



PEAB AB

INTERIM REPORT

JANUARY–MARCH 2009.

Net sales increased by 3 percent to SEK 7,844 million (7,630), compared with pro forma including Peab Industri net sales fell by 8 percent

Operating profit amounted to SEK 202 million (262). Operating profit pro forma including Peab Industri for the comparable period amounted to SEK 334 million

Profit for the period amounted to SEK 136 million (205), pro forma including Peab Industri profit for the comparable period amounted to SEK 221 million

Earnings per share before dilution amounted to SEK 0.48 (1.22), pro forma including Peab Industri earnings per share before dilution for the comparable period amounted to SEK 0.78

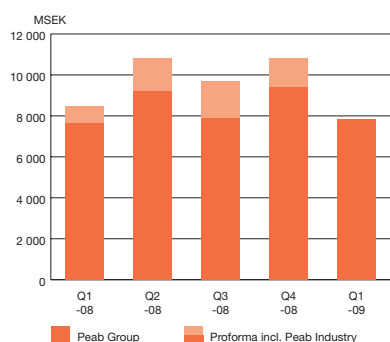
Order backlog for Construction and Civil Engineering amounted to SEK 24,079 million compared with SEK 24,233 million at year-end

Peab has made a public offer to the shareholders of Annehem Fastigheter AB



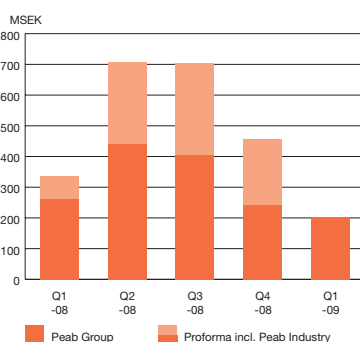
INTERIM REPORT JANUARY - MARCH 2009

Net sales



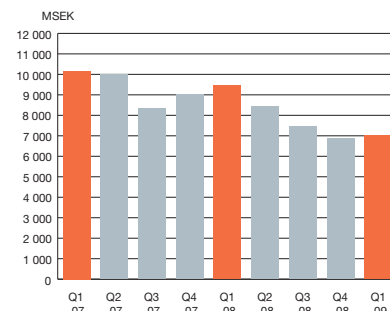
The Group's net sales the first quarter 2009 amounted to SEK 7,844 million (7,630), which was an increase of 3 percent. The Group's net sales sank with 8 percent compared with pro forma including Peab Industri for the same period the previous year. Adjusted for acquired and divested units, net sales fell by 10 percent.

Operating profit



Operating profit the first quarter 2009 amounted to SEK 202 million compared with SEK 262 million the same period previous year. Operating profit pro forma including Peab Industri amounted to SEK 334 million the same period the previous year.

Construction and Civil Engineering Orders received per quarter



Orders received the first quarter 2009 amounted to SEK 6,949 million compared to SEK 9,464 million for the same period the previous year. Order backlog amounted to SEK 24,079 million compared with SEK 28,091 million per 31 March 2008. As of 31 December 2008 the order backlog amounted to SEK 24,233 million.

Group

	Jan-Mar 2009	Pro forma Jan-Mar 2008	Pro forma Apr-Mar 2008/2009	Pro forma Jan-Dec 2008	Financial objectives
MSEK					
Net sales	7,844	8,484	39,122	39,762	
Operating profit	202	334	2,070	2,202	
Operating margin, %	2.6	3.9	5.3	5.5	
Pre-tax profit	183	302	1,593	1,712	
Profit for the period	136	221	1,639	1,724	
Earnings per share before dilution, SEK	0.48	0.78	5.72	6.10	
Return on equity, %	19.4 ¹⁾			28.6	> 20%
Equity/assets ratio, %	27.6			25.2	> 25%

¹⁾ Calculated on rolling 12 months

NEW CONTRACTS DURING THE FIRST QUARTER

We received several major contracts during the first quarter, including:

- Peab has been commissioned to build the so-called SMoT house in central Jönköping. Orderer is Landstingsfastigheter and contract sum amounts to SEK 303 million.
- Peab has been commissioned to carry out all land- and construction work at a biofuel plant adjacent to an existing district heating plant in Jordbro, just south of Stockholm. The customer is Vattenfall AB Värme Norden and contract sum amounts to SEK 94 million.
- Peab has been commissioned to build a stage on Kolsåsbanen in Oslo, which is part of Oslo's subway system. The customer is Kollektivtransportproduksjon AS and contract sum amounts to NOK 90 million.
- Peab has been commissioned to conduct a rebuilding and expansion of the Prison Institute Kumla. Customer is Specialfastigheter Sverige AB and the contract sum amounts to SEK 110 million.
- Peab has been commissioned to build a house of fashion and related car parks in the area of trade Hansa City in Kalmar. The client is Sveafastigheter AB and the contract sum amounts to about SEK 155 million.
- Peab has been commissioned to build the road 31, between Jönköping and Nässjö. The client is the Swedish Road Administration and the contract sum amounts to SEK 234 million.
- Peab has been commissioned to build a new hotel close to Kista Fair in Stockholm. Arthur Buchardt is the client and the contract sum amounts to about SEK 600 million.
- Peab has been commissioned to carry out rebuilding and extension of older housing Solhällan in Lund. The client is Lunds Kommuns Fastighets AB and the contract sum amounts to approximately SEK 100 million.

COMMENTS BY THE CEO

The weak economy during the second half of 2008 has characterised the first quarter as well creating customers with a wait-and-see policy. A general concern about the effects of the downturn in the economy and the inertia and uncertainty on the credit market has affected willingness to invest.

No matter what condition the economy is in, for seasonal reasons the first quarter is Peab's weakest quarter. Net sales fell by 8 percent in comparison with net sales pro forma including Peab Industri for the first quarter 2008. Operating profit dropped to SEK 202 million compared to pro forma including Peab Industri SEK 334 million in the first quarter 2008. It is, however, important to keep in mind that the first quarter 2008 was characterised by a very high production level and good profitability.

Orders received in the first quarter amounted to SEK 6,949 million compared to SEK 9,464 million in the first quarter of 2008. The reduction is particularly noticeable in private housing and building construction while orders in civil engineering are on the rise. Our order backlog is still on a satisfactory level and amounted to SEK 24,079 million compared to SEK 24,333 million at the end of 2008.

In February the Swedish Construction Federation forecasted a reduction of 5 percent in the Swedish construction market in 2009. Although there are many indications that 2009 and 2010 can be challenging years for the construction industry there are several factors that point to a more normal market situation. The drastically lowered interest rates are expected to contribute to increased activity on the housing market. The underlying need for housing is substantial, primarily in flats with tenancy rights. With efficient production and reasonable land prices we believe projects for flats tenancy rights will increase in the future. Municipalities with housing shortages are expressing their interest in rapid start-ups of housing construction to meet the demand.

In the autumn the government's stimulus packages in the form of increased appropriations for infrastructure will create an increase in public investments in civil engineering projects.

We are very pleased that we can start up production on the new national soccer stadium in Solna under the current market circumstances. This week we have reported orders worth more than SEK 4 billion for the projects in Solna. The new national stadium represents SEK 2.2 billion of this sum and is the largest single order Peab has ever received. The project creates a stable base for our operations in that region for several years to come.

We are working intensively to adjust to the current lower demand by overhauling our organisation and cost structures. Today's market situation increases the importance of having a solid financial foundation. At the end of March 2009 we had around SEK 6 billion in liquid funds at our disposal, including unutilised long-term credit promises.



We are always on the lookout for good business opportunities in Peab which is why we made a public offer on Annehem Fastigheter. We believe this deal will be good for the shareholders of both Peab and Annehem.

*Mats Paulsson
CEO and President*

NET SALES AND PROFIT

The Group's net sales for the first quarter 2009 increased by 3 percent to SEK 7,844 million (7,630). SEK 1,071 million (1,369) of the period's net sales was attributable to sales and production outside Sweden. The Group's net sales decreased by 8 percent in comparison with pro forma including Peab Industri of SEK 8,484 million the same period the previous year. Net sales adjusted for acquired and divested units decreased by 10 percent.

Operating profit for the first quarter of the year amounted to SEK 202 million compared with SEK 262 million for the same period the previous year. Pro forma including Peab Industri operating profit for the comparable period amounted to SEK 334 million. The drop is a result of the downturn in the economy leading to lower profits, particularly in housing production.

Net financial items amounted to SEK -19 million (13), of which net interest expense amounted to SEK -48 million (-6). Pro forma including Peab Industri net financial items for the comparable period amounted to SEK -32 million. The effect of valuing financial instruments at fair value affected net financial items by SEK 40 million (18), of which the income effect of valuing the Brinova holding at fair value amounted to SEK 42 million (-4). The shareholding is reported at market price on the balance sheet date.

Pre-tax profit amounted to SEK 183 million, compared with SEK 275 million for the same period the previous year. Pro forma including Peab Industri pre-tax profit for the comparable period was SEK 302 million.

Tax for the period amounted to SEK -47 million (-70), which is equivalent to a tax rate of 26 percent.

Profit for the period amounted to SEK 136 million (205). Profit Pro forma including Peab Industri for the comparable period was SEK 221 million.

FINANCIAL POSITION

The equity/assets ratio on 31 March 2009 was 27.6 percent, compared with 25.2 percent at year-end. Interest-bearing net debt amounted to SEK 4,575 million compared to SEK 4,042 million at year-end. The deterioration is due, among other things, to a negative change in working capital. The average interest rate in the loan portfolio on 31 March 2009 amounted to 3.2 percent (5.3).

The Group's liquid funds, including non-utilised credit facilities, amounted to SEK 5,985 million at the end of the period, compared with SEK 6,165 million on 31 December 2008.

At the end of the period, the Group's contingent liabilities, excluding joint and several liability in trading and limited partnerships, amounted to SEK 2,173 million compared with SEK 1,885 million on 31 December 2008. Of contingent liabilities, obligations to tenant-owners' associations under construction amounted to SEK 1,785 million compared with SEK 1,570 million at year-end.

INVESTMENTS

During the first quarter, net investments in tangible and intangible fixed assets amounted to SEK 262 million (118). Totally SEK 190 million (209) net was invested in project and development properties.

CASH FLOW

Cash flow from current operations before changes in working capital amounted to SEK 115 million compared with SEK 229 million for the

same period previous year. Cash flow from changes in working capital amounted to SEK -416 million compared with SEK -860 million the first quarter of last year.

Cash flow from investment activities amounted to SEK -97 million compared with SEK -90 million the same period last year. When project- and development properties are acquired through company acquisitions, this is charged to cash flow from investment activities similarly to acquisitions of subsidiaries.

Cashflow for the period amounted to SEK -231 million compared with SEK 443 million the same period the previous year.

PERSONNEL

At the end of March 2009, the company had 13,160 employees compared with 11,595 at the same time the previous year. Including Peab Industri, the company had 13,791 employees on 31 March 2008.

COMMENTS ON THE BUSINESS AREAS

CONSTRUCTION

The Construction business area comprises the Group's construction related services in Sweden and abroad.

Net sales in Construction for the first quarter 2009 amounted to SEK 5,490 million, compared with SEK 6,206 million for the same period the previous year, which corresponds to a decrease of 12 percent. Net sales adjusted for acquired units decreased by 13 percent. The reduction in net sales is primarily due to foreign operations.

Operating profit for the period amounted to SEK 147 million, compared with SEK 236 million during the same period the previous year. Operating margin sank to 2.7 percent compared with 3.8 percent for the same period the previous year. Operating margin for the latest rolling 12-month period was 3.8 percent, compared with 4.1 percent for the full year 2008. The reduction in operating profit and the operating margin is attributable to both Swedish and foreign operations and is primarily due to a weak housing market.

CIVIL ENGINEERING

The Civil Engineering business sector consists of civil engineering related business.

Net sales for the first quarter 2009 amounted to SEK 1,911 million compared with SEK 1,716 million for the same period the previous year, which corresponds to an increase of 11 percent. Adjusted for acquired units the increase in net sales amounted to 7 percent.

Operating profit for the period amounted to SEK 68 million compared with SEK 58 million for the same period the previous year. Operating margin increased to 3.6 percent compared with 3.4 percent for the same period the previous year. For the latest rolling 12 month period operating margin amounted to 4.8 percent, which is unchanged compared with full year 2008.

INDUSTRY

Business area Industry is made up of the three complementary units Machines, Products and Services. All of them focus on the Nordic construction and civil engineering markets.

Net sales for the first quarter 2009 amounted to SEK 1,298 million compared with SEK 1,429 million the same period the previous year,

which corresponds to a decrease of 9 percent.

Operating profit amounted to SEK 32 million compared with SEK 71 million the same period previous year. Operating margin sank to 2.5 percent compared with 5.0 percent for the same period the previous year. For the latest rolling 12 month period operating margin amounted to 9.7 percent, compared with 10.0 percent for the entire year 2008. The reduction in operating profit and operating margin is due to lower volumes because of a more severe winter in 2009 than in 2008 and lower housing production.

ORDERS RECEIVED AND ORDER BACKLOG CONSTRUCTION AND CIVIL ENGINEERING

Orders received for the first quarter 2009 amounted to SEK 6,949 million compared to SEK 9,464 million for the same quarter last year, which is a decrease of 27 percent. The reduction is primarily due to fewer orders from private customers such as housing projects for tenant-owners associations. However, orders received regarding civil engineering are on the rise.

The order backlog still to be produced at the end of the period totalled SEK 24,079 million compared with SEK 24,233 million at year-end. At the end of the first quarter of the previous year the order backlog was SEK 28,091 million. The order backlog has contracted in the business area Construction in both Sweden and abroad while there has been growth in Civil Engineering.

Of the total order backlog, 35 percent (37) is expected to be produced after 2009. Construction projects accounted for 66 percent (74) of the order backlog. Swedish operations accounted for 87 percent (88) of the order backlog.

No orders received or order backlog is given for the business area Industry.

Order backlog and orders received

Construction & Civil Engineering

MSEK	31 Mar 2009	31 Mar 2008	31 Dec 2008
Current financial year	15,669	17,821	18,445
Next financial year	6,438	7,707	4,493
Thereafter	1,972	2,563	1,295
Total order backlog	24,079	28,091	24,233
Orders received	6,949	9,464	32,269

PROJECT DEVELOPMENT

Peab also works with its own housing development production, i.e. tenant-owner housing and single homes sold directly to the end customer, as part of our contracting business. New production of Peab's own housing developments was 8 percent of net sales (including Peab Industri) for the latest 12 month rolling period compared with 10 percent for the whole year 2008. At the end of the period

there were 3,077 of Peab's own homes under construction compared with 3,612 at year-end.

The number of sold homes during the period has dropped to 141 compared with 488 during the same period in 2008. Since our housing production is focused on homes at reasonable prices we have not seen any reason to lower the prices of ongoing housing projects.

The portion of sold homes in production was 73 percent compared with 68 percent at the end of 2008. Despite the downturn in the economy and a wait-and-see attitude from customers since the second half of 2008, the effects of lower interest rates have become apparent through greater interest at showings of our own homes. The changeover from planned tenant-owner housing projects to flats with tenancy rights is expected to contribute to continued housing production.

The total holding of project and development properties at the end of the period amounted to SEK 3,804 million compared with SEK 3,614 million per 31 December 2008. The number of repurchased homes on March 31, 2009 was 201, of which 174 are attributable to Finnish housing companies, compared with 173 at year-end.

THE CONSTRUCTION MARKET

The drastic decline in the construction market during the second half of 2008 has been followed by a persistent weak economy in 2009. The downturn in the economy is abetted by the inertia and uncertainty on the credit market, which means customers with a wait-and-see attitude and postponed projects. After several years of strong growth the Swedish Construction Federation has forecasted a decline in the Swedish construction market by 5 percent in 2009.

The willingness of families to invest in a new home is clearly affected by labour market conditions and the banks' tighter rein on credit. Demographic factors such as housing shortages in growth regions and large numbers of youths coming into the market point to substantial construction investment levels when the labour market stabilises again and confidence in the economy returns. To a certain extent the reduction in new production is compensated by good demand for housing renovation and maintenance. The government's investments in infrastructure will lead to strong growth in public civil engineering construction. The Budget Bill investments for the near future provide an additional SEK 5 billion annually during 2009-2010. The Infrastructure Bill for 2010-2021 proposes significantly higher appropriations than in previous infrastructure plans. Private civil engineering investments continue to grow, particularly in power and energy plants. This is in part due to persistently high energy prices as well as investments in renewable energy sources.

A major need for new and refurbished public premises is expected to contribute to positive developments in the construction of public buildings. Private investments in buildings are expected to slow during 2009 as the

Peab's own housing developments construction

	Jan-Mar 2009	Jan-Mar 2008	Jan-Dec 2008
Number of housing starts during the period	85	484	1,496
Number of homes sold during the period	141	488	1,282
Total number of homes under construction, at the end of the period	3,077	3,719	3,612
Share of sold homes under construction, at the end of the period	73%	75%	68%
Number of repurchased tenant-owner rights/shares in Finnish housing companies in the balance sheet at the end of the period	201	149	181

economy continues to worsen and household consumption contracts. Investments in new industrial facilities are also expected to be low.

According to Prognosenteret, construction and civil engineering investments in Norway are believed to have contracted by 2 percent in 2008 as a result of the drop in demand for new housing. A reduction of 8 percent is expected in 2009.

The construction and civil engineering markets in Finland are believed to have grown by 4 percent in 2008 and will contract by 3 percent in 2009, according to the Finnish Construction Federation, Rakennusteollisuus (RT).

RISKS AND UNCERTAINTY FACTORS

Peab's business is largely project related. Operational risks in day-to-day business are connected to bids, income recognition and volume and price risks.

Structured risk assessment is crucial in the construction business to ensure that risks are identified, correctly priced in tenders submitted and that the proper resources are available.

Peab applies the percentage of completion method in the projects. The application of the percentage of completion method depends on reliable forecasting. Well developed monitoring and system support for monitoring and forecasting for each project are crucial to limiting risks of incorrect revenue recognition.

For Peab, price risks refer to aspects such as unforeseen cost increases for materials, subcontractors and wages. Risks vary according to the type of contract. Fixed price contracts also involve the risk of incorrect tender calculations and the risk that price rises deteriorate profits because the company can not demand compensation from the customer for them.

Customers, suppliers and subcontractors can find it difficult to get financing as a result of the weak economy and the turbulence on the financial market. This in turn can lead them to delay planned investments and make it difficult to meet existing obligations.

The Group is also exposed to financial risks, such as changes in debt and interest rate levels. Peab's shareholding in Brinova creates considerable exposure for the company through a single holding. Large fluctuations in the price of the Brinova share may exert a major impact on the valuation of the holding, which would affect Peab's net financial items.

For further information on risks and uncertainty factors, see the 2008 Annual Report.

PEAB HAS MADE A PUBLIC OFFER TO THE SHAREHOLDERS OF ANNEHEM FASTIGHETER

Peab AB made a public offer on 17 April 2009 to the shareholders of Annehem Fastigheter AB (publ) to transfer all shares in Annehem Fastigheter to Peab. In short the offer allows the shareholders of Annehem Fastigheter to choose as payment for their shares a cash reimbursement of SEK 21 or B shares in Peab. The number of shares received in the share alternative depends on developments in the Peab share price during a period of measurement. The price of the bid is in the span between SEK 21.50 – 24.50. Peab will announce on 2 June 2009 the portion of a B share in Peab that will be offered for each Annehem Fastigheter share.

The period of acceptance will be from 18 May to 18 June 2009.

Background and motive for the offer

Annehem Fastigheter develops projects and real estate in the Öresund Region, one of Northern Europe's most dynamic and fastest growing regions. One of the ongoing projects that has drawn a great deal of attention is Point Hyllie, which is connected to the City Tunnel and Hyllie Station and will become a central hub in the new district of Malmö. In February 2009 Annehem Fastigheter received the building permit to start on the first phase of construction consisting of offices and stores.

It is Peab's belief that Annehem Fastigheter's project portfolio has potential and the company's development projects fit well in strategically with Peab's structure. Peab has both the competence as well as the financial strength to develop and move the various projects ahead.

Along with the development projects Annehem Fastigheter has built up a portfolio of development real estate in Skåne. The properties, which will be developed to their full potential and then sold, are housing and commercial building mainly located in central Landskrona.

CHANGES IN EXECUTIVE MANAGEMENT

In order to further strengthen Peab's capacity to take the offensive in the current market situation Mats Paulsson, the President and CEO of Peab has appointed Jan Johansson as Vice-President. This appointment will allow Mats Paulsson to focus more on overriding strategic matters, while Jan Johansson will be responsible for Peab's operations.

IMPORTANT EVENTS AFTER THE REPORT PERIOD

Peab has been commissioned to build the Swedbank Arena in Solna. Peab received the order from Arenabolaget in Solna and the value of the contract is SEK 2.2 billion. Peab will also construct two bridges over the railroad in Solna as well as build the roads and infrastructure adjoining the arena. Peab received the commission from Råsta Projektutveckling AB and the value of the contract is around SEK 1 billion. Peab has also been commissioned to build new offices in Solna which Vattenfall Norden will rent. Peab has received the order from Fabège and the value of the contract is SEK 850 million. The projects are pendant on the condition that zoning has gained legal force.

ACCOUNTING PRINCIPALS

The interim report for the first quarter 2009 has been prepared in accordance with the IFRS standards adopted by EU and the IFRIC interpretations of the current standards adopted by EU. This report has been prepared in accordance with IAS 34, Interim Financial Reporting.

IASB has issued new and revised standards that are applicable from 1 January 2009. IAS 1, Presentation of financial statements, has been revised. The change entails that certain items there were previously recognised direct in equity are now reported as other comprehensive profit. Peab has chosen to present the Group's total profit in two reports, an income statement and a comprehensive statement. Changes in equity now only refer to transactions with owners. IFRS 8, Operating segments, replaces IAS 14, Segment Presentation. This standard entails that segment information is presented from management's perspective. Peab's segment information

is already presented on the same basis as that used for internal reporting to the highest decision-making officer, which means that there will not be any changes in the current segment division as a result of the new standard.

Parent company reports have been prepared in accordance with the Swedish Company Accounts Act and RFR 2.2, Reporting of Legal Entities.

The interim report has otherwise prepared in accordance with the same accounting principles and assumptions that were described in the Annual Report 2008.

From 15 December 2008 and until the end of February 2009 Peab has progressively acquired 98.1 percent of the capital in Peab Industri AB. Peab Industri has been consolidated into the Peab Group balance sheet from 31 December 2008. Since the acquisition took place so late in 2008 and only a few weekdays remained, Peab Industri has not been integrated into the Group income statement for 2008. In the pro forma income statements for 2008 Peab Industri is included as if Peab had owned Peab Industri 100 percent during the year. For further information, please see Pro forma reporting on page 11.

INCREASE IN SHARE CAPITAL AND NUMBER OF SHARES

As a result of the acquisition of Peab Industri new shares have been issued in kind in Peab AB (publ) from December 2008 to February 2009. The increase in the number of shares and votes in Peab AB after the issues in kind on February 2009 was 5,019,237 Class B shares representing 5,019,237 votes. The sum of the new issue was SEK 133 million.

The total number of registered shares and votes in Peab AB after the issue in kind in February 2009 is 296,049,730 shares representing 604,929,343 votes, of which 34,319,957 Class A shares representing 343,199,570 votes and 261,729,773 Class B shares representing 261,729,773 votes.

HOLDINGS OF OWN SHARES

At the beginning of 2009 Peab's own B share holding was 12,376,800 which corresponds to 4.3 percent of the total number of shares.

Peab's Annual General Meeting on 15 May 2008 resolved to authorise the board to, during the period until the next AGM, acquire shares so that the company would have at most 10 percent of the total shares in Peab AB. During the period 440,000 B shares have been repurchased. As of 31 March 2009, Peab's own B share holding amounted to 12,816,800 B shares, corresponding to 4.3 percent of the total number of shares.

THE PEAB-SHARE

Peab's B share is listed on the NASDAQ OMX Stockholm, Mid Cap list. As of 13 May 2009, the price of the Peab share was SEK 33.40, an increase of 55 percent during 2009. During the same period, the Swedish stock market increased by 15 percent according to the business magazine Affärsvärlden generalindex. During 2009, the Peab share has been quoted at a maximum of SEK 36.50 and a minimum of SEK 20.20.

PARENT COMPANY

The parent company Peab AB's net sales for the first quarter 2009 amounted to SEK 23 million (12) and mainly consisted of internal Group services. Profit after tax amounted to SEK -8 million (-32).

The parent company's assets mainly consist of participations in Group companies amounting to SEK 11,431 million (7,281), shares in Brinova Fastigheter AB worth SEK 217 million (473) and convertible bonds in Peab Industri worth SEK 572 million (220). The assets have been financed from equity of SEK 6,456 million (4,182) and long-term liabilities amounting to SEK 6,105 million (4,682).

The parent company's liquid assets amounted to SEK 2 million (4) at the end of the period.

The parent company is indirectly affected by the risks described in the section Risks and Uncertainty Factors.

FUTURE FINANCIAL INFORMATION

- Half year report January - June 2009 25 August 2009
- Interim report January - September 2009 25 November 2009
- Year-end Report 2009 17 February 2010

Förslöv, 14 May 2009

*Mats Paulsson
CEO*

The information in this interim report has not been reviewed separately by the company's auditors.

Share capital and number of shares

	Share capital MSEK	Number of registered A shares	Number of registered B shares	Total number of registered shares	Holdings of own shares	Shares owned by other shareholders
Share capital and number of shares 1 January 2009	1,557,0	34,319,957	256,710,536	291,030,493	12,376,800	278,653,693
New share issue in kind	26,9	–	5,019,237	5,019,237	–	5,019,237
Acquisition of own shares during the period	–	–	–	–	440,000	-440,000
Share capital and number of shares 31 March 2009	1,583,9	34,319,957	261,729,773	296,049,730	12,816,800	283,232,930

Condensed income statement for the Group

	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008	Proforma Jan-Dec 2008
MSEK					
Net sales	7,844	7,630	34,346	34,132	39,762
Production costs	-7,135	-6,959	-31,205	-31,029	-35,477
Gross profit	709	671	3,141	3,103	4,285
Sales and administrative expenses	-536	-435	-1,874	-1,773	-2,104
Profit from participation in joint ventures/associated companies	-1	-3	-4	-6	-4
Other operating income	30	29	26	25	25
Operating profit	202	262	1,289	1,349	2,202
Net financial items	-19	13	-367	-335	-490
Pre-tax profit	183	275	922	1,014	1,712
Tax	-47	-70	102	79	12
Profit for the period	136	205	1,024	1,093	1,724
Profit for the period, attributable to:					
Shareholders in parent company	135	205	1,023	1,093	1,724
Minority interests	1	0	1	0	0
Profit for the period	136	205	1,024	1,093	1,724
Key ratios					
Earnings per share, SEK	0.48	1.22	5.26	6.56	6.10
- after dilution	0.50	1.17	5.27	6.45	6.05
Average number of outstanding shares, million	281.1	168.5	194.4	166.6	282.7
- after dilution	289.9	177.4	203.2	175.5	291.6
Return on capital employed, %	15.2 ¹⁾	25.4 ¹⁾	15.2	17.3	22.0
Return on equity, %	19.4 ¹⁾	25.0 ¹⁾	19.4	21.9	28.6

¹⁾ Calculated on rolling 12 months

Condensed comprehensive income statement for the Group

	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008
MSEK				
Profit for the period	136	205	1,024	1,093
Other comprehensive income				
Period change in translation reserve	136	-18	227	73
Hedging of currency risk in foreign operations	-65		-65	
Cash flow hedging	102	8	-133	-227
Tax attributable to other comprehensive income	-11	-2	54	63
Other comprehensive income for the period	162	-12	83	-91
Total comprehensive income for the period	298	193	1,107	1,002
Total comprehensive income for the period, attributable to:				
Shareholders in parent company	297	193	1,106	1,002
Minority interests	1	0	1	0
Total comprehensive income for the period	298	193	1,107	1,002

Condensed balance sheet for the Group

MSEK	31 Mar 2009	31 Mar 2008	31 Dec 2008
Assets			
Intangible assets	2,195	487	2,112
Tangible assets	4,328	700	4,335
Interest-bearing long-term receivables	334	267	453
Other financial fixed assets	923	930	697
Deferred tax assets	658	165	595
Total fixed assets	8,438	2,549	8,192
Project and development properties	3,804	2,909	3,614
Inventories	492	97	528
Interest-bearing current receivables	332	123	329
Other current receivables	9,935	8,741	11,038
Short-term holdings	1,106	897	1,007
Liquid funds	651	755	984
Total current assets	16,320	13,522	17,500
Total assets	24,758	16,071	25,692
Equity and liabilities			
Equity	6,823	3,751	6,462
Liabilities			
Interest-bearing long-term liabilities	5,645	1,568	5,580
Other long-term liabilities	307	93	317
Deferred tax liabilities	-	2	-
Total long-term liabilities	5,952	1,663	5,897
Interest-bearing current liabilities	1,353	708	1,235
Other current liabilities	10,630	9,949	12,098
Total current liabilities	11,983	10,657	13,333
Total liabilities	17,935	12,320	19,230
Total equity and liabilities	24,758	16,071	25,692
Key ratios			
Capital employed	13,821	6,027	13,277
Equity/assets ratio, %	27.6	23.3	25.2
Net assets (+) / Net debt (-)	-4,575	-234	-4,042
Equity per share, SEK	23.97	22.34	22.86
- after dilution	25.19	24.40	24.13
Number of outstanding shares at end of period, million	283.2	167.6	278.7
- after dilution	292.0	176.6	287.5

Condensed statement of changes in Group's equity

MSEK	31 Mar 2009	31 Mar 2008	31 Dec 2008
Equity attributable to shareholders in parent company			
Opening equity on 1 January	6,370	3,600	3,600
Total comprehensive income for the period	297	193	1,002
Cash dividend			-377
Acquisition of own shares	-11	-73	-282
Disposal of own shares			12
New share issue	133		2,386
Conversion convertible promissory notes			4
Issued convertible promissory notes		35	35
Deferred tax on temporary differences referring to the loan part of convertible promissory notes		-10	-10
Closing equity	6,789	3,745	6,370
Equity attributable to minority interests			
Opening equity 1 January	92	6	6
Total comprehensive income for the period	1	0	0
Acquisition of minority shares	-59		87
Disposal of minority shares			-1
Closing equity	34	6	92
Total closing equity	6,823	3,751	6,462

Condensed cash flow statement for the Group

	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008
MSEK				
Cash flow from current operations before changes in working capital	115	229	1,030	1,144
Cash flow from changes in working capital	-416	-860	-997	-1,441
Cash flow from current operations	-301	-631	33	-297
Acquisition of subsidiaries	-6	-91	-367	-452
Disposal of subsidiaries	-14	-	-2	12
Acquisition of fixed assets	-339	-85	-876	-622
Sales of fixed assets	262	86	271	95
Cash flow from investment operations	-97	-90	-974	-967
Cash flow before financing	-398	-721	-941	-1,264
Cash flow from financing operations	167	1,164	1,022	2,019
Cash flow for the period	-231	443	81	755
Cash at the beginning of the period	1,991	1,212	1,652	1,212
Exchange rate differences in cash	-3	-3	24	24
Cash at the end of the period	1,757	1,652	1,757	1,991

Net sales and operating profit per business area

	Net sales				Operating profit				Operating margin			
	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008
MSEK												
Construction	5,490	6,206	25,777	26,493	147	236	986	1,075	2.7%	3.8%	3.8%	4.1%
Civil Engineering	1,911	1,716	9,327	9,132	68	58	444	434	3.6%	3.4%	4.8%	4.8%
Industry	1,298	1,429	8,450	8,581	32	71	816	855	2.5%	5.0%	9.7%	10.0%
Group functions	39	22	118	101	-45	-32	-173	-160				
Eliminations	-894	-889	-4,550	-4,545	-	1	-3	-2				
Total	7,844	8,484	39,122	39,762	202	334	2,070	2,202	2.6%	3.9%	5.3%	5.5%
Total excl. Industry	-	7,630	-	34,132	-	262	-	1,349	-	3.4%	-	4.0%

PRO FORMA REPORTING

From 15 December 2008 and until the end of February 2009 Peab progressively acquired 98.1 percent of the capital and 99.1 percent of the votes in Peab Industri AB.

The acquisition was carried out through an exchange of shares where two shares in Peab Industri generated three newly issued shares in Peab AB. Compulsory redemption of the remaining outstanding shares has been requested.

Operations in Peab Industri, which are focused on the Nordic construction and civil engineering markets, are run in the three operational units Machines, Products and Services. Most of net sales in the Peab Industri Group are generated on the Swedish market where Peab Industri operates nationwide with strong local ties. The company also operates in Norway and Finland.

Net sales in 2008 were SEK 8.5 billion and the Group has around 2,700 employees.

Peab Industri has not been integrated into the income statement for 2008 since only a few weekdays remained of the fiscal year after acquisition. If the acquisition had taken place on 1 January 2008 the Group's income would have been SEK 39,762 million and profit for the year SEK 1,724 million, according to the pro forma accounts drawn up.

The pro forma income statement below has been prepared to illustrate what comparable figures for January to March 2008 and for the whole year 2008 would have looked like for the Peab Group if Peab had owned Peab Industri 100 percent in 2008.

MSEK	Jan-Mar 2009	Pro forma Jan-Mar 2008	Pro forma Apr-Mar 2008/2009	Pro forma Jan-Dec 2008
Net sales	7,844	8,484	39,122	39,762
Production costs	-7,135	-7,665	-34,947	-35,477
Gross profit	709	819	4,175	4,285
Sales and administrative expenses	-536	-512	-2,128	-2,104
Profit from participation in joint ventures/associated companies	-1	-2	-3	-4
Other operating income	30	29	26	25
Operating profit	202	334	2,070	2,202
Net financial items	-19	-32	-477	-490
Pre-tax profit	183	302	1,593	1,712
Tax	-47	-81	46	12
Profit for the period	136	221	1,639	1,724
Profit for the period, attributable to:				
Shareholders in parent company	135	221	1,638	1,724
Minority interests	1	0	1	0
Key ratios				
Earnings per share, SEK	0.48	0.78	5.72	6.10
- after dilution	0.50	0.76	5.71	6.05
Average number of outstanding shares, million	281.1	283.3	286.1	282.7
- after dilution	289.9	292.1	294.9	291.6

Quarterly data

Group

	Jan-Mar 2009	Oct-Dec 2008	Jul-Sep 2008	Apr-Jun 2008	Jan-Mar 2008	Oct-Dec 2007	Jul-Sep 2007	Apr-Jun 2007	Jan-Mar 2007
MSEK									
Continuing operations									
Net sales	7,844	9,408	7,891	9,203	7,630	9,607	7,478	8,187	6,705
Production costs	-7,135	-8,638	-7,139	-8,293	-6,959	-8,756	-6,774	-7,402	-6,117
Gross profit	709	770	752	910	671	851	704	785	588
Sales and administrative expenses	-536	-514	-345	-479	-435	-416	-306	-502	-397
Profit from participation in joint ventures/associated companies	-1	-6	-3	6	-3	31	4	-5	3
Other operating income	30	-7	0	3	29	6	0	0	0
Competition damage charge	–	–	–	–	–	–	–	-85	–
Operating profit	202	243	404	440	262	472	402	193	194
Net financial items	-19	-208	-125	-15	13	-26	-115	21	-42
Pre-tax profit	183	35	279	425	275	446	287	214	152
Tax	-47	329	-69	-111	-70	-128	-80	-74	-43
Profit for the period from continuing operations	136	364	210	314	205	318	207	140	109
Profit from discontinued operations, net after tax	–	–	–	–	–	–	–	29	8
Profit for the period	136	364	210	314	205	318	207	169	117
Profit for the period, attributable to:									
Shareholders in parent company	135	364	210	314	205	318	207	169	117
Minority interests	1	0	0	0	0	0	0	0	0
Key ratios									
Earnings per share, SEK	0.48	2.20	1.27	1.87	1.22	1.92	1.21	1.06	0.73
- after dilution	0.50	2.28	1.21	1.79	1.17	1.84	1.21	1.01	0.71
Average number of outstanding shares, million	281.1	166.6	165.9	167.3	168.5	169.6	170.5	159.9	159.8
- after dilution	289.9	175.5	174.7	176.1	177.4	172.7	170.8	170.8	170.8

Business areas

	Jan-Mar 2009	Oct-Dec 2008	Jul-Sep 2008	Apr-Jun 2008	Jan-Mar 2008	Oct-Dec 2007	Jul-Sep 2007	Apr-Jun 2007	Jan-Mar 2007
MSEK									
Net sales									
Construction	5,490	7,066	5,930	7,291	6,206	7,617	5,799	6,536	5,524
Civil Engineering	1,911	2,803	2,322	2,291	1,716	2,407	1,987	2,012	1,527
Industry	1,298	2,211	2,531	2,410	1,429	–	–	–	–
Group functions	39	39	18	22	22	17	27	36	44
Eliminations	-894	-1,315	-1,122	-1,219	-889	-434	-335	-397	-390
Total	7,844	10,804	9,679	10,795	8,484	–	–	–	–
Total excluding Industry	–	9,408	7,891	9,203	7,630	9,607	7,478	8,187	6,705
Operating profit									
Construction	147	138	326	375	236	361	319	247	187
Civil Engineering	68	144	127	105	58	138	106	68	40
Industry	32	214	300	270	71	–	–	–	–
Group functions	-45	-39	-49	-40	-32	-27	-23	-122	-33
Eliminations	–	-1	0	-2	1	–	–	–	–
Total	202	456	704	708	334	–	–	–	–
Total excluding Industry	–	243	404	440	262	472	402	193	194
Order situation									
Orders received	6,949	6,420	7,953	8,432	9,464	9,024	8,340	10,004	10,161
Order backlog at the end of the period	24,079	24,233	27,307	27,306	28,091	26,299	26,891	26,017	24,150

Condensed income statement for the parent company

MSEK	Jan-Mar 2009	Jan-Mar 2008	Apr-Mar 2008/2009	Jan-Dec 2008
Net sales	23	12	64	53
Administrative expenses	-39	-29	-168	-158
Operating profit	-16	-17	-104	-105
Result from financial investments				
Profit from participation in Group companies	–	–	271	271
Other financial items	-6	-34	-446	-474
Profit after financial items	-22	-51	-279	-308
Appropriations	–	–	-159	-159
Pre-tax profit	-22	-51	-438	-467
Tax	14	19	115	120
Profit for the period	-8	-32	-323	-347

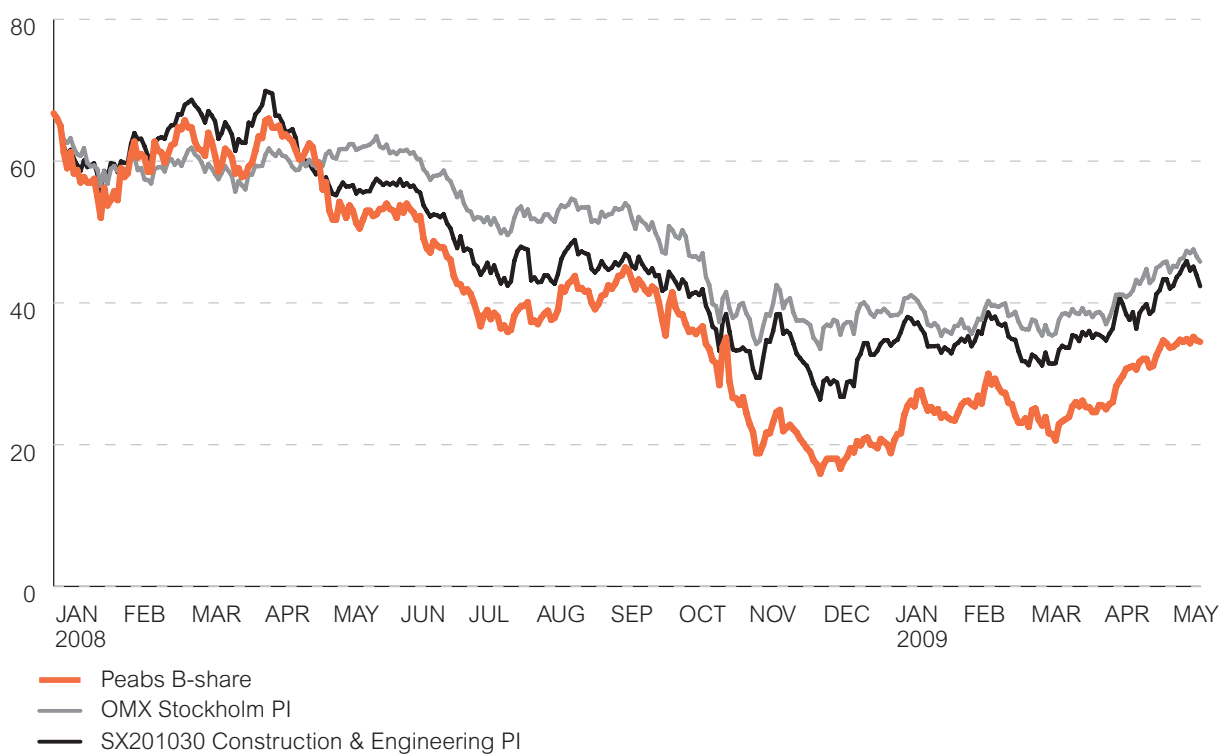
Condensed balance sheet for the parent company

MSEK	31 Mar 2009	31 Mar 2008	31 Dec 2008
Assets			
Fixed assets			
Machinery and equipment	3	3	3
Participation in Group companies	11,431	7,281	9,976
Receivables from Group companies	120	550	1,232
Other securities held as fixed assets	267	567	227
Deferred tax	5	9	–
Interest-bearing long-term receivables	631	184	624
Other long-term receivables	1	1	1
Total fixed assets	12,458	8,595	12,063
Current assets			
Accounts receivable	1	0	–
Receivables from Group companies	2	15	29
Interest-bearing current receivables	308	15	306
Prepaid tax	0	2	–
Other current receivables	92	305	40
Prepaid expenses and accrued income	60	3	6
Liquid funds	2	4	2
Total current assets	465	344	383
Total assets	12,923	8,939	12,446
Equity and Liabilities			
Equity	6,456	4,182	6,342
Untaxed reserves	160	1	160
Long-term liabilities			
Liabilities to Group companies	5,538	4,118	5,022
Convertible promissory note	567	564	566
Deferred tax liabilities	–	–	9
Total long-term liabilities	6,105	4,682	5,597
Current liabilities			
Accounts payable	4	5	24
Liabilities to Group companies	1	1	3
Income tax liabilities	131	–	132
Other liabilities	36	40	144
Accrued expenses and deferred income	30	28	44
Total current liabilities	202	74	347
Total equity and liabilities	12,923	8,939	12,446
Pledged assets and contingent liabilities for parent company			
Pledged assets	–	–	–
Contingent liabilities	12,158	9,013	11,891

List of shareholders 31 March 2009

Shareholder	A shares	B shares	Total no of shares	Proportion of capital, %	Proportion of votes, %
Mats Paulsson with companies	9,754,910	34,398,610	44,153,520	14.9	21.8
Erik Paulsson with family and companies	12,207,615	19,966,299	32,173,914	10.9	23.5
Karl-Axel Granlund with companies		18,050,875	18,050,875	6.1	3.0
Fredrik Paulsson with family and companies	4,261,430	6,002,154	10,263,584	3.5	8.0
Stefan Paulsson's estate	4,261,431	5,956,781	10,218,212	3.5	8.0
Svante Paulsson with family and companies	1,720,908	2,393,580	4,114,488	1.4	3.2
Peab's profit sharing foundation		4,635,108	4,635,108	1.5	0.8
Swedbank Robur Funds		4,492,458	4,492,458	1.5	0.7
SEB Investment Management		4,033,180	4,033,180	1.4	0.7
Danica Pension		3,424,940	3,424,940	1.2	0.6
Handelsbanken Funds		3,152,618	3,152,618	1.1	0.5
Sara Karlsson with family and companies	1,778,140	1,218,067	2,996,207	1.0	3.1
Foreign owners		39,088,406	39,088,406	13.2	6.5
Others	335,523	102,099,897	102,435,420	34.5	17.5
Number of outstanding shares	34,319,957	248,912,973	283,232,930		
Peab AB		12,816,800	12,816,800	4.3	2.1
Number of registered shares	34,319,957	261,729,773	296,049,730	100.0	100.0

Source: Euroclear



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