

27 October 2022

Strong organic growth in a mixed market

July–September 2022

- Net sales increased to SEK 5,372 million (4,691)
- EBITA, excl. items affecting comparability, amounted to SEK 382 million (415), margin 7.1 per cent (8.8)
- EBITA decreased 6 per cent year-on-year after adjustment for calendar effects and items affecting comparability
- EBITA increased to SEK 382 million (359), margin 7.1 per cent (7.6)
- EBIT increased to SEK 387 million (360), margin 7.2 per cent (7.7)
- Profit after tax increased to SEK 278 million (267), corresponding to SEK 0.78 per share (0.75)

January–September 2022

- Net sales increased to SEK 17,565 million (15,872)
- EBITA, excl. items affecting comparability, increased to SEK 1,516 million (1,484), margin 8.6 per cent (9.3)
- EBITA decreased 1 per cent year-on-year after adjustment for calendar effects and items affecting comparability
- EBITA increased to SEK 1,516 million (1,428), margin 8.6 per cent (9.0)
- EBIT increased to SEK 1,552 million (1,392), margin 8.8 per cent (8.8)
- Net debt/EBITDA decreased to 0.9 x (1.1)
- Net debt amounted to SEK 2,206 million (2,119)
- Profit after tax increased to SEK 1,150 million (1,038), corresponding to SEK 3.21 per share (2.91)

Sweco plans and designs the sustainable communities and cities of the future. Together with our clients and the collective knowledge of our 18,500 architects, engineers and other specialists, we co-create solutions to address urbanisation, capture the power of digitalisation and make our societies more sustainable. Sweco is Europe's leading engineering and architecture consultancy, with sales of approximately SEK 23 billion (EUR 2.2 billion). The company is listed on Nasdaq Stockholm. This information is information that Sweco is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons, at around 07:20 CEST on 27 October 2022.

CEO comment

Strong organic growth but lower EBITA

Organic growth was 9 per cent in the quarter, the highest level for a decade. It is being driven by a steady inflow of new projects, accelerated recruitment and higher average fees.

All business areas reported positive organic growth, and six out of eight business areas also delivered EBITA improvements. However, impacted by lower earnings in Finland and Sweden, EBITA for the Group decreased 6 per cent in the quarter. This is an unsatisfactory development and targeted actions are being taken to improve billing ratio and cost efficiency.

Solid order book

Healthy demand for our services enabled us to strengthen our order book in the quarter. Demand was particularly strong in the industry, energy and infrastructure segments and we also noted strong development for our digital services. Demand for services in parts of the building and real estate segment on the other hand, remained weak.

With all the challenges facing energy supply and other market developments, it is very satisfying that Sweco is playing a pivotal role in supporting and accelerating the energy transition. In the third quarter, we started a range of energy projects that showcases our deep and broad expertise. In Belgium, we won an assignment to support in transforming the Belgian gas grid to enable transportation of hydrogen, and in Finland we are supporting a study on the possibilities for renewable energy and green hydrogen production in the North Ostrobothnia region. These are just a few examples of the variety of energy projects Sweco is conducting.

Increased net sales

Net sales increased 15 per cent to SEK 5,372 million (4,691) in the third quarter. EBITA excluding items affecting comparability amounted to SEK 382 million (415), resulting in an EBITA margin of 7.1 per cent (8.8). Higher average fees and a higher number of employees had positive impact on EBITA while higher operating expenses compared to the levels during the pandemic, as well as a lower billing ratio in some of our business areas had a negative impact.

Off-setting part of the EBITA decline in Sweden and Finland, we noted positive EBITA development in all other business areas. Denmark increased EBITA significantly and posted an

all-time high EBITA margin. Belgium maintained long-term positive momentum and the UK continued on the positive trend from the second quarter. Norway and the Netherlands maintained their EBITA margins and in Germany and Central Europe we continued to see gradual profitability improvement.

Acquisition in Belgian growth segments

In the quarter, Sweco announced the acquisition of Belgian consultancy RK-TEC. The company is primarily active within the pharmaceutical and industrial sectors and has over 60 specialists with a turnover of approximately SEK 68 million. The acquisition strengthens Sweco's offering in the pharma and other important industry segments in the Belgian market.

Sweco also completed the acquisition of Dayspring, a consultancy in Sweden primarily active in project management within construction.

Market situation favours action and flexibility

The market situation remains mixed. On the one hand, there is strong demand for Sweco's services in many of our segments such as energy, industry, transportation infrastructure and environmental services. On the other hand, we are now seeing the first effects of the slowdown within the building and real estate segments driven by the macro-economic development. However, Sweco's well-diversified portfolio in strategic segments and business model both with private and with public clients makes us well-positioned both to capture the opportunities in the market and to be flexible in shifting resources and skills to where they are needed.



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Åsa Bergman
President and CEO

Europe's leading architecture and engineering consultancy

Urbanisation, digitalisation and sustainability are transforming society. Together with our clients, we are committed to ensuring that we have clean water, clean air, clean energy and a physical environment where we all can live, work and prosper. With more than 18,500 experts in Europe, Sweco has the knowledge to solve the most challenging projects, no matter size or location.

Key figures

#1 In the European market	8 Business Areas	18,500 Full-time employees
SEK 23.5 bn Net sales R12	SEK 2.1 bn EBITA R12	8.9% EBITA margin R12

Group performance

The quarter noted healthy organic growth of 9 per cent. Acquired growth amounted to 2 per cent and EBITA decreased approximately 6 per cent year-on-year after adjustment for calendar effects and IAC.

July–September

Net sales increased 15 per cent to SEK 5,372 million (4,691). Organic growth amounted to approximately 9 per cent after adjustment for calendar effects and for items affecting comparability (IAC). This is the highest level in a decade. Acquired growth amounted to 2 per cent and currency effects were 3 per cent.

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

EBITA increased to SEK 382 million (359). The EBITA margin amounted to 7.1 per cent (7.6). Last year was

impacted by items affecting comparability amounting to SEK -56 million, which were related to the execution of the turnaround plan in Germany. EBITA excluding IAC amounted to SEK 382 million (415) and the EBITA margin amounted to 7.1 per cent (8.8).

EBITA excluding IAC decreased approximately 6 per cent or SEK 27 million year-on-year after adjustment for calendar effects. Denmark, the UK, Belgium, Norway, the Netherlands and Germany & Central Europe noted increasing EBITA levels. However, these increases were more than off-set by lower EBITA in Finland and Sweden. Overall for the Group, EBITA was positively affected by higher average fees and a higher number of employees, while higher operating expenses and

a lower billing ratio had a negative impact. Compared with the third quarter last year, the advantage of lower costs, mainly related to the effects of Covid-19, has been fully reversed.

The quarter had one less working hour compared with the same period last year. This corresponded to a negative year-on-year impact of approximately SEK 5 million on net sales and EBITA.

The billing ratio decreased to 73.0 per cent (73.7).

Total net financial items remained unchanged at SEK -21 million (-21) as higher interest rates were balanced by positive revaluations effects from foreign exchange.

Earnings per share increased to SEK 0.78 (0.75).

KPIs	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021	Oct 2021– Sep 2022	Full-year 2021
Net sales, SEK M	5,372	4,691	17,565	15,872	23,485	21,792
Organic growth, %	9	0	6	0		3
Acquisition-related growth, %	2	3	2	3		3
Currency, %	3	0	3	-2		-1
Total growth, %	15	3	11	1		4
Organic growth adj. for calendar, %	9	0	5	1		3
Organic growth adj. for calendar & IAC, %	9	1	5	1		2
EBITA excl. IAC, SEK M ¹	382	415	1,516	1,484	2,102	2,070
Margin, %	7.1	8.8	8.6	9.3	8.9	9.5
EBITA, SEK M ¹	382	359	1,516	1,428	2,102	2,014
Margin, %	7.1	7.6	8.6	9.0	8.9	9.2
Profit after tax, SEK M	278	267	1,150	1,038	1,604	1,492
Earnings per share, SEK	0.78	0.75	3.21	2.91	4.48	4.18
Number of full-time employees	18,464	17,627	18,448	17,716	18,350	17,802
Billing ratio, %	73.0	73.7	73.6	74.1	73.8	74.1
Normal working hours	516	517	1,481	1,477	1,977	1,973
Net debt/EBITDA, x ²			0.9	1.1		0.4

¹ EBITA is an alternative performance measure (APM) defined as Earnings before Interest, Taxes and Acquisition-related items, under which all leases are treated as operating leases and the total cost of the lease affects EBITA. For further information, see pages 18 and 21. IAC stands for Items affecting comparability, see definition on page 18.

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

January–September

Net sales increased 11 per cent to SEK 17,565 million (15,872). Organic growth amounted to approximately 5 per cent after adjustment for calendar effects and IAC. Acquired growth amounted to 2 per cent and currency effects impacted growth with 3 per cent.

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

EBITA increased to SEK 1,516 million (1,428). The EBITA margin amounted to 8.6 per cent (9.0). EBITA excluding IAC increased to SEK 1,516 million (1,484) and the EBITA margin amounted to 8.6 per cent (9.3).

EBITA excluding IAC decreased approximately 1 per cent or SEK 16 million year-on-year after adjustment for calendar effects. Germany & Central Europe, Norway, Denmark, Belgium and the UK noted increasing EBITA levels. The other business areas reported lower earnings. Overall for the Group, EBITA was positively affected by higher average fees and a higher number of employees, while higher operating expenses, higher absence and a lower billing ratio had a negative impact.

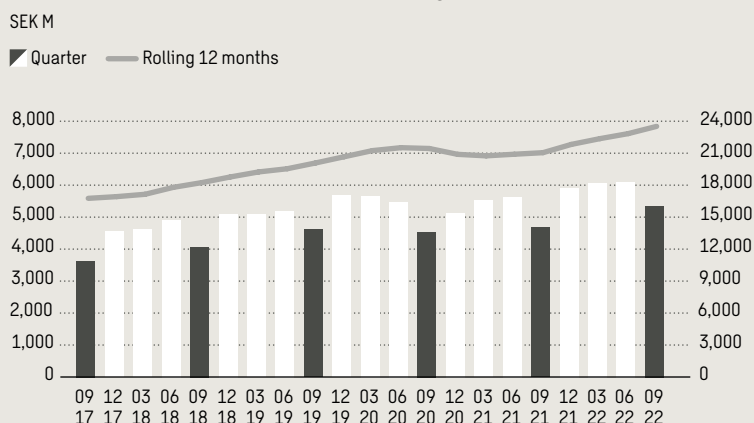
The calendar effect of four more hours had a positive year-on-year impact of approximately SEK 48 million on net sales and EBITA.

The billing ratio decreased to 73.6 per cent (74.1).

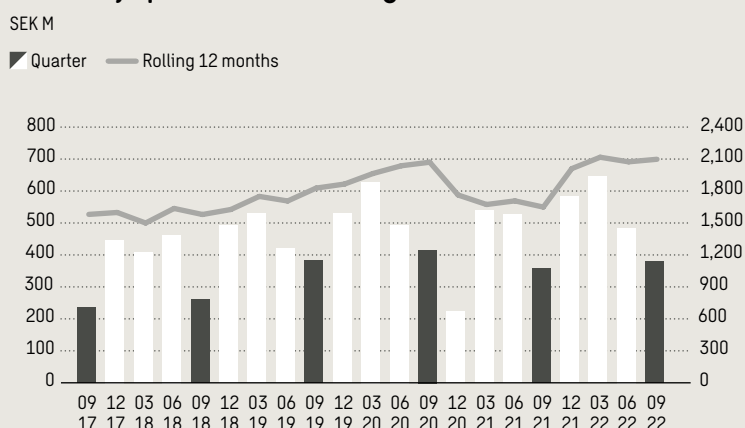
Total net financial items reduced to SEK -62 million (-58) primarily due to higher interest rates and negative revaluation effects from foreign exchange.

Earnings per share increased to SEK 3.21 (2.91).

Net sales by quarter and rolling 12 months



EBITA by quarter and rolling 12 months



Employees

The number of full-time employees amounted to 18,448 (17,716) in the period.

Market

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

Outlook

Russia's invasion of Ukraine has created significant uncertainty regarding future market development. The impact on the general economy and Sweco's markets from material shortages, general inflationary pressure as well as energy supply and pricing has started to show. We are seeing negative impacts on some of Sweco's market segments but at the same time increased demand in other segments. Overall demand for Sweco's services normally follows the general macro-economic trend, with some time lag.

Sweco does not provide forecasts.

Events during the quarter

On August 29, Sweco announced the acquisition of Belgian consultancy RK-TEC. RK-TEC was founded in 2010 and is primarily active within the pharmaceutical and industrial sectors. The company has over 60 specialists with a turnover of approximately SEK 68 million in 2021. The acquisition strengthens Sweco's offering in automation, digitalisation, electricity and security in the Belgian market. The acquisition was consolidated into Sweco Belgium as of June.

Also on August 29, Sweco announced the establishment of Twinfinity AB as a wholly owned subsidiary of Sweco AB. The objective is to accelerate development and sales of the product Twinfinity, Sweco's platform that connects a digital 3D model of a building together with business, operational and climate data. Twinfinity AB comprises the product, product development and product support. Product-related consulting services will continue to be managed through Sweco's consulting services.

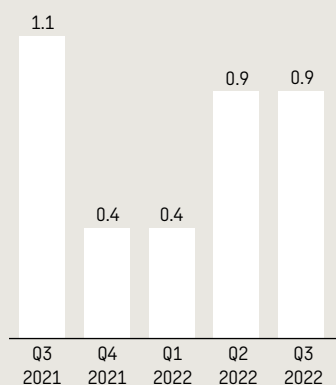
On 1 September, Sweco completed the acquisition of Dayspring, a consultancy in Sweden primarily active in project management within construction. Dayspring has 40 employees and posted annual sales of SEK 44 million in 2021. The acquisition was consolidated into Sweco Sweden as of September.

Cash flow and financial position

Group cash flow from operating activities totalled SEK 841 million (724) for the first nine months of the year. Net debt increased to SEK 2,206 million (2,119), with increased cash flow from operations not fully balancing increased outflows for acquisitions and dividends.

The Net debt/EBITDA ratio was 0.9x (1.1).

Net debt/EBITDA, x



Available cash and cash equivalents, including unutilised credit lines, totalled SEK 3,512 million (2,903) at the end of the quarter.

Purchase considerations paid to acquire companies and operations totalled SEK 506 million (392) and had an impact of SEK -471 million (-363) on the Group's cash and cash equivalents. Purchase considerations received on the divestments of companies and operations had an impact of SEK 69 million (17) on the Group's cash and cash equivalents.

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

Investments, January–September 2022

Investments in equipment totalled SEK 171 million (125) and were primarily attributable to IT investments. Depreciation of equipment amounted to SEK 158 million (163) and amortisation of intangible assets totalled SEK 99 million (114).

Examples of new projects

Energy

Fluxys, the Belgian energy infrastructure group, is working on the transformation of the Belgian gas grid so that it can transport hydrogen in the future. Sweco is the chosen engineer-

ing partner for the complete design, the environmental impact analysis and the permit for the first 20 km of the Hydrogen Backbone in Belgium. The first assignment is located in the port of Ghent (North Sea Port). As the largest hydrogen player in the Benelux, North Sea Port has the ambition to become a major European player in hydrogen production and import. The contract amounts to SEK 6 million.

INOVYN, a subsidiary of the chemical company INEOS, has assigned Sweco to conduct a concept study for the green hydrogen installation at the Rafnes site in Norway. Since no CO₂ is released during the production of green hydrogen by electrolysis with renewable electricity from wind or solar power, hydrogen plays a key role in the CO₂-free process industry of the future. The new electrolyser will have a capacity of 20 megawatts and the CO₂ reduction amounts to at least 22,000 tonnes per year, a very significant reduction in INEOS' carbon footprint in Norway. The contract amounts to SEK 8 million.

The Danish Energy Agency is planning to construct the world's first energy islands in the North and Baltic seas. The wind turbines around the islands will be able to supply green electricity with a capacity to power at least five million households. Sweco will assist the Danish Energy Agency with technical advice on the planned energy island in the North Sea. The project involves nearly 200 Sweco colleagues from six different countries. The 9-year framework agreement is valued at SEK 500 million with a cap of SEK 830 million.

Sweco has been tasked with conducting a feasibility study for floating solar technology at hydroelectric dams and a detailed design of a pilot plant in Uganda. The floating solar technology will diversify Uganda's energy mix that currently mainly comprises hydroelectric power. Sweco's project

is part of an agreement between the governments of Sweden and Uganda financed by Swedfund, Sweden's development finance institution. The client is Uganda Electricity Generation Company Ltd (UEGCL).

Transport

Sweco has won additional contracts with the Administration for Extended Metro, Region Stockholm, in connection with the expansion of Stockholm's metro. The project supports sustainable travel in a growing Stockholm with two important transport hubs where thousands of future passengers will change metro trains daily. Sweco will harness smart digital tools and innovative methods for solving the complex issues and new conditions required by the assignment. The total order value, with added earlier contracts, amounts to about SEK 32 million.

The railway line between Ulm and Augsburg is one of the busiest routes in southern Germany. To create more capacity and shorten the travel time between the two cities, the line is to be upgraded. Sweco is working for DB Netz AG in an engineering consortium with technical planning and design on the complex railway project. Sweco's contract value amounts to SEK 79 million.

AWV Limburg, the agency for management & maintenance of regional roads in Belgium has assigned Sweco to be responsible for the implementation of 39 Hoppin points in the province of Limburg. A Hoppin point bundles all public transport solutions under one recognizable name and facilitates combi mobility for travelers. Different means of transport (train, bus, shared bicycle, etc.) can be offered through shared systems. The contract sum amounts to SEK 16 million.

Sweco will be supporting the Aberdeen City Council, Scotland, UK in the delivery of 4 km of access infrastructure in connection to the redevelopment of Aberdeen South Harbour and associated Energy Transition Zones. Key components of the scheme are the incorporation of safe active travel facilities and a new crossing of the Aberdeen-Dundee railway to remove an existing bottleneck. Sweco's contract value amounts to SEK 12 million and the project duration is from July 2022 to September 2025.

Buildings

Ziekenhuis Oost-Limburg (ZOL), one of the largest hospitals in Belgium, has selected Sweco in a framework agreement for the refurbishment of parts of the hospital complex. Included in the assignment are among others; a nursing building for a mother and child center, psychiatry and several nursing departments for orthopedics, neurosurgery and neurology. Support and parking buildings are also included. The contract sum amounts to SEK 13 million.

Sweco has entered into twelve framework agreements encompassing services in reuse as well as environmental and climate coordination for Akademiska Hus, a company that owns, develops and manages properties at Sweden's Universities and tertiary education institutions. Akademiska Hus aims to be climate neutral by 2035. Sweco will conduct reuse and environmental inventories as well as lead environmental certification work for any new construction or remodelling projects. Sweco will also contribute expertise within climate coordination and qualified recycling of materials in conjunction with demolition and remodelling. In total,

the framework agreements have a ceiling volume of SEK 100 million and extend for four years.

Infrastructure

After the catastrophic floods of 14 and 15 July 2021, a major part of Verviers' city centre in Belgium was damaged. The municipality decided to redesign its streets with an innovative approach that is more resilient to current climate change and has assigned Sweco to manage and supervise the redevelopment with road rehabilitation and integration of user-friendly spaces. The contract is for SEK 5 million.

The Council of Oulu Region in Finland has assigned Sweco to conduct a study on the possibilities of renewable energy and green hydrogen production in the North Ostrobothnia region. The study, which includes examining the placement of possible production plants in the area and identifying the municipalities' plans for promoting renewable energy production, is to be background material for the new regional plan on energy and climate change adaptation.

Industry

Škoda Auto, a.s., the biggest automobile manufacturer in the Czech Republic, has contracted Sweco to support with design and tender documentation for a new process water treatment plant inside the area of the Kvasiny factory. The project works with sustainable water distribution where an amount of process wastewater is brought back for reuse. A large part of the water treatment plant will be covered within an earthen mound to protect the inhabitants of Kvasiny from noise. The contract amounts to SEK 22 million.



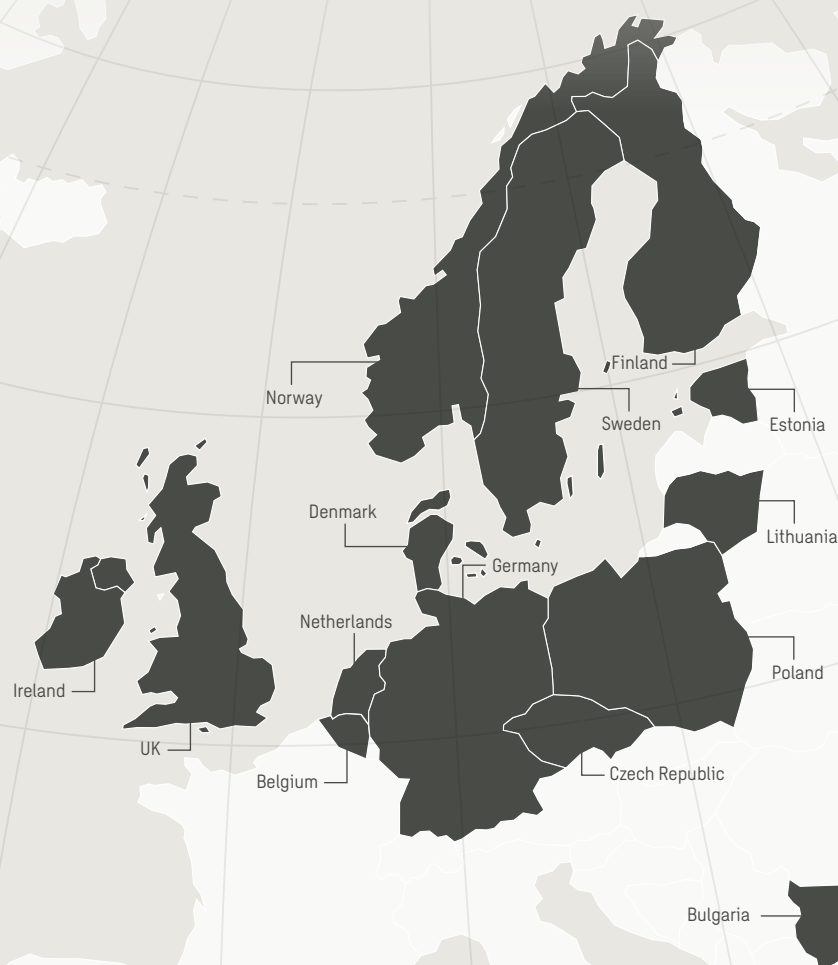
After the catastrophic floods in 2021, a major part of Verviers' city centre in Belgium was damaged. Sweco has been involved in the redevelopment of the streets to become more resilient to climate change.



Sweco Finland supports the Council of Oulu Region in mapping the placement of possible green hydrogen production plants and identifies the municipalities' plans for promoting renewable energy production.

Business Area Overview

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



Sweco's markets

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

Sweco Sweden

Sweco Sweden delivered organic sales growth of 6 per cent. EBITA declined due to higher operating expenses and a lower billing ratio. The market remains relatively good, albeit with weakness in the residential buildings segment.

Sales and profit, July–September

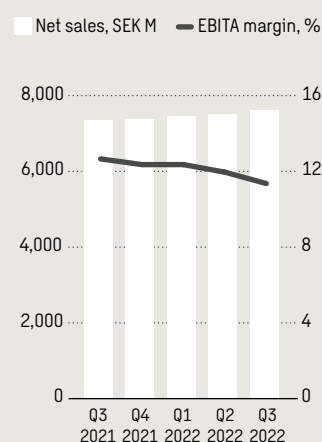
Net sales increased 7 per cent to SEK 1,549 million (1,446). Organic growth was 6 per cent. The organic growth was driven by higher revenue from subconsultants and a higher number of employees, while a lower billing ratio had an adverse effect. There was no year-on-year difference in the number of available working hours.

EBITA decreased 26 per cent, corresponding to SEK 35 million. The EBITA margin decreased to 6.3 per cent (9.1). The EBITA decline was driven by higher operating expenses and a lower billing ratio, while a higher number of employees impacted positively.

Market

The Swedish market remained relatively good overall during the third quarter but there were variations between the different segments. Demand for infrastructure services was strong, backed by major public and industrial investments. The markets for industrial and energy investments as well as for water and environmental services were good. In the real estate market, there was weakness in the residential segment with continued caution with regard to starting new projects.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	1,549	1,446	5,584	5,363
Organic growth, %	6	-3	3	-2
Acquisition-related growth, %	1	0	1	0
Currency, %	0	0	0	0
Total growth, %	7	-3	4	-2
Organic growth adj. for calendar, %	6	-3	3	-2
EBITA, SEK M	97	132	597	651
EBITA margin, %	6.3	9.1	10.7	12.1
Number of full-time employees	5,830	5,607	5,893	5,772

Sweco Norway

Sweco Norway posted strong organic growth of 15 per cent. EBITA increased 35 per cent, driven by higher average fees and a higher billing ratio. Overall, the market remained good, but with signs that some segments were cooling down.

Sales and profit, July–September

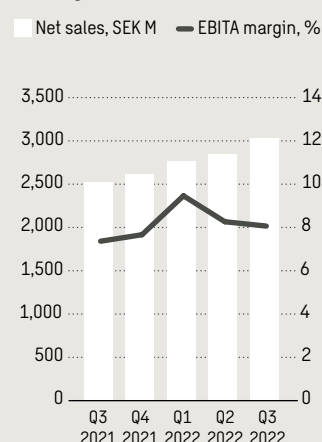
Net sales increased 33 per cent to SEK 712 million (533). Organic growth was 15 per cent and was driven mainly by a higher number of employees and higher average fees. Acquisitions contributed 11 per cent to growth and pertained to acquisitions made earlier this year. There was no year-on-year difference in the number of available working hours.

EBITA increased 35 per cent, corresponding to SEK 8 million. The EBITA increase was mainly attributable to higher average fees and a higher billing ratio while higher operating expenses impacted negatively. The EBITA margin was stable at 4.6 per cent (4.6).

Market

The overall positive market conditions continued in the third quarter, with good demand for Sweco's services in most sectors. The energy market, both for renewables and transmission continues to be strong and so does the market for environmental services. The industry market is stable. However, there were some signs of cooling in the national infrastructure and buildings markets, due to market turmoil and the public sector striving to reduce inflation. The residential building market also weakened in the quarter.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	712	533	2,312	1,903
Organic growth, %	15	2	10	0
Acquisition-related growth, %	11	5	6	5
Currency, %	7	2	6	1
Total growth, %	33	9	21	6
Organic growth adj. for calendar, %	15	2	9	0
EBITA, SEK M	33	24	186	143
EBITA margin, %	4.6	4.6	8.0	7.5
Number of full-time employees	1,967	1,725	1,875	1,740

Sweco Finland

Sweco Finland recorded organic growth of 1 per cent. EBITA declined due to a lower billing ratio and higher operating expenses. The market continued to be somewhat weak overall, even if there were segments with good demand.

Sales and profit, July–September

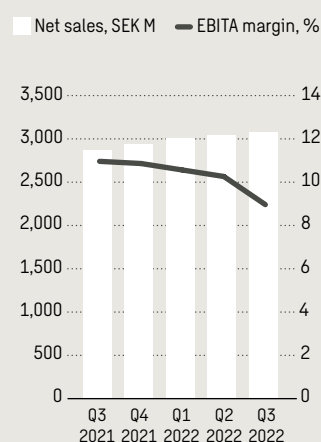
Net sales increased 5 per cent to SEK 680 million (646). Organic growth amounted to 1 per cent and was impacted positively by a higher number of employees and higher revenue from subconsultants, while a lower billing ratio had a negative effect. There was no year-on-year difference in the number of available working hours.

EBITA decreased 46 per cent, corresponding to SEK 38 million. The EBITA margin amounted to 6.7 per cent (13.0). The EBITA decline was mainly attributable to a lower billing ratio and higher operating expenses.

Market

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

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	680	646	2,280	2,146
Organic growth, %	1	0	1	-1
Acquisition-related growth, %	0	12	2	9
Currency, %	4	-1	4	-4
Total growth, %	5	11	6	5
Organic growth adj. for calendar, %	1	0	1	-1
EBITA, SEK M	46	84	188	231
EBITA margin, %	6.7	13.0	8.2	10.8
Number of full-time employees	2,833	2,762	2,857	2,750

Sweco Denmark

Sweco Denmark delivered strong organic growth of 14 per cent and a significant EBITA increase, taking EBITA margin to an all-time-high of 13.2 per cent. The improvement was driven by higher average fees and FTE growth. Overall, the market was stable, albeit with some weakness in residential building.

Sales and profit, July–September

Net sales increased 19 per cent to SEK 517 million (436). Organic growth adjusted for calendar effects amounted to approximately 14 per cent and was impacted positively by a higher number of employees and higher average fees, while a lower billing ratio impacted negatively. The year-on-year calendar effect of one less hour had a negative impact of less than SEK 1 million on net sales and EBITA.

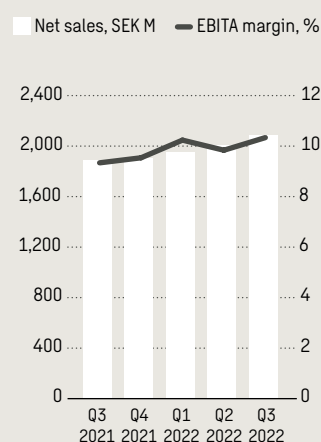
EBITA increased approximately 39 per cent, corresponding to SEK 19 million, adjusted for calendar effects. The EBITA margin increased to 13.2 per cent (11.4). The EBITA increase was mainly driven by higher average fees and a higher number of employees, while higher operating expenses impacted negatively.

Market

Overall, the Danish market was stable during the third quarter, with slight differences between segments.

Demand in the water and environmental sectors was driven by climate-related services in the larger cities. The infrastructure market increased in the state financed road and rail infrastructure market, and there was an increase in the energy infrastructure market due to the transition to fossil-free energy sources. In the private sector, the residential building market decreased due to increasing interest rates and cost of materials. However, the market for office buildings and pharma was relatively stable or increasing. As for the public sector, there were fewer tenders than normally and a tendency to postpone or even cancel known up-coming projects.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	517	436	1,576	1,392
Organic growth, %	14	5	9	6
Acquisition-related growth, %	0	0	0	1
Currency, %	4	-1	4	-4
Total growth, %	19	4	13	3
Organic growth adj. for calendar, %	14	5	9	6
EBITA, SEK M	68	50	162	128
EBITA margin, %	13.2	11.4	10.3	9.2
Number of full-time employees	1,385	1,258	1,370	1,279

Sweco Netherlands

Sweco Netherlands delivered organic sales growth of 11 per cent and an EBITA increase of 18 per cent, both mainly driven by higher average fees. The market remained relatively good overall, with differences between segments.

Sales and profit, July–September

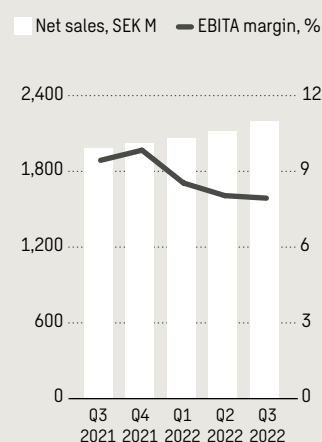
Net sales increased 18 per cent to SEK 528 million (448). Organic growth amounted to 11 per cent and was mainly driven by higher average fees and higher revenue from subconsultants. Acquired growth contributed 3 per cent and pertained to the acquisition made last year. There was no year-on-year difference in the number of available working hours.

EBITA increased 18 per cent, corresponding to SEK 6 million. The EBITA margin was stable at 7.5 per cent (7.5). The EBITA increase was mainly attributable to higher average fees, while higher operating expenses impacted negatively.

Market

Overall, the Dutch market was relatively good during the quarter, albeit with differences between segments. There continued to be delays in infrastructure and building projects due to the so called nitrogen issue, related to uncertainties around the impact from the EU regulation of nitrogen emissions in the Netherlands. The water & environment markets were stable. The energy crisis has increased demand for new renewable green energy solutions.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	528	448	1,647	1,470
Organic growth, %	11	-3	5	-1
Acquisition-related growth, %	3	0	3	0
Currency, %	4	-1	4	-4
Total growth, %	18	-4	12	-5
Organic growth adj. for calendar, %	11	-3	5	-1
EBITA, SEK M	40	34	123	147
EBITA margin, %	7.5	7.5	7.5	10.0
Number of full-time employees	1,381	1,362	1,413	1,360

Sweco Belgium

Sweco Belgium continued to deliver strong organic growth of 13 per cent and EBITA increased 15 per cent, driven by an increased number of employees and higher fees. The market remained good with continued investments in healthcare and pharma as well as infrastructure and energy transition.

Sales and profit, July–September

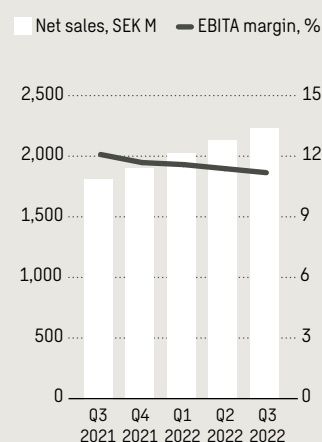
Net sales increased 22 per cent to SEK 549 million (450). Organic growth was 13 per cent and was mainly driven by higher revenue from subconsultants, a higher number of employees and higher average fees. Acquisitions contributed 5 per cent to growth. There was no year-on-year difference in the number of available working hours.

EBITA increased 15 per cent, corresponding to SEK 9 million. The EBITA margin amounted to 11.9 per cent (12.6). The EBITA increase was mainly attributable to higher average fees and a higher number of employees, while higher operating expenses had a negative impact.

Market

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

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	549	450	1,733	1,403
Organic growth, %	13	6	12	9
Acquisition-related growth, %	5	10	8	8
Currency, %	4	-2	4	-4
Total growth, %	22	15	24	13
Organic growth adj. for calendar, %	13	7	12	10
EBITA, SEK M	65	57	210	181
EBITA margin, %	11.9	12.6	12.1	12.9
Number of full-time employees	1,530	1,357	1,499	1,234

Sweco UK

Sweco UK posted strong organic growth of 18 per cent and an EBITA increase of 32 per cent, adjusted for calendar effects, driven by higher average fees and a positive development of project adjustments. The UK market remained challenging in the quarter, but there was positive demand development in some sectors.

Sales and profit, July–September

Net sales increased 21 per cent to SEK 365 million (302). Organic growth adjusted for calendar effects was approximately 18 per cent and was mainly driven by higher average fees, a positive trend in project adjustments and higher revenue from subconsultants. The UK had an additional bank holiday during the quarter due to Queen Elizabeth II's state funeral. This led to a year-on-year calendar effect of eight fewer hours, which had a negative impact of approximately SEK 4 million on net sales and EBITA.

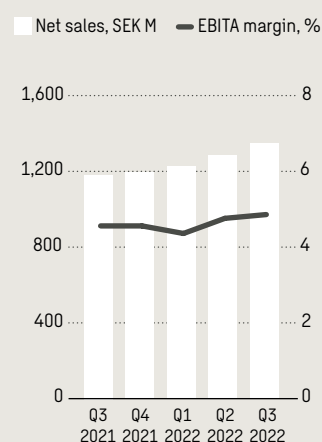
EBITA increased approximately 32 per cent, corresponding to SEK 9 million, adjusted for calendar effects. The

EBITA margin amounted to 9.0 per cent (9.3). The EBITA increase was mainly attributable to higher average fees and a positive trend in project adjustments, while higher operating expenses impacted negatively.

Market

The UK market remained challenging in the third quarter. The rising inflation and increasing interest rates have dampened demand. There was a positive development in the demand for new buildings as well as renovation work in the London commercial sector. The energy, environment and water markets remained stable.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	365	302	1,056	904
Organic growth, %	17	3	11	-5
Acquisition-related growth, %	0	0	0	0
Currency, %	4	5	6	-2
Total growth, %	21	8	17	-6
Organic growth adj. for calendar, %	18	3	12	-4
EBITA, SEK M	33	28	60	48
EBITA margin, %	9.0	9.3	5.7	5.3
Number of full-time employees	1,185	1,173	1,170	1,186

Sweco Germany and Central Europe

The quarter saw net sales growth and continued earnings improvement. Net sales and EBITA were positively affected by higher average fees. The construction sector remained weak, whereas the energy transition and public spending continued to drive demand.

Sales and profit, July–September

Net sales increased 12 per cent to SEK 532 million (477). Organic growth was approximately 4 per cent adjusted for calendar effects and for IAC.

Organic growth was driven by higher average fees, while a lower number of employees impacted negatively. The year-on-year calendar effect of two less hours had a negative impact of approximately SEK 1 million on net sales and EBITA.

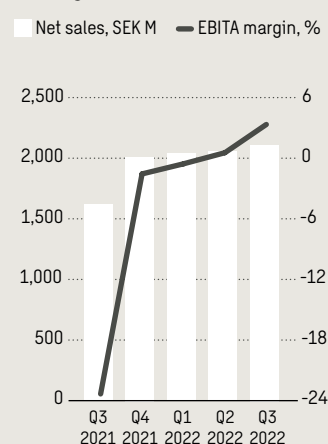
EBITA increased to SEK 12 million (-48). Earnings last year were impacted by IAC amounting to SEK -56 million. Adjusted for IAC and calendar effects, EBITA increased approximately SEK 6

million and the EBITA margin excluding IAC increased to 2.3 per cent (1.6). The EBITA increase was mainly driven by higher average fees, while higher operating expenses impacted negatively.

Market

Overall, the German market remained slightly weaker in the quarter, mainly driven by weak activity in the construction sector. At the same time, demand for services within the energy sector remained strong due to the accelerated energy transition. The slowdown in the private sector was also balanced by spending in the public sector, which remained at high levels.

Net sales & EBITA margin, rolling 12 months



In brief

	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021
Net sales and profit				
Net sales, SEK M	532	477	1,546	1,447
Organic growth, %	8	1	3	2
Acquisition-related growth, %	0	0	0	0
Currency, %	4	-2	4	-4
Total growth, %	12	-1	7	-2
Organic growth adj. for calendar, %	8	1	3	1
Organic growth adj. for calendar & IAC, %	4	4	2	3
EBITA excl. IAC, SEK M	12	8	44	-3
EBITA margin excl. IAC, %	2.3	1.6	2.9	-0.2
EBITA, SEK M	12	-48	44	-59
EBITA margin, %	2.3	-10.1	2.9	-4.1
Number of full-time employees	2,296	2,341	2,318	2,345

Other information

Parent Company, January–September 2022

Parent Company net sales totalled SEK 785 million (700) and were attributable to intra-group services. Profit after net financial items totalled SEK 259 million (305). Investments in equipment totalled SEK 16 million (36). Cash and cash equivalents at the end of the period totalled SEK 96 million (155).

Accounting principles

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

In this report, amounts in brackets refer to the corresponding period of the previous year. Because table items are individually rounded off, table figures do not always tally. The interim report comprises pages 1–28; the interim financial information presented on pages 1–28 is therefore part of this financial report.

Key performance measures

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

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

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

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

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

The reconciliation of Sweco's key financial metrics, described above, and IFRS measures are presented on pages 21 and 28. The organic growth calculation is presented on page 27.

The Sweco share

The Sweco share is listed on Nasdaq Stockholm. The share price of the Sweco Class B share was SEK 93.60 at the end of the period, representing a decrease of 12 per cent during the quarter. Nasdaq Stockholm OMXSPI decreased 4 per cent over the same period.

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

Risks and uncertainties

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

Calendar effects

Year 2022

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

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

Year 2023

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

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

Acquisition-related amortisation

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

2022 Estimate	SEK -111 million
2023 Estimate	SEK -70 million
2024 Estimate	SEK -35 million
2025 Estimate	SEK -16 million

Annual general meeting

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

Forthcoming financial information

Year-end report 2022	9 February 2023
Interim report January–March	12 May 2023
Interim report January–June	18 July 2023
Interim report January–September	27 October 2023

Stockholm, 27 October 2022

Åsa Bergman

President and CEO, Member of the Board of Directors

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Auditor's report

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

Introduction

We have reviewed the condensed interim financial information (interim report) of Sweco AB (publ) as of 30 September 2022 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

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

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

Conclusion

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

Stockholm, 27 October 2022
PricewaterhouseCoopers AB

Aleksander Lyckow
Authorised public accountant

KPIs

KPIs ¹	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021	Oct 2021– Sep 2022	Full-year 2021
Profitability						
EBITA margin excl. IAC, %	7.1	8.8	8.6	9.3	8.9	9.5
EBITA margin, %	7.1	7.6	8.6	9.0	8.9	9.2
Operating margin (EBIT), %	7.2	7.7	8.8	8.8	9.1	9.1
Revenue growth²						
Organic growth, %	9	0	6	0		3
Acquisition-related growth, %	2	3	2	3		3
Currency, %	3	0	3	-2		-1
Total growth, %	15	3	11	1		4
Organic growth adj. for calendar, %	9	0	5	1		3
Organic growth adj. for calendar & IAC, %	9	1	5	1		2
Debt						
Net debt, SEK M			2,206	2,119		913
Interest-bearing debt, SEK M			2,668	2,542		1,808
Financial strength						
Net debt/Equity, %			23.9	26.4		10.6
Net debt/EBITDA, x			0.9	1.1		0.4
Equity/Assets ratio, %			43.7	41.7		43.8
Available cash and cash equivalents, SEK M			3,512	2,903		4,166
– of which unutilised credit, SEK M			3,050	2,479		3,271
Return						
Return on equity, %			18.5	16.1		18.5
Return on capital employed, %			15.5	12.2		15.0
Share data						
Earnings per share, SEK	0.78	0.75	3.21	2.91	4.48	4.18
Diluted earnings per share, SEK	0.78	0.74	3.20	2.90	4.47	4.17
Equity per share, SEK ³			25.67	22.42		24.04
Diluted equity per share, SEK ³			25.64	22.38		23.89
Number of shares outstanding at reporting date			358,619,404	357,485,070		357,485,070
Number of repurchased Class B shares			4,632,053	5,766,387		5,766,387

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

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

3) Refers to portion attributable to Parent Company shareholders.

Reconciliation of EBIT and the APMs EBITA and EBITDA, SEK M	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021	Oct 2021– Sep 2022	Full-year 2021
Operating profit (EBIT)	387	360	1,552	1,392	2,134	1,974
Acquisition-related items	11	14	11	85	31	104
Lease expenses ¹	-207	-196	-618	-593	-822	-797
Depreciation and impairments, right-of-use assets	191	180	572	545	759	733
EBITA²	382	359	1,516	1,428	2,102	2,014
Amortisation/depreciation and impairment, tangible and intangible fixed assets	60	68	187	205	263	280
EBITDA³	443	427	1,704	1,633	2,365	2,294

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

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

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

Reconciliation of the APMs EBITA and EBITA excl. IAC, SEK M	Jul–Sep 2022	Jul–Sep 2021	Jan–Sep 2022	Jan–Sep 2021	Oct 2021– Sep 2022	Full-year 2021
EBITA	382	359	1,516	1,428	2,102	2,014
Items affecting comparability (IAC) ¹	–	56	–	56	–	56
EBITA excl. IAC	382	415	1,516	1,484	2,102	2,070

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

Consolidated income statement

SEK M	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct 2021- Sep 2022	Full-year 2021
Net sales	5,372	4,691	17,565	15,872	23,485	21,792
Other income	-2	6	4	9	6	11
Other external expenses	-1,185	-954	-3,553	-2,978	-4,809	-4,234
Personnel expenses	-3,536	-3,120	-11,694	-10,676	-15,495	-14,477
Amortisation/depreciation and impairment, tangible and intangible fixed assets ¹	-60	-68	-187	-205	-263	-280
Depreciation and impairment, right-of-use assets	-191	-180	-572	-545	-759	-733
Acquisition-related items ²	-11	-14	-11	-85	-31	-104
Operating profit (EBIT)	387	360	1,552	1,392	2,134	1,974
Net financial items ³	-12	-9	-33	-27	-43	-36
Interest cost of leasing ⁴	-11	-11	-33	-35	-43	-46
Other financial items ⁵	2	-1	4	3	6	5
Total net financial items	-21	-21	-62	-58	-80	-77
Profit before tax	366	339	1,490	1,333	2,054	1,897
Income tax	-88	-73	-340	-295	-450	-405
PROFIT FOR THE PERIOD	278	267	1,150	1,038	1,604	1,492
Attributable to:						
Parent Company shareholders	278	267	1,150	1,038	1,604	1,492
Non-controlling interests	0	0	0	0	0	0
Earnings per share attributable to Parent Company shareholders, SEK	0.78	0.75	3.21	2.91	4.48	4.18
Average number of shares outstanding	358,619,404	357,485,070	358,153,167	356,515,403	357,986,143	356,757,820
Dividend per share, SEK						2.45

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

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

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

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

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

Consolidated statement of comprehensive income

SEK M	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct 2021- Sep 2022	Full-year 2021
Profit for the period	278	267	1,150	1,038	1,604	1,492
Items that will not be reversed in the income statement						
Revaluation of defined benefit pensions, net after tax ^{1,2}	-	-	-	-	4	4
Items that may subsequently be reversed in the income statement						
Translation differences, net after tax	47	2	256	91	345	180
COMPREHENSIVE INCOME FOR THE PERIOD	325	269	1,405	1,129	1,952	1,676
Attributable to:						
Parent Company shareholders	325	269	1,405	1,129	1,952	1,676
Non-controlling interests	0	0	0	0	0	0
1) Tax on revaluation of defined benefit pensions	-	-	-	-	-2	-2

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

Consolidated cash flow statement

SEK M	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct 2021- Sep 2022	Full-year 2021
Profit before tax	366	339	1,490	1,333	2,054	1,897
Amortisation/depreciation and impairment	275	273	829	823	1,120	1,114
Other non-cash items	21	48	57	175	136	254
Cash flow from operating activities before changes in working capital, tax paid, interest paid and received	661	660	2,376	2,332	3,309	3,265
Interest cost leasing	-11	-11	-33	-35	-43	-46
Net interest paid	-5	-3	-12	-12	-17	-16
Tax paid	-99	-116	-478	-399	-511	-432
Changes in working capital	-446	-385	-1,012	-1,162	-422	-573
Cash flow from operating activities	102	144	841	724	2,316	2,199
Acquisition and divestment of subsidiaries and operations	-27	-60	-402	-347	-402	-347
Purchase and disposal of intangible and tangible assets	-62	-44	-196	-161	-264	-229
Other investing activities	-1	0	2	-2	2	-2
Cash flow from investing activities	-89	-104	-596	-509	-664	-578
Borrowings and repayment of borrowings	17	95	792	-592	68	-1,316
Principal elements of lease payments	-196	-186	-592	-555	-779	-743
Dividends paid	-	-	-876	-782	-876	-782
Cash flow from financing activities	-179	-91	-676	-1,929	-1,588	-2,841
CASH FLOW FOR THE PERIOD	-166	-51	-430	-1,714	64	-1,220

Consolidated balance sheet

SEK M	30 Sep 2022	30 Sep 2021	31 Dec 2021
Goodwill	8,830	8,030	8,143
Other intangible assets	258	310	284
Property, plant and equipment	544	500	510
Right-of-use assets	2,434	2,507	2,508
Financial assets	333	379	347
Current assets excl. cash and cash equivalents	8,223	7,068	6,969
Cash and cash equivalents incl. short-term investments	462	424	896
TOTAL ASSETS	21,084	19,218	19,657
Equity attributable to Parent Company shareholders	9,206	8,014	8,594
Non-controlling interests	10	10	10
Total equity	9,216	8,023	8,604
Non-current lease liabilities	1,772	1,908	1,884
Non-current interest-bearing debt	2,030	2,341	1,805
Other non-current liabilities	850	834	873
Current lease liabilities	743	709	727
Current interest-bearing debt	638	201	4
Other current liabilities	5,835	5,202	5,759
TOTAL EQUITY AND LIABILITIES	21,084	19,218	19,657
Contingent liabilities	1,082	908	928

Consolidated statement of changes in equity

SEK M	Jan–Sep 2022			Jan–Sep 2021		
	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity	Equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
Equity, opening balance	8,594	10	8,604	7,548	10	7,557
Comprehensive income for the period	1,405	0	1,405	1,129	0	1,129
Share bonus scheme	78	–	78	114	–	114
Share savings schemes	5	–	5	5	–	5
Transfer to shareholders	-876	–	-876	-782	0	-782
EQUITY, CLOSING BALANCE	9,206	10	9,216	8,014	10	8,023

Acquisitions

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

Company	Included from	Business area	Acquired share, %	Annual net sales in SEK M ¹	Number of employees (individuals)
Swedish Net Engineering AB	February	Sweden	100	31	28
Stema Group	May	Norway	100	186	86
Arcasa Group	June	Norway	100	130	69
RK-TEC SRL ²	June	Belgium	100	68	39
Dayspring	September	Sweden	100	44	40
Other ³				24	16
TOTAL				483	278

1) Estimated annual net sales.

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

3) Acquisition of Vitech (Belgium) and AB Soil Remediation Experts BV (Belgium).

During the period, the acquired companies contributed SEK 151 million in net sales, SEK 8 million in EBITA and SEK 3 million in operating profit (EBIT). If the companies had been owned as of 1 January 2022, they would have contributed approximately SEK 352 million in net sales, about SEK 15 million in EBITA and about SEK 8 million in operating profit (EBIT).

The transaction costs for the acquisitions during this period and the previous period totalled SEK 6 million.

The purchase considerations of the acquisitions carried out in the period totalled SEK 506 million and had a negative impact on cash and cash equivalents of SEK 471 million. The acquisition analyses during the period are preliminary.

The acquisitions impacted the consolidated balance sheet as detailed in the table below.

Acquisitions, SEK M	
Intangible assets	470
Property, plant and equipment	9
Right-of-use assets	16
Financial assets	1
Current assets	158
Non-current lease liabilities	-11
Non-current other liabilities	-5
Deferred tax	-10
Current lease liabilities	-4
Other current liabilities	-117
Total purchase consideration	506
Payment of deferred purchase price	9
Cash and cash equivalents in acquired companies	-43
DECREASE IN GROUP CASH AND CASH EQUIVALENTS	471

Divestments

In the period, Sweco divested a non-core operation in the Netherlands with 16 employees. The divestment contributed SEK 14 million in net sales and SEK 4 million in operating profit during the period. The divestment had a positive impact on profit of SEK 63 million and on the Group's cash and cash equivalents of SEK 69 million. The impact of the divestment on the consolidated balance sheet was limited.

Acquisition-related items

SEK M	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Oct 2021- Sep 2022	Full-year 2021
Amortisation of acquisition-related intangible assets	-24	-25	-70	-73	-98	-100
Revaluation of additional purchase price	11	-2	11	-2	29	16
Profit/loss on divestment of companies and operations ¹	1	23	65	23	67	24
Cost for received future service	-	-11	-17	-33	-28	-45
ACQUISITION-RELATED ITEMS	-11	-14	-11	-85	-31	-104

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

Fair value of financial instruments

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

Forward exchange contracts are measured at fair value based on Level 2 inputs. As per 31 September 2022, forward contracts with a positive market value amounted to SEK 0 million compared with SEK 0 million as per 31 December 2021 and forward contracts with a negative market value amounted to SEK 4 million compared with SEK 0 million as per 31 December 2021. Unlisted financial assets and contingent considerations are measured at fair value based on Level 3 inputs. The fair value of unlisted financial assets amounted to SEK 10 million as per 31 September 2022 compared with SEK 10 million as per 31 December 2021, and financial liabilities for contingent considerations amounted to SEK 0 million compared with SEK 15 million as per 31 December 2021. Other financial assets and liabilities are measured at accrued amortised cost. Accrued amortised cost is considered a good approximation of fair value since the fixed interest period for all loans is less than one year.

Quarterly review per business area

	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2020 Q4	2020 Q3
Net sales, SEK M									
Sweco Sweden	1,549	2,067	1,968	2,035	1,446	2,012	1,905	1,992	1,489
Sweco Norway	712	778	822	719	533	696	675	620	489
Sweco Finland	680	812	788	802	646	776	723	729	584
Sweco Denmark	517	527	531	512	436	476	480	500	421
Sweco Netherlands	528	552	567	554	448	495	528	515	466
Sweco Belgium	549	587	597	504	450	474	478	414	392
Sweco UK	365	347	344	295	302	289	313	280	280
Sweco Germany & Central Europe	532	505	509	568	477	487	483	175	481
Group-wide, Eliminations, etc.	-59	-59	-50	-70	-48	-62	-47	-83	-56
TOTAL NET SALES	5,372	6,116	6,077	5,920	4,691	5,643	5,538	5,142	4,547
Items affecting comparability (IAC) ²	–	–	–	–	16	–	–	290	–
TOTAL NET SALES excl. IAC	5,372	6,116	6,077	5,920	4,707	5,643	5,538	5,432	4,547
EBITA, SEK M¹									
Sweco Sweden	97	245	255	269	132	272	247	282	149
Sweco Norway	33	38	116	58	24	65	53	44	44
Sweco Finland	46	67	75	89	84	72	76	85	80
Sweco Denmark	68	33	61	55	50	37	41	50	41
Sweco Netherlands	40	34	49	54	34	40	73	42	44
Sweco Belgium	65	68	78	50	57	59	65	46	48
Sweco UK	33	12	15	7	28	4	16	6	9
Sweco Germany & Central Europe	12	14	17	30	-48	-9	-3	-317	0
Group-wide, Eliminations, etc.	-12	-25	-17	-26	-1	-12	-27	-13	2
EBITA	382	486	648	585	359	529	540	224	417
Items affecting comparability (IAC) ²	–	–	–	–	56	–	–	290	–
EBITA excl. IAC	382	486	648	585	415	529	540	514	417
EBITA margin, %¹									
Sweco Sweden	6.3	11.9	12.9	13.2	9.1	13.5	13.0	14.2	10.0
Sweco Norway	4.6	4.8	14.1	8.1	4.6	9.4	7.8	7.1	8.9
Sweco Finland	6.7	8.3	9.5	11.1	13.0	9.2	10.5	11.7	13.7
Sweco Denmark	13.2	6.3	11.4	10.7	11.4	7.7	8.6	9.9	9.7
Sweco Netherlands	7.5	6.1	8.7	9.8	7.5	8.1	13.8	8.1	9.4
Sweco Belgium	11.9	11.5	13.0	9.8	12.6	12.5	13.5	11.0	12.3
Sweco UK	9.0	3.5	4.3	2.3	9.3	1.5	5.1	2.2	3.1
Sweco Germany & Central Europe	2.3	2.8	3.4	5.3	-10.1	-1.8	-0.5	-180.8	0.0
EBITA margin	7.1	7.9	10.7	9.9	7.6	9.4	9.8	4.4	9.2
Items affecting comparability (IAC) ²	–	–	–	–	1.2	–	–	5.1	–
EBITA margin excl. IAC	7.1	7.9	10.7	9.9	8.8	9.4	9.8	9.5	9.2
Billing ratio, %	73.0	74.3	73.6	74.1	73.7	75.0	73.6	74.1	73.8
Number of normal working hours	516	468	497	496	517	473	487	491	518
Number of full-time employees	18,464	18,626	18,263	18,058	17,627	17,904	17,628	17,470	16,988

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

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

Period review per business area

January–September	Net sales, SEK M		EBITA, SEK M ²		EBITA margin, % ²		Number of full-time employees	
Business Area ¹	2022	2021	2022	2021	2022	2021	2022	2021
Sweco Sweden	5,584	5,363	597	651	10.7	12.1	5,893	5,772
Sweco Norway	2,312	1,903	186	143	8.0	7.5	1,875	1,740
Sweco Finland	2,280	2,146	188	231	8.2	10.8	2,857	2,750
Sweco Denmark	1,576	1,392	162	128	10.3	9.2	1,370	1,279
Sweco Netherlands	1,647	1,470	123	147	7.5	10.0	1,413	1,360
Sweco Belgium	1,733	1,403	210	181	12.1	12.9	1,499	1,234
Sweco UK	1,056	904	60	48	5.7	5.3	1,170	1,186
Sweco Germany & Central Europe	1,546	1,447	44	-59	2.9	-4.1	2,318	2,345
Group-wide, Eliminations, etc. ³	-168	-156	-54	-41	–	–	53	49
TOTAL GROUP	17,565	15,872	1,516	1,428	8.6	9.0	18,448	17,716

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

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

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

Net sales growth

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

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

	Jul–Sep 2021	Jul–Sep 2020	Growth, % Jul–Sep 2021	Jan–Sep 2021	Jan–Sep 2020	Growth, % Jan–Sep 2021
Reported net sales	4,691	4,547	3	15,872	15,716	1
Adjustment for currency effects		-9	0		-304	-2
Net sales, currency-adjusted	4,691	4,538	3	15,872	15,413	3
Adjustment for acquisitions/divestments	-139	-3	3	-415	-3	3
Comparable net sales, currency-adjusted	4,552	4,535	0	15,457	15,409	0
Adjustment of calendar effect	4		0	39		0
Comparable net sales, adjusted for currency and calendar effects	4,557	4,535	0	15,495	15,409	1
Adjustment of items affecting comparability	16		1	16		0
Comparable net sales, adjusted for currency, calendar effects and items affecting comparability	4,573	4,535	1	15,512	15,409	1

Net debt

SEK M	30 Sep 2022	30 Sep 2021	31 Dec 2021
Non-current interest-bearing debt	2,030	2,341	1,805
Current interest-bearing debt	638	201	4
Cash and cash equivalents incl. short-term investments	-462	-424	-896
NET DEBT¹	2,206	2,119	913

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

Parent Company income statement

SEK M	Jan-Sep 2022	Jan-Sep 2021	Full-year 2021
Net sales	785	700	946
Operating expenses	-838	-745	-1,018
Operating loss	-52	-46	-72
Net financial items	311	350	889
Profit/loss after net financial items	259	305	817
Appropriations	–	1	-110
Profit/loss before tax	259	305	707
Tax	–	–	-68
PROFIT/LOSS AFTER TAX	259	305	639

Parent Company balance sheet

SEK M	30 Sep 2022	31 Dec 2021
Intangible assets	16	19
Property, plant and equipment	61	70
Financial assets	6,548	6,547
Current assets	2,432	1,998
TOTAL ASSETS	9,057	8,634
Equity	4,148	4,683
Untaxed reserves	764	764
Non-current liabilities	1,863	1,694
Current liabilities	2,282	1,493
TOTAL EQUITY AND LIABILITIES	9,057	8,634