

FOURTH QUARTER 2016 RESULTS

Christian Nørgaard Madsen, CEO | Anne Harris, CFO



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INTRODUCTION AND HIGHLIGHTS

Christian Nørgaard Madsen, CEO

Highlights

- Strong full year 2016 revenue growth of 16%
 - 5% organic growth
- Fourth quarter impacted by higher operating expenses and project write-downs
- Acquisition of aarhus arkitekterne completed in line with 3-2-1 GO strategy
- Proposed dividend for 2016 of NOK 3.00 per share
- Defined benefit pension plan discontinued



Successful acquisition of aarhus arkitekterne

- In line with 3-2-1 GO strategic objectives
 - Strengthening our capabilities within health buildings and urbanism in Scandinavia
- Danish architect company established in 1909
 - market leader within health buildings in Denmark
 - well established in the Scandinavian market
 - strong track-record within large-scale projects
- Integrated with LINK arkitektur 1 January 2017
- Purchase price of DKK 49.2 million



Financial summary 4Q 2016

- Net operating revenue up 5.5% y-o-y to NOK 685.5 million
 - Increased workforce in Norway
 - Improved activity from International segment and LINK arkitektur
 - Stable billing ratio at 69.0%
 - Billing rates at a similar level as last year
 - Write-downs on certain projects
- EBIT* of NOK 18.9 million, 2.8% margin
 - Higher operating expenses
 - Increased employee cost not reflected in billing rates

*Underlying



Financial summary 2016

- Net operating revenue up 15.9% to NOK 2 604.6 million
- EBIT* amounted to NOK 182.3 million
- EBIT* margin at 7.0%
- Proposed 2016 dividend increased to NOK 3.00 per share
 - Reflecting underlying cash generation
 - In line with dividend policy

*Underlying



Key ongoing projects 4Q 2016



Campus Ås | Photo: Multiconsult



- Campus Ås



- Hydro Karmøy



- Mount Coffee Hydropower



- New Airbase Ørland

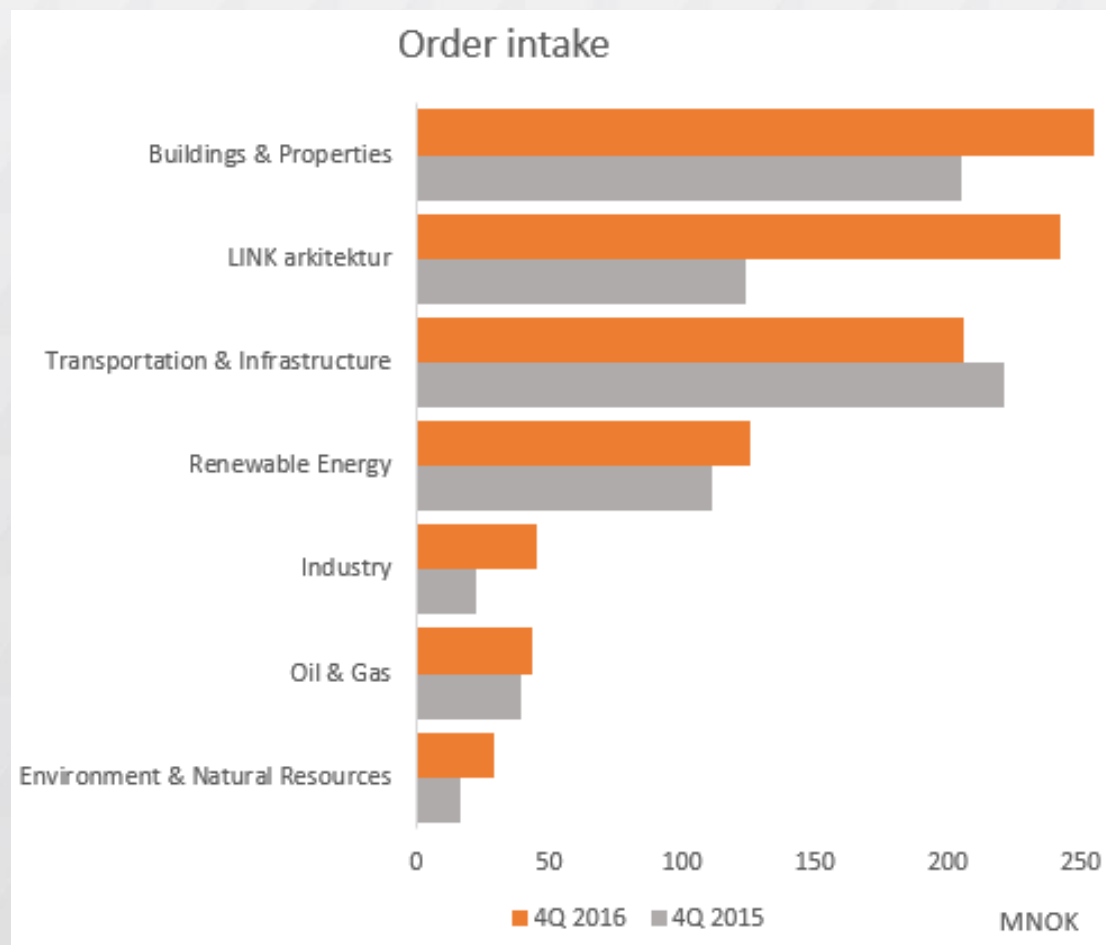


- Prinsensgate 26 Rehabilitation



New Airbase Ørland | Photo: Handout

Order intake 4Q 2016

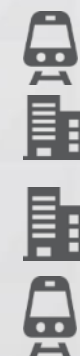


Highlights

- Order intake increased by 28.1 % to NOK 947.1 million
- Increased order intake in all business areas except T&I
- LINK arkitektur increased by NOK 118.9 million
 - NOK 49.0 million from the inclusion of backlog of aarhus arkitekterne

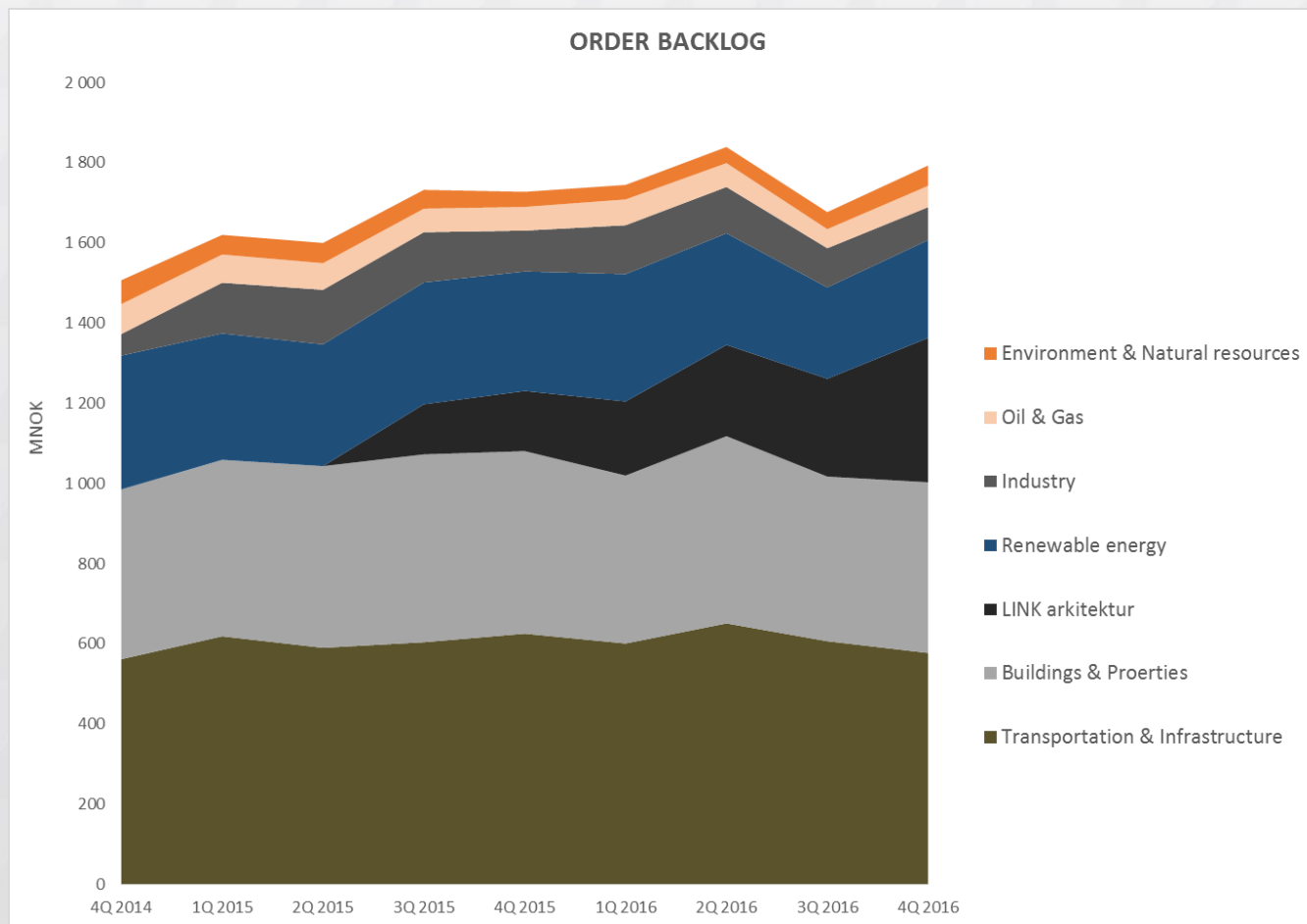
Key order intake

- New Airbase Ørland
- Åsane high school
- Campus Ås
- Concept study E39 Bjørnafjorden
- Tvedestrand high school



LINK ARKITEKTUR

Order backlog development per business area



- Strong order backlog up 3.8% y-o-y to NOK 1 793.1 million
- LINK arkitektur increased by 140.0% y-o-y
 - Inclusion of aarhus arkitekterne contributes with NOK 49.0 million
- Call-offs on frame agreements only included when signed
 - Major new frame agreements within T&I from Norwegian Public Roads Administration

Organisation

- Successful share purchase programme for employees
 - 34% of employees across the Multiconsult group participated
 - 48% of group employees hold shares
- Multiconsult is ranked as an attractive employer Universum Survey 2016
 - #4 in Norway for students and seasoned professionals
 - #1 among consultants for students
- NGF* award 2015 won by Jesper Bjerre for his master thesis
- Stable organisation
 - Employee turnover at 6.4% (parent company at 7.2%)

* Norsk Geoteknisk Forening/Norwegian Geotechnical Society

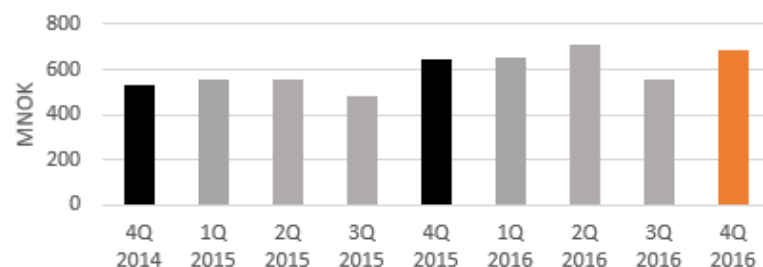


FINANCIAL REVIEW

Anne Harris, CFO

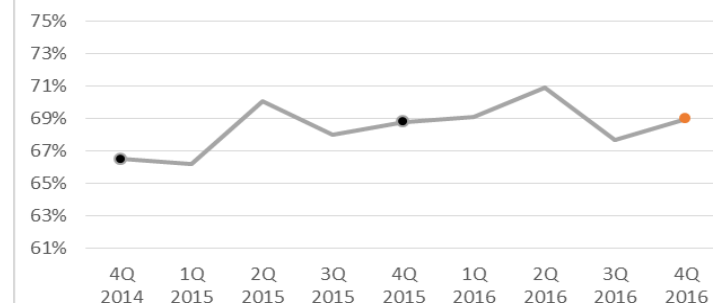
Financial highlights 4Q 2016

Net Operating Revenues
Quarterly



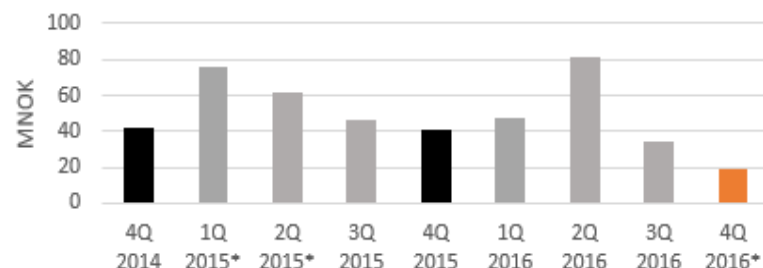
- NOK 685 million
- Stable billing ratio and billing rates
- Project write-downs

Billing ratio



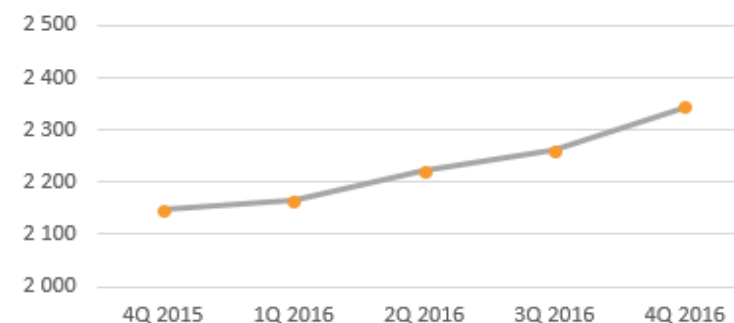
- 4Q stable at 69.0%
- FY 2016 at 69.2%
- Up by 1 pp y-o-y

EBIT
Quarterly



- NOK 19 million
- Important initiatives for future efficiency
- Increased employee cost not reflected in billing rates

Number of employees



- Up 9.2% to 2 344 employees y-o-y
- Includes aarhus arkitekterne

*Underlying

Segments 4Q 2016

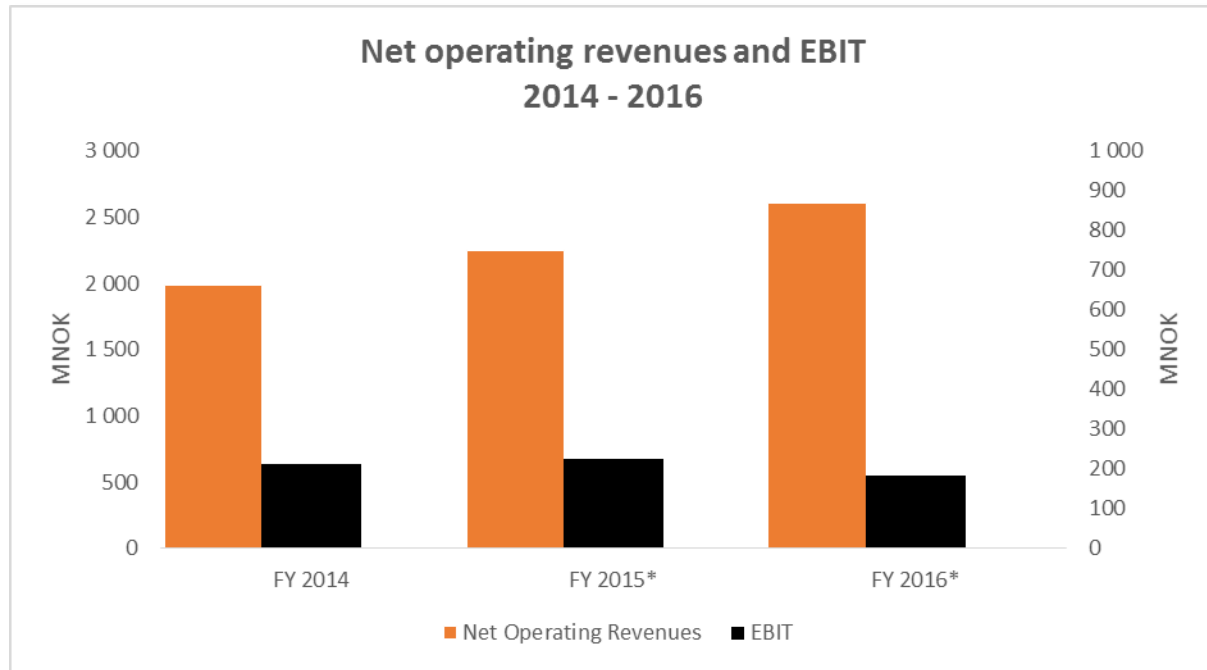
Greater Oslo Area	4Q 2016	4Q 2015	Change
EBIT MNOK	14.1	37.8	37%
EBIT margin %	4.5%	12.6%	8.1 pp
Billing ratio	67.6%	71.2%	3.6 pp
Number of employees	879	833	6%

International	4Q 2016	4Q 2015	Change
EBIT MNOK	6.2	-1.5	>100%
EBIT margin %	20.0%	-8.0%	28 pp
Billing ratio	71.9%	57.8%	14.1 pp
Number of employees	130	108	20%

Regions Norway	4Q 2016	4Q 2015	Change
EBIT MNOK	-4.6	4.4	<100%
EBIT margin %	-1.8%	1.8%	3.6 pp
Billing ratio	67.7%	66.9%	0.8 pp
Number of employees	793	756	5%







LINK arkitektur	4Q 2016	4Q 2015	Change
EBIT MNOK	3.8	0.1	>100%
EBIT margin %	4.0%	0.1%	3.9 pp
Billing ratio	75.5%	71.3%	4.2 pp
Number of employees	420	330	27%

Financial highlights 2016

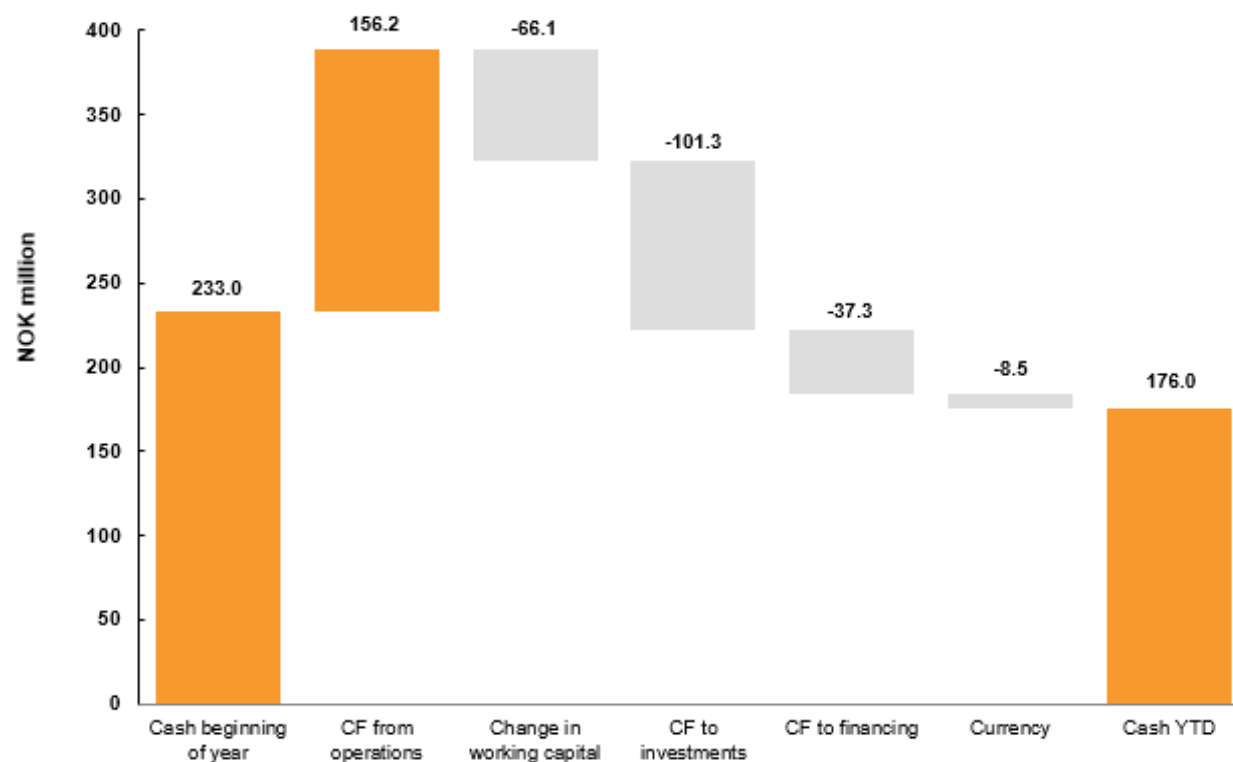


- Strong revenue growth and solid earnings
 - Net operating revenues at NOK 2 604.6 million
 - Primarily driven by acquisitions, organic growth and solid operations
 - EBIT* at NOK 182.3 million
 - Higher operating expenses due to increased headcount, office rent, IT and other operating expenses
 - Increased employee cost not reflected in billing rates
 - LINK arkitektur new full year contribution with 2.9% margin
 - EBIT* margin at 7.0%

Operating revenues by business area FY 2016

	Multiconsult group	Buildings & Properties	Transportation & Infrastructure	Renewable Energy	LINK arkitektur	Industry	Oil & Gas	Environment & Natural resources
		Strong contribution	Strong contribution	Good contribution	Full year contribution	Strong growth	Declined as expected	Low contribution
					LINK ARKITEKTUR			
% of total		29.9 %	28.3 %	14.9 %	12.5 %	7.6 %	4.2 %	2.6 %
FY 2016 MNOK	2 968	887	839	443	370	226	126	77
Change y-o-y	16%	12%	5%	4%	191%	55%	32%	9%

Cash flows year to date 2016



- Cash balance remains positive
- Solid operations
- Higher working capital due to higher revenues
- Investments
 - Acquisition of Akvator AS
 - Acquisition of aarhus arkitekterne
 - Ordinary asset replacement
- Financing
 - Dividend payment NOK 76.1 million
 - Increased debt due to acquisitions
 - Employee share purchase programme

Industry outlook

- Industry reports optimistic expectations going forward
 - Recent market reports from RIF* and arkitektbedriftene**
 - Improvement in order backlog especially within B&P, T&I and Energy

“The expectations going forward have not been at such a high level since spring 2013” - RIF economic report 2016

- Multiconsult experiences strong prospect pipeline
 - Transportation, Buildings & Properties and architecture in Norway
 - International Renewable energy

*Rådgivende ingeniørers forening/Association of Consulting Engineers, Norway

**The Association of Consulting Architects in Norway



Outlook

- The overall market outlook for 2017 is fairly positive
- Continued strong competition and price pressure on large projects
 - Market rates have stabilised
 - More expensive workforce in Norway puts pressure on profitability
- Strong combination of professional capability and solid order backlog
- Continued focus on sales efforts, project execution and billing ratio
- Active and systematic implementation of the 3-2-1 GO strategy



FINANCIAL CALENDAR

Annual report 2016	20 Apr 2017
Annual General Meeting	11 May 2017
1Q 2017 results:	22 May 2017
2Q 2017 results:	31 Aug 2017
3Q 2017 results:	9 Nov 2017



Q&A

FOURTH QUARTER 2016 RESULTS | Christian Nørgaard Madsen, CEO
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Appendix

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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:







Multiconsult has defined the initial public offering expenses (IPO) in connection with the listing on Oslo Børs in May 2015 as expenses that are excluded from the underlying results in 2015. The expenses amounted to NOK 50.7 million.

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>	Q4 2016	Q4 2015	FY 2016	FY 2015
Net operating revenues	685.5	649.4	2 604.6	2 247.7
Reported employee benefit expenses	431.2	496.6	1 841.6	1 649.2
Curtailment of defined benefit pension plan	-107.3		-107.3	
Underlying employee benefit expenses	538.6	496.6	1 948.9	1 649.2
Reported other operating expenses	117.2	101.6	430.2	385.7
IPO expenses				50.7
Underlying other operating expenses	117.2	101.6	430.2	335.0
Underlying operating expenses	655.8	598.2	2 379.1	1 984.2
EBITDA underlying	29.7	51.2	225.5	263.4
Depreciation, amortisation and impairments	10.8	10.4	43.2	37.6
EBIT, underlying	18.9	40.8	182.3	225.8
<i>EBITDA margin (%), underlying</i>	4.3 %	7.9 %	8.7 %	11.7 %
<i>EBIT margin (%), underlying</i>	2.8 %	6.3 %	7.0 %	10.0 %

Operating revenues by business area 4Q 2016

	Multiconsult group	Buildings & Properties	Transportation & Infrastructure	Renewable Energy	LINK arkitektur	Industry	Oil & Gas	Environment & Natural resources
		Strong contribution	Strong contribution	Good contribution	Improved contribution	Strong growth	Continues at low level	As expected
					LINK ARKITEKTUR			
% of total		29.5 %	27.9 %	14.4 %	12.9 %	7.3 %	5.3 %	2.7 %
4Q 2016 MNOK	786	232	220	113	101	57	41	21
Change y-o-y	6%	5%	9%	5%	9%	27%	6%	18%

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