

INTERIM REPORT JANUARY – MARCH 2018 SWECO AB (PUBL)



9 May 2018

A POSITIVE START OF THE YEAR

JANUARY – MARCH 2018

- Net sales increased to SEK 4,628 million (4,408)
- EBITA decreased to SEK 409 million (494), margin 8.8 per cent (11.2)
- EBIT decreased to SEK 392 million (477), margin 8.5 per cent (10.8)
- Net debt increased to SEK 1,999 million (1,536)
- Net debt/EBITDA amounted to 1.2 times (0.8)
- Profit after tax decreased to SEK 298 million (360), corresponding to SEK 2.50 per share (3.01)

COMMENTS FROM PRESIDENT AND CEO ÅSA BERGMAN:

Sweco experienced a continued positive development in the quarter. EBITA increased approximately SEK 27 million and organic growth increased to 4 per cent, when adjusting for calendar. The improved performance is driven by increased recruiting and positive fee development, supported by strong increase in order backlog. Nominally, reported EBITA and net sales were negatively impacted by approximately SEK 113 million due to less available calendar hours compared to last year.

Developments in the Netherlands, Western Europe and Central Europe are particularly positive, with a combination of profitability improvements and organic growth. Sweden continues to deliver industry-leading profitability and Denmark is back on track after a weak Q4, while Norway and Finland experienced a weak start of the year.

During the quarter Sweco welcomed 280 experts, through the acquisitions of Årstiderne Arkitekter in Denmark, BML Ingenieure in Germany and Royal HaskoningDHV in Belgium. Our strategic direction remains firm. Sweco designs the communities and cities of the future. We are the European market leader, with strong customer relationships, highly motivated employees and a strong financial position. We will continue to strengthen our European leadership through organic growth and acquisitions in Northern Europe. Our operating model is based on decentralised responsibility, combining customer focus, internal efficiency and having the best people in the business.

Overall, the market for Sweco's services is good. The Swedish market remains strong in most segments, while residential construction is slowing down. Essentially all other markets throughout Europe are good and developing positively, on the back of a solid economic development throughout Northern Europe.

PROFIT AND OPERATIONS

JANUARY-MARCH

Compared to last year EBITA increased approximately SEK 27 million, calendar adjusted. Sweden, the Netherlands, Central Europe and Western Europe were the main Business Areas contributing to the improvement.

Organic growth amounted to approximately 4 per cent, adjusted for calendar. The organic growth is supported by a solid increase in order backlog and increased recruiting. Organic growth was particularly strong in Western Europe (UK and Belgium) and Central Europe (Germany).

Overall for the Group, a positive trend in hourly fees and FTE growth were the main drivers of improved operational performance.

The billing ratio was stable at 74.4 per cent (74.4). Positive developments occurred mainly in the Netherlands and Denmark whereas there was a negative development in Finland.

Since the Easter holiday fell during the first quarter in 2018, as opposed to during the second quarter in 2017, there were 16 fewer working hours compared to last year. This had a negative year-on-year impact on profit and net sales of approximately SEK 113 million.

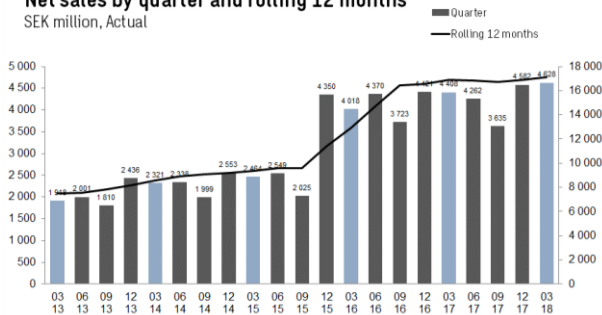
As a consequence, reported EBITA decreased to SEK 409 million (494). Net sales increased to SEK 4,628 million (4,408). Organic growth amounted to 1 per cent. Acquired growth contributed 2 per cent, and currency effects 2 per cent.

Net financial items improved to SEK -4 million (-12) due primarily to foreign exchange revaluation effects.

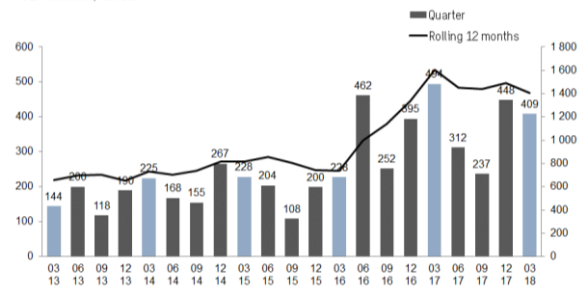
Earnings per share decreased to SEK 2.50 per share (3.01).

Key ratios	Jan-Mar 2018	Jan-Mar 2017	Apr 2017-Mar 2018	Full-year 2017
Net sales, SEK M	4,628	4,408	17,107	16,887
Acquisition-related growth, %	2	1		1
Organic growth, %	1	7		0
EBITA, SEK M	409	494	1,406	1,492
Margin, %	8.8	11.2	8.2	8.8
Profit after tax, SEK M	298	360	1,161	1,223
Earnings per share, SEK	2.50	3.01	9.71	10.23
Number of full-time employees	14,981	14,412	14,673	14,530
Billing ratio, %	74.4	74.4	75.2	75.2
Normal working hours	490	506	1,955	1,971
Net debt/EBITDA, x	1.2	0.8		1.0

Net sales by quarter and rolling 12 months
SEK million, Actual



EBITA by quarter and rolling 12 months
SEK million, Actual



EXAMPLES OF NEW PROJECTS

The Swedish Transport Administration has appointed Sweco as advisors on the upcoming double-track upgrade, which will increase the capacity of the railway line between Ängelholm and Helsingborg. Sweco will prepare the tender documents for a design-build contract and will carry out site supervision. The project is scheduled for completion by December 2024 and the order value for Sweco is approximately SEK 60 million.

Sweco has been commissioned for three new hospital projects in Belgium, Germany and Norway. Sweco's combined experience and expertise within hospitals were key to winning these projects. The company's experts will advise on architectural as well as technical matters. The overall result will be hospitals that meet both today's high standards and tomorrow's demands for patient security and modern technology.

Sweco will support Amprion GmbH in the planning of the new A-Nord DC connection transmission line, that will transfer renewable power from the north of Lower Saxony to North Rhine-Westphalia in Germany. Sweco will support the approval and planning processes as main coordinator. The project is expected to be finished by the end of 2025.

Sweco has been commissioned for a new central hospital project in Hämeenlinna, Finland. The design stage of the new central hospital is expected to be completed by late 2019 and the construction phase will be defined during the design stage. Construction is expected to commence in 2020. The total gross area of the hospital premises will be 87,000 square metres.

MARKET

Overall, the market for Sweco's services is good. The Swedish market remains strong in most segments, while residential construction is slowing down. Essentially all other markets throughout Europe are good and developing positively, on the back of a solid economic development throughout Northern Europe.

OUTLOOK

Demand for Sweco's services predominantly follows the general macroeconomic trend in Sweco's markets, with some time lag. Northern European GDP development is solid. Political uncertainty, the global macroeconomic situation and financial market events are risks to development.

Sweco does not provide forecasts.

EVENTS DURING THE QUARTER

On 1 January, Sweco completed the acquisition of Royal HaskoningDHV Belgium. The business has 36 employees and is specialised in soil investigations and decontamination, environmental impact assessments and integrated area development.

On 10 January, Sweco announced the acquisition of Årstiderne Arkitekter, one of Denmark's leading architecture firms with approximately 220 employees. The acquisition was completed on 28 February. Through the acquisition, Sweco has established the first fully integrated architecture and engineering offering in Denmark and has become the leading architecture firm in Europe, with more than 1,200 architects.

On 6 February, Sweco introduced Urban Insight, a global initiative under which Sweco's experts share their expertise in various facets of sustainable urban development in a series of reports on "swecourbaninsight.com". Urban Insight illustrates Sweco's expertise as a leading advisor to urban areas of Europe and will engage with customers by taking different perspectives on urban challenges.

On 1 March, Sweco announced that it had acquired BML Ingenieure GmbH, a German engineering company operating in the Frankfurt area. BML has 21 employees and will become a department within the Sweco Building division. With the acquisition, Sweco will have one of the largest building teams in the Rhein-Main area.

On 20 April Åsa Bergman was appointed new President and CEO of Sweco, replacing Tomas Carlsson who stepped down the same day. Ms Bergman has 27 years' experience from various line management positions within the Group, most recently as President of Business Area Sweco Sweden.

On 20 April, Ann-Louise Lökhölm Klasson was appointed new President of Sweco Sweden. She has worked in several of Sweco's divisions since 2008 and replaced Åsa Bergman.

EVENTS AFTER THE QUARTER

After the end of the reporting period, dividends totalling SEK 593 million (513) were distributed to Sweco AB shareholders.

CASH FLOW AND FINANCIAL POSITION

Group cash flow from operating activities totalled SEK 172 million (190) during the period. Net debt increased to SEK 1,999 million (1,536). The increase in net debt is mainly related to acquisitions, increased working capital, currency translation effects on EUR denominated debt and repurchase of shares.

Working capital increased in line with normal seasonal pattern. Overall, working capital is on a somewhat higher level than historically, mainly due to the implementation of a new ERP system in Sweden. The working capital level in Sweden is expected to normalise in a few quarters.

The net debt/EBITDA ratio was 1.2 times (0.8).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 1,724 million (2,157) at the end of the reporting period.

INVESTMENTS, JANUARY-MARCH 2018

Investments in equipment totalled SEK 48 million (63) and were primarily attributable to IT investments. Depreciation of equipment totalled SEK 57 million (56) and amortisation of intangible assets totalled SEK 26 million (27).

Purchase consideration paid to acquire companies and operations totalled SEK 235 million (41) and had an impact of SEK -234 million (-36) on Group cash and cash equivalents. Repurchases of Sweco shares totalled SEK 98 million (71) and had the same effect on Group cash and cash equivalents.

SWECO SWEDEN

SALES AND PROFIT, JANUARY-MARCH

EBITA improved by approximately SEK 19 million, adjusted for calendar effects. EBITA was positively affected by an increasing trend in hourly fees and positive project adjustments.

Net sales and EBITA were impacted by a negative calendar effect due to the Easter holiday falling during the first quarter this year, rather than during the second quarter as in 2017. The year-on-year calendar effect of -12 hours had a negative impact of approximately SEK 36 million on net sales and EBITA. Organic growth was approximately 3 per cent, adjusted for negative calendar effects.

The Swedish market remains strong, but growth is slowing down and competition for talent is intense. There is strong and stable demand in the general construction and real estate sector, while residential construction is slowing down. The infrastructure market is strong, supported by major public investments. The industrial market has developed favourably and is characterised as strong. The market for water and environmental services is good. The market for power transmission services is strong while demand in energy generation remains challenging.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Mar 2017
Net sales, SEK M	1,874	1,854
Organic growth, %	1	7
Currency, %	0	0
EBITA, SEK M	234	251
EBITA margin, %	12.5	13.5
Number of full-time employees	5,591	5,506

SWECO NORWAY

SALES AND PROFIT, JANUARY-MARCH

Organic growth was approximately 4 per cent, adjusted for negative calendar effects. The organic growth is supported by solid order backlog and increased recruiting. Acquired growth contributed an additional 4 per cent. Nominally, net sales decreased 2 per cent, impacted by a negative calendar effect.

Sweco Norway experienced a slow start of the year and EBITA decreased to SEK 29 million (88). EBITA decreased by approximately SEK 17 million, adjusted for calendar effects. EBITA was negatively impacted by continued issues in the Energy Division, including restructuring costs, a lower billing ratio and negative project adjustments.

The calendar effect during Easter is pronounced in Norway compared to the rest of the Group. The year-on-year calendar effect of -48 hours had a negative impact on sales and profit of approximately SEK -42 million.

The market in the greater Oslo area is strong for public infrastructure and private and public commercial construction, while residential construction is slowing down. The markets in southern and western Norway are challenging, but developing in a positive direction. The markets in northern Norway are experiencing moderate growth.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Mar 2017
Net sales, SEK M	577	590
Organic growth, %	-4	9
Acquisition-related growth, %	4	-
Currency, %	-2	8
EBITA, SEK M	29	88
EBITA margin, %	5.0	14.9
Number of full-time employees	1,453	1,327

SWECO FINLAND

SALES AND PROFIT, JANUARY-MARCH

Net sales increased to SEK 502 million (487). EBITA decreased to SEK 35 million (61). EBITA was negatively impacted by a lower billing ratio and negative calendar effects. The year-on-year calendar effect of -8 hours had a negative impact of approximately SEK 7 million on net sales and EBITA.

The Finnish economy has gradually improved over the last two years and the market is good. Sweco Finland experienced a slow start of the year but demand for Sweco's services is stable and developing positively, primarily in the building market in the Helsinki region. Demand for industrial, construction and real estate-related services is good, while the infrastructure market remains challenging.

As the Finnish economy improves, Sweco Finland is well-positioned to benefit from a market-leading position, high internal efficiency and a strong customer focus.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Mar 2017
Net sales, SEK M	502	487
Organic growth, %	-2	10
Acquisition-related growth, %	1	3
Currency, %	5	2
EBITA, SEK M	35	61
EBITA margin, %	7.0	12.6
Number of full-time employees	2,055	2,010

SWECO DENMARK

SALES AND PROFIT, JANUARY-MARCH

EBITA improved by approximately SEK 6 million, adjusted for calendar effects. The EBITA improvement is primarily driven by the turnaround of the Water and Energy division, including an improved billing ratio and higher average fees. The acquisition of Årstiderne Arkitekter, which was consolidated in Sweco Denmark as of 1 March, also contributed positively.

Organic growth was negatively impacted by continued streamlining of unprofitable businesses, lower income from subconsultants, and negative calendar effects. The calendar effect of -22 hours had a negative impact of approximately SEK 13 million on net sales and EBITA.

The market in Denmark is generally good with stable development. The construction and real estate sector is developing well and is particularly strong in the larger cities. The infrastructure market is stable, with the exception of weaker demand in road construction and larger public infrastructure projects. Demand in the water and environmental sectors is increasing, driven by increased demand for climate adaption services in the larger cities. The energy market remains weak.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Mar 2017
Net sales, SEK M	375	389
Organic growth, %	-16	15
Acquisition-related growth, %	8	-
Currency, %	5	2
EBITA, SEK M	23	30
EBITA margin, %	6.1	7.6
Number of full-time employees	1,070	1,023

SWECO NETHERLANDS

SALES AND PROFIT, JANUARY-MARCH

EBITA increased SEK 10 million, despite a negative calendar effect of 8 hours with a year-on-year impact of approximately SEK -5 million. The improvement in EBITA was approximately SEK 15 million, adjusted for calendar effects. The EBITA margin improved 1.8 percentage units to 8.1 per cent (6.3). The profit improvement was mainly attributable to higher average fees, an improved billing ratio and overhead cost savings.

Net sales increased to SEK 466 million (440). Downsizing in the Netherlands is complete and the business is positioned for growth. The journey to sustainably improve operational performance continues, aiming at implementing Sweco's operating model, supported by a cultural change programme focused on customers, leadership and collaboration. The programme recently added an additional focus on organic growth. With a sustainably lower overhead cost and additional billing ratio potential, Sweco Netherlands has laid the foundation for further profitability improvements.

Due to the sustained improvement of the Dutch economy, the engineering market in the Netherlands has improved and the demand for Sweco's services is good. Sweco Netherlands is well-positioned for continued growth and delivers services primarily in the areas of public infrastructure, energy, water and public sector buildings.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Mar 2017
Net sales, SEK M	466	440
Organic growth, %	1	3
Acquisition-related growth, %	0	-1
Currency, %	5	2
EBITA, SEK M	38	28
EBITA margin, %	8.1	6.3
Number of full-time employees	1,347	1,392

SWECO WESTERN EUROPE

SALES AND PROFIT, JANUARY-MARCH

Net sales increased to SEK 508 million (400), with organic growth of 20 per cent. Both the UK and Belgium contributed with double-digit organic growth. Acquired growth contributed an additional 4 per cent to growth during the quarter.

EBITA increased SEK 10 million. The main contribution to improved profit came from Belgium, with positive operational momentum in the existing business and positive contribution from recent acquisitions. The year-on-year calendar effect of -4 hours had a negative impact of approximately SEK 2 million on net sales and EBITA.

Demand for Sweco's services in the UK remains good. The infrastructure and water markets are good. The energy and building markets are stable. Although there are no tangible signs of a slowdown, there is uncertainty about market development following the EU referendum ("Brexit").

The market in Belgium is generally stable within all market segments. The private and public building markets are improving. The industry and public infrastructure markets are good.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Mar 2017
Net sales, SEK M	508	400
Organic growth, %	20	4
Acquisition-related growth, %	4	-
Currency, %	3	-3
EBITA, SEK M	38	28
EBITA margin, %	7.4	7.0
Number of full-time employees	1,669	1,556

SWECO CENTRAL EUROPE

SALES AND PROFIT, JANUARY-MARCH

Net sales increased to SEK 348 million (285), mainly due to double-digit organic growth in Germany. EBITA increased to SEK 19 million (13).

The improvement in EBITA was approximately SEK 13 million, adjusted for calendar effects. The EBITA improvement was mainly due to higher average fees and strong FTE growth. A calendar effect of -14 hours had a negative year-on-year impact of approximately SEK 7 million on net sales and EBITA.

The German market is good overall and is developing positively. The health-care and commercial markets are good. Demand is strong in the transport and environmental sector due to public investments. Power transmission continues to be a good market, while power generation remains challenging.

The Lithuanian market has stabilised and the Czech market is improving with satisfactory demand for Sweco's services. The Polish market is developing positively with increasing investments in energy, transportation and water.

IN BRIEF

Net sales and profit	Jan-Mar 2018	Jan-Marc 2017
Net sales, SEK M	348	285
Organic growth, %	16	10
Acquisition-related growth, %	-	17
Currency, %	6	2
EBITA, SEK M	19	13
EBITA margin, %	5.5	4.5
Number of full-time employees	1,679	1,512

OTHER INFORMATION

PARENT COMPANY, JANUARY-MARCH 2018

Parent Company net sales totalled SEK 176 million (134) and were attributable to intra-group services. Profit after net financial items totalled SEK -18 million (-9). Investments in equipment totalled SEK 4 million (1). Cash and cash equivalents at the end of the period totalled SEK 218 million (275).

ACCOUNTING PRINCIPLES

Sweco complies with the International Financial Reporting Standards (IFRS) and interpretive statements from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. This interim report was prepared in accordance with IAS 34, Interim Reporting; the Swedish Annual Accounts Act; and the Swedish Financial Reporting Board's RFR 2, Reporting for Legal Entities.

From January 1, 2018, Sweco applies two new IFRS standards, IFRS 15, Revenue from Contracts with Customers, and IFRS 9, Financial Instruments. The accounting principles for these are described in Note 1 of the Annual Report for 2017 on pages 54-56. In all other respects, the Group applies the same accounting and valuation principles as those described in Note 1 in the Annual Report for 2017.

In this interim report, amounts in brackets refer to the corresponding period of the previous year. Because table items are individually rounded off, table figures do not always tally. The interim report comprises pages 1 - 15; interim financial information presented on pages 1 - 15 is therefore part of this financial report.

NEW ACCOUNTING PRINCIPLES FOR 2018

IFRS 15, Revenue from Contracts with Customers, has been applied as from 1 January 2018 and was implemented using the retrospective approach with the cumulative effect recognised as an adjustment to the opening balance of equity at 1 January 2018. Comparative figures for 2017 have not been restated.

The new standard has not had a significant impact on the Group's financial statements for 2017 and for the first quarter 2018, due mainly to the fact that Sweco still is able to continue to recognise revenue over time for professional consulting services. Therefore, Sweco has not made an adjustment to the opening balance of equity and will not disclose how the financial statements would have looked like if IAS 18 still had been applied. For further information, see Note 1 in the Annual Report for 2017.

IFRS 9, Financial Instruments, has been applied as from 1 January 2018 and previous periods have not been restated.

The standard has not had a significant effect on the Group's financial statements for 2017 and for the first

quarter 2018. The new classification, based on Sweco's business model, did not entail any change in valuation method and the new impairment model did not materially affect Sweco's financial statements. For further information, see Note 1 in the Annual Report for 2017.

NEW ACCOUNTING PRINCIPLES FOR 2019

IFRS 16, Leases, will become effective as from 1 January 2019. IFRS 16 supersedes existing standards related to the recognition of leases, such as IAS 17, Leases, and IFRIC 4, Determining Whether an Agreement Contains a Lease. Sweco continues to evaluate the effects of the new standard. For further information, see Note 1 in the Annual Report for 2017.

DEFINITIONS

Sweco follows the guidelines from ESMA (European Securities and Markets Authority) regarding APMs (Alternative Performance Measures). In brief, these are measures of historical or ongoing operating results and financial performance that are not specified or defined in IFRS. The presentation of non-IFRS financial measures is limited as an analytical tool and should not be used as a substitute for key ratios pursuant to IFRS. Sweco believes that the APMs will enhance the investor's evaluation of our ongoing operating results, aid in forecasting future periods and facilitate meaningful comparison of results between periods. The non-IFRS financial measures presented in this report may differ from similarly titled measures used by other companies. A complete list of all Sweco's definitions can be found on our website: <http://www.sweco.se/en/IR/definitions/>.

Key ratio calculations that cannot be obtained directly from the income statement and balance sheet can be found on page 15 (net sales growth) and page 14 (EBITA excluding extraordinary items).

THE SWECO SHARE

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 172.50 at the end of the period, representing a 5 per cent decrease during the quarter. The Nasdaq Stockholm General Index decreased by 0.3 per cent over the same period.

The total number of shares at the end of the period was 121,583,819: 10,533,731 Class A shares, 110,550,088 Class B shares and 500,000 Class C shares. The total number of outstanding shares was 118,675,759: 10,533,731 Class A shares and 108,142,028 Class B shares.

RESOLUTIONS AT THE 2018 AGM

2018 share savings scheme: Pursuant to the Board's proposal, the 2018 AGM resolved to implement a long-term share savings scheme for up to 100 Sweco Group senior executives and other key employees.

2018 share-based incentive scheme: Pursuant to the Board's proposal, the 2018 AGM resolved to implement a share-based incentive scheme for employees in Sweden.

Pursuant to the Nomination Committee's proposal, the 2018 AGM resolved that the Board of Directors consist of eight members. Pursuant to the Nomination Committee's proposal, Alf Göransson and Åsa Bergman were elected as new directors. Gunnel Duveblad, Elaine Grunewald, Johan Hjertonsson, Eva Lindqvist, Johan Nordström and Christine Wolff were re-elected as directors. Johan Nordström was re-elected as Chairman of the Board of Directors. Anders G. Carlberg and Tomas Carlsson declined re-election.

RISKS AND UNCERTAINTIES

Significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks associated with the general economic trend and investment level in various markets, the capacity to attract and retain skilled personnel and the effects of political decisions. The Group is also exposed to various types of financial risks, such as foreign currency, interest rate and credit risks. No significant risks are deemed to have arisen apart from the risks detailed in Sweco's 2017 annual report (page 98, Risks and Risk Management).

SEASONALITY

The number of normal working hours in 2018, based on the 12-month sales-weighted business mix as of September 2017, is broken down as follows:

	<u>2018</u>	<u>2017</u>	
Quarter 1:	490	506	-16
Quarter 2:	474	464	+10
Quarter 3:	511	511	0
Quarter 4:	489	490	-1
Total:	1,964	1,971	-7

ACQUISITION-RELATED INTANGIBLE ASSETS

Acquisition-related intangible assets will be amortised pursuant to the following schedule, based on acquisitions to date:

2018 Estimate	SEK -64 million
2019 Estimate	SEK -37 million
2020 Estimate	SEK -31million
2021 Estimate	SEK -29 million

FORTHCOMING FINANCIAL INFORMATION

Interim report January-June	19 July 2018
Interim report January-September	8 November 2018
Year-end report 2018	13 February 2019

Stockholm, 9 May 2018

Åsa Bergman
President and CEO, Member of the Board of Directors

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This report has not been audited.

KEY RATIOS

Key ratios ¹⁾	Jan-Mar 2018	Jan-Mar 2017	Apr 2017-Mar 2018	Full-year 2017
Profitability				
EBITA margin, %	8.8	11.2	8.2	8.8
Operating margin (EBIT), %	8.5	10.8	7.8	8.4
Profit margin, %	8.4	10.5	7.6	8.2
Revenue growth²⁾				
Organic growth, %	1	7		0
Acquisition-related growth, %	2	1		1
Currency, %	2	2		1
Total growth, %	5	10		2
Debt				
Net debt, SEK M	1,999	1,536		1,698
Interest-bearing debt, SEK M	2,390	2,042		2,271
Financial strength				
Net debt/Equity, %	31.5	26.9		28.4
Net debt/EBITDA, x	1.2	0.8		1.0
Equity/Assets ratio, %	41.3	40.7		41.9
Available cash and cash equivalents, SEK M	1,724	2,157		1,991
-of which unutilised credit, SEK M	1,333	1,651		1,418
Return				
Return on equity, %	19.3	21.3		21.4
Return on capital employed, %	16.5	20.5		17.8
Share data				
Earnings per share, SEK	2.50	3.01	9.71	10.23
Diluted earnings per share, SEK	2.45	2.95	9.54	10.04
Equity per share, SEK ³⁾	53.38	47.82		50.09
Diluted equity per share, SEK ³⁾	52.15	46.77		49.12
Number of outstanding shares at reporting date	118,675,759	119,298,701		119,124,596
Number of repurchased Class B and Class C shares	2,908,060	2,685,118		2,459,223

¹⁾ Key ratio definitions are available on Sweco's website.

²⁾ See page 15 for details on Sweco's calculation of net sales growth.

³⁾ Refers to portion attributable to Parent Company shareholders.

CONSOLIDATED INCOME STATEMENT AND COMPREHENSIVE INCOME STATEMENT

Income Statement SEK M	Jan-Mar 2018	Jan-Mar 2017	Apr 2017-Mar 2018	Full-year 2017
Net sales	4,628	4,408	17,107	16,887
Other income	2	0	4	2
Other external expenses	-1,136	-1,036	-4,287	-4,187
Personnel expenses	-3,019	-2,811	-11,146	-10,938
EBITDA	476	562	1,678	1,763
Amortisation/depreciation and impairments	-67	-67	-272	-272
EBITA	409	494	1,406	1,492
Acquisition-related items ¹⁾	-17	-17	-66	-67
Operating profit (EBIT)	392	477	1,340	1,425
Net financial items	-4	-12	-40	-49
Profit before tax	388	465	1,300	1,377
Income tax	-90	-105	-139	-154
PROFIT FOR THE PERIOD	298	360	1,161	1,223
Attributable to:				
Parent Company shareholders	297	359	1,159	1,221
Non-controlling interests	1	0	2	2
Earnings per share attributable to Parent Company shareholders, SEK	2.50	3.01	9.71	10.23
Average number of shares	119,007,587	119,499,224	119,309,246	119,432,155
Dividend per share, SEK				5.00

¹⁾ Acquisition-related items are defined as amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of additional purchase price, and profit and loss on the divestment of companies, operations and land and buildings. See pages 8 and 13 for additional details.

Consolidated income statement and other comprehensive income, SEK M	Jan-Mar 2018	Jan-Mar 2017	Apr 2017-Mar 2018	Full-year 2017
Profit for the period	298	360	1,161	1,223
Items that will not be reversed in the income statement				
Revaluation of defined benefit pensions, net after tax ^{1,2)}	-	-1	1	1
Items that may subsequently be reversed in the income statement				
Translation differences, net after tax	167	-9	201	25
Translation differences transferred to profit for the period	-	0	-	-
COMPREHENSIVE INCOME FOR THE PERIOD	465	350	1,364	1,249
Attributable to:				
Parent Company shareholders	464	350	1,361	1,247
Non-controlling interests	1	0	3	2
¹⁾ Tax on revaluation of defined benefit pensions	-	0	-3	-3

²⁾ Revalued annually. Reviewed quarterly in the event of material changes to actuarial assumptions.

CONSOLIDATED BALANCE SHEET, STATEMENTS OF CONSOLIDATED CASH FLOW AND CHANGES IN EQUITY

Cash flow statement SEK M	Jan-Mar 2018	Jan-Mar 2017	Apr 2017-Mar 2018	Full-year 2017
Cash flow from operating activities before changes in working capital and tax paid	471	552	1,709	1,790
Tax paid	-141	-83	-284	-226
Changes in working capital	-158	-279	-383	-504
Cash flow from operating activities	172	190	1,042	1,060
Cash flow from investing activities	-287	-103	-548	-364
Cash flow from financing activities	-67	-474	-598	-1,005
CASH FLOW FOR THE PERIOD	-182	-387	-104	-309

Balance sheet SEK M	31 Mar 2018	31 Mar 2017	31 Dec 2017
Goodwill	6,677	6,116	6,278
Other intangible assets	307	333	315
Property, plant and equipment	634	629	610
Financial assets	356	215	343
Current assets excl. cash and cash equivalents	7,005	6,235	6,161
Cash and cash equivalents incl. short-term investments	391	506	572
TOTAL ASSETS	15,371	14,033	14,279
Equity attributable to Parent Company shareholders	6,335	5,705	5,967
Non-controlling interests	13	11	12
Total equity	6,347	5,715	5,979
Non-current interest-bearing liabilities	2,107	1,093	2,192
Other non-current liabilities	821	846	796
Current interest-bearing liabilities	283	949	79
Other current liabilities	5,812	5,430	5,234
TOTAL EQUITY AND LIABILITIES	15,371	14,033	14,279
Pledged assets	22	21	21
Contingent liabilities	694	696	711

Changes in equity SEK M	Jan-Mar 2018			Jan-Mar 2017		
	Equity at- tributable to Parent Company shareholders	Non- controlling interests	Total equity	Equity at- tributable to Parent Company shareholders	Non- controlling interests	Total equity
Equity, opening balance	5,967	12	5,979	5,424	10	5,435
Comprehensive income for the period	464	1	465	350	0	350
Preferential rights issue	-	-	-	0	-	0
Acquisition of non-controlling interests	0	0	0	-	-	-
Buy-back of treasury shares	-98	-	-98	-71	-	-71
Share savings schemes	2	-	2	2	-	2
EQUITY, CLOSING BALANCE	6,335	13	6,347	5,705	11	5,715

ACQUISITIONS, ACQUISITION-RELATED ITEMS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

ACQUISITION OF SUBSIDIARIES AND OPERATIONS

During the period Sweco acquired the operations of Royal HaskoningDHV, BML Ingenieure GmbH and Årstiderne Arkitekter. The acquired businesses have an aggregate total of approximately 293 employees (individuals). Purchase consideration totalled SEK 235 million and had a negative impact on cash and cash equivalents of SEK 234 million. The acquisitions impacted the consolidated balance sheet as detailed in the table below whereof the acquisition analysis regarding BML Ingenieure GmbH and Årstiderne Arkitekter is preliminary. During the period the acquired companies contributed SEK 36 million in net sales and SEK 3 million in operating profit (EBIT). If all of the companies had been owned as of 1 January 2018 they would have contributed approximately SEK 235 million in net sales and about SEK 22 million in operating profit. Transaction costs for the acquisitions are recognized in EBITA and totalled SEK 1 million during this period. Aggregate transaction costs for these acquisitions during this and previous periods totalled SEK 3 million.

Acquisitions, SEK M	
Intangible assets	191
Property, plant and equipment	11
Financial assets	1
Current assets	100
Non-current liabilities	-1
Other current liabilities	-68
Non-controlling interests	0
Total purchase consideration	235
Cash and cash equivalents	-1
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	234

ACQUISITION-RELATED ITEMS

Acquisition-related items SEK M	Jan-Mar 2018	Jan-Mar 2017	Apr 2017-Mar 2018	Full-year 2017
Amortisation of acquisition-related intangible assets	-17	-17	-69	-69
Revaluation of additional purchase price	-	-	0	0
Profit/ loss on divestment of buildings and land	-	-	2	2
Profit/loss on divestment of companies and operations	-	-	0	0
ACQUISITION-RELATED ITEMS	-17	-17	-66	-67

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial assets measured at fair value totalled SEK 13 million (15). The derivative instruments are forward currency contracts, the fair value of which is determined based on listed prices for forward currency contracts on the balance sheet date (Level 2). The fair value of unlisted financial assets is determined through market valuation techniques (observable market inputs) such as recent transactions, listed prices of similar instruments and discounted cash flows. In the event no reliable inputs are available for determining fair value, financial assets are reported at acquisition value (Level 3). There were no transfers between levels during the period.

QUARTERLY REVIEW PER BUSINESS AREA

Figures for 2016 have been restated to reflect the new definition of Net sales, EBITA and Number of full-time employees as described on page 54 in the Annual Report for 2017.

Quarterly summary	2018 Q1	2017 Q4	2017 Q3	2017 Q2	2017 Q1	2016 Q4	2016 Q3	2016 Q2	2016 Q1
Net sales, SEK M									
Sweco Sweden	1,874	1,936	1,437	1,798	1,854	1,951	1,465	1,913	1,736
Sweco Norway	577	561	413	506	590	530	457	568	499
Sweco Finland	502	488	420	498	487	462	402	471	425
Sweco Denmark	375	349	290	343	389	351	334	361	330
Sweco Netherlands	466	459	389	421	440	434	434	455	423
Sweco Western Europe	508	446	390	401	400	420	365	395	398
Sweco Central Europe	348	371	317	329	285	297	289	243	221
Group-wide, Eliminations, etc.	-23	-28	-20	-36	-36	-24	-22	-36	-15
TOTAL GROUP	4,628	4,582	3,635	4,262	4,408	4,421	3,723	4,370	4,018
EBITA, SEK M									
Sweco Sweden	234	296	95	202	251	273	129	280	170
Sweco Norway	29	29	24	7	88	58	40	68	29
Sweco Finland	35	34	43	49	61	41	35	42	21
Sweco Denmark	23	5	14	-4	30	44	27	23	4
Sweco Netherlands	38	18	5	14	28	0	-4	12	18
Sweco Western Europe	38	32	25	29	28	30	18	33	23
Sweco Central Europe	19	34	19	18	13	26	18	11	3
Group-wide, Eliminations, etc.	-6	-1	12	-4	-4	-77	-12	-9	-40
EBITA	409	448	237	312	494	395	252	462	228
Extraordinary items ¹⁾	-	-	-	-	-	83	15	12	36
EBITA excl. extraordinary items	409	448	237	312	494	478	266	474	263
EBITA margin, %									
Sweco Sweden	12.5	15.3	6.6	11.2	13.5	14.0	8.8	14.6	9.8
Sweco Norway	5.0	5.2	5.8	1.5	14.9	11.0	8.8	12.0	5.8
Sweco Finland	7.0	7.0	10.2	9.9	12.6	8.8	8.7	8.9	4.8
Sweco Denmark	6.1	1.5	4.7	-1.1	7.6	12.6	8.0	6.5	1.2
Sweco Netherlands	8.1	4.0	1.4	3.4	6.3	-0.1	-0.8	2.7	4.4
Sweco Western Europe	7.4	7.3	6.4	7.3	7.0	7.1	5.0	8.4	5.9
Sweco Central Europe	5.5	9.2	6.0	5.4	4.5	8.9	6.2	4.7	1.1
EBITA margin	8.8	9.8	6.5	7.3	11.2	8.9	6.8	10.6	5.7
Extraordinary items ¹⁾	-	-	-	-	-	1.9	0.4	0.2	0.9
EBITA margin excl. extraordinary items	8.8	9.8	6.5	7.3	11.2	10.8	7.2	10.8	6.6
Billing ratio, %	74.4	75.8	75.1	75.5	74.4	75.3	74.6	75.1	74.5
Number of normal working hours	490	490	511	464	506	493	518	490	478
Number of full-time employees	14,981	14,774	14,396	14,548	14,412	14,482	14,172	14,507	14,302

¹⁾ All extraordinary items are included in Group-wide.

PERIOD REVIEW PER BUSINESS AREA

January-March	Net sales, SEK M		EBITA, SEK M		EBITA margin, %		Number of full-time employees	
Business area	2018	2017	2018	2017	2018	2017	2018	2017
Sweco Sweden	1,874	1,854	234	251	12.5	13.5	5,591	5,506
Sweco Norway	577	590	29	88	5.0	14.9	1,453	1,327
Sweco Finland	502	487	35	61	7.0	12.6	2,055	2,010
Sweco Denmark	375	389	23	30	6.1	7.6	1,070	1,023
Sweco Netherlands	466	440	38	28	8.1	6.3	1,347	1,392
Sweco Western Europe	508	400	38	28	7.4	7.0	1,669	1,556
Sweco Central Europe	348	285	19	13	5.5	4.5	1,679	1,512
Group-wide, Eliminations, etc. ¹⁾	-23	-36	-6	-4	-	-	117	85
TOTAL GROUP	4,628	4,408	409	494	8.8	11.2	14,981	14,412

¹⁾ Group-wide, Eliminations, etc. includes Group functions and the Dutch real estate operations.

NET SALES GROWTH

The below table shows the calculation of organic growth, i.e., net sales growth adjusted for the impact of acquisitions and divestments as well as the effect of foreign currency fluctuations.

Net sales growth	2018 Jan-Mar	2017 Jan-Mar	Growth, % Jan-Mar 2018
Reported net sales	4,628	4,408	5%
Adjustment for currency effects	0	81	2%
Net sales, currency-adjusted	4,628	4,489	3%
Adjustment for acquisitions/divestments	-78	4	2%
Comparable net sales, currency-adjusted	4,550	4,494	1%

Net sales growth	2017 Jan-Mar	2016 Jan-Mar	Growth, % Jan-Mar 2017
Reported Net sales	4,408	4,018	10%
Adjustment for currency effects	0	58	2%
Net sales, currency-adjusted	4,408	4,075	8%
Adjustment for acquisitions/divestments	-19	21	1%
Comparable net sales, currency-adjusted	4,389	4,096	7%

PARENT COMPANY INCOME STATEMENT AND BALANCE SHEET

Parent Company income statement, SEK M	Jan-Mar 2018	Jan-Mar 2017	Full-year 2017
Net sales	176	134	621
Operating expenses	-185	-138	-650
Operating loss	-9	-5	-29
Net financial items	-9	-4	1,200
Profit/loss after net financial items	-18	-9	1,171
Appropriations	-	-	-178
Profit/loss before tax	-18	-9	994
Tax	-	-	-127
PROFIT/LOSS AFTER TAX	-18	-9	866

Parent Company balance sheet, SEK M	31 Mar 2018	31 Dec 2017
Intangible assets	57	61
Property, plant and equipment	34	36
Financial assets	6,348	6,347
Current assets	1,629	2,594
TOTAL ASSETS	8,069	9,038
Equity	4,682	4,796
Untaxed reserves	190	190
Non-current liabilities	1,585	1,991
Current liabilities	1,612	2,061
TOTAL EQUITY AND LIABILITIES	8,069	9,038