First quarter 2017

AF Gruppen ASA

Q1

From the CEO

AF Gruppen reports good earnings for Q1. An increased contract volume and numerous interesting contracts from existing and new customers has resulted in a record-high order backlog.

A milestone in the quarter was the start of Norway's largest construction project E18 Tvedestrand-Arendal. As the first project under the auspices of Nye Veier, the project will be closely monitored, not least locally. After a fast mass-mobilization of both the project organization and equipment, the construction work is fully operative.

Activity is also at a peak at AF Miljøbase Vats near Haugesund. The facility specializes in sorting waste from decommissioned offshore installations, and is proof that environmental and safe disposal of old installations can be carried out industrially and efficiently.

Our strong financial position allows us to distribute a dividend to our shareholders while also strengthening our positions through acquisitions. With the acquisition of Kanonaden Entreprenad, AF's strategy in Sweden is materializing. The acquisition proves that our model of local co-ownership is attractive for well run and profitable businesses.

Our team comprises skilled project teams and associates who want to succeed along with the customers.

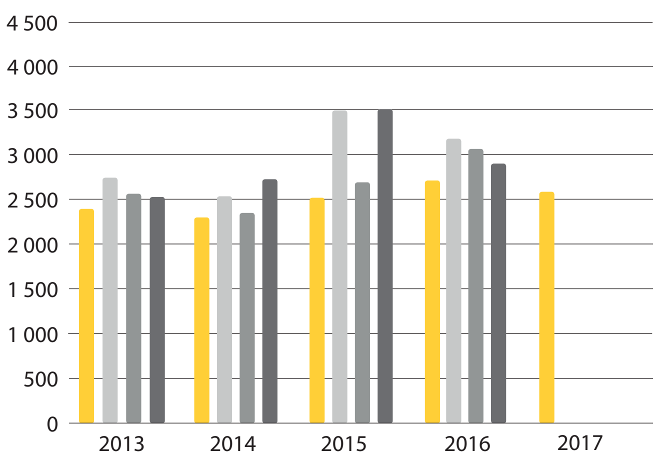
AF has always been proud of its strenght and ability to perform complex tasks. The group's entreprenurial spirit has been characterised by the ability and will to think differently and to find better, more future-oriented ways to generate value.

Addressing Future

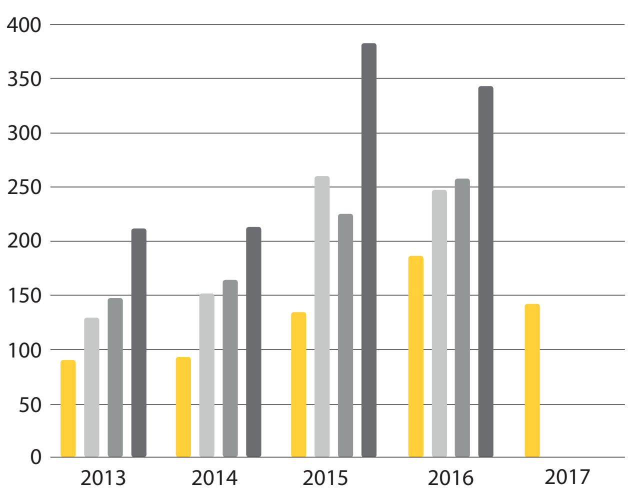
HIGHLIGHTS

- Revenues were NOK 2,662 million (2,707 million) in the 1st quarter.
- Earnings before tax were NOK 142 million (186 million) in the 1st quarter.
- The profit margin was 5.4% (6.9%) in the 1st quarter.
- Net operating cash flow was NOK 415 million (152 million) in the 1st quarter.
- The order book stood at NOK 15,984 million (10,623 million) as at 31 March 2017.
- Net interest-bearing receivables were NOK 1,063 million (705 million) as at 31 March 2017.
- A dividend of NOK 5.00 (5.00) per share has been proposed by the Board of Directors for the first half of the year.

REVENUES PER QUARTER (NOK MILLION)



EARNINGS BEFORE TAX PER QUARTER (NOK MILLION)



SUMMARY OF 1ST QUARTER 2017

Key figures (NOK million)	1Q 17	1Q 16	2016
Revenues and other income	2 662	2 707	11 876
EBITDA	184	221	1 212
Earnings before finacial items and tax (EBIT)	145	188	1 034
Earnings before tax (EBT)	142	186	1 040
Result per share (NOK kroner)	0.89	1.36	7.44
EBITDA margin	6.9 %	8.2 %	10.2 %
Operating profit margin	5.5 %	7.0 %	8.7 %
Profit margin	5.4 %	6.9 %	8.8 %
Return on capital employed (ROaCE)[1)]	49.7 %	56.4 %	54.2 %
Cash flow from operating activities	415	152	822
Net interest-bearing receivables (debt)	1 063	705	606
Equity ratio	31.9 %	29.6 %	29.8 %
Order backlog	15 984	10 623	15 332
LTI-1 rate	1.1	2.1	1.3
Absence due to illness	3.5 %	4.3 %	3.7 %

[1)] 12-month rolling average

Bardufoss Airport

BUSINESS AREAS

Civil Engineering

NOK million	1Q 17	1Q 16	2016
Revenues and income	857	821	3 368
Earnings before financial items and tax (EBIT)	60	100	461
Earnings before tax (EBT)	59	108	475
Operating margin	7.0 %	12.2 %	13.7 %
Profit margin	6.9 %	13.2 %	14.1 %

The Civil Engineering business area encompasses AF's civil engineering activities in Norway and Sweden.

Civil Engineering consists of four business units:
- AF Anlegg
- Målselv Maskin & Transport
- Kanonaden Entreprenad
- Pålplintar

Civil Engineering reported revenues of NOK 857 million (821 million) and earnings before tax of NOK 59 million (108 million) for the 1st quarter.

The start-up of AF Anlegg's Tvedestrand-Arendal project was in the 1st quarter. Målselv Maskin & Transport reported good results for the 1st quarter.

On 9 February 2017, AF Gruppen signed a final agreement to acquire 70 % of the shares in Kanonaden Entreprenad AB. Kanonaden Entreprenad reported good results, as expected, for the 1st quarter. See Note 3 for more information on the transaction.

Pålplintar reported seasonally weak results for the 1st quarter.

AF Anlegg was appointed as the contractor for construction the External Perimeter at Ørlandet in the 1st quarter. The work at Ørlandet Air Base is being performed for the Norwegian Defence Estates Agency and primarily consists of the establishment of a protective zone around the air base. The work started in May 2017, and completion is expected in 2021. The contract is a general contract and has an estimated value of NOK 154 million, excl. VAT.

The order backlog for Civil Engineering as at 31 March 2017 was NOK 5 679 million (3 047 million).

Asko warehouse, Vestby

Environment

NOK million	1Q 17	1Q 16	2016
Revenues and income	125	161	729
Earnings before financial items and tax (EBIT)	5	7	42
Earnings before tax (EBT)	5	7	42
Operating margin	4.0 %	4.4 %	5.8 %
Profit margin	3.8 %	4.3 %	5.7 %

The Environment business area encompasses AF's services related to demolition and recycling services onshore.

The business area consists of two business units:

- AF Decom
- AF Härnösand Byggreturer

Environment also has operations in Rimol Environmental Park and Jølsen Environmental Park.

Environment reported revenues of NOK 125 million (161 million) and earnings before tax of NOK 5 million (7 million) for the 1st quarter.

AF Decom reported a somewhat lower level of activity during the quarter as a result of the fact that there were many small projects in the portfolio. AF Härnösand Byggreturer continues to have projects with very good profitability.

Rimol Environmental Park in Trondheim treats and recycles contaminated materials. Rimol Environmental Park reported seasonally low levels of activity in the 1st quarter. The reception of contaminated materials that are transported and treated at Rimol Environmental Park started in Bergen during the quarter. After the end of the quarter an agreement was signed with Esval for the development of a new environmental centre for the treatment of contaminated materials at Nes in Akershus. The construction of the environmental centre will start in the middle of 2017.

The order backlog for the Environment business area was NOK 243 million (286 million) as at 31 March 2017.

Ullerud healthcare centre

Building

NOK million	1Q 17	1Q 16	2016
Revenues and income	1 595	1 612	6 688
Earnings before financial items and tax (EBIT)	82	81	485
Earnings before tax (EBT)	84	84	498
Operating margin	5.1 %	5.0 %	7.3 %
Profit margin	5.3 %	5.2 %	7.4 %

The Building business area encompasses activities related to new building and renovation in Norway and Sweden.

The Building business area is divided into nine business units:
- AF Bygg Oslo
- AF Byggfornyelse
- AF Nybygg
- AF Bygg Østfold
- AF Bygg Prosjektpartner
- AF Bygg Sverige and subsidiaries
- Strøm Gundersen and subsidiaries
- MTH and subsidiaries
- LAB and subsidiaries

Building reported revenues of NOK 1 595 million (1 612 million) and earnings before tax of NOK 84 million (84 million) for the 1st quarter.

Building reported a high level of activity in the 1st quarter and good results. AF Bygg Oslo and the companies in Strøm Gundersen, LAB and MTH all reported good results for the quarter. AF Bygg Østfold and AF Bygg Sweden reported a low level of activity for the quarter, but both units have entered into several new contracts after the end of the quarter.
AF increased its ownership stake in MTH in the 1st quarter. MTH consists of a portfolio of Oslo-based façade renovation companies. MTH and subsidiaries are organised now as a separate business unit.

AF Byggfornyelse received an order for the first construction stage of Oslo S Utvikling's development in Bjørvika. The order, which comprises Dronninglunden in area B2 encompasses 140 apartments that have been released for sale. Work starts in July 2017 and is scheduled for completion in the summer of 2019. The contract value is estimated at approximately NOK 370 million, excl. VAT. The go-ahead is subject to sufficient advance sales.

Building's order backlog was NOK 8 759 million (5 716 million) as at 31 March 2017.

The Building business area has also announced an additional two agreements to the stock exchange in the 1st quarter:

Business unit	Project	Contract value
AF Bygg Østfold	Bjørlien school, Vestby	NOK 124 million
Strøm Gundersen	Commercial and office building, Tønsberg	NOK 105 million

Krydderhagen, Oslo

Property

NOK million	1Q 17	1Q 16	2016
Revenues and income	8	9	48
Earnings before financial items and tax (EBIT)	26	9	44
Earnings before tax (EBT)	23	6	30
Operating margin	-	-	-
Profit margin	-	-	-

The Property business area encompasses the development of residential housing units and commercial buildings. The activities take place in geographic areas where AF has its own production capacity. The development projects are organized as associates that are recognized in the income statement with AF's share of the period's result.

Property constitutes property business in Norway and Sweden.

Property reported earnings before tax of NOK 23 million (6 million) for the 1st quarter.

In the 1st quarter, Krydderhagen Rosmarin and the first part of construction stage 2 at Lillo Gård was released for sale. Loneneset in Bergen was released for sale in the 1st quarter.

A total of 127 (108) apartments were sold in the 1st quarter. AF's share of the apartments sold was 47 (47). At the end of the quarter, Property had 7 unsold completed apartments, 3 of which were AF's share.

Property has eight housing projects with a total of 1 134 apartments in the production stage (AF's share 488):
- Krydderhagen at Hasle (273 apartments)
- Thurmannskogen at Lørenskog (280 apartments)
- Engebrets Promenade at Lillestrøm (171 apartments)
- Rolfsbukta Terrasse at Fornebu (72 apartments)
- Losjeplassen in Drammen (102 apartments)
- Lillo Gård (162 apartments)
- BRF Glashuset in Halmstad, Sweden (54 apartments)
- BRF Ekbacken 8 in Surte, Sweden (20 apartments)

For further information, see Note 7 on page 28.

Property has three commercial projects in the production phase:
- Securitas Building (15 159 sq. metres) at Hasle (AF's share 7 504)
- Midtun Allier (7 500 sq. metres) in Bergen (AF's share 3 750)
- Lone Marka 3 (1 430 sq. metres) in Bergen (AF's share 715)

All three projects are scheduled for completion in 2017.

Property also has five construction stages in the sales phase, with a total of 201 apartments, of which AF's share is 91.

AF also has ownership interests in land and development rights in progress, which are estimated to amount to 2 295 (2 292) residential units. AF's share of this is 977 (962) residential units. AF has commercial property with a gross area of 93 642 (109 092) square metres under development. AF's share of this is 46 429 (52 454) square metres. Målselv Maskin & Transport has development rights that are included in the figures.

The residential housing market in the greater Oslo area is very good. The sales ratio for projects in the sales and production phase is 87 %. There are expectations of positive developments in the results for ongoing operations due to a high rate of sales for ongoing and launched projects.

Ladejarlen Utvikling AS signed a contract in February to acquire all shares in the companies Jarlveien 15-19 AS, Gjevik Eiendom AS, Ladeveien 20 AS and Ladeveien 22 AS, which own properties at Lade in the City of Trondheim. AF Eiendom owns one-third of the company Ladejarlen Utvikling AS. The acquired properties have an attractive location at Lade in Trondheim. The properties have been regulated for the construction of new buildings totalling a gross area of 26 000 m^2, 23 000 m^2 of which will be residential and up to 3 000 m^2 of which will be commercial. In addition, there will be underground parking and storage spaces. The area has been approved for between 300 and 400 flats. Sales are planned to start in the summer/autumn of 2017, and estimated start of construction is autumn 2017/winter 2018. The purchase price for the companies was NOK 163 million.

EPC at Ullensaker municipality

Energy

NOK million	1Q 17	1Q 16	2016
Revenues and income	51	37	177
Earnings before financial items and tax (EBIT)	4	2	18
Earnings before tax (EBT)	4	1	16
Operating margin	8.1 %	6.2 %	10.0 %
Profit margin	8.1 %	3.4 %	8.9 %

The Energy business area encompasses AF's energy services for onshore activities.

The business area consists of a single business unit:
- AF Energi & Miljøteknikk

Energy also has activities in Boligenergi AS, which is owned jointly with OBOS.

Revenues in the 1st quarter were NOK 51 million (37 million) and earnings before tax were NOK 4 million (1 million).

AF Energi & Miljøteknikk reported an increased level of activity in the 1st quarter. The unit's ongoing projects are performing well operationally and delivered good results for the 1st quarter.

AF Energi & Miljøteknikk has several EPC projects in the analysis phase, and it is expected that they will be converted to projects to be executed. These contracts have had a modest effect on the order backlog, since they do not include a contractual volume. It is expected that these contracts may possibly generate activity of approximately NOK 152 million, in addition to the existing order backlog.

The order backlog for Energy was NOK 164 million (90 million) as at 31 March 2017.

Semi-rig Janice A at AF Environmental Base Vats

Offshore

NOK million	1Q 17	1Q 16	2016
Revenues and income	155	152	1 014
Earnings before financial items and tax (EBIT)	10	6	107
Earnings before tax (EBT)	8	-4	94
Operating margin	6.5 %	4.1 %	10.5 %
Profit margin	5.0 %	-2.6 %	9.3 %

The Offshore business area encompasses AF's services related to the removal, demolition and recycling of offshore installations. Offshore also includes new building, modification and maintenance work related to HVAC, cranes, modules and rig services. In addition, Offshore has services related to the maintenance and modification of onshore facilities for the oil and gas industry.

The business area consists of two business units:
- AF Offshore Decom and subsidiaries
- AF Offshore AeronMollier

Offshore also has activities related to the AF Environmental Base at Vats and the maintenance and modification of onshore facilities (MMO).

Revenues in the 1st quarter were NOK 155 million (152 million) and earnings before tax were NOK 8 million (-4 million).

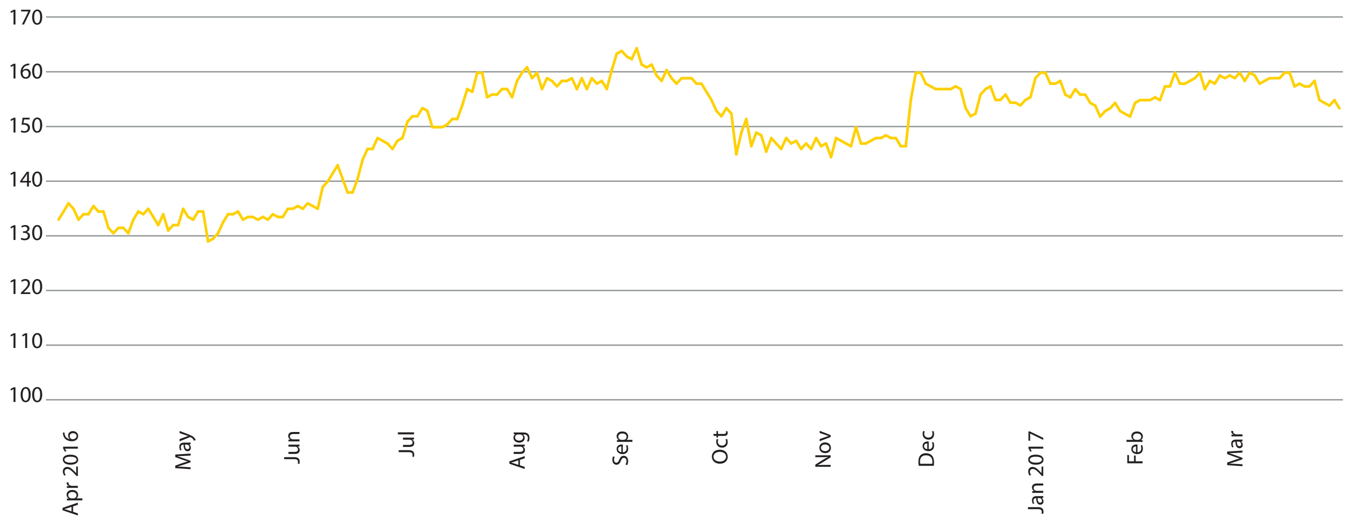
AF Offshore Decom has a high level of activity at the AF Environmental Base at Vats, and the unit delivered good results for the quarter.

AF Offshore AeronMollier has challenging market conditions. The unit reported a significantly lower level of activity for the quarter and delivered a weak result for the 1st quarter.

After the end of the quarter, AF Offshore Decom, as a subcontractor to Heerema Marine Contractors (HMC), received notice from ConocoPhillips Skandinavia AS that they intend to enter into a contract for the removal and recovery of platforms connected to the Ekofisk field in the North Sea. The contract encompasses the engineering, preparation, removal and decommissioning (EPRD) of four platforms, as well as an option for an additional platform, with a total weight of around 36 000 tonnes. The platforms are to be removed and recovered during the period from 2017 to 2022.

The order backlog for Offshore was NOK 605 million (1 093 million) as at 31 March 2017.

AFG - Share price last 12 months



FINANCIAL INFORMATION

AF Gruppen shall have robust financing with respect to operational and market-related fluctuations. The company's required return on invested capital is 20 %. At the same time, the financial position shall reinforce the company's growth strategy and provide an adequate dividend capacity.

Cash flow from operations was NOK 415 million (152 million) in the 1st quarter. AF Gruppen had a cash flow from net investments of NOK -142 million (-23 million) in the 1st quarter. Cash flow before capital transactions and financing was NOK 274 million (128 million) in the 1st quarter. Shares were issued in the 1st quarter in connection with the redemption of options in the Group's option programme with a cash effect of NOK 232 million. In addition, NOK 49 million was issued in connection with the acquisition of Kanonaden Entreprenad AB.

AF Gruppen had net interest-bearing receivables of NOK 1,063 million (705 million) at the end of the 1st quarter.

AF Gruppen's total financing framework is NOK 1 880 million. AF Gruppen entered into a three-year credit facility with Danske Bank for NOK 1 200 million, which replaces the old one-year facility of NOK 1 200 million. The framework also consists of a credit facility of NOK 80 million with DnB. In addition, AF has a credit facility of NOK 600 million with Handelsbanken that will be renewed annually up until June 2020.

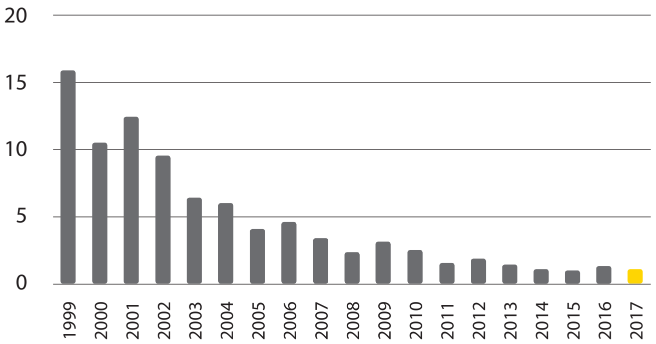
The available liquidity, including credit facilities, stood at NOK 2,943 million as at 31 March 2017.

Total assets were NOK 7 140 million (6 461 million) as at 31 March 2017. The Group's equity totalled NOK 2 275 million (1 910 million). This corresponds to an equity ratio of 31.9 % (29.6 %).

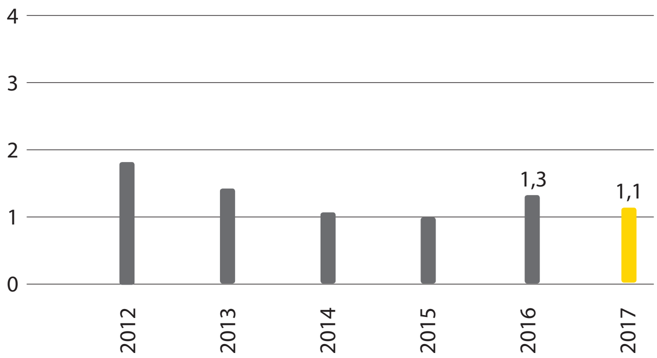
LIST OF SAHREHOLDERS AS AT 31 MARCH 2017

Name	No. shares	% share
OBOS BBL	15 716 733	16.2
ØMF Holding AS	14 685 335	15.1
Constructio AS	13 741 782	14.1
Folketrygdfondet	5 743 033	5.9
Aspelin Ramm Gruppen AS	5 016 535	5.2
LJM A/S	2 413 900	2.5
VITO Kongsvinger AS	1 861 676	1.9
Arne Skogheim AS	1 723 870	1.8
Staavi, Bjørn	1 530 041	1.6
SE Banken (nom)	1 393 738	1.4
Ten largest shareholders	**63 826 643**	**65.7**
Total other shareholders	33 350 511	34.3
Own shares	4 958	0.0
Total number of shares	**97 182 112**	**100.0**

LTI RATE



LTI RATE DEVELOPMENT



SHARE PERFORMANCE

AF Gruppen's shares are listed on the Oslo Stock Exchange's OB-match list and trade under the ticker AFG. The share is included in the Oslo Stock Exchange total index (OSEAX), benchmark index (OSEBX) and fund index (OSEFX), as well as the new Oslo Stock Exchange Mid Cap Index (OSEMX).

As at 31 March 2017, the AF share had a closing price of NOK 153.5. This corresponds to a return of -0.65 % in the 1st quarter of 2017. Oslo Børs's benchmark index showed a return of 0.58 % during the same period.

AF Gruppen ASA increased its share capital in February in connection with the acquisition of Kanonaden Entreprenad AB. The capital increase was carried out as a private issue of 318 766 shares to the sellers with a nominal value of NOK 0.05 at a price of NOK 153.40. The number of shares increased after the new issue to 93 928 766.

In March, a total of 3 253 346 options exercised by 1 133 employees of AF Gruppen in connection with the option programme. The average redemption price for the options was NOK 71.37. The new issue totalled NOK 232 million. The number of outstanding unexercised options in AF Gruppen ASA was 0 after the redemptions. The number of shares after the option redemptions was 97 182 112.

For 2017, a dividend of NOK 5.00 (5.00) per share has been proposed for the first half of the year. NOK 1.25 of this will be a reimbursement of paid-in capital. The last day the share will be traded inclusive of dividend is 12 May 2017, and the payment date is expected to be 23 May 2017.

HEALTH, SAFETY AND THE ENVIRONMENT (HSE)

HSE has high priority in AF Gruppen and is an integral part of the management at all levels. AF has a structured and uniform HSE system that encompasses all the projects. The working environment should be safe for everyone – including those who are employed by our subcontractors. The figures from the subcontractors are therefore included in the injury statistics.

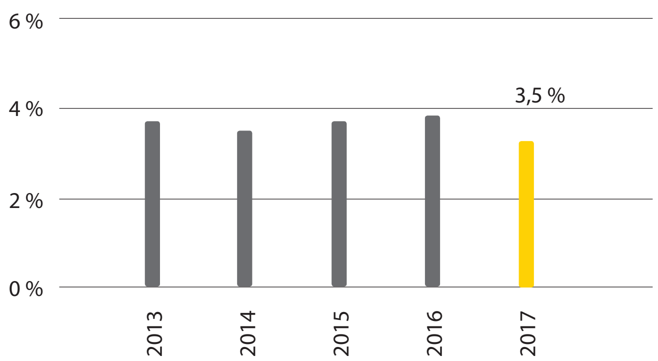
The LTI rate is an important measurement parameter for safety work at AF. The LTI rate is defined as the number of injuries resulting in absence per million man-hours. A total of 3 injuries resulting in absence were registered in the 1st quarter. This gives an LTI rate (lost-time injury rate) of 1.1 (2.1) for the 1st quarter.

The LTI rate has been reduced through systematic and long-term efforts. Significant resources are being invested to further improve our HSE efforts in order to be able to achieve our goal of an LTI rate of zero. Key to this work is AF's fundamental understanding and acceptance that all injuries have a cause and can, therefore, be avoided. Identifying risk and risk analysis are a key part of our preventive activities. Physical and organisational barriers are established to reduce the risk of personal injury to an acceptable level based on an assessment of the risks.

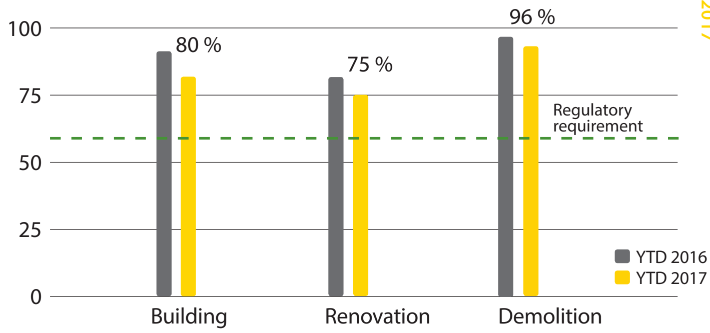
In addition to risk assessments, being able to learn from our mistakes is also vital. AF has systematised this through reporting and responding to undesired incidents, as well as investigating the most serious incidents. The number of reports has increased steadily during the last 13 years, and we see a clear correlation between the increased reporting of undesired incidents and the decrease in injuries.

The registration of sickness absence forms the basis for the measurement of health work at AF. Sickness absence was 3.5 % (4.3 %) in the 1st quarter. Sickness absence at AF is low compared to that of comparable businesses, but AF is working to lower sickness absence even more. Our target is total sickness absence of less than 3.0 %, a level we believe represents a healthy situation without absence due to occupational illnesses/injuries. AF believes that it can achieve this target through systematic health work, which consists, for example, of ongoing risk analysis of exposure that is harmful to health, the establishment of physical and organisational barriers, and close follow-up of employees on sick leave.

SICK LEAVE DEVELOPMENT



SOURCE SEPARATION RATE



Environmental work has high priority throughout the entire Group. AF would like to avoid environmental damage and minimise undesirable effects on the environment. Environmental work is an integral part of HSE work, and the tools used are therefore the same that are used otherwise in connection with HSE work.

Follow-up of the source separation rate parameter acts as an extra driving force for AF's environmental work. This parameter places the focus on an important environmental factor that AF has an opportunity to influence. The source separation rate indicates how much of the waste from AF's operations is separated for the purpose of facilitating recycling. For the 1st quarter, the result for building was 80 % (81%), the result for renovation was 75 % (79 %) and the result for demolition was 96 % (97 %). These results are considered very good, and they are well above the government requirement of a minimum of 60 %. A total of 85 675 tonnes (91 812 tonnes) were separated at source to date in 2017.

ORGANISATION

AF Gruppen is working continuously to build a uniform corporate culture. Motivated employees and a solid organisation are an important foundation for creating value. At AF we are building the organisation with a robust composition of technical expertise and management capacity at all levels. The resources are organised close to the production with project teams where the managers have an influential force.

AF invests a lot of time and resources in the development of employees through training in various positions in production and through development of the AF Academy. More than 80% of the current managers have been recruited internally. AF is experiencing an increasing and satisfactory influx of qualified employees, and our employees are good ambassadors for the recruitment of new personnel.

AF Gruppen had a total of 3 352 (3 030) employees at the end of the 1st quarter. Of these employees, 2 975 (2 845) were employed in Norway, 364 (167) in Sweden, 1 (5) in Lithuania, 9 (9) in China and 3 (4) in Germany.

RISK AND RISK MANAGEMENT

AF Gruppen is exposed to risk of both an operational and financial nature. AF Gruppen wants to assume operational risk that the business units can influence and control. AF has developed risk management processes that are well adapted to our operations. Standardised, action-oriented risk management processes ensure comprehensive and coherent risk management in all parts of the organisation. AF seeks to limit exposure to risk that cannot be influenced. A risk review is conducted for all projects before a tender is even submitted. Analysis of risk during the tendering phase enables the correct pricing and management of risk in the project. The same project organizations conduct detailed risk reviews every quarter. The Corporate Management Team will participate in risk reviews of all projects valued at more than NOK 100 million. In addition, a total of 22 risk reviews in the business units, in which the Corporate Management Team also participated, were conducted in the 1st quarter of 2017.

Financial risk encompasses market risk, credit risk and liquidity risk. Market risk includes commodity price risk, foreign exchange risk and interest rate risk. AF is exposed to foreign exchange risk, and as a major demolition and recycling operator, the Group is also exposed to fluctuations in steel prices. AF aims to have low exposure to risks that cannot be influenced, and it uses hedging instruments to mitigate the risk associated with foreign exchange rates and steel prices. AF has credit risk in relation to customers, suppliers and partners. In addition to the parent company and bank guarantees, the use of credit rating tools contributes to reducing risk. Liquidity risk is considered low. AF Gruppen has a total financing framework of NOK 1 880 million and available liquidity of NOK 2 943 million as at 31 March 2017.

MARKET OUTLOOK

Civil Engineering

The forecasts for the Norwegian economy for 2017 are marked by continued uncertainty. One of the measures to buffer the decline in the economy is that the authorities have increased appropriations to the civil engineering market in recent years. In the 2017 Norwegian State Budget, NOK 66.8 billion has been allocated to transport, which is an increase of 11.8 % over the budget for 2016. NOK 33.6 billion of this has been allocated to roads. This corresponds to an increase of 9.4 % compared with 2016. Prognosesenteret expects a high level of activity in the civil engineering market for the period form 2017 to 2019, with growth in investments of 11 % in 2017, 10 % in 2018 and 14 % in 2019. In addition to growth in road construction, investments in railway and tramway infrastructure are expected in particular to contribute to good growth in 2018 and 2019. The highest level of activity for civil engineering investments will be in the Oslo region.

The development of the Swedish economy is influenced by the eurozone, and the Swedish central bank Riksbanken has lowered its key rate to -0.5 % in order to stimulate the Swedish economy. An expansive monetary policy and increased employment contribute to the Riksbanken expecting annual growth in the gross national product of around 2.5 % in the coming years. The forecasts from the Swedish Construction Federation assume continued strong growth for building and civil engineering investments in Sweden in 2017.

Building

Residential property prices performed very strongly in 2016, and, measured as 12-month growth from December 2015 to December 2016, the residential property prices increased by 12.8 %. It is expected that prices will flatten out during 2017. It is expected that regional differences in price performance will diminish throughout 2017. Lower wage growth and more restrictive home mortgage regulations may have a dampening effect on residential property prices, while a record-low interest rate level will contribute to maintaining demand.

In 2016, the building market reported volume growth of 4.5 % in relation to 2015. Growth in 2017 is expected to be just a high – driven by new residential units. The trend for registered start permits has pointed upwards since the autumn of 2014. Prognosesenteret expects 38 000 housing starts in 2017, corresponding to a 5 % increase over 2016 before a weak decline in 2018 and 2019.

The Building business area is also exposed to fluctuations in the non-residential building and renovation, remodelling and extension markets. Non-residential building starts totalled 4.97 million square metres in 2016. The area of the total building starts is expected to be around 5 million square metres in 2017 as well. Prognosesenteret is expecting a stable, positive development in 2017 for residential and non-residential renovation, remodelling and extension with growth of 2.8 % and 1 %, respectively, compared with 2016.

The Swedish Construction Federation forecasts growth of 5 % for building and civil engineering in Sweden for 2017. The greatest growth is expected in the new residential units segment (9 %), but growth is also expected for non-residential building (1 %).

Property

The development of residential property prices was particularly strong in 2016, and figures from Property Norway in December 2016 show a 12-month residential property price growth of 12.8 % in Norway. The greatest price increase was in Oslo (23.3 %), and the weakest performance was in Stavanger with a price decline of 2.6 %. Property Norway's forecasts for the Norwegian residential property market in 2017 show an expected increase of 9-11 %. It is expected that the regional differences will diminish throughout 2017, but that Oslo will continue to show the highest price growth.

The residential property market in the major cities in Sweden showed a strong performance in 2016, and further growth is also expected in 2017. A low interest rate level in Europe also results in increased demand for long-term non-residential property investments.

Environment

The Environment business area provides traditional demolition services and the subsequent receiving, treating and recycling of materials. The level of activity for demolition operations is closely connected to the general level of activity in the building and civil engineering markets. A positive outlook for the civil engineering market in Norway, expectation of further price growth in the residential housing market, as well as a stable, high number of start permits for 2017, will have a positive impact on the demand for services. The same tendency is expected in Sweden, where the forecasts indicate growth in the building and civil engineering markets in 2017.

The market opportunities for the treatment of contaminated materials are huge, since the materials that were previously delivered to disposal sites can now be recycled.

Energy

In 2016, the Norwegian Parliament adopted ambitious energy goals related to a reduction in the consumption of energy towards the year 2030. The Norwegian Parliament's energy goals are to be realised through a significant reduction in the consumption of energy by existing buildings compared with the current level (10 TWh reduction), among other things. Enova has surveyed the potential conservation of energy in Norwegian buildings. They point out that there is a major maintenance backlog for public buildings and major conservation opportunities in connection with the rehabilitation of buildings.

Energy savings contracts (EPCs) in municipalities and public enterprises have thus become an increasingly interesting market area after a standardisation of contract terms took place. There has been a significant increase in the number of advertised energy savings contracts in recent years, and this growth is expected to continue in 2017.

Regulatory changes in the district heating market have resulted in a better regulatory framework for the establishment of local heating plants based on renewable energy. There is greater awareness of solutions like this, and completed projects illustrate the potential to reduce energy costs.

Offshore

The price of oil was stable at over USD 110 until the summer of 2014. After that the price fell sharply until the beginning of 2016, when it went below USD 30. The price of oil recovered somewhat in 2016, but the drop in oil prices have contributed to reduced profitability and a lower willingness to invest among oil companies. Statistics Norway estimates that investments related to oil, gas and pipeline transport will amount to NOK 149.4 billion in 2017. This is an decline of 13% compared with the corresponding figures for 2016. It is the producing fields that are contributing the most to the decline that is estimated from 2016 to 2017. Uncertainty in the oil industry may have an impact on AF's HVAC activities, as well as on maintenance and modification. At the same time, a lower oil price will make several of the fields in the North Sea less profitable, and the oil companies will to a greater extent than previously consider shutting down and removing the older platforms. Estimates from the British industry organisation Oil & Gas UK indicate that more than 100 platforms on the Norwegian and British continental shelves are to be removed fully or partially over the next 10 years. In addition, over 1 800 wells will be plugged permanently and approximately 7 500 kilometres of pipeline are to be cleaned and decommissioned. The cost of this has been estimated at up to NOK 200 billion. This represents good opportunities for AF's offshore activities in the demolition and removal of decommissioned installations.

Oslo, 11 May 2017
Board of Directors of AF Gruppen ASA

For more detailed information, please contact:

CEO Morten Grongstad
morten.grongstad@afgruppen.no
+47 991 53 905

CFO Sverre Hærem
sverre.herem@afgruppen.no
+47 952 45 167

Internet: www.afgruppen.com

Financial information

Håvard Ruud Olsen, Andreas Lien Klovholt and Martin Schjølberg from AF Energi & Miljøteknikk. Photo: Thomas Haugersveen.

CONDENSED CONSOLIDATED STATEMENT OF INCOME

NOK million	1Q 17	1Q 16	2016
Revenues and income	2 662	2 707	11 876
Subcontractors	-1 080	-1 176	-5 168
Cost of materials	-393	-382	-1 778
Payroll cost	-718	-668	-2 650
Operating expenses ex. depreciation and impairment	-294	-256	-1 084
Net gains (losses) and profit (loss) from associates	8	-4	15
EBITDA	**184**	**221**	**1 212**
Depreciation and impairment of tangible fixed assets	-39	-32	-135
Depreciation and impairment of intagible assets	-1	-	-42
Earnings before financial items and tax (EBIT)	**145**	**188**	**1 034**
Net financial items	-3	-2	6
Earnings before tax (EBT)	**142**	**186**	**1 040**
Income tax expense	-39	-49	-253
Net income for the period	**104**	**137**	**787**
Attributable to:			
Shareholders of the parent	84	126	691
Non-controlling interests	20	12	96
Net income for the period	**104**	**137**	**787**
Earnings per share (NOK kroner)	0.89	1.36	7.44
Diluted earnings per share (NOK kroner)	0.89	1.33	7.29

Key figures	1Q 17	1Q 16	2016
EBITDA margin (EBITDA %)	6.9 %	8.2 %	10.2 %
Operating profit margin (EBIT %)	5.5 %	7.0 %	8.7 %
Profit margin (EBT %)	5.4 %	6.9 %	8.8 %
Return on capital employed (ROaCE) [1]	49.7 %	56.4 %	54.2 %
Return on equity	39.4 %	45.4 %	43.3 %
Equity ratio	31.9 %	29.6 %	29.8 %
Net interest-bearing receivables (debt) [2]	1 063	705	606
Capital employed [3]	2 396	2 040	2 063
Order backlog	15 984	10 623	15 332

[1] Return on capital employed (ROaCE) = Earnings before tax + interest expense / average capital employed
[2] Net interest-bearing receivables (debt) = Cash and cash equivalents + interest-bearing receivables - interest-bearing debt
[3] Capital employed = Equity + interest-bearing debt

STATEMENT OF COMPREHENSIVE INCOME

NOK million	1Q 17	1Q 16	2016
Net income for the period	104	137	787
Net actuarial gains and losses	-	-	-4
Items that will not be reclassified to income statement in subsequent periods	**-**	**-**	**-4**
Net cash flow hedges	-	26	118
Currency translation differences	9	-5	-23
Items that may be reclassified to income statement in subsequent periods	**10**	**21**	**94**
Other comprehensive income for the period	**10**	**21**	**90**
Total comprehensive income for the period	**114**	**158**	**877**
Attributable to:			
-Shareholders of the parent	92	147	781
- Minority	22	12	96
Total comprehensive income for the period	**114**	**158**	**877**

EQUITY

NOK million	Paid-in capital	Translation differences	Actuarial pension gains/ (losses)	Cash flow hedge	Retained earnings	Attributable to share-holders	Minority	Total equity
As at 31/12/2015	**411**	**29**	**-12**	**-171**	**1 303**	**1 561**	**259**	**1 820**
Comprehensive income	-	-5	-	26	126	147	12	158
Purchase of treasury shares	-	-	-	-	-14	-14	-	-14
Sale of treasury shares	-	-	-	-	13	13	-	13
Dividend paid	-	-	-	-	-	-	-68	-68
Share-based remuneration	-	-	-	-	1	1	-	1
Transactions with minority	-	-	-	-	-3	-3	2	-2
As at 31/03/2016	**411**	**24**	**-12**	**-145**	**1 427**	**1 706**	**204**	**1 910**
As at 31/12/2016	**223**	**6**	**-16**	**-53**	**1 519**	**1 679**	**270**	**1 950**
Comprehensive income	-	8	-	-	84	92	22	114
Capital increase	281	-	-	-	-	281	-	281
Purchase of treasury shares	-	-	-	-	-5	-5	-	-5
Sale of treasury shares	-	-	-	-	13	13	-	13
Dividend paid	-	-	-	-	-	-	-69	-69
Share-based remuneration	-	-	-	-	2	2	-	2
Addition of minority by aqusitions	-	-	-	-	-	-	17	17
Transactions with minority	-	-	-	-	-16	-16	-11	-27
As at 31/03/2017	**504**	**14**	**-16**	**-53**	**1 597**	**2 047**	**228**	**2 275**

CONSOLIDATED BALANCE SHEET

NOK million	31/03/17	31/03/16	31/12/16
Tangible fixed assets	1 175	1 117	1 105
Intagible assets	2 166	2 081	2 032
Investment in associates and joint ventures	395	418	389
Deferred tax asset	32	80	51
Interest-bearing receivables	232	188	206
Pension plan and other financial assets	6	10	6
Total non-current assets	**4 006**	**3 894**	**3 789**
Inventories	146	134	139
Projects for own account	70	60	47
Trade receivables and other receivables	1 966	1 726	2 061
Interest-bearing receivables	44	111	44
Cash and cash equivalents	907	536	469
Total current assets	**3 134**	**2 567**	**2 760**
Total assets	**7 140**	**6 461**	**6 549**
Equity attributable to sharholders of the parent	2 047	1 706	1 680
Minority interests	228	204	270
Total equity	**2 275**	**1 910**	**1 950**
Long-term interest-bearing debt	109	89	83
Retirement benefit obligations	1	2	1
Provisions	159	180	158
Deferred tax	259	383	265
Financial derivatives	39	72	46
Total non-current liabilities	**567**	**725**	**553**
Short-term interest-bearing debt	13	41	30
Trade payables and other short term debt	3 733	3 395	3 369
Financial derivatives	48	40	63
Provisions	153	155	207
Tax payable	352	196	377
Total current liabilities	**4 298**	**3 826**	**4 046**
Total liabilities	**4 865**	**4 551**	**4 599**
Total equity and liabilities	**7 140**	**6 461**	**6 549**

CONSOLIDATED CASH FLOW STATEMENT

NOK million	1Q 17	1Q 16	2016
Earnings before financial items and tax (EBIT)	145	188	1 034
Depreciation, amortisation and impairment	39	32	177
Change in net working capital	287	18	-216
Income taxes paid	-50	-35	-165
Other adjustments	-6	-53	-8
Cash flow from operating activities	**415**	**152**	**822**
Net investments	-142	-23	-13
Cash flow before financing activities	**274**	**128**	**809**
Share issue	232	-	120
Dividend paid	-	-	-744
Transactions with minority	-60	-60	-123
Sale (purchase) of treasury shares	8	-	-8
Borrowings (repayment of debt)	-12	14	-36
Interest paid	-3	-3	-15
Cash flow from financing activities	**165**	**-49**	**-807**
Net decrease (increase) in in cash and cash equivalents	**439**	**79**	**3**
Net cash and cash equivalents at beginning of period	469	459	459
Change in cash and cash eqivalents without cash effect	-	-2	7
Net cash and cash equivalents end of period	**907**	**536**	**469**

BUSINESS AREAS

AF Gruppen's division into operating segments is consistent with the division of the business areas: Civil Engineering, Environment, Building, Property, Energy and Offshore.

Segment information is presented in accordance with the Group's accounting policies in accordance with IFRS with the exception of IFRIC 15 (Agreements for the Construction of Real Estate). This policy exception applies to the Building and Property segments in Norway and Sweden. Income from projects for own account in these segments is recognised in accordance with IAS 11. This means that the recognition of income in these projects is the product of the physical degree of completion, the percentage sold and the expected contribution margin.

Segment information is presented in accordance with reporting to the Corporate Management Team and is consistent with the financial information utilised by the Company's senior decision-makers when evaluating developments and allocating resources. The effect of IFRIC 15 on the consolidated accounts is illustrated in a separate table in the segment information. Additional information on projects for own account is provided in Note 7.

Civil Engineering

NOK million	1Q 17	1Q 16	2016
External revenue and income	848	821	3 364
Internal revenue and income	9	-	4
Total revenue and income	**857**	**821**	**3 368**
EBITDA	76	115	512
Earnings before financial items and tax (EBIT)	60	100	461
Earnings before tax (EBT)	**59**	**108**	**475**
EBITDA-margin	8.9 %	14.0 %	15.2 %
Operating margin	7.0 %	12.2 %	13.7 %
Profit margin	6.9 %	13.2 %	14.1 %
Assets	1 605	1 134	1 326
Order backlog	**5 679**	**3 047**	**5 589**

Environment

NOK million	1Q 17	1Q 16	2016
External revenue and income	115	152	689
Internal revenue and income	10	9	40
Total revenue and income	**125**	**161**	**729**
EBITDA	9	11	58
Earnings before financial items and tax (EBIT)	5	7	42
Earnings before tax (EBT)	**5**	**7**	**42**
EBITDA-margin	7.3 %	6.6 %	8.0 %
Operating margin	4.0 %	4.4 %	5.8 %
Profit margin	3.8 %	4.3 %	5.7 %
Assets	239	231	260
Order backlog	**243**	**286**	**212**

Building

NOK million	1Q 17	1Q 16	2016
External revenue and income	1 590	1 587	6 622
Internal revenue and income	4	25	66
Total revenue and income	**1 595**	**1 612**	**6 688**
EBITDA	92	89	523
Earnings before financial items and tax (EBIT)	82	81	485
Earnings before tax (EBT)	**84**	**84**	**498**
EBITDA-margin	5.8 %	5.5 %	7.8 %
Operating margin	5.1 %	5.0 %	7.3 %
Profit margin	5.3 %	5.2 %	7.4 %
Assets	3 691	3 500	3 554
Order backlog	**8 759**	**5 716**	**8 467**

Property

NOK million	1Q 17	1Q 16	2016
External revenue and income	8	9	46
Internal revenue and income	-	-	2
Total revenue and income	**8**	**9**	**48**
EBITDA	26	9	44
Earnings before financial items and tax (EBIT)	26	9	44
Earnings before tax (EBT)	**23**	**6**	**30**
EBITDA-margin	-	-	-
Operating margin	-	-	-
Profit margin	-	-	-
Assets	922	808	868
Order backlog	**-**	**-**	**-**

Energy

NOK million	1Q 17	1Q 16	2016
External revenue and income	51	37	177
Internal revenue and income	-	-	1
Total revenue and income	**51**	**37**	**177**
EBITDA	4	2	18
Earnings before financial items and tax (EBIT)	4	2	18
Earnings before tax (EBT)	**4**	**1**	**16**
EBITDA-margin	8.4 %	6.4 %	10.2 %
Operating margin	8.1 %	6.2 %	10.0 %
Profit margin	8.1 %	3.4 %	8.9 %
Assets	125	116	140
Order backlog	**164**	**80**	**108**

Offshore

NOK million	1Q 17	1Q 16	2016
External revenue and income	155	152	1 013
Internal revenue and income	-	-	1
Total revenue and income	**155**	**152**	**1 014**
EBITDA	14	8	161
Earnings before financial items and tax (EBIT)	10	6	107
Earnings before tax (EBT)	**8**	**-4**	**94**
EBITDA-margin	9.0 %	5.6 %	15.9 %
Operating margin	6.5 %	4.1 %	10.5 %
Profit margin	5.0 %	-2.6 %	9.3 %
Assets	1 511	1 462	1 537
Order backlog	**605**	**1 093**	**550**

Other segments (Group)

NOK million	1Q 17	1Q 16	2016
External revenue and income	22	7	29
Internal revenue and income	4	6	38
Total revenue and income	**26**	**13**	**67**
EBITDA	-7	-2	-42
Earnings before financial items and tax (EBIT)	-11	-6	-60
Earnings before tax (EBT)	**-9**	**-5**	**-51**
Assets			
Order backlog	800	722	1 110
Ordrereserve	**-**	**-**	**-**

Eliminations

NOK million	1Q 17	1Q 16	2016
External revenue and income	-12	-31	58
Internal revenue and income	-28	-40	-151
Total revenue and income	**-40**	**-71**	**-93**
EBITDA	-1	-3	-5
Earnings before financial items and tax (EBIT)	-1	-3	-5
Earnings before tax (EBT)	**-1**	**-3**	**-5**
Assets	-1 634	-1 474	-2 157
Order backlog	**122**	**196**	**106**

IFRIC 15

NOK million	1Q 17	1Q 16	2016
External revenue and income	-116	-26	-121
Internal revenue and income	-	-	-
Total revenue and income	**-116**	**-26**	**-121**
EBITDA	-30	-8	-58
Earnings before financial items and tax (EBIT)	-30	-8	-58
Earnings before tax (EBT)	**-30**	**-8**	**-58**
Assets	-119	-39	-89
Order backlog	**412**	**205**	**299**

Segment total

NOK million	1Q 17	1Q 16	2016
External revenue and income	2 662	2 707	11 876
Internal revenue and income	-	-	-
Total revenue and income	**2 662**	**2 707**	**11 876**
EBITDA	184	221	1 212
Earnings before financial items and tax (EBIT)	145	188	1 034
Earnings before tax (EBT)	**142**	**186**	**1 040**
EBITDA-margin	6.9 %	8.2 %	10.2 %
Operating margin	5.5 %	7.0 %	8.7 %
Profit margin	5.4 %	6.9 %	8.8 %
Assets	7 140	6 461	6 549
Order backlog	**15 984**	**10 623**	**15 332**

NOTES

1. GENERAL INFORMATION

AF Gruppen is one of Norway's leading contracting and industrial groups. AF Gruppen is divided into six business areas: Civil Engineering, Environment, Building, Property, Energy and Offshore.

AF Gruppen ASA is a public limited company registered and domiciled in Norway. The head office is located at Innspurten 15, 0663 Oslo. AF is listed on the Oslo Stock Exchange's OB Match list under the ticker symbol AFG.

This summary of financial information for the 1st quarter and 2017 has not been audited.

2. BASIS OF PREPARATION

The consolidated financial statements for AF Gruppen encompass AF Gruppen ASA and its subsidiaries, joint ventures and associated companies. The consolidated financial statements for the 1st quarter have been prepared in accordance with IAS 34 Interim Accounts. The summary of the financial information presented in the quarterly accounts is intended to be read in conjunction with the annual report for 2016, which has been prepared in accordance with the International Financial Reporting Standards (IFRS).

As a result of rounding off, the numbers or percentages will not always add up to the total.

3. CHANGES IN THE GROUP'S STRUCTURE

On 9 February 2017, AF Gruppen agreed to acquire 70 % of the shares in Kanonaden Entreprenad AB. The transaction encompasses the subsidiaries Bergbolaget i Götaland AB, Kanonaden Entreprenad Öst AB and Kanonaden Täkt och Förvaltning AB. Kanonaden Entreprenad will be part of the Civil Engineering business area.

Kanonaden Entreprenad AB was established in 1983, with headquarters in Nässjö, Jönköping County, Sweden. In 2016, the company and its subsidiaries saw revenue of SEK 708 million, and the company has 188 employees. Kanonaden Entreprenad AB performs work in the fields of site preparation work, water and sewage, concrete, district heating, cable laying, wind power and roadworks. The company is engaged in activities in Southern Sweden, including Stockholm and Gothenburg.

The business operations of Kanonaden Entreprenad AB, including shares in subsidiaries, are valued at SEK 260 million on a 100 % basis. Settlement consisted of 318 766 shares in AF Gruppen ASA at NOK 153.40 per share and SEK 131 million in cash.

An allocation of the purchase price based on the opening balance sheet of Kanonaden Entreprenad AB as at 9 February 2017 is presented below. Allocation of the purchase price was prepared using the acquisition method as regulated in IFRS 3. The purchase price has been allocated at the fair value of the assets and liabilities of Kanonaden Entreprenad AB. The allocation is not final.

SEK million	
Cash consideration	131
Share issue	52
Gross consideration	**183**
– Cash and cash equivalents	-33
Net consideration	**150**
Tangible fixed assets and intangible assets	58
Inventories	5
Current non-interest-bearing receivables	133
Minority interests	-20
Deferred and payable tax	-14
Current interest-bearing liabilities	-6
Current non-interest-bearing liabilities	-145
Net identifiable assets and liabilities	**11**
Goodwill	**139**

The acquisition resulted in goodwill of NOK 139 million, which is linked to the geographical market position and the organisation's ability to operate profitably.

4. ACCOUNTING POLICIES

The accounting policies applied to the accounts are consistent with those described in the annual report for 2016. .

New and amended accounting standards

AF Gruppen has not implemented new or changed standards in 2017 with material effect on the Group's financial position and results.

Photo: Thomas Haugersveen.

5. ESTIMATES

The preparation of the interim accounts requires the use of assessments, estimates and assumptions that have an effect on the application of accounting principles and recognised figures related to assets and commitments, revenues and costs. The estimates are based on the management's best judgement and experience, and there is some uncertainty related to the concurrence of these estimates with the actual result. Estimates and their underlying assumptions are assessed on a continuous basis. Changes in accounting estimates are recognised for the period in which the estimate is changed and for future periods if these are affected by the change in estimate.

6. TRANSACTIONS WITH RELATED PARTIES

The Group's related parties consist of associates, joint ventures, the Company's shareholders and members of the Board of Directors and Corporate Management Team. All business transactions with related parties are carried out in accordance with the arm's length principle.

In March, a total of 3 253 346 options exercised by 1 133 employees of AF Gruppen in connection with the option programme. The average redemption price for the options was NOK 71.37. The number of outstanding unexercised options in AF Gruppen ASA was 0 after the redemptions. The number of shares after the option redemptions was 97 182 112. Primary insiders in AF Gruppen have purchased 267 046 shares in AF Gruppen ASA in this connection.

7. IFRIC 15

Segment information is presented in accordance with the Group's accounting policies in accordance with IFRS with the exception of IFRIC 15 (Agreements for the Construction of Real Estate). The effect of IFRIC 15 on the consolidated accounts is illustrated in a separate table in the segment information. According to IFRIC 15, income from the sale of apartments and the associated proportion of contracting services shall not be entered until handover. The table below shows residential housing projects for our own account that are in the production phase. Contractor values have been included in those cases where group companies are the contractor.

Projects for own account - Property

Project	AF's construction value ex. VAT (NOK million)	Housing units	Construction period Start up	Completion	Ownership share AF
Krydderhagen B1/B2/B3 Hasle	182	87	Q3 2015	Q2 2017	50 %
Krydderhagen C1/C2/C3 Hasle	169	84	Q3 2016	Q1 2018	50 %
Spikkestadkvartalet Spikkestad	83	40	Q1 2015	Q2 2016	33 %
Thurmannskogen A/E Lørenskog	170	90	Q2 2015	Q1/Q2 2017	33 %
Thurmannskogen B/C/D Lørenskog	220	96	Q4 2015	Q1 2018	33 %
Thurmannskogen F/G Lørenskog	150	73	Q3 2016	Q3 2018	33 %
Engebrets Promenade B/C/D Lillestrøm	290	125	Q2 2015	Q4 2017	40 %
Engebrets Promenade A Lillestrøm	118	46	Q3 2016	Q4 2017	40 %
Rolfsbukta Terasse Fornebu	-	72	Q2 2015	Q2 2017	33 %
Losjeplassen Drammen	-	102	Q3 2015	Q2 2017	50 %
Lillo Gård Nydalen	506	162	Q1 2017	Q2 2019	25 %
BRF Glashuset Halmstad, Sweden	71	54	Q1 2017	Q2 2018	100 %
BRF Tornet Surte, Sweden	41	20	Q1 2017	Q1 2018	100 %

Project E18 Tvedestrand-Arendal. Photo: Heine Robstad

COMPANY INFORMATION

AF Gruppen ASA

Head office:
Innspurten 15
0603 Oslo
Norway
T +47 22 89 11 00
F +47 22 89 11 01

Postal address:
P.O. Box 6272 Etterstad
0603 Oslo
Norway

Company's Board of Directors

Pål Egil Rønn, *Board Chairman*
Daniel Kjørberg Siraj, *Deputy Chairman*
Borghild Lunde
Hege Bømark
Kristian Holth
Kenneth Svendsen
Pål Jacob Gjerp
Arne Sveen

Corporate Management

Morten Grongstad, *CEO*
Sverre Hærem, *CFO*
Arild Moe, *EVP Civil Engineering*
Henning Olsen, *EVP Building in Greater Oslo and Sweden*
Andreas Jul Røsjø, *EVP Property and Energy*
Amund Tøftum, *EVP Offshore*
Eirik Wraal, *EVP Environment and social responsibility*
Bård Frydenlund, *EVP HR and Building in South-West*

Financial calendar

Presentation of interim accounts:

25/08/2017 Interim report 2nd quarter 2017
10/11/2017 Interim report 3nd quarter 2017

The presentation of interim accounts will take place at Hotel Continental, Stortingsgata 24-26, at 8:30 a.m.

For more information on the company, visit our web site at **www.afgruppen.com**

Cover: Semi-rig Janice A at AF Environmental Base Vats

Vamma power station. Photo: Hans Fredrik Asbjørnsen

OPERATIONAL STRUCTURE

AF GRUPPEN

Civil Engineering

- AF Anlegg
  - *AF Arctic*
  - *JR Anlegg*
- Kanonaden Entreprenad
- Målselv Maskin & Transport
- Pålplintar

Environment

- AF Decom
  - *Jølsen Miljøpark*
  - *Rimol Miljøpark*
- Härnösand Byggreturer

Building

- AF Byggfornyelse
- AF Bygg Oslo
- AF Bygg Østfold
- AF Bygg Prosjektpartner
- AF Bygg Sverige
  - *AF Bygg Göteborg*
  - *AF Bygg Syd*
- AF Nybygg
- LAB
  - *LAB Entreprenør*
  - *FAS*
  - *Åsane Byggmester-forretning*
- MTH
  - *Kirkestuen*
  - *Lasse Holst*
  - *Thorendahl*
  - *VD Vindu og Dør Montasje*
- Strøm Gundersen
  - *Consolvo*
  - *Haga & Berg Entreprenør*

Property

- AF Eiendom
- AF Projektutveckling
- LAB Eiendom

Energy

- AF Energi & Miljøteknikk
  - *Boligenergi*

Offshore

- AF Offshore Decom
  - *AF Decom Offshore UK Ltd.*
  - *AF Miljøbase Vats*
- AF Offshore AeronMollier
  - *Aeron Energy Tech. Co*
  - *AF Offshore Aeron Pte. Ltd.*