

How we will reach our targets

Residential Development

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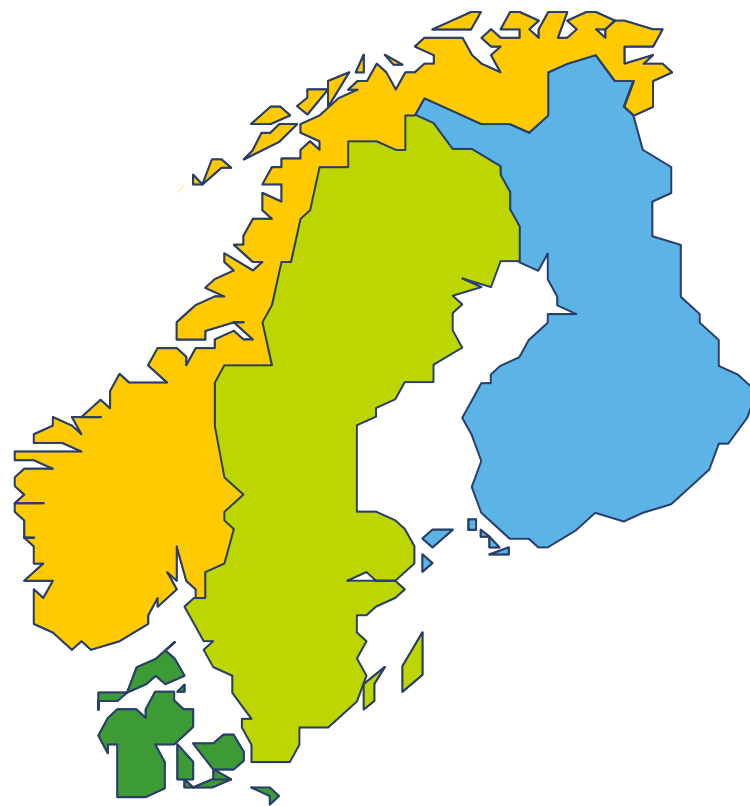
Current footprint – Q3

- Operations in
 - Nordics
 - Czech Republic and Slovakia
- 64% of homes in production (4,100) sold
- Sold homes Jan-Sep: 2,250
 - Nordics 2,250
 - Czech Republic and Slovakia 314
- Starts new homes Jan-Sep: 2,888
 - Nordics 2,473
 - Czech Republic and Slovakia 415



Grow in the Nordics

- Win market share in the 9 key target cities
 - Stockholm, Gothenburg, Malmö
 - Oslo, Bergen, Stavanger
 - Helsinki, Tampere, Turku
- Selectively address other smaller cities through our construction units
- One consistent behavior and offering to our customers



The strategy for growth

- Buy large sites and buy them early
- Develop our sites into great locations
- Use standardized, amazing concepts
- Volume leads to repetition = lower production cost

LANDBANK – CUSTOMER OFFERING – COST



Landbank Nordic countries

- 23,000 building rights,
excl options
- Corresponds to approx.
6 years of production



Project example: Tiedemanns, Oslo

- No of homes: 630
- Type: Multi & Single
- Price segment: Core



TIEDEMANN'S

BYEN

Som Oslofolk
vil ha det!

Project example: Limhamns Sjöstad, Malmö

- No of homes: ca 400
 - Production start: 2011
- Type: Multi & Single
- Price segment: Core & Premium





Czech Republic and Slovakia

- 2010: a challenging year, especially in Slovakia
- Prague is showing good signs
- General shift in need for smaller apartments
- Short-term focus: sell unsold completed stock in Slovakia
- Longer term focus: start new projects, regain volumes



RD UK – Background



- Profitability has been among the highest in Europe
- A vast undersupply of new built homes
- Impact of financial crisis: house prices & sales volumes have fallen dramatically, land values have collapsed
- Developers have gone under and many are still under severe stress: high debt burden, shrinking asset values
- The financial crisis has lowered the barriers to entry: a window of opportunity for Skanska to enter the market
- Limited availability of mortgage is an acute issue

RD UK – Background and Business case

- There is a green agenda, mostly driven by legislation
- Consumers have rarely been offered good quality homes
- Skanska should differentiate by offering better quality products with greater focus on customer demand



RD UK – Next steps

- A team in place since 9 months
- Focus London and Southeast UK
- Tight cooperation with our residential construction arm within Skanska UK
- Developing a distinct offer on types of homes to offer and to which segments
- Pursuing possible land acquisitions and/or portfolios of land

RD Poland – Background

- Good profitability historically in the market
- Population of 38,000,000
- 40 cities with more than 100,000 inhabitants
- Land availability varies, but not a very scarce resource
- Efficient mortgage system
- Unconsolidated market
- Homes not sold fitted out – challenge to find differentiating edge



Shell & Core



RD Poland – Next steps

- Put a team on the ground
- Focus Warsaw, Krakow and Wroclaw
- Tight cooperation with our residential construction arm within Skanska Poland
- Developing a distinct offer on types of homes to offer and to which segments
- Start looking into land acquisitions

BoKlok – Business case



Skanska och IKEA tillsammans

- Need for affordable housing is increasing
- BoKlok is a typical entry-product
- Exporting BoKlok, the floor-plan can stay the same – facade needs to be adjusted
- Landbank less expensive and is turned around much quicker
 - Lower operating margin
 - Higher ROCE
- 98% of customers would recommend to friend

BoKlok – 2010

- Created a sharper organization
- Outperformed market in growth
- Launched the first semi-detached BoKlok home

BoKlok – Next steps

- A firm commitment from Skanska and IKEA to increase volumes in current and new markets
- Plan for launch of projects in one new market in 2011
- Extend offerings with more products under the same brand
- Expect continued growth in market share