



SHAREHOLDER INFORMATION
Six Month Report, January–June 2004

SKANSKA

Six Month Report January–June 2004

Group Highlights

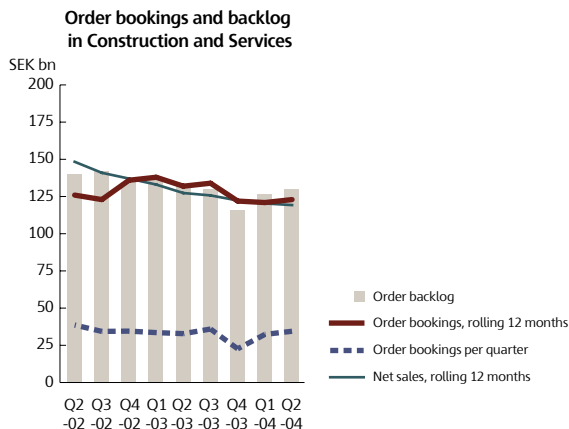
SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
■ Net sales	32,225	34,350	58,258	63,903	127,234	132,879
of which net sales on sale of properties in Commercial Project Development	1,686	2,398	2,082	4,465	5,189	7,572
■ Operating income	1,130	1,647	1,586	2,367	3,751	4,532
of which gain on sale of properties in Commercial Project Development	587	1,097	713	1,585	1,527	2,399
■ Income after financial items	1,092	1,598	1,510	2,138	3,444	4,072
■ Net income	690	1,119	958	1,482	2,237	2,761
■ Earnings per share for the period	1.65	2.67	2.29	3.54	5.34	6.60
■ Capital employed	22,809	28,109	22,809	28,109	22,809	24,460
■ Net cash (+)/Net debt (-)	-118	-5,251	-118	-5,251	-118	150
■ Shareholders' equity	14,076	13,166	14,076	13,166	14,076	14,169
■ Return on capital employed, %					16.2	17.1
■ Return on shareholders' equity, %					16.4	19.5
■ Operating cash flow before change in interest-bearing receivables and liabilities	-70	3,449	-196	4,247	5,512	9,955
■ Change in interest-bearing net cash (+)/net debt (-)	14	4,426	-268	4,125	5,133	9,526
■ Order bookings, SEK bn	33.5	31.8	64.9	64.4	121.6	121.1
■ Order backlog, SEK bn	129.7	132.7	129.7	132.7	129.7	116.4

Second quarter of 2004 compared to second quarter of 2003

- Net sales decreased by 6 percent to SEK 32,225 M (34,350). Adjusted for currency rate effects, net sales fell by 4 percent.
- Operating income amounted to SEK 1,130 M (1,647).
- Gain on sale of properties in Commercial Project Development amounted to SEK 587 M (1,097).
- Income after financial items amounted to SEK 1,092 M (1,598).
- Net income amounted to SEK 690 M (1,119) and earnings per share in the second quarter amounted to SEK 1.65 (2.67).
- Order bookings rose by 5 percent to SEK 33.5 billion (31.8). Adjusted for currency rate effects, order bookings rose by 7 percent.

Comments from Skanska's President and CEO Stuart Graham:

- Performance in the Nordic construction businesses is improving steadily and we expect that trend to continue in the second half of the year. We now see slight improvements in the market situation in many of Skanska's markets. USA Building took a previously announced charge of SEK 150 M in Q2 in accordance with a plan aimed at increasing sales and margins in 2005 and beyond. The civil business in the U.S. continues to suffer the effects of lower project margins partly due to unusual weather in Q1 and commodity price escalation.
- As a part of focusing on selected markets, Skanska Whessoe was divested during the quarter and a letter of intent was signed regarding the divestment of Skanska's holding in Gammon Skanska. After the close of the quarter the divestment of Cementation Skanska was concluded.
- In summary, the company is now much more efficient when it comes to the use of capital, our business in Residential Project Development as well as Commercial Project Development are well on their way toward achieving their financial targets. Construction and Services is, with the exception of the U.S., performing better despite the weak market growth.



Order bookings

April-June

Order bookings rose by 5 percent and amounted to SEK 33,549 M (31,870). Adjusted for currency rate effects, order bookings rose by 7 percent. Skanska's UK, Czech and Norwegian units showed the largest increases in order bookings. The American units Skanska USA Building and Skanska USA Civil both experienced decreased order bookings due to the continued weak American construction market.

In the U.K., contracts awarded to Skanska included the design and construction of a new facility for Ministry of Defence. The contract is valued at SEK 1.1 billion. Skanska was also awarded a renewal contract with British Telecom to extend and maintain portions of the company's fixed telecom network in the U.K. The four-year contract is worth SEK 2.7 billion. In the Czech Republic, Skanska received a number of large new contracts during the quarter. Among these is an extension of the subway system in Prague worth SEK 1 billion and construction of a shopping center in Prague with a contract value of SEK 735 M. During the quarter, Skanska Services acquired the Swedish-based Sydskraft ServicePartner, a transaction expected to provide assignments worth about SEK 250 M per year.

January-June

Order bookings rose by 1 percent and amounted to SEK 64,925 M (64,444). Currency rate effects had a negative impact of 5 percent on order bookings.

Order backlog

At the end of the report period, order backlog amounted to SEK 129,718 M (132,712), which represented a decrease of 2 percent compared to the end of June 2003. The currency rate effect was negative and amounted to 3 percent.

Compared to year-end 2003 order backlog rose by 11 percent. In local currencies, the increase was 8 percent. Order backlog was equivalent to about 12 (12) months of construction.

Net sales and income

Performance analysis

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Net sales						
Construction and Services	29,591	30,778	54,420	57,562	118,298	121,440
Residential Project Development	1,574	1,469	2,946	3,102	6,178	6,334
Commercial Project Development	1,922	2,785	2,546	5,218	6,189	8,861
BOT	9	48	14	53	48	87
Central and eliminations	-871	-730	-1,668	-2,032	-3,479	-3,843
Skanska Group	32,225	34,350	58,258	63,903	127,234	132,879
Earnings before interest, taxes and amortization (EBITA)						
Construction and Services	561	544	893	804	2,338	2,249
Residential Project Development	127	3	247	91	461	305
Commercial Project Development ¹	684	1,320	856	2,010	1,907	3,061
BOT	-7	17	-10	9	8	27
Central	-105	-111	-191	-270	-391	-470
Closed down operations	0	-5	0	0	10	10
Eliminations ¹	-15	-8	12	-44	-9	-65
Skanska Group	1,245	1,760	1,807	2,600	4,324	5,117
Goodwill amortization and writedowns ¹	-115	-113	-221	-233	-573	-585
Operating income	1,130	1,647	1,586	2,367	3,751	4,532
Net interest items	-37	-95	-70	-230	-233	-393
Other financial items	-1	46	-6	1	-74	-67
Net financial items	-38	-49	-76	-229	-307	-460
Income after financial items	1,092	1,598	1,510	2,138	3,444	4,072
Taxes	-394	-473	-544	-645	-1,202	-1,303
Minority interests	-8	-6	-8	-11	-5	-8
Net income for the period	690	1,119	958	1,482	2,237	2,761
Earnings per share for the period	1.65	2.67	2.29	3.54	5.34	6.60

1 Of which gain on sale of commercial properties reported in Commercial Project Development

April-June

Net sales totaled SEK 32,225 M (34,350), a decline of 6 percent. Adjusted for currency rate effects, net sales fell by 4 percent. Net sales of the Construction and Services business stream decreased by 1 percent in terms of local currencies. The decrease in the Group's net sales was primarily attributable to lower investments of commercial properties compared to the second quarter of 2003.

Operating income declined to SEK 1,130 M (1,647), due to lower divestment volume of commercial properties. Currency rate effects, which primarily influence Construction and Services, had a positive impact of SEK 2 M on operating income. In Construction and Services, operating income before goodwill amortization (EBITA) rose by 3 percent, amounting to SEK 561 M (544). Operating income included expenses of SEK 150 M in Skanska USA Building (American building construction) for the previously announced growth plan. In the comparative period of 2003, project loss provisions of SEK 260 M were included in the accounts of Skanska USA Building. Operating income before goodwill in Residential Project

Development rose significantly, amounting to SEK 127 M (3). In the comparative period, additional costs for re-structuring ongoing units and marketing incentives for units that were difficult to sell, were charged to operating income in the amount of SEK 50 M. Commercial Project Development reported lower operating income, SEK 684 M (1,320), as a consequence of lower divestment of completed commercial projects as well as lower rental revenues due to a reduced property portfolio. Gain on the sale of properties amounted to SEK 587 M (1,097). The operating income of Skanska BOT amounted to SEK -7 M (17) before goodwill. Corporate overhead totaled SEK -105 M (-111).

In Construction and Services, operating margin amounted to 1.5 (1.4) percent.

Goodwill amortization and writedowns during the period, which totaled SEK 115 M, consisted of scheduled amortization.

As a consequence of lower debt, net interest items improved further, amounting to SEK -37 M (-95). Capitalization of interest expenses in ongoing projects amounted to SEK 20 M (54). Other financial items totaled SEK -1 M (46). The amount in the comparative period of 2003 included a gain of SEK 14 M on the sale of shares in kitchen interior manufacturer Nobia as well as a dividend of SEK 16 M from Nobia. Income after financial items declined to SEK 1,092 M (1,598).

Net income for the period amounted to SEK 690 M (1,119). Earnings per share during the period amounted to SEK 1.65 (2.67).

January-June

Net sales declined by 9 percent to SEK 58,258 M (63,903). Adjusted for currency rate effects, net sales fell by 4 percent. Net sales of Construction and Services declined by 1 percent in terms of local currencies.

Operating income fell to SEK 1,586 M (2,367), due to lower divestment volume of commercial properties. Currency rate effects explained SEK 15 M of the decline. Gain on the sale of properties amounted to SEK 713 M (1,585). Operating margin including gain on property divestments amounted to 2.7 (3.7) percent. In Construction and Services, operating margin before goodwill amounted to 1.6 (1.4) percent.

Income after net financial items amounted to SEK 1,510 M (2,138) and net income for the period fell to SEK 958 M (1,482). Earnings per share during the first half totaled SEK 2.29 (3.54) and on a rolling 12 month basis SEK 5.34 (2003: 6.60).

Return on capital employed on a rolling 12 month basis was 16.2 (Dec. 2003: 17.1) percent. Return on shareholders' equity on a rolling 12 month basis was 16.4 (Dec. 2003: 19.5) percent.

Investments and divestments

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
INVESTMENTS						
Construction and Services	-457	-379	-717	-792	-1,772	-1,847
Residential Project Development	-853	-1,076	-1,673	-1,996	-3,450	-3,773
Commercial Project Development	-446	-331	-627	-823	-1,203	-1,399
BOT	-8	-26	-26	-26	-115	-115
Central and eliminations	-4	5	-9	144	54	207
Investments	-1,768	-1,807	-3,052	-3,493	-6,486	-6,927
DIVESTMENTS						
Construction and Services	256	232	466	486	1,516	1,536
Residential Project Development	927	1,152	1,928	2,185	4,327	4,584
Commercial Project Development	1,690	2,398	2,086	4,465	5,193	7,572
BOT	7	1	7	1	7	1
Central and eliminations	1	368	0	224	-76	148
Divestments	2,881	4,151	4,487	7,361	10,967	13,841
NET INVESTMENTS						
Construction and Services	-201	-147	-251	-306	-256	-311
Residential Project Development	74	76	255	189	877	811
Commercial Project Development	1,244	2,067	1,459	3,642	3,990	6,173
BOT	-1	-25	-19	-25	-108	-114
Central and eliminations	-3	373	-9	368	-22	355
Net investments¹	1,113	2,344	1,435	3,868	4,481	6,914
1 Of which strategic investments/divestments	-117	477	-145	461	-202	404

April-June

Investments amounted to SEK -1,768 M (-1,807). Investments in Construction and Services rose to SEK -457 M (-379). This item was mainly related to fixed assets for Skanska's own production. Net investments in Construction and Services totaled SEK -201 M (-147). Investment volume in Residential Project Development decreased to SEK -853 M (-1,076). Investments in Sweden and Norway rose in the medium and low price segments, where demand is strong. Divestments in this business stream fell to SEK 927 M (1,152). In Commercial Project Development, investments rose to SEK -446 M (-331). Divestments shrank to SEK 1,690 M (2,398). Net divestments in Commercial Project Development totaled SEK 1,244 M (2,067).

The net amount of the Group's investments (-) and divestments (+) was SEK +1,113 M (+2 344).

January-June

Investments totaled SEK -3,052 M (-3,493). Divestments fell to SEK 4,487 M (7,361). The net amount of investments (-) and divestments (+) was SEK 1,435 M (3,868).

Operating cash flow and change in interestbearing net debt/net cash

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
CASH FLOW FROM OPERATIONS						
Construction and Services	575	957	595	-45	3,894	3,254
Residential Project Development	-318	452	-138	159	673	970
Commercial Project Development	1,420	2,162	1,786	4,405	4,491	7,110
BOT	-28	-20	-85	-48	-209	-172
Central and eliminations	-191	323	-314	511	-670	155
Cash flow before taxes, financial operations and dividends	1,458	3,874	1,844	4,982	8,179	11,317
Taxes paid	-224	500	-677	353	-1,098	-68
Net interest items and other financial items	-38	-74	-76	-229	-277	-430
Dividend etc.	-1,266	-851	-1,287	-859	-1,292	-864
Cash flow before changes in interest-bearing receivables and liabilities	-70	3,449	-196	4,247	5,512	9,955
Translation difference, net debt	77	151	-51	286	90	427
Reclassification and change in accounting principle, interest-bearing net debt	21	0	21	-1,285	-515	-1,821
Interest-bearing liabilities, acquired/divested	3	872	-6	872	-32	846
Other changes, interest-bearing net debt	-17	-46	-36	5	78	119
Changes in interest-bearing net debt/net cash	14	4,426	-268	4,125	5,133	9,526

April-June

Cash flow before taxes, financing operations and dividends totaled SEK 1,458 M (3,874). In Construction and Services, cash flow declined to SEK 575 M (957). Cash flow also declined in Residential Project Development, amounting to SEK -318 M (452). Commercial Project Development reported cash flow amounting to SEK 1,420 M (2,162), which was lower than in the same period of last year as a consequence of the lower volume of property divestments. In the Skanska BOT business stream, cash flow from business operations amounted to SEK -28 M (-20).

Taxes paid for the period amounted to SEK -224 M (500). During the comparative period, Skanska received a repayment of SEK 756 M related to tax deductions for aircraft leasing transactions. Dividends for the 2003 financial year plus adjustments of minority interests amounted to SEK -1,266 M (-851). Cash flow before change in interest-bearing receivables and liabilities totaled SEK -70 M (3,449).

The change in interest-bearing net debt amounted to SEK 14 M (4,426), primarily as a consequence of translation effects related to currency rate differences for interest-bearing net debt that totaled SEK 77 M (151).

January-June

Cash flow before taxes, financing operations and dividends totaled SEK 1,844 M (4,982). The decline was mainly attributable to the lower volume of commercial property divestments. Cash flow before changes in interest-bearing receivables and liabilities totaled SEK -196 M (4,247).

Financial position

Capital employed, by business stream

SEK bn	Construction and Services	Residential Project Devel- opment	Commercial Project Devel- opment	BOT	Central & Elimina- tions	Total Skanska Group
Intangible fixed assets	4.3	0.0	0.0	0.4	0.0	4.7
Tangible fixed assets	6.3	0.0	0.0	0.0	0.1	6.4
Shares and participations	0.7	0.1	0.1	0.7	-0.2	1.4
Commercial properties	1.4	0.0	8.7	0.0	-0.2	9.9
Residential properties	0.0	3.3	0.0	0.0	0.0	3.3
Interest-bearing receivables	1.3	0.0	1.2	0.1	0.4	3.0
Net working capital	-7.9	-0.7	-0.4	0.1	-2.4	-11.3
Cash, bank & short term investments	2.8	0.2	0.0	0.0	2.4	5.4
Capital employed on June 30, 2004	8.9	2.9	9.6	1.3	0.1	22.8
Capital employed on Dec 31, 2003	9.5	2.9	9.5	1.2	1.4	24.5
Capital employed on June 30, 2003	11.1	3.5	13.5	1.3	-1.3	28.1

Skanska has continued to reduce capital employed. At the close of the second quarter, the Group's capital employed totaled SEK 22.8 billion (28.1). Compared to year-end 2003, the Group reduced its capital employed by 7 percent.

In Construction and Services, the decline since the second quarter of 2003 was 20 percent and capital employed at the end of the report period was SEK 8.9 billion (11.1). In Residential Property Development, capital employed totaled SEK 2.9 billion (3.5), and in Commercial Project Development it was SEK 9.6 billion (13.5). In Skanska BOT, the corresponding figure was SEK 1.3 billion (1.3).

Capital employed in Construction and Services has been reduced more than previously expected. Residential Project Development has reached its target figure of SEK 3 billion, while Commercial Project Development is approaching its target figure of SEK 8 billion. If outstanding commitments in BOT of about SEK 1.0 billion are added to capital, it signifies that capital employed in these operations increases to SEK 2.3 billion.

Change in interest-bearing assets and liabilities

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Net debt (-) / Net cash surplus (+), opening balance	-132	-9,677	150	-9,376	-5,251	-9,376
Change in interest-bearing receivables and liquid assets	-152	1,020	-1,942	2,118	-913	3,147
Translation differences interest-bearing receivables and liquid assets	-27	-238	148	-460	-121	-729
Change in interest-bearing liabilities	82	2,429	1,746	2,129	6,425	6,808
Translation differences interest-bearing liabilities	104	389	-199	746	211	1,156
Reclassification and change in accounting principle	21	0	21	-1,285	-515	-1,821
Interest-bearing debts acquired/divested	3	872	-6	872	-32	846
Other changes	-17	-46	-36	5	78	119
Net debt (-) / Net cash surplus (+), closing balance	-118	-5,251	-118	-5,251	-118	150

During the second quarter of 2004, the Group's net debt shrank by SEK 14 M, amounting to SEK -118 M (-5,251). At the end of the quarter, interest-bearing liabilities and provisions amounted to SEK 8,568 M (Dec. 2003: 10,091).

The shareholders' equity of the Group declined to SEK 14,076 M (Dec. 2003: 14,169) during the second quarter. Besides the net income for the period, the change in shareholders' equity is explained by the dividend for the 2003 financial year, amounting to SEK 1,256 M. The net debt/equity ratio amounted to 0.0 (Dec. 2003: 0.0) and the equity/assets ratio was 21.3 (Dec. 2003: 21.5) percent. The target figure for the net debt/equity ratio (net interest-bearing debt divided by visible shareholders' equity) is 0.1 - 0.3.

Exchange rates for the most important currencies

SEK	Average exchange		Exchange rates on the balance sheet date		
	Jan-Jun 2004	Jan-Jun 2003	Jun 30 2004	Jun 30 2003	Dec 31 2003
U.S. dollar	7.47	8.31	7.52	8.04	7.26
British pound	13.61	13.38	13.63	13.27	12.89
Norwegian crown	1.09	1.18	1.08	1.11	1.08
Euro	9.17	9.16	9.14	9.19	9.07

Total assets in the consolidated balance sheet fell to SEK 66.8 billion (73.3). This was even though currency rate effects increased total assets by SEK 1.3 billion. Capital employed is gradually being reduced. At the end of June, capital employed amounted to SEK 22.8 billion (28.1).

The book value of current-asset properties amounted to SEK 13.2 billion (16.3), of which commercial properties in project development operations accounted for SEK 8.6 billion (11.1). Please see the table on page 15.

Personnel

The number of employees in the Group was 68,094 (69,052), measured as the average number of employees.

Parent Company

Net sales of the Parent Company during the period January to June amounted to SEK 0 M (0). Operating income was SEK 114 M (-188). Income after financial items totaled SEK 1,306 M (985). The number of employees in the Parent Company was 56 (56), measured as the average number of employees.

Market outlook

Construction investments in several Skanska markets are starting to show signs of slow recovery. In the Nordic countries, the situation is cautiously positive. Poland, the Czech Republic and Estonia - new members of the European Union - are experiencing positive growth. However, the competition in Poland remains fierce. In the United Kingdom, the volume of Private Finance Initiative (PFI) projects is still growing. In other segments of importance to Skanska, U.K. investment volume is still low. In the United States, investment activity in industrial and commercial construction remains at a low level. Vacancy rates are still high, resulting in low demand for new office space. The outlook for industrial construction in the U.S. has not yet turned.

Civil construction in most Skanska markets is showing continued signs of slow recovery. In the U.S., civil construction is nevertheless expected to remain at a low level, as a consequence of large budget deficits in individual states. No long-term decision has yet been made on the federal program of infrastructure investments that has been discussed over a long period. Some projects for the reconstruction of lower Manhattan are beginning to be put out to tender. The Norwegian civil construction market is positive, driven by BOT investments in highways and by projects for the oil industry. In Finland, civil construction is growing. The Czech Republic and Poland are expected to show some growth, among other things due to EU membership. In South America, economic recovery is continuing, with a good outlook for power transmission projects and projects in the oil and gas industries, which are important sectors for Skanska's operations in this region.

Residential construction remains at a high level in the Czech Republic, Finland and St. Petersburg, Russia. In Sweden and Norway, the number of projects being started is increasing. In most markets, the volume of planned housing starts is also rising. The increase consists of units in the medium and lower price segments, for which there is heavy demand.

The vacancy rates in the Scandinavian and in the Central European office markets are beginning to stabilize. A cautious approach to investments in new projects remains, however. In Scandinavia there is good demand for high-volume retail and logistics properties with efficient space in the right locations.

Accounting principles and changes in accounting practices

This Interim Report was prepared in compliance with the Swedish Financial Accounting Standards Council's recommendation RR20, "Interim Financial Reporting." The same accounting principles and calculation methods have been applied as in the latest Annual Report.

Other matters

During the second quarter, the U.K. construction engineering company Skanska Whessoe was sold to Al Rushaid Investment Company at a small loss. A memorandum of understanding was also signed concerning divestment of Skanska's holding in the half-owned Gammon Skanska in Hong Kong. The buyer is the U.K. construction company Balfour Beatty Ltd. The final sales agreement is expected to be signed shortly after completion of the due diligence process.

In January 2004, Skanska Services announced that the subsidiary Skanska IT Solutions, which provides IT services primarily to Skanska companies, would be divested or outsourced. Effective from the second quarter, and in anticipation of such outsourcing, Skanska IT Solutions will be reported under the item "Central." This change has no effect on sales or earnings at the consolidated level.

No new information has emerged in ongoing legal action related to the suit filed by the Swedish Competition Authority. During the period, companies suspected of collusive anti-competitive practices, among them Skanska, were sued by a number of Swedish municipalities that maintain that they have suffered damage from projects awarded to cartel companies. In Finland a number of construction companies, among them Skanska, have been sued by the Competition Authority before the Market Court for alleged collusive anti-competitive practices in asphalt operations. The amounts of infringement fines proposed by the competition authorities in Sweden and Finland have been reported as contingent liabilities.

Events after the close of the report period

The previously announced sale of Skanska's mining contracting businesses in South Africa and Canada to the South African construction company Murray & Roberts was completed during July. The divestment resulted in a capital loss SEK 111 M, of which SEK 100 M were charged to consolidated earnings for the fourth quarter of 2003. The remaining amount will be charged to earnings in the third quarter. The loss is a consequence of a writedown of the goodwill that was allocated to these businesses when they were acquired. In 2003, net sales of the units included in the divestment totaled SEK 1.8 billion, with an operating income before goodwill of SEK 26 M. At year-end there were about 8,600 employees in these units.

As of today (July 29), Skanska has carried out property divestments worth SEK 1,670 M during the third quarter, with capital gains amounting to SEK 508 M.

Financial reports about 2004

Effective from January 1, 2004, Skanska is decreasing the number of printed interim reports. In the future, only the Six Month Report and the Annual Report will be printed and distributed. The other interim reports and the Year-end Report will be available for downloading on Skanska's website, www.skanska.com, and can also be ordered from Skanska AB, Investor Relations.

The Skanska Group's remaining interim reports concerning 2004 will be published on the following dates:

October 29, 2004 Nine Month Report

February 16, 2005 Year-end Report

Solna, July 29, 2004



STUART E. GRAHAM
President and CEO

This interim report has not been subjected to separate examination by the Company's auditors.

The Skanska Group

INCOME STATEMENT SUMMARY

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Net sales	32,225	34,350	58,258	63,903	127,234	132,879
Construction, manufacturing and property management expenses	-29,065	-30,471	-52,863	-57,235	-115,601	-119,973
Gross income	3,160	3,879	5,395	6,668	11,633	12,906
Selling and administrative expenses ¹	-2,053	-2,250	-3,857	-4,329	-7,981	-8,453
Share of income in associated companies	23	18	48	28	99	79
Operating income	1,130	1,647	1,586	2,367	3,751	4,532
Interest income	21	87	93	140	245	292
Interest expenses	-58	-182	-163	-370	-478	-685
Net interest expenses	-37	-95	-70	-230	-233	-393
Other financial items	-1	46	-6	1	-74	-67
Income after financial items	1,092	1,598	1,510	2,138	3,444	4,072
Taxes	-394	-473	-544	-645	-1,202	-1,303
Minority interests	-8	-6	-8	-11	-5	-8
Net profit	690	1,119	958	1,482	2,237	2,761
Earnings per share for the period	1.65	2.67	2.29	3.54	5.34	6.60
Average number of shares	418,553,072	418,553,072	418,553,072	418,553,072	418,553,072	418,553,072
Depreciation, fixed assets, excl. goodwill amortization	-308	-328	-630	-689	-1,318	-1,377
RoCE, rolling twelve months, %					16.2	17.1
Return on equity (RoE), rolling twelve months, %					16.4	19.5
Average number of employees			68,094	69,052	68,094	69,669
1 Of which goodwill amortization and writedowns	-115	-113	-221	-233	-573	-585

CASH FLOW ANALYSIS, SUMMARY

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Cash flow from business operations	1,526	3,409	1,624	4,574	8,112	11,062
Cash flow from investment operations	-945	88	-266	-2,695	1,222	-1,207
Cash flow from financing operations	-1,374	-3,312	-3,086	-3,219	-7,834	-7,967
Cash flow for the period	-793	185	-1,728	-1,340	1,500	1,888

CHANGES IN SHAREHOLDERS' EQUITY

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Opening balance	14,703	13,062	14,169	14,217	13,166	14,217
Dividend	-1,256	-837	-1,256	-837	-1,256	-837
Change in accounting principle	0	0	0	-1,110	0	-1,110
Translation differences etc	-61	-178	205	-586	-71	-862
Net profit for the period	690	1,119	958	1,482	2,237	2,761
Closing balance	14,076	13,166	14,076	13,166	14,076	14,169

Group net investments

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
OPERATIONS - INVESTMENTS						
Intangible fixed assets	-7	-14	-29	-27	-53	-51
Tangible fixed assets	-361	-331	-584	-617	-1,276	-1,309
Assets in BOT operations	-9	-25	-27	-25	-117	-115
Shares	0	0	0	0	15	15
Current-asset properties	-1,279	-1,458	-2,272	-2,805	-4,839	-5,372
of which Residential Project Development	-832	-1,084	-1,651	-1,998	-3,425	-3,772
of which Commercial Project Development	-447	-374	-621	-807	-1,414	-1,600
Investments	-1,656	-1,828	-2,912	-3,474	-6,270	-6,832
OPERATIONS - DIVESTMENTS						
Intangible fixed assets	-1	3	9	3	10	4
Tangible fixed assets	178	78	317	144	554	381
Assets in BOT operations	7	1	7	1	7	1
Shares	6	19	6	19	-13	0
Current-asset properties	2,696	3,594	4,153	6,714	10,395	12,956
of which Residential Project Development	925	1,150	1,924	2,183	4,322	4,581
of which Commercial Project Development	1,771	2,444	2,229	4,531	6,073	8,375
Divestments	2,886	3,695	4,492	6,881	10,953	13,342
Net investments in operations	1,230	1,867	1,580	3,407	4,683	6,510
STRATEGIC INVESTMENTS						
Businesses	-112	15	-139	-15	-214	-90
Shares	0	6	-1	-4	-2	-5
Strategic investments	-112	21	-140	-19	-216	-95
STRATEGIC DIVESTMENTS						
Businesses	-9	39	-9	63	-6	66
Shares	4	417	4	417	20	433
Strategic divestments	-5	456	-5	480	14	499
Net strategic investments	-117	477	-145	461	-202	404
TOTAL NET INVESTMENTS	1,113	2,344	1,435	3,868	4,481	6,914
Depreciation, fixed assets, excl. goodwill amortization	-308	-328	-630	-689	-1,318	-1,377

Consolidated operating cash flow statement

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Cash flow from business operations before change in working capital	784	887	1,348	1,484	3,306	3,442
Change in working capital	-566	532	-1,067	-482	328	913
Net investments in business operations	1,230	1,867	1,580	3,407	4,683	6,510
Cash flow adjustment, net investments	127	111	128	112	64	48
Taxes paid in in business operations	-236	-279	-671	-472	-1,142	-943
Cash flow from operating business	1,339	3,118	1,318	4,049	7,239	9,970
Net interest items and other financial items	-38	-74	-76	-229	-277	-430
Taxes paid in financing operations	12	23	23	69	89	135
Cash flow from finance operations	-26	-51	-53	-160	-188	-295
CASH FLOW FROM OPERATIONS	1,313	3,067	1,265	3,889	7,051	9,675
Net strategic investments	-117	477	-145	461	-202	404
Taxes paid on net strategic investments	0	756	-29	756	-45	740
Cash flow from net strategic investments	-117	1,233	-174	1,217	-247	1,144
Dividend etc.	-1,266	-851	-1,287	-859	-1,292	-864
CASH FLOW BEFORE CHANGE IN INTEREST BEARING RECEIVABLES AND LIABILITIES	-70	3,449	-196	4,247	5,512	9,955
Change in interest-bearing receivables and liabilities	-723	-3,264	-1,532	-5,587	-4,012	-8,067
CASH FLOW FOR THE PERIOD	-793	185	-1,728	-1,340	1,500	1,888
Liquid assets at the beginning of the period	6,226	4,080	7,037	5,763	4,048	5,763
Exchange rate differences in liquid assets	-26	-217	98	-375	-141	-614
Liquid assets at the end of the period	5,407	4,048	5,407	4,048	5,407	7,037
Change in interest-bearing net debt	14	4,426	-268	4,125	5,133	9,526

BALANCE SHEET SEK M	Jun 30 2004	Jun 30 2003	Dec 31 2003
ASSETS			
Intangible fixed assets			
Goodwill	4,278	4,851	4,259
Other intangible fixed assets	459	425	459
	4,737	5,276	4,718
Tangible fixed assets			
Buildings and land	1,945	2,354	2,144
Machinery and equipment	4,325	4,870	4,482
Construction in progress	120	138	104
	6,390	7,362	6,730
Financial fixed assets			
Shares and participations	1,457	1,469	1,450
Interest-bearing receivables	1,352	2,161	1,956
Deferred tax claims	1,710	1,527	1,539
	4,519	5,157	4,945
Total fixed assets	15,646	17,795	16,393
Current-asset properties			
Commercial Project Development	8,578	11,104	9,249
Other commercial properties	1,371	1,348	1,051
Residential Project Development	3,268	3,817	3,394
	13,217	16,269	13,694
Inventories	1,249	975	828
Current receivables			
Interest-bearing receivables	1,691	3,220	1,248
Tax claims	574	440	415
Non-interest-bearing receivables	29,009	30,585	27,123
	31,274	34,245	28,786
Short-term investments	872	109	218
Cash and bank balances	4,535	3,939	6,819
Total current assets	51,147	55,537	50,345
Total assets	66,793	73,332	66,738
of which interest-bearing	8,450	9,429	10,241

SEK M	Jun 30 2004	Jun 30 2003	Dec 31 2003
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity	14,076	13,166	14,169
Minority interests	165	263	200
Provisions			
Provisions for pensions and similar commitments	1,762	2,250	2,058
Provisions for taxes	3,142	2,754	3,104
Other provisions	3,090	2,871	3,230
	7,994	7,875	8,392
Long-term liabilities, interest-bearing	5,569	9,665	7,182
Current liabilities			
Interest-bearing liabilities	1,184	3,022	809
Tax liabilities	682	608	571
Non-interest-bearing liabilities	37,123	38,733	35,415
	38,989	42,363	36,795
Total shareholders' equity and liabilities	66,793	73,332	66,738
of which interest-bearing	8,568	14,680	10,091

Contingent liabilities

During the report period, the Group's contingent liabilities increased by SEK 3 billion to SEK 21.7 billion (Dec 31, 2003: 18.7)

FINANCIAL RATIOS ETC. ¹	Jun 30 2004	Jun 30 2003	Dec 31 2003
Capital employed, closing balance, SEK M	22,809	28,109	24,460
Capital employed, average, SEK M	24,636	32,646	28,183
Equity/assets ratio, %	21.3	18.3	21.5
Net cash surplus (+)/net debt (-), SEK M	-118	-5,251	150
Debt/equity ratio	0.0	0.4	0.0

¹ The definitions of the financial ratios can be found in the Annual Report for 2003

Additional information

Business streams

Construction and Services

SEK M	Apr–Jun 2004	Apr–Jun 2003	Jan–Jun 2004	Jan–Jun 2003	Jul 2003– Jun 2004	Jan–Dec 2003
Net sales	29,591	30,778	54,420	57,562	118,298	121,440
Gross income	2,187	2,284	3,919	4,100	8,456	8,637
Selling and administrative expenses ¹	-1,631	-1,746	-3,048	-3,291	-6,231	-6,474
Share of income in associated companies	5	6	22	-5	113	86
Earnings before interest, taxes and amortization (EBITA)	561	544	893	804	2,338	2,249
Goodwill amortization and writedowns	-113	-110	-218	-225	-571	-578
Operating income	448	434	675	579	1,767	1,671
Capital employed	8,925	11,112	8,925	11,112	8,925	9,563
Depreciation, fixed assets	-302	-332	-617	-672	-1,283	-1,338
Investments	-457	-379	-717	-792	-1,772	-1,847
Divestments	256	232	466	486	1,516	1,536
Net investments	-201	-147	-251	-306	-256	-311
Cash flow from operations before investments and changes in working capital	849	958	1,442	1,403	3,275	3,236
Changes in working capital	-68	200	-596	-1,088	874	382
Net investments in operations	-81	-252	-106	-397	-103	-394
Cash flow adjustment, net investments	-5	-53	0	-54	0	-54
Operating cash flow from business operations ²	695	853	740	-136	4,046	3,170
Strategic net investments	-120	104	-145	91	-152	84
Cash flow	575	957	595	-45	3,894	3,254
Gross margin, %	7.4	7.4	7.2	7.1	7.1	7.1
Selling and administrative expenses, %	-5.5	-5.7	-5.6	-5.7	-5.3	-5.3
Operating margin before interest, taxes and amortization, %	1.9	1.8	1.6	1.4	2.0	1.9
Operating margin %	1.5	1.4	1.2	1.0	1.5	1.4
Return on capital employed (RoCE), %					19.0	16.1
Order bookings, SEK bn	33.3	31.9	64.6	64.1	121.1	120.6
Order backlog, SEK bn	129.7	132.6	129.7	132.6	129.7	116.3
Employees			66,758	67,298	66,758	67,982

¹ Excluding goodwill amortization and writedowns

² Before taxes, financing operations and dividends

April–June

Further information by business/reporting unit can be found on page 14.

Net sales declined by 4 percent to SEK 29,591 M (30,778). Net sales were negatively impacted by currency rate effects of 3 percent.

Operating income before goodwill amortization (EBITA) rose by 3 percent, amounting to SEK 561 M (544). In Sweden, operating income amounted to SEK 184 M (187) and operating margin before goodwill rose to 3.3 (3.1) percent. Skanska's U.K. operations improved their operating income to SEK 83 M (54). Skanska Services, which again showed improved margins, reported an operating income of SEK 65 M (22). Skanska's operations in Norway and Denmark as well as in Poland and the Czech Republic showed better earnings than in the comparative period. Skanska USA Civil (American civil construction) accounted for the largest decrease in operating income. The effects of the severe winter in the New York area necessitated adjustments in expected profits during the first quarter. These adjustments will result in a lower margin during the remainder of the project period. Operating income includes SEK 150 M in expenses at Skanska USA Building for the previously announced growth plan. In the comparative period of 2003, project loss provisions of SEK 260 M were included in the accounts of Skanska USA Building. Adjusted for these expenses, operating income was unchanged.

Operating income amounted to SEK 448 M (434). Currency rate effects increased operating income by SEK 2 M. During the second quarter, operating margin amounted to 1.5 (1.4) percent.

During the second quarter, the U.K. construction engineering company Skanska Whessoe was sold to Al Rushaid Investment Company at a small loss. A memorandum of understanding was also signed concerning divestment of Skanska's holding in the half-owned Gammon Skanska in Hong Kong. The buyer is the U.K. construction company Balfour Beatty Ltd. The final sales agreement is expected to be signed shortly after completion of the due diligence process.

After the close of the report period, the previously announced sale of Skanska's mining contracting businesses in South Africa and Canada to the South African construction company Murray & Roberts was completed. The divestment resulted in a capital loss of more than SEK 100 M, which was charged to consolidated earnings for the fourth quarter of 2003.

January–June

Net sales fell by 5 percent to SEK 54,420 M (57,562). Negative currency rate effects lowered net sales by 5 percent.

Operating income before goodwill amortization rose by 11 percent, amounting to SEK 893 M (804). Operating income advanced by 17 percent till SEK 675 M (579). Currency rate effects had a negative impact of SEK 7 M on operating income.

Residential Project Development

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Net sales	1,574	1,469	2,946	3,102	6,178	6,334
Gross income	206	84	408	282	802	676
Selling and administrative expenses ¹	-79	-81	-161	-191	-336	-366
Share of income in associated companies	0	0	0	0	-5	-5
Earnings before interest, taxes and amortization (EBITA)	127	3	247	91	461	305
Goodwill amortization and writedowns	-2	-3	-3	-5	-5	-7
Operating income	125	0	244	86	456	298
Capital employed	2,916	3,466	2,916	3,466	2,916	2,931
Depreciation, fixed assets	0	-1	-1	-2	-10	-11
Investments	-853	-1,076	-1,673	-1,996	-3,450	-3,773
Divestments	927	1,152	1,928	2,185	4,327	4,584
Net investments	74	76	255	189	877	811
Cash flow from operations before investments and changes in working capital	-25	-3	-75	43	-361	-243
Changes in working capital	-436	403	-292	29	32	353
Net investments in operations	74	79	255	191	875	811
Cash flow adjustment, net investments	69	-25	-26	-102	125	49
Operating cash flow from business operations ²	-318	454	-138	161	671	970
Strategic net investments	0	-2	0	-2	2	0
Cash flow	-318	452	-138	159	673	970
Operating margin, %	7.9	0.0	8.3	2.8	7.4	4.7
Return on capital employed (RoCE), %					15.4	7.5
Employees			744	843	744	824

1 Excluding goodwill amortization and writedowns

2 Before taxes, financing operations and dividends

April-June

Further information by business/reporting unit can be found on page 15.

Net sales rose by 7 percent to SEK 1,574 M (1,469). The increase was attributable to Norwegian and Finnish operations.

Earnings before interest, taxes and amortization rose to SEK 127 M (3). In the comparative period, additional costs for re-designing ongoing units and marketing incentives for units that were difficult to sell, were charged to operating income in the amount of SEK 50 M. Skanska's operations in Sweden, Norway, Finland and the Czech Republic all improved their operating incomes, and so did Polish operations. In Poland, Skanska is mainly selling previously completed residential units, and in principle no new project development is underway.

January-June

Net sales fell by 5 percent, amounting to SEK 2,946 M (3,102). Operating income climbed sharply to SEK 244 M (86). Demand for resi-

dential units in the medium and lower price segment remains good in Skanska's main markets.

At the end of June there were 7,375 (6,356) residential units under construction. Of these, 69 (68) percent had been sold. The number of completed unsold residential units totaled 300 (461). Since year-end 2003, construction has started on about 3,000 (1,600) units. During the first six months of 2004, the number of residential units sold was about 2,600 (2,000).

The book value of current-asset properties in Residential Project Development totaled SEK 3.3 billion (3.8). A breakdown of book value can be seen in the table on page 15. The book value of undeveloped land and development properties totaled SEK 1.9 billion. They are equivalent to building rights for about 17,000 residential units. There are more than 2,000 additional building rights in associated companies.

Commercial Project Development

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Net sales	1,922	2,785	2,546	5,218	6,189	8,861
Gross income	739	1,385	973	2,131	2,151	3,309
Selling and administrative expenses ¹	-56	-62	-113	-122	-235	-244
Share of income in associated companies	1	-3	-4	1	-9	-4
Earnings before interest, taxes and amortization (EBITA)	684	1,320	856	2,010	1,907	3,061
Goodwill amortization and writedowns	0	0	0	0	0	0
Operating income	684	1,320	856	2,010	1,907	3,061
of which gain on sale of properties ²	587	1,097	669	1,582	1,483	2,396
of which operating net, completed properties	142	195	276	427	599	750
of which writedowns/reversal of writedowns	0	0	0	0	0	0
Capital employed	9,611	13,513	9,611	13,513	9,611	9,459
Investments	-446	-331	-627	-823	-1,203	-1,399
Divestments	1,690	2,398	2,086	4,465	5,193	7,572
Net investments	1,244	2,067	1,459	3,642	3,990	6,173
Cash flow from operations before investments and changes in working capital	87	225	191	426	436	671
Changes in working capital	25	-318	-19	69	125	213
Net investments in operations	1,240	2,066	1,458	3,642	3,989	6,173
Cash flow adjustment, net investments	64	189	155	268	-60	53
Operating cash flow from business operations before taxes ³	1,416	2,162	1,785	4,405	4,490	7,110
Strategic investments	4	0	1	0	1	0
Cash flow	1,420	2,162	1,786	4,405	4,491	7,110
Return on capital employed (RoCE), %					22.5	24.8
Employees			136	154	136	149

1 Excluding goodwill amortization and writedowns

2 Additional gain included in eliminations was

3 Before taxes, financing operations and dividends

April-June

See page 15 for more information.

Net sales fell to SEK 1,922 M (2,785) as a consequence of lower divestments of completed commercial projects. For the same reason, operating income decreased to SEK 684 M (1,320). Another reason for the decline is that rental revenues fall as the property portfolio is reduced.

During the period, Skanska sold projects and other properties with a combined sales price of SEK 1,686 M and a capital gain of SEK 587 M.

January-June

Net sales fell to SEK 2,546 M (5,218) as a result of lower divestment volume of completed commercial projects. Operating income amounted to SEK 856 M (2,010).

Commercial Project Development has nine projects underway, seven of them in Sweden. Ongoing projects represent leasable space of about 120,000 sq. m (1.29 million sq. ft.) and are 79 percent pre-leased. At the end of the period, the book value of ongoing projects totaled SEK 0.5 billion (Dec. 2003: 0.4). Their book value upon completion is expected to total SEK 1.3 billion, with an estimated market value of SEK 1.7 billion. The degree of completion in ongoing projects is about 39 percent.

The book value of Skanska's portfolio of completed projects amounted to SEK 5.5 billion (Dec. 2003: 6.2), with an estimated market value, based on an appraisal dated December 2003, of about SEK 8.2 billion (Dec. 2003: 9.4). The occupancy rate, measured in rent, amounted to 87 percent.

The book value of Skanska's undeveloped land and development properties ("land bank") totaled about SEK 2.6 billion (Dec. 2003: 2.6).

As of today (July 29), Skanska has carried out property divestments worth SEK 3,752 M during 2004, with capital gains amounting to SEK 1,221 M. Of this, SEK 44 M is being reported under the item "Eliminations" as a reversal of eliminations previously carried out.

BOT

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Net sales	9	48	14	53	48	87
Gross income	-3	14	-6	2	24	32
Selling and administrative expenses ¹	-20	-13	-33	-25	-65	-57
Share of income in associated companies	16	16	29	32	49	52
Earnings before interest, taxes and amortization (EBITA)	-7	17	-10	9	8	27
Goodwill amortization and writedowns	0	0	0	-3	3	0
Operating income	-7	17	-10	6	11	27
of which gain on sale of projects	0	0	0	0	0	0
Capital employed	1,290	1,272	1,290	1,272	1,290	1,243
Depreciation, fixed assets	0	11	0	0	0	0
Investments	-8	-26	-26	-26	-115	-115
Divestments	7	1	7	1	7	1
Net investments	-1	-25	-19	-25	-108	-114

BOT cont

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003- Jun 2004	Jan-Dec 2003
Cash flow from operations before investments and changes in working capital	-23	-8	-39	-21	-37	-19
Changes in working capital	-3	13	-26	-2	-63	-39
Net investments in operations	-2	-25	-20	-25	-109	-114
Cash flow adjustment, net investments	0	0	0	0	0	0
Operating cash flow from business operations ²	-28	-20	-85	-48	-209	-172
Strategic investments	0	0	0	0	0	0
Cash flow	-28	-20	-85	-48	-209	-172
Return on capital employed (RoCE), %					2.2	3.8
Employees			39	30	39	32

¹ Excluding goodwill amortization and writedowns

² Before taxes, financing operations and dividends

April-June

Net sales of Skanska BOT amounted to SEK 9 M (48). Operating income totaled SEK -7 M (17). Large recovered tender expenses during the comparative period explain the downturn.

During the quarter, Skanska in consortium with the U.K.-based Mill Group signed contracts and financing agreements for two school projects in Bexley, southeastern London. Skanska BOT has a 50 percent share in the consortium and Skanska BOT's investment will total about SEK 28 M.

January-June

Net sales totaled SEK 14 M (53), and operating income was SEK -10 M (6).

Skanska BOT develops and invests in privately financed infrastructure projects in cooperation with Skanska's construction units. BOT is a co-owner of twelve projects, of which four are in operation. In December 2003, Skanska in consortium with the U.K. investment fund Innisfree was selected to expand St. Bartholomew's Hospital (Barts) and the Royal London Hospital in central London. The assignment is Skanska's largest ever and comprises design and construction as well as operation and maintenance during a 38 year concession period. The construction project, worth about GBP 1 billion, will be included in order bookings when the contract and financing agreement have been signed. This is expected to occur early in 2005. Skanska's investment amounts to about SEK 350 M.

At the end of the report period, the book value of shares, participations and subordinated receivables totaled about SEK 1.3 billion. Skanska BOT's remaining investment commitments related to ongoing projects totaled about SEK 1.0 billion.

**Construction and Services
by business/reporting unit**

SEK M	Net sales						Operating income					
	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Sweden	5,580	6,072	10,155	11,108	22,727	23,680	183	180	255	190	560	495
Norway	2,059	2,166	3,950	4,288	7,885	8,223	37	16	54	10	69	25
Denmark	836	931	1,613	1,629	3,414	3,430	10	0	20	-49	32	-37
Finland	1,894	1,895	3,496	3,441	7,934	7,879	30	41	26	20	218	212
Poland	773	918	1,157	1,489	3,214	3,546	21	10	-7	-12	95	90
Czech Republic	1,983	2,102	3,109	3,305	7,458	7,654	113	114	151	171	320	340
UK	3,095	2,862	6,150	5,880	12,276	12,006	58	31	137	39	167	69
USA Building	7,330	7,490	13,483	14,891	28,832	30,240	-104	-216	-76	-189	124	11
USA Civil	3,240	3,860	6,236	7,104	14,353	15,221	62	208	69	345	246	522
Latin America	611	567	1,154	996	2,300	2,142	33	43	56	61	114	119
Services	575	562	1,099	1,086	2,052	2,039	57	16	83	62	138	117
International ¹	1,615	1,353	2,818	2,345	5,853	5,380	-52	-9	-93	-69	-316	-292
Total	29,591	30,778	54,420	57,562	118,298	121,440	448	434	675	579	1,767	1,671

1 International includes operations in Russia, India and Hong Kong, as well as International Projects, Whessoe and Cementation. Operations in Hong Kong are reported according to the equity method.

SEK M	EBITA ²⁾						EBITA, % ²⁾					
	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Sweden	184	187	257	203	598	544	3.3	3.1	2.5	1.8	2.6	2.3
Norway	63	46	104	70	217	183	3.1	2.1	2.6	1.6	2.8	2.2
Denmark	10	0	20	-47	36	-31	1.2	0.0	1.2	-2.9	1.1	-0.9
Finland	45	63	57	66	293	302	2.4	3.3	1.6	1.9	3.7	3.8
Poland	24	12	-3	-8	105	100	3.1	1.3	-0.3	-0.5	3.3	2.8
Czech Republic	117	109	161	162	303	304	5.9	5.2	5.2	4.9	4.1	4.0
UK	83	54	186	87	262	163	2.7	1.9	3.0	1.5	2.1	1.4
USA Building	-93	-203	-53	-163	174	64	-1.3	-2.7	-0.4	-1.1	0.6	0.2
USA Civil	66	214	78	356	263	541	2.0	5.5	1.3	5.0	1.8	3.6
Latin America	33	43	56	61	114	119	5.4	7.6	4.9	6.1	5.0	5.6
Services	65	22	98	74	166	142	11.3	3.9	8.9	6.8	8.1	7.0
International	-36	-3	-68	-57	-193	-182	-2.2	-0.2	-2.4	-2.4	-3.3	-3.4
Total	561	544	893	804	2,338	2,249	1.9	1.8	1.6	1.4	2.0	1.9

2 Earnings before interest, taxes and amortization

SEK M	Capital employed, closing balance			Return on capital employed ³⁾	
	Jun 30 2004	Jun 30 2003	Dec 31 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Sweden	450	1,225	1,027	60.4	36.6
Norway	1,046	1,920	1,777	6.1	2.8
Denmark	-103	-241	56	-36.9	69.6
Finland	617	1,033	765	27.0	23.5
Poland	475	789	421	16.1	13.0
Czech Republic	1,803	1,719	1,508	19.6	20.2
UK	859	1,159	368	29.1	14.0
USA Building	375	416	404	30.9	4.3
USA Civil	1,789	1,864	1,663	14.4	31.0
Latin America	481	372	375	21.5	27.8
Services	70	-5	-35	>100	>100
International	1,180	1,579	1,494	-22.7	-18.9
Elimination	-117	-718	-260		
Total	8,925	11,112	9,563	19.0	16.1

3 Rolling 12 month

SEK M	Order backlog			Order bookings					
	Jun 30 2004	Jun 30 2003	Dec 31 2003	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Sweden	17,322	14,134	13,797	5,052	5,988	13,492	11,114	25,072	22,694
Norway	6,615	5,275	5,690	2,187	1,448	4,831	4,694	9,302	9,165
Denmark	2,057	2,186	1,999	915	913	1,707	2,071	3,244	3,608
Finland	5,348	5,688	5,403	2,177	2,611	3,604	4,565	8,016	8,977
Poland	3,377	3,232	2,730	879	723	1,696	1,184	3,656	3,144
Czech Republic	11,553	9,684	7,426	4,572	2,717	6,940	4,763	10,993	8,816
UK	15,172	12,881	13,684	5,735	793	6,851	3,514	14,212	10,875
USA Building	42,703	44,261	38,055	7,464	10,903	16,727	19,045	29,860	32,178
USA Civil	14,555	22,549	17,405	1,595	2,782	2,775	7,744	7,598	12,567
Latin America	2,659	2,887	2,087	1,188	1,280	1,693	1,841	2,253	2,401
Services	2,350	2,445	2,387	706	735	1,198	1,093	2,309	2,204
International	6,007	7,409	5,640	872	1,001	3,124	2,508	4,549	3,933
Total	129,718	132,631	116,303	33,342	31,894	64,638	64,136	121,064	120,562

Residential Project Development, by business/reporting unit

SEK M	Net sales						Operating income					
	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Sweden	635	681	1,109	1,296	2,228	2,415	26	-51	55	-30	100	15
Norway	303	226	614	466	1,172	1,024	38	18	69	37	115	83
Denmark	0	-40	0	133	180	313	0	12	0	19	42	61
Finland	407	308	785	562	1,664	1,441	33	16	56	32	89	65
Poland	26	37	59	59	159	159	4	-7	7	-16	-3	-26
Czech Republic	141	195	260	275	502	517	24	15	53	27	105	79
USA	-	-5	-	184	5	189	-	-1	-	8	1	9
International	62	74	119	127	268	276	0	2	4	9	7	12
Other	-	-7	-	0	0	0	-	-4	-	0	0	0
Total	1,574	1,469	2,946	3,102	6,178	6,334	125	0	244	86	456	298

SEK M	Capital employed, closing balance			Return on capital employed ¹	
	Jun 30 2004	Jun 30 2003	Dec 31 2003	Jul 2003-Jun 2004	Jan-Dec 2003
Sweden	823	1,105	735	12.9	1.5
Norway	960	998	823	13.8	8.9
Denmark	0	298	313	23.1	17.0
Finland	599	734	719	12.7	8.9
Poland	120	191	158	-2.1	-12.2
Czech Republic	237	86	130	62.5	64.5
USA	-	0	0	-	0.5
International	177	54	53	9.6	19.8
Other	-	0	0	-	0.0
Total	2,916	3,466	2,931	15.4	7.5

1 Rolling 12 months

Breakdown of book value, current-asset properties, June 30, 2004

SEK M	Residential Project Development	Commercial Project Development	Other commercial Properties	Total
Completed projects	961	5,493	307	6,761
Ongoing projects	453	505	209	1,167
Land bank	1,854	2,580	855	5,289
Total	3,268	8,578	1,371	13,217

Commercial Project Development

SEK M	Book value end of period	Book value upon completion	Market value Dec 31, 2003	Occupancy rate, %
Completed properties	5,493	5,493	8,202	87
Ongoing projects	505	1,291	1,668	79
Subtotal	5,998	6,784	9,870	
Land bank	2,580	2,580		
Total	8,578	9,364		

Project development - performance analysis before selling and administrative expenses

SEK M	Apr-Jun 2004	Apr-Jun 2003	Jan-Jun 2004	Jan-Jun 2003	Jul 2003-Jun 2004	Jan-Dec 2003
SALE PRICE						
Commercial Project Development	1,686	2,398	2,082	4,465	5,189	7,572
Other commercial properties	84	46	147	66	884	803
Residential Project Development	925	1,150	1,924	2,183	4,322	4,581
Total	2,695	3,594	4,153	6,714	10,395	12,956
BOOK VALUE						
Commercial Project Development	1,099	1,301	1,369	2,880	3,662	5,173
Other commercial properties	52	40	112	63	780	731
Residential Project Development	775	1,022	1,602	1,951	3,661	4,010
Total	1,926	2,363	3,083	4,894	8,103	9,914
GROSS INCOME						
Commercial Project Development	587	1,097	713	1,585	1,527	2,399
Other commercial properties	32	6	35	3	104	72
Residential Project Development	150	128	322	232	661	571
Total	769	1,231	1,070	1,820	2,292	3,042



Cover

At the Kvarnsveden paper mill in Borlänge, Sweden, Skanska has now begun work on the KP-M project for Stora Enso's new PM12 paper machine. By late 2005 the machine, which will be the largest in the world, will be producing 2,000 meters (some 6,500 ft.) of magazine paper per minute. Having presented a solution featuring a high degree of prefabrication, Skanska Sweden was thus appointed general contractor of the project, an assignment worth about SEK 600 M.

Jakob Nilsson and Mattias Jansson are working with the reinforcement of one of the project's switching stations.

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