

INTERIM REPORT

JANUARY–JUNE 2015

SWECO AB (PUBL)

17 July 2015

STRONG RESULTS AND ORGANIC GROWTH – ON TRACK TO TAKE THE LEADERSHIP POSITION IN EUROPE

APRIL – JUNE 2015

- Net sales: SEK 2,549.2 million (2,337.3)
- EBITA excl. extraordinary expenses: SEK 232.6 million (170.6); margin: 9.1 per cent (7.3)
- EBITA: SEK 203.7 million (167.8); margin: 8.0 per cent (7.2)
- Operating profit: SEK 190.8 million (155.6); margin 7.5 per cent (6.7)
- Profit after tax: SEK 132.1 million (108.6); earnings per share: SEK 1.45 (1.19)

JANUARY – JUNE 2015

- Net sales: SEK 5,014.6 million (4,659.0)
- EBITA excl. extraordinary expenses: SEK 462.0 million (404.1); margin: 9.2 per cent (8.7)
- EBITA: SEK 432.2 million (392.8); margin: 8.6 per cent (8.4)
- Operating profit: SEK 407.0 million (367.8); margin 8.1 per cent (7.9)
- Profit after tax: SEK 292.3 million (252.5); earnings per share: SEK 3.21 SEK (2.76)
- Net debt: SEK 1,445.8 million (1,522.8); net debt/EBITDA: 1.4 times (1.8)

Comments from President and CEO Tomas Carlsson:

- Sweco has made a bid for the Dutch company Grontmij, with around 6,000 employees. The transaction will create Europe's leading engineering consultancy, with sales of approximately SEK 15.2 billion and around 14,500 employees. Sweco will thereby take a major step towards its vision to become Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture – not only in terms of sales, but first and foremost as the top choice for customers and employees. Sweco and Grontmij complement each other when it comes to geography, expertise and culture. With our combined expertise and consolidated position in Northern Europe, we will be hard to beat. Settlement of the offer is expected to take place in the beginning of the fourth quarter.
- Our efforts to increase customer focus and improve internal efficiency have produced results. Adjusted for extraordinary expenses and calendar effects, EBITA improved more than 15 per cent this quarter, while three of our four business areas saw organic growth of at least 10 per cent. Operating profit and sales are on the rise thanks to positive calendar effects, good organic growth and improved billing ratios. Notwithstanding extraordinary expenses associated with the Grontmij acquisition, it is the best second-quarter operating profit for Sweco to date.
- Overall, the market is still gradually improving, albeit unevenly among our submarkets. The Swedish market is developing positively, particularly within infrastructure and the construction and real estate sector. The Norwegian market has stabilised due mainly to growing public investments. The Central European market has stabilised, while the Finnish market remains challenging.
- During the quarter, Sweco Norway was awarded its largest-ever infrastructure project: the Bergen Light Rail extension. Sweco Finland was commissioned by Metsä Fibre to design the world's most modern bioproduct plant, the Finnish forestry industry's largest investment to date. The assignments at the plant were expanded during the quarter with the signing of a contract for design of the plant's fibre line.

Sweco is the Nordic region's leading consultancy for sustainable urban development. Our 9,000 engineers, architects and environmental experts develop value-creating solutions for our clients and for society. Sweco is among the ten largest consulting engineering companies in Europe and annually conducts projects in 80 countries throughout the world. The company has yearly sales of approximately SEK 9 billion and is listed on Nasdaq OMX Stockholm AB.

Sweco is required to disclose the above information under the provisions of the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 17 July 2015 at 11:40 CET.

SWECO 

Profit and operations

Sales and profit, April – June 2015

Net sales increased 9 per cent to SEK 2,549.2 million (2,337.3). Organic growth was 9 per cent.

Operating profit increased SEK 35.2 million to SEK 190.8 million (155.6). The increase is mainly attributable to improved profit in Sweden and Norway.

Profit in Sweden and Norway increased primarily due to positive calendar effects, improved billing ratios and strong organic growth. Profit in Finland was negatively affected by a lower billing ratio and project write-downs.

Calendar effects had a positive impact of 8 working hours, producing a positive year-on-year effect on sales and operating profit of approximately SEK 36 million. Sweden and Norway in particular were positively impacted by calendar effects.

The billing ratio for the group increased 0.6 percentage points year-on-year to 77.0 per cent. The improvement is mainly attributable to successful efforts to increase customer focus and to internal efficiency improvements, and also to a positive market trend.

Operating profit was charged with extraordinary expenses of SEK 28.9 million in connection with the Grontmij transaction (SEK 2.8 million regarding the Vectura transaction).

Operating profit before acquisition-related items (EBITA) totalled SEK 203.7 million (167.8). Adjusted for extraordinary expenses, EBITA totalled SEK 232.6 million (170.6).

Sales and profit, January – June 2015

Net sales increased 8 per cent to SEK 5,014.6 million (4,659.0). Organic growth was 7 per cent.

Operating profit increased SEK 39.8 million to SEK 407.0 million (367.2). The increase is mainly attributable to improved profit in Sweden and Norway.

Profit in Sweden and Norway increased primarily due to improved billing ratios and strong organic growth. Profit in Finland was negatively affected by a lower billing ratio and project write-downs.

The billing ratio for the group increased 1.1 percentage points year-on-year to 76.2 per cent.

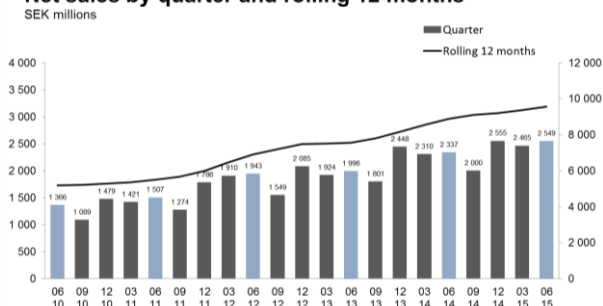
Calendar effects had a positive impact of 3 working hours, producing a positive year-on-year effect on sales and operating profit of approximately SEK 12 million.

Operating profit was charged with extraordinary expenses of SEK 29.8 million in connection with the Grontmij transaction (SEK 11.3 million regarding the Vectura transaction).

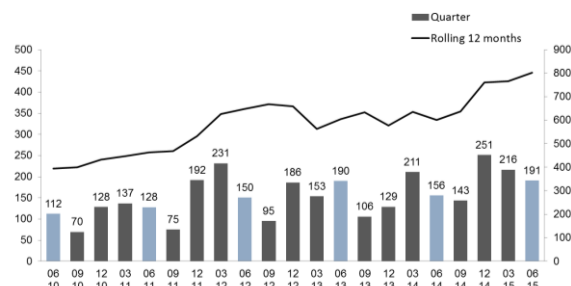
Operating profit before acquisition-related items (EBITA) totalled SEK 432.2 million (392.8). Adjusted for extraordinary expenses, EBITA totalled SEK 462.0 million (404.1).

Key ratios	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jul 2014 - Jun 2015	Full year 2014
Net sales, SEK M	2,549.2	2,337.3	5,014.6	4,659.0	9,569.3	9,213.7
<i>Organic growth, %</i>	9	-1	7	1		3
<i>Acquisition-driven growth, %</i>	0	17	0	18		10
EBITA, SEK M	203.7	167.8	432.2	392.8	853.9	814.5
<i>Margin, %</i>	8.0	7.2	8.6	8.4	8.9	8.8
Operating profit (EBIT), SEK M	190.8	155.6	407.0	367.2	801.4	761.6
<i>Margin, %</i>	7.5	6.7	8.1	7.9	8.4	8.3
Profit after tax, SEK M	132.1	108.6	292.3	252.5	584.4	544.6
Earnings per share, SEK	1.45	1.19	3.21	2.76	6.41	5.96
Billing ratio, %	77.0	76.4	76.2	75.1	76.2	75.6
Number of normal working hours	467	459	954	951	1,958	1,955
Full-time equivalents	8,894	8,599	8,769	8,521	8,655	8,535

Net sales by quarter and rolling 12 months



Operating profit by quarter and rolling 12 months



Market

Overall, the market improved gradually during the second quarter. Significant investments were made, primarily in housing and infrastructure.

At the same time, recovery is slow and the road to a robust growth in demand has pitfalls in terms of the general economic development. Geopolitical turbulence, uncertainty about global economic development, fallout from the situation in Greece, and household debt are some of the risk factors that may interfere with the recovery trend.

The market situation varies between Sweco's business areas. The market in Sweden is steadily improving. The Norwegian market is stabilising, aided by government investments. Markets in Central Europe, while still challenging, have stabilised, and positive signs can be discerned in the Czech Republic, Poland and Lithuania. The market in Finland remains challenging.

Outlook

Demand for Sweco's services is stable overall and follows the general economic trend in Sweco's submarkets, with some degree of lag.

Acquisitions and divestments during the second quarter

During the quarter, Sweco Finland's holdings in the Russian company Cabix Consulting CJSC JV were divested. The Russian subsidiary NIPi TRTI was also divested during the quarter.

Accordingly, the absolute majority of Sweco's operations in Russia have been closed. The remaining operations are mostly limited to small-scale project exports.

Sweco also revalued additional purchase prices in Poland and Finland during the quarter, along with associated assets.

A total of SEK 0.6 million was charged to acquisition-related items (and thus to operating profit) as a result of the above transactions.

Events after the end of the period

On 1 July, Sweco announced its acquisition of approximately 9 per cent of the shares in Grontmij for a total purchase price of EUR 29.4 million.

Sweco launched its recommended public offer to Grontmij's shareholders on 13 July. The same day Sweco convened an extraordinary general meeting to be held on August 24 regarding the Grontmij offer.

Cash flow and financial position

Group cash flow from operating activities totalled SEK 196.7 million (186.6) during the period. Interest-bearing net debt totalled SEK 1,445.8 million (1,522.8). The net debt/EBITDA ratio was 1.4 times (1.8).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 907.9 million (848.8) at the end of the reporting period.

Acquisition of Grontmij

On 1 June, Sweco announced its intention to acquire the Dutch company Grontmij N.V. The transaction will create Europe's leading engineering consultancy, with sales of approximately SEK 15.2 billion and around 14,500 employees.

Grontmij is one of Europe's largest engineering consulting companies, specialised in energy, infrastructure, buildings and water. The company, founded in 1915, is listed on Euronext Amsterdam. Grontmij has approximately 6,000 employees and operates primarily in the Netherlands, Sweden, Denmark, Germany, Belgium and Great Britain.

Grontmij's operations will be integrated into Sweco under the Sweco brand.

Sweco has made more than 100 acquisitions over the past ten-plus years. This acquisition is fully in line with Sweco's growth strategy and its vision to be Europe's most respected knowledge company in the areas of consulting engineering, environmental technology and architecture.

Rationale for the merger

- Creates the leading engineering consultancy on the European market
- An ideal match – geographical, operationally and culturally
- Enables value creation through operational improvements and synergies
- Establishes new platforms for growth in the attractive Northern European market
- Creates an even stronger customer offer through an unrivalled competence base
- Improves development opportunities for employees and increases Sweco's attractiveness as an employer
- A major step toward Sweco's vision to become Europe's most respected company in the industry

The transaction

Based on share prices and exchange rates as at 29 May, the purchase price for all outstanding shares is valued at approximately EUR 354 million, of which 39 per cent (EUR 140 million) in cash and 61 per cent (EUR 214 million) in newly issued Sweco Class B shares.

The cash component of the offer will be initially financed with a bridge loan. The intention is to repay the bridge financing primarily through a rights issue, expected to be conducted after 29 October 2015.

The public offer is unanimously recommended by Grontmij's Executive Board and Supervisory Board. Sweco has irrevocable commitments to accept the offer corresponding to 55 per cent of the shares in Grontmij. In addition, Sweco owns 9 per cent of the shares in Grontmij. Thus, Sweco controls over about 64 per cent of all outstanding shares in Grontmij in the form of binding acceptance of the offer.

The transaction is subject to the approval of the relevant authorities and Sweco's shareholders and acceptance of the offer by at least 80 per cent of Grontmij's shareholders.

The public offer was launched on 13 July via an offer memorandum. A prospectus was also published as regards admittance to trading on NASDAQ Stockholm for the new Class B shares to be issued as consideration in the takeover bid.

On 10 June the Swedish Competition Authority approved the Sweco and Grontmij combination.

The company has convened an extraordinary general meeting on 24 August 2015, during which shareholders will decide on the public offer, the intended subsequent cross-border merger between Grontmij and Sweco, and authorisation for Sweco's

board of directors to resolve on a rights issue.

The objective is to conclude the takeover bid during the fourth quarter of 2015.

Impact on Sweco's results and position

Grontmij reported 2014 annual sales of EUR 659 million (SEK 5,995.8 million) and EBITA (as per Sweco's definition) of EUR 20.4 million (SEK 185.5 million), excluding extraordinary expenses and the divested operations in France.

The transaction is expected to generate significant opportunities for value creation through synergies and operational improvements. Result improvements of EUR 27 million EBITA are anticipated – around half of this amount in annual cost synergies and half through the acceleration of Grontmij's "Back-on-Track" plan. Approximately 90 per cent of the synergies and operational improvements are expected to be realised during the first four years following the merger.

A total of EUR 50 million in extraordinary non-recurring costs affecting EBITA is anticipated. These non-recurring costs concern the transaction, integration and restructuring.

The acquisition also creates opportunities for Grontmij, as part of the new Group, to utilise tax loss carry forwards and obtain lower financing costs.

Following the completion of the public offer and the intended rights issue, Sweco expects to have a debt-equity ratio (net debt/EBITDA) that is below Sweco's financial target of 2.0x, pro forma and adjusted for extraordinary expenses.

Information associated with the bid on Grontmij

Above is a summary of the transaction and therefore not a complete description. For a complete description please see the offer documentation at Sweco's website; www.swecogroup.com.

On 3 August Grontmij will publish the half year result for 2015.

Business area – Sweco Sweden

Sales and profit, April-June

Organic growth was strong during the quarter, increasing 10 per cent. Operating profit increased SEK 51.7 million. Most of this increase was due to strong organic growth and an improved billing ratio and, to some extent, to positive calendar effects.

Calendar effects had a positive impact of 8 working hours, producing a positive year-on-year effect on sales and operating profit of approximately SEK 21 million.

Sales and profit, January-June

Sales were up 8 per cent, of which 7 per cent was due to organic growth.

Operating profit increased SEK 72.0 million, due primarily to an improved billing ratio and strong organic growth. Calendar effects had a positive impact of 4 working hours, producing a positive year-on-year effect on sales and operating profit of approximately SEK 11 million.

Market

The Swedish market is improving stably. Demand for Sweco's services in Sweden is good overall.

There is increased demand in the construction and real estate market. There is a positive trend in the water and environmental sector, with significant municipal investments being made. The market for energy-related services is cautious, while there are signs of improvement in the industrial engineering sector. Significant public investments are being made in the infrastructure market, guaranteeing good medium-term growth.

Events and measures

Maria Gårdlund, CEO of Sweco Position, won the 2015 Guldhuset Prize, an award for successful leadership in the urban development industry.

Assignments

Sweco will do 3D/BIM design for the Roslagsbanan double track between Roslags Näsby and Tibble. The assignment, commissioned by the Stockholm Public Transport Company, is valued at approximately SEK 18 million.

In Tanzania, Sweco has been commissioned by SIDA to renovate the Hale hydropower plant. Sweco will assist with contractor procurement, project monitoring, and inspection of construction documents and drawings. The assignment is valued at approximately SEK 17 million.

Sweco has signed a three-year framework agreement with the United Nations Office for Project Services (UNOPS), which includes Sweco's entire service offer.



Net sales and profit	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Net sales, SEK M	1,595.8	1,447.4	3,138.8	2,913.2
Organic growth, %	10	-3	7	-1
Acquisition-driven growth, %	0	30	1	30
Operating profit, SEK M	177.2	125.5	350.5	278.5
Operating margin, %	11.1	8.7	11.2	9.6
Full-time equivalents	4,837	4,670	4,738	4,637

About Sweco Sweden

Sweco Sweden is the country's leading engineering consultancy and the Group's largest business area, with 5,000 employees. Operations include architecture, structural and construction engineering, building service systems, infrastructure, water & environment, industrial engineering, project management, energy systems, IT for urban development and societal analysis & strategy.

Business area – Sweco Norway

Sales and profit, April-June

Organic growth remained strong during the quarter, totalling 14 per cent. Operating profit increased to SEK 44.3 million (24.7), primarily due to positive calendar effects and an improved billing ratio.

Calendar effects had a positive impact of 15 working hours, producing a positive year-on-year effect on sales and operating profit of approximately SEK 14 million.

Sales and profit, January-June

Sales increased to SEK 1,082.5 million (977.4). Organic growth was strong, totalling 11 per cent. Operating profit rose to SEK 84.4 million (79.5), due mainly to strong organic growth and an improved billing ratio.

There was no year-on-year change in the number of available working hours.

Market

Growth in the Norwegian market was weak during the second quarter, although Sweco's market stabilised due to an increase in public investments.

There is continued growth in the construction sector and the government is planning major road and railway investments. Due to the strong urbanisation trend, there is continued demand for new housing. Water and sewage plant maintenance and investments in public facilities also provide opportunities for growth in coming years.

Assignments

Sweco Norway won its largest-ever infrastructure project during the second quarter. The Bergen Light Rail will add a tunnelled track connection to the suburb of Fyllningsdalen, with Sweco responsible for detailed planning and design. The extension, scheduled to open in 2021, will promote socially sustainable travel. The assignment was commissioned by Bergen Municipality and Bergen Light Rail Development and is valued at approximately SEK 190 million.

On behalf of Oslo Municipality, Sweco will draw up a plan to make Storgatan more efficient, safe and attractive. The assignment is valued at approximately SEK 20 million.

Sweco will restore the buildings at the Hanseatic Museum, a UNESCO World Heritage Site. The assignment, valued at approximately SEK 11 million, will be carried out on behalf of Bergen Municipality and is scheduled for completion in 2022.



Net sales and profit	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Net sales, SEK M	551.1	490.0	1,082.5	977.4
Organic growth, %	14	2	11	8
Acquisition-driven growth, %	0	0	0	0
Operating profit, SEK M	44.3	24.7	84.4	79.5
Operating margin, %	8.0	5.0	7.8	8.1
Full-time equivalents	1,350	1,263	1,332	1,237

About Sweco Norway

Sweco is one of Norway's leading engineering consultancies, with around 1,300 employees. The Norwegian business area offers services primarily in the areas of energy, structural and construction engineering, building service systems, infrastructure, water & environment and industrial engineering.

Business area – Sweco Finland

Sales and profit, April-June

Year-on-year sales were virtually unchanged. Operating profit fell to SEK 9.5 million (27.9), mainly due to a lower billing ratio and project write-downs.

Year-on-year calendar effects were negligible.

Sales and profit, January-June

Sales increased to SEK 779.0 million (746.6), mainly due to exchange rate effects. Operating profit fell to SEK 25.4 million (54.5) due to lower utilisation and project write-downs.

Year-on-year calendar effects were negligible.

Market

Although the protracted economic downturn of the Finnish market remains challenging, there is stable demand for Sweco's services. Demand for construction- and property-related services is satisfactory, whereas the infrastructure and industrial engineering markets remain weak.

Events and measures

Sweco Finland divested its holdings in Cabix Consulting CJSC JV in Russia during the quarter.

Assignments

Sweco was commissioned by Metsä Fibre Oy during the quarter to design the world's most modern and efficient bioproduct plant in Äänekoski. The plant is scheduled to begin operation in 2017. The assignments at the plant were expanded during the quarter with the signing of a contract with Andritz for design of the plant's fibre line.

Sweco was commissioned during the quarter to head the construction of a new 8-storey, 54,000 sq.m. hospital building in Åbo. The assignment, commissioned by the hospital district in southwestern Finland, is scheduled for completion in 2019. It is valued at approximately SEK 19 million.

On behalf of Salpausselän Yhteiskoulutalo Ltd, Sweco will be responsible for site supervision and oversight for the renovation and expansion of the Salpausselkä School in Lahtis. A total area of 8,500 square meters. will be renovated. The assignment is valued at approximately SEK 4 million.

Sweco is participating in the Hiukkavaara alliance project, a building for school and athletic activities in Uleåborg. During the initial stage, to be carried out this year, Sweco is responsible for HVAC, electricity and automation. The assignment, valued at approximately SEK 3 million, was commissioned by the City of Uleåborg.



Net sales and profit	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Net sales, SEK M	396.8	391.1	779.0	746.6
Organic growth, %	-1	7	0	7
Acquisition-driven growth, %	0	4	1	3
Operating profit, SEK M	9.5	27.9	25.4	54.5
Operating margin, %	2.4	7.1	3.3	7.4
Full-time equivalents	1,891	1,847	1,874	1,826

About Sweco Finland

Sweco Finland is one of the country's largest engineering consultancy companies, with around 1,900 employees. The business area chiefly provides services focused on structural and construction engineering, building service systems, energy, environment, industrial engineering and project management.

Business area – Sweco Central Europe

Sales and profit, April-June

Organic growth was 24 per cent. Sales increased to SEK 76.5 million (68.9).

Operating profit increased to SEK 4.6 million (2.3) due primarily to higher utilisation in the Czech Republic, Estonia and Poland.

Sales and profit, January-June

Organic growth was 19 per cent. Sales increased to SEK 145.5 million (126.8).

Operating profit increased to SEK 8.1 million (2.5). The billing ratio improved during the period. The profit improvement was due mainly to improved profit in the Czech Republic, Estonia and Poland.

Market

Central European markets have stabilised after the financial crisis, although investment levels remain low in most countries in the business area.

There are signs of improved demand in the Czech Republic, Poland and Lithuania, Sweco's largest markets in the region. Preparations have been commenced for projects financed by the EU's structural funds for 2014-2020. The tendering processes for these projects are expected to begin during the second half of 2015.

While there are positive indications in the market, the conflict in Ukraine is creating uncertainty about the future, particularly in terms of investments in the Baltic countries.

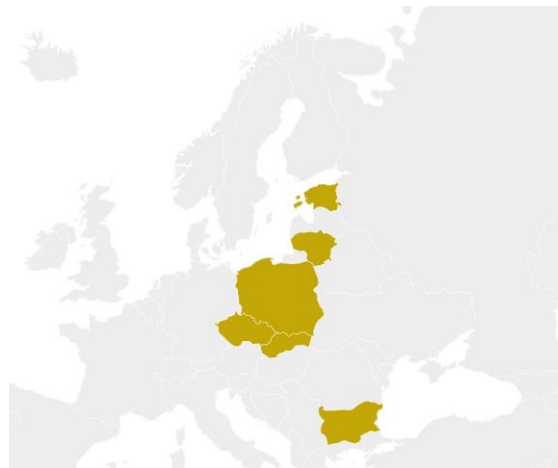
Events

The subsidiary NIPi TRTI in Saint Petersburg, Russia was divested during the quarter.

Assignments

Sweco was commissioned by the water and waste authority in Utena, Lithuania to participate in the rebuilding of the municipality's sludge treatment plant. Sweco is responsible for project management, the production of procurement documents and environmental impact assessments for all permit administration, and for supervision and control. The plant will handle sludge drying and combustion. The project is valued at approximately SEK 1.3 million.

Intra-group collaboration is on the rise, with consultants from Central Europe delivering services to Sweco's Nordic customers. In Stockholm, Czech consultants are working with the expansion of the Henriksdal treatment plant, consultants from Poland and Bulgaria will work on the underground metro expansion, and Lithuanian consultants are working on one of the city's hospital projects.



Net sales and profit	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014
Net sales, SEK M	76.5	68.9	145.5	126.8
Organic growth, %	24	8	19	0
Acquisition-driven growth, %	-10	-9	-4	-8
Operating profit, SEK M	4.6	2.3	8.1	2.5
Operating margin, %	6.0	3.3	5.6	2.0
Full-time equivalents	795	800	804	803

About Sweco Central Europe

Sweco Central Europe has approximately 800 employees and operates in Estonia, Lithuania, Poland, the Czech Republic, Slovakia and Bulgaria.

Other information

Investments, January-June 2015

Investments in equipment totalled SEK 71.9 million (39.7) and were primarily attributable to IT investments. Depreciation of equipment totalled SEK 75.1 million (66.7) and amortisation of intangible assets totalled SEK 28.5 million (28.3).

Purchase consideration paid to acquire companies totalled SEK 31.5 million (84.8) and had an impact of SEK -25.9 million (-66.8) on Group cash and cash equivalents. Purchase consideration on the divestment of companies totalled SEK 5.7 million (45.2) and had an impact of SEK 2.8 million (42.9) on Group cash and cash equivalents.

During the year, dividends totalling SEK 317.9 million (295.8) were distributed to Sweco AB shareholders.

Parent Company, January-June 2015

Parent Company net sales totalled SEK 176.8 million (160.5) and were attributable to intra-group services. Profit after net financial items totalled SEK 6.9 million (145.3). Investments in equipment totalled SEK 13.2 million (7.0). Cash and cash equivalents at the end of the period totalled SEK 6.8 million (0.0).

The Sweco share

The Sweco share is listed on NASDAQ Stockholm. The share price of the Sweco B share was SEK 108.75 at the end of the period, representing a 3 per cent increase during the year. The Stockholm General Index grew by 7 per cent over the same period.

During the quarter, Sweco conducted a new share issue of 900,000 Class C shares, converted 433,791 Class C shares to Class B shares, and cancelled 466,209 Class C shares through redemption.

During the quarter, Sweco transferred 449,961 Class B treasury shares to Share-based Incentive Scheme 2014 participants and sold 139,825 Class B shares to cover social security contributions in connection with the 2011 Share Savings Scheme and the 2014 Share-based Incentive Scheme. At the end of the period Sweco held 1,442,769 treasury shares: 542,769 Class B shares and 900,000 Class C shares.

The total number of shares at the end of the period was 92,850,638: 9,368,164 Class A shares, 82,582,474 Class B shares and 900,000 Class C shares. After the allowance for treasury shares, the total number of outstanding shares at the end of the period was 91,407,869: 9,368,164 Class A shares and 82,039,705 Class B shares.

Extraordinary general meeting 2015

Due to Sweco's planned acquisition of Grontmij, an extraordinary general meeting will be held on 24 August 2015 at Sweco's head office, Gjörwellsgatan 22 in Stockholm. Additional information is available on Sweco's website.

Accounting principles

Sweco complies with the International Financial Reporting Standards (IFRS) and interpretive statements from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. This interim report was prepared in accordance with IAS 34, Interim Reporting; the Swedish Annual Accounts Act; and the Swedish Financial Reporting Board's RFR 2, Reporting for Legal Entities.

In all other respects, the Group applied the same accounting and valuation principles as those described in Note 1 of the 2014 annual report. In this interim report, amounts in brackets refer to the corresponding period of the previous year.

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 spending in various markets, the capacity to attract and retain skilled personnel, and the effects of political decisions. The Group is also exposed to various types of financial risks, such as foreign currency, interest rate and credit risks. No significant risks are deemed to have arisen apart from the risks detailed in Sweco's 2014 annual report (page 78, Risk Management).

Normal working hours

The number of normal working hours in 2015, based on the 12-month volume-weighted business mix as of Q3 2014, is broken down as follows:

Quarter 1:	487 (492)	-5
Quarter 2:	467 (459)	+8
Quarter 3:	521 (522)	-1
Quarter 4:	488 (482)	+6
Total 2015:	1,963 (1,955)	+8

The definition of "normal working hours" has been amended due to a change in working hour conditions for parts of the Finnish operation. Comparative figures for 2014 have been adjusted accordingly.

Financial calendar 2015

Interim report January-September 23 October 2015
Year-end report 2015 11 February 2016

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The Board of Directors and the President give their assurance that this semi-annual report gives a true and fair view of the business activities, financial position and results of operations of the Group and the Parent Company, and describes the significant risks and uncertainties to which the Parent Company and Group companies are exposed.

Stockholm, 17 July 2015

Johan Nordström
Board Chairman

Anders G. Carlberg
Board member

Gunnel Duveblad
Board member

Eva Lindqvist
Board member

Pernilla Ström
Board member

Carola Teir-Lehtinen
Board member

Johan Hjertonsson
Board member

Thomas Holm
Employee representative

Göran Karloja
Employee representative

Anna Leonsson
Employee representative

Tomas Carlsson
President & CEO
Board member

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 interim report of Sweco AB (publ) for the period 1 January 2015 through 30 June 2015. The board of directors and the President and CEO are responsible for the preparation and presentation of the interim financial statements in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on the interim financial statements based on our review.

Focus and scope of review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and a substantially smaller scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does 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 accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act and, for the Parent Company, in accordance with the Swedish Annual Accounts Act.

Stockholm, 17 July 2015
PricewaterhouseCoopers AB

Michael Bengtsson
Authorised public accountant
Auditor in charge

Key ratios

Key ratios ¹⁾	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jul 2014 - Jun 2015	Full year 2014
Profitability						
EBITA margin, %	8.0	7.2	8.6	8.4	8.9	8.8
Operating margin (EBIT), %	7.5	6.7	8.1	7.9	8.4	8.3
Profit margin, %	7.2	6.3	7.9	7.2	8.1	7.8
Revenue growth						
Organic growth, %	9	-1	7	1		3
Acquisition-driven growth, %	0	17	0	18		10
Currency effects, %	0	1	1	0		0
Total growth, %	9	17	8	19		13
Operational key ratios						
Billing ratio, %	77.0	76.4	76.2	75.1	76.2	75.6
Normal working hours	467	459	954	951	1,958	1,955
Full-time equivalents	8,894	8,599	8,769	8,521	8,655	8,535
Debt						
Net debt, SEK M			1,445.8	1,522.8		1,262.0
Interest-bearing debt, SEK M			1,531.9	1,696.2		1,435.5
Financial strength						
Net debt/Equity, %			77.2	94.2		66.9
Net debt/EBITDA, x			1.4	1.8		1.3
Equity/Assets ratio, %			28.5	25.4		31.9
Available cash and cash equivalents, SEK M ²⁾			907.9	848.8		1,142.4
Return						
Return on equity, %			33.6	24.7		31.0
Return on capital employed, %			24.1	21.1		23.2
Share data						
Earnings per share, SEK	1.45	1.19	3.21	2.76	6.41	5.96
Earnings per share after dilution, SEK	1.42	1.17	3.16	2.74	6.34	5.89
Equity per share, SEK ³⁾			20.37	17.60		20.64
Equity per share after dilution, SEK ³⁾			20.08	17.34		20.30
Number of outstanding shares at reporting date			91,407,869	90,962,355		90,763,410
Number of class B and class C treasury shares			1,442,769	1,454,492		1,653,437

¹⁾ Key ratio definitions can be found on Sweco's website.

²⁾ Including unutilised credit.

³⁾ Refers to portion attributable to parent company shareholders.

Consolidated Income Statement and Comprehensive Income Statement

Income statement SEK M	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jul 2014 - Jun 2015	Full year 2014
Net sales	2,549.2	2,337.3	5,014.6	4,659.0	9,569.3	9,213.7
Other external expenses	-618.5	-531.1	-1,157.9	-1,035.8	-2,356.1	-2,234.0
Personnel costs	-1,686.3	-1,601.2	-3,344.1	-3,158.1	-6,200.9	-6,014.9
EBITDA	244.4	205.1	512.6	465.1	1,012.3	964.8
Amortisation/depreciation and impairments	-40.7	-37.3	-80.4	-72.3	-158.4	-150.3
EBITA	203.7	167.8	432.2	392.8	853.9	814.5
Acquisition-related items ¹⁾	-12.9	-12.2	-25.2	-25.6	-52.5	-52.9
Operating profit (EBIT)	190.8	155.6	407.0	367.2	801.4	761.6
Net financial items	-6.7	-9.3	-13.3	-30.1	-26.5	-43.3
Profit before tax	184.1	146.3	393.7	337.1	774.9	718.3
Income tax	-52.0	-37.7	-101.4	-84.6	-190.5	-173.7
PROFIT FOR THE PERIOD	132.1	108.6	292.3	252.5	584.4	544.6
Profit for the period attributable to:						
Parent company shareholders, SEK M	131.8	107.9	291.8	251.2	582.6	541.9
Non-controlling interests, SEK M	0.3	0.7	0.5	1.3	1.8	2.7
Earnings per share attributable to parent company shareholders, SEK	1.45	1.19	3.21	2.76	6.41	5.96
Average number of shares before and after dilution	91,164,665	90,994,471	90,982,262	91,020,263	90,931,430	90,950,430
Dividend per share, SEK	-	-	-	-	-	3.50

¹⁾ Acquisition-related items are defined as amortisation/depreciation and impairments of goodwill and acquisition-related intangible assets, additional purchase price revaluation, and profit and loss on the sale of companies and operations.

Consolidated income statement and other comprehensive in- come, SEK M	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jul 2014 - Jun 2015	Full year 2014
Profit for the period	132.1	108.6	292.3	252.5	584.4	544.6
Items that will not be reversed in the income statement						
Revaluation of defined benefit pension, net after tax ^{1,2)}	41.9	-	41.9	-	-13.8	-55.7
Items that may subsequently be reversed in the income statement						
Translation differences, net after tax	-16.8	22.1	-25.3	34.6	-16.9	43.0
Translation differences transferred to profit for the year	0.0	-	0.0	8.0	0.0	8.0
COMPREHENSIVE INCOME FOR THE PERIOD	157.2	130.7	308.9	295.1	553.7	539.9
Comprehensive income for the period attributable to:						
Parent company shareholders, SEK M	156.9	129.5	308.6	293.4	551.9	536.7
Non-controlling interests, SEK M	0.3	1.2	0.3	1.7	1.8	3.2
¹⁾ Tax on revaluation of defined benefit pensions, SEK M	-15.5	-	-15.5	-	5.0	20.5

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

Consolidated Balance Sheet, Statements of Consolidated Cash Flow and Changes in Equity

Cash flow statement SEK M	Apr-Jun 2015	Apr-Jun 2014	Jan-Jun 2015	Jan-Jun 2014	Jul 2014 - Jun 2015	Full year 2014
Cash flow from operating activities before changes in working capital and tax paid	235.1	195.5	495.9	444.1	994.1	942.3
Tax paid	-59.8	-45.1	-115.4	-143.0	-172.3	-199.9
Changes in working capital	-36.7	-108.1	-183.8	-114.5	-216.9	-147.6
Cash flow from operating activities	138.6	42.3	196.7	186.6	604.9	594.8
Cash flow from investing activities	-38.4	-30.3	-104.6	-64.5	-217.1	-177.0
Cash flow from financing activities	-110.4	-34.1	-174.6	-287.2	-469.2	-581.8
CASH FLOW FOR THE PERIOD	-10.2	-22.1	-82.5	-165.1	-81.4	-164.0

Balance sheet SEK M	2015-06-30	2014-06-30	2014-12-31
Goodwill	2,139.5	2,146.3	2,162.5
Other intangible assets	112.1	141.3	120.9
Property, plant and equipment	390.9	379.7	399.3
Financial assets	58.4	58.6	76.1
Current assets excl. cash and cash equivalents	3,792.1	3,464.0	2,984.8
Cash and cash equivalents incl. short-term investments	86.2	173.3	173.5
TOTAL ASSETS	6,579.2	6,363.2	5,917.1
Equity attributable to parent company shareholders	1,862.3	1,600.8	1,873.7
Non-controlling interests	10.1	15.0	14.1
Total equity	1,872.4	1,615.8	1,887.8
Non-current liabilities	1,482.0	1,692.8	1,407.7
Current liabilities	3,224.8	3,054.6	2,621.6
TOTAL EQUITY AND LIABILITIES	6,579.2	6,363.2	5,917.1
Contingent liabilities	252.1	227.9	223.4

Changes in equity SEK M	Jan-Jun 2015			Jan-Jun 2014		
	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	1,873.7	14.1	1,887.8	1,617.5	15.1	1,632.6
Comprehensive income for the period	308.6	0.3	308.9	239.4	1.7	295.1
Transfer to shareholders	-317.9	-0.5	-318.4	-295.8	-2.7	-298.5
Non-controlling interests in acquired companies	-	-	-	-	0.8	0.8
Acquisition of non-controlling interests	-11.7	-2.9	-14.6	0.0	0.0	0.0
Divestment of non-controlling interests	-	-0.9	-0.9	-	0.1	0.1
Buy-back of treasury shares	-	-	-	-16.1	-	-16.1
Sale of treasure shares	16.6	-	16.6	-	-	-
Share-based incentive schemes	-9.1	-	-9.1	-	-	-
Share savings schemes	2.1	-	2.1	1.8	-	1.8
EQUITY, CLOSING BALANCE	1,862.3	10.1	1,872.4	1,600.8	15.0	1,615.8

Acquisitions, Divestments and Fair Value of Financial Instruments

Acquisition of subsidiaries and operations

During the period, Sweco acquired OTEC Elkonsult AB and operations within Rapcon Oy. Sweco also acquired minority shares in Siltanylund, Contesta Oy and Sweco Architects AS. The acquired businesses have an aggregate total of 20 employees. Purchase consideration totalled SEK 31.5 million and had a negative impact on cash and cash equivalents of SEK 25.9 million. The acquisitions impacted the consolidated balance sheet as detailed in the table below. Of the unsettled purchase price commitment of SEK 1.8 million, SEK 0.0 million refers to conditional contingent consideration. During the period, the acquired companies contributed SEK 7.2 million in sales and SEK 1.0 million in operating profit (EBIT). If all of the companies had been owned as of 1 January 2015, they would have contributed approximately SEK 16.1 million in sales and about SEK 4.0 million in operating profit.

Acquisitions, SEK M	
Intangible assets	15.1
Property, plant and equipment	10.4
Deferred tax	-1.4
Other current liabilities	-7.3
Non-controlling interests	14.7
Total purchase consideration	31.5
Unsettled purchase price commitment	-1.8
Cash and cash equivalents	-3.8
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	25.9

Divestment of subsidiaries and operations

During the period, Sweco divested NIPI TRTI with 73 employees and Cabix Consulting CJSC JV with 22 employees. The companies and businesses contributed SEK 5.8 million in sales and SEK 1.7 million in operating profit. The divestments had a negative impact on profit of SEK 4.1 million and a positive impact on the Group's cash and cash equivalents of SEK 2.8 million. The divestments impacted the consolidated balance sheet as detailed in the table below.

Divestments, SEK M	
Property, plant and equipment	0.5
Current assets	14.3
Other current liabilities	-4.1
Non-controlling interests	-0.9
Capital loss recorded on divestment	-4.1
Total purchase consideration	5.7
Cash and cash equivalents in divested companies	-2.9
INCREASE IN GROUP CASH AND CASH EQUIVALENTS	2.8

Fair value of financial instruments

The Group's financial assets measured at fair value totalled SEK 13.5 million (12.2). The derivative instruments are forward currency contracts, the fair value of which are determined based on listed prices for forward currency contracts on the balance sheet date (Level 2). The fair value of unlisted financial assets is determined through market valuation techniques (observable market inputs) such as recent transactions, listed prices of similar instruments and discounted cash flows. In the event no reliable inputs are available for determining fair value, financial assets are reported at acquisition value (Level 3). There were no transfers between levels during the period.

Quarterly and Period Review per BA

Quarterly summary	2015 Q2	2015 Q1	2014 Q4	2014 Q3	2014 Q2	2014 Q1	2013 Q4 ¹⁾	2013 Q3 ¹⁾	2013 Q2 ¹⁾	2013 Q1 ¹⁾	2012 Q4 ¹⁾	2012 Q3 ¹⁾
Net sales, SEK M												
Sweco Sweden	1,595.8	1,543.0	1,571.5	1,219.0	1,447.4	1,465.8	1,537.8	1,103.0	1,139.1	1,114.0	1,191.9	866.4
Sweco Norway	551.1	531.4	521.3	419.1	490.0	487.4	486.6	377.6	493.3	457.0	466.0	356.2
Sweco Finland	396.8	382.2	408.2	341.9	391.1	355.5	346.2	293.1	336.6	316.4	344.8	282.9
Sweco Central Europe	76.5	69.0	94.7	67.7	68.9	57.9	91.6	71.4	68.0	70.4	113.4	68.4
Group-wide, eliminations, etc.	-71.0	-60.2	-41.1	-47.6	-60.1	-44.9	-26.2	-35.4	-35.3	-40.2	-30.2	-25.0
TOTAL GROUP	2,549.2	2,465.4	2,554.6	2,000.1	2,337.3	2,321.7	2,436.0	1,809.7	2,001.7	1,917.6	2,085.9	1,548.9
Operating profit, SEK M												
Sweco Sweden	177.2	173.3	210.7	81.0	125.5	153.0	172.8	79.1	132.0	112.1	144.0	51.7
Sweco Norway	44.3	40.1	57.5	41.5	24.7	54.8	59.5	34.9	64.0	27.6	97.5	29.8
Sweco Finland	9.5	15.9	4.1	26.5	27.9	26.6	9.2	26.1	17.9	16.3	25.3	36.8
Sweco Central Europe	4.6	3.5	6.0	4.3	2.3	0.2	-1.9	-5.9	1.1	-6.8	-7.8	-11.9
Group-wide, eliminations, etc.	-31.9	-4.3	-11.8	1.9	-12.6	-9.6	-49.6	-16.0	-14.9	-5.1	-24.2	-1.1
EBITA	203.7	228.5	266.5	155.2	167.8	225.0	190.0	118.2	200.1	144.1	234.8	105.3
Acquisition-related items ²⁾	-12.9	-12.3	-15.3	-12.0	-12.2	-13.4	-62.3	-12.2	-9.5	-10.1	-34.4	-5.9
TOTAL GROUP (EBIT)	190.8	216.2	251.2	143.2	155.6	211.6	127.7	106.0	190.6	134.0	200.4	99.4
Operating margin, %												
Sweco Sweden	11.1	11.2	13.4	6.6	8.7	10.4	11.2	7.2	11.6	10.1	12.1	6.0
Sweco Norway	8.0	7.5	11.0	9.9	5.0	11.2	12.2	9.2	13.0	6.0	20.9	8.4
Sweco Finland	2.4	4.2	1.0	7.7	7.1	7.5	2.7	8.9	5.4	5.1	7.4	13.0
Sweco Central Europe	6.0	5.1	6.3	6.3	3.3	0.4	-2.0	-8.2	1.6	-9.7	-6.9	-17.4
EBITA	8.0	9.3	10.4	7.8	7.2	9.7	7.8	6.5	10.0	7.5	11.3	6.8
Acquisition-related items ²⁾	-0.5	-0.5	-0.6	-0.6	-0.5	-0.6	-2.6	-0.7	-0.5	-0.5	-1.7	-0.4
TOTAL GROUP (EBIT)	7.5	8.8	9.8	7.2	6.7	9.1	5.2	5.9	9.5	7.0	9.6	6.4
January-June												
	Net sales SEK M		Operating profit SEK M		Operating margin %		Full-time equivalents					
Business area	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014		
Sweco Sweden	3,138.8	2,913.2	350.5	278.5	11.2	9.6	4,738	4,637				
Sweco Norway	1,082.5	977.4	84.4	79.5	7.8	8.1	1,332	1,237				
Sweco Finland	779.0	746.6	25.4	54.5	3.3	7.4	1,874	1,826				
Sweco Central Europe	145.5	126.8	8.1	2.5	5.6	2.0	804	803				
Group-wide, eliminations, etc. ³⁾	-131.2	-105.0	-36.2	-22.2	-	-	21	18				
Acquisition-related items ²⁾	-	-	-25.2	-25.6	-	-	-	-				
TOTAL GROUP	5,014.6	4,659.0	407.0	367.2	8.1	7.9	8,769	8,521				

¹⁾ All quarters in 2012 and 2013 have been restated due to changed accounting principles.

²⁾ Acquisition-related items are defined as amortisation/depreciation and impairments of goodwill and acquisition-related intangible assets, additional purchase price revaluation, and profit and loss on the sale of companies and operations.

³⁾ Operating profit for Group-wide is chiefly comprised of the Parent Company loss of SEK -13.4 million (-14.6) and costs related to acquisition activities of SEK 29.8 million.

Parent Company Income Statement and Balance Sheet

Parent Company income statement, SEK M	Jan-Jun 2015	Jan-Jun 2014	Full year 2014
Net sales	176.8	160.5	343.8
Operating expenses	-190.2	-175.1	-364.4
Operating loss	-13.4	-14.6	-20.6
Net financial items	20.3	159.9	524.8
Profit after net financial items	6.9	145.3	504.2
Appropriations	-	-	-1.5
Profit before tax	6.9	145.3	502.7
Tax	-	-	-67.4
PROFIT AFTER TAX	6.9	145.3	435.3

Parent Company balance sheet, SEK M	Jan-Jun 2015	Full year 2014
Intangible assets	12.6	2.3
Property, plant and equipment	40.2	38.0
Financial assets	2,082.1	2,059.3
Current assets	392.1	1,790.3
TOTAL ASSETS	2,527.0	3,889.9
Equity	1,310.5	1,605.5
Untaxed reserves	2.8	2.8
Non-current liabilities	1,119.7	971.5
Current liabilities	94.0	1,310.1
TOTAL EQUITY AND LIABILITIES	2,527.0	3,889.9