

FIRST QUARTER 2019 RESULTS

Grethe Bergly, CEO | Hans-Jørgen Wibstad, CFO





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 intend and do not assume any obligation to update any statements set forth in this presentation.

INTRODUCTION AND HIGHLIGHTS

Grethe Bergly, CEO

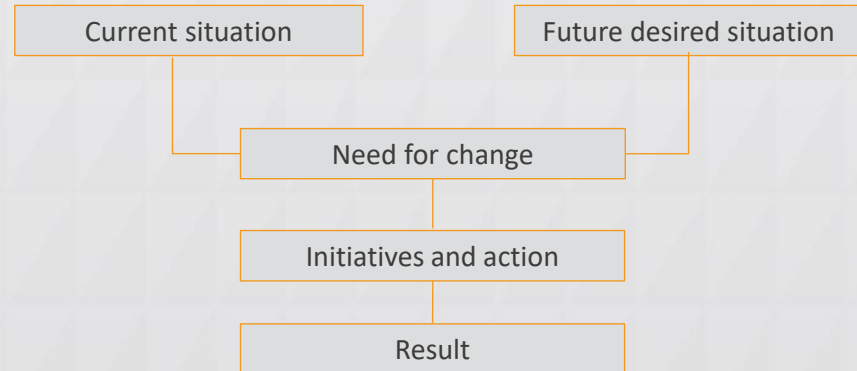
Highlights

- Solid growth and an all-time high order backlog
- Good earnings in the quarter gives a solid foundation for the future
- Higher activity and improved operations
- Net operating revenues up 9.9 % y-o-y to NOK 944.2 million
- EBIT of NOK 92.5 million, 9.8 % margin
- Significant positive calendar effect y-o-y
- Underlying profitability not satisfactory
- Focus on improving profitability over the next quarters

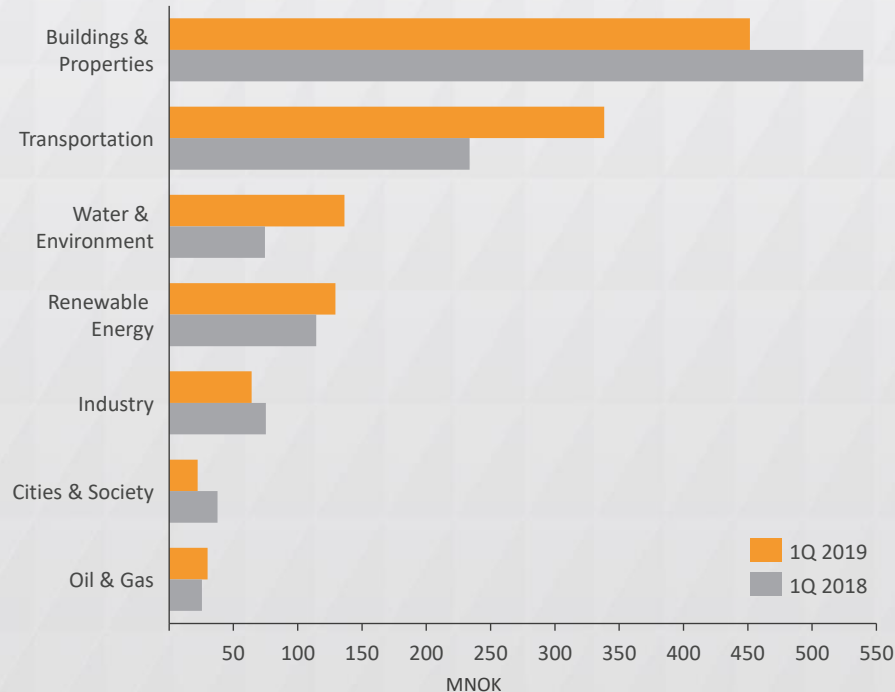


The way forward...

- Prioritise core business and operations
- Execute strategy in the framework of GO
- Clear expectations
- Further develop our culture
 - Customers
 - Value creation
 - One Multiconsult team
- Competence and expertise as foundation



Order intake in 1Q 2019



Highlights

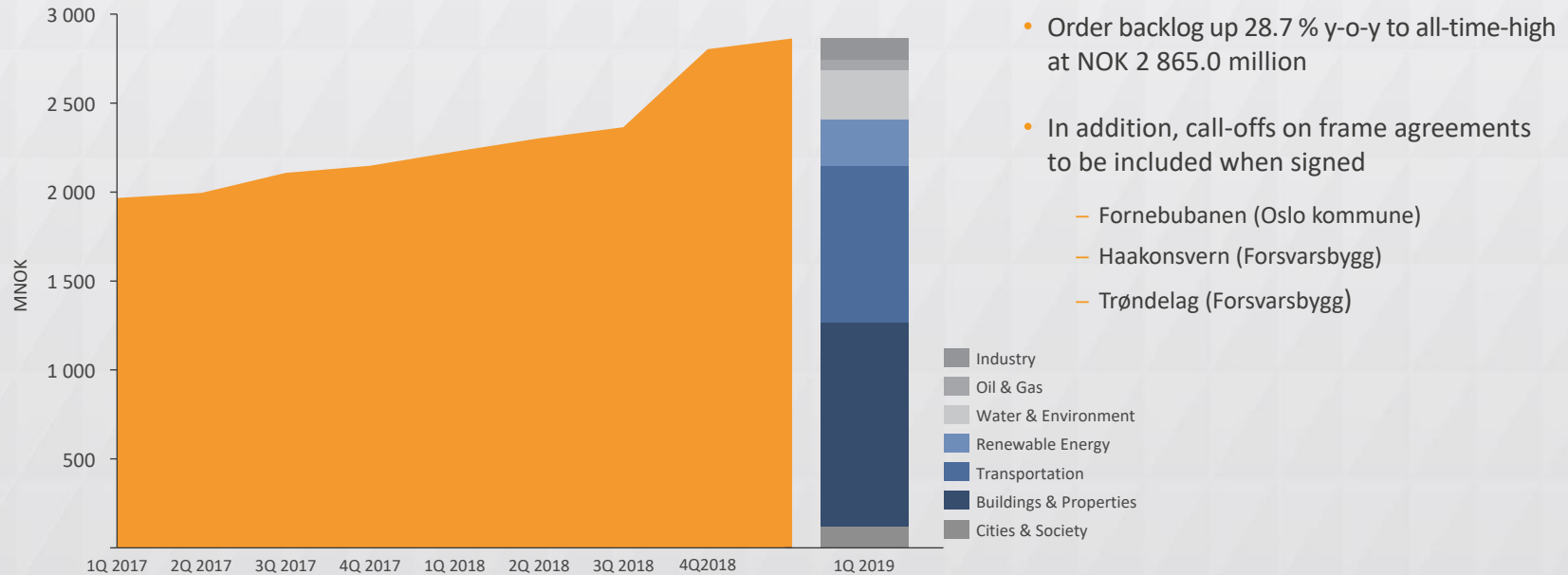
- Order intake NOK 1 171.8 million, up 6.4 % y-o-y
- Continued strong tender pipeline, across most business areas

Key order intake

- Fornebubanen
- Drammen hospital, LINK arkitektur
- Drammen hospital, Multiconsult
- Jølstra hydropower plant
- Sørmarkfjellet windpower



Order backlog development and backlog per business area



Organisation

- Universum annual ranking for technology students 2019
 - Still no. 1 engineering consultant for the seventh year in a row
 - Up to no. 2 among all companies in Norway
 1. Equinor
 2. Multiconsult
 3. Kongsberg Gruppen
- Extract of achievements to employees in 1Q
 - Amin Haddadi defended PhD on value creation in construction projects
 - Solveig Vassenden defended PhD in tunnel drilling machines
- Organisation
 - 2 972 employees at 31 March 2019 (2 861)



FINANCIAL REVIEW

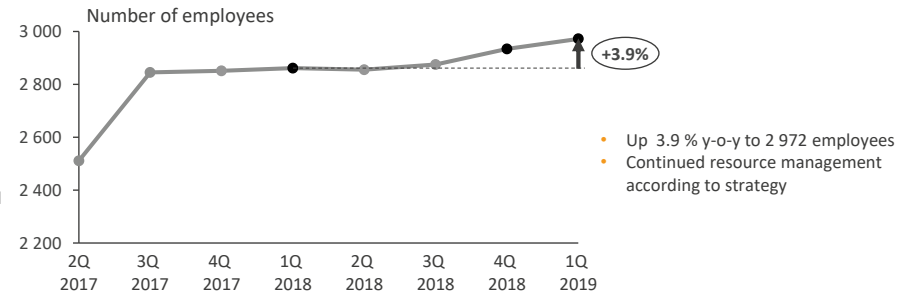
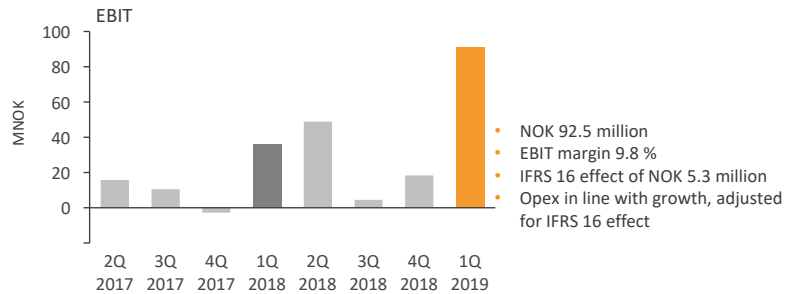
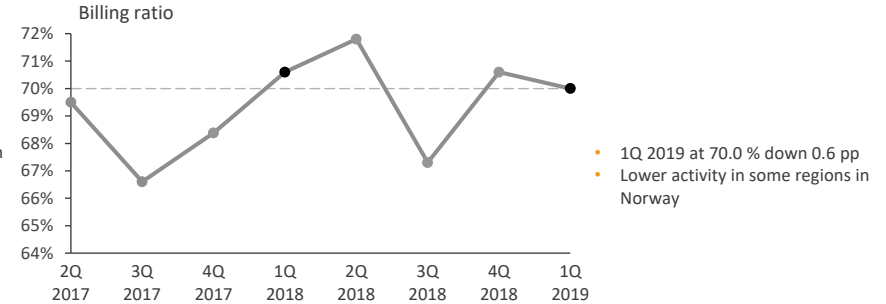
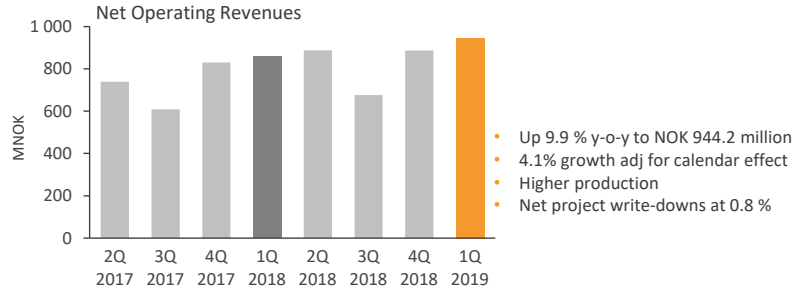
Hans-Jørgen Wibstad, CFO

Financial Highlights 1Q 2019

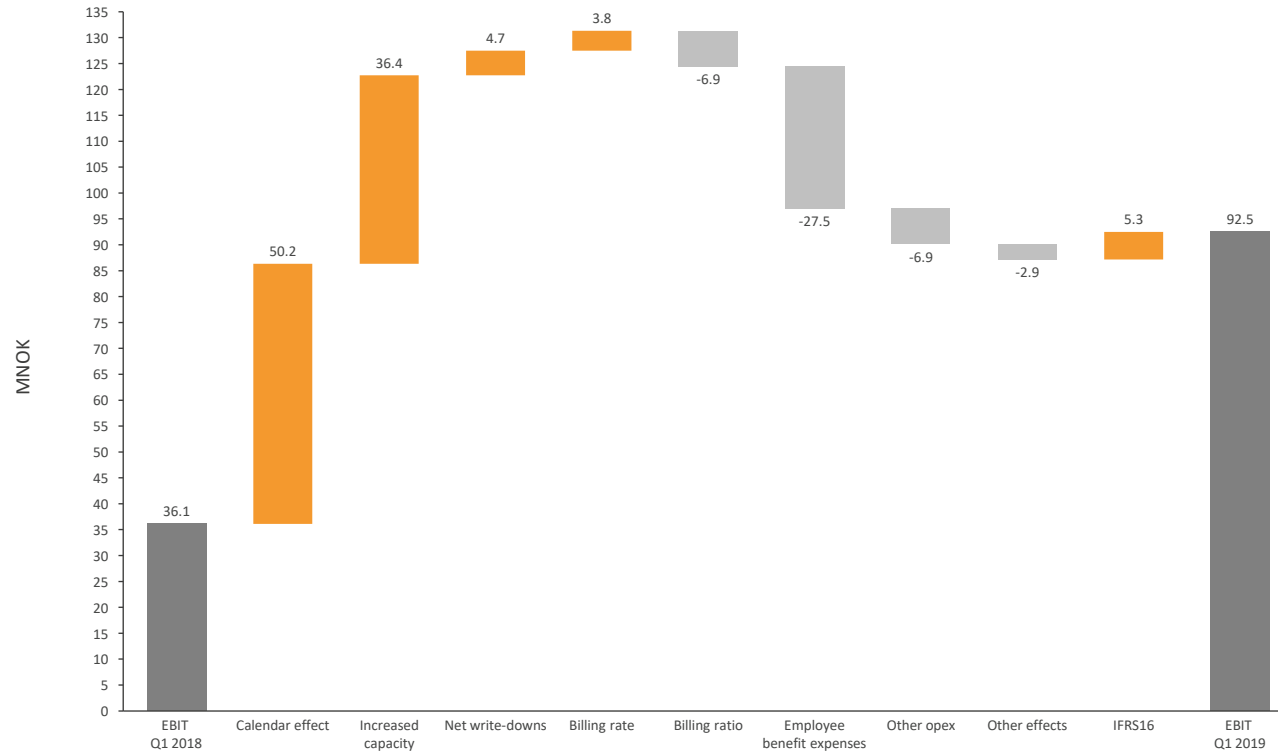
- Net operating revenues up to NOK 944.2 million, reflecting an organic growth of 9.9% year-on-year
- Improved earnings in the quarter, EBIT of NOK 92.5 million
- Easter Holiday calendar effect of NOK 50.2 million on revenues and earnings
- IFRS 16 implemented, positive effect of NOK 5.3 million on EBIT
- Net interest bearing debt of NOK 1 187.3 million, IFRS 16 effect of NOK 1 000.7 million
- Extraordinary one-off severance agreement expenses of approximately NOK 10 million



Financial highlights 1Q 2019



EBIT Bridge Y-O-Y



Greater Oslo Area 1Q 2019

- Higher billing rates and billing ratio
- Improved project execution
- Largest contribution on revenue from business areas Buildings & Properties and Transportation
- Business areas Transportation and Water & Environment with significant growth
- Strong order intake in the quarter, particularly from Transportation

Greater Oslo Area	1Q 2019	1Q 2018	Change
Net Operating Revenue	444.0	393.0	13.0 %
EBIT MNOK	59.1	11.6	409.5 %
EBIT margin %	13.3 %	2.9 %	10.4 pp
Adjusted EBIT MNOK*	32.5	11.6	20.9 %
Adjusted EBIT margin %*	7.8 %	2.9 %	4.9 pp
Billing ratio	69.8 %	69.6 %	0.2 pp
Number of employees	1 178	1 174	0.3 %

*Adjusted for IFRS 16 and calendar effect



Regions Norway 1Q 2019

- Higher billing rates, but lower billing ratio
- Higher production due to net recruitment
- Strong performance from business areas Buildings & Properties and Transportation
- Business area Transportation with solid growth
- Order intake lower y-o-y, but at a normal level

Regions Norway	1Q 2019	1Q 2018	Change
Net Operating Revenue	307.9	279.3	10.2 %
EBIT MNOK	31.3	13.8	127.2 %
EBIT margin %	10.2 %	4.9 %	5.3 pp
Adjusted EBIT MNOK*	10.8	13.8	-3.1 %
Adjusted EBIT margin %*	3.7 %	4.9 %	-1.2 pp
Billing ratio	67.7 %	69.9 %	-2.2 pp
Number of employees	859	842	2.0 %

*Adjusted for IFRS 16 and calendar effect



International 1Q 2019

- Higher production in Iterio AB and Multiconsult Polska
- Strong growth from business area Transportation
- Low project activity in Multiconsult UK
- Order intake at a normal level, good contribution from Multiconsult Polska and Iterio AB

International	1Q 2019	1Q 2018	Change
Net Operating Revenue	56.7	51.1	11.0 %
EBIT MNOK	3.1	5.4	-42.2 %
EBIT margin %	5.5 %	10.5 %	-5.0 pp
Adjusted EBIT MNOK*	3.0	5.4	-44.1 %
Adjusted EBIT margin %*	5.3 %	10.5 %	-5.2 pp
Billing ratio	75.3 %	75.7 %	-0.4 pp
Number of employees	308	241	27.8 %

*Adjusted for IFRS 16



LINK arkitektur 1Q 2019

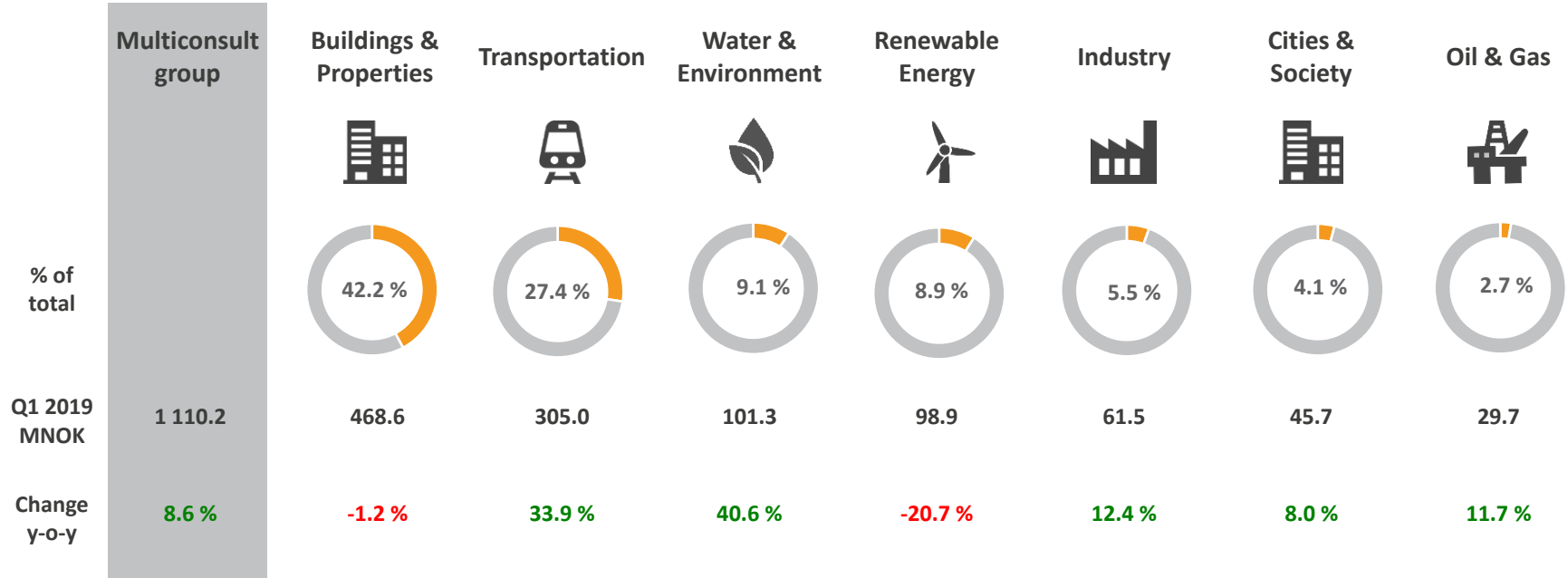
- Increased production with variation between units
- Higher billing rates
- Strong performance in Norway
- Majority of order intake from hospital projects.

LINK arkitektur	1Q 2019	1Q 2018	Change
Net Operating Revenue	152.3	141.7	7.5 %
EBIT MNOK	19.1	12.8	49.4 %
EBIT margin %	12.6 %	9.0 %	3.6 pp
Adjusted EBIT MNOK*	13.4	12.8	0.6 %
Adjusted EBIT margin %*	9.1 %	9.0 %	0.1 pp
Billing ratio	75.3 %	76.1 %	-0.8 pp
Number of employees	500	477	4.8 %

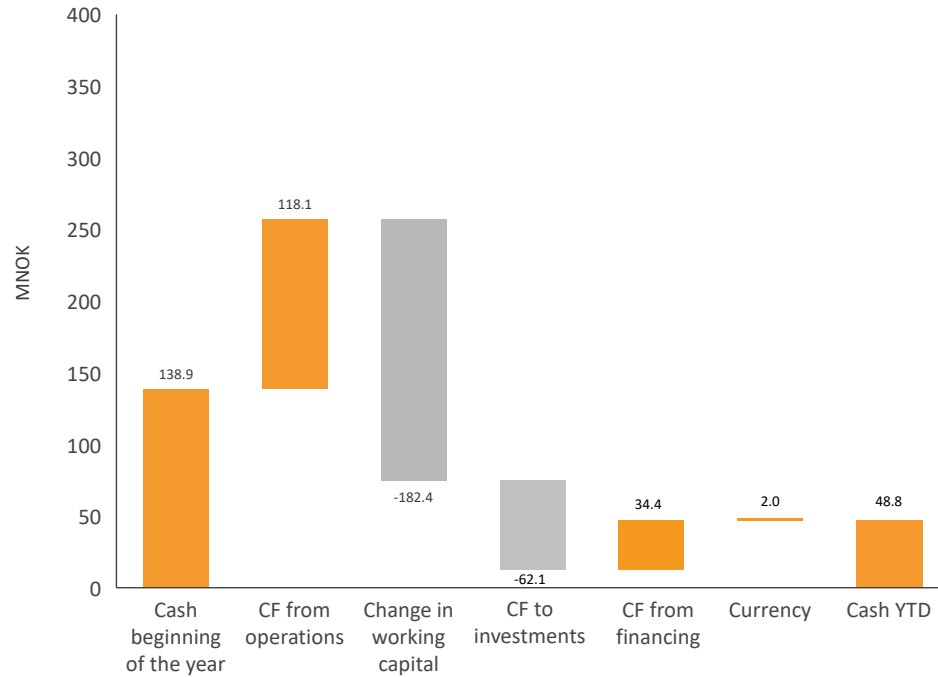
*Adjusted for IFRS 16 and calendar effect



Operating revenues by business area 1Q 2019



Cash flow 1Q 2019



- Solid cash flow from operating activities
- Negative change in working capital due to work in progress
- Investments include
 - Ordinary asset replacement and IFRS 16 effect
- Financing activities
 - Increase in interest bearing debt and IFRS 16 effect

Cash and liabilities MNOK	1Q 2019	YE 2018	1Q 2018
Cash	48.8	138.9	151.7
Debt incl lease	2 265.5	1 296.8	1 362.2
Debt ex lease	1 264.8	1 296.8	1 362.2
IFRS 16 lease effect	1 000.7	-	-
NIBD ex lease	186.6	59.5	255.0

OUTLOOK

Grethe Bergly, CEO

Outlook

- The overall market outlook continues to show positive development across most business areas
- Continued strong competition on large projects
- Strong combination of professional capability and increasing order backlog gives a solid foundation
- Continued priority on improving underlying profitability
 - Cost level
 - Project execution





FINANCIAL CALENDAR

2Q 2019 results

29 Aug 2019

3Q 2019 results

7 Nov 2019

Q&A

FOURTH QUARTER 2018 RESULTS | Grethe Bergly, CEO
Hans-Jørgen Wibstad, CFO



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