ÅF PÖYRY AB (PUBL) YEAR-END REPORT JANUARY–DECEMBER 2020

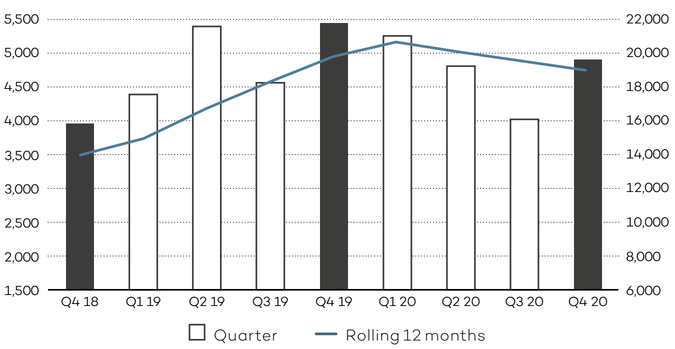
Strengthened profitability and continued recovery in the fourth quarter

Fourth quarter 2020
- Net sales amounted to SEK 4,907 million (5,447)
- EBITA, excl. items affecting comparability, was SEK 490 million (516)
- EBITA margin, excl. items affecting comparability, was 10.0 percent (9.5)
- EBITA totalled SEK 478 million (327)
- EBITA margin was 9.7 percent (6.0)
- EBIT (operating profit) amounted to SEK 484 million (298)
- Basic earnings per share: SEK 3.17 (1.63)

January-December 2020
- Net sales amounted to SEK 18,991 million (19,792)
- EBITA, excl. items affecting comparability, was SEK 1,635 million (1,731)
- EBITA margin, excl. items affecting comparability, was 8.6 percent (8.7)
- EBITA totalled SEK 1,584 million (1,368)
- EBITA margin was 8.3 percent (6.9)
- EBIT (operating profit) amounted to SEK 1,456 million (1,276)
- Basic earnings per share: SEK 8.81 (8.07)
- The Board of Directors proposes a dividend for 2020 of SEK 5.00 (0.00)

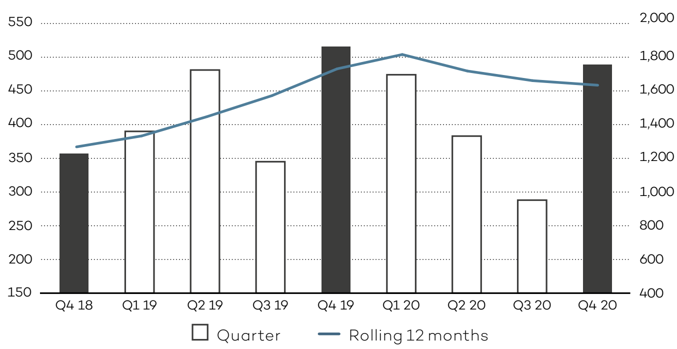
"The fourth quarter was still affected by the pandemic, however the recovery from previous quarter continues. The EBITA-margin improved in line with our long-term target of 10 percent and the cash flow was strengthened."

Net sales, SEK MILLION



Pöyry was consolidated into ÅF Pöyry as of 28 February 2019.

EBITA[1], SEK MILLION



Pöyry was consolidated into ÅF Pöyry as of 28 February 2019.

[1)]Excluding items affecting comparability

Comments by the CEO

We are leaving 2020 behind us; a challenging year marked by the Covid-19-pandemic and its effects on our operations. We took precautions at an early stage, reorganised our operations to allow remote work and expanded our digital collaborations, all while managing significant drops in volume in certain segments as a result of the pandemic.

Fourth quarter: strong profitability and financial position
The fourth quarter continued to be affected by the pandemic, although we are seeing a stabilisation and cautious recovery in all segments compared with the previous quarter. Net sales amounted to SEK 4,907 million, which corresponds to a negative organic growth of -5.5 percent. The automotive segment, weak development in the real estate segment and the repositioning in the Energy Division all had a negative effect on net sales. Meanwhile, Food & Life Science and several other business areas within Process Industries and Management Consulting showed a continued strong development.

The operating margin improved in line with our long-term target of 10 percent despite lower net sales, and cash flow was strong. EBITA, excluding items affecting comparability, amounted to SEK 490 million (516) and the EBITA margin was 10.0 percent (9.5). Four out of five divisions noted improved margins compared with previous year. The increase during the quarter was due to a strong performance primarily in the Energy and Management Consulting Divisions, as well as support from our short- and long-term savings initiatives. The costs in the quarter decreased by around SEK 660 million compared to the same period last year.

The net debt/EBITDA ratio, excluding the effect of IFRS 16 and items affecting comparability, amounted to 1.6x (2.3). We improved our financial position, thus creating opportunity to increase our focus on acquired growth.

Full year 2020
Despite the pandemic, 2020 was an eventful year in which we contributed with sustainable solutions to our client projects, established our new AFRY brand in the market, raised the ambitions of our sustainability and digitalisation efforts and launched a new and clear growth strategy.

Total net sales for 2020 fell sharply as a result of the pandemic, particularly during the second quarter in the automotive segment. Thanks to extensive measures, we achieved an operating margin in line with 2019. Net sales for the full year amounted to SEK 18,991 million, which corresponds to a negative organic growth of -6.4 percent. EBITA, excluding items affecting comparability, amounted to SEK 1,635 million (1,731) and the EBITA margin was 8.6 percent (8.7). Accumulated long-term savings amounted to SEK 210 million during the year, compared with the SEK 120 million that has been previously communicated. We strengthened our balance sheet during the year thanks to a clear focus on

cash flow, and we are now able to increase our focus on growth. I can now assert that we succeeded in navigating through the effects of the pandemic, although the ongoing uncertainty continues to place high demands in terms of flexibility, measures and our capacity to exploit attractive opportunities for growth.

Performance of the divisions

The Infrastructure Division was primarily affected by a weak growth in the real estate segment. A continued strong growth was noted in water and environment. We are seeing healthy underlying demand for our services as society transforms and there is a greater need for sustainable solutions.

The Industrial & Digital Solutions Division continued to be affected by the negative trends in the automotive industry, although compared with the previous quarter we can see a higher level of activity. Food & Life Science continued to show a strong development during the quarter.

The Process Industries Division noted a strong development, primarily in Sweden, Finland and Latin America, with major projects progressing as planned.

The Energy Division had a strong development in Nuclear, Thermal & Renewables and Transmission & Distribution. The ongoing repositioning is progressing above expectations, which helped increase stability and improve the results.

Within the Management Consulting Division the energy consulting business continued to perform strongly, and clear signs of increased activity in the bioindustry sector were noted during the quarter.

We entered several exciting agreements during the quarter. In particular, I would like to highlight a framework agreement with Scania for product development, in which AFRY will bear overall responsibility, and the engineering assignments during the year from Metsä Fibre for the construction of the world's most modern sawmill and their new planned bioproduct factory in Kemi, Finland. The key objectives of Metsäs investments are increased environmental efficiency and fossil free operations by utilising advanced technology and digitalisation, where AFRY will contribute with leading sustainable solutions and digital expertise.

New strategy focusing on growth

We presented the new Take-off strategy for growth at our Capital Markets Day in November, which strongly focuses on sustainability, digitalisation and growth in transforming segments. A new mission was launched simultaneously to accelerate the transition to a more sustainable society. The new strategy outlines how we will get there and is based on five pillars;

1.Drive growth in our core markets
Based on our strong balance sheet, we will accelerate our acquisition agenda targeting both add-ons as well as platforms. In recent times we have added three small but strategically important add-ons to our portfolio. AFRY will also increase organic growth in core markets by attracting new and retain talent.

2. Target transforming segments
AFRY will focus on segments that show strong, long-term growth and in which we have a strong position in the customer value chains. Examples of segments include Infrastructure, Food & Life Science, Clean Energy and Bioindustry.

3. Develop AFRY Digital
AFRY aims to be a driver of industrial digitalisation and to be the best at applying digital in our core sectors. Within the next five years, our target is to triple revenue from the digital area.

4. Lead in sustainable solutions
AFRY is uniquely positioned to adopt a leading role as an enabler of the transition towards sustainability in our client projects, while also focusing on reducing our own carbon footprint. In line with this strategy, AFRY is now joining the Science Based Targets' Initiative (SBTi).

5. Deliver best in class operations
AFRY has established a scalable platform to enable efficient cross-sales, improved quality and better usage of information, as well as to exploit economies of scale in core markets and increase the use of excellence centres.

Outlook

Although the fourth quarter was characterised by continued recovery and greater optimism, we remain in the midst of a pandemic and great uncertainty remains. We are therefore maintaining our focus on our employees' health and safety, cost optimisation and flexibility whilst at the same time we are planning to exploit growth opportunities. The need for a green recovery following the Covid-19-pandemic has increased the demand for digital and sustainable solutions where AFRY has a market-leading position and a broad exposure to a variety of industries and markets.

I am proud of how our employees have navigated a historically turbulent year, and we are entering 2021 with a positive momentum throughout the organisation. I would also like to thank our clients and partners for a rewarding collaboration – we are looking forward to an exciting year together.

Stockholm, 5 February 2021

Jonas Gustavsson
President and CEO

Net sales and earnings 2020

October–December
Net sales for the quarter amounted to SEK 4,907 million (5,447), a decrease of -9.9 percent (37.7). The organic decrease was -5.5 percent (-3.9) and -6.5 percent (-2.6) when adjusted for calendar effects.

During the quarter the Group received state aid, primarily as a result of the short-term furloughing that has been implemented. State subsidies is recognised as other income and amounts to SEK 31 million (0).

Adjusted for items affecting comparability, EBITA was SEK 490 million (516). The corresponding EBITA margin was 10.0 percent (9.5). Items affecting comparability totalled SEK 12 million (189) and relate to restructuring costs for the Industrial & Digital Solutions Division. The comparative period related to integration costs pertaining to the acquisition of Pöyry.

EBITA was SEK 478 million (327) and the EBITA margin was 9.7 percent (6.0). The effects of IFRS 16 Leases were SEK 9 million (7) on EBITA, SEK 136 million (141) on EBITDA and SEK 13 million (15) in increased interest expenses.

Capacity utilisation was 75.2 percent (75.4) in the quarter.

EBIT totalled SEK 484 million (298). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related non-current assets amounting to SEK 40 million (62), the change in estimates of future contingent considerations amounting to SEK 42 million (31) and capital losses from divestment of operations of SEK 5 million (1).

	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales				
Net sales, SEK million	4,907	5,447	18,991	19,792
Total growth, %	-9.9	37.7	-4.0	41.6
Structural changes, %	-0.8	40.9	4.2	39.0
Organic, %	-5.5	-3.9	-6.4	1.7
Currency, %	-3.7	0.6	-1.9	0.9
Adjusted/underlying organic growth due to calendar effect, %	-6.5	-2.6	-7.1	2.1
Earnings				
EBITA excl. items affecting comparability, SEK m	490	516	1,635	1,731
EBITA margin excl. items affecting comparability, %	10.0	9.5	8.6	8.7
EBITA, SEK m	478	327	1,584	1,368
EBITA margin, %	9.7	6.0	8.3	6.9
Operating profit (EBIT), SEK m	484	298	1,456	1,276
Profit after net financial items, SEK m	435	234	1,270	1,039
Profit after tax, SEK m	358	182	991	821
Key ratios				
Basic earnings per share, SEK	3.17	1.63	8.81	8.07
Diluted earnings per share, SEK	3.16	1.61	8.82	7.99
Cash flow from operating activities, SEK m	762	1,078	2,085	1,993
Net debt, SEK m[1]	–	–	2,756	4,424
Net debt/equity ratio, %[1]	–	–	27.3	47.2
Net debt/EBITDA, rolling 12 months, times[1]	–	–	1.6	3.0
Number of employees	–	–	15,871	16,348
Capacity utilisation, %	75.2	75.4	75.6	75.8

1) Excluding effects of IFRS 16 Leases.
* Net debt/EBITDA excluding the effect of IFRS 16 and items affecting comparability, including combined operations rolling 12m is 1.6 (2.3).

Profit after financial items amounted to SEK 435 million (234) and profit after tax for the period was SEK 358 million (182). Net financial items in the quarter totalled SEK -48 million (-64), the decline mainly relates to currency effects. Net financial items were also affected by discount rates related to leases in accordance with the IFRS 16 standard and revaluation of contingent considerations that do not affect cash flow, amounting to SEK 13 million (15) and SEK 2 million (3) respectively.

The tax expense amounted to SEK 78 million (53), corresponding to a tax rate of 17.8 percent (22.4). The tax rate for the current period was affected by non-recurring effects attributable to the revaluation of deferred tax assets.

January–December
Pöyry was consolidated as of 28 February 2019.
Net sales for the period amounted to SEK 18,991 million (19,792), a decrease of -4.0 percent (41.6). The organic decrease excluding Pöyry totalled -6.4 percent (1.7) and -7.1 percent (2.1) when adjusted for calendar effects.

During the period the Group received state aid, primarily as a result of the short-term furloughing that has been implemented. State subsidies is recognised as other income and amounts to SEK 188 million (0).

Adjusted for items affecting comparability, EBITA was SEK 1,635 million (1,731). The corresponding EBITA margin was 8.6 percent (8.7). Items affecting comparability totalled SEK 52 million (364) and relate to restructuring costs for the Energy and Industrial & Digital Solutions Divisions. The comparative period related to transaction and integration costs pertaining to the acquisition of Pöyry.

EBITA and the EBITA margin were SEK 1,584 million (1,368) and 8.3 percent (6.9). The effects of IFRS 16 Leases were SEK 33 million (31) on EBITA, SEK 554 million (551) on EBITDA and SEK 55 million (60) in increased interest expenses.

Capacity utilisation was 75.6 percent (75.8) for the period.

If Pöyry had been consolidated as of 1 January 2019 (combined operations), net sales would have amounted to approximately SEK 18,991 million (20,827), a decline of 8.8 percent. The corresponding EBITA and EBITA margin adjusted for items affecting comparability would have amounted to approximately SEK 1,635 million (1,809) and 8.6 percent (8.7) respectively.

EBIT totalled SEK 1,456 million (1,276). The difference between EBIT and EBITA consists of acquisition-related non-cash items: amortisation of acquisition-related non-current assets amounting to SEK 184 million (211), the change in estimates of future contingent considerations amounting to SEK 62 million (119) and capital losses from divestment of operations of SEK -6 million (1).

Profit after financial items was SEK 1,270 million (1,039) and profit after tax for the period was SEK 991 million (821). Net financial items totalled SEK -185 million (-237) in the period. In the previous year, net financial items were affected by non-recurring financing costs of SEK 32 million related to the acquisition of Pöyry.

Net financial items were affected by discount rates related to leases in accordance with the IFRS 16 standard and revaluation of contingent considerations that do not affect cash flow, amounting to SEK 55 million (60) and SEK 9 million (16) respectively.

The tax expense amounted to SEK 279 million (219), corresponding to a tax rate of 22.0 percent (21.0).

Cash flow and financial position
Consolidated net debt including IFRS 16 Leases amounted to SEK 5,193 million (7,203). Consolidated net debt excluding IFRS 16 Leases amounted to SEK 2,756 million (4,424) at the end of the year, and SEK 4 424 million (3 455) at the start of the year. Cash flow from operating activities reduced net debt by SEK 603 million (944) in the fourth quarter and by SEK 1,586 million (1,473) for the full year. Two small acquisitions were made during the fourth quarter which increased net debt by SEK 24 million.

As has already been communicated, the Board has withdrawn the previously announced dividend proposal for the purposes of further consolidating the Group's financial position. In the first quarter of 2020, some of the Group's credit facilities were also renewed, extending them by three years and increasing them by SEK 500 million. A previous bond loan of SEK 700 million was repaid in May. This bond maturity was partly financed using a three-year bank loan of SEK 500 million. During the third quarter, a previous credit facility loan (RCF loan) of SEK 200 million was repaid. In the month of August, borrowing increased by SEK 149 million via the annual staff convertible programme. This loan had no effect on consolidated net debt but strengthened the Group's cash and cash equivalents, as the AGM resolved that no shares will be repurchased during the year for the 2020 convertible programme.

Consolidated cash and cash equivalents totalled SEK 1,930 million (997) at the end of the period, and unused credit facilities amounted to SEK 3,050 million (2,297).

Covid-19 update

Health and safety for employees and clients

ÅF Pöyry's chief priority during the pandemic has been, and remains, the health and safety of our employees and clients. The company quickly moved most activities over to remote working and expanded digital collaborations. ÅF Pöyry launched a centralised crisis management team to execute a global contingency and action plan for the global pandemic, and introduced travel restrictions and guidelines in close cooperation with international experts to help our employees. The company has established a Covid-19 safety protocol to maintain safe operations. Since the pandemic is developing at different stages in different markets, we have adopted more market-specific safety measures, and we anticipate that measures will continue to be adapted to specific business areas and markets going forward.

Varied impact

ÅF Pöyry has broad exposure to a number of industries and currently operates in several markets. The effects of the Covid-19 pandemic have varied, with the greatest impact being on the automotive segment, which saw a notable decline in volume during the year. The manufacturing segment also noted a significant impact, as investments have been postponed. On the other hand, segments such as the process industry, food & pharma, nuclear power and transport infrastructure experienced a neutral trend compared with previous trends.

Extensive measures to counteract negative financial impact

ÅF Pöyry quickly implemented several extensive measures throughout the organisation to mitigate the financial impact of the lower level of demand caused by the Covid-19 pandemic, such as various furlough schemes. As per end of November all of the various furlough schemes in Sweden was ended. State aid recognised in the Group and parent is detailed on pages 4-6.

Accumulated long-term savings amounted to SEK 210 million during the year, compared with the SEK 120 million previously communicated. The investment programme connected to the systems platform is being adapted to the current situation. All in all, the measures ensure that the company will continue to be in a good position going forward and will be well placed operationally and financially once the situation has stabilised.

Valuation of the Group's assets and provisions

ÅF Pöyry tested the valuation of the Group's goodwill as of the third quarter; this test did not give rise to any impairment. As a result of the developments in the Covid-19 pandemic, a follow-up was carried out to examine whether there were any indications showing a need to conduct updated impairment tests as of 31 December 2020; no such indications were found.

No significant provisions were made during the period as a direct consequence of the pandemic.

Acquisitions and divestments

During the quarter, ÅF Pöyry acquired the sound design agency Lexter, which will strengthen the company's offering to clients in public and digital spaces. The company has annual sales of around SEK 16 million and employs seven people in Sweden.

ÅF Pöyry also acquired the software and expertise company Ramentor in Finland. The company has annual sales of around SEK 7 million and employs six people in Finland.

Parent

Parent company operating income for the January–December period totalled SEK 1,289 million (972) and relates chiefly to internal services within the Group. During the period, the parent company received state aid, primarily for the short-term furloughing that has been implemented. State aid is recognised as other income and amounts to SEK 4 million (0). Earnings after net financial items totalled SEK 376 million (300). Cash and cash equivalents amounted to SEK 889 million (133). Gross investments in intangible non-current assets and property, plant and equipment totalled SEK 98 million (92). One business was divested during the period; the consideration paid was SEK 10 million on a debt-free basis and the capital loss was SEK -42 million.

Number of employees

The average number of FTEs was 15,271 (14,680). The total number of employees at the end of the period was 15,871 (16,348).

Significant events during the quarter and after the end of the reporting period

After the end of the reporting period, AFRY acquired product company ProTAK in Sweden with annual sales of around SEK 13 million and 9 employees. ITE Østerhus in Kristiansand, Norway, with annual sales of some SEK 40 million and 22 employees. EKOM in Sweden with annual sales of around SEK 5 million and three employees.

ÅF Pöyry appointed Jenny Lilja Lagercrantz as Head of Human Resources and a member of Group management. She took up her post in January 2021.

The Infrastructure Division provides technical solutions for buildings and infrastructure, in areas such as road and rail, as well as water and environment. The division also operates in the fields of architecture and design. The division's strengths include its in-depth knowledge of sustainable, high-tech solutions, and its clients are primarily within the property and urban development sectors. The division is led by Malin Frenning and operates in the Nordic region and Central Europe.

The Industrial & Digital Solutions Division conducts engineering operations in the field of product development and production systems, as well as IT and defence technology. The division is active in all industry sectors and works with both private and public sector clients. Technical capabilities include project management, industrial design, mechanical product development, automation, quality assurance and digitalisation services for various industries to develop and connect systems and products and create the society of the future. Services encompass the entire value chain and the assignments are project-based or end-to-end solutions for specific functions. The division is led by Robert Larsson and operates primarily in the Nordic region.

The Process Industries Division provides engineering and consulting services, project management and implementation services to clients in the process industry. Its clients are primarily in the forest, chemical and biorefinery industries, as well as the metal and mining industries. Focus sectors extend from pulp and paper to chemicals and biorefining, metals and mining and other process industries, and the division delivers solutions for both new investment projects and reconstruction of existing plants. The division, led by Nicholas Oksanen, delivers solutions globally and operates primarily in the Nordic region and South America.

The Energy Division provides international engineering and consulting services to clients in over 80 countries. The division has expertise in the transmission and distribution of all types of electricity generated from various energy sources, such as water, coal, gas, bio- and waste fuel, nuclear power and renewable energy sources, and holds a leading position in hydro. The division has a high level of technical capability when it comes to complex environmental aspects. Owing to the division's ability to cover the entire spectrum of power generation as well as the complete investment life cycle, it can offer its clients comprehensive expertise. The division, led by Richard Pinnock, delivers solutions globally and operates primarily in the Nordic region, Switzerland, Czech Republic and Southeast Asia.

The Management Consulting Division provides strategic and operational advisory services across the value chain, underpinned by in-depth expertise and market insights. Core services encompass a wide range of consulting services and include corporate and business strategies; resource, technology and investment strategies; operational and organisational excellence; market insights and modelling; sales and supply chain strategies; M&A and due diligence; as well as innovation management and digitalisation. The services are primarily aimed at the energy sector, the forest industry and bio-based industries. The division is led by Roland Lorenz and has operations in 17 offices across three continents.

Division Infrastructure

Net sales

Net sales in the fourth quarter amounted to SEK 1,982 million (2,105) a decrease by -5.9 percent. Adjusted for negative currency effects and structural changes, the negative organic growth was -3.3 percent. The decrease in sales is mainly related to a weak development within the real estate segment, where larger projects are still being postponed. A continued strong growth was noted in water and environment. Overall demand improved over the previous quarter and sales activities are on a high level within all the division's markets.

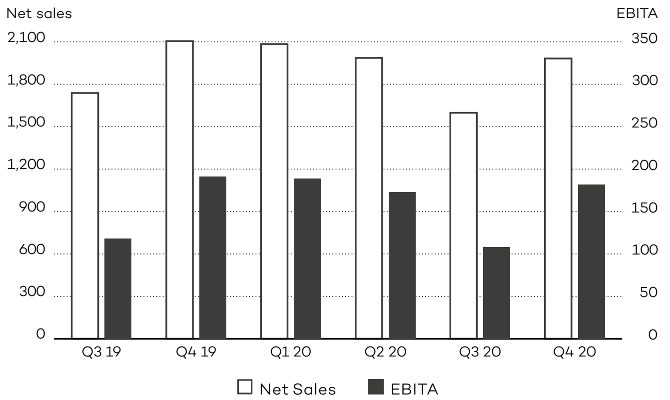
EBITA and margin

EBITA amounted to SEK 182 million (191) and the corresponding margin was 9.2 percent (9.0). The margin was positively impacted by the transportation and environment segments together with cost saving activities, whereas the development in the real estate segment and a somewhat weaker development in Central Europe had a negative impact on the margin.

Market development

The Covid-19-pandemic had a continued negative impact on the real estate market, although smaller projects and refurbishments are still in high demand. Within transport infrastructure, investments remain stable with indications of increase as the segment is at the beginning of a digital and sustainability transformation, that has been accelerated by the pandemic. The water segment has not been impacted by the pandemic and the continued need to modernise and upgrade wastewater plants continues to drive the demand for the division's services in this area.

Net sales and EBITA, SEK million



Key ratios[1]

	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales. SEK million	1 982	2 105	7 650	7 670
EBITA. SEK million	182	191	652	685
EBITA margin. %	9.2	9.0	8.5	8.9
Average number of fulltime employees (FTEs)	5 868	5 962	5 915	5 729
Total growth. %	-5.9	25.3	-0.3	28.8
Structural changes. %	0.1	23.3	3.1	22.2
Currency. %	-2.6	0.5	-1.5	1.0
Organic. %	-3.3	1.5	-1.9	5.5
Adjusted/underlying organic growth due to calendar effect. %	-4.4	2.3	-2.8	5.7
Combined growth[2]. %	–	–	-2.5	8.9

The historical figures above have been adjusted to account for organisational changes.

[1] Excluding effects of IFRS 16 Leases. which are recognised under Group Common item.

[2] The figures are presented as though consolidation of Pöyry took place on 1 January 2018. Combined operations are presented on page 23.

Division Industrial & Digital Solutions

Net sales

Net sales in the fourth quarter amounted to SEK 1,341 million (1,540), a decrease by -12.9 percent. Adjusted for negative currency effects and structural changes, the negative organic growth was -12.4 percent. The lower sales is mainly related to the automotive and manufacturing segments where some of the clients had a low level of activities in both production and development. A continued strong growth was noted in food & life science.

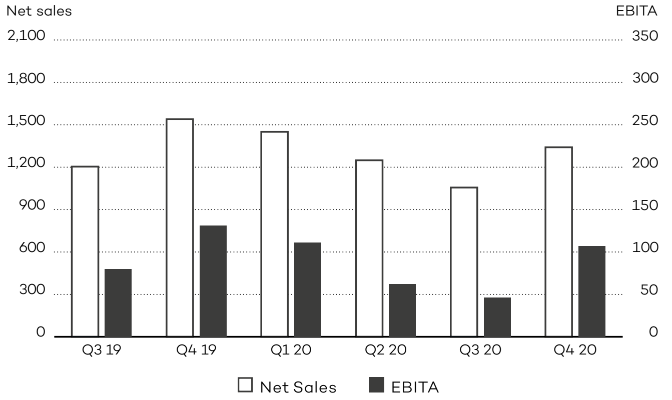
EBITA and margin

EBITA amounted to SEK 107 million (131) and the corresponding margin was 8.0 percent (8.5). The lower margin is mainly due to lower net sales in the automotive and Manufacturing segments. However, effective cost saving activities contributed to mitigate some of the shortfall in sales. The result was affected by a non-recurring cost of SEK 12 million, concluding the repositioning in the Automotive segment. This expense is reported as a non-recurring item within Group Common item.

Market development

The Covid-19-pandemic had a continued impact on the automotive and manufacturing industry in the quarter as decision making keeps being postponed due to clients' cost control. However, compared to the previous quarter, the activity level was increasing, albeit from low levels.

Net sales and EBITA, SEK million



Key ratios[1]

	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales, SEK million	1 341	1 540	5 097	5 805
EBITA, SEK million	107	131	326	486
EBITA margin, %	8.0	8.5	6.4	8.4
Average number of fulltime employees (FTEs)	3 469	3 797	3 592	3 800
Total growth, %	-12.9	-5.4	-12.2	0.4
Structural changes, %	0.3	0.8	0.7	1.2
Currency, %	-0.8	0.2	-0.4	0.2
Organic, %	-12.4	-6.4	-12.5	-1.0
Adjusted/underlying organic growth due to calendar effect, %	-14.1	-4.7	-13.3	-0.6

The historical figures above have been adjusted to account for organisational changes.

[1] Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

Division Process Industries

Net sales

Net sales in the fourth quarter amounted to SEK 892 million (917), a decrease by -2.7 percent. Adjusted for negative currency effects (mainly Brazilian real) and structural changes, the organic growth was 5.6 percent. The growth is mainly supported by ongoing large pulp and paper engineering projects in Latin America and a strong development in Finland and Sweden. Professional services and the OPEX-business are accelerating again having a positive impact on both sales and EBITA.

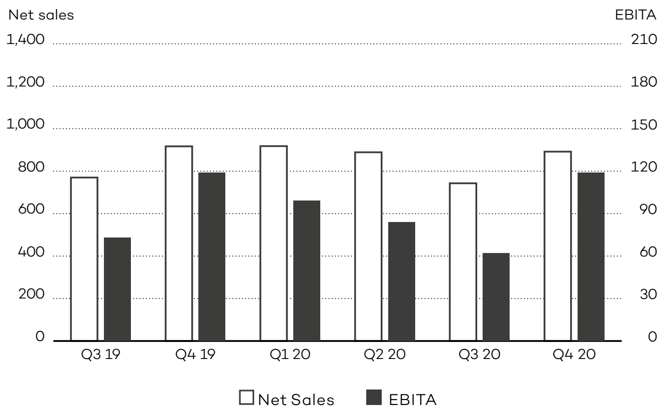
EBITA and margin

EBITA amounted to SEK 119 million (119) and the corresponding margin was 13.3 percent (13.0). The margin was positively impacted by cost savings and a strengthened development in Sweden, Finland and Latin America, but negatively by currency effects.

Market development

The Covid-19-pandemic continued to have an impact on decision-making processes. However, major projects already in order stock have been carried out according to plan, bringing new orders. The market was gradually recovering in the quarter, especially in smaller scale and mid-sized investments. The most important drivers continue to be the ongoing transition if the bioindustry sectors, sustainability, digitalisation and overall efficiency.

Net sales and EBITA, SEK million



Key ratios[1]

	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales, SEK million	892	917	3 441	3 047
EBITA, SEK million	119	119	363	323
EBITA margin, %	13.3	13.0	10.6	10.6
Average number of fulltime employees (FTEs)	3 306	3 075	3 243	2 680
Total growth, %	-2.7	311.4	12.9	275.5
Structural changes, %	-0.5	292.0	13.3	262.1
Currency, %	-7.8	0.4	-5.5	0.5
Organic, %	5.6	18.9	5.2	13.0
Adjusted/underlying organic growth due to calendar effect, %	5.9	20.2	4.6	14.0
Combined growth[2], %	–	–	0.8	8.9

The historical figures above have been adjusted to account for organisational changes.

[1)] Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.
[2)] The figures are presented as though consolidation of Pöyry took place on 1 January 2018. Combined operations are presented on page 23.

Division Energy

Net sales

Net sales in the fourth quarter amounted to SEK 759 million (871), a decrease by -12.9 percent. Adjusted for negative currency effects and structural changes, the negative organic growth was -3.6 percent. The repositioning within the division and the completion of a large EPC+ project early 2020 resulted in lower net sales in the quarter compared to the same period last year. Growth within the nuclear business continued to be strong, particularly in the Nordics and Central Europe.

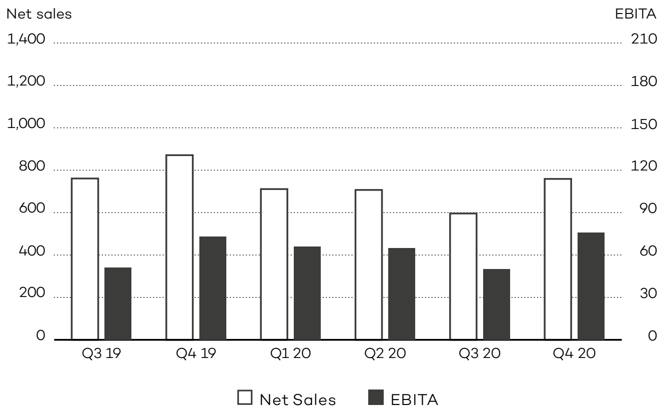
EBITA and margin

Adjusted EBITA amounted to SEK 76 million (73) and the corresponding margin increased to 10.0 percent (8.3). The improved margin is due to the repositioning in the Division, cost savings and strong performances in Thermal & Renewables, Nuclear and Transmission & Distribution.

Market development

The Covid-19-pandemic continues to have an impact with slower start-ups of new projects mainly in the hydro, thermal and renewable sectors. Travel restrictions continued to effect projects in especially the hydro sector. The energy sector is gradually improving in most operational areas however the recovery in Asia and Latin America operations is expected to be slower.

Net sales and EBITA, SEK million



Key ratios[1]

	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales, SEK million	759	871	2 773	3 001
EBITA, SEK million	76	73	257	215
EBITA margin, %	10.0	8.3	9.3	7.2
Average number of fulltime employees (FTEs)	1 720	2 016	1 752	1 885
Total growth, %	-12.9	102.6	-7.6	92.5
Structural changes, %	-4.7	103.1	2.0	93.1
Currency, %	-4.6	3.1	-1.3	2.8
Organic, %	-3.6	-3.6	-8.4	-3.4
Adjusted/underlying organic growth due to calendar effect, %	-3.5	-2.4	-9.3	-2.4
Combined growth[2], %	–	–	-16.6	7.6

The historical figures above have been adjusted to account for organisational changes.

1) Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

2) The figures are presented as though consolidation of Pöyry took place on 1 January 2018. Combined operations are presented on page 23.

Division Management Consulting

Net sales

Net sales in the fourth quarter amounted to SEK 220 million (211), an increase by 4.4 percent. Adjusted for negative currency effects and structural changes, the organic growth was 12.2 percent. The positive development is mainly related to the energy consulting business, driven by demand related to the energy transition and increasing offering in AFRYs core countries. In addition, there were clear signs of increased activity in the bioindustry sector towards the end of the year.

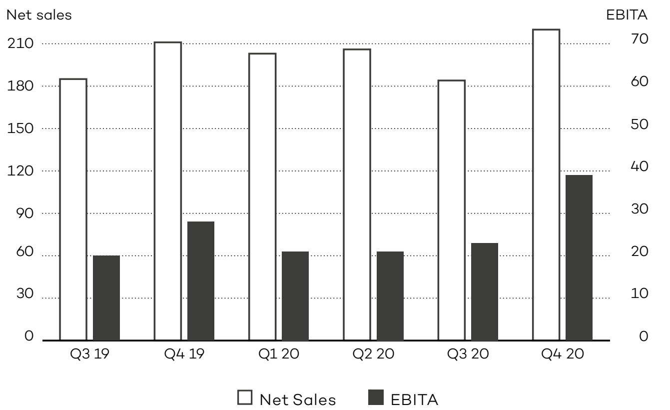
EBITA and margin

EBITA amounted to SEK 39 million (28) and the corresponding margin increased to 17.8 percent (13.3). The improved margin is mainly related to a strong development within the energy consulting business, higher success fees and cost savings.

Market development

The energy transition continues to drive a stable demand for advice and an increased activity level within the bioindustry sector was noted in the quarter. The Covid-19-pandemic continues to have an impact on projects that require international travel and onsite work, but thanks to the adaption to new ways of working, most projects have been carried out according to plan.

Net sales and EBITA, SEK million



Key ratios[1]

	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales, SEK million	220	211	813	668
EBITA, SEK million	39	28	104	92
EBITA margin, %	17.8	13.3	12.8	13.7
Average number of fulltime employees (FTEs)	425	362	419	300
Total growth, %	4.4	–	21.8	–
Structural changes, %	-0.6	–	18.3	–
Currency, %	-7.3	–	-3.0	–
Organic, %	12.2	–	6.6	
Adjusted/underlying organic growth due to calendar effect, %	12.3	–	9.0	
Combined growth[2], %	–	–	3.0	-2.1

There are no comparative figures for growth in 2019 since the division was completely formed by Pöyry.

1) Excluding effects of IFRS 16 Leases, which are recognised under Group Common item.

2) The figures are presented as though consolidation of Pöyry took place on 1 January 2018. Combined operations are presented on page 23.

Risks and uncertainties

The significant risks and uncertainties to which the ÅF Pöyry Group is exposed include strategic risks linked to the market, acquisitions, sustainability and IT, and operational risks related to projects and the ability to recruit and retain qualified employees. In addition, the Group is exposed to several financial risks, such as currency risks, interest-rate risks and credit risks. The risks to which the Group is exposed are described in detail in ÅF Pöyry's Annual Report for 2019. No significant risks are considered to have arisen since then apart from the effects of the Covid-19 pandemic, see page 5.

Calendar effects[1]

The number of normal working hours during 2020, based on a twelve months' sales-weighted business mix, is broken down as follows:

	2021	2020	2019	Difference[2]
Q1	498	507	506	1
Q2	488	480	473	7
Q3	527	528	527	1
Q4	505	500	495	5
Full year	2,018	2,015	2,001	14

[1] As a result of an internal redistribution between the second and third quarters, figures for the year and comparative figures have been adjusted to provide a better reflection of operations.
[2] Refers to 2020 vs. 2019.

Accounting policies

This report was prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies conform with International Financial Reporting Standards (IFRS), as well as with the EU approved interpretations of the relevant standards, the International Financial Reporting Interpretations Committee (IFRIC) and Chapter 9 of the Swedish Annual Accounts Act. The report has been drawn up using the same accounting policies and methods of calculation as those in the Annual Report for 2019 (Note 1).

New or revised IFRS standards that came into force in 2020 did not have any material impact on the Group. The parent company complies with the Swedish Financial Reporting Board's Recommendation RFR 2, which requires that the parent's annual report apply all IFRS standards and interpretations approved by the EU as far as is possible within the constraints of the Annual Accounts Act and the Pension Obligations Vesting Act (Tryggandelagen), and while considering the relationship between reporting and taxation. Disclosures according to IAS 34 16A can partly be found on the pages preceding the condensed consolidated income statement.

The IBOR reform

ÅF Pöyry applies hedge accounting to interest rate derivatives. The upcoming IBOR reform, when implemented, will impact future cash flows as regards interest income and interest expenses. ÅF Pöyry expects continued hedge effectiveness with no material net interest impact. The nominal value of outstanding exposures with a STIBOR interest rate is SEK 3.6 billion, of which SEK 2.0 billion is hedged at a fixed interest rate. ÅF Pöyry will continue to monitor any changes to the STIBOR reference rate and update the relevant financial agreements accordingly, together with counterparties, when these changes occur.

State subsidies

ÅF Pöyry accounts for state subsidies in accordance with IAS 20. Reporting of receivables and income is done once the assessment is made that there is reasonable certainty that conditions will be fulfilled, and it is reasonably certain that the support will be received.

Related party transactions

There were no material transactions between ÅF Pöyry and its related parties during the period.

Definitions

Key ratios and alternative performance measures used in this report are defined in ÅF Pöyry's Annual Report for 2019.

The share

The ÅF Pöyry share price at the end of the reporting period was SEK 251.20 (218.60).

A shares	4,290,336
B shares	108,733,708
Total number of shares	113,024,044
of which own Class B shares	-
Votes	151,637,068

Shares were converted during the quarter as per the 2017 staff convertible programme, increasing the number of B shares by 223,229.

Dividend

The Board of Directors proposes a dividend for 2020 of SEK 5.00 (0.00)

Condensed consolidated income statement

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales	4,907	5,447	18,991	19,792
Personnel costs	-2,978	-3,243	-11,860	-11,782
Purchases of services and materials	-1,044	-1,217	-3,811	-4,408
Other costs	-278	-503	-1,269	-1,608
Other income	35	12	198	27
Share of profits of associates	1	2	5	4
EBITDA	**643**	**497**	**2,253**	**2,024**
Depreciation/amortisation and impairment of non-current assets[1]	-165	-170	-670	-657
EBITA	**478**	**327**	**1,584**	**1,368**
Acquisition-related items[2]	6	-29	-128	-91
Operating profit (EBIT)	**484**	**298**	**1,456**	**1,276**
Net financial items	-48	-64	-185	-237
Profit after financial items	**435**	**234**	**1,270**	**1,039**
Tax	-78	-53	-279	-219
Profit for the period	**358**	**182**	**991**	**821**
Attributable to:				
Shareholders in the parent	358	182	992	821
Non-controlling interest	0	0	0	0
Profit for the period	**358**	**182**	**991**	**821**
Basic earnings per share, SEK	3.17	1.63	8.81	8.07
Diluted earnings per share, SEK	3.16	1.61	8.82	7.99
Number of shares outstanding	113,024,044	112,174,128	113,024,044	112,174,128
Average number of basic shares outstanding	112,909,670	111,643,840	112,544,514	101,712,840
Average number of shares outstanding after dilution	114,690,735	113,926,467	114,251,822	104,043,894

1) Depreciation/amortisation and impairment of non-current assets refers to property, plant and equipment excluding intangible assets related to acquisitions.
2) Acquisition-related items are defined as depreciation/amortisation and impairment of goodwill and acquisition-related intangible assets, revaluation of contingent considerations and gains/losses on divestment of companies and operations. See page 20 for further details.

Statement of consolidated comprehensive income

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Profit for the period	**358**	**182**	**991**	**821**
Items that have been or will be reclassified to profit or loss for the period				
Change in translation reserve	-372	-254	-501	81
Change in hedging reserve	92	83	72	14
Change in fair value reserve	-	–	-	5
Tax	-10	-18	-6	-4
Items that will not be reclassified to profit or loss for the period				
Pensions	27	-98	32	-97
Tax	-11	18	-10	18
Other comprehensive income	**-274**	**-270**	**-413**	**16**
Comprehensive income for the period	**84**	**-88**	**578**	**837**
Attributable to:				
Shareholders in the parent	84	-88	579	837
Non-controlling interest	0	0	0	0
Total	**84**	**-88**	**578**	**837**

Condensed consolidated balance sheet

SEK MILLION	31 Dec 2020	31 Dec 2019
ASSETS		
Non-current assets		
Intangible assets	12,912	13,355
Property, plant and equipment	539	587
Other non-current assets	2,567	2,929
Total non-current assets	**16,018**	**16,872**
Current assets		
Current receivables	5,662	6,505
Cash and cash equivalents	1,930	997
Total current assets	**7,592**	**7,502**
Total assets	**23,610**	**24,375**
EQUITY AND LIABILITIES		
Equity		
Attributable to shareholders in the parent	10,095	9,367
Attributable to non-controlling interest	1	1
Total equity	**10,096**	**9,369**
Non-current liabilities		
Provisions	894	1,032
Non-current liabilities	5,420	7,207
Total non-current liabilities	**6,314**	**8,240**
Current liabilities		
Provisions	74	101
Current liabilities	7,125	6,666
Total current liabilities	**7,199**	**6,767**
Total equity and liabilities	**23,610**	**24,375**

Condensed statement of change in consolidated equity

SEK MILLION	31 Dec 2020	31 Dec 2019
Equity at start of period	**9,369**	**5,465**
Comprehensive income for the period	**578**	**837**
Dividend paid	-	-560
Private placement	-	3,967
Conversion of convertible bonds into shares	142	147
Value of conversion option	7	8
Share buy-backs/sales	-	-164
Hybrid	-	-331
Equity at end of period	**10,096**	**9,369**

Condensed statement of consolidated cash flows

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Profit after financial items	435	234	1,270	1,039
Adjustment for items not included in cash flow and other	-10	243	460	880
Income tax paid	39	-29	-163	-284
Cash flow from operating activities before change in working capital	**465**	**448**	**1,567**	**1,635**
Cash flow from change in working capital	298	630	518	358
Cash flow from operating activities	**762**	**1,078**	**2,085**	**1,993**
Cash flow from investing activities	-72	-171	-345	-5,290
Cash flow from financing activities	-158	-717	-987	4,066
Cash flow for the period	**532**	**190**	**753**	**769**
Opening cash and cash equivalents	1,299	808	997	239
Exchange difference in cash and cash equivalents	98	-1	180	-11
Closing cash and cash equivalents	**1,930**	**997**	**1,930**	**997**

Change in consolidated net debt (excl. IFRS 16)

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Opening balance	3,523	5,112	4,424	3,455
Cash flow from operating activities	-603	-944	-1,586	-1,473
Investments	47	70	174	197
Acquisitions and contingent considerations	32	93	159	5,201
Rights issue	-	–	-	-3,967
Dividend	-	–	-	560
Share buy-backs/sales	-	–	-	164
Repayment of hybrid bond	-	–	-	331
Other	-242	93	-415	-44
Closing balance	**2,756**	**4,424**	**2,756**	**4,424**

Consolidated net debt (excl. IFRS 16)

SEK MILLION	31 Dec 2020	31 Dec 2019
Loans and credit facilities	4,344	5,034
Net pension liability	341	387
Cash and cash equivalents	-1,930	-997
Group	**2,756**	**4,424**

Consolidated net debt (incl. IFRS 16)

SEK MILLION	31 Dec 2020	31 Dec 2019
Loans and credit facilities	6,782	7,813
Net pension liability	341	387
Cash and cash equivalents	-1,930	-997
Group	**5,193**	**7,203**

Consolidated key ratios

SEK MILLION	Full year 2020	Full year 2019
Return on equity, %	10.1	10.6
Return on capital employed, %	8.1	8.3
Equity ratio, %	42.8	38.4
Equity per share, SEK	89.32	83.51
Interest-bearing liabilities, SEK m	7,142	8,201
Average number of full-time employees (FTEs)	15,271	14,680

Items affecting comparability

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Transaction costs, Pöyry	–	–	–	-44
Integration costs, Pöyry	–	-84	–	-215
Restructuring costs, Energy Division	–	-105	-17	-105
Restructuring costs, Industrial & Digital Solutions Division	-12	–	-35	–
Total	**-12**	**-189**	**-52**	**-364**

Income
Net sales for Jan–Dec 2020 according to business model

SEK MILLION	Infrastructure	Industrial & Digital Solutions	Process Industries	Energy	Management Consulting	Group Common/ eliminations	Total Group
Project Business	7,528	1,823	2,267	2,326	795	-486	14,253
Professional Services	122	3,274	1,175	447	18	-298	4,738
Total	**7,650**	**5,097**	**3,441**	**2,773**	**813**	**-784**	**18,991**

The Group applies the new accounting standard IFRS 15 Revenue from Contracts with Customers as of 1 January 2018. ÅF Pöyry's business model is divided into two client offerings: Project Business and Professional Services. Project Business is ÅF Pöyry's offering for major projects and end-to-end solutions. In such projects, ÅF Pöyry acts as a partner for the client, leading and running the entire project. Professional Services is ÅF Pöyry's offering where the client leads and runs the project, while ÅF Pöyry provides suitable expertise at the right time.

Invoicing in Project Business takes place as work proceeds in accordance with agreed terms and conditions, either periodically (monthly) or when contractual milestones are reached. Invoicing ordinarily takes place after the income has been recorded, resulting in contract assets. However, ÅF Pöyry sometimes receives advance payments or deposits from clients before the income is recognised, which then results in contract liabilities. In Professional Services, hours spent on a project are ordinarily invoiced at the end of each month. Performance obligations in Project Business are fulfilled over time as the service is provided. Revenue recognition is based on costs with accumulated costs set in relation to total estimated costs. In Professional Services, revenue is recognised by the amount that the unit is entitled to invoice, in accordance with IFRS 15 B16.

Quarterly information by division

Net sales, SEK million	2019 Q1	Q2	Q3	Q4	Full year	2020 Q1	Q2	Q3	Q4	Full year
Infrastructure	1,808	2,020	1,738	2,105	7,670	2,084	1,986	1,598	1,982	7,650
Industrial & Digital Solutions	1,578	1,483	1,204	1,540	5,805	1,450	1,249	1,056	1,341	5,097
Process Industries	447	914	770	917	3,047	918	889	743	892	3,441
Energy	539	830	761	871	3,001	711	707	596	759	2,773
Management Consulting	74	197	185	211	668	203	206	184	220	813
Group Common/eliminations	-56	-50	-96	-197	-399	-112	-229	-157	-286	-784
Group	**4,389**	**5,393**	**4,562**	**5,447**	**19,792**	**5,255**	**4,808**	**4,021**	**4,907**	**18,991**

EBITA, SEK m	2019 Q1	Q2	Q3	Q4	Full year	2020 Q1	Q2	Q3	Q4	Full year
Infrastructure	182	195	118	191	685	189	173	108	182	652
Industrial & Digital Solutions	145	131	80	131	486	111	62	46	107	326
Process Industries	42	88	73	119	323	99	84	62	119	363
Energy	30	61	51	73	215	66	65	50	76	257
Management Consulting	13	30	20	28	92	21	21	23	39	104
Group Common/eliminations[1]	-86	-100	-33	-214	-432	-11	-44	-18	-45	-119
Group	**327**	**405**	**309**	**327**	**1,368**	**474**	**361**	**271**	**478**	**1,584**

EBITA margin, %	2019 Q1	Q2	Q3	Q4	Full year	2020 Q1	Q2	Q3	Q4	Full year
Infrastructure	10.1	9.6	6.8	9.0	8.9	9.1	8.7	6.8	9.2	8.5
Industrial & Digital Solutions	9.2	8.8	6.6	8.5	8.4	7.6	5.0	4.4	8.0	6.4
Process Industries	9.5	9.6	9.5	13.0	10.6	10.8	9.4	8.4	13.3	10.6
Energy	5.7	7.3	6.7	8.3	7.2	9.3	9.2	8.3	10.0	9.3
Management Consulting	18.1	15.3	10.7	13.3	13.7	10.1	10.3	12.6	17.8	12.8
Group	**7.5**	**7.5**	**6.8**	**6.0**	**6.9**	**9.0**	**7.5**	**6.7**	**9.7**	**8.3**

Average number of full-time employees (FTEs)[2]	2019 Q1	Q2	Q3	Q4	Full year	2020 Q1	Q2	Q3	Q4	Full year
Infrastructure	5,098	5,954	5,916	5,962	5,729	5,935	6,013	5,851	5,868	5,915
Industrial & Digital Solutions	3,845	3,825	3,738	3,797	3,800	3,748	3,632	3,522	3,469	3,592
Process Industries	1,471	3,111	3,084	3,075	2,680	3,195	3,220	3,249	3,306	3,243
Energy	1,326	2,146	2,059	2,016	1,885	1,809	1,793	1,688	1,720	1,752
Management Consulting	112	379	359	362	300	415	422	416	425	419
Group functions	228	279	267	363	285	314	396	343	355	351
Group	**12,081**	**15,693**	**15,422**	**15,575**	**14,680**	**15,416**	**15,476**	**15,069**	**15,143**	**15,271**

Number of working days	2019 Q1	Q2	Q3	Q4	Full year	2020 Q1	Q2	Q3	Q4	Full year
Sweden only	63	59	66	61	249	63	60	66	63	252
All countries	63	60	65	62	250	63	60	66	63	252

1) Including IFRS 16 Leases as of 2019, which is recognised under Group Common item.
2) As a result of an internal redistribution between the second and third quarters 2019, comparative figures have been adjusted to provide a better reflection of operations.

The historical figures above have been adjusted based on the organisational changes implemented on 1 June 2019, involving certain changes among the divisions.

New divisional structure

Since 22 February 2019, ÅF Pöyry's operations are conducted through five divisions: Infrastructure, Industrial & Digital Solutions, Process Industries, Energy and Management Consulting.

Acquisitions 2020

The following acquisitions were made during the period

SEK million	Company	Country	Division	Annual net sales	Average no. of employees
Period					
Jan–Mar	One World AS	Norway	Infrastructure	15	8
Oct–Dec	Ramentor Oy	Finland	Energy	7	6
Oct–Dec	Lexter Ljuddesign AB	Sweden	Infrastructure	16	7
Total				**38**	**21**

Acquired companies' net assets on acquisition date

SEK million	Full year 2020
Intangible assets	1
Property, plant and equipment	0
Financial assets	0
Accounts receivable and other receivables	7
Cash and cash equivalents	9
Accounts payable, loans and other liabilities	-7
Net identifiable assets and liabilities	**11**
Non-controlling interest	–
Goodwill	59
Fair value adjustment, intangible assets	3
Fair value adjustment, non-current provisions	-1
Purchase consideration including estimated contingent consideration	**72**
Transaction costs	1
Less:	
Cash (acquired)	9
Estimated contingent consideration	28
Net cash outflow	**35**

Acquired company
Acquisition analyses are preliminary as the assets in the companies acquired have not been conclusively analysed. The purchase considerations for acquisitions for the year were larger than the book assets of the acquired companies, which means that the acquisition analyses have resulted in intangible assets. When acquiring consulting companies, the main asset acquired is human capital in the form of employee skills, which is why the majority of the acquired companies' intangible assets are attributable to goodwill.

Contingent consideration
Total undiscounted contingent consideration for the company acquired during the year is a maximum of SEK 29 million.

Goodwill
Goodwill consists mainly of human capital in the form of employee skills and synergy effects. Goodwill is not expected to be tax deductible on acquisition of a company. The acquisition of a consulting business essentially involves the acquisition of human capital, and most of the intangible assets in the company acquired are thus attributable to goodwill.

Other intangible assets
Outstanding orders and client relationships were identified and measured in conjunction with the completed acquisition.

Acquisition-related costs
Transaction costs are recognised in Other external costs in profit or loss. Transaction costs amount to SEK 0.7 million.

Revenue and profit from acquired companies
The acquired companies are expected to contribute sales of approximately SEK 38 million and operating profit of roughly SEK 5 million over a full year for 2020.

Change in contingent considerations

SEK million	31 Dec 2020
Opening balance 1 January 2020	358
Acquisitions for the year	28
Payments	-62
Changes in value recognised in income statement	-62
Adjustment of preliminary acquisition analysis	-3
Discounting	9
Translation differences	1
Closing balance	**269**

Measurement of fair value

Contingent considerations are measured at fair value and classified at level 3. The calculation of contingent consideration is dependent on parameters in the relevant agreements. These parameters are chiefly linked to expected EBIT for the acquired companies over the next two to three years. The change in the balance sheet items is recognised in the adjacent table.

As regards other financial assets and liabilities, no significant changes in fair value measurement have been made since the 2019 Annual Report. Fair values are essentially consistent with carrying amounts.

Acquisition-related items

SEK million	Oct-Sep 2020	Oct-Sep 2019	Full year 2020	Full year 2019
Amortisation and impairment of intangible non-current assets	-40	-62	-184	-211
Revaluation of contingent considerations	42	31	62	119
Divestment of operations	5	1	-6	1
Total	**6**	**-29**	**-127**	**-91**

Parent income statement

SEK MILLION	Oct–Dec 2020	Oct–Dec 2019	Full year 2020	Full year 2019
Net sales	262	175	986	701
Other operating income	75	70	303	271
Operating income	**336**	**245**	**1,289**	**972**
Personnel costs	-57	-55	-184	-225
Other costs	-345	-247	-1,132	-853
Depreciation/amortisation	-11	-9	-41	-34
Operating profit/loss	**-77**	**-66**	**-68**	**-140**
Net financial items	493	489	444	440
Profit after financial items	**416**	**423**	**376**	**300**
Appropriations	-38	248	-38	248
Pre-tax profit	**378**	**671**	**338**	**548**
Tax	9	-33	10	2
Profit for the period	**387**	**638**	**349**	**549**
Other comprehensive income	5	23	-8	9
Comprehensive income for the period	**392**	**661**	**340**	**558**

Parent balance sheet

SEK MILLION	31 Dec 2020	31 Dec 2019
ASSETS		
Non-current assets		
Intangible assets	161	61
Property, plant and equipment	142	155
Financial assets	14,197	13,267
Total non-current assets	**14,500**	**13,483**
Current assets		
Current receivables	2,072	2,875
Cash and bank balances	889	133
Total current assets	**2,961**	**3,007**
Total assets	**17,462**	**16,490**
EQUITY AND LIABILITIES		
Equity	9,487	8,997
Untaxed reserves	120	82
Provisions	66	100
Non-current liabilities	3,489	4,803
Current liabilities	4,299	2,508
Total equity and liabilities	**17,462**	**16,490**

Combined operations

The figures are presented as though consolidation of Pöyry took place on 1 January 2019.

	Full year 2020	Full year 2019
Net sales, SEK million		
Infrastructure	7,650	7,917
Industrial & Digital Solutions	5,097	5,805
Process Industries	3,441	3,442
Energy	2,773	3,284
Management Consulting	813	785
Group Common/eliminations	-784	-405
Group	**18,991**	**20,827**
EBITA excl. items affecting comparability, SEK m		
Infrastructure	652	702
Industrial & Digital Solutions	326	486
Process Industries	363	371
Energy	257	238
Management Consulting	104	103
Group Common/eliminations[1]	-68	-91
Group	**1,635**	**1,809**
EBITA margin excl. items affecting comparability, %		
Infrastructure	8.5	8.9
Industrial & Digital Solutions	6.4	8.4
Process Industries	10.6	10.8
Energy	9.3	7.3
Management Consulting	12.8	13.1
Group	**8.6**	**8.7**

[1)]Including IFRS 16 Leases 2019, which is recognised under Group Common item.

AFRY is an international company that works with technology, design and consulting. We help our clients advance in the areas of sustainability and digitalisation. We are 17,000 dedicated experts in the areas of infrastructure, industry and energy who work all over the world to create sustainable solutions for future generations.

Stockholm, 5 February 2021

ÅF Pöyry AB (publ)
Jonas Gustavsson
President and CEO

This report has not been subjected to scrutiny by the company's auditors.

This information fulfils ÅF Pöyry AB's (publ) disclosure requirements under the provisions of the EU's Market Abuse Regulation and the Swedish Securities Markets Act. This information was released, through the agency of the above-mentioned contact person, for publication on 5 February 2021, at 07.00 CET.

All forward-looking statements in this report are based on the company's best assessment at the time the report was written. As is the case with all assessments of the future, such assumptions are subject to risks and uncertainties, which may mean that the actual outcome differs from the anticipated result.

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Investor presentation

Time:	5 February at 10.00 CET
Webcast:	https://youtu.be/nNFjlvFOb9M
For analysts/ investors:	Join Microsoft Teams Meeting With opportunities to ask questions
By telephone:	+46 8 535 270 39, conference code 967 830 373#.

Calendar

Q1 2021	29 April 2021 (7.00 am)
Annual General Meeting	3 June 2021
Q2 2021	14 July 2021 (7.00 am)
Q3 2021	26 October 2021 (7.00 am)