

9 February 2023

# A strong end to the year

## October–December 2022

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- Net sales increased to SEK 6,732 million (5,920)
- EBITA increased to SEK 709 million (585), margin 10.5 per cent (9.9)
- EBITA increased 30 per cent year-on-year after adjustment for calendar effects
- EBIT increased to SEK 693 million (582), margin 10.3 per cent (9.8)
- Profit after tax increased to SEK 502 million (454), corresponding to SEK 1.40 per share (1.27)

## January–December 2022

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- Net sales increased to SEK 24,296 million (21,792)
- EBITA, excl. items affecting comparability, increased to SEK 2,225 million (2,070), margin 9.2 per cent (9.5)
- EBITA increased 8 per cent year-on-year after adjustment for calendar effects and items affecting comparability
- EBITA increased to SEK 2,225 million (2,014), margin 9.2 per cent (9.2)
- EBIT increased to SEK 2,245 million (1,974), margin 9.2 per cent (9.1)
- Net debt/EBITDA was unchanged at 0.4x (0.4)
- Net debt amounted to SEK 1,075 million (913)
- Profit after tax increased to SEK 1,652 million (1,492), corresponding to SEK 4.61 per share (4.18)
- The Board of Directors proposes a dividend distribution of SEK 2.70 per share (2.45)

# CEO comment

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## Strong end to the year

We ended the year with a strong quarter, delivering good organic growth, improved margins across most of our business areas and an all-time-high EBITA. The improvement was driven by positive developments in fees and the billing ratio, as well as a continued momentum in recruitment.

The overall demand for our services remained good, and we continued to strengthen our order book. Our diversified and decentralised model proved its strength yet again as we kept catering to the growing demand for our expert services.

## Positive development across business areas

Growth continued in the fourth quarter. Net sales increased to SEK 6,732 million (5,920), with organic growth of eight per cent, adjusted for calendar effects. EBITA increased to SEK 709 million (585), with an EBITA margin of 10.5 per cent (9.9). The EBITA improvement was driven by higher average fees, FTE growth and a higher billing ratio. The efficiency measures taken after the third quarter started to have a positive impact on costs and the billing ratio.

Seven out of eight business areas reported organic growth, and all eight reported a higher EBITA in the quarter, adjusted for calendar effects. Sweden reported an improved performance and increased margin, while Denmark continued to show strong performance and an impressive margin development. Norway, Belgium and Finland also delivered improved margins while the improvements in the Netherlands, the UK and Germany were more modest.

## Strategic acquisitions and exciting new projects

In 2022, we completed a total of twelve acquisitions, welcoming close to 400 new experts to Sweco. In the fourth quarter, we completed the acquisition of Via Trafik Rådgivning A/S, Denmark's largest specialised consultancy firm within traffic and mobility. We also completed the acquisition of Futureproofed, a Belgian climate-tech firm that guides companies and cities towards a low-carbon future through their SaaS (Software-as-a-Service) platform, which enables clients to measure, reduce and report CO<sub>2</sub> emissions.

We then started 2023 by announcing three new acquisitions in the beginning of January, of which the Belgian firm

VK architects+engineers, with 600 experts, allows us to significantly build on our positive momentum in Belgium. This acquisition is still pending approval from competition authorities.

Sweco's strong financial position allows us to continue acting on interesting opportunities that arise.

In the quarter, we signed a new framework contract with Société du Grand Paris, responsible for designing and building the Grand Paris Express transport network. We have also been commissioned to support in the development of the new Nobel Center in Stockholm, Sweden, and to support with the implementation of a monitoring system for the electricity grid network in the UK.

## Staying on course in an uncertain market

The geopolitical situation and macro-economic environment remain uncertain. Sweco's diversified portfolio in segments, geographies and client mix however, provides a solid foundation on which we stand firmly. Combined with our solid financial position, we are well-equipped to adapt to market fluctuations.

Leveraging our legacy and experience, we keep investing and supporting our clients in projects driving the transformation of society, such as hydrogen and energy storage. This gives us an advantage in today's market, where Europe's energy systems are being re-designed and new infrastructure is being built. This is a vital part of our long-term strategy and will remain so going forward.

Lastly, I would like to thank all our employees, clients, and other partners for everything we have achieved during the year. We are truly transforming society together.



A handwritten signature in black ink that reads "Åsa Bergman".

**Åsa Bergman**  
President and CEO

# Europe's leading architecture and engineering consultancy

Urbanisation, digitalisation and sustainability are transforming society. Together with our clients, we are committed to ensuring that we have clean water, clean air, clean energy and a physical environment where we all can live, work and prosper. With more than 20,000 experts in Europe, Sweco has the knowledge to solve the most challenging projects, no matter size or location.

## Key figures

<b>#1</b> In the European market	<b>8</b> Business Areas	<b>18,500</b> Full-time employees
SEK <b>24.3 bn</b> Net sales R12	SEK <b>2.2 bn</b> EBITA R12	<b>9.2%</b> EBITA margin R12

# Group performance

The quarter noted healthy organic growth of 8 per cent and acquired growth that amounted to 2 per cent. EBITA increased approximately 30 per cent year-on-year after adjustment for calendar effects.

## October–December

Net sales increased 14 per cent to SEK 6,732 million (5,920). Organic growth amounted to approximately 8 per cent after adjustment for calendar effects. Acquired growth amounted to 2 per cent and currency effects were 5 per cent.

Organic growth, adjusted for calendar effects, was driven mainly by a higher number of employees, higher average fees and higher revenue from subconsultants.

EBITA increased to SEK 709 million (585). The EBITA margin improved to 10.5 per cent (9.9).

EBITA increased approximately 30 per cent or SEK 178 million year-on-year after adjustment for calendar effects. All of the Business Areas noted

increasing EBITA levels, with Sweden and Denmark contributing most significantly. Overall for the Group, EBITA was positively affected by higher average fees, a higher number of employees and a higher billing ratio, while higher operating expenses had a negative impact.

The quarter had six less working hours compared with the same period last year. This corresponded to a negative year-on-year impact of approximately SEK 54 million on net sales and EBITA.

The billing ratio increased to 74.4 per cent (74.1).

Total net financial items reduced to SEK -27 million (-18) primarily due to higher interest rates.

Earnings per share increased to SEK 1.40 (1.27).

## January–December

Net sales increased 11 per cent to SEK 24,296 million (21,792). Organic growth amounted to approximately 6 per cent after adjustment for calendar effects and IAC. Acquired growth amounted to 2 per cent and currency effects impacted growth with 3 per cent.

Organic growth adjusted for calendar effects and IAC was driven mainly by higher average fees, a higher number of employees and higher revenue from subconsultants, while higher absence and a lower billing ratio impacted negatively.

EBITA increased to SEK 2,225 million (2,014). The EBITA margin amounted to 9.2 per cent (9.2). EBITA excluding IAC increased to SEK 2,225 million (2,070) and the EBITA margin amounted to 9.2 per cent (9.5).

KPIs	Oct–Dec 2022	Oct–Dec 2021	Full-year 2022	Full-year 2021
Net sales, SEK M	6,732	5,920	24,296	21,792
<i>Organic growth, %</i>	7	11	6	3
<i>Acquisition-related growth, %</i>	2	3	2	3
<i>Currency, %</i>	5	1	3	-1
<i>Total growth, %</i>	14	15	11	4
<i>Organic growth adj. for calendar, %</i>	8	11	6	3
<i>Organic growth adj. for calendar &amp; IAC, %</i>	8	5	6	2
EBITA excl. IAC, SEK M <sup>1</sup>	709	585	2,225	2,070
<i>Margin, %</i>	10.5	9.9	9.2	9.5
EBITA, SEK M <sup>1</sup>	709	585	2,225	2,014
<i>Margin, %</i>	10.5	9.9	9.2	9.2
Profit after tax, SEK M	502	454	1,652	1,492
Earnings per share, SEK	1.40	1.27	4.61	4.18
Number of full-time employees	19,265	18,058	18,651	17,802
Billing ratio, %	74.4	74.1	73.9	74.1
Normal working hours	490	496	1,971	1,973
Net debt/EBITDA, x <sup>2</sup>			0.4	0.4

1) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA. For further information, see pages 18 and 20. IAC stands for Items affecting comparability, see definition on page 18.

2) Net debt/EBITDA is an alternative performance measure (APM). Net debt is an alternative performance measure (APM) defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA. For further information, see pages 18 and 27.

EBITA excluding IAC increased approximately 8 per cent or SEK 161 million year-on-year after adjustment for calendar effects. Germany & Central Europe, Denmark, Norway, Belgium and the UK noted increasing EBITA levels. The other business areas reported lower earnings. Overall for the Group, EBITA was positively affected by higher average fees and a higher number of employees, while higher operating expenses and higher absence had a negative impact.

The calendar effect of two less hours had a negative year-on-year impact of approximately SEK 6 million on net sales and EBITA.

The billing ratio decreased to 73.9 per cent (74.1).

Total net financial items reduced to SEK -89 million (-77) primarily due to higher interest rates.

Earnings per share increased to SEK 4.61 (4.18).

## Employees

The number of full-time employees amounted to 18,651 (17,802) in the period.

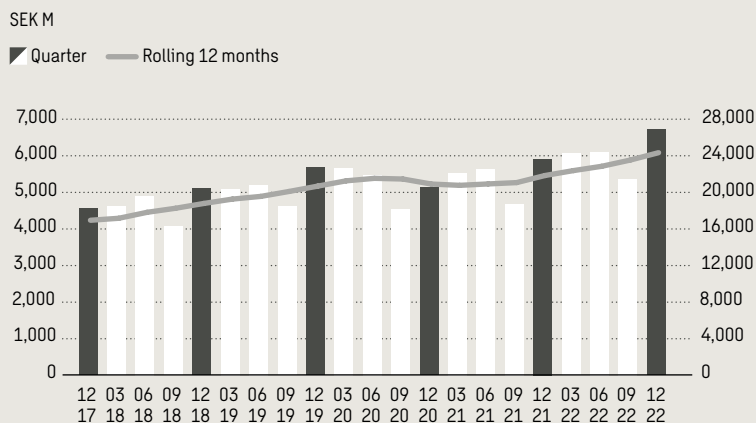
## Market

Overall, the underlying market for Sweco's services was good in the fourth quarter. Essentially all Business Areas experienced good demand for Sweco's services in the infrastructure, water, environment, energy and industry segments. Demand for services in parts of the building and the real estate segment continued to weaken, with negative impact primarily in architecture.

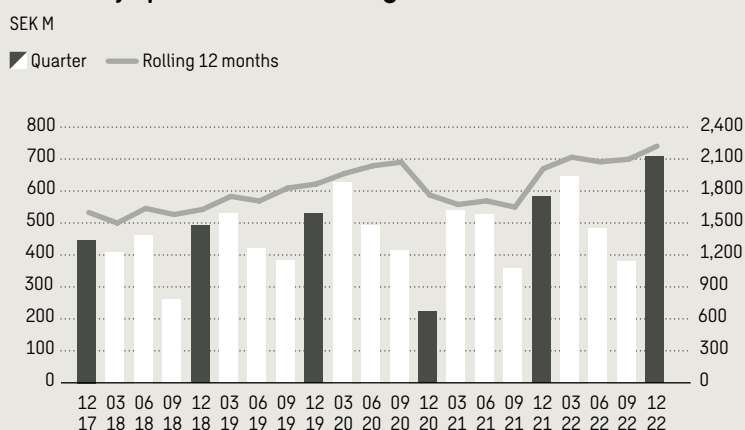
## Outlook

Russia's invasion of Ukraine has created significant uncertainty regarding future market development. The general economy and Sweco's markets are impacted by material shortages

## Net sales by quarter and rolling 12 months



## EBITA by quarter and rolling 12 months



and general inflationary pressure, as well as by energy supply and pricing. While there were negative impacts on some of Sweco's market segments there was at the same time increased demand in other segments. Overall demand for Sweco's services normally follows the general macro-economic trend, with some time lag.

Sweco does not provide forecasts.

## Events during the quarter

On 1 November, Sweco completed the acquisition of Via Trafik Rådgivning A/S, Denmark's largest specialised consultancy firm within traffic and mobility. Via Trafik Rådgivning has

some 60 employees and annual net sales of around SEK 75 million. The acquisition was consolidated into Sweco Denmark as of November.

On 16 December, Sweco completed the acquisition of Futureproofed, a Belgian climate-tech firm with 18 experts and annual net sales of around SEK 9 million. Futureproofed guides companies and cities towards a low-carbon future through their SaaS (Software-as-a-Service) platform, which enables clients to measure, reduce and report CO<sub>2</sub> emissions. Futureproofed was consolidated into Sweco Belgium as of December.

## Events after the quarter

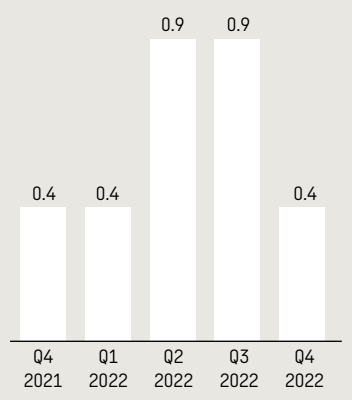
On 10 January, Sweco announced the acquisition of the Belgian group VK architects+engineers, specialised in architectural, technical and infrastructure design solutions within the infrastructure and building segments. VK is primarily active in the Belgian market but has also presence in the Netherlands, Luxembourg, the UK and Vietnam. The VK group has some 600 experts and annual net sales of around SEK 750 million. The acquisition is subject to approval from the Belgian competition authority, with closing expected in the first half of 2023.

On 12 January, Sweco announced the acquisition of Dutch firm VAN AKEN Concepts, Architecture & Engineering B.V. with approximately 50 experts. VAN AKEN has extensive experience in the private sector as well as from urban studies. In 2021, the company had net sales of SEK 59 million. The acquisition is consolidated into Sweco Netherlands as of January.

Also, on 12 January, Sweco announced the acquisition of the Dutch architectural firm JHK Architecten with approximately 20 experts. JHK has a strong position within non-residential building projects in the private sector. In 2021, the company had net sales of SEK 29 million. The acquisition of JHK was completed on 21 December and was consolidated into Sweco Netherlands as of December.

On 1 February, Sweco announced the acquisition of Pro-Consult in Norway. Pro-Consult has 35 experts specialising in project management and constructional engineering and will be consolidated into Sweco Norway as from February.

## Net debt/EBITDA, x



## Cash flow and financial position

Group cash flow from operating activities totalled SEK 2,515 million (2,199) for the full year. Net debt increased to SEK 1,075 million (913), with increased cash flow from operations not fully balancing increased outflows for acquisitions and dividends.

The Net debt/EBITDA ratio was 0.4x (0.4).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 4,869 million (4,166) at the end of the year.

Purchase considerations paid to acquire companies and operations totalled SEK 739 million (392) and had an impact of SEK -675 million (-363) on the Group's cash and cash equivalents. Purchase considerations received on the divestments of companies and operations had an impact of SEK 65 million (17) on the Group's cash and cash equivalents.

No repurchases of Sweco shares were made during the period or during the same period last year.

On 28 April, dividends totalling SEK 876 million (782) were distributed to Sweco AB shareholders.

## Investments, January–December 2022

Investments in equipment totalled SEK 248 million (176) and were primarily attributable to IT investments. Depreciation of equipment amounted to SEK 211 million (215) and amortisation of intangible assets totalled SEK 133 million (154).

## New projects

### Transport and infrastructure

The metro network in Paris, France, is being extended to support the shift to increased public transport. Société du Grand Paris, responsible for designing and building the Grand Paris Express transport network, has awarded Sweco a new framework contract to continue its engineering activities until 2030–2032. The new metro network will connect several strategic locations such as the regional airports and the Olympic stadium and also save 27 million tonnes of CO<sub>2</sub>. Sweco will support, among others, with the design and engineering of three new metro stations as well as with the design of the North tunnel that is crossing the international airport Paris-Charles de Gaulle.

Sweco will assist DAB Vloot, the body that is executing pilotage, customs and rescue services for the Flemish Government in Belgium, in setting up and working out a decarbonisation roadmap for their fleet. The maritime industry must invest in order to meet the obligatory emission targets and Sweco will provide the client with a concrete overview of the modifications that need to be implemented as well as a summary of the necessary investment costs. The order value is SEK 2 million.

Sweco in Belgium holds a framework agreement for the reconstruction of a series of moveable bridges spread

across the entire waterway network of De Vlaamse Waterweg nv, the Belgian government agency for waterway management. The project ensures the upgrade to a reliable, future-proof infrastructure with optimal equipment in terms of remote control. The contract sum amounts to SEK 66 million.

### **Buildings**

The Nobel Foundation has commissioned Sweco Architects to act as the Swedish local architect for David Chipperfield Architects in Berlin, assisting in the development of the new Nobel Center in Stockholm, Sweden. Sweco's assignment is process management to define the Nobel Center's sustainability targets, and the development of the operational program. Construction is scheduled to start in 2026 with inauguration in 2029.

A new emergency hospital, of 135,000 square metres, is planned in Växjö, Sweden by Region Kronoberg. The project comes with high sustainability ambitions that encompass energy efficiency, materials' climate impact and optimisation of the building's design. Sweco will support with in-depth programme documentation as well as a project planning and construction documentation for the building construction and foundation. The project is being carried out in collaboration with Skanska Teknik. Sweco's assignment is worth approximately SEK 100 million.

### **Water management**

The Czech Republic's national water management company Povodi Vltavy s.p., has tasked Sweco with the assignment for extending the Kamyk navigation lock in order to increase its transport capacity. Sweco is the general consultant of design, topographical and hydrogeological surveys, detailed design of concrete structures

and detailed design of the new locks. The contract sum amounts to SEK 2 million.

As part of a consortium, Sweco in Germany has been engaged by Eigenbetrieb Stadtentwässerung Pforzheim, managers of the public wastewater disposal in the city, to convert the biological stage at the Pforzheim wastewater treatment plant. A complete reconstruction of the biological stage is planned in order to improve environmental protection and Sweco will support with the project planning, local construction supervision and dynamic simulation. The contract value is SEK 173 million.

### **Digitalisation**

Sweco has been engaged to work alongside Capgemini over the following three years to implement a new SCADA system that will manage and control the whole of the UK's electricity grid network. SCADA stands for Supervisory Control And Data Acquisition and is a system for monitoring and controlling processes, mainly used in industry. Sweco's assignment is to support with overall data architecture, data quality and integration, and test plans. Sweco has successfully delivered telemetry and SCADA systems for numerous other Critical National Infrastructure clients in the UK.

### **Social sustainability**

Aarhus Municipality in Denmark has assigned Sweco, in collaboration with British Zaha Hadid Architects and Danish Tredje Natur architects, to design and build a new stadium in Aarhus, Denmark for the local professional football club AGF. Sweco will provide integrated consultancy within architecture and engineering including sustainability. Sweco has worked with reducing the climate impact by, among other actions, investigating

the possibilities for reusing existing structures. The New Aarhus stadium is aiming to become a new catalyst for fans and the local community, a new identity for the club, and a new landmark for the national and international football fraternity. The stadium is expected to be inaugurated in 2026.

The city of Helsinki has tasked Sweco with the assignment to support the development of the historical and lively Esplanade Park area in central Helsinki. Sweco will serve as an interaction consultant between the city, local companies, and citizens by collecting opinions on newly introduced traffic arrangements supporting the pedestrian and bicycle focused approach for public spaces. Sweco is compiling the findings along with its recommendations to a report including a historic review dating back to 1812. The report also serves as the base for improving the upcoming summer streets initiative reserving streets for recreation during the summer months. Sweco's contract value amounts to SEK 1 million.

### **Biodiversity**

The wolf is a protected species in the Netherlands and needs to be monitored. The association BJJ12s has the task of supporting the Dutch provinces to take care of nature and the environment and is responsible for implementing a wolf policy on behalf of the provinces. Sweco's assignment is to realise a web portal with which the location of a sighting of a wolf or the damage caused by a wolf to farm animals or domestic animals can be recorded. The contract amounts to SEK 2.5 million.



Sweco's local presence in the city and understanding of the uniqueness of the place – the context, and the soul and identity connected to football club AGF and Aarhus – contributed to the prestigious assignment of the new stadium.



Sweco has been working on the Paris metro project since 2016. A new framework contract has been signed within which Sweco will support, among others, with the design and engineering of 3 new metro stations.



# Business Area Overview

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



## Sweco's markets

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

# Sweco Sweden

Sweco Sweden delivered good organic sales growth of 7 per cent. EBITA increased 18 per cent driven by FTE growth and higher average fees. The market remains relatively good, albeit with weakness in the residential and commercial buildings segment.

## Sales and profit, October–December

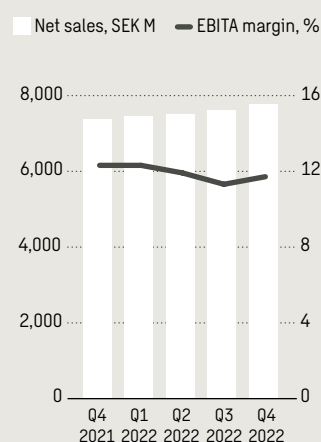
Net sales increased 8 per cent to SEK 2,201 million (2,035). Organic growth was 7 per cent and was mainly driven by a higher number of employees, higher revenue from sub-consultants and higher average fees. There was no year-on-year difference in the number of available working hours.

EBITA increased 18 per cent, corresponding to SEK 49 million. The EBITA margin increased to 14.4 per cent (13.2). The EBITA increase was mainly driven by a higher number of employees and higher average fees, while higher operating expenses impacted negatively.

## Market

The Swedish market remained relatively good during the quarter with variations between the different segments. Demand for infrastructure services was strong, backed by major public and industrial investments. The market for energy investments as well as for water and environmental services was very good. The trend in the broad industry segment was cautious with the exception of northern Sweden, that continues to be a booming market driven by the green transition. In the real estate market, the weakness in the residential segment continued. The commercial segment also weakened, with continued caution with regard to starting new projects.

## Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	2,201	2,035	7,785	7,398
Organic growth, %	7	2	4	-1
Acquisition-related growth, %	1	0	1	0
Currency, %	0	0	0	0
Total growth, %	8	2	5	-1
Organic growth adj. for calendar, %	7	1	4	-1
EBITA, SEK M	318	269	915	920
EBITA margin, %	14.4	13.2	11.8	12.4
Number of full-time employees	6,235	5,869	5,978	5,796

# Sweco Norway

Sweco Norway posted strong organic growth of 15 per cent. EBITA increased 33 per cent, driven by higher average fees and a higher billing ratio. Overall, the market remained good, with the real estate and buildings segment being overall weaker.

## Sales and profit, October–December

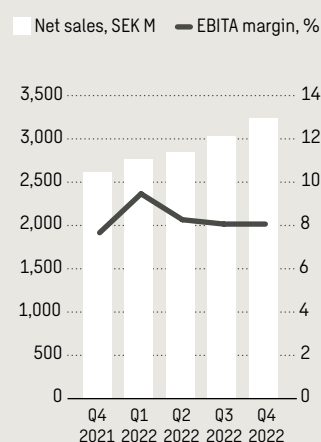
Net sales increased 30 per cent to SEK 933 million (719). Organic growth was 15 per cent and was driven mainly by higher average fees, a higher number of employees and higher revenue from subconsultants. Acquisitions contributed 11 per cent to growth and pertained to acquisitions made earlier this year. There was no year-on-year difference in the number of available working hours.

EBITA increased 33 per cent, corresponding to SEK 19 million. The EBITA increase was mainly attributable to higher average fees and a higher billing ratio while higher operating expenses impacted negatively. The EBITA margin increased to 8.3 per cent (8.1).

## Market

The overall positive market conditions continued in the fourth quarter, with good demand for Sweco's services in most sectors. The demand for infrastructure and energy services was stable and good. The industry market was relatively stable. Demand for services within the building and real estate segments was overall weaker, due to market turmoil and the public sector striving to reduce inflation.

## Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	933	719	3,245	2,622
Organic growth, %	15	8	11	2
Acquisition-related growth, %	11	2	7	5
Currency, %	4	6	5	2
Total growth, %	30	16	24	9
Organic growth adj. for calendar, %	15	8	11	2
EBITA, SEK M	77	58	263	201
EBITA margin, %	8.3	8.1	8.1	7.7
Number of full-time employees	2,049	1,776	1,918	1,749

# Sweco Finland

Sweco Finland recorded organic growth of 10 per cent and EBITA increased 34 per cent mainly driven by higher average fees and positive project adjustments. The market continued to be somewhat weak although some segments showed good demand.

## Sales and profit, October–December

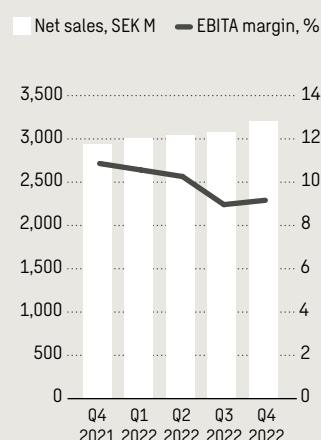
Net sales increased 16 per cent to SEK 930 million (802). Organic growth adjusted for calendar effects amounted to approximately 10 per cent and was impacted positively by a higher number of employees, higher revenue from subconsultants and higher average fees, while a lower billing ratio had a negative effect. The year-on-year calendar effect of eight fewer hours had a negative impact of approximately SEK 11 million on net sales and EBITA.

EBITA increased approximately 34 per cent, corresponding to SEK 30 million, adjusted for calendar effects. The EBITA margin increased to 11.7 per cent (11.1). The EBITA increase was mainly attributable to higher average fees, a higher number of employees and positive project adjustments, while higher sickness absence and lower billing ratio impacted negatively.

## Market

Overall, the Finnish consultancy market remained somewhat weaker, but with differences between segments. Demand for services within the building and real estate segments was overall weaker, but there were variations between subsegments. The renovation, maintenance and improvement market was relatively stable. The market for industrial services and energy was good, as was the market for infrastructure-related services.

## Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	930	802	3,210	2,947
Organic growth, %	8	2	3	0
Acquisition-related growth, %	0	10	1	10
Currency, %	8	-1	5	-3
Total growth, %	16	10	9	6
Organic growth adj. for calendar, %	10	2	3	0
EBITA, SEK M	109	89	297	320
EBITA margin, %	11.7	11.1	9.2	10.9
Number of full-time employees	2,833	2,732	2,851	2,746

# Sweco Denmark

Sweco Denmark delivered a strong quarter with organic growth of 15 per cent and raised the EBITA margin to a high 15.7 per cent. The improvement was driven by FTE growth, higher average fees and more subconsultants. The market was stable, albeit with weakness in residential building.

## Sales and profit, October–December

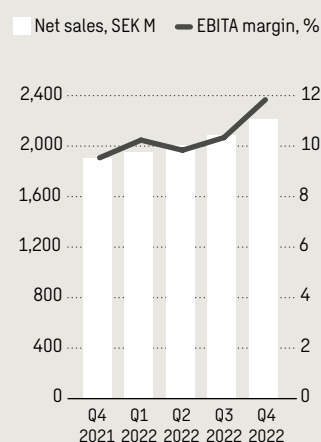
Net sales increased 25 per cent to SEK 642 million (512). Organic growth adjusted for calendar effects amounted to approximately 15 per cent and was impacted positively by a higher number of employees, higher revenue from subconsultants and higher average fees. The acquisition of Via Trafik Rådgivning contributed 2 per cent to growth. The year-on-year calendar effect of one less hour had a negative impact of less than SEK 1 million on net sales and EBITA.

EBITA increased approximately 86 per cent, corresponding to SEK 47 million, adjusted for calendar effects. The EBITA margin increased to 15.7 per cent (10.7). The EBITA increase was mainly driven by a higher number of employees, higher average fees and more subconsultants. In addition, there was a positive one-off impact from capitalisation of software development costs.

## Market

The Danish market was stable during the fourth quarter, however there was increasing uncertainty and fewer tenders within several areas. Activity within the public sector has increased moderately driven by increased demand within infrastructure, environment and energy, while residential building in the private sector has decreased significantly. The remaining part of the private sector has been more stable during the period.

### Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	642	512	2,218	1,905
Organic growth, %	15	4	11	5
Acquisition-related growth, %	2	0	1	1
Currency, %	8	-1	5	-3
Total growth, %	25	3	16	3
Organic growth adj. for calendar, %	15	3	11	5
EBITA, SEK M	101	55	263	182
EBITA margin, %	15.7	10.7	11.9	9.6
Number of full-time employees	1,473	1,305	1,396	1,285

# Sweco Netherlands

Sweco Netherlands delivered organic sales growth of 10 per cent and an EBITA increase of 35 per cent, adjusted for calendar effects, both mainly driven by higher average fees. The market weakened somewhat during the quarter, still with differences between segments.

## Sales and profit, October–December

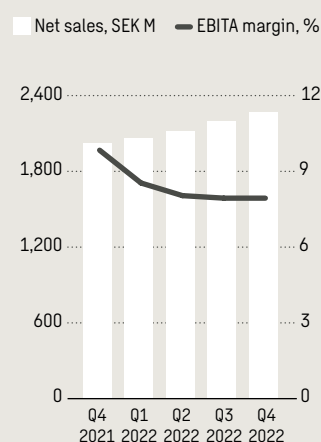
Net sales increased 13 per cent to SEK 627 million (554). Organic growth adjusted for calendar effects amounted to approximately 10 per cent and was mainly driven by higher average fees and higher revenue from subconsultants. Acquired growth amounted to -2 per cent and pertained to the divestment of a non-core operation earlier in the year. The year-on-year calendar effect of 16 fewer hours had a negative impact of approximately SEK 13 million on net sales and EBITA.

EBITA increased approximately 35 per cent, corresponding to SEK 19 million, adjusted for calendar effects. The EBITA margin amounted to 9.6 per cent (9.8). The EBITA increase was mainly attributable to higher average fees, while higher operating expenses impacted negatively.

## Market

The Dutch market weakened in the the quarter, albeit with differences between segments. Delays continued in infrastructure and building projects due to the so called nitrogen issue, related to uncertainties around the impact from the EU regulation of nitrogen emissions in the Netherlands. Furthermore, the residential building segment weakened slightly. The water & environment markets were stable. The energy crisis has increased demand for new renewable green energy solutions.

## Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	627	554	2,274	2,024
Organic growth, %	8	5	6	0
Acquisition-related growth, %	-2	4	2	1
Currency, %	8	-1	5	-3
Total growth, %	13	8	12	-2
Organic growth adj. for calendar, %	10	3	6	0
EBITA, SEK M	60	54	183	201
EBITA margin, %	9.6	9.8	8.0	9.9
Number of full-time employees	1,417	1,421	1,414	1,376

# Sweco Belgium

The quarter saw net sales growth and an EBITA increase of 46 per cent, driven by higher average fees and an increased number of employees. The market remained good with continued investments in healthcare and pharma as well as infrastructure and energy transition.

## Sales and profit, October–December

Net sales increased 14 per cent to SEK 577 million (504). Organic growth was 3 per cent adjusted for calendar effects. The low organic growth resulted from a correction of income made in the quarter due to an internal project that had been erroneously accounted for as an external project in prior quarters. The correction had no impact on EBITA.

The underlying organic growth in the quarter was 11 per cent adjusted for calendar effects, and was mainly driven by a higher number of employees and higher average fees. Acquisitions contributed 6 per cent to growth. The year-on-year calendar effect of 16 fewer hours had a negative impact of approximately SEK 11 million on net sales and EBITA.

EBITA increased approximately 46 per cent, corresponding to SEK 23 million, adjusted for calendar effects. The EBITA margin increased to 10.6 per cent (9.8). The EBITA increase was mainly attributable to higher average

fees and a higher number of employees, while higher operating expenses had a negative impact.

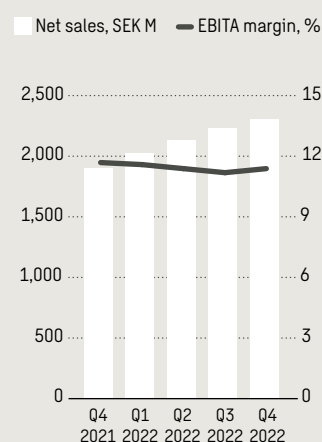
## Market

The market remained good within most segments. Both the public and private sector building markets were overall stable and new investments were planned in the healthcare and pharmaceutical Industries. However, the slowdown in residential and office investments continued. The public sector continued to invest in infrastructure and sustainable mobility solutions. Belgium is in the middle of a complete energy transition with a focus on decarbonisation in the transportation, building and industry sectors as well as transforming energy production. The electrification in industry and the public domain is increasing.

## Acquisitions

On 12 October, Sweco completed the acquisition of Belgian engineering firm VENAC, a leader in acoustic studies with 5 experts. On 17 November, Sweco completed the acquisition of

## Net sales & EBITA margin, rolling 12 months



V2S, a Belgian engineering firm with 13 experts focusing on structural engineering for buildings and special structures. Both acquisitions were consolidated into Sweco Belgium as of December.

For the acquisitions of Futureproofed, announced on 16 December, and of VK architects + engineers, announced on 10 January 2023, see page 6 for more details.

## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	577	504	2,310	1,907
Organic growth, %	0	10	9	9
Acquisition-related growth, %	6	14	7	9
Currency, %	8	-1	5	-3
Total growth, %	14	22	21	15
Organic growth adj. for calendar, %	3	8	9	9
EBITA, SEK M	61	50	272	230
EBITA margin, %	10.6	9.8	11.8	12.1
Number of full-time employees	1,643	1,399	1,534	1,276

# Sweco UK

Sweco UK posted strong organic growth of 17 per cent and a significant EBITA increase, adjusted for calendar effects, mainly driven by higher average fees. The UK market remained challenging in the quarter.

## Sales and profit, October–December

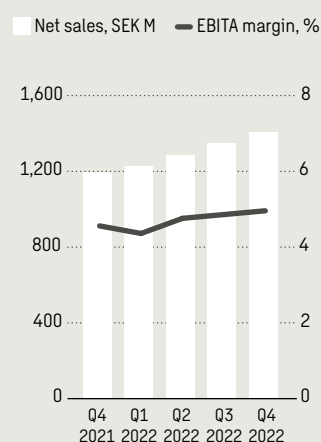
Net sales increased 20 per cent to SEK 355 million (295). Organic growth adjusted for calendar effects was approximately 17 per cent and was mainly driven by higher revenue from subconsultants and higher average fees. The year-on-year calendar effect of eight fewer hours had a negative impact of approximately SEK 4 million on net sales and EBITA.

EBITA increased approximately 118 per cent, corresponding to SEK 8 million, adjusted for calendar effects. The EBITA margin increased to 3.1 per cent (2.3). The EBITA increase was mainly attributable to higher average fees and lower operating expenses, while project adjustments impacted negatively.

## Market

The UK market remained challenging in the fourth quarter. The rising inflation, increasing interest rates and the worsening economic outlook have dampened demand. The market segment for new buildings as well as renovation work in the London commercial sector weakened slightly. The infrastructure market was relatively stable. The energy, environment and water markets were stable.

### Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	355	295	1,411	1,199
Organic growth, %	15	0	12	-4
Acquisition-related growth, %	0	0	0	0
Currency, %	5	6	6	0
Total growth, %	20	5	18	-4
Organic growth adj. for calendar, %	17	0	13	-4
EBITA, SEK M	11	7	71	55
EBITA margin, %	3.1	2.3	5.0	4.6
Number of full-time employees	1,212	1,170	1,181	1,182



# Sweco Germany and Central Europe

Net sales declined, while EBITA adjusted for calendar effects increased due to lower operating expenses and a higher billing ratio. The market continued to weaken, mainly in private real estate, whereas energy transition and public spending continued to drive demand.

## Sales and profit, October–December

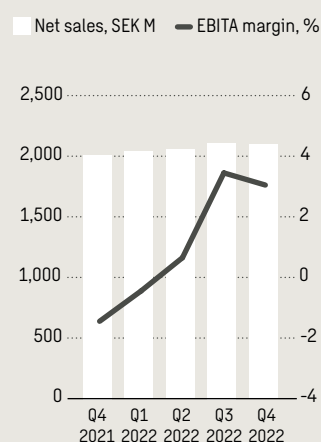
Net sales decreased 3 per cent to SEK 553 million (568). Organic growth amounted to approximately -7 per cent, adjusted for calendar effects. The decrease in organic growth was driven by less revenue from subconsultants and lower average fees, while the higher billing ratio had a positive impact. The year-on-year calendar effect of 20 fewer hours had a negative impact of approximately SEK 15 million on net sales and EBITA.

EBITA increased approximately 18 per cent, corresponding to SEK 5 million, adjusted for calendar effects. The EBITA increase was mainly driven by lower operating expenses and a higher billing ratio, while lower average fees impacted negatively. The EBITA margin decreased to 3.7 per cent (5.3).

## Market

Overall, the German market continued to weaken in the fourth quarter. This effect was in particular driven by the commercial real estate sector and the private sector due to increasing interest rates, a weakening economy and record inflation. Other market areas, in particular those linked to infrastructure, energy and all activities relating to the energy transition are strong and growing. The slow-down in the private sector was balanced by public spending, which remained at high levels.

## Net sales & EBITA margin, rolling 12 months



## In brief

	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Net sales and profit</b>				
Net sales, SEK M	553	568	2,099	2,015
Organic growth, %	-9	223	0	25
Acquisition-related growth, %	-1	0	0	0
Currency, %	7	2	5	-4
Total growth, %	-3	224	4	22
Organic growth adj. for calendar, %	-7	222	0	25
Organic growth adj. for calendar & IAC, %	-7	21	-1	7
EBITA excl. IAC, SEK M	21	30	65	27
EBITA margin excl. IAC, %	3.7	5.3	3.1	1.3
EBITA, SEK M	21	30	65	-29
EBITA margin, %	3.7	5.3	3.1	-1.4
Number of full-time employees	2,329	2,333	2,321	2,342

# Other information

## Parent Company, January–December 2022

Parent Company net sales totalled SEK 1,061 million (946) and were attributable to intra-group services. Profit after net financial items totalled SEK 1,051 million (817). Investments in equipment totalled SEK 19 million (42). Cash and cash equivalents at the end of the period totalled SEK 134 million (335).

As of 1 October 2022, Sweco operates the Twinfinity business comprising around 15 employees as a wholly owned subsidiary of Sweco AB. The Twinfinity operations were prior to that part of Sweco Sweden. Twinfinity is reported under Groupwide.

## Accounting principles

Sweco complies with the International Financial Reporting Standards (IFRS) and interpretive statements from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. This report was prepared in accordance with IAS 34, Interim Reporting; the Swedish Annual Accounts Act; and the Swedish Financial Reporting Board's RFR 2, Reporting for Legal Entities. The Group applies the same accounting and valuation principles as those described in Note 1 in the Annual Report for 2021.

In this report, amounts in brackets refer to the corresponding period of the previous year. Because table items are individually rounded off, table figures do not always tally. The interim report comprises pages 1–27; the interim financial information presented on pages 1–27 is therefore part of this financial report.

## Key performance measures

Sweco follows the guidelines from ESMA (European Securities and Markets Authority) regarding APMs (Alternative Performance Measures). In brief, these are measures of historical or ongoing operating results and financial performance that are not specified or defined in IFRS. The presentation of non-IFRS financial measures is limited as an analytical tool and should not be used as a substitute for key ratios pursuant to IFRS. Sweco believes that the APMs will enhance investors' evaluation of our ongoing operating results, aid in forecasting future periods and facilitate meaningful comparison of results between periods. The non-IFRS financial measures presented in this report may differ from similarly titled measures used by other companies. A complete list of all Sweco's definitions can be found on our website: <https://www.swecogroup.com/investor-relations/financial-information/definitions/>

Sweco's main key financial metrics, defined as Alternative Performance Measures (APMs) in accordance with IFRS, are EBITA and Net debt/EBITDA.

*EBITA* is the Group's key metric for operational performance at Group and Business Area level. Sweco's EBITA measure is defined as Earnings Before Interest, Taxes and Acquisition-related items. All leases are treated as operating leases and the total cost of the lease affects EBITA. Operating lease treatment follows IAS 17 (the standard for leases applicable through 31 December 2018).

*Net debt/EBITDA* is Sweco's key metric for financial strength. The definition remains essentially in line with the covenants defined in Sweco's bank financing agreements. Net debt is defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. As with the calculation of EBITA, when calculating EBITDA all leases are assumed to comprise operating leases pursuant to IAS 17.

Items affecting comparability (IAC): To assist in understanding its operations, Sweco believes that it is useful to consider certain measures and ratios exclusive of items affecting comparability. Items affecting comparability include items that are non-recurring, have a significant impact and are considered to be important for understanding the operating performance when comparing results between periods. Items affecting comparability relate to restructuring and integration costs, costs related to acquisitions and divestments, project write-downs and other one-off items when amounts are significant. The items affecting comparability are disclosed in this report. All measures and ratios in this report have been disclosed including items affecting comparability first and then excluding items affecting comparability as a second measure when deemed appropriate.

The reconciliation of Sweco's key financial metrics, described above, and IFRS measures are presented on pages 20 and 27. The organic growth calculation is presented on page 26.

## The Sweco share

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 99.85 at the end of the period, representing an increase of 7 per cent during the quarter. Nasdaq Stockholm OMXSPI increased 11 per cent over the same period.

The total number of shares at the end of the period was 363,251,457: 31,086,598 Class A shares and 332,164,859 Class B shares. The total number of shares outstanding was 358,619,404: 31,086,598 Class A shares and 327,532,806 Class B shares.

## Board proposals to the AGM

**Dividend:** The Board of Directors proposes the dividend be increased to SEK 2.70 per share (2.45), with the total dividend limited to not more than SEK 981 million (876).

**Share savings scheme 2023:** The Board of Directors proposes that the 2023 AGM resolves to implement a long-term share savings scheme for up to 100 senior executives and other key employees within the Sweco Group. The proposed terms and conditions essentially correspond to those applicable in last year's proposal.

**Share bonus scheme 2023:** The Board of Directors also proposes that the 2023 AGM resolves to implement a share-based incentive scheme for employees in Sweden. The proposal principally corresponds to the terms in last year's proposal.

## Risks and uncertainties

Significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks associated with the general economic trend and investment level in various markets, the capacity to attract and retain skilled personnel, the effects of political decisions as well as risks and uncertainties related to the war in Ukraine and the Covid-19 pandemic. The Group is also exposed to various types of financial risk, such as foreign currency, interest rate and credit risk. The risks to which Sweco is exposed are detailed in Sweco's 2021 Annual Report (page 130–131, Risks and Risk Management).

## Calendar effects

### Year 2022

The number of normal working hours in 2022, based on the 12-month sales-weighted business mix as of September 2021, is broken down as follows:

	2022	2021	
Quarter 1:	497	487	10
Quarter 2:	468	473	-5
Quarter 3:	516	517	-1
Quarter 4:	490	496	-6
<b>Total:</b>	<b>1,971</b>	<b>1,973</b>	<b>-2</b>

### Year 2023

The number of normal working hours in 2023, based on the 12-month sales-weighted business mix as of September 2022, is broken down as follows:

	2023	2022	
Quarter 1:	504	497	8
Quarter 2:	462	468	-6
Quarter 3:	508	516	-7
Quarter 4:	487	490	-2
<b>Total:</b>	<b>1,962</b>	<b>1,971</b>	<b>-8</b>

## Acquisition-related amortisation

Acquisition-related intangible assets and expensed costs for future services will be amortised pursuant to the following schedule, based on acquisitions to date:

2022 Actual	SEK -112 million
2023 Estimate	SEK -77 million
2024 Estimate	SEK -39 million
2025 Estimate	SEK -19 million

## Annual general meeting

The 2023 annual general meeting will be held on Thursday, 20 April 2023 at 3:00 PM in Stockholm. Sweco's 2022 Annual Report will be available for shareholder perusal at Sweco's headquarters, Gjörwellsgatan 22, Stockholm, and on the company's website, [www.swecogroup.com](http://www.swecogroup.com), approximately three weeks prior to the AGM.

## Forthcoming financial information

Interim report January–March	12 May 2023
Interim report January–June	18 July 2023
Interim report January–September	27 October 2023
Year-end report 2023	9 February 2024

Stockholm, 9 February 2023

Åsa Bergman

President and CEO, Member of the Board of Directors

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This report has not been subject to an audit or review.

## KPIs

KPIs <sup>1</sup>	Oct–Dec 2022	Oct–Dec 2021	Full-year 2022	Full-year 2021
<b>Profitability</b>				
EBITA margin excl. IAC, %	10.5	9.9	9.2	9.5
EBITA margin, %	10.5	9.9	9.2	9.2
Operating margin (EBIT), %	10.3	9.8	9.2	9.1
<b>Revenue growth<sup>2</sup></b>				
Organic growth, %	7	11	6	3
Acquisition-related growth, %	2	3	2	3
Currency, %	5	1	3	-1
Total growth, %	14	15	11	4
Organic growth adj. for calendar, %	8	11	6	3
Organic growth adj. for calendar & IAC, %	8	5	6	2
<b>Debt</b>				
Net debt, SEK M			1,075	913
Interest-bearing debt, SEK M			1,926	1,808
<b>Financial strength</b>				
Net debt/Equity, %			10.8	10.6
Net debt/EBITDA, x			0.4	0.4
Equity/Assets ratio, %			45.4	43.8
Available cash and cash equivalents, SEK M			4,869	4,166
– of which unutilised credit, SEK M			4,018	3,271
<b>Return</b>				
Return on equity, %			17.8	18.5
Return on capital employed, %			16.5	15.0
<b>Share data</b>				
Earnings per share, SEK	1.40	1.27	4.61	4.18
Diluted earnings per share, SEK	1.39	1.27	4.60	4.17
Equity per share, SEK <sup>3</sup>			27.71	24.04
Diluted equity per share, SEK <sup>3</sup>			27.60	23.89
Number of shares outstanding at reporting date			358,619,404	357,485,070
Number of repurchased Class B shares			4,632,053	5,766,387

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

2) See page 26 for details on Sweco's calculation of revenue growth.

3) Refers to portion attributable to Parent Company shareholders.

Reconciliation of EBIT and the APMs EBITA and EBITDA, SEK M	Oct–Dec 2022	Oct–Dec 2021	Full-year 2022	Full-year 2021
<b>Operating profit (EBIT)</b>	<b>693</b>	<b>582</b>	<b>2,245</b>	<b>1,974</b>
Acquisition-related items	32	20	43	104
Lease expenses <sup>1</sup>	-211	-204	-829	-797
Depreciation and impairments, right-of-use assets	195	188	767	733
<b>EBITA<sup>2</sup></b>	<b>709</b>	<b>585</b>	<b>2,225</b>	<b>2,014</b>
Amortisation/depreciation and impairment, tangible and intangible fixed assets	68	75	256	280
<b>EBITDA<sup>3</sup></b>	<b>777</b>	<b>661</b>	<b>2,481</b>	<b>2,294</b>

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

2) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

3) EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA.

Reconciliation of the APMs EBITA and EBITA excl. IAC, SEK M	Oct–Dec 2022	Oct–Dec 2021	Full-year 2022	Full-year 2021
<b>EBITA</b>	<b>709</b>	<b>585</b>	<b>2,225</b>	<b>2,014</b>
Items affecting comparability (IAC) <sup>1</sup>	–	–	–	56
<b>EBITA excl. IAC</b>	<b>709</b>	<b>585</b>	<b>2,225</b>	<b>2,070</b>

1) Items affecting comparability encompass the provisions related to the execution of the turn-around plan in Germany of SEK 56 million in Q3 2021 and are reported in Business Area Germany & Central Europe.

## Consolidated income statement

SEK M	Oct–Dec 2022	Oct–Dec 2021	Full-year 2022	Full-year 2021
Net sales	6,732	5,920	24,296	21,792
Other income	27	2	31	11
Other external expenses	-1,378	-1,257	-4,930	-4,234
Personnel expenses	-4,393	-3,801	-16,087	-14,477
Amortisation/depreciation and impairment, tangible and intangible fixed assets <sup>1</sup>	-68	-75	-256	-280
Depreciation and impairment, right-of-use assets	-195	-188	-767	-733
Acquisition-related items <sup>2</sup>	-32	-20	-43	-104
<b>Operating profit (EBIT)</b>	<b>693</b>	<b>582</b>	<b>2,245</b>	<b>1,974</b>
Net financial items <sup>3</sup>	-18	-10	-51	-36
Interest cost of leasing <sup>4</sup>	-12	-11	-44	-46
Other financial items <sup>5</sup>	3	2	7	5
<b>Total net financial items</b>	<b>-27</b>	<b>-18</b>	<b>-89</b>	<b>-77</b>
<b>Profit before tax</b>	<b>666</b>	<b>564</b>	<b>2,156</b>	<b>1,897</b>
Income tax	-164	-110	-505	-405
<b>PROFIT FOR THE PERIOD</b>	<b>502</b>	<b>454</b>	<b>1,652</b>	<b>1,492</b>
<b>Attributable to:</b>				
Parent Company shareholders	501	454	1,651	1,492
Non-controlling interests	1	0	1	0
Earnings per share attributable to Parent Company shareholders, SEK	1.40	1.27	4.61	4.18
Average number of shares outstanding	358,619,404	357,485,070	358,269,726	356,757,820
Dividend per share, SEK			2.70	2.45

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

2) Acquisition-related items consist of amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of purchase price, profit and losses on the divestment of companies, operations, land and buildings, as well as costs for received future service. See page 24 for additional details.

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

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

5) Other financial items: Result and distributions from participation in associated companies and other securities, result from sale of participations in associated companies and other securities, foreign exchange gains and losses on financial assets and liabilities, and other interest income and interest expenses.

## Consolidated statement of comprehensive income

SEK M	Oct–Dec 2022	Oct–Dec 2021	Full-year 2022	Full-year 2021
Profit for the period	502	454	1,652	1,492
<b>Items that will not be reversed in the income statement</b>				
Revaluation of defined benefit pensions, net after tax <sup>1,2</sup>	39	4	39	4
<b>Items that may subsequently be reversed in the income statement</b>				
Translation differences, net after tax	191	89	447	180
<b>COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>733</b>	<b>547</b>	<b>2,138</b>	<b>1,676</b>

**Attributable to:**

Parent Company shareholders	731	547	2,136	1,676
Non-controlling interests	1	0	2	0

1) Tax on revaluation of defined benefit pensions

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

## Consolidated cash flow statement

SEK M	Oct-Dec 2022	Oct-Dec 2021	Full-year 2022	Full-year 2021
Profit before tax	666	564	2,156	1,897
Amortisation/depreciation and impairment	287	291	1,116	1,114
Other non-cash items	54	79	111	254
<b>Cash flow from operating activities before changes in working capital, tax paid, interest paid and received</b>	<b>1,008</b>	<b>933</b>	<b>3,384</b>	<b>3,265</b>
Interest cost leasing	-12	-11	-44	-46
Net interest paid	-12	-4	-25	-16
Tax paid	89	-32	-389	-432
Changes in working capital	600	589	-412	-573
<b>Cash flow from operating activities</b>	<b>1,674</b>	<b>1,475</b>	<b>2,515</b>	<b>2,199</b>
Acquisition and divestment of subsidiaries and operations	-208	-	-610	-347
Purchase and disposal of intangible and tangible assets	-106	-69	-302	-229
Other investing activities	3	0	5	-2
<b>Cash flow from investing activities</b>	<b>-311</b>	<b>-69</b>	<b>-907</b>	<b>-578</b>
Borrowings and repayment of borrowings	-814	-724	-22	-1,316
Principal elements of lease payments	-198	-188	-790	-743
Dividends paid	-	-	-876	-782
<b>Cash flow from financing activities</b>	<b>-1,013</b>	<b>-912</b>	<b>-1,688</b>	<b>-2,841</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>350</b>	<b>494</b>	<b>-80</b>	<b>-1,220</b>

## Consolidated balance sheet

SEK M	31 Dec 2022	31 Dec 2021
Goodwill	9,198	8,143
Other intangible assets	273	284
Property, plant and equipment	589	510
Right-of-use assets	2,438	2,508
Financial assets	319	347
Current assets excl. cash and cash equivalents	8,249	6,969
Cash and cash equivalents incl. short-term investments	850	896
<b>TOTAL ASSETS</b>	<b>21,916</b>	<b>19,657</b>
Equity attributable to Parent Company shareholders	9,939	8,594
Non-controlling interests	4	10
<b>Total equity</b>	<b>9,943</b>	<b>8,604</b>
Non-current lease liabilities	1,740	1,884
Non-current interest-bearing debt	1,410	1,805
Other non-current liabilities	779	873
Current lease liabilities	773	727
Current interest-bearing debt	516	4
Other current liabilities	6,756	5,759
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,916</b>	<b>19,657</b>
Contingent liabilities	1,211	928

## Consolidated statement of changes in equity

SEK M	Jan–Dec 2022			Jan–Dec 2021		
	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity, opening balance	8,594	10	8,604	7,548	10	7,557
Comprehensive income for the period	2,136	2	2,138	1,676	0	1,676
Share bonus scheme	78	–	78	146	–	146
Share savings schemes	6	–	6	6	–	6
Divestment of non-controlling interests	–	-3	-3	–	–	–
Transfer to shareholders	-876	-4	-880	-782	0	-782
<b>EQUITY, CLOSING BALANCE</b>	<b>9,939</b>	<b>4</b>	<b>9,943</b>	<b>8,594</b>	<b>10</b>	<b>8,604</b>

## Acquisitions

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

Company	Included from	Business area	Acquired share, %	Annual net sales in SEK M <sup>1</sup>	Number of employees (individuals)
Swedish Net Engineering AB	February	Sweden	100	31	28
Stema Group	May	Norway	100	186	86
Arcasa Group	June	Norway	100	130	69
RK-TEC SRL <sup>2</sup>	June	Belgium	100	68	39
Dayspring Group	September	Sweden	100	44	40
Via Trafikrådgivning A/S	November	Denmark	100	75	60
JHK Architecten B.V.	December	Netherlands	100	25	21
Other <sup>3</sup>				62	44
<b>TOTAL</b>				<b>621</b>	<b>387</b>

1) Estimated annual net sales.

2) RK-TEC in addition has 21 self-employed persons, which translates into a total of 60 experts.

3) Acquisition of Vitech (Belgium), AB Soil Remediation Experts BV (Belgium), Venac (Belgium), V2S Stabiliteit bv (Belgium) and Futureproofed bv (Belgium).

During the period, the acquired companies contributed SEK 293 million in net sales, SEK 20 million in EBITA and SEK 12 million in operating profit (EBIT). If the companies had been owned as of 1 January 2022, they would have contributed approximately SEK 599 million in net sales, about SEK 27 million in EBITA and about SEK 13 million in operating profit (EBIT). The transaction costs for the acquisitions during this period and the previous period totalled SEK 12 million.

The purchase considerations of the acquisitions carried out in the period totalled SEK 739 million and had a negative impact on cash and cash equivalents of SEK 675 million. The acquisition analyses during the period are preliminary. The acquisitions impacted the consolidated balance sheet as detailed in the table below.

### Acquisitions, SEK M

Intangible assets	671
Property, plant and equipment	16
Right-of-use assets	22
Financial assets	3
Current assets	213
Non-current lease liabilities	-13
Non-current other liabilities	-7
Deferred tax	-14
Current lease liabilities	-8
Other current liabilities	-144
<b>Total purchase consideration</b>	<b>739</b>
Purchase price outstanding	-2
Payment of deferred purchase price	9
Cash and cash equivalents in acquired companies	-71
<b>DECREASE IN GROUP CASH AND CASH EQUIVALENTS</b>	<b>675</b>

## Divestments

In May, Sweco divested a non-core operation in the Netherlands with 16 employees and annual net sales of SEK 40 million. On 27 October 2022, Sweco divested its subsidiary in Bulgaria with 49 employees and annual net sales of SEK 21 million. The divestments contributed SEK 30 million in net sales and SEK 4 million in operating profit during the year. The divestments had a positive impact on profit of SEK 53 million, excluding reclassification of realised positive translation differences of SEK 3 million and on the Group's cash and cash equivalents of SEK 65 million. The divestment impacted the consolidated balance sheet as detailed in the table below.

Divestments, SEK M	
Intangible assets	8
Property, plant and equipment	0
Right-of-use assets	2
Financial assets	0
Current assets	24
Non-current lease liabilities	-2
Non-current other liabilities	-1
Current lease liabilities	-1
Other current liabilities	-10
Non-controlling interests	-3
Capital gain/loss recognised on divestiture <sup>1</sup>	53
<b>Total purchase consideration</b>	<b>72</b>
Cash and cash equivalents in acquired companies	-6
<b>INCREASE IN GROUP CASH AND CASH EQUIVALENTS</b>	<b>65</b>

1) Excluding reversal of realised translation difference in divested companies to profit for the period.

## Acquisition-related items

SEK M	Oct-Dec 2022	Oct-Dec 2021	Full-year 2022	Full-year 2021
Amortisation of acquisition-related intangible assets	-24	-28	-94	-100
Revaluation of additional purchase price	-	18	11	16
Profit/loss on divestment of companies and operations <sup>1</sup>	-8	1	58	24
Cost for received future service	-	-11	-17	-45
<b>ACQUISITION-RELATED ITEMS</b>	<b>-32</b>	<b>-20</b>	<b>-43</b>	<b>-104</b>

1) Last year during third quarter a provision for exposure in a previous divestment on SEK 5 million was released and the divestment of the Geolab business in Sweden resulted in a profit of SEK 17 million.

## Fair value of financial instruments

The Group's financial instruments consist of shares, trade receivables, other receivables, cash and cash equivalents, trade payables, forward exchange contracts, interest bearing liabilities, other liabilities, and contingent considerations. Descriptions of each category and valuation techniques for the different levels are shown below and in the 2021 Annual Report, Note 33 Financial instrument per category. No transfers between any of the levels took place during the period.

Forward exchange contracts are measured at fair value based on Level 2 inputs. As per 31 December 2022, forward contracts with a positive market value amounted to SEK 0 million compared with SEK 0 million as per 31 December 2021 and forward contracts with a negative market value amounted to SEK 3 million compared with SEK 0 million as per 31 December 2021. Unlisted financial assets and contingent considerations are measured at fair value based on Level 3 inputs. The fair value of unlisted financial assets amounted to SEK 11 million as per 31 December 2022 compared with SEK 10 million as per 31 December 2021, and financial liabilities for contingent considerations amounted to SEK 0 million compared with SEK 15 million as per 31 December 2021. Other financial assets and liabilities are measured at accrued amortised cost. Accrued amortised cost is considered a good approximation of fair value since the fixed interest period for all loans is less than one year.



## Quarterly review per business area

	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2020 Q4
<b>Net sales, SEK M</b>									
Sweco Sweden	2,201	1,549	2,067	1,968	2,035	1,446	2,012	1,905	1,992
Sweco Norway	933	712	778	822	719	533	696	675	620
Sweco Finland	930	680	812	788	802	646	776	723	729
Sweco Denmark	642	517	527	531	512	436	476	480	500
Sweco Netherlands	627	528	552	567	554	448	495	528	515
Sweco Belgium	577	549	587	597	504	450	474	478	414
Sweco UK	355	365	347	344	295	302	289	313	280
Sweco Germany & Central Europe	553	532	505	509	568	477	487	483	175
Group-wide, Eliminations, etc. <sup>1</sup>	-87	-59	-59	-50	-70	-48	-62	-47	-83
<b>TOTAL NET SALES</b>	<b>6,732</b>	<b>5,372</b>	<b>6,116</b>	<b>6,077</b>	<b>5,920</b>	<b>4,691</b>	<b>5,643</b>	<b>5,538</b>	<b>5,142</b>
Items affecting comparability (IAC) <sup>2</sup>	-	-	-	-	-	16	-	-	290
<b>TOTAL NET SALES excl. IAC</b>	<b>6,732</b>	<b>5,372</b>	<b>6,116</b>	<b>6,077</b>	<b>5,920</b>	<b>4,707</b>	<b>5,643</b>	<b>5,538</b>	<b>5,432</b>
<b>EBITA, SEK M<sup>3</sup></b>									
Sweco Sweden	318	97	245	255	269	132	272	247	282
Sweco Norway	77	33	38	116	58	24	65	53	44
Sweco Finland	109	46	67	75	89	84	72	76	85
Sweco Denmark	101	68	33	61	55	50	37	41	50
Sweco Netherlands	60	40	34	49	54	34	40	73	42
Sweco Belgium	61	65	68	78	50	57	59	65	46
Sweco UK	11	33	12	15	7	28	4	16	6
Sweco Germany & Central Europe	21	12	14	17	30	-48	-9	-3	-317
Group-wide, Eliminations, etc. <sup>1</sup>	-48	-12	-25	-17	-26	-1	-12	-27	-13
<b>EBITA</b>	<b>709</b>	<b>382</b>	<b>486</b>	<b>648</b>	<b>585</b>	<b>359</b>	<b>529</b>	<b>540</b>	<b>224</b>
Items affecting comparability (IAC) <sup>2</sup>	-	-	-	-	-	56	-	-	290
<b>EBITA excl. IAC</b>	<b>709</b>	<b>382</b>	<b>486</b>	<b>648</b>	<b>585</b>	<b>415</b>	<b>529</b>	<b>540</b>	<b>514</b>
<b>EBITA margin, %<sup>3</sup></b>									
Sweco Sweden	14.4	6.3	11.9	12.9	13.2	9.1	13.5	13.0	14.2
Sweco Norway	8.3	4.6	4.8	14.1	8.1	4.6	9.4	7.8	7.1
Sweco Finland	11.7	6.7	8.3	9.5	11.1	13.0	9.2	10.5	11.7
Sweco Denmark	15.7	13.2	6.3	11.4	10.7	11.4	7.7	8.6	9.9
Sweco Netherlands	9.6	7.5	6.1	8.7	9.8	7.5	8.1	13.8	8.1
Sweco Belgium	10.6	11.9	11.5	13.0	9.8	12.6	12.5	13.5	11.0
Sweco UK	3.1	9.0	3.5	4.3	2.3	9.3	1.5	5.1	2.2
Sweco Germany & Central Europe	3.7	2.3	2.8	3.4	5.3	-10.1	-1.8	-0.5	-180.8
<b>EBITA margin</b>	<b>10.5</b>	<b>7.1</b>	<b>7.9</b>	<b>10.7</b>	<b>9.9</b>	<b>7.6</b>	<b>9.4</b>	<b>9.8</b>	<b>4.4</b>
Items affecting comparability (IAC) <sup>2</sup>	-	-	-	-	-	1.2	-	-	5.1
<b>EBITA margin excl. IAC</b>	<b>10.5</b>	<b>7.1</b>	<b>7.9</b>	<b>10.7</b>	<b>9.9</b>	<b>8.8</b>	<b>9.4</b>	<b>9.8</b>	<b>9.5</b>
Billing ratio, %	74.4	73.0	74.3	73.6	74.1	73.7	75.0	73.6	74.1
Number of normal working hours	490	516	468	497	496	517	473	487	491
Number of full-time employees	19,265	18,464	18,626	18,263	18,058	17,627	17,904	17,628	17,470

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

2) Items affecting comparability encompass the provisions related to the execution of the turn-around plan in Germany of SEK 56 million in Q3 2021 and the write-down of working capital of SEK 290 million in the German operations in Q4 2020. Both are reported in Business Area Germany & Central Europe.

3) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

## Period review per business area

January–December Business Area <sup>1</sup>	Net sales, SEK M		EBITA, SEK M <sup>2</sup>		EBITA margin, % <sup>2</sup>		Number of full-time employees	
	2022	2021	2022	2021	2022	2021	2022	2021
Sweco Sweden	7,785	7,398	915	920	11.8	12.4	5,978	5,796
Sweco Norway	3,245	2,622	263	201	8.1	7.7	1,918	1,749
Sweco Finland	3,210	2,947	297	320	9.2	10.9	2,851	2,746
Sweco Denmark	2,218	1,905	263	182	11.9	9.6	1,396	1,285
Sweco Netherlands	2,274	2,024	183	201	8.0	9.9	1,414	1,376
Sweco Belgium	2,310	1,907	272	230	11.8	12.1	1,534	1,276
Sweco UK	1,411	1,199	71	55	5.0	4.6	1,181	1,182
Sweco Germany & Central Europe	2,099	2,015	65	-29	3.1	-1.4	2,321	2,342
Group-wide, Eliminations, etc. <sup>3</sup>	-255	-227	-102	-67	-	-	59	50
<b>TOTAL GROUP</b>	<b>24,296</b>	<b>21,792</b>	<b>2,225</b>	<b>2,014</b>	<b>9.2</b>	<b>9.2</b>	<b>18,651</b>	<b>17,802</b>

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

2) EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA.

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

## Net sales growth

The table below shows the calculation of organic growth excluding calendar effects and items affecting comparability – i.e., net sales growth adjusted for the impact of acquisitions and divestments as well as the effect of foreign currency fluctuations, calendar effects and items affecting comparability.

	Oct–Dec 2022	Oct–Dec 2021	Growth, % Oct–Dec 2022	Jan–Dec 2022	Jan–Dec 2021	Growth, % Jan–Dec 2022
Reported net sales	6,732	5,920	14	24,296	21,792	11
Adjustment for currency effects		268	5		722	3
<b>Net sales, currency-adjusted</b>	<b>6,732</b>	<b>6,188</b>	<b>9</b>	<b>24,296</b>	<b>22,514</b>	<b>8</b>
Adjustment for acquisitions/divestments	-141	-17	2	-490	-39	2
<b>Comparable net sales, currency-adjusted</b>	<b>6,590</b>	<b>6,171</b>	<b>7</b>	<b>23,807</b>	<b>22,476</b>	<b>6</b>
Adjustment of calendar effect	54		-1	6		0
<b>Comparable net sales, adjusted for currency and calendar effects</b>	<b>6,645</b>	<b>6,171</b>	<b>8</b>	<b>23,812</b>	<b>22,476</b>	<b>6</b>
Adjustment of items affecting comparability					16	0
<b>Comparable net sales, adjusted for currency, calendar effects and items affecting comparability</b>	<b>6,645</b>	<b>6,171</b>	<b>8</b>	<b>23,812</b>	<b>22,492</b>	<b>6</b>

	Oct–Dec 2021	Oct–Dec 2020	Growth, % Oct–Dec 2021	Jan–Dec 2021	Jan–Dec 2020	Growth, % Jan–Dec 2021
Reported net sales	5,920	5,142	15	21,792	20,858	4
Adjustment for currency effects		27	1		-276	-1
<b>Net sales, currency-adjusted</b>	<b>5,920</b>	<b>5,170</b>	<b>15</b>	<b>21,792</b>	<b>20,582</b>	<b>6</b>
Adjustment for acquisitions/divestments	-169	-4	3	-584	-7	3
<b>Comparable net sales, currency-adjusted</b>	<b>5,751</b>	<b>5,165</b>	<b>11</b>	<b>21,208</b>	<b>20,575</b>	<b>3</b>
Adjustment of calendar effect	-44		1	-5		0
<b>Comparable net sales, adjusted for currency and calendar effects</b>	<b>5,707</b>	<b>5,165</b>	<b>11</b>	<b>21,202</b>	<b>20,575</b>	<b>3</b>
Adjustment of items affecting comparability		290	6	16	290	1
<b>Comparable net sales, adjusted for currency, calendar effects and items affecting comparability</b>	<b>5,707</b>	<b>5,455</b>	<b>5</b>	<b>21,218</b>	<b>20,865</b>	<b>2</b>

## Net debt

SEK M	31 Dec 2022	31 Dec 2021
Non-current interest-bearing debt	1,410	1,805
Current interest-bearing debt	516	4
Cash and cash equivalents incl. short-term investments	-850	-896
<b>NET DEBT<sup>1</sup></b>	<b>1,075</b>	<b>913</b>

1) Net debt is an alternative performance measure (APM) defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt.

## Parent Company income statement

SEK M	Full-year 2022	Full-year 2021
Net sales	1,061	946
Operating expenses	-1,145	-1,018
<b>Operating loss</b>	<b>-84</b>	<b>-72</b>
Net financial items	1,135	889
<b>Profit/loss after net financial items</b>	<b>1,051</b>	<b>817</b>
Appropriations	-189	-110
<b>Profit/loss before tax</b>	<b>862</b>	<b>707</b>
Tax	-115	-68
<b>PROFIT/LOSS AFTER TAX</b>	<b>748</b>	<b>639</b>

## Parent Company balance sheet

SEK M	31 Dec 2022	31 Dec 2021
Intangible assets	15	19
Property, plant and equipment	59	70
Financial assets	6,578	6,547
Current assets	3,236	1,998
<b>TOTAL ASSETS</b>	<b>9,889</b>	<b>8,634</b>
Equity	4,639	4,683
Untaxed reserves	954	764
Non-current liabilities	1,204	1,694
Current liabilities	3,092	1,493
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>9,889</b>	<b>8,634</b>