

SKANSKA

Q4 2017

Press release, February 1, 2018, 7:30 a.m. CET

**We build for a better society.**  
Farley Post Office, New York, USA

# Year-end report, January–December 2017

## Highlights according to segment reporting

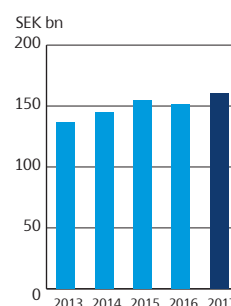
- Revenue increased 6 percent and amounted to SEK 160.8 billion (151.3), with no currency effects.
- Operating income decreased 33 percent and amounted to SEK 5.5 billion (8.2), with no currency effects.
- Earnings per share decreased 24 percent to SEK 12.01 (15.89).
- The Board of Directors propose a dividend of SEK 8.25 (8.25) per share.
- Operating cash flow from operations amounted to SEK 2.9 billion (–1.2), according to IFRS.
- Operating net financial assets totaled SEK 9.7 billion (September 30, 2017: 6.2), according to IFRS.
- Order bookings in Construction decreased 11 percent and amounted to SEK 151.8 billion (170.2); with no currency effects. The order backlog amounted to SEK 188.4 billion (September 30, 2017: 194.7).
- Operating income in Construction amounted to SEK 1.2 billion (3.5), corresponding to an operating margin of 0.8 percent (2.6); adjusted for currency effects operating income decreased 65 percent. Operating income was negatively affected by impairment charges of about SEK 1.0 billion and project write-downs of about SEK 1.5 billion.
- Operating income in Project Development (Residential, Commercial Property and Infrastructure Development) decreased 7 percent and amounted to SEK 5.4 billion (5.8); with no currency effects.
- Return on capital employed in Project Development was 14.5 percent (18.4).
- Net divestments in Project Development amounted to SEK 0.8 billion (0.8), according to IFRS.

## Performance analysis

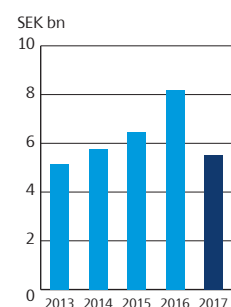
Tables referring to segment reporting are in shaded background. For more information see page 15. For definitions of non-IFRS financial measures see pages 16-18.

SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
<b>Revenue</b>						
Construction	150,050	138,001	9	41,074	38,827	6
Residential Development	13,237	13,264	0	3,136	4,529	–31
Commercial Property Development	11,440	10,226	12	3,685	2,673	38
Infrastructure Development	81	237	–66	22	35	–37
Central and eliminations	–13,985	–10,421	34	–4,298	–3,827	12
<b>Total</b>	<b>160,823</b>	<b>151,307</b>	<b>6</b>	<b>43,619</b>	<b>42,237</b>	<b>3</b>
<b>Operating income</b>						
Construction	1,205	3,546	–66	–221	1,264	–
Residential Development	1,716	1,605	7	394	680	–42
Commercial Property Development	2,714	2,336	16	863	322	168
Infrastructure Development	925	1,818	–49	40	1,475	–97
Central	–944	–1,140	–17	–328	–431	–24
Eliminations	–112	34	–	–10	–10	0
<b>Operating income</b>	<b>5,504</b>	<b>8,199</b>	<b>–33</b>	<b>738</b>	<b>3,300</b>	<b>–78</b>
<b>Net financial items</b>	<b>45</b>	<b>–118</b>	<b>–</b>	<b>13</b>	<b>–60</b>	<b>–</b>
<b>Income after financial items</b>	<b>5,549</b>	<b>8,081</b>	<b>–31</b>	<b>751</b>	<b>3,240</b>	<b>–77</b>
Taxes	–615	–1,555	–60	–163	–537	–70
<b>Profit for the period</b>	<b>4,934</b>	<b>6,526</b>	<b>–24</b>	<b>588</b>	<b>2,703</b>	<b>–78</b>
Earnings for the period per share, SEK	12.01	15.89	–24	1.43	6.59	–78
Revenue for the period according to IFRSs	157,877	145,365	9	45,302	39,550	15
Operating income for the period according to IFRSs	4,578	7,220	–37	1,380	2,836	–51
Earnings for the period per share according to IFRSs, SEK	10.00	13.96	–28	2.89	5.65	–49
Operating cash flow from operations	2,879	–1,154	–	4,078	1,328	207
Interest-bearing net receivables(+)/net debt(–)	–1,126	1,219	–	–1,126	1,219	–
Return on capital employed in Project Development, %	14.5	18.4				
Operating net financial assets(+)/liabilities(–)	9,745	10,595	–8			
Return on equity, %	18.6	28.3				

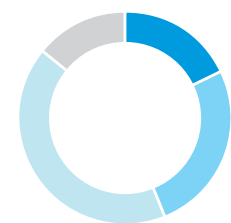
## Revenue



## Operating income

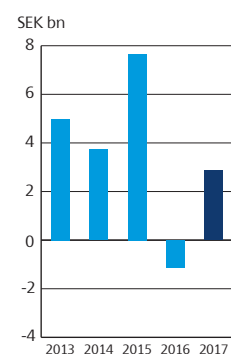


## Operating income per segment, Dec 31, 2017



- Construction, 18%
- Residential Development, 26%
- Commercial Property Development, 42%
- Infrastructure Development, 14%

## Operating cash flow from operations



## Comments from Skanska's President and CEO Anders Danielsson:



As the new CEO of Skanska I would like to summarize 2017 as a year of both strong achievements and challenges. We have during the year increased our revenues, grown and delivered strong profits in our three Project Development streams and also maintained a solid financial position. The challenges are the underperformance of some of our Construction units outside the Nordics which impacts the profitability of the Construction stream.

We have, as communicated on January 17, 2018, decided on firm actions to restore profitability by down-sizing operations with continuously low profitability or are no longer strategically important, as well as further increasing our focus on cost control and risk management going forward. This led to significant impairment charges impacting our profitability negatively in the fourth quarter. We will also take restructuring charges during 2018 for these improvement areas as well as for the implementation of a new group governance model including a new structure of the Group Leadership Team. These measures will allow us to work closer to the operations and reduce the cost level.

In spite of a very strong performance in the Nordic countries during 2017, profitability in our Construction stream was not acceptable. The actions to restore profitability mentioned above are now being implemented, meaning a restructuring of the Polish operations, exiting the power sector in the US, focusing on the core business in the UK and continuing to adapt to tougher market conditions in the Czech Republic. Unfortunately this means that about 3,000 employees will leave the company, predominantly in Poland. However, I am confident that these are the actions needed to improve the profitability in our Construction stream.

Our Residential Development stream's performance was even stronger than in 2016, with returns significantly above our targets. Compared to the third quarter volumes grew in the final quarter, giving us comfort that demand will continue for our project pipeline of mainly core and affordable products. In Stockholm and Oslo we see customers delaying their decision making, while our other markets in the Nordic countries and in Central Europe remain robust.

During 2017, the Commercial Property Development stream set a new record in divestment gains of more than SEK 3.5 billion, including joint ventures. At the same time our investments in new development projects continue to grow which is improving our ability to create surplus values to be realized over the coming years. Our leasing activity also achieved record high levels, another important factor in order to realize these values.

In the Infrastructure Development stream we divested three projects, one of them being the A1 project in Poland, generating a significant gain for the Group during 2017. We are now selectively pursuing new projects as well as bringing existing projects into a fully operational state. The primary market going forward will be the US and we are therefore in the process of focusing Infrastructure Development operations on that market.

With the actions we are now taking to improve profitability in the Construction stream, the already strong performance in Project Development, as well as our solid balance sheet, I am confident that Skanska is well positioned to capture various opportunities across our markets, especially when combining our extensive construction and development expertise to deliver the best solutions to our customers. Based on the above, the Board of Directors is proposing a maintained dividend of SEK 8.25 per share. Looking ahead, I am also confident the changes we are implementing will generate value for our shareholders.



Skanska has signed a contract to rehabilitate and enhance the historic James A. Farley Post Office Building in New York City, USA. The design/build contract is worth about SEK11 billion, which was included in the order bookings during the second quarter 2017. Both USA Civil and USA Building teamed up to deliver the most attractive solution to the customer.

# Market outlook, next 12 months

## Slightly weaker market outlook since last quarter.

- Weaker outlook compared to previous quarter. ● Unchanged outlook compared to previous quarter. ● Improved outlook compared to previous quarter.
- ⬆️ Very strong market coming 12m ⬇️ Strong market coming 12m ➡️ Stable market coming 12m ⬇️ Weak market coming 12m ⬇️ Very weak market coming 12m

### Construction

The overall construction market outlook continues to be positive. The non-residential and civil markets in Sweden are very strong, although the landscape is competitive. The residential building market is slowing down slightly. In Norway, the outlook for the civil market remains positive, but with significant competition in new bids. The non-residential market also benefits from increased public investments, while the residential building market is stable with the exception of certain regions that are dependent on the energy sector. The overall market situation in Finland is steadily improving.

In the UK the uncertainty in the non-residential building market related to Brexit continues to have a negative impact. In Central Europe the overall market situation is relatively stable even though the Czech Republic civil market is experiencing significant competition.

In the US the overall market is strong. The civil construction market remains good, although competition is intense, and the building construction market is strong in the aviation, education, data center, life-science and healthcare sectors.

	Building, non-residential	Building, residential	Civil
<b>⬇️ Nordics</b>			
Sweden	⬆️	●	⬆️
Norway	➡️	➡️	⬇️
Finland	➡️	➡️	➡️
<b>➡️ Europe</b>			
Poland	➡️	➡️	➡️
Czech Republic <sup>1</sup>	➡️	➡️	⬇️
United Kingdom	⬇️	-	➡️
<b>⬇️ USA</b>			
USA	⬇️	-	⬇️

<sup>1</sup> Including Slovakia.

### Residential Development

In the residential market segments that Skanska's product range is targeting, the Swedish market has slowed down to a stable situation and the Norwegian market remains stable but with increased uncertainties. In both these markets customers are showing signs of delayed decision making. The Finnish market is steadily improving and the Central European market is solid. Common to all home markets is the challenge to acquire and develop land due to high prices and long permitting processes.

<b>● Nordics</b>	
Sweden	●
Norway	➡️
Finland	➡️
<b>⬇️ Europe</b>	



BoKlok factory Gullringen, Vimmerby, Sweden.

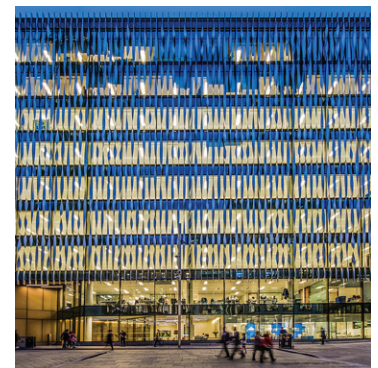
### Commercial Property Development

Vacancy rates for office space in most of the Nordic and Central European cities where Skanska has operations are stable. In Sweden vacancy rates are low and rents are increasing. Demand for office space is strong in Poland and continues to improve in other parts of Central Europe. In the US, demand from tenants continues to improve in Washington D.C. and remains strong in Boston and Seattle, while demand in Houston's energy corridor is somewhat weaker due to low oil prices.

Modern properties with high quality tenants are in demand from property investors, resulting in attractive valuations for these properties. Investor appetite remains strong in the Nordics, especially Sweden, the US and Central Europe.

In all home markets there is a challenge to acquire and develop land due to high prices and long permitting processes.

<b>⬇️ Nordics</b>	
Sweden	⬆️
Norway	➡️
Finland	➡️
Denmark	⬇️
<b>⬇️ Europe</b>	
Poland	⬇️
Czech Republic	⬇️
Hungary	⬇️
Romania	➡️
<b>⬇️ USA</b>	



The Monument Building, London, UK.

### Infrastructure Development

The public-private partnership (PPP) market in the US is strong, albeit with considerable competition. In the other markets the pipeline is thin, with opportunities being seen in the Norwegian market.

<b>➡️ All countries</b>	
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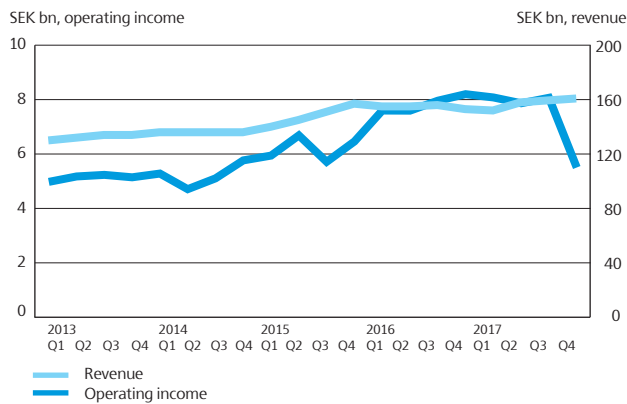


LaGuardia Airport, New York, USA.

## Performance analysis

### Group

#### Revenue and operating income, rolling 12 months



#### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
Revenue	160,823	151,307	6	43,619	42,237	3
Operating income <sup>1,2</sup>	5,504	8,199	-33	738	3,300	-78
Net financial items	45	-118		13	-60	
<b>Income after financial items</b>	<b>5,549</b>	<b>8,081</b>	<b>-31</b>	<b>751</b>	<b>3,240</b>	<b>-77</b>
Taxes	-615	-1,555		-163	-537	
<b>Profit for the period</b>	<b>4,934</b>	<b>6,526</b>	<b>-24</b>	<b>588</b>	<b>2,703</b>	<b>-78</b>
Earnings for the period per share, SEK <sup>3</sup>	12.01	15.89	-24	1.43	6.59	-78
Earnings for the period per share according to IFRSs, SEK <sup>3</sup>	10.00	13.96	-28	2.89	5.65	-49

1 Central, SEK -944 M (-1,140).

2 Eliminations, SEK -112 M (34).

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

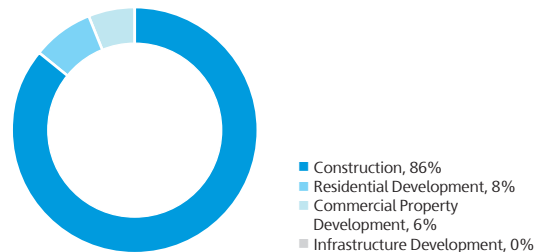
#### Changes and currency rate effects

	Jan-Dec 2017 / Jan-Dec 2016		
	Change in SEK	Change in local currency	Currency effect
Revenue	6%	6%	0%
Operating income	-33%	-33%	0%

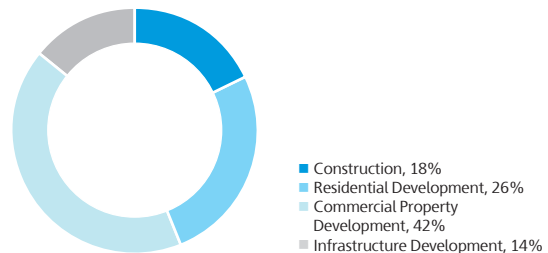
Revenue increased 6 percent and amounted to SEK 160.8 billion (151.3), with no currency effects.

Operating income decreased 33 percent and amounted to SEK 5,504 M (8,199), with no currency effects. Operating income was, as previously announced, negatively affected by about SEK 1.0 billion of impairment charges in the fourth quarter and about SEK 1.5 billion in project write-downs during 2017, of which SEK 400 M in the fourth quarter. Both are related to the Construction stream.

#### Revenue per segment, January–December 2017



#### Operating income per segment, January–December 2017



As a result of the growth strategy in Project Development, this business stream now makes up a significant portion of Skanska's operating income.

Central expenses totaled SEK -944 M (-1,140). The elimination of gains in Intra-Group projects amounted to SEK -112 M (34). Central expenses included restructuring costs of about SEK 100 M, occurring in the fourth quarter of 2017.

Net financial items amounted to SEK 45 M (-118). The change compared to 2016 can partly be explained by effective cash management resulting in improved net financial items. For details about net financial items, see page 20.

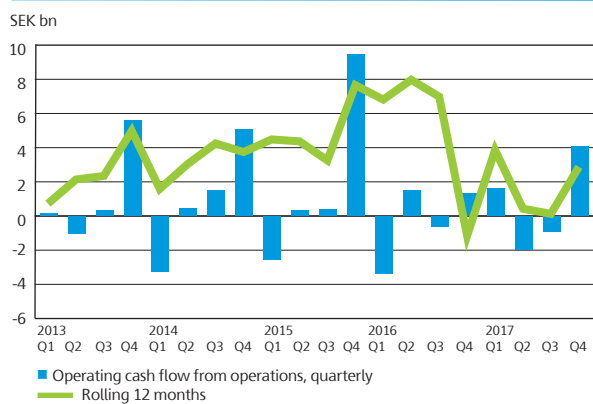
Taxes for the period amounted to SEK -615 M (-1,555), corresponding to an effective tax rate of about 11 (19) percent. The lower tax rate is mainly attributable to lower operating income in the US Civil and UK Construction operations and a greater portion of operating income attributable to the Commercial Property Development business stream, where the effective tax rate is lower.

The US tax reform that became effective on December 22, 2017, had a limited impact on the re-measurements of the deferred tax position in the statement of financial position 2017. Going forward, the impact from changes arising from the US tax reform is anticipated to positively affect the effective tax rate in the US.

## Cash flow

### Group

#### Operating cash flow from operations



#### Operating cash flow

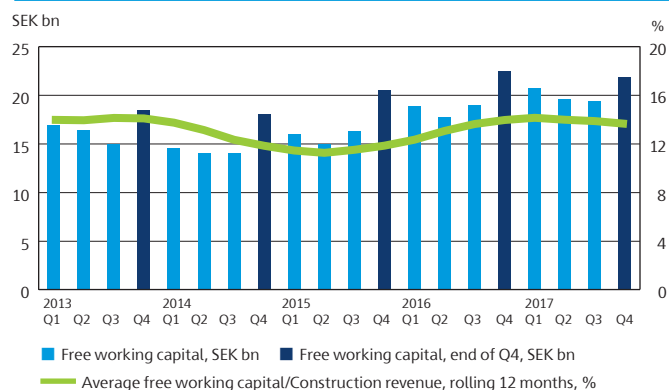
SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
Cash flow from business operations	1,057	2,302	-54	56	466	-88
Change in working capital	3,866	-1,328	-	2,971	627	374
Net divestments(+)/investments(-)	-1,086	-719	51	1,610	636	153
Cash flow adjustment	-243	-96	153	-240	-65	269
<b>Cash flow from business operations before taxes paid</b>	<b>3,594</b>	<b>159</b>	<b>2,160</b>	<b>4,397</b>	<b>1,664</b>	<b>164</b>
Taxes paid in business operations	-892	-1,237	-28	-327	-258	27
Cash flow from financing operations	177	-76	-	8	-78	-
<b>Operating cash flow from operations</b>	<b>2,879</b>	<b>-1,154</b>	<b>-</b>	<b>4,078</b>	<b>1,328</b>	<b>207</b>
Net strategic divestments(+)/investments(-)	0	862	-	0	524	-
Dividend etc	-3,879	-3,874	0	-115	-135	-15
<b>Cash flow before change in interest-bearing receivables and liabilities</b>	<b>-1,000</b>	<b>-4,166</b>	<b>-76</b>	<b>3,963</b>	<b>1,717</b>	<b>131</b>
Change in interest-bearing receivables and liabilities	2,619	-2,400	-	-1,273	-852	49
<b>Cash flow for the period</b>	<b>1,619</b>	<b>-6,566</b>	<b>-</b>	<b>2,690</b>	<b>865</b>	<b>211</b>

Operating cash flow from operations amounted to SEK 2,879 M (-1,154), with a strong change in working capital in the fourth quarter of 2017. The change in working capital during the year impacted cash flow positively in the amount of SEK 3,866 M (-1,328), a result of the divestment of shares in the M25 motorway project in the UK, for which a payment of SEK 3.1 billion was received in the first quarter of 2017.

Taxes paid in business operations amounted to SEK -892 M (-1,237).

Commercial Property Development assets sold but not yet transferred will have a positive effect on cash flow of about SEK 6.0 billion, of which SEK 1.8 billion will be received in the first quarter of 2018.

#### Free working capital in Construction



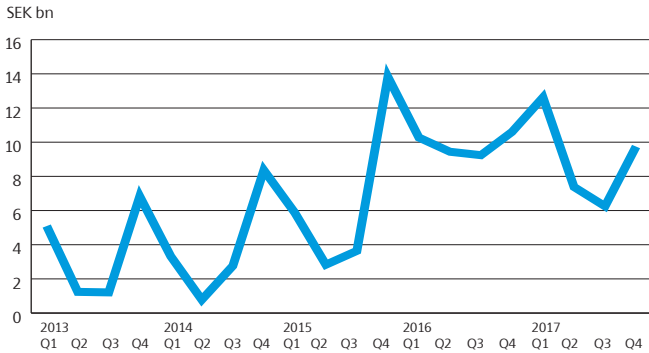
Free working capital in Construction amounted to SEK 21.8 billion (22.5), with average free working capital in relation to Construction revenue in the past 12 months at 13.6 percent. Free working capital in Construction remained at a good level due to favorable cash flow profiles in a number of projects and to continued focus on cash generation in the Construction stream. Cash flow due to changes in working capital in Construction amounted to SEK 226 M (1,051).



Watermark, Boston, USA.

## Financial position

### Operating net financial assets/liabilities



### Balance sheet – Summary

SEK bn	Dec 31, 2017	Dec 31, 2016
Total assets	109.4	106.5
Total equity	27.2	27.5
Interest-bearing net receivables (+)/net debt (-)	-1.1	1.2
Operating net financial assets(+)/liabilities(-)	9.7	10.6
Capital employed, closing balance	44.1	42.6
Equity/assets ratio, %	24.8	25.8

### Change in interest-bearing receivables and liabilities

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Opening balance interest-bearing net receivables(+)/net debt(-)	1,219	6,317	-5,560	-3,210
<b>Cash flow for the period</b>	<b>1,619</b>	<b>-6,566</b>	<b>2,690</b>	<b>865</b>
Less change in interest-bearing receivables and liabilities	-2,619	2,400	1,273	852
<b>Cash flow before change in interest-bearing receivables and liabilities</b>	<b>-1,000</b>	<b>-4,166</b>	<b>3,963</b>	<b>1,717</b>
Translation differences, net receivables/net debt	-941	972	-140	605
Remeasurements of pension liabilities	-334	-1,022	497	2,641
Interest-bearing liabilities acquired/divested	0	-663	0	-568
Other changes, interest-bearing net receivables/net debt	-70	-219	114	34
<b>Change in interest-bearing net receivables/net debt</b>	<b>-2,345</b>	<b>-5,098</b>	<b>4,434</b>	<b>4,429</b>
<b>Closing balance interest-bearing net receivables(+)/net debt(-)</b>	<b>-1,126</b>	<b>1,219</b>	<b>-1,126</b>	<b>1,219</b>
Pension liability, net	4,910	4,537	4,910	4,537
Loans to housing co-ops	5,961	4,839	5,961	4,839
<b>Closing balance operating net financial assets(+)/liabilities(-)</b>	<b>9,745</b>	<b>10,595</b>	<b>9,745</b>	<b>10,595</b>

Operating net financial assets amounted to SEK 9.7 billion (September 30, 2017: 6.2). Interest-bearing net debt amounted to SEK -1.1 billion (September 30, 2017: -5.6). Commercial Property Development assets sold but not yet transferred will have a positive effect on cash flow of about SEK 6.0 billion, of which SEK 1.8 billion will be received in the first quarter of 2018.

At the end of the year, cash, cash equivalents and committed unutilized credit facilities amounted to about SEK 15.3 billion (September 30, 2017: 10.5), of which SEK 12.4 billion (September 30, 2017: 8.8)

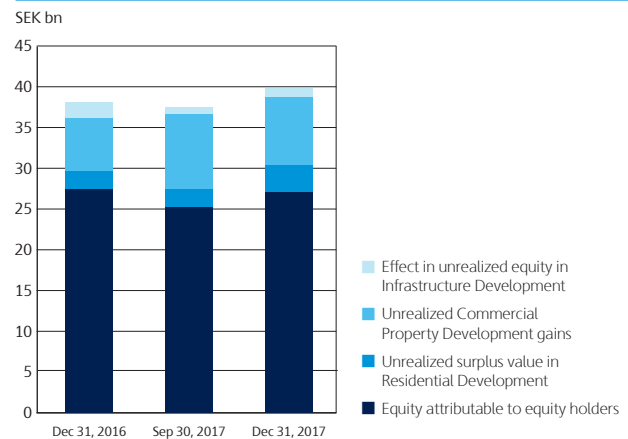
is available within one week. The Group central loan portfolio amounted to SEK 4.6 billion (September 30, 2017: 4.6) and had an average maturity of 3.5 years (September 30, 2017: 4.0), including committed unutilized credit facilities. Loans to housing co-ops totaled SEK 6.0 billion (September 30, 2017: 6.4) and net pension liabilities totaled SEK 4.9 billion (September 30, 2017: 5.4). At the end of the year, capital employed amounted to SEK 44.1 billion (September 30, 2017: 42.6).

## Equity

### Changes in equity

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Opening balance	27,506	24,206	25,299	21,221
Dividend to shareholders	-3,380	-3,075	0	0
Other changes in equity not included in total comprehensive income for the year	-202	-513	-47	-66
Profit for the period	4,111	5,735	1,185	2,318
Other comprehensive income				
Translation differences	-716	1,209	201	277
Effects of remeasurements of pensions	-330	-938	452	2,292
Effects of cash flow hedges	196	882	95	1,464
<b>Closing balance</b>	<b>27,185</b>	<b>27,506</b>	<b>27,185</b>	<b>27,506</b>

### Adjusted equity, less standard tax of 10 percent



The Group's equity amounted to SEK 27.2 billion (27.5), resulting in an equity/assets ratio of 24.8 percent (25.8) and a net debt/equity ratio of -0.0 (-0.0).

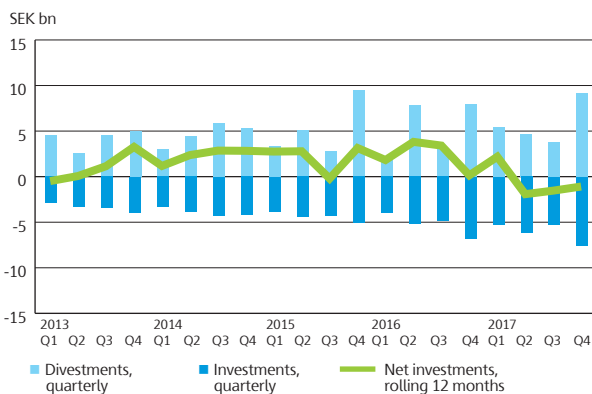
The effects of remeasurements of pensions amounted to SEK -330 M (-938). The effects of cash flow hedges, SEK 196 M (882), are mainly related to changes in interest-rate swaps attributable to Infrastructure Development projects. Following the divestment of the M25 motorway project in the UK near the end of 2016, the amount of interest-rate swaps was reduced.

Translation differences amounting to SEK -716 M (1,209) are mainly attributable to a weaker U.S. dollar.

Unrealized surplus values less standard tax in Project Development amounted to SEK 12.7 billion (September 30, 2017: 12.3), of which SEK 1.3 billion was realized according to segment reporting.

## Investments and divestments

### Investments and divestments



The Group's investments amounted to SEK –24,185 M (–20,799), while divestments amounted to SEK 23,099 M (20,942), resulting in net investments of SEK –1,086 M (143).

In Construction, investments totaled SEK –2,062 M (–1,829). These investments were mainly related to property, plant and equipment for the Group's own operations. Net investments in Construction amounted to SEK –1,825 M (–1,234). Depreciation of property, plant and equipment amounted to SEK –1,375 M (–1,271).

In Residential Development, investments totaled SEK –11,093 M (–9,148), of which about SEK –2,437 M (–1,994) relates to land acquisitions, corresponding to 7,215 in building rights. Divestments by this business stream amounted to SEK 11,773 M (7,517), Net divestments amounted to SEK 680 M (–1,631).

In Commercial Property Development, investments totaled SEK –10,716 M (–8,364), of which SEK –1,386 M (–1,936) was related to investments in new land, while divestments amounted to SEK 9,341 M (9,043). Net investments amounted to SEK –1,375 M (679).

Investments in Infrastructure Development amounted to SEK –449 M (–1,336), while divestments amounted to SEK 1,950 M (3,102). Net divestments amounted to SEK 1,501 M (1,766).

The decrease in capital employed in Infrastructure Development compared to year-end 2016 was due to SEK 3.1 billion received during the first quarter of 2017 for the divestment of the M25 motorway project in UK at the end of 2016, as well as the divestment of two wind farms in Sweden in the fourth quarter.



Investment in High Five phase 2, Krakow, Poland.

### Investments, divestments and net divestments/investments

SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
<b>Investments</b>						
Construction	–2,062	–1,829	13	–453	–549	–17
Residential Development	–11,093	–9,148	21	–3,187	–2,951	8
Commercial Property Development	–10,716	–8,364	28	–3,477	–2,683	30
Infrastructure Development	–449	–1,336	–66	–378	–576	–34
Other	135	–122		–57	–16	
<b>Total</b>	<b>–24,185</b>	<b>–20,799</b>	<b>16</b>	<b>–7,552</b>	<b>–6,775</b>	<b>11</b>
<b>Divestments</b>						
Construction	237	595	–60	58	107	–46
Residential Development	11,773	7,517	57	3,426	2,463	39
Commercial Property Development	9,341	9,043	3	5,097	1,761	189
Infrastructure Development	1,950	3,102	–37	582	3,087	–81
Other	–202	685		–1	517	
<b>Total</b>	<b>23,099</b>	<b>20,942</b>	<b>10</b>	<b>9,162</b>	<b>7,935</b>	<b>15</b>
<b>Net divestments(+)/ investments(–)</b>						
Construction	–1,825	–1,234	48	–395	–442	–11
Residential Development	680	–1,631	–	239	–488	–
Commercial Property Development	–1,375	679	–	1,620	–922	–
Infrastructure Development	1,501	1,766	–15	204	2,511	–92
Other	–67	563		–58	501	
<b>Total</b>	<b>–1,086</b>	<b>143</b>	<b>–</b>	<b>1,610</b>	<b>1,160</b>	<b>39</b>
Of which strategic	0	862		0	524	

### Capital employed in Project Development

SEK M	Dec 31, 2017	Sep 30, 2017	Dec 31, 2016
Residential Development	12,652	11,992	11,607
Commercial Property Development	24,481	23,558	19,936
Infrastructure Development	1,809	2,211	5,434
<b>Total in Project Development</b>	<b>38,942</b>	<b>37,761</b>	<b>36,977</b>



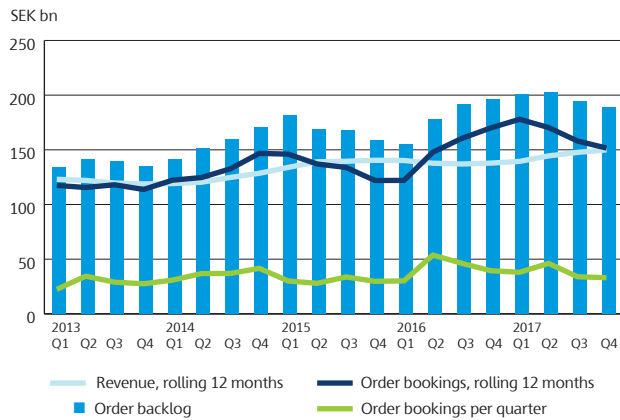
Divestment, Generation Park, Warsaw, Poland.



## Performance analysis, business streams

### Construction – Order situation

#### Order backlog, revenue and order bookings



#### Order bookings and order backlog in Construction

SEK bn	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Order bookings	151.8	170.2	33.2	39.6
Order backlog <sup>1</sup>	188.4	196.3	-	-

<sup>1</sup> Refers to the end of each period.

Order bookings decreased 11 percent and amounted to SEK 151.8 billion (170.2); with no currency effects. On a rolling 12-month basis the book-to-build ratio was 101 percent (September 30, 2017: 107), with USA and the Nordics reporting higher order bookings than revenue during that period.

At the end of the quarter, the order backlog amounted to SEK 188.4 billion, compared to 194.7 billion at the end of the previous quarter. The order backlog corresponds to about 15 months of production (September 30, 2017: 16).

#### Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
Jan-Dec 2017 / Jan-Dec 2016			
Order bookings	-11%	-11%	0%
Dec 31, 2017 / Sep 30, 2017			
Order backlog	-3%	-4%	1%

#### Major orders in the quarter

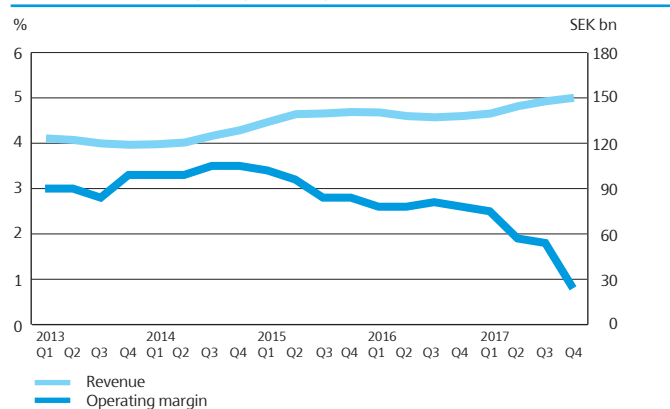
Geography	Contract	Amount SEK M	Client
USA	Graduate student housing	1,500	University of California, San Francisco (UCSF)
Europe	Mixed-use development	1,400	Partners Group Fenchurch Ltd
USA	Mixed-use development	1,100	EF Education First (EF)
USA	Mixed-use development	850	RBM Development
USA	Facility	730	Boeing
Nordic	Combined city hall and station building	580	Växjö Fastighetsförvaltning AB



Court- and office building, Sollentuna, Sweden.

## Construction

### Revenue and operating margin, rolling 12 months



### Revenue and earnings

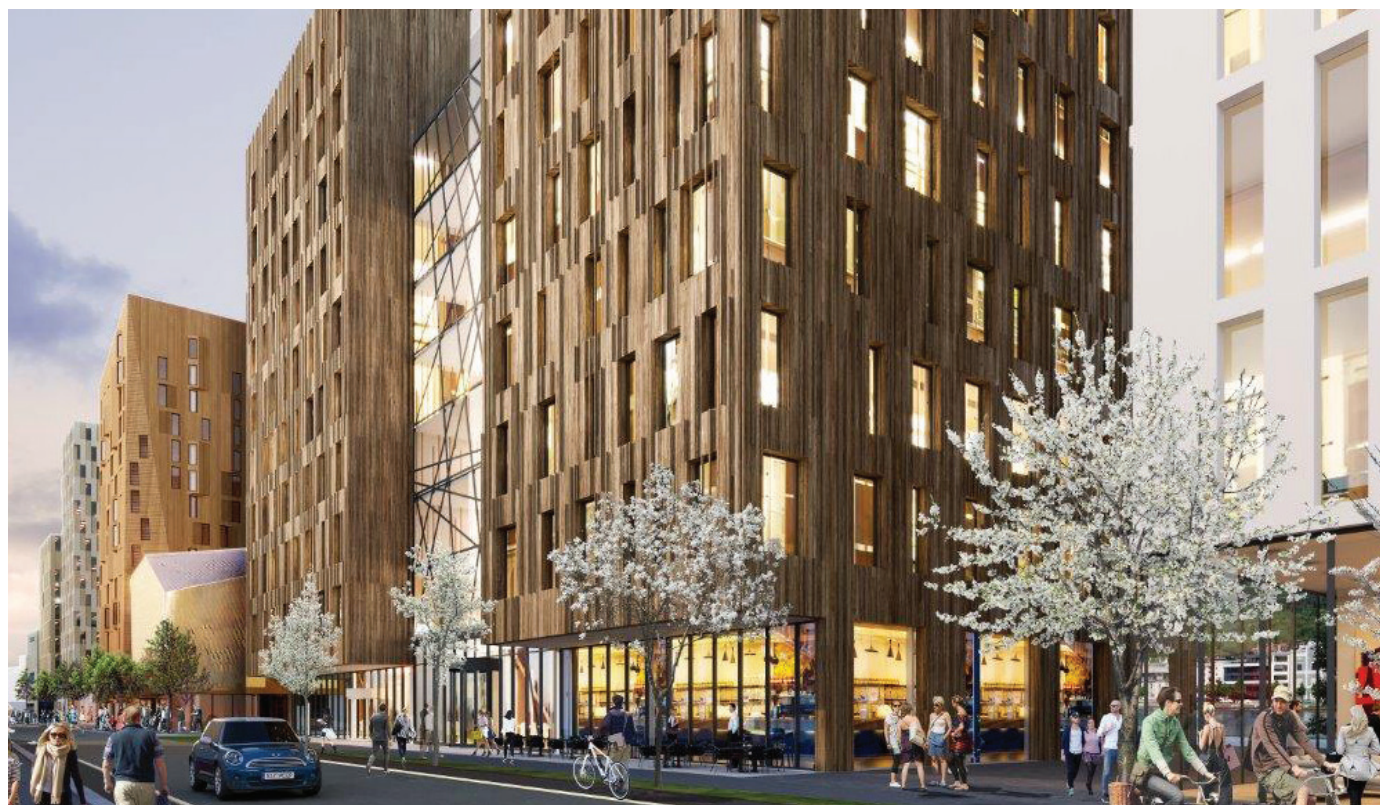
SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
Revenue	150,050	138,001	9	41,074	38,827	6
Gross income	8,299	10,080	-18	2,045	2,975	-31
Selling and administrative expenses	-7,132	-6,567	9	-2,282	-1,722	33
Income from joint ventures and associated companies	38	33		16	11	
Operating income	1,205	3,546	-66	-221	1,264	-
Gross margin, %	5.5	7.3		5.0	7.7	
Selling and administrative expenses, %	-4.8	-4.8		-5.6	-4.4	
Operating margin, %	0.8	2.6		-0.5	3.3	
Employees	39,002	40,980				

### Changes and currency rate effects

	Jan-Dec 2017 / Jan-Dec 2016		
	Change in SEK	Change in local currency	Currency effect
Revenue	9%	9%	0%
Operating income	-66%	-65%	-1%

Revenue in the Construction business stream increased 9 percent and amounted to SEK 150.1 billion (138.0), with no currency effects. Operating income amounted to SEK 1,205 M (3,546), with a corresponding operating margin of 0.8 percent (2.6); adjusted for currency effects, operating income decreased 65 percent. As previously communicated, operating income in the fourth quarter was negatively affected by impairment charges of about SEK 1.0 billion relating to the restructuring of Construction units in Europe, about SEK 600 M, and in the US, about SEK 400 M. Adjusted for these charges, the operating margin in 2017 was 1.5 percent.

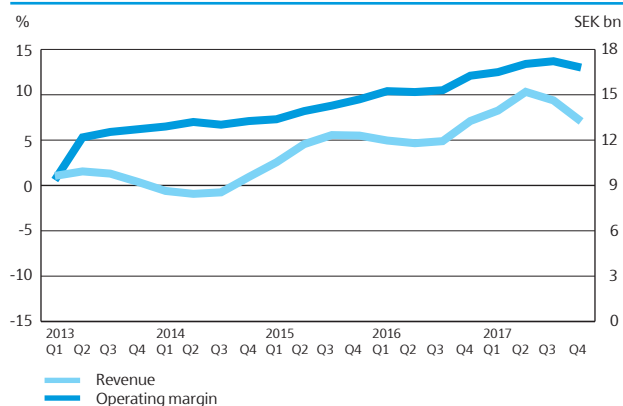
The performance in the Nordics remained strong during 2017, mainly driven by Sweden. As previously announced, operating income in Europe was negatively impacted by write downs during 2017, SEK 360 M in UK and SEK 500 M in Poland, of which SEK 400 M in the fourth quarter. The write-downs in UK is a consequence of project delays and not achieving estimated production rates as well as multiple changes driven by clients, whilst the write-downs in Poland relate to cost escalation and claims mainly in completed projects. In the US, write downs of SEK 640 M were incurred in 2017 as a consequence of project delays and not achieving estimated production rates.



Conference hotel, Drammen, Norway.

## Residential Development

### Revenue and operating margin, rolling 12 months



### Revenue and earnings

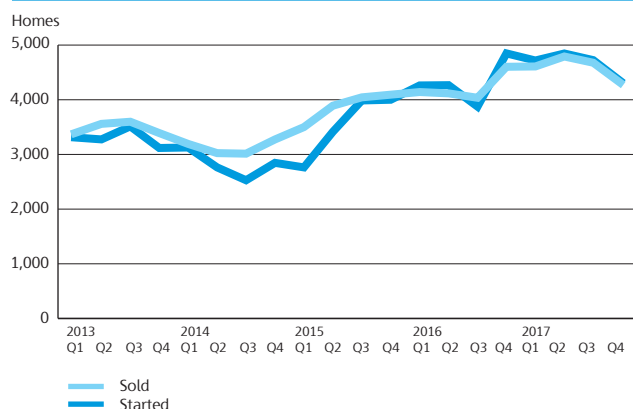
SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
Revenue	13,237	13,264	0	3,136	4,529	-31
Gross income	2,382	2,164	10	567	813	-30
Selling and administrative expenses	-666	-559	19	-173	-133	30
Income from joint ventures and associated companies	0	0		0	0	
<b>Operating income</b>	<b>1,716</b>	<b>1,605</b>	<b>7</b>	<b>394</b>	<b>680</b>	<b>-42</b>
Gross margin, %	18.0	16.3		18.1	18.0	
Selling and administrative expenses, %	-5.0	-4.2		-5.5	-2.9	
Operating margin, %	13.0	12.1		12.6	15.0	
Return on capital employed, % <sup>1</sup>	15.4	17.1		-	-	

<sup>1</sup> For definition see page 17.

Revenue in the Residential Development business stream amounted to SEK 13,237 M (13,264). The number of homes sold totaled 4,285 (4,603) in 2017. Operating income amounted to SEK 1,716 M (1,605), with the operating margin rising to 13.0 percent (12.1), driven by strong performance in Sweden and Norway.

Return on capital employed decreased to 15.4 percent (17.1).

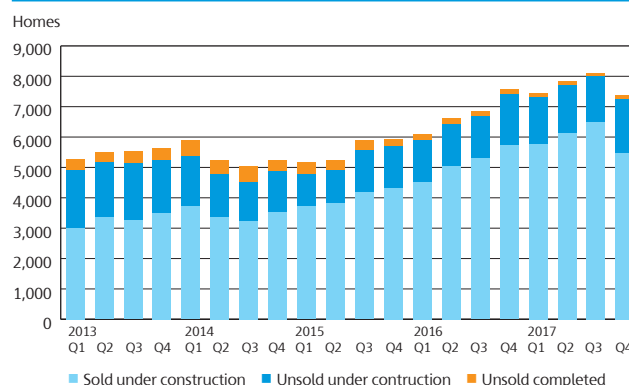
### Homes sold and started, rolling 12 months



### Homes sold and started

	Jan-Dec 2017	Jan-Dec 2016
Homes sold	4,285	4,603
Homes started	4,318	4,848

### Homes under construction and unsold



### Homes under construction and unsold

	Dec 31, 2017	Dec 31, 2016
Homes under construction	7,243	7,421
of which sold, %	76	77
Completed unsold, number of homes	122	158

At the end of the quarter, 7,243 homes (September 30, 2017: 8,006) were under construction. Of these, 76 percent (September 30, 2017: 81) were sold. The number of completed, unsold homes totaled 122 (September 30, 2017: 90), with the majority located in Finland. In 2017, construction was started on 4,318 homes (4,848).

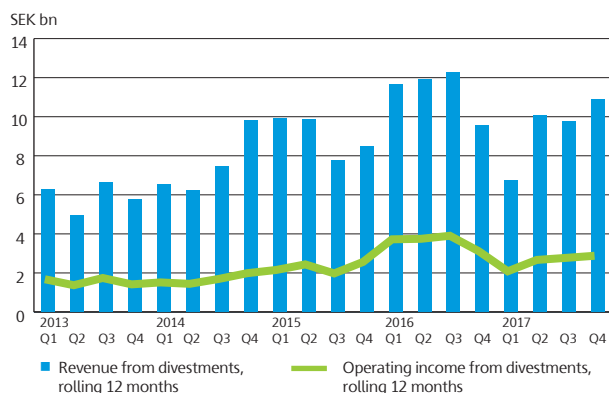
### Breakdown of carrying amounts

SEK M	Dec 31, 2017	Sep 30, 2017	Dec 31, 2016
Completed projects	655	682	631
Ongoing projects	7,750	7,770	6,955
Undeveloped land and development properties	6,990	6,447	6,364
<b>Total</b>	<b>15,395</b>	<b>14,899</b>	<b>13,950</b>

A breakdown of the carrying amounts for Residential Development is presented in the table above. Ongoing projects amounted to SEK 7.8 billion (September 30, 2017: 7.8) and undeveloped land and development properties amounted to SEK 7.0 billion (September 30, 2017: 6.4). The estimated unrealized surplus value, which is equal to the market value minus the carrying amount, in unsold homes in construction and undeveloped land and development properties amounted to about SEK 3.6 billion. The undeveloped land and development properties correspond to Skanska-owned building rights for 27,000 homes and 1,300 building rights held by joint ventures. In addition, subject to certain conditions, the business stream has the right to purchase 10,500 building rights.

## Commercial Property Development

### Revenue and operating income from property divestments



### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
Revenue	11,440	10,226	12	3,685	2,673	38
of which from divestment of properties	10,867	9,555	14	3,587	2,495	44
<b>Gross income</b>	<b>2,989</b>	<b>3,067</b>	<b>-3</b>	<b>820</b>	<b>536</b>	<b>53</b>
Selling and administrative expenses	-899	-751	20	-275	-229	20
Income from joint ventures and associated companies	624	20		318	15	
<b>Operating income</b>	<b>2,714</b>	<b>2,336</b>	<b>16</b>	<b>863</b>	<b>322</b>	<b>168</b>
of which from divestment of properties	2,879	3,111	-7	830	721	15
Return on capital employed, % <sup>1</sup>	15.5	14.8				

1 For definition see page 17.

In the Commercial Property Development business stream, divestments worth SEK 10,867 M (9,555) were made in 2017.

Operating income amounted to SEK 2,714 M (2,336), and included

### Breakdown of investment value and market value

SEK M	Investment value, end of period	Investment value upon completion	Market value <sup>1</sup>	Occupancy rate, %	Degree of completion, %
Ongoing projects <sup>2</sup>	13,288	27,595	34,992	44	49
Completed projects <sup>3</sup>	4,661	4,661	5,991	83	100
Undeveloped land and development properties	7,263	7,263	7,842		
<b>Total</b>	<b>25,212</b>	<b>39,519</b>	<b>48,825</b>		
of which carrying amount <sup>4</sup>	24,519	38,826			
of which completed projects sold according to segment reporting	584	584	908		
of which ongoing projects sold according to segment reporting	2,547	4,013	5,115		

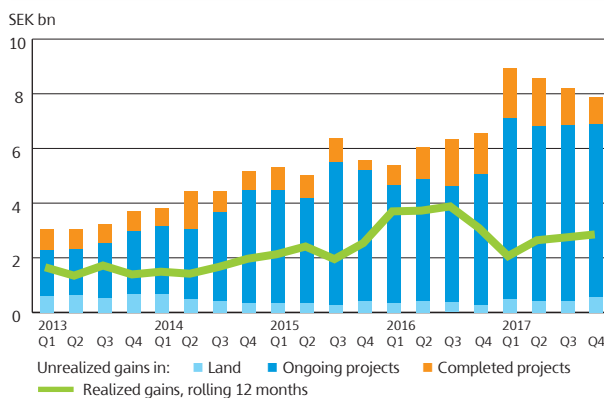
1 Market value according to appraisal on December 31, 2017. Estimated market value at completion fully leased.

2 Skanska's share of total production cost in JVs is SEK 0 M (end of period) and SEK 0 M (upon completion).

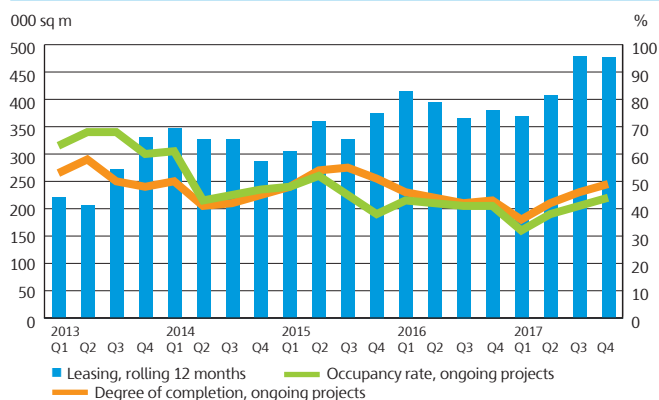
3 Skanska's share of total production cost in JVs is SEK 1,209 M end of period and upon completion.

4 Includes Skanska's total equity investment in JV of SEK 516 M (end of period) and SEK 516 M (upon completion) and tenant improvement and leasing commissions in CDUS of 197 MSEK (Completed projects) and 191 MSEK (Ongoing projects).

### Unrealized and realized gains, segment reporting



### Leasing and degree of completion



gains from property divestments totaling SEK 2,879 M (3,111) as well as income from joint ventures totaling SEK 624 M (20).

Return on capital employed reached 15.5 percent (14.8) at year end.

At the end of the fourth quarter, Commercial Property Development had 46 ongoing projects. During the quarter, three new projects were started and nine were completed, of which one in JV. The 46 ongoing projects represent leasable space of about 1,029,000 sq m with an occupancy rate of 44 percent, measured in rent. The projects' degree of completion is 49 percent. Their investment value upon completion is expected to total SEK 27.6 billion, with an estimated market value of SEK 35.0 billion.

Of the ongoing projects, 11 have been divested according to segment reporting. These projects represent an investment value upon completion of SEK 4.0 billion, with a market value of SEK 5.1 billion.

The market value of completed projects, excluding properties divested according to segment reporting, was SEK 5.1 billion. The occupancy rate, measured in rent, totaled 83 percent (September 30, 2017: 81).

At the end of the quarter, unrealized gains, excluding properties divested according to segment reporting, totaled SEK 7.9 billion. These gains related to SEK 6.3 billion in ongoing projects, SEK 1.0 billion in completed projects and SEK 0.6 billion in undeveloped land and development properties. Realized gains amounted to SEK 3.5 billion (3.1) including JVs.

Accumulated eliminations of intra-Group project gains amounted to SEK 431 M. These eliminations are released at the Group level as each project is divested.

During 2017 new leases were signed for 477,000 sq m (379,000).

## Infrastructure Development

### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Change, %	Oct-Dec 2017	Oct-Dec 2016	Change, %
Revenue	81	237	-66	22	35	-37
<b>Gross income</b>	<b>-96</b>	<b>56</b>	<b>-</b>	<b>-16</b>	<b>1</b>	<b>-</b>
Selling and administrative expenses	-121	-147	-18	-24	-34	-29
Income from joint ventures and associated companies	1,142	1,909	-40	80	1,508	-95
<b>Operating income</b>	<b>925</b>	<b>1,818</b>	<b>-49</b>	<b>40</b>	<b>1,475</b>	<b>-97</b>
of which gains from divestments of shares in projects	985	1,729	-43	73	1,729	-96
Return on capital employed, % <sup>1</sup>	3.6	41.1				

1 For definition see page 17.

Operating income in the Infrastructure Development business stream totaled SEK 925 M (1,818), while return on capital employed reached 3.6 percent (41.1). In the first quarter Skanska divested the A1 motorway project in Poland for about SEK 1.4 billion. The comparable period, 2016, contains the proceeds from the divestment of the investment in the M25 motorway project in the UK. The lower return on capital employed is mainly attributable to the A1 motorway project and the adjustment made in the calculation of return on capital employed, reflecting the change in market value of projects in progress, meaning that A1 had a positive impact on return on capital employed already in 2016. For more information see definition on page 17.

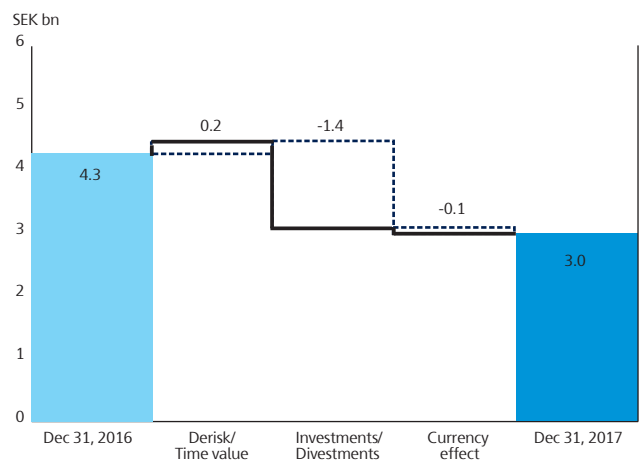
The net present value of projects at the end of the year decreased to SEK 3.0 billion (4.3). The decrease is mainly attributable to the

### Unrealized development gains

SEK bn	Dec 31, 2017	Sep 30, 2017	Dec 31, 2016
Present value of cash flow from projects	3.8	3.8	5.2
Present value of remaining investments	-0.8	-0.9	-0.9
<b>Net present value of projects</b>	<b>3.0</b>	<b>2.9</b>	<b>4.3</b>
Carrying amount before Cash flow hedge / Carrying amount	-2.5	-2.6	-2.9
<b>Unrealized development gain</b>	<b>0.5</b>	<b>0.3</b>	<b>1.4</b>
Cash flow hedge	0.6	0.6	0.6
<b>Effect in unrealized equity<sup>1</sup></b>	<b>1.1</b>	<b>0.9</b>	<b>2.0</b>

1 Tax effects not included.

### Changes in net present value



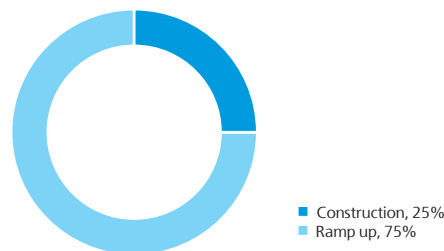
divestment of the A1 motorway project and the divestment of Skanska's shares in two wind farms in Sweden.

Remaining investment obligations relating to ongoing Infrastructure Development projects amounted to about SEK -0.8 billion (-0.9).

At the end of the year, the carrying amount of shares, participations, subordinated receivables and concessions in Infrastructure Development before cash-flow hedges was SEK 2.5 billion (2.9), while unrealized development gains totaled about SEK 0.5 billion (1.4).

Cash flow hedges, for which the change in value is recognized as other comprehensive income, reduced the carrying amount and thereby equity by SEK 0.6 billion (0.6).

### Estimated gross present value by phase



I-4 Motorway, Florida, USA.

## Personnel

During 2017, the average number of employees in the Group was 40,759 (42,903). The decrease compared to the prior year is attributable to the closing down of the operations in Latin America, adjustments in the Polish organization, and the divestment of Skanska Installation in Sweden. At the end of the quarter the number of employees totaled 40,400 people (September 30, 2017: 41,989).

## Transactions with related parties

For the nature and extent of transactions with related parties, see the 2016 Annual Report, Note 39. There were no new significant transactions during the quarter.

## Material risks and uncertainties

For information about risks and a description of key estimates and judgments, see the 2016 Annual Report, Report of the Directors and Note 2 and 6, as well as the section above on market outlook.

## Skanska Brasil and Czech Republic

As announced in March 2015, Skanska Brasil became involved in investigations by the Brazilian Comptroller General (CGU) and the Administrative Council of Economic Defense (CADE). These investigations focused on corruption and competition matters in relation to certain Petrobras projects. In late 2015, the two entities initiated administrative proceedings against Skanska Brasil and twenty other companies. Other authorities have also commenced proceedings arising from the same investigation. Skanska has been informed by the prosecutor in Stockholm that this authority has initiated a preliminary investigation into matters relating to Skanska's businesses in Brazil and the Czech Republic, where the latter was closed by the prosecutor in September 2017. For more information see 2016 Annual Report, Note 33.

## Other matters

### Repurchase of shares

At the Board meeting on April 4, 2017, the Board resolved to exercise the Annual General Meeting's authorization concerning the repurchase of shares on the following terms: on one or several occasions, but no later than the Annual General Meeting in 2018, not more than 3,000,000 Series B shares in Skanska may be acquired, the aim of which is to secure delivery of shares to participants in Skanska's employee ownership program (2017-2019) Seop 4.

Further the Board resolved to exercise the Annual General Meeting's authorization concerning transfer of shares on the following terms: on one or several occasions, but no longer than the Annual General Meeting in 2018, not more than 763,000 Series B shares in Skanska may be transferred, the aim of which is to cover mainly social security costs that may occur in relation to Skanska's employee ownership program (2014-2016) Seop 3.

Acquisition, or transfer, may only be made on Nasdaq Stockholm within the price interval prevailing at any given time, meaning the interval between the highest purchase price and the lowest selling price. On December 31, 2017, Skanska held 11,190,028 Series B shares in its own custody.

## Annual General Meeting

The Annual General Meeting will be held at 10:00 a.m. CET on April 13, 2018, at Stockholm Waterfront Congress Centre, Stockholm, Sweden. The invitation to attend the meeting will be published no later than March 16, 2018.

## Dividend

The Board of Directors propose a dividend of SEK 8.25 (8.25) per share. The proposal is equivalent to a regular dividend payout totaling SEK 3,372 M (3,380). The Board of Directors proposes April 17 as the record date for the dividend. The total dividend amount may change up to the record date, depending on share repurchases and transfers.

## Events after the end of the report period

There were no events after the end of the period.

## Financial reports for 2018

Skanska's interim reports and year-end reports are available for download on Skanska's website, [www.skanska.com/investors](http://www.skanska.com/investors). The 2017 Annual Report will be available on Skanska's website in the week commencing March 12, 2018.

The Group's remaining interim reports in 2018 will be published on the following dates:

May 9, 2018	Three Month Report
July 20, 2018	Six Month Report
November 8, 2018	Nine Month Report

Stockholm February 1, 2018

### Anders Danielsson

President and Chief Executive Officer

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

## Accounting principles

For the Group, this year-end report has been prepared in compliance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Securities Market Act. For the Parent Company, the year-end report has been prepared in compliance with the Annual Accounts Act and the Securities Market Act, which is pursuant to the Swedish Financial Reporting Board's Recommendation RFR 2. The accounting principles and assessment methods presented in the 2016 Annual Report have been applied.

Two new standards, IFRS 15 and IFRS 9, apply from January 1, 2018. The core principle in the standard IFRS 15, Revenue from contracts with customers, leasing contracts excluded, is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. If a contract contains more than one performance obligation, every performance obligation is accounted for separately. Revenue is recognised when the entity satisfies the performance obligation, over time or at a point in time. Skanska's contracts most often contain only one performance obligation. Construction continues to recognise revenue over time. Revenue for divestment of properties is recognised when the customer takes control over the property. IFRS 15 requires extended disclosures. Skanska implements the standard retrospectively. Revenue and costs are not significantly affected. The only material effect for Skanska is a reclassification from gross amount due to customers for contract work and from trade and other payables to provisions for onerous contracts, within the line for provisions. The reclassifications are distributed with the following numbers per quarter:

	Jan 1, 2017	Mar 31, 2017	Jun 30, 2017	Sep 30, 2017	Dec 31, 2017
Gross amount due to customers for contract work	-151	-239	-275	-282	-370
Trade and other payables	-236	-244	-256	-244	-204
Provisions for losses	387	483	531	526	574

IFRS 15 does not change the accounting of segment reporting for Commercial Property Development and Residential Development.

The standard IFRS 9 Financial instruments supersedes IAS 39 Financial instruments: Recognition and measurement. The new standard is more principle based than rule based and contains new principals for classification and measurement of financial instruments, a forward looking model for impairment of financial instruments and a changed view of hedge accounting. The new rules for classification and measurement mean, like IAS 39, that financial assets are classified in different categories, of which some are measured at cost and some at fair value. IFRS 9 introduces new categories than those in IAS 39. The classification in IFRS 9 is based partly on the instrument's contractual cash flows and partly on the company's business model. Regarding financial liabilities the categories in IFRS 9 broadly comply with IAS 39. The model for classification and measurement does not in practice mean any major changes from IAS 39 for Skanska. The new impairment model intends to make reservations for credit losses earlier. Generally, Skanska's credit risk in accounts receivables is limited since construction projects are invoiced in advance as much as possible, and within Commercial Property Development and Residential Development payment is made upon delivery of the property. Skanska applies hedge accounting to a limited extent. The standard does not result in any effects on the accounting, except for the new impairment model for expected credit losses due to possible future deficiency in customer's ability to pay, which will be accounted for at transition January 1, 2018. The credit loss reserve for financial instruments initially increases

with SEK 180 M with an effect directly in equity amounting to SEK 140 M, taking into account deferred tax. Comparative information is not adjusted.

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

The difference between the operating cash flow statement and the summary cash flow statement in compliance with IAS 7 Cash flow Statements, is presented in the 2016 Annual Report, Note 35.

## Segment and IFRS reporting

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

Construction includes both building construction and civil construction. Revenues and earnings are reported under the percentage of completion ("PoC") method for both segment and IFRS reporting.

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

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

Infrastructure Development specializes in identifying, developing and investing in privately financed infrastructure projects, such as highways, hospitals and power-generation plants. The business stream focuses on creating new potential projects, mainly in the markets where the Group has operations. Construction assignments are in most markets performed by Skanska's Construction segment. Revenues and earnings are reported under the percentage of completion ("PoC") method for both segment and IFRS reporting.

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

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

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

In 2014, Skanska decided to wind down the E&C part and divest the O&M part of the Latin American operation. As a consequence, starting in the third quarter of 2014, Skanska Latin America is moved from the Construction stream to Central in the segment reporting. For comparison reasons, historical reported numbers were adjusted accordingly from January 1, 2013.

## Definitions

For further definitions, see the 2016 Annual Report, Note 44.

### Non-IFRS financial measures

	Definition	Reason for use
		The following measures are used as they are viewed as the best and most accurate ways to measure Skanska's operations; reflecting its business model and strategy. Thus assisting investors and management in analyzing trends and performance in Skanska.
<b>Revenue Segment</b>	Revenue segment is the same as revenue IFRS in all streams except for the Residential Development stream and the Commercial Property Development stream, where revenue is recognised for when signing binding agreement for sale of homes and properties. As segment reporting of joint ventures in Residential Development applies the proportional method, revenue segment is affected by this.	Measure revenue generated in current market environment.
<b>Gross income</b>	Revenue minus cost of sales.	Measure profit generated from projects.
<b>Gross margin</b>	Gross income as a percentage of revenue.	Measure profitability in projects.
<b>Selling and admin expenses %</b>	Selling and administrative expenses as a percentage of revenue.	Measure cost efficiency in selling and administrative expenses.
<b>Operating income</b>	Revenue minus cost of sales, selling and administrative expenses and income from joint ventures and associated companies.	Measure profit generated from operations.
<b>Operating income segment</b>	Revenue minus cost of sales, selling and administrative expenses and income from joint ventures and associated companies, according to segment reporting, and where Residential Development applies the proportional method for reporting of joint ventures.	Measure profit generated from operations in current market environment.
<b>Operating income rolling 12 months</b>	Revenue minus cost of sales, selling and administrative expenses and income from joint ventures and associated companies, rolling 12 months.	Measure profit generated from operations.
<b>Operating margin</b>	Operating income as a percentage of revenue.	Measure profitability in operations.
<b>Net financial items</b>	The net of interest income, financial net pension cost, interest expense, capitalized expense, change in fair value and other net financial items.	Measure total net for financial activities.
<b>Income after financial items</b>	Operating income minus net financial items.	Measure profit generated before taxes.
<b>Earnings per share, segment</b>	Profit for the period, segment, attributable to equity holders divided by the average number of shares outstanding.	Measure earnings per share, segment.
<b>Book-to-build, rolling 12 months</b>	Order bookings divided by construction revenue, rolling 12 months.	Measures to which extent new orders are replacing work put in place.
<b>Unrealized gains, Commercial Property Development (CD)</b>	Market value minus investment value upon completion for ongoing projects, completed projects and land. Excluding projects sold according to segment reporting.	Measure potential realization of future gains in Commercial Property Development.
<b>Capital employed, Group</b>	Total assets minus non-interest-bearing liabilities.	Measure capital usage and efficiency.
<b>Capital employed, Stream</b>	Total assets less tax assets, deposits in Skanska's treasury unit and pension receivable minus non-interest-bearing liabilities excluding tax liabilities. Capitalized interest expense is removed from total assets for the Residential Development and Commercial Property Development segments.	Measure capital usage and efficiency in a Stream.
<b>Capital employed Residential Development (RD) SEK M</b>	Total assets 19,357 - tax assets -331 - deposits in internal bank -99 - pension receivable -13 - non-interest-bearing liabilities (excluding tax liabilities) -6,167 - capitalized interest expense -95 12,652	Measure capital usage and efficiency in Residential Development.
<b>Capital employed Commercial Property Development (CD) SEK M</b>	Total assets 27,677 - tax assets -335 - deposits in internal bank 0 - pension receivable 0 - non-interest-bearing liabilities (excluding tax liabilities) -2,590 - capitalized interest expense -271 24,481	Measure capital usage and efficiency in Commercial Property Development.
<b>Capital employed Infrastructure Development (ID) SEK M</b>	Total assets 2,476 - tax assets -495 - deposits in internal bank 0 - pension receivable 0 - non-interest-bearing liabilities (excluding tax liabilities) -172 1,809	Measure capital usage and efficiency in Infrastructure Development.



Non-IFRS financial measures	Definition	Reason for use
<b>Capital employed average</b>	Calculated on the basis of five measuring points; see below.	
<b>ROCE in RD segment, rolling 12 months excluding RD UK (as this is closing down) SEK M</b>	<p>Operating income 1,716  + capitalized interest expense 118  +/- financial income and other financial items 12  – interest income from internal bank –4</p> <p>Adjusted profit 1,842  Capital employed average* 11,993  ROCE RD 15.4%</p> <p>* Capital employed average  Q4 2017 12,686 x 0.5 6,343  Q3 2017 12,026 12,026  Q2 2017 11,728 11,728  Q1 2017 12,054 12,054  Q4 2016 11,642 x 0.5 5,821</p> <p style="text-align: right;">47,972 / 4 11,993</p>	Measure the performance (profitability and capital efficiency) in RD.
<b>ROCE in CD segment, rolling 12 months SEK M</b>	<p>For the Commercial Property Development the profit is adjusted so that the change in value of projects in progress and the difference between the market value and selling price for the year is reflected.</p> <p>Operating income 2,714  +/- adjustments as mentioned above 633  + capitalized interest expense 59  +/- financial income and other financial items 14  – interest income from internal bank 0</p> <p>Adjusted profit 3,420  Capital employed average* 22,109  ROCE CD 15.5%</p> <p>* Capital employed average  Q4 2017 24,481 x 0.5 12,240  Q3 2017 23,558 23,558  Q2 2017 22,012 22,012  Q1 2017 20,657 20,657  Q4 2016 19,936 x 0.5 9,968</p> <p style="text-align: right;">88,435 / 4 22,109</p>	Measure the performance (profitability and capital efficiency) in CD.
<b>ROCE in ID segment, rolling 12 months SEK M</b>	<p>For Infrastructure Development the profit is adjusted so that the change in value of projects in progress and the difference between the market value and selling price for the year is reflected.</p> <p>Operating income 925  +/- adjustments as mentioned above –824</p> <p>Adjusted profit 101  Capital employed average* 2,551  +/- adjustments as mentioned above 228</p> <p>Adjusted Capital Employed 2,779  ROCE ID 3.6%</p> <p>* Capital employed average  Q4 2017 1,809 x 0.5 904  Q3 2017 2,211 2,211  Q2 2017 2,227 2,227  Q1 2017 2,147 2,147  Q4 2016 5,434 x 0.5 2,717</p> <p style="text-align: right;">10,206 / 4 2,551</p>	Measure the performance (profitability and capital efficiency) in ID.

Non-IFRS financial measures	Definition	Reason for use																												
<b>ROCE in Project Development, segment</b> SEK M	<p>Is calculated as the summarized adjusted profit for RD, CD and ID divided by the summarized capital employed average for RD, CD and ID.</p> <p>The total ROCE from RD, CD and ID.</p> <table border="1"> <thead> <tr> <th></th> <th>Adjusted profit</th> <th>CE avg</th> <th>ROCE</th> </tr> </thead> <tbody> <tr> <td>RD</td> <td>1,842</td> <td>11,993</td> <td>15.4%</td> </tr> <tr> <td>CD</td> <td>3,420</td> <td>22,109</td> <td>15.5%</td> </tr> <tr> <td>ID</td> <td>101</td> <td>2,779</td> <td>3.6%</td> </tr> <tr> <td></td> <td>5,363</td> <td>36,881</td> <td>14.5%</td> </tr> </tbody> </table>		Adjusted profit	CE avg	ROCE	RD	1,842	11,993	15.4%	CD	3,420	22,109	15.5%	ID	101	2,779	3.6%		5,363	36,881	14.5%	Measure the performance (profitability and capital efficiency) in Project Development.								
	Adjusted profit	CE avg	ROCE																											
RD	1,842	11,993	15.4%																											
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ID	101	2,779	3.6%																											
	5,363	36,881	14.5%																											
<b>Return on equity segment, rolling 12 months</b> SEK M	<p>Profit attributable to equity holders as a percentage of average equity attributable to equity holders.</p> <p>4,918 / 26,400 = 18.6%</p>	Measure profitability on invested equity.																												
<b>Equity average attributable to equity holders</b> SEK M	<p>Calculated on the basis of five measuring points.</p> <table border="1"> <tbody> <tr> <td>Q4 2017</td> <td>27,064</td> <td>x 0.5</td> <td>13,532</td> </tr> <tr> <td>Q3 2017</td> <td>25,185</td> <td></td> <td>25,185</td> </tr> <tr> <td>Q2 2017</td> <td>24,342</td> <td></td> <td>24,342</td> </tr> <tr> <td>Q1 2017</td> <td>28,866</td> <td></td> <td>28,866</td> </tr> <tr> <td>Q4 2016</td> <td>27,350</td> <td>x 0.5</td> <td>13,675</td> </tr> <tr> <td></td> <td></td> <td></td> <td>105,600 / 4</td> </tr> <tr> <td></td> <td></td> <td></td> <td>26,400</td> </tr> </tbody> </table>	Q4 2017	27,064	x 0.5	13,532	Q3 2017	25,185		25,185	Q2 2017	24,342		24,342	Q1 2017	28,866		28,866	Q4 2016	27,350	x 0.5	13,675				105,600 / 4				26,400	
Q4 2017	27,064	x 0.5	13,532																											
Q3 2017	25,185		25,185																											
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Q4 2016	27,350	x 0.5	13,675																											
			105,600 / 4																											
			26,400																											
<b>Operating cash flow from operations</b>	Cash flow from business operations including taxes paid and cash flow from financing operations.	Measure total cash flow generated from operations.																												
<b>Net divestments/investment</b>	Total investments minus total divestments.	Measure the balance between investments and divestments.																												
<b>Free working capital in Construction</b>	Non-interest-bearing receivables less non-interest-bearing liabilities excluding taxes.	Measure the funding stemming from the negative working capital generated in Construction.																												
<b>Average free working capital in Construction</b> SEK M	<p>Calculated on the basis of five measuring points.</p> <table border="1"> <tbody> <tr> <td>Q4 2017</td> <td>-21,849</td> <td>x 0.5</td> <td>-10,924</td> </tr> <tr> <td>Q3 2017</td> <td>-19,414</td> <td></td> <td>-19,414</td> </tr> <tr> <td>Q2 2017</td> <td>-19,571</td> <td></td> <td>-19,571</td> </tr> <tr> <td>Q1 2017</td> <td>-20,694</td> <td></td> <td>-20,694</td> </tr> <tr> <td>Q4 2016</td> <td>-22,460</td> <td>x 0.5</td> <td>-11,230</td> </tr> <tr> <td></td> <td></td> <td></td> <td>-81,833 / 4</td> </tr> <tr> <td></td> <td></td> <td></td> <td>-20,458</td> </tr> </tbody> </table>	Q4 2017	-21,849	x 0.5	-10,924	Q3 2017	-19,414		-19,414	Q2 2017	-19,571		-19,571	Q1 2017	-20,694		-20,694	Q4 2016	-22,460	x 0.5	-11,230				-81,833 / 4				-20,458	Measure the funding stemming from the negative working capital generated in Construction.
Q4 2017	-21,849	x 0.5	-10,924																											
Q3 2017	-19,414		-19,414																											
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Q4 2016	-22,460	x 0.5	-11,230																											
			-81,833 / 4																											
			-20,458																											
<b>Interest-bearing net receivables/net debt</b>	Interest-bearing assets minus interest-bearing liabilities.	Measure financial position.																												
<b>Operating net financial assets/liabilities (ONFAL)</b>	Interest-bearing net receivables/liabilities excluding construction loans to cooperative housing associations and interest-bearing pension liabilities.	Measure financial position and investment capacity. The latter is derived by comparing ONFAL to limits set by the Board of Directors.																												
<b>Equity/assets ratio</b>	Equity including non-controlling interest as a percentage of total assets.	Measure financial position.																												
<b>Net debt/equity ratio</b>	Interest-bearing net liabilities divided by equity including non-controlling interest.	Measure leverage of financial position.																												
<b>Adjusted equity attributable to equity holders</b> SEK bn	<table border="1"> <tbody> <tr> <td>Equity attributable to equity holders</td> <td>27.1</td> </tr> <tr> <td>Unrealized surplus value in RD</td> <td>3.6</td> </tr> <tr> <td>Unrealized CD gains</td> <td>9.3</td> </tr> <tr> <td>Effect in unrealized equity in ID</td> <td>1.1</td> </tr> <tr> <td>Less standard corporate tax, 10%</td> <td>-1.3</td> </tr> <tr> <td>Adjusted equity</td> <td>39.8</td> </tr> </tbody> </table>	Equity attributable to equity holders	27.1	Unrealized surplus value in RD	3.6	Unrealized CD gains	9.3	Effect in unrealized equity in ID	1.1	Less standard corporate tax, 10%	-1.3	Adjusted equity	39.8	Measure financial position adjusted for surplus values in Project Development net of taxes. The standard corporate tax represents an approximation of the average corporate income tax within the Group.																
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Adjusted equity	39.8																													

## Reconciliation between segment reporting and IFRSs

SEK M	External revenue		Intra-Group revenue		Total revenue		Operating income	
	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2017	Jan-Dec 2016
Construction	135,997 <sup>1</sup>	127,113 <sup>1</sup>	14,053	10,888	150,050	138,001	1,205	3,546
Residential Development	13,158	13,255	79	9	13,237	13,264	1,716	1,605
Commercial Property Development	11,255	10,208	185	18	11,440	10,226	2,714	2,336
Infrastructure Development	81	237	0	0	81	237	925	1,818
<b>Total operating segments</b>	<b>160,491</b>	<b>150,813</b>	<b>14,317</b>	<b>10,915</b>	<b>174,808</b>	<b>161,728</b>	<b>6,560</b>	<b>9,305</b>
Central	332	494	1,032	943	1,364	1,437	-944	-1,140
Eliminations	0	0	-15,349	-11,858	-15,349	-11,858	-112	34
<b>Total Group</b>	<b>160,823</b>	<b>151,307</b>	<b>0</b>	<b>0</b>	<b>160,823</b>	<b>151,307</b>	<b>5,504</b>	<b>8,199</b>
Reconciliation to IFRSs <sup>2</sup>	-2,946	-5,942	0	0	-2,946	-5,942	-926	-979
<b>Total IFRSs</b>	<b>157,877</b>	<b>145,365</b>	<b>0</b>	<b>0</b>	<b>157,877</b>	<b>145,365</b>	<b>4,578</b>	<b>7,220</b>

1 Of which external revenue from joint ventures in Infrastructure Development, SEK 9,405 M (7,220).

2 Of which effect from joint ventures in Residential Development proportionally	-875	-1,548					-258	-298
Of which effect of different revenue recognitions	-2,071	-4,394					-668	-681

SEK M	Segment Jan-Dec 2017	IFRS Jan-Dec 2017	Segment Jan-Dec 2016	IFRS Jan-Dec 2016	Segment Oct-Dec 2017	IFRS Oct-Dec 2017	Segment Oct-Dec 2016	IFRS Oct-Dec 2016
<b>Revenue</b>								
Construction	150,050	150,050	138,001	138,001	41,074	41,074	38,827	38,827
Residential Development	13,237	11,823	13,264	7,571	3,136	3,422	4,529	2,487
Commercial Property Development	11,440	9,516	10,226	9,711	3,685	4,906	2,673	1,940
Infrastructure Development	81	81	237	237	22	22	35	35
Central and eliminations	-13,985	-13,593	-10,421	-10,155	-4,298	-4,122	-3,827	-3,739
<b>Skanska Group</b>	<b>160,823</b>	<b>157,877</b>	<b>151,307</b>	<b>145,365</b>	<b>43,619</b>	<b>45,302</b>	<b>42,237</b>	<b>39,550</b>
<b>Operating income</b>								
Construction	1,205	1,205	3,546	3,546	-221	-221	1,264	1,264
Residential Development	1,716	1,508	1,605	746	394	482	680	347
Commercial Property Development <sup>1</sup>	2,714	2,067	2,336	2,199	863	1,441	322	180
Infrastructure Development	925	925	1,818	1,818	40	40	1,475	1,475
Central	-944	-943	-1,140	-1,141	-328	-327	-431	-431
Eliminations <sup>1</sup>	-112	-184	34	52	-10	-35	-10	1
<b>Operating income</b>	<b>5,504</b>	<b>4,578</b>	<b>8,199</b>	<b>7,220</b>	<b>738</b>	<b>1,380</b>	<b>3,300</b>	<b>2,836</b>
<b>Net financial items</b>	<b>45</b>	<b>45</b>	<b>-118</b>	<b>-119</b>	<b>13</b>	<b>13</b>	<b>-60</b>	<b>-61</b>
<b>Income after financial items</b>	<b>5,549</b>	<b>4,623</b>	<b>8,081</b>	<b>7,101</b>	<b>751</b>	<b>1,393</b>	<b>3,240</b>	<b>2,775</b>
Taxes	-615	-512	-1,555	-1,366	-163	-208	-537	-457
<b>Profit for the period</b>	<b>4,934</b>	<b>4,111</b>	<b>6,526</b>	<b>5,735</b>	<b>588</b>	<b>1,185</b>	<b>2,703</b>	<b>2,318</b>
Earnings for the period per share, SEK <sup>2</sup>	12.01		15.89		1.43		6.59	
Earnings for the period per share according to IFRSs, SEK <sup>2</sup>		10.00		13.96		2.89		5.65
1 Of which gains from divestments of commercial properties reported in:								
Commercial Property Development	2,879	2,562	3,111	3,114	830	1,504	721	717
Eliminations	197	150	173	187	79	75	43	57

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

## The Skanska Group

### Summary income statement (IFRS)

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Revenue	157,877	145,365	45,302	39,550
Cost of sales	-145,103	-131,119	-41,215	-35,772
<b>Gross income</b>	<b>12,774</b>	<b>14,246</b>	<b>4,087</b>	<b>3,778</b>
Selling and administrative expenses	-9,851	-9,152	-3,097	-2,560
Income from joint ventures and associated companies	1,655	2,126	390	1,618
<b>Operating income</b>	<b>4,578</b>	<b>7,220</b>	<b>1,380</b>	<b>2,836</b>
Financial income	170	119	37	9
Financial expenses	-125	-238	-24	-70
<b>Net financial items<sup>1</sup></b>	<b>45</b>	<b>-119</b>	<b>13</b>	<b>-61</b>
<b>Income after financial items</b>	<b>4,623</b>	<b>7,101</b>	<b>1,393</b>	<b>2,775</b>
Taxes	-512	-1,366	-208	-457
<b>Profit for the period</b>	<b>4,111</b>	<b>5,735</b>	<b>1,185</b>	<b>2,318</b>
1 Of which				
Interest income	89	71	23	18
Financial net pension costs	-102	-101	-26	-24
Interest expenses	-266	-245	-74	-73
Capitalized interest expenses	257	176	79	45
<b>Net interest items</b>	<b>-22</b>	<b>-99</b>	<b>2</b>	<b>-34</b>
Change in fair value	24	2	4	16
Other net financial items	43	-22	7	-43
<b>Net financial items</b>	<b>45</b>	<b>-119</b>	<b>13</b>	<b>-61</b>
Profit attributable to:				
Equity holders	4,095	5,722	1,181	2,313
Non-controlling interests	16	13	4	5
Earnings per share, SEK <sup>2</sup>	10.00	13.96	2.89	5.65
Earnings per share after dilution, SEK <sup>3</sup>	9.94	13.88	2.87	5.63

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

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

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

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
<b>Profit for the period</b>	<b>4,111</b>	<b>5,735</b>	<b>1,185</b>	<b>2,318</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to profit and loss</b>				
Remeasurements of defined benefit plans	-399	-1,127	595	2,866
Tax related to items that will not be reclassified to profit and loss	69	189	-143	-574
	<b>-330</b>	<b>-938</b>	<b>452</b>	<b>2,292</b>
<b>Items that have been or will be reclassified to profit and loss</b>				
Translation differences attributable to equity holders	-599	1,165	288	179
Translation differences attributable to non-controlling interests	8	8	4	-1
Hedging of exchange rate risk in foreign operations	-125	36	-91	99
Effects of cash flow hedges <sup>1</sup>	138	31	98	-4
Share of other comprehensive income of joint ventures and associated companies <sup>2</sup>	83	855	13	1,467
Tax related to items that have been or will be reclassified to profit and loss	-25	-4	-16	1
	<b>-520</b>	<b>2,091</b>	<b>296</b>	<b>1,741</b>
<b>Other comprehensive income after tax</b>	<b>-850</b>	<b>1,153</b>	<b>748</b>	<b>4,033</b>
<b>Total comprehensive income</b>	<b>3,261</b>	<b>6,888</b>	<b>1,933</b>	<b>6,351</b>
Total comprehensive income attributable to				
Equity holders	3,237	6,867	1,925	6,347
Non-controlling interests	24	21	8	4
1 Of which transferred to income statement	0	0	0	0
2 Of which transferred to income statement	226	1,851	32	1,366

## Summary statement of financial position (IFRS)

SEK M	Dec 31, 2017	Dec 31, 2016
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	6,874	6,837
Goodwill	4,554	5,270
Intangible assets	962	1,034
Investments in joint ventures and associated companies	3,314	4,160
Financial non-current assets <sup>1</sup>	2,276	1,016
Deferred tax assets	1,757	1,649
<b>Total non-current assets</b>	<b>19,737</b>	<b>19,966</b>
<b>Current assets</b>		
Current-asset properties <sup>2</sup>	39,010	33,678
Inventories	1,058	1,042
Financial current assets <sup>3</sup>	6,671	10,095
Tax assets	1,188	784
Gross amount due from customers for contract work	6,997	5,751
Trade and other receivables	27,778	29,759
Cash	6,998	5,430
<b>Total current assets</b>	<b>89,700</b>	<b>86,539</b>
<b>TOTAL ASSETS</b>	<b>109,437</b>	<b>106,505</b>
of which interest-bearing financial non-current assets	2,228	970
of which interest-bearing current assets	13,572	15,348
<b>Total interest-bearing assets</b>	<b>15,800</b>	<b>16,318</b>
<b>EQUITY</b>		
Equity attributable to equity holders	27,064	27,350
Non-controlling interests	121	156
<b>Total equity</b>	<b>27,185</b>	<b>27,506</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Financial non-current liabilities	3,857	3,656
Pensions	5,603	4,901
Deferred tax liabilities	1,235	1,491
Non-current provisions	0	1
<b>Total non-current liabilities</b>	<b>10,695</b>	<b>10,049</b>
<b>Current liabilities</b>		
Financial current liabilities <sup>3</sup>	7,624	6,681
Tax liabilities	312	489
Current provisions	8,557	7,227
Gross amount due to customers for contract work	16,636	18,473
Trade and other payables	38,428	36,080
<b>Total current liabilities</b>	<b>71,557</b>	<b>68,950</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>109,437</b>	<b>106,505</b>
of which interest-bearing financial liabilities	11,323	10,172
of which interest-bearing pensions and provisions	5,603	4,927
<b>Total interest-bearing liabilities</b>	<b>16,926</b>	<b>15,099</b>
1 Of which shares	42	44
2 Current-asset properties		
Commercial Property Development	23,615	19,728
Residential Development	15,395	13,950
3 Items regarding non-interest-bearing unrealized changes in derivatives/ financial instruments are included in the following amounts:		
Financial non-current assets	6	2
Financial current assets	97	177
Financial non-current liabilities	21	116
Financial current liabilities	137	49

Note: Contingent liabilities amounted to SEK 48.9 bn on December 31, 2017 (Dec 31, 2016: 61.9) and relates to joint operations in Construction and joint ventures in Project Development. For more information see 2016 Annual Report, Note 20B, 20C and 33. During the period, contingent liabilities decreased by SEK 13.0 bn.

**Summary statement of changes in equity (IFRS)**

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Opening balance	27,506	24,206	25,299	21,221
of which non-controlling interests	156	127	114	152
Dividend to shareholders	-3,380	-3,075	0	0
Change in group composition	0	14	0	0
Dividend to non-controlling interests	-59	-6	-1	0
Effects of equity-settled share-based payments	297	272	68	69
Repurchase of shares	-440	-793	-114	-135
Total comprehensive income attributable to				
Equity holders	3,237	6,867	1,925	6,347
Non-controlling interests	24	21	8	4
<b>Closing balance</b>	<b>27,185</b>	<b>27,506</b>	<b>27,185</b>	<b>27,506</b>
of which non-controlling interests	121	156	121	156

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

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
<b>Cash flow from operating activities before change in working capital, according to IAS 7</b>	<b>197</b>	<b>1,100</b>	<b>-259</b>	<b>225</b>
<b>Cash flow from change in working capital, according to IAS 7</b>	<b>2,649</b>	<b>-1,983</b>	<b>4,318</b>	<b>-682</b>
Net investments in property, plant and equipment and intangible assets	-112	-160	23	1880
Tax payments on property, plant and equipment and intangible assets divested and divestments of assets in Infrastructure Development	-32	-35	-12	-17
<b>Cash flow from business operations including taxes paid according to operating cash flow</b>	<b>2,702</b>	<b>-1,078</b>	<b>4,070</b>	<b>1,406</b>
Less net investments in property, plant and equipment and intangible assets	112	160	-23	-1,880
Less tax payments on property, plant and equipment and intangible assets divested and divestments of assets in Infrastructure Development	32	35	12	17
<b>Cash flow from operating activities, according to IAS 7</b>	<b>2,846</b>	<b>-883</b>	<b>4,059</b>	<b>-457</b>
<b>Cash flow from strategic investments according to operating cash flow</b>	<b>0</b>	<b>862</b>	<b>0</b>	<b>524</b>
Net investments in property, plant and equipment and intangible assets	-112	-160	23	1,880
Increase and decrease in interest-bearing receivables	1,734	-2,260	-820	-804
Taxes paid on property, plant and equipment and intangible assets divested and divestments of assets in Infrastructure Development	-32	-35	-12	-17
<b>Cash flow from investing activities, according to IAS 7</b>	<b>1,590</b>	<b>-1,593</b>	<b>-809</b>	<b>1,583</b>
<b>Cash flow from financing operations according to operating cash-flow statement</b>	<b>177</b>	<b>-76</b>	<b>8</b>	<b>-78</b>
Change in interest-bearing receivables and liabilities	2,619	-2,400	-1,273	-852
Increase and decrease in interest-bearing receivables	-1,734	2,260	820	804
Dividend etc. <sup>1</sup>	-3,879	-3,874	-115	-135
<b>Cash flow from financing activities, according to IAS 7</b>	<b>-2,817</b>	<b>-4,090</b>	<b>-560</b>	<b>-261</b>
<b>Cash flow for the period</b>	<b>1,619</b>	<b>-6,566</b>	<b>2,690</b>	<b>865</b>

1 Of which repurchases of shares SEK -440 M.

## Operating cash flow (IFRS), supplementary information

### Operating cash flow

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
<b>Construction</b>				
Cash flow from business operations	3,735	4,925	937	1,532
Change in working capital	226	1,051	2,423	3,166
Net divestments(+)/investments(-)	-1,825	-1,414	-395	-442
Cash flow adjustment	0	0	0	0
<b>Total Construction</b>	<b>2,136</b>	<b>4,562</b>	<b>2,965</b>	<b>4,256</b>
<b>Residential Development</b>				
Cash flow from business operations	-692	-677	-230	-177
Change in working capital	1,008	1,198	451	92
Net divestments(+)/investments(-)	680	-1,631	239	-488
Cash flow adjustment	233	-100	256	-7
<b>Total Residential Development</b>	<b>1,229</b>	<b>-1,210</b>	<b>716</b>	<b>-580</b>
<b>Commercial Property Development</b>				
Cash flow from business operations	-868	-706	-329	-343
Change in working capital	-400	-664	-12	313
Net divestments(+)/investments(-)	-1,375	679	1,620	-922
Cash flow adjustment	-476	4	-496	-58
<b>Total Commercial Property Development</b>	<b>-3,119</b>	<b>-687</b>	<b>783</b>	<b>-1,010</b>
<b>Infrastructure Development</b>				
Cash flow from business operations	-261	154	-65	3
Change in working capital	2,856	-2,965	8	-2,983
Net divestments(+)/investments(-)	1,501	1,766	204	2,511
Cash flow adjustment	0	0	0	0
<b>Total Infrastructure Development</b>	<b>4,096</b>	<b>-1,045</b>	<b>147</b>	<b>-469</b>
<b>Central and eliminations</b>				
Cash flow from business operations	-857	-1,394	-257	-549
Change in working capital	176	52	101	39
Net divestments(+)/investments(-)	-67	-119	-58	-23
Cash flow adjustment	0	0	0	0
<b>Total central and eliminations</b>	<b>-748</b>	<b>-1,461</b>	<b>-214</b>	<b>-533</b>
Total cash flow from business operations	1,057	2,302	56	466
Total change in working capital	3,866	-1,328	2,971	627
Total net divestments(+)/investments(-)	-1,086	-719	1,610	636
Total cash flow adjustment	-243	-96	-240	-65
<b>Cash flow from business operations before taxes paid</b>	<b>3,594</b>	<b>159</b>	<b>4,397</b>	<b>1,664</b>
Taxes paid in business operations	-892	-1,237	-327	-258
<b>Cash flow from business operations including taxes paid</b>	<b>2,702</b>	<b>-1,078</b>	<b>4,070</b>	<b>1,406</b>
Net interest items and other net financial items	253	-108	12	-111
Taxes paid in financing operations	-76	32	-4	33
<b>Cash flow from financing operations</b>	<b>177</b>	<b>-76</b>	<b>8</b>	<b>-78</b>
<b>Operating cash flow from operations</b>	<b>2,879</b>	<b>-1,154</b>	<b>4,078</b>	<b>1,328</b>
Net strategic divestments(+)/investments(-)	0	862	0	524
Dividend etc. <sup>1</sup>	-3,879	-3,874	-115	-135
<b>Cash flow before change in interest-bearing receivables and liabilities</b>	<b>-1,000</b>	<b>-4,166</b>	<b>3,963</b>	<b>1,717</b>
Change in interest-bearing receivables and liabilities	2,619	-2,400	-1,273	-852
<b>Cash flow for the period</b>	<b>1,619</b>	<b>-6,566</b>	<b>2,690</b>	<b>865</b>
Cash and cash equivalents at the beginning of the period	5,430	11,840	4,293	4,480
Exchange rate differences in cash and cash equivalents	-51	156	15	85
<b>Cash and cash equivalents at the end of the period</b>	<b>6,998</b>	<b>5,430</b>	<b>6,998</b>	<b>5,430</b>

<sup>1</sup> Of which repurchases of shares SEK -440 M.

## Group net divestments/investments (IFRS)

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
<b>OPERATIONS – INVESTMENTS</b>				
Intangible assets	-255	-394	-119	-148
Property, plant and equipment	-1,876	-1,636	-355	-455
Assets in Infrastructure Development	-449	-1,336	-378	-576
Shares and participations	-154	-325	-112	-138
Current-asset properties	-21,451	-17,108	-6,588	-5,458
of which Residential Development	-10,801	-9,005	-3,123	-2,920
of which Commercial Property Development	-10,650	-8,103	-3,465	-2,538
<b>Investments in operations</b>	<b>-24,185</b>	<b>-20,799</b>	<b>-7,552</b>	<b>-6,775</b>
<b>Total Investments</b>	<b>-24,185</b>	<b>-20,799</b>	<b>-7,552</b>	<b>-6,775</b>
<b>OPERATIONS – DIVESTMENTS</b>				
Intangible assets	1	2	1	1
Property, plant and equipment	213	411	62	109
Assets in Infrastructure Development	1,950	3,102	582	3,087
Shares and participations	458	16	342	0
Current-asset properties	20,477	16,549	8,175	4,214
of which Residential Development	11,767	7,508	3,421	2,454
of which Commercial Property Development	8,710	9,041	4,754	1,760
<b>Divestments in operations</b>	<b>23,099</b>	<b>20,080</b>	<b>9,162</b>	<b>7,411</b>
<b>STRATEGIC DIVESTMENTS</b>				
Businesses	0	862	0	524
<b>Strategic divestments</b>	<b>0</b>	<b>862</b>	<b>0</b>	<b>524</b>
<b>Total divestments</b>	<b>23,099</b>	<b>20,942</b>	<b>9,162</b>	<b>7,935</b>
<b>TOTAL NET DIVESTMENTS(+)/INVESTMENTS(-)</b>	<b>-1,086</b>	<b>143</b>	<b>1,610</b>	<b>1,160</b>
Depreciation, non-current assets	-1,587	-1,439	-439	-374

## Capital employed in Project Development (IFRS)

SEK M	Dec 31, 2017	Sep 30, 2017	Dec 31, 2016
Residential Development	12,652	11,992	11,607
Commercial Property Development	24,481	23,558	19,936
Infrastructure Development	1,809	2,211	5,434
<b>Total capital employed in Project Development</b>	<b>38,942</b>	<b>37,761</b>	<b>36,977</b>



## Parent Company<sup>1</sup>

The parent company's revenue consists mainly of amounts billed to Group companies. The balance sheet consists of financial instruments almost exclusively in the form of intra-Group receivables and liabilities. The parent company does not report any significant events during the period.

### Summary income statement (IFRS)

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Revenue	698	674	602	589
Selling and administrative expenses	-791	-752	-550	-517
<b>Operating income</b>	<b>-93</b>	<b>-78</b>	<b>52</b>	<b>72</b>
Net financial items	4,403	3,522	53	1,079
<b>Income after financial items</b>	<b>4,310</b>	<b>3,444</b>	<b>105</b>	<b>1,151</b>
Taxes	11	-15	-33	-60
<b>Profit for the period</b>	<b>4,321</b>	<b>3,429</b>	<b>72</b>	<b>1,091</b>
<b>Total comprehensive income</b>	<b>4,321</b>	<b>3,429</b>	<b>72</b>	<b>1,091</b>

### Summary balance sheet (IFRS)

SEK M	Dec 31, 2017	Dec 31, 2016
<b>ASSETS</b>		
Intangible non-current assets	16	19
Property, plant and equipment	2	2
Financial non-current assets <sup>2</sup>	11,639	11,504
<b>Total non-current assets</b>	<b>11,657</b>	<b>11,525</b>
Current receivables	163	167
<b>Total current assets</b>	<b>163</b>	<b>167</b>
<b>TOTAL ASSETS</b>	<b>11,820</b>	<b>11,692</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	7,213	6,360
Provisions	307	283
Non-current interest-bearing liabilities <sup>2</sup>	4,177	4,918
Current liabilities	123	131
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,820</b>	<b>11,692</b>

<sup>1</sup> As a parent company in an IFRS-group, Skanska AB applies RFR2 in its accounting.

<sup>2</sup> Of these amounts, SEK 247 M (Dec 31, 2016: 253) were intra-Group receivables and SEK 4,177 M (Dec 31, 2016: 4,918) intra-Group liabilities.

Note: The Parent Company's contingent liabilities totaled SEK 155.7 bn on December 31, 2017 (Dec 31, 2016: 162.2), of which SEK 129.3 bn (Dec 31, 2016: 131.9) was related to obligations on behalf of Group companies. Other obligations, SEK 26.4 bn on December 31, 2017 (Dec 31 2016: 30.3), were related to commitments to outside parties.

## Share data

	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Earnings per share according to segment reporting, SEK <sup>1</sup>	12.01	15.89	1.43	6.59
Earnings per share, SEK <sup>1</sup>	10.00	13.96	2.89	5.65
Earnings per share after dilution, SEK <sup>2</sup>	9.94	13.88	2.87	5.63
Equity per share, SEK <sup>3</sup>	66.22	66.82		
Adjusted equity per share, SEK <sup>4</sup>	97.23	92.85		
Average number of shares outstanding	409,447,407	409,896,419		
Average number of shares outstanding after dilution	411,905,245	412,174,095		
Average dilution, %	0.60	0.55		
Number of shares, at balance sheet date	419,903,072	419,903,072		
Average price of total repurchased shares, SEK	137.31	132.18		
Number of total Series B shares repurchased	26,453,228	24,103,228		
of which repurchased during the year	2,350,000	4,345,000	630,000	645,000
Number of shares in Skanska's own custody	11,190,028	10,594,644		
Number of shares outstanding	408,713,044	409,308,428		

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

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

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

4 Adjusted equity divided by the number of shares outstanding.

## Five-year Group financial summary

SEK M	Jan-Dec 2017	Jan-Dec 2016	Jan-Dec 2015	Jan-Dec 2014	Jan-Dec 2013
Revenue	160,823	151,307	154,935	145,029	136,446
Operating income	5,504	8,199	6,461	5,766	5,144
Profit for the period	4,934	6,526	4,929	4,108	3,473
Earnings per share, SEK	12.01	15.89	11.96	9.98	8.43
Return on capital employed, %	13.3	21.8	17.8	16.5	14.9
Return on equity, %	18.6	28.3	22.5	20.1	17.4
Operating margin, %	3.4	5.4	4.2	4.0	3.8
Return on capital employed according to IFRSs, %	11.1	19.2	17.4	15.5	16.1
Cash flow per share according to IFRSs, SEK <sup>1</sup>	-2.44	-10.16	11.90	2.20	4.94

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

## Exchange rates for the most important currencies

SEK	Average exchange rates		Exchange rates on the closing day	
	Jan-Dec 2017	Jan-Dec 2016	Dec 31, 2017	Dec 31, 2016
U.S. dollar	8.55	8.56	8.20	9.06
British pound	11.00	11.59	11.08	11.15
Norwegian krone	1.03	1.02	1.00	1.05
Euro	9.64	9.47	9.83	9.57
Czech koruna	0.37	0.35	0.38	0.35
Polish zloty	2.26	2.17	2.35	2.17

## Construction

### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Revenue	150,050	138,001	41,074	38,827
<b>Gross income</b>	<b>8,299</b>	<b>10,080</b>	<b>2,045</b>	<b>2,975</b>
Selling and administrative expenses	-7,132	-6,567	-2,282	-1,722
Income from joint ventures and associated companies	38	33	16	11
<b>Operating income</b>	<b>1,205</b>	<b>3,546</b>	<b>-221</b>	<b>1,264</b>
Investments	-2,062	-1,829	-453	-549
Divestments	237	595	58	107
<b>Net divestments(+)/investments(-)</b>	<b>-1,825</b>	<b>-1,234</b>	<b>-395</b>	<b>-442</b>
Gross margin, %	5.5	7.3	5.0	7.7
Selling and administrative expenses, %	-4.8	-4.8	-5.6	-4.4
Operating margin, %	0.8	2.6	-0.5	3.3
Order bookings, SEK bn	151.8	170.2	33.2	39.6
Order backlog, SEK bn	188.4	196.3	-	-
Employees	39,002	40,980	-	-

### Revenue by business/reporting unit

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	54,596	50,973	15,423	15,076
of which Sweden	33,780	31,736	9,755	9,539
Europe	33,441	32,664	9,188	9,328
USA	62,013	54,364	16,463	14,423
<b>Total</b>	<b>150,050</b>	<b>138,001</b>	<b>41,074</b>	<b>38,827</b>

### Operating income

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	2,298	2,130	705	752
of which Sweden	1,579	1,482	486	558
Europe	-1,040	247	-756	146
USA	-53	1,169	-170	366
<b>Total</b>	<b>1,205</b>	<b>3,546</b>	<b>-221</b>	<b>1,264</b>

### Operating margin, %

Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
4.2	4.2	4.6	5.0
4.7	4.7	5.0	5.8
neg	0.8	neg	1.6
neg	2.2	neg	2.5
<b>0.8</b>	<b>2.6</b>	<b>neg</b>	<b>3.3</b>

### Order backlog

SEK M	Dec 31, 2017	Dec 31, 2016
Nordics	53,779	54,107
of which Sweden	34,954	35,416
Europe	38,158	38,398
USA	96,474	103,749
<b>Total</b>	<b>188,411</b>	<b>196,254</b>

### Order bookings

Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
54,720	55,984	10,910	16,393
33,317	36,041	7,636	11,174
32,401	36,324	7,678	10,824
64,690	77,936	14,644	12,398
<b>151,811</b>	<b>170,244</b>	<b>33,232</b>	<b>39,615</b>

### Book-to build, R-12m

Dec 31, 2017	Dec 31, 2016
100	110
99	114
97	111
104	143
<b>101</b>	<b>123</b>

## Residential Development

### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Revenue	13,237	13,264	3,136	4,529
<b>Gross income</b>	<b>2,382</b>	<b>2,164</b>	<b>567</b>	<b>813</b>
Selling and administrative expenses	-666	-559	-173	-133
Income from joint ventures and associated companies	0	0	0	0
<b>Operating income</b>	<b>1,716</b>	<b>1,605</b>	<b>394</b>	<b>680</b>
Operating margin, %	13.0	12.1	12.6	15.0
Investments	-11,093	-9,148	-3,187	-2,951
Divestments	11,773	7,517	3,426	2,463
<b>Net divestments(+)/investments(-)</b>	<b>680</b>	<b>-1,631</b>	<b>239</b>	<b>-488</b>
Capital employed, SEK bn	12.7	11.6	-	-
Return on capital employed, %	15.4	17.1	-	-
Employees	482	445	-	-

### Revenue

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	12,214	12,287	2,921	4,239
of which Sweden	7,089	7,069	1,757	2,533
Europe	1,023	977	215	290
<b>Total</b>	<b>13,237</b>	<b>13,264</b>	<b>3,136</b>	<b>4,529</b>

### Operating income<sup>1</sup>

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	1,624	1,509	380	641
of which Sweden	1,083	1,060	266	484
Europe	92	96	14	39
<b>Total</b>	<b>1,716</b>	<b>1,605</b>	<b>394</b>	<b>680</b>

### Operating margin, %<sup>1</sup>

Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
13.3	12.3	13.0	15.1
15.3	15.0	15.1	19.1
9.0	9.8	6.5	13.4
<b>13.0</b>	<b>12.1</b>	<b>12.6</b>	<b>15.0</b>

<sup>1</sup> Development gain only. Construction margin reported under Construction.

### Homes started

	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	3,864	4,379	1,408	1,663
of which Sweden	2,408	2,861	959	1,097
Europe	454	469	107	259
<b>Total</b>	<b>4,318</b>	<b>4,848</b>	<b>1,515</b>	<b>1,922</b>

### Homes sold

Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
3,748	4,106	1,108	1,512
2,289	2,562	729	991
537	497	125	113
<b>4,285</b>	<b>4,603</b>	<b>1,233</b>	<b>1,625</b>

### Homes under construction

	Dec 31, 2017	Dec 31, 2016
Nordics	6,464	6,480
of which Sweden	4,144	4,305
Europe	779	941
<b>Total</b>	<b>7,243</b>	<b>7,421</b>

### Completed unsold, number of homes

Dec 31, 2017	Dec 31, 2016
116	151
29	12
6	7
<b>122</b>	<b>158</b>

### Homes under construction of which sold, %

Dec 31, 2017	Dec 31, 2016
76	78
78	82
71	68
<b>76</b>	<b>77</b>

## Commercial Property Development

### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Revenue	11,440	10,226	3,685	2,673
of which from divestment of properties	10,867	9,555	3,587	2,495
<b>Gross income</b>	<b>2,989</b>	<b>3,067</b>	<b>820</b>	<b>536</b>
Selling and administrative expenses	-899	-751	-275	-229
Income from joint ventures and associated companies	624	20	318	15
<b>Operating income</b>	<b>2,714</b>	<b>2,336</b>	<b>863</b>	<b>322</b>
of which gain from divestment of properties <sup>1</sup>	2,879	3,111	830	721
of which write-downs/reversal of write-downs	0	-198	0	-198
1 Additional gains included in eliminations	197	173	79	43
Investments	-10,716	-8,364	-3,477	-2,683
Divestments	9,341	9,043	5,097	1,761
<b>Net divestments(+)/investments(-)</b>	<b>-1,375</b>	<b>679</b>	<b>1,620</b>	<b>-922</b>
Capital employed, SEK bn	24.5	19.9	-	-
Return on capital employed, %	15.5	14.8	-	-
Employees	389	364	-	-

### Revenue

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	6,677	4,063	520	537
Europe	4,660	2,141	3,149	2,037
USA	103	4,022	16	99
<b>Total</b>	<b>11,440</b>	<b>10,226</b>	<b>3,685</b>	<b>2,673</b>

### of which from divestments

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	6,285	3,706	417	441
Europe	4,582	1,981	3,170	1,981
USA	0	3,868	0	73
<b>Total</b>	<b>10,867</b>	<b>9,555</b>	<b>3,587</b>	<b>2,495</b>

### Operating income

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	1,816	1,003	40	51
Europe	709	284	562	472
USA	189	1,049	261	-201
<b>Total</b>	<b>2,714</b>	<b>2,336</b>	<b>863</b>	<b>322</b>

### of which from divestments

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Nordics	1,850	1,127	130	96
Europe	1,029	561	700	561
USA	0	1,423	0	64
<b>Total</b>	<b>2,879</b>	<b>3,111</b>	<b>830</b>	<b>721</b>

### Capital employed

SEK M	Dec 31, 2017	Dec 31, 2016
Nordics	8,702	8,175
Europe	8,128	6,307
USA	7,651	5,454
<b>Total</b>	<b>24,481</b>	<b>19,936</b>

## Infrastructure Development

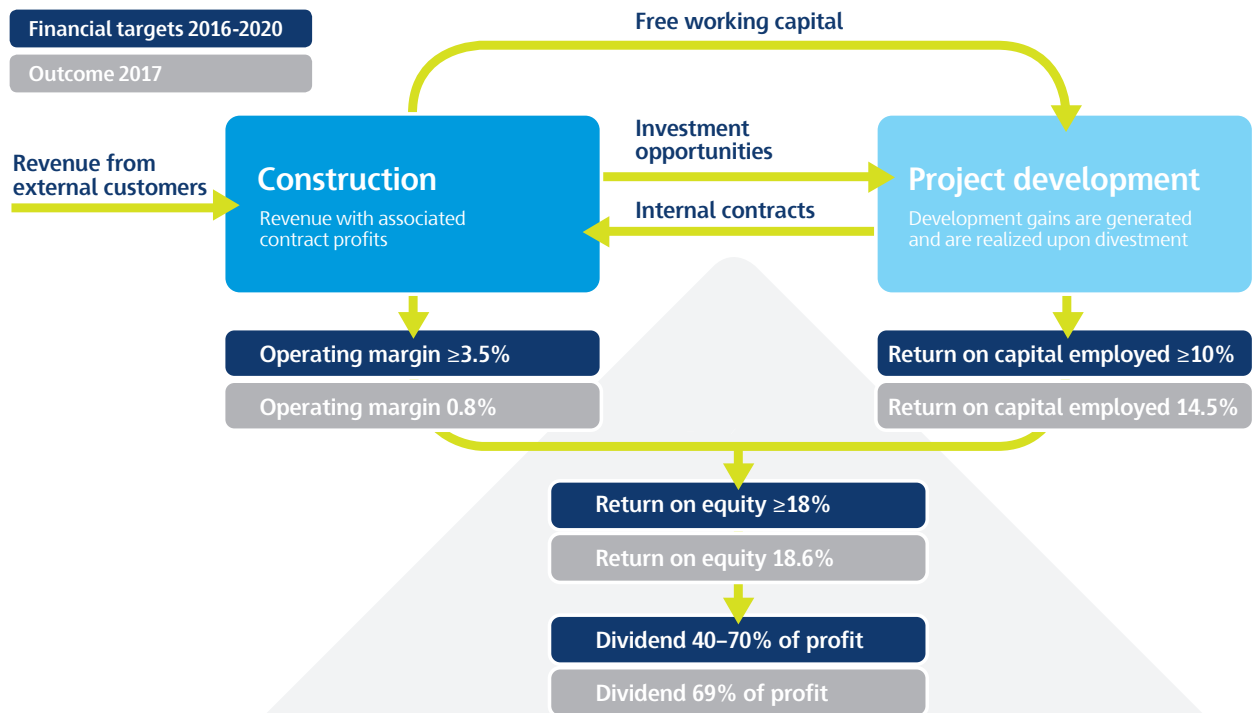
### Revenue and earnings

SEK M	Jan-Dec 2017	Jan-Dec 2016	Oct-Dec 2017	Oct-Dec 2016
Revenue	81	237	22	35
<b>Gross income</b>	<b>-96</b>	<b>56</b>	<b>-16</b>	<b>1</b>
Selling and administrative expenses	-121	-147	-24	-34
Income from joint ventures and associated companies	1,142	1,909	80	1,508
<b>Operating income</b>	<b>925</b>	<b>1,818</b>	<b>40</b>	<b>1,475</b>
of which gains from divestments of shares in projects	985	1,729	73	1,729
Investments	-449	-1,336	-378	-576
Divestments	1,950	3,102	582	3,087
<b>Net divestments(+)/investments(-)</b>	<b>1,501</b>	<b>1,766</b>	<b>204</b>	<b>2,511</b>
Capital employed, SEK bn	1.8	5.4	-	-
Return on capital employed, %	3.6	41.1	-	-
Employees	94	102	-	-

# About Skanska

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

## Skanska’s business model



## Internal contracts and cooperation

Operational and financial synergies are, amongst other things, achieved through investments in Project Development generating internal contracts for Skanska’s Construction stream, as well as through the collaboration between Business Units from different markets. Currently, SEK 30.8 billion of Skanska’s total order backlog are contracts involving more than one Business Unit and revenue from internal contracts amounted to SEK 23.2 billion.

Construction revenue from internal Project Development contracts amounted to:

**SEK 23.2 billion**

**Capitol Tower, Houston, USA**

Skanska is developing and building a new 35-story office tower in downtown Houston. The anchor tenant is Bank of America and the office is the first project in Houston development to reach LEED v4 Platinum precertification from the U.S. Green Building Council.

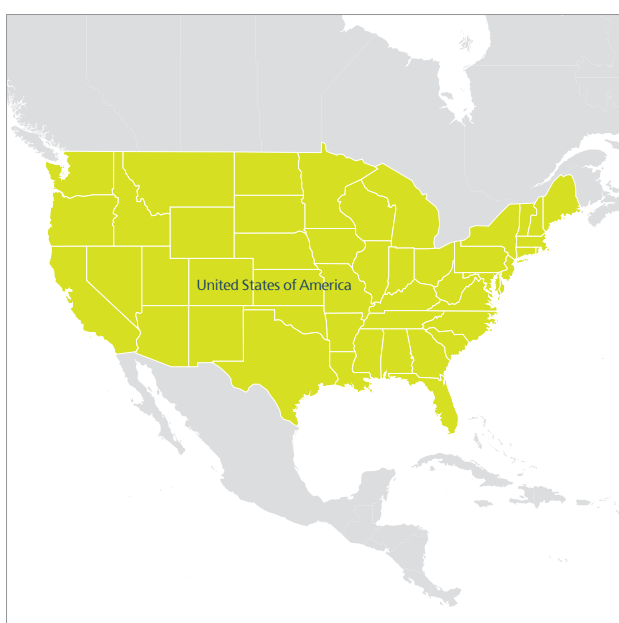
Value of orders in backlog generated in cooperation between Business Units:

**SEK 30.8 billion**

**ESS, Lund, Sweden**

A state-of-the-art research facility in Lund, Sweden, won and now under construction by a joint venture between Skanska Sweden and Skanska UK.

## Skanska's home markets



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This report will also be presented via a press conference and webcast at 10:00 a.m. (CET) on February 1, 2018. The press conference will be webcasted live at [www.skanska.com/investors](http://www.skanska.com/investors), where a recording of the conference will also be available later. To participate in the telephone conference, please dial +46 8 505 564 74, +44 2033 645 374, or +1 855 753 2230. This and previous releases can also be found at [www.skanska.com/investors](http://www.skanska.com/investors).

The information provided herein is such as Skanska AB is obligated to disclose pursuant to the EU market securities act (EU) no. 596/2014.