



INTERIM REPORT

JANUARY-JUNE
2004

Net sales increased by 9 per cent to SEK 9 955 million (9 096)

Profit for the period amounted to SEK 105 million (50)

Profit per share amounted to SEK 1.20 (0.60)

Orders received increased by 19 per cent to SEK 10 294 million (8 643)

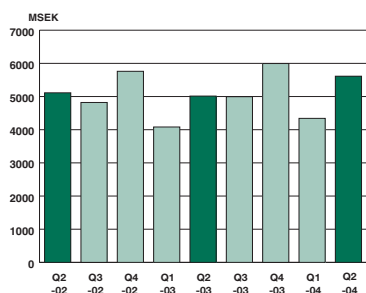
Order backlog amounted to SEK 15 030 million (13 412)

Strongly improved cash flow before financing, which amounted to SEK 45 million (-698)

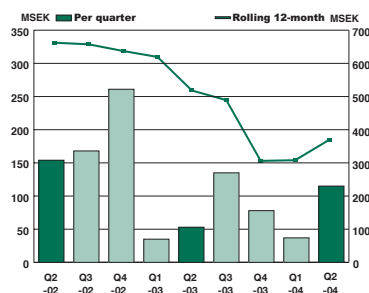


Interim report January - June 2004

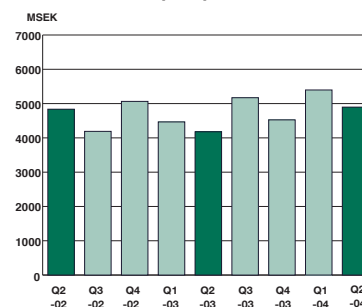
Net sales



Operating profit



Orders received per quarter



The Group's net sales for the January-June period amounted to SEK 9 955 million, which was an increase of 9 per cent compared with the corresponding period the previous year. Adjusted for acquired and divested units the increase in net sales amounted to 7 per cent. The increase was evenly divided between the activities.

The Group's first-half operating profit amounted to SEK 152 million compared to SEK 88 million for the corresponding period the previous year. Operating profits for the latest rolling 12-month period amounted to SEK 369 million compared to SEK 305 million for the full year 2003.

Orders received during the first half amounted to SEK 10 294 million, which was an increase of 19 per cent compared with the corresponding period the previous year when it amounted to SEK 8 643 million. The order backlog amounted to SEK 15 030 million, which is the highest level ever.

The Group

| MSEK | Jan-Jun 2004 | Jan-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 | Financial objectives |
|---------------------------------|--------------|--------------|-------------------|--------------|----------------------|
| Net sales | 9 955 | 9 096 | 20 945 | 20 086 | |
| Operating profit | 152 | 88 | 369 | 305 | |
| Operating margin | 1.5% | 1.0% | 1.8% | 1.5% | |
| Profit after financial items | 118 | 60 | 298 | 240 | |
| Return on capital employed | 4.0% | 2.8% | 10.2% | 9.2% | >12% |
| Return on equity | 4.7% | 2.2% | 13.4% | 9.2% | >15% |
| Profit after tax, SEK per share | 1.20 | 0.60 | 3.30 | 2.70 | |
| Equity/assets ratio | 20.5% | 19.3% | 20.5% | 21.8% | >30% |

The Construction business

| MSEK | Jan-Jun 2004 | Jan-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 |
|------------------|--------------|--------------|-------------------|--------------|
| Net sales | 9 954 | 9 082 | 20 940 | 20 068 |
| Operating profit | 219 | 163 | 483 | 427 |
| Operating margin | 2.2% | 1.8% | 2.3% | 2.1% |

MD's comments

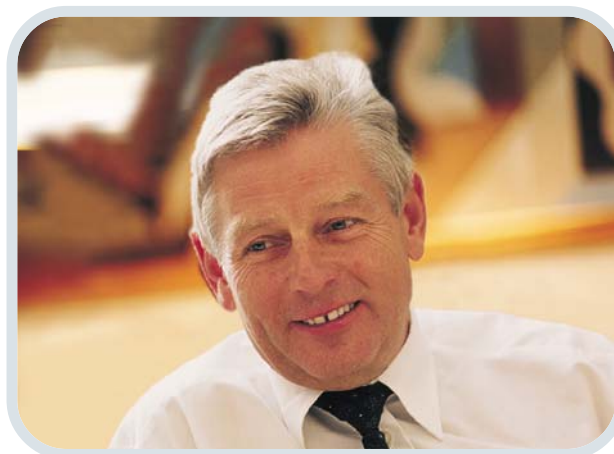
The positive progress which characterised the start of the year remains. Orders received continued to rise, above all in the areas of housing construction and civil engineering works, with the result that Peab can now report a record high order backlog amounting to SEK 15 030 million. Net sales during the first half amounted to SEK 9 955 million (9 096), which adjusted for acquired and divested units amounted to an increase of 7 per cent. Operating profit amounted to SEK 152 million (88).

Both our Swedish building and construction activities and industrial activities continued to show good profitability. Operating profit in the Swedish Construction and Civil Engineering business amounted to SEK 162 million (159) and in the Industry business area to SEK 75 million (73).

The profits of foreign activities progressed according to plan and operating profit/loss for the first half amounted to a loss of SEK -18 million (-69). Our target remains to reach profitability in these areas too during the current year.

During the previous year Peab made a number of strategic investments both within the Swedish business and in Norway and Finland, which in combination with the effects of the distribution of Brinova to our shareholders resulted in negative cash flow. During the current year investment levels have been lower while activities have generated better liquidity with a resulting improved cash flow before financing, amounting to SEK 45 million (-698).

We earlier assessed that volumes in the Swedish building and construction market were expected to remain at a similar level to the previous year. Developments during the second quarter give us cause for cautious optimism concerning growth. Peab's focus on housing for people on ordinary incomes and civil engineering means we now find ourselves



in the segment which is assessed to be making the most positive progress. By virtue of our nationwide organisation, Peab is always active in those regions where growth is high, and we are able to move our production resources to locations where they are most needed.

The improved market conditions in Sweden combined with Peab's concentration on construction of homes and civil engineering activities have increased order volumes. Our order position is the best ever and signals that the economy is improving and growing ever stronger. Now we must continue to provide high quality at the right price and in this way reinforce the excellent customer relations that we already enjoy. Taken together, this gives us good conditions to gradually increase our profitability.

Mats Paulsson
Managing Director

New orders and important events during the second quarter

During the second quarter a large number of major projects were acquired, including:

- Commission to build two new safety housing facilities in Stockholm and Gothenburg. The order was placed by SEB Trygg Liv and the contract is worth SEK 300 million.
- Commission to build a new shopping centre and apartments in central Karlstad. The order was placed by Mitt i City in Karlstads Fastighets AB. The contract is worth SEK 400 million.
- Commission to build a new police house at Berga Allé in Helsingborg. The order was placed by Fastighets AB Norrporten and the contract is worth SEK 256 million.
- 75 new apartments in the Piren tenant-owners' housing cooperative in the Dockan Area in Malmö. The order was placed by JM and the contract is worth SEK 110 million.

During the period, Peab entered an agreement to acquire all the shares in Berg och Väg Maskin AB in Stockholm. The company had turnover of SEK 126 million in 2003 and it has a staff of 50. The acquisition strengthens Peab's position within civil engineering works in Stockholm and Södertälje.

Peab has established a loan program for commercial papers. The program gives Peab the possibility to issue commercial papers amounting to most to SEK 1.5 billion.

Net sales and profit

The Group's net sales for the January to June period increased by 9 per cent to SEK 9 955 million (9 096). Adjusted for acquired and divested units the increase in net sales amounted to 7 per cent. Of the period's net sales, SEK 1 306 million (924) referred to sales and production outside Sweden.

First half operating profit amounted to SEK 152 million compared to SEK 88 million for the corresponding period the previous year. Operating profits for the latest rolling 12-month period amounted to SEK 369 million compared to SEK 305 million for the full year 2003.

Profit after financial items amounted to SEK 118 million compared to SEK 60 million during the first half of the previous year. Net financial items amounted to SEK -34 million (-28), of which the net interest income amounted to SEK -33 million (-27).

Participation in the profits of associated companies/joint ventures is recognised in accounts using the equity method. The period's participation of profits in associated companies/joint ventures before tax amounted to SEK 2 million (1). Peab recognises participation in profits one quarter in arrears.

Total effective tax rate for 2004 is expected to amount to approximately 14 per cent.

Financial position

The equity/assets ratio was 20.5 per cent, compared with 21.8 per cent at the end of the year. The decline is mainly due to the distribution of SEK 187 million in dividends. Peab's long-term target is an equity/assets ratio in excess of 30 per cent.

Net debt amounted to SEK 1 548 million, compared to SEK 1 692 million the previous year. The average interest rate on the loan portfolio amounted to 3.4 per cent (4.0).

The Group's disposal liquid funds amounted to SEK 2 568 million at the end of the period compared to SEK 1 880 million as at 30 June 2003.

At the end of the period the Group's contingent liabilities amounted to SEK 1 092 million, compared to SEK 867 million as at 31 December 2003. This amount includes Peab's SEK 227 million share of the charge demanded by the Swedish Competition Authority in 2003 in its complaint with regard to eventual participation in asphalt cartels. During the period no new information emerged in the ongoing process. Of other contingent liabilities, SEK 579 million (522) refer to obligations to tenant-owner housing cooperatives under construction.

Investments

Net investment in tangible and intangible fixed assets amounted to SEK 181 million (322) in the first half. The net change in shares and participations amounted to SEK -15 million (-371). During the period, SEK 46 million net was invested in project and development properties (39).

Cash flow

First-half cash flow before financing amounted to SEK 45 million (-698). The improvement stems from enhanced profitability, improved balance of payments with customers and a lower level of investment. Cash flow before financing for the latest rolling 12-month period amounted to SEK 364 million compared to SEK -379 million for the full year 2003. According to Peab's financial targets, cash flow before financing must be positive and rising.

Personnel

At the end of the period, the company employed a staff of 11 102 compared to 10 690 at the same time the previous year.

Comments on the business areas

Construction and Civil Engineering

The Construction and Civil Engineering business area comprises the Group's resources relative to Construction and Civil Engineering related services. Peab covers the whole of Sweden, while in Norway and Finland its activities have their centres of gravity in the metropolitan areas.

First-half net sales in the Construction and Civil Engineering area amounted to SEK 8 860 million, compared to SEK 8 099 million during the same period the previous year, equivalent to a rise of 9 per cent. The increase may be attributed to the Swedish and Finnish businesses.

Operating profits amounted to SEK 144 million, compared to SEK 90 million during the same period the previous year. The previous year's profits suffered as a result of SEK 30 million in customer losses. The operating margin for the Swedish Construction and Civil Engineering activities stood at 2.2 per cent over the latest rolling 12-month period which is unchanged compared to the full year 2003. Norwegian and Finnish activities reported operating losses of SEK -18 million during the first half (-69). With seasonally better results during the second half the objective of reaching profitability in foreign activities in the 2004 financial year remains.

Capital employed in Construction and Civil Engineering amounted to SEK 2 989 million (2 631). Of the increase, about SEK 400 million refers to acquired companies. Return on capital employed for the latest 12-month period amounted to 7.7 per cent compared to 6.2 per cent for the full year 2003.

Order backlog and orders received Construction and Civil Engineering

| MSEK | 2004-06-30 | 2003-06-30 | 2003-12-31 |
|----------------------------|---------------|---------------|---------------|
| Current financial year | 7 322 | 6 850 | 10 089 |
| Coming financial year | 5 580 | 4 655 | 2 632 |
| Thereafter | 2 128 | 1 907 | 869 |
| Total order backlog | 15 030 | 13 412 | 13 590 |
| Orders received | 10 294 | 8 643 | 18 339 |

Orders received during the first half amounted to SEK 10 294 million (8 643), which is equivalent to a rise of 19 per cent. The increase largely consists of trust-based contracts.

Order backlog at the end of the period totalled SEK 15 030 million compared to SEK 13 412 million at the same time last year; this represents an increase of 12 per cent. Of the total order backlog, 51 per cent (49) will be produced after the current year. Construction projects accounted for 67 per cent (66) of the order backlog. Several commissions of long duration constitute a stable basis for both the Construction and the Civil Engineering areas. Swedish operations accounted for 88 per cent (89) of the backlog.

Total holding of project and development properties within Construction and Civil Engineering amounted to SEK 1 152 million compared to SEK 1 106 million at the end of the year. Peab's ambition is to commit approximately SEK 1 billion to project and development properties. As at 30 June Peab's project portfolio contained 159 projects (146) corresponding to building rights over a total of about 1.5 million square metres (1.5). The major part of these building rights was in the growth regions of Malmö, Gothenburg, Stockholm and the Mälardalen.

| Building rights | | | |
|---------------------------|--------------|--------------|--------------|
| thousand sq.m | 2004-06-30 | 2003-06-30 | 2003-12-31 |
| Housing | 944 | 947 | 985 |
| Commercial premises | 370 | 402 | 405 |
| Industrial premises | 167 | 146 | 163 |
| Total | 1 481 | 1 495 | 1 553 |
| Number of projects | 159 | 146 | 151 |

Industry

The Industry business area comprises the Group's activities within ready-mixed concrete, concrete production and prefab, rock/gravel, transport, manufacture and laying of asphalt, and plant and crane hire.

Net sales amounted to SEK 1 717 million (1 543), which is equivalent to an increase of 11 per cent. Operating profit amounted to SEK 75 million (73). Industry profits are seasonally weaker during the first half than during the second.

Swerock shows good growth, maintaining margins, primarily as a result of the contribution made by ready-mixed concrete and ballast.

The order book of Peab's new Katrineholm plant for the production of prefabricated building elements is looking healthy with a large number of future deliveries principally to Peab's construction activities. The plant's start-up costs relative to personnel and machinery reduced interim profits, but positive progress is being made and a second shift is now starting up.

Peab Asphalt is enjoying good growth and its order book is positive based on the group's major road projects.

Lambertsson's plant and crane hire business continues to exploit capacity well. The coordination of machinery, plant and crane hire management, the marketing organisation and the depots is now producing results in the shape of reduced costs.

Capital employed in the Industry business area amounted to SEK 1 909 million (1 843). Return on capital employed for the latest rolling 12-month period was 14.3 per cent, compared to 15.1 for the full year 2003.

Trust/Management

Trust/Management comprises the central companies, certain subsidiaries and joint ventures and other holdings. Operating losses amounted to SEK -67 million (-75). Common Group costs were recognised at a total of SEK -64 million (-74).

The construction market

From the earlier picture of a Swedish building and construction market with unaltered volumes for 2004, there are now reasons for cautious optimism concerning growth. The improved economic conditions are most notable in the regions around major towns and cities. House building continues to grow steadily with new projects principally in the low and medium priced segment. Many projects are at the planning stage, and we have good expectations of being able to meet the demand for homes with a competitive and industrially based housing concept. The continued low level of interest rates is also helping keep demand at high levels.

We assess that the road and civil engineering business will continue its positive progress, not least thanks to the major investments in the Swedish railway network. Good order intake for projects with long production times in the civil engineering business during the last year have resulted in good capacity utilisation of the Group's civil engineering resources and for operations in the Industry business sector.

The flattening out of commercial premises vacancy percentages has resulted in an increased range of new commercial projects.

It has been assessed that the Norwegian and Finnish construction markets are showing weak positive growth during 2004.

Important events during the period

During the period, Peab acquired all the shares in Siljan Anläggning AB in Orsa. The company had a net sales of SEK 75 million in 2003 and it has a staff of 30. The acquisition has broadened the customer base and boosted Peab's civil engineering activities in the Dalarna region.

During the period, Peab entered an agreement to acquire all the shares in Berg och Väg Maskin AB in Stockholm. The company had turnover of SEK 126 million in 2003 and it has a staff of 50. The acquisition strengthens Peab's position within civil engineering works in Stockholm and Södertälje.

Peab has established a loan program for commercial papers. The program gives Peab the possibility to issue commercial papers amounting at most to SEK 1.5 billion. The borrower is Peab Finans AB with guarantees from Peab AB.

Important events after the period

Peab has acquired the old air field F18 in Tullinge in the Municipality of Botkyrka. The seller is the government owned property company Vasallen. According to the plans, a new urban district, Riksten, is to grow out around the old air field. During the next 10-15 years, about 2 500 new homes and commercial buildings will be built on the 925-acre site.

The Peab share

Peab's B-share is listed on the O-list of the Stockholmsbörsen. As at 25 August 2004 the price of the Peab share was SEK 47.60, which is equivalent to an increase of 9 per cent since the end of the year 2003. During the corresponding period, the Swedish stock market increased by 6 per cent according to Affärsvärlden's general index. During 2004, the Peab share was quoted at a maximum of SEK 49.40 and a minimum of SEK 38.40.

Holdings of own shares

At the end of the year, Peab's holding of own shares amounted to 2 440 000 B-shares, corresponding to 2.8 per cent of the total number of shares. During the first half 128 200 B-shares were divested as part of the purchase price of company acquisitions. No own shares were acquired during the first half. Peab's holding of own shares after the period amounted to 2 311 800 B-shares, corresponding to 2.7 per cent of the total number of shares.

Number of outstanding shares, 30 June 2004

| | |
|---|-------------------|
| Number of registrated shares | 87 195 944 |
| Holding of own shares, 31 December 2003 | -2 440 000 |
| Number of outstanding shares, 31 December 2003 | 84 755 944 |
| Disposal of own shares during the period | 128 200 |
| Number of outstanding shares, 30 June 2004 | 84 884 144 |

The Parent Company

The parent company Peab AB's net sales amounted to SEK 29 million (37) and consisted mostly of internal Group services. Profit after tax amounted to SEK 595 million (7). Profits include dividends of SEK 660 million (-) from subsidiaries and an

internal capital loss on long-term liabilities to subsidiaries of SEK -11 million (112).

The parent company's assets principally consist of shares in Group companies of SEK 4 868 million (5 553) and interest-bearing receivables of SEK 316 million (326). These assets have been financed from equity of SEK 3 147 million (2 480) and long-term liabilities amounting to SEK 2 006 million (3 362).

Accounting principles

This quarterly report has been drawn up in accordance with RR 20, Interim Financial Reporting, of the Swedish Financial Accounting Standards Council. Recommendation RR 29, Employee Benefits, of the Swedish Financial Accounting Standards Council has been applied from 2004. An account of the effects of introducing this recommendation may be found on the balance sheet following. In general, the same accounting principles have been used as in the latest annual report.

Future information

The third quarter report will be published on 25 November and 2004 year-end report on 17 February 2005.

Förslöv, 26 August 2004

Mats Paulsson
Managing Director

Review report

I have reviewed this interim report in accordance with the recommendation issued by FAR. A review is considerably limited in scope compared with an audit. Nothing has come to my attention that causes me to believe that the interim report does not comply with the requirements of the Exchange and Clearing Operations Act and the Annual Accounts Act.

Förslöv, 26 August 2004

Thomas Thiel
Authorised Public Accountant

Condensed income statement

| The Group MSEK | Jan-Jun 2004 | Jan-Jun 2003 | Apr-Jun 2004 | Apr-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 |
|---|-----------------|-----------------|-----------------|-----------------|----------------------|-----------------|
| Net sales | 9 955 | 9 096 | 5 613 | 5 014 | 20 945 | 20 086 |
| Production and management expenses | -9 137 | -8 305 | -5 166 | -4 583 | -19 291 | -18 459 |
| Gross profit | 818 | 791 | 447 | 431 | 1 654 | 1 627 |
| Selling and administrative expenses | -675 | -709 | -342 | -381 | -1 301 | -1 335 |
| Participation in profit before tax of associated companies/joint ventures | 2 | 1 | 5 | 3 | 9 | 8 |
| Result from participations in associated companies/joint ventures sold | 5 | 5 | 5 | - | 4 | 4 |
| Result from participations in Group companies sold | 2 | - | - | - | 3 | 1 |
| Operating profit | 152 | 88 | 115 | 53 | 369 | 305 |
| Profit from financial items | -34 | -28 | -17 | -6 | -71 | -65 |
| Profit after financial items | 118 | 60 | 98 | 47 | 298 | 240 |
| Tax | -17 | -9 | -14 | -7 | -19 | -11 |
| Minority interests | 4 | -1 | - | -1 | 2 | -3 |
| Profit for the period | 105 | 50 | 84 | 39 | 281 | 226 |
| Key ratios | | | | | | |
| Profit per share, SEK | 1.20 | 0.60 | 1.00 | 0.50 | 3.30 | 2.70 |
| Share price at end of period, SEK | 47.30 | 37.40 | 47.30 | 37.40 | 47.30 | 43.60 |
| P/E-ratio | - | - | - | - | 14.3 | 16.1 |
| Number of outstanding shares at end of period, million | 84.9 | 84.8 | 84.9 | 84.8 | 84.9 | 84.8 |
| Average number of outstanding shares, million | 84.9 | 84.6 | 84.9 | 84.7 | 84.8 | 84.7 |

Condensed balance sheet

| The Group MSEK | 30 Jun 2004 | 30 Jun 2003 | 31 Dec 2003 |
|---|---------------|---------------|---------------|
| Assets | | | |
| Intangible assets | 354 | 257 | 340 |
| Tangible fixed assets | 1 624 | 1 504 | 1 618 |
| Interest-bearing long-term receivables | 391 | 387 | 417 |
| Financial fixed assets | 653 | 1 074 | 605 |
| Project and development properties | 1 152 | 1 195 | 1 106 |
| Inventories | 231 | 211 | 220 |
| Interest-bearing short-term receivables | 296 | 185 | 260 |
| Other current receivables | 5 734 | 5 719 | 5 553 |
| Short-term shareholdings | - | 22 | 48 |
| Cash and bank balances | 102 | 165 | 206 |
| Total assets | 10 537 | 10 719 | 10 373 |
| Shareholders' equity and liabilities | | | |
| Shareholders' equity | 2 124 | 2 038 | 2 196 |
| Minority interests | 35 | 27 | 63 |
| Allocations | 98 | 79 | 95 |
| Interest-bearing long-term liabilities | 1 755 | 2 228 | 1 847 |
| Interest-bearing short-term liabilities | 582 | 223 | 415 |
| Other current liabilities | 5 943 | 6 124 | 5 757 |
| Total shareholders' equity and liabilities | 10 537 | 10 719 | 10 373 |
| Key ratios | | | |
| Capital employed | 4 495 | 4 516 | 4 520 |
| Return on capital employed | 4.0% | 2.8% | 9.2% |
| Return on equity | 4.7% | 2.2% | 9.2% |
| Equity/assets ratio | 20.5% | 19.3% | 21.8% |
| Net borrowing | 1 548 | 1 692 | 1 331 |
| Adjusted equity per share, SEK | 25.40 | 24.40 | 26.70 |

Changed accounting principles

Recommendation RR 29, Employee Benefits, of the Swedish Financial Accounting Standards Council has been applied from 2004. This recommendation states, among other things, that the present value of defined benefit pension obligations and the fair value of Plan Assets must be recognised in the accounts. With application of recommendation, the change in the opening value has been recognised directly in shareholders' equity. In the Swedish business, Peab follows the ITP agreement, which is a defined benefit pension plan comprising all clerical employees in Sweden. Since Alecta is unable to supply information for accounting as a defined benefit pension plan, it will be recognised as a defined contribution pension plan. Alecta has undertaken to submit the required information from 2005. In addition to this, in the Swedish business there are eight individual executive retirement promises with undertakings concerning defined benefit future pensions which are insured and which have been accounted for in accordance with RR 29. In Norway, there are collective agreement pensions plans (AFP) and individual executive retirement promises, which are defined benefit and which have already been assessed and recognised in the accounts in accordance with the stipulations of RR 29. As at 1 January 2004, the effect of the changed accounting principle is that the provisions for pensions item has increased by SEK 1 million. As a result of the introduction of RR 29 the deferred tax recoverable item has been increased by SEK 8 million and the provisions for payroll tax item has been increased by SEK 5 million. The total effect on opening shareholders' equity is a SEK 2 million increase.

Change in shareholders' equity

| The Group MSEK | Share capital | Restricted reserves | Unrestricted reserves | Total share- holders' equity |
|---|------------------|------------------------|--------------------------|---------------------------------|
| Opening balance, 1 January 2003 | 872 | 593 | 1 285 | 2 750 |
| Cash dividend paid | | | -186 | -186 |
| Distribution of shares in Brinova Fastigheter | | | -581 | -581 |
| Disposal of own shares | | | 20 | 20 |
| Exchange rates differences | | | -33 | -33 |
| Transfer between restricted and non-restricted equity | | -135 | 135 | 0 |
| Net profit for the year | | | 226 | 226 |
| Shareholders' equity, 31 December 2003 | 872 | 458 | 866 | 2 196 |
| Effect of changed accounting principle | | | 2 | 2 |
| Adjusted shareholders' equity, 1 January 2004 | 872 | 458 | 868 | 2 198 |
| Cash dividend paid | | | -187 | -187 |
| Disposal of own shares | | | 5 | 5 |
| Exchange rates differences | | | 3 | 3 |
| Transfer between restricted and non-restricted equity | | 37 | -37 | 0 |
| Net profit for the period | | | 105 | 105 |
| Shareholders' equity, 30 June 2004 | 872 | 495 | 757 | 2 124 |

Condensed cash flow statement

| The Group MSEK | Jan-Jun 2004 | Jan-Jun 2003 | Apr-Jun 2004 | Apr-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 |
|--|-----------------|-----------------|-----------------|-----------------|----------------------|-----------------|
| Cash flow from current operations before working capital changes | 202 | 133 | 150 | 90 | 607 | 538 |
| Cash flow from changes in working capital | -93 | -390 | 24 | -194 | 209 | -88 |
| Cash flow from current operations | 109 | -257 | 174 | -104 | 816 | 450 |
| Acquisition of subsidiaries | -55 | -69 | -3 | -6 | -290 | -304 |
| Disposal of subsidiaries | 11 | 1 | 7 | 1 | 79 | 69 |
| Acquisition of fixed assets | -179 | -442 | -54 | -294 | -411 | -674 |
| Sales of fixed assets | 159 | 69 | 69 | 18 | 170 | 80 |
| Cash flow from investment operations | -64 | -441 | 19 | -281 | -452 | -829 |
| Cash flow before financing | 45 | -698 | 193 | -385 | 364 | -379 |
| Cash flow from financing operations | -150 | 663 | -218 | 432 | -410 | 403 |
| Cash flow for the period | -105 | -35 | -25 | 47 | -46 | 24 |
| Cash at the beginning of the period | 206 | 191 | 127 | 107 | 165 | 191 |
| Exchange rate differences in cash | 1 | 9 | 0 | 11 | -17 | -9 |
| Cash at the end of the period | 102 | 165 | 102 | 165 | 102 | 206 |

Net sales and Operating profit per business area

| MSEK | Net sales | | | | Operating profit | | | | Operating margin | | | |
|---|-----------------|-----------------|----------------------|-----------------|------------------|-----------------|----------------------|-----------------|------------------|-----------------|----------------------|-----------------|
| | Jan-Jun 2004 | Jan-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 | Jan-Jun 2004 | Jan-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 | Jan-Jun 2004 | Jan-Jun 2003 | Jul-Jun 2003/2004 | Jan-Dec 2003 |
| Construction and Civil Engineering | | | | | | | | | | | | |
| Sweden | 7 701 | 7 248 | 16 140 | 15 687 | 162 | 159 | 348 | 345 | 2.1% | 2.2% | 2.2% | 2.2% |
| Abroad | 1 159 | 851 | 2 222 | 1 914 | -18 | -69 | -143 | -194 | -1.6% | -8.1% | -6.4% | -10.1% |
| Total | 8 860 | 8 099 | 18 362 | 17 601 | 144 | 90 | 205 | 151 | 1.6% | 1.1% | 1.1% | 0.9% |
| Industry | | | | | | | | | | | | |
| Swerock/Asphalt | 1 431 | 1 258 | 3 291 | 3 118 | 13 | 15 | 152 | 154 | 0.9% | 1.2% | 4.6% | 4.9% |
| Plant/Cranes | 286 | 285 | 580 | 579 | 62 | 58 | 126 | 122 | 21.7% | 20.4% | 21.7% | 21.1% |
| Total | 1 717 | 1 543 | 3 871 | 3 697 | 75 | 73 | 278 | 276 | 4.4% | 4.7% | 7.2% | 7.5% |
| Trust/Management | 30 | 53 | 73 | 96 | -67 | -75 | -114 | -122 | | | | |
| Elimination | -652 | -599 | -1 361 | -1 308 | | | | | | | | |
| The Group | 9 955 | 9 096 | 20 945 | 20 086 | 152 | 88 | 369 | 305 | 1.5% | 1.0% | 1.8% | 1.5% |
| Capital employed | 4 495 | 4 516 | 4 495 | 4 520 | | | | | | | | |
| Return on capital employed | 4.0% | 2.8% | 10.2% | 9.2% | | | | | | | | |

Quarterly figures

| The Group per quarter | | | | | | | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| MSEK | Apr-Jun 2004 | Jan-Mar 2004 | Oct-Dec 2003 | Jul-Sep 2003 | Apr-Jun 2003 | Jan-Mar 2003 | Oct-Dec 2002 | Jul-Sep 2002 | Apr-Jun 2002 |
| Net sales | 5 613 | 4 342 | 5 995 | 4 995 | 5 014 | 4 082 | 5 761 | 4 821 | 5 113 |
| Production and management expenses | -5 166 | -3 971 | -5 567 | -4 587 | -4 583 | -3 722 | -5 198 | -4 431 | -4 568 |
| Gross profit | 447 | 371 | 428 | 408 | 431 | 360 | 563 | 390 | 545 |
| Selling and administrative expenses | -342 | -333 | -353 | -273 | -381 | -328 | -359 | -227 | -392 |
| Participations of profit before tax of associated companies/joint ventures | 5 | -3 | 2 | 5 | 3 | -2 | 14 | 5 | 7 |
| Result from participations in associated companies/joint ventures sold | 5 | - | - | -1 | - | 5 | 55 | -4 | 6 |
| Result from participations in Group companies sold | - | 2 | 1 | - | - | - | -12 | 4 | -12 |
| Operating profit | 115 | 37 | 78 | 139 | 53 | 35 | 261 | 168 | 154 |
| Profit from financial items | -17 | -17 | -26 | -11 | -6 | -22 | -3 | -51 | -15 |
| Profit after financial items | 98 | 20 | 52 | 128 | 47 | 13 | 258 | 117 | 139 |
| Tax | -14 | -3 | 16 | -18 | -7 | -2 | -29 | -17 | -15 |
| Minority interests | - | 4 | -10 | 8 | -1 | 0 | -2 | 0 | 2 |
| Profit for the period | 84 | 21 | 58 | 118 | 39 | 11 | 227 | 100 | 126 |
| Profit per share, SEK | 1.00 | 0.20 | 0.70 | 1.40 | 0.50 | 0.10 | 2.70 | 1.20 | 1.50 |
| - after completed subscription and conversion | 1.00 | 0.20 | 0.70 | 1.40 | 0.50 | 0.10 | 2.60 | 1.20 | 1.50 |
| Average number of outstanding shares, million | 84.9 | 84.8 | 84.8 | 84.8 | 84.8 | 84.4 | 84.3 | 84.3 | 85.1 |
| - after completed subscription and conversion | 84.9 | 84.8 | 84.8 | 84.8 | 84.8 | 84.4 | 84.3 | 84.3 | 85.1 |

| Business area per quarter | | | | | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| MSEK | Apr-Jun 2004 | Jan-Mar 2004 | Oct-Dec 2003 | Jul-Sep 2003 | Apr-Jun 2003 | Jan-Mar 2003 | Oct-Dec 2002 | Jul-Sep 2002 | Apr-Jun 2002 |
| Net sales | | | | | | | | | |
| Construction and Civil Engineering | 4 809 | 4 051 | 5 333 | 4 169 | 4 342 | 3 757 | 5 219 | 4 002 | 4 438 |
| Industry | 1 179 | 538 | 1 041 | 1 113 | 1 002 | 541 | 887 | 1 049 | 931 |
| Trust/Management | 15 | 15 | 24 | 19 | 19 | 34 | 23 | 23 | 59 |
| Elimination | -390 | -262 | -403 | -306 | -349 | -250 | -368 | -253 | -315 |
| Total | 5 613 | 4 342 | 5 995 | 4 995 | 5 014 | 4 082 | 5 761 | 4 821 | 5 113 |
| Operating profit | | | | | | | | | |
| Construction and Civil Engineering | 82 | 62 | 25 | 36 | 35 | 55 | 233 | 60 | 116 |
| Industry | 79 | -4 | 73 | 130 | 67 | 6 | 84 | 108 | 90 |
| Trust/Management | -46 | -21 | -20 | -27 | -49 | -26 | -56 | 0 | -52 |
| Total | 115 | 37 | 78 | 139 | 53 | 35 | 261 | 168 | 154 |
| Order situation Construction and Civil Engineering | | | | | | | | | |
| Orders received | 4 897 | 5 397 | 4 525 | 5 171 | 4 178 | 4 465 | 5 064 | 4 190 | 4 836 |
| Order backlog at the end of the period | 15 030 | 14 936 | 13 590 | 14 282 | 13 412 | 13 509 | 12 852 | 13 235 | 13 137 |

List of shareholders, 31 July 2004

| Shareholders | A-shares | B-shares | Total no of shares | Proportion of capital, % | Proportion of votes, % |
|---|------------------|-------------------|--------------------|--------------------------|------------------------|
| Erik Paulsson with family and company | 3 487 890 | 3 699 358 | 7 187 248 | 8.2% | 22.0% |
| Mats Paulsson with company | 2 753 244 | 4 100 000 | 6 853 244 | 7.9% | 18.0% |
| Mohammed Al-Amoudi with company | 0 | 18 854 865 | 18 854 865 | 21.6% | 10.7% |
| Fredrik Paulsson with company | 987 340 | 977 811 | 1 965 151 | 2.3% | 6.2% |
| Stefan Paulsson with company | 987 340 | 962 479 | 1 949 819 | 2.2% | 6.2% |
| Svante Paulsson with family and company | 640 890 | 738 880 | 1 379 770 | 1.6% | 4.1% |
| Sara Karlsson with family and company | 640 890 | 347 687 | 988 577 | 1.1% | 3.9% |
| Karl-Axel Granlund with company | 0 | 4 700 000 | 4 700 000 | 5.4% | 2.7% |
| AMF Pension funds | 0 | 2 644 000 | 2 644 000 | 3.0% | 1.5% |
| LKAB | 0 | 1 776 200 | 1 776 200 | 2.0% | 1.0% |
| SHB/SPP funds | 0 | 1 010 910 | 1 010 910 | 1.2% | 0.6% |
| Robur funds | 0 | 983 700 | 983 700 | 1.1% | 0.6% |
| SEB funds | 0 | 895 300 | 895 300 | 1.0% | 0.5% |
| Others | 308 108 | 33 387 252 | 33 695 360 | 38.7% | 20.7% |
| Number of outstanding shares | 9 805 702 | 75 078 442 | 84 884 144 | | |
| Peab AB | 0 | 2 311 800 | 2 311 800 | 2.7% | 1.3% |
| Number of registered shares | 9 805 702 | 77 390 242 | 87 195 944 | 100.0% | 100.0% |

Source: SIS Ägarservice, VPC

