



INTERIM REPORT

Q1 | 2019

Multiconsult



HIGHLIGHTS AND KEY FIGURES Q1 2019

HIGHLIGHTS

- ▲ Improved earnings in the quarter, EBIT of NOK 92.5 million
- ▲ Revenue growth of 9.9% year-on-year, partially reflecting higher production
- ▲ Positive calendar effect impacts revenues and earnings compared with same quarter last year
- ▲ All-time-high order backlog at NOK 2.9 billion
- ▲ New CEO Grethe Bergly and new CFO Hans-Jørgen Wibstad
- ▲ Profitability improvement remains top priority
- ▲ Multiconsult moved up to #2 overall most attractive employer in Norway among engineering students – Universum May 2019



"I am proud of the excellent job our employees have done for our customers in the first quarter. The group has solid growth and an all-time high order backlog. This provides a good starting point for the future. Although we have good earnings in the quarter, I am not satisfied with the underlying profitability, and we will have full focus on improving this over the next quarters".

Grethe Bergly
CEO of Multiconsult ASA

CONSOLIDATED KEY FIGURES

Amounts in TNOK	Q1 2019	Q1 2018
FINANCIAL		
Net operating revenues	944 242	859 089
Net write-downs	(7 897)	(12 634)
Operating expenses	805 947	810 642
Employee benefit expenses	690 898	663 426
Other operating expenses	115 049	147 216
EBITDA	138 295	48 447
EBITDA margin	14.6%	5.6%
EBITDA excluding IFRS 16 effect	99 254	48 447
EBIT	92 469	36 109
EBIT margin	9.8%	4.2%
EBIT excluding IFRS 16 effect	87 199	36 109
Reported profit for the period	58 957	25 274
OPERATIONAL		
Billing ratio	70.00%	70.60%
Number of employees	2 972	2 861
Order intake	1 171 824	1 101 156
Order backlog	2 864 999	2 226 873

FIRST QUARTER 2019 GROUP REVIEW

Multiconsult first quarter EBIT increased to NOK 92.5 million, driven by a higher activity level and improved project execution. Net operating revenues grew by 9.9% to NOK 944.2 million in the quarter with an EBIT margin of 9.8%. The underlying margin is however not at a satisfactory level. The new executive management team have commenced on its work to execute on the framework of the GO strategy.

FINANCIAL REVIEW

(Figures in brackets = same period prior year or relevant balance sheet date 2019).

The group implemented IFRS 16 on 1 January 2019 using the modified retrospective approach. Comparative information will not be restated. For more details of the effects in the financial statements first quarter see note 13.

Group results

First quarter 2019 Multiconsult group

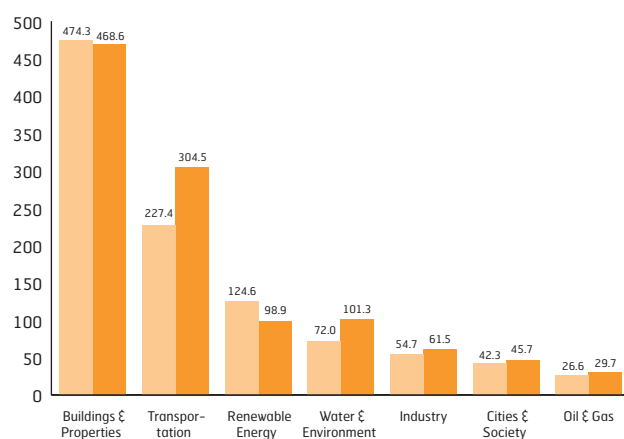
The increase in **net operating revenues** of 9.9% is exclusively organic. Adjusted for calendar effects, organic growth in the quarter was 4.1%. Higher production in the quarter as a result of net recruitment of 111 employees drove growth in net operating revenues further. Improved project execution in the quarter resulted in lower net project write-downs, which were at 0.8% of net operating revenues. A lower billing ratio in the quarter was mainly due to lower activity in some units in the Regions Norway segment and impacted growth in revenues negatively. Average group billing rates are at a similar level compared to the same period in 2018 and have a slightly positive impact in the quarter.

There was a calendar effect of four more working days in the quarter, due to Easter Holiday in Norway, with a positive year-on-year impact on both revenues and earnings of NOK 50.2 million compared to the same period last year.

Operating revenues by business area Q1

Amounts in MNOK

■ Q1 2018 ■ Q1 2019



Operating expenses consist mainly of employee benefit expenses and other operating expenses. Total operating expenses were at a lower level than in the same period last year. However, there was an IFRS 16 effect of NOK 39.1 million in the first quarter 2019. Adjusted for the IFRS effect, the level of operating expenses increased by 4.2%. The increase is caused by net recruitment and ordinary salary adjustment. One-off severance agreement expenses of approximately NOK 10 million as a result of several management changes were recorded in the quarter.

EBITDA was NOK 138.3 million (NOK 48.4 million), including a positive NOK 39.1 million IFRS 16 effect.

EBIT was NOK 92.5 million, reflecting an EBIT margin of 9.8% in the quarter, including a positive IFRS 16 effect of NOK 5.3 million.

Net financial items were an expense of NOK 14.9 million (expense of NOK 2.4 million), including a negative IFRS 16 effect of NOK 9.5 million.

Group tax rate was 23.3% (25.4%)

Reported profit for the period was NOK 59.0 million, including a negative NOK 4.3 million IFRS 16 effect.

Financial position, cash flow and liquidity

First quarter 2019 Multiconsult group

Net cash flow from operating activities was negative NOK 64.3 million (NOK 97.9 million). The decrease is mainly caused by negative change in working capital related to work-in-progress.

Net cash flow used in investment activities was NOK 62.1 million this quarter (NOK 14.6 million), related to ordinary asset replacement and effect of IFRS 16.

Net cash flow used in financing activities amounted to NOK 34.4 million (NOK 118.6 million), mainly due to increased interest-bearing debt and effect of IFRS 16.

Consolidated financial position

As of 31 March 2019, total assets amounted to NOK 2 911.1 million (NOK 1 890.0 million at 31 December 2018), and total equity amounted to NOK 645.6 million (NOK 593.2 million at 31 December 2018).

The group held cash and cash equivalents of NOK 48.8 million as of 31 March 2019 (NOK 138.9 million as of 31 December 2018). Net interest bearing debt amounted to NOK 1 187.3 million (NOK 59.5 million at 31 December 2018). Adjusted for IFRS 16 lease obligations, net interest bearing debt is NOK 186.6 million.

ORDER BACKLOG AND INTAKE

The order backlog at the end of the first quarter 2019 is at an all-time-high. Business areas Buildings & Properties and Transportation currently have the largest proportion of the order backlog, while Water & Environment increased significantly compared to the same period previous year.

Order intake during the first quarter increased modestly. Transportation, Water & Environment, and Renewable Energy, and Oil & Gas increased, while Buildings & Properties, Industry, and Cities & Society decreased.

Among significant order intake this quarter was the call-off on the Fornebubanen frame agreement with Oslo kommune

as well as option triggering for architectural services on new Drammen hospital with Helse Sør-Øst for LINK arkitektur. Among new contracts this quarter was Jølstra hydropower plant with Jølstra Kraft and Sørmarkfjellet windpower with TrønderEnergi.

The order backlog does not reflect the significant and increasing number of awarded frame agreements. The order backlog includes only call-offs that have been signed under these agreements. Some of the large frame agreements are for example Fornebubanen for Oslo kommune, submarine maintenance facilities with Forsvarsbygg and safety and RAMS with Bane NOR.

PROFITABILITY IMPROVEMENT PROGRAMME

Multiconsult presented a profitability improvement programme at the Capital Market Update in November 2018, including new, group-wide measures for 2019. These include measures to improve sales processes, realise efficiency gains, improve project profitability, improve billing ratio and optimise the portfolio.

Profitability improvement is top priority for Management, which will continue to focus specifically on cost level and project execution.

SEGMENTS

Multiconsult's reporting segments are presented as four segments, Greater Oslo Area, Regions Norway, International, and one for LINK arkitektur.

Greater Oslo Area

This segment offers services in seven business areas and comprises the central area of Eastern Norway, with regional offices in Oslo, Fredrikstad and Drammen.

Key figures Greater Oslo Area

<i>Amounts in MNOK</i>	Q1 2019	Q1 2018	FY 2018
Net op. revenues	444.0	393.0	1 542.8
EBITDA	65.0	15.4	73.3
EBITDA%	14.6%	3.9%	4.7%
EBIT	59.1	11.6	57.5
EBIT%	13.3%	2.9%	3.7%
Order intake	603.4	431.6	2 191.1
Order Backlog	1 255.1	830.9	1 180.9
Billing ratio	69.8%	69.6%	70.1%
Employees	1 178	1 174	1 176

First quarter 2018 Greater Oslo Area

The increase in **net operating revenues** of 13.0% in the quarter was driven by the calendar effect of four more working days in Norway, with a positive impact of NOK 26.4 million

compared to the same period last year. Adjusted for the calendar effect, growth in net operating revenues was 6.3%. Billing rates are at a higher level and impacted net operating revenues positively. There were net project write-downs in the period of NOK 4.3 million (NOK 9.3 million).

Higher net operating revenues were partly offset by increased **operating expenses**. There was a positive IFRS 16 effect of NOK 2.7 million on other operating expenses in the quarter. Employee benefit expenses increased slightly, but less than the increase in manning level, mainly due to positive effects from a change in manning mix. Other operating expenses, adjusted for the IFRS 16 effect, were higher mainly due to general price increase.

EBIT was NOK 59.1 million reflecting an EBIT margin of 13.3% in the quarter, including a positive calendar effect in Norway of NOK 26.4 million and positive IFRS 16 effect of NOK 0.2 million.

There was a strong **order intake** in the quarter, mainly coming from business areas Transportation and Water & Environment.

Order backlog for the segment at the end of the first quarter is strong at NOK 1 255.1 million, with business areas Buildings & Properties and Transportation as largest proportions and Water & Environment with the highest growth compared to the same period previous year.

Regions Norway

This segment offers services in seven business areas and comprises regional offices in Stavanger, Bergen, Trondheim and Tromsø.

Key figures Regions Norway

<i>Amounts in MNOK</i>	Q1 2019	Q1 2018	FY 2018
Net op. revenues	307.9	279.3	1 077.6
EBITDA	48.4	19.5	72.7
EBITDA%	15.7%	7.0%	6.7%
EBIT	31.3	13.8	50.1
EBIT%	10.2%	4.9%	4.7%
Order intake	349.5	415.4	1 327.6
Order Backlog	594.5	525.9	573.3
Billing ratio	67.7%	69.9%	70.4%
Employees	859	842	854

First quarter 2018 Regions Norway

The increase in **net operating revenues** of 10.3% in the quarter was mainly driven by the calendar effect of four more working days in Norway, with a positive impact of NOK 18.5 million compared to the same period last year. Adjusted for the calendar effect, growth in net operating revenues was 3.6%. Billing rates are at a markedly higher level and impacted net operating revenues positively. Higher production in the quarter as a result of net recruitment drove growth in net operating revenues further. The increased manning level is according to plan as previously strong order intake has resulted in increased

activity level. Net project write-downs in the period came to NOK 4.5 million (NOK 5.8 million) and reduced net operating revenues accordingly. The decrease of 2.2 percentage points in the billing ratio came as a result of a slower start in call-offs on frame agreements from some key projects as well as a higher time spent on planned internal activities this quarter compared to the same period previous year.

Higher net operating revenues were partly offset by increased **operating expenses**. There was a positive IFRS 16 effect of NOK 13.8 million on other operating expenses in the quarter. Employee benefit expenses increased in line with the increase in manning level. Other operating expenses, adjusted for the IFRS 16 effect, increased mainly due to reorganisation of office areas to accommodate higher manning level and work efficiency.

EBIT was NOK 31.3 million, reflecting an EBIT margin of 10.2% in the quarter, including a positive calendar effect in Norway of NOK 18.5 million and positive IFRS 16 effect of NOK 2.1 million.

Order intake in the quarter decreased mainly for business areas Buildings & Properties and Transportation, whereas Renewable Energy experienced strong growth in the quarter.

Order backlog for the segment at the end of the first quarter is solid at NOK 594.5 million, with business areas Buildings & Properties and Transportation as largest proportions and Industry with the highest growth compared to the same period previous year.

International

This segment comprises the subsidiaries Multiconsult UK, Multiconsult Asia, Multiconsult Polska and Iterio AB.

Key figures International

<i>Amounts in MNOK</i>	Q1 2019	Q1 2018	FY 2018
Net op. revenues	56.7	51.1	198.9
EBITDA	6.5	5.9	10.0
EBITDA%	11.5%	11.6%	5.0%
EBIT	3.1	5.4	8.1
EBIT%	5.5%	10.5%	4.0%
Order intake	48.9	47.9	361.5
Order Backlog	415.2	345.1	446.0
Billing ratio	75.3%	75.7%	72.2%
Employees	308	241	284

First quarter 2018 International

Net operating revenues increased by 10.9% in the first quarter mainly driven by higher production as a result of net recruitment in Iterio AB and Multiconsult Polska. The positive contribution was partly offset by continued low project activity in Multiconsult UK. Billing ratio was at a similar level as previous period driven by Multiconsult Polska and Iterio

AB, mainly offset by Multiconsult UK. Average billing rates decreased and reduced net operating revenues. The decrease is mainly explained by strong international competition in the Polish market.

Higher net operating revenues were offset by increased **operating expenses**. There was a positive IFRS 16 effect of NOK 2.8 million on other operating expenses in the quarter. Employee benefit expenses increased, but less than the increase in manning level, mainly due to positive effects from a change in manning mix in Multiconsult Polska. Other operating expenses, adjusted for the IFRS 16 effect, were in line with the increased manning level.

EBIT was NOK 3.1 million, reflecting an EBIT margin of 5.5% in the quarter, including a positive IFRS 16 effect of NOK 0.1 million.

The **order intake** was at a similar level as first quarter last year, mainly coming from business area Transportation in Multiconsult Polska and Iterio AB.

Order backlog for the segment at the end of the first quarter is stable at NOK 415.2 million, with business area Transportation as the largest contributor.

LINK arkitektur

This segment comprises LINK arkitektur with its 15 offices throughout Scandinavia.

Key figures LINK arkitektur

Amounts in MNOK	Q1 2019	Q1 2018	FY 2018
Net op. revenues	152.3	141.7	513.1
EBITDA	25.4	14.7	20.5
EBITDA%	16.7%	10.4%	4.0%
EBIT	19.1	12.8	13.1
EBIT%	12.6%	9.0%	2.5%
Order intake	170.0	201.2	706.7
Order Backlog	529.4	525.0	554.8
Billing ratio	75.3%	76.1%	72.7%
Employees	500	477	489

First quarter 2018 LINK arkitektur

The increase in **net operating revenues** of 7.5% in the first quarter was mainly driven by the calendar effect of four more working days in Norway and one more working day in Denmark, resulting in a positive impact of NOK 5.3 million compared to same period previous year. Adjusted for the calendar effect, growth in net operating revenues was 3.7%. Higher production from net recruitment and increased average billing rates contributed positively to growth in net operating revenues, mainly driven by LINK arkitektur in Norway. Low project activity in LINK arkitektur Sweden partly offset the growth.

Operating expenses decreased in the quarter, mainly due to a positive IFRS 16 effect of NOK 4.9 million, recorded on other operating expenses. Employee benefit expenses and other operating expenses increased in line with the increased manning level.

EBIT was NOK 19.1 million, reflecting an EBIT margin of 12.6% in the quarter, including a positive IFRS 16 effect of NOK 0.4 million.

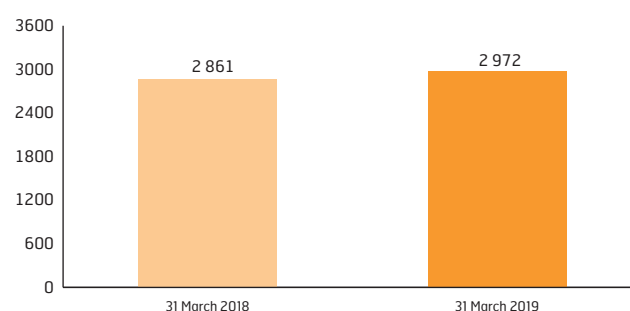
Order intake in the first quarter decreased mainly due to low order intake in LINK arkitektur Sweden. The majority of the order intake in the quarter came from hospital projects.

Order backlog for the segment at the end of first quarter was up to NOK 529.4 million.

ORGANISATION AND HSE

At 31 March 2019 the group had 2 972 (2 861) employees. The employee turnover ratio for the group for the period March 2018 to March 2019 was 10.5% (5.9%). The recorded sick leave ratio for the Multiconsult group was 4.3% in the first quarter.

Number of employees



SUBSEQUENT EVENTS

In the annual rankings conducted by Universum for technology students, Multiconsult was ranked as number one engineering consultant for the seventh year in a row and moved up to number 2 overall, as the most attractive employer in Norway.

On 14 May, Multiconsult announced that it was set to deliver engineering services for Fylkesvei 47 Karmsundgata in Haugesund municipality in Norway for the Norwegian Public Roads Administration Region West (Statens vegvesen Region Vest). The value of the contract for Multiconsult is NOK 23 million.

On 13 May, Multiconsult announced a significant frame agreement with The Norwegian Defence Estates Agency

(Forsvarsbygg). The ALM group, consisting of Multiconsult Norge AS, Asplan Viak and LPO arkitekter, has been awarded a prestigious frame agreement for one year with the possibility of extension by up to six additional years. The frame agreement has a potential to generate up to approximately NOK 200 million to Multiconsult over the next seven years.

On 25 April, Multiconsult held the annual general meeting. The general meeting passed a resolution that Hilde Hammervold, Kristine Landsnes Augustson and Simen Lieungh are elected as new members of the board. The annual general meeting also approved the 2018 annual accounts and the dividend of NOK 1.50 per share.

OUTLOOK

The overall market outlook continues to show positive development across most business areas.

Buildings & Properties is expected to maintain stable growth, especially within health care and education, but with moderate decline in the residential market.

The outlook for the architecture market is fairly positive in most areas especially within healthcare buildings in Norway.

Public sector investment, confirmed by the National Budget for 2019, is driving a very strong outlook for Transportation within road and rail. Several large projects are expected to be assigned in the coming year.

The Renewable Energy market in Norway is expected to remain stable. Wind power in Norway is at a high level. International Renewable Energy markets continue to grow and show a strong pipeline, but long lead-time for project decisions is challenging.

Investment in the Industry sector in Norway is expected to increase, a view supported by reports from Statistics Norway (SSB), but global macroeconomic and political uncertainties may influence the growth.

Demand for our services in the Oil & Gas market has improved and is expected to continue improving going forward.

Within Water & Environment there is stable demand for water and waste infrastructure projects as well as for soil contamination inspections. The market for geo hazard service is growing due to climate changes resulting in more extreme weather conditions.

The overall competitive landscape has moved towards more Engineering, Procurement and Construction (EPC), OPS and Private-Public Partnerships (PPP) contracts and Best Value Procurement, driving new contract structures for the consulting business. Larger contracts are attracting international construction companies. Strong market outlook with increased project pipeline has resulted in somewhat reduced price pressure across most business areas in Norway. However, the cost level still creates challenges to profitability.

Multiconsult's strong market position, flexible business model and wide service offering provides a sound base for profitable growth, both domestic and international. The top line synergies between Multiconsult and LINK arkitektur are expected to continue, especially in the Norwegian market, to further strengthen the group's value proposition to customers.

The order backlog is increasing and provides a strong foundation for growth, supported by valuable frame agreements generated from a broad and robust customer base.

RISK AND UNCERTAINTIES

The risk of disagreements and legal disputes related to the possible cost of delays and project errors is always present in the consultancy business. Multiconsult has developed internal procedures and competences to reduce risk exposure for legal disputes. Multiconsult has also relevant insurance policies and routines for protection of potential consequences of such matters. Further details regarding the insurance coverage are provided in note 20 to the consolidated financial statements for 2018. The largest claim at 31 March 2019 was related to the Prinsengate 26 project with Stortinget. The legal process is progressing.

Multiconsult has not identified any additional risk exposures beyond the ones described in the 2018 Annual Report. Multiconsult is exposed to a number of risk factors: legal liability, credit risk, currency risk, interest rate risk, liquidity risk, and accounting estimates risk. The Risk and Risk Management section in the 2018 Annual Report contains detailed description and mitigating actions.

DEFINITIONS

Net operating revenues: Operating revenues less sub consultants and disbursements.

EBIT: Earnings before net financial items, results from associates and joint ventures and income tax.

EBIT margin (%): EBIT as a percentage of net operating revenues.

EBITDA: EBIT before depreciation, amortisation and impairment.

EBITDA margin (%): EBITDA as a percentage of net operating revenues.

Operating expenses: Employee benefit expenses plus other operating expenses.

Net interest bearing debt: Non-current and current interest bearing liabilities deducted cash and cash equivalents.

Order intake: Expected operating revenues on new contracts and confirmed changes to existing contracts. Only group external contracts are included.

Order Backlog: Expected remaining operating revenues on new and existing contracts. Only group external contracts are included. Call-offs on frame agreements are included in the order backlog when signed.

Billing ratio (%): Hours recorded on chargeable projects as a percentage of total hours worked (including administrative staff) and employer-paid absence. Billing ratio per segment includes allocated administrative staff.

Employees: Number of employees comprise all staff on payroll including staff on temporarily leave (paid and unpaid), excluding temporary personnel.

DISCLAIMER

This report includes forward-looking statements, which are based on our current expectations and projections about future events. All statements other than statements of historical facts included in this notice, including statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, including our plans for future costs savings and synergies may be deemed to be forward-looking statements. Words such as “believe,” “expect,” “anticipate,” “may,” “assume,” “plan,” “intend,” “will,” “should,” “estimate,” “risk” and similar

expressions or the negatives of these expressions are intended to identify forward-looking statements. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. You should not place undue reliance on these forward-looking statements. In addition, any forward-looking statements are made only as of the date of this notice, and we do not intend and do not assume any obligation to update any statements set forth in this report.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited for the period ended 31 March 2019

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

<i>Amounts in TNOK, except EPS</i>	Q1 2019	Q1 2018	FY 2018
Operating revenues	1 110 184	1 021 979	3 908 638
Expenses for sub consultants and disbursements	165 942	162 890	573 791
Net operating revenues	944 242	859 089	3 334 848
Employee benefit expenses	690 898	663 426	2 539 494
Other operating expenses	115 049	147 216	646 221
Operating expenses excl. depreciation and amortisation	805 947	810 642	3 185 715
Operating profit before depreciation and amortisation (EBITDA)	138 295	48 447	149 133
Depreciation and amortisation	45 826	12 338	50 130
Operating profit (EBIT)	92 469	36 109	99 003
Results from associated companies and joint ventures	(675)	152	1 661
Financial income	467	922	7 718
Financial expenses	15 344	3 306	18 297
Net financial items	(14 877)	(2 384)	(10 579)
Profit before tax	76 917	33 877	90 085
Income tax expense	17 959	8 603	26 528
Profit for the period	58 957	25 274	63 557
Attributable to:			
Owners of Multiconsult ASA	58 957	25 274	63 557
Earnings per share			
Basic and diluted (NOK)	2.19	0.94	2.36

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in TNOK</i>	Q1 2019	Q1 2018	FY 2018
Profit for the period	58 957	25 274	63 557
Other comprehensive income			
Remeasurment of defined benefit obligations	-	-	809
Tax	-	-	(178)
Total items that will not be reclassified to profit or loss	-	-	631
Currency translation differences	(6 606)	(11 609)	(2 462)
Total items that may be reclassified subsequently to profit or loss	(6 606)	(11 609)	(2 462)
Total other comprehensive income for the period	(6 606)	(11 609)	(1 831)
Total comprehensive income for the period	52 351	13 665	61 726
Attributable to:			
Owners of Multiconsult ASA	52 351	13 665	61 726

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

<i>Amounts in TNOK</i>	At 31 March 2019	At 30 March 2018	At 31 December 2018
ASSETS			
Non-current assets			
Deferred tax assets	39 794	23 211	44 712
Intangible assets	27 359	23 118	28 228
Goodwill	446 010	446 402	449 049
Property, plant and equipment	111 558	98 773	102 491
Right-of-use assets	996 495	-	-
Associated companies and joint ventures	11 725	10 906	12 489
Non-current receivables and shares	4 055	7 194	7 352
Assets for reimbursement of provisions	20 600	21 000	23 300
Total non-current assets	1 657 595	630 604	667 621
Current assets			
Trade receivables	534 477	600 655	666 756
Work in progress	573 100	474 798	343 863
Other receivables and prepaid costs	97 109	100 154	72 854
Cash and cash equivalents	48 781	151 721	138 872
Total current assets	1 253 467	1 327 328	1 222 346
Total assets	2 911 062	1 957 931	1 889 966
EQUITY AND LIABILITIES			
Shareholders' equity			
Total paid in equity	91 242	91 242	91 242
Other equity	554 318	504 495	501 969
Total shareholders' equity	645 560	595 737	593 211
Non-current liabilities			
Retirement benefit obligations	6 172	7 048	6 500
Deferred tax	7 041	13 734	12 822
Provisions	39 350	32 763	42 350
Non-current interest bearing liabilities	173 307	196 677	175 255
Non current lease liabilities	882 667	-	-
Total non-current liabilities	1 108 537	250 222	236 927
Current liabilities			
Trade payables	214 653	129 700	236 492
Prepayments	108 579	90 383	138 411
Current tax liabilities	33 411	16 306	32 340
VAT and other public taxes and duties payables	267 234	289 855	327 167
Current interest bearing liabilities	62 033	210 084	23 162
Current lease liabilities	118 060	-	-
Other current liabilities	353 004	375 644	302 257
Total current liabilities	1 156 962	1 111 972	1 059 829
Total liabilities	2 265 499	1 362 194	1 296 756
Total equity and liabilities	2 911 062	1 957 931	1 889 966

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in TNOK</i>	Share capital	Own shares	Share premium	Total paid-in capital	Retained earnings	Pension	Currency	Total equity
31 December 2017	13 486	-	77 758	91 242	680 377	(202 342)	12 794	582 072
Dividend	-	-	-	-	-	-	-	-
Share Issue	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-
Employee share purchase programme	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	25 274	-	(11 609)	13 665
31 March 2018	13 486	-	77 758	91 242	705 651	(202 343)	1 185	595 737
31 December 2017	13 486	-	77 758	91 242	680 377	(202 342)	12 794	582 072
Dividend	-	-	-	-	(40 423)	-	-	(40 423)
Share Issue	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	4	-	-	4
Employee share purchase programme	-	-	-	-	(10 168)	-	-	(10 168)
Comprehensive income	-	-	-	-	63 557	631	(2 462)	61 726
31 December 2018	13 486	-	77 758	91 242	693 348	(201 712)	10 332	593 211
Dividend	-	-	-	-	-	-	-	-
Share Issue	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-
Employee share purchase programme	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	58 957	-	(6 606)	52 351
31 March 2019	13 486	-	77 758	91 242	752 305	(201 713)	3 726	645 560

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Amounts in TNOK</i>	Q1 2019	Q1 2018	FY 2018
Cash flows from operating activities			
Profit before tax	76 917	33 877	90 085
Interest IFRS 16 effect lease liability	9 529	-	-
Income taxes paid	(13 512)	(6 907)	(24 773)
Depreciation, amortization and impairment	12 055	12 338	50 130
Depreciation IFRS 16 effect right-of-use asset	33 771	-	-
Operating profit (EBIT)	(675)	(152)	(1 661)
Other non-cash profit and loss items	-	-	993
Sub total operating activities	118 085	39 156	114 774
Trade Payables	(21 840)	(10 486)	(3 228)
Trade receivables	132 279	(12 278)	(78 379)
Work in progress	(229 237)	(106 351)	24 584
Other	(63 571)	(7 929)	150 143
Changes in working capital	(182 369)	(137 044)	93 120
Net cash flow from operating activities	(64 284)	(97 888)	207 894
Cash flows from investment activities			
Net purchase and sale of fixed assets and financial non-current assets	(28 231)	(14 578)	(61 199)
Addition right-of-use asset	(33 897)	-	-
Proceeds/payments related to equity accounted investments	-	-	-
Net cash effect of business combinations	-	-	-
Net cash flow used in investment activities	(62 128)	(14 578)	(61 199)
Cash flows from financing activities			
Change in interest-bearing liabilities	36 923	117 984	(90 360)
Net change in lease liability	(2 569)	-	-
Paid dividends	-	-	(40 423)
Sale treasury shares	-	585	13 493
Purchase treasury shares	-	-	(43 841)
Net cash flow from financing activities	34 355	118 570	(161 127)
Foreign currency effects on cash and cash equivalents	1 966	(8 674)	(987)
Net increase/decrease in cash and cash equivalents	(90 091)	(2 570)	(15 419)
Cash and cash equivalents at the beginning of the period	138 872	154 291	154 291
Cash and cash equivalents at the end of the period	48 781	151 721	138 872

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: General information

The Company and the Group

Multiconsult ASA (the company) is a Norwegian public limited liability company listed on Oslo Børs. The company and its subsidiaries (together the Multiconsult group/the group) are

among the leading suppliers of consultancy and design services in Norway and the Nordic region. The group has subsidiaries outside the Nordic region in Poland, UK and Singapore.

NOTE 2: Basis of preparation and statements

Basis for preparation

The financial statements are presented in NOK, rounded to the nearest thousand, unless otherwise stated. As a result of rounding adjustments, the figures in one or more rows or columns included in the financial statements and notes may not add up to the total of that row or column.

They do not include all of the information required for full annual financial statements of the group and should be read in conjunction with the consolidated financial statements for 2018. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for 2018, which are available upon request from the company's registered office at Nedre Skøyen vei 2, 0276 Oslo and at www.multiconsult.no.

Statements

These interim condensed consolidated financial statements for the first quarter of 2019 have been prepared in accordance with IAS 34 as approved by the EU. They have not been audited.

These interim condensed consolidated financial statements for the first quarter of 2019 were approved by the Board of Directors and the CEO on 22 May 2019.

NOTE 3: Accounting policies

The group prepares its consolidated annual financial statements in accordance with IFRS as adopted by the EU (International Financial Reporting Standards - IFRS). References to IFRS in these financial statements refer to IFRS as approved by the EU. The accounting policies adopted are consistent with those of the previous financial year.

The group implemented IFRS 16 on 1 January 2019 using the modified retrospective approach. Comparative information will not be restated. For more details of the effects in the financial statements first quarter see note 13.

NOTE 4: Estimates, judgments and assumptions

The preparation of interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these interim condensed consolidated financial

statements, significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual consolidated financial statements for 2018 (see especially note 2).

NOTE 5: Segments

Refer to note 5 to the consolidated annual financial statements for 2018 for more information on the segments.

The group has three geographical reporting segments as well as a segment for LINK arkitektur. Revenues and expenses are

reported in the segment with reference to where the employee is employed. The cost of administrative services, rent of premises, depreciation and so forth is allocated to the segments.

Q1 2019 <i>Amounts in TNOK</i>	Greater Oslo Area	Regions Norway	Inter- national	LINK arkitektur	Not allocated	Elimi- nations	Total
External revenues	525 233	328 218	73 801	180 468	2 463	-	1 110 184
Internal revenues	3 878		5 992	14 973	14 169	(39 011)	-
Total operating revenues	529 111	328 218	79 793	195 441	16 632	(39 011)	1 110 184
Net operating revenues	444 007	307 939	56 661	152 267	9 604	(26 236)	944 243
Operating expenses	378 984	259 522	50 167	126 829	16 612	(26 166)	805 947
EBITDA	65 024	48 417	6 494	25 439	(7 008)	(70)	138 296
Depreciation, amortisation, impairment	5 906	17 078	3 393	6 289	13 007	152	45 826
EBIT	59 118	31 339	3 101	19 149	(20 016)	(222)	92 469
Associates and joint ventures	(675)	-	-	-	-	-	(675)
Receivables ¹⁾	511 314	307 900	110 090	233 428	-	(54 041)	1 108 690
Number of employees	1 178	859	308	500	127	-	2 972

1) Receivables includes accounts receivables (before provision for loss) and accrued revenues.

Q1 2018 <i>Amounts in TNOK</i>	Greater Oslo Area	Regions Norway	Inter- national	LINK arkitektur	Not allocated	Elimi- nations	Total
External revenues	479 258	298 024	67 473	172 166	5 058	-	1 021 979
Internal revenues	7 007	-	7 198	6 090	384	(20 678)	-
Total operating revenues	486 265	298 024	74 670	178 255	5 442	(20 678)	1 021 979
Net operating revenues	393 011	279 290	51 101	141 677	(5 990)	-	859 089
Operating expenses	377 598	259 774	45 183	127 013	1 074	-	810 642
EBITDA	15 413	19 516	5 918	14 664	(7 064)	-	48 447
Depreciation, amortisation, impairment	3 830	5 725	549	1 842	392	-	12 338
EBIT	11 584	13 791	5 368	12 822	(7 456)	-	36 109
Associates and joint ventures	152	-	-	-	-	-	152
Receivables ¹⁾	522 983	310 233	85 109	196 625	2 171	(30 018)	1 087 103
Number of employees	1 172	842	241	477	129	-	2 861

1) Receivables includes accounts receivables (before provision for loss) and accrued revenues.

FY 2018 <i>Amounts in TNOK</i>	Greater Oslo Area	Regions Norway	Inter- national	LINK arkitektur	Not allocated	Elimi- nations	Total
External revenues	1 849 609	1 165 255	259 763	632 094	1 917	-	3 908 638
Internal revenues	27 374	-	30 809	33 470	4 482	(96 135)	-
Total operating revenues	1 876 983	1 165 255	290 572	665 564	6 399	(96 135)	3 908 638
Net operating revenues	1 542 766	1 077 567	198 942	513 111	2 462	-	3 334 848
Operating expenses	1 469 492	1 004 890	188 906	492 660	29 766	-	3 185 715
EBITDA	73 273	72 677	10 036	20 450	(27 304)	-	149 133
Depreciation and amortisation	15 781	22 545	1 980	7 368	2 456	-	50 130
EBIT	57 492	50 133	8 056	13 082	(29 760)	-	99 003
Associates and joint ventures	1 271	-	-	390	-	-	1 661
Receivables ¹⁾	479 965	281 598	108 511	194 325	-	(44 477)	1 019 922
Number of employees	1 176	854	284	489	131	-	2 934

1) Receivables includes accounts receivables (before provision for loss) and accrued revenues.

Operating revenues per business area:

<i>Amounts in TNOK</i>	Q1 2019	Q1 2018	FY 2018
Buildings & Properties	468 577	474 317	1 729 935
Industry	61 466	54 708	218 849
Oil & Gas	29 736	26 620	99 551
Renewable Energy	98 879	124 616	439 874
Transportation	304 541	227 389	977 215
Water & Environment	101 265	72 010	301 737
City & Society	45 720	42 318	141 475
Total	1 110 184	1 021 978	3 908 638

Buildings & Properties include advisory and engineering at all stages of a construction project for all types of buildings. The business area provides services such as demand- and feasibility studies, sketch pre-project, detailed design and follow-up during the construction period, and real estate consultancy. The focus is on sustainable and long-term solutions. LINK arkitektur is included.

Industry offers complete, interdisciplinary advisory and engineering services in all project phases. Services include investigations, project development, project management, design and procurement, construction with all technical systems, construction management and follow-up, and commissioning.

Oil & Gas provides services throughout the whole value chain, from early phase studies through FEED (Front End Engineering Design) to detailed engineering and delivery for both onshore and offshore projects. Services provided onshore are within terminal and production facilities, facilities and constructions, harbour and marine constructions, underground warehouses, land-based pipelines and landfills, and electrical substations. Services provided offshore are within oil and gas rigs and platforms, concrete marine constructions, modules and structures for rigs and platforms, seabed installations, arctic climate technology for floating and subsea constructions, and noise and vibration measurement amongst others.

Renewable Energy covers the entire project life cycle in hydropower, transmission and distribution, land-based wind power and solar energy. Services provided are from start-up and preliminary studies to detailed design and construction management, commissioning and operational shutdown.

Transportation largely comprises advisory services for planning safe and forward-looking transport systems. The business area covers road, rail, airport, and harbor and channel transport systems.

Water & Environment includes services in all phases of the lifetime of a project including inspections, engineering, operation and maintenance, and remediation and demolition. Focus is placed on sustainable development of the environment through advisory services related to Greenhouse gas emissions, flood and mud slide protection, water and drains, blue-green structures and issues related to pollution of air, water and soil.

Cities & Society includes complex early-stage planning in urban areas. Mobility, infrastructure, area solutions and real estate development are core markets. The focus is on creating innovative solutions and contribute to building attractive cities of the future.

NOTE 6: Explanatory comments regarding the impact of revenue seasonality on quarterly reporting

The group's net operating revenues are affected by the number of working days within each reporting period while employee expenses are recognised for full calendar days. The number of working days in a month is affected by public holidays and vacations. The timing of public holidays (e.g. Easter) during

quarters and whether they fall on weekends or weekdays impacts revenues, earnings, cashflows and working capital balances. Generally, the company's employees are granted leave during Easter and Christmas. The summer holidays primarily impact the month of July and the third quarter.

NOTE 7: Significant events and transactions

There were none significant events or transactions in the first quarter 2019.

NOTE 8: Related party transactions

See note 23 to the consolidated financial statements for 2018 for a description of related parties and related parties transactions in 2018.

NOTE 9: Treasury shares

The company has 0 treasury shares as of 31 March 2019. For a description of the share purchase programme for all the employees and the performance bonus based bonus scheme for the group management see note 9 in the consolidated financial statements for 2018.

NOTE 10: Earnings per share

For the periods presented there are no dilutive effects on profits or number of shares. Basic and diluted earnings per share are therefore the same.

	Q1 2019	Q1 2018	FY 2018
Profit for the period (TNOK)	58 957	25 274	63 557
Average no shares	26 970 387	26 970 338	26 970 394
Earnings per share (NOK)	2.19	0.94	2.36

NOTE 11: Retirement benefit obligations

For a description of the corporate pension schemes see note 12 to the consolidated financial statements for 2018.

Multiconsult ASA and Multiconsult Norge AS has a defined contribution pension plan that covers all the employees in the

two companies. Other defined benefit pension plans in the group still exist for three employees in LINK arkitektur AS and two individual agreement in Multiconsult Norge AS.

NOTE 12: Financial instruments

The group's financial instruments are interest bearing debt, accounts receivables and other receivables, cash and cash equivalents and accounts payables. It is assumed that the

book value is a good approximation of fair value for the group's financial instruments.

Non-current and current interest bearing liabilities:

Amounts in TNOK	NOK			Local currency			Local currency
	31 March 2019	31 March 2018	31 Dec 2018	31 March 2019	31 March 2018	31 Dec 2018	
Multiconsult ASA	193 500	216 438	193 500	193 500	216 438	193 500	NOK
Multiconsult Norge AS	38 344	185 706	-	38 344	185 706	-	NOK
Multiconsult Asia	979	-	451	158.3	-	71	SGD
Multiconsult Polska	1 306	399	1 146	581	197	495	PLN
LINK arkitektur AB	1 211	1 439	1 211	1 248	1 534	1 248	SEK
LINK arkitektur A/S	-	-	2 109	-	-	1 583	DKK
aarhus arkitekterne	-	2 778	-	-	2 147	-	DKK
Total	235 340	406 761	198 417	-	-	-	

The group owns a limited amount of shares and participations available for sale (NOK 0.5 million), and it is assumed that the book value is a good estimate of fair value. Fair value of derivatives (interest rate swap) were recorded with an unrealised gain of NOK 0.2 million at 31 March (loss of NOK 0.2 million at 31 December 2018).

Multiconsult Norge AS had an overdraft facility of NOK 320.0 million with the group's main bank until 6 March 2019. In connection with establishment of a Global Cash Pool with Nordea Bank in March 2019, Multiconsult Norge AS will as a group company be part of the multicurrency and multiaccount system, together with LINK arkitektur AS, Iterio AB, Multiconsult UK Limited and Johs Holt AS. Multiconsult ASA is the owner of the cash pool's top account and the new debtor of the facility. The facility amount is NOK 320.0 million.

NOTE 13: Right-of-use assets and lease liabilities (IFRS 16)

IFRS 16 Leases replaces IAS 17 and IFRIC 4. The new standard requires lessees to recognise right-of-use assets and liabilities for all leases, with the exception of some leases with lease periods of one year or less, or where the underlying assets are of low value. Depreciation, amortisation and impairment losses as well as interest expenses must be recognised in the statement of income.

assets are of low value. Low value has been defined on the basis that the underlying assets, when new, are individually of low value, i.e. office furniture, water dispensers, coffee machines, IT equipment for use by the individual employees, printers and copy machines etc. At transition, the group has used the practical expedients available not to recognise right-of-use assets and liabilities for leases with lease term that ends during 2019.

The group has implemented IFRS 16 on 1 January 2019 using the modified retrospective approach. The group has used the practical expedient to recognise the right-of-use assets at the same amounts as the lease liabilities, and therefore the cumulative effect of adopting IFRS 16 had no effect on equity at 1 January 2019. Comparative information has not been restated. The group applied the practical expedients to not recognise right-of-use assets and liabilities for leases with lease periods of one year or less and where the underlying

Multiconsult has two classes of assets that has been reported as right-of-use assets; buildings (primarily office premises) and cars. There are no difficult evaluations to determine if contracts contain leases. Only lease payments are included in the calculation of the lease liability. Several of the agreements for lease of office premises contain renewal options, and the group has made concrete evaluations of each contract to determine the lease term.

Amounts in TNOK

Operating lease commitments 31 December 2018 as disclosed in the 2018 financial statements	1 049 282
Discounted using the incremental borrowing rate at 1 January 2019 (4%)	897 874
Adjustment	(4 548)
Increase due to change in lease payments based index regulation 1 January 2019	29 582
Reduction due to recognition exemptions for short term leases	(16 226)
Increase due to extensions and terminations options	91 476
Lease liability recognised at 1 January 2019 previously operating leases	998 158
Finance lease liabilities recognised as at 31 December 2018	3 544
Lease liability recognised at 1 January 2019	1 001 702

Change in RoU assets and lease liabilities

Amounts in TNOK	Previously operating lease		Previously finance lease		Total	
	Asset	Liabilities	Asset	Liabilities	Asset	Liabilities
Balance 1 January 2019	998 158	998 158	4 103	3 544	1 002 261	1 001 702
Additions	33 897	33 897	-	-	33 897	33 897
Depreciation	(33 771)	-	-	-	(33 771)	-
Interest expense	-	(9 529)	-	-	-	(9 529)
Lease payments (interest and installments)	-	(39 041)	-	-	-	(39 041)
Currency	(1 789)	(1 816)	-	-	(1 789)	(1 816)
Balance 31 March 2019	996 495	1 000 727	4 103	3 544	1 000 598	1 004 271

Effect of IFRS 16 on profit and loss for Q1 2019 for previously reported operating leases*Amounts in TNOK*

Incease in EBITDA (lease payments in 2019, excluding those relating to previously reported finance leases)	39 041
Increase depreciation	(33 771)
Effect EBIT	5 270
Interest	(9 529)
Result before tax	(4 259)

ALTERNATIVE PERFORMANCE MEASURES (APMS)

Multiconsult uses alternative performance measures for periodic and annual financial reporting in order to provide a better understanding of the group's underlying financial performance.

Adjusted EBITDA and EBIT – calendar effect:

Figures show effect on earnings from the corresponding period previous year arising from changes in available working days.

<i>Amounts in MNOK (except percentage)</i>	Q1 2019	Q1 2018	FY 2018
Net operating revenues	944.2	859.1	3 334.8
Estimated calendar effect	(50.2)	68.9	(13.5)
Adjusted net operating revenues	894.0	859.1	3 334.8
Reported employee benefit expenses	690.9	663.4	2 539.5
Reported other operating expenses	115.0	147.2	646.2
Operating expenses	805.9	810.6	3 185.7
Adjusted EBITDA	88.1	48.4	149.1
Depreciation, amortisation and impairments	45.8	12.3	50.1
Adjusted EBIT	42.9	36.1	99.0
Adjusted EBITDA margin (%)	9.9%	5.6%	4.5%
Adjusted EBIT margin (%)	4.8%	4.2%	3.0%

Figures show effect on earnings from the corresponding period previous year arising from changes in available working days.

Net interest bearing debt:

<i>Amounts in MNOK</i>	Q1 2019	Q1 2018	FY 2018
Non-current interest bearing liabilities	1 056.0	196.7	175.3
Current interest bearing liabilities	180.1	210.1	23.2
Cash and cash equivalents ¹⁾	48.8	151.7	138.9
Net interest bearing debt (asset)	1 187.3	255.0	59.5

1) Cash and cash equivalents in this table includes restricted cash.

Equity ratio group:

<i>Amounts in MNOK</i>	Q1 2019	Q1 2018	FY 2018
Equity	645.6	595.7	593.2
Total assets	2 911.1	1 957.9	1 890.0
Equity ratio	22.2%	30.4%	31.4%

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

<i>Amounts in TNOK</i>	Q1 2019	IFRS 16 adjustment	Q1 2019 excl IFRS 16
Net operating revenues	944 242	-	944 242
Operating expenses excl. depreciation and amortisation	805 947	39 041	844 988
Operating profit before depreciation and amortisation (EBITDA)	138 295	-	99 254
Depreciation and amortisation	45 826	(33 771)	12 055
Operating profit (EBIT)	92 469	(5 270)	87 199
Results from associated companies and joint ventures	(675)	-	(675)
Net financial items	(14 877)	9 529	(5 348)
Profit before tax	76 917	4 259	81 176

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

<i>Amounts in TNOK</i>	At 31 March 2019	IFRS 16 adjustment	At 31 March 2019 excl IFRS 16
ASSETS			
Total non-current assets	1 657 595	996 495	661 100
Total assets	2 911 062	996 495	1 914 567
EQUITY AND LIABILITIES			
Shareholders' equity			
Total shareholders' equity	645 560	(4 231)	649 791
Total non-current liabilities	1 226 597	1 000 727	225 870
Total equity and liabilities	2 911 062	996 496	1 914 566

Multiconsult

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