

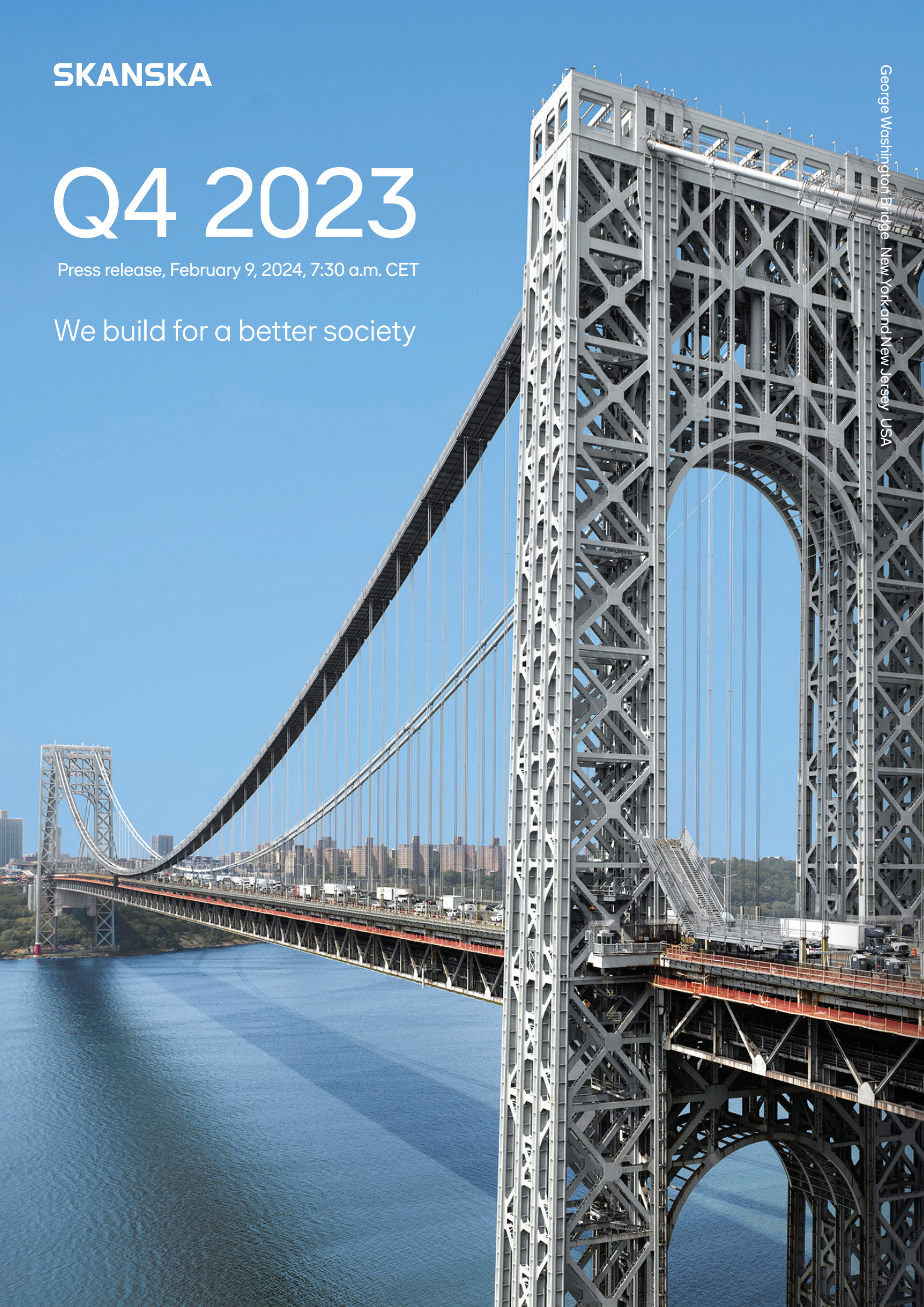
SKANSKA

Q4 2023

Press release, February 9, 2024, 7:30 a.m. CET

We build for a better society

George Washington Bridge New York and New Jersey USA



Year-end report, January-December 2023

Highlights according to segment reporting

- Revenue for the quarter amounted to SEK 41.9 billion (40.4); adjusted for currency effects, revenue increased 5 percent. Full-year revenue amounted to SEK 157.1 billion (161.6); adjusted for currency effects, revenue decreased 6 percent.
- Operating income for the quarter amounted to SEK 1.0 billion (3.5), including impairment charges and changes in fair market values totaling SEK -2.0 billion. Adjusted for currency effects, operating income decreased 73 percent. For the full year, operating income amounted to SEK 3.2 billion (9.3), including SEK -3.1 billion of impairment charges and changes in fair market values. Adjusted for currency effects, operating income decreased 65 percent.
- Earnings per share amounted to SEK 2.48 (7.28) for the period, and SEK 7.89 (18.62) for the full year.
- The Board of Directors proposes a dividend of SEK 5.50 (7.50) per share.
- Operating cash flow from operations amounted to SEK 4.9 billion (-2.1) for the period, and SEK 1.1 billion (-2.3) for the full year, according to IFRS.
- Adjusted interest-bearing net receivables(+)/net debt(-) totaled SEK 10.4 billion (September 30, 2023: 4.7).
- Order bookings in Construction amounted to SEK 44.1 billion (51.6) for the period. Adjusted for currency effects, order bookings quarter over quarter decreased 15 percent. For the full year, order bookings amounted to SEK 165.8 billion (162.7). Rolling 12-month book-to-build ratio was 103 percent (104) and the order backlog remained high.
- Operating income in Construction amounted to SEK 1.8 billion (2.3), representing an operating margin of 4.4 percent (5.4). For the full year, operating income amounted to SEK 5.6 billion (5.8), representing an operating margin of 3.5 percent (3.7).
- Operating income in Project Development amounted to SEK -1.4 billion (1.3) for the period, including property asset impairment charges of SEK -1.8 billion in Residential and Commercial Property Development. For the full year, operating income was SEK -2.6 billion (3.9), including asset impairment charges totaling SEK -2.8 billion.
- Return on capital employed in Project Development was -3.7 percent (8.1).
- Return on equity was 5.8 percent (15.8).

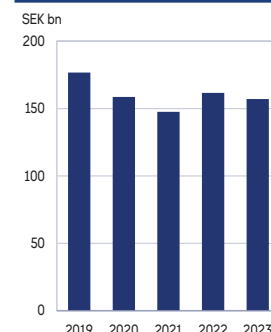
Performance analysis

Tables referring to segment reporting are in shaded background. For more information see page 16. For definitions of non-IFRS financial measures see pages 17-19.

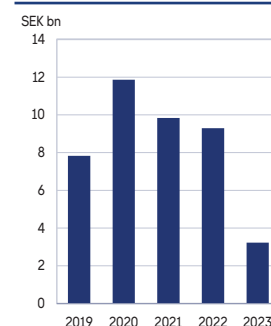
SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue				
Construction	41,612	42,732	160,636	156,004
Residential Development	1,867	784	5,013	8,751
Commercial Property Development	2,832	3,443	5,331	14,276
Investment Properties	56	20	186	40
Central and Eliminations	-4,480	-6,628	-14,114	-17,469
Total	41,886	40,350	157,052	161,602
Operating income				
Construction	1,843	2,305	5,632	5,770
Residential Development	-502	-16	-1,262	891
Commercial Property Development	-932	1,350	-1,365	3,023
Investment Properties	-129	100	-62	140
Central	607	-160	290	-339
Eliminations	69	-49	-3	-187
Operating income	957	3,530	3,231	9,297
Net financial items	171	201	601	289
Income after financial items	1,128	3,731	3,832	9,586
Income taxes	-110	-726	-560	-1,885
Profit for the period	1,019	3,006	3,272	7,702
Earnings for the period per share, SEK	2.48	7.28	7.89	18.62
Revenue for the period according to IFRS	46,157	42,362	167,168	163,174
Operating income for the period according to IFRS	1,673	3,854	5,282	10,021
Earnings for the period per share according to IFRS, SEK	4.04	7.92	12.17	20.04
Operating cash flow from operations	4,944	-2,121	1,148	-2,263
Interest-bearing net receivables(+)/net debt(-)	9,037	10,306	9,037	10,306
Return on capital employed in Project Development, % ¹	-3.7	8.1	-3.7	8.1
Return on capital employed in Investment Properties, % ¹	-1.6	13.6	-1.6	13.6
Adjusted interest-bearing net receivables(+)/net debt(-)	10,363	12,130	10,363	12,130
Return on equity, % ¹	5.8	15.8	5.8	15.8

¹ Rolling 12 months.

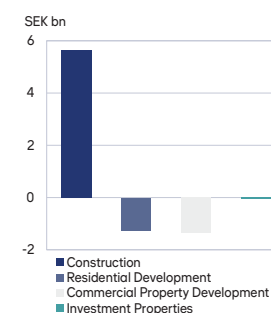
Revenue



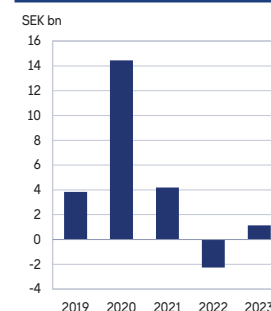
Operating income



Operating income per segment Dec 31, 2023



Operating cash flow from operations



CEO comment

The fourth quarter brought a strong finish to a solid year for Construction, while Residential and Commercial Property Development remained impacted by weak property markets. As a Group, we maintain a robust financial position, take actions to adapt to the market situation and have a clear strategy for long-term value creation. The Board of Directors has proposed a dividend of SEK 5.50 per share.

The Construction stream ended the year strongly, with a high operating margin and solid order intake. Operating margin for the full year ended in line with our long-term target, with robust performance in the Nordics and strong delivery from the US operations. The order backlog remained high, supported by strong order intake in the US and Norway during the year. Rolling 12 months book-to-build was above one. A diversified portfolio with exposure to various geographies, segments and sectors provides stability to performance in our Construction business stream.

For our property businesses, Commercial Property Development, Residential Development and Investment Properties, the continued weakness in the property markets has led to challenges when assessing the value of property assets. After a thorough analysis, impairment charges and changes in fair market values were made to ensure that the recognized values reflect our best current assessment of the underlying value of our property assets.

In Residential Development sales volume remained lower than normal in the fourth quarter. The Central European market remains stable and delivered healthy results for the fourth quarter and full year while the other geographies are adapting to lower volumes. Sales activities are targeting homes that are completed or near completion as buyer interest is focused on homes that are ready to move into.

Commercial Property Development divested four properties in the quarter, two externally and two internally to Investment Properties, and three new projects were started. Summarizing the year, we have seen a lower-than-average volume of divestments as a result of weak markets. Leasing has strengthened over the year and is important to prepare the properties for divestment once transaction market activity returns.



Investment Properties ended the year with the acquisition of two properties from Commercial Property Development, one in Malmö and one in Stockholm. The two properties are, on average, leased to 87 percent and have achieved LEED Platinum, which is the highest level within the LEED sustainability certification. At the end of the year, the portfolio consisted of five high-quality office properties.

We continue to reduce carbon emissions in our own operations, scope 1 and 2, ending the year with a 60 percent reduction compared to our benchmark year of 2015. The progress in 2023 was mostly explained by increased purchase of renewable energy and use of biofuels.

Going forward, we remain focused on maintaining a robust financial position, strong performance in our Construction business and building the highest-quality modern office portfolio in Investment Properties. Where relevant, we have reduced the organization, adapting to the market situation and outlook. In Project Development, the growth strategy is on hold and our focus is on sales and leasing activities, ensuring an attractive customer offering and preparing for returned market activity. We continue to develop our operations through digital transformation and innovation. With dedicated people, a strong financial position and a clear strategy, we are committed to creating value for our shareholders, customers, business partners and society.

Anders Danielsson
President and Chief Executive Officer

Skanska target performance, January-December 2023

Operating margin – Construction

3.5%

Target $\geq 3.5\%$

Return on capital employed –
Project Development

-3.7%

Target $\geq 10\%$

Return on capital employed –
Investment Properties

-1.6%

Target $\geq 6\%$

Return on equity

5.8%

Target $\geq 18\%$

Adjusted net debt (-)/net cash(+)

+10.4 SEK bn

Limit SEK -10 bn

Climate target (scope 1 and 2)
Reduction CO₂ compared with 2015

-60%

Target -70% (scope 1 and 2) by 2030

Market outlook, next 12 months

The market outlook aims to describe the situation in markets that are relevant for our operations. This applies to segments, sectors and geographies.

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

➡ Very strong market coming 12m ➡ Strong market coming 12m ➡ Stable market coming 12m ➡ Weak market coming 12m ➡ Very weak market coming 12m

Construction

The US market continues to show strength, especially the infrastructure segment which is supported by strong federal funding programs. The building market in many European countries is characterized by lower activity than normal and increased competition. The civil segment typically provides stability over the cycle, and we have strengthened our outlook for the civil market in Norway based on expected robust spending in the infrastructure, energy and water sectors.

	Building	Civil
Nordics		
Sweden	➡	➡
Norway	➡	●
Finland	➡	➡
Europe		
Central Europe	➡	➡
United Kingdom	➡	➡
USA		
USA	➡	➡

Residential Development

We are expecting volumes in the Nordic housing market to remain subdued, compared to historical levels. Buyers are adapting to higher costs of living following increased interest rates and inflation. Interest-rate cuts over the coming 12 months could however stimulate the market. For Central Europe the market is expected to remain good with stable activity among homebuyers.

Nordics	➡
of which Sweden	➡
Europe	➡

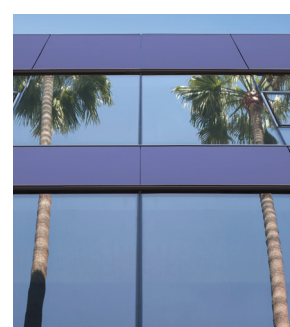


Powerhouse Lade, Trondheim, Norway

Commercial Property Development

The real estate investor market remains hesitant with few active buyers in the core office segment. Lack of comparable transactions creates uncertainty in property valuations and activity is expected to remain lower than historic averages as the market adapts to a higher interest rate environment. Leasing markets have stabilized in the Nordics and Central Europe while the US market continues to observe a lower return-to-office rate. Flight to quality is a clear trend, with tenants focusing on flexible, sustainable premises in good locations to attract and retain employees.

Nordics	➡
Europe	➡
USA	➡



9000 Wilshire, Los Angeles, USA

Investment Properties

Occupier demand is polarized, with stronger demand for quality space in buildings with high sustainability standards. Tenants are prioritizing flexibility and move-in ready offices. The market remains competitive, but rents are expected to remain mostly stable.

Nordics	
Sweden	➡

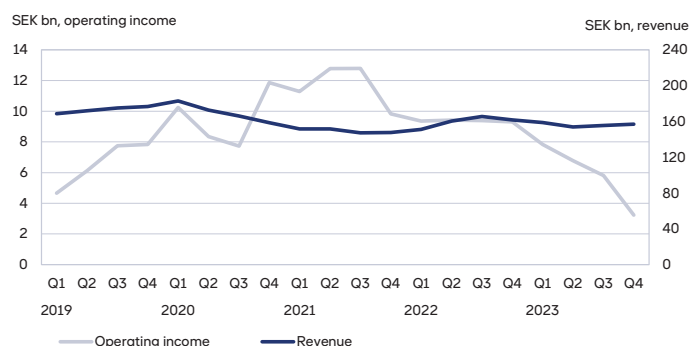


Sthlm04, Stockholm, Sweden

Performance analysis

Group

Revenue and operating income, rolling 12 months



Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	41,886	40,350	157,052	161,602
Operating income ¹	957	3,530	3,231	9,297
Net financial items	171	201	601	289
Income after financial items	1,128	3,731	3,832	9,586
Income taxes	-110	-726	-560	-1,885
Profit for the period	1,019	3,006	3,272	7,702
Earnings for the period per share, SEK ²	2.48	7.28	7.89	18.62
Earnings for the period per share according to IFRS, SEK ²	4.04	7.92	12.17	20.04

1 Including Central and Eliminations.

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

Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
Oct-Dec 2023 / Oct-Dec 2022			
Revenue	4%	5%	-1%
Operating income	-73%	-73%	0%
Jan-Dec 2023 / Jan-Dec 2022			
Revenue	-3%	-6%	3%
Operating income	-65%	-65%	0%

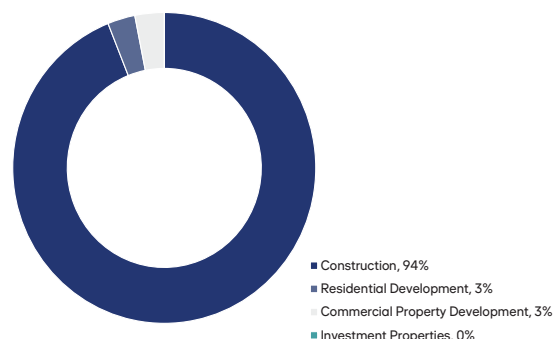
October-December 2023:

Revenue increased 4 percent and amounted to SEK 41.9 billion (40.4); adjusted for currency effects, revenue increased 5 percent. Operating income decreased 73 percent and amounted to SEK 957 M (3,530), impacted by impairment charges and changes in fair market values of SEK 2.0 billion in Commercial Property Development, Residential Development and Investment Properties due to weak property markets.

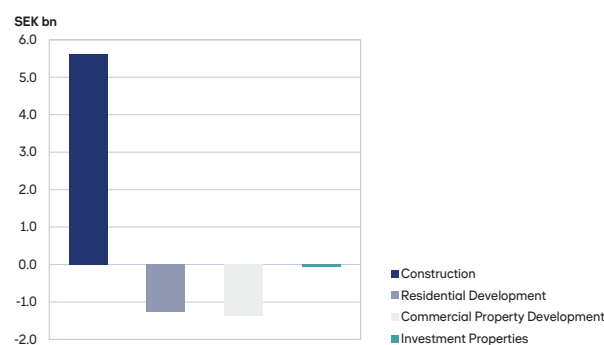
Central stream totaled SEK 607 M (-160). This includes income of SEK 877 M (124) from the PPP portfolio, of which SEK 794 M relates to the divestment of our ownership of LaGuardia Terminal B in New York, USA.

Net financial items amounted to SEK 171 M (201). Income taxes for the period amounted to SEK -110 M (-726).

Revenue per segment, January-December 2023



Operating income per segment, January-December 2023



January-December 2023:

Revenue amounted to SEK 157.1 billion (161.6) and operating income amounted to SEK 3,231 M (9,297). Operating income was impacted by impairment charges and changes in fair market values totaling SEK 3.1 billion due to weaker property markets.

Central stream totaled SEK 290 M (-339). This includes income of SEK 1,280 M (397) from the PPP portfolio of which SEK 794 M relates to the divestment of our ownership of LaGuardia Terminal B in New York, USA, and the impairment of the BoKlok production facility of SEK -120 M. Operating income from the PPP portfolio in the comparable period amounted to SEK 397 M, of which SEK 183 M was related to the divestment of our equity stake in the Royal Papworth Hospital in the UK in the third quarter.

Net financial items amounted to SEK 601 M (289), following higher interest rates on interest-bearing net receivables and capitalized interest in ongoing development projects.

Income taxes for the period amounted to SEK -560 M (-1,885). Effective tax rate for 2023 amounted to 15 percent (20). The difference is mostly explained by the relative share of tax exempt commercial development divestments.

Cash flow

Group

Operating cash flow from operations



Operating cash flow

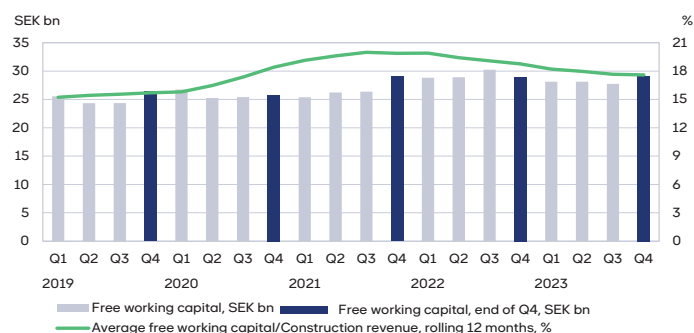
SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Cash flow from business operations	1,753	2,390	6,406	5,885
Change in working capital	728	-417	-217	-1,520
Net divestments(+)/investments(-)	2,770	-3,368	-2,214	-5,030
Cash flow adjustment	-368	-45	-405	468
Cash flow from business operations before taxes paid	4,884	-1,440	3,570	-198
Taxes paid in business operations	257	-656	-1,733	-1,501
Cash flow from financing activities	-197	-25	-689	-565
Operating cash flow from operations	4,944	-2,121	1,148	-2,263
Strategic net divestments(+)/investments(-)	2	129	39	197
Dividend etc.	-102	-154	-3,611	-4,645
Cash flow before change in interest-bearing receivables and liabilities	4,843	-2,147	-2,424	-6,711
Change in interest-bearing receivables and liabilities excluding lease liabilities	6,003	-809	10,373	5,538
Cash flow for the period	10,846	-2,956	7,949	-1,173

Operating cash flow from operations for the period amounted to SEK 4,944 M (-2,121), mainly explained by net divestment in Commercial Property Development in the fourth quarter. Divestments from Commercial Property Development to Investment Properties do not generate positive cash flow, as opposed to external divestments. Taxes received in business operations amounted to SEK 257 M (-656) for the period. Additionally, cash flow for the period is impacted by change in interest-bearing receivables and liabilities of SEK 6.0 billion, mostly explained by the issuance of bonds for SEK 4.6 billion during the quarter.

Commercial Property Development assets sold but not transferred will have a positive effect on cash flow of SEK 5.5 billion during the years 2024 to 2026, with SEK 0.8 billion in 2024 and SEK 4.6 billion during 2025-2026.

For the full year, operating cash flow from operations amounted to SEK 1,148 M (-2,263). Taxes paid in business operations amounted to SEK -1,733 M (-1,501).

Free working capital in Construction

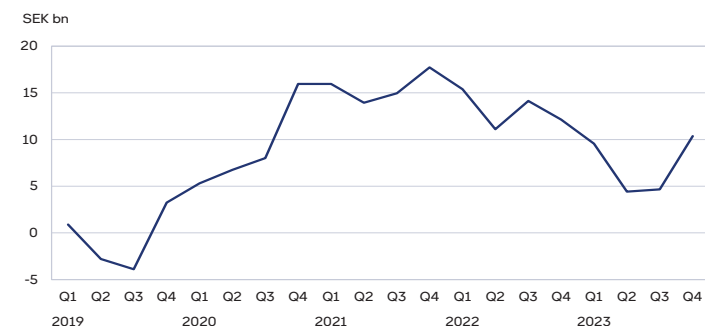


Free working capital in Construction amounted to SEK 29.1 billion (28.9). Average free working capital in relation to Construction revenue in the past 12 months was 17.6 percent (18.8), explained by favorable cash flow profiles in several projects and continued focus on cash generation in the Construction stream. Cash flow due to changes in working capital in Construction amounted to SEK 2,415 M (-550) for the period, and SEK 753 M (-1,657) for the full year.



Financial position

Adjusted interest-bearing net receivables(+)/net debt(-)



Balance sheet - Summary

SEK bn	Dec 31, 2023	Dec 31, 2022
Total assets	155.2	151.6
Total equity	56.3	55.3
Interest-bearing net receivables (+)/net debt (-)	9.0	10.3
Adjusted interest-bearing net receivables(+)/net debt(-)	10.4	12.1
Capital employed, closing balance	77.4	72.8
Equity/assets ratio, %	36.3	36.4

Change in net interest-bearing receivables and liabilities

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Opening balance interest-bearing net receivables(+)/net debt(-)	5,061	12,769	10,306	12,598
Cash flow for the period	10,846	-2,956	7,949	-1,173
Less change in interest-bearing receivables and liabilities	-6,003	809	-10,373	-5,538
Cash flow before change in interest-bearing receivables and liabilities	4,843	-2,147	-2,424	-6,711
Translation differences, net receivables/net debt	57	-500	-52	887
Remeasurements of pension liabilities	-1,129	158	255	3,100
Interest-bearing liabilities acquired/divested	1	-51	21	-51
Other changes, interest-bearing net receivables/net debt	204	77	931	483
Change in interest-bearing net receivables/net debt	3,976	-2,463	-1,269	-2,292
Closing balance interest-bearing net receivables(+)/net debt(-)	9,037	10,306	9,037	10,306
Restricted cash	-5,769	-5,948	-5,769	-5,948
Pension liability, net	49	491	49	491
Lease liabilities	7,047	7,281	7,047	7,281
Closing balance adjusted interest-bearing net receivables(+)/net debt(-)	10,363	12,130	10,363	12,130

Adjusted interest-bearing net receivables (+)/net debt (-) amounted to SEK 10.4 billion (September 30, 2023: 4.7). Interest-bearing net receivables amounted to SEK 9.0 billion (September 30, 2023: 5.1) and include SEK 7.0 billion in interest-bearing lease liabilities according to IFRS 16.

At the end of the quarter, cash, cash equivalents and committed unutilized credit facilities amounted to SEK 27.8 billion (September 30, 2023: 16.0), of which SEK 18.7 billion (September 30, 2023: 15.3) is available within one week. Following the issuance of bonds for SEK 4.6 billion in the fourth quarter, the Group central loan portfolio amounted to SEK 8.8 billion (September 30, 2023: 4.2) consisting of SEK 4.6 billion in Medium-Term Notes (MTN) with an average maturity of 3.4 years and SEK 4.1 billion in bilateral loans with an average maturity of 2.7 years. At December 31, the Group's unutilized credit facilities amounted to SEK 9.9 billion. The central loan portfolio, including committed unutilized credit facilities, had an average maturity of 3.4 years (September 30, 2023: 3.0).

At the end of the quarter, capital employed amounted to SEK 77.4 billion (September 30, 2023: 74.2).

Equity

Changes in equity

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Opening balance	57,654	52,388	55,255	45,465
Dividend to shareholders	0	0	-3,081	-4,124
Other changes in equity not included in total comprehensive income for the period	14	-24	-65	-50
Profit for the period	1,661	3,267	5,029	8,284
Other comprehensive income				
Translation differences	-1,796	-574	-974	2,386
Effects of remeasurements of pensions	-1,158	160	209	3,026
Effects of cash flow hedges	-28	38	-25	267
Closing balance	56,347	55,255	56,347	55,255

Adjusted equity

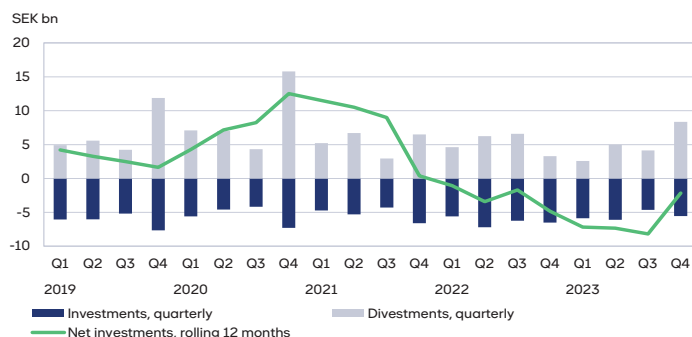
SEK bn	Dec 31, 2023	Dec 31, 2022	Sep 30, 2023
Equity attributable to equity holders	56.2	55.1	57.5
Unrealized surplus value in Residential Development	3.1	3.8	3.6
Unrealized Commercial Property Development gains	5.1	9.5	7.0
Effect in unrealized equity in PPP portfolio	0.8	0.6	1.2
Adjusted equity	65.2	69.0	69.3

The Group's equity amounted to SEK 56.3 billion (55.3), resulting in an equity/assets ratio of 36.3 percent (36.4) and a net debt/equity ratio of -0.2 (-0.2). Translation differences for the period amounted to SEK -1,796 M (-574) for the period and SEK -974 M (2,386) for the full year. Remeasurements of pensions resulted in an effect of SEK -1,158 M (160) for the period and SEK 209 M (3,026) for the full year.

Total adjusted equity amounted to SEK 65.2 billion (69.0), resulting in adjusted equity per share of SEK 158.97 (167.77). Unrealized surplus values in Project Development including the PPP portfolio amounted to SEK 10.0 billion of which SEK 1.2 billion was realized according to segment reporting. Corresponding amounts less standard tax were SEK 9.0 billion and SEK 1.1 billion.

Investments and divestments

Investments and divestments



The Group's investments amounted to SEK -5,560 M (-6,530), while divestments amounted to SEK 8,331 M (3,291), resulting in net divestments of SEK 2,771 M (-3,239). For the full year, investments amounted to SEK -22,189 M (-25,567), and divestments amounted to SEK 20,014 M (20,734), resulting in net investments of SEK -2,175 M (-4,833).

In Construction, investments totaled SEK -737 M (-684). These investments mainly relate to property, plant and equipment for the Group's own operations. Net investments in Construction amounted to SEK -645 M (-411). Depreciation of property, plant and equipment including right-of-use assets amounted to SEK -629 M (-578). For the full year, net investments amounted to SEK -2,015 M (-1,446).

In Residential Development, investments totaled SEK -2,491 M (-2,769), of which SEK -173 M (-609) relates to land acquisitions, corresponding to 130 building rights. Divestments amounted to SEK 3,634 M (2,485). Net divestments in Residential Development amounted to SEK 1,143 M (-283). For the full year, net divestments amounted to SEK 2,404 M (-1,267).

In Commercial Property Development, investments totaled SEK -2,389 M (-3,162), of which SEK 0 M (-122) relates to investments in new land, while divestments amounted to SEK 5,060 M (3,451). Net divestments in Commercial Property Development amounted to SEK 2,672 M (289). For the full year, net investments amounted to SEK -2,670 M (2,094).

In Investment Properties, investments totaled SEK -1,569 M (-2,921). For the full year, investments amounted to SEK -1,575 M (-3,668).

Divestment in Other includes the sale of our ownership of LaGuardia Terminal B in New York, USA.



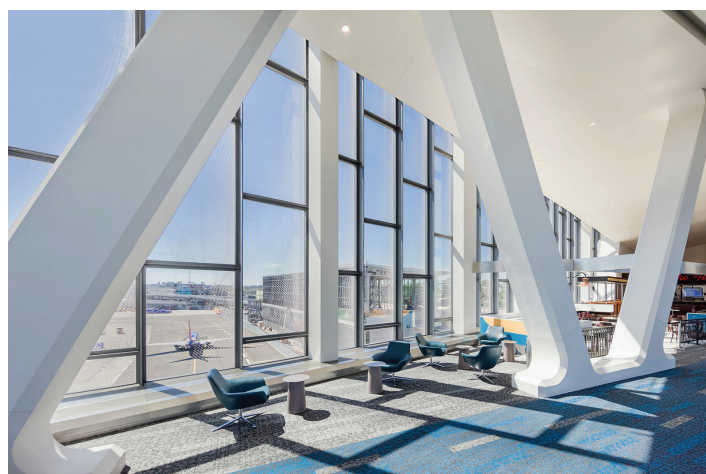
Studio Phase 2, Warsaw, Poland

Investments, divestments and net divestments(+)/investments(-)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Investments				
Construction	-737	-684	-2,531	-2,210
Residential Development	-2,491	-2,769	-9,038	-10,615
Commercial Property Development	-2,389	-3,162	-10,668	-12,294
Investment Properties	-1,569	-2,921	-1,575	-3,668
Other	1,626	3,006	1,625	3,221
Total	-5,560	-6,530	-22,189	-25,567
Divestments				
Construction	92	273	516	764
Residential Development	3,634	2,485	11,442	9,349
Commercial Property Development	5,060	3,451	7,999	14,389
Investment Properties	0	0	0	0
Other	-456	-2,919	57	-3,767
Total	8,331	3,291	20,014	20,734
Net divestments(+)/investments(-)				
Construction	-645	-411	-2,015	-1,446
Residential Development	1,143	-283	2,404	-1,267
Commercial Property Development	2,672	289	-2,670	2,094
Investment Properties	-1,569	-2,921	-1,575	-3,668
Other	1,170	87	1,681	-546
Total	2,771	-3,239	-2,175	-4,833
Of which strategic	2	129	39	197

Capital employed in Project Development and Investment Properties

SEK M	Dec 31, 2023	Sep 30, 2023	Dec 31, 2022
Residential Development	14,406	14,591	16,346
Commercial Property Development	40,760	46,040	38,547
Investment Properties	5,076	3,701	3,733
Total in Project Development and Investment Properties	60,242	64,331	58,626

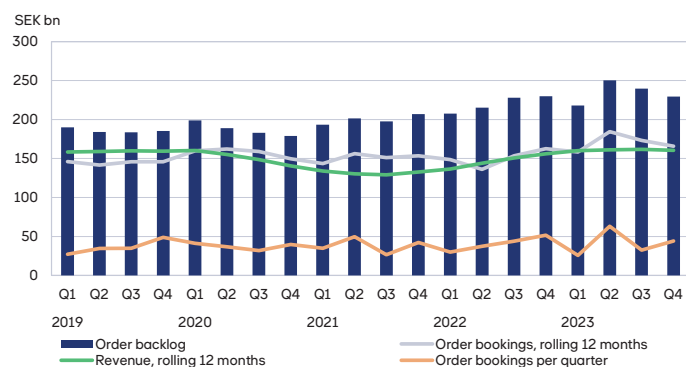


LaGuardia Airport, Queens, New York, USA

Performance analysis, business streams

Construction – Order situation

Order backlog, revenue and order bookings



Order bookings and order backlog in Construction

SEK bn	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Order bookings	44.1	51.6	165.8	162.7
Order backlog ¹	229.6	229.8		229.8

¹ Refers to the end of each period.

Order bookings for the quarter were robust, supported by strong order intake in the USA. Total order bookings amounted to SEK 44.1 billion (51.6); adjusted for currency effects, order bookings decreased 15 percent, on a strong comparable period. For the full year, order bookings have been solid and amounted to SEK 165.8 M (162.7). The book-to-build ratio for the year was 103 percent (September 30, 2023: 107). For more information, see page 28.

The order backlog remains high. At the end of the quarter, the order backlog amounted to SEK 229.6 billion compared to SEK 239.7 billion at the end of the previous quarter. The order backlog corresponds to 18 months of production (September 30, 2023: 18).

Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
	Oct-Dec 2023 / Oct-Dec 2022		
Order bookings	-14%	-15%	1%
	Dec 31, 2023 / Sep 30, 2023		
Order backlog	-4%	1%	-5%

Major orders in the quarter

Geography	Contract	Amount SEK M	Client
USA	Hospital	2,100	Oregon Health & Science University
Europe	Data centre	2,100	Telehouse
USA	Tunnel	1,900	CSX Transportation
USA	College	1,600	Tarrant County College's Northwest Campus
USA	Marine Operations Center	1,500	National Oceanic and Atmospheric Administration (NOAA)

Construction revenue from internal Project Development contracts on a rolling 12-month basis amounted to:

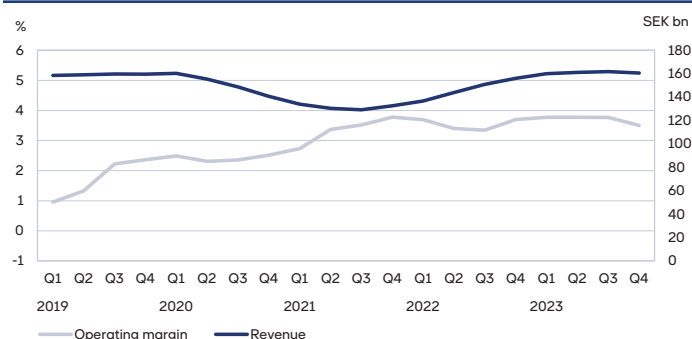
13.5 SEK bn



Waterfront Park, New York, USA

Construction

Revenue and operating margin, rolling 12 months



Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	41,612	42,732	160,636	156,004
Gross income	3,670	4,168	12,423	12,268
Selling and administrative expenses	-1,837	-1,872	-6,808	-6,534
Income from joint ventures and associated companies	10	9	17	36
Operating income	1,843	2,305	5,632	5,770
Gross margin, %	8.8	9.8	7.7	7.9
Selling and administrative expenses, %	-4.4	-4.4	-4.2	-4.2
Operating margin, %	4.4	5.4	3.5	3.7
Average number of employees	25,826	26,892		26,892

Changes and currency rate effects

	Change in SEK	Change in local currency	Currency effect
Oct-Dec 2023 / Oct-Dec 2022			
Revenue	-3%	-3%	0%
Operating income	-20%	-20%	0%
Jan-Dec 2023 / Jan-Dec 2022			
Revenue	3%	0%	3%
Operating income	-2%	-5%	3%

October-December 2023:

Revenue in the Construction business stream decreased by 3 percent and amounted to SEK 41.6 billion (42.7), with no impact from currency effects. Strong quarterly performance resulted in an operating margin of 4.4 percent (5.4). Operating income decreased by 20 percent and amounted to SEK 1,843 M (2,305), with no currency effects. Operating income for the comparable period was positively impacted by release of contingencies in mature projects and claim settlement in the US and the Swedish operations.

January-December 2023:

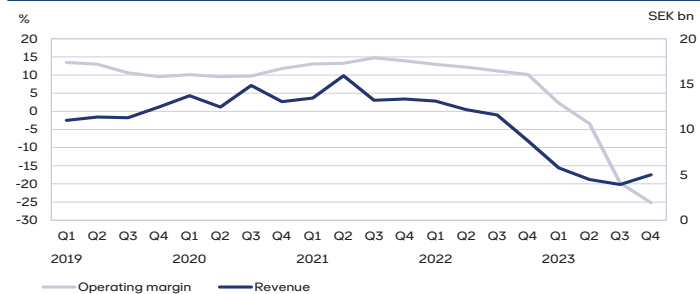
Revenue in the Construction business stream increased by 3 percent and amounted to SEK 160.6 billion (156.0); adjusted for currency effects, revenue was unchanged. Operating income decreased by 2 percent and amounted to SEK 5,632 M (5,770); adjusted for currency effects, operating income decreased by 5 percent. Operating margin for the full year was in line with the long-term target of 3.5 percent (3.7).



Slussen, Stockholm, Sweden

Residential Development¹

Revenue and operating margin, rolling 12 months²



² Including residential rentals until Q4 2020.

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	1,867	784	5,013	8,751
Gross income	-325	214	-332	1,674
Selling and administrative expenses	-176	-229	-930	-783
Operating income	-502	-16	-1,262	891
Gross margin, %	-17.4	27.2	-6.6	19.1
Selling and administrative expenses, %	-9.4	-29.2	-18.5	-9.0
Operating margin, %	-26.9	-2.0	-25.2	10.2
Return on capital employed, % ³	-7.0	6.8	-7.0	6.8

³ Rolling 12 months. For definition see page 18.

October-December 2023:

Revenue in the Residential Development business stream amounted to SEK 1,867 M (784). Volumes have been lower than normal and homebuyers remain hesitant following interest rate rises and overall macroeconomic uncertainty. Operating income for the business stream amounted to SEK -502 M (-16), significantly impacted by property asset impairment charges of SEK -469 M as a result of weak property markets. The majority of these were made in the low-cost segment BoKlok, whose customer group has had the greatest reduction of purchasing power. In addition, the operating loss in BoKlok was SEK -103 M, which impacts all geographical segments.

January-December 2023:

Revenue for the full year was impacted by low sales volumes and amounted to SEK 5,013 M (8,751). Operating income amounted to SEK -1,262 M (891). Property asset and goodwill impairments, totaling SEK -1,117 M negatively impacted the result for the full year. In addition, operating loss in BoKlok, which is undergoing a turnaround program, impacted the result for the year by SEK -552 M.

Homes sold and started, rolling 12 months⁴



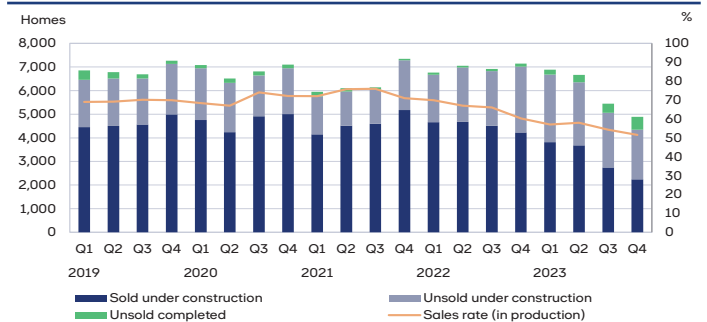
⁴ Including residential rentals until Q4 2020.

Homes sold and started

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Homes sold ⁵	384	155	1,136	2,052
Homes started	339	671	868	2,805

⁵ Net homes sold, including cancellations.

Homes under construction and unsold⁶



⁶ Including residential rentals until Q4 2020.

Homes under construction and unsold

	Dec 31, 2023	Dec 31, 2022
Homes under construction	4,341	7,015
of which sold, %	52	60
Completed unsold, number of homes	549	130

In the fourth quarter, the number of homes sold was 384 (155) and construction started on 339 homes (671). At the end of the quarter, 4,341 homes (September 30, 2023: 5,060) were under construction. Of these, 52 percent (September 30, 2023: 54) were sold. The number of completed unsold homes increased to 549 (September 30, 2023: 387), of which unsold homes in BoKlok totaled 275. The number of unsold completed homes usually increases in times of elevated market uncertainty. Sales volumes reduce and homebuyers prefer to buy closer to completion in order to sell and buy in the same market phase. Sales activities are targeting completed or near-to-be-completed homes. During the quarter 1,058 (475) homes were completed.

Breakdown of carrying amounts

SEK M	Dec 31, 2023	Sep 30, 2023	Dec 31, 2022
Completed projects	2,217	1,435	549
Ongoing projects	8,467	10,284	11,986
Undeveloped land and development properties	9,986	10,443	10,126
Total	20,670	22,162	22,660

A breakdown of the carrying amounts for Residential Development is presented in the table above. The estimated unrealized surplus value, pre-tax, in unsold homes in construction and undeveloped land and development properties amounted to SEK 3.4 billion (SEK 3.1 billion post standard tax).

The undeveloped land and development properties correspond to Skanska-owned building rights for 27,200 homes. Additionally we hold 1,800 building rights through joint ventures and, subject to certain conditions, we have the right to purchase 11,100 building rights.

¹ Starting this year, all residential rental projects are reported in the Commercial Property Development stream. The comparable period, including rolling 12 months, has been restated to reflect this reallocation.

Commercial Property Development¹Revenue and operating income from property divestments²

2 Including residential rentals as of Q1 2021.

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	2,832	3,443	5,331	14,276
of which from divestment of properties	2,583	3,236	4,428	13,594
Gross income	-652	1,562	-416	3,857
Selling and administrative expenses	-230	-371	-895	-999
Income from joint ventures and associated companies	-50	159	-54	165
Operating income	-932	1,350	-1,365	3,023
of which from divestment of properties	598	1,516	1,014	3,839
Return on capital employed, % ³	-2.6	8.7	-2.6	8.7

3 Rolling 12 months. For definition see page 18.

October-December 2023:

In the Commercial Property Development business stream, divestments totaled SEK 2,583 M (3,236), of which SEK 1,549 M were to Investment Properties. Total revenue amounted to SEK 2,832 M (3,443). Operating income was SEK -932 M (1,350), impacted by property asset impairments of SEK -1,362 M as a result of weak property markets. Impairments are mostly concentrated to the US portfolio, representing the weakest market.

January-December 2023:

Few transactions were completed in 2023. Property investor activity has been low following increased interest rates and general macro-economic uncertainties. Divestments totaling SEK 4,428 M (13,594) were carried out in 2023. Total revenue amounted to SEK 5,331 M (14,276). Operating income was SEK -1,365 M (3,023), and includes property asset impairments of SEK -1,695 M. Gains from property divestments totaled SEK 1,014 M (3,839) for the full year.

Breakdown of investment value and market values

SEK M	Investment value, end of period	Investment value upon completion	Market value ^{4,5}	Unrealized gains ¹⁰
Ongoing projects ⁶	16,712	28,653	31,791	3,138
Completed projects ^{7,8}	9,504	9,504	11,376	1,872
Undeveloped land and development properties	12,427	12,427	13,071	644
Total	38,643	50,584	56,238	5,654
of which carrying amount ⁹	38,643	50,584		
of which completed projects sold according to segment reporting	0	0	0	0
of which ongoing projects sold according to segment reporting	2,184	4,257	5,450	1,193

4 Market value according to appraisal on December 31, 2023.

5 Ongoing projects - estimated market value at completion fully leased.

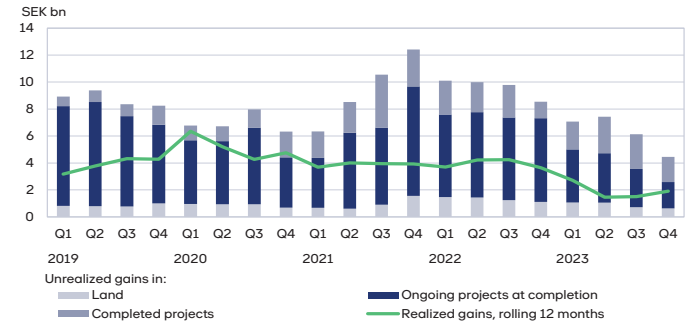
6 Including tenant improvement and leasing commissions in CDUS amounting to SEK 253 M.

7 Including tenant improvement and leasing commissions in CDUS amounting to SEK 400 M.

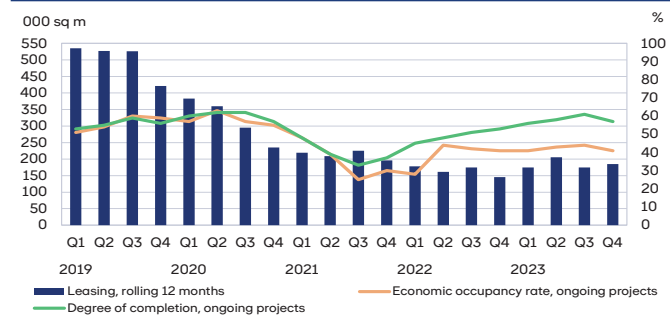
8 Skanska's share of total production cost in JVs is SEK 0 M end of period and upon completion.

9 Includes Skanska's total equity investment in JV of SEK 0 M.

10 Market value less investment value upon completion.

Unrealized and realized gains, segment reporting¹¹

11 Including residential rentals as of Q1 2021.

Commercial properties, leasing and degree of completion¹²

12 Leasing including residential rentals in the USA and Denmark until Q4 2020.

Estimated market value at completion for the Commercial Property Development portfolio amounted to SEK 56.2 billion at the end of the fourth quarter, corresponding to an unrealized gain of SEK 5.7 billion. Activity in the transaction market is low and we have made a thorough review of assessed market values to reflect the current market situation, reducing surplus values in the fourth quarter by SEK 1.6 billion. Total impairment charges and surplus value reduction in the quarter amounted to SEK 3.0 billion, which corresponds to 5.3 percent of portfolio market value at completion.

During the fourth quarter, three new projects were started and two projects were completed. Nine projects were handed over to buyers, of which seven were handed over to external parties resulting in a positive cash flow of SEK 3.5 billion.

At the end of the quarter, 23 projects with a total leaseable area of 499,000 sq m were ongoing. Of these, 17 were commercial office properties and six were residential rental. The commercial properties were on average 41 percent leased and had a degree of completion of 57 percent. The portfolio of completed projects includes 22 properties with a total leaseable area of 406,000 sq m. The portfolio was 74 percent let by the end of the quarter.

Fourth-quarter leasing came in at 63,000 sq m (42,000). For the full year, new lease agreements have been signed for 213,000 sq m (146,000), strengthened by improved activity in Central Europe.

Accumulated eliminations of intra-Group Construction profits amounted to SEK -507 M, reducing the carrying amount for current asset properties in Commercial Property Development. These eliminations are released at the Group level as each project is divested.

1 Starting this year, all residential rental projects are reported in the Commercial Property Development stream. The comparable period, including rolling 12 months, has been restated to reflect this reallocation.

Investment Properties

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	56	20	186	40
Operating net	42	15	137	30
Selling and administrative expenses	-6	-1	-9	-2
Change in property value	-165	86	-190	112
Operating income	-129	100	-62	140
Investments	-1,569	-2,921	-1,575	-3,668
Divestments	0	0	0	0
Net divestments(+)/investments(-)	-1,569	-2,921	-1,575	-3,668
Capital employed	5,076	3,733	5,076	3,733
Property value	5,141	3,758	5,141	3,758
Return on capital employed, % ¹	-1.6	13.6	-1.6	13.6
Net leasing	7	0	16	0
Economic occupancy rate, %	91	86	91	86
Surplus ratio, %	76	76	74	75

¹ Rolling 12 months. For definition see page 18.

October-December 2023:

Revenue in the Investment Properties business stream amounted to SEK 56 M (20). Investment Properties acquired two office properties totaling SEK 1,549 M during the fourth quarter, Sthlm 04 in Stockholm and Hyllie Terrass in Malmö. Operating income amounted to SEK -129 M (100) impacted by changes in fair market values of SEK -165 M due to weak property markets and the application of IFRS principles for fair value reporting regarding the internal transfer of properties to Investment Properties. Average valuation yield in the portfolio at year-end was 4.5 percent.

Net leasing amounted to SEK 7 M for the fourth quarter. The economic occupancy rate in the portfolio remains high at 91 percent.



Sthlm 04, Stockholm, Sweden

January-December 2023:

Revenue in the Investment Properties business stream amounted to SEK 186 M (40). Operating income amounted to SEK -62 M (140), including a total change in fair property market value of SEK -190 M.

At year-end the portfolio held five high-quality office properties amounting to a total property value of SEK 5.1 billion.

We will continue to build the Investment Properties asset portfolio with high-quality sustainable office properties in attractive locations, targeting a total value of SEK 12-18 billion.



Hyllie Terrass, Malmö, Sweden

Sustainability information

Climate data

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Scope 1 and 2 (tonnes CO ₂ e)	40,000	47,000	161,000	182,000
Carbon intensity ¹	0.95	1.16	1.03	1.13
Renewable fuels, %	22	15	24	16
Renewable electricity, %	88	91	93	87

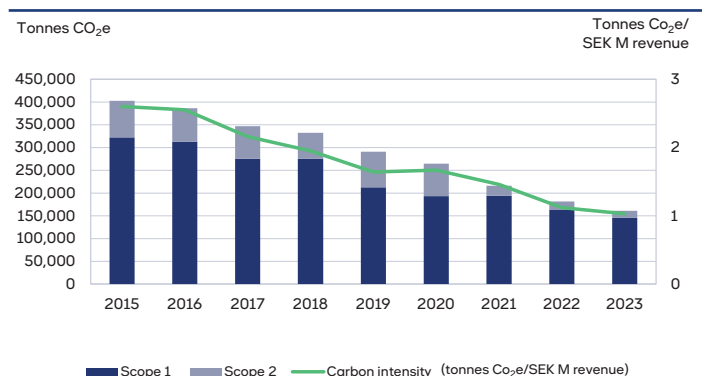
¹ Scope 1 and 2 (market-based)/ SEK M revenue, according to segment reporting.

Combined scope 1 and 2 emissions totaled 40,000 tonnes (47,000) for the fourth quarter and 161,000 tonnes (182,000) for the full year. This constitutes a 60 percent reduction compared to our 2015 baseline. Meanwhile, our carbon intensity decreased to 1.03 (1.13) tonnes per SEK M revenue during 2023, compared to 2.60 in 2015.

During the year, we continued to reduce Scope 1 emissions through greater efficiency, as well as increased electrification and use of biofuels where possible. In the fourth quarter, Group-wide use of renewable fuels stood at 22 percent, and 24 percent for the full year.

Within Scope 2, further progress has been made during 2023 to increase the Group-wide use of renewable electricity. In the fourth quarter, adoption of renewable electricity was 88 percent. For the full year, the share of renewable electricity reached 93 percent.

Skanska's own emissions (scope 1 and 2)



Health and Safety data

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Lost time accident rate (LTAR) ¹	2.0	3.4	2.6	2.9
Executive Site Safety Visits (ESSV) ¹	2,095	2,229	7,600	7,921

¹ For definitions see page 20.

Lost time accident rate (LTAR) is an indicator for monitoring safety performance. LTAR was 2.0 (3.4) during the fourth quarter and 2.6 (2.9) for the full year.

Executive Site Safety Visits (ESSV) promote clear and visible leadership for enhanced safety performance. In the fourth quarter, 2,095 ESSV (2,229) were conducted. For the full year, the total was 7,600 (7,921).

Personnel

During the period, the average number of employees in the Group was 27,256 (28,380). At the end of the quarter, the number of employees totaled 26,543 people (September 30, 2023: 27,377).

Transactions with related parties

There were no new significant transactions during the quarter.

Material risks and uncertainties

For information about risks and a description of key estimates and judgments, see the Annual and Sustainability Report 2022, pages 60-66, Note 2 and 6, as well as the section on market outlook included in this report.

Other matters

Annual General Meeting

Skanska's Annual General Meeting 2023 (AGM) will take place on Wednesday March 27, 2024. The notice to attend the AGM will be published no later than four weeks prior to the AGM.

Dividend

The Board of Directors proposes a dividend of SEK 5.50 (7.50) per share. The proposal is equivalent to a dividend payout totaling SEK 2,256 M (3,081). The Board of Directors proposes April 5, 2024, as the record date, depending on share repurchases and transfers.

Events after the end of the report period

There were no events after the end of the reporting period.

Financial reports for 2024

Skanska's interim reports and year-end report are available for download on Skanska's website, www.group.skanska.com/investors. The Annual and Sustainability Report 2023 will be available on Skanska's website on March 6, 2024.

The Group's interim reports for 2024 will be published on the following dates:

May 8, 2024	Interim report first quarter 2024
July 19, 2024	Interim report second quarter 2024
November 6, 2024	Interim report third quarter 2024
February 7, 2025	Year-end report 2024

Stockholm, February 9, 2024

Anders Danielsson

President and Chief Executive Officer

This year-end report has not been subject to a review by the company's auditors.

Accounting Principles

For the Group, this year-end report has been prepared in compliance with IAS 34 Interim Financial Reporting, the Annual Accounts Act and the Securities Market Act. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements. For the Parent Company, the year-end report has been prepared in compliance with the Annual Accounts Act, the Securities Market Act, and Swedish Financial Reporting Board's Recommendation RFR 2.

Changes in the consolidated cash flow statements

As a result of a review of the consolidated cash flow statements, changes have been made to the presentation and classification of items in the consolidated cash flow statements from the fourth quarter of 2023. The cash flow statement pursuant to IAS 7 and the consolidated operating cash flow statement have both been amended and comparative periods restated.

The consolidated cash flow statement pursuant to IAS 7 reports interest and dividends received under investing activities, whereas previously, interest received was reported under financing activities and dividends received under operating activities. All interest paid is reported under financing activities, including capitalized interest, which was previously reported under operating activities as change in working capital.

Taxes paid are only reported under operating activities, and are no longer reported under investing or financing activities. The above entails a change to established practice in Sweden.

All taxes paid are reported under business operations in the consolidated operating cash flow statement and are no longer reported under financing activities.

Segment and IFRS reporting

Skanska's business streams Construction, Residential Development, Commercial Property Development and Investment Properties represent the Group's operating segments. Tables in this report that refer to segment reporting are shown with a shaded background. In certain cases, the segment reporting differs from the consolidated results presented in accordance with International Financial Reporting Standards, IFRS.

Construction includes both building construction and civil construction. Revenue and earnings are reported over time for both segment and IFRS reporting.

Residential Development develops residential projects for immediate sale. Homes are adapted to selected customer categories. The units are responsible for planning and selling the projects. The related construction assignments are performed by Skanska's construction units in the Construction segment in each market. In the segment reporting, Residential Development recognizes revenue and earnings when contracts are signed for the sale of homes. In the IFRS reporting, revenue is instead recognized when the buyer takes possession of the home.

Commercial Property Development initiates, develops, leases and divests commercial property projects. In most markets the construction assignments are performed by Skanska's Construction segment. In the segment reporting, Commercial Property Development recognizes revenue and earnings when contracts are signed for the sale of the properties. In the IFRS reporting, revenue is instead recognized when the buyer takes possession of the property.

Investment Properties owns properties for the purpose of earning rentals and for capital appreciation. Rental revenue is recognized on a straight-line basis over the lease term. Change in value on investment properties is recognized each quarter both according to segment reporting and IFRS.

Joint ventures are reported under the proportional method in the segment reporting of Residential Development, whereas all other streams/operating segments apply the equity method.

Intra-Group pricing between operating segments occurs on market terms.

The parent company in a Swedish group prepares its accounts in compliance with the Swedish Financial Reporting Board's Recommendation RFR 2 Accounting for Legal Entities ("RFR 2"). According to RFR 2, the annual accounts of the legal entity must apply IFRS as far as this is possible within the framework of the Annual Accounts Act and considering the connection between accounting and taxation.

News

As of 2023, residential rental projects in Sweden have been reallocated and included in the multi-family rental portfolio in the Commercial Property Development business stream. Historical financial information from 2021 and 2022 has been restated to reflect this reallocation.

Definitions

The following measures are used as they are viewed as the best and most accurate ways to measure Skanska's operations, reflecting its business model and strategy, and thereby assisting investors and management in analyzing trends and performance in Skanska.

For further definitions, see the Annual and Sustainability Report 2022, Note 44.

Non-IFRS financial measures	Definition	Reason for use
Revenue segment	Revenue segment is the same as revenue IFRS in all streams except for the Residential Development stream and the Commercial Property Development stream, where revenue is recognized when signing binding agreement for sale of homes and properties. As segment reporting of joint ventures in Residential Development applies the proportional method, revenue segment is affected by this.	Measures revenue generated in current market environment.
Gross income	Revenue minus cost of sales.	Measures profit generated from projects.
Gross margin, %	Gross income as a percentage of revenue.	Measures profitability in projects.
Operating net	Rental revenue minus operating costs for investment properties (that is, operating expenses, costs for repair and maintenance, property administration and property tax).	Measures earnings from property management.
Selling and admin expenses, %	Selling and administrative expenses as a percentage of revenue.	Measures cost efficiency in selling and administrative expenses.
Operating income	Revenue minus cost of sales, selling and administrative expenses, change in value of investment properties, and income from joint ventures and associated companies.	Measures profit generated from operations.
Operating income segment	Revenue minus cost of sales, selling and administrative expenses, change in value of investment properties, and income from joint ventures and associated companies, according to segment reporting, and where Residential Development applies the proportional method for reporting of joint ventures.	Measures profit generated from operations in current market environment.
Operating income rolling 12 months	Revenue minus cost of sales, selling and administrative expenses, change in value of investment properties, and income from joint ventures and associated companies, over a rolling 12 months.	Measures profit generated from operations.
Operating margin, %	Operating income as a percentage of revenue.	Measures profitability in operations.
Net financial items	The net of interest income, financial net pension cost, interest expense, capitalized expense, change in fair value and other net financial items.	Measures total net for financial activities.
Income after financial items	Operating income minus net financial items.	Measures profit generated before taxes.
Earnings per share, segment, SEK	Profit for the period, segment, attributable to equity holders divided by the average number of shares outstanding.	Measures earnings per share, segment.
Book-to-build, R-12m, %	Order bookings divided by construction revenue, rolling 12 months.	Measures to which extent new orders are replacing work put in place.
Unrealized gains, Commercial Property Development (CD)	Market value minus investment value upon completion for ongoing projects, completed projects and land. Excluding projects sold according to segment reporting.	Measure potential realization of future gains in Commercial Property Development.
Capital employed, Group	Total assets minus non-interest-bearing liabilities.	Measures capital usage and efficiency.
Capital employed, Stream	Total assets less tax assets, deposits in Skanska's treasury unit and pension receivable minus non-interest-bearing liabilities excluding tax liabilities. Capitalized interest expense is removed from total assets for the Residential Development and Commercial Property Development segments.	Measures capital usage and efficiency in a Stream.
Capital employed Residential Development (RD) SEK M	Total assets 24,057 - tax assets -672 - deposits in internal bank -604 - pension receivable -37 - non-interest-bearing liabilities (excluding tax liabilities) -8,081 - capitalized interest expense -257 14,406	Measures capital usage and efficiency in Residential Development.
Capital employed Commercial Property Development (CD) SEK M	Total assets 47,514 - tax assets -1,304 - deposits in internal bank -1,303 - pension receivable 0 - non-interest-bearing liabilities (excluding tax liabilities) -3,543 - capitalized interest expense -604 40,760	Measures capital usage and efficiency in Commercial Property Development.

Non-IFRS financial measures

measures	Definition	Reason for use																
Capital employed Investment Properties (IP) SEK M	Total assets 5,441 - tax assets -10 - deposits in internal bank -245 - pension receivable 0 - non-interest-bearing liabilities (excluding tax liabilities) -109 5,076	Measures capital usage and efficiency in Investment Properties.																
Capital employed average	Calculated on the basis of five measuring points; see below.																	
ROCE in RD segment, rolling 12 months, %	Operating income -1,262 + capitalized interest expense 152 +/- financial income and other financial items 29 - interest income from internal bank 0 Adjusted profit -1,081 Capital employed average* 15,524 ROCE RD -7.0% * Capital employed average Q4 2023 14,406 x 0.5 7,203 Q3 2023 14,591 14,591 Q2 2023 16,495 16,495 Q1 2023 15,633 15,633 Q4 2022 16,346 x 0.5 8,173 62,095 / 4 15,524	Measures the performance (profitability and capital efficiency) in RD.																
ROCE in CD segment, rolling 12 months, %	Operating income -1,365 + capitalized interest expense 253 +/- financial income and other financial items 2 - interest income from internal bank 0 Adjusted profit -1,110 Capital employed average* 43,203 ROCE CD -2.6% * Capital employed average Q4 2023 40,760 x 0.5 20,380 Q3 2023 46,040 46,040 Q2 2023 45,498 45,498 Q1 2023 41,622 41,622 Q4 2022 38,547 x 0.5 19,273 172,812 / 4 43,203	Measures the performance (profitability and capital efficiency) in CD.																
ROCE in IP segment, rolling 12 months, %	Operating income -62 +/- financial income and other financial items 0 - interest income from internal bank 0 Adjusted profit -62 Capital employed average* 3,878 ROCE IP -1.6% * Capital employed average Q4 2023 5,076 x 0.5 2,538 Q3 2023 3,701 3,701 Q2 2023 3,694 3,694 Q1 2023 3,714 3,714 Q4 2022 3,733 x 0.5 1,867 15,514 / 4 3,878	Measures the performance (profitability and capital efficiency) in IP.																
ROCE in Project Development, segment, rolling 12 months, %	Is calculated as the summarized adjusted profit for RD and CD divided by the summarized capital employed average for RD and CD. <table><tr><td></td><td>Adjusted profit</td><td>CE avg</td><td>ROCE</td></tr><tr><td>RD</td><td>-1,081</td><td>15,524</td><td>-7.0%</td></tr><tr><td>CD</td><td>-1,110</td><td>43,203</td><td>-2.6%</td></tr><tr><td></td><td>-2,192</td><td>58,727</td><td>-3.7%</td></tr></table>		Adjusted profit	CE avg	ROCE	RD	-1,081	15,524	-7.0%	CD	-1,110	43,203	-2.6%		-2,192	58,727	-3.7%	Measures the performance (profitability and capital efficiency) in Project Development.
	Adjusted profit	CE avg	ROCE															
RD	-1,081	15,524	-7.0%															
CD	-1,110	43,203	-2.6%															
	-2,192	58,727	-3.7%															

Non-IFRS financial measures

Non-IFRS financial measures	Definition	Reason for use
Return on equity segment, rolling 12 months, %	Profit attributable to equity holders as a percentage of average equity attributable to equity holders. 3,240 / 55,799 = 5.8%	Measures profitability on invested equity.
Equity average attributable to equity holders SEK M	Calculated on the basis of five measuring points. Q4 2023 56,202 x 0.5 28,101 Q3 2023 57,503 57,503 Q2 2023 56,903 56,903 Q1 2023 53,134 53,134 Q4 2022 55,111 x 0.5 27,555 223,196 / 4 55,799	
Operating cash flow from operations	Cash flow from business operations including taxes paid and cash flow from financing operations.	Measures total cash flow generated from operations.
Net divestments/investment	Total investments minus total divestments.	Measures the balance between investments and divestments.
Free working capital	Non-interest-bearing receivables minus non-interest-bearing liabilities excluding taxes.	Measures the funding stemming from the negative working capital.
Average free working capital in Construction SEK M	Calculated on the basis of five measuring points. Q4 2023 -29,107 x 0.5 -14,553 Q3 2023 -27,756 -27,756 Q2 2023 -28,126 -28,126 Q1 2023 -28,115 -28,115 Q4 2022 -28,920 x 0.5 -14,460 -113,010 / 4 -28,252	Measures the funding stemming from the negative working capital generated in Construction.
Interest-bearing net receivables/net debt	Interest-bearing assets minus interest-bearing liabilities.	Measures financial position.
Adjusted interest-bearing net receivables/net debt	Interest-bearing net receivables/net debt excluding restricted cash, lease liabilities and interest-bearing net pension liabilities.	Measures financial position and investment capacity. The latter is derived by comparing adjusted interest-bearing net receivables/net debt to limits set by the Board of Directors.
Equity/assets ratio, %	Equity including non-controlling interest as a percentage of total assets.	Measures financial position.
Net debt/equity ratio	Interest-bearing net debt divided by equity including non-controlling interest.	Measures leverage of financial position.
Adjusted equity attributable to equity holders SEK bn	Equity attributable to equity holders 56.2 Unrealized surplus value in RD 3.4 Unrealized CD gains 5.7 Effect in unrealized equity in PPP-portfolio 0.9 Less standard corporate tax, 10% -1.0 Adjusted equity 65.2	Measures financial position adjusted for surplus values in Project Development net of taxes. The standard corporate tax represents an approximation of the average corporate income tax within the Group.
Net leasing	Annual rent including supplements of new leases minus annual rent including supplements for agreements that have been served a notice of termination.	
Economic occupancy rate, %	Contracted rental income including supplements less discounts for the period divided by total rental value for properties owned at the end of the period. Properties owned at the end of the period are restated as if they have been owned during the whole period, while disposed properties are excluded entirely.	Measures the efficiency of leasing activity.
Surplus ratio, %	Operating net for Investment Properties stream divided by rental revenue.	Measures the efficiency of property management.
Leasable area, sq m	Leasable area including garage.	
Rental value	Rental revenue including supplements for the period plus market rent for vacant premises.	Indicates total potential rental income for fully leased properties.
Environmental certification, %	Share of Investment Properties' portfolio being certified according to minimum LEED Gold or similar.	Measures the sustainability quality of the property portfolio.
Lost time accident rate (LTAR)	Number of employee and subcontractor lost time accidents multiplied by 1,000,000 hours and divided by total labor hours.	Indicator for monitoring safety performance.
Executive Site Safety Visits (ESSV)	Site Safety visits performed by senior managers.	Promotes clear and visible leadership for enhanced safety performance.

Reconciliation between segment reporting and IFRS

	External revenue		Intra-Group revenue		Total revenue		Operating income	
	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
SEK M								
Construction	148,002 ¹	142,389 ¹	12,634	13,615	160,636	156,004	5,632	5,770
Residential Development	5,013	8,727	0	24	5,013	8,751	-1,262	891
Commercial Property Development	3,729	10,362	1,602	3,914	5,331	14,276	-1,365	3,023
Investment Properties	180	40	6	0	186	40	-62	140
Total operating segments	156,924	161,518	14,242	17,554	171,166	179,071	2,943	9,824
Central	127	85	236	364	363	449	290	-339
Eliminations	0	0	-14,478	-17,918	-14,478	-17,918	-3	-187
Total Group	157,052	161,602	0	0	157,052	161,602	3,231	9,297
Reconciliation to IFRS ²	10,116	1,572	0	0	10,116	1,572	2,051	724
Total IFRS	167,168	163,174	0	0	167,168	163,174	5,282	10,021
1 Of which external revenue from joint ventures in PPP portfolio	869	1,524						
2 Of which effect from joint ventures in Residential Development proportionally	-80	-54					3	2
Of which effect of different revenue recognition principles	10,196	1,626					2,047	722

Revenue by geographical area (IFRS)

	Construction		Residential Development		Commercial Property Development		Investment Properties		Central and Eliminations		Total	
	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
SEK M												
Nordics	58,507	59,486	9,538	7,631	6,499	7,593	186	40	-7,551	-10,834	67,178	63,916
of which Sweden	31,943	34,071	5,773	3,703	6,261	7,423	186	40	-5,457	-9,127	38,705	36,110
Europe	26,863	26,979	2,027	1,890	1,420	5,820	0	0	-2,361	-2,968	27,949	31,721
USA	75,266	69,539	0	0	982	1,656	0	0	-4,207	-3,658	72,041	67,537
Total operating segments	160,636	156,004	11,565	9,521	8,901	15,069	186	40	-14,119	-17,460	167,168	163,174

	Segment	IFRS	Segment	IFRS	Segment	IFRS	Segment	IFRS
	Oct-Dec 2023	Oct-Dec 2023	Oct-Dec 2022	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2022
SEK M								
Revenue								
Construction	41,612	41,612	42,732	42,732	160,636	160,636	156,004	156,004
Residential Development	1,867	3,662	784	2,572	5,013	11,565	8,751	9,521
Commercial Property Development	2,832	5,308	3,443	3,658	5,331	8,901	14,276	15,069
Investment Properties	56	55	20	20	186	186	40	40
Central and Eliminations	-4,480	-4,480	-6,628	-6,619	-14,114	-14,119	-17,469	-17,460
Skanska Group	41,886	46,157	40,350	42,362	157,052	167,168	161,602	163,174
Operating income								
Construction	1,843	1,843	2,305	2,305	5,632	5,632	5,770	5,770
Residential Development	-502	-170	-16	402	-1,262	-60	891	1,346
Commercial Property Development ¹	-932	-570	1,350	1,293	-1,365	-615	3,023	3,250
Investment Properties	-129	-129	100	100	-62	-62	140	140
Central	607	607	-160	-160	290	290	-339	-339
of which PPP portfolio	877	877	124	124	1,280	1,280	397	397
Eliminations 1	69	92	-49	-86	-3	96	-187	-145
Operating income	957	1,673	3,530	3,854	3,231	5,282	9,297	10,021
Net financial items	171	175	201	202	601	609	289	290
Income after financial items	1,128	1,849	3,731	4,056	3,832	5,890	9,586	10,312
Income taxes	-110	-188	-726	-789	-560	-861	-1,885	-2,027
Profit for the period	1,019	1,661	3,006	3,267	3,272	5,029	7,702	8,284
Earnings for the period per share, SEK ²	2.48		7.28		7.89		18.62	
Earnings for the period per share according to IFRS, SEK ²		4.04		7.92		12.17		20.04
1 Of which gains from divestments of commercial properties reported in:								
Commercial Property Development	598	960	1,516	1,459	1,014	1,764	3,839	4,066
Eliminations	23	59	39	15	108	163	112	164

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

The Skanska Group

Summary income statement (IFRS)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	46,157	42,362	167,168	163,174
Cost of sales	-42,914	-37,412	-153,870	-146,483
Gross income	3,243	4,950	13,297	16,692
Selling and administrative expenses	-2,509	-2,720	-9,386	-8,998
Change in value, investment properties	200	1,327	175	1,692
Income from joint ventures and associated companies	739	297	1,195	636
Operating income	1,673	3,854	5,282	10,021
Financial income	221	160	754	395
Financial expenses	-45	42	-145	-104
Net financial items¹	175	202	609	290
Income after financial items	1,849	4,056	5,890	10,312
Income taxes	-188	-789	-861	-2,027
Profit for the period	1,661	3,267	5,029	8,284
1 Of which				
Interest income	196	158	712	355
Financial net pension costs	-3	-9	-11	-48
Interest expenses	-85	-61	-566	-255
Interest expenses from lease liabilities	-64	-62	-243	-222
Capitalized interest expenses	149	175	768	477
Net interest items	193	201	661	307
Change in fair value	35	2	36	4
Other net financial items	-53	-1	-89	-20
Net financial items	175	202	609	290
Profit for the period attributable to:				
parent company equity holders	1,659	3,261	4,998	8,256
non-controlling interests	1	6	31	28
Earnings per share, SEK ²	4.04	7.92	12.17	20.04
Earnings per share after dilution, SEK ³	4.00	7.86	12.07	19.90

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

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

Statement of profit or loss and other comprehensive income (IFRS)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Profit for the period	1,661	3,267	5,029	8,284
Other comprehensive income				
Items that will not be reclassified to profit and loss for the period				
Remeasurements of defined-benefit pension plans	-1,447	202	273	3,818
Tax related to items that will not be reclassified to profit and loss for the period	289	-42	-64	-792
	-1,158	160	209	3,026
Items that have been or will be reclassified to profit and loss for the period				
Translation differences attributable to equity holders	-1,750	-561	-947	2,290
Translation differences attributable to non-controlling interests	-7	5	-4	14
Hedging of exchange rate risk in foreign operations	-39	-18	-23	81
Effects of cash flow hedges ¹	28	47	-7	108
Share of other comprehensive income of joint ventures and associated companies ²	-51	1	-30	178
Tax related to items that have been or will be reclassified to profit and loss for the period	-5	-10	12	-19
	-1,824	-536	-999	2,653
Other comprehensive income after tax	-2,982	-377	-790	5,679
Total comprehensive income	-1,321	2,891	4,239	13,963
Total comprehensive income for the period attributable to				
parent company equity holders	-1,315	2,880	4,212	13,920
non-controlling interests	-6	11	27	43
1 Of which transferred to income statement	8	-19	52	-44
2 Of which transferred to income statement	0	11	10	64

Summary statement of financial position (IFRS)

SEKM	Dec 31, 2023	Dec 31, 2022
ASSETS		
Non-current assets		
Investment properties	5,141	3,758
Property, plant and equipment	8,035	7,803
Property, plant and equipment right-of-use assets	3,082	3,256
Goodwill	3,919	4,160
Other intangible assets	348	488
Investments in joint ventures and associated companies	2,072	2,901
Non-current financial assets ^{1,3}	4,992	3,607
Deferred tax assets	2,518	995
Total non-current assets	30,108	26,970
Current assets		
Current-asset properties ²	58,660	58,474
Current-asset properties right-of-use land	3,613	3,676
Inventories	1,275	1,300
Current financial assets ³	7,498	14,413
Tax assets	1,246	1,248
Contract assets	7,865	7,772
Trade and other receivables	27,012	27,726
Cash and cash equivalents	17,912	10,014
Total current assets	125,082	124,623
TOTAL ASSETS	155,189	151,593
of which interest-bearing non-current financial assets	4,954	3,569
of which interest-bearing current assets	25,096	24,327
Total interest-bearing assets	30,050	27,896
EQUITY		
Equity attributable to equity holders	56,202	55,111
Non-controlling interests	146	144
Total equity	56,347	55,255
LIABILITIES		
Non-current liabilities		
Non-current financial liabilities ³	7,300	2,714
Lease liabilities	6,137	6,328
Pensions	3,167	2,891
Deferred tax liabilities	2,218	1,943
Total non-current liabilities	18,822	13,876
Current liabilities		
Current financial liabilities ³	3,615	4,854
Lease liabilities	909	953
Tax liabilities	779	388
Current provisions	11,087	10,368
Contract liabilities	23,220	24,059
Trade and other payables	40,410	41,840
Total current liabilities	80,020	82,462
TOTAL EQUITY AND LIABILITIES	155,189	151,593
of which interest-bearing financial liabilities	17,846	14,699
of which interest-bearing pensions and provisions	3,167	2,891
Total interest-bearing liabilities	21,014	17,590
1 Of which shares and participations	38	38
2 Current-asset properties		
Commercial Property Development	37,991	35,814
Residential Development	20,670	22,660
3 Items regarding non-interest-bearing unrealized changes in derivatives/financial instruments are included in the following amounts:		
Non-current financial assets	0	0
Current financial assets	314	99
Non-current financial liabilities	1	0
Current financial liabilities	114	150

Contingent liabilities, excluding partners' share in joint operations, as at December 31, 2023 amounted to SEK 1.5 bn (1.2). Skanska's obligations for partners' share of future performance in joint operations amounted to SEK 22.9 bn (31.9). In the event that Skanska takes over part of the performance, Skanska's order backlog will increase accordingly. For more information see Annual and Sustainability Report 2022, Note 20B, 20C and 33.

Summary statement of changes in equity (IFRS)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Opening balance	57,654	52,388	55,255	45,465
of which non-controlling interests	152	133	144	114
Dividend to shareholders	0	0	-3,081	-4,124
Change in group composition	0	0	-5	0
Dividend to non-controlling interests	0	0	-20	-13
Effects of share-based payments	116	130	470	471
Repurchase of Class B shares	-102	-154	-510	-507
Total comprehensive income for the period attributable to				
parent company equity holders	-1,315	2,880	4,212	13,920
non-controlling interests	-6	11	27	43
Closing balance	56,347	55,255	56,347	55,255
of which non-controlling interests	146	144	146	144

Summary consolidated cash flow statement (IAS 7) (IFRS)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Cash flow from operating activities before change in working capital, pursuant to IAS 7	2,030	1,563	3,900	3,880
Cash flow from change in working capital, pursuant to IAS 7	3,415	-3,176	-693	-3,371
Net investments in shares, property, plant and equipment and intangible assets (including investment properties)	435	-489	-836	-2,266
Cash flow adjustment investments/divestments in shares, property, plant and equipment and intangible assets (including investment properties)	-580	0	-580	0
Capitalized interest paid and dividend received from joint ventures and associated companies	-160	7	46	58
Cash flow from business operations including taxes paid according to operating cash flow	5,141	-2,096	1,837	-1,699
Less net investments in shares, property, plant and equipment and intangible assets (including investment properties)	-435	489	836	2,266
Less cash flow adjustment investments/divestments in shares, property, plant and equipment and intangible assets (including investment properties)	580	0	580	0
Less capitalized interest paid and dividend received from joint ventures and associated companies	160	-7	-46	-58
Cash flow from operating activities, pursuant to IAS 7	5,445	-1,614	3,207	510
Cash flow from strategic net divestments(+) / investments(-) according to operating cash flow	2	129	39	197
Net investments in shares, property, plant and equipment and intangible assets (including investment properties)	435	-489	-836	-2,266
Cash flow adjustment investment/divestment in shares, property, plant and equipment and intangible assets (including investment properties)	-580	0	-580	0
Interest and dividend received	177	329	1,485	890
Increase and decrease in interest-bearing receivables	1,360	-317	5,888	6,026
Cash flow from investing activities, pursuant to IAS 7	1,393	-348	5,997	4,847
Cash flow from financing activities according to operating cash-flow statement	-197	-25	-689	-565
Capitalized interest paid	-140	-164	-727	-446
Less interest and other dividend received	-196	-158	-712	-386
Change in interest-bearing receivables and liabilities excluding lease liabilities	6,003	-809	10,373	5,538
Less increase and decrease in interest-bearing receivables	-1,360	317	-5,888	-6,026
Dividend etc. ¹	-102	-154	-3,611	-4,645
Cash flow from financing activities, pursuant to IAS 7	4,007	-995	-1,255	-6,530
Cash flow for the period	10,846	-2,956	7,949	-1,173

1 Of which repurchase of Class B shares

-102 -154 -510 -507

Operating cash flow (IFRS), supplementary information

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Construction				
Cash flow from business operations	2,404	2,885	7,954	8,172
Change in working capital	2,415	-550	753	-1,657
Net divestments(+)/investments(-)	-646	-540	-2,054	-1,643
Total Construction	4,172	1,795	6,653	4,871
Residential Development				
Cash flow from business operations	-225	-158	-996	-540
Change in working capital	-1,445	-151	-69	62
Net divestments(+)/investments(-)	1,143	-283	2,404	-1,267
Cash flow adjustment	0	64	-43	205
Total Residential Development	-528	-528	1,296	-1,540
Commercial Property Development				
Cash flow from business operations	-172	-63	-579	-1,227
Change in working capital	-92	79	-671	137
Net divestments(+)/investments(-)	2,672	289	-2,670	2,094
Cash flow adjustment	211	-109	215	263
Total Commercial Property Development	2,618	196	-3,705	1,267
Investment Properties				
Cash flow from business operations	37	15	129	29
Change in working capital	27	28	39	47
Net divestments(+)/investments(-)	-1,569	-2,921	-1,575	-3,668
Cash flow adjustment	2	0	3	0
Total Investment Properties	-1,504	-2,878	-1,404	-3,593
Central and Eliminations				
Cash flow from business operations	-290	-289	-102	-548
Change in working capital	-176	177	-268	-108
Net divestments(+)/investments(-)	1,170	87	1,681	-546
of which PPP portfolio	1,094	53	1,619	-547
Cash flow adjustment	-580	0	-580	0
Total Central and Eliminations	124	-24	731	-1,203
Total cash flow from business operations	1,753	2,390	6,406	5,885
Total change in working capital	728	-417	-217	-1,520
Total net divestments(+)/investments(-)	2,770	-3,368	-2,214	-5,030
Total cash flow adjustment	-368	-45	-405	468
Cash flow from business operations before taxes paid	4,884	-1,440	3,570	-198
Taxes paid in business operations	257	-656	-1,733	-1,501
Cash flow from business operations including taxes paid	5,141	-2,096	1,837	-1,699
Net interest items, other net financial items and amortization of lease liabilities	-197	-25	-689	-565
Cash flow from financing activities	-197	-25	-689	-565
Operating cash flow from operations	4,944	-2,121	1,148	-2,263
Strategic net divestments(+)/investments(-)	2	129	39	197
Dividend etc. ¹	-102	-154	-3,611	-4,645
Cash flow before change in interest-bearing receivables and liabilities	4,843	-2,147	-2,424	-6,711
Change in interest-bearing receivables and liabilities excluding lease liabilities	6,003	-809	10,373	5,538
Cash flow for the period	10,846	-2,956	7,949	-1,173
Cash and cash equivalents at the beginning of the period	7,185	13,115	10,014	10,947
Exchange rate differences in cash and cash equivalents	-118	-145	-50	240
Cash and cash equivalents at the end of the period	17,912	10,014	17,912	10,014
1 Of which repurchase of Class B shares	-102	-154	-510	-507

Group net divestments(+)/investments(-) (IFRS)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
OPERATIONS - INVESTMENTS				
Investment properties	-20	-1	-26	-1
Intangible assets	-12	-9	-20	-24
Property, plant and equipment	-725	-690	-2,575	-2,238
Shares and participations	-1	52	-318	-696
Current-asset properties	-4,803	-5,882	-19,249	-22,609
of which Residential Development	-2,410	-2,754	-8,655	-10,375
of which Commercial Property Development	-2,392	-3,128	-10,595	-12,233
Investments in operations	-5,560	-6,530	-22,189	-25,567
Total Investments	-5,560	-6,530	-22,189	-25,567
OPERATIONS - DIVESTMENTS				
Intangible assets	-1	15	1	15
Property, plant and equipment	92	144	477	476
Shares and participations	1,101	0	1,626	201
Current-asset properties	7,138	3,003	17,871	19,844
of which Residential Development	3,627	2,480	11,430	9,257
of which Commercial Property Development	3,510	523	6,441	10,587
Divestments in operation	8,329	3,162	19,975	20,537
STRATEGIC DIVESTMENTS				
Businesses	2	129	39	197
Strategic divestments	2	129	39	197
Total divestments	8,331	3,291	20,014	20,734
TOTAL NET DIVESTMENTS(+)/INVESTMENTS(-)	2,771	-3,239	-2,175	-4,833
Depreciation, non-current assets	-688	-671	-2,747	-2,714

Capital employed in Project Development and Investment Properties (IFRS)

SEK M	Dec 31, 2023	Sep 30, 2023	Dec 31, 2022
Residential Development	14,406	14,591	16,346
Commercial Property Development	40,760	46,040	38,547
Investment Properties	5,076	3,701	3,733
Total in Project Development and Investment Properties	60,242	64,331	58,626

Parent company¹

The parent company's revenue consists mainly of amounts billed to Group companies. The balance sheet consists mainly of shares in Group companies, intra-Group receivables and equity. The parent company does not report any significant events during the period.

Summary income statement (RFR2)

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	379	212	1,213	768
Selling and administrative expenses	-302	-106	-1,071	-600
Operating income	77	106	142	168
Net financial items	199	-153	10,780	9,880
Income after financial items	276	-47	10,922	10,048
Income taxes	79	3	-3	-18
Profit for the period	355	-44	10,919	10,030
Total comprehensive income	355	-44	10,919	10,030

Summary balance sheet (RFR2)

SEK M	Dec 31, 2023	Dec 31, 2022
ASSETS		
Non-current intangible assets	6	1
Property, plant and equipment	23	0
Non-current financial assets ²	31,182	23,627
Total non-current assets	31,211	23,628
Current receivables	498	164
Total current assets	498	164
TOTAL ASSETS	31,709	23,792
EQUITY AND LIABILITIES		
Equity ³	30,993	23,195
Provisions	154	213
Non-current interest-bearing liabilities ²	64	276
Current liabilities	498	108
TOTAL EQUITY AND LIABILITIES	31,709	23,792

¹ As a parent company in an IFRS group, Skanska AB applies RFR2 in its accounting.

² Of which SEK 12,497 M (12,045) were shares in Group companies, SEK 18,526 M (11,422) intra-Group receivables and SEK 64 M (276) intra-Group liabilities.

³ During the year SEK 10 250 M (10,000) in dividend has been received from Group companies.

The parent company's contingent liabilities as at December 31, 2023 totaled SEK 148.8 bn (142.8), of which SEK 133.0 bn (122.3) were related to obligations on behalf of Group companies. Other obligations, SEK 15.8 bn (20.5), were related to commitments to outside parties of which SEK 9.1 bn (11.9) relates to partners' future performance in the Group's joint operations.

Share data

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Earnings per share according to segment reporting, SEK ¹	2.48	7.28	7.89	18.62
Earnings per share, SEK ¹	4.04	7.92	12.17	20.04
Earnings per share after dilution, SEK ²	4.00	7.86	12.07	19.90
Equity per share, SEK ³	137.01	134.05	137.01	134.05
Adjusted equity per share, SEK ⁴	158.97	167.77	158.97	167.77
Average number of shares outstanding	410,351,415	411,493,719	410,758,367	412,037,581
Average number of shares outstanding after dilution	413,730,676	414,378,758	414,137,628	414,922,620
Average dilution, %	0.06	0.07	0.82	0.70
Number of shares, at balance sheet date	419,903,072	419,903,072	419,903,072	419,903,072
Average price, repurchased Class B shares, SEK	167.46	170.87	166.82	173.40
Number of Class B shares repurchased	34,380,728	31,320,728	34,380,728	31,320,728
of which Class B shares repurchased during the year	620,000	900,000	3,060,000	2,924,000
Number of Class B shares in Skanska's own custody	9,713,560	8,771,931	9,713,560	8,771,931
Number of shares outstanding	410,189,512	411,131,141	410,189,512	411,131,141

¹ Earnings for the period attributable to equity holders divided by the average number of shares outstanding.

² Earnings for the period attributable to equity holders divided by the average number of shares outstanding after dilution.

³ Equity attributable to equity holders divided by the number of shares outstanding.

⁴ Adjusted equity divided by the number of shares outstanding.

Five-year Group financial summary

SEK M	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2021	Jan-Dec 2020	Jan-Dec 2019
Revenue	157,052	161,602	147,576	158,606	176,782
Operating income	3,231	9,297	9,832	11,860	7,828
Profit for the period	3,272	7,702	8,188	8,943	6,372
Earnings per share, SEK	7.89	18.62	19.80	21.65	15.46
Return on capital employed, %	5.4	14.1	15.9	20.2	15.1
Return on equity, %	5.8	15.8	20.1	25.1	21.4
Operating margin, %	2.1	5.8	6.7	7.5	4.4
Return on capital employed according to IFRS, %	8.2	15.2	13.5	21.5	14.3
Cash flow per share according to IFRS, SEK ¹	-5.90	-16.29	1.81	31.57	3.28

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

Exchange rates for the most important currencies

SEK	Average exchange rates	
	Jan-Dec 2023	Jan-Dec 2022
US dollar	10.61	10.12
British pound	13.20	12.46
Norwegian krone	1.01	1.05
Euro	11.48	10.63
Czech koruna	0.48	0.43
Polish zloty	2.53	2.27

Exchange rates on the closing day	
Dec 31, 2023	Dec 31, 2022
10.01	10.37
12.76	12.49
0.99	1.05
11.09	11.08
0.45	0.46
2.55	2.36

Construction

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	41,612	42,732	160,636	156,004
Gross income	3,670	4,168	12,423	12,268
Selling and administrative expenses	-1,837	-1,872	-6,808	-6,534
Income from joint ventures and associated companies	10	9	17	36
Operating income	1,843	2,305	5,632	5,770
Investments	-737	-684	-2,531	-2,210
Divestments	92	273	516	764
Net divestments(+)/investments(-)	-645	-411	-2,015	-1,446
Gross margin, %	8.8	9.8	7.7	7.9
Selling and administrative expenses, %	-4.4	-4.4	-4.2	-4.2
Operating margin %	4.4	5.4	3.5	3.7
Order bookings, SEK bn	44.1	51.6	165.8	162.7
Order backlog, SEK bn	229.6	229.8	229.6	229.8
Average number of employees	25,826	26,892	25,826	26,892

Revenue

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	15,433	16,235	58,492	59,468
of which Sweden	8,434	9,754	31,720	34,450
Europe	6,690	7,430	26,878	26,997
USA	19,488	19,066	75,266	69,539
Total	41,612	42,732	160,636	156,004

Operating income

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	692	966	2,029	2,377
of which Sweden	383	654	1,065	1,423
Europe	77	286	462	762
USA	1,074	1,054	3,141	2,630
Total	1,843	2,305	5,632	5,770

Operating margin, %

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
	4.5	5.9	3.5	4.0
	4.5	6.7	3.4	4.1
	1.2	3.8	1.7	2.8
	5.5	5.5	4.2	3.8
	4.4	5.4	3.5	3.7

Order backlog

SEK M	Dec 31, 2023	Dec 31, 2022
Nordics	72,925	69,496
of which Sweden	28,757	33,085
Europe	34,283	40,624
USA	122,428	119,651
Total	229,637	229,771

Order bookings

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
	10,706	18,213	63,642	57,832
	5,965	8,002	27,384	33,960
	6,389	4,032	19,497	26,289
	27,041	29,363	82,656	78,544
	44,137	51,607	165,795	162,665

Book-to build, R12-m, %

	Dec 31, 2023	Dec 31, 2022
	109	97
	86	99
	73	97
	110	113
	103	104

Residential Development

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	1,867	784	5,013	8,751
Gross income	-325	214	-332	1,674
Selling and administrative expenses	-176	-229	-930	-783
Operating income	-502	-16	-1,262	891
Operating margin, %	-26.9	-2.0	-25.2	10.2
Investments	-2,491	-2,769	-9,038	-10,615
Divestments	3,634	2,485	11,442	9,349
Net divestments(+)/investments(-)	1,143	-283	2,404	-1,267
Capital employed, SEK bn	14.4	16.3	14.4	16.3
Return on capital employed, % ¹	-7.0	6.8	-7.0	6.8
Average number of employees	524	565	524	565

¹ Rolling 12 months. For definition see page 18.

Revenue

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	1,166	506	3,265	7,326
of which Sweden	597	-55	1,509	3,474
Europe	701	278	1,748	1,425
Total	1,867	784	5,013	8,751

Operating income ¹

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	-480	-67	-1,186	715
of which Sweden	-165	-90	-538	343
Europe	-21	52	-76	176
Total	-502	-16	-1,262	891

¹ Development gain only. Construction margin reported under Construction.

Operating margin, % ¹

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	-41.2	-13.3	-36.3	9.8
of which Sweden	-27.6	neg	-35.7	9.9
Europe	-3.0	18.6	-4.4	12.3
Total	-26.9	-2.0	-25.2	10.2

Homes started

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	125	374	654	1,954
of which Sweden	69	37	446	1,097
Europe	214	297	214	851
Total	339	671	868	2,805

Homes sold

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	171	50	525	1,494
of which Sweden	120	-53	327	931
Europe	213	105	611	558
Total	384	155	1,136	2,052

Homes under construction

	Dec 31, 2023	Dec 31, 2022
Nordics	3,017	5,146
of which Sweden	1,887	3,327
Europe	1,324	1,869
Total	4,341	7,015

Completed unsold, number of homes

	Dec 31, 2023	Dec 31, 2022
Nordics	521	108
of which Sweden	279	53
Europe	28	22
Total	549	130

Homes under construction of which sold, %

	Dec 31, 2023	Dec 31, 2022
Nordics	44	62
of which Sweden	38	62
Europe	68	56
Total	52	60

Commercial Property Development

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	2,832	3,443	5,331	14,276
of which from divestment of properties	2,583	3,236	4,428	13,594
Gross income	-652	1,562	-416	3,857
Selling and administrative expenses	-230	-371	-895	-999
Income from joint ventures and associated companies	-50	159	-54	165
Operating income	-932	1,350	-1,365	3,023
of which from divestment of properties ¹	598	1,516	1,014	3,839
of which writedowns/reversal of writedowns of properties	-1,314	5	-1,647	-43
¹ Additional gains included in Eliminations	23	39	108	112
Investments	-2,389	-3,162	-10,668	-12,294
Divestments	5,060	3,451	7,999	14,389
Net divestments(+)/investments(-)	2,672	289	-2,670	2,094
Capital employed, SEK bn	40.8	38.5	40.8	38.5
Return on capital employed, % ²	-2.6	8.7	-2.6	8.7
Average number of employees	428	437	428	437

² Rolling 12 months. For definition see page 18.

Revenue

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	1,928	3,288	2,929	9,620
Europe	83	75	1,420	2,999
USA	821	79	982	1,656
Total	2,832	3,443	5,331	14,276

of which from divestments

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
	1,836	3,176	2,533	9,302
	-2	30	1,146	2,805
	748	30	748	1,487
Total	2,583	3,236	4,428	13,594

Operating income

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	296	1,414	395	2,526
Europe	-271	-51	-355	599
USA	-957	-14	-1,405	-101
Total	-932	1,350	-1,365	3,023

of which from divestments

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
	472	1,459	699	2,843
	36	56	226	903
	89	2	89	93
Total	598	1,516	1,014	3,839

Homes for rent started

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Nordics	0	264	0	264
USA	0	324	0	324
Total	0	588	0	588

Homes for rent sold

	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
	0	0	0	202
	0	0	0	0
Total	0	0	0	202

Homes for rent under construction

	Dec 31, 2023	Dec 31, 2022
Nordics	565	1,348
USA	1,009	1,009
Total	1,574	2,357

Capital employed

SEK M	Dec 31, 2023	Dec 31, 2022
Nordics	13,403	13,992
Europe	9,373	9,087
USA	17,984	15,467
Total	40,760	38,547

Investment Properties

Revenue and earnings

SEK M	Oct-Dec 2023	Oct-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Revenue	56	20	186	40
Operating net	42	15	137	30
Selling and administrative expenses	-6	-1	-9	-2
Change in property value	-165	86	-190	112
Operating income	-129	100	-62	140
Investments	-1,569	-2,921	-1,575	-3,668
Divestments	0	0	0	0
Net divestments(+)/investments(-)	-1,569	-2,921	-1,575	-3,668
Capital employed	5,076	3,733	5,076	3,733
Property value	5,141	3,758	5,141	3,758
Return on capital employed, % ¹	-1.6	13.6	-1.6	13.6
Economic occupancy rate, %	91	86	91	86
Average valuation yield, %	4.5	3.9	4.5	3.9

¹ Rolling 12 months. For definition see page 18.

Properties

Location	Leasable area, sq m	Annual rental value, SEK M	Economic occupancy rate, %	Property value, SEK M	Environmental certification, %
Malmö	38,543	134	92	2,095	100
Stockholm	42,962	187	91	3,046	100
Total	81,505	321	91	5,141	100

PPP portfolio value

Unrealized development gain in PPP bportfolio

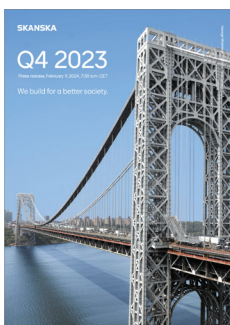
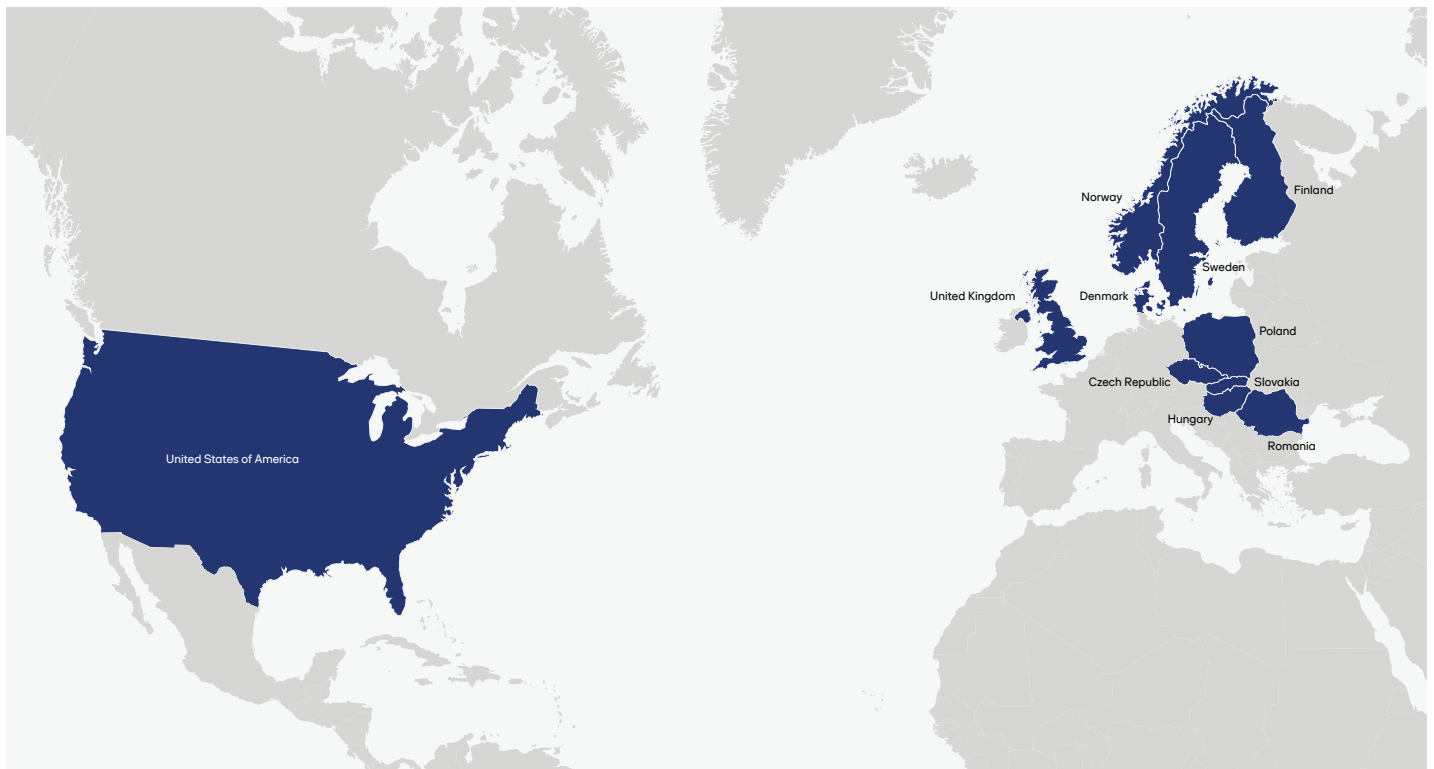
SEK bn	Dec 31, 2023	Sep 30, 2023	Dec 31, 2022
Present value of cash flow from projects	1.9	2.6	2.7
Present value of remaining investments	0.0	0.0	0.0
Net present value of projects	1.9	2.6	2.7
Carrying amount before Cash flow hedge / Carrying amount	-1.1	-1.4	-2.2
Unrealized development gain	0.8	1.2	0.5
Cash flow hedge	0.1	0.1	0.1
Effect in unrealized equity ¹	0.9	1.3	0.6

¹ Tax effects not included.

About Skanska

We are one of the world's largest project development and construction companies. We operate across select markets in the Nordics, Europe and the USA. Together with our customers and the collective expertise of our 27,000 employees, we create innovative and sustainable solutions that support healthy living beyond our lifetime.

Skanska's home markets



George Washington Bridge, New York, NY and Fort Lee NJ, USA

We are rehabilitating George Washington Bridge, the busiest bridge in the world. The work includes the replacement of suspender ropes and protective sleeves, rehabilitation of the main cables, and installing dehumidification systems for the main cables and their anchorages. Approach structures for the main span sidewalks will be constructed and railings will be replaced on the main and upper levels. Roadway lighting will be replaced, and sidewalk lighting will be installed. We were assigned the contract in 2017 and work should be completed by 2027.

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This report will also be presented at a press and audio conference at 10:00 CET on February 9, 2024.

The press conference will be webcast live at www.skanska.com/investors, where a recording of the conference will also be available later.

Participate in the audio conference, with the possibility to ask questions. Preferred connection (web link), for best audio quality, please join the call from your phone via the HD Audio web link here: [HD Audio link](#). If you need to call in via telephone line please dial +46 (0) 8 5051 0031; +44 (0)207 107 06 13 or +1 (1) 631 570 56 13.

This and previous releases can also be found at www.group.skanska.com/investors.

This is information that Skanska AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation.

The information was submitted for publication, through the agency of the Senior Vice President Investor Relations set out above, at 07:30 CET on February 9, 2024.

Enumerated amounts presented in tables and statements may not always agree with the calculated sum of the related line items due to rounding differences. The aim is for each line item to agree with its source and therefore there may be rounding differences affecting the total when adding up the presented line items.