

## **SWECO AB (publ)** **Interim report January – September 2010**

2 November 2010

### **Improved market, but slow recovery**

#### **July – September 2010**

- Net sales of SEK 1,088.9 million (1,062.8).
- Operating profit of SEK 69.6 million (64.8).
- Operating margin of 6.4 per cent (6.1).
- Profit after tax of SEK 45.0 million (41.5) and earnings per share of SEK 0.49 (0.46).

#### **January – September 2010**

- Net sales of SEK 3,793.4 million (3,909.6).
- Operating profit of SEK 304.2 million (348.5).
- Operating margin of 8.0 per cent (8.9).
- Profit after tax of SEK 214.1 million (248.6) and earnings per share of SEK 2.37 (2.80).
- Strong financial position with a net receivable of SEK 36.3 million (189.7).

Comments from CEO Mats Wäppling:

“The market has improved and we are seeing clear signs of growth in demand, among other things in the industrial and construction sectors. But pace of recovery is slow, which is also reflected in our third quarter profit. Four of our six business areas reported stronger earnings and operating margins of over 10 per cent.

“Our growth strategy stands firm and we are continuing to take advantage of new opportunities. Following the acquisition of Aros Arkitekter in early October Sweco now has more than 500 architects, which makes us the largest architectural firm in the Nordic region and one of the five largest in Europe. So far this year Sweco has grown by close to 300 employees through acquisitions in Sweden, Norway and Poland.

“Sweco’s healthy finances and leading market positions in environment, energy and infrastructure provide an excellent platform for continued profitable growth, both organic and through additional acquisitions in both existing and new markets in Europe.”

## PROFIT AND FINANCIAL POSITION

### Net sales and profit, January – September 2010

The Sweco Group reported net sales of SEK 3,793.4 million (3,909.6). The drop in sales is mainly attributable to weak demand for industry-related services in Finland.

| <b>Profit summary, SEK M</b>     | <b>Jul-Sept<br/>2010</b> | <b>Jul-Sept<br/>2009</b> | <b>Jan-Sept<br/>2010</b> | <b>Jan-Sept<br/>2009</b> |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Sweco Sweden                     | 44.1                     | 37.3                     | 228.0                    | 229.5                    |
| Sweco Norway                     | 25.4                     | 21.4                     | 100.8                    | 95.0                     |
| Sweco Finland                    | 2.6                      | 1.7                      | 5.9                      | 7.0                      |
| Sweco Central & Eastern Europe   | -0.6                     | 3.6                      | 3.8                      | 0.0                      |
| Sweco Russia                     | 1.4                      | 1.2                      | 2.4                      | 1.2                      |
| Sweco Industry                   | -3.3                     | -5.5                     | -1.0                     | 20.4                     |
| Group-wide, etc.                 | 0.0                      | 5.1                      | -35.7                    | -4.6                     |
| <b>Operating profit</b>          | <b>69.6</b>              | <b>64.8</b>              | <b>304.2</b>             | <b>348.5</b>             |
| Consolidated net financial items | -3.4                     | -4.1                     | -7.5                     | 2.1                      |
| <b>Profit before tax</b>         | <b>66.2</b>              | <b>60.7</b>              | <b>296.7</b>             | <b>350.6</b>             |

Operating profit amounted to SEK 304.2 million (348.5). Four business areas, Sweco Sweden, Sweco Norway, Sweco Russia and Sweco Finland, reported strong earnings with operating margins of over 10 per cent.

The drop in profit compared to the year-earlier period is mainly explained by the market situation for industry-related services in Finland. Group-wide costs were affected by brand building activities in a number of countries and acquisition-related costs in a total amount of around SEK 20 million.

The Group's overall operating margin was 8.0 per cent (8.9). The billing ratio, including all administrative personnel, was 73.1 per cent (73.8).

Profit before tax amounted to SEK 296.7 million (350.6). The Group's net financial items totalled SEK -7.5 million (2.1), including foreign exchange effects of SEK -5.0 million (3.6).

Profit after tax was SEK 214.1 million (248.6), of which SEK 213.2 million (247.0) is attributable to owners of the Parent Company.

Return on equity was 18.2 per cent (25.3) and return on capital employed was 25.5 per cent (33.1).

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

### Earnings per share

Earnings per share were SEK 2.37 (2.80) before dilution and SEK 2.34 (2.78) after dilution.

## **Investments**

Capital expenditure on equipment totalled SEK 42.5 million (44.8) and referred mainly to computers and other IT investments. Depreciation of equipment amounted to SEK 53.0 million (57.0) and amortisation of intangible assets was SEK 17.2 million (22.4).

Consideration paid for the acquisition of companies amounted to SEK 50.8 million (26.5) and the effect on consolidated cash and cash equivalents was SEK -37.1 million (-12.5).

## **Cash flow and financial position**

The Group's cash flow from operating activities was SEK 93.0 million (280.0).

Cash and cash equivalents amounted to SEK 187.3 million (334.4). Disposable cash and cash equivalents including unutilised bank overdraft facilities at the end of the period totalled SEK 746.8 million (888.7). Interest-bearing debt is reported at SEK 151.0 million (144.7). The net interest-bearing receivable was SEK 36.3 million (189.7).

A distribution (dividend and share redemption) to Sweco AB's shareholders was made during the period in a total amount of SEK 355.7 million (174.3).

The ratio of net debt to equity was -2.7 per cent (-12.6).

The equity/assets ratio was 49.6 per cent (51.4).

## **Employees**

The number of employees at 30 September 2010 was 5,304 (5,207). The average number of employees in the Group during the period was 4,918 (5,173).

## **Net sales and profit, July – September 2010**

Net sales amounted to SEK 1,088.9 million (1,062.8). Operating profit was SEK 69.6 million (64.8) and operating margin was 6.4 per cent (6.1). Operating margins in Sweco Sweden and Sweco Norway strengthened to 7.0 per cent (6.3) and 9.2 per cent (8.1).

The billing ratio was 72.2 per cent (72.7).

Profit before tax amounted to SEK 66.2 million (60.7).

Profit after tax was 45.0 million (41.5).

## **Parent Company**

The Parent Company recorded net sales of 33.9 million (46.6), all of which refers to intra-group services. Profit/loss after net financial items was SEK -5.8 million (-4.4). Capital expenditure on equipment amounted to SEK 0.0 million (0.0) and cash and cash equivalents at the end of the period totalled SEK 56.8 million (186.6).

## **THE SWECO SHARE**

Sweco is listed on NASDAQ OMX Stockholm. The bid price for the Sweco B share at 30 September 2010 was SEK 56.25, representing an increase of 9 per cent since the beginning of the year. The OMX Stockholm General Index rose by 14 per cent over the same period.

In the third quarter Sweco carried out a cancellation of 485,263 class B shares, based on a decision by the 2010 Annual General Meeting. The cancelled shares are equal to the number of excess shares remaining after an earlier share bonus programme.

The total number of shares at the end of the period was thus 91,516,847, of which 9,389,075 are of class A and 82,127,772 are of class B. After deduction of treasury shares, the number of shares outstanding at the end of the period was 90,957,774, of which 9,389,075 are of class A and 81,568,699 are of class B.

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

Fifty 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**

Sweco holds a total of 559,073 class B treasury shares that can be used as consideration in acquisitions. The treasury shares correspond to 0.6 per cent of the total number of shares and 0.3 per cent of the votes. The shares were purchased at average price of SEK 22.10 each, equal to a total of SEK 12.4 million. The market value of the shares at the end of the period was SEK 31.4 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 5,300 employees, the Sweco Group is one of the largest players in Europe and a leader in several segments of the Nordic, Baltic, Czech and northwestern Russian markets. Sweco has local companies in 11 countries and projects currently underway in some 90 countries worldwide. Operations are conducted in six business areas: Sweco Sweden, Sweco Norway, Sweco Finland, Sweco Central & Eastern Europe, Sweco Russia and Sweco Industry.

The market gained momentum in the third quarter but the pace of recovery is slow. Among other things, higher demand for industrial services was noted in Finland, where the industrial downturn has severely impacted the consulting market in the past two years. An improvement was also seen in the construction sector, which led to higher demand for Sweco's architects. Demand for services related to the environment, energy and infrastructure remained strong in all markets.

The fundamental drivers behind demand for Sweco's services are population growth and urbanisation, a growing awareness of environmental and climate issues and modernisation of the new EU member states. These trends are opening up new business opportunities and creating long-term demand for services that contribute to sustainable development.

The growth strategy stands firm. Sweco's strong financial position provides a platform for continued profitable growth and a high level of preparedness to seize new opportunities. Among other things, Sweco will focus on the potential to grow through additional acquisitions in both existing and new markets in Europe.

## Assignments

Sweco carries out a total of approximately 31,000 assignments per year. Examples of new assignments during the period include the rehabilitation of two large hydropower plants in the Jämtland and Västernorrland regions of Sweden as part of an ongoing modernisation of the country's hydropower resources. In Malmö, Sweden, Sweco will design a new railway station on the Continental Line in the Rosengård district. Sweco's Norwegian consultants have been chosen for energy performance certification and energy evaluation of all facilities at the University of Bergen. Also in Norway, Sweco consultants from both Norway and Sweden will take part in an evaluation of future high-speed rail transit. Sweco's industrial consultants have been awarded large-scale assignments in connection with expansion of CMPC's pulp mill in Laja, Chile, and development of Metsä-Botnia's pulp mill Kemi, Finland. In Lithuania, Sweco will plan a whole new passenger and cargo terminal at the Port of Klaipeda.

## Sweco Sweden

| Net sales and profit    | Jul-Sept 2010 | Jul-Sept 2009 | Jan-Sept 2010 | Jan-Sept 2009 |
|-------------------------|---------------|---------------|---------------|---------------|
| Net sales, SEK M        | 626.1         | 592.9         | 2,201.8       | 2,148.0       |
| Operating profit, SEK M | 44.1          | 37.3          | 228.0         | 229.5         |
| Operating margin, %     | 7.0           | 6.3           | 10.4          | 10.7          |

Sweco Sweden is the country's leading provider of consulting engineering services and the Group's largest business area, with over 2,700 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 Analysis & Strategic Development. Sweco Sweden also has extensive project exports to countries in Eastern Europe, Africa, Asia, the Middle East and Latin America.

Development in the Swedish market remains stable in the majority of Sweco's service segments. The outlook is favourable in the infrastructure segment and long-term growth is anticipated in the energy area. The market for water and environment services is strong, above all in the water supply area (treatment, distribution, storm water management, etc.), where demand is high both in Sweden and internationally. Demand for building-related services for industrial, private construction and real estate companies is showing positive development. The market situation for architectural services has improved, among other things through rising international demand. For geographic IT, ongoing growth is anticipated.

During the third quarter the lease for Sweco's head office in Marieberg, Stockholm, was extended for another 12 years.

## Sweco Norway

| <b>Net sales and profit</b> | <b>Jul-Sept 2010</b> | <b>Jul-Sept 2009</b> | <b>Jan-Sept 2010</b> | <b>Jan-Sept 2009</b> |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| Net sales, SEK M            | 276.1                | 265.7                | 972.3                | 943.5                |
| Operating profit, SEK M     | 25.4                 | 21.4                 | 100.8                | 95.0                 |
| Operating margin, %         | 9.2                  | 8.1                  | 10.4                 | 10.1                 |

Sweco is one of Norway's largest engineering consultancies, with more than 900 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.

For building-related services, continued growth in demand is being noted in production of new housing and modernisation of public facilities. Favourable development is anticipated in the healthcare sector in connection with several planned hospital projects. However, the market for consulting services related to new production of commercial space remains weak. Interest in energy performance certification of buildings grew further during the period. In the infrastructure area, there is a rising level of activity in upgrading of the road and railway network. A long-term need to modernise the country's water and wastewater treatment facilities is generating keen demand for Sweco's services. In addition, a greater interest in wind power and the need for reinforcement and expansion of the power grid are also creating good opportunities for Sweco.

## Sweco Finland

| <b>Net sales and profit</b> | <b>Jul-Sept 2010</b> | <b>Jul-Sept 2009</b> | <b>Jan-Sept 2010</b> | <b>Jan-Sept 2009</b> |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| Net sales, SEK M            | 18.4                 | 19.9                 | 57.3                 | 69.5                 |
| Operating profit, SEK M     | 2.6                  | 1.7                  | 5.9                  | 7.0                  |
| Operating margin, %         | 14.1                 | 8.1                  | 10.3                 | 10.0                 |

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.

There is a weak demand for office and commercial space in the construction sector, although residential building is showing signs of a recovery following an extended period with very low production. In the infrastructure area, the market has been relatively stable.

## Sweco Central & Eastern Europe

| <b>Net sales and profit</b> | <b>Jul-Sept 2010</b> | <b>Jul-Sept 2009</b> | <b>Jan-Sept 2010</b> | <b>Jan-Sept 2009</b> |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|
| Net sales, SEK M            | 64.5                 | 71.1                 | 193.1                | 212.7                |
| Operating profit, SEK M     | -0.6                 | 3.6                  | 3.8                  | 0.0                  |
| Operating margin, %         | -0.9                 | 5.1                  | 2.0                  | 0.0                  |

Sweco Central & Eastern Europe has more than 870 employees and is active in Estonia, Lithuania, Poland, the Czech Republic, Slovakia and Bulgaria. The units in these markets also conduct project exports.

The pace of the ongoing adaptation to EU standards is expected to accelerate over the next few years. This trend will benefit Sweco's operations in Central and Eastern Europe, whose services are concentrated in the water, environment, infrastructure and energy areas. Sustained strong demand for these services indicates potential for positive long-term development. The economic downturn is continuing to have a tangible impact in Estonia. In

Lithuania, rising activity and improved demand for Sweco's services are being noted. The market situation in the Czech Republic, Bulgaria and Poland remains stable.

### Sweco Russia

| Net sales and profit    | Jul-Sept 2010 | Jul-Sept 2009 | Jan-Sept 2010 | Jan-Sept 2009 |
|-------------------------|---------------|---------------|---------------|---------------|
| Net sales, SEK M        | 7.7           | 8.6           | 21.4          | 24.0          |
| Operating profit, SEK M | 1.4           | 1.2           | 2.4           | 1.2           |
| Operating margin, %     | 18.2          | 14.0          | 11.4          | 5.1           |

Sweco Russia conducts operations mainly through the subsidiary Lenvodokanalproekt in St. Petersburg, with around 100 employees. Lenvodokanalproekt is one of the country's leading water and environment consultancies. Sweco Russia also coordinates project exports from Sweden, Norway, Finland and the Czech Republic to the Russian market in the areas of water and environment, infrastructure, industry and architecture.

The market for publicly-funded water and wastewater treatment projects is stable, while demand for privately-funded water and environmental services, primarily in the industrial sector, remains low.

### Sweco Industry

| Net sales and profit    | Jul-Sept 2010 | Jul-Sept 2009 | Jan-Sept 2010 | Jan-Sept 2009 |
|-------------------------|---------------|---------------|---------------|---------------|
| Net sales, SEK M        | 114.1         | 128.4         | 393.6         | 587.0         |
| Operating profit, SEK M | -3.3          | -5.5          | -1.0          | 20.4          |
| Operating margin, %     | -2.9          | -4.3          | -0.3          | 3.5           |

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 around 430 employees in Finland, 180 in Sweden and 20 in Norway, Sweco Industry is one of the Nordic region's largest industrial engineering consultancies. Sweco Industry also has operations in the rest of Europe, Asia and South America. The business area works with a focus on energy, the chemical and petrochemical industry and the pulp and paper industries.

Demand for Sweco's industrial consulting services in Finland has been severely impacted by the nearly two-year long recession that has resulted in around 430 employees leaving the company through redundancies and the sale of operations. Sweco's Swedish and Norwegian industrial operations have not been affected to the same extent. At the same time, demand for services in the chemical and energy areas has been relatively stable in all markets.

In the third quarter the market situation in Finland improved significantly with increasing signals of new projects. In particular, players in the energy sector have announced plans to carry out major investments. The pulp and paper industry is also showing signs of higher activity.

### ACQUISITIONS

During the period Sweco raised its holding in Hydroprojekt Kraków to 100 per cent and in Transprojekt Kraków to 99.9 per cent.

## **SUBSEQUENT EVENTS**

After the end of the period Sweco acquired Aros Arkitekter AB, with 80 employees. Aros Arkitekter has offices in Uppsala, Stockholm and Norrtälje, Sweden, and offers architectural services, among other things in office, retail and hotel projects. Following the acquisition, Sweco has more than 500 employees in its architectural operations and has thereby consolidated its position as the Nordic region's largest architectural firm.

## **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 2.3, Accounting for Legal Entities. As of 1 January 2010, Sweco presents its reports in accordance with the revised IFRS 3, Operating Segments, and the amended IAS 27, Consolidated and Separate Financial Statements. In other respects, the applied accounting and valuation standards are the same as those described in Note 1 of the annual report for 2009.

## **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 propensity 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 33 of Sweco's annual report for 2009, "Risk Management".

## **ANNUAL GENERAL MEETING**

The Annual General Meeting will be held on Wednesday, 13 April 2011, at Hotel Courtyard by Marriott, Rålambshovsleden 50, in Stockholm, Sweden.

## **FINANCIAL CALENDAR 2011**

|                                  |                  |
|----------------------------------|------------------|
| Year-end report 2010             | 11 February 2011 |
| Interim report January-March     | 5 May 2011       |
| Interim report January-June      | 19 July 2011     |
| Interim report January-September | 2 November 2011  |



## OUTLOOK

The market for consulting engineering and architectural services is continuing to improve, but the pace of recovery is slow and with variations between different parts of the Group's operations. 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 and leading market positions in several important growth areas such as environment, infrastructure and energy, provide a platform for stable long-term development.

Stockholm, 2 November 2010  
SWECO AB (publ)

Mats Wäppling  
President & CEO

### 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)

The information contained herein is subject to the disclosure requirements of SWECO AB pursuant to the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 2 November 2010, 11:50 CET.

## **Review report**

We have reviewed this report for the period 1 January 2010 to 30 September 2010 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 Standards on Auditing in Sweden, RS, 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 2010  
PricewaterhouseCoopers AB

Lennart Danielsson  
Authorised Public Accountant  
Auditor in charge

| Income statement, SEK M                  | Jul-Sept<br>2010 | Jul-Sept<br>2009 | Jan-Sept<br>2010 | Jan-Sept<br>2009 | Oct 2009-<br>Sept 2010 | Full year<br>2009 |
|--|------------------|------------------|------------------|------------------|------------------------|-------------------|
| Net sales                                | 1,088.9          | 1,062.8          | 3,793.4          | 3,909.6          | 5,222.5                | 5,338.7           |
| Other operating income                   | 0.0              | 5.6              | 3.6              | 11.6             | 3.5                    | 11.5              |
| Other external expenses                  | -300.2           | -296.3           | -982.5           | -1,016.6         | -1,421.2               | -1,455.3          |
| Personnel costs                          | -695.9           | -681.0           | -2,439.2         | -2,476.2         | -3,294.2               | -3,331.2          |
| Amortisation/depreciation and impairment | -23.2            | -26.3            | -71.1            | -79.9            | -111.3                 | -120.1            |
| <b>Operating profit</b>                  | <b>69.6</b>      | <b>64.8</b>      | <b>304.2</b>     | <b>348.5</b>     | <b>399.3</b>           | <b>443.6</b>      |
| Net financial items                      | -3.4             | -4.1             | -7.5             | 2.1              | -9.6                   | 0.0               |
| <b>Profit before tax</b>                 | <b>66.2</b>      | <b>60.7</b>      | <b>296.7</b>     | <b>350.6</b>     | <b>389.7</b>           | <b>443.6</b>      |
| Income tax expense                       | -21.2            | -19.2            | -82.6            | -102.0           | -129.6                 | -149.0            |
| <b>Profit for the period</b>             | <b>45.0</b>      | <b>41.5</b>      | <b>214.1</b>     | <b>248.6</b>     | <b>260.1</b>           | <b>294.6</b>      |

**Profit for the period attributable to:**

|                              |      |      |       |       |       |       |
|------------------------------|------|------|-------|-------|-------|-------|
| Owners of the Parent Company | 44.9 | 40.9 | 213.2 | 247.0 | 258.9 | 292.7 |
| Non-controlling interests    | 0.1  | 0.6  | 0.9   | 1.6   | 1.2   | 1.9   |

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

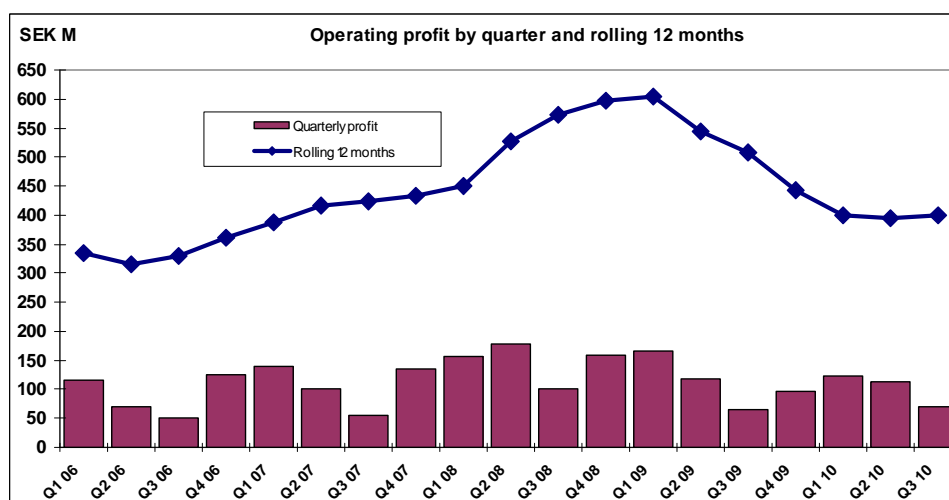
|               |      |      |      |      |      |      |
|---------------|------|------|------|------|------|------|
| - Basic EPS   | 0.49 | 0.46 | 2.37 | 2.80 | 2.88 | 3.31 |
| - Diluted EPS | 0.49 | 0.46 | 2.34 | 2.78 | 2.86 | 3.28 |

|                                       |   |   |   |   |   |      |
|---------------------------------------|---|---|---|---|---|------|
| Dividend per share, SEK               | - | - | - | - | - | 2.00 |
| Redemption amount per share 2009, SEK | - | - | - | - | - | 2.00 |

| Statement of comprehensive income, SEK M   | Jul-Sept<br>2010 | Jul-Sept<br>2009 | Jan-Sept<br>2010 | Jan-Sept<br>2009 | Oct 2009-<br>Sept 2010 | Full year<br>2009 |
|--|------------------|------------------|------------------|------------------|------------------------|-------------------|
| <b>Profit for the period</b>               | <b>45.0</b>      | <b>41.5</b>      | <b>214.1</b>     | <b>248.6</b>     | <b>260.1</b>           | <b>294.6</b>      |
| Translation differences                    | -36.3            | -32.4            | -91.5            | -18.7            | -72.8                  | 0.0               |
| <b>Comprehensive income for the period</b> | <b>8.7</b>       | <b>9.1</b>       | <b>122.6</b>     | <b>229.9</b>     | <b>187.3</b>           | <b>294.6</b>      |

**Comprehensive income attributable to:**

|                              |      |     |       |       |       |       |
|------------------------------|------|-----|-------|-------|-------|-------|
| Owners of the Parent Company | 9.0  | 9.1 | 123.0 | 228.8 | 187.3 | 293.1 |
| Non-controlling interests    | -0.3 | 0.0 | -0.4  | 1.1   | 0.0   | 1.5   |



| Cash flow statement, SEK M   | Jul-Sept    | Jul-Sept     | Jan-Sept      | Jan-Sept     | Oct 2009-    | Full year    |
|--|-------------|--------------|---------------|--------------|--------------|--------------|
|  | 2010        | 2009         | 2010          | 2009         | Sept 2010    | 2009         |
| Cash flow from operating activities before changes in working capital and paid tax | 93.5        | 101.4        | 367.1         | 459.9        | 526.6        | 619.4        |
| Paid tax   | -21.4       | -            | -135.6        | -116.0       | -176.4       | -156.8       |
| Changes in working capital   | -21.8       | -36.1        | -138.5        | -63.9        | -7.5         | 67.1         |
| <b>Cash flow from operating activities</b>   | <b>50.3</b> | <b>65.3</b>  | <b>93.0</b>   | <b>280.0</b> | <b>342.7</b> | <b>529.7</b> |
| Cash flow from investing activities  | -30.2       | -69.0        | -89.4         | -119.7       | -63.3        | -93.6        |
| Cash flow from financing activities  | -15.1       | -84.2        | -351.4        | -189.5       | -363.2       | -201.3       |
| <b>Cash flow for the period</b>  | <b>5.0</b>  | <b>-87.9</b> | <b>-347.8</b> | <b>-29.2</b> | <b>-83.8</b> | <b>234.8</b> |

| Balance sheet, SEK M                                   | 30 Sept 2010   | 30 Sept 2009   | 31 Dec 2009    |
|--|----------------|----------------|----------------|
| Goodwill   | 725.2          | 782.4          | 783.5          |
| Other intangible assets                                | 45.7           | 60.5           | 53.4           |
| Tangible assets  | 193.6          | 180.0          | 173.9          |
| Financial assets                                       | 57.9           | 59.1           | 59.3           |
| Current assets excl. cash and cash equivalents         | 1,521.6        | 1,517.4        | 1,523.9        |
| Cash and cash equivalents incl. short-term investments | 187.3          | 334.4          | 557.3          |
| <b>Total assets</b>                                    | <b>2,731.3</b> | <b>2,933.8</b> | <b>3,151.3</b> |
| Equity attributable to owners of the Parent Company    | 1,344.6        | 1,497.5        | 1,584.9        |
| Non-controlling interests                              | 9.7            | 10.4           | 10.8           |
| <b>Total equity</b>                                    | <b>1,354.3</b> | <b>1,507.9</b> | <b>1,595.7</b> |
| Non-current liabilities                                | 139.3          | 139.2          | 127.0          |
| Current liabilities                                    | 1,237.7        | 1,286.7        | 1,428.6        |
| <b>Total equity and liabilities</b>                    | <b>2,731.3</b> | <b>2,933.8</b> | <b>3,151.3</b> |
| Contingent liabilities                                 | 17.5           | -              | -              |
| Non-current liabilities                                | 202.2          | 152.5          | 260.3          |

| Changes in equity, SEK M                        | Jan-Sept 2010                                       |                           |                | Jan-Sept 2009                                       |                           |                |
|---|---|---------------------------|----------------|---|---------------------------|----------------|
|   | 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>1,584.9</b>                                      | <b>10.8</b>               | <b>1,595.7</b> | <b>1,401.9</b>                                      | <b>12.9</b>               | <b>1,414.8</b> |
| Comprehensive income for the period             | 123.0   | -0.4                      | 122.6          | 228.8   | 1.1                       | 229.9          |
| Distribution to the shareholders                | -355.7  | -0.7                      | -356.4         | -174.3  | -0.8                      | -175.1         |
| Non-controlling interests in acquired companies | -   | 0.7                       | 0.7            | -   | -                         | -              |
| Acquisition of non-controlling interests        | -1.0  | -0.7                      | -1.7           | -   | -2.8                      | -2.8           |
| Issue of warrants                               | -   | -                         | -              | 0.1   | -                         | 0.1            |
| 2008 share bonus programme                      | -   | -                         | -              | -11.3   | -                         | -11.3          |
| 2009 share bonus programme                      | -6.6  | -                         | -6.6           | 52.3  | -                         | 52.3           |
| <b>Equity, closing balance</b>                  | <b>1,344.6</b>                                      | <b>9.7</b>                | <b>1,354.3</b> | <b>1,497.5</b>                                      | <b>10.4</b>               | <b>1,507.9</b> |

| <b>Key ratios<sup>1)</sup></b>  | <b>Jan-Sept<br/>2010</b> | <b>Jan-Sept<br/>2009</b> | <b>Full year<br/>2009</b> |
|---|--------------------------|--------------------------|---------------------------|
| Operating margin, %   | 8.0                      | 8.9                      | 8.3                       |
| Profit margin, %  | 7.8                      | 9.0                      | 8.3                       |
| Return on equity, %   | 18.2                     | 25.3                     | 19.6                      |
| Return on capital employed, %   | 25.5                     | 33.1                     | 27.5                      |
| Net debt/equity ratio, %  | -2.7                     | -12.6                    | -26.2                     |
| Equity/assets ratio, %  | 49.6                     | 51.4                     | 50.6                      |
| Equity per share for profit attributable to owners of the Parent Company, SEK |                          |                          |                           |
| - Basic equity per share  | 14.78                    | 16.84                    | 17.82                     |
| - Diluted equity per share  | 14.78                    | 16.84                    | 17.40                     |
| Interest-bearing liabilities, SEK M   | 151.0                    | 144.7                    | 138.8                     |
| Of which, liabilities to credit institutions                                  | 142.0                    | 137.9                    | 133.2                     |
| Average number of employees   | 4 918                    | 5 173                    | 5 082                     |
| Average number of shares  | 90,060,770               | 88,143,573               | 88,343,439                |
| Average diluted number of shares  | 90,990,895               | 88,944,394               | 89,121,714                |
| Number of shares on closing date  | 90,957,774               | 88,943,037               | 88,943,037                |
| Number of shares on closing date after dilution                               | 90,957,774               | 88,943,037               | 91,074,951                |
| Number of shares on closing date after full dilution                          | 92,257,774               | 90,243,037               | 92,374,951                |
| Number of class B treasury shares   | 559,073                  | 3,059,073                | 3,059,073                 |

1) The definitions of key ratios are unchanged and can be found in Sweco's annual report for 2009.

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

| <b>Business areas</b>             | <b>Net sales<br/>SEK M</b> |                | <b>Operating profit<br/>SEK M</b> |              | <b>Operating margin<br/>%</b> |             | <b>Average no. of<br/>employees</b> |              |
|-----------------------------------|----------------------------|----------------|-----------------------------------|--------------|-------------------------------|-------------|-------------------------------------|--------------|
|                                   | <b>2010</b>                | <b>2009</b>    | <b>2010</b>                       | <b>2009</b>  | <b>2010</b>                   | <b>2009</b> | <b>2010</b>                         | <b>2009</b>  |
| Sweco Sweden                      | 2,201.8                    | 2,148.0        | 228.0                             | 229.5        | 10.4                          | 10.7        | 2,532                               | 2,526        |
| Sweco Norway                      | 972.3                      | 943.5          | 100.8                             | 95.0         | 10.4                          | 10.1        | 905                                 | 845          |
| Sweco Finland                     | 57.3                       | 69.5           | 5.9                               | 7.0          | 10.3                          | 10.0        | 64                                  | 71           |
| Sweco Central &<br>Eastern Europe | 193.1                      | 212.7          | 3.8                               | 0.0          | 2.0                           | 0.0         | 714                                 | 724          |
| Sweco Russia                      | 21.4                       | 24.0           | 2.4                               | 1.2          | 11.4                          | 5.1         | 98                                  | 148          |
| Sweco Industry                    | 393.6                      | 587.0          | -1.0                              | 20.4         | -0.3                          | 3.5         | 592                                 | 845          |
| Group-wide<br>eliminations, etc.  | -46.1                      | -75.1          | -35.7                             | -4.6         | -                             | -           | 13                                  | 14           |
| <b>Total Group</b>                | <b>3,793.4</b>             | <b>3,909.6</b> | <b>304.2</b>                      | <b>348.5</b> | <b>8.0</b>                    | <b>8.9</b>  | <b>4,918</b>                        | <b>5,173</b> |

Operating profit for group-wide consists mainly of the Parent Company's loss of SEK -43.9 million (-14.2).

### Acquisition of subsidiaries and operations

In the period under review, Sweco acquired Hydroprojekt Kraków sp. z o.o. (95%), Ilje AS, Conradi AS, Krakowskie Biuro Projektow Dróg i Mostów TRANSPROJEKT sp.z o.o. (97%), Kasos sp.z o.o. and the operations of Ingeniør Per Ødemark, with a total of 207 employees. During the period Sweco also acquired non-controlling interests in UAB Sweco Lietuva, Hydroprojekt Kraków sp. z o.o. and Krakowskie Biuro Projektow Dróg i Mostów TRANSPROJEKT sp.z o.o. and settled the contingent purchase consideration relating to Traficon and B&B VVS Konsult AB. Based on preliminary purchase price allocations, these acquisitions have affected the Group's balance sheet and cash and cash equivalents as shown in the table below. Since the beginning of the year the acquired companies have contributed net sales of SEK 23.2 million and operating profit of SEK 1.9 million. If all of the companies had been acquired at 1 January 2010, the contribution would have been SEK 45.9 million to net sales and SEK -0.1 million to operating profit. Transaction costs for the acquisitions amount to SEK 2.8 million.

| <b>SEK M</b>   | <b>Acquisitions</b> |
|--|---------------------|
| Intangible assets  | 10.8                |
| Tangible assets  | 33.5                |
| Financial assets   | 3.4                 |
| Current assets   | 29.7                |
| Non-current liabilities  | -4.2                |
| Deferred tax   | -8.7                |
| Other current liabilities  | -14.7               |
| Non-controlling interests  | 0.0                 |
| Equity attributable to owners of the Parent Company                  | 1.0                 |
| <b>Total consideration</b>   | <b>50.8</b>         |
| Unsettled purchase price commitments                                 | -10.2               |
| Settled purchase price commitments for acquisitions in earlier years | 0.2                 |
| Cash and cash equivalents in acquired companies                      | -3.7                |
| <b>Effect on the Group's cash and cash equivalents</b>               | <b>37.1</b>         |

### Divestiture of subsidiaries and operations

During the period, Sweco sold the Finnish industrial operation's Telecom unit, with 77 employees. The unit contributed net sales of SEK 9.4 million and operating profit of SEK 0.0 million during the period. The sale provided a capital gain of SEK 0.0 million. Settlement of assets and liabilities in connection with the sale amounted to SEK -4.3 million.

| Five-year overview <sup>1)</sup> | Oct 2009- |         |         |         |         |
|----------------------------------|-----------|---------|---------|---------|---------|
|                                  | Sept 2010 | 2009    | 2008    | 2007    | 2006    |
| Net sales, SEK M                 | 5,222.5   | 5,338.7 | 5,522.8 | 4,569.5 | 3,894.7 |
| Operating profit, SEK M          | 399.3     | 443.6   | 596.3   | 432.5   | 361.9   |
| Profit before tax, SEK M         | 389.7     | 443.6   | 588.2   | 425.7   | 364.4   |
| Operating margin, %              | 7.6       | 8.3     | 10.8    | 9.5     | 9.3     |
| Billing ratio, %                 | 73.1      | 73.6    | 75.6    | 76.1    | 75.3    |
| Return on equity, %              | 18.2      | 19.6    | 34.6    | 33.8    | 29.9    |
| Return on capital employed, %    | 25.5      | 27.5    | 44.4    | 41.7    | 38.2    |
| Net debt/equity ratio, %         | -2.7      | -26.2   | -11.3   | 1.9     | -17.9   |
| Equity/assets ratio, %           | 49.6      | 50.6    | 47.0    | 39.0    | 40.8    |
| Earnings per share, SEK          |           |         |         |         |         |
| - Basic EPS                      | 2.88      | 3.31    | 4.68    | 3.53    | 3.00    |
| - Diluted EPS                    | 2.86      | 3.28    | 4.65    | 3.46    | 2.99    |
| Dividend per share, SEK          | -         | 2.00    | 2.00    | 2.00    | 1.50    |
| Redemption amount per share, SEK | -         | 2.00    | -       | -       | 1.70    |
| Average number of employees      | 4,892     | 5,082   | 5,453   | 4,699   | 3,986   |

1) The definitions of key ratios are unchanged and can be found in Sweco's annual report for 2009.

| Parent Company income statement, SEK M   | Jan-Sept<br>2010 | Jan-Sept<br>2009 | Full year<br>2009 |
|--|------------------|------------------|-------------------|
| Net sales                                | 33.9             | 46.6             | 59.7              |
| Other external expenses                  | -51.9            | -38.3            | -58.2             |
| Personnel costs                          | -24.8            | -22.3            | -26.4             |
| Amortisation/depreciation and impairment | -1.1             | -0.2             | -0.3              |
| <b>Operating loss</b>                    | <b>-43.9</b>     | <b>-14.2</b>     | <b>-25.2</b>      |
| Net financial items                      | 38.1             | 9.8              | 267.0             |
| <b>Profit/loss after financial items</b> | <b>-5.8</b>      | <b>-4.4</b>      | <b>241.8</b>      |
| Appropriations                           | -                | -                | 104.0             |
| <b>Profit/loss before tax</b>            | <b>-5.8</b>      | <b>-4.4</b>      | <b>345.8</b>      |
| Income tax expense                       | -                | -                | -89.1             |
| <b>Profit/loss after tax</b>             | <b>-5.8</b>      | <b>-4.4</b>      | <b>256.7</b>      |

| Parent Company balance sheet, SEK M | 30 Sept 2010   | 30 Sept 2009   | 31 Dec 2009    |
|-------------------------------------|----------------|----------------|----------------|
| Intangible assets                   | 13.1           | -              | -              |
| Tangible assets                     | 0.6            | 0.8            | 0.7            |
| Financial assets                    | 372.1          | 376.9          | 377.3          |
| Current assets                      | 896.7          | 1,089.8        | 1,719.9        |
| <b>Total assets</b>                 | <b>1,282.5</b> | <b>1,467.5</b> | <b>2,097.9</b> |
| Equity                              | 1,059.3        | 1,150.1        | 1,428.7        |
| Untaxed reserves                    | -              | 104.0          | -              |
| Current liabilities                 | 223.2          | 213.4          | 669.2          |
| <b>Total equity and liabilities</b> | <b>1,282.5</b> | <b>1,467.5</b> | <b>2,097.9</b> |

| <b>Business areas</b>          | <b>2010</b>    | <b>2010</b>    | <b>2010</b>    | <b>2009</b>    | <b>2009</b>    | <b>2009</b>    | <b>2009</b>    | <b>2008</b>    | <b>2008</b>    | <b>2008</b>    | <b>2008</b>    |
|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                                | <b>Q3</b>      | <b>Q2</b>      | <b>Q1</b>      | <b>Q4</b>      | <b>Q3</b>      | <b>Q2</b>      | <b>Q1</b>      | <b>Q4</b>      | <b>Q3</b>      | <b>Q2</b>      | <b>Q1</b>      |
| <b>Net sales, SEK M</b>        |                |                |                |                |                |                |                |                |                |                |                |
| Sweco Sweden                   | 626.1          | 803.0          | 772.7          | 806.6          | 592.9          | 782.1          | 773.0          | 855.8          | 629.7          | 803.5          | 747.9          |
| Sweco Norway                   | 276.1          | 345.6          | 350.6          | 344.7          | 265.7          | 329.8          | 348.0          | 308.7          | 248.2          | 325.0          | 250.8          |
| Sweco Finland                  | 18.4           | 19.3           | 19.6           | 25.2           | 19.9           | 22.8           | 26.8           | 41.4           | 29.3           | 33.3           | 31.8           |
| Sweco Central & Eastern Europe | 64.5           | 64.2           | 64.4           | 94.3           | 71.1           | 72.4           | 69.2           | 105.5          | 66.3           | 71.4           | 69.7           |
| Sweco Russia                   | 7.7            | 7.3            | 6.4            | 7.0            | 8.6            | 8.3            | 7.1            | 14.4           | 7.0            | 3.7            | 3.5            |
| Sweco Industry                 | 114.1          | 129.4          | 150.1          | 175.3          | 128.4          | 207.8          | 250.8          | 258.7          | 205.3          | 268.3          | 260.9          |
| Group-wide, eliminations, etc. | -18.0          | -3.3           | -24.8          | -24.0          | -23.8          | -28.3          | -23.0          | -24.5          | -26.7          | -35.8          | -30.3          |
| <b>Total Group</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>1,560.0</b> | <b>1,159.1</b> | <b>1,469.4</b> | <b>1,334.3</b> |
| <b>Operating profit, SEK M</b> |                |                |                |                |                |                |                |                |                |                |                |
| Sweco Sweden                   | 44.1           | 98.1           | 85.8           | 97.9           | 37.3           | 91.9           | 100.3          | 115.2          | 63.3           | 117.4          | 108.2          |
| Sweco Norway                   | 25.4           | 36.2           | 39.2           | 46.2           | 21.4           | 25.4           | 48.2           | 33.9           | 17.8           | 51.4           | 18.7           |
| Sweco Finland                  | 2.6            | 2.1            | 1.2            | 1.9            | 1.7            | 1.9            | 3.4            | 2.6            | 3.4            | 3.8            | 5.8            |
| Sweco Central & Eastern Europe | -0.6           | 3.4            | 1.0            | 5.4            | 3.6            | -2.2           | -1.4           | -3.8           | 3.0            | 1.1            | 2.9            |
| Sweco Russia                   | 1.4            | 0.5            | 0.5            | 0.0            | 1.2            | 0.7            | -0.7           | -0.6           | -2.4           | -2.6           | 0.1            |
| Sweco Industry                 | -3.3           | 0.7            | 1.6            | -42.7          | -5.5           | 5.7            | 20.2           | 9.1            | 25.4           | 24.2           | 23.3           |
| Group-wide, eliminations, etc. | 0.0            | -28.8          | -6.9           | -13.6          | 5.1            | -5.9           | -3.8           | 3.3            | -8.9           | -17.6          | -1.7           |
| <b>Total Group</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>159.7</b>   | <b>101.6</b>   | <b>177.7</b>   | <b>157.3</b>   |
| <b>Operating margin, %</b>     |                |                |                |                |                |                |                |                |                |                |                |
| Sweco Sweden                   | 7.0            | 12.2           | 11.1           | 12.1           | 6.3            | 11.8           | 13.0           | 13.5           | 10.1           | 14.6           | 14.5           |
| Sweco Norway                   | 9.2            | 10.5           | 11.2           | 13.4           | 8.1            | 7.7            | 13.9           | 11.0           | 7.2            | 15.8           | 7.5            |
| Sweco Finland                  | 14.1           | 10.7           | 6.3            | 7.5            | 8.1            | 8.3            | 12.7           | 6.3            | 11.6           | 11.4           | 18.2           |
| Sweco Central & Eastern Europe | -0.9           | 5.3            | 1.6            | 5.7            | 5.1            | -3.1           | -2.0           | -3.5           | 4.6            | 1.5            | 4.1            |
| Sweco Russia                   | 18.2           | 6.6            | 7.8            | 0.0            | 14.0           | 9.3            | -10.5          | -4.2           | -34.3          | -69.5          | 2.1            |
| Sweco Industry                 | -2.9           | 0.5            | 1.1            | -24.4          | -4.3           | 2.8            | 8.1            | 3.5            | 12.4           | 9.0            | 8.9            |
| <b>Total Group</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>    | <b>10.2</b>    | <b>8.8</b>     | <b>12.1</b>    | <b>11.8</b>    |