

CAPITAL MARKETS DAY 2016

MULTICONSULT

CAPITAL MARKETS DAY 2016

TIME	AGENDA	PRESENTER
10.00	Bridging the past to the future	CEO, Christian Nørgaard Madsen
	Growth and profitability ambitions	CFO, Anne Harris
	<i>Break</i>	
11.00	Renewable energy expansion	Head of Renewable Energy, Helge Jenssen
	LINK Arkitektur	EVP Architecture, Leif Øie
11.40	<i>Lunch</i>	
12.10	Urbanism	Head of Urban LINK, Sissel Engblom
	The Follo Line Project	VP Engineering management, Morten L. Hoffmann
	New Airbase Ørland	VP Engineering management, Morten Alstad
12.55	Closing comments	CEO, Christian Nørgaard Madsen



DISCLAIMER

This presentation 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 presentation, 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, except as required by law, intend and assume any obligation to update any statements set forth in this presentation.

CAPITAL MARKETS DAY 2016

BRIDGING THE PAST TO THE FUTURE | CHRISTIAN NØRGAARD MADSEN
CEO

Bridging the past to the future

- **Consulting** engineering and architectural powerhouse
- **Flexible business model** and multidisciplinary expertise
- **Strong and long-standing** client relationships
- **Proven track record** of developing and growing the business
- **Strong financial position** for future profitable growth

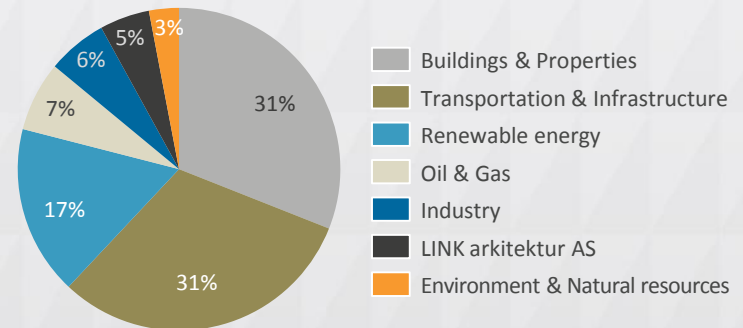


Consulting engineering and architectural powerhouse

Business description

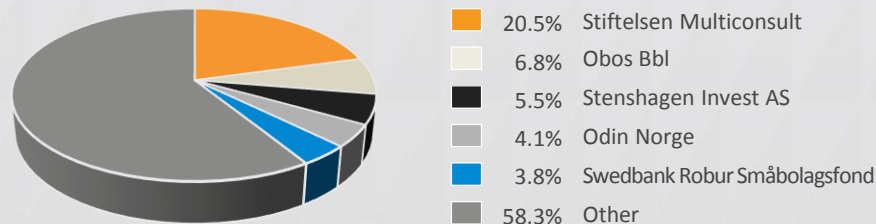
- Offering multidisciplinary consulting, engineering and architecture services to public and private
- 2 222 employees (2Q 2016)
- Strong presence in Norway and global footprint
- Listed on Oslo Børs in May 2015
- 22% shares owned by 43% of employees

Operating revenue by business areas



NOK 2.6 billion operating revenue (2015)

Shareholder structure as of 7 October 2016



Operating revenue by geography



On track to deliver on strategic ambitions

3

3 x Profit

2

2 x Turnover

1

#1 Brand

On track to deliver on strategic ambitions



Profit

NOK million 100 → 300



Turnover

NOK billion 1.5 → 3.0



#1 Brand

Multiconsult

- Improvement in billing ratio
- Portfolio focus on profitability
- Focused customer relationships
- Strong project execution

- Considerable growth in T&I and Renewable Energy
- B&P maintained at a substantial level
- O&G followed market development
- Multiple M&A's successfully completed within strategic rationale

- Largest supplier to key clients
- Multiple engineering and architectural prizes
- Top expertise and capacity in the industry – striving for excellence
- Best rated employer

#1 Brand recognition among peers, customers and future employees



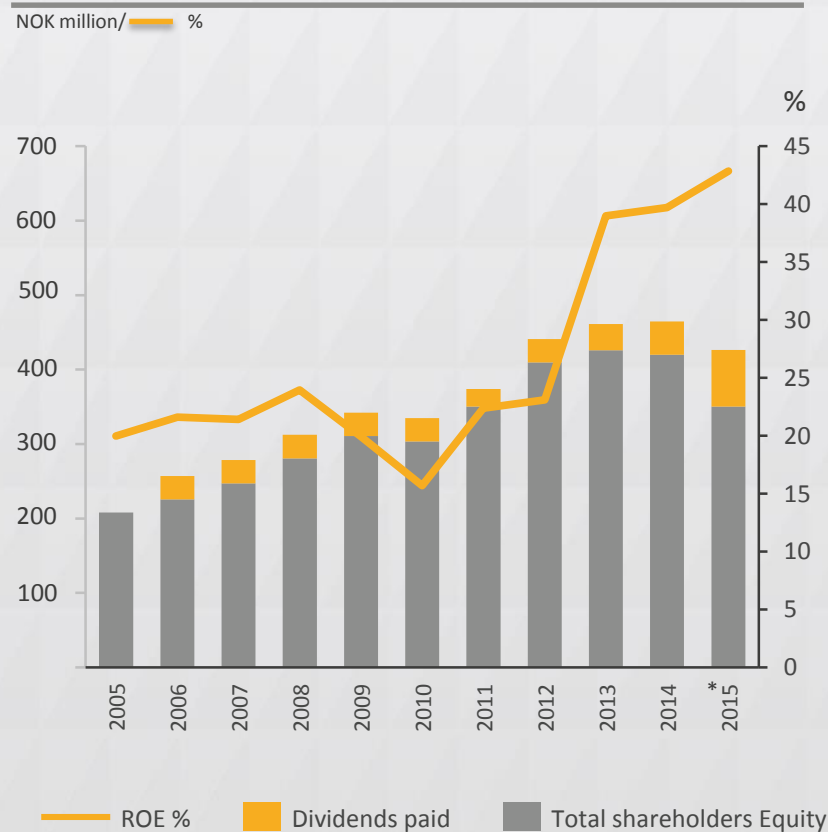
"A competent expert group with a strong focus on quality in all deliveries"
-Vestre Viken Hospital Trust

Delivering profitable growth

NET OPERATING REVENUE vs EBIT MARGIN %
2005-2015



EQUITY, ORDINARY DIVIDEND AND ROE %
2005-2015



*In 2015, an extraordinary dividend of NOK 192 million was paid to shareholders related to the IPO.

A changing industry with fundamentals for growth

Mega trends

- Population growth – older, wealthier and educated
- Urbanism – great, global and important trend
- Sustainability – stricter and comprehensive requirements



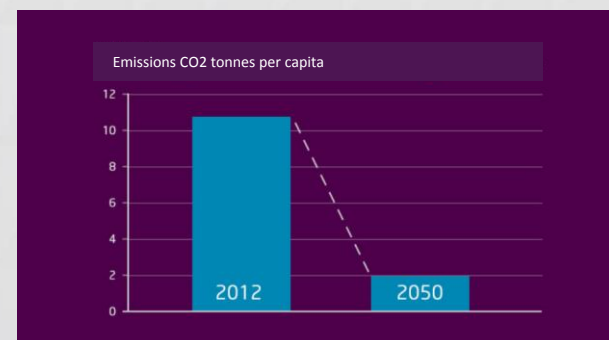
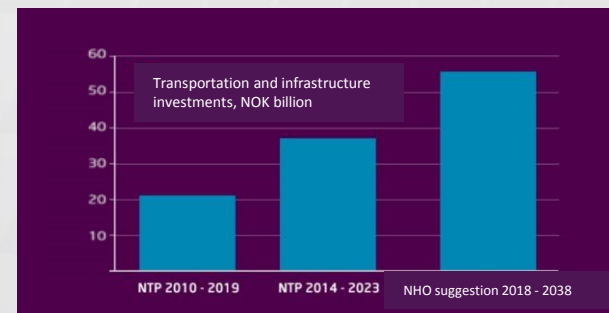
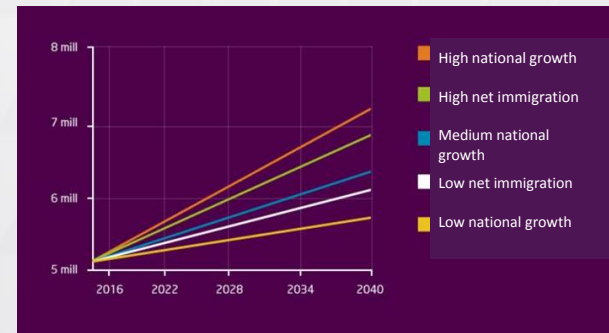
- Growing demand for renewable energy, housing, roads, infrastructure, transportation, schools and hospitals

Specific growth drivers for Norway

- Increasing maintenance backlog in public sector
- Large demand for urban development and infrastructure



- Long term demand for buildings, properties, transportation and infrastructure



Market trends and new opportunities

Renewable energy



- Long term energy demand
- Renewables fastest growing
- Significant investments in new build hydropower
- Asia-Pacific dominant region for hydro and other renewables

Urbanisation



- Accelerating growth of urban population
- Urbanism transcends global challenges like water, waste, and flood management
- Norwegian players with large growth potential
- Fragmented market, leading position open

Digitalisation



- Digitalisation main driver for efficiency
- Big data central for value and improvement
- More advanced tech tools and interaction expected by clients and end users

Other opportunities









- Scandinavia unified as one market with promising outlook
- Substantial investments in hospital buildings expected the next 10 years
- Unexploited potential in group synergies

3-2-1

3-2-1 GO

Six new strategic objectives - building on existing platform

- 1** Develop **multidisciplinary** business in **Sweden** 
- 2** Stepwise **international** build-up in **renewable energy** 
- 3** Establish a leading position within **health buildings** in **Scandinavia** 
- 4** Capture a leading position within **urbanism** in **Scandinavia** 
- 5** Scandinavian market leader in **digitalisation** 
- 6** **One Multiconsult** – Stronger organisation built by a shared culture 

3-2-1 GO

How to succeed

1

Entering Sweden

- Similar engineering standards and customer demand
- Market cycle hedge
- LINK's strong position in Sweden



2

Renewable energy

- Hydropower expertise since 1908
- Renewable energy in South East Asia and Eastern Africa



3

Health buildings

- Combining architectural and engineering efforts
- Deep market knowledge enables good interdisciplinary interaction
- Growing market in new-build and refurb in Scandinavia



4

Urbanism

- "Urban LINK" already in business
- Leveraging on combined efforts (architects, engineers, and analysis)



5

Digitalisation

- Clients value increased efficiency, innovative solutions and big data
- Already possess innovative visualisation tools



6

One Multiconsult

- Strong management with track record
- Distinct and enabling culture



3-2-1 GO

Our ambitions towards 2020

3-2-1

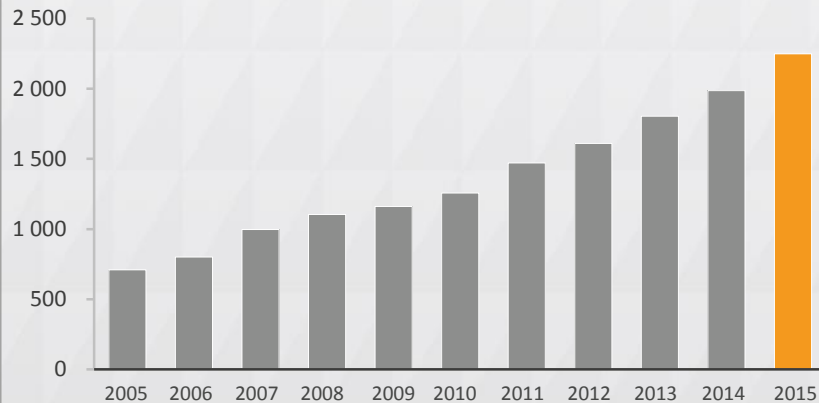


CAPITAL MARKETS DAY 2016

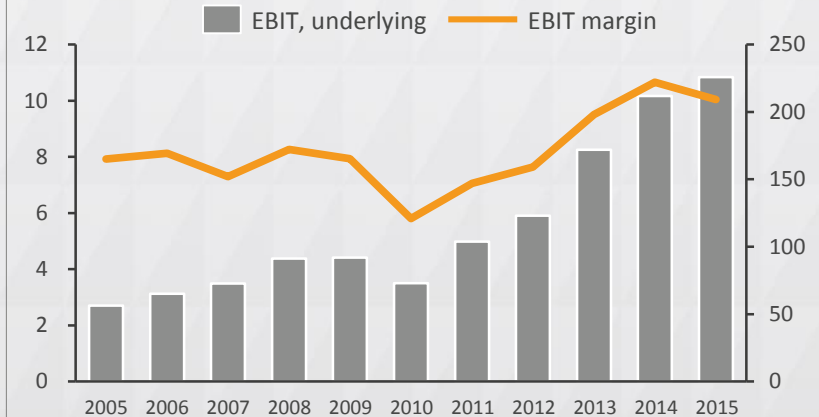
GROWTH AND PROFITABILITY AMBITIONS | ANNE HARRIS
CFO

Strong financial performance

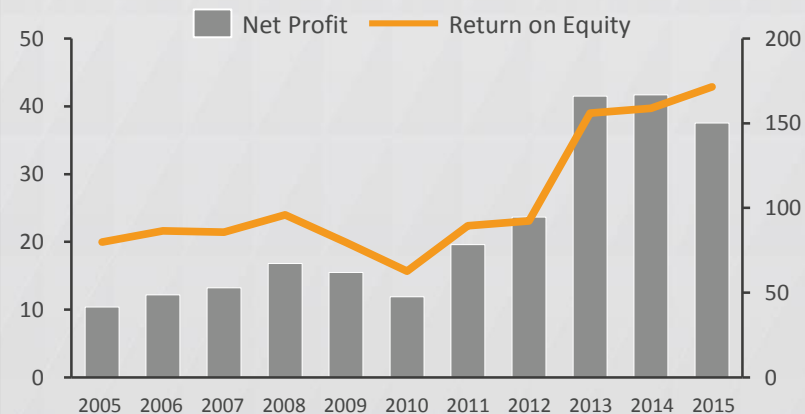
NET OPERATING REVENUES – NOK million



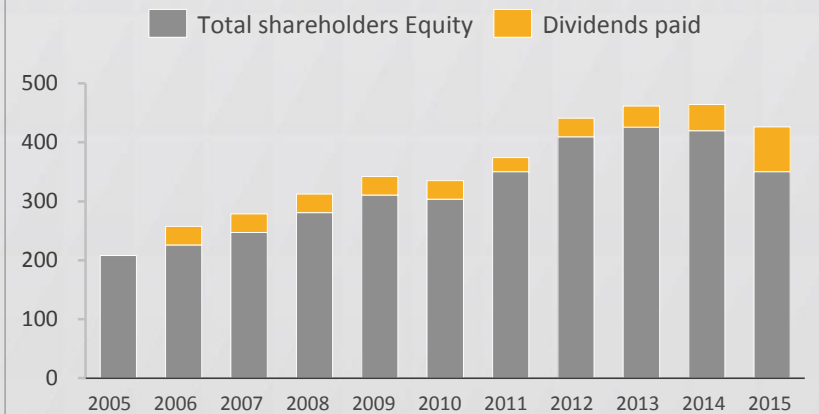
EBIT AND EBIT MARGIN – NOK million/%



PROFIT AFTER TAX AND ROE – NOK million/%



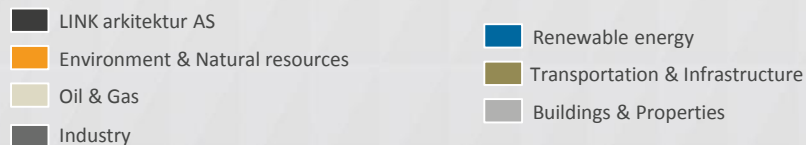
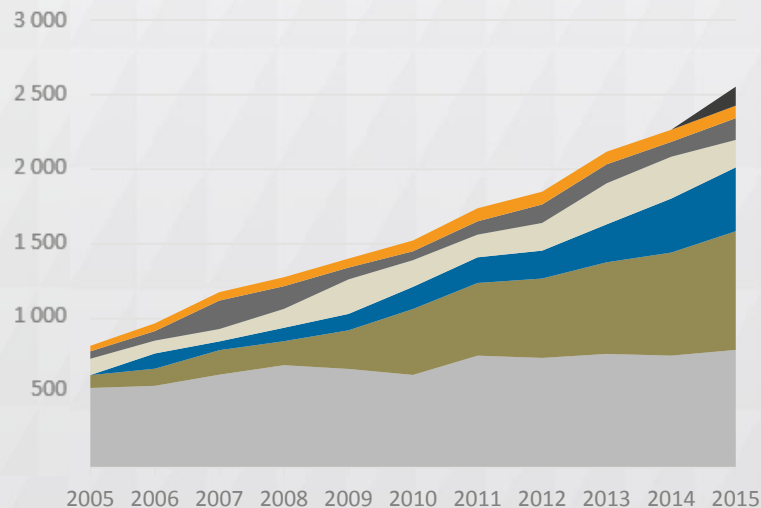
EQUITY AND ORDINARY DIVIDEND – NOK million



*In 2015, an extraordinary dividend of NOK 192 million was paid to shareholders related to the IPO.

Leveraging on scale and strong market position

OPERATING REVENUE PER BA NOK million

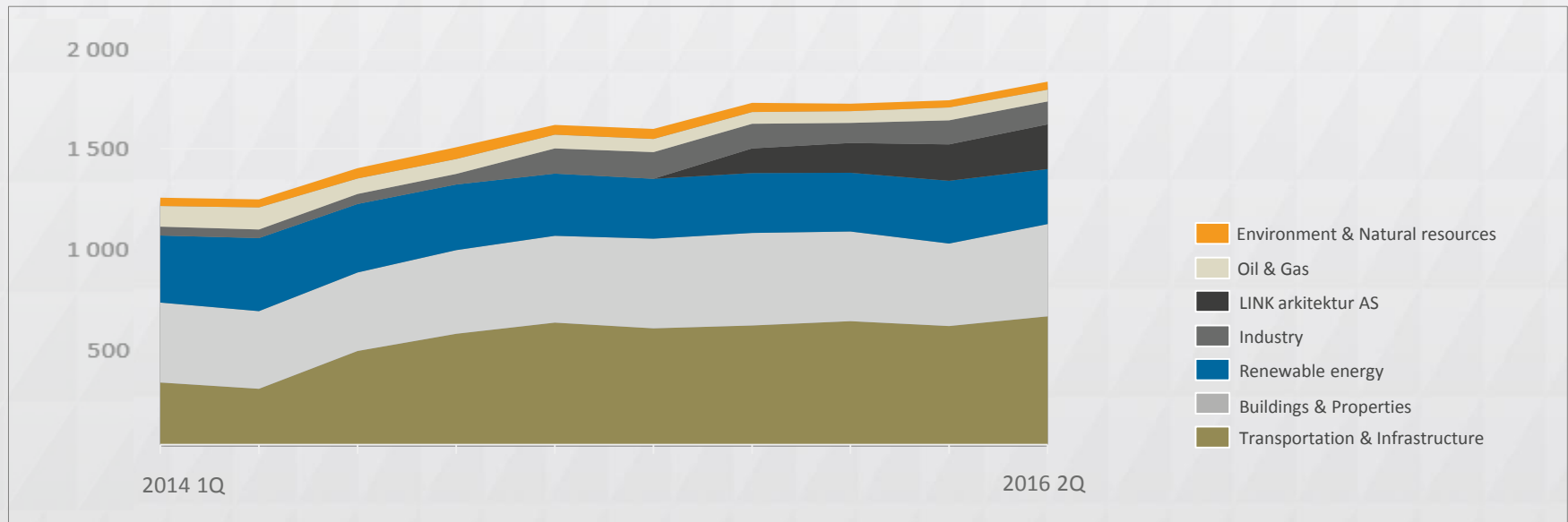


STANDING IN KEY BUSINESS AREAS

- Solid development in B&P maintaining market share
- Built significant position in T&I in recent years
- Strong growth in RE from 2011
- O&G stable over the period

Healthy order back log providing visibility

ORDER BACKLOG – NOK million



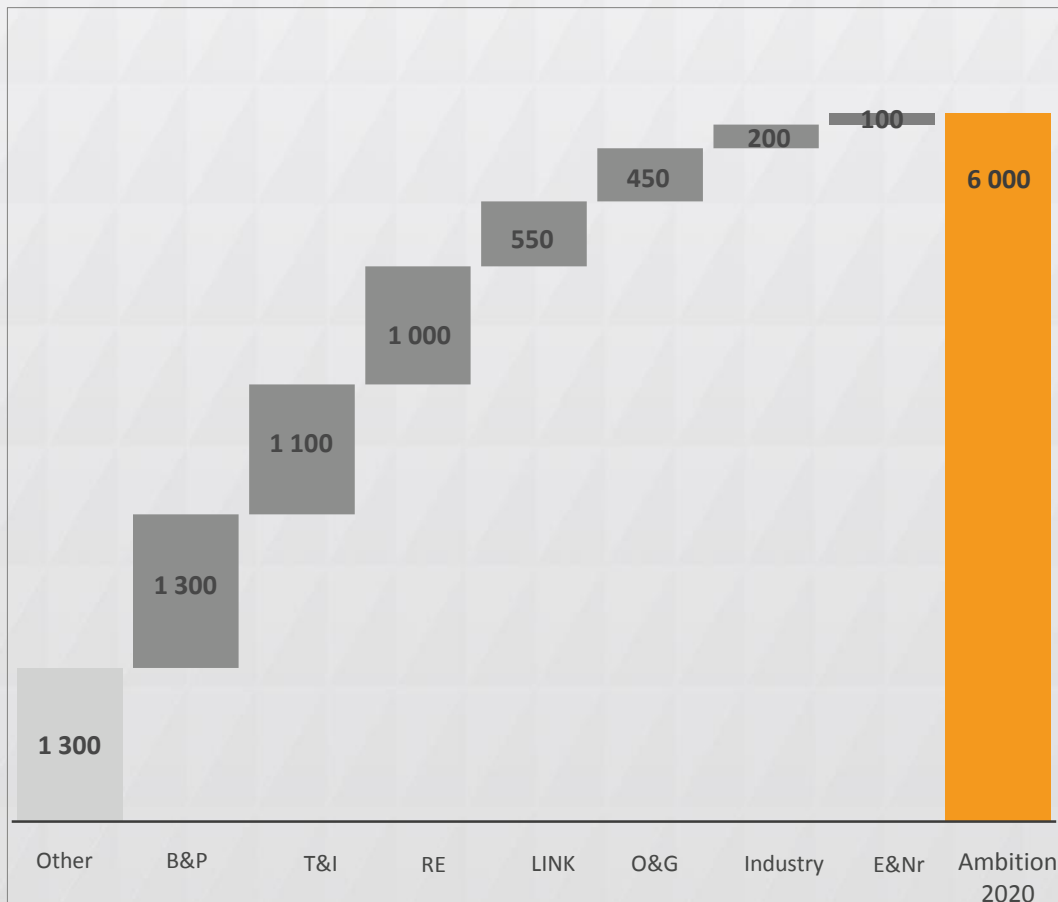
COMMENTS

- 30% of order backlog with duration of more than 12 months
- Top 3 projects end of June 2016: Tønsberg Hospital, Fylkesvei 109 Råbekken and Campus Ås
- Call-offs on frame agreements included when signed

3-2-1 GO

Strong ambitions for 2020

2020 REVENUE AMBITION PER BA – NOK million



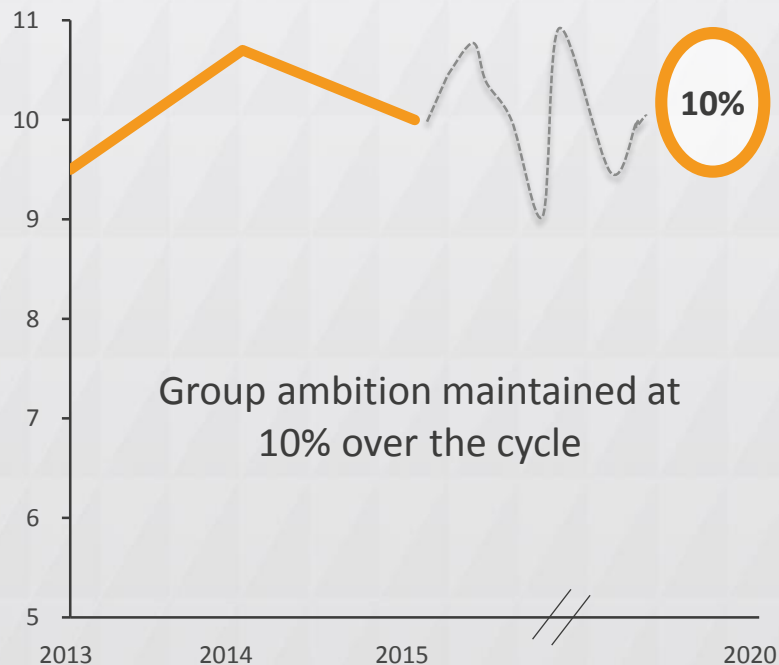
COMMENTS

- Other includes expansion to Sweden and new products
- Growth in B&P in Norway and Hospitals Scandinavia
- Growth in T&I reflects positive market development in Norway, limited by capacity constraints
- Renewable energy growth in South East Asia and East Africa
- LINK reflects growth ambition incl. urbanisation and hospitals
- O&G reflects price recovery and activity resuming to modest levels
- Modest growth for Industry incl. seafood and fish farming

3-2-1 GO

Maintaining profitability ambition

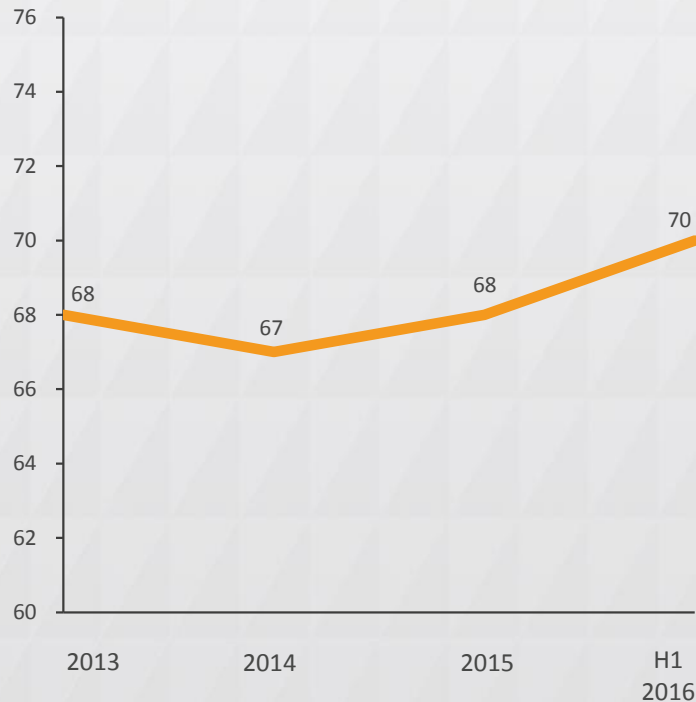
EBIT % AMBITION



COMMENTS

- More efficient sales process by reduced cost of sales and increased hit-rate
- Increased commercial focus by utilising competitive advantages and pricing intelligence
- Continued focus on project execution
- Cost improvement and efficiency
- Continued focus on billing ratio

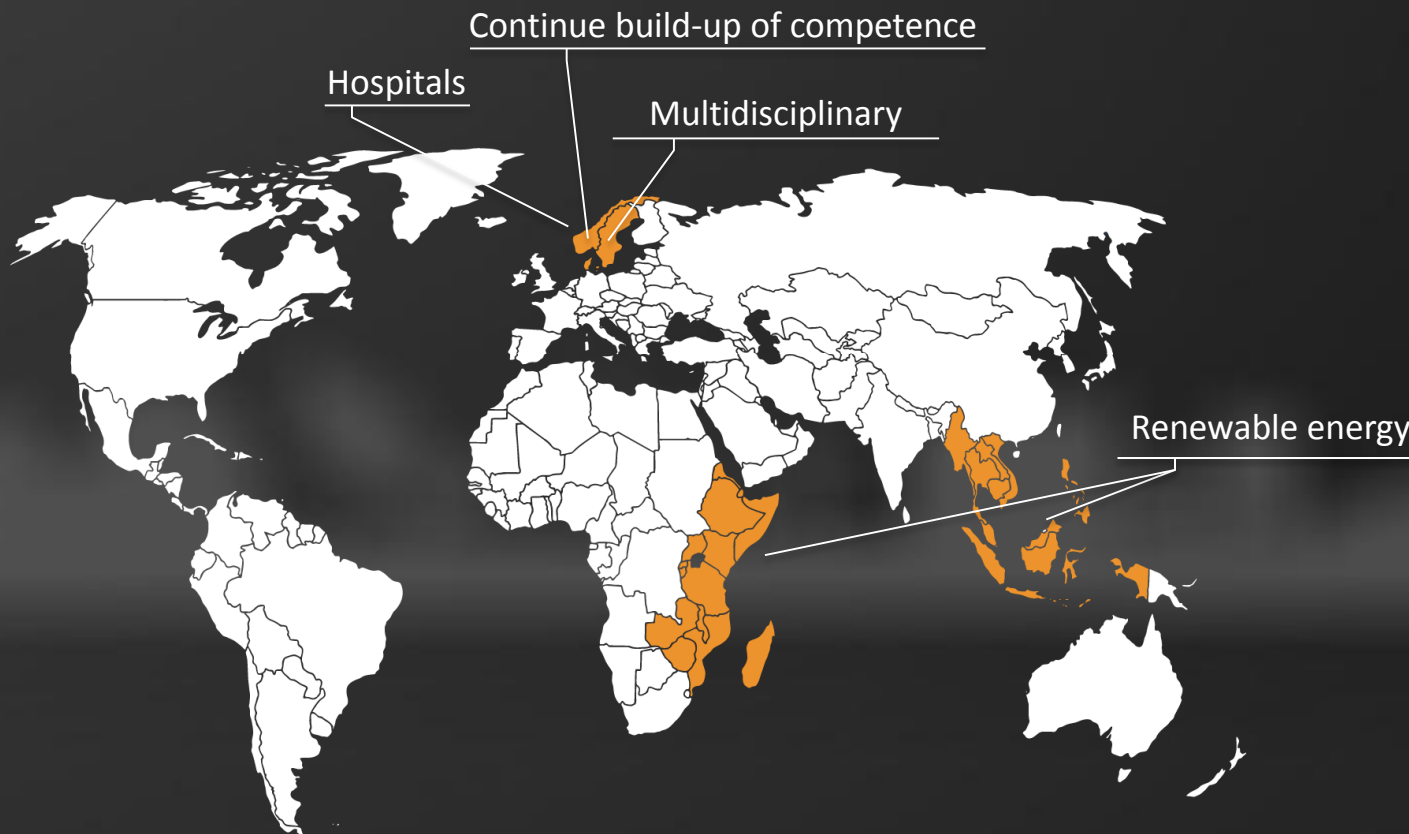
Profitability | Continued focus on billing ratio

HISTORICAL BILLING RATIO**COMMENTS**

- Positive development since 2014
- Close management follow-up on individual level
- Still potential in certain units
- Improved resource planning

MERGERS AND ACQUISITIONS

M&A and organic growth balance



- Target candidates must fit strategic rationale and have profitability potential
- Strategic and systematic M&A approach with defined valuation criteria's

Minimum 50% organic growth towards 2020 ambition to ensure existing culture combined with further development of the company

FINANCIAL TOOLBOX

Robust financial capacity to finance M&A ambitions



Equity

233

Cash

NOK million , 31 Dec 2015

1.5 x

Debt

NIBD/EBITDA

Key priorities towards 2020

OUR AMBITIONS

REVENUE:

NOK 6 billion

EBIT MARGIN:

10%

over the cycle

FINANCIAL POLICIES

- Debt policy raised to NIBD/EBITDA **1.5 x**
- Dividend policy remains at **50%** of net income

Q&A

CAPITAL MARKETS DAY 2016 | CEO, CHRISTIAN NØRGAARD MADSEN
CFO, ANNE HARRIS

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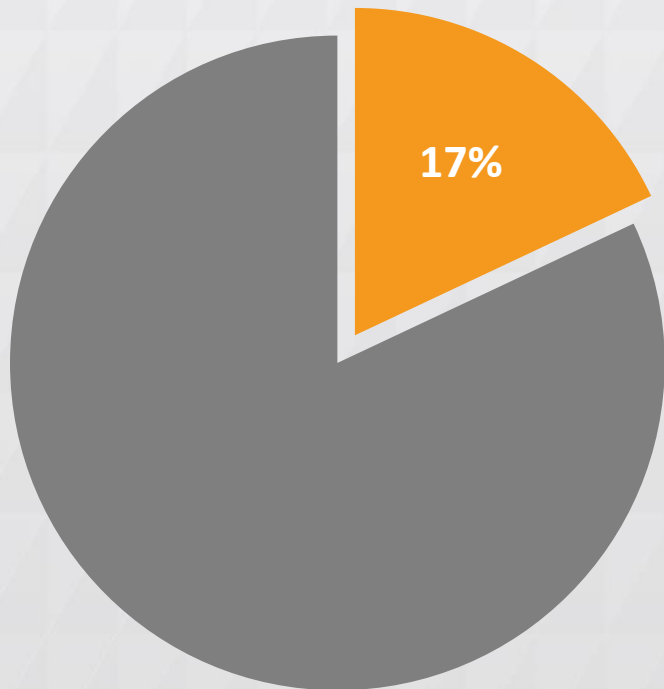
RENEWABLE ENERGY EXPANSION | HELGE E. JENSSEN
HEAD OF RENEWABLE ENERGY

Over 1 000 international
projects in more than
100 countries
since 1970



Global growth in renewable energy for the foreseeable future

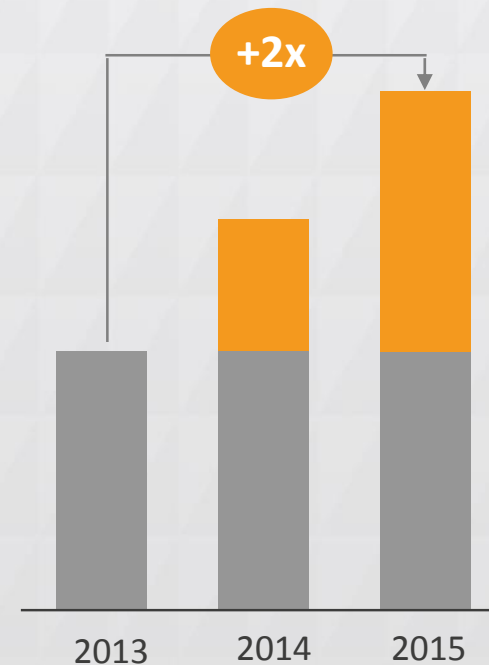
RENEWABLE ENERGY SHARE
OF OPERATING REVENUE 2015



RENEWABLE ENERGY OPERATING REVENUE

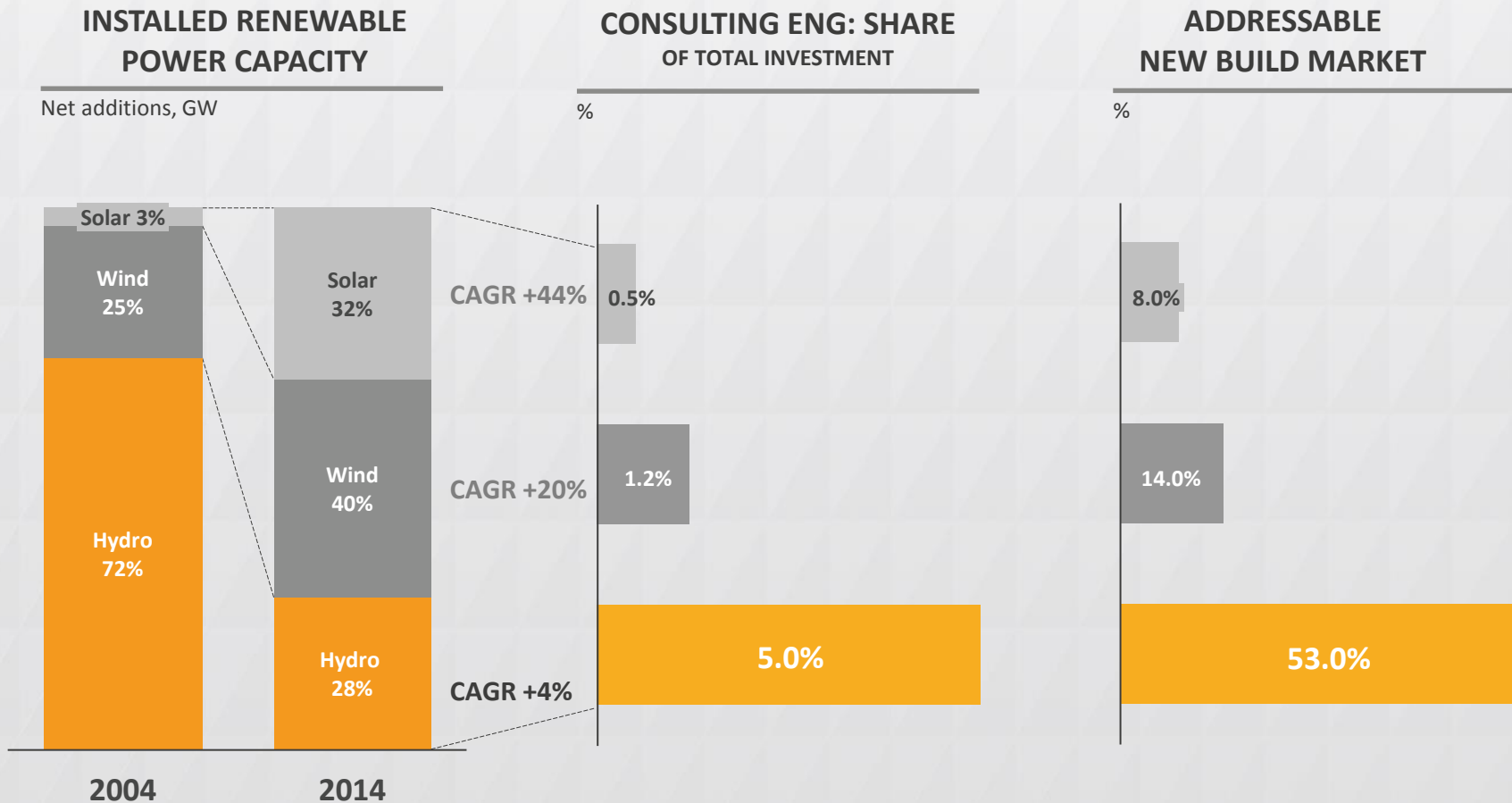
2013-2015

NOK million

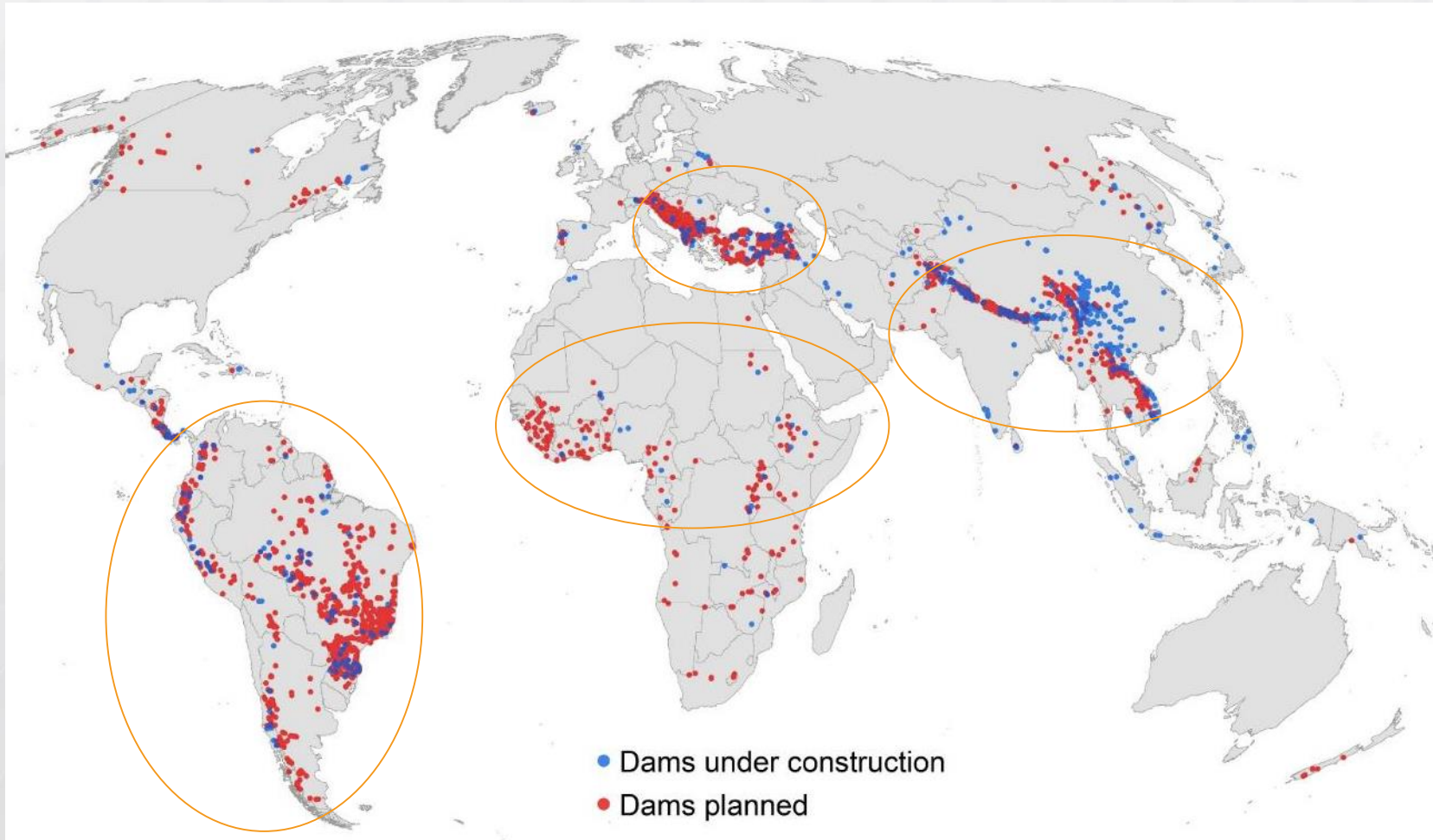


Strong profitability over the period

Steady growth and majority share of future addressable market in hydropower



Attractive hydropower markets



Source: Aquatic Sciences: A global boom in hydropower dam construction

Attractive hydropower markets

- South-East Asia and East-Africa



Areas with high hydropower potential are located in challenging regions

MULTICONSULT ETHICAL CODE OF CONDUCT IS ESSENTIAL IN EVERYTHING WE DO



Includes:

- Procedures and tools for assessing risks
- Integrity due diligence of third-parties

Operationalized by:

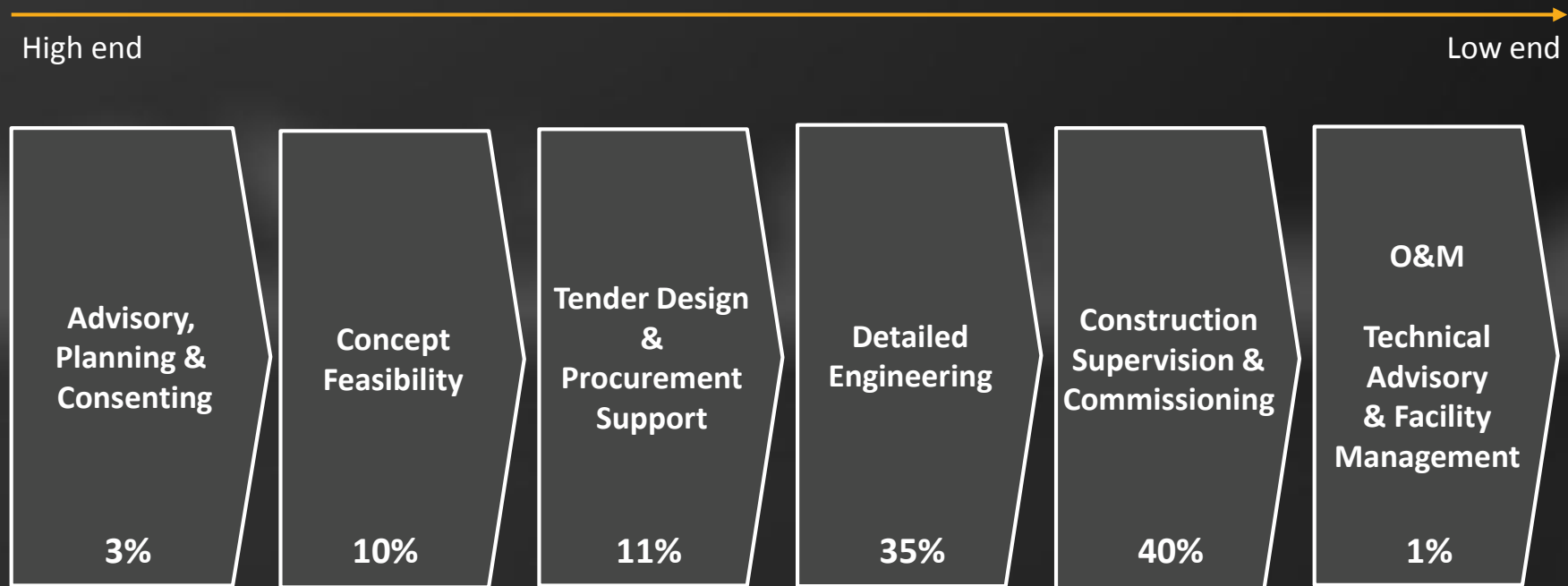
- Training for all employees
- Anti-corruption manual
- Managed by Group Compliance Officer

WE ARE EQUIPPED TO MITIGATE THE RISKS

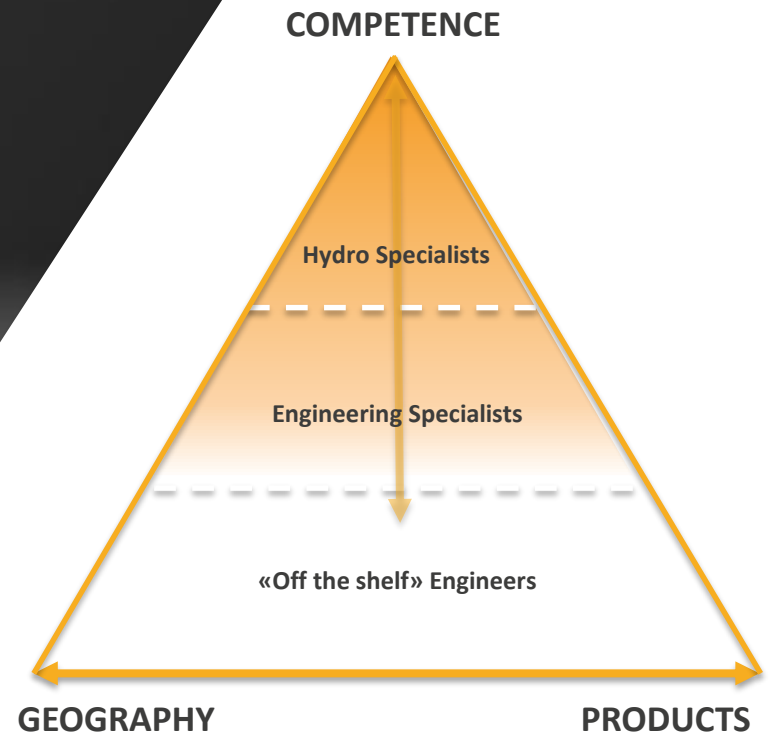
Focus on a larger share of the customer value chain

INTERNATIONAL HYDRO PROJECT VALUE CHAIN

Based on the 5% addressable share of total construction cost:

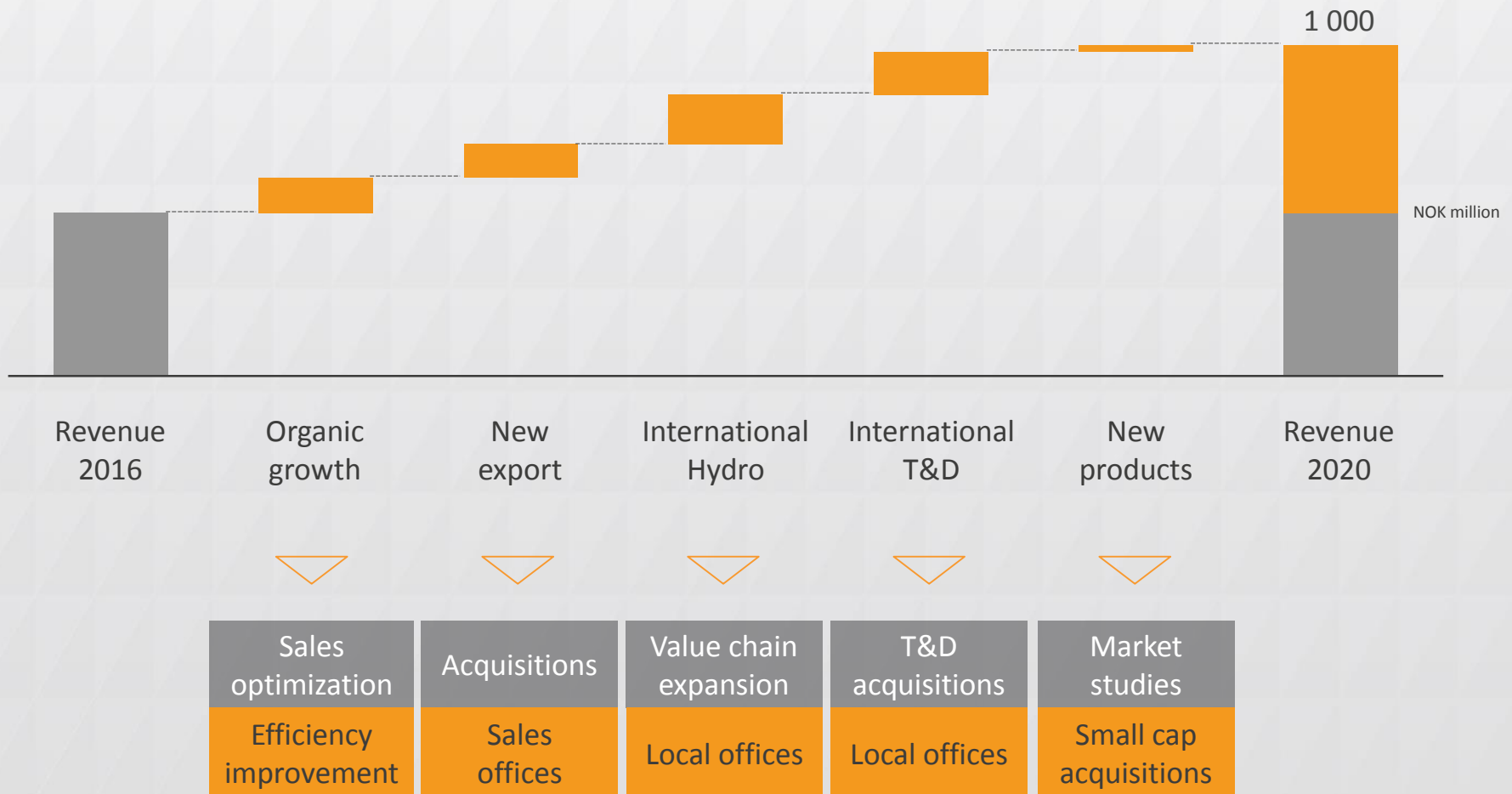


Multiconsult will increase competitiveness



COMPETENCE GROWTH WITH LOCAL PRESENCE

Realising growth ambitions largely through strategic acquisitions



Understand market dynamics and the competitive environment through people on the ground

STEPWISE STRUCTURE



Main success criteria

Commit and invest

Local presence

Clear responsibilities

Tracking progress



**Ambitions build on a long tradition
of achieving our goals**

3

2

1



Q&A

RENEWABLE ENERGY EXPANSION | HELGE E. JENSSEN
HEAD OF RENEWABLE ENERGY

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LINK ARKITEKTUR | LEIF ØIE
EVP Architecture

LINK ARKITEKTUR

- A skilled growth initiative



VIVID VISUALISATION TO INCREASE CUSTOMER EXPERIENCED VALUE

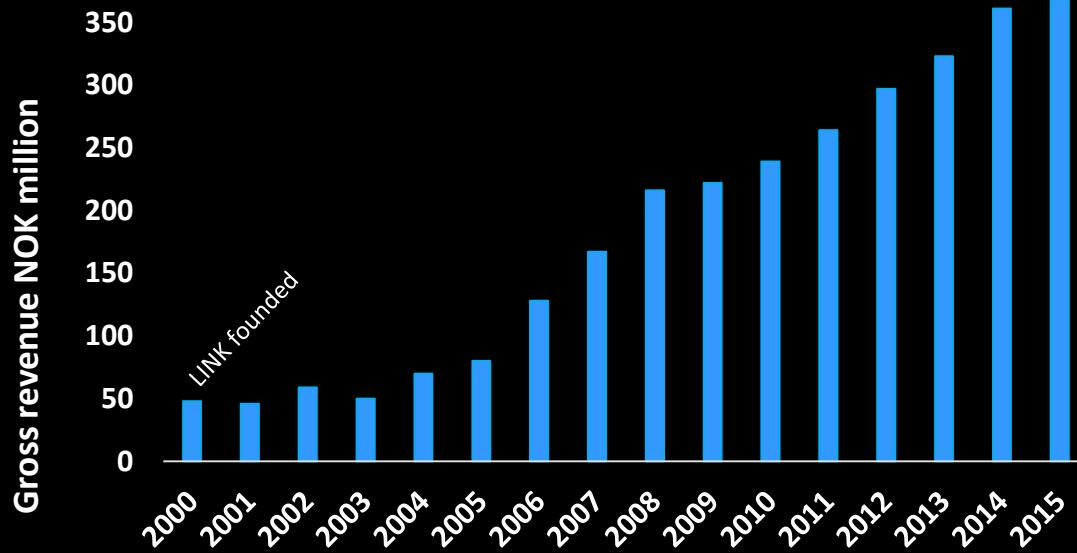


- Digital communication skills enhance customer experienced value, i.e. VR
- Building Information Models (BIM) increase interaction efficiency between disciplines
- VR- and BIM technology increase communication efficiency with contractor
- We will continue to strengthen our digital visual capabilities

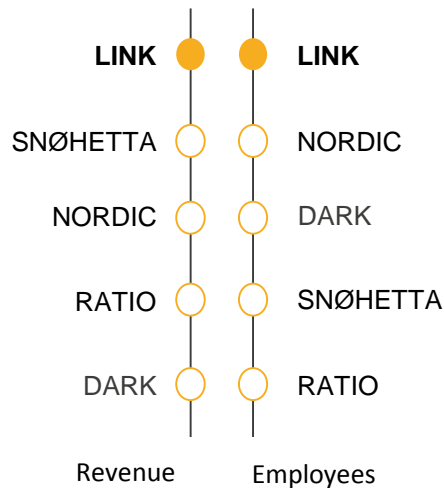
SHARPENED MARKET FOCUS – CONTINUED EXPANSION

Offices 14

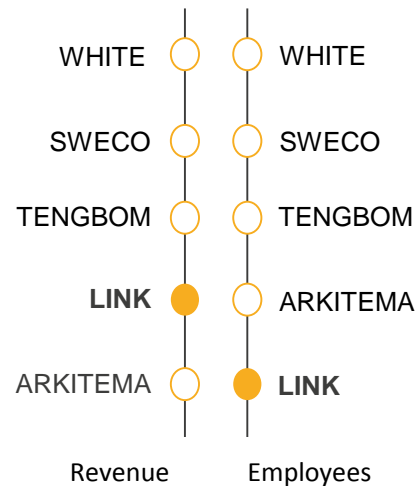
Employees 337



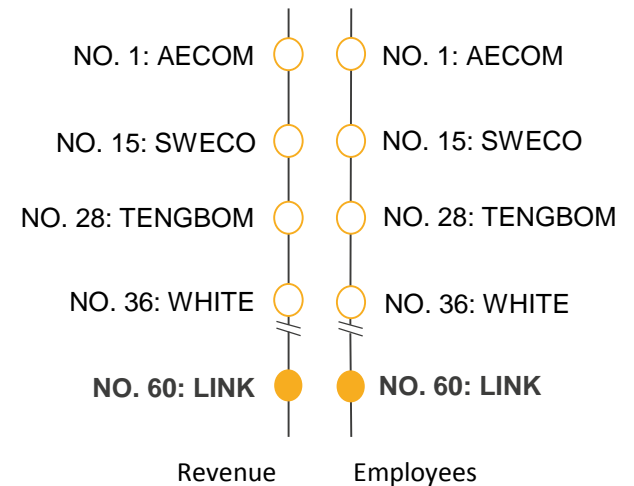
THE LEADING ARCHITECT FIRM IN SCANDINAVIA



#1



#4



#60

SHAPING SOCIETY IN AN URBAN CONTEXT

*"Education, housing and hospitals are
the most important things for society"*

Zaha Hadid
Founder of Zaha Hadid Architects



Schools



Housing



Hospitals



POSITIONED TO REALISE SYNERGIES

BUSINESS UNITS



COUNTRIES



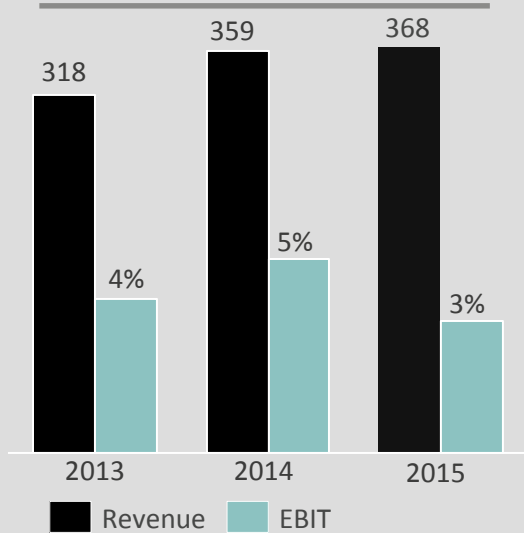
MULTICONSULT GROUP



PROFITABILITY NEEDS TO IMPROVE

LINK PROFITABILITY

2013 – 2015
NOK million



ONGOING EFFORTS TO INCREASE PROFITABILITY

- Improving sales efficiency
- Improving project execution
- Reducing overheads
- Longer work weeks



NEW GROWTH INITIATIVES

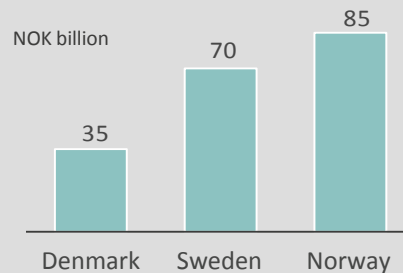
URBANISM

- Accelerating growth of urban population
- A #1 position in Scandinavia is open
- A substantial contribution to the global climate challenge



HOSPITALS

- Substantial Scandinavian hospital investments are expected over the next 10 years
- Continuous need for investments in rehabilitation
- Taking advantage of existing expertise in LINK and Multiconsult



GEOGRAPHICAL EXPANSION

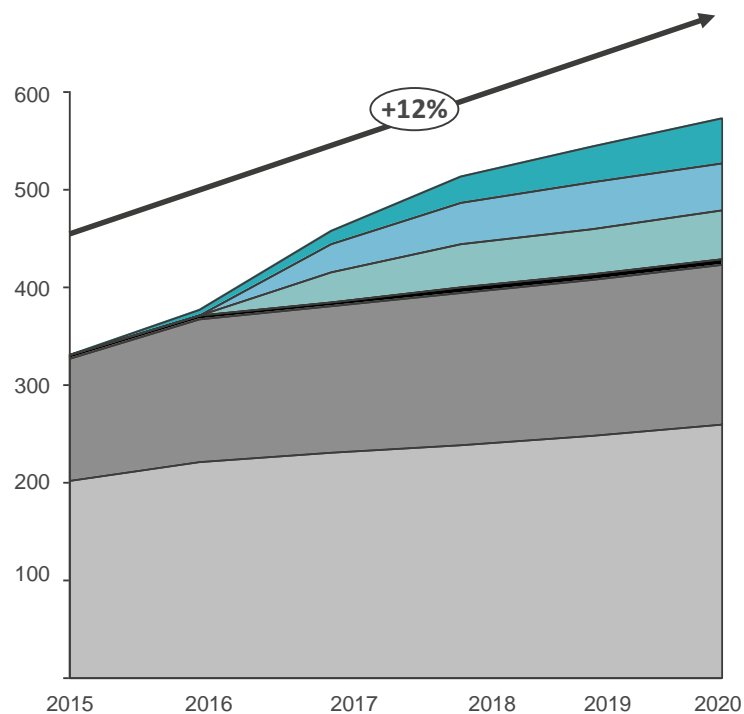
- Lacking presence in key areas with high population density
- Utilising synergies with Multiconsult
- Exploiting expansion opportunity to acquire strategic competency



AMBITION TO INCREASE ANNUAL REVENUE TO NOK 550 MILLION IN 2020 THROUGH ORGANIC GROWTH AND ACQUISITIONS

Revenue growth 2015-2020

NOK million



Revenue split

- Urbanism
- Hospitals
- New geographies
- Organic growth Denmark
- Organic growth Sweden
- Organic growth Norway

LINK ALREADY HAS A STRONG POSITION IN THE MARKET

THE RIGHT PEOPLE

- Expertise
- Capacity



THE RIGHT LOCATIONS

- Already physical presence in all Scandinavian countries



THE RIGHT GROUP

- Synergies with Multiconsult
- Financial strength with Multiconsult

Multiconsult

- And size does matter...

Q&A

LINK ARKITEKTUR | LEIF ØIE
EVP Architecture

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URBANISM | SISSEL ENGBLOM
HEAD OF URBAN LINK



Urbanising

is a verb about

The greatest global trend of our times
Our lives are coming closer to one another
Our lives
Our workplaces and spaces
Our homes
Our recreation
Our experiences
Our choices and opportunities

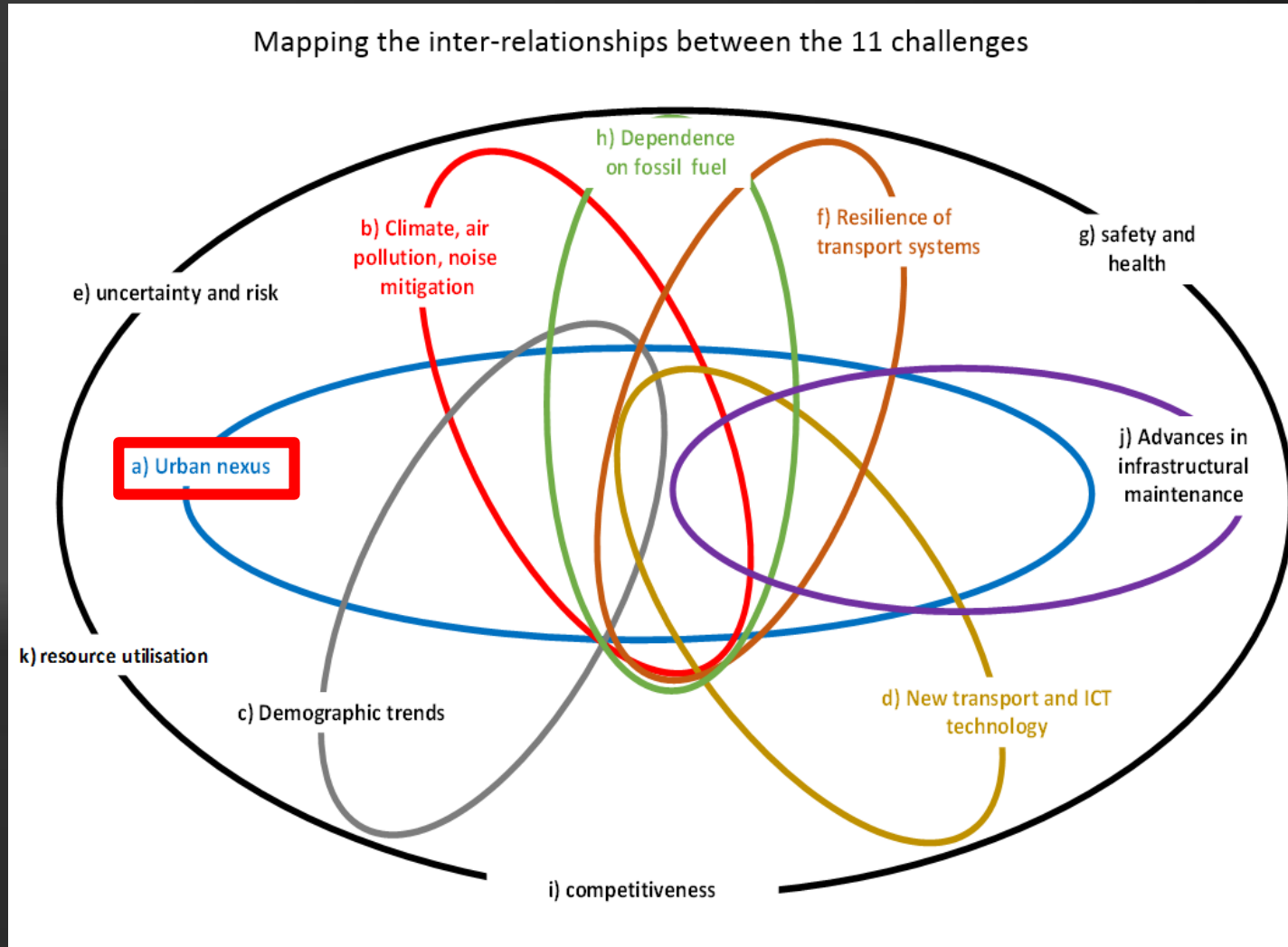
Why urbanism?



***“The planet's
urban planners
are the frontline
soldiers in the fight for
global sustainability”***

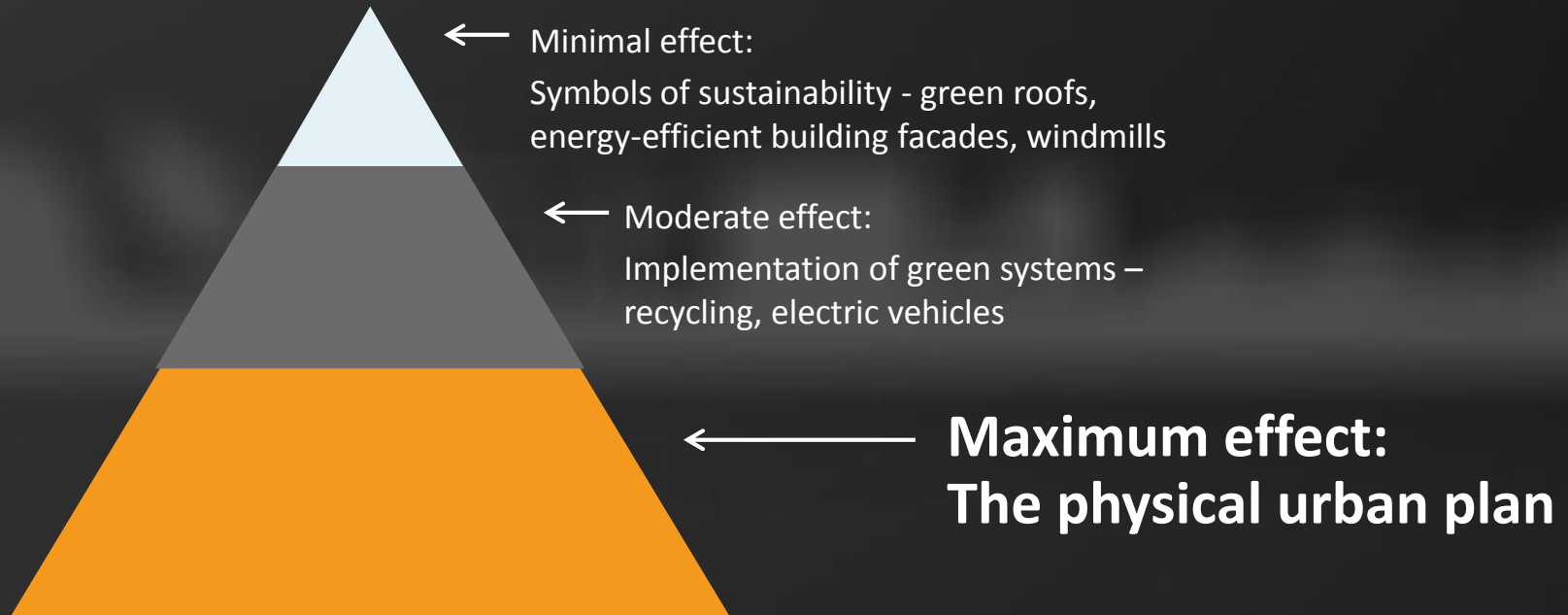
JENS STOLTENBERG,
SECRETARY GENERAL OF NATO
Fmr. PRIME MINISTER OF NORWAY
(2005-2013)

Horizon 2020 – the European platform for research



Urbanism is an important factor to win the upcoming big structural projects in Scandinavia – from rail, road to city design

COST-EFFICIENCY OF SUSTANABLE INVESTMENTS:

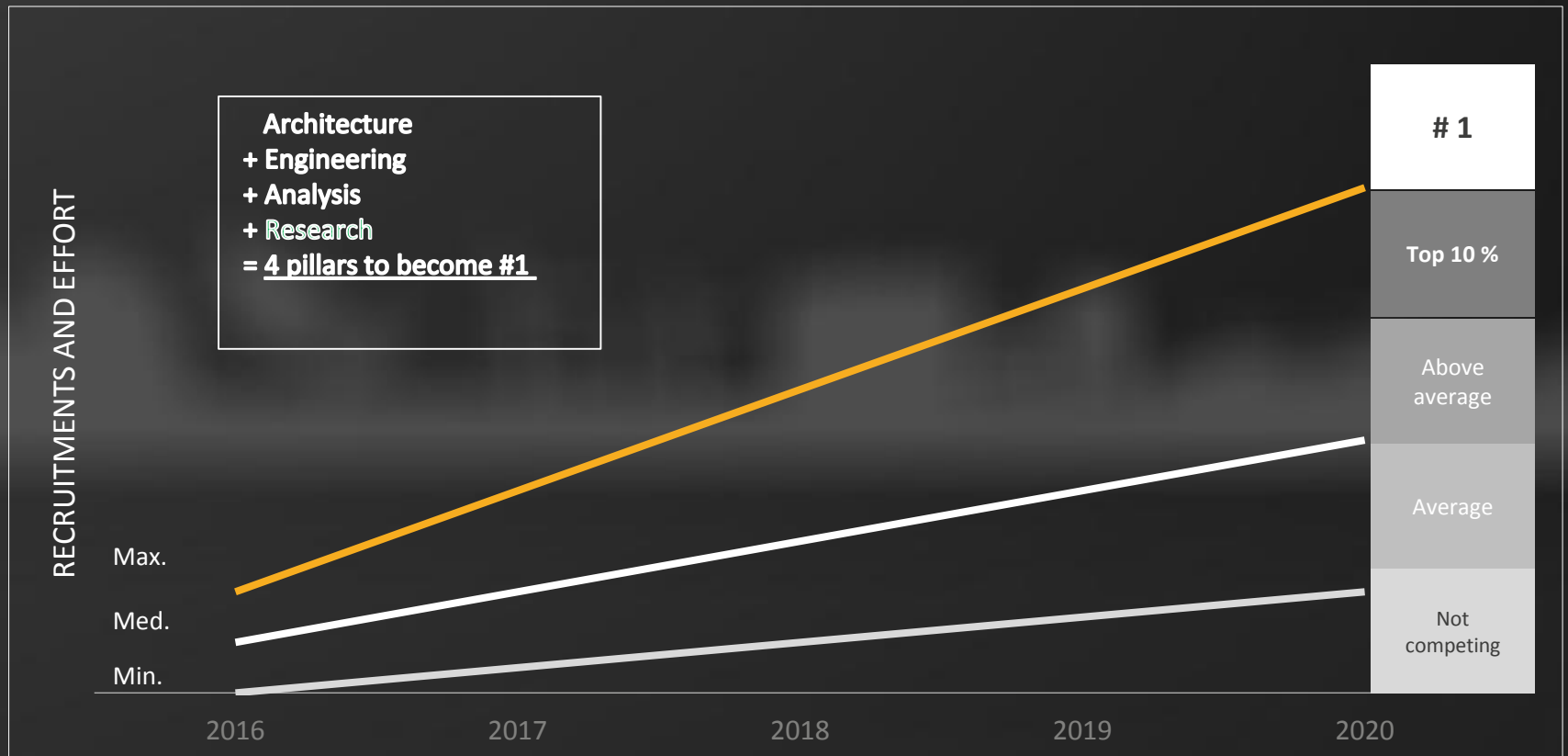




The key is to understand the next life-style

To obtain a sustainable development of society we need to combine different fields of expertise

URBAN LINK LEVEL OF AMBITION AND EFFORT



Two keys to strengthening our position in the market

Norway's lagging behind internationally, foreign firms are playing the field. We need to put ambition behind the brand and go Scandinavian.



Branding

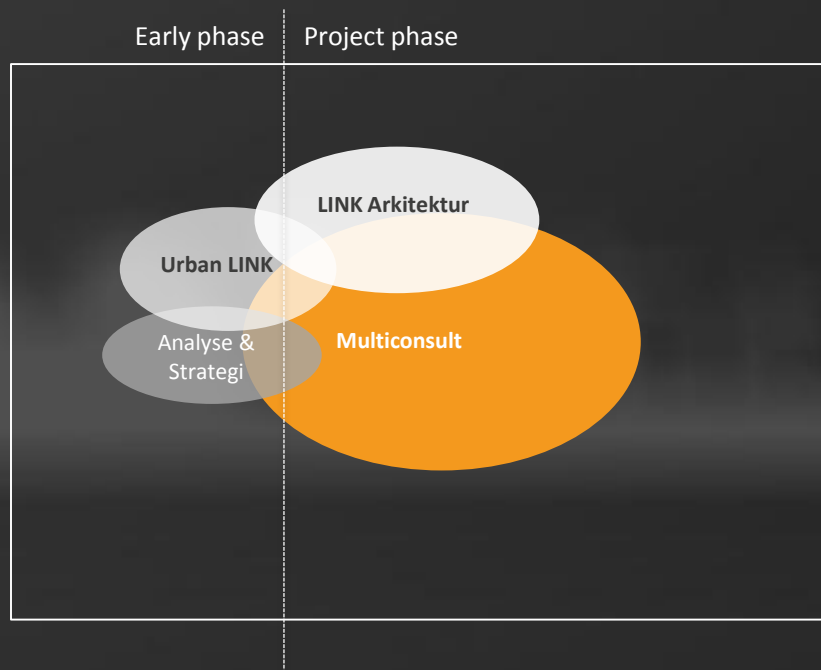
We recruit the right people with creative strength in conceptual architecture, with artistic and personal communication talents to front the brand.



Recruitment

Great opportunities both nationally and internationally

GROUP SYNERGY



- Group market approach with A&S, LINK and Multiconsult
- Distinct brand to head in the market with **Urban LINK**
- Key overall focus areas within the group:
 - Urbanism
 - Architecture
 - Analysis
 - Landscape
 - Planning
 - Transportation
 - Energy and environmental
- Organic build-up of key recruitments; young field of expertise so there is a big competition for the best heads – we already have eight



2016 • Start up Oslo

2017 • Full launch Oslo
• Start up Stockholm

2018 • Full launch Stockholm
• Start up Copenhagen

2019 • Positioning Oslo
• Positioning Stockholm
• Full launch Copenhagen

2020 • #1 on Urbanism in Scandinavia

We are launching
Urban LINK to become
#1 on urbanism
in Scandinavia by 2020

Urban LINK – we are already doing it

MARCH

Central South, Lillestrøm

PILOT PROJECT:

Green Urban neighborhood for pedestrians and bikers by the train station



APRIL

Storgata, Bodø

FEASIBILITY STUDY:

Development of the historical center of a small city in Northern Norway



MAY

Harbour of Södra Värtan, Stockholm

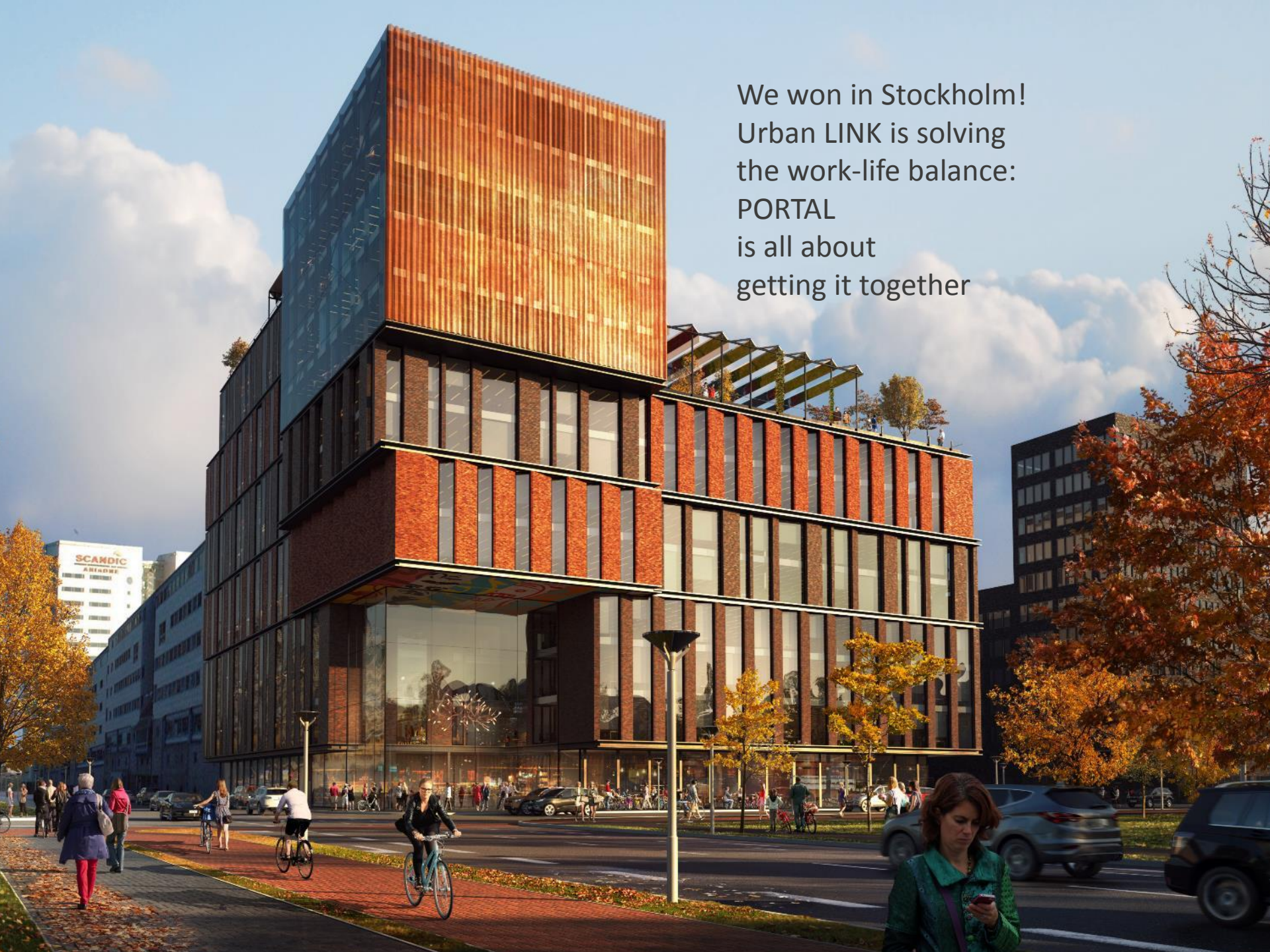
EXCLUSIVE COMPETITION:

Create landmark buildings and urban spaces for Bonnier Fastigheter in the new urban extension of Stockholm



AND TENDERING FOR NORWEGIAN
GOVERNMENT HEADQUARTERS IN OSLO...

We won in Stockholm!
Urban LINK is solving
the work-life balance:
PORTAL
is all about
getting it together



Q&A

URBANISM | SISSEL ENGBLOM
HEAD OF URBAN LINK

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THE FOLLO LINE PROJECT | MORTEN LUND HOFFMANN
VICE PRESIDENT - ENGINEERING MANAGEMENT



THE LARGEST INFRASTRUCTURE INVESTMENT IN NORWAY

NOK 25 billion
total investment

1st phase
of InterCity and high speed
connection to Europe

50 % reduction
in journey time

1 % reduction
of annual climate gas emissions from
Norwegian road freight traffic

Four very different sub-projects, each of them alone a giant project

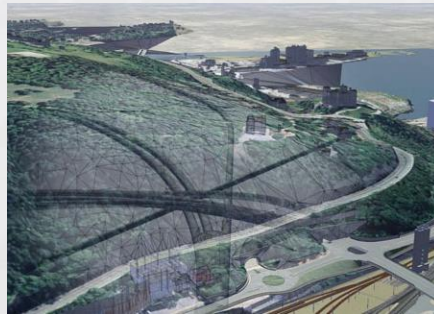
Connection to Oslo S



Core railway hub in
Norway

Detailed
planning

Tunnels - Ekeberg hills



Proximity to existing
infrastructure

Drill and split – no
blasting

Follo Line tunnels



Enormous dimensions

Single purpose
concrete factory
on site


Langhus and Ski station




Building through a
living city

Close
communication


First mover challenges



Large design and build contracts (EPC) based on offshore contract standard



Tunnel boring machine (TBM) not the traditional tunneling method in Norway



International contractors on all EPC contracts

Multiconsult chosen as Owner's Engineer



- Strategic decision to compete for Owner's Engineer contract
- Builds experience and position in the new EPC market



Jernbaneverket

FPS GROUP

AAS-JAKOBSEN

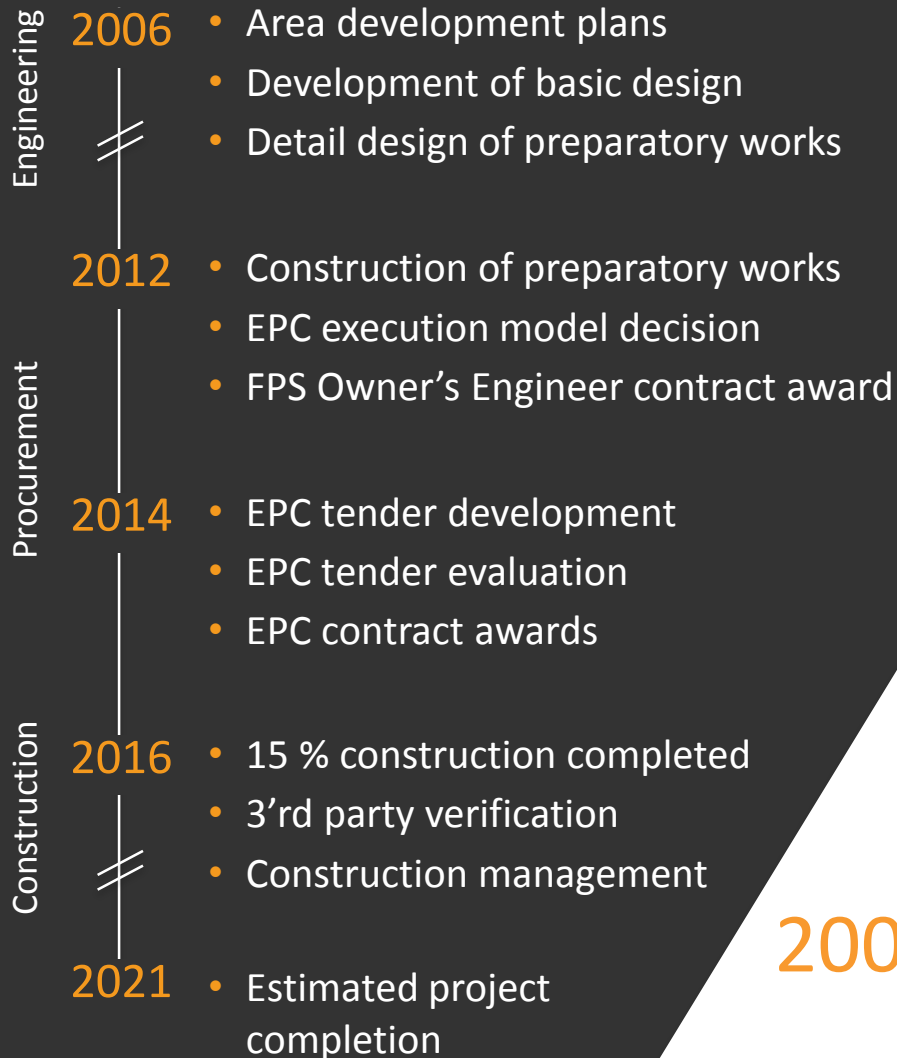
Multiconsult

AMBERG
ENGINEERING

COMPETITIVE EDGE

- In depth knowledge and experience about the Follo Line area through previous contracts
- Norway's leading expertise and capacity within all required engineering fields

Multiconsult highlights



NOK 350 million

Multiconsult revenue

200 architects and engineers
involved

How to continue to succeed

Complex and mega size projects
require experience and control

- Experience from large oil and gas projects
- Competence and organization
- Control systems

Top 10

largest projects

Profitability

high

Project execution

100% billing ratio



SKI STATION 2021

Q&A

THE FOLLO LINE PROJECT | MORTEN LUND HOFFMANN
VICE PRESIDENT - ENGINEERING MANAGEMENT

CAPITAL MARKETS DAY 2016

NEW AIRBASE ØRLAND | MORTEN ALSTAD

VICE PRESIDENT – ENGINEERING MANAGER

A once in a lifetime experience



F-35 Lightning II - produced by Lockheed Martin

A complex and complicated project that contains “everything” – requires cooperation

DETAILED PLANNING PROCESS

- New collaborative group to meet clients needs
- Multiconsult delivers more than 50 % of total contract
- Maintenance backlog required starting from scratch - everything needed to be rebuild and re-planned

SCOPE OF WORK

- Engineering management
- Contracting
- Engineering of:
 - Runway
 - Road
 - Maintenance
 - Hangar
 - Infrastructure
 - Water
 - District heating
 - High voltage

ALM GROUP



Multiconsult

Pre design

Detailed phase

Construction

2008 • Decision made to acquire new combat aircrafts



2012 • Decided to locate the base at Ørland
• Contract awarded
• Overall plan
• Pre-design
• Cost
• Detail-design
• Tender document
• Construction drawings

• Follow up - advise at the construction site

2017 • First aircraft to land

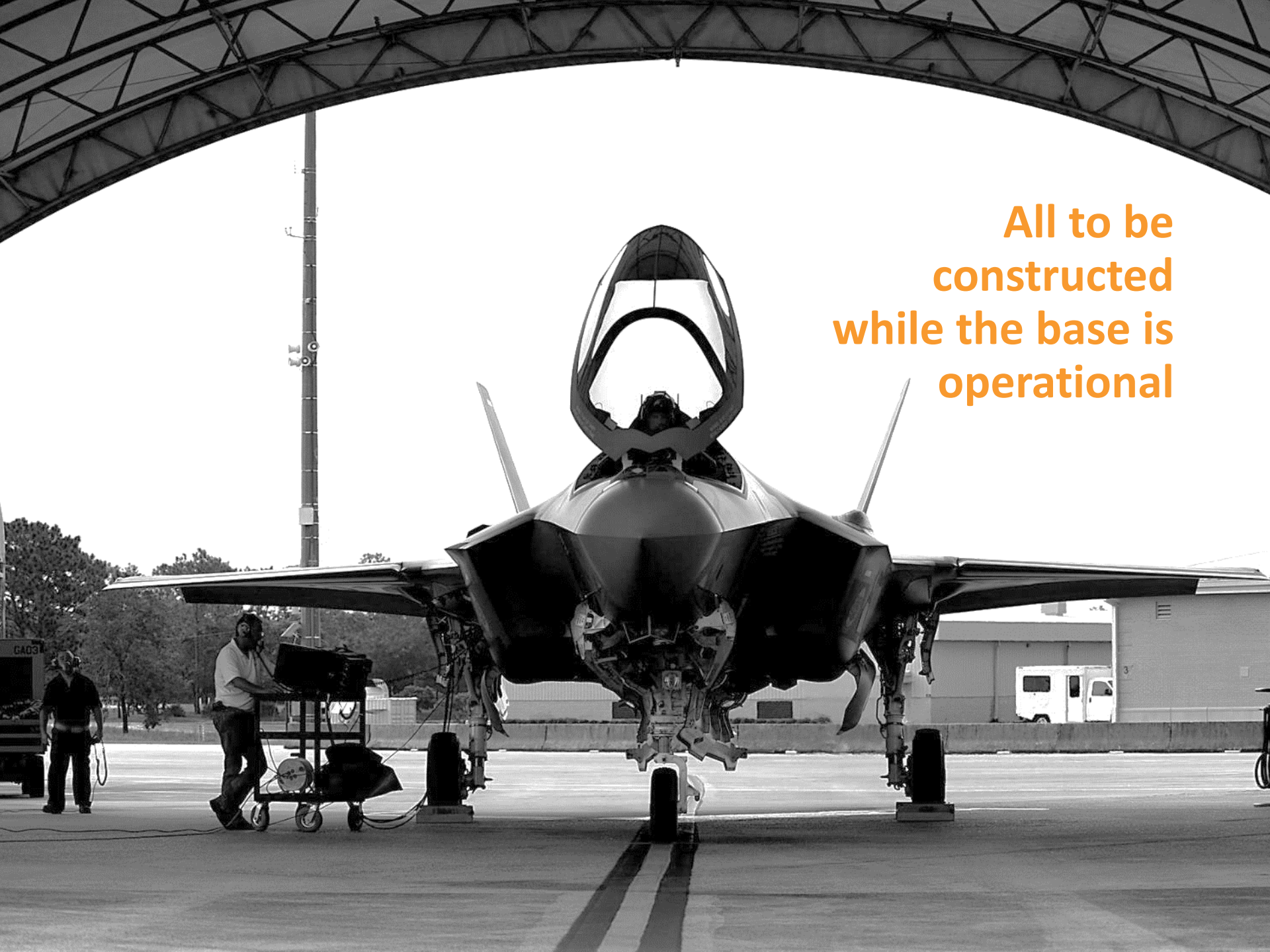
2020 • Estimated project end

NOK 8 billion
project total

NOK 250 million
design contract



All to be
constructed
while the base is
operational



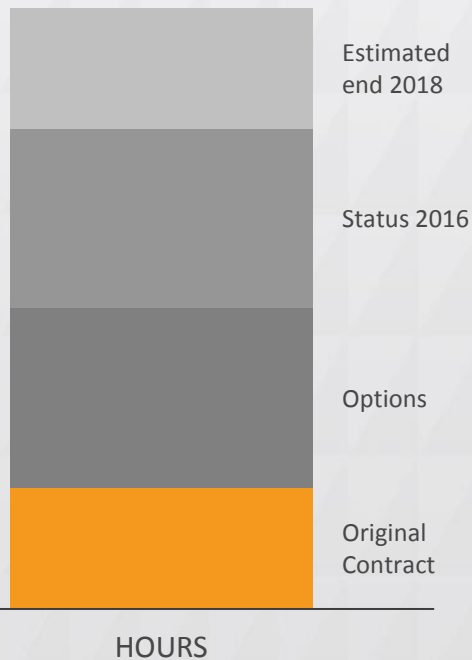
How to build for something that's still not built

- First mover challenges
- American and Norwegian specifications
- Challenging governmental processes
- Confidentiality issues



Detail engineering for the total project

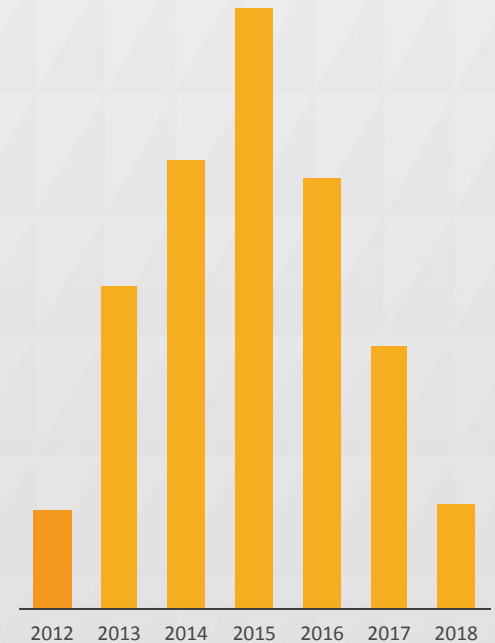
HOURS - CONTRACTED, OPTIONAL
AND STATUS



TOP PROJECT
EXECUTION

100 %
Billing ratio

MANHOURS DURING THE
DESIGN PERIOD





Ready for take-off

Q&A

NEW AIRBASE ØRLAND | MORTEN ALSTAD

VICE PRESIDENT – ENGINEERING MANAGER

3-2-1



- 1 Develop **multidisciplinary** business in **Sweden**
- 2 Stepwise **international** build-up in **renewable energy**
- 3 Establish a leading position within **health buildings** in **Scandinavia**
- 4 Capture a leading position within **urbanism** in **Scandinavia**
- 5 Scandinavian market leader in **digitalisation**
- 6 **One Multiconsult** – Stronger organisation built by a shared culture

