

PRESS RELEASE

Nine month report, January–September 2005

Group highlights

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004
Revenue	88,599	90,647	32,199	32,389
<i>of which revenue from divestments of properties in Commercial Project Development</i>	3,427	4,098	299	2,016
Operating income	3,525	4,151	1,130	2,395
<i>of which gains from divestments of properties in Commercial Project Development</i>	1,342	1,312	116	610
<i>of which income from discontinued operations</i>	226	1,110	17	973
Income after financial items	3,683	4,074	1,215	2,394
Profit for the period	2,799	2,980	973	1,839
Earnings per share for the period, SEK	6.66	7.09	2.31	4.38
Capital employed, SEK bn	22.8	23.8		
Equity, SEK bn	19.0	16.5		
Interest-bearing net receivables (+)/net debt (-), SEK bn	8.3	4.4		
Return on capital employed, % ¹	18.3	23.9		
Return on equity, % ¹	17.0	25.0		
Operating cash flow before change in interest-bearing receivables and liabilities	-719	4,108	585	4,304
Order bookings, SEK bn ²	87.5	86.8	36.8	26.6
Order backlog, SEK bn ²	131.3	118.7		

¹ Rolling 12 months
² Refers to Construction

January-September 2005 compared to January-September 2004

- Revenue amounted to SEK 88.6 billion (90.6). Adjusted for discontinued operations, revenue rose by 2 percent. In Construction, revenue rose by 4 percent adjusted for currency rate effects.
- Operating income in continuing operations rose to SEK 3,299 M (3,041). Most units showed improved operating margins. Operating income for the Group amounted to SEK 3,525 M (4,151). Included in operating income in the comparative period was the gain of about SEK 1 billion from the divestment of Skanska Services.
- During the period, commercial properties with a value of SEK 3,427 M (4,098) were divested, with gains amounting to SEK 1,342 M (1,312).
- Income after financial items amounted to SEK 3,683 M (4,074).
- Profit for the period amounted to SEK 2,799 M (2,980). Earnings per share for the period amounted to SEK 6.66 (7.09).
- Order bookings rose by 1 percent and amounted to SEK 87.5 billion (86.8). Adjusted for currency rate effects, order bookings were unchanged.

For further information, please contact:

Hans Biörck, Executive Vice President and CFO, Skanska AB, telephone +46 8 753 88 00
 Anders Lilja, Senior Vice President, Investor Relations, Skanska AB, telephone +46 8 753 88 01
 Peter Gimbe, Senior Vice President, Communications, Skanska AB, telephone +46 8 753 88 38 or cell phone +46 70 543 88 38

This and previous press releases can also be found at www.skanska.com

Comments from Skanska's President and CEO Stuart Graham:

- The earnings trend in Construction remains positive in most of our markets and the operating margin reached 3.1 percent in the third quarter. Partly as a result of two large infrastructure projects being concluded, Skanska Norway showed an impressive 7.1 percent operating margin. Skanska USA Civil is unfortunately still weighed down by its California operations, Yeager Skanska, which again showed a loss during the third quarter.
- Order bookings were strong in the quarter, up 38 percent compared to the third quarter of last year and several markets show significant improvements.
- The strong housing market is continuing. Our residential development business again showed improved margins and, during the latest 12 month period, a return on capital employed of 24 percent. In Commercial Project Development, during the past two year period, as planned, we have sold a significant portion of our property portfolio, and we are now focusing on starting new projects at the pace that the market permits.
- The construction of the A1 highway in Poland, in which Skanska is part owner, has now begun. We have three additional large projects in Infrastructure Development that are expected to reach financial close during the near future. Generally speaking, this form of procurement is gaining ground in many of our home markets.

Market outlook

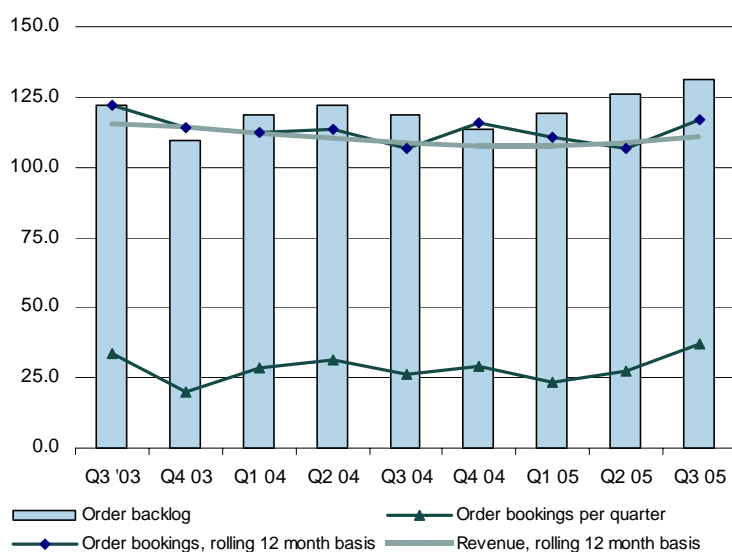
The outlook for commercial construction investments in the Nordic countries remains cautiously positive. This is also true for the Polish market, although lead times are long between the tendering process and the start of a project. Construction investments in the Czech Republic are increasing again after a first half without growth. In the United Kingdom, the volume of PPP (Public Private Partnership) projects remains large. In other segments of importance to Skanska, the construction volume in the U.K. is low. The overall market for American commercial building construction is good, especially in the healthcare and educational sectors.

In the U.S., the market for civil construction is unchanged from last quarter but the impact from the new federal program for infrastructure and also to some extent from the recent hurricanes will be positive in 2006. Rising costs of fuel and other types of materials adds a degree of volatility to the market in terms of affordability and also in terms of risk for the contractor. In Sweden, the weak trend in commercial building construction has also had a restraining effect on civil construction. However, this is expected to be offset by the government's promised infrastructure investments. The trend of the Norwegian civil construction market remains positive, partly driven by projects for the oil industry. In Finland, civil construction is expected to slow somewhat. The Czech Republic and Poland are showing continued growth, among other things due to EU membership. In Latin America, there is a good continued outlook for projects in the oil and gas industries, which are important sectors for Skanska's operations in this region.

Residential construction remains at a high level in Finland and Norway. The Czech market is starting to show signs of oversupply. In Sweden, residential construction is increasing. The local planning process continues to be a restraining factor in a number of markets.

The vacancy rates in the Scandinavian and Central European office markets are expected to decline somewhat during the remainder of the year. Skanska has experienced an increase in leasing activity, which over time should lead to new projects being initiated. In Scandinavia as well as in Central Europe there is a continued good demand from the investment market for properties with efficient space in the right locations.

Order bookings and backlog in Construction, SEK bn



Order bookings

Order bookings rose by 1 percent and amounted to SEK 87.5 billion (86.8). Adjusted for currency rate effects, order bookings were unchanged.

During the first quarter of 2005, among the assignments that Skanska received was to plan, design and upgrade the M1 motorway in the U.K., a contract in which Skanska's share is valued at SEK 1.3 billion. Skanska also signed an eight-year partnership agreement related to replacement of the network of gas distribution mains in north London. Skanska's total commitment over an eight-year period is valued at SEK 2.6 billion.

During the second quarter of 2005, Skanska received a number of large assignments in its American civil construction operations, Skanska USA Civil. These include a contract to design and construct two high-level bridges across Escambia Bay in Pensacola, Florida. Skanska's portion of the contract is valued at SEK 1 billion. The same unit also received two large contracts in the New York City area. One is related to an expansion of a facility to improve the water quality in Brooklyn and the other concerns the construction of a new hub for the subway network in Lower Manhattan. These projects are each worth SEK 1 billion. Skanska USA Building was contracted during the second quarter as construction manager for a new medical center in San Jose, California, with a contract amount of SEK 540 M. In Norway, Skanska received an order totaling SEK 600 M to build, modernize and operate Norway's first two schools under a public-private partnering (PPP) arrangement.

Order bookings for the third quarter included the construction assignment for the A1 highway project in Poland, a contract valued at the equivalent of SEK 3.7 billion. Skanska USA Civil received a number of new assignments during the quarter. The largest is related to work on the spans and connections to the Triborough Bridge in New York City, a contract worth nearly SEK 2 billion. The same unit also received three large contracts related to water supply and wastewater treatment plants in New York City and Atlanta. The total contract value for these three assignments was SEK 1.2 billion. Skanska USA Building received a number of large construction management assignments, of which the largest was for a new headquarters complex for the telecom company Verizon Communications. The contract value totals more than SEK 700 M. In Scotland, Skanska received an assignment to modernize two prisons, a contract worth about SEK 740 M. During the quarter, Skanska Norway signed a SEK 660 M contract to build a sunken tunnel in Oslo. In the Czech Republic, Skanska received two large railroad contracts worth a total of about SEK 1 billion. In Sweden, finally, Skanska was awarded an additional assignment in connection with the renovation and expansion of the Skärholmens Centrum shopping center, worth SEK 375 M, as well as a new assignment worth nearly SEK 1 billion related to the expansion of the Forum Nacka shopping center.

Order backlog

Order backlog rose by 11 percent, amounting to SEK 131.3 billion (118.7) at the end of the report period. Adjusted for currency rate effects, order backlog rose by 5 percent. Order backlog was equivalent to about 14 (13) months of construction.

Revenue and earnings

Performance analysis

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004
Revenue				
Construction	82,275	78,895	31,039	28,440
Residential Project Development	4,374	4,093	1,443	1,326
Commercial Project Development	3,967	4,784	417	2,238
Infrastructure Development	11	23	3	9
Central and eliminations	-2,583	-1,815	-841	-410
Discontinued operations	555	4,667	138	786
Skanska Group	88,599	90,647	32,199	32,389
Operating income				
Construction	1,716	1,449	964	716
Residential Project Development	451	357	172	127
Commercial Project Development ¹	1,529	1,496	138	650
Infrastructure Development	-76	-5	-61	5
Central	-273	-277	-75	-86
Eliminations ¹	-48	21	-25	10
Discontinued operations				
-earnings before interest and taxes	46	-96	17	-233
-gains from divestments	180	1,206	0	1,206
Operating income	3,525	4,151	1,130	2,395
Net interest	140	-44	62	26
Change in fair value	19	-	12	-
Other net financial items	-1	-33	11	-27
Net financial items	158	-77	85	-1
Income after financial items	3,683	4,074	1,215	2,394
Taxes	-884	-1,094	-242	-555
Profit for the period	2,799	2,980	973	1,839
Attributable to				
Equity holders	2,789	2,969	968	1,836
Minority interest	10	11	5	3
Earnings per share for the period	6.66	7.09	2.31	4.38
¹ Of which gains from divestments of commercial properties reported in Commercial Project Development	1,313	1,240	116	582
Eliminations	29	72	0	28

Revenue totaled SEK 88.6 billion (90.6). Adjusted for currency rate effects, revenue decreased by 3 percent. In continuing operations, revenue rose by 2 percent. Revenue of the Construction business stream rose by 4 percent in local currencies.

Operating income decreased by 15 percent, amounting to SEK 3,525 M (4,151). In the third quarter of 2004, the Group reported a capital gain of about SEK 1 billion from the divestment of Skanska Services. Currency rate effects contributed positively to operating income in the amount of SEK 55 M. In the Construction business stream, operating income rose by 18 percent and amounted to SEK 1,716 M (1,449). The operating margin rose to 2.1 (1.8) percent. Operating income during the report period included nonrecurring expenses of SEK 360 M in the California portion of Skanska USA Civil (Yeager Skanska), which were reported during the second quarter of the year. During the third quarter, Yeager again showed a loss of approximately USD 10 M. This loss was to a large extent mitigated for Skanska USA Civil by the resolution of claims. The first nine months of 2004 included restructuring expenses at Skanska USA Building amounting to SEK 150 M. Operating margins rose in most markets. In Norway, the final settlement of accounts for two large civil construction projects yielded good profits, which explains the increased margin in this market.

Residential Project Development increased its operating income by 26 percent to SEK 451 M (357). The operating margin in the business stream thus rose to 10.3 (8.7) percent. Operating margins improved in Sweden and in Finland. Skanska Czech operations also showed a higher operating income, but this included nonrecurring effects amounting to about SEK 15 M related to the transition to the income recognition method used in other markets. Operating income in the Commercial Project Development business stream rose to SEK 1,529 M (1,496). Gains from property divestments amounted to SEK 1,313 M (1,240). For ongoing projects that were divested, Skanska applies the percentage of completion principle of accounting. Included in gains from property divestment was SEK 229 M pertaining to these projects. Operating income in Commercial Project Development also included SEK 145 M related to payments for leases that were terminated early. The operating income of Skanska Infrastructure Development (formerly Skanska BOT) totaled SEK -76 M (-5). The lower earnings were partly an effect of currency rate changes and the ramp-up of the Autopista Central project in Chile and were also partly due to increased tendering expenses.

Corporate overhead totaled SEK -273 M (-277). The item "Discontinued operations" includes operating income from those Swedish businesses that Skanska plans to divest during 2005. This applies to Flexator, Temporent and Skanska Glasbyggarna. Skanska Prefab Mark was sold during the second quarter, and the capital gain of SEK 180 M as well as the earnings of this business during the first quarter of the year are included in operating income from "Discontinued operations." The comparative period included a capital gain of about SEK 1 billion from the divestment of Skanska Services.

Net interest items improved due to Skanska's strengthened financial position and amounted to SEK 140 M (-44). Capitalization of interest expenses in ongoing projects totaled SEK 21 M (32). The net change in the market value of

financial instruments amounted to SEK 19 M (0). Other financial items totaled SEK -1 M (-33) and mainly consisted of currency rate differences.

Income after financial items amounted to SEK 3,683 M (4,074). Taxes for the period amounted to SEK -884 M (-1,094), equivalent on an annualized basis to a tax rate of about 24 (27) percent. The comparatively low tax rate is mainly explained by lower nominal tax rates in certain home markets (for example Finland and the Czech Republic) as well as the positive tax effect from the discontinuation of foreign subsidiaries. Profit for the period amounted to SEK 2,799 M (2,980). Earnings per share for the period rose to SEK 6.66 (7.09).

Investments and divestment

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004
Investments	-5,042	-4,658	-1,454	-1,606
Divestments	7,643	9,574	1,395	5,087
Net investments ¹	2,601	4,916	-59	3,481
1 Of which strategic investments/divestments	244	1,737	-53	1,882

In the Construction business stream, investments rose to SEK -1,697 M (-847). This item was mainly related to investments in non-current assets for Skanska's own construction and manufacturing. Net investments in Construction totaled SEK -865 M (-302). In Residential Project Development, investments declined to SEK -2,205 M (-2,421). Net divestments in this business stream were SEK 876 M (474). Investments in Commercial Project Development fell to SEK -770 M (-1,060). Divestments in the form of sale of completed properties and ongoing projects decreased to SEK 3,427 M (4,102). Net divestments in Commercial Project Development totaled SEK 2,657 M (3,042). Net investments in the Infrastructure Development business stream (formerly Skanska BOT) totaled SEK -324 M (-47).

The Group's total investments amounted to SEK -5,042 M (-4,658). Divestments totaled SEK 7,643 M (9,574), and the Skanska Group's net amount of investments (-) and divestments (+) was SEK +2,601 M (+4,916).

Operating cash flow and change in interest-bearing net receivables/net debt

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004
Cash flow from business operations and net strategic investments by business stream				
Construction	-1,015	1,159	699	842
Residential Project Development	1,180	202	172	380
Commercial Project Development	2,841	3,202	64	1,415
Infrastructure Development	-393	-117	-58	-33
Central och eliminations	-207	-388	30	-74
Discontinued operations	40	2,131	10	1,815
Cash flow before taxes, financial operations and dividends	2,446	6,189	917	4,345
Taxes paid	-1,420	-717	-351	-40
Net interest items and other financial items	-70	-77	17	-1
Dividend etc.	-1,675	-1,287	2	0
Cash flow before change in interest-bearing receivables and liabilities	-719	4,108	585	4,304
Translation differences, net receivables/net debt	101	-50	-19	1
Reclassification, interest-bearing net receivables/net debt	1,070	35	764	14
Interest-bearing liabilities acquired/divested	142	-8	21	-2
Other changes, interest-bearing net receivables/net debt	-95	-111	-88	-89
Change in interest-bearing net receivables/net debt	499	3,974	1,263	4,228

Cash flow before taxes, financing operations and dividends declined by 60 percent compared to the same period last year, amounting to SEK 2,446 M (6,189). To achieve uniform accounting of cash and bank balances, beginning with the third quarter of 2005, checks issued but not cashed are not recognized as a reduction in the item "Cash and bank balances" until they are cashed. Consequently, the corresponding amount of non interest-bearing liabilities are retained until the checks are cashed. This timing effect affects Skanska's U.S. and U.K. accounts. The reclassification constitutes an increase of SEK 764 M in net interest-bearing receivables at the opening of the quarter. The effect during the third quarter was reported as part of cash flow for July to September and amounted to SEK 22 M.

The weaker cash flow in the Construction business stream was partly explained by negative cash flow effects related to the project writedowns carried out in the United Kingdom and the United States during the fourth quarter of last year. In the Czech Republic, cash flow was weaker than in the comparative period, mainly due to a higher proportion of projects for public sector customers, which mainly pay late in the year. In the U.K., cash flow was adversely affected by large tendering expenses in PPP projects. In Residential Project Development, cash flow rose to SEK 1,180 M (202). Commercial Project Development reported a cash flow amounting to SEK 2,841 M (3,202). In Infrastructure Development (formerly BOT), cash flow from business operations totaled SEK -393 M (-117). The difference was explained mainly by investments in equity and subordinated receivables in the project portfolio.

Taxes paid amounted to SEK -1,420 M (-717). The increase was among other things explained by a supplementary tax payment amounting to SEK 600 M made during the first quarter of 2005, related to last year's withdrawal of tax allocation reserves. Dividend and adjustments of minority interest amounted to SEK -1,675 M (-1,287). Cash flow before changes in interest-bearing receivables and liabilities amounted to SEK -719 M (4,108).

Financial position

The Group's interest-bearing net receivables rose by SEK 499 M during the report period and amounted to SEK 8,318 M on September 30, 2005 (January 1: 7,819). At the end of the report period, interest-bearing loans as well as interest-bearing pensions amounted to SEK 3.8 billion (January 1: 4.6).

At the end of the period, capital employed amounted to SEK 22.8 billion (January 1: 21.4).

During the first nine months of 2005, the equity of the Group rose by SEK 2.2 billion to SEK 19.0 billion (January 1: 16.8). Aside from profit for the period and the dividend to shareholders related to the 2004 financial year, equity was affected by translation differences amounting to SEK 1.0 billion. The net debt/equity ratio amounted to -0.4 (January 1: -0.5) and the equity/assets ratio was 27.3 percent (January 1: 26.5).

Total assets in the consolidated balance sheet rose to SEK 69.6 billion (January 1: 63.4). Currency rate effects increased total assets by SEK 4.4 billion.

The book value of current-asset properties amounted to SEK 10.7 billion (January 1: 11.9), of which commercial properties in project development operations accounted for SEK 6.1 billion (January 1: 7.4). See the table on page 16.

Exchange rates for the most important currencies

SEK	Average exchange rates		Exchange rates on the balance sheet date		
	Jan-Sep	Jan-Sep	Sep 30	Sep 30	Dec 31
	2005	2004	2005	2004	2004
U.S. dollar	7.30	7.48	7.74	7.35	6.62
British pound	13.45	13.61	13.67	13.22	12.70
Norwegian crown	1.14	1.09	1.19	1.09	1.09
Euro	9.22	9.16	9.33	9.07	9.00

Personnel

The average number of employees in the Group was 53,786 (58,217).

Accounting principles and changes in accounting practices

Beginning with 2005, the Skanska Group is applying International Financial Reporting Standards (IFRS) in its financial reporting. This interim report has been prepared in accordance with IAS 34, "Interim financial reporting" and in accordance with the IFRS principles that are expected to be applied on December 31, 2005. IFRS is subject to continuous review, and changes may thus occur during 2005. Accounting practices, differences from earlier Swedish generally accepted accounting practices (GAAP) and a detailed presentation of their financial effects as well as recalculated comparative figures are provided in "Reporting in accordance with the International Financial Reporting Standards (IFRS)," which was published via press release on April 11, 2005 and is available at www.skanska.com.

In conjunction with the transition to IFRS, acquired goodwill amounting to SEK 428 M has been transferred from the Construction business stream to Residential Project Development.

Beginning with the third quarter of 2005, changes in the market value of financial instruments recognized at fair value are reported as a separate item in the income statement. The total effect of currency derivatives (pertaining to financial operations) on earnings is reported either as financial income or as a financial expense. The same applies to the effect on earnings of changes in the value of interest rate swaps.

In the balance sheet, the fair value of the instruments is reported as a non-interest-bearing asset or a non-interest-bearing liability. This implies changes compared to previous accounts. The appendix on page 17 shows the effects on the opening balance and in the first and second quarters of 2005.

Effective from January 1, 2005, Skanska has also changed its principle for reporting of contingencies (formerly contingent liabilities). The amount of completion guarantees is included until the project is handed over to the customer, which normally occurs upon approval of final inspection. Contingencies are calculated as the contract value less the value of the portion carried out. The guarantee amount was previously unchanged until the guarantee formally expired. The guarantee amount is not reduced by offsetting against still unreceived payment from the customer. Likewise, guarantees received from subcontractors and material suppliers are not taken into account. In the case of the Skanska Group, this change affects recognition of the Group's liability for the portion of the commitments of construction consortia borne by consortium members outside the Group. Reciprocal guarantees that have been received concerning the share of joint and several liability

borne by external consortium members are not taken into account. Tax cases, court and arbitration proceedings are no longer included in contingency amounts. Instead a separate description is provided.

The definitions of the following key financial ratios have changed due to the transition to IFRS:

Earnings per share	Profit/loss for the period attributable to equity holders of Skanska, divided by the average number of shares
Equity per share	Visible equity attributable to equity holders of Skanska, divided by the number of shares
Return on equity	Profit/loss attributable to equity holders of Skanska as a percentage of average visible equity attributable to equity holders of Skanska

For other key financial ratios, see the Annual Report for 2004.

Parent Company

The interim report for the Parent Company, Skanska AB, has been prepared in accordance with the Swedish Annual Accounts Act, with derivative instruments being valued at fair value. The positive effect on equity at the beginning of 2005 amounted to SEK 12 M. In the income statement for the first nine months of the year, income after financial items was positively affected in the amount of SEK 65 M.

In accordance with IFRS 1, "First-time Adoption of International Financial Reporting Standards," point 36A, comparative figures have not been restated.

Other matters

Pension obligations

Skanska is currently updating its assumptions in preparation for the annual calculation of pension obligations in the Group's defined-benefit pension plans. A preliminary calculation based on the current lower long-term interest rates and changed benchmark rates indicates that since January 1, net pension liability not recognized in the balance sheet is expected to increase by about SEK 1.5 billion and then amount to about SEK 2.1 billion.

According to existing accounting principles (IAS 19), deficits outside the "corridor" must be amortized over the expected average remaining working lives of the employees participating in the plan. On the basis of Skanska's preliminary liability calculation, changed assumptions – primarily a lower discount rate – will entail an annual negative impact of about SEK 100 M on future earnings. Amortization of deficits will entail an additional annual negative impact of about SEK 100 M on earnings.

IASB has amended IAS 19, thereby making possible an alternative treatment of surpluses and deficits in defined-benefit pension plans. This alternative rule implies that actuarial gains and losses are recognized directly in the balance sheet and thus do not give rise to any effect on earnings. The amended IAS 19 is expected to be adopted by the EU during 2005. Skanska intends to use this alternative method as soon as it is adopted. Such an adjustment would, based on Skanska's preliminary calculations, imply that the Group's equity would be reduced by about SEK 1.6 billion after taking deferred taxation and social insurance contributions into account and that net financial receivables would decrease by SEK 2.1 billion. Changed assumptions, primarily a lower discount rate, will entail an annual negative impact on earnings by about SEK 100M. As a consequence of the alternative method, future changes, both positive and negative, in actuarial assumptions will have an immediate impact on the reported equity and net financial receivables/liabilities.

Salary and benefits of the President and CEO

The salary benefits etc. of Stuart Graham, President and CEO, have been revised. Mr. Graham has had so-called expert tax status, which ceased in September 2005. Because of this, an agreement has been reached on special compensation amounting to a total of no more than SEK 10.4 M, with disbursement allocated over a three-year period. Mr. Graham's fixed salary and flexible salary elements are unchanged. In addition, his entitlement to a pension was changed from age 61 at the earliest to age 62 at the earliest. As previously, full pension will be received at age 65; however, this pension shall total a fixed amount of USD 500,000, instead of about 50 percent of fixed annual salary as previously.

Alleged collusive anti-competitive practices

After an "intermediate judgment" in Sweden's Market Court in September 2004, it was clarified that the Swedish Competition Authority's suit in Stockholm City Court demanding fines for alleged collusive anti-competitive practices will be heard in its entirety, i.e. also concerning contracting procurements by the National Road Administration included in the Competition Authority's allegations concerning cartels. The City Court estimates that the main hearings on this case can be held no earlier than the autumn of 2006. No new information has emerged either in the corresponding Finnish legal action or in cases where individual Swedish municipalities have sued construction companies, among them Skanska, maintaining they have suffered damage from alleged cartels.

Annual meeting

The Annual Shareholders' Meeting will be held at 5:00 p.m. on March 30, 2006 at the Rival Hotel, Mariatorget, Stockholm, Sweden.

Nomination Committee

In accordance with a decision by the Annual Shareholders' Meeting in 2005, the Chairman of the Board has asked five of the largest shareholders to appoint one representative each. Together with the Chairman, they will constitute a Nomination Committee. Among the tasks of the Nomination Committee is to work out a proposal for a Board of Directors and remuneration to the Board of Directors to be decided by the Annual Shareholders' Meeting in 2006. The Nomination Committee during the period leading up to the 2006 Annual Shareholders' Meeting of Skanska AB will have the following composition: Carl-Olof By, Chairman of the Nomination Committee, and representing AB Industrivärden; Robert Vikström, representing the Svenska Handelsbanken pension funds and Svenska Handelsbanken AB.; Magnus Wörn, representing AMF Pension; Per Ludvigsson, representing Inter-IKEA Investments AB; K G Lindvall, representing Robur Funds; and Sverker Martin-Löf, Chairman of the Board, Skanska AB.

Events after the close of the report period

In October, the financial close of the E18 highway project in Finland was announced. For Skanska the project involves an investment of about SEK 110 M and a construction contract worth approximately SEK 1.5 billion. The construction contract is included in order bookings for the fourth quarter.

Financial reports about the 2005 financial year

Skanska has stopped printing and distributing interim reports. Only the Annual Report is printed and distributed. The interim reports as well as the Year-end Report are available for downloading on Skanska's website, www.skanska.com and can also be ordered from Skanska AB, Investor Relations.

The Group's remaining report related to 2005 will be published on the following date:

February 16, 2006 Year-end Report

Solna, November 3, 2005

STUART E. GRAHAM
President and CEO

The auditors' review report

We have reviewed this interim report in accordance with the recommendation issued by the Swedish Institute of Authorized Accountants (FAR).

A review is considerably more limited in scope than an audit.

Nothing has come to our attention that indicates that the interim report does not fulfill the requirements of the Stock Exchange Act and the Annual Accounts Act.

Stockholm, November 3, 2005

KPMG Bohlins AB

CAJ NACKSTAD
Authorized Public Accountant

The Skanska Group

Summary income statement

GROUP						
SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	88,599	90,647	32,199	32,389	119,215	121,263
Cost of sales	-80,475	-82,392	-29,498	-29,507	-109,789	-111,706
Gross income	8,124	8,255	2,701	2,882	9,426	9,557
Selling and administrative expenses	-4,851	-5,359	-1,569	-1,694	-6,443	-6,951
Income from divestments of discontinued operations	180	1,206	0	1,206	561	1,587
Income from joint ventures and associated companies	72	49	-2	1	191	168
Operating income	3,525	4,151	1,130	2,395	3,735	4,361
Interest income	236	193	98	100	327	284
Interest expenses	-96	-237	-36	-74	-191	-332
Net interest	140	-44	62	26	136	-48
Change in fair value	19	-	12	-	19	-
Other net financial items	-1	-33	11	-27	46	14
Net financial items	158	-77	85	-1	201	-34
Income after financial items	3,683	4,074	1,215	2,394	3,936	4,327
Taxes	-884	-1,094	-242	-555	-931	-1,141
Profit for the period	2,799	2,980	973	1,839	3,005	3,186
Attributable to:						
Equity holders	2,789	2,969	968	1,836	2,993	3,173
Minority interest	10	11	5	3	12	13
Key financial figures						
Earnings per share, SEK	6.66	7.09	2.31	4.38	7.15	7.58
Average number of shares	418,553,072	418,553,072	418,553,072	418,553,072	418,553,072	418,553,072
Depreciation, non-current assets	-795	-935	-282	-294	-1,109	-1,249
Impairment loss, goodwill	-96	-161	-2	-135	-103	-168
Return on capital employed, % ¹	18.3	23.9				19.9
Return on equity, % ¹	17.0	25.0				20.4
Average number of employees	53,786	58,217				53,803

¹ Rolling 12 months

CONTINUING OPERATIONS						
SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	88,044	85,980	32,061	31,603	118,321	116,257
Cost of sales	-80,041	-78,165	-29,395	-28,654	-108,572	-106,696
Gross income	8,003	7,815	2,666	2,949	9,749	9,561
Selling and administrative expenses	-4,776	-4,811	-1,551	-1,526	-6,308	-6,343
Income from divestments of discontinued operations	0	0	0	0	0	0
Income from joint ventures and associated companies	72	37	-2	-1	191	156
Operating income	3,299	3,041	1,113	1,422	3,632	3,374
Net financial items	183	-62	96	2	231	-14
Income after financial items	3,482	2,979	1,209	1,424	3,863	3,360
Taxes	-869	-1,064	-238	-559	-900	-1,095
Profit for the period	2,613	1,915	971	865	2,963	2,265
Earnings per share, SEK	6.22	4.55	2.31	2.05	7.05	5.38

DISCONTINUED OPERATIONS						
SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	555	4,667	138	786	894	5,006
Cost of sales	-434	-4,227	-103	-853	-1,217	-5,010
Gross income	121	440	35	-67	-323	-4
Selling and administrative expenses	-75	-548	-18	-168	-135	-608
Income from divestments of discontinued operations	180	1,206	0	1,206	561	1,587
Income from joint ventures and associated companies	0	12	0	2	0	12
Operating income	226	1,110	17	973	103	987
Net financial items	-25	-15	-11	-3	-30	-20
Income after financial items	201	1,095	6	970	73	967
Taxes	-15	-30	-4	4	-31	-46
Profit for the period	186	1,065	2	974	42	921
Earnings per share, SEK	0.44	2.54	0.00	2.33	0.10	2.20

SUMMARY CASH FLOW STATEMENT	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct 2004-	Jan-Dec
SEK M	2005	2004	2005	2004	Sep 2005	2004
Cash flow from operating activities	1,914	4,228	976	2,604	4,205	6,519
Cash flow from investing activities	-438	-115	-987	151	883	1,206
Cash flow from financing activities	-2,746	-3,940	-1,161	-854	-4,610	-5,804
Cash flow for the period	-1,270	173	-1,172	1,901	478	1,921
of which discontinued operations	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct 2004-	Jan-Dec
SEK M	2005	2004	2005	2004	Sep 2005	2004
Cash flow from operating activities	-150	368	21	-37	-452	66
Cash flow from investing activities	220	1,723	-13	1,827	845	2,348
Cash flow from financing activities	123	-329	-16	16	375	-77
Cash flow for the period	193	1,762	-8	1,806	768	2,337
CHANGES IN EQUITY	Jan-Sep	Jan-Sep	Jul-Sep	Jul-Sep	Oct 2004-	Jan-Dec
SEK M	2005	2004	2005	2004	Sep 2005	2004
Opening balance (IFRS excl IAS 39)	16,793	14,701	17,959	14,760	16,543	14,701
Change to IAS 39, opening balance 2005	-11	-	0	-	-11	-
Dividend	-1,674	-1,256	0	0	-1,674	-1,256
Translation differences	1,047	188	-13	-29	1,117	258
Effects of IAS 39 Hedge accounting	10	-	45	-	10	-
Change, minority interest	2	-70	2	-27	-24	-96
Profit for the period	2,799	2,980	973	1,839	3,005	3,186
Closing balance	18,966	16,543	18,966	16,543	18,966	16,793

Group net investments

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
OPERATIONS - INVESTMENTS						
Intangible assets	-17	-41	-8	-12	-14	-38
Property, plant and equipment	-1,183	-794	-360	-210	-1,520	-1,131
Assets in Infrastructure Development operations	-332	-54	-57	-27	-466	-188
Holdings	0	-1	0	-1	-5	-6
Current-asset properties	-3,462	-3,645	-1,028	-1,373	-5,083	-5,266
<i>of which Residential Project Development</i>	-2,195	-2,482	-535	-831	-3,378	-3,665
<i>of which Commercial Project Development</i>	-768	-1,055	-250	-432	-1,044	-1,331
<i>of which other commercial properties</i>	-499	-108	-243	-110	-661	-270
Investments	-4,994	-4,535	-1,453	-1,623	-7,088	-6,629
OPERATIONS - DIVESTMENTS						
Intangible assets	4	8	1	-1	-2	2
Property, plant and equipment	376	398	76	81	613	635
Assets in Infrastructure Development operations	8	7	0	0	8	7
Holdings	1	10	0	4	3	12
Current-asset properties	6,962	7,291	1,370	3,138	8,992	9,321
<i>of which Residential Project Development</i>	3,075	2,958	936	1,034	4,260	4,143
<i>of which Commercial Project Development</i>	3,427	4,098	299	2,016	3,974	4,645
<i>of which other commercial properties</i>	460	235	135	88	758	533
Divestments	7,351	7,714	1,447	3,222	9,614	9,977
Net investments in operations	2,357	3,179	-6	1,599	2,526	3,348
STRATEGIC INVESTMENTS						
Businesses	-48	-122	-1	17	-61	-135
Holdings	0	-1	0	0	0	-1
Strategic investments	-48	-123	-1	17	-61	-136
STRATEGIC DIVESTMENTS						
Businesses	261	1,398	-52	1,407	941	2,078
Holdings	31	462	0	458	48	479
Strategic divestments	292	1,860	-52	1,865	989	2,557
Net strategic investments	244	1,737	-53	1,882	928	2,421
TOTAL NET INVESTMENTS	2,601	4,916	-59	3,481	3,454	5,769
Depreciation, non-current assets	-795	-935	-282	-294	-1,109	-1,249

Consolidated operating cash flow statement

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Cash flow from business operations before change in working capital						
capital	2,299	2,267	1,182	919	2,015	1,983
Change in working capital	-2,408	-880	-423	187	-9	1,519
Net investments in business operations	2,357	3,179	-6	1,599	2,526	3,348
Cash flow adjustment, net investments	-46	-114	217	-242	15	-53
Taxes paid in business operations	-1,440	-711	-346	-40	-1,740	-1,011
Cash flow from business operations	762	3,741	624	2,423	2,807	5,786
Net interest items and other financial items	-70	-77	17	-1	-27	-34
Taxes paid in financing operations	21	23	-5	0	8	10
Cash flow from financing operations	-49	-54	12	-1	-19	-24
CASH FLOW FROM OPERATIONS	713	3,687	636	2,422	2,788	5,762
Net strategic investments	244	1,737	-53	1,882	928	2,421
Taxes paid on net strategic investments	-1	-29	0	0	-1	-29
Cash flow from net strategic investments	243	1,708	-53	1,882	927	2,392
Dividend etc.	-1,675	-1,287	2	0	-1,676	-1,288
CASH FLOW BEFORE CHANGE IN INTEREST-BEARING RECEIVABLES AND LIABILITIES	-719	4,108	585	4,304	2,039	6,866
Change in interest-bearing receivables and liabilities	-551	-3,935	-1,757	-2,403	-1,561	-4,945
CASH FLOW FOR THE PERIOD	-1,270	173	-1,172	1,901	478	1,921
Cash and cash equivalents at the beginning of the period	8,868	7,037	9,095	5,407	7,266	7,037
Reclassification in cash and cash equivalents	764	0	764	0	764	0
Exchange rate differences in cash and cash equivalents	306	56	-19	-42	160	-90
Cash and cash equivalents at the end of the period	8,668	7,266	8,668	7,266	8,668	8,668
Change in interest-bearing net receivables/net debt	499	3,974	1,262	4,228	3,907	7,382

Balance sheet

SEK M	Sep 30 2005	Sep 30 2004	Jan 1 2005	Dec 31 2004
ASSETS				
Non-current assets				
Property, plant and equipment	5,406	5,951	4,978	5,507
Goodwill	4,158	3,990	3,899	3,899
Intangible assets	603	549	535	535
Investments in associated companies and joint ventures	1,623	875	862	862
Financial assets ¹	1,312	1,480	1,253	1,137
Deferred tax assets	1,542	1,478	1,442	1,455
Total non-current assets	14,644	14,323	12,969	13,395
Current assets				
Current-asset properties ²	10,710	12,257	11,935	11,948
Inventories	536	984	605	732
Financial receivables	2,287	3,024	2,771	2,490
Tax assets	780	626	269	269
Gross amount due from customers for contract work	6,680	5,070	3,653	3,579
Trade and other receivables	24,606	25,398	21,457	21,622
Short-term investments	2,558	1,217	3,053	3,053
Cash and bank balances	6,104	6,049	5,794	5,815
Assets classified as held for sale	679	-	869	-
Total current assets	54,940	54,625	50,406	49,508
TOTAL ASSETS	69,584	68,948	63,375	62,903
<i>of which interest-bearing non-current assets</i>	<i>1,211</i>	<i>1,405</i>	<i>1,063</i>	<i>1,063</i>
<i>of which interest-bearing assets held for sale</i>	<i>6</i>	<i>-</i>	<i>21</i>	<i>-</i>
<i>of which interest-bearing current assets</i>	<i>10,919</i>	<i>10,290</i>	<i>11,337</i>	<i>11,358</i>
	<i>12,136</i>	<i>11,695</i>	<i>12,421</i>	<i>12,421</i>
EQUITY				
Equity attributable to equity holders	18,837	16,402	16,665	16,676
Minority interest	129	141	117	117
Total equity	18,966	16,543	16,782	16,793
LIABILITIES				
Non-current liabilities				
Loans and borrowings	2,617	4,755	3,300	3,046
Pensions	551	1,240	518	522
Deferred tax liabilities	2,690	3,394	2,708	2,744
Provisions	125	176	135	135
Total non-current liabilities	5,983	9,565	6,661	6,447
Current liabilities				
Loans and borrowings	777	1,155	1,197	1,006
Tax liabilities	878	832	994	998
Provisions	2,582	2,991	2,722	2,727
Gross amount due to customers for contract work	11,883	10,591	10,471	10,428
Trade and other payables	28,235	27,271	24,224	24,504
Liabilities classified as held for sale	280	-	324	-
Total current liabilities	44,635	42,840	39,932	39,663
TOTAL EQUITY AND LIABILITIES	69,584	68,948	63,375	62,903
<i>of which interest-bearing loans and borrowings</i>	<i>3,125</i>	<i>5,910</i>	<i>4,050</i>	<i>4,052</i>
<i>of which interest-bearing pensions and provisions</i>	<i>676</i>	<i>1,374</i>	<i>546</i>	<i>550</i>
<i>of which interest-bearing liabilities held for sale</i>	<i>17</i>	<i>-</i>	<i>6</i>	<i>-</i>
	<i>3,818</i>	<i>7,284</i>	<i>4,602</i>	<i>4,602</i>
Key financial figures				
Capital employed, closing balance	22,784	23,827	21,384	21,395
Capital employed, average	22,516	23,926	23,390	23,391
Equity/assets ratio, %	27.3	24.0	26.5	26.7
Interest-bearing net receivables (+)/net debt (-), SEK m	8,318	4,411	7,819	7,819
Debt/equity ratio	-0.4	-0.3	-0.5	-0.5
¹ of which interest-bearing receivables	1,211	1,405	1,063	1,063
of which non interest-bearing receivables	19	-	116	-
of which shares	82	75	74	74
² Current-asset properties				
Commercial Project Development	6,125	7,735	7,395	7,408
Other commercial properties	1,480	1,362	1,272	1,272
Residential Project Development	3,105	3,160	3,268	3,268
	10,710	12,257	11,935	11,948

Note Contingent liabilities

Contingent liabilities amounted to SEK 6.4 billion on September 30, 2005 (Dec 31, 2004: 7.4). During the quarter the liabilities decreased by SEK 1.4 billion.

Regarding tax cases, court and arbitration proceedings, major ongoing legal proceedings were described in Note 32 in the Annual Report of 2004. No important events occurred during the third quarter of 2005.

Additional information

Business streams

Construction

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	82,275	78,895	31,039	28,440	111,357	107,977
Gross income	5,644	5,345	2,284	1,914	6,979	6,680
Selling and administrative expenses	-3,955	-3,920	-1,328	-1,210	-5,242	-5,207
Income from joint ventures and associated companies	27	24	8	12	42	39
Operating income	1,716	1,449	964	716	1,779	1,512
Investments	-1,697	-847	-592	-319	-2,180	-1,330
Divestments	832	545	157	154	1,365	1,078
Net investments	-865	-302	-435	-165	-815	-252
Cash flow from operations before investments and change in working capital	2,558	2,169	1,210	988	2,626	2,237
Change in working capital	-2,696	-710	-62	16	-84	1,902
Net investments in operations	-821	-298	-381	-199	-789	-266
Cash flow adjustment, net investments	-12	2	-14	3	64	78
Operating cash flow from business operations¹	-971	1,163	753	808	1,817	3,951
Strategic net investments	-44	-4	-54	34	-26	14
Cash flow	-1,015	1,159	699	842	1,791	3,965
Gross margin, %	6.9	6.8	7.4	6.7	6.3	6.2
Selling and administrative expenses, %	-4.8	-5.0	-4.3	-4.3	-4.7	-4.8
Operating margin %	2.1	1.8	3.1	2.5	1.6	1.4
Capital employed, SEK bn	5.8	6.4				3.6
Return on capital employed (RoCE), % ²	36.9	29.2				25.6
Order bookings, SEK bn	87.5	86.8	36.8	26.6	116.7	116.0
Order backlog, SEK bn	131.3	118.7				113.5
Employees	52,248	52,496				51,583

¹ Before taxes, financing operations and dividends

² Rolling 12 months

Residential Project Development

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	4,374	4,093	1,443	1,326	6,095	5,814
Gross income	704	583	255	206	942	821
Selling and administrative expenses	-251	-226	-81	-79	-330	-305
Income from joint ventures and associated companies	-2	0	-2	0	10	12
Operating income	451	357	172	127	622	528
Investments	-2,205	-2,421	-537	-798	-3,460	-3,676
Divestments	3,081	2,895	935	1,038	4,271	4,085
Net investments	876	474	398	240	811	409
Cash flow from operations before investments and change in working capital	-140	-48	49	24	-161	-69
Change in working capital	461	-209	-397	105	546	-124
Net investments in operations	876	474	398	240	811	409
Cash flow adjustment, net investments	-17	-15	122	11	86	88
Operating cash flow from business operations¹	1,180	202	172	380	1,282	304
Strategic net investments	0	0	0	0	0	0
Cash flow	1,180	202	172	380	1,282	304
Operating margin, %	10.3	8.7	11.9	9.6	10.2	9.1
Capital employed, SEK bn	2.4	2.8				2.8
Return on capital employed (RoCE), % ²	23.9	16.2				18.4
Employees	610	723				739

¹ Before taxes, financing operations and dividends

² Rolling 12 months

Commercial Project Development

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	3,967	4,784	417	2,238	4,767	5,584
Gross income	1,684	1,696	187	733	1,861	1,873
Selling and administrative expenses	-159	-159	-52	-46	-215	-215
Income from joint ventures and associated companies	4	-41	3	-37	4	-41
Operating income	1,529	1,496	138	650	1,650	1,617
of which gain from divestments of properties ¹	1,313	1,240	116	582	1,495	1,422
of which operating net, completed properties ²	313	409	39	133	408	504
of which write-downs/reversal of write-downs	0	0	0	0	-98	-98
Investments	-770	-1,060	-250	-433	-1,046	-1,336
Divestments	3,427	4,102	299	2,016	4,040	4,715
Net investments	2,657	3,042	49	1,583	2,994	3,379
Cash flow from operations before investments and change in working capital	213	297	21	105	253	337
Change in working capital	-11	-36	-114	-17	-126	-151
Net investments in operations	2,657	3,042	49	1,584	2,993	3,378
Cash flow adjustment, net investments	-18	-102	108	-257	-135	-219
Operating cash flow from business operations³	2,841	3,201	64	1,415	2,985	3,345
Strategic investments	0	1	0	0	0	1
Cash flow	2,841	3,202	64	1,415	2,985	3,346
Capital employed, SEK bn	6.9	8.9				7.8
Return on capital employed (RoCE), % ⁴	22.2	23.3				17.7
Employees	126	138				129
1 Additional gain included in eliminations was	29	72	0	28	29	72
2 After selling and administrative expenses						
3 Before taxes, financing operations and dividends						
4 Rolling 12 months						

Infrastructure Development (formerly BOT)

SEK M	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004- Sep 2005	Jan-Dec 2004
Revenue	11	23	3	9	21	33
Gross income	-39	-4	-18	2	-47	-12
Selling and administrative expenses	-74	-53	-28	-20	-91	-70
Income from joint ventures and associated companies	37	52	-15	23	98	113
Operating income	-76	-5	-61	5	-40	31
of which gains from divestments of projects	0	0	0	0	0	0
0	0	0	0	0	0	0
Investments	-332	-54	-57	-28	-466	-188
Divestments	8	7	0	1	7	6
Net investments	-324	-47	-57	-27	-459	-182
Cash flow from operations before investments and change in working capital	-91	-56	-41	-18	-53	-18
Change in working capital	22	-14	40	12	21	-15
Net investments in operations	-324	-47	-57	-27	-459	-182
Cash flow adjustment, net investments	0	0	0	0	0	0
Operating cash flow from business operations¹	-393	-117	-58	-33	-491	-215
Strategic investments	0	0	0	0	0	0
Cash flow	-393	-117	-58	-33	-491	-215
Capital employed, SEK bn	2.2	1.4				1.5
Return on capital employed (RoCE), % ²	-1.6	1.6				3.3
Employees	60	39				40
1 Before taxes, financing operations and dividends						
2 Rolling 12 months						

At the end of the report period, the book value of shares, participations and subordinated receivables in Infrastructure Development operations totaled about SEK 2.2 billion. Remaining investment commitments related to ongoing Infrastructure Development projects totaled about SEK 0.8 billion. The increase since year-end 2004 was attributable to currency rate effects. In addition, at the end of the third quarter Skanska was negotiating the financial close of 5 additional PPP projects, which if financial close is completed will add further investment commitments of about SEK 1.0 billion.

Construction, by business/reporting unit

SEK M	Revenue					
	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004
Sweden	15,925	14,110	5,805	4,947	22,334	20,519
Norway	7,803	6,160	2,490	2,210	10,283	8,640
Denmark	2,975	2,450	1,002	837	4,161	3,636
Finland	5,931	5,455	2,415	1,959	8,099	7,623
Poland	3,272	2,603	1,760	1,446	4,639	3,970
Czech Republic	7,237	5,459	3,040	2,350	9,684	7,906
UK	7,053	8,813	2,613	2,663	9,264	11,024
USA Building	21,823	21,058	8,204	7,575	28,366	27,601
USA Civil	6,709	9,569	2,683	3,334	9,546	12,406
Latin America	2,539	1,816	865	662	3,508	2,785
International ¹	1,008	1,402	162	457	1,473	1,867
Total	82,275	78,895	31,039	28,440	111,357	107,977

¹ International includes operations in Russia, International Projects and UK International.

SEK M	Operating income						Operating margin, %					
	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004
Sweden	537	360	225	152	756	579	3.4	2.6	3.9	3.1	3.4	2.8
Norway	323	160	177	56	378	215	4.1	2.6	7.1	2.5	3.7	2.5
Denmark	61	43	19	23	71	53	2.1	1.8	1.9	2.7	1.7	1.5
Finland	141	162	83	104	242	263	2.4	3.0	3.4	5.3	3.0	3.5
Poland	29	36	52	43	94	101	0.9	1.4	3.0	3.0	2.0	2.5
Czech Republic	354	266	157	105	456	368	4.9	4.9	5.2	4.5	4.7	4.7
UK	215	250	81	69	17	52	3.0	2.8	3.1	2.6	0.2	0.5
USA Building	161	8	61	61	-260	-413	0.7	0.0	0.7	0.8	-0.9	-1.5
USA Civil	-177	147	63	69	-106	218	-2.6	1.5	2.3	2.1	-1.1	1.8
Latin America	96	90	46	34	124	118	3.8	5.0	5.3	5.1	3.5	4.2
International ¹	-24	-73	0	0	7	-42	-2.4	-5.2	0.0	0.0	0.5	-2.2
Total	1,716	1,449	964	716	1,779	1,512	2.1	1.8	3.1	2.5	1.6	1.4

SEK M	Order backlog			Order bookings					
	Sep 30 2005	Sep 30 2004	Dec 31 2004	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004
Sweden	17,073	15,835	15,485	17,349	17,033	7,089	4,691	23,355	23,039
Norway	8,689	6,621	7,371	8,611	7,025	4,304	2,194	11,781	10,195
Denmark	2,394	2,088	2,157	2,761	2,504	826	797	3,775	3,518
Finland	5,152	5,446	4,854	6,028	5,690	1,779	2,086	7,654	7,316
Poland	8,113	3,164	3,844	6,999	2,874	5,046	1,178	8,684	4,559
Czech Republic	12,992	12,040	13,047	6,306	9,836	2,186	2,896	9,380	12,910
UK	16,027	13,449	13,318	8,717	8,209	3,136	1,358	11,358	10,850
USA Building	36,575	43,182	36,577	15,965	25,773	6,010	9,045	19,891	29,699
USA Civil	19,471	12,807	12,116	11,708	4,663	5,730	1,888	15,287	8,242
Latin America	3,387	2,356	2,885	2,276	2,087	423	394	4,113	3,924
International	1,467	1,685	1,844	772	1,076	236	22	1,452	1,756
Total	131,340	118,673	113,498	87,492	86,770	36,765	26,549	116,730	116,008

Residential Project Development, by business/reporting unit

SEK M	Revenue						Operating income ¹					
	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004
Sweden	1,636	1,331	545	401	2,351	2,046	121	73	48	35	184	136
Norway	1,020	901	346	287	1,353	1,234	96	95	35	26	123	122
Finland	1,164	1,152	332	367	1,621	1,609	148	105	63	46	194	151
Poland	71	84	26	25	103	116	6	11	6	4	5	10
Czech Republic	330	420	138	160	433	523	85	74	27	21	116	105
International	153	205	56	86	234	286	-5	-1	-7	-5	0	4
Total	4,374	4,093	1,443	1,326	6,095	5,814	451	357	172	127	622	528

SEK M	Operating margin, % ¹						Return on capital employed ²		
	Jan-Sep 2005	Jan-Sep 2004	Jul-Sep 2005	Jul-Sep 2004	Oct 2004-Sep 2005	Jan-Dec 2004	Oct 2004-Sep 2005	Oct 2003-Sep 2004	Jan-Dec 2004
Sweden	7.4	5.5	8.8	8.7	7.8	6.6	52.8	16.1	25.4
Norway	9.4	10.5	10.1	9.1	9.1	9.9	11.2	10.1	9.7
Finland	12.7	9.1	19.0	12.5	12.0	9.4	29.5	19.7	24.0
Poland	8.5	13.1	23.1	16.0	4.9	8.6	5.0	1.0	7.7
Czech Republic	25.8	17.6	19.6	13.1	26.8	20.1	46.4	51.4	48.6
International	-3.3	-0.5	-12.5	-5.8	0.0	1.4	2.2	12.3	8.6
Total	10.3	8.7	11.9	9.6	10.2	9.1	24.0	16.2	18.4

¹ Development profit only. Construction margin reported under Construction.

² Rolling 12 months

At the end of September 2005, there were 5,474 (6,891) residential units under construction. Of these, 75 (69) percent were sold. The number of completed unsold residential units totaled 204 (285). During the first nine months of 2005, construction started on 3,084 (3,621) units. In the Nordic countries, the number of residential units started increased to 2,807 (2,700), while the number declined to 277 (921) in the Czech Republic and in St. Petersburg, Russia. The number of residential units sold during the first nine months of the year was 3,511 (3,355). Here, the Nordic markets showed an increase to 3,005 units (2,599), while the number of sold units declined to 506 (756) in the other markets.

The book value of current-asset properties in Residential Project Development totaled SEK 3.1 billion (Dec. 2004: 3.3). A breakdown of book value can be seen in the table below. The book value of undeveloped land and development properties was SEK 2.1 billion. This is equivalent to building rights for about 15,200 residential units. There were also about 3,100 building rights in associated companies.

Breakdown of book value, current-asset properties, September 30, 2005

SEK M	Residential Project Development	Commercial Project Development	Other commercial properties	Total
Completed projects	399	3,728	48	4,175
Ongoing projects	562	485	420	1,467
Land bank	2,144	1,912	1,012	5,068
Total	3,105	6,125	1,480	10,710

Commercial Project Development

SEK M	Book value, end of period	Book value upon completion	Market value Dec 31, 2004	Occupancy rate, %
Completed properties	3,728	3,728	4,980	72
Ongoing projects	485	1,089	1,389	39
Subtotal	4,213	4,817	6,369	
Land bank	1,912	1,912		
TOTAL	6,125	6,729		

Commercial Project Development has six projects underway, four of them in Sweden. Ongoing projects represent leasable space of about 65,000 sq. m (699,400 sq. ft.) and are 39 percent pre-leased, measured in rent. Including the seven ongoing projects that were sold during construction, leasable space totals 126,000 sq. m (1,355,800 sq. ft.) of which a total of 67 percent is pre-leased. At the end of the report period, the book value of ongoing projects amounted to SEK 0.5 billion (Dec. 2004: 0.2). Their book value upon completion is expected to total SEK 1.1 billion, with an estimated market value of SEK 1.4 billion. The degree of completion in ongoing projects is about 45 percent.

The book value of Skanska's portfolio of completed projects amounted to SEK 3.7 billion (Dec. 2004: 4.6), with an estimated market value, based on an appraisal dated December 2004, of about SEK 5.0 billion (Dec. 2004: 6.9). The occupancy rate, measured in rent, amounted to 72 percent.

The book value of Skanska's undeveloped land and development properties (or "land bank") totaled about SEK 1.9 billion (Dec. 2004: 2.4).

Balance sheet Jan 1, 2005

	Jan 1 before change	Change	Jan 1 after change
Interest-bearing non-current assets	1,179	-116	1,063
Interest-bearing assets held for sale	21		21
Interest-bearing current assets	11,618	-281	11,337
	12,818	-397	12,421
Non-interest-bearing financial assets	0	116	116
Non-interest-bearing financial receivables	0	281	281
	0	397	397
Interest-bearing loans and borrowings	4,497	-447	4,050
Interest-bearing pensions and provisions	546		546
Interest-bearing liabilities held for sale	6		6
	5,049	-447	4,602
Non-interest-bearing loans and borrowings	0	447	447
	0	447	447
Interest-bearing net receivables/net debt	7,769	50	7,819
Capital employed	21,831	-447	21,384

Income statement Q1 2005

	Jan-Mar before change	Change	Jan-Mar after change
Interest income	322	-241	81
Interest expenses	-270	219	-51
<i>Net interest</i>	52	-22	30
Change in fair value		31	31
Other net financial items	7	-9	-2
Net financial items	59	0	59

Balance sheet Q1 2005

	Mar 31 before change	Change	Mar 31 after change
Interest-bearing non-current assets	1,352	-172	1,180
Interest-bearing assets held for sale	12		12
Interest-bearing current assets	11,045	-145	10,900
	12,409	-317	12,092
Non-interest-bearing financial assets	0	172	172
Non-interest-bearing financial receivables	0	145	145
	0	317	317
Interest-bearing loans and borrowings	4,346	-265	4,081
Interest-bearing pensions and provisions	561		561
Interest-bearing liabilities held for sale	14		14
	4,921	-265	4,656
Non-interest-bearing loans and borrowings	0	265	265
	0	265	265
Interest-bearing net receivables/net debt	7,488	-52	7,436
Capital employed	22,758	-265	22,493

Income statement Q2 2005

	Apr-Jun before change	Change	Apr-Jun after change
Interest income	493	-355	138
Interest expenses	-439	379	-60
<i>Net interest</i>	54	24	78
Change in fair value		7	7
Other net financial items	19	-31	-12
Net financial items	73	0	73

Balance sheet Q2 2005

	Jun 30 before change	Change	Jun 30 after change
Interest-bearing non-current assets	1,088	-140	948
Interest-bearing assets held for sale	8		8
Interest-bearing current assets	11,078	-54	11,024
	12,174	-194	11,980
Non-interest-bearing financial assets	0	140	140
Non-interest-bearing financial receivables	0	54	54
	0	194	194
Interest-bearing loans and borrowings	4,452	-224	4,228
Interest-bearing pensions and provisions	686		686
Interest-bearing liabilities held for sale	10		10
	5,148	-224	4,924
Non-interest-bearing loans and borrowings	0	224	224
	0	224	224
Interest-bearing net receivables/net debt	7,026	30	7,056
Capital employed	23,107	-224	22,883