

Annual General Meeting

Stockholm, April 4, 2017

Johan
Karlström

President
and CEO



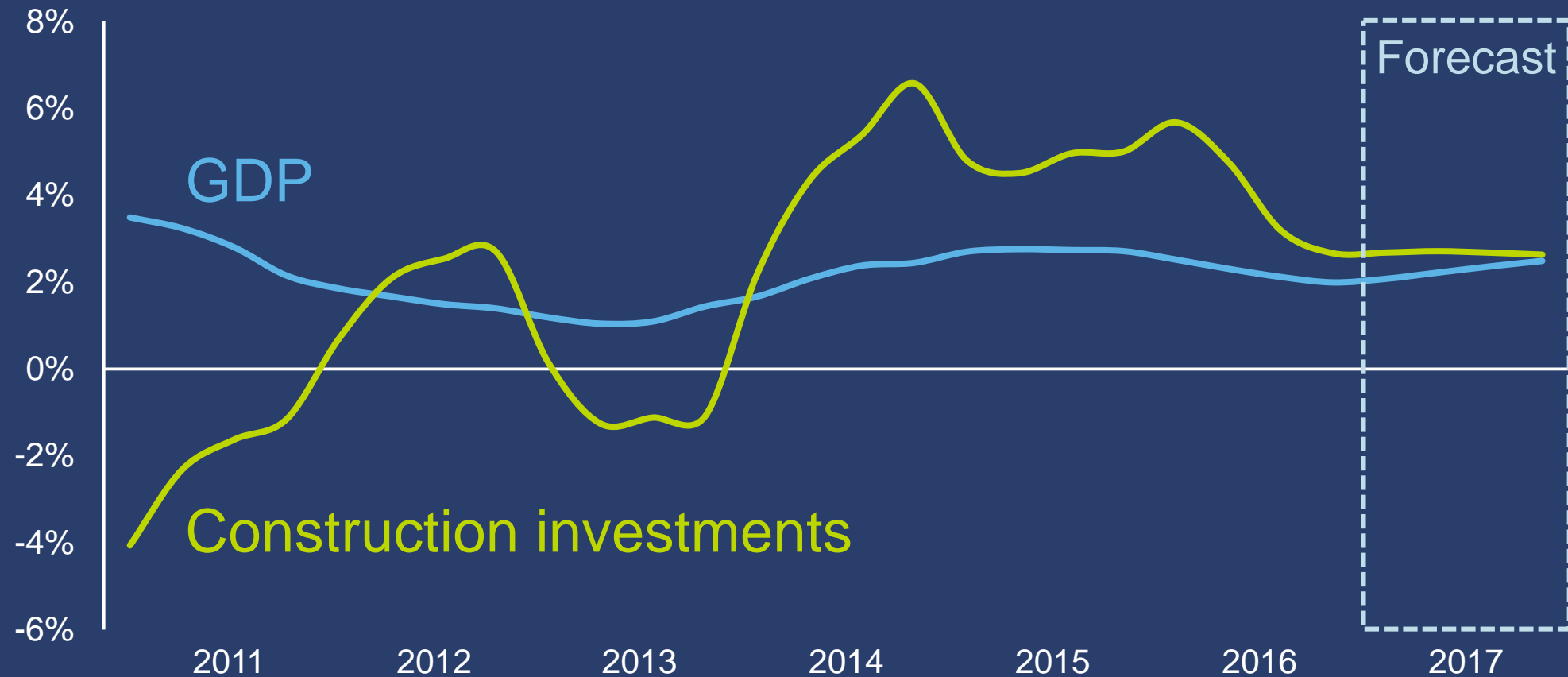
We build for a better society.
LaGuardia Airport, New York, USA

The Group Revenue and profit

SEK bn	2016	2015
Revenue	151.3	154.9
Profit for the year	6.5	4.9

Development in Skanska's home markets

Year-on-year change, real



One Skanska



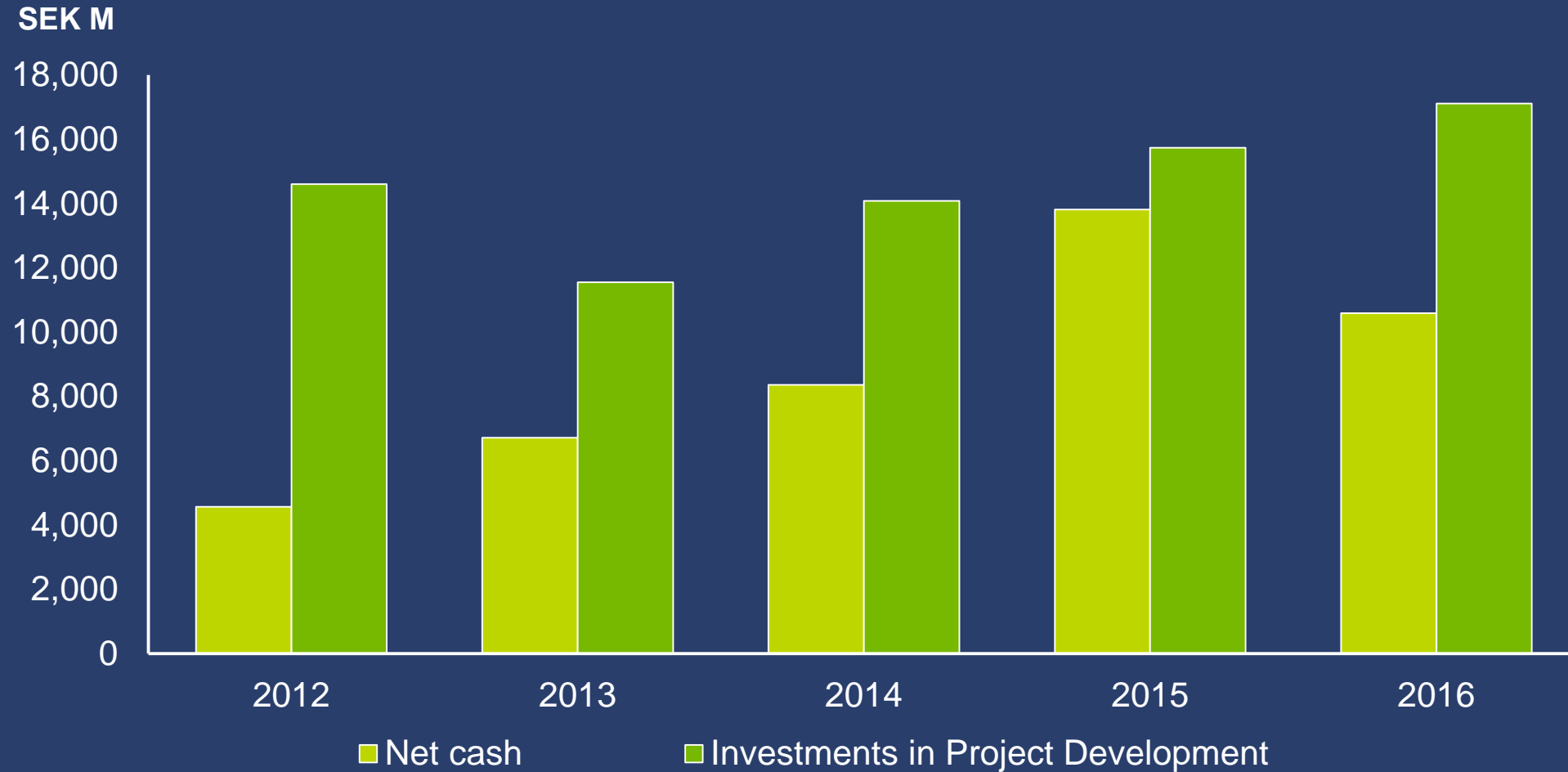
One Skanska

Operational synergies Financial synergies

Financial targets 2016–2020

	Target	Outcome 2016
Project Development		
Return on capital employed	$\geq 10\%$	18.4%
Construction		
Operating margin	$\geq 3.5\%$	2.6%
Group		
Financial strength, SEK bn	can be negative	10.6
Return on equity	$\geq 18\%$	28.3%

A strong balance sheet



Our business

Construction

Oculus,
World Trade Center,
New York, USA



Residential Development

BoKlok Lingonriset,
Huddinge, Sweden



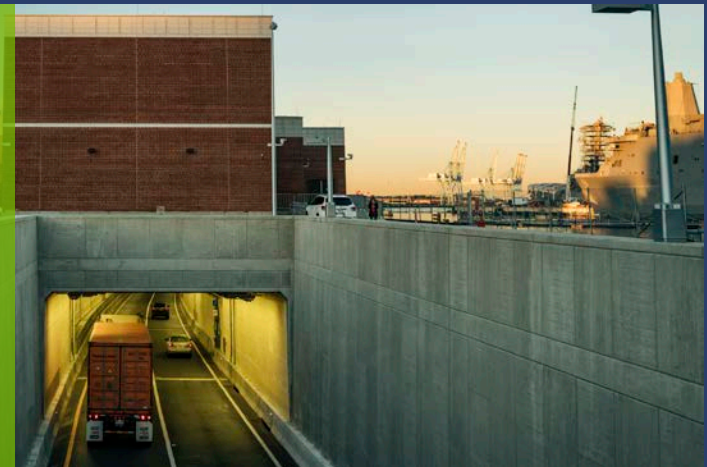
Commercial Property Development

Studio,
Malmö, Sweden



Infrastructure Development

Elizabeth River
Tunnels, Norfolk, USA



Residential Development

Record result
Higher return on
capital employed

Boklök Långnriset, Huddinge, Sweden

Residential Development

SEK bn	2016	2015
Revenue	13.3	12.3
Operating income	1.6	1.2
Operating margin, %	12.1	9.5
Return on capital employed, %	17.1	14.4



Bjørvika, Oslo, Norway

Residential Development Market outlook 2017

Nordic countries 

Central Europe 



Duggregnet, Björkhagen, Sweden

Commercial Property Development

High demand
Attractive market values

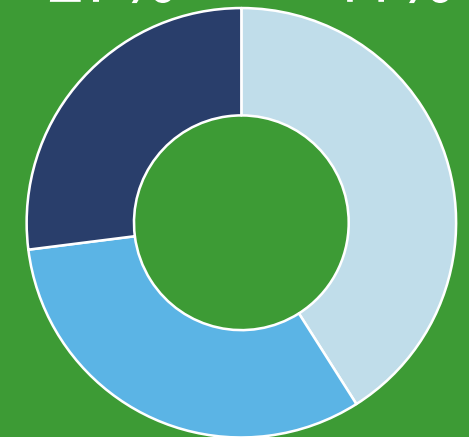
Studio, Malmö, Sweden

Commercial Property Development



Capital employed
– distribution by market¹

USA 27% Nordics 41%



Central Europe
32%

¹ As of Dec 31, 2016

Commercial Property Development

SEK bn	2016	2015
Investments	8.4	8.8
Ongoing projects		
Number of projects	47	44
Total investments	20.3	18.8
New leases, sq m (000)	379	375
Estimated surplus value	7.2	6.1



Corso Court, Prague, Czech Republic

Commercial Property Development

SEK bn	2016	2015
Revenue	10.2	9.0
Operating income	2.3	1.9
of which gain on sale	3.1	2.6
Return on capital employed ¹ , %	14.8	15.6

1 Adjusted



101 Seaport, Boston, USA

Commercial Property Development Market outlook 2017

Nordic countries



Other European
countries



USA



Örestad City, Copenhagen, Denmark

Infrastructure Development



High activity
Increased income

Elizabeth River Tunnels, Norfolk, USA

Infrastructure Development

Projects in the portfolio 11
 of which completed 4
 ongoing 7

SEK bn	2016	2015
Portfolio, net present value	4.3	4.8
Unrealized development gain (estimated)	1.4	1.7



Bristol Schools, Bristol, UK

Infrastructure Development

SEK bn	2016	2015
Operating income	1.8	0.8
of which gain on sale	1.7	0.4



M25, London, UK

LaGuardia Airport

Contract value: ca SEK 23 M

Investment: ca SEK 0.6 M

Completion: 2024

New Karolinska Solna Stockholm, Sweden

Contract value: SEK 14.5 M
Total – build and equip: SEK 22.8 M
Total – build, equip and
maintain until 2040: ca SEK 61 M

Infrastructure Development Market outlook 2017

Mainly focused on USA

We follow the discussions
and political development



I-4 Ultimate, Florida, USA

Construction

SEK bn	2016	2015
Order bookings	170.2	122.1
Book-to-Build, %	123	87
Order backlog	196.3	158.2

World Trade Center Transportation Hub, New York City, USA

Construction

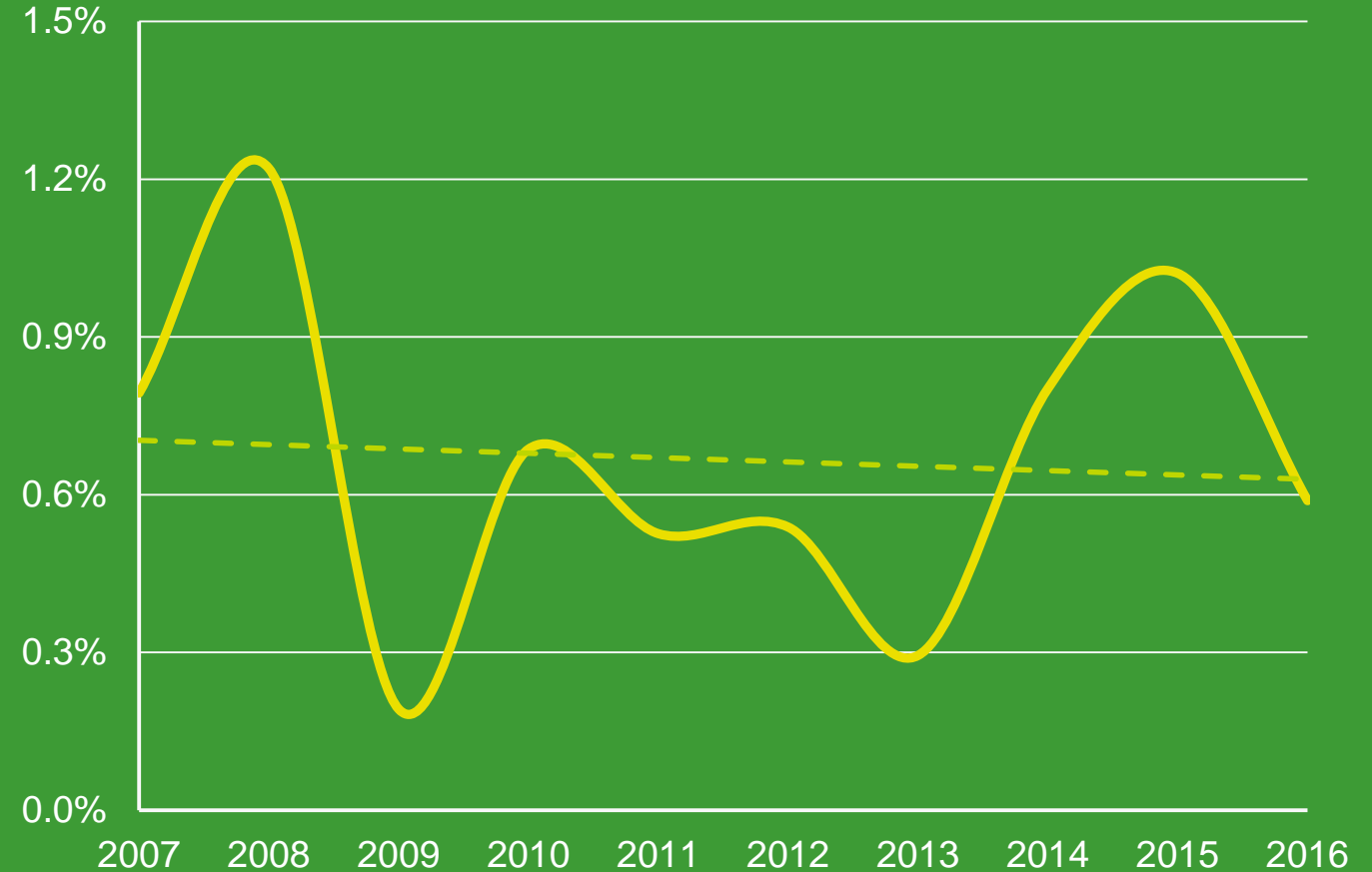
SEK bn	2016	2015
Revenue	138.0	140.6
Operating income	3.5	3.9
Operating margin, %	2.6	2.8
Free working capital	-22.5	-20.5



Czarnków Bypass, Czarnków, Poland

Risk management

- Skanska's business = projects
- Margin fade
- Strengthened follow-up of large projects
- Tightened bid strategy
- Continuous training



Operational Excellence



Construction Market outlook 2017

Nordic countries 

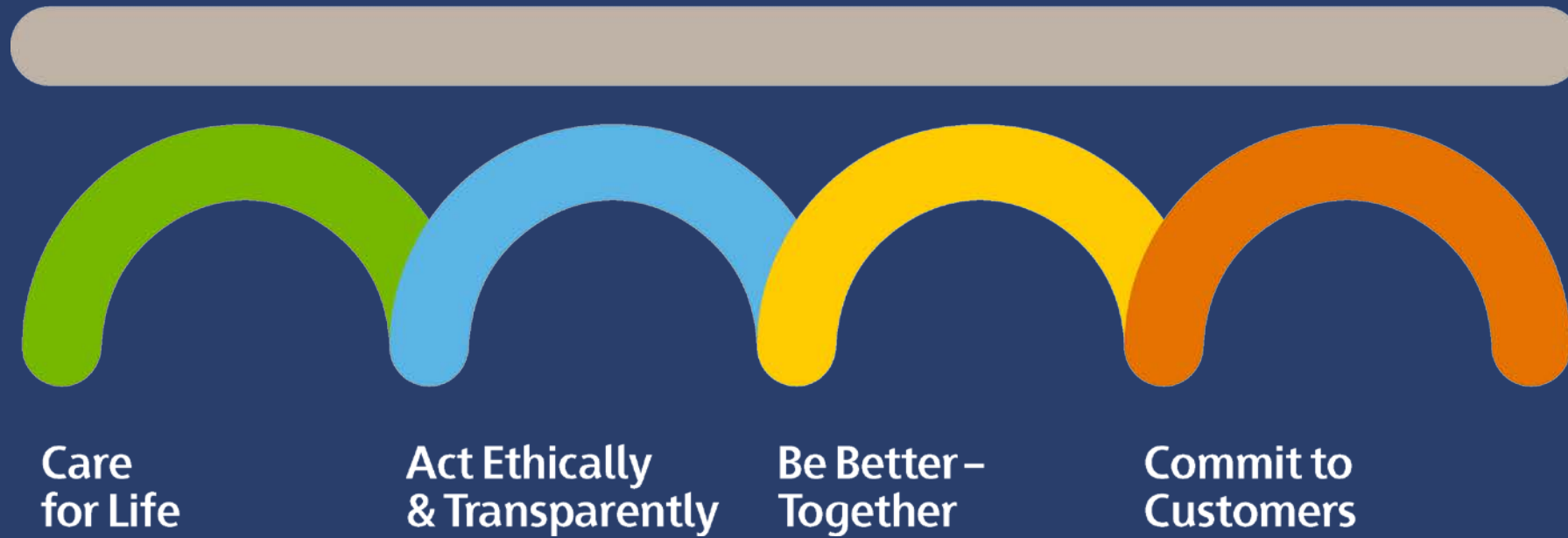
Other European
countries 

USA 



Sørkjosen-tunnel, Sørkjosen, Norway

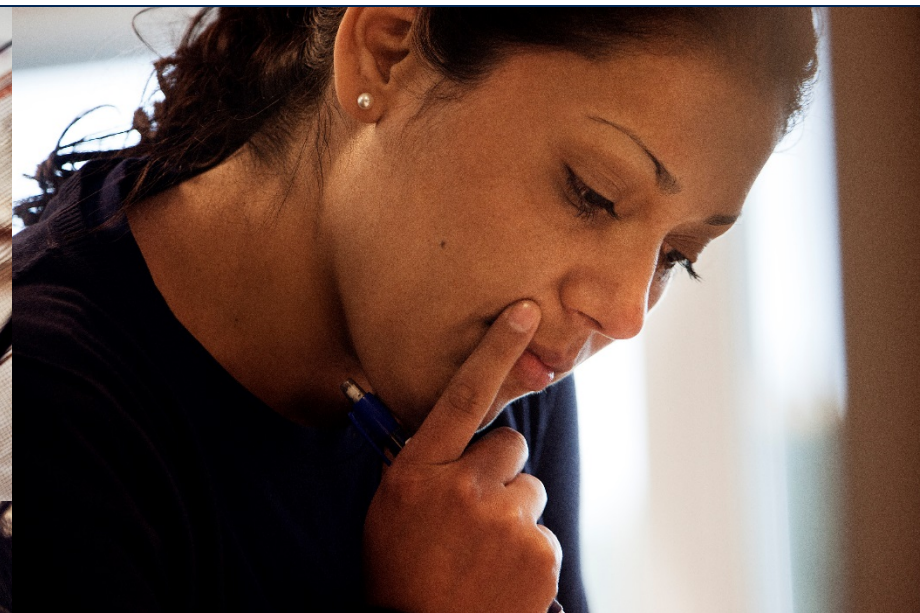
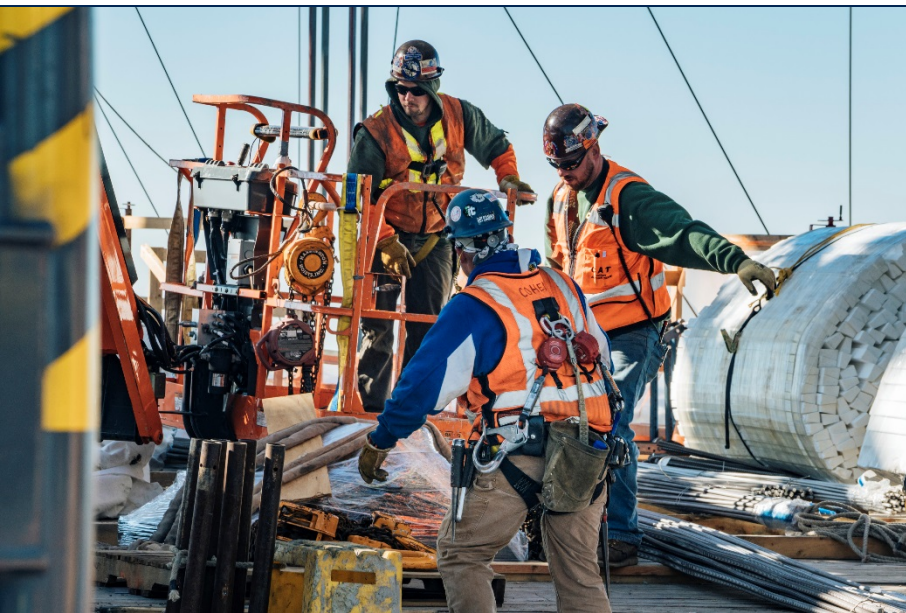
Skanska Values



Business Plan 2020 Follow-up



Profit with Purpose



Outlook 2017

Solid financial position

Positive market outlook

Strong order backlog

More commercial and infrastructure projects

Summary

Residential Development

Record result, higher return on capital employed

Commercial Property Development

Record gain on sale, increased investments

Infrastructure Development

High activity, financial close LaGuardia, sale of M25

Construction

Increased order bookings, lower revenue and operating income