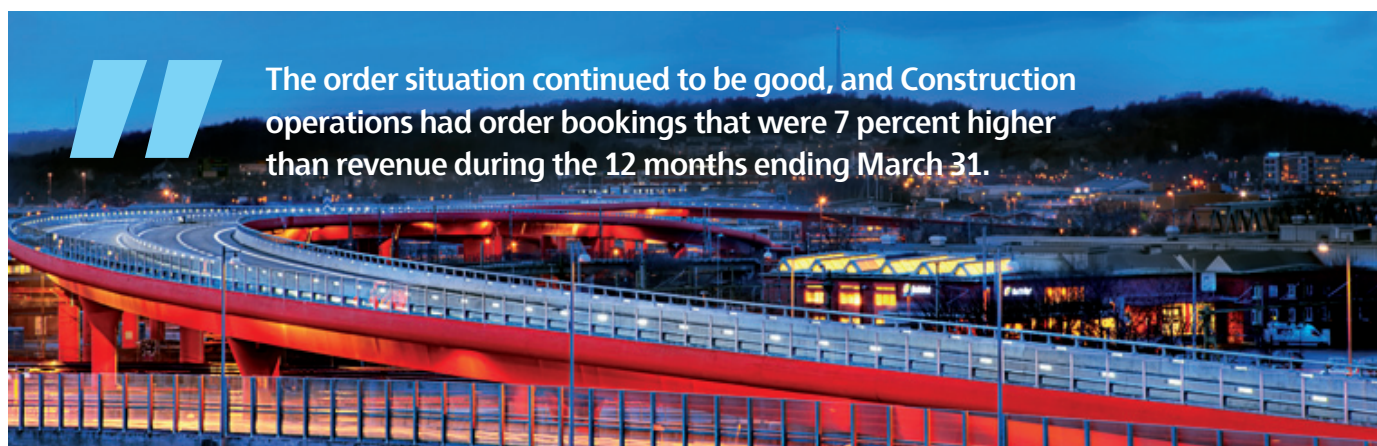


# Three Month Report, January–March 2012



Partihall Interchange, Gothenburg, Sweden

The order situation continued to be good, and Construction operations had order bookings that were 7 percent higher than revenue during the 12 months ending March 31.

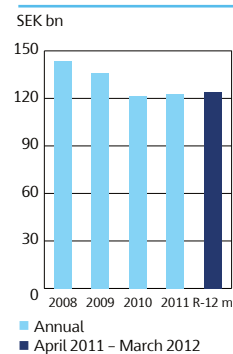
## Highlights

- Order bookings in the first quarter totaled **SEK 25.1 (21.6) billion**.
- Order bookings were **7 percent** higher than revenue during the 12 months ending March 31.
- Order backlog increased by 10 percent and amounted to **SEK 152.9 (139.4) billion**.
- Operating income for the Group amounted to **SEK 148 M (451)**. It decreased mainly because of negative performance in Residential Development where the operating income amounted to SEK –22 M (196).
- The operating margin in Construction amounted to **1.2 (1.4) percent**.
- Operating cash flow amounted to **SEK –2,308 M (–2,319)**.
- Investments in development operations **increased by 30 percent** and amounted to SEK –3,641 M (–2,805) M.
- Operating net financial assets amounted to **SEK 7.1 (8.8) billion**.

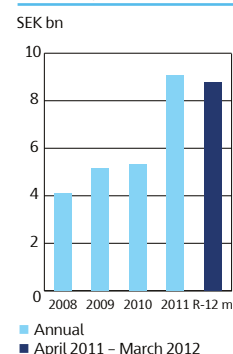
## Performance analysis

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
<b>Revenue</b>			
Construction	26,218	22,683	16
Residential Development	1,659	2,655	-38
Commercial Property Development	243	341	-29
Infrastructure Development	33	88	-63
Central and eliminations	-1,801	-1,013	78
<b>Skanska Group</b>	<b>26,352</b>	<b>24,754</b>	<b>6</b>
<b>Operating income</b>			
Construction	323	325	-1
Residential Development	-22	196	-
Commercial Property Development	1	49	-98
Infrastructure Development	49	25	96
Central	-169	-138	22
Eliminations	-34	-6	467
<b>Operating income</b>	<b>148</b>	<b>451</b>	<b>-67</b>
<b>Net financial items</b>	<b>7</b>	<b>0</b>	<b>-</b>
<b>Income after financial items</b>	<b>155</b>	<b>451</b>	<b>-66</b>
Taxes	-42	-116	-64
<b>Profit for the period</b>	<b>113</b>	<b>335</b>	<b>-66</b>
Earnings for the period per share, SEK	0.27	0.81	-66
Earnings for the period per share according to IFRSs, SEK	0.64	0.32	100
Operating cash flow	-2,308	-2,319	-6
Operating net financial asset/liabilities	7,120	8,821	-19
Return on equity, rolling 12 months, %	40.0	19.2	-

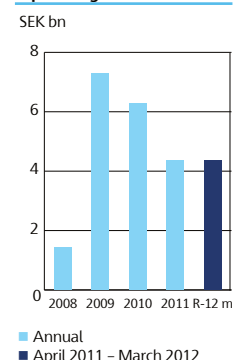
## Revenue



## Operating income

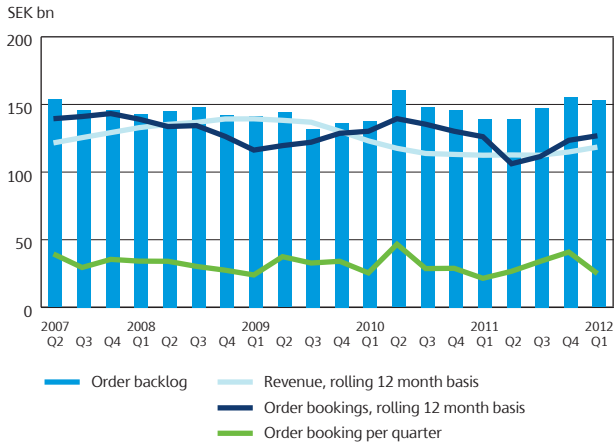


## Operating cash flow



## Orders

### Order backlog, revenue and order bookings



### Order bookings and order backlog in Construction

SEK bn	Jan–Mar 2012	Jan–Mar 2011
Order bookings	25.1	21.6
Order backlog <sup>1</sup>	152.9	139.4

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

Order bookings in the first quarter increased by 16 percent compared to the first quarter of 2011. Adjusted for currency rate effects, order bookings rose by 14 percent. Order bookings were 4 percent lower than revenue in the first quarter but 7 percent higher than revenue during the 12 months ended March 31. Order backlog increased by 10 percent compared to one year earlier, totaling SEK 152.9 (139.4) billion at the end of the first quarter. Adjusted for currency rate effects, order backlog rose by 7 percent. Order backlog was equivalent to about 16 (15) months of construction.

### Changes and currency rate effects

	Jan–Mar 2012 / Jan–Mar 2011		
	Change in SEK	Change in local currency	Currency effect
Order bookings	16%	14%	2%
Order backlog <sup>1</sup>	10%	7%	3%

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

### Major order bookings, first quarter

Business Unit	Contract	Amount, SEK M	Client
Skanska USA Building	Research campus	3,000	Confidential
Skanska Latin America	Natural gas plant	1,700	Petrobras
Skanska USA Building	Research and development facility	860	Confidential
Skanska USA Civil	Manufacturing facility	820	Confidential
Skanska USA Civil	Second Avenue Subway Systems	588	Metropolitan Transportation Authority



Bay Area Rapid Transit (BART) rail network, California, U.S.A.

## Comments from Skanska’s President and CEO Johan Karlström:



First of all, the performance in our Residential Development business is clearly unacceptable. **The result was significantly lower than last year, primarily due to negative earnings in the Swedish residential operations.** Residential development is a part of Skanska’s core businesses and will continue to be so. During the second quarter

we will present how we will return this business to acceptable profitability.

**The order situation remained good,** and Construction operations had **order bookings that were 7 percent higher than revenue during the 12 months ending March 31.** This meant that order backlog on March 31 represented 16 months of construction. We also foresee that, especially in our two U.S. construction business units, there is **good potential to win new large projects.**

Earnings in our Construction units are always seasonally weak in the first quarter. This is especially clear in our Central European operations, where civil construction accounts for a majority of revenue. The restructuring process in our Norwegian and Finnish

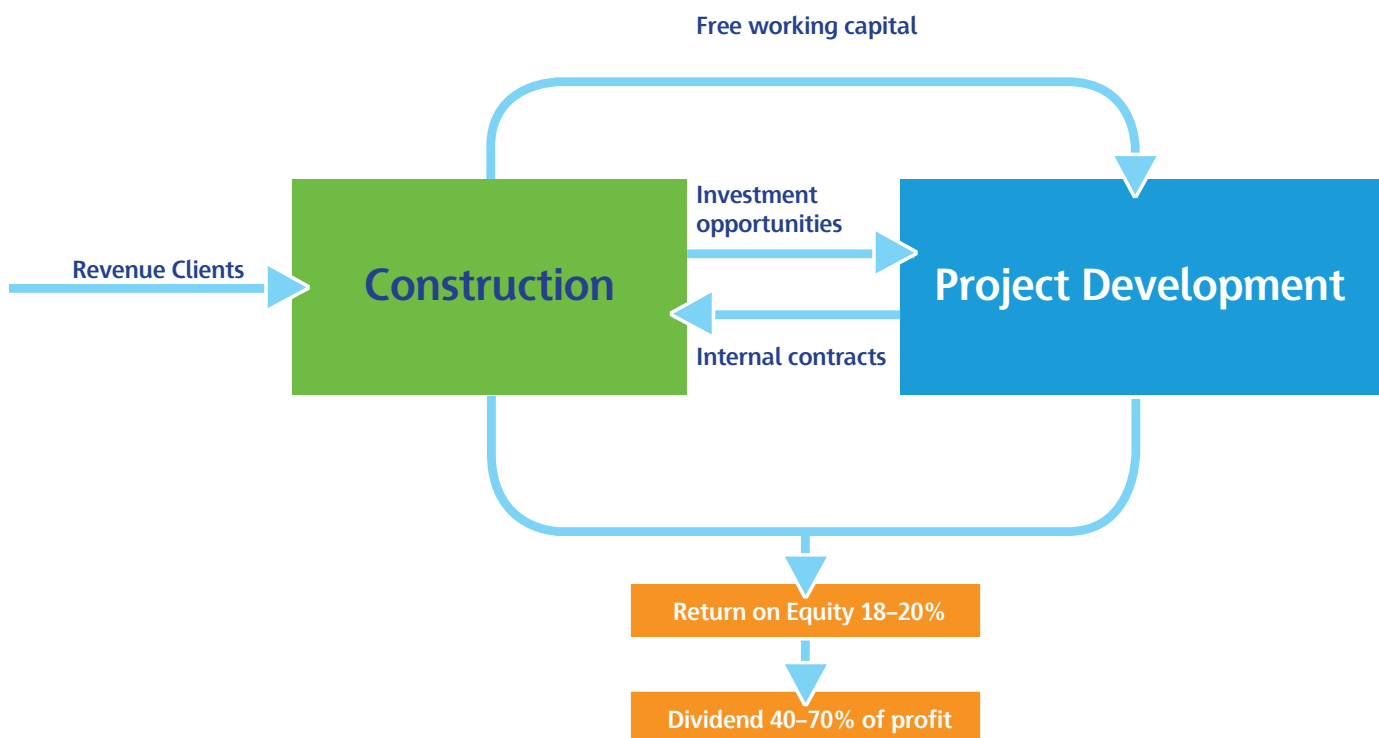
operations is proceeding as planned. We are on the way toward turning these operations into profitable businesses.

**Commercial Property Development continued to generate value for the Group and started up four new projects during the first quarter.** This means that at the end of the quarter we had 33 ongoing projects, with an investment commitment of about SEK 9.7 billion. **Early in May a milestone was achieved in our U.S. Commercial Property Development business as we sold our first project in Washington D.C. with a healthy gain.**

Shortly after the end of the first quarter, Skanska Infrastructure Development reached financial close on the Midtown Tunnel project in Virginia. **This is Skanska’s first public-private partnership (PPP) project in the U.S., and our long-term efforts to enter the PPP market there have now yielded results.** The Midtown Tunnel is a large, important project that is not only expected to be a good investment of SEK 0.9 bn for Skanska Infrastructure Development but also an important construction project of SEK 4.4 bn for Skanska USA Civil.

**The market outlook for our U.S. operations is expected to develop favorably** and the Nordic market as a whole is stable. The market outlook for our other European countries is weaker.

## Skanska’s business model





# Market outlook, coming 12 months

● Weaker outlook compared to previous quarter. 
 ● Unchanged outlook compared to previous quarter. 
 ● Improved outlook compared to previous quarter.

➔ Considerable growth 
 ➔ Growth 
 ➔ Stable 
 ➔ Decline 
 ➔ Considerable decline



Q1

## Construction

Our overall market for both building construction and civil construction is stable, but there are large local differences.

The commercial building construction market in the Nordic countries is good, especially in major urban regions. The market for residential construction is good in Norway but significantly weaker in Finland. The market for large civil construction projects is expected to slow in Sweden.

Other European markets are expected to be weak, and the supply of large new civil construction projects is expected to decrease, and competition for these projects is intensive.

The market for large and complex civil construction projects is developing favorably in the U.S. The building construction segments, healthcare and facilities for the information technology (IT) industry, is also developing favorably.

	Building, non-residential	Building, residential	Civil
<b>➔ Nordic countries</b>			
Sweden	➔	➔	➔
Norway	➔	➔	➔
Finland <sup>1</sup>	➔	➔	➔
<b>➔ Other European countries</b>			
Poland	➔	➔	➔
Czech Republic <sup>2</sup>	➔	➔	➔
United Kingdom	➔	➔	➔
<b>➔ The Americas</b>			
United States	➔	-	➔
Latin America	-	-	➔

1 Including Estonia  
2 Including Slovakia



Q1

## Residential Development

The residential market is still characterized by strict lending practices and uncertainty among potential home buyers. In Finland the housing market is losing momentum, while in the United Kingdom there are indications of some recovery. In Norway demand remains good, with rising prices, while the Czech market remains weak.

<b>➔ Nordic countries</b>	
Sweden	➔
Norway	➔
Finland	➔
<b>➔ Other European countries</b>	
Poland	➔
Czech Republic <sup>1</sup>	➔
United Kingdom	➔

1 Including Slovakia



Adjutantti, Espoo, Finland



Q1

## Commercial Property Development

Tenants are continuing to demand modern, efficient and green commercial space. Vacancy rates for office space in most of our U.S., Nordic and Central European cities are stable. Modern properties with stable tenants are in demand from property investors, especially in Sweden, Norway, Poland and the U.S., resulting in attractive valuations for such properties.

There is still a good market for purchasing attractive land in parts of Central Europe and in the U.S.

<b>➔ Nordic countries</b>	
Sweden	➔
Norway	➔
Finland	➔
Denmark	➔
<b>➔ Other European countries</b>	
Poland	➔
Czech Republic	➔
Hungary	➔
Romania	➔
<b>➔ The Americas</b>	
United States	➔



Visma, Stockholm, Sweden



Q1

## Infrastructure Development

The potential for new public-private partnership (PPP) projects has improved from a low level, especially in the U.S. but also in the United Kingdom. In Latin America, there is good potential for new projects, while the European market is more limited.



Midtown Tunnel, Virginia, U.S.A.

## Performance analysis Group

### Revenue and operating income, rolling 12 months



### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change,%
Revenue	26,352	24,754	6
<b>Operating income<sup>1,2</sup></b>	<b>148</b>	<b>451</b>	<b>-67</b>
Net financial items	7	0	-
<b>Income after financial items</b>	<b>155</b>	<b>451</b>	<b>-</b>
Taxes	-42	-116	-
<b>Profit for the period</b>	<b>113</b>	<b>335</b>	<b>-66</b>
Earnings for the period per share, SEK <sup>3</sup>	0.27	0.81	-
Earnings for the period per share according to IFRSs, SEK <sup>1</sup>	0.64	0.32	-

<sup>1</sup> Central, SEK -169 (-138) M

<sup>2</sup> Elimination, SEK -34 (-6) M

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

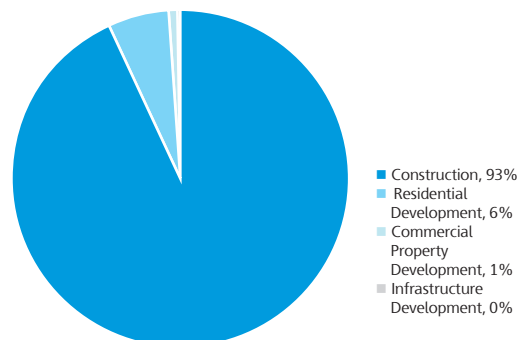
Revenue increased by 6 percent to SEK 26.4 (24.8) billion, while revenue in local currencies increased by 5 percent.

Operating income amounted to SEK 148 M (451). It decreased mainly because operating income in Residential Development amounted to SEK -22 M (196), and lower earnings in Commercial Property Development along with eliminations and central expenses also adversely affected earnings.

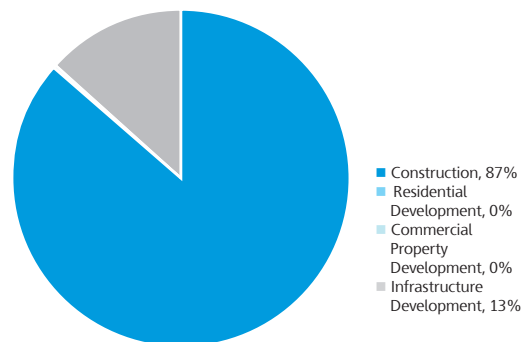
Central expenses totaled SEK -169 M (-138). Eliminations amounted to SEK -34 M (-6) and the increase was mainly due to a higher volume of intra-Group projects. Net financial items amounted to SEK 7 M (0). Net interest income totaled SEK 2 M (13). The net change in the fair value of financial instruments amounted to SEK 18 M (3). Other financial items totaled SEK -13 M (-16) and mainly consisted of currency rate differences. For a specification of the items included in net financial items, see page 16. Taxes for the period amounted to SEK -42 M (-116), equivalent to a tax rate of about 27 (26) percent.

The trend during the 12 months ended on March 31 was that revenue increased while operating income decreased somewhat. Operating income for this 12-month period included SEK 4.5 billion in capital gain from the divestment of the Autopista Central highway in Chile, which was reported in the second quarter 2011.

### Revenue per segment, Jan – Mar 2012



### Operating income per segment, Jan – Mar 2012

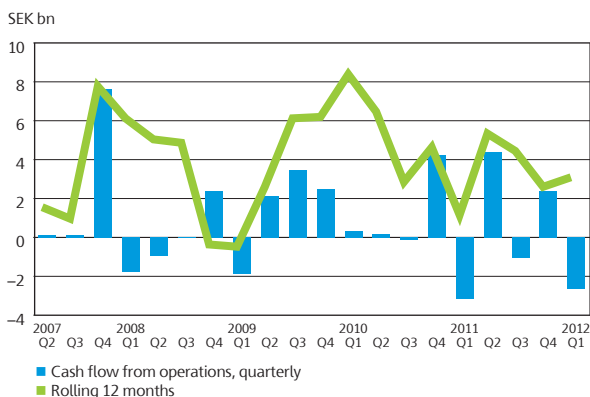


### Changes and currency rate effects

	Jan–Mar 2012 / Jan–Mar 2011		
	Change in SEK	Change in local currency	Currency effect
Revenue	6%	5%	1%
Operating income	-67%	-70%	3%

## Cash flow Group

### Cash flow



### Operating cash flow

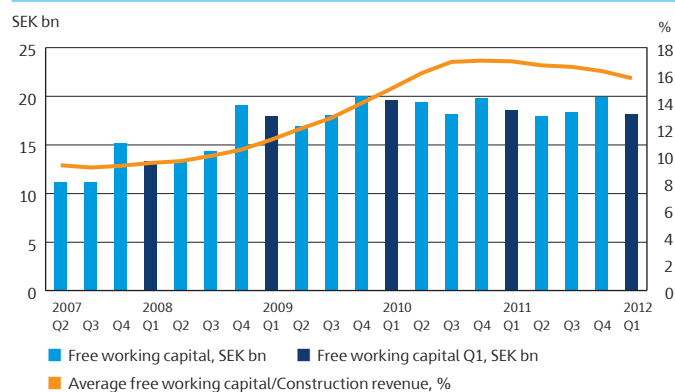
SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Cash flow from business operations	373	355	5
Change in working capital	-1,329	-252	-
Net investments	-1,616	-2,201	-27
Cash flow adjustment	264	-221	-
<b>Total</b>	<b>-2,308</b>	<b>-2,319</b>	<b>0</b>
Taxes paid in business operations	-349	-829	-
Cash flow from financing operations	67	-90	-
<b>Cash flow from operations</b>	<b>-2,590</b>	<b>-3,238</b>	<b>-20</b>

In keeping with the strategic plan, which calls for growth in development operations, Skanska made net investments in operations. Operating cash flow before taxes and financing operations amounted to SEK -2,308 M (-2,319) during the first quarter. In addition to net investments, a negative impact from Construction working capital was a factor that contributed to the change in cash flow.

Taxes paid in Skanska's business operations totaled SEK -349 M (-829). The comparative period included supplementary tax payments related to 2010 for Swedish operations. Operating cash flow after taxes and financing operations amounted to SEK -2,590 M (-3,238) during the first quarter.

During the 12 months ended March 31, cash flow from operations was positive, exceeding SEK 3 billion.

### Free working capital



The free working capital in Construction amounted to SEK 18.1 (18.6) billion, more than 15 percent of Construction revenue, at the end of the quarter. The change in working capital in Construction amounted to SEK -1,497 M (-342).

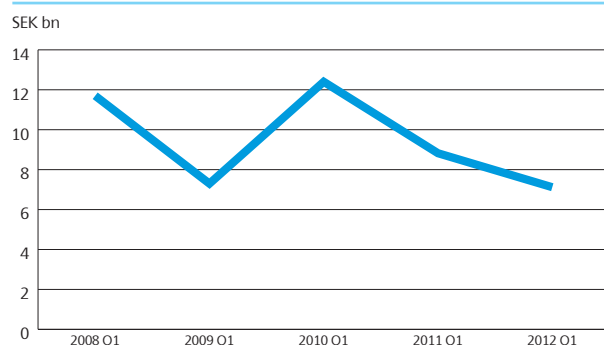
The working capital development is normally strongest in the fourth quarter due to settlement of projects and pre-payments for new projects. This is normally reversed to an outflow in the first quarter when Skanska makes corresponding settlements with its subcontractors and suppliers.



Entré Lindhagen, Stockholm, Sweden

## Financial position

### Operating net financial assets/liabilities



### Balance sheet – Summary

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

### Change in interest-bearing receivables and liabilities

SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Opening balance interest-bearing net receivables/net debt	2,929	9,914	9,914
<b>Cash flow before change in interest-bearing receivables and liabilities</b>	<b>-2,682</b>	<b>-3,406</b>	<b>-4,046</b>
Translation differences, net receivables/net debt	-37	-596	-353
Change in pension liability	259	-172	-2,593
Reclassification, interest-bearing net receivables/net debt	0	0	0
Interest-bearing liabilities acquired/divested	4	-22	37
Other changes, interest-bearing net receivables/net debt	13	-10	-30
<b>Change in interest-bearing net receivables</b>	<b>-2,443</b>	<b>-4,206</b>	<b>-6,985</b>
<b>Closing balance interest-bearing net receivables/net debt</b>	<b>486</b>	<b>5,708</b>	<b>2,929</b>
Pension liability, net	3,392	1,332	3,605
Interest-bearing loans to housing co-ops	3,242	1,781	2,980
<b>Operating net financial assets/liabilities</b>	<b>7,120</b>	<b>8,821</b>	<b>9,514</b>

Skanska has a solid financial position, with interest-bearing net receivables of SEK 0.5 (Dec. 31, 2011: 2.9) billion. Operating net financial assets – interest-bearing net receivables excluding construction loans to cooperative housing associations and net interest-bearing pension liabilities – totaled SEK 7.1 (Dec. 31, 2011: 9.5) billion. Skanska's committed unutilized credit facilities of SEK 8.6 billion, combined with its operating net financial assets of SEK 7.1 billion, ensure satisfactory financial capacity to support the Group and its business plan. Construction loans to cooperative housing associations totaled SEK 3.2 (Dec. 31, 2011: 3.0) billion, and net interest-bearing pension liabilities and provisions totaled SEK 3.4 (Dec. 31, 2011: 3.6) billion.

At the end of the first quarter, capital employed amounted to SEK 30.5 (Dec. 31, 2011: 30.2) billion.

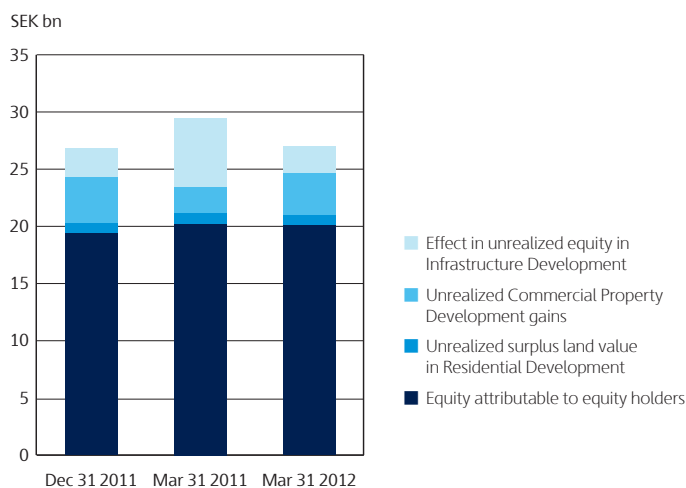
Cash flow before change in interest-bearing receivables and liabilities was SEK -2,682 M (-3,406). Net change in pension liabilities in defined-benefit pension plans was SEK 259 M (-172), mainly due to positive growth in managed assets. Change in interest-bearing net receivables thus amounted to SEK -2,443 M (-4,206).

## Equity

### Change in equity

SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Opening balance	19,583	20,792	20,792
Dividend to shareholders	0	0	-4,945
Other changes in equity not included in total comprehensive income for the year	-12	58	58
Profit for the period	264	132	7,595
Other comprehensive income			
Translation differences	-8	-436	-353
Effects of actuarial gains and losses on pensions	213	-163	-2,295
Effects of cash flow hedges	198	-12	-1,269
Other	0	0	0
<b>Closing balance</b>	<b>20,238</b>	<b>20,371</b>	<b>19,583</b>

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



The equity of the Group totaled SEK 20.2 (20.4) billion. The equity/assets ratio was 25.2 (27.3) percent and the net debt/equity ratio amounted to -0.0 (-0.3).

The effects of actuarial gains and losses on pensions totaled SEK 213 M (-163). The effects of cash flow hedges, SEK 198 M (-12), were mainly related to changes in the value of interest rate swaps attributable to Infrastructure Development projects.

Skanska currency hedges about 30 percent of its equity in foreign subsidiaries against the Swedish krona. Translation differences on March 31, 2012 amounted to SEK -8 M (-436).

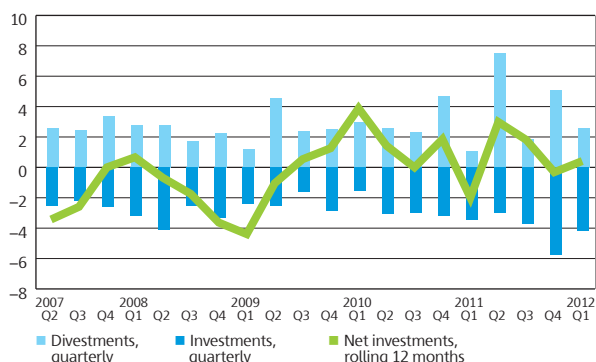
On March 31, 2012, unrealized surplus values less standard tax in development units amounted to SEK 7.0 billion, or 26 percent of adjusted equity.



## Investments and divestments

### Investments and divestments

SEK bn



The Group's investments during the period amounted to SEK –4,207 M (–3,435). Divestments amounted to SEK 2,573 M (1,066), and the Group's net investments totaled SEK –1,634 (–2,369).

In the Construction business stream, investments totaled SEK –551 M (–622). These investments were mainly related to property, plant and equipment for Skanska's own construction and manufacturing. Net investments in Construction amounted to SEK –508 M (–605). During the period, depreciation of property, plant and equipment totaled SEK –330 M (–294).

In Residential Development, total investments amounted to SEK –1,854 M (–1,841). Investments in current-asset properties amounted to SEK –1,845 M (–1,816), including about SEK –302 M related to acquisitions of land equivalent to about 1,023 building rights. Net investments in Residential Development amounted to SEK –656 M (–863).

In Commercial Property Development, total investments amounted to SEK –1,618 M (–735). Investments in current-asset properties amounted to SEK –1,617 M (–737), this included SEK –657 M (–265) related to investments in land. Divestments totaled SEK 1,315 M (4). Net investments in Commercial Property Development amounted to SEK –303 M (–731).

Investments in Infrastructure Development amounted to SEK –169 M (–229), and divestments totaled SEK 17 M (67). Net investments in Infrastructure Development were SEK –152 M (–162).

### Investments, divestments and net investments

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
<b>Investments</b>			
Construction <sup>1</sup>	–551	–622	–11
Residential Development	–1,854	–1,841	1
Commercial Property Development	–1,618	–735	120
Infrastructure Development	–169	–229	–26
Other	–15	–8	–
<b>Total</b>	<b>–4,207</b>	<b>–3,435</b>	<b>22</b>
<b>Divestments</b>			
Construction	43	17	153
Residential Development	1,198	978	22
Commercial Property Development	1,315	4	32,775
Infrastructure Development	17	67	–75
Other	0	0	–
<b>Total</b>	<b>2,573</b>	<b>1,066</b>	<b>141</b>
<b>Net investments</b>			
Construction <sup>1</sup>	–508	–605	–16
Residential Development	–656	–863	–24
Commercial Property Development	–303	–731	–59
Infrastructure Development	–152	–162	–6
Other	–15	–8	–
<b>Total</b>	<b>–1,634</b>	<b>–2,369</b>	<b>–31</b>
1 of which strategic investments	–18	–168	–



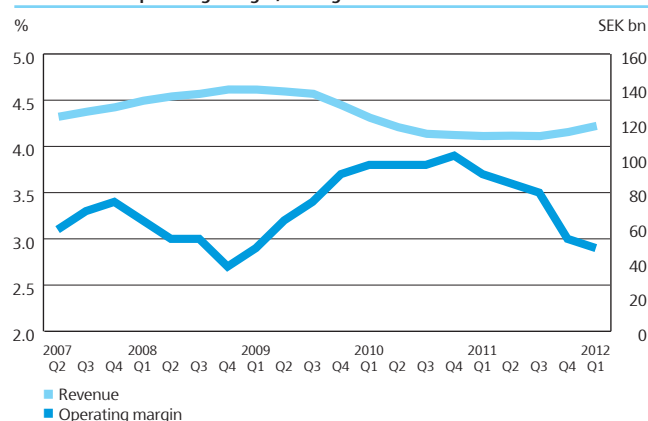
Antofagasta, Chile



## Performance analysis, business streams

### Construction

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



#### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Revenue	26,218	22,683	16
<b>Gross income</b>	<b>1,843</b>	<b>1,693</b>	<b>9</b>
Selling and administrative expenses	-1,523	-1,369	11
Income from joint ventures and associated companies	3	1	-
<b>Operating income</b>	<b>323</b>	<b>325</b>	<b>-1</b>
Operating margin, %	1.2	1.4	-

Revenue increased by 16 percent to SEK 26,218 M (22,683). Adjusted for currency rate effects, revenue rose by 14 percent.

Operating income in the Construction business stream amounted to SEK 323 M (325).

The operating margin during the period was lower than in the same period of last year, amounting to 1.2 (1.4) percent. The first quarter is always seasonally the weakest in terms of profitability. This was especially clear with the cold winter in Poland and the Czech Republic, where civil construction accounts for a majority of revenue. The comparison with last year result was also affected by the fact that a large, profitable Polish project had a substantial positive impact on the comparable period. Project writedowns of about SEK 100 M were made in two Latin American projects. The restructuring process in Skanska's Norwegian and Finnish operations is proceeding as planned.

The operating margin during the 12 months ending March 31 amounted to 2.9 percent.

#### Changes and currency rate effects, Construction

	Jan–Mar 2012 - Jan–Mar 2011		
	Change in SEK	Change in local currency	Currency effect
Revenue	16%	14%	2%
Operating income	-1%	-5%	4%

#### Revenue per geographic area

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Sweden	6,069	5,350	13
Norway	3,361	2,434	38
Finland	1,723	1,419	21
Poland	1,081	1,072	1
Czech Republic	768	1,036	-26
UK	2,826	3,245	-13
USA Building	5,724	4,887	17
USA Civil	2,884	2,076	39
Latin America	1,782	1,164	53
<b>Total</b>	<b>26,218</b>	<b>22,683</b>	<b>16</b>

#### Operating income per geographic area

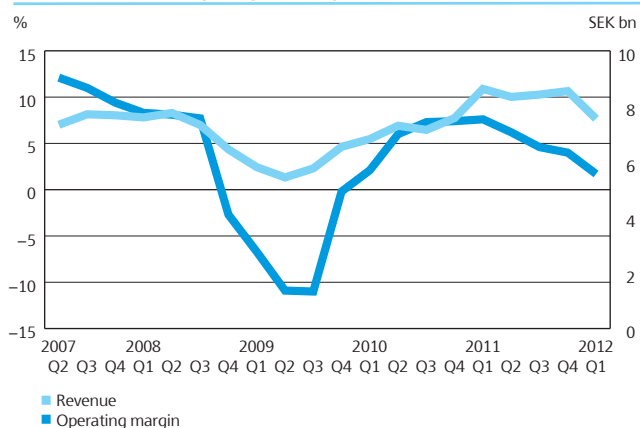
SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Sweden	168	77	118
Norway	5	-61	-
Finland	-15	-15	0
Poland	-32	78	-
Czech Republic	-90	-39	131
UK	92	61	51
USA Building	87	68	28
USA Civil	188	152	24
Latin America	-80	4	-
<b>Total</b>	<b>323</b>	<b>325</b>	<b>-1</b>



United Nations Headquarters, New York, U.S.A.

## Residential Development

## Revenue and operating margin, rolling 12 months



## Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Revenue	1,659	2,655	-38
<b>Gross income</b>	<b>162</b>	<b>364</b>	<b>-55</b>
Selling and administrative expenses	-184	-166	11
Income from joint ventures and associated companies	0	-2	-
<b>Operating income</b>	<b>-22</b>	<b>196</b>	<b>-</b>

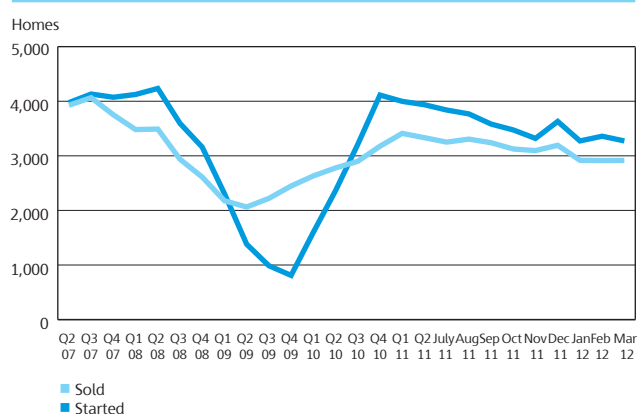
Revenue in the Residential Development business stream totaled SEK 1,659 M (2,655), and the number of homes sold totaled 648 (926) during the period.

Operating income totaled SEK -22 M (196). The deterioration in operating income was primarily due to lower profitability in projects in the Swedish market as well as lower volume that resulted in disproportionately high fixed costs. Intensive turnaround work is ongoing, with the aim of returning this business to acceptable profitability.

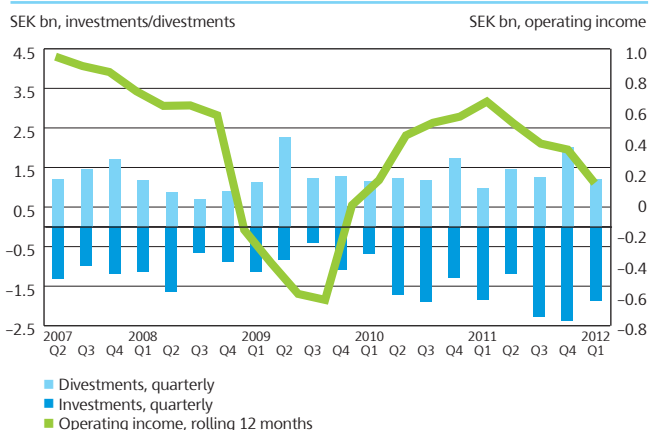
Operating income was also adversely affected by the costs of establishing Residential Development operations in new markets such as the United Kingdom and Poland. Norwegian operations developed favorably, and operating income increased to SEK 43 M (4).

During the 12 months ending March 31, about 3,000 homes were sold and started, respectively, with the number of start-ups somewhat larger than the number of homes sold.

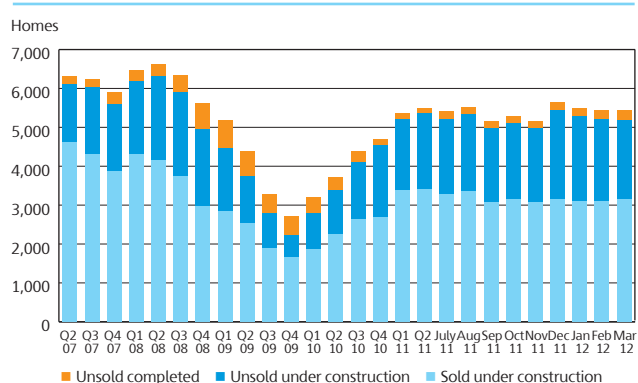
## Homes sold and started, rolling 12 months



## Investments/divestments and operating income



## Homes under construction and unsold



At the end of the first quarter, there were 5,183 (5,210) homes under construction. Of these, 61 (65) percent were sold. The number of completed unsold homes totaled 266 (156). During the period, construction started on 480 (837) homes. In the Nordic countries, the number of homes started was 470 (661). The number of homes sold during the period was 648 (926). In the Nordic countries, the number of homes sold totaled 589 (759).

## Breakdown of carrying amounts

SEK M	Mar 31, 2012	Dec 31, 2011
Completed projects	484	358
Ongoing projects	5,818	5,418
Undeveloped land and development properties	6,844	6,569
<b>Total</b>	<b>13,146</b>	<b>12,345</b>

The carrying amount of current-asset properties in Residential Development totaled SEK 13.1 (Dec. 31, 2011: 12.3) billion. A breakdown of the carrying amount can be seen in the table above. The carrying amount of undeveloped land and development properties was SEK 6.8 (Dec. 31, 2011: 6.6) billion, with an estimated market value of SEK 7.8 (Dec. 31, 2011: 7.6) billion. This was equivalent to Skanska-owned building rights for about 23,400 homes and about 3,800 building rights in associated companies. In addition, the business stream was entitled to purchase about 10,700 more building rights under certain conditions.

## Commercial Property Development

### Investments/divestments and operating income



### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Revenue	243	341	-29
of which from divestment of properties	133	183	-27
Gross income	109	140	-22
Selling and administrative expenses	-111	-91	22
Income from joint ventures and associated companies	3	0	-
<b>Operating income</b>	<b>1</b>	<b>49</b>	<b>-98</b>
of which from divestment of properties	51	41	24

During the period, the business stream carried out divestments worth SEK 133 M (183). Operating income in Commercial Property Development totaled SEK 1 M (49). Operating income included gains from property divestments totaling SEK 51 M (41), which included a property in Copenhagen, Denmark. Since a number of properties leased to tenants were sold late in 2011 the rental income's part of operating income was reduced.

Operating income during the 12 months ending March 31 was more than SEK 1.1 billion.

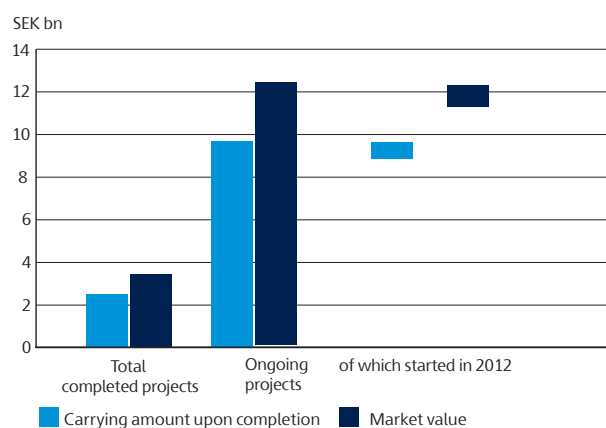
### Breakdown of carrying amounts and market values

SEK M	Carrying amount, end of period	Carrying amount, upon completion	Market value <sup>1</sup>	Occupancy rate, %	Degree of completion
Completed projects	2,495	2,495	3,427	83	100
Undeveloped land and development properties	4,463	4,463	4,992		
<b>Subtotal</b>	<b>6,958</b>	<b>6,958</b>	<b>8,419</b>		
Ongoing projects	4,570	9,669	12,321 <sup>2</sup>	50	48
<b>Total</b>	<b>11,528</b>	<b>16,627</b>	<b>20,740</b>		
of which completed projects sold according to segment reporting	0	0	0		
of which ongoing projects sold according to segment reporting	44	140	188		

<sup>1</sup> Market value according to appraisal on March 31, 2012.

<sup>2</sup> Estimated market value at completion.

### Carrying amounts/Market values in ongoing and completed projects



### Leasing



Commercial Property Development had 33 ongoing projects, 19 of them in the Nordic countries. During the first quarter, four new projects were started up. Ongoing projects represented leasable space of about 505,000 sq. m (5.44 million sq. ft.) and had a pre-leasing rate of 50 percent, measured in rent. At the end of the period, the carrying amount for ongoing projects was SEK 4.6 billion. Their carrying amount upon completion is expected to total SEK 9.7 billion, with an estimated market value of SEK 12.3 billion upon completion. The degree of completion in ongoing projects was about 48 percent. Of these ongoing projects, two were sold according to segment reporting. These projects were equivalent to a carrying amount upon completion of SEK 140 M, with a market value of SEK 188 M.

The market value of completed projects was SEK 3.4 billion, which represented a surplus value of SEK 0.9 billion. The occupancy level measured in rent totaled 83 percent.

The carrying amount of undeveloped land and development properties (building rights) totaled about SEK 4.5 billion, with an estimated market value of about SEK 5.0 billion.

Accumulated eliminations of intra-Group project gains amounted to SEK 248 M at the end of the period. These eliminations are reversed on Group level as each project is divested.

During the first quarter, 26,000 sq. m (280,000 sq. ft.) of commercial space was leased to tenants. In the 12 months ending March 31, the business stream leased 232,000 (2.50 million sq. ft.) to tenants.



## Infrastructure Development

### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011	Change, %
Revenue	33	88	–63
<b>Gross income</b>	<b>–19</b>	<b>–43</b>	<b>–56</b>
Selling and administrative expenses	–37	–32	16
Income from joint ventures and associated companies	105	100	5
<b>Operating income</b>	<b>49</b>	<b>25</b>	<b>96</b>
of which gains from divestments of shares in projects	0	0	–

Operating income in Infrastructure Development totaled SEK 49 M (25). Earnings from the project portfolio increased, compared to the same period last year.

No divestments were made during the first quarter of the year.

### Unrealized development gains

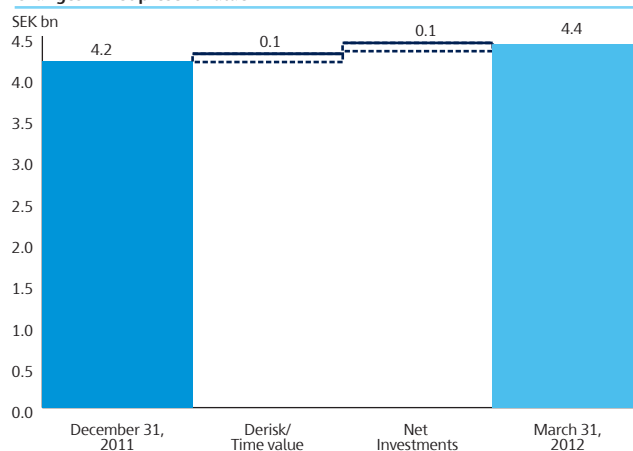
SEK M	Mar 31, 2012	Dec 31, 2011
Present value of cash flow from projects	5.1	5.0
Present value of remaining investments	–0.7	–0.8
<b>Net present value of projects</b>	<b>4.4</b>	<b>4.2</b>
Carrying amount before Cash flow hedge / Carrying amount	–3.1	–3.0
<b>Unrealized development gain</b>	<b>1.3</b>	<b>1.2</b>
Cash flow hedge	1.4	1.6
<b>Effect in unrealized equity<sup>1</sup></b>	<b>2.7</b>	<b>2.8</b>

<sup>1</sup> Tax effects not included.



Sjsjka wind farm, Gällivare, Sweden

### Changes in net present value



At the end of the period, the present value of projects totaled SEK 4.4 (Dec. 31, 2011: 4.2) billion and was positively influenced mainly by investments in new projects and by the time value effect when getting closer to future cash flows.

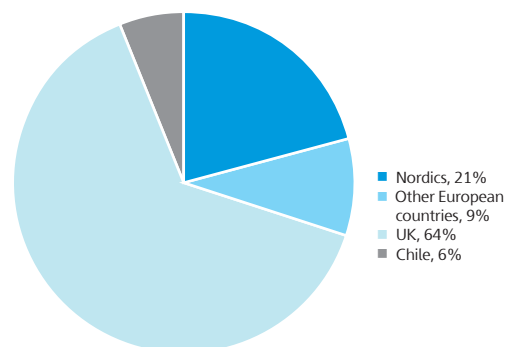
Remaining investment obligations related to ongoing Infrastructure Development projects amounted to a present value of about SEK 0.7 (Dec. 31, 2011: 0.8) billion.

At the end of the period, the carrying amount of shares, participations, subordinated receivables and concessions in Infrastructure Development before cash flow hedge was about SEK 3.1 (Dec. 31, 2011: 3.0) billion.

At the end of the period, unrealized development gains totaled about SEK 1.3 (Dec. 31, 2011: 1.2) billion.

The value of cash flow hedges, whose change is accounted for under “Other comprehensive income” has reduced the carrying amount and thereby equity, amounted to SEK 1.4 (Dec. 31, 2011: 1.6) billion.

### Estimated gross present value by geographic area



## Personnel

The average number of employees in the Group was 56,457 (50,245).

## 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 and project development business is largely about risk management. Practically every project is unique. Size, shape, environment – everything varies for each new assignment. Construction and project development business differs in this way from typical manufacturing that 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 aspects are also part of assessing potential risks.

To ensure a systematic and uniform assessment of risks and opportunities, the entire Skanska Group uses a common procedure for identifying and managing risks. With the aid of this model, Skanska evaluates projects continuously, from tender preparations to completion of the assignment.

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 Annual Report for 2011 as well as the above section on the market outlook.

## Other matters

### Repurchases of shares

At its meeting on April 13, 2012, the Board of Directors decided to exercise its authorization by the Annual Shareholders' Meeting to repurchase shares on the following conditions. On one or more occasions, however no longer than the 2013 Annual Shareholders' Meeting, a maximum of 4,500,000 Series B shares in Skanska may be acquired for the purpose of securing delivery of shares to participants in the Skanska Employee Ownership Program (SEOP). Acquisitions may only be made on the NASDAQ OMX Stockholm exchange, at a price within the applicable price range at any given time. This refers to the interval between the highest purchase price and the lowest selling price. On March 31, Skanska held 8,268,035 Series B shares in its own custody.

### Events after the end of the report period

Skanska has reached financial close with the Virginia Department of Transportation for the financing, design, construction, operation and maintenance of the Downtown Tunnel/Midtown Tunnel/MLK Extension in Norfolk and Portsmouth, Virginia, U.S.A. As part of the project company Elizabeth River Crossings (ERC), Skanska will invest approximately USD 136 M (about SEK 910 M). This corresponds to a 50 percent share of the project company ERC. Skanska's share of the construction contract is 45 percent, equivalent to USD 661 M (about SEK 4.4 billion), which will be included in the order bookings of Skanska USA Civil in the second quarter of 2012.

Skanska has also sold the office property at 733 10th Street in Washington D.C.. The selling price amounts to USD 140 M, about SEK 945 M and the buyer is Jamestown properties. The transaction will be recorded in the second quarter of 2012. The 733 10th Street project represents Skanska's first completed development project in the U.S. since starting its property development business there at the end of 2008.

## Financial reports during 2012

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

The Group's reports related to 2012 will be published on the following dates:

July 19, 2012	Six Month Report
November 8, 2012	Nine Month Report
February 7, 2013	Year-end Report

Solna, May 10, 2012

Johan Karlström  
President and CEO

*This interim report has not been subjected to a 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 2011 have been applied.

## Segment and IFRS reporting

Skanska’s business streams – Construction, Residential Development, Commercial Development and Infrastructure Development – are reported as operating segments. Tables in this report that refer to segment reporting are shown with a shaded background. For reporting of periods earlier than 2009, figures are reported according to the accounting principles then in force. Effective from 2011, segment reporting of joint ventures in Residential Development with ongoing projects applies the proportional method for joint ventures that have an ongoing project begun after 2010 or that sold residential units after 2010. The change in principle is being applied only prospectively, and historical comparative figures before 2011 have not been restated. The equity method will continue to be applied to 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 (IFRSs).

Residential Development develops residential projects for immediate sale. Homes are adapted to selected customer categories. The units in this segment are responsible for planning and selling their projects. The construction assignments are performed by construction units in the Construction segment in each respective market. Residential Development revenue and earnings are recognized when binding contracts are signed for the sale of homes. According to IFRSs, revenue and earnings are recognized when the purchaser 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 Development revenue and earnings are recognized when binding contracts are signed for the sale of properties. According to IFRSs, revenue and earnings are recognized when the purchaser 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 IFRSs.

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 in Construction 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 more definitions see Note 44 in the Annual Report for 2011.



## Reconciliation between segment reporting and IFRSs

SEK M	External revenue		Intra-Group revenue		Total revenue		Operating income	
	Jan–Mar 2012	Jan–Mar 2012	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011
Construction	24,428 <sup>1</sup>	21,590 <sup>1)</sup>	1,790	1,093	26,218	22,683	323	325
Residential Development	1,658	2,655	1	0	1,659	2,655	-22	196
Commercial Property Development	227	341	16	0	243	341	1	49
Infrastructure Development	33	80	0	8	33	88	49	25
<b>Total operating segments</b>	<b>26,346</b>	<b>24,666</b>	<b>1,807</b>	<b>1,101</b>	<b>28,153</b>	<b>25,767</b>	<b>351</b>	<b>595</b>
Central	6	88	127	149	133	165	-169	-138
Eliminations	0	0	-1,934	-1,250	-1,934	-1,178	-34	-6
<b>Total Group</b>	<b>26,352</b>	<b>24,754</b>	<b>0</b>	<b>0</b>	<b>26,352</b>	<b>24,754</b>	<b>148</b>	<b>451</b>
<b>Reconciliation to IFRSs</b>	<b>860</b>	<b>-1,913</b>	<b>0</b>	<b>0</b>	<b>860</b>	<b>-1,913</b>	<b>206</b>	<b>-273</b>
<b>Total IFRSs</b>	<b>27,212</b>	<b>22,841</b>	<b>0</b>	<b>0</b>	<b>27,212</b>	<b>22,841</b>	<b>354</b>	<b>178</b>

1 of which external revenue from joint ventures in Infrastructure Development, SEK 1,480 M (1,633).

SEK M	Segment Jan–Mar 2012	IFRS Jan–Mar 2012	Segment Jan–Mar 2011	IFRS Jan–Mar 2011
<b>Revenue</b>				
Construction	26,218	26,218	22,683	22,683
Residential Development	1,659	1,216	2,655	994
Commercial Property Development	243	1,425	341	161
Infrastructure Development	33	33	88	88
Central and eliminations	-1,801	-1,680	-1,013	-1,085
<b>Skanska Group</b>	<b>26,352</b>	<b>27,212</b>	<b>24,754</b>	<b>22,841</b>
<b>Operating income</b>				
Construction	323	323	325	325
Residential Development	-22	-48	196	-24
Commercial Property Development <sup>1</sup>	1	215	49	4
Infrastructure Development	49	49	25	25
Central	-169	-169	-138	-138
Eliminations <sup>1</sup>	-34	-16	-6	-14
<b>Operating income</b>	<b>148</b>	<b>354</b>	<b>451</b>	<b>178</b>
<b>Net financial items</b>	<b>7</b>	<b>7</b>	<b>0</b>	<b>0</b>
<b>Income after financial items</b>	<b>155</b>	<b>361</b>	<b>451</b>	<b>178</b>
Taxes	-42	-97	-116	-46
<b>Profit for the period</b>	<b>113</b>	<b>264</b>	<b>335</b>	<b>132</b>
Earnings for the period per share, SEK <sup>2</sup>	0.27		0.81	
Earnings for the period per share according to IFRSs, SEK <sup>2</sup>		0.64		0.32
1 Of which gains from divestments of commercial properties reported in:				
Commercial Property Development	51	266	41	41
Eliminations	0	22	2	0

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

## The Skanska Group

### Summary income statement

SEK M	Jan–Mar 2012	Jan–Mar 2011
Revenue	27,212	22,841
Cost of sales	-24,946	-20,961
<b>Gross income</b>	<b>2,266</b>	<b>1,880</b>
Selling and administrative expenses	-2,042	-1,798
Income from joint ventures and associated companies	130	96
<b>Operating income</b>	<b>354</b>	<b>178</b>
Financial income	78	60
Financial expenses	-71	-60
<b>Net financial items<sup>1</sup></b>	<b>7</b>	<b>0</b>
<b>Income after financial items</b>	<b>361</b>	<b>178</b>
Taxes	-97	-46
<b>Profit for the period</b>	<b>264</b>	<b>132</b>
1 of which		
Interest income	61	42
Financial net pension costs	-18	13
Interest expenses	-89	-66
Capitalized interest expenses	48	24
<b>Net interest</b>	<b>2</b>	<b>13</b>
Change in fair value	18	3
Other net financial items	-13	-16
Net financial items	7	0
Profit attributable to:		
Equity holders	264	132
Non-controlling interests	0	0
Earnings per share SEK <sup>2</sup>	0.64	0.32
Earnings per share after dilution, SEK <sup>3</sup>	0.64	0.32

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

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

### Summary statement of comprehensive income

SEK M	Jan–Mar 2012	Jan–Mar 2011
<b>Profit for the period</b>	<b>264</b>	<b>132</b>
<b>Other comprehensive income</b>		
Translation differences attributable to equity holders	-1	-662
Translation differences attributable to non-controlling interests	2	2
Hedging of exchange rate risk in foreign operations	-9	224
Effects of actuarial gains and losses on pensions <sup>1</sup>	290	-221
Effects of cash flow hedges <sup>2</sup>	210	-17
Tax attributable to other comprehensive income <sup>3</sup>	-89	63
<b>Other comprehensive income for the period</b>	<b>403</b>	<b>-611</b>
<b>Total comprehensive income for the period</b>	<b>667</b>	<b>-479</b>
Total comprehensive income attributable to		
Equity holders	665	-481
Non-controlling interests	2	2
1 Total effect on equity from actuarial gains and losses on pensions	213	-163
2 of which transferred to income statement	106	-12
3 of which tax related to		
- actuarial gains and losses on pensions	-77	58
- cash flow hedges	-12	5

## Summary statement of financial position

SEK M	Mar 31, 2012	Mar 31, 2011	Dec 31, 2011
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7,227	5,942	7,018
Goodwill	4,996	4,008	5,012
Intangible assets	151	391	158
Investments in joint ventures and associated companies	2,739	1,894	2,526
Financial non-current assets <sup>1</sup>	2,258	2,180	2,108
Deferred tax assets	1,467	1,510	1,671
<b>Total non-current assets</b>	<b>18,838</b>	<b>15,925</b>	<b>18,493</b>
<b>Current assets</b>			
Current-asset properties <sup>3</sup>	24,674	22,029	23,411
Inventories	1,109	977	1,014
Financial current assets <sup>2</sup>	6,259	5,941	6,361
Tax assets	796	392	436
Gross amount due from customers for contract work	5,141	4,600	5,108
Trade and other receivables	21,091	19,418	22,638
Cash	2,435	4,349	5,309
Assets held for sale	0	1,001	0
<b>Total current assets</b>	<b>61,505</b>	<b>58,707</b>	<b>64,277</b>
<b>TOTAL ASSETS</b>	<b>80,343</b>	<b>74,632</b>	<b>82,770</b>
of which interest-bearing non-current assets	2,222	2,126	2,070
of which interest-bearing current assets	8,576	10,072	11,440
<b>Total interest-bearing assets</b>	<b>10,798</b>	<b>12,198</b>	<b>13,510</b>
<b>EQUITY</b>			
Equity attributable to equity holders	20,066	20,246	19,413
Non-controlling interests	172	125	170
<b>Total equity</b>	<b>20,238</b>	<b>20,371</b>	<b>19,583</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial non-current liabilities	1,317	396	1,335
Pensions	3,637	1,419	3,757
Deferred tax liabilities	917	1,572	927
Non-current provisions	14	27	17
<b>Total non-current liabilities</b>	<b>5,885</b>	<b>3,414</b>	<b>6,036</b>
<b>Current liabilities</b>			
Financial current liabilities <sup>2</sup>	5,394	4,754	5,563
Tax liabilities	211	449	263
Current provisions	5,664	4,843	5,930
Gross amount due to customers for contract work	16,483	16,118	16,827
Trade and other payables	26,468	24,683	28,568
<b>Total current liabilities</b>	<b>54,220</b>	<b>50,847</b>	<b>57,151</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>80,343</b>	<b>74,632</b>	<b>82,770</b>
of which interest-bearing financial liabilities	6,612	5,023	6,759
of which interest-bearing pensions and provisions	3,700	1,467	3,822
<b>Total interest-bearing liabilities</b>	<b>10,312</b>	<b>6,490</b>	<b>10,581</b>
1 of which shares	36	41	38
2 Items regarding non-interest-bearing unrealized changes in derivatives/ financial instruments are included in the following amounts:			
Financial non-current assets	0	13	0
Financial current assets	118	218	230
Financial non-current liabilities	1	0	2
Financial current liabilities	98	127	137
3 Current-asset properties			
Commercial Property Development	11,528	10,970	11,066
Residential Development	13,146	11,059	12,345
<b>Total</b>	<b>24,674</b>	<b>22,029</b>	<b>23,411</b>

**Note, contingent liabilities**

Contingent liabilities amounted to SEK 19.1 bn on March 31, 2012 (Dec 31, 2011: 18.9). During the period, contingent liabilities increased by SEK 0.2 bn.



### Summary statement of changes in equity

SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011
Opening balance	19,583	20,792	20,792
of which non-controlling interests	170	122	122
Dividend to shareholders	0	0	-4,945
Acquired non-controlling interest	0	0	-29
Change in group composition	0	0	45
Dividend to non-controlling interests	0	1	-2
Effects of equity-settled share-based payments	62	57	228
Repurchase of shares	-74	0	-184
Other transfers of assets recognized directly in equity	0	0	0
Total comprehensive income attributable to			
Equity holders	665	-481	3,673
Non-controlling interests	2	2	5
<b>Closing balance</b>	<b>20,238</b>	<b>20,371</b>	<b>19,583</b>
of which non-controlling interests	172	125	170

### Consolidated operating cash flow statement

SEK M	Jan–Mar 2012	Jan–Mar 2011
<b>Cash flow before change in interest-bearing receivables and liabilities</b>	<b>-2,682</b>	<b>-3,406</b>
Change in interest-bearing receivables and liabilities	-146	1,326
<b>Cash flow for the period</b>	<b>-2,828</b>	<b>-2,080</b>
Cash and cash equivalents at the beginning of the period	5,309	6,654
Exchange rate differences in cash and cash equivalents	-46	-225
<b>Cash and cash equivalents at the end of the period</b>	<b>2,435</b>	<b>4,349</b>

### Summary cash flow statement

SEK M	Jan–Mar 2012	Jan–Mar 2011
Cash flow from operating activities	-1,979	-2,514
Cash flow from investing activities	-989	-892
Cash flow from financing activities	140	1,326
<b>Cash flow for the period</b>	<b>-2,828</b>	<b>-2,080</b>

## Cash flow

### Operating cash flow

SEK M	Jan–Mar 2012	Jan–Mar 2011
<b>Construction</b>		
Cash flow from business operations	740	702
Change in working capital	-1,497	-342
Net investments	-490	-437
Cash flow adjustment	0	0
<b>Total Construction</b>	<b>-1,247</b>	<b>-77</b>
<b>Residential Development</b>		
Cash flow from business operations	-196	-175
Change in working capital	176	157
Net investments	-656	-863
Cash flow adjustment	211	-173
<b>Total Residential Development</b>	<b>-465</b>	<b>-1,054</b>
<b>Commercial Property Development</b>		
Cash flow from business operations	-48	8
Change in working capital	15	54
Net investments	-303	-731
Cash flow adjustment	53	-48
<b>Total Commercial Property Development</b>	<b>-283</b>	<b>-717</b>
<b>Infrastructure Development</b>		
Cash flow from business operations	36	-27
Change in working capital	-17	-35
Net investments	-152	-162
Cash flow adjustment	0	0
<b>Total Infrastructure Development</b>	<b>-133</b>	<b>-224</b>
<b>Central and eliminations</b>		
Cash flow from business operations	-159	-153
Change in working capital	-6	-86
Net investments	-15	-8
Cash flow adjustment	0	0
<b>Total central and eliminations</b>	<b>-180</b>	<b>-247</b>
Total cash flow from business operations	373	355
Total change in working capital	-1,329	-252
Total net investments	-1,616	-2,201
Total cash flow adjustment	264	-221
<b>Total</b>	<b>-2,308</b>	<b>-2,319</b>
Taxes paid in business operations	-349	-829
<b>Cash flow from business operations</b>	<b>-2,657</b>	<b>-3,148</b>
Net interest items and other net financial items	96	-129
Taxes paid in financing operations	-29	39
<b>Cash flow from financing operations</b>	<b>67</b>	<b>-90</b>
<b>CASH FLOW FROM OPERATIONS</b>	<b>-2,590</b>	<b>-3,238</b>
Net strategic investments	-18	-168
Taxes paid on strategic divestments	0	0
<b>Cash flow from strategic investments</b>	<b>-18</b>	<b>-168</b>
Dividend etc.	-74	0
<b>CASH FLOW BEFORE CHANGE IN INTEREST-BEARING RECEIVABLES AND LIABILITIES</b>	<b>-2,682</b>	<b>-3,406</b>
Translation differences, net receivables/net debt	-37	-596
Change in pension liability	259	-172
Reclassification, interest-bearing net receivables/net debt	0	0
Interest-bearing liabilities acquired/divested	4	-22
Other changes, interest-bearing net receivables/net debt	13	-10
<b>CHANGE IN INTEREST-BEARING NET RECEIVABLES</b>	<b>-2,443</b>	<b>-4,206</b>

**Group net investments**

SEK M	Jan–Mar 2012	Jan–Mar 2011
<b>OPERATIONS - INVESTMENTS</b>		
Intangible assets	-6	-16
Property, plant and equipment	-550	-450
Assets in Infrastructure Development	-169	-229
Shares and participations	-2	-19
Current-asset properties	-3,462	-2,553
of which Residential Development	-1,845	-1,816
of which Commercial Property Development	-1,617	-737
<b>Investments in operations</b>	<b>-4,189</b>	<b>-3,267</b>
<b>STRATEGIC INVESTMENTS</b>		
Businesses	-18	-168
Shares	0	0
<b>Strategic investments</b>	<b>-18</b>	<b>-168</b>
<b>Total Investments</b>	<b>-4,207</b>	<b>-3,435</b>
<b>OPERATIONS - DIVESTMENTS</b>		
Intangible assets	0	1
Property, plant and equipment	33	13
Assets in Infrastructure Development	17	67
Shares and participations	0	0
Current-asset properties	2,523	985
of which Residential Development	1,198	978
of which Commercial Property Development	1,325	7
<b>Divestments in operations</b>	<b>2,573</b>	<b>1,066</b>
<b>STRATEGIC DIVESTMENTS</b>		
Businesses	0	0
<b>Strategic divestments</b>	<b>0</b>	<b>0</b>
<b>Total divestments</b>	<b>2,573</b>	<b>1,066</b>
<b>TOTAL NET INVESTMENTS<sup>1</sup></b>	<b>-1,634</b>	<b>-2,369</b>
Depreciation, non-current assets	-351	-317

1 (+) divestments, (-) investments

## Parent Company

### Summary income statement

SEK M	Jan–Mar 2012	Jan–Mar 2011
Net sales	0	0
Cost of sales and selling and administrative expenses	-118	-100
<b>Operating income</b>	<b>-118</b>	<b>-100</b>
Net financial items	-24	-10
<b>Income after financial items</b>	<b>-142</b>	<b>-110</b>
Taxes	37	29
<b>Profit for the period</b>	<b>-105</b>	<b>-81</b>
<b>Total comprehensive income</b>	<b>-105</b>	<b>-81</b>

### Summary balance sheet

SEK bn	Mar 31, 2012	Mar 31, 2011	Dec 31, 2011
<b>Assets</b>			
Intangible non-current assets	7	9	7
Property, plant and equipment	2	3	2
Financial non-current assets <sup>1</sup>	10,809	10,722	11,131
<b>Total non-current assets</b>	<b>10,818</b>	<b>10,734</b>	<b>11,140</b>
Current receivables	132	93	301
<b>Total current assets</b>	<b>132</b>	<b>93</b>	<b>301</b>
<b>TOTAL ASSETS</b>	<b>10,950</b>	<b>10,827</b>	<b>11,441</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	5,587	8,140	5,742
Provisions	285	268	276
Non-current interest-bearing liabilities <sup>1</sup>	4,962	2,340	5,286
Current liabilities	116	79	137
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>10,950</b>	<b>10,827</b>	<b>11,441</b>

<sup>1</sup> Of these amounts, SEK 45 M (Dec 31, 2011: 368) were intra-Group receivables and SEK 4,962 M (Dec 31, 2011: 5,286) intra-Group liabilities.

#### Note, contingent liabilities

The Parent Company's contingent liabilities totaled SEK 98.4 bn (Dec 31, 2011: 99.3), of which SEK 91.2 bn (Dec 31, 2011: 92.4) was related to obligations on behalf of Group companies. Other obligations, SEK 7.2 bn (Dec 31 2011: 6.9), were related to commitments to outside parties.



## Share data

SEK M	Jan–Mar 2012	Jan–Mar 2011
Earnings per share according to segment reporting, SEK <sup>1</sup>	0.27	0.81
Earnings per share, SEK <sup>1</sup>	0.64	0.32
Earnings per share after dilution, SEK <sup>2</sup>	0.64	0.32
Average number of shares outstanding	411,869,184	411,851,554
Average number of shares outstanding after dilution	414,495,948	415,377,397
Average dilution, %	0.63	0.85
Number of shares, at balance sheet date	419,903,072	423,053,072
of which Series A and Series B shares	419,903,072	419,903,072
of which Series D shares (without right to dividend, in Skanska's own custody) <sup>3</sup>	0	3,150,000
Number of Series D shares converted to Series B shares	0	1,350,000
Average price, repurchased shares, SEK	105.55	105.40
Number of Series B shares repurchased	10,754,000	8,324,000
of which repurchased during the year	630,000	0
Number of shares in Skanska's own custody	8,268,035	8,050,661
Number of shares outstanding	411,635,037	411,852,411

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 On April 5, 2011, the Annual Shareholders' Meeting approved a reduction in share capital by SEK 9,450,000 through redemption of 3,150,000 Series D shares.

## Five-year Group financial summary

SEK M	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2010	Jan–Mar 2009	Jan–Mar 2008 <sup>2</sup>
Revenue	27,212	22,841	25,454	30 764	31 546
Operating income	354	178	858	611	1 080
Profit for the period	264	132	629	354	878
Earnings per share, SEK	0.64	0.32	1.52	0.85	2.09
Return on capital employed, %	30.2	19.1	23.3	14.3	26.1
Return on equity, %	39.1	18.3	23.5	14.0	22.3
Operating margin, %	1.3	0.8	3.4	2.0	3.4
Cash flow per share, SEK <sup>1</sup>	-6.51	-8.27	0.64	-4.50	-3.40

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

2 Comparative figures for 2008 have not been adjusted to the effects of IFRIC 12 och IFRIC 15.

## Exchange rates for the most important currencies

SEK	Average exchange rates			Exchange rates on the closing day		
	Jan–Mar 2012	Jan–Mar 2011	Jan–Dec 2011	Mar 31, 2012	Mar 31, 2011	Dec 31, 2011
U.S. dollar	6.75	6.49	6.49	6.63	6.28	6.89
British pound	10.61	10.38	10.41	10.61	10.11	10.65
Norwegian krone	1.17	1.13	1.16	1.16	1.14	1.15
Euro	8.85	8.87	9.03	8.84	8.93	8.92
Czech koruna	0.35	0.36	0.37	0.36	0.36	0.35
Polish zloty	2.09	2.25	2.20	2.12	2.22	2.00

## Construction

### Revenue and earnings

Mkr	Jan–Mar 2012	Jan–Mar 2011
Revenue	26,218	22,683
<b>Gross income</b>	<b>1,843</b>	<b>1,693</b>
Selling and administrative expenses	-1,523	-1,369
Income from joint ventures and associated companies	3	1
<b>Operating income</b>	<b>323</b>	<b>325</b>
Investments	-551	-622
Divestments	43	17
<b>Net investments</b>	<b>-508</b>	<b>-605</b>
Gross margin, %	7.0	7.5
Selling and administrative expenses, %	-5.8	-6.0
Operating margin, %	1.2	1.4
Order bookings, SEK bn	25.1	21.6
Order backlog, SEK bn	152.9	139.4
Employees	54,888	48,848

### Revenue by business/reporting unit

SEK M	Jan–Mar 2012	Jan–Mar 2011
Sweden	6,069	5,350
Norway	3,361	2,434
Finland	1,723	1,419
Poland	1,081	1,072
Czech Republic	768	1,036
UK	2,826	3,245
USA Building	5,724	4,887
USA Civil	2,884	2,076
Latin America	1,782	1,164
<b>Total</b>	<b>26,218</b>	<b>22,683</b>

### Operating income

SEK M	Jan–Mar 2012	Jan–Mar 2011
Sweden	168	77
Norway	5	-61
Finland	-15	-15
Poland	-32	78
Czech Republic	-90	-39
UK	92	61
USA Building	87	68
USA Civil	188	152
Latin America	-80	4
<b>Total</b>	<b>323</b>	<b>325</b>

### Operating margin, %

Jan–Mar 2012	Jan–Mar 2011
2.8	1.4
0.1	neg
neg	neg
neg	7.3
neg	neg
3.3	1.9
1.5	1.4
6.5	7.3
neg	0.3
<b>1.2</b>	<b>1.4</b>

### Order backlog

SEK M	Mar 31, 2012	Mar 31, 2011
Sweden	29,446	31,679
Norway	14,347	10,268
Finland	5,930	5,913
Poland	7,460	8,606
Czech Republic	7,853	8,052
UK	19,024	21,384
USA Building	35,625	26,746
USA Civil	23,394	21,687
Latin America	9,789	5,091
<b>Total</b>	<b>152,868</b>	<b>139,426</b>

### Order bookings

Jan–Mar 2012	Jan–Mar 2011
5,952	5,036
2,153	2,717
1,126	1,548
1,195	1,047
873	518
1,774	1,789
6,798	3,266
2,412	4,616
2,855	1,062
<b>25,138</b>	<b>21,599</b>

## Residential Development

### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011
Revenue	1 659	2 655
<b>Gross income</b>	<b>162</b>	<b>364</b>
Selling and administrative expenses	-184	-166
Income from joint ventures and associated companies	0	-2
<b>Operating income</b>	<b>-22</b>	<b>196</b>
Operating margin, %	neg	7.4
Employees	549	575
Investments	-1 854	-1 841
Divestments	1 198	978
<b>Net investments</b>	<b>-656</b>	<b>-863</b>
Capital employed, SEK bn	13.0	11.0

### Revenue

SEK M	Jan–Mar 2012	Jan–Mar 2011
Sweden	541	1,367
Norway	586	296
Finland	469	789
<b>Nordics</b>	<b>1,596</b>	<b>2,452</b>
Czech Republic	63	203
Other <sup>2</sup>	0	-
<b>Total</b>	<b>1,659</b>	<b>2,655</b>

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

SEK M	Jan–Mar 2012	Jan–Mar 2011
Sweden	-71	121
Norway	43	4
Finland	21	57
<b>Nordics</b>	<b>-7</b>	<b>182</b>
Czech Republic	5	23
Other <sup>2</sup>	-20	-9
<b>Total</b>	<b>-22</b>	<b>196</b>

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

Jan–Mar 2012	Jan–Mar 2011
neg	8.9
7.3	1.4
4.5	7.2
<b>neg</b>	<b>7.4</b>
7.9	11.3
-	-
<b>neg</b>	<b>7.4</b>

1 Development gain only. Construction margin reported under Construction.

2 Start-ups in new markets.

### Homes started

SEK M	Jan–Mar 2012	Jan–Mar 2011
Sweden	177	342
Norway	161	0
Finland	132	319
<b>Nordics</b>	<b>470</b>	<b>661</b>
Czech Republic	10	176
Other	0	0
<b>Total</b>	<b>480</b>	<b>837</b>

### Homes sold

Jan–Mar 2012	Jan–Mar 2011
262	346
122	75
205	338
<b>589</b>	<b>759</b>
59	167
0	0
<b>648</b>	<b>926</b>

### Homes under construction

SEK M	Mar 31, 2012	Mar 31, 2011
Sweden	2,117	2,326
Norway	801	446
Finland	1,756	1,764
<b>Nordics</b>	<b>4,674</b>	<b>4,536</b>
Czech Republic	424	674
Other	85	0
<b>Total</b>	<b>5,183</b>	<b>5,210</b>

### Completed unsold, number of homes

Mar 31, 2012	Mar 31, 2011
104	27
9	3
37	33
<b>150</b>	<b>63</b>
116	93
0	0
<b>266</b>	<b>156</b>

### Homes under construction of which sold, %

Mar 31, 2012	Mar 31, 2011
61	64
60	83
63	65
<b>62</b>	<b>66</b>
51	58
46	0
<b>61</b>	<b>65</b>

## Commercial Property Development

### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011
Revenue	243	341
of which divestments of properties	133	183
<b>Gross income</b>	<b>109</b>	<b>140</b>
Selling and administrative expenses	-111	-91
Income from joint ventures and associated companies	3	0
<b>Operating income</b>	<b>1</b>	<b>49</b>
of which from divestments of properties <sup>1</sup>	51	41
of which writedowns/reversal of writedowns	0	0
<b>Employees</b>	<b>262</b>	<b>220</b>
1 Additional gain included in eliminations was	0	2
Investments	-1,618	-735
Divestments	1,315	4
<b>Net investments</b>	<b>-303</b>	<b>-731</b>
Capital employed, SEK bn	11.4	10.7

### Revenue

SEK M	Jan–Mar 2012		Jan–Mar 2011	
	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011
Nordic	234	336	133	182
Europe	6	5	0	1
U.S	3	0	0	0
<b>Total</b>	<b>243</b>	<b>341</b>	<b>133</b>	<b>183</b>

### of which from divestments

### Operating income

SEK M	Jan–Mar 2012		Jan–Mar 2011	
	Jan–Mar 2012	Jan–Mar 2011	Jan–Mar 2012	Jan–Mar 2011
Nordic	41	80	51	41
Europe	-23	-23	0	0
U.S	-17	-8	0	-
<b>Total</b>	<b>1</b>	<b>49</b>	<b>51</b>	<b>41</b>

### of which from divestments

### Capital employed

SEK M	Mar 31, 2012	Mar 31, 2011
Nordic	6,447	8,146
Europe	3,024	1,783
U.S	1,910	733
<b>Total</b>	<b>11,381</b>	<b>10,662</b>

## Infrastructure Development

### Revenue and earnings

SEK M	Jan–Mar 2012	Jan–Mar 2011
Revenue	33	88
<b>Gross income</b>	<b>-19</b>	<b>-43</b>
Selling and administrative expenses	-37	-32
Income from joint ventures and associated companies	105	100
<b>Operating income</b>	<b>49</b>	<b>25</b>
of which gains from divestments of shares in projects	0	0
Investments	-169	-229
Divestments	17	67
<b>Net investments</b>	<b>-152</b>	<b>-162</b>
Capital employed, SEK bn	1.7	2.7
Return on capital employed (RoCE), 12 months rolling, %	107.8	7.7
Employees	145	147



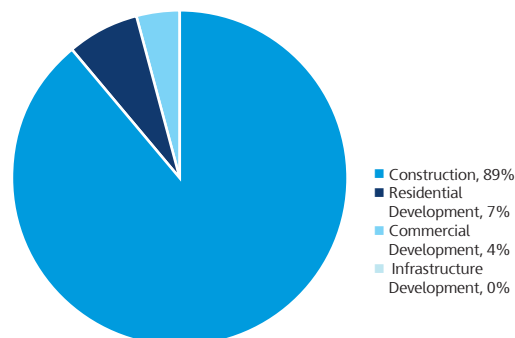
## About Skanska

Skanska is one of the world's leading project development and construction groups, with expertise in construction, development of commercial properties and residential projects as well as public-private partnerships. Based on the Group's global environmental know-how, Skanska aims to be a leader in the development and construction of green projects.

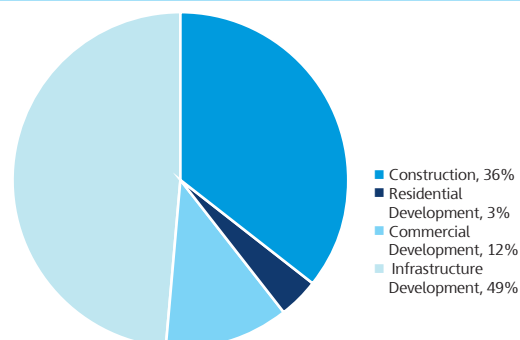
The Group currently has 56,000 employees in selected home markets in Europe, the U.S. and Latin America. Skanska's revenue in 2011 totaled SEK 123 billion.



Revenue, 2011



Operating income, 2011



### Key ratios – segment reporting

Dec 31, 2011	SEK M	EUR M	USD M
Revenue	122,534	13,571	18,872
Operating income	9,087	1,006	1,400
Income after financial items	9,099	1,008	1,401
Earnings for the period per share, SEK	19.72	2.18	3.04
Return on equity, %	41.5	41.5	41.5
Order bookings	123,587	13,688	19,034
Order backlog	155,698	17,461	22,591

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This report will also be presented at a press and telephone conference at 2:00 p.m. (14:00 CET) on May 10 at the Scandic Anglais Hotel, Humlegårdsgatan 23, Stockholm, Sweden. The press and telephone conference will be webcast live at [www.skanska.com/investors](http://www.skanska.com/investors), where a video of the conference will be available later as well. To participate in the telephone conference, please dial +46 8 505 598 53, +44 203 043 2436, or +1 866 458 4087. This and previous releases can also be found at [www.skanska.com/investors](http://www.skanska.com/investors).

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