

Sweco's business mission is to create value through the delivery of professional consulting services



VALUE FOR SOCIETY

The engineers, architects and environmental experts at Sweco are working together to contribute to an environmentally, economically and socially sustainable society. The tangible results of our work are cleaner air and purer water, attractive and functional living and working environments, more effective distribution and use of energy, roads and bridges that increase traffic safety and shorten travelling time and industries that are more efficient, profitable and environmentally sound.

VALUE FOR OUR CLIENTS

We help our clients to realise their ambitions by delivering professional consulting engineering services. With our skills and knowledge, we enable our clients to carry out their projects with the highest standards of quality and economy. By promoting greater integration between urban planners, infrastructure engineers, architects, structural engineers, industrial and energy consultants and environmental experts, we create the conditions for client projects that contribute to sustainable development of society.

VALUE FOR OUR SHAREHOLDERS

We create value for our shareholders by conducting growing and profitable operations in areas of vital importance to society in both mature and emerging markets. We generate profitable growth both organically and through acquisitions.

Message from the CEO

Ready for continued expansion

After many years of continuous growth, 2009 represented a trend break when Sweco showed negative development in both sales and operating profit. The global recession that began to affect us already in the late autumn of 2008 hit with full force during 2009. Efforts to adjust to the market downturn included intensified market cultivation, cost-cutting measures, lower investments, resource adaptations and activities to reduce our working capital. But although the year necessitated a number of defensive steps, we have been able to continue pursuing our strategic challenges for the future and are well poised to seize the available business opportunities in a tougher market climate.

The majority of Sweco's operations delivered robust earnings despite general slowing in the market. Sweden and Norway both reported operating margins of 11 per cent, and the Czech Republic and Bulgaria also showed continued stable development. Operating profit reached SEK 444 million, which is equal to an operating margin of 8.3 per cent. Among other things, operating profit was burdened with restructuring charges and goodwill impairment losses related to our operations in Finland and the Baltic countries. All in all, some 550 employees were affected by different types of resource adaptations.

Although our growth curve turned downwards in 2009, it was a good year for our shareholders. Sweco's share price rose by 54 per cent and ended the year at SEK 53.75, outpacing an increase of 47 per cent for NASDAQ OMX Stockholm. Seen over a period of five years, total annual return on the Sweco share has averaged at 22 per cent, compared to 8 per cent for NASDAQ OMX Stockholm. For 2009 the Board of Directors proposes a combined distribution to the shareholders of SEK 4 per share in the form of dividends and a share redemption. Over the past five years we will thus have distributed 81 per cent of profit after tax to our shareholders at the same time that we have maintained a very solid financial position.

2009 saw weaker demand for industrial and building-related services but the market remained stable in the water, environment, energy and infrastructure segments, areas where we can expect sustained and stable development. Population growth, accelerating urbanisation and a need for new infrastructure are generating new and qualified assignments for Sweco.

In China Sweco is helping to design the new Caofeidian eco-city and in the Maldives we have created a sustainable long-term solution for the country's waste management. In Jordan we have been commissioned for a new water supply system that will provide the capital city of Amman with drinking water. In Sweden we are planning for the country's largest offshore wind park and are managing a number of projects to develop low-energy buildings.

These projects are examples of what we at Sweco call sustainable engineering and design. Building a sustainable society requires knowledge about how to limit environmental impact and find climate-smart solutions, which in turn calls for a holistic approach and multidisciplinary expertise. At Sweco we have been committed to energy efficiency, water supply, waste and wastewater management for more than 100 years.

We are continuing to position Sweco for the future. Despite cut-backs

in certain areas, we have achieved growth in others. Our operations in the Czech Republic and Bulgaria are growing with improved profitability and since the beginning of 2010 we are established in Poland through the acquisition of Hydroprojekt Kraków, a first step in our ongoing expansion in the country. In Norway we have strengthened our market position in most of our service segments, while Sweden is showing growth in the infrastructure area.

In the past year we launched a number of group-wide projects with a focus on employee development, such as an introductory programme for new employees and a uniform standard for our Sweco Academy training programme. And for the first time we conducted the Sweco Barometer, our employee survey that serves as an analysis tool to ensure continued positive development.

In a consulting engineering company, knowledge means competitiveness. At Sweco we acquire and share knowledge in different ways, partly through our systems but also through the way we work. In the past year we carried out a number of Sweco Excellence Meetings, a forum in which the company's specialists in a certain area get together and join forces to develop their business. In 2009 we also introduced Sweco Share – internal communities where employees can exchange knowledge and information in specific areas of expertise.

Efforts to strengthen Sweco's brand are continuing. The creation of a communication platform has been followed by a profile campaign, which we will see more of in 2010.

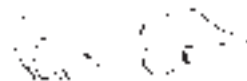
And what does the future hold? There are many signs that we are moving into a global recovery phase. The financial indicators are pointing in the right direction, the economy has stabilised and the majority of our markets predict growth of two to three per cent in 2010. Our markets in the infrastructure, energy, water and environmental areas will remain strong, together with the markets for project management and geographical IT. The building-related service segments weathered the recession relatively well in 2009 and we do not expect any further downturn in the year ahead. The outlook is less favourable for our industrial units, but with large regional differences. Operations in Finland face a challenging year in 2010 while the order situation in Sweden and Norway is significantly more encouraging.

Although the market scenario is brighter than before, there is reason to expect a slow recovery. Government finances in imbalance, reduced stimulus measures, rising interest rates and a risk for falling asset prices are all inhibiting factors.

The future contains both threats and opportunities, but Sweco is well prepared to find and create new business regardless of the market situation.

We look forward to an eventful 2010.

Stockholm, February 2010



Mats Wäppling
President and CEO



Market and trends

An industry in transition

Several powerful factors are fuelling demand for consulting engineering services. But at the same time, the industry is exposed to rising expectations from both clients and employees. The ability to offer total solutions and international presence are increasingly decisive in the choice of consultant. The opportunities for continuous professional development and a stimulating working environment weigh heavily when the top talents choose their employer. High requirements from clients and employees are two forces that are driving consolidation in the industry.

Structural factors behind growth in demand

2009 was marked by weaker demand in certain parts of Sweco's offering, particularly industrial and building-related services. However, stable development was noted throughout the year in the environmental, energy and infrastructure areas. At the same time that the demand scenario has generally stabilised, short-term market development remained difficult to assess at the end of 2009.

In a mid- and long-term perspective, growth in demand for Sweco's services will be driven by several structural factors: accelerating urbanisation, rising infrastructure investments and measures to reduce environmental impact. In many cases these involve services that fundamentally contribute to sustainable development, such as environmental impact assessments, energy optimisation, renewable energy solutions, more efficient traffic solutions, water supply, wastewater treatment and soil and site remediation.

Rapid urbanisation calls for sustainable solutions

Today, half of the world's population lives in cities. Urbanisation is a trend that will accelerate until 2030, when two thirds of all people on Earth are expected to live in urban environments. According to the UN, the share of EU residents that live in cities will increase from 72 per cent in 2007 to 84 per cent in 2050. The rapid emergence of new communities and development of existing cities are stimulating global demand for consulting services in urban planning and integrated solutions for infrastructure, housing, energy, waste management and transports.

Urgent need for infrastructure investments

In Central and Eastern Europe, like in Russia, the basic infrastructure has been neglected in many areas and there is a large need for investment in terms of both building new infrastructure and modernising existing infrastructure such as roads, railways, harbours, water and wastewater networks and power supply systems. A significant share of the power generation capacity in many European countries is outdated and must be replaced within the next few years.

Climate change is also necessitating major investments in transformation of the basic power supply infrastructure. In order to reduce emissions of greenhouse gases to sustainable levels, radical restructuring of the global power generation system is imperative alongside energy efficiency measures to minimise total energy consumption. A changed power generation mix with a higher share of renewables will also demand ambitious investments in adaptation of the power distribution systems.


In many countries there is a pressing need to build transport systems that increase traffic safety and accessibility while at the same time reducing environmental impact. The goal is to offer people and businesses an infrastructure that is socioeconomically efficient and sustainable. In June 2009 the European Commission published its report "A sustainable future for transport – Towards an integrated, technology-led and user-friendly system", which among other things states that investments of around EUR 400 billion are necessary to build a trans-European transport network (TEN-T). Around a third of this sum has already been invested, which according to the EC has made a significant contribution to linking together the markets and people of the EU.

Higher demands from clients and employees

Client demand for tangible added value is rising. Access to the top expertise in every discipline is a fundamental requirement and the ability to deliver full-service solutions is growing markedly in importance. And while the majority of consulting engineering projects are local in nature and focused on individual disciplines, the clients increasingly prefer to work with engineering consultancies that have the resources to handle projects across technical disciplines and an established presence in several countries. These factors are also vital for the ability to attract, develop and retain the best employees, who in turn have high expectations for professional development and rewarding work duties.

Consolidation and professionalisation of the industry

Higher requirements from both clients and employees are benefiting large multinational, multidisciplinary consulting organisations with the capacity to lead complex projects spanning across multiple disciplines. Consolidation in the consulting engineering industry has been underway for many years, driven largely by changing client requirements. A number of multinational corporate groups have been formed and the major players in Sweco's markets include companies like WSP, Grontmij, Pöyry, Rambøll, COWI, Norconsult and ÅF. However, the industry structure remains highly fragmented at the national, European and global level and so far no engineering consultancy has secured a clear global or European leadership position with a strong presence in several key countries. The degree of consolidation in the consulting engineering industry is still significantly lower than in other professional service sectors, such as IT and accounting. The consolidation process will most likely pick up speed in the next few years, with the emergence of several strong pan-European consulting companies.



Climate change – one of the greatest challenges of our time

There is widespread consensus among scientists that human activities are the primary cause of global warming. Since the dawn of industrialisation, anthropogenic emissions have dramatically increased the concentration of greenhouse gases in the atmosphere. The rising trend has continued and the rate has accelerated in recent years. Scientists predict that if nothing is done to avert the problem, the temperature on Earth will rise quickly and with very serious consequences. Addressing the climate threat is therefore one of the greatest challenges of our time. According to the UN's Intergovernmental Panel on Climate Change, IPCC, global warming must be limited to two degrees Celcius compared to pre-industrial levels in order to avoid the most catastrophic effects. This will demand far-reaching changes, not least with regard to use and production of energy.

Research initiatives to develop whole new energy sources can pay off in the long term, but the rising emissions trend must be stopped as quickly as possible to stabilise the concentration of greenhouse gases in the atmosphere. With existing technology, a great deal can be achieved in energy efficiency optimisation, non-fossil energy production and adaptation of infrastructure. Sweco is in a unique position to contribute in all of these areas. The market potential is considerable. In the energy efficiency area, Sweco provides services for energy performance certification of buildings, development of passive buildings and optimisation of industrial processes. When it comes to power generation, Sweco conducts major projects for renewable energy, transmission and distribution. One important aim in the infrastructure area is to expand eco-friendly transport infrastructure, not least railways. Sweco also works with adaptation of infrastructure and buildings to a warmer climate, such as reinforcement of reservoir dams or building of protective levees around cities.

Vision, mission and strategies

Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture

VISION

To become Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture.

MISSION

To actively contribute to sustainable development of society.

BUSINESS MODEL

Sweco's business model is based on simplicity and client focus, where the idea is that it should be easy for clients to do business with Sweco. The Group therefore has a decentralised and client-driven organisation. The individual consultants form the hub of operations, and it is their work and attitudes that transform the company's aggregate knowledge, experience and creativity into tangible benefit for the clients.

PROFITABILITY TARGET

Sweco's target is an operating margin of at least 12 per cent.

STRATEGIES

GROWTH

Sweco will consolidate its position as the leader in the Nordic market, strengthen its positions in the emerging markets of Central and Eastern Europe and explore the opportunities for expansion in the nearby markets of Western Europe. The focus is on long-term growth segments such as energy, infrastructure, water and environment. This growth will take place both organically and through acquisitions. All growth will be accompanied by strict profitability requirements.

EMPLOYEES

Sweco aims to be the most attractive workplace for consulting engineers and architects, with ample opportunities for professional and personal development in an international environment. Both recent graduates and experienced consultants are recruited by communicating the Group's corporate culture and potential in a consistent manner in all countries. Sweco works actively and systematically to increase the professional expertise and performance of all employees. Our competitiveness is enhanced by strong and clear leadership. Leadership development at Sweco is based on the Sweco Leadership Compass, a framework that unites leadership, business success, employee development and client delivery. Sweco's management succession is ensured through Next Generation, an ongoing process and programme aimed at developing good managers.

KNOWLEDGE

Sweco is characterised by a corporate culture of curiosity in which knowledge-sharing and teamwork between the Group's employees are a natural aspect of all dealings with clients. Our employees actively network throughout the organisation to seek new insights and effectively utilise existing knowledge. Development of employees and managers takes place above all through challenging assignments and structured programmes. Sweco has effective group-wide business systems that support the decentralised business model and facilitate cooperation within the Group. The business system sweco@work ensures optimal performance of assignments and results in high client benefit. sweco@work is used in all parts of the assignment process.

CORPORATE CULTURE AND BRAND

Sweco uses a uniform brand in all markets where the company is active to ensure that the clients and other stakeholders have clear idea of what Sweco does and what we stand for. The brand should express the company's core values of curiosity, commitment and responsibility. Curiosity drives development, creates new knowledge and contributes to better solutions. Commitment creates a foundation for greater work satisfaction, higher quality, deeper relationships and new contact interfaces. Responsibility ensures security for our clients.

Sweco establishes presence in Poland

As part of the strategy to strengthen its positions in the growth markets of Central and Eastern Europe, Sweco has acquired the Polish water and environmental consultancy Hydroprojekt Kraków. The acquisition is the first step in Sweco's establishment in Poland.

Hydroprojekt Kraków has close to 60 years of experience in providing qualified consulting engineering services for hydraulic engineering and water resource management.

Hydroprojekt Kraków recently designed a kayak slalom racing venue in Krakow that meets Olympic requirements for both training and competition. It was named Poland's best construction project of 2009 in the sports and recreation category.



ACTIVITIES IN 2009

- Integration of acquisitions, above all in Norway and in Central and Eastern Europe.
- Acquisition of EME Analys, Sweden's leading niche provider of electricity market analysis services, and a number of smaller acquisitions in Sweden and Norway.
- Growth strategy widened to include acquisitions in the nearby markets of Western Europe.
- Recruitment of qualified infrastructure and energy specialists in Sweden and Norway.
- Implementation of a uniform standard for introduction of new employees.
- New group-wide model for performance reviews, Sweco Talk, developed and introduced.
- Employee survey conducted through Sweco Barometer.
- Implementation of Sweco Leadership Compass in order to develop and strengthen Sweco's leadership.
- Implementation of Sweco Excellence Meetings – global networks with a focus on business development.
- Development and implementation of Sweco Share, internal communities where all employees can exchange experiences in various speciality areas.
- Ongoing implementation of Sweco's group-wide business system, sweco@work, in Central and Eastern Europe.
- Uniform standard for the Sweco Academy training programme developed.
- Internal implementation of the brand promise sustainable engineering and design.
- Sweco's sustainability training course carried out in Central and Eastern Europe.
- New platform for external communication of the brand promise developed and implemented.
- External brand-building activities carried out in Norway and Sweden.

Sustainable engineering and design

Working together for sustainable development of society

The need for sustainable solutions in areas like infrastructure and energy systems is growing dramatically around the world. Creative, sustainable solutions call for a holistic approach and multidisciplinary working methods. At Sweco, we call it sustainable engineering and design.

At Sweco, the focus on sustainability is nothing new. For many years our consultants have been providing strategic advice and project management services related to emissions reduction, energy efficiency, water supply, waste management, traffic planning and adaptation of infrastructure, industries and buildings.

Creative, sustainable solutions often demand a broad holistic and multidisciplinary approach. The engineers, architects and environmental experts at Sweco are therefore working closely to deliver total solutions that contribute to a safer, more environmentally sound and growing society.

For the clients, Sweco's combined expertise and knowledge also result in efficient, well coordinated projects with good economy and

high quality every step of the way. This integrated approach is gaining importance as the assignments grow more complex and increasingly span across several different service segments.

Read more about Sweco's service segments on the following pages:

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Sustainable cities and communities require well coordinated solutions for infrastructure, housing, energy, water supply, waste management and transports. With the ability to integrate knowledge from multiple disciplines, Sweco's organisation is uniquely positioned to meet these challenges.

Sustainable buildings

Optimal buildings combine functionality with aesthetics, space efficiency with comfort and urban development with ecological sustainability. Sweco's philosophy is that buildings should be sustainable from an environmental, economic and social standpoint.

Public transport

Well designed public transport solutions satisfy individual travel needs in an efficient and economical manner while at the same time contributing to a sustainable transport system through better traffic safety, lower congestion and reduced environmental impact.

Sweco creating sustainable cities

In 2002 Sweco was commissioned by the Swedish Government and the Swedish Trade Council to design a holistic concept for sustainable cities. The aim was to develop an idea for economically, socially and ecologically sustainable urban development. One central component of this approach is a method to carry out sustainability reviews in which decision-makers, experts and the public join forces to identify key conditions and goals, and to formulate an overall strategy. Each project is unique, but all are united by a closed cycle approach that minimises resource consumption and maximises recovery and recycling. Sweco's model is based on spatial, ecological, economic and social sustainability, where valuable synergies can be realised by linking together different resource flows. The concept has been further developed and applied around the world, for example in Sweden, China, Russia, Ireland, Canada and South Africa. This methodology has become a natural part of Sweco's urban planning assignments and now also serves as a platform for the highly publicised SymbioCity, which is being launched by the Swedish Government and the Swedish Trade Council with great success.



Southeast of Beijing, China, the Caofeidian eco-city is taking shape. The ambition is for this new metropolis to be one of China's most eco-friendly cities. Planners, architects and consulting engineers from Sweco have taken part in preparation of the city plan.



Renewable energy

A reliable, cost-effective and environmentally sustainable energy supply is becoming an increasingly important aspect of urban planning. Greater use of renewable energy sources contributes to lower emissions of greenhouse gases and is an essential part of the solution to the climate problem.

Waste management, district heating and biogas

Eco-friendly and efficient routines for waste management are critical in maintaining a well functioning society and human well-being. Sustainable solutions rely on an integrated approach that covers the entire process for minimisation and pre-sorting of waste to sustainable final treatment with energy and material recovery.

Water and wastewater

Water resources are conserved through eco-friendly and efficient solutions for water and wastewater treatment, as well as drainage, collection and transport of drinking water, wastewater and rain water.

District cooling

Systems for district cooling contribute to valuable energy savings. Cold water can be stored during that part of the day when the need for cooling is lowest. District cooling can then be quickly delivered when demand increases.

Water & Environment

Sweco's Water & Environment services are focused on efficient, long-term resource utilisation. As one of Europe's leading service providers in this area, Sweco is well prepared for the environmental challenges of the future.

Access to drinking water and solutions for wastewater management are critical for a well functioning society. Sweco creates eco-friendly and efficient solutions for water and wastewater treatment, organic waste and sludge. Core operations in Water & Environment include water and wastewater treatment plants, biogas facilities and industrial water treatment plants. In connection with construction and infrastructure projects, Sweco studies how water conditions are affected and performs environmental impact assessments (EIA).

Sweco also seeks methods to transform waste into new raw materials and to handle that which can or should be recycled in an eco-friendly manner. Sweco also develops solutions that contribute to reducing the volume of waste that arises in various processes.

Industries, transports and various products have a continuous impact on the natural environment. Sweco's environmental consultants study contaminated sites and recommend solutions that are optimal from both an environmental and resource standpoint.

In addition, Sweco has in-depth expertise in building systems for environmental, quality and occupational health and safety management in which standards, legal requirements and client needs must be balanced.



Water supply in Amman

Jordan is currently struggling with a severe water shortage. Sweco has been commissioned for project management in the construction of a new water supply system that will improve access to drinking water in the country's capital city of Amman. Groundwater will be pumped from an aquifer and transported via a 350 km pipeline to the capital city. The contract runs for four years and when the system is finished it will supply Amman's 2.5 million residents with close to half of their water requirement.

Decontamination and demolition of reactor building in Ignalina

Sweco has taken part in the shutdown of the Ignalina nuclear power plant in Lithuania. The aim of the assignment was to draft a plan for decommissioning of the reactor building. The open structure houses more than 4,600 cubic meters of complex equipment such as containers, pipes, pumps and cables. Sweco has prepared the basic plan for dismantling and decontamination and an environmental impact assessment for the project.





Renovation of water treatment plant in the Czech Republic

The water treatment plant in Pilsen, Czech Republic, supplies the city's industries and 200,000 residents with water. The raw water, which is drawn directly from the Uhlava River, varies widely in quality and can among other things contain high levels of manganese and ammonium and trace amounts of pesticides. The treatment facilities from the 1950s and 1980s will now be modernised to secure the future water supply. Sweco's tasks include rebuilding of the systems for floccing, sedimentation, sand filtration and chemical handling as well as the accumulators and pump stations.

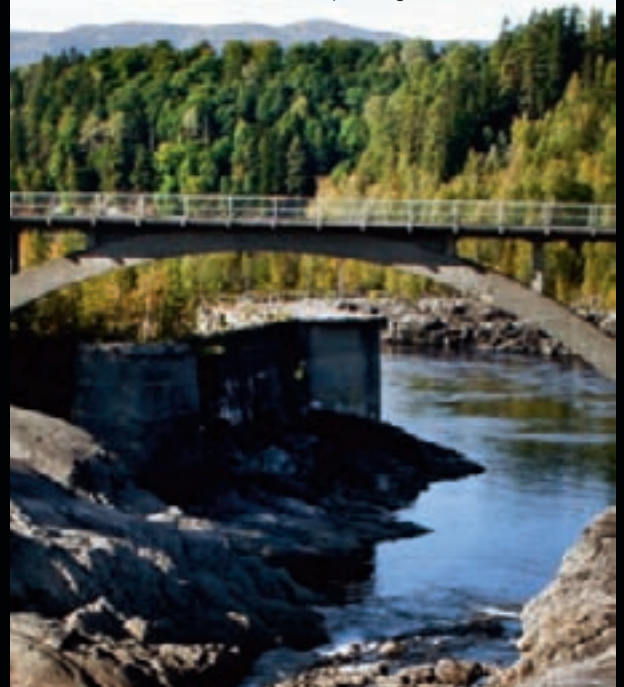


Higher capacity and cleaner technology at the Petrozavodsk water treatment plant

Sweco is leading a large-scale renovation of the water treatment plant in Petrozavodsk, Russia. At the same time that capacity is being raised to meet an increased need for drinking water, the water treatment process is being upgraded to improve the quality and reduce environmental impact.

Environmental consideration central in Norwegian power plant project

Norway's Drammensälven river is the planned site of a new hydro-power plant that will replace the existing facility. With its far-reaching experience in the water and environmental area, Sweco has contributed to defining economically and ecologically sustainable solutions, not least for preservation of the rich stock of fish in the fjord. Sweco is total supplier in the project and has been responsible for technical, economic and environmental planning.



Infrastructure

In today's urbanised society, the need for well planned infrastructure is greater than ever and investments in this area are increasing worldwide. Sweco offers qualified solutions aimed at creating a society in ecological balance, where traffic flows smoothly and infrastructure and public works contribute to greater ease and higher quality of life. The comprehensive range of services includes engineering and design of roads, railways, bridges, tunnels, dams, harbours and power stations.

Sweco's infrastructure consultants work with land use planning in residential and industrial areas, which includes engineering and design of streets, water/wastewater systems and the external environment.

In the public transport area, Sweco has knowhow in planning and design of all system components – pedestrian paths, stations, tracks, stops, transport networks, transport interchanges, terminals and travel centres.

In rock and civil engineering projects, Sweco works with engineering and design of road and railway tunnels and other underground structures. The assignments in hydraulic engineering include mine and hydropower dams, hydroelectric plants and underwater constructions.

Sweco is also active in engineering and design of different types of bridges from the early planning stages to realisation. Planning of harbours and shipping fairways, as well as engineering and design of port structures is another area of expertise.

When it comes to railway projects, Sweco has expertise in planning and design of track, electrical, signal and telecom systems, as well as other related areas such as geotechnical and rock engineering, traffic planning and landscape architecture. Sweco also performs risk and environmental analyses for road and rail projects as well as systems for road traffic management and road information in order to make traffic safer and more efficient.



Stockholm Bypass – Sweden's largest road project

The Stockholm Bypass is one of Sweden's largest infrastructure projects of all time. The new section of the E4 motorway will link together the southern and northern ends of Stockholm County from Kungens Kurva to Häggvik. The solution includes a six-lane motorway in which 17 of 21 km will pass through tunnels. The assignment is being carried out by a consortium consisting of Sweco, WSP and Tyréns. Consultants from several of Sweco's service segments are working closely together to create a solution. Sweco's tasks include assignment management, road design, traffic analysis, water and wastewater planning, environmental impact assessments, ventilation in tunnels, data coordination and architecture. The assignment is scheduled for completion at the end of 2010.

Function, aesthetics and technology united in the Holtet station area

Sweco has developed a master plan for the Holtet station area in Oslo in collaboration with Axel Kristoffersen Arkitekter. The goal was to create a basis for residential and commercial development with good connections to public transport. One top priority was to unite the functional, aesthetic and technical aspects in an ingenious and sustainable total solution. To achieve this, a multidisciplinary team worked closely together throughout the project. The result was a traffic solution that gives the areas twice the previous park area, without having to reduce the amount of space for construction of new housing and businesses.





Rebirth for Freedom Square in Tallinn

Freedom Square (also known as Vabaduse Square), is located in the heart of Tallinn's Old Town district. In 2007–2009 the area underwent a total refurbishment that created a car-free zone with new walking streets and green areas. The square is often used for cultural events, student festivals and national holidays. Sweco's consultants were responsible for design and detail planning of the entire rebuilding project.



Development of the E6 motorway in Norway

The E6 motorway north of Oslo is being upgraded through two large-scale projects. Among other things, the 13 km section between Øyer and Tretten has been equipped with a median barrier to prevent head-on collisions. Sweco has been responsible for preparation of the construction plan and tender documents, and for planning of a four km tunnel. Along Lake Mjøsa, Sweco is involved in detail and master planning for the five km section between Kleverud and Labbdalen.

Dam structure in Kiruna

Sweco has been selected to develop a technical solution for a new dam on an industrial site for LKAB's mining operations in Kiruna. A unique dam structure, the first of its kind in Sweden, will be placed within an existing dam system that will remain in full operation throughout the construction phase. As a consequence of the local mining operations, Kiruna's urban landscape is undergoing major changes such as the building of a new railway bypass around the city centre. The aim of the dam structure is to make room for the railway and screen off industrial activities from the railway area.

Sweco's assignment includes preparation of tender documents for procurement of contractors and building documents for the construction phase.



Energy

Efficient energy usage is crucial for a sustainable society. The need for restructuring is extensive and the potential for efficiency gains is vast. Sweco is at the cutting edge in developing solutions that limit climate impact. The company's expertise in energy-related services covers all stages of the energy supply chain – from production to distribution and end use. The goal is to help the clients develop a safe, cost-effective and environmentally sustainable energy supply.

A high proportion of Sweco's projects in the energy area are aimed at upgrading and optimising electricity generation resources

on behalf of power companies. Sweco is deeply committed to the expansion of renewable energy production and offers total solutions throughout the process that satisfy society's need for electric power and meet the applicable safety requirements.

The systems for transmission and distribution of electricity are undergoing continuous development and differ between electricity markets. A large share of Sweco's work in this area is focused on satisfying the need for increased transmission capacity. Higher capacity and smart grids are essential in ensuring security of supply and optimal utilisation of production resources.



Lithuania connecting to the European grid

Construction of Lithuania's largest power transmission line has started. The transmission line will go between the Lithuanian city of Alytus and the Polish border, creating an interconnection to the European grid and facilitating the exchange of power between Lithuania and other EU member states. The new line will be a critical step towards Lithuania's goal to increase its energy independence. Sweco's consultants are responsible for both environmental impact assessments and a plan for construction of the new transmission line.



Photo: Agder Energi/Anders Mathiesen

Higher capacity in Norwegian hydropower plant

The Iveland hydropower plant just north of Kristiansand, Norway, has produced electricity since 1949 and will now be enlarged to supply electricity to an additional 7,500 households. The project will increase generation capacity in the region by 150 GWh. Sweco's consultants are the leaders in Norway when it comes to hydropower projects and are responsible for preparing a feasibility study and technical documentation for the new facility. The expansion is an important part of Agder Energi's plans to build 600 GWh of new hydroelectric capacity in the counties of Agder and Telemark by 2015.

Projects for expansion of wind power

Sweco is involved in the expansion of wind power throughout Sweden and has been commissioned for new assignments in the provinces of Blekinge and Östergötland. Blekinge Offshore is planning Sweden's largest offshore wind farm – a venture that is expected to produce an electrical output comparable to a nuclear power plant. Sweco has also been chosen by Vattenfall, which is investigating the potential to build a wind farm outside Valdemarsvik. Sweco's specialists are supporting the developers throughout the process, for example with permitting matters and analysis of the consequences for the environment and infrastructure.



Building service systems

Sweco's building service systems consultants offer solutions for buildings and facilities that meet today's high demands on energy performance. The wide service offering ranges from advice and planning to control and monitoring of HVAC and sanitation, electrical, telecom, fire protection and building automation systems.

Clients can get a clear picture of the final results through visualisation of the buildings, service systems and interiors and through technical analyses. Different alternatives are easily tested in a 3D model where the consequences of changes are clearly illustrated.

Homes and workplaces account for nearly half of society's total energy consumption. Many of Sweco's assignments are aimed at optimising the functional performance and minimising the energy usage of existing buildings. For Sweco, environmental and energy issues go hand-in-hand. Integrated systems and new technical solutions lead to a good indoor climate, low energy usage and functional buildings. Sweco has special expertise in designing and implementing energy analyses, electrical analyses and energy optimisations that help the clients to reduce their energy consumption.



Sustainable solutions in passive buildings

For Svenska Bostäder north of Stockholm, Sweco is planning a passive building with 36 apartments that are adapted to create the best possible conditions for energy optimisation, among other things through solar shading, maximum use of natural daylight, mechanical fresh and exhaust air with heat recovery, an air-tight climate envelope and increased thermal insulation. The building will have an energy usage of around 45 kWh per square metre and year, which is a reduction by half compared to the National Board of Housing, Building and Planning's requirements. In the project, Sweco's consultants are also focusing on other aspects of sustainability such as management of storm water, grey water and waste.

New major dairy in Norway

Tine Mejerier is Norway's largest producer of milk and dairy products. Construction has now started on a new dairy south of Stavanger that will replace four existing dairies when it is completed at the end of 2011. The dairy will handle and process one million litres of milk daily. Sweco has taken part in planning and design of water, wastewater, HVAC and sanitation systems in the new facility, with an area of approximately 35,000 square meters, and has also been commissioned for preparation of work drawings. The dairy will produce a large volume of surplus heat that can be utilised to heat Norway's largest greenhouse, which was recently built on an adjacent site. In the course of a year, the dairy is expected to provide the greenhouse with around 25,000,000 kWh of district heating.



Architecture

Sweco's architects create value for their clients by designing buildings and environments of the highest class. Sweco's architectural offering is among Europe's largest and most comprehensive. The architects combine functionality with aesthetics, space efficiency with comfort and urban development with ecological sustainability. The company's services range from architecture, interior design, landscape architecture and urban planning to advanced visualisation, sustainable development and strategic analysis. This comprehensive expertise facilitates inter-disciplinary coordination and is an essential for success in large and complex assignments.

Housing projects are a significant part of Sweco's architectural operations and the ambition is to continuously improve our knowledge and create better and more beautiful living environments. From a sustainability perspective, it is particularly important to

work with a holistic approach in everything from general planning of entire communities to the design of individual homes.

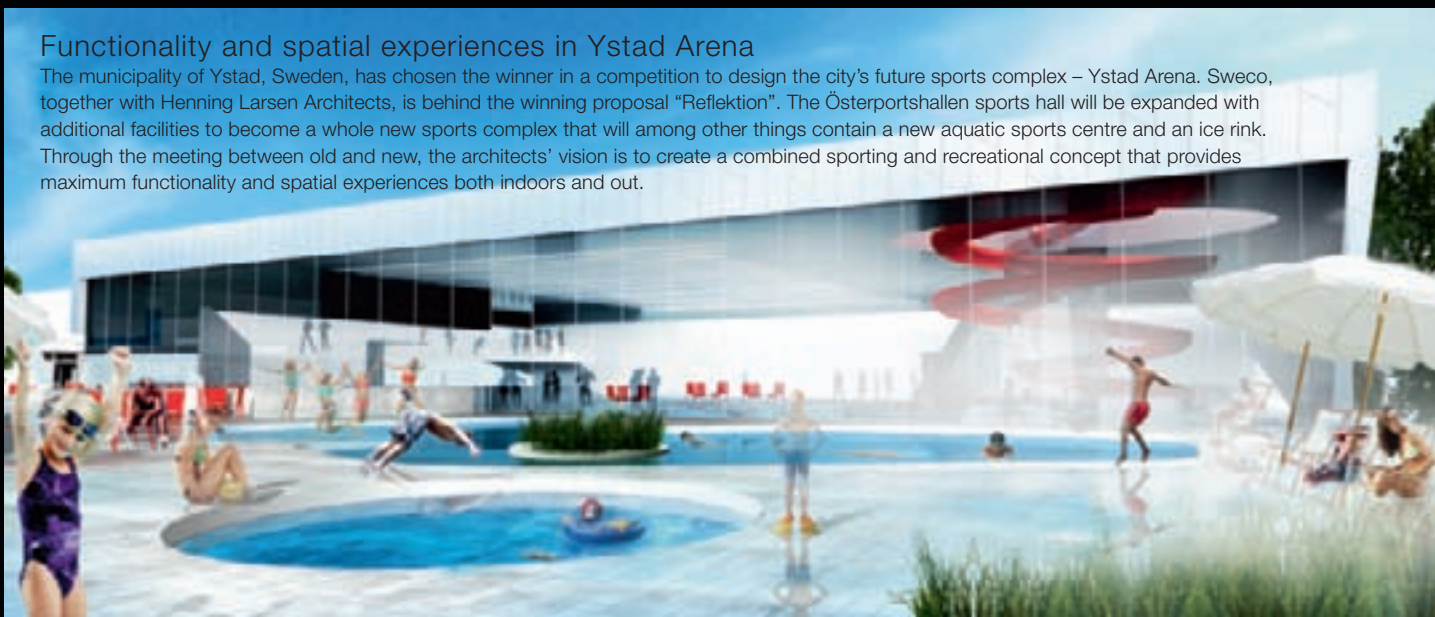
Sweco's architects and engineers also design buildings and facilities for various industrial purposes to meet high technical standards, such as production of pharmaceuticals. In addition, Sweco's architects conduct extensive activities in the healthcare area.

Sweco's landscape architects study and plan everything from urban districts and city blocks to individual streets, parks and plazas. Infrastructure is another key area. Sweco's architects work with planning of traffic and infrastructure and with the aesthetic design of structures like buildings, roads, bridges and lighting.

Sweco's urban planners play a central role in analysing future development of society. One good example is Sustainable City, where Sweco has developed a holistic concept for sustainable urban development that is now being spread around the world.

Functionality and spatial experiences in Ystad Arena

The municipality of Ystad, Sweden, has chosen the winner in a competition to design the city's future sports complex – Ystad Arena. Sweco, together with Henning Larsen Architects, is behind the winning proposal "Reflektion". The Österportshallen sports hall will be expanded with additional facilities to become a whole new sports complex that will among other things contain a new aquatic sports centre and an ice rink. Through the meeting between old and new, the architects' vision is to create a combined sporting and recreational concept that provides maximum functionality and spatial experiences both indoors and out.



New housing in a spectacular location

In 2009 Sweco was awarded a contract to create a housing complex on Kvarnholmen in the municipality of Nacka, including a signature building worthy of its location at the maritime entrance to Stockholm. Kvarnholmen is a place of unique industrial and cultural-historical value and is part of a larger area that has been classified as a national cultural and historical site, including the shipping fairway, coastline and archipelago. Among other things, Kvarnholmen's old silo structures from 1926 will be partly replaced with new residential buildings. Far-reaching consideration is being given to the cultural-historical values.





Swedish pavilion built to inspire innovation

Sweco's architects have designed the Swedish pavilion for the 2010 World Expo. Based on the Swedish theme "Spirit of Innovation", the pavilion shows how the city and nature inspire innovation and the creation of new solutions for sustainable development. The pavilion features an innovative design, among other things through a wood structure that provides the visitors with shade. On the interior walls, Mattias Klum's spectacular nature photographs are shown on an area as large as half a football pitch.

The theme of the 2010 World Expo in Shanghai is "Better City, Better Life". The expo will be held between 1 May and 31 October 2010 and is expected to attract close to 70 million visitors.



Hotel pearl to attract tourists to Turkmenistan

Sweco's architects have designed a hotel proposal that shows how luxury and environmental consideration can go hand-in-hand. The proposal is for a seven-star, ecological hotel on the coast of the Caspian Sea, where the goal is to create a landmark and attract more foreign tourists to Turkmenistan. Caspian Pearl has been designed as a large, shimmering pearl of marble and contains twelve floors with an equal number of spacious double-occupancy rooms on each. All rooms have their own balcony with an ocean view. The building is planned to be climate-neutral, among other things with systems for recovery and treatment of water.

Structural engineering

In reality, structural engineering is all about security. Buildings should be made to maintain their quality for more than 100 years, and should be safe to live and work in. Sweco's structural engineers dimension and plan buildings such as industries, homes, businesses, schools, hospitals and sporting facilities. With its long and in-depth experience, Sweco is able to act as a valuable partner in the early stages of a project and support the client in critical decisions.

The base industries are a significant area of activity for Sweco's structural engineers. The three largest client segments are the forestry, steel and mining industries. The industrial assignments often cover the entire process from feasibility study to construction documents.

Sweco has developed effective methods to coordinate structural engineering in terms of the process, equipment and installations. The models are coordinated in 3D already in the early stages of the planning and design process. The final model then functions as a fabrication drawing for building production.

In building construction, Sweco plans everything from homes, offices and shopping centres to sporting facilities, schools and hospitals. Sweco also has expertise in the structure of older buildings and has performed many technically advanced conversions in these properties. Sweco's structural engineers are the Swedish market-leaders in planning and design of steel structures in everything from large-scale industrial facilities to private homes.

Ecocycle thinking in the Norwegian pavilion

Sweco, in association with Helen & Hard Arkitektkontor and Melvær&Lien Idé-entreprenør, has designed Norway's contribution to the 2010 World Expo in Shanghai. The 2,000 square meter pavilion has sustainability and recycling as its central themes and will contain spaces for different activities and experiences. The pavilion consists of 15 large "trees" of Norwegian glue laminated timber and its ceiling is made up of a transparent membrane construction. The pavilion is permeated by eco-cycle thinking in terms of the choice of both materials and energy solutions. Rainwater from the roof will be collected, purified and offered as drinking water in the exhibition area. After the expo, the trees can be dismantled and used as park installations.



Head office with a focus on sustainability

Sweco in Bulgaria has been chosen to design a new head office for National Electric Company in Sofia. The hypermodern office complex with an area of close to 50,000 square metres will be built in direct connection with an older hydropower plant. Sweco is responsible for everything from the external and internal architecture to landscape architecture, interior design and planning of electrical, HVAC and sanitation systems. The emphasis is on a functional and sustainable working environment and on solutions for energy efficiency, such as utilisation of solar panels to cover energy needs during the daylight hours.

Development and modernisation of Stockholm Central Station

Rail travel is on the rise and Stockholm Central Station is the hub of the Swedish railway network. Built in the late 1800s, most of the station is underpinned by the original wooden poles and parts of the building have subsidence problems that must be corrected. Sweco has been chosen to plan a large-scale foundation reinforcement, a technically advanced project where one critical challenge is to minimise disruptions for the passengers and existing operations. At the same time, the Central Station will be transformed into a modern and functional travel centre and Sweco has also been given responsibility for structural engineering in this project, which will be carried out in stages through the end of 2012.



Industry

Sweco offers customised total solutions for all types of technical investments in the industrial sector, where the goal is to enhance our clients' competitiveness by optimising, developing and quality assuring their production. A close dialogue with the clients and an in-depth knowledge about and understanding of their business are key success factors. Sweco's engineers take part in investment projects in the process, energy production, mining, manufacturing and offshore industries.

Sweco also conducts integrated product development projects with a focus on increasing the total quality of a product in terms of its production, attractiveness and usefulness. These projects are aimed at developing target group-adapted solutions for industries active in manufacturing of investment goods and consumer goods. Sweco offers a wide range of capabilities in the product development area, from research to product launches or individual services.

Through professional project management, Sweco contributes to handling the high degree of complexity that typifies the investment process. Clients are offered effective methods to plan and implement projects and access to experienced project managers and leaders with long experience of both international and national projects.



Increased production capacity for chemicals company

Sweco has a complete offering of services in EPCM contracting (Engineering, Procurement and Construction Management), which includes responsibility for all of the services necessary to complete a project. In 2009 Sweco carried out two EPCM projects for Yara Finland, a producer of agricultural chemicals and synthetic fertiliser, among other things to increase production capacity at the company's plant in Siilijärvi and logistics unit in Uusikaupunki. Within the framework of these projects, Sweco has provided project management, procurement and consulting engineering services, as well as on-site supervision of the projects.



Expansion of Perstorp's plant in Warrington

Sweco is collaborating with Perstorp UK in connection with the expansion of Perstorp's Caprolactone plant in Warrington, England. In the project, which is an EPCM delivery (Engineering, Procurement and Construction Management), Sweco has been teamed with a local partner, Addison Project Plc. Consultants from Sweco's industry and structural engineering segments have collaborated in the project, which was started in the summer of 2008. Sweco's tasks include laser scanning, layout design and detail planning of steel, equipment and pipes, while Addison is responsible for purchasing and assembly management for the entire plant. The project is scheduled for completion at the end of 2011.



Cost-effective and eco-friendly heating in Finnish city of Kerava

The city of Kerava in southern Finland is growing and its existing capacity for production of district heating is limited. Sweco has been awarded a contract to plan and design the city's new combined heat and power plant and will also supervise the construction and commissioning stages. The new 80 MW boiler will be fired with biofuels that are procured locally. The combination of electricity and heat production is an efficient way to fully utilise the energy in the fuel. The goal is to produce the district heating, industrial process heat and electricity needed by the city in a more cost-effective and eco-friendly manner than previously.

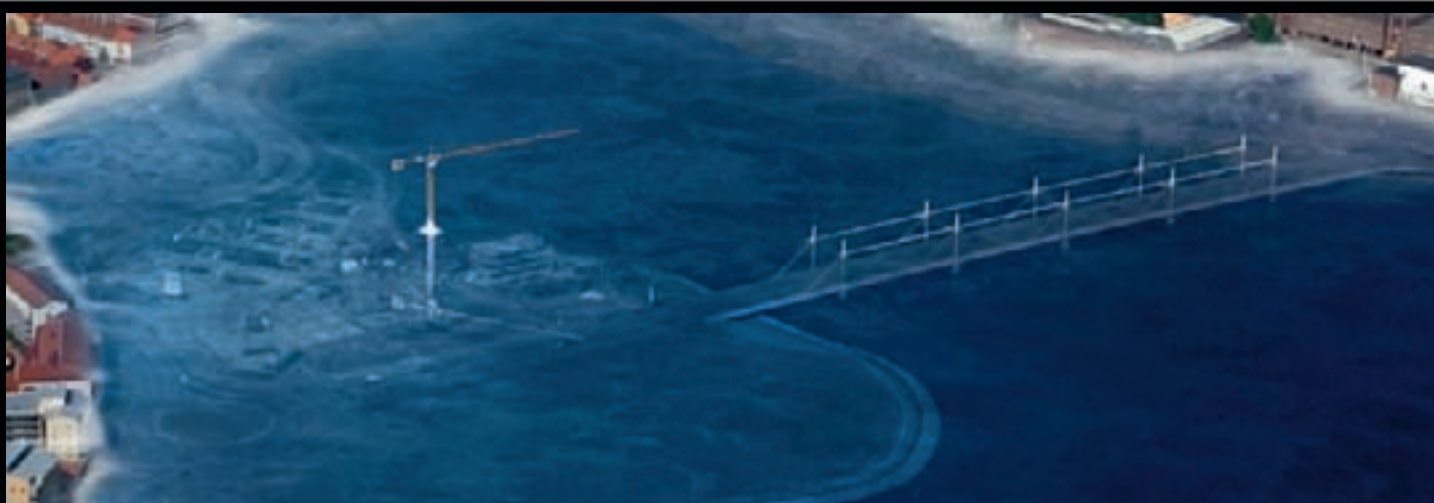
Geographical IT

Geographical IT is used to structure, analyse and present information in a clear and easy-to-grasp manner with the help of maps and geographical positioning. Sweco's service offering includes geographical information systems, so-called GIS services, enterprise portals and mobile information systems.

Sweco is committed to Green IT and has an ambition to deliver business benefits and contribute to sustainable development through geographical IT solutions. The greatest potential lies in reducing impact where it is highest, i.e. in transports and housing/construction. For example, through route optimisation in transport planning, it is possible to significantly reduce emissions and eliminate unnecessary traffic.

The energy industry is a major user of geographical information. Distribution of electricity and other energy types requires the use of large and finely meshed networks for which planning and construction rely on detailed map data. To minimise the environmental effects of production, today there are effective tools for planning and follow-up. Sweco can assist with everything from strategies for geographical IT and testing to procurement and deployment of new technology.

As a supplier-unaffiliated geographical IT consultant, Sweco offers the greatest possible client and business benefits in every assignment, regardless of the underlying technology. Sweco's geographical IT consultants are active primarily in areas such as energy, infrastructure, public environments, forestry and transport.



Climate adaptations in Municipality of Nacka

Climate changes and flooding due to rising sea levels can have catastrophic consequences. The Municipality of Nacka, Sweden, has commissioned Sweco to study the effects on the built environment, water quality and infra-

structure. A model based on laser scanned images of the entire municipality has been central for the project's implementation. Sweco's consultants have modelled three sea level scenarios and have also proposed preventative measures to reduce the risk for future damage.

Swedish Postal Service increases use of geographical IT

The Swedish Postal Service has launched a major initiative to develop its use of geographical IT and has chosen Sweco as its partner in this process. The technology will be used in everything from marketing to production, delivery and follow-up, and the gains are both financial and environmental. Geographical IT is already being used in areas such as route planning, presentation of maps on www.posten.se and generation of post codes. Sweco is supporting the Swedish Postal Service in its efforts to develop, implement and maintain the geographical IT environment.



Project management

Communication and leadership are of central importance in keeping complex projects running smoothly from start to finish. Sweco's project managers offer qualified project management and administration services and lead projects with high demands on effective teamwork and a focus on results.

Sweco's assignments cover a wide spectrum and include everything from serving as project manager, design manager and client representative to construction manager, building service systems coordinator, quality manager and inspector. Sweco's project managers are active in both minor property conversions and large-scale projects for the construction of new schools, offices, hospitals, industries and infrastructure.

Sweco's project managers also offer services for project and

operational development, mainly in the construction and real estate industries. The services include strategic advice, process planning, preparation of decision data, organisational support and supervision of interests.

In Facility Management (FM), Sweco offers services to coordinate and optimise facilities and support functions in the best and most cost-effective manner. The offering covers the entire range from needs analysis to implementation and procurement of property operation and management services.

Regardless of the assignment, Sweco offers powerful tools for document and information management to streamline and structure complex information flows and facilitate project management and administration.



Sweco leading construction of Tetra Pak's new facilities

In the Råbyholm area of southern Lund, Sweden, Tetra Pak is investing in a new office complex and production unit for validation, assembly and shipping of packaging machines. Sweco's project managers have been entrusted with managing the entire project from the very start. Construction is being carried out as a turnkey project in order to minimise the planning and procurement times. Ground was broken in the summer of 2008. Sweco's architects have assisted with interior design of the new facilities, which are scheduled for completion on 1 May 2010.

From offices to homes

Sweco was responsible for project management in connection with the conversion of an office building in downtown Helsinki into exclusive residential units. The property was designed by Finnish architect Valter Jung and was built in 1924. The original details were carefully preserved during the conversion and modernisation process. A new seven-floor residential complex was also built in direct connection with the older building.



Human resources

Students rank Sweco highest in industry

In 2009 Sweco focused on securing employee development and becoming an even more attractive workplace for both students and experienced engineers and architects.

The individual consultants form the hub of Sweco's operations. The organisation is flat, with a business model that is borne up by a strong set of values underpinned by curiosity, commitment and personal responsibility. Our values set the tone for day-to-day activities, which are characterised by a distinctly business-oriented approach in which the individual consultants are allowed to take far-reaching individual responsibility at an early stage of their careers. This picture was confirmed by the employee survey that was carried out by Sweco during 2009 and in which "responsibility" and "business orientation" were identified as the foremost aspects of Sweco's corporate culture.

An attractive workplace

Sweco's goal is to be the most attractive workplace for consulting engineers and architects with ample opportunities for professional and personal development in an international environment. A constant inflow of new well educated and highly motivated employees is vital to maintain Sweco's success and growth. Sweco recruits both graduates and experienced individuals in different areas of expertise and prioritises internal recruitment when new opportunities arise to give our employees scope for development within the company. Sweco is highly active in targeting universities and technical institutes and focuses on communicating what Sweco can offer as an employer. Sweco's high ratings in student surveys and surveys of young professionals are proof of the company's attractiveness. In the

research company Universum's latest survey, Sweco advanced its position and is now ranked by students as the most popular employer in the consulting engineering industry.

Three initiatives to take Sweco to the next level

In recent years Sweco has grown significantly and with good profitability, both organically and through acquisitions. This success is entirely attributable to our employees, who create tangible value for our clients on a daily basis while at the same time contributing to a long-term sustainable society. To take the next step in development and realise our vision – to become Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture – Sweco must be the most attractive workplace for consulting engineers, architects and environmental experts. Our continued success depends on our ability to attract, develop and retain the top talent in these areas.

Sweco's HR activities are strongly focused on continuously improving the day-to-day operations and ensuring a dynamic and sustainable organisation. Three group-wide initiatives provide a platform for this work:

- leadership development through Sweco Leadership Compass and Next Generation,
- globally coordinated training and introduction of new employees,
- tools for performance and development; Sweco Talk and Sweco Barometer.



From Bellona to Sweco

"The chance to work with concrete projects that contribute to the development of a sustainable energy system."

So describes Ane Brunvoll her decision to leave the Norwegian environmental organisation Bellona to take over responsibility for Sweco's renewable energy operations in Norway. She chose Sweco largely due to the company's explicit focus on sustainable development, particularly its increasing initiatives in the climate and energy areas.

At Bellona Ane cooperated on a wide front with the commercial sector, politicians and other decision-makers to create a better framework for the expansion of renewable energy. The knowledge and experience Ane brings with her from Bellona, in terms of both technological development and the political system, will be a major asset in her new role at Sweco.

"My work at Sweco is more practical. At Bellona my task was to improve the fundamental conditions for renewable energy in society. Here at Sweco, I can instead realise concrete projects."

Leadership development through Sweco Leadership Compass and Next Generation

People are the hub of Sweco's business. Ultimately, it is through our employees' expertise, attitudes and day-to-day work that we create value for our clients. As a result, one of Sweco's top priorities is to maximise the professional capacity and performance of all employees. Strong and clearly defined leadership strengthens our competitiveness and creates good opportunities for our employees to take responsibility and develop their expertise. This was the motive behind the creation of Sweco Leadership Compass (the Compass), which is being implemented throughout the organisation in 2009 and 2010.

The Compass draws a clear line between leadership, business success, client deliveries and employee development. It is designed to address the most common daily dilemma facing our leaders, namely to find the right balance between long-term strategic planning and delivery of the services our clients demand today, and between the employees' practical work duties and future needs. At the same time, Sweco's leadership culture is reinforced through more clearly defined expectations, responsibilities and powers for our leaders. The Compass supports not only line managers, but also project managers and specialists.

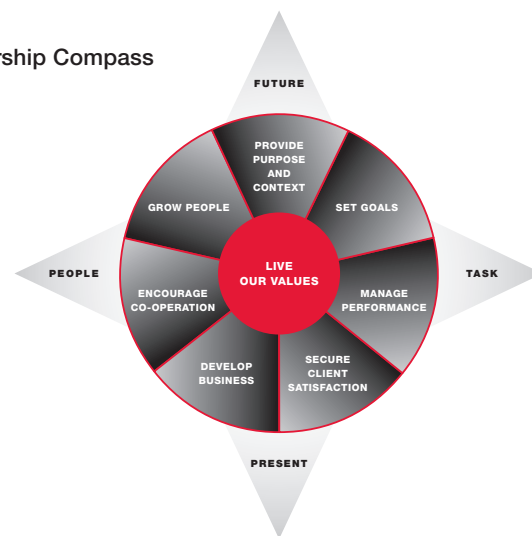
Good management succession is crucial in order to realise Sweco's growth ambitions, and is therefore a highly prioritised area. Through the Next Generation Process, Sweco identifies employees with the potential to take on greater leadership responsibility. This is done in connection with the annual performance reviews (Sweco Talk). Selected participants then take part in Sweco's leadership development course, Next Generation Program.

Globally coordinated training and introduction of new employees

Sweco is a knowledge-intensive company whose business is dependent on the expertise and skills of its employees. In order to promote cooperation and ongoing international growth, it is vital for Sweco to develop uniform training programmes. In 2009 Sweco further enhanced coordination of its training activities. The group-wide introductory programme has now been fully implemented, which means that all new employees complete a two-day introductory course aimed at providing a consistent picture of Sweco's business, brand and corporate culture regardless of where in the Group they work. In addition, all new employees complete a web-base environmental and sustainability training course.

After introduction, all new employees are assigned a mentor and are involved in client projects as quickly as possible. It is primarily through first-hand experience in challenging projects that Sweco's consultants fine-tune their professional skills. Parallel to this, Sweco also conducts internal knowledge development activities, often in focused project form. A key initiative in this area during 2009 was the launch of the group-wide specialist forum Sweco Excellence Meeting, a forum for the development

Sweco Leadership Compass



and exchange of knowledge where a large group of consultants from different parts of the Group gather to discuss topics of interest.

Processes for performance and development

Sweco's group-wide routines for measurement and follow-up are aimed at ensuring that each employee's performance, activities and development plan are consistent with Sweco's overall goals as far as possible. Two main tools are used: Sweco Talk and Sweco Barometer. Sweco Talk is a group-wide process for performance reviews. The process effectively identifies developmental needs and supports planning for ongoing employee development.

In 2009 Sweco Talk was supplemented with Sweco Barometer, a group-wide employee survey carried out in collaboration with Sifo Research International. The survey is focused primarily on monitoring the realisation of Sweco's strategy, the working environment, corporate culture and leadership culture. Previously, local surveys were carried out in certain parts of the company. Sweco Barometer is an important component in management of the Sweco Group at the global level.

Employee facts

Number of employees: approximately 5,100

Share of men/women: 71% men and 29% women

Educational levels at Sweco: A master or bachelor of science in engineering with a focus on environmental engineering, urban development or other technical areas and/or a master of science in architecture

Typical jobs/titles: Project manager, design engineer, process engineer, environmental engineer, architect

Deborah Kupferschmidt

"Sweco's wide range of operations is a major advantage. There are always opportunities to take on new challenges."

Deborah Kupferschmidt has worked at Sweco for nearly three years, mainly in environmental classification and energy optimisation of buildings. She sees enormous development potential in this area and points out the substantial cost savings and socioeconomic gains resulting from lower resource and energy consumption. Having the opportunity to work at the cutting edge of an area that contributes to sustainable long-term development of society is something Deborah feels strongly about.

"In order to fit in at Sweco and be successful, you have to be open to new ideas and show what you want. Sweco's ambition to be a forerunner in development of sustainable solutions guarantees a high degree of variety in the job. You are expected to take far-

reaching personal responsibility, but at the same time Sweco's breadth ensures that you always have access to fantastic support from colleagues in different disciplines."

As an example, Deborah mentions the vertical greenhouse for the urban environment that Sweco has developed together with the Swedish company Plantagon. The objective of the project was to find a solution that would make it possible to farm locally and space-efficiently. The concept was honoured with the Innovation Award during Globe Forum 2009. Deborah was project manager for the climate system in the feasibility study.

"The results were achieved in very close collaboration between different technical disciplines. This multidisciplinary approach at Sweco suits me very well. It is fun, eye-opening and you learn an unbelievable amount."



Daniel Persson

Daniel Persson has been involved in environmental issues at Sweco since 2004: "I started here because I was looking for a chance to work with environmental issues in a wide spectrum of projects and with different clients. The international environment also attracted me."

Six years later, when Daniel describes what he likes most about working at Sweco, it is clear that his expectations have been met:

"The aspect of my job that I enjoy most is the wide variety of work duties, from project management and coordination to field work and environmental impact assessments. From oil terminals in Sweden to power transmission lines in Uganda. There is ample

scope to work in different types of projects in different capacities and with different challenges. You don't stagnate here at Sweco."

Daniel emphasises that most development takes place in client projects, particularly international assignments. At the same time, he appreciates Sweco's commitment to training and knowledge development. In 2010 Daniel will take part in a training course for process management in sustainable social and urban development in a global and local perspective. After the course, the participants will be part of a multidisciplinary team that has responsibility for communicating and developing Sweco's expertise in this area.



Nikolay Popov

Nikolay Popov started working for the Bulgarian company Energo-proekt AD directly after earning his engineering degree 11 years ago. In 2001 the Hydropower division was hived off to form a separate company, Energo-proekt Hydropower. Since the summer of 2008 this company is part of the Sweco Group, an affiliation that according to Nikolay has created new business and opportunities.

“Being part of Sweco has vastly improved our growth opportunities, especially in international projects for renewable energy. It also feels good that my personal opinions and values are well matched with Sweco’s mission to actively contribute to sustainable development of society.”

All of the projects carried out by Sweco affect the environment in some way. Safety and quality are the most central aspects for Nikolay,

but contributing to a better environment is also a top priority.

“It is a tremendous feeling when a project is completed and you can see the tangible results. Doing something meaningful gives you the energy to throw yourself into the next project and give 100 per cent.”

Nikolay appreciates the opportunities for international knowledge sharing that have opened up since joining the Sweco Group and mentions the “Next Generation” programme as an example. Nikolay is one of the 24 participants in the programme aimed at developing future leaders at Sweco. In 2010 and 2011 the group will meet for training and workshops on four occasions in different countries. This is combined with project activities that will continue throughout the programme.



Business ethics, social responsibility and commitment

Sweco's mission is to actively contribute to sustainable development of society.

Sweco's vision is to become Europe's most respected knowledge company in the fields of consulting engineering, environmental technology and architecture.

Responsibility and ethics

Sweco's consultants serve as advisors to companies, public agencies, ministries and national governments in projects that have an impact on the development of society and quality of life, which places stringent demands on integrity and consideration to ethical and socioeconomic aspects. In all operations, Sweco strives to uphold the highest standards of conduct and business ethics, with objective and independent employees who act professionally and in the best interest of our clients. We respect basic freedoms and rights and always comply with local and international laws and regulations. We are against corruption and respect the religions, cultures, working conditions and traditions of different countries and regions.

Sweco supports the "Code of Ethics" formulated by the International Federation of Consulting Engineers (FIDIC) and respects the rules and recommendations issued by the UN, the World Bank, the OECD, the Swedish International Development Cooperation Agency (Sida), NORAD and other international organisations for assignments in different countries. Sweco follows the OECD's guidelines for multinational companies and the principles in the UN's Global Compact, and stands behind the Swedish government's Partnership for Global Responsibility (Globalt Ansvar).

To be a socially responsible corporate citizen in every way, Sweco works to continuously enhance employee awareness of the Group's attitudes towards ethical conduct.

Quality and environment

Virtually everything Sweco does has some effect on society and the environment. As consultants we are often involved in projects at an early stage. This gives us the opportunity to exert an influence, but also the obligation to take responsibility for any aspects within our control. As a result, we carefully weigh the possible consequences when faced with matters relating to the quality and environmental impact of the assignments. We monitor and comply with all laws, regulations and requirements that are of relevance for our operations.

Rules and recommendations supported by Sweco:

- The International Federation of Consulting Engineers' Code of Ethics
- The UN's rules and recommendations
- The principles in the UN's Global Compact
- The OECD's guidelines for multinational companies
- The Swedish government's Partnership for Global Responsibility
- The rules and recommendations issued by the World Bank, the Swedish International Development Cooperation Agency (Sida), NORAD and other international organisations for assignments in different countries
- The ILO Declaration on Fundamental Principles and Rights at Work

Sweco has a decentralised organisation with delegated responsibility for implementation of the assignments. Each individual consultant is responsible for delivering client-adapted solutions with a high knowledge content, of the right quality for the benefit of the client's business. Our business systems are centred around the assignment process and are accessible to the consultants at all times.

Sweco strives for continuous improvement and development of its working methods. Strategic skills development programmes are used to meet the consultants' need for ongoing education and training. The knowledge and experience gained by the consultants in the assignments is preserved and developed for future use.

Working environment

At Sweco we strive to maintain a working environment where our employees can develop and thrive in a climate of physical and emotional well-being. We believe that a good working environment and business success go hand in hand, and therefore work systematically to investigate, conduct and monitor operations in such a way as to prevent illness and accidents on the job and achieve a sound working environment. At Sweco the performance review, Sweco Talk, is an important component of the Group's working environment activities.

We all contribute to our shared working environment, which demands that both managers and staff initiate and participate in efforts to create a good working environment.

A good working environment means

- active leadership,
- clearly defined goals that create consistency and meaning for the group and the individual,
- opportunities for the employees to influence their own work situation,
- a constructive dialogue in the group and between managers and staff,
- effective communication in the organisation,
- a good physical working environment with regard to ergonomics, noise, air quality and chemical health hazards.

Achieving this working environment requires awareness, openness, ambition and planned development initiatives. Through systematic management of the working environment we can improve the quality of our services and increase the share of satisfied employees and clients.

Equality

Sweco does not discriminate between women and men. All employees are given equal opportunities for professional development both within their existing fields and in new areas.

Salary disparities may not exist for identical or similar work duties unless they can be motivated, and those that are not objectively motivated must be corrected immediately.



Partnership that leads to competence development

In 2009 Sweco was chosen as Doctors Without Borders' main cooperation partner, an agreement that marked the start of a deep and long-term collaboration. Sweco is contributing financial support and its employees are also given the chance to take a leave of absence to participate in Doctors Without Borders' humanitarian initiatives for shorter or longer periods. Those who are interested apply to Doctors Without Borders and the tough acceptance criteria are the same as for all other applicants.

For Sweco this partnership is a valuable source of competence development for both the company and the individual employees. As an international consulting company with operations in more than 90 countries, Sweco sees the experience gained by the employees through their work for Doctors Without Borders as a valuable asset. Activities in disaster and war zones give field workers experience of both staff responsibility and multicultural projects.

Doctors Without Borders sets great store by Sweco's engineering expertise and experience in leading and developing complex projects. For example, Sweco's engineers can apply their professional skills in construction and project management to assist in planning of logistics around a hospital. Road and water experts can contribute in infrastructure projects, not least with their expertise in sanitation issues.

Doctors Without Borders conducts field programmes in close to 80 countries around the world. In addition to doctors and healthcare personnel, the organisation sends administrators, architects, engineers and economists into the field where they can use their knowledge to make a difference. Every year, around 100 Swedes take part.

Sweco strives for an even gender distribution when choosing staff for projects and other work groups.

Sweco's policy for recruitment of managers is to appoint the most qualified individual.

All employees have the right to be treated with respect. Sexual harassment is never acceptable.

Sweco takes the greatest possible consideration to the responsibilities of parenthood and allocation of work duties. Managers are obligated to ensure that employees on parental leave maintain contact with their place of work in an appropriate manner.

Equality management is conducted as an active and integral part of Sweco's operations.

Diversity

To create the conditions for an innovative and inspiring working environment, Sweco takes active measures within the framework of its opera-

tions to promote the equal rights and opportunities of employees in the workplace regardless of their gender, nationality, ethnic origin, religious beliefs, disabilities, sexual orientation and age.

Sweco strives to

- use conscious hiring practices to create diverse employee groups in terms of competency, gender, nationality, ethnic origin, religious beliefs, disabilities, sexual orientation and age,
- maintain a working climate characterised by respect, understanding and knowledge about different people and cultures,
- take advantage of the employees' knowledge about different cultures, languages and religions when assembling work teams, dealing with clients, etc.,
- give all employees equal opportunities for professional development both within their existing fields and in new areas.

Consolidated income statement

SEK M	2009	2008
Net sales	5,338.7	5,522.8
Other operating income	11.5	12.8
Total operating income	5,350.2	5,535.6
Other external expenses	-1,455.3	-1,496.1
Personnel costs	-3,331.2	-3,331.5
Amortisation/depreciation and impairment losses	-120.1	-111.7
Total operating expenses	-4,906.6	-4,939.3
Operating profit	443.6	596.3
Financial income	10.5	11.0
Financial expenses	-10.6	-19.1
Share in profit of associates	0.1	-
Net financial items	0.0	-8.1
Profit before tax	443.6	588.2
Income tax expense	-149.0	-185.3
PROFIT FOR THE YEAR	294.6	402.9
Profit for the year attributable to:		
Owners of the Parent Company	292.7	403.6
Non-controlling interests	1.9	-0.7
Earnings per share for profit attributable to owners of the Parent Company		
Basic earnings per share, SEK	3.31	4.68
Diluted earnings per share, SEK	3.28	4.65
Statement of comprehensive income, SEK M	2009	2008
Profit for the year	294.6	402.9
Translation difference	0.0	65.4
COMPREHENSIVE INCOME FOR THE YEAR	294.6	468.3
Comprehensive income attributable to:		
Owners of the Parent Company	293.1	466.2
Non-controlling interests	1.5	2.1

Consolidated balance sheet

at 31 December

SEK M	2009	2008
ASSETS		
Non-current assets		
Goodwill	783.5	771.7
Other intangible assets	53.4	69.6
Tangible assets	173.9	191.2
Investments in associates	1.0	0.9
Financial investments	10.0	10.8
Deferred tax assets	14.0	15.0
Other non-current receivables	34.3	32.3
Total non-current assets	1,070.1	1,091.5
Current assets		
Trade receivables	810.5	1,001.8
Work in progress less progress billings	526.2	406.6
Current tax assets	42.4	47.1
Other current receivables	36.3	37.2
Prepaid expenses and accrued income	108.5	107.0
Cash and cash equivalents	557.3	321.3
Total current assets	2,081.2	1,921.0
TOTAL ASSETS	3,151.3	3,012.5
EQUITY AND LIABILITIES		
Equity		
Share capital	92.0	89.5
Other contributed capital	239.0	238.9
Other reserves	83.8	83.4
Retained earnings, including profit for the year	1,170.1	990.1
Equity attributable to owners of the Parent Company	1,584.9	1,401.9
Non-controlling interests	10.8	12.9
Total equity	1,595.7	1,414.8
Liabilities		
Non-current liabilities		
Non-current interest-bearing liabilities	13.6	13.9
Provisions for pensions	5.6	6.6
Deferred tax liabilities	106.9	113.4
Other non-current liabilities	0.9	0.2
Total non-current liabilities	127.0	134.1
Current liabilities		
Current interest-bearing liabilities	119.6	140.7
Progress billings in excess of work in progress	303.6	260.5
Trade payables	206.9	215.2
Current tax liabilities	40.9	42.5
Other current liabilities	215.9	245.3
Accrued expenses and deferred income	541.7	559.4
Total current liabilities	1,428.6	1,463.6
Total liabilities	1,555.6	1,597.7
TOTAL EQUITY AND LIABILITIES	3,151.3	3,012.5

Consolidated cash flow statement

SEK M	2009	2008
Operating activities		
Profit before tax	443.6	588.2
Adjustments for non-cash items		
Capital gains/losses	-10.7	-12.2
Amortisation/depreciation and impairment losses	120.1	111.7
Difference between pension premiums recognised and paid	-1.4	3.4
Other items	67.8	96.2
Total non-cash items	175.8	199.1
Income taxes paid	-156.8	-144.2
Cash flow from operating activities before changes in working capital	462.6	643.1
Changes in working capital		
Change in current receivables	99.6	-79.2
Change in current liabilities	-32.5	-6.8
Cash flow from operating activities	529.7	557.1
Investing activities		
Purchase of intangible assets	-14.5	-24.9
Disposal of intangible assets	0.6	-
Purchase of tangible assets	-62.9	-86.1
Disposal of tangible assets	1.5	1.3
Acquisition of subsidiaries and operations, net cash effect	-29.7	-209.5
Disposal of subsidiaries and operations, net cash effect	11.3	46.1
Disposal of financial investments	0.1	0.0
Cash flow from investing activities	-93.6	-273.1
Financing activities		
New share issue	-	45.9
Issue of warrants	0.1	8.0
Capital distribution to owners of the Parent Company	-174.3	-170.6
Capital distribution to non-controlling interests	-0.8	-0.8
New loans raised	55.4	132.1
Repayment of borrowings	-81.7	-191.1
Cash flow from financing activities	-201.3	-176.5
CASH FLOW FOR THE YEAR	234.8	107.5
Cash and cash equivalents at beginning of year	321.3	192.0
Exchange gains on cash and cash equivalents	1.2	21.8
Cash and cash equivalents at end of year	557.3	321.3

Five-year overview

SEK M	2009	2008	2007	2006	2005
Income statement, SEK M					
Net sales	5,338.7	5,522.8	4,569.5	3,894.7	3,372.2
Operating profit	443.6	596.3	432.5	361.9	271.6
Net financial items	0.0	-8.1	-6.8	2.5	79.6
Profit before tax	443.6	588.2	425.7	364.4	351.2
Profit for the year	294.6	402.9	303.3	258.3	274.1
Balance sheet, SEK M					
Balance sheet total	3,151.3	3,012.5	2,438.0	2,050.9	2,040.5
Equity including non-controlling interests	1,595.7	1,414.8	950.3	835.9	880.7
Cash and cash equivalents and current interest-bearing receivables	557.3	321.3	192.0	255.6	336.3
Interest-bearing liabilities	138.8	161.2	209.8	105.8	124.4
Net interest-bearing receivable/liability	418.5	160.1	-17.8	149.8	211.9
Cash flow statement, SEK M					
Cash flow from operating activities	529.7	557.1	314.2	243.8	275.6
Cash flow from investing activities	-93.6	-273.1	-203.6	30.2	-52.8
Cash flow from financing activities	-201.3	-176.5	-155.7	-283.1	-181.7
Cash flow for the year	234.8	107.5	-45.1	-9.1	41.1
Key ratios					
Operating profit per employee, SEK 000s	87	109	92	91	75
Value added per employee, SEK 000s	743	720	701	701	676
Billing ratio, %	73.6	75.6	76.1	75.3	74.2
Operating margin, %	8.3	10.8	9.5	9.3	8.1
Profit margin, %	8.3	10.6	9.3	9.4	10.4
Equity/assets ratio, %	50.6	47.0	39.0	40.8	43.2
Net debt/equity ratio, %	-26.2	-11.3	1.9	-17.9	-24.3
Debt/equity ratio, %	0.1	0.1	0.2	0.1	0.1
Interest coverage ratio, times	42	32	35	51	43
Return on equity, %	19.6	34.6	33.8	29.9	35.3
Return on capital employed, %	27.5	44.4	41.7	38.2	38.1
Return on total assets, %	14.7	22.3	19.5	18.2	19.0
Average number of employees	5,082	5,453	4,699	3,986	3,626
Share data					
Earnings per share, SEK	3.31	4.68	3.53	3.00	3.18
Diluted earnings per share, SEK	3.28	4.65	3.46	2.99	3.17
Dividend return, %	7.4	5.7	3.1	6.1	7.4
Equity per share, SEK	17.82	16.09	11.06	9.80	10.28
Diluted equity per share, SEK	17.40	15.72	10.83	9.72	10.22
Cash flow per share, SEK	2.66	1.25	-0.54	-0.11	0.49
Diluted cash flow per share, SEK	2.63	1.24	-0.53	-0.11	0.49
Bid price SWECO B at 31 December, SEK	53.75	35.00	65.00	52.80	41.60
Market capitalisation, SEK M	4,963	3,211	5,599	4,422	3,479
Ordinary dividend per share, SEK (2009 – proposed)	2.00	2.00	2.00	1.50	1.10
Extraordinary dividend or profit distribution (2009 – proposed)	2.00	-	-	1.70	2.00
Number of shares at 31 December ¹⁾	88,943,037	87,144,243	84,260,044	84,251,350	84,451,350
Diluted number of shares at 31 December ¹⁾	91,074,951	89,172,369	86,029,339	84,887,845	84,823,810
Number of shares after full dilution at 31 December ¹⁾	92,374,951	90,424,369	86,947,804	85,739,700	85,896,350
Number of class B and C treasury shares ¹⁾	3,059,073	2,357,867	2,154,306	1,163,000	963,000

1) The number of shares for prior periods has been restated with respect to the completed share split in 2007.

Comments on the five-year overview

2005

The majority of Sweco's areas of operation experienced strong demand in both the Nordic and international markets. Sweco advanced its positions in the Nordic home markets while at the same time reaping continued success in the growth markets of Eastern Europe, with several major contracts in the water and environment, infrastructure and architecture areas. The Sweco Group's sales rose by 7 per cent, of which two-thirds were organic and one-third was acquisition-driven. The share of international sales was 41 per cent. During the year, eight companies were acquired in Sweden, Finland and Russia with combined annual sales of around SEK 100 million. An important local presence was established in markets like Russia and Bulgaria. A series of subscription warrants was issued to 50 senior executives in the Group. The bid price of the Sweco B share at 31 December 2005 was SEK 41.60, an increase of 64 per cent during the year. The number of employees at year-end was around 3,700.

2006

In 2006 Sweco enjoyed robust demand for its services both in the Nordic countries and internationally. Sweco further strengthened its positions in the Nordic home markets, above all in the energy area. 2006 was a record year of powerful growth and high profitability. The Sweco Group's sales rose by 16 per cent, of which 40 per cent was due to acquisitions and 60 per cent to organic growth. The share of international sales rose to 50 per cent. Operating profit increased by 33 per cent to SEK 362 million, an improvement explained mainly by a continued strong market for all business units, improved internal efficiency and the accretive effects of acquisitions. During the year, companies were acquired in Sweden, Norway, Finland and Lithuania with annual sales of more than SEK 350 million and 379 employees. In the second quarter Sweco created a new organisation that is designed to improve the scope for international expansion. The share price rose by 27 per cent and ended the year at SEK 52.80. The number of employees at 31 December 2006 was approximately 4,200.

2007

All of Sweco's business units enjoyed robust demand for consulting engineering services during 2007, resulting in continued strong performance and yet another record year for Sweco. The Sweco Group's net sales rose by 17 per cent, of which around 60 per cent was attributable to acquisition-driven growth and 40 per cent to organic growth. Operating profit improved by 20 per cent to SEK 433 million, an increase mainly explained by a sustained strong market, improved internal efficiency and the accretive effects of past acquisitions. During the year, Sweco acquired companies and operations with total annual sales of approximately SEK 329 million and around 620 employees. In Norway, Sweco continued its expansion through a number of acquisitions and is now one of the country's leading multidisciplinary engineering con-

sultancies. Further advances were made in the Group's expansion in Central and Eastern Europe. Through the acquisition of Czech-based Hydroprojekt, a new home market was established in Central Europe. Additional acquisitions were made in Estonia and Lithuania, where Sweco now has a clearly dominant market position. The bid price of the Sweco B share rose by 23 per cent during the year and was SEK 65 at year-end. The number of employees at the end of the period was 4,934.

2008

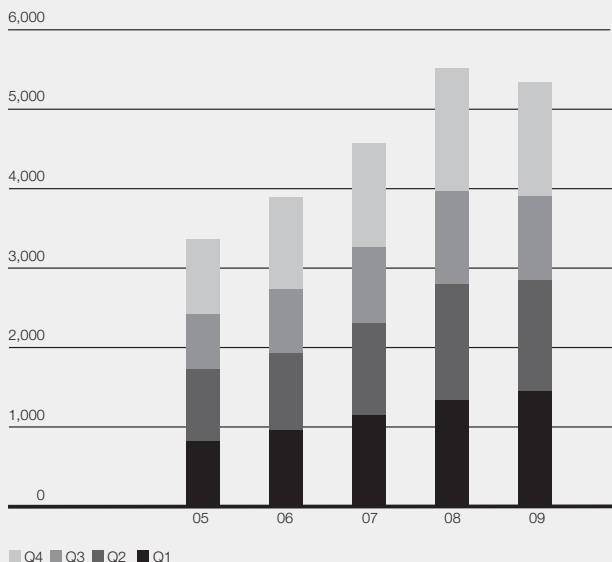
The market for consulting engineering services was good during the year. Demand was particularly keen for services in the environment, energy and infrastructure areas, while weaker demand was noted in the construction sector and parts of the industrial sector in the fourth quarter. In spite of the rapid economic downturn at the end of the year, Sweco recorded its best performance ever in 2008. The Sweco Group's net sales rose to SEK 5,523 million, an increase of 21 per cent of which around 50 per cent was organic and 50 per cent was acquisition-driven. Operating profit improved by 38 per cent to SEK 596 million, with the Swedish and Norwegian units showing the strongest earnings growth. During the year Sweco continued its expansion and strengthened its market positions in both the Nordic region and in Eastern and Central Europe. Several acquisitions were carried out in Norway and the expansion in Eastern Europe continued through additional acquisitions in Lithuania and Bulgaria. In 2008 subscription warrants were issued to some 50 senior executives in the Group. The bid price for the Sweco B share at year-end 2008 was SEK 35, a decrease of 47 per cent during the year. The number of employees at 31 December 2008 was 5,536.

2009

2009 was characterised by a weak market for building-related and industrial services, particularly in Finland and the Baltic countries. At the same time, demand for services related to the environment, energy and infrastructure was generally good. As a result of the unfavourable market, the Sweco Group's net sales fell by 3 per cent to SEK 5,339 million. Operating profit amounted to SEK 444 million with an operating margin of 8.3 per cent. Sweden and Norway delivered strong performance with operating margins of around 11 per cent. Operating profit was burdened with restructuring charges and a write-down of goodwill in Sweco Industry amounting to a total of SEK 41 million, as well as SEK 8 million in costs for resource adaptations in the Baltic countries. The Sweco Group's financial position was strong, with a net receivable of SEK 419 million and cash and cash equivalents include unutilised bank overdraft facilities of SEK 1,122 million. Acquisition activity was low during the year and only a few minor acquisitions were carried out. The bid price for the Sweco B share rose by 54 per cent and amounted to SEK 53.75 at year-end. The number of employees at year-end 2009 was 5,137.

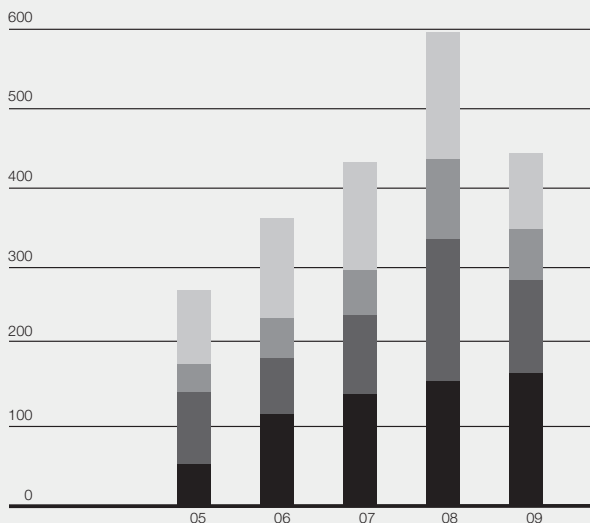
Net sales

SEK M



Operating profit

SEK M



Sweco in brief

Sweco's engineers, architects and environmental experts are working together to develop total solutions that contribute to the creation of a sustainable society. We call it sustainable engineering and design. By that we simply mean that we make it possible for our clients to carry out their projects not only with high quality and good economy but also with the best possible conditions for sustainable long-term development. We do this by delivering qualified consulting services with a high knowledge content throughout the client's entire project chain from feasibility studies, analyses and strategic planning to engineering, design and project management. With around 5,100 employees, Sweco is among the largest players in Europe and a leader in several market segments of the Nordic and Baltic regions, the Czech Republic and northwestern Russia. In 2009 Sweco carried out some 31,000 projects for around 10,000 clients. Sweco has a local presence in 11 countries and conducts project exports to some 90 countries worldwide.

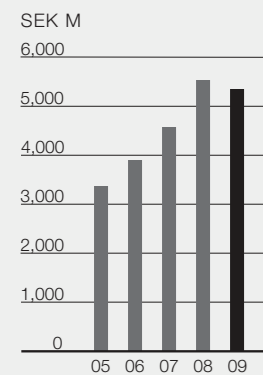
- Net sales of SEK 5,338.7 million (5,522.8).
- Operating profit of SEK 443.6 million (596.3).
- Operating margin of 8.3 per cent (10.8).
- Profit before tax of SEK 443.6 million (588.2).
- Solid financial position with net receivable of SEK 418.5 million (160.1). Strong cash flow from operating activities of SEK 529.7 million (557.1).
- Profit after tax of SEK 294.6 million (402.9) and earnings per share of SEK 3.31 (4.68).
- The Board proposes a dividend of SEK 2.00 per share and a share redemption equal to SEK 2.00 per share.

Profit and key ratios, Group

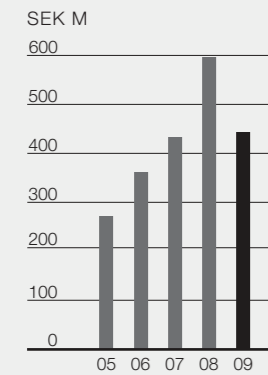
	2009	2008
Net sales, SEK M	5,338.7	5,522.8
Operating profit, SEK M	443.6	596.3
Profit before tax, SEK M	443.6	588.2
Operating margin, %	8.3	10.8
Billing ratio, %	73.6	75.6
Return on equity, %	19.6	34.6
Return on capital employed, %	27.5	44.4
Net debt/equity, %	-26.2	-11.3
Equity/assets ratio, %	50.6	47.0
Earnings per share, SEK	3.31	4.68
Equity per share, SEK	17.82	16.09
Distribution to the shareholders, per share, SEK	4.00 ¹⁾	2.00
Average number of employees	5,082	5,453

1) Proposed dividend of SEK 2.00 per share and share redemption of SEK 2.00 per share.

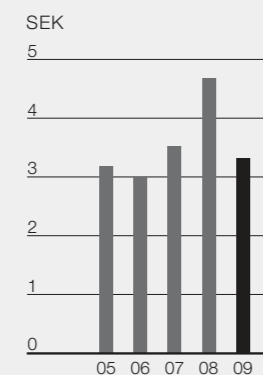
Consolidated net sales in 2009



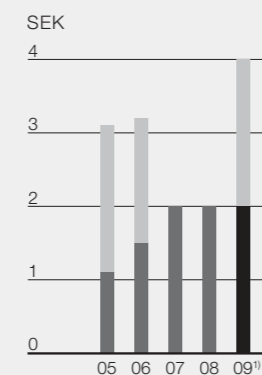
Consolidated operating profit in 2009



Earnings per share in 2009



Dividend per share in 2009

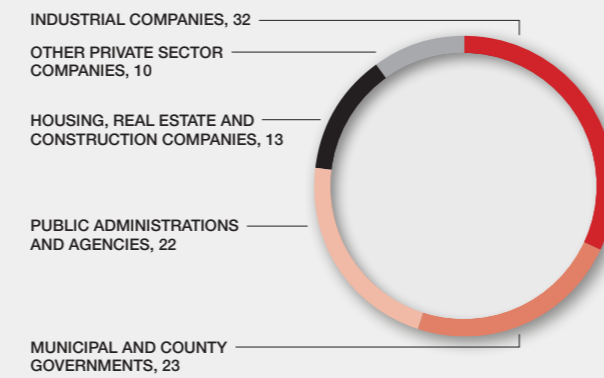


■ Share redemption

1) Proposed dividend of SEK 2.00 per share and share redemption of SEK 2.00 per share.

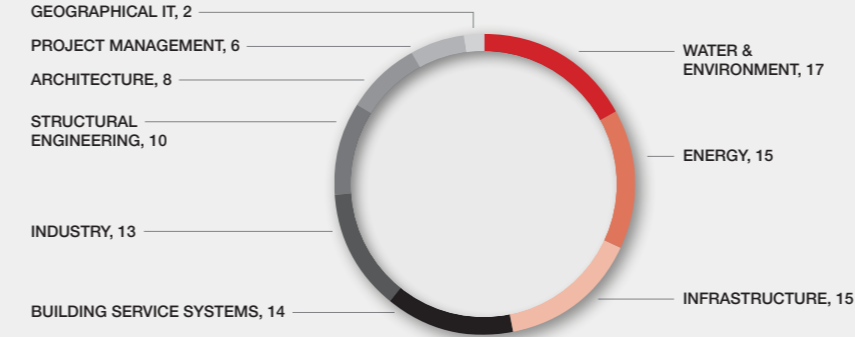
Clients

Sales by client category in 2009, %



Services

Share of group sales in 2009, %



Sweco has a client-driven organisation with offices at around 100 locations. The Group's decentralised and result-oriented business model means that all energy can be focused on the business and work in the client projects. Of Sweco's total of 5,100 employees, around 4,300 are based in the Nordic region and 800 in Central and Eastern Europe. Since undertaking its first international assignment in Russia in 1903, Sweco has carried out projects in more than 100 different countries. Sweco has subsidiaries in Sweden, Norway, Finland, Denmark, Russia, Estonia, Lithuania, the Czech Republic, Slovakia, Bulgaria and Poland.

