Annual Shareholders’ Meeting
Stockholm, April 7, 2005
Address by the CEO

Stuart Graham
President and CEO
Divestments and exits

**Divestments**
- Gammon
- Skanska Cementation
- Skanska Cementation Mining
- Skanska Whessoe
- Skanska Services
- Myresjöhus

**Exit**
- Skanska International Projects
Four Business Streams

Construction

Residential Project Development

Commercial Project Development

BOT
Skanska’s home markets

- Sweden
- Norway
- Poland
- Slovakia
- Hungary
- Czech Republic
- United Kingdom
- Finland
- Estonia
- Sweden
- Denmark
- Poland
- Slovakia
- Hungary

- United States
- Latin America
Governance

- Procedural rules
- Financial reporting and control
- Risk management systems
- Skanska Code of Conduct
  - Health and safety
  - Environmental responsibility
  - Business ethics
## Performance vs. targets

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital employed, Group</td>
<td>SEK 21 bn</td>
<td>SEK 30 bn</td>
</tr>
<tr>
<td>Residential PD, RoCE</td>
<td>21%</td>
<td>14%</td>
</tr>
<tr>
<td>Commercial PD, RoCE</td>
<td>18/11%</td>
<td>15%</td>
</tr>
<tr>
<td>BOT, RoCE</td>
<td>11%</td>
<td>16%</td>
</tr>
<tr>
<td>Net debt/equity, Group</td>
<td>SEK 7.5 bn</td>
<td>0.1–0.3</td>
</tr>
<tr>
<td>Construction, RoCE</td>
<td>20%</td>
<td>25%</td>
</tr>
<tr>
<td>Construction, Operating margin</td>
<td>1.1%</td>
<td>2.5%</td>
</tr>
</tbody>
</table>
Skanska Sweden – a FLAGSHIP business unit

- Financial results
- Initiatives in procurement and industrialization
- Industry leadership
Skanska Latin America
Operating margin 4.2%
Lomo de la Lata, Argentina

Skanska Czech Republic
Operating margin 4.7%
Prague Airport, Czech Republic
Baylor University
Waco, Texas
Sazka Arena
Prague, Czech Republic
New Jersey Turnpike Bridge Rehabilitation
New Jersey, USA
Sandviken Brygge
Residential Project Development
Bergen, Norway
### Skanska 2004

<table>
<thead>
<tr>
<th>SEK M</th>
<th>2004</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>121,263</td>
<td>132,879</td>
</tr>
<tr>
<td>Operating income</td>
<td>3,853</td>
<td>4,532</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>9,218</td>
<td>11,317</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>16,066</td>
<td>14,169</td>
</tr>
<tr>
<td>Return on equity, %</td>
<td>17.5</td>
<td>19.5</td>
</tr>
<tr>
<td>Earnings per share, SEK</td>
<td>6.33</td>
<td>6.60</td>
</tr>
<tr>
<td>Dividend per share, SEK</td>
<td>4.00*</td>
<td>3.00</td>
</tr>
</tbody>
</table>

* proposed
Outperform all the time
New financial “Outperform” targets 2007

<table>
<thead>
<tr>
<th></th>
<th>Operating margin</th>
<th>Return on capital employed</th>
<th>Return on equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>3.3%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential Project</td>
<td>10.0%</td>
<td>18.0%</td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial Project</td>
<td></td>
<td>15.0%</td>
<td></td>
</tr>
<tr>
<td>Development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BOT</td>
<td></td>
<td>16.0%</td>
<td></td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td>18.0%</td>
</tr>
</tbody>
</table>
Outperform qualitative targets

- Zero loss-making projects
- Zero accidents
- Zero environmental incidents
- Zero ethical breaches
- Management development
Procurement process

- SEK 70 billion per year
- Redefining the value chain
- Volume concentration
- Global sourcing
Industrialization

Platform + Components = Product

Industrialized concept = Market
Most home markets holding up
Some uncertainty in the US
Growth in Poland, Czech Rep. and LA
Potential in project development and BOT