

## **PRESS RELEASE, JUNE 22, 1999**

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### **Skanska acquires the US construction company Alex J. Etkin Inc.**

Skanska is expanding in the US Midwest through the acquisition of all shares in the American construction company Alex J. Etkin Inc.

The purchase price amounts to USD 13 M, about SEK 109 M. The effective acquisition date is February 1, 1999.

The impact of the acquisitions on pre-tax earnings for Skanska in 1999 is expected to be USD 5.5 M, or about SEK 46 M.

Etkin reported sales in 1998 of USD 317 M, slightly more than SEK 2.6 billion. Profit before taxes was USD 6.2 M, about SEK 52 M.

Founded in 1946, Etkin specializes in corporate, educational and health-care facilities. Based in Detroit, Michigan, the company also has operations in Denver, Colorado. Michigan accounts for about two thirds of the company's sales. Etkin will become a subsidiary of Sordoni Skanska.

"The acquisition is in line with our strategy to expand in core operations. Etkin is a profitable and well managed company. Sordoni Skanska gains expanded customer base as well as greater geographical coverage. The markets in Michigan and Colorado are expected to show strong growth in the years immediately ahead. Moreover, our management expertise is being strengthened, due to Etkin's management remaining with the company," says Stuart E. Graham, President of Skanska USA, which is the fifth largest construction company on the American market.

"Through the acquisition of Etkin, we expand as building contractors in the Midwest, where we were previously only represented by the civil engineering units within the Tidewater Group," Graham concluded.

Recently, Etkin completed construction of an ice-hockey arena in Plymouth and an extension of the Mount Clemens General Hospital, both in Michigan.

Key figures Alex J. Etkin Inc. 1998:

MUSD

Net Sales 317

Operating Income 5.3

Income after Financial Items 6.2

Net Income after Taxes 4.1

Order backlog (12/31/98) 500

Total Assets 70

Return on capital employed 48%

Number of employees (12/31/98) 325

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SKANSKA AB  
Group Communication

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For additional information, contact:

Stuart E. Graham, President, Skanska USA, Tel +1 718 767 26 00

Tor Krusell, Director, Group Communication, Skanska AB, tel +46 8 753 88 00

*This and previous releases are also available on [www.skanska.com](http://www.skanska.com)*