



INTERIM REPORT

Q2 and first half | 2020

Multiconsult



HIGHLIGHTS Q2 2020

HIGHLIGHTS SECOND QUARTER

- ▲ Solid revenue growth of 9.8% y-o-y to NOK 951.7 million
- ▲ Strong EBIT of NOK 102.5 million reflecting an EBIT margin of 10.8%
- ▲ Net profit of NOK 65.9 million
- ▲ Significantly improved billing ratio to 73.8%
- ▲ Other operating expenses reduction of 13.1% to 108.4 million, and other operating expenses ratio reduced to 15.8% from 19.0% same period last year
- ▲ Overall improved cost level impacted by nextLEVEL improvement programme being on track, lower travel expenses, relief in the employer's national insurance contributions, and more, as a result of the Covid-19 pandemic
- ▲ Solid order intake of NOK 1 037 million, and a stable order backlog of NOK 3 004 million

HIGHLIGHTS FIRST HALF 2020

- ▲ Net operating revenues up 7.4% compared to same period in 2019
- ▲ EBIT up 187.3% y-o-y to NOK 219.9 million reflecting an EBIT margin of 11.3%
- ▲ Net profit up 303.8% y-o-y to NOK 150.0 million
- ▲ Reduction in other operating expenses of 12.7% y-o-y to NOK 218.4 million, and other operating expense ratio reduced to 15.6% from 18.2% in the same period last year
- ▲ Solid order intake of NOK 2 342 million during the period
- ▲ Solid working capital and financial position



"Multiconsult delivered a strong second quarter and a solid first half of 2020, with significantly improved profitability and revenues growth. We are well underway in the turnaround process that started in the first half of 2019. The improvements are a result of our focus on core business, sales and project execution, and significantly reduced operating expenses partially resulting from the nextLEVEL improvement programme."

We are also delivering solid sales resulting in a stable order backlog. While we have seen only modest impact of Covid-19 on our activity level, the pandemic is of course still creating some uncertainty. I am very impressed by the way our employees have adapted to the new working environment, and how their dedication in achieving solid and uninterrupted customer deliveries, has contributed to significant improvements."

Grethe Bergly
CEO of Multiconsult ASA

KEY FIGURES Q2 2020

CONSOLIDATED KEY FIGURES

<i>Amounts in NOK million</i>	Q2 2020	Q2 2019	H1 2020	H1 2019
FINANCIAL				
Net operating revenues	951.7	866.7	1 945.3	1 810.9
Employee benefit expenses	690.9	710.5	1 406.9	1 391.0
Other operating expenses	108.4	124.8	218.4	250.3
EBITDA	152.3	31.3	320.0	169.7
EBITDA margin	16.0%	3.6%	16.5%	9.4%
EBIT	102.5	(15.9)	219.9	76.5
EBIT margin	10.8%	(1.8%)	11.3%	4.2%
Reported profit for the period	65.9	(21.8)	150.0	37.1
OPERATIONAL				
Other operating expenses ex. IFRS 16 margin	15.8%	19.0%	15.6%	18.2%
Billing ratio	73.8%	71.3%	71.5%	70.6%
Number of employees	2 931	2 964	2 931	2 964
Order intake	1 036.5	902.0	2 342.1	2 073.9
Order backlog	3 004.0	2 724.7	3 004.0	2 724.7

SECOND QUARTER AND FIRST HALF 2020

Multiconsult second quarter EBIT came in at NOK 102.5 million, and gives an EBIT for the first half of 2020 of NOK 219.9 million, up 187.3% y-o-y. The EBIT margin in the quarter was 10.8%, and 11.3% in the first half 2020. In the second quarter net operating revenues were up 9.8% y-o-y to NOK 951.7 million, other operating expenses were down 13.1% to 108.4 million, and the billing ratio was improved to 73.8%.

The nextLEVEL improvement programme is on track, partly reflected in a reduction in other operating expenses of 12.7% y-o-y to NOK 218.4 million for the first half of 2020. Total operating expenses also positively impacted by lower travel expenses, relief in the employer's national insurance contributions, and more. Solid order intake of NOK 1 037 million gives a stabile order backlog of NOK 3 004 million.

FINANCIAL REVIEW

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

Group results

Second quarter 2020 Multiconsult group

Net operating revenues increased by 9.8% to NOK 951.7 million (NOK 866.7 million) compared to the same quarter last year. The increase in net operating revenues is exclusively organic. Higher billing ratio and higher average group billing rate compared to the same quarter 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 14.9 million.

Operating expenses consist mainly of employee benefit expenses and other operating expenses. Reported operating expenses decreased by 4.3% to NOK 799.4 million (NOK 835.4 million). Other operating expenses decreased by 13.1%, confirming that the nextLEVEL improvement programme is on track, together with the impact of lower activity cost such as travel and consultancy expenditure due to Covid-19. Employee benefit expenses decreased in line with manning level, offset by regular salary adjustment for the workforce. In addition, the temporary Covid-19 reliefs from governments related to employer's national insurance contribution reduced the employee benefit expense by approximately NOK 13.3 million.

EBITDA was NOK 152.3 million (NOK 31.3 million), an increase of 386.1% compared to the same period last year.

EBIT was NOK 102.5 million (loss NOK 15.9 million), reflecting an EBIT margin of 10.8% compared to a negative EBIT margin

of (1.8%) for the same period last year. The comparable 2019 EBIT figure includes a non-recurring one-off charge of NOK 20.2 million.

Net financial items were an expense of NOK 14.9 million (expense of NOK 13.2 million).

Group tax rate was 23.9% (24.3%).

Reported profit for the period was NOK 65.9 million (loss NOK 21.8 million).

First half 2020 Multiconsult group

Net operating revenues increased by 7.4% to NOK 1 945.3 million (NOK 1 810.9 million) and is exclusively organic driven by higher production and higher average billing rates compared to the same period in 2019. There was a calendar effect of two more working days that impacted net operating revenues positively with NOK 28.3 million.

Operating expenses were at a lower level than in the same period last year. Operating expenses was reduced by 1.0% to NOK 1 625 million (NOK 1 641 million). Employee benefit expenses increased slightly in the period as a result of regular salary adjustment for the workforce, offset by reduced manning level. In addition, the temporary Covid-19 tax reliefs from governments reduced the employee benefit expense by approximately 13.3 million. Other operating expenses decreased by 12.7%, a reduction of NOK 31.9 million compared to same period last year - partly a nextLEVEL effect as well as lower travel costs and other costs related to Covid-19.

EBITDA was NOK 320.0 million (NOK 169.7 million), an increase of 88.6% compared to the same period last year.

EBIT was NOK 219.9 million (NOK 76.5 million), an increase of 187.3% y-o-y, reflecting an EBIT margin of 11.3%. The comparable 2019 EBIT figure includes non-recurring one-off charges of approximately NOK 30.2 million.

Net financial items were an expense of NOK 21.6 million (expense of NOK 28.1 million). The improvement is mainly related to currency gains compared to first half 2019.

Group tax rate was 23.6% (22.8%).

Reported profit for the period was NOK 150.0 million (NOK 37.1 million).

Financial position, cash flow and liquidity

Second quarter 2020 Multiconsult group

Total assets amounted to NOK 2 863 million (NOK 2 828 million at 31 March 2020), and **total equity** amounted to NOK 748.0 million (NOK 686.9 million at 31 March 2020). The group held **cash and cash equivalents** of NOK 237.4 million (NOK 62.9 million at 31 March 2020).

Net interest-bearing liabilities amounted to NOK 748.0 million (NOK 1 031 million at 31 March 2020). Adjusted for IFRS 16 lease obligations, net interest-bearing debt is negative NOK 156.2 million (NOK 95.2 million at 31 March 2020).

Net cash flow from operating activities was positive NOK 293.6 million (NOK 109.2 million). Net cash flow from operating activities is affected by increase in revenues, and decrease in working capital mainly due to a reduction in work in progress.

Net cash flow used in investment activities was NOK 3.4 million this quarter (NOK 10.9 million), related to ordinary asset replacement.

Net cash flow from financing activities amounted to negative NOK 115.6 million (negative NOK 116.0 million) which is mainly affected by instalments on interest-bearing liabilities and lease liabilities.

First half 2020 Multiconsult group

In March 2020 Multiconsult refinanced its loan portfolio with Nordea. This included an overdraft loan facility of NOK 320.0 million, and a new 3-year revolving credit facility (RCF) of NOK 200.0 million until March 2023. Both credit facilities have improved margins and covenants. Available undrawn amount under the facilities is NOK 420.0 million as of 30 June 2020.

Net cash flow from operating activities was positive NOK 341.6 million (NOK 47.2 million). Net cash flow from operating activities is mainly affected by increase in revenues.

Net cash flow used in investment activities was NOK 13.9 million (NOK 35.5 million), related to ordinary asset replacement.

Net cash flow from financing activities amounted to negative NOK 167.0 million (negative NOK 114.4 million) which is mainly affected by reduction of interest-bearing liabilities and lease liabilities. In first quarter the company refinanced and re-paid the previous NOK 172.0 million term loan, and made a drawdown of NOK 172.0 million on the NOK 200.0 million revolving credit facility. In second quarter the company reduced drawn amount under the RCF by NOK 72 million.

ORDER BACKLOG AND INTAKE

The order backlog at the end of the second quarter 2020 remains solid at NOK 3 004 million (NOK 2 725 million), an increase of 10.2%. Most business areas have increased their order backlog compared to the same period previous year. Business area Buildings & Properties which has the largest proportion of the order backlog have seen a solid increase, while there is a small reduction in the business areas Transportation and Cities & Society. The size and timing of execution of the order backlog varies significantly between the business areas and locations.

Order intake during the quarter increased by 14.9% compared to the second quarter in 2019. Business areas Transportation and Water & Environment decreased, while all other business areas experienced an increase.

Significant contracts awarded this quarter were construction phase for LINK arkitektur and Multiconsult of the Hammerfest

hospital for Finnmarkssykehuset HF, LINK arkitektur's design of a new high school in Førde for the County of Vestland, Multiconsult design and construction of the new E6 road and bridge crossing Mjøsa for Nye Veier, Multiconsult as designer for phase two of the development of the sports facility at Granåsen and Multiconsult Polska awarded contract from Polish National Railway Lines.

Among significant call-offs on existing contracts were Fornebubanen, Campus Ås and GET FIT Implementation.

The order backlog does not reflect the total volume related to frame agreements and includes only call-offs that have been signed under these agreements. Some of the large frame agreements includes 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 organisation in the first half of 2020.

In total, nextLEVEL has a target of 150 million in annual profitability improvement to be realised over a period of 18 months. By mid-August Multiconsult has committed to 76%

(NOK 113 million) of the target amount, up from 64% mid-May 2020. The one-off restructuring cost related to nextLEVEL is estimated to be around NOK 60-70 million.

nextLEVEL is ahead of suggested time schedule and with a high focus on reaching our committed ambition and find new areas for improvement.

SEGMENTS

As from 2020, Multiconsult's reporting segments are presented as five segments, Region Oslo, Region Norway, Energy, LINK arkitektur and International.

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

Amounts in NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019
Net operating revenues	301.9	246.5	631.5	556.0
EBIT	41.4	(21.7)	99.1	18.8
EBIT%	13.7%	(8.8%)	15.7%	3.4%
Order intake	258.1	251.0	595.6	683.9
Order backlog	889.8	909.3	889.8	909.3
Billing ratio	76.6%	71.7%	74.5%	71.2%
Number of employees	775	815	775	815

Second quarter 2020 Region Oslo

The increase in **net operating revenues** of 22.4% in the quarter was partly driven by higher billing ratio and higher billing rate compared to same period last year.

Operating expenses in the second quarter was 2.0% lower than in the same period last year, mainly explained by a reduction in the manning level and reduced cost backed by the temporary Covid-19 tax reliefs from the Norwegian government. Other operating expenses increased slightly compared to same period in 2019.

Order intake in the second quarter increased by 2.8% compared to the second quarter in 2019. All business areas except Industry, Buildings & Properties and Water & Environment increased.

Order backlog for the segment at the end of the second quarter is NOK 889.8 million, with business areas Buildings & Properties and Water & Environment as the largest proportions. The order backlog decreased by 2.1% compared to the second quarter in 2019. Most of the business areas increased except from Transportation, Industry and Oil & Gas.

First half 2020 Region Oslo

There was an increase in **net operating revenues** of 13.6% in the first half 2020 compared to the same period last year. The increase in revenue was partly driven by a combination of higher billing rate and higher billing ratio compared to the same period last year.

Operating expenses came in 0.6% lower than in the same period in 2019. Employee benefit expenses decreased due to a reduction in the manning level and lower social security costs, and other operating expenses decreased by 0.9% due to lower travel expenses and lower spending level in general.

Order intake in the first half decreased by 12.9% compared to the first half in 2019. Order intake in business areas Buildings & Properties, Renewable Energy and City & Society increased, while the other business areas decreased.

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 NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019
Net operating revenues	367.0	356.9	758.0	733.5
EBIT	38.3	10.8	81.2	50.4
EBIT%	10.4%	3.0%	10.7%	6.9%
Order intake	349.7	384.7	911.1	782.2
Order backlog	694.8	619.7	694.8	619.7
Billing ratio	72.2%	70.0%	69.2%	69.0%
Number of employees	1 046	1 051	1 046	1 051

Second quarter 2020 Region Norway

The increase in **net operating revenues** of 2.8% in the quarter was driven by higher billing ratio. Billing rate was at a higher level and contributed to growth in net operating revenues compared to the same period in 2019.

Operating expenses decreased by 5.5% in the quarter. Other operating expenses decreased significantly, mainly due to reduced office- and travel expenses. Employee benefit expenses decreased despite same manning level due to improved project execution and reduced cost backed by fiscal policy reliefs from the Norwegian government.

Order intake in the second quarter decreased by 9.1% compared to a strong quarter last year, and mainly as a result from decreased sales in Transportation. Buildings & Properties is the biggest business area for Region Norway and have seen a modest reduction of 4.0% compared y-o-y.

Order backlog for the segment at the end of the period was at NOK 694.8 million, the order backlog increased by 12.1% compared to the same period in 2019. Business areas Buildings & Properties and Transportation has the largest proportions of the order backlog. All business areas increased compared to the same period last year.

First half 2020 Region Norway

On the same activity level **net operating revenues** increased by 3.3% compared to the first half of 2019. Billing ratio increased by 0.2pp, which contributed positively, but the increase is mainly driven by higher billing rate for the period and increased net operating revenues accordingly.

Operating expenses decreased by 1.4% in the quarter. Other operating expenses decreased significantly, mainly due to lower travel- and office expenses. Employee benefit expenses increased slightly but at a lower level than regular salary adjustment for the workforce, and on a small reduction in manning level.

Order intake increased by 16.5% compared to the first half of 2019. Region Norway had a solid increase in all major business areas compared to the same period last year.

Energy

The segment offers national and international services in the business area Renewable Energy with some activity in Water & Environment and include the subsidiary Multiconsult UK.

Key figures – Energy

<i>Amounts in NOK million</i>	Q2 2020	Q2 2019	H1 2020	H1 2019
Net operating revenues	65.3	68.2	134.9	132.9
EBIT	(1.1)	(2.1)	2.3	(3.4)
EBIT%	(1.7%)	(3.1%)	1.7%	(2.5%)
Order intake	79.0	68.2	167.6	192.5
Order backlog	263.5	232.4	263.5	232.4
Billing ratio	65.0%	62.4%	61.9%	62.6%
Number of employees	193	200	193	200

Second quarter 2020 Energy

Net operating revenues decreased 4.2% compared to the second quarter in 2019. There was lower activity, which resulted in reduction in manning level and a reduction in net operating revenue. The decrease was partly offset by higher billing ratio and higher billing rate.

Operating expenses came in 5.6% lower than in the same period in 2019. Employee benefit expenses decreased more than the reduction in manning level, mainly due to a positive effect from change in manning mix and fiscal policy reliefs from the Norwegian government. Other operating expenditure was in line with the expenditure in the same period last year.

Order intake in the second quarter increased by 15.8% compared to the first quarter in 2019, mainly driven by high sales in the business area Renewable Energy.

Order backlog for the segment at the end of the second quarter is NOK 263.5 million, with the largest proportion held by business area Renewable Energy. The order backlog increased by 13.4% compared to the second quarter in 2019.

First half 2020 Energy

Compared to the first half of 2019 **net operating revenues** increased by 1.5% on lower activity and manning level. The growth was mainly driven by higher billing rate, partly offset by lower billing ratio.

Operating expenses decreased by 2.8% in the period compared to the same period last year, mainly due to lower employee benefit expenses as a result of reduction in manning level. Other operating expenditure was in line with the expenditure in the same period last year.

The performance from Energy in Norway is at a satisfying level in the first half of 2020, however, Multiconsult UK is facing a more challenging market and are loss-making.

Order intake in the period decreased by 12.9% compared to the first half 2019.

LINK arkitektur

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

Key figures – LINK arkitektur

Amounts in NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019
Net operating revenues	152.4	141.3	303.4	293.6
EBIT	10.8	4.5	17.6	21.3
EBIT%	7.1%	3.2%	5.8%	7.3%
Order intake	249.8	127.1	403.4	297.2
Order backlog	627.0	486.0	627.0	486.0
Billing ratio	75.0%	75.0%	74.2%	75.5%
Number of employees	486	500	486	500

Second quarter 2020 LINK arkitektur

Net operating revenues increased by 7.9% in the second quarter. Higher activity level in Norway and higher billing rate both contributed to the growth. Billing ratio was at the same level for the quarter compared to the same period last year.

Operating expenses increased by 3.7% in the quarter. Employee benefit expenses increased due to higher activity in Norway and in line with salary adjustment and currency translation effect for the activity in Sweden and Denmark. Other operating expenses decreased, mainly due to lower travel- and development expenses.

Order intake in the second quarter increased by 96.5% compared to second quarter in 2019. The increase this quarter was made in the business areas Buildings & Properties and Industry, while Cities & Society has decreased compared to the same period last year.

Order backlog for the segment at the end of second quarter increased by 29.0% to NOK 627.0 million. The increase is made in the business area Buildings & Properties where more than 90% of the order backlog is held.

First half 2020 LINK arkitektur

The increase in **net operating revenues** of 3.3% in the first half was mainly driven by high activity in LINK Norway, a slight increase in activity in LINK Sweden, partly offset by lower activity in LINK Denmark.

Operating expenses increased by 5.2% in the period due to higher employee benefit expenses as a result of the increased activity and in line with salary adjustment and currency translation effect for the activity in Sweden and Denmark. Other operating expenses decreased due to lower travel- and development expenditures.

The performance from Link arkitektur AS in Norway is at a good level in the first half of 2020, however, both the businesses in Sweden and Denmark are facing a more challenging market and are loss-making.

Order intake in the first half 2020 increased by 35.7% compared to first half in 2019. The increase was supported by a number of large projects awarded in the period.

International

This segment comprises the subsidiaries Multiconsult Polska and Iterio AB.

Key figures – International

Amounts in NOK million	Q2 2020	Q2 2019	H1 2020	H1 2019
Net operating revenues	65.6	51.3	126.8	103.1
EBIT	8.3	4.0	14.8	9.9
EBIT%	12.7%	7.9%	11.7%	9.6%
Order intake	99.9	70.9	264.3	118.1
Order backlog	565.1	407.2	565.1	407.2
Billing ratio	79.5%	78.7%	79.0%	79.1%
Number of employees	303	280	303	280

Second quarter 2020 International

Net operating revenues increased by 27.8% in the second quarter mainly driven by higher activity level, which resulted in net recruitment and a higher manning level in both Iterio AB and Multiconsult Polska. Billing ratio was at a higher level and contributed positively to the net operating revenues.

Operating expenses increased by 20.9% compared to the same quarter in 2019. The increase is mainly due to higher employee benefit expenses driven by the high activity level and the corresponding increase in manning level. Other operating expenses increased in the period, however significantly lower than the increase in manning level, mainly explained by lower travel- and consultancy expenses.

Order intake in the second quarter increased by 40.8% mainly due to higher order intake in the business area Transportation in Multiconsult Polska.

Order backlog for the segment at the end of the second quarter increased by 38.8% to NOK 565.1 million. Business area Transportation is the largest business area with approximately 95% of the order backlog in the segment. Business area Transportation also had the highest growth in the quarter.

First half 2020 International

Net operating revenues increased by 23.0% in first half of 2020 mainly driven by higher activity level, which resulted in net recruitment and a higher manning level in both Iterio AB and Multiconsult Polska.

Operating expenses increased by 20.1% compared to the same period in 2019. The increase is mainly due to higher employee benefit expenses, driven by increased manning level. Other operating expenses increased lower than the increase in manning level due to lower travel and consultancy expenditures.

Order intake in the first half 2020 increased by 123.9% mainly due to higher order intake in the business area Transportation.

ORGANISATION AND HSE

At 30 June 2020 the group had 2 931 (2 964) employees. The employee turnover ratio for the group for the period June 2019 to June 2020 was 12.7% (10.4%). As per mid-August the full-

time equivalent of 37 employees (1.3% of the total workforce) are on temporary leave due to the Covid-19 pandemic.

SUBSEQUENT EVENTS

On 13 July, Multiconsult announced that Helse Sør-Øst RHF has nominated Multiconsult for the design contract for the new hospital at Gaustad (nye Rikshospitalet) in Oslo. The contract involves the pre-design and includes all disciplines in the line of work, including an option for the detailed planning and construction phase. Multiconsult's fully owned subsidiary LINK arkitektur is one of the subcontractors.

On 13 July, Multiconsult announced that The City of Oslo has selected Multiconsult to carry out competitive basis for the construction of a new main grid connected to the new water supply to the city of Oslo. The contract includes detailed design

and preparation of competition basis with working drawings and includes an option for follow-up in the construction phase. The contract value to Multiconsult is estimated to NOK 50 million, plus an option for the construction phase.

On 27 July, Multiconsult announced that TANESCO has selected Multiconsult Norge AS to provide consultancy services for the Rumakali Hydropower and Ruhudji Hydropower, including Transmission Line Project in Tanzania. The total contract value for Multiconsult will be approximately NOK 55 million. Norplan Tanzania Ltd (49% owned) is part of the subcontractors.

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 on track in the on-going turnaround process that started in the first half of 2019, where the focus has been on the core business, sales and project execution. Also the nextLEVEL programme is on track. The order backlog is at a solid level and provides a good foundation from a broad customer base. This is further supported by important projects awarded after 30 June 2020.

Subject to uncertainties caused by the Covid-19 situation, the market outlook for Multiconsult's services is good across most business areas, and with a good pipeline of potential projects

coming up. 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. The pandemic continues to create uncertainty for our industry. Multiconsult has registered modest negative impact due to the Covid-19 situation. In relation to Covid-19, Multiconsult has been, and will be taking prudent, responsible and necessary actions, to secure our people, our business, and our deliveries in close cooperation with our customers.

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. More generally, Multiconsult has experienced 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.

DEFINITIONS

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

EBITDA: EBIT before depreciation, amortisation and impairment.

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

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

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

Other operating expenses ex. IFRS 16 margin (APM): Other operating expenses adjusted for IFRS 16 effects as a percentage of net operating revenue.

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

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

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

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

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

DISCLAIMER

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

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

RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2020 have been prepared in accordance with IAS 34 - Interim Financial Reporting, and gives a true and fair view of the Multiconsult group's assets, liabilities, financial position and result for the period. We also confirm to the best of our

knowledge that the financial review includes a fair review of important events that have occurred during the financial year and their impact on the financial statements, any major related parties transactions, and a description of the principal risks and uncertainties.

Oslo, 25 August 2020
The Board of Directors and CEO
Multiconsult ASA


Bård Martin Mikkelsen
Chairman


Simen Lieungh
Board member


Tove Raanes
Board member


Hanne Rønneberg
Board member


Bo Rikard Appelgren
Board member


Runar Tyssebotn
Board member


Liv-Kristine Rud
Board member


Kristine Landsnes Augustson
Board member


Grethe Bergly
CEO

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Unaudited for the period ended 30 June 2020

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

<i>Amounts in NOK thousand, except EPS</i>	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Operating revenues	1 102 057	1 042 304	2 249 884	2 152 489	4 068 683
Expenses for sub consultants and disbursements	150 402	175 601	304 586	341 543	632 848
Net operating revenues	951 655	866 703	1 945 299	1 810 946	3 435 835
Employee benefit expenses	690 917	710 526	1 406 860	1 391 012	2 654 431
Other operating expenses	108 443	124 845	218 395	250 267	482 271
Operating expenses excluding depreciation and amortisation	799 360	835 372	1 625 255	1 641 280	3 136 702
Operating profit before depreciation and amortisation (EBITDA)	152 295	31 331	320 044	169 666	299 133
Depreciation and amortisation	49 823	47 261	100 108	93 126	192 804
Operating profit (EBIT)	102 472	(15 930)	219 936	76 540	106 329
Share of profit from associated companies and joint ventures	(1 044)	275	(2 026)	(400)	(169)
Financial income and expenses					
Financial income	419	316	11 486	783	3 954
Financial expenses	15 307	13 494	33 129	28 837	56 683
Net financial items	(14 888)	(13 177)	(21 643)	(28 055)	(52 729)
Profit/(loss) before income tax	86 540	(28 832)	196 267	48 085	53 431
Income tax expense	20 689	(7 012)	46 295	10 948	18 320
Profit/(loss) for the period	65 852	(21 820)	149 971	37 138	35 110
Attributable to:					
Owners of Multiconsult ASA	65 852	(21 820)	149 971	37 138	35 110
Earnings per share					
Basic and diluted	2.44	(0.81)	5.56	1.38	1.30

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK thousand</i>	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Profit for the period	65 852	(21 820)	149 971	37 138	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	(4 810)	(731)	16 547	(7 337)	(2 450)
Total items that may be reclassified subsequently to profit or loss	(4 810)	(731)	16 547	(7 337)	(2 450)
Total other comprehensive income for the period	(4 810)	(731)	16 547	(7 337)	(3 920)
Total comprehensive income for the period	61 042	(22 551)	166 518	29 800	31 190
Attributable to:					
Owners of Multiconsult ASA	61 042	(22 551)	166 518	29 800	31 190

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in NOK thousand	At 30 June 2020	At 31 March 2020	At 31 December 2019
ASSETS			
Non-current assets			
Deferred tax assets	22 350	38 806	40 322
Intangible assets	23 665	24 355	24 919
Goodwill	456 418	459 033	447 554
Property, plant and equipment	107 359	109 581	112 494
Right-of-use assets	880 645	915 436	898 208
Investments in associated companies and joint ventures	10 830	12 060	12 509
Assets for reimbursement of provisions	16 700	21 150	28 850
Other non-current financial assets and shares	23 057	18 556	17 785
Total non-current assets	1 541 025	1 598 976	1 582 643
Current assets			
Trade receivables	654 202	673 144	638 476
Work in progress	311 076	379 279	309 034
Other current receivables and prepaid expenses	118 889	113 568	70 573
Cash and cash equivalents	237 405	62 910	73 558
Total current assets	1 321 572	1 228 901	1 091 642
Total assets	2 862 597	2 827 878	2 674 284
EQUITY AND LIABILITIES			
Shareholders' equity			
Total paid in equity	91 241	91 241	91 241
Other equity	656 725	595 678	490 171
Total shareholders' equity	747 966	686 922	581 413
Non-current liabilities			
Pension obligations	6 546	6 546	6 542
Deferred tax	14 694	16 116	13 074
Provisions	22 100	27 550	36 000
Non-current interest-bearing liabilities	100 000	172 000	-
Non-current lease liabilities	770 921	802 437	789 618
Total non-current liabilities	914 261	1 024 649	845 234
Current liabilities			
Trade payables	140 279	158 606	160 663
Prepaid revenues	127 561	129 182	133 368
Current tax liabilities	42 795	38 131	17 979
Public duties payable	352 236	312 837	333 626
Current interest-bearing liabilities	-	-	178 400
Current lease liabilities	133 205	133 038	124 940
Other current liabilities	404 293	344 512	298 660
Total current liabilities	1 200 370	1 116 306	1 247 637
Total liabilities	2 114 631	2 140 956	2 092 871
Total equity and liabilities	2 862 597	2 827 878	2 674 284

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK thousand</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	-	-	-	-	(40 456)	-	-	-	(40 456)
Share Issue	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-
Employee share purchase programme	-	-	-	-	-	(18)	-	-	(18)
Comprehensive income	-	-	-	-	37 138	-	-	(7 337)	29 800
30 June 2019	13 486	-	77 758	91 242	712 063	(22 051)	(201 713)	2 995	582 532
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
Dividend	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	34	-	-	34
Employee share purchase programme	-	-	-	-	-	-	-	-	-
Comprehensive income	-	-	-	-	149 971	-	-	16 547	166 519
30 June 2020	13 486	(1)	77 758	91 241	860 007	(24 531)	(203 183)	24 429	747 966

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>Amounts in NOK thousand</i>	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Cash flows from operating activities					
Profit before tax	86 540	(28 832)	196 267	48 085	53 431
Interest lease liability	8 809	9 493	17 831	19 027	37 134
Interest expense interest-bearing liability	1 566	1 942	4 082	4 182	11 472
Income taxes paid	(2 403)	(8 830)	(5 059)	(22 342)	(27 952)
Depreciation, amortisation and impairment	13 201	12 555	26 554	24 649	54 802
Depreciation right-of-use asset	36 622	34 706	73 553	68 477	138 003
Results from associated companies and joint ventures	1 044	275	2 026	(400)	169
Other non-cash profit and loss items	-	(7)	-	(7)	860
Sub total operating activities	145 381	21 302	315 256	141 628	267 918
Trade Payables	(18 328)	(61 658)	(20 385)	(83 497)	(75 829)
Trade receivables	18 942	(75 471)	(15 726)	56 808	28 280
Work in progress	68 204	127 726	(2 041)	(101 511)	34 828
Other	79 433	97 313	64 530	33 741	(6 951)
Total changes in working capital	148 251	87 910	26 378	(94 460)	(19 671)
Net cash flow from operating activities	293 632	109 212	341 634	47 168	248 246
Cash flows used in investment activities					
Net purchase and sale of fixed assets and financial non-current assets	861	(11 267)	(9 014)	(39 498)	(62 837)
Change in non-current financial assets, restricted funds	(4 212)	344	(4 885)	4 040	5 634
Net cash flow used in investment activities	(3 350)	(10 923)	(13 899)	(35 458)	(57 203)
Cash flows from financing activities					
Proceeds on interest-bearing liabilities	-	-	172 000	36 923	149 366
Instalments on interest-bearing liabilities	(72 000)	(33 604)	(250 400)	(33 604)	(165 839)
Paid interest on interest-bearing liability	(1 566)	(1 942)	(4 082)	(4 182)	(11 472)
Instalments on lease liabilities	(33 223)	(30 348)	(66 676)	(53 931)	(122 693)
Paid interest on lease liability	(8 809)	(9 493)	(17 831)	(19 027)	(37 134)
Paid dividends	-	(40 456)	-	(40 456)	(40 456)
Sale treasury shares	-	27	6 400	27	3 607
Purchase treasury shares	-	(139)	(6 366)	(139)	(12 192)
Net cash flow from financing activities	(115 599)	(115 955)	(166 955)	(114 390)	(236 813)
Foreign currency effects on cash and cash equivalents	(189)	632	3 067	(749)	(714)
Net increase/decrease in cash and cash equivalents	174 494	(17 034)	163 847	(103 429)	(46 484)
Cash and cash equivalents at the beginning of the period	62 910	33 645	73 558	120 040	120 040
Cash and cash equivalents at the end of the period	237 405	16 611	237 405	16 611	73 558

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.

for full 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 second quarter and first half 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

These interim condensed consolidated financial statements for the second quarter and first half of 2020 were approved by the board of directors and the CEO on 25 August 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.

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 2019 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 first half 2020. Starting from 2020 Multiconsult has changed its reporting segments. Note 5 is presented according to the new segments,

In fourth quarter 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 second quarter and first half 2019 is restated to be comparable to cash flow in second quarter and first half 2020.

Following Q2 2019 it was discovered that approximately NOK 10 million classified as other operating expenses should be classified as employee benefit expenses, Q2 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 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. An assessment of impairment indicators has been made at 30 June 2020, the conclusion was that there were no impairment indicators and thereby a full test is not prepared. 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.

Q2 2020 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	348 136	379 142	76 902	186 007	100 680	9 936	1 254	1 102 057
Internal revenues	5 343	8 490	2 361	13 805	995	(545)	(30 448)	-
Total operating revenues	353 479	387 632	79 263	199 812	101 675	9 391	(29 195)	1 102 057
Net operating revenues	301 893	366 975	65 288	152 421	65 626	2 357	(2 905)	951 655
Operating expenses	256 092	306 649	65 936	135 289	53 403	(15 342)	(2 667)	799 360
EBITDA	45 801	60 326	(648)	17 132	12 223	17 699	(238)	152 295
Depreciation, amortisation, impairment	4 419	22 048	471	6 317	3 881	12 917	(229)	49 823
EBIT	41 382	38 278	(1 119)	10 815	8 342	4 782	(9)	102 471
Associates and joint ventures	-	-	(1 043)	-	-	-	-	(1 043)

Number of employees	775	1 046	193	486	303	128	-	2 931
---------------------	-----	-------	-----	-----	-----	-----	---	--------------

Q2 2019 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	314 364	390 542	87 381	169 070	76 764	1 032	3 151	1 042 305
Internal revenues	400	15	(156)	1 485	2 081	5 485	(9 310)	-
Total operating revenues	314 765	390 557	87 225	170 555	78 845	6 517	(6 158)	1 042 305
Net operating revenues	246 549	356 884	68 177	141 327	51 350	2 750	(333)	866 704
Operating expenses	261 256	324 666	69 846	130 474	44 164	5 436	(472)	835 372
EBITDA	(14 708)	32 218	(1 670)	10 852	7 185	(2 686)	139	31 332
Depreciation, amortisation, impairment	6 959	21 396	473	6 323	3 147	9 097	(134)	47 261
EBIT	(21 667)	10 823	(2 143)	4 530	4 039	(11 783)	273	(15 929)
Associates and joint ventures	-	-	275	-	-	-	-	275

Number of employees	815	1 051	200	500	280	118	-	2 964
---------------------	-----	-------	-----	-----	-----	-----	---	--------------

H1 2020 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	722 438	780 413	161 172	373 965	195 213	15 646	1 037	2 249 884
Internal revenues	9 912	16 724	5 704	22 644	1 640	194	(56 818)	-
Total operating revenues	732 350	797 137	166 876	396 609	196 853	15 839	(55 781)	2 249 884
Net operating revenues	631 469	758 020	134 820	303 379	126 839	(3 418)	(5 810)	1 945 299
Operating expenses	523 494	633 183	131 557	273 063	104 506	(34 468)	(6 080)	1 625 255
EBITDA	107 974	124 836	3 262	30 316	22 333	31 051	271	320 044
Depreciation, amortisation, impairment	8 896	43 668	916	12 752	7 525	26 090	260	100 108
EBIT	99 078	81 168	2 347	17 564	14 807	4 961	10	219 936
Associates and joint ventures	-	-	(2 026)	-	-	-	-	(2 026)

Number of employees	775	1 046	193	486	303	128	-	2 931
---------------------	-----	-------	-----	-----	-----	-----	---	--------------

H1 2019 <i>Amounts in NOK thousand</i>	Region Oslo	Region Norway	Energy	LINK arkitektur	Inter- national	Not allocated	Elimi- nations	Total
External revenues	685 462	788 762	175 605	349 538	145 604	1 301	6 217	2 152 489
Internal revenues	400	129	(54)	16 458	3 400	7 116	(27 449)	-
Total operating revenues	685 862	788 891	175 552	365 995	149 004	8 417	(21 232)	2 152 489
Net operating revenues	555 960	733 481	132 864	293 594	103 117	(5 545)	(2 525)	1 810 946
Operating expenses	526 641	642 080	135 289	259 646	87 002	(6 575)	(2 803)	1 641 280
EBITDA	29 319	91 401	(2 425)	33 949	16 114	1 030	278	169 666
Depreciation, amortisation, impairment	10 538	40 977	953	12 612	6 210	22 104	(267)	93 126
EBIT	18 782	50 423	(3 378)	21 337	9 904	(21 074)	545	76 540
Associates and joint ventures	-	-	(400)	-	-	-	-	(400)
Number of employees	815	1 051	200	500	280	118	-	2 964

FY 2019 <i>Amounts in NOK thousand</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, cash flows 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

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 30 June 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.

	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Profit for the period (in NOK thousand)	65 852	(21 820)	149 971	37 138	35 110
Average no of shares	26 970 378	26 970 511	26 950 866	26 970 346	26 957 519
Earnings per share (NOK)	2.44	(0.81)	5.56	1.38	1.30

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.

<i>Amounts in NOK thousand</i>	30 June 2020	31 March 2020	31 December 2019
Multiconsult ASA	100 000	172 000	178 400
Total	100 000	172 000	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 2.0 million at 30 June 2020 (loss of NOK 1.7 million at 31 March 2020).

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 entities 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 30 June 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 NOK million (except percentage)</i>	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Net operating revenues	951.7	866.7	1 945.3	1 810.9	3 435.8
Estimated calendar effect*	(14.9)	-	(28.3)	-	-
Adjusted net operating revenues	936.8	866.7	1 917.0	1 810.9	3 435.8
Reported employee benefit expenses	690.9	710.5	1 406.9	1 391.0	2 654.4
Reported other operating expenses	108.4	124.8	218.4	250.3	482.3
Operating expenses	799.4	835.4	1 625.3	1 641.3	3 136.7
Adjusted EBITDA	137.4	31.3	291.7	169.7	299.1
Depreciation, amortisation and impairment	49.8	47.3	100.1	93.1	192.8
Adjusted EBIT	87.6	(15.9)	191.6	76.5	106.3
Adjusted EBITDA margin (%)	14.7%	3.6%	15.2%	9.4%	8.7%
Adjusted EBIT margin (%)	9.3%	(1.8)%	10.0%	4.2%	3.1%

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

Net interest bearing liabilities

<i>Amounts in NOK million</i>	30 June 2020	31 March 2020	31 December 2019
Non-current interest-bearing liabilities (including IFRS 16 leases)	870.9	974.4	789.6
Current interest-bearing liabilities (including IFRS 16 leases)	133.2	133.0	303.3
Restricted cash and non-current restricted funds	18.8	14.6	17.0
Cash and cash equivalents	237.4	62.2	69.7
Interest-bearing liabilities including IFRS 16 lease liabilities	748.0	1 030.7	1 006.2
Less non-current and current IFRS 16 lease liabilities	904.1	935.5	914.6
Net interest-bearing liabilities	(156.2)	95.2	91.6

Equity ratio group

<i>Amounts in NOK million (except percentage)</i>	30 June 2020	31 March 2020	31 December 2019
Equity	748.0	686.9	581.4
Total assets	2 862.6	2 827.9	2 674.3
Equity ratio	26.1%	24.3%	21.7%
Equity (excluding IFRS 16)	771.4	707.0	597.9
Total assets (excluding IFRS 16)	1 982.0	1 912.4	1 779.8
Equity ratio (excluding IFRS 16)	38.9%	37.0%	33.6%

Loan covenants related to equity is calculated excluding IFRS 16.

Effect of IFRS 16 on profit or loss

<i>Amounts in NOK million</i>	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Increase in EBITDA	42.0	40.1	84.5	79.2	158.5
Increase depreciation	(36.6)	(34.7)	(73.6)	(68.5)	(138.0)
Effect EBIT	5.4	5.4	11.0	10.7	20.5
Interest expense	(8.8)	(9.5)	(17.8)	(19.0)	(37.1)
Profit before tax	(3.4)	(4.1)	(6.9)	(8.3)	(16.6)

Other operating expenses ex. IFRS 16 margin

<i>Amounts in NOK million (except percentage)</i>	Q2 2020	Q2 2019	H1 2020	H1 2019	FY 2019
Other operating expenses	108.4	124.8	218.4	250.3	482.3
Other operating expenses IFRS 16 effect	42.0	40.1	84.5	79.2	158.5
Other operating expenses excluding IFRS 16	150.5	165.0	302.9	329.5	640.8
Net operating revenue	951.7	866.7	1 945.3	1 810.9	3 435.8
Other operating expenses excluding IFRS 16 margin	15.8%	19.0%	15.6%	18.2%	18.7%

Multiconsult ASA

Visiting address:

Nedre Skøyen vei 2
0276 Oslo

Postal address:

P O Box 265 Skøyen
NO-0213 Oslo

T: (+47) 21 58 50 00

E: multiconsult@multiconsult.no

Investor relations:

E: ir@multiconsult.no

www.multiconsult.no

Org no 910 253 158