

27 October 2023

Strong growth and EBITA improvement

July–September 2023

- Net sales increased to SEK 6,417 million (5,372)
- EBITA increased to SEK 465 million (382), margin 7.2 per cent (7.1)
- EBITA increased 41 per cent year-on-year after adjustment for calendar effects
- EBIT increased to SEK 428 million (387), margin 6.7 per cent (7.2)
- Profit after tax amounted to SEK 267 million (278), corresponding to SEK 0.75 per share (0.78)

January–September 2023

- Net sales increased to SEK 20,806 million (17,565)
- EBITA increased to SEK 1,877 million (1,516), margin 9.0 per cent (8.6)
- EBITA increased 28 per cent year-on-year after adjustment for calendar effects
- EBIT increased to SEK 1,798 million (1,552), margin 8.6 per cent (8.8)
- Net debt/EBITDA amounted to 1.5 x (0.9)
- Net debt amounted to SEK 4,200 million (2,206)
- Profit after tax increased to SEK 1,250 million (1,150), corresponding to SEK 3.48 per share (3.21)

Sweco plans and designs the sustainable communities and cities of the future. Together with our clients and the collective knowledge of our 21,000 architects, engineers and other specialists, we co-create solutions to address urbanisation, capture the power of digitalisation and make our societies more sustainable. Sweco is Europe's leading engineering and architecture consultancy, with sales of approximately SEK 28 billion (EUR 2.4 billion). The company is listed on Nasdaq Stockholm. This information is information that Sweco is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons, at around 07:20 CEST on 27 October 2023.

CEO comment

Strong growth and result in the quarter

The third quarter marked a significant improvement compared to last year, with net sales growth of 19 per cent and an EBITA improvement of 41 per cent, adjusted for calendar effects.

The positive development was the result of fee increases and continued recruitment, as well as the measures initiated in the third quarter of last year to manage costs and adapt to the current mixed market environment.

The green transition in society remains a core driver in all our markets. We kept strengthening our order book, despite the fact that the demand in some segments was negatively impacted by the macro-economic situation. During the quarter, we also continued to execute on our growth strategy by signing three new acquisitions.

Continued improvements across most business areas

Net sales increased to SEK 6,417 million (5,372), with a calendar-adjusted organic growth rate of 9 per cent. EBITA increased to SEK 465 million (382), an increase of SEK 158 million or 41 per cent, adjusted for calendar effects. The positive result was primarily driven by higher average fees and a higher number of employees.

Seven out of eight business areas reported positive organic growth in the quarter, with six business areas also reporting higher EBITA levels, adjusted for calendar effects. Sweco Belgium and Denmark reported yet another quarter with strong growth and margins. The Netherlands reported a quarter with good growth and solid margin. Germany delivered a good quarter, a sign that it is continuing to develop in the right direction. Sweden reported strong organic growth, improved EBITA and a margin in line with last year, despite the negative calendar effects. Finland and Norway both delivered solid organic growth, with EBITA improvement in Finland and a slight decline in Norway, adjusted for calendar effects.

The market situation remains challenging in parts of the UK market and we noted negative growth and a negative EBITA in the quarter. The loss was partly driven by redundancy costs for actions taken to bring the UK business back on track.

Acquisitions and projects

In the third quarter, we acquired OJ Rådgivende Ingeniører, one of Denmark's leading engineering firms in the building

market with a turnover of SEK 400 million. The company has both public and private clients in healthcare, social housing, industry, offices, education and residential. With this acquisition, Sweco will almost double the size of the building business in Denmark and strengthen its geographical footprint as well as its position as a top engineering and architecture firm in the country.

In Sweden, we strengthened our position in a strategic niche through the acquisition of Medins Havs och Vattenkonsulter. The firm has a turnover of SEK 37 million and 35 experts specialised in surveys of watercourses, lakes and seas. Expertise regarding aquatic environments is vital in the green transition and Sweco is noting increasing demand across Europe from clients in both the private and public sector. This acquisition will make Sweco the leading aquatic environment consulting firm in Sweden.

The demand in the energy segment remains good across all markets. One key area in the energy transition is the redesign and development of energy grids. In the third quarter, Sweco Sweden was commissioned to support Svenska kraftnät with a review and upgrade of the Swedish electricity transmission system. In Germany, Sweco will support the development of the Rhine-Main-Link, a central grid to supply Germany with climate-neutral energy.

Focus on the green transition

Sweco's role in the green transition in Europe provides a solid foundation for profitable growth. Our strong market position, diversified portfolio and decentralised business model continues to prove its strength in the third quarter. Our focus going forward is to continue taking proactive measures to mitigate challenges in the market, while capturing growth opportunities and improving our efficiency.



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Åsa Bergman
President and CEO

Europe's leading architecture and engineering consultancy

Sweco operates at the centre of the green transition. With the collective knowledge of our more than 21,000 architects, engineers and other experts, we co-create solutions with our clients that transform societies. Our work approach enables us to offer a combination of global expertise together with local presence and understanding, and by this we are adapting to our clients' business and reality.

Key figures

#1 In the European market	8 Business Areas	20,000 Full-time employees
SEK 27.5 bn Net sales R12	SEK 2.6 bn EBITA R12	9.4% EBITA margin R12

Group performance

The third quarter resulted in organic growth of 9 per cent, adjusted for calendar effects, and acquired growth of 6 per cent. EBITA increased approximately 41 per cent or SEK 158 million year-on-year after adjustment for calendar effects.

July–September

Net sales increased 19 per cent to SEK 6,417 million (5,372). Organic growth amounted to approximately 9 per cent, after adjustment for calendar effects, and acquired growth amounted to 6 per cent. Currency effects were 6 per cent in the quarter.

Higher average fees and a higher number of employees were the major drivers for organic growth.

EBITA increased to SEK 465 million (382) and the EBITA margin amounted to 7.2 per cent (7.1).

EBITA increased approximately 41 per cent or SEK 158 million year-on-year after adjustment for calendar effects.

The business areas Germany & Central Europe, Belgium, Sweden,

Denmark, the Netherlands and Finland all achieved increasing EBITA levels, adjusted for calendar effects. The UK and Norway reported lower earnings. Overall for the Group, EBITA was positively affected by higher average fees and a higher number of employees, while higher personnel expenses had a negative impact.

The quarter had seven less working hours compared with the same period last year. This corresponded to a negative year-on-year impact of approximately SEK 76 million on net sales and EBITA.

The billing ratio decreased to 72.5 per cent (73.0). Part of the decline was attributable to acquired entities not yet being fully integrated into Sweco's processes for time reporting and billing ratio follow-up.

Total net financial items reduced to SEK -69 million (-21), primarily due to higher interest rates and increased debt.

Earnings per share decreased to SEK 0.75 (0.78).

January–September

Net sales increased 18 per cent to SEK 20,806 million (17,565). Organic growth amounted to approximately 9 per cent after adjustment for calendar effects. Acquired growth amounted to 5 per cent and currency effects impacted growth with 4 per cent.

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

KPIs	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Net sales, SEK M	6,417	5,372	20,806	17,565	27,538	24,296
Organic growth, %	7	9	9	6		6
Acquisition-related growth, %	6	2	5	2		2
Currency, %	6	3	4	3		3
Total growth, %	19	15	18	11		11
Organic growth adj. for calendar, %	9	9	9	5		6
EBITA, SEK M ¹	465	382	1,877	1,516	2,586	2,225
Margin, %	7.2	7.1	9.0	8.6	9.4	9.2
Profit after tax, SEK M	267	278	1,250	1,150	1,752	1,652
Earnings per share, SEK	0.75	0.78	3.48	3.21	4.88	4.61
Number of full-time employees	20,062	18,464	19,920	18,448	19,756	18,651
Billing ratio, %	72.5	73.0	73.3	73.6	73.6	73.9
Normal working hours	508	516	1,475	1,481	1,965	1,971
Net debt/EBITDA, x ²			1.5	0.9		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 21.

2) Net debt/EBITDA is an alternative performance measure (APM). Net debt is an alternative performance measure (APM) defined as financial debt (comprised almost exclusively of interest-bearing bank debt) less cash and cash equivalents and short-term investments. Lease liabilities are excluded from Net debt. EBITDA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes, Depreciation & amortisation and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITDA. For further information, see pages 18 and 28.

EBITA increased to SEK 1,877 million (1,516). The EBITA margin increased to 9.0 per cent (8.6).

EBITA increased approximately 28 per cent or SEK 425 million year-on-year after adjustment for calendar effects. Belgium, Denmark, Sweden, the Netherlands, Germany & Central Europe, Norway and Finland noted increasing EBITA levels, adjusted for calendar effects. The UK reported lower earnings. Overall for the Group, the EBITA increase was primarily driven by higher average fees, a higher number of employees and the contribution from VK Architects + Engineers and other acquisitions, while higher personnel expenses and higher other operating expenses had a negative impact.

The calendar effect of six less hours had a negative year-on-year impact of approximately SEK 64 million on net sales and EBITA.

The billing ratio decreased to 73.3 per cent (73.6).

Total net financial items reduced to SEK -165 million (-62) primarily due to higher interest rates and increased debt.

Earnings per share increased to SEK 3.48 (3.21).

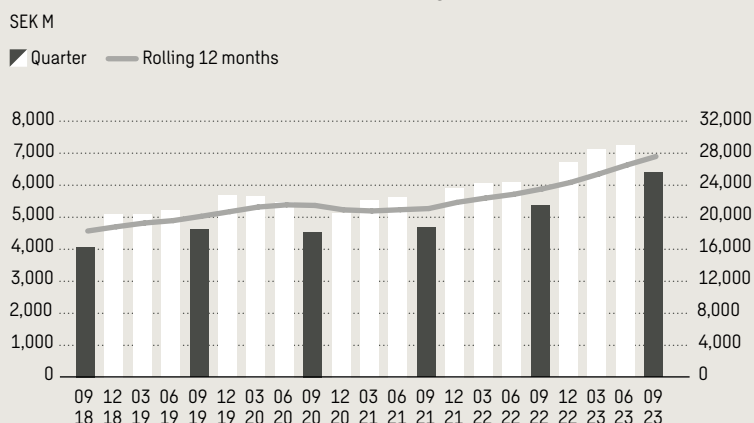
Employees

The number of full-time employees amounted to 19,920 (18,448) in the period.

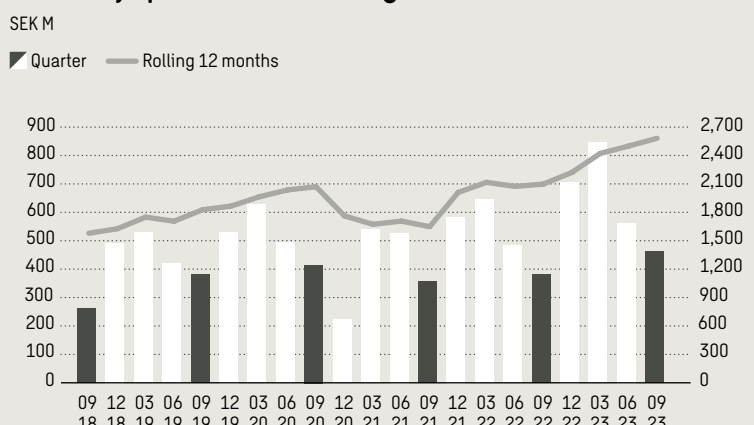
Market

The underlying market for Sweco's services was stable in the third quarter. Essentially all business areas experienced good demand for Sweco's services in the infrastructure, water, environment, energy and industry segments. However, demand for services in parts of the building and the real estate segments continued to weaken, with a negative impact primarily in residential and commercial real estate.

Net sales by quarter and rolling 12 months



EBITA by quarter and rolling 12 months



Outlook

Russia's full-scale invasion of Ukraine and its macroeconomic impact continues to create significant uncertainty regarding future market development. The general economy and Sweco's markets have been impacted by increased inflation, higher interest rates and energy supply risk. While some of Sweco's market segments were negatively impacted, there was a concurrent increase in 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 5 July, Sweco completed the acquisition of fire protection consultancy firm FPC Risk in Belgium. The company has around 30 experts in fire risk and emergency management, and an annual net sales of approximately SEK 44 million. The acquisition was consolidated into Sweco Belgium as of July 2023.

On 5 September, Sweco announced the acquisition of OJ Rådgivende Ingeniører in Denmark. With the acquisition, Sweco will almost double the size of its building business in Denmark and strengthen its position as a top engineering and architecture firm in the country. OJ Rådgivende

Ingenjörer has around 325 experts and annual net sales of approximately SEK 400 million. The acquisition was completed on 2 October and is consolidated into Sweco Denmark as of October.

On 26 September, Sweco completed the acquisition of Medins Havs och Vattenkonsulter AB. The company has around 35 experts and annual net sales of approximately SEK 37 million. The acquisition has been consolidated into Sweco Sweden as of September.

Cash flow and financial position

Group cash flow from operating activities totalled SEK 744 million (841) for the first nine months of the year. Net debt increased to SEK 4,200 million (2,206), primarily as a result of increased outflows for acquisitions and working capital build-up.

The Net debt/EBITDA ratio was 1.5x (0.9).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 3,228 million (3,512) at the end of the quarter.

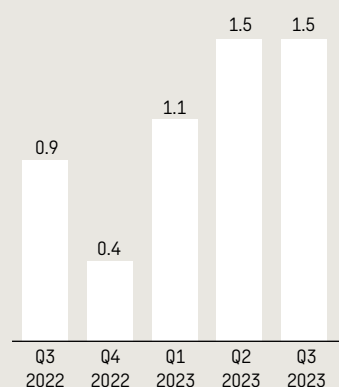
Purchase considerations paid to acquire companies and operations had an impact of SEK -1,407 million (-471) on the Group's cash and cash equivalents. No divestments were made during the period. Last year, divestments of companies and operations had an impact of SEK 69 million on the Group's cash and cash equivalents.

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

Investments, January–September 2023

Investments in equipment totalled SEK 242 million (171) and were primarily attributable to IT investments. Depreciation of equipment amounted

Net debt/EBITDA, x



to SEK 176 million (158) and amortisation of intangible assets totalled SEK 158 million (99).

New projects

Energy and Industry

The Rhine-Main-Link is one of the central grid expansion projects to supply Germany with climate-neutral energy by 2045. The transmission system operator Amprion plans to bundle four direct current underground cable systems in a joint energy corridor to transport offshore wind energy from the North Sea to the Rhine-Main region over a distance of more than 500 kilometres. Amprion has commissioned Sweco to provide project management during the entire planning phase in this landmark project in Germany's energy transition and 15 project management experts from Sweco will be engaged full-time for six years.

Svenska kraftnät, the authority responsible for Sweden's transmission system, has tasked Sweco with completing a comprehensive review and upgrade of the electricity transmission system throughout the country. This entails ensuring the reliability of the 16,000 km of overhead lines that make up the backbone of Sweden's electricity supply. The project involves experts to conduct a prelimi-

nary study, pre-planning and detailed project planning as well as geotechnical surveys. The project extends until 2031 and is valued at just over SEK 50 million.

Sweco has been contracted by Volvo Cars in Belgium to develop technical specifications for replacing three main transformers at Volvo's car facility in Ghent which employs over 7,000 people and produces 192,991 cars (2022). Sweco will provide electrical and civil engineering consultancy services and the purpose is to transition Volvo's manufacturing processes to rely more on electricity from renewable sources as part of the company's initiative to reduce carbon emissions and become a climate neutral company by 2040. The project has started and will continue until 2025. The contract value for Sweco is SEK 3 million.

Sweco has been commissioned by the Danish Transport Authority to conduct an analysis of the availability of electricity and green fuels in 39 commercial ports. The analysis forms a part of the Ministry of Transport's port map, which aims to prioritise national interests in ports, such as defence, supply security, cargo handling, and energy supply. A multidisciplinary Sweco team with expertise in transport, logistics, ports, geotechnics, and energy will carry out a mapping of the energy infrastructure in the ports, in order to provide clarity on the need for green energy investments.

As the largest water company in England and Wales, Anglian Water provides drinking water as well as drainage and sewage services to seven million customers. Working within its @one Water partnership, Sweco will develop a framework for quantifying and analysing the value of sustainable solutions, such as nature-based solutions, in comparison to traditional engineering solutions. Sweco will also identify what

processes, organisational capabilities, partners and suppliers are required to deliver such sustainable solutions and enable Anglian Water to meet future industry regulations.

Sweco is conducting a feasibility study for the consortium Noordzeker's 500-megawatt Power-to-Gas plant. Noordzeker invests in large sustainable energy projects in the North Sea. The new plant will balance the electricity grid in the Netherlands, reduce CO₂ emissions and increase energy system flexibility. Sweco will deliver the concept/feasibility design for the plant as well as technology review, market consultation, cost estimates and risk assessment. The contract value for Sweco is SEK 1 million.

Transport

Sweco is working on design documentation for two out of five tram investments in Lodz, one of the largest cities in Poland. The studies will be used by the client in tenders and to obtain funding. The aim of the project is to modernise the city's tram networks, improve the quality of life of its residents and mitigate the negative impact of transport to the environment. The investment is being conducted by the City Investment Board in Lodz, acting on behalf of the City of Lodz. Sweco is delivering design services from August 2023 until mid-2024 and the contract value for Sweco is nearly SEK 7 million.

Sweco is part of an alliance that has been contracted to provide design services in the expansion of the light rail system in the city of Tampere in Finland. The value of Sweco's part of the project is SEK 38 million. The tram system plays an important role in the city of Tampere's efforts to reduce traffic emissions and thereby become carbon-neutral by 2030. With expertise in technology, architecture and environmental services, Sweco is

well-positioned to advise on efficient transport systems as a key factor in sustainable urban development.

Sweco has been commissioned by the Swedish Transport Administration to strengthen one of Sweden's most important railway hubs, Hallsberg. The assignment is to design a more modern system, thereby reducing vulnerability and the risk of stops affecting train traffic. The assignment also involves preparing for the European Rail Traffic Management System (ERTMS), which will simplify travel and transport across borders. Experts in signalling and track technology, project management, geotechnics and planning are participating. The project runs until 2029. The order value amounts to approximately SEK 30 million.

Buildings

Sweco will be involved in one of the largest dike improvement projects in the Netherlands, covering 21 kilometres between the areas of Cuijk and Ravenstein. The client is the water board Aa and Maas and the objective is to increase resilience against floods. Sweco will work together with the client to develop the project plan together with residents and companies, thus ensuring their involvement in the process as stakeholders. A preliminary design will be made, where Sweco carefully takes into account both technical and environmental aspects.

Sweco has been commissioned by the public company AWV, responsible for motorways and regional roads in the Flanders region in Belgium, to renovate the Beveren tunnel in Antwerp. The renovation will improve the tunnel's road surface, lighting, water treatment and energy efficiency, to prepare the tunnel for future climate and energy challenges. A solar park with 750 panels will provide half of

the tunnel's power. Sweco will oversee the design and execution of the renovation works in this project, spanning from December 2023 to June 2025. The contract value for Sweco's project is SEK 16 million.

The Stavanger municipality in Norway has chosen Sweco to provide consultancy services for all engineering disciplines in a project for creating a new swimming facility. Sweco was selected because of its demonstrated quality and expertise in architectural and design services. The new facility is part of the municipality's long-term plan to offer its citizens access to modern recreational amenities. The contract value for Sweco is SEK 15 million in the early phase. The project is in its pre-project phase until late 2024 and the design and building phase is expected to be initiated in 2025.

Sweco has been contracted in a major urbanisation project in Nijmegen in the Netherlands which will run for the next 10–20 years, involving the transformation of a large industrial estate into around 6,500 new homes and new spaces for combined working, living and recreation. The client is the municipality of Nijmegen and the project will engage Sweco consultants from various areas of expertise. This project will create multifunctional use of space for a green working and living environment, thereby making a significant contribution to the housing construction challenge in the region.

Sweco has been contracted by Volvo Cars in Belgium to develop technical specifications for replacing three main transformers at Volvo's car facility in Ghent.



Photo: Volvo Cars



Photo: Amprion GmbH Frank Peterschmidt

The Rhine-Main-Link is one of the central grid expansion projects to supply Germany with climate-neutral energy by 2045. Amprion has commissioned Sweco to provide project management during the entire planning phase in this landmark project.

Business Area Overview

Sweco operates its business in and through eight geographical business areas: Sweden, Norway, Finland, Denmark, the Netherlands, Belgium, the UK and Germany and Central Europe.



- 1) Part of Business Area Finland
- 2) Part of Business Area Germany and Central Europe
- 3) Part of Business Area Belgium
- 4) Part of Business Area UK

Sweco's markets

Sweco is present in some 15 European markets and holds well-established positions in its business areas. It is primarily in these areas that the company will grow in the future. These markets are economically and politically stable, while also being close to each other geographically and culturally.

Sweco Sweden

With higher average fees and FTE growth as the main drivers, organic growth amounted to 9 per cent and EBITA increased 36 per cent, adjusted for calendar effects. The market was stable during the quarter, with green transition and climate adaptation boosting demand in many segments.

Sales and profit, July–September

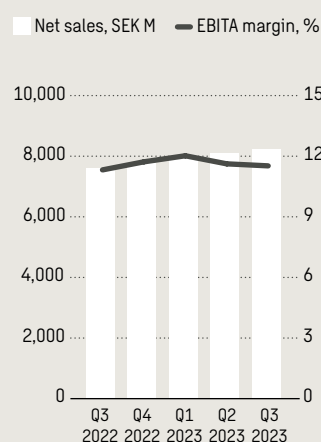
Net sales increased 9 per cent to SEK 1,691 million (1,549). Organic growth was approximately 9 per cent, adjusted for calendar effects, and was mainly driven by a higher number of employees and higher average fees. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 26 million on net sales and EBITA.

EBITA increased approximately 36 per cent, corresponding to SEK 35 million, adjusted for calendar effects. The EBITA increase was mainly driven by higher average fees and a higher number of employees, while higher other operating and personnel expenses as well as a lower billing ratio impacted negatively. The EBITA margin was stable at 6.3 per cent (6.3).

Market

The Swedish market was stable during the quarter, albeit with large variations between the segments. The market for energy investments as well as for water and environmental services was good, partly driven by the green transition and climate adaptation services. Demand for infrastructure services remained stable. The trend in the industry segment remained somewhat uncertain, with the exception of northern Sweden, which continues to be a booming market driven by the green transition. In the real estate market, the weakness in the residential and commercial segments continued. The demand in the public building segment was stable.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	1,691	1,549	6,046	5,584
Organic growth, %	7	6	7	3
Acquisition-related growth, %	2	1	1	1
Currency, %	0	0	0	0
Total growth, %	9	7	8	4
Organic growth adj. for calendar, %	9	6	7	3
EBITA, SEK M	106	97	637	597
EBITA margin, %	6.3	6.3	10.5	10.7
Number of full-time employees	6,274	5,830	6,292	5,893

Sweco Norway

Organic growth amounted to 7 per cent and EBITA decreased 4 per cent, adjusted for calendar effects. Both revenue and earnings were impacted by higher average fees. The market was stable, except for the residential and commercial buildings segments that remained weak.

Sales and profit, July–September

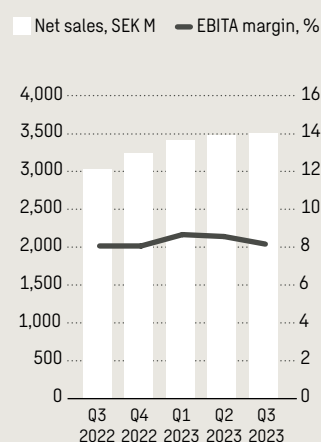
Net sales increased 5 per cent to SEK 745 million (712). Organic growth was approximately 7 per cent, adjusted for calendar effects, and was driven mainly by higher average fees. Acquisitions contributed 2 per cent to growth. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 11 million on net sales and EBITA.

EBITA decreased approximately 4 per cent, corresponding to SEK 1 million, adjusted for calendar effects. Higher average fees could not fully compensate for higher personnel expenses and a lower billing ratio. The EBITA margin decreased to 2.7 per cent (4.6).

Market

The Norwegian market was stable during the quarter, however with variations between the different segments. The demand for services in the industry, energy, environment and water markets was good, partly driven by the shift towards electrification. The demand for infrastructure services was stable and supported by the revised national budget allocating new funds to infrastructure projects. In the real estate market, the weakness in the residential and commercial segments continued, while the public building segment was stable.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	745	712	2,580	2,312
Organic growth, %	5	15	9	10
Acquisition-related growth, %	2	11	6	6
Currency, %	-2	7	-4	6
Total growth, %	5	33	12	21
Organic growth adj. for calendar, %	7	15	10	9
EBITA, SEK M	20	33	211	186
EBITA margin, %	2.7	4.6	8.2	8.0
Number of full-time employees	2,058	1,967	2,063	1,875

Sweco Finland

Organic growth amounted to 9 per cent, adjusted for calendar effects, driven by higher average fees and a higher number of employees, which also impacted earnings positively. The market weakened further, although some segments showed good demand.

Sales and profit, July–September

Net sales increased 19 per cent to SEK 808 million (680). Organic growth amounted to approximately 9 per cent, adjusted for calendar effects, and was impacted positively by higher average fees, higher revenue from subconsultants and a higher number of employees. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 11 million on net sales and EBITA.

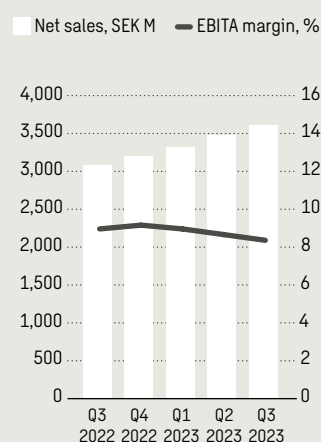
EBITA increased approximately 23 per cent, corresponding to SEK 11 million, adjusted for calendar effects. The EBITA increase was mainly attributable to higher average fees and a higher billing ratio, while higher personnel expenses impacted negatively. The EBITA margin decreased to 5.5 per cent (6.7).

Sweco Finland is in a formal negotiation process for personnel reductions in parts of the business with weaker demand. The maximum number of lay-offs are 65 permanent and 175 temporary. The process is expected to be concluded in November.

Market

Overall, demand in the Finnish market was further dampened during the quarter, but with large differences between segments. The energy market and the market for infrastructure-related services were good. The market for industrial services noted a weakening in its traditional segments, whereas demand in the segments related to the green transition was good. Demand for services within the residential and commercial building segments remained challenging, while the public building segment was stable.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	808	680	2,681	2,280
Organic growth, %	7	1	8	1
Acquisition-related growth, %	1	0	1	2
Currency, %	11	4	9	4
Total growth, %	19	5	18	6
Organic growth adj. for calendar, %	9	1	8	1
EBITA, SEK M	45	46	195	188
EBITA margin, %	5.5	6.7	7.3	8.2
Number of full-time employees	2,913	2,833	2,925	2,857

Sweco Denmark

Organic growth amounted to 11 per cent and EBITA increased 47 per cent, adjusted for calendar effects, both mainly driven by FTE growth and a higher billing ratio. The market was overall good, albeit with continued weakness in the private residential building segment.

Sales and profit, July–September

Net sales increased 23 per cent to SEK 636 million (517). Organic growth amounted to approximately 11 per cent, adjusted for calendar effects, and was impacted positively by a higher number of employees and a higher billing ratio. Acquired growth amounted to 3 per cent. The year-on-year calendar effect of seven less hours had a negative impact of approximately SEK 7 million on net sales and EBITA.

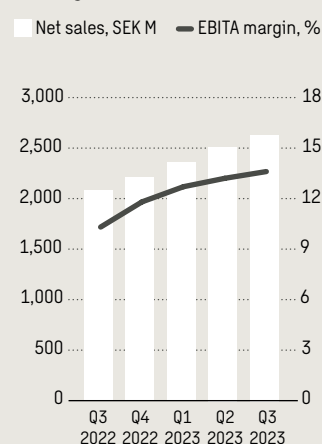
EBITA increased approximately 47 per cent, corresponding to SEK 32 million, adjusted for calendar effects. The EBITA margin increased to 14.7 per cent (13.2). The EBITA increase was mainly driven by a higher billing ratio and a higher number of employees.

Market

The Danish market was overall good during the third quarter. Activity within the public sector increased moderately, while most of the private sector remained stable during the period. The industry market shows increasing demand, mainly driven by large investments in pharma.

The exception in the market is private residential building, which has decreased significantly.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	636	517	1,993	1,576
Organic growth, %	9	14	14	9
Acquisition-related growth, %	3	0	3	0
Currency, %	11	4	9	4
Total growth, %	23	19	27	13
Organic growth adj. for calendar, %	11	14	15	9
EBITA, SEK M	93	68	260	162
EBITA margin, %	14.7	13.2	13.0	10.3
Number of full-time employees	1,507	1,385	1,505	1,370

Sweco Netherlands

Organic growth amounted to 9 per cent and EBITA increased 72 per cent, adjusted for calendar effects. The EBITA increase was mainly driven by a higher billing ratio and contribution from acquisitions. The market was overall stable, still with differences between segments.

Sales and profit, July–September

Net sales increased 30 per cent to SEK 686 million (528). Acquired growth contributed 12 per cent. Organic growth amounted to approximately 9 per cent, adjusted for calendar effects, and was mainly driven by a higher billing ratio and a higher number of employees. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 7 million on net sales and EBITA.

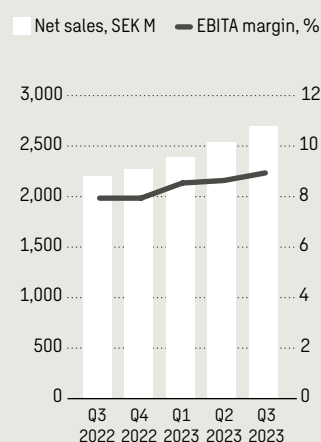
EBITA increased approximately 72 per cent, corresponding to SEK 29 million, adjusted for calendar effects. The EBITA margin increased to 9.0 per cent (7.5). The EBITA increase was mainly attributable to a higher billing ratio and contributions from acquisitions, while higher personnel expenses impacted negatively.

Market

The Dutch market was overall stable in the quarter, albeit with differences between segments. The water and environment markets were stable. The energy market was good due to increased demand from the energy transition.

Demand in the infrastructure and building segments remained subdued caused by 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 remained weak.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	686	528	2,073	1,647
Organic growth, %	7	11	8	5
Acquisition-related growth, %	12	3	9	3
Currency, %	11	4	9	4
Total growth, %	30	18	26	12
Organic growth adj. for calendar, %	9	11	8	5
EBITA, SEK M	61	40	183	123
EBITA margin, %	9.0	7.5	8.8	7.5
Number of full-time employees	1,590	1,381	1,566	1,413

Sweco Belgium

Organic growth amounted to 18 per cent, adjusted for calendar effects. EBITA increased 59 per cent, adjusted for calendar effects, and was driven by higher average fees and contributions from acquisitions. The market was overall stable with continued investments within infrastructure and energy transition.

Sales and profit, July–September

Net sales increased 64 per cent to SEK 900 million (549). Organic growth was approximately 18 per cent, adjusted for calendar effects, and was mainly driven by higher average fees and a higher number of employees. Acquisitions contributed 36 per cent to growth and mainly pertained to the acquisition of VK Architects+Engineers. The year-on-year calendar effect of eight less hours had a negative impact of approximately SEK 7 million on net sales and EBITA.

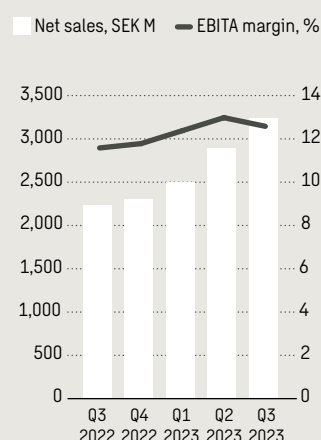
EBITA increased approximately 59 per cent, corresponding to SEK 39 million, adjusted for calendar effects. The EBITA margin decreased to 10.8 per cent (11.9). The EBITA increase was mainly attributable to higher average fees and contributions from acquisitions, while higher personnel and other operating expenses had a negative impact.

Market

The Belgian market was overall stable during the quarter. In the building market, investments in healthcare and industrial buildings continued, while the slowdown in the residential market continued.

Demand in the energy and environment segments was good, driven by the ongoing energy transition. Demand in the chemicals and pharmaceutical industry segments slowed down somewhat, while the infrastructure market remained good.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	900	549	2,668	1,733
Organic growth, %	17	13	17	12
Acquisition-related growth, %	36	5	28	8
Currency, %	11	4	9	4
Total growth, %	64	22	54	24
Organic growth adj. for calendar, %	18	13	17	12
EBITA, SEK M	97	65	348	210
EBITA margin, %	10.8	11.9	13.0	12.1
Number of full-time employees	2,086	1,530	1,932	1,499

Sweco UK

Organic growth amounted to -5 per cent and EBITA decreased significantly, both mainly driven by negative project adjustments and a lower billing ratio. The UK market remained challenging, especially within the infrastructure market and the market for residential and commercial buildings.

Sales and profit, July–September

Net sales increased 9 per cent to SEK 398 million (365). Organic growth was -5 per cent and the decline was mainly driven by negative project adjustments and a lower billing ratio. Currency effects amounted to 10 per cent and acquired growth was 4 per cent. There was no year-on-year difference in the number of available working hours.

EBITA turned from a profit to a loss, with a decrease of SEK 39 million. The EBITA margin decreased to -1.6 per cent (9.0). The EBITA decrease was mainly attributable to higher personnel expenses including redundancy provisions, negative project adjustments and a lower billing ratio.

In light of the weak third quarter, actions have been taken to bring underperforming parts of the business back on track, including approximately 80 planned redundancies. Excluding redundancy costs, the UK would have been profitable in the quarter.

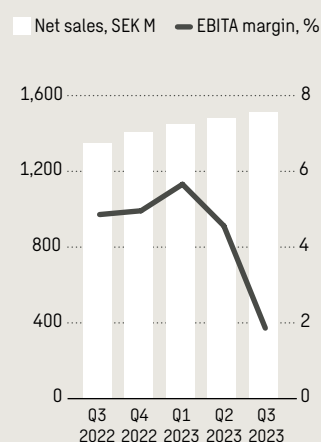
Market

The UK market remained challenging in the third quarter, especially within infrastructure, with the cancellation by the government of major projects.

The water market was stable, while the environment market improved somewhat. The demand for services in the energy market was very good, driven by energy storage and green energy generation investments.

In the real estate market, the weakness in the residential and commercial segments remained. Other building segments such as data centres, life sciences and healthcare reported good demand.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	398	365	1,159	1,056
Organic growth, %	-5	17	2	11
Acquisition-related growth, %	4	0	2	0
Currency, %	10	4	6	6
Total growth, %	9	21	10	17
Organic growth adj. for calendar, %	-5	18	1	12
EBITA, SEK M	-6	33	18	60
EBITA margin, %	-1.6	9.0	1.5	5.7
Number of full-time employees	1,251	1,185	1,251	1,170

Sweco Germany and Central Europe

Organic growth amounted to 11 per cent, adjusted for calendar effects, and EBITA increased significantly, both mainly driven by higher average fees. The market remained somewhat weak, mainly in private real estate, whereas energy transition and infrastructure investments continued to drive demand.

Sales and profit, July–September

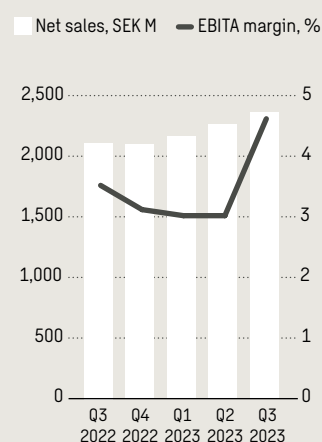
Net sales increased 19 per cent to SEK 631 million (532). Organic growth amounted to approximately 11 per cent, adjusted for calendar effects, and was mainly driven by higher average fees. The year-on-year calendar effect of seven less hours had a negative impact of approximately SEK 7 million on net sales and EBITA.

EBITA increased approximately 390 per cent, corresponding to SEK 48 million, adjusted for calendar effects. The EBITA increase was mainly driven by higher average fees including positive project adjustments, while higher personnel expenses impacted negatively. The EBITA margin increased to 8.5 per cent (2.3).

Market

Overall, the German market remained somewhat weak in the third quarter. This effect was in particular driven by weaker demand in the commercial real estate sector and overall in the private sector due to market uncertainty and higher construction costs. The demand for services in the energy, environment and water markets was good, with energy transition and new regulation for waste treatment boosting demand. The demand for infrastructure services was good.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022
Net sales and profit				
Net sales, SEK M	631	532	1,815	1,546
Organic growth, %	10	8	9	3
Acquisition-related growth, %	-3	0	-1	0
Currency, %	12	4	10	4
Total growth, %	19	12	17	7
Organic growth adj. for calendar, %	11	8	9	3
Organic growth adj. for calendar & IAC, %	11	4	9	2
EBITA excl. IAC, SEK M	54	12	89	44
EBITA margin excl. IAC, %	8.5	2.3	4.9	2.9
EBITA, SEK M	54	12	89	44
EBITA margin, %	8.5	2.3	4.9	2.9
Number of full-time employees	2,309	2,296	2,308	2,318

Other information

Parent Company, January–September 2023

Parent Company net sales totalled SEK 859 million (785) and were attributable to intra-group services. Profit after net financial items totalled SEK 220 million (259). Investments in equipment totalled SEK 58 million (16). Cash and cash equivalents at the end of the period totalled SEK 356 million (96).

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 2022.

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

Key performance measures

Sweco follows the guidelines from ESMA (European Securities and Markets Authority) regarding APMs (Alternative Performance Measures). In brief, these are measures of historical or ongoing operating results and financial performance that are not specified or defined in IFRS. The presentation of non-IFRS financial measures is limited as an analytical tool and should not be used as a substitute for key ratios pursuant to IFRS. Sweco believes that the APMs will enhance investors' evaluation of our ongoing operating results, aid in forecasting future periods and facilitate meaningful comparison of results between periods. The non-IFRS financial measures presented in this report may differ from similarly titled measures used by other companies. A complete list of all Sweco's definitions can be found on our website: <https://www.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 21 and 28. The organic growth calculation is presented on page 27.

The Sweco share

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 102.20 at the end of the period, representing a decrease of 14 per cent during the quarter. Nasdaq Stockholm OMXSPI decreased 6 per cent over the same period.

The total number of shares at the end of the period was 363,251,457: 31,065,598 Class A shares and 332,185,859 Class B shares. The total number of shares outstanding was 359,141,452: 31,065,598 Class A shares and 328,075,854 Class B shares.

Risks and uncertainties

Significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks associated with the general economic trend and investment level in various markets, the capacity to attract and retain skilled personnel, the effects of political decisions as well as risks and uncertainties related to the war in Ukraine. 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 2022 Annual Report (page 54–58, Risks and Risk Management).

Calendar effects

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
Total:	1,962	1,971	-8

Year 2024

The number of normal working hours in 2024, based on the 12-month sales-weighted business mix as of September 2023, is broken down as follows:

	2024	2023	
Quarter 1:	489	504	-15
Quarter 2:	475	462	13
Quarter 3:	516	508	7
Quarter 4:	484	487	-3
Total:	1,964	1,962	2

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:

2023 Estimate	SEK -186 million
2024 Estimate	SEK -124 million
2025 Estimate	SEK -96 million
2026 Estimate	SEK -82 million

Annual general meeting

The 2024 annual general meeting will be held on Thursday, 19 April 2024 at 3:00 PM in Stockholm. Sweco's 2023 Annual Report will be available for shareholder perusal at Sweco's headquarters, Gjörwellsgatan 22, Stockholm, and on the company's website, www.swecogroup.com, approximately three weeks prior to the AGM.

Forthcoming financial information

Capital markets day	14 November 2023
Year-end report 2023	9 February 2024
Interim report January–March	16 May 2024
Interim report January–June	16 July 2024
Interim report January–September	30 October 2024

Stockholm, 27 October 2023

Åsa Bergman

President and CEO, Member of the Board of Directors

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Auditor's report

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

Introduction

We have reviewed the condensed interim financial information (interim report) of Sweco AB (publ) as of 30 September 2023 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

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

Conclusion

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

Stockholm, 27 October 2023
PricewaterhouseCoopers AB

Aleksander Lyckow
Authorised public accountant

KPIs

KPIs ¹	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Profitability						
EBITA margin, %	7.2	7.1	9.0	8.6	9.4	9.2
Operating margin (EBIT), %	6.7	7.2	8.6	8.8	9.0	9.2
Revenue growth²						
Organic growth, %	7	9	9	6		6
Acquisition-related growth, %	6	2	5	2		2
Currency, %	6	3	4	3		3
Total growth, %	19	15	18	11		11
Organic growth adj. for calendar, %	9	9	9	5		6
Debt						
Net debt, SEK M			4,200	2,206		1,075
Interest-bearing debt, SEK M			5,225	2,668		1,926
Financial strength						
Net debt/Equity, %			40.0	23.9		10.8
Net debt/EBITDA, x			1.5	0.9		0.4
Equity/Assets ratio, %			40.9	43.7		45.4
Available cash and cash equivalents, SEK M			3,228	3,512		4,869
– of which unutilised credit, SEK M			2,204	3,050		4,018
Return						
Return on equity, %			17.8	18.5		17.8
Return on capital employed, %			15.4	15.5		16.5
Share data						
Earnings per share, SEK	0.75	0.78	3.48	3.21	4.88	4.61
Diluted earnings per share, SEK	0.74	0.78	3.48	3.20	4.87	4.60
Equity per share, SEK ³			29,23	25,67		27,71
Diluted equity per share, SEK ³			29,20	25,64		27,60
Number of shares outstanding at reporting date			359,141,452	358,619,404		358,619,404
Number of repurchased Class B shares			4,110,005	4,632,053		4,632,053

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

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

3) Refers to portion attributable to Parent Company shareholders.

Reconciliation of EBIT and the APMs EBITA and EBITDA, SEK M	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Operating profit (EBIT)	428	387	1,798	1,552	2,491	2,245
Acquisition-related items	57	11	136	11	168	43
Lease expenses ¹	-248	-207	-709	-618	-920	-829
Depreciation and impairments, right-of-use assets	228	191	652	572	847	767
EBITA²	465	382	1,877	1,516	2,586	2,225
Amortisation/depreciation and impairment, tangible and intangible fixed assets	71	60	206	187	275	256
EBITDA³	536	443	2,083	1,704	2,861	2,481

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.

Consolidated income statement

SEK M	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Net sales	6,417	5,372	20,806	17,565	27,538	24,296
Other income	6	-2	16	4	44	31
Other external expenses	-1,363	-1,185	-4,174	-3,553	-5,552	-4,930
Personnel expenses	-4,276	-3,536	-13,856	-11,694	-18,249	-16,087
Amortisation/depreciation and impairment, tangible and intangible fixed assets ¹	-71	-60	-206	-187	-275	-256
Depreciation and impairment, right-of-use assets	-228	-191	-652	-572	-847	-767
Acquisition-related items ²	-57	-11	-136	-11	-168	-43
Operating profit (EBIT)	428	387	1,798	1,552	2,491	2,245
Net financial items ³	-51	-12	-115	-33	-133	-51
Interest cost of leasing ⁴	-18	-11	-48	-33	-60	-44
Other financial items ⁵	0	2	-1	4	2	7
Total net financial items	-69	-21	-165	-62	-191	-89
Profit before tax	359	366	1,633	1,490	2,300	2,156
Income tax	-91	-88	-383	-340	-548	-505
PROFIT FOR THE PERIOD	267	278	1,250	1,150	1,752	1,652
Attributable to:						
Parent Company shareholders	268	278	1,250	1,150	1,751	1,651
Non-controlling interests	0	0	0	0	1	1
Earnings per share attributable to Parent Company shareholders, SEK	0.75	0.78	3.48	3.21	4.88	4.61
Average number of shares outstanding	359,141,452	358,619,404	358,795,073	358,153,167	358,751,155	358,269,726
Dividend per share, SEK						2.70

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

2) Acquisition-related items consist of amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of purchase price, profit and losses on the divestment of companies, operations, land and buildings, as well as costs for received future service. See page 25 for additional details.

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

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

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

Consolidated statement of comprehensive income

SEK M	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Profit for the period	267	278	1,250	1,150	1,752	1,652
Items that will not be reversed in the income statement						
Revaluation of defined benefit pensions, net after tax ^{1,2}	–	–	–	–	39	39
Items that may subsequently be reversed in the income statement						
Translation differences, net after tax	-143	47	213	256	405	447
COMPREHENSIVE INCOME FOR THE PERIOD	125	325	1,463	1,405	2,196	2,138
Attributable to:						
Parent Company shareholders	125	325	1,463	1,405	2,194	2,136
Non-controlling interests	0	0	0	0	2	2
1) Tax on revaluation of defined benefit pensions	–	–	–	–	-14	-14

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

Consolidated cash flow statement

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Profit before tax	359	366	1,633	1,490	2,300	2,156
Amortisation/depreciation and impairment	354	275	990	829	1,277	1,116
Other non-cash items	45	21	165	57	220	111
Cash flow from operating activities before changes in working capital, tax paid, interest paid and received	758	661	2,788	2,376	3,796	3,384
Interest cost leasing	-18	-11	-48	-33	-60	-44
Net interest paid	-46	-5	-92	-12	-104	-25
Tax paid	-155	-99	-488	-478	-398	-389
Changes in working capital	-307	-446	-1,416	-1,012	-816	-412
Cash flow from operating activities	232	102	744	841	2,418	2,515
Acquisition and divestment of subsidiaries and operations	-86	-27	-1,407	-402	-1,615	-610
Purchase and disposal of intangible and tangible assets	-80	-62	-250	-196	-356	-302
Other investing activities	-2	-1	-4	2	0	5
Cash flow from investing activities	-169	-89	-1,660	-596	-1,971	-907
Borrowings and repayment of borrowings	552	17	2,740	792	1,926	-22
Principal elements of lease payments	-227	-196	-654	-592	-853	-790
Dividends paid	–	–	-968	-876	-968	-876
Cash flow from financing activities	325	-179	1,118	-676	105	-1,688
CASH FLOW FOR THE PERIOD	388	-166	202	-430	552	-80

Consolidated balance sheet

SEK M	30 Sep 2023	30 Sep 2022	31 Dec 2022
Goodwill	10,621	8,830	9,198
Other intangible assets	645	258	273
Property, plant and equipment	688	544	589
Right-of-use assets	2,480	2,434	2,438
Financial assets	309	333	319
Current assets excl. cash and cash equivalents	9,919	8,223	8,249
Cash and cash equivalents incl. short-term investments	1,025	462	850
TOTAL ASSETS	25,686	21,084	21,916
Equity attributable to Parent Company shareholders	10,497	9,206	9,939
Non-controlling interests	5	10	4
Total equity	10,503	9,216	9,943
Non-current lease liabilities	1,735	1,772	1,740
Non-current interest-bearing debt	3,047	2,030	1,410
Other non-current liabilities	883	850	779
Current lease liabilities	800	743	773
Current interest-bearing debt	2,178	638	516
Other current liabilities	6,540	5,835	6,756
TOTAL EQUITY AND LIABILITIES	25,686	21,084	21,916
Contingent liabilities	1,276	1,082	1,211

Consolidated statement of changes in equity

SEK M	Jan–Sep 2023			Jan–Sep 2022		
	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	9,939	4	9,943	8,594	10	8,604
Comprehensive income for the period	1,463	0	1,463	1,405	0	1,405
Share bonus scheme	60	–	60	78	–	78
Share savings schemes	4	–	4	5	–	5
Non-controlling interests in acquired companies	–	2	2	–	–	–
Divestment of non-controlling interests	–	-1	-1	–	–	–
Transfer to shareholders	-968	–	-968	-876	–	-876
EQUITY, CLOSING BALANCE	10,497	5	10,503	9,206	10	9,216

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 ¹	Number of employees (individuals)
VAN AKEN concepts, Architecture & Engineering B.V.	January	Netherlands	100	78	48
Pro-Consult	February	Norway	100	66	35
VK Architects+Engineers Group	March	Belgium ²	100	888	520 ³
Metria, asset deal	May	Sweden		139	102
Ball & Berry Limited	May	UK	100	46	42
Arkkitehtitoimisto Neva Oy	May	Finland	100	36	25
DS-Engineering, asset deal	June	Belgium		12	8
FPC Risk Group	July	Belgium	100	44	25
Medins Havs och Vattenkonsulter AB	September	Sweden	100	37	35
TOTAL				1,345	840

1) Estimated annual net sales.

2) Part of VK Group was consolidated into Sweco Netherlands, representing about 14 per cent of net sales.

3) Including self-employed, VK Group has some 600 experts.

During the period, the acquired companies contributed SEK 627 million in net sales, SEK 80 million in EBITA and SEK 18 million in operating profit (EBIT). If the companies had been owned as of 1 January 2023, they would have contributed approximately SEK 983 million in net sales, about SEK 106 million in EBITA and about SEK 9 million in operating profit (EBIT). The transaction costs for the acquisitions during this period and the previous period totalled SEK 33 million.

Of the considerations paid, SEK 19 million is classified in accordance with IFRS as the cost for future service of staff. The cost for future service is thus accounted for as a prepaid asset and will be expensed over the coming three years on the line Acquisition-related items. Since the amount is prepaid, it impacts the operating cash flow on the line Changes in working capital. The purchase consideration, excluding cost for future service, totalled SEK 1,536 million and had a negative impact on cash and cash equivalents of SEK 1,407 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	1,682
Property, plant and equipment	38
Right-of-use assets	81
Financial assets	12
Current assets	752
Non-current lease liabilities	-54
Other non-current liabilities	-478
Deferred tax	-119
Current lease liabilities	-24
Other current liabilities	-352
Non-controlling interest	-2
Total purchase consideration	1,536
Purchase price outstanding	-7
Payment of deferred purchase price	16
Cash and cash equivalents in acquired companies	-138
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	1,407

Acquisition-related items

SEK M	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Oct 2022– Sep 2023	Full-year 2022
Amortisation of acquisition-related intangible assets	-53	-24	-131	-70	-155	-94
Revaluation of additional purchase price	0	11	0	11	0	11
Profit/loss on divestment of companies and operations	0	1	1	65	-7	58
Cost for received future service	-4	–	-6	-17	-6	-17
ACQUISITION-RELATED ITEMS	-57	-11	-136	-11	-168	-43

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 2022 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 30 September 2023, forward contracts with a positive market value amounted to SEK 0 million compared with SEK 0 million as per 31 December 2022 and forward contracts with a negative market value amounted to SEK 2 million compared with SEK 3 million as per 31 December 2022. 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 30 September 2023 compared with SEK 11 million as per 31 December 2022, and financial liabilities for contingent considerations amounted to SEK 0 million compared with SEK 0 million as per 31 December 2022. 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

	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3
Net sales, SEK M									
Sweco Sweden	1,691	2,177	2,178	2,201	1,549	2,067	1,968	2,035	1,446
Sweco Norway	745	840	994	933	712	778	822	719	533
Sweco Finland	808	969	904	930	680	812	788	802	646
Sweco Denmark	636	683	674	642	517	527	531	512	436
Sweco Netherlands	686	701	686	627	528	552	567	554	448
Sweco Belgium	900	980	788	577	549	587	597	504	450
Sweco UK	398	375	386	355	365	347	344	295	302
Sweco Germany & Central Europe	631	607	577	553	532	505	509	568	477
Group-wide, Eliminations, etc. ¹	-78	-81	-49	-87	-59	-59	-50	-70	-48
TOTAL NET SALES	6,417	7,249	7,140	6,732	5,372	6,116	6,077	5,920	4,691
Items affecting comparability (IAC) ²	–	–	–	–	–	–	–	–	16
TOTAL NET SALES excl. IAC	6,417	7,249	7,140	6,732	5,372	6,116	6,077	5,920	4,707
EBITA, SEK M³									
Sweco Sweden	106	221	309	318	97	245	255	269	132
Sweco Norway	20	41	150	77	33	38	116	58	24
Sweco Finland	45	74	77	109	46	67	75	89	84
Sweco Denmark	93	66	100	101	68	33	61	55	50
Sweco Netherlands	61	48	74	60	40	34	49	54	34
Sweco Belgium	97	134	117	61	65	68	78	50	57
Sweco UK	-6	-3	27	11	33	12	15	7	28
Sweco Germany & Central Europe	54	16	19	21	12	14	17	30	-48
Group-wide, Eliminations, etc. ¹	-6	-34	-23	-48	-12	-25	-17	-26	-1
EBITA	465	564	849	709	382	486	648	585	359
Items affecting comparability (IAC) ²	–	–	–	–	–	–	–	–	56
EBITA excl. IAC	465	564	849	709	382	486	648	585	415
EBITA margin, %³									
Sweco Sweden	6.3	10.2	14.2	14.4	6.3	11.9	12.9	13.2	9.1
Sweco Norway	2.7	4.8	15.1	8.3	4.6	4.8	14.1	8.1	4.6
Sweco Finland	5.5	7.6	8.5	11.7	6.7	8.3	9.5	11.1	13.0
Sweco Denmark	14.7	9.7	14.9	15.7	13.2	6.3	11.4	10.7	11.4
Sweco Netherlands	9.0	6.9	10.7	9.6	7.5	6.1	8.7	9.8	7.5
Sweco Belgium	10.8	13.7	14.8	10.6	11.9	11.5	13.0	9.8	12.6
Sweco UK	-1.6	-0.7	6.9	3.1	9.0	3.5	4.3	2.3	9.3
Sweco Germany & Central Europe	8.5	2.6	3.2	3.7	2.3	2.8	3.4	5.3	-10.1
EBITA margin	7.2	7.8	11.9	10.5	7.1	7.9	10.7	9.9	7.6
Items affecting comparability (IAC) ²	–	–	–	–	–	–	–	–	1.2
EBITA margin excl. IAC	7.2	7.8	11.9	10.5	7.1	7.9	10.7	9.9	8.8
Billing ratio, %	72.5	74.2	73.2	74.4	73.0	74.3	73.6	74.1	73.7
Number of normal working hours	508	462	504	490	516	468	497	496	517
Number of full-time employees	20,062	20,310	19,416	19,265	18,464	18,626	18,263	18,058	17,627

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

2) Items affecting comparability encompass the provision related to the execution of the turn-around plan in Germany of SEK 56 million in Q3 2021, which is 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–September	Net sales, SEK M		EBITA, SEK M ²		EBITA margin, % ²		Number of full-time employees	
Business Area ¹	2023	2022	2023	2022	2023	2022	2023	2022
Sweco Sweden	6,046	5,584	637	597	10.5	10.7	6,292	5,893
Sweco Norway	2,580	2,312	211	186	8.2	8.0	2,063	1,875
Sweco Finland	2,681	2,280	195	188	7.3	8.2	2,925	2,857
Sweco Denmark	1,993	1,576	260	162	13.0	10.3	1,505	1,370
Sweco Netherlands	2,073	1,647	183	123	8.8	7.5	1,566	1,413
Sweco Belgium	2,668	1,733	348	210	13.0	12.1	1,932	1,499
Sweco UK	1,159	1,056	18	60	1.5	5.7	1,251	1,170
Sweco Germany & Central Europe	1,815	1,546	89	44	4.9	2.9	2,308	2,318
Group-wide, Eliminations, etc. ³	-209	-168	-63	-54	–	–	78	53
TOTAL GROUP	20,806	17,565	1,877	1,516	9.0	8.6	19,920	18,448

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.

	Jul–Sep 2023	Jul–Sep 2022	Growth, % Jul–Sep 2023	Jan–Sep 2023	Jan–Sep 2022	Growth, % Jan–Sep 2023
Reported net sales	6,417	5,372	19	20,806	17,565	18
Adjustment for currency effects		329	6		771	4
Net sales, currency-adjusted	6,417	5,701	13	20,806	18,336	14
Adjustment for acquisitions/divestments	-331	-5	6	-937	-28	5
Comparable net sales, currency-adjusted	6,086	5,696	7	19,869	18,307	9
Adjustment of calendar effect	76		-1	64		0
Comparable net sales, adjusted for currency and calendar effects	6,163	5,696	9	19,933	18,307	9

	Jul–Sep 2022	Jul–Sep 2021	Growth, % Jul–Sep 2022	Jan–Sep 2022	Jan–Sep 2021	Growth, % Jan–Sep 2022
Reported net sales	5,372	4,691	15	17,565	15,872	11
Adjustment for currency effects		152	3		455	3
Net sales, currency-adjusted	5,372	4,843	11	17,565	16,327	8
Adjustment for acquisitions/divestments	-116	-8	2	-348	-22	2
Comparable net sales, currency-adjusted	5,256	4,836	9	17,216	16,305	6
Adjustment of calendar effect	5		0	-48		0
Comparable net sales, adjusted for currency and calendar effects	5,261	4,836	9	17,168	16,305	5
Adjustment of items affecting comparability		16	0		16	0
Comparable net sales, adjusted for currency, calendar effects and items affecting comparability	5,261	4,852	9	17,168	16,321	5

Net debt

SEK M	30 Sep 2023	30 Sep 2022	31 Dec 2022
Non-current interest-bearing debt	3,047	2,030	1,410
Current interest-bearing debt	2,178	638	516
Cash and cash equivalents incl. short-term investments	-1,025	-462	-850
NET DEBT¹	4,200	2,206	1,075

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	Jan-Sep 2023	Jan-Sep 2022	Full-year 2022
Net sales	859	785	1,061
Operating expenses	-906	-838	-1,145
Operating loss	-47	-52	-84
Net financial items	267	311	1,135
Profit/loss after net financial items	220	259	1,051
Appropriations	–	–	-189
Profit/loss before tax	220	259	862
Tax	–	–	-115
PROFIT/LOSS AFTER TAX	220	259	748

Parent Company balance sheet

SEK M	30 Sep 2023	30 Sep 2022	31 Dec 2022
Intangible assets	11	16	15
Property, plant and equipment	93	61	59
Financial assets	6,577	6,548	6,578
Current assets	3,256	2,432	3,236
TOTAL ASSETS	9,938	9,057	9,889
Equity	3,954	4,148	4,639
Untaxed reserves	954	764	954
Non-current liabilities	1,330	1,863	1,204
Current liabilities	3,700	2,282	3,092
TOTAL EQUITY AND LIABILITIES	9,938	9,057	9,889