SWECO

Sustainable engineering & design

Interim report January-June 2009

Continued strong performance in first half of 2009

- Operating profit of SEK 283.7 million (335.0).
- Operating margin of 10.0 per cent (11.9).
- Net sales amounted to SEK 2,846.8 million (2,803.7).
- Profit before tax of SEK 289.9 million (329.1).
- Strong cash flow from operating activities of SEK 214.7 million (180.7).
- Profit after tax of SEK 207.1 million (236.3) and earnings per share of SEK 2.35 (2.76).

Income statement

Income statement, SEK M	April-June 2009	April-June 2008	Jan-June 2009	Jan-June 2008	July 2008-June 2009	Full year 2008
Net sales	1,394.9	1,469.4	2,846.8	2,803.7	5,565.9	5,522.8
Other operating income	0.8	-	6.0	-	18.8	12.8
Other external expenses	-361.7	-375.9	-720.3	-706.1	-1,510.3	-1,496.1
Personnel costs	-889.6	-891.9	-1,795.2	-1,716.1	-3,410.6	-3,331.5
Amortisation/depreciation and impairment losses	-26.9	-23.9	-53.6	-46.5	-118.8	-111.7
Operating profit	**117.5**	**177.7**	**283.7**	**335.0**	**545.0**	**596.3**
Net financial items	-1.4	-3.9	6.2	-5.9	4.0	-8.1
Profit before tax	**116.1**	**173.8**	**289.9**	**329.1**	**549.0**	**588.2**
Income tax expense	-37.2	-48.7	-82.8	-92.8	-175.3	-185.3
Profit for the period	**78.9**	**125.1**	**207.1**	**236.3**	**373.7**	**402.9**

Operating margin	8.4	12.1	10.0	11.9	9.8	10.8
Billing ratio	74.5	76.9	74.2	76.8	74.3	75.6
Basic EPS	0.89	1.46	2.35	2.76	4.28	4.68
Diluted EPS	0.88	1.45	2.32	2.74	4.24	4.65

- **Calender effect 20h: SEK 50 million.**
- **Last year - a premium rebate of approximately SEK 21 million from Alecta.**

Cash flow

Cash flow statement, SEK M	April-June 2009	April-June 2008	Jan-June 2009	Jan-June 2008	July 2008-June 2009	Full year 2008
Cash flow from operating activities before changes in working capital and paid tax	178.8	240.1	358.5	415.4	730.5	787.4
Paid tax	-53.3	-47.3	-116.0	-100.7	-159.5	-144.2
Changes in working capital	27.0	-45.8	-27.8	-134.0	20.1	-86.1
Cash flow from operating activities	**152.5**	**147.0**	**214.7**	**180.7**	**591.1**	**557.1**
Cash flow from investing activities	-30.1	-67.0	-50.7	-264.4	-59.4	-273.1
Cash flow from financing activities	-100.5	-55.8	-105.3	39.5	-321.3	-176.5
Cash flow for the period	**21.9**	**24.2**	**58.7**	**-44.2**	**210.4**	**107.5**

- **Strong cash flow from operating activities.**
- **Working capital project running.**

Balance sheet

Balance sheet, SEK M	30 June 2009	30 June 2008	31 Dec 2008
Goodwill	799,0	778,1	771,7
Other intangible assets	67,9	55,8	69,6
Tangible assets	186,9	175,3	191,2
Financial assets	74,3	78,2	59,0
Current assets excl. cash and cash equivalents	1 587,2	1 684,0	1 599,7
Cash and cash equivalents	381,6	150,7	321,3
Total assets	**3 096,9**	**2 922,1**	**3 012,5**
Equity attributable to equity holders of the Parent Company	1 472,7	1 121,2	1 401,9
Minority interests	10,4	19,5	12,9
Total equity	**1 483,1**	**1 140,7**	**1 414,8**
Non-current liabilities	138,2	101,3	134,1
Current liabilities	1 475,6	1 680,1	1 463,6
Total equity and liabilities	**3 096,9**	**2 922,1**	**3 012,5**
Pledged assets	-	-	0,4
Contingent liabilities	134,8	97,9	121,3

- **Strong financial position**
- **Equity/assets ratio of 47.9 per cent.**
  Net debt/Equity -10 per cent
- **Disposable cash and unutilised bank overdraft facilities of SEK 882 million.**
- **Net debt SEK -151 million.**

Adjustments of resources Q2

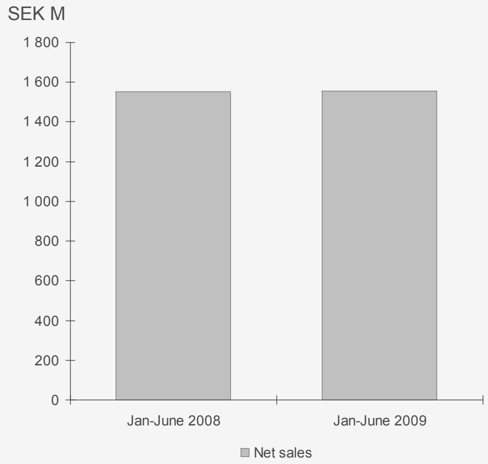
Full Time Equivalents

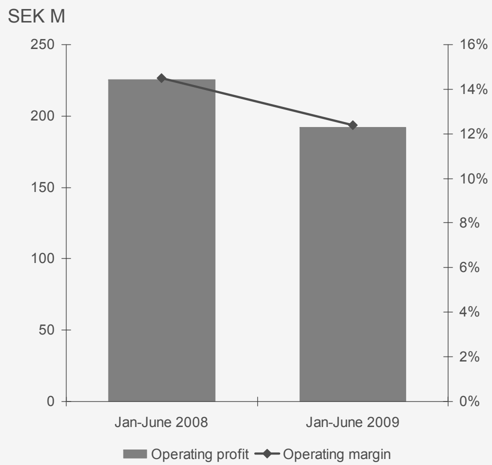
Company	Termination	Temp lay off
Sweco Industry, Finland	20	90
Sweco Finland	-	10
Sweco Russia	15	-
Sweco CEE, Estonia	65	65
	100	**165**

Sweco Sweden

Highlights

- Net sales SEK 1,551.4 million.
- Operating profit SEK 192.2 million.
- Operating margin down from 14.5 to 12.4 per cent.
- Outlook remains positive for infrastructure, energy, water & environment and geographical IT. Declining demand is observed in the structural design and architectural segments.
- Order back-log declining somewhat.



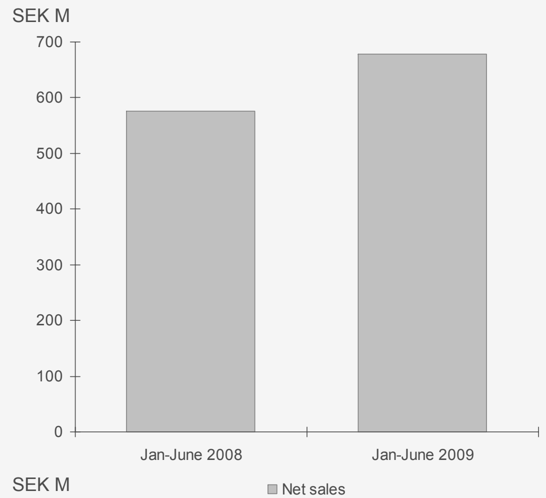


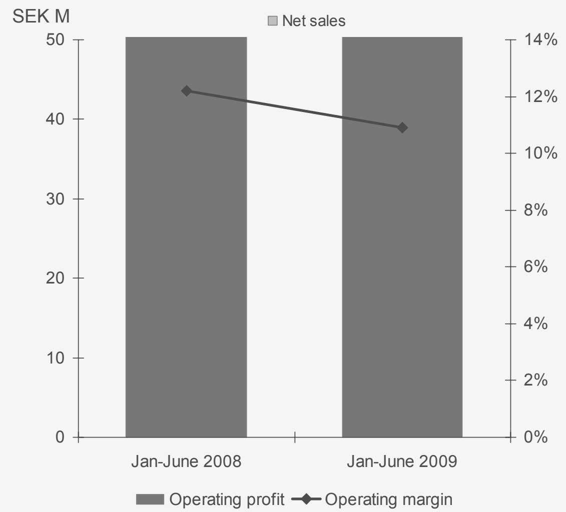
Average no of employees	2006	2007	2008	Q2 2009
	2,079	2,336	2,479	2,576

Sweco Norway

Highlights

- Strong growth in net sales, increased by 18 per cent.
- Operating profit of SEK 73.6 million.
- Operating margin down from 12.2 to 10.9 per cent
- Decreased activity in the construction sector - Continued strong demand for most other Sweco segments.
- Order backlog still on normal level.



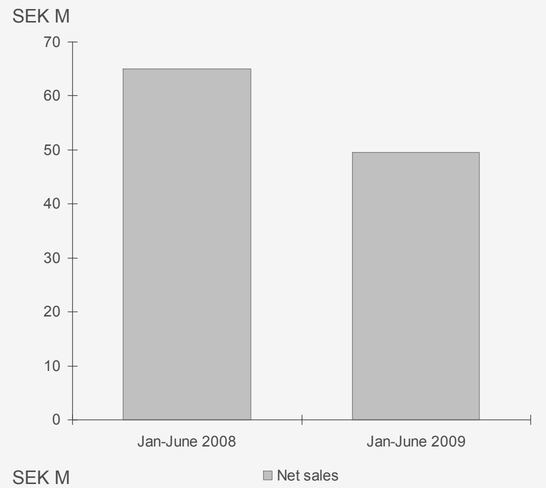


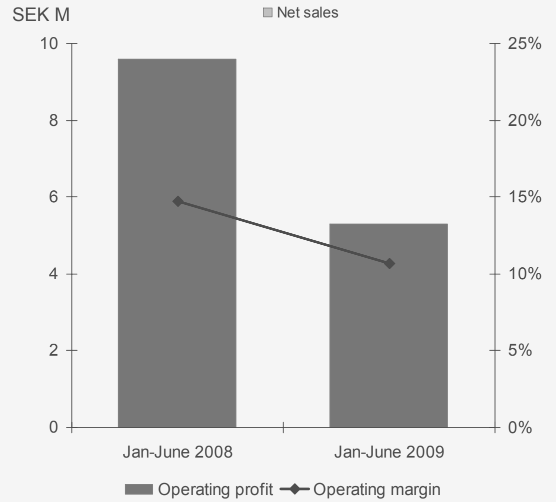
	2006	2007	2008	Q2 2009
Average no of employees	502	582	831	852

Sweco Finland

Highlights

- Operating profit down but still healthy margin.
- Market severely impacted by economic slowdown - Private sector construction decreased markedly.
- Significantly better outlook in infrastructure and public construction sector.
- Order back-log has increased compared to last year, but is extended over several years.



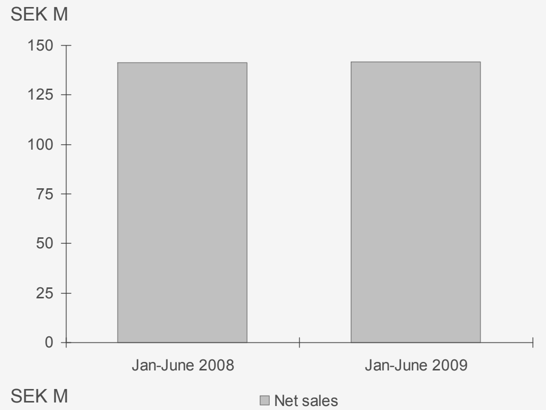


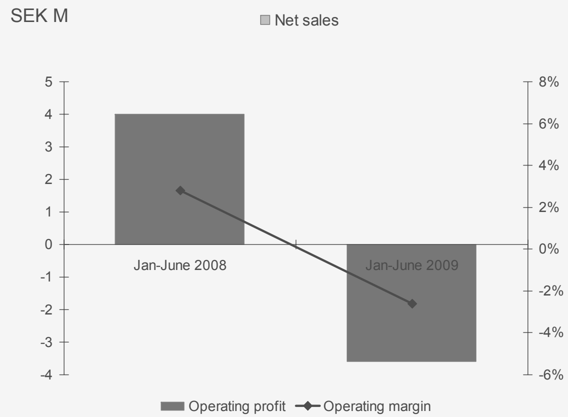
Average no of employees	2006	2007	2008	Q2 2009
	47	77	87	72

Sweco Central & Eastern Europe

Highlights

- Profitability down due to the rapid economic downturn in the Baltics.
- Restructuring cost SEK 4 million.
- Measures taken to adjust resources in Estonia and Lithuania.
- Market slowdown is most pronounced in Estonia and Lithuania. Stable market situation in Czech Republic and Bulgaria.
- Order back-log is declining.



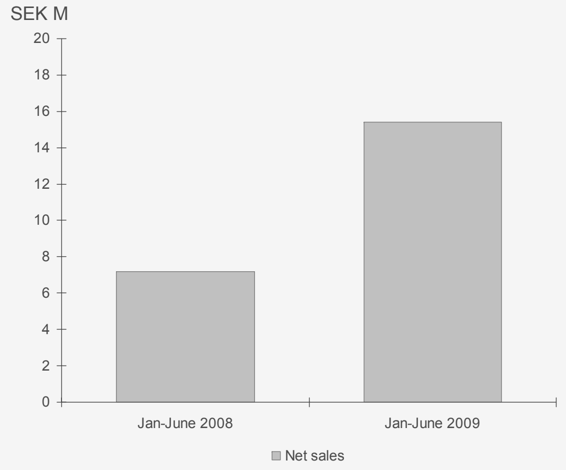


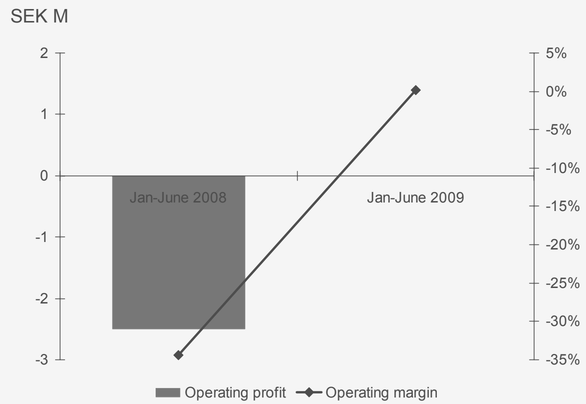
Average no of employees	2006	2007	2008	Q2 2009
	144	529	806	763

Sweco Russia

Highlights

- Operating profit positive before provisions for bad debts.
- Provision for bad debts SEK 2 million.
- Stable order back-log with resilience of municipal customers, while industrial customers largely disappeared in 2008.





Average no of employees	2006	2007	2008	Q2 2009
	37	64	126	158

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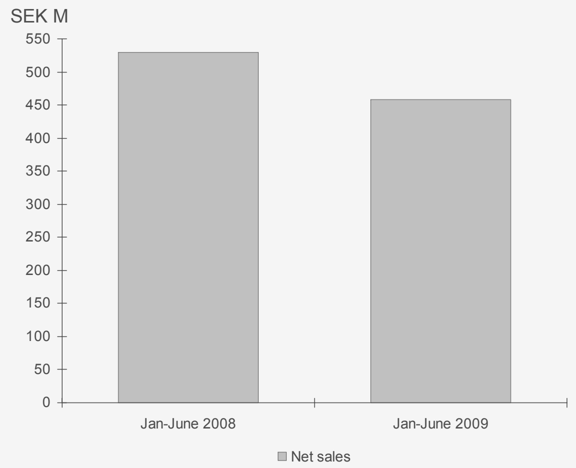
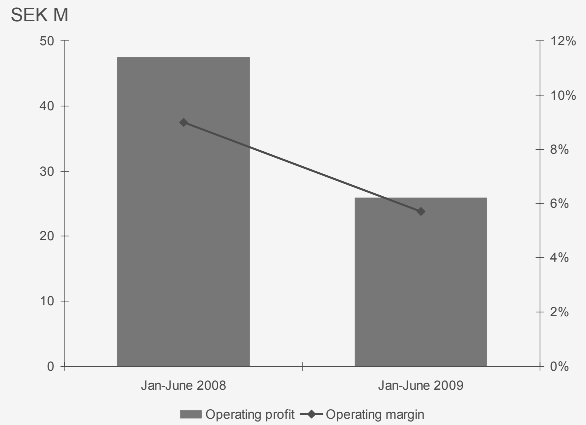
Sweco Industry

Highlights

- Operating profit SEK 21.6 million down compared to last year.
- Non recurring items, divestments SEK +6.0 million.
- Demand for industrial consulting services severely impacted by the economic downturn. However some new projects starting in the energy-, chemical- and oil & gas sector.
- Uncertainty about the future development.
- Order backlog considerable lower than last year.
- Adjustment to new demand level ongoing including performed divestures, temporary lay-offs and permanent reductions.





Average no of employees	2006	2007	2008	Q2 2009
	1,126	1,097	1,110	895

Market outlook

Trend	Segment	Share of net sales	Key drivers
↗	Water & Environment	17%	Environmental focus, fiscal stimulation
↘	Industry	15%	CAPEX reductions
↗	Infrastructure	15%	Government fiscal stimulation
↗	Energy Systems	14%	Capacity expansion and renewables
↘	Building Service Systems	14%	Contraction of construction
↘	Structural Engineering	10%	Contraction of construction and CAPEX
↘	Architecture	8%	Contraction of construction
→	Project Management	5%	General slowdown in economy
↗	Geographic IT	2%	GPS proliferation and new applications