

Q3

January - September 2022

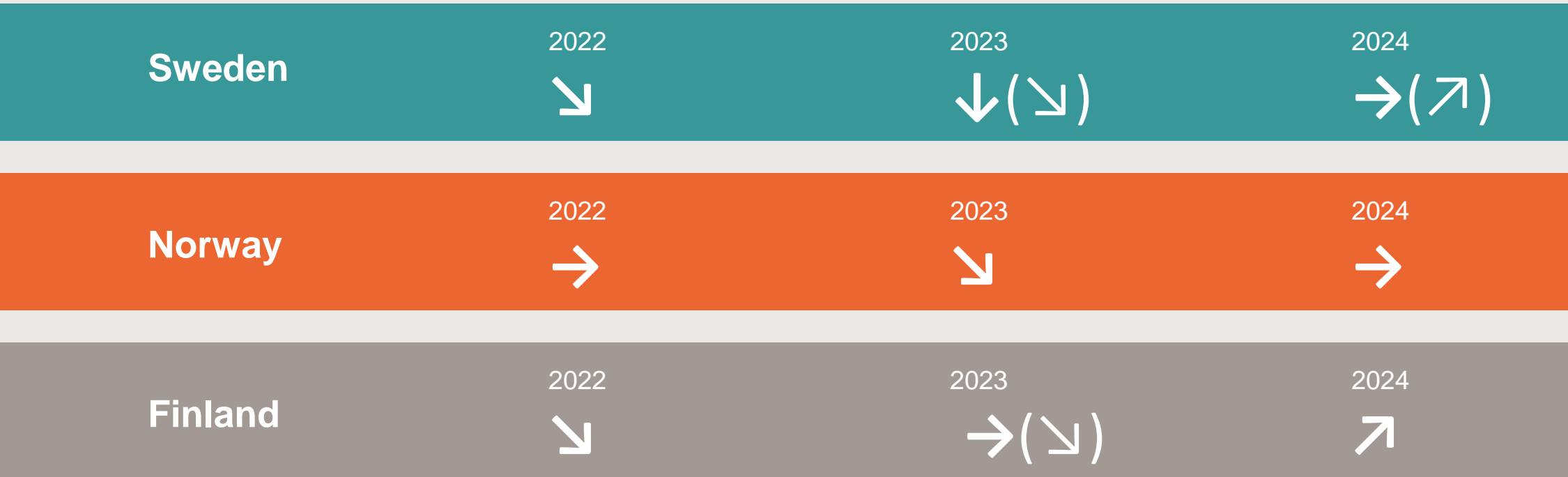
October 28, 2022

RASUNDA SQUARE  
Solna

## MARKET OUTLOOK

# Decline in housing investments

Started-up housing investments, new and renovations



Source: Navet

## MARKET OUTLOOK

# Decline also in other building construction

Started-up other building construction investments, new and renovations

Sweden	2022 →	2023 ↘	2024 ↗
Norway	2022 ↗(↑)	2023 ↘(↗)	2024 →
Finland	2022 ↘	2023 →	2024 ↗

Source: Navet

## MARKET OUTLOOK

# Civil engineering investments on a continued high level

## Civil engineering investments

Sweden	2022 →(↗)	2023 ↗(↘)	2024 →
Norway	2022 ↑	2023 →	2024 →
Finland	2022 →	2023 →	2024 →

Source: Navet

## MARKET OUTLOOK

# Diminished market forecast

Total construction and civil engineering investments, new and renovations

Sweden	2022 ↘(→)	2023 ↘	2024 ↗
Norway	2022 ↗	2023 →	2024 →
Finland	2022 ↘	2023 →	2024 ↗(→)

Source: Navet

# Continued good management

- Continued good management of cost increases in energy and input goods
- Cost increases contribute to higher net sales
- Costs not fully compensated
- Operating margin slightly diluted
- Our local business model reduces our vulnerability

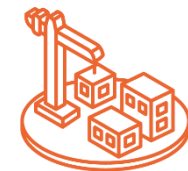




# Business area Construction

RØDTINDHALLEN  
Tromsø

# Business area Construction

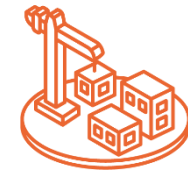


MSEK	Jul-Sep 2022	Jul-Sep 2021	Oct 2021-Sep 2022	Jan-Dec 2021
Net sales	6,306	5,989	28,816	26,980
Operating profit	126	164	672	711
Operating margin, %	2.0	2.7	2.3	2.6

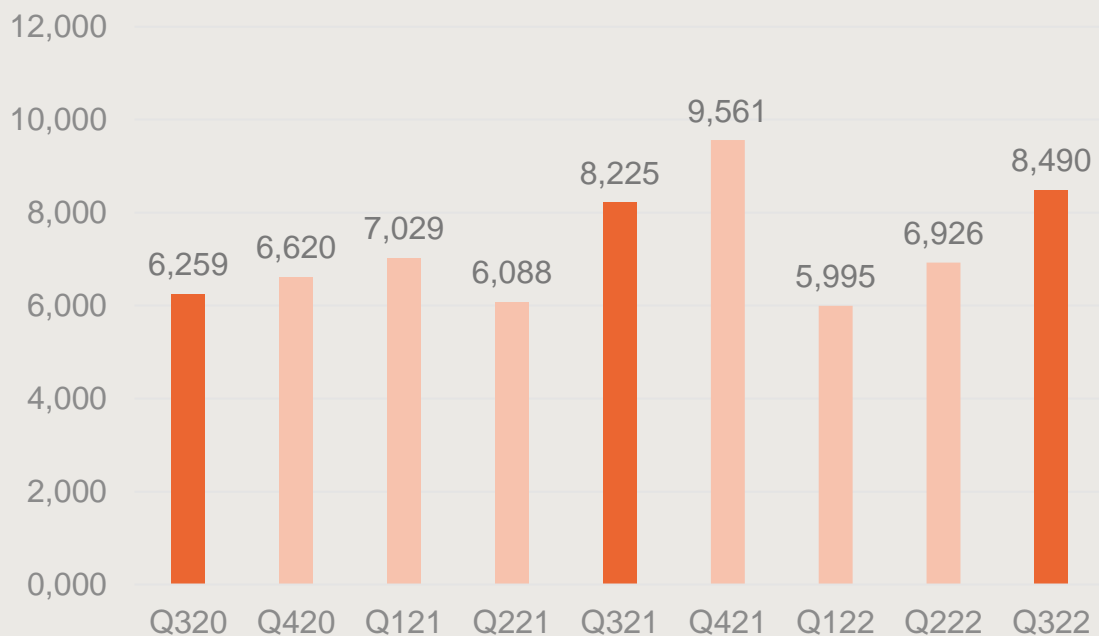


## BUSINESS AREA CONSTRUCTION

# High level of orders received and order backlog



### Orders received, MSEK



Order backlog

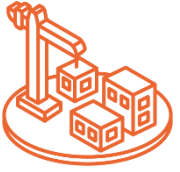
**31.1**

BSEK (28.7)



CENTRUMHUSET  
Norrahammar

# Good variation in type of product and geography



Rebuilding of the  
Sture area  
(2 000 MSEK)

New swimming pool  
facility  
(216 MSEK)

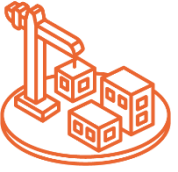
New transformer  
station  
(169 MNOK)

New  
building for  
long stay hotel  
(46 MEUR)

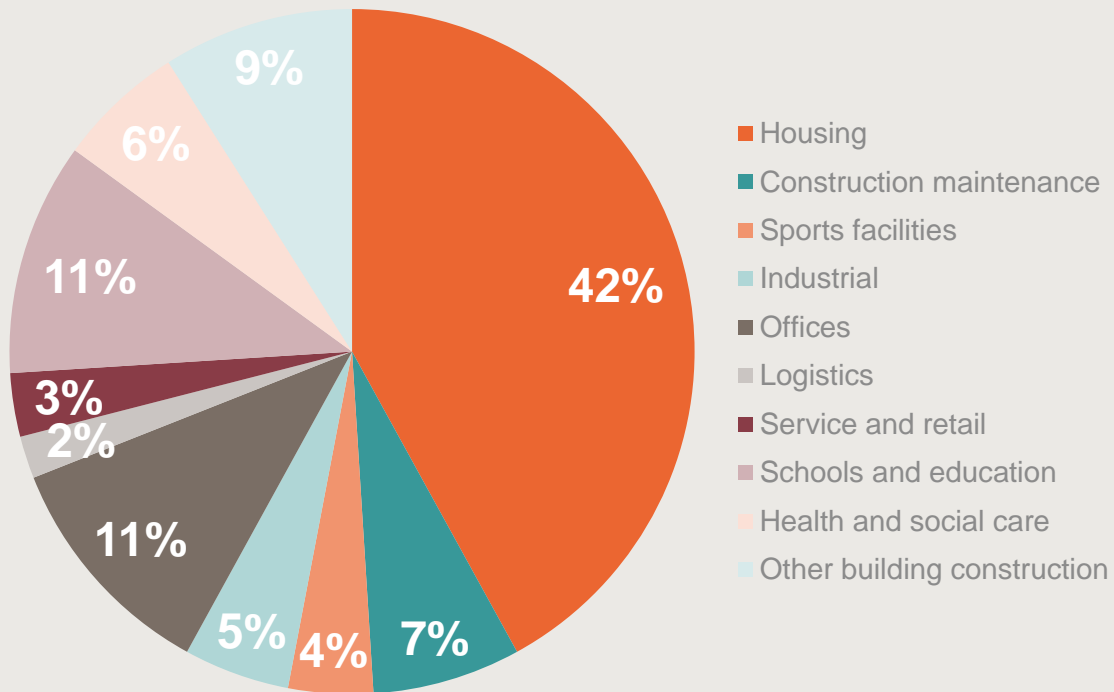


## BUSINESS AREA CONSTRUCTION

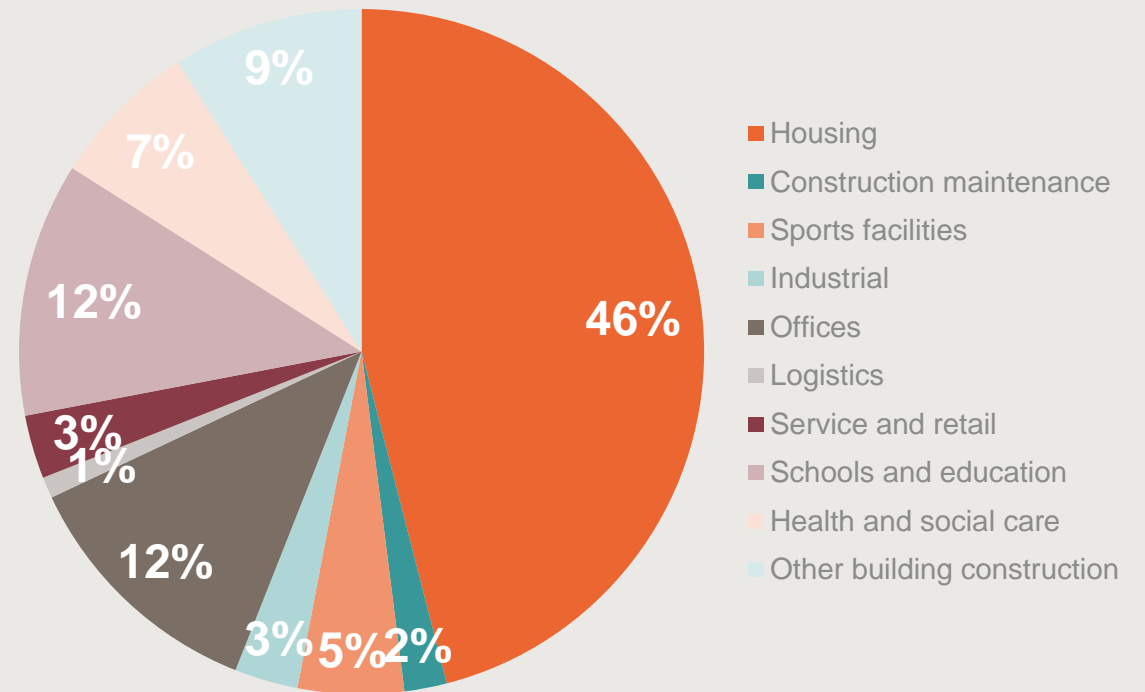
# Allocation per product area



### Net sales, rolling 12 months



### Order backlog, September 30, 2022





# Business area Civil Engineering

RAILROAD  
Högdalen

# Business area Civil Engineering

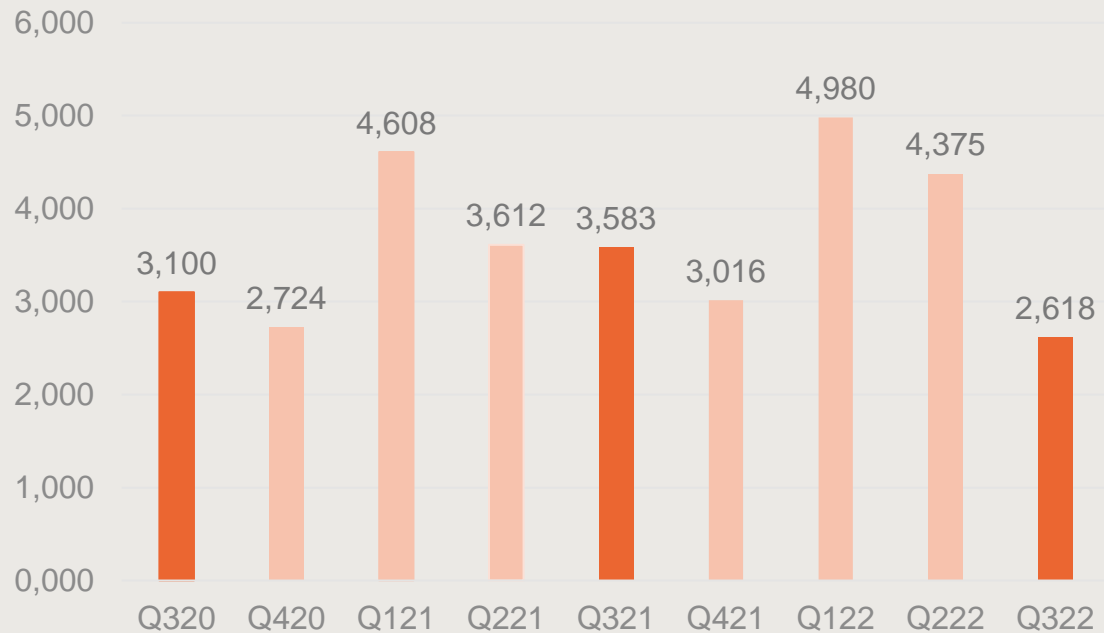


MSEK	Jul-Sep 2022	Jul-Sep 2021	Oct 2021-Sep 2022	Jan-Dec 2021
Net sales	3,584	3,285	14,622	14,180
Operating profit	118	109	483	471
Operating margin, %	3.3	3.3	3.3	3.3

# Stable level of orders received and high order backlog



### Orders received, MSEK



Order backlog

# 15.5

BSEK (15.1)

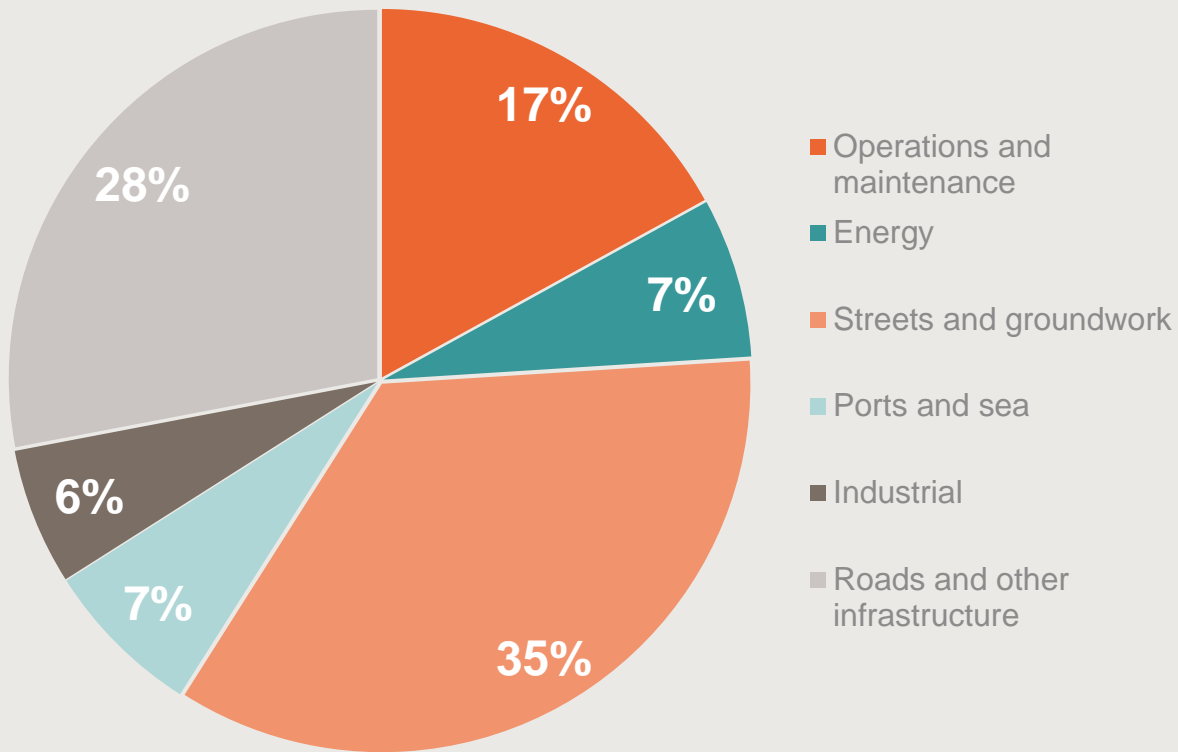


HARG'S HARBOUR  
Östhammar

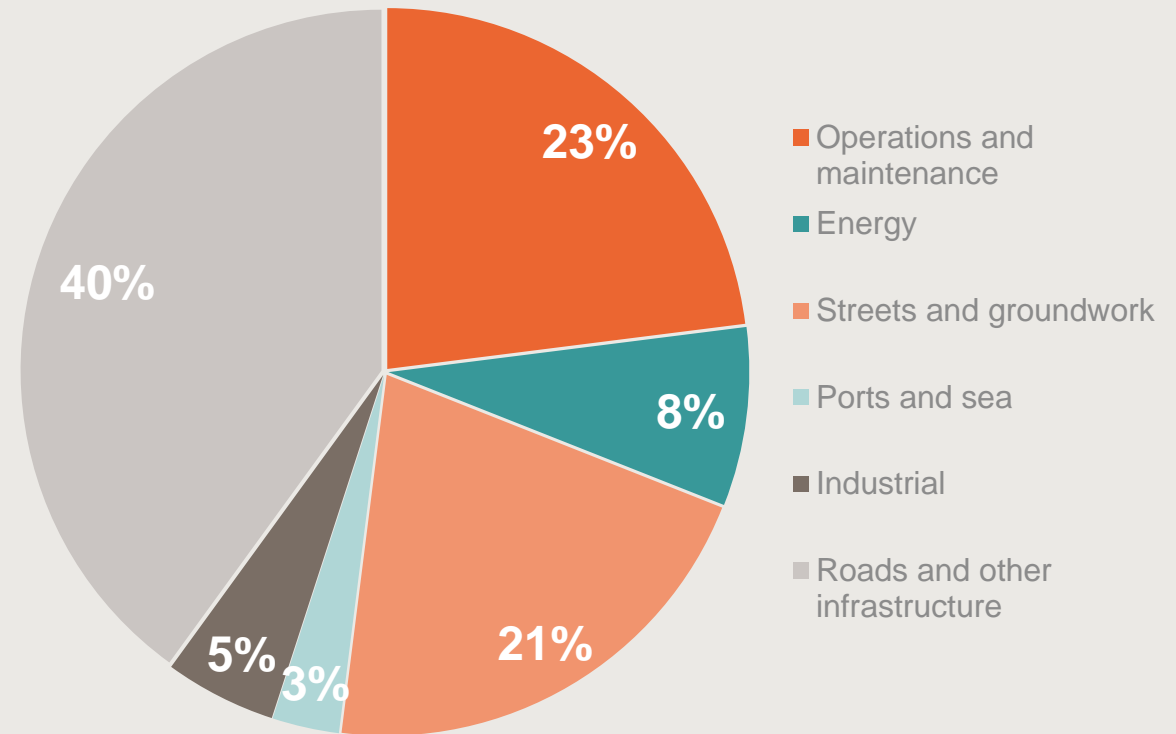
# Allocation per product area



### Net sales, rolling 12 months



### Order backlog, September 30, 2022





**Business area  
Industry**

SWEROCK'S  
ELECTRIC  
CONCRETE TRUCK  
Stockholm



# Business area Industry

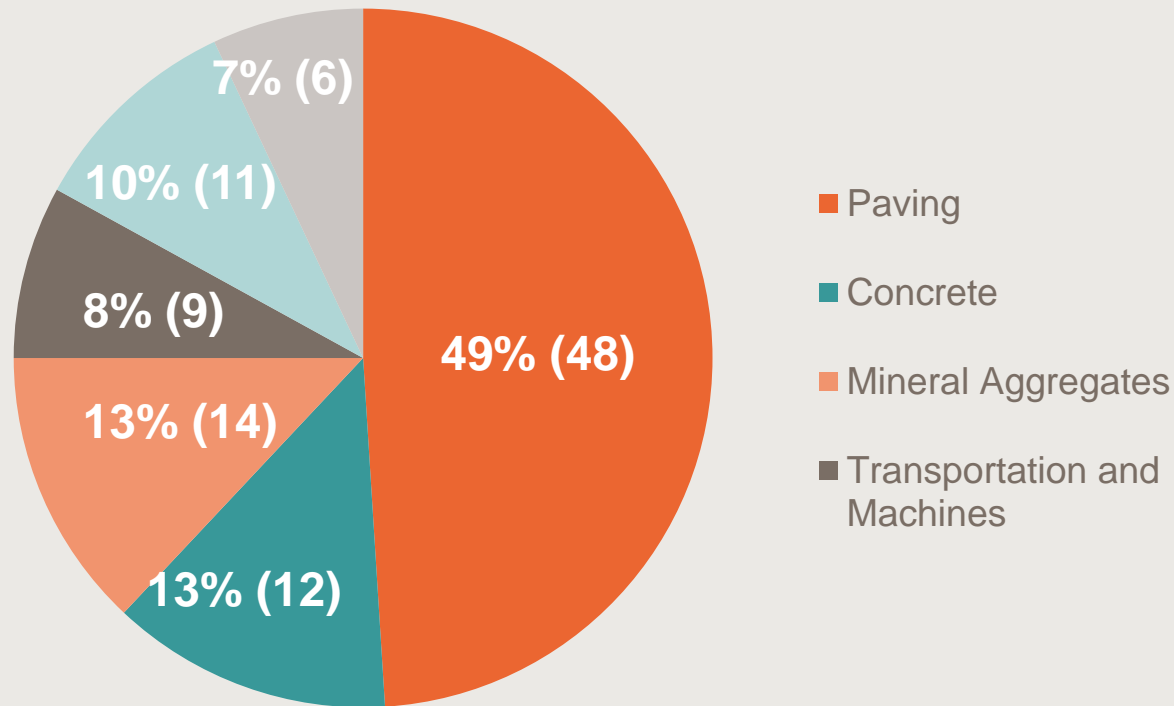


MSEK	Jul-Sep 2022	Jul-Sep 2021	Oct 2021-Sep 2022	Jan-Dec 2021
Net sales	7,096	6,198	20,913	18,787
Operating profit	519	576	884	938
Operating margin, %	7.3	9.3	4.2	5.0

# Allocation per product area



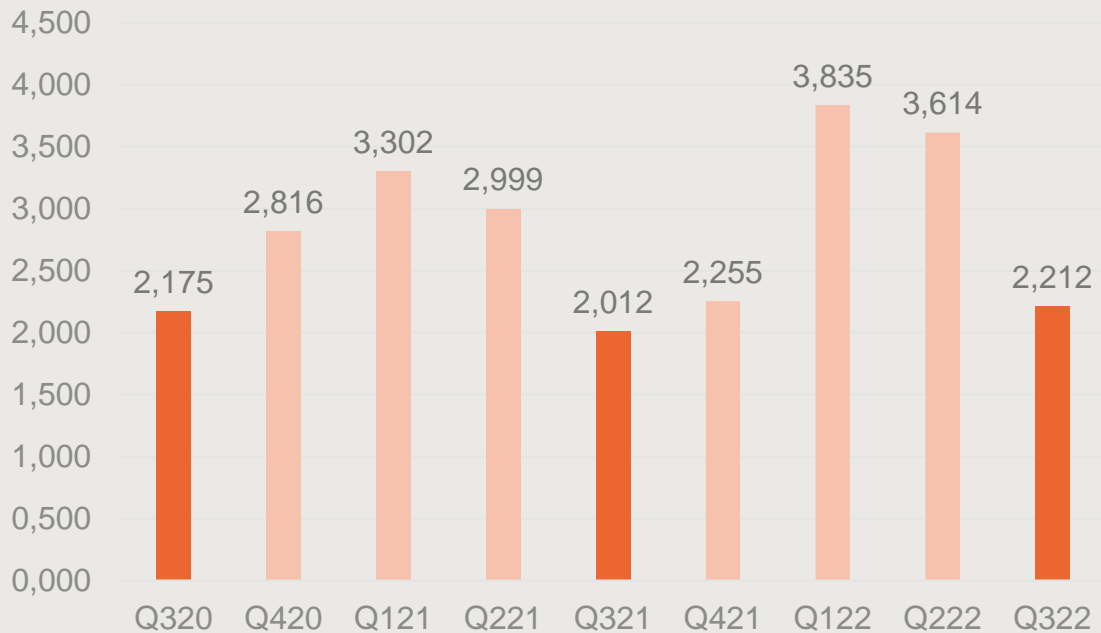
Net sales, rolling 12 months



# Stable level of orders received and order backlog



### Orders received, MSEK



Order backlog

# 4.3

BSEK (4.4)

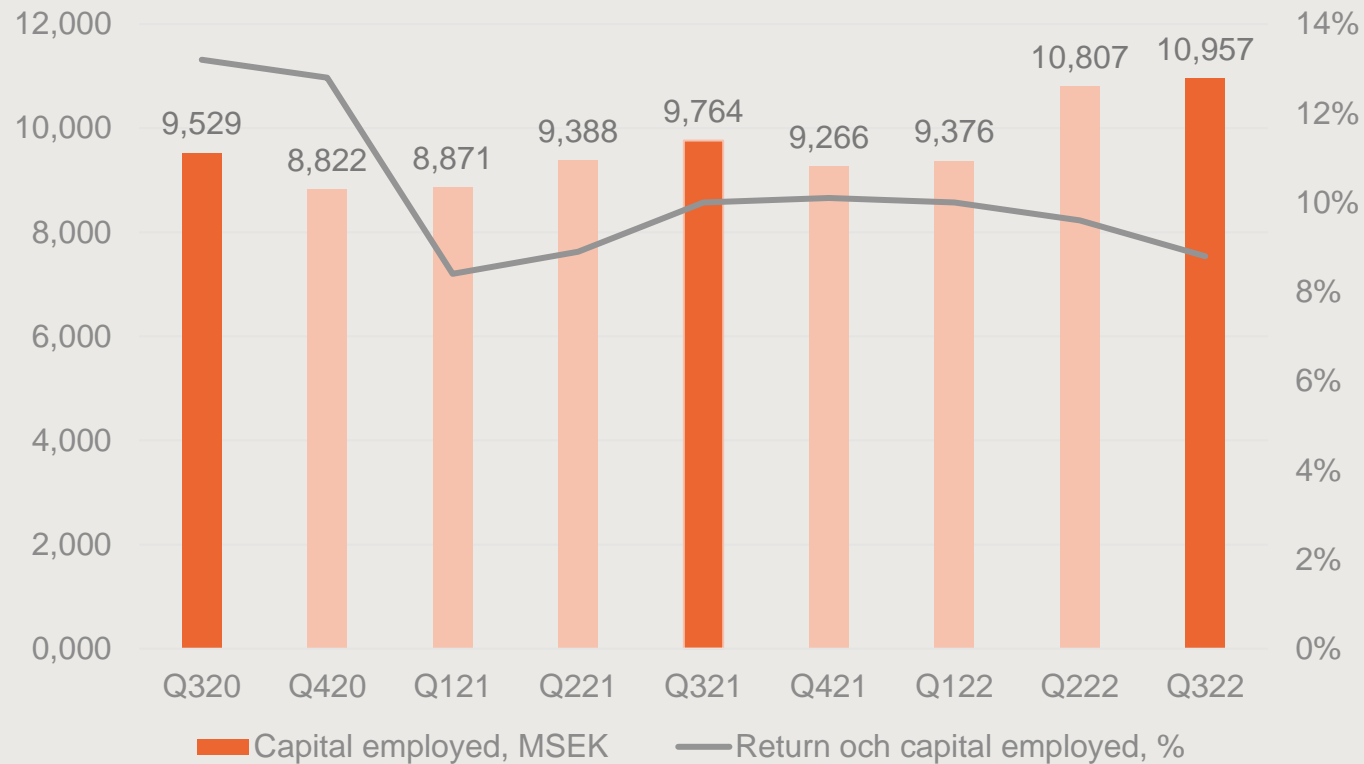


ASPHALT PLANT  
Lahti

# More tied-up capital in working capital



## Capital employed and return on capital employed\*



Return on capital employed

**8.8**  
% (10.0)

\*Based on rolling 12 months.



# Business area Project Development

GRANDKVARTALET LARVIK  
Larvik

# Business area Project Development



MSEK	Jul-Sep 2022	Jul-Sep 2021	Oct 2021-Sep 2022	Jan-Dec 2021
Net sales	2,234	2,741	9,792	9,497
Operating profit	265	326	1,264	1,237
Operating margin, %	11.9	11.9	12.9	13.0
<i>of which Housing Development</i>	9.0	9.5	11.0	11.2

# Fewer housing start-ups and sales



Number	Jul-Sep 2022	Jul-Sep 2021	Oct 2021-Sep 2022	Jan-Dec 2021
Housing start-ups	428 <sup>1</sup>	678 <sup>1</sup>	2,575	3,020
Sold homes	257	747	2,348	3,047
Repurchased homes on the balance sheet at the end of the period	103	170	103	144

<sup>1</sup>Includes 56 (75) homes that have been converted from rental apartments.

# Examples of production-started homes

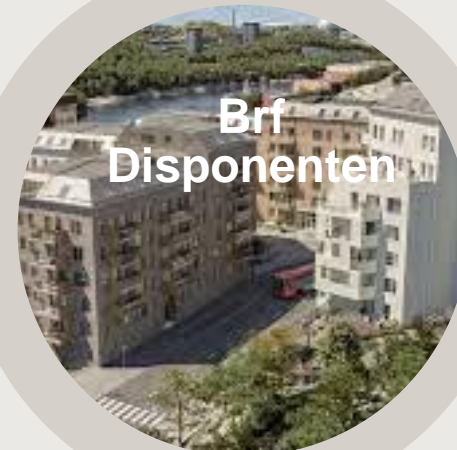
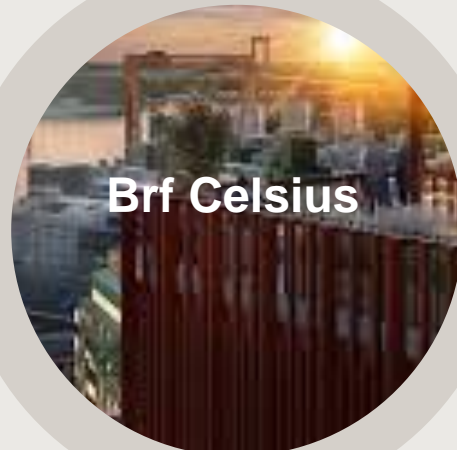


106 apartments in  
Partille

91 apartments in  
Gothenburg

91 apartments in  
Nacka

65 apartments in  
Turku





# Housing Development after the third quarter



Number of homes  
in production

**5,046**

(4,487)

Homes under  
construction sold

**72%**

(77)

BRF LIMESTONE  
Klagshamn

# Rentals on our own balance sheet



Number of rentals	Jul-Sep 2022	Jul-Sep 2021	Oct 2021-Sep 2022	Jan-Dec 2021
Production-started homes	42	-	630	676
Sold homes	-	-	-	91
Converted to tenant-owner associations	56	75	292	426
Total number of homes in production, at the end of the period	1,061 <sup>1</sup>	723	1,061	922

<sup>1</sup>Of which 932 (528), respectively 88 percent (73), are under contract to be sold upon completion

# Total number of homes in production



	Number per September 30, 2022	of which sold
Tenant-owner associations, ownership and residential limited companies	5,046	72 %
Rentals	1,061	88 %
<b>Total number in production</b>	<b>6,107</b>	<b>75 %</b>

# Ongoing property projects in Property Development

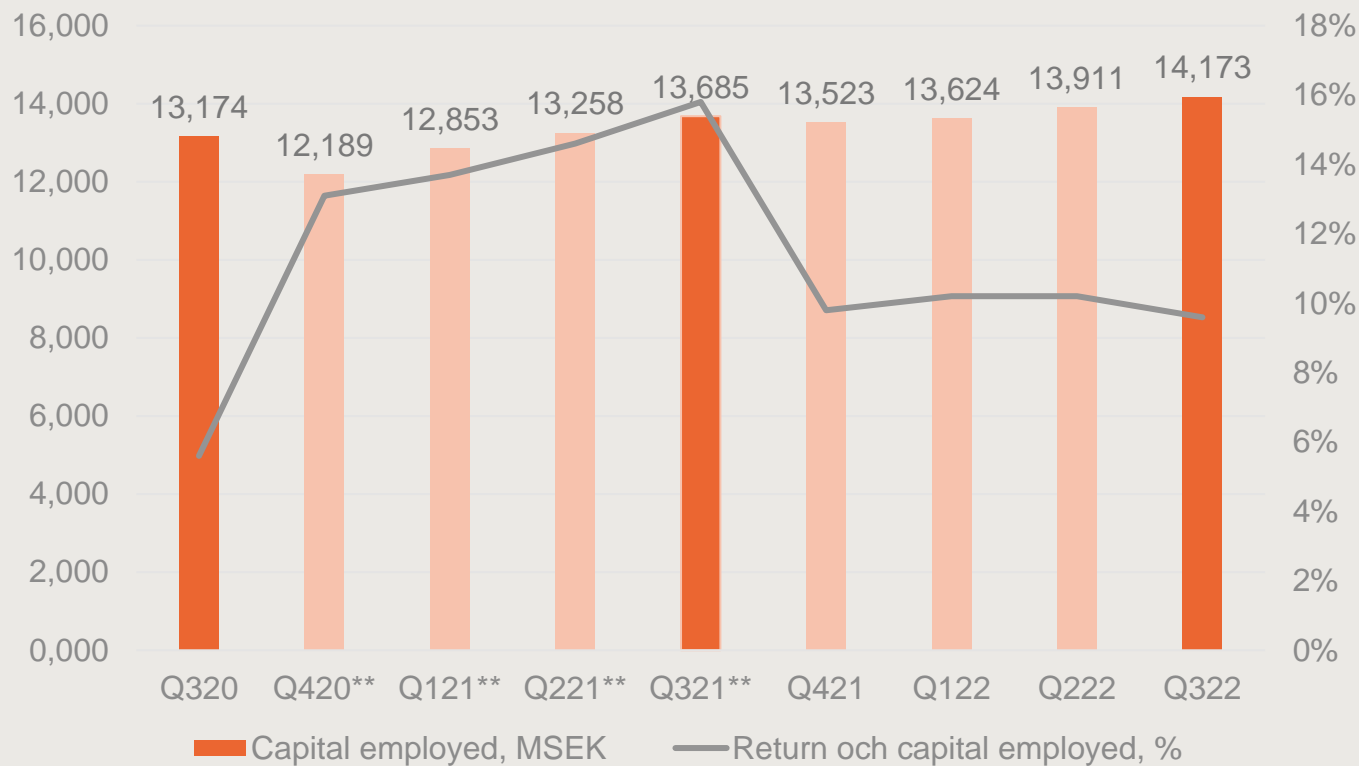


Type of project	Location	Rentable area, m <sup>2</sup>	Degree rented, %	Recognized value, MSEK	Total investment at completion, MSEK	Timepoint of completion	Level of completion, %
Warehouse building	Trollhättan	3,900	100	47	51	Q4-2022	92
Office building	Malmö	7,100	43	187	313	Q1-2023	60
Office building	Jönköping	3,200	100	10	101	Q4-2023	10
Office building	Gothenburg	13,100	0	185	533	Q3-2024	35

# Stable level of capital employed and returns



Capital employed and return on capital employed\*



Return on capital employed

**9.6**  
% (15.8)

\*Calculated on rolling 12 months.

\*\*The effect on profit of the distribution of Annhem Fastigheter of MSEK 896 is included in the return on capital employed.



# The Peab Group

OSEBAKKEN PARK  
Porsgrunn

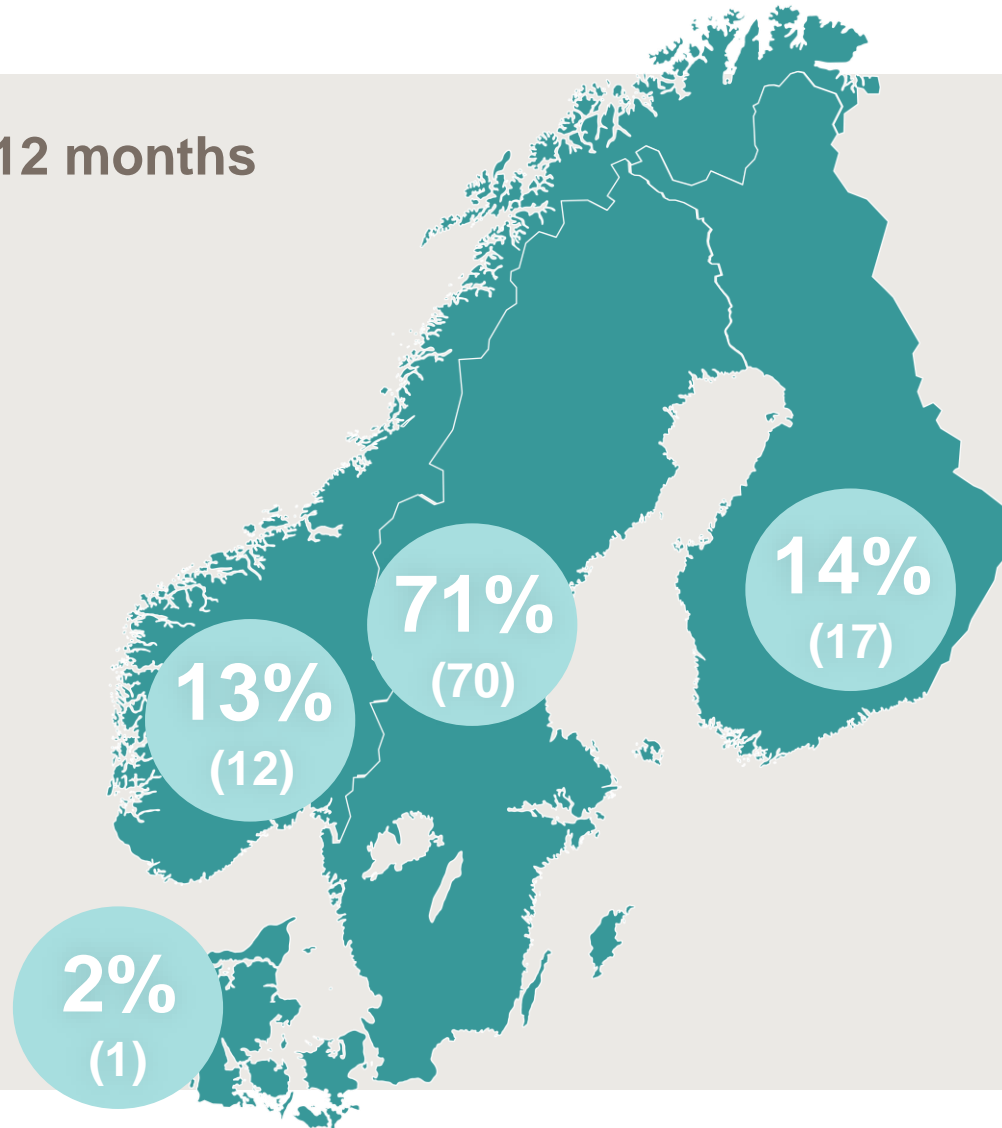
# Segment reporting

MSEK	Jul-Sep 2022	Jul-Sep 2021	Oct 2021- Sep 2022	Jan-Dec 2021
Net sales	16,685	16,121	63,607	60,026
Operating profit	993	1,101	3,134	3,098
Operating margin, %	6.0	6.8	4.9	5.2

THE GROUP

## Large presence in the Nordic region

Net sales, rolling 12 months

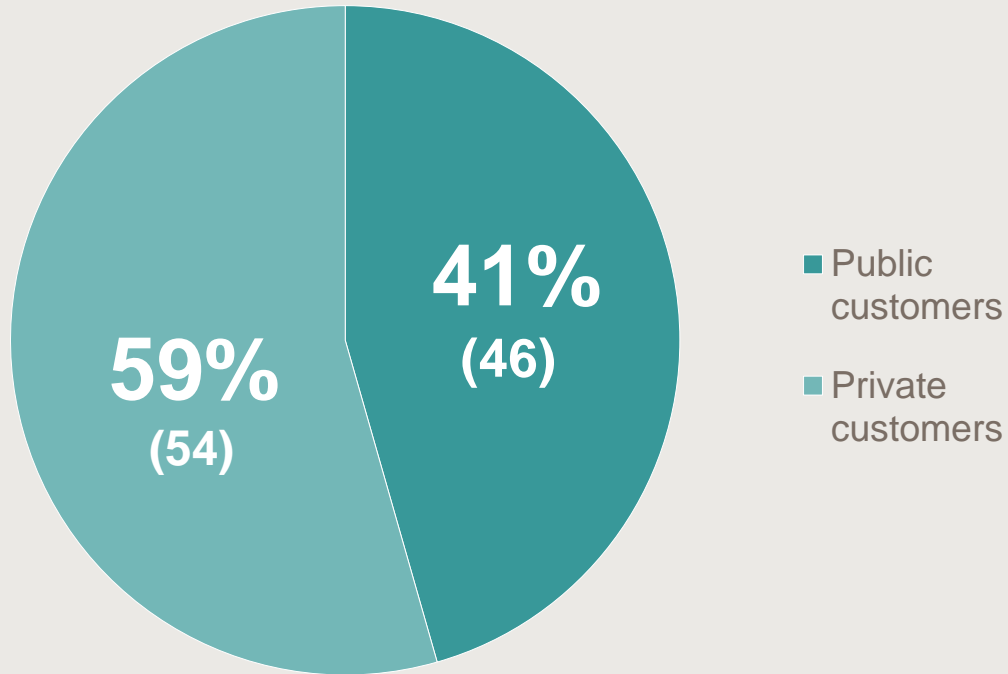




## THE GROUP

# Large portion of public customers

Net sales, rolling 12 months



THE GROUP

# High level of orders received and good risk diversification

Orders received

**13.1**

BSEK (13.7)

Order backlog

**48.8**

BSEK (46.3)

Share of projects  
under MSEK 500

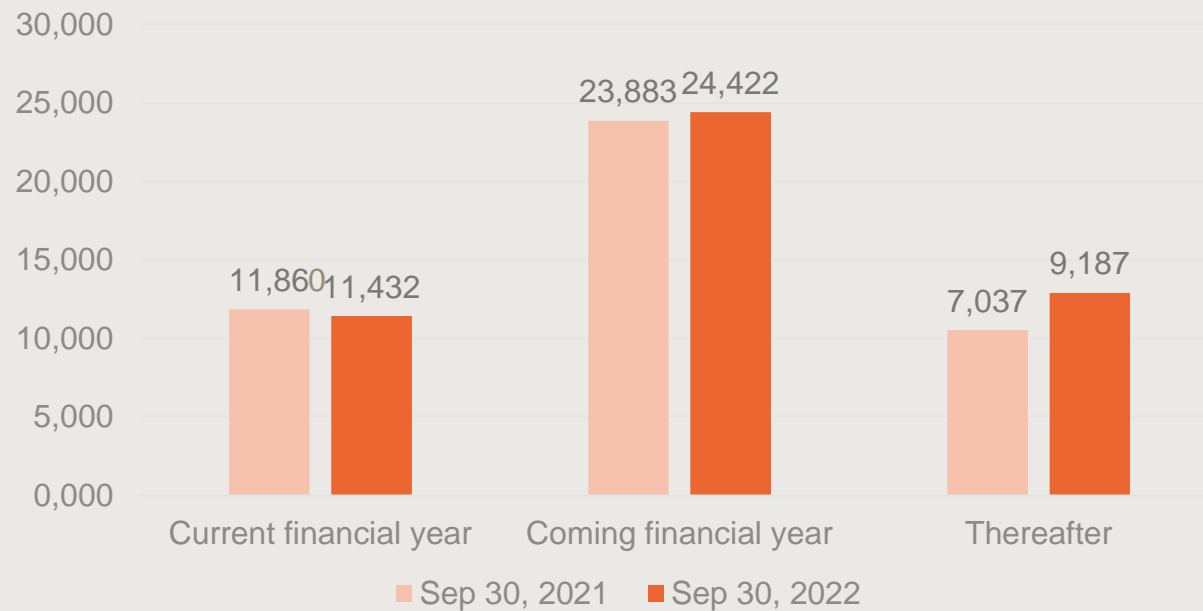
**82%**

(86)

BRF DOCKPORTEN  
Malmö

# High level of order backlog

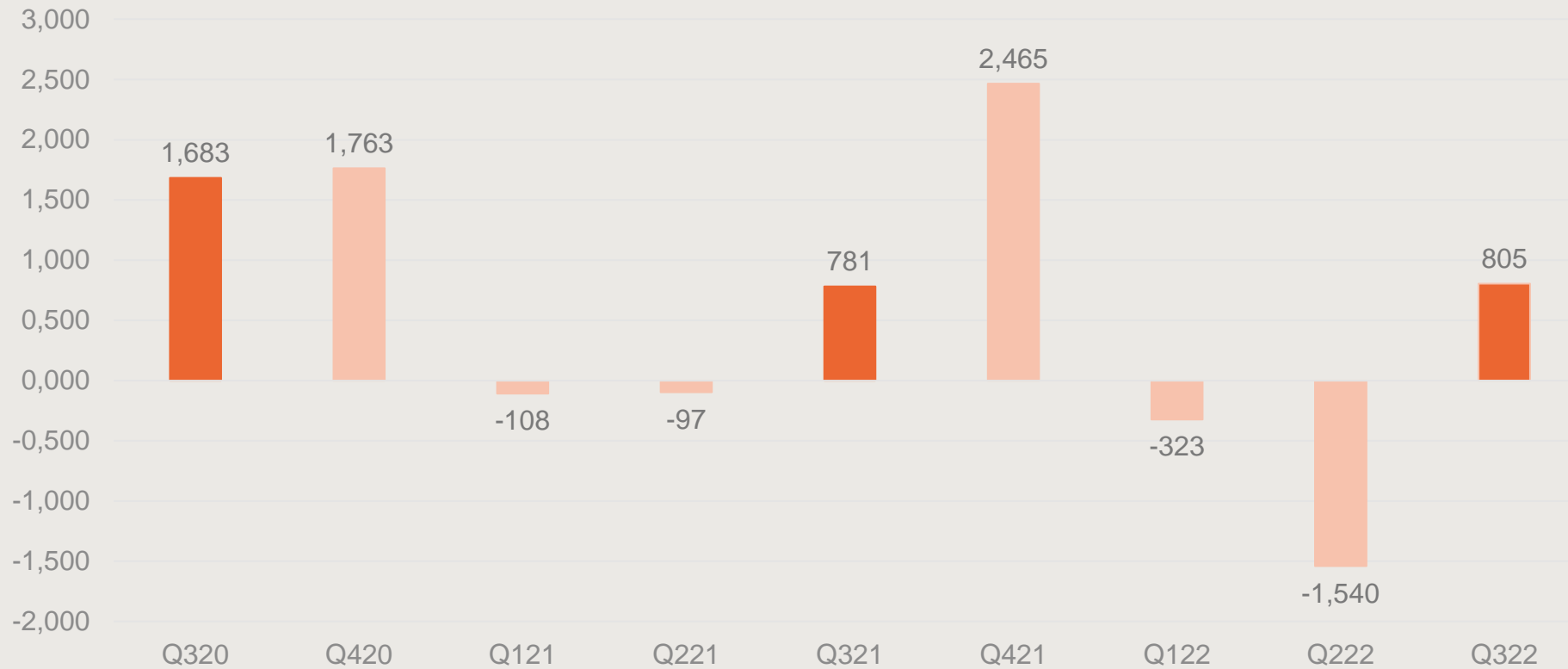
### Order backlog allocated over time, MSEK



**77%**  
after current  
financial year (74)

# Cash flow affected by seasonal patterns

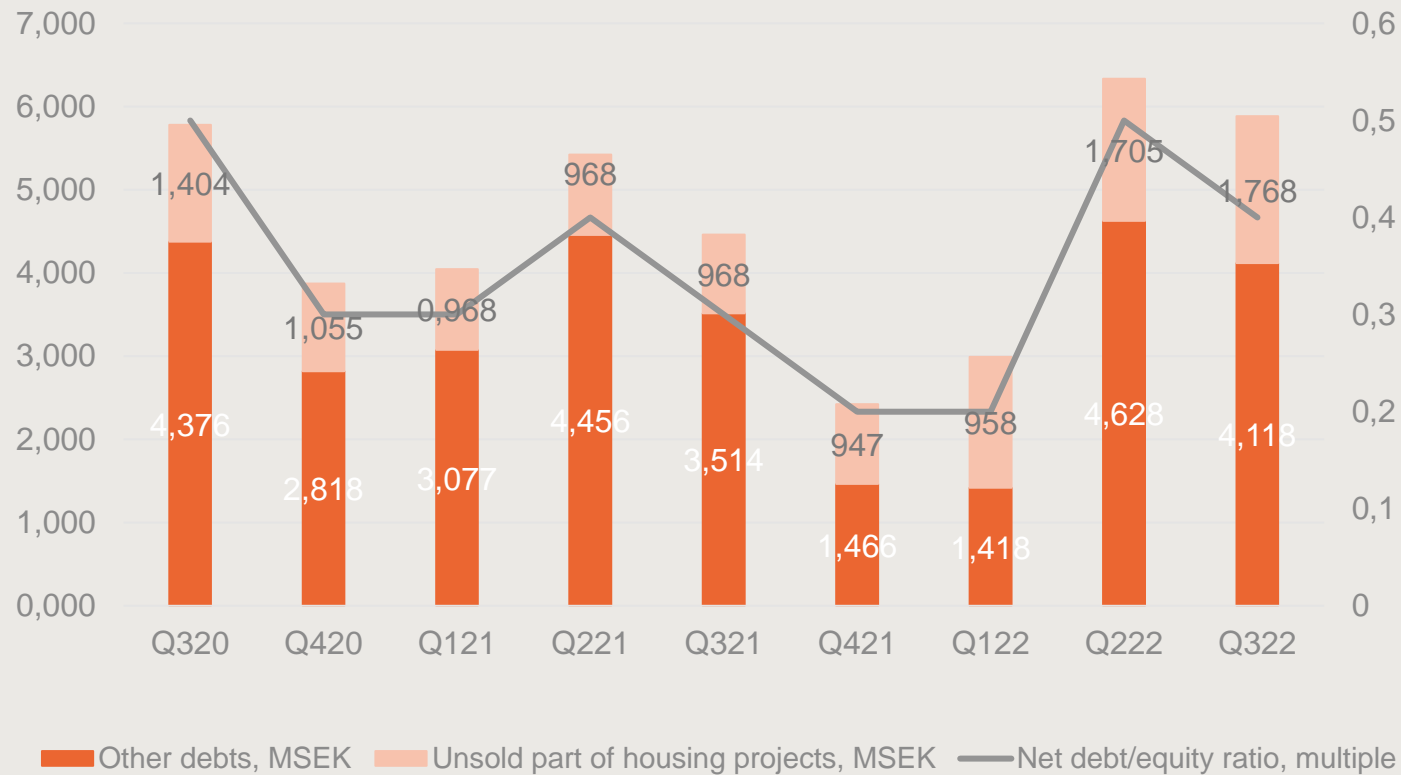
Cash flow before financing, MSEK



## THE GROUP

# Net debt affected by more tied-up working capital and repurchase of own shares

## Net debt and net debt/equity ratio



Net debt

**5.9**

BSEK (4.5)



# Target checkpoint

# Four target areas, nine external targets

**Most satisfied customers**



**CSI**  
always over  
**75**


**Best workplace**



**eNPS**  
always over benchmark


**Zero vision**  
Serious accidents  
Through a contracting trend

**Most profitable company**



Operating margin  
**>6 %**  
Net debt/equity ratio  
**0.3-0.7**  
Dividend  
**>50 %**

**Leader in social responsibility**



Carbon dioxide intensity Own production	Carbon dioxide intensity Input goods & purchased services
<b>-60 %</b>	<b>-50 %</b>
Reduction by 2030	Reduction by 2030

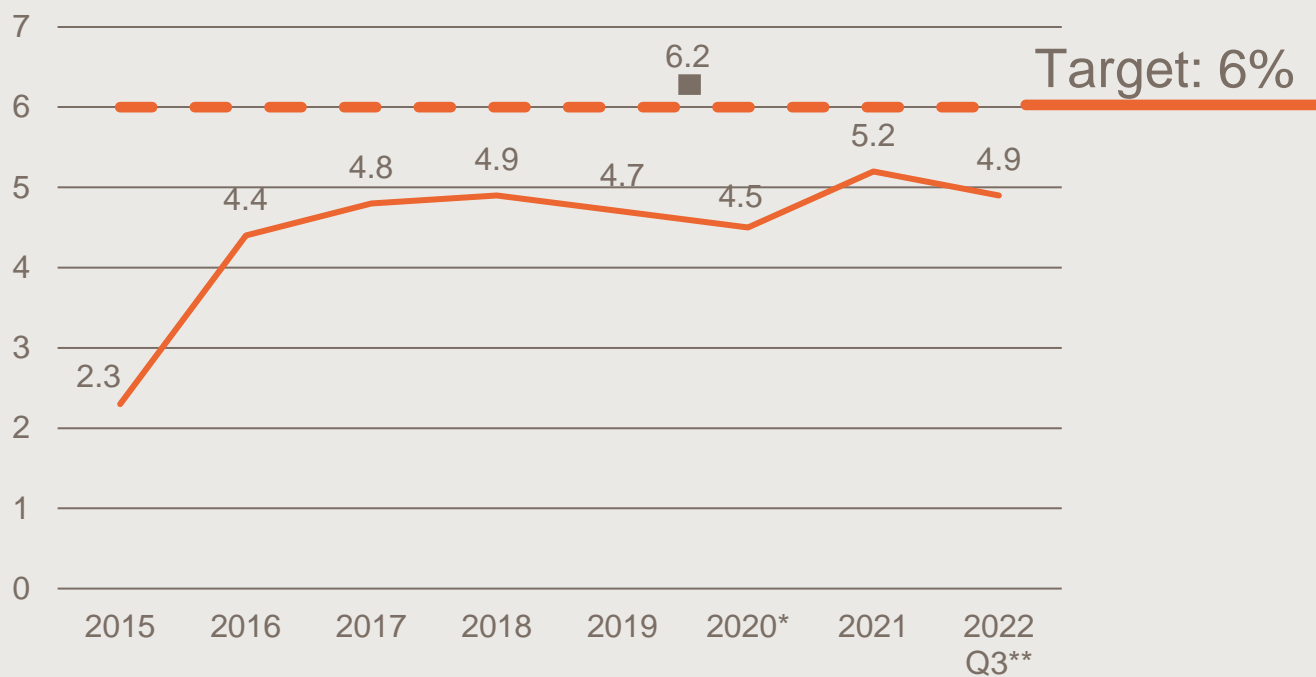
**Equal opportunity recruitment:**  
Number of women  
**always over**  
education market

## MOST PROFITABLE COMPANY

# Operating margin over six percent



### Operating margin, Group



\*Operating margin exclusive effect of the distribution of Annehem Fastigheter of MSEK 952.

\*\* Based on rolling 12 months.

Years 2015-2018 are not translated according to the changed accounting principles for our own housing development projects.



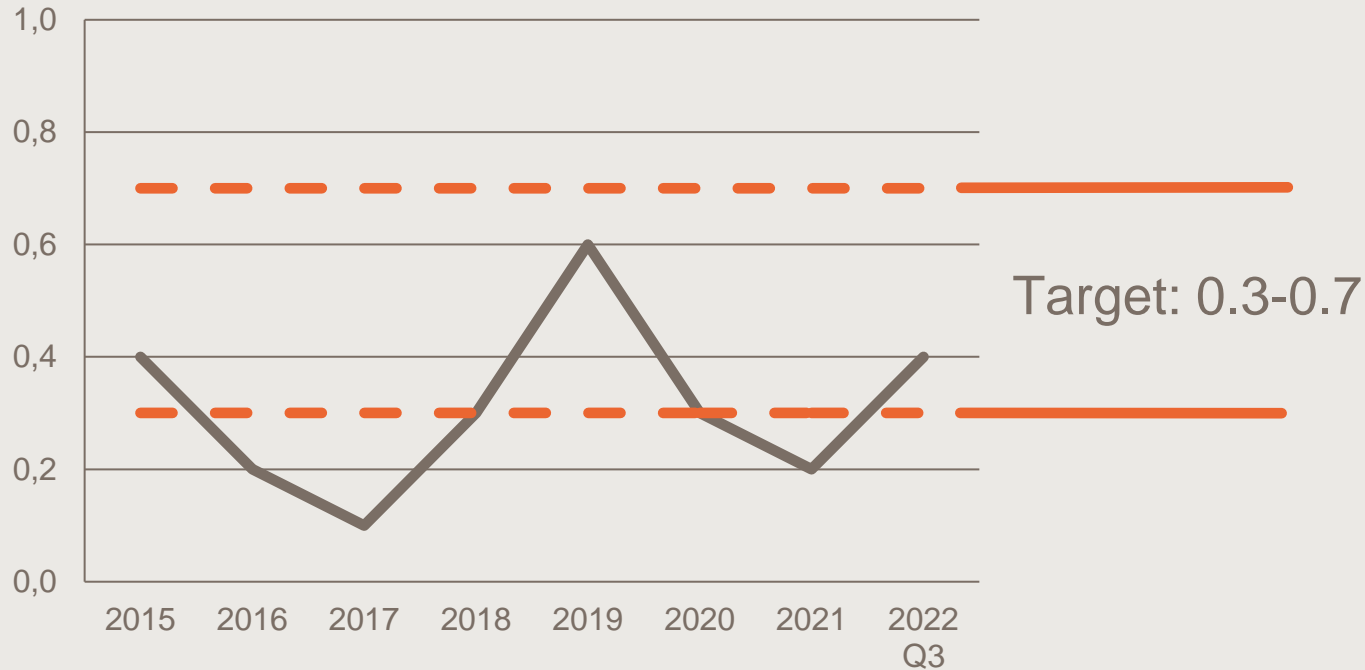


**MOST PROFITABLE COMPANY**

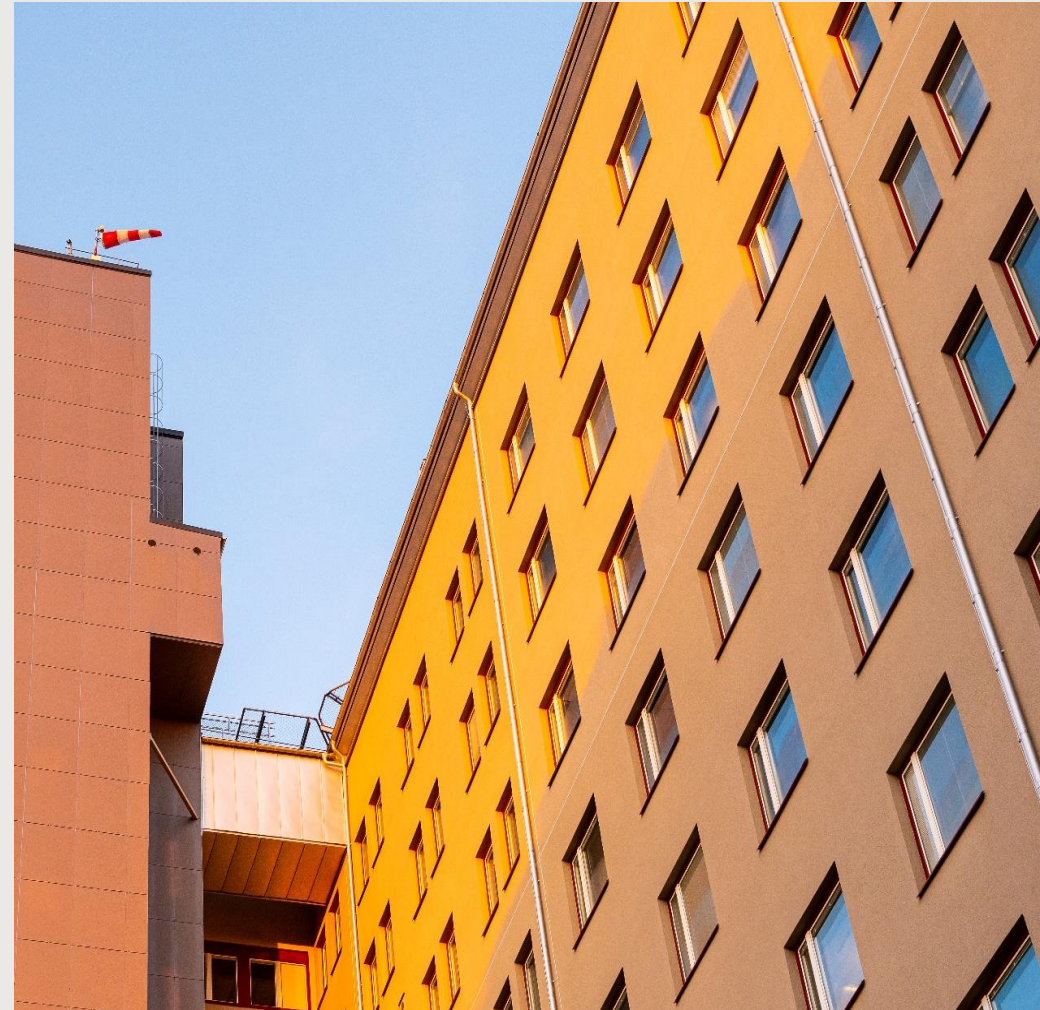
# Net debt/equity ratio within interval 0.3-0.7



### Net debt/equity ratio, Group



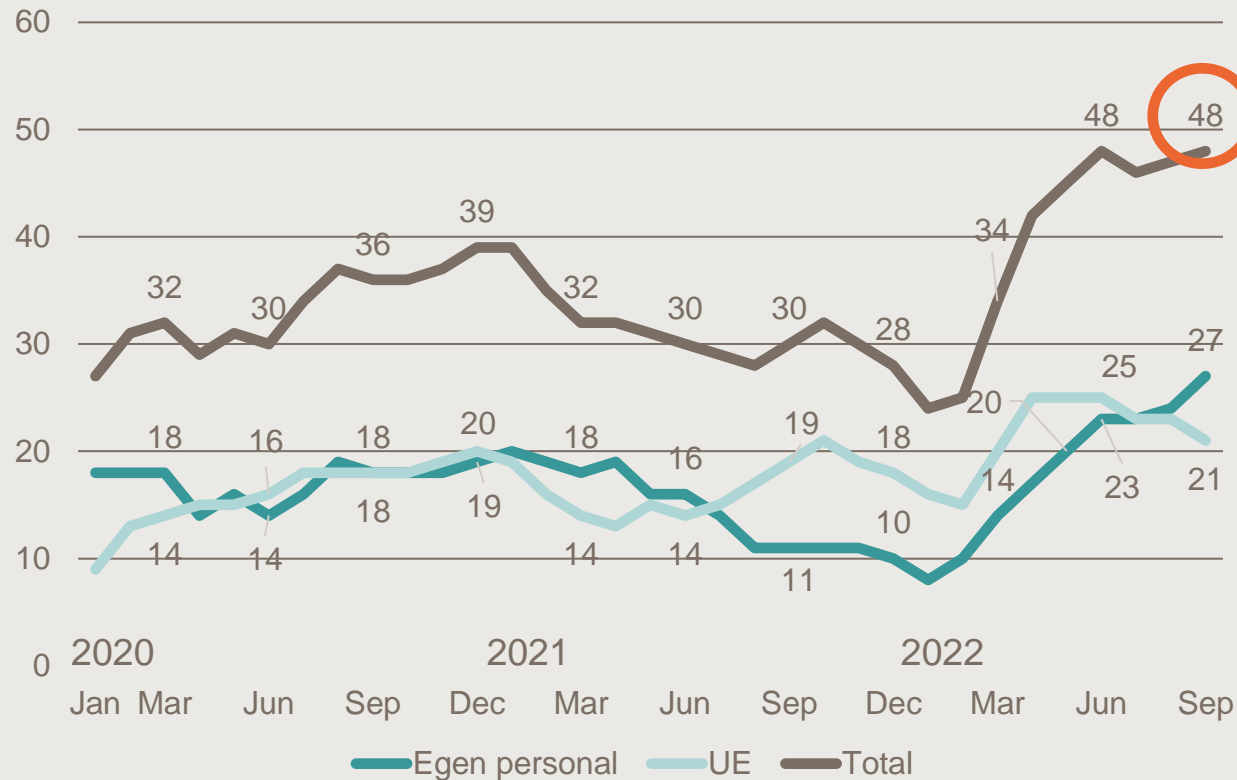
Years 2015-2018 are not translated according to the changed accounting principles for our own housing development projects



# Zero vision for workplace accidents



### Serious accidents, rolling 12 months, category 4



Target: Contracting trend  
Target 2022: <28

JAN-SEP 2022

# Continued high net sales with stable profit

- Continued rising in net sales
- Continued good management of cost increases, although they are not fully compensated
- Stable level of orders received and high order backlog
- Significantly lower level of start-ups and sales of our own housing developments
- Market conditions difficult to predict with uncertainty around higher cost for input goods, energy and interest rates
- Long-term substantial need for our products and services
- Strong financial position



CONCRETE MIXER  
ELECTRICTRUCK  
Stockholm



Q4

**Next report:**  
**Year-end report 2022**  
February 3, 2023

# Thank you!

