

# Annual Shareholders' Meeting of Skanska AB

Shareholders of Skanska AB (publ) are hereby invited to attend the Annual Shareholders' Meeting of the Company on Thursday, April 7, 2005, at 5:00 p.m. at Hotel Rival, Mariatorget 3, Stockholm, Sweden.

## Notification

Shareholders who wish to participate in the Meeting

- must be recorded in the share register maintained by VPC AB (Swedish Securities Register Center) on Thursday, March 24, 2005, and
- must give notice of their intention to participate in the Meeting, addressed to:

**Skanska AB**  
**Group Legal Affairs**  
 SE-169 83 Solna, Sweden

or by telephone, +46-8 753 88 14, from 10:00 a.m. to 4:00 p.m.  
 or by telefax, +46-8 753 37 52  
 or via e-mail: [bolagsstamma@skanska.se](mailto:bolagsstamma@skanska.se)  
 or via the Skanska website: [www.skanska.com](http://www.skanska.com)

When giving notice, a shareholder must state name, personal identification number (or corporate registration number), address and telephone number and, where relevant, the number of any accompanying assistants. Shareholders represented by proxy must send the company a power of attorney for the proxy and proof of registration or other authorization documentation, in sufficient time prior to the Annual Shareholders' Meeting.

Notification must be received by the company not later than 12:00 noon on Friday, April 1, 2005. Registered participants will receive an admission card, which is to be presented at the entrance to the Meeting venue.

Shareholders whose shares are held in trust must temporarily re-register their shares in their own name with VPC in order to be entitled to participate in the Meeting. Re-registration should be requested from the bank or stockbroker acting as trustee in sufficient time prior to March 24, 2005.

## Agenda

1. Opening of Meeting.
2. Election of Meeting Chairman.
3. Preparation and approval of the list of shareholders entitled to vote at the Meeting.
4. Approval of agenda.
5. Election of two persons to check the minutes together with the Chairman.
6. Determination of whether the Meeting has been duly convened.
7. Address by the Chairman of the Board of Directors describing the work of the Board and remuneration issues for Group management. Followed by the President's address on operations.
8. Presentation of the annual report and auditors' report for 2004 and the consolidated accounts and the auditors' report for the consolidated accounts for 2004, in conjunction with which the Chairman of the Company's Audit Committee will inform of the work and function of the Committee.
9. Motion to adopt the income statement and balance sheet, and the consolidated income statement and the consolidated balance sheet.
10. Motion regarding the disposition of the Company's profit as shown in the adopted balance sheet, and determination of the record date for payment of dividend.
11. Motion to discharge members of the Board and the President from liability for the fiscal year.
12. Motion to amend the Articles of Association.
13. Determination of the number of Board members and deputy members to be elected by the Meeting.
14. Determination of the number of auditors and deputy auditors to be elected by the Meeting.
15. Determination of fees for Board members and auditors.
16. Election of Board members and deputy members and of the Board Chairman.
17. Election of auditors and deputy auditors.
18. Composition of the Nominating Committee.
19. Proposal regarding a long-term Share Award Plan and in connection thereto resolutions regarding:
  - a) adoption of a Share Award Plan,

- b) amendment of the Articles of Association,
  - c) authorization to resolve on an issue of Class D shares,
  - d) authorization to resolve to repurchase own Class D shares, and
  - e) transfer of own Class B shares.
20. Closing of the Meeting.

## Motions

### Item 2 Election of a Chairman for the Meeting

Motion: The Nominating Committee proposes that attorney Sven Unger be elected Chairman of the Meeting.

### Item 10 Dividend and record date

Board motion that a dividend of SEK 4.00 per share be paid to the shareholders for fiscal year 2004. April 12, 2005 is proposed as the record date for payment of the dividend. If the Meeting votes in favor of this motion, it is expected that VPC will make dividend payments on April 15, 2005.

### Item 12 Motion to amend the Articles of Association

Board motion that the Articles of Association be amended in the following main respects:

- the location of the registered office to be changed from Malmö to Solna (§ 3)
- Solna to be added to the list of venues for the Annual Shareholders' Meeting (§ 10)
- the number of auditors and deputy auditors to be elected to be changed to enable an audit company to be appointed as auditor (§ 9)
- the right of a shareholder to vote for the full number of shares held to be deleted, since this is now the principal rule stated in the Swedish Companies Act (§ 11)

## Nominating Committee's motions under Items 13-18

**Item 13** Nominating Committee's motion: Nine Board members and no deputies.

**Item 14** Nominating Committee's motion: One auditing company and no deputies.

**Item 15** Nominating Committee's motion: It is proposed that a fee of SEK 1,050,000 be paid to the Chairman of the Board of Directors and fees totaling SEK 2,450,000 to other Board members. A special appropriation totaling SEK 625,000 is proposed for committee work. The two last-named amounts are to be divided by the Board among the members of the Board who are elected by the Meeting and who are not employees of the company. It is proposed that the fee to the auditor be paid in the amount shown on approved invoices.

**Item 16** Nominating Committee's motion: Re-election of Roger Flanagan, Ulrika Francke, Jane Garvey, Stuart Graham, Sören Gyll, Finn Johnson, Sverker Martin-Löf, Arne Mårtensson and Anders Nyrén.

The Committee proposes that the Annual Shareholders' Meeting elect Sverker Martin-Löf as Chairman of the Board.

**Item 17** Nominating Committee's motion: New election of registered auditing company KPMG Bohlins AB for the period until the close of the Annual Shareholders' Meeting in 2009.

**Item 18** Nominating Committee's motion: That a mandate be given to the Chairman of the Board to contact the five largest shareholders in terms of voting rights, each of which will appoint a representative to comprise, together with the Board Chairman, the Nominating Committee for the period until after the next Annual Shareholders' Meeting or, if such a need arises, until a new Nominating Committee has been appointed. The Nominating Committee shall appoint a Chairman from the largest shareholder in terms of voting rights. If a member of the Nominating Committee leaves the committee before its work is completed, a substitute shall be appointed, if this is deemed necessary, by the same shareholder who appointed the member who has resigned, or, if this shareholder is no longer one of the five largest shareholders in terms of voting rights, by the new shareholder belonging to this group. No fee shall be paid to members of the Nominating Committee. Any expenses arising in connection with the work of the Nominating Committee shall be paid by the company. The names of

the members of the Committee shall be announced not later than six months prior to the Annual Shareholders' Meeting in 2006.

#### **Item 19 Proposal regarding a long-term Share Award Plan**

In order to implement the Share Award Plan, the Board of Directors proposes that the Shareholders' Meeting resolves in accordance with item a) – e) below. All the resolutions are proposed to be conditional upon each other and are therefore proposed to be adopted as a whole.

##### **19 a) Adoption of a Share Award Plan**

The Board of Directors proposes that the Shareholders' Meeting resolves to adopt a Share Award Plan for senior executives and other key employees employed by the Skanska group which means that the employees will be granted share awards, which entitles the holder to receive free of charge Class B-shares in Skanska. The grant of share awards is conditional upon the fulfilment of certain decided performance conditions which are both result-orientated as well as oriented to the different fields of activity of the operations. Based on the outcome of these performance conditions, the number of share awards to be granted to each employee will be determined at the end of each financial year. The Board of Directors' proposal also provides that share awards are granted during a three-year period starting 2006, based on the outcome of the financial year 2005. The share awards give an entitlement to receive Class B shares in the company three years following the time of grant, the vesting period, and only if the employee is still employed within the Skanska group. The share awards also includes a right to be compensated for the value of dividend paid and other rights granted to the shareholders during the vesting period. The Board of Directors proposes that share awards representing a maximum of 3,900,000 Class B shares will be granted to employees up to and including 2008.

To ensure the delivery of Class B shares under the Share Award Plan, the Board of Directors proposes that a new class of shares is introduced, Class D shares, which following issuance, immediately will be repurchased by the company. The Class D shares may be redeemable and, upon the request by the Board of Directors, be reclassified into Class B shares. The costs for social security contributions or similar taxes that may arise in connection with the Share Award Plan are estimated to be a total amount corresponding to 600,000 Class B shares.

If the proposed total amount of 4,500,000 Class D shares are issued and reclassified into Class B shares as a result of the Share Award Plan, the maximum dilution effect amounts to approximately 1.06 percent of the share capital and 0.68 percent of the vote cast following dilution.

##### **19 b) Amendment of the Articles of Association (§§ 5 and 11)**

The Board of Directors proposes that the Shareholders' Meeting resolves to amend the Articles of Association meaning principally the introduction of a new class of shares, named Class D shares, which gives an entitlement to one vote per share. Not more than 4,500,000 Class D shares may be issued. The Class D shares may be redeemed and will not provide entitlement to dividend payment and will also be reclassified into Class B shares upon the request by the Board of Directors.

##### **19 c) Authorization to resolve on an issue of Class D shares**

The Board of Directors proposes that during the period until the next Annual Shareholders' Meeting, the Shareholders' Meeting resolves to authorize the Board of Directors to increase the company's share capital by not more than SEK 13,500,000 by the issue of not more than 4,500,000 Class D shares, each with a par value of SEK 3.00. With disapplication of the shareholders' preferential rights, AB Industrivärden (publ) or any of its wholly owned subsidiaries may subscribe for the new shares at a subscription price corresponding to the par value of the shares. The purpose of the authorization and the reason for the disapplication of the shareholders' preferential rights in connection with the issue of shares, is to ensure the delivery of Class B shares to employees under the Share Award Plan, by way of Class D shares immediately being repurchased and in connection with the expiry of each vesting period being reclassified into Class B shares.

##### **19 d) Authorization to resolve to purchase own Class D shares**

The Board of Directors proposes that during the period until the next Annual Shareholders' Meeting, the Shareholders' Meeting resolves to

authorize, the Board of Directors to repurchase own Class D shares. The repurchase may only be effected by a public offer directed to all holders of Class D shares and shall comprise all outstanding Class D shares. The purchase may be effected at a purchase price corresponding to not less than SEK 3.00 and not more than SEK 3.10. Payment for the Class D shares shall be made in cash. The purpose of the repurchase is to ensure the delivery of Class B shares under the Share Award Plan and to cover administrative costs, social security contributions and similar taxes that may arise in connection with the Share Award Plan.

##### **19 e) Transfer of own Class B shares**

Further, the Board of Directors proposes that the Shareholders' Meeting resolves that Class D shares that Skanska purchases by virtue of the authorization to repurchase own shares in accordance with item 19 d) above, following reclassification into Class B shares, may be transferred, free of charge, to employees within the Skanska Group that following the respective vesting period are entitled to shares in accordance with the Share Award Plan. Further, in connection to such future transfers to employees, the Board of Directors intends to refer a proposal regarding authorization to sell Class B shares on the open market in order to cover administrative costs, social security contributions and similar taxes that may arise in connection with the delivery of shares in accordance with the Share Award Plan.

#### **Other information**

The Nominating Committee comprised Carl-Olof By, Chairman, representing AB Industrivärden, Sverker Martin-Löf, Chairman of the Board of Skanska AB, Jan-Erik Erenius, representing AMF Pension, Curt Källströmer, representing Handelsbanken's pension funds and Svenska Handelsbanken AB, KG Lindvall, representing Robur Fonder, and Per Ludvigsson, representing Inter IKEA Investment AB.

Shareholders representing approximately 52 percent of the total votes in the Company have stated that they intend to vote for the Nominating Committee's motions under items 13, 14, 15, 16, 17 and 18 above.

The Board of Directors proposal to adopt a Share Award Plan in accordance with item 19 a) – e) implies that the employees within the group are granted share awards entitling the holder to receive Class B shares in the company. According to the Act (1987:464) on Directed Placements in Stock Market Companies, etc., a resolution regarding approval of the Share Award Plan as set out above shall be supported by shareholders representing at least ninety (90) percent of the shares and the numbers of votes represented at the Shareholders' Meeting.

The accounts and the auditors' report, and the full text of the motions under Items 12 and 19 will be made available to shareholders at the Company's offices, Råsundavägen 2, Solna, Sweden, Group Legal Affairs, as of March 24, 2005. The full text of the Board motion under Item 19 concerning the Share Award Plan will also be available on Skanska's website, [www.skanska.com](http://www.skanska.com) as of March 24, 2005.

The President's address under item 7 of the Agenda will be delivered in English. The address will be simultaneously translated into Swedish.

#### **Program for shareholders**

- 3:30 p.m. Doors of Hotel Rival opened.  
Light refreshments served.
- 4:30 p.m. Shareholders' Meeting venue opened.
- 5:00 p.m. Opening of the Annual Shareholders' Meeting.

**Solna, March 2005**

**The Board of Directors**