

INTERIM REPORT

Q1 | 2017



Multiconsult



HIGHLIGHTS AND KEY FIGURES Q1 2017

HIGHLIGHTS

- ▲ Strong first quarter results driven by a positive calendar effect in the quarter
- ▲ Continued improvements in LINK arkitektur
- ▲ Improved contribution from the international segment in the quarter
- ▲ Acquisition of Iterio AB completed in line with 3-2-1 GO strategy

CONSOLIDATED KEY FIGURES

<i>Amounts in MNOK (except EPS, shares and percentage)</i>	Q1 2017	Q1 2016	FY 2016
FINANCIAL			
Net operating revenues	799.7	653.9	2 604.6
Growth (%)	22.3%	18.0%	15.9%
EBITDA, underlying ¹⁾	105.5	58.3	225.5
EBITDA margin (%), underlying ¹⁾	13.2%	8.9%	8.7%
EBIT, underlying ¹⁾	94.4	48.0	182.3
EBIT margin (%), underlying ¹⁾	11.8%	7.3%	7.0%
Basic earnings per share (NOK)	2.75	1.36	8.15
Average number of shares	26 247 202	26 235 189	26 243 164
Net interest bearing debt (negative is asset) ¹⁾	9.8	(114.4)	(116.5)
Cash and cash equivalents	146.9	122.7	176.0
OPERATIONAL			
Order intake	1 073.7	763.0	3 084.7
Order backlog	1 966.5	1 744.7	1 793.1
Billing ratio (%)	68.4%	69.1%	69.2%
Employees	2 471	2 165	2 344

¹⁾ Refers to page 20 to define underlying financial performance and alternative performance measures.

FIRST QUARTER 2017 GROUP REVIEW

Multiconsult delivered a strong first quarter EBIT of NOK 94.4 million, driven by positive calendar effect of seven more working days in Norway and improvement in the LINK arkitektur and international segments. Order backlog remains strong at NOK 1.97 billion. Acquisition of the Swedish consulting engineering company Iterio AB was successfully completed, in line with the 3-2-1 GO strategic objectives.

FINANCIAL REVIEW

(Figures in brackets = same period prior year or relevant balance sheet date 2017).

With effect from 1 January 2017, Multiconsult ASA has made a change to the reporting of its business areas. Please see note 4 for further details.

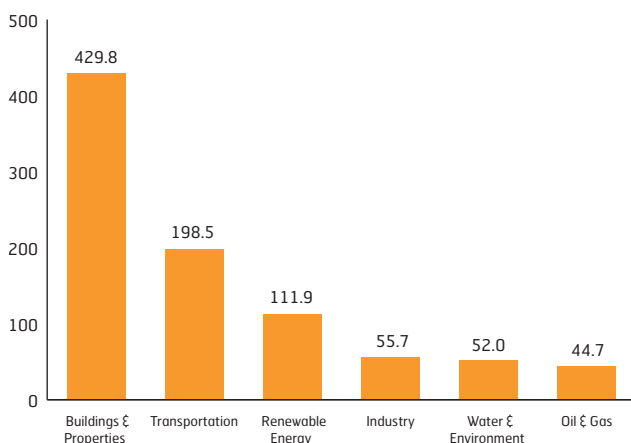
Group results

First quarter 2017

Net operating revenues increased by 22.3% to NOK 799.7 million (NOK 653.9 million) compared to the same quarter last year. The increase in revenues was mainly driven by higher production due to own net recruitment and acquisition of Akvator AS, aarhus arkitekterne A/S and Iterio AB. Growth in net operating revenues was further impacted by the positive calendar effect in the quarter. The billing ratio decreased to 68.4% (69.1%) with a negative effect on net operating revenues. Billing rates were at a similar level to last year. Buildings & Properties with projects like Campus Ås and Transportation with projects like New Airbase Ørland made strong contributions to operating revenues.

Operating revenues by business area Q1 2017

Amounts in MNOK



Iterio AB was acquired on 7 March 2017 and is consolidated in the group statement of income and balance sheet as of 1 March 2017.

Underlying operating expenses increased by 16.5% to NOK 694.2 million (NOK 595.7 million). The increase is mainly attributable to higher employee benefit expenses caused by ordinary salary adjustment and increased headcount related to acquisitions and net recruitment. Administrative expenses increased accordingly in the quarter. However, some non-recurring expenses, including the implementation of the new ERP system, impacted the first quarter.

Underlying EBITDA was NOK 105.5 million (NOK 58.3 million), an increase of 81.1% compared to the same period last year. The increase is mainly explained by higher net operating revenues, which more than offset the increase in operating expenses in the quarter.

Underlying EBIT amounted to NOK 94.4 million (NOK 48.0 million), an increase of 96.9%.

Results from associated companies and joint ventures amounted to NOK 0.5 million (NOK 1.2 million).

Net financial items was an expense of NOK 0.7 million (expense of NOK 1.0 million), due to a lower level of retirement benefit obligations.

Group tax rate was 23.6% (25.7%), the decrease being mainly related to the change in corporate tax rates in Norway to 24% (25%) from 1 January 2017.

Reported profit for the period was NOK 72.1 million (NOK 35.8 million). Earnings per share for the quarter were NOK 2.75 (NOK 1.36).

Financial position, cash flow and liquidity

First quarter 2017

Net cash flow from operating activities was negative NOK 66.8 million (negative NOK 101.5 million). The improvement was mainly related to higher net profit and lower non-cash pension cost, partly offset by increased working capital. Work in progress increased with normal seasonal fluctuations due to higher production in the first quarter 2017 compared to fourth

quarter 2016. Change in working capital in the first quarter 2017 was NOK 145.3 million (NOK 104.8 million), in line with normal seasonal fluctuations.

Cash flow used in investment activities was NOK 63.3 million this quarter (NOK 7.0 million) mainly related to the acquisition of Iterio AB and ordinary asset replacement. The NOK 7.0 million used in the same quarter last year was mainly for ordinary asset replacement.

Cash flow from financing activities amounted to NOK 97.2 million (NOK 0.0 million), due to a higher level of interest bearing debt.

Consolidated financial position

As of 31 March 2017, total assets amounted to NOK 1 519.1 million (NOK 1 381.6 million at 31 December 2016), and total equity amounted to NOK 582.6 million (NOK 507.5 million at 31 December 2016).

The group had cash and cash equivalents of NOK 146.9 million as of 31 March 2017 (NOK 176.0 million at 31 December 2016). Interest bearing debt amounted to NOK 156.7 million (NOK 59.5 million at 31 December 2016). Net interest bearing debt amounted to NOK 9.8 million (asset of NOK 116.5 million at 31 December 2016).

ORDER BACKLOG AND INTAKE

The order backlog remains strong at the end of the first quarter and was NOK 1 966.5 million (NOK 1 744.7 million), an increase of 12.7% year on year. Call-offs on frame agreements, such as the new and important nation-wide agreement with The Norwegian Defence Estates Agency (NDEA) for environmental technology site investigations, risk assessments and action plans, are only included in the order backlog when signed.

Order intake during the first quarter increased by 40.7% to NOK 1 073.7 million (NOK 763.0 million). Inclusion of the backlog from Iterio AB of NOK 85.4 million in the first quarter 2017 as well as new order intake from aarhus arkitekterne A/S made strong contributions to the increase. There were strong sales within Buildings & Properties, Transportation and Renewable

Energy in the quarter. There were many small and mid-size contract awards in the quarter, and the tender pipeline in the transportation sector is promising.

The majority of the order intake this quarter came from add-ons to or extensions of existing contracts. Important new contracts this quarter were Greater Oslo Grid Plan with Statnett and Bridge inspection 2017 with the Norwegian roads authority in Norway as well as the Middle Yeywa hydropower plant in Myanmar. Important add-ons to existing contracts this quarter were the Tønsberg hospital, Campus Ås, and Follo line in Norway as well as Neelum Jhelum in Pakistan and Mount Coffee in Liberia.

SEGMENTS

Multiconsult is organised in three geographical segments, Greater Oslo Area, Regions Norway, International, and a segment for LINK arkitektur.

Greater Oslo Area

The segment offers services in six business areas and comprises the central area of eastern Norway, with regional offices in Oslo, Fredrikstad and Drammen.

Key figures Greater Oslo Area

<i>Amounts in MNOK</i>	Q1 2017	Q1 2016	FY 2016
Net op. revenues	350.6	301.5	1 197.3
EBITDA	55.7	39.5	139.8
EBITDA%	15.9%	13.1%	11.7%
Order intake	476.1	374.6	1 336.1
Order Backlog	832.2	951.2	777.0
Billing ratio	67.8%	71.3%	70.0%
Employees	898	846	879

First quarter 2017

Net operating revenues increased by 16.3% to NOK 350.6 million (NOK 301.5 million) compared to the same quarter last year. The growth was mainly driven by the positive calendar effect of seven more working days in the quarter and higher production due to net recruitment. Billing rates show a modest increase compared to previous quarters of 2016. Growth in net operating revenues was partly offset by a lower billing ratio, which decreased to 67.8% (71.3%).

EBITDA amounted to NOK 55.8 million (NOK 39.5 million), an increase of 41.0% from last year. The increase in revenues was partly offset by higher employee benefit expenses as a result of net recruitment and salary adjustment, as well as increased administrative expenses.

Order intake in the first quarter was NOK 476.1 million (NOK 374.6 million), an increase of 27.1% compared to the same quarter last year. Buildings & Properties and Renewable Energy had strong contributions in the quarter. The majority of the order intake came from add-ons to and extensions of existing contracts. Important add-ons to existing contracts this

quarter were the Tønsberg hospital, Campus Ås and Follo line in Norway as well as Neelum Jhelum in Pakistan and Mount Coffee in Liberia. New contracts such as the Greater Oslo Grid Plan in Norway and Middle Yeywa project in Myanmar were also awarded in the quarter.

Order backlog for the segment at the end of the first quarter amounted to NOK 832.2 million (NOK 951.2 million), down 12.5% year on year.

Regions Norway

The segment offers services in six business areas and comprises regional offices in Kristiansand, Stavanger, Bergen, Trondheim and Tromsø.

Key figures Regions Norway

<i>Amounts in MNOK</i>	Q1 2017	Q1 2016	FY 2016
Net op. revenues	281.9	240.6	960.6
EBITDA	28.2	18.1	60.0
EBITDA%	10.0%	7.5%	6.2%
Order intake	223.8	212.7	1063.8
Order Backlog	437.2	424.7	505.9
Billing ratio	66.7%	68.0%	68.4%
Employees	807	757	793

First quarter 2017

Net operating revenues amounted to NOK 281.9 million (NOK 240.6 million), an increase of 17.1% compared to the same quarter last year. The growth was mainly driven by the positive calendar effect of seven more working days in the quarter and higher production due to new contribution from Akvator AS. Growth in net operating revenues was partly offset by a decrease in billing ratio to 66.7% (68%).

EBITDA was NOK 28.2 million (NOK 18.1 million), an increase of 55.6%. The increase in net operating revenues was partly offset by higher operating expenses, such as salary adjustment, office rent and other administrative expenses.

Order intake in the first quarter was NOK 223.8 million (NOK 212.7 million), an increase of 5.2% compared to the same quarter last year. There was a solid order intake in Buildings & Properties in the quarter. The majority of the order intake came from a substantial amount of smaller, but important new contracts. Among new contracts this quarter was the Bridge inspection 2017 in Norway. Among additions to existing contracts this quarter were the add-ons to E39 Bicycle road in Stavanger and Otium living and welfare center in Tromsø.

Order backlog for the segment at the end of the first quarter amounted to NOK 437.2 million (NOK 424.7 million), up 2.9% year on year.

International

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

Key figures International

<i>Amounts in MNOK</i>	Q1 2017	Q1 2016	FY 2016
Net op. revenues	46.5	19.3	97.0
EBITDA	13.6	(0.1)	12.8
EBITDA%	29.2%	(0.6%)	13.2%
Order intake	163.5	45.2	102.4
Order Backlog	269.1	183.8	150.2
Billing ratio	73.3%	59.3%	65.6%
Employees	208	110	130

First quarter 2017

Net operating revenues amounted to NOK 46.5 million (NOK 19.3 million), an increase of 141.2% compared to the same quarter last year. Multiconsult Asia was the main contributor to the growth due to high short-term project activity supported by temporary staffing. The growth was further supported by a particularly strong billing ratio of 73.3% (59.3%) and higher production due to net recruitment in Multiconsult Polska. New contribution from Iterio AB contributed with one month in the quarter and also supported the growth in net operating revenues.

EBITDA was NOK 13.6 million (loss of NOK 0.1 million) for the quarter. There was an improvement within all subsidiaries, with Multiconsult Asia contributing significantly to the improved results. New contribution from Iterio AB further improved the results.

Order intake in the first quarter was NOK 163.5 million (NOK 45.2 million), an increase of 261.8% compared to the same quarter last year. Main contribution to the order intake in the first quarter came from the inclusion of the backlog of NOK 85.4 million from Iterio AB as well as new contracts within Transportation in Multiconsult Polska.

Order backlog for the segment at the end of first quarter amounted to NOK 269.1 million (NOK 183.9 million), up 46.4% year on year.

LINK arkitektur

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

Key figures LINK arkitektur

Amounts in MNOK	Q1 2017	Q1 2016	FY 2016
Net op. revenues	121.7	89.5	346.1
EBITDA	9.5	0.3	14.1
EBITDA%	7.8%	0.3%	4.1%
Order intake	208.8	130.6	582.3
Order Backlog	428.0	185.0	360.0
Billing ratio	71.7%	70.5%	71.4%
Employees	431	338	420

First quarter 2017

Net operating revenues amounted to NOK 121.7 million (NOK 89.5 million), an increase of 36.0% compared to the same quarter last year. The growth was mainly driven by a positive calendar effect in the quarter and higher production from net recruitment as well as new contribution from aarhus

arkitekterne A/S. Working hours were increased from 37.5 to 40.0 hours per week for all employees in Norway starting 1 October 2016 and contributed positively to the growth year on year. Growth in net operating revenues was partly offset by a low project activity in Denmark.

EBITDA amounted to NOK 9.5 million (NOK 0.3 million) in the first quarter. Improved activity in both Norway and Sweden contributed to the increase, partly offset by higher employee benefit expenses as a result of acquisitions and net recruitment.

Order intake in the first quarter was NOK 208.8 million (NOK 130.6 million), an increase of 59.8% compared to the same quarter last year. The majority of the order intake in the quarter came from a substantial amount of smaller, but important new contracts and add-ons to existing contracts. Among important additions this quarter was the add-on to the existing contract for the Tønsberg hospital.

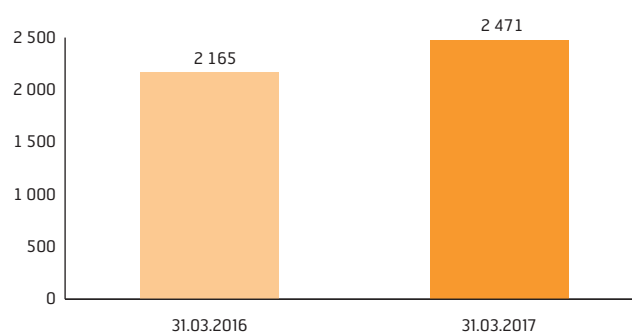
Order backlog for the segment at the end of the first quarter amounted to NOK 428.0 million (NOK 185.0 million), an increase of 131.4% compared to the same quarter last year.

ORGANISATION

At 31 March 2017 the group had 2 471 employees. The turnover ratio for the group was stable at 7.2% for the period March 2016 to March 2017.

On 7 March 2017, Multiconsult acquired the Swedish engineering consultant company Iterio AB and thereby strengthens its presence in Sweden, according to the 3-2-1 GO strategic objectives of developing a multidisciplinary business in Sweden. The total purchase price was SEK 50.0 million. The acquisition was settled in cash and financed through Multiconsult's existing credit facilities.

Number of employees



HEALTH, SAFETY AND THE ENVIRONMENT

Multiconsult has adopted HSE policies and implemented guidelines to ensure continued compliance with applicable regulations and to maintain and develop its HSE standards. The company's HSE efforts are managed on both central and regional levels.

Recorded sick leave ratio (parent company) was 3.7% for the quarter (4.2%). Sick leave for the group in the first quarter was 4.0%.

SUBSEQUENT EVENTS

On 10 April 2017, the Pakistan Water and Power Development Authority extended the existing contract on Neelum Jhelum hydropower project. The estimate for the work done by Multiconsult ASA related to completion of tunneling has increased by NOK 30 million and will run for approximately two years during which time the project should reach commissioning.

On 26 April 2017, Multiconsult was again named one of the most attractive employers in Norway. Multiconsult is ranked number three in Universum's award of Norway's

most attractive employers among engineering students at Norwegian universities and colleges. This puts the company in the first place among consultants.

On 11 May 2017, the general meeting elected Nigel Wilson as new chair of the board in Multiconsult ASA. He has been member of the board since 2015 as well as deputy chair of the board and chair of the audit committee. Steinar Mejl ander-Larsen chose to leave the board after being member since 2000 and chair since 2008.

MARKET OUTLOOK

The overall market outlook for 2017 remains fairly positive.

Buildings & Properties is expected to maintain a stable growth. The outlook for the architecture market shows signs of positive development, but continues to be impacted by regional variations. Public sector investment is driving a strong outlook for Transportation within road and rail and several large projects are expected to be assigned in the coming year. The Renewable Energy market in Norway is expected to be stable, with continued growth within transmission. International Renewable Energy markets continue to grow, providing new business opportunities for Multiconsult. Investments in the Industry segment are expected to be slightly lower due to completion of several major projects, while investment in aquaculture remains strong. Demand for our services in the Oil & Gas industry is expected to slowly improve going forward. Within Water & Environment there is a stable demand for water and waste infrastructure projects as well as for soil contamination inspections.

The overall competitive landscape is migrating towards more Engineering, Procurement and Construction (EPC) contracts. Continued strong competition is maintaining price pressure on

large projects in Norway. Current market rates have stabilised, however the increase in salaries for the Norwegian workforce is creating challenges to profitability for the industry in general.

Multiconsult's strong market position, flexible business model and wide service offering provides a sound base for further growth, both domestic and international. Resources from Multiconsult Polska are gradually being phased into ongoing projects to strengthen competitiveness. The top line synergies between Multiconsult and LINK arkitektur are expected to continue to further strengthen the group's value proposition to customers.

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

Multiconsult will continue to focus on sales efforts, improvement of the billing ratio, strong project execution and cost efficiency throughout the organisation to secure profitability.

RISK AND UNCERTAINTIES

The risk of disagreements and legal disputes related to the possible cost of delays and project errors is always present in the consultancy business. Multiconsult has good insurance policies and routines for following up such cases. Further details regarding the insurance coverage are provided in note 19 to the consolidated financial statements for 2016.

Multiconsult is exposed to credit risk, primarily related to transactions with clients and from bank deposits. The company's losses on accounts receivable have been modest for a number of years. New customers are subject to credit assessment and

approval before credit is extended to them. Responsibility for credit management in the parent company is centralised, and routines are integrated in the group's quality assurance system. The company has established routines for assessing the creditworthiness of the customer, and the possible need for bank guarantees or other risk mitigation measures.

The group is exposed to currency risk through ongoing projects abroad with fees in foreign currencies. Hedging contracts have been entered into for certain projects to reduce this risk. Currency risk is regarded as modest.

The parent company uses its overdraft facility and its interest-bearing debt is limited. Accordingly, the company has a low interest-rate risk related to debt. Liquidity management is followed up actively through budgets and regular forecasting. To ensure sufficient freedom of action in terms of liquidity, and thereby to moderate liquidity risk, an overdraft facility of

NOK 220.0 million and an additional revolving credit facility of NOK 95.0 million for three years has been established with the parent company's bank. The revolving credit facility at 31 March 2017 was drawn with NOK 95.0 million, related to the acquisition of aarhus arkitekterne A/S and Iterio AB.

DEFINITIONS

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

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

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

EBITDA: EBIT before depreciation, amortisation and impairment.

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

Operating expenses: Employee benefit expenses plus other operating expenses.

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

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

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

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

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

DISCLAIMER

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

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited for the period ended 31 March 2017

INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME

<i>Amounts in TNOK, except EPS</i>	Q1 2017	Q1 2016	FY 2016
Operating revenues	892 624	732 257	2 968 069
Expenses for sub consultants and disbursements	92 887	78 342	363 448
Net operating revenues	799 736	653 915	2 604 621
Employee benefit expenses ¹⁾	568 285	499 227	1 841 605
Other operating expenses	125 934	96 428	430 227
Operating expenses excl. depreciation, amortisation and impairments	694 219	595 655	2 271 832
Operating profit before depreciation, amortisation and impairments (EBITDA)	105 518	58 260	332 789
Depreciation, amortisation and impairments	11 081	10 297	43 205
Operating profit (EBIT)	94 437	47 963	289 584
Results from associated companies and joint ventures	489	1 240	4 053
Financial income	1 114	696	4 082
Financial expenses	1 775	1 733	9 986
Net financial items	(661)	(1 037)	(5 904)
Profit before tax	94 265	48 167	287 732
Income tax expense	22 202	12 375	73 964
Profit for the period	72 064	35 791	213 768
Attributable to:			
Owners of Multiconsult ASA	72 064	35 791	213 768
Earnings per share	-	-	-
Basic and diluted (NOK)	2.75	1.36	8.15

1) Gain on settlement of defined benefit pension plan of NOK 107.3 million is included as decreased employee benefit expenses in FY 2016.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in TNOK</i>	Q1 2017	Q1 2016	FY 2016
Profit for the period	72 064	35 791	213 768
Other comprehensive income			
Remeasurment of defined benefit obligations	-	(73 339)	37 923
Tax	-	18 335	(9 471)
Total items that will not be reclassified to profit or loss	-	(55 004)	28 452
Currency translation differences	3 051	(499)	(4 187)
Total items that may be reclassified subsequently to profit or loss	3 051	(499)	(4 187)
Total other comprehensive income for the period	3 051	(55 503)	24 265
Total comprehensive income for the period	75 115	(19 711)	238 033
Attributable to:			
Shareholders of Multiconsult ASA	75 115	(19 711)	238 033

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

Amounts in TNOK	At 31 March 2017	At 31 March 2016	At 31 December 2016
ASSETS			
Non-current assets			
Deferred tax assets	26 080	84 604	25 104
Intangible assets	10 627	9 911	9 348
Goodwill	280 959	173 023	235 727
Property, plant and equipment	88 686	80 576	85 984
Associated companies and joint ventures	10 489	8 499	10 464
Non-current receivables and shares	8 071	34 875	7 941
Assets for reimbursement of provisions ¹⁾	20 700	20 324	22 610
Total non-current assets	445 611	411 814	397 178
Current assets			
Trade receivables	464 665	418 569	455 058
Work in progress	368 320	249 987	270 346
Other receivables and prepaid costs	93 645	61 949	83 007
Cash and cash equivalents	146 881	122 686	175 990
Total current assets	1 073 511	853 191	984 401
Total assets	1 519 122	1 265 004	1 381 579
EQUITY AND LIABILITIES			
Shareholders' equity			
Total paid in equity	26 235	26 442	26 443
Other equity	556 399	305 021	481 077
Total shareholders' equity	582 635	331 463	507 520
Non-current liabilities			
Retirement benefit obligations	5 749	235 045	5 859
Deferred tax	12 883	-	11 075
Provisions ¹⁾	29 717	41 468	33 527
Non-current interest bearing liabilities	100 898	6 542	55 994
Total non-current liabilities	149 248	283 054	106 454
Current liabilities			
Trade payables	129 403	46 416	151 903
Current tax liabilities	29 515	37 384	29 454
VAT and other public taxes and duties payables	226 550	205 595	248 124
Current interest bearing liabilities	55 811	1 784	3 477
Other current liabilities	345 960	359 308	334 648
Total current liabilities	787 239	650 487	767 605
Total liabilities	936 487	933 541	874 059
Total equity and liabilities	1 519 122	1 265 004	1 381 579

1) Footnote "Provisions"?

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in TNOK</i>	Share capital	Treasury shares	Share premium	Total paid-in capital	Retained earnings	Pension	Translation differences	Total equity
31 December 2015	13 125	(9)	13 320	26 436	550 241	(229 676)	3 179	350 181
Dividend	-	-	-	-	-	-	-	-
Treasury shares	-	6	-	6	1 172	-	-	1 178
Employee share purchase programme	-	-	-	-	(184)	-	-	(1 791)
Comprehensive income	-	-	-	-	35 791	(55 004)	(499)	(19 711)
31 March 2016	13 125	(3)	13 320	26 442	587 020	(284 680)	2 680	331 463
31 December 2015	13 125	(9)	13 320	26 436	550 241	(229 676)	3 179	350 181
Dividend	-	-	-	-	(76 123)	-	-	(76 123)
Treasury shares	-	8	-	8	1 542	-	-	1 550
Employee share purchase programme	-	-	-	-	(6 119)	-	-	(6 119)
Comprehensive income	-	-	-	-	213 768	28 452	(4 187)	238 033
31 December 2016	13 125	(1)	13 320	26 443	683 309	(201 224)	(1 008)	507 520
Dividend	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-
Employee share purchase programme	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	72 064	-	3 051	75 115
31 March 2017	13 125	(1)	13 320	26 443	755 374	(201 224)	2 043	582 635

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Amounts in TNOK</i>	Q1 2017	Q1 2016	FY 2016
Cash flows from operating activities			
Profit before tax	94 265	48 167	287 732
Income taxes paid	(26 280)	(28 268)	(60 412)
Depreciation, amortization and impairment	11 081	10 297	43 205
Results from associated companies and joint ventures	(587)	(1 240)	(4 053)
Non cash pension cost	-	(25 590)	(110 238)
Sub total operating activities	78 480	3 366	156 233
Changes in working capital	(145 313)	(104 811)	(66 066)
Net cash flow from operating activities	(66 834)	(101 445)	90 167
Cash flows from investment activities			
Proceeds from sale of fixed assets and shares	1 525	10	441
Payments for purchase of fixed assets and financial non-current assets	(14 374)	(7 018)	(38 313)
Proceeds/payments related to equity accounted investments	-	-	847
Net cash effect of business combinations	(50 453)	-	(64 260)
Net cash flow used in investment activities	(63 302)	(7 008)	(101 285)
Cash flows from financing activities			
Change in interest-bearing liabilities	97 238	-	46 525
Paid dividends	-	-	(76 123)
Sale treasury shares	-	-	42 607
Purchase treasury shares	-	-	(50 339)
Net cash flow from financing activities	97 238	-	(37 329)
Foreign currency effects on cash and cash equivalents	3 789	(1 814)	(8 516)
Net increase/decrease in cash and cash equivalents	(29 109)	(110 267)	(56 964)
Cash and cash equivalents at the beginning of the period	175 990	232 954	232 954
Cash and cash equivalents at the end of the period	146 881	122 686	175 990

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: General information

The Company and the Group

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

among the leading suppliers of consultancy and design services in Norway and the Nordic region. The group has some activity outside the Nordic region, including subsidiaries Multiconsult Polska, Multiconsult UK and Multiconsult Asia.

NOTE 2: Basis of preparation and statements

Basis for preparation

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

Statements

These interim condensed consolidated financial statements for the first quarter of 2017 have been prepared in accordance with IAS 34 as approved by the EU (IAS 34). They have not been audited. They do not include all of the information required for full annual financial statements of the group and should be read in conjunction with the consolidated financial statements for 2016. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for 2016, which are available upon request from the company's registered office at Nedre Skøyenvei 2, 0276 Oslo and at www.multiconsult.no.

These interim condensed consolidated financial statements for the first quarter of 2017 were approved by the Board of Directors and the CEO on 19 May 2017.

Accounting policies

The group prepares its consolidated annual financial statements in accordance with IFRS as adopted by the EU (International

Financial Reporting Standards - IFRS). References to IFRS in these financial statements refer to IFRS as approved by the EU. The accounting policies adopted are consistent with those of the previous financial year.

At the time of approval for issue of these interim condensed consolidated financial statements, some new standards, amendments to standards and interpretations have been published, but are not yet effective and have not been applied in preparing these consolidated financial statements. Those that may be relevant for the group are described in note 2 to the annual consolidated financial statements for 2016.

Restatement

Refer to note 19 to the annual consolidated financial statements for 2016. The group has recognised provisions for project responsibilities. The group has at 31 December 2016 determined that the expected reimbursement from the insurance company related to recognised provisions should be presented as a separate asset, instead of reducing the provisions as previously presented. This has affected the balance sheet by increasing the provisions (liabilities) and assets, but the net amount is unchanged. Comparable figures are restated. The change had no effect on the statement of income.

NOTE 3: Estimates, judgments and assumptions

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

statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual consolidated financial statements for 2016 (see especially note 2).

NOTE 4: Segments

Refer to note 5 to the consolidated annual financial statements for 2016 for more information on the segments.

The group has three geographical reportable segments in addition to a segment for LINK arkitektur. Revenues and

expenses are reported in the segment where the employee is employed. The cost of administrative services, rent of premises, depreciation and so forth is allocated between the segments.

Q1 2017 <i>Amounts in TNOK</i>	Greater Oslo Area	Regions Norway	Inter- national	LINK arkitektur	Not allocated	Elimi- nations	Total
External revenues	411 289	297 199	44 696	140 757	(1 316)	-	892 624
Internal revenues	3 832	-	11 379	3 836	1 122	(20 169)	-
Total operating revenues	415 121	297 199	56 075	144 593	(195)	(20 169)	892 624
Net operating revenues	350 611	281 853	46 503	121 716	(947)	-	799 736
Operating expenses	294 862	253 697	32 921	112 252	488	-	694 219
EBITDA	55 750	28 156	13 582	9 464	(1 434)	-	105 518
Depreciation, amortisation, impairment	3 639	5 765	473	1 187	17	-	11 081
EBIT	52 111	22 391	13 109	8 277	(1 452)	-	94 437
Associates and joint ventures	64	-	425	-	-	-	489
Receivables ¹⁾	360 237	256 489	77 713	162 717	1 841	(13 212)	845 784
Number of employees	898	807	208	431	127	-	2 471

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

Q1 2016 <i>Amounts in TNOK</i>	Greater Oslo Area	Regions Norway	Inter- national	LINK arkitektur ²⁾	Not allocated	Elimi- nations	Total
External revenues	362 304	254 379	18 802	95 609	1 163	-	732 257
Internal revenues	4 399	-	6 509	3 316	1 959	(16 183)	-
Total operating revenues	366 703	254 379	25 311	98 925	3 122	(16 183)	732 257
Net operating revenues	301 537	240 596	19 279	89 484	3 019	-	653 915
Operating expenses	261 992	222 499	19 403	89 193	2 567	-	595 655
EBITDA	39 545	18 097	(125)	291	452	-	58 260
Depreciation, amortisation, impairment	2 976	5 846	454	1 022	-	-	10 297
EBIT	36 569	12 251	(578)	(731)	452	-	47 963
Associates and joint ventures	56	-	1 184	-	-	-	1 240
Receivables ¹⁾	314 650	224 871	47 015	100 184	3 631	(6 484)	683 867
Number of employees	846	757	110	338	114	-	2 165

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

Year 2016 Amounts in TNOK	Greater Oslo Area	Regions Norway	Inter- national	LINK arkitektur	Not allocated	Elimi- nations	Total
External revenues	1 466 774	1 026 004	104 642	369 580	1 070	-	2 968 069
Internal revenues	12 598	-	35 112	17 409	5 500	(70 619)	-
Total operating revenues	1 479 372	1 026 004	139 754	386 989	6 570	(70 619)	2 968 069
Net operating revenues	1 197 326	960 560	97 036	346 126	3 573	-	2 604 621
Operating expenses ¹⁾	1 057 524	900 600	84 208	332 015	(102 516)	-	2 271 832
EBITDA	139 801	59 960	12 828	14 111	106 089	-	332 788
Depreciation, amortisation, impairment	14 675	22 668	1 696	4 166	-	-	43 205
EBIT	125 125	37 292	11 132	9 945	106 089	-	289 584
Associates and joint ventures	513	-	3 539	-	-	-	4 053
Receivables ²⁾	324 411	221 657	53 014	152 188	3 312	(18 241)	736 341
Number of employees	879	793	130	420	122	-	2 344

1) Gain of settlement of defined benefit pension plan of NOK 107.3 million is included as decreased operating expenses, not allocated.

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

An adjustment to the business area definitions was implemented from 1 January 2017 in response to recent market developments. The new business areas and the respective operating revenues for the first quarter 2017 are presented in the table below.

Operating revenues per business area:

Amounts in TNOK	Q1 2017
Buildings & Properties	429 788
Industry	55 658
Oil & Gas	44 722
Renewable Energy	111 922
Transportation	198 491
Water & Environment	52 043
Total	892 624

Buildings & Properties include advisory and engineering at all stages of a construction project for all types of buildings. The business area provides services such as demand- and feasibility studies, sketch pre-project, detailed design and follow-up during the construction period, and advice in operational phase and at sale or disposal. The focus is on sustainable and long-term solutions. Future operations, maintenance and development are planned from the early stages. LINK arkitektur is included.

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

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

structures for rigs and platforms, seabed installations, arctic climate technology for floating and subsea constructions, and noise and vibration measurement among others.

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

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

Water & Environment include services in all phases of the lifetime of a project including inspections, engineering, operation and maintenance, and remediation and demolition. The focus is on sustainable development of the society through advisory within Greenhouse gas emissions, flood and racial protection, water and drains, blue-green structures and pollution of air, water and soil.

NOTE 5: Explanatory comments about the seasonality or cyclicity of interim operations

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

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

NOTE 6: Significant events and transactions

Multiconsult ASA acquired 100% of the shares in Iterio AB on 7 March 2017. See note 12 for further information.

million (NOK 3.0 per share) that was paid to the shareholders registered on 11 May 2017.

The Annual General Meeting on 11 May 2017 resolved payment of ordinary dividends related to the 2016 financial year of NOK 78.7

NOTE 7: Related party transactions

See note 22 to the consolidated financial statements for 2016 for a description of related parties and related parties transactions in 2016.

Stiftelsen Multiconsult (the Foundation) had an ownership share of 18.7% at 31 December 2016 and 31 March 2017. The company's assessment is that Stiftelsen Multiconsult has significant influence.

NOTE 8: Treasury shares

In 2015 Multiconsult ASA introduced a share purchase program for its employees. Through the share purchase program the company offers its employees shares in Multiconsult ASA with a discount of 20%. Shares purchased through the program will be subject to a two-year lock-up period.

The company has an holding of treasury shares of 1 998 shares at 31 December 2016 and 31 March 2017.

The treasury shares reduced equity by NOK 0.2 million at 31 March 2017, equivalent to the purchase price.

NOTE 9: Earnings per share

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

	Q1 2017	Q1 2016	FY 2016
Profit for the period (in TNOK)	72 064	35 791	213 768
Average no shares (excl own shares)	26 247 202	26 235 189	26 243 164
Earnings per share (NOK)	2.75	1.36	8.15

NOTE 10: Retirement benefit obligations

For a description of the pension schemes see note 11 to the consolidated financial statements for 2016.

A new defined contribution-based pension plan now includes all the parent company employees. Other defined benefit pension plans in the group still exist for four employees in LINK arkitektur AS and two individual agreements in Multiconsult ASA.

The company has with effect from 31 December 2016 settled the defined benefit pension plan in the parent company in Norway.

NOTE 11: Fair value of financial instruments

The group's financial instruments are primarily accounts receivables and other receivables, cash and cash equivalents and accounts payables. The group also has some interest

bearing liabilities. It is assumed that the book value is a good approximation of fair value for the group's financial instruments.

Non-current and current interest bearing liabilities:

<i>Amounts in TNOK</i>	NOK 31 March 2017	NOK 31 December 2016	Local currency 31 March 2017	Local currency 31 December 2016	Currency
Multiconsult ASA	146 867	50 000	146 867	50 000	NOK
Akvator AS	-	-	-	-	NOK
Multiconsult UK	5 359	5 837	500	550	GBP
Multiconsult Asia	-	897	-	150	SGD
Multiconsult Polska	419	457	193	222	PLN
LINK arkitektur AB	1 382	-	1 437	-	SEK
aarhus arkitekterne	2 683	2 279	2 177	1 865	DKK
Total interest bearing liabilities	156 710	59 471	-	-	

The group owns a limited amounts of shares and participations available for sale (NOK 2.8 million), and it is assumed that the book value is a good approximation of fair value. Change in fair

value of derivatives (currency swaps) was recorded at NOK 0.0 million at 31 March 2017 (loss of NOK 0.3 million at 31 December 2016).

NOTE 12: Business combinations

On 7 March 2017, Multiconsult ASA acquired all the shares of Iterio AB for NOK 47 million (SEK 50 million). The acquisition was settled in cash and financed through Multiconsult's existing credit facilities. Incremental external transaction related costs are expensed as part of other operating expenses of NOK 0.5 million.

The acquisition is a first step towards Multiconsult's strategic objective of developing a multidisciplinary business in Sweden.

Iterio AB are engineering consultants with focus on planning and construction. They are mainly involved with project and design management as well as data coordination.

Their core expertise is within geotechnics, environment and traffic and they have a solid customer base. The company was established in 2011 and employs more than 70 engineers across offices in Stockholm, Gothenburg and Malmö. Iterio AB is a valuable addition and will be a good fit with LINK arkitektur's and Multiconsult group's existing presence and commitment in Sweden and Scandinavia.

Net assets of Iterio AB acquired at the time of acquisition:

<i>Amounts in TNOK</i>	
Assets	26 580
Liabilities	13 383
Net identifiable assets and liabilities	13 197
Excess values:	
Goodwill	36 803
Net assets	50 000
Cash and cash equivalents	5 472
Net cash	(44 528)

The acquisition generated an excess value of SEK 36.8 million. The excess value is allocated to goodwill and is related to the competence of the staff.

ALTERNATIVE PERFORMANCE MEASURES (APMS)

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

Items excluded from underlying EBITDA and EBIT:

The company has with effect from 1 January 2017 settled the defined benefit pension plan. The settlement resulted in a positive P&L effect and Multiconsult has defined that this effect of NOK 107.3 million lower salary expense is excluded from the underlying results in 2016.

Underlying EBITDA and EBIT:

<i>Amounts in MNOK (except percentage)</i>	Q1 2017	Q1 2016	FY 2016
Net operating revenues	799.7	653.9	2 604.6
Reported employee benefit expenses	568.3	499.2	1 841.6
Curtailement of defined benefit pension plan	-	-	(107.3)
Underlying employee benefit expenses	568.3	499.2	1 948.9
Reported other operating expenses	125.9	96.4	430.2
Underlying other operating expenses	125.9	96.4	430.2
Underlying operating expenses	694.2	595.7	2 379.1
EBITDA underlying	105.5	58.3	225.5
Depreciation, amortisation and impairments	11.1	10.3	43.2
EBIT, underlying	94.4	48.0	182.3
EBITDA margin (%), underlying	13.2%	8.9%	8.7%
EBIT margin (%), underlying	11.8%	7.3%	7.0%

Net interest bearing debt:

<i>Amounts in MNOK</i>	Q1 2017	Q1 2016	FY 2016
Non-current interest bearing liabilities	100.9	6.5	56.0
Current interest bearing liabilities	55.8	1.8	3.5
Cash and cash equivalents	146.9	122.7	176.0
Net interest bearing debt¹⁾	9.8	(114.4)	(116.5)

1) Negative is asset.



Multiconsult

Design/layout: Høngvyr AS

Nedre Skøyen vei 2, 0276 Oslo
P O Box 265 Skøyen, 0213 Oslo
Telephone 21 58 50 00
Fax 21 58 50 01

multiconsult@multiconsult.no
www.multiconsult.no
Org no 910 253 158