

PRESS RELEASE

November 1, 2007

8:30 a.m. CET

Nine Month Report, January–September 2007

Group highlights

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006
Revenue	100,372	90,842	36,405	31,928
<i>of which revenue from divestments of properties in Commercial Development</i>	1,903	2,633	685	90
Operating income	3,769	3,614	1,571	1,047
<i>of which gains from divestments of properties in Commercial Development</i>	743	1,252	264	47
Income after financial items	3,941	3,767	1,642	1,091
Profit for the period	2,877	2,810	1,243	804
Earnings per share for the period, SEK	6.83	6.68	2.96	1.91
Capital employed, SEK bn	23.6	23.7		
Equity, SEK bn	19.6	18.5		
Interest-bearing net receivables (+)/net debt (-), SEK bn	7.6	10.1		
Return on capital employed, % ¹	22.8	23.5		
Return on equity, % ^{1,3}	19.3	22.0		
Operating cash flow before taxes, financing operations and dividends	828	2,398	500	823
Order bookings, SEK bn ²	109.9	99.9	30.2	28.6
Order backlog, SEK bn ²	147.6	134.5		

¹ Rolling 12 months

² Refers to Construction

³ Average equity based on five points for measurement. Comparative numbers for 2006 are recalculated.

January–September 2007 compared to January–September 2006

- Revenue amounted to SEK 100.4 billion (90.8). In Construction, revenue rose by 15 percent adjusted for currency rate effects.
- Operating income for the Group amounted to SEK 3,769 M (3,614).
- Operating income in Construction rose by 33 percent and amounted to SEK 3,176 M (2,380). The operating margin increased to 3.3 (2.8) percent.
- During the report period, commercial properties with a value of SEK 1,903 M (2,633) were divested, with capital gains amounting to SEK 743 M (1,252).
- Income after financial items amounted to SEK 3,941 M (3,767).
- Profit for the report period amounted to SEK 2,877 M (2,810), and earnings per share totaled SEK 6.83 (6.68).
- Order bookings increased by 10 percent and amounted to SEK 109.9 billion (99.9). Adjusted for currency rate effects, order bookings increased by 14 percent. Order bookings in the third quarter amounted to SEK 30.2 billion (28.6) which, adjusted for currency rate effects, is an increase of 9 percent.
- Order backlog totaled SEK 147.6 billion (134.5), equivalent to 14 (14) months of construction.

For further information, please contact:

Hans Biörck, Executive Vice President and CFO, Skanska AB, telephone +46 8 753 88 00
 Anders Lilja, Senior Vice President, Investor Relations, Skanska AB, telephone +46 8 753 88 01
 Karin Lepasoon, Senior Vice President, Communications, Skanska AB, telephone +46 8 753 88 74
 Peter Gimbe, Press Officer, Skanska AB, telephone +46 8 753 88 38, cell phone +46 70 543 88 38

This report will also be presented at a combined press and telephone conference at 11:00 a.m. CET on November 1. The press- and telephone conference will be held at Berns, Berzelii Park in Stockholm. To participate in the telephone conference, please register at the following website:

<https://eventreg2.conferencing.com/webportal3/reg.html?Acc=206277&Conf=180913>. For five business days after the conference, it will be possible to listen to a recording at telephone +46 8 505 203 33, code 770280.

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

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

Comments from Skanska's President and CEO Stuart Graham:

- Market conditions remain good in our home markets, and we only seen minimal signs that our segments have been affected by the recent financial market turmoil. We have very low exposure to the American housing market and focus instead on such sectors as healthcare and education, which continue to offer major opportunities.
- Operating income in Construction rose by 33 percent and the operating margin continued to improve. Nearly all markets contributed to the improvement but continued cost escalation may in the short term perspective hold back further improvements. Our order bookings are up both in the period and in the third quarter. We continue to carefully balance order intake with available management capacity and resources.
- The residential market in the Nordics is in various stages of leveling off or even declining as is the case in Denmark and to some extent in Norway as well. Because of our policy to divide projects into relatively small phases and require 30-60 percent pre-sales before starting construction, there is no imminent risk that we will build up a large inventory of unsold units should the market deteriorate further. In Sweden the market is still relatively strong but rising construction costs are holding back margins in Residential Development. Scarcity of resources coupled with rising costs is also impacting new starts. Given the continued urbanization trend, the underlying demand for residential units remains good and current market conditions are more a reflection of affordability issues. This all puts additional focus on our effort to industrialize operations and coordinate purchasing in order to push down costs.
- In the markets where we pursue development of commercial space, we are seeing continued falling vacancy rates and rents for new premises are rising. Taken together, this means a good market for new development. During the report period we started 15 new projects.
- We are continuing to work on tendering for new projects in our Infrastructure Development operations, mainly in the United Kingdom and in the United States. We are also seeing renewed interest in Public-Private Partnership (PPP) projects in the Czech Republic and Slovakia. Unrealized development gains in our existing project portfolio increased by about SEK 600 M in the first nine months of 2007 and amounted to SEK 4.3 billion at the end of September.

Market outlook

Construction

The outlook for building construction is positive in Skanska's main markets and especially in the Nordic markets and in Central Europe. In these markets, retail space and office buildings are among the stronger segments. In the American building construction market, Skanska's largest segments – healthcare and education – remain strong.

The market outlook in the Nordic as well as Central European civil construction markets remains positive. The outlook for U.S. civil construction is very good, especially in New York.

Both building construction and civil construction are being affected by material cost escalation and shortages of human resources as well as certain materials such as prefabricated elements.

Residential development

In Sweden and Finland the demand for residential units is at a good level, especially in the capital cities. Interest rate increases and stricter mortgage lending are making affordability an issue which most likely will put pressure on selling prices. The Danish market is over supplied in Copenhagen and will take some time to recover. In Norway interest rate increases and very high prices driven by construction cost means that this market too will see fewer new starts and slower sales. In the Czech Republic and in Slovakia, the housing market is showing increased demand, but the lengthy permitting processes are delaying project starts.

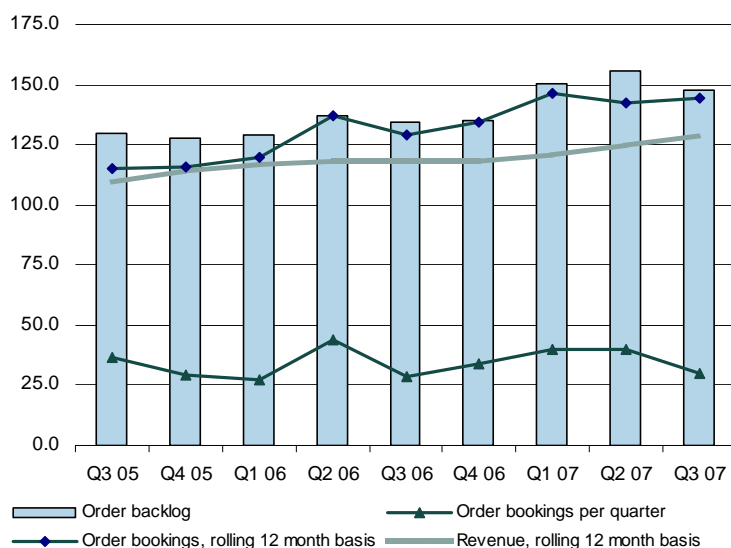
Commercial Development

Vacancy rates in modern properties in the office markets of Scandinavia and parts of Central Europe are declining, and rents are rising. As a consequence of increasing project activity, investments are growing. In Scandinavia as well as Central Europe, there is continued good demand from the investor market for properties with efficient space in the right locations.

Infrastructure Development

The volume of public-private partnership (PPP) projects in the U.K. is still large, and in the school sector the market is growing. In Skanska's other European markets, the supply of projects is more limited. The lead times for PPP projects in the U.S. remain difficult to predict.

Order bookings and backlog in Construction, SEK bn



Order bookings

During January-September, order bookings increased by 10 percent compared to the year-earlier period and amounted to SEK 109.9 billion (99.9). Adjusted for currency rate effects, order bookings increased by 14 percent.

Order bookings during the third quarter

Order bookings in the third quarter amounted to SEK 30.2 billion (28.6) which, adjusted for currency rate effects, is an increase of 9 percent.

During the third quarter, Skanska UK was awarded a contract to construct the Walbrook office and retail development in central London. The contract amount totals about SEK 2 billion.

During the quarter, Skanska USA Building was contracted to build a new cancer hospital in Gainesville, Florida for about SEK 1 billion. It also signed a contract to construct a data center in the northeastern United States for about SEK 1.2 billion as well as a tower building in Jacksonville, Florida for about SEK 345 M. The same unit was also selected to serve as construction manager for the renovation of the United Nations headquarters in New York City. This assignment has an expected order value of SEK 6.9 billion, which will be included in Skanska's order bookings in phases. During the third quarter of 2007, only SEK 48 M of this is included in order bookings.

During the quarter, Skanska Latin America secured a contract to build a steam pipeline in Brazil. The contract value amounts to about SEK 780 M. The same unit was also contracted to build two new refinery units in Cubatão outside São Paulo, Brazil. Skanska's share of the contract is equivalent to about SEK 380 M.

Order backlog

Order backlog increased by 10 percent and totaled SEK 147.6 billion (134.5) at the end of the report period. Adjusted for currency rate effects, order backlog rose by 15 percent. Order backlog was equivalent to about 14 (14) months of construction.

Revenue and earnings

Performance analysis

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006
Revenue				
Construction	95,922	85,513	34,878	31,170
Residential Development	5,612	4,686	1,752	1,376
Commercial Development	2,145	3,005	762	276
Infrastructure Development	44	128	15	23
Central and eliminations	-3,351	-2,490	-1,002	-917
Skanska Group	100,372	90,842	36,405	31,928
Operating income				
Construction	3,176	2,380	1,363	1,018
Residential Development	509	512	123	162
Commercial Development ¹	662	1,166	233	27
Infrastructure Development	-119	36	-4	26
Central	-461	-419	-106	-117
Eliminations ¹	2	-61	-38	-69
Operating income	3,769	3,614	1,571	1,047
Net interest items	311	195	112	82
Change in fair value	-76	-85	-26	-37
Other net financial items	-63	43	-15	-1
Net financial items	172	153	71	44
Income after financial items	3,941	3,767	1,642	1,091
Taxes	-1,064	-957	-399	-287
Profit for the period	2,877	2,810	1,243	804
Attributable to				
Equity holders	2,859	2,799	1,237	801
Minority interest	18	11	6	3
Earnings per share for the period	6.83	6.68	2.96	1.91
1 Of which gains from divestments of commercial properties reported in:				
Commercial Development	739	1,212	260	47
Eliminations	4	40	4	0

Revenue increased by 10 percent and totaled SEK 100.4 billion (90.8). Adjusted for currency rate effects, revenue rose by 14 percent. Revenue of the Construction business stream increased by 15 percent in local currencies.

Operating income amounted to SEK 3,769 M (3,614). Currency rate effects reduced operating income by SEK 61 M.

In the Construction business stream, operating income rose by 33 percent and amounted to SEK 3,176 M (2,380). The operating margin rose to 3.3 (2.8) percent. Margins increased in all markets except the United Kingdom, where cost increases affected a few long-term projects with fixed-price commitments. Operating income for the year-earlier period included a positive effect of SEK 80 M due to the financial close of the Barts and The London hospital project.

In Residential Development, operating income amounted to SEK 509 M (512). The operating margin in this business stream amounted to 9.1 (10.9) percent. Both the pace of price increases and of sales is slowing leading to lower margins since the costs of materials and subcontracting work have continued to rise. The Danish residential project described in the Six Month Report suffered further deterioration in income. In the nine month period, the negative impact on operating income is approximately SEK 50 M of which approximately SEK 35 M in the third quarter.

Operating income in the Commercial Development business stream totaled SEK 662 M (1,166). Operating income in the business stream included capital gains from property divestments amounting to SEK 739 M (1,212). Of this amount SEK 281 M (95) is attributable to ongoing projects that are divested ahead of completion. For these projects, Skanska applies the percentage of completion principle.

The operating income of the Infrastructure Development business stream amounted to SEK -119 M (36). Higher bidding costs for new projects are among the explanations for the lower earnings. Income from projects in operation, excluding gains from divestments of shares in projects, more than doubled. Operating income in the comparative period included gains from divestments of shares in projects in the amount of SEK 118 M.

Central expenses amounted to SEK -461 M (-419).

Net interest income amounted to SEK 311 M (195). Capitalization of interest expenses in ongoing projects for Skanska's own account totaled SEK 44 M (27). The net change in the market value of financial instruments amounted to SEK -76 M (-85). Other financial items totaled SEK -63 M (43) and mainly consisted of currency rate differences.

Income after financial items amounted to SEK 3,941 M (3,767). Taxes for the period amounted to SEK -1,064 M (-957), equivalent to a tax rate of about 27 (25) percent. Profit for the period totaled SEK 2,877 M (2,810). Earnings per share for the period amounted to SEK 6.83 (6.68).

Investments and divestments

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006
Investments	-7,198	-5,916	-2,190	-1,999
Divestments	6,410	6,577	2,424	1,398
Net investments ¹	-788	661	234	-601
1 Of which strategic investments/divestments	-70	104	-10	98

In the Construction business stream, investments rose to SEK -1,732 M (-1,351). This item was mainly related to investments in property, plant and equipment for Skanska's own construction and manufacturing. Net investments in Construction totaled SEK -921 M (-717). During the period, depreciation of property, plant and equipment totaled SEK -879 M (-802). The acquisition of the Slovakian company Stamart, which was announced during the fourth quarter of 2006, is included under strategic investments.

In Residential Development, investments increased to SEK -3,800 M (-3,355), of which approximately SEK 1.3 billion was related to acquisitions of land equivalent to about 5,300 building rights. On a net basis, the number of building rights rose during the period by about 1,900 units. Net investments in Residential Development operations totaled SEK -86 M (-446).

In Commercial Development, investments rose to SEK -1,651 M (-987). Of this, about SEK 150 M was related to investments in land for new development. Divestments in the form of sale of completed properties and ongoing projects decreased to SEK 1,903 M (2,752). Net divestments in Commercial Development totaled SEK 252 M (1,765).

Investments in Infrastructure Development amounted to SEK -59 M (-205) and divestments totaled SEK 28 M (177). Divestments consisted of repayments of subordinated loans. In the comparative period of 2006, Skanska divested part of its holding in Maputo Port, Mozambique. Net investments in Infrastructure Development totaled SEK -31 M (-28).

The Group's total investments amounted to SEK -7,198 M (-5,916). Divestments totaled SEK 6,410 M (6,577), and the Group's net investments amounted to SEK -788 M (661).

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

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006
Cash flow from business operations and net strategic investments by business stream				
Construction	2,531	1,734	1,287	1,448
Residential Development	-1,026	-573	-327	-785
Commercial Development	142	1,639	-74	-108
Infrastructure Development	-191	60	-69	165
Central and eliminations	-628	-462	-317	103
Cash flow before taxes, financing operations and dividends	828	2,398	500	823
Taxes paid	-788	-825	-370	22
Net interest items and other financial items	27	80	-47	-113
Dividend etc.	-3,459	-2,730	0	1
Cash flow before change in interest-bearing receivables and liabilities	-3,392	-1,077	83	733
Translation differences, net receivables/net debt	55	-216	-32	-40
Change in pension liability	728	451	41	312
Reclassification, interest-bearing net receivables/net debt	0	-29	0	6
Interest-bearing liabilities acquired/divested	4	17	-2	17
Other changes, interest-bearing net receivables/net debt	-126	-148	-31	-51
Change in interest-bearing net receivables/net debt	-2,731	-1,002	59	977

Cash flow before taxes, financing operations and dividends amounted to SEK 828 M (2,398).

In Construction, cash flow totaled SEK 2,531 M (1,734). Aside from improved cash flow from operations, the change in working capital was also better than in the comparative period of 2006. In Residential Development, cash flow decreased to SEK -1,026 M (-573), partly as a consequence of a temporary negative change in working capital. This is a timing effect from invoicing to residential cooperative associations mainly in Sweden and in Norway for payment in the fourth quarter. Commercial Development reported cash flow from business operations of SEK 142 M (1,639). The decrease was mainly an effect of lower divestment volume of projects and completed properties, as well as increased investments in ongoing projects. In Infrastructure Development, cash flow totaled SEK -191 M (60).

Taxes paid amounted to SEK -788 M (-825). Dividends and adjustments of minority interest totaled SEK -3,459 M (-2,730). The dividend of SEK 3,453 M that the Annual Shareholders' Meeting of Skanska approved was disbursed during the second quarter. Cash flow before changes in interest-bearing receivables and liabilities amounted to SEK -3,392 M (-1,077). After primarily a non-cash reduction of the pension liability in the amount of SEK 728 M, the change in interest-bearing net receivables/net debt amounted to SEK -2,731 M (-1,002).

Financial position

During the period, the Group's interest-bearing net cash position decreased by SEK 2.7 billion, amounting to SEK 7.6 billion (December 31, 2006: 10.4) at the end of the third quarter. Interest-bearing loans plus interest-bearing pensions and provisions totaled SEK 3.9 billion (December 31, 2006: 5.1). Of this amount, "Interest-bearing pensions and provisions" totaled SEK 0.9 billion (December 31, 2006: 1.7).

At the end of the period, capital employed amounted to SEK 23.6 billion (December 31, 2006: 24.4).

The equity of the Group totaled SEK 19.6 billion (December 31, 2006: 19.3). Actuarial gains on pensions accounted for SEK 570 M of this change. The net debt/equity ratio amounted to -0.4 (December 31, 2006: -0.5) and the equity/assets ratio was 25.4 percent (December 31, 2006: 27.1).

Total assets in the consolidated balance sheet amounted to SEK 77.5 billion (December 31, 2006: 71.3). This sum was influenced by positive currency rate effects of SEK 0.1 billion.

The carrying amount of current-asset properties totaled SEK 13.3 billion (December 31, 2006: 11.8), of which Commercial Development current-asset properties accounted for SEK 6.1 billion (December 31, 2006: 5.6). See the table on page 17.

Surplus values in the Commercial Development and Infrastructure Development business streams

The appraisal of market values in Commercial Development showed surplus values of SEK 2.1 billion (December 31, 2006: 2.0). See page 17 for more details.

At the end of the period, the adjusted appraisal of market values in Infrastructure Development showed surplus values at the Group level of SEK 4.3 billion (December 31, 2006: 3.7). See page 18 for more details.

Exchange rates for the most important currencies

SEK	Average exchange rates		Exchange rates on the balance sheet date		
	Jan-Sep	Jan-Sep	Sep 30	Sep 30	Dec 31
	2007	2006	2007	2006	2006
U.S. dollar	6.87	7.47	6.50	7.32	6.86
British pound	13.65	13.57	13.20	13.69	13.47
Norwegian crown	1.15	1.17	1.19	1.13	1.10
Euro	9.24	9.29	9.22	9.27	9.04

Personnel

The average number of employees in the Group was 59,765 (55,911).

Accounting principles

This Interim Report has been prepared in compliance with IAS 34, "Interim Financial Reporting." Skanska is applying the same accounting principles that were described in the Annual Report for 2006.

Transactions with related parties

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

Essential risks and uncertainty factors

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

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

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

For a description of key estimates and judgments, see Note 2 in the Annual Report for 2006.

Other matters

Financial targets 2010

In accordance with the ambitions in its business plan for the period 2008-2010, Skanska has set new financial "Outperform" targets for all of its business streams. The targets were presented in a capital markets day on October 4, 2007.

In the Construction business stream, the operating margin target is being raised from 3.3 percent to 4.0 percent. In Residential Development, the operating margin target is being raised from 10 percent to 12 percent while the return on capital employed (ROCE) target remains at 18 percent. In Commercial Development, the ROCE target is being abandoned and the new target is to achieve SEK 500-700 M of value creation annually, where value creation is defined as accrued development gains less costs for the project development organization. In the Infrastructure Development business stream, the target of 16 percent ROCE, adjusted for unrealized development gains and changes in market value, is being kept.

For the Group as a whole, the target is to achieve a return on equity (ROE) of 20 percent, compared to the current target of 18 percent.

Long-term ownership program

Skanska's Board of Directors is proposing a long-term ownership program for all permanent employees in the Skanska Group. The purpose of the program is to strengthen incentives for retaining and recruiting qualified personnel and to align employees more closely to the shareholders. The Board of Directors will convene an Extraordinary Shareholders' Meeting of Skanska to decide on the ownership program. The meeting will be held at 4:00 p.m. on November 29, 2007 at Skanska's Head Office, Råsundavägen 2 in Solna, Sweden.

Cartel cases

In the Finnish Competition Authority's suit in the Market Court, calling for infringement fines for alleged anti-competitive activities in the asphalt and civil construction sector, nothing new has occurred. The main hearings were completed in December 2006, and a ruling is expected to be issued during 2007.

Events after the close of the period

Divestment of Infrastructure Development project

After the close of the period, the remaining 12 percent shareholding in the Maputo Port project in Mozambique was sold for SEK 100 M. The gain on the sale, which amounted to approximately SEK 70 M, will be included in the fourth quarter accounts.

Property divestments during the fourth quarter

As of today (November 1), Skanska has carried out property divestments worth SEK 455 M during the fourth quarter, with capital gains amounting to SEK 160 M.

Skanska to construct Heron tower in London

After the close of the period, Skanska was awarded the contract to construct Heron Tower in the City of London by the trustees of the Heron Tower Property Unit Trust. The contract value is around GBP 242 M, about SEK 3.3 billion, which is included in order bookings for the fourth quarter of 2007.

Financial reports for the 2007 financial year

Skanska's interim reports as well as the Year-end Report are available for downloading on Skanska's website, www.skanska.com, and can also be ordered from Skanska AB, Investor Relations.

The Group's remaining quarterly report for the 2007 financial year will be published on the following date:

February 7, 2008 Year-end Report

Solna, November 1, 2007

STUART E. GRAHAM

President and CEO

Auditor's Review Report of the interim report

Introduction

We have reviewed the interim report of Skanska AB (publ) as of September 30, 2007 and for the nine month period then ended. The Board of Directors and the President are responsible for the preparation and fair presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Focus and scope of the review

We conducted our review in accordance with the Standard on Review Engagements (SÖG) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially smaller in scope than an audit conducted in accordance with the Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as does a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS for the Group and in accordance with the Annual Accounts Act for the Parent Company.

Stockholm, November 1, 2007

KPMG Bohlins AB

Caj Nackstad

Authorized Public Accountant

The Skanska Group

Summary income statement

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Revenue	100,372	90,842	36,405	31,928	135,133	125,603
Cost of sales	-91,122	-82,336	-33,078	-29,216	-123,006	-114,220
Gross income	9,250	8,506	3,327	2,712	12,127	11,383
Selling and administrative expenses	-5,765	-5,136	-1,854	-1,793	-7,614	-6,985
Income from joint ventures and associated companies	284	244	98	128	404	364
Operating income	3,769	3,614	1,571	1,047	4,917	4,762
Financial income ¹	415	310	149	108	571	466
Financial expenses ¹	-243	-157	-78	-64	-330	-244
Income from associated companies ¹	0	0	0	0	1	1
Net financial items	172	153	71	44	242	223
Income after financial items	3,941	3,767	1,642	1,091	5,159	4,985
Taxes	-1,064	-957	-399	-287	-1,437	-1,330
Profit for the period	2,877	2,810	1,243	804	3,722	3,655
Attributable to:						
Equity holders	2,859	2,799	1,237	801	3,695	3,635
Minority interest	18	11	6	3	27	20
Key financial figures						
Earnings per share, SEK	6.83	6.68	2.96	1.91	8.84	8.68
Average number of shares ^c	418,553,072	418,553,072	418,553,072	418,553,072	418,553,072	418,553,072
Number of own shares	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Depreciation, non-current assets	-904	-840	-316	-286	-1,211	-1,147
Impairment loss, goodwill	-8	0	-8	0	-8	0
Return on capital employed, % ²	22.8	23.5			22.8	22.5
Return on equity, % ^{2,3}	19.3	22.0			19.3	20.5
Average number of employees	59,765	55,911			59,939	56,085

¹ of which

Interest income	413	261	147	105	558	406
Interest expenses	-102	-66	-35	-23	-143	-107
Net interest	311	195	112	82	415	299
Change in fair value	-76	-85	-26	-37	-109	-118
Other net financial items	-63	43	-15	-1	-64	42
Net financial items	172	153	71	44	242	223

² Rolling 12 months

³ Average equity based on five points for measurement. Comparative numbers for 2006 are recalculated.

Summary cash flow statement

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Cash flow from operating activities	1,268	2,466	498	1,007	2,519	3,717
Cash flow from investing activities	-2,248	-2,079	-1,158	-355	-3,369	-3,200
Cash flow from financing activities	-3,833	-2,972	-52	67	-3,721	-2,860
Cash flow for the period	-4,813	-2,585	-712	719	-4,571	-2,343

Changes in equity

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Opening balance	19,337	18,587	18,345	17,459	18,537	18,587
Attributable to equity holders						
Dividend	-3,453	-2,721	0	0	-3,453	-2,721
Translation differences	325	-417	42	6	63	-679
Effects of actuarial gains and losses on pensions	570	343	58	227	728	501
Effects of equity-settled share-based payments	12	12	-12	8	18	18
Effects of hedge accounting	-49	-64	-30	35	-3	-18
Change, minority interest	30	-13	3	-2	37	-6
Profit for the period attributable to						
Equity holders	2,859	2,799	1,237	801	3,695	3,635
Minority	18	11	6	3	27	20
Closing balance	19,649	18,537	19,649	18,537	19,649	19,337

Group net investments

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
OPERATIONS - INVESTMENTS						
Intangible assets	-23	-27	-11	-5	-34	-38
Property, plant and equipment	-1,436	-1,171	-477	-464	-1,993	-1,728
Assets in Infrastructure Development	-58	-204	-39	-57	-140	-286
Shares and participations	-25	0	-5	0	-28	-3
Current-asset properties	-5,584	-4,509	-1,647	-1,473	-8,139	-7,064
<i>of which Residential Development</i>	-3,791	-3,369	-993	-1,134	-5,575	-5,153
<i>of which Commercial Development</i>	-1,650	-983	-572	-293	-2,306	-1,639
<i>of which other commercial properties</i>	-143	-157	-82	-46	-258	-272
Investments	-7,126	-5,911	-2,179	-1,999	-10,334	-9,119
OPERATIONS - DIVESTMENTS						
Intangible assets	1	2	1	-3	1	2
Property, plant and equipment	340	262	152	144	574	496
Assets in Infrastructure Development	28	176	6	97	44	192
Shares and participations	65	4	8	1	65	4
Current-asset properties	5,974	6,024	2,256	1,061	7,761	7,811
<i>of which Residential Development</i>	3,677	3,113	1,455	866	5,019	4,455
<i>of which Commercial Development</i>	1,903	2,752	685	209	2,117	2,966
<i>of which other commercial properties</i>	394	159	116	-14	625	390
Divestments	6,408	6,468	2,423	1,300	8,445	8,505
Net investments in operations	-718	557	244	-699	-1,889	-614
STRATEGIC INVESTMENTS						
Businesses	-72	-5	-11	0	-750	-683
Shares and participations	0	0	0	0	0	0
Strategic investments	-72	-5	-11	0	-750	-683
STRATEGIC DIVESTMENTS						
Businesses	2	97	1	97	45	140
Shares and participations	0	12	0	1	-1	11
Strategic divestments	2	109	1	98	44	151
Net strategic investments	-70	104	-10	98	-706	-532
TOTAL NET INVESTMENTS	-788	661	234	-601	-2,595	-1,146
Depreciation, non-current assets	-904	-840	-316	-286	-1,211	-1,147

Consolidated operating cash flow

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Cash flow from business operations before change in working capital						
capital	2,882	2,470	1,177	962	3,894	3,482
Change in working capital	-1,583	-899	-796	312	-594	90
Net investments in business operations	-718	557	244	-699	-1,889	-614
Cash flow adjustment, net investments	317	166	-115	150	559	408
Taxes paid in business operations	-763	-801	-384	-12	-1,002	-1,040
Cash flow from business operations	135	1,493	126	713	968	2,326
Cash flow from financing operations						
Net interest items and other net financial items	27	80	-47	-113	37	90
Taxes paid in financing operations	-8	-24	14	34	-11	-27
Cash flow from financing operations	19	56	-33	-79	26	63
CASH FLOW FROM OPERATIONS	154	1,549	93	634	994	2,389
Cash flow from strategic investments						
Net strategic investments	-70	104	-10	98	-706	-532
Taxes paid on strategic divestments	-17	0	0	0	-17	0
Cash flow from strategic investments	-87	104	-10	98	-723	-532
Dividend etc.	-3,459	-2,730	0	1	-3,441	-2,712
CASH FLOW BEFORE CHANGE IN INTEREST-BEARING RECEIVABLES AND LIABILITIES	-3,392	-1,077	83	733	-3,170	-855
Change in interest-bearing receivables and liabilities	-1,421	-1,508	-795	-14	-1,401	-1,488
CASH FLOW FOR THE PERIOD	-4,813	-2,585	-712	719	-4,571	-2,343
Cash and cash equivalents at the beginning of the period	10,970	13,678	6,882	10,152	10,889	13,678
Reclassification in cash and cash equivalents	0	0	0	0	0	0
Exchange rate differences in cash and cash equivalents	-103	-204	-116	18	-264	-365
Cash and cash equivalents at the end of the period	6,054	10,889	6,054	10,889	6,054	10,970
Change in interest-bearing net receivables/net debt	-2,731	-1,002	59	977	-2,463	-734

Balance sheet

SEK M	Sep 30 2007	Sep 30 2006	Dec 31 2006
ASSETS			
Non-current assets			
Property, plant and equipment	5,880	5,390	5,457
Goodwill	4,615	4,057	4,490
Intangible assets	689	581	740
Investments in joint ventures and associated companies	2,028	1,860	1,894
Financial non-current assets ^{1,3}	1,727	2,420	1,500
Deferred tax assets	1,773	1,839	1,976
Total non-current assets	16,712	16,147	16,057
Current assets			
Current-asset properties ²	13,324	10,857	11,827
Inventories	626	546	484
Financial current assets ³	4,144	2,185	3,154
Tax assets	432	567	330
Gross amount due from customers for contract work	7,342	6,919	5,222
Trade and other receivables	28,832	23,589	23,263
Cash equivalents	118	4,269	2,131
Cash	5,936	6,620	8,839
Total current assets	60,754	55,552	55,250
TOTAL ASSETS	77,466	71,699	71,307
<i>of which interest-bearing non-current assets</i>	<i>1,626</i>	<i>2,315</i>	<i>1,433</i>
<i>of which other interest-bearing current assets</i>	<i>9,940</i>	<i>12,978</i>	<i>14,008</i>
<i>Total interest-bearing assets</i>	<i>11,566</i>	<i>15,293</i>	<i>15,441</i>
EQUITY			
Equity attributable to equity holders	19,454	18,406	19,190
Minority interest	195	131	147
Total equity	19,649	18,537	19,337
LIABILITIES			
Non-current liabilities			
Financial non-current liabilities ³	1,387	2,397	2,039
Pensions	793	1,994	1,556
Deferred tax liabilities	3,004	2,716	2,892
Non-current provisions	108	146	119
Total non-current liabilities	5,292	7,253	6,606
Current liabilities			
Financial current liabilities ³	1,761	763	1,396
Tax liabilities	992	736	728
Current provisions	3,262	3,106	3,476
Gross amount due to customers for contract work	14,008	12,929	11,357
Trade and other payables	32,502	28,375	28,407
Total current liabilities	52,525	45,909	45,364
TOTAL EQUITY AND LIABILITIES	77,466	71,699	71,307
<i>of which interest-bearing financial liabilities</i>	<i>2,999</i>	<i>3,044</i>	<i>3,369</i>
<i>of which interest-bearing pensions and provisions</i>	<i>921</i>	<i>2,140</i>	<i>1,695</i>
<i>Total interest-bearing liabilities</i>	<i>3,920</i>	<i>5,184</i>	<i>5,064</i>
Key financial figures			
Capital employed, closing balance	23,569	23,721	24,401
Capital employed, average	23,964	23,024	23,132
Equity/assets ratio, %	25.4	25.9	27.1
Interest-bearing net receivables (+)/net debt (-), SEK m	7,646	10,109	10,377
Debt/equity ratio	-0.4	-0.5	-0.5
1 of which shares	101	97	59
of which pensions	210	0	0
2 Current-asset properties			
Commercial Development	6,072	5,270	5,583
Other commercial properties	926	976	956
Residential Development	6,326	4,611	5,288
	13,324	10,857	11,827
3 Items regarding non-interest-bearing unrealized changes in derivatives/financial instruments are included in the following amounts:			
Financial non-current assets	0	7	8
Financial current assets	258	95	116
Financial non-current liabilities	0	4	6
Financial current liabilities	149	112	61

Note Pledged assets and contingent liabilities

Pledged assets amounted to SEK 2.0 billion on Sep 30, 2007 (Dec 31, 2006: 1.7).

During the period the pledged assets increased by SEK 0.3 billion.

Contingent liabilities amounted to SEK 5.4 billion on Sep 30, 2007 (Dec 31, 2006: 6.3). During the period the liabilities decreased by SEK 0.9 billion.

Parent Company income statement

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Net sales	26	16	26	16	36	26
Cost of sales and selling and administrative expenses	-342	-309	-120	-92	-428	-395
Operating income	-316	-293	-94	-76	-392	-369
Net financial items	2,942	2,478	9	11	2,918	2,454
Income after financial items	2,626	2,185	-85	-65	2,526	2,085
Taxes	104	69	24	0	157	122
Profit for the period	2,730	2,254	-61	-65	2,683	2,207

Parent Company balance sheet

SEK M	Sep 30 2007	Sep 30 2006	Dec 31 2006
ASSETS			
Intangible non-current assets	21	15	22
Property, plant and equipment	2	2	3
Financial non-current assets ¹	10,736	17,899	18,388
Total non-current assets	10,759	17,916	18,413
Current receivables	274	121	123
Total current assets	274	121	123
TOTAL ASSETS	11,033	18,037	18,536
EQUITY AND LIABILITIES			
Equity	7,657	8,127	8,380
Provisions	179	186	173
Non-current interest-bearing liabilities ¹	3,078	9,712	9,920
Current liabilities	119	12	63
TOTAL EQUITY AND LIABILITIES	11,033	18,037	18,536
Average number of employees	74	65	69

¹ Of these amounts, SEK 41 M (Dec 31 2006: 7,693) were intra-Group receivables and SEK 3,078 M (Dec 31, 2006: 9,920) intra-Group liabilities.

Note Pledged assets and contingent liabilities

Pledged assets amounted to SEK 77 M on Sep 30, 2007 (Dec 31, 2006: 80). During the period the pledged assets decreased by SEK 3 M. The Parent Company's contingent liabilities relate as previous years mostly to liabilities to Group companies. Of the Parent Company's contingent liabilities SEK 4.2 billion (Dec 31, 2006: 6.0) relate to external parties.

Additional information

Business streams

Construction

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Revenue	95,922	85,513	34,878	31,170	129,119	118,710
Gross income	7,539	6,508	2,828	2,496	10,027	8,996
Selling and administrative expenses	-4,418	-4,172	-1,490	-1,499	-5,968	-5,722
Income from joint ventures and associated companies	55	44	25	21	73	62
Operating income	3,176	2,380	1,363	1,018	4,132	3,336
Investments	-1,732	-1,351	-603	-507	-3,080	-2,699
Divestments	811	634	298	300	1,181	1,004
Net investments	-921	-717	-305	-207	-1,899	-1,695
Cash flow from operations before investments and change in working capital	3,942	3,129	1,626	1,189	5,070	4,257
Change in working capital	-431	-706	32	482	485	210
Net investments in operations	-852	-812	-295	-295	-1,152	-1,112
Cash flow adjustment, net investments	-59	28	-66	-17	-94	-7
Operating cash flow from business operations ¹	2,600	1,639	1,297	1,359	4,309	3,348
Net strategic investments	-69	95	-10	89	-747	-583
Cash flow	2,531	1,734	1,287	1,448	3,562	2,765
Gross margin, %	7.9	7.6	8.1	8.0	7.8	7.6
Selling and administrative expenses, %	-4.6	-4.9	-4.3	-4.8	-4.6	-4.8
Operating margin %	3.3	2.8	3.9	3.3	3.2	2.8
Capital employed, SEK bn	3.1	2.1				2.5
Return on capital employed (RoCE), % ²	>100	>100				>100
Order bookings, SEK bn	109.9	99.9	30.2	28.6	144.1	134.1
Order backlog, SEK bn	147.6	134.5				135.1
Employees	58,505	53,959				54,480

¹ Before taxes, financing operations and dividends

² Rolling 12 months

Residential Development

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Revenue	5,612	4,686	1,752	1,376	7,714	6,788
Gross income	853	791	271	260	1,293	1,231
Selling and administrative expenses	-443	-312	-149	-103	-563	-432
Income from joint ventures and associated companies	99	33	1	5	119	53
Operating income	509	512	123	162	849	852
Investments	-3,800	-3,355	-990	-1,240	-5,490	-5,045
Divestments	3,714	2,909	1,447	856	4,972	4,167
Net investments	-86	-446	457	-384	-518	-878
Cash flow from operations before investments and change in working capital	-372	-148	-262	-67	-421	-197
Change in working capital	-730	-98	-484	-485	-348	284
Net investments in operations	-86	-446	457	-384	-518	-878
Cash flow adjustment, net investments	162	119	-38	151	368	325
Operating cash flow from business operations ¹	-1,026	-573	-327	-785	-919	-466
Net strategic investments	0	0	0	0	0	0
Cash flow	-1,026	-573	-327	-785	-919	-466
Operating margin, %	9.1	10.9	7.0	11.8	11.0	12.6
Capital employed, SEK bn	5.6	3.7				3.7
Return on capital employed (RoCE), % ²	18.7	24.8				27.5
Employees	548	458				467.0

¹ Before taxes, financing operations and dividends

² Rolling 12 months

Commercial Development

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Revenue	2,145	3,005	762	276	2,565	3,425
Gross income	847	1,330	291	76	939	1,422
Selling and administrative expenses	-184	-166	-57	-51	-253	-235
Income from joint ventures and associated companies	-1	2	-1	2	20	23
Operating income	662	1,166	233	27	706	1,210
of which gain from divestments of properties ¹	739	1,212	260	47	787	1,260
of which operating net, completed properties ²	80	89	16	21	93	102
of which write-downs/reversal of write-downs	0	0	0	0	0	0
Investments	-1,651	-987	-571	-297	-2,335	-1,671
Divestments	1,903	2,752	685	209	2,235	3,084
Net investments	252	1,765	114	-88	-100	1,413
Cash flow from operations before investments and change in working capital	-74	-43	-24	-19	-103	-72
Change in working capital	-250	-101	-154	-16	-342	-193
Net investments in operations	252	1,765	114	-88	-100	1,413
Cash flow adjustment, net investments	214	18	-10	15	286	90
Operating cash flow from business operations ³	142	1,639	-74	-108	-259	1,238
Net strategic investments	0	0	0	0	0	0
Cash flow	142	1,639	-74	-108	-259	1,238
Capital employed, SEK bn	7.0	5.9				5.8
Return on capital employed (RoCE), % ⁴	11.7	23.3				21.1
Employees	139	131				135

1 Additional gain included in eliminations was

2 After selling and administrative expenses

3 Before taxes, financing operations and dividends

4 Rolling 12 months

Infrastructure Development

SEK M	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006- Sep 2007	Jan-Dec 2006
Revenue	44	128	15	23	67	151
Gross income	-103	14	-30	-18	-142	-25
Selling and administrative expenses	-134	-128	-42	-48	-192	-186
Income from joint ventures and associated companies	118	150	68	92	171	203
Operating income	-119	36	-4	26	-163	-8
of which gains from divestments of shares in projects ¹	0	118	0	80	0	118
Investments	-59	-205	-40	-57	-140	-286
Divestments	28	177	5	98	43	192
Net investments	-31	-28	-35	41	-97	-94
Cash flow from operations before investments and change in working capital	-162	-53	-59	-50	-247	-138
Change in working capital	2	141	25	174	9	148
Net investments in operations	-31	-28	-35	41	-97	-94
Cash flow adjustment, net investments	0	0	0	0	0	0
Operating cash flow from business operations ²	-191	60	-69	165	-335	-84
Net strategic investments	0	0	0	0	0	0
Cash flow	-191	60	-69	165	-335	-84
Capital employed, SEK bn	2.5	2.4				2.4
Return on capital employed (RoCE), % ³	-6.4	4.8				0.6
Employees	118	110				103

1 Additional gain included in eliminations was

2 Before taxes, financing operations and dividends

3 Rolling 12 months

Construction, by business/reporting unit

SEK M	Revenue					
	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006
Sweden	19,784	17,333	6,734	6,067	26,574	24,123
Norway	9,326	7,983	3,017	2,569	11,979	10,636
Denmark	2,441	2,706	801	970	3,560	3,825
Finland	7,059	5,837	2,624	2,213	9,607	8,385
Poland	5,386	4,764	2,620	2,686	7,451	6,829
Czech Republic	7,942	7,493	3,081	3,141	11,728	11,279
UK	12,981	8,823	4,635	3,068	16,470	12,312
USA Building	20,055	20,989	7,199	6,819	26,803	27,737
USA Civil	7,927	6,912	3,009	2,722	10,842	9,827
Latin America	3,021	2,673	1,158	915	4,105	3,757
Total	95,922	85,513	34,878	31,170	129,119	118,710

SEK M	Operating income					
	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006
Sweden	872	735	343	312	1,237	1,100
Norway	398	321	153	123	522	445
Denmark	4	-51	-2	-38	-263	-318
Finland	302	98	126	44	395	191
Poland	284	198	163	171	355	269
Czech Republic	315	246	152	112	401	332
UK	333	349	115	85	396	412
USA Building	193	170	74	63	300	277
USA Civil	352	209	185	95	603	460
Latin America	123	105	54	51	186	168
Total	3,176	2,380	1,363	1,018	4,132	3,336

SEK M	Operating margin, %					
	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006
Sweden	4.4	4.2	5.1	5.1	4.7	4.6
Norway	4.3	4.0	5.1	4.8	4.4	4.2
Denmark	0.2	-1.9	-0.2	-3.9	-7.4	-8.3
Finland	4.3	1.7	4.8	2.0	4.1	2.3
Poland	5.3	4.2	6.2	6.4	4.8	3.9
Czech Republic	4.0	3.3	4.9	3.6	3.4	2.9
UK	2.6	4.0	2.5	2.8	2.4	3.3
USA Building	1.0	0.8	1.0	0.9	1.1	1.0
USA Civil	4.4	3.0	6.1	3.5	5.6	4.7
Latin America	4.1	3.9	4.7	5.6	4.5	4.5
Total	3.3	2.8	3.9	3.3	3.2	2.8

SEK M	Order backlog		
	Sep 30 2007	Sep 30 2006	Dec 31 2006
Sweden	22,055	18,278	19,705
Norway	11,850	8,431	9,713
Denmark	1,846	2,432	2,013
Finland	6,810	7,175	7,009
Poland	4,816	6,598	5,848
Czech Republic	11,715	14,019	13,093
UK	29,509	29,421	31,793
USA Building	32,694	26,463	26,125
USA Civil	21,570	18,307	17,068
Latin America	4,776	3,355	2,739
Total	147,641	134,479	135,106

SEK M	Order bookings					
	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006
Sweden	21,912	19,376	7,006	6,395	30,048	27,512
Norway	10,448	8,160	2,444	2,907	14,660	12,372
Denmark	2,211	2,993	607	608	2,963	3,745
Finland	6,607	7,137	1,955	2,567	9,096	9,626
Poland	4,094	4,429	1,152	1,714	5,328	5,663
Czech Republic	6,358	8,884	2,966	2,903	9,149	11,675
UK	11,285	20,709	4,324	2,144	14,275	23,699
USA Building	28,470	16,871	6,315	4,666	36,691	25,092
USA Civil	13,647	8,296	1,425	4,220	16,445	11,094
Latin America	4,913	3,046	2,034	453	5,514	3,647
Total	109,945	99,901	30,228	28,577	144,169	134,125

Residential Development, by business/reporting unit

SEK M	Revenue						Operating income ¹					
	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006
Sweden	2,376	1,903	773	570	3,093	2,620	236	193	77	73	341	298
Norway	1,383	1,087	432	294	1,868	1,572	119	106	27	30	176	163
Denmark	492	229	95	91	799	536	5	21	-20	12	80	96
Finland	959	1,147	305	306	1,386	1,574	94	145	17	33	170	221
Czech Republic	402	320	147	115	568	486	55	47	22	14	82	74
Total	5,612	4,686	1,752	1,376	7,714	6,788	509	512	123	162	849	852

SEK M	Operating margin, % ¹						Return on capital employed ²		
	Jan-Sep 2007	Jan-Sep 2006	Jul-Sep 2007	Jul-Sep 2006	Oct 2006-Sep 2007	Jan-Dec 2006	Oct 2006-Sep 2007	Oct 2005-Sep 2006	Jan-Dec 2006
Sweden	9.9	10.1	10.0	12.8	11.0	11.4	37.7	>100	>100
Norway	8.6	9.8	6.3	10.2	9.4	10.4	12.4	11.6	12.9
Denmark	1.0	9.2	-21.1	13.2	10.0	17.9	8.8	7.3	23.3
Finland	9.8	12.6	5.6	10.8	12.3	14.0	17.7	21.1	24.2
Czech Republic	13.7	14.7	15.0	12.2	14.4	15.2	26.4	16.2	26.0
Total	9.1	10.9	7.0	11.8	11.0	12.6	18.7	24.8	27.5

¹ Development gain only. Construction margin reported under Construction.

² Rolling 12 months

At the end of the period, there were 6,025 (6,257) residential units under construction. Of these, 77 (82) percent were sold. The number of completed unsold residential units totaled 206 (111), most of them located in Finland. During the first nine months of 2007, construction started on 3,145 (3,591) units. In the Nordic countries, the number of residential units started was 2,574 (3,294), while in the Czech Republic they totaled 571 (297). The number of residential units sold during the period was 2,907 (3,149). In the Nordic countries, the number of units sold totaled 2,460 (2,641), while sales of residential units in the Czech Republic totaled 447 (508) units.

The carrying amount of current-asset properties in Residential Development totaled SEK 6.3 billion (December 31, 2006: 5.3). A breakdown of the carrying amount can be seen in the table below. The carrying amount of undeveloped land and development properties was SEK 4.9 billion. This was equivalent to building rights for about 20,800 residential units. There were also about 2,500 building rights in associated companies.

Breakdown of carrying amount, current-asset properties, September 30, 2007

SEK M	Residential Development	Commercial Development	Construction	Total
Completed projects	238	2,490	72	2,800
Ongoing projects	1,207	1,635	119	2,961
Undeveloped land and development properties	4,881	1,947	735	7,563
Total	6,326	6,072	926	13,324

Commercial Development

SEK M	Carrying amount, end of period	Carrying amount upon completion	Market value, Dec 31, 2006	Occupancy rate, %
Completed projects	2,490	2,490	3,505	72
Ongoing projects	1,635	4,100	5,171	45
Subtotal	4,125	6,590	8,676	
Undeveloped land and development properties	1,947	1,947		
Total	6,072	8,537		

Commercial Development has 19 projects underway, 13 of them in the Nordic countries. Ongoing projects represent leasable space of about 263,000 sq. m (2,831,000 sq. ft.) and were 45 percent pre-leased, measured in rent. In addition to these projects, the Company has 6 ongoing projects that were sold before completion. These have a total of 44,000 sq. m (474,000 sq. ft.) of leasable space and a pre-leasing level of 100 percent. At the end of the period, the carrying amount for ongoing projects was SEK 1.6 billion (December 31, 2006: 0.8). Their carrying amount upon completion is expected to total SEK 4.1 billion, with an estimated market value of SEK 5.2 billion. The degree of completion in ongoing projects was about 41 percent.

The carrying amount of Skanska's portfolio of completed projects amounted to SEK 2.5 billion (December 31, 2006: 2.9), with an estimated market value, based on an appraisal dated in December 2006, of about SEK 3.5 billion (December 31, 2006: 4.1). The occupancy rate, measured in rent, amounted to 72 percent (December 31, 2006: 70).

The carrying amount of Skanska's undeveloped land and development properties (building rights) totaled about SEK 1.9 billion (December 31, 2006: 1.8).

At the end of the period, accumulated eliminations of internal project gains amounted to SEK 163 M (December 31, 2006: 117). These eliminations are reversed as each respective project is divested.

Infrastructure Development

SEK bn	Sep 30 2007	Dec 31 2006
Present value of cash flow from projects	7.1	6.3
Carrying amount	-2.5	-2.4
Present value of remaining investments	-0.6	-0.6
Unrealized development gain Skanska ID	3.9	3.3
Group eliminations	0.4	0.4
Unrealized development gain, Group	4.3	3.7

At the end of the period, the carrying amount of shares, participations, subordinated receivables and concessions in Infrastructure Development totaled about SEK 2.5 billion (December 31, 2006: 2.4). Remaining investment obligations related to ongoing Infrastructure Development projects nominally amounted to about SEK 0.8 billion (December 31, 2006: 0.9), with a present value of about SEK 0.6 billion (December 31, 2006: 0.6). Skanska performs an annual appraisal of the project portfolio. The appraisal carried out at year-end 2006 encompassed an update of the financial models and a review of the yield requirements applied. The assessment of market values was made in cooperation with external appraisal expertise. The Autopista Central highway in Chile, which is the largest project in terms of value, was examined in greater detail. Based on the annual appraisal, Skanska makes quarterly adjustments for new projects, divestments, currency translation effects and time value. In the adjustment for the nine month period, the Maputo project that was divested after the close of the period was included at its sales price. The weighted average discount rate used in the appraisal at year-end amounted to 11.7 percent.