

# Interim report ÅF Jan–Sept 2011

Press release 17 October 2011



Innovation by experience



## Third quarter 2011

- Net sales totalled SEK 1,130 million (Q3 2010: SEK 910 million)
- Operating profit, excl capital gain, was SEK 67 million (SEK 60 million)
- Operating margin, excl capital gain, was 5.9 percent (6.6 percent)
- Earnings per share, excl capital gain and before dilution: SEK 1.38 (SEK 1.18)
- Earnings per share, before dilution: SEK 1.38 (SEK 2.09)

## January - September 2011

- Net sales totalled SEK 3,667 million (Q1-Q3 2010: SEK 3,057 million)
- Operating profit, excl capital gain, was SEK 278 million (SEK 223 million)
- Operating margin, excl capital gain, was 7.6 percent (7.3 percent)
- Earnings per share, excl capital gain and before dilution: SEK 5.95 (SEK 4.52)
- Earnings per share, before dilution: SEK 5.95 (SEK 19.00)

Earnings for the first quarter of 2010 included a capital gain of SEK 458 million resulting from the sale of the ÅF Group's Inspection Division, ÅF-Kontroll. Earnings for the third quarter of 2010 included a capital gain of SEK 30 million resulting from the sale ÅF TÜV Nord.

### A few words from the President, Jonas Wiström:

The market remained good in the third quarter with a strong influx of new orders across most of ÅF's operations. Overall growth totalled 24 percent and organic growth was 12 percent. Nevertheless, the nervousness pervading the financial markets has so far had little impact on ÅF. However, the business outlook is less positive today than when we issued our previous interim report, and there is a great deal of uncertainty.

The past quarter has seen a further increase in demand for the services of the Industry Division and the division's order books are looking increasingly healthy. The Technology Division also enjoyed good market conditions, although profits here have been affected by a lower capacity utilisation rate as a consequence of the expansion that took place prior to the summer holidays. For September, however, the Technology Division reported an operating margin in excess of 11 percent.

The Infrastructure Division continues to win market shares and to improve its earnings, albeit from a low base, and the market outlook for the division remains positive.

Third-quarter earnings for the Energy Division, on the other hand, were unsatisfactory. Profitability was once again undermined by low levels of activity in the nuclear power industry and by negative trends in exchange rates for the division's Swiss operations. One positive piece of news for the division during

the reporting period was the Swiss central bank's decision to peg the value of the Swiss franc to the euro. This, together with improvements in orders from the nuclear power sector, leads us to feel somewhat more optimistic about the prospects for the coming quarters.

The third quarter saw a strong cash flow thanks to large advance payments from customers, improved profits and a reduction in the Group's tied-up capital.

ÅF's most important objective is to continue to generate levels of profitability that place us among the very best performers in our industry – regardless of the state of the economy. The company now has more than 4,500 highly qualified consultants and other members of staff and our ambition is to continue to grow, both organically and through acquisitions, without compromising profitability.

On 12 October Universum's "Career Barometer 2011–2012" survey of some 3,300 professional engineers named ÅF as Sweden's second most popular employer.

Stockholm, October 17 2011

Jonas Wiström  
President and CEO

## Net sales and earnings July-Sept 2011

Net sales for the quarter totalled SEK 1,130 million, an increase of 24 percent compared with the figure of SEK 910 million for the corresponding quarter in 2010. Organic growth for the quarter showed a positive trend and rose to 12 percent. The structural effect was 11 percent and is attributable chiefly to the acquisitions of Energo, Gatubolaget Konsult (Gothenburg) and the energy consulting specialist, Mercados, in 2010. Thanks to the strength of the Swiss franc there was a positive translation difference for the period of approximately 1 percent.

Operating profit for the quarter, excluding capital gain, was SEK 67 million (Q3 2010: SEK 60 million). Earnings were boosted by higher capacity utilisation rates in the Industry and Infrastructure divisions, the effects of the Group's acquisitions and an improved result for ÅF's Norwegian operations. Conversely, operating profit has been adversely affected by less business than usual for our Swiss subsidiary from the nuclear power and thermal power segments. Negative currency trends have reduced operating profit by approximately SEK 2 million compared to the corresponding quarter last year. There were 66 working days in the third quarter; this is the same number as in the corresponding quarter last year.

The operating margin, excluding capital gain, was 5.9 percent (6.6 percent). Capacity utilisation rose to 72.0 percent (71.7 percent), with Industry and Infrastructure maintaining their upward trend.

Profit after net financial items, excluding capital gain, was SEK 68 million (SEK 56 million). Compared with the corresponding quarter last year, there was an improvement of just under SEK 4 million in net financial items, which totalled SEK ±0 million at the end of the reporting period. This improvement is attributable to a reduction in exchange losses and to the positive

effects of defined-benefit pension plans. The profit margin, excluding capital gain, was 6.0 percent (6.1 percent).

Profit after tax was SEK 48 million (SEK 72 million). Earnings per share before dilution were SEK 1.38 (SEK 2.09).

## Net sales and earnings Jan-Sept 2011

Net sales totalled SEK 3,667 million, an increase of 20 percent compared with the figure of SEK 3,057 million for the first nine months of 2010. Organic growth was positive at just over 11 percent. The structural effect was 10 percent and is attributable chiefly to the acquisitions of Energo, Gatubolaget Konsult (Gothenburg) and the energy consulting specialist, Mercados, in 2010. There was a negative translation difference of approximately 1 percent.

Operating profit for the period January–September was SEK 278 million (Jan–Sept 2010: SEK 711 million). For the corresponding period in 2010 ÅF reported a capital gain of SEK 488 million in connection with the sale of ÅF-Kontroll and ÅF TÜV Nord. If this capital gain is excluded, earnings for the first nine months of 2010 totalled SEK 223 million. There was a total of 189 working days in the period January to September 2011; this is the same number as in the corresponding period in 2010. The operating margin was 7.6 percent (20.2 percent).

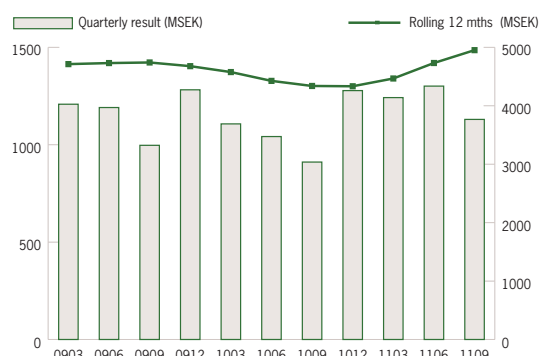
Capacity utilisation was 73.2 percent (71.2 percent).

Profit after net financial items was SEK 280 million (SEK 701 million). The profit margin was 7.6 percent (19.9 percent).

Profit after tax was SEK 206 million (SEK 647 million). Earnings per share before dilution were SEK 5.95 (SEK 19.00).

Key ratios	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Net sales, MSEK	1,130.3	910.2	3,667.4	3,056.7	4,334.1
Operating income, MSEK	1,130.7	911.2	3,673.5	3,517.7	4,795.9
Operating profit, MSEK	67.1	90.5	278.3	711.3	805.8
Operating profit excl capital gain, MSEK	67.1	59.8	278.3	223.0	317.0
Operating margin, %	5.9	9.9	7.6	20.2	16.8
Operating margin excl capital gain, %	5.9	6.6	7.6	7.3	7.3
Profit after financial items, MSEK	67.6	86.2	279.6	701.3	798.1
Profit margin, %	6.0	9.5	7.6	19.9	16.6
Profit after tax, MSEK	48.3	72.0	205.7	647.3	717.2
Earnings per share, SEK	1.38	2.09	5.95	19.00	21.02
Earnings per share excl capital gain, SEK	1.38	1.18	5.95	4.52	6.55
Return on equity, %	-	-	11.6	35.1	32.5
Return on capital employed, %	-	-	14.6	34.1	32.2
Number of employees, FTEs	4,315	3,824	4,334	3,921	3,966
Capacity utilisation rate, %	72.0	71.7	73.2	71.2	71.9

## Net sales, MSEK



## Important events during Q3 2011 and after the reporting date

ÅF was appointed lead technical consultant for the electrical power and automation work in connection with Boliden's investment in the expansion of its industrial operations at Garpenberg, with a new dressing plant, new shafts and underground facilities, and site infrastructure. The contract is one of the largest that ÅF has secured to date with the Swedish mining industry. For ÅF's part, the assignment is expected to extend over approximately two years.

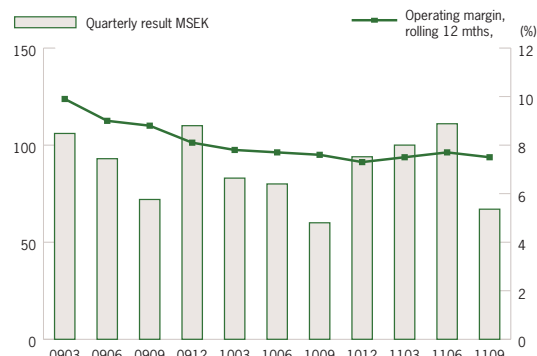
ÅF won the contract to serve as a "technical specialist consultant" to the cities of Quy Nhon and Nha Trang in Vietnam. ÅF's chief task is to support the cities' authorities in developing municipal utilities such as waste management and water treatment facilities. The project is funded by the World Bank. In the third quarter ÅF was also appointed as an advisor to Vietnam's Ministry of Finance in an assignment that involves implementing procedures to ensure the environmental and social compatibility of local infrastructure projects. This project is financed by the Local Development Investment Fund (LDIF), which is funded in turn by the World Bank.

Stefan Johansson, 53, was recruited as the new CFO of the ÅF Group and will take up his position at ÅF on 8 November 2011. Stefan, a graduate business administrator, can already look back on a long and distinguished career as CFO for a number of listed companies with extensive international operations. He joins ÅF from Haldex, where he has held the post of CFO since 2005. Jonas Ågrup, the ÅF Group's CFO since 2007, will leave ÅF in conjunction with Stefan Johansson's arrival to take up a position as CFO with Munters.

## Cash flow and financial position

Cash flow from operating activities for the third quarter was SEK 97 million (Q3 2010: SEK 0 million). This improvement in the quarter's cash flow is attributable chiefly to a higher level of earnings, an increase in advance payments from customers and a reduction in the level of tied-up capital. Total cash flow for the period was SEK 43 million (SEK 4 million). Corporate acquisitions and additional considerations paid totalled SEK 19 million (SEK 31 million). The third quarter of 2010 saw the sale of ÅF TÜV Nord, which resulted in a positive cash flow of SEK 32 million. The effect on cash flow of the net of borrowing and amortisation of loans in the third quarter of 2011 was negative at SEK -24 million (SEK 8 million).

## Operating profit, MSEK / Operating margin, % (excl. capital gains)



Cash flow from operating activities for the period January–September was SEK 229 million (Q1–Q3 2010: SEK 57 million). Among the reasons for this strong cash flow are an increase of almost 20 percent in the Group's operating profit, excluding capital gains, compared with earnings for 2010 and an increase in advance payments from customers. The total cash flow for the period was SEK -37 million (SEK 192 million). Last year's cash flow was affected positively by income of SEK 624 million following the sale of ÅF-Kontroll and ÅF TÜV Nord. Corporate acquisitions and additional considerations paid totalled SEK 26 million (SEK 215 million). Dividends to ÅF shareholders totalled SEK 135 million (SEK 135 million) and the effect on cash flow of the net of borrowing and amortisation of loans was negative at SEK -76 million (SEK -114 million).

Group liquid assets at the end of the reporting period totalled SEK 296 million (SEK 528 million). The Group's net cash balance totalled SEK 7 million (SEK 278 million). ÅF AB has access to credit facilities amounting to SEK 1,000 million.

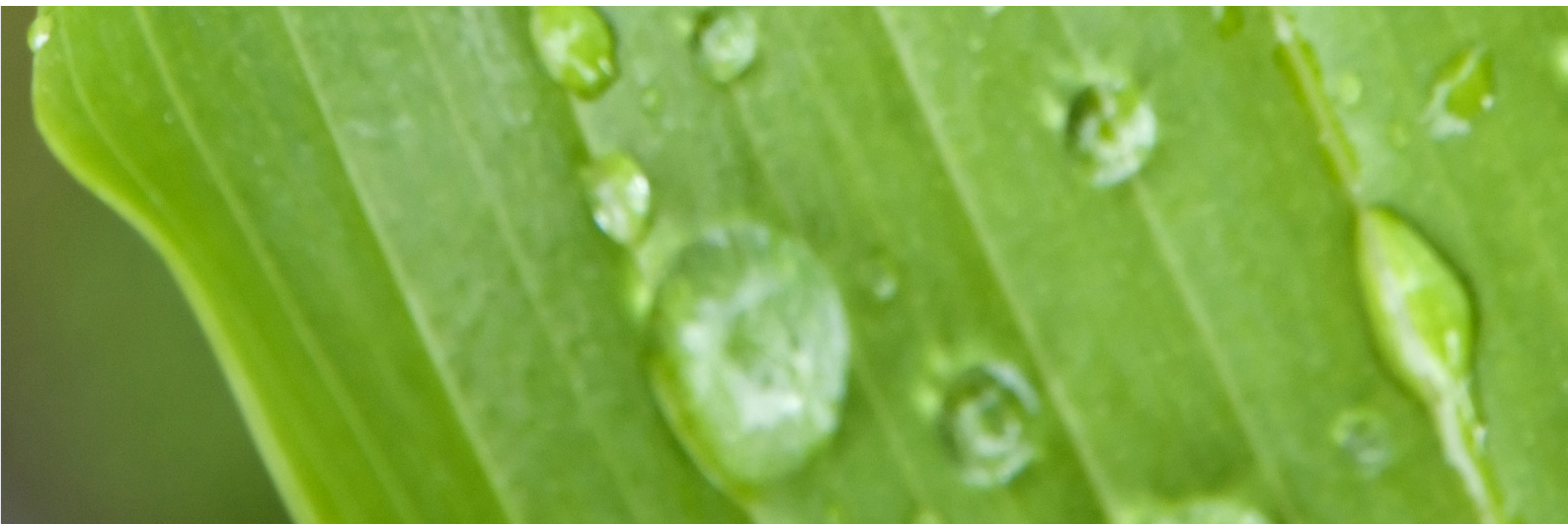
Equity per share was SEK 70.81 (SEK 66.96) and the equity/assets ratio was 61.6 percent (64.4 percent). At the beginning of 2011 equity per share was SEK 69.47 and the equity/assets ratio was 59.8 percent. Equity as per 30 September totalled SEK 2,402 million (SEK 2,275 million).

## Number of employees

The number of full-time equivalents was 4,334 (Q3 2010: 3,921). The total number of employees at the end of the reporting period was 4,625 (4,156): 3,271 in Sweden and 1,354 outside Sweden.

## Parent company

Parent company operating income for the period January–September totalled SEK 264 million (Q1–Q3 2010: SEK 243 million). This derives chiefly from internal services within the group. Profit after net financial items was negative at SEK -14 million (SEK 896 million). Last year the parent company made a profit of SEK 500 million on the sale of ÅF-Kontroll and ÅF TÜV Nord. Dividends from subsidiaries and associated companies totalled SEK 24 million (SEK 408 million). Cash and cash equivalents totalled SEK 1 million (SEK 303 million), and gross investment in machinery and equipment amounted to SEK 8 million (SEK 3 million).



## Energy Division

Profits for the Energy Division fell as a consequence both of lower levels of capacity utilisation in nuclear power consulting following the accident at Japan's Fukushima reactor, and of the increasing strength of the Swiss franc against the euro. ÅF's Swiss subsidiary accounts for one third of the division's sales and, while the majority of its fixed costs are in Swiss francs, a large number of the assignments it performs are invoiced in euros. As a result of measures that have now been taken, the proportion of assignments invoiced in Swiss francs is now rising.

The division has won a number of contracts to analyse and stress-test nuclear power facilities, but these projects have not been able to fully compensate for the loss of earnings from others that have been cancelled or postponed. Nevertheless, as the number of enquiries relating to projects for both existing and new power plants is gradually rising, ÅF stands by its assessment that the market will again start to improve around the turn of the year.

The market segment that developed most strongly during the third quarter was Hydropower. The Energy Division is currently involved in a number of major hydropower projects in Europe

and Asia. Other positive news during the third quarter came from ÅF Russia, which secured three important contracts in the thermal power production segment. Work on these projects commences in the fourth quarter and is expected to continue for at least 12 months.

The Energy Division has also observed a rise in demand for advisory and expert consulting services for the international energy and electricity markets, a trend that reflects a number of different political initiatives. The division offers specialist services of this type primarily through ÅF Finland and the Group's Spanish subsidiary, AF-Mercados EMI, which was acquired at the end of 2010. The strategy is to continue to grow in this expanding international segment.

### About the Energy Division:

*The Energy Division offers technical consulting services for the energy sector. It has operations in many areas of the world, and is a market leader in the Nordic region, Switzerland and the Baltic countries. It enjoys a strong standing in various fields of expertise, particularly nuclear power, where it is a world leader among independent consulting companies.*

Key ratios - Energy	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Operating income, MSEK	326.7	225.6	905.6	691.8	1,012.1
Operating profit, MSEK	9.7	15.0	50.4	61.7	83.1
Operating margin, %	3.0	6.7	5.6	8.9	8.2
Number of employees, FTEs	1,024	929	1,013	886	906

*The historical figures above are adjusted, proforma values based on the organisational changes implemented on 1 October 2010.*





## Industry Division

Thanks to continued strong demand from industry in all areas of operations during the third quarter, the Industry Division was able to report an increase in both capacity utilisation and profits.

The division secured a number of major projects that are expected to extend for between two and three years. In one such project the division been appointed lead technical consultant for the electrical power and automation work in connection with Boliden's investment in the expansion of its industrial operations at Garpenberg, with a new dressing plant, new shafts and underground facilities, and site infrastructure. The contract is one of the largest that ÅF has so far secured with the Swedish mining industry.

Activity in the Swedish power sector remains high and the Industry Division is currently involved in several major hydro-power and nuclear power projects in Sweden. The volume of assignments for the Swedish nuclear power industry has been increasing incrementally quarter by quarter in 2011 and the division recently won a number of major contracts relating to

plant design and the analysis of reactor safety. In the hydro-power sector ÅF was awarded a contract in the third quarter to provide project management services for Vattenfall's hydro-electric plant at Stadsforsen.

Organic growth in the division is now improving and a number of activities were initiated in the third quarter to focus even more sharply on growing business organically.

About the Industry Division:

*The Industry Division is the leading industrial consultant in the Nordic countries. Its mission is clear: to improve profitability for its clients. Experience from previous projects guarantees stability, competitive strength and peace of mind for clients. Geographical proximity to clients and a thorough understanding of the sectors in which they work are the most important foundations for long-term client relations.*

### Key ratios - Industry

	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Operating income, MSEK	332.0	291.7	1,105.8	949.6	1,340.0
Operating profit, MSEK	35.2	24.8	118.3	75.6	119.9
Operating margin, %	10.6	8.5	10.7	8.0	9.0
Number of employees, FTEs	1,255	1,168	1,273	1,190	1,200

*The historical figures above are adjusted, proforma values based on the organisational changes implemented on 1 October 2010.*



## Infrastructure Division

The market for qualified infrastructure consulting services remained good in the third quarter. While the relatively low invoiced time ratio during the first weeks of the quarter had a negative effect on earnings, by September capacity utilisation had once again risen and, with it, profitability. Growth for the quarter topped 20 percent.

The Infrastructure Division is now working on the Stockholm Bypass project for the Swedish Transport Administration. After a 12-month delay to allow appeals to be heard, the project is now progressing well and will be fully staffed by the end of the fourth quarter in 2011.

ÅF's involvement in planning the technical installations for the New Karolinska University Hospital in Stockholm is also continuing to expand in scope. This has played its part in ensuring that the division's largest business area, Installations, with 750 members of staff, is yet again able to report a high level of capacity utilisation. In Norway, too, after a significant loss in 2010, profitability is rising quarter after quarter. Public investment in road and rail infrastructure is increasing in Sweden

and Norway and, as a result, the division's Rail business area won several new orders in the third quarter. Much of the rail infrastructure is in need of improvement, not only to compensate for years of neglect and underinvestment, but also to meet the new demands of an increase in rail traffic.

As far as Environment was concerned, however, earnings remained weak, so a management change was made in this business area in the third quarter.

### *About the Infrastructure Division:*

*The Infrastructure Division enjoys a leading position in the Scandinavian market for technical solutions for infrastructure projects. The division's strengths include a strong sales organisation, sound commercial skills and a portfolio of services that offers clients sustainable, hi-tech solutions. Through its ability to develop innovative solutions that boost client profitability and target fulfilment, the division is continuously enhancing its market potential.*

Key ratios - Infrastructure	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Operating income, MSEK	310.4	250.1	1,096.7	860.8	1,233.1
Operating profit, MSEK	10.2	5.9	72.0	48.6	69.0
Operating margin, %	3.3	2.4	6.6	5.6	5.6
Number of employees, FTEs	1,267	1,046	1,281	1,025	1,065

*The historical figures above are adjusted, proforma values based on the organisational changes implemented on 1 October 2010.*



## Technology Division

The Technology Division continued to report strong growth in the third quarter. Demand was good in all areas of the market and the division won several important orders during the reporting period. After a weak opening to the quarter, capacity utilisation had once again risen to a satisfactory level by September.

The division has a strong standing in Telecommunications, which accounts for almost half of the division's sales. Strong global demand for mobile broadband continues to fuel growth in this segment of the market and has led to new business for ÅF, particularly in the field of advanced test simulators for mobile communication systems.

Demand is also good in the Defence sector, a global market where the requirement matrices are constantly changing. Here, too, ÅF has won several important contracts for clients that include the Swedish Defence Materiel Administration (FMV), and the business area continues to capture new shares of the market.

The division also won new orders from Volvo, Scania and Bombardier during the third quarter.

Demand for technical specialists in Communication and Software Development remains strong and the Technology Division is well on the way to meeting its target of recruiting more than 200 consultants before the end of the year. Organic growth in the third quarter was approximately 20 percent.

About the Technology Division:

*The Technology Division is active mainly in Sweden, where it is a leading name in Swedish product development and defence technology. A firm base and a long track record of success provide stability and give clients peace of mind. The Technology Division also has strong offers within its specialist fields relating to various aspects of sustainability.*

Key ratios - Technology	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Operating income, MSEK	183.5	149.1	638.5	509.0	719.3
Operating profit, MSEK	12.6	14.9	65.8	49.8	69.1
Operating margin, %	6.9	10.0	10.3	9.8	9.6
Number of employees, FTEs	700	609	693	607	616

*The historical figures above are adjusted, proforma values based on the organisational changes implemented on 1 October 2010.*



## Risks and uncertainty factors

The significant risks and uncertainty factors to which the ÅF Group is exposed include business risks linked to the general economic situation and the propensity of various markets to invest, the ability to recruit and retain qualified co-workers, and the potential impact of political decisions. In addition, the Group is exposed to write-downs in fixed-price contracts as well as to a number of financial risks, including currency risks, interest-rate risks and credit risks. The risks to which the Group is exposed are described in detail in ÅF's Annual Report for 2010. No significant risks are considered to have arisen since the publication of the annual report.

## Accounting principles

This interim report has been prepared in accordance with IAS 34 ("Interim Financial Reporting"). The accounting principles conform with International Financial Reporting Standards (IFRS), as well as with statements on interpretation from the International Financial Reporting Interpretations Committee (IFRIC) as approved by the European Commission for use in the EU, and with the relevant references to Chapter 9 of the Swedish Annual Accounts Act. The report has been drawn up using the same accounting principles and methods of calculation as those in the Annual Report for 2010 (see Note 1, page 83).

The parent company has implemented the Swedish Financial Reporting Board's Recommendation RFR 2, which means that the parent company in the legal entity shall apply all the IFRS and related statements approved by the EU as far as this is possible, while continuing to apply the Swedish Annual Accounts Act and the Pension Obligations Vesting Act and paying due regard to the relationship between accounting and taxation in the preparation of the legal entity's annual accounts.

## ÅF shares

ÅF's share price at the end of the reporting period was SEK 100; this represents a fall in value of 28.2 percent since the start of the year. During the same period the Stockholm Stock Exchange's OMXSPI index has fallen by 22.8 percent.

## Share savings programme

At the Annual General Meeting of shareholders in ÅF AB held on 2 May 2011 it was resolved to implement a performance-related share programme for up to 100 key individuals in the company, including the President/CEO.

Participants in the programme are able to reserve a sum corresponding to a maximum of 5 percent of their gross salary for the purchase of ÅF shares on the OMX Nordic Exchange in Stockholm over a 12-month period from the date of implementation of the programme. On expiry of the application period, 95 ÅF employees in senior positions had expressed an interest in purchasing approximately 30,000 shares for the entire 2011 programme.

In the event that the preset performance targets are met in full, approximately 155,000 shares will subsequently be transferred to these employees free of consideration during 2014 and 2015. This can lead to dilution of a maximum of 0.5 percent of earnings per share.

Stockholm, October 17 2011

Jonas Wiström  
President and CEO  
ÅF AB (publ)

## Financial reports – 2012

13 February	Summary of Annual Report for 2011
7 May	Interim report January - March 2012
7 May	Report from the Annual General Meeting 2012
13 July	Interim report January - June 2012
15 October	Interim report January - September 2012

The annual General Meeting will take place at 15:00 on 7 May 2012 at ÅF's head office.

## For further information, please contact:

President and CEO, Jonas Wiström, +46 70 608 12 20  
CFO, Jonas Ågrup, +46 70 333 04 95  
Director, Corporate Information, Viktor Svensson,  
+46 70 657 20 26

Group Head Office:  
ÅF AB, SE-169 99 Stockholm, Sweden  
Visitors' address: Frösundaleden 2, 169 70 Solna, Sweden  
Tel. +46 10 505 00 00 Fax +46 10 505 00 10  
[www.afconsult.com](http://www.afconsult.com) / [info@afconsult.com](mailto:info@afconsult.com)  
Corporate ID number 556120-6474

*The information in this interim report fulfils ÅF AB's disclosure requirements under the provisions of the Swedish Securities Markets Act and/or the Financial Instruments Trading Act. The information was released for publication at 13:30 CET on 17 October 2011.*

*All assumptions about the future that are made in this report are based on the best information available to the company at the time the report was written. As is the case with all assessments of the future, such assumptions are subject to risks and uncertainties, which may mean that the actual outcome differs from the anticipated result.*

*This is a translation of the Swedish original. The Swedish text is the binding version and shall prevail in the event of any discrepancies.*

# Auditor's Review Report

To the board of Directors of ÅF AB (publ)

Corporate identity number 556120-6474

## Introduction

We have performed a review of the condensed interim financial statements for ÅF AB at 30 September 2011 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of these Interim financial statements in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on the condensed interim financial statements based on our review.

## Scope of Review

We have conducted our review in accordance with the Standard on Review Engagements, SÖG 2410, issued by the Swedish Federation of Authorized Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different purpose and a substantially less scope than an audit conducted in accordance with the Standards on Auditing International Standards on Auditing, ISA and other generally accepted auditing practices.

The procedures performed in a review do not enable us to obtain such a level of assurance that would make us aware of all significant matters that might be identified in an audit. Accordingly, an opinion based on a review does not constitute the same level of assurance as an opinion based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim financial statements are not prepared, in all material aspects, for the group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm, October 17 2011

Ernst & Young AB

Lars Träff

Authorized Public Accountant

CONSOLIDATED INCOME STATEMENT (in millions of SEK)	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010	Oct 2010 - Sep 2011
Net sales	1,130.3	910.2	3,667.4	3,056.7	4,334.1	4,944.8
Other operating income	0.4	1.1	6.1	461.0	461.8	6.9
Operating income	1,130.7	911.2	3,673.5	3,517.7	4,795.9	4,951.6
Personnel costs	-630.8	-527.0	-2,110.6	-1,836.0	-2,528.7	-2,803.3
Other costs	-419.1	-312.9	-1,243.6	-964.8	-1,443.6	-1,722.5
Depreciation	-13.7	-11.9	-40.5	-38.3	-50.8	-53.0
Share of associated companies' profit/loss	0.0	31.1	-0.4	32.7	33.1	-0.1
Operating profit	67.1	90.5	278.3	711.3	805.8	372.8
Net financial items	0.4	-4.3	1.2	-10.1	-7.7	3.6
Profit after net financial items	67.6	86.2	279.6	701.3	798.1	376.4
Tax	-19.3	-14.2	-73.8	-54.0	-80.9	-100.7
Profit after tax	48.3	72.0	205.7	647.3	717.2	275.6
<i>Attributable to:</i>						
Shareholders in parent company	46.6	70.6	201.1	641.6	709.9	269.4
Non-controlling interest	1.6	1.3	4.6	5.6	7.3	6.2
Profit after tax	48.3	72.0	205.7	647.3	717.2	275.6
Operating margin, %	5.9	9.9	7.6	20.2	16.8	7.5
Profit margin, %	6.0	9.5	7.6	19.9	16.6	7.6
Operating margin excl capital gain, %	5.9	6.6	7.6	7.3	7.3	7.5
Profit margin excl capital gain, %	6.0	6.1	7.6	7.0	7.1	7.6
Capacity utilisation rate (invoiced time ratio), %	72.0	71.7	73.2	71.2	71.9	73.3
Earnings per share before dilution, SEK	1.38	2.09	5.95	19.00	21.02	-
Earnings per share after dilution, SEK	1.37	2.08	5.93	18.94	20.95	-
Number of shares outstanding	33,775,002	33,775,002	33,775,002	33,775,002	33,775,002	
Average number of outstanding shares before dilution	33,775,002	33,775,002	33,775,002	33,775,002	33,775,002	
Average number of outstanding shares after dilution	33,973,469	33,890,494	33,931,106	33,879,127	33,881,703	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in millions of SEK)	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Change in translation reserve for the period	1.3	-46.8	40.6	-60.7	-43.6
Cash flow hedging	-0.5	-0.1	-2.3	-0.1	2.1
Pensions	-75.1	-	-75.1	-	-4.4
Tax	15.1	-	15.5	-	0.5
Total other comprehensive income for the period	-59.1	-46.9	-21.3	-60.8	-45.4
Profit for the period	48.3	72.0	205.7	647.3	717.2
Total comprehensive income for the period	-10.9	25.0	184.4	586.5	671.8
<i>Total comprehensive income attributable to:</i>					
Shareholders in parent company	-11.8	25.2	180.3	581.9	665.9
Non-controlling interest	0.9	-0.1	4.2	4.6	5.9
Total	-10.9	25.0	184.4	586.5	671.8



## CONSOLIDATED BALANCE SHEET (in millions of SEK)

	30 Sept 2011	30 Sept 2010	31 Dec 2010
<b>Assets</b>			
Non-current assets			
Intangible assets	1,700.0	1,330.1	1,677.0
Tangible assets	288.8	271.8	292.7
Other non-current assets	52.3	43.5	46.8
Total non-current assets	2,041.1	1,645.5	2,016.4
Current assets			
Current receivables	1,564.3	1,358.5	1,606.1
Cash and cash equivalents	296.1	528.1	327.9
Total current assets	1,860.5	1,886.6	1,934.0
Total assets	3,901.6	3,532.1	3,950.4
<b>Equity and liabilities</b>			
Equity			
Attributable to shareholders in parent company	2,391.5	2,261.7	2,346.3
Attributable to non-controlling interest	10.7	13.4	14.4
Total equity	2,402.3	2,275.1	2,360.7
Non-current liabilities			
Provisions	225.0	131.6	176.7
Non-current liabilities	57.4	26.8	7.8
Total non-current liabilities	282.4	158.4	184.5
Current liabilities			
Provisions	12.5	9.6	13.6
Current liabilities	1,204.4	1,089.0	1,391.6
Total current liabilities	1,217.0	1,098.6	1,405.2
Total equity and liabilities	3,901.6	3,532.1	3,950.4

Pledged assets and Contingent liabilities are essentially the same as in the annual accounts for 2010.

## CHANGES IN EQUITY (in millions of SEK)

	30 Sept 2011	30 Sept 2010	31 Dec 2010
Equity at start of period	2,360.7	1,826.6	1,826.6
Total comprehensive income for the period	184.4	586.6	671.8
Dividends	-141.4	-139.4	-139.3
Acquisition of non-controlling interest	-6.1	-0.2	-0.4
Share savings programmes 2008/2009/2010	4.6	1.6	2.0
Equity at end of period	2,402.3	2,275.1	2,360.7
<i>Attributable to:</i>			
Shareholders in the parent company	2,391.5	2,261.7	2,346.3
Non-controlling interest	10.7	13.4	14.4
Total	2,402.3	2,275.1	2,360.7



## CASH FLOW ANALYSIS (in millions of SEK)

	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Profit after financial items	67.6	86.2	279.6	701.3	798.1
Adjustment for items not included in cash flow and other	9.1	-17.3	38.6	-470.1	-456.3
Income tax paid	-22.5	-23.4	-75.4	-96.6	-117.0
Cash flow from operating activities before change in working capital	54.1	45.5	242.8	134.6	224.7
Cash flow from change in working capital	43.1	-45.4	-13.8	-77.9	-23.4
Cash flow from operating activities	97.3	0.0	229.0	56.7	201.3
Cash flow from investing activities	-26.4	-3.8	-51.2	386.3	77.4
Cash flow from financing activities	-27.4	7.8	-214.5	-251.0	-289.0
Cash flow for the period	43.5	4.0	-36.6	192.0	-10.3
Cash and cash equivalents brought forward	253.1	529.8	327.9	344.7	344.7
Exchange rate difference in cash/cash equivalents	-0.4	-5.6	4.9	-8.6	-6.4
Cash and cash equivalents carried forward	296.1	528.1	296.1	528.1	327.9

## KEY RATIOS

	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Return on equity, %	11.6	35.1	32.5
Return on equity excl result from sales of business operations, %	11.6	13.3	11.9
Return on capital employed, %	14.6	34.1	32.2
Return on capital employed excl result from sales of business operations, %	14.6	15.6	14.3
Equity ratio, %	61.6	64.4	59.8
Equity per share, SEK	70.81	66.96	69.47
Net cash, MSEK	6.6	277.8	34.5
Interest-bearing liabilities, MSEK	289.6	253.7	293.4
Employees (FTEs) excl. associated companies	4,334	3,921	3,966

## QUARTERLY INFORMATION BY DIVISION

Operating income (in millions of SEK)	2010					2011			
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4
Energy	236.1	230.0	225.6	320.4	1,012.1	253.1	325.8	326.7	
Industry	329.1	328.8	291.7	390.3	1,340.0	385.4	388.4	332.0	
Infrastructure	300.2	310.5	250.1	372.3	1,233.1	402.0	384.3	310.4	
Technology	174.3	185.6	149.1	210.3	719.3	227.1	227.9	183.5	
Other/eliminations <sup>1)</sup>	67.3	-13.1	-5.5	-15.2	33.5	-26.0	-25.1	-21.8	
Sale of ÅF Kontroll (Inspection)	457.7	-	0.2	-	457.9	-	-		
Total	1,564.7	1,041.8	911.2	1,278.2	4,795.9	1,241.6	1,301.2	1,130.7	
Operating profit/loss (in millions of SEK)	2010					2011			
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4
Energy	25.0	21.6	15.0	21.4	83.1	22.9	17.9	9.7	
Industry	25.0	25.7	24.8	44.4	119.9	38.7	44.4	35.2	
Infrastructure	23.0	19.7	5.9	20.4	69.0	31.5	30.2	10.2	
Technology	15.3	19.7	14.9	19.3	69.1	27.2	25.9	12.6	
Other/eliminations <sup>1)</sup>	-5.3	-6.5	-0.8	-11.5	-24.2	-20.1	-7.4	-0.6	
Sale of ÅF Kontroll (Inspection) and ÅF TÜV Nord	457.7	-	30.7	0.5	488.8	-	-	-	
Total	540.6	80.2	90.5	94.5	805.8	100.2	111.0	67.1	
Operating margin (%)	2010					2011			
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4
Energy	10.6	9.4	6.7	6.7	8.2	9.0	5.5	3.0	
Industry	7.6	7.8	8.5	11.4	9.0	10.0	11.4	10.6	
Infrastructure	7.7	6.3	2.4	5.5	5.6	7.8	7.9	3.3	
Technology	8.8	10.6	10.0	9.2	9.6	12.0	11.4	6.9	
Total	34.6	7.7	9.9	7.4	16.8	8.1	8.5	5.9	
Employees (FTEs)	2010					2011			
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4
Energy	821	901	929	964	906	1,000	1,015	1,024	
Industry	1,215	1,190	1,168	1,228	1,200	1,280	1,287	1,255	
Infrastructure	1,006	1,021	1,046	1,185	1,065	1,303	1,273	1,267	
Technology	601	610	609	643	616	678	702	700	
Other/eliminations <sup>1)</sup>	508	72	72	79	180	76	75	69	
Total	4,150	3,794	3,824	4,099	3,966	4,337	4,352	4,315	
Number of working days	2010					2011			
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4
	62	61	66	64	253	63	60	66	64

The historical figures above are adjusted, proforma values based on the organisational changes implemented on 1 October 2010

<sup>1)</sup> Incl ÅF Kontroll (Inspection), which was sold in Q1 2010.

## INCOME STATEMENT PARENT COMPANY (in millions of SEK)

	July-Sept 2011	July-Sept 2010	Jan-Sept 2011	Jan-Sept 2010	Full year 2010
Net sales	59.5	51.6	179.2	167.1	225.1
Other operating income	28.9	29.7	84.6	76.4	104.5
Operating income	88.4	81.3	263.8	243.4	329.6
Personnel costs	-18.1	-14.6	-57.7	-49.8	-66.2
Other costs	-68.8	-63.6	-230.5	-194.2	-269.6
Depreciation	-3.1	-2.6	-9.1	-7.8	-10.5
Operating profit/loss	-1.5	0.5	-33.4	-8.3	-16.7
Net financial items	5.9	383.7	19.2	904.2	777.0
Profit/loss after net financial items	4.4	384.2	-14.2	895.9	760.3
Appropriations	-	-	-	-	-2.7
Pre-tax profit/loss	4.4	384.2	-14.2	895.9	757.6
Tax	1.6	0.2	10.6	3.3	6.3
Profit/loss after tax	6.0	384.4	-3.6	899.2	763.9

## BALANCE SHEET PARENT COMPANY (in millions of SEK)

	30 Sept 2011	30 Sept 2010	31 Dec 2010
Assets			
Non-current assets			
Participations in Group and Associated companies	2,374.2	2,110.9	2,364.1
Intangible assets	5.1	4.7	4.7
Tangible assets	56.1	53.9	55.4
Financial assets	20.1	18.3	19.7
Total non-current assets	2,455.4	2,187.8	2,444.0
Current assets			
Current receivables	293.6	169.8	346.8
Cash and cash equivalents	0.7	302.9	53.7
Total current assets	294.3	472.8	400.6
Total assets	2,749.7	2,660.6	2,844.5
Equity and liabilities			
Equity			
Share Capital	170.3	170.3	170.3
Statutory reserve	46.9	46.9	46.9
Non-restricted equity	1,861.2	1,038.8	1,232.4
Profit/loss for the period	-3.6	899.2	763.9
Total equity	2,074.8	2,155.2	2,213.5
Untaxed reserves	28.5	25.8	28.5
Non-current liabilities			
Provisions	78.1	60.6	90.6
Non-current liabilities	0.2	0.2	0.2
Total non-current liabilities	78.3	60.8	90.7
Current liabilities			
Provisions	12.2	6.5	5.4
Current liabilities	556.0	412.3	506.3
Total current liabilities	568.2	418.8	511.8
Total equity and liabilities	2,749.7	2,660.6	2,844.5

