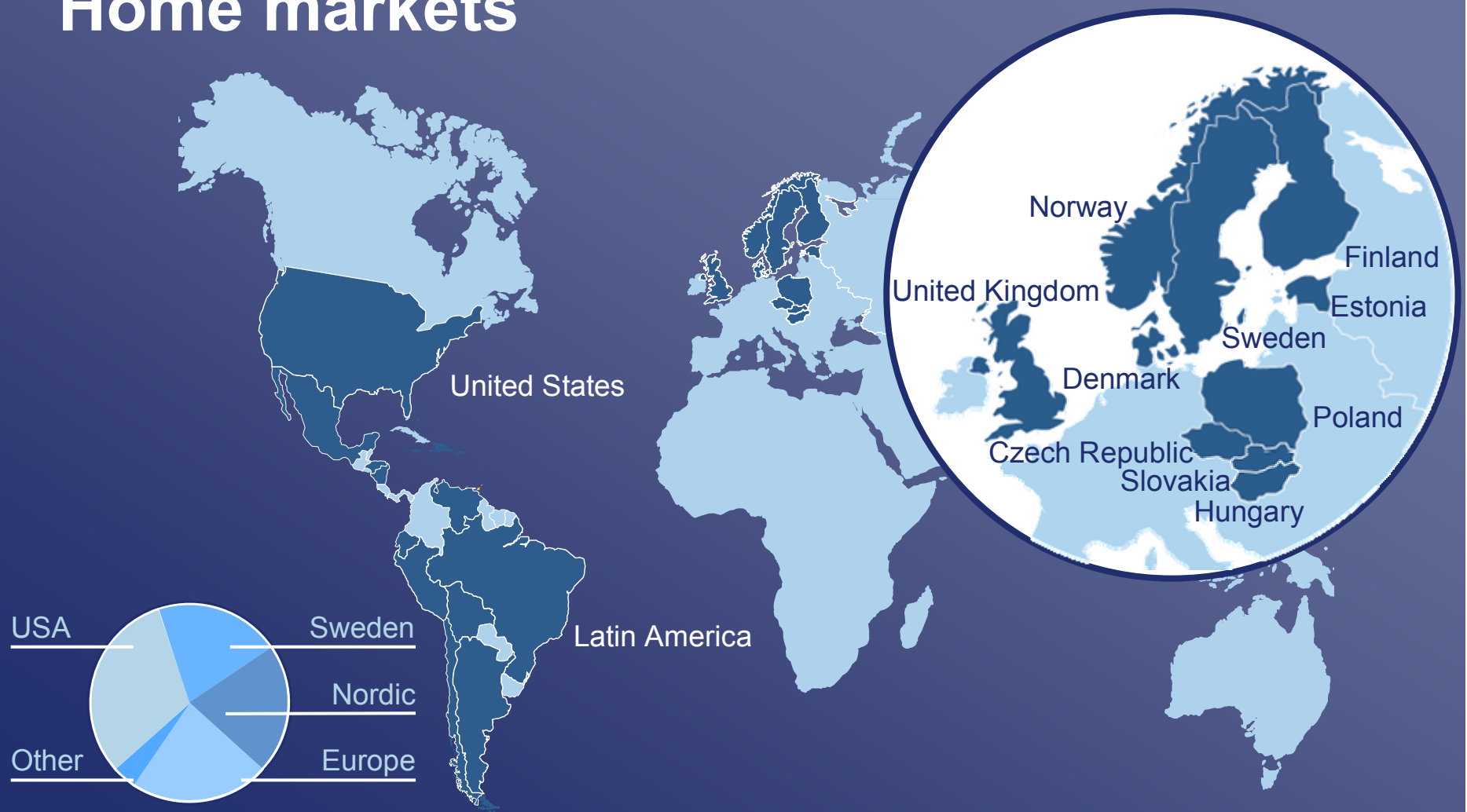


# Annual Shareholders' Meeting Stockholm, 30 mars 2006

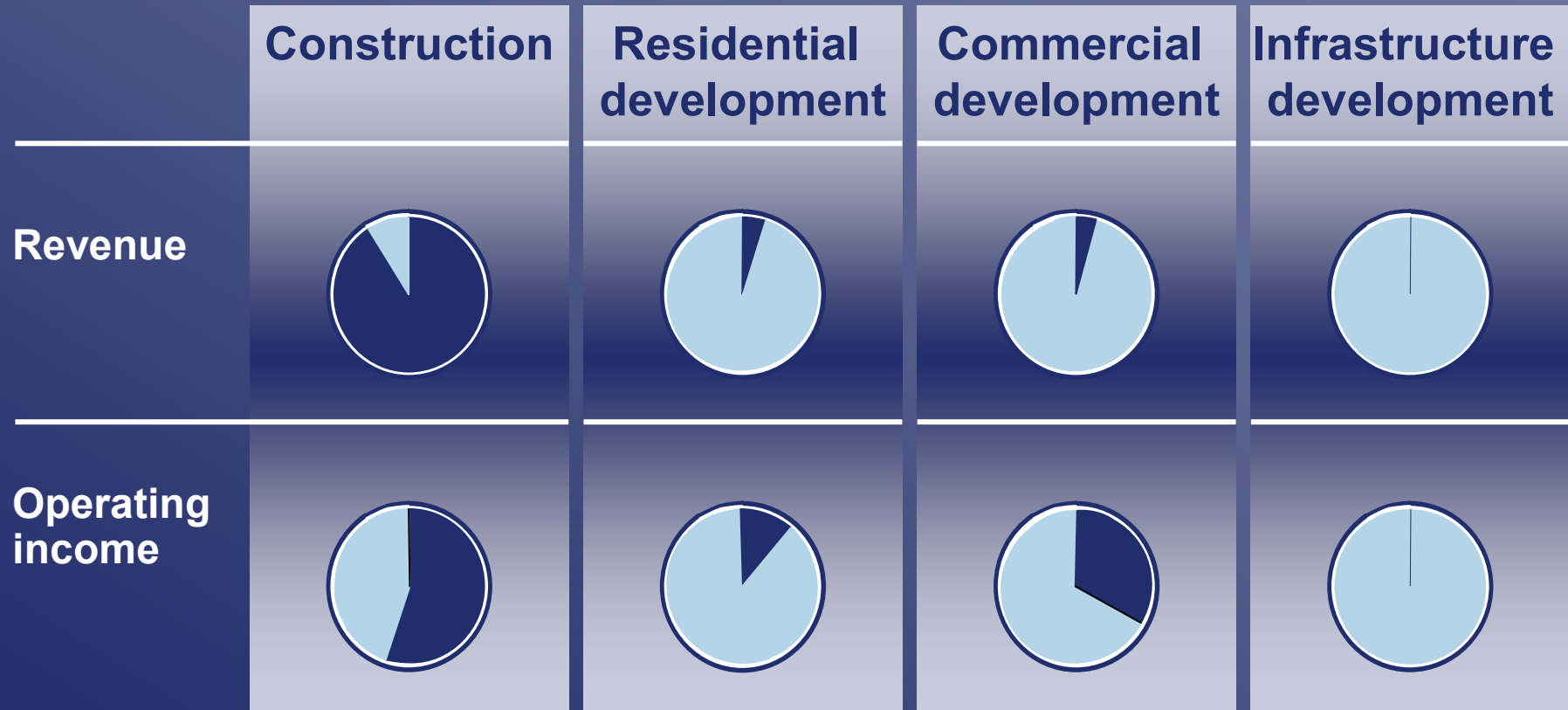
# Address by the CEO

Stuart Graham  
President and CEO

# Home markets



# Business streams



▼ Share of group

## “Outperform” targets

	Construction	Residential development	Commercial development	Infrastructure development
Operating margin	3.3%	10%		
Return on capital employed		18%	15%	16%

A photograph of pole vaulter Yelena Isinbayeva in mid-air, clearing a red bar. She is wearing a blue and red leotard and blue shoes. The background is a solid dark blue. A white staircase graphic is positioned at the bottom of the image, starting from the pole and ascending towards the right.

# Outperform... all the time

Yelena Isinbayeva – 18 World records 2003–2005



# Qualitative targets – the four “Zeros”

**Zero loss-making projects**



**Zero environmental incidents**



**Zero work site accidents**



**Zero ethical breaches**



# Integration





# Integration



**54 000 employees**

**Common procedures**

**Risk management**

**Training**

**Sharing of knowledge**

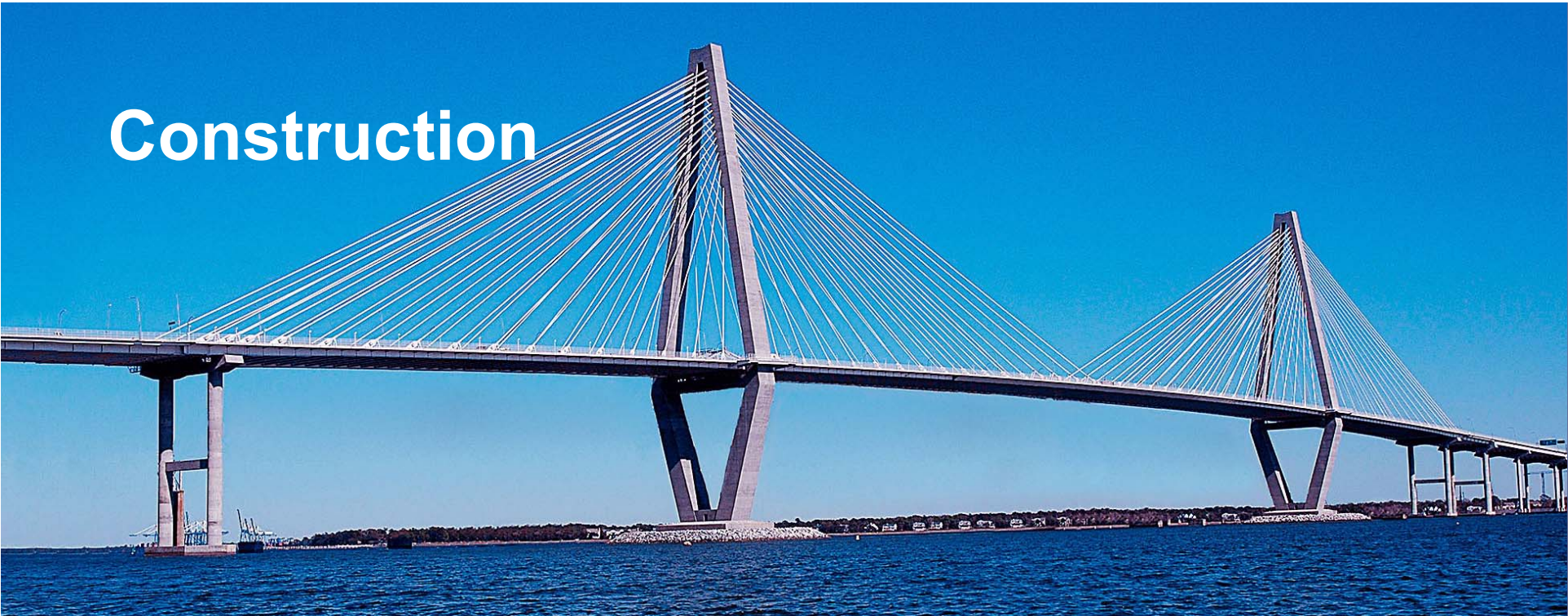


# The future of Skanska





# Construction



SEK bn	2005	2004	Target 2007
Revenue	116.0	108.0	—
Operating income	2.9	1.5	—
Operating margin, %	2.5	1.4	3.3
Return on capital employed, %	56.1	25.6	—

# Residential development



SEK bn	2005	2004	Target 2007
Revenue	6.1	5.8	—
Operating income	0.6	0.5	—
Operating margin, %	10.0	9.1	10.0
Return on capital employed, %	23.8	18.4	18.0



# Commercial development

SEK bn	2005	2004	Target 2007
Revenue	5.1	5.6	—
Operating income	1.7	1.6	—
Return on capital employed, %	16.7	11.0	15.0*

\* over nine years business cycle

# Infrastructure development



SEK bn	2005	2004	Target 2007
Capital employed	2.5	1.5	–
Return on capital employed, %	36.0	11.0	16.0

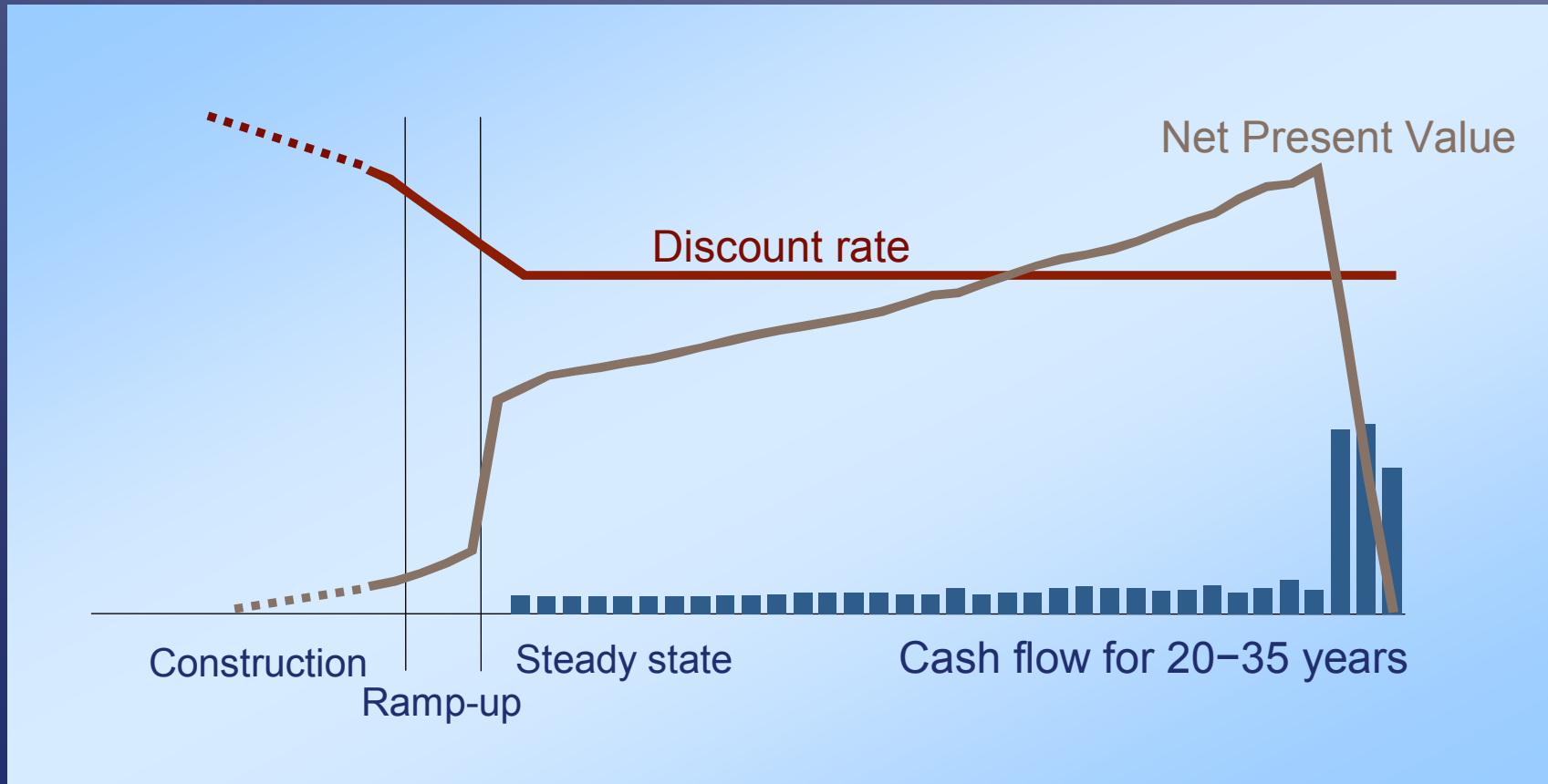
# Infrastructure development (SEK bn)

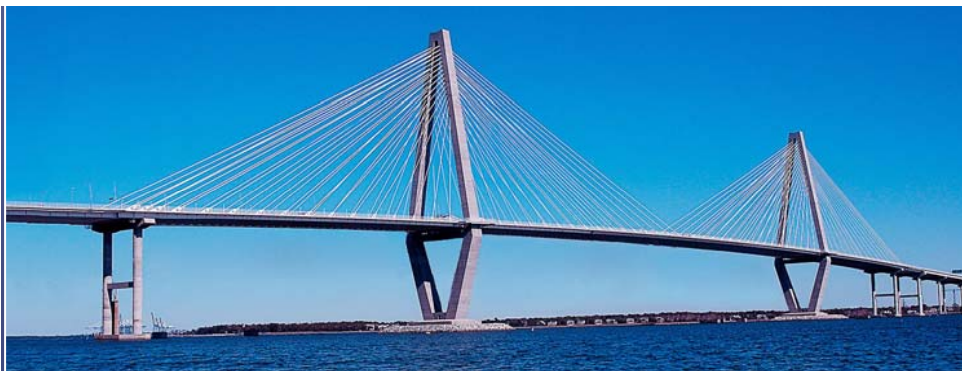
▪ Invested capital	2.5
▪ Estimated market value	5.2
▪ Unrealized development gain	2.7



# Infrastructure development

## Value creation





## The Group

Return on equity, %

Actual 2005

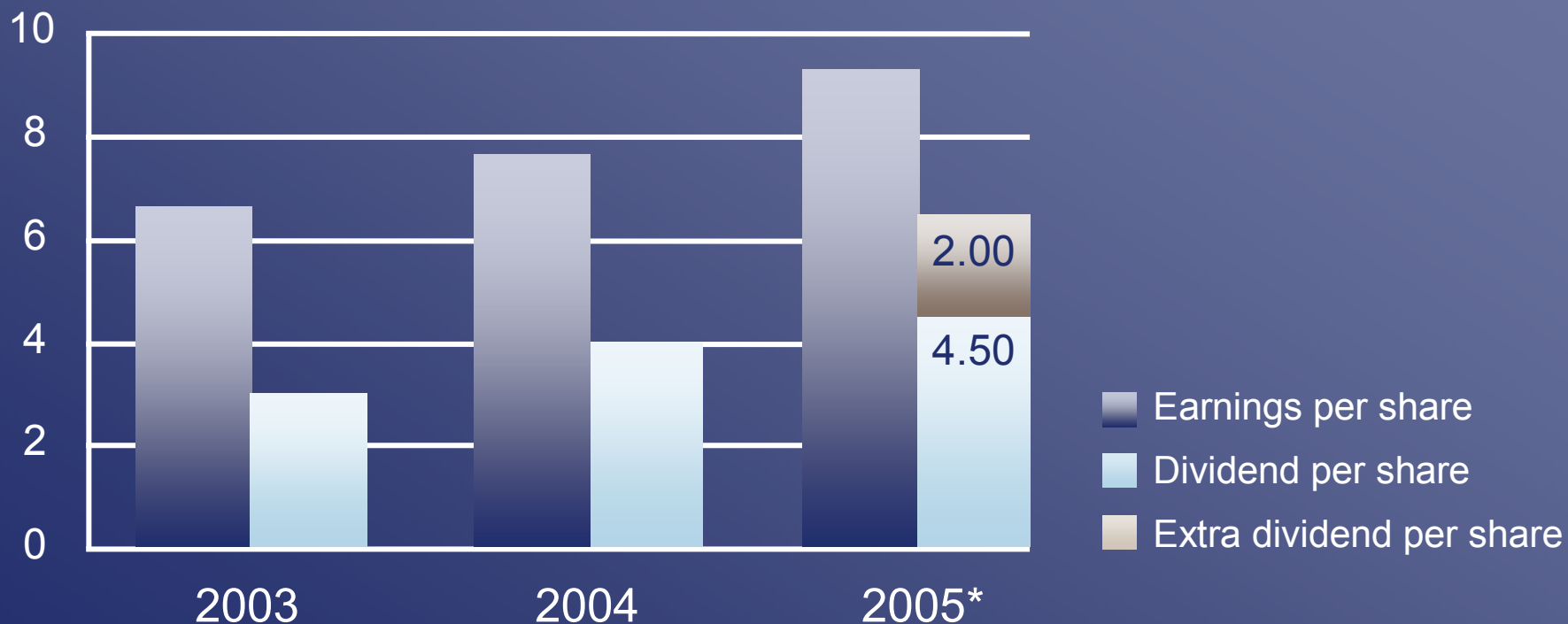
22.4

Target 2007

18.0

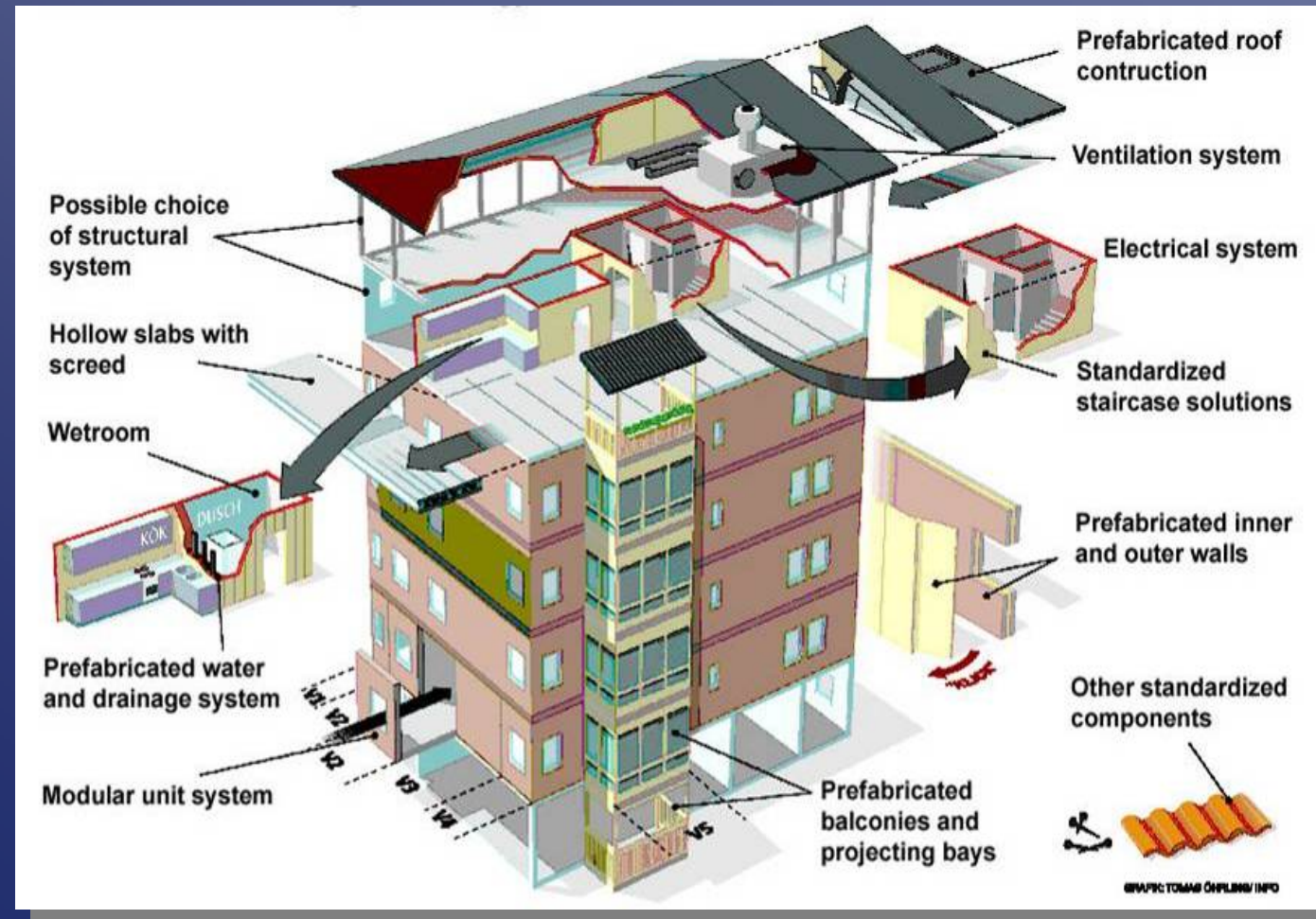
# Earnings and dividend per share

SEK



\* Proposed by the Board of Directors

# Industrialization

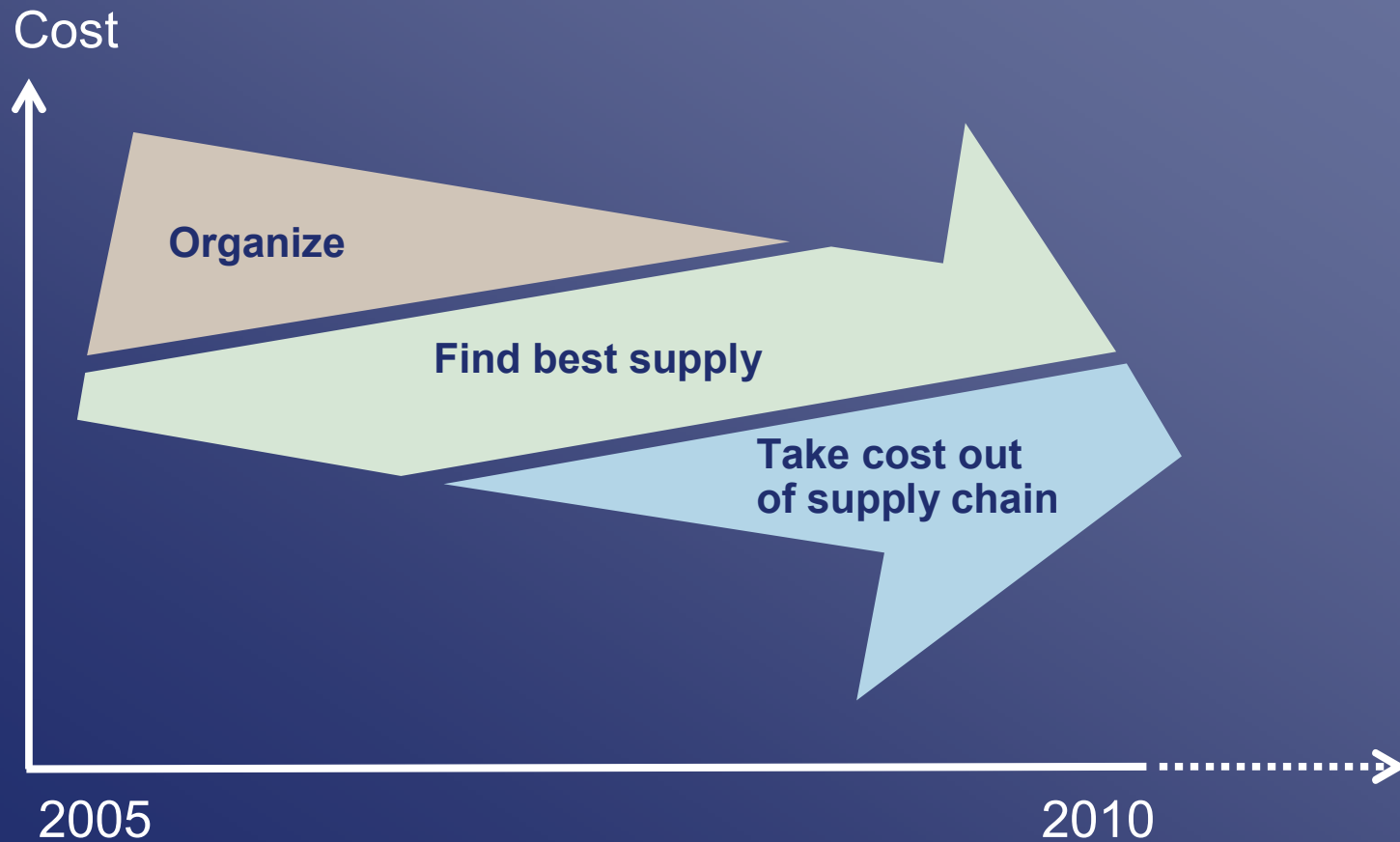




## “Modern houses” – interior



# Purchasing



# 2006 strategy – the same

- “Outperform” targets
- 4 zeros
- People development



# Market outlook

## Construction



## Residential development



## Commercial development



## Infrastructure development





Passion, expertise  
and teamwork





**This is where we make our money!**



# SKANSKA