

## **SWECO AB (publ)** **Interim report January – September 2011**

2 November 2011

### **Continued profitable growth**

#### **July – September 2011**

- Net sales of SEK 1,274.1 million (1,088.9).
- Operating profit of SEK 75.1 million (69.6).
- Operating margin of 5.9 per cent (6.4).
- Profit after tax of SEK 56.2 million (45.0) and earnings per share of SEK 0.62 (0.49).

#### **January – September 2011**

- Net sales of SEK 4,201.5 million (3,793.4).
- Operating profit of SEK 339.7 million (304.2).
- Operating margin of 8.1 per cent (8.0).
- Profit after tax of SEK 245.8 million (214.1) and earnings per share of SEK 2.70 (2.37).
- Strong financial position, net liability of SEK 11.8 million (net receivable of SEK 36.3 million).

Comments from CEO Mats Wäppling:

“Operating profit for the period from January to September 2011 rose to SEK 340 million and operating margin was 8.1 per cent. During the same period, Sweco Sweden achieved an operating margin of 10.7 per cent.

“The overall market situation is good, with favourable opportunities for growth. Third quarter growth reached 17 per cent, of which 11 per cent was organic. The Swedish operations grew by 20 per cent during the quarter. At the same time, the outlook for the general economy has worsened and there is far-reaching uncertainty about market development.

“Sweco has been awarded several notable contracts, such as a number of energy assignments in Africa to develop the supply of electricity in Tanzania and Kenya with a combined order value of around SEK 80 million. We are also involved in Stora Enso’s investment in a new paper machine in the company’s Polish factory Ostrołęka Mills. The contract is worth approximately SEK 50 million. In Sweden we have been chosen for extensive engineering design work in connection with the expansion of Boliden’s iron ore production in Garpenberg.

“Sweco’s healthy finances, wide service offering and leading market positions in several important growth segments give us a solid platform for favourable long-term development.”

## PROFIT AND FINANCIAL POSITION

### Net sales and profit, January – September 2011

The Sweco Group's net sales increased by 11 per cent to SEK 4,201.5 million (3,793.4). Organic growth was 8 per cent and acquisition-driven growth was 5 per cent. Foreign exchange effects resulting from a stronger Swedish krona had a negative impact on growth of 2 per cent.

<b>Profit summary, SEK M</b>	<b>Jul-Sep 2011</b>	<b>Jul-Sep 2010</b>	<b>Jan-Sep 2011</b>	<b>Jan-Sep 2010</b>
Sweco Sweden	53.4	44.1	273.1	228.0
Sweco Norway	26.7	25.4	80.7	100.8
Sweco Finland	2.2	2.6	7.0	5.9
Sweco Central & Eastern Europe	-1.1	-0.6	-3.7	3.8
Sweco Russia	3.0	1.4	4.4	2.4
Sweco Industry	4.1	-3.3	10.9	-1.0
Group-wide, etc.	-13.2	0.0	-32.7	-35.7
<b>Operating profit</b>	<b>75.1</b>	<b>69.6</b>	<b>339.7</b>	<b>304.2</b>
Consolidated net financial items	-0.4	-3.4	-4.3	-7.5
<b>Profit before tax</b>	<b>74.7</b>	<b>66.2</b>	<b>335.4</b>	<b>296.7</b>

Operating profit amounted to SEK 339.7 million (304.2).

Sweco Sweden reported strong earnings that rose by around 20 per cent to SEK 273.1 million (228.0). Operating margin was 10.7 per cent.

Compared to the previous year, Sweco Norway's operating profit was affected by project write-downs of approximately SEK 30 million and foreign exchange losses of around SEK 4 million.

Sweco's operations in Central and Eastern Europe showed a year-on-year drop in earnings that was primarily attributable to structural measures in the infrastructure area in Poland and a lower profits in the Czech operations.

Profit in Sweco Industry improved over the previous year, mainly owing to a better market situation in Finland.

Operating profit for Sweco Russia was SEK 4.4 million and operating margin was 6.7 per cent. Profit has been affected by SEK 4.1 million in amortisation of intangible assets connected to acquisitions. Operating margin before amortisation/depreciation was 13.0 per cent (11.7).

The Group's overall operating margin was 8.1 per cent (8.0). The billing ratio, including all administrative personnel, was 73.6 per cent (73.1).

Profit before tax amounted to SEK 335.4 million (296.7). The Group's net financial items totalled SEK -4.3 million (-7.5), and included foreign exchange effects of SEK -1.0 million (-5.0).

Profit after tax was SEK 245.8 million (214.1).

Return on equity was 24.1 per cent (18.2) and return on capital employed was 31.1 per cent (25.5).

No significant transactions with related parties took place during the period.

### **Earnings per share**

Earnings per share were SEK 2.70 (2.37) before dilution and SEK 2.70 (2.34) after dilution.

### **Investments**

Capital expenditure on equipment totalled SEK 61.6 million (42.5) and referred mainly to computers and other IT investments. Depreciation of equipment amounted to SEK 55.3 million (53.0) and amortisation of intangible assets was SEK 21.7 million (17.2).

Consideration paid for the acquisition of companies amounted to SEK 151.6 million (50.8) and the effect on consolidated cash and cash equivalents was SEK –95.0 million (–37.1).

### **Cash flow and financial position**

The Group's cash flow from operating activities was strong at SEK 188.8 million (93.0).

Cash and cash equivalents amounted to SEK 129.8 million (187.3). Disposable cash and cash equivalents including unutilised bank overdraft facilities at the end of the period totalled SEK 722.4 million (746.8). Interest-bearing debt is reported at SEK 141.6 million (151.0). The net interest-bearing liability was SEK 11.8 million (net receivable of SEK 36.3 million).

Dividends have been paid to Sweco AB's shareholders in a total amount of SEK 272.8 million (355.7) during the year.

The ratio of net debt to equity was 0.8 per cent (–2.7). The equity/assets ratio was 44.6 per cent (49.6).

### **Employees**

The number of employees at 30 September 2011 was 6,167 (5,304). The average number of employees in the Group during the period was 5,662 (4,918).

### **Net sales and profit, July – September 2011**

Net sales were up by 17 per cent and amounted to SEK 1,274.1 million (1,088.9). Organic growth was 11 per cent and acquisition-driven growth was 7 per cent. Foreign exchange effects had a negative impact on growth of 1 per cent.

Operating profit was SEK 75.1 million (69.6). Profit for group-wide, etc., was negatively affected by unrealised value changes on forward exchange contracts of SEK –3.3 million (+10.9).

Operating margin was 5.9 per cent (6.4).

The billing ratio was 73.8 per cent (72.2).

Profit before tax amounted to SEK 74.7 million (66.2).

Profit after tax was SEK 56.2 million (45.0).

Cash flow from operating activities was SEK 108.8 million (50.3).

### **Parent Company**

The Parent Company recorded net sales of SEK 55.3 million (33.9), all of which refers to intra-group services. Profit after net financial items was SEK 22.6 million (–5.8). Capital expenditure on equipment amounted to SEK 0.6 million (0.0) and cash and cash equivalents at the end of the period totalled SEK 0.0 million (56.8).

### **THE SWECO SHARE**

Sweco is listed on NASDAQ OMX Stockholm. The bid price for the Sweco B share at 30 September 2011 was SEK 56.75, a decrease of 3 per cent during the year. The OMX Stockholm General Index fell by 23 per cent over the same period.

At the request of shareholders, 3,399 class A shares were converted to class B shares during the period with the support of the conversion clause in the Articles of Association. The total number of votes thereafter amounts to 17,598,793.1, of which the A shares account for 9,385,676 votes and the B shares for 8,213,117.1 votes.

The total number of shares at the end of the period was 91,516,847, of which 9,385,676 were of class A and 82,131,171 were of class B. After deduction of treasury shares, the number of shares outstanding at the end of the period was 90,722,027, of which 9,385,676 were of class A and 81,336,351 were of class B.

### **Incentive scheme for senior executives**

Fifty senior executives have subscribed for a total of 1,300,000 warrants in the warrant series (2008/2011), equal to a dilutive effect of 1.4 per cent on the share capital and 0.7 per cent on the votes. The warrants may be exercised for subscription to shares during the period from 30 May 2011 to 30 November 2011 at a price of SEK 65 per share.

### **Treasury shares**

In the third quarter Sweco repurchased 219,247 class B shares for SEK 12.5 million, which is equal to SEK 57.11 per share. Sweco thus holds a total of 794,820 class B treasury shares that can be used as consideration in acquisitions. The treasury shares correspond to 0.9 per cent of the total number of shares and 0.5 per cent of the votes. The shares were purchased at average price of SEK 32.56 each, equal to a total of SEK 25.9 million. The market value of the shares at the end of the period was SEK 45.1 million.

### **OPERATIONS AND MARKET**

The engineers, architects and environmental experts at Sweco are working together to contribute to the development of a sustainable society. With around 6,200 employees, the Sweco Group is one of the largest players in Europe. Sweco has local companies in 11 countries and projects currently underway in some 80 countries worldwide. Operations are conducted in six business areas: Sweco Sweden, Sweco Norway, Sweco Finland, Sweco Central & Eastern Europe, Sweco Russia and Sweco Industry.

Sweco is well poised to continue growing with profitability. Sweco has market-leading positions in Sweden, Norway and Finland and solid niche positions in several countries in Central and Eastern Europe. Sweco's home markets in the Nordic region and Central and Eastern Europe have generally stronger GDP growth and healthier state finances than the European average. With its strong financial position, Sweco also has a high level of preparedness for acquisition-driven growth.

So far this year Sweco has acquired operations in Sweden, Norway, Poland, Russia and Slovakia with close to 500 employees, equal to growth of 5 per cent. At the same time, organic growth during the period was 8 per cent. The goal is to continue profitable expansion through both organic and acquisition-driven growth.

Overall, the third quarter was characterised by a continued favourable market. However, concern about state finances in Europe and a less encouraging outlook for the general economy are giving rise to widespread uncertainty about market development.

In a long-term perspective, there are powerful structural drivers that are boosting demand for consulting engineering services. These are related to urbanisation and rising living standards, which are among other things contributing to a need for infrastructure, industrial production, energy production and construction. At the same time, there are increasingly stringent requirements for sustainable development of society and adaptation to climate change. This is stimulating demand for services in areas like energy efficiency, environmental impact assessments, renewable energy solutions, effective traffic planning, water supply, wastewater treatment and soil/site remediation.

### Sweco Sweden

Net sales and profit	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010
Net sales, SEK M	750.5	626.1	2,543.5	2,201.8
Operating profit, SEK M	53.4	44.1	273.1	228.0
Operating margin, %	7.1	7.0	10.7	10.4

Sweco Sweden is the country's leading provider of consulting engineering services and the Group's largest business area, with over 3,100 employees in some 50 locations. Services are offered in the areas of Architecture, Structural Engineering, Building Service Systems, Infrastructure, Water & Environment, Project Management, Energy Systems, Geographic IT and Institutional Services. Sweco Sweden has extensive project exports to countries in Eastern Europe, Africa, Asia, the Middle East and Latin America.

Development in Swedish market remained positive in all of Sweco's service segments. Long-term growth is anticipated in the infrastructure and energy areas, particularly for services related to hydroelectric power. The market for water and environmental services is good both in Sweden and internationally with regard to water supply (treatment, distribution, surface water management, etc.). The market for building-related services for industrial, private construction and real estate companies remains strong. Interest in Sweco's service offering in sustainable urban development is showing steady growth both in Sweden and globally. Continued growth is also awaited for geographical IT.

In the third quarter Sweco won sizeable contracts in Africa to develop the supply of electricity in a number of locations in Tanzania and Kenya. In addition, Sweden has been awarded a major engineering design contract in connection with the expansion of Boliden's iron ore production in Garpenberg. Sweco has also been chosen to improve the traffic

situation in Helsingborg by planning a new section of the E4 motorway to the Port of Helsingborg.

### Sweco Norway

Net sales and profit	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010
Net sales, SEK M	307.2	276.1	996.1	972.3
Operating profit, SEK M	26.7	25.4	80.7	100.8
Operating margin, %	8.7	9.2	8.1	10.4

Sweco is one of Norway's largest engineering consultancies, with 1,000 employees. The Norwegian business area, which also has some project export operations, is organised in six divisions: Energy, Water & Environment, Building & Construction, Infrastructure, Building Service Systems and Vest.

The market for building-related services has continued to develop favourably. An improvement is being seen above all in the renovation, rebuilding and extension sector and there is a keen demand for services in areas like energy efficiency. A recent decision was made to increase investments in Norway's road and railway network, which will create good market conditions for Sweco. The need for modernisation of the country's water and wastewater systems is also generating good long-term demand. In the energy sector there are plans for large-scale investments in the country's transmission networks at both the national grid and local level, which will stimulate demand for Sweco's energy consultants. Furthermore, Norway is noting a growing interest in early-stage environmental services such as environmental planning, environmental management and environmental conservation.

In the third quarter Sweco's Norwegian and Swedish consultants were commissioned to study and propose technical solutions to double the capacity at Oslo's Bekkelaget municipal wastewater treatment plant. Also in Oslo, Sweco will plan measures to improve the traffic flow for light rail lines in three central locations. In addition, Sweco has been awarded a large-scale planning contract in connection with modernisation of the Norwegian defence's helicopter base in Bardufoss, among other things with new office facilities and workshops.

### Sweco Finland

Net sales and profit	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010
Net sales, SEK M	21.4	18.4	65.4	57.3
Operating profit, SEK M	2.2	2.6	7.0	5.9
Operating margin, %	10.5	14.1	10.7	10.3

The business area has around 70 employees in the subsidiary Sweco PM, which provides project management services to clients in the infrastructure, construction and industrial sectors.

Demand in the construction sector has improved and volumes have reached more normal levels. However, uncertainty about future development has increased and there is persistent price pressure. Investments in the infrastructure area remain stable, above all with regard to upgrading of the road and railway network. New contracts include project management in connection with the construction of an underground car park in Espoo and renovation of a government building in Helsinki.

## Sweco Central & Eastern Europe

Net sales and profit	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010
Net sales, SEK M	54.3	64.5	170.0	193.1
Operating profit, SEK M	-1.1	-0.6	-3.7	3.8
Operating margin, %	-2.1	-0.9	-2.2	2.0

Sweco Central & Eastern Europe has around 900 employees and is active in Estonia, Lithuania, Poland, the Czech Republic, Slovakia and Bulgaria. The units in these markets also conduct project exports.

In general, the market situation is stable. The ongoing adaptation to EU standards in Central & Eastern Europe is benefiting the business area, whose services are concentrated in the water, environment, energy and infrastructure areas.

The Baltic states and Bulgaria are showing increased demand for consulting services related to water, environment and energy. Demand in the Baltic region is also good with regard to industry-related assignments and projects with private investors. Poland is noting a clear slowdown in the infrastructure segment but strong demand in the water and environment areas. In Slovakia and the Czech Republic, demand for water and environmental services is stable. Continued price pressure is being felt throughout the business area, particularly in connection with public sector procurements.

Notable new assignments include contracts for modernisation of several wastewater treatment plants in Estonia and design services for the planned subsea power cable between the Baltic and Nordic regions, NordBalt. Sweco has also been contracted to provide further services for the new harbour terminal in Klaipeda, Lithuania. Sweco's Polish architects will design a new office building in Warsaw and Sweco will plan a bridge on the A1 motorway in Krakow. In the Czech Republic, Sweco is taking part in modernisation of the wastewater systems in Prague and Česká Třebová. Sweco's Bulgarian consultants will participate in the construction of Sveta Petka Hydropower, a new hydropower plant in Macedonia.

## Sweco Russia

Net sales and profit	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010
Net sales, SEK M	33.1	7.7	65.3	21.4
Operating profit, SEK M	3.0	1.4	4.4	2.4
Operating margin, %	8.9	18.2	6.7	11.4

Sweco Russia has 370 employees and is active in the areas of Infrastructure and Water & Environment. Sweco Russia is also responsible for coordination of project exports from the other business areas to Russia.

Order intake remains particularly strong in the infrastructure segment but is weaker in the water and environment area. Major events such as the winter Olympics in 2014 and the FIFA World Cup in 2018 are creating more favourable market conditions for the long term.

Sweco Russia won several mid-sized projects during the quarter, such as traffic planning for the new Skolkovo Innovation Center outside Moscow, planning of traffic signals for the Olympic host city of Sochi and detail planning of parts of the M20 motorway between Moscow and Minsk.

## Sweco Industry

Net sales and profit	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010
Net sales, SEK M	137.6	114.1	439.4	393.6
Operating profit, SEK M	4.1	-3.3	10.9	-1.0
Operating margin, %	3.0	-2.9	2.5	-0.3

Sweco Industry is the Group's resource for qualified industrial consulting services. The business area's capabilities include consulting, planning, engineering and project management services for product optimisation and plant investment. With some 430 employees in Finland, 220 in Sweden and 20 in Norway, Sweco Industry is one of the Nordic region's largest industrial engineering consultancies. Sweco Industry also has extensive operations in Russia, Eastern Europe and South America. The business area works with a focus on the energy, chemical and petrochemical, pulp and paper, mining and mineral industries, as well as offshore projects and product development.

The market situation for Sweco's industrial consultants in Finland has continued to improve and there are no signs of slowing. The share of more long-term assignments is rising and there is a growing need for new recruitment. Market development in Sweden and Norway remains good. In the energy area, increased investments are being seen in biogas facilities and biomass power plants, which is stimulating demand for Sweco's services in both Finland and Sweden. Higher investments are also being noted in the pulp and paper industry. Among other things, Sweco has been awarded major contracts in connection with Stora Enso's investment in a new paper machine at its Polish factory Ostrołęka Mills. New contracts in Sweden have been signed with clients like Metso Minerals, Boliden and LKAB. In Norway Sweco has been commissioned for services in the mining industry for Xstrata Nickel. Russia is continuing its ambitious initiative to modernise the country's energy production, which is creating a good market for Sweco's industrial consultants.

### ACQUISITIONS

During the quarter Sweco acquired the Lithuanian consulting company UAB Energetikos Linijos with over 30 employees. The company's offering includes services for CHP plants, district heating and biogas facilities.

In Norway Sweco has acquired Kilde Akustikk AS with 10 employees, which among other things offers services related to acoustics and vibrations. The acquisition will make Sweco one of Norway's leading consultancies in the acoustics area.

In Sweden Sweco has acquired the consulting company Inmind Scandinavia AB. The company has 11 employees and offers professional consulting services in Intelligent Transport Systems (ITS). Inmind has offices in Göteborg and Stockholm.

Also in Sweden, Sweco has acquired the operations of K-Konsult Elteknik i Gävle AB with four employees. The company conducts consulting operations in the electrical installation area with a focus on engineering design and inspection for electrical and elevator systems.

In Slovakia Sweco has acquired 80 per cent of the shares in Hydrocoop spol. s r.o in Bratislava. Hydrocoop is a provider of consulting services in water and environment and has around 20 employees.



## **EVENTS AFTER THE END OF THE REPORTING PERIOD**

### **Acquisitions**

After the end of the period, Sweco acquired the operations of the Swedish construction design company Metrix AB with 10 employees. The company offers structural engineering consulting services such as studies, planning and design, descriptions and construction project management.

## **ACCOUNTING POLICIES**

Sweco complies with the International Financial Accounting Standards (IFRS) and interpretations of these (IFRIC) that have been endorsed by the European Commission for application in the EU. This interim report is presented in accordance with IAS 34, Interim Financial Reporting, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The accounting and valuation standards applied by the Group are the same as those described in Note 1 of the annual report for 2010.

## **RISKS AND UNCERTAINTIES**

The significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks tied to the general economic trend and investment spending in different markets, the ability to attract and retain competent personnel and the effects of political decisions. The Group is also exposed to different types of financial risk, such as foreign exchange risk, interest rate risk and credit risk. No significant risks are assessed to have arisen aside from those presented on page 84 of Sweco's annual report for 2010, "Risk management".

## **ANNUAL GENERAL MEETING**

The Annual General Meeting will be held on Tuesday, 17 April 2012, at Hotel Courtyard by Marriott, Rålambshovsleden 50, in Stockholm.

## **FINANCIAL CALENDAR 2012**

Year-end report 2011	14 February 2012
Interim report January-March	8 May 2012
Interim report January-June	17 July 2012
Interim report January-September	31 October 2012

## OUTLOOK

The market for consulting engineering and architectural services is generally good, although there is increased uncertainty about market development. Sweco's ambition is to achieve sustained profitable growth by strengthening its market positions in the Nordic region and in Central and Eastern Europe. Sweco's healthy finances, leading market positions in several important growth areas and wide offering of services provide a solid platform for stable long-term development.

Stockholm, 2 November 2011

Mats Wäppling  
President & CEO  
Board member

### For additional information contact:

Mats Wäppling, President & CEO of SWECO AB (publ)  
Telephone: +46 8 695 66 07 / Mobile +46 70 645 03 21  
[mats.wappling@sweco.se](mailto:mats.wappling@sweco.se)

Bo Jansson, Vice President & CFO of SWECO AB (publ)  
Telephone: +46 8 695 66 06 / Mobile: +46 73 412 66 06  
[bo.jansson@sweco.se](mailto:bo.jansson@sweco.se)

**SWECO AB (publ)** Corporate identity number 556542-9841  
Gjörwellsgatan 22, Box 34044, SE-100 26 Stockholm, Sweden  
Telephone: +46 8 695 60 00, Fax +46 8 695 66 10  
E-mail: [info@sweco.se](mailto:info@sweco.se) [www.swecogroup.com](http://www.swecogroup.com)

Sweco discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 2 November 2011, 11:45 CET.

## **Review report**

We have reviewed this report for the period 1 January 2011 to 30 September 2011 for SWECO AB (publ). The board of directors and the CEO are responsible for the preparation and presentation of this interim report 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.

We conducted our review in accordance with the Swedish Standard on Review Engagements SÖG 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.

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, 2 November 2011

PricewaterhouseCoopers AB

Lennart Danielsson

Authorised Public Accountant  
Auditor in charge

Income statement, SEK M	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010	Oct 2010- Sep 2011	Full year 2010
Net sales	1,274.1	1,088.9	4,201.5	3,793.4	5,680.5	5,272.4
Other operating income	-	0.0	-	3.6	0.3	3.9
Other external expenses	-339.8	-300.2	-1,023.8	-982.5	-1,441.5	-1,400.2
Personnel costs	-830.2	-695.9	-2,759.7	-2,439.2	-3,669.5	-3,349.0
Amortisation/depreciation and impairment	-29.0	-23.2	-78.3	-71.1	-101.6	-94.4
<b>Operating profit</b>	<b>75.1</b>	<b>69.6</b>	<b>339.7</b>	<b>304.2</b>	<b>468.2</b>	<b>432.7</b>
Net financial items	-0.4	-3.4	-4.3	-7.5	-5.8	-9.0
<b>Profit before tax</b>	<b>74.7</b>	<b>66.2</b>	<b>335.4</b>	<b>296.7</b>	<b>462.4</b>	<b>423.7</b>
Income tax expense	-18.5	-21.2	-89.6	-82.6	-130.8	-123.8
<b>Profit for the period</b>	<b>56.2</b>	<b>45.0</b>	<b>245.8</b>	<b>214.1</b>	<b>331.6</b>	<b>299.9</b>

**Profit for the period attributable to:**

Owners of the Parent Company	55.9	44.9	245.2	213.2	330.5	298.5
Non-controlling interests	0.3	0.1	0.6	0.9	1.1	1.4

**Earnings per share for profit attributable to owners of the Parent Company, SEK**

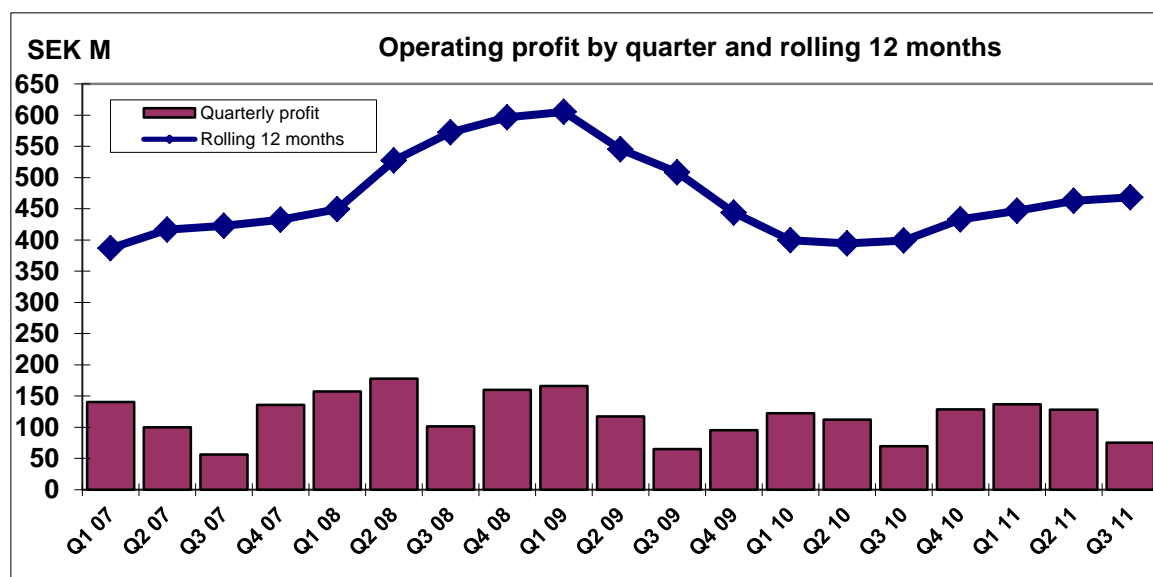
- Basic	0.62	0.49	2.70	2.37	3.64	3.31
- Diluted	0.62	0.49	2.70	2.34	3.64	3.28

Dividend per share, SEK	-	-	-	-	-	3.00
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Statement of comprehensive income, SEK M	Jul-Sep 2011	Jul-Sep 2010	Jan-Sep 2011	Jan-Sep 2010	Oct 2010- Sep 2011	Full year 2010
<b>Profit for the period</b>	<b>56.2</b>	<b>45.0</b>	<b>245.8</b>	<b>214.1</b>	<b>331.6</b>	<b>299.9</b>
Translation differences	-4.3	-36.3	16.5	-91.5	6.9	-101.1
<b>Comprehensive income for the period</b>	<b>51.9</b>	<b>8.7</b>	<b>262.3</b>	<b>122.6</b>	<b>338.5</b>	<b>198.8</b>

**Comprehensive income attributable to:**

Owners of the Parent Company	51.5	9.0	261.4	123.0	337.2	198.8
Non-controlling interests	0.4	-0.3	0.9	-0.4	1.3	0.0



<b>Cash flow statement, SEK M</b>	<b>Jul-Sep 2011</b>	<b>Jul-Sep 2010</b>	<b>Jan-Sep 2011</b>	<b>Jan-Sep 2010</b>	<b>Oct 2010- Sep 2011</b>	<b>Full year 2010</b>
Cash flow from operating activities before changes in working capital and paid tax	102.7	93.5	413.2	367.1	556.8	510.7
Paid tax	22.4	-21.4	-97.4	-135.6	-103.8	-142.0
Changes in working capital	-16.3	-21.8	-127.0	-138.5	-15.4	-26.9
<b>Cash flow from operating activities</b>	<b>108.8</b>	<b>50.3</b>	<b>188.8</b>	<b>93.0</b>	<b>437.6</b>	<b>341.8</b>
Cash flow from investing activities	-33.1	-30.2	-155.3	-89.4	-198.4	-132.5
Cash flow from financing activities	-100.1	-15.1	-282.3	-351.4	-293.4	-362.5
<b>Cash flow for the period</b>	<b>-24.4</b>	<b>5.0</b>	<b>-248.8</b>	<b>-347.8</b>	<b>-54.2</b>	<b>-153.2</b>

<b>Balance sheet, SEK M</b>	<b>30 Sep 2011</b>	<b>30 Sep 2010</b>	<b>31 Dec 2010</b>
Goodwill	812.3	725.2	734.4
Other intangible assets	85.0	45.7	49.3
Tangible assets	212.3	193.6	199.5
Financial assets	60.2	57.9	49.6
Current assets excl. cash and cash equivalents	1,849.9	1,521.6	1,578.9
Cash and cash equivalents incl. short-term investments	129.8	187.3	376.7
<b>Total assets</b>	<b>3,149.5</b>	<b>2,731.3</b>	<b>2,988.4</b>
Equity attributable to owners of the Parent Company	1,394.6	1,344.6	1,419.6
Non-controlling interests	10.2	9.7	10.0
<b>Total equity</b>	<b>1,404.8</b>	<b>1,354.3</b>	<b>1,429.6</b>
Non-current liabilities	174.5	139.3	151.3
Current liabilities	1,570.2	1,237.7	1,407.5
<b>Total equity and liabilities</b>	<b>3,149.5</b>	<b>2,731.3</b>	<b>2,988.4</b>
Pledged assets	15.2	17.5	16.6
Contingent liabilities	196.7	202.2	198.4

<b>Changes in equity, SEK M</b>	<b>Jan-Sep 2011</b>			<b>Jan-Sep 2010</b>		
	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity	Equity attributable to owners of the Parent Company	Non-controlling interests	Total equity
<b>Equity, opening balance</b>	<b>1,419.6</b>	<b>10.0</b>	<b>1,429.6</b>	<b>1,584.9</b>	<b>10.8</b>	<b>1,595.7</b>
Comprehensive income for the period	261.4	0.9	262.3	123.0	-0.4	122.6
Distribution to the shareholders	-272.8	-1.0	-273.8	-355.7	-0.7	-356.4
Non-controlling interests in acquired companies	-	0.3	0.3	-	0.7	0.7
Acquisition of non-controlling interests	-	-0.1	-0.1	-1.0	-0.7	-1.7
Change in holding of non-controlling interests	-0.1	0.1	-	-	-	-
Repurchase of treasury shares	-13.5	-	-13.5	-	-	-
2009 share bonus programme	-	-	-	-6.6	-	-6.6
<b>Equity, closing balance</b>	<b>1,394.6</b>	<b>10.2</b>	<b>1,404.8</b>	<b>1,344.6</b>	<b>9.7</b>	<b>1,354.3</b>

<b>Key ratios<sup>1)</sup></b>	<b>Jan-Sep 2011</b>	<b>Jan-Sep 2010</b>	<b>Full year 2010</b>
Operating margin, %	8.1	8.0	8.2
Profit margin, %	8.0	7.8	8.0
Billing ratio, %	73.6	73.1	73.4
Return on equity, %	24.1	18.2	19.9
Return on capital employed, %	31.1	25.5	26.5
Net debt/equity ratio, %	0.8	-2.7	-16.8
Equity/assets ratio, %	44.6	49.6	47.8
Earnings per share, SEK			
- Basic	2.70	2.37	3.31
- Diluted	2.70	2.34	3.28
Equity per share for profit attributable to owners of the Parent Company, SEK			
- Basic	15.37	14.78	15.61
- Diluted	15.37	14.78	15.61
Interest-bearing liabilities, SEK M	141.6	151.0	136.6
Of which, liabilities to credit institutions	138.7	142.0	131.9
Average number of employees	5,662	4,918	4,986
Average number of shares	90,904,386	90,060,770	90,285,021
Average diluted number of shares	90,908,194	90,990,895	90,982,615
Number of shares on closing date	90,722,027	90,957,774	90,957,774
Number of shares on closing date after dilution	90,722,027	90,957,774	90,957,774
Number of shares on closing date after full dilution	92,022,027	92,257,774	92,257,774
Number of class B treasury shares	794,820	559,073	559,073

1) The definitions of key ratios are unchanged and can be found in Sweco's annual report for 2010.

#### **Net sales, operating profit, operating profit and average number of employees for the period January-September**

<b>Business areas</b>	<b>Net sales SEK M</b>		<b>Operating profit SEK M</b>		<b>Operating margin %</b>		<b>Average no. of employees</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Sweco Sweden	2,543.5	2,201.8	273.1	228.0	10.7	10.4	2,853	2,532
Sweco Norway	996.1	972.3	80.7	100.8	8.1	10.4	980	905
Sweco Finland	65.4	57.3	7.0	5.9	10.7	10.3	72	64
Sweco Central & Eastern Europe	170.0	193.1	-3.7	3.8	-2.2	2.0	818	714
Sweco Russia	65.3	21.4	4.4	2.4	6.7	11.4	285	98
Sweco Industry	439.4	393.6	10.9	-1.0	2.5	-0.3	638	592
Group-wide eliminations, etc.	-78.2	-46.1	-32.7	-35.7	-	-	16	13
<b>Total Group</b>	<b>4,201.5</b>	<b>3,793.4</b>	<b>339.7</b>	<b>304.2</b>	<b>8.1</b>	<b>8.0</b>	<b>5,662</b>	<b>4,918</b>

Operating profit for group-wide consists mainly of the Parent Company's loss of SEK -32.8 million (-43.9).

### Acquisition of subsidiaries and operations

In the period under review Sweco acquired TD VVS-konsult AB, Castelo Investment sp. z o.o, Wona AB (and its subsidiary Axro Consult), Oppland Bygg Consult AS, Stockholm Stads Utrednings- och Statistikkontor AB, ZAO NIPI, OOO IKTP, PROWS Industry & Management AB, UAB Energetikos linijos, Kilde Akustikk AS, Inmind Scandinavia AB and Hydrocoop, spol. s r.o. (80%), as well as the operations of APA Markowski Architekci, Pracownias and K-konsult Elteknik i Gävle AB with a total of 486 employees. Based on the preliminary purchase price allocations, these acquisitions have affected the Group's balance sheet and cash and cash equivalents as shown in the table below. During the period the acquired companies have contributed net sales of SEK 109.8 million and operating profit of SEK 7.1 million. If all of the companies had been acquired at 1 January 2011, the contribution would have been about SEK 207.0 million to net sales and about SEK 9.5 million to operating profit. Transaction costs for the acquisitions amount to SEK 4.2 million.

#### Acquisitions, SEK M

Intangible assets	120.9
Tangible assets	5.8
Financial assets	0.9
Current assets	106.9
Non-current liabilities	-0.4
Deferred tax	-13.8
Other current liabilities	-68.5
Non-controlling interests	-0.2
<b>Total consideration</b>	<b>151.6</b>
Unsettled purchase price commitments	-35.1
Settled purchase price commitments for acquisitions in earlier years	1.1
Cash and cash equivalents in acquired companies	-22.6
<b>Effect on the Group's cash and cash equivalents</b>	<b>95.0</b>

Five-year overview <sup>1)</sup>	Oct 2010-				
	Sep 2011	2010	2009	2008	2007
Net sales, SEK M	5,680.5	5,272.4	5,338.7	5,522.8	4,569.5
Operating profit, SEK M	468.2	432.7	443.6	596.3	432.5
Profit before tax, SEK M	462.4	423.7	443.6	588.2	425.7
Operating margin, %	8.2	8.2	8.3	10.8	9.5
Billing ratio, %	73.7	73.4	73.6	75.6	76.1
Return on equity, %	24.1	19.9	19.6	34.6	33.8
Return on capital employed, %	31.1	26.5	27.5	44.4	41.7
Net debt/equity ratio, %	0.8	-16.8	-26.2	-11.3	1.9
Equity/assets ratio, %	44.6	47.8	50.6	47.0	39.0
Earnings per share, SEK					
- Basic	3.64	3.31	3.31	4.68	3.53
- Diluted	3.64	3.28	3.28	4.65	3.46
Dividend per share, SEK	-	3.00	2.00	2.00	2.00
Redemption amount per share, SEK	-	-	2.00	-	-
Average number of employees	5,544	4,986	5,082	5,453	4,699

1) The definitions of key ratios are unchanged and can be found in Sweco's annual report for 2010.

Parent Company income statement, SEK M	Jan-Sep	Jan-Sep	Full year
	2011	2010	2010
Net sales	55.3	33.9	49.1
Other external expenses	-56.8	-51.9	-73.5
Personnel costs	-28.8	-24.8	-31.5
Amortisation/depreciation and impairment	-2.5	-1.1	-1.9
<b>Operating loss</b>	<b>-32.8</b>	<b>-43.9</b>	<b>-57.9</b>
Net financial items	55.4	38.1	306.8
<b>Profit after financial items</b>	<b>22.6</b>	<b>-5.8</b>	<b>248.9</b>
Appropriations	-	-	-0.1
<b>Profit before tax</b>	<b>22.6</b>	<b>-5.8</b>	<b>248.8</b>
Income tax expense	-	-	-50.9
<b>Profit after tax</b>	<b>22.6</b>	<b>-5.8</b>	<b>197.9</b>

Parent Company balance sheet, SEK M	30 Sep 2011	31 Dec 2010
Intangible assets	10.3	12.4
Tangible assets	1.0	0.7
Financial assets	372.6	371.5
Current assets	644.0	1,653.8
<b>Total assets</b>	<b>1,027.9</b>	<b>2,038.4</b>
Equity	990.4	1,253.9
Untaxed reserves	0.1	0.1
Current liabilities	37.4	784.4
<b>Total equity and liabilities</b>	<b>1,027.9</b>	<b>2,038.4</b>



Business areas	2011	2011	2011	2010	2010	2010	2010	2009	2009	2009	2009
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Net sales, SEK M</b>											
Sweco Sweden	750.5	923.3	869.7	902.1	626.1	803.0	772.7	806.6	592.9	782.1	773.0
Sweco Norway	307.2	339.5	349.4	324.3	276.1	345.6	350.6	344.7	265.7	329.8	348.0
Sweco Finland	21.4	23.9	20.1	24.6	18.4	19.3	19.6	25.2	19.9	22.8	26.8
Sweco Central & Eastern Europe	54.3	60.8	54.9	85.1	64.5	64.2	64.4	94.3	71.1	72.4	69.2
Sweco Russia	33.1	27.1	5.1	7.1	7.7	7.3	6.4	7.0	8.6	8.3	7.1
Sweco Industry	137.6	157.3	144.5	143.0	114.1	129.4	150.1	175.3	128.4	207.8	250.8
Group-wide, eliminations, etc.	-30.0	-25.2	-23.0	-7.2	-18.0	-3.3	-24.8	-24.0	-23.8	-28.3	-23.0
<b>Total Group</b>	<b>1,274.1</b>	<b>1,506.7</b>	<b>1,420.7</b>	<b>1,479.0</b>	<b>1,088.9</b>	<b>1,365.5</b>	<b>1,339.0</b>	<b>1,429.1</b>	<b>1,062.8</b>	<b>1,394.9</b>	<b>1,451.9</b>
<b>Operating profit, SEK M</b>											
Sweco Sweden	53.4	113.6	106.1	106.2	44.1	98.1	85.8	97.9	37.3	91.9	100.3
Sweco Norway	26.7	16.4	37.6	30.0	25.4	36.2	39.2	46.2	21.4	25.4	48.2
Sweco Finland	2.2	2.9	1.9	1.3	2.6	2.1	1.2	1.9	1.7	1.9	3.4
Sweco Central & Eastern Europe	-1.1	0.6	-3.2	3.5	-0.6	3.4	1.0	5.4	3.6	-2.2	-1.4
Sweco Russia	3.0	1.7	-0.3	1.0	1.4	0.5	0.5	0.0	1.2	0.7	-0.7
Sweco Industry	4.1	3.8	3.0	2.5	-3.3	0.7	1.6	-42.7	-5.5	5.7	20.2
Group-wide, eliminations, etc.	-13.2	-11.0	-8.5	-16.0	0.0	-28.8	-6.9	-13.6	5.1	-5.9	-3.8
<b>Total Group</b>	<b>75.1</b>	<b>128.0</b>	<b>136.6</b>	<b>128.5</b>	<b>69.6</b>	<b>112.2</b>	<b>122.4</b>	<b>95.1</b>	<b>64.8</b>	<b>117.5</b>	<b>166.2</b>
<b>Operating margin, %</b>											
Sweco Sweden	7.1	12.3	12.2	11.8	7.0	12.2	11.1	12.1	6.3	11.8	13.0
Sweco Norway	8.7	4.8	10.8	9.3	9.2	10.5	11.2	13.4	8.1	7.7	13.9
Sweco Finland	10.5	12.0	9.5	5.3	14.1	10.7	6.3	7.5	8.1	8.3	12.7
Sweco Central & Eastern Europe	-2.1	1.1	-5.9	4.1	-0.9	5.3	1.6	5.7	5.1	-3.1	-2.0
Sweco Russia	8.9	6.2	-5.1	14.1	18.2	6.6	7.8	0.0	14.0	9.3	-10.5
Sweco Industry	3.0	2.4	2.1	1.7	-2.9	0.5	1.1	-24.4	-4.3	2.8	8.1
<b>Total Group</b>	<b>5.9</b>	<b>8.5</b>	<b>9.6</b>	<b>8.7</b>	<b>6.4</b>	<b>8.2</b>	<b>9.1</b>	<b>6.7</b>	<b>6.1</b>	<b>8.4</b>	<b>11.4</b>