THE COMBINED COMPANY ÅF PÖYRY

Improved profitability and strong cash flow

OCTOBER – DECEMBER 2019
Net sales: SEK 5,447 million (5,609)
EBIT*: SEK 516 million (492)
EBIT-margin*: 9.5% (8.8)

-2.9%

+4.9%

JAN – DECEMBER 2019
Net sales: SEK 20,827 million (19,773)
EBIT*: SEK 1,809 million (1,716)
EBIT-margin*: 8.7% (8.7)

+5.3%

+5.4%

— In general, stable markets in most segments and regions. Lower volumes in the automotive segment
— Cost synergies exceeding target, reflected in margin growth
— Extended cost synergy and efficiency program into 2020
— Repositioning of Division Energy with negative impact on results of 105 MSEK (reported as IAC)

*Excl Items affecting comparability
REPORTED NUMBERS

With Pöyry acquisition, growth up 38% q/q

OCTOBER – DECEMBER 2019
Net sales: SEK 5,447 million (3,957)
EBITA*: SEK 516 million (357)
EBITA-margin*: 9.5% (9.0)

JAN – DECEMBER 2019
Net sales: SEK 19,792 million (13,975)
EBITA*: SEK 1,731 million (1,268)
EBITA-margin*: 8.7% (9.1)

*Excl Items affecting comparability
Market update

— In general, stable markets in most segments and regions.

— Core markets show continued solid demand in Infrastructure, however some postponed projects within transportation.

— Generally stable demand within Industrial & Digital Solutions. The automotive segment has stabilized vs previous quarter, but still on low levels. Continued good demand in defense and food & pharma.

— Continued strong demand in Process Industries, especially in the Nordics and South America.

— Improved demand in the Energy division, especially in nuclear. Some delays in investment decisions.
A diversified portfolio, share of revenue 2019

DIVISIONS
- Infrastructure 29%
- Industrial & Digital Solutions 15%
- Process Industries 15%
- Energy 6%
- Management Consulting 4%

INDUSTRY SEGMENTS
- Infrastructure 20%
- Energy and Power 19%
- Process Industry 15%
- Real Estate 14%
- Automotive and Vehicles 6%
- Life Science, Food & pharma 4%
- Telecom and ICT 4%
- Manufacturing Industry 4%
- Management Consulting 2%
- Defence 2%
- Other 3%

REGIONS
- Nordics 75%
- Switzerland 8%
- Other Europe 10%
- Asia 3%
- Other 4%
Cost synergy program of 2019 exceeding target - program extended to 2020

**COST SYNERGY PROGRAM 2019**
- A total of **218 MSEK** run-rate synergies achieved end of 2019 while target was 180 MSEK
- Good progress in many areas, among others real estate
- Integration costs amounted to 215 MSEK and aligned with expectation of 1MSEK cost for 1MSEK of synergy

**COST AND EFFICIENCY PROGRAM 2020**
- Synergy program extended to 2020 with target of **120 MSEK**
- Estimated additional costs of investments on IT platform 50-70 MSEK
- Total run rate of 50-70 MSEK P&L impact targeted for 2020

**TOTAL COST AND EFFICIENCY SAVINGS 2019-2020**

*Total: 338 MSEK*
Cost and efficiency program 2020 – targeting 120 MSEK

<table>
<thead>
<tr>
<th>COST AND EFFICIENCY PROGRAM</th>
<th>INVESTMENTS</th>
<th>TOTAL RUN RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total target of 120 MSEK (run rate 2020) Efficiency of operations</td>
<td>Estimated additional costs of investments appr. 50-70 MSEK</td>
<td>Total run rate of 50-70 MSEK P&amp;L impact targeted for 2020</td>
</tr>
<tr>
<td>— Improved organizational efficiency – improved utilization</td>
<td>— IT-platforms – Enhanced back-office/back-end operations &amp; tools, also ERP that is capitalized but start impacting in P&amp;L in Q4/20</td>
<td></td>
</tr>
<tr>
<td>— Leverage of revenue synergies from merger to be visible in cost structure</td>
<td>— AFRY-integration and branding</td>
<td></td>
</tr>
<tr>
<td>— Continued optimization of span of management</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Efficiency of platform
— Continued integration especially IT tools and facilities
— Continued platform efficiency project
Repositioning of Energy Division

— In Q4 the analysis of the structure was completed and actions are ongoing
— The program consist of exits from certain markets/projects and a renewed sales structure
— The positive effects are expected to be visible in H1
— Negative impact on results of 105 MSEK in Q4 compared to earlier communicated range of 130-150 MSEK (reported as IAC)
Example of projects

— New framework agreement with Region Uppsala on project planning

— New contract for designing an extension to the Tampere tram network in Finland

— New contract with the food manufacturer Oatly where ÅF Pöyry will deliver two new process lines to Oatly’s production plant in the Netherlands

— ÅF Pöyry selected as St1’s engineering partner in a new renewable fuel production unit investment project in Gothenburg, Sweden

— ÅF Pöyry wins major order from Chr. Hansen in Denmark to modernize their production plant in Roskilde

— ÅF Pöyry was chosen to coordinate the Finnish government initiative “climate neutral Finland 2035”
Growth affected by decline in automotive and some other segments

**COMBINED, Q4 2019**
- Total growth: -2.9%

**REPORTED, Q4 2019**
- Total growth: 37.7%
- Organic growth: -3.9% (6.7)
- Adjusted/underlying organic growth: -2.6% (8.2)

**COMMENTS**
- Solid growth in Infrastructure and Process Industries
- Lower volume in the automotive segment, and decline in Energy due to a large EPC+ project reaching its final stage
Improved profitability

**COMBINED, Q4 2019***
- EBITA increased to SEK 516 million (492)
- EBITA margin 9.5% (8.8)

**REPORTED, Q4 2019***
- EBITA increased to SEK 516 million (357)
- EBITA margin up to 9.5% (9.0)

**COMMENTS**
- Cost synergy program combined with focus on efficiency impacting favorably EBITA margin and creating a strong platform going for 2020
- Solid performance in most of the segments, negative impact mainly from Automotive but also from delayed projects in Transportation
- Items affecting comparability totaled 189 MSEK and relate to integration costs and repositioning costs for division Energy

---

* Excl. items affecting comparability
Profitability improving despite negative calendar effect

**Q4 ORGANIC GROWTH, ADJUSTED WITH CALENDAR EFFECTS**

- Negative calendar impact due to one working day less
- Sequential improvement in all divisions
- Synergies visible especially in group expenses
Growth and Profitability

### Q4 ORGANIC GROWTH, ADJUSTED WITH CALENDAR EFFECTS*

- **Infrastructure**: 20.2
- **Industrial & Digital Solutions**: 2.3
- **Process Industries**: -4.7
- **Energy**: -2.4
- **Management consulting**: -9.3

### Q4 EBITA % (previous year)*

- **Infrastructure**: 13.3 (15.9)
- **Industrial & Digital Solutions**: 13.0 (12.6)
- **Process Industries**: 8.5 (9.2)
- **Energy**: 9.0 (9.7)
- **Management consulting**: 8.3 (6.8)

---

**INFRASTRUCTURE**
— Solid growth in most segments, profitability seeing sequential improvement

**INDUSTRIAL & DIGITAL SOLUTIONS**
— Growth and profitability mainly affected by lower volumes in automotive segment

**PROCESS INDUSTRIES**
— Strong growth mainly in the Nordics and South America, profitability on a high level

**ENERGY**
— Decline in growth due to a large EPC+ project nearing completion, improved profitability due strong development in nuclear and the contracting business

**MANAGEMENT CONSULTING**
— Growth affected by normal volatility in success fees, profitability in line with last year

* Combined operations
Strong operating cash flow in Q4 pushing adjusted Net Debt/EBITDA to 2.2 (reported at 3.0)

Net Debt increased by 969 MSEK compared to last year

Increased due to considerations paid (mainly Pöyry) of 5,201 MSEK and dividend 560 MSEK

Reduced due to emission of new shares 3,967 MSEK and cash flow from operations 1,473 MSEK

Available liquid assets of 997 MSEK and unutilised credit lines of 2,297 MSEK

Board of Directors is proposing a dividend of 5.0 SEK per share
In 2019 ÅF and Pöyry became AFRY

— In February 2019 ÅF and Pöyry joined forces in order to become an international engineering, design and advisory company

— In November 2019 ÅF Pöyry launched a new common brand, AFRY.

— With a strong focus on sustainable solutions we bring the best from ÅF and Pöyry into the new brand AFRY.
Summary

— Improved profitability and strong cash flow
— Overall solid demand in most segments
— Growth affected by decline in automotive and some other segments
— Integration and 2019 cost synergies exceeding target now reflected in margin growth
— Extended cost synergies and implementation of IT-investments in 2020
— Continued focus on efficiency in all divisions
— Launch of common brand, AFRY
Infrastructure

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>2,105</td>
<td>1,680</td>
<td>7,670</td>
<td>5,955</td>
</tr>
<tr>
<td>EBITA, MSEK</td>
<td>191</td>
<td>185</td>
<td>685</td>
<td>637</td>
</tr>
<tr>
<td>EBITA margin %</td>
<td>9.0</td>
<td>11.0</td>
<td>8.9</td>
<td>10.7</td>
</tr>
<tr>
<td>Average number of employees, FTEs</td>
<td>5,962</td>
<td>4,660</td>
<td>5,729</td>
<td>4,445</td>
</tr>
<tr>
<td>Total growth, %</td>
<td>25.3</td>
<td>-</td>
<td>28.8</td>
<td>-</td>
</tr>
<tr>
<td>Structural changes, %</td>
<td>23.3</td>
<td>-</td>
<td>22.2</td>
<td>-</td>
</tr>
<tr>
<td>Currency, %</td>
<td>0.5</td>
<td>-</td>
<td>1.0</td>
<td>-</td>
</tr>
<tr>
<td>Organic, %</td>
<td>1.5</td>
<td>-</td>
<td>5.5</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted/underlying organic growth due to calendar effect, %</td>
<td>2.3</td>
<td>-</td>
<td>5.7</td>
<td>-</td>
</tr>
<tr>
<td>Total combined growth, %</td>
<td>2.4</td>
<td>-</td>
<td>8.9</td>
<td>-</td>
</tr>
</tbody>
</table>

- Fourth quarter net sales amounted to SEK 2,105 million (1,680)
- EBITA amounted to SEK 191 million (185) and the EBITA margin was 9.0% (11.0)
- Combined revenue amounted to 2,105 (2,055), EBITA to 191 (199) and the EBITA-margin to 9.0 (9.7)
- Some project within transportation closed with lower profitability than expected
- Activity continues to be on a high level
Fourth quarter net sales amounted to 1,540 MSEK (1,628)

EBITA amounted to SEK 131 million (150) and the EBITA margin was 8.5% (9.2)

Lower demand in automotive, but stabilized towards the end of the quarter

Continued strong demand in Food & Pharma and Defence

### Key Ratios

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>1,540</td>
<td>1,628</td>
<td>5,805</td>
<td>5,782</td>
</tr>
<tr>
<td>EBITA, MSEK</td>
<td>131</td>
<td>150</td>
<td>486</td>
<td>525</td>
</tr>
<tr>
<td>EBITA margin %</td>
<td>8.5</td>
<td>9.2</td>
<td>8.4</td>
<td>9.1</td>
</tr>
<tr>
<td>Average number of employees, FTEs</td>
<td>3,797</td>
<td>3,863</td>
<td>3,800</td>
<td>3,748</td>
</tr>
<tr>
<td>Total growth, %</td>
<td>-5.4</td>
<td>-</td>
<td>0.4</td>
<td>-</td>
</tr>
<tr>
<td>Structural changes, %</td>
<td>0.8</td>
<td>-</td>
<td>1.2</td>
<td>-</td>
</tr>
<tr>
<td>Currency, %</td>
<td>0.2</td>
<td>-</td>
<td>0.2</td>
<td>-</td>
</tr>
<tr>
<td>Organic, %</td>
<td>-6.4</td>
<td>-</td>
<td>-1.0</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted/underlying organic growth due to calendar effect, %</td>
<td>-4.7</td>
<td>-</td>
<td>-0.6</td>
<td>-</td>
</tr>
</tbody>
</table>
Process Industries

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>917</td>
<td>223</td>
<td>3,047</td>
<td>811</td>
</tr>
<tr>
<td>EBITA, MSEK</td>
<td>119</td>
<td>33</td>
<td>323</td>
<td>91</td>
</tr>
<tr>
<td>EBITA margin %</td>
<td>13.0</td>
<td>14.7</td>
<td>10.6</td>
<td>11.2</td>
</tr>
<tr>
<td>Average number of employees, FTEs</td>
<td>3,075</td>
<td>747</td>
<td>2,680</td>
<td>688</td>
</tr>
<tr>
<td>Total growth, %</td>
<td>311.4</td>
<td>-</td>
<td>275.5</td>
<td>-</td>
</tr>
<tr>
<td>Structural changes, %</td>
<td>292.0</td>
<td>-</td>
<td>262.1</td>
<td>-</td>
</tr>
<tr>
<td>Currency, %</td>
<td>0.4</td>
<td>-</td>
<td>0.5</td>
<td>-</td>
</tr>
<tr>
<td>Organic, %</td>
<td>18.9</td>
<td>-</td>
<td>13.0</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted/underlying organic growth due to calendar effect, %</td>
<td>20.2</td>
<td>-</td>
<td>14.0</td>
<td>-</td>
</tr>
<tr>
<td>Total combined growth, %</td>
<td>8.2</td>
<td>-</td>
<td>8.9</td>
<td>-</td>
</tr>
</tbody>
</table>

- Fourth quarter net sales amounted to SEK 917 million (223)
- EBITA amounted to 119 MSEK (33) and the EBITA margin was 13.0% (14.7)
- Combined revenue amounted to 917 (847), EBITA to 119 (107) and the EBITA-margin to 13.0 (12.6)
- Strong demand and cont. investments in many regions, especially Pulp & Paper
- Digitalisation and sustainability remains high on the agenda in all process industry sectors
Energy

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>871</td>
<td>430</td>
<td>3,001</td>
<td>1,559</td>
</tr>
<tr>
<td>EBITA, MSEK</td>
<td>73</td>
<td>13</td>
<td>215</td>
<td>72</td>
</tr>
<tr>
<td>EBITA margin %</td>
<td>8.3</td>
<td>3.1</td>
<td>7.2</td>
<td>4.6</td>
</tr>
<tr>
<td>Average number of employees, FTEs</td>
<td>2,016</td>
<td>1,015</td>
<td>1,885</td>
<td>992</td>
</tr>
<tr>
<td>Total growth, %</td>
<td>102.6</td>
<td>-</td>
<td>92.5</td>
<td>-</td>
</tr>
<tr>
<td>Structural changes, %</td>
<td>103.1</td>
<td>-</td>
<td>93.1</td>
<td>-</td>
</tr>
<tr>
<td>Currency, %</td>
<td>3.1</td>
<td>-</td>
<td>2.8</td>
<td>-</td>
</tr>
<tr>
<td>Organic, %</td>
<td>-3.6</td>
<td>-</td>
<td>-3.4</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted/underlying organic</td>
<td>-2.4</td>
<td>-</td>
<td>-2.4</td>
<td>-</td>
</tr>
<tr>
<td>growth due to calendar effect, %</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total combined growth, %</td>
<td>-1.4</td>
<td>-</td>
<td>7.6</td>
<td>-</td>
</tr>
</tbody>
</table>

— Fourth quarter net sales amounted to SEK 871 million (430)
— EBITA amounted to 73 MSEK (13) and the EBITA margin was 8.3% (3.1)
— Combined revenue amounted to 871 (884), EBITA to 73 (60) and the EBITA-margin to 8.3 (6.8)
— Improved demand especially within nuclear
— Strong performance within contracting due to a large EPC+ project nearing completion. Lower revenue levels expected in 2020.
— Some delays in investment decisions
— Repositioning costs amounted to 105 MSEK reported as items affected comparability
### Management Consulting

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales, MSEK</td>
<td>211</td>
<td>-</td>
<td>668</td>
<td>-</td>
</tr>
<tr>
<td>EBITA, MSEK</td>
<td>28</td>
<td>-</td>
<td>92</td>
<td>-</td>
</tr>
<tr>
<td>EBITA margin %</td>
<td>13.3</td>
<td>-</td>
<td>13.7</td>
<td>-</td>
</tr>
<tr>
<td>Average number of employees, FTEs</td>
<td>362</td>
<td>-</td>
<td>300</td>
<td>-</td>
</tr>
<tr>
<td>Total growth, %</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Structural changes, %</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Currency, %</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Organic, %</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted/underlying organic growth due to calendar effect, %</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total combined growth, %</td>
<td>-9.3</td>
<td>-</td>
<td>-2.1</td>
<td>-</td>
</tr>
</tbody>
</table>

- Fourth quarter net sales amounted to SEK 211 million (-)
- EBITA amounted to 28 MSEK (-) and the EBITA margin was 13.3 percent
- Combined revenue amounted to 211 (232), EBITA to 28 (37) and the EBITA-margin to 13.3 (15.9)
- Solid transaction volume across all sectors and requirement to meet the Paris decarbonisation targets along with the impact of digitalization