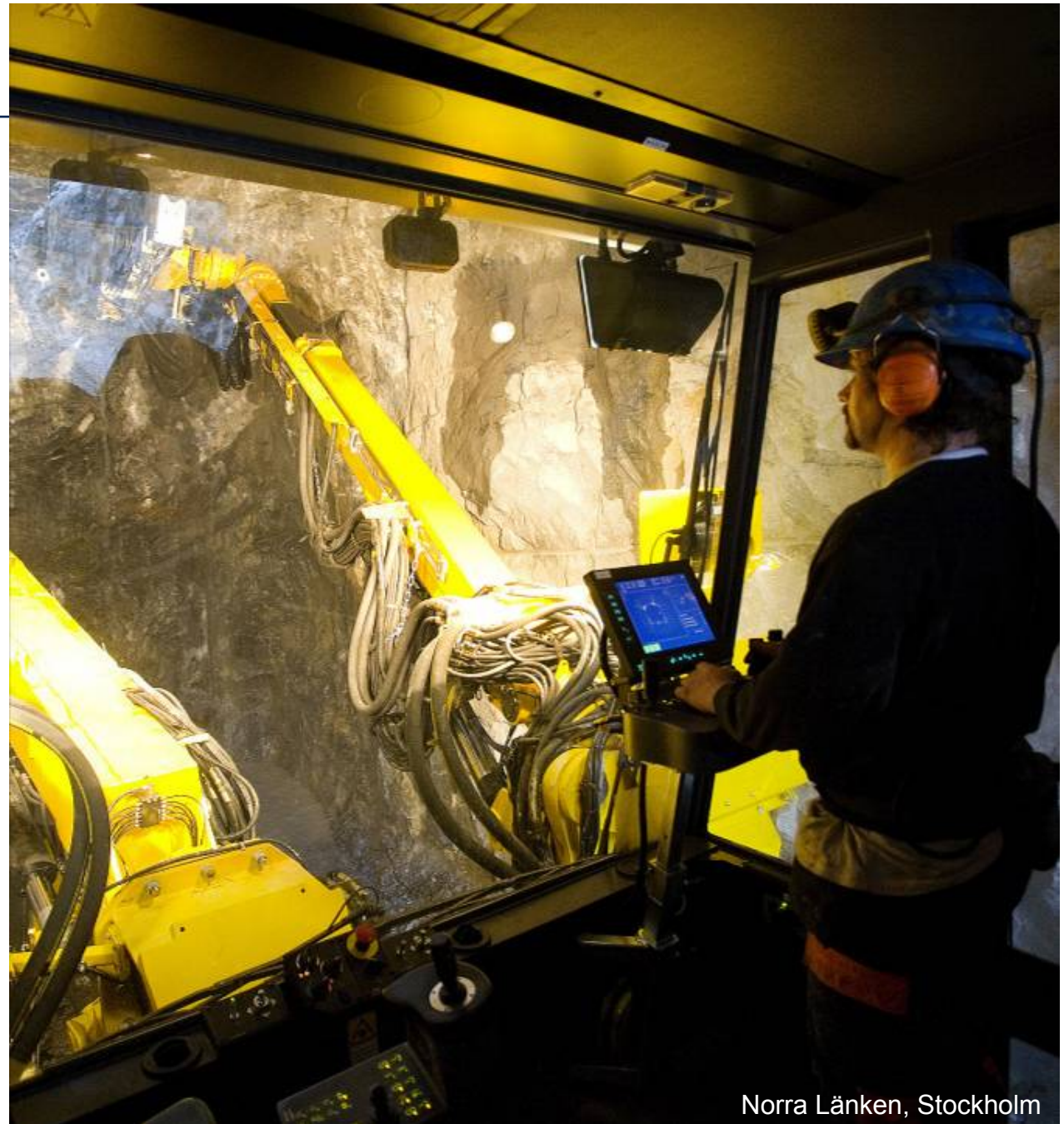


SKANSKA

Six Month Report 2008



Norra Länken, Stockholm

Jan–June 2008 in brief

- Revenue for the Group SEK 68.6 bn (64.0)
- Revenue in Construction SEK 65.6 bn (59.4)
 - Up 15 percent in local currencies
- Backlog of SEK 145.0 bn represents 13 months of construction
- Operating income of SEK 2.4 bn (2.2)
 - Of which, gains from divestment of properties SEK 583 M (479)
- 114,000 sq. m of new leases in Commercial Development

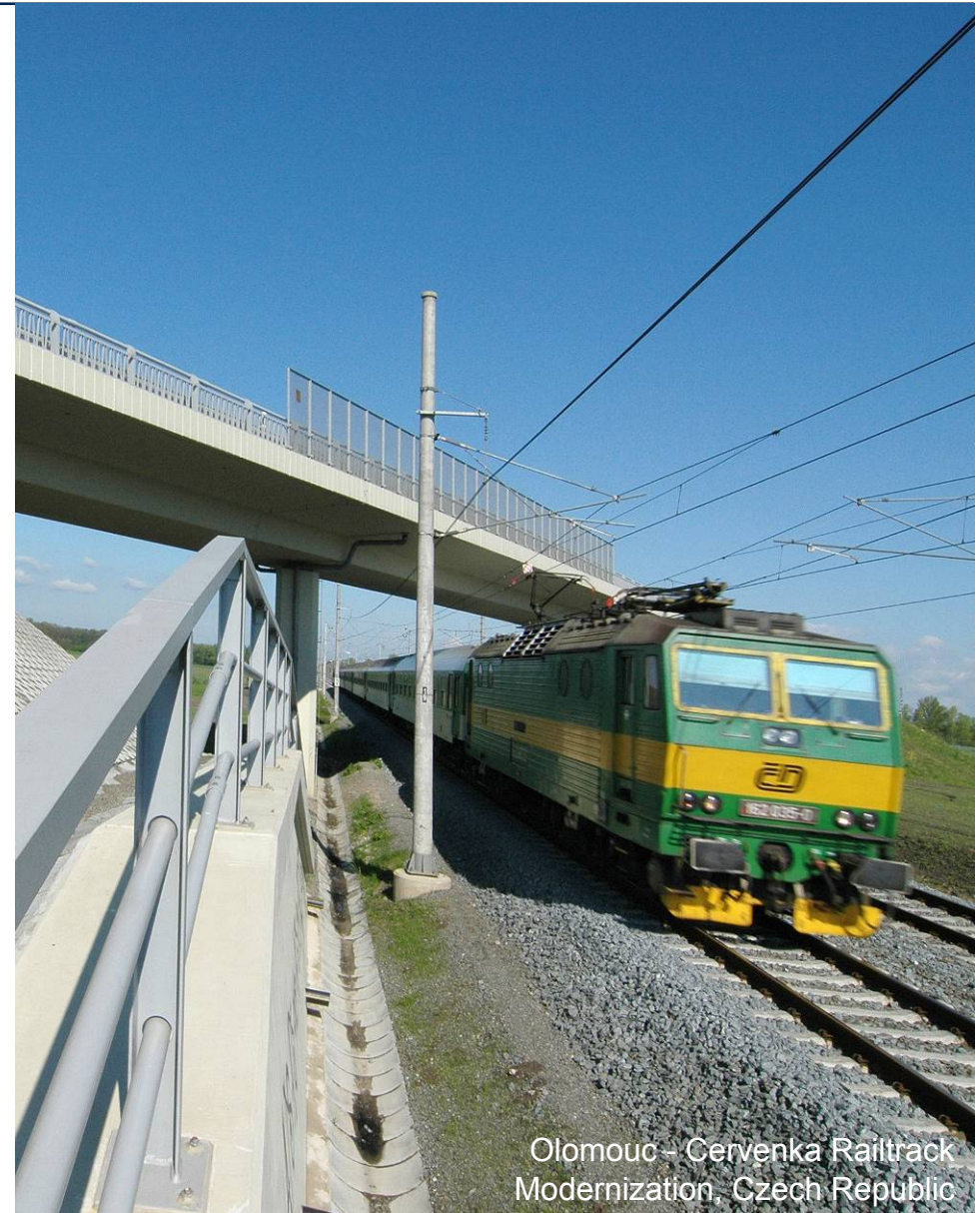
Strong determination to get UK back to profitability

Actions:

- Special review of PPP projects conducted
 - Net writedowns SEK -235 M in Q2
 - More realistic view of one large project
 - Writedowns/reversals of writedowns in other projects
 - No change in valuation of newer PPP projects
- Decision to improve processes in Skanska UK
- Mats Williamson new President of Skanska UK to lead change

Construction

- Very strong performance in several construction units – Sweden, USA Building, USA Civil and Latin America
- Civil in Finland and Building in Czech Republic weak spots



Olomouc - Cervenka Railtrack
Modernization, Czech Republic

Residential Development

- Slowing market in the Nordic holding back earnings and project starts
- In Sweden change coming at a slower pace and volume still good
- Czech Republic showing very good earnings



Commercial Development

- Start of new GreenBuilding project in Gothenburg
- Strong earnings from divested projects
- Value creation above target of SEK 500-700 M



Court of Appeal, Malmö

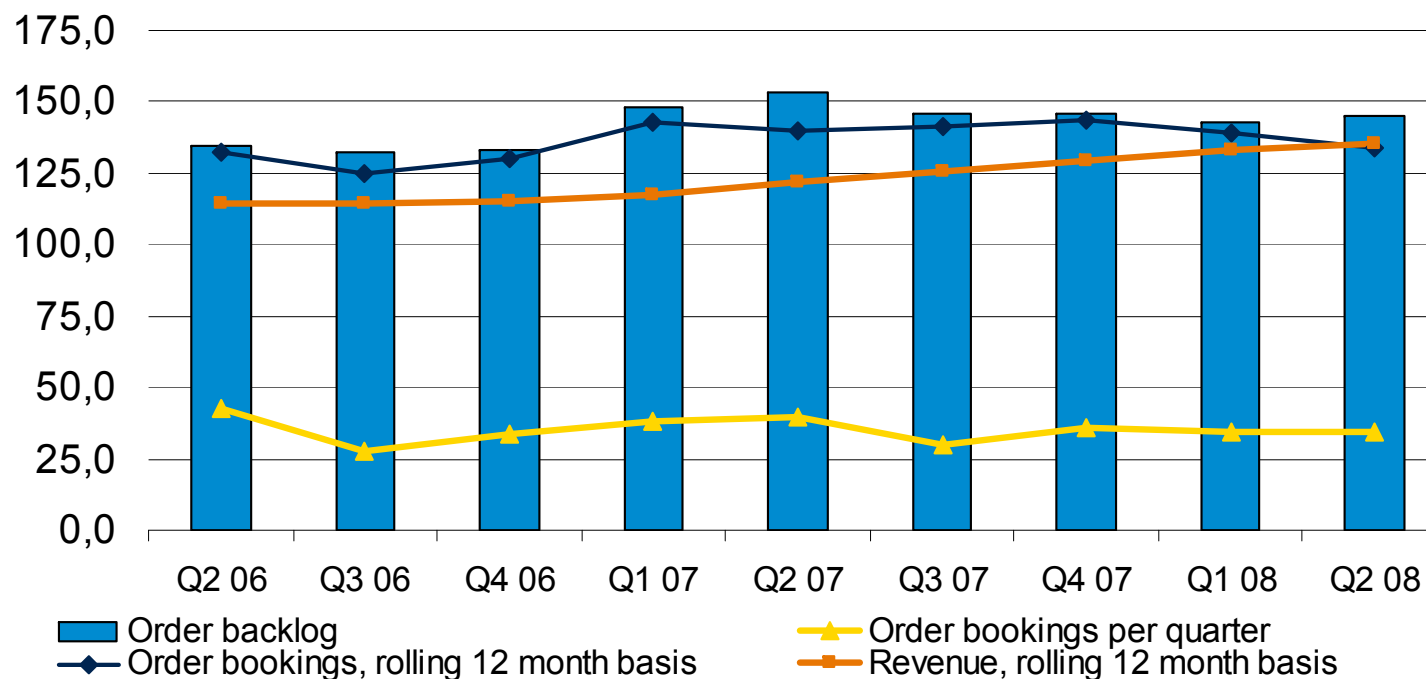
Infrastructure Development

- Divestment of Ponte de Pedra contributed SEK 686 M in development gains during H1
- Selected preferred bidder for M25



Order situation – Construction

| SEK bn | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007–Jun 2008 | Jan–Dec 2007 |
|----------------|--------------|--------------|-------------------|--------------|
| Revenue | 65.6 | 59.4 | 135.5 | 129.3 |
| Order bookings | 68.5 | 78.1 | 133.8 | 143.4 |
| Order backlog | 145.0 | 153.6 | | 146.0 |



Order bookings – Construction

| SEK bn | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|----------------|-----------------|-----------------|-----------------------|-----------------|
| Sweden | 15.0 | 14.9 | 29.4 | 29.3 |
| Norway | 6.0 | 8.0 | 11.3 | 13.3 |
| Finland | 3.1 | 4.7 | 8.2 | 9.8 |
| Poland | 2.9 | 2.9 | 5.4 | 5.4 |
| Czech Republic | 6.6 | 3.4 | 12.6 | 9.3 |
| UK | 8.8 | 7.0 | 20.1 | 18.2 |
| USA Building | 13.1 | 22.2 | 25.6 | 34.6 |
| USA Civil | 10.2 | 12.2 | 15.6 | 17.7 |
| Latin America | 2.7 | 2.9 | 5.7 | 5.8 |
| Total | 68.5 | 78.1 | 133.8 | 143.4 |

Construction

| SEK bn | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|---|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 65.6 | 59.4 | 135.5 | 129.3 |
| Gross income | 4.6 | 4.6 | 10.4 | 10.4 |
| Selling and administrative expenses | -3.2 | -2.8 | -6.4 | -6.0 |
| Income from joint ventures and associated companies | 0.0 | 0.0 | 0.1 | 0.1 |
| Operating income | 1.4 | 1.8 | 4.0 | 4.4 |
| Gross margin, % | 7.0 | 7.7 | 7.7 | 8.0 |
| Selling and admin. expenses, % | -4.9 | -4.7 | -4.7 | -4.6 |
| Operating margin, % | 2.1 | 3.0 | 3.0 | 3.4 |
| Order bookings, SEK bn | 68.5 | 78.1 | 133.8 | 143.4 |
| Order backlog, SEK bn | 145.0 | 153.6 | | 146.0 |

Construction

| SEK M | Operating income | | Operating margin, % | |
|----------------|------------------|-----------------|---------------------|-----------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Jan-Jun 2008 | Jan-Jun 2007 |
| Sweden | 766 | 529 | 5.0 | 4.1 |
| Norway | 218 | 245 | 3.2 | 3.9 |
| Finland | 58 | 176 | 1.3 | 4.0 |
| Poland | 124 | 121 | 4.5 | 4.4 |
| Czech Republic | 140 | 163 | 2.5 | 3.4 |
| UK | -497 | 218 | -5.5 | 2.6 |
| USA Building | 202 | 119 | 1.4 | 0.9 |
| USA Civil | 267 | 167 | 5.1 | 3.4 |
| Latin America | 127 | 69 | 5.3 | 3.7 |
| Total | 1,405 | 1,807 | 2.1 | 3.0 |

Residential Development

| SEK M | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|--|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 3.9 | 3.9 | 7.8 | 7.7 |
| Gross income | 0.6 | 0.6 | 1.2 | 1.2 |
| Selling and administrative expenses | -0.3 | -0.3 | -0.6 | -0.5 |
| Income from joint ventures and associated companies | 0.1 | 0.1 | 0.1 | 0.1 |
| Operating income | 0.3 | 0.4 | 0.6 | 0.7 |
| Operating margin, % | 7.5 | 10.0 | 8.1 | 9.4 |
| Capital employed, SEK bn | 5.9 | 5.3 | | 4.4 |
| Return on capital employed, % | 12.5 | 22.1 | | 14.9 |

Residential Development

| SEK M | Operating income | | Operating margin, % | |
|----------------|------------------|-----------------|---------------------|-----------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Jan-Jun 2008 | Jan-Jun 2007 |
| Sweden | 168 | 159 | 8.7 | 9.9 |
| Norway | 80 | 92 | 10.8 | 9.7 |
| Denmark | -40 | 25 | -23.4 | 6.3 |
| Finland | 4 | 77 | 0.8 | 11.8 |
| Nordics | 212 | 353 | 6.4 | 9.8 |
| Czech Republic | 82 | 33 | 13.5 | 12.9 |
| Total | 294 | 386 | 7.5 | 10.0 |

Residential Development, June 30, 2008

| | Under construction, # | | Of which sold % | | Completed unsold, # | |
|-----------------------|-----------------------|--------------|-----------------|-----------|---------------------|------------|
| | Q2, 2008 | Q1, 2008 | Q2, 2008 | Q1, 2008 | Q2, 2008 | Q1, 2008 |
| Sweden | 2,884 | 2,645 | 73 | 78 | 10 | 16 |
| Norway | 444 | 540 | 70 | 75 | 22 | 13 |
| Finland incl. Estonia | 1,442 | 1,491 | 53 | 52 | 242 | 216 |
| Denmark | 194 | 194 | 81 | 77 | 14 | 12 |
| Nordic | 4,964 | 4,870 | 67 | 70 | 288 | 257 |
| Czech Republic | 1,339 | 1,319 | 77 | 80 | 8 | 7 |
| TOTAL | 6,303 | 6,189 | 69 | 72 | 296 | 264 |

Residential Development

| | Started | | | | Sold | | | |
|--------------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
| Sweden | 932 | 630 | 1,830 | 1,528 | 576 | 780 | 1,202 | 1,406 |
| Norway | 87 | 380 | 171 | 464 | 65 | 360 | 146 | 441 |
| Finland incl. Estonia | 423 | 756 | 1,032 | 1,364 | 510 | 661 | 1,107 | 1,258 |
| Denmark | 19 | 99 | 125 | 123 | 14 | 93 | 154 | 106 |
| Nordic | 1,461 | 1,865 | 3,158 | 3,479 | 1,165 | 1,894 | 2,609 | 3,211 |
| Czech Republic | 644 | 159 | 1,201 | 716 | 495 | 107 | 1,035 | 647 |
| TOTAL | 2,105 | 2,024 | 4,359 | 4,195 | 1,660 | 2,001 | 3,644 | 3,858 |

Commercial Development

| SEK M | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|--|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 1.9 | 1.4 | 3.7 | 3.1 |
| Gross income | 0.6 | 0.6 | 1.2 | 1.2 |
| Selling and administrative expenses ¹ | -0.1 | -0.1 | -0.3 | -0.3 |
| Operating income | 0.5 | 0.4 | 1.0 | 0.9 |
| of which gain from divestments of properties ² | 0.6 | 0.5 | 1.1 | 1.1 |
| of which operating net, completed properties ³ | 0.0 | 0.1 | 0.1 | 0.1 |
| Capital employed, SEK bn | 10.1 | 6.7 | | 7.3 |
| 1 Of which cost for development organization | -0.1 | -0.1 | -0.2 | -0.2 |
| 2 Additional gain included in eliminations was | 0.0 | 0.0 | 0.1 | 0.0 |
| 3 After selling and administrative expenses | | | | |

Sale of commercial properties, H1, 2008

| SEK M | Total | | Of which ongoing projects | |
|--------------|--------------|---------------------------|---------------------------|---------------------------|
| | Sales price | Capital gain ¹ | Sales price | Capital gain ¹ |
| Q1 | 263 | 85 | 220 | 54 |
| Q2 | 1,471 | 498 | 730 | 222 |
| Total | 1,734 | 583 | 950 | 276 |

1 Including eliminations of internal project gains

- Divested ongoing projects approx. 75% completed, approx. 90% by year-end
- New leases were signed for 33,000 sq.m. of space in Q2, totaling 114,000 sq. m in the first half of 2008
- One divestment to date in the third quarter – land holding in Poland – with a sales price of SEK 117 M and a gain of SEK 94 M

New projects

| Project | Leasable area, sq m | Occupancy rate, % | Investment, SEK M |
|---|----------------------------|--------------------------|--------------------------|
| Q1 | | | |
| Bylingen, office, Stockholm | 16,000 | 96 | 510 |
| Stora Bernstorp, retail, Malmö ¹ | 9,000 | 14 | 150 |
| Tower, office, Copenhagen | 25,000 | 0 | 650 |
| 1 Divested during Q2 | | | |
| Q2 | | | |
| Gårda, Gothenburg | 16,000 | 0 | 340 |
| Vevaxeln, police building, Malmö | 16,000 | 100 | 330 |
| TOTAL YTD | 82,000 | 43 | 1,980 |

Commercial Development

| SEK M | Carrying amount, end of period | Carrying amount upon completion | Market value, June 30, 2008 | Occupancy rate % | Degree of completion % |
|---|---------------------------------------|--|------------------------------------|-------------------------|-------------------------------|
| Completed projects | 2,230 | 2,230 | 3,088 | 93 | 100 |
| Undeveloped land and development properties | 2,251 | 2,251 | 2,648 | | |
| Subtotal | 4,481 | 4,481 | 5736 | | |
| Ongoing projects ¹ | 3,727 | 7,965 | 4,637 | 68 | 49 |
| Total | 8,208 | 12,446 | 10,373 | | |

Value creation in Commercial Development

| | Jul 2007– Jun 2008 | Jul 2006 – Jun 2007 |
|----------------------------------|---------------------------|----------------------------|
| Accrued development profit | 1,249 | 425 |
| Cost of development organization | -232 | -207 |
| Total | 1,017 | 218 |

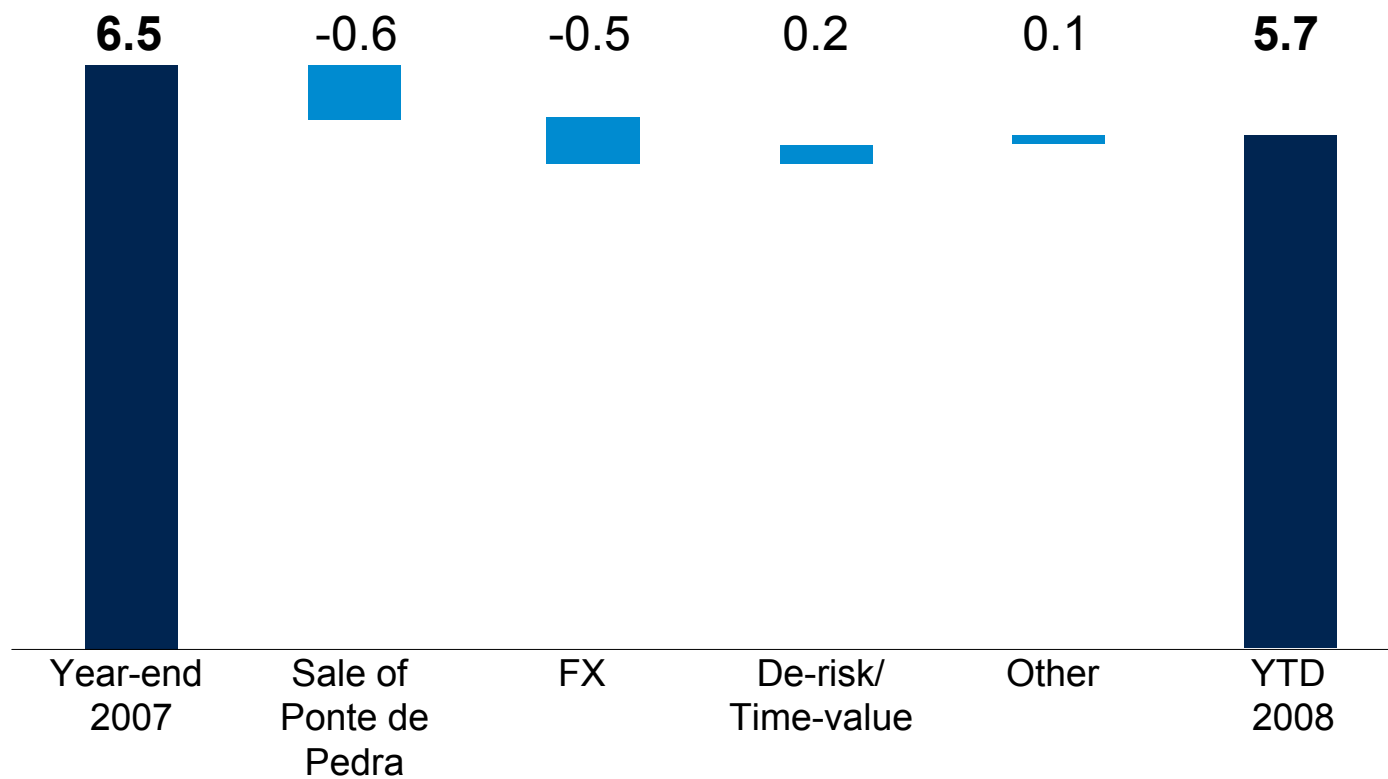
Infrastructure Development

| SEK M | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|--|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 23 | 29 | 110 | 116 |
| Gross income | -79 | -73 | -98 | -92 |
| Selling and administrative expenses | -96 | -92 | -192 | -188 |
| Income from joint ventures and associated companies | 765 | 50 | 888 | 173 |
| Operating income (EBIT) | 590 | -115 | 598 | -107 |
| of which gains from divestments of shares in projects | 686 | 0 | 759 | 73 |
| Capital employed, SEK bn | 1.9 | 2.5 | | 2.5 |

Unrealized development gains, ID projects

| SEK bn | Jun. 30, 2008 | Dec. 31 2007 |
|---|------------------|-----------------|
| Present value of cash flow from projects ¹ | 8.0 | 9.4 |
| Carrying amount | -1.8 | -2.5 |
| Present value of remaining investments | -0.8 | -0.8 |
| Unrealized development gain Skanska ID | 5.4 | 6.1 |
| Group eliminations | 0.3 | 0.4 |
| Unrealized development gain, Group | 5.7 | 6.5 |

Unrealized development gains in ID portfolio, SEK bn



Income statement

| SEK M | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|--|-----------------|-----------------|-----------------------|-----------------|
| Operating income from business streams | 2,777 | 2,507 | 6,240 | 5,970 |
| Central | -359 | -349 | -568 | -558 |
| Eliminations | 6 | 40 | -40 | -6 |
| Operating income | 2,424 | 2,198 | 5,632 | 5,406 |
| Net financial items | 263 | 101 | 423 | 261 |
| Income after financial items | 2,687 | 2,299 | 6,055 | 5,667 |
| Taxes | -725 | -665 | -1,606 | -1,546 |
| Profit for the period | 1,962 | 1,634 | 4,449 | 4,121 |
| Earnings per share, SEK | 4.7 | 3.9 | 10.6 | 9.8 |
| <i>Tax rate, %</i> | <i>27</i> | <i>29</i> | <i>26</i> | <i>27</i> |

Balance sheet

| SEK bn | Jun. 30, 2008 | Jun. 30, 2007 | Dec. 31, 2007 |
|---|------------------|------------------|------------------|
| Total assets | 79.9 | 73.6 | 78.9 |
| Equity attributable to equity holders | 18.5 | 18.2 | 20.5 |
| Interest-bearing net receivables (+)/net debt (-) | 7.6 | 7.6 | 14.6 |
| Working capital in construction, net | -13.4 | -11.2 | -15.2 |
| Capital employed, closing balance | 24.2 | 22.5 | 25.6 |
| Equity/assets ratio, % | 23.4 | 24.9 | 26.3 |

Operating cash flow

| SEK M | Jan–Jun 2008 | Jan–Jun 2007 | Jul 2007– Jun 2008 | Jan–Dec 2007 |
|--|-----------------|-----------------|-----------------------|-----------------|
| Cash flow from business operations before change in working capital | 1,222 | 1,705 | 3,803 | 4,286 |
| Change in working capital | -1,506 | -787 | 3,713 | 4,432 |
| Net investments in business operations | -1,710 | -962 | -863 | -115 |
| Cash flow adjustment, net investments | 468 | 432 | 328 | 292 |
| Net strategic investments | -1 | -60 | 177 | 118 |
| Net interest items and other net financial items | 200 | 74 | 298 | 172 |
| Taxes paid | -1,251 | -418 | -2,030 | -1,197 |
| Dividend ¹ | -3,653 | -3,459 | -3,652 | -3,458 |
| Cash flow before change in interest-bearing receivables and liabilities | -6,231 | -3,475 | 1,774 | 4,530 |
| 1 of which repurchase of shares | -193 | - | -193 | - |

Market outlook – Construction

- Uncertainty in the market has not yet resulted in any noticeable change in requests for proposals from clients. Signs of weakening in building construction in the U.K. and Nordics. In the Nordics primarily due to decreased residential construction.
- In other markets, the outlook is stable, although these are expected to be affected in an extended economic downturn.
- Positive outlook in civil construction in the Nordics and Central Europe. In the U.S. civil construction remains good in New York but more uncertain elsewhere in the country.

Market outlook – Project development

- Need for residential units remains good in Sweden and Finland, but market is slowing due to uncertain economic conditions. In Finland the slowdown is clear, while the downward trend less pronounced in Sweden. In Denmark and Norway, the markets are stagnant, with weak sales and fewer starts
- The residential markets in Czech Republic and Slovakia still show good demand although there are signs of saturation in Prague
- Vacancy rates are declining in our Commercial Development markets, and rents are stable. Tighter credit and rising yield requirements are limiting the number of potential buyers and restraining price levels
- Still a large volume of PPP projects in the U.K. More limited supply of projects in other markets. Renewed interest in Central Europe. The lead times for U.S. projects continue to be unpredictable

Summary

- New leader in place to return Skanska UK into profitability
- Residential Development market continues to weaken
- Limited impact from financial turmoil in other segments – but signals of lower activity in some construction markets
- Very strong performance in several construction units - Sweden, USA Building, USA Civil and Latin America
- High leasing activity in Commercial Development but somewhat tougher conditions in the investor market
- Selected as preferred bidder for M25 project in the UK

SKANSKA