

Three Month Report 2011



"Oculus" building, New York, U.S.

Three Month Report 2011

- Deliver according to strategic plan
 - Investments
- Slow recovery
 - Order bookings
- Stable business
 - Order backlog



January–March 2011 in brief

- Operating income of SEK 451 M (920)
 - Gains from divestment of properties SEK 0.0 bn (0.2)
 - Gains from divestment of ID assets SEK 0.0 bn (0.1)
- Operating cash flow amounted to SEK -2.5 bn (1.0)
 - Net investments -2.4 (1.5)
- Revenue in Construction SEK 22.7 bn (23.3)
 - Up 5% in local currencies
- Operating margin in Construction amounted to 1.4% (2.4%)
- Order bookings decreased by 16% to SEK 21.6 bn (25.6)
 - Down 9% in local currencies
- Backlog of SEK 139.4 bn represents 15 (13) months of construction
- Autopista deal completed and extra dividend of SEK 6.25 will be distributed

Extra Dividend

- Board of Directors has decided to distribute
 - Extra SEK 6.25 (1.00) per share
 - Record date for the dividend May 12
 - The share will be traded ex dividend May 10
 - Distribution of dividend May 17

Construction

- Mixed picture
 - + Increased revenue Q1
 - + Book-to-build 112% R-12
 - + Order bookings USA Civil
 - + Margins USA Civil and Poland
 - Order bookings Q1
 - Norway, Czech Rep



Comperj Petrochemical Complex,
Rio de Janeiro, Brazil

New orders in Construction in Q1

- Light rail network in Los Angeles County, California, U.S., SEK 2.4 bn
- Steel structure of “Oculus” building, New York, U.S., SEK 1.3 bn
- Hospital campus in North Carolina, U.S., SEK 0.9 bn
- Infrastructure of Oslo Gardermoen Airport, Norway, SEK 0.8 bn
- Lubricant plant, Rio de Janeiro, Brazil, SEK 0.6 bn



Residential Development

- Operating margin 7.4% (6,1%)
- 837 (952) homes started
- 926 (691) homes sold
- Stable prices
- Start-up in Poland



Fjordspeilet, Stavanger, Norway

Commercial Property Development

- Strong interest from investors
- 18 ongoing projects with a total investment value of SEK 5.6 bn
- Started up in Seattle, U.S.
- 15,000 sq.m of new leases



Lustgården, Stockholm, Sweden

Infrastructure Development

- Preferred bidder
 - Street lighting, Croydon and Lewisham, U.K.
- Autopista Central, Chile
 - Sale completed and full payment is received (Q2)

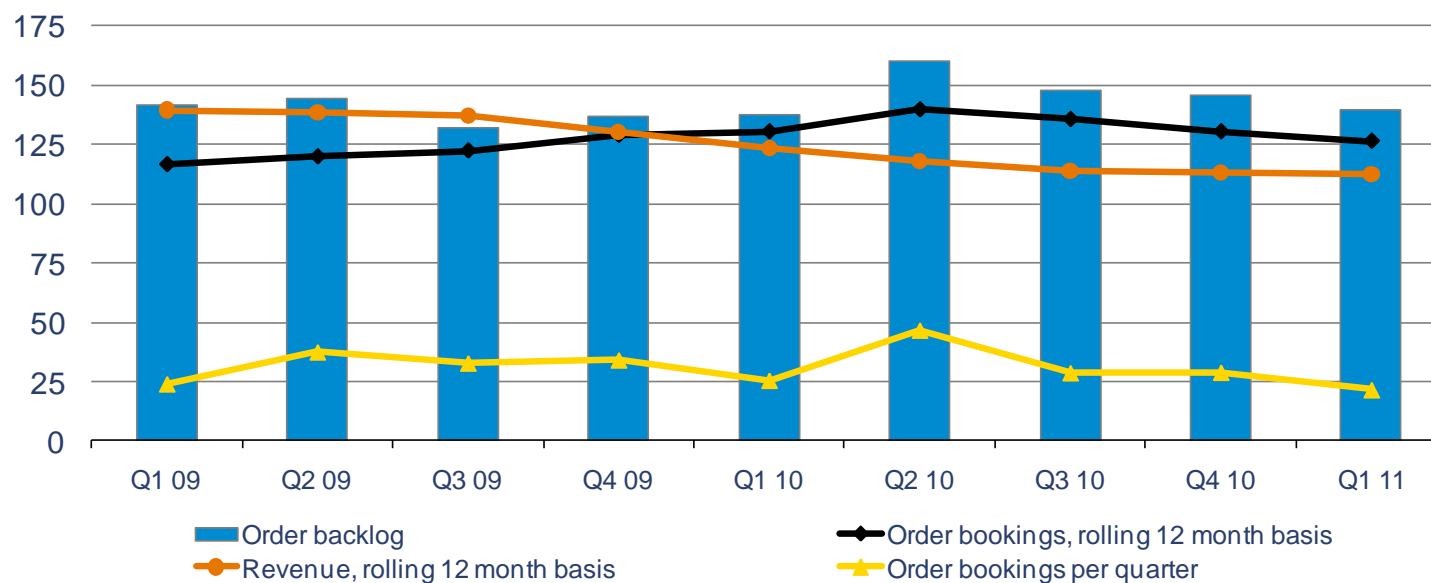


Autopista Central, Chile

Construction

Order situation

SEK bn	Jan-Mar 2011	Jan-Mar 2010	Apr 2010-Mar 2011	Jan-Dec 2010
Revenue	22.7	23.3	112.6	113.2
Order bookings	21.6	25.6	126.3	130.3
Order backlog	139.4	137.7	137.7	145.9
Book-to-build ratio	95%	110%	112%	115%



Construction

Order bookings

SEK bn	Jan–Mar 2011	Jan–Mar 2010	Change in local currency	Duration of backlog month
Sweden	5.0	5.9	-15%	16
Norway	2.7	2.4	24%	11
Finland	1.5	2.0	-15%	10
Poland	1.1	1.4	-16%	11
Czech Republic	0.5	0.7	-26%	11
UK	1.8	2.8	-31%	19
USA Building	3.3	4.8	-24%	15
USA Civil	4.6	2.7	89%	24
Latin America	1.1	2.9	-60%	11
Total	21.6	25.6	-9%	15

Construction

Income statement

SEK bn	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Revenue	22.7	23.3	112.7	113.2
Gross income	1.7	1.9	9.9	10.1
Selling and administrative expenses	-1.4	-1.4	-5.8	-5.8
Operating income	0.3	0.6	4.2	4.4
Gross margin, %	7.5	8.3	8.8	9.0
Selling and admin. expenses, %	-6.0	-5.9	-5.1	-5.1
Operating margin, %	1.4	2.4	3.7	3.9

Construction

	Operating income SEK M		Operating margin %	
	Jan–Mar 2011	Jan–Mar 2010	Jan–Mar 2011	Jan–Mar 2010
Sweden	77	81	1.4	1.7
Norway	-61	141	neg.	5.6
Finland	-15	-10	neg.	neg.
Poland	78	30	7.3	3.4
Czech Republic	-39	-23	neg.	neg.
UK	61	64	1.9	1.8
USA Building	68	74	1.4	1.4
USA Civil	152	182	7.3	6.9
Latin America	4	19	0.3	1.5
Total	325	558	1.4	2.4

Residential Development

Income statement, segment reporting

SEK M	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Revenue	2,655	1,607	8,629	7,581
Gross income	364	227	1,232	1,095
Selling and administrative expenses	-166	-128	-627	-589
Income from joint ventures and associated companies	-2	-1	52	53
Operating income	196	98	657	559
Gross margin, %	13.7	14.1	14.3	14.4
Selling and admin. expenses, %	-6.3	-8.0	-7.3	-7.8
Operating margin, %	7.4	6.1	7.6	7.4

Residential Development

Segment reporting

	Operating income SEK M		Operating margin %	
	Jan–Mar 2011	Jan–Mar 2010	Jan–Mar 2011	Jan–Mar 2010
Sweden	121	39	8.9	5.2
Norway	4	10	1.4	3.5
Finland	57	42	7.2	8.9
Nordics	182	91	7.4	6.1
Czech Republic	23	7	11.3	6.5
Other ¹	-9	0	0	0
Total	196	98	7.4	6.1

¹ Start-ups in new markets

Development gain only, construction margin reported under Construction

Residential Development

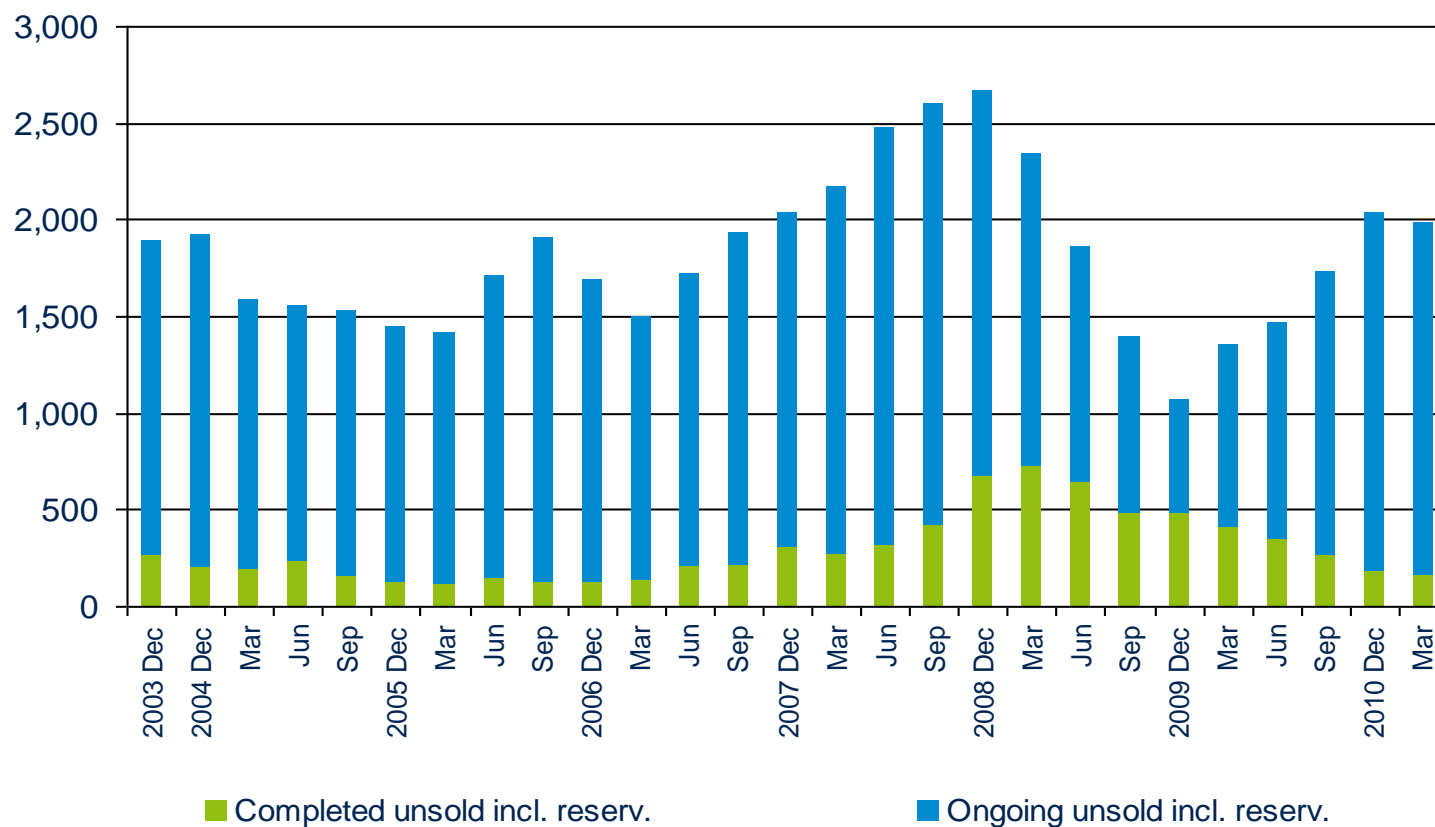
	Homes under construction		Of which sold, %		Completed unsold homes	
	Q1, 2011	Q4, 2010	Q1, 2011	Q4, 2010	Q1, 2011	Q4, 2010
Sweden	2,326	1,945	64	58	27	34
Norway	446	516	83	71	3	4
Finland	1,764	1,532	65	60	33	39
Nordics	4,536	3,993	66	60	63	77
Czech Republic	674	541	58	51	93	100
Total	5,210	4,534	65	59	156	177

Residential Development

	Homes started				Homes sold			
	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Sweden	342	469	1,554	1,681	346	282	1,291	1,227
Norway	0	75	386	461	75	94	377	396
Finland	319	254	1,621	1,556	338	234	1,242	1,138
Nordics	661	798	3,561	3,698	759	610	2,910	2,761
Czech Republic	176	154	437	415	167	81	501	415
Total	837	952	3,998	4,113	926	691	3,411	3,176

Residential Development

Number of unsold homes



Commercial Property Development

Income statement, segment reporting

SEK M	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Revenue	341	1,768	3,221	4,648
Gross income	140	354	1,063	1,277
Selling and administrative expenses	-91	-81	-365	-355
Income from J/V and assoc. companies	0	0	-2	-2
Operating income	49	273	696	920
of which gain from divestments of properties ¹	41	219	613	791
of which writedowns/reversal of writedowns	0	0	18	18
¹ Additional gain included in eliminations was	2	0	67	80

Development gain only, construction margin reported
under Construction

Sale of commercial properties, Q1 2011

SEK M	Sales price	Capital gain
Q1	183	43

- Earlier eliminated construction profits, SEK 2 M included
- Divestments in Q1
 - Lundbyvassen 3:1, Lindholmen, Gothenburg

Commercial Property Development

Specification of projects

SEK bn	Carrying amount, end of period	Carrying amount, upon completion	Market value	Occupancy rate, %	Degree of completion, %
Completed projects	5.0	5.0	6.6	87	100
Total completed projects	5.0	5.0	6.6		
Undeveloped land and development properties	3.6	3.6	4.2		
Subtotal	8.6	8.6	10.8		
Ongoing projects	2.3	5.6	7.1	33	42
Total	11.0	14.3	17.9		
of which completed projects sold according to segment reporting	142	142	182		
of which ongoing projects sold according to segment reporting	64	73	90		

– New leases were signed for 15,000 sq.m of space in Q1

Infrastructure Development

Income statement

SEK M	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Revenue	88	28	379	319
Gross income	-43	-37	-107	-101
Selling and administrative expenses	-32	-32	-138	-138
Income from joint ventures and associated companies	100	211	425	536
Operating income (EBIT)	25	142	180	297
of which gains from divestments of shares in projects	0	97	95	192

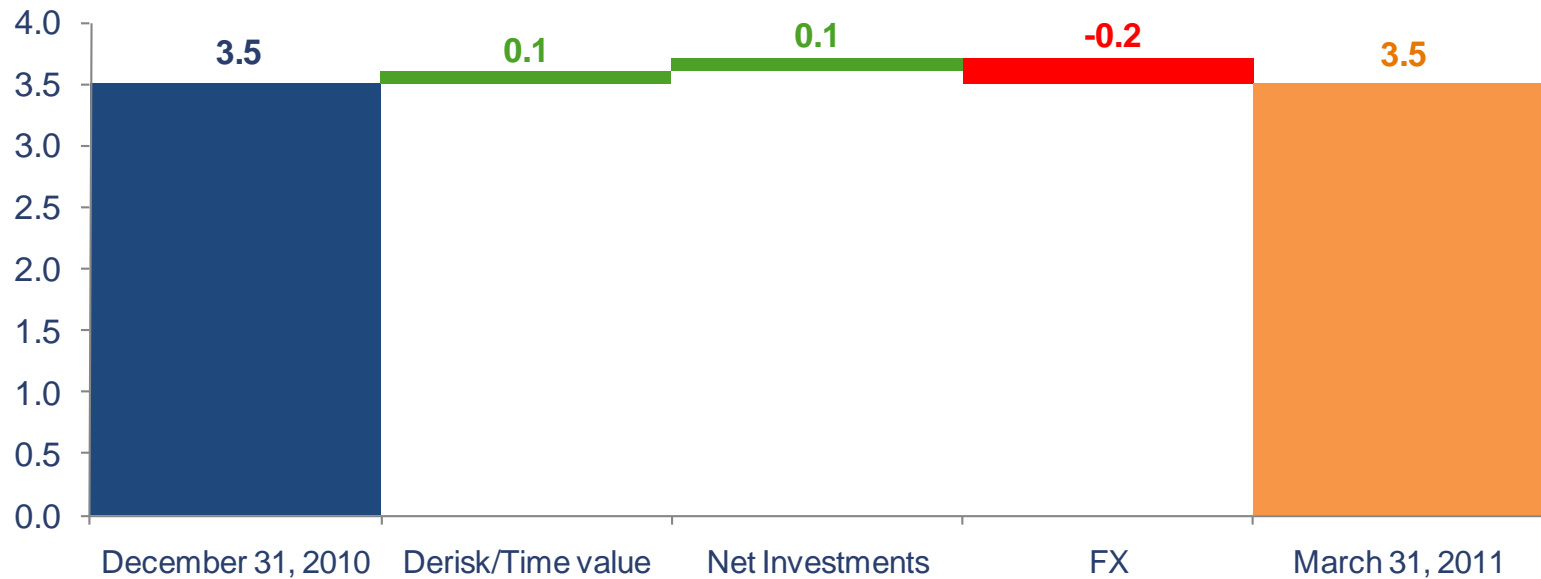
Infrastructure Development

Unrealized development gains, ID projects excl.
Autopista Central

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

Infrastructure Development

Net Present Value of ID projects excl. Autopista Central, SEK bn



Group

Income statement, segment reporting

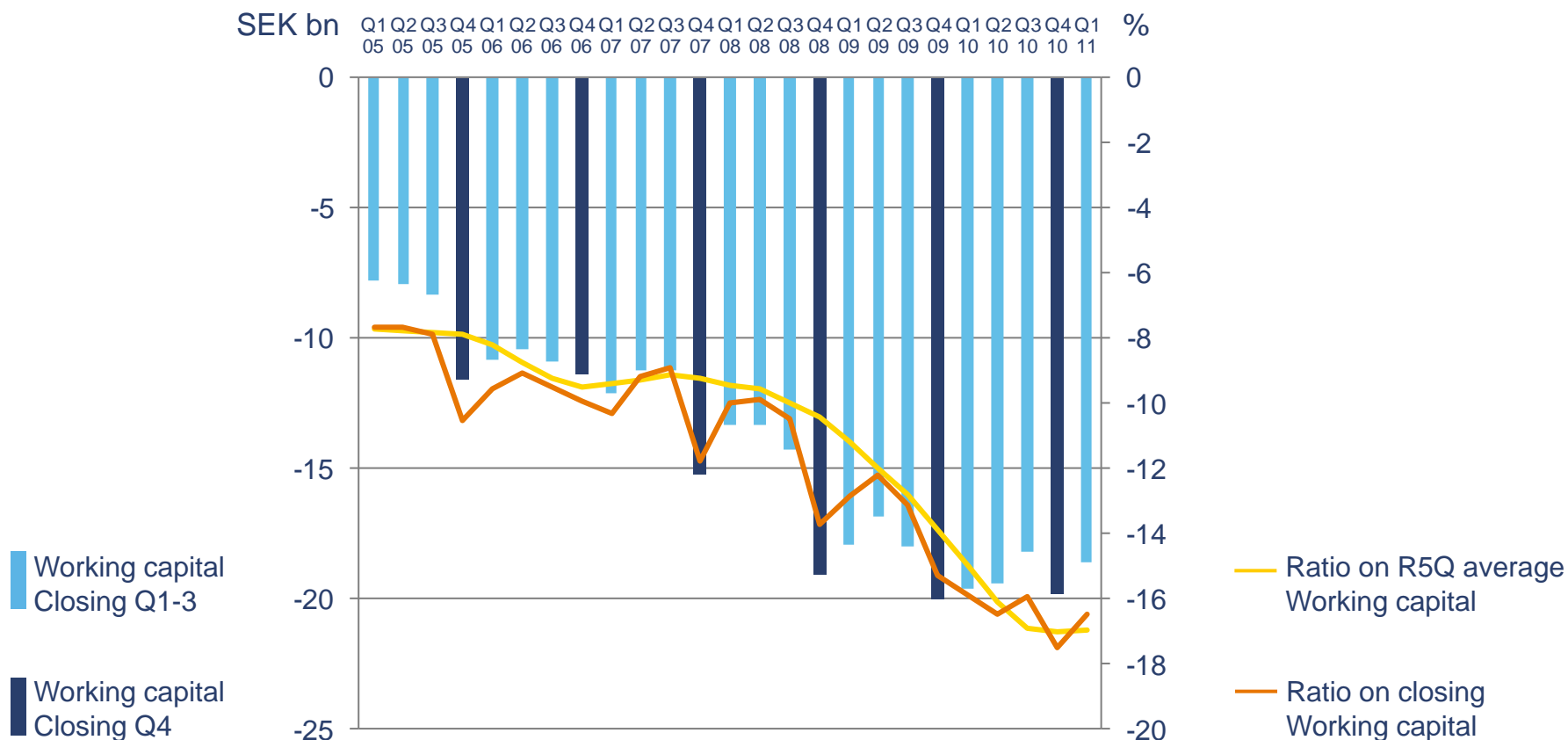
SEK M	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Operating income from business streams	595	1,071	4,052	6,164
Central	-138	-148	-783	-792
Eliminations	-6	-3	-36	-33
Operating income	451	920	4,871	5,339
Net financial items	0	16	-52	-35
Income after financial items	451	936	4,819	5,304
Taxes	-116	-262	-1,217	-1,364
Profit for the period	335	674	3,602	3,940
Earnings per share, SEK	0.81	1.63	8.74	9.54
<i>Tax rate, %</i>	26	28	25	26

Balance sheet – Summary

Group

SEK bn	Mar 31 2011	Dec 31 2010
Total assets	74.6	77.7
Equity attributable to equity holders	20.3	20.7
Interest-bearing net receivables (+)/net debt (-)	5.7	9.9
Capital employed, closing balance	26.9	25.7
Equity/assets ratio, %	27.3	26.8

Working capital ratio for Construction



Group

Changes in equity

SEK bn	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Opening balance	20.8	20.2	20.8	20.2
Dividend to shareholders	0	0	-2.6	-2.6
Effects of equity-settled share-based payments	0.1	0.1	0.2	0.2
Repurchase of shares	0	0	-0.2	-0.2
Profit for the period (IFRS)	0.1	0.6	3.5	4.0
Other comprehensive income				
Currency translation differences	-0.4	-0.4	-1.5	-1.5
Actuarial gains and losses on pensions	-0.2	0.2	0.3	0.6
Other	0	0.1	-0.1	0.1
Closing balance	20.4	20.8	20.4	20.8

Group

Operating cash flow

SEK bn	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Cash flow from business operations before change in working capital	0.4	0.5	4.4	4.5
Change in working capital	-0.3	-1.0	0.8	0.0
Net investments	-2.2	1.5	-1.8	1.9
Cash flow adjustment	-0.2	0.0	-0.3	-0.1
Taxes paid in business operations	-0.8	-0.6	-1.9	-1.7
Cash flow from business operations	-3.1	0.3	1.2	4.6
Cash flow from financing operations	-0.1	0.0	-0.1	0.0
Net strategic investments	-0.2	0.0	-0.2	0.0
Dividend	0.0	0.0	-2.9	-2.9
Cash flow before change in interest- bearing receivables and liabilities	-3.4	0.3	-2.0	1.7

Group

Change in interest-bearing net receivables

SEK bn	Jan–Mar 2011	Jan–Mar 2010	Apr 2010– Mar 2011	Jan–Dec 2010
Opening balance interest-bearing net receivables	9.9	8.1	8.8	8.1
Cash flow	-3.4	0.3	-2.0	1.7
Translation differences	-0.6	0.1	-1.5	-0.7
Change in pension liability	-0.2	0.2	0.4	0.8
Other changes	0.0	0.1	0.0	0.0
Change in interest-bearing net receivables	-4.2	0.7	-3.1	1.8
Closing balance interest-bearing net receivables	5.7	8.8	5.7	9.9

Investments, net investments and capital employed

Development streams

SEK bn	Q1 2011	Q1 2010	2010	2009
Investments				
Residential Development	-1.8	-0.7	-5.6	-3.4
Commercial Property Development	-0.7	-0.5	-3.1	-4.3
Infrastructure Development	-0.2	-0.1	-0.7	-0.4
Total	-2.7	-1.3	-9.4	-7.9
Net investments				
Residential Development	-0.9	0.5	-0.3	2.5
Commercial Property Development	-0.7	1.1	3.4	0.0
Infrastructure Development	-0.1	0.1	-0.3	-0.3
Total	-1.7	1.6	2.8	2.2
Capital employed				
Residential Development	11.0	8.9	10.2	8.7
Commercial Property Development	10.7	11.4	9.6	12.1
Infrastructure Development	2.7	1.8	2.7	1.9
Total	24.4	22.1	22.5	22.7

Market outlook

Construction

- General
 - Construction markets growing, but slowly
- Positive outlook
 - Nordics
- Stable outlook
 - Larger civil projects
 - Healthcare buildings
- Weak outlook
 - Czech Republic
 - U.K.



Extend light rail in Los Angeles, U.S.

Market outlook

Residential Development

- All Nordics
 - Stable and good market
- Czech Republic
 - Clear improvement
- U.K.
 - Opportunities for land investments
- Poland
 - Opportunities for land investments

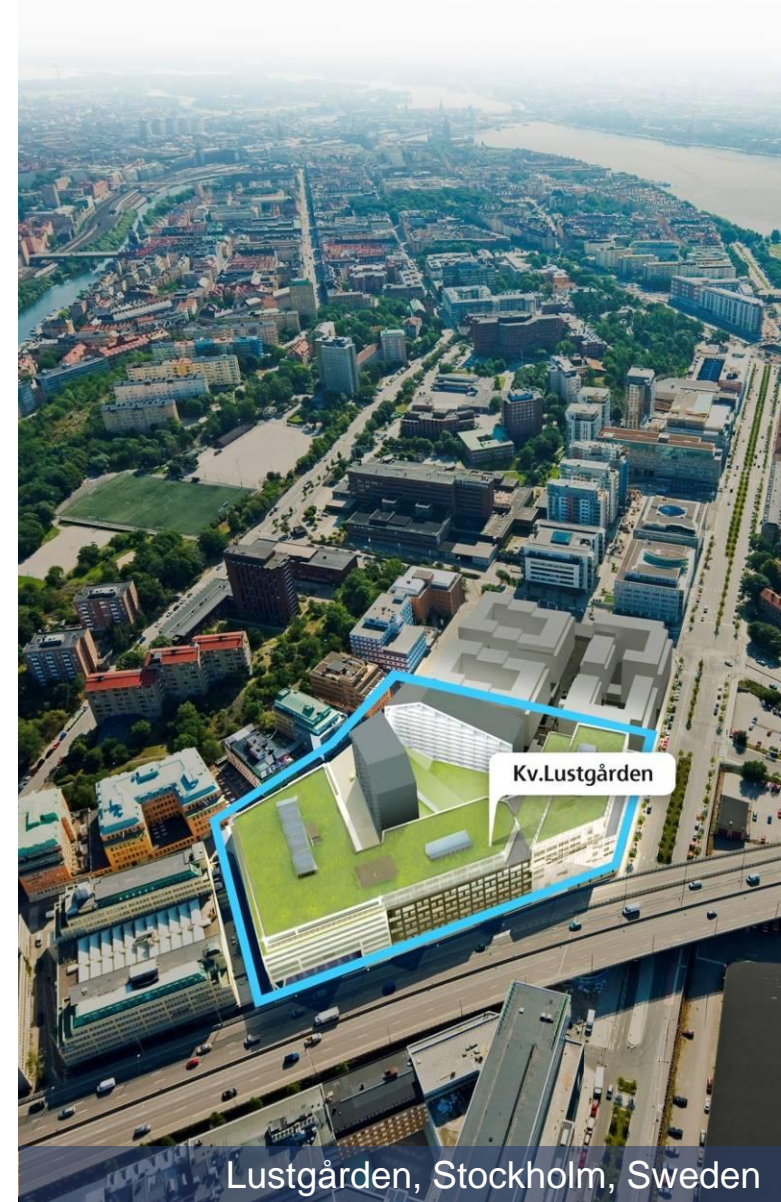


BoKlok attached homes, Linköping, Sweden

Market outlook

Commercial Property Development

- Nordics and Central Europe
 - Strong interest from investors
 - Demand for quality properties
 - Falling vacancy rates
- U.S.
 - Potential in selected cities



Lustgården, Stockholm, Sweden

Market outlook

Infrastructure Development

- Reduced PPP market in the U.K.
- Interest for PPP in other European markets
- Potential for PPP in U.S. and Latin America



New Karolinska Solna, Sweden

Going forward

- Mixed picture of the market situation
- Win new orders
- Increased activity in Development businesses
 - Investments in land
 - Start new projects



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