



# Commercial Development Nordic

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Skanska Commercial Development Nordic**



# Skanska Commercial Development Nordic

# 1999–2005

- 55 projects
- 750,000 sqm



# You meet us as project developer in...



...Logistics



...Offices



...Retail Warehouses

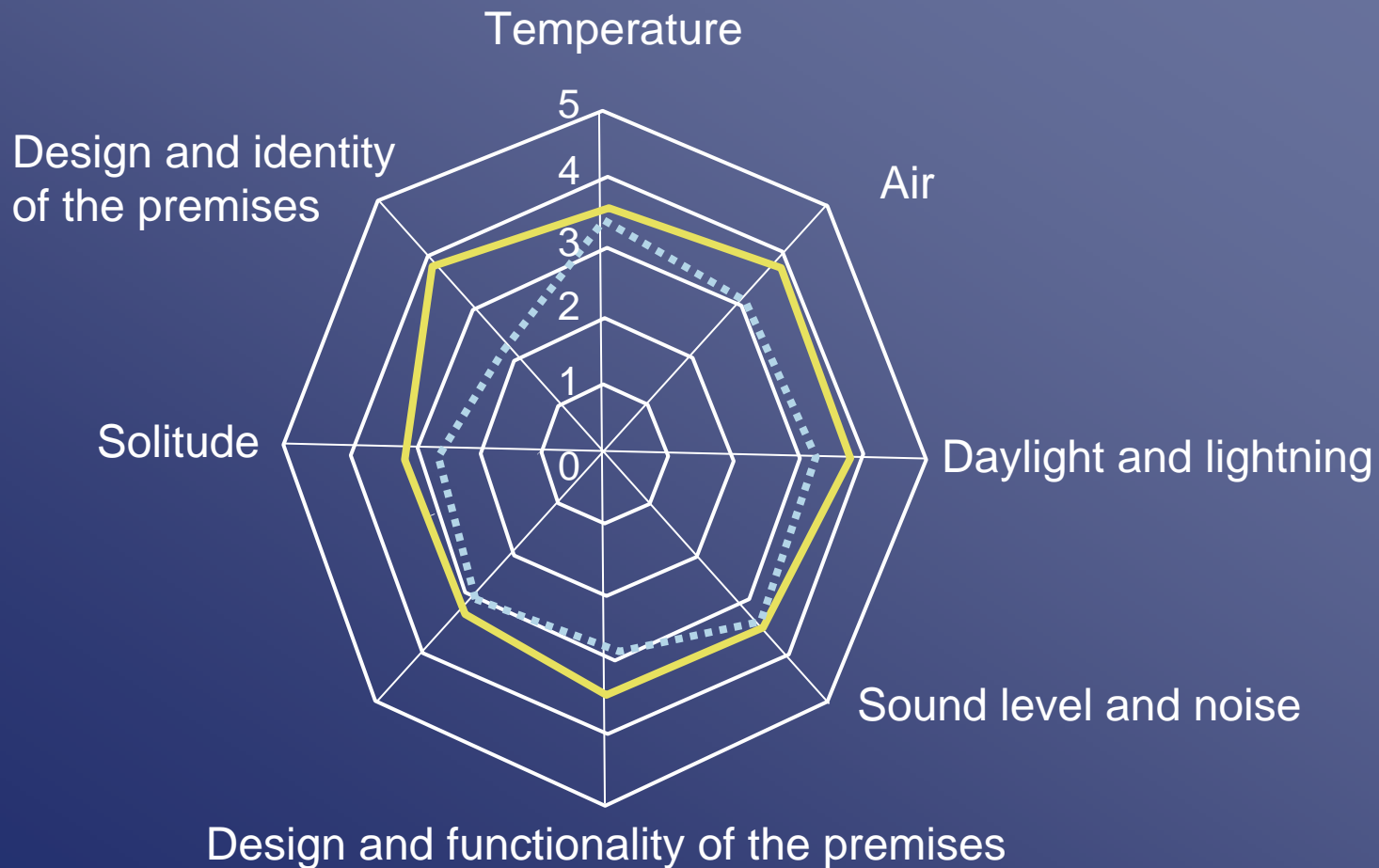


# Offices

- Stockholm, Gothenburg, Malmö, Copenhagen
- Long experience in large office development
- Attractive locations
- Developed product
  - Flexibility
  - Functionality
  - Environment
  - Profile



# The importance of the working environment



# A good working environment can increase productivity

How well your workplace and your premises helps you in your work

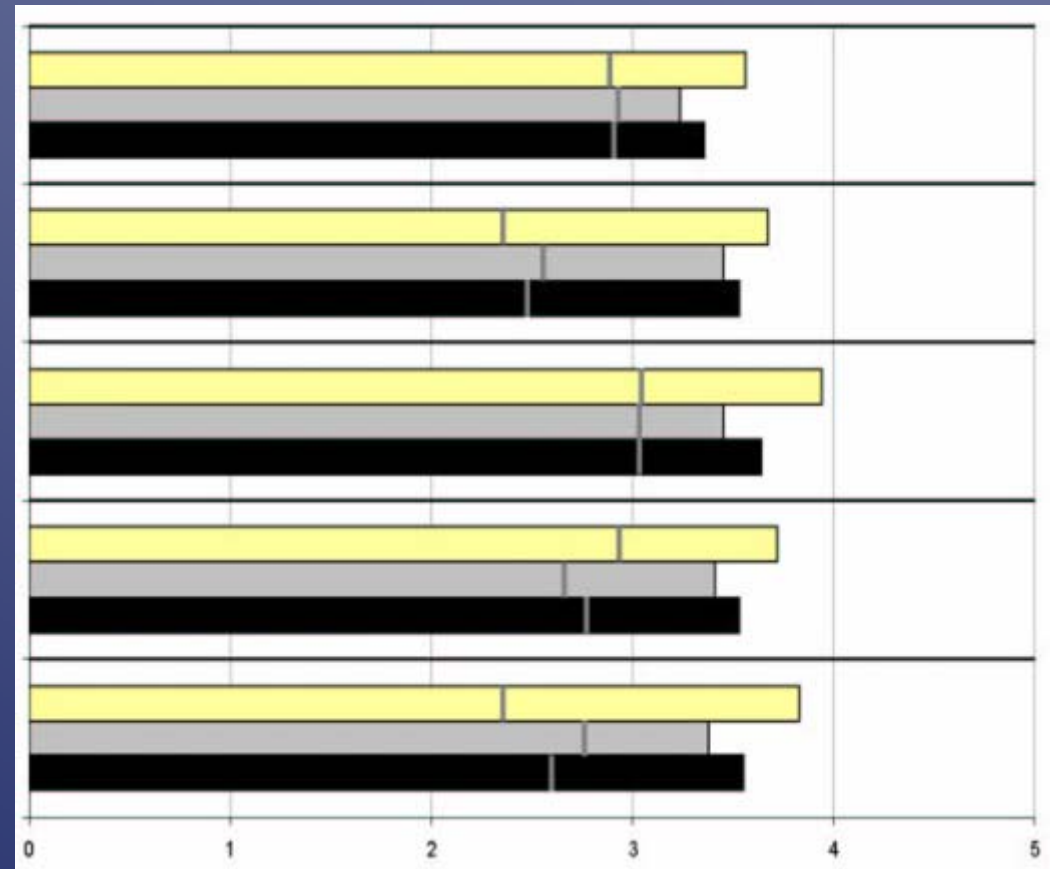
How satisfied you are with your workplace and your premises

The level of your productivity in the premises

The level of your creative ability in the premises

The level of your wellbeing in the premises

■ All   ■ Men   ■ Women



# Skanska Office index

- Established indicator
- A survey with approx. 300 companies in Stockholm, Gothenburg and Malmö
- Twice every year, since 2000

## Questions about:

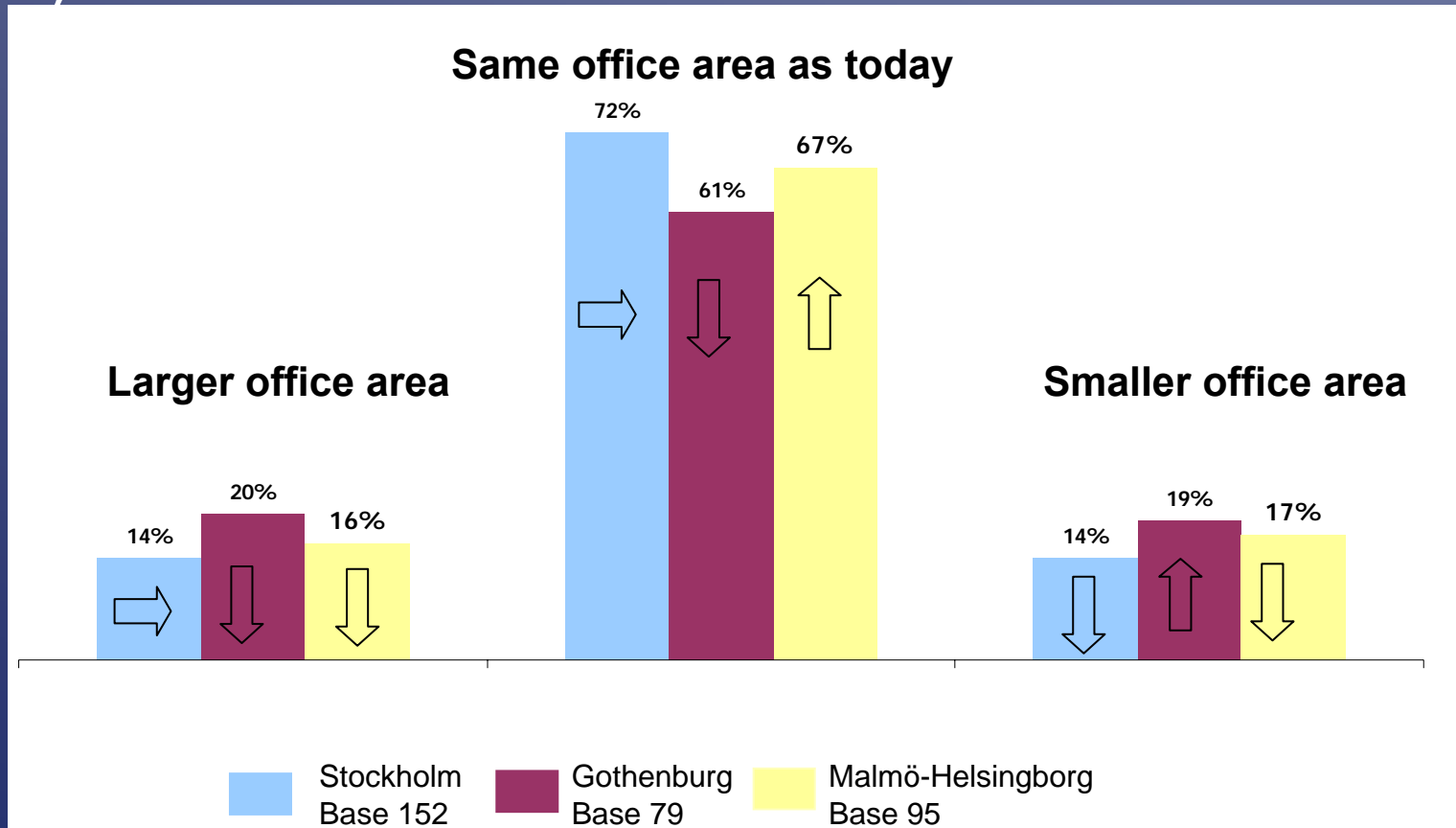
- Need of premises
- Design preferences
  - The business cycle the next coming two years

*Next survey will be provided in Stockholm, Gothenburg and Malmö on the 15th of June*

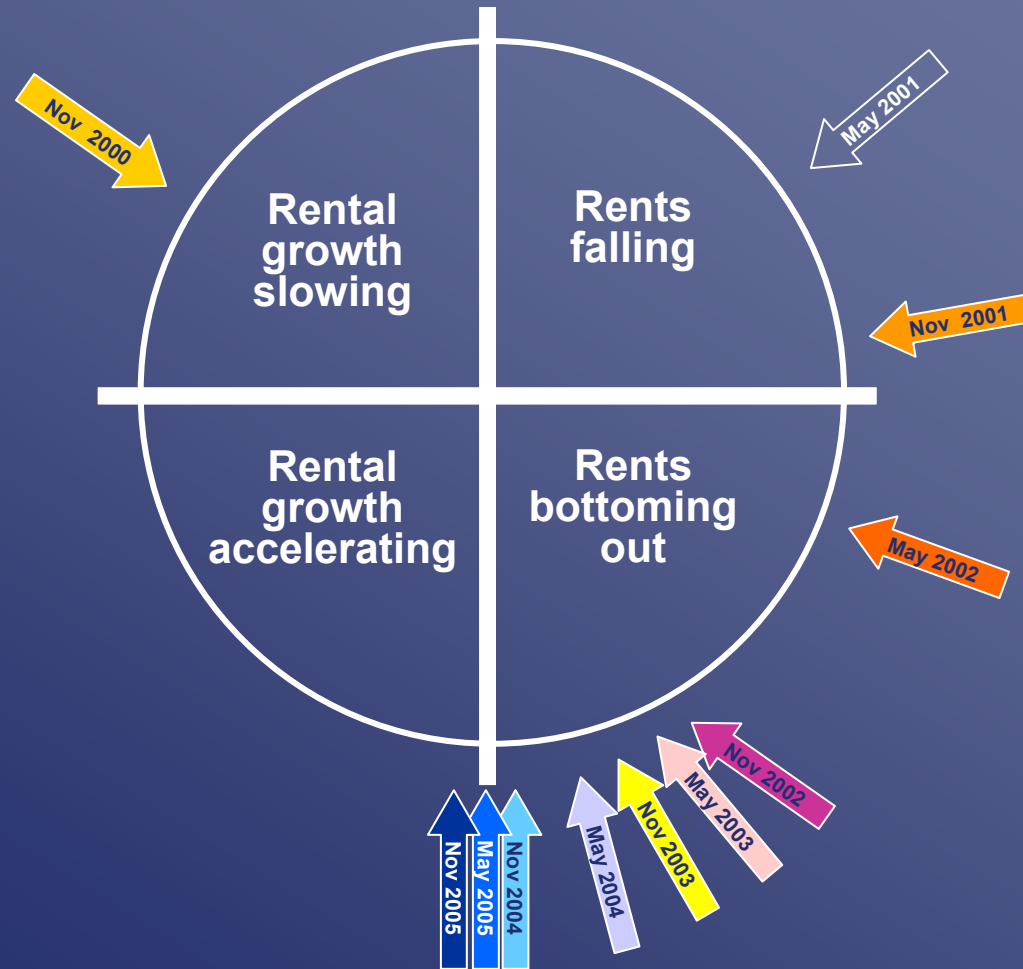


# Detect trends

(Nov 2005)



# Map the cycle



# Retail Warehouses



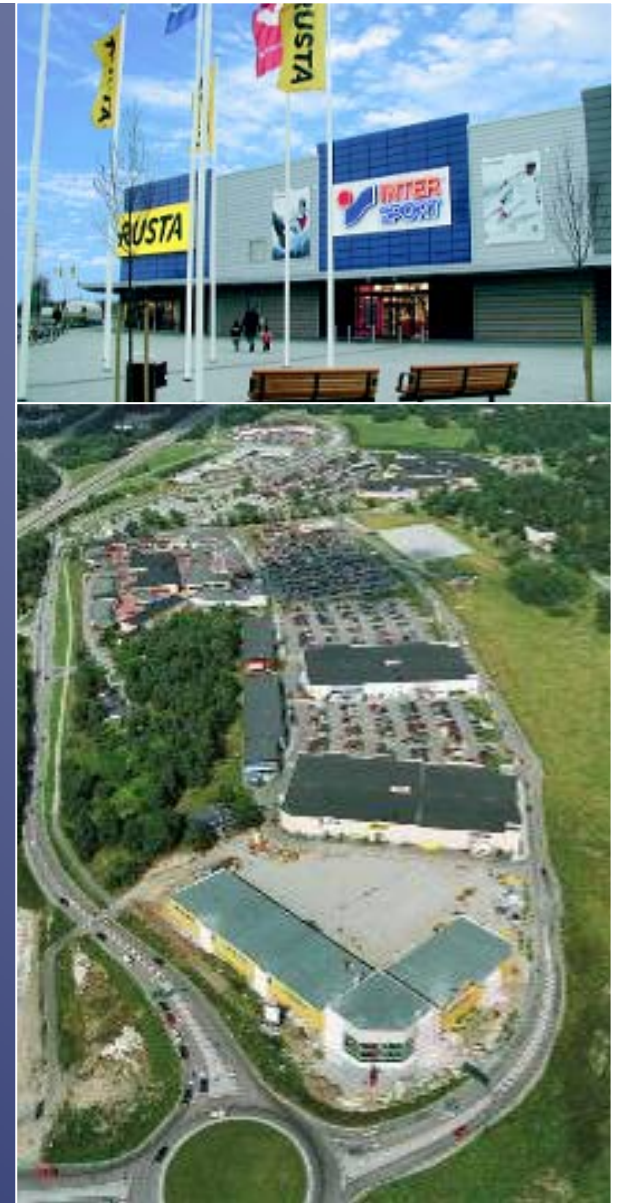
## **We develop the Retail Warehouse business with focus on...**

- ...identification of strategic commercial areas.
- ...development of new retail projects.
- ...finding new "business associates" within the retail trade.
- ...managing projects with a high quality towards customer.
- ...finding new conceptual thinking for retail areas.

# Strong retail locations

Totally about 150,000 sqm

- Barkaby, Järfälla
- Länna, Huddinge
- Knalleland, Borås
- Kållered, Göteborg
- Väla, Helsingborg
- Pilsåker, Lund
- Svågertorp, Malmö
- Stenalyckan, Halmstad



# New market Finland

- Started up autumn 2005
- Close cooperation with Skanska Finland
- Present focus on securing building rights
- Finland is behind Sweden in retail development



## Logistics

# The product



Ceiling height

Docking opportunities

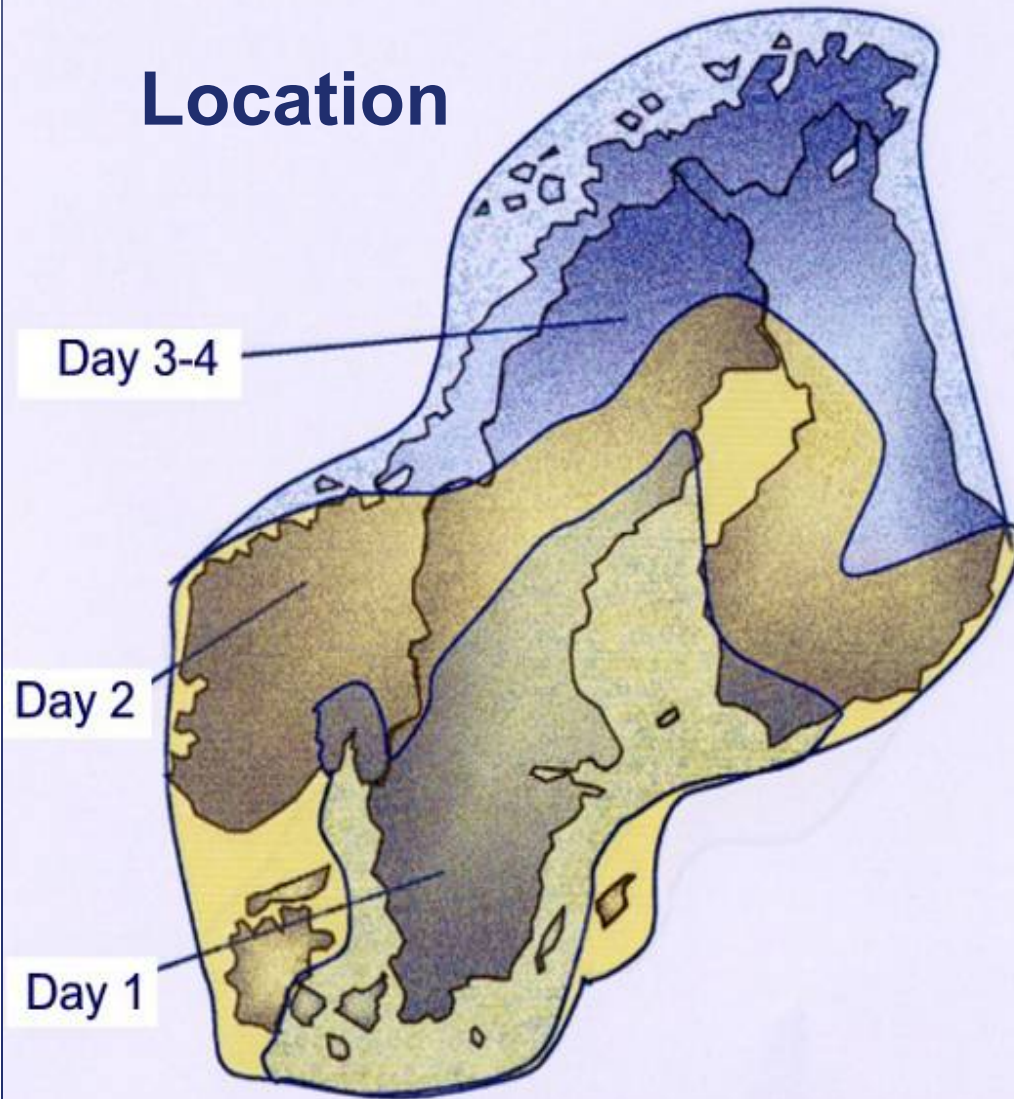
Floor

Racking

# Accessibility



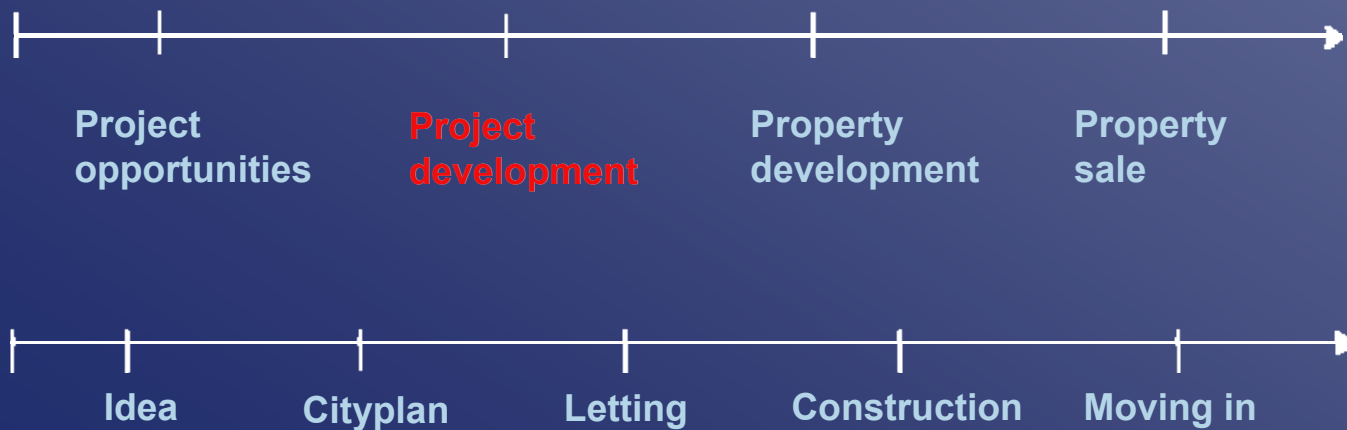
# Location



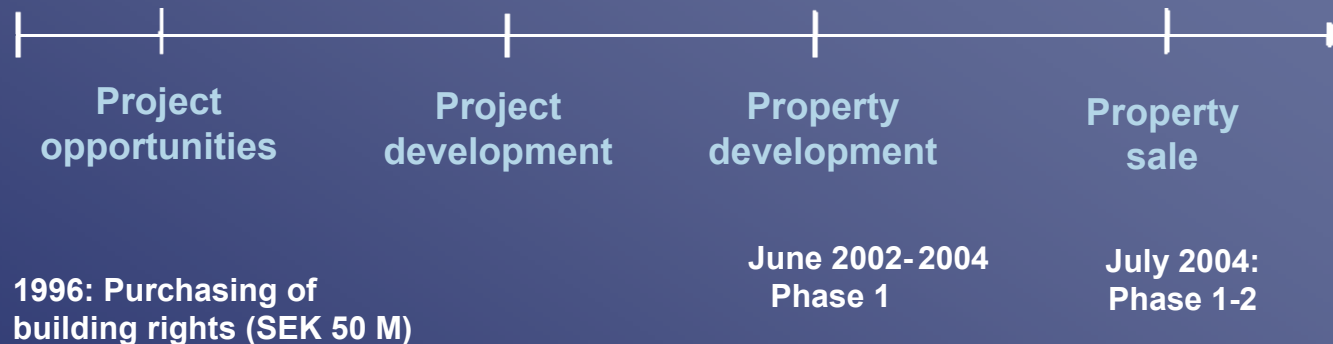
# Logistic Network



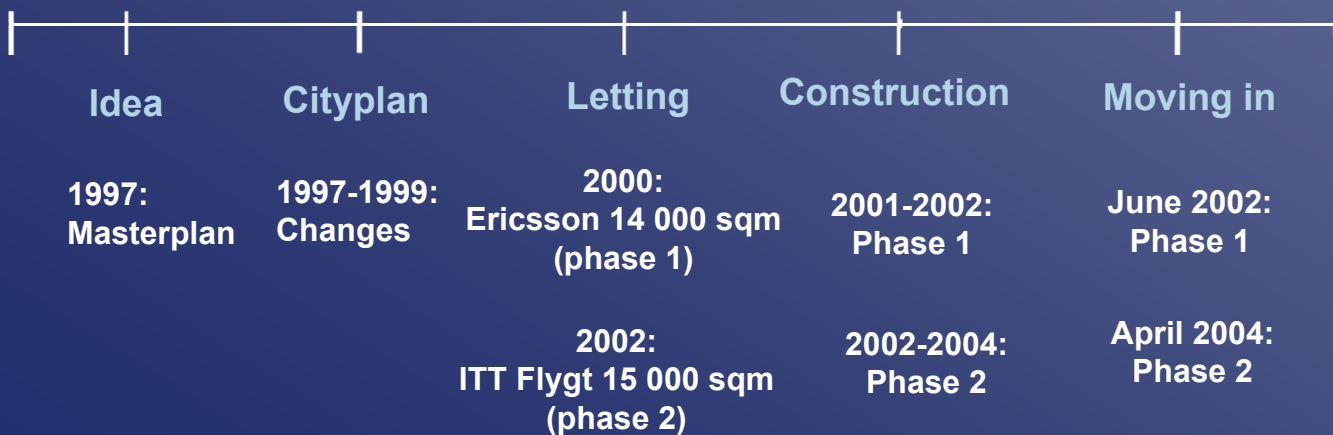
# How we work



# Case Sundbypark



Sale SEK 783 M  
 PC SEK 615 M  
 -----  
 Gain SEK 168 M



50% of the building rights remain to be developed

# Case Bryggen 47



1995: Frame agreement  
1999: Purchase last phase

June 2004

Sale	SEK 370 M
PC	SEK 294 M
-----	
Gain	SEK 76 M



1995-1999:  
Developed

Changes

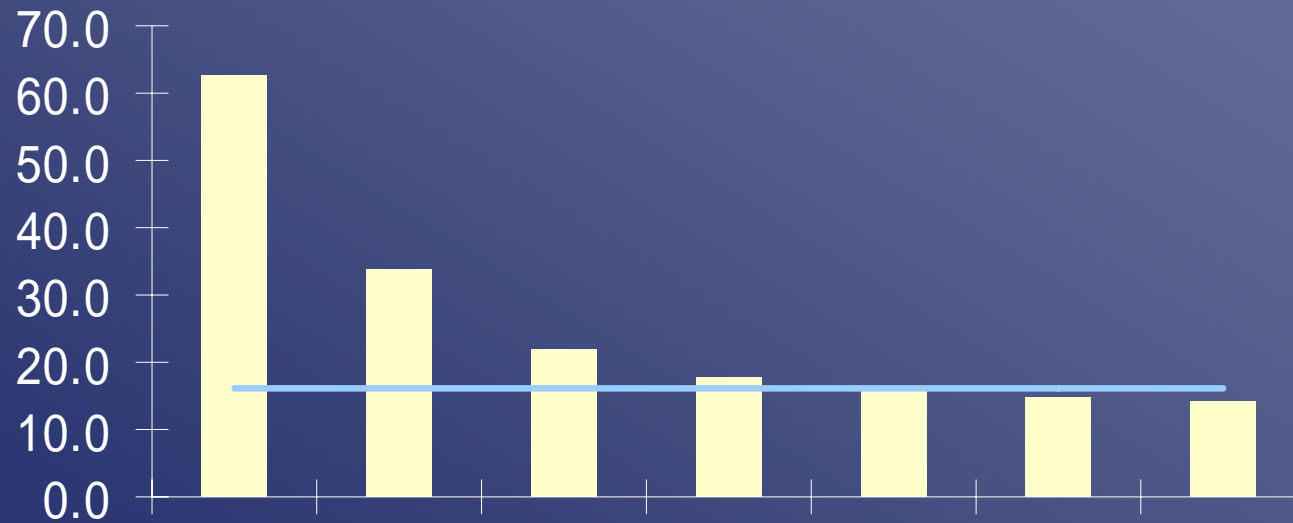
April 2004:  
Forstaedernes  
Bank

2004-2005

Dec 2005

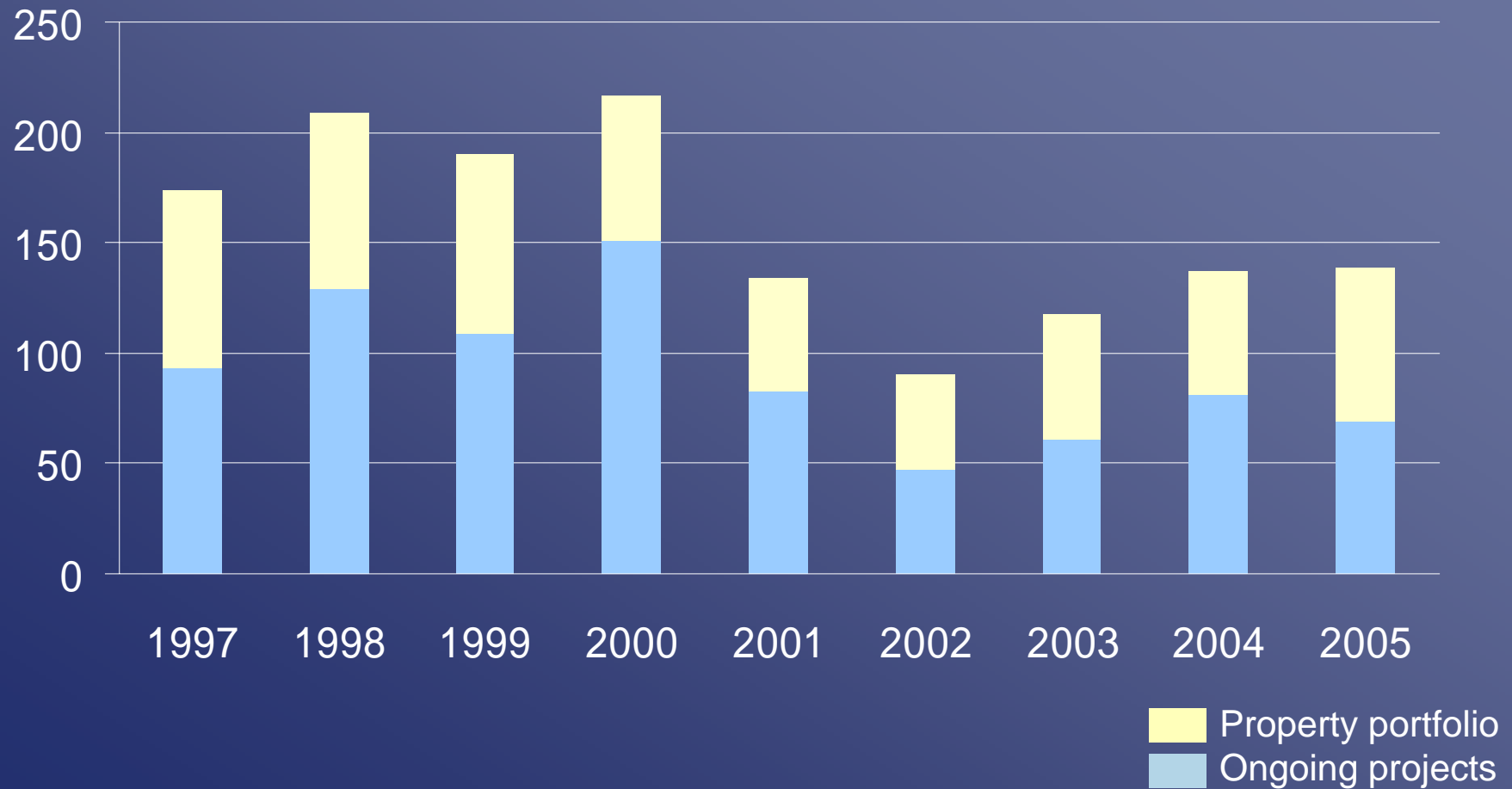
# Importance of turnover rate

ROCE



■ ROCE project  
— ROCE target

# Leasing – a core competence



# Market outlook



# Outlook for offices

- High vacancies, except in Copenhagen, but recovering
- Demand for modern premises
- Older properties will continue to suffer severely in the competition.
- Increasing or stable rents
- Unbroken interest from investors, non-Nordic actors have a hard time to compete on the low yield levels



# Outlook for retail markets

- Strong demand for premises in A+ - location, shortage of buildings rights and heavy competition
- Malmö is today the most active market with several development possibilities in pipeline
- Sweden is today rather well covered therefore it is important to aim for the best projects
- Still a rather low “density” of retail centers in Finland



# Outlook for logistics

- The yield compression has put pressure on the rent levels
- The heavy competition remains
- Extremely low vacancies when it comes to prime space



# Ongoing projects

## Gångaren, Stockholm

Production cost	SEK 319 M
Area	14,300 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	30%
Completion rate 31 <sup>st</sup> of March 2006	51%
Completion date	Q1 2007



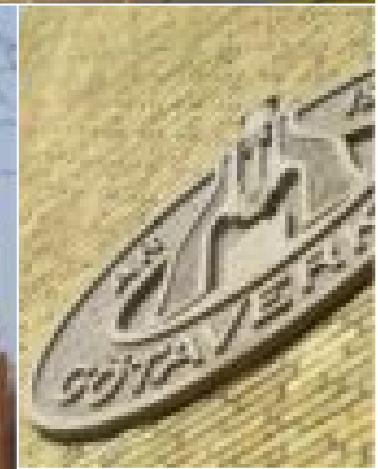
# Stora Frösunda HP III, Stockholm

Production cost	SEK 799 M
Area	46,300 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	64%
Completion rate 31 <sup>st</sup> of March 2006	21%
Completion date	Q2 2008



# Lundbyvassen, Gothenburg

Production cost	SEK 139 M
Area	10,600 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	65%
Completion rate 31 <sup>st</sup> of March 2006	32%
Completion date	Q4 2006



# Scylla II, Malmö

Production cost	SEK 213 M
Area	9,500 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	46%
Completion rate 31 <sup>st</sup> of March 2006	85%
Completion date	Q3 2006



# Atrium, Copenhagen

Production cost	SEK 325 M
Area	16,000 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	0%
Completion rate 31 <sup>st</sup> of March 2006	11%
Completion date	Q3 2007



# Gladsaxe CH, Copenhagen

Production cost	SEK 116 M
Area	8,000 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	100%
Completion rate 31 <sup>st</sup> of March 2006	59%
Completion date	Q3 2006



# Burlöv Sunnanå, Malmö

Production cost	SEK 58 M
Area	10,400 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	100%
Completion rate 31 <sup>st</sup> of March 2006	54%
Completion date	Q3 2006



# Backa 23:1, Gothenburg

Production cost	SEK 73 M
Area	6,900 sqm
Occupancy rate 31 <sup>st</sup> of March 2006	44%
Completion rate 31 <sup>st</sup> of March 2006	42%
Completion date	Q4 2006



**SKANSKA**