

Six Month Report, January – June 2014



Nationalmuseum, Stockholm, Sweden.

Highlights

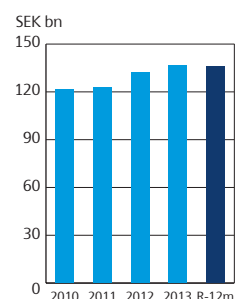
- Order bookings in Construction amounted to SEK 70.4 billion (60.3); adjusted for currency effects, order bookings increased by 16 percent.
- The order backlog amounted to SEK 155.4 billion (Mar. 31, 2014: 145.7); adjusted for currency effects, the order backlog increased by 4 percent.
- Operating income decreased by –22 percent and amounted to SEK 1.6 billion (2.0). This included writedowns and restructuring provisions in the Latin American operations of SEK 0.5 billion in the second quarter.
- Operating margin in Construction was 2.0 percent (2.7).
- Revenue decreased by –1 percent and amounted to SEK 62.4 billion (62.8). There were no net currency effects.
- Sales of commercial properties amounted to SEK 2.3 billion (1.9).
- Investments in development operations totaled SEK –6.4 billion (–5.2).
- Total net investments amounted to SEK 0.2 billion (1.1).
- Cash flow from operations amounted to SEK –2.8 billion (–0.9).
- Operating net financial assets totaled SEK 0.8 billion (Mar. 31, 2014: 3.3).
- Earnings per share (EPS) decreased by –22 percent to SEK 2.64 (3.40).

Performance analysis

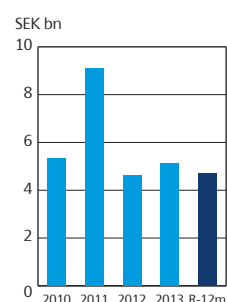
| SEK M | Jan–Jun 2014 | Jan–Jun 2013 | Change, % | Apr–Jun 2014 | Apr–Jun 2013 | Change, % |
|---|---------------|---------------|------------|---------------|---------------|------------|
| Revenue | | | | | | |
| Construction | 59,435 | 58,915 | 1 | 32,566 | 32,165 | 1 |
| Residential Development | 4,469 | 5,258 | –15 | 2,457 | 2,649 | –7 |
| Commercial Property Development | 2,585 | 2,122 | 22 | 1,522 | 1,851 | –18 |
| Infrastructure Development | 35 | 46 | –24 | 18 | 17 | 6 |
| Central and eliminations | –4,078 | –3,568 | 14 | –1,988 | –2,090 | –5 |
| Skanska Group | 62,446 | 62,773 | –1 | 34,575 | 34,592 | 0 |
| Operating income | | | | | | |
| Construction | 1,167 | 1,573 | –26 | 623 | 1,055 | –41 |
| Residential Development | 349 | 331 | 5 | 210 | 178 | 18 |
| Commercial Property Development | 312 | 258 | 21 | 221 | 288 | –23 |
| Infrastructure Development | 195 | 226 | –14 | 96 | 171 | –44 |
| Central | –394 | –351 | 12 | –213 | –183 | 16 |
| Eliminations | –48 | –20 | – | –12 | –11 | 9 |
| Operating income | 1,581 | 2,017 | –22 | 925 | 1,498 | –38 |
| Net financial items | –125 | –149 | –16 | –66 | –76 | –13 |
| Income after financial items | 1,456 | 1,868 | –22 | 859 | 1,422 | –40 |
| Taxes | –363 | –467 | –22 | –214 | –359 | –40 |
| Profit for the period | 1,093 | 1,401 | –22 | 645 | 1,063 | –39 |
| Earnings for the period per share, SEK | 2.64 | 3.40 | –22 | 1.57 | 2.58 | –39 |
| Earnings for the period per share according to IFRSs, SEK | 2.89 | 4.39 | –34 | 1.86 | 2.02 | –8 |
| Cash flow from operations | –2,823 | –882 | – | 450 | –1,002 | – |
| Interest-bearing net receivables(+)/net debt(–) | –5,277 | –4,591 | – | –5,277 | –4,591 | 15 |
| Return on capital employed in Project Development, % ¹ | 9.6 | 10.9 | | | | |
| Operating net financial assets(+)/liabilities(–) | 780 | 1,142 | – | | | |
| Return on equity, % ¹ | 15.4 | 19.4 | | | | |

¹ Rolling 12 months.

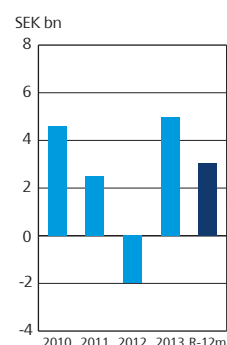
Revenue



Operating income



Cash flow from operations



Comments from Skanska’s President and CEO Johan Karlström:



During the first six months of 2014, Skanska delivered close to unchanged revenue with lower operating income compared to the same period last year.

In the Latin American operations, higher than expected costs associated with finalizing several major engineering & construction contracts has led us to take project writedowns and restructuring provisions

of SEK 500 M in the second quarter. Going forward we will continue along the outlined strategy and cease bidding for new engineering & construction projects. Focus will be on operations & maintenance work for international oil & gas companies, which has a lower risk and where we have been successful for many years.

The development of the construction business stream, excluding the Latin American operations, was stable during the second quarter. Order bookings were strong in the U.S. Civil, UK, Polish, Swedish and Finnish construction operations. After several years with very difficult market conditions, the order bookings in the Czech construction operations grew which will lead to a stabilization of revenues. Both the Swedish and the Finnish construction units showed strong profitability in the quarter.

The Residential Development business stream continued to improve its profitability. All units in this business stream contributed to an improved operating margin. Overall, the volumes were lower than the same period last year. In Sweden, where the residential market is strong, the lower sales is a consequence of a low inventory of projects ready to start. Despite the challenging market, the Finnish operations managed to improve sales, but we remain cautious about starting new projects.

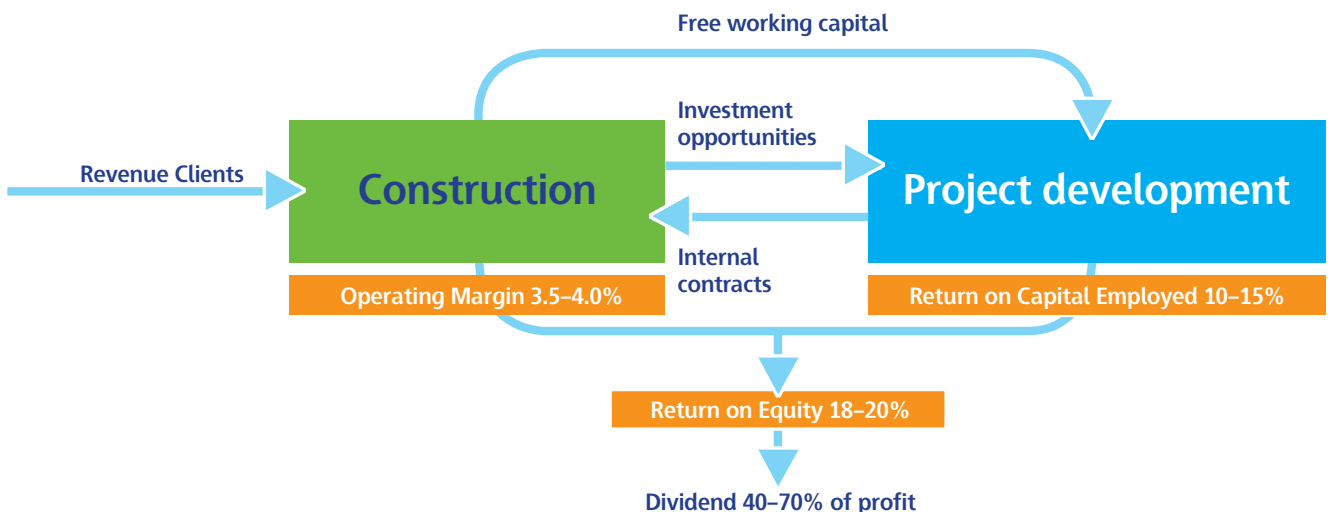
In Commercial Property Development, six projects were started and we divested one major project for SEK 1 billion during the quarter. With our geographically diversified organization and the strong market conditions in all of our geographies we are continuing to see good opportunities within this business stream.

The PPP market in the U.S. continues to develop favorably. We are negotiating the financial close of the I-4 highway project in Florida where we are selected as preferred bidder and are expecting to close during 2014. We are currently bidding for other significant PPP projects in the U.S.

We continue to see improvement in the underlying economy in several of our home markets, which is expected to lead to growth in both construction investments and project development activities in the coming twelve months.

Skanska’s business model

Financial targets



Market outlook, next 12 months

- 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 continues to improve.

The residential building market has improved in Sweden. The market for large civil projects in the Nordic region is relatively stable, with a competitive landscape. In Norway, investments in infrastructure are expected to increase significantly in the years ahead. The overall market situation in Finland is weaker.

The commercial building market is improving in the UK and the outlook for the civil market remains strong. In the Czech Republic, there are early signs that the civil market is improving but from very low levels.

In the overall U.S. infrastructure market there are delays in investments in private energy-related projects in the industrial sector. The market for large and complex civil construction projects remains good, although competition is intense. In the U.S. building construction market, development is favorable in the commercial buildings, healthcare, airports and IT facilities segments. Within the Latin American oil & gas and mining sectors, a low level of growth is expected within operations & maintenance work. The Argentine and Brazilian economies are weakening.

| | Building, non-residential | Building, residential | Civil |
|------------------------------------|---------------------------|-----------------------|-------|
| ➡️ Nordic countries | | | |
| Sweden | ⬇️ | ● | ➡️ |
| Norway | ➡️ | ➡️ | ⬆️ |
| Finland | ⬇️ | ⬇️ | ⬇️ |
| ➡️ Other European countries | | | |
| Poland | ➡️ | ➡️ | ⬇️ |
| Czech Republic ¹ | ⬇️ | ⬇️ | ● |
| United Kingdom | ● | - | ⬇️ |
| ⬇️ The Americas | | | |
| USA | ⬇️ | - | ⬇️ |
| Latin America | - | - | ⬇️ |

¹ Including Slovakia.

Residential Development

The residential market continues to develop in a positive direction in Sweden. The Norwegian market is stabilizing.

The Finnish market remains weak. The Polish residential market is relatively stable, while the Czech market has stabilized at a low level.

| | |
|------------------------------------|----|
| ➡️ Nordic countries | |
| Sweden | ⬇️ |
| Norway | ● |
| Finland | ⬇️ |
| ⬇️ Other European countries | |



Liljekonvaljen, Järvastaden, Sweden.

Commercial Property Development

Vacancy rates for office space in most of our Nordic and Central European cities are stable. Vacancy rates are low in Sweden in particular. Demand for office space is strong in Poland and improving in other parts of Central Europe. In our U.S. cities, vacancy rates continue to decline.

Modern properties with high quality tenants are in demand from property investors, resulting in attractive valuations for these properties. In Sweden, the increased interest from investors in newly developed properties continues, driven partly by an improved credit market. In Central Europe there is a strong investor appetite, especially in the major cities.

| | |
|------------------------------------|----|
| ⬇️ Nordic countries | |
| Sweden | ⬇️ |
| Norway | ➡️ |
| Finland | ⬇️ |
| Denmark | ➡️ |
| ⬇️ Other European countries | |
| Poland | ⬆️ |
| Czech Republic | ● |
| Hungary | ⬇️ |
| Romania | ➡️ |
| ⬇️ The Americas | |
| USA | ⬇️ |



1776 Wilson Boulevard, Washington, D.C., U.S.

Infrastructure Development

The potential for new Public Private Partnerships (PPPs) continues to improve in the U.S., albeit with considerable competition.

In the UK the outlook for new PPP projects is weak.

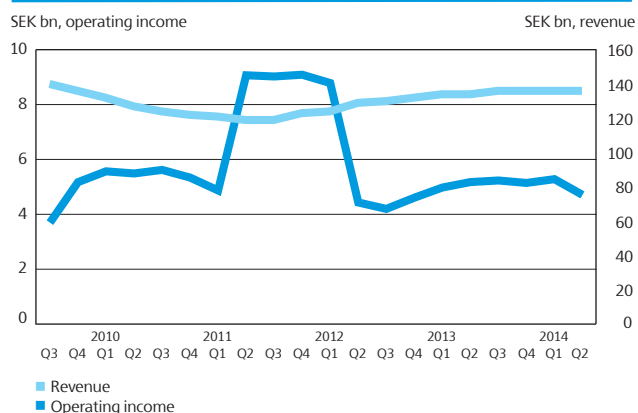


Elizabeth River Tunnels, Virginia, U.S.

Performance analysis

Group

Revenue and operating income, rolling 12 months



Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|--|--------------|--------------|------------|--------------|--------------|------------|
| Revenue | 62,446 | 62,773 | -1 | 34,575 | 34,592 | 0 |
| Operating income ^{1,2} | 1,581 | 2,017 | -22 | 925 | 1,498 | -38 |
| Net financial items | -125 | -149 | | -66 | -76 | |
| Income after financial items | 1,456 | 1,868 | -22 | 859 | 1,422 | |
| Taxes | -363 | -467 | | -214 | -359 | |
| Profit for the period | 1,093 | 1,401 | -22 | 645 | 1,063 | -39 |
| Earnings for the period per share, SEK ³ | 2.64 | 3.40 | -22 | 1.57 | 2.58 | |
| Earnings for the period per share according to IFRSs, SEK ³ | 2.89 | 4.39 | -34 | 1.86 | 2.02 | |

1 Central, SEK -394 M (-351).

2 Eliminations, SEK -48 M (-20).

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

Revenue decreased by 1 percent and amounted to SEK 62.4 billion (62.8). There were no net currency effects.

Operating income amounted to SEK 1.6 billion (2.0). The decrease is related to project writedowns and restructuring provisions in the Latin American operations in the second quarter. Currency effects had a positive impact that amounted to SEK 119 M (73).

Central expenses totaled SEK -394 M (-351). The elimination of gains in Intra-Group projects amounted to SEK -48 M (-20).

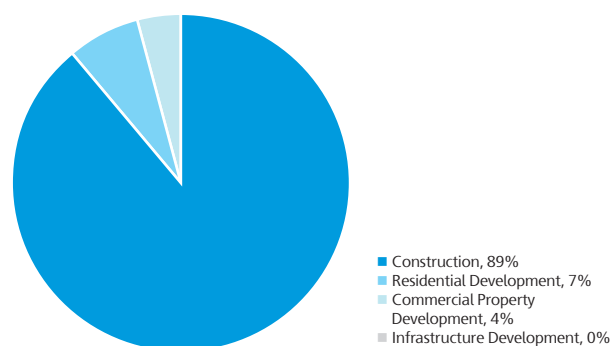
Net financial items amounted to SEK -125 M (-149). The net change in the market value of financial instruments was SEK -32 M (12).

Other net financial items totaled SEK -41 M (-39). For a specification of the items included in net financial items, see page 17.

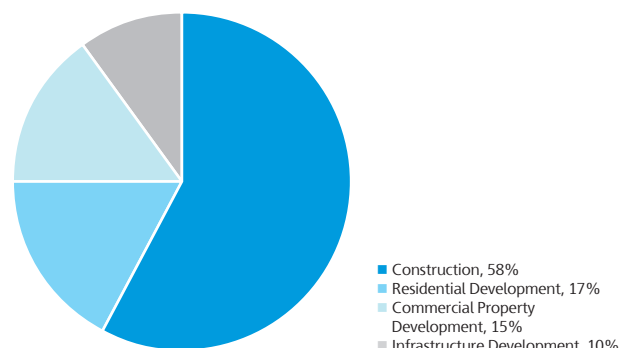
Taxes for the period amounted to SEK -363 M (-467), corresponding to a tax rate of approximately 25 (25) percent.

The line chart to the left shows the development of revenue and operating income over the past five years. The operating income from the second quarter of 2011 until the first quarter of 2012 includes a profit of SEK 4.5 billion from the sale of Autopista Central in Chile.

Revenue per segment, January – June 2014



Operating income per segment, January – June 2014



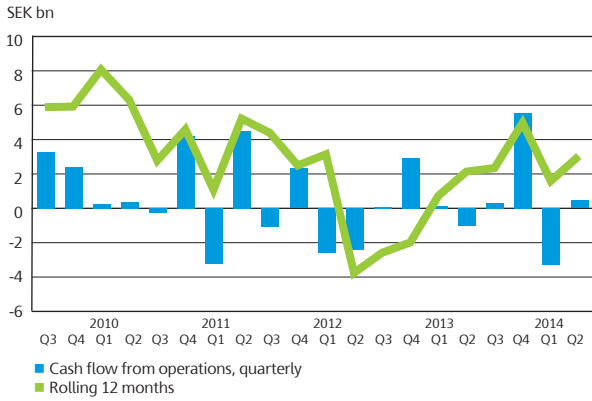
Changes and currency rate effects

| | Jan-Jun 2014 / Jan-Jun 2013 | | |
|------------------|-----------------------------|--------------------------|-----------------|
| | Change in SEK | Change in local currency | Currency effect |
| Revenue | -1% | -1% | 0% |
| Operating income | -22% | -28% | 6% |

Cash flow

Group

Cash flow from operations



Operating cash flow

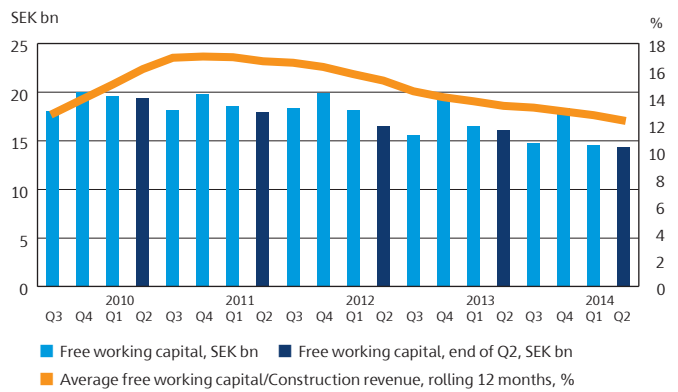
| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|--|---------------|---------------|------------|---------------|---------------|------------|
| Cash flow from business operations | 1,296 | 1,687 | -23 | 701 | 1,024 | -32 |
| Change in working capital | -3,619 | -3,135 | 15 | -640 | -1,031 | -38 |
| Net investments | 100 | 1,096 | -91 | 617 | -575 | - |
| Cash flow adjustment | -218 | -101 | 116 | -208 | -73 | 185 |
| Cash flow from business operations before taxes paid | -2,441 | -453 | 439 | 470 | -655 | - |
| Taxes paid in business operations | -501 | -532 | -6 | -102 | -440 | -77 |
| Cash flow from financing operations | 119 | 103 | 16 | 82 | 93 | -12 |
| Cash flow from operations | -2,823 | -882 | 220 | 450 | -1,002 | - |
| Net strategic divestments | 94 | 0 | - | 0 | 0 | - |
| Dividend etc | -2,734 | -2,599 | 5 | -2,653 | -2,534 | 5 |
| Cash flow before change in interest-bearing receivables and liabilities | -5,463 | -3,481 | 57 | -2,203 | -3,536 | -38 |
| Change in interest-bearing receivables and liabilities | 1,118 | 1,072 | 4 | 521 | 477 | 9 |
| Cash flow for the period | -4,345 | -2,409 | 80 | -1,682 | -3,059 | -45 |

Cash flow from operations amounted to SEK -2,823 M (-882). Net investments totaled SEK 100 M (1,096). Change in working capital impacted cash flow negatively in the amount of SEK -3,619 (-3,135). Taken together the changes in net investments and working capital are the main reason for the lower cash flow from operations as compared to the first six months of 2013.

Taxes paid in business operations amounted to SEK -501 M (-532).

Commercial properties that have been sold but not yet transferred will have a positive effect on cash flow of approximately SEK 1.0 billion during the second half of 2014.

Free working capital in Construction



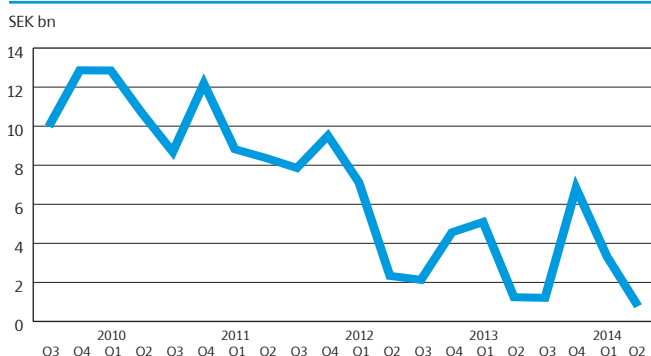
The free working capital in Construction amounted to SEK 14.3 billion (16.1). The average free working capital in relation to revenue in Construction in the past 12 months amounted to 12.3 percent. The cash flow due to changes in working capital in Construction amounted to SEK -4,729 M (-3,015). The change in working capital in the first six months reflects the normal pattern during the year. The large inflow of working capital in the fourth quarter of 2013 led to a large outflow during the first six months of 2014, particularly in the first quarter.



Regional Connector, Los Angeles, U.S.

Financial position

Operating net financial assets/liabilities



Balance sheet – Summary

| SEK bn | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|---|--------------|--------------|--------------|
| Total assets | 86.6 | 86.4 | 87.7 |
| Total equity | 19.3 | 19.5 | 21.4 |
| Interest-bearing net receivables (+)/net debt (-) | -5.3 | -4.6 | 1.0 |
| Operating net financial assets(+)/liabilities(-) | 0.8 | 1.1 | 6.7 |
| Capital employed, closing balance | 34.9 | 35.3 | 35.4 |
| Equity/assets ratio, % | 22.4 | 22.5 | 24.4 |

Change in interest-bearing receivables and liabilities

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|--------------|--------------|--------------|--------------|--------------|
| Opening balance interest-bearing net receivables(+)/net debt(-) | 972 | -2,014 | -2,632 | -1,250 | -2,014 |
| Cash flow for the period | -4,345 | -2,409 | -1,682 | -3,059 | 1,567 |
| Change in interest-bearing receivables and liabilities | -1,118 | -1,072 | -521 | -477 | 465 |
| Cash flow before change in interest-bearing receivables and liabilities | -5,463 | -3,481 | -2,203 | -3,536 | 2,032 |
| Translation differences, net receivables/net debt | -5 | -3 | 44 | -113 | 62 |
| Remeasurements of pension liabilities | -845 | 505 | -575 | -172 | 556 |
| Interest-bearing liabilities acquired/divested | 7 | 0 | 0 | 0 | -50 |
| Other changes, interest-bearing net receivables/net debt | 57 | 402 | 89 | 480 | 386 |
| Change in interest-bearing net receivables/net debt | -6,249 | -2,577 | -2,645 | -3,341 | 2,986 |
| Closing balance interest-bearing net receivables(+)/net debt(-) | -5,277 | -4,591 | -5,277 | -4,591 | 972 |
| Pension liability, net | 3,161 | 2,986 | 3,161 | 2,986 | 2,900 |
| Loans to housing co-ops | 2,896 | 2,747 | 2,896 | 2,747 | 2,846 |
| Closing balance operating net financial assets(+)/liabilities(-) | 780 | 1,142 | 780 | 1,142 | 6,718 |

The operating net financial assets amounted to SEK 0.8 billion (Mar. 31, 2014: 3.3). The interest-bearing net debt amounted to SEK -5.3 billion (Dec. 31, 2013: 1.0). Remeasurements of pension liabilities contributed to the increase in net debt with SEK -845 M (505), due to the lowering of discount rates on the back of falling long-term interest rates. As a consequence of closing and transferring a part of the Swedish pension liabilities to an external fund manager, operating net financial assets was reduced by SEK 420 M.

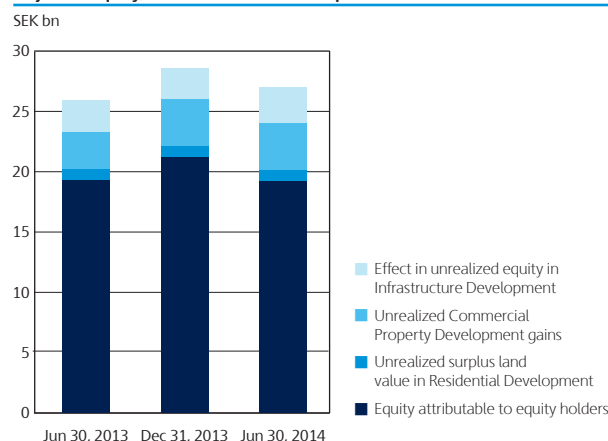
Skanska's committed unutilized credit facilities amounts to SEK 5.4 billion. During the quarter the revolving credit facility has been renegotiated with improved terms and an extended credit maturity. In combination with operating net financial assets of SEK 0.8 billion, this ensures satisfactory financial capacity for the Group. Loans to housing co-ops totaled SEK 2.9 billion (Dec. 31, 2013: 2.8) and the net pension debt totaled SEK 3.2 billion (Dec. 31, 2013: 2.9). At the end of the quarter capital employed amounted to SEK 34.9 billion (Dec. 31, 2013: 35.4).

Equity

Changes in equity

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|--------------|--------------|--------------|--------------|--------------|
| Opening balance | 21,364 | 19,382 | 21,333 | 20,372 | 19,382 |
| Dividend to shareholders | -2,568 | -2,473 | -2,568 | -2,473 | -2,470 |
| Other changes in equity not included in total comprehensive income for the year | -77 | -2 | -21 | -3 | -31 |
| Profit for the period | 1,193 | 1,808 | 769 | 832 | 3,768 |
| Other comprehensive income | | | | | |
| Translation differences | 421 | -171 | 439 | 291 | -368 |
| Effects of remeasurements of pensions | -766 | 435 | -556 | -139 | 540 |
| Effects of cash flow hedges | -218 | 487 | -47 | 586 | 543 |
| Closing balance | 19,349 | 19,466 | 19,349 | 19,466 | 21,364 |

Adjusted equity, less standard tax of 10 percent



The Group's equity amounted to SEK 19.3 billion (Dec. 31, 2013: 21.4), the equity/assets ratio was 22.4 percent (Dec. 31, 2013: 24.4) and the net debt/equity ratio amounted to 0.3 (Dec. 31, 2013: 0.0).

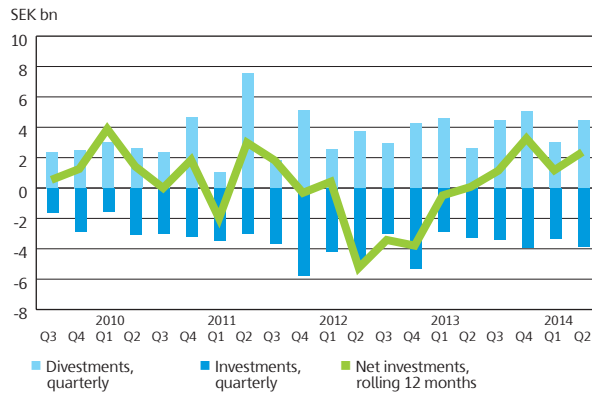
The effects of remeasurements of pensions totaled SEK -766 M (435). The effects of cash-flow hedges, SEK -218 M (487), were mainly related to changes in the value of interest-rate swaps attributable to Infrastructure Development projects, as interest rates fell.

Skanska currency hedges about 30 percent of its equity in foreign subsidiaries against the Swedish krona. Translation differences amounted to SEK 421 M (-171).

The unrealized surplus values less standard tax in the development units amounted to SEK 8.2 billion (Mar. 31, 2014: 7.4).

Investments and divestments

Investments and divestments



The Group's investments amounted to SEK –7,229 M (–6,138). Divestments amounted to SEK 7,423 M (7,234) and the Group's net investments amounted to SEK 194 M (1,096).

In Construction, investments totaled SEK –799 M (–829). The investments were mainly related to property, plant and equipment for the Group's own production. Net investments in Construction amounted to SEK –344 M (–641). Depreciation of property, plant and equipment amounted to SEK 738 M (702).

In Residential Development, investments totaled SEK –3,894 M (–3,161), of which about SEK –498 M (–349) relates to the acquisition of land corresponding to approximately 1,837 building rights. Divestments amounted to SEK 4,393 M (3,506). Net investments in Residential Development amounted to SEK 499 M (345). The increase in capital employed in Residential Development during the year was partly due to the reclassification of previously centrally booked land to the Residential Development business stream, in the amount of SEK 593 M.

In Commercial Property Development, total investments amounted to SEK –2,375 M (–1,996). Of this, SEK –150 M (–235) pertained to investments in land. Divestments amounted to SEK 2,507 M (3,127). Net investments in Commercial Property Development amounted to SEK 132 M (1,131).

Investments in Infrastructure Development amounted to SEK –125 M (–39) and divestments totaled SEK 9 M (228). Net investments in Infrastructure Development amounted to SEK –116 M (189).



Green Court, Bucharest, Romania.

Investments, divestments and net investments

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|----------------------------------|---------------|---------------|------------|---------------|---------------|-----------|
| Investments | | | | | | |
| Construction | –799 | –829 | –4 | –497 | –509 | –2 |
| Residential Development | –3,894 | –3,161 | 23 | –1,924 | –1,657 | 16 |
| Commercial Property Development | –2,375 | –1,996 | 19 | –1,349 | –1,051 | 28 |
| Infrastructure Development | –125 | –39 | 221 | –66 | –13 | 408 |
| Other | –36 | –113 | | –37 | –30 | |
| Total | –7,229 | –6,138 | 18 | –3,873 | –3,260 | 19 |
| Divestments | | | | | | |
| Construction ¹ | 455 | 188 | 142 | 277 | 112 | 147 |
| Residential Development | 4,393 | 3,506 | 25 | 2,791 | 1,530 | 82 |
| Commercial Property Development | 2,507 | 3,127 | –20 | 1,372 | 811 | 69 |
| Infrastructure Development | 9 | 228 | –96 | 2 | 219 | –99 |
| Other | 59 | 185 | | 48 | 13 | |
| Total | 7,423 | 7,234 | 3 | 4,490 | 2,685 | 67 |
| Net investments | | | | | | |
| Construction ¹ | –344 | –641 | –46 | –220 | –397 | –45 |
| Residential Development | 499 | 345 | 45 | 867 | –127 | – |
| Commercial Property Development | 132 | 1,131 | –88 | 23 | –240 | – |
| Infrastructure Development | –116 | 189 | – | –64 | 206 | – |
| Other | 23 | 72 | | 11 | –17 | |
| Total | 194 | 1,096 | –82 | 617 | –575 | – |
| 1 Of which strategic divestments | 94 | 0 | | 0 | 0 | |

Capital employed in Development Streams

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|-------------------------------------|---------------|---------------|---------------|
| Residential Development | 11,067 | 10,929 | 10,822 |
| Commercial Property Development | 13,941 | 13,837 | 13,514 |
| Infrastructure Development | 2,090 | 1,748 | 1,993 |
| Total in Development Streams | 27,098 | 26,514 | 26,329 |

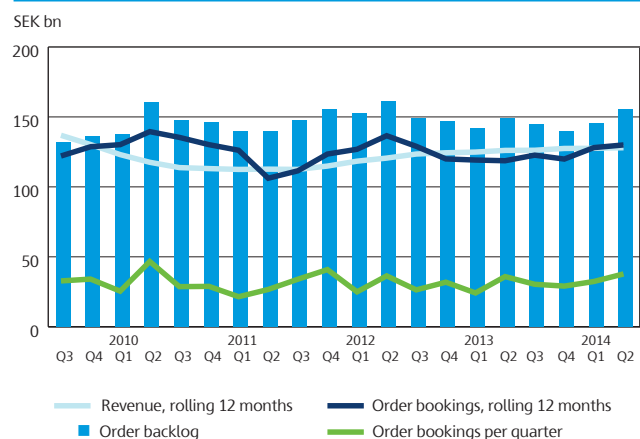


Entré Lindhagen, Stockholm, Sweden.

Performance analysis, business streams

Construction – Order situation

Order backlog, revenue and order bookings



Order bookings and order backlog in Construction

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 |
|----------------------------|--------------|--------------|--------------|--------------|
| Order bookings | 70.4 | 60.3 | 37.9 | 36.0 |
| Order backlog ¹ | 155.4 | 148.7 | - | - |

¹ Refers to the end of each period.

Order bookings amounted to SEK 70.4 billion (60.3) during the first six months of the year. After adjustment for currency effects, order bookings increased by 16 percent. Order bookings in the first six months of the year were 18 percent higher than revenue.

Order bookings in the UK, U.S. Civil and Finnish operations increased significantly compared to the second quarter 2013 and included the contracts for Regional Connector (SEK 3.8 billion) and Defense College (SEK 2.7 billion). At the end of the quarter, the order backlog amounted to SEK 155.4 billion, compared to 145.7 billion at the end of the previous quarter. The order backlog corresponds to about 14 (Mar. 31, 2014: 14) months of production.

Changes and currency rate effects

| | Change in SEK | Change in local currency | Currency effect |
|-----------------------------|---------------|--------------------------|-----------------|
| Jan-Jun 2014 / Jan-Jun 2013 | | | |
| Order bookings | 17% | 16% | 1% |
| Jun 30, 2014 / Mar 31, 2014 | | | |
| Order backlog | 7% | 4% | 3% |

Major orders in the quarter

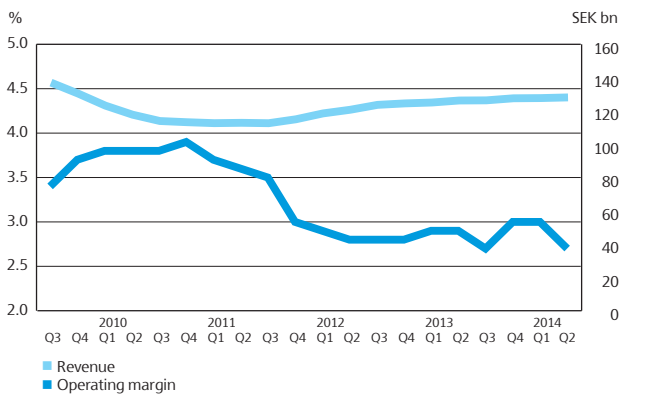
| Business Unit | Contract | Amount SEK M | Client |
|-------------------|------------------------|--------------|---|
| Skanska USA Civil | Underground Transitway | 3,800 | LA County Metropolitan Transportation Authority |
| Skanska UK | Defense College | 2,700 | British Army |
| Skanska USA Civil | Bridge | 1,600 | NY State Department of Transportation |
| Skanska UK | Office Building | 1,000 | Helical Bar |
| Skanska Norway | Office Building | 740 | Skanska CDN |
| Skanska Sweden | Renovation | 700 | National Property Board of Sweden |



Malmö Live, Sweden.

Construction

Revenue and operating margin, rolling 12 months



Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|---|--------------|--------------|-----------|--------------|--------------|-----------|
| Revenue | 59,435 | 58,915 | 1 | 32,566 | 32,165 | 1 |
| Gross income | 4,208 | 4,473 | -6 | 2,254 | 2,554 | -12 |
| Selling and administrative expenses | -3,048 | -2,903 | 5 | -1,637 | -1,498 | 9 |
| Income from joint ventures and associated companies | 7 | 3 | | 6 | -1 | |
| Operating income | 1,167 | 1,573 | -26 | 623 | 1,055 | -41 |
| Gross margin, % | 7.1 | 7.6 | | 6.9 | 7.9 | |
| Selling and administrative expenses, % | -5.1 | -4.9 | | -5.0 | -4.7 | |
| Operating margin, % | 2.0 | 2.7 | | 1.9 | 3.3 | |
| Employees | 57,281 | 53,813 | | | | |

Changes and currency rate effects

| | Jan-Jun 2014 / Jan-Jun 2013 | | |
|------------------|-----------------------------|--------------------------|-----------------|
| | Change in SEK | Change in local currency | Currency effect |
| Revenue | 1% | 1% | 0% |
| Operating income | -26% | -34% | 8% |

Revenue in the Construction business stream increased by 1 percent and amounted to SEK 59,435 M (58,915). There were no net currency effects. Operating income amounted to SEK 1,167 M (1,573). The operating margin was 2.0 percent (2.7).

Project writedowns and restructuring provisions of SEK 500 M was taken in the Latin American operations in the second quarter of 2014. Around SEK 380 M of the charge was related to write downs in three projects. Two projects will be completed before the end of the year, and one during 2015. Around SEK 120 M of the charge was related to restructuring costs. Going forward, the size of the Latin American operations will be significantly reduced; focus will be on the operations & maintenance (O&M) business.

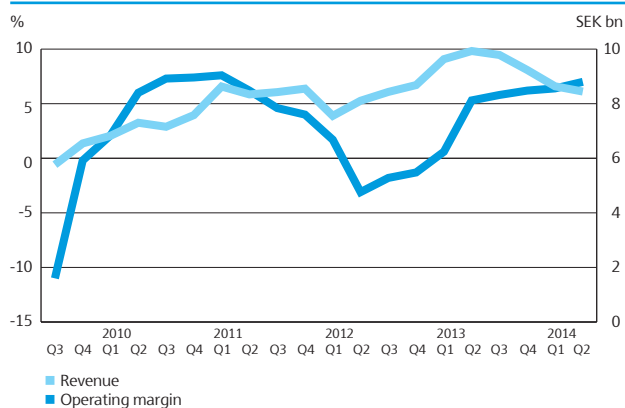
The operations in the Nordic countries showed improved profitability during the first six months of the year and in the second quarter the Swedish and Finnish operations improved the profitability significantly. In the Polish and U.S. operations the profitability in the comparison period was positively impacted by the completion of several large profitable projects. In the U.S. construction operations the profitability was also negatively impacted in the first quarter of 2014 by the unusually harsh winter conditions.



Oculus, World Trade Center, New York, U.S.

Residential Development

Revenue and operating margin, rolling 12 months



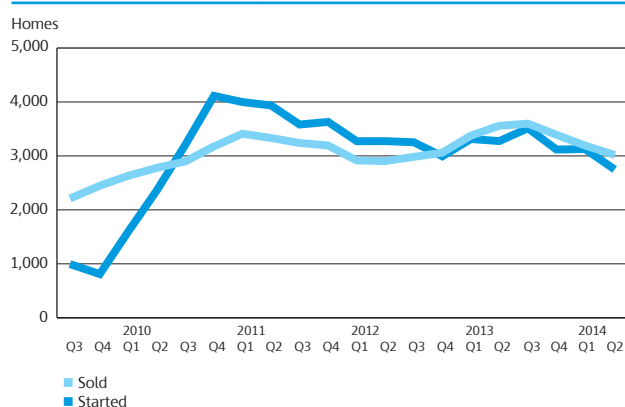
Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|---|--------------|--------------|-----------|--------------|--------------|-----------|
| Revenue | 4,469 | 5,258 | -15 | 2,457 | 2,649 | -7 |
| Gross income | 609 | 593 | 3 | 340 | 315 | 8 |
| Selling and administrative expenses | -262 | -267 | -2 | -130 | -134 | -3 |
| Income from joint ventures and associated companies | 2 | 5 | | 0 | -3 | - |
| Operating income | 349 | 331 | 5 | 210 | 178 | 18 |
| Gross margin, % | 13.6 | 11.3 | | 13.8 | 11.9 | |
| Selling and administrative expenses, % | -5.9 | -5.1 | | -5.3 | -5.1 | |
| Operating margin, % | 7.8 | 6.3 | | 8.5 | 6.7 | |

Revenue in the Residential Development business stream amounted to SEK 4,469 M (5,258). The number of homes sold totaled 1,540 (1,907) during the first six months of the year. The decrease in revenue is due to fewer homes being sold across the business stream. In particular the number of units sold in Sweden is affected by a low number of projects ready to start, which leads to a lower number of available units for sale.

Operating income amounted to SEK 349 M (331). The operating margin increased to 7.8 percent (6.3) and the gross margin increased to 13.6 percent (11.3). All units in the business stream contributed to the increase in profitability. At the end of the quarter, there were 4,768 homes (Dec. 31, 2013: 5,237) under construction.

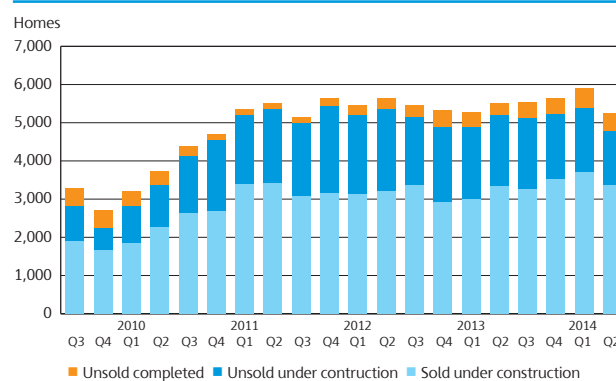
Homes sold and started, rolling 12 months



Homes sold and started

| | Jan-Jun 2014 | Jan-Jun 2013 |
|---------------|--------------|--------------|
| Homes sold | 1,540 | 1,907 |
| Homes started | 1,308 | 1,663 |

Homes under construction and unsold



Homes under construction and unsold

| | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|-----------------------------------|--------------|--------------|--------------|
| Homes under construction | 4,768 | 5,185 | 5,237 |
| of which sold, % | 70 | 65 | 67 |
| Completed unsold, number of homes | 492 | 325 | 405 |

Of these, 70 percent (Dec. 31, 2013: 67) were sold. The number of completed, unsold homes totaled 492 (Dec. 31, 2013: 405) and most of these homes are in Sweden and Finland. During the first six months of the year, construction was started on 1,308 homes (1,663). In the Nordic region, the number of homes started was 1,187 (1,392) and the number of homes sold was 1,279 (1,619).

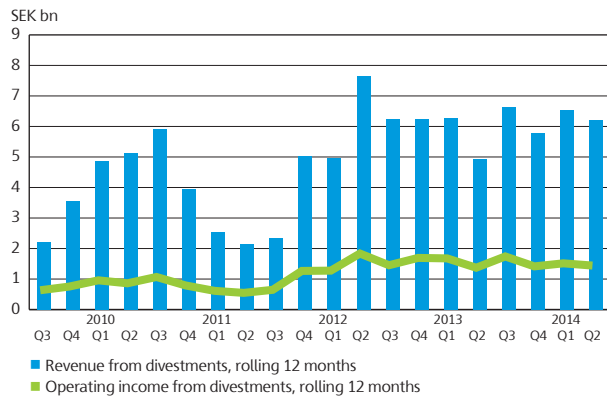
Breakdown of carrying amounts

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|---|---------------|---------------|---------------|
| Completed projects | 1,482 | 814 | 1,226 |
| Ongoing projects | 5,499 | 5,645 | 5,283 |
| Undeveloped land and development properties | 5,289 | 5,358 | 4,748 |
| Total | 12,270 | 11,817 | 11,257 |

A breakdown of the carrying amounts is presented in the table above. Undeveloped land and development properties amounted to SEK 5.3 billion (Dec. 31, 2013: 4.7), with an estimated market value of about SEK 6.3 billion (Dec. 31, 2013: 5.7). The undeveloped land and development properties correspond to Skanska-owned building rights for about 24,910 homes and about 1,470 building rights held by joint ventures. In addition, subject to certain conditions, the business stream holds entitlement to purchase about 9,760 building rights.

Commercial Property Development

Revenue and earnings from property divestments



Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|---|--------------|--------------|-----------|--------------|--------------|------------|
| Revenue | 2,585 | 2,122 | 22 | 1,522 | 1,851 | -18 |
| of which from divestment of properties | 2,333 | 1,905 | 22 | 1,404 | 1,748 | -20 |
| Gross income | 556 | 477 | 17 | 341 | 386 | -12 |
| Selling and administrative expenses | -249 | -228 | 9 | -123 | -100 | 23 |
| Income from joint ventures and associated companies | 5 | 9 | | 3 | 2 | |
| Operating income | 312 | 258 | 21 | 221 | 288 | -23 |
| of which from divestment of properties | 408 | 381 | 7 | 273 | 346 | -21 |

In the Commercial Property Development business stream, divestments worth SEK 2,333 M (1,905) were carried out during the period. Operating income amounted to SEK 312 M (258), and included gains from property divestments totaling SEK 408 M (381).

At the end of the quarter, Commercial Property Development had 31 ongoing projects. The net change in the quarter was no additional ongoing project. Six new projects were started; six

Breakdown of carrying amounts and market values

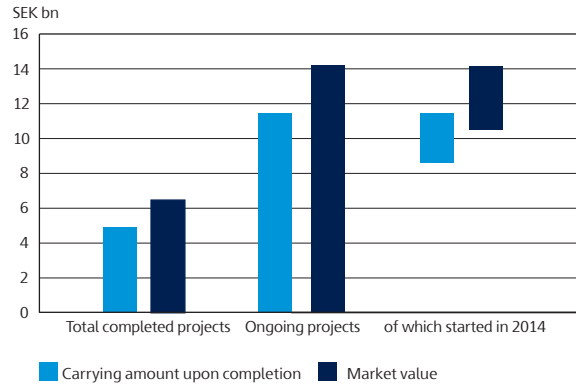
| SEK M | Carrying amount, end of period | Carrying amount upon completion | Market value ¹ | Occupancy rate, % | Degree of completion, % |
|---|--------------------------------|---------------------------------|---------------------------|-------------------|-------------------------|
| Completed projects | 4,884 ² | 4,884 ² | 6,469 | 92 | 100 |
| Undeveloped land and development properties | 4,794 | 4,794 | 5,294 | | |
| Subtotal | 9,678 | 9,678 | 11,763 | | |
| Ongoing projects | 4,639 | 11,459 | 14,185 ³ | 43 | 41 |
| Total | 14,317 | 21,137 | 25,948 | | |
| of which completed projects sold according to segment reporting | 722 | 722 | 953 | | |
| of which ongoing projects sold according to segment reporting | 494 | 1,004 | 1,173 | | |

1 Market value according to appraisal on December 31, 2013.

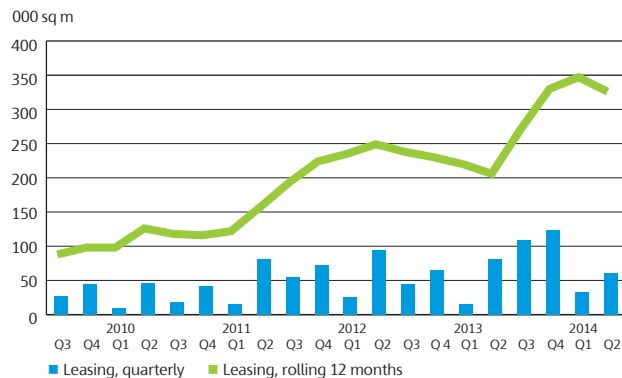
2 Including tenant improvements and leasing commissions in CDUS amounted to 80 MSEK.

3 Estimated market value at completion.

Carrying amount/Market values in ongoing and completed projects



Leasing



were completed of which three were sold and transferred to the buyer in the second quarter. The 31 ongoing projects represent leasable space of about 600,000 sq m with a pre-leasing rate of 43 percent, measured in rent. The degree of completion in ongoing projects is about 41 percent.

At the end of the quarter, the carrying amounts of ongoing projects totaled SEK 4.6 billion. Their carrying amounts upon completion are expected to total SEK 11.5 billion, with an estimated market value of SEK 14.2 billion upon completion.

Of the ongoing projects, four were divested according to segment reporting. These projects represent a carrying amount upon completion of SEK 1.0 billion, with an estimated market value of SEK 1.2 billion.

The market value of completed projects, excluding properties divested but not yet transferred to the buyers, was SEK 5.5 billion, which represented a surplus of SEK 1.4 billion. The occupancy rate measured in rent totaled 92 percent.

The carrying amount of undeveloped land and development properties (building rights) totaled about SEK 4.8 billion, with an estimated market value of about SEK 5.3 billion.

Accumulated eliminations of intra-Group project gains amounted to SEK 330 M at the end of the period. These eliminations are released at Group level as each project is divested.

During the period, 93,000 sq m were leased of which 60,000 sq m in the second quarter. In the past 12 months, 326,000 sq m were leased to tenants.

Infrastructure Development

Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Change, % | Apr-Jun 2014 | Apr-Jun 2013 | Change, % |
|---|--------------|--------------|------------|--------------|--------------|------------|
| Revenue | 35 | 46 | -24 | 18 | 17 | 6 |
| Gross income | -77 | -64 | 20 | -40 | -31 | 29 |
| Selling and administrative expenses | -66 | -65 | 2 | -31 | -34 | -9 |
| Income from joint ventures and associated companies | 338 | 355 | -5 | 167 | 236 | -29 |
| Operating income | 195 | 226 | -14 | 96 | 171 | -44 |
| of which gains from divestments of shares in projects | 0 | 118 | - | 0 | 118 | - |

During the period Skanska was selected as preferred bidder for the I-4 Ultimate project in Florida, U.S. Skanska's share of the construction and design contract is 40 percent and is expected to be SEK 6.0 billion. Skanska's share of the equity investment will be 50 percent. Financial close is expected to be reached during the second half of 2014 and no order booking or investment will be accounted for until then.

Operating income for the Infrastructure Development business stream totaled SEK 195 M (226). No divestments were made during the first six months of the year.

The present value of projects at the end of the period amounted to SEK 5.3 billion (Dec. 31, 2013: 4.9). The increase is attributable to underlying growth in value and currency effect.

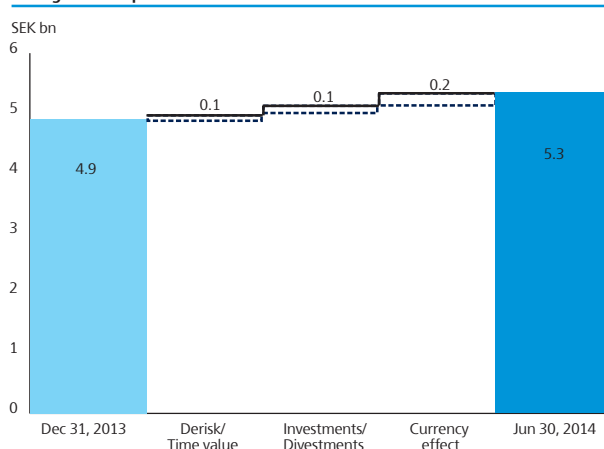
The remaining investment obligations relating to ongoing Infra-

Unrealized development gains

| SEK bn | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|--|--------------|--------------|--------------|
| Present value of cash flow from projects | 6.1 | 5.3 | 5.7 |
| Present value of remaining investments | -0.8 | -0.8 | -0.8 |
| Net present value of projects | 5.3 | 4.5 | 4.9 |
| Carrying amount before Cash flow hedge / Carrying amount | -3.4 | -2.9 | -3.1 |
| Unrealized development gain | 1.9 | 1.6 | 1.8 |
| Cash flow hedge | 1.3 | 1.1 | 1.0 |
| Effect in unrealized equity¹ | 3.2 | 2.7 | 2.8 |

¹ Tax effects not included.

Changes in net present value

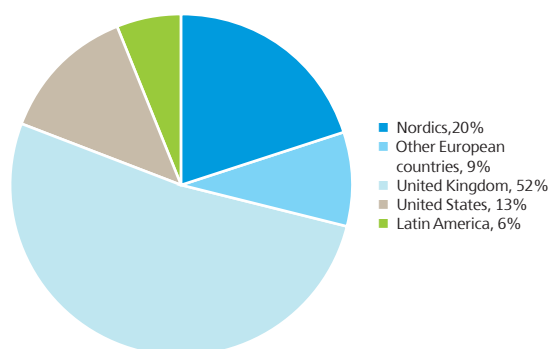


structure Development projects amounted to about SEK -0.8 billion (Dec. 31, 2013: -0.8).

At the end of the period, the carrying amount of shares, participations, subordinated receivables and concessions in Infrastructure Development before cash-flow hedges was SEK 3.4 billion (Dec. 31, 2013: 3.1). At the end of the quarter, unrealized development gains totaled about SEK 1.9 billion (Dec. 31, 2013: 1.8).

The value of cash-flow hedges, for which the change is recognized as other comprehensive income, reduced the carrying amount and thereby also equity, by an amount of SEK 1.3 billion (Dec. 31, 2013: 1.0).

Estimated present value of cash flow from projects per geographic area



New Karolinska Solna, Stockholm, Sweden.

Personnel

The average number of employees in the Group was 58,846 (Mar. 31, 2014: 58,013).

Transactions with related parties

For the nature and extent of transactions with related parties see the 2013 Annual Report. No transactions have taken place between Skanska and related parties with a material impact on the Company's position and earnings.

Material risks and uncertainties

The Construction and Project Development business involves a considerable amount of risk management. Almost every project is unique. Size, shape, the environment – everything is different for each new assignment. The Construction and Project Development business differs in this way from typical manufacturing, which operates in permanent facilities with long production runs.

In Skanska's operations, there are many different types of risks. Identifying, managing and pricing these risks are of fundamental importance to the Group's profitability. Risks are normally of a technical, legal and financial nature, but political, ethical, social and environmental considerations are also part of assessing potential risks.

To ensure a systematic and uniform assessment of risks and opportunities, the entire Skanska Group uses a shared procedure for identifying and managing risks. With the aid of this model, Skanska evaluates projects continuously – from preparation of tenders to completion of assignments.

From time to time, disputes arise with customers about contractual terms related to both ongoing and completed projects. Their outcomes are often difficult to predict.

For further information about risks and a description of key estimates and judgments, see the Report of the Directors and Notes 2 and 6 in the 2013 Annual Report, as well as the section above on market outlook.

Other matters

Repurchase of shares

At the Board meeting on April 3, 2014, the Board resolved to exercise the Annual Shareholders' Meeting's authorization concerning

the repurchase of shares on the following terms: on one or several occasions, but no longer than the Annual Shareholders' Meeting in 2015, not more than 4,500,000 Skanska AB Series B shares may be acquired, the aim of which is to secure delivery of shares to participants in Skanska's employee ownership program, Seop (2014-2016).

Acquisitions may only be made on the NASDAQ OMX Stockholm exchange at a price within the applicable range at any given time. This refers to the interval between the highest purchase price and the lowest selling price. On June 30, Skanska had 8,842,783 Series B shares in treasury.

Events after the end of the report period

Skanska was selected as preferred bidder for the New Papworth Hospital in Cambridge, UK, in the beginning of July. The PPP-contract includes design, build, finance, operations and maintenance responsibilities. Financial close is expected to be reached in early 2015. Skanska's share of the equity investment will be 50 percent. The total amount of the contract for construction and design is in the region of GBP 140 M, about SEK 1.5 billion. No order bookings or investments will be accounted for until financial close.

In the beginning of July Skanska signed a contract with Locum AB to rebuild and expand Södertälje hospital, Sweden. The contract is worth SEK 968 M, which will be included in order bookings for Skanska Sweden in the third quarter of 2014.

Financial reports for 2014

Skanska's interim reports and year-end reports are available for download on Skanska's website, www.skanska.com/investors, and can also be ordered from Skanska AB, Investor Relations.

The Group's reports in 2014 will be published on the following dates:

| | |
|-------------------|-------------------|
| November 7, 2014 | Nine month report |
| February 12, 2015 | Year-end Report |

Certification

The Board of Directors and the President and CEO certify that this Six Month Report provides a true and fair overview of the performance of the business, position and earnings of the Parent Company and the Group and describes the principal risks and uncertainties faced by the Parent Company and the companies in the Skanska Group.

Stockholm, July 18, 2014

Stuart Graham
Chairman

John Carrig
Board member

Nina Linander
Board member

Fredrik Lundberg
Board member

Sverker Martin-Löf
Board member

Sir Adrian Montague
Board member

Charlotte Strömberg
Board member

Matti Sundberg
Board member

Pär Östberg
Board member

Johan Karlström
President and Chief Executive Officer
Board member

This report has not been subject to review by the Company's auditors.

Accounting principles

For the Group, this interim 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 interim 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. Otherwise, the accounting principles and assessment methods presented in the Annual Report for 2013 have been applied, except for new principles described below.

With effect from January 1, 2014, the new standards IFRS 10 and IFRS 11 are applied.

“IFRS 10 Consolidated Financial Statements” sets out how to apply the principle of control to identify whether an investor controls an investee. The effect on Skanska is that a smaller company, that earlier was accounted for according to the equity method, is now consolidated.

Under “IFRS 11 Joint arrangements” a partly-owned company in which the co-owners jointly have a controlling interest is to be classified either as a joint venture or as a joint operation. A joint venture is accounted for according to the equity method and a joint operation is accounted for by the proportional method. The effect on Skanska is that some joint arrangements, that earlier were joint ventures and were accounted for according to the equity method, now have been classified as joint operations and thus are accounted for according to the proportional method.

As a consequence of these new standards total assets in the Group increased with SEK 0.2 billion and current-asset properties increased with SEK 0.6 billion. There were no effects on equity.

A summary of the effects on the group of the new standards is to be found on the website www.skanska.com/investors.

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 Annual Report 2013, Note 35.

Segment and IFRS reporting

Skanska’s business streams Construction, Residential Development, Commercial Property Development and Infrastructure Development, are recognized as operating segments. Tables in this report that refer to segment reporting are shown with a shaded background.

Segment reporting of joint ventures in Residential Development applies the proportional method. The equity method will continue to be applied for other joint ventures.

Construction includes both building construction and civil construction. Revenue and earnings are reported successively as a project accrues, in compliance with International Financial Reporting Standards, IFRS.

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 construction assignments are performed by construction units in the Construction segment in each market. Residential Development revenue and earnings are recognized when binding contracts are signed for the sale of homes. According to IFRS, revenue and earnings are recognized when the buyer takes possession of the home.

Commercial Property Development initiates, develops, leases and divests commercial property projects. In most markets, construction assignments are performed by Skanska’s Construction segment. Commercial Property Development revenue and earnings are recognized when binding contracts are signed for the sale of the properties. According to IFRS, revenue and earnings are 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-generating plants. The business stream focuses on creating new potential projects, mainly in the markets where the Group has operations. Construction assignments are performed in most markets by Skanska’s Construction segment. Infrastructure Development revenue and earnings are recognized in compliance with IFRS.

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

Definitions

Operating net financial position is defined as interest-bearing net receivables/liabilities excluding construction loans to cooperative housing associations and net interest-bearing pension liabilities.

Free working capital is defined as non-interest-bearing liabilities reduced by non-interest-bearing receivables, excluding taxes. This corresponds to the negative working capital in Construction with reversed sign.

For further definitions, see Note 44 in the 2013 Annual Report.

Reconciliation between segment reporting and IFRSs

| SEK M | External revenue | | Intra-Group revenue | | Total revenue | | Operating income | |
|---------------------------------|---------------------|---------------------|---------------------|--------------|---------------|---------------|------------------|--------------|
| | Jan-Jun 2014 | Jan-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Jan-Jun 2014 | Jan-Jun 2013 |
| Construction | 55,324 ¹ | 55,105 ¹ | 4,111 | 3,810 | 59,435 | 58,915 | 1,167 | 1,573 |
| Residential Development | 4,469 | 5,258 | 0 | 0 | 4,469 | 5,258 | 349 | 331 |
| Commercial Property Development | 2,538 | 2,085 | 47 | 37 | 2,585 | 2,122 | 312 | 258 |
| Infrastructure Development | 35 | 46 | 0 | 0 | 35 | 46 | 195 | 226 |
| Total operating segments | 62,366 | 62,494 | 4,158 | 3,847 | 66,524 | 66,341 | 2,023 | 2,388 |
| Central | 80 | 279 | 380 | 194 | 460 | 473 | -394 | -351 |
| Eliminations | 0 | 0 | -4,538 | -4,041 | -4,538 | -4,041 | -48 | -20 |
| Total Group | 62,446 | 62,773 | 0 | 0 | 62,446 | 62,773 | 1,581 | 2,017 |
| Reconciliation to IFRSs | 245 | -423 | 0 | 0 | 245 | -423 | 131 | 542 |
| Total IFRSs | 62,691 | 62,350 | 0 | 0 | 62,691 | 62,350 | 1,712 | 2,559 |

1 Of which external revenue from joint ventures in Infrastructure Development, SEK 3,132 M (3,464).

| SEK M | Segment Jan-Jun 2014 | IFRS Jan-Jun 2014 | Segment Jan-Jun 2013 | IFRS Jan-Jun 2013 | Segment Apr-Jun 2014 | IFRS Apr-Jun 2014 | Segment Apr-Jun 2013 | IFRS Apr-Jun 2013 |
|---|-------------------------|----------------------|-------------------------|----------------------|-------------------------|----------------------|-------------------------|----------------------|
| Revenue | | | | | | | | |
| Construction | 59,435 | 59,435 | 58,915 | 58,915 | 32,566 | 32,566 | 32,165 | 32,165 |
| Residential Development | 4,469 | 4,489 | 5,258 | 3,522 | 2,457 | 2,815 | 2,649 | 1,528 |
| Commercial Property Development | 2,585 | 2,759 | 2,122 | 3,341 | 1,522 | 1,490 | 1,851 | 913 |
| Infrastructure Development | 35 | 35 | 46 | 46 | 18 | 18 | 17 | 17 |
| Central and eliminations | -4,078 | -4,027 | -3,568 | -3,474 | -1,988 | -1,948 | -2,090 | -2,053 |
| Skanska Group | 62,446 | 62,691 | 62,773 | 62,350 | 34,575 | 34,941 | 34,592 | 32,570 |
| Operating income | | | | | | | | |
| Construction | 1,167 | 1,167 | 1,573 | 1,573 | 623 | 623 | 1,055 | 1,055 |
| Residential Development | 349 | 293 | 331 | 251 | 210 | 254 | 178 | 66 |
| Commercial Property Development ¹ | 312 | 465 | 258 | 815 | 221 | 308 | 288 | 125 |
| Infrastructure Development | 195 | 195 | 226 | 226 | 96 | 96 | 171 | 171 |
| Central | -394 | -396 | -351 | -346 | -213 | -215 | -183 | -187 |
| Eliminations ¹ | -48 | -12 | -20 | 40 | -12 | 24 | -11 | -30 |
| Operating income | 1,581 | 1,712 | 2,017 | 2,559 | 925 | 1,090 | 1,498 | 1,200 |
| Net financial items | -125 | -122 | -149 | -149 | -66 | -66 | -76 | -76 |
| Income after financial items | 1,456 | 1,590 | 1,868 | 2,410 | 859 | 1,024 | 1,422 | 1,124 |
| Taxes | -363 | -397 | -467 | -602 | -214 | -255 | -359 | -292 |
| Profit for the period | 1,093 | 1,193 | 1,401 | 1,808 | 645 | 769 | 1,063 | 832 |
| Earnings for the period per share, SEK ² | 2.64 | | 3.40 | | 1.57 | | 2.58 | |
| Earnings for the period per share according to IFRSs, SEK ² | | 2.89 | | 4.39 | | 1.86 | | 2.02 |
| 1 Of which gains from divestments of commercial properties reported in: | | | | | | | | |
| Commercial Property Development | 408 | 569 | 381 | 937 | 273 | 367 | 346 | 181 |
| Eliminations | 31 | 51 | 26 | 67 | 7 | 25 | 22 | 8 |

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-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|--------------|--------------|--------------|--------------|---------------|
| Revenue | 62,691 | 62,350 | 34,941 | 32,570 | 136,589 |
| Cost of sales | -57,283 | -56,384 | -31,884 | -29,663 | -124,161 |
| Gross income | 5,408 | 5,966 | 3,057 | 2,907 | 12,428 |
| Selling and administrative expenses | -4,054 | -3,873 | -2,140 | -1,988 | -7,681 |
| Income from joint ventures and associated companies | 358 | 466 | 173 | 281 | 813 |
| Operating income | 1,712 | 2,559 | 1,090 | 1,200 | 5,560 |
| Financial income | 71 | 85 | 26 | 48 | 158 |
| Financial expenses | -193 | -234 | -92 | -124 | -399 |
| Net financial items ¹ | -122 | -149 | -66 | -76 | -241 |
| Income after financial items | 1,590 | 2,410 | 1,024 | 1,124 | 5,319 |
| Taxes | -397 | -602 | -255 | -292 | -1,551 |
| Profit for the period | 1,193 | 1,808 | 769 | 832 | 3,768 |
| 1 of which | | | | | |
| Interest income | 71 | 68 | 26 | 31 | 136 |
| Financial net pension costs | -42 | -54 | -21 | -27 | -94 |
| Interest expenses | -174 | -249 | -82 | -136 | -483 |
| Capitalized interest expenses | 96 | 113 | 43 | 60 | 261 |
| Net interest items | -49 | -122 | -34 | -72 | -180 |
| Change in fair value | -32 | 12 | -16 | 12 | 21 |
| Other net financial items | -41 | -39 | -16 | -16 | -82 |
| Net financial items | -122 | -149 | -66 | -76 | -241 |
| Profit attributable to: | | | | | |
| Equity holders | 1,188 | 1,807 | 765 | 832 | 3,765 |
| Non-controlling interests | 5 | 1 | 4 | 0 | 3 |
| Earnings per share, SEK ² | 2.89 | 4.39 | 1.86 | 2.02 | 9.14 |
| Earnings per share after dilution, SEK ³ | 2.86 | 4.37 | 1.84 | 2.01 | 9.11 |

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-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|--|--------------|--------------|--------------|--------------|--------------|
| Profit for the period | 1,193 | 1,808 | 769 | 832 | 3,768 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to profit and loss | | | | | |
| Remeasurements of defined benefit plans | -981 | 595 | -716 | -175 | 723 |
| Tax related to items that will not be reclassified to profit and loss | 215 | -160 | 160 | 36 | -183 |
| | -766 | 435 | -556 | -139 | 540 |
| Items that have been or will be reclassified to profit and loss | | | | | |
| Translation differences attributable to equity holders | 510 | -115 | 499 | 520 | -560 |
| Translation differences attributable to non-controlling interests | 4 | -1 | 3 | 7 | -9 |
| Hedging of exchange rate risk in foreign operations | -93 | -55 | -63 | -236 | 201 |
| Effects of cash flow hedges ¹ | -210 | 490 | -31 | 596 | 526 |
| Tax related to items that have been or will be reclassified to profit and loss | -8 | -3 | -16 | -10 | 17 |
| | 203 | 316 | 392 | 877 | 175 |
| Other comprehensive income after tax | -563 | 751 | -164 | 738 | 715 |
| Total comprehensive income | 630 | 2,559 | 605 | 1,570 | 4,483 |
| Total comprehensive income attributable to: | | | | | |
| Equity holders | 621 | 2,559 | 598 | 1,563 | 4,489 |
| Non-controlling interests | 9 | 0 | 7 | 7 | -6 |
| 1 of which transferred to income statement | 199 | 86 | 28 | -81 | 569 |

Summary statement of financial position (IFRS)

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|---|---------------|---------------|---------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 7,199 | 7,821 | 7,449 |
| Goodwill | 5,069 | 4,812 | 4,849 |
| Intangible assets | 408 | 233 | 346 |
| Investments in joint ventures and associated companies | 2,949 | 2,399 | 2,734 |
| Financial non-current assets ¹ | 1,532 | 2,485 | 1,892 |
| Deferred tax assets | 1,009 | 1,142 | 1,059 |
| Total non-current assets | 18,166 | 18,892 | 18,329 |
| Current assets | | | |
| Current-asset properties ² | 26,558 | 27,468 | 25,757 |
| Inventories | 1,133 | 1,220 | 944 |
| Financial current assets ³ | 5,746 | 5,500 | 5,955 |
| Tax assets | 930 | 720 | 984 |
| Gross amount due from customers for contract work | 6,760 | 6,290 | 6,232 |
| Trade and other receivables | 24,244 | 22,941 | 22,227 |
| Cash | 3,023 | 3,417 | 7,303 |
| Total current assets | 68,394 | 67,556 | 69,402 |
| TOTAL ASSETS | 86,560 | 86,448 | 87,731 |
| of which interest-bearing financial non-current assets | 1,500 | 2,435 | 1,854 |
| of which interest-bearing current assets | 8,725 | 8,851 | 13,143 |
| Total interest-bearing assets | 10,225 | 11,286 | 14,997 |
| EQUITY | | | |
| Equity attributable to equity holders | 19,199 | 19,272 | 21,177 |
| Non-controlling interests | 150 | 194 | 187 |
| Total equity | 19,349 | 19,466 | 21,364 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial non-current liabilities | 7,165 | 5,752 | 6,556 |
| Pensions | 3,634 | 3,782 | 3,411 |
| Deferred tax liabilities | 881 | 820 | 1,002 |
| Non-current provisions | 1 | 0 | 2 |
| Total non-current liabilities | 11,681 | 10,354 | 10,971 |
| Current liabilities | | | |
| Financial current liabilities ³ | 4,914 | 6,483 | 4,118 |
| Tax liabilities | 330 | 249 | 622 |
| Current provisions | 5,577 | 5,451 | 5,649 |
| Gross amount due to customers for contract work | 14,876 | 14,973 | 15,013 |
| Trade and other payables | 29,833 | 29,472 | 29,994 |
| Total current liabilities | 55,530 | 56,628 | 55,396 |
| TOTAL EQUITY AND LIABILITIES | 86,560 | 86,448 | 87,731 |
| of which interest-bearing financial liabilities | 11,827 | 12,049 | 10,570 |
| of which interest-bearing pensions and provisions | 3,675 | 3,828 | 3,455 |
| Total interest-bearing liabilities | 15,502 | 15,877 | 14,025 |
| 1 of which shares | 31 | 34 | 32 |
| 2 Current-asset properties | | | |
| Commercial Property Development | 14,237 | 14,028 | 13,700 |
| Residential Development | 12,270 | 11,817 | 11,257 |
| Central | 51 | 1,623 | 800 |
| 3 Items regarding non-interest-bearing unrealized changes in derivatives/ financial instruments are included in the following amounts: | | | |
| Financial non-current assets | 1 | 16 | 6 |
| Financial current assets | 44 | 66 | 115 |
| Financial non-current liabilities | 143 | 29 | 49 |
| Financial current liabilities | 109 | 157 | 55 |

Note: Contingent liabilities amounted to SEK 33.9 bn on June 30, 2014 (Dec 31, 2013: 34.0). During the period, contingent liabilities decreased by SEK -0.1 bn.

Financial instruments - carrying amount (IFRS)

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|------------------------------------|---------------|---------------|---------------|
| Assets at fair value | 45 | 82 | 121 |
| Assets at amortized cost | 28,946 | 29,141 | 31,918 |
| Total financial assets | 28,991 | 29,223 | 32,039 |
| Liabilities at fair value | 289 | 186 | 139 |
| Liabilities at amortized cost | 25,939 | 26,142 | 24,935 |
| Total financial liabilities | 26,228 | 26,328 | 25,074 |

Financial instruments are valued at fair value or at amortized cost in the balance sheet depending on classification. Financial instruments valued at fair value in the balance sheet belong to the second and third level according to IFRS 13. The difference between fair value and carrying amount for financial assets and financial liabilities is marginal.

Information – Offsetting financial assets and financial liabilities (IFRS)

| SEK M | Jun 30, 2014 | | Jun 30, 2013 | | Dec 31, 2013 | |
|--|------------------|-----------------------|------------------|-----------------------|------------------|-----------------------|
| | Financial assets | Financial liabilities | Financial assets | Financial liabilities | Financial assets | Financial liabilities |
| Gross amount | 28,991 | 26,228 | 29,223 | 26,328 | 32,039 | 25,074 |
| Amount offset | 0 | 0 | 0 | 0 | 0 | 0 |
| Shown in the balance sheet | 28,991 | 26,228 | 29,223 | 26,328 | 32,039 | 25,074 |
| Amounts included in an offset agreement | -33 | -33 | -65 | -65 | -44 | -44 |
| Gross amount after amounts included in an offset agreement | 28,958 | 26,195 | 29,158 | 26,263 | 31,995 | 25,030 |

Summary statement of changes in equity (IFRS)

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|--|---------------|---------------|---------------|---------------|---------------|
| Opening balance | 21,364 | 19,382 | 21,333 | 20,372 | 19,382 |
| of which non-controlling interests | 187 | 195 | 144 | 188 | 195 |
| Dividend to shareholders | -2,568 | -2,473 | -2,568 | -2,473 | -2,470 |
| Acquired non-controlling interest | 0 | 0 | 0 | 0 | 0 |
| Change in group composition | -44 | 0 | 1 | 0 | 0 |
| Dividend to non-controlling interests | -2 | -1 | -2 | -1 | -2 |
| Effects of equity-settled share-based payments | 133 | 125 | 63 | 59 | 258 |
| Repurchase of shares | -164 | -126 | -83 | -61 | -287 |
| Total comprehensive income attributable to | | | | | |
| Equity holders | 621 | 2,559 | 598 | 1,563 | 4,489 |
| Non-controlling interests | 9 | 0 | 7 | 7 | -6 |
| Closing balance | 19,349 | 19,466 | 19,349 | 19,466 | 21,364 |
| of which non-controlling interests | 150 | 194 | 150 | 194 | 187 |

Bridge between operating and consolidated cash flow statement (IAS 7) (IFRS)

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|---------------|---------------|---------------|---------------|---------------|
| Cash flow from business operations according to operating cash flow | -2,942 | -985 | 368 | -1,095 | 5,022 |
| Less net investments in property, plant and equipment and intangible assets | 720 | 479 | 329 | 213 | 1,190 |
| Less tax payments on property, plant and equipment and intangible assets divested and divestments of assets in Infrastructure Development | 11 | 20 | 5 | 14 | 40 |
| Cash flow from operating activities | -2,211 | -486 | 702 | -868 | 6,252 |
| Cash flow from strategic investments according to operating cash flow | 94 | 0 | 0 | 0 | -192 |
| Net investments in property, plant and equipment and intangible assets | -720 | -479 | -329 | -213 | -1,190 |
| Increase and decrease in interest-bearing receivables | 164 | -280 | -238 | -6 | -25 |
| Taxes paid on property, plant and equipment and intangible assets divested and divestments of assets in Infrastructure Development | -11 | -20 | -5 | -14 | -40 |
| Cash flow from investing activities | -473 | -779 | -572 | -233 | -1,447 |
| Cash flow from financing operations according to operating cash-flow statement | 119 | 103 | 82 | 93 | -41 |
| Change in interest-bearing receivables and liabilities | 1,118 | 1,072 | 521 | 477 | -465 |
| Increase and decrease in interest-bearing liabilities | -164 | 280 | 238 | 6 | 25 |
| Dividend etc ¹ | -2,734 | -2,599 | -2,653 | -2,534 | -2,757 |
| Cash flow from financing activities | -1,661 | -1,144 | -1,812 | -1,958 | -3,238 |
| Cash flow for the period | -4,345 | -2,409 | -1,682 | -3,059 | 1,567 |

¹ Of which repurchases of shares SEK -164 M.

Cash flow (IFRS)

Operating cash flow

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|--|---------------|---------------|---------------|---------------|--------------|
| Construction | | | | | |
| Cash flow from business operations | 2,032 | 2,364 | 1,082 | 1,459 | 5,523 |
| Change in working capital | -4,729 | -3,015 | -742 | -682 | -761 |
| Net investments | -438 | -641 | -220 | -397 | -1,202 |
| Cash flow adjustment | 0 | 0 | 0 | 0 | 0 |
| Total Construction | -3,135 | -1,292 | 120 | 380 | 3,560 |
| Residential Development | | | | | |
| Cash flow from business operations | -239 | -222 | -146 | -126 | -503 |
| Change in working capital | 738 | 85 | 142 | 41 | -70 |
| Net investments | 499 | 345 | 867 | -127 | 1,019 |
| Cash flow adjustment | 0 | -75 | 0 | -83 | 0 |
| Total Residential Development | 998 | 133 | 863 | -295 | 446 |
| Commercial Property Development | | | | | |
| Cash flow from business operations | -82 | -117 | -46 | -59 | -329 |
| Change in working capital | 415 | -1 | 154 | 11 | -126 |
| Net investments | 132 | 1,131 | 23 | -240 | 2,439 |
| Cash flow adjustment | -218 | -26 | -208 | 10 | -262 |
| Total Commercial Property Development | 247 | 987 | -77 | -278 | 1,722 |
| Infrastructure Development | | | | | |
| Cash flow from business operations | -17 | -91 | 29 | -56 | -29 |
| Change in working capital | 3 | -33 | -9 | -47 | -30 |
| Net investments | -116 | 189 | -64 | 206 | 167 |
| Cash flow adjustment | 0 | 0 | 0 | 0 | 0 |
| Total Infrastructure Development | -130 | 65 | -44 | 103 | 108 |
| Central and eliminations | | | | | |
| Cash flow from business operations | -398 | -247 | -218 | -194 | -631 |
| Change in working capital | -46 | -171 | -185 | -354 | -127 |
| Net investments | 23 | 72 | 11 | -17 | 1,036 |
| Cash flow adjustment | 0 | 0 | 0 | 0 | 0 |
| Total central and eliminations | -421 | -346 | -392 | -565 | 278 |
| Total cash flow from business operations | 1,296 | 1,687 | 701 | 1,024 | 4,031 |
| Total change in working capital | -3,619 | -3,135 | -640 | -1,031 | -1,114 |
| Total net investments | 100 | 1,096 | 617 | -575 | 3,459 |
| Total cash flow adjustment | -218 | -101 | -208 | -73 | -262 |
| Cash flow from business operations before taxes paid | -2,441 | -453 | 470 | -655 | 6,114 |
| Taxes paid in business operations | -501 | -532 | -102 | -440 | -1,092 |
| Cash flow from business operations including taxes paid | -2,942 | -985 | 368 | -1,095 | 5,022 |
| Net interest items and other net financial items | 129 | 113 | 76 | 99 | -59 |
| Taxes paid in financing operations | -10 | -10 | 6 | -6 | 18 |
| Cash flow from financing operations | 119 | 103 | 82 | 93 | -41 |
| Cash flow from operations | -2,823 | -882 | 450 | -1,002 | 4,981 |
| Net strategic investments | 94 | 0 | 0 | 0 | -192 |
| Dividend etc. ¹ | -2,734 | -2,599 | -2,653 | -2,534 | -2,757 |
| Cash flow before change in interest-bearing receivables and liabilities | -5,463 | -3,481 | -2,203 | -3,536 | 2,032 |
| Change in interest-bearing receivables and liabilities | 1,118 | 1,072 | 521 | 477 | -465 |
| Cash flow for the period | -4,345 | -2,409 | -1,682 | -3,059 | 1,567 |
| Cash and cash equivalents at the beginning of the period | 7,303 | 5,807 | 4,628 | 6,402 | 5,807 |
| Exchange rate differences in cash and cash equivalents | 65 | 19 | 77 | 74 | -71 |
| Cash and cash equivalents at the end of the period | 3,023 | 3,417 | 3,023 | 3,417 | 7,303 |

¹ Of which repurchases of shares SEK -164 M.

Group net investments (IFRS)

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|---------------|---------------|---------------|---------------|----------------|
| OPERATIONS - INVESTMENTS | | | | | |
| Intangible assets | -104 | -56 | -64 | -26 | -126 |
| Property, plant and equipment | -733 | -809 | -461 | -509 | -1,535 |
| Assets in Infrastructure Development | -125 | -39 | -66 | -13 | -75 |
| Shares and participations | -128 | -20 | -17 | -20 | -89 |
| Current-asset properties | -6,139 | -5,214 | -3,265 | -2,692 | -11,479 |
| of which Residential Development | -3,894 | -3,239 | -1,934 | -1,662 | -7,014 |
| of which Commercial Property Development | -2,245 | -1,975 | -1,331 | -1,030 | -4,465 |
| Investments in operations | -7,229 | -6,138 | -3,873 | -3,260 | -13,304 |
| STRATEGIC INVESTMENTS | | | | | |
| Businesses | 0 | 0 | 0 | 0 | -193 |
| Shares | 0 | 0 | 0 | 0 | 0 |
| Strategic investments | 0 | 0 | 0 | 0 | -193 |
| Total Investments | -7,229 | -6,138 | -3,873 | -3,260 | -13,497 |
| OPERATIONS - DIVESTMENTS | | | | | |
| Intangible assets | 1 | 1 | 0 | 0 | 1 |
| Property, plant and equipment | 360 | 209 | 277 | 129 | 378 |
| Assets in Infrastructure Development | 9 | 228 | 2 | 219 | 242 |
| Shares and participations | 0 | 6 | 0 | 6 | 14 |
| Current-asset properties | 6,959 | 6,790 | 4,211 | 2,331 | 16,128 |
| of which Residential Development | 4,452 | 3,664 | 2,839 | 1,521 | 9,177 |
| of which Commercial Property Development | 2,507 | 3,126 | 1,372 | 810 | 6,951 |
| Divestments in operations | 7,329 | 7,234 | 4,490 | 2,685 | 16,763 |
| STRATEGIC DIVESTMENTS | | | | | |
| Businesses | 94 | 0 | 0 | 0 | 1 |
| Strategic divestments | 94 | 0 | 0 | 0 | 1 |
| Total divestments | 7,423 | 7,234 | 4,490 | 2,685 | 16,764 |
| TOTAL NET INVESTMENTS ¹ | 194 | 1,096 | 617 | -575 | 3,267 |
| Depreciation, non-current assets | -806 | -750 | -415 | -373 | -1,568 |

1 (+) divestments, (-) investments.

Capital employed in Development Streams (IFRS)

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|-------------------------------------|---------------|---------------|---------------|
| Residential Development | 11,067 | 10,929 | 10,822 |
| Commercial Property Development | 13,941 | 13,837 | 13,514 |
| Infrastructure Development | 2,090 | 1,748 | 1,993 |
| Total in Development Streams | 27,098 | 26,514 | 26,329 |

Parent Company

Summary income statement (IFRS)

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 |
|-------------------------------------|--------------|--------------|--------------|--------------|
| Net sales | 81 | 81 | 81 | 81 |
| Selling and administrative expenses | -157 | -165 | -81 | -96 |
| Other operating income | - | - | - | - |
| Operating income | -76 | -84 | 0 | -15 |
| Net financial items | 2,446 | -70 | 2,466 | -44 |
| Income after financial items | 2,370 | -154 | 2,466 | -59 |
| Taxes | 28 | 33 | 7 | 12 |
| Profit for the period | 2,398 | -121 | 2,473 | -47 |
| Total comprehensive income | 2,398 | -121 | 2,473 | -47 |

Summary balance sheet (IFRS)

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|---|---------------|---------------|---------------|
| ASSETS | | | |
| Intangible non-current assets | 3 | 6 | 5 |
| Property, plant and equipment | 1 | 1 | 1 |
| Financial non-current assets ¹ | 13,826 | 11,027 | 11,323 |
| Total non-current assets | 13,830 | 11,034 | 11,329 |
| Current receivables | 194 | 245 | 274 |
| Total current assets | 194 | 245 | 274 |
| TOTAL ASSETS | 14,024 | 11,279 | 11,603 |
| EQUITY AND LIABILITIES | | | |
| Equity | 6,793 | 4,575 | 7,115 |
| Provisions | 239 | 293 | 366 |
| Non-current interest-bearing liabilities ¹ | 6,831 | 6,266 | 3,995 |
| Current liabilities | 161 | 145 | 127 |
| TOTAL EQUITY AND LIABILITIES | 14,024 | 11,279 | 11,603 |

1 Of these amounts, SEK 2,830 M (Dec 31, 2013: 253) were intra-Group receivables and SEK 6,831 M (Dec 31, 2013: 3,995) intra-Group liabilities.

Note: The Parent Company's contingent liabilities totaled SEK 87.3 bn (Dec 31, 2013: 86.1), of which SEK 76.3 bn (Dec 31, 2013: 74.1) was related to obligations on behalf of Group companies. Other obligations, SEK 11.0 bn (Dec 31 2013: 12.0), were related to commitments to outside parties.

Share data

| | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|--------------|--------------|--------------|--------------|--------------|
| Earnings per share according to segment reporting, SEK ¹ | 2.64 | 3.40 | 1.57 | 2.58 | 8.43 |
| Earnings per share, SEK ¹ | 2.89 | 4.39 | 1.86 | 2.02 | 9.14 |
| Earnings per share after dilution, SEK ² | 2.86 | 4.37 | 1.84 | 2.01 | 9.11 |
| Equity per share, SEK ³ | 46.71 | 46.80 | | | 51.49 |
| Adjusted equity per share, SEK ⁴ | 66.73 | 62.80 | | | 69.46 |
| Average number of shares outstanding | 411,399,977 | 411,995,277 | | | 411,721,772 |
| Average number of shares outstanding after dilution | 415,862,784 | 413,418,218 | | | 413,426,939 |
| Average dilution, % | 1.07 | 0.34 | | | 0.41 |
| Number of shares, at balance sheet date | 419,903,072 | 419,903,072 | | | 419,903,072 |
| of which Series A and Series B shares | 419,903,072 | 419,903,072 | | | 419,903,072 |
| Average price of total repurchased shares, SEK | 110.43 | 106.35 | | | 107.85 |
| Number of total Series B shares repurchased | 16,069,228 | 13,628,580 | | | 14,933,580 |
| of which repurchased during the year | 1,135,648 | 1,087,580 | 535,648 | 517,580 | 2,392,580 |
| Number of shares in Skanska's own custody | 8,842,783 | 8,093,758 | | | 8,625,005 |
| Number of shares outstanding | 411,060,289 | 411,809,314 | | | 411,278,067 |

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-Jun 2014 | Jan-Jun 2013 | Jan-Jun 2012 | Jan-Jun 2011 | Jan-Jun 2010 |
|--|--------------|--------------|--------------|--------------|--------------|
| Revenue | 62,446 | 62,773 | 60,577 | 53,924 | 56,345 |
| Operating income | 1,581 | 2,017 | 1,447 | 6,102 | 2,374 |
| Profit for the period | 1,093 | 1,401 | 1,007 | 5,819 | 1,727 |
| Earnings per share, SEK | 2.64 | 3.40 | 2.44 | 14.02 | 4.17 |
| Return on capital employed, % ¹ | 13.6 | 15.4 | 15.5 | 35.0 | 20.7 |
| Return on equity, % ¹ | 15.4 | 19.4 | 17.3 | 42.1 | 20.8 |
| Operating margin, % | 2.5 | 3.2 | 2.4 | 11.3 | 4.2 |
| Return on capital employed according to IFRSs, % | 13.6 | 15.4 | 14.1 | 35.2 | 20.2 |
| Cash flow per share according to IFRSs, SEK ² | -13.28 | -8.45 | -18.47 | -9.81 | -4.99 |

1 Rolling 12 months.

2 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-Jun 2014 | Jan-Jun 2013 | Jan-Dec 2013 | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
| U.S. dollar | 6.54 | 6.50 | 6.52 | 6.72 | 6.72 | 6.46 |
| British pound | 10.92 | 10.03 | 10.19 | 11.45 | 10.24 | 10.65 |
| Norwegian krone | 1.08 | 1.13 | 1.11 | 1.09 | 1.11 | 1.06 |
| Euro | 8.96 | 8.53 | 8.65 | 9.18 | 8.79 | 8.90 |
| Czech koruna | 0.33 | 0.33 | 0.33 | 0.33 | 0.34 | 0.32 |
| Polish zloty | 2.14 | 2.04 | 2.06 | 2.21 | 2.03 | 2.14 |

Construction

Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|--------------|--------------|--------------|--------------|---------------|
| Revenue | 59,435 | 58,915 | 32,566 | 32,165 | 127,584 |
| Gross income | 4,208 | 4,473 | 2,254 | 2,554 | 9,655 |
| Selling and administrative expenses | -3,048 | -2,903 | -1,637 | -1,498 | -5,853 |
| Income from joint ventures and associated companies | 7 | 3 | 6 | -1 | 31 |
| Operating income | 1,167 | 1,573 | 623 | 1,055 | 3,833 |
| Investments | -799 | -829 | -497 | -509 | -1,779 |
| Divestments | 455 | 188 | 277 | 112 | 384 |
| Net investments | -344 | -641 | -220 | -397 | -1,395 |
| Gross margin, % | 7.1 | 7.6 | 6.9 | 7.9 | 7.6 |
| Selling and administrative expenses, % | -5.1 | -4.9 | -5.0 | -4.7 | -4.6 |
| Operating margin, % | 2.0 | 2.7 | 1.9 | 3.3 | 3.0 |
| Order bookings, SEK bn | 70.4 | 60.3 | 37.9 | 36.0 | 120.1 |
| Order backlog, SEK bn | 155.4 | 148.7 | - | - | 139.6 |
| Employees | 57,281 | 53,813 | - | - | 55,611 |

Revenue by business/reporting unit

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|----------------|---------------|---------------|---------------|---------------|----------------|
| Sweden | 13,704 | 13,580 | 7,548 | 7,555 | 29,720 |
| Norway | 6,396 | 7,119 | 3,394 | 3,713 | 14,287 |
| Finland | 3,144 | 2,714 | 1,726 | 1,574 | 6,011 |
| Poland | 3,041 | 2,356 | 2,110 | 1,501 | 8,674 |
| Czech Republic | 1,786 | 1,643 | 1,100 | 1,084 | 4,119 |
| UK | 7,114 | 5,467 | 3,534 | 2,880 | 12,396 |
| USA Building | 13,902 | 15,506 | 7,779 | 8,273 | 29,747 |
| USA Civil | 7,234 | 6,438 | 3,886 | 3,346 | 14,022 |
| Latin America | 3,027 | 4,053 | 1,428 | 2,211 | 8,492 |
| Other | 87 | 39 | 61 | 28 | 116 |
| Total | 59,435 | 58,915 | 32,566 | 32,165 | 127,584 |

Operating income

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|----------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 500 | 311 | 371 | 229 | 1,174 |
| Norway | 171 | 177 | 91 | 111 | 390 |
| Finland | 109 | 66 | 66 | 43 | 179 |
| Poland | 92 | 84 | 103 | 108 | 351 |
| Czech Republic | -11 | -12 | 37 | 51 | -299 |
| UK | 217 | 175 | 105 | 96 | 427 |
| USA Building | 148 | 216 | 73 | 110 | 476 |
| USA Civil | 448 | 520 | 233 | 281 | 1,182 |
| Latin America | -509 | 36 | -458 | 26 | -47 |
| Other | 2 | 0 | 2 | 0 | 0 |
| Total | 1,167 | 1,573 | 623 | 1,055 | 3,833 |

Operating margin, %

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|----------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 3.6 | 2.3 | 4.9 | 3.0 | 4.0 |
| Norway | 2.7 | 2.5 | 2.7 | 3.0 | 2.7 |
| Finland | 3.5 | 2.4 | 3.8 | 2.7 | 3.0 |
| Poland | 3.0 | 3.6 | 4.9 | 7.2 | 4.0 |
| Czech Republic | neg | neg | 3.4 | 4.7 | neg |
| UK | 3.1 | 3.2 | 3.0 | 3.3 | 3.4 |
| USA Building | 1.1 | 1.4 | 0.9 | 1.3 | 1.6 |
| USA Civil | 6.2 | 8.1 | 6.0 | 8.4 | 8.4 |
| Latin America | neg | 0.9 | neg | 1.2 | neg |
| Other | 2.3 | 0.0 | 3.3 | 0.0 | 0.0 |
| Total | 2.0 | 2.7 | 1.9 | 3.3 | 3.0 |

Order backlog

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|----------------|----------------|----------------|----------------|
| Sweden | 27,135 | 27,600 | 27,458 |
| Norway | 11,829 | 12,632 | 9,458 |
| Finland | 6,717 | 5,718 | 5,943 |
| Poland | 7,968 | 7,865 | 5,687 |
| Czech Republic | 5,080 | 5,165 | 4,459 |
| UK | 23,439 | 17,455 | 19,729 |
| USA Building | 41,208 | 35,047 | 36,026 |
| USA Civil | 27,833 | 29,988 | 25,772 |
| Latin America | 4,069 | 7,016 | 4,926 |
| Other | 162 | 248 | 144 |
| Total | 155,440 | 148,734 | 139,602 |

Order bookings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|----------------|---------------|---------------|---------------|---------------|----------------|
| Sweden | 13,421 | 13,893 | 7,663 | 7,298 | 29,905 |
| Norway | 8,442 | 8,621 | 4,007 | 5,085 | 13,098 |
| Finland | 3,691 | 3,334 | 2,077 | 1,572 | 6,780 |
| Poland | 5,088 | 4,515 | 3,230 | 2,767 | 8,323 |
| Czech Republic | 2,260 | 1,213 | 1,226 | 859 | 3,184 |
| UK | 9,378 | 4,384 | 5,514 | 2,708 | 10,350 |
| USA Building | 17,533 | 14,197 | 6,492 | 9,399 | 30,782 |
| USA Civil | 8,230 | 7,019 | 6,813 | 4,925 | 11,522 |
| Latin America | 2,247 | 2,889 | 909 | 1,457 | 5,851 |
| Other | 100 | 280 | -37 | -23 | 256 |
| Total | 70,390 | 60,345 | 37,894 | 36,047 | 120,051 |

Residential Development

Revenue and earnings

| SEK M | Jan–Jun 2014 | Jan–Jun 2013 | Apr–Jun 2014 | Apr–Jun 2013 | Jan–Dec 2013 |
|---|--------------|--------------|--------------|--------------|--------------|
| Revenue | 4,469 | 5,258 | 2,457 | 2,649 | 9,234 |
| Gross income | 609 | 593 | 340 | 315 | 1,055 |
| Selling and administrative expenses | -262 | -267 | -130 | -134 | -484 |
| Income from joint ventures and associated companies | 2 | 5 | 0 | -3 | 2 |
| Operating income | 349 | 331 | 210 | 178 | 573 |
| Operating margin, % | 7.8 | 6.3 | 8.5 | 6.7 | 6.2 |
| Investments | -3,894 | -3,161 | -1,924 | -1,657 | -6,961 |
| Divestments | 4,393 | 3,506 | 2,791 | 1,530 | 7,980 |
| Net investments | 499 | 345 | 867 | -127 | 1,019 |
| Capital employed, SEK bn | 11.1 | 10.9 | - | - | 10.8 |
| Employees | 406 | 474 | | | 419 |

Revenue

| SEK M | Jan–Jun 2014 | Jan–Jun 2013 | Apr–Jun 2014 | Apr–Jun 2013 | Jan–Dec 2013 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 2,296 | 2,472 | 1,087 | 1,437 | 4,636 |
| Norway | 525 | 1,167 | 305 | 566 | 1,654 |
| Finland | 921 | 1,264 | 543 | 451 | 2,204 |
| Nordics | 3,742 | 4,903 | 1,935 | 2,454 | 8,494 |
| Other European countries | 727 | 355 | 522 | 195 | 740 |
| Total | 4,469 | 5,258 | 2,457 | 2,649 | 9,234 |

Operating income ¹

| SEK M | Jan–Jun 2014 | Jan–Jun 2013 | Apr–Jun 2014 | Apr–Jun 2013 | Jan–Dec 2013 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 204 | 191 | 104 | 113 | 331 |
| Norway | 53 | 77 | 34 | 41 | 111 |
| Finland | 64 | 69 | 47 | 22 | 127 |
| Nordics | 321 | 337 | 185 | 176 | 569 |
| Other European countries | 28 | -6 | 25 | 2 | 4 |
| Total | 349 | 331 | 210 | 178 | 573 |

Operating margin, % ¹

| | Jan–Jun 2014 | Jan–Jun 2013 | Apr–Jun 2014 | Apr–Jun 2013 | Jan–Dec 2013 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 8.9 | 7.7 | 9.6 | 7.9 | 7.1 |
| Norway | 10.1 | 6.6 | 11.1 | 7.2 | 6.7 |
| Finland | 6.9 | 5.5 | 8.7 | 4.9 | 5.8 |
| Nordics | 8.6 | 6.9 | 9.6 | 7.2 | 6.7 |
| Other European countries | 3.9 | neg | 4.8 | 1.0 | 0.5 |
| Total | 7.8 | 6.3 | 8.5 | 6.7 | 6.2 |

¹ Development gain only. Construction margin reported under Construction.

Homes started

| | Jan–Jun 2014 | Jan–Jun 2013 | Apr–Jun 2014 | Apr–Jun 2013 | Jan–Dec 2013 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 691 | 803 | 273 | 457 | 1,376 |
| Norway | 155 | 168 | 66 | 43 | 334 |
| Finland | 341 | 421 | 160 | 153 | 806 |
| Nordics | 1,187 | 1,392 | 499 | 653 | 2,516 |
| Other European countries | 121 | 271 | 0 | 210 | 602 |
| Total | 1,308 | 1,663 | 499 | 863 | 3,118 |

Homes sold

| | Jan–Jun 2014 | Jan–Jun 2013 | Apr–Jun 2014 | Apr–Jun 2013 | Jan–Dec 2013 |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Sweden | 790 | 860 | 365 | 496 | 1,572 |
| Norway | 102 | 206 | 57 | 85 | 324 |
| Finland | 387 | 553 | 214 | 190 | 943 |
| Nordics | 1,279 | 1,619 | 636 | 771 | 2,839 |
| Other European countries | 261 | 288 | 139 | 172 | 552 |
| Total | 1,540 | 1,907 | 775 | 943 | 3,391 |

Homes under construction

| | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|--------------------------|--------------|--------------|--------------|
| Sweden | 2,497 | 2,359 | 2,363 |
| Norway | 515 | 688 | 749 |
| Finland | 879 | 1,374 | 1,071 |
| Nordics | 3,891 | 4,421 | 4,183 |
| Other European countries | 877 | 764 | 1,054 |
| Total | 4,768 | 5,185 | 5,237 |

Completed unsold, number of homes

| | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|--------------------------|--------------|--------------|--------------|
| Sweden | 135 | 119 | 159 |
| Norway | 25 | 23 | 16 |
| Finland | 269 | 105 | 198 |
| Nordics | 429 | 247 | 373 |
| Other European countries | 63 | 78 | 32 |
| Total | 492 | 325 | 405 |

Homes under construction of which sold, %

| | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|--------------------------|--------------|--------------|--------------|
| Sweden | 83 | 72 | 79 |
| Norway | 51 | 78 | 72 |
| Finland | 57 | 57 | 54 |
| Nordics | 73 | 68 | 72 |
| Other European countries | 58 | 45 | 49 |
| Total | 70 | 65 | 67 |

Commercial Property Development

Revenue and earnings

| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|--|--------------|--------------|--------------|--------------|--------------|
| Revenue | 2,585 | 2,122 | 1,522 | 1,851 | 6,206 |
| of which from divestment of properties | 2,333 | 1,905 | 1,404 | 1,748 | 5,779 |
| Gross income | 556 | 477 | 341 | 386 | 1,547 |
| Selling and administrative expenses | -249 | -228 | -123 | -100 | -495 |
| Income from joint ventures and associated companies | 5 | 9 | 3 | 2 | 16 |
| Operating income | 312 | 258 | 221 | 288 | 1,068 |
| of which gain from divestment of properties ¹ | 408 | 381 | 273 | 346 | 1,415 |
| of which writedowns/reversal of writedowns | -11 | 0 | -11 | 0 | -13 |
| ¹ Additional gains included in eliminations | 31 | 26 | 7 | 22 | 112 |
| Investments | -2,375 | -1,996 | -1,349 | -1,051 | -4,514 |
| Divestments | 2,507 | 3,127 | 1,372 | 811 | 6,954 |
| Net investments | 132 | 1,131 | 23 | -240 | 2,440 |
| Capital employed, SEK bn | 13.9 | 13.8 | - | - | 13.5 |
| Employees | 284 | 422 | - | - | 279 |

Revenue

| SEK M | | | | | | of which from divestments | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|--------------|--------------|
| | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
| Nordics | 2,054 | 2,008 | 1,165 | 1,765 | 3,430 | 1,881 | 1,842 | 1,091 | 1,685 | 3,134 |
| Europe | 366 | 32 | 339 | 12 | 1,215 | 309 | 0 | 308 | 0 | 1,132 |
| U.S. | 165 | 82 | 18 | 74 | 1,561 | 143 | 63 | 5 | 63 | 1,513 |
| Total | 2,585 | 2,122 | 1,522 | 1,851 | 6,206 | 2,333 | 1,905 | 1,404 | 1,748 | 5,779 |

Operating income

| SEK M | | | | | | of which from divestments | | | | |
|--------------|--------------|--------------|--------------|--------------|--------------|---------------------------|--------------|--------------|--------------|--------------|
| | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
| Nordics | 390 | 329 | 248 | 320 | 515 | 412 | 370 | 272 | 339 | 681 |
| Europe | -43 | -50 | -13 | -21 | 285 | -9 | 3 | -5 | 1 | 377 |
| U.S. | -35 | -21 | -14 | -11 | 268 | 5 | 8 | 6 | 6 | 357 |
| Total | 312 | 258 | 221 | 288 | 1,068 | 408 | 381 | 273 | 346 | 1,415 |

Capital employed

| SEK M | Jun 30, 2014 | Jun 30, 2013 | Dec 31, 2013 |
|--------------|---------------|---------------|---------------|
| Nordics | 6,296 | 7,256 | 6,457 |
| Europe | 4,374 | 3,658 | 4,491 |
| U.S. | 3,271 | 2,923 | 2,566 |
| Total | 13,941 | 13,837 | 13,514 |

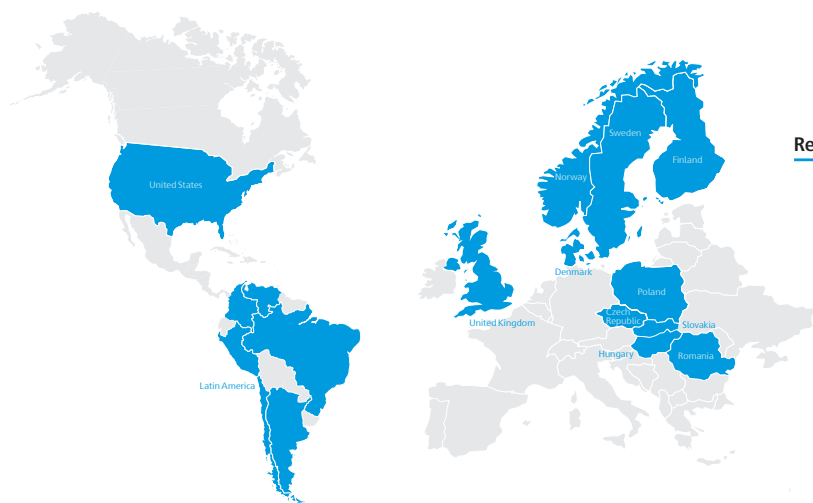
Infrastructure Development

Revenue and earnings

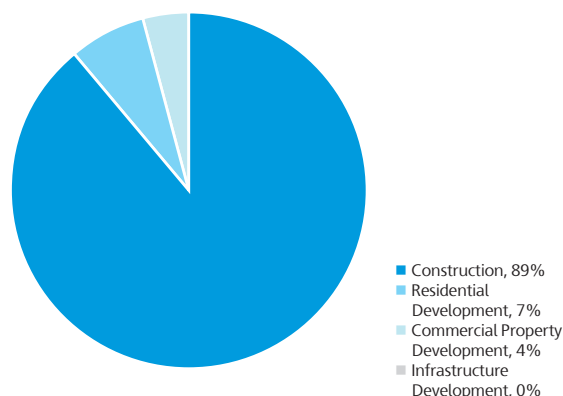
| SEK M | Jan-Jun 2014 | Jan-Jun 2013 | Apr-Jun 2014 | Apr-Jun 2013 | Jan-Dec 2013 |
|---|--------------|--------------|--------------|--------------|--------------|
| Revenue | 35 | 46 | 18 | 17 | 87 |
| Gross income | -77 | -64 | -40 | -31 | -111 |
| Selling and administrative expenses | -66 | -65 | -31 | -34 | -134 |
| Income from joint ventures and associated companies | 338 | 355 | 167 | 236 | 646 |
| Operating income | 195 | 226 | 96 | 171 | 401 |
| of which gains from divestments of shares in projects | 0 | 118 | 0 | 118 | 118 |
| Investments | -125 | -39 | -66 | -13 | -75 |
| Divestments | 9 | 228 | 2 | 219 | 242 |
| Net investments | -116 | 189 | -64 | 206 | 167 |
| Capital employed, SEK bn | 2.1 | 1.7 | - | - | 2.0 |
| Employees | 123 | 132 | - | - | 130 |

About Skanska

Skanska is one of the world's leading construction and project development companies, focused on selected home markets in the Nordic region, the rest of Europe and the U.S. Supported by global trends in urbanization, demography and energy, as well as a focus on green construction, ethics, working environment and health, Skanska offers competitive solutions in the most complex assignments. The business model generates value for Skanska's shareholders through the collaboration of the Construction and Project Development business streams.



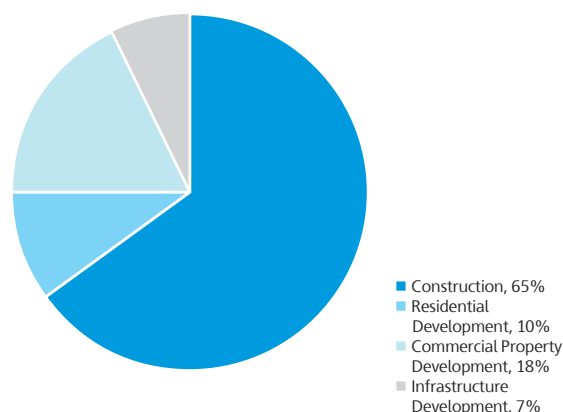
Revenue per segment, January – December 2013



Key ratios 2013

| | SEK M | MEUR | MUSD |
|---------------------------------|---------|--------|--------|
| Revenue | 136,446 | 15,771 | 20,943 |
| Operating income | 5,144 | 595 | 790 |
| Income after financial items | 4,903 | 567 | 753 |
| Earnings per share, SEK/EUR/USD | 8.43 | 0.97 | 1.29 |
| Return on equity, % | 17.40 | 17.40 | 17.40 |
| Order bookings | 120,051 | 13,876 | 18,427 |
| Order backlog | 139,602 | 15,691 | 21,595 |
| Employees, number | 57,105 | 57,105 | 57,105 |

Operating income per segment, January– December 2013



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This report will also be presented via a telephone conference and audiocast at 10:00 a.m. (10:00 CET) on July 18. The telephone conference will be audiocasted live at 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.

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