

# ÅF Interim report Jan - Sept 2013

Press release 21 October 2013



Innovation by experience



## Third quarter 2013

- Net sales totalled SEK 1,770 million (1,183)
- Operating profit totalled SEK 130 million (75)
- Operating margin was 7.4 percent (6.3)
- Profit after tax was SEK 92 million (54)
- Earnings per share, before dilution, were SEK 2.30 (1.49)

## January-September 2013

- Net sales totalled SEK 6,046 million (3,949)
- Operating profit totalled SEK 449 million (324)
- Operating profit excluding integration costs totalled SEK 504 million (324)
- Operating margin excluding integration costs was 8.3 percent (8.2)
- Profit after tax was SEK 319 million (236)
- Earnings per share, before dilution, were SEK 8.05 (6.87)

### A few words from the President

ÅF's third-quarter operating profit rose by just over 70 percent to SEK 130 million (75). Most of this improvement is attributable to recent acquisitions, organic growth and the continued positive trends for the Industry and Infrastructure Divisions, which are seeing increased demand for ÅF's services to match the investments that are currently being made in Scandinavia. ÅF's operating margin rose to 7.4 percent (6.3).

On the whole the market for ÅF's services showed a slight improvement on the situation a year ago, as evidenced in a somewhat higher capacity utilisation rate. Investments in industry rose slightly and the market for infrastructure services remained strong. Growth for the Infrastructure Division topped 30 percent and the division's operating margin rose to 9.2 percent (7.3) in the third quarter. The positive trend in earnings was also reflected in the International Division, which improved its margin to 7.5 percent (3.3). By contrast, the Technology and Industry Divisions reported slightly lower operating margins than in the third quarter of 2012, partly as a result of a significant investment in competence development during the period.

We are also continuing to invest in the Norwegian market, which is showing strong growth. The third quarter saw the signing of an agreement to acquire the business operations of Kåre Hagen AS, with annual sales of NOK 100 million. Proforma sales for ÅF operations in Norway are now approximately NOK 700 million, and there are ambitions for further growth.

The third-quarter results have not been charged with integration costs for Epsilon or other recent acquisitions. The integration

of Epsilon was concluded as planned as the second quarter drew to a close. Cost synergies are estimated to exceed SEK 80 million a year, with the full effect from 2014. The acquisition of Epsilon has significantly strengthened our client offering and in the third quarter i.a. resulted in a major assignment for Volvo Cars.

ÅF grew its business by approximately 50 percent in the third quarter. At the time of writing ÅF has 7,000 highly qualified employees in around 20 countries, backed up by a network of 17,000 independent consultants. Our co-workers are our most important asset, so it is extremely gratifying to note that ÅF's appeal as an employer has never been stronger. On 8 October ÅF was ranked as the second most popular place to work in the Career Barometer 2013/2014 survey conducted by Universum among some 3,700 professional engineers in Sweden. In the third quarter ÅF was also named by Universum as one of the top 20 employers in Europe. The fact that the ÅF brand and the company itself are rated so highly as an ideal employer for engineers in Sweden and internationally is a huge asset.

ÅF's most important objective is to continue to generate levels of profitability that place us among the very best performers in our industry and to grow by approximately 15 percent per year through more or less equal shares of organic and acquired growth.

Stockholm, Sweden – 21 October, 2013

Jonas Wiström  
President and CEO

## Net sales and earnings, July-September 2013

Net sales for the quarter totalled SEK 1,770 million, an increase of 50 percent compared with the figure of SEK 1,183 million for the corresponding period last year. Acquired growth accounted for 47 percentage points of this total.

Operating profit totalled SEK 130 million (75). The positive effect of having a greater number of hours available for work in the period translated into an increase in earnings of approximately SEK 7 million. Capacity utilisation rate in the third quarter was 74.3 percent (72.9).

Profit after financial items was SEK 119 million (74). Net financial expense was SEK 11 million (-1) Profit after tax totalled SEK 92 million (54). Earnings per share were SEK 2.30 (1.49).

## Net sales and earnings, January-September 2013

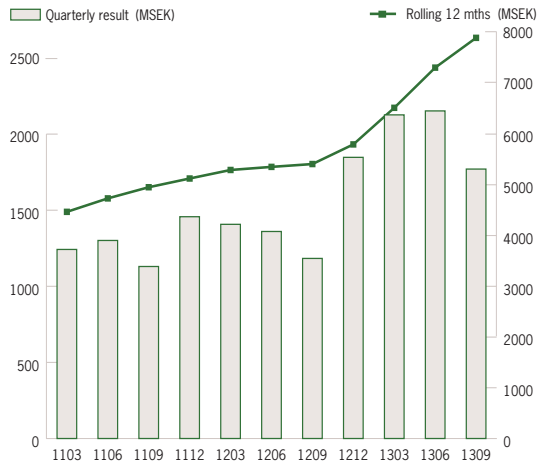
Net sales for the period totalled SEK 6,046 million, an increase of 53 percent on the figure of SEK 3,949 million for the first nine months in 2012. Acquired growth accounted for 48 percentage points.

Operating profit totalled SEK 449 million (324). During the first and second quarters operating profit was charged with costs totalling SEK 55 million linked to the integration of Epsilon AB. Operating profit and operating margin excluding integration costs were SEK 504 million (324) and 8.3 percent (8.2) respectively. The number of working hours in the period was more or less the same as for the corresponding period in 2012. Capacity utilisation was 75.0 percent (74.0).

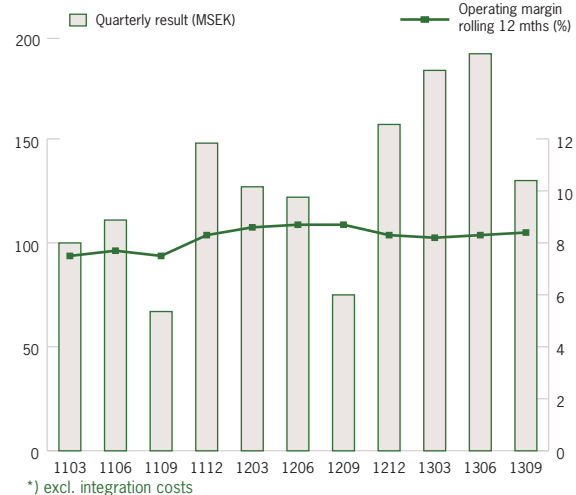
Profit after financial items was SEK 414 million (322). Net financial expense rose to SEK 35 million (-2), chiefly as a result of costs incurred with regard to the financing of the acquisitions of Epsilon AB and Advansia AS at the end of 2012. Profit after tax totalled SEK 319 million (236). Earnings per share were SEK 8.05 (6.87).

<b>KEY RATIOS</b>	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Net sales, MSEK	1,769.6	1,182.8	6,046.3	3,949.2	5,796.4
Operating income, MSEK	1,770.2	1,184.0	6,048.0	3,951.2	5,798.8
Operating profit, MSEK	130.1	74.8	448.8	324.0	480.5
Operating margin, %	7.4	6.3	7.4	8.2	8.3
Operating profit, excluding integration cost, MSEK	130.1	74.8	504.3	324.0	480.5
Operating margin, excluding integration cost, %	7.4	6.3	8.3	8.2	8.3
Profit after financial items, MSEK	119.2	73.7	413.8	322.4	476.6
Profit after tax, MSEK	91.5	53.9	318.8	236.1	353.3
Earnings per share, before dilution, SEK	2.30	1.49	8.05	6.87	10.13
Return on equity, %	-	-	13.4	13.9	13.3
Return on capital employed, %	-	-	14.1	17.5	15.7
Average number of full-time employees, FTEs	6,598	4,642	6,613	4,622	4,808
Capacity utilisation rate, %	74.3	72.9	75.0	74.0	74.2

## Net sales, MSEK



## Operating profit, MSEK / Operating margin, % \*)



## Important events during Q3 2013 and after the reporting date

ÅF acquired 100 percent of the shares in the technical consulting company Kåre Hagen AS, which is based in Oslo, Norway. The company was established in 1961 and is involved chiefly in project management and site supervision assignments for construction activities for public sector clients (hospitals, schools, airports, etc.) in the Oslo region. Kåre Hagen has 75 employees and it is estimated that sales for the current year will total approximately NOK 100 million with good profit levels. The acquisition of Kåre Hagen further reinforces the strengths of the ÅF Infrastructure Division and its Project Management business area. Agreement has been reached on a purchase price of NOK 60 million and an additional consideration of a maximum of NOK 56 million, based on earnings trends over the period 2013–2015. Kåre Hagen was consolidated into the ÅF Group on 1 October.

ÅF recruited Nyamko Sabuni to strengthen the company's offering and brand image in the fields of sustainability and corporate social responsibility (CSR). Nyamko Sabuni, who began work as Sustainability Director on 1 October, will also be a member of ÅF's Group Management team. This post also includes working to create more climate-related consulting assignments for ÅF. Nyamko Sabuni has previously served as a minister in the Swedish government with responsibility for equality, integration and consumer issues. She has also been a member of the Swedish parliament and held a position in the Parliamentary Committee for Industry and Trade.

ÅF signed a highly significant agreement with Volvo Car Corporation. The order relates primarily to industrial automation technology, which is one of the areas of technical expertise in which ÅF excels in the automotive industry. The order is one of the largest that ÅF has won to date from the car industry. For ÅF the project involves the development and delivery of a number of automated production lines for Volvo Car Corporation. The projects, which will run over a period of two years, were won against international competition.

## Acquisitions

During the period January–September eleven companies have been acquired with a total of 72 employees. It is anticipated that these new acquisitions will contribute sales of approximately SEK 85 million over a full year. After the reporting date ÅF acquired Kåre Hagen AS, Norway.

## Cash flow and financial position

Cash flow from operating activities totalled SEK 23 million (19) during the third quarter. Corporate acquisitions and additional considerations paid totalled SEK 12 million (8). The net of borrowing and amortisation of loans was SEK 16 million (85). Total cash flow was SEK 13 million (89).

Cash flow from operating activities for the period January to September was SEK 174 million (297). The reduction in cash flow is primarily a consequence of working capital tied up in the Infrastructure Division and fluctuations in project business in Russia. Corporate acquisitions and additional considerations paid during the period totalled SEK 78 million (36). The net of borrowing and amortisation of loans had an effect on cash flow of SEK –95 million (71). Total cash flow for the first nine months was SEK –264 million (129).

Group liquid assets totalled SEK 225 million (461) at the end of the reporting period. Net debt at the end of September was SEK 1,038 million, as opposed to net cash of SEK 191 million at the end of September 2012. ÅF AB has unutilised credit facilities amounting to SEK 675 million.

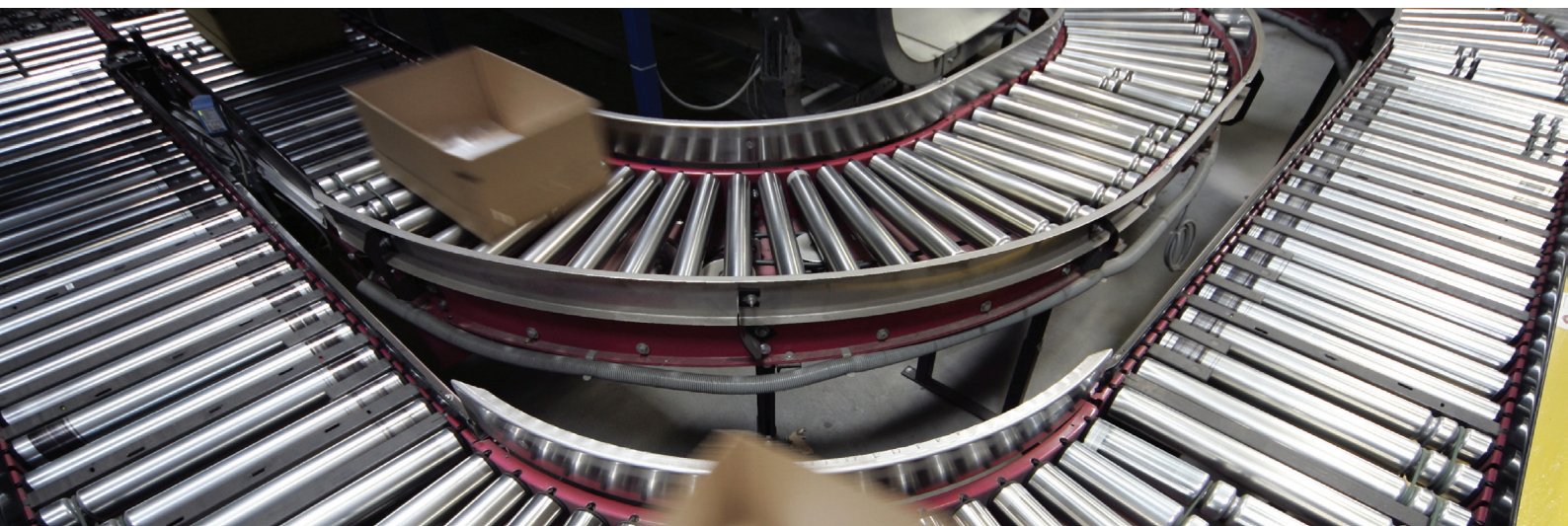
Equity per share was SEK 89.08 (73.11). The equity/assets ratio was 49.2 percent (59.7). The corresponding figures at the start of the year were SEK 87.32 and 45.5 percent respectively. On 30 September equity totalled SEK 3,489 million (2,470).

## Number of employees

The average number of full-time equivalents was 6,613 (4,622). The total number of employees at the end of the reporting period was 7,060 (5,012): of these 5,380 (3,503) were employed in Sweden and 1,680 (1,509) outside Sweden.

## Parent company

Parent company operating income for the period January–September totalled SEK 326 million (276) and relates chiefly to internal services within the Group. Profit after net financial items was SEK 60 million (82). Cash and cash equivalents totalled SEK 26 million (128) and gross investment in equipment was SEK 17 million (4).



## Industry Division

The market for the services of the Industry Division has been improving slowly since the start of the year with signs of increased demand, mainly from the petrochemical, mining and pulp and paper industries. The division's investment in Transmission & Distribution is continuing to reap rewards with a steady rise in the number of projects in this sector.

The operating margin for the third quarter backed slightly to 9.1 percent (10.5), chiefly as a result of substantial investments in skills development in August and September together with slightly lower earnings from projects than for the corresponding period last year.

So far this year the Industry Division has recruited almost 325 highly qualified engineers. Recruitment is taking place in all business areas, with the main focus on energy, process optimisation, electric power and automation.

The division noted good growth in terms of projects and full-service assignments, where ÅF acts more in the capacity of a partner to its clients. Clients in the industrial sector are transferring more and more responsibility to ÅF in the project implementation phase. To meet this trend Industry has reorganised operations to create specialist teams for project assignments linked to various industries.

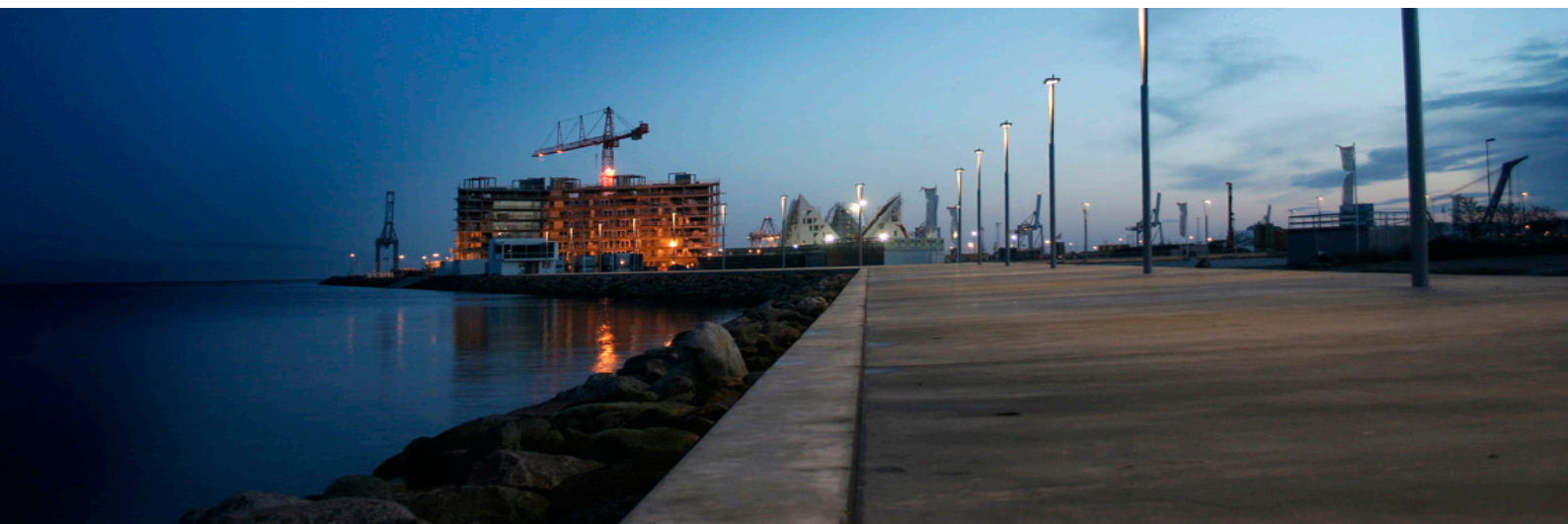
The Industry Division signed a number of important orders in the third quarter, including major new assignments for the Volvo Car Corporation, EON, LKAB and Stora Enso in Skoghall. The division also signed a three-year framework agreement with the Øresundsbro Consortium after receiving a renewed endorsement to provide technical advice for the owners of this important road and rail link between southern Sweden and Denmark.

About the Industry Division:

*The Industry Division is the Nordic region's leading consultant in process and production systems. Its mission is clear: to improve profitability for its clients. Experience from previous projects guarantees stability, competitive strength and peace of mind for clients. Geographical proximity to clients and a thorough understanding of the sectors in which they work are the most important foundations for long-term client relations.*

Key ratios - Industry	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Operating income, MSEK	500.0	357.9	1,681.1	1,193.0	1,653.3
Operating profit, MSEK	45.4	37.6	158.3	135.0	195.0
Operating margin, %	9.1	10.5	9.4	11.3	11.8
Average number of full-time employees, FTEs	1,832	1,327	1,843	1,320	1,334

*The historical figures above are adjusted based on the organisational changes implemented on 1 July, 2013.*



## Infrastructure Division

For the Infrastructure Division the third quarter was characterised by continued high levels of activity. Demand was strongest for consulting services in the fields of energy-efficient buildings, road-related services and sustainability services, and also remained high for project management services.

Operating profit rose by almost 70 percent and the operating margin improved to 9.2 percent (7.3). The main reasons for these improvements are increasing volumes and better capacity utilisation. The business areas reporting the greatest improvements in earnings were Buildings, Project Management and Environment. The division has grown its business by an average of 25 percent over the past three years and is continuing to grow both organically and through acquisitions. So far this year 300 new employees have been recruited to the division.

A strong driving force in the market for the Buildings business area is the demand for sustainable and profitable investments in the property management field. One example of this is ÅF's recent close collaboration with Scandic, aimed at reducing energy consumption in the hotel chain's properties in the Nordic region. ÅF is responsible for project management and other resources related to inventorying and optimising energy use and the implementation of new solutions. Other new assignments include energy efficiency improvements and modernisation projects at three major hospitals in the Stockholm area.

The Infrastructure Division's overall order portfolio has grown in the third quarter, with a number of new road project engineering assignments in Gothenburg and work at the Nyköping public transport

hub, part of the Götaland rail link, where new tracks and platforms will boost the station's capacity for handling more regional traffic.

The third quarter also saw the acquisition of Kåre Hagen AS of Norway, which together with ÅF's other project management specialist now forms part of Scandinavia's leading project management team. Market demand is brisk for qualified project managers who can take on large-scale infrastructure projects and manage these in close liaison with clients. ÅF is currently involved in several of these major project management assignments, such as the expansion of Oslo Gardermoen Airport in Norway and improvements to the Arrhenius Laboratory at Stockholm University.

The integration of the recently acquired lighting design specialist Ljusarkitektur is proceeding according to plan. ÅF now has around 75 lighting experts based in Copenhagen, Malmö, Oslo and Stockholm. Among the projects they are working on right now is a major urban development initiative in Hangzhou, China. The Infrastructure Division was nominated for two of this year's Swedish Light Awards, winning one of the categories with its project "In the Footsteps of Giants".

About the Infrastructure Division:

*The Infrastructure Division enjoys a leading position in the Scandinavian market for technical solutions for infrastructure projects. The division's strengths include a portfolio of services that offer clients sustainable, hi-tech solutions. Thanks to its ability to develop innovative solutions that boost client profitability and target fulfilment, the division is continuously enhancing its market potential.*

### Key ratios - Infrastructure

Operating income, MSEK  
 Operating profit, MSEK  
 Operating margin, %  
 Average number of full-time employees, FTEs

Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
491.3	366.7	1,702.0	1,269.6	1,892.1
45.1	26.7	207.2	130.7	207.2
9.2	7.3	12.2	10.3	10.9
1,726	1,426	1,681	1,385	1,435



## International Division

Despite the fact that the European market for energy projects remained subdued in the third quarter, the International Division yet again reported an improvement in profits, with an operating margin that rose to 7.5 percent (3.3). The main reasons for this success are the increased numbers of projects outside Europe and improved earnings in Switzerland, Spain and the Czech Republic.

The market for energy projects in Europe is being impacted by lower electricity prices, difficulties relating to financing and political uncertainty about energy solutions. There are, however, regions outside Europe where demand is growing. The market for renewable energy and investigations into more effective solutions for the electricity market are increasing around the world.

Another trend is the increasing demand for improvements to the efficiency of existing power plants; this is an area where the International Division has an impressive portfolio of references and a strong market position. One current example of this type of project is the delivery to the municipally-owned Jyväskylä

Energy Group's sites in Tampere and Jyväskylä, Finland, of the unique Balance+ optimisation system, which ÅF has developed in-house.

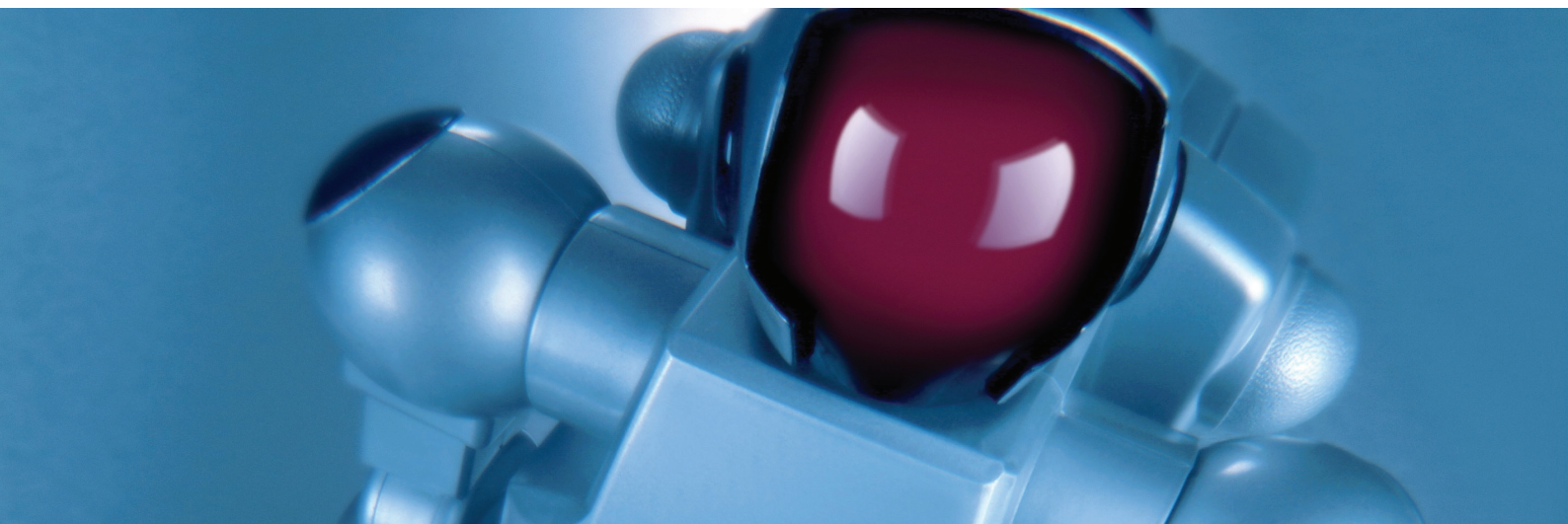
The level of incoming orders for the International Division was satisfactory in the third quarter. Orders included a contract worth EUR 4.1 million signed with Ministry of Energy and Water in Lebanon, for which ÅF will be lead project manager for the construction of a new thermal power plant.

About the International Division:

*The International Division offers technical consulting services, primarily in the energy and infrastructure sectors. The division's domestic markets are Switzerland, Finland and the Baltic countries, Russia, the Czech Republic and Spain, but it also performs projects in around 70 countries worldwide. The division enjoys a strong position in many areas of technical expertise and is well established as a world-leader among independent consulting companies in the nuclear power sector.*

Key ratios - International	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Operating income, MSEK	293.9	299.8	927.0	919.3	1,307.1
Operating profit, MSEK	21.9	10.0	54.8	31.5	54.6
Operating margin, %	7.5	3.3	5.9	3.4	4.2
Average number of full-time employees, FTEs	1,105	1,115	1,125	1,137	1,138

*The historical figures above are adjusted based on the organisational changes implemented on 1 October, 2012.*



## Technology Division

The market for advanced product development and defence technology remained unchanged in the third quarter. Operating profit rose steeply and the operating margin was 5.1 percent (5.6). However, profitability was lower, primarily as a consequence of a weaker market in the south of Sweden.

The Technology Division offers clients a unique combination of consulting expertise in the field of product development.

The third quarter brought new orders from the Volvo Car Corporation, where ÅF already enjoys a prominent position in the specialist field of active safety, and saw the signing of a framework agreement relating to IT solutions for the Swedish Agency for Marine and Water Management. New orders were also signed with AB Volvo, GE Healthcare, Electrolux and others.

The Defence business area continues to go from strength to strength. Towards the end of the quarter Technology won a substantial contract with the Swedish Defence Materiel Administration (FMV). As part of the two submarine projects for which FMV is responsible, ÅF will provide technical services for command & con-

trol systems, and other systems linked to these, such as sensors and communications system. The order provides further confirmation of ÅF's strengths and standing in this specialist field.

The new organisation established in the second quarter is developing positively and work is under way to create further synergies between the division's business areas, not least in project deliveries. With a broad client base and over 2,000 qualified engineers, Technology is currently the market leader in advanced product development in Sweden.

About the Technology Division:

*The Technology Division is active mainly in Sweden, where it is a leading name in Swedish product development and defence technology. A firm base and a long track record of success provide stability and give clients peace of mind. The Technology Division also has strong offers within its specialist fields relating to various aspects of sustainability.*

### Key ratios - Technology

	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Operating income, MSEK	526.1	176.4	1,828.6	654.8	907.7
Operating profit, MSEK	26.8	9.9	121.7	57.3	84.4
Operating margin, %	5.1	5.6	6.7	8.7	9.3
Average number of full-time employees, FTEs	1,851	695	1,881	706	711

*The historical figures above are adjusted based on the organisational changes implemented on 1 July, 2013.*



## Risks and uncertainty factors

The significant risks and uncertainty factors to which the ÅF Group is exposed include business risks linked to the general economic situation and the propensity of various markets to invest, the ability to recruit and retain qualified co-workers, and the potential impact of political decisions. In addition, the Group is exposed to write-downs in fixed-price contracts as well as to a number of financial risks, including currency risks, interest-rate risks and credit risks. The risks to which the Group is exposed are described in detail in ÅF's Annual Report for 2012. No significant risks are considered to have arisen since the publication of the annual report.

## Accounting principles

This report has been prepared in accordance with IAS 34, "Interim Financial Reporting". The accounting principles are in conformity 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 drawn up using the same accounting principles and methods of calculation as those in the Annual Report for 2012 (see Note 1, page 73), with the exception of the changes described below.

Amendment to IAS 19, "Employee benefits". For ÅF, this amendment means first and foremost that returns on plan assets are to be based on the discount rate used for calculating pension obligations. The difference between real and calculated return on plan assets is recognised in other comprehensive income. The effect of this is insignificant.

Amendment to IAS 1, "Presentation of financial statements". This amendment involves a change in the grouping of transactions in other comprehensive income. Items that may be reclassified to profit or loss are to be presented separately from items that will not. This does not alter the actual content of other comprehensive income, but solely the presentation.

New IFRS 13, "Fair value measurement". This makes additional requirements on the information contained in interim reports. For the current reporting period, however, there have been no significant changes that would require such information to be provided.

The parent company has implemented the Swedish Financial Reporting Board's Recommendation RFR 2, which means that the parent in the legal entity shall apply all EU approved IFRS and related statements as far as this is possible, while continuing to apply the Swedish Annual Accounts Act and the Pension Obligations Vesting Act and paying due regard to the relationship between accounting and taxation.

## ÅF shares

The ÅF share price at the end of the reporting period was SEK 210; this represents an increase in value of 35 percent since the start of the year. During the same period the Stockholm Stock Exchange's OMXSPI index has risen by 16 percent.

Stockholm, Sweden - 21 October, 2013

Jonas Wiström  
President and CEO  
ÅF AB (publ)

## Financial reports – 2014

11 February	Year-end report 2013
5 May	Interim Report January–March 2014
11 July	Interim Report January–June 2014
21 October	Interim Report January–September 2014

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*The information in this interim report fulfils ÅF AB's disclosure requirements under the provisions of the Swedish Securities Markets Act and/or the Financial Instruments Trading Act. The information was released for publication at 11:00 on 21 October, 2013.*

*All assumptions about the future that are made in this report are based on the best information available to the company 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.*

*This is a translation of the Swedish original. The Swedish text is the binding version and shall prevail in the event of any discrepancies.*

# Auditor's Review Report

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

ÅF AB, org. nr 556120-6474

## Introduction

We have reviewed the condensed interim report for ÅF AB as at 30 September, 2013 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with the Swedish Standard on Review Engagements, SÖG 2410 Review of Interim Reports Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden.

The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

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

Stockholm, 21 October, 2013

Ernst & Young AB

Lars Träff  
Authorized Public Accountant

## CONSOLIDATED INCOME STATEMENT

(in millions of SEK)

	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012	Oct 2012- Sept 2013
Net sales	1,769.6	1,182.8	6,046.3	3,949.2	5,796.4	7,893.6
Other operating income	0.6	1.1	1.7	2.1	2.4	2.0
Operating income	1,770.2	1,184.0	6,048.0	3,951.2	5,798.8	7,895.6
Personnel costs	-951.6	-675.0	-3,300.3	-2,282.4	-3,250.2	-4,268.1
Purchase of services and goods	-501.1	-278.9	-1,683.1	-855.0	-1,375.6	-2,203.7
Other costs	-167.8	-141.7	-558.0	-449.3	-635.7	-744.4
Depreciation/amortisation	-19.7	-13.5	-58.2	-40.4	-57.6	-75.3
Share of associated companies' profit/loss	0.0	0.0	0.4	0.0	0.7	1.2
Operating profit	130.1	74.8	448.8	324.0	480.5	605.3
Net financial items	-11.0	-1.1	-35.0	-1.6	-3.9	-37.3
Profit after financial items	119.2	73.7	413.8	322.4	476.6	568.0
Tax	-27.7	-19.8	-95.0	-86.3	-123.3	-131.9
Profit after tax	91.5	53.9	318.8	236.1	353.3	436.0
<i>Attributable to:</i>						
Shareholders in parent company	89.8	50.0	314.0	230.8	345.0	428.3
Non-controlling interest	1.7	3.9	4.8	5.3	8.3	7.8
Profit after tax	91.5	53.9	318.8	236.1	353.3	436.0
Operating margin, %	7.4	6.3	7.4	8.2	8.3	7.7
Capacity utilisation rate (invoiced time ratio), %	74.3	72.9	75.0	74.0	74.2	74.9
Earnings per share before dilution, SEK	2.30	1.49	8.05	6.87	10.13	-
Earnings per share after dilution, SEK	2.27	1.46	7.94	6.78	10.02	-
Number of shares outstanding	38,995,985	33,595,002	38,995,985	33,595,002	39,022,135	
Average number of outstanding shares before dilution	39,018,406	33,595,002	39,020,892	33,615,045	34,065,811	
Average number of outstanding shares after dilution	40,099,906	34,322,331	39,978,556	34,040,405	34,610,208	

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in millions of SEK)

	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Items that may be reclassified subsequently to profit or loss					
Change in translation reserve for the period	-25.6	-40.1	-56.8	-55.2	-25.9
Cash flow hedging	-0.1	0.8	-0.4	1.6	0.8
Tax	-0.1	-0.2	0.1	-0.4	-0.2
Items that will not be reclassified to profit or loss					
Pensions	2.1	-	13.3	-	22.4
Tax	-0.4	-	-2.6	-	-4.4
Total other comprehensive income for the period	-24.1	-39.5	-46.5	-54.0	-7.2
Profit for the period	91.5	53.9	318.8	236.1	353.3
Total comprehensive income for the period	67.4	14.4	272.4	182.1	346.1
<i>Total comprehensive income attributable to:</i>					
Shareholders in parent company	66.1	10.7	268.6	177.1	338.0
Non-controlling interest	1.2	3.8	3.8	5.0	8.1
Total	67.4	14.4	272.4	182.1	346.1

## CONSOLIDATED BALANCE SHEET

(in millions of SEK)

	30 Sept 2013	30 Sept 2012	31 Dec 2012
<b>Assets</b>			
Non-current assets			
Intangible assets	4,287.1	1,711.4	4,263.4
Tangible assets	279.5	266.9	279.3
Other non-current assets	22.0	34.6	23.7
Total non-current assets	4,588.5	2,013.0	4,566.3
Current assets			
Current receivables	2,271.3	1,662.4	2,452.1
Cash and cash equivalents	224.6	461.4	497.5
Total current assets	2,495.9	2,123.8	2,949.6
<b>Total assets</b>	<b>7,084.5</b>	<b>4,136.8</b>	<b>7,515.9</b>
<b>Equity and liabilities</b>			
Equity			
Attributable to shareholders in parent company	3,473.9	2,456.1	3,407.3
Attributable to non-controlling interest	14.7	14.0	14.3
Total equity	3,488.6	2,470.1	3,421.5
Non-current liabilities			
Provisions	259.6	176.0	267.6
Non-current liabilities	1,267.4	153.5	1,431.8
Total non-current liabilities	1,527.0	329.5	1,699.4
Current liabilities			
Provisions	18.0	2.3	4.6
Current liabilities	2,050.9	1,335.0	2,390.3
Total current liabilities	2,068.8	1,337.2	2,394.9
<b>Total equity and liabilities</b>	<b>7,084.5</b>	<b>4,136.8</b>	<b>7,515.9</b>

Pledged assets and Contingent liabilities are essentially the same as in the annual accounts for 2012.

## CHANGES IN EQUITY

(in millions of SEK)

	30 Sept 2013	30 Sept 2012	31 Dec 2012
Equity at start of period	3,421.5	2,450.2	2,450.2
Total comprehensive income for the period	272.4	182.1	346.1
Dividends	-217.2	-170.7	-173.6
Share buy-backs	-5.5	-10.1	-94.4
Non-cash issue	-	-	879.9
Issue cost	-	-	-5.5
Value of conversion right	7.5	9.2	7.1
Acquisition of non-controlling interest	-	-0.9	-0.9
Divestment of non-controlling interest	-0.8	-	-
Share savings programmes	10.7	10.3	12.5
<b>Equity at end of period</b>	<b>3,488.6</b>	<b>2,470.1</b>	<b>3,421.5</b>
<i>Attributable to:</i>			
Shareholders in the parent company	3,473.9	2,456.1	3,407.3
Non-controlling interest	14.7	14.0	14.3
<b>Total</b>	<b>3,488.6</b>	<b>2,470.1</b>	<b>3,421.5</b>

**CASH FLOW ANALYSIS**

(in millions of SEK)

	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Profit after financial items	119.2	73.7	413.8	322.4	476.6
Adjustment for items not included in cash flow and other	6.7	15.1	83.7	46.1	81.0
Income tax paid	-33.9	-27.4	-110.0	-96.4	-128.2
Cash flow from operating activities before change in working capital	92.0	61.4	387.5	272.2	429.3
Cash flow from change in working capital	-69.2	-42.9	-213.6	25.0	53.4
Cash flow from operating activities	22.8	18.5	173.9	297.2	482.7
Cash flow from investing activities	-18.0	-13.0	-119.8	-58.8	-1,225.6
Cash flow from financing activities	8.2	83.3	-318.1	-109.4	901.8
Cash flow for the period	13.1	88.9	-264.0	129.0	158.9
Cash and cash equivalents brought forward	213.8	382.3	497.7	345.3	345.3
Exchange rate difference in cash/cash equivalents	-2.3	-9.7	-9.1	-12.9	-6.6
Cash and cash equivalents carried forward	224.6	461.4	224.6	461.4	497.7

**KEY RATIOS**

	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Return on equity, %	13.4	13.9	13.3
Return on capital employed, %	14.1	17.5	15.7
Equity ratio, %	49.2	59.7	45.5
Equity per share, SEK	89.08	73.11	87.32
Net debt (-) /Net cash (+), MSEK	-1,038.5	190.9	-876.9
Net debt-equity ratio, %	29.8	N/A	25.6
Interest-bearing liabilities, MSEK	1,264.2	270.5	1,374.6
Average number of employees (FTEs) excl. associated companies	6,613	4,622	4,808

## QUARTERLY INFORMATION BY DIVISION

Operating income (in millions of SEK)	2012					2013				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Industry	428.8	406.3	357.9	460.3	1,653.3	575.4	605.7	500.0		
Infrastructure	451.2	451.7	366.7	622.5	1,892.1	595.6	615.0	491.3		
International	330.3	289.2	299.8	387.8	1,307.1	331.1	302.0	293.9		
Technology	241.1	237.2	176.4	252.9	907.7	650.3	652.1	526.1		
Other/eliminations	-43.7	-24.9	-16.9	124,3 <sup>1)</sup>	38.7	-26.5	-23.1	-41.1		
<b>Total</b>	<b>1,407.7</b>	<b>1,359.6</b>	<b>1,184.0</b>	<b>1,847.6</b>	<b>5,798.8</b>	<b>2,126.0</b>	<b>2,151.8</b>	<b>1,770.2</b>		
Operating profit/loss (in millions of SEK)	2012					2013				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Industry	47.9	49.6	37.6	60.0	195.0	45.2	67.7	45.4		
Infrastructure	55.0	49.0	26.7	76.5	207.2	82.2	79.9	45.1		
International	6.7	14.8	10.0	23.0	54.6	10.2	22.7	21.9		
Technology	28.6	18.7	9.9	27.1	84.4	52.7	42.3	26.8		
Other/eliminations	-11.5	-9.6	-9.4	-30,1 <sup>1)</sup>	-60.6	-24.5	-59.7	-9.1		
<b>Total</b>	<b>126.8</b>	<b>122.4</b>	<b>74.8</b>	<b>156.5</b>	<b>480.5</b>	<b>165.8</b>	<b>152.9</b>	<b>130.1</b>		
Operating margin (%)	2012					2013				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Industry	11.2	12.2	10.5	13.0	11.8	7.8	11.2	9.1		
Infrastructure	12.2	10.8	7.3	12.3	10.9	13.8	13.0	9.2		
International	2.0	5.1	3.3	5.9	4.2	3.1	7.5	7.5		
Technology	11.9	7.9	5.6	10.7	9.3	8.1	6.5	5.1		
<b>Total</b>	<b>9.0</b>	<b>9.0</b>	<b>6.3</b>	<b>8.5</b>	<b>8.3</b>	<b>7.8</b>	<b>7.1</b>	<b>7.4</b>		
Employees (FTEs)	2012					2013				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Industry	1,302	1,332	1,327	1,377	1,334	1,821	1,878	1,832		
Infrastructure	1,331	1,400	1,426	1,587	1,435	1,602	1,712	1,726		
International	1,149	1,153	1,115	1,141	1,138	1,132	1,141	1,105		
Technology	711	713	695	725	711	1,911	1,883	1,851		
ÅF AB	64	71	78	539 <sup>1)</sup>	190	87	77	83		
<b>Total</b>	<b>4,557</b>	<b>4,668</b>	<b>4,642</b>	<b>5,369</b>	<b>4,808</b>	<b>6,554</b>	<b>6,691</b>	<b>6,598</b>		
Number of working days	2012					2013				
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year
Sweden only	64	59	65	62	250	62	60	66	61	249
All countries	63	59	65	62	250	61	60	66	61 <sup>2)</sup>	248

<sup>1)</sup> Epsilon is included in figures for Q4 2012. With effect from January 2013 Epsilon is included in Technology Division and Industry Division.

<sup>2)</sup> Calculated weighted average.

The historical figures above are adjusted based on the organisational changes implemented on 1 October, 2012 and 1 July, 2013.

## ACQUIRED COMPANIES' NET ASSETS AT TIME OF ACQUISITION

(in millions of SEK)

Date of acquisition	Jan-Sept 2013
Tangible non-current assets	0.9
Accounts receivable and other receivables	17.1
Cash equivalents	15.9
Accounts payable and other liabilities	-19.0
<b>Net identifiable assets and liabilities</b>	<b>14.9</b>
Goodwill	80.4
Fair value adjustment intangible assets	5.6
Fair value adjustment non-current provisions	-1.3
<b>Purchase price incl estimated additional consideration</b>	<b>99.7</b>
Transaction costs	0.9
Deduct:	
Cash (acquired)	15.9
Estimated additional consideration	41.6
<b>Net outflow of cash</b>	<b>43.1</b>

The acquisition analyses are preliminary as the assets in the companies acquired have not been definitively analysed. In the case of the above acquisitions, the purchase price has been greater than the assets recognised in the companies acquired and, as a result, the acquisition analyses have created intangible assets. As the acquisition of a consulting business involves, in the first instance, the acquisition of human capital in the form of the skills and expertise of the workforce, the greater part of the intangible assets in the companies acquired is attributable to goodwill. The companies acquired are as follows: Hjertnes Byggrådgivning AS in Norway, and the following companies in Sweden: Konfem AB, Teknogram AB, Connect Konsult AB and Ljusarkitektur Sweden AB. A number of other small businesses have been taken over in Sweden and Norway.

During the third quarter an agreement was signed to acquire the business operations of Kåre Hagen AS in Norway with 75 employees with effect from 1 October 2013.

## INCOME STATEMENT PARENT COMPANY

(in millions of SEK)	Jul-Sept 2013	Jul-Sept 2012	Jan-Sept 2013	Jan-Sept 2012	Full year 2012
Net sales	79.9	60.3	216.7	181.9	246.2
Other operating income	39.8	31.8	109.3	93.9	127.5
Operating income	119.8	92.1	326.0	275.8	373.7
Personnel costs	-21.4	-16.5	-66.9	-54.1	-83.6
Other costs	-95.5	-79.6	-299.9	-236.6	-325.2
Depreciation	-4.3	-3.6	-12.2	-9.9	-13.6
Operating profit/loss	-1.4	-7.7	-53.0	-24.9	-48.7
Net financial items	1.3	90.9	113.1	107.3	123.8
Profit/loss after financial items	-0.2	83.3	60.1	82.4	75.1
Appropriations	-	-	-	-	335.7
Pre-tax profit/loss	-0.2	83.3	60.1	82.4	410.8
Tax	2.1	2.7	18.2	12.7	-67.0
Profit/loss after tax	2.0	86.0	78.4	95.1	343.8

## BALANCE SHEET PARENT COMPANY

(in millions of SEK)	30 Sept 2013	30 Sept 2012	31 Dec 2012
<b>Assets</b>			
Non-current assets			
Intangible assets	12.6	8.9	9.4
Tangible assets	57.6	53.7	53.8
Financial assets	5,192.5	2,461.1	5,248.0
Total non-current assets	5,262.7	2,523.7	5,311.2
Current assets			
Current receivables	514.7	372.1	659.8
Cash and cash equivalents	26.1	128.4	39.3
Total current assets	540.8	500.6	699.1
<b>Total assets</b>	<b>5,803.5</b>	<b>3,024.2</b>	<b>6,010.3</b>
<b>Equity and liabilities</b>			
Equity			
Share Capital	197.4	170.3	200.2
Statutory reserve	46.9	46.9	46.9
Non-restricted equity	2,904.7	2,000.1	2,770.8
Profit/loss for the period	78.4	95.1	343.8
Total equity	3,227.4	2,312.4	3,361.8
Liabilities			
Untaxed reserves	126.4	29.6	126.4
Provisions	626.3	90.3	672.2
Non-current liabilities	639.0	79.2	779.8
Current liabilities	1,184.4	512.8	1,070.1
<b>Total equity and liabilities</b>	<b>5,803.5</b>	<b>3,024.2</b>	<b>6,010.3</b>