



INTERIM REPORT  
JANUARY–JUNE 2006

Net sales increased by 20 per cent to SEK 13 506 million (11 289)

Operating profit amounted to SEK 401 million (234)

Profit for the period amounted to SEK 291 million (545)

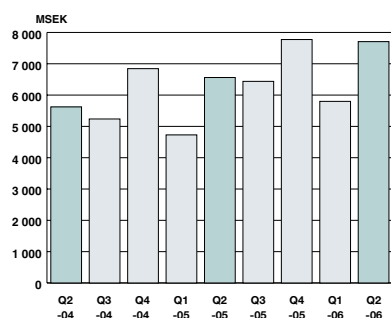
Profit per share before dilution amounted to SEK 3.41 (6.42)

Orders received amounted to SEK 15 169 million (10 934)

Order backlog amounted to SEK 21 715 million (16 793)

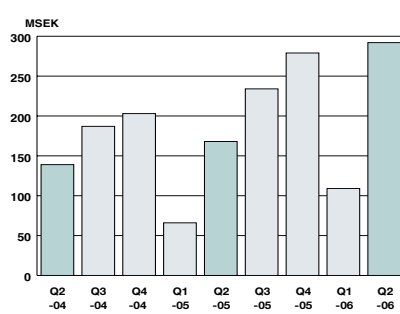
## Interim Report January-June 2006

### Net sales



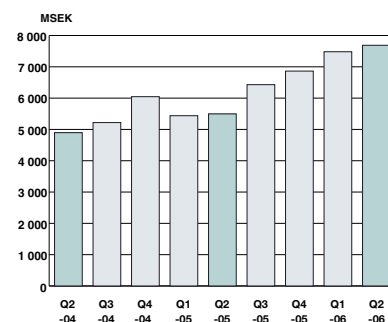
The Group's net sales for the January-June 2006 period amounted to SEK 13 506 million, which was an increase of 20 per cent compared with the corresponding period the previous year. Adjusted for acquired and divested units, the increase in net sales amounted to 13 per cent.

### Operating profit



The Group's operating profit for the first half of 2006 amounted to SEK 401 million, compared to SEK 234 million the previous year. Operating profits for the latest rolling 12-month period amounted to SEK 914 million compared to SEK 747 million for the full year 2005.

### Orders received per quarter



Orders received during the first half of 2006 amounted to SEK 15 169 million, compared to SEK 10 934 million the previous year. The order backlog amounted to SEK 21 715 million compared with an order backlog of SEK 17 722 million at the end of 2005.

## The Group

MSEK	Jan-Jun 2006	Jan-Jun 2005	Jul-Jun 2005/2006	Jan-Dec 2005	Financial objectives
Net sales	13 506	11 289	27 718	25 501	
Operating profit	401	234	914	747	
Operating margin	3.0%	2.1%	3.3%	2.9%	
Profit before tax	403	383	844	824	
Profit for the period	291	545	601	855	
Return on capital employed	7.5%	8.0%	15.3%	17.1%	>12%
Return on equity	8.7%	19.4%	18.9%	28.7%	>15%
Profit per share before dilution, SEK	3.41	6.42	7.04	10.06	
Equity/assets ratio	21.8%	22.2%	21.8%	24.4%	>25%

## New contracts during the second quarter

We took on several major projects during the second quarter, including:

- Peab has been commissioned to carry out the conversion works on Lysaker station outside Oslo. The order was placed by the Norwegian National Rail Administration and the total value of the contract is NOK 439 million.
- Peab has been commissioned to build a new nursing building within the nursing area of the Sahlgrenska Hospital in Gothenburg. The customer is Västfastigheter and the contract is worth approximately SEK 400 million.
- Peab has been contracted to construct 161 new apartments at Fornebu, Oslo's old airport. The order was placed by Rolfsbukta AS and the total value of the contract is NOK 400 million.
- Peab has been commissioned to build a further 134 new apartments in Hammarby Sjöstad, Stockholm. The order was placed by Riksbyggen and the contract is worth SEK 215 million.

## MD's comments

The first half was characterised by strong demand in the construction market. A broad upturn is in progress and we are feeling the beneficial effects in all the segments and geographical areas where we operate. We are seeing the effects on orders received, sales and operating profits alike. During the first half Peab experienced a growth in sales of some 20 per cent and an increase in operating profit of SEK 167 million compared with the same period last year. To this should be added order backlog amounting to SEK 21 715 million, thus providing us with future stability.

There are also threats in times of economic upturn as that in which we are now. As a result of the rising prices of homes along with the high private consumption the Bank of Sweden has gradually increased interest rates, and one may reasonably suppose that this trend will continue. We have also found that price increases within the building and construction industry for intermediate goods and subcontractors are high in many cases. Above all, this involves materials containing metals or other raw materials such as oil, which taken together with a shortage of manpower is increasing prices.

We at Peab face the future with confidence, and despite the beneficial market we realise that we must continue developing certain aspects. Therefore we are continuing our efforts to make the company the Best Workplace in the Sector, while putting major resources



into recruiting new personnel. As part of this initiative, this summer we set up what we refer to as the Peab School - a 3-year training course, which is aimed at the many young people who wish to make a career in the building and construction industry and with Peab.

*Mats Paulsson*  
*Managing Director*

## Net sales and profit

The Group's net sales for the January to June period increased by 20 per cent to SEK 13 506 million (11 289). Adjusted for acquired and divested units the increase in net sales amounted to 13 per cent. Of the period's net sales, SEK 1 889 million (1 703) related to sales and production outside Sweden.

First half operating profit amounted to SEK 401 million, compared to SEK 234 million for the corresponding period the previous year. Operating profit for the latest rolling 12-month period amounted to SEK 914 million compared with SEK 747 million for the full year 2005.

Profit after financial items amounted to SEK 403 million compared to SEK 383 million during the first half of the previous year. Net financial expense was SEK 2 million (149), of which net interest expense amounted to SEK -33 million (-31). The effect valuing financial instruments at fair value is recognised in net financials as SEK 38 million (183 million). Holdings of convertible promissory notes in Brinova Fastigheter AB were converted to shares on 28 June 2006. The overall impact on profit of valuing the Brinova holding at fair value amounted to SEK 37 million during the first half, and this was recognised in net financials. The share holding is entered at the market price on balance sheet day. During the same period the previous year total profit from the valuation of convertible promissory notes in Brinova amounted to SEK 195 million.

Participation in the profits of joint ventures are booked in accordance with the equity method. The period's share of profits in joint ventures amounted to SEK -9 million (1). Peab recognises results from participations one quarter in arrears.

Tax expense for the period amounted to SEK -112 million (162), which is equivalent to a tax rate of 28 per cent. Tax during the first half of 2005 included deferred tax revenue concerning the revaluation of deferred tax receivables to an amount of SEK 211 million. The annual expected tax rate is estimated to amount to approximately 28 per cent, and will for the main part refer to deferred tax expenses as a result of the use of tax loss carry-forwards, the taxable value of which was earlier allocated as deferred tax recoverable.

Profit for the period amounted to SEK 291 million (545).

## Financial position

The equity/assets ratio was 21.8 per cent, compared with 22.2 per cent at the same time last year. Net debt amounted to SEK 1 778 million, compared with SEK 2 562 million at the same time last year. The average interest rate on the loan portfolio amounted to 3.5 per cent (3.2).

At the end of the period, the Group's liquid funds including non-exercised credit lines amounted to SEK 4 311 million compared with SEK 4 101 million as at 31 December 2005. Disposable liquid funds include commercial papers issued to a value of SEK 568 million, compared with SEK 494 million on 31 December 2005.

At the end of the period, the Group's contingent liabilities excluding joint and several liability in trading and limited partnerships amounted to SEK 1 349 million compared to SEK 847 million as at 31 December 2005. This amount includes the SEK 167 million charge that the Swedish Competition Authority is demanding that Peab pay in the current asphalt cartel case. The main negotiations are planned to start in autumn 2006 and a judgement of first in-

stance is expected in 2007. Of other contingent liabilities SEK 855 million relates to obligations to tenant-owners' cooperatives under construction compared with SEK 478 million at the end of the year 2005.

## Investments

Net investment in tangible and intangible fixed assets amounted to SEK 388 million (207) during the period. The net change in shares and participations amounted to SEK 505 million (19), of which the conversion of convertible promissory notes to shares in Brinova Fastigheter AB amounted to SEK 493 million. During the period SEK 277 million (470) net was invested in project- and development properties.

## Cash flow

First half cash flow before financing amounted to SEK 997 million (-121). The improvement may above all be attributed to high levels of invoicing in relation to completions and improved profitability from the current operations. Cash flow from changes in working capital includes acquisition of project- and development properties amounting to SEK 284 million (41).

## Personnel

At the end of the period, the company employed a staff of 12 742 compared to 11 885 at the same time the previous year.

## Comments by business sectors

### Construction and Civil Engineering

The Construction and Civil Engineering business sector comprises the Group's resources concerning Construction and Civil Engineering related services. Peab covers the whole of Sweden, while in Norway and Finland its activities are centred in the metropolitan areas.

First half net sales in the Construction and Civil Engineering area amounted to SEK 12 097 million compared with SEK 10 060 million the previous year, equivalent to a rise of 20 per cent. The increased sales stem from Swedish activities and some SEK 600 million may be attributed to acquired companies during the first half.

First half operating profits amounted to SEK 342 million, compared to SEK 196 million the previous year. During the latest rolling 12-month period the operating margin for Swedish Construction and Civil Engineering activities was 3.4 per cent compared with 3.1 per cent for the full year 2005. The construction business continues to showed increased profitability and civil engineering activities running at stable levels despite reduced production caused by the harsh winter.

Our foreign activities are showing an improved order book and

strong demand. Norwegian operations generate a positive operating profit during the first half. Finnish operations are running in accordance with the action plans adopted. Foreign activities reported first half operating profits of SEK -18 million (-42).

Capital employed in Construction and Civil Engineering amounted to SEK 4 520 million (3 841). Return on capital employed for the latest rolling 12-month period was 16.5 per cent, compared to 13.0 per cent for the full year 2005.

Orders received during the first half amounted to SEK 15 169 million (10 934), which is an increase of 39 per cent. The order backlog at the end of the period amounted to SEK 21 715 million compared with SEK 17 722 million at the end of the year. This represents an increase of 23 per cent. Of the total order backlog, 49 per cent (50) is expected to be produced after the current year. Construction projects accounted for 76 per cent (73) of the order backlog. Swedish operations accounted for 80 per cent (86) of the backlog.

### Order backlog and orders received Construction and Civil Engineering

MSEK	2006-06-30	2005-06-30	2005-12-31
Current financial year	11 010	8 330	13 413
Coming financial year	8 354	6 822	3 534
Thereafter	2 351	1 641	775
<b>Total order backlog</b>	<b>21 715</b>	<b>16 793</b>	<b>17 722</b>
<b>Orders received</b>	<b>15 169</b>	<b>10 934</b>	<b>24 227</b>

Within its contracting operations, Peab also engages in internally developed construction of housing, comprising tenant-owner rights and single homes sold directly to the end customer. At the end of the period, 3 768 (1 991) internally developed homes were under construction, 69 per cent (78) of which were sold. The total holding of project- and development properties in Construction and Civil Engineering amounted to SEK 2 061 million (2 069) at the end of the first half year 2006.

### Industry

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

Net first half sales for Industry amounted to SEK 2 207 million (1 863), which is an increase of 18 per cent. Operating profit amounted to SEK 129 million (108). The first half is marked by low levels of activity in all the business area's units due to winter weather conditions. All units segment appear to have good prospects for the rest of the year with good demand.

### Internally developed housing construction

	Jan-Jun 2006	Jan-Jun 2005	Jan-Dec 2005
Number of housing starts during the period	1 321	711	2 230
Number of homes sold during the period	1 051	820	1 907
Total number of homes under construction	3 768	1 991	2 771
Share of sold homes under construction	69%	78%	69%
Number of unsold homes in own balance sheet	5	25	16

Capital employed in the Industry business sector amounted to SEK 2 305 million (1 990). Return on capital employed for the latest rolling 12-month period was 18.4 per cent, compared to 19.0 per cent for the full year 2005.

## Trust/Management

Trust/Management comprises the central companies, certain subsidiaries and joint ventures and other holdings. Operating profit amounted to SEK -70 million (-70). Common Group costs were recognised at a total of SEK -54 million (-74).

## The construction market

The Swedish construction market continues to grow and there continue to be good conditions for increased investment in building in the forthcoming years. Building investment is expected to increase by seven per cent this year and by three per cent in 2007. Access to manpower is crucial to this growth.

In the first half of the year there were increases in investments in all segments for the first time for several years. Home building enjoyed the largest increase. Interest in investing in tenancy right projects is increasing among both public and private investors. Demand for housing is also great in Norway and Finland and is still concentrated around the metropolitan areas.

An increase of approximately 4-5 per cent in civil engineering investment is expected in the forthcoming years. Investment in public works has increased in the first half after a period of low investment caused by weak investment in the road network. The high numbers of civil engineering project orders received have resulted in good capacity utilisation of group civil engineering resources and for operations in the Industry business sector.

After several years of declining investment levels in business premises a turnaround is now in progress as a result of increased room for investment by local government around the country and good demand for commercial space. Competition for tenants is also providing a good basis for office space conversion projects.

The Swedish industrial investment is expected to remain unchanged this year and with a decline in 2007.

## Acquisitions during the period

Peab has acquired 100 per cent of the shares in Midroc Construction AB. The company operates in southern Sweden and has some 500 employees. In 2005, it had net sales of SEK 1 188 million. The company engages in construction and civil engineering activities.

## Important events during the period

Peab has prolonged bilateral loan agreements totalling SEK 3 000 million with seven banks. The extension means that loan agreements signed in September 2004 which were originally to expire in September 2009 will now fall due for payment in February 2013. The loans are not subject to amortization and otherwise terms are unchanged.

Mats Johansson, 56, and Jesper Göransson, 34, have been appointed deputy managing directors in Peab AB. Mats has many years' experience of personnel and organisational issues as an independent consultant, and was employed as director of human resources

at Peab in 2006. Jesper, who has now been appointed Treasury Director, was first employed in the company in 1995 and since 1998 has been working as Treasury Manager.

Peab has, in accordance with the conditions of convertible promissory notes 2003/2008, converted to new B-shares in Brinova Fastigheter AB. Conversion has been carried out of all convertible promissory notes 2003/2008, for nominal SEK 253 million, at a price of SEK 51.30 per share. After the conversion Peab holds 4 931 773 B-shares corresponding to 21.82 per cent of the capital and 14.35 per cent of the votes in Brinova Fastigheter AB.

## The Peab-share

Peab's B-share is listed on the O-list of the Stockholmsbörsen. As at 24 August 2006, the price of the Peab share was SEK 119, which is an increase of 17 per cent since the end of the year. During the corresponding period, the Swedish stock market increased by 4 per cent according to Affärsvärlden's general index. During 2006, the Peab share was traded at a maximum of SEK 134.00 and a minimum of SEK 93.50.

## Holdings of own shares

At the start of 2005, Peab's holding of own shares amounted to 2 093 200 B-shares, corresponding to 2.4 per cent of the total number of shares. The Annual General Meeting decided on 17 May 2006 to authorize the board of Peab to repurchase a maximum of 8 700 000 shares of Peab AB during the period up to the next Annual General Meeting. The board of Peab has with support of this authorization decided to purchase a maximum of 1 000 000 shares. The shares may be acquired on the Stockholm Stock Exchange at the current exchange price at the time. During the first half, Peab has repurchased 398 900 B-shares and the holding of own shares then amounted to 2 492 100 B-shares, equivalent to 2.9 per cent of the total number of shares.

### Number of outstanding shares, 30 June 2006

Number of registered shares	87 195 944
Holdings of own shares, 31 December 2005	-2 093 200
<b>Number of outstanding shares, 31 December 2005</b>	<b>85 102 744</b>
Acquire of own shares during the period	-398 900
<b>Number of outstanding shares, 30 June 2006</b>	<b>84 703 844</b>

## The Parent Company

The parent company Peab AB's net sales amounted to SEK 30 million (25) and consisted mostly of internal Group services. Profit after tax amounted to SEK 477 million (745). Profits include dividends of SEK 511 million (708) from subsidiaries.

The parent company's assets principally consists of shares in Group companies of SEK 6 048 million (5 924), shares in Brinova Fastigheter AB with SEK 493 million (convertible promissory notes in Brinova 501 million) and interest-bearing receivables of SEK 105 million (66). These assets have been financed from equity of SEK 4 082 million (3 843) and long-term liabilities amounting to SEK 2 607 million (2 735). The parent company's liquid funds amounted at the

end of the period to SEK 12 million (0). Investments in shares and participations amounted in the first half to SEK 21 million (74).

## Accounting principles

The 2006 first half year report has been drawn up in accordance with the IFRS standards adopted by the EU and the interpretations of current standards adopted by the EU, IFRIC. This report has been prepared in accordance with IAS 34, Interim Financial Reporting and RR 31, Interim reporting for groups.

Convertible promissory notes in Brinova Fastigheter AB have, in the group, until their conversion to shares, been accounted divided into a conversion right and a financial asset. The total value was previously recognised as a interest-bearing long-term receivable. From the first quarter of 2006, the claim part will be recognised as a interest-bearing long-term receivable and the conversion right as a financial fixed asset (non interest-bearing). Comparative figures in the balance sheet for previous periods have been reclassified correspondingly. After the conversion 28 June 2006, the share holding is entered into other financial fixed assets and classified as Financial asset at fair value through the income statement.

In the parent company, from 1 January 2006 onwards, the Swedish Annual Accounts Act rules section 4 paragraph 14 a-e concerning valuation of certain financial instruments at fair value and hedge accounting have been applied. This has resulted in a change in accounting principles. The changes mean that the parent company's holdings of convertible promissory notes in Brinova Fastigheter AB have been valued at their fair value. The corresponding comparative figures for previous years have therefore been recalculated. The effect of the altered accounting principle on the parent company's opening equity for 1 January 2005 meant an increase of SEK 53 million.

The interim report has in other respects been prepared using the same accounting principles and assumptions that were described in the 2005 annual report.

## Future financial information

The third quarter report will be published on 24 November 2006. The 2006 final accounts will be reported on 15 February 2007.

Förslöv, 25 August 2006

*Mats Paulsson*  
*Managing Director*

## Review report

### Introduction

I have reviewed the interim report for the period 1 January to 30 June, 2006, for Peab AB (publ). The board of directors and the managing director are responsible for preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. My responsibility is to express a conclusion on this interim report based on my review.

### Orientation and scope of the review

I conducted my review in accordance with the Standard on Review Engagements SÖG 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by FAR. A review consists of making inquiries primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing in Sweden (RS) and other generally accepted auditing practices. The procedures performed in a review do not enable me to obtain a level of assurance that would make me aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

### Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompany interim report is not, in all material respects, in accordance with IAS 34 and the Annual Accounts Act.

Förslöv, 25 August 2006

*Thomas Thiel*  
*Authorised Public Accountant*

## Condensed income statement

The Group MSEK	Jan-Jun 2006	Jan-Jun 2005	Jan-Jun 2006	Jan-Jun 2005	Jul-Jun 2005/2006	Jan-Dec 2005
Net sales	13 506	11 289	7 707	6 561	27 718	25 501
Production costs	-12 227	-10 297	-6 909	-5 990	-25 332	-23 402
<b>Gross profit</b>	<b>1 279</b>	<b>992</b>	<b>798</b>	<b>571</b>	<b>2 386</b>	<b>2 099</b>
Selling and administrative expenses	-869	-762	-498	-407	-1 485	-1 378
Participation in profit of joint ventures	-9	1	-8	1	13	23
Result from participations in Group companies sold	0	3	0	3	0	3
<b>Operating profit</b>	<b>401</b>	<b>234</b>	<b>292</b>	<b>168</b>	<b>914</b>	<b>747</b>
Net financial income/expense	2	149	-133	169	-70	77
<b>Profit before tax</b>	<b>403</b>	<b>383</b>	<b>159</b>	<b>337</b>	<b>844</b>	<b>824</b>
Tax	-112	162	-44	-38	-243	31
<b>Profit for the period</b>	<b>291</b>	<b>545</b>	<b>115</b>	<b>299</b>	<b>601</b>	<b>855</b>
Profit attributable to shareholders' in Parent Company	290	546	114	299	600	856
Profit attributable to minority interest	1	-1	1	0	1	-1
<b>Key ratios</b>						
Profit per share, SEK	3.41	6.42	1.34	3.51	7.04	10.06
– after complete conversion	3.20	6.42	1.26	3.51	6.62	9.74
Average number of outstanding shares, million	85.1	85.0	85.0	85.0	85.1	85.1
– after complete conversion	90.6	85.1	90.5	85.2	90.6	87.9
Return on capital employed					15.3%	17.1%
Return on equity					18.9%	28.7%

## Condensed balance sheet

The Group MSEK	30 Jun 2006	30 Jun 2005	31 Dec 2005
<b>Assets</b>			
Intangible assets	428	365	390
Tangible fixed assets	2 193	1 828	2 048
Interest-bearing long-term receivables <sup>1)</sup>	112	381	359
Other financial fixed assets <sup>1)</sup>	857	520	497
Deferred tax assets	715	911	705
<b>Total fixed assets</b>	<b>4 305</b>	<b>4 005</b>	<b>3 999</b>
Project- and development properties	2 061	2 069	1 784
Inventories	346	225	345
Interest-bearing short-term receivables	186	255	171
Other current receivables	7 602	6 936	7 312
Short-term shareholdings	5	2	1
Liquid funds	753	130	130
<b>Total current assets</b>	<b>10 953</b>	<b>9 617</b>	<b>9 743</b>
<b>Total assets</b>	<b>15 258</b>	<b>13 622</b>	<b>13 742</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>	<b>3 323</b>	<b>3 019</b>	<b>3 348</b>
Interest-bearing long-term liabilities	1 783	1 796	2 176
Other long-term liabilities	143	156	128
<b>Total long-term liabilities</b>	<b>1 926</b>	<b>1 952</b>	<b>2 304</b>
Interest-bearing short-term liabilities	1 051	1 534	595
Other current liabilities	8 958	7 117	7 495
<b>Total current liabilities</b>	<b>10 009</b>	<b>8 651</b>	<b>8 090</b>
<b>Total liabilities</b>	<b>11 935</b>	<b>10 603</b>	<b>10 394</b>
<b>Total shareholders' equity and liabilities</b>	<b>15 258</b>	<b>13 622</b>	<b>13 742</b>
<b>Key ratios</b>			
Capital employed	6 157	6 349	6 119
Equity/assets ratio	21.8%	22.2%	24.4%
Net debt	1 778	2 562	2 110
Adjusted equity per share, SEK	39.22	35.48	39.34
– after complete conversion	36.83	38.40	36.96
Number of outstanding shares at end of period, million	84.7	85.1	85.1
– after complete conversion	90.2	90.6	90.6

<sup>1)</sup> Reclassification has been made of the conversion rights concerning convertible promissory notes in Brinova Fastigheter AB in accordance with the description under Accounting principles. Thereby an amount of SEK 264 million as of June 30, 2005 and an amount of SEK 217 million as of December 31, 2005 have been reclassified from Interest-bearing long-term receivables to Other financial fixed assets.

## Change in shareholders' equity

The Group MSEK	30 Jun 2006	30 Jun 2005	31 Dec 2005
<b>Shareholders' equity attributable to shareholders' in Parent Company</b>			
Opening balance shareholders' equity, 1 January	3 348	2 620	2 620
Cash dividend	-255	-212	-212
Disposal of own shares		9	9
Acquisition of own shares	-46		
Shareholders' equity convertible debentures		27	27
Deferred tax on temporary differences relating to the loan part of convertible promissory notes		-8	-8
Changes in translation reserve for the period	-15	37	56
Profit for the period	290	546	856
<b>Closing balance shareholders' equity</b>	<b>3 322</b>	<b>3 019</b>	<b>3 348</b>
<b>Shareholders' equity attributable to minority interest</b>			
Opening balance shareholders' equity, 1 January	0	33	33
Acquisition minority interest		-32	-32
Profit for the period	1	-1	-1
<b>Closing balance shareholders' equity</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>Total closing balance shareholders' equity</b>	<b>3 323</b>	<b>3 019</b>	<b>3 348</b>

## Condensed cash flow statement

The Group MSEK	Jan-Jun 2006	Jan-Jun 2005	Apr-Jun 2006	Apr-Jun 2005	Jul-Jun 2005/2006	Jan-Dec 2005
Cash flow from current operations before working capital changes	548	342	421	226	1 496	1 290
Cash flow from changes in working capital	722	-13	389	240	714	-21
<b>Cash flow from current operations</b>	<b>1 270</b>	<b>329</b>	<b>810</b>	<b>466</b>	<b>2 210</b>	<b>1 269</b>
Acquisition of subsidiaries	-122	-272	-69	-235	-263	-413
Disposal of subsidiaries	—	3	—	3	4	7
Acquisition of fixed assets	-174	-196	-97	-141	-344	-366
Sales of fixed assets	23	15	13	10	49	41
<b>Cash flow from investment operations</b>	<b>-273</b>	<b>-450</b>	<b>-153</b>	<b>-363</b>	<b>-554</b>	<b>-731</b>
<b>Cash flow before financing</b>	<b>997</b>	<b>-121</b>	<b>657</b>	<b>103</b>	<b>1 656</b>	<b>538</b>
Cash flow from financing operations	-373	165	-501	-65	-1 030	-492
<b>Cash flow for the period</b>	<b>624</b>	<b>44</b>	<b>156</b>	<b>38</b>	<b>626</b>	<b>46</b>
Cash at the beginning of the period	130	85	598	91	130	85
Exchange rate differences in cash	-1	1	-1	1	-3	-1
<b>Cash at the end of the period</b>	<b>753</b>	<b>130</b>	<b>753</b>	<b>130</b>	<b>753</b>	<b>130</b>

## Net sales and operating profit per business area

MSEK	Net sales				Operating profit				Operating margin			
	Jan-Jun 2006	Jan-Jun 2005	Jul-Jun 2005/2006	Jan-Dec 2005	Jan-Jun 2006	Jan-Jun 2005	Jul-Jun 2005/2006	Jan-Dec 2005	Jan-Jun 2006	Jan-Jun 2005	Jul-Jun 2005/2006	Jan-Dec 2005
<b>Construction and Civil Engineering</b>												
Sweden	10 512	8 439	20 993	18 920	360	238	708	586	3.4%	2.8%	3.4%	3.1%
Abroad	1 585	1 621	3 474	3 510	-18	-42	-64	-88	-1.1%	-2.6%	-1.8%	-2.5%
<b>Total</b>	<b>12 097</b>	<b>10 060</b>	<b>24 467</b>	<b>22 430</b>	<b>342</b>	<b>196</b>	<b>644</b>	<b>498</b>	<b>2.8%</b>	<b>1.9%</b>	<b>2.6%</b>	<b>2.2%</b>
<b>Industry</b>												
Swerock/Asphalt	1 827	1 556	4 141	3 870	56	44	259	247	3.1%	2.8%	6.3%	6.4%
Plant/Cranes	380	307	723	650	73	64	142	133	19.2%	20.8%	19.6%	20.5%
<b>Total</b>	<b>2 207</b>	<b>1 863</b>	<b>4 864</b>	<b>4 520</b>	<b>129</b>	<b>108</b>	<b>401</b>	<b>380</b>	<b>5.8%</b>	<b>5.8%</b>	<b>8.2%</b>	<b>8.4%</b>
<b>Trust/Management</b>	<b>52</b>	<b>46</b>	<b>101</b>	<b>95</b>	<b>-70</b>	<b>-70</b>	<b>-131</b>	<b>-131</b>				
Elimination	-850	-680	-1 714	-1 544								
<b>The Group</b>	<b>13 506</b>	<b>11 289</b>	<b>27 718</b>	<b>25 501</b>	<b>401</b>	<b>234</b>	<b>914</b>	<b>747</b>	<b>3.0%</b>	<b>2.1%</b>	<b>3.3%</b>	<b>2.9%</b>



## Quarterly figures

The Group per quarter									
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
MSEK	2006	2005	2005	2005	2005	2004	2004	2004	2004
Net sales	7 707	5 799	7 774	6 438	6 561	4 728	6 844	5 237	5 622
Production expenses	-6 909	-5 318	-7 139	-5 966	-5 990	-4 307	-6 279	-4 759	-5 157
<b>Gross profit</b>	<b>798</b>	<b>481</b>	<b>635</b>	<b>472</b>	<b>571</b>	<b>421</b>	<b>565</b>	<b>478</b>	<b>465</b>
Selling and administrative expenses	-498	-371	-365	-251	-407	-355	-376	-297	-335
Participations in profit of joint ventures	-8	-1	9	13	1	0	2	-2	4
Result from participations in joint ventures sold	—	—	—	—	—	0	12	8	5
Result from participations in Group companies sold	0	0	0	0	3	0	0	0	0
<b>Operating profit</b>	<b>292</b>	<b>109</b>	<b>279</b>	<b>234</b>	<b>168</b>	<b>66</b>	<b>203</b>	<b>187</b>	<b>139</b>
Net financial income/expense	-133	135	-14	-58	169	-20	-1	-8	-18
<b>Profit before tax</b>	<b>159</b>	<b>244</b>	<b>265</b>	<b>176</b>	<b>337</b>	<b>46</b>	<b>202</b>	<b>179</b>	<b>121</b>
Tax	-44	-68	-72	-59	-38	200	-49	-47	-30
<b>Profit for the period</b>	<b>115</b>	<b>176</b>	<b>193</b>	<b>117</b>	<b>299</b>	<b>246</b>	<b>153</b>	<b>132</b>	<b>91</b>
Profit attributable to shareholders' in Parent Company	114	176	193	117	299	247	151	128	91
Profit attributable to minority interest	1	0	0	0	0	-1	2	4	0
Earnings per share, SEK	1.34	2.07	2.27	1.37	3.51	2.91	1.78	1.51	1.07
– after complete conversion	1.26	1.94	2.03	1.29	3.51	2.91	1.78	1.51	1.07
Average number of outstanding shares, million	85.0	85.1	85.1	85.1	85.0	85.0	85.0	84.9	84.9
– after complete conversion	90.5	90.6	90.6	90.6	85.2	85.0	85.0	84.9	84.9

Business area per quarter									
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
MSEK	2006	2005	2005	2005	2005	2004	2004	2004	2004
<b>Net sales</b>									
Construction and Civil Engineering	6 690	5 407	6 946	5 424	5 655	4 405	6 096	4 310	4 818
Industry	1 494	713	1 300	1 357	1 288	575	1 138	1 275	1 179
Trust/Management	27	25	23	26	27	19	15	19	15
Elimination	-504	-346	-495	-369	-409	-271	-405	-367	-390
<b>Total</b>	<b>7 707</b>	<b>5 799</b>	<b>7 774</b>	<b>6 438</b>	<b>6 561</b>	<b>4 728</b>	<b>6 844</b>	<b>5 237</b>	<b>5 622</b>
<b>Operating profit</b>									
Construction and Civil Engineering	190	152	194	108	100	96	165	95	99
Industry	143	-14	116	156	110	-2	72	146	86
Trust/Management	-41	-29	-31	-30	-42	-28	-34	-54	-46
<b>Total</b>	<b>292</b>	<b>109</b>	<b>279</b>	<b>234</b>	<b>168</b>	<b>66</b>	<b>203</b>	<b>187</b>	<b>139</b>
<b>Order situation Construction and Civil Engineering</b>									
Orders received	7 688	7 481	6 863	6 430	5 496	5 438	6 046	5 219	4 897
Order backlog at the end of the period	21 715	20 714	17 722	17 862	16 793	16 945	15 899	15 956	15 030

## List of shareholders, 31 July 2006

Shareholders	A-shares	B-shares	Total no of shares	Proportion of capital, %	Proportion of votes, %
Erik Paulsson with family and company	3 487 890	3 699 514	7 187 404	8.2%	22.0%
Mats Paulsson with company	2 787 117	4 655 590	7 442 707	8.5%	18.5%
Mohammed Al-Amoudi with company		18 854 865	18 854 865	21.6%	10.7%
Fredrik Paulsson with family and company	1 201 171	1 612 250	2 813 421	3.2%	7.8%
Stefan Paulsson with family and company	1 201 172	1 596 856	2 798 028	3.2%	7.8%
Svante Paulsson with family and company	491 688	728 880	1 220 568	1.4%	3.2%
Sara Karlsson with family and company	508 040	348 019	856 059	1.0%	3.1%
Karl-Axel Granlund with company		4 025 000	4 025 000	4.6%	2.3%
Robur funds		1 466 049	1 466 049	1.7%	0.8%
Skandia Life		1 251 400	1 251 400	1.4%	0.7%
JP Morgan Chase Bank		967 759	967 759	1.1%	0.6%
Other	128 624	35 548 260	35 676 884	41.1%	21.0%
<b>Number of outstanding shares</b>	<b>9 805 702</b>	<b>74 754 442</b>	<b>84 560 144</b>		
Peab AB		2 635 800	2 635 800	3.0%	1.5%
<b>Number of registered shares</b>	<b>9 805 702</b>	<b>77 390 242</b>	<b>87 195 944</b>	<b>100.0%</b>	<b>100.0%</b>

Source: VPC

