

Annual General Meeting

Stockholm, April 6, 2016

Johan Karlström

President and CEO

The Group – revenue and profit

SEK bn	2015	2014
Revenue	154.9	145.0
Profit for the year	4.9	4.1

Financial targets 2011–2015

	Target	2015 Outcome	
The Group			
Return on equity	18-20%	22.5%	✓
Financial strength – net cash position ¹ , SEK bn	Positive	13.8	✓
Construction			
Average operating margin over a business cycle	3.5-4.0%	2.8%	
Project development business streams			
Return on capital employed	10-15%	14.9%	✓

¹ Excluding net pension liabilities and construction loans for cooperative housing associations

2015 in brief

Construction

Increased revenue, decreased operating income and order bookings, increased cash flow

Residential Development

Improved result and return on capital

Commercial Property Development

Record in divestment gains, increased investments

Infrastructure Development

Increased underlying value of portfolio, continued enhanced position in the U.S.

Summary

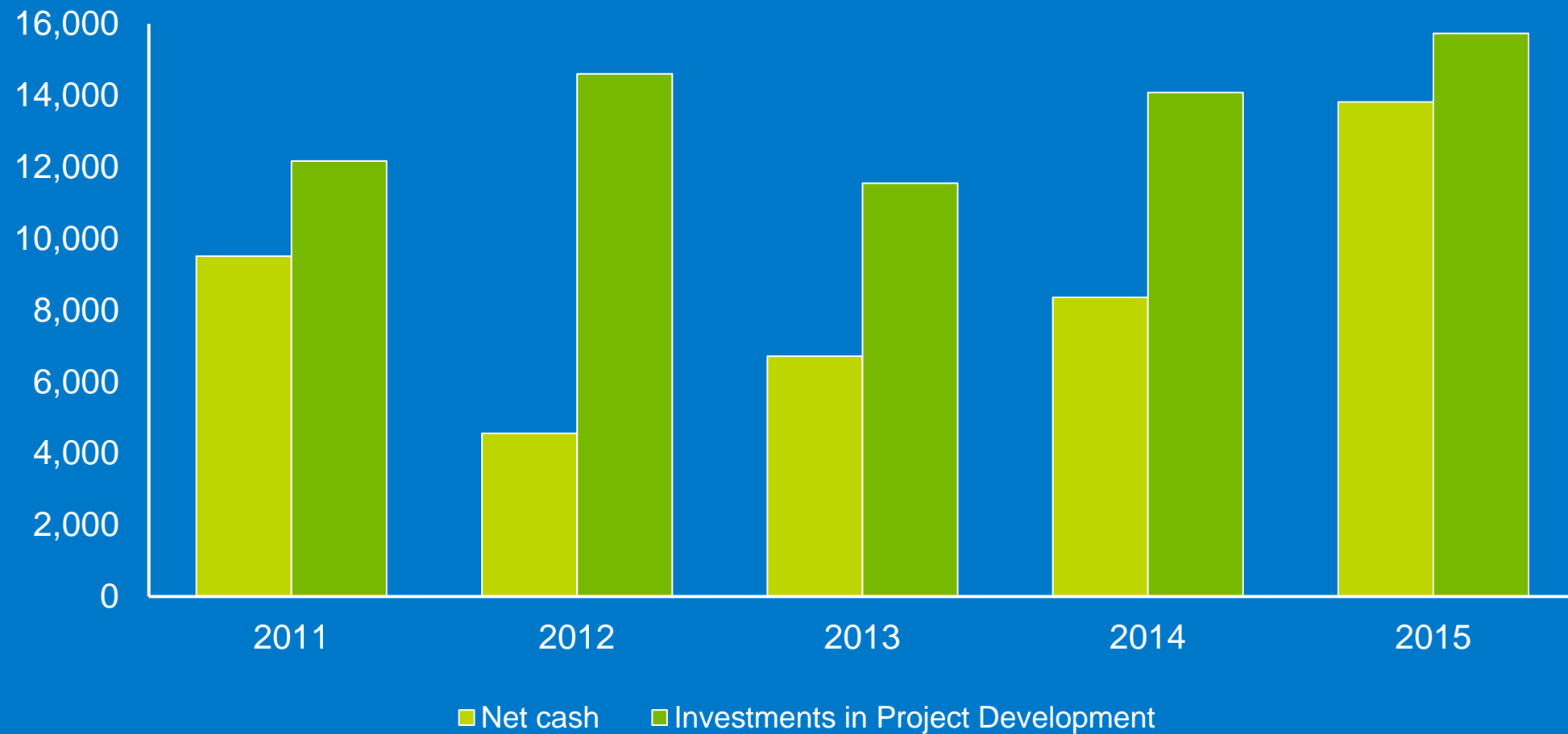
Construction margin **2.8%**

Return on capital employed **14.9%**

Return on equity **22.5%**

Net cash

SEK M

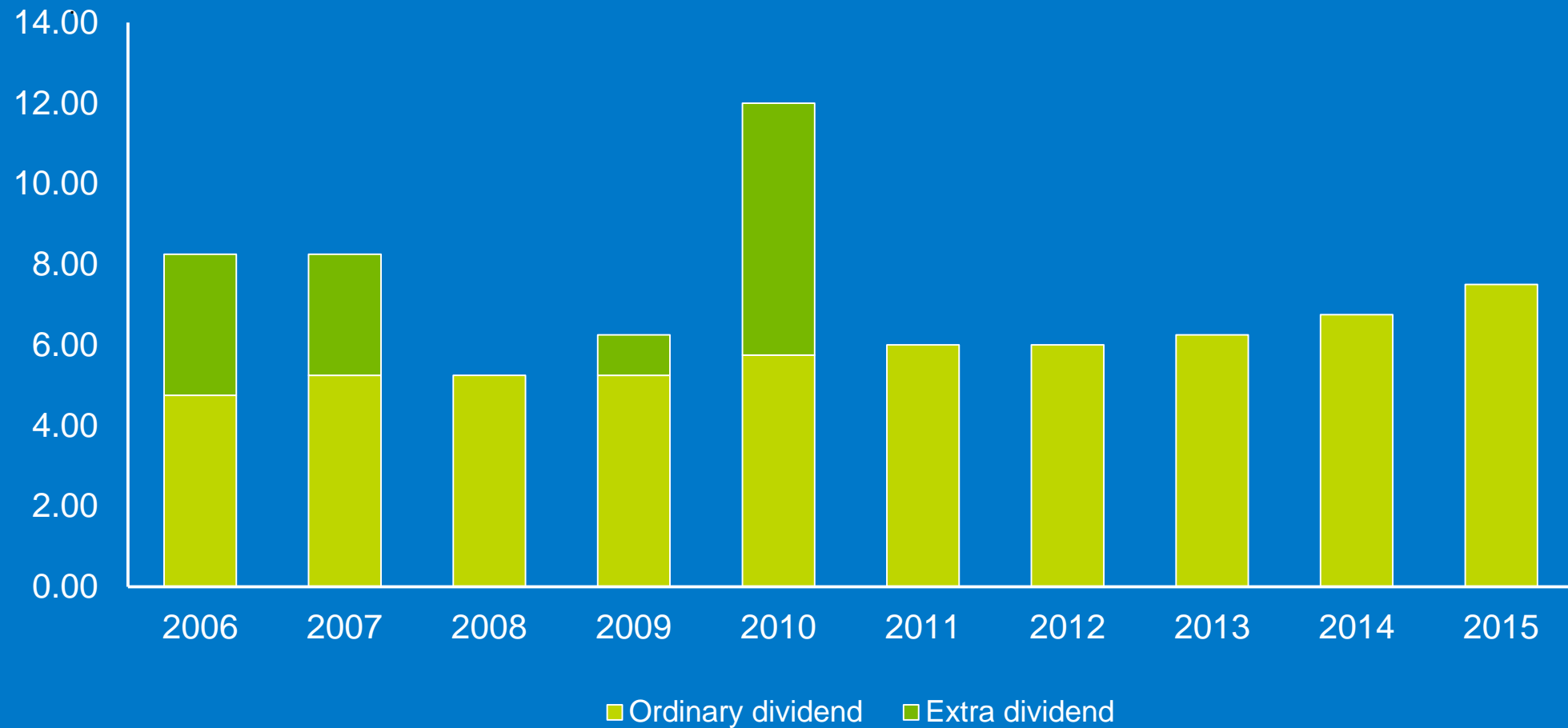


Proposed dividend

SEK/share	2015	2014
Dividend	7.50	6.75

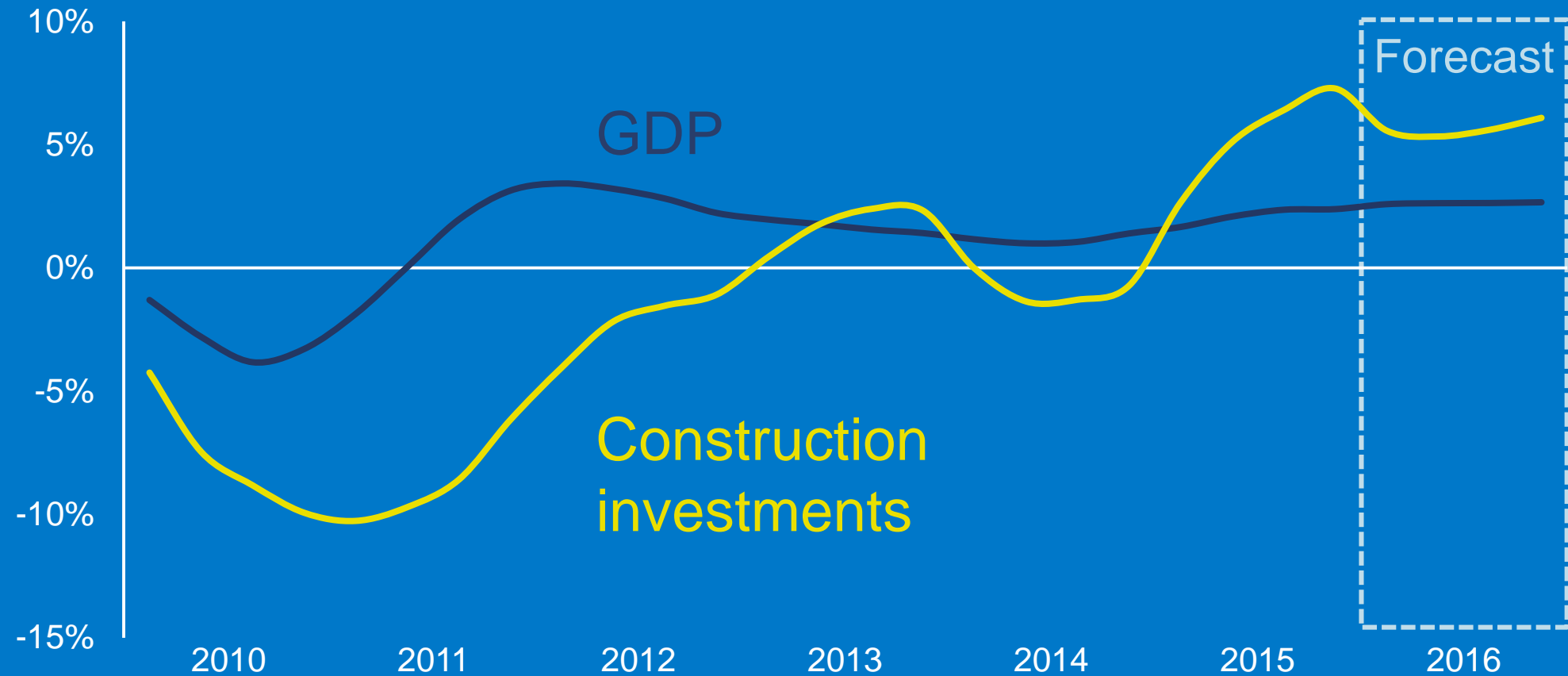
Dividend

SEK



Development in Skanska's home markets

Year-on-year change, real



Construction

SEK bn	2015	2014
Revenue	140.6	128.7
Operating income	3.9	4.5
Operating margin, %	2.8	3.5
Free working capital	-20.5	-18.1



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

Construction

SEK bn	2015	2014
Order bookings	122.1	146.9
Book-to-Build, %	87	114
Order backlog	158.2	170.5



Interstate-4 Ultimate, Orlando, U.S.

Construction

- + Increased negative working capital
- + Continued strong results and margins in Sweden, Finland and Poland
- + Increased order bookings in UK, Sweden, Finland and Czech Republic
- Construction operations in the U.S.

European Spallation Source, ESS Lund, Sweden

Contract value: SEK 2 bn

Completion: 2020

One Skanska partnership

UK 25%

Sweden 75%

Photo: Ulrika Hammarlund/ESS



Slussen Stockholm, Sweden

Contract value:
SEK 2.4 bn

Five contracts in total

Completion: 2021–2022



Ascend Amphitheater and West Riverfront Park Nashville, U.S.

Contract value: USD 40 M
Completion: 2015
LEED Gold certified

Construction Market outlook 2016

Nordic countries



Other European
countries



North America



Česká Lípa,
Northern Bohemia, Czech Republic

Residential Development Targets 2016

Targets

10%
operating margin

10%
return on capital
employed



Solallén, Växjö, Sweden

Residential Development

SEK bn	2015	2014
Revenue	12.3	9.6
Operating income	1.2	0.7
Operating margin, %	9.5	7.1
Return on capital employed, %	14.4	7.1



Residential Development

2015 summary

	Market	Result
Sweden		
Norway		
Finland		
Central Europe		



Kilåsen, Lysaker, Oslo, Norway

BoKlok Raketen

Kiruna, Sweden



Number of
Apartments: 34
Townhouses: 16

Completion: 2015

1,000 BoKlok homes
sold 2015

7,000 BoKlok homes
sold since the
beginning in 1996

Kviberg Gothenburg, Sweden

Number of
apartments: 612

Completion: 2015–2020



Residential Development

Market outlook 2016

Nordic countries 

Central Europe 



Sopranen Malmö Live, Sweden

Commercial Property Development

SEK bn	2015	2014
Revenue	9.0	10.2
Operating income	1.9	1.7
of which gain on sale	2.6	2.0
Return on capital employed ¹⁾ , %	15.6	11.4

1) Adjusted



Green Court, Bucharest, Romania

Commercial Property Development

SEK bn	2015	2014
Investments	8.8	6.9
Ongoing projects		
Number of projects	44	43
Total investment	18.8	15.1
New leases, sq m (000)	375	287
Estimated surplus value	6.1	4.9



Corso Court Prague, Czech Republic

Total area: 24,000 sq m

Completion/sold: 2015

LEED Platinum



400 Fairview Seattle, U.S.

Total area: 45,000 sq m

Completion: 2015

90% sold 2015 for USD 235 M

LEED Platinum

101 Seaport Boston, U.S.

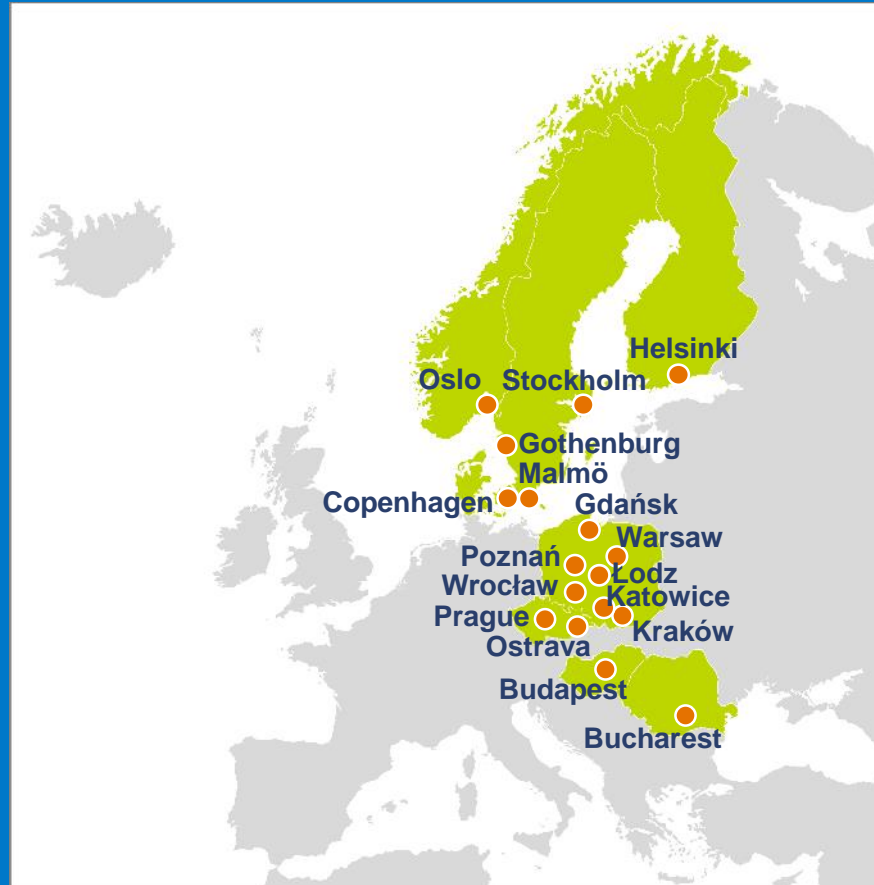
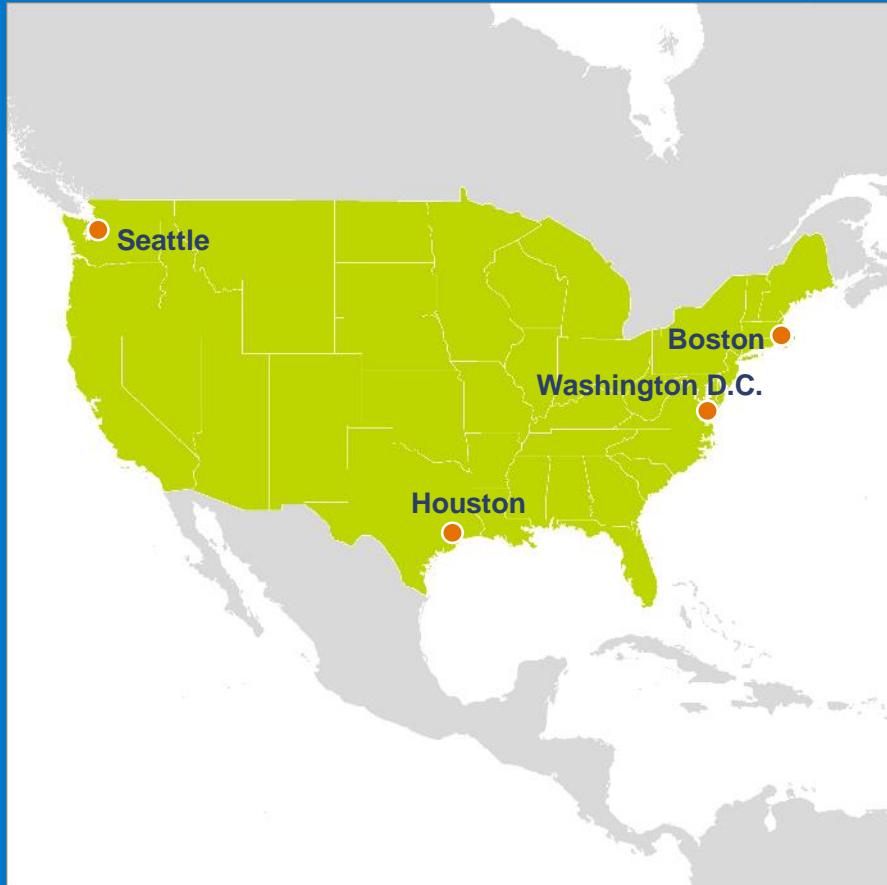
Total area: 48,000 sq m

Completion: 2015

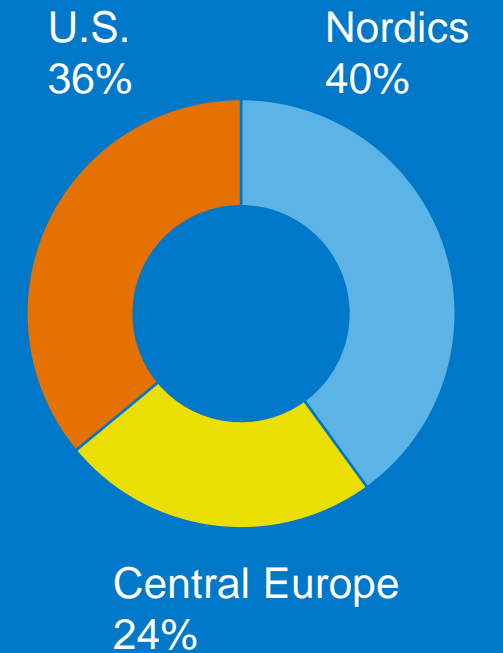
LEED Platinum



Commercial Property Development



Capital employed
– distribution by market¹



¹ As of Dec 31, 2015

Commercial Property Development Market outlook 2016

Nordic countries



Other European
countries



USA



Studio, Malmö, Sweden

Infrastructure Development

SEK M	2015	2014
Operating income	863	463
of which gain on sale	420	127



Elizabeth River Tunnels, Virginia, U.S.

Infrastructure Development

Projects in the portfolio	11
of which completed	7
ongoing	4

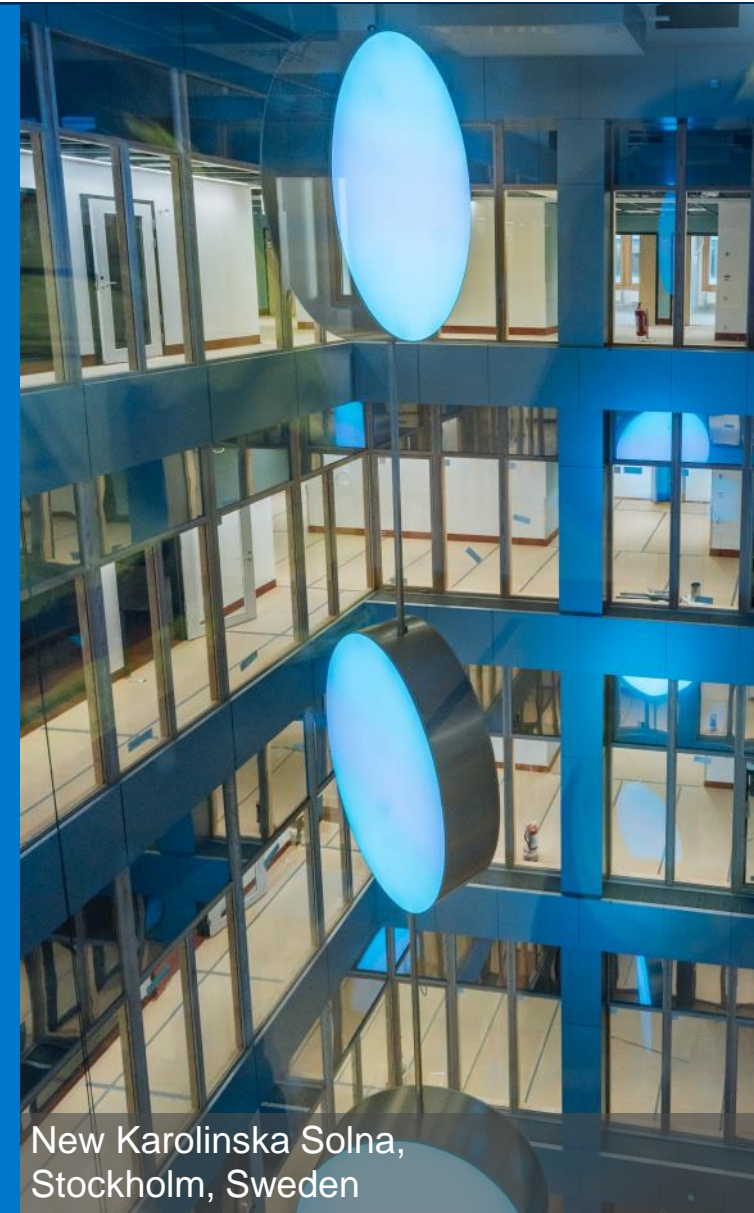
Investment, SEK bn	3.3
of which invested	1.7



New Papworth Hospital, Cambridge, UK

Infrastructure Development

SEK bn	2015	2014
Portfolio, net present value	4.8	5.3
Unrealized development gain (estimated)	1.7	2.1



New Karolinska Solna,
Stockholm, Sweden

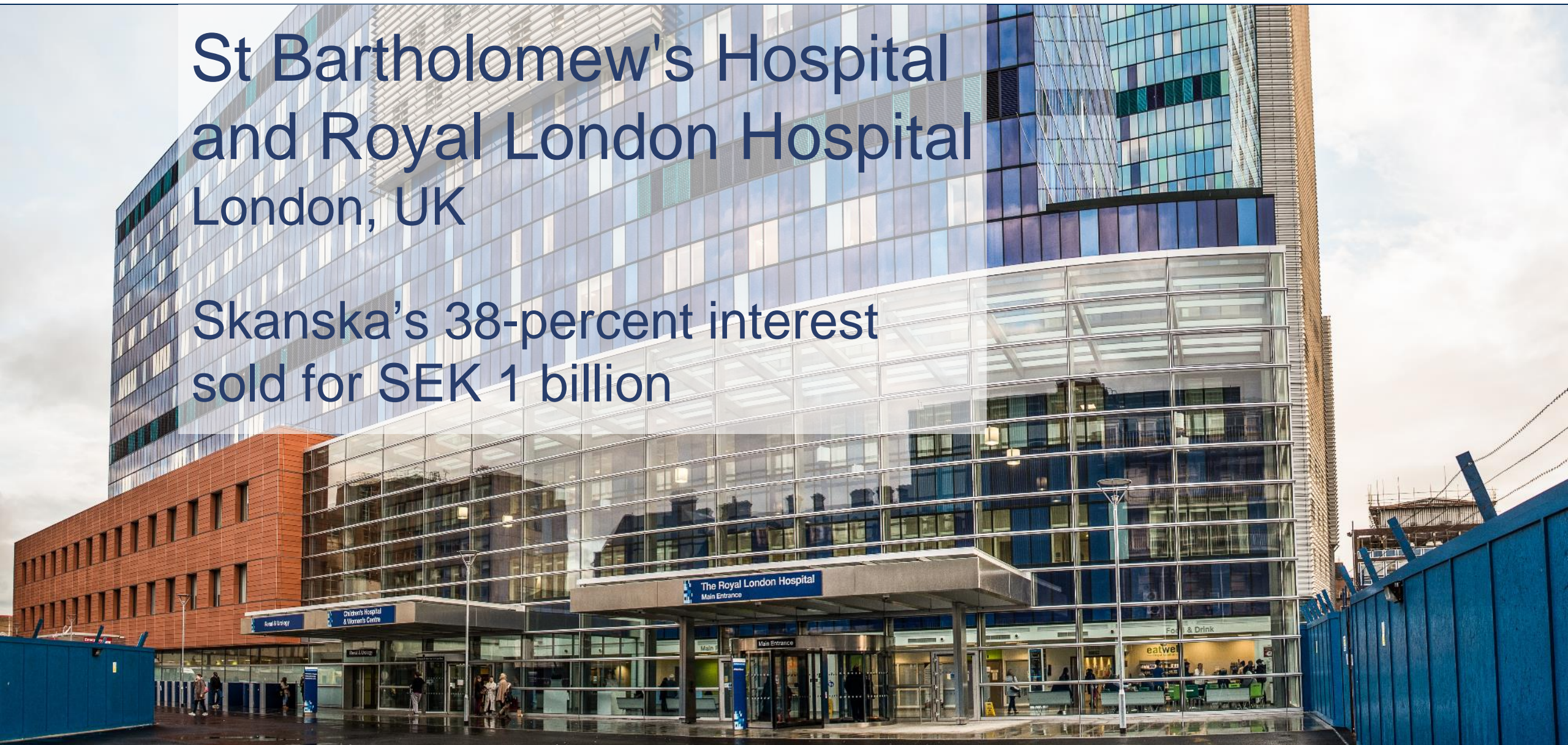
Interstate-4 Ultimate Orlando, U.S.



Contract value: ca SEK 7 bn
Investment: ca SEK 0,6 bn
Completion: 2021

St Bartholomew's Hospital and Royal London Hospital London, UK

Skanska's 38-percent interest
sold for SEK 1 billion



Nya Karolinska Solna

Stockholm, Sweden

The new university
hospital will open its
doors to the first patients
at the end of **2016**

Infrastructure Development Market outlook 2015

North America 

Europe 



Bristol Schools, UK

Skanska Latin America

All engineering and construction operations ended in 2015

Operations and maintenance activities divested in the first quarter 2016

Business Plan
2016–2020
Profit with Purpose
We build for a
better society



Financial targets 2016–2020

Group	Construction	Project development operations
Return on equity $\geq 18\%$	Operating margin $\geq 3.5\%$	Return on capital employed ¹ $\geq 10\%$
Net operating financial assets/liabilities can be negative if opportunities arise		¹ Overall for Project Development

Key strategic actions 2016–2020

Construction

Controlled growth

Residential Development

Stable

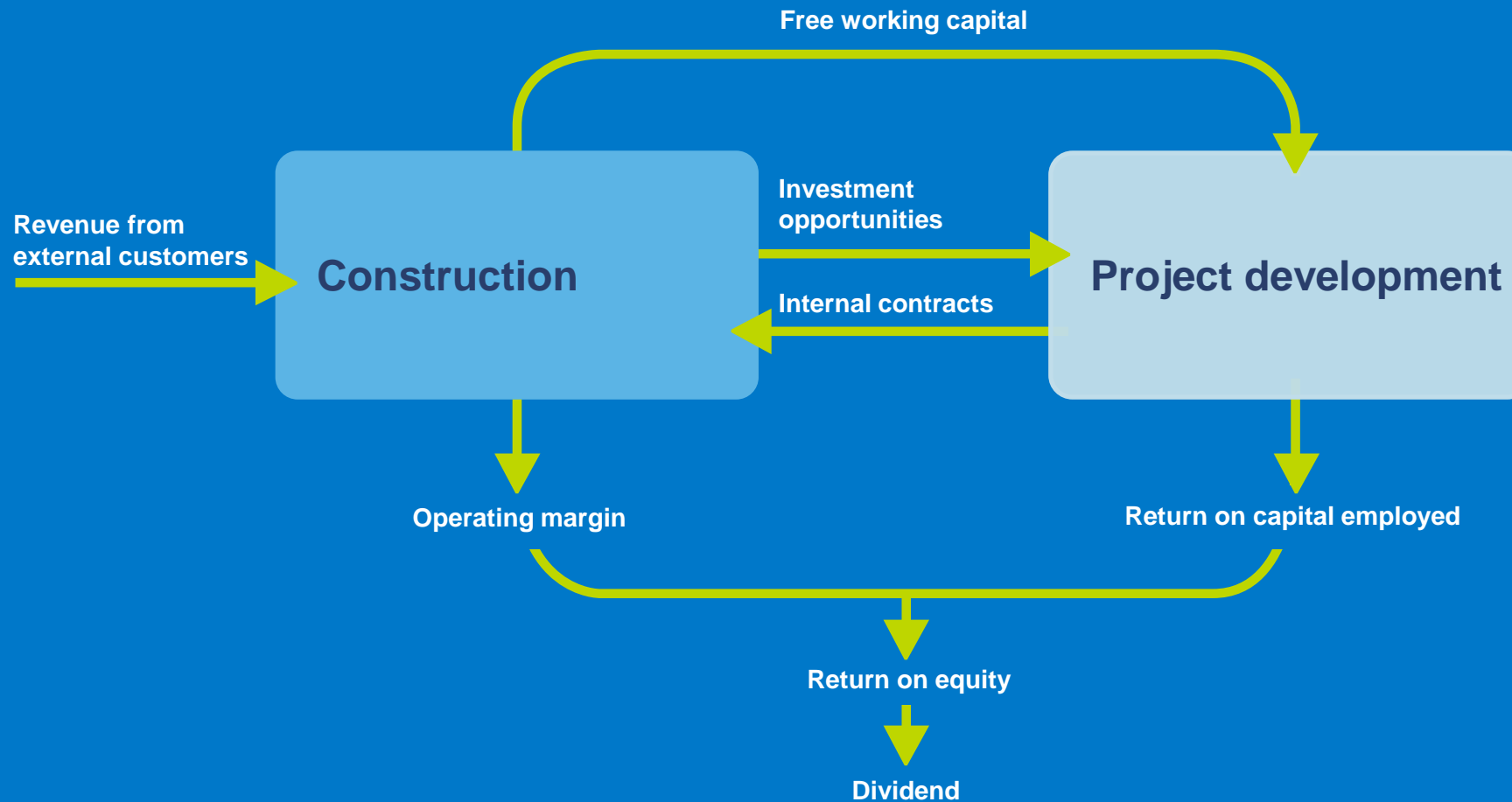
Commercial Property Development

Expansion

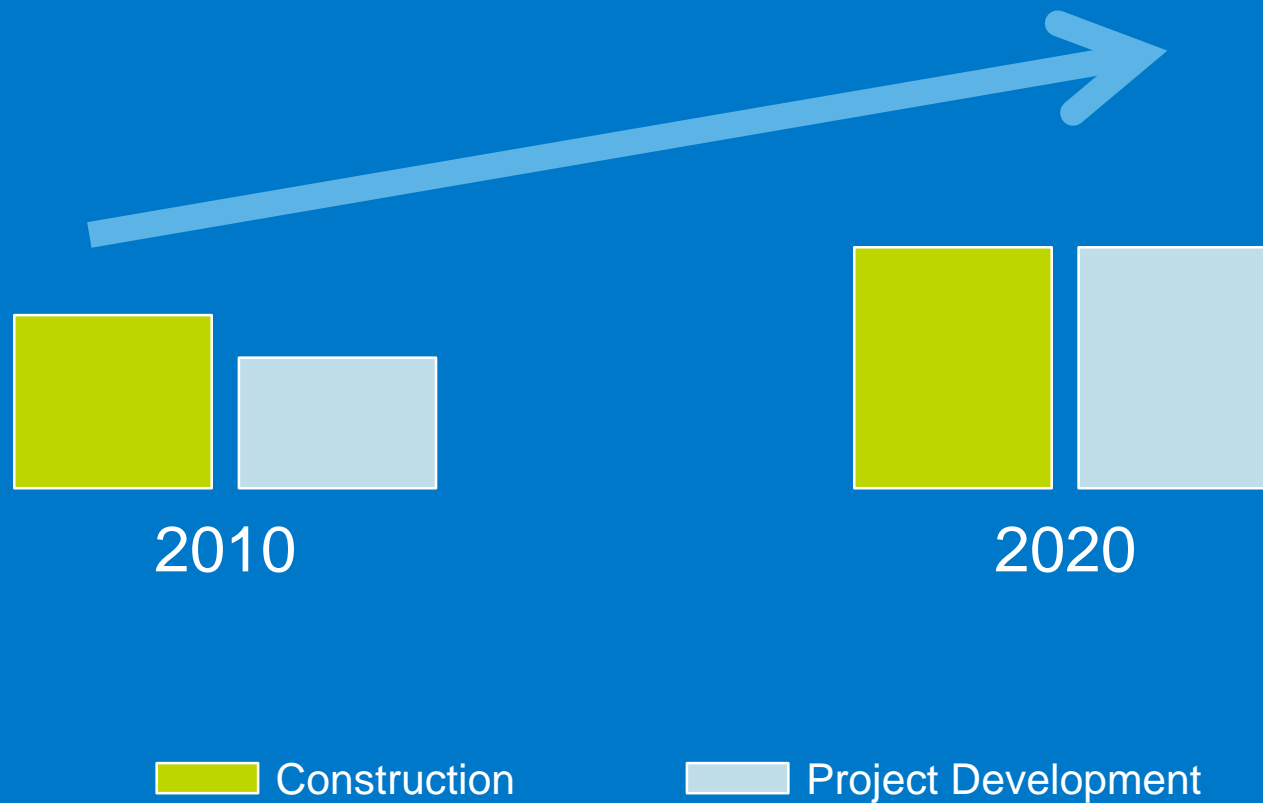
Infrastructure Development

Grow in selected home
markets

Skanska's business model



Balanced value creation

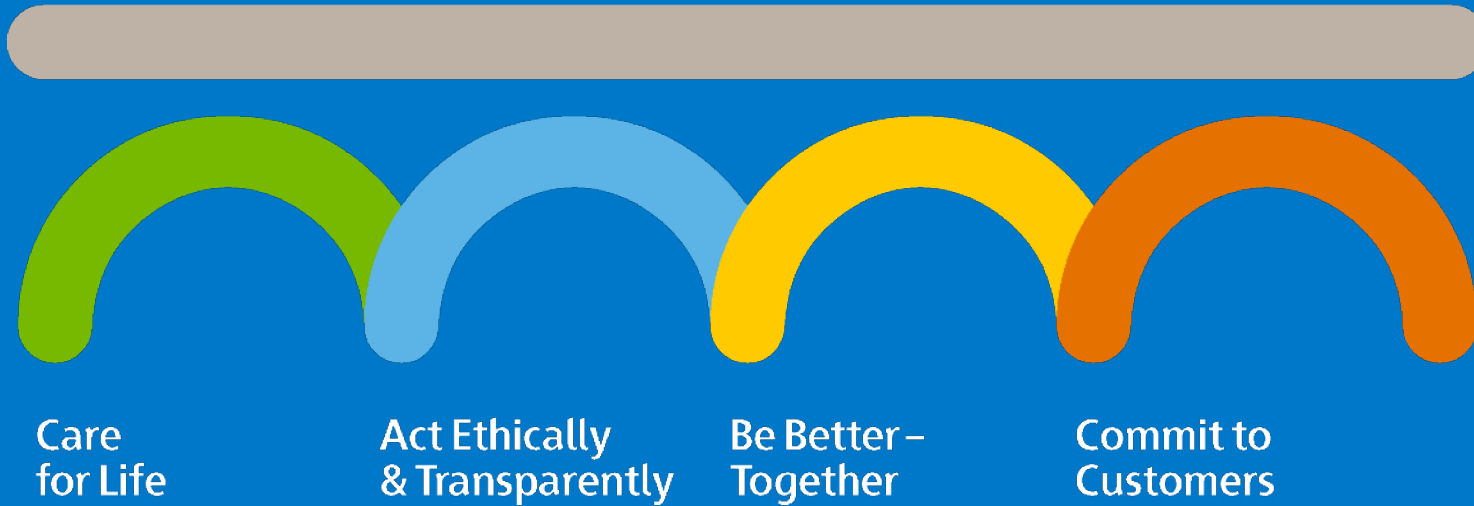


CCI – Corporate Community Investment

We build for a better society



Skanska Values



Work environment

Continued focus on a safe working environment

Equip mobile work platforms with extra protection in cooperation with leading international manufacturers



Risk management

- Skanska's operations = projects
- Several thousand ongoing projects in different countries
- Risks in each individual project
- Risk management is of central importance



The employees' demonstrate
our values in practice

Outlook 2016

Solid financial position

Positive market outlook

Strong order backlog

More Commercial and Infrastructure projects