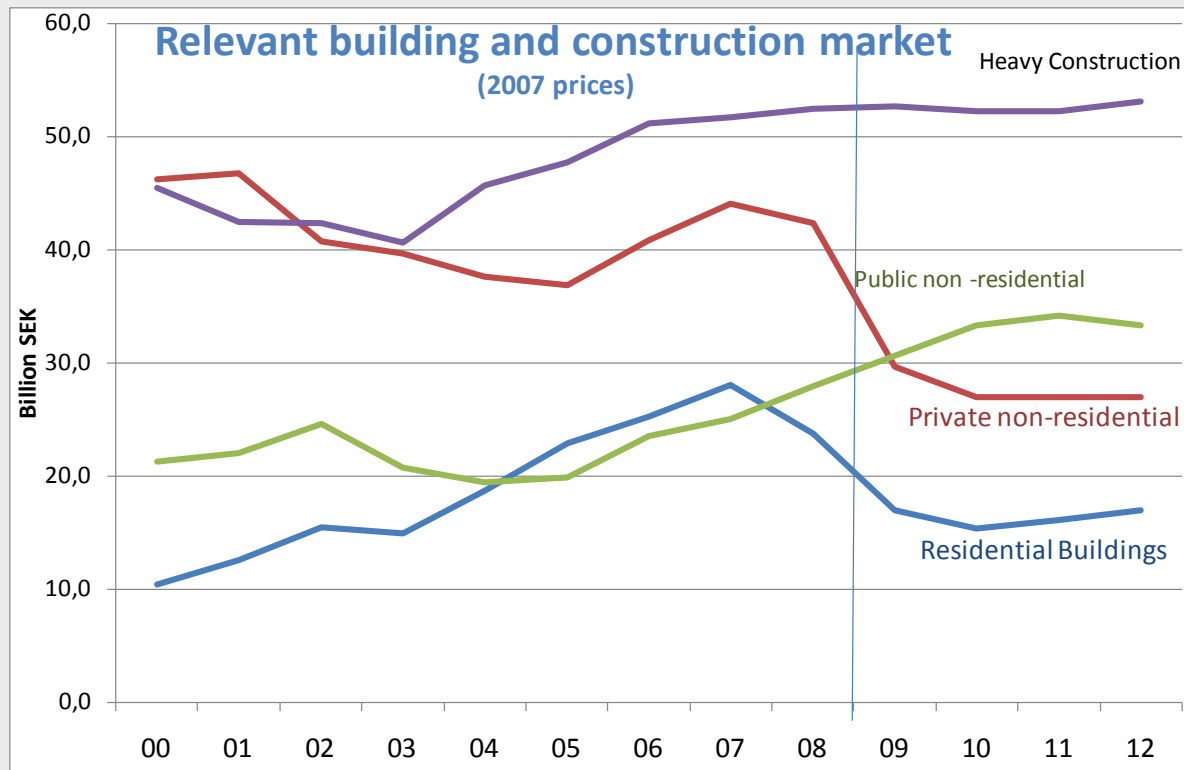
Sources: Statistics Norway, own estimates

- Market down by 8% this year
  - Further decline of 5% next year
- Increase in accessible heavy construction market by 12% this year
  - Substantial investments in public infrastructure projects
  - Weaker market for industrial projects
- Weak housing market in future
  - Low interest rates will prop market up in the short term; increased unemployment will pull market down
- Substantial decline in non-residential building market in future
  - The market level has been very high
  - Public building market will increase

# Accessible building and construction market Sweden



Accessible market in 2009 approximately BSEK 135



Sources: Sveriges Byggindustri, own estimates

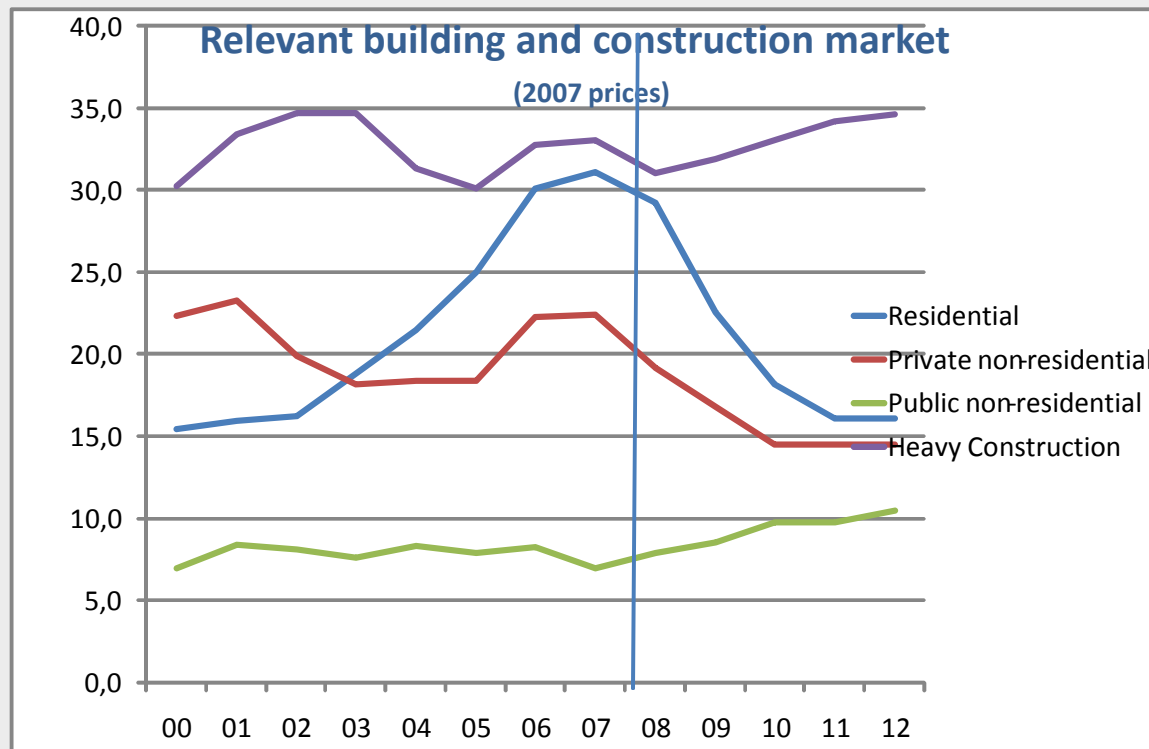
- Market development very uncertain
  - Stop in private non-residential building
- Total reduction of 12% in 2009
  - A further drop of 2% in 2010
- Largest decline in residential and non-residential building next two years
- Heavy construction market on a high level
  - However, slight growth in public construction projects
  - Private heavy construction projects (electricity)

# Accessible building and construction market

## Denmark



Billion DKK



Sources: Dansk Byggeri, own estimates

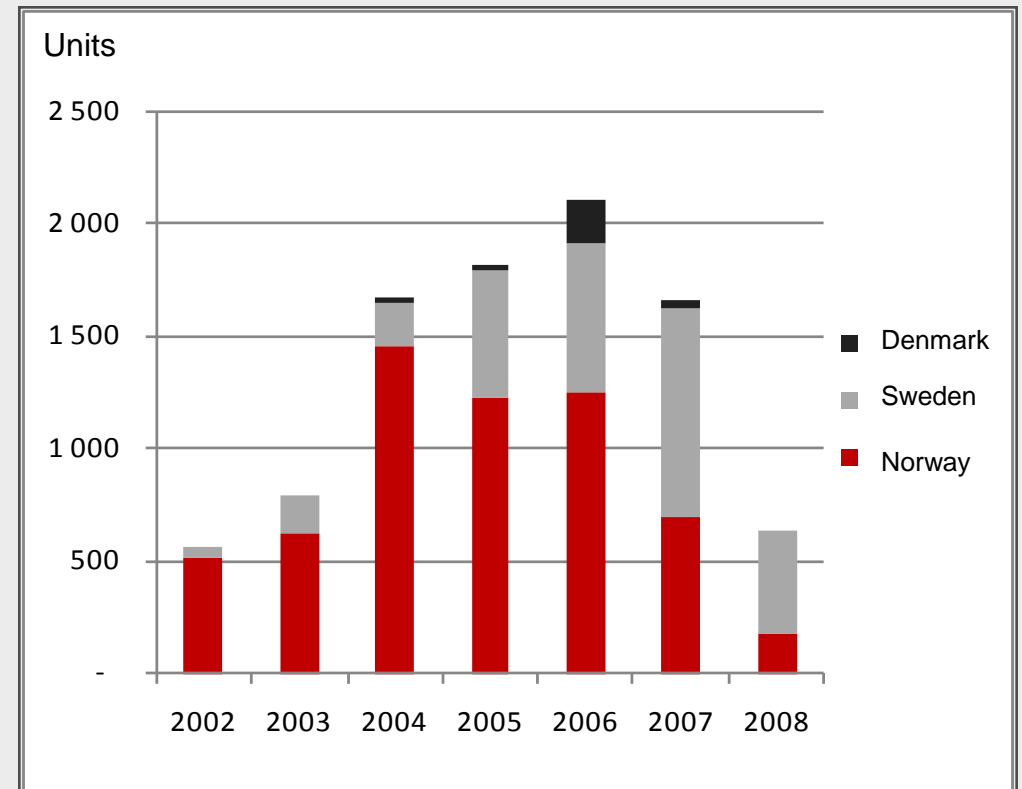
- Decline of 8% in market in 2009
  - Recession started earlier in Denmark
- Relatively less growth in public building and construction compared with other countries
  - However, increased investments in environmental projects (wind power, railways etc.)
  - More to repair and maintenance of various projects
- Continuing downward trend in housing market
  - Uncertain when bottom will be reached

# Property development Scandinavia

## *Land bank and production volume past seven years*



	Number of dwellings
Norway	3 300
Sweden	3 600
Denmark	600
Total	7 500



# Hansa Property Group ASA

## Background:

- Since 1998, Veidekke has had a 40 per cent ownership in a major property in Lørenskog, Akershus, and has gradually been developing the site.  
Veidekke's investment: MNOK 16
- The property was sold to Hansa Property Group when this company was established in autumn 2007. Settlement was partly in shares
  - Gain for Veidekke in 2007: MNOK 220
  - Previous gain (2006): MNOK 60
- Veidekke owns 8.7 per cent of the shares in Hansa Property Group
  - Cost price MNOK 110
  - In 2008, shareholding written down to MNOK 16
  - In Q1 2009, shareholding written down to MNOK 3

# Hansa Property Group ASA

- Property developer with sites in Oslo, Lørenskog, Tønsberg, Stavanger and Bergen
- Good, small organisation
- Development potential : >700 000 m<sup>2</sup> (residential and non-residential)
- Many of the sites are ready for construction
- Largest owners
  - Selvaag: 28.6%
  - Storebrand: 12.6%
  - Sjølyst utvikling: 11%
  - Veidekke: 8.7%
- When the company was established, gearing was 50 per cent and share value was NOK 50 per share

# Purchase of shares in Hansa Property

Year of purchase	Total amount MNOK	Purchase price NOK	Number of shares	Share price at 31 March NOK	Book value at 31 Dec. 2009 MNOK	Ownership share
2007	116.2	50	2,323,528	1	2.3	9.53%
2008	23.6	25	944,579	1	0.9	8.70%
Total	139.8	42.8	3,268,107	1	3.3	8.70%

In Q1 2009, Veidekke's shareholdings in Hansa Property were written down by MNOK 13