



Q2



January - June 2022

July 15, 2022

HIGHWAY 23
Växjö

MARKET OUTLOOK

Housing investments – some decline ahead

Started-up housing investments, new and renovations

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

Source: Navet

MARKET OUTLOOK

Stable level of 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

Stable market prospects but with continued uncertainty

Total construction and civil engineering investments, new and renovations

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

Source: Navet

Price increases and delivery disturbances

- Higher prices for energy and input goods, as well as disruptions in the supply chain, have been handled well
- Our local business model reduces our vulnerability
- Price increases contribute to higher net sales
- Costs covered in general
- Operating margin slightly diluted

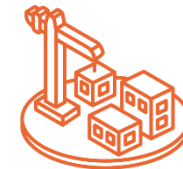




Business area Construction

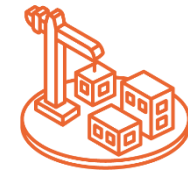
RØDTINDHALLEN
Tromsø

Business area Construction

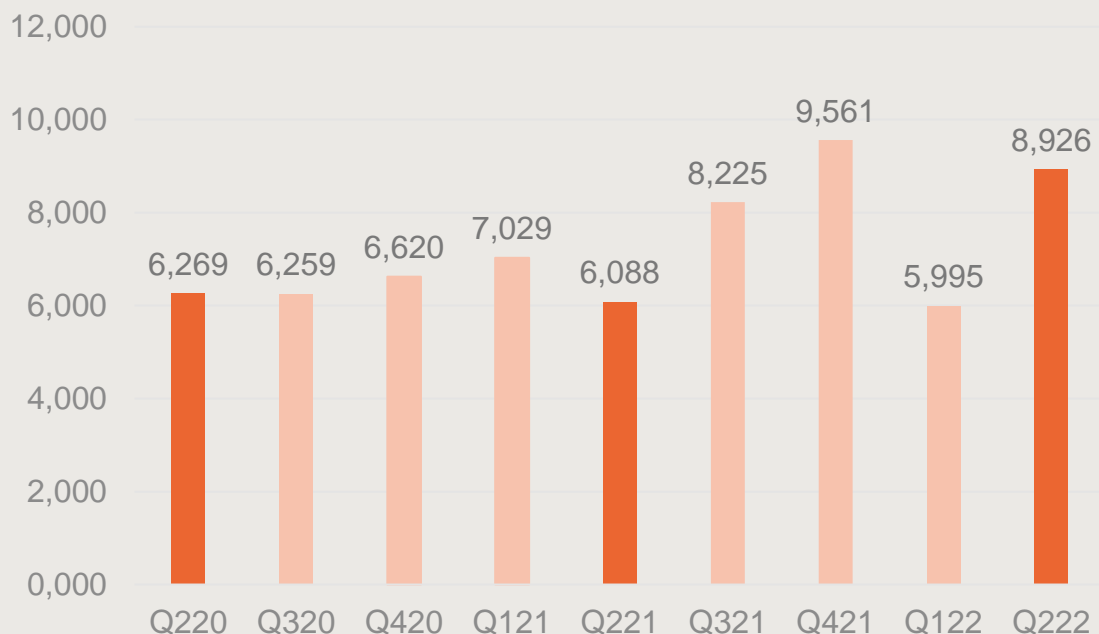


MSEK	Apr-Jun 2022	Apr-Jun 2021	Jul 2021-Jun 2022	Jan-Dec 2021
Net sales	7,628	6,648	28,499	26,980
Operating profit	177	187	710	711
Operating margin, %	2.3	2.8	2.5	2.6

Stable level of orders received and high order backlog



Orders received, MSEK

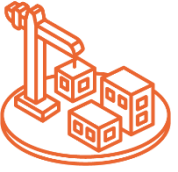


Order backlog
28.8
BSEK (26.4)



CENTRUMHUSET
Norrahammar

Good variation in type of product and geography



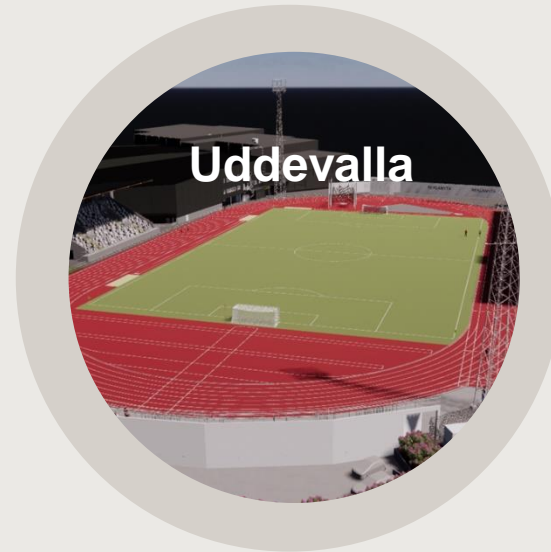
Extension of hospital
(695 MSEK)



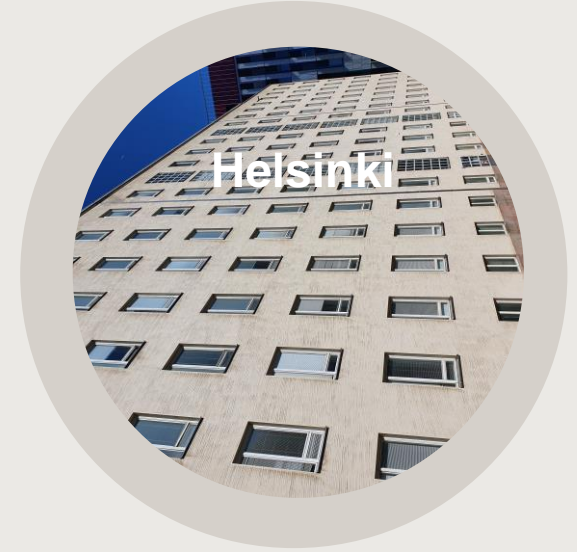
Extension of prison
(364 MSEK)



Renovation of stadium
(211 MSEK)

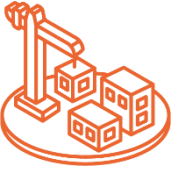


Renovation of hospital
(30 MEUR)

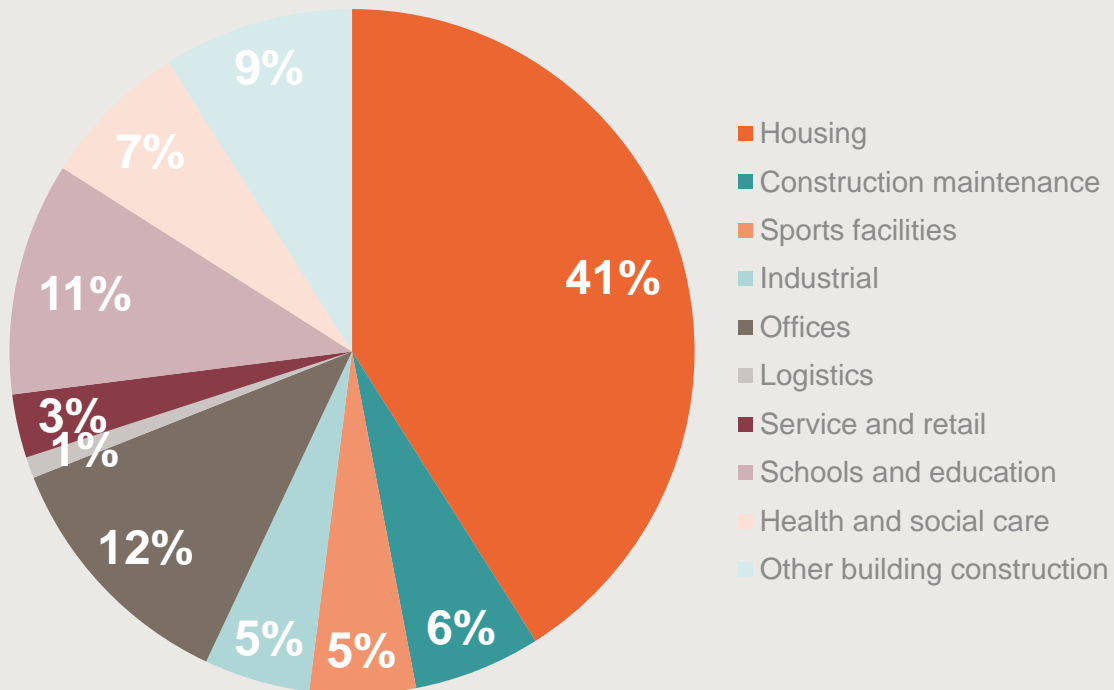


BUSINESS AREA CONSTRUCTION

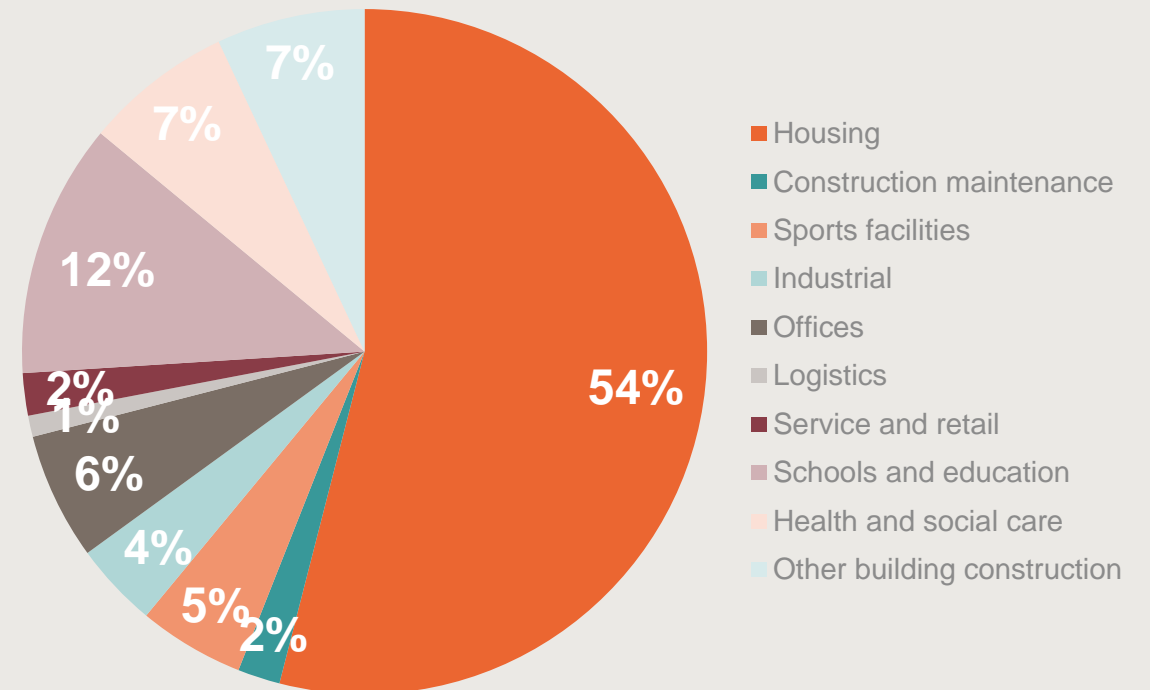
Allocation per product area



Net sales, rolling 12 months



Order backlog, June 30, 2022





Business area Civil Engineering

RAILROAD
Högdalen

Business area Civil Engineering

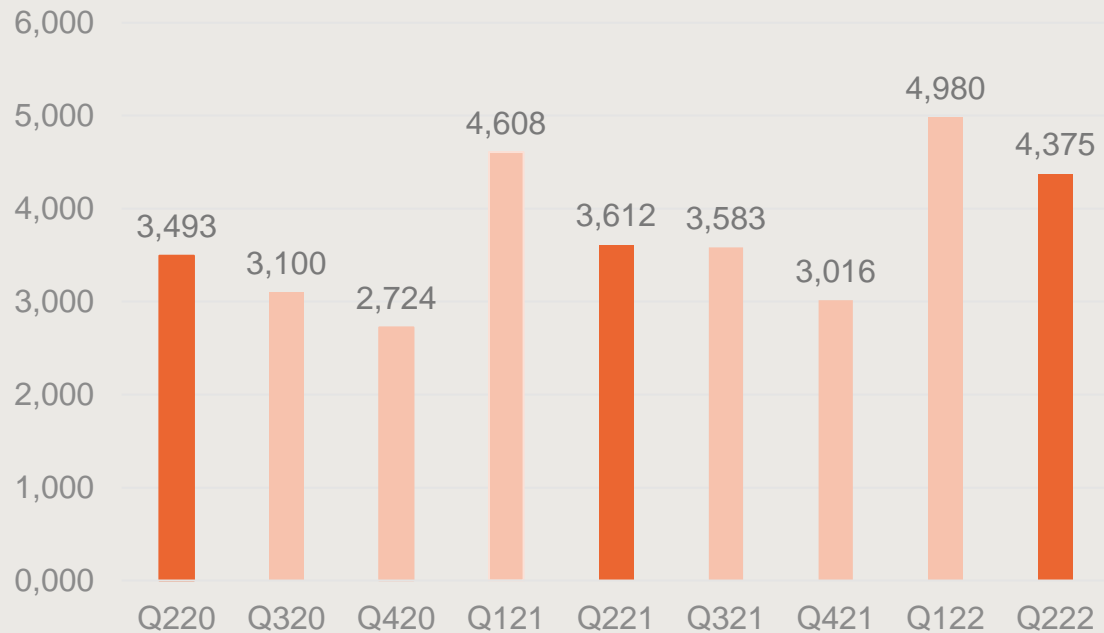


MSEK	Apr-Jun 2022	Apr-Jun 2021	Jul 2021-Jun 2022	Jan-Dec 2021
Net sales	3,893	3,743	14,323	14,180
Operating profit	148	146	474	471
Operating margin, %	3.8	3.9	3.3	3.3

High level of orders received and order backlog



Orders received, MSEK



Order backlog

16.4

BSEK (14.7)



THE STRIDSBERG
BRIDGE
Trollhättan

New projects in the second quarter

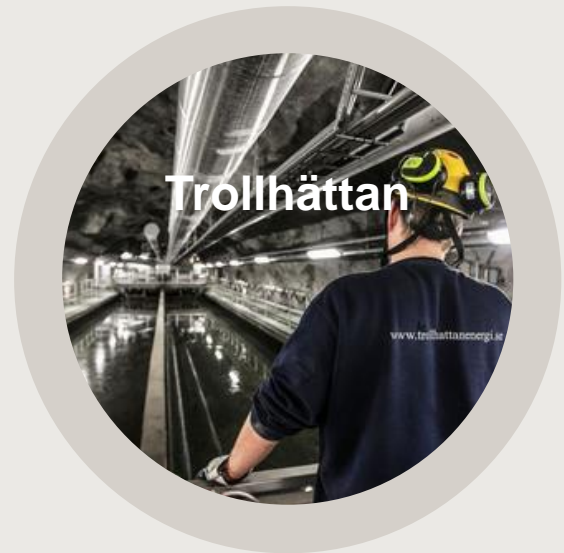
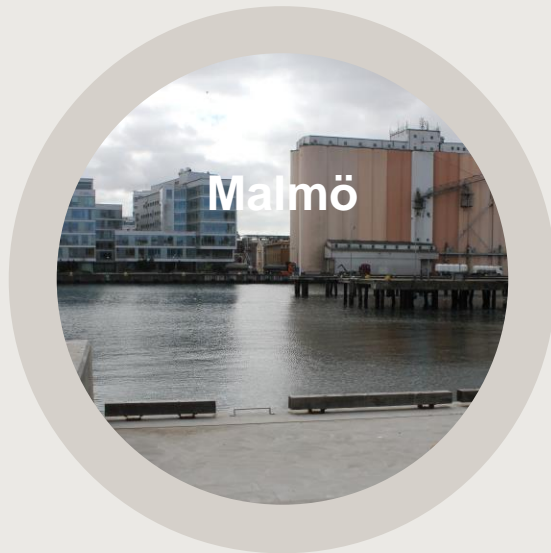
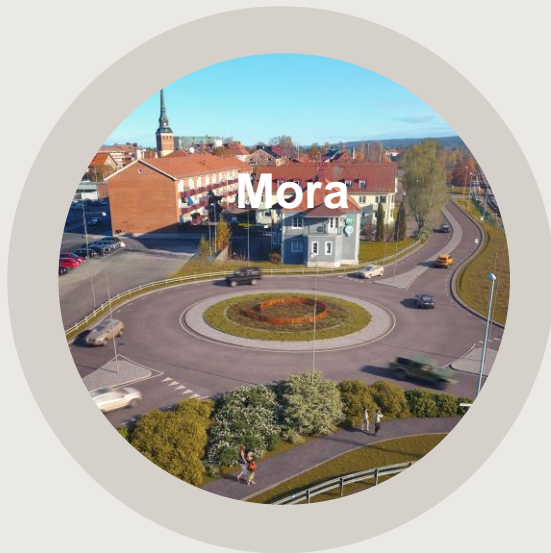


New lock canal
(1,500 MSEK)

Reconstruction of
E45/Highway 70
(143 MSEK)

Bridge to new
neighborhood
(206 MSEK)

Extension of
waste water
treatment plant
(125 MSEK)

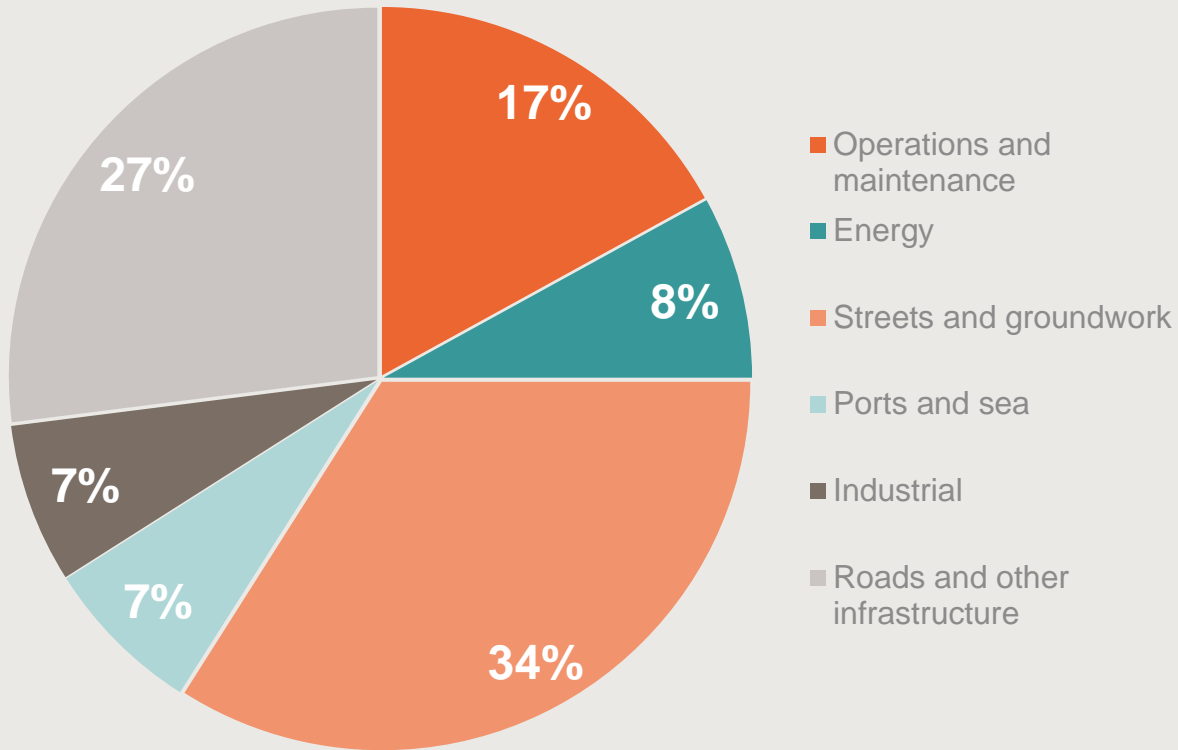


BUSINESS AREA CIVIL ENGINEERING

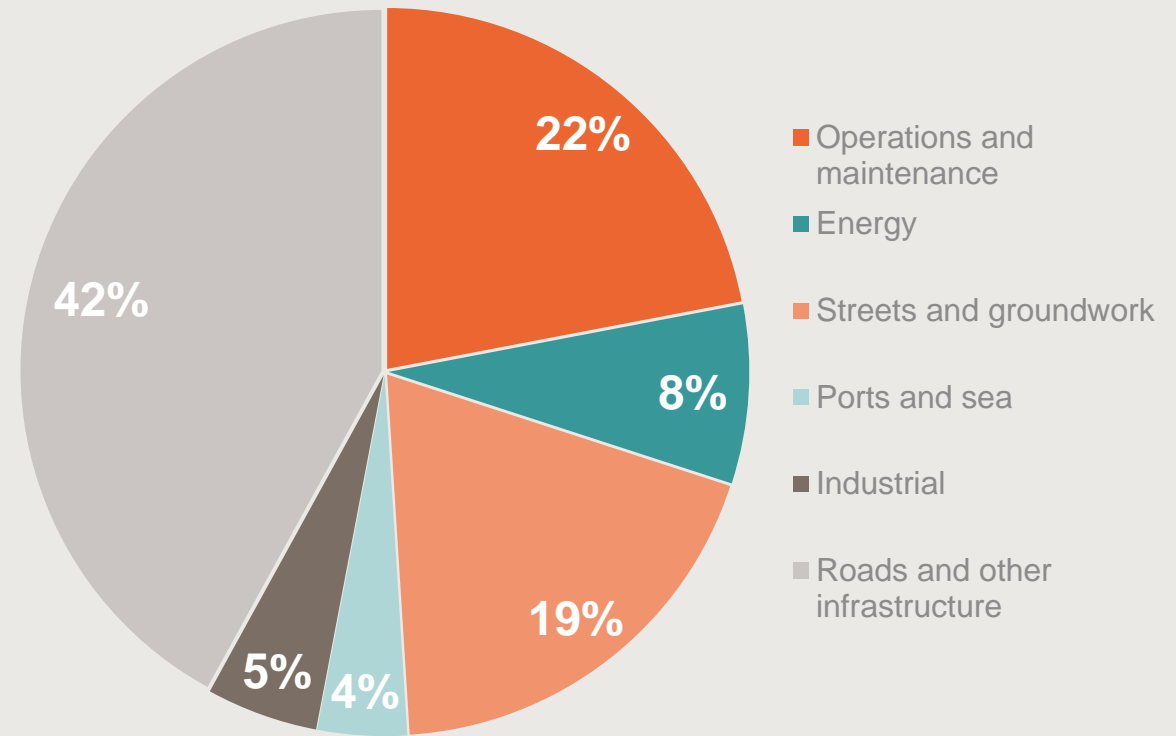
Allocation per product area



Net sales, rolling 12 months



Order backlog, June 30, 2022





**Business area
Industry**

SWEROCK'S
ELECTRIC
CONCRETE TRUCK
Stockholm

Business area Industry

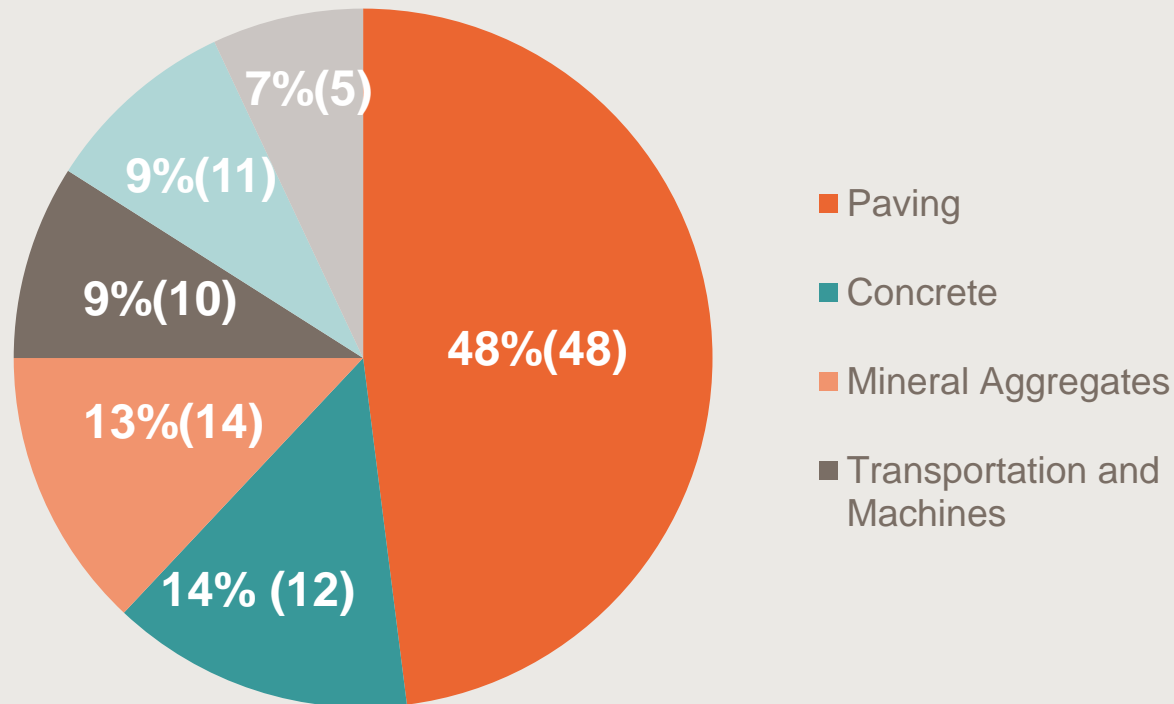


MSEK	Apr-Jun 2022	Apr-Jun 2021	Jul 2021- Jun 2022	Jan-Dec 2021
Net sales	6,108	5,247	20,015	18,787
Operating profit	341	339	941	938
Operating margin, %	5.6	6.5	4.7	5.0

Allocation per product area



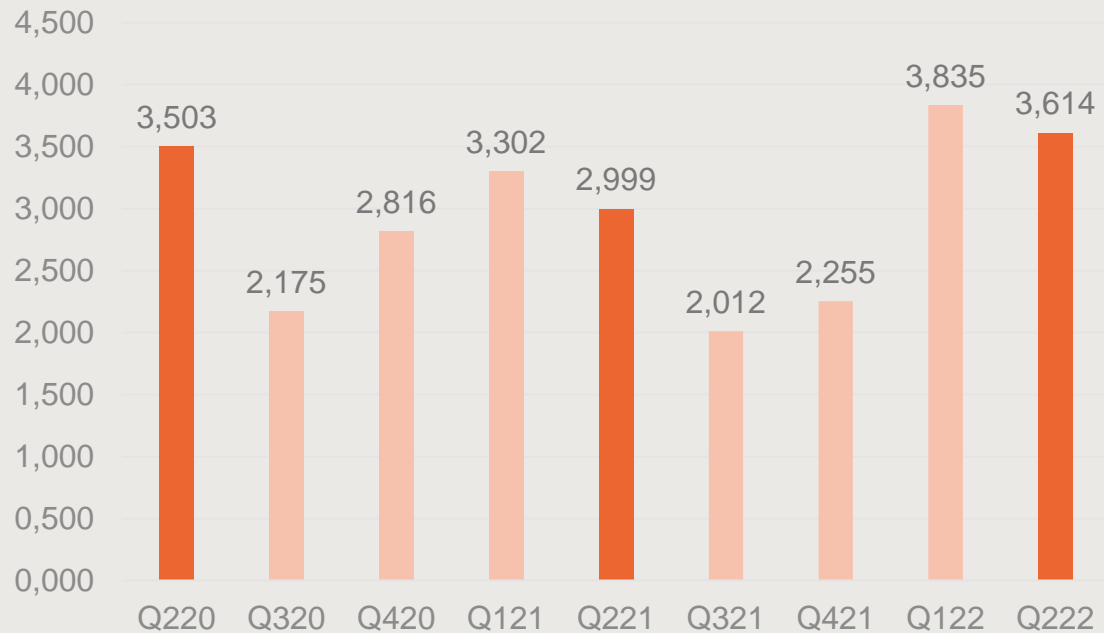
Net sales, rolling 12 months



High level of orders received and order backlog



Orders received, MSEK



Order backlog

7.0

BSEK (6.5)

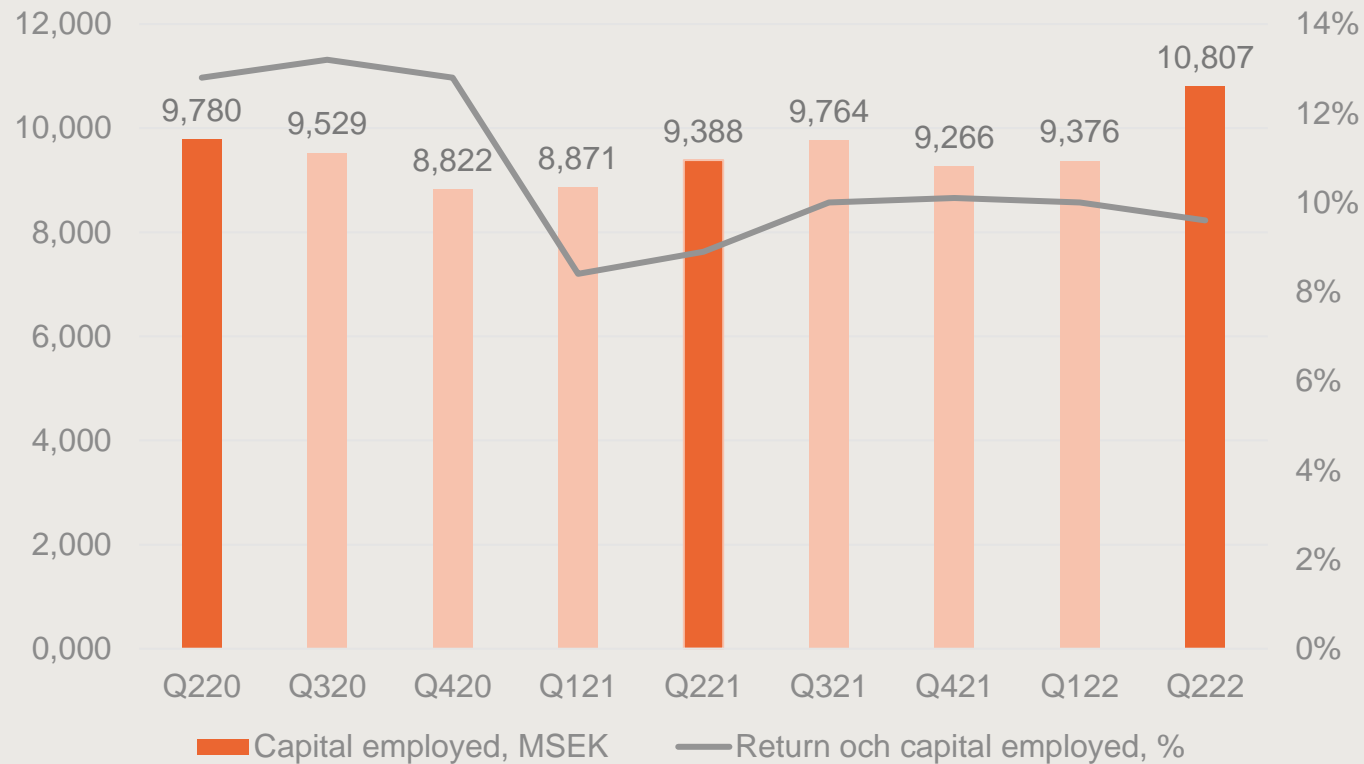


ASPHALT PLANT
Lahti

Higher return on capital employed



Capital employed and return on capital employed*



Return on capital employed

9.6
% (8.9)

*Based on rolling 12 months.



Business area Project Development

LOGISTICS TERMINAL
Södertälje

Business area Project Development



MSEK	Apr-Jun 2022	Apr-Jun 2021	Jul 2021-Jun 2022	Jan-Dec 2021
Net sales	1,977	1,929	10,299	9,497
Operating profit	264	252	1,325	1,237
Operating margin, %	13.4	13.1	12.9	13.0
<i>of which Housing Development</i>	11.9	11.8	10.9	11.2

Fewer housing start-ups and sales



Number	Apr-Jun 2022	Apr-Jun 2021	Jul 2021-Jun 2022	Jan-Dec 2021
Housing start-ups	528	785 ¹	2,825	3,020
Sold homes	445	797	2,838	3,047
Repurchased homes on the balance sheet at the end of the period	126	200	126	144

¹Includes 56 homes that have been converted from rental apartments.

Examples of production-started homes

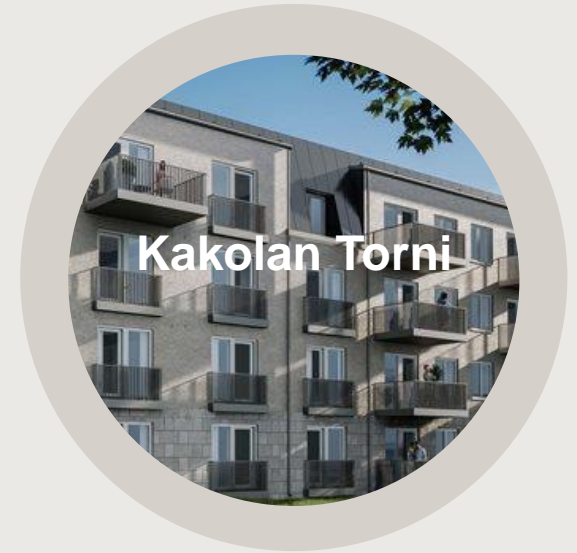
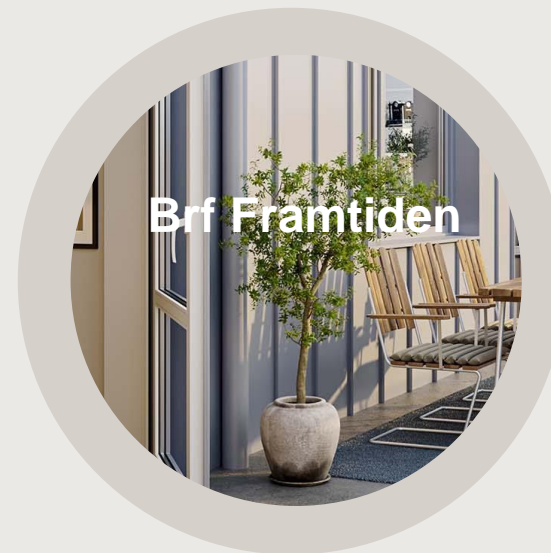
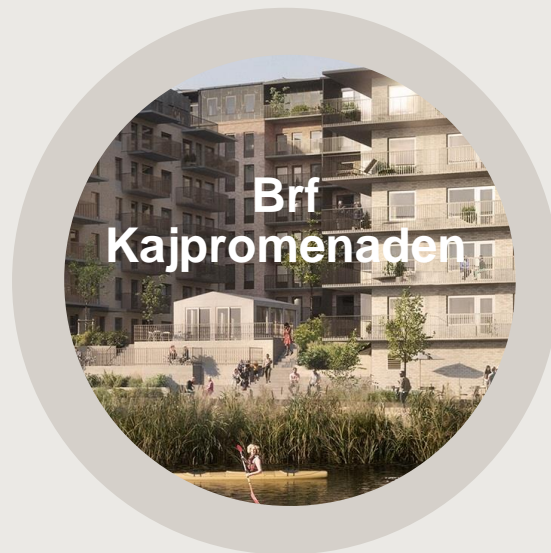
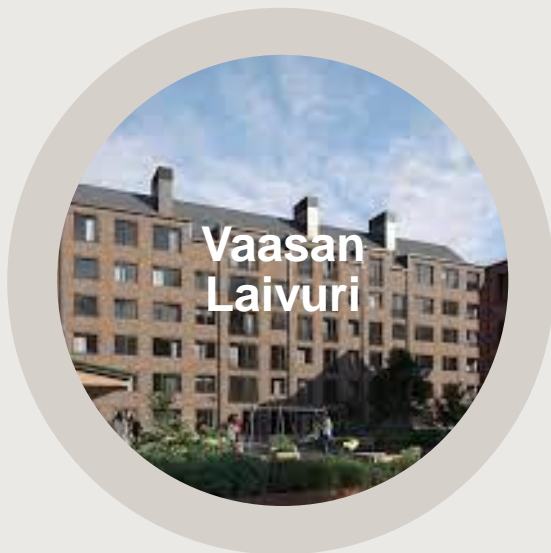


70 apartments in
Vaasa

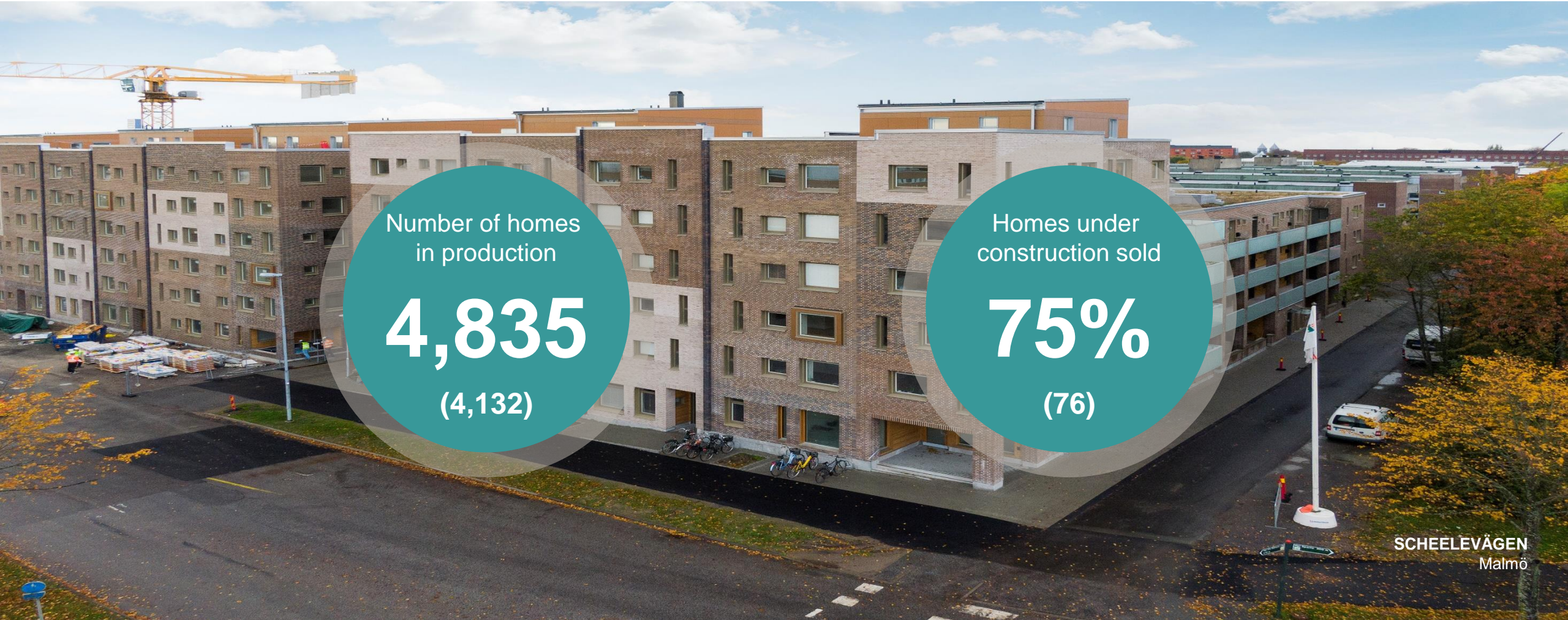
64 apartments in
Karlstad

87 apartments
in Skellefteå

58 apartments
in Turku



Housing Development after the second quarter



Number of homes
in production

4,835

(4,132)

Homes under
construction sold

75%

(76)

SCHEELEVÄGEN
Malmö

Rentals on our own balance sheet



Number of rentals	Apr-Jun 2022	Apr-Jun 2021	Jul 2021-Jun 2022	Jan-Dec 2021
Production-started homes	300	135	588	676
Sold homes	-	-	-	91
Converted to tenant-owner associations	-	56	311	426
Total number of homes in production, at the end of the period	1,075 ¹	798	1,075	922

¹Of which 932 (528), respectively 87 percent (66), are under contract to be sold upon completion

Total number of homes in production



	Number per June 30, 2022	of which sold
Tenant-owner associations, ownership and residential limited companies	4,835 (4,132)	75 %
Rentals	1,075 (798)	87 %
Total number in production	5,910 (4,930)	77 %

Ongoing property projects in Property Development

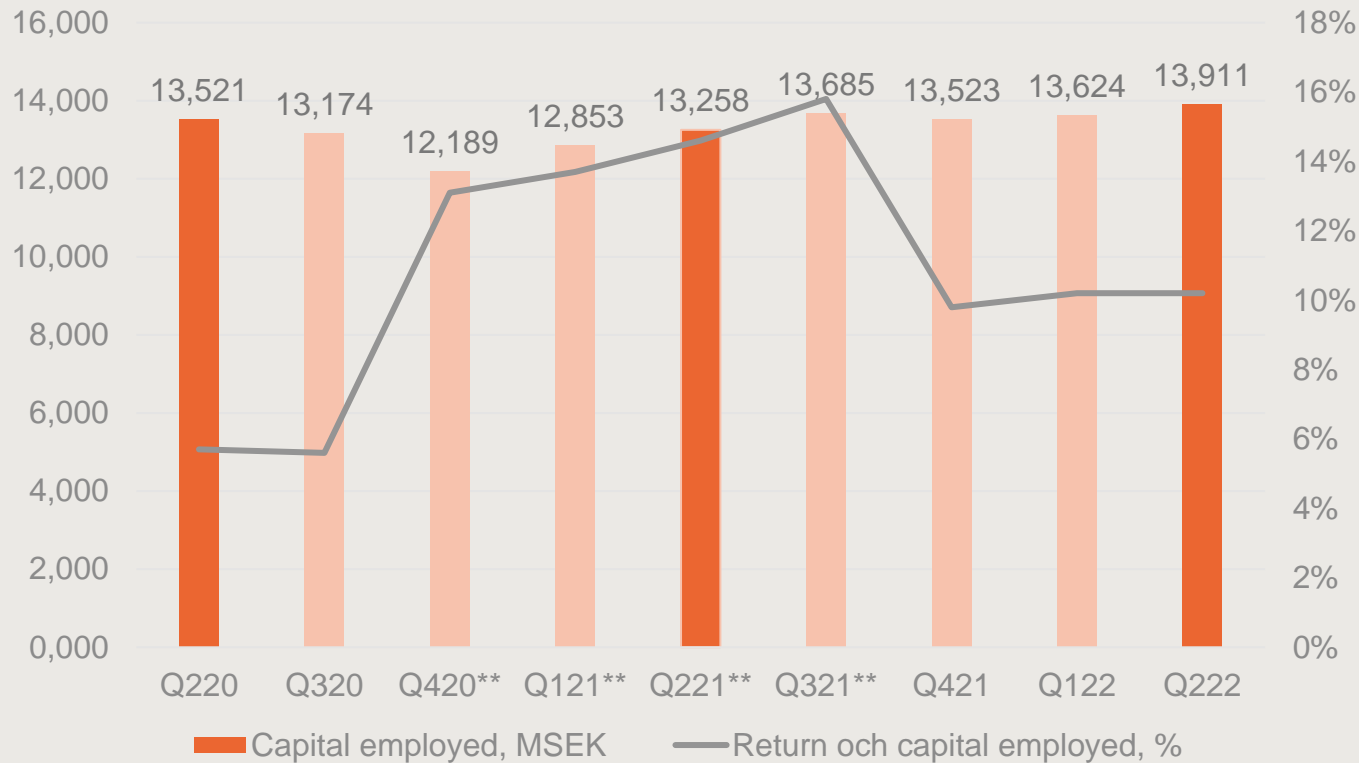


Type of project	Location	Rentable area, m ²	Degree rented, %	Recognized value, MSEK	Total investment at completion, MSEK	Timepoint of completion	Level of completion, %
Sports hall	Sundsvall	14,700	100	220	225	Q3-2022	98
Padel hall	Trollhättan	3,900	100	39	52	Q4-2022	74
Office building	Malmö	7,100	42	153	310	Q1-2023	49
Office building	Gothenburg	13,100	0	154	530	Q3-2024	29

Stable level of capital employed and returns



Capital employed and return on capital employed*



Return on capital employed

10.2
% (14.6)

*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.



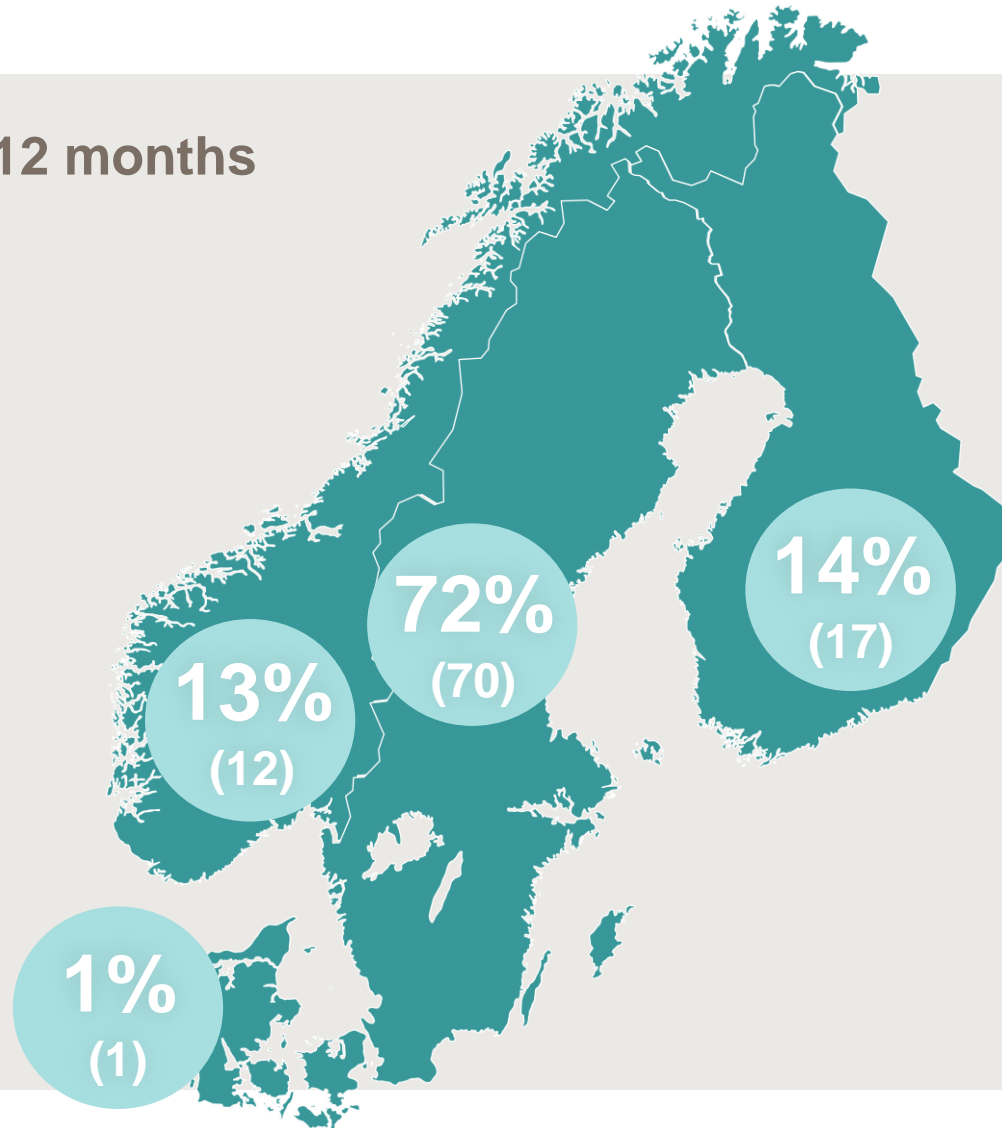
The Peab Group

Segment reporting

MSEK	Apr-Jun 2022	Apr-Jun 2021	Jul 2021- Jun 2022	Jan-Dec 2021
Net sales	16,858	15,169	63,043	60,026
Operating profit	885	824	3,242	3,098
Operating margin, %	5.2	5.4	5.1	5.2

Large presence in the Nordic region

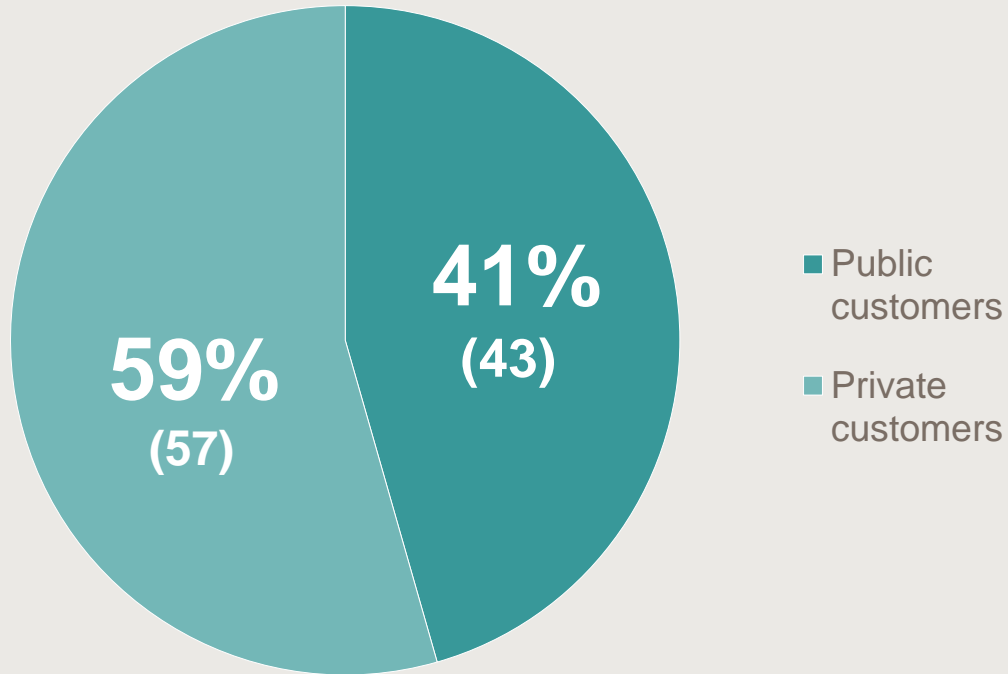
Net sales, rolling 12 months



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

14.3

BSEK (13.1)

Order backlog

49.9

BSEK (46.7)

Share of projects
under MSEK 500

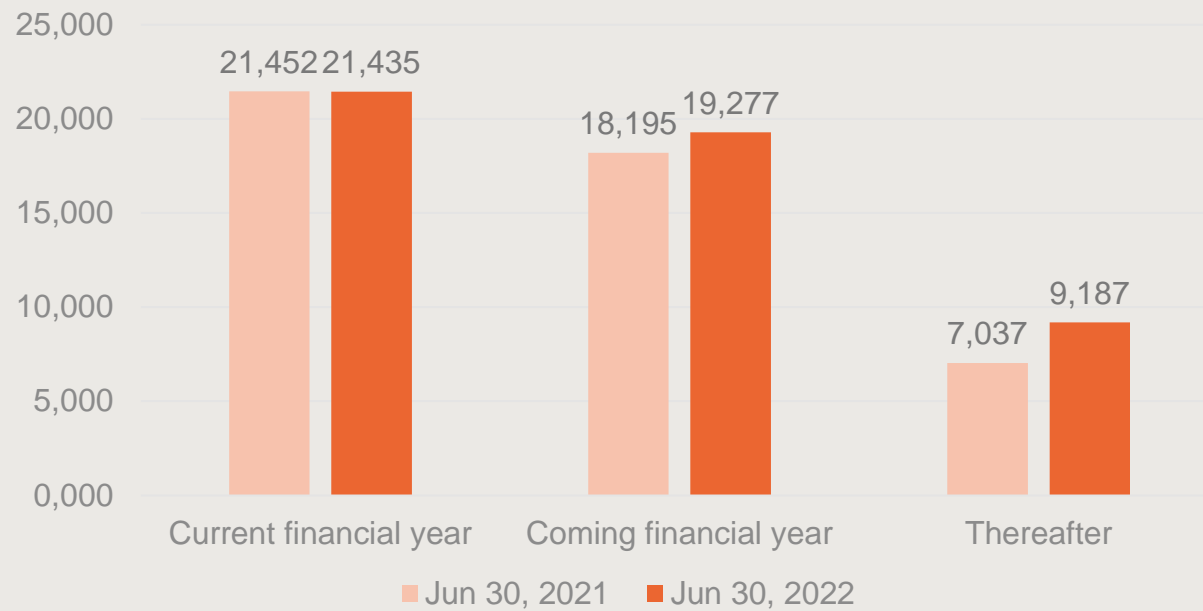
86%

(88)

VILUNDHALLEN
Upplands Väsby

High level of order backlog

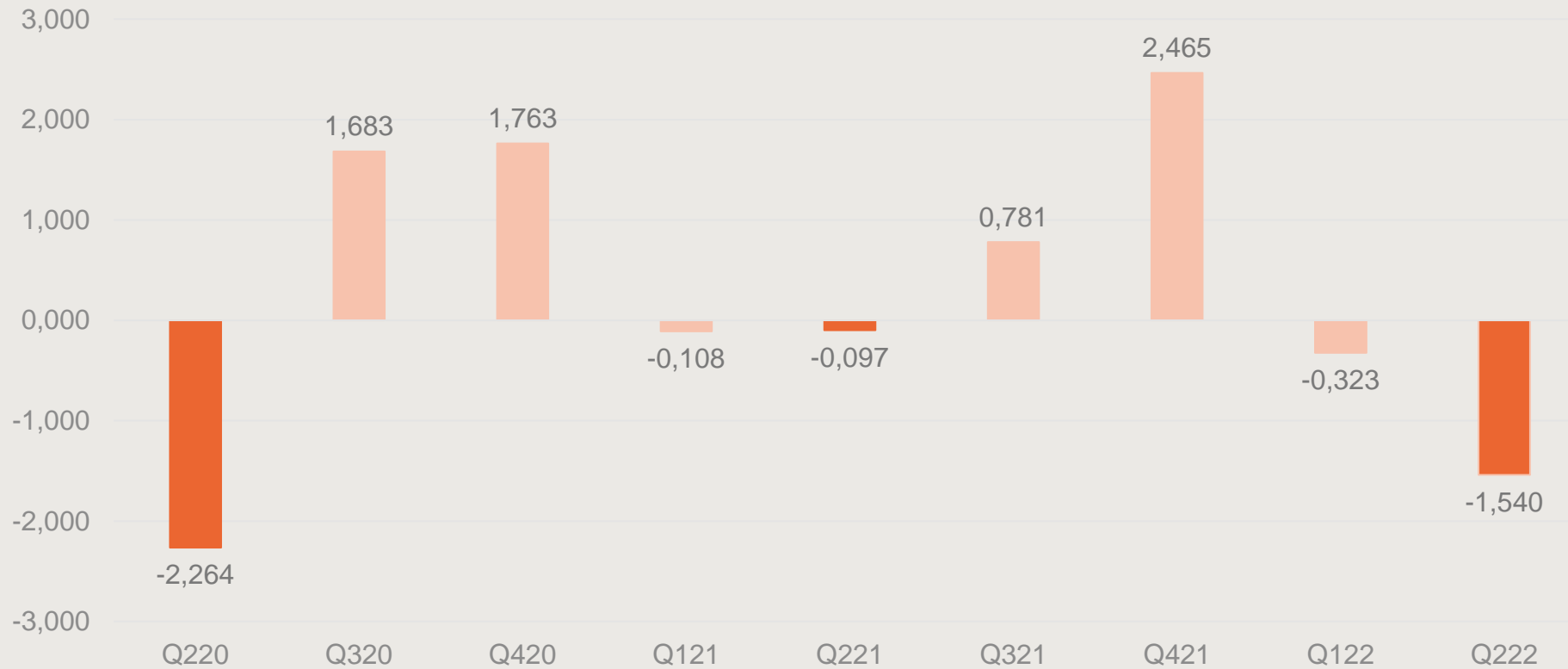
Order backlog allocated over time, MSEK



57%
after current
financial year (54)

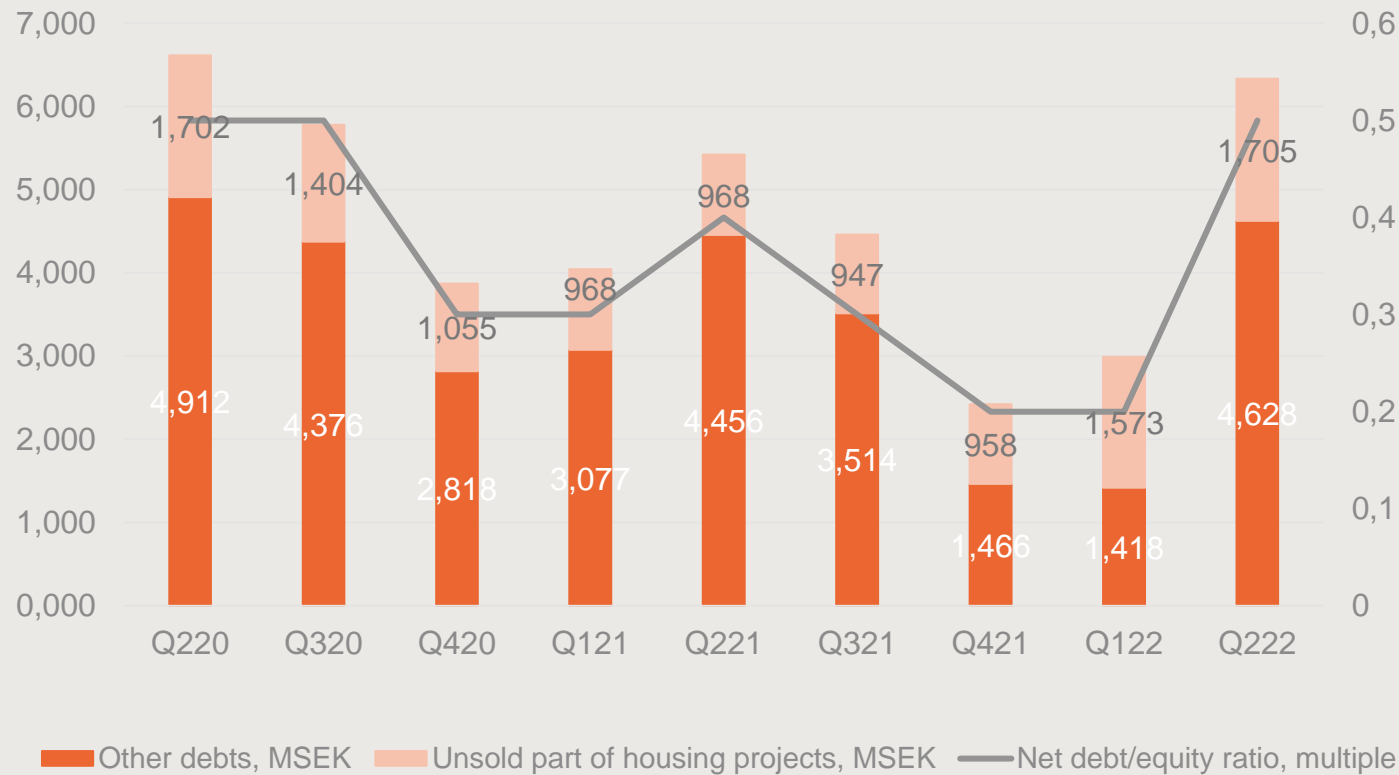
Cash flow affected by seasonal patterns

Cash flow before financing, MSEK



Net debt affected by dividend and accumulated working capital

Net debt and net debt/equity ratio



Net debt
6.3
 BSEK (5.4)



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

-60 %

Reduction by 2030

Carbon dioxide intensity
Input goods & purchased services

-50 %

Reduction by 2030

Equal opportunity recruitment:

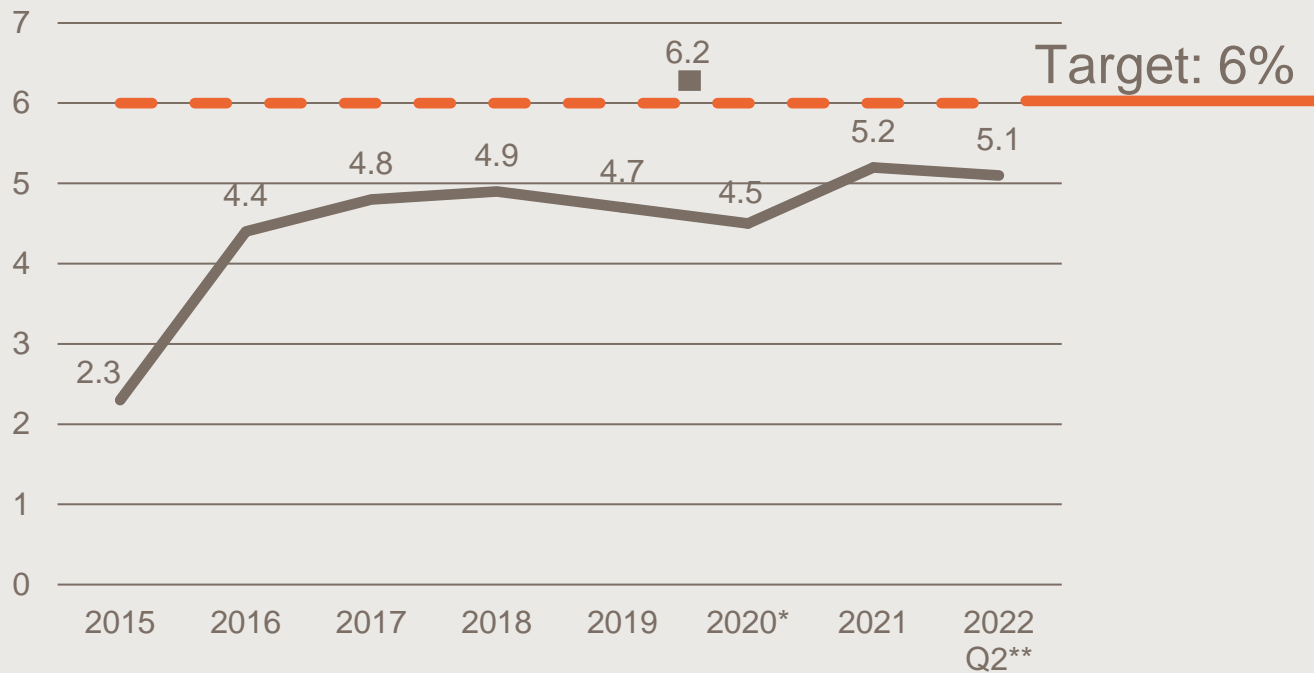
Number of women
always over
education market

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.

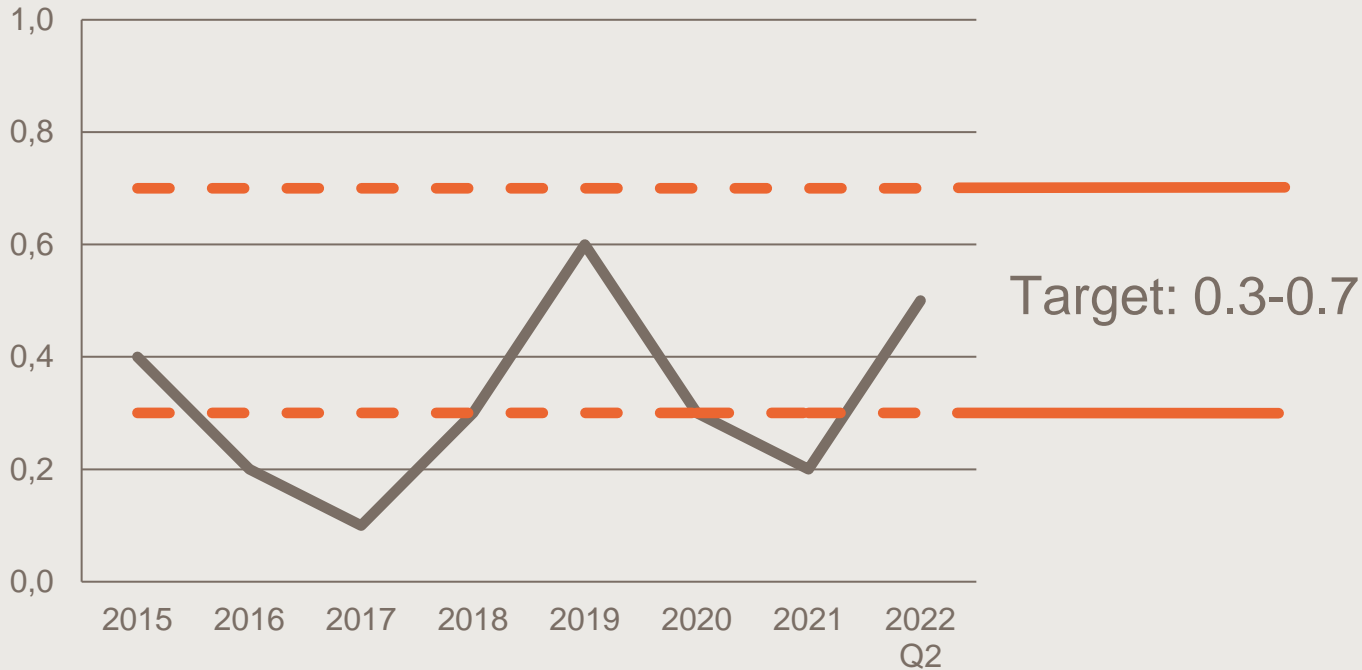


MOST PROFITABLE COMPANY

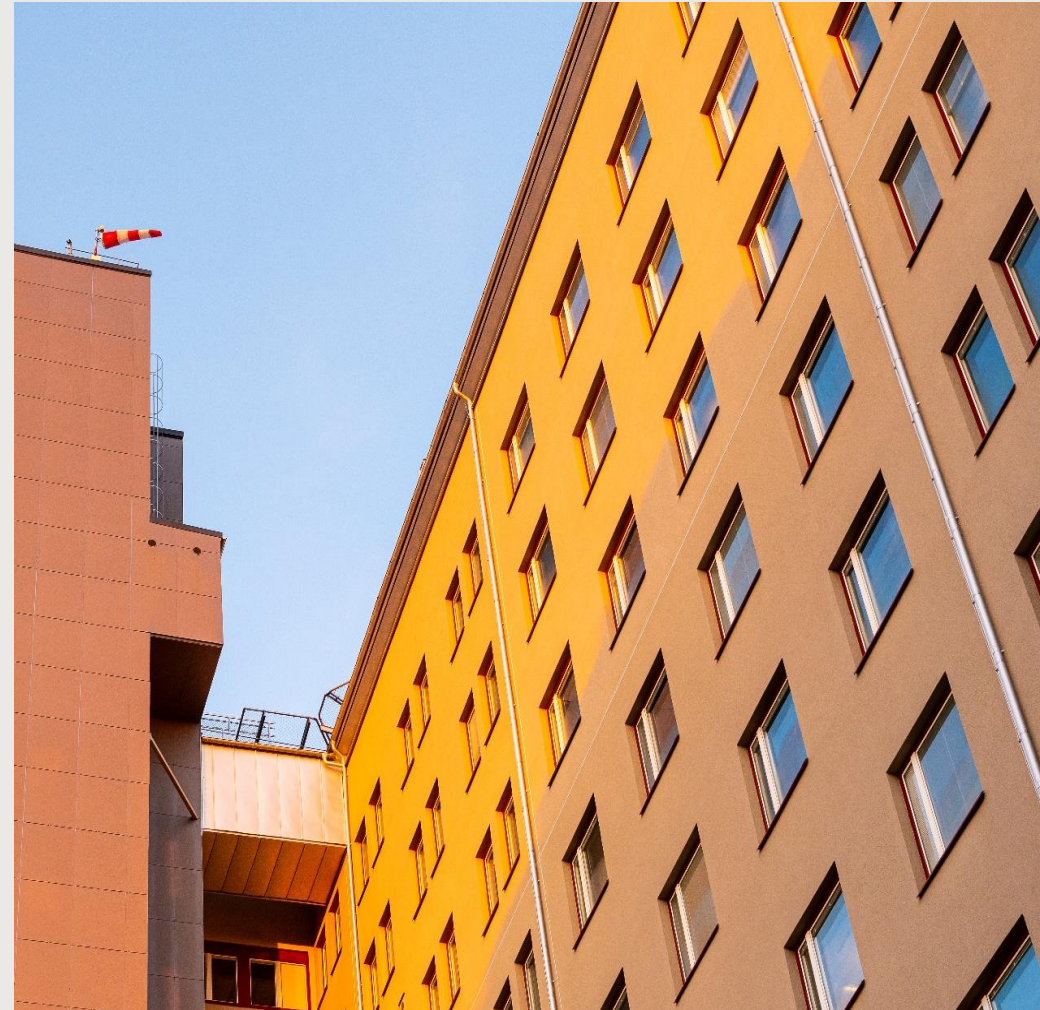
Net debt/equity ratio within interval 0.3-0.7



Net debt/equity ratio, Group



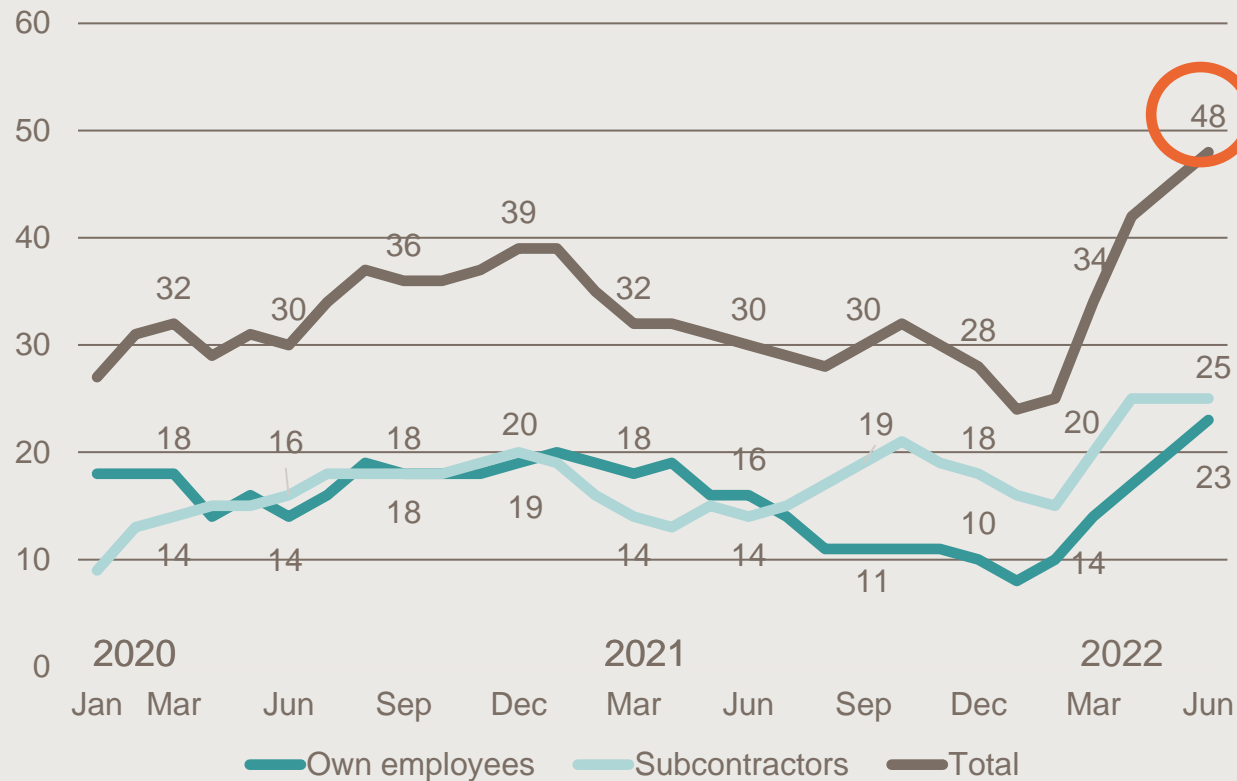
Years 2015-2018 are not translated according to the changed accounting principles for our own housing development projects



Zero vision for workplace accidents



Serious accidents, rolling 12 months, category 4



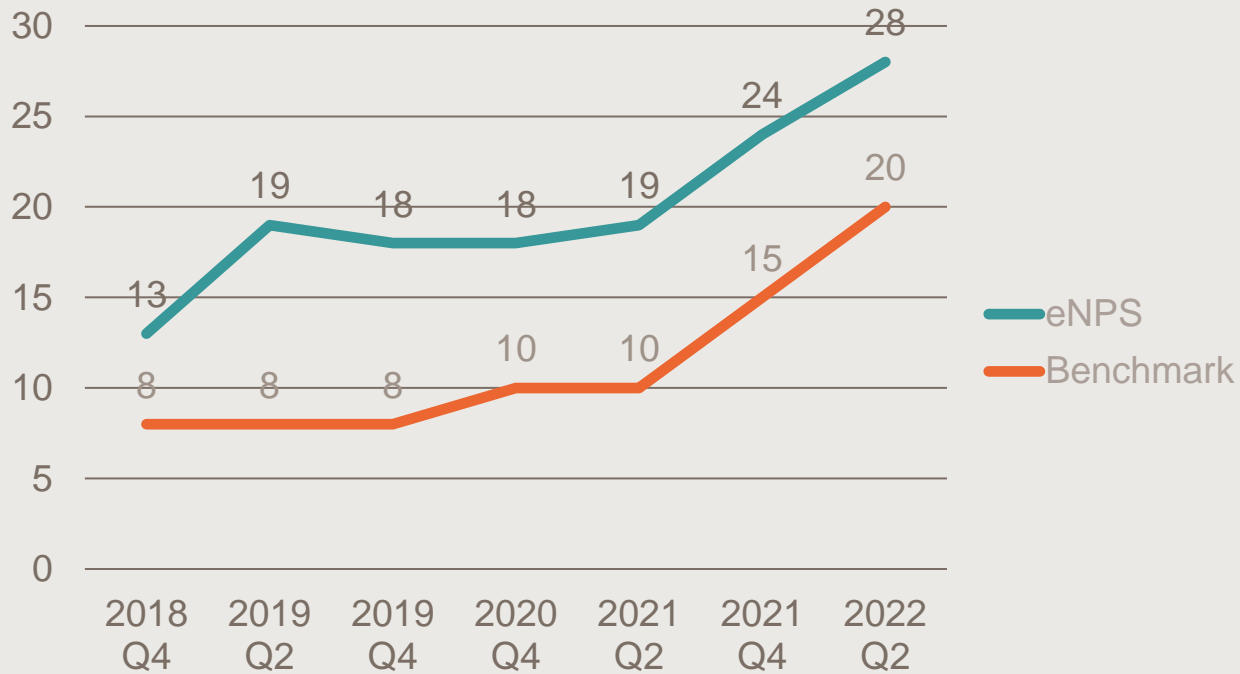
Target: Contracting trend
Target 2022: <28

BEST WORKPLACE

First choice for job seekers



eNPS, Group, recommend Peab



Target:
Over
industry
benchmark

JAN-JUN 2022

Stable first half-year

- Increased net sales and improved result
- Continued good handling of price increases, but operating margin slightly diluted
- High level of orders received and order backlog
- Somewhat lower level of start-ups and sales of own housing developments
- Uncertainty remains, but market outlook relatively unchanged for 2022



CONCRETE MIXER
ELECTRICTRUCK
Stockholm



Q3

Next quarterly report:
October 28, 2022

Thank you!

