

Strong organic growth driven by our industrial segments

Third quarter 2021

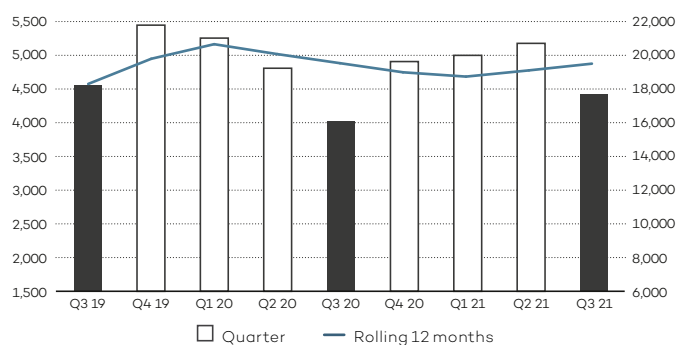
- Net sales amounted to SEK 4,419 million (4,021)
- EBITA, excl. items affecting comparability, was SEK 369 million (288)
- EBITA margin, excl. items affecting comparability, was 8.3 percent (7.2)
- EBITA totalled SEK 369 million (271)
- EBITA margin was 8.3 percent (6.7)
- EBIT (operating profit) was SEK 328 million (229)
- Basic earnings per share: SEK 2.20 (1.29)

January–September 2021

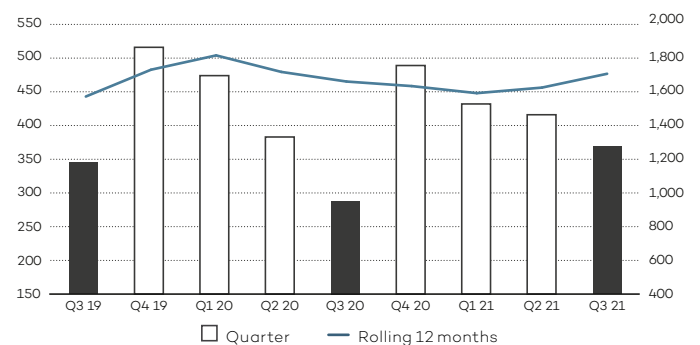
- Net sales amounted to SEK 14,596 million (14,084)
- EBITA, excl. items affecting comparability, was SEK 1,217 million (1,146)
- EBITA margin, excl. items affecting comparability, was 8.3 percent (8.1)
- EBITA totalled SEK 1,217 million (1,106)
- EBITA margin was 8.3 percent (7.9)
- EBIT (operating profit) was SEK 1,127 million (972)
- Basic earnings per share: SEK 7.46 (5.64)

“There was strong demand in the third quarter, particularly within our industrial segments, driven by societal transitions and the recovery from the pandemic. The quarter can be summarised by strong organic growth and a stable result, so far this year AFRY has announced acquisitions with annual net sales just over one billion SEK.”

Net sales, SEK million



EBITA¹, SEK million



¹Excluding items affecting comparability

Comments by the CEO

There was strong demand in the third quarter, particularly within our industrial segments, driven by societal transitions and the recovery from the pandemic. The quarter can be summarised by strong organic growth and a stable result, so far this year AFRY has announced acquisitions with annual net sales just over one billion SEK.

Continued strong organic growth

We delivered strong growth in the third quarter with net sales of SEK 4,419 million (4,021), which corresponds to an organic growth of 7.5 percent when adjusted for calendar effects. The growth is driven by positive performances from the Industrial & Digital Solutions, Process Industries and Management Consulting divisions. Our order stock remains at a stable level.

Results

EBITA, excluding items affecting comparability, was SEK 369 million (288), and the corresponding EBITA margin was 8.3 percent (7.2). The method for allocating payroll expenses to a period was altered in connection with the implementation of our new ERP system. This change, which has a neutral impact on the full year, had a positive impact on EBITA of SEK 57 million during the quarter. When adjusted for this change, the margin amounted to 7.1 percent. The margin was positively

impacted by strong results in the Industrial & Digital Solutions, Process Industries, Energy and Management Consulting divisions, but negatively impacted by a weak development in parts of the Infrastructure Division.

Performance in the divisions

The Infrastructure Division reported a modest growth during the quarter, however with a weak result. The result was negatively impacted by a lower utilisation rate. The development was particularly weak in transport infrastructure in Sweden, with results not in line with our expectations. Work is underway to improve both profitability and growth. The real estate segment noted improved market conditions towards the end of the quarter and other markets outside Sweden showed a stable trend in a generally good market.

After the end of the quarter we have entered into an agreement to acquire all the shares in Vahanen Group, a Finnish consultancy company focused on the construction and real estate sector. The company has annual net sales of around SEK 470 million and 500 employees. The acquisition will complement our infrastructure offering in Finland, which is one of our most important markets. The acquisition is conditional on approval from competition authorities in Finland.



The Industrial & Digital Solutions Division had a strong quarter with improved growth and results driven by a strong trend in all segments. The largest automotive clients have expanded both their ambition and the pace of product development and production investments, which are driven to a large extent by electrification and the need for software development, an area in which AFRY has a strong position and offering.

The Process Industries Division showed a strong growth and result trend during the quarter, particularly in Sweden, Russia and Asia. The market is stable, particularly within operational services and smaller projects.

The Energy Division showed a strong result, partly due to well-executed major projects. However, a negative growth was reported due to the pandemic continuing to impact decision-making processes for new projects and delaying starts of awarded projects. That said, the division is well positioned with great opportunities to participate in the ongoing energy transition, and it has a clear focus on growth in 2022.

The Management Consulting Division showed a strong growth and results trend, driven by an increased demand for strategic consultancy services within the energy and bio industry.

Sustainable and digital solutions

We entered several new agreements during the quarter, and I am particularly proud of the fact that AFRY was entrusted engineering partner as Metsä Board in Husum, Sweden, invests to meet a growing demand for sustainably produced packaging materials. Our focus on digitalisation is beginning to yield results, with one example being Hitachi ABB Power Grids choosing AFRY's digital twin as they take the next step on their digitalisation journey. We look forward to continued close cooperation in sustainable solutions for the industry, the pace of which is now increasing thanks to our digital investment, AFRY X.

Strong focus on growth and digitalisation

To meet higher levels of demand, we have accelerated the pace of recruitment in all divisions and growth through acquisitions. A total of four acquisitions have been announced during and after the quarter, which amounts to 16 acquisitions since the beginning of the year. In total, the acquired companies, including Vahanen Group, have annual net sales just over one billion SEK, which corresponds to a sales growth of circa 5.6 percent. Digitalisation is one of our strongest drivers of growth, and the majority of the acquisitions we have made since the beginning of the year have digital offerings. Our balance sheet makes room for further acquisitions and we are working on several more promising acquisition candidates.

One of Sweden's most attractive employers

AFRY continue to strengthen its attractiveness among young professional civil engineers. In the latest survey by Universum, in which engineers get the chance to rank the most attractive employers in Sweden, AFRY is among the companies at the top of the list. I see an incredible diversity of competent professional engineers who want to be involved in creating a more sustainable society, together with us and our clients.

Well positioned for sustainable development

We are seeing a continued increasing demand, particularly in our industry segments, although the pandemic is continuing to affect certain decision-making processes for new major projects. The ongoing transition in society towards sustainable solutions and increased digitalisation give us great opportunities for a positive development going forward. We are well positioned to take a leading role and have a strong focus on growth and value creation.

Stockholm, 26 October 2021

Jonas Gustavsson
President and CEO

Net sales and earnings 2021

July–September

Net sales for the quarter amounted to SEK 4,419 million (4,021), an increase of 9.9 percent (-11.9). Organic growth was 7.4 percent (-7.6) and 7.5 percent (-7.8) when adjusted for calendar effects.

During the comparative period, the Group received state subsidies to the value of SEK 62 million, which was reported as other income.

Adjusted for items affecting comparability, EBITA amounted to SEK 369 million (288). The corresponding EBITA margin was 8.3 percent (7.2). During the comparative period, items affecting comparability totalled SEK 17 million, which related to restructuring costs for the Energy Division.

EBITA and the EBITA margin were SEK 369 million (271) and 8.3 percent (6.7). The effects of IFRS 16 Leases were SEK 0 million (9) on EBITA and SEK 145 million (137) on EBITDA.

During the year, the method for allocating payroll expenses was altered, and had a positive effect on EBITA of approximately SEK 57 million in the quarter. Adjusted for this change the EBITA margin amounted to 7.1 percent. Due to changed holiday behaviour, especially in the Nordic countries, part of the former estimated effect shifted from the third quarter to the fourth quarter. On the full year, the impact on EBITA is neutral and estimated effect per quarter 2021 is presented in a table on page 13.

Capacity utilisation was 74.2 percent (75.3) in the quarter.

	Jul–Sep 2021	Jul–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Full year 2020
Net sales					
Net sales, SEK million	4,419	4,021	14,596	14,084	18,991
Total growth, %	9.9	-11.9	3.6	-1.8	-4.0
Acquired, %	2.9	-0.8	1.5	6.1	4.2
Currency effects, %	-0.4	-3.5	-2.5	-1.2	-1.9
Organic, %	7.4	-7.6	4.6	-6.7	-6.4
Organic growth adjusted for calendar effects, %	7.5	-7.8	4.7	-7.3	-7.1
of which calendar effect, %	-0.1	0.3	-0.1	0.6	0.8
Earnings					
EBITA excl. items affecting comparability, SEK million	369	288	1,217	1,146	1,635
EBITA margin excl. items affecting comparability, %	8.3	7.2	8.3	8.1	8.6
EBITA, SEK million	369	271	1,217	1,106	1,584
EBITA margin, %	8.3	6.7	8.3	7.9	8.3
Operating profit (EBIT), SEK million	328	229	1,127	972	1,456
Profit/loss after financial items, SEK million	301	208	1,043	835	1,270
Profit/loss after tax, SEK million	249	145	845	633	991
Key ratios					
Basic earnings per share, SEK	2.20	1.29	7.46	5.64	8.81
Diluted earnings per share, SEK	2.20 ¹	1.29 ¹	7.45	5.64 ¹	8.81 ¹
Cash flow from operating activities, SEK million	49	45	608	1,323	2,085
Net debt, SEK million ²	–	–	4,219	3,523	2,756
Net debt/equity ratio, % ²	–	–	40.1	35.3	27.3
Net debt/EBITDA, rolling 12 months, times ³	–	–	2.3	2.3	1.6
Number of employees	–	–	16,680	15,915	15,871
Capacity utilisation, %	74.2	75.3	74.6	75.7	75.6

¹Convertibles were anti-diluted during the period.

²Excluding effects of IFRS 16 Leases.

³Net debt/EBITDA excluding the effect of IFRS 16 and items affecting comparability over a rolling 12 months was 2.3 (2.0).

EBIT totalled SEK 328 million (229). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related assets amounting to SEK 40 million (41) and the change in estimates of future contingent considerations amounting to SEK 0 million (-1).

Profit after financial items was SEK 301 million (208) and profit after tax for the period was SEK 249 million (145). Net financial items totalled SEK -28 million (-22) in the quarter.

Net financial items were affected by discount rates related to leases in accordance with IFRS 16 Leases amounting to SEK 13 million (14), and discounting of contingent considerations totalling SEK 1 million (2). Both did not affect cash flow.

The tax expense amounted to SEK 52 million (63), corresponding to a tax rate of 17.1 percent (30.4). The lower tax rate concerns usage of accumulated losses and lower tax attributable to previous years during the quarter. The higher tax rate for the comparative period was affected by non-recurring items attributable to impairment of deferred tax assets.

January–September

Net sales for the period amounted to SEK 14,596 million (14,084), an increase of 3.6 percent (-1.8). Organic growth was 4.6 percent (-6.7) and 4.7 percent (-7.3) when adjusted for calendar effects.

During the comparative period, the Group received state subsidies to the value of SEK 159 million, which was reported as other income.

Adjusted for items affecting comparability, EBITA amounted to SEK 1,217 million (1,146). The corresponding EBITA margin was 8.3 percent (8.1). During the comparative period, items affecting comparability totalled SEK 40 million, which related to restructuring costs for the Energy Division and the Industrial & Digital Solutions Division.

EBITA and the EBITA margin were SEK 1,217 million (1,106) and 8.3 percent (7.9) respectively. The effects of IFRS 16 Leases were SEK 0 million (25) on EBITA and SEK 425 million (418) on EBITDA.

During the year, the method for allocating payroll expenses was altered and had a negative effect on EBITA of approximately SEK 13 million in the period. Adjusted for this change the EBITA margin amounted to 8.6 percent. Due to changed holiday behaviour, especially in the Nordic countries, part of the former estimated effect shifted from the third quarter to the fourth quarter. On the full year the impact on EBITA is neutral and estimated effect per quarter 2021 is presented in a table on page 13.

Capacity utilisation was 74.6 percent (75.7) for the period.

EBIT totalled SEK 1,127 million (972). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related assets amounting to SEK 118 million (143), the change in estimates of future contingent considerations amounting to SEK 28 million (20) and capital losses from divestment of operations of SEK 0 million (-10).

Profit after financial items was SEK 1,043 million (835) and profit after tax for the period was SEK 845 million (633). Net financial items amounted to SEK -84 million (-137) during the period, the change is mainly attributable to lower interest expenses and reduced currency effects.

Net financial items were affected by discount rates related to leases in accordance with IFRS 16 Leases amounting to SEK 33 million (42), and discounting of contingent considerations totalling SEK 4 million (7). Both did not affect cash flow.

The tax expense amounted to SEK 198 million (202), corresponding to a tax rate of 19.0 percent (24.1). The tax rate for the current period was affected by usage of accumulated losses, reduced corporation tax in Sweden and reduced non-deductible costs. The higher tax last year is attributable to the divestment of operations in the parent, which led to non-deductible costs.

Cash flow and financial position

Consolidated net debt including IFRS 16 Leases amounted to SEK 6,504 million (6,050).

Consolidated net debt excluding IFRS 16 Leases amounted to SEK 4,219 million (3,523) at the end of the quarter, and SEK 3,826 million (3,586) at the start of the quarter. Cash flow from operating activities reduced net debt by SEK 217 million (983) for the period of January–September. Share buy-backs related to the convertible programme in 2020 were carried out during the third quarter, which increased net debt by SEK 205 million. Two acquisitions were made during the quarter that increased net debt by SEK 154 million, along with contingent considerations paid for previous acquisitions totalling SEK 32 million.

The company issued commercial papers in late September to the value of SEK 550 million as part of its commercial paper programme.

Consolidated cash and cash equivalents totalled SEK 852 million (1,299) at the end of the period, and unused credit facilities amounted to SEK 2,501 million (3,053).

Acquisitions and divestments

The following companies were acquired during the quarter:

Insuco ApS, Denmark, with annual sales of around SEK 13 million and 11 employees. Cubiq Analytics Oy, Finland, with annual sales of around SEK 67 million and 60 employees.

Parent

Parent company operating income for the period January–September totalled SEK 953 million (952) and relates mainly to internal services within the Group. Profit after net financial items was SEK 219 million (-40). This change is mainly attributable to dividend issued by subsidiaries. Cash and cash equivalents amounted to SEK 181 million (564). Gross investments in intangible non-current assets and property, plant and equipment totalled SEK 65 million (69).

The tax rate for the period was affected by the lowered corporation tax rate and non-taxable income in the form of dividends from subsidiaries. One operation was divested during the previous year which led to non-deductible costs. This increased the tax expense.

Number of employees

The average number of full-time employees (FTEs) was 15,497 (15,314). The total number of employees at the end of the period was 16,680 (15,915).

Significant events after the end of the reporting period

After the end of the quarter AFRY acquired Zert AB, Sweden, with annual sales of around SEK 16 million and nine employees.

After the end of the quarter AFRY entered an agreement to acquire all shares in Vahanen Group, Finland, with annual sales of around SEK 470 million and 500 employees. The acquisition is subject to approval from the competition authorities in Finland.



The Infrastructure Division provides technical solutions for buildings and infrastructure, in areas such as road and rail, as well as water and environment. The division also operates in the fields of architecture and design. The division's strengths include its in-depth knowledge of sustainable, high-tech solutions, and its clients are primarily within the property and urban development sectors. The division is led by Malin Frenning and operates in the Nordic region and Central Europe.



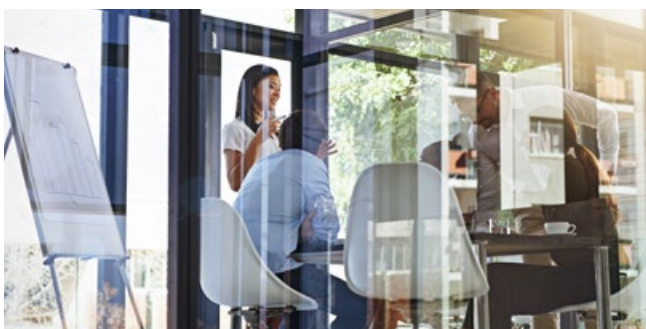
The Industrial & Digital Solutions Division conducts engineering operations in the field of product development and production systems, as well as IT and defence technology. The division is active in all industry sectors and works with both private and public sector clients. Technical capabilities include project management, industrial design, mechanical product development, automation, quality assurance and digitalisation services for various industries to develop and connect systems and products and create the society of the future. Services encompass the entire value chain and the assignments are project-based or end-to-end solutions for specific functions. The division is led by Robert Larsson and operates primarily in the Nordic region.



The Process Industries Division provides engineering and consulting services, project management and implementation services to clients in the process industry. Its clients are primarily in the forest, chemical and biorefinery industries, as well as the metal and mining industries. Focus sectors extend from pulp and paper to chemicals and biorefining, metals and mining and other process industries, and the division delivers solutions for both new investment projects and reconstruction of existing plants. The division, led by Nicholas Oksanen, delivers solutions globally and operates primarily in the Nordic region and South America.



The Energy Division provides international engineering and consulting services to clients in over 80 countries. The division has expertise in the transmission and distribution of all types of electricity generated from various energy sources, such as water, gas, bio- and waste fuel, nuclear power and renewable energy sources, and holds a leading position in hydro. The division has a high level of technical capability when it comes to complex environmental aspects. Owing to the division's ability to cover the entire spectrum of power generation as well as the complete investment life cycle, it can offer its clients comprehensive expertise. The division, led by Richard Pinnock, delivers solutions globally and operates primarily in the Nordic region, Switzerland, Czech Republic and Southeast Asia.



The Management Consulting Division provides strategic and operational advisory services across the value chain, underpinned by in-depth expertise and market insights. Core services encompass a wide range of consulting services and include corporate and business strategies; resource, technology and investment strategies; operational and organisational excellence; market insights and modelling; sales and supply chain strategies; M&A and due diligence; as well as innovation management and digitalisation. The services are primarily aimed at the energy sector, the forest industry and bio-based industries. The division is led by Roland Lorenz and has operations in 17 offices across three continents.

Division Infrastructure

Net sales

Net sales in the third quarter amounted to SEK 1,638 million (1,598), an increase by 2.4 percent. Adjusted for currency effects and acquisitions, the organic growth was 0.6 percent. Adjusted for calendar effects the organic growth was 0.7 percent. The growth was impacted by a slower start of projects after the summer, however the real estate segment noted improved market conditions towards the end of the quarter. The order stock is at a stable level.

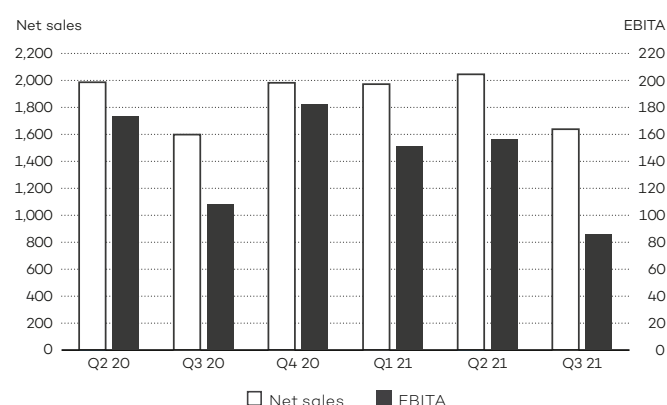
EBITA and margin

EBITA amounted to SEK 86 million (108) and the corresponding margin was 5.3 percent (6.8). The development was particularly weak in transport infrastructure in Sweden that had a slower start after the summer and a lower utilisation. There has also been some price pressure in the segment during the quarter. The result is not in line with our expectations and work is underway to improve both profitability and growth. Other markets outside Sweden showed a stable development. The margin was positively impacted by a change of salary accounting method for Swedish entities. Adjusted for this change the margin was 3.6 percent.

Market development

The market is stable in all of the division's segments, and several considerable governmental infrastructure investments were announced in the quarter. The competition within transport infrastructure is high. A recovery of the real estate market was noted towards the end of the quarter. Sustainability consulting is increasing in all markets, and the demand for the division's water offering remains on a high level.

Net sales and EBITA, SEK million



Key ratios¹

	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Net sales, SEK million	1,638	1,598	5,655	5,669	7,650
EBITA, SEK million	86	108	394	470	652
EBITA-margin, %	5.3	6.8	7.0	8.3	8.5
Average number of fulltime employees (FTEs)	5,901	5,851	5,886	5,930	5,915
Total growth, %	2.4	-8.0	-0.2	1.9	-0.3
Acquired, %	2.0	-0.1	1.2	4.2	3.1
Currency, %	-0.2	-2.7	-1.5	-1.0	-1.5
Organic, %	0.6	-5.2	0.1	-1.3	-1.9
Organic growth adjusted for calendar effects, %	0.7	-5.8	0.2	-2.2	-2.8
of which calendar effect, %	-0.1	0.6	-0.1	0.9	0.9

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Industrial & Digital Solutions

Net sales

Net sales in the third quarter amounted to SEK 1,274 million (1,051), an increase by 21.2 percent. Adjusted for currency effects and acquisitions, the organic growth was 18.5 percent. Growth was driven by strong demand across all segments. Sales activities continue to be on a high level within all the division's core markets.

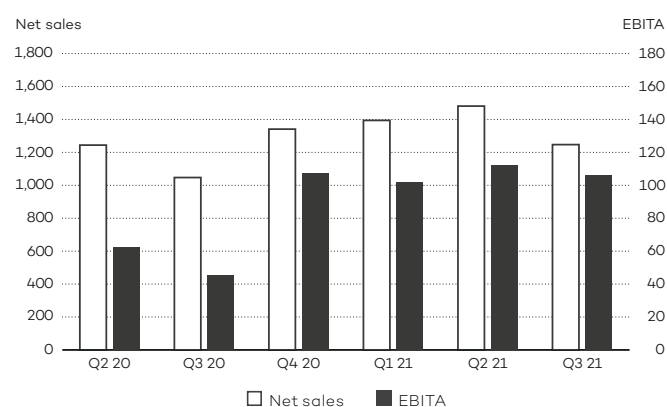
EBITA and margin

EBITA amounted to SEK 106 million (46) and the corresponding margin was 8.3 percent (4.4). The strengthened margin was the result of the volume growth, continued good cost control and an improved sales mix. The margin was also positively impacted by a change of salary accounting method for Swedish entities. Adjusted for this change the margin was 6.6 percent.

Market development

The recovery of the automotive industry continues. The largest clients have rapidly increased both ambition and pace in product software development and production investments, which to a large extent is driven by the electrification and the need for software development. The activity among clients in the Manufacturing industry was high for smaller projects, however hesitant investment decisions for larger projects. The demand within Food & Life Science continues to be strong.

Net sales and EBITA, SEK million



Key ratios¹

	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Net sales, SEK million	1,274	1,051	4,149	3,739	5,074
EBITA, SEK million	106	46	319	219	325
EBITA-margin, %	8.3	4.4	7.7	5.9	6.4
Average number of fulltime employees (FTEs)	3,553	3,506	3,484	3,617	3,576
Total growth, %	21.2	-12.3	11.0	-11.9	-12.2
Acquired, %	2.8	0.9	1.5	0.9	0.7
Currency, %	-0.1	-0.7	-0.1	-0.3	-0.4
Organic, %	18.5	-12.5	9.6	-12.5	-12.5
Organic growth adjusted for calendar effects, %	18.5	-12.5	9.6	-13.0	-13.3
of which calendar effect, %	0.0	0.0	0.0	0.5	0.8

The historical figures above are adjusted for organizational changes.

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Process Industries

Net sales

Net sales in the third quarter amounted to SEK 851 million (742), an increase by 14.8 percent. Adjusted for currency effects and acquisitions, the organic growth was 10.6 percent. The growth is mainly supported by a good development in Sweden, Russia and Asia as well as a stable development in Finland, Latin America and Central Europe. On-going major CAPEX projects are running according to plan. The order stock remains strong and has increased during the third quarter.

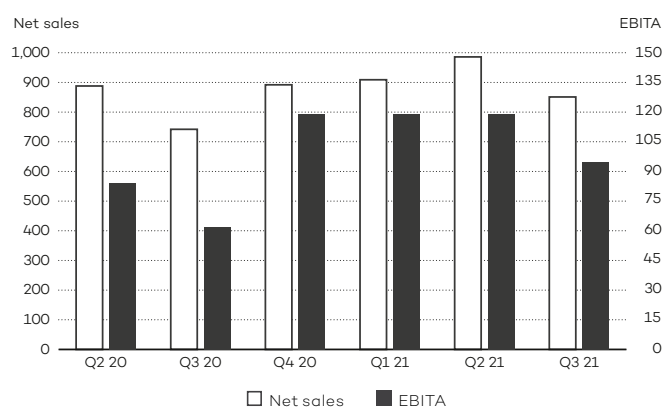
EBITA and margin

EBITA amounted to SEK 95 million (62) and the corresponding margin was 11.1 percent (8.4). The margin was positively impacted by a strengthened development in all business sectors and continued cost savings, but negatively impacted by currency effects.

Market development

The market remained stable, especially in operational services and smaller scale projects. The most important drivers of many projects continue to be bio transition, sustainability and digitalisation. Circular economy solutions, such as plastics and textiles recycling and new advanced technologies are fast-growing areas. On-going construction material and component disruption is slowing down investment plans especially in bigger CAPEX projects.

Net sales and EBITA, SEK million



Key ratios¹

	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Net sales, SEK million	851	742	2,746	2,546	3,441
EBITA, SEK million	95	62	332	245	363
EBITA-margin, %	11.1	8.4	12.1	9.6	10.6
Average number of fulltime employees (FTEs)	3,684	3,234	3,544	3,207	3,243
Total growth, %	14.8	-3.5	7.9	19.7	12.9
Acquired, %	4.8	-0.7	2.7	19.2	13.3
Currency, %	-0.7	-8.2	-5.2	-4.5	-5.5
Organic, %	10.6	5.3	10.4	5.0	5.2
Organic growth adjusted for calendar effects, %	10.6	4.1	10.0	4.2	4.6
of which calendar effect, %	0.0	1.2	0.4	0.8	0.5

The historical figures above are adjusted for organizational changes.

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Energy

Net sales

Net sales in the third quarter amounted to SEK 581 million (601), a decrease by -3.4 percent. Adjusted for currency effects and acquisitions, the negative organic growth was -3.1 percent. Adjusted for calendar effects, the negative organic growth was -2.5 percent. The growth was negatively impacted by continued delayed decision-making for new projects and delayed starts of awarded projects as a result of the Covid-19 pandemic. The order stock is at a stable level.

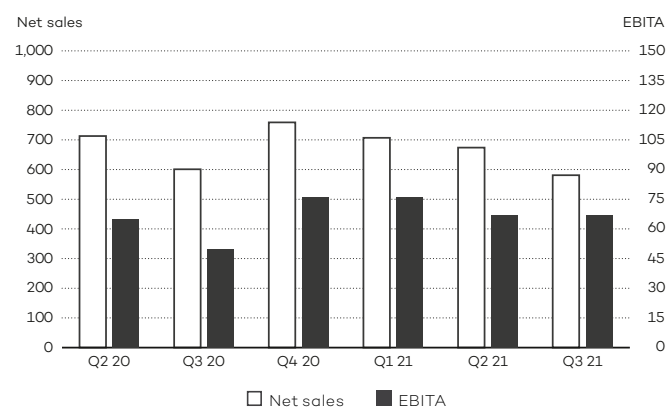
EBITA and margin

EBITA in the third quarter amounted to SEK 67 million (50) and the corresponding margin was 11.6 percent (8.2). The improved margin was a result of continued tight cost control and strong performances in thermal & renewables, hydro and contracting, and due to well-executed major projects.

Market development

The pandemic continued to have an impact on the division during the quarter with slower start-up of new projects mainly in the hydro, thermal & renewable and contracting business sectors. Travel restrictions continued to effect projects especially in the hydro sector. The general outlook for the energy sector is improving in most areas. However, the ongoing pandemic will continue to affect the division during the short to medium term perspective as the recovery in Asia and Latin America operations is expected to be slower. The transition to low carbon, clean energy power sources and energy efficiency measurements with the specific goal of accelerating the energy transition, is driving a strong demand, especially in the developing economies. The division has a clear focus on growth for 2022.

Net sales and EBITA, SEK million



Key ratios¹

	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Net sales, SEK million	581	601	1,962	2,031	2,796
EBITA, SEK million	67	50	211	181	257
EBITA-margin, %	11.6	8.2	10.7	8.9	9.2
Average number of fulltime employees (FTEs)	1,678	1,704	1,711	1,778	1,767
Total growth, %	-3.4	-21.6	-3.4	-5.4	-7.6
Acquired, %	0.9	-4.9	0.6	4.8	2.0
Currency, %	-1.2	-3.7	-4.4	0.1	-1.3
Organic, %	-3.1	-13.0	0.3	-10.3	-8.4
Organic growth adjusted for calendar effects, %	-2.5	-13.8	0.9	-11.6	-9.3
of which calendar effect, %	-0.6	0.9	-0.5	1.3	0.9

The historical figures above are adjusted for organizational changes.

¹⁾ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Management Consulting

Net sales

Net sales in the third quarter amounted to SEK 257 million (184), an increase by 39.4 percent. Adjusted for currency effects and acquisitions, the organic growth was 32.5 percent. Adjusted for calendar effects, the organic growth was 32.1 percent. Growth was driven by the positive market environment in the energy and bioindustry sectors across the entire portfolio, the timing of transaction related success fees and also the impact of new acquisitions.

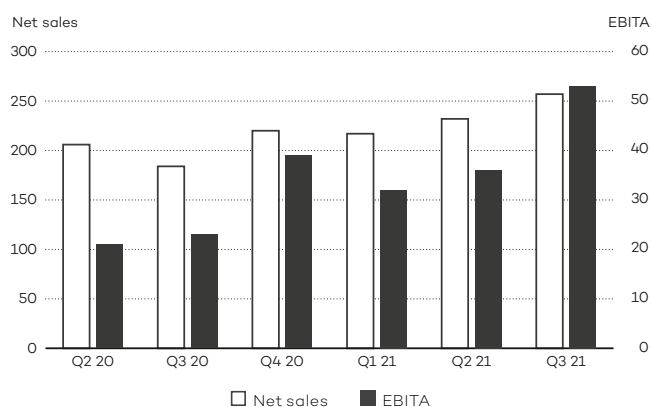
EBITA and margin

EBITA in the third quarter amounted to SEK 53 million (23) and the corresponding margin was 20.5 percent (12.6). The positive margin development reflects the higher volumes and travel cost savings.

Market development

Overall, there is a positive development in both the energy and bioindustry sectors. Clients are adapting to the new situation and are looking for opportunities to invest and drive their own business forward. This results in a growing demand for consulting services, particularly in the areas of market analysis and transactions, as well in operational and digital transformation.

Net sales and EBITA, SEK million



Key ratios¹

	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Net sales, SEK million	257	184	706	593	813
EBITA, SEK million	53	23	120	65	104
EBITA-margin, %	20.5	12.6	17.0	11.0	12.8
Average number of fulltime employees (FTEs)	494	416	466	418	419
Total growth, %	39.4	-0.6	19.0	29.8	21.8
Acquired, %	6.6	-1.1	2.3	26.9	18.3
Currency, %	0.3	-5.3	-5.5	-1.0	-3.0
Organic, %	32.5	5.8	22.3	3.9	6.6
Organic growth adjusted for calendar effects, %	32.1	5.9	22.5	6.4	9.0
of which calendar effect, %	0.4	-0.1	-0.2	-2.5	-2.4

¹ Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Risks and uncertainties

The significant risks and uncertainties to which the AFRY Group is exposed include strategic risks linked to the market, acquisitions, sustainability and IT, and operational risks related to projects and the ability to recruit and retain qualified employees. In addition, the Group is exposed to several financial risks, such as currency risks, interest-rate risks and credit risks. The risks to which the Group is exposed are described in detail in AFRY's Annual Report for 2020.

The Covid-19 pandemic

AFRY has broad exposure to a number of industries and operates in several different markets. The effects of the Covid-19 pandemic have varied, with the greatest impact being on the automotive segment. Although the markets have stabilised, the company is continuously monitoring risks related to the pandemic and taking measures to mitigate its effect on the Group.

Calendar effects

The number of normal working hours during 2021, based on a twelve months' sales-weighted business mix, is broken down as follows.

	2021	2020	Difference
Q1	498	507	-9
Q2	488	480	8
Q3	528	528	-1
Q4	504	500	3
Full year	2,018	2,015	2

Effect of altered payroll method

The change in payroll reporting entails an altered method for allocating payroll expenses to periods between the quarters with a neutral impact across the year. The new method means that the actual payroll expenses are reported, instead of the previous method of payroll expenses based on employees' hours of attendance. The EBITA effects are distributed per quarter below. The first three quarters show the outcome, and the final quarter is a forecast.

2021	SEK million
Q1	-28
Q2	-60
Q3	57
Q4	31
Full year	0

Accounting policies

This report was prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies conform with International Financial Reporting Standards (IFRS), as well as with the EU-approved interpretations of the relevant standards, the International Financial Reporting Interpretations Committee (IFRIC) and Chapter 9 of the Swedish Annual Accounts Act. The report has been created using the same account-

ing policies and methods of calculation as those in the Annual Report for 2020 (Note 1).

New or revised IFRS standards that came into force in 2021 did not have any material impact on the Group. The parent complies with the Swedish Financial Reporting Board's Recommendation RFR 2, which requires that the parent's annual report apply all IFRS standards and interpretations approved by the EU as far as is possible within the constraints of the Annual Accounts Act and the Pension Obligations Vesting Act (Tryggandelagen), and while considering the relationship between accounting and taxation. Disclosures according to IAS 34 16A can partly be found on the pages preceding the condensed consolidated income statement.

IFRS IC – Cloud computing arrangement costs

The IFRS Interpretations Committee (IFRS IC) published an agenda decision in April 2021 regarding cloud computing arrangement costs, i.e. costs to configure or adapt software within a cloud-based solution. An analysis of the effects of the IFRS IC's decision is ongoing. Previously reported intangible assets may need to be reclassified to another type of asset or expensed in future financial statements. If any amounts attributable to these intangible assets are deemed to be significant, the change will be reported in accordance with IAS 8.22.

The IBOR reform

AFRY applies hedge accounting to interest rate derivatives. The upcoming IBOR reform, when implemented, will impact future cash flows as regards interest income and interest expenses. AFRY expects continued hedge effectiveness with no material net interest impact. The nominal value of outstanding exposures with a STIBOR interest rate is SEK 3.4 billion, of which SEK 2.0 billion is hedged at a fixed interest rate. AFRY will continue to monitor any changes to the STIBOR reference rate and update the relevant financial agreements accordingly, together with counterparties, when these changes occur.

Related party transactions

There were no material transactions between AFRY and its related parties during the period.

The share

The AFRY share price was SEK 267.60 (253.80) at the end of the reporting period.

Class A shares	4,290,336
Class B shares	109,611,238
Total number of shares	113,901,574
of which own Class B shares	700,681
Votes	152,514,598

Shares were converted during the quarter as per the 2018 staff convertible programme, increasing the number of Class B shares by 607,159.

Auditor's review report

For AFRY AB (publ) Corp. ID no. 556120-6474

Introduction

We have conducted a review of the condensed interim financial information (interim report) for AFRY AB (publ) at 30 September 2021 and the nine-month period there ended. The Board of Directors and Chief Executive Officer are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express an opinion on this interim report based on our review.

Focus and scope of the review

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review engagement consists of making inquiries, primarily of persons responsible for the preparation of financial and accounting matters, and applying analytical and other

review procedures. A review engagement is different and substantially less in scope than an audit conducted in accordance with ISA and generally accepted auditing standards in Sweden. The procedures performed during a review do not enable us to obtain assurance that we would become aware of all significant circumstances that might be identified in an audit. The opinion expressed based on a review engagement does not therefore provide the same level of assurance as a conclusion based on an audit.

Opinion

Based on our review, nothing has come to our attention that causes us to believe that the interim report has not, in all material aspects, been prepared in accordance with IAS 34 and the Annual Accounts Act for the Group, and in accordance with the Annual Accounts Act for the parent.

Stockholm, 26 October 2021

KPMG AB

Joakim Thilstedt

Authorised Public Accountant

Condensed consolidated income statement

SEK MILLION	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020	Oct 2020– Sep 2021
Net sales	4,419	4,021	14,596	14,084	18,991	19,503
Staff costs	-2,639	-2,531	-9,041	-8,883	-11,860	-12,019
Purchases of services and materials	-926	-822	-2,950	-2,766	-3,811	-3,994
Other costs	-307	-300	-875	-991	-1,269	-1,153
Other income	5	65	20	162	198	56
Share of profits of associates	1	1	4	4	5	5
EBITDA	553	436	1,754	1,610	2,253	2,397
Depreciation/amortisation and impairment of non-current assets ¹	-184	-165	-537	-505	-670	-702
EBITA	369	271	1,217	1,106	1,584	1,695
Acquisition-related items ²	-40	-42	-90	-134	-128	-84
Operating profit (EBIT)	328	229	1,127	972	1,456	1,611
Net financial items	-28	-22	-84	-137	-185	-133
Profit/loss after financial items	301	208	1,043	835	1,270	1,478
Tax	-52	-63	-198	-202	-279	-276
Profit/loss for the period	249	145	845	633	991	1,203
Attributable to:						
Shareholders in the parent	249	145	844	634	992	1,202
Non-controlling interest	0	0	1	-1	0	1
Profit/loss for the period	249	145	845	633	991	1,203
Basic earnings per share, SEK	2.20	1.29	7.46	5.64	8.81	
Diluted earnings per share, SEK	2.20 ³	1.29 ³	7.45	5.64 ³	8.81 ³	
Number of shares outstanding	113,200,893	112,800,815	113,200,893	112,800,815	113,024,044	
Average number of basic shares outstanding	113,312,700	112,565,464	113,234,467	112,422,796	112,544,514	
Average number of diluted shares outstanding	113,312,700 ³	112,565,464 ³	114,572,699	112,422,796 ³	112,544,514 ³	

¹ Depreciation/amortisation and impairment of non-current assets refers to non-current assets excluding acquisition-related intangible non-current assets.

² Acquisition-related items are defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible non-current assets, revaluation of contingent considerations and gains/losses on divestment of companies and operations. See page 21 for further details.

³ Convertibles were anti-diluted during the period.

Statement of consolidated comprehensive income

SEK MILLION	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Profit/loss for the period	249	145	845	633	991
Items that have been or will be reclassified to profit/loss for the period					
Change in translation reserve	60	-16	192	-130	-501
Change in hedging reserve	-8	-12	-12	-20	72
Tax	1	6	1	4	-6
Items that will not be reclassified to profit/loss for the period					
Pensions	3	2	5	5	32
Tax	0	4	-1	1	-10
Other comprehensive income	55	-27	185	-139	-413
Comprehensive income for the period	304	117	1,029	494	578
Attributable to:					
Shareholders in the parent	304	117	1,029	495	579
Non-controlling interest	1	0	1	-1	0
Total	304	117	1,029	494	578

Condensed consolidated balance sheet

SEK MILLION	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS			
Non-current assets			
Intangible non-current assets	13,882	13,219	12,912
Property, plant and equipment	497	563	539
Other non-current assets	2,393	2,650	2,567
Total non-current assets	16,772	16,432	16,018
Current assets			
Current receivables	6,488	5,634	5,662
Cash and cash equivalents	852	1,299	1,930
Total current assets	7,340	6,934	7,592
Total assets	24,111	23,366	23,610
EQUITY AND LIABILITIES			
Equity			
Attributable to shareholders in the parent	10,528	9,977	10,095
Attributable to non-controlling interest	1	1	1
Total equity	10,529	9,978	10,096
Non-current liabilities			
Provisions	858	925	894
Non-current liabilities	4,819	6,367	5,420
Total non-current liabilities	5,677	7,293	6,314
Current liabilities			
Provisions	46	83	74
Current liabilities	7,861	6,012	7,125
Total current liabilities	7,906	6,095	7,199
Total equity and liabilities	24,111	23,366	23,610

Condensed statement of change in consolidated equity

SEK MILLION	30 Sep 2021	30 Sep 2020	31 Dec 2020
Equity at start of period	10,096	9,369	9,369
Comprehensive income for the period	1,029	494	578
Dividend paid	-566	-	-
Conversion of convertible bonds into shares	174	108	142
Value of conversion option	-	7	7
Share buy-backs	-205	-	-
Equity at end of period	10,529	9,978	10,096

Condensed statement of consolidated cash flows

SEK MILLION	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Profit/loss after financial items	301	208	1,043	835	1,270
Adjustment for items not included in cash flow and other	215	72	660	470	460
Income tax paid	-34	-58	-190	-203	-163
Cash flow from operating activities before change in working capital	482	222	1,512	1,102	1,567
Cash flow from change in working capital	-433	-177	-904	220	518
Cash flow from operating activities	49	45	608	1,323	2,085
Cash flow from investing activities	-192	-29	-1,022	-273	-345
Cash flow from financing activities	-100	-162	-621	-829	-987
Cash flow for the period	-243	-146	-1,034	221	753
Opening cash and cash equivalents	1,103	1,367	1,930	997	997
Exchange difference in cash and cash equivalents	-9	79	-44	82	180
Closing cash and cash equivalents	852	1,299	852	1,299	1,930

Change in consolidated net debt (excl. IFRS 16)

SEK MILLION	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Opening balance	3,826	3,586	2,756	4,424	4,424
Cash flow from operating activities (excl. IFRS 16)	83	65	-217	-983	-1,586
Investments	22	30	97	127	174
Acquisitions and contingent considerations	186	1	927	128	159
Dividend	-	-	566	-	-
Share buy-backs	205	-	205	-	-
Other	-103	-159	-114	-174	-415
Closing balance	4,219	3,523	4,219	3,523	2,756

Consolidated net debt (excl. IFRS 16)

SEK MILLION	30 Sep 2021	30 Sep 2020	31 Dec 2020
Loans and credit facilities	4,729	4,433	4,344
Net pension liability	342	390	341
Cash and cash equivalents	-852	-1,299	-1,930
Group	4,219	3,523	2,756

Consolidated net debt (incl. IFRS 16)

SEK MILLION	30 Sep 2021	30 Sep 2020	31 Dec 2020
Loans and credit facilities	7,014	6,960	6,782
Net pension liability	342	390	341
Cash and cash equivalents	-852	-1,299	-1,930
Group	6,504	6,050	5,193

Consolidated key ratios

SEK MILLION	Jan–Sep 2021	Jan–Sep 2020	Full year 2020
Return on equity, %	11.7	8.4	10.1
Return on capital employed, %	8.4	6.6	8.1
Equity ratio, %	43.7	42.7	42.8
Equity per share, SEK	93.00	88.45	89.32
Interest-bearing liabilities, SEK million	7,376	7,350	7,142
Average number of full-time employees (FTEs)	15,497	15,314	15,271

Items affecting comparability

SEK MILLION	Jul–Sep 2021	Jul–Sep 2020	Jan–Sep 2021	Jan–Sep 2020	Full year 2020
Restructuring costs, Energy Division	–	-17	–	-17	-17
Restructuring costs, Industrial & Digital Solutions Division	–	–	–	-23	-35
Total	–	-17	–	-40	-52

Income**Net sales January–September 2021 according to business model**

SEK MILLION	Infrastructure	Industrial & Digital Solutions	Process Industries	Energy	Management Consulting	Group Common/ eliminations	Total Group
Project Business	5,559	2,817	2,098	1,759	686	-386	12,533
Professional Services	96	1,332	648	203	20	-237	2,062
Total	5,655	4,149	2,746	1,962	706	-623	14,596

The Group applies accounting standard IFRS 15 Revenue from Contracts with Clients. AFRY's business model is divided into two client offerings: Project Business and Professional Services. Project Business is AFRY's offering for major projects and end-to-end solutions. In such projects, AFRY acts as a partner to the client, leading and running the entire project. Professional Services is AFRY's offering where the customer leads and runs the project, while AFRY provides suitable expertise at the right time.

Invoicing in Project Business takes place as work proceeds in accordance with agreed terms and conditions, either periodically (monthly) or when contractual mile-

stones are reached. Invoicing ordinarily takes place after the income has been recorded, resulting in contract assets. However, AFRY sometimes receives advance payments or deposits from our clients before the income is recognised, which then results in contract liabilities. In Professional Services, hours spent on a project are ordinarily invoiced at the end of each month. Performance obligations in Project Business are fulfilled over time as the service is provided. Revenue recognition is based on costs with accumulated costs set in relation to total estimated costs. In Professional Services, revenue is recognised by the amount that the unit is entitled to invoice, in accordance with IFRS 15 B16.

Quarterly information by division

Net sales (SEK million)	2019		2020 ³				2021		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	1,738	2,105	2,084	1,986	1,598	1,982	1,972	2,045	1,638
Industrial & Digital Solutions	1,204	1,540	1,444	1,244	1,051	1,335	1,394	1,481	1,274
Process Industries	770	917	917	888	742	895	909	986	851
Energy	761	871	717	713	601	765	707	674	581
Management Consulting	185	211	203	206	184	220	217	232	257
Group Common/eliminations	-96	-197	-111	-227	-155	-290	-201	-241	-182
Group	4,562	5,447	5,255	4,808	4,021	4,907	4,999	5,177	4,419

EBITA (SEK million)	2019		2020 ³				2021		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	118	191	189	173	108	182	151	156	86
Industrial & Digital Solutions	80	131	111	62	46	107	102	112	106
Process Industries	73	119	99	84	62	119	119	119	95
Energy	51	73	66	65	50	76	76	67	67
Management Consulting	20	28	21	21	23	39	32	36	53
Group Common/eliminations ¹	-33	-214	-12	-45	-18	-45	-47	-74	-38
Group	309	327	474	360	271	478	432	416	369

EBITA margin (%)	2019		2020 ³				2021		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	6.8	9.0	9.1	8.7	6.8	9.2	7.6	7.6	5.3
Industrial & Digital Solutions	6.6	8.5	7.7	5.0	4.4	8.0	7.3	7.5	8.3
Process Industries	9.5	13.0	10.8	9.4	8.4	13.3	13.1	12.0	11.1
Energy	6.7	8.3	9.2	9.2	8.2	10.0	10.7	10.0	11.6
Management Consulting	10.7	13.3	10.1	10.3	12.6	17.8	14.6	15.5	20.5
Group	6.8	6.0	9.0	7.5	6.7	9.7	8.6	8.0	8.3

Average number of full-time employees (FTEs) ²	2019		2020 ³				2021		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Infrastructure	5,916	5,962	5,935	6,013	5,851	5,868	5,801	5,955	5,901
Industrial & Digital Solutions	3,738	3,797	3,732	3,633	3,506	3,453	3,430	3,465	3,553
Process Industries	3,170	3,075	3,180	3,205	3,234	3,350	3,421	3,518	3,684
Energy	2,059	2,016	1,824	1,808	1,704	1,735	1,669	1,791	1,678
Management Consulting	389	362	415	422	416	425	428	475	494
Group functions	270	363	330	395	358	311	371	522	331
Group	15,540	15,575	15,416	15,476	15,069	15,143	15,120	15,726	15,641

Number of working days	2019		2020				2021		
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sweden only	66	61	63	60	66	63	62	61	66
All countries	65	62	63	60	66	63	62	61	66

¹Including IFRS 16 Leases as of 2019, which is recognised under the Group Common item.

²As a result of an internal redistribution between the second and third quarters of 2019, comparative figures have been adjusted to provide a better reflection of operations.

³As a result of a small internal redistribution in 2020, comparative figures have been adjusted to provide a better reflection of operations.

Acquisitions 2021

The following acquisitions were made during the period

Period	Company ¹	Country	Division	Annual net sales, SEK million	Average no. of employees
Jan-Mar	ITE Østerhus AS	Norway	Process Industries	40	22
Jan-Mar	ProTAK Systems AB	Sweden	Process Industries	13	9
Jan-Mar	EKOM AB	Sweden	Energy	5	3
Jan-Mar	Gärderup Byggkonstruktion AB	Sweden	Infrastructure	8	6
Apr-Jun	Insinööritoimisto Suunnittelukide Oy	Finland	Infrastructure	34	25
Apr-Jun	Evolve Technology Sweden AB	Sweden	Industrial & Digital Solutions	85	56
Apr-Jun	Optima Nexus Consulting AG	Switzerland	Industrial & Digital Solutions	37	17
Apr-Jun	TM Konsult AB	Sweden	Infrastructure	100	112
Apr-Jun	Pinja Industry Oy	Finland	Process Industries	140	150
Apr-Jun	Simosol Oy	Finland	Management Consulting	20	22
Apr-Jun	Numerola Oy	Finland	Energy	12	10
Apr-Jun	MosaicMill Oy	Finland	Management Consulting	4	2
Jul-Sep	Insuco ApS	Denmark	Infrastructure	13	11
Jul-Sep	Cubiq Analytics Oy	Finland	Management Consulting	67	60
Total				578	505

¹Company name at time of acquisition.

Acquired companies' net assets on acquisition date

SEK million	Jan-Sep 2021
Intangible assets	5
Property, plant and equipment	5
Right-of-use assets	0
Financial assets	10
Accounts receivable and other receivables	154
Cash and cash equivalents	126
Accounts payable, loans and other liabilities	-135
Net identifiable assets and liabilities	164
Goodwill	837
Fair value adjustment, intangible assets	51
Fair value adjustment, non-current provisions	-10
Purchase consideration including estimated contingent consideration	1,043
Transaction costs	6
Less:	
Cash (acquired)	126
Estimated contingent consideration	154
Net cash outflow	769

Acquired company

Acquisition analyses are preliminary as the assets in the companies acquired have not been conclusively analysed. The purchase considerations for acquisitions for the year were larger than the book assets of the acquired companies, which means that the acquisition analyses have resulted in intangible assets. When acquiring consulting companies, the main asset acquired is human capital in the form of employee skills, which is why the majority of the acquired companies' intangible assets are attributable to goodwill.

Contingent consideration

Total undiscounted contingent consideration for the companies acquired during the year is a maximum of SEK 165 million.

Goodwill

Goodwill consists mainly of human capital in the form of employee skills and synergy effects. Goodwill is not expected to be tax deductible on acquisition of a company. The acquisition of a consulting business essentially involves the acquisition of human capital, and most of the intangible assets in the company acquired are thus attributable to goodwill.

Other intangible assets

Outstanding orders and client relationships are identified and measured in conjunction with the completed acquisition.

Acquisitions 2021, continued

Acquisition-related costs

Transaction costs are recognised in other external costs in profit or loss. Transaction costs amount to SEK 6 million.

Net sales and profit/loss from acquired companies

The acquired companies are expected to contribute to net sales of around SEK 578 million and operating profit of around SEK 78 million over a full year.

Since the acquisition date, the companies' have contributed SEK 206 million (22) to consolidated net sales and SEK 24 M (6) to operating profit.

Acquisitions after the end of the reporting period

The work related to establishing the acquisition analysis for events after the reporting period is ongoing.

Change in contingent considerations

SEK million	30 Sep 2021
Opening balance 1 January 2021	269
Acquisitions for the year	154
Payments	-158
Changes in value recognised in income statement	-28
Discounting	4
Translation differences	2
Closing balance	243

Measurement of fair value

Contingent considerations are measured at fair value and attributable to level 3. The calculation of contingent consideration is dependent on parameters in the relevant agreements. These parameters are chiefly linked to expected EBIT for the acquired companies over the next two to three years. The change in the balance sheet item is recognised in the table.

As regards other financial assets and liabilities, no significant changes in fair value measurement have been made since the 2020 Annual Report. Fair values are essentially consistent with carrying amounts.

Acquisition-related items

SEK million	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Amortisation and depreciation of intangible assets	-40	-41	-118	-143	-184
Revaluation of contingent considerations	0	-1	28	20	62
Divestment of operations	-	-	-	-10	-6
Total	-40	-42	-90	-133	-127

Parent company income statement

SEK MILLION	Jul-Sep 2021	Jul-Sep 2020	Jan-Sep 2021	Jan-Sep 2020	Full year 2020
Net sales	222	232	686	724	986
Other operating income	90	74	267	229	303
Operating income	311	306	953	952	1,289
Staff costs	-45	-38	-171	-127	-184
Other costs	-304	-249	-925	-787	-1,132
Depreciation/amortisation	-15	-11	-41	-30	-41
Operating profit/loss	-54	8	-184	9	-68
Net financial items	18	-6	403	-49	444
Profit/loss after financial items	-36	3	219	-40	376
Appropriations	-	-	-	-	-38
Profit/loss before tax	-36	3	219	-40	338
Tax	8	-1	32	1	10
Profit/loss for the period	-28	2	251	-39	349
Other comprehensive income	1	-1	7	-13	-8
Comprehensive income for the period	-28	1	258	-52	340

Parent company balance sheet

SEK MILLION	30 Sep 2021	30 Sep 2020	31 Dec 2020
ASSETS			
Non-current assets			
Intangible non-current assets	199	127	161
Property, plant and equipment	128	146	142
Financial assets	14,184	13,221	14,197
Total non-current assets	14,511	13,494	14,500
Current assets			
Current receivables	1,959	2,674	2,072
Cash and bank balances	181	564	889
Total current assets	2,140	3,237	2,961
Total assets	16,651	16,732	17,462
EQUITY AND LIABILITIES			
Equity	9,148	9,061	9,487
Untaxed reserves	120	82	120
Provisions	38	84	66
Non-current liabilities	2,859	4,361	3,489
Current liabilities	4,486	3,143	4,299
Total equity and liabilities	16,651	16,732	17,462

Definitions

The key ratios and alternative performance measures used in this report are defined in AFRY's Annual Report for 2020 and on our website:

<https://afry.com/en/investor-relations/>.

Alternative performance measures

The consolidated financial statements contain financial ratios defined according to IFRS. They also include measurements not defined according to IFRS, known as alternative performance measures. The purpose is to provide information for comparing trends across years and to understand the underlying operations. These terms may be defined in a different way by other companies and are therefore not always comparable to similar measures used by other companies.

Organic growth (%)	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		Management Consulting		Group ¹	
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020
Total growth	2.4	-8.0	21.2	-12.3	14.8	-3.5	-3.4	-21.6	39.4	-0.6	9.9	-11.9
Acquired	2.0	-0.1	2.8	0.9	4.8	-0.7	0.9	-4.9	6.6	-1.1	2.9	-0.8
Currency effect	-0.2	-2.7	-0.1	-0.7	-0.7	-8.2	-1.2	-3.7	0.3	-5.3	-0.4	-3.5
Organic	0.6	-5.2	18.5	-12.5	10.6	5.3	-3.1	-13.0	32.5	5.8	7.4	-7.6
Organic growth adjusted for calendar effects	0.7	-5.8	18.5	-12.5	10.6	4.1	-2.5	-13.8	32.1	5.9	7.5	-7.8
of which calendar effect	-0.1	0.6	0.0	0.0	0.0	1.2	-0.6	0.9	0.4	-0.1	-0.1	0.3

¹Group's total growth includes eliminations.

Organic growth (SEK million)	Infrastructure		Industrial & Digital Solutions		Process Industries		Energy		Management Consulting		Group ¹	
	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020	Q3 2021	Q3 2020
Total growth	39	-139	223	-148	109	-27	-20	-165	73	-1	398	-541
Acquired	33	-3	29	11	35	-5	5	-37	12	-2	115	-36
Currency effect	-3	-47	-1	-8	-5	-63	-7	-28	1	-10	-16	-161
Organic	9	-90	195	-151	79	41	-19	-99	60	11	299	-345
Organic growth adjusted for calendar effects	12	-100	194	-151	79	31	-15	-105	59	11	303	-357
of which calendar effect	-2	10	0	0	0	10	-3	7	1	0	-4	12

¹Group's total growth includes eliminations.

Other information

AFRY is a leading European company with a global reach within sustainable engineering, design and advisory services. We accelerate the transition to a sustainable society. We have 16,000 dedicated experts in the areas of infrastructure, industry, energy and digitalisation who create solutions for future generations.

Making Future



Stockholm, Sweden – 26 October 2021

AFRY AB (publ)
Jonas Gustavsson
President and CEO

This report has been subject to review by the company's auditors.

This information fulfils AFRY AB's (publ) disclosure requirements under the provisions of the EU's Market Abuse Regulation and the Swedish Securities Markets Act. This information was released, through the agency of the above-mentioned contact person, for publication on 26 October 2021, at 07.00 CET.

All forward-looking statements in this report are based on the company's best assessment at the time the report was written. As is the case with all assessments of the future, such assumptions are subject to risks and uncertainties, which may mean that the actual outcome differs from the anticipated result.

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Investor presentation

Time:	26 October 2021 (10.00 am CET)
Webcast:	https://youtu.be/DjXkiONuDOY
For analysts/investors:	Click here to join the meeting With the opportunity to ask questions

Calendar

Q4 2021	4 February 2022
Q1 2022	28 April 2022
Annual General Meeting	28 April 2022
Q2 2022	14 July 2022
Q3 2022	28 October 2022
Q4 2022	10 February 2023