

11 May 2016

STRONG RESULT THROUGH SYNERGIES AND INCREASED BILLING RATIO

JANUARY – MARCH 2016

- Net sales increased to SEK 4,018 million (2,465), acquired growth was 64 per cent
- EBITA excluding extraordinary costs increased to SEK 263 million (229), margin 6.6 per cent (9.3)
- EBITA remained unchanged at SEK 228 million (228), margin 5.7 per cent (9.3)
- EBIT decreased to SEK 205 million (216), margin 5.1 per cent (8.8)
- Profit after tax decreased to SEK 148 million (160), corresponding to SEK 1.24 per share (1.70)
- Net debt increased to SEK 2,033 million (1,252)
- Net debt/EBITDA increased to 2.1 times (1.3). Net debt/EBITDA pro forma and excl. extraordinary items was 1.5 times

COMMENTS FROM PRESIDENT AND CEO TOMAS CARLSSON:

This is a strong result. We are integrating Grontmij and capturing synergies while also improving the billing ratio throughout the group. Synergies and increased billing ratio contributed with approximately SEK 76 million to EBITA, compared with last year's pro-forma. At the same time, we are facing significant head-wind in the quarter due to negative calendar effects with 10 fewer working hours. This is negatively impacting EBITA with SEK 78 million compared to last year's pro forma. Still we are able to essentially offset the negative calendar effect through synergies and increased billing ratio.

Sweco is the leading engineering and architecture consultancy in Europe since the acquisition of Grontmij on 1 October 2015. The integration is progressing well and in several areas faster than the original plan. The rebranding has been completed and all former Grontmij-countries are operating under the Sweco name. We remain confident that we will achieve the financial targets communicated at the announcement of the acquisition.

During the quarter we acquired Ludes, a German architecture and project management consultancy with around 100 employees. The acquisition is in line with Sweco's strategy of leveraging our new footprint in Northern Europe for bolt-on acquisitions, similar to the model we have successfully applied in the Nordic market.

Overall, the market for Sweco's services is good and the development is stable. The situation varies between markets. The Swedish market is strong, while the Norwegian market is good but has weakened. The markets in Denmark, Western Europe and Central Europe are in general good and are developing positively. The markets in Finland and in the Netherlands remain challenging.

PROFIT AND OPERATIONS

PRO FORMA, JANUARY – MARCH

The pro forma reporting facilitates analysis of developments in operational activities on a like-for-like basis, assuming that Grontmij had been part of Sweco since the beginning of 2015.

Net sales were essentially unchanged at SEK 4,018 million (4,024 million).

Synergies from the Grontmij integration contributed approximately SEK 37 million to EBITA and included reduced costs for shared IT and head office functions, reduced costs for overhead in Sweden as well as operational improvements in Denmark and the Netherlands.

The billing ratio increased 1.3 percentage points to 74.5 per cent (73.2). Approximately 0.9 percentage points of the improvement comes from increased internal efficiency throughout the group. The remainder is attributable to realized synergies, predominantly through reductions in administrative staff.

The positive effect of synergies and increased billing ratio contributed SEK 76 million to EBITA. Since the Easter holiday was during the first quarter in 2016, as opposed to the second quarter as in 2015, there were 10 fewer working hours compared with last year. This had a negative impact on profit and net sales of approximately SEK 78 million. Consequently, increased internal efficiency essentially offset the negative calendar effect.

4 of 7 Business Areas increased EBITA compared with last year. EBITA totalled SEK 263 million (258), excluding extraordinary costs for the Grontmij acquisition.

ACTUALS, JANUARY – MARCH

Net sales increased 63 per cent to SEK 4,018 million (2,465). Acquisition-based growth was 64 per cent and is almost exclusively attributable to the Grontmij acquisition.

As of 1 January, Grontmij Sweden is fully integrated with Sweco Sweden. Due to the new organisation, Grontmij's contribution to sales and earnings cannot be reported separately.

EBITA, adjusted for extraordinary costs, increased to SEK 263 million (229).

Extraordinary costs related to transaction, integration and restructuring cost associated with the Grontmij-acquisition totalled SEK 36 million and are reported in the Group-wide segment.

EBITA was SEK 228 million (228).

Increased amortizations of acquisition-related intangible assets due to the Grontmij-acquisition impacted EBIT, which totalled SEK 205 million (216).

Financing costs increased due to increased net debt, impacting profit after tax, which decreased to SEK 148 million (160).

Earnings per share decreased to SEK 1.24 per share (1.70) primarily due to extraordinary costs and an increased number of shares. As synergy realisation continues and extraordinary costs decrease, Sweco expects EPS accretion within two years after the acquisition of Grontmij, as previously communicated.

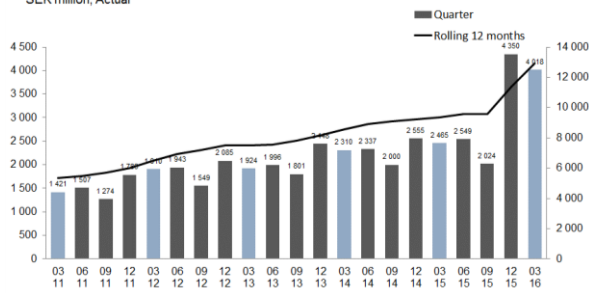
Key ratios, Pro forma	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015	Pro forma Apr 2015 – Mar 2016	Pro forma Full-year 2015
Net sales, SEK M	4,018	4,024	15,992	15,998
<i>Organic growth, %</i>	1			4
EBITA excl. extraordinary items, SEK M	263	258	1,106	1,100
<i>margin, %</i>	6.6	6.4	6.9	6.9
Number of full-time employees	14,589	14,557	14,560	14,552
Billing ratio	74.5%	73.2%	74.5%	74.2%
Normal working hours	478	488	1,958	1,968
Net debt/EBITDA excl. extraordinary items	1.5			1.2

Key ratios, Actual	Actual Jan-Mar 2016	Actual Jan-Mar 2015	Actual Apr 2015 – Mar 2016	Actual Full-year 2015
Net sales, SEK M	4,018	2,465	12,941	11,389
<i>Acquisition-related growth, %</i>	64	1		18
EBITA, SEK M	228	228	740	740
<i>Margin, %</i>	5.7	9.3	5.7	6.5
Profit after tax, SEK M	148	160	427	439
Earnings per share, SEK*	1.24	1.70	3.99	4.36
Number of full-time employees	14,589	8,650	11,645	10,188
Net debt/EBITDA	2.1	1.3		1.8

* In view of the preferential rights issue conducted during Q4 2015, historical share data is restated pursuant to IAS 33.

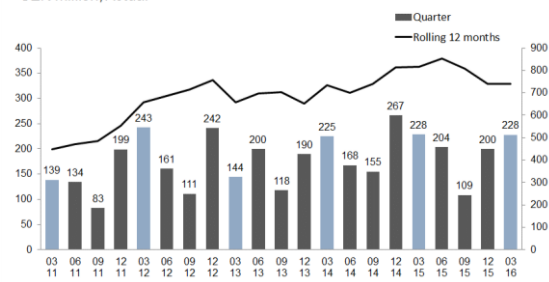
Net sales by quarter and rolling 12 months

SEK million, Actual



EBITA by quarter and rolling 12 months

SEK million, Actual



EXAMPLES OF NEW PROJECTS

Sweco has been commissioned by Jernbaneverket, the Norwegian government's agency for railway services, to electrify the Norwegian Trønder Line and Meråker Line that cover a distance of approximately 200 kilometres. This is the first time Norwegian rail will be electrified since the 1970s, and this will improve the capacity, efficiency and environmental aspects of the region's public transport system. The electrification will reduce CO2 emissions by 12,300 tonnes per year. The project is valued at approximately SEK 26 million.

In Denmark, Sweco has been commissioned by Danish Railways (DSB) to design and manage the planning and construction of the renovation of Østerport train station in Copenhagen. The end result will be a modern junction linking the existing rail with the city's new City Ring metro line. The assignment is valued at approximately SEK 21 million.

After the close of the period Sweco Belgium has been commissioned by Société du Grand Paris for overall project management and detailed civil design for the construction of a new Metro line in Paris, part of the largest metro investment in Europe today. With an order value of approximately SEK 158 million, this is one of Sweco's largest projects to date.

MARKET

Overall, the market for Sweco's services is good and development is stable.

The situation varies between markets. The Swedish market is strong, while the Norwegian market is good but has weakened. The markets in Denmark, Western Europe and Central Europe are in general good and are developing positively. The markets in Finland and in the Netherlands remain challenging.

OUTLOOK

The European economy has strengthened and GDP growth improved in all of Sweco's home markets, with the exception of Norway. Geopolitical turbulence, the global macro-economic situation and financial market developments are risks to the development.

Demand for Sweco's services predominantly follows the general economic trend in Sweco's submarkets, with some time lag.

Sweco does not provide forecasts.

ACQUISITIONS DURING THE PERIOD

On 9 March Sweco announced that it would acquire Ludes, a German architecture and project management consultancy with around 100 employees. Ludes has a particularly strong position within healthcare. With Ludes, Sweco Germany establishes a presence in the German architecture market.

The acquisition is in line with Sweco's strategy of leveraging its new footprint in Northern Europe for bolt-on acquisitions, similar to the model successfully applied in the Nordic market.

Sweco has received competition clearance from the German authorities and closed the acquisition at April 15.

THE ACQUISITION OF GRONTMIJ

Grontmij, with approximately 6,000 employees in 9 countries, was acquired on 1 October 2015. Sweco is now the leading engineering and architecture consultancy in Europe. In 2014 Grontmij had annual sales of approximately SEK 6.0 billion and EBITA (as per Sweco's definition) of approximately SEK 203 million, excluding extraordinary expenses and the divested business in France. Sales for the combined company totalled approximately SEK 16 billion. Following the acquisition, Sweco has around 14,500 employees (pro forma 2015).

The acquisition of Grontmij creates value for all stakeholders – customers, employees, shareholders and society in general:

- A nearly perfect match: geographically, operationally and culturally
- Value creation through cost savings: approximately SEK 250 million in annual cost synergies and operational improvements

- Strengthened customer offer: Sweco now has the broadest and deepest technical expertise in Northern Europe, with unique opportunities to take on the industry's largest, most complex projects
- Increased opportunities for employees: expanded international expertise network and greater resources improve development opportunities for Sweco's current and future employees

Sweco has completed around 100 acquisitions over the past 10 years. The acquisition of Grontmij is fully in line with Sweco's growth strategy and vision to be Europe's most respected architecture, engineering and environmental consultancy.

Integration update

The integration is progressing well and in several areas faster than originally planned. Focus is mainly on profitability improvements and facilitating joint business opportunities.

- The operations in Germany, Turkey, Sweden and Belgium were rebranded during the first quarter and the UK, Netherlands and Poland during the beginning of April. All of former Grontmij-countries are rebranded and operate under Sweco's name
- Grontmij's Swedish operations have been fully integrated into Sweco Sweden's operations since the beginning of the year
- Grontmij's group-wide data-network and basic IT infrastructure have been integrated into Sweco's IT environment since 1 October. The local IT integration in Sweden has been completed, and will soon be completed in Denmark

Synergies and cost savings

The annual run rate of profitability improvements at the end of the first quarter was around SEK 160 million, an increase from SEK 100 million at the end of the fourth quarter 2015. Synergies and cost savings made a positive contribution of SEK 37 million to EBITA in the period.

Profitability improvements are found in four main areas:

- IT (approximately 30 per cent of cost-saving potential): All major supplier contracts have been renegotiated to lower cost. The new central IT organisation has been implemented. The local IT integration in Sweden has been completed and will be finalised in Denmark during the second quarter. The IT integration is largely expected to be completed during the first half of 2017
- Head office (approximately 20 per cent of cost-saving potential): The new head office organisation

is operational. Reductions in staff and management functions are completed and full-cost savings will be realized before year-end 2016

- Overhead costs within business area Sweden (approximately 20 per cent of cost-saving potential): The new organisation for administrative support has been implemented and staff reductions are completed. Grontmij's Stockholm operations, with approximately 275 employees have moved to Sweco's premises. Further co-location in Sweden is underway and will be completed over the next years when operationally and economically favourable
- Country-specific operational improvements (approximately 30 per cent of cost-saving potential): The new administrative support organisation in the Netherlands and Denmark is implemented. A new decentralised, customer-focused organisational model is implemented in the Netherlands. The divestment of ancillary operations and restructuring of unprofitable units is underway. Reductions in the Dutch consultant organisation commenced during the fourth quarter 2015. Measures taken in the Netherlands are expected to involve a downsizing of operations during 2016 while sales and profitability are expected to stabilize from 2017

A reduction of approximately 200 positions is expected within the Group due to integration and restructuring. Notice has been given in most cases, and approximately 160 of these employees have left the Group by the end of the period.

At the announcement of the acquisition, annual profitability improvements were estimated at approximately SEK 250 million through cost savings in the joint operations. Ninety per cent of the savings were expected to be realised within four years, and most within two years. Realized savings to date show that Sweco is well on its way to realizing the targets that were initially set up.

Accumulated extraordinary costs totalled SEK 286 million at the end of the period, of which SEK 36 million arose during the first quarter. All extraordinary cost are reported in the Group-wide segment.

Extraordinary transaction, integration and restructuring costs were initially estimated at approximately SEK 450 million and expected to arise mostly during the fourth quarter of 2015 and first half of 2016. Extraordinary costs are developing according to plan and integration is expected to be completed within the previously announced cost-frame.

Additional value-creating opportunities can be achieved in the longer term by increasing Grontmij's customer focus and internal efficiency as well as through organic

and acquisition-based growth in Sweco's new home markets.

Other information on the Grontmij acquisition

Sweco currently holds 97.36 per cent of all Grontmij shares and has initiated a statutory squeeze-out procedure for the remaining shares. Approximately SEK 94 million of the cash component remains to be paid in conjunction with the squeeze-out. Sweco is consolidating 100% of the shares. Since Sweco has initiated a statutory squeeze-out procedure the remaining consideration is reported as a liability and is included in net debt.

CASH FLOW AND FINANCIAL POSITION

Group cash flow from operating activities totalled SEK -244 million (58) during the quarter. Interest-bearing net debt totalled SEK 2,033 million (1,252).

The net debt/EBITDA ratio was 2.1 times (1.3). Pro forma and adjusted for extraordinary costs, the net debt/EBITDA ratio was 1.5 times.

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 1,672 million (1,118) at the end of the reporting period.

INVESTMENTS, JANUARY-MARCH 2016

Investments in equipment totalled SEK 50 million (41) and were primarily attributable to IT investments. Depreciation of equipment totalled SEK 55 million (37) and amortisation of intangible assets totalled SEK 34 million (14).

Purchase consideration paid to acquire companies and operations totalled SEK 10 million (29) and had a negative impact of SEK 5 million (-27) on Group cash and cash equivalents. Purchase consideration on the divestment of companies and operations totalled SEK 9 million (-) and had a positive impact of SEK 9 million (-) on Group cash and cash equivalents.

After the end of the reporting period, dividends totalling SEK 418 million (318) were distributed to Sweco AB shareholders.

BUSINESS AREAS

PRO FORMA ACCOUNTS, JANUARY-MARCH

Business Areas are reported on a pro forma basis following the new organisation since 1 October 2015. The pro forma reporting facilitates analysis of developments in operational activities on a like-for-like basis, assuming that Grontmij had been part of Sweco since the beginning of 2015.

SWECO SWEDEN

SALES AND PROFIT, JANUARY-MARCH

Grontmij Sweden is now fully integrated into Sweco Sweden. Since 1 January, Grontmij's operations are integrated in corresponding division within Sweco Sweden.

Calendar effects had a negative impact of 12 working hours, producing a negative year-on-year effect on sales and operating profit of approximately SEK -37 million. The negative calendar effect was partly offset by an improved billing ratio and synergies realised within administrative overhead.

The Swedish market remains strong overall, with stable demand for Sweco's services. There is strong demand in the construction and real estate sector. The infrastruc-

ture market is also strong, supported by major public investments. The industrial market and the market for IT-related services is developing positively. The market for power transmission services is strong, while other energy sectors are weak.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	1,758	1,732
<i>Organic growth, %</i>	1	
<i>Currency, %</i>	0	
EBITA, SEK M	170	184
<i>EBITA margin, %</i>	9.7	10.6
Number of full-time employees	5,469	5,297

SWECO NORWAY

SALES AND PROFIT, JANUARY-MARCH

The reduction in organic growth and operating profit were mainly attributable to fewer work-hours as a result of Easter falling in the first quarter this year, as opposed to the second quarter in 2015. The calendar effect during Easter is pronounced in Norway compared to the rest of the group. The year-on-year calendar effect of -24 hours had a negative impact on sales and profit of approximately SEK -23 million. Also, negative currency effects reduced net sales and profit by 9 per cent.

The negative calendar effect was partly offset by an improved billing ratio.

The Norwegian market is good, but has weakened. This trend is in line with the slowdown of the Norwegian economy in the wake of falling oil prices.

The Norwegian economy is in transition and demand is distributed unevenly. Markets in the Oslo region and

within infrastructure remain strong. The construction and real estate market in particular has weakened in the western and northern regions of Norway. The market for energy-related services is weak.

Since 1 January, Grete Aspelund is the President of Sweco Norway.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	499	531
<i>Organic growth, %</i>	2	
<i>Currency, %</i>	-9	
EBITA, SEK M	29	40
<i>EBITA margin, %</i>	5.8	7.5
Number of full-time employees	1,353	1,315

SWECO FINLAND

SALES AND PROFIT, JANUARY-MARCH

Organic growth was 11 per cent despite a challenging market and negative calendar effects.

The calendar effect was -6 hours, which had a negative impact on net sales and profit of approximately SEK -6 million.

Operating profit improved to SEK 21 million (17). The profit improvement is mainly attributable to an increased billing ratio and lower project write-downs.

The Finnish market remains challenging. The Finnish economy has basically had zero GDP growth since 2011.

Despite this, demand for construction and real estate-related services is satisfactory while the infrastructure and industry markets remain challenging.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	432	392
Organic growth, %	11	
Currency, %	-1	
EBITA, SEK M	21	17
EBITA margin, %	4.8	4.2
Number of full-time employees	1,972	1,905

SWECO DENMARK

SALES AND PROFIT, JANUARY-MARCH

Sales were essentially unchanged with a slight increase in profitability. Underlying improvements to profitability are largely offset by negative calendar effects. The negative calendar effect was -15 hours and had a negative year-on-year impact of SEK -9 million on net sales and profit. Operating profit increased to SEK 4 million (0), primarily due to operational improvements and lower project write-downs.

The market in Denmark is generally good and is developing positively. The construction and real estate sector is evolving well and is particularly strong in the bigger cities. The infrastructure market has lower demand and price pressure, but positive prospects are seen in ports. Demand in the water and energy sector is stable.

Sweco Denmark is going through a turnaround. Profitability is improving, although still unsatisfactory. Actions are being taken and the first signs of stabilisation and improvements are visible.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	330	334
Organic growth, %	0	
Currency, %	-1	
EBITA, SEK M	4	0
EBITA margin, %	1.2	0.1
Number of full-time employees	1,140	1,143

SWECO NETHERLANDS

SALES AND PROFIT, JANUARY-MARCH

Sales decreased to SEK 423 million (471), primarily due to a weak market and the ongoing restructuring. Operating profit increased to SEK 18 million (14). The profit improvement was mainly due to lower project write-downs and operational improvements.

The market in the Netherlands has been challenging for several years due to the country's real estate and financial crisis. The first signs of stabilization of market development were visible during the first quarter, particularly within private building construction.

Sweco Netherlands delivers services primarily in the areas of public infrastructure, water and public sector buildings. Overall, the market remains challenging.

Sweco Netherlands introduced a new customer-focused and decentralised organisational model during the end of 2015 and the implementation will continue in 2016. The business is being restructured and staff reductions within administration and the consultant organisation are ongoing.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	423	471
Organic growth, %	-9	
Currency, %	-1	
EBITA, SEK M	18	14
EBITA margin, %	4.4	2.9
Number of full-time employees	1,543	1,707

SWECO WESTERN EUROPE

SALES AND PROFIT, JANUARY-MARCH

Organic growth was 6 per cent during the quarter, mainly due to good growth in the UK. Operating profit increased to SEK 23 million (13), mainly due to improved profit in Belgium and the UK.

The market in the UK is good and the general market sentiment improved during the quarter. The construction and real estate market in London is particularly strong. The infrastructure market is good, while demand varies in the energy and water market.

The market in Belgium is generally stable within all market segments and the building market is improving. The markets in Bulgaria and Turkey are stable.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	398	384
Organic growth, %	6	
Currency, %	-3	
EBITA, SEK M	23	13
EBITA margin, %	5.9	3.4
Number of full-time employees	1,663	1,600

SWECO CENTRAL EUROPE

SALES AND PROFIT, JANUARY-MARCH

Organic growth is positive in Sweco Central Europe, still sales decreased to SEK 221 million (224). The acquired growth is negative due to divestments of operations in Russia and Slovakia.

Operating profit decreased to SEK 3 million (12). Compared with last year, the negative deviation is mainly due to weak development in Lithuania and due to a different periodisation of holiday accruals in Germany. On the latter, the full-year effect will be nil compared with last year.

The German market is good overall and is developing positively. The construction and real estate market is good and is evolving well. Demand is solid in the transport and environmental sector due to public investments, while the energy market is challenging.

During the quarter Sweco acquired the German architecture firm Ludes with around 100 employees. The transaction was closed on 15 April.

The Polish and Lithuanian markets are seeing weak development due to delayed EU investments in public infrastructure, water and environment. The EU investments are expected to begin in the end of 2016.

The Czech market remains challenging, although there is solid demand for Sweco's services.

IN BRIEF

Net sales and profit	Actual Jan-Mar 2016	Pro forma Jan-Mar 2015
Net sales, SEK M	221	224
<i>Organic growth, %</i>	2	
<i>Acquisition-related growth, %</i>	-2	
<i>Currency, %</i>	-1	
EBITA, SEK M	3	12
<i>EBITA margin, %</i>	1.1	5.4
Number of full-time employees	1,357	1,443

OTHER INFORMATION

PARENT COMPANY, JANUARY-MARCH 2016

Parent Company net sales totalled SEK 128 million (89) and were attributable to intra-group services. Profit after net financial items totalled SEK -46 million (-11). Investments in equipment totalled SEK 5 million (9). Cash and cash equivalents at the end of the period totalled SEK 16 million (2).

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.

The Group applies the same accounting and valuation principles as those described in Note 1 of the 2015 annual report. In this interim 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 SWECO SHARE

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco B share was SEK 133.4 at the end of the period, representing a 7.4 per cent increase during the quarter. The Nasdaq Stockholm General Index decreased by -3 per cent over the same period.

In accordance with the request of the shareholders, 5,453 class A shares were converted into class B shares with the support of the conversion clause in Sweco's Articles of Association.

The total number of shares at the end of the period was 121,094,830: 10,533,731 Class A shares, 109,661,099 Class B shares and 900,000 Class C shares. The total number of outstanding shares was 119,485,136: 10,533,731 Class A shares and 108,951,405 Class B shares.

RESOLUTIONS AT THE 2016 ANNUAL GENERAL MEETING

2016 share savings scheme: Pursuant to the Board's proposal, the 2016 AGM resolved to introduce a long-term share savings scheme for up to 100 Sweco Group senior executives and other key employees.

2016 share bonus scheme: Pursuant to the Board's proposal, the 2016 AGM resolved to introduce a share-based incentive scheme geared for employees in Sweden.

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 2015 annual report (page 90, Risks and Risk Management).

SEASONALITY

The number of normal working hours in 2016, based on the pro forma 12-month sales-weighted business mix as of Q3 2015, is broken down as follows:

Quarter 1:	478 (488)	-10
Quarter 2:	490 (469)	+21
Quarter 3:	518 (519)	-1
Quarter 4:	493 (492)	+1
Total 2016:	1,979 (1,968)	+11

FORTHCOMING FINANCIAL INFORMATION

Interim report January-June	18 July 2016
Interim report January-September	28 October 2016
Year-end report 2016	14 February 2017

Stockholm, 11 May 2016

Tomas Carlsson

President and CEO, Board member

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This report has not been audited.

KEY RATIOS, ACTUAL

Key ratios ¹⁾	Jan-Mar 2016	Jan-Mar 2015	Apr 2015-Mar 2016	Full-year 2015
Profitability				
EBITA margin, %	5.7	9.3	5.7	6.5
Operating margin (EBIT), %	5.1	8.8	5.2	6.0
Profit margin, %	4.8	8.5	4.8	5.6
Revenue growth				
Organic growth, %	1	4		6
Acquisition-related growth, %	64	1		18
Currency effects, %	-2	1		0
Total growth, %	63	6		24
Debt				
Net debt, SEK M	2,033	1,252		1,688
Interest-bearing debt, SEK M	2,378	1,354		2,232
Financial strength				
Net debt/Equity, %	40.5	61.8		34.4
Net debt/EBITDA, x	2.1	1.3		1.8
Equity/Assets ratio, %	39.1	31.7		39.0
Available cash and cash equivalents, SEK M ²⁾	1,672	1,118		2,229
Return				
Return on equity, %	12.1	29.5		12.9
Return on capital employed, %	12.5	23.5		13.2
Share data³⁾				
Earnings per share, SEK ³⁾	1.24	1.70	3.99	4.36
Diluted earnings per share, SEK ³⁾	1.22	1.67	3.94	4.30
Equity per share, SEK ^{3/4)}	41.90	21.37		40.98
Diluted equity per share, SEK ^{3/4)}	41.39	21.03		40.49
Number of outstanding shares at reporting date	119,485,136	90,818,083		119,537,510
Number of repurchased Class B and Class C shares	1,609,694	1,598,764		1,557,320

¹⁾ Key ratio definitions are available on Sweco's website. Key ratios in this table refer to the consolidated accounts (not pro forma).

²⁾ Including unutilised credit.

³⁾ Historical share data is restated in accordance with IAS 33 due to the preferential rights issue conducted during Q4 2015.

⁴⁾ Refers to portion attributable to parent company shareholders.

CONSOLIDATED INCOME STATEMENT AND COMPREHENSIVE INCOME STATEMENT

Income Statement SEK M	Jan-Mar 2016	Jan-Mar 2015	Apr 2015-Mar 2016	Full-year 2015
Net sales	4,018	2,465	12,941	11,389
Other income	0	0	0	0
Other external expenses	-952	-539	-3,290	-2,877
Personnel expenses	-2,769	-1,658	-8,693	-7,581
EBITDA	296	268	959	931
Amortisation/depreciation and impairments	-69	-40	-219	-190
EBITA	228	228	740	740
Acquisition-related items ¹⁾	-23	-12	-70	-60
Operating profit (EBIT)	205	216	670	681
Net financial items	-11	-7	-45	-41
Profit before tax	194	210	625	640
Income tax	-46	-49	-198	-200
PROFIT FOR THE PERIOD	148	160	427	439
Attributable to:				
Parent company shareholders	148	160	426	438
Non-controlling interests	0	0	1	1
Earnings per share attributable to parent company shareholders, SEK ²⁾	1.24	1.70	3.99	4.36
Average number of shares ²⁾	119,475,201	94,259,333	106,749,089	100,445,122
Dividend per share, SEK ²⁾				3.50

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

²⁾ Historical share data is restated in accordance with IAS 33 due to the preferential rights issue conducted during Q4 2015.

Consolidated income statement and other comprehensive income, SEK M	Jan-Mar 2016	Jan-Mar 2015	Apr 2015-Mar 2016	Full-year 2015
Profit for the period	148	160	427	439
Items that will not be reversed in the income statement				
Revaluation of defined benefit pensions, net after tax ^{1,3)}	-21	-	24	45
Items that may subsequently be reversed in the income statement				
Revaluation of Grontmij NV holding, net after tax ²⁾	-	-	12	12
Translation differences, net after tax	-28	-9	-112	-92
Translation differences transferred to profit for the period	-	-	5	5
COMPREHENSIVE INCOME FOR THE PERIOD	99	152	357	410
Attributable to:				
Parent company shareholders	99	152	356	409
Non-controlling interests	0	0	1	1
¹⁾ Tax on revaluation of defined benefit pensions	7	-	-5	-16
²⁾ Tax on revaluation of Grontmij NV holding	-	-	-3	-3

³⁾ 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	Jan-Mar 2016	Jan-Mar 2015	Apr 2015-Mar 2016	Full-year 2015
Cash flow from operating activities before changes in working capital and tax paid	274	261	965	952
Tax paid	-81	-56	-182	-157
Changes in working capital	-437	-147	55	345
Cash flow from operating activities	-244	58	838	1,140
Cash flow from investing activities	-56	-66	-1,430	-1,440
Cash flow from financing activities	110	-64	881	707
CASH FLOW FOR THE PERIOD	-190	-72	289	407

Balance sheet SEK M	31 Mar 2016	31 Mar 2015	31 Dec 2015
Goodwill	5,757	2,148	5,752
Other intangible assets	390	113	416
Property, plant and equipment	637	406	639
Financial assets	167	48	157
Current assets excl. cash and cash equivalents	5,528	3,579	5,068
Cash and cash equivalents incl. short-term investments	345	102	544
TOTAL ASSETS	12,825	6,397	12,575
Equity attributable to parent company shareholders	5,007	2,015	4,899
Non-controlling interests	9	11	9
Total equity	5,015	2,026	4,907
Non-current liabilities	2,615	1,228	2,700
Current liabilities	5,194	3,143	4,968
TOTAL EQUITY AND LIABILITIES	12,825	6,397	12,575
Contingent liabilities	646	250	704

Changes in equity SEK M	Jan-Mar 2016			Jan-Mar 2015		
	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	4,899	9	4,907	1,874	14	1,888
Comprehensive income for the period	99	0	99	152	0	152
Acquisition of non-controlling interests	-	-	-	-12	-3	-15
Divestment of non-controlling interests	-	-	-	-	0	0
Buy-back of treasury shares	-20	-	-20	-	-	-
Sale of treasury shares	3	-	3	-	-	-
Share-based incentive schemes	25	-	25	-	-	-
Share savings schemes	1	-	1	1	-	1
EQUITY, CLOSING BALANCE	5,007	9	5,015	2,015	11	2,026

ACQUISITIONS, DIVESTMENTS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

ACQUISITION OF SUBSIDIARIES AND OPERATIONS

During the period Sweco acquired Petro Team Engineering AB, Sletten AS and extended the participation in Par 2 Ontwikkeling B.V. to 100 per cent (was 50 per cent owned). The acquired businesses have an aggregate total of 13 employees. Purchase consideration totalled SEK 10 million and had a negative impact on cash and cash equivalents of SEK 5 million. The acquisitions impacted the consolidated balance sheet as detailed in the table below. Of the unsettled purchase price commitment of SEK 3 million, SEK 1 million refers to conditional contingent consideration. During the period the acquired companies contributed SEK 4 million in sales and SEK 0.1 million in operating profit (EBIT) before extraordinary cost. If all of the companies had been owned as of 1 January 2016 they would have contributed approximately SEK 4 million in sales and about SEK 0.1 million in operating profit before extraordinary cost.

Acquisitions, SEK M	
Intangible assets	8
Property, plant and equipment	1
Current assets	13
Non-current liabilities	-5
Other current liabilities	-7
Total purchase consideration	10
Unsettled purchase price commitment	-3
Cash and cash equivalents	-2
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	5

DIVESTMENT OF SUBSIDIARIES AND OPERATIONS

During the period Sweco divested business within Sweco Nederland BV and Park Frederiksoord B.V. with total 38 employees. The businesses contributed SEK 5 million in sales and SEK 0 million in operating profit. The divestments had a positive impact on profit of SEK 0.5 million and a positive impact on the Group's cash and cash equivalents of SEK 2 million. The divestments impacted the consolidated balance sheet as detailed below.

Divestments, SEK M	
Property, plant and equipment	6
Current assets	3
Capital gain recorded on divestment	1
Total purchase consideration	9
Cash and cash equivalents in divested companies	-
INCREASE IN GROUP CASH AND CASH EQUIVALENTS	9

SUBSEQUENT ACQUISITIONS

After the end of the period, Sweco completed the acquisition of Ludes, a German architecture and project management company with around 100 employees. The transaction was closed at April 15 and the company will be consolidated in Sweco's accounts during the second quarter.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial assets measured at fair value totalled SEK 14 million (12). 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 REVIEW PER BUSINESS AREA

Sweco has restated historical figures to reflect the new Sweco Group organisational structure, effective as of 1 October 2015. Grontmij is included pro forma as if the acquisition had taken place on 31 December 2013¹⁾.

Quarterly summary ²⁾	Actual 2016 Q1	Actual 2015 Q4	Pro forma 2015 Q3	Pro forma 2015 Q2	Pro forma 2015 Q1	Pro forma 2014 Q4
Net sales, SEK M						
Sweco Sweden	1,758	1,921	1,390	1,795	1,732	1,768
Sweco Norway	499	508	401	551	531	521
Sweco Finland	432	488	375	408	392	417
Sweco Denmark	330	365	320	331	334	328
Sweco Netherlands	423	450	445	465	471	496
Sweco Western Europe	398	428	389	393	384	362
Sweco Central Europe	221	262	220	245	224	258
Group-wide, Eliminations, etc.	-45	-73	-36	-68	-44	-43
TOTAL GROUP	4,018	4,350	3,504	4,120	4,024	4,107
EBITA, SEK M						
Sweco Sweden	170	211	91	186	184	223
Sweco Norway	29	52	24	44	40	58
Sweco Finland	21	35	27	10	17	3
Sweco Denmark	4	28	18	-8	0	-5
Sweco Netherlands	18	-1	12	0	14	21
Sweco Western Europe	23	25	22	23	13	20
Sweco Central Europe	3	19	7	11	12	19
Group-wide, Eliminations, etc.	-40	-170	-63	-79	-23	-58
EBITA	228	200	138	187	257	281
Extraordinary items ³⁾	36	190	59	70	1	58
EBITA excl. extraordinary items	263	390	197	257	258	339
EBITA margin, %						
Sweco Sweden	9.7	11.0	6.6	10.4	10.6	12.6
Sweco Norway	5.8	10.2	6.1	8.0	7.5	11.0
Sweco Finland	4.8	7.1	7.3	2.5	4.2	0.8
Sweco Denmark	1.2	7.7	5.6	-2.3	0.1	-1.4
Sweco Netherlands	4.4	-0.3	2.6	0.1	2.9	4.2
Sweco Western Europe	5.9	5.9	5.7	5.8	3.4	5.5
Sweco Central Europe	1.1	7.4	3.1	4.3	5.4	7.4
EBITA margin	5.7	4.6	3.9	4.5	6.4	6.8
Extraordinary items ³⁾	0.9	4.4	1.7	1.7	0.0	1.5
EBITA margin excl. extraordinary items	6.6	9.0	5.6	6.2	6.4	8.3
Billing ratio, %	74.5%	74.7%	74.1%	74.8%	73.2%	73.8%
Number of normal working hours	478	492	519	469	488	486
Number of full-time employees	14,589	14,621	14,339	14,707	14,557	14,565

¹⁾The pro forma information is based on the consolidated income statements for the fourth quarter of 2014 and for the first three quarters of 2015 of Sweco and Grontmij respectively. Sweco and Grontmij both apply IFRS. The financial pro forma information has been compiled and presented in accordance with Sweco's accounting policies as described in Sweco's annual report for 2014. Herewith, the financials of Grontmij have been adjusted to be consistent with Sweco's presentation of the income statement. The pro forma information is only intended to describe a hypothetical situation and has been prepared solely with an illustrative purpose.

²⁾The pro forma information excludes Grontmij's French activities which were divested during 2015 and reported by Grontmij as Assets held for sale. Groupwide, eliminations, etc. includes group functions, the operations in China as well as Grontmij's real estate operations.

³⁾Extraordinary items include Sweco's and Grontmij's extraordinary items to the extent they are part of Sweco's definition of EBITA. All extraordinary items are included in Group-wide.

QUARTERLY REVIEW PER BUSINESS AREA

January-March	Net sales SEK M		EBITA SEK M		EBITA margin %		Number of full-time employees	
	Actual 2016	Pro forma 2015	Actual 2016	Pro forma 2015	Actual 2016	Pro forma 2015	Actual 2016	Pro forma 2015
Business area								
Sweco Sweden	1,758	1,732	170	184	9.7	10.6	5,469	5,297
Sweco Norway	499	531	29	40	5.8	7.5	1,353	1,315
Sweco Finland	432	392	21	17	4.8	4.2	1,972	1,905
Sweco Denmark	330	334	4	0	1.2	0.1	1,140	1,143
Sweco Netherlands	423	471	18	14	4.4	2.9	1,543	1,707
Sweco Western Europe	398	384	23	13	5.9	3.4	1,663	1,600
Sweco Central Europe	221	224	3	12	1.1	5.4	1,357	1,443
Group-wide, Eliminations, etc. ¹⁾	-45	-44	-40	-23	-	-	92	148
TOTAL GROUP	4,018	4,024	228	257	5.7	6.4	14,589	14,557

¹⁾Groupwide, eliminations, etc. includes group functions, the operations in China as well as Grontmij's real estate operations. All extraordinary items are included in Group-wide.

PARENT COMPANY INCOME STATEMENT AND BALANCE SHEET

Parent Company income statement, SEK M	Jan-Mar 2016	Jan-Mar 2015	Full-year 2015
Net sales	128	89	355
Operating expenses	-166	-93	-399
Operating loss	-39	-5	-44
Net financial items	-7	-6	508
Profit/loss after net financial items	-46	-11	464
Appropriations	-	-	-20
Profit/loss before tax	-46	-11	444
Tax	-	-	-61
PROFIT/LOSS AFTER TAX	-46	-11	383

Parent Company balance sheet, SEK M	31 Mar 2016	Full-year 2015
Intangible assets	78	81
Property, plant and equipment	48	50
Financial assets	6,346	6,348
Current assets	202	1,911
TOTAL ASSETS	6,675	8,390
Equity	4,590	4,619
Untaxed reserves	23	23
Non-current liabilities	1,842	2,083
Current liabilities	220	1,665
TOTAL EQUITY AND LIABILITIES	6,675	8,390