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Skanska converts commercial building in San Francisco, USA, into a hotel for USD 38M, about SEK 320M

Skanska has signed a contract with 1095 Market Street Owner to renovate 1095 Market St. in San Francisco, converting the historic structure into a hotel. The contract is worth USD 38M, about SEK 320M, which will be included in the order bookings for Skanska USA Building for the first quarter 2016.

The project consists of rehabilitation of a historic commercial office building originally built in 1904. The existing eight story, 6,700 square meter building will receive a top-to-bottom renovation, including seismic structural upgrades. Additionally, a new story will be inserted within the ground floor level, resulting in a nine-story 7,800 square meter high rise building. The hotel that will occupy the building will include more than 200 rooms. Additionally, the property will include ground floor retail.

Construction commenced in the first quarter 2016 and is scheduled for completion during the summer 2017.

Skanska USA is one of the leading development and construction companies in the country, consisting of four business units: Skanska USA Building, which specializes in building construction; Skanska USA Civil, specialized in civil infrastructure; Skanska Infrastructure Development North America, which develops public-private partnerships; and Skanska USA Commercial Development, which develops commercial projects in select U.S. markets. Headquartered in New York, Skanska USA has more than 10,000 employees and its 2015 revenues were SEK 54.5 billion.

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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.

Skanska is one of the world's leading project development and construction groups with expertise in construction, development of commercial and residential premises, and public-private partnerships projects. Based on its global green experience, Skanska aims to be the clients' first choice for Green solutions. The Group currently has 43,100

employees in selected home markets in Europe and North America. Skanska's sales in 2015 totaled SEK 155 billion.