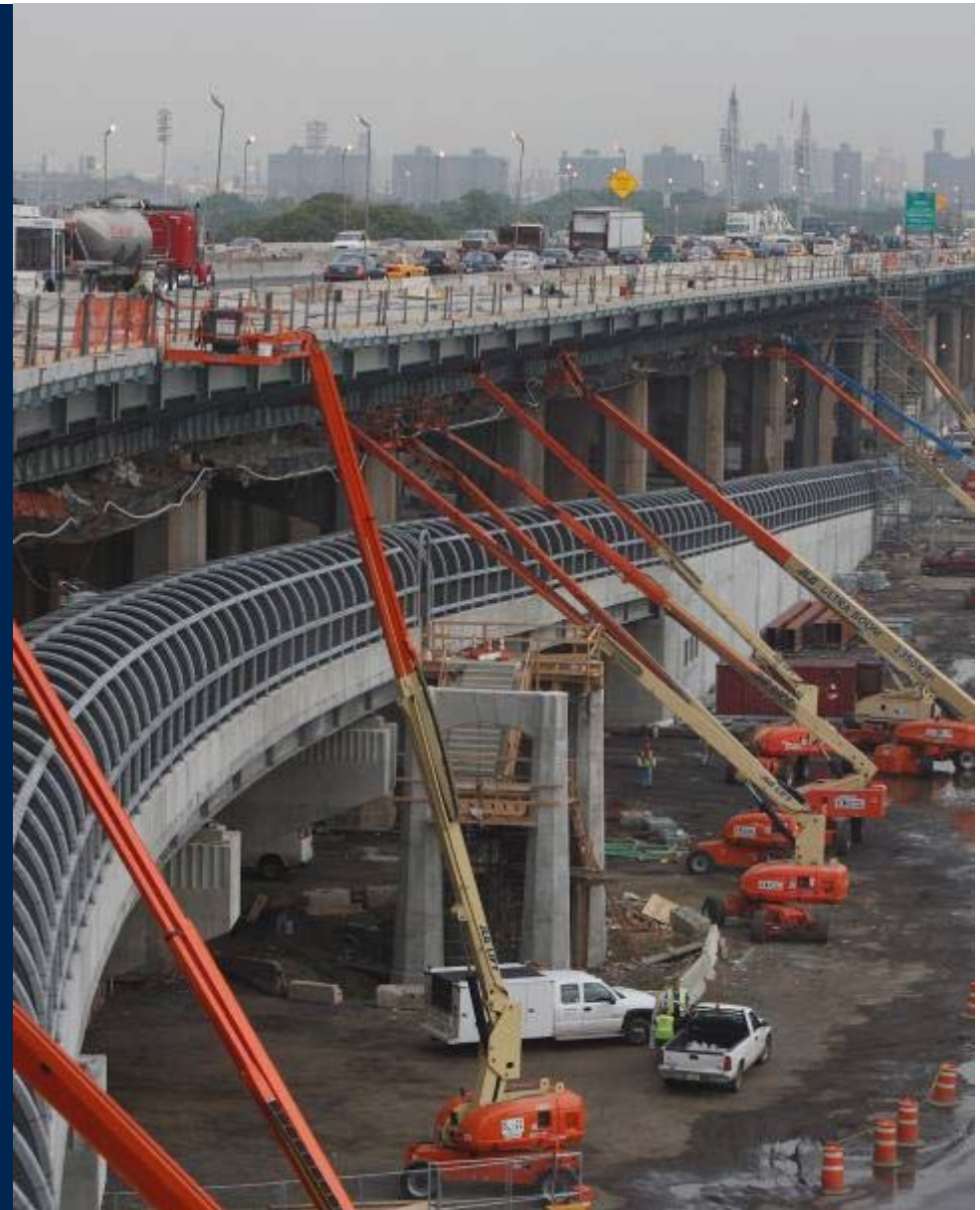


SKANSKA

Skanska USA Civil

Sal Mancini
Business Unit President



Skanska USA Civil Inc.

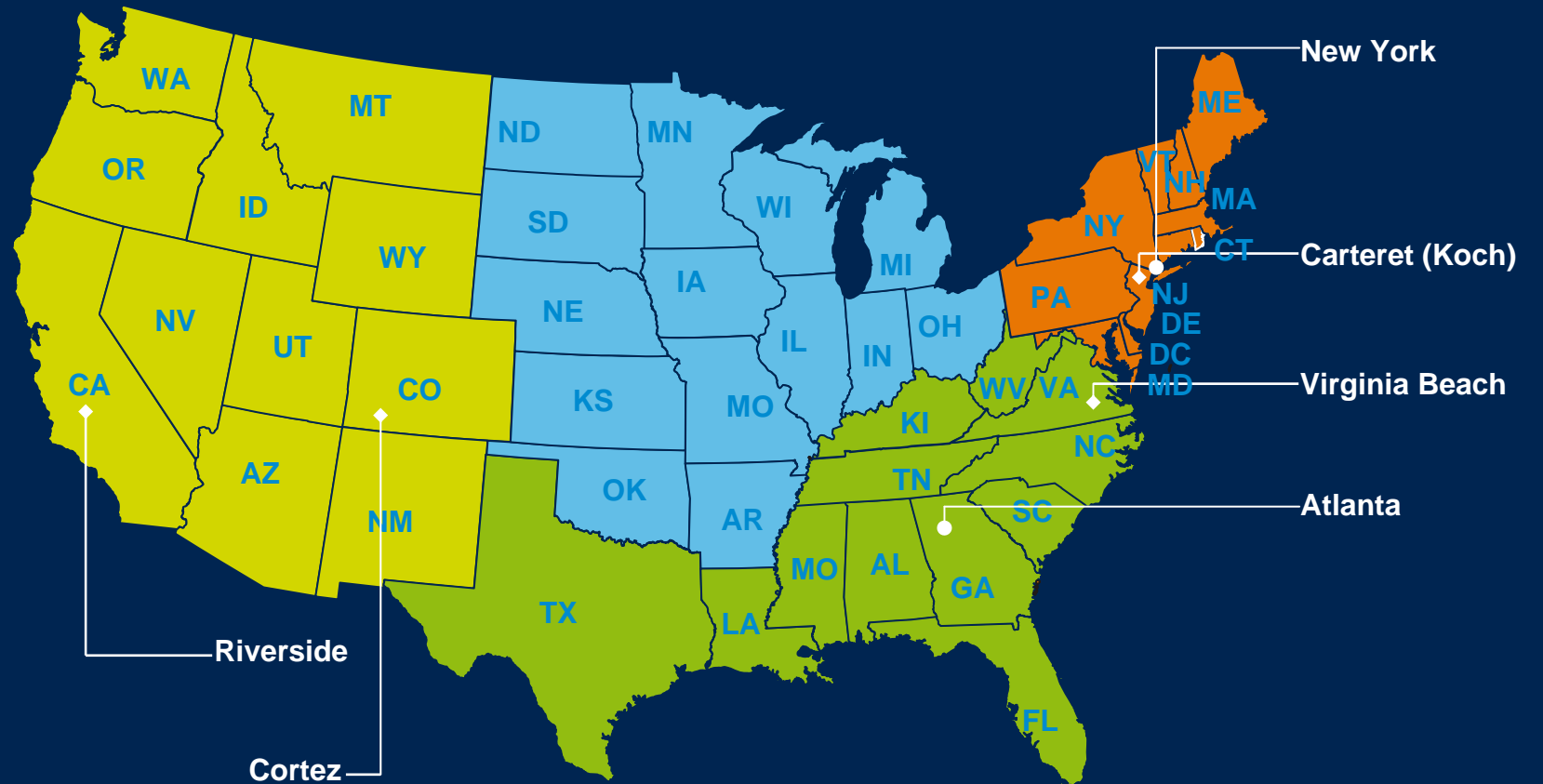
- Revenue 2007 – USD 1.6 billion
- Operating margin 2007 – 5.0%
- Backlog at year-end – USD 3.5 billion
- Employees – 4,400
- Headquarters – Whitestone, NY
- Delivery method
 - Lump Sum, high risk – high margin
 - GMP (Guaranteed Maximum Price) – Not to exceed
 - PPP – Construction Support of Infrastructure Development – New

Competitors

- Kiewit
 - Fluor
 - Washington Group
 - Granite
 - Perini
- ... and smaller local companies

**Skanska USA Civil is #3 in the U.S.
self-perform heavy civil market**

Skanska USA Civil



- Western region
- Mid-western region
- Southern region
- Northeast region

Contracts

- Lump Sum
 - Low Bid – traditional lump sum, hard dollar
 - Design Build – based on conceptual, 20% drawings
 - Negotiated – sole source, one-on-one, pricing
 - Evaluation/BAFO – price and quality scoring
 - Pre-qualification/evaluation – select bidders only
- Unit Price
 - Highways
- PPP
 - Construction arm of Skanska ID

Projects and clients

Clients

- U.S. Government
 - U.S. Army and U.S. Navy
- State & Local Governments
 - State Highway Departments
 - City Water Departments
 - City Transit Agencies
- Intrastate Authorities
 - Port & Airport Authorities
- Private Sector
 - Power Suppliers
 - Chemical & Mining Industry
 - Railroads

Projects

- Highways
- Bridges
- Tunnels/Subways
- Water Treatment
- Mass Transit
- Environmental
- Power Plants

Funding

- Taxes on Federal and state levels
- Bond issues
- Corporate funds/banks

Safety

Incident Rate (per 200,000 manhours)



Financials

MUSD	2007	Q1 2007	Q1 2008	Diff. %
Revenue	1,603	308	426	38
Operating income	80	8	22	175
Operating margin, %	5.0	2.5	5.0	100
Order bookings	2,616	533	860	61
Order backlog	3,501	2,713	3,935	31

Northeast



Products

- Mass transit, water treatment, bridges

Clients

- Mass transit authority, Department of Environmental Protection, Port Authority of New York and New Jersey

Market

- New York market is very hot, at forty-year high. Rest of northeast is of traditional intensity
- In the next 2 to 3 years, construction in this region could diminish considerably, back to normal order intake volumes



Second Avenue Subway, New York

Skanska Koch



Products

- Urban bridge and complex steel constructions and rehabilitations

Clients

- New York City Department of Transportation, Port Authority of New York and New Jersey

Market

- Baseline stream of NYC DOT budgets and projects for foreseeable future



Meadowlands Stadium, New Jersey

Southeast



Products

- Highways, bridges, water treatment, marine works

Clients

- Local departments of transportation and environmental protection

Market

- Fierce competition and slowed stream of projects



Turtle River Bridge, Georgia

Southwest – California



Products

- Highways, site preparation for residential, water treatment

Clients

- Local departments of transportation and environmental protection

Market

- Good order bookings in increasingly difficult market
- Virtual shutdown of the housing market
- State is undergoing severe financial difficulties, delaying projects

Highway SR 138, California



West – Rocky Mountain



Products

- Mining reclamation, highways and remediation

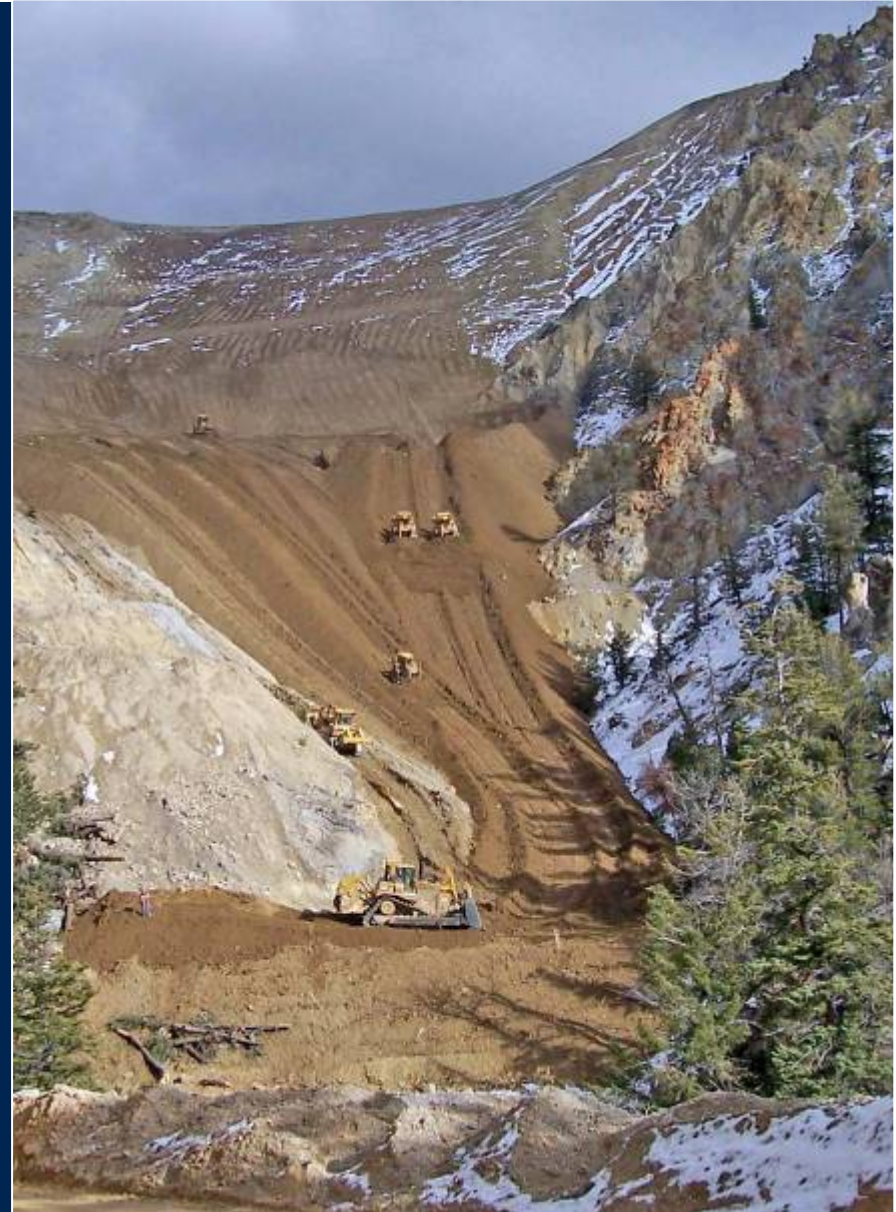
Clients

- Mining industry, Department of Transportation

Market

- Good business for mining industry
- In the future natural gas exploration will provide opportunities

Goat Hill Mine , Colorado



Mitigation of material cost escalation risk

- More and more clients have indexation clauses in their contracts
- Buy-out of materials and subcontracts as soon as possible after contract signing
- Include contingencies for residual exposure

General outlook

- Increasing need for Civil Infrastructure Projects
 - Deteriorating condition of bridges & roads
 - Increasing use of vehicles (highway infrastructure)
 - Increasing need for urban rail transit projects
 - Air, water and land pollution mitigation
 - Highway safety and homeland security needs
- New opportunities in PPP
 - Skanska Infrastructure Development
 - Timing of projects difficult to predict
- Increasing use of Design Build
 - Limiting quality & number of competitors
- Continued surety market constraints
 - Limits competition
- Improvements in available work
 - SafeTea – Lu
 - NY Bond Act

Market

In addition to the customary procurements through state agencies, much of the work procured is through the following local agencies and companies:

- Orange County Transport Authority
- SANBAG – San Bernardino Assoc of Govt's
- SANDAG – San Diego Assoc of Govt's
- RCTC – Riverside County Transport Commission
- Port of LA
- Freeport McMoRan
- Chevron Mining
- BHP Coal & Copper
- Peabody Coal

Strategy

- Focusing on core markets and clients
 - Risk control – ORA
- Inter-company alliances
 - USA synergy