

“Strong  
cash flow  
and financial  
position”

# Mission

Skanska's mission is to develop, build and maintain the physical environment for living, traveling and working. By combining its resources in these fields, the Group can offer clients attractive, cost-effective and thus competitive solutions.

## **Channel Tunnel Rail Link – effective project management**

The largest rail project now underway in Europe is the new high-speed rail link between London and the tunnel beneath the English Channel. Skanska UK is involved in four contracts in this major rail project, with a total value of SEK 7 billion.

Read more in Part 1, Review of Operations, pp. 12–13.



## **The Arthur Ravenel Jr. Bridge – collective competence**

An impressive bridge will soon be built above the Cooper River in South Carolina, linking the city of Charleston with neighboring Mount Pleasant. Tidewater Skanska won this contract thanks to its own long experience of bridge construction in the southeastern United States and the Skanska Group's collective experience of building high bridges.

Read more in Part 1, Review of Operations, pp. 24–25.



## **Stockholm Center for Physics, Astronomy and Biotechnology – a comprehensive solution**

In Stockholm, a new Center for Physics, Astronomy and Biotechnology was inaugurated during 2001. This center is a joint project by the Royal Institute of Technology and Stockholm University.

Read more in Part 1, Review of Operations, pp. 30–31.



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## Note to the reader

Skanska's Annual Report consists of two parts.

**Review of Operations, Part 1**, focuses on strategic development, organizational structure and a market review. It also contains a five-year financial summary and a section on Skanska share data.

**Financials, Part 2**, contains the Report of the Directors, the income statements and balance sheets, accounting and valuation principles and notes to the financial statements for 2001. It also contains information on Project Development & BOT as well as a property list.

This document is in all respects a translation of the Swedish original Annual Report. In the event of any differences between this translation and the Swedish original, the latter shall prevail.

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▪ Order bookings	+20%	SEK 152.5 bn	EUR 16.5 bn
▪ Order backlog	-1%	SEK 158.6 bn	EUR 17.0 bn
▪ Net sales	+53%	SEK 164.9 bn	EUR 17.8 bn
▪ Operating income in core business	-44%	SEK 2.5 bn	EUR 0.3 bn
▪ Income after financial items	-87%	SEK 1.1 bn	EUR 0.1 bn
▪ Net profit per share		SEK 0.05	EUR 0.005
▪ Return on shareholders' equity		0.1%	
▪ Return on capital employed, adjusted for items affecting comparability and divestments of shares		8.7%	

# Report of the Directors

The Board of Directors and the President of Skanska AB hereby submit their report on the Company's operations in 2001.

## Important events

The year was characterized by the reorganization of the Group and by adjustment to a shrinking world market.

Of the acquisitions implemented during 2000, the British and Czech operations and the acquired companies in American operations showed a positive trend in both profitability and growth, while Polish operations were affected by the downturn in the Polish economy during the year.

A number of business units showed large losses for the financial year, and restructuring and a focus on profitability were a high priority task.

The new management and business unit structure that was introduced at the beginning of 2001 created opportunities to react more quickly and effectively to changes in market trends and client patterns.

As part of its strategy of divesting fully developed projects, the Group sold a number of large properties with good capital gains.

## New organizational structure

To create better opportunities for continued growth with an emphasis on profitability, and to strengthen and clarify its client focus, at the beginning of 2001 Skanska established a new Group management structure. By linking the business units more closely to the Group's Senior Executive Team, Skanska created greater opportunities to react more quickly to new market trends and changed client needs. With an Executive Team that can manage the whole Company and its growth in a more effective way, the potential for synergies within the Group can be better utilized.

The Group's Senior Executive Team consists of Claes Björk, President and CEO, and five Executive Vice Presidents. This team works closely and intensively on the continued expansion of the whole Group to new regions and market segments. The team also focuses on crucial factors behind profitability and growth, for example talent management, business development and control systems.

The new organization comprises 17 different business units that report directly to the Group's Senior Executive Team. The business units consist of construction service compa-

nies in different regions, as well as units that work in project development or new fields of operations. Each business unit is a strong, local business with a clearly defined client base. In addition, the Services business unit was created to take better care of clients in these areas.

## Restructuring and consolidation

Among the operations acquired during 2000, the British, Czech and American operations showed good growth and profitability. However, Skanska's operations in Denmark, Poland and a joint venture company in Great Britain showed large losses during 2001. A writedown of goodwill, loss provisions in ongoing projects, writedowns of unsold completed projects and restructuring expenses were charged to the year's earnings.

In Denmark, the focus on growth occurred at the expense of profitability. Early in 2001, a new management was appointed for Skanska Denmark. The company then initiated an action program to reduce overhead and put improved control and follow-up systems in place. The action program also includes a more restrictive approach toward new tenders.

After the acquisition of the Polish construction group Exbud, which has been part of the Skanska Group since May 2000, the Polish economy deteriorated sharply, with falling growth, increased unemployment and higher real interest rates as a consequence. This deterioration accelerated, making it necessary to reappraise and write down ongoing projects and unsold completed projects, as well as carry out restructuring measures to decrease the work force.

Continued intensive efforts to restructure and refine the strategic direction of Skanska's Polish operations will be required during 2002 in order to take advantage of the large potential that exists.

During 2001, sizable loss provisions were made in ongoing joint venture projects carried out together with Costain Plc in Great Britain. Most of these projects will have been completed during 2002. No additional loss provisions are believed to be necessary.

## Real estate transactions

Skanska implemented a number of very large real estate divestments with good capital gains during 2001. Projects worth a total of about SEK 5 billion were sold with gains

totaling about SEK 2.2 billion. These transactions followed Skanska's strategy of having a high turnover in the real estate portfolio, by divesting fully developed properties and investing in development projects with value-enhancement potential. Skanska has noted a growing interest in its project development work from international real estate investors.

Axa Sun Life, one of Europe's largest insurance companies, was the buyer when Skanska sold its remaining properties in London, England – Thomas More Square and 55 King William Street – for SEK 1,330 M. The capital gain amounted to SEK 490 M.

All three phases of the West End Business Center in Budapest, Hungary, were sold to a group of German insurance companies. The sales price was SEK 630 M. The capital gain was about SEK 300 M.

Skanska sold a number of newly constructed shopping centers in central and southern Sweden for SEK 1,194 M, with a capital gain of SEK 460 M, of which SEK 60 M is being reported in 2002. The buyer is the British real estate investor Resolution.

Skanska and the Swedish real estate company Vasakronan reached an agreement that covers both the sale of four fully developed investment properties and a development project. They are also initiating collaboration in a new company that will exploit building rights for residential and commercial space.

The total value of these transactions with Vasakronan was about SEK 2.5 billion. The capital gain will total about SEK 1 billion. Of this, about SEK 800 M, including earnings in Skanska's contracting business, were reported in 2001. The value that will arise from development of the building rights included in the agreement can be added to this.

Payment was partly in cash and partly in the form of half-ownership in a new company for the development of residential and commercial space in Västerjärva, north of central Stockholm.

## Investigation of certain market conditions

The Swedish Competition Authority has initiated an investigation of a number of companies, among them Skanska, concerning any involvement in a suspected cartel related to contract tenders for asphalt and paving work in Sweden.

Skanska will continue to help the Competition Authority gain access to the informa-

tion needed to complete its investigation. The Norwegian Competition Authority has also initiated an investigation concerning possible involvement by Skanska employees in anti-competitive activities in the asphalt sector. This investigation has not yet been completed.

#### Buy-back program and cancellation of shares

For the purpose of adjusting the capital structure of the Company, the Annual Meeting of shareholders in April 2001 gave the Board of Directors a mandate to buy back Skanska's own shares. This decision means that the Company may purchase its own Series B shares up to a maximum of 10 percent of all shares in the Company. These purchases may occur on Stockholmsbörsen (formerly the OM Stockholm Stock Exchange) until the next Annual Meeting.

During 2001, Skanska bought back 1,898,000 shares (before the split) for an amount of SEK 748,841,768, at an average price of SEK 394.50 (after the split SEK 98.60). The shares repurchased during the year were equivalent to 1.8 percent of the shares in the Company. Together with the 7,318,700 shares repurchased in 2000, a total of 9,216,700 shares (before the split) have thus been purchased for an amount of SEK 3,357,247,497 and at an average price of SEK 364 (after the split SEK 91.10).

The Annual Meeting also approved a reduction in capital stock of SEK 110,600,400 by means of cancellation of the repurchased Series B shares and an increase in capital stock of SEK 110,600,400 through a targeted share issue of 9,216,700 Series C shares. Finally, SEK 110,600,400 was transferred from unrestricted reserves to restricted reserves. This meant that restricted equity was finally restored to the same level as before the cancellation of the repurchased shares.

The Annual Meeting also approved a 4:1 split in Skanska's shares, which was implemented during June.

After cancellation of the previously repurchased shares and after completion of the split (4:1), the number of shares outstanding totaled 418,553,072 at year-end.

#### Argentina

The difficult economic situation in Argentina deteriorated in late December, when the President of Argentina resigned. Foreign

exchange markets were closed from late December to early January 2002. The Argentine peso, which had previously been pegged to the American dollar, fell sharply in value against the dollar when foreign exchange markets reopened. The turbulent situation is creating difficulties in predicting developments. For Sade Skanska, projects outside Argentina comprise a considerable proportion of order backlog volume. IAS regulations have been followed in reporting the accounts of Skanska's Argentine subsidiary. This means that the Group's income statement has not been affected by any alteration in exchange rates between the Argentine peso and the U.S. dollar, which had been based on 1:1 exchange rate parity. However, the balance sheet was affected by the devaluation, based on an exchange rate of 1.65 pesos to the dollar. This reduced the balance sheet total by SEK 0.4 billion, of which SEK 0.2 billion consisted of shareholders' equity.

#### Events after the end of the financial year

Skanska sold its shareholding in the hotel property company Padox AB, equivalent to 6 percent of capital stock and voting power, in February 2002. The sale price amounted to SEK 125 M and the capital gain was SEK 45 M. The sale of the Padox AB shareholding comprised the final step in the divestment of the Group's hotel properties.

Skanska's Board of Directors has decided to allocate employee stock options to 10 individuals in the Group management of Skanska, without payment. The allocation encompasses a total of 656,000 synthetic options and is an expansion of the existing 2001–2006 employee option program. The options have an exercise price amounting to SEK 128 and may be exercised during the period March 1, 2004 – March 31, 2006. In all, senior executives at Skanska hold 4,500,000 employee options, including the above allocation.

#### Market

The world economic downturn affected the Group's operations globally, with an especially strong impact in Poland. As a result of the weakened world market, order bookings decreased during the latter part of the year, compared to the corresponding period of 2000.

The American economy weakened during the second half. There were a number of can-

cancellations of orders and delays in project start-ups. However, low interest rates and the prevailing long-term confidence in the American economy, plus a continued high level of capital spending by the public sector, helped keep business volume at a high level.

The Swedish construction market showed a slight downturn. This applied especially to commercial buildings in the Stockholm region. The civil construction market also weakened during the year.

The housing market was an exception. It continued to grow, although with local differences and from a low level.

The market in the other Scandinavian countries showed a lower activity level than in 2000.

In Finland, the downward trend seems to have bottomed out, and there are prospects for economic growth. The Russian market is still considered risky, and willingness to invest there is thus low.

The Czech construction market showed growth of more than 15 percent. During the final quarter of the year, however, the rate of increase in the market slowed.

The deterioration in the Polish economy as a whole continued. Very high interest rates had a sharply adverse impact on capital spending volume, and construction investments fell by 11 percent.

In Great Britain, the market for commercial buildings was stable, while the civil construction market continued to expand.

The turbulent situation in the Argentine market created difficulties in foreseeing market developments. Projects outside Argentina comprised a considerable proportion of the volume of order backlog in the Argentine subsidiary Sade Skanska.

After a slowdown during the autumn, the Swedish project development and real estate market stabilized. However, supply exceeded demand, creating depressed prices. Due to the downturn in the stock market, most institutional investors are overweighted in real estate. This has made it possible for international real estate investors to step up their activity in Sweden.

The rental market showed clear signs of slowing, and the vacancy rate in the market increased. A number of major corporations had a surplus of office space and were active in the sub-letting market, which depressed rent levels.

The European project and real estate markets outside of Scandinavia where the Group

works – especially in Warsaw, Poland; Budapest, Hungary; and Prague, Czech Republic – were stable or declining slightly.

For the Group as a whole, increased uncertainty in the world economy led to a sharp decline in order bookings during the second half of 2001, compared to the first six months of the year.

#### Order bookings and backlog

SEK M	Order bookings		Order backlog	
	2001	2000	2001	2000
<b>Core business</b>				
Scandinavia	41,153	38,296	23,985	26,440
Europe	42,086	18,781	36,131	31,594
USA	53,861	56,519	83,595	88,931
Other markets	11,990	7,888	14,639	13,263
<b>Total construction-related services</b>	<b>149,090</b>	<b>121,484</b>	<b>158,350</b>	<b>160,228</b>
Services & Telecom	2,815	2,106	213	533
Central and eliminations	602	303	80	-86
<b>Total core business</b>	<b>152,507</b>	<b>123,893</b>	<b>158,643</b>	<b>160,675</b>
Non-core business		3,138		
<b>Total Skanska Group</b>	<b>152,507</b>	<b>127,031</b>	<b>158,643</b>	<b>160,675</b>

The Group's order bookings rose by 20 percent to SEK 152,507 M (127,031). Of the increase, about SEK 12 billion or 12 percent was due to exchange rate effects. This was mainly associated with the increased value of the U.S. dollar against the Swedish krona. The currencies in Skanska's other main markets also showed positive exchange rate differences when translated to SEK. Order bookings from operations in Sweden accounted for 19 percent of total order bookings.

For comparable units, order bookings declined by 16 percent.

Order backlog fell by 1 percent to SEK 158,643 M (160,675). Currency rate effects had a positive impact of about SEK 11 billion. For comparable units, order backlog decreased by 15 percent.

Of total order backlog, 90 percent was related to operations outside Sweden. American operations accounted for 53 percent of order backlog.

#### Net sales

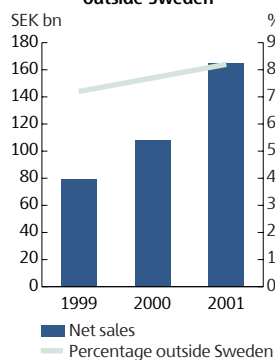
Net sales rose by 53 percent to SEK 164,937 M (108,022). The increase included currency rate effects of about SEK 14 billion. Of total net

sales, 18 percent was related to operations in Sweden. For comparable units, net sales rose by 13 percent. Net sales in units acquired during 2000 amounted to SEK 58,306 M (21,383).

#### Net sales and operating income

SEK M	Net sales		Operating income	
	2001	2000	2001	2000
<b>Core business</b>				
Scandinavia	43,267	32,986	-413	837
Europe	39,880	18,833	-604	659
USA	68,942	46,423	1,173	1,020
Other markets	11,334	5,683	214	28
<b>Total construction-related services</b>	<b>163,423</b>	<b>103,925</b>	<b>370</b>	<b>2,544</b>
Project Development & BOT	1,387	1,387	2,748	2,386
Services & Telecom	3,061	1,966	112	114
Central and eliminations	-2,934	-2,306	-707	-628
	<b>164,937</b>	<b>104,972</b>	<b>2,523</b>	<b>4,416</b>
Items affecting comparability				
Writedown of goodwill				-500
Reversals of writedowns				435
<b>Total core business</b>	<b>164,937</b>	<b>104,972</b>	<b>2,458</b>	<b>4,416</b>
<b>Non-core business</b>				
Components		3,050		85
Listed associated companies				276
Items affecting comparability				-165
<b>Total non-core business</b>		<b>3,050</b>		<b>-165</b>
<b>Total Skanska Group</b>	<b>164,937</b>	<b>108,022</b>	<b>2,293</b>	<b>7,190</b>

Net sales and percentage outside Sweden



#### Operating income

Operating income amounted to SEK 2,293 M (7,190).

Gross income reached SEK 9,396 M (9,520). This included income from business operations as well as capital gains on the sale

of short-term real estate projects (current-asset properties).

It also included loss provisions in ongoing projects, writedowns of unsold completed projects and restructuring expenses. These expenses occurred mainly in Skanska's operations in Denmark, Poland and Norway and in a joint venture company in Great Britain.

Selling and administrative expenses amounted to SEK 9,063 M (6,949). The increase was attributable partly to the increase in the size of the Group and partly to increased amortizations of acquired goodwill.

During 2001, the gain on sale of properties in real estate operations totaled SEK 2,155 M (1,907).

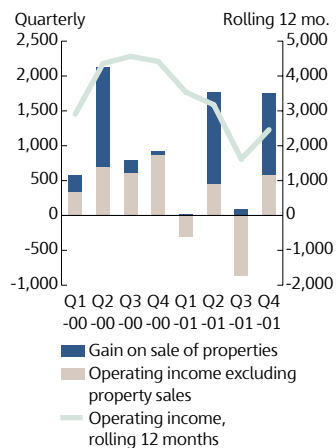
The book value of properties in Skanska's real estate operations that were divested during the year amounted to SEK 2,804 M, of which SEK 1,145 M consisted of divestments outside Sweden.

Skanska's share of income in associated companies and joint ventures declined from SEK 299 M to SEK 35 M. The comparable figure from the preceding year included income of SEK 248 M from Skanska's holding in the associated company JM, which was sold during the fourth quarter of 2000.

Operating income also included SEK -230 M (2,413) in items affecting comparability. These included a writedown of goodwill by SEK 500 M in Poland. An additional item was a provision of SEK 150 M to a special foundation for white-collar employees in Sweden and a loss of SEK 15 M on divestments of businesses and shares. Operating income rose by SEK 435 M due to a reversal of a portion of the property writedowns carried out in prior years in compliance with Recommendation RR 17 of the Swedish Financial Accounting Standards Council. The reversal was carried out on the basis of external appraisals of market value, with an appraisal date of December 31, 2001. This was equivalent to about 60 percent of previous unreversed writedowns in real estate operations. Operating income in 2000 included items affecting comparability of SEK 2,413 M, consisting of gains on the sale of businesses and shares of SEK 1,984 M and a refund of pension premiums from the insurance company Alecta (formerly the Swedish Staff Pension Society, SPP) totaling SEK 429 M.

Operating income in Skanska's core business amounted to SEK 2,458 M, compared to SEK 4,416 M the preceding year.

### Operating income, core operations, SEK M



### Income after financial items

Income after financial items totaled SEK 1,116 M (8531).

Net financial items declined from SEK 1,341 M to SEK -1,117 M, compared to the previous year.

Net interest items amounted to SEK -924 M (-397). Net interest items were adversely affected by higher average indebtedness during the year and the high interest rates in Poland. Other financial items, SEK -253 M (1,738) were mainly related to expenses to safeguard commitments specified by the pension plans in force and to cover a deficit in the Swedish pension fund.

### Net profit for the year

After subtracting the year's tax expenses of SEK 1,094 M, net profit for the year amounted to SEK 22 M (5,550). The high tax burden was due, among other things, to amortizations of goodwill that are not tax-deductible and that, in the short term, are not proportional to earnings. Another reason was that certain losses incurred during the year were not reported as tax claims, in keeping with the Group's valuation principles. Net profit per share amounted to SEK 0.05 (12.50).

### Properties in real estate operations

"Properties in real estate operations" refer to the projects carried out by the Project Development Sweden and Project Development Europe business units.

During the year, 18 real estate projects were completed, of which 4 were sold.

At year-end, the Group's real estate operations

had 11 ongoing real estate projects, of which 3 were outside Sweden. Ongoing projects will provide leasable space of 183,000 sq m (nearly 1.9 million sq ft). Their book value upon completion is expected to total SEK 3,024 M. At year-end, their book value was about SEK 2,100 M. Expected yield on book value is estimated at about 12 percent. About 90 percent of the space under construction has been pre-leased.

Operating income of Group's total property portfolio amounted to SEK 3,206 M (2,441), of which gains on the sale of fully developed properties amounted to SEK 2,155 M (1,907).

Operating net for investment properties amounted to SEK 774 M (807). This was equivalent to an operating net margin of about 69 (65) percent. The occupancy rate declined to 92 (93) percent in terms of space and 93 (95) percent in terms of rent.

The assessment of the market value of the Group's investment properties on December 31, 2001, which was carried out in collaboration with external appraisers, showed an estimated market value of about SEK 8,800 M (12,400). The corresponding book value in the consolidated accounts was about SEK 4,600 M (6,300). Including investment properties that were reported as completed on January 1, 2002, estimated total market value amounted to about SEK 12.8 billion, with a corresponding book value of about SEK 7.5 billion.

### Capital spending

The Group's gross investments totaled SEK 13,184 M (16,551), while divestments totaled SEK 12,922 M (17,123) during the year. Net investments thus amounted to SEK -262 M (572).

#### Investments

SEK M	Jan-Dec 2001	Jan-Dec 2000
<b>Investments</b>		
Properties in real estate operations	-2,956	-2,446
Current-asset properties	-6,468	-5,219
Acquisitions of subsidiaries	-384	-6,010
Other fixed assets <sup>1</sup>	-3,376	-2,876
<b>Total investments</b>	<b>-13,184</b>	<b>-16,551</b>

#### Divestments

Properties in real estate operations	4,959	3,918
Current-asset properties	7,160	4,249
Businesses and shares	231	8,512
Other divestments	572	444
<b>Total divestments</b>	<b>12,922</b>	<b>17,123</b>
<b>Net investments</b>	<b>-262</b>	<b>572</b>

<sup>1</sup> Of the amount for 2001, SEK -677 M was related to investments in intangible rights.

During the year, investments in real estate projects rose to SEK 9,424 M (7,665), while divestments totaled SEK 12,119 M (8,167). The divestment amounts exceeded the investment amounts by SEK 2,695 M (502).

Fully developed projects refer to the projects found in Project Development & BOT and the project development under Skanska's own auspices that takes place in other contracting operations.

The Group acquired companies and shares costing SEK 384 M and divested companies and shares in associated companies valued at SEK 231 M. Among the year's acquisitions were the Swedish installation company Coromatic, the British telecom company MG Telecommunication and additional shares in the South African construction company Cementation Africa.

Investments in other fixed assets rose to SEK 3,376 M (2,876). This was due to continuous replacement investments in operations plus investments in intangible rights.

#### Cash flow

SEK M	Jan-Dec 2001	Jan-Dec 2000
From business operations	4,087	2,368
Taxes	-573	-1,021
<b>From business operations, net</b>	<b>3,514</b>	<b>1,347</b>
Net investments	-262	572
Of which, not affecting cash flow	-1,397	527
Changes in financial receivables	1,508	-812
Taxes	-2,057	-880
<b>From investment operations, net</b>	<b>-2,208</b>	<b>-593</b>
Dividend	-1,413	-1,822
Buy-backs of Skanska's own shares	-749	-2,608
Changes in financial liabilities	2,982	4,779
Net changes in minority interests	-190	-229
<b>From financing operations, net</b>	<b>630</b>	<b>120</b>
<b>Cash flow for the year</b>	<b>1,936</b>	<b>874</b>

Cash flow for the year improved from SEK 874 M to SEK 1,936 M.

Cash flow from business operations amounted to SEK 3,514 M, which represented an increase compared to SEK 2,167 M the previous year. Most of the increase was attributable to American operations, but on the whole, other operations showed strong cash flows. The comparative figure for 2000 includes the divested component operations, which at that time showed a negative cash flow.

Cash flow from investment operations deteriorated from SEK -593 M to SEK -2,208 M. After having made net divestments of SEK

572 M in 2000, the Group made net investments of SEK 262 M in 2001. On December 31, payment had not been received mainly for property divestments that had occurred close to year-end. In addition, interest-bearing receivables declined, which favorably affected cash flow. Taxes paid were mainly attributable to property divestments in 2000 plus tax adjudication related to aircraft leasing companies.

Cash flow from financing operations was SEK 630 M (120).

### Financing and liquidity

Over time, the Group's need for loan financing is primarily related to its real estate operations and project development, in which it is normally considered possible to adjust revenues to changes in interest rates only in a medium-term perspective. The fixed-interest period of financing is adjusted continuously, among other things by using derivative instruments.

Interest-bearing net indebtedness including provisions totaled SEK 6,812 M (3,678) and underwent major changes during the year, due among other things to large tax payments as well as payments for share buy-backs. The consolidation of the German real estate company Skanska Visions Building caused an increase of about SEK 1,200 M in net indebtedness. The strong cash flow from business operations favorably affected net indebtedness.

The Group's net interest items amounted to SEK -924 M (-397). This is explained primarily by increased gross indebtedness and the very high interest rates in Poland.

The Group's interest-bearing assets increased to SEK 11,281 M (10,119). Of these assets, receivables in foreign currencies accounted for 82 (74) percent. The average fixed-interest period for all interest-bearing assets was 0.7 (0.5) year, and the interest rate averaged 3.65 (4.9) percent.

The Group's interest-bearing liabilities and provisions increased to SEK 18,093 M (13,797). The average fixed-interest period for the Group's interest-bearing liabilities was 0.9 (1) year, and the average maturity for the Group's interest-bearing liabilities amounted to 2.5 (1.5) years. The average interest rate for all interest-bearing liabilities amounted to 5.3 (6.0) percent. The proportion of loans in foreign currencies rose to 60 (48) percent.

At year-end, the Group had unutilized credit facilities of SEK 5,780 M (3,099). There is a previously established commercial paper program, enabling Skanska to borrow

up to SEK 6 billion, as well as a medium-term note program that enables Skanska to borrow SEK 8 billion (5) for up to 10 years in SEK and EUR.

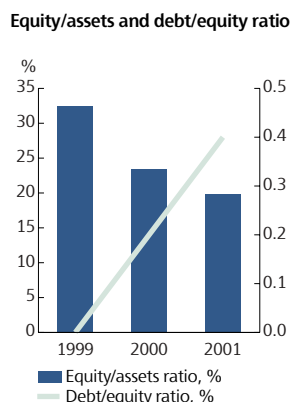
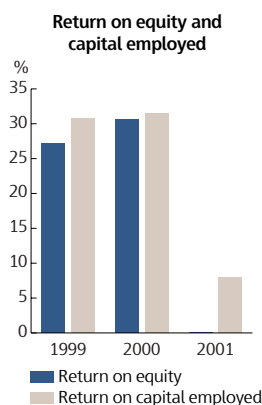
During 2001, Skanska established a syndicated loan facility totaling EUR 850 M, with a remaining maturity of 4.5 years as of December 31.

### Return

Return on capital employed declined from 31.5 percent to 8.0 percent. Adjusted for items affecting comparability, return on capital employed declined from 17.7 to 8.7 percent.

The year's comparatively weak earnings and increased average capital employed resulted in a lower return on capital employed than in prior years.

Return on equity amounted to 0.1 (30.6) percent.



### Equity/assets and debt/equity ratio

The visible equity/assets ratio fell from 23.4 percent to 19.8 percent. One contributing

factor behind the decline in the equity/assets ratio is that the balance sheet total has increased, both because the item "Non-interest-bearing receivables" includes claims on buyers of properties and because of the strong cash flow during the fourth quarter. As a result, interest-bearing assets increased, while interest-bearing liabilities were not paid down.

### Shareholders' equity

At year-end 2001, the shareholders' equity of the Skanska Group amounted to SEK 17,871 M (18,937), divided into SEK 15,187 M (13,638) in unrestricted equity and SEK 2,684 M (5,299) in restricted equity. Proposed provisions to restricted equity amounted to SEK 0 M (0).

### Changes in the Board

At the Annual Meeting in April 2001, Clas Reuterskiöld stepped down as a member of the Board, and Sverker Martin-Löf and Arne Mårtensson were elected as new Board members. There were no changes among the Board members appointed by the trade unions as employee representatives.

### The work of the Board

During 2001, the Board of Directors held six regular meetings plus three extra meetings. At its October 2001 meeting, the Board visited the Group's operations in central London, where Skanska Construction is constructing a new office building for Swiss Re.

The committees established by the Board – the auditing committee and the salary committee – reported to the Board during 2001 in accordance with the mechanisms specified in the Board's rules of procedure.

The Board revised its rules of procedure during the year, among other things due to the new organizational structure, including the creation of a new Skanska Group Senior Executive Team and 17 business units.

During the year, the Board dealt with matters concerning the operations and earnings performance of the new business units, acquisition matters, capital structure issues, major projects and purchases and divestments of properties.

### Research and development

The new organizational structure of the Skanska Group is, in principle, geographically based. This has led to research and development efforts that focus on facilitating the flow of strategic information to projects. The IT-based

Skanska Knowledge Network is an example of a development project in this direction that began during 2001 and will be implemented in the near future. The Skanska Knowledge Network contains information on all completed and ongoing projects in the Group and names of the individuals in charge of them.

During 2001, Skanska thus intensified its efforts to disseminate strategic knowledge to its projects and clients. Workshops and courses have been other instruments to achieve the desired transfer of knowledge. They take place under the auspices of the Skanska Institute of Technology and of the Skanska Management Institute, which is Skanska's instrument for talent management.

Skanska's vision of becoming a world leading knowledge-based company in project development and construction processes also requires greater access to experts, both internally and in various networking constellations. The main build-up of knowledge occurs in ongoing projects, where Skanska's employees solve complex assignments.

Human resource development is a strategic task, since the most successful projects are carried out not only with the help of experts, but procurement and concept formulation are also dependent on unique products whose functions meet the demands of clients. Many projects have been created by technological experts who have collaborated with Skanska's clients and whose know-how has persuaded clients of the possibility of realizing future visions.

### The environment

In a large proportion of its construction projects, Skanska adheres to strict environmental standards, with Skanska or the client initiating environmental adaptation that is more far-reaching than required by law or by regulatory authorities. Projects that were initiated in this way during 2001 were equivalent to about 50 percent of the Group's order bookings.

ISO 14001-certified environmental management systems had been implemented in the Group by the close of 2000, and all companies will also have their environmental management systems certified shortly.

Follow-ups of these environmental management systems occur, among other things, by means of regular internal and external environmental audits. During 2001, Skanska implemented more than 1,400 internal environmental audits. The number of external environmental audits carried out by ISO certification organiza-

tions was 185. These audits noted only two significant instances of non-conformities, which will be remedied early in 2002.

Operations in Sweden include a number of operations that are required to obtain permits or submit registration documents. However, due to their nature they have a minor impact on the environment.

For a more detailed description of Skanska's environmental work, see the 2001 Environmental Report and the environmental information posted on Skanska's Internet web site, [www.skanska.com](http://www.skanska.com).

### Personnel

The average number of employees in the Group during the year was 79,924 (63,368). This included 15,765 (15,733) employees in Sweden. The increase in the number of employees was primarily due to acquisitions of companies.

During 2001, an agreement on social codes was signed with the International Federation of Building and Wood Workers. Among other things, the agreement means that Skanska's employees worldwide will enjoy conditions of employment that at least fulfill national legislation. Relevant ILO conventions – for example on the right of employees to organize, and prohibiting child labor, discrimination and forced labor – will be respected.

Skanska pursues a number of activities to develop working methods based on management by objectives. Among other things, for some years the Group has worked with a human resource development model in which individual planning discussions are an important element, in order to support efforts to achieve its business objectives.

Skanska conducted its trainee program for undergraduate engineering students, Skanska 21, for the fifth consecutive year and started a new program. The trainee program is part of Skanska's efforts to ensure its future supply of both managers and specialists.

To support Skanska's internationalization, the Group implemented broad-based language training, international introduction programs and international talent management programs.

During 2001, about 200 employees participated in various talent management activities at the Skanska Management Institute. These activities included the Skanska Leadership Program, which provides basic training for young management candidates; the Skanska Management Program, which provides a strategic and

international perspective on the role of managers; and the Skanska Leader Training Program, which enables middle managers to deepen and develop their leadership skills.

### Options

Skanska's Board of Directors has decided to allot a total of 2,040,000 employee stock options to 21 senior executives. Claes Björk, President and CEO, received 80,000 options. The exercise price amounts to SEK 128, equivalent to 125 percent of the average closing price paid for a Skanska Series B share during the period June 14–20 2001 (adjusted for the split).

The options may be exercised during the period March 1, 2004–March 31, 2006.

The option program encompasses synthetic options and settlement will take place in cash. The options were provided free of cost and may only be exercised on the condition that the person is still employed by Skanska on the exercise date. Those who have been allotted stock options may not transfer the right to exercise them.

The Company has hedged the obligations that it may incur in case of Skanska share price increases through the option program.

### Proposed dividend

The Board of Directors proposes a regular dividend of SEK 3.00 (3.38) per share for the 2001 financial year. The proposed dividend falls within the limits of the existing dividend policy. Skanska's dividend policy states that the dividend shall either be equivalent to 35–45 percent of the Group's sustained profit after taxes as estimated by the Board or a minimum of 5–6 percent of adjusted shareholders' equity, as estimated by the Board. Given the current number of shares (418.6 million), the proposed dividend is equivalent to SEK 1,256 M (1,413).

### Buy-backs of shares

The Board of Directors will propose that the Annual Meeting authorize the Board to approve buy-backs of Skanska's own shares. It proposes that this new buy-back program encompass a maximum of 10 percent of the number of shares outstanding and be valid until the next Annual Meeting. The purpose is to enable the Company to adjust its capital structure.

### Parent Company

After taxes and allocations, the Parent Company reported a loss of SEK –123 M (5,317). The average number of employees was 52 (49).

# Consolidated income statement

SEK M	Note	2001	2000
Net sales	1	164,937	108,022
Construction, manufacturing and property management expenses	2	-155,541	-98,502
<b>Gross income</b>		<b>9,396</b>	<b>9,520</b>
Selling and administrative expenses	3	-9,063	-6,949
Gain on sale of properties	4	2,155	1,907
Share of income in associated companies and joint ventures	5	35	299
Items affecting comparability	6	-230	2,413
<b>Operating income</b>	7, 8, 9, 10, 11	<b>2,293</b>	<b>7,190</b>
Income from holdings in associated companies and joint ventures	13	69	-27
Income from other financial fixed assets	14	986	2,365
Income from financial current assets	15	514	296
Interest expenses and similar items	16	-2,746	-1,293
<b>Income after financial items</b>		<b>1,116</b>	<b>8,531</b>
Taxes on profit for the year	18	-1,094	-2,935
Minority interests		0	-46
<b>Net profit for the year</b>		<b>22</b>	<b>5,550</b>

# Comments on the income statement

## Net sales

Net sales rose by 53 percent to SEK 164.9 billion. Pro forma on a full-year basis, taking into account acquired and divested companies, net sales rose by about 20 percent. During the year, Skanska carried out no major purchases or sales of companies or businesses.

The three largest markets in terms of sales were the United States with 42 percent of the total, Sweden with 18 percent and Great Britain with 8 percent.

## Operating income

Operating income fell from SEK 7.2 billion to SEK 2.3 billion. Operating income consists of gross income plus or minus a number of separately reported items.

Gross income includes income from day-to-day operations in the contracting business. In 2001 it also included gains on the sale of short-term real estate projects developed under Skanska's own auspices, totaling SEK 114 M (550).

Gross income also includes income from day-to-day real estate operations, that is, the management of properties intended to be held as part of more long-term project development operations.

Joint ventures in contracting operations are pro-rated in the income statement item, by item, in proportion to each participating company's ownership stake.

The items reported separately in operating income are "Selling and administrative expenses," "Gain on sale of properties," "Share of income in associated companies" and "Items affecting comparability." Selling and administrative expenses, which also

included amortization of goodwill in the amount of more than SEK 600 M, increased more slowly than sales.

Gain on sale of properties in real estate operations, which refers to the projects carried out in the Project Development Sweden and Project Development Europe business units, amounted to SEK 2,155 M.

Items affecting profitability in Skanska's core business included a writedown of goodwill related to the Polish company Exbud as well as a provision to a Swedish employee foundation. The provision to the foundation should be seen in conjunction with the refund from the insurance company Alecta (formerly SPP) that was received in 2000. Also included is a gain on the sale of associated companies.

A portion of the property writedowns carried out earlier in accordance with recommendation RR17 of the Swedish Financial Accounting Standards Council was reversed. The reversal was based on external appraisals of market value dated December 31, 2001. The writedowns were reversed up to the original book value of the properties.

## Net financial items

Net financial items amounted to SEK -1,177 M (1,341).

"Income from holdings in associated companies and joint ventures" was mainly attributable to a holding in a limited partnership that carries out aircraft leasing operations. "Income from other financial fixed assets" mainly consisted of positive exchange rate differences. "Income from financial current assets" included interest revenue and exchange rate differences.

"Interest expenses and similar items" refer mainly to interest expenses and exchange rate differences. They also include the financial portion of deficits in Swedish pension funds. The exchange rate differences are attributable to centrally financed commitments in the financing of subsidiaries.

Net interest items deteriorated due to increased net indebtedness and very high interest rates in Poland. Other financial items mainly consisted of expenses for deficits in Swedish pension funds.

## Net profit for the year

Net profit for the year amounted to SEK 22 M (5,550). This signifies a net profit per share of SEK 0.05.

Tax expenses for the year were equivalent to 98 percent of income before taxes. The high tax burden is explained, among other things, by goodwill amortizations that were not tax-deductible and that, in the short term, are not proportional to earnings. In keeping with to the Company's accounting practices, certain losses incurred during the year were not reported as tax claims. A normal interval for the tax rate in the Group is 32-35 percent.

# Consolidated balance sheet

SEK M	Note	2001	2000
<b>ASSETS</b>			
<b>Intangible fixed assets</b>	19	<b>8,482</b>	<b>7,709</b>
<b>Tangible fixed assets</b>	20		
Properties in real estate operations		11,991	10,690
Other buildings and land		2,942	2,585
Machinery and equipment		5,714	5,322
Other construction in progress		98	43
<b>Total tangible fixed assets</b>		<b>20,745</b>	<b>18,640</b>
<b>Financial fixed assets</b>			
Holdings in associated companies and joint ventures	21, 23	659	623
Receivables from associated companies and joint ventures	21, 24	251	298
Other long-term holdings of securities	21, 25	768	787
Other long-term receivables	21, 26	2,660	1,842
<b>Total financial fixed assets</b>		<b>4,338</b>	<b>3,550</b>
<b>Total fixed assets</b>		<b>33,565</b>	<b>29,899</b>
<b>Current-asset properties</b>	20	<b>6,799</b>	<b>6,637</b>
<b>Inventories</b>	27	<b>1,035</b>	<b>1,035</b>
<b>Current receivables</b>			
Accounts receivable		25,126	24,009
Current receivables from associated companies and joint ventures	28	87	37
Costs and earnings in excess of invoicing	29	8,198	8,201
Other current receivables	30	7,613	5,304
Prepaid expenses and accrued revenues		1,326	1,412
<b>Total current receivables</b>		<b>42,350</b>	<b>38,963</b>
<b>Short-term investments</b>		<b>582</b>	<b>752</b>
<b>Cash and bank balances</b>		<b>8,753</b>	<b>6,017</b>
<b>Total current assets</b>		<b>59,519</b>	<b>53,404</b>
<b>TOTAL ASSETS</b>	31, 40, 41	<b>93,084</b>	<b>83,303</b>

SEK M	Note	2001	2000
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Capital stock		1,256	1,366
Restricted reserves		1,428	3,933
<b>Restricted equity</b>		<b>2,684</b>	<b>5,299</b>
Unrestricted equity		15,165	8,088
Net profit for the year		22	5,550
<b>Unrestricted equity</b>		<b>15,187</b>	<b>13,638</b>
<b>Total shareholders' equity</b>	32	<b>17,871</b>	<b>18,937</b>
<b>Minority interests</b>		<b>515</b>	<b>570</b>
<b>Provisions</b>			
Provisions for pensions and similar commitments	33	437	123
Provisions for taxes	34	2,227	3,068
Other provisions	35	2,699	2,725
<b>Total provisions</b>		<b>5,363</b>	<b>5,916</b>
<b>Liabilities</b>			
	37		
Bond loans		6,383	3,498
Liabilities to credit institutions		9,122	7,582
Advance payments from clients		1,253	588
Accounts payable		19,837	16,794
Liabilities to associated companies and joint ventures	36	91	236
Tax liabilities		1,454	1,775
Invoicing in excess of costs and earnings	38	12,072	10,623
Other liabilities		10,520	7,460
Accrued expenses and prepaid revenues		8,603	9,324
<b>Total liabilities</b>		<b>69,335</b>	<b>57,880</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	39, 40, 41	<b>93,084</b>	<b>83,303</b>
<b>Assets pledged</b>			
	42		
Mortgages and comparable collateral for own liabilities and provisions		1,383	904
Other assets pledged and comparable collateral		561	128
<b>Total assets pledged</b>		<b>1,944</b>	<b>1,032</b>
<b>Contingent liabilities</b>	43	<b>16,556</b>	<b>8,812</b>

# Comments on the balance sheet

The balance sheet total rose by 12 percent to SEK 93.1 billion. Exchange rate differences when translating foreign currencies to Swedish kronor increased the balance sheet total by about SEK 5.1 billion.

## Assets

### Intangible fixed assets

Intangible fixed assets amounted to SEK 8.5 billion (7.7).

“Intangible fixed assets” consisted mainly of goodwill, amounting to SEK 7.7 billion (7.5). The goodwill amount was affected by writedowns and amortizations that partially offset newly added goodwill. Newly added goodwill was related to a number of small company acquisitions that included goodwill, as well as adjustments in acquired goodwill from earlier acquisitions. The increase in the goodwill amount was primarily attributable to the increase in currency translation differences.

Aside from goodwill, the item consisted of other intangible assets, which were mainly related to a concession to operate a toll highway in a BOT project in Chile.

### Tangible fixed assets

Tangible fixed assets rose by SEK 2.1 billion to SEK 20.7 billion (18.6). Of the increase, SEK 1.3 billion was related to properties in real estate operations. The item “Properties in real estate operations” includes properties in various stages of improvements, from derelict properties to fully developed investment properties. The strategy is to maintain a high turnover rate through continuous realization of the value in the fully developed property portfolio. The book value of the portfolio of investment properties (fully developed real estate projects) declined due to an increased turnover rate, with fully developed properties being sold off. The increase in book value was due to the investments being made in projects in order to enhance their value. Of the book value of development properties, about SEK 0.6 billion was attributable to the consolidation of Skanska Vision GBR in Munich, Germany.

Book value of properties in real estate operations		
SEK M	2001	2000
Investment properties	4,744	6,389
Investment properties under construction	5,018	2,883
Development properties	2,229	1,418
<b>Properties in real estate operations</b>	<b>11,991</b>	<b>10,690</b>

The item “Other buildings and land” included business properties used in the Group’s own operations, mainly warehouses, production plants, gravel pits and Group offices.

### Financial fixed assets

The items under “Shares and participations in associated companies and joint ventures” only changed marginally during the year. Holdings in such companies as Nobia and Pandox are reported under the item “Other long-term holdings of securities.”

“Other long-term receivables” increased mainly due to an increase in deferred tax claims.

### Current-asset properties

Current-asset properties comprise project development under Skanska’s own auspices intended to be sold near the date of completion. Their book value can be seen in the table below.

Book value of current-asset properties, SEK M		
	2001	2000
Scandinavia	3,652	3,756
Europe	2,123	2,352
USA	900	495
Other markets	124	97
Central and eliminations	-	-63
<b>Total</b>	<b>6,799</b>	<b>6,637</b>

The turnover rate was high. Investments totaled SEK 6.5 billion while properties with a book value of SEK 6.3 billion were sold. Skanska carried out writedowns of the book value of current-asset properties, mainly in Poland, in an amount of about SEK 0.5 billion.

### Current receivables

Current receivables increased by nearly 9 percent compared to 2000. The sub-item “Other current receivables” increased by SEK 2.3 billion, of which SEK 1.4 billion was related to receivables for property divestments close to year-end.

### Short-term investments and cash and bank balances

Short-term investments and cash and bank balances rose by about SEK 2.6 billion to SEK 9.3 billion. Strong cash flow toward year-end explained the increase.

## Shareholders’ equity and liabilities

### Shareholders’ equity

Shareholders’ equity amounted to SEK 17.9 billion at year-end. Of this, SEK 2.7 billion consisted of restricted and SEK 15.2 billion unrestricted equity. During the year, SEK 1.4 billion was distributed to the shareholders, and Skanska bought back about SEK 0.8 billion worth of its own shares. Shareholders’ equity rose by SEK 1.0 billion due to translation differences when converting foreign currency to Swedish kronor.

### Provisions

Provisions decreased by a total of about SEK 0.5 billion to SEK 5.4 billion.

“Provisions for pensions” rose by SEK 0.3 billion. During 2000, most of the amount reported among liabilities for Swedish PRI pensions was transferred to independent pension funds. During 2001 the stock market performed unfavorably and the fund’s equity investments declined in value. In order to safeguard Skanska’s commitments according to the ITP plan, the amount of the deficit was reported among liabilities.

“Other provisions” of SEK 2.7 billion were largely unchanged compared to 2000. These provisions included provisions for warranty obligations, disputes, restructuring measures, damages, bonuses and the employee profit-sharing program.

### Liabilities

The item “Liabilities” rose by SEK 11.4 billion to SEK 69.3 billion (57.9). Interest-bearing liabilities increased by SEK 4.9 billion, while non-interest-bearing liabilities rose by SEK 6.6 billion.

The increase in non-interest-bearing liabilities was attributable to an increased surplus in invoiced sales compared to accrued revenues for uncompleted contracts, an increase in “Other liabilities” partly due to reporting of expenses for restructuring measures among liabilities and a volume-related increase in accounts payable.

# Consolidated cash flow statement

SEK M	Note	2001	2000
<b>Business operations</b>	44		
Income after financial items		1,116	8,531
Adjustments for items not included in cash flow	45	623	-4,361
Taxes paid	46	-573	-1,021
<b>Cash flow from business operations before change in working capital</b>		<b>1,166</b>	<b>3,149</b>
Cash flow from change in working capital			
Change in inventories and operating receivables		-823	-4,058
Change in operating liabilities		3,171	2,256
<b>Cash flow from business operations</b>		<b>3,514</b>	<b>1,347</b>
<b>Investment operations</b>			
Acquisitions of properties in real estate operations		-2,994	-2,419
Acquisitions of current-asset properties		-6,328	-5,172
Acquisitions of Group companies		-384	-6,010
Acquisitions of other fixed assets excluding receivables		-3,376	-2,876
Increase in receivables – loans provided		-416	-1,031
Divestments of properties in real estate operations		3,669	4,185
Divestments of current-asset properties		6,951	4,134
Divestments of businesses and shares		231	8,813
Divestments of other fixed assets excluding receivables		572	444
Decrease in receivables – repayment of loans provided		1,924	219
Taxes paid	46	-2,057	-880
<b>Cash flow from investment operations</b>		<b>-2,208</b>	<b>-593</b>
<b>Financing operations</b>			
Dividend paid		-1,413	-1,822
Buy-backs of Skanska's own shares		-749	-2,608
Loans raised		9,438	6,372
Payments of loan principal		-6,456	-1,593
Distributed to/paid by minority interests		-190	-229
<b>Cash flow from financing operations</b>		<b>630</b>	<b>120</b>
<b>Cash flow for the year</b>		<b>1,936</b>	<b>874</b>
Liquid assets on January 1		6,769	5,583
Exchange rate difference in liquid assets		630	312
<b>Liquid assets on December 31</b>	47	<b>9,335</b>	<b>6,769</b>

## Parent Company income statement

SEK M	Note	2001	2000
Net sales	1	261	254
<b>Gross income</b>		<b>261</b>	<b>254</b>
Selling and administrative expenses		-646	-465
Items affecting comparability	6	0	138
<b>Operating income</b>	7, 9, 10	<b>-385</b>	<b>-73</b>
Income from holdings in Group companies	12	210	6,221
Income from other financial fixed assets	14	638	615
Income from financial current assets	15	3	17
Interest expenses and similar items	16	-822	-842
<b>Income after financial items</b>		<b>-356</b>	<b>5,938</b>
Allocations	17	215	-13
Taxes on profit for the year	18	18	-608
<b>Profit for the year</b>		<b>-123</b>	<b>5,317</b>

## Parent Company cash flow statement

SEK M	Note	2001	2000
<b>Business operations</b>	44		
Income after financial items		-356	5,938
Adjustment for items not included in cash flow	45	473	43
Taxes paid		-751	-427
<b>Cash flow from business operations in working capital</b>		<b>-634</b>	<b>5,554</b>
Cash flow from change in working capital			
Change in inventories and operating receivables			-133
Change in operating liabilities including provisions		-313	12
<b>Cash flow from business operations</b>		<b>-947</b>	<b>5,433</b>
<b>Investment operations</b>			
Acquisitions of shares and participations		-1,282	-19
Acquisitions of other fixed assets		-2	-12
Increase in financial receivables		-9	-2
Divestments of shares and participations		801	13
Divestments of other fixed assets		5	84
<b>Cash flow from investment operations</b>		<b>-487</b>	<b>64</b>
<b>Financing operations</b>			
Dividend paid		-1,413	-1,822
Buy-backs of Skanska's own shares		-749	-2,608
Net financial transactions with subsidiaries		3,527	196
Group contributions/shareholder contributions		0	0
Loans raised		94	0
Payments of loan principal		-25	-1,448
<b>Cash flow from financing operations</b>		<b>1,434</b>	<b>-5,682</b>
Cash flow for the year		0	-185
Liquid assets on January 1		0	185
<b>Liquid assets on December 31</b>		<b>0</b>	<b>0</b>

# Parent Company balance sheet

SEK M	Note	2001	2000
<b>ASSETS</b>			
<b>Intangible fixed assets</b>	19	21	22
<b>Tabgible fixed assets</b>			
Buildings and land	20	19	25
Machinery and equipment	20	6	6
<b>Total tangible fixed assets</b>		25	31
<b>Financial fixed assets</b>			
Holdings in Group companies	21, 22	12,458	12,440
Holdings in joint ventures	21, 23	4	19
Receivables from Group companies	21	218	8,024
Other long-term receivables	21	114	85
<b>Total financial fixed assets</b>		12,794	20,568
<b>Total fixed assets</b>		12,840	20,621
<b>Current receivables</b>			
Accounts receivable		1	0
Current receivables from Group companies		88	15
Other current receivables	30	309	21
Prepaid expenses and accrued revenues		181	254
<b>Total current receivables</b>		579	290
<b>Total current assets</b>		579	290
<b>TOTAL ASSETS</b>		13,419	20,911

SEK M	Note	2001	2000
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
Capital stock		1,256	1,366
Restricted reserves		598	488
<b>Restricted equity</b>		1,854	1,854
Retained earnings		6,268	3,112
Net profit for the year		-123	5,317
<b>Unrestricted equity</b>		6,145	8,429
<b>Total shareholders' equity</b>	32	7,999	10,283
<b>Untaxed reserves</b>	17	779	994
<b>Provisions</b>			
Provisions for pensions and similar commitments	33	184	90
Provisions for taxes		11	0
Other provisions	35	56	61
<b>Total provisions</b>		251	151
<b>Liabilities</b>			
	37		
Liabilities to credit institutions		298	322
Accounts payable		13	12
Liabilities to Group companies		4,014	8,293
Tax liabilities		0	462
Other liabilities		11	121
Accrued expenses and prepaid revenues		54	273
<b>Total liabilities</b>		4,390	9,483
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		13,419	20,911
<b>Assets pledged</b>		43	33
<b>Contingent liabilities</b>	43	90,020	46,926

# Accounting and valuation principles

## Annual Accounts Act, new developments, principles of consolidation etc.

### Annual Accounts Act

The Annual Report has been prepared in compliance with the provisions of the Swedish Annual Accounts Act, taking into consideration the recommendations of the Swedish Financial Accounting Standards Council that have gone into effect through 2001.

### New developments

The following changes have occurred:

- there have been adjustments to the Swedish Financial Accounting Standards Council's recommendations No. 9, "Income Taxes" (IAS 12); No. 10, "Construction Contracts and Similar Assignments" (IAS 11); No. 13, "Associated Companies" (IAS 28); No. 14, "Joint Ventures" (IAS 31); and No. 18, "Earnings Per Share" (IAS 33), which all went into effect on January 1, 2001.
- in the Parent Company accounts, the net amount of Group contributions received and provided, including certain shareholder contributions provided, has been reported as a financial income item.
- comparative figures for 2000 have been adjusted.

## Principles of consolidation

The consolidated financial statements encompass the accounts of the Parent Company and those companies in which the Parent Company, directly or indirectly, has a decisive influence. This normally requires ownership of more than 50 percent of the voting power of all participations. In cases where holdings are intended for divestment within a short time after acquisition, the company is not consolidated.

Skanska has applied Recommendation No. 1 of the Swedish Financial Accounting Standards Council in drawing up its consolidated financial statements. Shareholdings in Group companies have been eliminated according to the purchase method of accounting. Acquired and divested companies

have been consolidated or deconsolidated, respectively, from the date of the acquisition/divestment.

The principles for the translation of the financial statements of foreign subsidiaries comply with Recommendation No. 8 of the Swedish Financial Accounting Standards Council, "Reporting of Effects of Changes in Foreign Exchange Rates." In the consolidated financial statements, the income statements of foreign subsidiaries have been included at the average exchange rate for the year and their balance sheets at the year-end exchange rate (current method). The change in initial shareholders' equity that is due to the change in exchange rate from prior years is reported as an exchange rate difference directly under shareholders' equity. In cases where a loan corresponding to the investment has been taken out for hedging purposes, the exchange rate adjustment in the loan taking into account tax effects has been reported directly under shareholders' equity. Skanska has applied the transition rule in the recommendation on accumulated exchange rate differences reported before 1999.

The translation of the income statement and balance sheet of the Argentine subsidiary Sade Skanska complies with International Accounting Standards (IAS) regulations.

### Associated companies

Associated companies are defined as companies in which the Skanska Group's share of voting power amounts to a minimum of 20 percent and a maximum of 50 percent, and where ownership is one element of a long-term connection. Associated companies are normally reported according to the equity method of accounting.

### Joint ventures (consortia and jointly owned companies)

Companies operated jointly with other companies, and in which control is exercised jointly according to agreement, are reported as joint ventures. Joint ventures that carry out contracting operations are reported accord-

ing to the proportional (pro-rata) method of accounting. In other cases, the equity method is applied.

### Receivables and liabilities in foreign currencies

Receivables and liabilities in foreign currencies have been valued at the exchange rate prevailing on the balance sheet date or the exchange rate according to forward contracts.

### Offsetting of balance sheet items

The offsetting of receivables against liabilities occurs only in cases where legislation permits offsetting of payments. The offsetting of deferred tax liabilities against deferred tax claims occurs to the extent this is permitted according to Recommendation No. 9 of the Swedish Financial Accounting Standards Council, "Income Taxes" (IAS 12).

### Published annual report

This published Annual Report presents figures on Group companies, associated companies, joint ventures and the number of employees and wages and salaries in abbreviated form. Complete figures are found in the version of the Annual Report submitted to the Swedish Patent and Registration Office.

## Income statement

### Net sales

The year's project revenues, deliveries of materials and merchandise, sales of current-asset properties, rental revenues and other operating revenues that are not reported separately on their own line are reported as net sales.

Project revenues are reported in compliance with Recommendation No. 10 of the Swedish Financial Accounting Standards Council, "Construction Contracts and Similar Assignments" (IAS 11). This means that operating income is reported successively as a project accrues over time, instead of being listed as a balance sheet item until the project is completed and a final financial settlement with the client has been reached.

The sale of current-asset properties is normally reported as a revenue item in the year when a binding agreement on the sale is reached.

The operating lease amounts stated in Note 2 do not include rents from current-asset properties, since these properties are intended for divestment in connection with the completion of the contracting project.

#### Construction, manufacturing and property management expenses

Construction, manufacturing and property management expenses include direct and indirect manufacturing expenses, loss provisions, bad debt losses and warranty expenses. They also include depreciation on fixed assets used for construction, manufacturing and property management. Skanska applies straight-line depreciation based on the estimated service life of the assets.

Information on expenses for operating leases includes contracts with remaining fees of at least EUR 1 M.

#### Selling and administrative expenses

Selling and administrative expenses are reported as one item. This includes customary administrative expenses, technical expenses, selling expenses and depreciation on machinery and equipment that have been used for sales and administration.

Amortization of goodwill that has arisen from the acquisition of subsidiaries is also reported as a selling and administrative expense. The amortization period has been decided after individual examination and varies between 5 and 20 years. The longer amortization period is reserved for a small number of major acquisitions in important markets.

Research and development expenses are not capitalized, but instead are reported in the same year that the expenses occurred.

#### Separately reported operating items

Only divestments, writedowns and reversals of writedowns on properties that belong to the Group's real estate operations are separately reported.

Share of income in associated companies is apportioned in the consolidated income statement between "Operating income" (share of income after financial items) and tax expenses. Share of income in partnerships and limited partnerships, including their foreign equivalents, is reported in its entirety under operating income, except for a small number of holdings in limited partnerships that are reported under net financial items.

#### Financial items

In the Parent Company accounts, the net amount of Group contributions received and provided, including certain shareholder contributions provided, has been reported as a financial income item.

To the extent that the year's provisions for a deficit in a pension fund are due to a downturn in the value of the pension fund's assets, the provision is reported as a financial expense.

#### Taxes on profit for the year

Income tax and deferred taxes are reported in compliance with Recommendation No. 9 of the Swedish Financial Accounting Standards Council, "Income Taxes" (IAS 12).

#### Balance sheet

##### Intangible fixed assets

Intangible fixed assets are reported at acquisition cost minus accumulated amortization. In case of a permanent reduction in value, they are written down to estimated actual value.

##### Tangible fixed assets

Tangible fixed assets are reported at acquisition cost minus accumulated depreciation. They are written down in case of a permanent reduction in value. The writedown is reversed when the basis for the writedown has wholly or partially ceased to exist.

##### Investment properties

In estimating the actual value of investment properties, Skanska has used the prevailing levels of return required in each respective market as its basis.

To permit as correct a comparison as possible between income from property management and the value of completed investment properties, completed properties are not normally reclassified as "Investment properties" until January 1 of the year after the year of completion. However, completed current-asset properties are only reclassified as "Investment properties" if divestment has not occurred by the end of the year following the year of completion.

Properties constructed by the Group and booked during the year as completed properties have been valued in the consolidated accounts at incurred costs plus a fair proportion of indirect costs.

Interest expenses during the construction period are not capitalized, but are booked as expenses in each respective year.

#### Leases

In compliance with Recommendation No. 6 of the Swedish Financial Accounting Standards Council, financial leases are reported when the investment is equivalent to at least EUR 5 M. If the remaining fees exceed EUR 1 M, the contract is included in the accounts under operating leases.

#### Financial fixed assets

Financial fixed assets are normally reported at acquisition cost. In case of reduction in value, however, they are written down to their actual value.

Deferred tax claims are reported in compliance with Recommendation No. 9, "Income Taxes" (IAS 12) of the Swedish Financial Accounting Standards Council. Future decreases in taxes due to loss deductions are taken into consideration only if the utilization of the loss deduction is regarded as highly likely to occur.

#### Current assets

Current assets have been valued according to the lower value principle.

Properties intended to be divested in connection with contracting projects are reported

ed as current assets. The same applies to holdings in property management companies if the properties belonging to these companies would have been reported the same way if Skanska owned them directly.

In valuation of inventories, Recommendation No. 2, "Reporting of Inventories" (IAS 2) of the Swedish Financial Accounting Standards Council has been applied.

#### Shareholders' equity

If a revenue item has been reported earlier in the consolidated accounts than in the accounts of an individual company, due to different valuation principles, it is transferred from "Unrestricted reserves" to "Restricted reserves," taking taxation into account.

#### Provisions

Provisions for deferred taxes are made in compliance with Recommendation No. 9, "Income Taxes" (IAS 12) of the Swedish Financial Accounting Standards Council.

Skanska makes provisions for future expenses due to warranty obligations. The estimate is based on expenditures during the financial year for similar obligations or projected expenses for each project.

Pension obligations secured by pension fund assets are not reported in the balance sheet.

#### Liabilities

Liabilities are normally reported at their nominal value. In the case of substantial individual amounts, Skanska applies Recommendation No. 3 of the Swedish Financial Accounting Standards Council, "Reporting of Receivables and Liabilities With Respect to Interest Rate Terms and Hidden Interest Compensation" (IAS 18).

The difference between an invoiced amount and unearned project revenue is reported as a liability according to the percentage of completion method.

#### Cash flow statement

In drawing up its cash flow statement, Skanska applies the indirect method according to Recommendation No. 7 of the Swedish Financial Accounting Standards Council, "Reporting of Cash Flows" (IAS 7). Aside from cash and bank balances, liquid assets are to include short-term investments whose transformation into bank balances may occur in an amount that is mainly known in advance. Short-term investments with maturities of less than three months are always regarded as liquid assets.

The year's tax payments have been allocated between business operations and investment operations. The portion belonging to business operations has been calculated on a standardized basis, using the tax rate in each country.

#### Contingent liabilities

A contract fulfillment guarantee issued by the Parent Company on behalf of a Group company is calculated either on the basis of all or part of the contract sum of each respective assignment, depending on the terms of the agreement, without being offset against still unreceived compensation from the client.

In connection with contracting assignments, security is often provided in the form of a completion guarantee from a bank or insurance institution. The issuer of the guarantee, in turn, normally receives an indemnity from the contracting company or other Group company. In compliance with industry custom, such indemnities related to the Group's own contracting assignments are not reported as contingent liabilities, since they do not involve any increased liability compared to the contracting commitment.

#### Order bookings and order backlog

The order backlog in the accounts of acquired companies on the date of acquisition are not reported as order bookings, but is included in order backlog amounts.

#### Exchange rates, 2001

Currency	Country/region	Year-end exchange rate		Average exchange rate	
		2001	2000	2001	2000
ARS	Argentina	6.41	9.60	10.47	9.28
CZK	Czech Republic	0.29	0.25	0.27	0.24
DEM	Germany	4.77	4.52	4.73	4.32
DKK	Denmark	1.26	1.18	1.24	1.13
EUR	EU euro zone	9.33	8.84	9.25	8.45
FIM	Finland	1.57	1.49	1.56	1.42
GBP	Great Britain	15.33	14.17	14.87	13.86
HKD	Hong Kong	1.36	1.22	1.32	1.18
NOK	Norway	1.17	1.07	1.15	1.04
PLN	Poland	2.67	2.29	2.52	2.11
USD	United States	10.58	9.50	10.33	9.16

Swedish kronor per unit of each currency

# Notes to the financial statements

Amounts in SEK unless otherwise specified.

## Note 1 Net sales

Skanska's own expenses of SEK 2,391 M (1,583) for construction of properties in real estate operations were capitalized. This amount was eliminated in "Net sales".

### Distribution of net sales

#### A. Net sales by market and segment

	2001	2000
<b>Core business</b>		
Scandinavia	43,267	32,986
Europe	39,880	18,833
USA	68,942	46,423
Other markets	11,334	5,683
<b>Total, Construction-related Services</b>	<b>163,423</b>	<b>103,925</b>
Project Development and BOT	1,387	1,387
Services & Telecom	3,061	1,966
Other operations, elimination of intra-Group transactions	-2,934	-2,306
<b>Total net sales, core business</b>	<b>164,937</b>	<b>104,972</b>
Non-core business		3,050
<b>Total net sales, Group</b>	<b>164,937</b>	<b>108,022</b>

#### B. Net sales by geographic area

	2001	2000
Sweden	29,308	24,841
Norway	9,499	4,362
Denmark	5,999	5,630
Finland	7,477	6,573
Great Britain	13,511	3,000
Poland	5,876	4,216
Czech Republic	7,627	3,439
United States	69,112	46,671
Argentina	2,653	2,395
Other countries	13,875	6,895
<b>Total</b>	<b>164,937</b>	<b>108,022</b>

#### Parent Company

The amount included SEK 261 (254) worth of sales to subsidiaries.  
The Parent Company's purchases from subsidiaries amounted to SEK 180 M (118).

## Note 2 Leasing

#### A. Lessee information

The Group's leasing expenses related to operating leases for the year amounted to SEK 178 M (79), of which SEK 166 M (79) refers to minimum lease payments and SEK 12 M refers to variable payments.

The due dates of future minimum lease payments for non-cancellable operating leases were distributed as follows:

Expenses	2001	2000
Within one year	162	103
Later than one year but within five years	293	379
Later than five years	278	371
<b>Total</b>	<b>733</b>	<b>853</b>

#### B. Lessor information

In 2001, the Group's variable leasing income related to operating leases amounted to SEK 0 M (7) and consisted of sales-based rent for commercial space.

The due dates of future minimum lease payments for non-cancellable operating leases were distributed as follows:

Revenue	2001	2000
Within one year	1,392	1,268
Later than one year but within five years	3,691	3,613
Later than five years	1,479	1,257
<b>Total</b>	<b>6,562</b>	<b>6,138</b>

As for acquisition values, book values etc. for the Group's properties in real estate operations, which comprise leasing operations according to the definition in Recommendation No. 6 of the Swedish Financial Accounting Standards Council, see Note 20.

## Note 3 Selling and administrative expenses

Selling and administrative expenses are reported as one item. See "Accounting and valuation principles."

### Distribution of selling and administrative expenses by market and segment

	2001
<b>Core business</b>	
Scandinavia	2,913
Europe	2,702
USA	1,188
Other markets	716
<b>Total, Construction-related Services</b>	<b>7,519</b>
Project Development & BOT	214
Services & Telecom	372
Other markets	958
<b>Total, Group</b>	<b>9,063</b>

## Note 4 Gain on sale of properties in real estate

	Investment properties		Other properties		Total	
	2001	2000	2001	2000	2001	2000
Sales revenue	4,117	2,961	842	957	4,959	3,918
Book value	-2,251	-1,536	-553	-475	-2,804	-2,011
<b>Capital gain</b>	<b>1,866</b>	<b>1,425</b>	<b>289</b>	<b>482</b>	<b>2,155</b>	<b>1,907</b>

## Note 5 Share of income in associated companies and joint ventures

Group	2001
Share of income in associated companies	19
Share of income in joint ventures	16
<b>Total</b>	<b>35</b>

Note 6 Items affecting comparability		
Group	2001	2000
Allocation of portion of SPP repayment to employee foundation	-150	
Gain on sale of shareholding in JABO	-15	
Writedown of goodwill in Exbud	-500	
Reversals of writedowns in real estate operations	435	
Gain on sale of shareholding in Piren		646
Gain on sale of shareholding in JM		889
Gain on sale of shareholding in Norrporten		112
Gain on sale of component operations		337
Refund from the retirement insurance company SPP		429
<b>Total</b>	<b>-230</b>	<b>2,413</b>
Parent Company		
Refund from the retirement insurance company SPP		138
<b>Total</b>		<b>138</b>

#### Note 7 Depreciation

##### A. By market and segment/function

	Construction, manufacturing and property management		Selling and administration		Total	
	2001	2000	2001	2000	2001	2000
<b>Core business</b>						
Scandinavia	665	516	205	112	870	628
Europe	509	203	393	175	902	378
USA	112	93	189	105	301	198
Other markets	231	153	47	13	278	166
Project Development & BOT	192	194	3	1	195	195
Services & Telecom	36	3	36	37	72	40
Other markets	-15	-2	10	3	-5	1
<b>Total, core business</b>	<b>1,730</b>	<b>1,160</b>	<b>883</b>	<b>446</b>	<b>2,613</b>	<b>1,606</b>
Non-core business	0	99	0	82	0	181
<b>Total, Group</b>	<b>1,730</b>	<b>1,259</b>	<b>883</b>	<b>528</b>	<b>2,613</b>	<b>1,787</b>

##### B. By type of asset

	2001	2000
Intangible assets	643	326
Properties in real estate operations		
Investment properties	140	174
Investment properties under construction	31	17
Development properties	13	4
Other buildings and land	120	108
Machinery and equipment	1,666	1,158
<b>Total</b>	<b>2,613</b>	<b>1,787</b>

Depreciation in the Parent Company amounted to SEK 4 M (6).

#### Note 8 Distribution of consolidated operating income

Markets and segments	2001	2000
<b>Core business</b>		
Scandinavia	-413	837
Europe	-604	659
USA	1,173	1,020
Other markets	214	28
<b>Total, Construction-related Services</b>	<b>370</b>	<b>2,544</b>

Markets and segments	2001	2000
Project Development & BOT	2,748	2,386
Services & Telecom	112	114
Other markets	-707	-628
	<b>2,523</b>	<b>4,416</b>

#### Items affecting comparability

Reversals of writedowns in real estate operations	435	
Writedown of goodwill	-500	
<b>Total, items affecting comparability</b>	<b>-65</b>	<b>0</b>
<b>Total, core business</b>	<b>2,458</b>	<b>4,416</b>

#### Non-core business

Component operations	0	85
Listed associated companies	0	276
Items affecting comparability	-165	2,413
<b>Total operating income, non-core business</b>	<b>-165</b>	<b>2,774</b>
<b>Total operating income, Group</b>	<b>2,293</b>	<b>7,190</b>

#### Note 9 Personnel expenses

Wages, salaries and other remuneration by geographic area and divided between Board members etc. and other employees

	2001			2000		
	Board members, Presidents, Executive VPs	Other employees	Total	Board members, Presidents, Executive VPs	Other employees	Total
<b>Parent Company</b>						
Sweden <sup>1</sup>	23	36	59	15	187	202
of which, bonuses			0			0
<b>Subsidiaries</b>						
Sweden	42	4,769	4,811	46	4,539	4,585
of which, bonuses	13		13	15		15
Norway	6	1,634	1,640	6	486	492
of which, bonuses	0		0	0		0
Denmark	11	1,479	1,490	9	1,173	1,182
of which, bonuses	1		1	2		2
Finland	30	1,060	1,090	18	773	791
of which, bonuses	0		0	0		0
Great Britain	30	1,919	1,949	4	294	298
of which, bonuses	7		7	0		0
Poland	43	1,028	1,071	41	631	672
of which, bonuses	1		1	3		3
Czech Republic	25	486	511	2	240	242
of which, bonuses	12		12	0		0
United States	17	6,072	6,089	6	4,146	4,152
of which, bonuses	2		2	1		1
Argentina	26	747	773	1	721	722
of which, bonuses	0		0			0
Other countries	21	1,464	1,485	16	1,060	1,076
of which, bonuses	5		5			0
<b>Total</b>	<b>274</b>	<b>20,694</b>	<b>20,968</b>	<b>164</b>	<b>14,250</b>	<b>14,414</b>
<b>of which, bonuses</b>	<b>41</b>	<b>0</b>	<b>41</b>	<b>21</b>	<b>0</b>	<b>21</b>

The amount related to Board members, Presidents and Executive Vice Presidents includes compensation to former Board members, Presidents and Executive Vice Presidents during the financial year.

#### Wages, salaries, other remuneration and social welfare contributions

	2001		2000	
	Wages, salaries other remuneration	Social welfare contributions	Wages, salaries other remuneration	Social welfare contributions
Parent Company <sup>1</sup>	59	187	202	140
of which, non- statutory pensions		153		69
Subsidiaries	20,909	5,266	14,212	3,950
of which, non- statutory pensions		1,611		1,104
<b>Group total</b>	<b>20,968</b>	<b>5,453</b>	<b>14,414</b>	<b>4,090</b>
<b>of which, non- statutory pensions</b>		<b>1,764</b>		<b>1,173</b>

Of the Parent Company's non-statutory pension expenses, SEK 38.9 M (14.7) were related to the category "Board members, Presidents and Executive Vice Presidents". The amount includes payments to former Board members, Presidents and Executive Vice Presidents. The Company's outstanding non-statutory pension commitments to these persons amounted to SEK 98.4 M (71.8). Of the Group's non-statutory pension expenses, SEK 63.9 M (30.7) were related to the category "Board members, Presidents and Executive Vice Presidents". This amount includes payments to former Board members, Presidents and Executive Vice Presidents.

<sup>1</sup> In 2000, the sum for Parent Company wages, salaries and remuneration included SEK 162 M and the sum for Parent Company social welfare contributions included SEK 53 M related to the Groupwide 1995–1999 bonus program, which also included employees of subsidiaries.

The expense for a provision to the employee profit-sharing foundation amounted to SEK 87 M (117).

#### Terms of employment and remuneration to the Chairman of the Board, President, Executive Vice Presidents and other members of Group Management.

##### A. Chairman of the Board

During 2001 the Chairman of the Board, Bo Rydin, received a director's fee of SEK 900,000. The Board approved this amount as part of the total amount of directors' fees adopted by the Annual Meeting of Shareholders.

##### B. The Company's President and Chief Executive Officer

During 2001, Claes Björk received a salary, fees and other remuneration from Group companies in the amount of SEK 7,461,000, plus a bonus of SEK 8,551,000, of which SEK 2,870,000 was withdrawn as a pension benefit vested in Skanska's pension funds.

Mr. Björk is also entitled to a rolling one-year bonus as described in point D below and has also been allotted employee stock options as described in points E and F below.

Mr. Björk may receive a pension from age 58 at the earliest and for 20 years in an amount of about SEK 2,590,000 per year. He is also covered by Skanska USA's general pension plan, where after 30 years' employment he will receive a lump sum with a current value (2001) of about SEK 10,846,000.

There is also a special bonus obligation with a current value (2001) of about SEK 27,450,000. In case of termination of his employment contract by the Company, Mr. Björk is entitled to his salary and other employment benefits for 24 months.

##### C. Executive Vice Presidents and other members of Group Management

Members of Group Management are normally entitled to annual pension premium payments, mainly according to the applicable ITP occupational pension plan. This pension guarantees a pension entitlement based on final salary. The pension entitlement is 10 percent of final salary for portions of salary up to SEK 276,750, 65 percent of final salary for portions of salary between SEK 276,750 and SEK 738,000 and 32.5 percent of final salary for portions of salary between SEK 738,000 and SEK 1,107,000. On pensionable portions of salary above 30 base amounts (as defined by Swedish social insurance rules), the Company pays an annual pension premium of 20 percent.

Premium-based pension solutions occur in a few cases and, in terms of cost, are mainly equivalent to an ITP plan. The retirement age of the Senior Executive Team is

normally 65. From age 65, a pension is payable according to an ITP plan, with pension entitlements according to the above amounts.

In case of termination by the Company, notice periods range from six months to twelve months, with entitlements to salaries and benefits that vary from 18 to 24 months. When benefits are paid after the notice period, other income must normally be subtracted from the amount payable.

#### D. Rolling 1-year bonus, 2001

The rolling one-year bonus program includes the Group Management plus about 230 other senior executives in the Group.

The bonus program is based on the price movement of Skanska's Series B share, including dividend, in relation to a comparative index. One third of this comparative index consists of the Findata Total Return Index and two thirds consists of the Dow Jones Heavy Construction Total Return Index.

One third of the bonus amount will be paid each year during a three-year period, assuming continued employment at Skanska. The maximum bonus payment is 6 months' salary per year. The rolling one-year bonus program for 2001, calculated as above, yielded no outcome.

#### E. Employee stock options, 2000–2005

Skanska's Board of Directors has decided to allot a total of 1,596,000 stock options (adjusted for the 4:1 split) to 13 individuals in the Group Management of Skanska. Claes Björk, President and CEO, received 240,000 options.

The exercise price of the options amounts to SEK 94.40, equivalent to 125 percent of the average closing price paid for a Skanska Series B share during the period February 28, 2000–March 3, 2000 (adjusted for the 4:1 split).

The options may be exercised during the period March 3, 2003–March 31, 2005.

#### F. Employee stock options, 2001–2006

Skanska's Board of Directors has decided to allot a total of 2,040,000 employee stock options Claes Björk, President and CEO, received 80,000 options. The exercise price amounts to SEK 128, equivalent to 125 percent of the average closing price paid for a Skanska Series B share during the period June 14–20 2001 (adjusted for the split).

The options may be exercised during the period March 1, 2004 – March 31, 2006.

The following conditions apply to the option programs under point E and F: The option programs encompass synthetic options and settlement will take place in cash.

The options were provided free of cost and may only be exercised on the condition that the person is still employed by Skanska on the exercise date. Those who have been allotted stock options may not transfer the right to exercise them.

The Company has hedged the obligations that it may incur in case of Skanska share price increases through the option program.

#### Note 10 Average number of employees

	2001		2000	
		Of whom men		Of whom men
<b>Parent Company</b>				
Sweden	52	28	49	21
<b>Subsidiaries</b>				
Sweden	15,713	13,843	15,684	13,909
Norway	4,806	4,412	2,521	2,302
Denmark	3,098	2,807	3,282	2,960
Finland	3,681	3,251	3,640	3,303
Great Britain	4,239	3,726	696	598
Poland	10,020	8,510	11,315	9,573
Czech Republic	7,441	6,321	3,904	3,305
United States	10,033	8,689	10,763	9,934
Argentina	3,281	3,204	3,889	3,816
Other countries	17,560	16,258	7,625	6,500
<b>Total</b>	<b>79,924</b>	<b>71,049</b>	<b>63,368</b>	<b>56,221</b>

**Note 11 Fees and other remuneration to auditors**

Group	2001		2000	
KPMG				
Auditing assignments	40		6	
Other assignments	21		5	
Ernst & Young				
Auditing assignments			21	
Other assignments			18	
Other auditors				
Auditing assignments	2		8	
Other assignments			3	
<b>Total</b>	<b>63</b>		<b>61</b>	

"Auditing assignments" refer to examinations of the Annual Report as well as the administration of the Board of Directors and the President, other tasks that are incumbent upon the Company's auditors to perform, as well as advisory services or other assistance occasioned by observations during such examination or the completion of such other tasks. Everything else is "Other assignments."

**Note 12 Share of income in Group companies**

Parent Company	2001	2000
Dividends	673	6,221
Capital gain	25	
Writedowns	-488	
<b>Total</b>	<b>210</b>	<b>6,221</b>

The amount for "Dividends" in 2001 consisted of SEK 2 M in dividends according to the minutes of shareholders' meetings and SEK 688 M in net Group contributions provided and received, minus SEK 17 M in shareholders' contribution provided. In 2000: SEK 4,012 M, SEK 2,420 M and SEK -211 M, respectively.

**Note 13 Income from holdings in associated companies and joint ventures**

Group	2001	2000
Income	69	3
Writedown		-30
<b>Total</b>	<b>69</b>	<b>-27</b>

**Note 14 Income from other financial fixed assets**

	Group		Parent Company	
	2001	2000	2001	2000
Dividends	5	41		
Interest revenues	72	228	638	606
Exchange rate differences	996	413		
Capital gains	-7	1,682	0	9
Writedowns	-80	-2		
Other income	0	3		
<b>Total</b>	<b>986</b>	<b>2,365</b>	<b>638</b>	<b>615</b>

In the Parent Company accounts, SEK 638 M (606) of interest revenues were related to Group companies.

**Note 15 Income from financial current assets**

	Group		Parent Company	
	2001	2000	2001	2000
Interest revenues	430	279	4	8
Exchange rate differences	86	15	-1	9
Writedown	-2			
Other income		2		
<b>Total</b>	<b>514</b>	<b>296</b>	<b>3</b>	<b>17</b>

**Note 16 Interest expenses and similar items**

	Group		Parent Company	
	2001	2000	2001	2000
Interest expenses	-1,427	-904	-764	-820
Exchange rate differences	-1,096	-389		-22
Financial portion of deficit in pension fund	-170	0	-58	
Other expenses	-53			
<b>Total</b>	<b>-2,746</b>	<b>-1,293</b>	<b>-822</b>	<b>-842</b>

In the Parent Company accounts, SEK 751 M (753) of interest expenses were related to Group companies.

In order to ensure obligations according to the pension obligations in force, the downturn in the value of pension foundations in Sweden was reported among expenses as above and reported among liabilities as a pension liability.

**Note 17 Allocations and untaxed reserves**

Parent Company	Allocations		Untaxed reserves	
	2001	2000	2001	2000
Extra depreciation				
Machinery and equipment			1	1
Buildings and land	0	12	3	3
Tax allocation reserve	215	-25	775	990
<b>Total</b>	<b>215</b>	<b>-13</b>	<b>779</b>	<b>994</b>

**Note 18 Taxes on profit for the year****Tax expenses and income before taxes**

Group	2001	2000
<b>Specification of tax expenses</b>		
Current taxes	-2,209	-2,948
Deferred tax revenue from change in temporary differences	764	57
Deferred tax revenue from change in loss carry-forwards	351	-44
	<b>-1,094</b>	<b>-2,935</b>

The Group's average tax rate has been estimated at 34 percent. The tax rate is affected by the Group's large operations in the United States, where federal and state corporate taxation varies between 35 percent and 45 percent.

The connection between taxes according to the average tax rate and reported taxes is explained in the table below.

	2001	2000
Income before taxes	1,116	8,531
Taxes according to average tax rate, 34 percent	-380	-2,900
Tax effect of		
Amortization/writedown of goodwill	-370	-101
Losses not matched by deferred tax claims	-920	-229
Capitalized loss carry-forwards	576	295
<b>Reported tax expenses</b>	<b>-1,094</b>	<b>-2,935</b>

The year's tax expenses were adversely affected by restructuring provisions, writedowns of assets and project reappraisals in Poland and Denmark.

Loss carry-forwards in both these countries carry time restrictions. In accordance with the Group's valuation principles, these losses were not reported as deferred tax claims.

Parent Company	2001	2000
<b>Specification of tax expenses</b>		
Current taxes	-1	-622
Deferred tax revenue from change in temporary differences	19	14
	<b>18</b>	<b>-608</b>

The connection between the Swedish tax rate of 28 percent and reported taxes is explained in the table below.

Income after financial items	-356	5,938
Taxes at tax rate of 28 percent	100	-1,662
Tax effect of:		
Provisions	-60	4
Liquidation of subsidiaries	113	
Intra-Group transfer of shares	7	
Writedown of shares in subsidiaries	-137	
Shareholders' contribute reported as expense	-5	-59
Dividends from subsidiaries		1,123
Additional taxes for previous years		-14
<b>Reported tax expenses</b>	<b>18</b>	<b>-608</b>

#### Note 19 Intangible fixed assets

Group	2001	2000
Goodwill	7,717	7,510
Other intangible fixed assets	765	199
<b>Total</b>	<b>8,482</b>	<b>7,709</b>

#### A. Intangible fixed assets

	Group	Parent Company
<b>Accumulated acquisition value</b>		
On January 1	8,379	25
New acquisitions	1,050	
Divestments	-30	
Reclassifications	227	
Exchange rate differences for the year	784	
	<b>10,410</b>	<b>25</b>
<b>Accumulated amortizations</b>		
On January 1	670	3
Reclassifications	-47	
Amortizations for the year	643	1
Exchange rate differences for the year	51	
	<b>1,317</b>	<b>4</b>
<b>Accumulated writedowns</b>		
On January 1	0	
Reclassifications	11	
Writedowns for the year	585	
Exchange rate differences for the year	15	
	<b>611</b>	<b>0</b>
<b>Residual value on December 31</b>	<b>8,482</b>	<b>21</b>
Residual value on January 1	7,709	22

#### Note 20 Tangible fixed assets and current-asset properties

##### A. Properties in real estate operations and current-asset properties

Group	Investment properties	Investment properties under construction	Development properties	Total properties in real estate operations	Current asset properties
<b>Accumulated acquisition value</b>					
On January 1	9,491	3,006	1,538	14,035	6,992
New acquisitions	139	2,481	336	2,956	6,467
Divestments	-3,828	-546	-8	-4,382	-6,332
Reclassifications	7	151	543	701	190
Exchange rate differences for the year	175	53	49	277	440
	<b>5,984</b>	<b>5,145</b>	<b>2,458</b>	<b>13,587</b>	<b>7,757</b>

##### Accumulated depreciation

On January 1	1,201	93	21	1,315	
Divestments and disposals	-256	-1		-257	
Reclassifications	-23	3	28	8	
Depreciation for the year	140	31	13	184	
Exchange rate differences for the year	9	1		10	
	<b>1,071</b>	<b>127</b>	<b>62</b>	<b>1,260</b>	<b>0</b>

##### Accumulated writedowns

On January 1	1,901	30	99	2,030	355
Divestments and disposals	-1,321			-1,321	
Reclassifications	-63		62	-1	22
Writedowns/reversals of writedowns for the year	-405	-30		-435	548
Exchange differences for the year	57		6	63	33
	<b>169</b>	<b>0</b>	<b>167</b>	<b>336</b>	<b>958</b>

##### Residual value

<b>on December 31</b>	<b>4,744</b>	<b>5,018</b>	<b>2,229</b>	<b>11,991</b>	<b>6,799</b>
Residual value on January 1	6,389	2,883	1,418	10,690	6,637
Assessed value for tax purposes, Sweden				6,390	825
Corresponding residual value, Sweden				8,454	1,541

##### B. Other fixed assets

	Group			Parent Company	
	Other buildings and land	Machinery and equipment	Other construction in progress	Buildings and land	Machinery and equipment
<b>Accumulated acquisition value</b>					
On January 1	3,498	12,836	43	56	11
New acquisitions	355	2,049	31		2
Acquisitions of companies		222			
Divestments	-144	-768	-40	-12	
Disposals/writeoffs		-142			-2
Reclassifications	65	-297	58		
Exchange rate difference for the year	290	467	6		
	<b>4,064</b>	<b>14,367</b>	<b>98</b>	<b>44</b>	<b>11</b>

**Note 20 Tangible fixed assets and current-asset properties contd.**

	Group			Parent Company	
	Other buildings and land	Machinery and equipment	Other construction in progress	Buildings and land	Machinery and equipment
<b>Accumulated depreciation</b>					
On January 1	889	7,514	0	32	5
Acquisitions of companies		149			
Divestments and disposals	-44	-664		-7	-2
Reclassifications	-86	-228			
Depreciation for the year	120	1,666		1	2
Exchange rate differences for the year	34	216			
	<b>913</b>	<b>8,653</b>	<b>0</b>	<b>25</b>	<b>5</b>
<b>Accumulated revaluations</b>					
On January 1	13				
	<b>13</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Accumulated writedowns</b>					
On January 1	37				
Divestments	-2				
Reclassifications	58				
Writedowns for the year	119				
Exchange rate differences for the year	10				
	<b>222</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Residual value on December 31</b>	<b>2,942</b>	<b>5,714</b>	<b>98</b>	<b>19</b>	<b>6</b>
Residual value on January 1	2,585	5,322	43	25	6
Assessed value for tax purposes	935			48	
Corresponding book value, Sweden	620			17	

**Note 21 Financial fixed assets**

	Group		Parent Company	
	In associated companies and joint ventures	Other long-term holdings of securities	In Group companies	In joint ventures
<b>Andelar</b>				
<b>Accumulated acquisition value</b>				
On January 1	647	822	13,571	19
New acquisitions	222	42	1,282	
Divestments	-165	-47	-776	
Reclassifications	-44	-25		-15
Exchange rate differences for the year	8	19		
Change in share of income in associated companies and joint ventures for the year	21			
	<b>689</b>	<b>811</b>	<b>14,077</b>	<b>4</b>
<b>Accumulated writedowns</b>				
On January 1	24	35	1,131	
Divestments				
Writedowns for the year	20		488	
Reclassifications	-15	8		
Exchange rate differences for the year	1			
	<b>30</b>	<b>43</b>	<b>1,619</b>	<b>0</b>
<b>Residual book value on December 31</b>	<b>659</b>	<b>768</b>	<b>12,458</b>	<b>4</b>

	Group		Parent Company	
	From associated companies and joint ventures	Other long-term receivables	From Group companies	Other long-term receivables
<b>Receivables</b>				
<b>Accumulated acquisition value</b>				
On January 1	331	1,850	8,024	85
Additional/settled receivables	-47	822	-7,806	29
	<b>284</b>	<b>2,672</b>	<b>218</b>	<b>114</b>
<b>Accumulated writedowns</b>				
On January 1	33	8		
Writedowns for the year	0	4		
	<b>33</b>	<b>12</b>		
<b>Residual book value on December 31</b>	<b>251</b>	<b>2,660</b>	<b>218</b>	<b>114</b>

**Note 22 Specification of the Parent Company's holdings of shares and participations in Group companies**

Company	Corporate identity number	Registered office	Number of participations	Book value
<b>Swedish subsidiaries</b>				
AB Svenska Aktier	556104-7589	Stockholm	1,000	0
Hexabar Kornblå AB	556556-6642	Stockholm	1,000	0
SCG Byggnads AB	556250-4224	Stockholm	1,000	0
Skanska Sparfond				
Förvaltnings AB	556036-3128	Malmö	2,000	1
Skanska Entreprenad AB	556011-4208	Stockholm	125,923,860	2
Skanska Export AB	556171-6290	Stockholm	1,000	0
Skanska Financial Services AB	556106-3834	Stockholm	500,000	65
Skanska Holding AB	556075-7939	Stockholm	1,000	0
Skanska Kraft AB	556118-0943	Stockholm	4,000,000	11,306
Skanska Turbo AB	556353-0293	Stockholm	1,000	0
				<b>11,374</b>

**Foreign subsidiaries**

Sade Ingeneneria y Construciones S.A		Argentina	305,849,190	500
Skanska Property GmbH in liquidation		Germany	10,000	584
				1,084
<b>Total</b>				<b>12,458</b>

Both the above subsidiaries are 100 percent owned by the Parent Company.

**Note 23 Specification of the Group's and the Parent Company's holdings of shares and participations in associated companies and joint ventures**

Group	Corporate identity number	Registered office	Number of participations	% of votes if <50% of capital stock	% of votes if other than % of capital stock	Book value in consolidated accounts
<b>Swedish associated companies and joint ventures</b>						
AB Sydsten	556108-2990	Malmö	150,000	50		0
Gamla Filmstaden						
Exploatering KB	916639-5104	Stockholm	1	50		69
Sundlink HB	969620-7134	Malmö		37		4
Västerjärva						
Exploaterings AB	556611-6884	Solna	1,000	50		2
Other						104
<b>Total Swedish associated companies and joint ventures</b>						<b>179</b>

#### Foreign associated companies and joint ventures

Company		Number of participations	If <50% of capital stock	% of votes if other than % of capital stock	Currency	Book value in consolidated accounts
Autopista Central S.A.	Chile	10,800,000	48		CLP	185
Bridgend Custodial Services Ltd	Great Britain	50,000	20	9.3	GBP	1
Gammon Associates	Hong Kong		50		HKD	0
HpC King's College Hospital (Holdings) Ltd	Great Britain	50,000	33.3		GBP	0
Maputo Port Development Company S.A.	Mozambique		16.8		MZM	0
Ponte de Pedra Energetica S/A	Brazil	7,500,000	50		BRL	35
Pääkaupunkiseudun Rakennusjäte Oy	Finland		33.3		FIM	2
Tieyhtiö Nelosti Oy	Finland	115	23	25.6	FIM	4
Other						255
<b>Total foreign associated companies and joint ventures</b>						<b>480</b>
<b>Total</b>						<b>659</b>

The influence of Gammon Skanska, which is reported according to the proportional method, on the consolidated accounts of Skanska is explained in the following table:

Net sales	4,833
Operating expenses	-4,750
<b>Operating income</b>	<b>83</b>
Financial items	18
<b>Income after financial items</b>	<b>101</b>
Taxes	-18
<b>Net profit</b>	<b>83</b>

Fixed assets	910
Current assets	2,429
<b>Total assets</b>	<b>3,339</b>

#### Average number of employees

	per country/region	of which men
Hong Kong	3,948	3,458
Thailand	783	655
Malaysia	232	232
Other countries	36	1
<b>Total</b>	<b>4,999</b>	<b>4,346</b>

#### Note 24 Receivables from associated companies and joint ventures

Group	
Receivables from associated companies	17
Receivables from joint ventures	234
<b>Total</b>	<b>251</b>

#### Note 25 Other long-term holdings of securities

Group	Number of participations	% of capital stock	Market capitalization	Book value
<b>Swedish listed companies</b>				
Sweco AB	8,000	<1	1	0
Pandox Hotellfastigheter AB	1,500,000	6	113	78
			<b>114</b>	<b>78</b>
<b>Other</b>				
Nobia AB	940,925	19		558
Miscellaneous holdings				132
<b>Total</b>				<b>768</b>

#### Note 26 Other long-term receivables

Group	2001	2000
Deferred tax claims <sup>1</sup>	1,412	858
Other receivables	1,248	984
<b>Total</b>	<b>2,660</b>	<b>1,842</b>
<sup>1</sup> Deferred tax claim		
Group	2001	2000
Deferred tax claim for loss carry-forwards	529	172
Deferred tax claim for other temporary differences	883	686
<b>Total</b>	<b>1,412</b>	<b>858</b>

#### Temporary differences not matched by deferred tax claims

Group	2001	2000
Loss carry-forwards expiring within one year	63	276
Loss carry-forwards expiring in between 1 and 3 years	402	278
Loss carry-forwards expiring after more than 3 years	2,662	1,663
Other temporary differences	1,014	-

#### Note 27 Inventories etc.

Group	2001	2000
Raw materials and supplies	696	423
Products being manufactured	71	80
Finished products and merchandise	234	437
Advance payment to suppliers	34	95
<b>Total</b>	<b>1,035</b>	<b>1,035</b>

#### Note 28 Current receivables from associated companies and joint ventures

Group	
Receivables from associated companies	43
Receivables from joint ventures	44
<b>Total</b>	<b>87</b>

#### Note 29 Costs and earnings in excess of invoicing

Group	2001	2000
Accrued revenue for uncompleted contracts	65,231	91,590
Invoiced sales, uncompleted contracts	-57,033	-83,389
<b>Balance</b>	<b>8,198</b>	<b>8,201</b>

**Note 30 Other current receivables**

	Group		Parent Company	
	2001	2000	2001	2000
Short-term portion of long-term receivables	24	22		
Tax claim	474	310	288	
Other short-term receivables	7,115	4,972	21	21
<b>Total</b>	<b>7,613</b>	<b>5,304</b>	<b>309</b>	<b>21</b>

**Note 31 Distribution of interest-bearing and non-interest-bearing receivables among balance sheet items**

Group	2001			2000		
	Interest-bearing	Non-interest-bearing	Total	Interest-bearing	Non-interest-bearing	Total
Financial fixed assets	878	3,460	4,338	895	2,655	3,550
Short-term receivables	1,068	41,282	42,350	2,455	36,508	38,963
Short-term investments	582		582	752		752
Cash and bank balances	8,753		8,753	6,017		6,017
Other fixed and current assets		37,061	37,061		34,021	34,021
<b>Total</b>	<b>11,281</b>	<b>81,803</b>	<b>93,084</b>	<b>10,119</b>	<b>73,184</b>	<b>83,303</b>

**Note 32 Change in shareholders' equity**

Group	Capital stock	Restricted reserves	Un-restricted reserves	Net profit for the year	Total shareh. equity
According to Annual Report for 2000	1,366	3,354	7,685	5,953	18,358
Effect of change in accounting principle		579	403	-403	579
<b>Adjusted opening balance, January 1, 2001</b>	<b>1,366</b>	<b>3,933</b>	<b>8,088</b>	<b>5,550</b>	<b>18,937</b>
Transfer of net profit for 2000			5,550	-5,550	0
Reduction in capital stock through cancellation of 9,216,700 repurchased Series B shares	-110		110		0
Increase in capital stock through targeted issue of 9,216,000 Series C shares	110				110
Redemption of 9,216,700 Series C shares	-110				-110
Dividend			-1,413		-1,413
Share buy-backs			-749		-749
Exchange rate differences etc.			1,074		1,074
Transfer between restricted and unrestricted equity		-2,505	2,505		0
Net profit for 2001				22	22
<b>Closing balance, December 31, 2001</b>	<b>1,256</b>	<b>1,428</b>	<b>15,165</b>	<b>22</b>	<b>17,871</b>

During the financial year, exchange rate differences of SEK 1,213 M were reported directly under shareholders' equity. The amount consisted mainly of positive exchange rate differences in USD, PLN, NOK, GBP and CZK. The year's exchange rate differences were reduced by SEK 262 M through hedging activities. Accumulated exchange rate differences included in shareholders' equity totaled SEK 1,352 M (401).

Parent Company	Capital stock	Restricted reserves	Unrestricted reserves	Net profit resultat	Total shareh. equity
According to Annual Report for 2000	1,366	488	4,678	3,700	10,232
Effect of change in accounting principle			-1,565	1,617	52
<b>Adjusted opening balance, January 1, 2001</b>	<b>1,366</b>	<b>488</b>	<b>3,113</b>	<b>5,317</b>	<b>10,284</b>
Transfer of net profit for 2000			5,317	-5,317	0
Reduction in capital stock through cancellation of 9,216,700 repurchased Series B shares	-110		110		0
Increase in capital stock through targeted issue of 9,216,000 Series C shares	110				110
Redemption of 9,216,700 Series C shares	-110				-110
Transfer to restricted reserve		110	-110		0
Dividend			-1,413		-1,413
Share buy-backs			-749		-749
Net profit for 2001				-123	-123
<b>Closing balance, December 31, 2001</b>	<b>1,256</b>	<b>598</b>	<b>6,268</b>	<b>-123</b>	<b>7,999</b>

Skanska repurchased 1,898,000 Series B shares as part of the Company's ongoing buy-back program. Together with the 7,318,700 shares repurchased in 2000, Skanska has thus repurchased a total of 9,216,700 Series B shares. By cancelling the 9,216,700 repurchased Series B shares, Skanska reduced its capital stock by SEK 110,600,400. The capital stock was increased by SEK 110,600,400 through a targeted issue of 9,216,700 Series C shares. Then Skanska reduced its capital stock by SEK 110,600,400 by redeeming the Series C shares. Finally, SEK 110,600,400 was transferred from unrestricted reserves to restricted reserves. After implementation of a 4:1 split, the number of shares amounts to 418,553,072, divided into 35,961,524 Series A shares and 382,591,548 Series B shares. The par value per share is SEK 3.

**Note 33 Provisions for pensions and similar commitments**

	Group		Parent Company	
	2001	2000	2001	2000
PRI liability	265	7	43	
Other pension obligations	172	116	141	90
<b>Total</b>	<b>437</b>	<b>123</b>	<b>184</b>	<b>90</b>

To safeguard its obligations according to the ITP occupational pension plans in force related to deficits in Swedish pension funds, Skanska has reported the amount of the deficits as a liability. The deficit was caused by the downturn in the stock market. Of the SEK 184 M for "Other pension obligations" in the Parent Company accounts, SEK 23 M was related to obligations outside the scope of the law on safeguarding pension commitments.

**Note 34 Provision for taxes**

Group	2001	2000
Deferred tax on untaxed reserves	1,297	2,011
Deferred tax on surplus values	91	106
Other deferred tax liabilities	839	951
<b>Total</b>	<b>2,227</b>	<b>3,068</b>

During 1988–1990 the Skanska Group, through partly owned companies, purchased participations in aircraft. The tax authorities questioned the depreciation deductions related to most of these transactions. In light on ongoing tax adjudication, Skanska made a provision in its accounts for possible additional taxes, fees and interest.

**Note 35 Other provisions**

	Group		Parent Company	
	2001	2000	2001	2000
Warranty obligations	386	228		
Other provisions	2,313	2,497	56	61
<b>Total</b>	<b>2,699</b>	<b>2,725</b>	<b>56</b>	<b>61</b>

"Other provisions" included provisions for the employee profit-sharing foundation, restructuring measures, disputes, bonuses and damages.

**Note 36 Liabilities to associated companies and joint ventures**

Group	> 5 years	< 5 years: > 1 year	< 1 year	Total
Liabilities to associated companies	2		29	65
Liabilities to joint ventures	0		2	26
<b>Total</b>	<b>2</b>		<b>31</b>	<b>91</b>

**Note 37 Maturity dates of liabilities**

Group	> 5 years		< 5 years: > 1 year		< 1 year		Total	
	2001	2000	2001	2000	2001	2000	2001	2000
Bond loans	280	560	4,585	2,045	1,518	893	6,383	3,498
Liabilities to credit institutions	852	728	6,295	2,008	1,975	4,846	9,122	7,582
Advance payments from clients		10		21	1,253	557	1,253	588
Accounts payable					19,837	16,794	19,837	16,794
Liabilities to associated companies and joint ventures	2	5	31	2	58	229	91	236
Tax liabilities					1,454	1,775	1,454	1,775
Invoicing in excess of costs and earnings					12,072	10,623	12,072	10,623
Other liabilities	102	81	365	312	10,053	7,067	10,520	7,460
Accrued expenses and prepaid revenues					8,603	9,324	8,603	9,324
<b>Total</b>	<b>1,236</b>	<b>1,384</b>	<b>11,276</b>	<b>4,388</b>	<b>56,823</b>	<b>52,108</b>	<b>69,335</b>	<b>57,880</b>

Parent company	> 5 years		< 5 years: > 1 year		< 1 year		Total	
	2001	2000	2001	2000	2001	2000	2001	2000
Bond loans							0	0
Liabilities to credit institutions	298	322					298	322
Accounts payable					13	12	13	12
Liabilities to Group companies	4,014	8,293					4,014	8,293
Tax liabilities					0	462	0	462
Other liabilities					11	121	11	121
Accrued expenses and prepaid revenues					54	273	54	273
<b>Total</b>	<b>4,312</b>	<b>8,615</b>	<b>0</b>	<b>0</b>	<b>78</b>	<b>868</b>	<b>4,390</b>	<b>9,483</b>

**Note 38 Invoicing in excess of costs and earnings**

Group	2001	2000
Invoiced sales, uncompleted contracts	144,323	101,302
Accrued revenues for uncompleted contracts	-132,251	-90,679
<b>Balance</b>	<b>12,072</b>	<b>10,623</b>

**Note 39 Distribution of interest-bearing and non-interest-bearing liabilities and provisions**

Group	2001			2000		
	Interest-bearing	Non-interest-bearing	Total	Interest-bearing	Non-interest-bearing	Total
Liabilities to credit institutions	9,122		9,122	7,582		7,582
Other liabilities	8,748	51,465	60,213	5,402	44,896	50,298
Provisions	223	5,140	5,363	813	5,103	5,916
Minority interests and shareholders' equity		18,386	18,386		19,507	19,507
<b>Total</b>	<b>18,093</b>	<b>74,991</b>	<b>93,084</b>	<b>13,797</b>	<b>69,506</b>	<b>83,303</b>

**Note 40 Change in interest-bearing net indebtedness**

Group	2001	2000
Net indebtedness on January 1	-3,678	-615
Cash flow from business operations	3,514	1,347
Cash flow from investment operations	-2,208	-593
- change in interest-bearing financial receivables	-1,508	812
Dividend and share buy-backs	-2,162	-4,430
Received from/distributed to minority interests	-190	-229
Reclassifications	-474	-51
Translation differences	-97	-157
Other	-9	238
<b>Net indebtedness on December 31</b>	<b>-6,812</b>	<b>-3,678</b>

**Note 41 Translation differences in the balance sheet (SEK billion)**

Assets	
Intangible fixed assets	0.8
Properties in real estate operations	0.2
Other tangible fixed assets	0.5
Shares and participations	0.0
Financial receivables	0.1
Current-asset properties	0.4
Inventories and operating receivables	2.5
Liquid assets	0.6
<b>Total</b>	<b>5.1</b>

Shareholders' equity and liabilities	
Shareholders' equity and liabilities	1.0
Minority interests	0.0
Interest-bearing provisions and liabilities	0.8
Non-interest-bearing provisions and liabilities	3.3
<b>Total</b>	<b>5.1</b>

**Note 42 Assets pledged for liabilities/provisions**

Group	Property mortgages		Chattel mortgages		Restricted bank deposits		Total	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Own obligations</b>								
Liabilities to credit institutions	925	475	14	141	194	116	1,133	732
Other liabilities/provisions	16	41	9		225	131	250	172
<b>Total own obligations</b>	<b>941</b>	<b>516</b>	<b>23</b>	<b>141</b>	<b>419</b>	<b>247</b>	<b>1,383</b>	<b>904</b>
Other obligations	70	84	41		450	44	561	128
<b>Total own obligations</b>	<b>1,011</b>	<b>600</b>	<b>64</b>	<b>141</b>	<b>869</b>	<b>291</b>	<b>1,944</b>	<b>1,032</b>

**Note 43 Contingent liabilities**

	Group		Parent Company	
	2001	2000	2001	2000
Pension commitments not included among liabilities/provisions	3	5		
Contingent liabilities on behalf of Group companies			78,319	41,036
Other contingent liabilities	16,553	8,807	11,701	5,890
<b>Total</b>	<b>16,556</b>	<b>8,812</b>	<b>90,020</b>	<b>46,926</b>

Of the Group's contingent liabilities, about SEK 15 billion consists of the portion of the joint and several liability of outside members of consortia for the obligations of construction consortia. Such liability is often required by the client. To the extent it is deemed likely that Skanska will be subject to liability claims, the obligation is reported as a liability/provision in the balance sheet.

Of the Parent Company's contingent liabilities, about SEK 58 billion was related to contracting obligations made by subsidiaries. To the Group, commitments issued by the Parent Company do not comprise any greater liability than the contracting obligations.

The increase in "Contingent liabilities on behalf of Group companies" was mainly attributable to guarantees provided in conjunction with contracting work and otherwise guarantees for credit facilities. Outside Sweden, a guarantee for contracting work may amount to 100 percent of the contract value (in Sweden normally a maximum of 10 percent). Skanska's increasing internationalization has thus resulted in a sharp increase in contingent liabilities outstanding.

For the Air Rail Transit Consortium's performance of the JFK light rail link contract in New York, Skanska AB, like Bombardier Inc., is jointly and severally liable to the client, the Port Authority of New York and New Jersey.

Bombardier Inc., whose subsidiary Bombardier Transit Corporation is responsible for the portion of the contract related to trains and operation, has issued a guarantee to Skanska that relieves Skanska from liability in relation to Bombardier Inc. for this portion of the contract, which totals more than SEK 2.9 billion out of the overall contract value, excluding any five- or ten-year extension. Given Bombardier Inc.'s commitment, no contingent liability for this portion of the contract has been reported in the accounts.

In corresponding fashion, Skanska AB has relieved Bombardier Inc. of liability for the construction portion.

Skanska has issued call options for shares in the real estate company Pandox AB (79,920) to senior executives of that company. The options have a duration of five years and entitle the holders to buy shares at a price of SEK 67.30 no later than September 2, 2002.

When it sold shares in the construction and real estate company JM AB (150,000 Series B shares) to senior executives of the latter company, Skanska issued an option to the buyers to sell the shares at SEK 116 apiece during two days in March 2002, in exchange for additional compensation of SEK 3 per share.

**Note 44 Interest and dividend information**

	Group		Parent Company	
	2001	2000	2001	2000
Interest revenue received during the year	370	520	642	615
Interest expenses paid during the year	-1,290	-811	-764	-825
Dividends received during the year	12	136	4,002	12

**Note 45 Adjustment for items not included in cash flow**

Group	2001	2000
	Depreciation and writedowns plus reversals of writedowns	3,448
Gain on sale of fixed assets, current-asset properties and businesses	-3,157	-6,240
Change among provisions not belonging to working capital	360	166
Income after financial items from associated companies	-35	-282
Dividends from associated companies	7	96
Other items from business operations not affecting cash flow		49
<b>Total</b>	<b>623</b>	<b>-4,361</b>

Parent Company	2001	2000
Depreciation and writedowns plus reversals of writedowns	492	1
Gain on sale of fixed assets	-25	-9
Change among provisions not belonging to working capital	6	51
<b>Total</b>	<b>473</b>	<b>43</b>

**Note 46 Taxes paid**

Taxes paid are allocated between business operations and investment operations. Total taxes paid by the Group during 2001 amounted to SEK 2,630 M (1,901).

**Note 47 Liquid assets**

Group	2001	2000
Cash and bank balances	8,753	6,017
Short-term investments	582	752
<b>Total</b>	<b>9,335</b>	<b>6,769</b>

Short-term investments according to the balance sheet match the short-term investments reported among liquid assets in the cash flow statement. The Group's unutilized credit facilities amounted to SEK 5,780 M (3,099) at year-end.

# Consolidated quarterly results

## Group

SEK M	2001				2000			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Order bookings</b>	<b>21,871</b>	<b>37,251</b>	<b>44,459</b>	<b>48,926</b>	<b>40,611</b>	<b>31,655</b>	<b>30,559</b>	<b>24,206</b>
<b>From the income statements</b>								
Net sales	42,553	43,001	44,565	34,818	37,563	28,638	23,226	18,595
Operating expenses	-41,998	-43,357	-44,108	-35,141	-36,721	-28,013	-22,471	-18,246
	<b>555</b>	<b>-356</b>	<b>457</b>	<b>-323</b>	<b>842</b>	<b>625</b>	<b>755</b>	<b>349</b>
Gain on sale of properties	741	92	1,320	2	58	180	1,424	245
Share of income in associated companies	26	5	0	4	10	166	27	96
Items affecting comparability	286	-504	-12	0	1,373	80	314	646
<b>Operating income</b>	<b>1,608</b>	<b>-763</b>	<b>1,765</b>	<b>-317</b>	<b>2,283</b>	<b>1,051</b>	<b>2,520</b>	<b>1,336</b>
Net interest items	-306	-241	-238	-139	-127	-140	-106	-24
Gain on sale of shares and participations	0	0	0	0	-34	0	10	1,706
Other financial items	-54	-204	-6	11	-40	29	38	29
	<b>-360</b>	<b>-445</b>	<b>-244</b>	<b>-128</b>	<b>-201</b>	<b>-111</b>	<b>-58</b>	<b>1,711</b>
<b>Income after financial items</b>	<b>1,248</b>	<b>-1,208</b>	<b>1,521</b>	<b>-445</b>	<b>2,082</b>	<b>940</b>	<b>2,462</b>	<b>3,047</b>
Taxes	-144	-492	-619	161	-717	-323	-847	-1,048
Minority interests	19	11	-19	-11	-15	-19	1	-13
<b>Net profit for the period</b>	<b>1,123</b>	<b>-1,689</b>	<b>883</b>	<b>-295</b>	<b>1,350</b>	<b>598</b>	<b>1,616</b>	<b>1,986</b>
Order backlog	158,643	183,553	191,490	185,560	160,675	133,770	111,644	100,383
Capital employed	36,479	38,257	39,898	36,836	33,304	31,326	29,405	26,041
Interest-bearing net indebtedness	6,812	10,734	10,199	7,548	3,678	5,176	4,731	-1,918
Equity/assets ratio, %	19.8	18.5	20.4	21.9	23.4	26.8	30.6	34.8
Return on capital employed, %	8.0	10.0	15.3	19.3	31.8	27.6	27.3	38.6
<b>Cash flow</b>								
From business operations	2,472	312	-648	1,378	1,639	579	-715	-156
From investment operations	3,494	-853	-632	-4,217	949	-2,374	-1,830	2,662
From financing operations	-2,824	245	788	2,421	83	1,975	-140	-1,798
<b>Cash flow for the period</b>	<b>3,142</b>	<b>-296</b>	<b>-492</b>	<b>-418</b>	<b>2,671</b>	<b>180</b>	<b>-2,685</b>	<b>708</b>

# Consolidated quarterly results

## Markets and segments

SEK M	2001				2000			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Order bookings</b>								
<b>Core business</b>								
Scandinavia	8,622	9,371	12,776	10,384	9,892	9,258	11,303	7,843
Europe	10,630	8,654	10,192	12,610	7,260	5,609	4,218	1,694
USA	-5	15,157	18,293	20,416	19,857	13,399	12,518	10,745
Other markets	1,390	3,339	2,509	4,752	2,487	2,907	226	2,268
<b>Total Construction-related Services</b>	<b>20,637</b>	<b>36,521</b>	<b>43,770</b>	<b>48,162</b>	<b>39,496</b>	<b>31,173</b>	<b>28,265</b>	<b>22,550</b>
Services & Telecom	841	662	740	573	745	748	552	61
Central and eliminations	393	68	-51	191	282	-346	302	65
<b>Total core business</b>	<b>21,871</b>	<b>37,251</b>	<b>44,459</b>	<b>48,926</b>	<b>40,523</b>	<b>31,575</b>	<b>29,119</b>	<b>22,676</b>
Non-core business	-273	92	99	82	88	80	1,440	1,530
<b>Total Skanska Group</b>	<b>21,598</b>	<b>37,343</b>	<b>44,558</b>	<b>49,008</b>	<b>40,611</b>	<b>31,655</b>	<b>30,559</b>	<b>24,206</b>
<b>Net sales</b>								
<b>Core business</b>								
Scandinavia	9,933	11,669	12,759	8,906	10,170	8,952	8,040	5,824
Europe	10,717	11,624	10,441	7,098	8,470	5,447	3,066	1,850
USA	17,553	17,006	18,447	15,936	15,720	13,075	9,224	8,404
Other markets	3,594	2,707	2,792	2,241	2,321	1,135	1,337	890
<b>Total Construction-related Services</b>	<b>41,797</b>	<b>43,006</b>	<b>44,439</b>	<b>34,181</b>	<b>36,681</b>	<b>28,609</b>	<b>21,667</b>	<b>16,968</b>
Project Development & BOT	357	346	336	348	353	332	348	354
Services & Telecom	888	645	824	704	861	572	472	61
Central and eliminations	-216	-1,088	-1,133	-497	-420	-955	-701	-230
<b>Total core business</b>	<b>42,826</b>	<b>42,909</b>	<b>44,466</b>	<b>34,736</b>	<b>37,475</b>	<b>28,558</b>	<b>21,786</b>	<b>17,153</b>
Non-core business	-273	92	99	82	88	80	1,440	1,442
<b>Total Skanska Group</b>	<b>42,553</b>	<b>43,001</b>	<b>44,565</b>	<b>34,818</b>	<b>37,563</b>	<b>28,638</b>	<b>23,226</b>	<b>18,595</b>

SEK M	2001				2000			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
<b>Operating income</b>								
<b>Core business</b>								
Scandinavia	102	-370	267	-412	332	155	279	71
Europe	97	-435	-39	-227	331	167	104	57
USA	310	275	323	265	319	328	206	167
Other markets	95	79	6	34	-6	-30	66	-2
<b>Total Construction-related Services</b>	<b>604</b>	<b>-451</b>	<b>557</b>	<b>-340</b>	<b>976</b>	<b>620</b>	<b>655</b>	<b>293</b>
Project Development & BOT	948	242	1,419	139	143	307	1,546	390
Services & Telecom	-1	20	43	50	60	42	18	-6
Central and eliminations	-223	-76	-252	-156	-255	-174	-98	-101
	<b>1,328</b>	<b>-265</b>	<b>1,767</b>	<b>-307</b>	<b>924</b>	<b>795</b>	<b>2,121</b>	<b>576</b>
<b>Items affecting comparability</b>								
Writedown of goodwill		-500						
Reversals of writedowns	435	0	0	0	0	0	0	0
<b>Total core business</b>	<b>1,763</b>	<b>-765</b>	<b>1,767</b>	<b>-307</b>	<b>924</b>	<b>795</b>	<b>2,121</b>	<b>576</b>
Non-core business	-155	2	-2	-10	1,359	256	399	760
<b>Total Skanska Group</b>	<b>1,608</b>	<b>-763</b>	<b>1,765</b>	<b>-317</b>	<b>2,283</b>	<b>1,051</b>	<b>2,520</b>	<b>1,336</b>

# Business units, markets and segments

	Net sales		Order bookings		Order backlog	
	2001	2000	2001	2000	2001	2000
<b>Core business</b>						
Skanska Sweden	28,358	23,386	27,332	28,215	15,727	17,332
Selmer Skanska	9,145	4,234	9,710	4,193	6,207	5,354
Skanska Denmark	5,764	5,366	4,111	5,888	2,051	3,754
<b>Total Scandinavia</b>	<b>43,267</b>	<b>32,986</b>	<b>41,153</b>	<b>38,296</b>	<b>23,985</b>	<b>26,440</b>
Skanska Oy	8,781	7,560	8,345	8,217	5,443	5,706
Exbud Skanska 3	6,453	4,372	5,593	4,342	4,510	5,583
IPS Skanska	7,989	3,583	8,764	3,727	6,049	4,538
Skanska UK	15,438	2,219	18,468	1,683	18,932	14,401
Skanska J/V Projects, UK	1,057	912	785	812	1,197	1,366
Other	162	187	131	0	0	0
<b>Total Europe</b>	<b>39,880</b>	<b>18,833</b>	<b>42,086</b>	<b>18,781</b>	<b>36,131</b>	<b>31,594</b>
Skanska USA Building	32,005	19,661	20,552	23,661	40,784	47,154
Beers Skanska	21,580	16,733	18,634	18,666	21,847	22,326
Skanska USA Civil	14,307	9,211	13,625	13,374	20,964	19,451
Skanska Project Development USA	1,050	818	1,050	818	0	0
<b>Total USA</b>	<b>68,942</b>	<b>46,423</b>	<b>53,861</b>	<b>56,519</b>	<b>83,595</b>	<b>88,931</b>
Skanska International Projects	2,362	1,984	2,548	3,310	4,056	3,870
Sade Skanska	3,672	2,910	2,475	3,670	3,634	4,660
Gammon Skanska	4,833	710	4,711	901	4,820	4,418
Skanska Cementation India	467	79	2,256	7	2,129	315
<b>Total, Other Markets</b>	<b>11,334</b>	<b>5,683</b>	<b>11,990</b>	<b>7,888</b>	<b>14,639</b>	<b>13,263</b>
<b>Total, Construction-related Services</b>	<b>163,423</b>	<b>103,925</b>	<b>149,090</b>	<b>121,484</b>	<b>158,350</b>	<b>160,228</b>
Skanska Project Development Sweden	1,182	1,181	-	-	-	-
Skanska Project Development Europe	205	206	-	-	-	-
Skanska BOT	0	0	-	-	-	-
<b>Total, Project Development &amp; BOT</b>	<b>1,387</b>	<b>1,387</b>				
Skanska Services	2,684	1,679	2,760	1,815	213	136
Skanska Telecom Networks	377	287	55	291	0	397
<b>Total, Services &amp; Telecom</b>	<b>3,061</b>	<b>1,966</b>	<b>2,815</b>	<b>2,106</b>	<b>213</b>	<b>533</b>
Central and eliminations	-2,934	-2,306	602	303	80	-86
	<b>164,937</b>	<b>104,972</b>	<b>152,507</b>	<b>123,893</b>	<b>158,643</b>	<b>160,675</b>
Items affecting comparability						
Writedown of goodwill						
Reversals of writedowns						
<b>Total core business</b>	<b>164,937</b>	<b>104,972</b>	<b>152,507</b>	<b>123,893</b>	<b>158,643</b>	<b>160,675</b>
Non-core business		3,050		3,138		
<b>Total Skanska Group</b>	<b>164,937</b>	<b>108,022</b>	<b>152,507</b>	<b>127,031</b>	<b>158,643</b>	<b>160,675</b>

	EBITA <sup>1</sup>		EBITA margin		EBIT <sup>2</sup>		EBIT margin	
	2001	2000	2001	2000	2001	2000	2001	2000
<b>Core business</b>								
Skanska Sweden	770	1,014	2.7%	4.3%	745	1,000	2.6%	4.3%
Selmer Skanska	42	139	0.5%	3.3%	-128	74	neg	1.7%
Skanska Denmark	-1,025	-232	neg	neg	-1,030	-237	neg	neg
<b>Total Scandinavia</b>	<b>-213</b>	<b>921</b>	<b>neg</b>	<b>2.8%</b>	<b>-413</b>	<b>837</b>	<b>neg</b>	<b>2.5%</b>
Skanska Oy	223	472	2.5%	6.2%	122	407	1.4%	5.4%
Exbud Skanska <sup>3</sup>	-547	195	neg	4.5%	-700	158	neg	3.6%
IPS Skanska	202	167	2.5%	4.7%	215	172	2.7%	4.8%
Skanska UK	400	82	2.6%	3.7%	278	66	1.8%	3.0%
Skanska J/V Projects, UK	-409	-85	neg	neg	-409	-85	neg	neg
Other	-110	-59	neg	neg	-110	-59	neg	neg
<b>Total Europe</b>	<b>-241</b>	<b>772</b>	<b>neg</b>	<b>4.1%</b>	<b>-604</b>	<b>659</b>	<b>neg</b>	<b>3.5%</b>
Skanska USA Building	523	263	1.6%	1.3%	468	246	1.5%	1.3%
Beers Skanska	80	241	0.4%	1.4%	70	228	0.3%	1.4%
Skanska USA Civil	529	469	3.7%	5.1%	524	464	3.7%	5.0%
Skanska Project Development USA	115	86	11.0%	10.5%	111	82	10.6%	10.0%
<b>Total USA</b>	<b>1,247</b>	<b>1,059</b>	<b>1.8%</b>	<b>2.3%</b>	<b>1,173</b>	<b>1,020</b>	<b>1.7%</b>	<b>2.2%</b>
Skanska International Projects	-25	-39	neg	neg	-25	-39	neg	neg
Sade Skanska	131	34	3.6%	1.2%	131	34	3.6%	1.2%
Gammon Skanska	119	33	2.5%	4.6%	83	27	1.7%	3.8%
Skanska Cementation India	25	6	5.4%	7.6%	25	6	5.4%	7.6%
<b>Total, Other Markets</b>	<b>250</b>	<b>34</b>	<b>2.2%</b>	<b>0.6%</b>	<b>214</b>	<b>28</b>	<b>1.9%</b>	<b>0.5%</b>
<b>Total, Construction-related Services</b>	<b>1,043</b>	<b>2,786</b>	<b>0.6%</b>	<b>2.7%</b>	<b>370</b>	<b>2,544</b>	<b>0.2%</b>	<b>2.4%</b>
Skanska Project Development Sweden	1,859	2,007	n.a.	n.a.	1,859	2,007	n.a.	n.a.
Skanska Project Development Europe	898	435	n.a.	n.a.	898	435	n.a.	n.a.
Skanska BOT	-9	-56	n.a.	n.a.	-9	-56	n.a.	n.a.
<b>Total, Project Development &amp; BOT</b>	<b>2,748</b>	<b>2,386</b>	<b>n.a.</b>	<b>n.a.</b>	<b>2,748</b>	<b>2,386</b>	<b>n.a.</b>	<b>n.a.</b>
Skanska Services	105	90	3.9%	5.4%	87	77	3.2%	4.6%
Skanska Telecom Networks	36	42	9.5%	14.6%	25	37	6.6%	12.9%
<b>Total, Services &amp; Telecom</b>	<b>141</b>	<b>132</b>	<b>4.6%</b>	<b>6.7%</b>	<b>112</b>	<b>114</b>	<b>3.7%</b>	<b>5.8%</b>
Central and eliminations	-707	-628	n.a.	n.a.	-707	-628	n.a.	n.a.
	<b>3,225</b>	<b>4,676</b>	<b>n.a.</b>	<b>n.a.</b>	<b>2,523</b>	<b>4,416</b>	<b>n.a.</b>	<b>n.a.</b>
Items affecting comparability								
Writedown of goodwill					-500			
Reversals of writedowns	435				435			
<b>Total core business</b>	<b>3,660</b>	<b>4,676</b>	<b>2.2%</b>	<b>4.5%</b>	<b>2,458</b>	<b>4,416</b>	<b>1.5%</b>	<b>4.2%</b>
Non-core business	-165	2825			-165	2,774		
<b>Total Skanska Group</b>	<b>3,495</b>	<b>7,501</b>	<b>n.a.</b>	<b>n.a.</b>	<b>2,293</b>	<b>7,190</b>	<b>n.a.</b>	<b>n.a.</b>

<sup>1</sup> EBITA: Operating income before amortization of goodwill

<sup>2</sup> EBIT: Operating income

<sup>3</sup> Operating income includes SEK 85 M in writedowns of goodwill in subsidiaries of subsidiaries.

# Five-year Group financial summary<sup>1</sup>

SEK M	2001	2000	1999	1998	Pro forma 1997
Order bookings	152,507	127,031	97,332	77,383	58,950
Order backlog	158,643	160,675	93,686	67,871	51,745
<b>Income statements</b>					
Net sales	164,937	108,022	79,128	62,435	49,577
of which, outside Sweden, %	82	77	72	68	62
Gross income	9,396	9,520	7,823	5,837	4,879
Selling and administrative expenses	-9,063	-6,949	-5,564	-4,430	-4,244
Sale of properties	2,155	1,907	703	1,266	423
Writedowns/reversals of writedowns	0	0	-5	-14	8
Share of income in associated companies	35	299	657	684	674
Items affecting comparability	-230	2,413	3,287	1,033	-944
<b>Operating income</b>	<b>2,293</b>	<b>7,190</b>	<b>6,901</b>	<b>4,376</b>	<b>796</b>
Financial items	-1,177	1,341	-39	449	9,316
<b>Income after financial items</b>	<b>1,116</b>	<b>8,531</b>	<b>6,862</b>	<b>4,825</b>	<b>10,112</b>
Taxes	-1,094	-2,935	-2,483	-1,965	-2,864
Minority interest in income	0	-46	-98	-78	-122
<b>Net profit for the year</b>	<b>22</b>	<b>5,550</b>	<b>4,281</b>	<b>2,782</b>	<b>7,126</b>
<b>Cash flow</b>					
From business operations	3,514	1,347	2,603	2,347	
From investment operations	-2,208	-593	1,834	-2,586	
From financing operations	630	120	-2,349	1,121	
<b>Cash flow for the year</b>	<b>1,936</b>	<b>874</b>	<b>2,088</b>	<b>882</b>	

## Definitions

Debt/equity ratio	Interest-bearing net indebtedness divided by visible shareholders' equity including minority interests.
Equity/assets ratio	Visible shareholders' equity including minority interests as a percentage of total assets.
Equity per share	Visible shareholders' equity divided by the number of shares.
Interest-bearing net indebtedness	Interest-bearing liabilities including pension liabilities minus liquid assets and interest-bearing receivables.
Interest cover	Operating income, financial revenues and net holdings in associated companies, plus depreciation and items affecting comparability, divided by net interest items.
Net profit per share	Net profit for the year divided by the average number of shares.
Number of shares outstanding	Average number of shares in 2001: 419,981,149, 2000: 444,629,424, 1997-1999: 455,419,872. Total number of shares at each year-end: 2001: 418,553,072, 2000: 426,145,072, 1997-1999: 455,419,872.
Operating net on properties	Rental revenues and interest subsidies minus operating, maintenance and administrative expenses as well as real estate tax. Site leasehold rent is included in operating expenses.
Return on capital employed	Operating income, financial revenues and net holding in associated companies, as a percentage of average capital employed. Capital employed is visible shareholders' equity, minority interests and interest-bearing liabilities.
Return on shareholders' equity	Net profit for the year as a percentage of average visible shareholders' equity.
Yield on properties	Operating net divided by year-end book value.

SEK M	2001	2000	1999	1998	Pro forma 1997
<b>Balance sheets</b>					
Properties in real estate operations	11,991	10,690	10,236	8,597	8,580
Shares and participations	1,427	1,405	2,602	7,157	6,695
Other fixed assets	17,236	15,659	7,511	6,773	6,581
Interest-bearing receivables	1,946	3,350	2,192	2,372	2,090
Non-interest-bearing receivables	44,350	38,793	23,806	13,876	11,090
Current-asset properties	6,799	6,637	3,978	2,603	1,301
Bank balances and short-term investments	9,335	6,769	5,583	3,505	2,553
Shareholders' equity	17,871	18,937	17,373	13,519	11,817
Minority interests	515	570	292	271	151
Interest-bearing liabilities and provisions	18,093	13,797	8,390	7,855	5,085
Non-interest-bearing liabilities and provisions	56,605	49,999	29,853	23,238	21,837
<b>Balance sheet total</b>	<b>93,084</b>	<b>83,303</b>	<b>55,908</b>	<b>44,883</b>	<b>38,890</b>
Capital employed	36,479	33,304	26,055	21,645	17,053
Interest-bearing net indebtedness	6,812	3,678	615	1,978	442
Average number of employees	79,924	63,368	45,063	39,246	35,035
<b>Financial ratios etc.</b>					
Dividend per share, SEK <sup>2</sup>	3.00 <sup>3)</sup>	3.38	4.00	3.00	2.75
Net profit per share, SEK <sup>2</sup>	0.05	12.50	9.40	6.10	14.85
Equity per share, SEK <sup>2</sup>	42.73	44.40	36.00	29.70	26.00
Return on shareholders' equity, %	0.1	30.6	27.7	22.0	64.4
Return on capital employed, %	8.0	31.5	30.8	27.0	54.3
Same, adjusted for items affecting comparability and share divestments	8.7	17.7	17.3	18.3	12.0
Equity/assets ratio, %	19.8	23.4	32.5	30.7	30.8
Debt/equity ratio	0.4	0.2	0.0	0.1	0.0
Interest cover	6.1	17.1	13.7	21.4	8.5

<sup>1</sup> The consolidated income statement and balance sheet have been recalculated effective from December 31, 1999 due to the introduction of recommendations RR9 and RR10 of the Swedish Financial Accounting Standards Council. For 1997, pro forma figures are stated excluding Drott and with JM deconsolidated.

<sup>2</sup> Comparative figures adjusted to take into account the 4:1 split in Skanska shares implemented during the year.

<sup>3</sup> Proposed by the Board of Directors: Dividend of SEK 3.00 per share.

# Proposed allocation of earnings

The Board of Directors and the President of Skanska AB propose that the loss for 2001, SEK -123,010,426, plus the retained earnings of SEK 6,267,734,023, totaling SEK 6,144,724,080, brought forward from the preceding year, be allocated as follows:

A dividend to the shareholders of SEK 3.00 per share	SEK 1,255,659,216
To be carried forward	SEK 4,889,064,864
Total	SEK 6,144,724,080

*Stockholm, February 14, 2002*

Bo Rydin

Per-Olof Eriksson

Roger Flanagan

Sören Gyll

Finn Johnsson

Eliot R. Cutler

Arne Mårtensson

Sverker Martin-Löf

Folmer Knudsen

Ivan Karlsson

Nils-Erik Pettersson

Claes Björk  
*President*

# Auditors' report

*To the Annual Meeting of Shareholders in Skanska AB (publ.),  
Swedish corporate identity number 556000-4615*

We have examined the annual accounts, the consolidated accounts, the accounting records and the administration of the Board of Directors and the President of Skanska AB for the year 2001. These accounts and the administration of the Company are the responsibility of the Board of Directors and the President. Our responsibility is to express an opinion on the financial statements and the administration based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in Sweden. These standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and their application by the Board of Directors and the President, as well as evaluating the overall presentation of information in the annual accounts and the consolidated accounts. As a basis for our opinion concerning discharge from liability, we examined significant decisions, actions taken and circumstances of the Company in order to be able to determine the possible liability, if any, to the Company of any Board member or the President. We also examined whether any Board member or the President has, in any other way, acted in contravention of the Swedish Companies Act, the Annual Accounts Act or the Articles of Association. We believe that our audit provides a reasonable basis for our opinion set out below.

The annual accounts and the consolidated accounts have been prepared in accordance with the Annual Accounts Act and thereby provide a true and fair picture of the Company's and the Group's results of operations and financial position in accordance with generally accepted auditing principles in Sweden.

We recommend to the Annual Meeting of Shareholders that the income statements and the balance sheets of the Parent Company and the Group be adopted, that the profit for the Parent Company be dealt with in accordance with the proposal in the Report of the Directors and that the members of the Board of Directors and the President be discharged from liability for the financial year.

*Stockholm, February 22, 2002*

Bernhard Öhrn  
*Authorized Public Accountant*

Caj Nackstad  
*Authorized Public Accountant*

# Project Development & BOT

## Properties in Project Development Sweden and Europe

SEK M	Book values	
	2001	2000
Investment properties	4,581	6,260
Investment properties under construction	5,018	2,883
Undeveloped land and development properties	2,229	1,418
<b>Total</b>	<b>11,828</b>	<b>10,561</b>

## Properties sold during 2001

SEK M	Sales price	Book value	Capital gain
Stockholm	524	336	188
Gothenburg	2,121	1,134	987
Øresund	339	184	155
Europe	1,958	1,148	810
<b>Total</b>	<b>4,942</b>	<b>2,802</b>	<b>2,140</b>

## Unutilized building rights, Dec. 31, 2001

(incl. Skanska's share in partly owned companies)

Sq m	
Stockholm, central	66
Stockholm, northern	129
Stockholm, southern	92
<b>Total Stockholm</b>	<b>287</b>
<b>Total Gothenburg</b>	<b>109</b>
Øresund Malmö	34
Øresund Copenhagen	132
<b>Total Øresund</b>	<b>166</b>
Budapest, Hungary	76
Munich, Germany	59
Prague, Czech Republic	33
Warsaw, Poland	135
<b>Total Europe</b>	<b>303</b>
<b>Buenos Aires, Argentina</b>	<b>50</b>
<b>Total</b>	<b>915</b>

## Project operations, 2001

### Completed projects, SEK M<sup>1</sup>

Book value, December 31, 2001	2,962	Estimated book value at completion	3,024
Estimated operating net, fully leased	330	Estimated operating net, fully leased	358
Return on book value	11.1%	Return on book value, %	11.8%
Economic occupancy rate	68%	Economic occupancy rate	91%
Occupancy rate (space)	75%	Occupancy rate (space)	90%

### Ongoing projects, SEK M

<sup>1</sup> Excluding the divested projects East West BC III, Säby 3:22 Barkarby Phase III, Evedal 1 and Marknaden 3.

## Investment properties under construction

SEK M	Leasable space 000 sq m	Estimated rental value, fully leased	Estimated operating net, fully leased	Economic occupancy rate, %	Estimated book value, completed	Book value Dec. 31, 2001
<b>Real estate projects completed during 2000</b>						
Project Development Sweden	133	258.0	228.1	89	–	2,252
Project Development Europe	34	106.2	102.2	15	–	710
<b>Total</b>	<b>167</b>	<b>364.2</b>	<b>330.3</b>	<b>68</b>	<b>–</b>	<b>2,962</b>

## Ongoing real estate projects, Dec. 31, 2001

Stockholm	100	253.1	232.8	99	1,768	1,335
Gothenburg	19	33.2	30.9	62	344	188
Øresund	38	61.0	55.1	81	584	379
Europe	26	40.3	39.2	78	328	154
<b>Total</b>	<b>183</b>	<b>387.6</b>	<b>358</b>	<b>91</b>	<b>3,024</b>	<b>2,056</b>

## Investment properties, December 31, 2001, on an annual basis

SEK M	Number of properties	Leasable area 000 sq m	Rental revenues 2001	Operating expenses	Maintenance, adaptation to tenants	Real estate tax	Ground rent	Property administration	Operating surplus	Book value	Yield on book value, %	Rental value 2002 <sup>1</sup>	Economic occupancy rate, %	Estimated market value
Stockholm	27	380	478	39	35	24	43	10	327	2,644	12.4	501	92	4,800
Gothenburg	15	168	105	26	6	4	0	7	62	361	17.2	114	96	1,000
Øresund	20	165	165	16	22	5	1	5	116	955	12.1	178	94	1,800
Europe	2	35	94	8	0	1	0	7	78	621	12.6	107	81	900
<b>Total</b>	<b>64</b>	<b>748</b>	<b>842</b>	<b>89</b>	<b>63</b>	<b>34</b>	<b>44</b>	<b>29</b>	<b>583</b>	<b>4,581</b>	<b>12.7</b>	<b>900</b>	<b>93</b>	<b>8,500</b>

Central company and business unit overhead –58

**Operating net after central overhead on annual basis** 525 11.5

Added back to adjust for acquisitions, divestments and reclassifications during 2001 249

**Operating net after central overhead according to income statement** 774 16.9

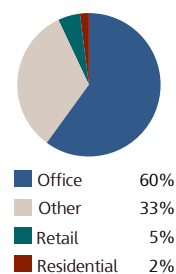
<sup>1</sup> The sum of contracted rent and estimated market rent for unleased space.

### Skanska Project Development Sweden and Europe, investment properties

SEK M	2001	2000
Book value <sup>1</sup>	4,581	6,260
Rental revenues	1,118	1,251
Operating net before central overhead	832	863
Central company and business area overhead	58	56
Operating net after central overhead	774	807
Return on book value, %	16.9	12.9
Leasable space, 000 sq m	748	962
Residential	13	18
Retail	45	111
Office	417	522
Other	273	311
Economic occupancy rate, %	93	95
Operating net margin, %	69	65

<sup>1</sup> After eliminating intra-Group profits, SEK 181 M (2007).

Rental value by type of space

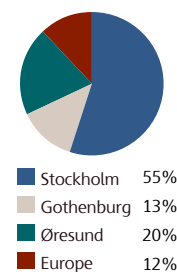


### Investment properties, January 1, 2002

SEK bn	Number of properties	Leasable space, sq m	Rental value, 2002	Market value	Book value	Surplus value
Investment properties, December 31, 2001 <sup>1</sup>	66	775	0.9	8.8	4.6	4.2
Investment properties completed during 2001	14	167	0.4	4.0	3.0	1.0
<b>Investment properties, January 1, 2002</b>	<b>80</b>	<b>942</b>	<b>1.3</b>	<b>12.8</b>	<b>7.6</b>	<b>5.2</b>

<sup>1</sup> Including partly owned properties

Rental value by geographic area



### Expiration year of leases, investment properties

Percentage of rental revenues	Sweden	Europe	Total
2002	10	7	10
2003	18	14	17
2004	16	28	17
2005 and later	50	47	50
Residential	1	0	1
Parking facilities	5	4	5
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>

### The BOT portfolio

#### Investments in shareholders' equity and debenture loans

BOT project	Ownership stake, %	Year-end book value, SEK M	Estimated total investment, SEK M	Goes into operation	Concession period until	Estimated return on invested capital
Bridgend Prison, Great Britain	9	17	17	In operation	2022	
Nelostie Motorway, Finland	23 <sup>1</sup>	4	25	In operation	2012	
<b>Total in operation</b>		<b>21</b>	<b>42</b>			<b>22%</b>
<b>Ongoing projects</b>						
Harbor in Maputo, Mozambique	33	0	40	2002	2017	
Ponte de Pedra Hydropower, Brazil	50	46	200	2004	2036	
North-South Toll Highway, Chile	48	697	1,300	2004	2031	
Kings College Hospital, Great Britain	33	36	50	2002/2004	2037	
<b>Total ongoing projects</b>		<b>779</b>	<b>1,590</b>			<b>&gt;20%</b>
<b>Total</b>		<b>799</b>	<b>1,632</b>			<b>&gt;20%</b>

<sup>1</sup> Refers to Skanska BOT's ownership stake. The total ownership stake of the Skanska Group amounts to 46 percent.

# Property list

Property list on December 31, 2001 <sup>1</sup>

County, municipality, property designation, street address	Year built/ renovated	Leasable space, sq m				Rental value 2002, SEK M	Site leasehold	Location <sup>2</sup>
		Residential	Retail	Office	Other			
<b>STOCKHOLM</b>								
<b>Stockholm County</b>								
<b>Botkyrka</b>								
Trädgårdsmästaren 14, Gröndalsv 20	1978			4,926	336	5,262	5.0	S
<b>Huddinge</b>								
Myren 1, Häradsv 253	1993			950	5,460	6,410	9.5	S
<b>Järfälla</b>								
Jakobsberg 2:2583, Järfällav 102-104	1982			15,064	7,024	22,088	19.0	N
<b>Nacka</b>								
Sicklaön 354:1-2, Ektorp Centrum, Ektorpsv 2-6	1979		3,003	13,065	2,518	18,586	18.5	S
<b>Nynäshamn</b>								
Alkotten 2, Lövlundsv 3	1984			1,792	2,232	4,024	6.0	S
<b>Solna</b>								
Apelsinen 5, Vretenv 13	1972			12,709	8,213	20,922	26.3	N
Gelbgjutaren 3, 14, 17, Industriv, Äldermansv	1946/-89			7,850	4,937	12,787	13.8	Yes N
Puman 1, Bang 21, Storg 28	1972			1,784	406	2,190	2.8	N
<b>Stockholm</b>								
Blekholmen 1, Klara Strand, Klarabergsviadukten 90	1994		440	24,861	9,329	34,630	75.7	Yes C
Dykaren 10, Alströmerg 39	1900/-87/-99			11,385	768	12,153	24.7	C
Gångaren 12 (part of), Lindhagensg 90-92	1983			4,343	8,253	12,596	13.9	C
Gångaren 11, Lindhagensg 80	1989			11,295	3,028	14,323	0.0	C
Gångaren 13, S:t Göransg 143	1999			28,881	6,958	35,839	58.0	C
Gångaren 14, Lindhagensg 100	1999			11,135	525	11,660	19.3	C
Görväln 2, Bränningev 10-24	1963				7,279	7,279	4.7	Yes S
Instrumentet 17, Jakobsdalsv 13-15	1948			686	3,938	4,624	3.0	S
Prästgårdsängen 3, Götalandsv 218, Älvsjö	1986		112	6,237	53	6,402	6.1	Yes S
Singeln 9, Sorterarg 8, Vällingby	1970			3,869	1,463	5,332	3.4	Yes N
Skalholt 1, Isafjordsg 23-25, Kista	1985		2,950	32,453	4,198	39,601	63.8	Yes N
Storsätra 1, Storsätrarg 4-26	1972			16,811	15,161	31,972	30.5	Yes S
Torkhuset 1, Hammarbyv 76	1949/-65			1,649	5,187	6,836	3.2	Yes S
Trädgården 8, 9, Sköldungag 1-5	1910			1,544		1,544	3.4	C
Valnöten 8, Scheeleg 1, Hantverkarg 26	1930	325	761	1,543	292	2,921	5.2	C
Vattenkraften 1, Skrubba, Solkraftsv 13, Skrubba Malmv	1990			4,928	5,495	10,423	8.6	Yes S
<b>Sundbyberg</b>								
Atleten 5, Landsv 39	1999		205	6,137	1,047	7,389	16.0	N
Eken 6 (Phase 1+2), Allén 5	1997/99			31,370		31,370	49.5	N
Sprängaren 8, Vinterg 1	1970			5,714	5,570	11,284	10.7	N
<b>Total Stockholm</b>		<b>325</b>	<b>7,471</b>	<b>262,981</b>	<b>109,670</b>	<b>380,447</b>	<b>500.7</b>	

Total book value on December 31, 2001: SEK 2,644 M. Projected rents for 2002 include SEK 459 M in contracted rents and SEK 42 M in estimated market rents for unoccupied commercial and residential premises.

<sup>1</sup> Refers to Skanska Project Development Sweden and Skanska Project Development Europe.

<sup>2</sup> Location refers to central Stockholm (C), north of central Stockholm (N) or south of central Stockholm (S).

County, municipality, property designation, street address	Year built/ renovated	Leasable space, sq m				Total	Rental value 2002, SEK M	Site leasehold	Location <sup>1</sup>
		Residential	Retail	Office	Other				
<b>GOTHENBURG</b>									
<b>Västra Götaland County</b>									
<b>Gothenburg</b>									
Backa 30:3, Importgatan 23-33	1969/-96		740	2,865	38,537	42,142	13.1		O
Gullbergsvass 5:23, Kilsgatan 10	1880/1989		290	861	74	1,225	1.3		O
Gullbergsvass 703:52-53, P-huset Silvret, Lilla Bommen	1991				9,000	9,000	6.9		C
Inom Vallgraven 4:5, Stora Nyg 23-25	1906/-89			2,735	665	3,400	4.8		C
Kobbegården 6:249, Datavägen 27	1976			2,580	4,570	7,150	6.4		O
Krokslätt 185:1, Sven Hultins gata 9	1996-1997		123	9,452	935	10,510	15.8		O
Masthugget 10:16, Första Långg 24-26	1962/-91		575	6,351	417	7,343	9.3		C
Masthugget 10:19, Värmlandsg 16	ca 1900/-91		257	1,250	483	1,990	1.4		C
<b>Möndal</b>									
Kryptongasen 4, Kryptongatan 20	1982			1,938	6,262	8,200	5.4		O
<b>Borås</b>									
Armbåga 3, Ålgårdsv 11	1965/-98		12,948	700	6,925	20,573	17.0		O
Kyllared 1:101, 1:126 (50%), Tvinnareg 4	1979			700	6,300	7,000	1.4		O
Ventilen 1, Industrig 4	1975			1,420	5,870	7,290	3.3		O
<b>Trollhättan</b>									
Nohab 1, part of (Wärtsilä), Nohab Industriområde	1949/-97			2,285	17,760	20,045	7.0		O
Oden 7, Kungsg 32	1976		4,503	729	1,205	6,437	7.4		C
Oden 8, Kungsg 30	1976		8,590	87	6,657	15,334	14.1		C
<b>Total GOTHENBURG</b>		<b>0</b>	<b>28,026</b>	<b>33,953</b>	<b>105,660</b>	<b>167,639</b>	<b>114.5</b>		

Total book value on December 31, 2001: SEK 361 M. Projected rents for 2002 include SEK 110 M in contracted rents and SEK 4 M in estimated market rents for unoccupied commercial and residential premises.

<sup>1</sup> Refers to central (C) or other (O) locations

# Property list

County, municipality, property designation, street address	Year built/ renovated	Leasable space, sq m				Total	Rental value 2002, SEK M	Site leasehold	Location <sup>1</sup>
		Residential	Retail	Office	Other				
<b>ØRESUND</b>									
<b>Skåne County</b>									
<b>Klippan</b>									
Hjälmen 22, Storg 24-26, N Skolg 2, Stenbocksg 2	1977/-91			3,566	94	3,660	3.2		C
<b>Lund</b>									
Flintan 3, Skifferv 24	1985/-99				5,979	5,979	4.3		O
Välten 10, Traktorv 4	1991		2,344			2,344	2.7		O
Vätet 3, Ole Römerv 5A	1991				335	335	0.5		O
<b>Malmö</b>									
Bohus 7, Per Albin Hanssons v 4-14	1966	8,672	360	4,251	4,938	18,221	13.2		C
Gamen 15, Ö Kanal 6, Storg 5	1981			4,128	191	4,319	4.9		C
Gäddan 2, Citadellsv 17, S Neptunig 16	1962/-81			1,349	896	2,245	1.7	Yes	O
Gäddan 3, Citadellsv 15 B	1961			1,525		1,525	0.4	Yes	O
Hans Michelsen 10, Adelg 5, N Vallg 54	1903/-88		873	2,914	164	3,951	5.0		C
Husaren 9, Husarg 5, Ö Promenaden 3-5, Ö Tullg 1-3	1957/-80	4,395	598	4,707	641	10,341	10.7		C
Residenset 3, Adelg 8	1879/1981			1,163	310	1,473	1.5		C
Scylla 2, Nordenskiöldsg 2-4, 6	1955/-59/-78			4,574	0	4,574	5.7		C
Spinneriet 8, Baltzarsg 20-22, Kalendeg 22-20, Djäkneg 29-31, St Nyg 29-31	1957		2,372	12,883	26,223	41,478	44.7		C
Tröllhättan 4 och 7									
Nordenskiöldsg 7-11, Beijerskajen 6-8	1959/-66/-98			10,111		10,111	16.4	Yes	C
Tröllhättan 6, Nordenskiöldsg 13, Ankargripsg 4	1959/-66/-98			4,498	10,175	14,673	6.5	Yes	C
Väktaren 3, Hjälmareg 3	1991			7,981	351	8,332	16.9		C
<b>Denmark</b>									
<b>Ballerup</b>									
Baltorpvej 154-158	1969/-76/-80/-89/-99			10,954	2,819	13,773	14.9		O
<b>Copenhagen</b>									
Holbergsgade, Holbergsgade 2	1908/-46/-96			7,485	1,792	9,277	14.3		C
Niels Juels Gade, Niels Juels Gade 5	1870/1998			1,543	130	1,673	3.0		C
Tordenskjöldsgade 20-24	1870/-71/1996			5,643	1,112	6,755	7.6		C
<b>Total ØRESUND</b>		<b>13,067</b>	<b>6,547</b>	<b>89,275</b>	<b>56,150</b>	<b>165,039</b>	<b>178</b>		

Total book value on December 31, 2001: SEK 955 M. Projected rents for 2002 include SEK 169 M in contracted rents and SEK 9 M in estimated market rents for unoccupied commercial and residential premises.

<sup>1</sup> Refers to central (C) or other (O) locations

County, municipality, property designation, street address	Year built/ renovated	Leasable space, sq m				Total	Rental value 2002, SEK M	Site leasehold	Location <sup>1</sup>
		Residential	Retail	Office	Other				
<b>EUROPE</b>									
<b>Hungary</b>									
<b>Budapest</b>									
East West Business Center, Rákóczi ut 1-3	1991		1,635	17,864	872	20,371	45.8		C
<b>Poland</b>									
<b>Warsaw</b>									
Atrium Plaza, Al Jana Pawla II 29	1998		1,332	12,550	572	14,454	61.1		C
<b>Total EUROPE</b>		<b>0</b>	<b>2,967</b>	<b>30,414</b>	<b>1,444</b>	<b>34,825</b>	<b>106.9</b>		

Total book value on December 31, 2001: SEK 621 M. Projected rents for 2002 include SEK 87 M in contracted rents and SEK 20 M in estimated market rents for unoccupied premises.

<sup>1</sup> Refers to central (C) or other (O) locations.

### Investment properties in partly owned partnerships and limited partnerships, December 31, 2001

All figures refer to Skanska's holding.

County, municipality, property designation, street address	Year built/ renovated	Leasable space, sq m				Total	Rental value 2002, SEK M	Site leasehold	Location <sup>1</sup>
		Residential	Retail	Office	Other				
<b>Stockholm</b>									
Tryckeriet 13 etc. (50%), Trekantsv 1,3,5	1965		0	15,130	9,548	24,678	23.3		S
<b>Gothenburg</b>									
Lorensberg 45:19 (50%), Kungspörtavenyn 10-12	1971		918	906	94	1,918	5.8		C
<b>Total</b>		<b>0</b>	<b>918</b>	<b>16,036</b>	<b>9,642</b>	<b>26,596</b>	<b>29</b>		

Total book value on December 31, 2001: SEK 14 M. Projected rents for 2002 include SEK 28 M in contracted rents and SEK 1 M in estimated market rents for unoccupied commercial and residential premises.

<sup>1</sup> Refers to central (C) or other (O) locations, south of central Stockholm (S).

### Completed real estate projects on December 31, 2001<sup>1</sup>

Responsible unit property designation, municipality	Leasable space, sq m					Projected rental value, SEK M <sup>2</sup>	Projected operating net fully leased, SEK M
	Residential	Retail	Office	Other	Total		
<b>Project Development Sweden</b>							
<b>Stockholm</b>							
Brahelund 2, Phase 1, Solna		112	37,855	7,163	45,130	100.1	91.4
Grönlandet Södra, Stockholm			7,426	983	8,409	23.1	19.3
Gångaren 15, Stockholm			11,499		11,499	25.0	23.1
Alptanäs 1, Kista			2,944	351	3,295	8.0	7.0
Laboratoriet 1, part of, Stockholm			3,529		3,529	4.2	3.6
<b>Gothenburg</b>							
Gullbergsvass 5:26, Kv Tennet, Gothenburg			9,026	1,619	10,645	14.4	13.0
<b>Öresund</b>							
Katrinelund 25, Malmö		11,524			11,524	10.8	9.6
Östersjön 1, Malmö			7,296	652	7,948	14.7	12.2
Pebbingehus, Copenhagen		416	11,131	4,150	15,697	20.2	17.5
Kalvebod Brygge 43 & 45, Copenhagen		0	14,600	500	15,100	37.5	31.4
<b>Total, Project Development Sweden</b>		<b>12,052</b>	<b>105,306</b>	<b>15,418</b>	<b>132,776</b>	<b>258.0</b>	<b>228.1</b>
<b>Project Development Europe</b>							
Atrium Centrum, Phase I+II, Warsaw <sup>3</sup>		2,290	14,074		16,364	65.3	64.2
Zajaczkza, Warsaw		391	4,319		4,710	11.9	11.0
Bredovský Dvůr, Prague	876	1,836	10,433		13,145	29.0	27.0
<b>Total, Project Development Europe</b>	<b>876</b>	<b>4,517</b>	<b>28,826</b>	<b>0</b>	<b>34,219</b>	<b>106.2</b>	<b>102.2</b>
<b>Total, completed real estate projects</b>	<b>876</b>	<b>16,569</b>	<b>134,132</b>	<b>15,418</b>	<b>166,995</b>	<b>364.2</b>	<b>330.3</b>

	Project Development Sweden	Project Development Europe	Total
Book value on December 31, 2001, SEK M	2,252	710	2,962
Economic occupancy rate, December 31, 2001, %	89	15	68

<sup>1</sup> Excluding projects completed during 2001 that were also sold during 2001.

<sup>2</sup> Projected rental value refers to estimated annual rent, fully leased.

<sup>3</sup> Previously reported as two separate projects.

# Property list

## Ongoing real estate projects

Responsible unit property designation, municipality	Projected completion month/year	Leasable space				Total	Projected rental value, SEK M <sup>1</sup>	Projected operating net, fully leased, SEK M	Location <sup>2</sup>
		Residential	Retail	Office	Other				
<b>Project Development Sweden</b>									
<b>Stockholm</b>									
Brahelund 2, Hagaporten, Phase II, Solna	Jun 02			9,897	479	10,376	22.2	20.2	N
Grävlingen 12, CityCronan, Stockholm	Jul 03	3,542	4,918	29,085	4,111	41,656	152	145.0	C
Årstaäng 4, Liljeholmen, Stockholm	Apr 02			23,802	9,587	33,389	52.9	44.1	S
Fröfjärden 1, part of, Sundbypark	Jun 02			14,606		14,606	26	23.5	N
<b>Gothenburg</b>									
Gullbergsvass 4:2, Kv Kopparn, Gothenburg	Aug 02		2,075	12,009	632	14,716	25.4	23.4	C
Inom Vallgraven 15:2, former Riksbank Bldg, Gothenburg	Feb 03		199	3,291	14	3,504	7.8	7.5	C
<b>Øresund</b>									
S:t Jörgen 21 part of, Butterick's, Malmö	Jun 02	2,091	3,250	7,982		13,323	25.0	23.5	C
Vattentornet 2, Lund	Mar 02			21,750	3,200	24,950	36.0	31.6	O
<b>Total, Project Development Sweden</b>		<b>5,633</b>	<b>10,442</b>	<b>122,422</b>	<b>18,023</b>	<b>156,520</b>	<b>347.3</b>	<b>318.8</b>	
<b>Project Development Europe</b>									
<b>Czech Republic</b>									
Cestlice, Phase A, Dixons	Sep 02		5,480			5,480	7.2	7.2	O
Cerny Most Phase A, Dixons	Dec 02		6,040			6,040	8.0	8.0	O
<b>Hungary</b>									
Science Park, Phase A	May 02			14,969		14,969	25.1	24	O
<b>Total, Project Development Europe</b>		<b>0</b>	<b>11,520</b>	<b>14,969</b>	<b>0</b>	<b>26,489</b>	<b>40.3</b>	<b>39.2</b>	
<b>Total, ongoing real estate projects</b>		<b>5,633</b>	<b>21,962</b>	<b>137,391</b>	<b>18,023</b>	<b>183,009</b>	<b>387.6</b>	<b>358</b>	

	Project Development Sweden	Project Development Europe	Total
Projected book value on completion, SEK M	2,696	328	3,024
Book value, December 31, 2001, SEK M	1,902	154	2,056
Economic occupancy rate, December 31, 2001, %	92	78	91
Occupancy rate (space), December 31, 2001, %	91	82	90

<sup>1</sup> Projected rental value refers to estimated annual rent, fully leased, when each property is completed.

<sup>2</sup> Refers to central (C) or other (O) locations. In Stockholm, refers to central Stockholm (C), north of central Stockholm (N) or south of central Stockholm (S).

The property list is continuously updated on Skanska's web site, [www.skanska.com](http://www.skanska.com).

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