

AFRY AB (PUBL) INTERIM REPORT JANUARY–JUNE 2021

Strong organic growth

Second quarter 2021

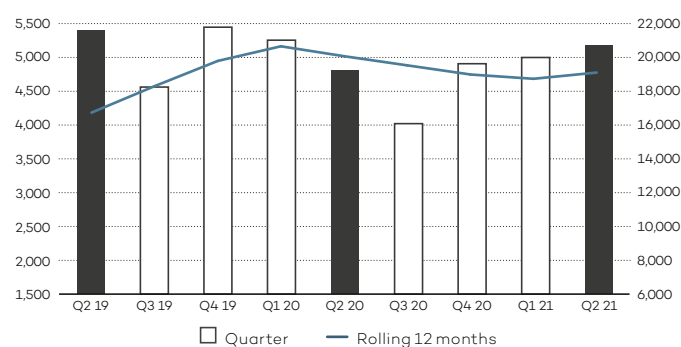
- Net sales amounted to SEK 5,177 million (4,808)
- EBITA, excl. items affecting comparability, was SEK 416 million (383)
- EBITA margin, excl. items affecting comparability, was 8.0 percent (8.0)
- EBITA totalled SEK 416 million (360)
- EBITA margin was 8.0 percent (7.5)
- EBIT (operating profit) amounted to SEK 398 million (331)
- Basic earnings per share: SEK 2.60 (1.88)

January–June 2021

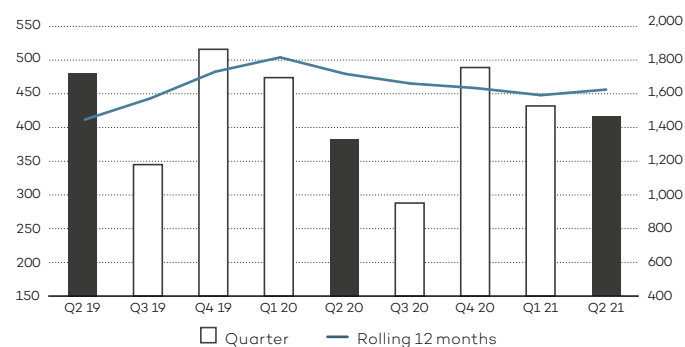
- Net sales amounted to SEK 10,176 million (10,063)
- EBITA, excl. items affecting comparability, was SEK 848 million (858)
- EBITA margin, excl. items affecting comparability, was 8.3 percent (8.5)
- EBITA totalled SEK 848 million (834)
- EBITA margin was 8.3 percent (8.3)
- EBIT (operating profit) amounted to SEK 799 million (742)
- Basic earnings per share: SEK 5.26 (4.35)

“The second quarter was characterised by increasing demand, particularly in our industry segments. Organic growth was strong, results were stable, and we accelerated our acquisition agenda with 12 acquisitions so far this year.”

Net sales, SEK MILLION



EBITA¹, SEK MILLION



¹Excluding items affecting comparability

Comments by the CEO

The second quarter was characterised by increasing demand for sustainable and digital solutions, particularly in our industry segments. Organic growth was strong, results were stable and we accelerated our acquisition agenda with 12 acquisitions so far this year.

Strong organic growth

The positive trend continued into the second quarter in most segments. Net sales amounted to SEK 5,177 million (4,808), which corresponds to organic growth of 7.0 percent, adjusted for calendar effects. The increase is mainly explained by the Industrial & Digital Solutions, Process Industries and Management Consulting divisions.

Stable results and strong financial position

EBITA, excluding items affecting comparability, was SEK 416 million (383), and the corresponding EBITA margin was 8.0 percent (8.0). The method for periodizing payroll expenses to a period was altered in connection with the implementation of our new ERP system. This change, which has a neutral impact on the full year, had a negative impact on EBITA of SEK 60 million in the second quarter. After adjusting for this change, the margin in the second quarter amounted to 9.2 percent. The positive

development is thanks to the continued strong results and high margins of Process Industries, Energy and Management Consulting divisions. The quarter contained one extra working day, which had a positive effect on the margin.

The order stock remains at a stable level. Operating cash flow was solid and we have a strong financial position with a net debt/EBITDA of 2.2 times (2.0), excluding the effect of IFRS 16 and items affecting comparability. The strong balance sheet creates scope for further acquisitions.

Performance in the divisions

The Infrastructure Division posted growth in all segments along with stable results during the quarter. Demand remains strong for the division's services, which are driven by increased public investments in building and transport infrastructure in both the Nordics and Central Europe.

The Industrial & Digital Solutions Division showed strong growth and improved results during the quarter, driven by a strong performance in the automotive and industry segment.



The Process Industries Division showed strong growth and a positive results trend during the quarter, particularly in Sweden, Finland and Latin America.

The Energy Division continued to perform well, but the Covid-19 pandemic continues to affect the decision-making processes for new projects, resulting in a negative growth.

The Management Consulting Division produced strong growth and results due to a higher activity level in the energy and bio industries.

Active sustainability efforts

We entered several exciting agreements during the quarter, and I am particularly proud that we were selected to develop the world's largest thermal energy storage facility for Vantaa Energy in Finland. Sustainable solutions are at the core of AFRY's operations, and this project is an excellent example of how we help our customers build a sustainable business. AFRY has been highlighted by the *Financial Times* as one of the 300 European companies to have reduced its emission intensity the most between 2014 and 2019. We also achieved platinum status in rating company Ecovadis' evaluation of our sustainability initiatives, which is the highest possible level and a testament to our constant efforts to be among the best.

Strong focus on growth and digitalisation

To meet higher levels of demand, we have accelerated the pace of recruitment in all divisions and growth through acquisitions. Eight acquisitions were carried out during the quarter, making a total of 12 so far this year. In total, the acquired companies have annual sales of around SEK 500 million, which corresponds to a sales growth of circa 2.6 percent.

Digitalisation is one of our strongest drivers of growth, and the majority of the acquisitions we have made since

the beginning of the year have strong digital offerings. I would like to particularly highlight the acquisitions of MosaicMill and Simosol in Finland, which are world leaders in digital Smart Forestry solutions, as well as Pinja Industry – experts in digital solutions for demanding industrial and production environments. We are strengthening our digital offering and our position as a leading expert and partner to our customers through these acquisitions and our digital accelerator AFRY X. We see numerous opportunities and are working on several more promising acquisition candidates.

Attractive employer

AFRY is again ranked by Framtidens Forskning as the most attractive employer among Swedish researchers. I am very pleased and proud of the fact that AFRY is and remains an attractive employer among researchers, as they are an important part of our success.

Following the decision taken at the AGM, the legal name of the parent company is now AFRY AB. We are now AFRY in all contexts and we will continue to position ourselves within digitalisation and sustainability.

Outlook

Uncertainty of the course of the pandemic and its effects remains. We are seeing increasing demand in all segments, particularly in the industry segments which is driven by the transition to a more sustainable society. We have built a stable platform and are well positioned to take a leading role in that transition. We are maintaining our intense focus on growth and have a positive view of AFRY's opportunities for a good development in 2021 together with our clients, employees and partners.

Stockholm, 14 July 2021

Jonas Gustavsson
President and CEO

Net sales and earnings 2021

April–June

Net sales for the quarter amounted to SEK 5,177 million (4,808), an increase of 7.7 percent (-10.9). Organic growth was 8.7 percent (-9.2) and 7.0 percent (-9.8) when adjusted for calendar effects.

During the comparative period, the Group received state subsidies to the value of SEK 87 million, which was reported as other income.

Adjusted for items affecting comparability, EBITA amounted to SEK 416 million (383). The corresponding EBITA margin was 8.0 percent (8.0). During the comparative period, items affecting comparability totalled SEK 23 million, which related to restructuring costs for the Industrial & Digital Solutions Division.

EBITA and the EBITA margin were SEK 416 million (360) and 8.0 percent (7.5) respectively. The effects of IFRS 16 Leases were SEK 0 million (7) on EBITA, SEK 144 million (138) on EBITDA and SEK 4 million (14) in increased interest expenses.

Earnings during the period were negatively affected by a change in the method for allocating payroll expenses to periods throughout the year. Payroll expenses totalled around SEK 60 million were charged to profit or loss during the quarter as a result of the new method. This altered method has no effect on a full-year basis. The estimated effects per quarter in 2021 are presented in the table on page 13.

Capacity utilisation was 75.2 percent (77.1) in the quarter.

	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Net sales					
Net sales, SEK million	5,177	4,808	10,176	10,063	18,991
Total growth, %	7.7	-10.9	1.1	2.9	-4.0
Acquired, %	1.7	-0.5	1.0	9.3	4.2
Currency effects, %	-2.8	-1.1	-3.4	-0.2	-1.9
Organic, %	8.7	-9.2	3.5	-6.3	-6.4
Organic growth adjusted for calendar effects, %	7.0	-9.8	3.6	-6.7	-7.1
of which calendar effect, %	1.7	0.6	0.0	0.5	0.8
Earnings					
EBITA excl. items affecting comparability, SEK million	416	383	848	858	1,635
EBITA margin excl. items affecting comparability, %	8.0	8.0	8.3	8.5	8.6
EBITA, SEK million	416	360	848	834	1,584
EBITA margin, %	8.0	7.5	8.3	8.3	8.3
Operating profit (EBIT), SEK million	398	331	799	742	1,456
Profit/loss after financial items, SEK million	370	264	742	627	1,270
Profit/loss after tax, SEK million	295	211	595	489	991
Key ratios					
Basic earnings per share, SEK	2.60	1.88	5.26	4.35	8.81
Diluted earnings per share, SEK	2.60	1.88	5.25	4.35 ¹	8.81 ¹
Cash flow from operating activities, SEK million	484	908	559	1,277	2,085
Net debt, SEK million ²	–	–	3,826	3,586	2,756
Net debt/equity ratio, % ²	–	–	37.3	36.7	27.3
Net debt/EBITDA, rolling 12 months, times ³	–	–	2.2	2.3	1.6
Number of employees	–	–	16,421	16,106	15,871
Capacity utilisation, %	75.2	77.1	74.8	75.9	75.6

¹ Coconvertibles were anti-diluted during the period.

² Excluding effects of IFRS 16 Leases.

³ Net debt/EBITDA excluding the effect of IFRS 16 and items affecting comparability over a rolling 12 months was 2.2 (2.0).

EBIT totalled SEK 398 million (331). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related assets amounting to SEK 39 million (41) and the change in estimates of future contingent considerations amounting to SEK 21 million (13).

Profit after financial items was SEK 370 million (264) and profit after tax for the period was SEK 295 million (211). Net financial items amounted to SEK -27 million (-68), mainly as a result of lower interest expenses and reduced currency effects.

Net financial items were also affected by discount rates related to leases in accordance with IFRS 16 Leases and revaluation of contingent considerations that do not affect cash flow, amounting to SEK 4 million (14) and SEK 1 million (2) respectively.

The tax expense amounted to SEK 75 million (53), corresponding to a tax rate of 20.4 percent (19.9). The higher tax rate can be explained by tax attributable to previous years in Sweden.

January–June

Net sales in the period amounted to SEK 10,176 million (10,063), an increase of 1.1 percent (2.9). Organic growth was 3.5 percent (-6.3) and 3.6 percent (-6.7) when adjusted for calendar effects.

During the comparative period, the Group received state subsidies to the value of SEK 94 million, which was reported as other income.

Adjusted for items affecting comparability, EBITA amounted to SEK 848 million (858). The corresponding EBITA margin was 8.3 percent (8.5). During the comparative period, items affecting comparability totalled SEK 23 million, which related to restructuring costs for the Industrial & Digital Solutions Division.

EBITA and the EBITA margin were SEK 848 million (834) and 8.3 percent (8.3). The effects of IFRS 16 Leases were SEK 0 million (16) on EBITA, SEK 280 million (280) on EBITDA and SEK 20 million (29) in increased interest expenses.

Earnings during the period were negatively affected by a change in the method for allocating payroll expenses to periods throughout the year. Payroll expenses totalled around SEK 88 million were charged to profit or loss during the period as a result of the new method. This altered method has no effect on a full-year basis. The estimated effects per quarter in 2021 are presented in the table on page 13.

Capacity utilisation was 74.8 percent (75.9) for the period.

EBIT totalled SEK 799 million (742). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related non-current assets amounting to SEK 78 million (102), the change in estimates of future contingent considerations amounting to SEK 28 million (20) and capital losses from divestment of operations of SEK 0 million (10).

Profit after financial items was SEK 742 million (627) and profit after tax for the period was SEK 595 million (489). Net financial items amounted to SEK -57 million (-116) during the period, mainly as a result of lower interest expenses and reduced currency effects.

Net financial items were affected by discount rates related to leases in accordance with the IFRS 16 standard and revaluation of contingent considerations that do not affect cash flow, amounting to SEK 20 million (28) and SEK 3 million (5) respectively.

The tax expense amounted to SEK 147 million (138), corresponding to a tax rate of 19.7 percent (22.1). The tax rate for the current period was affected by the lowered corporation tax in Sweden and reduced non-deductible costs. The higher tax last year can be explained by divestment of operations in the parent, which led to non-deductible costs.

Cash flow and financial position

Consolidated net debt including IFRS 16 Leases amounted to SEK 6,193 million (6,166). Consolidated net debt excluding IFRS 16 Leases amounted to SEK 3,826 million (3,586) at the end of the quarter, and SEK 2,919 million (4,357) at the start of the quarter. Cash flow from operating activities reduced net debt by SEK 344 million (799) in the second quarter. The company paid a dividend during the second quarter that increased net debt by SEK 566 million. Eight acquisitions were made during the quarter that increased net debt by SEK 527 million, along with contingent considerations paid for previous acquisitions totalling SEK 126 million.

The company issued commercial papers in June to the value of SEK 300 million as part of its commercial paper programme.

Consolidated cash and cash equivalents totalled SEK 1,103 million (1,367) at the end of the period, and unused credit facilities amounted to SEK 2,751 million (2,852).

Acquisitions and divestments

The following companies were acquired during the quarter:

Numerola, Finland, with annual sales of around SEK 12 million and ten employees. MosaicMill, Finland, with annual sales of around SEK 4 million and two employees. Simosol, Finland, with annual sales of around SEK 20 million and 22 employees. Pinja Industry, Finland, with annual sales of around SEK 140 million and 150 employees.

TM Konsult, Sweden, with annual sales of SEK 100 million and 112 employees. Optima Nexus, Switzerland, with annual sales of SEK 37 million and 17 employees. Evolve Technology, Sweden, with annual sales of SEK 85 million and 56 employees. Insinööritoimisto Suunnittelukide, Finland, with annual net sales of around SEK 34 million and 25 employees.

Parent company

Parent company operating income for the January–June period totalled SEK 642 million (646) and relates chiefly to internal services within the Group. Earnings after net financial items totalled SEK 255 million (-43). This change is mainly attributable to a dividend issued by a subsidiary. Cash and cash equivalents amounted to SEK 239 million (602). Gross investments in intangible non-current assets and property, plant and equipment totalled SEK 52 million (51). The tax rate for the period was affected by the lowered corporation tax rate and non-taxable income in the form of dividends from subsidiaries. One operation was divested during the previous year which led to non-deductible costs. This increased the tax expense.

Number of employees

The average number of full-time employees (FTEs) was 15,420 (15,445). The total number of employees at the end of the period was 16,421 (16,106).

Significant events during the quarter and after the end of the reporting period

On 18 June the company changed its legal name to AFRY AB.

Following a resolution at the Annual General Meeting on June 3, Gunilla Berg, Henrik Ehrnrooth, Joakim Rubin, Kristina Schauman and Anders Snell were re-elected as board members and Tom Erixon, Carina Håkansson and Neil McArthur were elected new board members. Furthermore, the Annual General Meeting elected Tom Erixon as new Chairman of the Board.



The Infrastructure Division provides technical solutions for buildings and infrastructure, in areas such as road and rail, as well as water and environment. The division also operates in the fields of architecture and design. The division's strengths include its in-depth knowledge of sustainable, high-tech solutions, and its clients are primarily within the property and urban development sectors. The division is led by Malin Frenning and operates in the Nordic region and Central Europe.



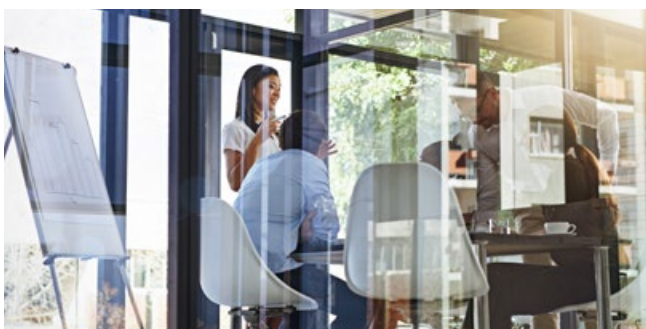
The Industrial & Digital Solutions Division conducts engineering operations in the field of product development and production systems, as well as IT and defence technology. The division is active in all industry sectors and works with both private and public sector clients. Technical capabilities include project management, industrial design, mechanical product development, automation, quality assurance and digitalisation services for various industries to develop and connect systems and products and create the society of the future. Services encompass the entire value chain and the assignments are project-based or end-to-end solutions for specific functions. The division is led by Robert Larsson and operates primarily in the Nordic region.



The Process Industries Division provides engineering and consulting services, project management and implementation services to clients in the process industry. Its clients are primarily in the forest, chemical and biorefinery industries, as well as the metal and mining industries. Focus sectors extend from pulp and paper to chemicals and biorefining, metals and mining and other process industries, and the division delivers solutions for both new investment projects and reconstruction of existing plants. The division, led by Nicholas Oksanen, delivers solutions globally and operates primarily in the Nordic region and South America.



The Energy Division provides international engineering and consulting services to clients in over 80 countries. The division has expertise in the transmission and distribution of all types of electricity generated from various energy sources, such as water, gas, bio- and waste fuel, nuclear power and renewable energy sources, and holds a leading position in hydro. The division has a high level of technical capability when it comes to complex environmental aspects. Owing to the division's ability to cover the entire spectrum of power generation as well as the complete investment life cycle, it can offer its clients comprehensive expertise. The division, led by Richard Pinnock, delivers solutions globally and operates primarily in the Nordic region, Switzerland, Czech Republic and Southeast Asia.



The Management Consulting Division provides strategic and operational advisory services across the value chain, underpinned by in-depth expertise and market insights. Core services encompass a wide range of consulting services and include corporate and business strategies; resource, technology and investment strategies; operational and organisational excellence; market insights and modelling; sales and supply chain strategies; M&A and due diligence; as well as innovation management and digitalisation. The services are primarily aimed at the energy sector, the forest industry and bio-based industries. The division is led by Roland Lorenz and has operations in 17 offices across three continents.

Division Infrastructure

Net sales

Net sales in the second quarter amounted to SEK 2,045 million (1,986), an increase by 3.0 percent. Adjusted for currency effects and acquisitions, the organic growth was 2.9 percent. Adjusted for calendar effects the organic growth was 1.0 percent. Growth increased in all of the division's market segments – transport infrastructure, real estate and water. The geographical markets are developing positively and the order stock is at a stable level.

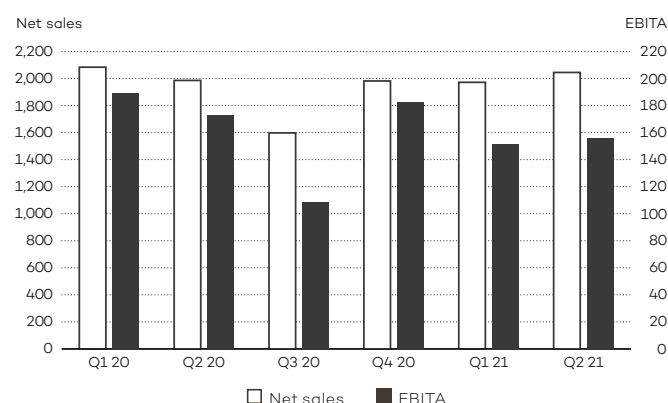
EBITA and margin

EBITA amounted to SEK 156 million (173) and the corresponding margin was 7.6 percent (8.7). The margin was positively impacted by calendar effects and negatively by the change of salary accounting method for Swedish entities and currency effects. Adjusted for the change of salary accounting method the margin was 9.0 percent.

Market development

There is a solid demand in the division's segments driven by increased public spending and investments in construction and transport infrastructure in the Nordic countries as well as in Central Europe. The competition within transport infrastructure is high. The real estate segment shows signs of gradual improvement, however the division is still experiencing some pandemic effects. Sustainability consulting is increasing in all markets, and the demand for the division's water offering remains on a high level.

Net sales and EBITA, SEK million



Key ratios¹⁾

	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full-year 2020
Net sales, SEK million	2,045	1,986	4,018	4,070	7,650
EBITA, SEK million	156	173	307	362	652
EBITA-margin, %	7.6	8.7	7.6	8.9	8.5
Average number of fulltime employees (FTEs)	5,955	6,013	5,877	5,972	5,915
Total growth, %	3.0	-1.7	-1.3	6.3	-0.3
Acquired, %	1.5	-0.2	0.8	6.2	3.1
Currency, %	-1.4	-1.3	-2.0	-0.3	-1.5
Organic, %	2.9	-0.2	-0.1	0.4	-1.9
Organic growth adjusted for calendar effects, %	1.0	-1.6	0.0	-0.7	-2.8
of which calendar effect, %	1.9	1.4	-0.1	1.0	0.9

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Industrial & Digital Solutions

Net sales

Net sales in the second quarter amounted to SEK 1,481 million (1,244), an increase by 19.1 percent. Adjusted for currency effects and acquisitions, the organic growth was 16.5 percent. Adjusted for calendar effects the organic growth was 14.8 percent. Growth is driven by improved market conditions, and also by high market activity across all segments with a rapid recovery especially within the automotive and manufacturing industry segments. Overall, demand improved sequentially, and sales activities continue to be on a high level within all the division's core markets.

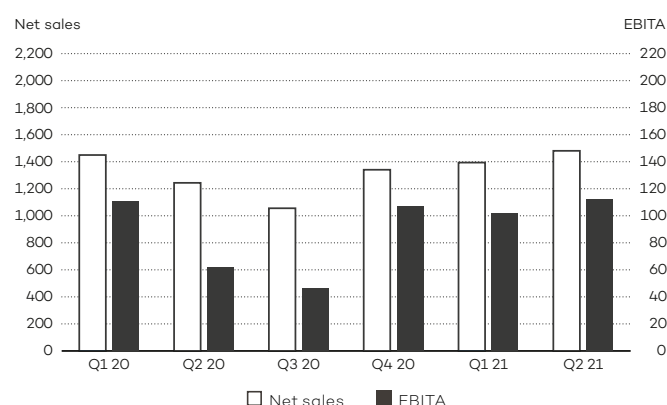
EBITA and margin

EBITA amounted to SEK 112 million (62) and the corresponding margin was 7.5 percent (5.0). The strengthened margin was mainly the result of improved market conditions, continued good cost control and a transforming sales mix. The margin was negatively impacted by a change of salary accounting method for Swedish entities. Adjusted for this change the margin was 9.0 percent.

Market development

The recovery of the automotive industry continues. The largest clients have rapidly increased both ambition and pace in product development and production investments, which to a large extent is driven by sustainability. The activity among clients in the manufacturing industry has increased steadily during the second quarter.

Net sales and EBITA, SEK million



Key ratios¹

	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full-year 2020
Net sales, SEK million	1,481	1,244	2,875	2,688	5,074
EBITA, SEK million	112	62	214	173	325
EBITA-margin, %	7.5	5.0	7.4	6.4	6.4
Average number of fulltime employees (FTEs)	3,465	3,633	3,448	3,676	3,576
Total growth, %	19.1	-15.8	7.0	-11.8	-12.2
Acquired, %	2.1	1.0	1.0	0.9	0.7
Currency, %	0.5	-0.4	-0.2	-0.2	-0.4
Organic, %	16.5	-16.3	6.1	-12.5	-12.5
Organic growth adjusted for calendar effects, %	14.8	-18.5	6.1	-13.3	-13.3
of which calendar effect, %	1.7	2.1	0.0	0.8	0.8

The historical figures above are adjusted for organizational changes.

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Process Industries

Net sales

Net sales in the second quarter amounted to SEK 986 million (888), an increase by 11.1 percent. Adjusted for currency effects and acquisitions, the organic growth was 14.8 percent. Adjusted for calendar effects the organic growth was 12.3 percent. The growth is mainly supported by a good development of OPEX projects and major CAPEX projects in Latin America, Sweden and Finland. The order stock remains strong.

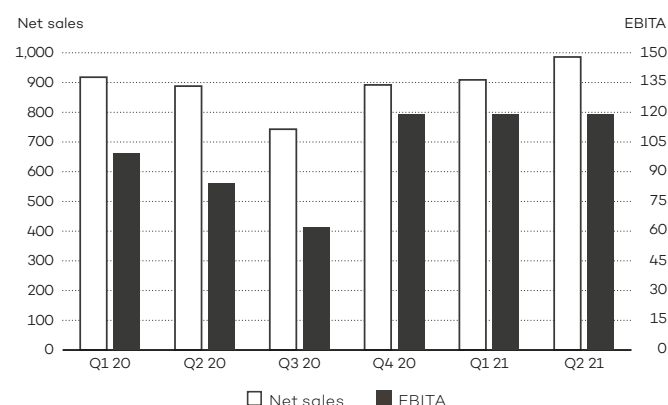
EBITA and margin

EBITA amounted to SEK 119 million (84) and the corresponding margin was 12.0 percent (9.4). The margin was positively impacted by a strengthened development in all business sectors and continued cost savings, but negatively impacted by currency effects.

Market development

The market remained stable, especially in smaller scale and mid-sized OPEX projects. The most important drivers of many projects continue to be sustainability and digitalisation. Circular economy solutions, such as plastics and textiles recycling and new advanced technologies are also fast-growing areas. The Covid-19-pandemic continued to have an impact on decision-making processes for larger CAPEX projects.

Net sales and EBITA, SEK million



Key ratios¹

	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full-year 2020
Net sales, SEK million	986	888	1,896	1,805	3,441
EBITA, SEK million	119	84	238	183	363
EBITA-margin, %	12.0	9.4	12.5	10.1	10.6
Average number of fulltime employees (FTEs)	3,518	3,205	3,470	3,192	3,243
Total growth, %	11.1	-2.7	5.0	32.8	12.9
Acquired, %	2.3	0.1	1.8	30.5	13.3
Currency, %	-6.0	-3.6	-7.0	-2.5	-5.5
Organic, %	14.8	0.7	10.3	4.7	5.2
Organic growth adjusted for calendar effects, %	12.3	1.3	9.6	5.6	4.6
of which calendar effect, %	2.5	-0.6	0.6	-0.9	0.5

The historical figures above are adjusted for organizational changes.

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Energy

Net sales

Net sales in the second quarter amounted to SEK 674 million (713), a decrease by -5.4 percent. Adjusted for currency effects and acquisitions, the negative organic growth was -1.7 percent. Adjusted for calendar effects the negative organic growth was -2.5 percent. The growth was negatively impacted by delayed decision-making processes for new projects as a result of the Covid-19-pandemic. Growth within the transmission & distribution was strong during the second quarter, particularly in the Nordics and Central Europe. The order stock is at a stable level.

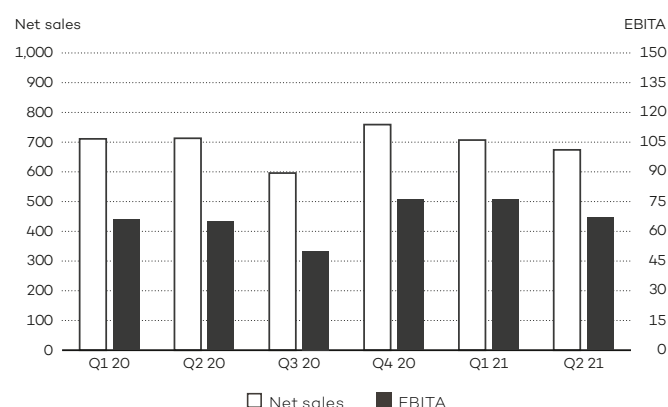
EBITA and margin

EBITA amounted to SEK 67 million (65) and the corresponding margin was 10.0 percent (9.2). The improved margin was due to tight cost control and strong performances in nuclear, hydro and thermal & renewables.

Market development

The Covid-19-pandemic continued to have an impact on the division during the quarter with slower start-ups of new project awards mainly in the hydro, thermal & renewable and contracting business sectors. Travel restrictions continued to effect projects especially in the hydro sector. The general outlook for the energy sector is improving in most areas however the ongoing Covid-19-pandemic will continue to affect the division during the short to medium term as the recovery in Asia and Latin America operations is expected to be slower. The division has strong capabilities in supporting the transition to low carbon, clean energy power sources and energy efficiency measurements with the specific goal of accelerating the energy transition. During the second quarter a number of new assignments were secured in this area with different energy stakeholders.

Net sales and EBITA, SEK million



Key ratios¹

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Full-year 2020
Net sales, SEK million	674	713	1,381	1,430	2,796
EBITA, SEK million	67	65	143	131	257
EBITA-margin, %	10.0	9.2	10.4	9.2	9.2
Average number of fulltime employees (FTEs)	1,791	1,808	1,729	1,817	1,767
Total growth, %	-5.4	-14.8	-3.4	3.6	-7.6
Acquired, %	0.7	-4.6	0.5	10.2	2.0
Currency, %	-4.4	0.9	-5.7	2.2	-1.3
Organic, %	-1.7	-11.1	1.8	-8.9	-8.4
Organic growth adjusted for calendar effects, %	-2.5	-11.5	2.3	-10.3	-9.3
of which calendar effect, %	0.9	0.5	-0.5	1.6	0.9

The historical figures above are adjusted for organizational changes.

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Management Consulting

Net sales

Net sales in the second quarter amounted to SEK 232 million (206), an increase by 12.6 percent. Adjusted for currency effects and acquisitions, the organic growth was 18.9 percent. Adjusted for calendar effects the organic growth was 19.7 percent. Growth was driven both by the positive market environment in the energy and bioindustry sectors across our service portfolio, and also as a result of the strategic investments made during 2020 in certain key geographies.

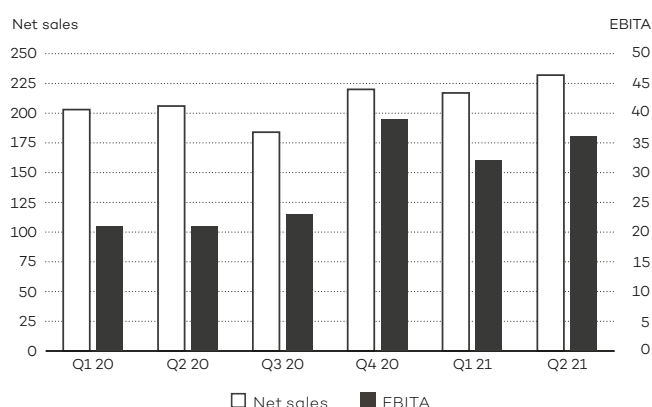
EBITA and margin

Adjusted EBITA amounted to SEK 36 million (21) and the corresponding margin was 15.5 percent (10.3). The positive margin development reflects the ongoing benefit of travel cost savings in response to the Covid-19-pandemic and a strengthened performance throughout the portfolio.

Market development

Overall we have seen a continued positive trend in both the energy and bioindustry sectors as compared to the previous quarter. Clients have adapted to the Covid-19 situation and are looking for opportunities to invest and drive their own business forward, resulting in solid demand for consulting services.

Net sales and EBITA, SEK million



Key ratios¹

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Full-year 2020
Net sales, SEK million	232	206	449	409	813
EBITA, SEK million	36	21	68	42	104
EBITA-margin, %	15.5	10.3	15.0	10.2	12.8
Average number of fulltime employees (FTEs)	475	422	451	418	419
Total growth, %	12.6	4.5	9.8	50.6	21.8
Acquired, %	0.6	-0.5	0.3	46.1	18.3
Currency, %	-6.9	-0.7	-8.1	1.9	-3.0
Organic, %	18.9	5.7	17.6	2.7	6.6
Organic growth adjusted for calendar effects, %	19.7	8.9	18.1	5.1	9.0
of which calendar effect, %	-0.8	-3.3	-0.5	-2.4	-2.4

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Risks and uncertainties

The significant risks and uncertainties to which the AFRY Group is exposed include strategic risks linked to the market, acquisitions, sustainability and IT, and operational risks related to projects and the ability to recruit and retain qualified employees. In addition, the Group is exposed to several financial risks, such as currency risks, interest-rate risks and credit risks. The risks to which the Group is exposed are described in detail in AFRY's Annual Report for 2020.

The Covid-19-pandemic

AFRY has broad exposure to a number of industries and operates in several different markets. The effects of the Covid-19-pandemic have varied, with the greatest impact being on the automotive segment. On the other hand, segments such as the process industry, food & pharma, nuclear power and transport infrastructure experienced a neutral trend compared with previous trends. Although the markets have stabilised over the past few months, the company is continuously monitoring risks related to the pandemic and taking measures to mitigate its effect on the Group.

Calendar effects

The number of normal working hours during 2021, based on a twelve months' sales-weighted business mix, is broken down as follows.

	2021	2020	Difference
Q1	498	507	-9
Q2	488	480	8
Q3	526	528	-2
Q4	504	500	3
Full year	2,016	2,015	1

Effect of altered payroll method

The change in payroll reporting entails an altered method for allocating payroll expenses to periods between the quarters with a neutral impact across the year. The new method means that the actual payroll expenses are reported, instead of the previous method of payroll expenses based on employees' hours of attendance. The EBITA effects are distributed per quarter below. The first two quarters shows the outcome, and the remaining quarters are a forecast.

2021	SEK million
Q1	-28
Q2	-60
Q3	92
Q4	-3
Full year	0

Accounting policies

This report was prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies conform with International Financial Reporting Standards

(IFRS), as well as with the EU-approved interpretations of the relevant standards, the International Financial Reporting Interpretations Committee (IFRIC) and Chapter 9 of the Swedish Annual Accounts Act. The report has been drawn up using the same accounting policies and methods of calculation as those in the Annual Report for 2020 (Note 1).

New or revised IFRS standards that came into force in 2021 did not have any material impact on the Group. The parent complies with the Swedish Financial Reporting Board's Recommendation RFR 2, which requires that the parent's annual report apply all IFRS standards and interpretations approved by the EU as far as is possible within the constraints of the Annual Accounts Act and the Pension Obligations Vesting Act (Tryggandelagen), and while considering the relationship between reporting and taxation. Disclosures according to IAS 34 16A can partly be found on the pages preceding the condensed consolidated income statement.

IFRS IC - Cloud computing arrangement costs

The IFRS Interpretations Committee (IFRS IC) published an agenda decision in April 2021 on "cloud computing arrangement costs", ie costs for configuring or adapting software in a cloud-based solution. Analysis of the effects of IFRS IC's decisions is ongoing, which may mean that previously reported intangible assets may need to be reclassified to another type of asset or expensed in future financial reports. The possible amounts attributable to these intangible assets are not considered to be significant.

The IBOR reform

AFRY applies hedge accounting to interest rate derivatives. The upcoming IBOR reform, when implemented, will impact future cash flows as regards interest income and interest expenses. AFRY expects continued hedge effectiveness with no material net interest impact. The nominal value of outstanding exposures with a STIBOR interest rate is SEK 3.5 billion, of which SEK 2.0 billion is hedged at a fixed interest rate. AFRY will continue to monitor any changes to the STIBOR reference rate and update the relevant financial agreements accordingly, together with counterparties, when these changes occur.

Related party transactions

There were no material transactions between AFRY and its related parties during the period.

The share

The AFRY share price was SEK 281.60 (200.00) at the end of the reporting period.

Class A shares	4,290,336
Class B shares	109,004,079
Total number of shares	113,294,415
of which own Class B shares	-
Votes	151,907,439

Condensed consolidated income statement

SEK MILLION	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020	July 2020– June 2021
Net sales	5,177	4,808	10,176	10,063	18,991	19,105
Staff costs	-3,260	-3,117	-6,403	-6,352	-11,860	-11,911
Purchases of services and materials	-1,042	-961	-2,024	-1,945	-3,811	-3,890
Other costs	-284	-292	-568	-692	-1,269	-1,145
Other income	5	90	16	97	198	116
Share of profits of associates	2	1	3	2	5	5
EBITDA	598	530	1,201	1,174	2,253	2,280
Depreciation/amortisation and impairment of non-current assets ¹	-182	-170	-353	-340	-670	-682
EBITA	416	360	848	834	1,584	1,597
Acquisition-related items ²	-19	-28	-50	-92	-128	-85
Operating profit (EBIT)	398	331	799	742	1,456	1,512
Net financial items	-27	-68	-57	-116	-185	-127
Profit/loss after financial items	370	264	742	627	1,270	1,386
Tax	-75	-53	-147	-138	-279	-287
Profit/loss for the period	295	211	595	489	991	1,098
Attributable to:						
Shareholders in the parent	295	211	595	489	992	1,098
Non-controlling interest	0	0	0	-1	0	0
Profit/loss for the period	295	211	595	489	991	1,098
Basic earnings per share, SEK	2.60	1.88	5.26	4.35	8.81	
Diluted earnings per share, SEK	2.60	1.88	5.25	4.35 ³	8.81 ³	
Number of shares outstanding	113,294,415	112,450,935	113,294,415	112,450,935	113,024,044	
Average number of basic shares outstanding	113,294,415	112,418,501	113,195,351	112,351,462	112,544,514	
Average number of diluted shares outstanding	114,690,735	113,989,981	114,690,735	112,351,462 ³	112,544,514 ³	

¹⁾ Depreciation/amortisation and impairment of non-current assets refers to non-current assets excluding acquisition-related intangible non-current assets.

²⁾ Acquisition-related items are defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible non-current assets, revaluation of contingent considerations and gains/losses on divestment of companies and operations. See page 20 for further details.

³⁾ Convertibles were anti-diluted during the period.

Statement of consolidated comprehensive income

SEK MILLION	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Profit/loss for the period	295	211	595	489	991
Items that have been or will be reclassified to profit/loss for the period					
Change in translation reserve	-85	-213	132	-107	-501
Change in hedging reserve	25	-111	-4	-5	72
Tax	-3	-25	0	-1	-6
Items that will not be reclassified to profit/loss for the period					
Pensions	3	2	2	3	32
Tax	0	-3	-1	-3	-10
Other comprehensive income	-60	-349	130	-112	-413
Comprehensive income for the period	235	-138	725	376	578
Attributable to:					
Shareholders in the parent	235	-138	725	377	579
Non-controlling interest	0	0	0	-1	0
Total	235	-138	725	376	578

Condensed consolidated balance sheet

SEK MILLION	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS			
Non-current assets			
Intangible non-current assets	13,644	13,236	12,912
Property, plant and equipment	503	580	539
Other non-current assets	2,513	2,725	2,567
Total non-current assets	16,660	16,540	16,018
Current assets			
Current receivables	6,618	6,004	5,662
Cash and cash equivalents	1,103	1,367	1,930
Total current assets	7,721	7,371	7,592
Total assets	24,381	23,912	23,610
EQUITY AND LIABILITIES			
Equity			
Attributable to shareholders in the parent	10,308	9,774	10,095
Attributable to non-controlling interest	1	1	1
Total equity	10,309	9,775	10,096
Non-current liabilities			
Provisions	863	954	894
Non-current liabilities	4,333	6,250	5,420
Total non-current liabilities	5,196	7,203	6,314
Current liabilities			
Provisions	51	105	74
Current liabilities	8,825	6,829	7,125
Total current liabilities	8,876	6,934	7,199
Total equity and liabilities	24,381	23,912	23,610

Condensed statement of change in consolidated equity

SEK MILLION	30 Jun 2021	30 Jun 2020	31 Dec 2020
Equity at start of period	10,096	9,369	9,369
Comprehensive income for the period	725	376	578
Dividend paid	-566	-	-
Conversion of convertible bonds into shares	53	30	142
Value of conversion option	-	-	7
Equity at end of period	10,309	9,775	10,096

Condensed statement of consolidated cash flows

SEK MILLION	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Profit/loss after financial items	370	264	742	627	1,270
Adjustment for items not included in cash flow and other	208	194	445	398	460
Income tax paid	-63	-71	-156	-145	-163
Cash flow from operating activities before change in working capital	516	386	1,030	880	1,567
Cash flow from change in working capital	-32	521	-471	397	518
Cash flow from operating activities	484	908	559	1,277	2,085
Cash flow from investing activities	-712	-118	-830	-244	-345
Cash flow from financing activities	-397	-311	-521	-666	-987
Cash flow for the period	-625	479	-792	367	753
Opening cash and cash equivalents	1,735	887	1,930	997	997
Exchange difference in cash and cash equivalents	-7	-1	-35	2	180
Closing cash and cash equivalents	1,103	1,367	1,103	1,367	1,930

Change in consolidated net debt (excl. IFRS 16)

SEK MILLION	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Opening balance	2,919	4,357	2,756	4,424	4,424
Cash flow from operating activities (excl. IFRS 16)	-344	-799	-299	-1,048	-1,586
Investments	41	40	75	98	174
Acquisitions and contingent considerations	653	79	741	127	159
Dividend paid	566	-	566	-	-
Other	-8	-91	-11	-15	-415
Closing balance	3,826	3,586	3,826	3,586	2,756

Consolidated net debt (excl. IFRS 16)

SEK MILLION	30 Jun 2021	30 Jun 2020	31 Dec 2020
Loans and credit facilities	4,590	4,564	4,344
Net pension liability	340	390	341
Cash and cash equivalents	-1,103	-1,367	-1,930
Group	3,826	3,586	2,756

Consolidated net debt (incl. IFRS 16)

SEK MILLION	30 Jun 2021	30 Jun 2020	31 Dec 2020
Loans and credit facilities	6,957	7,144	6,782
Net pension liability	340	390	341
Cash and cash equivalents	-1,103	-1,367	-1,930
Group	6,193	6,166	5,193

Consolidated key ratios

SEK MILLION	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Return on equity, %	10.8	9.0	10.1
Return on capital employed, %	8.5	6.4	8.1
Equity ratio, %	42.3	40.9	42.8
Equity per share, SEK	90.98	86.92	89.32
Interest-bearing liabilities, SEK million	7,333	7,534	7,142
Average number of full-time employees (FTEs)	15,420	15,445	15,271

Items affecting comparability

SEK MILLION	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Restructuring costs, Energy Division	–	–	–	–	-17
Restructuring costs, Industrial & Digital Solutions Division	–	-23	–	-23	-35
Total	–	-23	–	-23	-52

Income

Net sales for Jan–Jun 2021 according to business model

SEK MILLION	Infrastructure	Industrial & Digital Solutions	Process Industries	Energy	Management Consulting	Group-wide/ eliminations	Total Group
Project Business	3,905	1,088	1,280	1,117	441	-274	7,557
Professional Services	112	1,787	616	264	8	-168	2,619
Total	4,018	2,875	1,896	1,381	449	-442	10,176

The Group applies the accounting standard IFRS 15 Revenue from Contracts with Clients. AFRY's business model is divided into two client offerings: Project Business and Professional Services. Project Business is AFRY's offering for major projects and end-to-end solutions. In such projects, AFRY acts as a partner to the client, leading and running the entire project. Professional Services is AFRY's offering where the customer leads and runs the project, while AFRY provides suitable expertise at the right time.

Invoicing in Project Business takes place as work proceeds in accordance with agreed terms and conditions, either period-

ically (monthly) or when contractual milestones are reached. Invoicing ordinarily takes place after the income has been recorded, resulting in contract assets. However, AFRY sometimes receives advance payments or deposits from our clients before the income is recognised, which then results in contract liabilities. In Professional Services, hours spent on a project are ordinarily invoiced at the end of each month. Performance obligations in Project Business are fulfilled over time as the service is provided. Revenue recognition is based on costs with accumulated costs set in relation to total estimated costs. In Professional Services, revenue is recognised by the amount that the unit is entitled to invoice, in accordance with IFRS 15 B16.

Quarterly information by division

Net sales (SEK million)	2019			2020 ³				2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	2,020	1,738	2,105	2,084	1,986	1,598	1,982	1,972	2,045
Industrial & Digital Solutions	1,483	1,204	1,540	1,444	1,244	1,051	1,335	1,394	1,481
Process Industries	914	770	917	917	888	742	895	909	986
Energy	830	761	871	717	713	601	765	707	674
Management Consulting	197	185	211	203	206	184	220	217	232
Group Common/eliminations	-50	-96	-197	-111	-227	-155	-290	-201	-241
Group	5,394	4,562	5,447	5,255	4,808	4,021	4,907	4,999	5,177

EBITA (SEK million)	2019			2020 ³				2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	195	118	191	189	173	108	182	151	156
Industrial & Digital Solutions	131	80	131	111	62	46	107	102	112
Process Industries	88	73	119	99	84	62	119	119	119
Energy	61	51	73	66	65	50	76	76	67
Management Consulting	30	20	28	21	21	23	39	32	36
Group Common/eliminations ¹	-100	-33	-214	-12	-44	-18	-45	-47	-74
Group	405	309	327	474	361	271	478	432	416

EBITA margin (%)	2019			2020 ³				2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	9.6	6.8	9.0	9.1	8.7	6.8	9.2	7.6	7.6
Industrial & Digital Solutions	8.8	6.6	8.5	7.7	5.0	4.4	8.0	7.3	7.5
Process Industries	9.6	9.5	13.0	10.8	9.4	8.4	13.3	13.1	12.0
Energy	7.3	6.7	8.3	9.2	9.2	8.2	10.0	10.7	10.0
Management Consulting	15.3	10.7	13.3	10.1	10.3	12.6	17.8	14.6	15.5
Group	7.5	6.8	6.0	9.0	7.5	6.7	9.7	8.6	8.0

Average number of full-time employees (FTEs) ²	2019			2020 ³				2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Infrastructure	5,954	5,916	5,962	5,935	6,013	5,851	5,868	5,801	5,955
Industrial & Digital Solutions	3,825	3,738	3,797	3,732	3,633	3,506	3,453	3,430	3,465
Process Industries	3,021	3,170	3,075	3,180	3,205	3,234	3,350	3,421	3,518
Energy	2,146	2,059	2,016	1,824	1,808	1,704	1,735	1,669	1,791
Management Consulting	348	389	362	415	422	416	425	428	475
Group functions	268	270	363	330	395	358	311	371	522
Group	15,562	15,540	15,575	15,416	15,476	15,069	15,143	15,120	15,726

Number of working days	2019			2020				2021	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Sweden only	59	66	61	63	60	66	63	62	61
All countries	60	65	62	63	60	66	63	62	61

¹⁾ Including IFRS 16 Leases as of 2019, which is recognised under Group Common item.

²⁾ As a result of an internal redistribution between the second and third quarters of 2019, comparative figures have been adjusted to provide a better reflection of operations.

³⁾ As a result of a small internal redistribution in 2020, comparative figures have been adjusted to provide a better reflection of operations.

The historical figures above have been adjusted based on the organisational changes implemented on 1 June 2019, involving certain changes among the divisions.

Acquisitions 2021

The following acquisitions were made during the period

Period	Company ¹	Country	Division	Annual net sales, SEK million	Average no. of employees
Jan–Mar	ITE Østerhus AS	Norway	Process Industries	40	22
Jan–Mar	ProTAK Systems AB	Sweden	Process Industries	13	9
Jan–Mar	EKOM AB	Sweden	Energy	5	3
Jan–Mar	Gärderup Bygghus AB	Sweden	Infrastructure	8	6
Apr–Jun	Insinööritoimisto Suunnittelukide Oy	Finland	Infrastructure	34	25
Apr–Jun	Evolve Technology Sweden AB	Sweden	Industrial & Digital Solutions	85	56
Apr–Jun	Optima Nexus Consulting AG	Switzerland	Industrial & Digital Solutions	37	17
Apr–Jun	TM Konsult AB	Sweden	Infrastructure	100	112
Apr–Jun	Pinja Industry Oy	Finland	Process Industries	140	150
Apr–Jun	Simosol Oy	Finland	Management Consulting	20	22
Apr–Jun	Numerola Oy	Finland	Energy	12	10
Apr–Jun	MosaicMill Oy	Finland	Management Consulting	4	2
Total				498	435

¹ Company name at the time of acquisition.

Acquired companies' net assets on acquisition date

SEK million	Jan–Jun 2021
Intangible non-current assets	5
Property, plant and equipment	5
Financial assets	0
Accounts receivable and other receivables	149
Cash and cash equivalents	77
Accounts payable, loans and other liabilities	-102
Net identifiable assets and liabilities	135
Goodwill	646
Fair value adjustment, intangible assets	27
Fair value adjustment, non-current provisions	-5
Purchase consideration including estimated contingent consideration	802
Transaction costs	2
Less:	
Cash (acquired)	77
Estimated contingent consideration	112
Net cash outflow	615

Acquired company

Acquisition analyses are preliminary as the assets in the companies acquired have not been conclusively analysed. The purchase considerations for acquisitions for the year were larger than the book assets of the acquired companies, which means that the acquisition analyses have resulted in intangible assets. When acquiring

consulting companies, the main asset acquired is human capital in the form of employee skills, which is why the majority of the acquired companies' intangible assets are attributable to goodwill.

Contingent consideration

Total undiscounted contingent consideration for the companies acquired during the year is a maximum of SEK 119 million.

Goodwill

Goodwill consists mainly of human capital in the form of employee skills and synergy effects. Goodwill is not expected to be tax deductible on acquisition of a company. The acquisition of a consulting business essentially involves the acquisition of human capital, and most of the intangible assets in the company acquired are thus attributable to goodwill.

Other intangible non-current assets

Outstanding orders and client relationships are identified and measured in conjunction with the completed acquisition.

Acquisition-related costs

Transaction costs are recognised in Other external costs in profit or loss. Transaction costs amount to SEK 2.2 million.

Revenue and profit/loss from acquired companies

The acquired companies are expected to contribute net sales of approximately SEK 498 million and operating profit of roughly SEK 66 million over a full year.

Change in contingent considerations

SEK million	30 Jun 2021
Opening balance 1 January 2021	269
Acquisitions for the year	116
Payments	-126
Changes in value recognised in income statement	-28
Discounting	3
Translation differences	-3
Closing balance	230

Measurement of fair value

Contingent considerations are measured at fair value and attributable to level 3. The calculation of contingent consideration is dependent on parameters in the relevant agreements. These parameters are chiefly linked to expected EBIT for the acquired companies over the next two to three years. The change in the balance sheet item is recognised in the table above.

As regards other financial assets and liabilities, no significant changes in fair value measurement have been made since the 2020 Annual Report. Fair values are essentially consistent with carrying amounts.

Acquisition-related items

SEK million	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Amortisation of intangible assets	-39	-41	-78	-102	-184
Revaluation of contingent considerations	21	13	28	20	62
Divestment of operations	–	–	–	-10	-6
Total	-19	-28	-50	-92	-127

Parent company income statement

SEK MILLION	Apr–Jun 2021	Apr–Jun 2020	Jan–Jun 2021	Jan–Jun 2020	Full year 2020
Net sales	227	245	465	494	986
Other operating income	88	79	177	153	303
Operating income	315	324	642	646	1,289
Staff costs	-67	-47	-126	-89	-184
Other costs	-302	-277	-621	-537	-1,132
Depreciation/amortisation	-15	-10	-26	-20	-41
Operating profit/loss	-69	-10	-130	1	-68
Net financial items	344	0	385	-43	444
Profit/loss after financial items	275	-10	255	-43	376
Appropriations	–	–	–	–	-38
Profit/loss before tax	275	-10	255	-43	338
Tax	10	4	24	2	10
Profit/loss for the period	285	-6	280	-41	349
Other comprehensive income	3	-5	6	-12	-8
Comprehensive income for the period	288	-11	285	-52	340

Parent company balance sheet

SEK MILLION	30 Jun 2021	30 Jun 2020	31 Dec 2020
ASSETS			
Non-current assets			
Intangible non-current assets	196	110	161
Property, plant and equipment	133	151	142
Financial assets	14,190	13,222	14,197
Total non-current assets	14,519	13,482	14,500
Current assets			
Current receivables	2,093	2,617	2,072
Cash and bank balances	239	602	889
Total current assets	2,332	3,219	2,961
Total assets	16,852	16,701	17,462
EQUITY AND LIABILITIES			
Equity	9,260	8,973	9,487
Untaxed reserves	120	82	120
Provisions	66	84	66
Non-current liabilities	2,308	4,218	3,489
Current liabilities	5,098	3,344	4,299
Total equity and liabilities	16,852	16,701	17,462

The Board of Directors and Chief Executive Officer provide assurance that this interim report for the January–June 2021 period gives an accurate overview of the company and Group’s operations, financial position and earnings, and describes significant risks and uncertainties to which the company and companies included in the Group are exposed.

Stockholm, 14 July 2021

Tom Erixon
Chairman of the Board

Jonas Gustavsson
President and CEO

Gunilla Berg
Director

Henrik Ehrnrooth
Director

Carina Håkansson
Director

Neil McArthur
Director

Joakim Rubin
Director

Kristina Schauman
Director

Anders Snell
Director

Tomas Ekvall
Director,
employee representative

Fredrik Sundin
Director,
employee representative

Definitions

The key ratios and alternative performance measures used in this report are defined in AFRY's Annual Report for 2020 and on our website: <https://afry.com/en/investor-relations/>.

Alternative performance measures

The consolidated financial statements contain financial ratios defined according to IFRS. They also include measurements not defined according to IFRS, known as alternative performance measures. The purpose of this is to provide information for comparing trends across years and to understand the underlying operations. These terms may be defined in a different way by other companies and are therefore not always comparable to similar measures used by other companies.

Organic growth (%)	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		Management Consulting		Group ¹	
	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020
Total growth	3.0	-1.7	19.1	-15.8	11.1	-2.7	-5.4	-14.8	12.6	4.5	7.7	-10.9
Acquired	1.5	-0.2	2.1	1.0	2.3	0.1	0.7	-4.6	0.6	-0.5	1.7	-0.5
Currency effect	-1.4	-1.3	0.5	-0.4	-6.0	-3.6	-4.4	0.9	-6.9	-0.7	-2.8	-1.1
Organic	2.9	-0.2	16.5	-16.3	14.8	0.7	-1.7	-11.1	18.9	5.7	8.7	-9.2
Organic growth adjusted for calendar effects	1.0	-1.6	14.8	-18.5	12.3	1.3	-2.5	-11.5	19.7	8.9	7.0	-9.8
of which calendar effect	1.9	1.4	1.7	2.1	2.5	-0.6	0.9	0.5	-0.8	-3.3	1.7	0.6

¹ Group figures include internal eliminations.

Organic growth (SEK million)	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		Management Consulting		Group ¹	
	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020	Q2 2021	Q2 2020
Total growth	59	-34	237	-234	99	-25	-39	-123	26	9	369	-585
Acquired	29	-4	26	14	21	1	5	-38	1	-1	82	-28
Currency effect	-27	-26	6	-5	-54	-33	-32	8	-14	-1	-134	-60
Organic	58	-4	205	-242	132	7	-12	-92	39	11	420	-497
Organic growth adjusted for calendar effects	19	-33	184	-274	109	12	-18	-96	41	18	338	-531
of which calendar effect	39	28	21	32	22	-5	6	4	-2	-6	83	33

¹ Group figures include internal eliminations.

AFRY is a leading European company with a global reach within sustainable engineering, design and advisory services. We accelerate the transition to a sustainable society. We have 16,000 dedicated experts in the areas of infrastructure, industry, energy and digitalisation who create solutions for future generations.

Making Future



Stockholm, Sweden – 14 July 2021

AFRY AB (publ)
Jonas Gustavsson
President and CEO

This report has not been subjected to scrutiny by the company's auditors.

This information fulfils AFRY AB's (publ) disclosure requirements under the provisions of the EU's Market Abuse Regulation and the Swedish Securities Markets Act. This information was released, through the agency of the above-mentioned contact person, for publication on 14 July 2021, at 07.00 CET.

All forward-looking statements in this report are based on the company's best assessment 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.

Jonas Gustavsson, President and CEO
+46 70 509 16 26

Juuso Pajunen, CFO
+358 10 33 26632

Head Office: AFRY AB, SE-169 99 Stockholm, Sweden
Visiting address: Frösundaleden 2, Solna, Sweden
Tel: +46 10 505 00 00
www.afry.com
info@afry.com
Corp. ID no 556120-6474

Investor presentation

Time:	14 July 2021 at 10.00 CET
Webcast:	https://youtu.be/x-MRXYltesw
For analysts/investors:	Click here to join the meeting With opportunities to ask questions

Calendar

Q3 2021	26 October 2021 (7.00 am)
Q4 2021	4 February 2022 (7.00 am)