

NorgesGruppen ASA

Full Rating Report

LONG-TERM RATING

A-

OUTLOOK

Stable

SHORT-TERM RATING

N2

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RATING RATIONALE

Our 'A-' long-term issuer credit rating on Norway-based grocery retailer NorgesGruppen ASA reflects the company's leading position in the domestic retail grocery sector and its high levels of horizontal and vertical integration. It also reflects the company's stable margins, which are largely due to economies of scale and its advantageous negotiating position with suppliers.

The company's low sensitivity to economic recessions is an additional rating strength. NorgesGruppen has shown resilience to challenging market conditions and maintained its EBITDA margin despite rising costs over time, sustaining this performance in 2024. The company consequently has a long track record of stable key metrics in a now more volatile macroeconomic environment, which supports our view of the low cyclicity of its business.

The rating is constrained by NorgesGruppen's financial leverage, which is primarily driven by long-term leases but remains moderate thanks to robust and stable cash flows. We consider that the company has minimal risk appetite and a strong liquidity position, factors which support our financial risk assessment. We also believe that the long-term owners will keep the company's risk appetite under control.

STABLE OUTLOOK

The outlook is stable, reflecting our expectation that NorgesGruppen's credit metrics will remain moderate, with net debt/EBITDA projected at 2.4x–2.5x during our forecast period through end-2027. The company's stable margins and solid cash flows provide financial flexibility to continue investing in stores and to roll out efficiency measures, facilitating long-term profitability. The outlook is further supported by the company's low sensitivity to economic fluctuations and its robust business model.

POTENTIAL POSITIVE RATING DRIVERS

- An upgrade is unlikely at this point given our already strong assessment of the company's business risk.

POTENTIAL NEGATIVE RATING DRIVERS

- New legislation that erodes market position or profitability.
- Weakened market fundamentals, leading to an EBITDA margin below 8% over a protracted period.
- Materially increased financial leverage due to higher working capital or investments.

Figure 1. Key credit metrics, 2021–2027e

NOKm	2021	2022	2023	2024	2025e	2026e	2027e
Revenues	102,885	102,487	111,984	117,777	122,930	127,119	131,207
EBITDA	9,431	8,516	9,246	10,043	10,553	11,028	11,371
EBITDA margin (%)	9.2	8.3	8.3	8.5	8.6	8.7	8.7
FFO	7,343	6,680	7,145	7,846	8,328	8,678	8,922
Net debt	20,766	22,337	24,675	25,763	26,544	27,008	27,504
Total assets	64,535	67,961	74,492	78,146	79,631	81,362	83,145
Net debt/EBITDA (x)	2.2	2.6	2.7	2.6	2.5	2.4	2.4
EBITDA/net interest (x)	8.6	7.5	7.3	7.9	7.9	8.0	8.0
FFO/net debt (%)	35.4	29.9	29.0	30.5	31.4	32.1	32.4
FOCF/net debt (%)	20.3	12.4	9.8	11.9	13.1	14.2	14.6

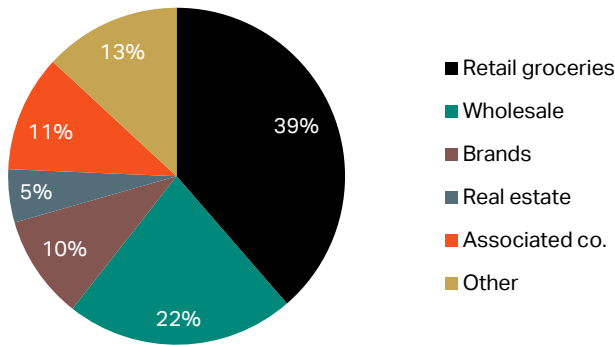
Source: company and NCR. e=estimate. FFO=funds from operations. FOCF=free operating cash flow. All metrics adjusted in line with NCR methodology.



ISSUER PROFILE

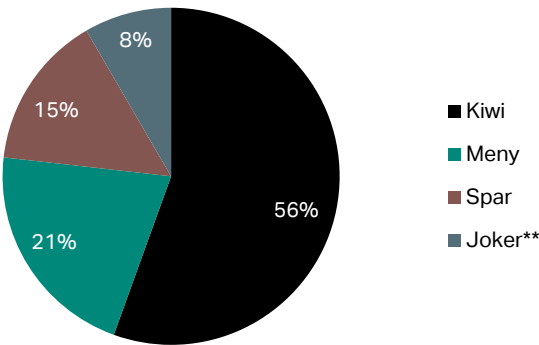
NorgesGruppen is a Norwegian grocery retail and wholesale group that traces its origins back to 1866, when wholesale company Joh. Johannson was established. The Johannson family still controls the company, holding 74.4% of shares and voting rights. NorgesGruppen is the market leader in Norway, with 43.5% of the domestic retail grocery market in 2024. The company has a countrywide presence, and its five grocery store chains are independent businesses that compete against each other. NorgesGruppen also runs delicatessens, bakeries, coffee shops, a fast-food chain and non-food chains. Some 49% of the company's 2,109 stores are fully owned. It had a total of 45,245 employees at end-2024, 71% of which are employed at wholly owned stores. This accounts for approximately 2% of national employment in the private sector, making NorgesGruppen the largest privately held company in Norway in terms of employees.

Figure 2. EBIT by business area, 2024



Source: company.

Figure 3. Revenues from retail grocery chains*, 2024



Source: company. *Including retailer-owned stores. **Including Nærbutikken.

BUSINESS RISK ASSESSMENT

Business risk assessment

Our business risk assessment reflects NorgesGruppen's low historical exposure to cyclical fluctuations due to its position as a distributor of consumer staples. It is Norway's leading grocery wholesaler and retailer and has wider operating margins than those of most of its peers. We expect the company's EBITDA margin will improve slightly through end-2027. We note that the Norwegian retail grocery sector remains under government scrutiny due to market concentration.

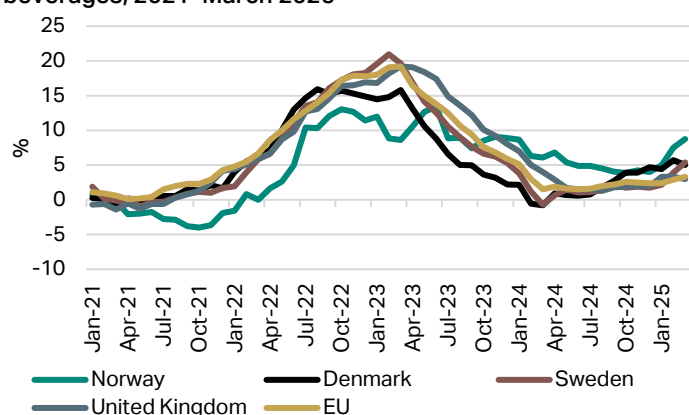
Operating environment

Flexible business model amid volatile economic conditions

Unpredictable economic conditions have resulted in a more volatile operating environment in recent years for NorgesGruppen, in an otherwise stable market. However, the company's revenues increased by 5.2% in 2024, supported by solid customer growth. NorgesGruppen has shown resilience to challenging market conditions in recent years while achieving strong economies of scale and stable margins.

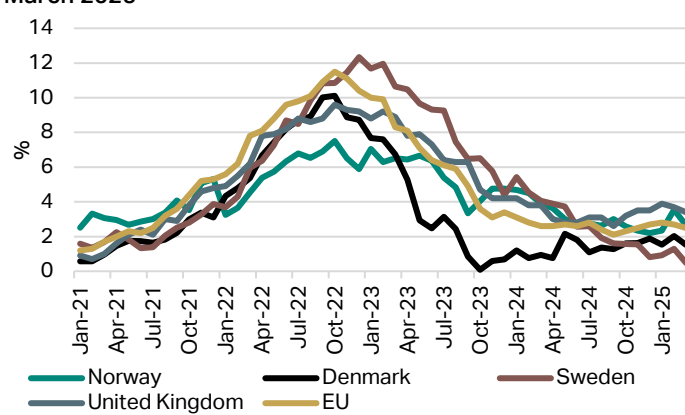
High inflation, increased cost of goods, and rising input costs throughout the value chain have pushed up prices in the Norwegian food industry. The 12-month change in prices for food and non-alcoholic beverages in Norway was 3.3% at end-April 2025 (compared with an 8.7% increase at end-March 2025), exceeding overall inflation of 2.5%. Competitive industry dynamics contribute to seasonal price volatility, including Easter effects observed in April of this year. NorgesGruppen's Kiwi chain continues to initiate price competition by lowering prices. It is also offering a tool on its website to match prices with other grocery chains. Such competition is helping to constrain the impact of inflation on consumers, together with domestic regulatory constraints such as strict restrictions on imports and price adjustments by suppliers. We expect the inflation rate will continue to fall and believe price increases for food and non-alcoholic beverages will be subdued over the next few years.

Figure 4. Consumer price indices for food and non-alcoholic beverages, 2021–March 2025



Source: OECD Data Explorer.

Figure 5. Consumer price indices, total consumption, 2021–March 2025



Source: OECD Data Explorer.

Norway is among the most expensive countries in Europe. Prices for food and non-alcoholic beverages surpass the EU average by more than 40%. These prices are mainly driven by protective tariffs, high domestic production costs and distribution costs exceeding those in most European countries. Consumption patterns have changed due to price rises and shrinking household budgets, resulting in substitutions of some goods with more affordable items, including those under own-brand labels.

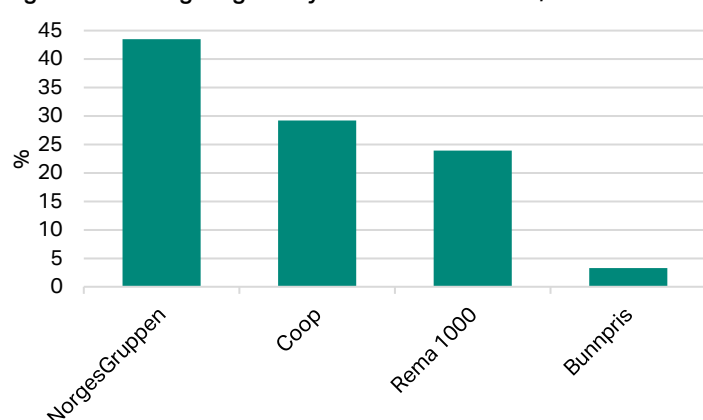
Norwegian grocery chains are under government scrutiny due to high prices and market concentration. The government regularly considers measures to increase competition. In addition, more rigorous surveillance and new measures could weigh on NorgesGruppen's margins, which we factor into our assessment. Since 2018, the Norwegian Competition Authority (NCA) has investigated the three largest domestic grocery chains in connection with alleged anti-competitive practices (known as the "price hunter" case). In the fall of 2024, it imposed fines totalling NOK 4.9bn on NorgesGruppen, Coop and Rema 1000 for violations of the Competition Act. The three grocery chains have appealed the decision, and the case is now with the Competition Appeals Tribunal.

Leading market position

Market position

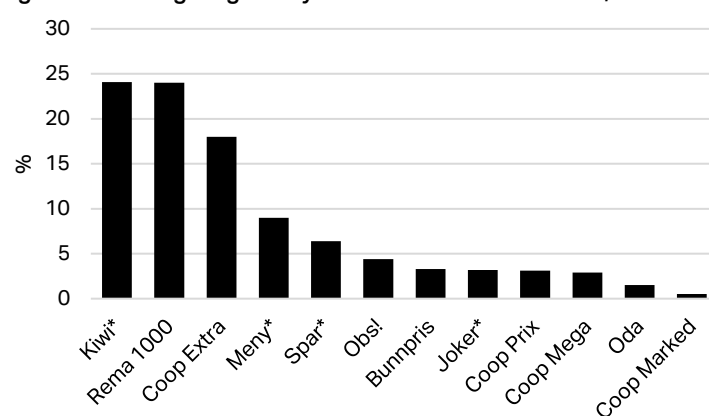
NorgesGruppen is by far the largest of the three big retail groups in Norway's grocery sector. The company registered 28% of Norway's total food sales in 2024. As a result of price competition initiatives and an increased customer base, the company's Kiwi stores overtook Rema 1000 as the leading domestic soft discount grocery chain in 2023. We expect NorgesGruppen's aggressive price policy based on strong purchasing power and its extensive distribution network will enable the company to maintain its leading market position.

Figure 6. Norwegian grocery chain market share, 2024



Source: NielsenIQ and Norwegian Competition Authority's Dagligvarerapport 2024.

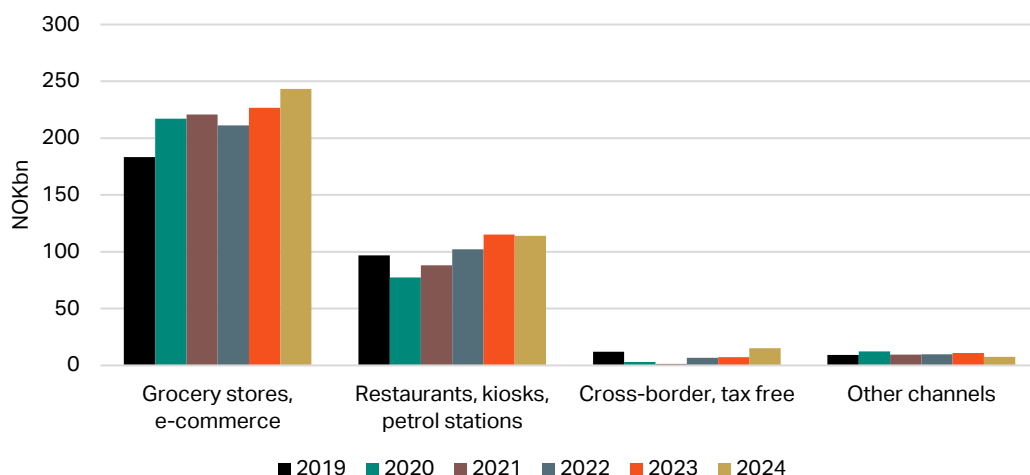
Figure 7. Norwegian grocery chain brand market share, 2024



Source: NielsenIQ. *NorgesGruppen companies.

NorgesGruppen has strengthened its position in e-commerce, opening a 13,000 sqm online store in Oslo in 2024. Although e-commerce accounts for only a small proportion of the domestic grocery market, we believe the existing grocery chains will likely increase their share of e-commerce sales.

Figure 8. Norway grocery market sales by distribution channel, 2019–2024



Source: Virke, Statistics Norway and Nielsen.

International grocery chains have had little success in entering the Norwegian market. We believe that this is due to the consolidated structure of the domestic grocery sector, tough market regulations, and high tariffs on imported food. Other non-food discount chains have gained market share in certain product lines typically found in traditional grocery stores, such as cosmetics and cleaning products.

Norway is a highly demanding market to operate in, due to challenging geographical conditions, a dispersed population, and consequently high logistics costs. The number of stores is relatively high compared with the number of consumers. Average sales per store are consequently lower than in neighbouring Sweden and Denmark.

All of Norway's major retail groups operate customer loyalty schemes. NorgesGruppen's Trumf card scheme has 3m members. The three largest retail grocery groups each have a wholly owned wholesale provider. NorgesGruppen's wholesaler, Asko, also supplies independent retail grocery chain Bunnpris, retail convenience stores, hotels, restaurants and office operations. The establishment of Asko Oslofjord, a major logistics facility, and renewable investments are making NorgesGruppen more efficient and helping it reduce energy consumption.

Major regional player

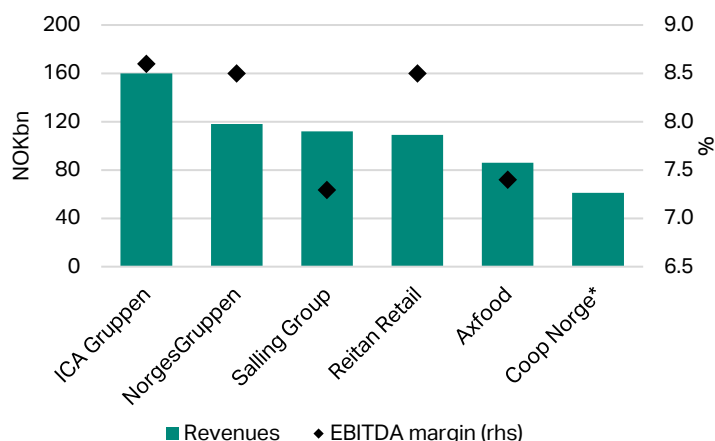
NorgesGruppen is the seventh-largest corporation in Norway and the second-largest retail grocery group in the Nordic region. However, compared with international peers, it is relatively small. For example, it has somewhat lower revenues than UK-based Marks & Spencer Group.

NorgesGruppen has a diverse presence across the Norwegian retail grocery sector, with a range of chain concepts and brands, as well as kiosks, restaurants, and bakeries. With its investments in 2022, the company introduced Gigaboks and Dollarstore as chain concepts for large-scale retail and non-food discount retail, respectively. Moreover, its integrated wholesaler-retailer operation reduces margin volatility. Most of the company's revenues come from retail and wholesale grocery, however.

While the Norwegian grocery market is characterised by a small number of retail chain groups, it also has a relatively small number of large suppliers. As the market leader, NorgesGruppen has a strong negotiating position with suppliers, and we believe that this together with its efficient operations are why it has better margins than most of its regional and international peers.

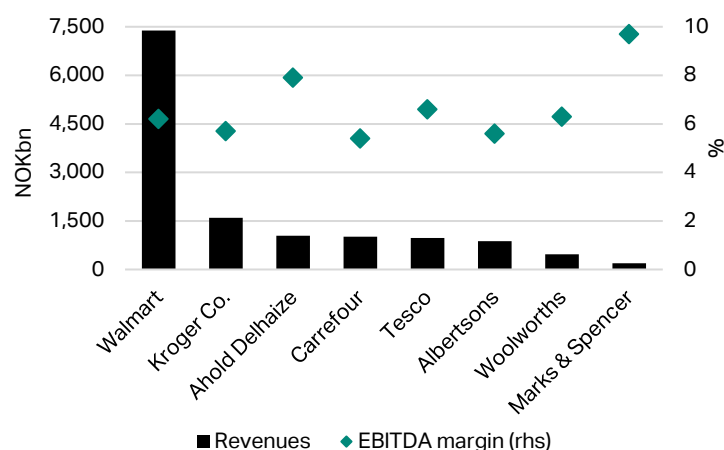
Size and diversification

Figure 9. Major Nordic retail grocery groups, 2024



Source: company data. *Figures not yet reported used to calculate EBITDA margin in 2024.

Figure 10. International retail grocery groups, 2024



Source: company data.

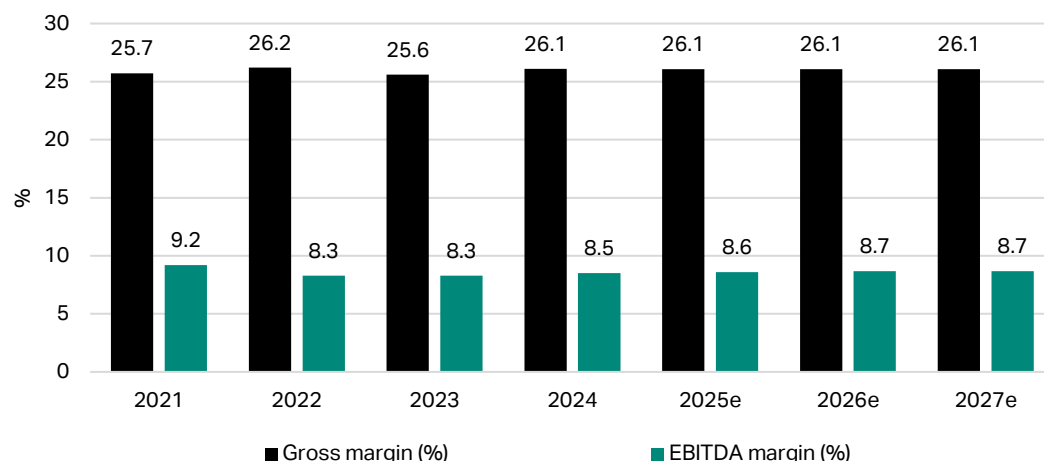
NorgesGruppen has a limited international presence, mainly through associate companies in other Nordic countries. The company's most important associate companies are Danish retail grocery corporation Dagrofa, with DKK 20bn in revenues in 2024 (48.9% ownership share) and Norwegian fruit and vegetable wholesaler Bama, with NOK 24.2bn in revenues in 2024 (46% ownership share). Dagrofa is one of Denmark's largest grocery groups and reported its first pre-tax profit in 2021 since NorgesGruppen acquired its stake in 2012. Dagrofa's pre-tax profit was DKK 113m in 2024. We understand the company aims to achieve DKK 60bn in earnings by 2027.

Margins above the sector average

In 2024, NorgesGruppen's EBITDA margin improved slightly, owing to increased revenue from customer growth. NorgesGruppen's strong negotiating position, economies of scale and sharp focus on managing costs facilitate stable margins. Investments in environmentally sustainable distribution, along with solar and wind projects, have been more profitable than the company initially predicted and are reducing the impact of high energy prices on operations. The company's annual renewable energy production is currently equivalent to 23% of its own energy consumption. NorgesGruppen's solid cash flows and minimal working capital requirements provide the company with financial flexibility to continue investing in its stores and other efficiency measures. The company's long-term efforts in cost control and operational efficiency contribute positively to results.

NorgesGruppen's primary costs are the cost of goods (74% of operating costs in 2024) and wages (10%). The price of food raw ingredients has increased by more than Norway's consumer price index in recent years. However, gross margins have remained stable, indicating that the company has been able to pass higher input costs on to customers when needed.

Figure 11. Gross and EBITDA margins, 2021–2027e



Source: company data. e-NCR estimate.

Operating efficiency

FINANCIAL RISK ASSESSMENT

Financial risk assessment

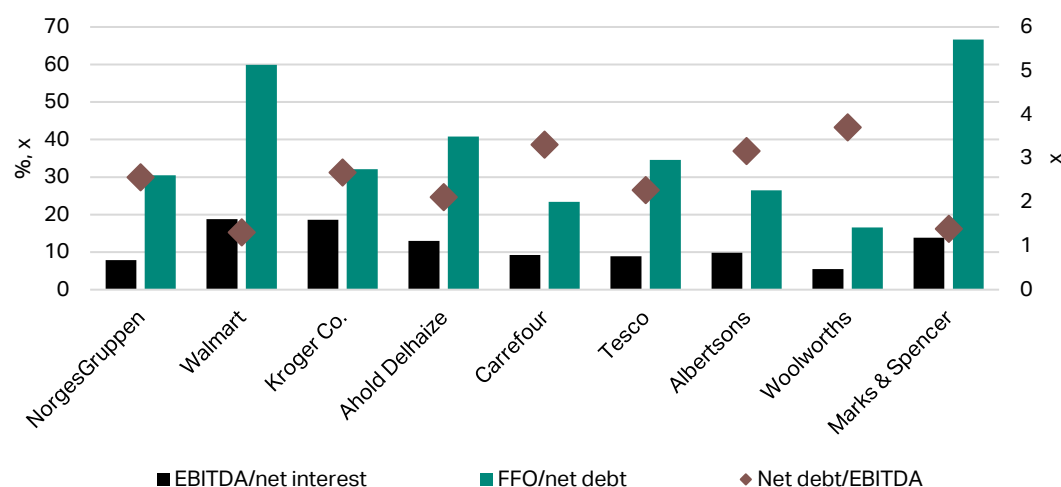
Our financial risk assessment reflects our view that NorgesGruppen will maintain moderate gearing and stable credit metrics over the next few years. This is based on our expectation of generally steady capital investment and margins over our forecast period. We believe that NorgesGruppen's risk appetite is lower than what its financial metrics reflect, in view of the company's family-controlled status and the long terms of much of its lease liabilities.

Solid credit metrics in a more challenging macroeconomic environment

Ratio analysis

NorgesGruppen has maintained moderate financial gearing despite ongoing capital expenditures aimed at optimising operational efficiency in a challenging macroeconomic environment. This stability is underpinned by revenue growth, effective cost control, and a stable EBITDA margin that supports cash flows. The company's credit metrics are in line with those of its international peer group.

Figure 12. International peer group adjusted credit metrics, 2024



Source: company data.

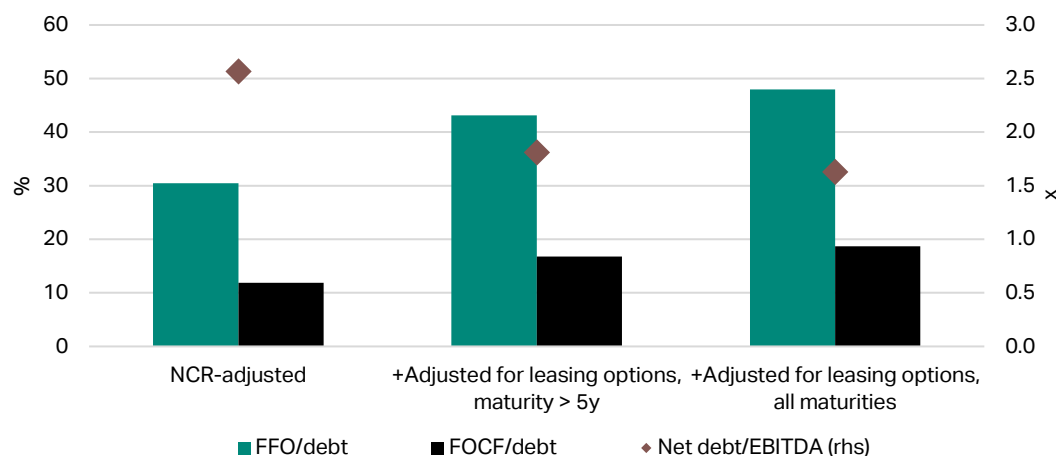
We base our adjusted EBITDA calculation on the company's IFRS 16 accounting. We also add dividends from associate companies. Net interest-bearing debt is adjusted for unfunded pension benefit obligations, but we do not adjust for options to extend leases of store premises, given that these options will most likely be exercised. Most options concern leases maturing beyond five years, with some extending beyond 10 years. We believe these options provide a degree of flexibility and note that adjusting for them improves key metrics significantly.

Figure 13. Key base-case forecast assumptions and credit metrics, 2025e–2027e

NOKm	2025e	2026e	2027e
Revenue growth (%)	4.4	3.4	3.2
EBITDA margin (%)	8.6	8.7	8.7
Capital expenditure (NOKm)	4,650	4,750	4,750
Dividend payment (NOKm)	1,360	1,310	1,423
Net debt/EBITDA (x)	2.5	2.4	2.4
EBITDA/net interest (x)	7.9	8.0	8.0
FFO/net debt (%)	31.4	32.1	32.4
FOCF/net debt (%)	13.1	14.2	14.6

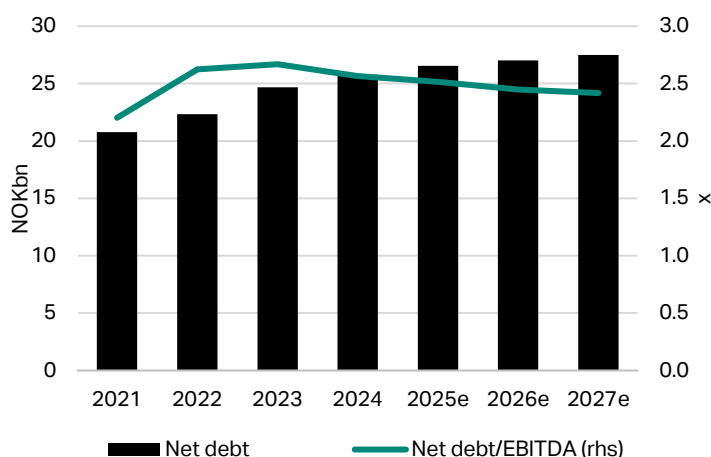
Source: company and NCR. e=estimate. All metrics adjusted in line with NCR methodology.

Figure 14. Key metrics, including and excluding additional lease option adjustments, 2024



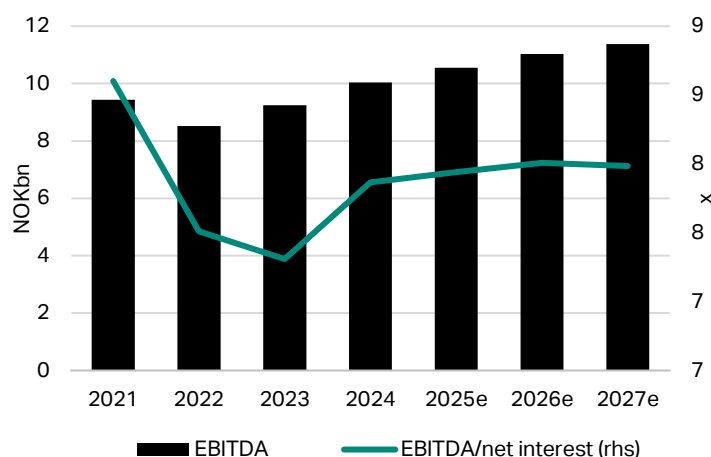
Source: company.

Figure 15. Net debt and net debt/EBITDA, 2021–2027e



Source: company, e-estimate.

Figure 16. EBITDA and EBITDA/interest, 2021–2027e



Source: company, e-estimate.

NorgesGruppen still faces a possible fine of up to NOK 2.3bn related to the "price hunter" case, down markedly from an initial fine of NOK 8.8bn in 2020. The company has appealed. We believe that, if imposed, the final fine could be significantly lower, which is in line with the general consensus. We do not include the possible fine in our forecast but note that any financial penalty could negatively impact the company's metrics.

Stable profitability and capital spending

We believe that NorgesGruppen's risk appetite is lower than what the company's financial ratios reflect. We consider it positive that its lease options provide flexibility to exit unprofitable contracts. We also believe that the family ownership structure contributes to the company's stable risk appetite. The grocery business is generally resilient to economic cycles, and the company has traditionally reported strong FOCF.

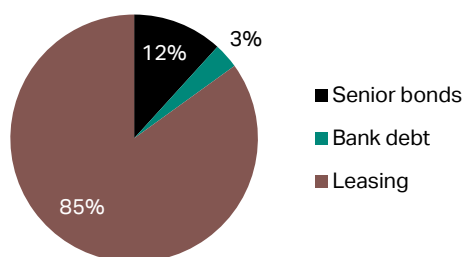
NorgesGruppen targets a minimum annual dividend pay-out ratio of 25%, provided that the company's future capital needs are covered. In the past five years, the pay-out ratio has been around 30%. The board is currently authorised to increase the company's share capital by issuing up to two million in additional shares (a 5% increase) and to buy back up to 10% of outstanding shares. NorgesGruppen retains the right of first refusal when the company's shares are sold.

The company has pursued a prudent acquisition strategy, mostly making small bolt-on acquisitions in recent years. Investments on the fringe of its core business areas have primarily been carried out through associate companies. NorgesGruppen invests in real-estate development projects as a minority partner to obtain access to attractive locations for grocery stores, which could lead to fluctuations in cash flow and periods of volatile financial gearing.

Risk appetite

NorgesGruppen's funding consists of senior bonds, bank debt, and leasing. The main covenants and historical metrics (see Figure 18) are based on pre-2019 accounting standards (Norwegian Generally Accepted Accounting Principles).

Figure 17. Funding structure, 31. Dec. 2024



Source: company.

Figure 18. Debt covenants and reported credit metrics*

	Covenant	2021	2022	2023	2024
EBITDA/net interest (x)	≥3	n.m.**	n.m.**	n.m.**	n.m.**
NIBD/EBITDA (x)	≤3.5	0	0	0.1	0.1
Equity ratio (%)	≥24	65	63	62	63

Source: company. *Not based on IFRS16. NIBD—net interest-bearing debt. **n.m.— not meaningful, due to negative net interest.

NorgesGruppen has limited currency risk, in our view. Its foreign exchange exposure is mainly to the Danish krone and the euro. It uses hedging instruments to reduce the impact of fluctuations in exchange rates. Funding is mainly at floating interest rates (some interest hedges exist), and we do not assess its operations as interest rate sensitive. The weighted average time to maturity of the company's bond debt is close to three years. NorgesGruppen faces credit risk in connection with lending and guarantees provided to associate companies, wholesale customers and franchisees totalling NOK 1.5bn, as well as accounts receivables of NOK 2.8bn in 2024. We assess the risk of significant credit losses as small.

ADJUSTMENT FACTORS

Adjustment factors
neutral

Adjustment factors are assessed as neutral and have no effect on the rating.

Liquidity

Liquidity adequate

Our 12-month liquidity analysis is based on a stressed scenario in which the company cannot access the capital markets or extend bank loans, and therefore must rely on internal or committed external funding sources to cover its liquidity needs. We typically expect a company with an investment-grade rating ('BBB-' or above) to cover its liquidity needs, with limited need for external funding over the coming 12 months.

We assess NorgesGruppen's liquidity position as adequate, with net sources/uses of NOK 11bn for the 12 months ending 31 Dec. 2025. The company has a strong cash position and unutilised credit facilities which significantly outweigh its committed financial obligations.

Figure 19. Liquidity analysis (stressed scenario), 31 Dec. 2024–31 Dec. 2025

Liquidity, next 12 months	Amount NOKm
Cash and cash equivalents (100%)	2,759
Adjusted FFO (75%)	6,246
Unutilised credit facilities	6,230
Total sources	15,235
Repayment of borrowings	-1,500
Committed capital expenditure	-727
Leasing instalments	-1,903
Amortisation	-95
Total uses	-4,225
Sources/uses (x)	3.6
Sources-uses (NOKm)	11,010

Source: company and NCR.

ESG factors adequate

Environmental, social and governance factors

The main environmental, social and governance (ESG) issues that could affect our credit rating on NorgesGruppen are factors that could contribute to loss of revenue, increased operational costs, increased capital spending, loss of value of assets, decreased access to funding or loss of operating rights. In this context, we believe that the main credit risks relate to fair competition, CO₂ emissions, electricity usage and food waste. Fair competition is an ongoing area of discussion with Norway's competition authority.

NorgesGruppen adopted a new reporting standard in 2021 to measure sustainability results. The company is making efforts to reduce operating emissions (Scope 1 and 2), as well as emissions related to food waste, other waste and hired transport (Scope 3). The stated target is to be carbon neutral by 2030 in these areas, and we understand the company is increasing investments to reduce emissions. Wholesaler Asko's distribution of groceries is a major source of direct emissions, and NorgesGruppen is making efforts to reduce transport emissions. The company's investments in renewable energy have been more profitable than it previously expected, due to higher energy prices, and we considered them to be an important step to fully offsetting CO₂ emissions.

NorgesGruppen has worked systematically to reduce food waste. In 2023, the company introduced two-dimensional (2D) barcodes to simplify identification of products nearing their expiry date. The company is continually working to reduce waste in all product groups and to eliminate waste meat entirely by 2025 to cut greenhouse gas emissions.

Figure 20. ESG considerations

Issue	Risk	Mitigating efforts	Result
Fair competition	New competition legislation. Fines, changes in business model.	Discussions with the NCA. No longer discloses prices to competitors.	Legislative proposals are at the consultation stage. Most anti-competitive cases closed by the NCA without action. "Price hunter" case continuing.
CO ₂	New regulations and increased taxation could reduce operating efficiency. Regulatory requirements could increase capital spending.	Increased use of electric vehicles in distribution. Efforts to achieve carbon-neutral operations by 2030.	Green bond issues with 'Dark Green' shading from environmental certification agency CICERO. Greenhouse gas emissions down by 33% in 2024 from 2019.
Electricity	Increased cost of operations caused by high energy prices.	Target of energy generation equivalent to consumption. Major investments in renewable energy projects using solar and wind power. Energy saving measures such as efficient refrigeration and LED lighting.	Limited negative effect of high energy prices. Half of all grocery stores have reduced energy use or increased own generation, resulting in 30–50% less power usage. Produced 23% of own energy in 2024.
Food waste	New regulations could reduce operating efficiency and increase capital spending. Increased consumer focus on waste.	Targeting 50% reduction of food waste by 2025 versus 2015 level. Cooperation with suppliers. Discounts on food close to expiry date. Use of food waste for biogas and animal feed.	Food waste down by 50% at end-2024 from 2015 level.

Source: company. See [ESG factors in corporate ratings](#).

OWNERSHIP ANALYSIS

Ownership neutral

NorgesGruppen is controlled by the Johannson family, which holds 74.4% of the shares. Johan Johannson is currently chairman. The family also owns real estate and other investments through investment vehicle Joh. Johannson Invest AS. We believe that the family takes a long-term view of its ownership in NorgesGruppen and that it fully backs the company's current strategy, while keeping a firm rein on risk appetite.

Figure 21. Ownership structure, 31 Dec. 2024

Owner	Share of votes and capital (%)
Joh. Johannson Handel AS	74.4
Brøndrende Lorenzen AS	9.0
Tor Kirkeng AS	1.9
Butikkdrift AS	1.8
Joakim Burud Holding AS	1.6
Bettina Burud Holding AS	1.6
Drageset AS	1.1
Kråtun AS	1.1
Terje Navjord AS	1.0
Owners with capital in excess of 1%	93.5
Treasury shares	2.7
Other	3.8

Source: company.

ISSUE RATINGS

NorgesGruppen is largely funded through senior unsecured debt, bank debt and leasing. We expect gross secured debt to NCR-adjusted EBITDA to remain below 2x over our forecast period (0.1x as of 31 Dec. 2024). Accordingly, we rate the company's long-term senior unsecured obligations 'A-', at the same level as the issuer rating, reflecting the flat debtor hierarchy.

SHORT-TERM RATING

The 'N2' short-term rating reflects the company's liquidity profile relative to the 'A-' long-term issuer rating. The company's committed sources to uses stood at 3.6x according to our liquidity analysis for the 12 months ending 31 Dec. 2025, which we see as indicative of an adequate liquidity profile for the long-term issuer rating.

METHODOLOGIES USED

- (i) [Corporate Rating Methodology](#), 8 May 2023.
- (ii) [Rating Principles](#), 14 Feb. 2024.
- (iii) [Group and Government Support Rating Methodology](#), 14 Feb. 2024.

RELEVANT RESEARCH

- (i) [NorgesGruppen ASA 'BBB+' long-term issuer rating affirmed; Outlook positive](#), 7 Jun. 2024.
- (ii) [NorgesGruppen ASA outlook revised to positive; 'BBB+' long-term issuer rating affirmed](#), 13 Jun. 2023.

Figure 22. NCR's adjustments to credit metrics, 2021–2027e

NOKm	2021	2022	2023	2024	2025e	2026e	2027e
EBITDA	9,659	8,582	9,578	10,320	10,203	10,678	11,021
Share of profit from JVs and associates	-465	-355	-512	-650			
Dividends from JVs & associates	238	289	180	373	350	350	350
Other EBITDA adjustments							
NCR-adj. EBITDA	9,431	8,516	9,246	10,043	10,553	11,028	11,371
Net interest	29	29	20	75	71	72	72
Financial costs from leasing	-1,126	-1,163	-1,285	-1,352	-1,400	-1,449	-1,497
NCR-adj. net interest	-1,096	-1,134	-1,265	-1,277	-1,329	-1,377	-1,424
NCR-adj. EBITDA	9,431	8,516	9,246	10,043	10,553	11,028	11,371
NCR-adj. net interest	-1,096	-1,134	-1,265	-1,277	-1,329	-1,377	-1,424
Current tax	-992	-702	-836	-921	-896	-973	-1,025
NCR-adj. FFO	7,343	6,680	7,145	7,846	8,328	8,678	8,922
Changes in working capital	977	536	189	1,041	-206	-92	-161
Capital spending	-2,953	-3,625	-4,033	-4,492	-4,650	-4,750	-4,750
Other cash flow from operations	-1,143	-826	-894	-1,339			
NCR-adj. FOCF	4,224	2,765	2,407	3,056	3,472	3,835	4,011
Cash and cash equivalents	4,069	2,814	3,408	2,759	2,835	3,257	3,677
NCR-adj. cash and equivalents	4,069	2,814	3,408	2,759	2,835	3,257	3,677
Gross interest-bearing debt	4,256	3,612	4,860	4,257	4,257	4,257	4,257
Long-term leasing liabilities	19,873	20,851	22,494	23,494	24,351	25,237	26,152
Retirement obligations	706	687	729	771	771	771	771
NCR-adj. cash and equivalents	-4,069	-2,814	-3,408	-2,759	-2,835	-3,257	-3,677
NCR-adj. net debt	20,766	22,337	24,675	25,763	26,544	27,008	27,504

Source: company and NCR. e=estimate. JVs=joint ventures.

Figure 23. NorgesGruppen key financial data, 2021–2024

NOKm	FY	FY	FY	FY
Period-end	31 Dec. 2021	31 Dec. 2022	31 Dec. 2023	31 Dec. 2024
INCOME STATEMENT				
Revenue	102,885	102,487	111,984	117,777
EBITDA	9,659	8,582	9,578	10,320
EBIT	5,666	4,341	5,251	5,794
Net interest expense	29	29	20	75
Pre-tax profit	4,594	3,251	3,996	4,559
Net profit	3,653	2,602	3,174	3,674
BALANCE SHEET				
Property, plant and equipment	19,484	19,846	20,951	21,937
Intangible assets and goodwill	5,143	5,825	6,408	7,153
Other non-current assets	24,213	25,588	27,812	29,612
Total non-current assets	48,839	51,259	55,171	58,701
Cash and equivalents	4,069	2,814	3,408	2,759
Other current assets	11,627	13,888	15,912	16,685
Total assets	64,535	67,961	74,492	78,146
Total equity	26,363	27,701	29,778	32,370
Gross debt	4,256	3,612	4,860	4,257
Other liabilities	33,916	36,647	39,854	41,519
Total equity and other liabilities	64,535	67,961	74,492	78,146
CASH FLOW STATEMENT				
Pre-tax profit	4,594	3,251	3,996	4,559
Cash flow before changes in working capital	5,806	4,905	5,754	6,218
Changes in working capital	977	536	67	1,041
Operating cash flow	6,783	5,441	5,821	7,259
Capital expenditure	-2,953	-3,625	-4,033	-4,492
Other investing activities	66	-97	31	219
Cash from investing activities	-2,887	-3,722	-4,002	-4,273
Dividends	-983	-1,020	-1,124	-1,242
Share repurchases	-9	-28	-45	-20
Other financing activities	-1,360	-1,926	-56	-2,373
Cash from financing activities	-2,351	-2,974	-1,225	-3,635
Cash and equivalents beginning of year	2,524	4,069	2,814	3,408
Cash flow for year	1,544	-1,254	594	-649
Cash and equivalents at end of year	4,069	2,814	3,408	2,759

Source: company. FY–full year.

Figure 24. NorgesGruppen rating scorecard

Subfactors	Impact	Score
Operating environment	20.0%	a
Market position	10.0%	a
Size and diversification	10.0%	bbb+
Operating efficiency	10.0%	a
Business risk assessment	50.0%	a
Ratio analysis		bbb
Risk appetite		a-
Financial risk assessment	50.0%	bbb+
Indicative credit assessment		a-
Liquidity		Adequate
ESG		Adequate
Peer calibration		Neutral
Stand-alone credit assessment		a-
Support analysis		Neutral
Issuer rating		A-
Outlook		Stable
Short-term rating		N2

Figure 25. Capital structure ratings

Seniority	Rating
Senior unsecured	A-

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