

SKANSKA

Second quarter report 2024

We build for a better society



Second quarter report 2024

- Solid performance
 - Construction – Operating margin in line with target. Strong order intake.
 - Residential Development – Increasing sales volume from low level.
 - Commercial Property Development – Five divestments recorded.
 - Investment Properties – First acquisition in Gothenburg.
- Operating margin in Construction 3.5% (3.4)
- ROCE in Project Development -1.3% (2.3), R-12
- ROCE in Investment Properties 1.2% (5.5), R-12
- Return on Equity 7.3% (11.1), R-12
- Robust financial position maintained
- Carbon reduction 58% since 2015



Construction

- Revenue SEK 43.6 bn (40.6)
- Order bookings SEK 60.7 bn (63.2)
 - Book-to-build 114%, R-12
 - Order backlog SEK 267.6 bn (250.3)
- Operating income SEK 1,542 M (1,391)
 - Operating margin 3.5% (3.4)
- Strong order intake in the USA, building and civil
- Group order backlog reaching a historic high
- Rolling 12-month operating margin was 3.3 percent



Residential Development

- Revenue SEK 2.2 bn (1.6)
 - 515 (343) homes sold
 - 37 (241) homes started
- Operating income SEK -11 M (49)
- ROCE -5.2 (0.2)
- Increased sales volumes in the Nordics, good level of activity in Central Europe
- BoKlok losses of SEK -167 M
- Operating margin excl BoKlok 8.0 percent



Commercial Property Development

- Operating income SEK 1,067 M (-15)
 - Gain on sale SEK 1,191 M (171)
 - ROCE 0.1% (3.1)
- 19 ongoing projects
 - SEK 25.8 bn total investment
- 23 completed projects
 - SEK 11.3 bn total investment
 - 77% leased
- Five divestments, four external and one internal
- Leasing activity solid, total 61,000 sq m

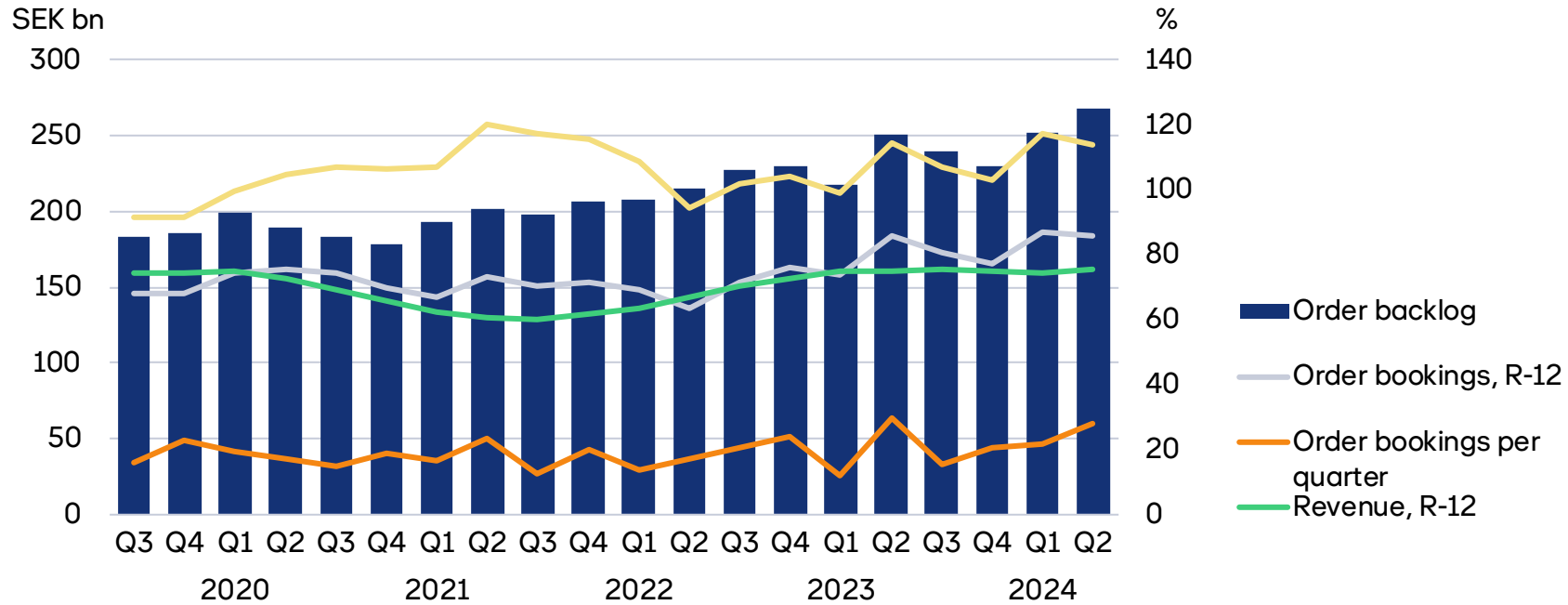


Investment Properties

- First acquisition recorded in Gothenburg – Citygate
- Operating income of SEK 108 M
- Economic occupancy rate at 87 percent
- Total portfolio property value SEK 7.7 bn
- Targeting a high quality, sustainable, office portfolio of SEK 12-18 bn, to generate stable cash flow



Construction Order bookings



SEK bn	Apr-Jun 2024	Apr-Jun 2023	Rolling 12 months	Jan-Dec 2023
Revenue	43.6	40.6	162.3	160.6
Order bookings	60.7	63.2	184.4	165.8
Order backlog	267.6	250.3		229.6



Construction

Order bookings

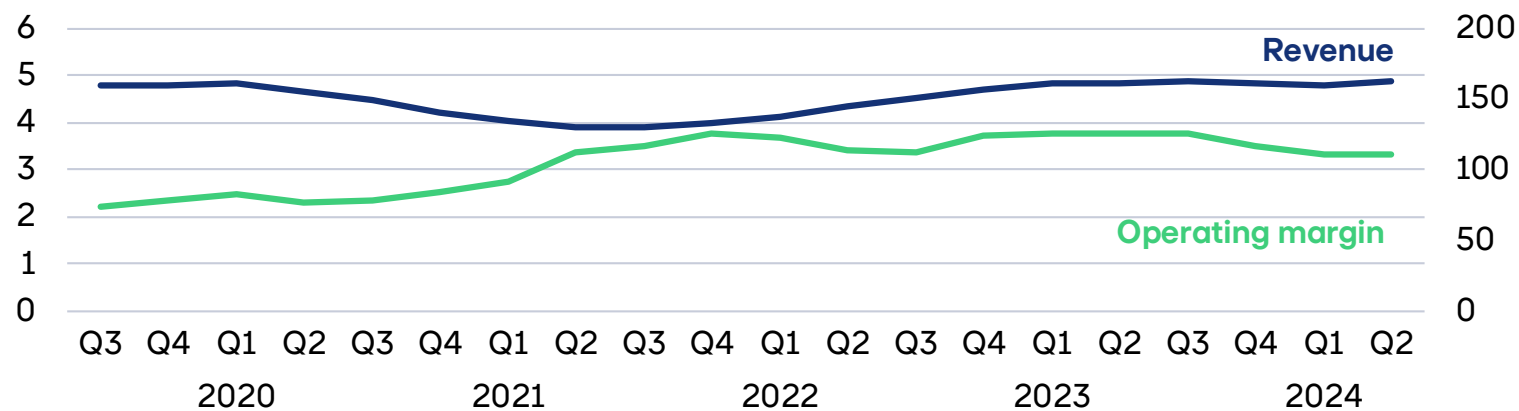
SEK bn	Apr-Jun 2024	Apr-Jun 2023	Book-to- build, %	Months of production
Nordics	14.0	31.7	82	15
of which Sweden	8.5	8.9	89	12
Europe	4.5	7.6	68	15
USA	42.1	23.9	151	24
Total	60.7	63.2	114	20



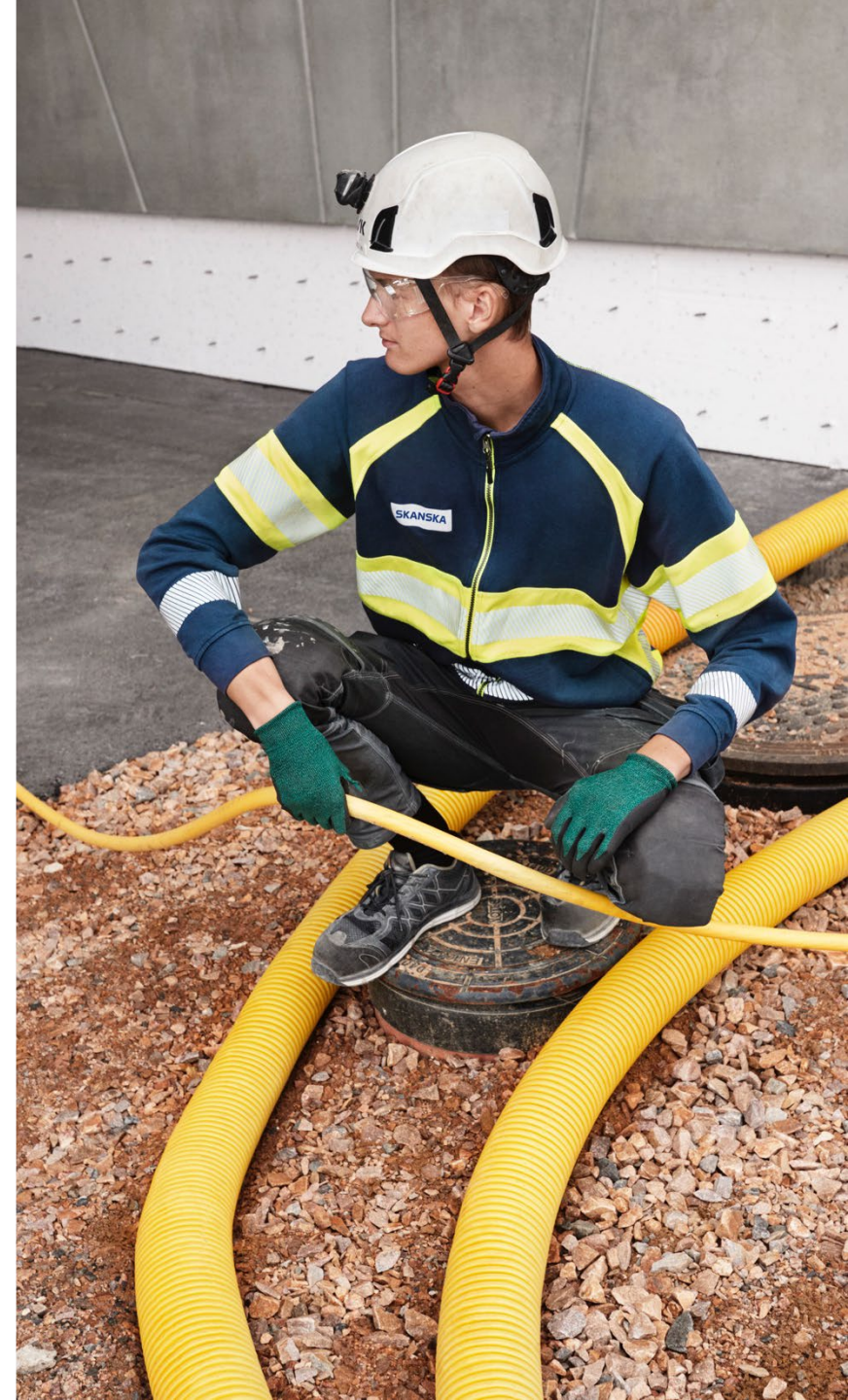
Construction Income statement

Operating margin, R-12, %

Revenue, R-12, SEK bn



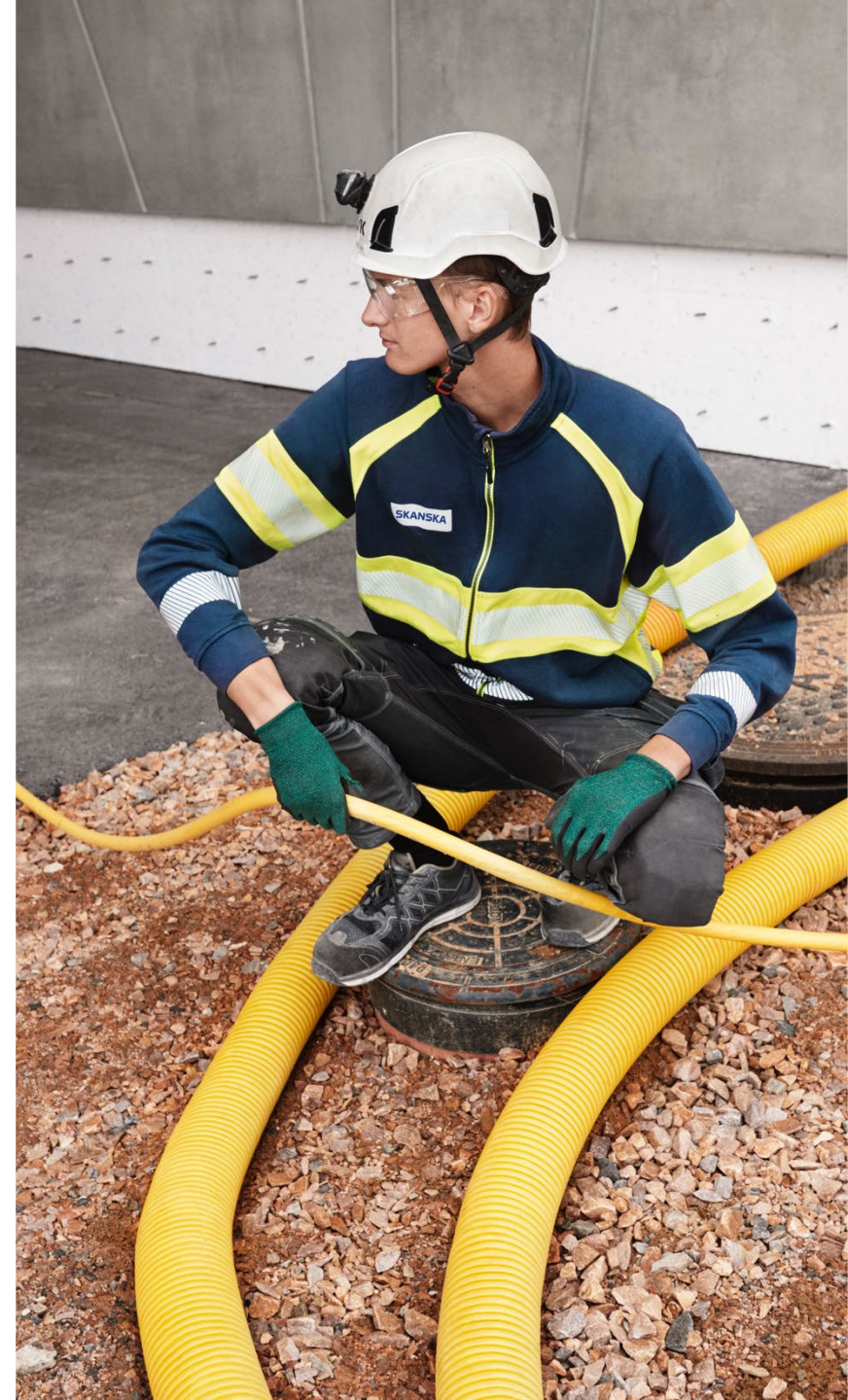
SEK bn	Apr-Jun 2024	Apr-Jun 2023	Rolling 12 months	Jan-Dec 2023
Revenue	43.6	40.6	162.3	160.6
Gross income	3.3	3.1	12.2	12.4
Selling and administrative expenses	-1.7	-1.7	-6.8	-6.8
Operating income	1.5	1.4	5.4	5.6
Gross margin, %	7.5	7.5	7.5	7.7
Selling and administrative expenses, %	-4.0	-4.1	-4.2	-4.2
Operating margin, %	3.5	3.4	3.3	3.5



Construction

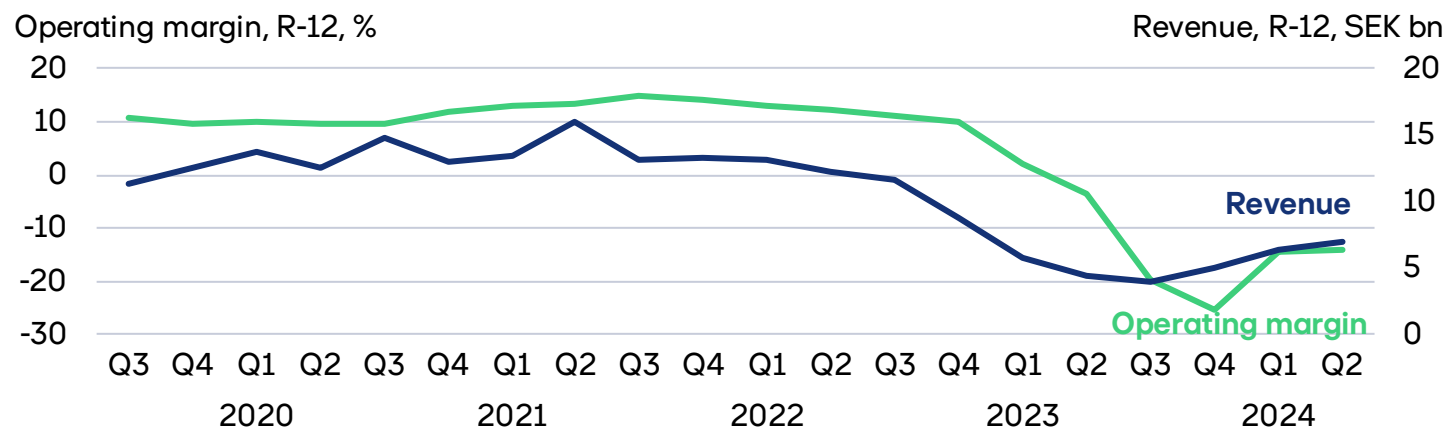
Income statement

	Operating income, SEK M		Operating margin, %	
	Apr-Jun 2024	Apr-Jun 2023	Apr-Jun 2024	Apr-Jun 2023
Nordics	496	549	3.3	3.7
of which Sweden	309	251	4.0	3.0
Europe	231	189	3.8	2.6
USA	814	654	3.6	3.5
Total	1,542	1,391	3.5	3.4



Residential Development

Income statement, segment reporting



Including residential rentals until Q4 2020

SEK M	Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023
Revenue	2,150	1,649	6,956	5,013
Gross income	147	226	-155	-332
Selling and administrative expenses	-158	-178	-829	-930
Operating income	-11	49	-984	-1,262
Gross margin, %	6.9	13.7	-2.2	-6.6
Selling and administrative expenses, %	-7.4	-10.8	-11.9	-18.5
Operating margin, %	-0.5	2.9	-14.1	-25.2



Residential Development

Income statement

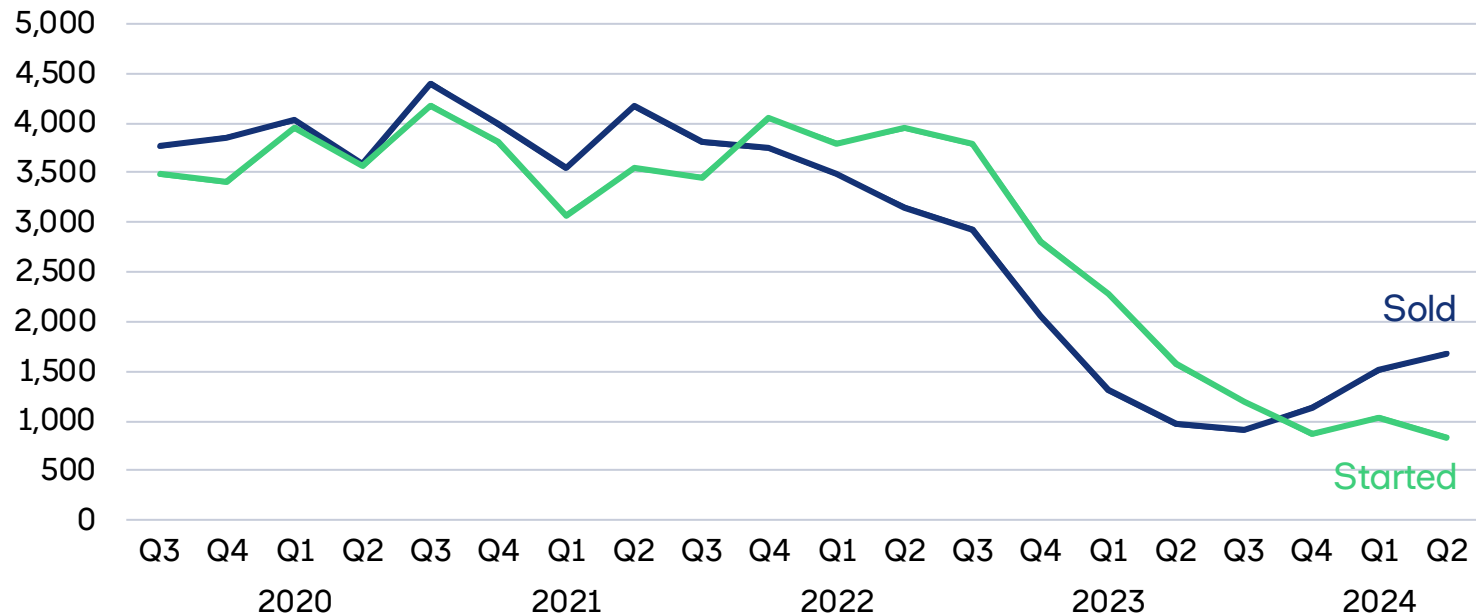
	Operating income, SEK M		Operating margin, %	
	Apr-Jun 2024	Apr-Jun 2023	Apr-Jun 2024	Apr-Jun 2023
Nordics	0	4	0.0	0.3
of which Sweden	-51	-3	-6.7	-0.8
Europe	-10	45	-2.5	9.4
Total	-11	49	-0.5	2.9



Residential Development

Homes started and sold

Homes, R-12



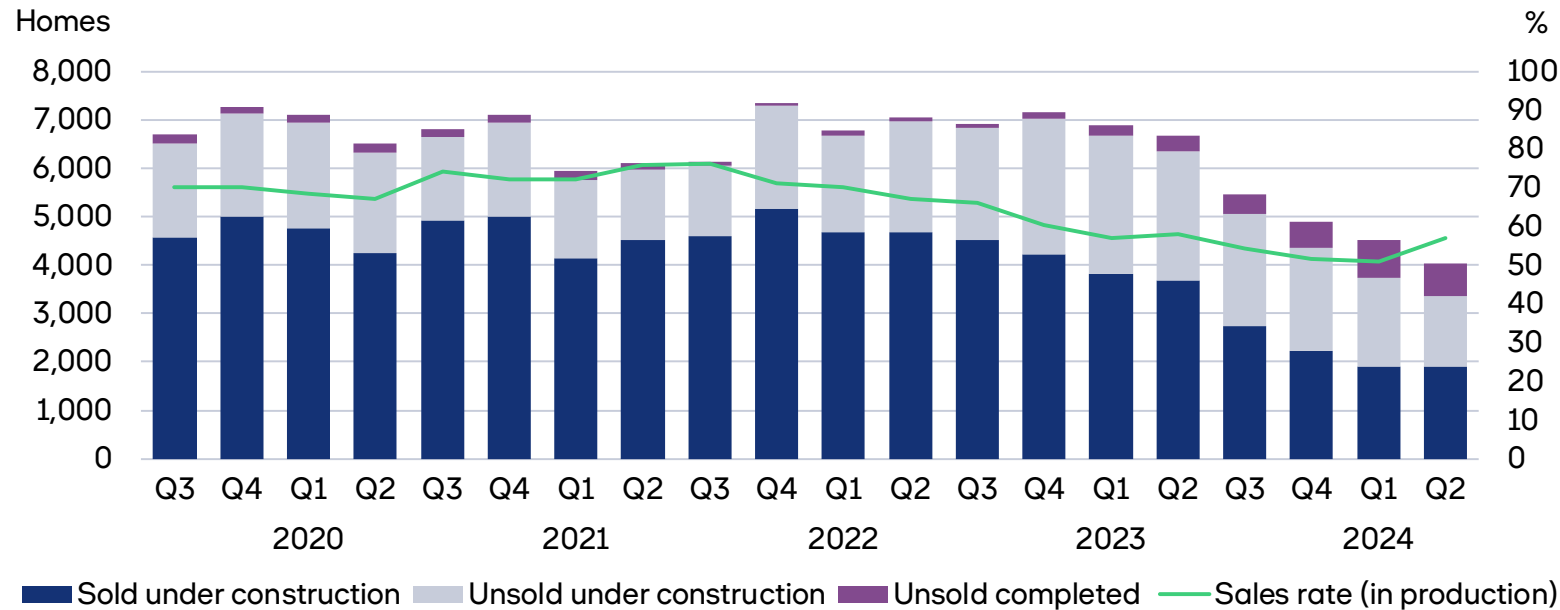
Including residential rentals until Q4 2020

Homes started				Homes sold			
Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023	Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023
37	241	835	868	515	343	1,687	1,136



Residential Development

Homes in production



Including residential rentals until Q4 2020

Homes in production			Of which sold, %			Unsold complete homes		
Jun 30, 2024	Jun 30, 2023	Dec 31, 2023	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
3,365	6,354	4,341	57	58	52	671	306	549



Commercial Property Development

Income statement, segment reporting

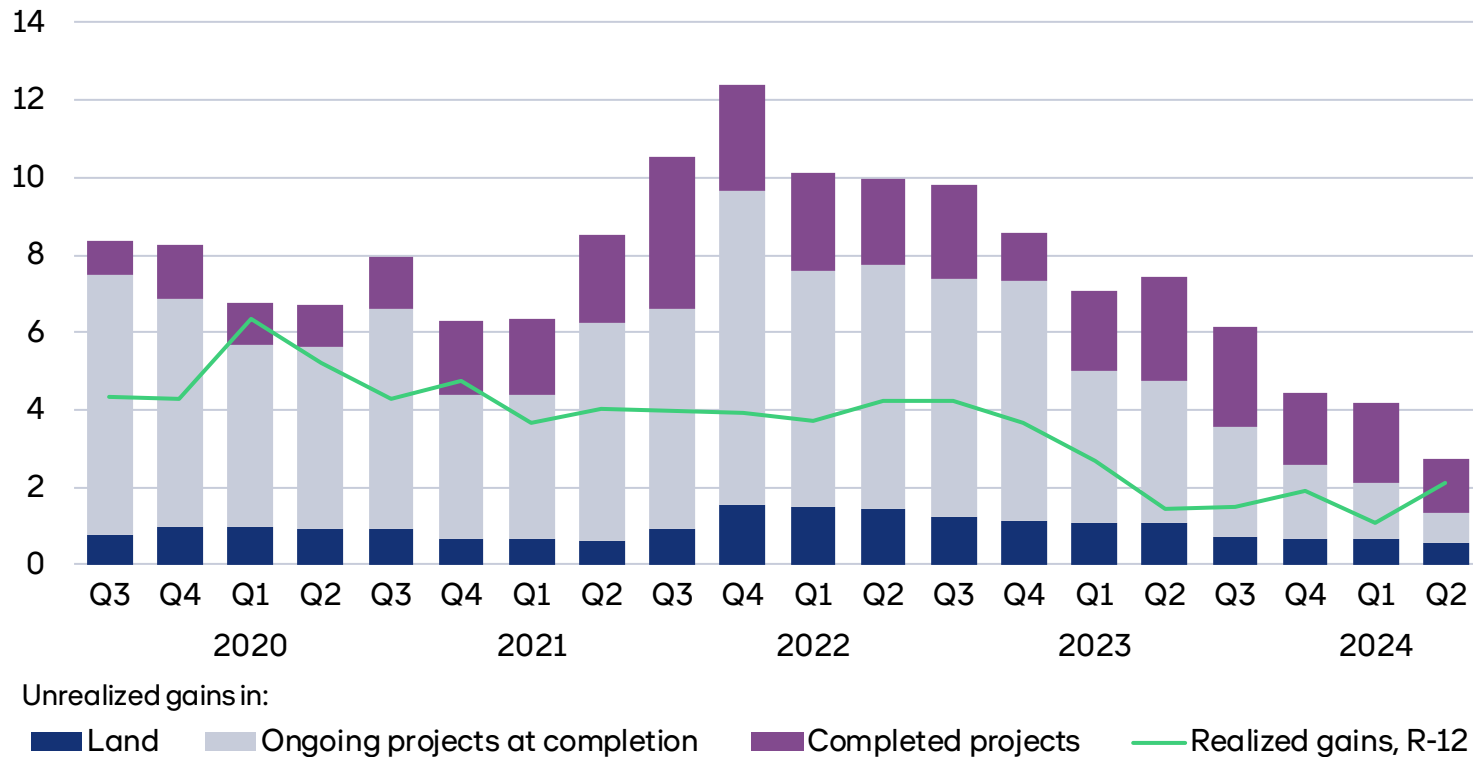
SEK bn	Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023
Revenue	6,293	857	10,863	5,331
Gross income	1,259	233	581	-416
Selling and administrative expenses	-190	-247	-836	-895
Income from JV's and associated companies	-1	-1	-53	-54
Operating income	1,067	-15	-307	-1,365
of which gains from divestments of properties	1,191	171	2,115	1,014
of which write downs/reversal of write downs	-69	0	-1,851	-1,647
1 Additional gain included in eliminations	15	19	92	108



Commercial Property Development

Unrealized and realized gains, segment reporting

SEK bn

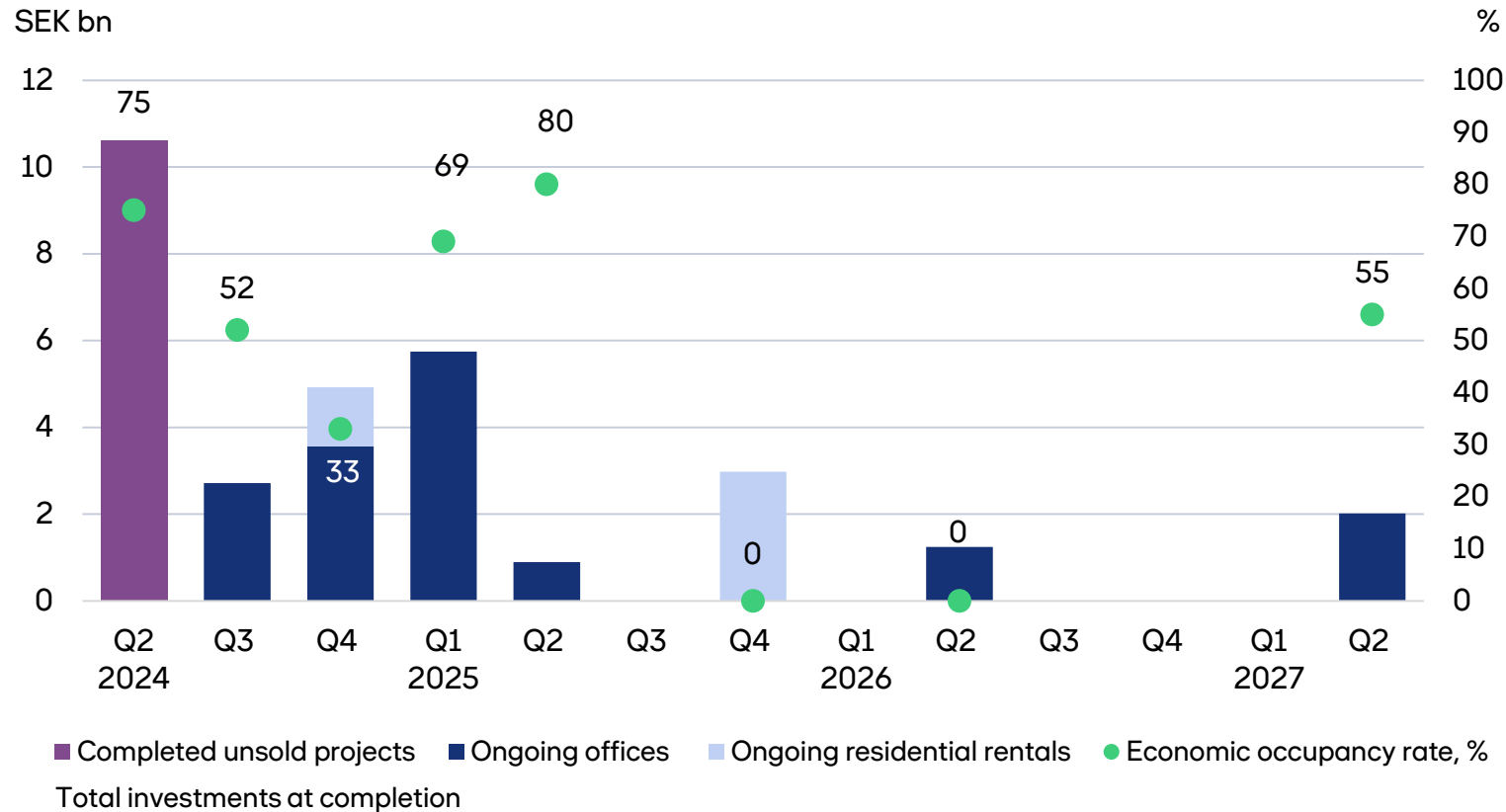


Including residential rentals as of Q1 2023.



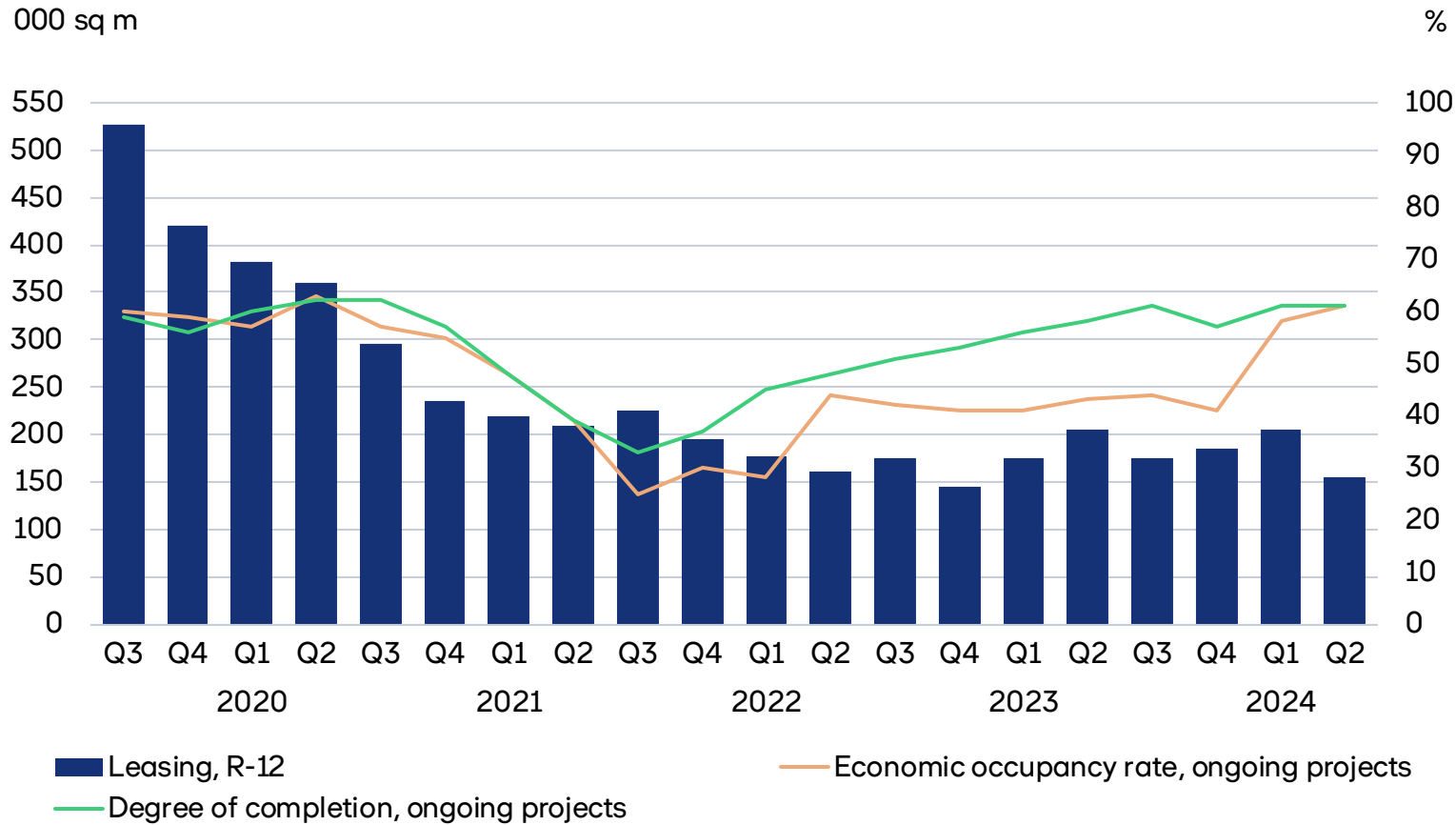
Commercial Property Development

Completion profile and unsold projects



Commercial Property Development

Leasing Commercial Properties



Leasing including residential rentals in the USA and Denmark until Q4 2020.



Investment Properties

Income statement

SEK M	Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023
Revenue	72	45	242	186
Operating net	54	32	179	137
Selling and administrative expenses	-4	-1	-11	-9
Change in property value	58	-25	-107	-190
Operating income	108	6	60	-62

Location	Leasable area, sqm	Rental value, SEK M	Economic occupancy rate, %	Property value, SEK M	Environmental certification, %
Malmö	38,522	142	95	2,098	100
Stockholm	42,962	189	87	3,061	100
Gothenburg	50,296	185	80	2,582	100
Total	131,780	516	87	7,742	100



Group Income Statement

SEK m	Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023
Operating income from business streams	2,706	1,430	4,187	2,943
Central	-159	-73	303	290
Eliminations	33	-27	92	-3
Operating income	2,580	1,331	4,583	3,231
Net financial items	146	133	693	601
Income after financial items	2,725	1,464	5,275	3,832
Taxes	-656	-234	-1,073	-560
Profit for the period	2,069	1,229	4,202	3,272
Earnings per share, SEK	5.03	2.96	10.19	7.89
Tax rate, %	24	16	20	15



Group Cash flow

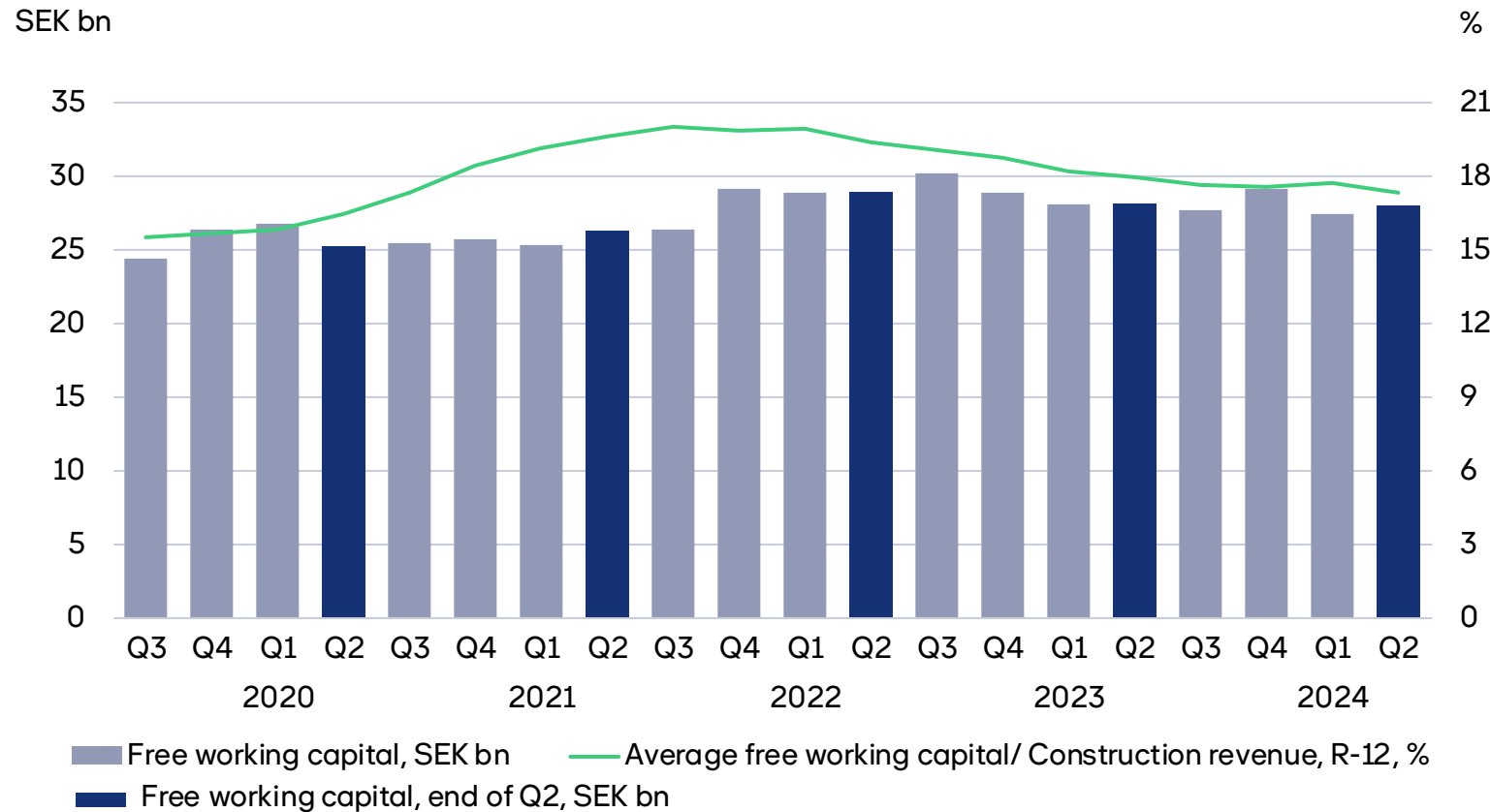


SEK bn	Apr-Jun 2024	Apr-Jun 2023	R12 months	Jan-Dec 2023
Operating cash flow from operations	0.3	-1.8	0.8	1.1
Dividend and net strategic divestment	-2.3	-3.2	-2.7	-3.6
Cash flow before change in interest-bearing receivables and liabilities	-2.0	-5.0	-1.9	-2.4



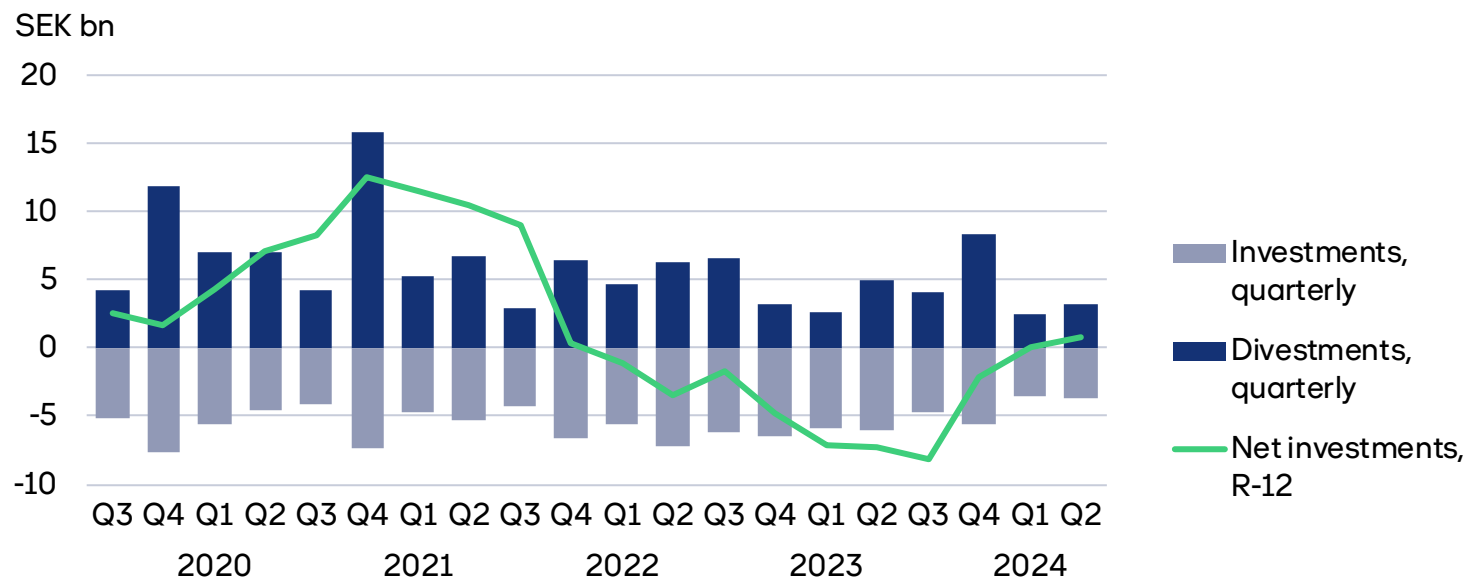
Construction

Free working capital



Group

Investments, divestments and capital employed



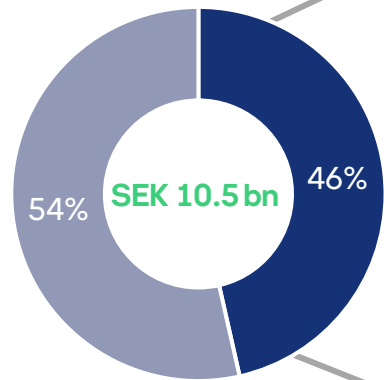
SEK bn	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Capital employed in:			
Residential Development	15.4	16.5	14.4
Commercial Property Development	43.5	45.5	40.8
Investment Properties	7.7	3.7	5.1
Total	66.6	65.7	60.2



Group

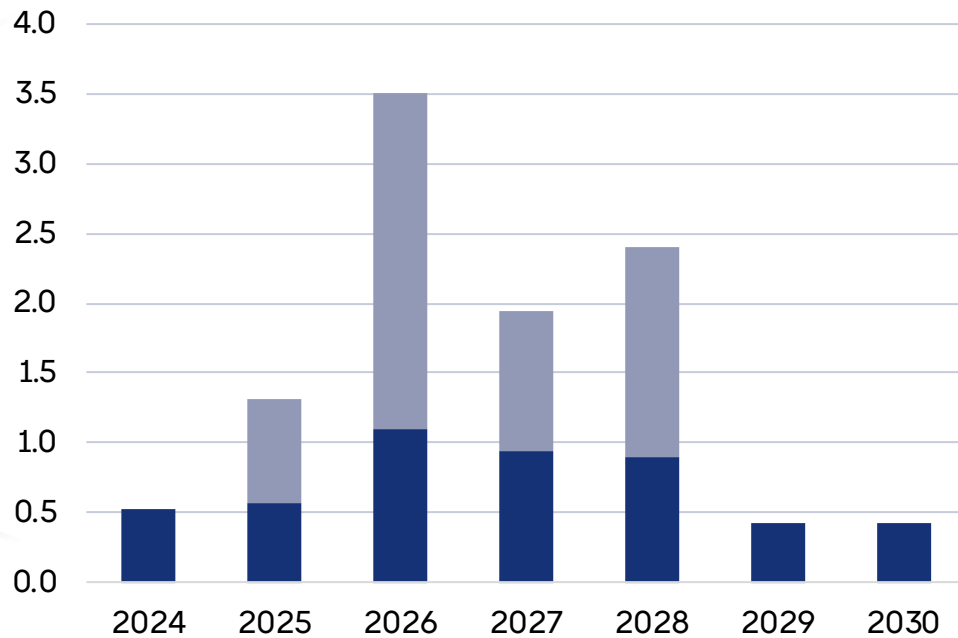
Available funds: SEK 21.0 bn,
o/w unutilized credit facilities SEK 9.5 bn

Central funding



- Bilateral loans
- Bonds

Maturity profile

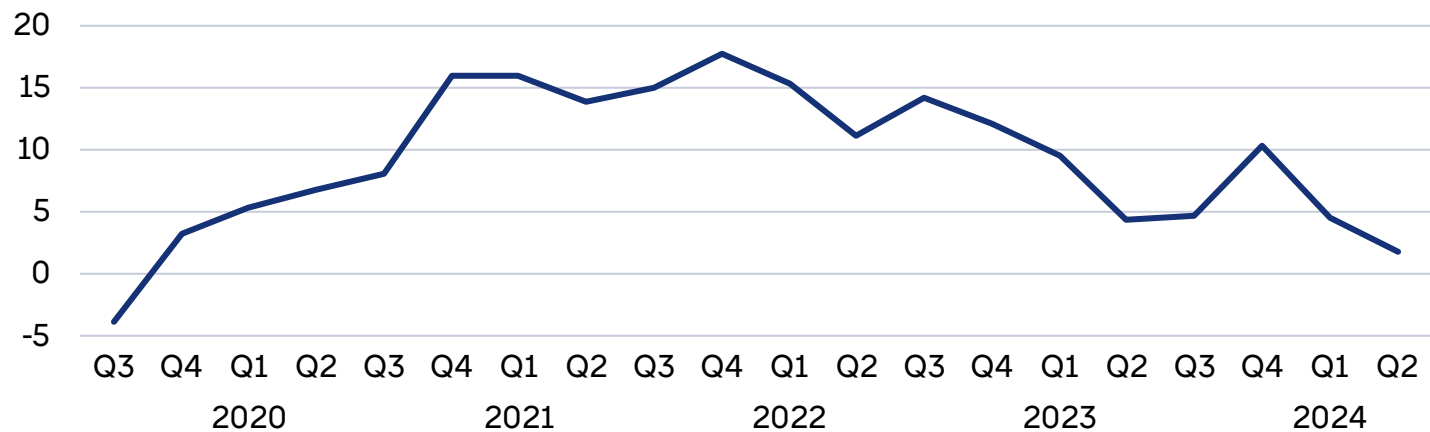


- Bilateral loans
- Bonds (MTN)



Group Financial position

Adjusted interest-bearing net receivables(+)/net debt(-), SEK bn



SEK bn	Jun 30, 2024	Jun 30, 2023	Dec 31, 2023
Total assets	161.5	157.0	155.2
Equity attributable to equity holders	58.3	57.1	56.3
Interest-bearing net receivables (+)/net debt (-)	3.2	3.8	9.0
Adj. interest-bearing net receivables (+)/net debt (-)	1.8	4.4	10.4
Capital employed, closing balance	81.1	75.3	77.4
Equity/assets ratio, %	36.1	36.4	36.3



Market outlook



Construction

- USA remains the strongest market, both for the building and civil infrastructure segment
- In the Nordics and Europe, mostly stable outlook for civil markets, more cautious on the building segment
- Sectors like energy, industry and defense provide opportunities



Residential Development

- Increasing activity in the housing market from suppressed level
- Expect recovery to take time
- Cost-of-living pressure, impact on low-cost segment continues



Commercial Property Development

- Reduced macro-economic uncertainty slowly improving real estate investor market in the Nordics and Central Europe
- Early positive signals for the US Grade A occupier market



Investment Properties

- Polarized occupier market. Stronger demand for high quality space.
- Rents expected to remain stable

Outlook compared to previous quarter ● Weaker ● Unchanged ● Improved



Group Summary

- Solid performance in the second quarter
 - Construction – Operating margin in line with target. Strong order intake.
 - Residential Development – Increasing sales volume from low level.
 - Commercial Property Development – Five divestments recorded.
 - Investment Properties – First acquisition in Gothenburg
- Maintaining a robust financial position



