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HIGHLIGHTS

First quarter 2020:

- ▲ Net operating revenues up 5.2% year-on year to NOK 993.6 million
- ▲ EBIT up 27.0% y-o-y to NOK 117.5 million reflecting an EBIT margin of 11.8%
- ▲ Net profit up 42.6% y-o-y to NOK 84.1 million
- ▲ Significant cost reductions improving Other operating expenses margin to 15.3% from 18.7% average 2019 – nextLEVEL programme on track
- ▲ Strong order intake of NOK 1 306 million and all-time high order backlog of NOK 3 099 million
- ▲ Solid working capital and financial position
- ▲ Increased uncertainty due to impact of Covid-19
- ▲ Ranked #1 in industry attractiveness among engineering students and #3 overall (May 2020)

“Multiconsult delivered a solid Q1 with revenues growth and significant improved profitability compared with 2019. The improvement comes on the back of solid customer deliveries and is also caused by significantly reduced operating expenses resulting from the nextLEVEL improvement programme. We are well underway, but I believe there is more potential.

At the same time we are delivering solid sales resulting in an all-time high order backlog at the end of the quarter. This is very important going into a period of more uncertainty caused by the Covid-19 situation. I would like to thank all of our dedicated Multiconsult employees for their relentless efforts and dedication in achieving these improvements”.



Grethe Bergly
CEO of Multiconsult ASA

CONSOLIDATED KEY FIGURES

Amounts in TNOK	Q1 2020	Q1 2019	FY 2019
FINANCIAL			
Net operating revenues	993 644	944 242	3 435 835
Employee benefit expenses	715 943	680 486	2 654 431
Other operating expenses	109 952	125 422	482 271
EBITDA	167 749	138 334	299 133
EBITDA margin	16.9%	14.7%	8.7%
EBIT	117 464	92 469	106 329
EBIT margin	11.8%	9.8%	3.1%
Reported profit for the period	84 120	58 957	35 110
OPERATIONAL			
Other operating expenses excluding IFRS 16 margin	15.3%	17.4%	18.7%
Billing ratio	69.4%	70.0%	69.2%
Number of employees	2 984	2 972	2 994
Order intake	1 305 543	1 171 824	4 348 086
Order backlog	3 098 737	2 864 999	2 967 609



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FIRST QUARTER 2020

Multiconsult first quarter EBIT came in at NOK 117.5 million. In the first quarter net operating revenues were up 5.2% y-o-y to NOK 993.6 million. The nextLEVEL improvement programme is on-track, partly reflected in a reduction in other operating expenses of 12.3% y-o-y to NOK 110.0 million. The order intake was solid at NOK 1 306 million giving a record high order backlog of NOK 3 099 million.

FINANCIAL REVIEW

(Figures in brackets = same period prior year or relevant balance sheet date 2019).

Group results

First quarter 2020 Multiconsult group

Net operating revenues increased by 5.2% to NOK 993.6 million (NOK 944.2 million) compared to the same quarter last year. The increase in net operating revenues is exclusively organic. Higher activity, and higher average group billing rates compared to the same period in 2019 contribute positively to the growth in net operating revenues. There was a calendar effect of one more working day with an impact of NOK 13.4 million.

Operating expenses consist mainly of employee benefit expenses and other operating expenses. Reported operating expenses increased by 2.5% to NOK 825.9 million (NOK 805.9 million). Other operating expenses decreased by 12.3%, suggesting that the nextLEVEL improvement programme is on-track, other operating expenses excluding IFRS 16 was reduced with NOK 12.1 million, an improvement of 7.3% compared to same quarter last year – partly a nextLEVEL effect. Employee benefit expenses increased in line with manning level and regular salary adjustment for the Norwegian workforce.

EBITDA was NOK 167.7 million (NOK 138.3 million), an increase of 21.3% compared to the same period last year.

EBIT was NOK 117.5 million (NOK 92.5 million), an increase of 27.0% y-o-y, reflecting an EBIT margin of 11.8%.

Net financial items were an expense of NOK 6.8 million (expense of NOK 14.9 million). The improvement compared to Q1 2019 is mainly related to currency gains.

Group tax rate was 23.3% (23.3%).

Reported profit for the period was NOK 84.1 million (NOK 59.0 million).

Financial position, cash flow and liquidity

First quarter 2020 Multiconsult group

Total assets amounted to NOK 2 828 million (NOK 2 674 million), and total equity amounted to NOK 686.9 million (NOK 581.4 million). The group held cash and cash equivalents of NOK 62.9 million (NOK 73.6 million).

In March 2020 Multiconsult refinanced its loan portfolio with Nordea. This included an overdraft loan facility of NOK 320.0 million which is part of a cash pool that includes the majority of the operational units in the group. The refinancing also included a new 3-year revolving credit facility of NOK 200.0 million until March 2023. Multiconsult have through the new loan portfolio improved loan margins and covenants. Undrawn available amounts under the credit facilities were NOK 348.0 million at the end of the quarter.

Net interest-bearing liabilities amounted to NOK 1 031 million (NOK 1 006 million at 31 December 2019). Adjusted for IFRS 16 lease obligations, net interest-bearing debt is NOK 95.2 million (NOK 91.6 million at 31 December 2019).

Net cash flow from operating activities was positive NOK 48.0 million (negative NOK 62.0 million). Net cash flow from operating activities is affected by increase in revenues, offset by decrease in working capital mainly due to a reduction in work in progress.

Net cash flow used in investment activities was NOK 10.5 million this quarter (NOK 24.5 million), related to ordinary asset replacement.

Net cash flow from financing activities amounted to negative NOK 51.4 million (negative NOK 1.8 million) which is mainly affected by instalments and interest on lease liabilities related to IFRS 16. As part of the refinancing and re-payment of the previous NOK 172.0 million term loan, the company made a drawdown of NOK 172.0 million on the new NOK 200.0 million revolving credit facility. Hence, the refinancing did not have any net effect on cash flow from financing activities.

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ORDER BACKLOG AND INTAKE

The order backlog at the end of the quarter was at an all-time high of NOK 3 099 million (NOK 2 865 million). Business areas Buildings & Properties and Transportation currently have the largest proportion of the order backlog, while Water & Environment increased compared to the same period previous year. The size and timing of execution of the order backlog varies significantly between the business areas and locations.

Order intake during the first quarter increased by 11.4% compared to the first quarter in 2019. Business area Water & Environment decreased, while all other business areas experienced an increase.

Significant contracts this quarter were Sykkeltunnel Fløen-Kronstad for Vestland fylkeskommune, Arena Fredrikstad for Østfold Fylkeskommune (Viken Fylkeskommune), Fv. 350 Foruskanalen Bussvei for Rogaland fylkeskommune, Jølstra kraftverk for Jølstra Kraft DA, Västerås sjukhus for Region Västmanland and for NTNU for Backe Trondheim.

The order backlog does not reflect the total volume to be executed under awarded frame agreements and includes only call-offs that have been signed under these agreements. Some of the large frame agreements are for example Fornebubanen for Oslo kommune, submarine maintenance facilities and airbase facilities with Forsvarsbygg and safety and RAMS with Bane NOR.

PROFITABILITY IMPROVEMENT PROGRAMME – nextLEVEL

The improvement programme nextLEVEL was introduced at the end of 2019 and is one of our key measures to improve performance and profitability. This programme has had strong focus throughout the organization in the first quarter.

In total, nextLEVEL has a target of 150 million in annual profitability improvement to be realised over a period of 18 months. The nextLEVEL programme is ahead of suggested time schedule and by mid-May Multiconsult has committed

to 64% (NOK 95.0 million)] of the target amount, up from 37% mid-February 2020. In addition to already initialised initiatives, the programme will focus further on areas such as travel policies, office space portfolio and “ways of working” with experiences, partially, from the ongoing Covid-19 situation. Based on this we see increased potential for reduced office space. As a consequence, the one-off restructuring cost related to nextLEVEL may increase to NOK 60-70 million - up from NOK 30-40 million previously indicated.

SEGMENTS

Multiconsult’s reporting segments has historically been presented as four segments. As from 2020 Multiconsult’s reporting segments will be five segments: Region Oslo, Region Norway, Energy, International and LINK arkitektur. Overhead expenses such as administrative services, office rent and depreciation are allocated to individual segments, however certain corporate cost and group-wide cost are not allocated to the geographical segments. Comparison to same period last year has been re-stated using the new principles, and is made on the new structure. Also see note 3 – Accounting Policies.

Region Oslo

This segment offers services in seven business areas and comprises the Oslo region, in addition the segment includes Multiconsult’s internal segment Large Projects in Norway.

Key figures – Region Oslo

<i>Amounts in MNOK</i>	Q1 2020	Q1 2019	FY 2019
Net operating revenues	329.6	309.4	1 090.9
EBIT	57.7	40.4	53.0
EBIT %	17.5%	13.1%	4.9%
Order intake	337.5	432.9	1 431.3
Order backlog	985.1	978.2	1 026.5
Billing ratio	72.9%	70.8%	70.0%
Number of employees	796	818	817

First quarter 2020 Region Oslo

The increase in **net operating revenues** of 6.5% in the quarter was driven by higher billing rate and higher billing ratio compare to same period last year.

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Operating expenses came in 0.8% higher than in the same period in 2019. Employee benefit expenses increased in line with manning level and regular salary adjustment for the workforce. Other operating expenses decreased significantly, mainly due to lower use of consultancy services and lower office expenses.

Order intake in the first quarter decreased by 22.0% compared to the first quarter in 2019. There was a decrease in order intake in all business areas except City & Society.

Order backlog for the segment at the end of the first quarter is NOK 985.1 million, with business areas Buildings & Properties and Water & Environment as the largest proportions. The order backlog increased by 0.7% compared to the first quarter in 2019. Most of the business areas increased except Transportation, Oil & Gas and City & Society.

Region Norway

This segment offers services in seven business areas and comprises all offices outside Oslo with presence in all larger cities in Norway and several other locations, a total of 23 offices.

Key figures – Region Norway

Amounts in MNOK	Q1 2020	Q1 2019	FY 2019
Net operating revenues	391.0	376.6	1 381.9
EBIT	42.9	39.6	56.5
EBIT %	11.0%	10.5%	4.1%
Order intake	561.4	397.4	1 437.5
Order backlog	732.7	625.4	580.8
Billing ratio	66.6%	68.0%	67.9%
Number of employees	1 065	1 045	1 068

First quarter 2020 Region Norway

Compared to first quarter 2019 **net operating revenues** increased by 3.8%. Billing rates were at a higher level and impacted net operating revenues positively. Growth was partly offset by a lower billing ratio that came down by 1.4pp.

Operating expenses increased by 2.9% in the quarter. Considerably lower other operating expenses such as travel and office expense was offset by higher employee benefit expenses.

Order intake in the first quarter increased by 41.3% compared to the first quarter in 2019. There was an increase in all business areas except Renewable Energy.

Order backlog for the segment at the end of the first quarter was at NOK 732.7 million, with business areas Buildings & Properties and Transportation as the largest proportions. The order backlog increased by 17.2% compared to the first quarter in 2019. All business areas increased except Renewable Energy.

Energy

The segment Energy is represented in Multiconsult’s offices in Oslo and Trondheim together with the subsidiary Multiconsult UK. The segment offers national and international services in the business area Renewable Energy with minor activity in Water & Environment.

Key figures – Energy

Amounts in MNOK	Q1 2020	Q1 2019	FY 2019
Net operating revenues	69.5	64.7	250.6
EBIT	3.5	(1.2)	(10.6)
EBIT %	5.0%	(1.9%)	(4.2%)
Order intake	88.7	124.3	381.0
Order backlog	263.8	246.2	262.8
Billing ratio	59.4%	62.8%	62.8%
Number of employees	199	204	199

First quarter 2020 Energy

The increase in **net operating revenues** of 7.5% in the first quarter was mainly driven by higher billing rate. Lower activity in Multiconsult UK in the period compared to same period last year have a negative effect on the net billing ratio.

Operating expenses came in 0.3% higher than in the same period in 2019. Other operating expenses decreased significantly, mainly due to lower use of consultancy and reduced office- and travel expense. Employee benefit expenses increased in line with manning level and regular salary adjustment.

Order intake in the first quarter decreased by 28.7% compared to the first quarter in 2019. However, sales in Q1 2019 were considered to be higher than normal.

Order backlog for the segment at the end of the first quarter increased by 7.2% to NOK 263.8 million. More than 98% of the order backlog in the segment is in business area Renewable Energy.

LINK arkitektur

This segment comprises LINK arkitektur with its 15 offices in Norway, Sweden and Denmark.

Key figures – LINK arkitektur

Amounts in MNOK	Q1 2020	Q1 2019	FY 2019
Net operating revenues	151.0	152.3	535.8
EBIT	6.7	16.8	11.0
EBIT %	4.5%	11.0%	2.1%
Order intake	153.5	170.0	728.6
Order backlog	576.9	529.4	620.2
Billing ratio	73.4%	76.0%	74.0%
Number of employees	497	500	489

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First quarter 2020 LINK arkitektur

The decrease in **net operating revenues** of 0.9% in the first quarter was driven by a reduction in activity level and lower billing ratio partly offset by a higher billing rate.

Operating expenses increased by 6.7% in the quarter mainly due to a currency translation effect for currency for the activity in Sweden and Denmark. This effect is reflected both in employee benefit expenses and other operating expenses.

The performance from Link arkitektur AS in Norway is at a good level in the quarter, however, both the businesses in Sweden and Denmark are facing a more challenging market and are loss-making.

Order intake in the first quarter decreased by 9.7% compared to first quarter in 2019. The order intake this quarter was mainly within the business area Buildings & Properties.

Order backlog for the segment at the end of first quarter increased by 9.0% to NOK 576.9 million. More than 90% of the order backlog in the segment is in business area Buildings & Properties.

International

This segment comprises the subsidiaries Multiconsult Polska and Iterio AB.

Key figures – International

Amounts in MNOK	Q1 2020	Q1 2019	FY 2019
Net operating revenues	61.2	51.8	206.9
EBIT	6.5	5.9	17.3
EBIT %	10.6%	11.3%	8.4%
Order intake	164.5	47.2	369.6
Order backlog	566.9	415.1	497.6
Billing ratio	78.5%	79.5%	73.5%
Number of employees	308	278	299

ORGANISATION AND HSE

At 31 March 2020 the group had 2 984 (2 972) employees. The employee turnover ratio for the group for the period March 2019 to March 2020 was 12.6% (10.5%). As per mid-May the full-time equivalent of 115 employees (3.8% of the total workforce) are on temporary leave due to the Covid-19 pandemic.

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SUBSEQUENT EVENTS

On 8 May, Universums annual attractivity survey among engineering students, ranked Multiconsult as the industry's most attractive employer and number three among all companies in Norway.

On 5 May, Multiconsult announced that Consto has been awarded an EPC contract for the construction the new hospital in Hammerfest with LINK arkitektur AS and Multiconsult Norge AS as subcontractors. The total value for the Multiconsult group, is expected to be approximately NOK 57 million.

On 22 April, Multiconsult held the annual general meeting. The general meeting passed a resolution that Tove Raanes is elected as a new member of the board, and Sverre Hurum as a elected deputy board member. The annual general meeting also approved the 2019 annual accounts.

On 20 April, Multiconsult announced an extension of multiple call-offs under the Fornebubanen frame agreement. The value of the call-off is approximately NOK 100 million for Multiconsult, and work has already started and will last until September 2020.

OUTLOOK

These forward-looking statements reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances in the future.

Multiconsult is at the beginning of a turnaround and the nextLEVEL programme is on track. The order backlog is at a historically high level and provides a good foundation, supported by frame agreements generated from a broad customer base.

The Covid-19 situation has resulted in considerably increased uncertainty and will be impacting our business. Multiconsult closely monitors the development of Covid-19 situation and evaluates potential outcomes based on various scenarios. While we so far have seen a relatively modest negative impact of the Covid-19 situation, it is currently not possible to predict the consequences for the industry and for Multiconsult going forward. A softening of the market can be expected in parts of

our business as a direct consequence of the Covid-19 situation. The company is taking prudent, responsible and necessary actions, to secure our people, our business, and, in close cooperation with our customers, our deliveries so that our clients are affected to the minimum extent possible.

Subject to comments related to the Covid-19 situation, the overall market outlook for Multiconsult's services is good across most business areas, and with a good pipeline of potential projects coming up for tender over the next 12 months. There are however more uncertainties in particular within buildings and properties (including architects) and in certain areas within our energy sector, where a softening of the market is expected.

With a solid market position, leading competences, technology and solutions for our customers, Multiconsult believes it is well placed to handle the challenges of the current uncertainties facing the economy and our industry.

RISK AND UNCERTAINTIES

The extraordinary risk factor due to the ongoing pandemic of coronavirus disease 2019 (Covid-19), is described under Risk and Risk Management in the 2019 Annual Report and in the Outlook section above. Multiconsult has not identified significant additional risk factors related to Covid-19 beyond those described therein.

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 developed internal procedures and competences to reduce risk exposure for legal disputes. Multiconsult has also normal and relevant insurance policies and routines for protection of normal and most potential consequences of such matters. Further details

regarding the insurance coverage are provided in note 20 to the consolidated financial statements for 2019.

Multiconsult has not identified significant additional risk exposures beyond the ones described in the 2019 Annual Report. Multiconsult has identified an increase in the number of and size of potential legal disputes, which potentially may, in adverse circumstances, have negative financial impact. Multiconsult is exposed to a number of risk factors: legal liability, credit risk, currency risk, interest rate risk, liquidity risk, and accounting estimates risk. The Risk and Risk Management section in the 2019 Annual Report contains detailed description and mitigating actions.

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DEFINITIONS

Net operating revenues: Operating revenues less sub consultants and disbursements.	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.
EBITDA: EBIT before depreciation, amortisation and impairment.	Employees: Number of employees comprise all staff on payroll including staff on temporarily leave (paid and unpaid), excluding temporary personnel.
EBITDA margin (%): EBITDA as a percentage of net operating revenues.	Order intake: Expected operating revenues on new contracts and confirmed changes to existing contracts. Only group external contracts are included.
EBIT: Earnings before net financial items, results from associates and joint ventures and income tax.	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.
EBIT margin (%): EBIT as a percentage of net operating revenues.	Net interest-bearing debt: Non-current and current interest-bearing liabilities deducted cash and cash equivalents.
Other operating expenses excluding IFRS 16 margin (APM): Other operating expenses adjusted for IFRS 16 effects as a percentage of net operating revenue.	

DISCLAIMER

<p>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”</p>	<p>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 report.</p>
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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited for the period ended 31 March 2020

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Amounts in TNOK, except EPS	Q1 2020	Q1 2019	FY 2019
Operating revenues	1 147 827	1 110 184	4 068 683
Expenses for sub consultants and disbursements	154 184	165 942	632 848
Net operating revenues	993 644	944 242	3 435 835
Employee benefit expenses	715 943	680 486	2 654 431
Other operating expenses	109 952	125 422	482 271
Operating expenses excluding depreciation and amortization	825 895	805 908	3 136 702
Operating profit before depreciation and amortisation (EBITDA)	167 749	138 334	299 133
Depreciation and amortisation	50 285	45 865	192 804
Operating profit (EBIT)	117 464	92 469	106 329
Share of profit from associated companies and joint ventures	(983)	(675)	(169)
Financial income	11 068	467	3 954
Financial expenses	17 822	15 344	56 683
Net financial items	(6 755)	(14 877)	(52 729)
Profit before income tax	109 727	76 917	53 431
Income tax expense	25 607	17 959	18 320
Profit for the period	84 120	58 957	35 110
Attributable to:			
Owners of Multiconsult ASA	84 120	58 957	35 110
Earnings per share			
Basic and diluted (NOK)	3.12	2.19	1.30

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in TNOK	Q1 2020	Q1 2019	FY 2019
Profit for the period	84 120	58 957	35 110
Other comprehensive income			
Remeasurment of defined benefit obligations	-	-	(1 884)
Income taxes	-	-	414
Total items that will not be reclassified subsequently to profit or loss	-	-	(1 470)
Currency translation differences	21 357	(6 606)	(2 450)
Total items that may be reclassified subsequently to profit or loss	21 357	(6 606)	(2 450)
Total other comprehensive income for the period	21 357	(6 606)	(3 920)
Total comprehensive income for the period	105 477	52 351	31 190
Attributable to:			
Owners of Multiconsult ASA	105 477	52 351	31 190

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in TNOK	At 31 March 2020	At 31 March 2019	At 31 December 2019
ASSETS			
Non-current assets			
Deferred tax assets	38 806	39 794	40 322
Intangible assets	24 355	27 359	24 919
Goodwill	459 033	446 010	447 554
Property, plant and equipment	109 581	111 558	112 494
Right-of-use assets	915 436	996 495	898 208
Investments in associated companies and joint ventures	12 060	11 725	12 509
Assets for reimbursement of provisions	21 150	20 600	28 850
Other non-current financial assets and shares	18 556	19 191	17 785
Total non-current assets	1 598 976	1 672 732	1 582 643
Current assets			
Trade receivables	673 144	534 477	638 476
Work in progress	379 279	573 100	309 034
Other current receivables and prepaid expenses	113 568	97 109	70 573
Cash and cash equivalents	62 910	33 645	73 558
Total current assets	1 228 901	1 238 331	1 091 642
Total assets	2 827 878	2 911 062	2 674 284
EQUITY AND LIABILITIES			
Shareholders' equity			
Total paid in equity	91 241	91 242	91 241
Other equity	595 678	554 318	490 171
Total shareholders' equity	686 922	645 560	581 413
Non-current liabilities			
Pension obligations	6 546	6 172	6 542
Deferred tax	16 116	7 041	13 074
Provisions	27 550	39 350	36 000
Non-current interest-bearing liabilities	172 000	173 307	-
Non-current lease liabilities	802 437	882 667	789 618
Total non-current liabilities	1 024 649	1 108 537	845 234
Current liabilities			
Trade payables	158 606	214 653	160 663
Prepaid revenues	129 182	108 579	133 368
Current tax liabilities	38 131	33 411	17 979
Public duties payable	312 837	267 234	333 626
Current interest-bearing liabilities	-	62 033	178 400
Current lease liabilities	133 038	118 060	124 940
Other current liabilities	344 512	353 004	298 660
Total current liabilities	1 116 306	1 156 962	1 247 637
Total liabilities	2 140 956	2 265 499	2 092 871
Total equity and liabilities	2 827 878	2 911 062	2 674 284

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in TNOK</i>	Share capital	Own shares	Share premium	Total paid-in capital	Retained earnings	Employee share purchase programme	Pension	Currency	Total equity
31 December 2018	13 486	-	77 758	91 242	715 381	(22 033)	(201 713)	10 332	593 211
Dividend	-	-	-	-	-	-	-	-	-
Share Issue	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-
Employee share purchase programme	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	58 957	-	-	(6 606)	52 351
31 March 2019	13 486	-	77 758	91 242	774 338	(22 033)	(201 713)	3 726	645 560
31 December 2018	13 486	-	77 758	91 242	715 381	(22 033)	(201 713)	10 332	593 211
Dividend	-	-	-	-	(40 456)	-	-	-	(40 456)
Treasury shares	-	(1)	-	(1)	-	-	-	-	(1)
Employee share purchase programme	-	-	-	-	-	(2 532)	-	-	(2 532)
Comprehensive income	-	-	-	-	35 110	-	(1 470)	(2 450)	31 190
31 December 2019	13 486	(1)	77 758	91 241	710 035	(24 565)	(203 183)	7 882	581 413
31 December 2019	13 486	(1)	77 758	91 241	710 035	(24 565)	(203 183)	7 882	581 413
Dividend	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	34	-	-	34
Employee share purchase programme	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	84 120	-	-	21 357	105 477
31 March 2020	13 486	(1)	77 758	91 241	794 155	(24 531)	(203 183)	29 239	686 922

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in TNOK	Q1 2020	Q1 2019	FY 2019
Cash flows from operating activities			
Profit before tax	109 727	76 917	53 431
Interest lease liability	9 022	9 529	37 134
Interest expense interest-bearing liability	2 515	2 240	11 472
Income taxes paid	(2 656)	(13 512)	(27 952)
Depreciation, amortisation and impairment	13 354	12 055	54 802
Depreciation right-of-use asset	36 931	33 771	138 003
Results from associated companies and joint ventures	983	(675)	169
Other non-cash profit and loss items	-	-	860
Sub total operating activities	169 875	120 325	267 918
Trade Payables	(2 057)	(21 840)	(75 829)
Trade receivables	(34 668)	132 279	28 280
Work in progress	(70 245)	(229 237)	34 828
Other	(14 905)	(63 571)	(6 951)
Total changes in working capital	(121 875)	(182 369)	(19 671)
Net cash flow from operating activities	48 000	(62 044)	248 246
Cash flows used in investment activities			
Net purchase and sale of fixed assets and financial non-current assets	(9 876)	(28 231)	(62 837)
Change in non-current financial assets, restricted funds	(673)	3 696	5 634
Net cash flow used in investment activities	(10 549)	(24 535)	(57 203)
Cash flows from financing activities			
Proceedes on interest bearing liabilities	172 000	36 923	-
Instalments on interest-bearing liabilities	(178 400)	-	(16 473)
Paid interest on interest-bearing liability	(2 515)	(2 240)	(11 472)
Instalments on lease liabilities	(33 453)	(26 936)	(122 693)
Paid interest on lease liability	(9 022)	(9 529)	(37 134)
Paid dividends	-	-	(40 456)
Sale treasury shares	6 400	-	3 607
Purchase treasury shares	(6 366)	-	(12 192)
Net cash flow from financing activities	(51 357)	(1 782)	(236 813)
Foreign currency effects on cash and cash equivalents	3 257	1 966	(714)
Net increase/decrease in cash and cash equivalents	(10 649)	(86 395)	(46 484)
Cash and cash equivalents at the beginning of the period	73 558	120 040	120 040
Cash and cash equivalents at the end of the period	62 910	33 645	73 558

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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 subsidiaries outside the Nordic region in Poland, UK and Singapore.

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.

annual financial statements of the group and should be read in conjunction with the consolidated financial statements for 2019. The accounting policies applied are consistent with those applied and described in the consolidated annual financial statements for 2019, which are available upon request from the company's registered office at Nedre Skøyen vei 2, 0276 Oslo and at www.multiconsult.no.

Statements

These interim condensed consolidated financial statements for the first quarter of 2020 have been prepared in accordance with IAS 34 as approved by the EU. They have not been audited. They do not include all of the information required for full

These interim condensed consolidated financial statements for the first quarter of 2020 were approved by the Board of Directors and the CEO on 19 May 2020.

NOTE 3: 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, with the exemptions presented below.

Starting from 2020 Multiconsult has changed its reporting segments. Note 5 is presented according to the new segments, and figures for 2019 are restated. To ensure comparability between periods, a given percentage of revenue and cost reported in 2019 as “not allocated” is distributed to the new segments according to the same principles applied to allocation in 2020. See section Segments for a description of the new segments.

Updated presentation and restatement

In previous quarterly reporting, net write-downs have been presented as a separate key figure. These adjustments are a consequence of a large volume of projects and is part of normal operations in the group. Starting from 2020, net write-downs will not be presented as a key figure. Any material adjustments outside normal operations will be disclosed separately. This is in line with group annual reporting of financial statements. There have been no material adjustments that require disclosure in Q1 2020.

In Q4 2019 Multiconsult changed the presentation of restricted cash, interest on interest-bearing liabilities and instalments and paid interest on lease liability. The cash flow for Q1 2019 is restated to be comparable to cash flow in Q1 2020.

In Q2 2019 it was discovered that approximately NOK 10 million in employee benefit expenses should be classified as other operating expenses, Q1 2019 is restated to be comparable.

NOTE 4: 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, 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 2019 note 2.

Impairment test of Goodwill

Cash-generating units are reviewed for impairment when indicators exist. The estimated recoverable amounts are affected

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by assumptions in connection with the estimation of future cash flows, as well as the discount rate for the estimation of the present value of the cash flows. Due to the increased uncertainties following the Covid-19 pandemic, the group has performed impairment tests at Q1. The tests are based on the same assumptions as for the tests at year end, except for a new WACC that has been updated and simulations of scenarios of decrease

in revenues. The result of the tests confirms that the value in use is higher than the carrying value at Q1 and no impairment of goodwill, property, plant and equipment or tangible assets to the related CGU’s are required. The group will follow the situation closely in the upcoming quarters.

NOTE 5: Segments

Refer to section Segments for more information on the segments. The group has three geographical reporting segments as well as a segment for Energy and LINK arkitektur.

Q1 2020 <i>Amounts in TNOK</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	374 303	401 271	84 270	187 958	94 533	5 709	(217)	1 147 827
Internal revenues	4 569	8 234	3 343	8 839	646	739	(26 370)	-
Total operating revenues	378 871	409 505	87 613	196 797	95 179	6 448	(26 587)	1 147 827
Net operating revenues	329 576	391 045	69 531	150 958	61 212	(5 774)	(2 905)	993 644
Operating expenses	267 403	326 534	65 621	137 774	51 103	(19 126)	(3 413)	825 895
EBITDA	62 174	64 510	3 910	13 184	10 110	13 352	508	167 749
Depreciation, amortisation, impairment	4 477	21 620	445	6 435	3 645	13 173	489	50 285
EBIT	57 697	42 890	3 465	6 749	6 465	179	19	117 464
Associates and joint ventures	-	-	(983)	-	-	-	-	(983)

Number of employees	796	1 065	199	497	308	119	-	2 984
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Q1 2019 <i>Amounts in TNOK</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	371 097	398 220	88 224	180 468	68 839	270	3 066	1 110 184
Internal revenues	-	114	103	14 973	1 319	1 630	(18 139)	-
Total operating revenues	371 097	398 334	88 327	195 441	70 159	1 900	(15 073)	1 110 184
Net operating revenues	309 412	376 596	64 688	152 267	51 767	(8 295)	(2 193)	944 242
Operating expenses	265 385	317 414	65 443	129 171	42 838	(12 011)	(2 332)	805 908
EBITDA	44 027	59 182	(755)	23 096	8 929	3 716	139	138 334
Depreciation, amortisation, impairment	3 578	19 582	480	6 289	3 063	13 007	(134)	45 865
EBIT	40 449	39 601	(1 235)	16 807	5 866	(9 292)	273	92 469
Associates and joint ventures	-	-	(675)	-	-	-	-	(675)

Number of employees	818	1 045	204	500	278	127	-	2 972
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FY 2019 <i>Amounts in TNOK</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	1 310 703	1 482 754	330 123	651 187	302 521	(15 855)	7 250	4 068 683
Internal revenues	5 763	376	12 249	12 042	7 608	36 917	(74 955)	-
Total operating revenues	1 316 466	1 483 130	342 372	663 229	310 129	21 061	(67 705)	4 068 683
Net operating revenues	1 090 928	1 381 857	250 607	535 798	206 926	(25 230)	(5 051)	3 435 835
Operating expenses	1 020 337	1 241 204	259 273	499 782	176 979	(56 378)	(4 495)	3 136 702
EBITDA	70 592	140 653	(8 666)	36 015	29 947	31 148	(556)	299 133
Depreciation, amortisation, impairment	17 586	84 153	1 912	25 008	12 625	52 056	(535)	192 804
EBIT	53 006	56 500	(10 578)	11 008	17 322	(20 908)	(21)	106 329
Associates and joint ventures	-	-	(169)	-	-	-	-	(169)
Number of employees	817	1 068	199	489	299	122	-	2 994

NOTE 6: Explanatory comments regarding the impact of revenue seasonality on quarterly reporting

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, earnings, cashflows and working capital balances. 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 7: Significant events and transactions

There were no significant events and transactions in the period.

NOTE 8: Related party transactions

In the fourth quarter of 2019 Multiconsult ASA entered into a share loan agreement with its largest shareholder, Stiftelsen Multiconsult, for a loan of 100 000 Multiconsult shares in connection with the implementation of the 2019 employee share purchase programme. The loan was setteled as Multiconsult ASA delivered the full amount of shares back to Stiftelsen Multiconsult

in the first quarter of 2020.

See note 23 to the consolidated financial statements for 2019 for a description of related parties and related parties transactions in 2019.

NOTE 9: Treasury shares

The company has 16 treasury shares as of 31 March 2020. For a description of the share purchase programme for all the employees and the performance bonus based bonus scheme for

the group management see note 9 in the consolidated financial statements for 2019.

NOTE 10: Earnings per share

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

	Q1 2020	Q1 2019	FY 2019
Profit for the period (in TNOK)	84 120	58 957	35 110
Average no shares	26 931 354	26 970 387	26 957 519
Earnings per share (NOK)	3.12	2.19	1.30

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NOTE 11: Financial instruments

The group’s financial instruments are interest-bearing debt, accounts receivables and other receivables, cash and cash equivalents and accounts payables. 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>	31 Mar 2020	31 Mar 2019	31 Dec 2019
Multiconsult ASA	172 000	193 500	178 400
Other	-	41 840	-
Total	172 000	235 340	178 400

The group owns a limited amount of shares and participations available for sale (NOK 0.5 million), and it is assumed that the book value is a good estimate of fair value. Fair value of derivatives (interest rate swap) were recorded with an unrealised loss of NOK 2.3 million at 31 March 2020 (gain of NOK 0.7 million at 31 December 2019).

Multiconsult ASA has an overdraft loan facility of NOK 320.0 million, which is part of a cash pool. The cash pool is a multi-currency and multi-account system including the legal enteties Multiconsult Norge AS, LINK arkitektur AS, Iterio AB, Multiconsult UK Limited and Johs Holt AS, where Multiconsult ASA is the owner

of the cash pool’s top account and the debtor of the facility. In addition, Multiconsult ASA holds a 3-year revolving credit facility of NOK 200 million, plus accordion until March 2023. The loan agreements include a covenant requiring that net interest bearing liabilities (excluding restricted cash) of the group shall not exceed 3.0 times last twelve months EBITDA , and a covenant requiring an equity ratio of at least 25%, reported quarterly. Covenant ratios are calculated excluding IFRS 16 effects, and the EBITDA includes “carve-out” for certain limited one-off costs. Multiconsult ASA is in compliance with its financial covenants at 31 March 2020.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

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

Adjusted EBITDA and EBIT – Calendar effect

<i>Amounts in MNOK (except percentage)</i>	Q1 2020	Q1 2019	FY 2019
Net operating revenues	993.6	944.2	3 435.8
Estimated calendar effect	(13.4)	-	-
Adjusted net operating revenues	980.2	944.2	3 435.8
Reported employee benefit expenses	715.9	680.5	2 654.4
Reported other operating expenses	110.0	125.4	482.3
Operating expenses	825.9	805.9	3 136.7
Adjusted EBITDA	154.3	138.3	299.1
Depreciation, amortisation and impairments	50.3	45.9	192.8
Adjusted EBIT	104.1	92.5	106.3
Adjusted EBITDA margin (%)	15.7%	14.7%	8.7%
Adjusted EBIT margin (%)	10.6%	9.8%	3.1%

APM does not state underlaying net operating revenues.
Estimated calendar effect equals number of workingdays in comparing periods.

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<i>Amounts in MNOK</i>	31 Mar 2020	31 Mar 2019	31 Dec 2019
Non-current interest-bearing liabilities (including IFRS 16 leases)	974.4	1 056.0	789.6
Current interest-bearing liabilities (including IFRS 16 leases)	133.0	180.1	303.3
Restricted cash non-current and current	14.6	18.3	17.0
Cash and cash equivalents	62.2	30.5	69.7
Interest-bearing debt including IFRS 16 lease liabilities	1 030.7	1 187.3	1 006.2
Less non-current and current IFRS 16 lease liabilities	935.5	1 000.7	914.6
Net interest-bearing liabilities	95.2	186.5	91.6

Equity ratio group

<i>Amounts in MNOK (except percentage)</i>	31 Mar 2020	31 Mar 2019	31 Dec 2019
Equity	686.9	645.6	581.4
Total assets	2 827.9	2 911.1	2 674.3
Equity ratio	24.3%	22.2%	21.7%
Equity excluding IFRS 16	707.0	649.8	597.9
Total assets excluding IFRS 16	1 912.4	1 914.6	1 779.8
Equity ratio excluding IFRS 16	37.0%	33.9%	33.6%

Loan covenants related to equity is calculated excluding IFRS 16.

Effect of IFRS 16 on profit or loss

<i>Amounts in MNOK</i>	Q1 2020	Q1 2019	FY 2019
Increase in EBITDA	42.5	39.0	158.5
Increase depreciation	(36.9)	(33.8)	(138.0)
Effect EBIT	5.5	5.3	20.5
Interest expense	(9.0)	(9.5)	(37.1)
Profit before tax	(3.5)	(4.3)	(16.6)

Other operating expenses excluding IFRS 16 margin

<i>Amounts in MNOK (except percentage)</i>	Q1 2020	Q1 2019	FY 2019
Other operating expenses	110.0	125.4	482.3
Other operating expenses IFRS 16 effect	42.5	39.0	158.5
Other operating expenses excluding IFRS 16	152.4	164.5	640.8
Net operating revenue	993.6	944.2	3 435.8
Other operating expenses excluding IFRS 16 margin	15.3%	17.4%	18.7%



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Interim condensed consolidated financial statements

Interim condensed consolidated statement of profit or loss
Interim condensed consolidated statement of comprehensive income
Interim condensed consolidated statement of financial position
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Notes to the financial statements

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Company contact information

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