



# Shares to employees

Brussels May 2009

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



# Building and construction industry in Norway



The industry (building, construction and property development) is one of the country's largest industries

- Largest in number of companies
  - More than 60,000
- Second largest in number of employment
  - More than 300,000
- One of Norway's most important regional (local) industries
- Every 8 krone (NOK) of the value creation in Norway comes from building and construction



*Source: Hva skal vi leve av i fremtiden? by Anne Espelien and Torger Reve (Research Report 5-2007 BI – Norwegian School of Management)*

# Veidekke in brief



Construction of the new Opera house in Oslo

- Founded in 1936
- Started by paving roads with cobble stone
- Since 1990, leading in Norway
- Today, the fourth largest contracting company in Scandinavia
- Quoted on the Oslo Stock Exchange in 1986
- Operating revenues NOK 19.4 billion in 2008
- 6,300 employees
  - Of which, 3.800 are skilled workers

*Building and construction, civil engineering, development of residential and non-residential projects for private and public customers, asphaltting, road maintenance and collection and recycling of waste.*

# Our organisation



# A good 2008 result in a difficult market

- Earnings before tax (EBT) MNOK 816 (MNOK 1,181)
  - Profit margin 4.2% (6.1%)
- A more challenging market
  - Turnover levelling off and weaker order backlog
    - Turnover BNOK 19.4 (BNOK 19.3)
- Good financial position
  - Strong cash flow from operations
- Earnings per share NOK 4.5 (NOK 7.1)
  - Suggested dividend NOK 2.5 (NOK 4.0)
  - Pay-out ratio 56% (56%)

# Construction segment



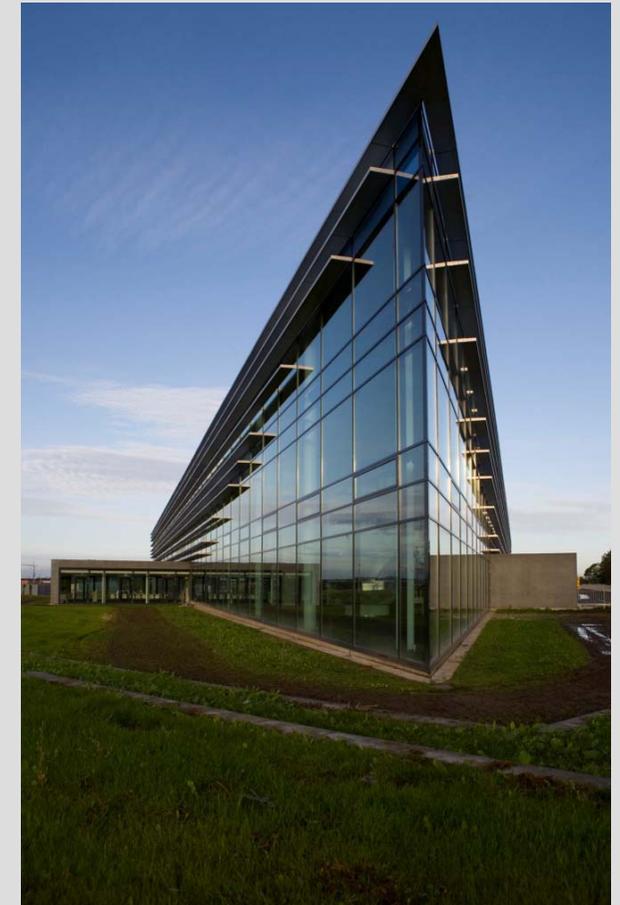
Kv. Jericho, Stockholm



Returkraft, recycling plant, Kristiansand



Double railway track, Lysaker - Sandvika



Vestas technology centre, Århus

# Property development segment



Svartdalsparken, Oslo



Victoriagården, Sandvika



Skælderviken, Stockholm



Östra Torn, Lund

# Industry segment



Operation and maintenance, Eastern Vestfold



Recycled wood chips, Bånnkall



HG Asphalt, Larvik



Litra Grus, Lillehammer

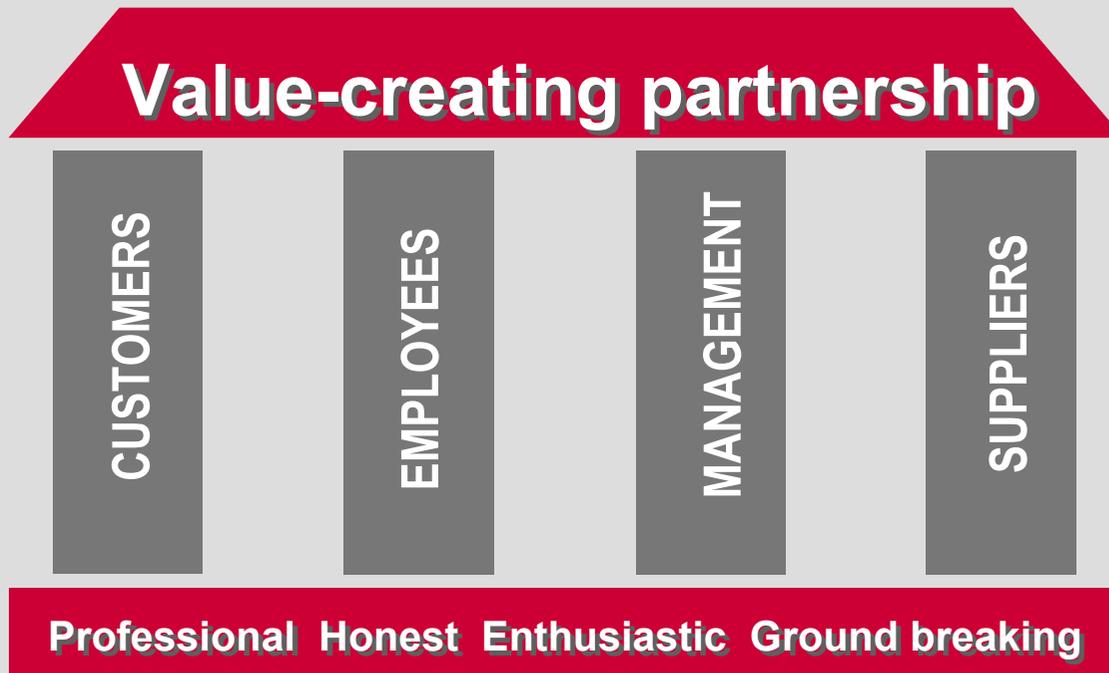
# Characteristics of Veidekke



- Focus on people and core values
- Employee involvement
- Leading in number of apprentices in Norway
- 40 years of employee ownership
  - Today, 55 per cent of the employees hold 18 per cent of the shares in the company
- Same emphasise on goals for HSE (health, safety and the environment) as on goals for financial results

# ”The Veidekke house”

*Our most important construction*



- Our basic values constitute the foundation of the house
- The pillars represent our strategic core competence areas
- ”Value-creating partnership” is a synthesis of our strategy and our ambitions

# Shareholders

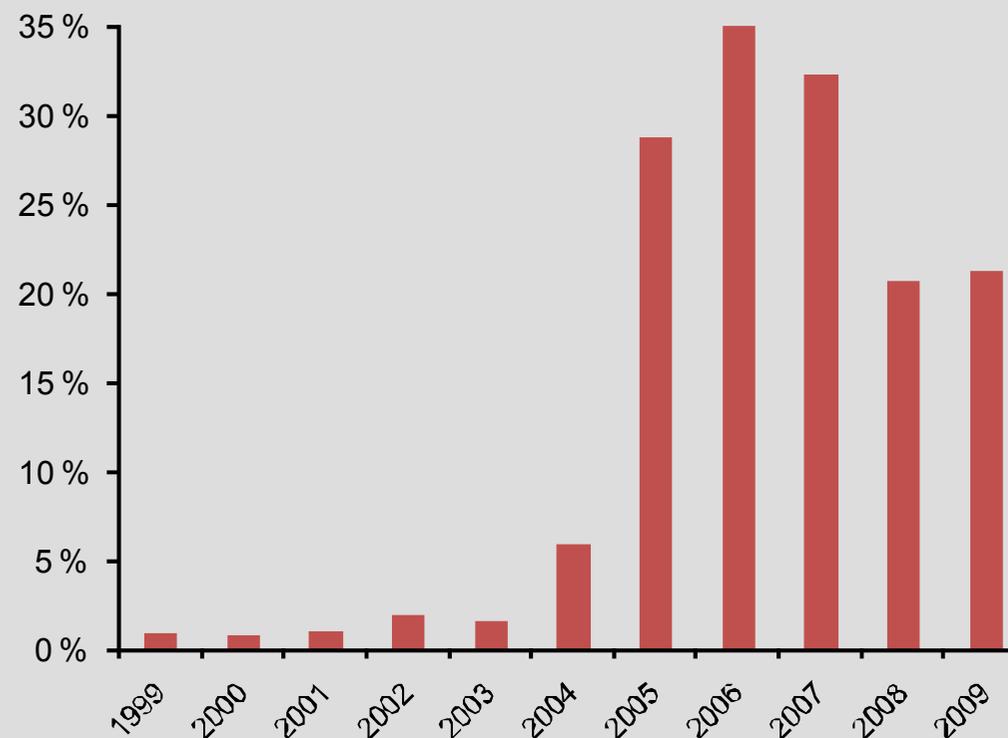


Major shareholders at 8 May	
OBOS Forretningsbygg	28.0 %
If Skadeforsikring	8.7 %
Folketrygdfondet	8.2 %
First Securities	4.9 %
KB Gruppen	4.8 %
MP Pensjon	2.3 %
Must Invest	1.9 %
JP Morgan	1.5 %
Rasmussengruppen	1.4 %
State Street Bank	0.7 %

3 488 employees

18.0 %

Number of foreign shareholders steady at approximately 20 %



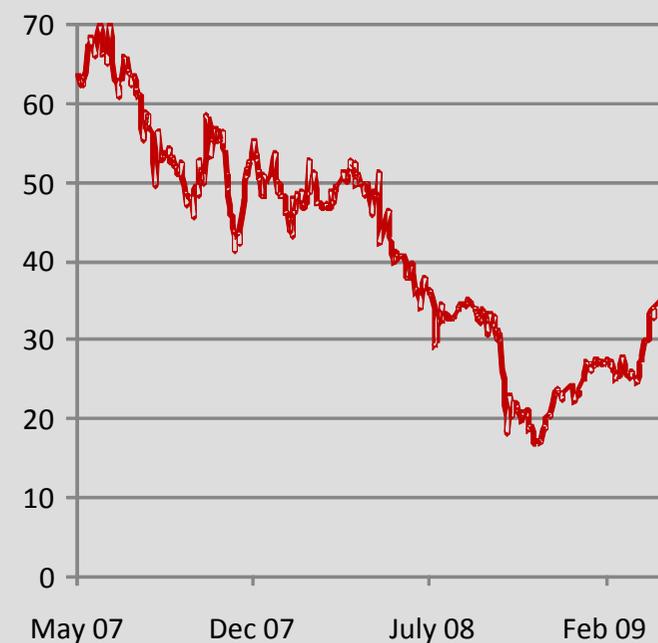
# Veidekke share at 6 May 2009



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



# Employee ownership

- Veidekke regards the involvement of its employees as shareholders as an important and positive element in the development of the company.
- Veidekke's aim is for at least half of its employees to hold shares in the company, totalling close on 15 per cent of the shares
- Veidekke wishes each of its senior executives to hold a significant number of shares in the company
- Today, 3,488 employees own 18 per cent of the shares. This is 55 per cent of the employees in Norway, Sweden and Denmark

# Veidekke's employee share scheme

- Share scheme started in 1986
- Two share offers to employees every year, in May and November
- In May, the offer is directed at approximately 600 senior executives
- In November, the offer is directed at all employees having at least a 50 per cent position in Veidekke
- 20 – 30 %Discount on the purchase price corresponding to a stipulated percentage of the average share price in the subscription period
- Financial assistance from Veidekke
- Lock-in period of 2-3 years on the shares

# Why do employees purchase Veidekke shares?



- By owning shares in the company, the employees get a stronger sense of involvement, which again leads to greater enthusiasm and increased commitment
- Through dividends, the employees takes part of the companies earnings
  - Pay-out ratio stipulated to at least 50 per cent of the profit for the year
  - NOK 2.50 per share for 2008, to be paid to shareholder on 20 May 2009
- Historically, the stock market has been better than the bank interest rate in the long term
- Opportunity to purchase shares every year
- Favourable prices; 20-30 per cent discount on market price
- Financial assistance
  - Loans of up to approximately NOK 42,000, interest free and free of charges

# 2008 Share Campaign



## medejerskab engagerer!

Vores årlige salg af aktier til ansatte er en vigtig del af Veidekkes kultur. Dette har vi gennemført i næsten 40 år, og i dag ejer de ansatte omkring 16 % af selskabet. Det som er helt specielt ved dette ejerskab er imidlertid det store antal ansatte som ejer aktier - i dag er vi 2.750 engagerede medejere. Nu håber jeg at endnu flere ser værdien i at eje aktier i eget selskab, også som en langsigtet opsparing. Årets tilbudsperiode er 7-21. november 2008.

Torben Bjørk Nielsen  
Koncernleder og adm. dir.  
Hoffmann A/S



## medeierskab engasjerer!

Vårt årlige salg av aksjer til ansatte er en viktig del av Veidekkes kultur. Dette har vi gjennomført i nesten 40 år, og i dag eier vi ansatte omlag 16 prosent av selskapet. Det som er helt spesielt med vårt selskap er imidlertid det store antallet ansatte som eier aksjer - i dag er vi 2.750 engasjerte medeiere. Nå håper jeg at enda flere ser verdien i å eie aksjer i eget selskap, også som en langsiktig sparing. Årets tilbudsperiode er 7-21. november 2008.

Dag Andersen,  
leder for Veidekke Entreprenør



## delägarskap engagerar!

Vårt årlige erbjudande om aktieköp är en viktig del i Veidekkes företagskultur. Traditionen har nästan 40 år på nacken, och i dag äger vi anställda nästan 16 procent av bolaget. Det som utmärker Veidekke jämfört med andra bolag är det stora antalet anställda som äger aktier - i dag är vi 2.750 engagerade delägare.

Nu hoppas jeg att ännu fler skall se värdet i att äga aktier i sitt egna bolag, och den långsiktiga investering som det innebär.

Årets erbjudande om aktieköp gäller mellan 7 - 21 november 2008.

Per Ingemar Persson  
VD Veidekke Sverige AB



Så här beställer du aktier i Veidekke



## Hvorfor kjøpe aksjer i eget selskap?

**Du får god rabatt**  
Som ansatt får du 20 prosent rabatt på gjennomgjort aksjekurs i egen selskapsperiode.

**Mulighet for gunstig finansiering**  
Kjøp av aksjer kan delfinansieres ved å ta opp et refinanslån i Veidekke. Lånet betales tilbake ved trekk i lønn over 12 måneder.

**Det er en god langsiktig spareform**  
Historien viser at aksjemarkedet kan gå opp og ned, men at det på lang sikt alltid fremviser en positiv tendens. Når man i tillegg får rabatt på aksjene, blir regnestykket enda bedre.

**Det er motiverende å jobbe i et selskap man eier**  
Å være aksjonær i eget selskap gir engasjement, økt forståelse og en sterkere følelse av involvering.

Husk at aksjemarkedet svinger mye, så tenk langsiktig og vurder din egen risikoevne og risikofølelse!

# Key figures

## *Share offer in November 2008*



- Directed at all employees in Norway, Sweden and Denmark holding at least a 50 per cent position as of 1 October
- Subscription period 7 – 21 November
- 20 per cent discount on average share price in subscription period
- 50 – 3,000 shares per employee
- Payment:
  - Loan of up to 3/5G (NOK 42,153,-) to be repaid over 12 months through deductions in pay
  - Part of purchase sum exceeding 3/5G to be paid by 9 January 2009
- 2-year lock-in period
- 2,500,000 set aside for this offer
- Over-subscription and reductions in number of shares allotted

# Key figures

## *Share offer in May 2009*



- Offer directed at 600 senior executives in Norway, Denmark and Sweden
- Subscription period 8 - 15 May
- Offer A
  - Purchase of 2,000 - 6,000 shares
  - 10 per cent self-financing, 90 per cent financed by Veidekke
  - 20 per cent discount on average share price in subscription period
  - 3-year lock-in period
  - Possible reduction in number of allotted shares
- Offer B
  - Purchase of 2,000 - 6,000 shares
  - 100 per cent self-financing
  - 30 per cent discount on average share price in subscription period
  - 3-year lock-in period
  - Possible reduction in number of allotted shares



*It is all about people  
interacting*