

Three Month Report 2012



733 10th Street, Washington D.C.

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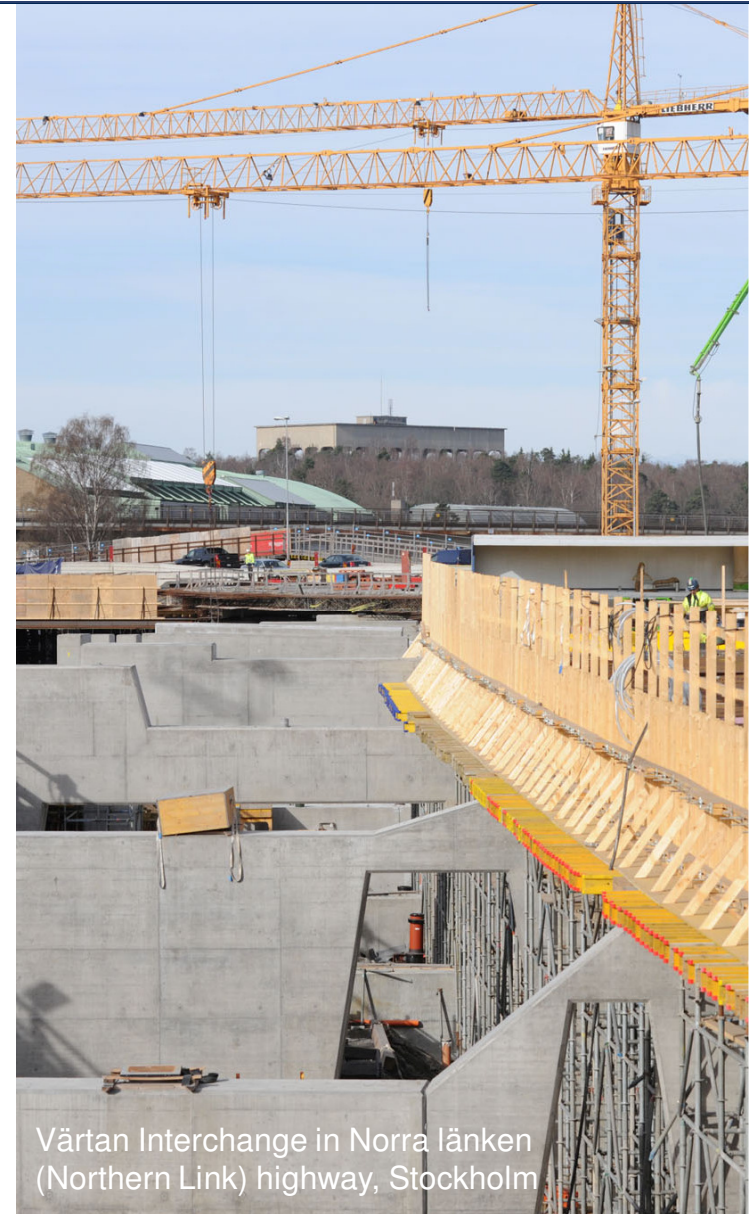
- Residential Development in Sweden a disappointment and intensive work with turnaround ongoing
 - Revenue growth in Construction, book-to-build rolling 12 months 107%
 - Good potential to increase order backlog
 - Restructuring of Construction businesses in Norway and Finland goes according to plan
 - Earnings in Construction seasonally weak in Q1
 - Value creation in Commercial Property and Infrastructure Development continues
- 

January–March 2012 in brief

- Operating income of SEK 148 M (451)
 - Residential Development SEK -22 M (196)
- Revenue in Construction SEK 26.2 bn (22.7)
 - Up 16% (14% in local currency) in Q1 2012 compared to Q1 2011
- Operating margin in Construction 1.2% (1.4%)
- Order bookings SEK 25.1 bn (21.6)
 - Up 16% in Q1 2012 compared to Q1 2011
 - 107% book-to-build ratio rolling 12 months
- Backlog of SEK 152.9 bn represents 16 (15) months of construction

Construction

- Good order situation
- Mixed market sentiment
 - Nordic stable
 - Other European countries weak
 - The Americas good
- First quarter seasonally a weaker quarter
- Turnaround in Norway and Finland goes according to plan
- Project writedowns in Latin America of SEK 100 M



Värtan Interchange in Norra länken (Northern Link) highway, Stockholm

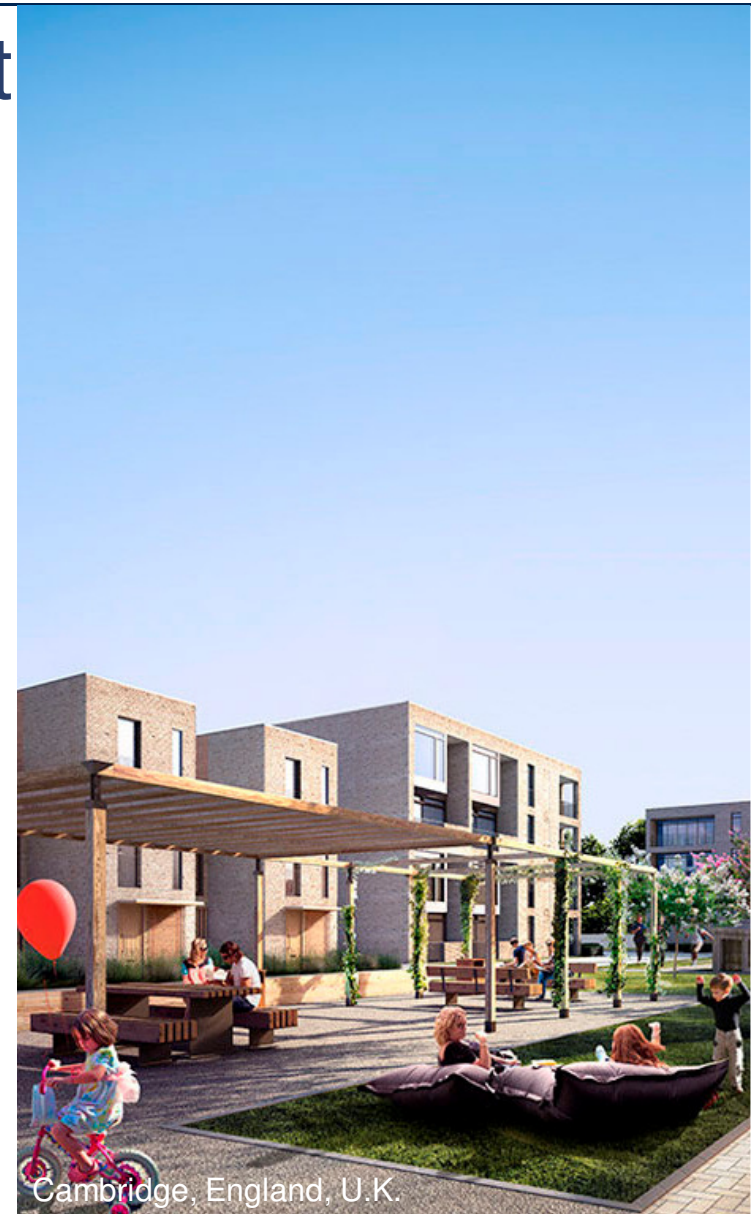
New orders in Construction in Q1

- Research campus, U.S.,
SEK 3.0 bn
- Natural gas plant, Brazil,
SEK 1.7 bn
- Research and development
facility, U.S., SEK 860 M
- Manufacturing facility, U.S.,
SEK 820 M
- Subway systems, U.S.,
SEK 588 M



Residential Development

- Weak performance
 - Operating income SEK -22 M (196)
- Revenue SEK 1.7 bn (2.7)
 - Price mix
- 648 (926) homes sold
- 480 (837) homes started
- Intensive turnaround work ongoing



Commercial Property Development

- 4 new project start ups
- 33 ongoing projects
 - SEK 9.7 bn in investment value
 - 50% pre-leasing rate
- 26,000 sq. m leased in Q1
- First sale in the U.S. completed (Q2)



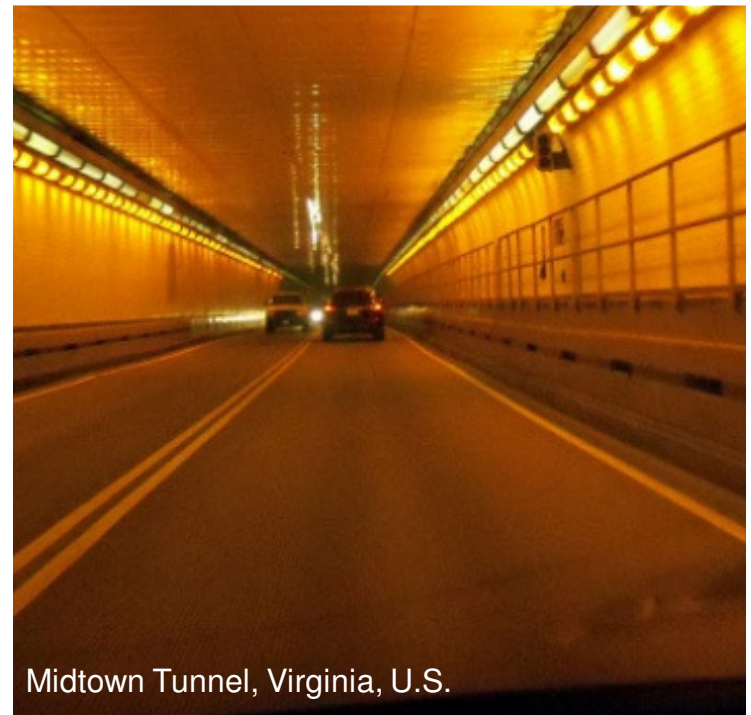
733 10th Street, Washington D.C.



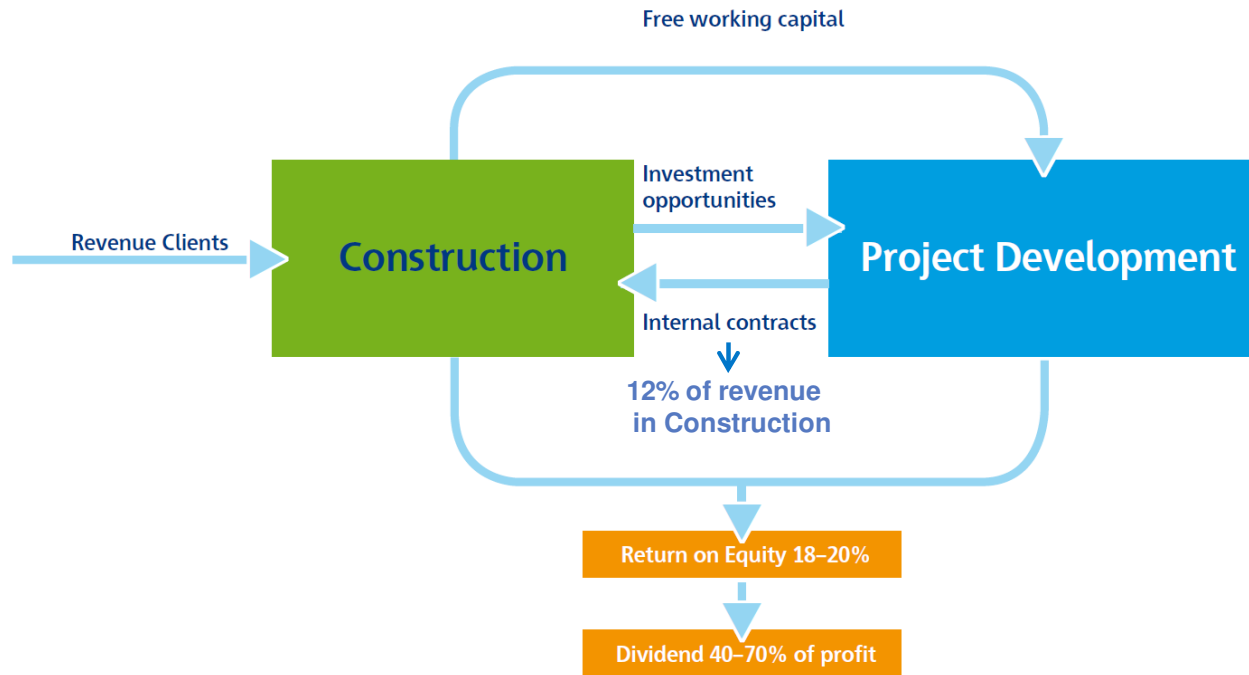
City Green Court, Prague

Infrastructure Development

- Preferred bidder
 - Bradford and Calderdale Waste Treatment Project
- Financial close/Investments
 - Woodlands School
 - Midtown tunnel (Q2):
 - SEK 0.9 bn investment
 - SEK 4.4 bn order booking
- High bid activity



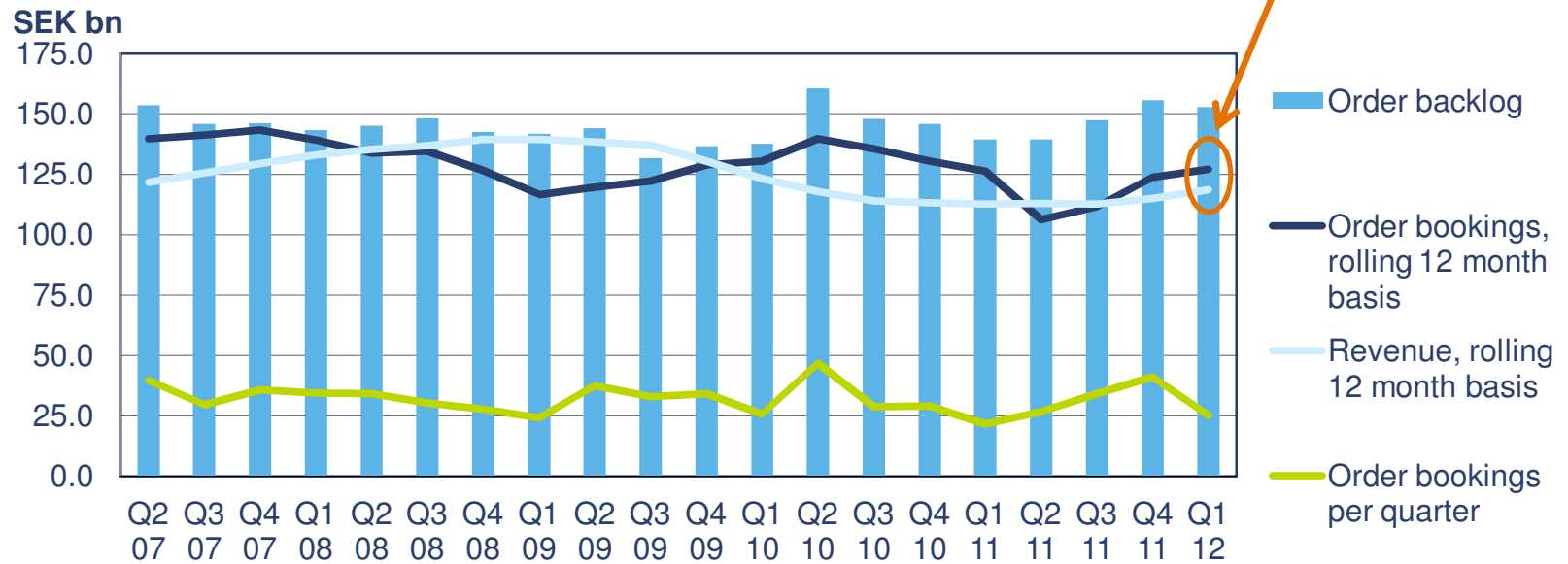
Synergies in Skanska's business model



Internal revenue 2012, SEK bn	Jan-Mar 2012	Jan-Mar 2011
Residential Development	1.0	0.9
Commercial Property Development	0.6	0.2
Infrastructure Development	1.5	1.6
Total	3.1	2.7

Construction

Order bookings and Order backlog



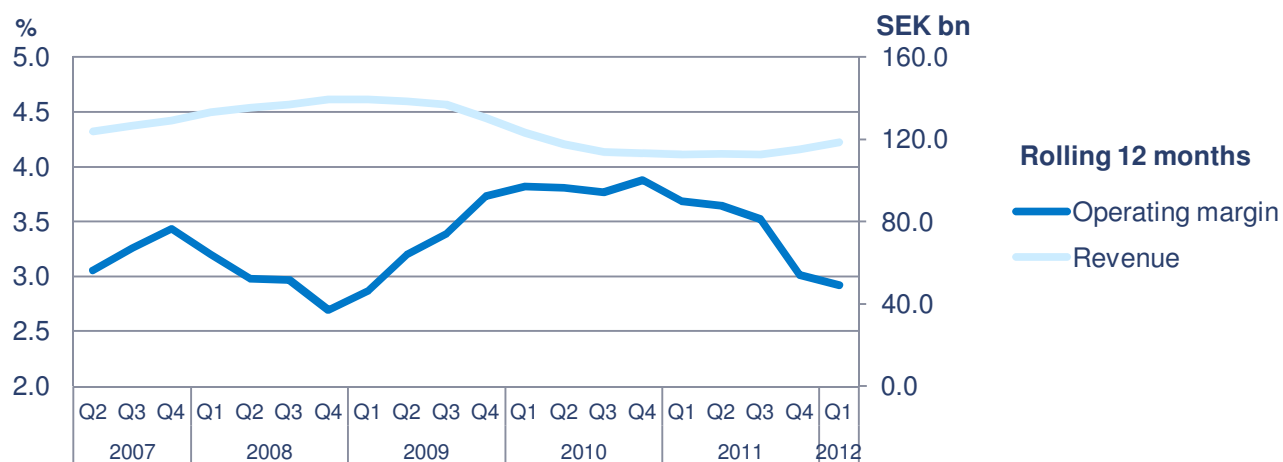
SEK bn	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Revenue	26.2	22.7	115.0
Order bookings	25.1	21.6	123.6
Order backlog	152.9	139.4	155.7

Construction

Order bookings

SEK bn	Jan–Mar 2012	Jan–Mar 2011	Change in local currency, %	Book- to-build, R-12, %
Sweden	6.0	5.0	18	92
Norway	2.2	2.7	-23	128
Finland	1.1	1.5	-27	95
Poland	1.2	1.0	23	90
Czech Republic	0.9	0.5	74	99
UK	1.8	1.8	-3	74
USA Building	6.8	3.3	100	133
USA Civil	2.4	4.6	-50	100
Latin America	2.9	1.1	158	168
Total	25.1	21.6	14	107

Construction Income statement



SEK bn	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Revenue	26.2	22.7	115.0
Gross income	1.8	1.7	9.3
Selling and admin. expenses	-1.5	-1.4	-5.9
Operating income	0.3	0.3	3.5
Gross margin, %	7.0	7.5	8.1
S&A expenses, %	-5.8	-6.0	-5.1
Operating margin, %	1.2	1.4	3.0

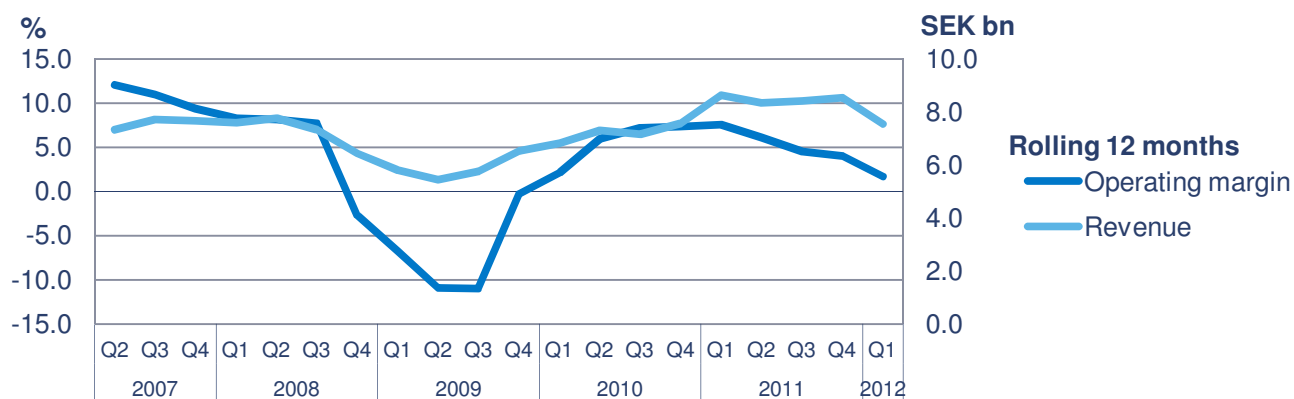
Construction

Income statement

	Operating income, SEK M		Operating margin, %	
	Jan-Mar 2012	Jan-Mar 2011	Jan-Mar 2012	Jan-Mar 2011
Sweden	168	77	2.8	1.4
Norway	5	-61	0.1	neg
Finland	-15	-15	neg	neg
Poland	-32	78	neg	7.3
Czech Republic	-90	-39	neg	neg
UK	92	61	3.3	1.9
USA Building	87	68	1.5	1.4
USA Civil	188	152	6.5	7.3
Latin America	-80	4	neg	0.3
Total	323	325	1.2	1.4

Residential Development

Income statement, segment reporting



SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Revenue	1,659	2,655	8,550
Gross income	162	364	1,030
Selling and admin. expenses	-184	-166	-680
Income from joint ventures	0	-2	-5
Operating income	-22	196	345
Gross margin, %	9.8	13.7	12.0
S&A expenses, %	-11.1	-6.3	-8.0
Operating margin, %	neg	7.4	4.0

Residential Development

Income statement

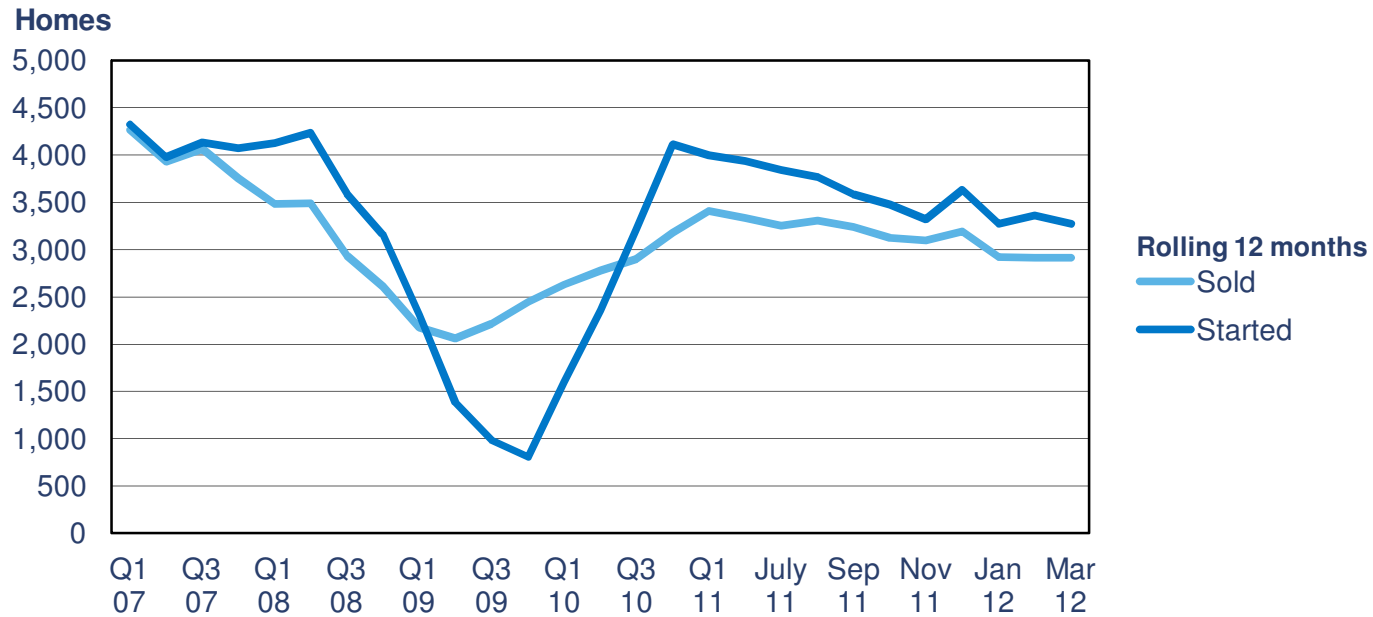
	Operating income, SEK M ¹		Operating margin, % ¹	
	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011
Sweden	-71	121	neg	8.9
Norway	43	4	7.3	1.4
Finland	21	57	4.5	7.2
Nordics	-7	182	neg	7.4
Czech Republic	5	23	7.9	11.3
Other ²	-20	-9	-	-
Total	-22	196	neg	7.4

1 Development gain only, construction margin reported under Construction

2 Start-ups in new markets

Residential Development

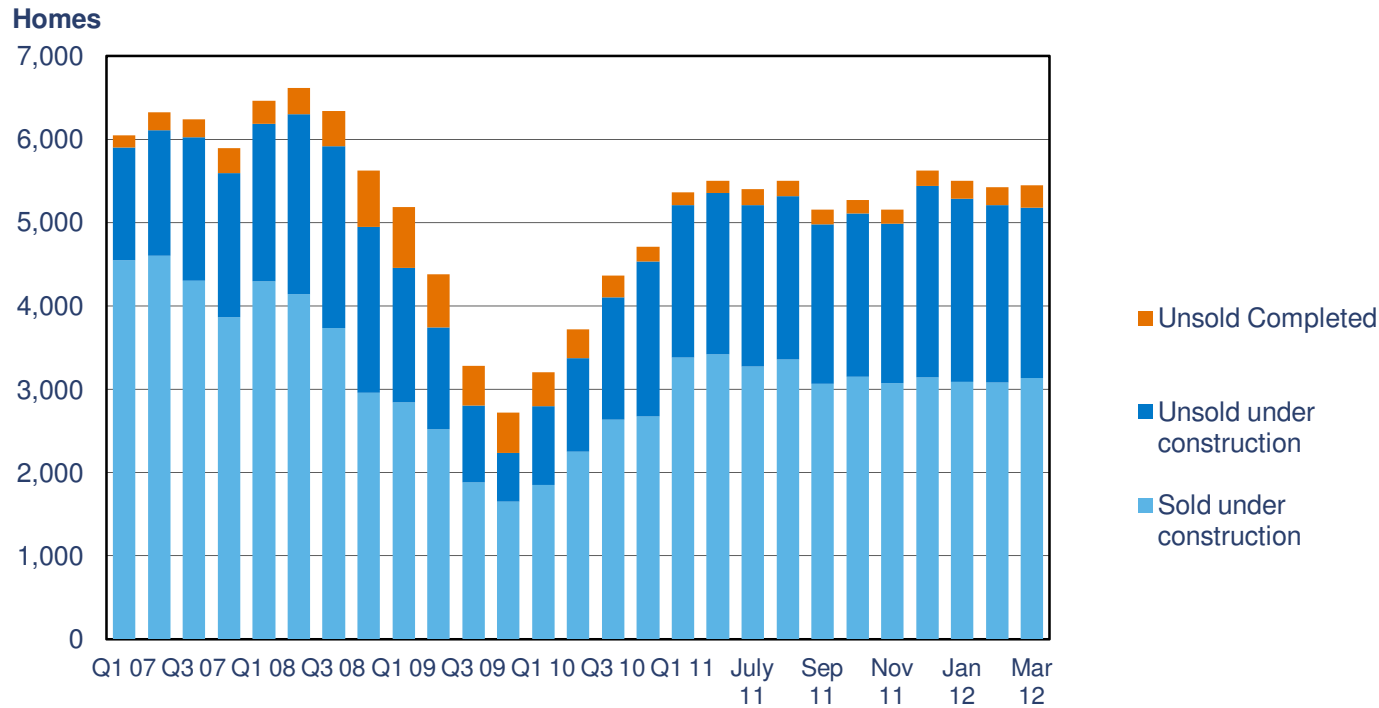
Homes sold and started



Homes sold			Homes started		
Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
648	926	3,193	480	837	3,630

Residential Development

In production status



Homes in production		Of which sold, %		Unsold completed homes	
Q1, 2012	Q1, 2011	Q1, 2012	Q1, 2011	Q1, 2012	Q1, 2011
5,183	5,210	61	65	266	156

Commercial Property Development

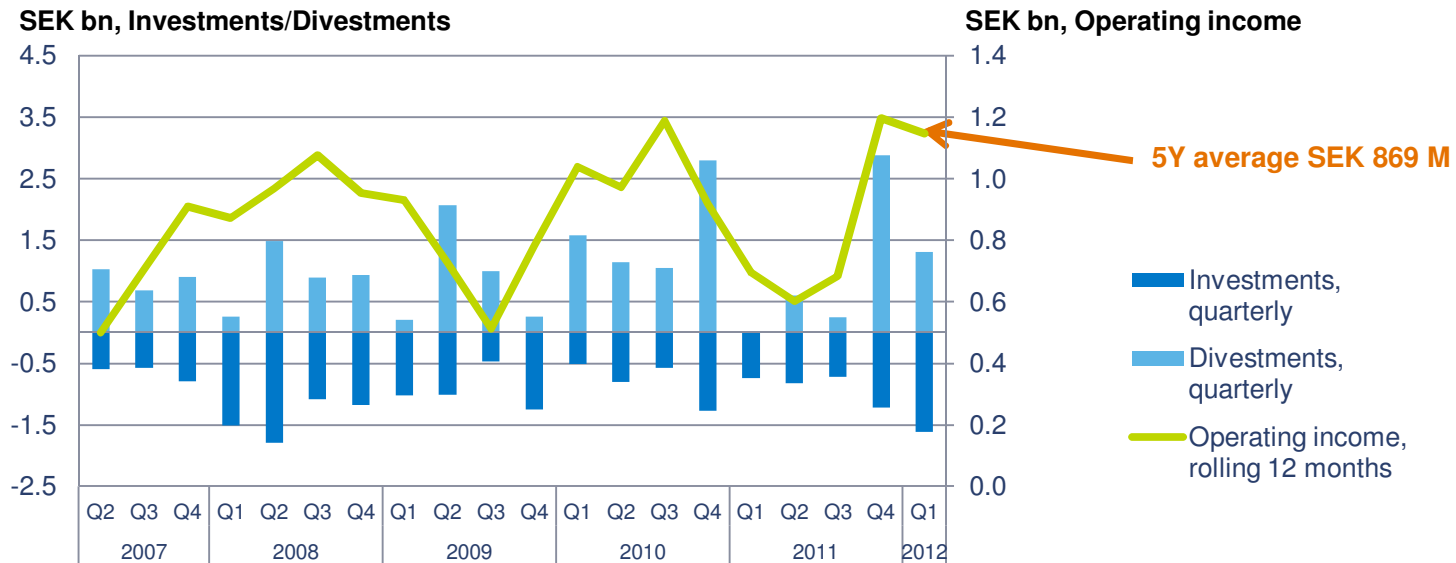
Income statement, segment reporting

SEK M	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Revenue	243	341	5,633
Gross income	109	140	1,603
Selling and administrative expenses	-111	-91	-412
Income from J/V and associated companies	3	0	5
Operating income	1	49	1,196
of which gain from divestments of properties ¹⁾	51	41	1,266
of which write downs/reversal of write downs	0	0	-47
¹ Additional gain included in eliminations was	0	2	136

Development gain only, construction margin reported under Construction

Commercial Property Development

Investments and divestments

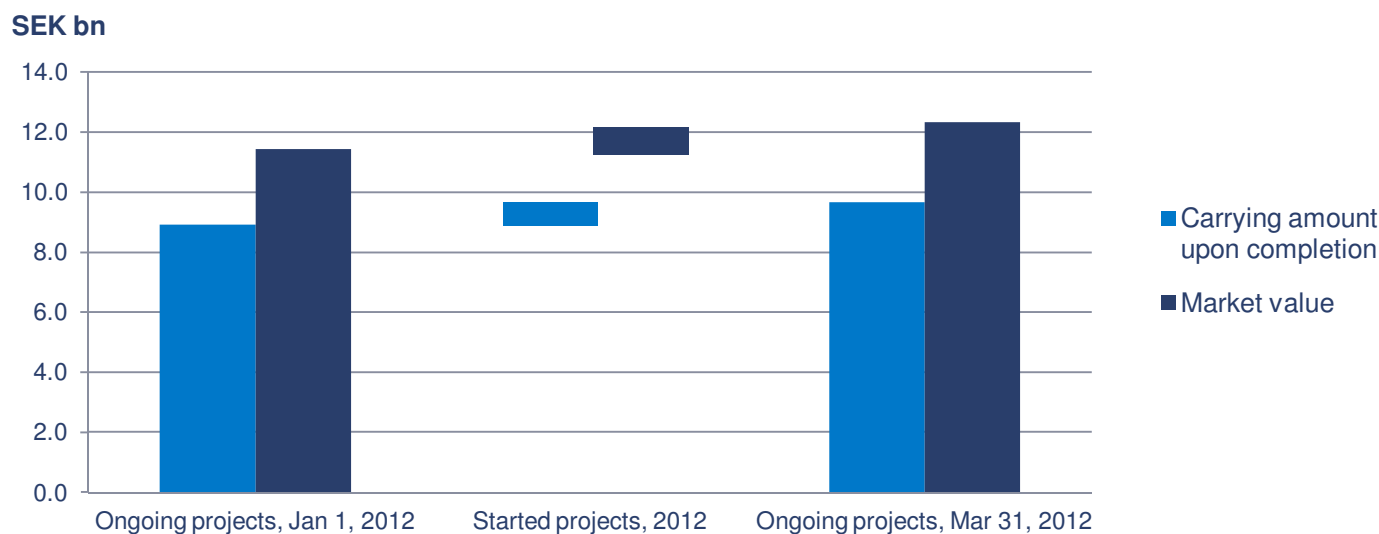


Sale of commercial properties

SEK M	Sales price	Capital gain
Q1	126	51

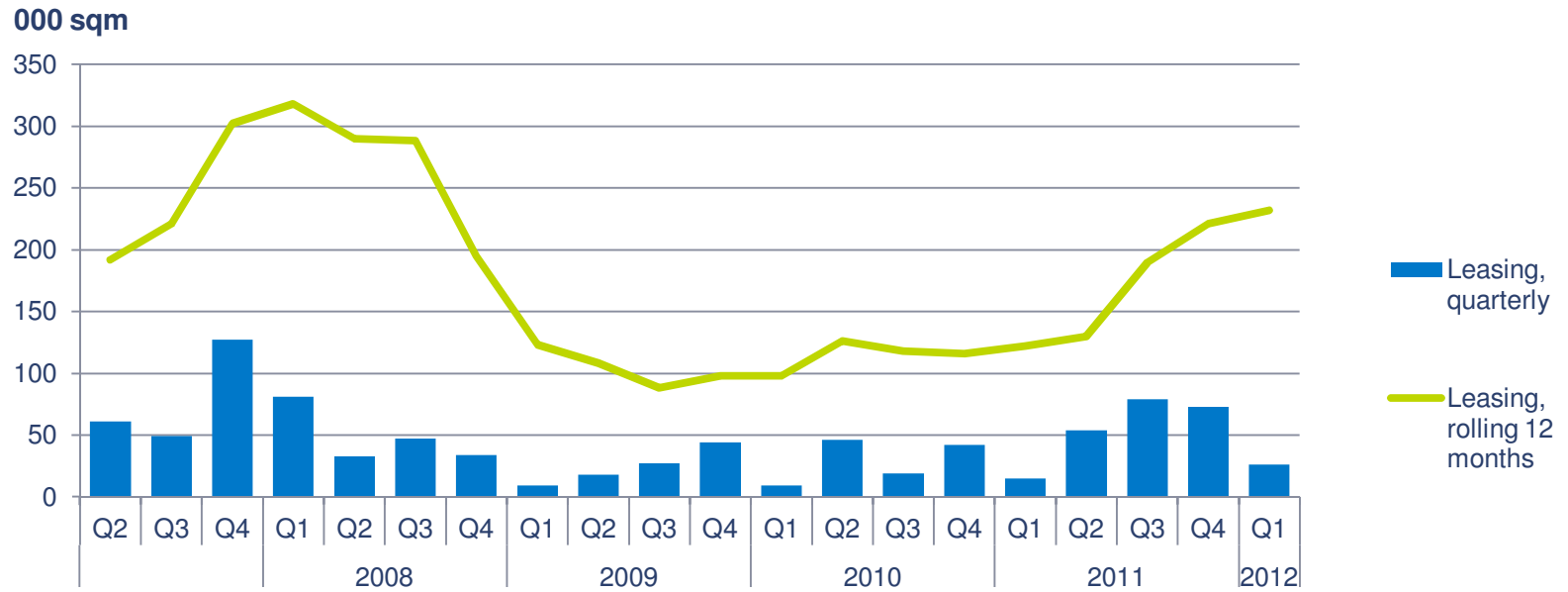
Commercial Property Development

Carrying amounts and market values



SEK bn	Carrying amount, end of period	Carrying amount, upon completion	Market value	Occupancy rate, %	Degree of completion%
Completed projects	2.5	2.5	3.4	83	100
Undeveloped land and development properties	4.5	4.5	5.0		
Ongoing projects	4.6	9.7	12.3	50	48
Total	11.5	16.6	20.7		

Commercial Property Development Leasing



New leases of space were signed for 26,000 sq. m in Q1



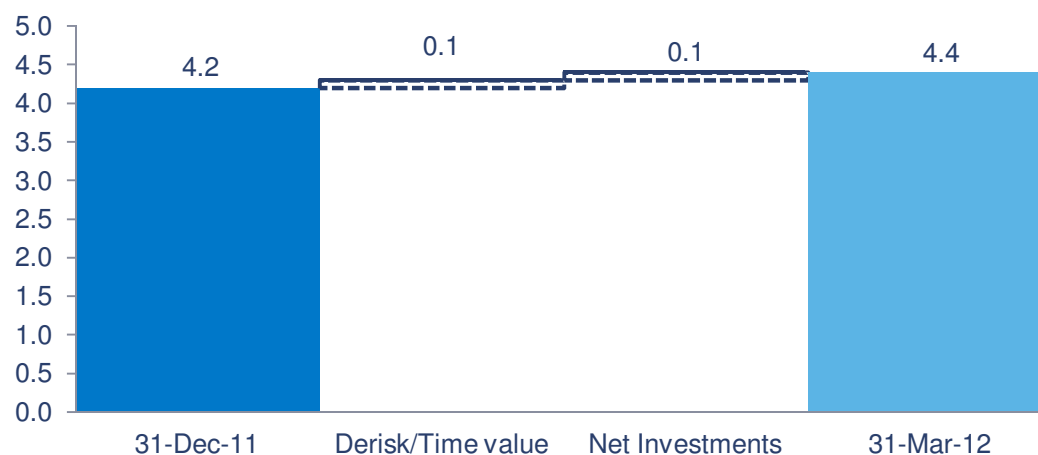
Infrastructure Development

Income statement

SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Revenue	33	88	286
Gross income	-19	-43	-57
Selling and admin. expenses	-37	-32	-132
Income from joint ventures	105	100	4,915
Operating income	49	25	4,726
of which gains from divestments of shares in projects	0	0	4,600

Infrastructure Development Project portfolio

Net present value of projects, SEK bn

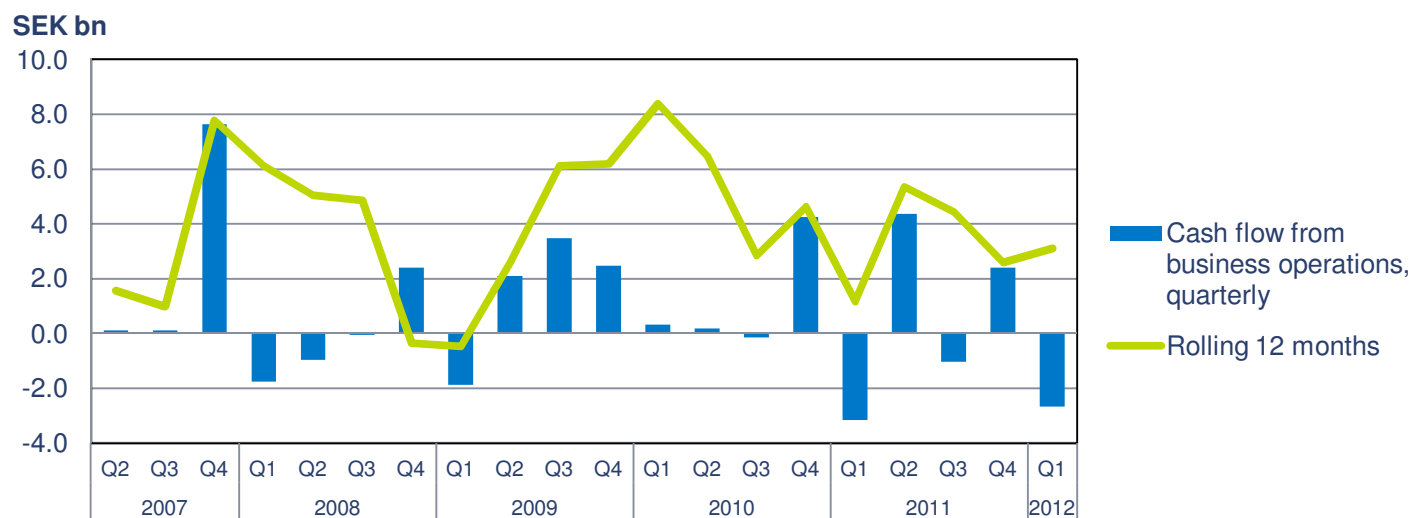


SEK bn	Mar 31, 2012	Dec 31, 2011
Present value of cash flow from projects	5.1	5.0
Net present value of projects	4.4	4.2
Carrying amount	-3.1	-3.0
Unrealized development gain	1.3	1.2
Cash flow hedge	1.4	1.6
Effect in unrealized Equity	2.7	2.8

Group Income statement

SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Operating income from business streams	351	595	9,734
Central	-169	-138	-699
Eliminations	-34	-6	52
Operating income	148	451	9,087
Net financial items	7	0	12
Income after financial items	155	451	9,099
Taxes	-42	-116	-970
Profit for the period	113	335	8,129
Earnings per share, SEK	0.27	0.81	19.72
<i>Tax rate, %</i>	<i>27</i>	<i>26</i>	<i>11</i>

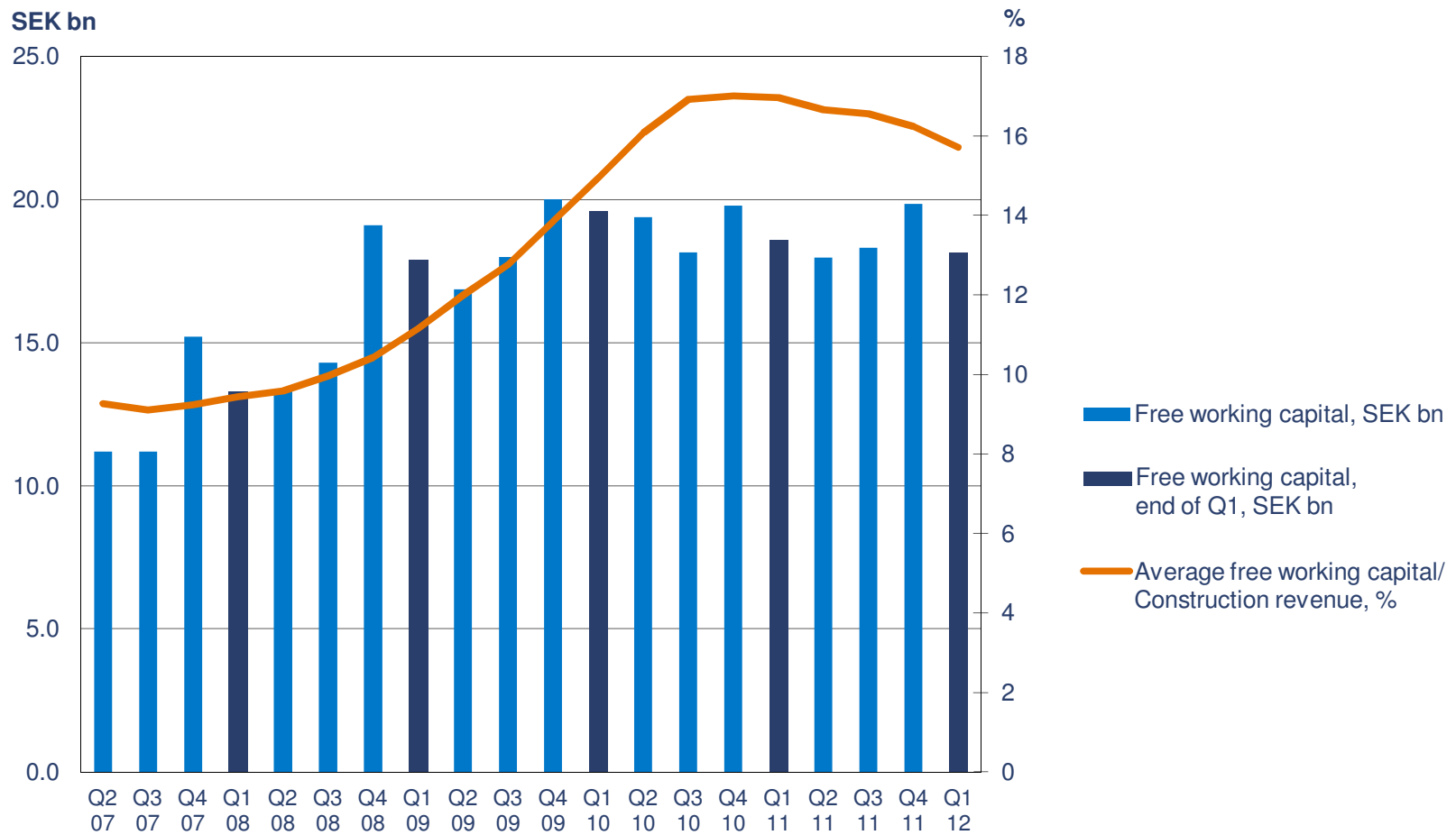
Group Cash flow



SEK bn	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Cash flow from operations	-2.6	-3.2	2.5
Net strategic investments	0	-0.2	-1.4
Dividend etc.	-0.1	0	-5.1
Cash flow before change in interest-bearing receivables and liabilities	-2.7	-3.4	-4.0

Construction

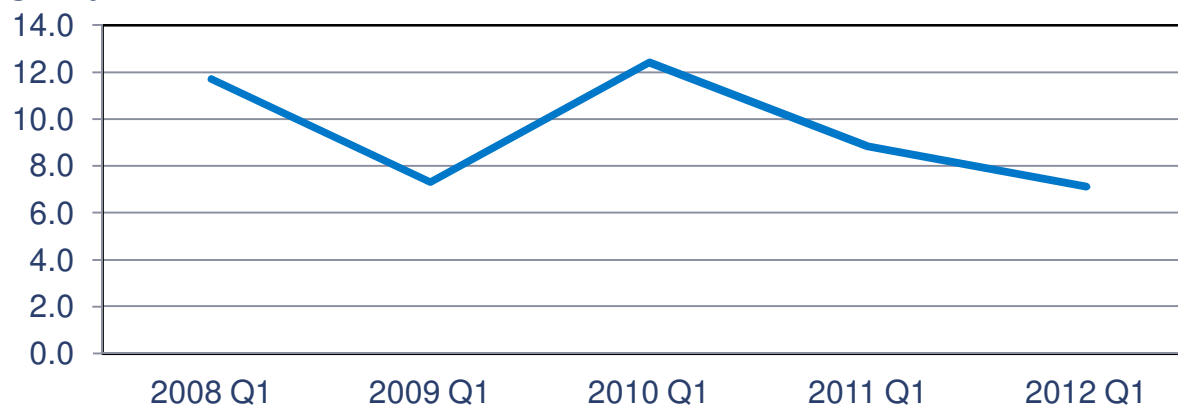
Free working capital



Group Financial position

Operating net financial assets/liabilities

SEK bn



SEK bn	Mar 31 2012	Mar 31 2012	Dec 31 2011
Total assets	80.3	74.6	82.8
Equity attributable to equity holders	20.2	20.4	19.6
Interest-bearing net receivables (+)/net debt (-)	0.5	5.7	2.9
Operating net financial assets/liabilities	7.1	8.8	9.5
Capital employed, closing balance	30.5	26.9	30.2
Equity/assets ratio, %	25.2	27.3	23.7

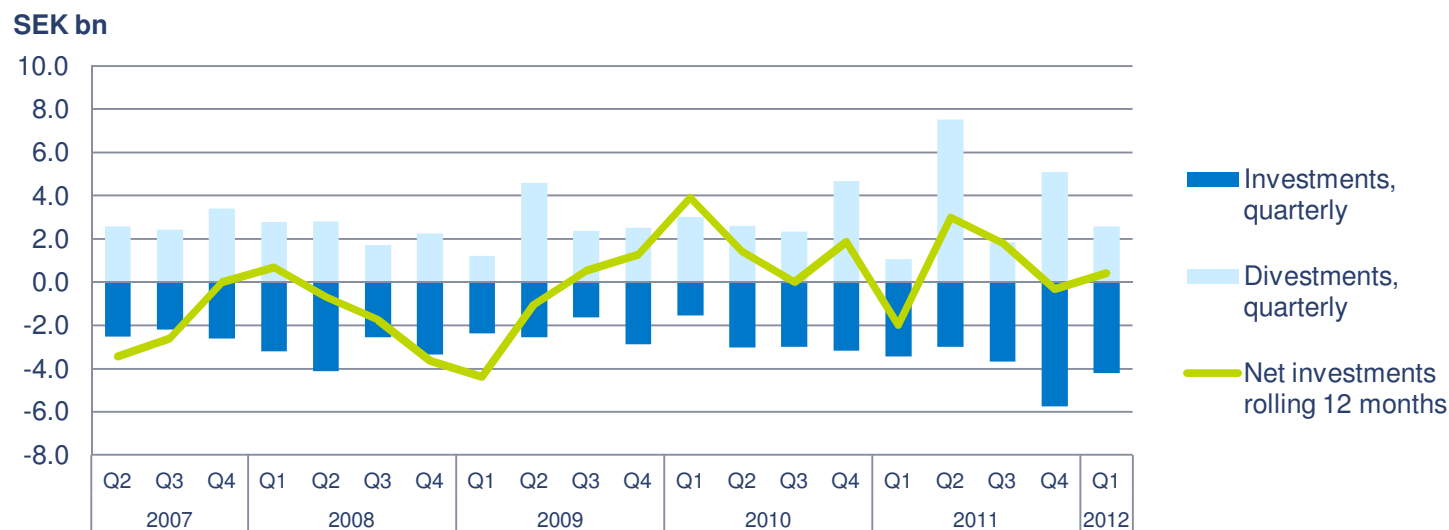
Group

Change in financial position

SEK bn	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Opening balance interest-bearing net receivables	2.9	9.9	9.9
Cash flow before change in interest-bearing receivables and liabilities	-2.7	-3.4	-4.0
Change in pension liability	0.3	-0.2	-2.6
Other changes	0	-0.6	-0.4
Change in interest-bearing net receivables	-2.4	-4.2	-7.0
Closing balance interest-bearing net receivables/net debt	0.5	5.7	2.9
Pension liability, net	3.4	1.3	3.6
Interest-bearing debt co-ops	3.2	1.8	3.0
Operating net financial assets/liabilities	7.1	8.8	9.5

Group

Investments and capital employed



SEK bn	Mar 31, 2012	Mar 31, 2011	Dec 31, 2011
Capital employed in:			
Residential Development	13.0	11.0	12.7
Commercial Property Development	11.4	10.7	11.0
Infrastructure Development	1.7	2.7	1.4
Total in Development Streams	26.1	24.4	25.1



Q1

Market outlook Construction

- General
 - Stable but large local differences
 - Fierce competition
- Positive outlook
 - The U.S.
 - Large and complex civil construction projects
 - Healthcare
 - High tech buildings
- Stable outlook
 - Nordics
- Weak outlook
 - Other European countries



Bay Area Rapid Transit, San Francisco, USA



Q1

Market outlook Residential Development

- Norway
 - Good demand and rising prices
- Sweden and U.K.
 - Stable
- Finland
 - Slow and uncertain market
- Czech Republic
 - Weak market



Adjutantti, Finland



Q1

Market outlook Commercial Property Development

- Tenants
 - Demand for modern green properties
 - Stable vacancy rates
- Investors
 - Demand for modern green properties with stable tenants
 - Attractive valuations, especially in Sweden, Norway and Poland
- Land investments
 - Central Europe and the U.S.

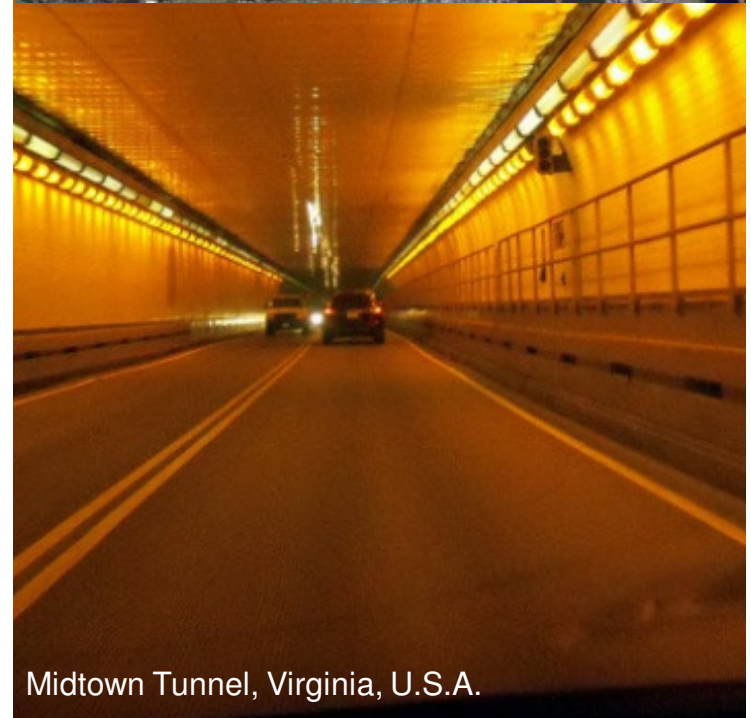




Q1

Market outlook Infrastructure Development

- Potential for PPP in the U.S.
- U.K. starts picking up from a low level
- Good potential for new projects in Latin America



Midtown Tunnel, Virginia, U.S.A.

Going forward

	Construction	Project Development		
		Residential	Commercial Property	Infrastructure
Opportunities	– USA	– Poland & UK	– Project portfolio	– The Americas
Challenges	– Norway & Finland	– Sweden	– Land in the Nordics	– Long processes
Actions	– Work with turnarounds	– Transform into a profitable business	– Focus on land acquisitions – Leasing	– Market making



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