



12 February 2020

## SOLID QUARTER CONCLUDES BEST YEAR SO FAR

### OCTOBER – DECEMBER 2019

- Net sales increased to SEK 5,692 million (5,112)
- EBITA increased to SEK 532 million (494), margin 9.4 per cent (9.7)
- EBIT increased to SEK 596 million (491), margin 10.5 per cent (9.6)
- Profit after tax increased to SEK 472 million (459), corresponding to SEK 4.01 per share (3.89)

### JANUARY – DECEMBER 2019

- Net sales increased to SEK 20,629 million (18,735)
- EBITA increased to SEK 1,869 million (1,629), margin 9.1 per cent (8.7)
- EBIT increased to SEK 1,892 million (1,618), margin 9.2 per cent (8.6)
- Profit after tax increased to SEK 1,393 million (1,256), corresponding to SEK 11.85 per share (10.59)
- Net debt increased to SEK 2,114 million (1,849)
- Net debt/EBITDA was unchanged at 1.0 x (1.0)
- The Board of Directors proposes a dividend distribution of SEK 6.20 per share (5.50)

### COMMENTS FROM PRESIDENT AND CEO ÅSA BERGMAN:

A solid fourth quarter concludes another record year for Sweco. In the quarter, EBITA increased 13 per cent or SEK 64 million and organic growth amounted to 5 per cent, after adjustment for calendar effects. The improved performance was driven by positive fee development, positive project adjustments and an increased number of employees, supported by a solid order backlog.

In particular, the UK and Denmark improved profitability considerably. In both countries this is driven by increased average fees and positive project adjustments. In the UK, the MLM acquisition also contributed positively. Sweden continues to deliver industry leading profitability, combined with solid organic growth. Finland also contributed in the quarter and achieved a full-year EBITA margin of 12 per cent. In addition to MLM, the acquisitions of Imp GmbH in Germany and the design operations of NRC Group in Finland, also contributed positively.

With a strong financial position, solid increase in earnings per share and a positive market outlook, the Board of Directors proposes to increase the dividend to SEK 6.20 per share.

Overall, the market for Sweco's services is good and largely unchanged compared with recent quarters. Essentially all Business Areas are experiencing a good market for Sweco's services in the infrastructure, water and industry segments. Demand for services in the real estate segment is good overall while the residential segment remains weak in several countries.

## PROFIT AND OPERATIONS

### OCTOBER-DECEMBER

Organic growth amounted to approximately 5 per cent after adjustment for calendar effects. Acquired growth amounted to 5 per cent. In addition, currency effects contributed 2 per cent to net sales, which in total increased 11 per cent to SEK 5,692 million (5,112).

Organic growth was mainly driven by positive fee development, positive project adjustments and an increased number of employees, supported by a solid order backlog in all Business Areas. Organic growth adjusted for calendar effects was particularly strong in Belgium, Germany & Central Europe and Norway. Acquired growth was predominantly driven by the acquisitions of MLM in the UK, Imp GmbH in Germany and the design operations of NRC Group in Finland.

EBITA increased to SEK 532 million (494), an improvement of SEK 38 million.

EBITA increased approximately 13 per cent or SEK 64 million year-on-year after adjustment for calendar effects. The EBITA improvement was mainly attributable to the UK and Denmark. Overall for the Group, a positive trend in hourly fees, positive project adjustments, contribution from acquisitions and an increased number of employees were the main drivers of the improvement.

The quarter had 4 less working hours compared with same period last year. This had a negative year-on-year impact of approximately SEK 25 million on earnings and net sales.

The billing ratio was stable at 74.6 per cent (74.5).

Total net financial items reduced to SEK -26 million (-22) primarily due to lower capital gains from sales of associated companies. Lower financial expenses and currency effects had a positive impact on the quarter.

In the quarter, there was a positive impact of SEK 90 million on EBIT from the sale of an office building in Denmark and the divestment of non-core operations.

Earnings per share increased to SEK 4.01 (3.89).

Earnings per share excluding the impact from the divestments in the fourth quarter and the recognition of tax assets in the fourth quarter last year amounted to SEK 3.25 (3.39).

### JANUARY-DECEMBER

Net sales increased 10 per cent to SEK 20,629 million (18,735). Organic growth was approximately 5 per cent after adjustment for calendar effects. Acquired growth contributed 3 per cent, while currency effects contributed 2 per cent.

EBITA increased to SEK 1,869 million (1,629), an improvement of SEK 240 million.

EBITA increased approximately SEK 247 million after adjustment for calendar effects. More than half of the earnings improvement came from Finland and Belgium. Overall for the Group, a positive trend in hourly fees, an increased number of employees and contribution from acquisitions were the main drivers of increased EBITA.

The calendar effect of 2 less hours had a negative year-on-year impact of approximately SEK 7 million on net sales and EBITA.

The billing ratio was stable at 74.3 per cent (74.5).

Total net financial items reduced to SEK -115 million (-107) primarily due to lower capital gains from sales of associated companies and higher interest cost of leasing. Currency effects had a positive impact.

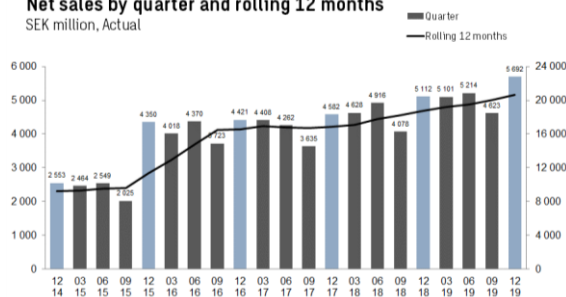
Earnings per share increased to SEK 11.85 per share (10.59). Earnings per share excluding the impact from the divestments in the fourth quarter and the recognition of tax assets in the fourth quarter last year amounted to SEK 11.09 (10.09).

Key ratios	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
Net sales, SEK M	5,692	5,112	20,629	18,735
Organic growth, %	5	6	5	5
Acquisition-related growth, %	5	3	3	3
Currency, %	2	3	2	3
EBITA, SEK M <sup>1)</sup>	532	494	1,869	1,629
Margin, %	9.4	9.7	9.1	8.7
Profit after tax, SEK M	472	459	1,393	1,256
Earnings per share, SEK	4.01	3.89	11.85	10.59
Number of full-time employees	17,084	15,665	16,412	15,306
Billing ratio, %	74.6	74.5	74.3	74.5
Normal working hours	485	489	1,962	1,964
Net debt/EBITDA, x <sup>2)</sup>			1.0	1.0

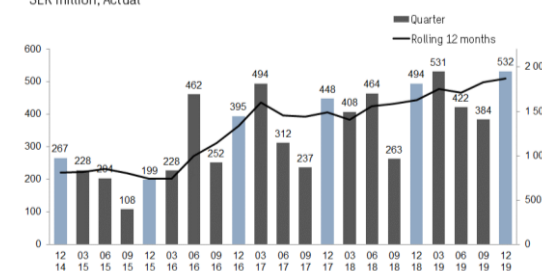
<sup>1)</sup> EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA. For further information, see pages 9-10 and 12.

<sup>2)</sup> Net debt/EBITDA is an alternative performance measure (APM). Net debt is an alternative performance measure (APM) defined as net financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA. For further information, see pages 9-10 and 12.

**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

Sweco has, in partnership with other companies and organisations such as the Danish Energy Management been selected to develop a national baseline for the Sustainable Development Goals (SDG) in Denmark. The project is called “Vores Mål” (Our Goal).

Sweco and Arcadis are partners of a consortium responsible for planning and design of a large waterway for inland vessels up to 4,400 tonnes between France, Belgium and the Netherlands. Société du Canal Seine-Nord Europe is the client. The canal is expected to eliminate 15 to 20 per cent of transport traffic on the Amsterdam–Paris axis.

Sweco has won an assignment within rail and infra consulting for a new 10 km lightrail line to connect eastern areas of Helsinki to downtown. The contract value of the project is EUR 2.5 million.

Sweco is assigned to work with client Bentall Green Oak on the 105 Victoria Street project in central London – an 18 storey 80,000 m<sup>2</sup> building providing mixed-use accommodation across office, hotel, residential, and commercial. The project includes full design duties across multiple mechanical and electrical disciplines and the contract value is estimated at GBP 2.5 million. Sweco's experience in providing sustainable energy efficient solutions will form the backbone to achieving a BREEAM outstanding certification. BREEAM is an established method of assessing, rating, and certifying the sustainability of buildings.

## MARKET

Overall, the market for Sweco's services is good and largely unchanged compared with recent quarters. Essentially all Business Areas are experiencing a good market for Sweco's services in the infrastructure, water and industry segments. Demand for services in the real estate segment is good overall while the residential segment remains weak in several countries.

## 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 events in the financial market comprise risk factors in terms of future performance.

Sweco does not provide forecasts.

## EVENTS DURING THE QUARTER

On 1 November, Sweco completed the acquisition of the rail infrastructure engineering and consulting services business from NRC Group. With the acquisition, Sweco has become the leading, full-service railway design expert in Finland, while at the same time reinforcing the position in Sweden. The acquisition brings around 320 new railway design experts to Sweco, located in Finland (80 per cent) and Sweden (20 per cent).

On 7 November, Sweco divested the Grontmij Beheer Reststoffenprojecten B.V., and its subsidiaries in the Netherlands, a waste management business with 26 employees, which was part of a portfolio of non-core real estate assets of the former Grontmij group.

On 1 October, Mattias Goldmann took on the role as new Chief Sustainability Officer.

On 17 October, Olof Stålnacke took office as Chief Financial Officer of Sweco AB and joined the Executive Team.

## EVENTS AFTER THE QUARTER

On 16 January, Sweco acquired Talboom Group, a Belgian consulting company with around 110 employees. Talboom is active predominantly in the pharmaceutical and infrastructure markets and in 2018 had net sales of EUR 12.2 million. Talboom is consolidated into Sweco Belgium as of January.

## CASH FLOW AND FINANCIAL POSITION

Group cash flow from operating activities totalled SEK 2,299 million (2,051) during the year. Net debt increased to SEK 2,114 million (1,849). Net debt increased primarily as a result of recent acquisitions.

The Net debt/EBITDA ratio was 1.0 x (1.0).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 2,699 million (1,749) at the end of the year.

Purchase considerations paid to acquire companies and operations totalled SEK 713 million (276) and had an impact of SEK -672 million (-256) on the Group's cash and cash equivalents. Purchase considerations received on the divestment of companies and operations totalled SEK 156 million (5) and had an impact of

SEK -97 million (-1) on the Group's cash and cash equivalents.

Repurchases of Sweco shares totalled SEK 2 million (520) and had the same effect on the Group's cash and cash equivalents.

Dividends totalling SEK 644 million (593) were distributed to Sweco AB's shareholders in May 2019.

#### INVESTMENTS, JANUARY-DECEMBER 2019

Investments in equipment totalled SEK 226 million (266) and were primarily attributable to IT investments. Depreciation of equipment amounted to SEK 241 million (233) and amortisation of intangible assets totalled SEK 149 million (116).

## SWECO SWEDEN

### SALES AND PROFIT, OCTOBER-DECEMBER

Organic growth amounted to 4 per cent and EBITA increased SEK 11 million, after adjustment for calendar effects. The EBITA improvement was driven by improved hourly fees, positive project adjustments and an increased number of employees. However, a slightly lower billing ratio had a negative impact on net sales and profit. The year-on-year calendar effect of 8 fewer hours had a negative impact of approximately SEK 24 million on net sales and EBITA.

The Swedish market remains good but there are variations between the different segments. Demand for infrastructure services remains strong, backed by major public investments. The markets for industrial investments, water and environmental services are good. The real estate market is divided, with good demand within public buildings, whereas demand related to residential construction remains weak. The market for power transmission services is strong while demand in energy generation remains challenging.

#### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	2,054	2,003	7,482	7,230
Organic growth, %	2	4	4	3
Acquisition-related growth, %	0	-1	0	-1
Currency, %	0	0	0	0
EBITA, SEK M	271	284	858	835
EBITA margin, %	13.2	14.2	11.5	11.5
Number of full-time employees	6,011	5,865	5,870	5,654

## SWECO NORWAY

### SALES AND PROFIT, OCTOBER-DECEMBER

Organic growth was 6 per cent. Organic growth was mainly driven by an increased number of employees and higher hourly fees. There was no year-on-year difference in the number of available working hours.

EBITA increased 10 per cent to SEK 65 million (60). EBITA was impacted positively by higher hourly fees, positive project adjustments and an increased number of employees, whereas a lower billing ratio had a negative impact.

Overall, the Norwegian market remains good, with a historically strong infrastructure market dominated by large-scale rail and road projects. The residential market is weakening, albeit from a high level, while the market for office buildings is flat. Investments in energy production are still decreasing, including a declining market for energy transmission.

#### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	692	661	2,606	2,392
Organic growth, %	6	11	8	9
Acquisition-related growth, %	0	2	0	4
Currency, %	-1	5	1	3
EBITA, SEK M	65	60	216	179
EBITA margin, %	9.4	9.0	8.3	7.5
Number of full-time employees	1,605	1,513	1,563	1,469

## SWECO FINLAND

### SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 663 million (556). Organic growth was 4 per cent. Organic growth was mainly driven by improved average fees and more revenue from subconsultants. There was no year-on-year difference in the number of available working hours. Acquired growth contributed 13 per cent and mainly relates to the acquisition of the design operations of NRC Group, which were consolidated into Sweco Finland as of November.

EBITA increased 21 per cent to SEK 64 million (53). The increase in EBITA was mainly attributable to improved average fees and positive project adjustments as well as the contribution from the newly acquired design operations of NRC Group. During December, there was a 3 day strike in Finland which affected parts of the Finnish organisation and had a negative impact on net sales and EBITA.

The Finnish and Estonian market is good overall, but there are slight differences between segments. Demand for services within the buildings and real estate segment is overall good. Residential construction is declining. The renovation, maintenance and improvement market continues to grow. The market in industrial services is stable. The market for infrastructure-related services is good.

### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	663	556	2,388	2,072
Organic growth, %	4	5	7	1
Acquisition-related growth, %	13	3	5	2
Currency, %	3	6	3	6
EBITA, SEK M	64	53	287	197
EBITA margin, %	9.6	9.5	12.0	9.5
Number of full-time employees	2,212	2,037	2,160	2,067

## SWECO DENMARK

### SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 477 million (460). Organic growth amounted to 1 per cent. Organic growth was mainly driven by improved average fees, while a lower number of employees impacted negatively. There was no year-on-year difference in the number of available working hours.

EBITA more than doubled and EBITA margin improved by 4.9 percentage points to 8.6 per cent (3.7). The EBITA improvement was primarily attributable to positive project adjustments and higher average fees.

The market in Denmark is satisfactory overall. Demand in the water and environmental sectors remains stable, driven by climate-related services in the larger cities. The energy market is driven by transmission, gas and wind power, but it remains weak. The infrastructure market is fairly stable, however with a decline in state financed road and rail projects due to the lack of a new national infrastructure plan. The market for building services remains good overall, but the residential market remains weak.

### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	477	460	1,784	1,707
Organic growth, %	1	3	-2	-2
Acquisition-related growth, %	0	23	4	20
Currency, %	3	5	3	6
EBITA, SEK M	41	17	137	108
EBITA margin, %	8.6	3.7	7.7	6.3
Number of full-time employees	1,169	1,195	1,173	1,187



## SWECO NETHERLANDS

### SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 542 million (520). Organic growth amounted to 1 per cent and was driven by higher average fees and an improved billing ratio. There was no year-on-year difference in the number of available working hours.

EBITA increased 26 per cent to SEK 39 million (31). The EBITA margin increased to 7.2 per cent (5.9). The improvement of EBITA was attributable to higher average fees and an improved billing ratio.

The Dutch economy is strong, and the engineering market remains positive, as is the demand for Sweco's services within infrastructure, energy, water and public sector buildings. The ruling in May by the highest administrative court in the Netherlands on reduction of nitrogen emissions has created some short term uncertainty on the market.

#### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	542	520	2,055	1,926
Organic growth, %	1	7	4	6
Acquisition-related growth, %	0	0	0	0
Currency, %	3	6	3	6
EBITA, SEK M	39	31	143	115
EBITA margin, %	7.2	5.9	7.0	6.0
Number of full-time employees	1,403	1,403	1,403	1,373

## SWECO BELGIUM

### SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 381 million (323), and organic growth was 15 per cent. Organic growth was primarily driven by an increased number of employees, increased revenue from subconsultants and higher billing ratio. There was no year-on-year difference in the number of available working hours.

EBITA increased 10 per cent to SEK 41 million (37). The improvement in earnings in the quarter was mainly attributable to an increased number of employees and higher billing ratio.

The market is good within all segments and both the private and the public sector building markets remain strong. The residential market is stable as is the office market. The industry market and public infrastructure markets also remain strong. Belgium is in the middle of a complete energy transition with a focus on decarbonisation in the transportation, building and industry sectors as well as transforming energy production. The electrification in industry and the public domain is increasing.

#### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	381	323	1,394	1,124
Organic growth, %	15	22	19	14
Acquisition-related growth, %	0	11	2	11
Currency, %	3	6	3	6
EBITA, SEK M	41	37	158	99
EBITA margin, %	10.7	11.5	11.3	8.8
Number of full-time employees	943	836	870	789

## SWECO UK

### SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 348 million (207). Organic growth was 1 per cent and was mainly driven by higher average fees and an improved billing ratio. The acquisition of MLM contributed acquired growth of 60 per cent. There was no year-on-year difference in the number of available working hours.

EBITA increased by SEK 30 million and the EBITA margin improved to 7.0 per cent (-3.0). The earnings improvement was attributable to the contribution from the newly acquired MLM and to an improvement in the existing UK businesses related to higher average fees, positive project adjustments and an improved billing ratio.

In general, the market for Sweco's services in the UK is satisfactory with some uncertainty connected to Brexit remaining. The infrastructure and energy markets, which were impacted by delays and postponements in 2019, saw some improvement towards the end of the year. The water market continues to be impacted by the public tender cycle, but there is a more positive outlook for the transportation and environment markets. The London commercial building market remains good.

#### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	348	207	1,170	857
Organic growth, %	1	0	-4	13
Acquisition-related growth, %	60	0	37	0
Currency, %	6	5	4	5
EBITA, SEK M	24	-6	51	17
EBITA margin, %	7.0	-3.0	4.4	2.0
Number of full-time employees	1,277	873	1,136	860

## SWECO GERMANY & CENTRAL EUROPE

### SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 605 million (436). Organic growth was around 18 per cent after adjustment for calendar effects. Organic growth was primarily driven by an increased number of employees and a higher billing ratio. Acquired growth amounted to 17 per cent and related to the acquisition of Imp GmbH which was consolidated into Sweco Germany & Central Europe as of July. The year-on-year calendar effect of 2 fewer hours had a negative impact of approximately SEK 1 million on net sales and EBITA.

EBITA decreased approximately SEK 5 million after adjustment for calendar effects. The change was mainly driven by negative project adjustments in Germany, whereas the acquisition of Imp GmbH contributed positively.

The German market is overall good and is developing positively. The construction market for healthcare facilities and the commercial buildings markets are good. Demand is strong in the transport and environmental sector due to public investment. Power transmission continues to be a good market, while power generation remains challenging.

The Lithuanian market has stabilised, and the Czech market is good. The Polish market is developing positively with increasing investments in transportation and water.

#### IN BRIEF

Net sales and profit	Oct-Dec 2019	Oct-Dec 2018	Jan-Dec 2019	Jan-Dec 2018
Net sales, SEK M	605	436	1,941	1,573
Organic growth, %	18	7	11	10
Acquisition-related growth, %	17	3	9	2
Currency, %	3	5	3	7
EBITA, SEK M	21	27	77	96
EBITA margin, %	3.5	6.3	3.9	6.1
Number of full-time employees	2,410	1,862	2,171	1,808



## OTHER INFORMATION

### PARENT COMPANY, JANUARY-DECEMBER 2019

Parent Company net sales totalled SEK 771 million (703) and were attributable to intra-group services. Profit after net financial items totalled SEK 743 million (915). Investments in equipment totalled SEK 33 million (42). Cash and cash equivalents at the end of the period totalled SEK 184 million (381).

### 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.

Apart from the application of IFRS 16, Leases, the Group applies the same accounting and valuation principles as those described in Note 1 in the Annual Report for 2018.

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 1-19; the interim financial information presented on pages 1-19 is therefore part of this financial report.

### NEW ACCOUNTING PRINCIPLES FOR 2019

Sweco is applying IFRS 16 Leases, the new standard for lease accounting, as of 1 January 2019. Under IFRS 16 essentially all leases are recognised in the balance sheet, since finance leases and operating leases are no longer treated differently, as was the case under the previous standard IAS 17. Sweco has chosen the full retrospective transition method and has accordingly accounted for all lease contracts as if IFRS 16 had always been applied. The comparative figures for 2018 have been restated.

Sweco will not be applying IFRS 16 at the Business Area level. Segment reporting for 2019 will therefore remain unchanged from 2018. Additional information regarding Sweco's application of IFRS 16 can be found in the Annual report for 2018 on pages 56-57 and in the press release dated 12 April 2019.

The consolidated financial statements for 2018, including the opening balance on 1 January 2018, have been restated for IFRS 16. To facilitate the analysis of financial development, Sweco has adjusted the presentation of the financial statements by adding new line items.

In the income statement, as presented in the interim reports, the financial net has been divided into three items to facilitate the analysis of lease liabilities and other interest-bearing liabilities.

•*Net financial items*: Comprises interest expenses on credit facilities and other costs related to credit facilities less interest income on cash and cash equivalents and short-term investments.

•*Interest cost of leasing*: Comprises the interest cost of leasing pursuant to IFRS 16.

•*Other financial items*: Result and distributions from participations in associated companies and other securities, result from the sale of participations in associated companies and other securities, foreign exchange gains and losses on financial assets and liabilities, and other interest income and interest expenses.

### KEY PERFORMANCE MEASURES

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 investors' 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/>

The adoption of IFRS 16 has a significant impact on the presentation of financial statements. The effect has been a significant increase in both assets and liabilities and a decrease in other expenses, and a corresponding increase in depreciation and interest expenses. Sweco has chosen to maintain its key financial metrics close to previous definitions, producing minor differences to previously presented values. The objective is to facilitate comparability with previous periods and provide transparency regarding Sweco's operational performance and the Group's financial strength, apart from the accounting effects of IFRS 16. Under this approach, Sweco's targets for profitability (EBITA margin of 12 per cent) and financial strength (a Net debt/EBITDA ratio of less than 2.0 x) also remain unchanged.

Sweco's key financial metrics, defined as Alternative Performance Measures (APMs) in accordance with IFRS, are EBITA and Net debt/EBITDA.

EBITA is the Group's key metric for operational performance at Group and BA level. Sweco's EBITA measure is defined as Earnings Before Interest, Taxes and Acquisition-related items. All leases are treated as operating leases and the total cost of the lease affects

EBITA. Operating lease treatment follows IAS 17 (the standard for leases applicable through 31 December 2018).

Net debt/EBITDA is Sweco's key metric for financial strength. The definition remains essentially in line with the covenants defined in Sweco's bank financing agreements. Net debt is defined as net financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. As with the calculation of EBITA, when calculating EBITDA all leases are assumed to comprise operating leases pursuant to IAS 17.

The reconciliation of Sweco's key financial metrics, described above, and IFRS measures is presented on page 12. Organic growth calculation is presented on page 18.

#### THE SWECO SHARE

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 361.20 at the end of the period, representing a 29 per cent increase during the quarter. Nasdaq Stockholm OMXSPI increased 9 per cent over the same period.

The total number of shares at the end of the period was 121,083,819: 10,420,274 Class A shares and 110,663,545 Class B shares. The total number of shares outstanding was 117,798,459: 10,420,274 Class A shares and 107,378,185 Class B shares.

#### BOARD PROPOSALS TO THE AGM

Dividend: The Board of Directors proposes the dividend be increased to SEK 6.20 per share (5.50), not to exceed a dividend amount of SEK 751 million (644).

2020 share savings scheme: The Board of Directors proposes that the 2020 AGM resolve to implement a long-term share savings scheme for up to 100 Sweco Group senior executives and other key employees. The proposal principally corresponds to the terms in last year's proposal.

2020 share bonus scheme: The Board of Directors also proposes that the 2020 AGM resolve to implement a share-based incentive scheme for employees in Sweden. The proposal principally corresponds to the terms in last year's proposal.

#### 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 risk, such as foreign currency, interest rate and credit risk. No significant risks are deemed to have arisen apart from the risks detailed in Sweco's

2018 Annual Report (page 102, Risks and Risk Management).

#### ANNUAL GENERAL MEETING

The 2020 Annual General Meeting will be held on Thursday, 23 April 2020 at 3:00 PM at Fotografiska, Stadsgårdshamnen 22, Stockholm. Sweco's 2019 Annual Report will be available for shareholder perusal at Sweco's headquarters, Gjörwellsgatan 22, Stockholm, and on the company's website, [www.swecogroup.com](http://www.swecogroup.com) approximately three weeks prior to the AGM.

#### CALENDAR EFFECTS

##### Year 2019

The number of normal working hours in 2019, based on the 12-month sales-weighted business mix as of September 2018, is broken down as follows:

	<u>2019</u>	<u>2018</u>	
Quarter 1:	496	490	+6
Quarter 2:	462	474	-12
Quarter 3:	519	511	+8
Quarter 4:	485	489	-4
Total:	1,962	1,964	-2

##### Year 2020

The number of normal working hours in 2020, based on the 12-month sales-weighted business mix as of September 2019, is broken down as follows:

	<u>2020</u>	<u>2019</u>	
Quarter 1:	500	496	+4
Quarter 2:	465	462	+3
Quarter 3:	518	519	-1
Quarter 4:	491	485	+6
Total:	1,974	1,962	+12

#### ACQUISITION-RELATED AMORTISATION

Acquisition-related intangible assets and expensed costs for future services will be amortised pursuant to the following schedule, based on acquisitions to date:

2019 Actual	SEK -138 million
2020 Estimate	SEK -117 million
2021 Estimate	SEK -98 million
2022 Estimate	SEK -63 million

#### FORTHCOMING FINANCIAL INFORMATION

Interim report January-March	15 May 2020
Interim report January-June	16 July 2020
Interim report January-September	4 November 2020
Year-end report 2020	11 February 2021

Stockholm, 12 February 2020

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

FOR FURTHER INFORMATION, PLEASE CONTACT:

**Åsa Bergman, President and CEO**

asa.bergman@sweco.se

**Olof Stålnacke, CFO**

Phone +46 70 306 46 21

olof.stalnacke@sweco.se

**Katarina Grönwall, CCO**

Phone +46 73 258 93 33

katarina.gronwall@sweco.se

**SWECO AB (publ) Org. nr. 556542-9841**

Gjörwellsgatan 22, Box 34044, 100 26 Stockholm,

Phone: +46 8 695 60 00

Email: [info@sweco.se](mailto:info@sweco.se) [www.swecogroup.com](http://www.swecogroup.com)

This report has not been audited.

## KEY RATIOS

Key ratios <sup>1)</sup>	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
<b>Profitability</b>				
EBITA margin, %	9.4	9.7	9.1	8.7
Operating margin (EBIT), %	10.5	9.6	9.2	8.6
Profit margin, %	10.0	9.2	8.6	8.1
<b>Revenue growth<sup>2)</sup></b>				
Organic growth, %	5	6	5	5
Acquisition-related growth, %	5	3	3	3
Currency, %	2	3	2	3
Total growth, %	11	12	10	11
<b>Debt</b>				
Net debt, SEK M			2,114	1,849
Interest-bearing debt, SEK M			2,774	2,624
<b>Financial strength</b>				
Net debt/Equity, %			29.5	30.0
Net debt/EBITDA, x			1.0	1.0
Equity/Assets ratio, %			37.1	35.5
Available cash and cash equivalents, SEK M			2,699	1,749
-of which unutilised credit, SEK M			2,039	974
<b>Return</b>				
Return on equity, %			20.9	20.9
Return on capital employed, %			15.3	14.6
<b>Share data</b>				
Earnings per share, SEK	4.01	3.89	11.85	10.59
Diluted earnings per share, SEK	3.90	3.79	11.52	10.35
Equity per share, SEK <sup>3)</sup>			60.73	52.60
Diluted equity per share, SEK <sup>3)</sup>			59.14	50.91
Number of outstanding shares at reporting date			117,798,459	117,069,942
Number of repurchased Class B shares			3,285,360	4,013,877

<sup>1)</sup> Key ratio definitions are available on Sweco's website.

<sup>2)</sup> See page 18 for details on Sweco's calculation of revenue growth.

<sup>3)</sup> Refers to portion attributable to Parent Company shareholders.

Reconciliation of EBIT and the APMs EBITA and EBITDA, SEK M	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
<b>Operating profit (EBIT)</b>	<b>596</b>	<b>491</b>	<b>1,892</b>	<b>1,618</b>
Acquisition-related items	-41	18	58	75
Lease expenses <sup>1)</sup>	-196	-168	-736	-665
Depreciation and impairments, right-of-use assets	173	153	656	602
<b>EBITA<sup>2)</sup></b>	<b>532</b>	<b>494</b>	<b>1,869</b>	<b>1,629</b>
Amortisation/depreciation and impairment, tangible and intangible fixed assets	73	68	291	252
<b>EBITDA<sup>3)</sup></b>	<b>606</b>	<b>561</b>	<b>2,160</b>	<b>1,881</b>

<sup>1)</sup> Lease expenses pertain to adjustments made in order to treat all leases as operating leases.

<sup>2)</sup> EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

<sup>3)</sup> EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA.

Net debt, SEK M <sup>1)</sup>	31 Dec 2019	31 Dec 2018	1 Jan 2018
Non-current interest-bearing debt	1,665	2,105	2,120
Current interest-bearing debt	1,109	519	56
Cash and cash equivalents incl. short-term investments	-660	-775	-572
<b>NET DEBT</b>	<b>2,114</b>	<b>1,849</b>	<b>1,604</b>

<sup>1)</sup> Net debt is an alternative performance measure (APM) defined as net financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt.

# CONSOLIDATED INCOME STATEMENT AND COMPREHENSIVE INCOME STATEMENT

Income Statement SEK M	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
Net sales	5,692	5,112	20,629	18,735
Other income	2	3	17	14
Other external expenses	-1,231	-1,143	-4,373	-4,112
Personnel expenses	-3,661	-3,242	-13,377	-12,091
Amortisation/depreciation and impairment, tangible and intangible fixed assets <sup>1)</sup>	-73	-68	-291	-252
Depreciation and impairment, right-of-use assets	-173	-153	-656	-602
Acquisition-related items <sup>2)</sup>	41	-18	-58	-75
<b>Operating profit (EBIT)</b>	<b>596</b>	<b>491</b>	<b>1,892</b>	<b>1,618</b>
Net financial items <sup>3)</sup>	-11	-12	-46	-45
Interest cost of leasing <sup>4)</sup>	-16	-16	-65	-61
Other financial items <sup>5)</sup>	1	5	-4	-1
<b>Profit before tax</b>	<b>570</b>	<b>469</b>	<b>1,777</b>	<b>1,511</b>
Income tax	-97	-10	-384	-255
<b>PROFIT FOR THE PERIOD</b>	<b>472</b>	<b>459</b>	<b>1,393</b>	<b>1,256</b>
<b>Attributable to:</b>				
Parent Company shareholders	472	458	1,393	1,254
Non-controlling interests	0	0	0	1
Earnings per share attributable to Parent Company shareholders, SEK	4.01	3.89	11.85	10.59
Average number of shares	117,798,459	117,668,962	117,570,767	118,408,024
Dividend per share, SEK			6.20	5.50

<sup>1)</sup> Includes tangible assets and intangible assets that are not acquisition-related.

<sup>2)</sup> Acquisition-related items consist of amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of purchase price, profit and losses on the divestment of companies, operations, land and buildings, as well as expensed costs for future service. See page 16 for additional details.

<sup>3)</sup> Net financial items comprise interest expenses on credit facilities and costs related to credit facilities less interest income on cash and cash equivalents.

<sup>4)</sup> Interest cost of leasing comprises the interest cost of leasing pursuant to IFRS 16.

<sup>5)</sup> Other financial items: Result and distributions from participation in associated companies and other securities, result from sale of participations in associated companies and other securities, foreign exchange gains and losses on financial assets and liabilities, and other interest income and interest expenses.

Consolidated income statement and other comprehensive income, SEK M	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
Profit for the period	472	459	1,393	1,256
Items that will not be reversed in the income statement				
Revaluation of defined benefit pensions, net after tax <sup>1,2)</sup>	-44	-11	-42	-11
Items that may subsequently be reversed in the income statement				
Translation differences, net after tax	-59	-89	165	87
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>369</b>	<b>359</b>	<b>1,516</b>	<b>1,332</b>
<b>Attributable to:</b>				
Parent Company shareholders	369	359	1,516	1,330
Non-controlling interests	0	0	1	2
<sup>1)</sup> Tax on revaluation of defined benefit pensions	15	2	15	2

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

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

Cash flow statement SEK M	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
Profit before tax	570	469	1,777	1,511
Amortisation/depreciation and impairment	280	238	1,048	930
Other non-cash items	-54	26	131	194
<b>Cash flow from operating activities before changes in working capital, tax paid, interest paid and received</b>	<b>795</b>	<b>734</b>	<b>2,955</b>	<b>2,635</b>
Interest cost leasing	-16	-16	-65	-62
Net interest paid	-6	-8	-33	-32
Tax paid	-49	-69	-418	-329
Changes in working capital	330	575	-141	-161
<b>Cash flow from operating activities</b>	<b>1,054</b>	<b>1,216</b>	<b>2,299</b>	<b>2,051</b>
Acquisition and divestment of subsidiaries and operations	-328	-23	-769	-257
Purchase and disposal of intangible and tangible assets	-19	-68	-212	-307
Other investing activities	-4	-5	-4	-5
<b>Cash flow from investing activities</b>	<b>-350</b>	<b>-95</b>	<b>-985</b>	<b>-569</b>
Borrowings and repayment of borrowings	-431	-333	-112	420
Principal elements of lease payments	-168	-132	-645	-579
Dividends paid	0	-	-645	-593
Repurchase of treasury shares	-	-237	-2	-520
<b>Cash flow from financing activities</b>	<b>-599</b>	<b>-702</b>	<b>-1,404</b>	<b>-1,271</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>104</b>	<b>419</b>	<b>-90</b>	<b>211</b>

Balance sheet SEK M	31 Dec 2019	31 Dec 2018	1 Jan 2018
Goodwill	7,471	6,615	6,278
Other intangible assets	339	300	315
Property, plant and equipment	580	580	524
Right-of-use assets	3,043	2,724	2,585
Financial assets	389	502	422
Current assets excl. cash and cash equivalents	6,821	5,901	6,116
Cash and cash equivalents incl. short-term investments	660	775	572
<b>TOTAL ASSETS</b>	<b>19,303</b>	<b>17,397</b>	<b>16,812</b>
Equity attributable to Parent Company shareholders	7,154	6,158	5,823
Non-controlling interests	10	10	12
<b>Total equity</b>	<b>7,164</b>	<b>6,168</b>	<b>5,835</b>
Non-current leasing liabilities	2,522	2,314	2,176
Non-current interest-bearing debt	1,665	2,105	2,120
Other non-current liabilities	877	923	811
Current leasing liabilities	688	599	579
Current interest-bearing debt	1,109	519	56
Other current liabilities	5,279	4,770	5,234
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19,303</b>	<b>17,397</b>	<b>16,812</b>
Pledged assets	1	20	21
Contingent liabilities <sup>1)</sup>	1,010	957	711

<sup>1)</sup> Sweco has done a review of the corporate guarantees and updated the contingent liabilities for 2018 from SEK 791 million to SEK 957 million.

Changes in equity SEK M	Jan-Dec 2019			Jan-Dec 2018		
	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity, opening balance	6,158	10	6,168	5,967	12	5,979
Change in accounting principle	-	-	-	-144	-	-144
Comprehensive income for the period	1,516	1	1,516	1,330	2	1,332
Transfer to shareholders	-644	0	-644	-593	-1	-594
Buy-back of treasury shares	-2	-	-2	-520	-	-520
Acquisition of non-controlling interest	-	-	-	0	0	0
Divestment of non-controlling interests	-	-	-	-	-3	-3
Share bonus scheme	122	-	122	112	-	112
Share savings schemes	4	-	4	5	-	5
<b>EQUITY, CLOSING BALANCE</b>	<b>7,154</b>	<b>10</b>	<b>7,164</b>	<b>6,158</b>	<b>10</b>	<b>6,168</b>



## ACQUISITIONS AND DIVESTMENTS

### ACQUISITION OF SUBSIDIARIES AND OPERATIONS

During the period Sweco acquired Linnunmaa Oy, MLM Holdings Limited, Tovatt Architects & Planners AB, Imp GmbH, JIE engineering d.o.o., Pythagoras bvba and the rail infrastructure engineering and consulting services business from NRC Group.

The acquired businesses have approximately 1,234 employees (individuals). Of the considerations paid, SEK 151 million is classified in accordance with IFRS as the cost for future service of staff. The cost for future service is thus accounted for as a prepaid asset and will be expensed over the coming three years on the line Acquisition-related items. Since the amount is prepaid, it impacts the operating cash flow on the line Changes in working capital. The purchase consideration, excluding cost for future service, totalled SEK 713 million and had a negative impact on cash and cash equivalents of SEK 672 million.

The acquisitions impacted the consolidated balance sheet as detailed in the table below. The acquisition analyses regarding MLM, Tovatt, Imp, JIE, NRC and Pythagoras are preliminary. During the period, the acquired companies contributed SEK 543 million in net sales, SEK 60 million in EBITA and SEK -26 million in operating profit (EBIT). If the companies had been owned as of 1 January 2019 they would have contributed approximately SEK 1,334 million in net sales, about SEK 138 million in EBITA and about SEK -42 million in operating profit (EBIT). The transaction cost for the acquisitions during this period and the previous period totalled SEK 18 million.

Acquisitions, SEK M	
Intangible assets	828
Property, plant and equipment	51
Right-of-use assets	172
Financial assets	4
Current assets	436
Non-current liabilities	-210
Deferred tax	-29
Leasing liabilities	-165
Other current liabilities	-373
<b>Total purchase consideration</b>	<b>713</b>
Unsettled purchase price commitment	-22
Payment of deferred purchase price	12
Cash and cash equivalents in acquired companies	-31
<b>DECREASE IN GROUP CASH AND CASH EQUIVALENTS</b>	<b>672</b>

### DIVESTMENT OF SUBSIDIARIES

During the period Sweco divested its Swedish subsidiary Sweco Elektronik AB. Sweco also divested Grontmij Beheer Reststoffenprojecten B.V. and its subsidiaries in the Netherlands, a waste management business which was part of a portfolio of non-core real estate assets of the former Grontmij group. The divested businesses had 49 employees and contributed SEK 103 million in net sales and SEK 18 million in operating profit. The divestments had a positive impact on profit of SEK 62 million and a negative impact on the Group's cash and cash equivalents of SEK 97 million. The divestments impacted the consolidated balance sheet as detailed below.

Divestments, SEK M	
Intangible assets	15
Property, plant and equipment	14
Right-of-use assets	1
Financial assets	117
Current assets	289
Non-current liabilities	-225
Deferred tax	0
Leasing liabilities	-1
Other current liabilities	-117
Capital gain recorded on divestment	62
<b>Total purchase consideration</b>	<b>156</b>
Cash and cash equivalents in divested companies	-254
<b>DECREASE IN GROUP CASH AND CASH EQUIVALENTS</b>	<b>-97</b>

## ACQUISITION-RELATED ITEMS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

### ACQUISITION-RELATED ITEMS

In the fourth quarter, the office property in Glostrup in Denmark was divested, which resulted in a book profit of SEK 19 million. The divestment of the Grontmij Beheer Reststoffenprojecten B.V. and its subsidiaries, also during fourth quarter, resulted in a book profit of SEK 71 million.

Acquisition-related items SEK M	Oct-Dec 2019	Oct-Dec 2018	Full-year 2019	Full-year 2018
Amortisation of acquisition-related intangible assets	-33	-17	-101	-77
Revaluation of additional purchase price	-1	-1	-1	-1
Profit/loss on divestment of buildings and land	19	1	20	1
Profit/loss on divestment of companies and operations	71	0	62	2
Expensed cost for future service	-15	-	-37	-
<b>ACQUISITION-RELATED ITEMS</b>	<b>41</b>	<b>-18</b>	<b>-58</b>	<b>-75</b>

### FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial instruments measured at fair value totalled SEK 10 million (10). 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

In the table below, 2017 and 2018 segment information has been restated to reflect the adjusted business area structure applicable from 1 January 2019.

Quarterly summary restated for adjusted business area structure <sup>1)</sup>	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4
<b>Net sales, SEK M</b>									
Sweco Sweden	2,054	1,519	1,952	1,958	2,003	1,427	1,926	1,874	1,936
Sweco Norway	692	550	658	706	661	516	639	577	561
Sweco Finland	663	536	611	579	556	465	549	502	488
Sweco Denmark	477	410	442	455	460	403	469	375	349
Sweco Netherlands	542	488	519	506	520	447	492	466	459
Sweco Belgium	381	326	352	335	323	240	271	290	233
Sweco UK	348	317	291	214	207	212	225	213	196
Sweco Germany & Central Europe	605	502	438	397	436	397	387	352	379
Group-wide, Eliminations, etc.	-71	-26	-49	-47	-55	-29	-41	-22	-19
<b>TOTAL GROUP</b>	<b>5,692</b>	<b>4,623</b>	<b>5,214</b>	<b>5,101</b>	<b>5,112</b>	<b>4,078</b>	<b>4,916</b>	<b>4,628</b>	<b>4,582</b>
<b>EBITA, SEK M<sup>2)</sup></b>									
Sweco Sweden	271	102	233	252	284	83	234	234	296
Sweco Norway	65	55	18	78	60	41	49	29	29
Sweco Finland	64	76	73	74	53	46	63	35	34
Sweco Denmark	41	44	16	36	17	27	41	23	5
Sweco Netherlands	39	24	37	43	31	13	34	38	18
Sweco Belgium	41	38	41	38	37	12	24	26	21
Sweco UK	24	15	4	8	-6	6	6	11	11
Sweco Germany & Central Europe	21	26	18	11	27	24	25	19	36
Group-wide, Eliminations, etc. <sup>3)</sup>	-34	3	-18	-9	-8	11	-11	-7	-2
<b>EBITA</b>	<b>532</b>	<b>384</b>	<b>422</b>	<b>531</b>	<b>494</b>	<b>263</b>	<b>464</b>	<b>408</b>	<b>448</b>
<b>EBITA margin, %<sup>2)</sup></b>									
Sweco Sweden	13.2	6.7	11.9	12.9	14.2	5.8	12.1	12.5	15.3
Sweco Norway	9.4	10.0	2.7	11.0	9.0	8.0	7.7	5.0	5.2
Sweco Finland	9.6	14.2	12.0	12.8	9.5	9.9	11.5	7.0	7.0
Sweco Denmark	8.6	10.7	3.6	8.0	3.7	6.7	8.8	6.1	1.5
Sweco Netherlands	7.2	5.0	7.1	8.6	5.9	2.8	6.8	8.1	4.0
Sweco Belgium	10.7	11.6	11.7	11.4	11.5	5.1	8.8	9.0	9.0
Sweco UK	7.0	4.8	1.4	3.7	-3.0	2.8	2.7	5.2	5.7
Sweco Germany & Central Europe	3.5	5.2	4.1	2.9	6.3	6.1	6.4	5.5	9.4
<b>EBITA margin</b>	<b>9.4</b>	<b>8.3</b>	<b>8.1</b>	<b>10.4</b>	<b>9.7</b>	<b>6.5</b>	<b>9.4</b>	<b>8.8</b>	<b>9.8</b>
Billing ratio, %	74.6	73.6	74.8	74.1	74.5	73.7	75.2	74.4	75.8
Number of normal working hours	485	519	462	496	489	511	474	490	490
Number of full-time employees	17,084	16,463	16,281	15,823	15,665	15,197	15,387	14,981	14,774

<sup>1)</sup> Sweco is not applying IFRS 16 at the business area level. In the table above, business area EBITA values for 2018 therefore remain unchanged from previous values. 2017 has not been restated for IFRS 16.

<sup>2)</sup> EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

<sup>3)</sup> Group EBITA for 2018 differs slightly from previously reported 2018 figures due to the change in treatment of leases previously reported as finance leases. This difference between reported and restated Group EBITA is reported in Group-wide, Eliminations, etc.

## PERIOD REVIEW PER BUSINESS AREA

January-December	Net sales, SEK M		EBITA, SEK M <sup>2)</sup>		EBITA margin, % <sup>2)</sup>		Number of full-time employees	
Business Area <sup>1)</sup>	2019	2018	2019	2018	2019	2018	2019	2018
Sweco Sweden	7,482	7,230	858	835	11.5	11.5	5,870	5,654
Sweco Norway	2,606	2,392	216	179	8.3	7.5	1,563	1,469
Sweco Finland	2,388	2,072	287	197	12.0	9.5	2,160	2,067
Sweco Denmark	1,784	1,707	137	108	7.7	6.3	1,173	1,187
Sweco Netherlands	2,055	1,926	143	115	7.0	6.0	1,403	1,373
Sweco Belgium	1,394	1,124	158	99	11.3	8.8	870	789
Sweco UK	1,170	857	51	17	4.4	2.0	1,136	860
Sweco Germany & Central Europe	1,941	1,573	77	96	3.9	6.1	2,171	1,808
Group-wide, Eliminations, etc. <sup>3)</sup>	-193	-147	-58	-17	-	-	65	100
<b>TOTAL GROUP</b>	<b>20,629</b>	<b>18,735</b>	<b>1,869</b>	<b>1,629</b>	<b>9.1</b>	<b>8.7</b>	<b>16,412</b>	<b>15,306</b>

<sup>1)</sup> Sweco is not applying IFRS 16 at the business area level. In the table above, business area EBITA values for 2018 therefore remain unchanged from previous values

<sup>2)</sup> EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

<sup>3)</sup> Group-wide, Eliminations, etc. includes Group functions and the Dutch real estate operations. Group EBITA for 2018 differs slightly from previously reported 2018 figures due to the change in treatment of leases previously reported as finance leases. This difference between reported and restated Group EBITA is reported in Group-wide, Eliminations, etc.

## NET SALES GROWTH

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

Net sales growth	2019 Oct-Dec	2018 Oct-Dec	Growth, % Oct-Dec 2019	2019 Jan-Dec	2018 Jan-Dec	Growth, % Jan-Dec 2019
Reported net sales	5,692	5,112	11	20,629	18,735	10
Adjustment for currency effects		78	2		317	2
<b>Net sales, currency-adjusted</b>	<b>5,692</b>	<b>5,190</b>	<b>10</b>	<b>20,629</b>	<b>19,051</b>	<b>8</b>
Adjustment for acquisitions/divestments	-374	-125	5	-646	-50	3
<b>Comparable net sales, currency-adjusted</b>	<b>5,317</b>	<b>5,065</b>	<b>5</b>	<b>19,983</b>	<b>19,001</b>	<b>5</b>
Adjustment of calendar effect	25		0	7		0
<b>Comparable net sales, adjusted for currency and calendar effects</b>	<b>5,342</b>	<b>5,065</b>	<b>5</b>	<b>19,990</b>	<b>19,001</b>	<b>5</b>

Net sales growth	2018 Oct-Dec	2017 Oct-Dec	Growth, % Oct-Dec 2018	2018 Jan-Dec	2017 Jan-Dec	Growth, % Jan-Dec 2018
Reported net sales	5,112	4,582	12	18,735	16,887	11
Adjustment for currency effects		144	3		572	3
<b>Net sales, currency-adjusted</b>	<b>5,112</b>	<b>4,726</b>	<b>8</b>	<b>18,735</b>	<b>17,459</b>	<b>7</b>
Adjustment for acquisitions/divestments	-120	0	3	-354	86	3
<b>Comparable net sales, currency-adjusted</b>	<b>4,992</b>	<b>4,726</b>	<b>6</b>	<b>18,380</b>	<b>17,545</b>	<b>5</b>
Adjustment of calendar effect	8		0	48		0
<b>Comparable net sales, adjusted for currency and calendar effects</b>	<b>4,999</b>	<b>4,726</b>	<b>6</b>	<b>18,428</b>	<b>17,545</b>	<b>5</b>

## PARENT COMPANY INCOME STATEMENT AND BALANCE SHEET

Parent Company income statement, SEK M	Full-year 2019	Full-year 2018
Net sales	771	703
Operating expenses	-818	-734
Operating loss	-48	-30
Net financial items	791	945
Profit/loss after net financial items	743	915
Appropriations	-120	-164
Profit/loss before tax	623	751
Tax	-77	-110
<b>PROFIT/LOSS AFTER TAX</b>	<b>546</b>	<b>640</b>

Parent Company balance sheet, SEK M	31 Dec 2019	31 Dec 2018
Intangible assets	26	40
Property, plant and equipment	59	54
Financial assets	6,537	6,358
Current assets	3,371	2,661
<b>TOTAL ASSETS</b>	<b>9,994</b>	<b>9,113</b>
Equity	4,480	4,448
Untaxed reserves	474	354
Non-current liabilities	1,569	1,703
Current liabilities	3,471	2,608
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,994</b>	<b>9,113</b>