

4 November 2020

Continued stable performance

July–September 2020

- Net sales decreased to SEK 4,547 million (4,623)
- EBITA increased to SEK 417 million (384), margin 9.2 per cent (8.3)
- EBIT increased to SEK 404 million (361), margin 8.9 per cent (7.8)
- Profit after tax increased to SEK 295 million (249), corresponding to SEK 2.49 per share (2.12)

January–September 2020

- Net sales increased to SEK 15,716 million (14,938)
- EBITA increased to SEK 1,542 million (1,337), margin 9.8 per cent (8.9)
- EBIT increased to SEK 1,459 million (1,296), margin 9.3 per cent (8.7)
- Profit after tax increased to SEK 1,057 million (921), corresponding to SEK 8.95 per share (7.84)
- Net debt decreased to SEK 1,410 million (2,511)
- Net debt/EBITDA decreased to 0.6x (1.2)

CEO comment

Continued stable performance

The third quarter was yet another stable quarter with good profitability despite the prevailing pandemic. Our diversified business model and digital work methods enable us to maintain high activity and efficiency. After the first phase of short-term crisis management, we have now returned to a more normal, decentralised management of the situation.

Good results and strong financial position in an uncertain market

In the quarter, EBITA improved 9 per cent to SEK 417 million (384). The EBITA margin increased to 9.2 per cent (8.3).

The positive EBITA development was mainly driven by lower operating expenses and positive fee development. Cost reductions, mainly related to Covid-19, had a positive impact on EBITA of approximately SEK 70 million.

Geographically, the EBITA improvement was related to Sweden, the Netherlands, Finland and Belgium. The market conditions in the UK continue to be challenging, as a result of Covid-19 related lockdowns.

In Germany, negative project adjustments are having a negative impact on profitability. Based on potential risks in revenue recognition, we are conducting a review of the German project portfolio and have also changed Managing Director. I remain confident about the long term potential for Sweco in Germany.

Our cash flow continues to be strong and we maintain a strong financial position with relatively low net debt and significant financial reserves.

Organic growth amounted to approximately -2 per cent, adjusted for calendar effects, in a market that remains affected by the uncertainty caused by the Covid-19 pandemic. We see normal business activity in most segments, but demand in parts of the industry and the private building and real estate segments is still impacted. The number of cancelled or postponed projects has decreased in the third quarter, but we see a caution in some markets when it comes to starting new projects, especially for commercial buildings.

Increased acquisition activity

I am pleased that we have regained our momentum on acquisitions, after a few months of lower activity during spring. We made another minor acquisition in Belgium in the quarter and have concluded several acquisitions in October. Acquiring an architect company in Norway is a milestone for Sweco, giving us a more complete service offering on the Norwegian market.

Sweco is well positioned

Sweco has a broad geographical footprint, well-diversified offerings, balanced mix of public and private clients, and a decentralised model with focus on small and medium sized projects that provides stability. We continue to follow the further development of Covid-19 closely and we are ready to act swiftly if needed. To continue to grow and win new assignments, we will continue to maintain a strong client focus, work efficiently and deliver according to plan.

Looking ahead, we are well-positioned towards trends in society driven by urbanisation, digitalisation and sustainability. Together with our clients, we develop innovative solutions and accelerate the transition towards a more sustainable society.



A handwritten signature in black ink, appearing to read 'Åsa Bergman'.

Åsa Bergman
President and CEO

Europe's leading architecture and engineering consultancy

Urbanisation, digitalisation and sustainability are transforming society. Together with our clients, we are committed to ensuring that we have clean water, clean air, clean energy and a physical environment where we all can live, work and prosper. With more than 17,500 experts in Europe, we have the knowledge to solve the most challenging projects, no matter size or location.

Key figures

#1 In the European market	8 Business Areas	17,500 Full-time employees
SEK 21.4 bn Net sales R12	SEK 2.1 bn EBITA R12	9.7% EBITA margin R12

Group performance

EBITA increased approximately 9 per cent or SEK 36 million year-on-year after adjustment for calendar effects. Organic growth amounted to approximately -2 per cent after adjustment for calendar effects. Acquired growth amounted to 3 per cent.

July–September

Net sales decreased 2 per cent to SEK 4,547 million (4,623). Organic growth amounted to approximately -2 per cent after adjustment for calendar effects. Acquired growth amounted to 3 per cent. Currency effects impacted growth with -3 per cent.

Organic growth was impacted negatively by lower subconsultant revenue and employees on temporary lay-off, while higher average fees contributed positively. Acquired growth was predominantly driven by the acquisitions of the design operations of NRC Group in Finland and KANT Arkitekter in Denmark, as well as recent acquisitions in Belgium.

EBITA increased to SEK 417 million (384), an improvement of SEK 33 million. The EBITA margin increased to 9.2 per cent (8.3).

EBITA improved approximately 9 per cent or SEK 36 million year-on-year after adjustment for calendar effects. The EBITA improvement was mainly attributable to Sweden and the Netherlands. Finland and Belgium also contributed positively. The main improvement drivers for the Group were lower operating expenses, higher average fees and the contribution from acquisitions. Temporary lay-offs had an adverse impact on earnings. Cost savings, mainly related to Covid-19, had a positive impact on EBITA of approximately SEK 70 million.

At the end of the period, around 100 employees remained on temporary lay-off. The majority of these were in the UK, with 70 employees on temporary lay-off.

The quarter had 1 less working hour compared with the same period last year. This had a negative year-on-year

impact of approximately SEK 3 million on net sales and EBITA.

The billing ratio increased to 73.8 per cent (73.6).

Total net financial items improved to SEK -25 million (-30) primarily due to a lower interest cost for leasing and positive foreign exchange revaluation effects.

In the past year, management has increased its focus on the relatively high levels of working capital in Germany. During the year, delayed customer negotiations and disputes in some large projects in Germany, as well as findings from an internal audit of one of the German divisions, has indicated potential risk in the working capital. A review of the entire project portfolio in Germany has therefore been initiated. The review will conclude before year end and may lead to a more

KPIs	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Net sales, SEK M	4,547	4,623	15,716	14,938	21,408	20,629
Organic growth, %	-2	8	1	5		5
Acquisition-related growth, %	3	4	5	3		3
Currency, %	-3	1	-1	2		2
Total growth, %	-2	13	5	10		10
Organic growth adj. for calendar, %	-2	6	1	5		5
EBITA, SEK M ¹	417	384	1,542	1,337	2,074	1,869
Margin, %	9.2	8.3	9.8	8.9	9.7	9.1
Profit after tax, SEK M	295	249	1,057	921	1,529	1,393
Earnings per share, SEK	2.49	2.12	8.95	7.84	12.95	11.85
Number of full-time employees	16,988	16,463	17,282	16,191	17,233	16,412
Billing ratio, %	73.8	73.6	74.3	74.2	74.4	74.3
Normal working hours	518	519	1,483	1,477	1,968	1,962
Net debt/EBITDA, x ²			0.6	1.2		1.0

1) 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 18 and 21.

2) Net debt/EBITDA is an alternative performance measure (APM). Net debt is an alternative performance measure (APM) defined as 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 18 and 21.

prudent valuation of the recognised revenue. The revaluation is potentially up to an amount of SEK 120 million. No provision has been made in the third quarter.

January–September

Organic growth amounted to approximately 1 per cent after adjustment for calendar effects. Acquired growth amounted to 5 per cent. Currency effects were -1 per cent. In total, net sales increased 5 per cent to SEK 15,716 million (14,938).

Organic growth was mainly driven by an increased number of employees and higher average fees. Lower revenue from subconsultants had a negative impact. 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 1,542 million (1,337), an improvement of SEK 205 million. The EBITA margin increased to 9.8 per cent (8.9).

EBITA improved approximately 12 per cent or SEK 158 million year-on-year after adjustment for calendar effects. The EBITA improvement was mainly attributable to Finland, Sweden and the UK, but the Netherlands and Belgium also contributed positively. Overall for the Group, lower operating expenses, higher average fees, contributions from acquisitions and an increased number of employees were the main improvement drivers. Higher negative project adjustments had an adverse impact on earnings.

The calendar effect of 6 more hours had a positive year-on-year impact of approximately SEK 47 million on net sales and EBITA.

The billing ratio increased to 74.3 per cent (74.2).

Total net financial items improved to SEK -77 million (-89) primarily due to

Net sales by quarter and rolling 12 months



EBITA by quarter and rolling 12 months



a lower interest cost for leasing and a better interest net. Changed exchange rates and revaluation effects also had a positive impact.

Earnings per share increased to SEK 8.95 (7.84).

Employees

The number of full-time employees amounted to 17,282 (16,191) during the period.

Market

Overall, the underlying market for Sweco's services was relatively good in the third quarter, despite the Covid-19 impact. Essentially all Business Areas experienced a good market for Sweco's

services in the infrastructure, water, environment and energy segments. Demand for services in the building and real estate segment and in parts of the industry market remained weaker.

Outlook

The Covid-19 situation creates significant uncertainty regarding future market development. Demand for Sweco's services normally follows the general macro-economic trend in Sweco's markets, with some time lag. A negative medium-term impact on demand can therefore be expected from the economic effects of Covid-19. However, this impact will most likely be partly mitigated by increased public spending.

Events during the quarter

On 16 September, Sweco's Board of Directors announced a proposal of an extraordinary dividend of SEK 3.10 per share. The amount corresponds to the reduction of the proposed dividend made to the AGM in April. The Board considers that the market situation has stabilised and that the company has the prerequisites to proceed with an extraordinary dividend. The Board of Directors also proposed a 3:1 split of the company's shares.

Events after the quarter

On 22 October, an extraordinary general meeting was held. The Extraordinary General Meeting resolved, in accordance with the proposal of the Board of Directors, to distribute an extraordinary dividend of SEK 3.10 per share to the shareholders and to authorise a split of the company's shares. One existing share of the company will be divided into 3 shares of the same class of shares (3:1 share split), and a connected amendment of the articles of association was decided upon.

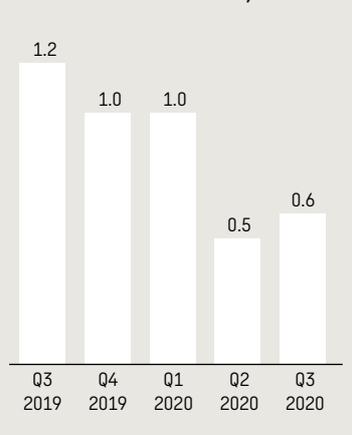
On 29 October, an extraordinary dividend of SEK 367 million were distributed to Sweco AB's shareholders.

On 30 October, Sweco completed the acquisition of the Norwegian architect company TAG Arkitekter. TAG Arkitekter, with its 95 employees, is mainly active within the real estate and landscape architecture segments. The company has offices in Oslo, Bergen and Trondheim and net sales amounted to NOK 113 million in 2019.

Cash flow and financial position

Group cash flow from operating activities totalled SEK 2,094 million (1,245) for the first nine months of

Net debt/EBITDA, x



the year. Net debt decreased significantly to SEK 1,410 million (2,511), primarily as a result of the increased operating cash flow and reduced dividends.

The Net debt/EBITDA ratio was 0.6x (1.2).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 4,546 million (2,377) at the end of the quarter.

Purchase considerations paid to acquire companies and operations totalled SEK 288 million (525) and had an impact of SEK -328 million (-459) on the Group's cash and cash equivalents. No divestments were made during the period. Last year, divestments of companies and operations generated considerations of SEK 22 million and had an impact of SEK 18 million on the Group's cash and cash equivalents.

No repurchases of Sweco shares were made during the period. Last year, repurchases of Sweco shares totalled SEK 2 million and had the same effect on the Group's cash and cash equivalents.

Dividends totalling SEK 365 million (644) were distributed to Sweco AB's shareholders during the period.

Investments, January–September 2020

Investments in equipment totalled SEK 144 million (177) and were primarily attributable to IT investments. Depreciation of equipment amounted to SEK 172 million (177) and amortisation of intangible assets totalled SEK 103 million (103).

Examples of new projects

Sweco has been assigned services related to the construction of a new onshore control room to control the Norwegian offshore installation Martin Linge in the North Sea. By using power from land, CO₂ emissions will be reduced by 200,000 tonnes annually, corresponding to the emissions from 10,000 cars. The assignment is valued at SEK 146 million.

Sweco has been contracted to design a future office park with high sustainability ambitions to attract international companies and to be a landmark on the island Hainan in China. The assignment also comprises buildings for research and development, housing, commerce, schools and a hospital. Nearly 100 architects from Sweco are working on the assignment and the first phase is worth SEK 85–100 million.

Sweco has won an assignment to provide infrastructure services to enable a stretch of 8 km of the E6 highway from Vindåsliene to Korporalsbru, Norway, to be upgraded to a four-lane highway, with optimised route selection, an increased speed limit and installed safety measures. The assignment is valued at SEK 38 million.

During four years (2020–2024), Sweco will assist the City of Ghent, Belgium, in its effort to optimise and modernise the building patrimony. The contract includes services within

architectural and structural design and is worth SEK 20 million.

Sweco has been assigned to provide designing services for internal access tracks, crane hardstandings, culverted water-course crossings, internal wind farm bridges and construction stage technical support services for the Viking Wind Farm in Shetland, Scotland. The assignment is worth SEK 11 million.

Sweco has been assigned to provide services connected to the extension of a sewage treatment plant by Zweckverband Abwasserreinigung Balingen, Germany. The contract is valued at SEK 8 million.

Sweco has been assigned to perform the pre-planning for an upgrade and rebuild of the Käppala wastewater treatment plant in Sweden, to serve 900,000 people in 2040. The contract value is SEK 6 million.

The Province of East Flanders, Belgium, has awarded Sweco a contract for 10 local climate adaptation plans, which should result in one regional climate adaptation plan. This is a strategic assignment within the framework of our Smart City strategy and is estimated to SEK 1 million.

As part of Sustainable Tampere by 2030, Sweco has been assigned to continue in alliance with the City of

Tampere, Tampere Tramway Ltd., NRC, YIT and AFRY to provide services for construction of the second phase of the new tramway in Tampere, Finland.

In addition, Sweco won a global BIM award for the Randselva Bridge project. The Tekla Global BIM Awards 2020 final showcases industry-leading BIM construction projects from around the world and this year the Randselva Bridge in Norway was selected as the best BIM project from over 130 projects.

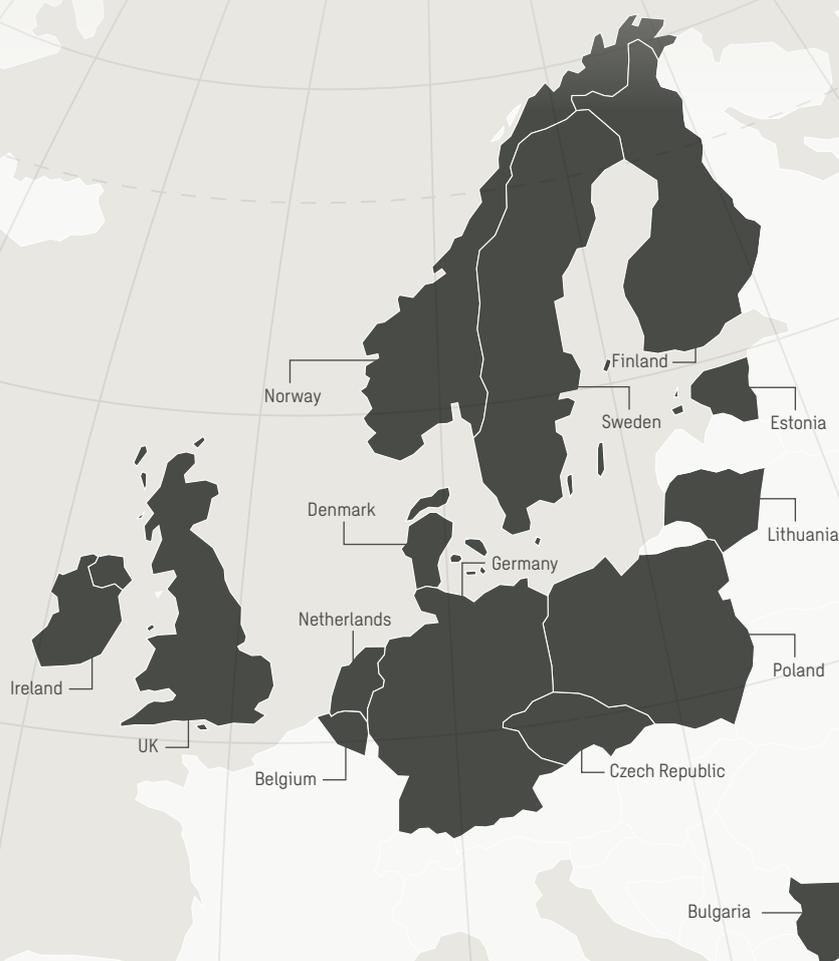
Innovation and collaboration made Randselva bridge in Norway, awarded as the best BIM project in the world at the Tekla Global BIM awards.



Sweco continues to provide services for construction of the second phase of the new tramway in Tampere, Finland – an important step in Tampere’s journey towards carbon neutrality by 2030.

Business Area Overview

Sweco's Business Areas are Sweden, Norway, Finland, Denmark, the Netherlands, Belgium, the UK and Germany and Central Europe.



Our markets

Sweco operates in 14 markets. We have 8 Business Areas where Sweco holds well-established positions and it is primarily here that we will grow in the future. These markets are economically and politically stable, while also being close to each other geographically and culturally.

Sweco Sweden

Positive EBITA development in Sweden, despite negative organic growth in the quarter. Lower operating expenses, a higher billing ratio and higher fees were the main drivers. The market remains largely good, despite a negative impact from Covid-19 in some segments.

Sales and profit, July–September

Net sales decreased to SEK 1,489 million (1,519). Organic growth was -2 per cent. Organic growth was impacted negatively by a lower number of employees and lower revenue from subconsultants, while an improved billing ratio and higher hourly fees contributed positively. There was no year-on-year difference in the number of available working hours.

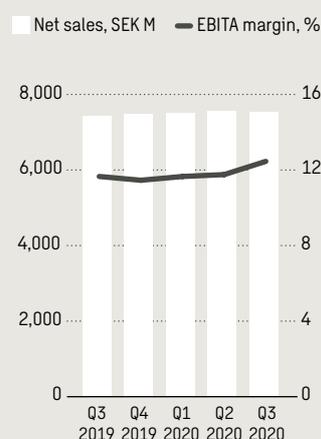
EBITA improved SEK 46 million to SEK 149 million (102). The EBITA margin increased to 10.0 per cent (6.7). The main drivers of improved EBITA were lower operating expenses, a higher billing ratio and higher hourly fees.

The Swedish market remained good during the third quarter but there were variations between the different segments. Demand for infrastructure services remained strong, backed by

major public investments. The markets for industrial investments, water and environmental services were also good. The real estate market was divided, with good demand within public buildings, whereas demand related to residential construction remained weak with the exception of larger cities where the situation was somewhat better. The market for power transmission services was strong while demand in energy generation remained challenging.

During the third quarter, the overall impact of the Covid-19 pandemic on the business was limited as ongoing projects continued. However, the cautiousness prevailed in the quarter with regard to starting new projects within the private building and real estate market. The negative effect on projects for the automotive industry remained. During the quarter, the project export business was also negatively impacted by the pandemic.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	1,489	1,519	5,489	5,428
Organic growth, %	-2	7	1	5
Acquisition-related growth, %	0	0	0	-1
Currency, %	0	0	0	0
Total growth, %	-2	6	1	4
Organic growth adj. for calendar, %	-2	5	0	4
EBITA, SEK M	149	102	672	587
EBITA margin, %	10.0	6.7	12.2	10.8
Number of full-time employees	5,607	5,720	5,812	5,825

Sweco Norway

Organically net sales were in line with last year, but with a significant negative FX effect. EBITA was impacted negatively by project adjustments and FX, outweighing higher fees and FTE growth. The market is satisfactory, with Covid-19 primarily affecting market for commercial buildings.

Sales and profit, July–September

Net sales declined 11 per cent to SEK 489 million (550) due to a weaker Norwegian krona. Organically, net sales were in line with last year. Organic growth was mainly driven by an increased number of employees and higher hourly fees, while lower revenue from subconsultants and higher absence impacted negatively. There was no year-on-year difference in the number of available working hours.

EBITA decreased SEK 12 million, corresponding to 21 per cent, to SEK 44 million (55) and the EBITA margin declined to 8.9 per cent (10.0). EBITA was impacted positively by higher hourly fees and an increased number of employees, whereas higher negative project adjustments, nega-

tive FX effects and higher absence had a negative impact.

Overall, the Norwegian market was satisfactory during the third quarter. The construction market was relatively shielded from the impact of Covid-19 due to the long timelines in ongoing projects. However, the commercial building sector has been affected by postponement or cancellation of new projects. The infrastructure and energy markets were stable, but were not yet showing signs of compensating for the weaker buildings market.

At the end of the quarter, around 8 employees remained on temporary layoff.

On October 30, Sweco completed the acquisition of the Norwegian architect company TAG Arkitekter with 95 employees.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	489	550	1,795	1,914
Organic growth, %	0	7	3	9
Acquisition-related growth, %	0	0	0	0
Currency, %	-11	-1	-9	1
Total growth, %	-11	7	-6	11
Organic growth adj. for calendar, %	0	6	2	9
EBITA, SEK M	44	55	165	151
EBITA margin, %	8.9	10.0	9.2	7.9
Number of full-time employees	1,627	1,545	1,640	1,549

Sweco Finland

Finland continues to increase EBITA, despite negative organic growth in the quarter. The main improvement drivers were lower operating expenses and the contribution from last year's acquisition, which also drove significant top-line growth. The market remains relatively good.

Sales and profit, July–September

Net sales increased to SEK 584 million (536). Organic growth was approximately -4 per cent adjusted for calendar effects. Organic growth was impacted negatively by a lower billing ratio and lower revenue from subconsultants, while an increased number of employees contributed positively. The year-on-year calendar effect of 6 fewer hours had a negative impact of approximately SEK 7 million on net sales and EBITA. Acquired growth contributed 18 per cent and related to the acquisition of the design operations of NRC Group, which were consolidated into Sweco Finland as of November 2019.

EBITA increased approximately 14 per cent, corresponding to SEK 11 million, adjusted for calendar effects and the EBITA margin reached 13.7 per cent (14.2). The increase in EBITA was mainly attributable to lower operating

expenses and the contribution from the acquired design operations of the NRC Group, while lower billing ratio impacted negatively.

Overall, the Finnish market was relatively good during the third quarter, with slight differences between segments. Demand within the building and real estate segments was generally good, but noted a decline in residential construction as well as in the renovation, maintenance and improvement market. The market for industrial services was quite stable and the market for infrastructure-related services was good.

During the third quarter, the impact of Covid-19 on the construction segment was limited with only some projects postponed or cancelled. At the end of the quarter, around 6 employees remained on temporary layoff.

After the period, on 1 October, Sweco acquired Saraco DM Ltd, a consultancy specialising in project manage-

Net sales & EBITA margin, rolling 12 months



ment and property development that employs 34 professionals in Helsinki, Turku and Tampere, Finland.

In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	584	536	2,048	1,725
Organic growth, %	-6	12	1	8
Acquisition-related growth, %	18	1	18	2
Currency, %	-3	2	0	3
Total growth, %	9	15	19	14
Organic growth adj. for calendar, %	-4	11	2	8
EBITA, SEK M	80	76	284	223
EBITA margin, %	13.7	14.2	13.9	12.9
Number of full-time employees	2,470	2,128	2,499	2,143

Sweco Denmark

Net sales growth in Denmark was driven by the acquisition of KANT Arkitekter, whereas organic growth was flat. As regards EBITA, the higher billing ratio was outweighed by lower average fees. The market was overall fairly stable and the impact of Covid-19 continued to be most strongly felt in international projects.

Sales and profit, July–September

Net sales increased to SEK 421 million (410). Acquired growth contributed 6 per cent and related to the acquisition of KANT Arkitekter. Organic growth was flat, as lower average fees were balanced by a higher billing ratio. There was no year-on-year difference in the number of available working hours.

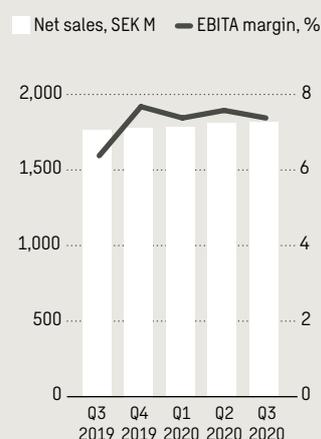
EBITA decreased 7 per cent, corresponding to SEK 3 million, to SEK 41 million (44) and the EBITA margin declined to 9.7 per cent (10.7). EBITA was impacted negatively by lower average fees, whereas a higher billing ratio contributed positively.

During the third quarter, the market in Denmark was affected by the

Covid-19 pandemic with delayed and cancelled projects, but there were still several segments with satisfactory development. Demand in the water and environmental sectors remained stable, driven by climate-related services in the larger cities. The energy market was driven by transmission, gas and wind power, but remained weak. The infrastructure market was fairly stable with positive developments in the municipal market, whereas state investments in road infrastructure in particular remained weak. The market for building services as well as the residential, office and retail markets remained weak.

In the quarter, the Covid-19 situation impacted Sweco Denmark primarily by international projects being delayed or cancelled.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	421	410	1,347	1,307
Organic growth, %	0	-1	-2	-3
Acquisition-related growth, %	6	0	5	5
Currency, %	-3	2	0	3
Total growth, %	3	2	3	5
Organic growth adj. for calendar, %	0	-2	-2	-3
EBITA, SEK M	41	44	94	96
EBITA margin, %	9.7	10.7	7.0	7.4
Number of full-time employees	1,224	1,156	1,218	1,174

Sweco Netherlands

Significant EBITA increase, driven by higher average fees and lower operating expenses. Net sales declined slightly in a market affected by delayed and cancelled projects. The market remained overall stable with Covid-19 impacting projects within industry and buildings.

Sales and profit, July–September

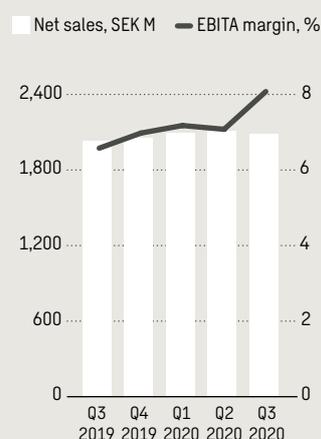
Net sales decreased to SEK 466 million (488). Organic growth amounted to -2 per cent and was driven by lower revenue from subconsultants and a lower number of employees. Higher average fees contributed positively. There was no year-on-year difference in the number of available working hours.

EBITA increased 82 per cent, corresponding to SEK 20 million, and the EBITA margin improved to 9.4 per cent (5.0). The improvement of EBITA was mainly attributable to higher average fees and lower operating expenses.

In the Netherlands, the engineering market remained relatively stable during the period, as did the demand for Sweco's services within infrastructure, energy, water and public sector buildings.

During the third quarter, Sweco Netherlands was affected by the Covid-19 situation with some delayed and cancelled projects in industry and buildings. However, there was still satisfactory development within large parts of the market.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	466	488	1,550	1,513
Organic growth, %	-2	7	3	4
Acquisition-related growth, %	0	0	0	0
Currency, %	-3	2	0	3
Total growth, %	-5	9	2	8
Organic growth adj. for calendar, %	-2	5	3	4
EBITA, SEK M	44	24	131	104
EBITA margin, %	9.4	5.0	8.4	6.9
Number of full-time employees	1,380	1,398	1,394	1,404

Sweco Belgium

Significant net sales growth, both organically and from acquisitions, combined with EBITA growth. Belgium has continued to increase the number of employees organically. Mixed picture in the market with some strong segments and others that are more impacted.

Sales and profit, July–September

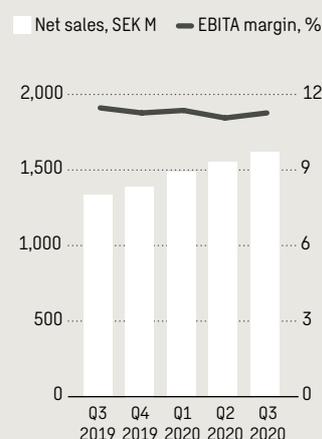
Net sales increased to SEK 392 million (326), and organic growth was approximately 6 per cent adjusted for calendar effects. Recent acquisitions contributed 16 per cent to growth. Organic growth was primarily driven by an increased number of employees. The year-on-year calendar effect of 8 more hours had a positive impact of approximately SEK 4 million on net sales and EBITA.

EBITA increased 28 per cent to SEK 48 million (38). The EBITA margin increased to 12.3 per cent (11.6). EBITA improved approximately SEK 7 million, corresponding to 17 per cent, adjusted for calendar effects. The improvement in earnings was mainly attributable to recent acquisitions and an increased number of employees.

On 30 September, Sweco announced the acquisition of A-RES, Belgium. The consultancy which counts 12 experts is active within construction supervision and related services.

The market was good within most segments during the third quarter and both the private and the public sector building market remained stable. The residential market and the office market weakened. The public infrastructure market was stable. Belgium is in the middle of a complete energy transition with a new government clearly committed to the Green Deal. The electrification in industry and the public domain increased. The pharma industry was running at full speed, while the more traditional industry markets slowly started to recover from the impact of Covid-19 or adapt to the new situation.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	392	326	1,241	1,012
Organic growth, %	7	30	10	20
Acquisition-related growth, %	16	3	13	3
Currency, %	-3	2	0	3
Total growth, %	20	36	23	26
Organic growth adj. for calendar, %	6	29	9	20
EBITA, SEK M	48	38	143	117
EBITA margin, %	12.3	11.6	11.5	11.6
Number of full-time employees	1,082	872	1,054	846

Sweco UK

The UK is one of the markets most impacted by Covid-19 and organic growth was significantly negative in the quarter. EBITA was negatively impacted by one-off costs and employees on furlough. The market remains uncertain, but with some positive signs in the quarter.

Sales and profit, July–September

Net sales decreased 12 per cent to SEK 280 million (317). Organic growth was -9 per cent and the decline was mainly driven by lower revenue from subconsultants and employees being on furlough. There was no year-on-year difference in the number of available working hours.

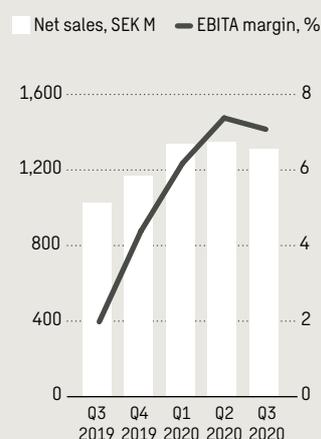
EBITA decreased SEK 6 million and the EBITA margin declined to 3.1 per cent (4.8). Earnings were negatively impacted by one-off costs for an onerous office lease, employees on furlough and negative project adjustments.

The UK market remains challenging despite client enquiries increasing.

The buildings structures and services market as well as the building compliance market improved slightly compared to the second quarter with previously stopped or delayed projects beginning to re-commence. The energy and environment markets remained stable. The water market improved due to increased project call-offs by clients under framework contracts. The transportation infrastructure market remained stable given the ongoing projects within the highways sector.

At the end of September 2020, approximately 70 employees remain on temporary furlough and around 25 employees were on reduced working hours.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	280	317	967	822
Organic growth, %	-9	-4	-5	-6
Acquisition-related growth, %	0	52	22	29
Currency, %	-3	1	0	3
Total growth, %	-12	50	18	26
Organic growth adj. for calendar, %	-9	-5	-5	-6
EBITA, SEK M	9	15	69	27
EBITA margin, %	3.1	4.8	7.1	3.3
Number of full-time employees	1,239	1,257	1,243	1,088

Sweco Germany and Central Europe

A weak quarter in Germany, with negative organic growth and a significant decline in EBITA. A review of the German project portfolio has been initiated and may lead to a more prudent valuation of recognised revenue. The market remained overall stable with Covid-19 impacting the private real estate market.

Sales and profit, July–September

Net sales decreased 4 per cent to SEK 481 million (502). Organic growth was around -2 per cent and was primarily impacted by negative project adjustments and lower revenue from subconsultants. There was no year-on-year difference in the number of available working hours.

EBITA decreased SEK 26 million and the change was driven by weaker performance in the existing German business, mainly due to higher negative project adjustments and lower billing ratio. Central Europe contributed positively.

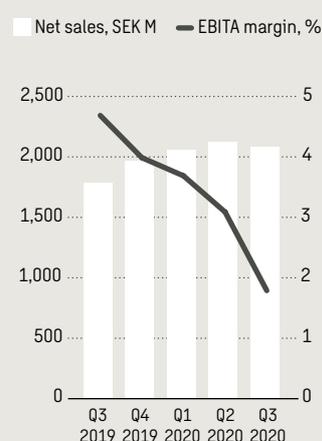
In the past year, management has increased its focus on the relatively high levels of working capital in Germany. During the year, delayed customer negotiations and disputes in some large projects in Germany, as well as findings from an internal

audit of one of the German divisions, has indicated potential risk in the working capital. A review of the entire project portfolio in Germany has therefore been initiated. The review will conclude before year end and may lead to a more prudent valuation of the recognised revenue. The revaluation is potentially up to an amount of SEK 120 million. No provision has been made in the third quarter.

Overall, the German market remained stable in the third quarter despite Covid-19 and no major construction sites had to be closed due to the crisis. However, private investors continued to slow down or stop projects and tenders in the real estate market. On the other hand, the German publicly funded sector remained good and energy transition projects have continued as planned.

At the end of the quarter, 17 employees remained on temporary layoff.

Net sales & EBITA margin, rolling 12 months



After the end of the quarter, the Managing Director in Germany, Ina Brandes has left Sweco and has been replaced by Karsten Gruber in a position as acting Managing Director.

In brief

	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019
Net sales and profit				
Net sales, SEK M	481	502	1,482	1,336
Organic growth, %	-2	9	2	8
Acquisition-related growth, %	0	14	10	6
Currency, %	-3	3	-1	3
Total growth, %	-4	26	11	18
Organic growth adj. for calendar, %	-2	8	1	8
EBITA, SEK M	0	26	17	56
EBITA margin, %	0.0	5.2	1.2	4.2
Number of full-time employees	2,314	2,331	2,378	2,092

Other information

Parent Company, January–September 2020

Parent Company net sales totalled SEK 654 million (569) and were attributable to intra-group services. Profit after net financial items totalled SEK 288 million (222). Investments in equipment totalled SEK 29 million (27). Cash and cash equivalents at the end of the period totalled SEK 1,337 million (95).

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. The Group applies the same accounting and valuation principles as those described in Note 1 in the Annual Report for 2019.

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 1–28; the interim financial information presented on pages 1–28 is therefore part of this financial report.

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: <https://www.sweco.se/en/IR/financial-data/definitions/>

The adoption of IFRS 16 had a significant impact on the presentation of financial statements. 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.

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 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 21. Organic growth calculation is presented on page 27.

The Sweco share

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 497.80 at the end of the period, representing a 19 per cent increase during the quarter. Nasdaq Stockholm OMXSPI increased 13 per cent over the same period.

The total number of shares at the end of the period was 121,083,819: 10,385,713 Class A shares and 110,698,106 Class B shares. The total number of shares outstanding was 118,399,157: 10,385,713 Class A shares and 108,013,444 Class B shares.

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. The risks to which Sweco is exposed are detailed in Sweco's 2019 Annual Report (page 100, Risks and Risk Management). No significant risks are deemed to have arisen since then apart from the Covid-19 pandemic.

The risks and uncertainties related to the Covid-19 pandemic are briefly described on page 89 and page 100 in the 2019 Annual Report. There is still significant uncertainty as to the extent of the Covid-19 impact on Sweco, the form this impact may take and the time horizon during which any impact may be felt.

Calendar effects

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:

	2020	2019	
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

Year 2021

The number of normal working hours in 2021, based on the 12-month sales-weighted business mix as of September 2020, is broken down as follows:

	2021	2020	
Quarter 1:	487	500	-13
Quarter 2:	473	465	8
Quarter 3:	517	518	-1
Quarter 4:	496	491	5
Total:	1,973	1,974	-1

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:

2020 Estimate	SEK -133 million
2021 Estimate	SEK -117 million
2022 Estimate	SEK -75 million
2023 Estimate	SEK -40 million

Annual general meeting

The 2021 annual general meeting will be held on Thursday, 22 April 2021 at 3:00 PM in Stockholm. Sweco's 2020 Annual Report will be available for shareholder perusal at Sweco's headquarters, Gjörwellsgatan 22, Stockholm, and on the company's website, www.swecogroup.com, approximately three weeks prior to the AGM.

Forthcoming financial information

Year-end report 2020	11 February 2021
Interim report January–March	11 May 2021
Interim report January–June	16 July 2021
Interim report January–September	29 October 2021

Stockholm, 4 November 2020

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

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Auditor's report

This is the Auditor's review report on interim financial information, prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act.

Introduction

We have reviewed the condensed interim financial information (interim report) of Sweco AB as of 30 September 2020 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of

the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 4 November 2020
PricewaterhouseCoopers AB

Michael Bengtsson
Auditor in charge
Authorised public accountant

Aleksander Lyckow
Authorised public accountant

KPIs

KPIs ¹	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Profitability						
EBITA margin, %	9.2	8.3	9.8	8.9	9.7	9.1
Operating margin (EBIT), %	8.9	7.8	9.3	8.7	9.6	9.2
Profit margin, %	8.3	7.2	8.8	8.1	9.1	8.6
Revenue growth²						
Organic growth, %	-2	8	1	5		5
Acquisition-related growth, %	3	4	5	3		3
Currency, %	-3	1	-1	2		2
Total growth, %	-2	13	5	10		10
Debt						
Net debt, SEK M			1,410	2,511		2,114
Interest-bearing debt, SEK M			3,155	3,059		2,774
Financial strength						
Net debt/Equity, %			18.0	37.1		29.5
Net debt/EBITDA, x			0.6	1.2		1.0
Equity/Assets ratio, %			39.2	36.3		37.1
Available cash and cash equivalents, SEK M			4,546	2,377		2,699
– of which unutilised credit, SEK M			2,802	1,829		2,039
Return						
Return on equity, %			21.0	21.6		20.9
Return on capital employed, %			15.3	14.5		15.3
Share data						
Earnings per share, SEK	2.49	2.12	8.95	7.84	12.95	11.85
Diluted earnings per share, SEK	2.44	2.06	8.74	7.61	12.64	11.52
Equity per share, SEK ³			66.06	57.34		60.73
Diluted equity per share, SEK ³			64.66	55.83		59.14
Number of outstanding shares at reporting date			118,399,157	117,798,459		117,798,459
Number of repurchased Class B shares			2,684,662	3,285,360		3,285,360

1) The definitions of the Key Performance Indicators (KPIs) are available on Sweco's website.

2) See page 27 for details on Sweco's calculation of revenue growth.

3) Refers to portion attributable to Parent Company shareholders.

Reconciliation of EBIT and the APMs EBITA and EBITDA, SEK M	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Operating profit (EBIT)	404	361	1,459	1,296	2,055	1,892
Acquisition-related items	30	43	140	99	99	58
Lease expenses ¹	-189	-184	-576	-540	-771	-736
Depreciation and impairments, right-of-use assets	171	165	519	483	692	656
EBITA²	417	384	1,542	1,337	2,074	1,869
Amortisation/depreciation and impairment, tangible and intangible fixed assets	69	77	211	218	284	291
EBITDA³	485	461	1,753	1,555	2,359	2,160

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

2) 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.

3) 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 ¹	30 Sep 2020	30 Sep 2019	31 Dec 2019
Non-current interest-bearing debt	3,104	2,123	1,665
Current interest-bearing debt	51	936	1,109
Cash and cash equivalents incl. short-term investments	-1,744	-548	-660
NET DEBT	1,410	2,511	2,114

1) Net debt is an alternative performance measure (APM) defined as 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

SEK M	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Net sales	4,547	4,623	15,716	14,938	21,408	20,629
Other income	-1	8	4	15	7	17
Other external expenses	-931	-1,030	-3,091	-3,142	-4,322	-4,373
Personnel expenses	-2,940	-2,956	-10,302	-9,716	-13,963	-13,377
Amortisation/depreciation and impairment, tangible and intangible fixed assets ¹	-69	-77	-211	-218	-284	-291
Depreciation and impairment, right-of-use assets	-171	-165	-519	-483	-692	-656
Acquisition-related items ²	-30	-43	-140	-99	-99	-58
Operating profit (EBIT)	404	361	1,459	1,296	2,055	1,892
Net financial items ³	-14	-10	-34	-35	-45	-46
Interest cost of leasing ⁴	-13	-17	-42	-49	-58	-65
Other financial items ⁵	2	-3	-1	-5	0	-4
Total net financial items	-25	-30	-77	-89	-103	-115
Profit before tax	379	331	1,382	1,207	1,951	1,777
Income tax	-84	-81	-325	-286	-422	-384
PROFIT FOR THE PERIOD	295	249	1,057	921	1,529	1,393
Attributable to:						
Parent Company shareholders	295	249	1,057	921	1,529	1,393
Non-controlling interests	0	0	0	0	0	0
Earnings per share attributable to Parent Company shareholders, SEK	2.49	2.12	8.95	7.84	12.95	11.85
Average number of outstanding shares	118,399,266	117,798,459	118,145,241	117,494,870	118,058,545	117,570,767
Dividend per share, SEK						3.10

1) Includes tangible assets and intangible assets that are not acquisition-related.

2) 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 costs for received future service. See page 25 for additional details.

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

4) Interest cost of leasing comprises the interest cost of leasing pursuant to IFRS 16.

5) 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 statement of comprehensive income

SEK M	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Profit for the period	295	249	1,057	921	1,529	1,393
Items that will not be reversed in the income statement						
Revaluation of defined benefit pensions, net after tax ^{1,2}	0	2	-22	2	-66	-42
Items that may subsequently be reversed in the income statement						
Translation differences, net after tax	4	63	-127	225	-186	165
COMPREHENSIVE INCOME FOR THE PERIOD	299	314	908	1,147	1,277	1,516
Attributable to:						
Parent Company shareholders	299	313	908	1,147	1,277	1,516
Non-controlling interests	0	1	0	1	0	1
1) Tax on revaluation of defined benefit pensions	0	0	7	0	22	15

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

Consolidated cash flow statement

SEK M	Jul–Sep 2020	Jul–Sep 2019	Jan–Sep 2020	Jan–Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Profit before tax	379	331	1,382	1,207	1,951	1,777
Amortisation/depreciation and impairment	260	270	795	768	1,075	1,048
Other non-cash items	62	68	172	185	117	131
Cash flow from operating activities before changes in working capital, tax paid, interest paid and received	702	669	2,349	2,160	3,144	2,955
Interest cost leasing	-13	-17	-42	-49	-58	-65
Net interest paid	-8	-10	-22	-27	-28	-33
Tax paid	-91	-94	-315	-368	-364	-418
Changes in working capital	-395	-331	125	-471	455	-141
Cash flow from operating activities	193	216	2,094	1,245	3,148	2,299
Acquisition and divestment of subsidiaries and operations	-96	-132	-328	-441	-657	-769
Purchase and disposal of intangible and tangible assets	-40	-61	-170	-194	-189	-212
Other investing activities	4	-1	5	0	1	-4
Cash flow from investing activities	-132	-194	-493	-635	-844	-985
Borrowings and repayment of borrowings	1	267	382	319	-49	-112
Principal elements of lease payments	-175	-164	-524	-477	-692	-645
Dividends paid	–	–	-365	-645	-365	-645
Repurchase of treasury shares	–	–	–	-2	–	-2
Cash flow from financing activities	-174	102	-508	-804	-1,107	-1,404
CASH FLOW FOR THE PERIOD	-113	125	1,094	-193	1,197	-90

Consolidated balance sheet

SEK M	30 Sep 2020	30 Sep 2019	31 Dec 2019
Goodwill	7,598	7,227	7,471
Other intangible assets	336	333	339
Property, plant and equipment	534	629	580
Right-of-use assets	2,738	2,987	3,043
Financial assets	384	477	389
Current assets excl. cash and cash equivalents	6,623	6,437	6,821
Cash and cash equivalents incl. short-term investments	1,744	548	660
TOTAL ASSETS	19,957	18,638	19,303
Equity attributable to Parent Company shareholders	7,821	6,754	7,154
Non-controlling interests	10	10	10
Total equity	7,831	6,764	7,164
Non-current lease liabilities	2,162	2,492	2,522
Non-current interest-bearing debt	3,104	2,123	1,665
Other non-current liabilities	909	1,022	877
Current lease liabilities	716	664	688
Current interest-bearing debt	51	936	1,109
Other current liabilities	5,185	4,636	5,279
TOTAL EQUITY AND LIABILITIES	19,957	18,638	19,303
Pledged assets	–	20	1
Contingent liabilities	957	875	1,010

Consolidated statement of changes in equity

SEK M	Jan–Sep 2020			Jan–Sep 2019		
	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	7,154	10	7,164	6,158	10	6,168
Comprehensive income for the period	908	0	908	1,147	1	1,147
Transfer to shareholders	-365	0	-365	-644	0	-645
Buy-back of treasury shares	–	–	–	-2	–	-2
Share-based incentive schemes	121	–	121	93	–	93
Share savings schemes	3	–	3	3	–	3
EQUITY, CLOSING BALANCE	7,821	10	7,831	6,754	10	6,764

Acquisitions

The following acquisitions of companies and operations were carried out during the period.

Company or operations ¹	Included from	Business area	Acquired share, % ²	Annual net sales in SEK M ³	Number of employees (individuals)
Talboom Group	January	Sweco Belgium	100	133	69
Morgenroth & Landwehr, asset deal	February	Sweco Germany & CE	–	8	6
Temco, asset deal	March	Sweco Belgium	–	37	31
KANT Arkitekter A/S	March	Sweco Denmark	100	136	81
Automation unit of Eurocon, asset deal	March	Sweco Sweden	–	5	5
SGL Ingénieurs SA/NV	June	Sweco Belgium	100	58	31
Aries Real Estate Solutions s.a.	September	Sweco Belgium	100	12	12 ⁴
TOTAL				390	235

1) Acquired goodwill attributable to acquisition of assets are tax deductible in event of future write-downs.

2) No acquired ownership share reported for asset deals.

3) Estimated annual net sales.

4) Of which 11 self employed.

The purchase considerations of the acquisitions carried out in the period totalled SEK 288 million and had a negative impact on cash and cash equivalents of SEK 328 million. The acquisitions impacted the consolidated balance sheet as detailed in the table below.

The acquisition analyses regarding Talboom, Morgenroth & Landwehr, KANT Arkitekter, Temco, Automation unit of Eurocon, SGL Ingénieurs and Aries Real Estate Solutions are preliminary. During the period, the acquired companies contributed SEK 191 million in net sales, SEK 13 million in EBITA and SEK 2 million in operating profit (EBIT). If the companies had been owned as of 1 January 2020 they would have contributed approximately SEK 253 million in net sales, about SEK 20 million in EBITA and about SEK 6 million in operating profit (EBIT). The transaction costs for the acquisitions during this period and the previous period totalled SEK 6 million.

Acquisitions, SEK M

Intangible assets	301
Property, plant and equipment	4
Financial assets	6
Current assets	175
Non-current liabilities	-4
Deferred tax	-31
Other current liabilities	-164
Total purchase consideration	288
Payment and repayment of deferred purchase price	58
Cash and cash equivalents in acquired companies	-18
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	328

Acquisition-related items

SEK M	Jul-Sep 2020	Jul-Sep 2019	Jan-Sep 2020	Jan-Sep 2019	Oct 2019– Sep 2020	Full-year 2019
Amortisation of acquisition-related intangible assets	-20	-29	-65	-68	-99	-101
Revaluation of additional purchase price	1	–	-38	0	-40	-1
Profit/loss on divestment of buildings and land	0	0	0	1	19	20
Profit/loss on divestment of companies and operations	–	–	–	-9	71	62
Cost for received future service	-11	-14	-36	-22	-51	-37
ACQUISITION-RELATED ITEMS	-30	-43	-140	-99	-99	-58

Fair value of financial instruments

The Group's financial instruments measured at fair value totalled SEK 10 million (11). 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, 2018 segment information has been restated to reflect the adjusted business area structure applicable from 1 January 2019.¹

	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3
Net sales, SEK M									
Sweco Sweden	1,489	2,015	1,985	2,054	1,519	1,952	1,958	2,003	1,427
Sweco Norway	489	598	708	692	550	658	706	661	516
Sweco Finland	584	726	738	663	536	611	579	556	465
Sweco Denmark	421	467	458	477	410	442	455	460	403
Sweco Netherlands	466	538	547	542	488	519	506	520	447
Sweco Belgium	392	418	431	381	326	352	335	323	240
Sweco UK	280	305	382	348	317	291	214	207	212
Sweco Germany & Central Europe	481	504	497	605	502	438	397	436	397
Group-wide, Eliminations, etc.	-56	-81	-65	-71	-26	-49	-47	-55	-29
TOTAL GROUP	4,547	5,489	5,680	5,692	4,623	5,214	5,101	5,112	4,078
EBITA, SEK M²									
Sweco Sweden	149	253	269	271	102	233	252	284	83
Sweco Norway	44	24	97	65	55	18	78	60	41
Sweco Finland	80	104	101	64	76	73	74	53	46
Sweco Denmark	41	22	30	41	44	16	36	17	27
Sweco Netherlands	44	35	51	39	24	37	43	31	13
Sweco Belgium	48	45	50	41	38	41	38	37	12
Sweco UK	9	21	40	24	15	4	8	-6	6
Sweco Germany & Central Europe	0	8	9	21	26	18	11	27	24
Group-wide, Eliminations, etc. ³	2	-18	-17	-34	3	-18	-9	-8	11
EBITA	417	495	630	532	384	422	531	494	263
EBITA margin, %²									
Sweco Sweden	10.0	12.6	13.6	13.2	6.7	11.9	12.9	14.2	5.8
Sweco Norway	8.9	4.1	13.7	9.4	10.0	2.7	11.0	9.0	8.0
Sweco Finland	13.7	14.3	13.7	9.6	14.2	12.0	12.8	9.5	9.9
Sweco Denmark	9.7	4.8	6.7	8.6	10.7	3.6	8.0	3.7	6.7
Sweco Netherlands	9.4	6.6	9.4	7.2	5.0	7.1	8.6	5.9	2.8
Sweco Belgium	12.3	10.8	11.5	10.7	11.6	11.7	11.4	11.5	5.1
Sweco UK	3.1	6.8	10.4	7.0	4.8	1.4	3.7	-3.0	2.8
Sweco Germany & Central Europe	0.0	1.7	1.8	3.5	5.2	4.1	2.9	6.3	6.1
EBITA margin	9.2	9.0	11.1	9.4	8.3	8.1	10.4	9.7	6.5
Billing ratio, %	73.8	75.5	73.6	74.6	73.6	74.8	74.1	74.5	73.7
Number of normal working hours	518	465	500	485	519	462	496	489	511
Number of full-time employees	16,988	17,555	17,330	17,084	16,463	16,281	15,823	15,665	15,197

1) 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.

2) 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.

3) 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–September Business Area ¹	Net sales, SEK M		EBITA, SEK M ²		EBITA margin, % ²		Number of full-time employees	
	2020	2019	2020	2019	2020	2019	2020	2019
Sweco Sweden	5,489	5,428	672	587	12.2	10.8	5,812	5,825
Sweco Norway	1,795	1,914	165	151	9.2	7.9	1,640	1,549
Sweco Finland	2,048	1,725	284	223	13.9	12.9	2,499	2,143
Sweco Denmark	1,347	1,307	94	96	7.0	7.4	1,218	1,174
Sweco Netherlands	1,550	1,513	131	104	8.4	6.9	1,394	1,404
Sweco Belgium	1,241	1,012	143	117	11.5	11.6	1,054	846
Sweco UK	967	822	69	27	7.1	3.3	1,243	1,088
Sweco Germany & Central Europe	1,482	1,336	17	56	1.2	4.2	2,378	2,092
Group-wide, Eliminations, etc. ³	-202	-121	-33	-24	-	-	45	70
TOTAL GROUP	15,716	14,938	1,542	1,337	9.8	8.9	17,282	16,191

1) Sweco is not applying IFRS 16 at the business area level.

2) 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.

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

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.

	Jul–Sep 2020	Jul–Sep 2019	Growth, % Jul–Sep 2020	Jan–Sep 2020	Jan–Sep 2019	Growth, % Jan–Sep 2020
Reported net sales	4,547	4,623	-2	15,716	14,938	5
Adjustment for currency effects		-138	-3		-186	-1
Net sales, currency-adjusted	4,547	4,485	1	15,716	14,752	6
Adjustment for acquisitions/divestments	-176	-29	3	-843	-95	5
Comparable net sales, currency-adjusted	4,370	4,456	-2	14,873	14,657	1
Adjustment of calendar effect	3		0	-47		0
Comparable net sales, adjusted for currency and calendar effects	4,373	4,456	-2	14,826	14,657	1

	Jul–Sep 2019	Jul–Sep 2018	Growth, % Jul–Sep 2019	Jan–Sep 2019	Jan–Sep 2018	Growth, % Jan–Sep 2019
Reported net sales	4,623	4,078	13	14,938	13,623	10
Adjustment for currency effects		47	1		239	2
Net sales, currency-adjusted	4,623	4,125	12	14,938	13,861	8
Adjustment for acquisitions/divestments	-171	7	4	-272	75	3
Comparable net sales, currency-adjusted	4,452	4,132	8	14,666	13,937	5
Adjustment of calendar effect	-63		2	-19		0
Comparable net sales, adjusted for currency and calendar effects	4,389	4,132	6	14,647	13,937	5

Parent Company income statement

SEK M	Jan-Sep 2020	Jan-Sep 2019	Full-year 2019
Net sales	654	569	771
Operating expenses	-673	-593	-818
Operating loss	-20	-23	-48
Net financial items	308	245	791
Profit/loss after net financial items	288	222	743
Appropriations	–	–	-120
Profit/loss before tax	288	222	623
Tax	–	–	-77
PROFIT/LOSS AFTER TAX	288	222	546

Parent Company balance sheet

SEK M	30 Sep 2020	31 Dec 2019
Intangible assets	27	26
Property, plant and equipment	65	59
Financial assets	6,520	6,537
Current assets	3,797	3,371
TOTAL ASSETS	10,410	9,994
Equity	4,533	4,480
Untaxed reserves	474	474
Non-current liabilities	2,923	1,569
Current liabilities	2,479	3,471
TOTAL EQUITY AND LIABILITIES	10,410	9,994