

## PRESS RELEASE

May 5, 2011

8:00 a.m. CET

### Three Month Report, January–March 2011 Group highlights according to segment reporting

SEK M	Jan-Mar 2011	Jan-Mar 2010
Revenue	24,754	25,846
<i>of which revenue from divestments of properties in Commercial Property Development</i>	183	1,574
Operating income	451	920
<i>of which gains from divestments of properties in Commercial Property Development</i>	43	234
Income after financial items	451	936
Profit for the period	335	674
Earnings for the period per share, SEK <sup>1</sup>	0.81	1.63
Earnings for the period per share according to IFRS, SEK <sup>1</sup>	0.32	1.52
Return on equity according to segment reporting, %	19.2	21.4
Operating cash flow before taxes, financing operations and dividends	-2,487	974
Order bookings, SEK bn <sup>2</sup>	21.6	25.6
Order backlog, SEK bn <sup>2</sup>	139.4	137.7

1 Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases and conversion

2 Refers to Construction

### January–March 2011 compared to January–March 2010

- Revenue amounted to SEK 24.8 (25.8) billion.
- Revenue in Construction decreased by 2 percent in Swedish kronor and increased by 5 percent adjusted for currency rate effects.
- Operating income for the Group amounted to SEK 451 M (920). Currency rate effects reduced income by SEK 48 M.
- Operating income in Construction totaled SEK 325 M (558). Operating margin amounted to 1.4 (2.4) percent.
- Income after financial items amounted to SEK 451 M (936).
- Profit for the period totaled SEK 335 M (674).
- Earnings per share totaled SEK 0.81 (1.63) according to segment reporting and SEK 0.32 (1.52) according to IFRSs.
- Operating cash flow before taxes, financial activities and dividends amounted to SEK -2,487 M (974).
- Order bookings decreased by 16 percent and totaled SEK 21.6 (25.6) billion. Adjusted for currency rate effects, order bookings decreased by 9 percent.
- Order backlog increased by 1 percent in Swedish kronor and by 10 percent in local currencies, totaling SEK 139.4 (137.7) billion. This was equivalent to 15 (13) months of construction.
- The proceeds from the sale of the Autopista Central were received during April, and the Board of Directors has decided to carry out the previously announced extra dividend of SEK 6.25 per share. Record date for the extra dividend is May 12, 2011.

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This report will also be presented at a press and telephone conference at 2:00 p.m. (14:00) CET on May 5 at, Berns Salonger, Kammarsalen, Berzelii Park, Stockholm, Sweden.

The press and telephone conference will be webcast live at [www.skanska.com/investors](http://www.skanska.com/investors), where a video of the conference will be available later as well. To participate in the telephone conference, please dial +46 8 505 598 53, +44 203 043 2436, or +1 866 458 4087. This and previous releases can also be found at [www.skanska.com/investors](http://www.skanska.com/investors).  
 Skanska AB may be required to disclose the information provided herein pursuant to the Securities Market Act.

## Comments from Skanska's President and CEO Johan Karlström

- First quarter order bookings were affected by the fact that in Sweden we have an unusually long order backlog and high capacity utilization. We have thus been restrictive about what new projects we are bidding on. Because of this, together with decreased public sector construction investments in the United Kingdom, the Czech Republic and portions of the building construction market in the United States, order bookings during the first quarter were lower than last year. However, we have an order backlog equivalent to 15 months of construction and foresee good opportunities to land new projects during the rest of 2011.
- Many of our construction units continued to deliver good earnings, but the first quarter is always seasonally weak, and we can note variations between the performance of different units and geographic areas. The construction market expands late in the economic cycle, and the recovery is moving in the right direction but relatively slowly.
- The housing market remains stable, and sales have developed satisfactorily, especially in Finland and the Czech Republic. During the fourth quarter of 2010 we started many new residential projects, which in the short term reduced our opportunities to start up new projects during the first quarter of this year. In line with our strategic plan, we made a number of land purchases, including the first for our British residential development operations, and established a residential development unit in Poland during the first quarter.
- We have 18 ongoing projects in Commercial Property Development and foresee continued good opportunities to start new projects in the coming quarters, especially in our Central European markets. In the U.S., we have established a commercial property development unit in Seattle. This means that we now have commercial property development in four U.S. cities: Washington, D.C., Boston, Houston and Seattle.
- During April we completed the divestment of Skanska's stake in the concession for the Autopista Central highway in Chile, Skanska's most successful investment ever, which represented about a 20 percent annual net return during our entire period as a concession owner. We will now carry out the previously announced extra dividend of SEK 6.25 per share, and the record date for the extra dividend is May 12, 2011.

## Market outlook

### Construction

The market for building construction is developing satisfactorily, and the Nordic markets in particular are showing a stable trend while the market outlook in the Czech Republic and the United Kingdom remains weak. In the United States, demand in certain building construction segments where we are mainly active, such as healthcare and computer centers, is good.

Civil construction markets are continuing to show a stable trend in most of our markets. The number of bidders is still large, however, and we can see an increased presence from international players in several of our markets, which means tight bidding margins.

In the U.K., the Czech Republic and the U.S., the market is affected by public sector austerity programs, resulting in reduced public construction investments in these markets. In the U.K. and the U.S., this is offset to some extent by increased private construction investments. The Polish market is stable but the competition is fierce.

### Residential Development

In all of our Nordic markets, there is good residential demand and a stable price trend, but demand varies between regions and segments. In the Czech Republic, the market is improving from a weak level.

### Commercial Property Development

Strong interest and continued high activity by property investors are resulting in growing transaction volume. There is strong demand for modern, efficient and green properties, which means that yield requirements are continuing to fall. Vacancy rates are falling or are stable in the office markets in our Nordic and Central European cities.

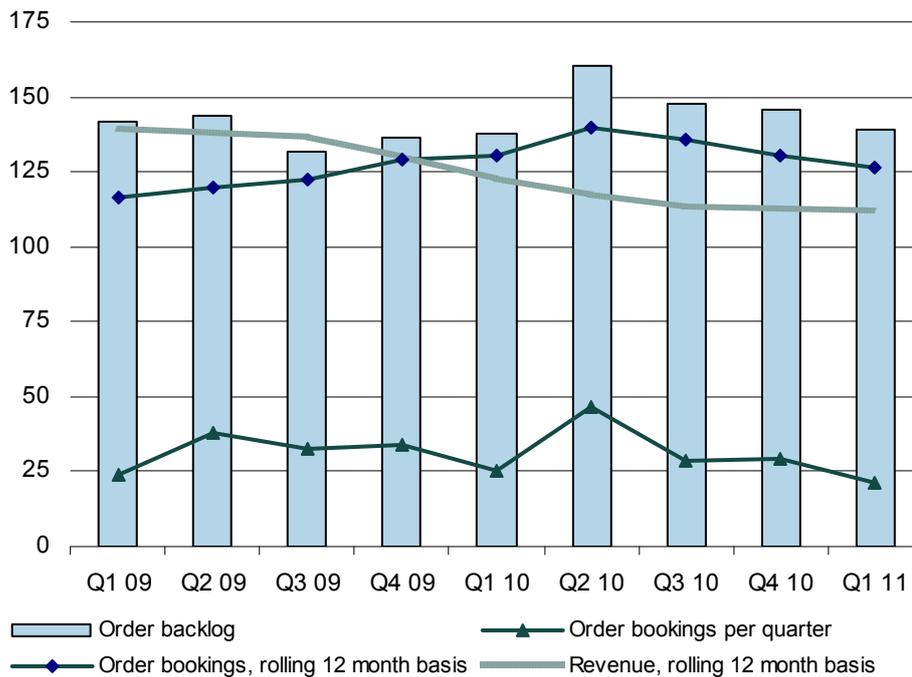
In the U.S. and Central Europe, there is good potential to develop new office projects in our metropolitan regions. Our good financial position enables us to be proactive and invest in new projects without any need of external financing.

### Infrastructure Development

Due to fiscal tightening in the British public sector, a reduction in the supply of new public-private partnership (PPP) projects is occurring.

In other European markets, the supply of projects is more limited, although interest in PPP solutions is improving. As the financing market becomes more stable, the conditions for new PPP projects have also improved. There is potential for new projects in the U.S. and Latin America, but the lead times for these are difficult to predict.

## Order bookings and backlog, Construction, SEK bn



### Order bookings

In Sweden we have an unusually long order backlog and high capacity utilization. We have thus been restrictive about what new projects we are bidding on. Because of this, together with decreased public sector construction investments especially in the United Kingdom, the Czech Republic and portions of the U.S. building construction market, order bookings during the first quarter decreased by 16 percent compared to the same period of last year, totaling SEK 21.6 (25.6) billion. Adjusted for currency rate effects, order bookings decreased by 9 percent. During the last 12 months, order bookings in SEK were 12 (6) percent higher than revenue.

Presented below are some of the first quarter's major projects that were included in order bookings.

Skanska USA Civil was awarded a contract to extend the light rail network in Los Angeles County, California. Skanska's share of the contract is worth about SEK 2.4 billion, and the customer is the Los Angeles County Metropolitan Transportation Authority (Metro).

Skanska USA Civil also landed the assignment to fabricate and erect the steel structure for the "Oculus" building at the new World Trade Center Transportation Hub in New York. The customer is the Port Authority of New York and New Jersey, and the order is worth about SEK 1.3 billion.

Skanska USA Building secured the assignment to construct a new hospital campus in North Carolina for a repeat customer. The contract amounts to about SEK 890 M and will be Skanska's third project for the same customer.

Skanska Norway was contracted to extend taxiways and expand infrastructure at Oslo Gardermoen Airport. The contract amounts to about SEK 780 M and the customer is Oslo Lufthavn AS, a subsidiary of the airport's owner company Avinor AS.

Skanska Latin America was awarded the contract to modernize and expand an existing lubricant plant and to construct a new plant in Rio de Janeiro, Brazil. The total contract value is about SEK 590 M. The customer, BR Distribuidora, is a subsidiary of the energy company Petrobras.

Skanska UK secured an assignment to design and construct a school in Ilford, northeast London. The customer is the schools authority in the London Borough of Redbridge, and the order is worth about SEK 310 M.

### Order backlog

Order backlog increased by 1 percent and totaled SEK 139.4 (137.7) billion at the end of the first quarter. Adjusted for currency rate effects, order backlog increased by 10 percent. Order backlog was equivalent to about 15 (13) months of construction.

## Accounting principles

For the Group, this interim report has been prepared in compliance with IAS 34, "Interim Financial Reporting," the Annual Accounts Act and the Securities Market Act. For the Parent Company, the interim report has been prepared in compliance with the Annual Accounts Act and the Securities Market Act, which is pursuant to the Swedish Financial Reporting Board's Recommendation RFR 2.3.

Effective from 2011, segment reporting of joint ventures in Residential Development with ongoing projects is applying a new principle. The proportional method is being used for joint ventures that have an ongoing project begun after 2010 or that sold residential units after 2010. The change in principle is being applied only prospectively. The equity method will continue to be applied to other joint ventures. Otherwise the accounting principles and assessment methods presented in the Annual Report for 2010 have been applied.

## Segments and IFRS reporting

### Segment reporting

Skanska's business streams – Construction, Residential Development, Commercial Development and Infrastructure Development – are reported as operating segments. Tables in this report that refer to segment reporting are shown with a shaded background.

Construction includes both building construction and civil construction. Revenue and earnings are reported successively as a project accrues, in compliance with International Financial Reporting Standards (IFRSs).

Residential Development develops residential projects for immediate sale. Homes are adapted to selected customer categories. The units in this segment are responsible for planning and selling their projects. The construction assignments are performed by construction units in the Construction segment in each respective market. Residential Development revenue and earnings are recognized when binding contracts are signed for the sale of homes. According to IFRSs, revenue and earnings are recognized when the purchaser takes possession of the home.

Commercial Property Development initiates, develops, leases and divests commercial property projects. In most markets, construction assignments are performed by Skanska's Construction segment. Commercial Development revenue and earnings are recognized when binding contracts are signed for the sale of properties. According to IFRSs, revenue and earnings are recognized when the purchaser takes possession of the property.

Infrastructure Development specializes in identifying, developing and investing in privately financed infrastructure projects, such as highways, hospitals and power generating plants. The business stream focuses on creating new potential projects mainly in the markets where the Group has operations. Construction assignments are performed in most markets by Skanska's Construction segment. Infrastructure Development revenue and earnings are recognized in compliance with IFRSs.

Intra-Group pricing between operating segments occurs on market terms.

## Revenue and earnings

### Performance analysis, segment reporting

SEK M	Jan-Mar 2011	Jan-Mar 2010
<b>Revenue</b>		
Construction	22,683	23,250
Residential Development	2,655	1,607
Commercial Property Development	341	1,768
Infrastructure Development	88	28
Central and eliminations	-1,013	-807
<b>Skanska Group</b>	<b>24,754</b>	<b>25,846</b>
<b>Operating income</b>		
Construction	325	558
Residential Development	196	98
Commercial Property Development <sup>1</sup>	49	273
Infrastructure Development	25	142
Central	-138	-148
Eliminations <sup>1</sup>	-6	-3
<b>Operating income</b>	<b>451</b>	<b>920</b>
<b>Net financial items</b>	<b>0</b>	<b>16</b>
<b>Income after financial items</b>	<b>451</b>	<b>936</b>
Taxes	-116	-262
<b>Profit for the period</b>	<b>335</b>	<b>674</b>
Earnings for the period per share, SEK <sup>2</sup>	0.81	1.63
Earnings for the period per share according to IFRS, SEK <sup>2</sup>	0.32	1.52
1 Of which gains from divestments of commercial properties reported in:		
Commercial Property Development	41	219
Eliminations	2	15
2 Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases and conversion		

### The Group

Revenue declined by 4 percent to SEK 24.8 (25.8) billion, primarily due to decreased divestments in Commercial Property Development. In local currencies, revenue increased by 3 percent.

Operating income amounted to SEK 451 M (920), with a smaller number of divestments in Commercial Property Development and Infrastructure Development and lower earnings in Construction impacting the earnings. Residential Development showed improved earnings due to a higher number of home sales during the period. Currency rate effects decreased operating income by SEK 48 M.

Central expenses totaled SEK -138 M (-148). Net financial items amounted to SEK 0 M (16). For a specification of the items included in this figure, see page 14.

Income after financial items amounted to SEK 451 M (936). Taxes for the period amounted to SEK -116 M (-262), equivalent to a tax rate of about 26 (28) percent. Profit for the period totaled SEK 335 M (674). Earnings per share for the period according to segment reporting amounted to SEK 0.81 (1.63). Earnings per share according to IFRSs amounted to SEK 0.32 (1.52). The main reason for the divergence in earnings was that the number of homes sold was significantly larger than the number of homes where the purchaser took possession. For further information regarding these differences, see the reconciliation between segment reporting and IFRSs on pages 12 and 13.

### Construction

Revenue declined by 2 percent. Adjusted for currency rate effects, revenue increased by 5 percent. The first quarter is always seasonally the weakest, and although revenue increased in local currencies, volume was affected more than normally by winter weather in several of Skanska's markets during the first quarter.

In the Construction business stream, operating income amounted to SEK 325 M (558). Currency rate effects reduced operating income in Construction by SEK 29 M.

Operating margin decreased compared to the same period last year and amounted to 1.4 (2.4) percent. Compared to the year-earlier period, the income was negative affected in the amount of about SEK 200 M from the Norwegian operations. Of this, SEK 102 M was related to a positive nonrecurring effect in 2010 due to a change in the Norwegian pension system and about SEK 90 M was related to project writedowns and increased expenses in connection with measures to improve the efficiency of operations. Project writeups occurred in Skanska Poland.

## Residential Development

Revenue in the Residential Development business stream increased by 65 percent, amounting to SEK 2,655 M (1,607), and the number of homes sold increased to 926 (691). Sales developed satisfactorily in Sweden, Finland and the Czech Republic. Operating income totaled SEK 196 M (98) and the operating margin in the business stream amounted to 7.4 (6.1) percent. Effective from January 1, 2011, holdings in joint ventures and associated companies are directly recognized in the Residential Development income statement using the proportional method of accounting. See also the accounting principles, page 4.

## Commercial Property Development

Operating income in Commercial Property Development totaled SEK 49 M (273). During the period, the business stream carried out divestments worth SEK 183 M (1,574). Operating income included capital gains from property divestments amounting to SEK 41 M (219).

## Infrastructure Development

Operating income in Infrastructure Development totaled SEK 25 M (142). During the first quarter 2010 the income was favorably affected in the amount of SEK 97 M by the divestment of Skanska's stake in the E39 Orkdalesvegen highway in Norway.

## Operating cash flow and changes in interest-bearing net receivables

### Reported in compliance with IFRSs

In line with the strategic plan where the development business shall grow, gross investments in operations increased to SEK -3,435 M (1,536) during the first quarter. Net investments in operations amounted to SEK -2,369 M (1,474). This was because investments in operations increased and only SEK 74 M (1,800) worth of commercial properties and Infrastructure Development assets were divested. Taxes paid amounted to SEK -790 M (-623). Aside from tax payments for the period, they also consisted of supplementary tax payments related to 2010 for Swedish operations as well as large tax payments in Polish and Czech operations. Cash flow before changes in interest-bearing receivables and liabilities totaled SEK -3,406 M (266). The change in pension liability in defined benefit pension plans totaled SEK -172 M (234). The change in interest-bearing net receivables totaled SEK -4,206 M (741), of which SEK -596 M (144) was related to currency translation differences. Interest-bearing net receivables amounted to SEK 5.7 (8.8) billion.

Cash flow before taxes, financing operations and dividends amounted to SEK -2,487 M (974).

In Construction, cash flow totaled SEK -77 M (852). Business operations delivered a positive cash flow, and the negative cash flow was explained primarily by increased net investments as well as a negative trend in working capital, which is normal during the first quarter. However, this was not the case in the first quarter of 2010, when working capital showed a positive change.

In Residential Development, cash flow amounted to SEK -1,054 M (-620), which was primarily a consequence of increased investments in ongoing projects. In Commercial Property Development, cash flow from business operations amounted to SEK -717 M (842), and negative cash flow was explained primarily by increased investments in ongoing projects and the fact that no purchasers took possession of divested properties during the period. In Infrastructure Development, cash flow totaled SEK -224 M (13), and negative cash flow was explained primarily by increased investments in ongoing projects.

### Consolidated operating cash flow statement

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
<b>Cash flow before change in interest-bearing receivables and liabilities</b>	<b>-3,406</b>	<b>266</b>	<b>-1,973</b>	<b>1,699</b>
Change in interest-bearing receivables and liabilities	1,326	-1,954	-919	-4,199
<b>Cash flow for the period</b>	<b>-2,080</b>	<b>-1,688</b>	<b>-2,892</b>	<b>-2,500</b>
Cash and cash equivalents at the beginning of the period	6,654	9,409	7,695	9,409
Exchange rate differences in cash and cash equivalents	-225	-26	-454	-255
<b>Cash and cash equivalents at the end of the period</b>	<b>4,349</b>	<b>7,695</b>	<b>4,349</b>	<b>6,654</b>

### Summary cash flow statement

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Cash flow from operating activities	-2,514	403	3,321	6,238
Cash flow from investing activities	-892	-1,187	-3,555	-3,850
Cash flow from financing activities	1,326	-904	-2,658	-4,888
<b>Cash flow for the period</b>	<b>-2,080</b>	<b>-1,688</b>	<b>-2,892</b>	<b>-2,500</b>

## Operating cash flow and changes in interest-bearing net receivables

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
<b>Construction</b>				
Cash flow from business operations	702	816	5,782	5,896
Change in working capital	-342	175	942	1,459
Net investments	-437	-140	-1,376	-1,079
Cash flow adjustment	0	1	0	1
<b>Total Construction</b>	<b>-77</b>	<b>852</b>	<b>5,348</b>	<b>6,277</b>
<b>Residential Development</b>				
Cash flow from business operations	-175	-212	-611	-648
Change in working capital	157	-872	203	-826
Net investments	-863	471	-1,615	-281
Cash flow adjustment	-173	-7	-345	-179
<b>Total Residential Development</b>	<b>-1,054</b>	<b>-620</b>	<b>-2,368</b>	<b>-1,934</b>
<b>Commercial Property Development</b>				
Cash flow from business operations	8	56	73	121
Change in working capital	54	-264	148	-170
Net investments	-731	1,071	1,622	3,424
Cash flow adjustment	-48	-21	-9	18
<b>Total Commercial Property Development</b>	<b>-717</b>	<b>842</b>	<b>1,834</b>	<b>3,393</b>
<b>Infrastructure Development</b>				
Cash flow from business operations	-27	-32	-75	-80
Change in working capital	-35	-22	-393	-380
Net investments	-162	67	-518	-289
Cash flow adjustment	0	0	0	0
<b>Total Infrastructure Development</b>	<b>-224</b>	<b>13</b>	<b>-986</b>	<b>-749</b>
<b>Central and eliminations</b>				
Cash flow from business operations	-153	-142	-772	-761
Change in working capital	-86	24	-145	-35
Net investments	-8	5	81	94
Cash flow adjustment	0	0	0	0
<b>Total central and eliminations</b>	<b>-247</b>	<b>-113</b>	<b>-836</b>	<b>-702</b>
Total cash flow from business operations	355	486	4,397	4,528
Total change in working capital	-252	-959	755	48
Total net investments	-2,201	1,474	-1,806	1,869
Total cash flow adjustment	-221	-27	-354	-160
<b>Total</b>	<b>-2,319</b>	<b>974</b>	<b>2,992</b>	<b>6,285</b>
Taxes paid in business operations	-829	-648	-1,836	-1,655
<b>Cash flow from business operations</b>	<b>-3,148</b>	<b>326</b>	<b>1,156</b>	<b>4,630</b>
Net interest items and other net financial items	-129	-84	-107	-62
Taxes paid in financing operations	39	25	33	19
<b>Cash flow from financing operations</b>	<b>-90</b>	<b>-59</b>	<b>-74</b>	<b>-43</b>
<b>CASH FLOW FROM OPERATIONS</b>	<b>-3,238</b>	<b>267</b>	<b>1,082</b>	<b>4,587</b>
Net strategic investments	-168	0	-183	-15
Taxes paid on strategic divestments	0	0	0	0
<b>Cash flow from strategic investments</b>	<b>-168</b>	<b>0</b>	<b>-183</b>	<b>-15</b>
Dividend etc. <sup>1</sup>	0	-1	-2,872	-2,873
<b>CASH FLOW BEFORE CHANGE IN INTEREST-BEARING RECEIVABLES AND LIABILITIES</b>	<b>-3,406</b>	<b>266</b>	<b>-1,973</b>	<b>1,699</b>
Translation differences, net receivables/net debt	-596	144	-1,466	-726
Change in pension liability	-172	234	354	760
Reclassification, interest-bearing net receivables/net debt	0	0	0	0
Interest-bearing liabilities acquired/divested	-22	0	-26	-4
Other changes, interest-bearing net receivables/net debt	-10	97	-13	94
<b>CHANGE IN INTEREST-BEARING NET RECEIVABLES</b>	<b>-4,206</b>	<b>741</b>	<b>-3,124</b>	<b>1,823</b>
1 of which repurchases of shares	0	0	-252	-252

## Summary statement of financial position

SEK M	Mar 31 2011	Mar 31 2010	Dec 31 2010
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5,942	6,069	5,906
Goodwill	4,008	4,235	3,917
Intangible assets	391	183	354
Investments in joint ventures and associated companies	1,894	2,378	1,775
Financial non-current assets <sup>1</sup>	2,180	1,516	2,122
Deferred tax assets	1,510	1,371	1,472
<b>Total non-current assets</b>	<b>15,925</b>	<b>15,752</b>	<b>15,546</b>
<b>Current assets</b>			
Current-asset properties <sup>3</sup>	22,029	21,407	20,406
Inventories	977	890	926
Financial current assets <sup>2</sup>	5,941	6,205	6,321
Tax assets	392	494	506
Gross amount due from customers for contract work	4,600	5,023	4,941
Trade and other receivables	19,418	19,754	21,304
Cash	4,349	7,695	6,654
Assets held for sale	1,001	0	1,108
<b>Total current assets</b>	<b>58,707</b>	<b>61,468</b>	<b>62,166</b>
<b>TOTAL ASSETS</b>	<b>74,632</b>	<b>77,220</b>	<b>77,712</b>
<i>of which interest-bearing non-current assets</i>	<i>2,126</i>	<i>1,466</i>	<i>2,072</i>
<i>of which interest-bearing current assets</i>	<i>10,072</i>	<i>13,654</i>	<i>12,773</i>
<i>Total interest-bearing assets</i>	<i>12,198</i>	<i>15,120</i>	<i>14,845</i>
<b>EQUITY</b>			
Equity attributable to equity holders	20,246	20,588	20,670
Non-controlling interests	125	164	122
<b>Total equity</b>	<b>20,371</b>	<b>20,752</b>	<b>20,792</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial non-current liabilities	396	1,722	1,107
Pensions	1,419	1,828	1,216
Deferred tax liabilities	1,572	1,605	1,637
Non-current provisions	27	49	28
<b>Total non-current liabilities</b>	<b>3,414</b>	<b>5,204</b>	<b>3,988</b>
<b>Current liabilities</b>			
Financial current liabilities <sup>2</sup>	4,754	2,836	2,786
Tax liabilities	449	569	1,003
Current provisions	4,843	4,924	5,037
Gross amount due to customers for contract work	16,118	16,845	16,937
Trade and other payables	24,683	26,090	27,169
<b>Total current liabilities</b>	<b>50,847</b>	<b>51,264</b>	<b>52,932</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>74,632</b>	<b>77,220</b>	<b>77,712</b>
<i>of which interest-bearing financial liabilities</i>	<i>5,023</i>	<i>4,390</i>	<i>3,666</i>
<i>of which interest-bearing pensions and provisions</i>	<i>1,467</i>	<i>1,898</i>	<i>1,265</i>
<i>Total interest-bearing liabilities</i>	<i>6,490</i>	<i>6,288</i>	<i>4,931</i>
<sup>1</sup> of which shares	41	50	41
<sup>2</sup> Items regarding non-interest-bearing unrealized changes in derivatives/financial instruments are included in the following amounts:			
Financial non current assets	13	0	9
Financial current assets	218	246	202
Financial current liabilities	127	167	227
<sup>3</sup> Current-asset properties			
Commercial Property Development	10,970	11,747	10,000
Residential Development	11,059	9,660	10,406
	22,029	21,407	20,406

### Note, contingent liabilities

Contingent liabilities amounted to SEK 14.4 bn on March 31, 2010 (Dec 31, 2010: 15.2). During the period, contingent liabilities decreased by SEK 0.8 bn.

## Financial position

### Reported in compliance with IFRSs

Skanska has a solid financial position, with interest-bearing net receivables of SEK 5.7 (Dec. 31, 2010: 9.9) billion and an unutilized long-term credit facility of SEK 6.7 billion that runs through June 2014. Interest-bearing loans plus interest-bearing pension liabilities and provisions totaled SEK 6.5 (Dec. 31, 2010: 4.9) billion. Of this amount, construction loans to cooperative housing associations amounted to SEK 1.8 (Dec. 31, 2010: 1.1) billion, and interest-bearing liabilities and provisions amounted to SEK 1.5 (Dec. 31, 2010: 1.3) billion.

At the end of the period, capital employed amounted to SEK 26.9 (Dec. 31, 2010: 25.7) billion. Return on capital employed amounted to 19.1 percent.

The equity of the Group totaled SEK 20.4 (Dec. 31, 2010: 20.8) billion. The net debt/equity ratio amounted to -0.3 (Dec. 31, 2010: -0.5), and the equity/assets ratio was 27.3 (Dec. 31, 2010: 26.8) percent.

Total assets in the consolidated statement of financial position amounted to SEK 74.6 (Dec. 31, 2010: 77.7) billion. Due to currency rate effects, total assets decreased by SEK 2.0 billion.

The carrying amount of current-asset properties totaled SEK 22.0 billion, of which Commercial Development current-asset properties accounted for SEK 11.0 billion.

## Residential Development

### Reported in compliance with IFRSs

SEK M	Residential Development
Completed projects	390
Ongoing projects	4,521
Undeveloped land and development properties	6,148
<b>Total</b>	<b>11,059</b>

Effective from January 1, 2011, holdings in joint ventures and associated companies are directly recognized in the Residential Development segment using the proportional method, which affects the number of homes. See also accounting principles, page 4. At the end of the first quarter, there were 5,210 (2,799) homes under construction. Of these, 65 (66) percent were sold. The number of completed unsold homes totaled 156 (411). During the period, construction started on 837 (952) homes. In the Nordic countries, the number of homes started was 661 (798), while in the Czech Republic they totaled 176 (154). During the fourth quarter of 2010, many new residential projects were started in Sweden and Finland, which resulted in fewer project start-ups during the first quarter of this year. The number of homes sold during the period was 926 (691). In the Nordic countries, the number of homes sold totaled 759 (610), while sales in the Czech Republic totaled 167 (81) homes.

The carrying amount of current-asset properties in Residential Development totaled SEK 11.1 billion. A breakdown of the carrying amount can be seen in the table above. The carrying amount of undeveloped land and development properties was SEK 6.1 billion. This was equivalent to Skanska-owned building rights for about 20,100 residential units and about 2,600 building rights in associated companies. In addition, the business stream was entitled to purchase about 9,700 more building rights under certain conditions.

## Commercial Property Development

### Reported in compliance with IFRSs

#### Breakdown of carrying amounts, current-value properties, March 31, 2011

SEK M	Carrying amount, end of period	Carrying amount upon completion	Market value <sup>1</sup>	Occupancy rate, %	Degree of completion, %
Completed projects	5,002	5,002	6,583	87	100
<b>Total completed projects</b>	<b>5,002</b>	<b>5,002</b>	<b>6,583</b>		
Undeveloped land and development properties	3,635	3,635	4,171		
<b>Subtotal</b>	<b>8,637</b>	<b>8,637</b>	<b>10,754</b>		
Ongoing projects	2,333	5,614	7,100 <sup>2</sup>	33	42
<b>Total</b>	<b>10,970</b>	<b>14,251</b>	<b>17,854</b>		
<i>of which completed projects sold according to segment reporting</i>	<i>142</i>	<i>142</i>	<i>182</i>		
<i>of which ongoing projects sold according to segment reporting</i>	<i>64</i>	<i>73</i>	<i>90</i>		

<sup>1</sup> Market value according to appraisal on December 31, 2010

<sup>2</sup> Estimated market value at completion

Commercial Property Development had 18 projects underway, 10 of them in the Nordic countries. During the first quarter, no new projects were started. Ongoing projects represented leasable space of about 269,000 sq. m (2.90 million sq. ft.) and had a pre-leasing rate of 33 percent, measured in rent. At the end of the first quarter, the carrying amount for ongoing projects was SEK 2.3 billion. Their carrying amount upon completion is expected to total SEK 5.6 billion, with an estimated market value of SEK 7.1 billion. The degree of completion in ongoing projects was about 42 percent. Of these ongoing projects, one was

sold according to segment reporting. This project was equivalent to a carrying amount upon completion of SEK 73 M, with a market value of SEK 90 M.

The market value of completed projects was SEK 6.6 billion, which represented a surplus value of SEK 1.6 billion. The occupancy level measured in rent totaled 87 percent. Of these completed projects, one was sold according to segment reporting. The sale price of this project was SEK 182 M and its carrying amount was SEK 142 M.

The carrying amount of undeveloped land and development properties (building rights) totaled about SEK 3.6 billion, with an estimated market value of about SEK 4.2 billion.

Accumulated eliminations of intra-Group project gains amounted to SEK 281 M at the end of the first quarter. These eliminations are reversed as each respective project is divested.

## Infrastructure Development

Reported in compliance with IFRSs

### Unrealized development gains, Infrastructure Development<sup>1</sup>

	Mar 31	Dec 31
SEK bn	2011	2010
Present value of cash flow from projects	4.5	4.6
Present value of remaining investments	-1.0	-1.1
<b>Net present value of projects</b>	<b>3.5</b>	<b>3.5</b>
Carrying amount	-1.8	-1.7
<b>Unrealized development gain</b>	<b>1.7</b>	<b>1.8</b>

<sup>1</sup> Autopista Central excluded

At the end of the period, the carrying amount of shares, participations, subordinated receivables and concessions in Infrastructure Development totaled about SEK 1.8 (Dec. 31, 2010: 1.7) billion. Remaining investment obligations related to ongoing Infrastructure Development projects amounted to a present value of about SEK 1.0 (Dec. 31, 2010: 1.1) billion. At the end of the period, unrealized development gains before taxes totaled about SEK 1.7 (Dec. 31, 2010: 1.8) billion. During the quarter, the carrying amount was positively influenced primarily by investments in new projects and the time value effect of future cash flows and adversely influenced by currency rate effects.

The divestment of the Autopista Central has now been completed, and the purchaser has provided payment. The capital gain on the divestment totaled about SEK 4.5 billion and will be included in second quarter earnings.

## Equity

Reported in compliance with IFRSs

### Summary statement of changes in equity

	Jan-Mar	Jan-Mar	Apr 2010-	Jan-Dec
SEK M	2011	2010	Mar 2011	2010
Opening balance	20,792	20,167	20,752	20,167
<i>of which non-controlling interests</i>	122	170	164	170
Dividend to shareholders	0	0	-2,582	-2,582
Dividend to non-controlling interests	1	-1	-37	-39
Effects of equity-settled share-based payments	57	41	224	208
Repurchase of shares	0	0	-252	-252
Other transfers of assets recognized directly in equity	0	0	0	0
Total comprehensive income attributable to				
Equity holders	-481	550	2,268	3,299
Non-controlling interests	2	-5	-2	-9
<b>Closing balance</b>	<b>20,371</b>	<b>20,752</b>	<b>20,371</b>	<b>20,792</b>
<i>of which non-controlling interests</i>	125	164	125	122

## Equity and adjusted equity

	Mar 31	Mar 31	Dec 31
SEK bn	2011	2010	2010
Equity attributable to equity holders	20.2	20.6	20.7
Unrealized surplus land value in Residential Development	1.0	1.0	1.0
Unrealized Commercial Property Development gains <sup>1</sup>	2.6	2.8	2.3
Unrealized Infrastructure Development gains	6.2 <sup>2</sup>	8.2	6.8 <sup>2</sup>
Less standard corporate tax <sup>3</sup>	-0.5	-1.8	-0.5
<b>Adjusted equity</b>	<b>29.5</b>	<b>30.8</b>	<b>30.3</b>
Equity per share, SEK <sup>4</sup>	49.16	49.83	50.27
Adjusted equity per share, SEK <sup>5</sup>	71.67	74.50	73.41

<sup>1</sup> Markets value refers to accrued market value

<sup>2</sup> Autopista Central after tax included

<sup>3</sup> Less standard tax on surplus values December 31, 2010, March 31, 2011 excluding Autopista Central 10%. Standard tax on surplus values March 31, 2010 15%

<sup>4</sup> Equity attributable to equity holders divided by the number of shares outstanding after repurchases and conversion

<sup>5</sup> Adjusted equity divided by the number of shares outstanding after repurchases and conversion

## Investments and divestments

### Reported in compliance with IFRSs

In the Construction business stream, investments totaled SEK -622 M (-198). Of this, SEK -168 M (0) was related to acquisitions of businesses, while other investments mainly consisted of property, plant and equipment for Skanska's own construction and manufacturing. Net investments in Construction totaled SEK -605 M (-140). During the period, depreciation of property, plant and equipment amounted to SEK -313 M (-314).

In Residential Development, investments in current-asset properties amounted to SEK -1,816 M (-681) and total investments amounted to SEK -1,841 M (-681), including about SEK -236 M (-470) related to acquisitions of land equivalent to about 466 building rights.

In Commercial Property Development, investments in current-asset property amounted to SEK -737 M (-519), and total investments amounted to SEK -735 M (-512), including SEK -265 M (-41) related to investments in land. Divestments of current-asset properties totaled SEK 7 M (1,591). Net investments in Commercial Property Development totaled SEK -730 M (1,072).

Investments in Infrastructure Development amounted to SEK -229 M (-142), and divestments were SEK 67 M (209). Net investments in Infrastructure Development were SEK -162 M (67).

The Group's total investments amounted to SEK -3,435 M (-1,536). Divestments amounted to SEK 1,066 M (3,010), and the Group's net investments were SEK -2,369 M (1,474).

### Group net investments

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
<b>OPERATIONS - INVESTMENTS</b>				
Intangible assets	-16	-5	-83	-72
Property, plant and equipment	-450	-188	-1,600	-1,338
Assets in Infrastructure Development	-229	-142	-779	-692
Shares and participations	-19	-1	-173	-155
Current-asset properties	-2,553	-1,200	-9,845	-8,492
<i>of which Residential Development</i>	<i>-1,816</i>	<i>-681</i>	<i>-6,502</i>	<i>-5,367</i>
<i>of which Commercial Property Development</i>	<i>-737</i>	<i>-519</i>	<i>-3,343</i>	<i>-3,125</i>
<b>Investments in operations</b>	<b>-3,267</b>	<b>-1,536</b>	<b>-12,480</b>	<b>-10,749</b>
<b>STRATEGIC INVESTMENTS</b>				
Businesses	-168	0	-168	0
Shares	0	0	0	0
<b>Strategic investments</b>	<b>-168</b>	<b>0</b>	<b>-168</b>	<b>0</b>
<b>Total Investments</b>	<b>-3,435</b>	<b>-1,536</b>	<b>-12,648</b>	<b>-10,749</b>
<b>OPERATIONS - DIVESTMENTS</b>				
Intangible assets	1	0	5	4
Property, plant and equipment	13	48	205	240
Assets in Infrastructure Development	67	209	261	403
Shares and participations	0	4	12	16
Current-asset properties	985	2,749	10,191	11,955
<i>of which Residential Development</i>	<i>978</i>	<i>1,158</i>	<i>5,186</i>	<i>5,366</i>
<i>of which Commercial Property Development</i>	<i>7</i>	<i>1,591</i>	<i>5,005</i>	<i>6,589</i>
<b>Divestments in operation</b>	<b>1,066</b>	<b>3,010</b>	<b>10,674</b>	<b>12,618</b>
<b>STRATEGIC DIVESTMENTS</b>				
Businesses	0	0	-15	-15
<b>Strategic divestments</b>	<b>0</b>	<b>0</b>	<b>-15</b>	<b>-15</b>
<b>Total divestments</b>	<b>1,066</b>	<b>3,010</b>	<b>10,659</b>	<b>12,603</b>
<b>TOTAL NET INVESTMENTS<sup>1</sup></b>	<b>-2,369</b>	<b>1,474</b>	<b>-1,989</b>	<b>1,854</b>
Depreciation, non-current assets	-317	-319	-1,299	-1,301

<sup>1</sup> (+) divestments, (-) investments

## Reconciliation between segment reporting and IFRSs

SEK M	External revenue		Intra-Group revenue		Total revenue		Operating income	
	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2011	Jan-Mar 2010
Construction	21,590 <sup>1</sup>	22,389 <sup>1</sup>	1,093	861	22,683	23,250	325	558
Residential Development	2,655	1,588	0	19	2,655	1,607	196	98
Commercial Property Development	341	1,768	0	0	341	1,768	49	273
Infrastructure Development	80	28	8	0	88	28	25	142
<b>Total operating segments</b>	<b>24,666</b>	<b>25,773</b>	<b>1,101</b>	<b>880</b>	<b>25,767</b>	<b>26,653</b>	<b>595</b>	<b>1,071</b>
Central	88	73	149	104	165	177	-138	-148
Eliminations	0	0	-1,250	-984	-1,178	-984	-6	-3
<b>Total Group</b>	<b>24,754</b>	<b>25,846</b>	<b>0</b>	<b>0</b>	<b>24,754</b>	<b>25,846</b>	<b>451</b>	<b>920</b>
Reconciliation to IFRSs	-1,913	-392	0	0	-1,913	-392	-273	-62
<b>Total IFRSs</b>	<b>22,841</b>	<b>25,454</b>	<b>0</b>	<b>0</b>	<b>22,841</b>	<b>25,454</b>	<b>178</b>	<b>858</b>

1 of which external revenue from joint ventures in Infrastructure Development SEK 1,633 M (1,277)

SEK M	Segment Jan-Mar 2011	IFRS Jan-Mar 2011	Segment Jan-Mar 2010	IFRS Jan-Mar 2010
<b>Revenue</b>				
Construction	22,683	22,683	23,250	23,250
Residential Development	2,655	994	1,607	1,206
Commercial Property Development	341	161	1,768	1,777
Infrastructure Development	88	88	28	28
Central and eliminations	-1,013	-1,085	-807	-807
<b>Skanska Group</b>	<b>24,754</b>	<b>22,841</b>	<b>25,846</b>	<b>25,454</b>
<b>Operating income</b>				
Construction	325	325	558	558
Residential Development	196	-24	98	34
Commercial Property Development <sup>1</sup>	49	4	273	276
Infrastructure Development	25	25	142	142
Central	-138	-138	-148	-149
Eliminations <sup>1</sup>	-6	-14	-3	-3
<b>Operating income</b>	<b>451</b>	<b>178</b>	<b>920</b>	<b>858</b>
<b>Net financial items</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>16</b>
<b>Income after financial items</b>	<b>451</b>	<b>178</b>	<b>936</b>	<b>874</b>
Taxes	-116	-46	-262	-245
<b>Profit for the period</b>	<b>335</b>	<b>132</b>	<b>674</b>	<b>629</b>
Earnings for the period per share, SEK <sup>2</sup>	0.81		1.63	
Earnings for the period per share according to IFRS, SEK <sup>2</sup>		0.32		1.52
1 Of which gains from divestments of commercial properties reported in:				
Commercial Property Development	41	41	219	222
Eliminations	2	0	15	15
2 Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases and conversion				

## Residential Development

According to segment reporting, revenue for the period in Residential Development was SEK 2,655 M and operating income was SEK 196 M. To comply with IFRSs, add the revenue and earnings of the homes that were sold during prior periods but were handed over during the period. Then subtract the homes that were sold during the period but where the purchaser did not yet take possession, plus exchange rate differences. Also subtract revenue attributable to joint ventures as well as currency rate differences. According to IFRSs, revenue in Residential Development was SEK 994 M. According to IFRSs, operating income in Residential Development was SEK -24 M.

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
<b>Revenue according to segment reporting - binding agreement</b>	<b>2,655</b>	<b>1,607</b>	<b>8,629</b>	<b>7,581</b>
Plus properties sold before this period	5,018	2,873	5,305	3,160
Less properties not yet occupied by the buyer	-6,079	-3,221	-7,876	-5,018
Proportional method for Joint Venture	-581		-581	
Currency rate differences	-19	-53	-176	-210
<b>Revenue according to IFRIC 15 - handover</b>	<b>994</b>	<b>1,206</b>	<b>5,301</b>	<b>5,513</b>
<b>Operating income according to segment reporting - binding agreement</b>	<b>196</b>	<b>98</b>	<b>657</b>	<b>559</b>
Plus properties sold before this period	686	338	837	489
Less properties not yet occupied by the buyer	-811	-395	-1,102	-686
Adjustment income from JV and associated companies	-93	0	-148	-55
Currency rate differences	-2	-7	-22	-27
<b>Operating income according to IFRIC 15 - handover</b>	<b>-24</b>	<b>34</b>	<b>222</b>	<b>280</b>

## Commercial Property Development

According to segment reporting, revenue for the period in Commercial Property Development was SEK 341 M and operating income was SEK 49 M. To comply with IFRSs, add the revenue and earnings of the properties that were sold during prior periods but were handed over during the period. Then subtract the properties that were sold during the period but where the purchaser did not yet take possession, plus exchange rate differences. According to IFRSs, revenue in Commercial Property Development was SEK 161 M. According to IFRSs, operating income in Commercial Property Development was SEK 4 M.

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
<b>Revenue according to segment reporting - binding agreement</b>	<b>341</b>	<b>1,768</b>	<b>3,221</b>	<b>4,648</b>
Plus properties sold before this period	93	2,781	93	2,781
Less properties not yet occupied by the buyer	-273	-2,746	2,380	-93
Currency rate differences	0	-26	-33	-59
<b>Revenue according to IFRIC 15 - handover</b>	<b>161</b>	<b>1,777</b>	<b>5,661</b>	<b>7,277</b>
<b>Operating income according to segment reporting - binding agreement</b>	<b>49</b>	<b>273</b>	<b>696</b>	<b>920</b>
Plus properties sold before this period	20	401	20	401
Less properties not yet occupied by the buyer	-65	-398	313	-20
Currency rate differences	0	0	0	0
<b>Operating income according to IFRIC 15 - handover</b>	<b>4</b>	<b>276</b>	<b>1,029</b>	<b>1,301</b>

## The Skanska Group

### Summary income statement

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Revenue	22,841	25,454	119,611	122,224
Cost of sales	-20,961	-23,082	-107,653	-109,774
<b>Gross income</b>	<b>1,880</b>	<b>2,372</b>	<b>11,958</b>	<b>12,450</b>
Selling and administrative expenses	-1,798	-1,724	-7,607	-7,533
Income from joint ventures and associated companies	96	210	427	541
<b>Operating income</b>	<b>178</b>	<b>858</b>	<b>4,778</b>	<b>5,458</b>
Financial income	60	57	345	342
Financial expenses	-60	-41	-396	-377
<b>Net financial items<sup>1</sup></b>	<b>0</b>	<b>16</b>	<b>-51</b>	<b>-35</b>
<b>Income after financial items</b>	<b>178</b>	<b>874</b>	<b>4,727</b>	<b>5,423</b>
Taxes	-46	-245	-1,196	-1,395
<b>Profit for the period</b>	<b>132</b>	<b>629</b>	<b>3,531</b>	<b>4,028</b>

1 of which

Interest income	42	57	203	218
Financial net pension costs	13	14	58	59
Interest expenses	-66	-56	-271	-261
Capitalized interest expenses	24	28	42	46
<i>Net interest</i>	13	43	32	62
Change in fair value	3	-13	-20	-36
Other net financial items	-16	-14	-63	-61
<b>Net financial items</b>	<b>0</b>	<b>16</b>	<b>-51</b>	<b>-35</b>

Profit attributable to:

Equity holders	132	629	3,525	4,022
Non-controlling interests	0	0	6	6

Earnings per share after repurchases and conversion, SEK<sup>2</sup>

	0.32	1.52	8.56	9.76
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Earnings per share after repurchases, conversion and dilution, SEK<sup>3</sup>

	0.32	1.51	8.47	9.66
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<sup>2</sup> Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases and conversion

<sup>3</sup> Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases, conversion and dilution

### Net financial items

Net financial items amounted to SEK 0 M (16). Net interest income amounted to SEK 13 M (43). The net change in the fair value of financial instruments amounted to SEK 3 M (-13). Other financial items totaled SEK -16 M (-14) and mainly consisted of currency rate differences.

### Summary statement of comprehensive income

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
<b>Profit for the period</b>	<b>132</b>	<b>629</b>	<b>3,531</b>	<b>4,028</b>
<b>Other comprehensive income</b>				
Translation differences attributable to equity holders	-662	-531	-1,940	-1,809
Translation differences attributable to non-controlling interests	2	-5	-8	-15
Hedging of exchange rate risk in foreign operations	224	114	473	363
Effects of actuarial gains and losses on pensions <sup>3</sup>	-221	245	423	889
Effects of cash flow hedges <sup>1</sup>	-17	240	-130	127
Tax attributable to other comprehensive income <sup>2,3</sup>	63	-147	-83	-293
<b>Other comprehensive income for the period</b>	<b>-611</b>	<b>-84</b>	<b>-1,265</b>	<b>-738</b>
<b>Total comprehensive income for the period</b>	<b>-479</b>	<b>545</b>	<b>2,266</b>	<b>3,290</b>
Total comprehensive income attributable to				
Equity holders	-481	550	2,268	3,299
Non-controlling interests	2	-5	-2	-9
1 of which transferred to income statement	-12	-11	-64	-63
2 of which tax related to				
- actuarial gains and losses on pensions	58	-68	-113	-239
- cash flow hedges	5	-79	30	-54
3 Total effect on equity from actuarial gains and losses on pensions	-163	177	310	650

The strengthening of the Swedish krona, especially against the USD, led to translation differences in equity. Skanska hedges about 30 percent of its equity in foreign subsidiaries against the Swedish krona. The net translation differences as of March 31, 2011 amounted to SEK -438 M (-417).

The effects of actuarial gains and losses on pensions totaled SEK -221 M (245). This negative effect was primarily due to a lowering of the discount rate when calculating the Swedish pension liability.

## Parent Company

Net sales of the Parent Company during January-March were SEK 0 M (0). Operating income totaled SEK -100 M (-94). Income after financial items amounted to SEK -110 M (-104).

### Summary income statement, Parent Company

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Net sales	0	0	285	285
Cost of sales and selling and administrative expenses	-100	-94	-591	-585
<b>Operating income</b>	<b>-100</b>	<b>-94</b>	<b>-306</b>	<b>-300</b>
Net financial items	-10	-10	4,233	4,233
<b>Income after financial items</b>	<b>-110</b>	<b>-104</b>	<b>3,927</b>	<b>3,933</b>
Taxes	29	27	-228	-230
<b>Profit for the period</b>	<b>-81</b>	<b>-77</b>	<b>3,699</b>	<b>3,703</b>
<b>Total comprehensive income</b>	<b>-81</b>	<b>-77</b>	<b>3,699</b>	<b>3,703</b>

### Summary balance sheet, Parent Company

SEK M	Mar 31 2011	Mar 31 2010	Dec 31 2010
<b>ASSETS</b>			
Intangible non-current assets	9	17	9
Property, plant and equipment	3	2	3
Financial non-current assets <sup>1</sup>	10,722	17,638	12,008
<b>Total non-current assets</b>	<b>10,734</b>	<b>17,657</b>	<b>12,020</b>
Current receivables	93	89	134
<b>Total current assets</b>	<b>93</b>	<b>89</b>	<b>134</b>
<b>TOTAL ASSETS</b>	<b>10,827</b>	<b>17,746</b>	<b>12,154</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	8,140	7,256	8,216
Provisions	268	213	268
Non-current interest-bearing liabilities <sup>1</sup>	2,340	10,205	3,316
Current liabilities	79	72	354
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,827</b>	<b>17,746</b>	<b>12,154</b>

1 Of these amounts, SEK 1 M (Dec 31, 2010: 1,287) were intra-Group receivables and SEK 2,340 M (Dec 31, 2010: 3,316) intra-Group liabilities.

#### Note, contingent liabilities

The Parent Company's contingent liabilities totaled SEK 99.9 bn (Dec 31, 2010: 109.3), of which SEK 94.4 bn (Dec 31, 2010: 103.1) was related to obligations on behalf of Group companies. Other obligations, SEK 5.5 bn (Dec 31 2010: 6.2), were related to commitments to outside parties.

## Share data

	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Earnings per share according to segment reporting after repurchases and conversion, SEK <sup>1</sup>	0.81	1.63	8.73	9.54
Earnings per share after repurchases and conversion, SEK <sup>1</sup>	0.32	1.52	8.56	9.76
Earnings per share after repurchases, conversion and dilution, SEK <sup>2</sup>	0.32	1.51	8.47	9.66
Average number of shares outstanding after repurchases and conversion	411,851,554	414,320,939		412,229,351
Average number of shares outstanding after repurchases, conversion and dilution	415,377,397	416,321,047		416,448,523
Average dilution, percent	0.85	0.48		1.01
Number of shares, at balance sheet date	423,053,072	423,053,072		423,053,072
of which Series A and Series B shares	419,903,072	419,413,072		419,413,072
of which Series D shares (without right to dividend, in Skanska's own custody)	3,150,000	3,640,000		3,640,000
Number of Series D shares converted to Series B shares	1,350,000	860,000		860,000
Average price, repurchased shares, SEK	105.40	100.69		105.40
Number of Series B shares repurchased	8,324,000	6,214,000		8,324,000
of which repurchased during the year	0	0		2,110,000
Number of shares in Skanska's own custody	8,050,661	6,246,083		8,253,247
Number of shares outstanding after repurchases and conversion	411,852,411	413,166,989		411,159,825

<sup>1</sup> Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases and conversion

<sup>2</sup> Earnings for the period attributable to equity holders divided by the average number of shares outstanding after repurchases, conversion and dilution

## Five-year Group financial summary

	Jan-Mar 2011	Jan-Mar 2010	Jan-Mar 2009	Jan-Mar 2008 <sup>2</sup>	Jan-Mar 2007 <sup>2</sup>
Revenue	22,841	25,454	30,764	31,546	28,520
Operating income	178	858	611	1,080	779
Profit for the period	132	629	354	878	605
Earnings per share after repurchases and conversion, SEK	0.32	1.52	0.85	2.09	1.43
Return on capital employed, %	19.1	23.3	14.3	26.1	23.0
Return on equity, %	18.3	23.5	14.0	22.3	20.4
Operating margin, %	0.8	3.4	2.0	3.4	2.7
Cash flow per share, SEK <sup>1</sup>	-8.26	0.64	-4.50	-3.40	-0.30

<sup>1</sup> Cash flow before change in interest-bearing receivables and liabilities divided by the average number of shares outstanding after repurchases and conversion

<sup>2</sup> Comparative figures for 2007-2008 have not been adjusted to the effects of IFRIC 12 och IFRIC 15

## Exchange rates for the most important currencies

SEK	Average exchange rates			Exchange rates on the closing day		
	Jan-Mar 2011	Jan-Mar 2010	Jan-Dec 2010	Mar 31 2011	Mar 31 2010	Dec 31 2010
U.S. dollar	6.49	7.20	7.21	6.28	7.21	6.80
British pound	10.38	11.23	11.13	10.11	10.92	10.50
Norwegian krone	1.13	1.23	1.19	1.14	1.21	1.15
Euro	8.87	9.96	9.55	8.93	9.72	9.01
Czech koruna	0.36	0.38	0.38	0.36	0.38	0.36
Polish zloty	2.25	2.49	2.39	2.22	2.52	2.27

## Personnel

The average number of employees in the Group was 50,245 (49,258).

## Transactions with related parties

No transactions between Skanska and related parties having an essential effect on the Company's position and earnings have taken place.

## Essential risks and uncertainty factors

The construction and project development business is largely about risk management. Practically every project is unique. Size, shape, environment – everything varies for each new assignment. Construction and project development business differs in this way from typical manufacturing that operates in permanent facilities with long production runs.

In Skanska's operations there are many types of risks. Identifying, managing and pricing these risks are of fundamental importance to the Group's profitability. Risks are normally of a technical, legal and financial nature, but political, ethical, social and environmental aspects are part of assessing potential risks.

To ensure a systematic and uniform assessment of risks and opportunities, the entire Skanska Group uses a common procedure for identifying and managing risks. With the aid of this model, Skanska evaluates projects continuously, from tender preparations to completion of the assignment.

For further information about risks and a description of key estimates and judgments, see the Report of the Directors and Notes 2 and 6 in the Annual Report for 2010 as well as the above section on the market outlook.

## Other matters

### Redemption of shares

On April 5, the Annual Shareholders' Meeting approved a reduction in share capital by SEK 9,450,000 through redemption of 3,150,000 Series D shares. All Series D shares are held by the Parent Company.

### Repurchases of shares

At its meeting on April 5, the Board of Directors decided to exercise its authorization by the Annual Shareholders' Meeting to repurchase shares on the following conditions. On one or more occasions, however no later than the 2012 Annual Shareholders' Meeting, a maximum of 4,500,000 Series B shares in Skanska may be acquired for the purpose of securing delivery of shares to participants in the Skanska Employee Ownership Program. Acquisitions may only be made on the NASDAQ OMX Stockholm exchange, at a price within the applicable price range at any given time. This refers to the interval between the highest purchase price and lowest selling price. On April 5, Skanska held 7,889,010 Series B shares in its own custody.

## Events after the end of the year

### Divestment of the Autopista Central

Skanska has received full payment for the divestment of its 50 percent holding in the Autopista Central highway in Santiago, Chile. Skanska has received total proceeds equivalent to about SEK 5.4 billion for its holding. The after-tax gain totals about SEK 4.5 billion, which is equivalent to about SEK 11 per share. The gain on the divestment will be included in second quarter 2011 income.

Since the agreement was signed on December 28, 2010, a number of contractual conditions have been fulfilled. During the period until payment, the strengthening of the Swedish krona has led to a reduction in the total capital gain expressed in SEK, from a previously estimated SEK 5 billion to SEK 4.5 billion. The buyer is a pension fund managed by a Canadian institutional manager of public sector pension assets, Alberta Investment Management Corporation (AIMCo).

### Agreement with U.S. Attorney's Office in New York

Skanska has entered into an agreement with the U.S. Attorney's Office for the Southern District of New York resolving an investigation into Skanska USA Civil Northeast's utilization of disadvantaged, minority and woman-owned business enterprises (D/M/WBEs). Under the agreement, Skanska will pay USD 19.6 million, about SEK 125 M. This amount was already provided for in the fourth quarter 2010 accounts of Skanska USA Civil and the settlement is not expected to generate any further costs.

## Extra dividend

In accordance with the authorization by the Annual Shareholders' Meeting on April 5, the Board of Directors has decided that the record date for the extra dividend of SEK 6.25 will be May 12, 2011. This means that Skanska shares are being traded without the right to the extra dividend starting on May 10, 2011 and that payment of the extra dividend will occur on May 17, 2011. No extra dividend is being paid for the Parent Company's holding of its own Series B shares.

## Financial reports related to 2011

Skanska's interim reports as well as the Year-end Report are available for downloading on Skanska's website, [www.skanska.com](http://www.skanska.com), and can also be ordered from Skanska AB, Investor Relations.

The Group's reports for 2011 will be published on the following dates:

July 21, 2011	Six Month Report
November 3, 2011	Nine Month Report
February 8, 2012	Year-end Report

Solna, May 5, 2011

JOHAN KARLSTRÖM

President and CEO

This Year-end Report has not been subjected to a review by the Company's auditors

## Additional information, segment reporting

### Revenue and earnings

#### Construction

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Revenue	22,683	23,250	112,646	113,213
<b>Gross income</b>	<b>1,693</b>	<b>1,940</b>	<b>9,890</b>	<b>10,137</b>
Selling and administrative expenses	-1,369	-1,383	-5,750	-5,764
Income from joint ventures and associated companies	1	1	15	15
<b>Operating income</b>	<b>325</b>	<b>558</b>	<b>4,155</b>	<b>4,388</b>
Investments	-622	-198	-1,775	-1,351
Divestments	17	58	231	272
<b>Net investments</b>	<b>-605</b>	<b>-140</b>	<b>-1,544</b>	<b>-1,079</b>
Gross margin, %	7.5	8.3	8.8	9.0
Selling and administrative expenses, %	-6.0	-5.9	-5.1	-5.1
Operating margin %	1.4	2.4	3.7	3.9
Order bookings, SEK bn	21.6	25.6	126.3	130.3
Order backlog, SEK bn	139.4	137.7		145.9
Employees	48,848	47,878		50,197

#### Residential Development

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Revenue	2,655	1,607	8,629	7,581
<b>Gross income</b>	<b>364</b>	<b>227</b>	<b>1,232</b>	<b>1,095</b>
Selling and administrative expenses	-166	-128	-627	-589
Income from joint ventures and associated companies	-2	-1	52	53
<b>Operating income</b>	<b>196</b>	<b>98</b>	<b>657</b>	<b>559</b>
Operating margin, %	7.4	6.1	7.6	7.4
Employees	575	611		649
Investments	-1,841	-681	-6,722	-5,562
Divestments	978	1,152	5,107	5,281
<b>Net investments</b>	<b>-863</b>	<b>471</b>	<b>-1,615</b>	<b>-281</b>
Capital employed, SEK bn	11.0	8.9	12.3	10.2

#### Commercial Property Development

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Revenue	341	1,768	3,221	4,648
<b>Gross income</b>	<b>140</b>	<b>354</b>	<b>1,063</b>	<b>1,277</b>
Selling and administrative expenses	-91	-81	-365	-355
Income from joint ventures and associated companies	0	0	-2	-2
<b>Operating income</b>	<b>49</b>	<b>273</b>	<b>696</b>	<b>920</b>
of which gain from divestments of properties <sup>1</sup>	41	219	613	791
of which writedowns/reversal of writedowns	0	0	18	18
Employees	220	193		199
<small>1 Additional gain included in eliminations was</small>	<small>2</small>	<small>15</small>	<small>67</small>	<small>80</small>
Investments	-735	-512	-3,370	-3,147
Divestments	4	1,583	4,992	6,571
<b>Net investments</b>	<b>-731</b>	<b>1,071</b>	<b>1,622</b>	<b>3,424</b>
Capital employed, SEK bn	10.7	11.4	8.9	9.6

#### Infrastructure Development

SEK M	Jan-Mar 2011	Jan-Mar 2010	Apr 2010- Mar 2011	Jan-Dec 2010
Revenue	88	28	379	319
<b>Gross income</b>	<b>-43</b>	<b>-37</b>	<b>-107</b>	<b>-101</b>
Selling and administrative expenses	-32	-32	-138	-138
Income from joint ventures and associated companies	100	211	425	536
<b>Operating income</b>	<b>25</b>	<b>142</b>	<b>180</b>	<b>297</b>
of which gains from divestments of shares in projects	0	97	95	192
Investments	-229	-142	-779	-692
Divestments	67	209	261	403
<b>Net investments</b>	<b>-162</b>	<b>67</b>	<b>-518</b>	<b>-289</b>
Capital employed, SEK bn	2.7	1.8		2.7
Return on capital employed (RoCE), %	7.7	17.1		14.4
Employees	147	126		140

## Construction by business/reporting unit

SEK M	Revenue			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	5,350	4,644	23,938	23,232
Norway	2,434	2,497	11,165	11,228
Finland	1,419	1,209	7,102	6,892
Poland	1,072	880	9,214	9,022
Czech Republic	1,036	1,246	8,410	8,620
UK	3,245	3,492	13,965	14,212
USA Building	4,887	5,386	22,323	22,822
USA Civil	2,076	2,619	10,971	11,514
Latin America	1,164	1,277	5,558	5,671
<b>Total</b>	<b>22,683</b>	<b>23,250</b>	<b>112,646</b>	<b>113,213</b>

SEK M	Operating income			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	77	81	1,221	1,225
Norway	-61	141	-20	182
Finland	-15	-10	-84	-79
Poland	78	30	641	593
Czech Republic	-39	-23	381	397
UK	61	64	422	425
USA Building	68	74	412	418
USA Civil	152	182	914	944
Latin America	4	19	269	284
<b>Total</b>	<b>325</b>	<b>558</b>	<b>4,155</b>	<b>4,388</b>

	Operating margin, %			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	1.4	1.7	5.1	5.3
Norway	neg	5.6	neg	1.6
Finland	neg	neg	neg	neg
Poland	7.3	3.4	7.0	6.6
Czech Republic	neg	neg	4.5	4.6
UK	1.9	1.8	3.0	3.0
USA Building	1.4	1.4	1.8	1.8
USA Civil	7.3	6.9	8.3	8.2
Latin America	0.3	1.5	4.8	5.0
<b>Total</b>	<b>1.4</b>	<b>2.4</b>	<b>3.7</b>	<b>3.9</b>

SEK M	Order backlog		
	Mar 31 2011	Mar 31 2010	Dec 31 2010
Sweden	31,679	16,990	31,935 <sup>1</sup>
Norway	10,268	8,824	10,132 <sup>2</sup>
Finland	5,913	5,307	5,903
Poland	8,606	12,694	8,962
Czech Republic	8,052	10,352	8,399
UK	21,384	22,801	23,512
USA Building	26,746	29,113	30,649
USA Civil	21,687	26,550	20,812
Latin America	5,091	5,118	5,633
<b>Total</b>	<b>139,426</b>	<b>137,749</b>	<b>145,937</b>

	Order bookings			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	5,036	5,910	38,585	39,459 <sup>1</sup>
Norway	2,717	2,371	13,239	12,893 <sup>2</sup>
Finland	1,548	2,044	8,189	8,685
Poland	1,047	1,378	6,523	6,854
Czech Republic	518	745	6,559	6,786
UK	1,789	2,795	13,944	14,950
USA Building	3,266	4,762	24,080	25,576
USA Civil	4,616	2,717	9,028	7,129
Latin America	1,062	2,916	6,107	7,961
<b>Total</b>	<b>21,599</b>	<b>25,638</b>	<b>126,254</b>	<b>130,293</b>

<sup>1</sup> Adjustment 2010 with -1,073

<sup>2</sup> Adjustment 2010 with -67

## Residential Development

SEK M	Revenue			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	1,367	743	3,919	3,295
Norway	296	286	1,411	1,401
Finland	789	471	2,690	2,372
<b>Nordics</b>	<b>2,452</b>	<b>1,500</b>	<b>8,020</b>	<b>7,068</b>
Czech Republic	203	107	609	513
Other <sup>2</sup>	0	0	0	0
<b>Total</b>	<b>2,655</b>	<b>1,607</b>	<b>8,629</b>	<b>7,581</b>

SEK M	Operating income <sup>1</sup>			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	121	39	375	293
Norway	4	10	45	51
Finland	57	42	184	169
<b>Nordics</b>	<b>182</b>	<b>91</b>	<b>604</b>	<b>513</b>
Czech Republic	23	7	62	46
Other <sup>2</sup>	-9	0	-9	0
<b>Total</b>	<b>196</b>	<b>98</b>	<b>657</b>	<b>559</b>

SEK M	Operating margin, % <sup>1</sup>			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	8.9	5.2	9.6	8.9
Norway	1.4	3.5	3.2	3.6
Finland	7.2	8.9	6.8	7.1
<b>Nordics</b>	<b>7.4</b>	<b>6.1</b>	<b>7.5</b>	<b>7.3</b>
Czech Republic	11.3	6.5	10.2	9.0
Other <sup>2</sup>	0.0	0.0	0.0	0.0
<b>Total</b>	<b>7.4</b>	<b>6.1</b>	<b>7.6</b>	<b>7.4</b>

<sup>1</sup> Development gain only. Construction margin reported under Construction.

<sup>2</sup> Start-ups in new markets

SEK M	Homes started			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	342	469	1 554	1 681
Norway	0	75	386	461
Finland	319	254	1 621	1 556
<b>Nordics</b>	<b>661</b>	<b>798</b>	<b>3 561</b>	<b>3 698</b>
Czech Republic	176	154	437	415
<b>Total</b>	<b>837</b>	<b>952</b>	<b>3 998</b>	<b>4 113</b>

SEK M	Homes sold			
	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Sweden	346	282	1 291	1 227
Norway	75	94	377	396
Finland	338	234	1 242	1 138
<b>Nordics</b>	<b>759</b>	<b>610</b>	<b>2 910</b>	<b>2 761</b>
Czech Republic	167	81	501	415
<b>Total</b>	<b>926</b>	<b>691</b>	<b>3 411</b>	<b>3 176</b>

SEK M	Homes under construction		
	Mar 31 2011	Mar 31 2010	Dec 31 2010
Sweden	2 326	1 672	1 945
Norway	446	201	516
Finland	1 764	463	1 532
<b>Nordics</b>	<b>4 536</b>	<b>2 336</b>	<b>3 993</b>
Czech Republic	674	463	541
<b>Total</b>	<b>5 210</b>	<b>2 799</b>	<b>4 534</b>

SEK M	Homes under construction of which sold, %		
	Mar 31 2011	Mar 31 2010	Dec 31 2010
Sweden	64	68	58
Norway	83	66	71
Finland	65	71	60
<b>Nordics</b>	<b>66</b>	<b>68</b>	<b>60</b>
Czech Republic	58	55	51
<b>Total</b>	<b>65</b>	<b>66</b>	<b>59</b>

SEK M	Completed unsold, number of homes		
	Mar 31 2011	Mar 31 2010	Dec 31 2010
Sweden	27	54	34
Norway	3	2	4
Finland	33	126	39
<b>Nordics</b>	<b>63</b>	<b>182</b>	<b>77</b>
Czech Republic	93	229	100
<b>Total</b>	<b>156</b>	<b>411</b>	<b>177</b>