



# SWECO ANNUAL REVIEW 2010



## SWECO IN BRIEF

Sweco's engineers, architects and environmental experts are working together to develop total solutions that cover sustainable engineering and design. We make it possible for our clients to carry out their projects not only with the most favorable possible conditions for sustainable development. Sweco delivers qualified consulting services with a high knowledge of feasibility studies, analyses and strategic planning to engineering, design and project management. With around 10,000 clients. Sweco has a local presence in 11 countries and conducts project exports to some 80 countries.

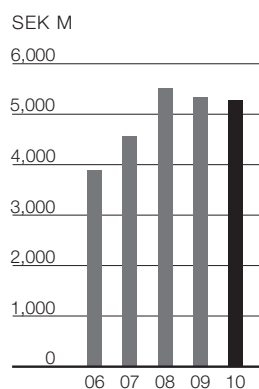
- Net sales of SEK 5,272.4 million (5,338.7).
- Operating profit of SEK 432.7 million (443.6).
- Operating margin of 8.2 per cent (8.3).
- Profit before tax of SEK 423.7 million (443.6).
- Strong financial position with a net receivable of SEK 240.1 million (418.5). Strong cash flow from operating activities of SEK 341.8 million (529.7).
- Profit after tax of SEK 299.9 million (294.6) and earnings per share of SEK 3.31 (3.31).
- The Board proposes a dividend of SEK 3.00 per share.

### PROFIT AND KEY RATIOS, GROUP

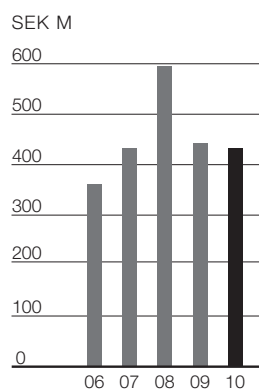
	2010	2009
Net sales, SEK M	5,272.4	5,338.7
Operating profit, SEK M	432.7	443.6
Profit before tax, SEK M	423.7	443.6
Operating margin, %	8.2	8.3
Billing ratio, %	73.4	73.6
Return on equity, %	19.9	19.6
Return on capital employed, %	26.5	27.5
Net debt/equity, %	-16.8	-26.2
Equity/assets ratio, %	47.8	50.6
Earnings per share, SEK	3.31	3.31
Equity per share, SEK	15.61	17.82
Distribution to the shareholders, per share, SEK	3.00 <sup>1)</sup>	4.00
Average number of employees	4,986	5,082

1) Proposed dividend of SEK 3.00 per share.

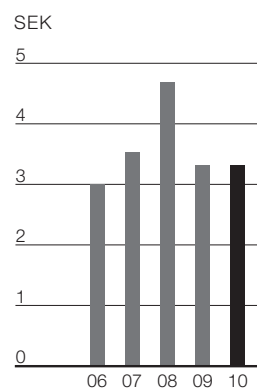
#### CONSOLIDATED NET SALES IN 2010



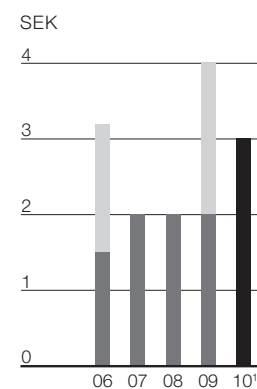
#### CONSOLIDATED OPERATING PROFIT IN 2010



#### EARNINGS PER SHARE IN 2010



#### DIVIDEND PER SHARE IN 2010



■ Share redemption  
1) Proposed dividend of SEK 3.00 per share.

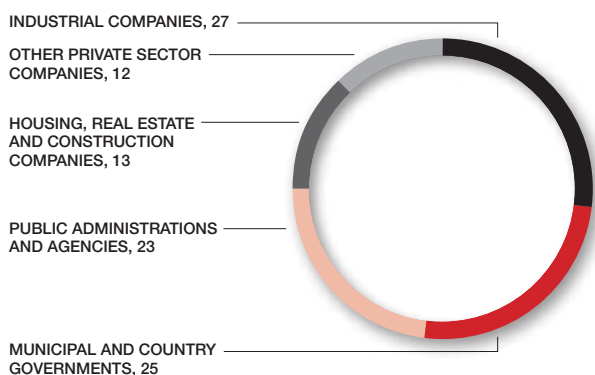
contribute to the creation of a sustainable society. We call for high quality and good economy but also with the best edge content throughout the client's project chain, from 5,400 employees, Sweco is among the largest players. Sweco carried out close to 30,000 projects for around 10,000 clients worldwide.

# #30,000

Every year Sweco carries out close to 30,000 projects for around 10,000 clients.

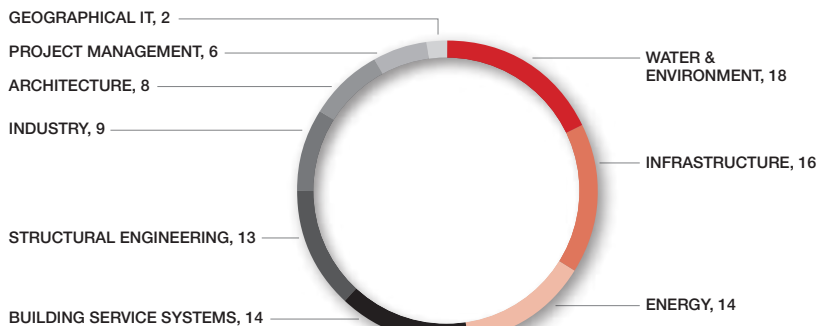
## CLIENTS

Sales by client category in 2010, %



## SERVICES

Share of group sales in 2010, %



Sweco has a client-driven organisation with offices at more than 100 locations. The Group's decentralised and result-oriented business model means that all energy can be focused on the business and work in the client projects. Of Sweco's total of 5,400 employees, around 4,400 are based in the Nordic region and close to 1,000 in Central and Eastern Europe. Since undertaking its first international assignment in Russia in 1903, Sweco has carried out projects in more than 100 different countries. Sweco has subsidiaries and offices in Sweden, Norway, Finland, Denmark, Russia, Estonia, Lithuania, the Czech Republic, Slovakia, Bulgaria and Poland.



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For complete information, download Sweco's annual report from [www.swecogroup.com](http://www.swecogroup.com)

## **FINANCIAL CALENDAR**

5 May 2011	Interim report January–March 2011
19 July 2011	Interim report January–June 2011
2 November 2011	Interim report January–September 2011
14 February 2012	Year-end report 2011

## **GREEN NEWS**

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### **COVER PHOTOS:**

Feasibility study for Innovationsplatsen, Karolinska University Hospital Huddinge. Illustration: August Wiklund and Fredrik Nordh.  
View of infrastructure at Stockholm Central Station. Photo: Måns Berg  
2010 World Expo in Shanghai. Photo: August Wiklund  
Caofedian, urban planning of eco-city in China. Illustration: Petter Appelfeldt

# ***SWECO'S BUSINESS MODEL IS TO CREATE VALUE THROUGH THE DELIVERY OF PROFESSIONAL CONSULTING SERVICES***

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## ***Value for SOCIETY***

The engineers, architects and environmental experts at Sweco are working together to contribute to an environmentally, economically and socially sustainable society. The tangible results of our work are cleaner air and purer water, attractive and functional living and working environments, more effective distribution and use of energy, roads and bridges that increase traffic safety and shorten travelling time and industries that are more efficient, profitable and environmentally sound.

## ***Value for our CLIENTS***

We help our clients to realise their ambitions by delivering professional consulting engineering services. With our skills and knowledge, we enable our clients to carry out their projects with the highest standards of quality and economy. By promoting greater integration between urban planners, infrastructure engineers, architects, structural engineers, industrial and energy consultants and environmental experts, we create the conditions for client projects that contribute to sustainable development of society.

## ***Value for our SHAREHOLDERS***

We create value for our shareholders by conducting growing and profitable operations in areas of vital importance to society in both mature and emerging markets. We generate profitable growth both organically and through acquisitions.

## BRIGHTER TIMES AHEAD

2010 was a year when general economic development was in line with our expectations. The global economy rebounded and growth was seen in all of our home markets, with Sweden at the fore.

Although overall economic development was positive during the year, 2010 was something of an off year for Sweco. Weak market development in the spring led to a low order intake and a drop in sales. The consulting engineering market is late in the business cycle and when the recession hit with full force, it took close to six months before we were affected. By the same token, our own recovery is lagging somewhat behind the rest of the economy.

A more hospitable market climate was noted after the summer, when our building-related operations in the Nordic region increased their order backlogs and a higher level of activity was seen in Central and Eastern Europe. However, the market for our units in Finland remains tough.

And while the year got off to a sluggish start, the pace of improvement since then has been slow but steady and both sales and operating margin strengthened towards the end of the year. Our Swedish operations delivered impressive performance with an operating margin of close to 11 per cent. In Norway we achieved sustained growth and an operating margin of 10 per cent despite the fact that earnings were charged with project write-downs of approximately SEK 20 million. Sweco Russia reported substantial growth in earnings and Industry turned around its earlier loss to an operating profit.

Consolidated operating profit amounted to SEK 433 million, equal to an operating margin of 8.2 per cent, which is not quite on par with the previous year but fully acceptable under the prevailing market conditions. Compared to 2009, profit was weighed down by higher costs for branding activities and acquisition-related costs of around SEK 26 million.

Although our profit has not risen from the year-earlier level, we were able to create strong value for our shareholders. The price of Sweco's class B share at the end of 2010 was SEK 58.25, up by 13 per cent during the year. Together with the dividend, this is equal to a total return of 17 per cent. Total annual return over the past 10-year period has averaged at 26 per cent, compared to 6 per cent for NASDAQ OMX Stockholm. For 2010 the Board proposes a dividend of SEK 3 per share.

Despite a partly weak market situation, we won many new contracts and clients during the year. For example, our Czech and Polish consultants were awarded sizeable contracts in connection with renovation of dams and development of flood protection systems along the Neisse River. In Lithuania we have been chosen to plan a whole new passenger and cargo terminal at the Port of Klaipeda. In connection with the 2010 World Expo in Shanghai, Sweco was responsible for designing the Swedish pavilion. Sweco in Norway took part in a large-scale evaluation of future high-speed rail transit and our Swedish consultants are carrying out a major project to map landslide risks in Gothenburg as part of an initiative to adapt the city for climate changes.

Population growth, urbanisation and a rising standard of living are fuelling demand for infrastructure, energy production, raw materials, industrial production and construction. But at the same time, it is increasingly urgent to strive for development that is sustainable.

Environmental impact assessments, energy optimisation, transport solutions, water supply, wastewater treatment and waste management are all areas of everyday activity for our consulting engineers.

Sweco is well poised for the future. We have leading positions in Sweden, Norway and Finland and strong niche positions in a number of Eastern European countries. In 2010 we established a new home market in Poland through the acquisition of two companies that are active in the water/environment and infrastructure areas. In Sweden we acquired Aros Arkitekter, after which we now have close to 500 architects and are among of the largest architectural companies in Europe.

Sweco's home markets in the Nordic region and Eastern Europe have generally stronger GDP growth, higher rates of investment and better government finances than the European average, which is creating favourable conditions for development.

In the past year we took further steps to address our strategic challenges. With the help of our employee survey Sweco Barometer, we have identified areas for improvement in our ongoing employee development. It is satisfying that we have succeeded in raising our Barometer index. We have also launched Sweco's first group-wide leadership development program – Next Generation – in which young managers from our various business areas take part. In order to develop and optimise our IT platforms, we have reinforced the organisation with a Chief Information Officer (CIO). The prioritised areas during the year were group-wide systems and IT integration.

We are taking measures to strengthen Sweco's brand and during 2010 invested considerable sums in brand building campaigns in Sweden, Norway, Finland and Lithuania. The campaigns have attracted widespread attention and strengthened our position as one of the most attractive employers among working professionals and recent graduates in the engineering area.

The economic outlook has gradually brightened during the year and although the global economy is struggling with a number of challenges such as escalating government debt, global imbalances and restructuring of the financial system, the upward trend is clear. Global growth potential and strong balance sheets are giving companies favourable prospects for the future. The Nordic economies have been surprisingly resilient, with rapid growth in the Swedish economy and more moderate growth rates in the other Nordic countries.

We therefore expect 2011 to be a year of growth and increased profitability. The market outlook is positive in all of our service segments, although starting from different baseline levels. In spite of an improved market situation, our units in Finland and the Baltic countries face a tough year ahead. Consolidation of the industry is continuing and a number of major acquisitions were carried out in 2010. We anticipate additional structural transactions during 2011 and have both an interest in and the capacity to take part in this process.

Stockholm, February 2011



Mats Wäpling  
President and CEO





## **ONGOING RECOVERY – STRONG DRIVERS FOR THE FUTURE**

**In the near term the market is continuing to recover – in a longer perspective there are powerful structural drivers for sustained growth.**

### **Near-term recovery**

The consulting engineering market is late in the business cycle. When the financial crisis reached its peak, it took close to six months before the full impact on Sweco's activity levels was visible. By the same token, the pace of recovery has lagged somewhat behind that for the economy in general. However, in late autumn it became clear that demand was on the rise in the majority of Sweco's markets.

When the economy picks up, this increases the need for new investments across most of Sweco's market segments. Industrial and energy production increase, the real estate market strengthens and the financing opportunities for public infrastructure projects improve.

### **Structural factors driving long-term demand**

In a long-term perspective, there are powerful structural drivers that are boosting demand for consulting engineering services. These are related to urbanisation and rising living standards, which are contributing to a need for infrastructure, industrial production, energy production and construction, etc. At the same time, there are increasing requirements for sustainable development of society and adaptation to climate change. This is stimulating demand for services in areas like energy efficiency, environmental impact

assessments, renewable energy solutions, effective traffic planning, water supply, wastewater treatment and soil/site remediation.

The pace of urbanisation is accelerating around the world and today around half of all people on earth live in cities. By 2030 this figure is expected to reach two thirds.

In several parts of Europe there is an urgent need for renewal of infrastructure such as power supply systems, roads, railways, harbours and water/wastewater networks. At the same time that whole new systems and facilities are necessary in many areas, extensive upgrading of the existing infrastructure is also required. This applies not least to power production and transmission, which in many European countries is outdated and in need of modernisation. Parallel to this, the existing climate targets call for radical restructuring of the global power generation system to reduce emissions of greenhouse gases to sustainable long-term levels.

Another driver for market growth is an increasing trend towards outsourcing of technical expertise to specialised consulting companies by both private and public sector companies.

### **Sweco is well positioned**

Sweco is one of the largest players in Europe, with market-leading positions in the Nordic region and strong niche positions in several Eastern European countries.

At present, Sweco's home markets in the Nordic region and Eastern Europe have stronger GDP growth, higher rates of invest-

### **FLOOD PROTECTION IN POLAND**

Through the past year's acquisition of two companies in Poland, Hydroprojekt Kraków, specialised in hydraulic engineering and water resource management, and Transprojekt Kraków, with expertise in road and bridge engineering, Sweco positioned itself in a country with one of Europe's fastest-growing economies. Already in October, a close collaboration was initiated between the two companies in assignments for the Polish National Water Management Authority worth a total of around SEK 40 million. The contracts include services for renovation of a dam and reservoir and the development of a flood protection system for the hard-hit area Nysa Klodzka river basin.





ment and healthier state finances than the European average, which is creating favourable conditions for continued positive development.

Sweco has a strong brand among its clients and is regarded as an attractive employer in the labour market. A level of profitability and financial strength at the absolute top of the industry give Sweco scope to grow faster than the market average, both organically and through acquisitions.

#### **A fragmented industry**

The consulting engineering industry remains fragmented compared to other professional service industries like auditing and IT. At the Nordic level, no engineering consultancy has a market share of more than 10 per cent and at the European level there is none with a leading position in several countries.

#### **Significant scale economies**

Clients have increasingly high requirements on breadth and cutting-edge expertise and there is a rising demand for consultants capable of providing full-service solutions and coordinating multiple disciplines. This offers significant advantages for large consulting engineering companies.

At the same time, the rising rate of globalisation is creating opportunities for sourcing of planning and design services from low-cost countries, which many clients have started to show an interest in.

Industrial clients in particular are seeking consultants with high international delivery capacity.

Competition for the best employees is also intensifying. The ability to offer the most exciting technical challenges and the best career opportunities in an international environment are valuable competitive advantages in this context.

There are also considerable economies of scale in brand building, administration and the delivery process.

#### **Increasing consolidation**

The industry's scale economies are acting as strong drivers for consolidation. A series of large and cross-border corporate transactions in the past few years have given rise to multinational consulting engineering groups that have continued growth ambitions at the European and international level. Sweco is one of the companies that are actively participating in the consolidation process. Several of Sweco's major competitors are also taking part in restructuring of the industry, such as WSP, Grontmij, Pöyry, Rambøll, COWI, Norconsult and ÅF.

Acquisition activity slowed during the financial crisis. Now that uncertainty is receding and the market is improving, the pace of consolidation is expected to pick up again.

#### **SWECO AND NKS**

In Solna, outside Stockholm, Stockholm County Council is building a new world class and state-of-the-art university hospital: The New Karolinska Solna. When completed in 2016, the hospital will have an area of 320,000 square metres and will house 8,000 rooms, 36 operating theatres and around 6,000 employees. The construction project started in August 2010 and during the building phase, Sweco will provide qualified consulting engineering services on behalf of the building contractor Skanska. The assignments cover virtually all of Sweco's engineering design disciplines, from planning of piping, electrical and ventilation systems to framework engineering, foundation engineering and underground construction.

Sweco has also been contracted for several other large-scale hospital projects in the Nordic region, including Linköping University Hospital, Angered Hospital in Sweden and Triangle Hospital in Helsinki, Finland.



## STRATEGIES

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# **EUROPE'S MOST RESPECTED KNOWLEDGE COMPANY IN THE FIELDS OF CONSULTING ENGINEERING, ENVIRON- MENTAL TECHNOLOGY AND ARCHITECTURE**

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**VISION** To become Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture.

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**MISSION** To actively contribute to sustainable development of society.

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**BUSINESS MODEL** Sweco's business model is based on simplicity and client focus, where the idea is that it should be easy for clients to do business with Sweco. The Group therefore has a decentralised and client-driven organisation. The individual consultants form the hub of operations, and it is their work and attitudes that transform the company's aggregate knowledge, experience and creativity into tangible benefit for the clients.

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**PROFITABILITY TARGET** Sweco's target is an operating margin of at least 12 per cent.

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## STRATEGIC PRIORITIES

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### GROWTH

Sweco will consolidate its position as the leader in the Nordic market, strengthen its positions in the emerging markets of Central and Eastern Europe and be open to the opportunities for expansion in the nearby markets of Western Europe. The focus is on long-term growth segments such as energy, infrastructure, water and environment. This growth will take place both organically and through acquisitions. All growth will be accompanied by strict profitability requirements.

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### EMPLOYEES

Sweco aims to be the most attractive workplace for consulting engineers and architects, with ample opportunities for professional and personal development in an international environment. Sweco's goal is to be the preferred choice of potential employees, whether recent graduates or experienced consultants.

Employee development is essential for Sweco's growth. All employee development should be focused on performance, skills and knowledge sharing. This work is supported by the model for annual performance reviews, Sweco Talk.

Sweco's client-driven organisation relies on strong and decentralised leadership. Strong leadership is ensured through Sweco Leadership Compass, a framework that defines the company's leadership culture and links it together with the business culture. As a tool for ensuring effective management succession, Sweco uses the Next Generation process and program to continuously identify and develop good leaders.

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### KNOWLEDGE

Based on the employees' combined expertise, Sweco offers solutions that enable the clients to carry out their projects not only with high quality and good economy but also with the best possible conditions for sustainable development.

Sweco is characterised by a corporate culture of curiosity in which knowledge sharing and teamwork between the Group's employees are a natural aspect of all dealings with clients. The knowledge and experience gained by the employees in the assignments are safeguarded and developed for future use. The business system sweco@work ensures that the assignments are performed in an optimal manner and that new knowledge is preserved.

The employees actively share knowledge throughout the organisation, among other things in defined technical areas, global networks with a focus on business development and through Sweco Share, a platform for internal knowledge focus.

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### CORPORATE CULTURE AND BRAND

Sweco uses a uniform brand in all markets where the company is active to ensure that the clients and other stakeholders have a clear idea of what Sweco does and what we stand for. The brand should express the company's core values of curiosity, commitment and responsibility. Curiosity drives development, creates new knowledge and contributes to better solutions. Commitment creates a foundation for greater work satisfaction, higher quality, deeper relationships and new contact interfaces. Responsibility ensures security for our clients.

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## RESULTS AND ACTIVITIES IN 2010

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- Establishment in Poland through the acquisition of Hydroprojekt Kraków, with operations in water and environment, and Transprojekt Kraków, active in the infrastructure area
- Acquisition of Aros Arkitekter in Sweden
- Supplementary acquisitions of a number of smaller companies in Norway
- Extensive recruitment and student campaigns in Sweden and Norway

- Sweco rated as one of the most attractive consulting engineering companies among engineering students in Sweden
- Results of Sweco Barometer, index of 70 per cent
- 79 per cent of all employees completed Sweco Talk performance reviews
- First group started the Next Generation program
- Implementation of Sweco Leadership Compass completed
- Process for management succession implemented
- New leadership development program introduced in Sweden

- Development of Sweco Mobility started as means to improve mobility within the Group
- Sweco Excellence Meetings – network meetings with a focus on business development
- Further development of tools and routines in sweco@work
- Implementation of sweco@work in new units
- Development of a new intranet started with a focus on knowledge sharing
- Sustainability training for new employees

- Large-scale brand campaigns in Sweden, Norway, Finland and Lithuania
- Targeted PR activities in Sweden, Norway, Finland, Estonia and Lithuania
- Implementation of Sweco's brand platform in new units
- Review and development of the Group's internal communication in order to strengthen the corporate culture



# **SWECO'S GROWTH STRATEGY STANDS FIRM – CONTINUED EXPANSION IN THE NORDIC REGION AND EASTERN EUROPE**

**Sweco has undergone powerful growth over the past ten years. The level of ambition remains high and the company is well poised to capitalise on an upturn in the market.**

## **Value-creating growth**

During the period from 2001 to 2010 Sweco more than doubled its net sales from SEK 1,928 million to SEK 5,272 million. Growth has averaged at approximately 12 per cent annually, of which 4 percentage points are organic and 8 percentage points are acquisition-driven. During this period, Sweco evolved from a conglomeration of niched Swedish engineering consultancies into a market-leading and multidisciplinary provider of consulting engineering services in the Nordic region and Eastern Europe. Today Sweco has the capacity to offer total solutions for urban planning, even across national borders.

Sweco's profitability has more than doubled over the past 10-year period. As a result, Sweco had significantly higher profitability during the recession of 2009–2010 than in the economic boom at the beginning of the new millennium. Sweco's current profitability is also on par with the highest among consulting engineering companies in Europe. This performance has generated a good total return for Sweco's shareholders.

However, the recent economic downturn led to a dip in the otherwise consistently rising growth and profitability curve. In 2008–2010 net sales declined by 5 per cent and operating margin weakened from 11 per cent to 8 per cent. This falling trend should be seen in light of the deep recession that impacted the consulting engineering industry's investment-sensitive segments.

Sweco's focus in the past two years has been on maintaining profitability and creating a solid position in the run up to market recovery. When the market improves, Sweco has good potential to return to its historically strong growth and profitability profile.

## **Sweco's growth strategy**

Growth will be prioritised to a greater extent in connection with upswings in the market. Sweco's geographically concentrated operations make it possible to effectively share knowledge and staff resources across national borders. At the same time, Sweco's comprehensive service offering provides scope to offer total solutions. As earlier, Sweco's growth strategy is therefore focused on northeastern Europe. Sweco's strong financial position provides a solid platform for sustained growth.

Sweco will continue to play an active role in consolidation of the European consulting engineering industry. Water, environment, infrastructure and energy have been identified as areas of particular interest, not least in view of the current dramatic growth in Central and Eastern Europe.

The starting positions and challenges vary between countries, but the long-term ambition is the same: To be the most respected consulting engineering company both among clients and in the labour market, with a multidisciplinary and market-leading position in all countries where Sweco is established.

Sweco is the market-leader in Sweden. However, the market remains fragmented and Sweco's ambition is to continue consolidating its forefront position to attain the size needed for long-term market leadership.

In Norway and Finland, Sweco is one of the leading players. Sweco's objective in these markets is to grow faster than the competitors and thereby secure a leading position. This will be achieved through both supplementary acquisitions and organic growth.

In Central and Eastern Europe, Sweco has strong niche positions but limited size and breadth in the individual countries. Continued supplementary acquisitions are prioritised in this market as a means for expanding and enhancing Sweco's offering.

## **Activities in 2010**

Sweco took several measures to strengthen both organic and acquisition-driven growth.

The ability to attract, retain and develop employees is decisive for achieving high organic growth. In 2010 several steps were taken in this area with successful results (read more on page 24). During the year Sweco was ranked as the most attractive consulting engineering company among engineering students in Sweden and also advanced its positions among engineering students in Norway and Finland.

Recruitment activities were intensified in the final quarter of 2010, particularly in Norway and Sweden.

Several corporate acquisitions were completed during 2010. In February Sweco took the first step in Poland through the acquisition of the Polish engineering consultancy Hydroprojekt Kraków with 35 employees. The company has a good reputation in the domestic market and has previously collaborated with Sweco in a number of hydropower and water resource management projects. In June Sweco continued its Polish expansion through the acquisition of Transprojekt Kraków with 155 employees. The acquisitions are strategically important for Sweco since Poland is one of the most interesting countries in Eastern Europe, with rapid economic growth and good public finances. The conditions are therefore favourable for continued strong market growth in the environment, infrastructure and energy segments. The goal is to grow further in Poland so that the clients can be offered a full range of services.

In September Sweco acquired the Swedish architectural firm of Aros Arkitekt and thereby strengthened its market-leading role in architecture. Sweco's combined architectural operations are now the largest in the Nordic region and among the largest in Europe, with more than 500 employees.



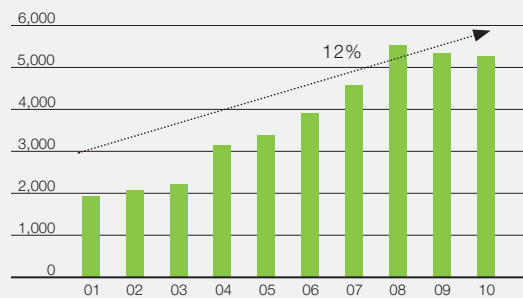
### **AROS ARKITEKTER**

Through the acquisition of Aros Arkitekter Sweco has further strengthened its architectural operations, among other things in office, retail, housing and hotel projects. After the acquisition Sweco has more than 500 architects and has thereby consolidated its position as the Nordic region's largest architectural firm. Aros Arkitekter, with 76 employees, is among the larger architectural firms in Sweden and is involved in many major projects throughout the country.

Norra Djurgårdsstaden is a whole new urban community that is taking shape in Stockholm with an explicit focus on sustainability. In the middle of the area is the Riga 2 building, designed by Aros Arkitekter. The seven-story structure is built around a spacious atrium that creates a sense of being in the borderland between outdoors and in. A fully glazed facade facing the water maximises access to natural light. The ground floor offers space for retail facilities and the remaining floors are intended for offices.

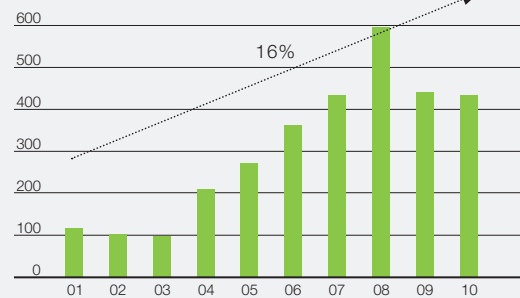
#### **Net sales**

SEK M



#### **Operating profit**

SEK M



Sweco has shown strong financial development over the past ten years, when net sales have risen by an average of 12 per cent annually and operating profit by 16 per cent annually.



# WORKING TOGETHER FOR SUSTAINABLE DEVELOPMENT

Sweco's mission to actively contribute to sustainable development encompasses our vision of a society where the resources needed by future generations are not jeopardised by the way we live today. The development of a sustainable society is not a distant and unobtainable vision but one that can be realised with existing knowledge and technology.

With a wide range of services and cutting-edge expertise in areas like energy, architecture, infrastructure and institutional development, Sweco develops solutions to minimise environmental impact as far as possible. Individual initiatives are often not sufficient. Instead, it is vital to exploit the synergies between different solutions and create more fundamentally self-sufficient systems for transport, waste management, water supply, etc. In this way, the existing knowledge, creativity and innovation can be mobilised to use local resources more efficiently and thereby contribute to reducing impact on the environment.

The interplay between different technical solutions alone does not create a sustainable society. Together with Sweco's expertise in design and architecture

it is possible to strengthen the social and spatial dimension so that we can live and work in attractive and sustainable environments.

Sweco's concept for sustainable development includes both urban and rural environments, and we seek integrated holistic solutions for infrastructure, housing, energy, water supply, waste management and transports. These solutions not only reduce resource dependency but also generate direct financial savings. Around the world there is a growing demand for Sweco's services in sustainable urban development, for use in both new and existing urban communities and areas.



## 1. Sustainable buildings

Optimal buildings combine functionality with aesthetics, space efficiency with comfort and urban development with ecological sustainability. Outgoing flows from buildings in the form of wastewater (6) and solid waste (5) are utilised and converted into biogas, district heating (4) and fuel for public transport (2).

## 2. Public transport

Local transports can be powered by surplus energy from renewable resources (4) such as the biogas that is produced in treatment of organic waste (5). Through effectively designed public transport solutions, individual resource requirements are met in an efficient and economical manner, at the same time that a long-term sustainable transport system leads to better traffic safety and reduces congestion in the local area.

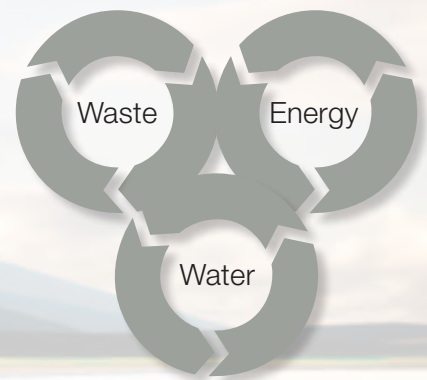
## 3. Communications

Long-distance transport is a large and costly source of emissions in modern society, and there is significant potential for resource gains by optimising our transport systems. Sweco is a forerunner in planning of future travel systems and is working on solutions like route optimisation via geographic IT.



### SWECO CREATING SUSTAINABLE CITIES

Sweco's concept for sustainable urban development has been applied around the world, in countries like Sweden, China, Russia, Ireland, Canada and South Africa. In the Swedish city of Östersund, the local government and private property owners have joined force to establish a whole new and unique community, Storsjöstrand. The area is intended to contain 430 apartments and is expected to serve as a domestic and international role model in which ecological, economic and social dimensions are united. Storsjöstrand will apply a closed-cycle approach to energy, waste, and wastewater that will contribute to minimising resource usage and maximising recovery and recycling of resources. Sweco has been given responsibility for planning the area with passive buildings, resource-efficient systems and a sophisticated infrastructure.



### THREE INTEGRATED FLOWS

Utilisation and recycling of renewable resources are central aspects of a sustainable society. Sweco emphasises the existing synergies between the three flows of water, waste and energy, and sees the interplay between them as a contiguous system. If these synergies are not utilised, vital resources are wasted, the system is disrupted and valuable financial and ecological gains are lost.

#### 4. Renewable energy

Renewable energy at is the very heart of a sustainable society and is the force that drives resources between its various components. Sweco's in-depth expertise in energy-related services covers all stages of the energy supply chain. Greater use of renewable energy sources contributes to lower emissions of greenhouse gases and is an important tool in combatting climate change.

#### 5. Solid waste management

Eco-friendly and effective routines for management of solid waste are essential in maintaining a functioning society and human well-being. Waste management is no longer seen as an end station and waste products are now treated as a resource for production of renewable fuels (4), which are then passed on to users such as public transport providers (2). Sustainable solutions rely on an integrated approach that covers the entire waste process – from minimisation and pre-sorting of household waste (1) to sustainable final treatment of energy and material extraction.

#### 6. Water and wastewater

Water is essential for all life on Earth and a sustainable society safeguards its water resources through effective and eco-friendly solutions for water and wastewater treatment as well as collection, drainage and transport of drinking water, wastewater and rain water. Water is a vital supply system in buildings (1) and also serves as a medium to transport energy, for example in the use of wastewater to produce biogas (4).



## WATER & ENVIRONMENT

Sweco is one of Europe's largest providers of consulting services related to water and the environment. The environmental consultants offer sustainable and effective solutions for water and wastewater treatment, soil and site remediation and waste management.

Sweco provides investigation and design services for waste and water treatment plants, mains systems and biogas plants. In connection with construction and infrastructure projects, Sweco studies protection and utilisation of water resources, storm water management and performs environmental impact assessments (EIA).

Sweco also seeks methods to recycle waste and sustainable

ways to handle materials that are not suitable for recycling.

In addition, Sweco develops solutions that contribute to reducing the volume of waste arising from various processes. Industries, transportation and various products leave traces on the natural environment. Sweco's environmental consultants study contaminated sites and recommend solutions that are optimal from both an ecological and resource standpoint.

Furthermore, Sweco has in-depth expertise in building customised systems for environmental, quality and occupational health and safety management.



### #15,462 MORE BIOGAS BUSES IN THE BALTIC

Sweco is heading the EU's "Baltic Biogas Bus" project, where the goal is to encourage cities and regions throughout the Baltic states to use biogas-powered buses. The project will facilitate future production and distribution of biogas by formulating strategies and guidelines that promote this development. The overall aim is to reduce environmental impact from traffic and make the entire region a better place to live, work and invest in.



### #15,619 COLLABORATION PROJECT IN CENTRAL STOCKHOLM

Slussen, a major hub for rail, road and boat transport in central Stockholm, will be rebuilt from the ground up. Sweco has been given the task of designing and coordinating all systems for water, wastewater, energy and ventilation in the area. In the assignment, consultants from several of Sweco's technical disciplines are working together to plan and optimise the existing and new systems.



### #26,606 DECONTAMINATION OF INDUSTRIAL SITE

Eka Chemicals' chlorate plant has been in operation since the early 1900s and over the years the site has also been used for activities such as lead smelting and waste disposal. Eka Chemicals is taking active measures to remediate contaminated soil and has sought the assistance of Sweco's environmental experts to prevent the spread of environmental toxins into the groundwater and surface water.



### #977 MORE EFFICIENT MANAGEMENT OF WATER RESOURCES IN TAJIKISTAN

Sweco has been appointed by the World Bank to plan a system for water resource management in Tajikistan. Sweco's tasks in the assignment have included evaluation of water treatment alternatives aimed at minimising costs and achieving more effective resource utilisation. As a result of this work, it is now possible to choose the most efficient and reliable method when developing Tajikistan's new water supply system.





**#4,063 PROJECT FOR HIGHER QUALITY DRINKING WATER**

The waterworks in Skien, Norway, supplies drinking water to both households and businesses in the local area. To meet requirements for hygienic barriers and improve the water quality, the plant has been rebuilt and was reopened in the summer of 2010. Sweco has contributed expertise in all phases of the project.



**#13,115 WASTE MANAGEMENT STUDY IN LITHUANIA**

Sweco has been awarded a contract to analyse the municipal waste management system in the Vilnius region. The objective has been to perform an in-depth evaluation of the existing system in order to define problems and to explore possible solutions. The project will lead to an efficient new system for handling biodegradable waste and achieve 50 per cent recycling of paper, glass, metal and plastic.



**#522 BETTER WATER IN THE CZECH REPUBLIC**

Sweco is taking part in a large-scale effort to improve management of water resources in the city of Mlada Boleslav. The project has included renovation of the municipal water treatment plant, resulting in significantly higher water quality for the city's residents. The initiative was named "Water Management Project of the Year 2009".



**#1,478 MAPS FOR INCREASED WATER ACCESS IN SOUTHERN AFRICA**

Water is in short supply in many parts of southern Africa, a situation that is hazardous to human health, inhibits the development of businesses and hinders social progress. Sweco has been commissioned to study water supplies in the Buzi, Save and Ruvuma rivers. The study will investigate the amount of water available and the vulnerability of the local communities and population to drought and flooding. With the help of detailed maps, it will be possible to develop a plan for improving access to water in the region.



## INFRASTRUCTURE

Sweco offers qualified solutions for creating a society in ecological balance, where traffic flows smoothly and infrastructure and public works contribute to greater ease and higher quality of life. The comprehensive range of services includes engineering and design of roads, railways, bridges, tunnels, dams, harbours and power stations.

Sweco works with land use planning in residential and industrial areas, which includes engineering and design of streets, water/wastewater systems and the external environment.

In the public transport area, Sweco's planning and design capabilities cover all system components – pedestrian paths, stations, tracks, stops, transport networks, transport interchanges, terminals and travel centres.

In connection with hard rock and civil engineering projects, Sweco works with engineering and design of road and railway tunnels and other underground structures.

The hydraulic engineering assignments include tailings and hydropower dams, hydropower plants and underwater constructions.

Sweco is also active in engineering and design of different types of bridges from the early planning stages to realisation. Planning of harbours and shipping fairways, as well as engineering and design of port structures, are other areas of expertise.

When it comes to railway projects, Sweco has expertise in planning and design of track, electrical, signal and telecom systems, as well as other related areas such as geotechnical and rock engineering, traffic planning and landscape architecture. Sweco also performs risk and environmental analyses for road and rail projects and develops systems for road traffic management and road information that make traffic safer and more efficient.



### #8,224 SAFER SECTION OF THE E20 IN NORTHEASTERN ESTONIA

With Sweco's help, one of the most accident-prone road sections in Estonia has become safer. The new four-lane motorway was opened for traffic in August 2010 and is the largest road investment of all time in Estonia. In addition to the new lanes, the road has been equipped with new junctions, bridges and noise barriers. Adjustment of the road alignment has also contributed to better air quality in nearby residential areas.



### #25,997 RAILWAY PROJECT IN SOUTHERN SWEDEN

To further reinforce rail traffic in southern Sweden, the existing railway line for freight trains between Trelleborg and central Malmö is being adapted for passenger traffic. In the future, the Pågatågen commuter train network that interconnects a number of cities in Skåne will also serve Trelleborg, which will significantly shorten the travel time for commuters living along the line. Sweco has been chosen by the Swedish Transport Administration to plan the rebuilding project.



### #870 SAFE AND EFFICIENT HYDROPOWER IN BULGARIA

Sweco has carried out an assignment to reinforce two dams on the Arda River, which runs through the city of Kardzhali in southern Bulgaria. On both sides of the Kardzhali there are hydropower dams that supply the area with energy. Through Sweco's efforts the city will now be protected from floods at the same time that the plant's energy output has been increased. Sweco's work has also resulted in new urban planning solutions through the design of an artificial lake that extends like a mirror three kilometres through the city.



**#10,600 LOWER SPEEDS AND SAFER BICYCLE TRAFFIC IN LINDERUD, NORWAY**

The town of Linderud outside Oslo is taking steps to improve its traffic solutions. Sweco has been tasked with evaluating two alternative solutions that will provide a basis for ongoing detail planning. The goal is to increase traffic safety and promote the use of public transport. Both proposals call for reduced road widths and a speed limit of 40 kilometres per hour. Furthermore, a safer environment will be created through the use of separate pedestrian and bicycle paths.



**#6,618 IMPROVED RAIL TRAFFIC IN SOUTHERN NORWAY**

The Vestfoldsbanan railway line between Larvik and Grenland will be upgraded to double-track standard to offer a more attractive alternative for passenger and freight transport. In connection with this, the Norwegian National Rail Administration has contracted Sweco for land development planning and preparation of design solutions. The new 13-kilometre section contains three long tunnels, three bridges and a culvert. The line is scheduled for completion in 2017.



**#11,672 MOTORWAY PROJECT WITH A FOCUS ON TRAFFIC SAFETY AND THE ENVIRONMENT**

In Stockholm, an ambitious infrastructure project is underway to build a new motorway on the E18 between Hjulsta and Kista. Sweco will prepare construction documents for a number of junctions and provide support during the construction phase. The focus is on traffic safety both during the building process and in the end result. Sweco's consultants are working to minimise road congestion in the area and are planning multi-level intersections that will reduce the risk for accidents. Special consideration has also been given to sensitive natural areas.



**#1,776 BETTER ACCESSIBILITY FOR CYCLISTS IN STOCKHOLM**

The number of cyclists in Stockholm has increased sharply over the past ten years. To gather more information about the bicycle commuters' situation, the City of Stockholm has engaged Sweco to analyse accessibility and safety in the bicycle network. The results will be used as a basis for decision on future investments and improvements.



## ENERGY

Efficient energy usage is crucial for a sustainable society. The need for restructuring is extensive and the potential for efficiency gains is vast. The company's expertise in energy-related services covers all stages of the energy supply chain – from production to distribution and end use. The goal is to help the clients develop a safe, cost-effective and ecologically sustainable energy supply.

A large share of Sweco's projects in the energy area are aimed at upgrading and optimising electricity generation resources on behalf of power companies. Sweco is deeply committed to the expansion of renewable energy production and offers total solutions throughout the process that satisfy society's need for electric power.

The systems for transmission and distribution of electricity are

undergoing continuous development and differ between electricity markets. A large share of Sweco's work in this area is focused on meeting the need for increased transmission capacity. Higher capacity and smart grids are essential in ensuring security of supply and optimal utilisation of production resources.

Both economic and regulatory conditions have a powerful influence on the opportunities for change in the energy sector. Sweco has been working for many years to propose solutions and analyse the effects of laws, rules, steering instruments and market forces on behalf of public agencies, energy producers, industries and property companies.



### **#30,402 NEW LINK FOR POWER TRANSMISSION TO SOUTHERN SWEDEN**

SydVästlänken, "the southwest link", is the name of a new power transmission line that will increase security of supply and reduce transmission bottlenecks to southern Sweden. The line is strategically important for connection of hydro and wind power resources in the north to consumers in southern Sweden and even continental Europe. Sweco is involved in many parts of the project and is contributing energy expertise, design services and geotechnical specialists.



### **#7,241 NEW HYDROPOWER PLANT IN THE CZECH REPUBLIC**

Sweco has designed a new small-scale hydropower plant that will be built next to the existing Kadan dam on the Eger River in the Czech Republic. The plant will be located adjacent to an existing hydropower plant that Sweco has been selected to modernise. Through the project, it will be possible to generate a higher share of "green" energy in the future.



### **#25,700 BIOMASS-FIRED DISTRICT HEATING WITH THE HELP OF SWECO EXPERTISE**

A new biomass-fired district heating plant is ready for operation in the town of Ørsta in western Norway. The plant will initially supply heat to facilities such as schools, senior living facilities and commercial properties. Sweco's comprehensive service offering has been an advantage in the project. Aside from renewable energy experts, Sweco's building service system consultants, geologists and structural engineers have also taken part in different stages of the project.



### **#12,998 ENERGY STORAGE UNDER STOCKHOLM'S OLD TOWN**

At the request of the property company Hufvudstaden, Sweco has identified two properties in Stockholm's historical district that are suitable for aquifer thermal energy storage (ATES). With the help of an underground aquifer layer, heat from the summer can be stored until winter and cold from the winter stored for use the following summer. The new ATES, which will be placed under the Old Town's 17th century buildings, will reduce the need for purchased energy by 80 per cent and cover 98 per cent of the cooling requirement for both properties.

## BUILDING SERVICE SYSTEMS

Sweco's building service systems consultants offer solutions for buildings and facilities that meet today's high demands on energy performance. The wide service offering ranges from advice and planning to control and monitoring of HVAC and sanitation, electrical, telecom, fire protection and building automation systems.

Clients can get a clear picture of the final results through visualisation of the buildings, service systems and interiors and through technical analyses. Different alternatives are easily tested in a BIM format (Building Information Modeling), where the consequences of changes are clearly illustrated.

Homes and workplaces account for nearly half of society's total energy consumption. Many of Sweco's assignments are aimed at optimising the functional performance and minimising the energy usage of existing buildings. For Sweco, environmental and energy issues go hand-in-hand. Integrated systems and new technical solutions lead to a good indoor climate, low energy usage and functional buildings. Sweco has special expertise in designing and implementing energy analyses, electrical analyses and energy optimisations that help clients to reduce their energy consumption.



### #9,678 EXCITING ASSIGNMENT FOR ENERGY-EFFICIENT WATER PARK

The water adventure park in Sundsvall is a popular attraction with water tubes, waterslides and white water rapids. Even for Sweco, which has been responsible for structural engineering and building service systems, it has been an unusually exciting assignment. A water park of this type is subject to powerful strains on the structural materials, which has been a challenging aspect of the project. In addition, the special geometry with its many curves has placed special demands on the structural designs. All of the systems have been optimised for the smallest possible energy consumption. Needs-controlled fans, heat recovery and solar shielding are a few examples of features that minimise energy usage.



### #16,048 CLIMATE-SMART HIGH SCHOOL IN ARENDAL, NORWAY

The communities around Arendal, Norway, have chosen to combine several high schools into a new joint school. Sweco has planned HVAC and sanitation solutions for the new facility, which consists of five different buildings with a total area of around 18,000 square metres. Together with the building contractor, Sweco has proposed solutions that are extremely energy-efficient and have limited CO<sub>2</sub> emissions. One of the main reasons Sweco was deemed most suitable for the assignment was its expertise in Building Information Modeling (BIM), which makes it possible to visualise the project in an inspiring and easy-to-grasp manner.



### #462 ENERGY OPTIMISATION FOR TULIP GROWER

To maintain a high and even temperature, Swedish tulip grower Sörby Handelsträdgård previously used a traditional oil-fired boiler and ventilation/dehumidification through open skylights. Sweco presented an alternative in which future energy savings were weighed against the cost of investment to clearly highlight its long-term profitability. Through measures like the installation of district heating and a ventilation system, it was possible to achieve a more even indoor temperature and cut the grower's energy expenses by half. The energy savings are equal to around SEK 1,00,000 per season and many greenhouse owners have shown an interest in the solution, which reduces both costs and environmental impact.



### #1,145 HVAC AND SANITATION SOLUTIONS FOR AN OPTIMUM SOUND EXPERIENCE

Kristiansand is entering a new epoch as a Norwegian cultural centre with the construction of the sizeable new Kilden Theatre and Concert Hall, where Sweco is responsible for planning the HVAC and sanitation systems. In buildings of this type, the demands on systems such as ventilation solutions are particularly high. Noise must be minimised so that even the faintest chime of a triangle can be heard. Maintaining the right temperature and humidity is another important factor for the instruments, the acoustics and the comfort of the audience.



## ARCHITECTURE

Sweco has more than 500 architects and is one of the largest architectural firms in Europe. Sweco's architects combine functionality with aesthetics, space efficiency with comfort and urban development with ecological sustainability. Sweco creates value for its clients by designing buildings and environments of the highest class.

The projects Sweco's architects are involved in are visible not only in the Nordic countries but also around the world. The services range from architectural, interior and landscape design to industrial planning, urban planning, building conservation and advanced

visualisation. Sweco has specialist capabilities in areas such as housing, offices, culture, recreation, education and healthcare.

Sweco's comprehensive expertise makes it possible for the architects to take on complex assignments and meet the requirements for modern environments where people can live, work and thrive. Through cooperation with Sweco's other technical disciplines, the architects can offer total solutions that contribute to the development of a sustainable society.

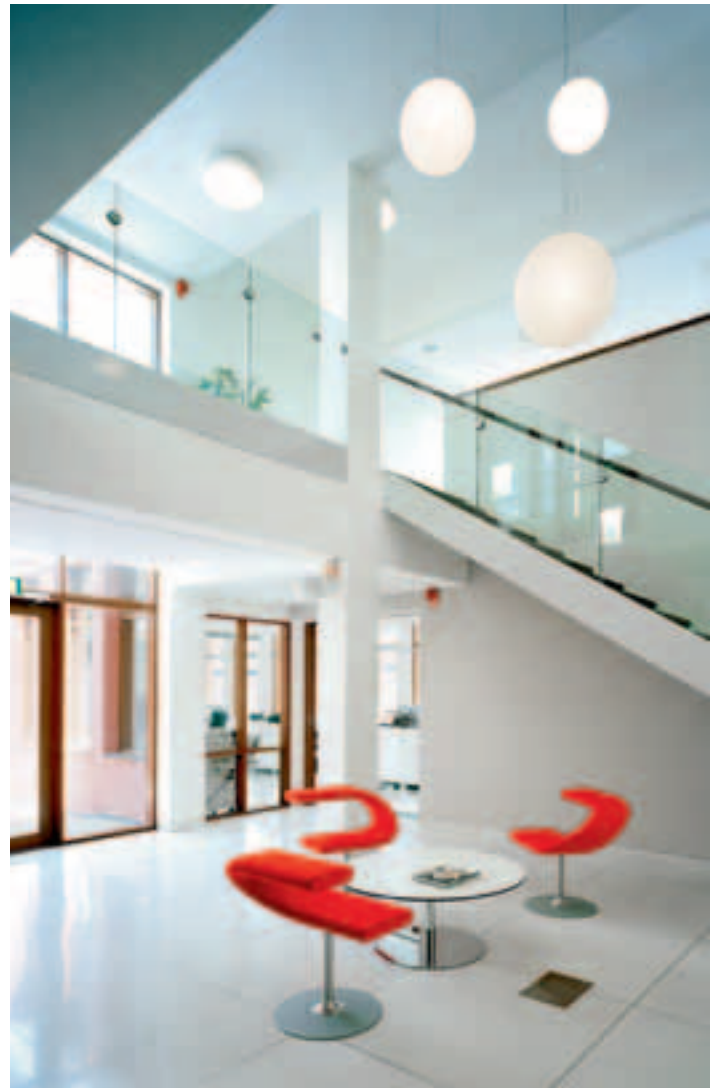


### **#10,537 SWEDISH RESEARCH PARK WITH FLEXIBLE SOLUTIONS**

Sweco has served as head architect for an inspiring and technically advanced working environment for scientists and companies connected to the Karolinska Institute's activities outside Stockholm. The three boldly elliptical volumes contain a total of 30,000 square metres of laboratory and office space. In the future, the buildings are also intended to house a number of companies of different sizes and with varying needs, which places high demands on flexible solutions.

### **#17,800 NEW MEETING PLACE FOR SWEDISH AND INDIAN ENTREPRENEURS**

For the past ten years the Swedish Trade Council has been in place in New Delhi to promote trade and investment collaboration between Swedish and Indian entrepreneurs. When the Council grew out of its old offices, Sweco was given responsibility for designing new premises with three times the earlier space. The new offices are located within the Swedish Embassy's compound and are characterised by low buildings in a garden landscape. One of the underlying ideas is to blend Swedish and Indian traditions in the design. The Swedish is recognisable in the open floor plan and transparency, while the Indian is manifested through the use of materials.





**#20,304 INNOVATION HUB IN RUSSIA**

In the village of Skolkovo outside Moscow, a massive project is underway to create a hub for high-tech research and entrepreneurship. Sweco was one of five international architectural and consulting engineering companies chosen in fierce competition to submit proposals for designing a sustainable future city for innovation and development. In the first phase, the city centre will contain an estimated 500 hectares for 30,000 residents, including parks, housing, development centres, exhibition spaces, industries and research facilities. The plans also include a university for 3,000 students.



**#13,368 SWECO BEHIND DESIGN OF AWARD-WINNING HOSPITAL**

Sweco's architects have designed Triangle Hospital in Helsinki, which was completed in 2010. The building was nominated for the "Steel Construction Award", which recognises the year's best architecture and structural engineering in steel. The new hospital is specialised in internal medicine and has capacity for 210 patient beds. Aside from patient wards it also contains departments for surgery, dialysis and outpatient care.



**#14,160 ARCHIPELAGO MEETS CITY IN KARLSKRONA**

Sweco's architects have designed a new plaza environment at Borgmästarfjärden in the Swedish city of Karlskrona. The plaza, which is situated by a well used walking path, has been given a sun and viewing deck that appears to hover weightlessly over the water. A towering sculpture of stone and glass by Pål Svensson acts as a landmark and symbolises the meeting between the sky, water and city.



**#29,900 SUSTAINABLE MATERIALS IN NEW MULTIPURPOSE FACILITY**

Sweco's architects in Denmark have been total suppliers in connection with the construction of a new multipurpose facility in Roskilde that can be adapted for different uses. The building, which is part of a high school, has an expressive architecture that is designed to arouse interest and highlight the school's profile. The environmental aspects have been in focus throughout the project and there has been an emphasis on the use of eco-labelled materials to the greatest possible extent. The facility's design is optimised to eliminate the need for air conditioning during the summer months and is classified as a low-energy building.



## STRUCTURAL ENGINEERING

In reality, structural engineering is all about security. Buildings should be made to maintain their quality for a long time and should be safe to live and work in. Sweco designs and plans different types of buildings, such as industries, homes, offices and public facilities.

In the industrial sector, the largest clients are found in the forestry, steel and mining industries. The industrial assignments often cover the entire process from feasibility study to construction documents.

In building construction, Sweco plans everything from homes, offices and shopping centres to sporting facilities, schools and hospitals. Sweco also has expertise in the structure of older build-

ings and has performed many technically advanced conversions in these properties.

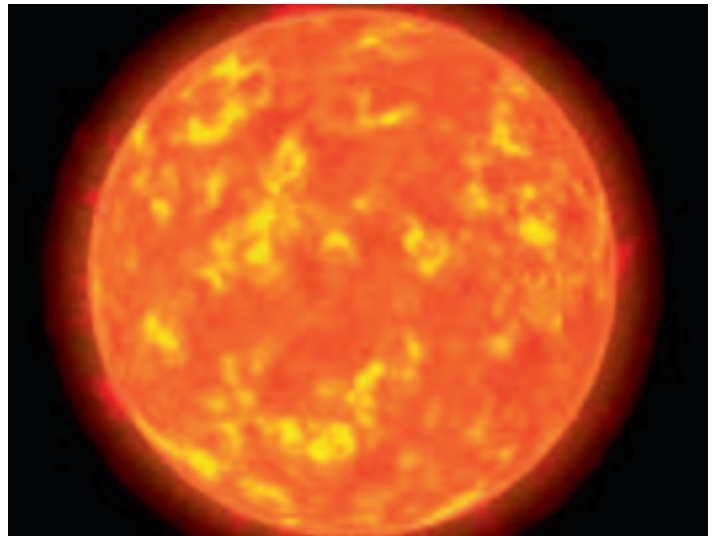
Sweco has developed effective methods to coordinate structural engineering in terms of the process, equipment and installations.

The models are coordinated in 3D already in the early stages of the planning and design process. The final model then functions as a fabrication drawing for building production. Sweco's structural engineers are the Swedish market-leaders in planning and design of steel structures.



### #23,188 CHECK IN TO THE TREE HOTEL IN NORTHERN SWEDEN

Fifty kilometres from Boden, along the Luleälven River, a unique hotel complex is taking shape. The hotel is made up of rooms that float several metres above the ground, up in the pines. Sweco has designed the hotel's "Mirrorcube" room, which consists of a lightweight aluminium structure. The room is well camouflaged among the trees, with reflective outer walls that mirror the surrounding environment.



### #16,114 SOLAR ENERGY INITIATIVE IN EASTERN EUROPE

In Lithuania Sweco has been awarded a contract to design Eastern Europe's first centre for solar energy, Visoriai Information Technology Park, where a number of advanced technical solutions will be used. The new centre will house three companies that are active in solar energy technology research and production of solar cells. By 2015 the centre is expected to produce solar cells worth a total of EUR 120 million, most of which will be exported.



### #3,883 REDUCED EMISSIONS FROM RUSSIAN PULP AND PAPER MILL

In the city of Syktyvkar in northeastern Russia, a large-scale project is underway to build a modern and ecologically sustainable pulp and paper mill. Thanks to its experience and holistic approach, Sweco has been given responsibility for both architecture and structural engineering. One important result of the rebuild is that environmentally hazardous emissions from the mill will be reduced. All of the new solutions are of a high international standard and the ambition throughout the project has been to choose the most sustainable alternatives.



### #27,210 FASTER AND CHEAPER INSTALLATION OF WIND TURBINES

In recent years Sweco's services have been frequently used in offshore wind projects by numerous clients in different countries. Now Sweco is evaluating a new concept for offshore wind farms where the goal is to get the turbines into place more quickly, resulting in a simpler and less costly installation phase. In this concept, the wind turbine is positioned on a concrete gravity base foundation that is designed so that the turbine can stand upright in the water with the help of its own weight.

## INDUSTRY

Sweco offers customised total solutions for all types of technical investments in the industrial sector, where the goal is to enhance our clients' competitiveness by optimising, developing and quality assuring their production. A close dialogue with the clients and an in-depth knowledge and understanding of their business are key success factors. Sweco's engineers take part in investment projects in the process, energy production, mining, manufacturing and off-shore industries.

Through professional project management, Sweco contributes to handling the high degree of complexity that typifies the investment

process. Successful projects are ensured through experienced project managers and effective methods for planning and implementation.

Sweco also conducts integrated product development projects with a focus on increasing the overall quality of a product in terms of its production, attractiveness and usefulness. These projects are aimed at developing target group-adapted solutions for industries active in manufacturing of investment goods and consumer goods. Sweco offers a wide range of services in the product development area, from research to product launch or individual services.



### #6,023 PULP MILL GIVEN CAPACITY INCREASE

Sweco's industrial consultants have been awarded a major contract by CMPC, one of the world's largest pulp producers, in connection with a capacity expansion project at a pulp mill in Chile. Sweco is responsible for engineering design of the new recovery boiler that will maximise production of energy for the mill. Commercial operation is scheduled to start in 2012.



### #29,876 MODERNISATION OF OIL TERMINAL IN GOTHENBURG

The crude oil terminal at the Port of Gothenburg is one of the largest in the Nordic region. Every year, around 2,500 vessels call at the port to load, unload and bunker oil. The safety requirements are rigorous and are aimed at preventing personal injuries and damage to the environment, property and products. Sweco has been selected to perform detail planning for upgrading of quays, as well as new equipment and piping systems.

### #736 VÄXJÖ VÄRNAMO BIOMASS GASIFICATION CENTRE

Sweco has been chosen to plan a European R&D centre for gasification of renewable energy carriers. The plant, which is located in Växjö, Sweden, will demonstrate an energy- and cost-efficient method for producing hydrogen-rich synthesis gases from biomass. These gases will then be converted into automotive fuels. The contract is for a so-called EPCM arrangement that gives Sweco's consultants total responsibility for engineering design including technical project management, planning and design of process, piping and electrical/automation systems and construction management.





## PROJECT MANAGEMENT

Sweco's project managers offer qualified project management and administration services and lead demanding projects with a focus on results, effective teamwork and sustainability.

Sweco's assignments cover a wide spectrum and include everything from serving as project manager, design manager and client representative to construction manager, building service systems coordinator, quality manager and inspector.

Sweco's project managers are active in both smaller property conversions and large-scale projects for the construction of new schools, offices, hospitals, industries and infrastructure.

Sweco's project managers also offer services for project and operational development, mainly in the construction and real estate

industries. The services include strategic advice, process planning, preparation of decision data, organisational support and supervision of interests.

In Facility Management, Sweco offers services to coordinate and optimise facilities and support functions in the best and most cost-effective manner. The offering covers the entire range from needs analysis to implementation and procurement of property operation and management services.

Sweco also offers systems and services for document and information management in a solution called Projektstruktur that is used to streamline and structure complex information flows and facilitate project management and administration.

### **#11,389 NOSTALGIC ROLLER COASTER AT AMUSEMENT PARK IN STOCKHOLM**

In the summer of 2011 the Gröna Lund amusement park in Stockholm will launch its latest attraction, Twister, a wooden roller coaster inspired by the fairgrounds of the past century. Sweco will provide project and construction management services, a role that demands flexibility, creativity and the capacity to coordinate all of the different specialists involved in the project. Sweco is also responsible for structural engineering of the new roller coaster.



### **#20,245 WIND TURBINE ON THE ROOF WHEN NEW SCHOOL BUILDING BECOMES PASSIVE HOUSE**

Falkenberg High School in Sweden is realising its ambitious environmental visions and building new facilities that meet the requirements for passive houses. Sweco has taken part in the municipality's long-term planning process for the past five years and has been given responsibility for project and construction management now that these plans have reached the production phase. Aside from being very well insulated, the new facilities will be equipped with solar panels and a small wind turbine on the roof.



### **#389 INCREASED SAFETY ON HEAVILY TRAFFICKED ROAD IN FINLAND**

Road 51 west of Helsinki is Finland's most heavily trafficked two-lane road. To handle the growing traffic flow while at the same time enhancing safety, a 10-kilometre section will be upgraded to motorway standard. The project will also include improvements in the form of noise barriers along the road, new onramps and construction of overpasses. Sweco is responsible for construction management and overall all site supervision.

## **GEOGRAPHICAL IT**

Geographical IT is used to structure, analyse and present information in a clear and easy-to-grasp manner with the help of maps and geographical positioning. Sweco's services include geographical information systems, so-called GIS services, enterprise portals and mobile information systems. The clients are found in areas such as energy, infrastructure, public environments, forestry and transport.

Sweco delivers geographical IT solutions that contribute to sustainable development of society. The goal is to reduce impact where it is highest. For example, through route optimisation in transport planning, it is possible to eliminate unnecessary traffic and significantly decrease emissions.

The energy industry is a major user of geographical information. Distribution of electricity and other energy types requires the use of large and finely meshed networks for which planning and construction rely on detailed map data. To minimise the environmental effects of production, today there are effective tools for planning and follow-up. Sweco can assist with everything from strategies for geographical IT and testing to procurement and deployment of new technology.

As a supplier-unaffiliated geographical IT consultant, Sweco offers the greatest possible client and business benefits in every assignment, regardless of the underlying technology.



### **#17,245 GEOGRAPHICAL IT SOLUTION PROVIDES INFORMATION ABOUT WIND FARMS**

The energy industry is a major user of geographical IT. Sweco has been commissioned to develop a tool that will help the Swedish paper and wood products producer SCA to better monitor its 140 wind farms in Sweden. The solution will provide information about everything from surveying and spatial dispersion to land leases and contracts.

### **#5,318 FLOOD RISK ANALYSIS - PREPARING FOR CLIMATE CHANGE**

With its flat terrain, the coastal municipality of Kävlinge in southern Sweden is vulnerable to even small changes in the sea level. Sweco has therefore been hired to perform a flood risk analysis on behalf of the municipality. With the help of this data, it will be possible to plan effectively for the future and avoid building in areas that could be affected by higher water levels.





# THE MOST ATTRACTIVE EMPLOYER FOR TECHNICAL TALENTS

**With the industry's best opportunities for professional and personal development, Sweco aims to be the most attractive employer for consulting engineers and architects.**

The realisation of Sweco's growth ambitions depends on a constant inflow of dedicated and skilled employees. Diverse conditions and client requirements place high demands on leadership, curiosity, commitment and responsibility. The ability to attract, develop and retain the best consultants is critical in meeting this growth challenge.

### Successful initiative for employee recruitment

Although Sweco has a wide range of services, the different areas of operation are united by a commitment to promoting sustainable development. This commitment has been used successfully in profiling the company among potential employees, not least students. In Universum's annual survey of Swedish university students, Sweco is ranked as the most attractive employer in the industry.

In the past year Sweco developed and more clearly defined the company's brand as employer. A cross-section of the employees worked to concretise and visualise the qualities that typify Sweco as a workplace. These efforts resulted in the establishment of three overall themes as characteristic for the company: individual development through challenging projects, freedom under responsibility

and the shared goal to contribute to sustainable development of society.

The 2010 student campaign, which was conducted in Sweden, Finland and Lithuania, had a distinct sustainability theme. The response from students in all three countries clearly shows that Sweco's positioning is highly relevant for this important target group.

### Focus on employee development the key to organic growth

Sweco's goal is to continue growing both organically and through acquisitions. One critical condition for organic growth is to continuously develop and retain the best employees. With this in mind, in 2010 Sweco further developed the two initiatives Sweco Talk and Sweco Mobility.

Sweco Talk is the framework for Sweco's employee development activities and means that every year, each employee formulates a personal development plan that is adopted in dialogue with the immediate manager. The overall objective is to offer attractive development opportunities for the individual employees while at the same time securing Sweco's long-term supply of expertise.

Sweco Mobility is aimed at encouraging internal mobility among the employees, both to ensure that clients can be offered the best available expertise from the entire Sweco Group but also to enhance Sweco's attractiveness as an employer.

### Stronger focus on leadership pays off

A strong leadership culture is decisive in safeguarding long-term profitability and growth. The model for Sweco's leadership development is the Sweco Leadership Compass (the Compass), which was implemented throughout the Group during 2009 and 2010. The Compass supports leaders at all levels in the Group by defining their responsibilities and powers and establishing a clear connection between values, business success, client deliveries and employee development. Sweco takes continuous steps to strengthen its leadership culture. Based on the principles in the Compass, a special leadership program was carried out during 2010 in Norway, Sweden and the Czech Republic. Every year Sweco also carries out Sweco Business Forum, where some 60 of senior managers in the Group gather to discuss strategic issues and exchange experiences.

### Next Generation

Good management succession is a top priority at Sweco. Through the Next Generation Review process, Sweco identifies leaders and specialists with the potential to take on greater responsibility. This is done in connection with the annual performance reviews (Sweco Talk). The process is devoted to discussion of talents and opportunities at the management level throughout the organisation. Some of those who are identified are then given the opportunity to take part in Sweco's leadership development program, Next Generation.

### IDEAL EMPLOYERS FOR ENGINEERS

Ranking	Employer
1	Google
2	Ericsson
3	Sony Ericsson
4	Vattenfall
5	ABB
6	Ikea
7	AstraZeneca
8	Sweco
9	Volvo Group
10	Saab
12	ÅF
25	WSP
29	Ramböll
48	Grontmij
54	Tyréns

Source: Universum's 2010 student survey



**CLIMATE-SMART HAIRCUT**

Sweco's 2010 student campaign was inspired by the common denominator for all of its activities – sustainability. In order to stand out from other environmentally-focused companies, Sweco decided to highlight the different facets of this concept in terms of economic, social and environmental sustainability. To concretise this complexity, Sweco chose to talk about sustainable haircuts. Instead of the traditional stand, Sweco set up a hair salon where students were offered a free-of-charge haircut and information about the various sustainability aspects of hair care. By explaining how the students themselves affect the world around them through their choice of hairstyle, Sweco succeeded in illustrating the sustainability concept from different perspectives while at the same time awakening interest and establishing a dialogue with the students.

The campaign was highly successful and attracted a record number of applications to Sweco's annual trainee program.

In 2010–2011, 21 individuals are taking part in the Next Generation program. A large share of the program is conducted in the form of projects where project teams work to solve real-life strategic challenges that have been identified by the Executive Management. Several participants have already been recruited to senior management positions within Sweco.

**Sweco Barometer**

To ensure that the Group is developing in line with the established goals and strategies, a group-wide employee survey is conducted every year – Sweco Barometer. Sweco has a total index of 70 per cent, which is very high in external comparisons. The survey is carried out by TNS SIFO. The Barometer is used among other things to monitor development of Sweco's leadership culture, business focus and organisational performance.

**EMPLOYEE FACTS**

**Number of employees:** approximately 5,400  
**Share of men/women:** 70 per cent men and 30 per cent women  
**Educational levels at Sweco:** Master's or bachelor's degree in engineering and degrees in architecture  
**Typical jobs/titles:** Project manager, design engineer, process engineer, environmental engineer, architect



## ***NEXT GENERATION – WHO WILL TAKE OVER?***



Ann-Louise Lökhölm had been employed as Regional Manager for Sweco's building service system consultants in western Sweden for two years when she was accepted into the internal development program, Next Generation, last January.

Next Generation is aimed at identifying and developing talents in the Group. The idea behind the program, which runs for one and a half years, is to give these individuals a clearly defined career path at Sweco.

Ann-Louise is more than satisfied with the program. She describes how the participants used an action-based learning approach to tackle current Sweco challenges, real life issues from the Group's operations that are in urgent need of concrete solu-

tions. The various modules are held in different countries and Ann-Louise feels that these months have given her a better understanding of the Group's future challenges and opportunities, how the management works and where the company is headed. The very best experience, according to Ann-Louise, is the contact network she has established. Getting to know Sweco managers from other countries provides access to an international business network and gives her greater motivation in her day-to-day work.

Ann-Louise took the next step in her career this October when she was appointed as President of Sweco's building service system consultants in Sweden.

## THREE QUICK QUESTIONS:



**Name:** Andrius Agintas  
**Position:** Project Manager in Sweco's industrial and infrastructure division in Lithuania.

**What have you worked on during the year?**

The decommissioning project at the Ignalina nuclear power plant is still underway and will soon be completed. During the year we started a new construction project in the area and are currently using 3D modelling to visualise the plans. I have also been involved in engineering design of a high-tech R&D park in Vilnius.

**What do you enjoy about your job?**

The variety is a big plus, things are never boring at Sweco! There is always something new happening and if you have ambitions, there are enormous opportunities. We consultants have a lot of freedom to develop our own projects and in this respect it's important to put your best foot forward. During my two years at the company I have grown in several ways. But of course it takes time and effort...

**How do you maintain a balance between your work and personal life?**

That's what it's all about, finding a good balance. When you work in projects there are periods that are very intense and certain clients are more demanding than others. But other periods are quieter and then I have more time for my girlfriend. On Wednesdays my colleagues and I play basketball after work, and that gives me a lot of energy.



**Name:** Martin Pavel  
**Position:** Engineer in Sweco's water and environmental unit in the Czech Republic.

**What have you worked on during the year?**

It has been an exciting year. In the autumn Sweco carried out a feasibility study on behalf of the Czech government for an area in the north of the country that was ravaged by severe floods in August. I am involved in the cost-benefit analysis, mathematical modelling and GIS analysis. At the beginning of 2010 I worked in another major project related to a new EU directive, where I assessed flooding risks in different regions of the Czech Republic.

**What do you enjoy about your job?**

The best thing about working at Sweco is that my job is my biggest interest, my passion. The assignments promote creativity, offer a lot of variety and revolve around sustainability.

**How do you maintain a balance between your work and personal life?**

I try to focus on living in the moment. In my free time I enjoy running, climbing, skiing, swimming and playing football. But not just sports, I also like going to the opera, listening to classical music and reading.



**Name:** Hild Andreassen Kollien  
**Position:** Team leader in the hydropower and dams department at Sweco in Oslo.

**What have you worked on during the year?**

As a team leader I am involved in virtually every project that is assigned to the group, so it is extremely varied. We work mainly in different types of dam and hydropower projects throughout Norway and my duties include drawing up technical plans, making estimates, ensuring technical monitoring and handling tender procedures.

**What do you enjoy about your job?**

I have been at Sweco for many years and really love it here. I have been lucky to always have

excellent colleagues. The working climate here is open, with close cooperation between the management and project teams. Sweco's focus on sustainability is important to me and I am certain that the company will continue to offer me good opportunities for professional development in the future. That gives me both security and something to look forward to.

**How do you maintain a balance between your work and personal life?**

My husband Terje and I have three children, all under the age of ten. Both work and family demand a lot of time but give a lot in return, and this creates a good balance. During the week I try to take the time to exercise and on the weekends we visit friends and socialise with the entire family. We also like to travel.



## **SWECO ACTIVELY CONTRIBUTES TO SUSTAINABLE DEVELOPMENT**

**Sweco's consultants work in projects that have an impact on the development of society and quality of life, which places stringent demands on consideration to ecological, ethical and socioeconomic aspects. Sweco has opportunities to influence development mainly through its involvement in client projects.**

The company's long-term profitability and growth are driven by solutions that contribute to sustainable development of society, such as urban planning and solutions for renewable energy, efficient traffic, water supply and energy efficiency. As consultants and experts, Sweco's employees are often deeply involved in the client projects, frequently at an early stage, and therefore have considerable scope to exert an influence.

### **Responsibility and business ethics**

Sweco has a decentralised organisation and a client-driven business model. Each individual employee is responsible for delivery of client-adapted solutions of that are of the right quality and environmentally sound, and in this way have far-reaching responsibility for both Sweco's and the client's business. This places high demands on consideration to ethical and socioeconomic aspects and professional conduct in the best interests of the client.

Sweco monitors and complies with the applicable laws, regula-

tions and other requirements applicable to operations in the countries where the company is active. Sweco also follows the Code of Ethics formulated by the International Federation of Consulting Engineers (FIDIC), and works according to the principles in the UN's Global Compact and the UN Declaration of Human Rights.

Sweco's own CSR policy describes how the employees are expected to conduct themselves and take responsibility in client projects. The CSR policy covers the areas of business ethics, quality and environment, employee development, human rights, equality and diversity, and occupational health and safety. In addition, there are group-wide and local guidelines that specify responsibility on a detailed level.

### **Quality and environment**

Sweco's consultants always carefully weigh the quality and environmental impacts of the assignments. This is ensured by the business system sweco@work, which is certified according to the ISO 9001 and ISO 14001 standards. The business system guarantees that relevant environmental and quality aspects are automatically integrated in each assignment and all parts of the assignment process. Skills development programs are used to meet the employees' need for ongoing education and training. The knowledge and experience that they gain in the assignments is preserved and developed for future use, which leads to continuous improvements.



### **WORLD EXPO**

In 2010 Sweco contributed to both the Swedish and Norwegian pavilions at the World Expo in Shanghai. The theme was "Better city, Better life" and each of the two pavilions attracted around 3.5 million visitors.



### **GLOBAL FUTURE**

Sweco is a cooperation partner in Global Future, a program to mobilise highly educated individuals with a multicultural background for relevant positions in Norwegian trade and industry.

### Direct impact

Sweco's direct environmental impact is mainly related to business trips and the company's own office environments. Through structured internal activities, training and effective contract negotiation processes in which Sweco sets high environmental criteria, Sweco strives to achieve the best possible energy performance and uses the most suitable technical systems in its own office environments.

In 2010 Sweco continued its efforts to reinforce the employees' expertise in the sustainability area with the support of a web-based sustainability course. In 2010 a new contract was also signed to rebuild Sweco's head office in Stockholm. The goal is to upgrade the building to the "Gold" level in the new Swedish environmental classification system "Environmentally-Classified Building", with an emphasis on energy consumption, the working environment and material selection.

### Initiatives in 2010

Aside from the opportunities to exert an influence through the assignments, Sweco is involved in a number of initiatives to promote sustainable development.

At the World Expo in Shanghai, Sweco was represented through the Swedish and Norwegian pavilions. Sweco's architects and engineers designed the Swedish pavilion and Sweco Norway was a member of the team responsible for designing the Norwegian pavilion. The theme of the expo was "Better city, Better life" and the

pavilions served as meetingplaces for the spread of knowledge about sustainable development and holistic solutions for architecture, urban planning and environmental engineering. The two pavilions attracted around 3.5 million visitors each.

For more than 25 years, Sweco has acknowledged energy-saving ideas and innovations through its yearly presentation of the Swedish Energy Prize. In 2010 the prize went to Alingsåshem for its energy-smart renovation of the buildings in a run-down residential development.

Sweco Sweden, Norway and Finland are members of the respective national branches of the Green Building Council, which is dedicated to promoting the development of more sustainable solutions in the building industry.

Sweco is a cooperation partner in Global Future, the Confederation of Norwegian Enterprise's (NHO) program to mobilise highly educated women and men with a multicultural background for relevant positions in Norwegian trade and industry and seats on corporate boards. This partnership provides opportunities for recruitment on a global basis in all technical disciplines.

For the past two years Sweco has collaborated with Doctors without Borders/Médecins Sans Frontières (MSF). Within the framework of the partnership, Sweco's employees can take a leave of absence to use their architectural and engineering skills in the field. In the past year Sweco employees were sent to Liberia and Haiti. Sweco also makes financial donations to the organisation.



### SWEDISH ENERGY PRIZE

Ing-Marie Odegren, Managing Director of Alingsåshem, accepted the 2010 Swedish Energy Prize for the company's transformation of a run-down residential development into passive buildings. The prize was presented by Johan Rockström, Executive Director of Stockholm Resilience Centre at Stockholm University.



### DOCTORS WITHOUT BORDERS

For the past two years Sweco has had a far-reaching collaboration with Doctors without Borders/Médecins Sans Frontières (MSF). In 2010 Ida Rennemark from Sweco contributed her skills for the benefit of MSF's activities in Liberia.



## CONSOLIDATED INCOME STATEMENT

SEK M	2010	2009
Net sales	5,272.4	5,338.7
Other operating income	3.9	11.5
<b>Total operating income</b>	<b>5,276.3</b>	<b>5,350.2</b>
Other external expenses	-1,400.2	-1,455.3
Personnel costs	-3,349.0	-3,331.2
Amortisation/depreciation and impairment losses	-94.4	-120.1
<b>Total operating expenses</b>	<b>-4,843.6</b>	<b>-4,906.6</b>
<b>Operating profit</b>	<b>432.7</b>	<b>443.6</b>
Financial income	5.3	10.5
Financial expenses	-14.3	-10.6
Share in profit of associates	0.0	0.1
<b>Net financial items</b>	<b>-9.0</b>	<b>0.0</b>
<b>Profit before tax</b>	<b>423.7</b>	<b>443.6</b>
Income tax expense	-123.8	-149.0
<b>PROFIT FOR THE YEAR</b>	<b>299.9</b>	<b>294.6</b>
<b>Profit for the year attributable to:</b>		
Owners of the Parent Company	298.5	292.7
Non-controlling interests	1.4	1.9
<b>Earnings per share per attributable to owners of the Parent Company</b>		
Basic earnings per share, SEK	3.31	3.31
Diluted earnings per share, SEK	3.28	3.28

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK M	2010	2009
<b>Profit for the year</b>	<b>299.9</b>	<b>294.6</b>
Translation different	-101.1	0.0
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>198.8</b>	<b>294.6</b>
<b>Comprehensive income attributable to:</b>		
Owners of the Parent Company	198.8	293.1
Non-controlling interests	0.0	1.5

# CONSOLIDATED BALANCE SHEET AT 31 DECEMBER

SEK M	2010	2009
<b>ASSETS</b>		
<b>Non-current assets</b>		
Goodwill	734.4	783.5
Other intangible assets	49.3	53.4
Tangible assets	199.5	173.9
Investments in associates	1.0	1.0
Financial investments	8.9	10.0
Deferred tax assets	7.1	14.0
Other non-current receivables	32.6	34.3
<b>Total non-current assets</b>	<b>1,032.8</b>	<b>1,070.1</b>
<b>Current assets</b>		
Trade receivables	775.4	810.5
Work in progress less progress billings	564.3	526.2
Current tax assets	78.6	42.4
Other receivables	43.7	36.3
Prepaid expenses and accrued income	116.9	108.5
Cash and cash equivalents	376.7	557.3
<b>Total current assets</b>	<b>1,955.6</b>	<b>2,081.2</b>
<b>TOTAL ASSETS</b>	<b>2,988.4</b>	<b>3,151.3</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	91.5	92.0
Other contributed capital	239.0	239.0
Other reserves	-15.9	83.8
Retained earnings, including profit for the year	1,105.0	1,170.1
<b>Equity attributable to owners of the Parent Company</b>	<b>1,419.6</b>	<b>1,584.9</b>
Non-controlling interests	10.0	10.8
<b>Total equity</b>	<b>1,429.6</b>	<b>1,595.7</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Non-current interest-bearing liabilities	11.0	13.6
Provisions for pensions	4.7	5.6
Deferred tax liabilities	133.4	106.9
Other non-current liabilities	2.2	0.9
<b>Total non-current liabilities</b>	<b>151.3</b>	<b>127,0</b>
<b>Current liabilities</b>		
Current interest-bearing liabilities	120.9	119.6
Progress billings in excess of work in progress	272.6	303.6
Trade payables	191.7	206.9
Current tax liabilities	32.8	40.9
Other current liabilities	225.8	215.9
Accrued expenses and deferred income	563.7	541.7
<b>Total current liabilities</b>	<b>1,407.5</b>	<b>1,428.6</b>
<b>Total liabilities</b>	<b>1,558.8</b>	<b>1,555.6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,988.4</b>	<b>3,151.3</b>



# CONSOLIDATED CASH FLOW STATEMENT

SEK M	2010	2009
<b>Operating activities</b>		
Profit before tax	423.7	443.6
<b>Adjustments for non-cash items</b>		
Capital gains/losses	-0.4	-10.7
Amortisation/depreciation and impairment losses	94.4	120.1
Difference between pension premiums expensed and paid	-6.4	-1.4
Other items	-0.6	67.8
<b>Total non-cash items</b>	<b>87.0</b>	<b>175.8</b>
Income taxes paid	-142.0	-156.8
<b>Cash flow from operating activities before changes in working capital</b>	<b>368.7</b>	<b>462.6</b>
<b>Changes in working capital</b>		
Change in current receivables	-30.9	99.6
Change in current liabilities	4.0	-32.5
<b>Cash flow from operating activities</b>	<b>341.8</b>	<b>529.7</b>
<b>Investing activities</b>		
Purchase of intangible assets	-6.3	-14.5
Disposal of intangible assets	0.1	0.6
Purchase of tangible assets	-61.3	-62.9
Disposal of tangible assets	2.0	1.5
Acquisition of subsidiaries and operations, net cash effect	-63.1	-29.7
Disposal of subsidiaries and operations, net cash effect	-4.0	11.3
Disposal of financial investments	0.1	0.1
<b>Cash flow from investing activities</b>	<b>-132.5</b>	<b>-93.6</b>
<b>Financing activities</b>		
Issue of warrants	-	0.1
Issue expenses	-0.7	-
Capital distribution to owners of the Parent Company	-355.7	-174.3
Capital distribution to non-controlling interests	-0.7	-0.8
New loans raised	1.3	55.4
Repayment of borrowings	-6.7	-81.7
<b>Cash flow from financing activities</b>	<b>-362.5</b>	<b>-201.3</b>
<b>CASH FLOW FOR THE YEAR</b>	<b>-153.2</b>	<b>234.8</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>557.3</b>	<b>321.3</b>
<b>Exchange gains/losses on cash and cash equivalents</b>	<b>-27.4</b>	<b>1.2</b>
<b>Cash and cash equivalents at end of year</b>	<b>376.7</b>	<b>557.3</b>

# BUSINESS AREAS

## THE SWECO GROUP

Sweco has an efficient and client-driven organisation. Based on Sweco's decentralised and result-oriented business model, all energy can be focused on the business and work in client projects. The Parent Company is responsible for group-wide functions. Operations are conducted in six business areas:

Sweco Sweden  
Sweco Norway  
Sweco Finland  
Sweco Central & Eastern Europe  
Sweco Russia  
Sweco Industry

Through collaboration between the various service segments, representing a wide range of core competencies, Sweco can create strong consulting teams capable of taking on larger and more complex projects.

## SWECO'S BUSINESS AREAS

### Sweco Sweden

Net sales and profit	2010	2009
Net sales, SEK M	3,103.9	2,954.6
Operating profit, SEK M	334.2	327.4
Operating margin, %	10.8	11.1

Sweco Sweden is the country's leading provider of consulting engineering services and the Group's largest business area, with over 2,800 employees in some 50 locations. Services are offered in the areas of Architecture, Structural Engineering, Building Service Systems, Infrastructure, Water & Environment, Project Management, Energy Systems, Geographic IT and Analysis & Strategic Development. Sweco Sweden also has extensive project exports to countries in Eastern Europe, Africa, Asia, the Middle East and Latin America.

### Sweco Norway

Net sales and profit	2010	2009
Net sales, SEK M	1,296.6	1,288.2
Operating profit, SEK M	130.8	141.2
Operating margin, %	10.1	11.0

Sweco is one of Norway's largest engineering consultancies, with more than 900 employees. The Norwegian business area, which also has some project export operations, is organised in six divisions: Energy, Water & Environment, Building & Construction, Infrastructure, Building Service Systems and Vest.

### Sweco Finland

Net sales and profit	2010	2009
Net sales, SEK M	81.9	94.7
Operating profit, SEK M	7.2	8.9
Operating margin, %	8.8	9.4

The business area has around 60 employees in the subsidiary Sweco PM, which provides project management services to clients in the infrastructure, construction and industrial sectors.

### Sweco Central & Eastern Europe

Net sales and profit	2010	2009
Net sales, SEK M	278.2	307.0
Operating profit, SEK M	7.3	5.4
Operating margin, %	2.6	1.7

Sweco Central & Eastern Europe has more than 870 employees and is active in Estonia, Lithuania, Poland, the Czech Republic, Slovakia and Bulgaria. The units in these markets also conduct project exports.

### Sweco Russia

Net sales and profit	2010	2009
Net sales, SEK M	28.5	31.0
Operating profit, SEK M	3.4	1.2
Operating margin, %	11.8	4.0

Sweco Russia conducts operations through the subsidiary Lenvodokanal-proekt in St. Petersburg, with more than 90 employees. Lenvodokanal-proekt is one of the country's leading water and environment consultancies. Sweco Russia also coordinates project exports from Sweden, Norway, Finland and the Czech Republic to the Russian market in the areas of water and environment, infrastructure, industry and architecture.

### Sweco Industry

Net sales and profit	2010	2009
Net sales, SEK M	536.6	762.3
Operating profit, SEK M	1.5	-22.3
Operating margin, %	0.3	-2.9

Sweco Industry is the Group's resource for qualified industrial consulting services. The business area's capabilities include consulting, planning, engineering and project management services for product optimisation and plant investment. With over 400 employees in Finland, 190 in Sweden and 20 in Norway, Sweco Industry is one of the Nordic region's largest industrial engineering consultancies. Sweco Industry also has extensive operations in Russia, Eastern Europe and South America. The business area works with a focus on the energy, chemical and petrochemical, pulp and paper and mining industries.



## FIVE-YEAR OVERVIEW

SEK M	2010	2009	2008	2007	2006
<b>Income statement, SEK M</b>					
Net sales	5,272.4	5,338.7	5,522.8	4,569.5	3,894.7
Operating profit	432.7	443.6	596.3	432.5	361.9
Net financial items	-9.0	0.0	-8.1	-6.8	2.5
Profit before tax	423.7	443.6	588.2	425.7	364.4
Profit for the year	299.9	294.6	402.9	303.3	258.3
<b>Balance sheet, SEK M</b>					
Balance sheet total	2,988.4	3,151.3	3,012.5	2,438.0	2,050.9
Equity	1,429.6	1,595.7	1,414.8	950.3	835.9
Cash and cash equivalents and current interest-bearing receivables	376.7	557.3	321.3	192.0	255.6
Interest-bearing liabilities	136.6	138.8	161.2	209.8	105.8
Net interest-bearing receivable/liability	240.1	418.5	160.1	-17.8	149.8
<b>Cash flow statement, SEK M</b>					
Cash flow from operating activities	341.8	529.7	557.1	314.2	243.8
Cash flow from investing activities	-132.5	-93.6	-273.1	-203.6	30.2
Cash flow from financing activities	-362.5	-201.3	-176.5	-155.7	-283.1
<b>Cash flow for the year</b>	<b>-153.2</b>	<b>234.8</b>	<b>107.5</b>	<b>-45.1</b>	<b>-9.1</b>
<b>Key ratios</b>					
Operating profit per employee, SEK 000s	87	87	109	92	91
Value added per employee, SEK 000s	758	743	720	701	701
Billing ratio, %	73.4	73.6	75.6	76.1	75.3
Operating margin, %	8.2	8.3	10.8	9.5	9.3
Profit margin, %	8.0	8.3	10.6	9.3	9.4
Equity/assets ratio, %	47.8	50.6	47.0	39.0	40.8
Net debt/equity ratio, %	-16.8	-26.2	-11.3	1.9	-17.9
Debt/equity ratio, times	0.1	0.1	0.1	0.2	0.1
Interest coverage ratio, times	31	42	32	35	51
Return on equity, %	19.9	19.6	34.6	33.8	29.9
Return on capital employed, %	26.5	27.5	44.4	41.7	38.2
Return on total assets, %	14.3	14.7	22.3	19.5	18.2
Average number of employees	4,986	5,082	5,453	4,699	3,986
<b>Share data</b>					
Earnings per share, SEK	3.31	3.31	4.68	3.53	3.00
Diluted earnings per share, SEK	3.28	3.28	4.65	3.46	2.99
Dividend return, %	5.2	7.4	5.7	3.1	6.1
Equity per share, SEK	15.61	17.82	16.09	11.06	9.80
Diluted equity per share, SEK	15.61	17.40	15.72	10.83	9.72
Cash flow per share, SEK	-1.70	2.66	1.25	-0.54	-0.11
Diluted cash flow per share, SEK	-1.68	2.63	1.24	-0.53	-0.11
Bid price Sweco B at 31 December, SEK	58.25	53.75	35.00	65.00	52.80
Market capitalisation, SEK M	5,394	4,963	3,211	5,599	4,422
Ordinary dividend per share, SEK (2010 – proposed)	3.00	2.00	2.00	2.00	1.50
Extraordinary dividend or profit distribution	-	2.00	-	-	1.70
Number of shares at 31 December <sup>1)</sup>	90,957,774	88,943,037	87,144,243	84,260,044	84,251,350
Diluted number of shares at 31 December <sup>1)</sup>	90,957,774	91,074,951	89,172,369	86,029,339	84,887,845
Number of shares after full dilution at 31 December <sup>1)</sup>	92,257,774	92,374,951	90,424,369	86,947,804	85,739,700
Number of class B and C treasury shares <sup>1)</sup>	559,073	3,059,073	2,357,867	2,154,306	1,163,000

1) The number of shares for prior periods has been restated with respect to the completed share split in 2007.

# COMMENTS ON THE FIVE-YEAR OVERVIEW

## 2006

In 2006 Sweco enjoyed robust demand for its services both in the Nordic countries and internationally. Sweco further strengthened its positions in the Nordic home markets, above all in the energy area. 2006 was a record year of powerful growth and high profitability. The Sweco Group's sales rose by 16 per cent, of which 40 per cent was due to acquisitions and 60 per cent to organic growth. The share of international sales rose to 50 per cent. Operating profit increased by 33 per cent to SEK 362 million, an improvement explained mainly by a continued strong market for all business units, improved internal efficiency and the accretive effects of acquisitions. During the year, companies were acquired in Sweden, Norway, Finland and Lithuania with annual sales of more than SEK 350 million and 379 employees. In the second quarter Sweco created a new organisation that is designed to improve the scope for international expansion. The share price rose by 27 per cent and ended the year at SEK 52.80. The number of employees at 31 December 2006 was approximately 4,200.

## 2007

All of Sweco's business units saw keen demand for consulting engineering services during 2007, resulting in continued strong performance and yet another record year for Sweco. The Sweco Group's net sales rose by 17 per cent, of which around 60 per cent was attributable to acquisition-driven growth and 40 per cent to organic growth. Operating profit improved by 20 per cent to SEK 433 million, an increase mainly explained by a sustained strong market, improved internal efficiency and the accretive effects of past acquisitions. During the year, Sweco acquired companies and operations with total annual sales of approximately SEK 329 million and around 620 employees. In Norway, Sweco continued its expansion through a number of acquisitions and is now one of the country's leading multidisciplinary engineering consultancies. Further advances were made in the Group's expansion in Central and Eastern Europe. Through the acquisition of Czech-based Hydroprojekt, a new home market was established in Central Europe. Additional acquisitions were made in Estonia and Lithuania, where Sweco now has a clearly dominant market position. The bid price of the Sweco B share rose by 23 per cent during the year and was SEK 65 at year-end. The number of employees at the end of the period was 4,934.

## 2008

The market for consulting engineering services was good during the year. Demand was particularly keen for services in the environment, energy and infrastructure areas, while weaker demand was noted in the construction sector and parts of the industrial sector in the fourth quarter. In spite of the rapid economic downturn at the end of the year, Sweco recorded its best performance ever in 2008. The Sweco Group's net sales rose to SEK 5,523 million, an increase of 21 per cent of which around 50 per cent was organic and 50 per cent was acquisition-driven. Operating profit improved by 38 per cent to SEK 596 million, with the Swedish and Norwegian units showing the strongest earnings growth. During the year Sweco continued its expansion and

strengthened its market positions in both the Nordic region and in Eastern and Central Europe. Several acquisitions were carried out in Norway and the expansion in Eastern Europe continued through additional acquisitions in Lithuania and Bulgaria. In 2008 subscription warrants were issued to some 50 senior executives in the Group. The bid price for the Sweco B share at year-end 2008 was SEK 35, a decrease of 47 per cent during the year. The number of employees at 31 December 2008 was 5,536.

## 2009

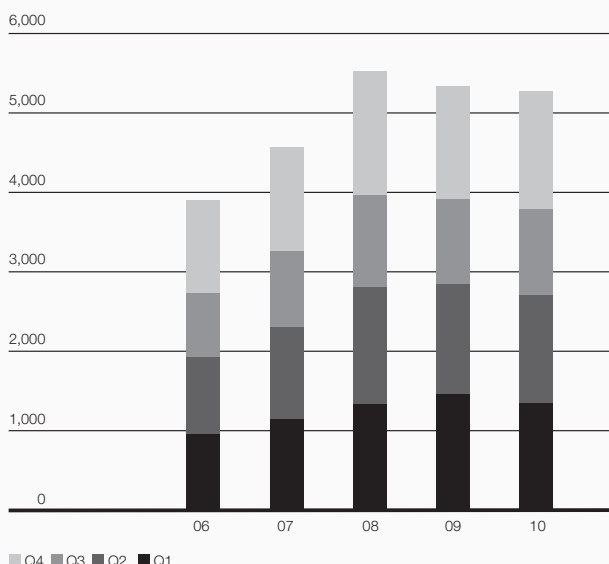
2009 was characterised by a weak market for building-related and industrial services, particularly in Finland and the Baltic countries. At the same time, demand for services related to the environment, energy and infrastructure was generally good. As a result of the unfavourable market, the Sweco Group's net sales fell by 3 per cent to SEK 5,339 million. Operating profit amounted to SEK 444 million with an operating margin of 8.3 per cent. Sweden and Norway delivered strong performance with operating margins of around 11 per cent. Operating profit was burdened with restructuring charges and a write-down of goodwill in Sweco Industry amounting to a total of SEK 41 million, as well as SEK 8 million in costs for resource adaptations in the Baltic countries. The Sweco Group's financial position was strong, with a net receivable of SEK 419 million and cash and cash equivalents include unutilised bank overdraft facilities of SEK 1,122 million. Acquisition activity was low during the year and only a few minor acquisitions were carried out. The bid price for the Sweco B share rose by 54 per cent and amounted to SEK 53.75 at year-end. The number of employees at year-end 2009 was 5,137.

## 2010

2010 was characterised by weak market development during the spring and a burgeoning recovery in the autumn. At the end of the year the market recovery gained momentum in several of Sweco's segments, including the industrial and building sectors. Net sales amounted to SEK 5,272 million. Overall net sales fell by 1 per cent, mainly due to downsizing in the industrial operations in Finland. Operating profit was SEK 432.7 million. Three business areas, Sweco Sweden, Sweco Norway and Sweco Russia, reported strong earnings with operating margins of over 10 per cent. Profit in Sweco Norway was affected by one-time project write-downs of more than SEK 20 million. Ambitious brand-building activities in a number of countries and acquisition-related expenses, together amounting to SEK 26 million, led to an increase in group-wide costs. The financial position was strong, with a net receivable of SEK 240 million and cash and cash equivalents including unutilised bank overdraft facilities of SEK 947 million. Through the acquisitions of Hydroprojekt Kraków and Transprojekt Kraków, a new market was established in Poland. In Sweden, Aros Arkitekter was acquired and Sweco now has close to 500 architects, making it one of the largest architectural companies in Europe. Sweco acquired nine companies with more than 300 employees during the year. The bid price for the Sweco B share at 31 December 2010 was SEK 58.25, representing an increase of 13 per cent. The number of employees at the end of the year was 5,418.

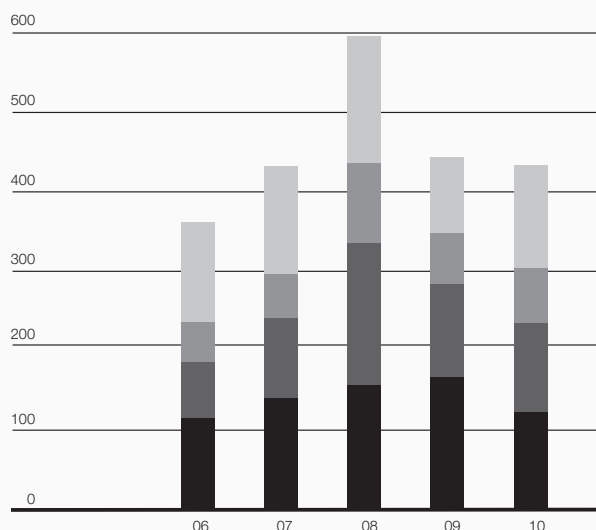
## Net sales

SEK M



## Operating profit

SEK M





# EXECUTIVE MANAGEMENT AND SENIOR EXECUTIVES

## EXECUTIVE MANAGEMENT

### Mats Wäppling

President and CEO since 2007.  
Member of the Board of Sweco AB  
since 2003.

### Bo Jansson

Chief Financial Office since 2000  
and Vice President since 2008.

## SENIOR EXECUTIVES

### Eva Nygren

President of Sweco Sweden  
since 2006.

### Jonas Dahlberg

President of Sweco Russia and  
Head of Business Development  
since 2008.

### Vibecke Hverven

President of Sweco Norway  
since 2005.

### Kari Harsunen

President of Sweco Industry  
since 2007.

### Pär Hammarberg

President of Sweco Central and  
Eastern Europe since 2008.

## OTHER SENIOR EXECUTIVES

### GROUP STAFFS

#### Stig Bremer

Head of IT.  
(Norway)

#### Fredrik Hedlund

Head of Corporate  
Communications.

#### Anna Johansson

Head of Group Accounting.

#### Jenny Klefström

Legal Counsel.

#### Lisa Lagerwall

Legal Counsel.

#### Jessica Petrini

Head of Human Resources.

### SWECO SWEDEN

#### Ann-Louise Lökhholm

President of Sweco Systems.

#### Åsa Bergman

President of Sweco Management.

#### Bo Carlsson

President of Sweco Environment.

#### Johan Dozzi

President of Sweco Infrastructure.

#### Sören Hed

President of Sweco Structures.

#### Jan Mattsson

President of Sweco Architects.

#### Erik Severin

President of Sweco Energuide.

#### Helena Källerman

President of Sweco Position.

### SWECO NORWAY

#### Lars Enander

Head of Water & Environment  
Division.

#### Frøydis Espedal

Head of Building Service Systems  
Division.

#### Tron Kjøllhamar

Head of Building & Construction  
Division.

#### Snorre Læggran

Head of Infrastructure Division.

#### Tor-Helge Indrebø

Head of Vest Division.

#### Jørn Tyrdal

Head of Energy Division.

### SWECO FINLAND

#### Jyrki Keinänen

President of Sweco PM.

### SWECO CENTRAL & EASTERN EUROPE

#### Arturas Abromavicius

President of Sweco Lietuva.  
(Lithuania)

#### Miroslav Kos

President of Hydroprojekt CZ.  
(Czech Republic)

#### Dimitar Popov

President of Sweco  
Energoproekt JSC.  
(Bulgaria)

#### Aare Uusalu

President of Sweco Projekt.  
(Estonia)

#### Gregor Rolski

President of Sweco Polska.  
(Poland)

### SWECO RUSSIA

#### Alexander Limarenko

President of Lenvodokanalproekt.

### SWECO INDUSTRY

#### Lars-Göran Sporre

President of Sweco Industry AB.  
(Sweden)

#### Jukka Korvenoja

Head of Chemical Industry Division.  
(Finland)

#### Tapani Koski

Head of Project Execution Division.  
(Finland)

#### Philip M. Pedersen

President of Sweco MEC AS.  
(Norway)

#### Tapani Bastman

Head of Energy and Pulp & Paper  
Division.  
(Finland)

E-mail: [firstname.lastname@sweco.xx](mailto:firstname.lastname@sweco.xx)

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# DEFINITIONS

## AVERAGE NUMBER OF EMPLOYEES

Hours of attendance plus hours of absence (excluding long-term absence) divided by normal working hours.

## BILLING RATIO

Billable hours in relation to total hours of attendance.

## CAPITAL EMPLOYED

Total assets less interest-free current and non-current liabilities and deferred tax liabilities.

## CASH FLOW PER SHARE

The year's cash flow divided by the average number of shares after dilution.

## DEBT/EQUITY RATIO

Interest-bearing liabilities divided by shareholders' equity.

## DIRECT RETURN

The year's dividend (proposed dividend for 2010) divided by the closing bid price for the Sweco class B share.

## EARNINGS PER SHARE

Profit for the year attributable to owners of the Parent Company divided by the average number of shares outstanding.

## EMPLOYEE TURNOVER RATE

The number of employees who left the Group during the year divided by the average number of employees.

## EQUITY/ASSETS RATIO

Shareholders' equity divided by total assets.

## EQUITY PER SHARE

Equity attributable to owners of the Parent Company divided by the number of shares outstanding.

## IAS

International Accounting Standards.

## IFRS

International Financial Reporting Standards.

## INTEREST COVERAGE RATIO

Profit after net financial items plus financial expenses divided by financial expenses.

## MARKET CAPITALISATION

The year's closing bid price for the Sweco class A and class B share multiplied by the number of shares outstanding (excluding treasury shares) in each class.

## NET DEBT/EQUITY RATIO

Cash and cash equivalents less interest-bearing liabilities divided by shareholders' equity.

## OPERATING MARGIN

Operating profit as a percentage of net sales.

## OPERATING PROFIT PER EMPLOYEE

Operating profit excluding one-time items divided by the average number of employees.

## PROFIT MARGIN

Profit before tax in relation to net sales.

## RETURN ON CAPITAL EMPLOYED

Profit after net financial items plus financial expenses in relation to average capital employed.

## RETURN ON EQUITY

Profit for the year attributable to owners of the Parent Company in relation to average equity attributable to owners of the Parent Company.

## RETURN ON TOTAL ASSETS

Profit after net financial items plus financial expenses divided by average total assets.

## TOTAL RETURN

Share price trend including reinvested dividends.

## VALUE ADDED PER EMPLOYEE

Operating profit excluding one-time items plus personnel costs divided by the average number of employees.



