

INTERIM REPORT JANUARY–MARCH 2014

SWECO AB (PUBL)



7 May 2014

Cautious start to the year – Vectura contributes to strong growth

JANUARY – MARCH 2014

- Net sales: SEK 2,321.7 million (1,917.6)
- Operating profit: SEK 211.6 million (134.0); operating margin: 9.1 per cent (7.0)
- EBITA: SEK 225.4 million (144.1); EBITA margin: 9.7 per cent (7.5)
- Integration costs for Vectura: SEK 8.5 million
- Profit after tax: 143.9 million (102.2); earnings per share: SEK 1.57 SEK (1.11)
- Net debt: SEK 1,218.6 million (378.7)

Comments from President and CEO Tomas Carlsson:

- Sales were up 21 per cent to SEK 2,321.7 million (1,917.6), due primarily to the acquisition of Vectura. Operating profit totalled SEK 211.6 million (134.0). The profit improvement was driven primarily by more available work hours, the contribution from Vectura and greater order volumes in Finland
- Vectura and Sweco Sweden now work fully integrated in a new joint organisation under the Sweco brand. Synergies and integration costs are developing according to plan
- The market in general is characterised by a cautious start to the year. The markets in Sweden and Finland are unchanged, while the market in Norway is weakening. The market in Central Europe remains weak

Sweco is the Nordic region's leading consultancy for sustainable urban development. Our 9,000 engineers, architects and environmental experts develop value-creating solutions for our clients and for society. Sweco is among the ten largest consulting engineering companies in Europe and annually conducts projects in 80 countries throughout the world. The company has yearly sales of approximately SEK 9 billion and is listed on Nasdaq OMX Stockholm AB.

Sweco is required to disclose the above information under the provisions of the Securities Market Act and/or the Financial Instruments Trading Act. The information was submitted for publication on 7 May 2014 at 07:20 CET.

Profit and Operations

January – March 2014

Net sales increased 21 per cent to SEK 2,321.7 million (1,917.6), due chiefly to the acquisition of Vectura.

Operating profit totalled SEK 211.6 million (134.0). Calendar effects had a positive year-on-year impact of 10 working hours, contributing approximately SEK 43 million to profit improvement. Increased order volumes in Finland and the acquisition of Vectura in Sweden also contributed to the improvement.

The billing ratio for the group was up 1.0 percentage point year-on-year. Finland and Central Europe in particular saw significantly improved order volumes. Order volumes in Norway were essentially unchanged, while volumes in Sweden decreased slightly.

The billing ratio was somewhat lower as compared with the final quarter of 2013. This is due to normal seasonal variations as well as the cautious start to the year.

Amortisation of acquisition-related intangible assets totalled SEK 13.8 million (10.1). Operating profit before amortisation and impairments of acquisition-related intangible assets (EBITA) totalled SEK 225.4 million (144.1).

Integration costs for Vectura totalled SEK 8.5 million and were charged to the Group-wide segment.

Profit was charged with costs for acquisition-related activities totalling SEK 1.5 million (0.1).

Market

The start of the year was cautious and the market in general was unchanged. There are no clear signs of significant improvement.

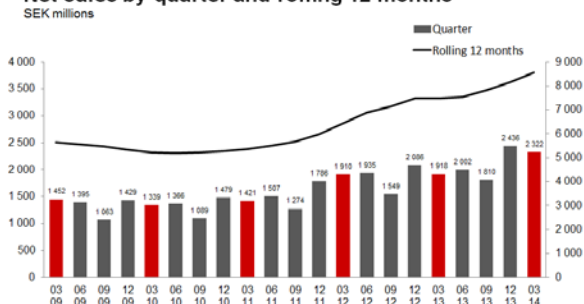
The variations between markets have decreased. Demand remains stable in Sweden. The Norwegian market shows signs of weakening. The market for building-related services remains satisfactory in Finland. Markets in Central Europe remain weak.

Outlook

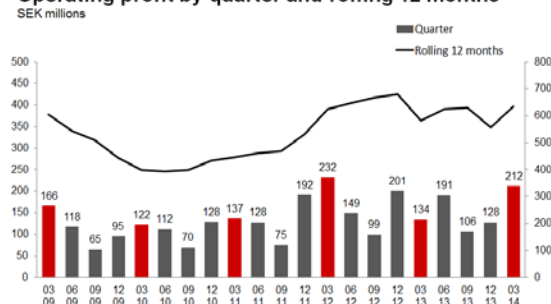
Demand for Sweco's services is stable overall and largely follows the general economic trend in Sweco's submarkets, with some degree of lag.

Key ratios	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 – Mar 2014	Full-year 2013
Net sales, SEK M	2,321.7	1,917.6	8,569.1	8,165.0
<i>Organic growth, %</i>	4	-2		1
<i>Acquisition-driven growth, %</i>	18	4		9
EBITA, SEK M	225.4	144.1	735.2	653.9
<i>Margin, %</i>	9.7	7.5	8.6	8.0
Operating profit (EBIT), SEK M	211.6	134.0	635.9	558.3
<i>Margin, %</i>	9.1	7.0	7.4	6.8
Profit after tax, SEK M	143.9	102.2	421.3	379.6
Earnings per share, SEK	1.57	1.11	4.58	4.11
Billing ratio, %	74.0	73.0	74.4	74.2
Number of normal working hours	494	484	1,977	1,967
Number of employees	8,450	7,550	8,139	7,917

Net sales by quarter and rolling 12 months



Operating profit by quarter and rolling 12 months



Acquisitions and divestments during the first quarter

The acquisition of Tocoman Services OY, with 26 employees, was finalised in Finland. Tocoman specialises in cost and volume calculations.

Alfakonsult AB, with 21 employees, was acquired in Sweden. Alfakonsult is a consultancy in the logistics area.

The divestment of subsidiary Lenvodokanalproekt, with 98 employees, was completed in Russia.

Events after the end of the reporting period

The acquisition of Metro Arkitekter, with 30 employees, was finalised after the end of the reporting period.

The Finnish company Savon Controlteam OY, with 23 employees, was acquired in April.

Operations in the Vectura Traffic Measuring unit, with 22 employees, were sold to Sensebit AB in April. The sale had no impact on profit.

Cash flow and financial position

Group cash flow from operating activities totalled SEK 144.3 million (65.8) during the first quarter.

Interest-bearing net debt totalled SEK 1,218.6 million (378.7). The net debt/equity ratio was 68.1 per cent (22.0) and the net debt/EBITDA ratio was 1.4 times (0.5).

In conjunction with the divestment of Lenvodokanalproekt in Russia, historical translation differences on foreign operations totalling SEK 8.0 million were transferred and charged to Financial Items. This item is not part of operating activities. The transfer has no effect on comprehensive income, equity or cash flow.

Organisation

As of 14 February Sweco Group's executive team is comprised of the CEO, CFO, business area presidents and the heads of group staffs for HR, legal and communication.

Sweco International is a group-wide function as of 1 January 2014 and reports directly to the CEO. The function is headed by Kaj Möller and is responsible for co-ordinating export operations for the entire group.

Acquisition of Vectura

In June 2013 Sweco signed an agreement with the Swedish government to acquire Vectura, which has 1,200 employees. The transaction was finalised on 31 July and Vectura has been consolidated into Sweco since 1 August.

Realised synergies contributed approximately SEK 20 million to profit during the quarter (EBITA). The previous assessment of synergies totalling SEK 70 million for full-year 2014 are therefore expected to be achieved. The assessment remains in place for synergies totalling SEK 90 million as of 2015.

Integration costs totalled SEK 8.5 million during the quarter. Aggregate integration costs total SEK 61.5 million. The previous assessment remains in place for total integration costs of SEK 65 million.

Vectura is fully integrated with Sweco Sweden as of 1 January 2014. The business is run under Sweco's brand and in a new organisation along with corresponding units from Sweco Sweden. Due to the new organisation Vectura's sales cannot be reported separately.

Business Area – Sweco Sweden

January-March results

Sales increased 32 per cent to SEK 1,465.8 million, due primarily to the acquisition of Vectura.

Operating profit totalled SEK 153.0 million (112.1). A calendar effect of +4 hours impacted profit by SEK 8 million.

Market

The market situation is by and large unchanged from the previous quarter. Demand remains strong in the mining sector, and the market for construction and real estate is positive. The market for energy-related services is cautious. Demand within the industry-related sector is weak but showed signs of improvement towards the end of the period.

The National Transport Plan guarantees good medium-term growth for the infrastructure market, while project delays have slowed activity in the short term.

Events and measures

Sweco was named Sweden's fourth most attractive employer among engineering students in Universum's Company Barometer, and the industry leader among consulting engineering companies.

Alfakonsult AB, with 21 employees, was acquired during the quarter. Alfakonsult AB is one of Scandinavia's leading logistics consulting companies.

Sweco signed an agreement to acquire Metro Arkitekter AB, with 30 employees. Metro focuses mainly on infrastructure. The takeover was concluded after the end of the period.

An agreement was signed with Sensebit AB for the sale of the Traffic Measuring unit, with 22 employees. The divestment was concluded in April.

Assignments

Sweco was commissioned by Siemens during the quarter to modernise the Oskarshamn 2 nuclear facility to extend its useful life from 40 to 60 years. Sweco is responsible for measurement technology and project management.

Sweco will analyse prospects for a new locomotive shop for LKAB. The project covers structural and construction engineering, building service systems, fire, tracks and electrical engineering.

Sweco's architects will design a new office park of top international standard in the Chinese city of Jinan. The office park will be comprised of 800,000 sq. metres of offices, hotels and premises.

Sweco has been engaged for planning, inspection and advisory services for the Söderås Line, which will improve the reliability and capacity of the freight line through Skåne.



Net sales and profit	Jan-Mar 2014	Jan-Mar 2013
Net sales, SEK M	1,465.8	1,114.0
Organic growth, %	1	2
Acquisition-driven growth, %	31	0
Operating profit, SEK M	153.0	112.1
Operating margin, %	10.4	10.1
Number of full-time employees	4,608	3,509

About Sweco Sweden

Sweco Sweden is the country's leading consulting engineering company and the Group's largest business area, with close to 5,000 employees in approximately 50 locations. Operations include architecture, structural and construction engineering, building service systems, infrastructure, water and environment, industrial engineering, project management, energy systems, IT for urban development and societal analysis and strategy.

Business Area – Sweco Norway

January-March results

Sweco Norway had sales of SEK 487.4 million (457.0) and operating profit of SEK 54.8 million (27.6).

The operating profit improvement and organic growth were mainly attributable to the greater number of hours worked as a result of Easter falling in the second quarter this year, as opposed to the first quarter in 2013. The year-on-year calendar effect of +40 hours had a positive impact on income and profit of approximately SEK 35 million.

Market

Growth in the Norwegian economy was subdued during the final quarter of 2013. Sweco's house construction and energy submarkets in particular experienced a slowdown, resulting in a year-on-year decrease in the billing ratio during the first quarter of 2014.

The infrastructure market is characterised by large-scale investment plans in roads and railways during the next few years. Several new road projects were started during the quarter and additional projects will be commenced during the year. Meanwhile, following the change of government in Norway, planned projects will be delayed in the short term due to new priorities in the infrastructure plan.

In the energy market, major investments are being made in electricity transmission and distribution, while investments in electricity production continue to decline due to low electricity prices.

Assignments

Sweco Norway's new assignments during the first quarter include a commission to design three bridges on the E6 motorway between Brattåsen and Lien. The project includes a feasibility study for the construction plan.

Sweco will design an upper secondary school with an environmental profile in Voss, and will conduct a concept study to evaluate various alternatives for traversing the Oslo fjord for the Norwegian Road Authority.

Sweco was also made responsible for HVAC and electronics for two 8,000 sq. m. buildings being constructed in the Byfjord office park in Stavanger.



Net sales and profit	Jan-Mar 2014	Jan-Mar 2013
Net sales, SEK M	487.4	457.0
Organic growth, %	14	-6
Acquisition-driven growth, %	0	2
Operating profit, SEK M	54.8	27.6
Operating margin, %	11.2	6.0
Number of full-time employees	1,214	1,182

About Sweco Norway

Sweco is one of Norway's leading engineering consultancies, with more than 1,200 employees. The Norwegian business area offers services primarily in the areas of energy, structural and construction engineering, building service systems, infrastructure, water and environment and industrial engineering.

Business Area – Sweco Finland

January-March results

Sweco Finland's sales increased to SEK 355.5 million (316.4), representing growth of 12 per cent. The growth was mainly organic.

Operating profit improved to SEK 27.0 M (16.3). The increase was chiefly attributable to an improved billing ratio within industrial engineering operations following capacity adjustments. Other operations also reported improved order volumes. There were no calendar effects during the quarter.

Market

The Finnish economy has shifted from a long drawn-out recession to weak growth. A year-on-year improvement in demand for Sweco's services was also seen at the start of the year.

Demand for construction- and property-related services remains satisfactory and essentially unchanged from the previous quarter.

There were more inquiries for industrial consulting services during the quarter, while some concrete investment decisions have been delayed and price competition is fierce. The markets for infrastructure, energy and environment/water services remain challenging.

Events and measures

Savon Controlteam Oy, with 23 employees, was acquired after the end of the period. The company specialises in consulting services for the finishing and renovation of existing buildings.

Approximately 20 employees were temporarily laid off during the first quarter. This represents a reduction of 15 employees as compared to the previous quarter.

Assignments

Assignments won by Sweco during the first quarter include responsibility for the preliminary design of the Balthasar project, an area of approximately 25,000 sq. m. in Lauttasaari, outside Helsinki. The project includes the construction of four new residential properties and an underground garage.

In Helsinki, an old office building is being rebuilt as a completely new, 37,000 sq. m. hotel. Sweco is responsible for site supervision, HVAC planning and structural and construction engineering.



Net sales and profit	Jan-Mar 2014	Jan-Mar 2013
Net sales, SEK M	355.5	316.4
Organic growth, %	7	0
Acquisition-driven growth, %	2	24
Operating profit, SEK M	27.0	16.3
Operating margin, %	7.6	5.1
Number of full-time employees	1,804	1,826

About Sweco Finland

Sweco Finland is one of the country's largest consulting engineering companies, with around 1,900 employees. The business area chiefly provides services focused on structural and construction engineering, building service systems, energy, environment, industrial engineering and project management.

Business Area – Sweco Central Europe

January-March results

Sales for Sweco Central Europe fell to SEK 57.9 million (70.4). The decrease was mainly due to the restructuring of the Russian and Polish operations and the sale of the Russian operation.

Operating profit totalled SEK 0.2 million (-6.8), with the improvement primarily attributable to Poland and Russia.

Market

The Central European market is still impacted by the effects of the 2008 financial crisis. Investment levels are very low in most of the countries in the business area and, accordingly, demand for Sweco's services is weak. Demand is decreasing in Estonia and Russia, and the geopolitical conflict in Ukraine is creating additional uncertainty.

Despite this, there are early signs of improved demand in the Czech Republic, Poland and Lithuania, Sweco's largest markets in the region. Preparations have also commenced for projects financed by the EU's structural funds for 2014-2020, although the tendering processes for these projects are not expected to begin on a large scale before the end of the year.

Events and measures

The Russian subsidiary Sweco Lenvodokanal-proekt, with 98 employees and 2013 annual sales of SEK 26.4 million, was sold in January.

Measures are proceeding in Poland to further optimise operations and reduce administrative costs.

Assignments

In the Czech Republic, Sweco has begun work on the extensive modernisation project of the waste water treatment plant in Prague.



Net sales and profit	Jan-Mar 2014	Jan-Mar 2013
Net sales, SEK M	57.9	70.4
Organic growth, %	-8	-24
Acquisition-driven growth, %	-8	0
Operating profit, SEK M	0.2	-6.8
Operating margin, %	0.4	-9.7
Number of full-time employees	807	1,017

About Sweco Central Europe

Sweco Central Europe has approximately 800 employees and operates in Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Russia and Bulgaria.

Other information

Investments, January-March 2014

Investments in equipment totalled SEK 20.0 million (21.6) and were primarily attributable to computers and other IT investments. Depreciation of equipment totalled SEK 32.7 million (24.8) and amortisation of intangible assets totalled SEK 14.2 million (12.3).

Purchase consideration paid to acquire companies totalled SEK 46.1 million (19.7) and had an impact of SEK -36.1 million (-8.9) on Group cash and cash equivalents.

Purchase consideration for divestment companies totalled SEK 24.3 million (-) and had a positive impact of SEK 22.0 million (-) on Group cash and cash equivalents.

Dividends totalling SEK 295.8 million (296.2) were distributed to Sweco AB shareholders after the end of the reporting period.

Parent Company, January-March 2014

Parent Company net sales totalled SEK 79.3 million (59.9) and were attributable to intra-group services. The Parent Company posted a loss after net financial items of SEK 14.1 million (loss: 7.7). Investments in equipment totalled SEK 4.0 million (3.8) and cash and cash equivalents at the end of the period totalled SEK 0.0 million (46.0).

The Sweco share

Sweco is listed on NASDAQ OMX Stockholm. The share price of the Sweco B share was SEK 108.25 at the end of the period, a 2 per cent year-on-year increase. The OMX Stockholm General Index rose by 2 per cent over the same period.

In accordance with the request of the shareholders, 4,200 A shares were converted into B shares as stipulated by the conversion provision in Sweco's Articles of Association.

Sweco repurchased 88,083 shares during the year for a total of SEK 9.2 million, corresponding to SEK 104.51 per share. Sweco thus holds 492,048 B shares as of 31 March.

The total number of shares at the end of the period was 91,516,847: 9,368,164 A shares and 82,148,683 B shares. After the allowance for Treasury shares, the total number of outstanding shares at year-end was 91,024,799: 9,368,164 A shares and 81,656,635 B shares.

Resolutions at the 2014 Annual General Meeting

Share savings programme 2014 – Pursuant to the Board's proposal, the 2014 AGM resolved to introduce a long-term share savings scheme for up to 80 senior executives and other key people in the Sweco Group.

Share bonus programme 2014 – Pursuant to the Board's proposal, the 2014 AGM resolved to introduce a share bonus programme geared toward employees in Sweden. The share bonus programme will replace the current cash bonus programme for employees in Sweden.

Harmonisation of billing ratio as key ratio

During the quarter, the definition of "billing ratio" was harmonised throughout the Group. Consequently, the billing ratio will be nominally higher than in the past. The comparative figures in this report are stated in accordance with the new, harmonised definition.

Accounting principles

Sweco complies with the International Financial Reporting Standards (IFRS) and interpretive statements from the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU. This interim report was prepared in accordance with IAS 34, Interim Reporting; the Swedish Annual Accounts Act; and the Swedish Financial Reporting Board's RFR 2, Reporting for Legal Entities. As of 1 January 2014, Sweco applies IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities.

The accounting-related amendment is that the Group's joint venture, Sweco Soyuz Engineering, applies the equity method since the formerly applied proportional method is no longer a valid accounting option. Accordingly, the comparative periods have been adjusted by transferring the company's earnings of SEK 1.9 million for the full-year and SEK 1.0 million for the quarter to Net Financial Items, and transferring the company's net assets of SEK 4.1 million for the full-year and SEK 3.3 million for the quarter to Financial Assets. The Group's comprehensive income and equity were thus not affected by the amended accounting principles. Cash flow was adjusted marginally.

In all other respects, the Group applied the same accounting and valuation principles as those described in Note 1 of the 2013 annual report. In this interim report, amounts in brackets refer to the corresponding period of the previous year.

Other information

Risks and uncertainties

Significant risks and uncertainties affecting the Sweco Group and the Parent Company include business risks associated with the general economic trend and investment spending in various markets, the capacity to attract and retain skilled personnel and the effects of political decisions. The Group is also exposed to various types of financial risks, such as foreign currency, interest rate and credit risks. No significant risks are deemed to have arisen apart from the risks detailed in Sweco's 2013 annual report (page 82, Risk Management).

Normal working hours

The number of normal working hours in 2014, based on the 12-month volume-weighted business mix as of Q3 2013 (pro forma acquisitions) is broken down as follows:

Quarter 1:	494 (484)	+10
Quarter 2:	461 (477)	-16
Quarter 3:	525 (523)	+2
Quarter 4:	483 (483)	0
Total 2014:	1,963 (1,967)	-4

Financial calendar 2014

Interim report January-June	18 July 2014
Interim report January-September	23 October 2014
Year-end report 2014	12 February 2015

Stockholm, 7 May 2014

Tomas Carlsson
President and CEO

This report has not been audited.

For further information, please contact:

Tomas Carlsson, President and CEO
Phone: +46 8 695 66 60 / +46 70 552 92 75
tomas.carlsson@sweco.se

Jonas Dahlberg, CFO
Phone: +46 8 695 63 32 / +46 70 347 23 83
jonas.dahlberg@sweco.se

Bo Jansson, Senior Vice President, Head of IR
Phone: +46 8 695 66 06 / +46 73 412 66 06
bo.jansson@sweco.se

SWECO AB (publ) Corp. Reg. No. 556542-9841
Gjörwellsgatan 22, PO box 34044
SE-100 26 Stockholm, Sweden
Phone: +46 8 695 60 00, Fax +46 8 695 66 10
E-mail: info@sweco.se www.swecogroup.com

Key ratios

Key ratios ¹⁾	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 - Mar 2014	Full-year 2013
Profitability				
EBITA margin, %	9.7	7.5	8.6	8.0
Operating margin (EBIT), %	9.1	7.0	7.4	6.8
Profit margin, %	8.2	7.0	6.8	6.4
Revenue growth				
Organic growth, %	4	-2		1
Acquisition-driven growth, %	18	4		9
Currency effects, %	-1	-1		-1
Total growth, %	21	1		9
Operational key ratios				
Billing ratio, %	74.0	73.0	74.4	74.2
Normal working hours	494	484	1,977	1,967
Average number of full-time employees	8,450	7,550	8,139	7,917
Debt				
Net debt, SEK M	1,218.6	378.7		1,323.6
Interest-bearing debt, SEK M	1,403.6	703.5		1,642.3
Financial strength				
Net debt/Equity, %	68.1	22.0		81.1
Net debt/EBITDA, x	1.4	0.5		1.7
Equity/Assets ratio, %	29.0	34.9		27.2
Available cash and cash equivalents, SEK M ²⁾	1,128.5	918.9		1,022.5
Return				
Return on equity, %	24.1	25.3		22.9
Return on capital employed, %	22.7	25.1		19.7
Share data				
Earnings per share, SEK	1.57	1.11	4.58	4.11
Equity per share, attributable to the shareholders of the parent company, SEK M	19.48	18.61		17.75
Number of outstanding shares end of period	91,024,799	91,135,382		91,112,882
Number of class B treasury shares	492,048	381,465		403,965

¹⁾ Key ratio definitions can be found on Sweco's website and in Sweco's 2013 annual report.

²⁾ Including unutilised credit.

Consolidated Income Statement and Comprehensive Income

Income statement SEK M	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 – Mar 2014	Full-year 2013
Net sales	2,321.7	1,917.6	8,569.1	8,165.0
Other operating income	0.4	-	1.9	1.5
Other external expenses	-504.7	-417.7	-2,031.2	-1,944.2
Personnel costs	-1,557.0	-1,328.4	-5,661.9	-5,433.3
EBITDA	260.4	171.5	877.9	789.0
Amortisation/depreciation and impairments	-35.0	-27.4	-142.7	-135.1
EBITA	225.4	144.1	735.2	653.9
Amortisation and impairment of acquisition-related intangible assets	-13.8	-10.1	-99.3	-95.6
Operating profit (EBIT)	211.6	134.0	635.9	558.3
Net financial items	-20.8	0.0	-52.8	-32.0
Profit before tax	190.8	134.0	583.1	526.3
Income tax	-46.9	-31.8	-161.8	-146.7
PROFIT FOR THE PERIOD	143.9	102.2	421.3	379.6
Attributable to:				
Parent company shareholders, SEK M	143.3	101.0	417.2	374.9
Non-controlling interests, SEK M	0.6	1.2	4.1	4.7
Earnings per share attributable to parent company shareholders, SEK	1.57	1.11	4.58	4.11
Average number of shares before and after dilution	91,046,054	91,135,382	91,111,175	91,133,507
Dividend per share, SEK	-	-	-	3.25
Consolidated income statement and other comprehensive income, SEK M				
	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 – Mar 2014	Full-year 2013
Profit for the period	143.9	102.2	421.3	379.6
Items that will not be reversed in the income statement				
Revaluation of defined benefit pension, net after tax ¹⁾	-	-	-53.0	-53.0
Items that may subsequently be reversed in the income statement				
Translation differences	12.5	-50.8	24.6	-38.7
Translation differences transferred to profit for the year	8.0	-	8.0	-
COMPREHENSIVE INCOME FOR THE PERIOD	164.4	51.4	400.9	287.9
Profit for the period attributable to:				
Parent company shareholders, SEK M	163.9	50.9	395.4	282.4
Non-controlling interests, SEK M	0.5	0.5	5.5	5.5
¹⁾ Tax on revaluation of defined benefit pensions, SEK M	-	-	18.8	18.8

Statements of Consolidated Cash Flow, Balance Sheet and Changes in Equity

Cash flow statement SEK M	Jan-Mar 2014	Jan-Mar 2013	Apr 2013 – Mar 2014	Full-year 2013
Cash flow from operating activities before changes in working capital and tax paid	248.6	156.1	832.8	740.3
Tax paid	-116.2	-71.8	-271.5	-227.1
Changes in working capital	11.9	-18.5	13.1	-17.3
Cash flow from operating activities	144.3	65.8	574.4	495.9
Cash flow from investing activities	-34.2	-30.3	-1,001.5	-997.6
Cash flow from financing activities	-253.1	-51.1	270.0	472.0
CASH FLOW FOR THE PERIOD	-143.0	-15.6	-157.1	-29.7

Balance sheet SEK M	2014-03-31	2013-03-31	2013-12-31
Goodwill	2,115.8	1,384.2	2,088.4
Other intangible assets	147.8	131.1	150.6
Property, plant and equipment	388.4	282.7	394.7
Financial assets	56.8	43.0	55.9
Current assets excl. cash and cash equivalents	3,284.4	2,757.0	2,994.5
Cash and cash equivalents excl. short-term investments	185.0	324.8	318.7
TOTAL ASSETS	6,178.2	4,922.8	6,002.8
Equity attributable to parent company shareholders	1,773.1	1,696.1	1,617.5
Non-controlling interests	15.6	22.3	15.1
Total equity	1,788.7	1,718.4	1,632.6
Non-current liabilities	1,528.2	808.2	1,638.4
Current liabilities	2,861.3	2,396.2	2,731.8
TOTAL EQUITY AND LIABILITIES	6,178.2	4,922.8	6,002.8
Pledged assets	-	1.8	-
Contingent liabilities	197.5	180.7	188.9

Changes in equity SEK M	Jan–Mar 2014			Jan–Mar 2013		
	Equity attributable to parent company shareholders	Non-controlling interests	Total equity	Equity attributable to parent company shareholders	Non-controlling interests	Total equity
Equity, opening balance	1,617.5	15.1	1,632.6	1,651.7	22.3	1,674.0
Comprehensive income for the period	163.9	0.5	164.4	50.9	0.5	51.4
Transfer to shareholders	-	-0.1	-0.1	-	-0.5	-0.5
Divestment of non-controlling interests	-	0.1	0.1	-	-	-
Buy-back of treasury shares	-9.2	-	-9.2	-7.1	-	-7.1
Share savings schemes	0.9	-	0.9	0.6	-	0.6
EQUITY, CLOSING BALANCE	1,773.1	15.6	1,788.7	1,696.1	22.3	1,718.4

Acquisitions, divestment and Fair Value of Financial Instruments

Acquisition of subsidiaries and operations

During the period, Sweco acquired Tocoman Services Oy and Alfakonsult AB. The acquired businesses have an aggregated total of 47 employees. Purchase consideration paid totalled SEK 46.1 million and had a negative impact of SEK 36.1 million on Group cash and cash equivalents. The acquisitions impacted the consolidated balance sheet as detailed in the table below. During the period the acquired companies contributed SEK 10.4 million in sales and SEK 1.3 million in operating profit (EBIT). If all of the companies had been owned as of 1 January 2014 they would have contributed approximately SEK 17 million in sales and about SEK 2 million in operating profit. Transaction costs for the acquisitions are recognised in operating profit and totalled SEK 0.6 million. Aggregated transaction costs for these acquisitions during this and previous periods total SEK 0.6 million.

Acquisitions, SEK M	
Intangible assets	43.7
Property, plant and equipment	0.7
Current assets	17.1
Deferred tax	-1.9
Other current liabilities	-13.5
Total purchase consideration	46.1
Outstanding purchase price commitments	-4.4
Purchase price paid for acquisitions in previous years	1.8
Cash and cash equivalents in acquired companies	-7.4
DECREASE ON GROUP CASH AND CASH EQUIVALENTS	36.1

Divestment of subsidiaries and operations

During the period Sweco sold Sweco Lenvodokanalproekt, which has 98 employees, and UAB FMC Probal, which has 13 employees. The companies contributed SEK 0.3 million in sales and an operating loss of SEK 0.1 million. The sales generated capital gains of SEK 0.4 million and had a positive impact on the Group's cash and cash equivalents of SEK 22.0 million. The divestment impacted the consolidated balance sheet as detailed in the table below.

Divestments, SEK M	
Intangible assets	14.7
Property, plant and equipment	0.3
Current assets	18.9
Other current liabilities	-10.1
Non-controlling interests	0.1
Capital gain recognised on divestiture	0.4
Total purchase consideration	24.3
Cash and cash equivalents in acquired companies	-2.3
INCREASE ON GROUP CASH AND CASH EQUIVALENTS	22.0

Fair value of financial instruments

The Group's financial assets measured at fair value totalled SEK 12.4 million (17.3). The derivative instruments are forward currency contracts, the fair values of which are determined based on listed prices for forward currency contracts on the balance sheet date (Level 2). The fair value of unlisted financial assets is determined through market valuation techniques (observable market inputs) such as recent transactions, listed prices of similar instruments and discounted cash flows. In the event that no reliable inputs are available for determining fair value, financial assets are reported at acquisition value (Level 3). There were no transfers between levels during the period.

Quarterly and Full-year Review per BA

Quarterly summary	2014 Q1	2013 Q4 ¹⁾	2013 Q3 ¹⁾	2013 Q2 ¹⁾	2013 Q1 ¹⁾	2012 Q4 ¹⁾	2012 Q3 ¹⁾	2012 Q2 ¹⁾	2012 Q1 ¹⁾
Net sales, SEK M									
Sweco Sweden	1,465.8	1,537.8	1,103.0	1,139.1	1,114.0	1,191.9	866.4	1,071.6	1,090.2
Sweco Norway	487.4	486.6	377.6	493.3	457.0	466.0	356.2	448.7	482.3
Sweco Finland	355.5	346.2	293.1	336.6	316.4	344.8	282.9	357.5	263.9
Sweco Central Europe	57.9	91.6	71.4	68.0	70.4	113.4	68.4	95.3	98.9
Group-wide, eliminations, etc.	-44.9	-26.2	-35.4	-35.3	-40.2	-30.2	-25.0	-37.8	-25.7
TOTAL GROUP	2,321.7	2,436.0	1,809.7	2,001.7	1,917.6	2,085.9	1,548.9	1,935.3	1,909.6
Operating profit, SEK M									
Sweco Sweden	153.0	172.8	79.1	132.0	112.1	144.0	51.7	101.5	147.6
Sweco Norway	54.8	60.6	34.9	64.0	27.6	97.5	29.8	24.1	71.7
Sweco Finland	27.0	9.2	26.1	17.9	16.3	25.3	36.8	40.5	33.6
Sweco Central Europe	0.2	-1.9	-5.9	1.5	-6.8	-1.1	-6.1	0.3	2.2
Group-wide, eliminations, etc.	-9.6	-49.6	-16.0	-14.9	-5.1	-24.2	-1.1	-5.6	-12.4
EBITA	225.4	191.1	118.2	200.5	144.1	241.5	111.1	160.8	242.7
Acquisition-related amorti- sation/depreciation and impairments	-13.8	-63.4	-12.2	-9.9	-10.1	-41.1	-11.7	-11.9	-10.7
TOTAL GROUP (EBIT)	211.6	127.7	106.0	190.6	134.0	200.4	99.4	148.9	232.0
Operating margin, %									
Sweco Sweden	10.4	11.2	7.2	11.6	10.1	12.1	6.0	9.5	13.5
Sweco Norway	11.2	12.4	9.2	13.0	6.0	20.9	8.4	5.4	14.9
Sweco Finland	7.6	2.7	8.9	5.4	5.1	7.4	13.0	11.3	12.7
Sweco Central Europe	0.4	-2.0	-8.2	2.2	-9.7	-1.0	-8.9	0.3	2.3
EBITA	9.7	7.8	6.5	10.0	7.5	11.6	7.2	8.3	12.7
Acquisition-related amorti- sation/depreciation and impairments	-0.6	-2.6	-0.7	-0.5	-0.5	-2.0	-0.8	-0.6	-0.6
TOTAL GROUP (EBIT)	9.1	5.2	5.9	9.5	7.0	9.6	6.4	7.7	12.1

¹⁾ All quarters in 2012 and 2013 have been restated due to changed accounting principles.

January-March	Net sales SEK M		Operating profit SEK M		Operating margin %		Number of full-time employees	
	2014	2013	2014	2013	2014	2013	2014	2013
Sweco Sweden	1,465.8	1,114.0	153.0	112.1	10.4	10.1	4,608	3,509
Sweco Norway	487.4	457.0	54.8	27.6	11.2	6.0	1,214	1,182
Sweco Finland	355.5	316.4	27.0	16.3	7.6	5.1	1,804	1,826
Sweco Central Europe	57.9	70.4	0.2	-6.8	0.4	-9.7	807	1,017
Group-wide, eliminations, etc. ¹⁾	-44.9	-40.2	-9.6	-5.1	-	-	17	16
Acquisition-related amorti- sation/depreciation and impair- ments	-	-	-13.8	-10.1	-	-	-	-
TOTAL GROUP	2,321.7	1,917.6	211.6	134.0	9.1	7.0	8,450	7,550

¹⁾ Operating profit for Group-wide is chiefly comprised of the Parent Company loss of SEK -4.7 million (-6.6) and integration costs associated with the Vectura acquisition of SEK -8.5 million (-).

Parent Company Income Statement and Balance Sheet

Parent Company income statement, SEK M	Jan-Mar 2014	Jan-Mar 2013	Full-year 2013
Net sales	79.3	59.9	271.4
Operating expenses	-84.0	-66.5	-301.0
Operating loss	-4.7	-6.6	-29.6
Net financial items	-9.4	-1.1	493.8
Profit/loss after net financial items	-14.1	-7.7	464.2
Appropriations	-	-	86.7
Profit/loss before tax	-14.1	-7.7	550.9
Tax	-	-	-74.0
PROFIT/LOSS AFTER TAX	-14.1	-7.7	476.9

Parent Company balance sheet, SEK M	Jan-Mar 2014	Full-year 2013
Intangible assets	4.8	5.2
Property, plant and equipment	29.6	28.9
Financial assets	2,030.9	2,031.3
Current assets	667.9	1,624.9
TOTAL ASSETS	2,733.2	3,690.3
Equity	1,422.2	1,445.0
Untaxed reserves	1.3	1.3
Non-current liabilities	1,219.0	1,320.9
Current liabilities	90.7	923.1
TOTAL EQUITY AND LIABILITIES	2,733.2	3,690.3