



13 February 2018

SWECO'S STRONGEST YEAR SO FAR

OCTOBER – DECEMBER 2017

- Net sales increased to SEK 4,582 million (4,421)
- EBITA increased to SEK 448 million (395), margin 9.8 per cent (8.9)
- EBIT increased to SEK 431 million (378), margin 9.4 per cent (8.6)
- Profit after tax increased to SEK 480 million (276), corresponding to SEK 4.02 per share (2.30)

JANUARY – DECEMBER 2017

- Net sales increased to SEK 16,887 million (16,531)
- EBITA increased to SEK 1,492 million (1,336), margin 8.8 per cent (8.1)
- EBIT increased to SEK 1,425 million (1,249), margin 8.4 per cent (7.6)
- Net debt increased to SEK 1,698 million (1,558)
- Net debt/EBITDA amounted to 1.0 times (1.0)
- Profit after tax increased to SEK 1,223 million (931), corresponding to SEK 10.23 per share (7.78)
- The Board of Directors proposes a dividend distribution of SEK 5.00 per share (4.30)

COMMENTS FROM PRESIDENT AND CEO TOMAS CARLSSON:

Sweco had a stable development during the quarter. An increased billing ratio and positive fee development contributed positively to EBITA. At the same time calendar effects, project write-downs and restructuring costs in Norway and Denmark impacted EBITA negatively. In summarising the 2017 full-year result, we can conclude that it is the best financial result in Sweco's history, so far.

The positive development continues in the Netherlands. On the back of a solid trajectory in our Dutch business, we now recognise the tax value of historical losses in Grontmij. As a result, a one-off tax asset of SEK 161 million had a positive impact on net profit during the quarter. With a strong financial position, solid increase in earnings per share and a positive outlook for Sweco's business, the Board of Directors proposes increasing the dividend to SEK 5.00 per share.

During and after the quarter, Sweco announced three acquisitions with a total of 300 employees: Dimensjon Rådgivning in Norway, HaskoningDHV in Belgium and Årstiderne Arkitekter in Denmark. Our strategy for the future is to repeat our history. We will continue to strengthen our European leadership through acquisitions and organic growth. Our focus remains on our customers, internal efficiency and having the best people in the business.

Overall, the market for Sweco's services is good. The Swedish market remains strong in most segments, while residential construction is slowing down. The markets in Finland and the Netherlands have improved and are good. Essentially all other core markets remain good.

PROFIT AND OPERATIONS

OCTOBER-DECEMBER

EBITA increased to SEK 448 million (395), an improvement of SEK 53 million. Sweden, the Netherlands and Central Europe were the main Business Areas contributing to the improvement.

Overall for the Group, a positive trend in hourly fees and billing ratio were the main drivers of improved operational performance, while project write-downs and restructuring costs in Norway and Denmark had a negative impact.

The absence of extraordinary items related to the Grontmij acquisition contributed SEK 83 million to the EBITA improvement.

There were 3 less working hours during the fourth quarter compared to last year. This had a negative year-on-year impact on sales and EBITA of approximately SEK 17 million.

The billing ratio improved to 75.8 per cent (75.3), mainly due to positive developments in Central Europe, the Netherlands and Western Europe.

Net sales increased to SEK 4,582 million (4,421). Organic growth amounted to 0 per cent and was negatively impacted by higher project adjustments and negative calendar effects.

Net financial items decreased to SEK -11 million (-5) due primarily to foreign exchange revaluation effects.

Sweco Netherlands is on a solid trajectory of profitability. Due to accounting rules, a deferred tax asset related to historical losses in Grontmij has been recognised. The tax asset is valued at SEK 161 million and impacts net profit positively by the same amount.

Earnings per share increased to SEK 4.02 per share (2.30). Profit after tax excluding the impact from revaluation of tax assets amounted to SEK 2.68 per share.

JANUARY-DECEMBER

Adjusted for calendar effects and extraordinary items, EBITA increased SEK 59 million. The improvement was mainly attributable to the Netherlands, Finland and Central Europe.

Overall for the Group, a positive trend in hourly fees was the main driver of improved operational performance.

EBITA increased to SEK 1,492 million (1,336), an improvement of SEK 156 million. The absence of extraordinary items related to the Grontmij acquisition contributed SEK 146 million to the EBITA improvement.

Calendar effects of -8 hours had a negative year-on-year impact of approximately SEK 49 million on net sales and EBITA.

Net sales increased 2 per cent to SEK 16,887 million (16,531). Acquired growth contributed 1 per cent, and currency effects 1 per cent. Excluding calendar effects, organic growth was 1 per cent.

The billing ratio increased to 75.2 per cent (74.9), mainly due to positive developments in Central Europe, the Netherlands and Western Europe.

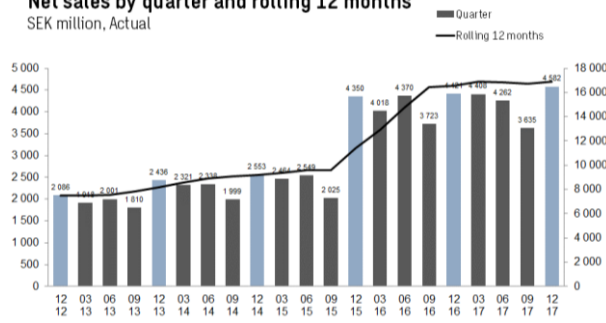
Net financial items decreased to SEK -49 million (-33) primarily due to foreign exchange revaluation effects.

The deferred tax asset recognised in the fourth quarter had a positive impact of SEK 161 million for the year.

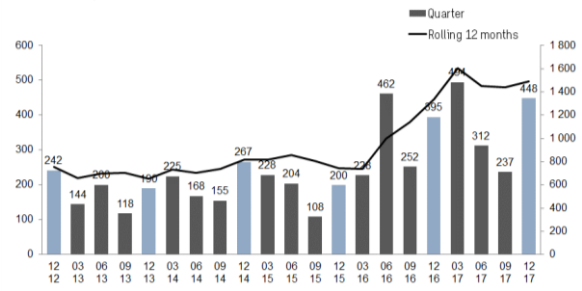
Earnings per share increased to SEK 10.23 per share (7.78). Profit after tax excluding the impact from revaluation of tax assets amounted to SEK 8.88 per share.

Key ratios	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Net sales, SEK M	4,582	4,421	16,887	16,531
Acquisition-related growth, %	1	1	1	42
Organic growth, %	0	1	0	3
EBITA, excl. extraordinary items, SEK M	448	478	1,492	1,482
Margin, %	9.8	10.8	8.8	9.0
EBITA, SEK M	448	395	1,492	1,336
Margin, %	9.8	8.9	8.8	8.1
Profit after tax, SEK M	480	276	1,223	931
Earnings per share, SEK	4.02	2.30	10.23	7.78
Number of full-time employees	14,774	14,482	14,530	14,365
Billing ratio, %	75.8	75.3	75.2	74.9
Normal working hours	490	493	1,971	1,979
Net debt/EBITDA, x			1.0	1.0

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 a joint venture of Groß & Partner Grundstücksentwicklungsgesellschaft mbH and Phoenix Real Estate Development GmbH to plan and design a vital part of the Grand Central project in Frankfurt am Main. The “Grand Central Frankfurt – Building A and B” project consists of two new interconnected seven-storey buildings, with a gross floor area above ground of approximately 52,000 square metres, extensive outdoor facilities and a two-storey underground parking. The buildings will become the new head office of DB Netz AG, a subsidiary of Deutsche Bahn, with 2,200 employees.

Sweco Norway has been commissioned to design the new 24-kilometre-long E6 motorway in Hedmark. The four lane motorway is one of the largest infrastructure projects in Norway. Sweco's customer is Veidekke, and the responsible authority is Nye Veier, the Norwegian government's road infrastructure development company. The project will start immediately and the motorway is scheduled to open in December 2020. The order value for Sweco is approximately SEK 70 million.

After the quarter, Sweco was commissioned to support the implementation of infrastructure projects in northwest Afghanistan under the endorsement of the RIDF (Regional Infrastructure Development Fund). Sweco will advise and support departments of the Ministry of Finance in Afghanistan during the various projects. The projects are financed by the German BMZ (Federal Ministry of Economic Cooperation and Development) and the German government-owned development bank KfW. Sweco has overall responsibility of the projects in cooperation with consulting companies GOPA and INTEGRATION. The projects are expected to be finished in late September 2020.

MARKET

Overall, the market for Sweco's services is good. The Swedish market remains strong in most segments, while residential construction is slowing down. The markets in Finland and the Netherlands have improved and are good. Essentially all other core markets remain good.

OUTLOOK

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

The Northern European GDP development is solid. Political uncertainty, the global macroeconomic situation and financial market events are risks to the development.

Sweco does not provide forecasts.

EVENTS DURING THE QUARTER

On 23 October Sweco completed the acquisition of Dimensjon Rådgivning AS, a Norwegian engineering consultancy based in Stavanger with 47 employees that offers services in urban planning, building engineering, municipal engineering and infrastructure.

On 11 December Sweco signed an asset purchase agreement with Royal HaskoningDHV to acquire the operations of HaskoningDHV Belgium. The company has 36 employees and is specialised in soil investigations and decontamination, environmental impact assessments and integrated area development.

EVENTS AFTER THE QUARTER

On 10 January Sweco announced the acquisition of Årstiderne Arkitekter, one of Denmark's leading architecture firms with approximately 220 employees. Through the acquisition Sweco will establish the first fully integrated architecture and engineering offering in Denmark and become the leading architecture firm in Europe, with more than 1,200 architects.

On 12 January Sweco announced that Tomas Carlsson will leave his position as President and CEO of Sweco. The Board of Directors has initiated the process of finding a replacement. Carlsson will continue in his current role during his termination period until July 2018.

On 6 February Sweco introduced Urban Insight, a global initiative under which Sweco's experts will explore ways in which various urban structures in Europe influence citizens' ability to meet needs and preferences. The experts' insight reports will be shared on an Urban Insight website throughout the year.

CASH FLOW AND FINANCIAL POSITION

Group cash flow from operating activities totalled SEK 1,060 million (1,165) during the year. Net debt remained essentially stable at SEK 1,698 million (1,558).

Cash flow was negatively impacted by an increase in working capital, primarily in Sweden. This increase is expected to be of a temporary nature.

The net debt/EBITDA ratio was 1.0 times (1.0).

Available cash and cash equivalents, including unutilised credit lines, totalled SEK 1,991 million (2,138) at the end of the reporting period.

INVESTMENTS, JANUARY-DECEMBER 2017

Investments in equipment totalled SEK 229 million (213) and were primarily attributable to IT investments. Depreciation of equipment totalled SEK 227 million (219) and amortisation of intangible assets totalled SEK 108 million (133).

Purchase consideration paid to acquire companies and operations totalled SEK 181 million (175) and had an impact of SEK -136 million (-152) on Group cash and cash equivalents. Purchase consideration on the divestment of companies and operations totalled SEK 15 million (10) and had an impact of SEK 13 million (7) on Group cash and cash equivalents. Repurchases of Sweco shares totalled SEK 289 million (126) and had the same effect on Group cash and cash equivalents.

Dividends totalling SEK 513 million (418) were distributed to Sweco AB shareholders during the second quarter.

SWECO SWEDEN

SALES AND PROFIT, OCTOBER-DECEMBER

EBITA increased to SEK 296 million (273). The EBITA improvement was primarily attributable to higher average fees. There was no year-on-year difference in the number of available working hours.

Organic revenue growth from own consultants was 2 per cent. Nominally, organic growth was -1 per cent, mainly due to a reduction in income from subconsultants. The reduced income from subconsultants is related to completion of large projects involving a large proportion of sub-consultants. During the quarter Sweco Sweden implemented a new group-wide ERP system, currently operational in Finland.

The Swedish market is good, but growth is slowing down and competition for talent is intense. There is strong demand in the construction and real estate sector, while residential construction is slowing down. The infrastructure market is strong, supported by major public investments. The industrial market is stable and the market for IT-related services is developing positively. The market for power transmission services is strong while demand in energy generation remains challenging.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	1,936	1,951	7,024	7,064
Organic growth, %	-1	3	-1	4
Currency, %	0	0	0	0
EBITA, SEK M	296	273	844	852
EBITA margin, %	15.3	14.0	12.0	12.1
Number of full-time employees	5,653	5,605	5,524	5,482

SWECO NORWAY

SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased 6 per cent, with acquired growth contributing 3 per cent. Organic growth was negatively impacted by increased project write-downs.

EBITA decreased to SEK 29 million (58). EBITA was negatively impacted by project write-downs and restructuring costs. There was no year-on-year difference in the number of available working hours. Overall, the underlying performance during the quarter was satisfactory, although write-downs and restructuring costs of SEK 16 million in Trondheim impacted profits negatively. Actions have been taken to strengthen leadership on the divisional and regional level.

The Norwegian market is good, but demand is distributed unevenly. The markets in the greater Oslo region are strong within public infrastructure, private and public commercial construction and residential construction. The markets in southern and western Norway remain challenging, while the northern areas are experiencing moderate growth.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	561	530	2,070	2,055
Organic growth, %	2	3	-1	5
Acquisition-related growth, %	3	0	1	0
Currency, %	1	1	1	-3
EBITA, SEK M	29	58	148	195
EBITA margin, %	5.2	11.0	7.2	9.5
Number of full-time employees	1,397	1,346	1,347	1,344

SWECO FINLAND

SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 488 million (462). EBITA decreased to SEK 34 million (41). EBITA was negatively impacted by a lower billing ratio and negative calendar effects. The year-on-year calendar effect of -2 hours had a negative impact of approximately SEK 1 million on net sales and EBITA.

The Finnish economy has gradually improved over the last two years and the market is good. Demand for Sweco's services is stable and developing positively, primarily in the building market in the Helsinki region. Demand for industry, construction and real estate-related services is good, while the infrastructure market remains challenging.

As the Finnish economy improves, Sweco Finland is well-positioned to benefit from a market-leading position, high internal efficiency and a strong customer focus.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	488	462	1,893	1,759
Organic growth, %	-2	-5	3	6
Acquisition-related growth, %	3	0	3	0
Currency, %	5	0	2	1
EBITA, SEK M	34	41	187	138
EBITA margin, %	7.0	8.8	9.9	7.9
Number of full-time employees	2,010	1,936	2,046	1,984

SWECO DENMARK

SALES AND PROFIT, OCTOBER-DECEMBER

EBITA declined SEK 39 million due to operational issues in the Water and Energy division. EBITA in the division was negatively impacted by project write-downs, restructuring cost and a low billing ratio. Write-downs amounted to SEK 16 million. Actions have been taken to strengthen leadership, improve project control and increase the billing ratio. A positive development in Water and Energy was seen at the end of the period. The two other divisions in Denmark are performing well and Sweco Denmark is well-positioned for profitable growth.

The calendar effect of -8 hours had a negative impact of approximately SEK 5 million on EBITA. Organic growth was negatively impacted by increased write-downs and negative calendar effects.

The market in Denmark is generally good with stable development. The construction and real estate sector is developing well and is particularly strong in the larger cities. The infrastructure market is stable, with the exception of weaker demand in road construction and larger public infrastructure projects. Demand in the water and environmental sectors is increasing, driven by an increased demand for climate adaption services in the larger cities. The energy market is weak due to a decreasing activity level.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	349	351	1,371	1,375
Organic growth, %	-5	-4	-2	1
Currency, %	5	0	2	1
EBITA, SEK M	5	44	44	98
EBITA margin, %	1.5	12.6	3.2	7.1
Number of full-time employees	1,014	1,014	1,011	1,055

SWECO NETHERLANDS

SALES AND PROFIT, OCTOBER-DECEMBER

EBITA increased SEK 18 million, despite a negative calendar effect of 8 hours with a year-on-year impact of approximately SEK 5 million. Adjusted for calendar effects, the improvement in EBITA was approximately SEK 24 million. The profit improvement was mainly attributable to an improved billing ratio, higher average fees and overhead cost savings.

Net sales increased to SEK 459 million (434). Downsizing in the Netherlands is completed and organic growth was 1 per cent. The journey to sustainably improve operational performance continues, with a focus on implementing Sweco's operating model supported by a cultural change programme focused on customers, leadership and collaboration.

Due to the gradual improvement of the Dutch economy, the engineering market in the Netherlands has improved and the demand for Sweco's services is good. Sweco Netherlands is well-positioned for continued growth and delivers services primarily in the areas of public infrastructure, energy, water and public sector buildings.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	459	434	1,709	1,746
Organic growth, %	1	1	-3	-3
Acquisition-related growth, %	0	-4	-1	-3
Currency, %	5	0	2	1
EBITA, SEK M	18	0	66	27
EBITA margin, %	4.0	-0.1	3.9	1.5
Number of full-time employees	1,366	1,434	1,368	1,444

SWECO WESTERN EUROPE

SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 446 million (420), mainly due to solid growth in the UK and contribution from newly acquired companies M&R and Snoeck & Partners in Belgium. There was no year-on-year difference in the number of available working hours.

EBITA increased approximately SEK 2 million. The main contribution to improved profit came from Belgium, with positive operational momentum in the existing business and positive contribution from recent acquisitions.

Demand for Sweco's services in the UK remains good. The infrastructure and water markets are good. The energy and building markets are stable. Although there are no tangible signs of a slowdown, there is uncertainty about market development following the EU referendum ("Brexit").

The market in Belgium is generally stable within all market segments. The private and public building markets are improving. The industry market and public infrastructure markets are good.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	446	420	1,637	1,579
Organic growth, %	-2	0	1	4
Acquisition-related growth, %	5	0	2	0
Currency, %	4	-1	0	-4
EBITA, SEK M	32	30	115	105
EBITA margin, %	7.3	7.1	7.0	6.6
Number of full-time employees	1,715	1,573	1,625	1,534

SWECO CENTRAL EUROPE

SALES AND PROFIT, OCTOBER-DECEMBER

Net sales increased to SEK 371 million (297) due to strong organic and acquisition-related growth in Germany. A calendar effect of -13 hours had a negative year-on-year impact of approximately SEK 6 million on net sales and EBITA.

EBITA increased to SEK 34 million (26). Adjusted for calendar effects, the improvement to EBITA was approximately SEK 14 million. The EBITA improvement was mainly due to an improved billing ratio, higher average fees and contribution from the acquisition of Jo. Franzke.

The German market is good overall and is developing positively. The health-care and commercial markets are good. Demand is strong in the transport and environmental sector due to public investments, while the energy market remains challenging.

The Lithuanian market has stabilised and the Czech market is showing signs of a recovery with good demand for Sweco's services. The Polish market is developing positively with good investments in energy, transportation and water.

IN BRIEF

Net sales and profit	Oct-Dec 2017	Oct-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Net sales, SEK M	371	297	1,303	1,050
Organic growth, %	14	0	13	2
Acquisition-related growth, %	5	14	9	9
Currency, %	6	0	2	1
EBITA, SEK M	34	26	84	58
EBITA margin, %	9.2	8.9	6.4	5.5
Number of full-time employees	1,571	1,486	1,541	1,427

OTHER INFORMATION

PARENT COMPANY, JANUARY-DECEMBER 2017

Parent Company net sales totalled SEK 621 million (538) and were attributable to intra-group services. Profit after net financial items totalled SEK 1,171 million (488). Investments in equipment totalled SEK 7 million (31). Cash and cash equivalents at the end of the period totalled SEK 218 million (570).

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.

To align internal and external reporting, Sweco has as of 1 January 2017 changed the definition of Net sales, EBITA and Number of full-time employees as below.

The definition of Acquisition-related items, and therefore also the definition of EBITA, has been adjusted. Profit on the divestment of buildings and land has been moved from Net sales to Acquisition-related items, and loss on the divestment of buildings and land has been moved from Other expenses to Acquisition-related items. The definition of Acquisition-related items has thus been changed to "Amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of additional purchase price, profit and loss on the divestment of companies and operations, and profit and loss on the divestment of buildings and land". Historical figures have been restated, but the change has no material impact on reported figures.

The definition of Net sales has been adjusted to exclude internal revenues concerning internal administrative services. This change only affects Net sales of the business areas. Net sales for previous periods have been restated. This change has no impact on consolidated Group sales and no impact on the Group's or business areas' reported EBITA.

As of 1 January 2017, the accounting treatment of "agency staff" has been aligned across the Group. Accordingly agency staff that were previously reported as employees by former Grontmij entities will now be reported as subconsultants. Historical financial figures have not been restated due to this change in accounting treatment; however, the Number of full-time employees has been restated for previous periods.

In all other respects, the Group applies the same accounting and valuation principles as those described in Note 1 of the 2016 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 interim report comprises pages 1 - 15; interim financial information presented on pages 1 - 15 is therefore part of this financial report.

NEW ACCOUNTING PRINCIPLES FOR 2018

IFRS 15, Revenue from Contracts with Customers, and IFRS 9, Financial Instruments, will become effective as from 1 January 2018.

IFRS 15 replaces the current revenue recognition standard IAS 18 and other IFRS interpretations. The standard will be implemented using the retrospective approach with the cumulative effect recognised as an adjustment to the opening balance of equity at 1 January 2018. Comparative figures for 2017 will not be restated.

The new standard will not have a significant impact on the Group's financial statements, due mainly to the fact that Sweco will be able to continue to recognise revenue over time for professional consulting services. The analysis conducted showed limited effects on contract costs and the timing of revenue recognition for licences. These items are not material to Sweco and, accordingly, adjustment of the opening balance is not necessary.

IFRS 9 replaces IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 introduces a new model for impairment of financial assets. Rather than an incurred credit loss model, IFRS 9 imposes a forward-looking model that allows recognition of expected credit losses at an earlier stage than that allowed under IAS 39. IFRS 9 also includes new principles for the classification and valuation of financial assets.

As regards expected credit losses, Sweco has chosen the standard's simplified approach. Sweco concluded during the implementation phase that the new impairment model will not have any opening balance effects on the financial statements. The new classification and valuation model will not change the measurement method applied in the Group. The main part of Sweco's financial assets will be measured in the hold-to-collect category. The group will adopt the standard as of 1 January 2018 and comparative figures will not be restated.

DEFINITIONS

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 the investor's 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: <http://www.sweco.se/en/IR/definitions/>.

Key ratio calculations that cannot be obtained directly from the income statement and balance sheet can be found on page 15 (net sales growth) and page 14 (EBITA excluding extraordinary items).

THE SWECO SHARE

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 181.80 at the end of the period, representing a 9 per cent decrease during the quarter. The Nasdaq Stockholm General Index decreased by 3 per cent over the same period.

The total number of shares at the end of the period was 121,583,819: 10,533,731 Class A shares, 110,550,088 Class B shares and 500,000 Class C shares. The total number of outstanding shares was 119,124,596: 10,533,731 Class A shares and 108,590,865 Class B shares.

BOARD PROPOSALS TO THE AGM

Dividend: The Board of Directors proposes the dividend be increased to SEK 5.00 per share (4.30), not to exceed a dividend amount of SEK 605 million (513).

2018 share savings scheme: The Board of Directors proposes that the 2018 AGM resolve to implement a long-term share savings scheme for up to 100 Sweco Group senior executives and other key employees. The proposal principally corresponds to the terms in last year's proposal. This year's proposal to authorize the Board of Directors to repurchase Series B treasury shares is now part of a separate proposal.

2018 share bonus scheme: The Board of Directors also proposes that the 2018 AGM resolve to implement a share-based incentive scheme for employees in Sweden. The proposal principally corresponds to the terms in last year's proposal. This year's proposal does not include any issue of Series C shares and the proposal authorising the Board of Directors to repurchase Series B treasury shares is now part of a separate proposal.

RISKS AND UNCERTAINTIES

Significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks associated with the general economic trend and investment level in various markets, the capacity to attract and retain skilled personnel 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 2016 annual report (page 94, Risks and Risk Management).

ANNUAL GENERAL MEETING

The 2018 annual general meeting will be held at 3:00 PM on Thursday, 19 April at Näringslivets Hus, Storgatan 19, Stockholm. Sweco's 2017 annual report will be available for shareholder perusal at Sweco's headquarters, Gjörwellsгатan 22, Stockholm, and on the company's website, www.swecogroup.com, approximately three weeks prior to the AGM.

SEASONALITY

The number of normal working hours in 2018, based on the 12-month sales-weighted business mix as of September 2017, is broken down as follows:

	<u>2018</u>	<u>2017</u>	
Quarter 1:	490	506	-16
Quarter 2:	474	464	+10
Quarter 3:	511	511	0
Quarter 4:	489	490	-1
Total:	1,964	1,971	-7

ACQUISITION-RELATED INTANGIBLE ASSETS

Acquisition-related intangible assets will be amortised pursuant to the following schedule, based on acquisitions to date:

2017 Actuals	SEK -69 million
2018 Estimate	SEK -63 million
2019 Estimate	SEK -37 million
2020 Estimate	SEK -30 million

FORTHCOMING FINANCIAL INFORMATION

Interim report January-March	9 May 2018
Interim report January-June	19 July 2018
Interim report January-September	8 November 2018
Year-end report 2018	13 February 2019

Stockholm, 13 February 2018

Tomas Carlsson
President and CEO, Member of the Board of Directors

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This report has not been audited.

KEY RATIOS

Key ratios ¹⁾	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Profitability				
EBITA margin, %	9.8	8.9	8.8	8.1
Operating margin (EBIT), %	9.4	8.6	8.4	7.6
Profit margin, %	9.1	8.4	8.2	7.4
Revenue growth²⁾				
Organic growth, %	0	1	0	3
Acquisition-related growth, %	1	1	1	42
Currency, %	2	0	1	0
Total growth, %	4	2	2	45
Debt				
Net debt, SEK M			1,698	1,558
Interest-bearing debt, SEK M			2,271	2,451
Financial strength				
Net debt/Equity, %			28.4	28.7
Net debt/EBITDA, x			1.0	1.0
Equity/Assets ratio, %			41.9	39.3
Available cash and cash equivalents, SEK M			1,991	2,138
-of which unutilised credit, SEK M			1,418	1,245
Return				
Return on equity, %			21.4	18.0
Return on capital employed, %			17.8	16.8
Share data				
Earnings per share, SEK	4.02	2.30	10.23	7.78
Diluted earnings per share, SEK	3.95	2.26	10.04	7.65
Equity per share, SEK ³⁾			50.09	45.37
Diluted equity per share, SEK ³⁾			49.12	44.47
Number of outstanding shares at reporting date			119,124,596	119,554,270
Number of repurchased Class B and Class C shares			2,459,223	2,429,549

¹⁾ Key ratio definitions are available on Sweco's website.

²⁾ See page 15 for details on Sweco's calculation of net sales growth.

³⁾ Refers to portion attributable to Parent Company shareholders.

CONSOLIDATED INCOME STATEMENT AND COMPREHENSIVE INCOME STATEMENT

Income Statement SEK M	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Net sales	4,582	4,421	16,887	16,531
Other income	0	0	2	0
Other external expenses	-1,159	-1,096	-4,187	-4,052
Personnel expenses	-2,906	-2,863	-10,938	-10,875
EBITDA	518	461	1,763	1,605
Amortisation/depreciation and impairments	-69	-66	-272	-269
EBITA	448	395	1,492	1,336
Acquisition-related items ¹⁾	-18	-17	-67	-87
Operating profit (EBIT)	431	378	1,425	1,249
Net financial items	-11	-5	-49	-33
Profit before tax	419	373	1,377	1,216
Income tax	61	-97	-154	-285
PROFIT FOR THE PERIOD	480	276	1,223	931
Attributable to:				
Parent Company shareholders	479	275	1,221	930
Non-controlling interests	1	1	2	1
Earnings per share attributable to Parent Company shareholders, SEK	4.02	2.30	10.23	7.78
Average number of shares	119,124,596	119,600,937	119,432,155	119,598,820
Dividend per share, SEK			5.00	4.30

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, operations and land and buildings. See pages 8 and 13 for additional details.

Consolidated income statement and other comprehensive income, SEK M	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Profit for the period	480	276	1,223	931
Items that will not be reversed in the income statement				
Revaluation of defined benefit pensions, net after tax ^{1,2)}	2	1	1	-30
Items that may subsequently be reversed in the income statement				
Translation differences, net after tax	56	-12	25	38
Translation differences transferred to profit for the period	-	1	-	1
COMPREHENSIVE INCOME FOR THE PERIOD	538	266	1,249	940
Attributable to:				
Parent Company shareholders	537	266	1,247	939
Non-controlling interests	1	0	2	1
¹⁾ Tax on revaluation of defined benefit pensions	-3	-4	-3	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	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Cash flow from operating activities before changes in working capital and tax paid	509	498	1,790	1,677
Tax paid	-46	-26	-226	-196
Changes in working capital	284	384	-504	-316
Cash flow from operating activities	747	856	1,060	1,165
Cash flow from investing activities	-93	-109	-364	-401
Cash flow from financing activities	-414	-320	-1,005	-428
CASH FLOW FOR THE PERIOD	240	427	-309	336

Balance sheet SEK M	31 Dec 2017	31 Dec 2016
Goodwill	6,278	6,098
Other intangible assets	315	346
Property, plant and equipment	610	616
Financial assets	343	219
Current assets excl. cash and cash equivalents	6,161	5,650
Cash and cash equivalents incl. short-term investments	572	892
TOTAL ASSETS	14,279	13,820
Equity attributable to Parent Company shareholders	5,967	5,424
Non-controlling interests	12	10
Total equity	5,979	5,435
Non-current interest-bearing liabilities	2,192	1,515
Other non-current liabilities	796	833
Current interest-bearing liabilities	79	936
Other current liabilities	5,234	5,102
TOTAL EQUITY AND LIABILITIES	14,279	13,820
Pledged assets	21	22
Contingent liabilities	711	706

Changes in equity SEK M	Jan-Dec 2017			Jan-Dec 2016		
	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	5,424	10	5,435	4,899	9	4,907
Comprehensive income for the period	1,247	2	1,249	939	1	940
Transfer to shareholders	-513	-1	-514	-418	-1	-419
Preferential rights issue	-	-	-	-2	-	-2
Divestments of non-controlling interests	-	-	-	-	1	1
Acquisition of non-controlling interests	-	-	-	0	0	0
Buy-back of treasury shares	-289	-	-289	-126	-	-126
Sale of treasury shares	-	-	-	3	-	3
Share-based incentive schemes	93	-	93	125	-	125
Share savings schemes	5	-	5	5	-	5
EQUITY, CLOSING BALANCE	5,967	12	5,979	5,424	10	5,435

ACQUISITIONS, DIVESTMENTS, ACQUISITION-RELATED ITEMS AND FAIR VALUE OF FINANCIAL INSTRUMENTS

ACQUISITION OF SUBSIDIARIES AND OPERATIONS

During the period Sweco acquired the operations of Karves Yhtiöt Ltd, MR-Group NV, Byggteam Bodö AS, Snoeck & Partners NV and Dimensjon Rådgivning AS. The acquired businesses have an aggregate total of approximately 164 employees. Purchase consideration totalled SEK 181 million and had a negative impact on cash and cash equivalents of SEK 136 million. The acquisitions impacted the consolidated balance sheet as detailed in the table below whereof the acquisition analysis regarding Dimensjon Rådgivning AS is preliminary. Of the unsettled purchase price commitment of SEK 13 million, SEK 13 million refers to conditional contingent consideration. During the period the acquired companies contributed SEK 100 million in net sales and SEK 6 million in operating profit (EBIT). If all of the companies had been owned as of 1 January 2017 they would have contributed approximately SEK 208 million in net sales and about SEK 9 million in operating profit.

Acquisitions, SEK M	
Intangible assets	157
Property, plant and equipment	11
Financial assets	0
Current assets	84
Non-current liabilities	-11
Deferred tax	-10
Other current liabilities	-50
Total purchase consideration	181
Unsettled purchase price commitment	-13
Cash and cash equivalents	-32
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	136

DIVESTMENT OF SUBSIDIARIES AND OPERATIONS

During the period Sweco divested Golfexploitatie maatschappij Naarderbos B.V and Naarderbos Ontwikkeling B.V., with a total of 65 employees (approximately 25 full-time employees). The businesses contributed SEK 11 million in net sales and SEK -4 million in operating profit during the period. The divestments had a positive impact on profit of SEK 0.1 million and a positive impact on the Group's cash and cash equivalents of SEK 13 million. The divestments impacted the consolidated balance sheet as detailed below.

Divestments, SEK M	
Property, plant and equipment	40
Current assets	10
Non-current liabilities	-35
Current liabilities	0
Capital gain recorded on divestment	0
Total purchase consideration	15
Cash and cash equivalents in divested companies	-2
INCREASE IN GROUP CASH AND CASH EQUIVALENTS	13

ACQUISITION-RELATED ITEMS

Acquisition-related items SEK M	Oct-Dec 2017	Oct-Dec 2016	Full-year 2017	Full-year 2016
Amortisation of acquisition-related intangible assets	-18	-22	-69	-92
Revaluation of additional purchase price	0	3	0	3
Profit/ loss on divestment of buildings and land	1	-	2	-
Profit/loss on divestment of companies and operations	-	2	0	3
ACQUISITION-RELATED ITEMS	-18	-17	-67	-87

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group's financial assets measured at fair value totalled SEK 14 million (16). The derivative instruments are forward currency contracts, the fair value of which is 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

Figures for 2015 and 2016 have been restated to reflect the new definition of Net sales, EBITA and Number of full-time employees as described on page 8.

Quarterly summary	Actual 2017 Q4	Actual 2017 Q3	Actual 2017 Q2	Actual 2017 Q1	Actual 2016 Q4	Actual 2016 Q3	Actual 2016 Q2	Actual 2016 Q1	Actual 2015 Q4
Net sales, SEK M									
Sweco Sweden	1,936	1,437	1,798	1,854	1,951	1,465	1,913	1,736	1,900
Sweco Norway	561	413	506	590	530	457	568	499	508
Sweco Finland	488	420	498	487	462	402	471	425	483
Sweco Denmark	349	290	343	389	351	334	361	330	365
Sweco Netherlands	459	389	421	440	434	434	455	423	450
Sweco Western Europe	446	390	401	400	420	365	395	398	428
Sweco Central Europe	371	317	329	285	297	289	243	221	261
Group-wide, Eliminations, etc.	-28	-20	-36	-36	-24	-22	-36	-15	-46
TOTAL GROUP	4,582	3,635	4,262	4,408	4,421	3,723	4,370	4,018	4,350
EBITA, SEK M									
Sweco Sweden	296	95	202	251	273	129	280	170	211
Sweco Norway	29	24	7	88	58	40	68	29	52
Sweco Finland	34	43	49	61	41	35	42	21	35
Sweco Denmark	5	14	-4	30	44	27	23	4	28
Sweco Netherlands	18	5	14	28	0	-4	12	18	-1
Sweco Western Europe	32	25	29	28	30	18	33	23	25
Sweco Central Europe	34	19	18	13	26	18	11	3	19
Group-wide, Eliminations, etc.	-1	12	-4	-4	-77	-12	-9	-40	-170
EBITA	448	237	312	494	395	252	462	228	200
Extraordinary items ¹⁾	-	-	-	-	83	15	12	36	190
EBITA excl. extraordinary items	448	237	312	494	478	266	474	263	390
EBITA margin, %									
Sweco Sweden	15.3	6.6	11.2	13.5	14.0	8.8	14.6	9.8	11.1
Sweco Norway	5.2	5.8	1.5	14.9	11.0	8.8	12.0	5.8	10.2
Sweco Finland	7.0	10.2	9.9	12.6	8.8	8.7	8.9	4.8	7.2
Sweco Denmark	1.5	4.7	-1.1	7.6	12.6	8.0	6.5	1.2	7.7
Sweco Netherlands	4.0	1.4	3.4	6.3	-0.1	-0.8	2.7	4.4	-0.3
Sweco Western Europe	7.3	6.4	7.3	7.0	7.1	5.0	8.4	5.9	5.9
Sweco Central Europe	9.2	6.0	5.4	4.5	8.9	6.2	4.7	1.1	7.2
EBITA margin	9.8	6.5	7.3	11.2	8.9	6.8	10.6	5.7	4.6
Extraordinary items ¹⁾	-	-	-	-	1.9	0.4	0.2	0.9	4.4
EBITA margin excl. extraordinary items	9.8	6.5	7.3	11.2	10.8	7.2	10.8	6.6	9.0
Billing ratio, %	75.8	75.1	75.5	74.4	75.3	74.6	75.1	74.5	74.7
Number of normal working hours	490	511	464	506	493	518	490	478	492
Number of full-time employees	14,774	14,396	14,548	14,412	14,482	14,172	14,507	14,302	14,344

¹⁾ All extraordinary items are included in Group-wide.

PERIOD REVIEW PER BUSINESS AREA

January-December Business area	Net sales, SEK M		EBITA, SEK M		EBITA margin, %		Number of full-time employees	
	2017	2016 ²⁾	2017	2016 ²⁾	2017	2016 ²⁾	2017	2016 ²⁾
Sweco Sweden	7,024	7,064	844	852	12.0	12.1	5,524	5,482
Sweco Norway	2,070	2,055	148	195	7.2	9.5	1,347	1,344
Sweco Finland	1,893	1,759	187	138	9.9	7.9	2,046	1,984
Sweco Denmark	1,371	1,375	44	98	3.2	7.1	1,011	1,055
Sweco Netherlands	1,709	1,746	66	27	3.9	1.5	1,368	1,444
Sweco Western Europe	1,637	1,579	115	105	7.0	6.6	1,625	1,534
Sweco Central Europe	1,303	1,050	84	58	6.4	5.5	1,541	1,427
Group-wide, Eliminations, etc. ¹⁾	-120	-97	4	-138	-	-	68	95
TOTAL GROUP	16,887	16,531	1,492	1,336	8.8	8.1	14,530	14,365

¹⁾ Group-wide, Eliminations, etc. includes Group functions and the Dutch real estate operations. All extraordinary items are included in Group-wide.

²⁾ 2016 restated to reflect the new definition of Net sales, EBITA and Number of full-time employees as of 1 January 2017.

NET SALES GROWTH

The below table shows the calculation of organic growth, i.e., net sales growth adjusted for the impact of acquisitions and divestments as well as the effect of foreign currency fluctuations.

Net sales growth	2017	2016	Growth, % Oct-Dec 2017	2017	2016	Growth, % Jan-Dec 2017
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Reported Net sales	4,582	4,421	4%	16,887	16,531	2%
Adjustment for currency effects	0	103	2%	0	149	1%
Net sales, currency-adjusted	4,582	4,524	1%	16,887	16,680	1%
Adjustment for acquisitions/divestments	-62	-7	1%	-165	-4	1%
Comparable net sales, currency-adjusted	4,521	4,517	0%	16,723	16,676	0%

Net sales growth	2016	2015	Growth, % Oct-Dec 2016	2016	2015	Growth, % Jan-Dec 2016
	Oct-Dec	Oct-Dec		Jan-Dec	Jan-Dec	
Reported Net sales	4,421	4,350	2%	16,531	11,389	45%
Adjustment for currency effects	0	5	0%	0	-20	0%
Net sales, currency-adjusted	4,421	4,355	2%	16,531	11,370	45%
Adjustment for acquisitions/divestments	-43	-17	1%	-120	4,546	42%
Comparable net sales, currency-adjusted	4,378	4,338	1%	16,411	15,916	3%

PARENT COMPANY INCOME STATEMENT AND BALANCE SHEET

Parent Company income statement, SEK M	Full-year 2017	Full-year 2016
Net sales	621	538
Operating expenses	-650	-600
Operating loss	-29	-63
Net financial items	1,200	551
Profit/loss after net financial items	1,171	488
Appropriations	-178	10
Profit/loss before tax	994	499
Tax	-127	-86
PROFIT/LOSS AFTER TAX	866	413

Parent Company balance sheet, SEK M	31 Dec 2017	31 Dec 2016
Intangible assets	61	75
Property, plant and equipment	36	54
Financial assets	6,347	6,346
Current assets	2,594	2,572
TOTAL ASSETS	9,038	9,047
Equity	4,796	4,626
Untaxed reserves	190	12
Non-current liabilities	1,991	1,379
Current liabilities	2,061	3,030
TOTAL EQUITY AND LIABILITIES	9,038	9,047