

Worldwide

A MAGAZINE FROM **SKANSKA**
#1 2007



MOVING UP

HOMES DESIGNED
FOR MODERN FAMILIES



now...

the pulse is high at Norra Bantorget in central Stockholm. Above the horizon three construction cranes are constantly swinging – one for each of the projects currently being built by Skanska. The projects in question are the largest hotel in Stockholm, offices and apartments. The office building and the apartments are Skanska's own investment projects. But the company has also participated in the development of the entire area, in cooperation with Stockholm City. As a result of creative planning work, a non-descript area in a prime location is being transformed into a vibrant new part of the City.

The 11-story Clarion Hotel will be 29,000-square-meters of floor space and 558 rooms when construction is completed in 2008. The building contract is worth approximately SEK 500 (USD 71) million.

Also at Norra Bantorget, Skanska is developing a residential building that will contain 80 apartments and an office building with about 14,000 square meters of rentable floor space. For the office building, occupancy is scheduled for 2008, while tenants will move into the apartments during 2009. Skanska is investing SEK 364 (USD 52) million in the office building and SEK 257 (USD 37) million in the apartment block.

● PHOTO: SKANSKA

Home with a heart

Someone said "My home is not a place, it is people." However true that may be, it surely makes life easier to have a nice place in which to meet and entertain people.

Today, a home is more than a place to raise a family and entertain people. Housing has become a sign of style – like a car, haircut and clothes. In the past, it was enough to have a roof over your head and maybe an attractive address. Now, our homes are not only an accommodation but also an extension of our personality.

Thousands of people in the Nordic region and Czech Republic have utilized the opportunity to improve their image with a Skanska-built home. A few of the satisfied customers who chose Skanska housing, with such trendy features as large picture windows and oak flooring in all rooms, are presented in this issue.

While housing is becoming increasingly important, we seem to spend less and less time at home – we must work and exercise and very frequently we eat out as well...Is this the same trend that gave us more cook books and food magazines but less home cooking?

Skanska has developed and constructed housing projects for decades, and methods have improved year after year. Already in 1985, the first prefabricated and fully equipped bathroom was lifted into position right into the house under construction.

In the most recent innovative solution, the building is constructed from underneath – beginning with the roof and then adding the floor levels from below.

In this issue, you can also read more about how mobile telephones have become as important as the hammer to Finnish builders.



alf.lindstrom@skanska.se

Worldwide

PUBLISHER RESPONSIBLE UNDER SWEDISH LAW: Karin Lepasoon, karin.lepasoon@skanska.se
EDITOR-IN-CHIEF: Alf Lindström, +46-8-753 88 17, alf.lindstrom@skanska.se
PRODUCED BY: Grand Central AB. Illustrations: Thomas Palmback
ADDRESS: Skanska AB, SE 169 83 Solna, Sweden. Tel: +46-8-753 88 00, Fax: +46-8-755 66 73
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WELCOME TO A BRAVE NEW WORLDWIDE.

You can find the entire issue at Skanska.com.
Browse the pages as you do with the printed issue.
It is always at hand, whenever you want.
Welcome to the brave new **Worldwide**.
Enjoy your reading.



ON THE COVER:
THE RESIDENTIAL AREA
TROLLÅSEN
OUTSIDE
GÖTEBORG,
SWEDEN.
PHOTO:
SKANSKA



THE SKANSKA
**TOP
10**
LIST WILL
GET YOU
UPDATED

1. Eleven Skanska business units and six national markets were accident-free during the safety week in 2006.

Skanska received three awards at the 2006 Associated Builders and Contractors (ABC) Central Florida Chapter Excellence in Construction Awards. The University of Central Florida Health Center project, the Bay Meadows Elementary School Relief project and the Orange County Downtown Library Third Floor Renovation project were all awarded separate categories.

3. Joey Hatch, Skanska's Corporate Executive Vice President for the Nashville, Tennessee office, and the Healthcare Center of Excellence, was presented with the Love Helps® Edwin C. Rogers, Jr. Heart of Distinction Award for his commitment to the Nashville community.

The Swedish Road Administration's environmental award for this year went to Skanska's noise-damping road surfacing, Quiet Asphalt, which reduces traffic noise by up to nine decibels. Quiet Asphalt reduced the noise directly at the noise source, the car tire, and thereby enables the construction of housing on land where it was earlier impossible to meet the noise requirements.

FIVE Skanska's residential project in Lutakko, Jyväskylä, has won the Finnish construction industry's award for the best construction site regarding occupational safety in Central Finland. A second Skanska site received an honorable mention.

Skanska USA Building was named "General Contractor of the Year" by the Hispanic Contractors Association of Georgia (HCAG). HCAG acknowledged Skanska's mentoring work while working with Hispanic subcontractor, The World of Masonry.

SEVEN At the beginning of January, the Skanska share noted a new all-time high. The new record was set at SEK 153.

8 Stuart Graham, the Company's CEO and President, was awarded an honorary doctor's degree from the Czech Technical University in Prague (ČVUT). The ceremony took place on the occasion of the University's 300th anniversary,

Three Skanska projects were rewarded in the competition Czech Construction of the Year 2006. For instance, the Construction of the Year award went to Neomed's head office in Prague, which Skanska constructed in 10 months. Moreover, Skanska Czech Republic received the esteemed Via Bona award for its environmental efforts.

The Skanska share is attracting an increasingly high number of international investors. By the end of 2006, about 30 percent of the shares were held by international portfolios. More than 80 percent of Skanska's total sales are attributable to operations outside Sweden.

实堪时佳

SHANGHAI

This is Skanska in Chinese. The four characters in Chinese mean "Really Solid and Always Good." What could be a better translation of Skanska?

The Chinese lesson is a result of Skanska's opening a purchasing office in Shanghai last summer. The Shanghai team, managed by

Michael Yue, currently supported by **Fredrik Asklund** and **Rachel Su**, is targeting high-volume, high-frequency and high-value products.

They have already had considerable success with orders for such items as tarpaulins, crash barriers and granite products and are currently working hard to source gypsum board, power cables and hot-rolled coils.

NEW MEADOWLANDS STADIUM

NEW JERSEY

The largest U.S. order ever for Skanska was signed recently. Skanska units in the U.S. have been awarded the design/build contract for the New Meadowlands Stadium in New Jersey. The contract sum is USD 998 million.

The new stadium will be the home field for the New York Giants and the New York Jets. The first-of-its-kind NFL facility will be built specifically to accommodate two National Football League (NFL) teams. The technologically advanced open-air stadium with seating for 82,000 spectators, including 217 Luxury Suite boxes, will also be used for other entertainment and sports activities.



Anders Lilja, Skanska's Senior Vice President Investor Relations.

BUILDING CONFIDENCE

STOCKHOLM

Skanska's Senior Vice President Investor Relations, **Anders Lilja**, shared fifth place in this year's ranking of IR managers conducted by the research and consulting company Regi and the Swedish business magazine Affärsvärlden. The ranking shows which IR managers enjoy the most confidence among the financial community.





2007 is the year Skanska gets stronger as a Company by "Connecting the Dots".

CONNECTING THE DOTS

As a follow-up to last year's management meeting, **Stuart Graham**, Skanska's President and CEO, is "on the road" to personally carry the message to every corner of Skanska.

"My aim is to meet as many of our people as possible. By connecting directly with our people we have a great opportunity to strengthen the feeling of pride and commitment and align everyone around our strategy," says Stuart Graham.

"Naturally, my main focus is to spread the 'Great Boss' message – managers with a winning mindset and with a focus on people – as well as to use this opportunity to discuss outperformance, safety and diversity. It is also a good opportunity to listen to issues specific to the local businesses."

The road show will cover 50 locations and a total of 7,000 people in Sweden, Norway, Finland, Denmark, Poland, Czech Republic, UK, Argentina, Brazil and the U.S.

The tour kicked off in Early January with the first stops on the tour in Denmark and Sweden. At all locations, the Skanska CEO put the spotlight on: What makes Skanska unique: "We have a strong brand, financial strength and committed people. We can take on the largest projects for which few can compete, and we can do thousands of smaller projects, that provide steady profits and great training."

How Skanska can improve by connecting the dots and stealing best practices with pride: "There's an enormous potential if we utilize the expertise and knowledge we have in Skanska. This is a powerful tool that differentiates us from local competition. It's usually a few calls away, use it!"

The importance of the "4 zeros" and avoiding the "Deadly sins": "It is not enough to be profitable – we have to do it in accordance with our values. In recent years we have made some progress, but still there is room for improvement, especially within safety. People have the right to come home to their families safe and sound."

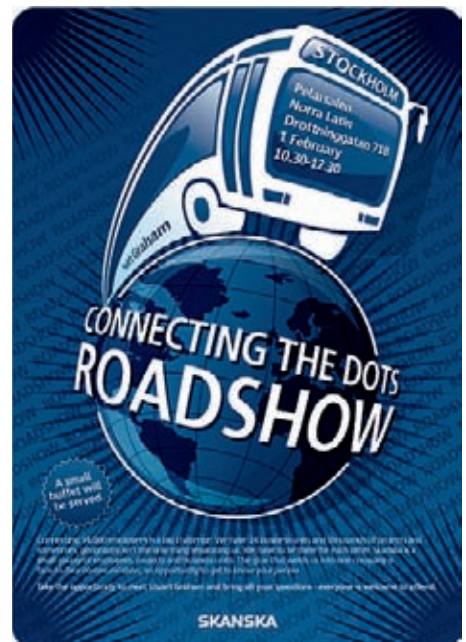
Last, but not least, what constitutes Skanska's competence – its people:

"It is our people out working on the projects that generate the profits. And it is crucial for our future success that we keep and develop the employees we already have and that we are able to attract and recruit a new generation of managers."

"We would be a much better company if we become more diversified. Among our customers we often meet businesses that are managed by women or people from a minority background. In our recruiting, we must make sure that we attract people with different ethnic and educational backgrounds. You don't have to be an engineer to be a successful manager in Skanska."

In his presentation Stuart Graham also highlighted the necessity of improving purchasing and productivity.

"We must take advantage of the aggregated volumes and not purchase for each project separately. It is also of great importance that we increase productivity. Better planning and a more industrialized construction process are areas on which we can improve greatly. We can learn from the auto industry. Even if you customize your car, it is still around 80 percent standard components!"





SAFE BET IN MOTOR CITY

DETROIT, MICHIGAN

Skanska has been named construction manager for a new hotel and casino in Detroit, Michigan. The project involves an addition to the Greektown Casino in central Detroit. Skanska is carrying out the project in a joint venture with Jenkins Construction, the local construction company.

Greektown Casino is a Native American facility and has been open daily 24 hours since first opening in 2000. Prior to the announced expansion, the 7,000-square-meter casino features 2,400 slots and 80 table games.

DREAM EMPLOYER

OSLO

Skanska is the most popular employer among experienced engineers in the Norwegian construction industry, according to a survey conducted by Universum Communications. Universum is active in Employer Branding. Of the engineers surveyed, 32 percent called Skanska a "dream employer."

INSURING A BRIGHTER FUTURE

CHATTANOOGA, TENNESSEE

BlueCross BlueShield, the oldest and largest private health insurance organization in the U.S. has selected Skanska to manage construction for a major office project in Chattanooga, Tennessee.

The organization's new 12-acre headquarters includes five new office buildings and a large parking facility, allowing the insurance company to group its functions and some 3,000 employees into one corporate campus.

"Skanska has broad experience throughout the U.S. in building world-class corporate headquarters for major companies and organizations. We are honored to apply our experience to such a project for BlueCross BlueShield and the community," said

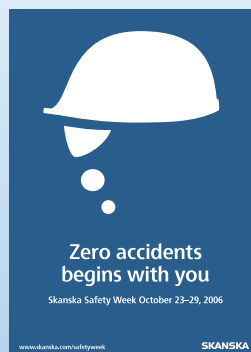
Johan Karlström, President and CEO of Skanska USA Building and EVP of Skanska AB. Construction of the project has already begun and is scheduled for completion in early 2009.

TWO MILLION SAFE HOURS

RIO DE JANEIRO

Two million accident-free man hours was achieved at the Coke Unit Project for Petrobras at the Reduc refinery, in Rio de Janeiro, Brazil. This is the first project carried out by Skanska Latin America to achieve this goal.

The successful team received recognition internally for their achievement.



HOME RUN IN NYC

NEW YORK, NY

Americans are serious about baseball, especially in New York City, home of the Yankees. That is why Skanska will furnish and install the structural steel, metal deck and piling for the new Yankee Stadium.

Being built adjacent to the original stadium from 1923, the new stadium will replicate the original façade and hold 51,000 fans in much greater comfort than the older model. The new Yankee Stadium is scheduled for completion in time for the start of the 2009 season.

Skanska's assignment includes purchase, delivery and erection of the entire structural steel main framing and then mounting of the precast concrete stadium units. This involves about 13,000 tons of structural steel and 1,700 concrete elements.

In recent years, Skanska has built a number of stadiums in the U.S., such as the Reliant Stadium in Houston, Texas, the Gillette Stadium in Boston, Massachusetts, Philips Arena and Olympic Stadium, currently Turner Field, in Atlanta, Georgia, and many stadiums at U.S. universities.

The first homerun ball ever hit at Yankee Stadium, by Babe Ruth who also inscribed the ball on opening day 1923.

ARRIVALS

INTERNATIONAL AIRPORT IN TALLINN
 CONSTRUCTED BY SKANSKA
 CONTRACT VALUE EUR 39M
 CUSTOMER TALLINNA LENNUJAAM

DESTINATION

ESTONIA

STATUS

ON TIME



TELL ME A STORY

VIMMERBY, SWEDEN

In early November, three youngsters from Vimmerby, Sweden, set their hands to the first shovel of a new Skanska construction project dedicated to local heroine **Astrid Lindgren**, the world's most successful author of children's books. Astrid Lindgren's Näs will be a tourist attraction to complement the already popular attraction next door, Astrid Lindgren's World, where visitors from around the world already experience first-hand many of the characters in Lindgren's tales. Construction is scheduled for completion in 2007.

GOING TO COURT

MALMÖ, SWEDEN

Skanska continues to develop, construct and lease new office premises on Universitetsholmen in Malmö, Sweden. The Swedish National Courts Administration has signed a 20-year leasing agreement for a brilliant new building by the inner city water. It will comprise a total of 10,000 square meters of office space and proceedings rooms. Skanska is investing SEK 250 (USD 36) Million.



On-Site Insight: Substitution of Hazardous Chemicals



SPANNING PAST AND PRESENT

The people of St. Augustine, Florida, take pride in living in the oldest city in the United States. Walking the historic streets of the town is like taking a step into America's colonial past.

ST. AUGUSTINE, FLORIDA

When the time came to replace the 79-year-old Bridge of Lions, the town formed a "Save Our Bridge" committee and managed to convince the Florida Department of Transportation to rehabilitate rather than replace it completely.

"This bridge, which connects St. Augustine to Anastasia Island, is really near and dear to the heart of the community," says

Laurie Sanderson, Public Information Officer, Bridge of Lions. "On May 26, 2006, the town officially closed the historic bridge with a silver ribbon that was actually put back together. That was symbolic of the ribbon that was cut when the bridge was originally opened in 1927."

Skanska's early completion of the temporary detour bridge won them a bonus from the client as well as acclaim from the local community. **Caroline Craig**, an 83-year-old St. Augustine resident present at both ceremonies writes, "I just wanted to tell you and your company and all the workers what a great job you did on the 'temp' bridge. It was one of the cleanest construction sites that I have ever seen. Congratulations on finishing early."

"We did well on the first phase," Project Superintendent **Louis "Curly" Collier** agrees. But it is obvious that his focus is on the



Project Superintendent Louis "Curly" Collier.

project today. "One of the things that's a challenge on this project, because of the historical value, is that when we remove the steel we send it for refurbishment instead of disposing of it. We've got to be extra careful. Those beams have to leave just like you see them now." He points to one of the steel structures attached to a crane and hovering high above the river.

Mike Yaeger, Senior Project engineer for the client's engineering and inspection team, is also thinking about those steel structures. "One of the important things for us in trying to restore this bridge is that the things that we do directly affect

the quality and level to which we can restore it."

"I have to be a demanding client and so far I haven't had any problems with Skanska. Some of the things that I usually have to spend time on – safety, equal-opportunity employment and the environment – are never an issue with them. I haven't had to spend any time with those things. And that's good."

Yaeger concludes, "One of the things that's unique about this job is the amount of local press it's received. We're on the front page of the paper all the time and it's always positive."

AWARDS



A TRIPLE FOR COVENTRY

Coventry University Hospital has won an award recognizing its use of insulated render and cladding in the façade of its building.

The new curvaceous entrance, known as the Rotunda Building, for Coventry's University Hospital, won the Andy Swan Award thanks to its striking appearance, with a curved façade around the circular

building of lightweight steel frame construction.

The Skanska Coventry New Hospitals project was awarded a 2006 Royal Institute of Chartered Surveyors (RICS) Regeneration Award for its contribution to environmental protection and the sustainable regeneration of Coventry.

ROOF OF THE YEAR

Sello Shopping Mall has been awarded the title "Roof of the Year 2006" by the Finnish Roof Industry Association. The shopping mall is located in Espoo, in the Helsinki metropolitan region. It was built by a project consortium consisting of Skanska and NCC.

GOOD HOME CONSTRUCTION

Palatsinraitti (Palace Lane), a residential block situated in the city center of Tampere, Finland, has received the Good Construction Award from the city's Committee for Environmental and Construction Issues. The apartment buildings were constructed on the site where Finlayson's textile factory was formerly located. The project was completed in summer 2006.

SUSTAINABILITY EFFORTS

Skanska Integrated Projects has been awarded the prestigious 2006 Sustainable Contractor of the Year award by Building Magazine. The magazine launched the Sustainability Awards to recognize and reward those UK construction businesses at the forefront of sustainability best practice.

AWARDED WORK ENVIRONMENT

The Swedish Road Administration recently recognized Skanska and Safety Officer **Lars-Inge Junehav** for excellence in work environment efforts on major infrastructure projects. The first award was for Skanska's work on the northern bypass highway project in Stockholm, selected the best major infrastructure project. The second award was to Lars-Inge Junehav,

who was named the person "who clearly contributed to a better work environment."

In its citation, the Road Administration recognized the Skanska safety officer for his creativity in improving work methods, his active participation in safety inspections and his steadfast approach to demanding the use of all available safety and protective equipment.

FINLAND – A YEAR OF REWARDS

Skanska's construction project for the residential corporation Oy Reimantorni in Espoo, outside Helsinki, has won the Construction Site of the Year Competition organized by the specialist construction magazine Rakennuslehti. In the history of the competition, first held

21 years ago, this is the first time a residential development project has won top honors. This was the third time in a row Skanska has taken first prize in the Construction Site of the Year Competition. All in all, Skanska has won the Competition five times.

GREEN APPLE AWARDS

Skanska has been awarded two 2006 National Green Apple Awards for work on Coventry Hospital and for the company's waste manage-

ment system. The Green Apple Awards is a major award scheme rewarding environmental endeavors around the world.

U.S. ACCOLADES

Exceeding customer expectations, outperforming the competition and building with quality, safety and value are key ingredients in Skanska's continuing success. Year after year Skanska has been able to do this, and it has not gone unnoticed. Once again, the construction industry has bestowed some of the most prestigious accolades in the business on Skanska. Here are a few of the projects receiving awards for 2006:

Newtown Creek WPCP
Contract 35G – Award of Merit with Special Recognition, Roger H. Corbetta Awards – from the Concrete Industry Board

Richmond-San Rafael Bridge
2006 Design Awards:
Best Rehabilitated Bridge (Co-Winner) – from the Precast Concrete Institute

Cooper River Bridge/Arthur Ravenel, Jr. Bridge – Project of the Year – Transportation – Roads/Bridges Category – New York Tri-State Metro Chapter of the Design Build Institute of America (DBIA)

Cooper River Bridge/Arthur Ravenel, Jr. Bridge – President's Transportation Award (Environment Category for Teamwork to reduce impacts on sea turtles) – American Association of State Highway and Transportation Officials (AASHTO)

Cooper River Bridge/Arthur Ravenel, Jr. Bridge – Excellence in Highway Design Award (Major Highway Structures over \$15 million category) – Federal Highway Administration (FHWA)

Cooper River Bridge/Arthur Ravenel, Jr. Bridge – 2006 Captain's Pride Award for the Walking/Biking Trail on the Arthur Ravenel, Jr. Bridge – Community Pride of Charleston

Cooper River Bridge





STRETCH AND FLEX

FACTS THE BENEFITS

- Reduces strains and sprains by 60 percent
- Reduces back injuries by 80 percent
- Improves flexibility, range of motion, strength and endurance
- Fosters teamwork and boosts morale
- Enhances communication and planning

Safety is a stretch for this team. Literally! What's the secret to reducing strains and sprains by 60 percent and back injuries by 80 percent?

OREGON, U.S.

Flexible Solutions, affectionately known as “the Stretch,” is no secret to the Skanska team in Oregon. It’s all about warming up, team building and communication.

“Skanska bring everyone together for stretch and flex and we have a quick talk afterwards,” says **Jason Ledesma**, Superintendent. “We address any potential hazards, any areas of concern that people need to look out for. We encourage people to bring up issues and to look out for one another. You

couldn’t ask for a better mindset out here as far as safety goes.”

The “huddle phenomenon” of this early morning group activity has benefits beyond improved flexibility, strength and endurance. It is a communication and planning tool. Everyone is informed every day about possible safety issues and other activity onsite. It also fosters teamwork and boosts morale. People get recognized for excellent performance in front of the whole team.

“Safety is very important to us. And we’re worried about all of our workers,” says **Dan Green**, Senior

Project Manager for Kaiser Permanente. “I think ‘the Stretch’ is excellent. It gets the workers limbered up, and it gets them thinking about safety from the get-go. Think of the size and pace of this project and that there are almost 500 workers on this site now. They’re all thinking safety, and it is Skanska’s philosophy that’s making that happen.”

Footnote:

The USD 262 million Kaiser Permanente Project, Sunnyside Campus, adds to an existing facility. It includes a medical office building with 70 provider offices, eight operating rooms and an acute care unit.





MOVING IN >>>

Sold out – an increasingly common sign at Skanska's residential projects. Skanska is one of the largest companies in the Nordic residential market. Every 10th residential unit built in 2006 was by Skanska.

And in the Czech Republic, Skanska is recognized for housing that surpasses virtually all alternatives in the market.

All the homes are different in character but are often built using the same basic components. It's industrialization but with a unique design.

For successful results, design is becoming increasingly important, not solely with regard to the housing's interior and exterior. Now design focuses on the entire residential area in harmony with its surroundings.

On the following pages you can meet a few of the thousands of families that have moved up to a new Skanska home.





GREAT EXPECTAT

STOCKHOLM

“Everything behind the wallpaper can be standardized. This means that most of what customers cannot see and don’t value should be as similar as possible from project to project.” These are the words of Skanska Residential Development Nordic’s President **Anders Kupsu**, when he opens the door into the future.

One of the Nordic region’s largest property developers is having a busy time. The Nordic property market is flourishing, and Skanska Residential Development Nordic (RDN) is working at full speed. This year alone it has about 6,000 homes in production in the Nordic countries, i.e. Sweden, Norway, Finland, Denmark and in Tallinn, Estonia.

Naturally, ensuring profitability and customer satisfaction is the highest priority. At the same time, internal work to define products and processes continues. This involves

developing product platforms and processes for the entire Nordic region.

“We are focusing on developing product platforms for multi-family dwellings and single-family homes, to increase the degree of standardization. We will basically build upon the best platform concepts already developed within our regions. The platforms will be further developed in collaboration with the Nordic construction units.”

How far can standardization be pursued without lowering the standard of alternatives for customers?

“The fact that we are standardizing more is not something that the customer should notice. It does not mean that all houses will be similar. It is important to offer excellent designs that meet the demands from our customers and other parties concerned, such as municipalities.”

What is the purpose of standardization?

“We will gain time and quality and reduce costs and thereby increase our competitiveness. We also become more efficient purchasers when we have fewer variations. Naturally it is more beneficial to produce long rather than short and seldom recurring series.

“The inter-Nordic cooperation, initiated with the new business unit two years ago, will be increased on all levels. The aim is to increase Nordic coordination within Marketing/Communications, Product, HR and Financing.

“This is one phase of the work to achieve economies of scale and increased specialization. Through the Nordic cooperation, we will increase volumes and will incorporate the best parts of each market.

“This involves eliminating unnecessary complexities, in both products and struc-



Skanska Residential Development Nordic is working at full speed to boost volumes and cut costs.

IONS

tures. This goes hand in hand with our aim to enhance the efficiency. We will release energy that we can invest in the design of attractive products and in developing new areas.

“We can construct more rapidly, using better products and components, and we can sell faster with improved processes and sales support. We can also use the capital more efficiently, with a higher turnover rate for our land bank.

“The regions will continue to be our power centers. And it is between them that synergies exist. The metropolitan areas have many issues in common. For example, I believe that Helsinki and Stockholm have more in common than Helsinki and Oulu.”

Since its start in 2004, Skanska Residential Development Nordic has enjoyed excellent market conditions.

“Yes, we have increased both volume and

profitability. We are now moving forward to improve margins, too.”

The excellent market has not been only positive, has it?

“No, both land and construction prices have increased. That is another reason why we must focus on expenses, economies of scale in both production and purchasing. We also have noticed that many new players have entered our markets, because access to capital is so easy in the Nordic region at the moment.”

There has been talk of a housing bubble. How stable are the Nordic markets in the long term?

“The financial situation in our markets is fundamentally good. Demand has intensified because we had supply shortages for a considerable time. We will also benefit from satisfactory growth and major relocation into our regions.”

How rapidly can you adapt supply if the market stalls?

“We keep track of our sales figures on a monthly basis, so we see all changes directly and can apply the brakes. If we are successful in making the sector more efficient, I believe that we can manage a profitable operation even during a weaker business cycle.

“We also have strict demands on pre-sales prior to the commencement of construction on new projects. The demand level varies somewhat between countries. In Sweden,

Denmark and Norway, approximately 40–60 percent of one phase must be sold prior to the start of construction. In Finland, the pre-sale rate is traditionally lower.”

Employees who have direct contact with clients are particularly important to a business-to-consumer operation. What are you doing to develop employees?

“As property developers, we sell directly to the final customer. It is often the biggest business transaction in their lives, and we continuously stress the importance of understanding the customers and making it easy for them. It is also important that we reflect society in general with regard to education and diversity. This is why we are broadening our future recruitment base so that we recruit more people with different education and backgrounds. We believe customers will appreciate this, and it will be good for business, too.

“In 2007, we will reinforce training for all employees who meet directly with customers, for example, sales personnel, customer counselors and interior designers. They are the key people who personify our brand. In cooperation with Skanska Commercial Development, we also run Project Development Education to further train our project developers.

“We also have several inter-Nordic cooperation projects. And we really encourage our employees to take advantage of the knowledge from their colleagues in neighboring regions.”



Skanska Residential Development Nordic is working at full speed. In 2006 alone it had about 6,000 units in production in Nordic countries.



TEXT MATS WEMAN PHOTO HÅKAN RÖJDER

WE NEVER HAD IT SO GOOD

Skanska's Moderna Hus concept offers high quality in affordable housing. **Arne** and **Inga-Britt** have found a tranquil home in Kristianstad, southern Sweden.

KRISTIANSTAD, SWEDEN

Moderna Hus. "We have always worked hard, so now, as we are beginning to get old, it is pleasing to have comfort. It is so quiet and peaceful here," Inga-Britt smiles. "We've never had it so good."

The building in Kristianstad is the second of its type in Sweden. But enthusiasm from the tenants is catching.

"Next year we plan to build two more buildings close by," says **Carl-Gustav Areskoug**, District Manager, Skanska in Kristianstad.

ModernaHus is all about higher construc-

tion quality and lower living costs – tenant and landlord dreams, now realized".

"We built this apartment block in seven months; normally it would take one year," Areskoug notes. "Mostly it depends on logistics. All components are tested and adapted to each other. That way, we minimize the risk of construction errors on location. Just click, and it's in place. It's just like a Lego block system. There are a few components that can be assembled in multiple ways."

As an example, Areskoug mentions how the bathroom, which in the past was always constructed on-site, is now delivered in one piece.

"It is lifted into place complete with tiles, porcelain fittings, towel holder and everything. The bathroom is locked with a steel door and is not opened until the house is completed and cleaned."

"Today's tenants demand more and want some form of uniqueness in their living environment. Although they live in a 'rental

unit,' they want to feel that their apartment is 'tailor-made' for them. It was part of our challenge when we developed ModernaHus."

Marianne Roth lives with her husband **Jörgen** on the fourth floor.

"We think it's exceptionally nice. We're close to natural areas and not far from our work or the city center." But above all, it is the feeling of freshness that appeals to Marianne. "No one has been here before us, no one has touched anything. This means a lot to me," she says.

"Here, it's clean, quiet and bright. The rent is lower, too, despite the fact that we now have a large balcony and our own parking space."

ModernaHus Kristianstad is also at the forefront in environmental considerations. The house is well insulated and constructed with a focus on low energy consumption. All exhaust is recycled to the radiator system.

ModernaHus also offers the most recent technology in the form of fiber optics and IP telephony.



Good living in Moderna Hus.



Two years ago the environmental profile of the Uniqhus rose to a whole new level when the first Uniqhus to earn the prestigious Swan mark was constructed. The Swan mark denotes that the house meets stringent standards that take into account the environmental impact of everything, from the raw materials, to the finished product. Now anyone visiting a Uniqhus that is Swan-labeled will immediately be aware of it: The Swan logo is on the doorbell.

The Uniqhus makes environmental sense, but it also makes business sense. The cost of earning the Swan mark is just 1 percent of the total, yet 98 percent of Skanska's clients recognize the mark, and 37 percent say they would be willing to pay more for a house that has it.

Most customers want to buy a Uniqhus because they have friends who live in one. At present, demand far outstrips supply. "We have full production until the end of 2008," Linder says.

UNIQUE THINKING

The Uniqhus "green home" concept is not only notable for its attractive design. It also has a lower life-cycle cost and is the first housing concept to obtain Nordic Swan certification.

MALMÖ, SWEDEN

Göran Linder's dream began in 1989. He wanted to create a home that was not only good for the environment, but also good for its inhabitants. "I started the company myself, and it took about five or six years before we could pay ourselves a salary," he says. "At that stage it was a bread-and-water operation."

How things change. Established in 1989, the company started to cooperate with Skanska in 1994. Then, in 1999, Skanska took full ownership of the company. Since the first Uniqhus appeared in Malmö in southern Sweden, more than 400 have been built. Despite the fact that they can cost up to 30 percent more than a regular home, people are lining up to buy them.

The central concept of the Uniqhus is to create a brand of high-quality single-family homes constructed from all-natural materials designed to have low maintenance costs and low energy usage. The frame is made of brick, with no wood. This makes the houses extremely heavy, which is better for storing energy. People living in them benefit from the natural materials.

Excellent ventilation prevents trouble with mildew or allergies. Obviously, the Uniqhus upholds the traditions of Scandinavian home design by being functional, practical and attractive. Although each home uses the same basic elements, they can be arranged in different ways. This philosophy of "standardized but unique" means that each one is adapted to meet the needs – and the budget – of its new owner.



Göran Linder, the man behind the Uniqhus concept.



BOOMING HOME AFFAIRS

Skanska Czech Republic posted a record-breaking year in 2006. A total of 624 apartments were sold, up 50 percent compared with a year earlier.

“We could have sold 800 units,” says **Petr Fanta**, Executive Director of Development and Design/Build in Skanska Czech Republic.

Offering apartments in the right sizes at the right prices and in the right locations are not the sole success factors. The economy of the Czech Republic is booming, growing steadily at about 5.5 percent annually. Moreover, Skanska also can offer its homebuyers favorable financial arrangements. The company has teamed up with the Komerční banka a.s., which offers lenders who want to purchase a Skanska home loans of up to 120 percent of the apartment’s price – with no down payment and a term of 30 years.

Why 120 percent?

“In the Czech Republic, home buyers are responsible themselves for the kitchen and

bathroom fittings and appliances. With this solution, they can benefit both from the favorable loan and from Skanska’s reduced prices for interior fittings,” explains Petr Fanta.

Skanska’s residential development has also been favored by the Republic’s harmonization with the EU.

As of January 2008 VAT will be raised from 5 to 19 percent for housing. So evidently people have been ‘pre-buying’ apartments before the tax increase. We have also benefited from low interest rates,” Fanta says.

Fanta expects the beginning of 2007 to be almost as good, with a downturn in late 2007 and 2008 due to higher VAT.

“We will start about 850 units, of which we expect to sell about 500 units this year. The ones we finish during 2007 will still be eligible for the lower VAT. To achieve our sales target for 2007, we have to start this many units.”

“The downturn we expect after the VAT rise will affect our mid-income segment, which has been a main target. The upper-income segments are not as sensitive to the tax hike. So for the next one or two years we will have to offer more prime locations in central Prague. An apartment near

Prague Castle is an attractive investment for anyone who can afford it.”

Prague is still the country’s foremost growth center. The influx of people and growing demand make this a profitable market. There are regional growth centers such as Brno or Ostrava, but although land prices are somewhat lower, these regions are still low-margin areas compared with Prague. For example, consumer purchasing power is 40 percent stronger in Prague than in the rest of the country.

The company has a land bank for about 3,000 units, of which about 1,500 already have the necessary building permits. The process for zoning and securing permits generally takes two or three years.

“Nevertheless, we still believe regional cities such as Brno and Ostrava will become favorable markets within a few years so we are looking for good land in these areas,” says Petr Fanta.

The Czech company is also aiming at the Slovak residential development market where Skanska is active in construction. The country has solid growth of about 5 percent, and the residential market is slowly emerging. Skanska is preparing a few projects that will result in about 100 units in each of next three years.



Petr Fanta,
Executive
Director of De-
velopment and
Design/Build in
Skanska Czech
Republic.

THE SILVER SCREEN



"It worked out very well," Stina says. "We were constantly kept informed during construction and were also able to keep ourselves up-to-date on the website."

Their first investment was the gleaming Mediterranean-inspired azure-blue and sapphire-green mosaic floor in the bathroom, contrasting strikingly with the large matte white tiles on the walls. For the kitchen, they decided on a black and gray mosaic finish instead of the standard tiles. The hall is also gray, while the kitchen is painted in a warm coffee latte shade.

"We wanted to bring in the feeling of the natural surroundings – the stone and the clay soil – in a simple and understated way," Tarek explains.

Although the apartment is modern, it nevertheless has something of the authentic aura of the silent film era about it. Substantial stone walls shut out intrusive noise, and deep window recesses have gleaming marble window-sills, generous doorposts and decoratively wrought handles on the windows.

"I am very pleased with the standard of workmanship and all the fine details," Tarek says. "It feels completely different compared to other modern apartments."

In the kitchen hangs a small painting with a Filmstaden motif, given to them by Skanska as a housewarming present.

"We got that and a book and DVD about the old studio lot. Very thoughtful – a small gesture that means a lot," Tarek says.

While Tarek is the one with the strongest interest in movies, both of them love the neighborhood: a village within the city.

"The fact that there is a cinema just around the corner is a big plus in itself," Tarek adds. "It is excellent, with small auditoriums, and very personal. The people who run it recognize you when you go in and greet you cheerfully when you buy tickets and candy."



SCALING NEW HEIGHTS IN STOCKHOLM

Stockholm is Skanska's largest regional residential market – and it's growing. The urban sprawl includes the municipalities around Lake Mälaren.

STOCKHOLM

Skanska is expanding on all fronts in the popular Stockholm region. By 2010, Skanska will be constructing more than twice as many residential properties than it does today.

"There is heavy demand for our products. Our goal is to be No. 1 in Stockholm and the Mälardalen region in the near future. This is part of Skanska's ambition to become a market leader in Sweden and the Nordic region," says Mikael Graffman.

Head of Skanska Residential Development Nordic, Stockholm.

Despite fierce competition and the high price of land, Skanska is growing in both Stockholm and the rest of the Mälardalen region. Mikael Graffman expects to increase the construction rate from today's approximately 800 residential units to around 2,000 by 2010. Intense work is underway to secure land and building rights to enable expansion.

In the Mälardalen region, the strategy is to build around Lake Mälaren simultaneously from the north and south.

"We are using our established concepts and products as door-openers in municipalities where we have not previously worked. This includes BoKlok (LiveSmart) multi-unit dwellings, the

BoKlok single-family houses and other affordable products with good design," Graffman says.

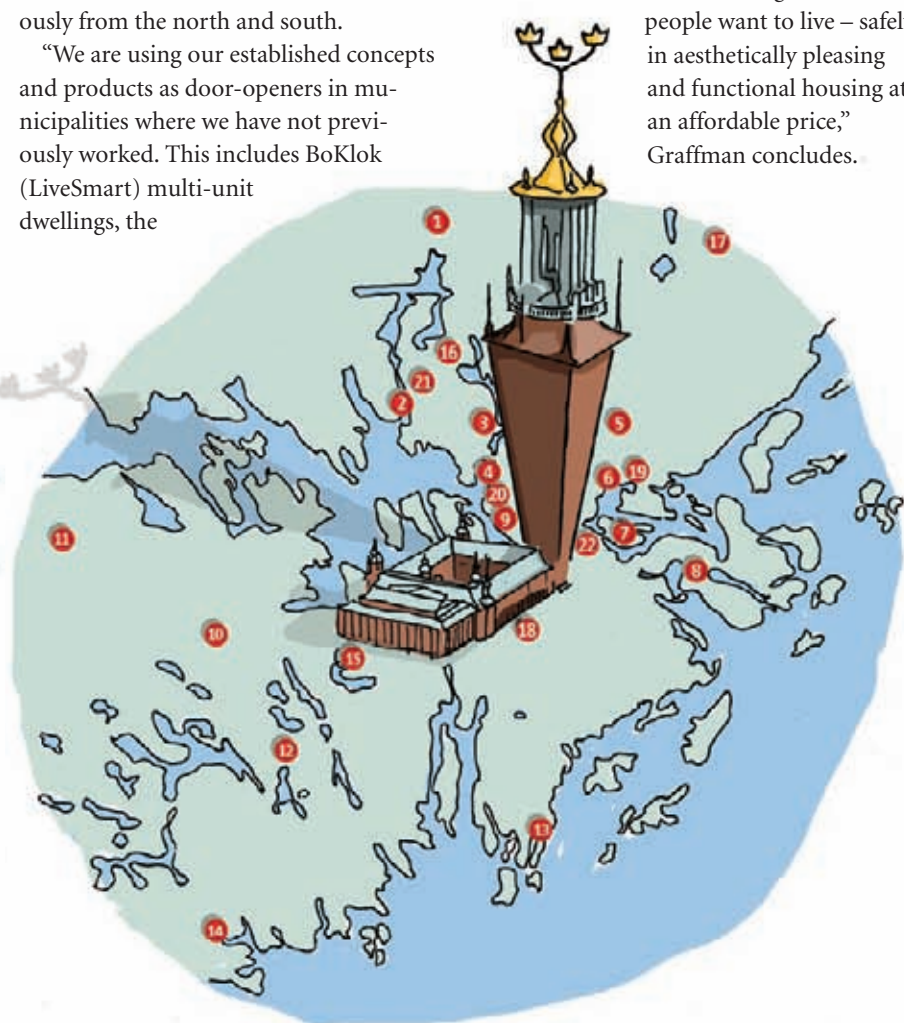
"In central Stockholm, this is more a case of the company becoming involved in larger construction projects, in which all of Skanska's units work together as a large-scale social builder.

"The major challenges for the future are recruiting the right people, and retaining and developing the personnel we have. The key to success is people with creative ideas and knowledge about how

people want to live – safely in aesthetically pleasing and functional housing at an affordable price," Graffman concludes.

RESIDENTIAL DEVELOPMENT IN THE STOCKHOLM REGION

COMPLETED OR UNDER CONSTRUCTION	BUILDING RIGHTS
22. Stockholm	19. Österåker
21. Häbo	18. Huddinge
20. Järfälla	17. Östhammar
13. Nynäshamn	16. Märsta
11. Eskilstuna	15. Nykvarn
9. Sundbyberg	14. Nyköping
8. Nacka	12. Gnesta
7. Lidingsjö	1. Uppsala
6. Täby	
5. Vallentuna	
4. Solna	
3. UpplandsVäsby	
2. Upplands-Bro	



SPOT ON LOCATION

Location is increasingly important for attracting customers. A sharper focus on the character of the location gives increased value for the customer – Living Area Design.

GÖTEBORG, SWEDEN

Many customers want to live in unique residential neighborhoods. "In our efforts to be best, we look at other customer-driven sectors," says Urban Hammarlund, Strategy and Business Developer at Skanska Residential Development Nordic. "But we have an additional parameter that they lack: location. Properly utilized, it is a major asset for us."

Östra Trollåsen, Snäckeberget, Fagerdal and Ullstorps Gårdar in Western Sweden are three charming areas that span several price segments. Their designs are based on the location and the market characteristics, resulting in greater value for customers.

Each project is the result of the efforts of different project teams that nevertheless share the same work methods and mindset. And despite their differing character, they are largely based on the same construction platforms.

The development work follows a structured plan. The basic components – the market, location, customer and platforms – form a starting point. Early in the process, a "think tank" is assembled. All the projects and locations are brought together in a "creativity room." Impressions, experience and good examples from other projects provide a broader source of inspiration for new locations.

When the location and its unique character have been identified, it is time to start thinking about the two other major success factors: greater industrialization of production and more character in the design. Combining these factors leads to satisfied customers and a sold-out area.

The costs must be reduced, and the value increased. Uniform platforms create efficiency in production, while unique design gives customer value. Is this a difficult equation to balance?

"No, we have shown before that we can combine industrialization and customer focus. Now we are strengthening the focus on adaptation to the location and unique design. And by improving production efficiency, we free time and resources for design and character-creating measures.

"But it is vital to keep track of the overall

Snäckeberget has been nominated for the Per and Alma Olsson Award for Good Architecture.

picture and establish the right conditions for creativity."

The parameters are established in consultation with the municipalities. The creative forces are jointly represented by business and project developers, planning architects, marketing people, office staff, engineers, decorators, designers, architects, salespersons, landscape architects and builders.

Every action is a step on the way to maximum customer value. The surrounding conditions must be interpreted. The area may be structured to be widely spaced or dense. Exterior and interior spaces must

be created. But it is only when everything is in accord that a distinctive character emerges. Everything must be permeated by the same theme.

"There are those who make comparisons with the relationship between a conductor and an orchestra. I think that is an appropriate analogy, but in this case we do more than simply play together. We also compose."



Urban Hammarlund, Strategy and Business Developer at Skanska Residential Development Nordic.



TEXT MIA GAHNE PHOTO STEFAN NILSSON / HOLGER STAFFANSSON

LIVING AS SEEN ON

The world of movies is a rich source of inspiration – for homes, for example. The Filmstaden district in Solna, near Stockholm, pays homage to the movie immortals of bygone eras but is also a modern housing district steeped in culture and offering a small-town atmosphere.

SOLNA, SWEDEN

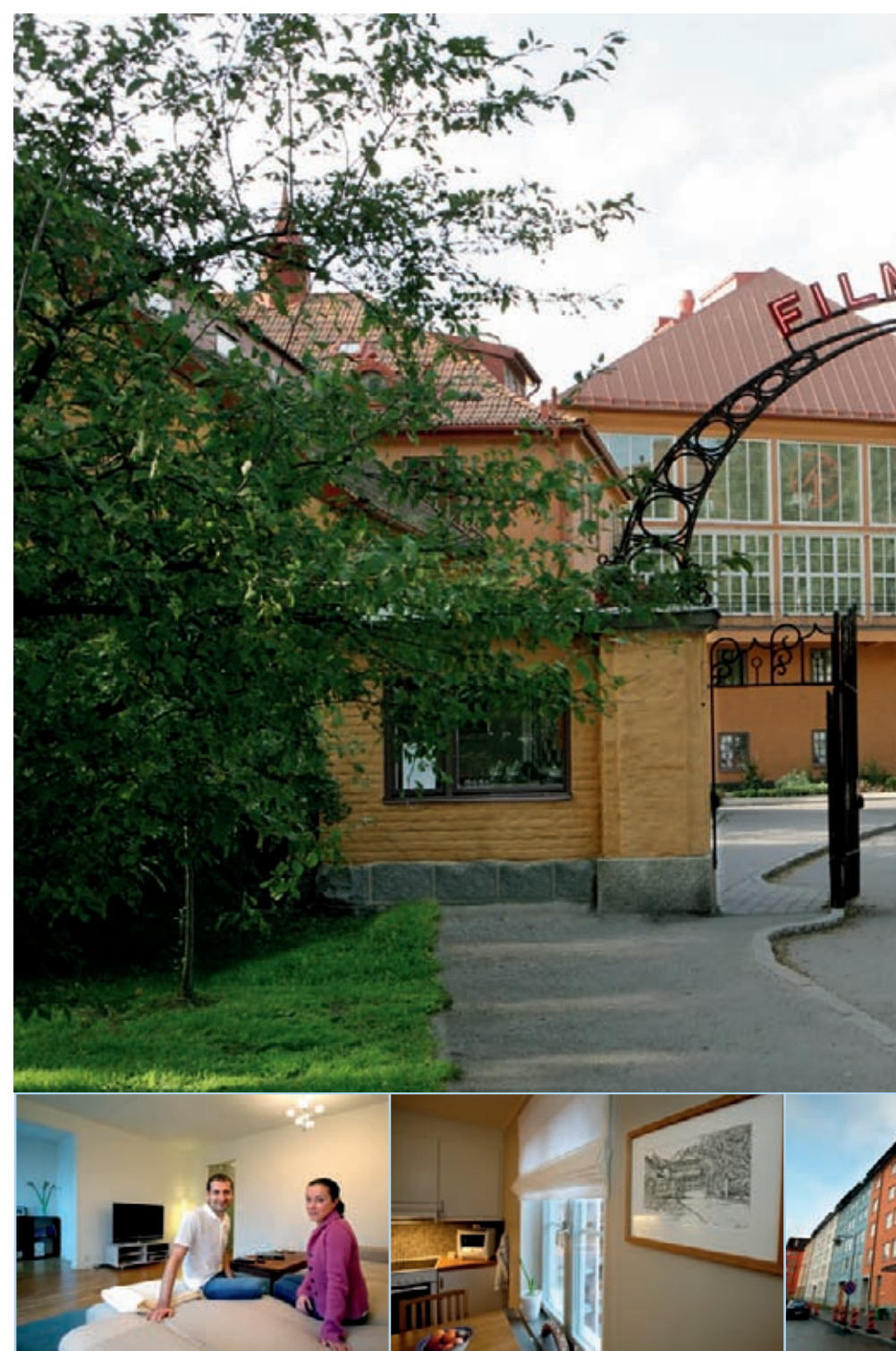
You only have to pass through the arched gateway, with its red neon sign in the classic style, to sense the vibrations of celluloid. Nearby are a small local cinema and the SF movie company's head office. Just to the right, on the street named after Greta Garbo, is where Tarek Touma and Stina Olsson live.

Their new home is in the heart of Filmstaden, on the sixth floor of one of Skanska's recently finished apartment blocks, one of a small group of stone buildings, attractively rough-cast in light pastel shades. To judge from the exterior, they could easily have been built in the 1930s and be located in a quiet Swedish provincial town. But appearances deceive. It is only 10 minutes to the center of Stockholm.

Waiting behind the tasteful doors, with wood inlaid diagonally for special effect, are ultramodern apartments with ready-to-use Internet connections in every room, easy-to-clean open spaces and large windows that admit floods of light, deep balconies, and spacious kitchens and bathrooms.

"We love it here! I don't think we could ever consider living anywhere else," says Tarek Touma.

They have been involved throughout the construction process and chose the materials and colors.





HOUSING IS ONE WITH NATURE

New communities are designed to be in harmony with the surrounding terrain

TEXT TORD MELANDER PHOTO KURT BERGLUND

FAGERDAL. The Fagerpark tenant-owner association in Fagerdal meets customers' highest expectations and offers affordable homes. Ulf and Louise are a young couple who find life more enjoyable after moving into their own Skanska home.



Louise find the area very tranquil. They have also become good friends with their neighbors. "There are many opportunities for impromptu and pleasant chats between our gardens," they observe.

They are both happy to have made the move from their one-room apartments to a new house for the affordable price of SEK 995,000, about one third of the price of a house comparable in size and location. Ulf and Louise also selected options, such as stainless steel cabinets for the kitchen appliances, a fully tiled bathroom and a different staircase, for a total of SEK 120,000. "The money was well-invested and makes living together more enjoyable," says Ulf.

The homes have been designed to let light in through large windows and open spaces. The exterior environment has also been emphasized. The original forest was preserved, and stone walls have been built and restored. In addition, the gardens were complete from the start with grass, stone works and hedges. The concept has resulted in customer satisfaction rating between 88 and 100 percent for the three separate phases in Östra Fagerdal.

Because they do not yet have children, their choice was a three-bedroom apartment of 96 square meters on two floors in the Fagerpark tenant-owner association. "When we finally decided to live together, it felt right to start with something new and fresh," says Louise. "I am quite interested in decorating, and it was therefore a pleasure to be able to choose fittings for the apart-

Ulf Blomstergren and Louise Sigstedt Hallin appreciate the modern living offered in Fagerdal.

ment according to our taste. There were also many alternatives available, so we had the opportunity to choose almost everything, such as in our small garden, for example."

Although the houses are situated close together on a street open to traffic, Ulf and

The residential area was awarded a prize internally within Skanska with the motivation that this was "an exemplary project executed in a manner in which the original compelling concept was realized in an extremely consistent manner."



Annika and Mats Karlsson appreciate the modern and comfortable living offered in Trollåsen.

TROLLÅSEN. The new properties, with virtually maintenance-free homes on small, easy-to-tend lots, are also aimed at high-income customers who demand individual solutions of a high standard.

Nevertheless Skanska has managed to achieve commercial profitability on the project, which was mostly executed in-house.

"We were able to be involved right from the start and choose the features we wanted," say Mats and Annika Karlsson, two of the new owners. "We wanted lots of light and open areas and were finally able to move into a fantastic 150 sq m two-bedroom house!"

The family, only one of whose four children still lives at home, previously lived in

Billdal, one of the first parts of Askim to be developed.

"One of the most important advantages is that the living conditions are so modern and comfortable. When we lived in Billdal, there was always some kind of maintenance work that needed to be done. Now we are free of that responsibility, which is ideal considering Annika's and my work. Should something need to be fixed, though, we can get help from the area's friendly service technician, Enar Karlsson."

After many years with Volvo, Mats Karlsson is now Scandinavia Manager for DaimlerChrysler, based for the most part in Copenhagen. His wife Annika is a podiatrist.

Adjacent to a nature reserve, the first phase of development of the sensitive

and beautiful Trollåsen area was ready for moving in in 2004 and was immediately rewarded with the construction industry's prestigious Housing Development of the Year award for 2004.

The entire area, with its Nordic neofunctionalist style, is tailor-made in consultation with the prospective owners, the architect, the authorities and the residents of the older part of Askim. The latter, in particular, have contributed to its success. Trollåsen, whose modernistic architecture sharply distinguishes it from the older built-up area, is in a secluded location where it blends in remarkably well with the rather barren landscape, characterized by rocky outcrops and windswept dwarf pine trees.



Ullstorp is a model for how a modern construction project can take shape.

ULLSTORP. Skanska and the municipality both have a hand in the design work for the new Ullstorp residential area in Kungälv.

It is close to nature, yet still within commuting distance of Göteborg on the west coast of Sweden. Together with Kungälv Municipality, Skanska is creating the new Ullstorp residential area. Some 350 housing units are to be built in a dozen phases. Skanska will be developing and constructing about 200 units. However, the main effort has gone into developing the design and form of the entire area.

"Together with Skanska, we have chosen to create an area that is clearly adapted to nature, not the other way round," says Kenth Johansson, Municipal Building Manager at Kungälv Municipality.

Ullstorp is located in a province that is nearly pastoral, featuring two types of landscapes that are typical for southern Bohus County. One landscape is open agricultural, and the other fringe woodlands and forest.

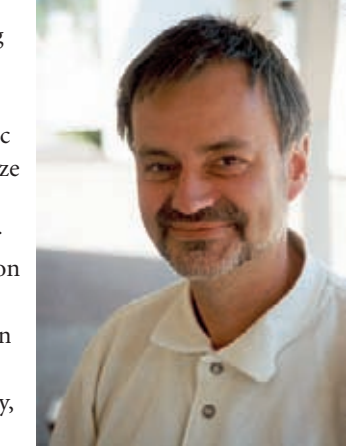
"Skanska was involved from the start of the project. We agreed at an early stage on the high significance of the landscape and to adapt the construction to the terrain and not vice versa. Accordingly, we developed two characters in the design. One for the meadow – the open landscape – and one for the forest.

"We also decided to preserve the feeling of an open landscape. The structure and form are based on the meadow that will be a common gathering place. Clearly defined values will provide the guiding principles for the development of all phases. We are focusing on space and a sense of community rather than the maximum degree of exploitation and the highest possible return, and we will adhere to this approach when other interested parties become involved.

"Work during the entire planning phase is value related. In addition to the design, this was also reflected in the structures. A community building is placed in the area's prime location, with substantial land around it for activities. We have secured important values in the detailed plan and we are passing these on to other parties involved in the project."

Given that the municipality owns both the land and the process, what is Skanska's contribution?

"We are already drawing on Skanska's expertise at the planning stage, thereby gaining a holistic view that will characterize the entire area, which is extremely important for us. Skanska's contribution comprises not only design and implementation but also the company's know-how in technology, marketing and finance. It is extremely important that all the components mesh to ensure that we end up with an attractive



Kenth Johansson, Municipal Building Manager at Kungälv Municipality.

municipal planners to set the tone and orientation for the new Ullstorp housing development in the northern part of Kungälv.

Then Skanska built the Ånggård community center – or cultural center – a black barn-like structure with an exciting interior, including a newly built wood-fired baking oven. Only after this was completed did Skanska embark on the first phases of actual housing construction.

In the future, all the residents in the area will be able to use the Cultural Center for parties and joint cultural activities such as midsummer celebrations or bread-baking in the traditional Bohuslän style.

"Together with Skanska, we have chosen to create an area that is clearly adapted to nature, not the other way round."

area with high social values. To achieve this, it is essential to have a partner who is in control of the entire development," concludes Kenth Johansson.

Initially, Skanska collaborated with the

Ullstorp is planned as a residential area with both single-family houses and rental apartments. The surrounding area can be described as a long-established rural community, located only 20-25 minutes by car from Göteborg and five minutes from central Kungälv.

ÖSTRA FAGERDAL
General contractor: Skanska Residential Development Nordic's
Project start: 2005
First occupancy: December 2005
Completion date: 2008
Total units: 149 single-family and semi-detached homes

ÖSTRA TROLLÅSEN
Developer: Skanska Residential Development Nordic
Contract work: Skanska Teknik, Skanska Residential Development Nordic's operations in Western Sweden, Skanska Sweden's Road division
Project team: Stephan Woodbridge, Lars-Åke Eriksson, Tomas Gustafsson, Lars Henriksson, Urban Hammarlund, Olof Olausson and Susanne Högström Sivengård.

ULLSTORP
Developers: Skanska Residential Development Nordic, Kungälvsbostäder
Project start, Phase I: 2006
First occupancy: 2007
Completion: 2008
Number of housing units: 200
Contract work: Skanska Teknik, Skanska Sweden's Building and Roads divisions



HAPPY HOME-OWNERS



The Solving/Sandholm family. From left, Olle Solving, holding son Daniel, and Karin Sandholm, holding son Nils. Both work in Göteborg and currently live in a three-bedroom apartment in Majorna and is looking forward to move to Trollåsen.



The Lindblad/Elmång family. From left, Sandra Lindblad, Michelle Elmång, Marcus Elmång and little Jonatan Elmång. Today the family lives in downtown Kungälv "but are longing for the countryside."



Skanska's project team responsible for the investment in the idyllic Ullstorp north of central Kungälv, gathered in front of the newly built wood-burning oven at the Ånggård Cultural Center (from left): Fritz Nicklasson, Lars Henriksson, Urban Hammarlund, Lars-Åke Eriksson, Magnus Thölen, Åsa Karlsson, Carina Berntsson, Ingemar Thorsson and Robert Staaf.



A PLACE OF YOUR OWN

In the town of Oulu in Finland it only takes three people to deliver excellence. **Mikko Herva, Jukka Harjunpää** and **Arja Linna** make up the Skanska Residential Development Nordic in northern Finland, which was recently selected as the company's best unit in Finland.

SET FOR SUCCESS

OULU, FINLAND

The Oulu unit boasts excellent customer satisfaction in its projects. In 2005, Skanska sold about 200 homes in northern Finland. Last year around 180 homes were sold, and for 2007 the figure is expected to exceed 200. Last autumn saw the launch of the Alppila development, which will be a major project in years to

a lot to do with connecting the dots, as well. Finally, Herva mentions the seamless cooperation within the team and with the local Skanska Construction Services unit.

“We are both working to develop our key competences and making a joint effort to maximize the profit margin as well as customer satisfaction. Skanska has a long track record in meeting customers’ requests

and requirements – in other words, in product development,” Herva explains.

“Meanwhile, our Building Construction unit is the expert in construction and knows exactly how these requirements can be addressed rationally and economically.”

The parties enter into close cooperation early, when the land is being purchased. Building Construction

provides binding price information, making all necessary information available at the outset. This provides an element of security for Skanska and opens the door for new projects for Building Construction.

“Our cooperation continues in the planning stage. Allowing professionals, such as the Site Manager, to bring their expertise into the planning,” Herva explains.

come. Since the project will have a significant impact on the urban structure of Oulu, there is close cooperation with the city government.

What is this dream team’s secret?

Mikko Herva, Vice President, Northern Finland Region, reveals the keys to success: knowledge-sharing with other units and the professionalism of the Skanska team. It has

Seamless cooperation is the key for success in Oulu



OULU, FINLAND

You can leave the nest and set up your own place for a small down payment. The “You Live” concept makes that possible. Skanska has followed the good example of other Skanska units and adapted the Norwegian “You live!” concept to Finnish conditions. Skanska’s Nordic housing project network facilitates the exchange of experiences and thus the application of best living concepts practiced in different countries. “You live!” was developed by Skanska Residential Development Nordic in Norway to provide easy access to new housing for an age group that previously had virtually no chance of buying their own home.

The idea behind “You live!” is to offer young first-time homebuyers the opportunity to purchase a home with a small down payment, as low as 10–15 percent. “You live!” homes are modern, well designed, highly functional and fit the urban lifestyle. One goal is to ensure versatility in the distribution of apartment sizes in the “You live!” concept. In addition, they are centrally located close to commercial, cultural and entertainment services and good traffic connections.

In Finland, the planned location for the first “You live!” homes is Tikkurila, Vantaa, in a central location with excellent transportation. Skanska’s housing project will reinforce the identity of the city center and connect naturally with the existing buildings.

COOPERATION ON A NEW PLAN

OULU, FINLAND

Skania works to actively promote good residential housing. Cooperation with the City of Oulu is about to give birth to Alppila, an entirely new residential area.

The northern Finnish high-tech city of Oulu is a green and cozy town that puts a high priority on less traffic. The Alppila residential block, which will be built next to the Oulu city center over a period of several years, accentuates the features typical of Oulu.

Close cooperation from the start between the City of Oulu and Skanska will ensure that the plans for Alppila extend a long way into the future. Skanska has been involved in the project since the land-procurement and town-planning phases. The architectural competition for the design of the area was also organized in cooperation with the City of Oulu. The winning proposal served as the basis for the area planning.

“Our cooperation with Skanska was extremely fruitful. The best way to create a pleasant living environment is to pool different experiences, perspectives and knowledge,” explains **Matti Karhula**, at the Oulu City Planning Department. “Cooperation with the construction company gives us valuable information for other future projects.”

DREAMS COME TRUE





Sauli Koskela, his wife Ingemo Mietala and son Matias are the new residents of a Skanska home presented at the Espoo Housing Fair 2006. "This was our chance to live in our dream home," Koskela says.

ESPOO, FINLAND

The Koskela family's home represents award-winning collaboration between Skanska Residential Development Nordic in Finland and Finnforest in wooden construction.

The housing complex contains five individual homes with a wooden structure and is a great example of individual and open-minded use of a traditional Finnish material.

"Skanska's '5 Klippinkä' design

caught our attention immediately when we saw the first advertisements," Sauli Koskela explains. "We thought, 'That could be our future home!' We were fascinated with the architecture of the house from the beginning."

The two-level home features all the essential elements but not too much of anything, which pleases the family. You can drive right up to the front door regardless of the weather, and a small yard of your own is a luxury for former apartment-dwellers.

"What we also felt was a significant advantage in moving into a home in the housing fair area is that the entire area is complete – gardens and everything," Koskela says approvingly.

His satisfaction is easy to understand. Residents need not wait for their neighbors to start building their homes or for their street to get finished. Instead, they can enjoy their new living environment and neighborhood community immediately.



"We were fascinated with the architecture of the house from the beginning."

SAULI KOSKELA

GEE WHAT A PLACE



VANTAA, FINLAND

The cozy, village-like garden community of Kartanonkoski in Vantaa was one of the finalists for the best place to live in Finland. The contest was arranged to identify the residential area that best meets the living preferences and values of Finnish people.

Kartanonkoski easily made it to the final. The residents of Kartanonkoski are thoroughly satisfied with their cozy living environment, which simply exudes the good life.

"What I liked most about Kartanonkoski was the beautiful and elegant appearance of the area and the houses," Richard Gee says. "Having nature come right up to your doorstep is simply unique. What's more, children can play safely in the park next to the house."

Gee and his family live in one of the many houses in Kartanonkoski built by Skanska. The construction of Kartanonkoski began six years ago, and it is one of the fastest growing areas in Vantaa. What were previously fallow fields have now been turned into an idyllic neighborhood.

Skanska has played a strong role in developing the area since the start. Kartanonkoski provided Skanska with an ideal opportunity to put its experiences and innovations into practice and to build a good living environment.

In all, more than 1,100 new homes have been built in Kartanonkoski. Skanska has constructed 14 housing complexes in the area and participated in numerous contracting projects. Skanska also built the Jumbo shopping center, which serves Vantaa and the entire capital city region, and the Point Learning and Information Centre.





TEXT MATTIS MICHAELSEN PHOTO ERIK M SUNDT

LOVE AT FIRST SITE

Monica and Morten wanted an apartment with personality. Ekebergkleiva realized that wish.



OSLO

Monica Tøftum and Morten Stephanson had been apartment-hunting for almost a year. No apartments they found suited them. But one Sunday, Monica was surfing on the Internet.

“She found Skanska’s prospectus for Ekebergkleiva. We discussed it but didn’t follow up,” Morten says. “At first it didn’t seem to suit our budget.” Then they met Morten’s parents in town and agreed to take a look at the apartment after all.

“We fell completely in love with it.

Exciting and different, yet a favorable price. Right next to Bjørvika and the Middelalderpark. Modern, but with clear links to the small, traditional, wooden houses in this historical area. Central yet quiet.”

They barely slept that night. At the crack of dawn on Monday morning, they called the sales agent. Morten and Monica said they wanted the apartment. And they got it.

The couple were living in a small apartment in central Oslo and wanted something bigger. They only found one property that could rouse the same good feelings in them as the apartment they were vacating. “New apartments are often identical. Square and unappealing wood blocks,” Monica says.

Ekebergkleiva is not like that. There are angles, lots of windows and balconies in all directions. Monica has worked as an interior decorator herself. She has an eye for design and knows what she likes. Their apartment is special: It is on two levels.

“A little like living in a house in the city,” she says.

Morten and Monica made the purchase based on a prospectus. The apartments were finished a few months early. However, it was still difficult to wait a year and a half to move in on May 15, 2006. “We felt we were going crazy. At the beginning, we came here to look every Sunday. During the final six months, we popped by twice a week,” Monica says.

But they used the waiting time well. The couple added their own personal touch to their housing project. “We were positively surprised about all of the options available and made maximum use of the choices,”

Morten says. The pair found many good solutions and adaptations following their own tastes. “**Karin Michaelsen** was worth her weight in gold here! She was solutions-oriented throughout the process.”

Michaelsen is a customer guide at Skanska Residential Development Nordic in Norway and helped Monica and Morten design the apartment exactly

as they wanted it. The couple then added the finishing touches based on home décor with a clear idea.

“First and foremost, we wanted everything to be simple and clear. We wanted to have the things we needed but to keep it airy and spacious,” Morten says. He and Monica are not the only ones who are excited.

People passing on the street stop when the couple are sitting on their balcony. Monica and Morten have fielded several friendly questions and comments: “What does it look like inside? Just as nice as the outside? Have they all been sold?”



Ekebergkleiva is different: angles, lots of windows and balconies in all directions.



SKANSKA IN THE MOVIES

Millions have seen the inside of a Skanska home - usually without knowing it. When TV and movie producers need a nice setting for a scene in a home, it is often a home built by Skanska.

One film by Swedish Television, as part of the promotional material to celebrate its 50th Anniversary, was shot at Snäckeberget, a new residential area in Göteborg developed by Skanska.

Scenes in the Swedish box-office hit "Luftslottet," a thriller featuring the disillusioned detective Kurt Wallander, were filmed in no less than three different Uniqhus in the tiny town of Ystad in the south of Sweden.

Volvo is marketing their new car sound system with a comparison to a home stereo system - yes, you guessed it - filmed in a Skanska home.

Gamla Filmstaden is a new residential area that will comprise a total of 550 apartments. Gamla Filmstaden was the Hollywood of Sweden and more than 400 movies were shot here between 1920 and 1960...

...such stars as the great Greta Garbo and the internationally renowned director Ingmar Bergman began their cinematic careers in the Filmstaden studios.

See also page 18.



ON TOP OF OPPORTUNITIES



Skanska's Svein Ask spotted an opportunity in central Oslo. In two and a half years, people will be able to buy an apartment in the New Oslo.

TEXT MATTIS MICHAELSEN PHOTO ERIK M SUNDT

OSLO

Ensjø in Oslo is one of the last opportunities to develop a new residential district in the downtown area of the city. Skanska intends to actively participate in building the capital city of the future. Accordingly, the company has assumed a central role in the project in which 10,000 people will make their home in a brand new city district.

"This is a fantastic opportunity," says **Svein Ask**, Property Manager at Skanska Residential Development Nordic in Norway. "People call it the car district. But it will not be that any more. We are going to put Ensjø on the map as a residential area.

"Skanska has acquired a large plot of land in the heart of this new urban district. Slightly more than 400 residential units are planned. Modern apartments, away from the noise of the city center, yet with everything an urbanite could want within easy reach.

"Just a stone's throw away are the Kampen and Vålerenga districts, two of Oslo's most attractive residential areas, with beautiful parks and large recreation grounds for sports and leisure. It takes only 15 minutes to walk to the city center."

The subway is the closest neighbor. Skanska is considering constructing a roof above the station, with a shopping center of about 8,000–10,000 sq m built on top of that.

"Skanska's apartment buyers will be able to look out over a boulevard 23 meters wide, framed by green shrubs and featuring a channel of water between the greenery and the sidewalk. This will be the place for those who want all the benefits of urban life but a little distance from the city center environment," Ask explains. "The stream will end in a pond in the square outside. This pool will be part of a larger square that will front Skanska's building.

"It will be good to live here. Ideally, Skanska would like to work with world-famous architects to create something unique for Oslo. The authorities in Oslo have said that they would like to have a flagship building on the site," Ask says.

THE HEART CONE CHAIR (VERNER PANTON 1959) IS ON LOAN FROM VITRA IN OSLO.

ONE NATIONAL FOOTPRINT

NEW YORK, NY

Eight will become one as Skanska's civil operations in the U.S. enter 2007 as one strong, single brand. All civil units will now be branded Skanska.

"This is extremely favorable. The majority of our clients already refer to us as Skanska. It's the way to go and it will benefit our business forward into the future," says **Sal Mancini**, President of Skanska USA Civil.

"We are now one brand with a national footprint but we will still be very local: in the eastern U.S., Colorado and California. It is important to retain strong and close customer relations in our local markets."

Sal Mancini takes a step for one national footprint.

"Skanska USA Building successfully took this step a few years ago," says **Johan Karlström**, Executive Vice President, Skanska AB, responsible for the U.S. operations. "Now, together we will build an even stronger brand that will attract great customers and great people. Everybody wants to be with a winner. And with one strong brand, we will win."

Skanska USA Civil will continue to offer its specialized services within the infrastructure sector such as transport construction – including bridges, tunnels, highways and rail projects – as well as power generation, water-treatment and water-pollution-control plants.

CONSERVING THE LONDON BEAT

LONDON

Constructing a new building in a protected area such as Chancery Lane in central London is always a delicate and high-profile matter for city authorities. Care must be given not only to architecture but to the surrounding environment as well.

With a track record of successful London projects – 30 St Mary Axe (Swiss Re), Moor House, Palestra, Paddington Central, 50 Queen Anne's Gate and many other Central London schemes – Skanska was the obvious choice to build a combined office, retail and residential property for the development company Ebble Developments Ltd.

The building will have a steel frame, with a stone and brick façade partially retained from the older building. The new property will comprise a total of 8,000 sq m net, with five floors of exclusive office space, nine residential units and seven shops at street level.

Work on the site began this past autumn, with completion scheduled for spring 2008.

HAT TRICK IN VIRGINIA

NORFOLK, VIRGINIA

Skania USA Civil recently received its third consecutive project award from the Virginia Port Authority (VPA) to construct a 900-foot (274-meter) extension to the North Wharf Container Pier at Norfolk International Terminals in Norfolk, Virginia. The work includes driving 61 centimeter square concrete piles and extending container crane rails, associated utilities, electrical substations and paved storage for containers. The extension will be to a previous 457-meter pier constructed by Skanska USA Civil in 1996.

SAVING EFFORTS

STOCKHOLM

Staff from Skanska Group IT and Skanska Group Purchasing teamed up to renew the Group's PC agreements. Their combined efforts resulted in an average price on individual PCs 25-percent lower than previously. The estimated total cost savings will be EUR 2.5 million (USD 3.3 million).

Moving from the previous three vendors, Skanska signed agreements with Dell and Lenovo as part of the new dual-vendor strategy in a low-risk scenario. The agreements went into effect October 1, 2006.





PAVING THE WAY

The “special purpose company” is the hub of a Public Private Partnership (PPP) project. Here a variety of interests intersect: builders and owners, public and private, various politicians and long-term and short-term considerations.

GDANSK, POLAND

For the A1 project, the special purpose company is Gdansk Transport Company (GTC), headed by **Torbjörn Nohrstedt**. GTC is responsible for developing, owning and, in the future, operating the 90-kilometer-long highway south of Gdansk in Poland.

Mr Nohrstedt has the broad experience required for such a central position. He has participated in major projects, such as Skanska’s and NCC’s power plant construc-

tion Uri in Kashmir. He has worked in Poland since the mid-1990s, when he led the construction of the A2 highway. And through his contribution to the Arlanda link, a Swedish project with PPP features, he gained insight into the influence of politics.

“There are major differences between the A1 and my previous projects, but the A1 certainly contains all the ingredients. We will be operating in the middle of a mine field, and each decision must be carefully weighed,” Nohrstedt says.

survey, control and create a good atmosphere for cooperation.”

Risk division can be briefly described as follows. The Ministry of Transport is responsible for the risk with regard to traffic intensity. Motorist fees go to the State, which makes availability payments to GTC. The design/build risks lie with Skanska NDI joint venture, and the operations and maintenance risks mainly rest with Intertoll Poland.

The PPP concept is not completely uncontroversial in Poland. An important part of the work comprises contacts with authorities and politicians. This involves in part negotiating and establishing various decisions with the Polish National Road Administration and its various supervisory bodies, and in part educating and orienting politicians in terms of the public benefits of the PPP strategy. The idea that PPP projects are costly is a typical misunderstanding.

“Frequently it’s a case of ‘apples and oranges.’ Both the press and politicians seem to forget that in a PPP project, we are responsible for all design, planning, permit issues, traffic switchovers, connecting roads



Creating structure and clarity in agreements between different parties has taken up a considerable amount of GTC’s time. This mainly entailed dividing and reducing risks, and so GTC created the prerequisites for financing the project via external lenders. “GTC manages the finances, and we handle daily operations at an audit level. Our task is to

and planning of future operations. We have total responsibility, and the cost per kilometer cannot be compared with a traditional building contract where only the road construction itself is visible,” Nohrstedt points out.

“The fact that we provide better service is completely forgotten, too. We have a direct interest in the road being opened and

TO THE FUTURE

functioning well and safely. A PPP project is ongoing, and we work quickly, so the income can start flowing.

“It must also be borne in mind that PPP enables the authorities to obtain a road at a preset price. The cost is evident throughout the concession period. And since we are responsible for the financing, the state can release EUR 500 million for other investments.”

GTC is owned by international and local investors with connections in Sweden, South Africa, the UK and Poland, all with varying experience and partly different demands, expectations and investment horizons.

“The four owners each have a representative in company management,” Nohrstedt says. “I represent Skanska, but as the President I must obviously represent the entire company.”

Build, own and operate

GTC’s responsibility includes not only construction but also owning and operating the highway until 2039. This involves balancing short-term and long-term considerations when investment decisions are made.

“As an owner, we must strive to minimize costs. But we must also always keep in mind that we must operate the highway in a cost-effective manner for three decades. We are attempting to achieve optimum quality within the financial frameworks. It is a balancing act between what we invest today and what we receive in the long term,” Nohrstedt explains.

“We must determine, for example, what a one-centimeter thicker layer would mean to lifecycle quality in relation to the cost. Or, when we should choose stainless instead of galvanized with regard to attachments for railings, for example.”

How does GTC feel about the efforts of

the Skanska-led construction joint venture?

“We are impressed by the advance of the operations. They are doing a fantastic job. We have witnessed incredibly rapid acceleration during the first year. To staff, equip and create procedures for such a large project is naturally a strain. But they have come quite a long way despite the tough winter of 2006 and commencing in the autumn is hardly ideal from a construction viewpoint.”

What else do you wish for?

“In terms of quality work, we would like to see an increase in the focus on quality assurance and less quality control. This is a great challenge, but quality assurance means better long-term planning and thereby reduced risks.”

Skanska’s other four PPP road projects in Chile, Finland and Norway have been instructive in various areas. For example, the rescue plan has been borrowed in part from Autopista Central in Santiago.

“Utilizing the experiences of those who went before us is useful, even if we cannot copy them straight off. The opening of the highway is still a few years away but we’re already working on the rescue system, which must be in place by then.”



Building a career road

People, culture and resources. These form the core of the 90-kilometer stretch of the PPP A1 highway project in Poland. With 1,200 employees, the A1 project is one of the largest projects in the Gdansk area.

“We worked hard to mobilize the best. We have interviewed all salaried employees

several times. A CV does not reveal who you are and what ambitions you have. A key parameter was to try to find people who would fit into the culture in which we operate. We have also had individual interviews with the skilled workers to ensure that they were knowledgeable and reliable employees,” says **Per Åkerman**, Project Director of the Skanska NDI joint venture in which Skanska Poland holds 80 percent of the contract amount of EUR 528 million.

Women in the workforce

About 500 people in the project workforce, including about 100 women, are salaried employees, half under 30 years of age.

The youthful contingent is balanced by highly experienced people in leading positions.

“We have a strong Swedish-Polish-Finnish management team,” Åkerman says.

The international team comprises Swedes, Finns and Poles with substantial experience. **Peter Löfquist, Roman Koldras, Jyrki Karinen, Lars Johansson** and **Anders Herslow** are among the senior mentors. Per Åkerman’s experience includes the Öresund Bridge and the restructuring of Skanska Poland.

A project manual has also been developed to provide guidance. This brief document, including vision, mission and goals, has been created by all key personnel and is the guide for everyone in the project.

“Our values – ethics, environment and diversity – definitely appeal to the young personnel. And people respond to the opportunities we offer,” relates Per Åkerman.

The downside is that the young have such high ambitions and are impatient. They continually want new challenges.

“It’s a challenge to keep them on board,” Åkerman admits. “But as the project progresses, the work





Malgorzata Wosik

will change, and we will offer new challenges all the time. We are already planning, for example, the hand-over of the completed project.

“Working on such a large and relatively infrequent project such as the A1 is a significant achievement. Those working here will be very attractive, and we expect to retain the best of them within Skanska Poland,” says Åkerman.

How do you maintain control of a project that is nearly 90 kilometers in length, with a three-year construction period?

“The management team works by walking – or driving – around, trying to be available, spending a lot of time listening and following up on activities.”

A solid foundation is created by the systems and processes that link the six sections into which the project is divided. There are three large offices, four section offices and some 60 small site offices. Sound like a lot? Then consider that the project also includes a total of 86 bridges.

“The idea is to break the project down into manageable pieces. Every subsection is part of the big picture but fully responsible for the timetable, cost and quality of their part.

“We try to encourage open and transparent communication. And we try to promote taking action. We want people to take initiatives,” Åkerman emphasizes.

“The section managers are key people. That’s where we deliver the project and make money. As leaders, they must be role models in every respect. Keep the door open

in the office and when driving along the worksite always keep within speed limits, use the headlights and buckle up. Symbolic actions, but very important.”

People: The A1 priority

More than 1,000 employees were recruited by the Skanska-NDI joint venture within a short time. During a six-month period about 4,000 recruitment interviews took place with a few thousand candidates for salaried and wage-earner positions.

The HR staff also involved line managers and coordinators in this process with the aim to recruit the best available people. Most of them are young; about half of white-collar are younger than 30.

“The young employees are hungry for challenges. They want to learn more and generate enormous energy, spirit and new ideas,” relates **Malgorzata Wosik**, HR Section Manager.

“Working on the A1 Project is the best way to gain experience, expand one’s knowledge, gain new skills and develop. But we also organize training sessions, which are conducted by external specialists and our internal trainers,” Wosik says.

Smoothly and safely

The old A1 south of Gdansk is a narrow, one-lane country road winding close to churches, schools and homes in rural villages. Heavy trucks brush walls as they pass.

Across the fields you get a glimpse of bulldozers and graders busy constructing the new four-lane highway. When the new A1 opens in a few years’ time, traffic will flow smoothly and safely.

What you don’t see is the underlying activities that make this happen. Naturally, one article can’t cover all aspects of such a massive project. It is a highly complex undertaking, and there are many components that must come together to ensure that the project is up and running smoothly. The following touches a few.

As the EPC contractor, the Skanska NDI joint venture is responsible for everything, from engineering and procurement, to construction. Before the bulldozers dug into the North Polish plain and construction of the highway, including 86 bridges, began, the designers produced 10,000 drawings. Nine separate construction permits were required, including a stunning 500 approvals from different authorities.

“We got all permits in time,” says Per Åkerman with pride. “And we’re on top of design work to develop clever solutions.”

These time- and money-saving solutions included bridge design improvements contributed by Skanska Teknik and Polish design expertise. In addition, Skanska Teknik has been strongly involved in the design of the pavement structure.



Per Åkerman and Torbjörn Nohrstedt.

Procurement is essential in every project. And taking advantage of Skanska's global procurement agreements with key suppliers saves substantial amounts.

About 230 heavy machines have been purchased from Volvo, Caterpillar, Wirtgen, Liebherr and Dynapac. And the procurement works both ways: The A1 project saves money, and the massive purchasing adds volume, which enables further price reductions. This will benefit other Skanska projects as well.

Sharing knowledge saves time. The A1 project has gained from the Autopista Central PPP highway in Chile in terms of community relations. In Poland as in Chile considerable efforts are being made to improve safety along the highway. Thousands of school children have been educated in traffic safety. A former policeman, who used to work with traffic safety, was hired for the training. And the children have all received reflectors to increase visibility.

All drivers, including subcontractors, have been trained in safe driving. Violating speed limits could cost a driver his or her job. And to better control traffic risks, maintenance

traffic to and from the sites has been directed to selected roads.

When it comes to on-site safety, Skanska Norway is the number one role model. The zero lost time for accidents accomplished in the E39 PPP highway project is a benchmark.

"When we visited the E39 project, we picked up on their approach of talking to the workers about safety issues on a daily basis," says Per Åkerman.



FACTS A1

Owner: GTC (Gdansk Transport Company), in which Skanska Infrastructure Development holds 30 percent, Laing Roads 30, NDI 25 and Intertoll 15 percent.

Concession: 1997–2039

Financial close: September 2005

Construction start: October 2005

Construction contract: EUR 528 million (Skanska's share 80 percent)

Number of employees: 1,200 and about 1,200 employed by subcontractors

Number of heavy machines: 500 plus 500 trucks

The largest road project in Poland includes: 90 km (56 miles) of new highway

FASTTRACK BUILDER



Roman Matkiwsky

GDANSK, POLAND

Roman Matkiwsky joined Skanska Infrastructure Development last year to head the Central and Eastern Europe ventures. "There is a massive need for infrastructure in the countries that recently joined the EU, and Skanska has a key role to play in delivering it. I'm looking forward to building knowledge of PPP in these markets," he says.

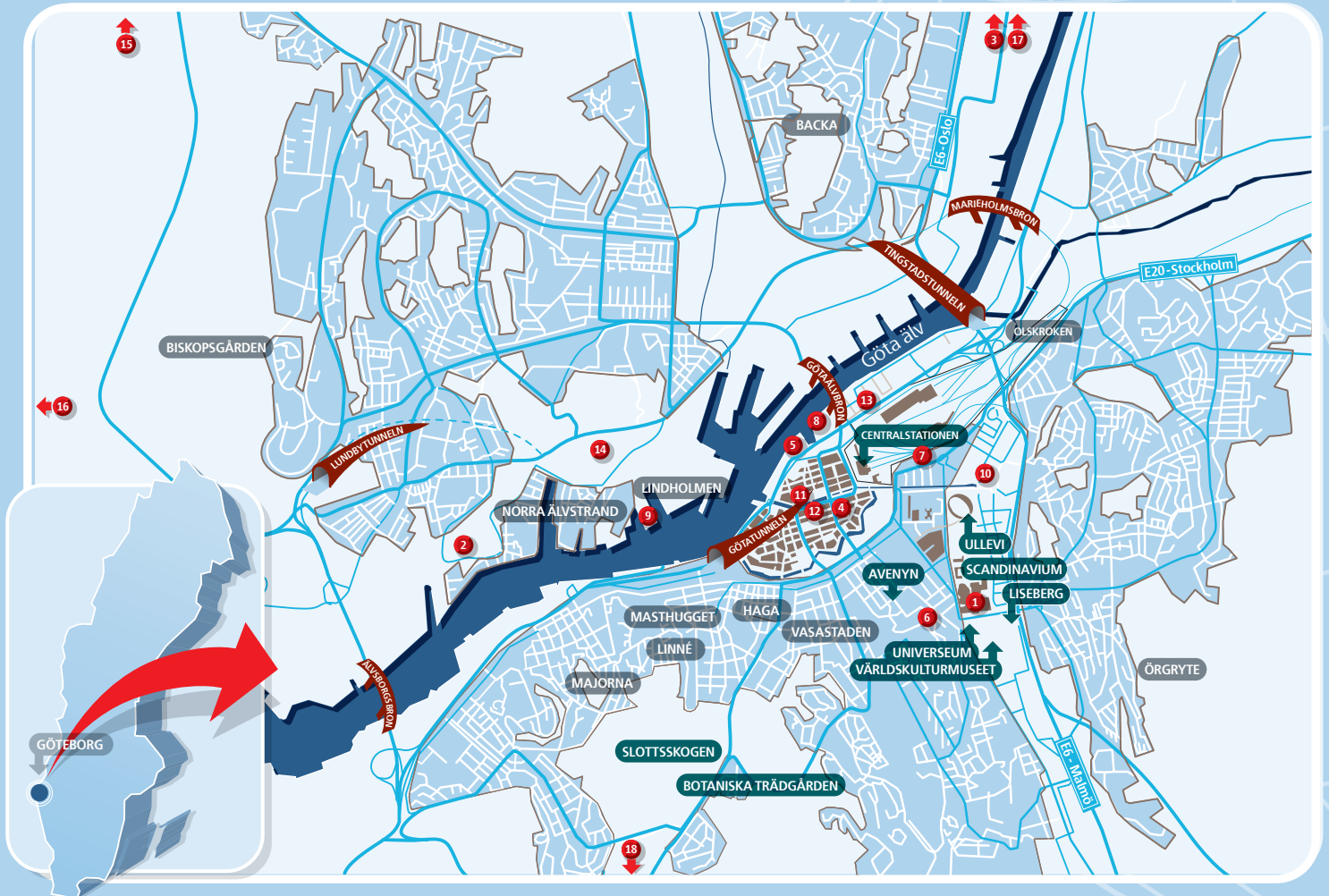
"The A1 contract took some years to develop, but now we are executing construction on a fast-track schedule. We consider this a great opportunity to show our capacity and how beneficial the PPP concept is, both for the users and for the authorities.

"We are primarily aiming at the Czech Republic, Slovakia and Poland, where the necessary legal structure is in place. We expect there will be opportunities for us in the Czech Republic and Slovakia within the next few years. And I am convinced we will see new projects also in Poland when the A1 opens in 2008 and thereby proves its success."

Born in Canada of Ukrainian and Polish parents, Matkiwsky has Canadian, Polish and UK citizenship and is fluent in several languages. After taking an MBA at the University of Western Ontario, he worked for Zenith Capital, a private-equity business, Société Générale and the European Bank of Reconstruction and Development (EBRD).



GÖTEBORG//CITY GUIDE



Gateway to the west

Sweden's second-largest city Göteborg was on Skanska's map from the very start in 1887. Today, Skanska is the leader both as a contractor and a developer of offices and residential housing. Göta Älv, the river that runs through the center of the city, has been the scene of many Skanska projects over the years. In the early years, projects focused on waterfront buildings for the harbor and the shipyards but also included

buildings such as the Lorensberg Theater from 1916 and the Carnegie Brewery built in 1908. Volvo is the city's pride, and the histories of Volvo and Skanska have been intimately entwined through mutual ownership. The joint ownership agreements have now been unwound, but Skanska still supplies construction services to one of Sweden's best known brands. In recent years, harbor areas have been reclaimed for construction of more

public facilities, such as hotels and offices. One of the first office buildings erected on the quays was Skanska's own project Lilla Bommen, which gained its place in architectural history with a design by Ralph Erskine (1914-2005). The acoustically superb Gothenburg Opera was also built adjacent to this property. In other respects, the Tingstad Tunnel is undoubtedly regarded as the most technically complex project in Göteborg.

Accommodations

HOTEL GOTHIA TOWERS

1 Largest and tallest hotel in the Nordic region. Gothia East Tower built 1984, Gothia West Tower opened March 1, 2001. Both built by Skanska. Construction involved 150 workers and 300,000 hours.



QUALITY HOTEL 11, ERIKSBERG

2 Completed in 1993, Quality Hotel is in the heart of Göteborg's port district and includes an event and conference facility.

Shopping

IKEA BÄCKEBOL

3 Göteborg's second IKEA department store was built by Skanska and completed in 2004. The store has 28,500 sq m floor space and provides mid-priced furnishings.

THE ARCADE

4 This commercial building was inaugurated in October 1899. Today's Arcade was renovated by Skanska and inaugurated in April 2002. The Arcade is designed particularly for shopping for apparel and cosmetics.

Culture

THE OPERA

5 The Göteborg Opera was inaugurated in 1994 with a production of the Swedish opera "Aniara." Designed by architect Jan Izikowitz, this beautiful structure has a unique exterior and interior that are well worth a visit.

THE ART MUSEUM

6 The Göteborg Museum of Art was established in 1861. Its collections include paintings by Carl Larsson, P.S. Krøyer, Edvard Munch, Rembrandt, van Gogh, Monet and Picasso. In 1925, the Museum of Art opened in its new premises on Götaplatsen square, a building that was extended and renovated in several stages, in the 1960s and 1990s.

THE ODINHUS BUILDING

7 Largest project in downtown Göteborg, the building occupies approximately 30,000 sq m and contains residential units, a hotel, a sports bar, bowling, a restaurant, a fitness center, offices, stores and parking.

What to look for

THE SKANSKA SKYSCRAPER

8 The Skanska skyscraper, also known as the "Lipstick," is a red-and-white-striped office building, about 80 meters tall and containing 22 floors. Designed by Ralph Erskine, the skyscraper was built and completed by Skanska in 1989.



THE ERICSSON BUILDING

9 The building, built for Ericsson and officially opened in 2002, comprises 35,000 sq m of office space. It is divided into small project units that are interconnected by integrated meeting points.

THE CERES I AND II

10 In 1999, the first phase of this office building was completed. Telia-Sonera West has been its tenant for the past few years.



THE DISTRICT COURT

11 The District Court of Göteborg occupies three buildings: the Göteborg Town Hall, completed in 1672; the Asplundska Extension, completed in 1936; and the new District Court House built by Skanska, officially opened in 1993.

BANK OF SWEDEN

12 The building was originally constructed in the 1880s and has been renovated and expanded extensively by Skanska behind the grand façade. Swedbank has been the building tenant since 2003.

THE KOPPARN BLOCK

13 Purchased by Skanska in 1998, a program of extensive renovation on and extension to the Block was launched in 2001. The property comprises about 14,800 sq m of commercial premises.

THE GÖTAVERKEN SHIPYARD

14 In 1841, Mr. Keillor, a Scotsman, founded Göteborgs Mekaniska Verkstad (Göteborg ironworks), which later became the Götaverken Shipyard. In the beginning of the 1990s, the Götaverken Shipyard

vacated the building, and ESAB is slated to become the new tenant in the building at year-end 2006, which is nowadays owned and managed by Skanska.

VOLVO TRUCKS OFFICE COMPLEX

15 This engineering center is part of the second phase of three in which Skanska is developing a new head office complex for Volvo Trucks. The building is a development center with offices and a prototype workshop in which Renault, Mack and Volvo develop their trucks.

Homes

SNÄCKEBERGET, Torslanda

16 At Torslanda, about 15 kilometers from downtown Göteborg, on the slope leading down to the Amhult pond, Skanska has created Snäckeborget, a new housing development.

ÖSTRA FAGERDAL, KÄRRA

17 The Bauhaus-inspired Östra Fagerdal residential development was chosen Project of the Year by Skanska in 2005.



TROLLÅSEN

18 With a view over Askim cove south of Göteborg, Skanska is creating an attractive residential block. Modern living for those who appreciate the wonders of nature and desire the benefits of being close to the big city at the same time.

UPSIDE IS RIGHT SIDE

Skanska is lifting the art of construction to a new level. “The Lift” is a new prototype method which may become the way to construct high-rise buildings in the future. It is turning former construction processes upside-down.

STOCKHOLM

While the climate will be ideal all year round, all construction will take place at ground level, even if it is a high-rise building.

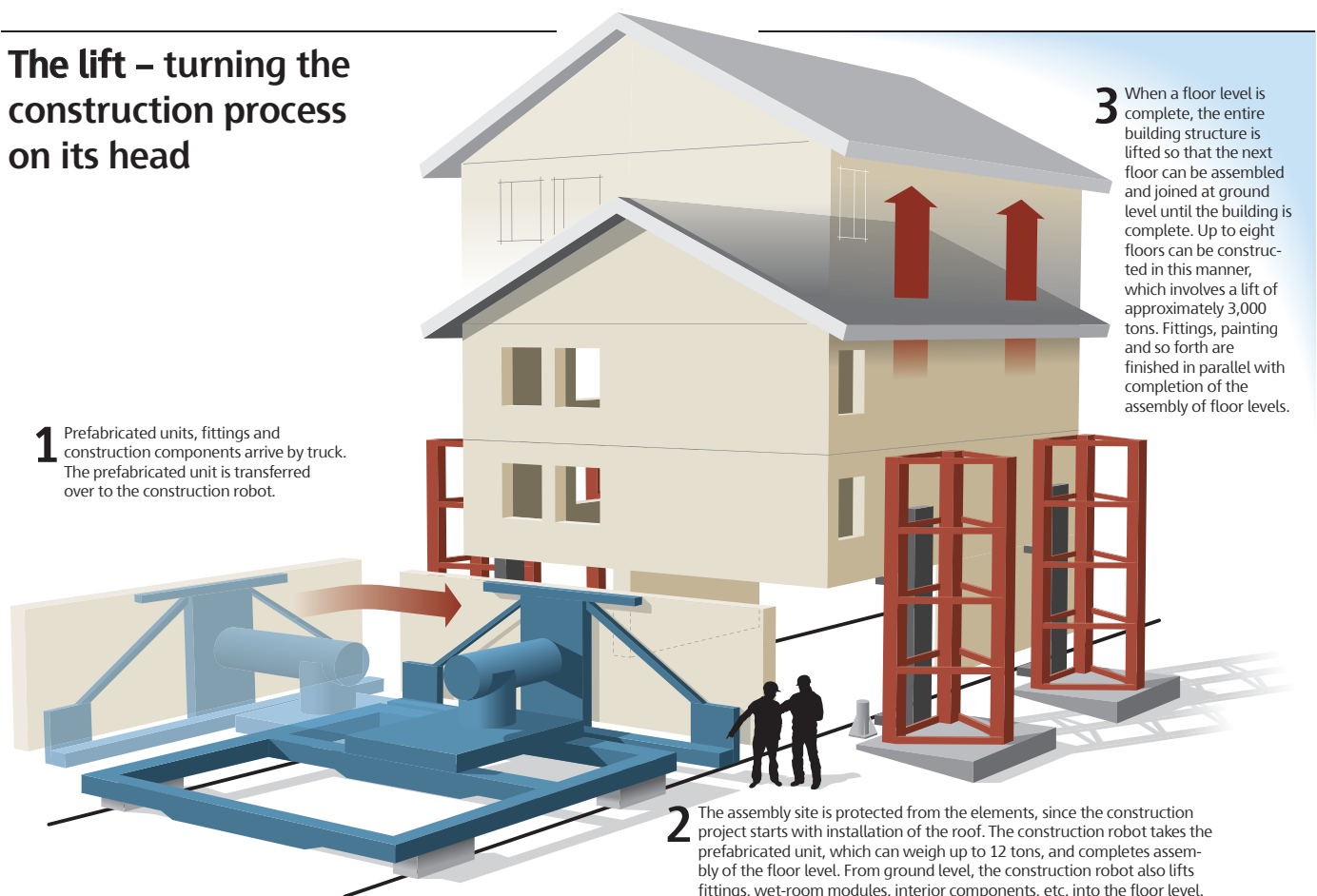
“We have turned the construction process upside down,” says **Mats Williamson**, President, Skanska Sweden. “The Lift is an extension of our industrialization process and a glimpse of the future. A very exciting development project that has involved various specialists within Skanska.”

During the autumn, a full-scale attempt was made with “The Lift,” which may become the way to construct high-rise buildings in the future. Instead of beginning with the ground floor, Skanska does the opposite. First, the roof is built and lifted one

floor, then a construction robot mounts the walls, floors, installations, wet rooms and the like, until the entire top floor is completed. The roof and the top floor are then lifted using a hydraulic lifting device, and the construction robot begins the underlying floor. All the work is implemented on the ground floor, and the building grows like a mushroom out of the ground.

“We start with a weather-protected building and a safer work environment for our employees, since all work is conducted on the ground floor. The main purpose is to find a method which, in full production, will lead to an essentially more efficient construction process,” says **Mikael Fritzson**, Development Manager, Skanska Sweden.

The lift – turning the construction process on its head



1 Prefabricated units, fittings and construction components arrive by truck. The prefabricated unit is transferred over to the construction robot.

2 The assembly site is protected from the elements, since the construction project starts with installation of the roof. The construction robot takes the prefabricated unit, which can weigh up to 12 tons, and completes assembly of the floor level. From ground level, the construction robot also lifts fittings, wet-room modules, interior components, etc. into the floor level.

3 When a floor level is complete, the entire building structure is lifted so that the next floor can be assembled and joined at ground level until the building is complete. Up to eight floors can be constructed in this manner, which involves a lift of approximately 3,000 tons. Fittings, painting and so forth are finished in parallel with completion of the assembly of floor levels.



then...

it was 1909 and men in Sweden were granted the right to vote without income restrictions. The photograph is from a construction site of an office building for Skandia at Västra Hamngatan 2 in Göteborg, Sweden. With the long exposure times required then, the men have assumed a standing-still pose. In 1909, the country was paralyzed by a month-long nationwide strike. However, Skanska maintained its position, reporting sales of SEK 7.31 million (USD 1.95 million) and profit of SEK 281,000 (USD 74,933), corresponding to a margin of 3.9 percent, virtually unchanged from a year earlier.

● PHOTO: SKANSKA

Is it a tailor's dummy or a live model? Diana and Natalin Malki were intrigued by Skanska's mime artist (to the right) demonstrating Skanska's work gear for women.



ADVANCING IN SAFETY

Eleven out of 14 business units accident free.

More than 54,000 employees and thousands of sub-contractors actively participated in last year's Skanska Safety Week in October. Although, an accident-free week was not achieved, the overall performance was remarkable – 11 business units and six home markets were accident free!

The accident rate was at least 50 percent lower than in an average week. However, six lost-time accidents were reported.

About 50 different safety initiatives have been shared at the Skanska intranet. One such was the introduction of safety clothes for women. In cooperation with the work clothes supplier Blåkläder, Skanska Sweden

designed high-visibility work clothes for women working in projects in the field. Eight Skanska Sweden women have been test pilots for the new gear that will be available next spring. The new women's safety collection was demonstrated in Stockholm by pantomime artists.