

PRESS RELEASE

July 24, 2008

8:00 a.m. CET

Six Month Report, January-June 2008

Group highlights

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 |
|--|-----------------|-----------------|-----------------|-----------------|
| Revenue | 68,596 | 63,967 | 37,050 | 35,447 |
| <i>of which revenue from divestments of properties in Commercial Development</i> | <i>1,734</i> | <i>1,218</i> | <i>1,471</i> | <i>1,032</i> |
| Operating income | 2,424 | 2,198 | 1,344 | 1,419 |
| <i>of which gains from divestments of properties in Commercial Development</i> | <i>583</i> | <i>479</i> | <i>498</i> | <i>382</i> |
| Income after financial items | 2,687 | 2,299 | 1,467 | 1,448 |
| Profit for the period | 1,962 | 1,634 | 1,084 | 1,029 |
| Earnings per share for the period, SEK | 4.66 | 3.87 | 2.57 | 2.44 |
| Earnings per share for the period after dilution, SEK | 4.65 | 3.87 | 2.57 | 2.44 |
| Capital employed, SEK bn | 24.2 | 22.5 | | |
| Equity, SEK bn | 18.7 | 18.3 | | |
| Interest-bearing net receivables (+)/net debt (-), SEK bn | 7.6 | 7.6 | | |
| Return on capital employed, % ¹ | 25.8 | 20.5 | | |
| Return on equity, % ¹ | 22.4 | 17.2 | | |
| Operating cash flow before taxes, financing operations and dividends | -1,527 | 328 | -118 | 280 |
| Order bookings, SEK bn ² | 68.5 | 78.1 | 34.2 | 39.6 |
| Order backlog, SEK bn ² | 145.0 | 153.6 | | |

¹ Rolling 12 months
² Refers to Construction

January-June 2008 compared to January-June 2007

- Revenue amounted to SEK 68.6 billion (64.0). In Construction, revenue rose by 15 percent adjusted for currency rate effects.
- Operating income for the Group amounted to SEK 2,424 M (2,198).
- Operating income in Construction decreased by 22 percent and amounted to SEK 1,405 M (1,807). Operating margin decreased to 2.1 (3.0) percent. During the report period, project writedowns in Skanska UK amounting to SEK 570 M were charged to earnings, of which SEK 235 M during the second quarter.
- In Residential Development, operating income totaled SEK 294 M (386), with an operating margin of 7.5 (10.0) percent.
- During the report period, Skanska divested commercial properties worth SEK 1,734 M (1,218) with a capital gain totaling SEK 583 M (479).
- Income after financial items amounted to SEK 2,687 M (2,299).
- Profit for the report period totaled SEK 1,962 M (1,634) and earnings per share amounted to SEK 4.66 (3.87).
- Operating cash flow before taxes, financing activities and dividends amounted to SEK -1,527 M (328).
- Order bookings decreased by 12 percent and amounted to SEK 68.5 billion (78.1). Adjusted for currency rate effects, order bookings decreased by 8 percent.
- Order backlog totaled SEK 145.0 billion (153.6), equivalent to 13 (15) months of construction.

For further information, please contact:

Hans Biörck, Executive Vice President and CFO, Skanska AB, tel +46 8 753 88 00
 Karin Lepasoon, Senior Vice President, Communications, Skanska AB, tel +46 8 753 88 74
 Peter Gimbe, Press Officer, Skanska AB, tel +46 8 753 88 38, cell phone +46 70 543 88 38

This report will also be presented at a telephone conference at 11:00 a.m. CET on July 24. To participate in the conference, please register via <https://eventreg1.conferencing.com/webportal3/reg.html?Acc=330441&Conf=158886>. For seven working days after the conference, it will be possible to listen to a recording at telephone number +46 8 505 203 33, code 803102.

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

Skanska AB may be required to disclose the information provided herein pursuant to the Securities Market Act.

Comments from Skanska's President and CEO Johan Karlström:

- A number of Skanska's Construction business units continued to show very good earnings. This was especially true in Sweden, the U.S. and Latin America. Leasing activity remained high in Commercial Development, and the divestments carried out by Skanska showed good development gains. In Infrastructure Development, Skanska has been selected to develop the M25 ring road around London, one of our largest public-private partnership (PPP) projects to date.
- A review of large PPP projects in the U.K. resulted in further project writedowns of SEK 235 M. Mats Williamson, President of Skanska Sweden since 2002, is now taking over as President of Skanska UK to lead the task of changing procedures and processes and again making the business unit a profitable part of Skanska.
- The Nordic residential market continued to weaken, with a clear slowdown in Finland and a less pronounced downward trend in Sweden. This is having a negative impact on both Residential Development earnings and the potential for starting new projects.
- Cash flow was negative, at SEK -1,527 M during the first half of 2008, as an effect of increased investments primarily in Commercial Development. During the second quarter, Construction again showed a strong positive cash flow, which nevertheless did not offset the negative flow of the first quarter due to an unusually vigorous seasonal change in working capital.
- Uncertainty in the market has had only a limited impact on Skanska's operations. The main impact has been on order bookings in Nordic residential construction, a sector that comprises about one fourth of operations in these markets. Meanwhile there are signals in several markets of lower activity ahead, especially in building construction. However, Skanska is well equipped to meet a tougher market due to our good geographic dispersion, a wide mix of operations and a strong order backlog.

Market outlook

Construction

The uncertainty in the markets around the world has not yet resulted in any noticeable change in the number of requests for proposals from customers. In the Nordic markets and in the U.K., however, there are signs of a weakening in building construction from today's good level, in the Nordic countries primarily due to decreased residential construction. In other markets, the outlook is stable, although these are expected to be affected in case of a lengthy economic downturn.

In the American building construction market, Skanska's largest segments – healthcare and education – the outlook remains stable.

The market outlook in the Nordic as well as Central European civil construction markets remains positive. The outlook for U.S. civil construction remains good in New York but more uncertain elsewhere in the country.

Residential Development

In several markets, home prices have leveled off or even fallen. Due to interest rate hikes and stricter lending practices, fewer people have an opportunity to buy a new home. The underlying need for new residential units remains significant in Sweden and Finland, but housing markets are nevertheless slowing due to uncertain economic conditions. In Finland the slowdown is clear, while the downward trend is less pronounced in Sweden. In Denmark and Norway, the markets are stagnant, with weak sales and substantially fewer new project starts. In the Czech Republic and Slovakia, the housing market is showing continued good demand, although the market in Prague is showing signs of saturation.

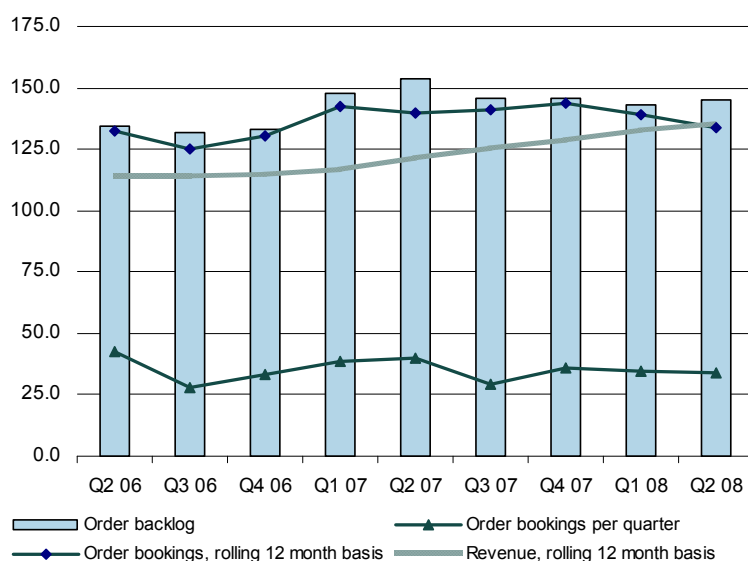
Commercial Development

Vacancy rates in modern properties in the office markets in the Nordic and parts of Central Europe are declining, and rents are stable. As a consequence of increasing project activity, investments are growing. In the Nordic as well as Central Europe, there is demand from the investor market for newly constructed properties with efficient space in the right locations. The impact of tighter credit and rising yield requirements is limiting the number of potential customers and restraining price levels.

Infrastructure Development

The volume of public-private partnership (PPP) projects in the United Kingdom is still large. In Skanska's other European markets, the supply of projects is more limited, although interest in PPP solutions has increased in Skanska's Central European markets. The lead times for PPP projects in the United States remain difficult to predict.

Order bookings and backlog in Construction, SEK bn



Order bookings

Order bookings decreased by 12 percent compared to the first half of last year, totaling SEK 68.5 billion (78.1). Adjusted for currency rate effects, order bookings decreased by 8 percent. During the comparative period, Skanska signed two of its largest contracts to date in the U.S. These were included in first half 2007 order bookings in an amount totaling SEK 14.6 billion.

Order bookings during the second quarter

Order bookings for the second quarter of last year included the Croton Water Filtration Plant in the Bronx, New York. The contract amount totaled about SEK 7.2 billion. During the comparative period, Skanska was also selected as construction manager for hotel, retail, restaurant and office space at the Mohegan Sun casino in Connecticut, U.S.A., with a contract amount of SEK 2.4 billion.

During the second quarter of this year, Skanska USA Civil signed a contract to upgrade the Newtown Creek Water Pollution Control Plant in Brooklyn, New York, where Skanska's share is worth SEK 2.4 billion. The same business unit was also awarded a contract to upgrade a wastewater treatment plant in Florida, worth SEK 570 M.

During the second quarter, Skanska USA Building continued to gain contracts in the healthcare field. During the quarter it won four major hospital assignments with a total contract value of about SEK 2.1 billion.

In Sweden, Skanska was contracted to build a new highway bridge in Gothenburg, worth SEK 1.1 billion. Skanska also secured a large road project, a reconstruction of National Road No. 4 east of Kraków, worth SEK 750 M.

Skanska Czech Republic was commissioned to rebuild a section of the railroad between Prague and the German border. The contract amount is SEK 835 M.

During the quarter, Skanska UK signed a contract worth SEK 640 M to design and build an extension to the Lowdham Grange correctional facility in Nottinghamshire. This was the business unit's second large assignment in this sector during 2008.

Order backlog

Order backlog decreased by 6 percent and totaled SEK 145.0 billion (153.6) at the end of the report period. Adjusted for currency rate effects, order backlog decreased by 6 percent. Order backlog was equivalent to about 13 (15) months of construction.

Revenue and earnings

Performance analysis

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 |
|---|-----------------|-----------------|-----------------|-----------------|
| Revenue | | | | |
| Construction | 65,637 | 59,404 | 35,116 | 32,650 |
| Residential Development | 3,945 | 3,860 | 1,980 | 1,818 |
| Commercial Development | 1,917 | 1,383 | 1,574 | 1,118 |
| Infrastructure Development | 23 | 29 | 8 | 21 |
| Central and eliminations | -2,926 | -709 | -1,628 | -160 |
| Skanska Group | 68,596 | 63,967 | 37,050 | 35,447 |
| Operating income | | | | |
| Construction | 1,405 | 1,807 | 923 | 1,144 |
| Residential Development | 294 | 386 | 143 | 140 |
| Commercial Development ¹ | 488 | 429 | 450 | 353 |
| Infrastructure Development | 590 | -115 | 9 | -19 |
| Central | -359 | -349 | -208 | -227 |
| Eliminations ¹ | 6 | 40 | 27 | 28 |
| Operating income | 2,424 | 2,198 | 1,344 | 1,419 |
| Net interest items | 306 | 199 | 130 | 81 |
| Change in fair value | -20 | -50 | 5 | -24 |
| Other net financial items | -23 | -48 | -12 | -28 |
| Net financial items | 263 | 101 | 123 | 29 |
| Income after financial items | 2,687 | 2,299 | 1,467 | 1,448 |
| Taxes | -725 | -665 | -383 | -419 |
| Profit for the period | 1,962 | 1,634 | 1,084 | 1,029 |
| Attributable to | | | | |
| Equity holders | 1,947 | 1,622 | 1,074 | 1,022 |
| Minority interest | 15 | 12 | 10 | 7 |
| Earnings per share for the period, SEK | 4.66 | 3.87 | 2.57 | 2.44 |
| Earnings per share for the period after dilution, SEK | 4.65 | 3.87 | | |
| 1 Of which gains from divestments of commercial properties reported in: | | | | |
| Commercial Development | 561 | 479 | 481 | 382 |
| Eliminations | 22 | 0 | 17 | 0 |

Revenue increased by 7 percent and totaled SEK 68.6 billion (64.0). Adjusted for currency rate effects, revenue rose by 11 percent. Revenue of the Construction business stream increased by 15 percent in local currencies. The negative currency rate effect on Construction revenue was 5 percent.

Operating income amounted to SEK 2,424 M (2,198). Currency rate effects increased operating income by SEK 39 M.

In the Construction business stream, operating income decreased by 22 percent and amounted to SEK 1,405 M (1,807). Operating margin decreased to 2.1 (3.0) percent. During the first quarter, Skanska carried out project writedowns in the United Kingdom totaling SEK 335 M. A review of large PPP projects in the U.K. resulted in further writedowns of SEK 235 M during the second quarter, mainly attributable to one major project. In the Czech Republic, increased expenses in some building construction projects adversely affected earnings by about SEK 60 M. Earnings in Finland continued to be adversely affected by weak earnings in civil construction. In several other markets, operating income improved. U.S. operations improved their operating margins substantially. The same was true of Skanska Latin America, where operations benefited from high activity in the energy sector. During the second quarter, Skanska Sweden boosted its operating margin to 5.2 (4.4) percent. During the quarter, the business unit's earnings were positively affected in the amount of some SEK 50 M by a final settlement of a major project.

In Residential Development, operating income totaled SEK 294 M (386). The operating margin in this business stream amounted to 7.5 (10.0) percent. Earnings continued to be adversely affected by the slowdown in Nordic housing markets, combined with general uncertainty among home purchasers. This resulted in lower business volume and fewer project starts. Combined with continued cost inflation, this adversely affected margins – especially in Skanska's Danish, Finnish and Norwegian operations. In Sweden, the downward trend is less pronounced and business volume remains good, while the margin has deteriorated somewhat. Skanska Czech Republic showed very good volumes and earnings.

Operating income in Commercial Development totaled SEK 488 M (429). Operating income in the business stream included capital gains from property divestments amounting to SEK 561 M (479). Of this, SEK 265 M (154) is attributable to ongoing projects that were divested ahead of completion. For these projects, Skanska applies the percentage of completion method.

Operating income in Infrastructure Development totaled SEK 590 M (-115). Operating income in the business stream included development gains totaling SEK 686 M from the sale of Skanska's stake in Ponte de Pedra, the Brazilian hydropower plant. Of this, SEK 43 M consisted of a gain from an additional purchase price recognized during the second quarter.

During the quarter, the item "Central" was adversely affected in the amount of about SEK 30 M due to additional expenses for businesses that are being discontinued (Denmark, Russia and International Projects).

Net interest income amounted to SEK 306 M (199). Capitalization of interest expenses in ongoing projects for Skanska's own account totaled SEK 91 M (28). The net change in the market value of financial instruments amounted to SEK -20 M (-50). Other financial items totaled SEK -23 M (-48) and mainly consisted of currency rate differences.

Income after financial items amounted to SEK 2,687 M (2,299). Taxes for the report period amounted to SEK -725 M (-665), equivalent to a tax rate of about 27 (29) percent. Profit for the period totaled SEK 1,962 M (1,634). Earnings per share for the period amounted to SEK 4.66 (3.87).

Investments and divestments

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 |
|--|-----------------|-----------------|-----------------|-----------------|
| Investments | -7,300 | -5,008 | -4,110 | -2,530 |
| Divestments | 5,589 | 3,986 | 2,798 | 2,568 |
| Net investments ¹ | -1,711 | -1,022 | -1,312 | 38 |
| 1 Of which strategic investments/divestments | -1 | -60 | 0 | -12 |

In the Construction business stream, investments totaled SEK -1,196 M (-1,108). This item was mainly related to investments in property, plant and equipment for Skanska's own construction and manufacturing. Net investments in Construction totaled SEK -591 M (-622). During the period, depreciation of property, plant and equipment amounted to SEK -622 M (-561). During the comparative period, the acquisition of the Slovakian company Stamart was included under strategic investments.

In Residential Development, investments amounted to SEK -2,766 M (-2,810), of which approximately SEK 900 M was related to land acquisition equivalent to about 2,900 building rights. On a net basis, the number of building rights rose by some 400 units during the report period. Net investments in Residential Development operations totaled SEK -716 M (-543).

In Commercial Development, investments rose to SEK -3,295 M (-1,080). Of this, about SEK 1.1 billion was related to investments in land. Divestments in the form of sale of completed properties and ongoing projects totaled SEK 1,747 M (1,218). Net investments in Commercial Development amounted to SEK -1,548 M (138).

Investments in Infrastructure Development amounted to SEK -343 M (-19) and divestments totaled SEK 1,203 M (23). During the first quarter, Skanska divested its stake in the Ponte de Pedra hydropower project. Net divestments in Infrastructure Development totaled SEK 1,161 M (4).

The Group's total investments amounted to SEK -7,300 M (-5,008). Divestments totaled SEK 5,589 M (3,986), and the Group's net investments amounted to SEK -1,711 M (-1,022).

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

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 |
|--|-----------------|-----------------|-----------------|-----------------|
| Cash flow from business operations and net strategic investments by business stream | | | | |
| Construction | -178 | 1,338 | 693 | 428 |
| Residential Development | -1,013 | -699 | -623 | -380 |
| Commercial Development | -1,068 | 216 | 27 | 450 |
| Infrastructure Development | 1,132 | -122 | 94 | -44 |
| Central and eliminations | -400 | -405 | -309 | -174 |
| Cash flow before taxes, financing operations and dividends | -1,527 | 328 | -118 | 280 |
| Taxes paid | -1,251 | -418 | -865 | -175 |
| Net interest items and other financial items | 200 | 74 | 62 | -17 |
| Dividend etc. ¹ | -3,653 | -3,459 | -3,580 | -3,455 |
| Cash flow before change in interest-bearing receivables and liabilities | -6,231 | -3,475 | -4,501 | -3,367 |
| Translation differences, net receivables/net debt | -49 | 87 | 267 | -35 |
| Change in pension liability | -679 | 687 | 144 | 573 |
| Interest-bearing liabilities acquired/divested | 0 | 6 | 0 | 0 |
| Other changes, interest-bearing net receivables/net debt | -52 | -95 | -19 | -142 |
| Change in interest-bearing net receivables/net debt | -7,011 | -2,790 | -4,109 | -2,971 |
| 1 of which repurchase of shares | -193 | - | -130 | - |

Cash flow before taxes, financing operations and dividends amounted to SEK -1,527 M (328).

In Construction, cash flow totaled SEK -178 M (1,338). Cash flow is normally strongest in the fourth quarter due to settlement of projects and pre-payments for new projects. This is normally reversed in the first quarter when Skanska makes corresponding settlements with its subcontractors and suppliers. In the fourth quarter of 2007, this seasonal effect was unusually large, with the consequence that cash flow during the first quarter of this year was sharply negative. During the second quarter, operations again generated a strongly positive cash flow.

In Residential Development, cash flow amounted to SEK -1,013 M (-699). Lower earnings and increased investments resulted in weaker cash flow. In Commercial Development, cash flow from business operations totaled SEK -1,068 M (216) as an effect of increased investments in ongoing projects. In Infrastructure Development, cash flow amounted to SEK 1,132 M (-122), where the increase was due to payment from the sale of Skanska's stake in the Ponte de Pedra hydropower station in Brazil.

Taxes paid amounted to SEK -1,251 M (-418). Dividends, repurchase of shares and adjustments of minority interest amounted to SEK -3,653 M (-3,459). Cash flow before changes in interest-bearing receivables and liabilities amounted to SEK -6,231 M (-3,475). The change in interest-bearing net debt/receivables totaled SEK -7,011 M (-2,790).

Financial position

During the report period, the Group's interest-bearing net cash position decreased by SEK 7.0 billion, amounting to SEK 7.6 billion at the end of June (December 31, 2007: 14.6). Interest-bearing loans plus interest-bearing pensions and provisions totaled SEK 5.5 billion (December 31, 2007: 4.8). Of this amount, "Interest-bearing pensions and provisions" totaled SEK 1.8 billion (December 31, 2007: 1.3).

At the end of the period, capital employed amounted to SEK 24.2 billion (December 31, 2007: 25.6).

The equity of the Group totaled SEK 18.7 billion (December 31, 2007: 20.7). The net debt/equity ratio amounted to -0.4 (December 31, 2007: -0.7), and the equity/assets ratio was 23.4 (December 31, 2007: 26.3) percent.

Total assets in the consolidated balance sheet amounted to SEK 79.9 billion (December 31, 2007: 78.9). This sum was influenced by negative currency rate effects of SEK 0.6 billion.

The carrying amount of current-asset properties totaled SEK 16.5 billion (December 31, 2007: 13.2), of which Commercial Development current-asset properties accounted for SEK 8.2 billion (December 31, 2007: 6.3). See the table on page 16.

Surplus values in the Commercial Development and Infrastructure Development business streams

The appraisal of market values in Commercial Development showed surplus values of SEK 2.2 billion (December 31, 2007: 1.9). Starting on January 1, 2008, Skanska is reporting the market value of completed projects plus undeveloped land and development properties. For ongoing projects, Skanska reports accrued market value, which is defined as the carrying amount at the end of the period plus the estimated surplus value upon completion multiplied by the degree of completion and the percentage of pre-leasing. See page 16 for more details.

At the end of the report period, the adjusted appraisal of market values in Infrastructure Development showed surplus values at the Group level of SEK 5.7 billion (December 31, 2007: 6.5). See page 17 for more details.

Exchange rates for the most important currencies

| SEK | Average exchange rates | | Exchange rates on the balance sheet date | | |
|-----------------|------------------------|---------|--|--------|--------|
| | Jan-Jun | Jan-Jun | Jun 30 | Jun 30 | Dec 31 |
| | 2008 | 2007 | 2008 | 2007 | 2007 |
| U.S. dollar | 6.13 | 6.94 | 5.99 | 6.85 | 6.43 |
| British pound | 12.12 | 13.67 | 11.94 | 13.74 | 12.85 |
| Norwegian crown | 1.18 | 1.13 | 1.18 | 1.16 | 1.18 |
| Euro | 9.39 | 9.22 | 9.46 | 9.25 | 9.45 |
| Czech crown | 0.37 | 0.33 | 0.40 | 0.32 | 0.36 |
| Polish zloty | 2.69 | 2.40 | 2.82 | 2.46 | 2.62 |

Personnel

The average number of employees in the Group was 57,882 (56,145).

Parent Company

The Parent Company carries out administrative work and includes the Senior Executive Team and management units. Parent Company revenue during the first half of 2008 was SEK 0 M (0), and income after financial items totaled SEK 2,683 M (2,711). The average number of employees in the Parent Company was 80 (74).

The Parent Company is indirectly affected by the risks and uncertainty factors described in a separate section of this report.

Accounting principles

This interim report has been prepared in compliance with IAS 34, "Interim financial reporting." Skanska is applying the same accounting principles that were described in the Annual Report for 2007.

Transactions with related parties

No transactions between Skanska and related parties having an essential effect on the Company's position and earnings have taken place.

Essential risks and uncertainty factors

The construction business is largely about risk management. Practically every project is unique. Size, shape, environment – everything varies for each new assignment. The construction industry differs in this way from typical manufacturing that operates in permanent facilities with long production runs.

In Skanska's operations there are many types of contractual mechanisms. The degree of risk associated with prices of goods and services varies greatly, depending on the contract type. Sharp increases in prices of materials may pose a risk, especially in long projects with fixed-price commitments. Shortages of human resources as well as certain input goods may potentially have an adverse impact on operations. Delays in the design phase or changes in design are other circumstances that may adversely affect projects.

To ensure a systematic and uniform assessment of construction projects, Skanska uses a common model for identifying and managing risks throughout the Group. With the help of this model, Skanska evaluates construction projects continuously, from tender preparations to completion of the assignment, with regard to technical, legal and financial risks.

For further information about risks and a description of key estimates and judgments, see the Report of the Directors and Notes 2 and 6 in the Annual Report for 2007 as well as the above section on the market outlook.

Other matters

Repurchases of shares

During the second quarter of 2008, Skanska continued its program to repurchase its own shares and acquired an additional 1,300,000 Series B shares. It has thus repurchased 1,850,000 shares at an average price of SEK 104.52. The purpose of the acquisitions is to ensure delivery of shares to the participants in the Skanska Employee Ownership Program.

Events after the close of the report period

Property divestments during the third quarter

As of today (July 24), during the third quarter of 2008 Skanska has divested a land holding including building rights in Warsaw, Poland valued at SEK 117 M, with a capital gain amounting to SEK 94 M.

Skanska appointed preferred bidder to develop M25 highway in London as a PPP project

After the close of the report period, Skanska – as part of the Connect Plus consortium – was formally appointed preferred bidder for the development of the M25 highway around London. In the next phase, negotiations will be concluded and financing for the project arranged, which is expected to occur toward the end of the year. Following financial close, the size of the Company's investment and construction contract will be determined. Only after this will the project be included in order bookings.

Financial reports during 2008

Skanska's 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 during the 2008 financial year will be published on the following date:

November 4 Nine Month Report

Certification

The Board of Directors and the CEO certify that the half-yearly financial report gives a fair review of the performance of the business, position and profit or loss of the Company and the Group, and describes the principal risks and uncertainties that the Company and the companies in the Group face.

Solna, July 24, 2008

Sverker Martin-Löf
Chairman

Jane F. Garvey
Board member

Sir Adrian Montague
Board member

Finn Johnsson
Board member

Lars Pettersson
Board member

Bengt Kjell
Board member

Matti Sundberg
Board member

Inge Johansson
Board member

Gunnar Larsson
Board member

Alf Svensson
Board member

Johan Karlström
President and CEO, Board member

This interim report has not been subjected to separate examination by the Company's auditors.

The Skanska Group

Summary income statement

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 68,596 | 63,967 | 37,050 | 35,447 | 143,410 | 138,781 |
| Cost of sales | -62,828 | -58,044 | -33,649 | -31,989 | -130,591 | -125,807 |
| Gross income | 5,768 | 5,923 | 3,401 | 3,458 | 12,819 | 12,974 |
| Selling and administrative expenses | -4,217 | -3,911 | -2,247 | -2,144 | -8,276 | -7,970 |
| Income from joint ventures and associated companies | 873 | 186 | 190 | 105 | 1089 | 402 |
| Operating income | 2,424 | 2,198 | 1,344 | 1,419 | 5,632 | 5,406 |
| Financial income ¹ | 391 | 266 | 169 | 110 | 771 | 646 |
| Financial expenses ¹ | -128 | -165 | -46 | -81 | -348 | -385 |
| Net financial items | 263 | 101 | 123 | 29 | 423 | 261 |
| Income after financial items | 2,687 | 2,299 | 1,467 | 1,448 | 6,055 | 5,667 |
| Taxes | -725 | -665 | -383 | -419 | -1,606 | -1,546 |
| Profit for the period | 1,962 | 1,634 | 1,084 | 1,029 | 4,449 | 4,121 |
| Attributable to: | | | | | | |
| Equity holders | 1,947 | 1,622 | 1,074 | 1,022 | 4,421 | 4,096 |
| Minority interest | 15 | 12 | 10 | 7 | 28 | 25 |
| Key financial figures | | | | | | |
| Earnings per share, SEK | 4.66 | 3.87 | 2.57 | 2.44 | 10.57 | 9.78 |
| Earnings per share after dilution, SEK | 4.65 | 3.87 | 2.57 | 2.44 | 10.55 | 9.77 |
| Average number of shares ² | 418,241,053 | 418,553,072 | | | 418,241,053 | 418,553,072 |
| Depreciation, non-current assets | -641 | -588 | -332 | -292 | -1,340 | -1,287 |
| Impairment loss, goodwill | 0 | 0 | 0 | 0 | -8 | -8 |
| Return on capital employed, % ² | 25.8 | 20.5 | | | | 25.0 |
| Return on equity, % ² | 22.4 | 17.2 | | | | 21.1 |
| Average number of employees | 57,882 | 56,145 | | | | 60,435 |

1 of which

| | | | | | | |
|----------------------------|------------|------------|------------|-----------|------------|------------|
| Interest income | 375 | 266 | 165 | 110 | 736 | 627 |
| Interest expenses | -69 | -67 | -35 | -29 | -167 | -165 |
| Net interest | 306 | 199 | 130 | 81 | 569 | 462 |
| Change in fair value | -20 | -50 | 5 | -24 | -74 | -104 |
| Other net financial items | -23 | -48 | -12 | -28 | -72 | -97 |
| Net financial items | 263 | 101 | 123 | 29 | 423 | 261 |

2 Rolling 12 months

Summary cash flow

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Cash flow from operating activities | -3,063 | 770 | -522 | 533 | 5,266 | 9,099 |
| Cash flow from investing activities | -1,086 | -1,090 | -513 | -871 | -2,442 | -2,446 |
| Cash flow from financing activities | -3,261 | -3,781 | -3,179 | -3,830 | -3,174 | -3,694 |
| Cash flow for the period | -7,410 | -4,101 | -4,214 | -4,168 | -350 | 2,959 |

Changes in equity

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Opening balance | 20,724 | 19,337 | 20,628 | 20,419 | 18,345 | 19,337 |
| Attributable to equity holders | | | | | | |
| Dividend | -3,448 | -3,453 | -3,448 | -3,453 | -3,448 | -3,453 |
| Translation differences | 188 | 283 | 373 | -116 | 551 | 646 |
| Effects of actuarial gains and losses on pensions | -534 | 512 | 133 | 423 | -978 | 68 |
| Effects of equity-settled share-based payments | 23 | 24 | 9 | 7 | 27 | 28 |
| Effects of cash flow hedges | -9 | -19 | -3 | 9 | -51 | -61 |
| Repurchase of shares | -193 | 0 | -130 | 0 | -193 | 0 |
| Change, minority interest | -62 | 27 | 5 | 27 | -51 | 38 |
| Profit for the period attributable to | | | 0 | 0 | | |
| Equity holders | 1,947 | 1,622 | 1,074 | 1,022 | 4,421 | 4,096 |
| Minority | 15 | 12 | 10 | 7 | 28 | 25 |
| Closing balance | 18,651 | 18,345 | 18,651 | 18,345 | 18,651 | 20,724 |
| Number of shares | 418,553,072 | 418,553,072 | | | | 418,553,072 |
| Number of own shares, Series D | 4,500,000 | 4,500,000 | | | | 4,500,000 |
| Number of repurchased shares during the period, Series B at an average share price of SEK 104.52 | 1,850,000 | - | | | | 0 |
| Number of shares after repurchase | 416,703,072 | - | | | | 418,553,072 |
| Number of shares after repurchase and dilution | 417,287,859 | 419,212,925 | | | | 419,080,464 |
| Average number of shares after repurchase | 418,241,053 | 418,553,072 | | | | 418,553,072 |
| Average number of shares after repurchase and dilution | 418,268,870 | 419,087,423 | | | | 418,985,591 |
| Average dilution, percentage | 0.12 | 0.07 | | | | 0.10 |

Group net investments

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| OPERATIONS - INVESTMENTS | | | | | | |
| Intangible assets | -22 | -12 | -11 | -4 | -48 | -38 |
| Property, plant and equipment | -916 | -959 | -520 | -569 | -1,851 | -1,894 |
| Assets in Infrastructure Development | -42 | -19 | -37 | -11 | -96 | -73 |
| Shares and participations | -5 | -20 | -2 | -5 | -25 | -40 |
| Current-asset properties | -6,310 | -3,937 | -3,540 | -1,930 | -10,056 | -7,683 |
| <i>of which Residential Development</i> | -2,773 | -2,798 | -1,622 | -1,316 | -4,958 | -4,983 |
| <i>of which Commercial Development</i> | -3,293 | -1,078 | -1,785 | -589 | -4,577 | -2,362 |
| <i>of which other commercial properties</i> | -244 | -61 | -133 | -25 | -521 | -338 |
| Investments | -7,295 | -4,947 | -4,110 | -2,519 | -12,076 | -9,728 |
| OPERATIONS - DIVESTMENTS | | | | | | |
| Intangible assets | 0 | 0 | -1 | 0 | 2 | 2 |
| Property, plant and equipment | 339 | 188 | 131 | 96 | 658 | 507 |
| Assets in Infrastructure Development | 1,202 | 22 | 214 | 22 | 1,358 | 178 |
| Shares and participations | 13 | 57 | 0 | 57 | 18 | 62 |
| Current-asset properties | 4,031 | 3,718 | 2,454 | 2,394 | 9,177 | 8,864 |
| <i>of which Residential Development</i> | 2,054 | 2,222 | 881 | 1,145 | 5,225 | 5,393 |
| <i>of which Commercial Development</i> | 1,734 | 1,218 | 1,471 | 1,032 | 3,312 | 2,796 |
| <i>of which other commercial properties</i> | 243 | 278 | 102 | 217 | 640 | 675 |
| Divestments | 5,585 | 3,985 | 2,798 | 2,569 | 11,213 | 9,613 |
| Net investments in operations¹ | -1,710 | -962 | -1,312 | 50 | -863 | -115 |
| STRATEGIC INVESTMENTS | | | | | | |
| Businesses | -5 | -61 | 0 | -11 | -18 | -74 |
| Strategic investments | -5 | -61 | 0 | -11 | -18 | -74 |
| STRATEGIC DIVESTMENTS | | | | | | |
| Businesses | 4 | 1 | 0 | -1 | 195 | 192 |
| Shares and participations | 0 | 0 | 0 | 0 | 0 | 0 |
| Strategic divestments | 4 | 1 | 0 | -1 | 195 | 192 |
| Net strategic investments¹ | -1 | -60 | 0 | -12 | 177 | 118 |
| TOTAL NET INVESTMENTS¹ | -1,711 | -1,022 | -1,312 | 38 | -686 | 3 |
| Depreciation, non-current assets | -641 | -588 | -332 | -292 | -1,340 | -1,287 |

¹ When the value is positive it is a net divestment

Consolidated operating cash flow

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Cash flow from business operations before change in working capital | 1,222 | 1,705 | 915 | 1,215 | 3,803 | 4,286 |
| Change in working capital | -1,506 | -787 | -326 | -1,437 | 3,713 | 4,432 |
| Net investments in business operations | -1,710 | -962 | -1,312 | 50 | -863 | -115 |
| Cash flow adjustment, net investments | 468 | 432 | 605 | 464 | 328 | 292 |
| Taxes paid in business operations | -1,191 | -379 | -846 | -180 | -1,940 | -1,128 |
| Cash flow from business operations | -2,717 | 9 | -964 | 112 | 5,041 | 7,767 |
| Net interest items and other net financial items | 200 | 74 | 62 | -17 | 298 | 172 |
| Taxes paid in financing operations | -60 | -22 | -19 | 5 | -90 | -52 |
| Cash flow from financing operations | 140 | 52 | 43 | -12 | 208 | 120 |
| CASH FLOW FROM OPERATIONS | -2,577 | 61 | -921 | 100 | 5,249 | 7,887 |
| Net strategic investments | -1 | -60 | 0 | -12 | 177 | 118 |
| Taxes paid on strategic divestments | 0 | -17 | 0 | 0 | 0 | -17 |
| Cash flow from strategic investments | -1 | -77 | 0 | -12 | 177 | 101 |
| Dividend etc. ¹ | -3,653 | -3,459 | -3,580 | -3,455 | -3,652 | -3,458 |
| CASH FLOW BEFORE CHANGE IN INTEREST-BEARING RECEIVABLES AND LIABILITIES | -6,231 | -3,475 | -4,501 | -3,367 | 1,774 | 4,530 |
| Change in interest-bearing receivables and liabilities | -1,179 | -626 | 287 | -801 | -2,124 | -1,571 |
| CASH FLOW FOR THE PERIOD | -7,410 | -4,101 | -4,214 | -4,168 | -350 | 2,959 |
| Cash and cash equivalents at the beginning of the period | 14,209 | 10,970 | 10,788 | 11,106 | 6,882 | 10,970 |
| Reclassification in cash and cash equivalents | 0 | 0 | 0 | 0 | 400 | 400 |
| Exchange rate differences in cash and cash equivalents | -200 | 13 | 25 | -56 | -333 | -120 |
| Cash and cash equivalents at the end of the period | 6,599 | 6,882 | 6,599 | 6,882 | 6,599 | 14,209 |
| Change in interest-bearing net receivables/net debt | -7,011 | -2,790 | -4,109 | -2,971 | -17 | 4,204 |
| 1 of which repurchase of shares | -193 | - | -130 | - | -193 | - |

Balance sheet

| SEK M | Jun 30 2008 | Jun 30 2007 | Dec 31 2007 |
|---|----------------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6,169 | 5,792 | 5,973 |
| Goodwill | 4,486 | 4,650 | 4,584 |
| Intangible assets | 592 | 716 | 658 |
| Investments in joint ventures and associated companies | 1,599 | 2,004 | 1,945 |
| Financial non-current assets ^{1,3} | 520 | 1,188 | 728 |
| Deferred tax assets | 1,213 | 1,402 | 956 |
| Total non-current assets | 14,579 | 15,752 | 14,844 |
| Current assets | | | |
| Current-asset properties ² | 16,508 | 13,223 | 13,198 |
| Inventories | 725 | 554 | 769 |
| Financial current assets ³ | 6,218 | 3,977 | 4,686 |
| Tax assets | 638 | 524 | 411 |
| Gross amount due from customers for contract work | 7,474 | 6,830 | 5,656 |
| Trade and other receivables | 27,122 | 25,836 | 25,168 |
| Cash equivalents | 293 | 1,207 | 521 |
| Cash | 6,306 | 5,675 | 13,688 |
| Total current assets | 65,284 | 57,826 | 64,097 |
| TOTAL ASSETS | 79,863 | 73,578 | 78,941 |
| <i>of which interest-bearing non-current assets</i> | <i>447</i> | <i>1,070</i> | <i>634</i> |
| <i>of which other interest-bearing current assets</i> | <i>12,668</i> | <i>10,717</i> | <i>18,781</i> |
| <i>Total interest-bearing assets</i> | <i>13,115</i> | <i>11,787</i> | <i>19,415</i> |
| EQUITY | | | |
| Equity attributable to equity holders | 18,488 | 18,159 | 20,514 |
| Minority interest | 163 | 186 | 210 |
| Total equity | 18,651 | 18,345 | 20,724 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial non-current liabilities ³ | 962 | 2,178 | 955 |
| Pensions | 1,700 | 886 | 1,149 |
| Deferred tax liabilities | 2,150 | 2,709 | 2,069 |
| Non-current provisions | 89 | 107 | 96 |
| Total non-current liabilities | 4,901 | 5,880 | 4,269 |
| Current liabilities | | | |
| Financial current liabilities ³ | 2,839 | 1,117 | 2,703 |
| Tax liabilities | 609 | 925 | 891 |
| Current provisions | 3,621 | 3,412 | 3,646 |
| Gross amount due to customers for contract work | 16,985 | 13,407 | 15,748 |
| Trade and other payables | 32,257 | 30,492 | 30,960 |
| Total current liabilities | 56,311 | 49,353 | 53,948 |
| TOTAL EQUITY AND LIABILITIES | 79,863 | 73,578 | 78,941 |
| <i>of which interest-bearing financial liabilities</i> | <i>3,736</i> | <i>3,187</i> | <i>3,569</i> |
| <i>of which interest-bearing pensions and provisions</i> | <i>1,809</i> | <i>1,013</i> | <i>1,265</i> |
| <i>Total interest-bearing liabilities</i> | <i>5,545</i> | <i>4,200</i> | <i>4,834</i> |
| Key financial figures | | | |
| Capital employed, closing balance | 24,196 | 22,545 | 25,558 |
| Capital employed, average | 24,657 | 24,006 | 24,089 |
| Equity/assets ratio, % | 23.4 | 24.9 | 26.3 |
| Interest-bearing net receivables (+)/net debt (-), SEK m | 7,570 | 7,587 | 14,581 |
| Debt/equity ratio | -0.4 | -0.4 | -0.7 |
| 1 of which shares | 73 | 94 | 92 |
| 2 Current-asset properties | | | |
| Commercial Development | 8,208 | 5,947 | 6,260 |
| Other commercial properties | 873 | 918 | 748 |
| Residential Development | 7,428 | 6,358 | 6,190 |
| | 16,509 | 13,223 | 13,198 |
| 3 Items regarding non-interest-bearing unrealized changes in derivatives/financial instruments are included in the following amounts: | | | |
| Financial non-current assets | 0 | 24 | 2 |
| Financial current assets | 149 | 142 | 114 |
| Financial non-current liabilities | 0 | 1 | 0 |
| Financial current liabilities | 65 | 107 | 89 |

Note Contingent liabilities

Contingent liabilities amounted to SEK 4.8 billion on Jun 30, 2008 (Dec 31, 2007: 5.1). During the period the contingent liabilities decreased by SEK 0.3 billion.

Parent Company income statement

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Net sales | 0 | 0 | 0 | 0 | 75 | 75 |
| Cost of sales and selling and administrative expenses | -226 | -222 | -118 | -113 | -498 | -494 |
| Operating income | -226 | -222 | -118 | -113 | -423 | -419 |
| Net financial items | 2,909 | 2,933 | 2,936 | 2,954 | 3,566 | 3,590 |
| Income after financial items | 2,683 | 2,711 | 2,818 | 2,841 | 3,143 | 3,171 |
| Taxes | 57 | 80 | 20 | 44 | -73 | -50 |
| Profit for the period | 2,740 | 2,791 | 2,838 | 2,885 | 3,070 | 3,121 |

Parent Company balance sheet

| SEK M | Jun 30 2008 | Jun 30 2007 | Dec 31 2007 |
|---|----------------|----------------|----------------|
| ASSETS | | | |
| Intangible non-current assets | 13 | 21 | 14 |
| Property, plant and equipment | 2 | 2 | 2 |
| Financial non-current assets ¹ | 14,259 | 21,359 | 11,437 |
| Total non-current assets | 14,274 | 21,382 | 11,453 |
| Current receivables | 266 | 216 | 159 |
| Total current assets | 266 | 216 | 159 |
| TOTAL ASSETS | 14,540 | 21,598 | 11,612 |
| EQUITY AND LIABILITIES | | | |
| Equity | 7,163 | 7,718 | 8,048 |
| Provisions | 193 | 175 | 175 |
| Non-current interest-bearing liabilities ¹ | 7,087 | 13,604 | 3,307 |
| Current liabilities | 97 | 101 | 82 |
| TOTAL EQUITY AND LIABILITIES | 14,540 | 21,598 | 11,612 |
| Average number of employees | 80 | 74 | 79 |

¹ Of these amounts, SEK 3,559 M (Dec 31 2007: 719) were intra-Group receivables and SEK 7,087 M (Dec 31, 2007: 3,307) intra-Group liabilities.

Note Pledged assets and contingent liabilities

The Parent Company's contingent liabilities amounted to SEK 87.7 billion (Dec 31, 2007: 90.7).

Additional information

Business streams

Construction

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 65,637 | 59,404 | 35,116 | 32,650 | 135,491 | 129,258 |
| Gross income | 4,609 | 4,589 | 2,603 | 2,634 | 10,374 | 10,354 |
| Selling and administrative expenses | -3,233 | -2,812 | -1,696 | -1,509 | -6,409 | -5,988 |
| Income from joint ventures and associated companies | 29 | 30 | 16 | 19 | 76 | 77 |
| Operating income | 1,405 | 1,807 | 923 | 1,144 | 4,041 | 4,443 |
| Investments | -1,196 | -1,108 | -675 | -634 | -2,394 | -2,306 |
| Divestments | 605 | 486 | 253 | 334 | 1,308 | 1,189 |
| Net investments | -591 | -622 | -422 | -300 | -1,086 | -1,117 |
| Cash flow from operations before investments and change in working capital | 1,903 | 2,324 | 1,167 | 1,507 | 5,141 | 5,562 |
| Change in working capital | -1,264 | -371 | -4 | -805 | 3,500 | 4,393 |
| Net investments in operations | -591 | -563 | -423 | -289 | -1,073 | -1,045 |
| Cash flow adjustment, net investments | -225 | 7 | -47 | 26 | -362 | -130 |
| Operating cash flow from business operations ¹ | -177 | 1,397 | 693 | 439 | 7,206 | 8,780 |
| Net strategic investments | -1 | -59 | 0 | -11 | -14 | -72 |
| Cash flow | -178 | 1,338 | 693 | 428 | 7,192 | 8,708 |
| Gross margin, % | 7.0 | 7.7 | 7.4 | 8.1 | 7.7 | 8.0 |
| Selling and administrative expenses, % | -4.9 | -4.7 | -4.8 | -4.6 | -4.7 | -4.6 |
| Operating margin % | 2.1 | 3.0 | 2.6 | 3.5 | 3.0 | 3.4 |
| Capital employed, SEK bn | 2.4 | 3.5 | | | | 0.7 |
| Order bookings, SEK bn | 68.5 | 78.1 | 34.2 | 39.6 | 133.8 | 143.4 |
| Order backlog, SEK bn | 145.0 | 153.6 | | | | 146.0 |
| Employees | 56,577 | 53,357 | | | | 57,857 |

¹ Before taxes, financing operations and dividends

Residential Development

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 3,945 | 3,860 | 1,980 | 1,818 | 7,764 | 7,679 |
| Gross income | 575 | 582 | 249 | 261 | 1,151 | 1,158 |
| Selling and administrative expenses | -346 | -294 | -171 | -154 | -601 | -549 |
| Income from joint ventures and associated companies | 65 | 98 | 65 | 33 | 82 | 115 |
| Operating income | 294 | 386 | 143 | 140 | 632 | 724 |
| Investments | -2,766 | -2,810 | -1,637 | -1,315 | -4,949 | -4,993 |
| Divestments | 2,050 | 2,267 | 881 | 1,190 | 5,199 | 5,416 |
| Net investments | -716 | -543 | -756 | -125 | 250 | 423 |
| Cash flow from operations before investments and change in working capital | -173 | -110 | -37 | -18 | -511 | -448 |
| Change in working capital | -236 | -246 | -120 | -538 | 222 | 212 |
| Net investments in operations | -716 | -543 | -756 | -125 | 250 | 423 |
| Cash flow adjustment, net investments | 112 | 200 | 290 | 301 | 107 | 195 |
| Operating cash flow from business operations ¹ | -1,013 | -699 | -623 | -380 | 68 | 382 |
| Net strategic investments | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash flow | -1,013 | -699 | -623 | -380 | 68 | 382 |
| Operating margin, % | 7.5 | 10.0 | 7.2 | 7.7 | 8.1 | 9.4 |
| Capital employed, SEK bn | 5.9 | 5.3 | | | | 4.4 |
| Return on capital employed (RoCE), % ² | 12.5 | 22.1 | | | | 14.9 |
| Employees | 660 | 541 | | | | 565 |

¹ Before taxes, financing operations and dividends

² Rolling 12 months

Commercial Development

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 1,917 | 1,383 | 1,574 | 1,118 | 3,664 | 3,130 |
| Gross income | 623 | 556 | 518 | 424 | 1,217 | 1,150 |
| Selling and administrative expenses ¹ | -138 | -127 | -71 | -70 | -267 | -256 |
| Income from joint ventures and associated companies | 3 | 0 | 3 | -1 | 19 | 16 |
| Operating income | 488 | 429 | 450 | 353 | 969 | 910 |
| of which gain from divestments of properties ² | 561 | 479 | 481 | 382 | 1,133 | 1,051 |
| of which operating net, completed properties ³ | 48 | 64 | 24 | 34 | 97 | 113 |
| of which write-downs/reversal of write-downs | 0 | 0 | 0 | 0 | -35 | -35 |
| Investments | -3,295 | -1,080 | -1,785 | -591 | -4,655 | -2,440 |
| Divestments | 1,747 | 1,218 | 1,484 | 1,032 | 3,336 | 2,807 |
| Net investments | -1,548 | 138 | -301 | 441 | -1,319 | 367 |
| Cash flow from operations before investments and change in working capital | -74 | -50 | -34 | -30 | -141 | -117 |
| Change in working capital | -28 | -96 | -16 | -97 | -123 | -191 |
| Net investments in operations | -1,548 | 138 | -301 | 441 | -1,319 | 367 |
| Cash flow adjustment, net investments | 582 | 224 | 378 | 136 | 597 | 239 |
| Operating cash flow from business operations ⁴ | -1,068 | 216 | 27 | 450 | -986 | 298 |
| Net strategic investments | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash flow | -1,068 | 216 | 27 | 450 | -986 | 298 |
| Capital employed, SEK bn | 10.1 | 6.7 | | | | 7.3 |
| Return on capital employed (RoCE), % ⁵ | 13.1 | 8.6 | | | | 14.2 |
| Employees | 160 | 136 | | | | 141 |

1 Of which cost for development organization

-120

-110

-63

-61

-232

-222

2 Additional gain included in eliminations was

22

0

17

0

51

29

3 After selling and administrative expenses

4 Before taxes, financing operations and dividends

5 Rolling 12 months

Infrastructure Development

| SEK M | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007- Jun 2008 | Jan-Dec 2007 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------------|-----------------|
| Revenue | 23 | 29 | 8 | 21 | 110 | 116 |
| Gross income | -79 | -73 | -30 | -25 | -98 | -92 |
| Selling and administrative expenses | -96 | -92 | -62 | -45 | -192 | -188 |
| Income from joint ventures and associated companies | 765 | 50 | 101 | 51 | 888 | 173 |
| Operating income | 590 | -115 | 9 | -19 | 598 | -107 |
| of which gains from divestments of shares in projects ¹ | 686 | 0 | 43 | 0 | 759 | 73 |
| Investments | -43 | -19 | -38 | -11 | -97 | -73 |
| Divestments | 1,203 | 23 | 107 | 23 | 1,358 | 178 |
| Net investments | 1,160 | 4 | 69 | 12 | 1,261 | 105 |
| Cash flow from operations before investments and change in working capital | -13 | -103 | 43 | -25 | -53 | -143 |
| Change in working capital | -15 | -23 | -3 | -31 | 33 | 25 |
| Net investments in operations | 1,160 | 4 | 69 | 12 | 1,261 | 105 |
| Cash flow adjustment, net investments | 0 | 0 | -15 | 0 | 0 | 0 |
| Operating cash flow from business operations ² | 1,132 | -122 | 94 | -44 | 1,241 | -13 |
| Net strategic investments | 0 | 0 | 0 | 0 | 0 | 0 |
| Cash flow | 1,132 | -122 | 94 | -44 | 1,241 | -13 |
| Capital employed, SEK bn | 1.9 | 2.5 | | | | 2.5 |
| Return on capital employed (RoCE), % ³ | 23.7 | -5.0 | | | | -4.2 |
| Employees | 125 | 118 | | | | 121 |

1 Additional gain included in eliminations was

2

0

0

0

5

3

2 Before taxes, financing operations and dividends

3 Rolling 12 months

Construction, by business/reporting unit

| SEK M | Revenue | | | | | |
|----------------|---------------|---------------|---------------|---------------|-------------------|----------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 |
| Sweden | 15,208 | 13,050 | 8,372 | 6,957 | 29,547 | 27,389 |
| Norway | 6,797 | 6,309 | 3,645 | 3,352 | 13,243 | 12,755 |
| Finland | 4,324 | 4,435 | 2,480 | 2,563 | 9,640 | 9,751 |
| Poland | 2,743 | 2,766 | 1,670 | 1,671 | 7,877 | 7,900 |
| Czech Republic | 5,573 | 4,861 | 3,294 | 3,097 | 12,119 | 11,407 |
| UK | 9,091 | 8,346 | 4,590 | 4,458 | 18,436 | 17,691 |
| USA Building | 14,206 | 12,856 | 7,190 | 6,831 | 28,534 | 27,184 |
| USA Civil | 5,286 | 4,918 | 2,613 | 2,757 | 11,199 | 10,831 |
| Latin America | 2,409 | 1,863 | 1,262 | 964 | 4,896 | 4,350 |
| Total | 65,637 | 59,404 | 35,116 | 32,650 | 135,491 | 129,258 |

| SEK M | Operating income | | | | | |
|----------------|------------------|--------------|--------------|--------------|-------------------|--------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 |
| Sweden | 766 | 529 | 435 | 306 | 1,521 | 1,284 |
| Norway | 218 | 245 | 123 | 154 | 527 | 554 |
| Finland | 58 | 176 | 52 | 119 | 278 | 396 |
| Poland | 124 | 121 | 88 | 85 | 371 | 368 |
| Czech Republic | 140 | 163 | 119 | 154 | 456 | 479 |
| UK | -497 | 218 | -210 | 117 | -408 | 307 |
| USA Building | 202 | 119 | 117 | 70 | 378 | 295 |
| USA Civil | 267 | 167 | 132 | 114 | 643 | 543 |
| Latin America | 127 | 69 | 67 | 25 | 275 | 217 |
| Total | 1,405 | 1,807 | 923 | 1,144 | 4,041 | 4,443 |

| SEK M | Operating margin, % | | | | | |
|----------------|---------------------|--------------|--------------|--------------|-------------------|--------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 |
| Sweden | 5.0 | 4.1 | 5.2 | 4.4 | 5.1 | 4.7 |
| Norway | 3.2 | 3.9 | 3.4 | 4.6 | 4.0 | 4.3 |
| Finland | 1.3 | 4.0 | 2.1 | 4.6 | 2.9 | 4.1 |
| Poland | 4.5 | 4.4 | 5.3 | 5.1 | 4.7 | 4.7 |
| Czech Republic | 2.5 | 3.4 | 3.6 | 5.0 | 3.8 | 4.2 |
| UK | -5.5 | 2.6 | -4.6 | 2.6 | -2.2 | 1.7 |
| USA Building | 1.4 | 0.9 | 1.6 | 1.0 | 1.3 | 1.1 |
| USA Civil | 5.1 | 3.4 | 5.1 | 4.1 | 5.7 | 5.0 |
| Latin America | 5.3 | 3.7 | 5.3 | 2.6 | 5.6 | 5.0 |
| Total | 2.1 | 3.0 | 2.6 | 3.5 | 3.0 | 3.4 |

| SEK M | Order backlog | | |
|----------------|----------------|----------------|----------------|
| | Jun 30 2008 | Jun 30 2007 | Dec 31 2007 |
| Sweden | 21,998 | 21,676 | 22,047 |
| Norway | 10,475 | 12,122 | 11,146 |
| Finland | 6,372 | 7,497 | 7,569 |
| Poland | 4,402 | 6,299 | 3,880 |
| Czech Republic | 14,366 | 11,380 | 11,950 |
| UK | 28,362 | 31,027 | 30,797 |
| USA Building | 28,368 | 35,270 | 31,526 |
| USA Civil | 25,754 | 24,255 | 22,497 |
| Latin America | 4,869 | 4,025 | 4,556 |
| Total | 144,966 | 153,551 | 145,968 |

| SEK M | Order bookings | | | | | |
|----------------|----------------|---------------|---------------|---------------|-------------------|----------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 |
| Sweden | 14,995 | 14,906 | 7,173 | 8,122 | 29,394 | 29,305 |
| Norway | 6,041 | 8,004 | 3,318 | 3,814 | 11,303 | 13,266 |
| Finland | 3,087 | 4,652 | 1,683 | 3,053 | 8,215 | 9,780 |
| Poland | 2,938 | 2,942 | 2,030 | 1,446 | 5,378 | 5,382 |
| Czech Republic | 6,600 | 3,392 | 2,584 | 2,237 | 12,552 | 9,344 |
| UK | 8,839 | 6,961 | 3,783 | 3,388 | 20,057 | 18,179 |
| USA Building | 13,143 | 22,155 | 7,212 | 8,046 | 25,590 | 34,602 |
| USA Civil | 10,161 | 12,222 | 4,764 | 8,483 | 15,615 | 17,676 |
| Latin America | 2,692 | 2,879 | 1,677 | 1,049 | 5,658 | 5,845 |
| Total | 68,496 | 78,113 | 34,224 | 39,638 | 133,762 | 143,379 |

Residential Development, by business/reporting unit

| SEK M | Revenue | | | | | | Operating income ¹ | | | | | |
|----------------|--------------|--------------|--------------|--------------|-------------------|--------------|-------------------------------|--------------|--------------|--------------|-------------------|--------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 |
| Sweden | 1,923 | 1,603 | 1,030 | 766 | 3,751 | 3,431 | 168 | 159 | 90 | 78 | 438 | 429 |
| Norway | 738 | 951 | 281 | 470 | 1,521 | 1,734 | 80 | 92 | 20 | 41 | 87 | 99 |
| Denmark | 171 | 397 | 87 | 84 | 385 | 611 | -40 | 25 | -17 | -40 | -90 | -25 |
| Finland | 504 | 654 | 284 | 342 | 1,098 | 1,248 | 4 | 77 | 10 | 41 | 53 | 126 |
| Nordics | 3,336 | 3,605 | 1,682 | 1,662 | 6,755 | 7,024 | 212 | 353 | 103 | 120 | 488 | 629 |
| Czech Republic | 609 | 255 | 298 | 156 | 1,009 | 655 | 82 | 33 | 40 | 20 | 144 | 95 |
| Total | 3,945 | 3,860 | 1,980 | 1,818 | 7,764 | 7,679 | 294 | 386 | 143 | 140 | 632 | 724 |

| SEK M | Operating margin, % ¹ | | | | | | Return on capital employed ² | | |
|----------------|----------------------------------|--------------|--------------|--------------|-------------------|--------------|---|-------------------|--------------|
| | Jan-Jun 2008 | Jan-Jun 2007 | Apr-Jun 2008 | Apr-Jun 2007 | Jul 2007-Jun 2008 | Jan-Dec 2007 | Jul 2007-Jun 2008 | Jul 2006-Jun 2007 | Jan-Dec 2007 |
| Sweden | 8.7 | 9.9 | 8.7 | 10.2 | 11.7 | 12.5 | 43.0 | 51.2 | 42.5 |
| Norway | 10.8 | 9.7 | 7.1 | 8.7 | 5.7 | 5.7 | 6.1 | 13.1 | 6.6 |
| Denmark | -23.4 | 6.3 | -19.5 | -47.6 | -23.4 | -4.1 | -8.7 | 14.7 | -2.3 |
| Finland | 0.8 | 11.8 | 3.5 | 12.0 | 4.8 | 10.1 | 4.3 | 20.4 | 11.9 |
| Nordics | 6.4 | 9.8 | 6.1 | 7.2 | 7.2 | 9.0 | 10.3 | 21.8 | 13.7 |
| Czech Republic | 13.5 | 12.9 | 13.4 | 12.8 | 14.3 | 14.5 | 54.7 | 25.0 | 32.2 |
| Total | 7.5 | 10.0 | 7.2 | 7.7 | 8.1 | 9.4 | 12.5 | 22.1 | 14.9 |

¹ Development gain only. Construction margin reported under Construction.

² Rolling 12 months

At the end of the report period, there were 6,303 (6,110) residential units under construction. Of these, 69 (80) percent were sold. The number of completed unsold residential units totaled 296 (208), most of them in Finland. During the period, construction started on 2,105 (2,024) units. In the Nordic countries, the number of residential units started was 1,461 (1,865), while in the Czech Republic they totaled 644 (159). The number of residential units sold during the period was 1,660 (2,001). In the Nordic countries, the number of units sold totaled 1,165 (1,894), while sales in the Czech Republic totaled 495 (107) units.

The carrying amount of current-asset properties in Residential Development totaled SEK 7.4 billion (December 31, 2007: 6.2). A breakdown of the carrying amount can be seen in the table below. The carrying amount of undeveloped land and development properties was SEK 5.6 billion. This was equivalent to building rights for about 21,900 residential units. There were also about 1,600 building rights in associated companies.

Breakdown of carrying amount, current-asset properties, June 30, 2008

| SEK M | Residential | Commercial | Construction | Total |
|---|--------------|--------------|--------------|---------------|
| | Development | Development | | |
| Completed projects | 422 | 2,230 | 97 | 2,749 |
| Ongoing projects | 1,448 | 3,727 | 267 | 5,442 |
| Undeveloped land and development properties | 5,558 | 2,251 | 508 | 8,317 |
| Total | 7,428 | 8,208 | 872 | 16,508 |

Commercial Development

| SEK M | Carrying amount, end of period | Carrying amount upon completion | Market value, Dec 31, 2007 | Occupancy rate, % | Degree of completion, % |
|---|--------------------------------|---------------------------------|----------------------------|-------------------|-------------------------|
| Completed projects | 2,230 | 2,230 | 3,088 | 93 | 100 |
| Undeveloped land and development properties | 2,251 | 2,251 | 2,648 | | |
| Subtotal | 4,481 | 4,481 | 5,736 | | |
| Ongoing projects ¹ | 3,727 | 7,965 | 4,637 | 68 | 49 |
| Total | 8,208 | 12,446 | 10,373 | | |

| Value creation in Commercial Development | Jul 2007-Jun 2008 | Jul 2006-Jun 2007 |
|--|-------------------|-------------------|
| Accrued development profit | 1,249 | 425 |
| Cost of development organization | -232 | -207 |
| Total | 1,017 | 218 |

¹ Market value refers to accrued market value

Commercial Development has 23 projects underway, 16 of them in the Nordic countries. Ongoing projects represented leasable space of about 397,000 sq. m (4.27 million sq. ft.) and had an occupancy rate of 68 percent, measured in rent. In addition to these projects, during the report period five projects with leasable space of 40,000 sq. m (431,000 sq. ft.) were sold before completion. At the end of the report period, the carrying amount for ongoing projects was SEK 3.7 billion (December 31, 2007: 2.1). Their carrying amount upon completion is expected to total SEK 8.0 billion, with an estimated market value of SEK 10.3 billion, of which SEK 4.6 billion was accrued at the end of the period. The degree of completion in ongoing projects was about 49 percent.

The carrying amount of Skanska's portfolio of completed projects amounted to SEK 2.2 billion (December 31, 2007: 2.6), with an estimated market value, based on an appraisal dated December 2007, of about SEK 3.1 billion (December 31, 2007: 3.6). The occupancy rate, measured in rent, amounted to 93 percent (December 31, 2007: 89).

The carrying amount of Skanska's undeveloped land and development properties (building rights) totaled about SEK 2.3 billion (December 31, 2007: 1.5), with an estimated market value of about SEK 2.6 billion.

Value creation, which is defined as accrued development gain minus the cost of the project development organization, amounted to SEK 1,017 M (218) during the twelve-month period July 2007-June 2008. The target for the period 2008-2010 is to report value creation of SEK 500-700 M on an annual basis. During the second quarter, value creation totaled SEK 254 M (76).

At the end of the period, accumulated eliminations of internal project gains amounted to SEK 269 M (December 31, 2007: 186). These eliminations are reversed as each respective project is divested.

Infrastructure Development

| SEK bn | Jun 30 | Dec 31 |
|---|------------|------------|
| | 2008 | 2007 |
| Present value of cash flow from projects | 8.0 | 9.4 |
| Carrying amount | -1.8 | -2.5 |
| Present value of remaining investments | -0.8 | -0.8 |
| Unrealized development gain Skanska ID | 5.4 | 6.1 |
| Group eliminations | 0.3 | 0.4 |
| Unrealized development gain, Group | 5.7 | 6.5 |

At the end of the report period, the present value of cash flows from Infrastructure Development projects amounted to SEK 8.0 billion (December 31, 2007: 9.4). The carrying amount of shares, participations, subordinated receivables and concessions totaled about SEK 1.8 billion (December 31, 2007: 2.5). Remaining investment obligations related to ongoing Infrastructure Development projects nominally amounted to about SEK 1.0 billion (December 31, 2007: 1.1) with a present value of about SEK 0.8 billion (December 31, 2007: 0.8). In the consolidated accounts, Skanska eliminates gains from Construction equivalent to the Group's ownership stake in projects. Altogether, these eliminations totaled about SEK 0.3 billion (December 31, 2007: 0.4) at the end of the period. These eliminations are reversed as projects are divested. On June 30, 2008, unrealized development gains at the Group level totaled about SEK 5.7 billion (December 31, 2007: 6.5).

During the report period, the divestment of Skanska's stake in the Ponte de Pedra hydropower plant in Brazil was recognized as income. In conjunction with this, development gains of SEK 686 M were realized, of which SEK 43 M during the second quarter.

Unrealized development gains in Infrastructure Development changed by SEK -0.6 billion during the report period due to the divestment of the Ponte de Pedra project, by about SEK -0.5 billion as an effect of adverse currency rate changes and by SEK 0.3 billion primarily attributable to time value effects in appraisal of future cash flows.