

SKANSKA

Q1 2022

Press release, May 4, 2022, 7:30 a.m. CET

We build for a better society.



Three month report, January–March 2022

Highlights according to segment reporting

- Revenue amounted to SEK 37.8 billion (34.4); adjusted for currency effects revenue increased 3 percent.
- Operating income amounted to SEK 1.9 billion (2.3); adjusted for currency effects operating income decreased 23 percent.
- Earnings per share amounted to SEK 3.62 (4.59).
- Operating cash flow from operations amounted to SEK -2.8 billion (3.3), according to IFRS.
- Adjusted interest-bearing net receivables(+)/net debt(-) totaled SEK 15.4 billion (December 31, 2021: 17.7), according to IFRS.
- Order bookings in Construction amounted to SEK 30.0 billion (34.9); adjusted for currency effects order bookings decreased 20 percent. The order backlog amounted to SEK 207.6 billion (December 31, 2021: 207.0).
- Operating income in Construction amounted to SEK 0.8 billion (0.7), representing an operating margin of 2.3 percent (2.5).
- Operating income in Project Development amounted to SEK 1.3 billion (1.7).
- Return on capital employed in Project Development was 10.8 percent (10.5).
- Return on equity was 18.3 percent (23.9).

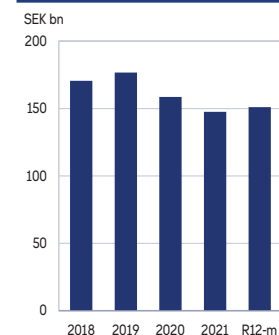
Performance Analysis

Tables referring to segment reporting are in shaded background. For more information see page 15.
For definitions of non-IFRS financial measures see pages 16-18.

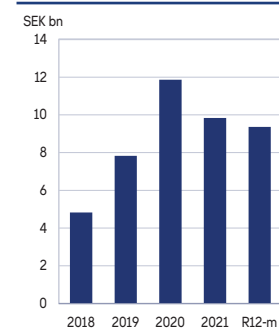
SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue				
Construction	33,387	29,354	136,620	132,587
Residential Development	4,276	4,509	14,144	14,377
Commercial Property Development	4,137	2,605	12,634	11,102
Investment Properties	0	0	0	0
Central and Eliminations	-3,989	-2,078	-12,401	-10,490
Total	37,811	34,390	150,998	147,576
Operating income				
Construction	756	722	5,047	5,013
Residential Development	517	669	1,827	1,980
Commercial Property Development	784	1,066	2,982	3,264
Investment Properties	25	0	25	0
Central	-135	-104	-446	-415
Eliminations	-95	-27	-78	-9
Operating income	1,852	2,327	9,358	9,832
Net financial items	8	-48	-116	-172
Income after financial items	1,860	2,278	9,241	9,660
Taxes	-365	-386	-1,450	-1,472
Profit for the period	1,495	1,892	7,791	8,188
Earnings for the period per share, SEK	3.62	4.59	18.83	19.80
Revenue for the period according to IFRSs	35,032	32,644	146,253	143,865
Operating income for the period according to IFRSs	1,193	1,444	8,042	8,293
Earnings for the period per share according to IFRSs, SEK	2.34	2.82	16.16	16.64
Operating cash flow from operations	-2,803	3,264	-1,882	4,185
Interest-bearing net receivables(+)/net debt(-)	11,088	8,793		12,598
Return on capital employed in Project Development, % ¹	10.8	10.5		11.8
Return on capital employed in Investments Properties, % ¹	27.1	-		-
Adjusted interest-bearing net receivables(+)/net debt(-)	15,399	15,947		17,719
Return on equity, % ¹	18.3	23.9		20.0

¹ Rolling 12 months.

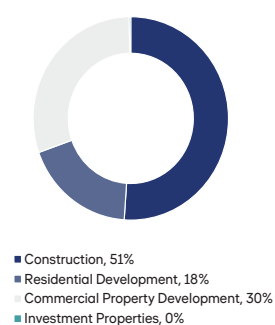
Revenue



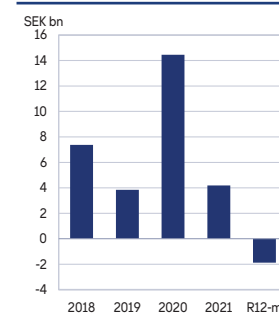
Operating income



Operating income per segment Mar 31, 2022



Operating cash flow from operations



Solid performance in the first quarter

We delivered solid performance in all our business streams in the first quarter. Skanska maintains a robust financial position, we have a strong order backlog, an attractive high-quality property development portfolio and a clear commercial direction. Unfortunately, the first quarter of 2022 saw the start of a war in Europe. Although we do not have any operations in the directly affected countries the situation arising in Ukraine is deeply concerning from a humanitarian point of view. The impact on our operations will primarily be supply chain disruptions, such as inflation and material shortages, and potentially postponed projects.

In Construction, volumes are returning on the back of improved activity in all our geographies where effects of the pandemic are subsiding. The order backlog remains at a high level for the Group, the book-to-build rolling 12-months is 109 percent, and we continue to stress the importance of selective bidding. The first quarter saw no material impact from the war in Europe. The situation creates uncertainties relating to supply chain that affects the market outlook.

Our Residential Development stream continued to deliver strong results in the first quarter. Early in the year, we successfully divested two residential rental projects in Sweden contributing to the total performance of the stream. The sales rate in our ongoing production is very high and we prepare for more project starts this year. Market activity has been good but the outlook contains uncertainties.

Investor appetite for our high-quality, sustainable commercial properties continues and Commercial Property Development had a strong first quarter. We divested highly profitable office properties in Poland and in Sweden, and with the divestment of West Memorial I and II in the USA, we have now exited the Houston energy corridor with no further assets in this challenging market. While we saw leasing activity improve end of last year in response to halted pandemic restrictions, a new wave of Covid variants together with the geopolitical situation in Europe has dampened activity.

I am pleased to share that our new business stream Investment Properties made its first acquisition of a sustainable and fully let high-quality office property located in Malmö, Sweden. Going forward, we will continue to build a top-quality office portfolio in attractive locations in Sweden with a target volume of SEK 12-18 bn.



This quarter we have taken additional important measures to decrease our carbon emissions, now achieving a 49 percent reduction in our own operations compared to the benchmark year of 2015. Much of our recent progress has been driven by a switch to renewable electricity, now reaching 87 percent across the Group. In addition, this quarter we saw significant emissions reductions driven by improved energy efficiency and increasing adoption of biofuels.

The first quarter of 2022 has brought the world new challenges. As a Group we continue forward, selective in our bids, and with a strong commercial and proactive mindset. We stay close to customers to ensure that we have a good picture of their needs and any re-prioritizations they might address in these times of uncertainty. The engagement and hard work of all Skanska colleagues together with our clear strategy and focused commercial direction has served us well and will continue to drive us forward.

Anders Danielsson
President and Chief Executive Officer

Skanska target performance (rolling 12 months basis)

Operating margin – Construction

3.7%

Target \geq 3.5%

Adjusted net debt (-)/net cash(+)

+15 SEK bn

Limit SEK -10 bn

Return on capital employed –
Project Development

10.8%

Target \geq 10%

Climate target (scope 1 and 2)
Reduction CO₂ compared to 2015

-49%

Target -70% (scope 1 and 2) until 2030

Return on equity

18.3%

Target \geq 18%

Market outlook, next 12 months

- Weaker outlook compared to previous quarter.
- Unchanged outlook compared to previous quarter.
- Improved outlook compared to previous quarter.
- ↗ Very strong market coming 12m
- ↘ Strong market coming 12m
- ↔ Stable market coming 12m
- ↘ Weak market coming 12m
- ↘ Very weak market coming 12m

Construction

Market activity is impacted by a combination of factors, early signs of postponed projects in Central Europe but also pent-up demand after the pandemic and federal funding starting to see increased number of projects coming to the market in the USA. The civil market remains mostly stable. Supply chain disruptions, such as inflation and shortages of material will continue to impact the construction market.

	Building, non-residential	Building, residential	Civil
↗ Nordics			
Sweden	↔	↘	↔
Norway	↔	↘	↔
Finland	↔	↘	↘
↗ Europe			
Poland	↘	↘	↔
Czech Republic ¹	↘	↘	↔
United Kingdom	↘	—	↔
↗ USA			
USA	↔	—	↗

¹Including Slovakia.

Residential Development

The residential market conditions are presently good, but as we look forward, activity is likely to stabilize or slow down as increased energy prices, consumer goods and interest rates impact consumers. The unemployment rates are still low and there is a structural shortage of homes in several markets stabilizing the situation. Cost escalation and price uncertainty might lead to projects being postponed.

↘ Nordics	
Sweden	↘
Norway	↘
Finland	↘
↗ Europe	

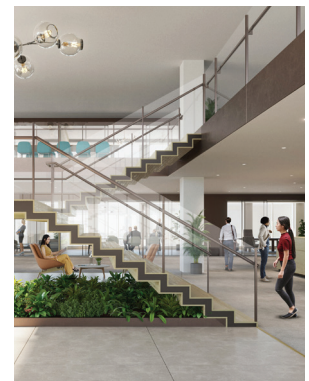


Residential development, BoKlok - On the brook, Bristol, UK

Commercial Property Development

The leasing market activity improve. Volumes are however still not back to pre-pandemic levels and new hesitations brought on by the geopolitical situation in Europe and its effects on the global economy might continue to challenge tenants' decision-making. Cost escalation and price uncertainty could lead to projects being postponed. The investor market remains strong and, while rising interest rates might start to put some upward pressure on yield requirements in some markets during the year, there is still a solid demand for high-quality low-risk assets.

↗ Nordics	
Sweden	↘
Norway	↘
Finland	↘
Denmark	↘
↗ Europe	
Poland	↘
Czech Republic	↘
Hungary	↘
Romania	↘
↗ USA	



17xM, Washington, DC, USA

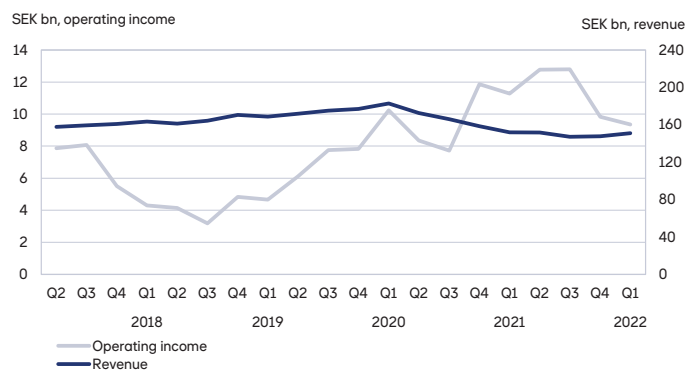
Investment Properties

For the three major cities of Sweden, the leasing market remains competitive and vacancy rates have come up slightly. However, the demand for sustainable office space is returning and is forecasted to positively impact take-up and prime rents as the impact of the pandemic is gradually reducing. A hampered development of the economy could slow the recovery. In the investor market the solid demand for low-risk sustainable assets remains.

Performance analysis

Group

Revenue and operating income, rolling 12 months



Revenue and earnings

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	37,811	34,390	150,998	147,576
Operating income ^{1,2}	1,852	2,327	9,358	9,832
Net financial items	8	-48	-116	-172
Income after financial items	1,860	2,278	9,241	9,660
Taxes	-365	-386	-1,450	-1,472
Profit for the period	1,495	1,892	7,791	8,188
Earnings for the period per share, SEK ³	3.62	4.59	18.83	19.80
Earnings for the period per share according to IFRSs, SEK ³	2.34	2.82	16.16	16.64

1 Central, SEK -135 M (-104).

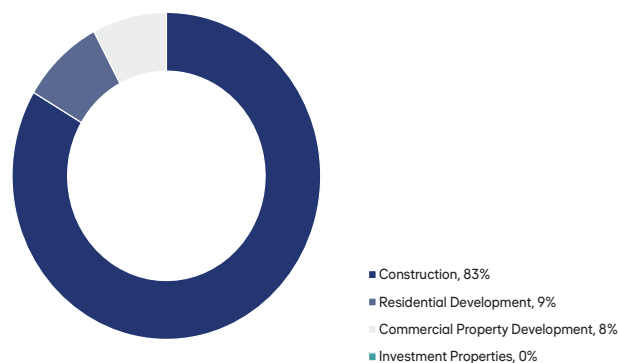
2 Eliminations, SEK -95 M (-27).

3 Earnings for the period attributable to equity holders divided by the average number of shares outstanding.

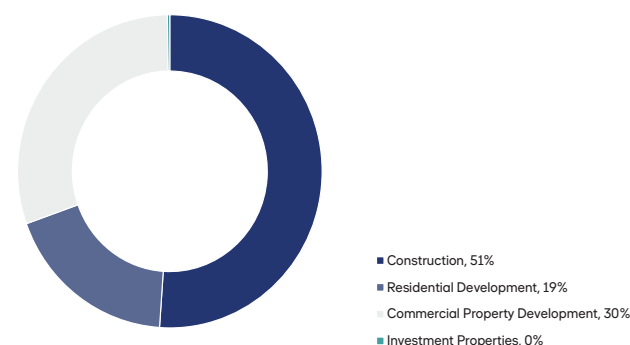
Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
Jan-Mar 2022 / Jan-Mar 2021			
Revenue	10%	3%	7%
Operating income	-20%	-23%	3%
Rolling 12 months / Jan-Dec 2021			
Revenue	2%	1%	1%
Operating income	-5%	-6%	1%

Revenue per segment, rolling 12 months



Operating income per segment, rolling 12 months



Revenue increased 10 percent and amounted to SEK 37.8 billion (34.4); adjusted for currency effects revenue increased 3 percent. Operating income decreased 20 percent and amounted to SEK 1,852 M (2,327); adjusted for currency effects operating income decreased 23 percent.

Central stream totaled SEK -135 M (-104), SEK 33 M (37) relate to the PPP-portfolio.

The elimination of gains in Intra-Group projects amounted to SEK -95 M (-27).

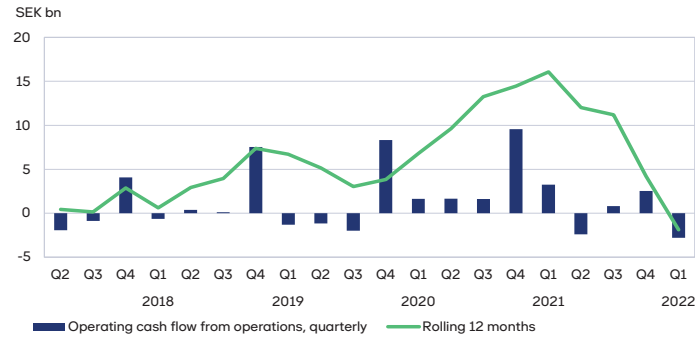
Net financial items amounted to SEK 8 M (-48).

Taxes for the period amounted to SEK -365 M (-386), corresponding to an effective tax rate of 20 percent (17).

Cash flow

Group

Operating cash flow from operations



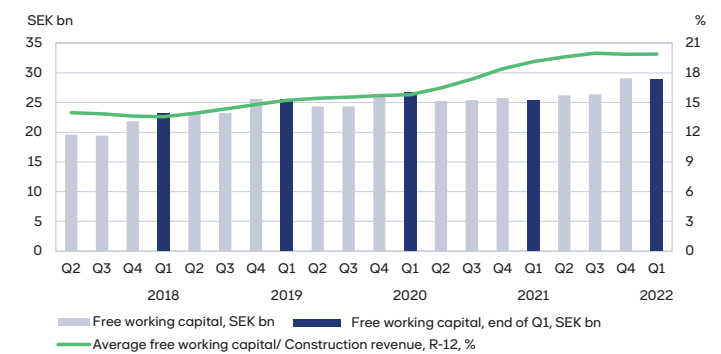
Operating cash flow from operations amounted to SEK -2,803 M (3,264), where change in working capital is the main reason for the change in cash flow. The comparable period include SEK 3.9 bn related to the approval of dividend proposal. Taxes paid in business operations amounted to SEK -462 M (-538). Commercial Property Development assets sold but not transferred will have a positive effect on cash flow of SEK 7.0 billion during 2022 and 2023.

Operating cash flow

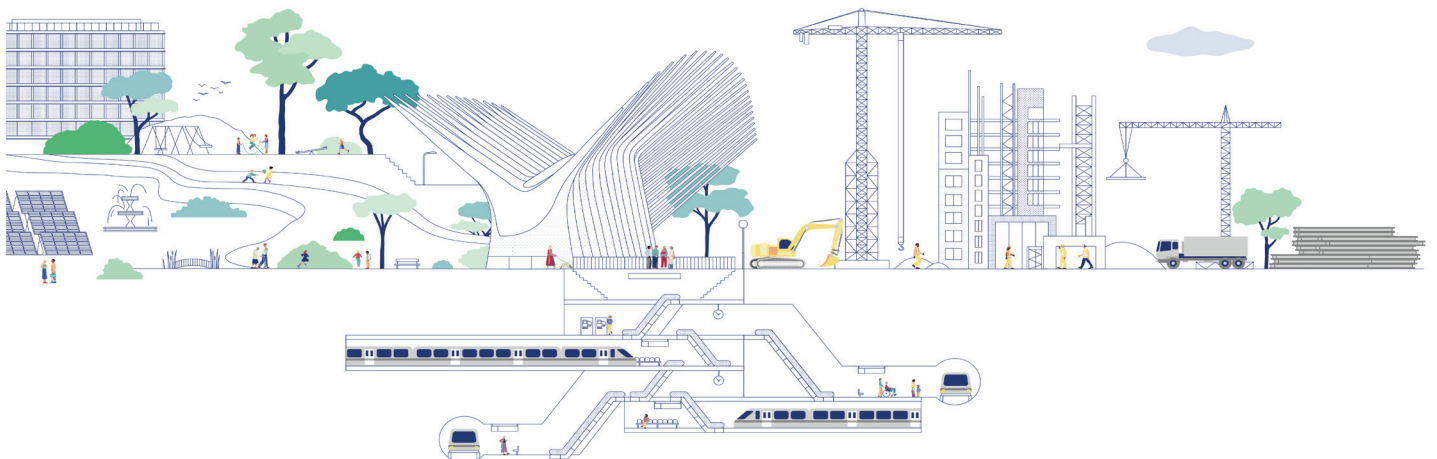
SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Cash flow from business operations	661	845	5,129	5,314
Change in working capital	-2,143	2,399 ¹	-557	3,986
Net divestments(+)/investments(-)	-983	481	-1,810	-345
Cash flow adjustment	164	342	-201	-23
Cash flow from business operations before taxes paid	-2,301	4,068	2,561	8,931
Taxes paid in business operations	-462	-538	-3,785	-3,861
Cash flow from financing operations	-39	-266	-658	-885
Operating cash flow from operations	-2,803	3,264	-1,882	4,185
Net strategic divestments(+)/investments(-)	10	0	741	732
Dividend etc.	-59 ²	-45	-4,186	-4,172
Cash flow before change in interest-bearing receivables and liabilities	-2,853	3,219	-5,327	745
Change in interest-bearing receivables and liabilities excluding lease liabilities	4,174	-6,510 ³	954	-9,729
Cash flow for the period	1,321	-3,290	-4,373	-8,984

1 Include SEK 3.9 bn related to the approval of dividend proposal at the AGM during the first quarter 2021 and distributed during the second quarter 2021.
 2 The dividend of SEK 10.00 per share as decided at the AGM will impact cash flow in second quarter 2022.
 3 Include SEK -3.9 bn related to the approval of dividend proposal at the AGM during the first quarter 2021 and distributed during the second quarter 2021.

Free working capital in Construction



Free working capital in Construction amounted to SEK 28.8 billion (25.4). The average free working capital in relation to Construction revenue in the past 12 months was 19.9 percent. Free working capital in Construction remained at a good level due to favorable cash flow profiles in several projects and continued focus on cash generation in the Construction stream. Cash flow due to changes in working capital in Construction amounted to SEK -704 M (-1,236), partly due to seasonality.



Financial position

Adjusted interest-bearing net receivables(+)/net debt(-)



Balance sheet - Summary

SEK bn	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Total assets	140.5	129.3	139.0
Total equity	44.2	38.5	45.8
Interest-bearing net receivables (+)/net debt (-)	11.1	8.8	12.6
Adjusted interest-bearing net receivables(+)/net debt(-)	15.4	15.9	17.7
Capital employed, closing balance	65.1	60.6	66.7
Equity/assets ratio, %	31.4	29.8	32.9

Change in net interest-bearing receivables and liabilities

SEK M	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Opening balance interest-bearing net receivables(+)/net debt(-)	12,598	7,280	7,280
Cash flow for the period	1,321	-3,290	-8,984
Less change in interest-bearing receivables and liabilities	-4,174	6,510 ¹	9,729
Cash flow before change in interest-bearing receivables and liabilities	-2,853	3,219	745
Translation differences, net receivables/net debt	352	753	1,340
Remeasurements of pension liabilities	844	1,370	2,274
Interest-bearing liabilities acquired/divested	0	0	286
Other changes, interest-bearing net receivables/net debt	147	-3,829 ²	673
Change in interest-bearing net receivables/net debt	-1,509	1,513	5,318
Closing balance interest-bearing net receivables(+)/net debt(-)	11,088	8,793	12,598
Restricted cash	-5,554	-4,948	-5,637
Pension liability, net	2,888	4,630	3,798
Lease liabilities	6,977	7,472	6,960
Closing balance adjusted interest-bearing net receivables(+)/net debt(-)	15,399	15,947	17,719

1 Include SEK 3.9 bn related to the approval of dividend proposal at the AGM during the first quarter 2021 and distributed during the second quarter 2021.

2 Include SEK -3.9 bn related to the approval of dividend proposal at the AGM during the first quarter 2021 and distributed during the second quarter 2021.

Adjusted interest-bearing net receivables (+)/net debt (-) amounted to SEK 15.4 billion (December 31, 2021: 17.7). Interest-bearing net receivables amounted to SEK 11.1 billion (December 31, 2021: 12.6) and include SEK 7.0 billion in interest-bearing lease liabilities according to IFRS 16.

At the end of the quarter, cash, cash equivalents, and committed unutilized credit facilities amounted to SEK 19.0 billion (December 31, 2021: 17.5), of which SEK 15.6 billion (December 31, 2021: 14.7) is available within one week.

The Group central loan portfolio amounted to SEK 3.4 billion (December 31, 2021: 3.3) consisting of SEK 0.5 billion in a Medium-Term Note (MTN) with a maturity of 1.1 years and SEK 2.9 billion in bilateral loans with an average maturity of 2.7 years. At March 31, the Group's unutilized credit facilities totaled SEK 6.7 billion. The central loan portfolio, including committed unutilized credit facilities, had an average maturity of 2.3 years (December 31, 2021: 2.5).

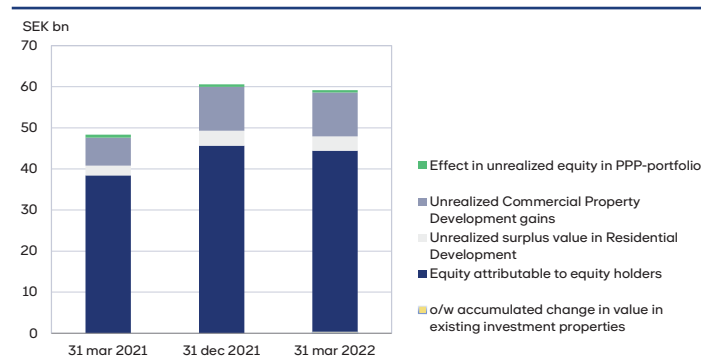
At the end of the quarter, capital employed amounted to SEK 65.1 billion (December 31, 2021: 66.7).

Equity

Changes in equity

SEK M	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Opening balance	45,797	38,717	38,717
Dividend to shareholders	-4,124	-3,917	-3,917
Other changes in equity not included in total comprehensive income for the year	50	35	133
Profit for the period	965	1,160	6,887
Other comprehensive income			
Translation differences	662	1,236	1,854
Effects of remeasurements of pensions	715	1,285	2,010
Effects of cash flow hedges	105	-2	112
Closing balance	44,169	38,514	45,797

Adjusted equity, less standard tax of 10 percent



The Group's equity amounted to SEK 44.2 billion (38.5), resulting in an equity/assets ratio of 31.4 percent (29.8) and a net debt/equity ratio of -0.3 (-0.2).

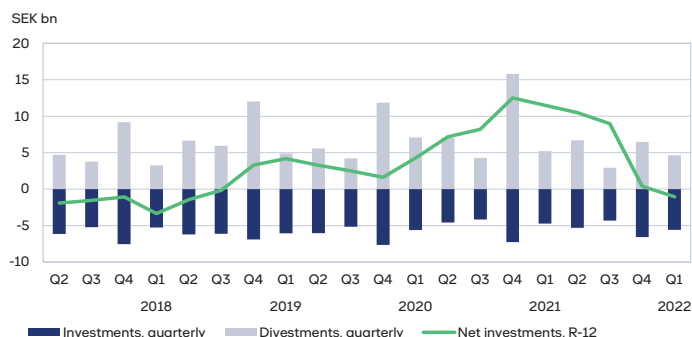
Translation differences amounted to SEK 662 M (1,236) due to weaker Swedish krona.

The effects of remeasurements of pensions amounted to SEK 715 M (1,285). This is mainly explained by increased discount rate in Sweden, Norway and the UK. The effects are partly offset by increased inflation and lower return on the plan assets in all three countries.

Unrealized surplus values in Project Development including the PPP-portfolio amounted to SEK 16.4 billion of which SEK 1.8 billion was realized according to segment reporting. Corresponding amounts less standard tax were SEK 14.8 billion and SEK 1.6 billion.

Investments and divestments

Investments and divestments



The Group's investments amounted to SEK -5,603 M (-4,736), while divestments amounted to SEK 4,630 M (5,217), resulting in net investments of SEK -973 M (481).

In Construction, investments totaled SEK -382 M (-311). These investments mainly relate to property, plant and equipment for the Group's own operations. Net investments in Construction amounted to SEK -212 M (-247). Depreciation of property, plant and equipment including right-of-use assets amounted to SEK -598 M (-586).

In Residential Development, investments totaled SEK -2,628 M (-2,704), of which SEK -358 M (-1,215) relates to land acquisitions, corresponding to 1,084 building rights. Divestments amounted to SEK 2,132 M (2,144). Net investments in Residential Development amounted to SEK -495 M (-560).

In Commercial Property Development, investments totaled SEK -2,333 M (-1,703), of which SEK -390 M (-352) relates to investments in new land, while divestments amounted to SEK 3,281 M (3,001), of which SEK 748 M relates to internal sale to Investment Properties. Net divestments in Commercial Property Development amounted to SEK 948 M (1,298).

In Investment Properties, net investments totaled SEK -748 M (n.a.) relating to property acquisition.

Investments, divestments and net divestments(+)/investments(-)

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Investments				
Construction	-382	-311	-1,921	-1,850
Residential Development	-2,628	-2,704	-11,412	-11,488
Commercial Property Development	-2,333	-1,703	-7,974	-7,344
Investment Properties	-748	0	-748	0
Other	487	-18	242	-263
Total	-5,603	-4,736	-21,812	-20,945
Divestments				
Construction	169	64	1,140	1,034
Residential Development	2,132	2,144	10,755	10,766
Commercial Property Development	3,281	3,001	10,241	9,961
Investment Properties	0	0	0	0
Other	-953	9	-1,392	-430
Total	4,630	5,217	20,744	21,331
Net divestments(+)/investments(-)				
Construction	-212	-247	-781	-816
Residential Development	-495	-560	-657	-722
Commercial Property Development	948	1,298	2,267	2,617
Investment Properties	-748	0	-748	0
Other	-466	-9	-1,150	-693
Total	-973	481	-1,069	386
Of which strategic	10	0	741	732

Capital employed in Project Development and Investment Properties

SEK M	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Residential Development	16,570	15,350	14,385
Commercial Property Development	33,080	31,100	32,721
Investment Properties	749	0	0
Total in Project Development and Investment Properties	50,398	46,450	47,106



Investment, residential project Kaprifolen, Solna, Sweden



Divestment, HighFive, Krakow, Poland

Performance analysis, business streams

Construction – Order situation

Order backlog, revenue and order bookings



Order bookings and order backlog in Construction

SEK bn	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Order bookings	30.0	34.9	148.6	153.6
Order backlog ¹	207.6	193.4		207.0

¹ Refers to the end of each period.

Order bookings amounted to SEK 30.0 billion (34.9); adjusted for currency effects order bookings decreased 20 percent, mainly driven by lower order bookings in Europe on a tough comparison. On a rolling 12-month basis the book-to-build ratio was 109 percent (December 31, 2021: 116). For more information, see page 27.

At the end of the quarter, the order backlog amounted to SEK 207.6 billion compared to SEK 207.0 billion at the end of the previous quarter. The order backlog corresponds to 18 months of production (December 31, 2021: 18).

Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
Jan-Mar 2022 / Jan-Mar 2021			
Order bookings	-14%	-20%	5%
Mar 31, 2022 / Dec 31, 2021			
Order backlog	0%	-2%	2%

Major orders in the quarter

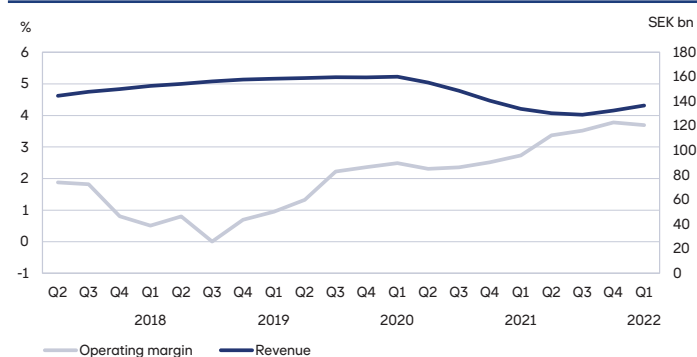
Geography	Contract	AmountSEKM	Client
Europe	Mixed-used development	2,900	Welput
USA	Wastewater resource recovery facility	2,300	NYC Department of Environmental Protection
Nordic	Psychiatric clinic	915	Kalmar County Region
Nordic	Homes and Stores	800	Skandia Fastigheter
Nordic	Municipal town center	750	Stavanger Municipality



105 Victoria Street, London, UK. Image: BentallGreenOak

Construction

Revenue and operating margin, rolling 12 months



Revenue and earnings

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	33,387	29,354	136,620	132,587
Gross income	2,269	2,126	10,830	10,687
Selling and administrative expenses	-1,516	-1,406	-5,819	-5,709
Income from joint ventures and associated companies	4	2	37	35
Operating income	756	722	5,047	5,013
Gross margin, %	6.8	7.2	7.9	8.1
Selling and administrative expenses, %	-4.5	-4.8	-4.3	-4.3
Operating margin, %	2.3	2.5	3.7	3.8
Average number of employees	26,587	29,644		28,557

Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
Jan-Mar 2022 / Jan-Mar 2021			
Revenue	14%	6%	7%
Operating income	5%	-2%	7%
Rolling 12 months / Jan-Dec 2021			
Revenue	3%	1%	2%
Operating income	1%	-0%	1%

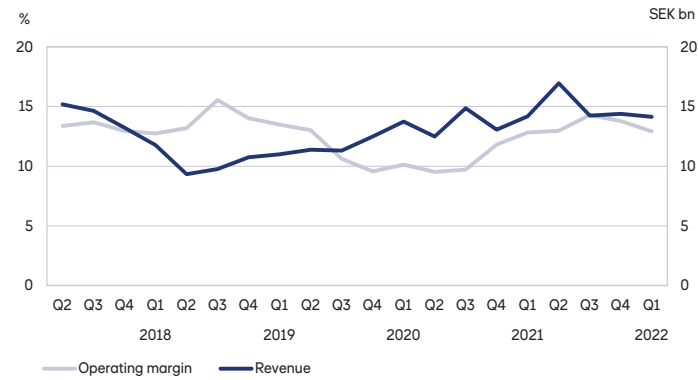
Revenue in the Construction business stream increased 14 percent and amounted to SEK 33.4 billion (29.4); adjusted for currency effects revenue increased by 6 percent. The operating margin was 2.3 percent (2.5). Operating income increased 5 percent and amounted to SEK 756 M (722); adjusted for currency effects operating income decreased by 2 percent. In the first quarter, effects of the Ukraine situation were very limited. Uncertainties relating to supply chain impacts and its corollary effects will continue for some time.



Hotel in Helsinki Airport, Finland. Image: SARC Architects

Residential Development

Revenue and operating margin, rolling 12 months



Revenue and earnings

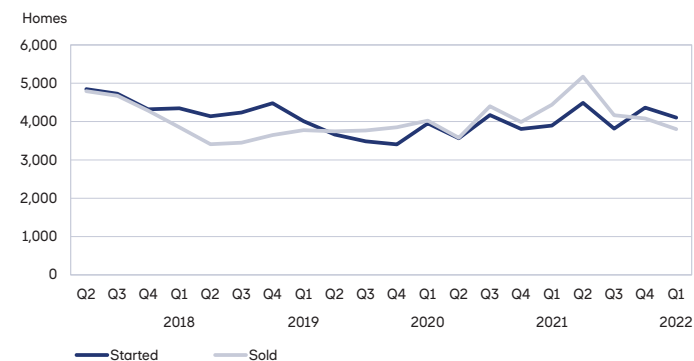
SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	4,276	4,509	14,144	14,377
Gross income	699	837	2,569	2,707
Selling and administrative expenses	-183	-168	-742	-727
Operating income	517	669	1,827	1,980
Gross margin, %	16.3	18.6	18.2	18.8
Selling and administrative expenses, %	-4.3	-3.7	-5.2	-5.1
Operating margin, %	12.1	14.8	12.9	13.8
Return on capital employed, % ¹	12.8	14.3		14.1

¹ Rolling 12 months. For definition see page 17.

Revenue in the Residential Development business stream amounted to SEK 4,276 M (4,509). The number of homes sold totaled 1,081 (1,362) and construction started on 806 homes (1,061). Operating income amounted to SEK 517 M (669). The operating margin was 12.1 percent (14.8).

Return on capital employed was 12.8 percent (14.3).

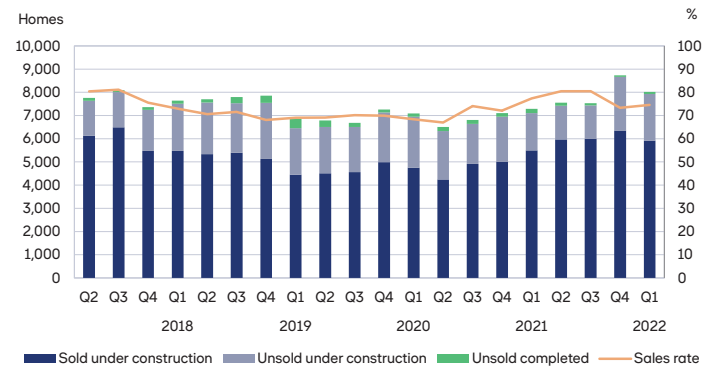
Homes sold and started, rolling 12 months



Homes sold and started

	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Homes sold	1,081	1,362	3,804	4,084
Homes started	806	1,061	4,108	4,363

Homes under construction and unsold



Homes under construction and unsold

	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Homes under construction	7,926	7,104	8,673
of which sold, %	75	77	73
Completed unsold, number of homes	89	186	57

At the end of the quarter, 7,926 homes (December 31, 2021: 8,673) were under construction. Of these, 75 percent (December 31, 2021: 73) were sold. The number of completed unsold homes amounted to 89 (December 31, 2021: 57). The number of completed homes amounted to 1,553 (905). Our residential development portfolio has a very high sales rate and we are making progress in bringing new projects to the market.

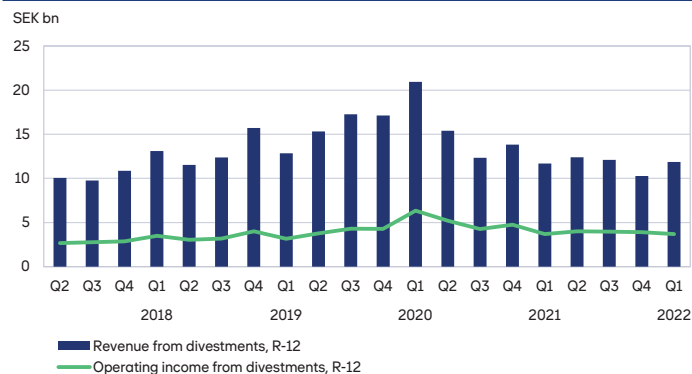
Breakdown of carrying amounts

SEK M	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Completed projects	553	629	314
Ongoing projects	11,358	8,860	10,605
Undeveloped land and development properties	9,177	8,759	9,135
Total	21,088	18,247	20,054

A breakdown of the carrying amounts for Residential Development is presented in the table above. Ongoing projects amounted to SEK 11.4 billion (December 31, 2021: 10.6) and undeveloped land and development properties amounted to SEK 9.2 billion (December 31, 2021: 9.1). The estimated unrealized surplus value in unsold homes in construction and undeveloped land and development properties amounted to SEK 3.9 billion. The undeveloped land and development properties correspond to Skanska-owned building rights for 26,100 homes and 800 building rights held by joint ventures. In addition, subject to certain conditions, the business stream has the right to purchase 11,500 building rights.

Commercial Property Development

Revenue and operating income from property divestments



Revenue and earnings

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	4,137	2,605	12,634	11,102
of which from divestment of properties	3,976	2,413	11,852	10,289
Gross income	964	1,232	3,687	3,955
Selling and administrative expenses	-181	-168	-797	-784
Income from joint ventures and associated companies	2	3	92	93
Operating income	784	1,066	2,982	3,264
of which from divestment of properties	989	1,223	3,695	3,928
Return on capital employed, % ¹	9.8	9.0		10.8

¹ Rolling 12 months. For definition see page 17.

In the Commercial Property Development business stream, divestments worth SEK 3,976 M (2,413) were made in the first quarter of 2022. Operating income amounted to SEK 784 M (1,066) and included gains from property divestments totaling SEK 989 M (1,223). The internal sale of the Epic building to Investment Properties for SEK 748 M is included in the first quarter.

Return on capital employed was 9.8 percent (9.0).

Breakdown of investment value and market values

SEK M	Investment value, end of period	Investment value upon completion	Market value ^{1,2}	Occupancy rate, %	Degree of completion, %
Ongoing projects ³	10,668	26,015	32,963	28	42
Completed projects ^{4,5}	8,459	8,459	11,900	75	100
Undeveloped land and development properties	11,476	11,476	12,948		
Total	30,603	45,950	57,811		
of which carrying amount ⁶	30,380	45,727			
of which completed projects sold according to segment reporting	2,630	2,630	3,562		
of which ongoing projects sold according to segment reporting	1,677	2,602	3,424		

¹ Market value according to appraisal on December 31, 2021.

² Ongoing projects - estimated market value at completion.

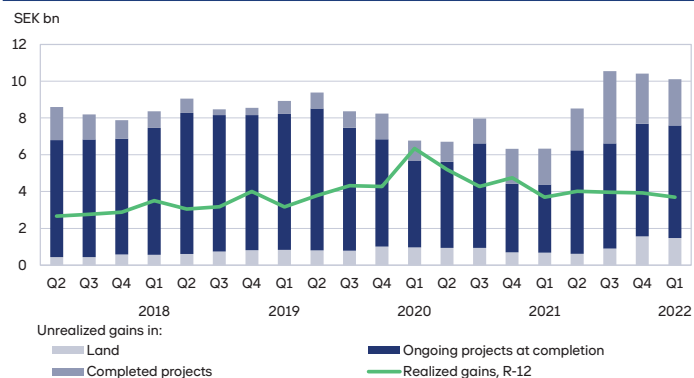
³ Including tenant improvement and leasing commissions in CDUS amounted to SEK 89 M.

⁴ Including tenant improvement and leasing commissions in CDUS amounted to SEK 289 M.

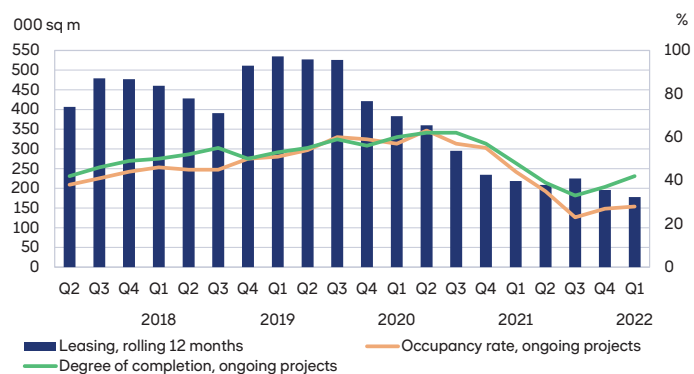
⁵ Skanska's share of total production cost in JVs is SEK 223 M end of period and upon completion.

⁶ Includes Skanska's total equity investment in JV of SEK 0 M.

Unrealized and realized gains, segment reporting



Leasing and degree of completion



At the end of the quarter, Commercial Property Development had 35 ongoing projects. During the quarter, one new project was started, and two were completed. The 35 ongoing projects represent leasable space of about 754,000 sq m with an occupancy rate of 28 percent, measured in rent. The projects' degree of completion was 42 percent. Their investment value upon completion is expected to total SEK 26.0 billion, with an estimated market value of SEK 33.0 billion.

Of the ongoing projects, 11 have been divested according to segment reporting. These projects represent an investment value upon completion of SEK 2.6 billion, with a sales value of SEK 3.4 billion. By the end of the quarter the total number of completed projects amounted to 17. The occupancy rate, measured in rent, totaled 75 percent (December 31, 2021: 70). The market value of these projects, excluding property divested according to segment reporting, was SEK 8.3 billion.

At the end of the quarter, unrealized gains, excluding properties divested according to segment reporting totaled SEK 10.1 billion. These gains related to SEK 6.1 billion in ongoing projects, SEK 2.5 billion in completed projects and SEK 1.5 billion in undeveloped land and development properties.

Accumulated eliminations of Intra-Group project gains amounted to SEK -506 M. These eliminations are released at the Group level as each project is divested. During first quarter of 2022 new leases were signed for 13,000 sq m (32,000).

Investment Properties

Revenue and earnings

SEK M	Jan-Mar 2022	Jan-Mar 2021 ¹	Rolling 12 months	Jan-Dec 2021 ¹
Revenue	0		0	
Operating net	0		0	
Selling and administrative expenses	-1		-1	
Change in property value	26		26	
Income from joint ventures and associated companies	0		0	
Operating income	25		25	
Investments	-748		-748	
Divestments	0		0	
Net divestments(+)/investments(-)	-748		-748	
Capital employed	749		749	
Property value	766		766	
Return on capital employed, % ²	27.1			
Net leasing	0			
Economic occupancy rate, %	100			
Surplus ratio, %	n.a. ³			

¹ Investment Properties is a new business stream from 2022.

² Rolling 12 months. For definition see page 17.

³ Limited holding period.

Investment Properties acquired its first property for SEK 748 M at the end of the first quarter. Operating income amounted to SEK 25 M (n.a.) and mainly relates to change in property value as a direct consequence of the transaction being conducted through a company purchase on market terms including adjusting items such as deferred tax.

The property called Epic is a fully-let multitenant office building. It holds the highest sustainability certification, LEED Platinum and is also certified according to WELL, which means the building is designed to promote and enhance the health and well-being of its tenants. The property is located in a cluster in Malmö, Sweden, where we have developed several properties in the past and have a pipeline of ongoing and future developments.



Epic, Malmö, Sweden

Personnel

During the period, the average number of employees in the Group was 28,056 (31,196). At the end of the quarter, the number of employees totaled 28,221 people (December 31, 2021: 28,699).

Transactions with related parties

There were no new significant transactions during the quarter.

Material risks and uncertainties

For information about risks and a description of key estimates and judgments, see the Annual and Sustainability Report 2021, pages 59-65, Note 2 and 6, as well as the section on market outlook included in this report.

The war in Ukraine and the related sanctions has brought new uncertainties to the global economy. For our operations the risks are primarily related to supply chain disruptions such as material shortages and inflation, and potentially postponed projects.

Other matters

Annual General Meeting

The Annual General Meeting of Skanska AB (publ) was held on March 29, 2022. Due to the risk of the spread of Covid-19 the Meeting was carried out solely through advance voting (so-called postal voting) pursuant to temporary legislation. In accordance with the Board of Directors' proposal, the Meeting resolved to pay a dividend to the shareholders of SEK 10.00 per share, of which SEK 7.00 per share as ordinary dividend and SEK 3.00 per share as extra dividend. The record date for receiving dividend was set to Thursday March 31, 2022 and the dividend was distributed by Euroclear Sweden AB on Tuesday April 5, 2022.

The Meeting elected members of the Board of Directors in accordance with the proposal of the Nomination Committee. Hans Biörck, Pär Boman, Jan Gurander, Fredrik Lundberg, Catherine Marcus and Åsa Söderström Winberg were re-elected as members of the Board of Directors. Mats Hederos and Ann E. Massey were elected as new members of the Board of Directors. Hans Biörck was re-elected as Chairman of the Board of Directors. It was noted that the trade unions have appointed Ola Fält, Richard Hörstedt and Yvonne Stenman as employee representatives in the Board of Directors with Hans Reinholdsson, Goran Pajnic and Anders Rättgård as deputies.

Repurchase of shares

At the statutory Board meeting on March 29, 2022, the Board resolved to exercise the authorizations given by the Annual General Meeting on March 29, 2022 to acquire own Series B shares in Skanska on the following terms and conditions to secure delivery of Series B shares to participants in the Skanska employee ownership programs resolved by the Annual General Meeting on March 28, 2019 (Seop 5) and by the Annual General Meeting on March 29, 2022 (Seop 6). Acquisitions may be made on one or several occasions, however at the latest until the Annual General Meeting 2023, of no more than 2,600,000 Series B shares in Skanska in regard to Seop 5 and no more than 1,000,000 Series B shares in Skanska in regard to Seop 6 on Nasdaq Stockholm at a price within the from time to time applicable range of prices (spread) on Nasdaq Stockholm, meaning the interval between the highest purchase price and the lowest selling price. Acquired own Series B shares in Skanska may be transferred to participants in Seop 5 and Seop 6 in accordance with the conditions stipulated in the decisions by the Annual General Meeting on March 28, 2019 and Annual General Meeting on March 29, 2022 respectively. On March 29, 2022 Skanska held 7,521,767 Series B shares in its own custody.

Events after the end of the report period

There were no events after the end of the reporting period.

Financial reports for 2022

Skanska's interim reports and year-end report are available for download on Skanska's website, www.skanska.com/investors.

The Group's interim reports for 2022 will be published on the following dates:

July 21, 2022	Six Month Report
October 26, 2022	Nine Month Report
Feb 3, 2023	Year-end Report

Stockholm, May 4, 2022

Anders Danielsson

President and Chief Executive Officer

This interim report has not been subject to a review by the company's auditors.

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. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. For the Parent Company, the interim report has been prepared in compliance with the Annual Accounts Act, the Securities Market Act, and Swedish Financial Reporting Board's Recommendation RFR 2.

Skanska has expanded the operating segment with a new business stream, Investment Properties, starting from the 2022 financial year. The new business stream owns and manages properties. Related accounting principles are presented in the Annual and Sustainability Report 2021, Note 1 within IAS 40 Investment Properties and IFRS 16 Leases.

Relation between consolidated operating cash flow statement and consolidated cash flow statement

The difference between the operating cash flow statement and the summary cash flow statement in compliance with IAS 7 Cash flow Statements, is presented in the Annual and Sustainability Report 2021, Note 35.

Segment and IFRS reporting

Skanska's business streams Construction, Residential Development, Commercial Property Development and Investment Properties represent the group's operating segments. Tables in this report that refer to segment reporting are shown with a shaded background. In certain cases, the segment reporting differs from the consolidated results presented in accordance with International Financial Reporting Standards, IFRS.

Construction includes both building construction and civil construction. Revenues and earnings are reported over time for both segment and IFRS reporting.

Residential Development develops residential projects for immediate sale. Homes are adapted to selected customer categories. The units are responsible for planning and selling the projects. The related construction assignments are performed by Skanska's construction units in the Construction segment in each market. In the segment reporting Residential Development recognizes revenue and earnings when contracts are signed for the sale of homes. In the IFRS reporting revenues are instead recognized when the buyer takes possession of the homes.

Commercial Property Development initiates, develops, leases and divests commercial property projects. In most markets the construction assignments are performed by Skanska's Construction segment. In the segment reporting Commercial Property Development recognizes revenue and earnings when contracts are signed for the sale of the properties. In the IFRS reporting revenues are instead recognized when the buyer takes possession of the property.

Investment Properties owns properties for the purpose of earning rentals and for capital appreciation. Rental revenues are recognized on a straight-line basis over the lease term. Change in value on investment properties is recognized each quarter both according to Segment reporting and IFRS.

Joint ventures are reported under the proportional method in the segment reporting of Residential Development, whereas all other streams/operating segments apply the equity method.

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

The Parent Company in a Swedish Group prepares its accounts in compliance with the Swedish Financial Reporting Board's Recommendation RFR 2 Accounting for Legal Entities ("RFR 2"). According to RFR 2, the annual accounts of the legal entity must apply IFRS as far as this is possible within the framework of the Annual Accounts Act and considering the connection between accounting and taxation.

Definitions

The following measures are used as they are viewed as the best and most accurate ways to measure Skanska's operations; reflecting its business model and strategy. Thus assisting investors and management in analyzing trends and performance in Skanska.

For further definitions, see the Annual and Sustainability Report 2021, Note 43.

Non-IFRS financial measures

Definition	Reason for use															
Revenue Segment	Revenue segment is the same as revenue IFRS in all streams except for the Residential Development stream and the Commercial Property Development stream, where revenue is recognised for when signing binding agreement for sale of homes and properties. As segment reporting of joint ventures in Residential Development applies the proportional method, revenue segment is affected by this.	Measure revenue generated in current market environment.														
Gross income	Revenue minus cost of sales.	Measure profit generated from projects.														
Gross margin	Gross income as a percentage of revenue.	Measure profitability in projects.														
Operating net	Rental revenue minus operating costs for investment properties (that is, operating expenses, costs for repair and maintenance, property administration and property tax).	Measures earnings from property management.														
Selling and admin expenses, %	Selling and administrative expenses as a percentage of revenue.	Measure cost efficiency in selling and administrative expenses.														
Operating income	Revenue minus cost of sales, selling and administrative expenses and income from joint ventures and associated companies.	Measure profit generated from operations.														
Operating income segment	Revenue minus cost of sales, selling and administrative expenses and income from joint ventures and associated companies, according to segment reporting, and where Residential Development applies the proportional method for reporting of joint ventures.	Measure profit generated from operations in current market environment.														
Operating income rolling 12 months	Revenue minus cost of sales, selling and administrative expenses and income from joint ventures and associated companies, rolling 12 months.	Measure profit generated from operations.														
Operating margin	Operating income as a percentage of revenue.	Measure profitability in operations.														
Net financial items	The net of interest income, financial net pension cost, interest expense, capitalized expense, change in fair value and other net financial items.	Measure total net for financial activities.														
Income after financial items	Operating income minus net financial items.	Measure profit generated before taxes.														
Earnings per share, segment	Profit for the period, segment, attributable to equity holders divided by the average number of shares outstanding.	Measure earnings per share, segment.														
Book-to-build, R-12m, %	Order bookings divided by construction revenue, rolling 12 months.	Measures to which extent new orders are replacing work put in place.														
Unrealized gains, Commercial Property Development (CD)	Market value minus investment value upon completion for ongoing projects, completed projects and land. Excluding projects sold according to segment reporting.	Measure potential realization of future gains in Commercial Property Development.														
Capital employed, Group	Total assets minus non-interest-bearing liabilities.	Measure capital usage and efficiency.														
Capital employed, Stream	Total assets less tax assets, deposits in Skanska's treasury unit and pension receivable minus non-interest-bearing liabilities excluding tax liabilities. Capitalized interest expense is removed from total assets for the Residential Development and Commercial Property Development segments.	Measure capital usage and efficiency in a Stream.														
Capital employed Residential Development (RD) SEK M	<table border="0"> <tr><td>Total assets</td><td>24,299</td></tr> <tr><td>- tax assets</td><td>-372</td></tr> <tr><td>- deposits in internal bank</td><td>-7</td></tr> <tr><td>- pension receivable</td><td>-47</td></tr> <tr><td>- non-interest-bearing liabilities (excluding tax liabilities)</td><td>-7,202</td></tr> <tr><td>- capitalized interest expense</td><td>-100</td></tr> <tr><td></td><td><u>16,570</u></td></tr> </table>	Total assets	24,299	- tax assets	-372	- deposits in internal bank	-7	- pension receivable	-47	- non-interest-bearing liabilities (excluding tax liabilities)	-7,202	- capitalized interest expense	-100		<u>16,570</u>	Measure capital usage and efficiency in Residential Development.
Total assets	24,299															
- tax assets	-372															
- deposits in internal bank	-7															
- pension receivable	-47															
- non-interest-bearing liabilities (excluding tax liabilities)	-7,202															
- capitalized interest expense	-100															
	<u>16,570</u>															
Capital employed Commercial Property Development (CD) SEK M	<table border="0"> <tr><td>Total assets</td><td>37,400</td></tr> <tr><td>- tax assets</td><td>-534</td></tr> <tr><td>- deposits in internal bank</td><td>-559</td></tr> <tr><td>- pension receivable</td><td>0</td></tr> <tr><td>- non-interest-bearing liabilities (excluding tax liabilities)</td><td>-2,945</td></tr> <tr><td>- capitalized interest expense</td><td>-283</td></tr> <tr><td></td><td><u>33,080</u></td></tr> </table>	Total assets	37,400	- tax assets	-534	- deposits in internal bank	-559	- pension receivable	0	- non-interest-bearing liabilities (excluding tax liabilities)	-2,945	- capitalized interest expense	-283		<u>33,080</u>	Measure capital usage and efficiency in Commercial Property Development.
Total assets	37,400															
- tax assets	-534															
- deposits in internal bank	-559															
- pension receivable	0															
- non-interest-bearing liabilities (excluding tax liabilities)	-2,945															
- capitalized interest expense	-283															
	<u>33,080</u>															
Capital employed Investment Properties (IP) SEK M	<table border="0"> <tr><td>Total assets</td><td>782</td></tr> <tr><td>- tax assets</td><td>-4</td></tr> <tr><td>- deposits in internal bank</td><td>0</td></tr> <tr><td>- pension receivable</td><td>0</td></tr> <tr><td>- non-interest-bearing liabilities (excluding tax liabilities)</td><td>-30</td></tr> <tr><td>- capitalized interest expense</td><td>0</td></tr> <tr><td></td><td><u>749</u></td></tr> </table>	Total assets	782	- tax assets	-4	- deposits in internal bank	0	- pension receivable	0	- non-interest-bearing liabilities (excluding tax liabilities)	-30	- capitalized interest expense	0		<u>749</u>	Measure capital usage and efficiency in Investment Properties.
Total assets	782															
- tax assets	-4															
- deposits in internal bank	0															
- pension receivable	0															
- non-interest-bearing liabilities (excluding tax liabilities)	-30															
- capitalized interest expense	0															
	<u>749</u>															

Non-IFRS financial measures

Non-IFRS financial measures	Definition	Reason for use																																																																																				
Capital employed average	Calculated on the basis of five measuring points; see below.																																																																																					
ROCE in RD segment, rolling 12 months SEK M	<table border="0"> <tr> <td>Operating income</td> <td></td> <td></td> <td></td> <td>1,827</td> <td></td> </tr> <tr> <td>+ capitalized interest expense</td> <td></td> <td></td> <td></td> <td>89</td> <td></td> </tr> <tr> <td>+/- financial income and other financial items</td> <td></td> <td></td> <td></td> <td>1</td> <td></td> </tr> <tr> <td>- interest income from internal bank</td> <td></td> <td></td> <td></td> <td>0</td> <td></td> </tr> <tr> <td>Adjusted profit</td> <td></td> <td></td> <td></td> <td>1,916</td> <td></td> </tr> <tr> <td>Capital employed average*</td> <td></td> <td></td> <td></td> <td>14,927</td> <td></td> </tr> <tr> <td>ROCE RD</td> <td></td> <td></td> <td></td> <td>12.8%</td> <td></td> </tr> <tr> <td colspan="6">* Capital employed average</td> </tr> <tr> <td>Q1 2022</td> <td>16,570</td> <td>x 0.5</td> <td>8,285</td> <td></td> <td></td> </tr> <tr> <td>Q4 2021</td> <td>14,385</td> <td></td> <td>14,385</td> <td></td> <td></td> </tr> <tr> <td>Q3 2021</td> <td>14,503</td> <td></td> <td>14,503</td> <td></td> <td></td> </tr> <tr> <td>Q2 2021</td> <td>14,862</td> <td></td> <td>14,862</td> <td></td> <td></td> </tr> <tr> <td>Q1 2021</td> <td>15,350</td> <td>x 0.5</td> <td>7,675</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>59,710</td> <td>/ 4</td> <td>14,927</td> </tr> </table>	Operating income				1,827		+ capitalized interest expense				89		+/- financial income and other financial items				1		- interest income from internal bank				0		Adjusted profit				1,916		Capital employed average*				14,927		ROCE RD				12.8%		* Capital employed average						Q1 2022	16,570	x 0.5	8,285			Q4 2021	14,385		14,385			Q3 2021	14,503		14,503			Q2 2021	14,862		14,862			Q1 2021	15,350	x 0.5	7,675						59,710	/ 4	14,927	Measure the performance (profitability and capital efficiency) in RD.
Operating income				1,827																																																																																		
+ capitalized interest expense				89																																																																																		
+/- financial income and other financial items				1																																																																																		
- interest income from internal bank				0																																																																																		
Adjusted profit				1,916																																																																																		
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Q2 2021	14,862		14,862																																																																																			
Q1 2021	15,350	x 0.5	7,675																																																																																			
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ROCE in CD segment, rolling 12 months SEK M	<table border="0"> <tr> <td>Operating income</td> <td></td> <td></td> <td></td> <td>2,982</td> <td></td> </tr> <tr> <td>+ capitalized interest expense</td> <td></td> <td></td> <td></td> <td>102</td> <td></td> </tr> <tr> <td>+/- financial income and other financial items</td> <td></td> <td></td> <td></td> <td>13</td> <td></td> </tr> <tr> <td>- interest income from internal bank</td> <td></td> <td></td> <td></td> <td>0</td> <td></td> </tr> <tr> <td>Adjusted profit</td> <td></td> <td></td> <td></td> <td>3,098</td> <td></td> </tr> <tr> <td>Capital employed average*</td> <td></td> <td></td> <td></td> <td>31,613</td> <td></td> </tr> <tr> <td>ROCE CD</td> <td></td> <td></td> <td></td> <td>9.8%</td> <td></td> </tr> <tr> <td colspan="6">* Capital employed average</td> </tr> <tr> <td>Q1 2022</td> <td>33,080</td> <td>x 0.5</td> <td>16,540</td> <td></td> <td></td> </tr> <tr> <td>Q4 2021</td> <td>32,721</td> <td></td> <td>32,721</td> <td></td> <td></td> </tr> <tr> <td>Q3 2021</td> <td>31,585</td> <td></td> <td>31,585</td> <td></td> <td></td> </tr> <tr> <td>Q2 2021</td> <td>30,056</td> <td></td> <td>30,056</td> <td></td> <td></td> </tr> <tr> <td>Q1 2021</td> <td>31,100</td> <td>x 0.5</td> <td>15,550</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td>126,453</td> <td>/ 4</td> <td>31,613</td> </tr> </table>	Operating income				2,982		+ capitalized interest expense				102		+/- financial income and other financial items				13		- interest income from internal bank				0		Adjusted profit				3,098		Capital employed average*				31,613		ROCE CD				9.8%		* Capital employed average						Q1 2022	33,080	x 0.5	16,540			Q4 2021	32,721		32,721			Q3 2021	31,585		31,585			Q2 2021	30,056		30,056			Q1 2021	31,100	x 0.5	15,550						126,453	/ 4	31,613	Measure the performance (profitability and capital efficiency) in CD.
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ROCE in Project Development, segment, rolling 12 months SEK M	<p>Is calculated as the summarized adjusted profit for RD and CD divided by the summarized capital employed average for RD and CD.</p> <table border="0"> <thead> <tr> <th></th> <th>Adjusted profit</th> <th>CE avg</th> <th>ROCE</th> </tr> </thead> <tbody> <tr> <td>RD</td> <td>1,916</td> <td>14,927</td> <td>12.8%</td> </tr> <tr> <td>CD</td> <td>3,098</td> <td>31,613</td> <td>9.8%</td> </tr> <tr> <td></td> <td>5,014</td> <td>46,540</td> <td>10.8%</td> </tr> </tbody> </table>		Adjusted profit	CE avg	ROCE	RD	1,916	14,927	12.8%	CD	3,098	31,613	9.8%		5,014	46,540	10.8%	Measure the performance (profitability and capital efficiency) in Project Development.																																																																				
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Non-IFRS financial measures	Definition	Reason for use
Return on equity segment, rolling 12 months SEK M	Profit attributable to equity holders as a percentage of average equity attributable to equity holders. $7,765 / 42,515 =$	18.3% Measure profitability on invested equity.
Equity average attributable to equity holders SEK M	Calculated on the basis of five measuring points. Q1 2022 44,049 x 0.5 22,024 Q4 2021 45,682 45,682 Q3 2021 42,116 42,116 Q2 2021 41,031 41,031 Q1 2021 38,416 x 0.5 19,208 <u>170,061 / 4</u> 42,515	
Operating cash flow from operations	Cash flow from business operations including taxes paid and cash flow from financing operations.	Measure total cash flow generated from operations.
Net divestments/investment	Total investments minus total divestments.	Measure the balance between investments and divestments.
Free working capital	Non-interest-bearing receivables less non-interest-bearing liabilities excluding taxes.	Measure the funding stemming from the negative working capital.
Average free working capital in Construction SEK M	Calculated on the basis of five measuring points. Q1 2022 -28,821 x 0.5 -14,411 Q4 2021 -29,086 -29,086 Q3 2021 -26,337 -26,337 Q2 2021 -26,215 -26,215 Q1 2021 -25,388 x 0.5 -12,694 <u>-108,743 / 4</u> -27,186	Measure the funding stemming from the negative working capital generated in Construction.
Interest-bearing net receivables/net debt	Interest-bearing assets minus interest-bearing liabilities.	Measure financial position.
Adjusted interest-bearing net receivables/net debt	Interest-bearing net receivables/net debt excluding restricted cash, lease liabilities and interest-bearing net pension liabilities.	Measure financial position and investment capacity. The latter is derived by comparing adjusted interest-bearing net receivables/net debt to limits set by the Board of Directors.
Equity/assets ratio	Equity including non-controlling interest as a percentage of total assets.	Measure financial position.
Net debt/equity ratio	Interest-bearing net debt divided by equity including non-controlling interest.	Measure leverage of financial position.
Adjusted equity attributable to equity holders SEK bn	Equity attributable to equity holders 44.0 Unrealized surplus value in RD 3.9 Unrealized CD gains 11.9 Effect in unrealized equity in PPP-portfolio 0.6 Less standard corporate tax, 10% -1.6 Adjusted equity 58.8	Measure financial position adjusted for surplus values in Project Development net of taxes. The standard corporate tax represents an approximation of the average corporate income tax within the Group.
Net leasing	Annual rent including supplements of new lettings minus annual rent including supplements for agreements that has been served a notice of termination.	
Economic occupancy rate	Rental income including supplements less discounts for the period divided by total rental value for properties owned at the end of the period. Properties owned at the end of the period are restated as if they have been owned during the whole period, while disposed properties are excluded entirely.	Measures the efficiency of leasing activity.
Surplus ratio	Operating net for Investment Properties stream divided by rental revenue.	Measures the efficiency of property management.
Leasable area	Leasable area including garage.	
Rental value	Rental revenue including supplements for the period plus market rent for vacant premises.	Indicates total potential rental income for fully let properties.
Environmental certification	Share of Investment Properties' portfolio being certified according to minimum LEED Gold or similar.	Measures the sustainability quality of the property portfolio.

Reconciliation between segment reporting and IFRSs

SEK M	External revenue		Intra-Group revenue		Total revenue		Operating income	
	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021
Construction	30,320 ¹	27,180 ¹	3,066	2,174	33,387	29,354	756	722
Residential Development	4,266	4,509	10	0	4,276	4,509	517	669
Commercial Property Development	3,182	2,601	955	4	4,137	2,605	784	1,066
Investment Properties	0	0	0	0	0	0	25	0
Total operating segments	37,769	34,290	4,031	2,177	41,801	36,468	2,083	2,457
Central	43	100	73	3	115	103	-135	-104
Eliminations	0	0	-4,104	-2,180	-4,104	-2,180	-95	-27
Total Group	37,812	34,390	0	0	37,811	34,390	1,852	2,327
Reconciliation to IFRSs 2	-2,780	-1,746	0	0	-2,780	-1,746	-660	-883
Total IFRSs	35,032	32,644	0	0	35,032	32,644	1,193	1,444
1 Of which external revenue from joint ventures in PPP-portfolio	465	717						
2 Of which effect from joint ventures in Residential Development proportionally	-25	-159					-2	-78
Of which effect of different revenue recognition principles	-2,755	-1,587					-658	-804

Revenue by geographical area (IFRS)

SEK M	Construction		Residential Development		Commercial Property Development		Investment Properties		Central and Eliminations		Total	
	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2022	Jan-Mar 2021
Nordics	13,587	12,459	1,871	1,730	1,782	1,622	0	0	-2,533	-1,517	14,708	14,294
of which Sweden	7,339	7,281	1,283	596	1,758	649	0	0	-2,141	-1,052	8,240	7,474
Europe	5,243	4,944	321	444	255	1,489	0	0	-839	-427	4,979	6,450
USA	14,557	11,951	0	0	1,404	81	0	0	-617	-134	15,344	11,899
Total operating segments	33,387	29,354	2,193	2,174	3,441	3,193	0	0	-3,989	-2,078	35,032	32,644

SEK M	Segment	IFRS	Segment	IFRS
	Jan-Mar 2022	Jan-Mar 2022	Jan-Mar 2021	Jan-Mar 2021
Revenue				
Construction	33,387	33,387	29,354	29,354
Residential Development	4,276	2,193	4,509	2,174
Commercial Property Development	4,137	3,441	2,605	3,193
Investment Properties	0	0	0	0
Central and Eliminations	-3,989	-3,989	-2,078	-2,078
Skanska Group	37,811	35,032	34,390	32,644
Operating income				
Construction	756	756	722	722
Residential Development	517	166	669	302
Commercial Property Development ¹	784	519	1,066	545
Investment Properties	25	25	0	0
Central	-135	-135	-104	-104
of which PPP-portfolio	33	33	37	37
Eliminations ¹	-95	-139	-27	-21
Operating income	1,852	1,193	2,327	1,444
Net financial items	8	8	-48	-47
Income after financial items	1,860	1,200	2,278	1,397
Taxes	-365	-235	-386	-237
Profit for the period	1,495	965	1,892	1,160
Earnings for the period per share, SEK ²	3.62		4.59	
Earnings for the period per share according to IFRSs, SEK ²		2.34		2.82
1 Of which gains from divestments of commercial properties reported in:				
Commercial Property Development	989	724	1,223	702
Eliminations	63	42	34	39

2 Earnings for the period attributable to equity holders divided by the average number of shares outstanding.

The Skanska Group

Summary income statement (IFRS)

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	35,032	32,644	146,253	143,865
Cost of sales	-32,216	-29,425	-130,946	-128,156
Gross income	2,816	3,219	15,307	15,709
Selling and administrative expenses	-2,031	-1,890	-8,005	-7,865
Change in value, investment properties	357	0	357	0
Income from joint ventures and associated companies	51	116	384	449
Operating income	1,193	1,444	8,042	8,293
Financial income	71	30	146	105
Financial expenses	-63	-77	-260	-273
Net financial items¹	8	-47	-113	-168
Income after financial items	1,200	1,397	7,928	8,125
Taxes	-235	-237	-1,237	-1,238
Profit for the period	965	1,160	6,692	6,887
1 Of which				
Interest income	34	17	86	68
Financial net pension costs	-13	-15	-69	-70
Interest expenses	-49	-48	-179	-178
Interest expenses from lease liabilities	-53	-51	-211	-209
Capitalized interest expenses	73	50	257	234
Net interest items	-8	-47	-116	-155
Change in fair value	2	1	-1	-2
Other net financial items	14	-1	4	-12
Net financial items	8	-47	-113	-168
Profit attributable to:				
Equity holders	963	1,161	6,666	6,864
Non-controlling interests	2	-1	26	23
Earnings per share, SEK ²	2.34	2.82	16.16	16.64
Earnings per share after dilution, SEK ³	2.32	2.80	16.07	16.52

² Earnings for the period attributable to equity holders divided by the average number of shares outstanding.

³ Earnings for the period attributable to equity holders divided by the average number of shares outstanding after dilution.

Statement of profit or loss and other comprehensive income (IFRS)

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Profit for the period	965	1,160	6,692	6,887
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Remeasurements of defined benefit plans	928	1,629	1,885	2,585
Tax related to items that will not be reclassified to profit and loss	-214	-344	-445	-575
	715	1,285	1,440	2,010
Items that have been or will be reclassified to profit and loss				
Translation differences attributable to equity holders	641	1,210	1,238	1,808
Translation differences attributable to non-controlling interests	4	2	9	7
Hedging of exchange rate risk in foreign operations	17	24	33	40
Effects of cash flow hedges ¹	17	-49	68	2
Share of other comprehensive income of joint ventures and associated companies ²	89	37	165	113
Tax related to items that have been or will be reclassified to profit and loss	-1	10	-14	-3
	767	1,234	1,499	1,966
Other comprehensive income after tax	1,481	2,519	2,939	3,977
Total comprehensive income	2,446	3,679	9,631	10,863
Total comprehensive income attributable to				
Equity holders	2,441	3,678	9,596	10,834
Non-controlling interests	6	1	35	30
1 Of which transferred to income statement	-1	0	-2	-1
2 Of which transferred to income statement	24	50	126	153

Summary statement of financial position (IFRS)

SEKM	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
ASSETS			
Non-current assets			
Investment properties	766	0	0
Property, plant and equipment	7,333	6,963	7,279
Property, plant and equipment right-of-use assets	3,311	3,917	3,314
Goodwill	4,021	3,922	3,934
Intangible assets	637	775	676
Investments in joint ventures and associated companies	2,695	1,809	2,185
Financial non-current assets ^{1,3}	3,902	2,959	3,875
Deferred tax assets	1,650	1,712	1,984
Total non-current assets	24,315	22,057	23,247
Current assets			
Current-asset properties ²	51,090	46,376	49,745
Current-asset properties right-of-use land	3,331	3,230	3,289
Inventories	1,167	1,104	1,090
Financial current assets ³	16,025	11,607	18,810
Tax assets	1,637	932	1,247
Contract assets	6,169	5,765	5,451
Trade and other receivables	24,401	21,779	25,212
Cash	12,323	16,453	10,947
Total current assets	116,143	107,245	115,791
TOTAL ASSETS	140,458	129,302	139,039
of which interest-bearing financial non-current assets	3,863	2,915	3,838
of which interest-bearing current assets	28,180	27,952	29,694
Total interest-bearing assets	32,043	30,867	33,531
EQUITY			
Equity attributable to equity holders	44,049	38,416	45,682
Non-controlling interests	120	98	114
Total equity	44,169	38,514	45,797
LIABILITIES			
Non-current liabilities			
Financial non-current liabilities ³	3,452	3,327	3,389
Lease liabilities	6,134	6,462	6,040
Pensions	5,660	6,547	5,936
Deferred tax liabilities	1,544	1,227	1,215
Total non-current liabilities	16,789	17,563	16,580
Current liabilities			
Financial current liabilities ³	4,910	4,790	4,780
Lease liabilities	843	1,010	920
Tax liabilities	154	1,757	417
Current provisions	10,835	10,534	11,239
Contract liabilities	21,647	19,568	22,664
Trade and other payables	41,111	35,566	36,642
Total current liabilities	79,501	73,225	76,662
TOTAL EQUITY AND LIABILITIES	140,458	129,302	139,039
of which interest-bearing financial liabilities	15,295	15,526	14,997
of which interest-bearing pensions and provisions	5,660	6,547	5,936
Total interest-bearing liabilities	20,955	22,074	20,933
1 Of which shares and participations	38	43	37
2 Current-asset properties			
Commercial Property Development	30,002	28,130	29,691
Residential Development	21,088	18,247	20,054
3 Items regarding non-interest-bearing unrealized changes in derivatives/financial instruments are included in the following amounts:			
Financial non-current assets	1	1	0
Financial current assets	169	108	63
Financial non-current liabilities	0	5	0
Financial current liabilities	44	58	131

Contingent liabilities, excluding partners' share in joint operations, as at March 31, 2022 amounted to SEK 1.1 bn (Dec 31, 2021: 1.3). Skanska's obligations for partners' share of future performance in joint operations amounted to SEK45.9 bn (Dec 31, 2021: 55.9). In the event that Skanska takes over part of the performance, Skanska's order backlog will increase accordingly. For more information see 2021 Annual and Sustainability Report, Note 20B, 20C and 33.

Summary statement of changes in equity (IFRS)

SEKM	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Opening balance	45,797	38,717	38,717
of which non-controlling interests	114	97	97
Dividend to shareholders	-4,124	-3,917	-3,917
Dividend to non-controlling interests	0	0	-13
Effects of equity-settled share-based payments	109	80	388
Repurchase of shares	-59	-45	-242
Total comprehensive income attributable to			
Equity holders	2,441	3,678	10,834
Non-controlling interests	6	1	30
Closing balance	44,169	38,514	45,797
of which non-controlling interests	120	98	114

Summary consolidated cash flow statement (IAS 7) (IFRS)

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Cash flow from operating activities before change in working capital, according to IAS 7	205	313	1,376	1,483
Cash flow from change in working capital, according to IAS 7	-2,187	3,479	288	5,953
Net investments in property, plant and equipment and intangible assets	-776	-256	-2,856	-2,336
Tax payments on sold property, plant and equipment and intangible assets	-7	-5	-32	-30
Cash flow from business operations including taxes paid according to operating cash flow	-2,764	3,531	-1,224	5,070
Less net investments in property, plant and equipment and intangible assets	776	256	2,856	2,336
Less tax payments on sold property, plant and equipment and intangible assets	7	5	32	30
Cash flow from operating activities, according to IAS 7	-1,982	3,791	1,663	7,436
Cash flow from net strategic divestments(+)/ investments(-) according to operating cash flow	10	0	741	732
Net investments in property, plant and equipment and intangible assets	-776	-256	-2,856	-2,336
Increase and decrease in interest-bearing receivables	7,416	-6,811	4,493	-9,734
Taxes paid on sold property, plant and equipment and intangible assets	-7	-5	-32	-30
Cash flow from investing activities, according to IAS 7	6,643	-7,072	2,347	-11,368
Cash flow from financing operations according to operating cash-flow statement	-39	-266	-658	-885
Change in interest-bearing receivables and liabilities excluding lease liabilities	4,174	-6,510	954	-9,729
Increase and decrease in interest-bearing receivables	-7,416	6,811	-4,493	9,734
Dividend etc. ¹	-59 ²	-45	-4,186	-4,172
Cash flow from financing activities, according to IAS 7	-3,340	-10	-8,383	-5,053
Cash flow for the period	1,321	-3,290	-4,373	-8,984

¹ Of which repurchases of shares SEK 59 M.

² The dividend of SEK 10.00 per share as decided at the AGM will impact cash flow in second quarter 2022.

Operating cash flow (IFRS), supplementary information

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Construction				
Cash flow from business operations	1,362	1,324	6,821	6,783
Change in working capital	-704	-1,236	2,320	1,787
Net divestments(+)/investments(-)	-222	-247	-1,523	-1,548
Total Construction	436	-160	7,618	7,022
Residential Development				
Cash flow from business operations	-226	-194	-631	-599
Change in working capital	-1,093	-409	1,355	2,039
Net divestments(+)/investments(-)	-495	-560	-657	-722
Total Residential Development	-1,814	-1,163	67	718
Commercial Property Development				
Cash flow from business operations	-434	-269	-628	-462
Change in working capital	-137	-59	-41	37
Net divestments(+)/investments(-)	948	1,298	2,267	2,617
Cash flow adjustment	164	342	-201	-23
Total Commercial Property Development	541	1,313	1,397	2,168
Investment Properties				
Cash flow from business operations	-1	0	-1	0
Change in working capital	25	0	25	0
Net divestments(+)/investments(-)	-748	0	-748	0
Total Investment Properties	-723	0	-723	0
Central and Eliminations				
Cash flow from business operations	-41	-16	-432	-407
Change in working capital	-234	4,103 ³	-4,215	122
Net divestments(+)/investments(-)	-466	-9	-1,150	-693
of which PPP-portfolio	-453	9	-1,085	-623
Total Central and Eliminations	-741	4,078	-5,797	-978
Total cash flow from business operations	661	845	5,129	5,314
Total change in working capital	-2,143	2,399	-557	3,986
Total net divestments(+)/investments(-)	-983	481	-1,810	-345
Total cash flow adjustment	164	342	-201	-23
Cash flow from business operations before taxes paid	-2,301	4,068	2,561	8,931
Taxes paid in business operations	-462	-538	-3,785	-3,861
Cash flow from business operations including taxes paid	-2,764	3,531	-1,224	5,070
Net interest items, other net financial items and amortization of lease liabilities	-50	-380	-820	-1,150
Taxes paid in financing operations	11	114	161	264
Cash flow from financing operations	-39	-266	-658	-885
Operating cash flow from operations	-2,803	3,264	-1,882	4,185
Net strategic divestments(+)/investments(-)	10	0	741	732
Dividend etc. ¹	-59 ²	-45	-4,186	-4,172
Cash flow before change in interest-bearing receivables and liabilities	-2,853	3,219	-5,327	745
Change in interest-bearing receivables and liabilities excluding lease liabilities	4,174	-6,510 ⁴	954	-9,729
Cash flow for the period	1,321	-3,290	-4,373	-8,984
Cash and cash equivalents at the beginning of the period	10,947	19,508	16,453	19,508
Exchange rate differences in cash and cash equivalents	56	235	244	423
Cash and cash equivalents at the end of the period	12,323	16,453	12,323	10,947

1 Of which repurchases of shares SEK 59 M.

2 The dividend of SEK 10.00 per share as decided at the AGM will impact cash flow in second quarter 2022.

3 Include SEK 3.9 bn related to the approval of dividend proposal at the AGM during the first quarter 2021 and distributed during the second quarter 2021.

4 Include SEK -3.9 bn related to the approval of dividend proposal at the AGM during the first quarter 2021 and distributed during the second quarter 2021.

Group net divestments(+)/investments(-) (IFRS)

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
OPERATIONS - INVESTMENTS				
Intangible assets	-5	-36	-73	-103
Property, plant and equipment	-393	-293	-1,934	-1,834
Shares and participations	-466	0	-1,197	-731
Current-asset properties	-4,739	-4,408	-18,609	-18,277
of which Residential Development	-2,410	-2,704	-10,720	-11,013
of which Commercial Property Development	-2,330	-1,704	-7,889	-7,264
Investments in operations	-5,603	-4,736	-21,812	-20,945
Total Investments	-5,603	-4,736	-21,812	-20,945
OPERATIONS - DIVESTMENTS				
Intangible assets	0	0	5	5
Property, plant and equipment	78	64	322	307
Shares and participations	10	9	21	20
Current-asset properties	4,532	5,145	19,655	20,268
of which Residential Development	2,122	2,144	10,745	10,766
of which Commercial Property Development	2,410	3,001	8,910	9,502
Divestments in operation	4,620	5,217	20,002	20,600
STRATEGIC DIVESTMENTS				
Businesses	10	0	741	732
Strategic divestments	10	0	741	732
Total divestments	4,630	5,217	20,744	21,331
TOTAL NET DIVESTMENTS(+)/INVESTMENTS(-)	-973	481	-1,069	386
Depreciation, non-current assets	-682	-672	-2,678	-2,669

Capital employed in Project Development and Investment Properties (IFRS)

SEK M	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Residential Development	16,570	15,350	14,385
Commercial Property Development	33,080	31,100	32,721
Investment Properties	749	0	0
Total in Project Development and Investment Properties	50,398	46,450	47,106

Parent company¹

The Parent company's revenue consists mainly of amounts billed to Group companies. The balance sheet consists mainly of shares in Group companies, Intra-Group receivables and equity. The Parent company does not report any significant events during the period.

Summary income statement (IFRS)

SEK M	Jan-Mar 2022	Jan-Mar 2021
Revenue	134	114
Selling and administrative expenses	-152	-132
Operating income	-18	-18
Net financial items	1	-8
Income after financial items	-17	-26
Taxes	3	5
Profit for the period	-14	-21
Total comprehensive income	-14	-21

Summary balance sheet (IFRS)

SEK M	Jan-Mar 2022	Jan-Mar 2021	Dec 31, 2021
ASSETS			
Intangible non-current assets	3	7	3
Property, plant and equipment	0	0	0
Financial non-current assets ²	17,586	12,029	17,627
Total non-current assets	17,589	12,036	17,630
Current receivables	106	98	186
Total current assets	106	98	186
TOTAL ASSETS	17,695	12,134	17,816
EQUITY AND LIABILITIES			
Equity ³	13,138	6,674	17,326
Provisions	259	247	251
Non-current interest-bearing liabilities ²	64	1,180	134
Current liabilities	4,234	4,033	105
TOTAL EQUITY AND LIABILITIES	17,695	12,134	17,816

¹ As a Parent company in an IFRS-group, Skanska AB applies RFR2 in its accounting.

² Of which SEK 11,705 M (Dec 31, 2021: 11,783) were shares in Group companies, SEK 5,707 M (Dec 31, 2021: 5,669) Intra-Group receivables and SEK 64 M (Dec 31, 2021: 134) Intra-Group liabilities.

³ During the year SEK 0 M (Dec 31, 21: 10,400) in dividend has been received from Group companies.

The Parent Company's contingent liabilities totaled SEK 153.3 bn on March 31, 2022 (Dec 31, 2021: 172.8), of which SEK 118.0 bn (Dec 31, 2021: 127.3) were related to obligations on behalf of Group companies. Other obligations, SEK 35.3 bn (Dec 31, 2021: 45.5), were related to commitments to outside parties of which SEK 28.2 bn (Dec 31, 2021: 37.2) relates to partners' future performance in the Group's joint operations.

Share data

	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Earnings per share according to segment reporting, SEK ¹	3.62	4.59	19.80
Earnings per share, SEK ¹	2.34	2.82	16.64
Earnings per share after dilution, SEK ²	2.32	2.80	16.52
Equity per share, SEK ³	106.82	93.17	110.81
Adjusted equity per share, SEK ⁴	142.48	117.26	147.01
Average number of shares outstanding	412,357,362	412,380,001	412,387,142
Average number of shares outstanding after dilution	414,743,279	415,016,700	415,491,861
Average dilution, %	0.58	0.64	0.75
Number of shares, at balance sheet date	419,903,072	419,903,072	419,903,072
Average price, repurchased shares, SEK	142.61	139.03	141.85
Number of Series B shares repurchased	28,656,728	27,558,228	28,396,728
of which repurchased during the year	260,000	210,000	1,048,500
Number of shares in Skanska's own custody	7,521,767	7,559,916	7,655,488
Number of shares outstanding	412,381,305	412,343,156	412,247,584

1 Earnings for the period attributable to equity holders divided by the average number of shares outstanding.

2 Earnings for the period attributable to equity holders divided by the average number of shares outstanding after dilution.

3 Equity attributable to equity holders divided by the number of shares outstanding.

4 Adjusted equity divided by the number of shares outstanding.

Five-year Group financial summary

SEK M	Rolling 12 months	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019	Jan-Dec 2018
Revenue	150,998	147,576	158,606	176,782	170,494
Operating income	9,358	9,832	11,860	7,828	4,827
Profit for the period	7,791	8,188	9,274	6,372	3,929
Earnings per share, SEK	18.83	19.80	22.46	15.46	9.55
Return on capital employed, %	14.9	15.9	20.2	15.1	11.2
Return on equity, %	18.3	20.0	26.0	21.4	14.1
Operating margin, %	6.2	6.7	7.5	4.4	2.8
Return on capital employed according to IFRSs, %	12.8	13.4	21.5	14.3	13.0
Cash flow per share according to IFRSs, SEK ¹	-12.92	1.81	31.57	3.28	9.51

1 Cash flow before change in interest-bearing receivables and liabilities divided by the average number of shares outstanding.

Exchange rates for the most important currencies

SEK	Average exchange rates		
	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
US dollar	9.34	8.40	8.58
British pound	12.53	11.57	11.80
Norwegian krone	1.06	0.99	1.00
Euro	10.48	10.12	10.15
Czech koruna	0.42	0.39	0.40
Polish zloty	2.27	2.23	2.22

Exchange rates on the closing day		
Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
9.32	8.71	9.06
12.23	12.00	12.19
1.07	1.02	1.03
10.34	10.23	10.24
0.42	0.39	0.41
2.22	2.19	2.23

Construction

Revenue and earnings

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	33,387	29,354	136,620	132,587
Gross income	2,269	2,126	10,830	10,687
Selling and administrative expenses	-1,516	-1,406	-5,819	-5,709
Income from joint ventures and associated companies	4	2	37	35
Operating income	756	722	5,047	5,013
Investments	-382	-311	-1,921	-1,850
Divestments	169	64	1,140	1,034
Net divestments(+)/investments(-)	-212	-247	-781	-816
Gross margin, %	6.8	7.2	7.9	8.1
Selling and administrative expenses, %	-4.5	-4.8	-4.3	-4.3
Operating margin %	2.3	2.5	3.7	3.8
Order bookings, SEK bn	30.0	34.9	148.6	153.6
Order backlog, SEK bn	207.6	193.4		207.0
Average number of employees	26,587	29,644		28,557

Revenue

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	13,579	12,371	57,127	55,918
of which Sweden	7,347	7,228	32,894	32,775
Europe	5,250	5,032	22,214	21,996
USA	14,557	11,951	57,279	54,673
Total	33,387	29,354	136,620	132,587

Operating income

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	375	363	2,263	2,250
of which Sweden	172	168	1,332	1,328
Europe	-18	48	1,034	1,100
USA	399	311	1,751	1,663
Total	756	722	5,047	5,013

Operating margin, %

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	2.8	2.9	4.0	4.0
of which Sweden	2.3	2.3	4.0	4.1
Europe	neg	1.0	4.7	5.0
USA	2.7	2.6	3.1	3.0
Total	2.3	2.5	3.7	3.8

Order backlog

SEKM	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Nordics	68,898	66,457	69,711
of which Sweden	34,854	34,797	33,756
Europe	40,298	46,814	39,630
USA	98,411	80,171	97,690
Total	207,607	193,443	207,031

Order bookings

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	11,909	13,835	58,513	60,439
of which Sweden	8,599	7,462	33,103	31,966
Europe	5,549	11,508	21,331	27,290
USA	12,509	9,592	68,777	65,860
Total	29,967	34,935	148,622	153,590

Book-to build, R-12m, %

SEKM	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Nordics	102	103	108
of which Sweden	101	89	98
Europe	96	175	124
USA	120	83	120
Total	109	107	116

Residential Development

Revenue and earnings

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	4,276	4,509	14,144	14,377
Gross income	699	837	2,569	2,707
Selling and administrative expenses	-183	-168	-742	-727
Operating income	517	669	1,827	1,980
Operating margin, %	12.1	14.8	12.9	13.8
Investments	-2,628	-2,704	-11,412	-11,488
Divestments	2,132	2,144	10,755	10,766
Net divestments(+)/investments(-)	-495	-560	-657	-722
Capital employed, SEK bn	16.6	15.4		14.4
Return on capital employed, % ¹	12.8	14.3		14.1
Average number of employees	577	572		582

¹ Rolling 12 months.

Revenue

SEKM	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	3,931	4,084	12,344	12,497
of which Sweden	2,775	2,864	7,020	7,109
Europe	345	424	1,800	1,879
Total	4,276	4,509	14,144	14,377

Operating income¹

	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	469	581	1,510	1,623
of which Sweden	344	438	849	943
Europe	48	88	316	357
Total	517	669	1,827	1,980

¹ Development gain only. Construction margin reported under Construction.

Operating margin, %¹

	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
	11.9	14.2	12.2	13.0
	12.4	15.3	12.1	13.3
	13.9	20.8	17.6	19.0
Total	12.1	14.8	12.9	13.8

Homes started

	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	704	975	3,238	3,509
of which Sweden	572	795	2,302	2,525
Europe	102	86	870	854
Total	806	1,061	4,108	4,363

Homes sold

	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
	938	1,110	2,960	3,131
	753	870	2,019	2,136
	143	252	844	953
Total	1,081	1,362	3,804	4,084

Homes under construction

	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Nordics	6,253	5,588	6,825
of which Sweden	4,681	4,140	5,175
Europe	1,673	1,516	1,848
Total	7,926	7,104	8,673

Completed unsold, number of homes

	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
	61	173	48
	26	63	17
	28	13	9
Total	89	186	57

Homes under construction of which sold, %

	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
	76	80	74
	75	80	74
	71	69	71
Total	75	77	73

Commercial Property Development

Revenue and earnings

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Revenue	4,137	2,605	12,634	11,102
of which from divestment of properties	3,976	2,413	11,852	10,289
Gross income	964	1,232	3,687	3,955
Selling and administrative expenses	-181	-168	-797	-784
Income from joint ventures and associated companies	2	3	92	93
Operating income	784	1,066	2,982	3,264
of which from divestment of properties ¹	989	1,223	3,695	3,928
of which writedowns/reversal of writedowns	-30	0	-200	-170
¹ Additional gains included in Eliminations	63	34	268	239
Investments	-2,333	-1,703	-7,974	-7,344
Divestments	3,281	3,001	10,241	9,961
Net divestments(+)/Investments(-)	948	1,298	2,267	2,617
Capital employed, SEK bn	33.1	31.1		32.7
Return on capital employed, % ²	9.8	9.0		10.8
Average number of employees	428	447		431

²Rolling 12 months.

Revenue

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	1,200	1,735	4,595	5,130
Europe	1,532	788	4,357	3,614
USA	1,404	81	3,681	2,359
Total	4,137	2,605	12,634	11,102

of which from divestments

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	1,124	1,676	4,297	4,849
Europe	1,478	737	4,170	3,428
USA	1,373	0	3,385	2,012
Total	3,976	2,413	11,852	10,289

Operating income

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	433	883	1,333	1,783
Europe	341	216	894	770
USA	10	-33	754	711
Total	784	1,066	2,982	3,264

of which from divestments

SEK M	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Nordics	518	963	1,603	2,047
Europe	385	259	1,148	1,023
USA	86	0	944	858
Total	989	1,223	3,695	3,928

Capital employed

SEK M	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Nordics	11,874	11,451	11,750
Europe	10,587	9,273	10,050
USA	10,618	10,376	10,920
Total	33,080	31,100	32,721

Investment Properties

Revenue and earnings

SEK M	Jan-Mar 2022	Jan-Mar 2021 ¹	Rolling 12 months	Jan-Dec 2021 ¹
Revenue	0		0	
Operating net	0		0	
Selling and administrative expenses	-1		-1	
Change in property value	26		26	
Income from joint ventures and associated companies	0		0	
Operating income	25		25	
Investments	-748		-748	
Divestments	0		0	
Net divestments(+)/investments(-)	-748		-748	
Capital employed	749			
Property value	766			
Return on capital employed, % ²	27.1			
Economic occupancy rate, %	100			
Average valuation yield, %	4.0			

¹ Investment Properties is a new business stream from 2022.

² Rolling 12 months. For definition see page 17.

Properties

Location	Leasable area, sqm	Annual rental value, SEK M	Economic occupancy rate, %	Property value, SEK M	Environmental certification, %
Malmö	11,844	41	100	766	100
Total	11,844	41	100	766	100

PPP-portfolio value

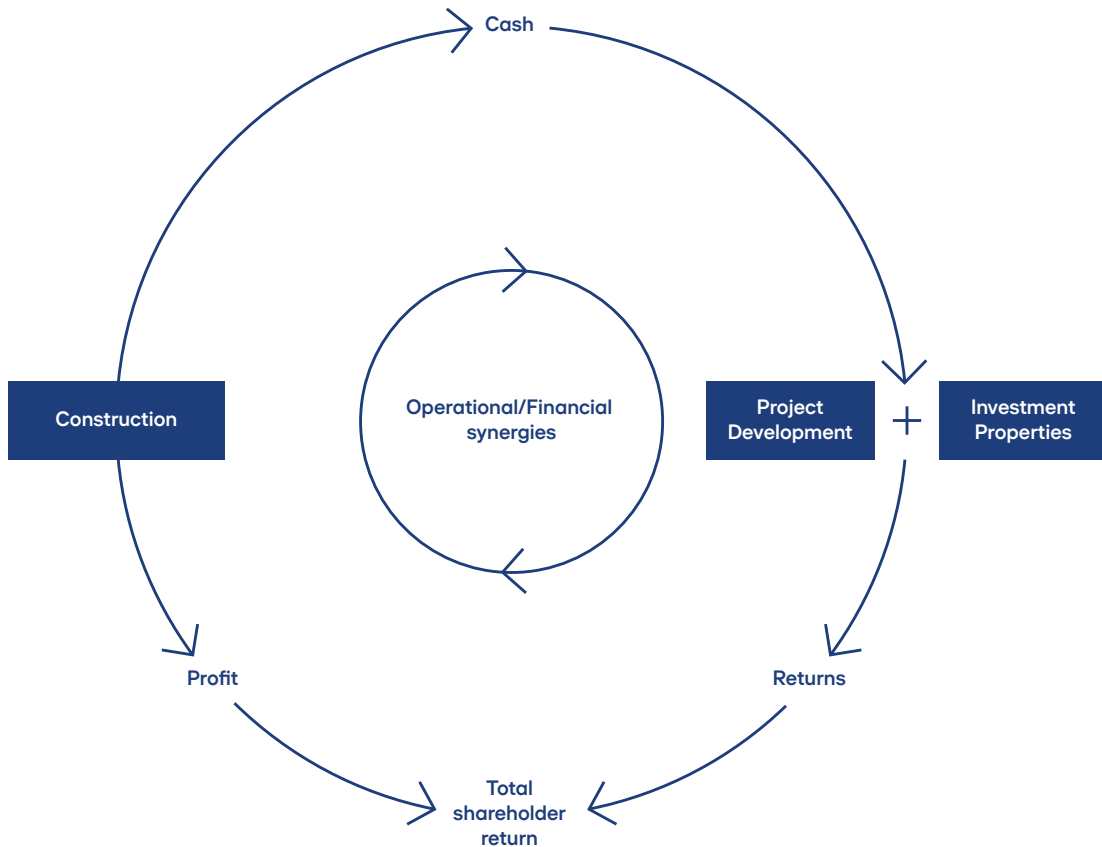
Unrealized development gain in PPP-portfolio

SEK bn	Mar 31, 2022	Mar 31, 2021	Dec 31, 2021
Present value of cash flow from projects	2.4	2.1	2.5
Present value of remaining investments	-0.1	-1.0	-0.6
Net present value of projects	2.3	1.1	1.9
Carrying amount before Cash flow hedge / Carrying amount	-1.8	-0.6	-1.4
Unrealized development gain	0.5	0.5	0.5
Cash flow hedge	0.1	0.3	0.2
Effect in unrealized equity¹	0.6	0.8	0.7

¹ Tax effects not included.

About Skanska

Skanska is one of the world’s leading construction project development and construction companies, focused on select home markets in the Nordics, Europe and USA. Supported by global trends in urbanization and demographics, and by being at the forefront in sustainability, Skanska offers competitive solutions for both simple and the most complex assignments, helping to build a sustainable future for customers and communities.



Internal contracts and cooperation

Operational and financial synergies are, amongst other things, achieved through investments in Project Development, generating internal contracts for Skanska’s Construction stream, as well as through the collaboration between Business Units from different markets. Currently, SEK 8.9 billion of Skanska’s total order backlog are contracts involving more than one Business Unit, with revenue from internal contracts amounting to SEK 13.3 billion.

Construction revenue from internal Project Development contracts amounted to:

13.3 SEK bn

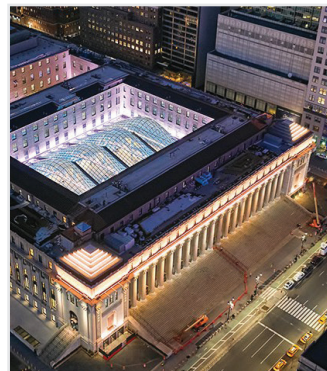
Value of orders in backlog generated through cooperation between Business Units:

8.9 SEK bn



Multi-family rental project in Stockholm, Sweden

Skanska is developing a multi-family rental project with high climate ambitions in Stockholm. The block consists of 145 rental apartments, of which ten are LSS homes for people with special needs. Skanska’s green concrete, which has a halved climate impact compared to regular concrete, as well as solar panels on the roofs are examples of measures that contribute to lower emissions. Materials has also been chosen carefully. The project has been divested for SEK 580 M. The buyer is NREP. Construction will begin in 2022 and is expected to be completed by the end of 2024.



Moynihan Train Hall, New York, USA

Completed in 2021 the redevelopment of New York City’s iconic James A. Farley Post Office Building into the new 21st century Moynihan Train Hall has brought light to the concourse for the first time in more than 50 years. The 225,000-square-foot bright and modern extension of Penn Station has increased the total floor space by up to 50 percent with improved passenger facilities, ticketing and waiting areas, security, and retail spaces.

Skanska's home markets



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This report will also be presented via a telephone conference and a webcast at 10:00 CET on May 4, 2022.
The telephone conference will be webcasted live at www.skanska.com/investors, where a recording of the conference will also be available later.
To participate in the telephone conference, please dial +46 (0)8 5051 00 31, or +44 (0)207 107 06 13, or +1 (1) 631 570 56 13.
This and previous releases can also be found at www.group.skanska.com/investors.

This is information that Skanska AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation.
The information was submitted for publication, through the agency of the Senior Vice President Investor Relations set out above, at 07:30 CET on May 4, 2022.

Enumerated amounts presented in tables and statements may not always agree with the calculated sum of the related line items due to rounding differences. The aim is for each line item to agree with its source and therefore there may be rounding differences affecting the total when adding up the presented line items.



Epic, Malmö, Sweden

The office property Epic consists of two buildings with a total leasable area of approximately 12,000 square meters. The property, which is developed and built by Skanska, was completed in 2020 and is fully let. Among the tenants are Verisure, Spaces, Baker Tilly, Delphi, Web Manuals, Sproud and LoCali. Epic is LEED-certified, level Platinum, and WELL-certified, level Gold. During construction, circular solutions were applied. For the atrium, 16 tonnes of concrete from the Copenhagen metro were used and 17 tonnes of leftover bricks from Epic's own façade in the floor. In addition, 35,000 meters of window frames and beams from demolition projects in the wood panel and 77,000 recycled PET bottles for sound-absorbing canvas in the façade. In Q1 2022, Skanska Commercial Property Development divested Epic to Skanska Investment Properties for about SEK 750 M. The internal transaction was conducted at market value, with no cash-flow effect, and is the first with Skanska Investment Properties as counterparty. Epic is thus the first addition to the portfolio, which will be built up over time.