



PEAB AB HALF-YEAR REPORT JANUARY– JUNE 2010.

Operative net sales increased to SEK 17,203 million (17,131)

Operative operating profit amounted to SEK 591 million (707)

Earnings per share before dilution amounted to SEK 1.36 (1.91)

Orders received during the first half year increased by 9 percent to SEK 19,161 million (17,500). The amount of orders received during the second quarter was an all time high of SEK 10, 570 million

Order backlog for Construction and Civil Engineering increased by 9 percent to SEK 29,039 million (26,728)

Continued positive development in housing construction

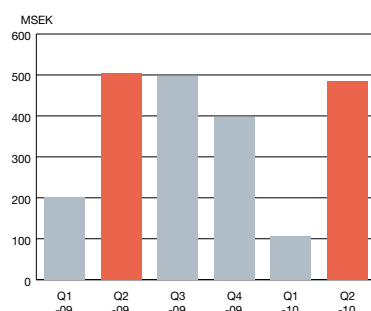
HALF-YEAR REPORT JANUARY - JUNE 2010

Operative net sales



Group operative net sales the first half of 2010 amounted to SEK 17,203 million (17,131). After adjustments for acquired and divested units operative net sales were unchanged compared with the same period the previous year.

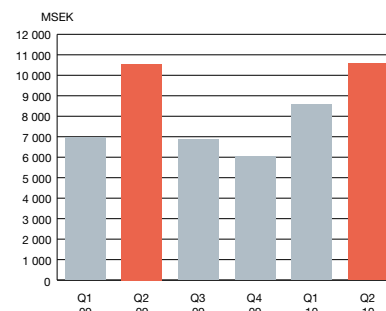
Operative operating profit



Operative operating profit the first half of 2010 amounted to SEK 591 million compared with SEK 707 million for the same period the previous year.

Construction and Civil Engineering

Orders received per quarter



Orders received the first half of 2010 amounted to SEK 19,161 million compared to SEK 17,500 million for the same period the previous year. Order backlog amounted to SEK 29,039 million compared with SEK 24,487 million per 31 December 2009.

Group

| MSEK | Jan-Jun 2010 | Jan-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 | Financial objectives |
|---|--------------------|--------------------|-------------------|--------------|----------------------|
| Operative net sales | 17,203 | 17,131 | 35,212 | 35,140 | |
| Net sales | 17,383 | 17,192 | 35,059 | 34,868 | |
| Operative operating profit | 591 | 707 | 1,485 | 1,601 | |
| Operative operating margin, % | 3.4 | 4.1 | 4.2 | 4.6 | |
| Operating profit | 601 | 724 | 1,450 | 1,573 | |
| Operating margin, % | 3.5 | 4.2 | 4.1 | 4.5 | |
| Pre-tax profit | 528 | 718 | 1,429 | 1,619 | |
| Profit for the period | 396 | 542 | 1,155 | 1,301 | |
| Earnings per share before dilution, SEK | 1.36 | 1.91 | 3.95 | 4.52 | |
| Return on equity, % | 17.2 ¹⁾ | 21.9 ¹⁾ | 17.2 | 18.7 | > 20% |
| Equity/assets ratio, % | 25.8 | 25.5 | 25.8 | 28.6 | > 25% |

¹⁾ Calculated on rolling 12 months

NEW CONTRACTS DURING THE SECOND QUARTER

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

- Peab has been contracted to carry out the reconstruction and extension of Tromstunskolan in Tromsø, Norway. The customer is Tromsø municipality and Peab's share of the contract amounts to NOK 100 million.
- Peab has been commissioned to conduct an extensive refurbishment of E 12 at Kolbäck link in Umeå. The customer is the Swedish Transport Agency and the contract amounts to SEK 229 million.
- Peab has been contracted to build one of the phases of railway expansion of the route of Norway/Vänerbanan south of Trollhättan. The contract amounts to SEK 132 million and was ordered by the Swedish Transport Agency.
- Peab has been commissioned to build 63 new apartments in Eskilstuna for Brf Kronskogen 3. The value of the contract is SEK 106 million.
- Peab has received several commissions from LKAB in Kiruna and the total contract value is SEK 501 million.
- Peab has been contracted to build the first phase of the new shopping centre Avenas in Seinäjoki, Finland. The customer is NV Property Fund I Ky and the contract amounts to EUR 20 million.
- Peab has been contracted to build the Clarion Hotel Post in Gothenburg. Home Properties is the client and the contract amounts to approximately SEK 600 million.
- Peab has been contracted to build the third and final phase, comprising 168 new apartments in the block Venus in the Norra Gårda district in Gothenburg. The customer is Bostads AB Poseidon, and the contract amounts to SEK 221 million.
- Peab has been contracted to build a 5 km double-track railway in and around Motala. The customer is the Swedish Transport Agency and the contract amounts to SEK 477 million.

COMMENTS BY THE CEO

Developments on the market in the second quarter of 2010 confirm the continuation of the positive trend from the first quarter. The Nordic construction market has accelerated, particularly in Sweden.

Peab noted the highest level of orders received ever during a single quarter. The growth is spread out in all of Peab's markets and in most of our product segments, although it is strongest in housing and civil engineering production. The level of orders received for the first half year amounted to SEK 19,161 million compared to SEK 17,500 million for the same period in 2009. Order backlog increased and amounted to SEK 29.0 billion compared to SEK 24.5 billion at the end of 2009.

Operative net sales amounted to SEK 17,203 million, which was on par with the first half year of 2009. The unusually severe winter had a negative effect on net sales and operating profit in the first quarter. However, the production tempo of the second quarter has been so high that the entire loss in net sales in the first quarter has been recovered. Operative operating profit for the second quarter was in line with previous year and amounted to SEK 484 million (505).

During the first half year we sold 1,164 (457) of our own developed houses and started production on 1,271 (337). The fact that 73 percent (73) of our housing in production is already sold provides us with a good base for the start up of new projects even in the future. We have also received a number of orders for rental projects during the first half year, from both municipal and private interests.

Market conditions have improved in Sweden and recovery has been faster than expected after a weak 2009. Factors contributing to this recovery are strong state finances, low interest rates and a halt to the drastic decrease in housing investments. There is still a considerable underlying need for housing and around 130 of the municipalities in the country have a housing shortage. Civil engineering investments continue to grow mainly due to the sizable need to invest in energy and transportation.

We anticipate good growth in construction and access to competent personnel will be a factor for success. We have a stated ambition to become even more attractive as an employer so that people enjoy working for and developing at Peab. Our vision of becoming the Nordic community builder is essential in this effort.



*Mats Paulsson
CEO and President*

CHANGED ACCOUNTING PRINCIPLES FOR HOUSING

From 1 January 2010 Peab applies IFRIC 15, Agreements for the Construction of Real Estate. As a result of the new principle IAS 18, Revenue, will be applied to Peab's housing projects in Finland and Norway as well as Peab's own single homes in Sweden. Revenue from these projects will be recognised first when the home is handed over to the buyer.

Application of IFRIC 15 has not entailed any changes in Peab's internal project steering or financial follow-up. Segment reporting will continue to be based on the percentage of completion method since this mirrors how executive management and the board monitor the business.

A bridge will be created in segment reporting between operative reporting according to the percentage of completion method and legal reporting.

The comparable items for 2009 below have been recalculated according to the new accounting principle. For more information concerning the recalculation of comparable items for 2009, please see pages 14-15.

NET SALES AND PROFIT

Group operative net sales for the first half of 2010 amounted to SEK 17,203 million (17,131). After adjustments for acquired and divested units operative net sales were unchanged compared with the same period the previous year. Adjustments in housing reporting affected net sales by SEK 180 million (61). Group net sales for the first half of 2010 increased by 1 percent to SEK 17,383 million (17,192). Of the period's net sales, SEK 2,820 million (2,057) was attributable to sales and production outside Sweden.

Operative operating profit for the first half of 2010 amounted to SEK 591 million compared to SEK 707 million for the same period the previous year. Adjustments in housing reporting affected operating profit by SEK 10 million (17). Operating profit for the first half of 2010 amounted to SEK 601 million compared with SEK 724 million for the same period the previous year. Depreciation for the period amounted to SEK 359 million (366).

The unusually severe winter had a negative affect on both net sales and profits during the first quarter. However, production levels have been high during the second quarter.

Net financial items amounted to SEK -73 million (-6), of which net interest expense amounted to SEK -79 million (-85). The effect of valuing financial instruments at fair value affected net financial items by SEK -6 million (72), of which the income effect of valuing the Brinova holding at fair value amounted to SEK -1 million (66). The shareholding is reported at market price on the balance sheet date.

Pre-tax profit amounted to SEK 528 million compared with SEK 718 million for the same period the previous year.

Tax for the period was SEK -132 million (-176).

Profit for the period amounted to SEK 396 million (542).

FINANCIAL POSITION

The equity/assets ratio on 30 June 2010 was 25.8 percent compared with 28.6 percent at previous year-end. Interest-bearing net debt amounted to SEK 6,397 million compared to SEK 4,571 million at previous year-end. The increase is due to dividends paid, a seasonal increase in operating capital, the acquisition of Fältjägaren

Fastigheter AB and the purchase of shares in Catena AB in the second quarter. The average interest rate in the loan portfolio on 30 June 2010 amounted to 2.2 percent (2.4).

Group liquid funds, including non-utilised credit facilities, amounted to SEK 5,098 million at the end of the first half year compared with SEK 6,709 million on 31 December 2009.

At the end of the period, Group contingent liabilities, excluding joint and several liability in trading and limited partnerships, amounted to SEK 1,337 million compared with SEK 1,999 million on 31 December 2009. Of contingent liabilities, obligations to tenant-owners' associations under construction amounted to SEK 1,217 million compared with SEK 1,624 million at year-end.

INVESTMENTS

Divestment of tangible and intangible assets amounted to SEK 56 million during the period. Net investments were SEK 384 million for the corresponding period the previous year. Peab acquired project and development properties for a total of SEK 472 million during the first half year of 2010, of which SEK 377 million is attributable to the acquisition of Fältjägaren Fastigheter AB in the second quarter. Net investments amounted to SEK 467 million the same period the previous year.

CASH FLOW

Cash flow from current operations before changes in working capital was SEK 554 million (790), which was charged with paid tax of SEK 184 million attributable to the fiscal year 2008. Cash flow from changes in working capital was SEK -739 million (-955). Included in the change in working capital are project and development properties invested with SEK 140 million (406). More working capital is tied up during the first half of the year due to the season than during the second.

Cash flow from investment activities amounted to SEK -540 million compared with SEK -315 million the same period last year. Shares in Catena AB have been acquired during the quarter.

Cash flow before financing amounted to SEK -725 million compared with SEK -480 million the same period last year.

PERSONNEL

At the end of the period, the company had 13,829 employees compared with 13,523 at the same time the previous year.

COMMENTS ON THE BUSINESS AREAS

CONSTRUCTION

The Construction business area comprises the Group's construction related services and is run in five divisions in Sweden, one division in Norway and one division in Finland.

Operative net sales for the first half of 2010 amounted to SEK 11,015 million compared with SEK 11,371 million for the same period the previous year, which corresponds to a decrease of 3 percent. After adjustments for acquired and divested units the decrease was 4 percent.

Operative operating profit for the period amounted to SEK 396 million compared with SEK 442 million during the same period the previous year. Operative operating margin sank to 3.6 percent compared with 3.9 percent for the same period the previous year.

Operative operating margin for the latest rolling 12-month period was 3.5 percent, compared with 3.6 percent for full year 2009.

The unusually severe winter had a negative affect on both net sales and profits during the first quarter. However, production levels have been high during the second quarter.

CIVIL ENGINEERING

The Civil Engineering business area consists of civil engineering related operations and is run in a single Nordic division.

Net sales for the first half of 2010 amounted to SEK 4,688 million compared with SEK 4,284 million the same period the previous year, which corresponds to an increase of 9 percent. Even after adjustments for acquired and divested units the increase was 9 percent.

Operating profit for the period amounted to SEK 144 million compared with SEK 197 million for the previous year. Operating margin sank to 3.1 percent compared with 4.6 percent the same period for the previous year. Operating margin for the latest rolling 12-month period was 4.0 percent compared with 4.8 percent for full year 2009.

The unusually severe winter had a negative affect on both net sales and profits. In addition, tougher competition on the civil engineering market affected profitability.

INDUSTRY

The Industry business area is run in two divisions, Industry and Construction systems. Both of them are focused on the Nordic construction and civil engineering markets.

Net sales for the first half of 2010 amounted to SEK 3,687 million compared with SEK 3,339 million the same period the previous year, which corresponds to an increase of 10 percent. Even after adjustments for acquired and divested units net sales increased by 10 percent.

Operating profit for the period amounted to SEK 152 million compared with SEK 182 million the same period the previous year. Operating margin sank to 4.1 percent compared with 5.5 percent for the same period the previous year. Operating margin for the latest rolling 12-month period was 6.1 percent, compared with 6.8 percent for full year 2009.

Because of the winter climate, which this year was unusually severe, activity in the first quarter in all the business area's units is normally lower than during the rest of the year. We have seen an increase in the second quarter due to the growth in construction and civil engineering operations.

ORDERS RECEIVED AND ORDER BACKLOG CONSTRUCTION AND CIVIL ENGINEERING

Orders received for the first half of 2010 amounted to SEK 19,161 million compared to SEK 17,500 million for the same period last year.

Peab's own housing development construction

| | Jan-Jun 2010 | Jan-Jun 2009 | Jan-Dec 2009 |
|--|-----------------|-----------------|-----------------|
| Number of housing starts during the period | 1,271 | 337 | 910 |
| Number of homes sold during the period | 1,164 | 457 | 1,082 |
| Total number of homes under construction, at the end of the period | 3,390 | 2,906 | 2,832 |
| Share of sold homes under construction, at the end of the period | 73% | 73% | 76% |
| Number of repurchased homes in the balance sheet, at the end of the period | 203 | 206 | 258 |

Peab was commissioned to build the new Stockholm Arena in the Globen district in December 2009, an order worth around SEK 2 billion and inclusion of the project in orders received was planned for the second quarter of 2010. However, the project will not be included in orders received until the final contract is signed, all building permits have been granted and the actual production phase is initiated. This is expected to take place in the second half of the year.

The order backlog still to be produced at the end of the period totalled SEK 29,039 million compared with SEK 24,487 million at the end of 2009. On 30 June 2009 order backlog was SEK 26,728 million. Order backlog has increased in construction operations in Sweden, Norway and Finland and Civil Engineering since the end of 2009.

Of the total order backlog, 56 percent (53) is expected to be produced after 2010. Construction projects accounted for 66 percent (70) of the order backlog. Swedish operations accounted for 88 percent (90) of the order backlog.

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

Order backlog and orders received Construction and Civil Engineering

| MSEK | 30 Jun 2010 | 30 Jun 2009 | 31 Dec 2009 |
|----------------------------|----------------|----------------|----------------|
| Current financial year | 12,851 | 12,523 | 17,338 |
| Next financial year | 12,100 | 9,384 | 5,191 |
| Thereafter | 4,088 | 4,821 | 1,958 |
| Total order backlog | 29,039 | 26,728 | 24,487 |
| Orders received | 19,161 | 17,500 | 30,393 |

HOUSING PRODUCTION

Peab also works with its own housing development production, for example tenant-owner housing and single homes. Our own housing developments do not include rentals production. New production of Peab's own housing developments made up 8 percent of net sales for the latest rolling 12-month period compared with 7 percent for the year 2009.

The number of homes in production at the end of the period was 3,390 compared with 2,832 at the end of 2009. The number of start-ups of own housing developments is considerably higher this year compared to the previous year. The portion of sold homes in production was 73 percent compared with 76 percent at the end of 2009. Low interest rates and housing shortages have contributed to the sharp increase in sales. The number of sold homes during the period was 1,164 compared with 457 during the same period 2009.

We have also seen a significant increase in demand in rentals and we are working together with several municipalities to find solutions for the acute housing shortages in many parts of the country. Through our partnership in Tornet AB we have established a partnership with a long-term owner of rentals.

The total holding of project and development properties at the end

of the period amounted to SEK 4,604 million compared with SEK 4,132 million per 31 December 2009. The increase is in part due to the acquisition of Fältjägaren Fastigheter AB. The number of repurchased homes on 30 June 2010 was 203 (206), of which 101 (174) are attributable to Finnish housing companies.

THE CONSTRUCTION MARKET

Recovery is taking place faster than expected after the drastic decline in Swedish housing construction investments in 2009. The analytic company Industrifakta forecasts developments on the construction market by measuring projects in progress and through this method presents a current picture of the business cycle. According to Industrifakta housing construction start-ups are expected to increase by 12 percent in 2010 and 11 percent in 2011. Even civil engineering markets are expected to rise by 8 percent in 2010 and by 2 percent 2011. This will mean close to a total increase of initiated construction investments of 10 percent in 2010 and 7 percent 2011.

Housing construction is the largest source of the construction market recovery. More housing needs to be built in order to meet the demographic changes and accumulated housing shortage reported in around 130 municipalities in the latest questionnaire by the National Board of Housing, Building and Planning. The number of commercial projects in production has also intensified. Factors behind this increase are growth in the service sector and good demand for modern, efficient offices. Several major arena projects have been initiated this year as well. Production start-ups of public premises was already on the rise in 2009 and growth has continued in 2010. Investments are needed in healthcare, education and energy efficiency but the elections in the autumn and the effects of the slow economy in municipalities create uncertainty about developments in the coming years.

Although there have been some signals that the civil engineering market levelled off in the first quarter of 2010, the need for considerable investments in energy and transportation ought to maintain the relatively strong demand in 2010 and 2011.

The recovery in the construction market on the whole is confirmed by the drop in unemployment in the sector and there are already telltale signs of labour shortages in certain areas of expertise.

Norway is also showing signs of recovery in housing construction start-ups, which are expected to increase by 4 percent in 2010 and by 10 percent 2011. Civil engineering investments in Norway are expected to have null growth in 2010 and an increase by 5 percent in 2011.

In Finland the effects of the slow economy were softened by governmental measures in 2009 but in 2010 housing construction start-ups are forecasted to drop by 11 percent. Recovery is not expected to be tangible until 2011 when growth will be 2 percent. Civil engineering is also expected to fall by 2 percent in 2010 and construction volumes are predicted to remain unchanged in 2011.

A 2 percent growth in volumes in renovation and maintenance, which is a significant part of construction operations in the Nordic region, is forecasted for 2010 and 2011 in all three countries.

RISKS AND UNCERTAINTY FACTORS

Peab's business is largely project related. Operational risks in day-to-day business are primarily connected to bids, percentage of comple-

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

For Peab, price risks mainly refer to unforeseen price hikes 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 hikes deteriorate profits because the company can not demand compensation from customers for them.

The financial crisis together with, among other things, new banking coverage requirements continue to restrict access to credit. This can make financing difficult for customers, suppliers and subcontractors. It can also lead to the postponement of planned investments as well as difficulties in meeting existing obligations.

The Group is 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 2009 Annual Report.

IMPORTANT EVENTS DURING THE REPORT PERIOD

Peab, Fabege and Brinova founded in 2009 a new real estate company, Tornet AB, which will own rental properties. In the beginning of 2010 Peab has transferred to Tornet AB 314 rentals and commercial premises with a total floor space of approximately 49,000 square metres and a market value of approximately SEK 440 million, which corresponded to its book value. Peab gained ownership of the property in 2009 when it acquired Annehem Fastigheter. The property is concentrated to the Skåne region, in particular Landskrona and Ystad. The existing loan financing of the property has been transferred to Tornet AB. These transactions have not had any effect on Peab's profit.

IMPORTANT EVENTS AFTER THE REPORT PERIOD

On 9 July 2010, an Extra General Meeting decided to divest two companies according to a section of the Companies Act (Leo-lagen). The sales refer to CompWell AB and NeTel AB. CompWell works with measuring energy and had net sales of around SEK 10 million in 2009 and a slightly negative operating profit. NeTel works within the electricity and telecom sectors and had net sales of some SEK 240 million in 2009 and near null in operating profit.

ACQUISITIONS DURING THE REPORT PERIOD

Peab has from Norrvidden acquired 50 percent of the shares in Fältjägaren Fastigheter AB in Östersund and becomes sole owner of Fältjägaren. Fältjägaren owns and develops the former regimental area I5 in central Östersund. In 2005 the work began with rebuilding

the barrack buildings and new construction of commercial space. The next step in the development will be to begin construction of flats, as there is a great need in Östersund.

Peab has acquired all shares in the company Ångström & Mellgren AB. The company conducts operations within project development, construction and construction maintenance in the Area of Mälardalen in the centre of Sweden. Ångström & Mellgren has about 85 employees and sales during 2009 amounted to SEK 247 million.

Peab AB has acquired a total of 2,240,900 shares, corresponding to 19.38 percent of the capital and votes in Catena AB (publ). We consider the company an interesting financial investment, short-term because of its good direct return and long-term because of the opportunities for development in the company's property.

ACCOUNTING PRINCIPLES

This half-year report is presented according to the IFRS standards and interpretations of valid standards, IFRICs, that have been adopted by EU. This report is presented in accordance with IAS 34, Interim financial reporting.

From 1 January 2010 the Group applies IFRIC 15, Agreements for the Construction of Real Estate in the reporting. According to the previous principle applied income and profit and loss were reported according to IAS 11, Construction contracts, with the percentage of completion method calculated on the percentage completion and sales degree. As a result of the new principle IAS 18, Revenue, will be applied to Peab's housing projects in Finland and Norway as well as Peab's own single homes in Sweden. Revenue from these projects will be recognised first when the home is handed over to the buyer. This means that revenue and profit are postponed. Expenses are recognised as work-in-progress in the balance sheet and on account invoices to customers are reported as non-interest-bearing liabilities. Loans to finance housing projects will be reported as interest-bearing liabilities. Comparable items in the balance sheet for 2008-12-31 and quarterly accounts in 2009 have been recalculated.

IAS 11 is still deemed applicable on tenant-owner housing projects in Sweden and they will continue to be reported according to the percentage of completion method. However, sales degree will not be taken into account, which entails a change in accounting estimates. This amended estimation has been applied in reporting after 1 January 2010.

Segment reporting still continues to be based on the percentage of completion method since this mirrors how executive management and the board monitor the business.

A bridge will be created in segment reporting between operative reporting according to the percentage of completion method and legal reporting.

For more information concerning comparable items for 2009 please see pages 14-15.

The amended standards IFRS 3, Business combinations, and IAS 27, Consolidated and separate financial reports have been applied since the start of 2010 and they have only affected acquisitions in 2010.

The parent company's reports have been prepared according to the Swedish Company Accounts Act and RFR 2.3, Accounting rules for legal entities.

This half-year report has otherwise been presented according to the same accounting principles and prerequisites as described in the Annual Report of 2009.

HOLDINGS OF OWN SHARES

At the beginning of 2010 Peab's own B share holding was 4,906,220 which corresponds to 1.7 percent of the total number of shares. Peab's Annual General Meeting on 11 May 2010 resolved to authorise the Board to, during the period until the next Annual General Meeting, acquire shares so that the company would have at most 10 percent of the total shares in Peab AB. During the period 4,000,000 B shares have been repurchased. In connection with an acquisition 122,000 B shares were sold. As of 30 June 2010, Peab's own B share holding amounted to 8,784,220 B shares, corresponding to 3.0 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 20 August 2010, the price of the Peab share was SEK 41.60, a decrease of 10 percent during 2010. During the same period, the Swedish stock market increased by 7 percent according to general index in the business magazine "Affärsvärlden". During 2010, the Peab share has been quoted at a maximum of SEK 48.10 and a minimum of SEK 36.20.

PARENT COMPANY

The parent company Peab AB's net sales for the first half of 2010 amounted to SEK 40 million (48) and mainly consisted of internal Group services. Profit after tax amounted to SEK 1,338 million (355).

The parent company's assets mainly consist of participations in Group companies amounting to SEK 11,626 million (11,356), shares in Brinova Fastigheter AB and Catena AB worth SEK 639 million (241) and convertible bonds in Peab Industri AB worth SEK 576 million (573). The assets have been financed from equity of SEK 7,105 million (6,182) and long-term liabilities amounting to SEK 5,990 million (6,379).

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 2010 | 1,583.9 | 34,319,957 | 261,729,773 | 296,049,730 | 4,906,220 | 291,143,510 |
| Acquisition of own shares during the period | | | | | 4,000,000 | -4,000,000 |
| Disposal of own shares during the period | | | | | -122,000 | 122,000 |
| Share capital and number of shares 30 June 2010 | 1,583.9 | 34,319,957 | 261,729,773 | 296,049,730 | 8,784,220 | 287,265,510 |

The parent company's liquid assets amounted to SEK 7 million (2) 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

- Interim report January-September 2010 23 November 2010
- Year-end report 2010 16 February 2011
- Annual report 2010 April 2011

The Board of Directors and the CEO hereby certify that the interim report for the first half-year 2010 gives a true and fair view of the parent company's and the Group's operations, financial position and profits, as well as describes significant risks and uncertainties that the parent company and the companies within the Group face.

Förslöv, 24 August 2010

*Göran Grosskopf
Chairman*

*Mats Paulsson
CEO,
Board member*

*Annette Brodin Rampe
Board member*

*Karl-Axel Granlund
Board member*

*Alf Svensson
Authorised Public
Accountant*

*Thomas Thiel
Authorised Public
Accountant*

*Svante Paulsson
Board member*

*Fredrik Paulsson
Board member*

*Lars Sköld
Board member*

*Kent Ericsson
Board member*

*Patrik Svensson
Board member*

*Kim Thomsen
Board member*

REVIEW REPORT

We have reviewed the interim report for the period 1 January - 30 June, 2010, for Peab AB (publ). The Board of Directors and the CEO are responsible for preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

We conducted our review in accordance with the Standard on Review Engagements SÖG 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. 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 us to obtain a level of assurance that would make us 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.

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act. and for the parent company, in accordance with the Annual Accounts Act.

Förslöv, 24 August 2010

Condensed income statement for the Group

| MSEK | Jan-Jun 2010 | Jan-Jun 2009 | Apr-Jun 2010 | Apr-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 |
|--|--------------------|--------------------|-----------------|-----------------|----------------------|-----------------|
| Net sales | 17,383 | 17,192 | 10,283 | 9,094 | 35,059 | 34,868 |
| Production costs | -15,753 | -15,404 | -9,283 | -8,045 | -31,635 | -31,286 |
| Gross profit | 1,630 | 1,788 | 1,000 | 1,049 | 3,424 | 3,582 |
| Sales and administrative expenses | -1,082 | -1,133 | -560 | -597 | -2,067 | -2,118 |
| Profit from participation in joint ventures/ associated companies | 40 | 14 | 51 | 14 | 45 | 19 |
| Other operating income | 13 | 55 | 8 | 25 | 48 | 90 |
| Operating profit | 601 | 724 | 499 | 491 | 1,450 | 1,573 |
| Net financial items | -73 | -6 | -75 | 13 | -21 | 46 |
| Pre-tax profit | 528 | 718 | 424 | 504 | 1,429 | 1,619 |
| Tax | -132 | -176 | -105 | -122 | -274 | -318 |
| Profit for the period | 396 | 542 | 319 | 382 | 1,155 | 1,301 |
| Profit for the period, attributable to: | | | | | | |
| Shareholders in parent company | 394 | 540 | 315 | 381 | 1,149 | 1,295 |
| Minority interests | 2 | 2 | 4 | 1 | 6 | 6 |
| Profit for the period | 396 | 542 | 319 | 382 | 1,155 | 1,301 |
| Key ratios | | | | | | |
| Earnings per share, SEK | 1.36 | 1.91 | 1.09 | 1.35 | 3.95 | 4.52 |
| - after dilution | 1.36 | 1.91 | 1.08 | 1.34 | 3.95 | 4.52 |
| Average number of outstanding shares, million | 290.6 | 282.2 | 290.0 | 282.2 | 290.8 | 286.7 |
| - after dilution | 299.4 | 291.0 | 298.8 | 292.0 | 299.6 | 295.4 |
| Return on capital employed, % | 11.4 ¹⁾ | 16.0 ¹⁾ | | | 11.4 | 13.1 |
| Return on equity, % | 17.2 ¹⁾ | 21.9 ¹⁾ | | | 17.2 | 18.7 |

¹⁾ Calculated on rolling 12-months

Condensed comprehensive income statement for the Group

| MSEK | Jan-Jun 2010 | Jan-Jun 2009 | Apr-Jun 2010 | Apr-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 |
|--|-----------------|-----------------|-----------------|-----------------|----------------------|-----------------|
| Profit for the period | 396 | 542 | 319 | 382 | 1,155 | 1,301 |
| Other comprehensive income | | | | | | |
| Translation differences for the period from translation of foreign operations | -80 | 97 | -30 | -36 | -116 | 61 |
| Profit/loss from currency risk hedging in foreign operations | 31 | -54 | 13 | 11 | 34 | -51 |
| Changes in fair value of cash flow hedges for the period | -89 | 146 | -73 | 44 | 48 | 283 |
| Changes in fair value of cash flow hedges transferred to profit for the year | - | - | - | - | 3 | 3 |
| Tax attributable to components in other comprehensive income | -19 | -26 | -7 | -15 | -43 | -50 |
| Other comprehensive income for the period | -157 | 163 | -97 | 4 | -74 | 246 |
| Total comprehensive income for the period | 239 | 705 | 222 | 386 | 1,081 | 1,547 |
| Total comprehensive income for the period, attributable to: | | | | | | |
| Shareholders in parent company | 237 | 702 | 218 | 384 | 1,075 | 1,540 |
| Minority interests | 2 | 3 | 4 | 2 | 6 | 7 |
| Total comprehensive income for the period | 239 | 705 | 222 | 386 | 1,081 | 1,547 |

Condensed balance sheet for the Group

| MSEK | 30 Jun 2010 | 30 Jun 2009 | 31 Dec 2009 | 31 Dec 2008 |
|--|----------------|----------------|----------------|----------------|
| Assets | | | | |
| Intangible assets | 2,285 | 2,181 | 2,281 | 2,112 |
| Tangible assets | 4,486 | 4,284 | 4,904 | 4,335 |
| Interest-bearing long-term receivables | 204 | 348 | 387 | 453 |
| Other financial fixed assets | 1,764 | 983 | 1,253 | 696 |
| Deferred tax recoverables | 211 | 646 | 157 | 621 |
| Total fixed assets | 8,950 | 8,442 | 8,982 | 8,217 |
| Project and development properties | 4,604 | 4,081 | 4,132 | 3,823 |
| Inventories | 502 | 522 | 492 | 528 |
| Work in progress | 1,088 | 973 | 1,216 | 1,287 |
| Interest-bearing current receivables | 140 | 323 | 388 | 329 |
| Other current receivables | 10,081 | 9,821 | 8,916 | 10,379 |
| Short-term holdings | 902 | 904 | 904 | 1,007 |
| Liquid funds | 708 | 475 | 1,584 | 984 |
| Total current assets | 18,025 | 17,099 | 17,632 | 18,337 |
| Total assets | 26,975 | 25,541 | 26,614 | 26,554 |
| Equity and liabilities | | | | |
| Equity | 6,959 | 6,509 | 7,606 | 6,378 |
| Liabilities | | | | |
| Interest-bearing long-term liabilities | 6,171 | 5,287 | 5,741 | 5,767 |
| Other long-term liabilities | 298 | 300 | 319 | 317 |
| Total long-term liabilities | 6,469 | 5,587 | 6,060 | 6,084 |
| Interest-bearing current liabilities | 2,180 | 2,193 | 2,093 | 1,257 |
| Other current liabilities | 11,367 | 11,252 | 10,855 | 12,835 |
| Total current liabilities | 13,547 | 13,445 | 12,948 | 14,092 |
| Total liabilities | 20,016 | 19,032 | 19,008 | 20,176 |
| Total equity and liabilities | 26,975 | 25,541 | 26,614 | 26,554 |
| Key ratios | | | | |
| Capital employed | 15,310 | 13,989 | 15,440 | 13,402 |
| Equity/assets ratio, % | 25.8 | 25.5 | 28.6 | 24.0 |
| Net debt | 6,397 | 5,430 | 4,571 | 4,251 |
| Equity per share, SEK | 24.09 | 22.85 | 25.98 | 22.55 |
| - after dilution | 25.32 | 24.11 | 27.13 | 23.83 |
| Number of outstanding shares at the end of the period, million | 287.3 | 283.2 | 291.1 | 278.7 |
| - after dilution | 296.1 | 292.0 | 299.9 | 287.5 |

Condensed statement of changes in Group's equity

| MSEK | 30 Jun 2010 | 30 Jun 2009 | 31 Dec 2009 |
|--|----------------|----------------|----------------|
| Equity attributable to shareholders in parent company | | | |
| Opening equity on 1 January | 7,563 | 6,370 | 6,370 |
| Adjustment for changed accounting principle | - | -84 | -84 |
| Adjusted equity on 1 January | 7,563 | 6,286 | 6,286 |
| Total comprehensive income for the period | 237 | 702 | 1,540 |
| Cash dividend | -728 | -637 | -637 |
| Acquisition of own shares | -157 | -11 | -11 |
| Disposal of own shares | 5 | - | 252 |
| New share issue | - | 133 | 133 |
| Closing equity | 6,920 | 6,473 | 7,563 |
| Equity attributable to minority interests | | | |
| Opening equity on 1 January | 43 | 92 | 92 |
| Total comprehensive income for the period | 2 | 3 | 7 |
| Acquisition of minority shares | -6 | -59 | -56 |
| Closing equity | 39 | 36 | 43 |
| Total closing equity | 6,959 | 6,509 | 7,606 |

Condensed cash flow statement for the Group

| MSEK | Jan-Jun 2010 | Jan-Jun 2009 | Apr-Jun 2010 | Apr-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 |
|---|-----------------|-----------------|-----------------|-----------------|----------------------|-----------------|
| Cash flow from current operations before changes in working capital | 554 | 790 | 532 | 644 | 1,850 | 2,086 |
| Cash flow from changes in working capital | -739 | -955 | -573 | -531 | -195 | -411 |
| Cash flow from current operations | -185 | -165 | -41 | 113 | 1,655 | 1,675 |
| Acquisition of subsidiaries | -89 | -42 | -15 | -36 | 15 | 62 |
| Disposal of subsidiaries | -4 | -14 | - | - | -6 | -16 |
| Acquisition of fixed assets | -636 | -491 | -516 | -151 | -1,214 | -1,069 |
| Sales of fixed assets | 189 | 232 | 85 | -30 | 96 | 139 |
| Cash flow from investment operations | -540 | -315 | -446 | -217 | -1,109 | -884 |
| Cash flow before financing | -725 | -480 | -487 | -104 | 546 | 791 |
| Cash flow from financing operations | -141 | -155 | 439 | -300 | -296 | -310 |
| Cash flow for the period | -866 | -635 | -48 | -404 | 250 | 481 |
| Cash at the beginning of the period | 2,488 | 1,991 | 1,663 | 1,757 | 1,378 | 1,991 |
| Exchange rate differences in cash | -12 | 22 | -5 | 25 | -18 | 16 |
| Cash at the end of the period | 1,610 | 1,378 | 1,610 | 1,378 | 1,610 | 2,488 |

Net sales and operating profit per business area

| MSEK | Net sales | | | | Operating profit | | | | Operating margin | | | |
|--|-----------------|-----------------|----------------------|-----------------|------------------|-----------------|----------------------|-----------------|------------------|-----------------|----------------------|-----------------|
| | Jan-Jun 2010 | Jan-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 | Jan-Jun 2010 | Jan-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 | Jan-Jun 2010 | Jan-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 |
| Construction | 11,015 | 11,371 | 21,999 | 22,355 | 396 | 442 | 768 | 814 | 3.6% | 3.9% | 3.5% | 3.6% |
| Civil Engineering | 4,688 | 4,284 | 9,743 | 9,339 | 144 | 197 | 393 | 446 | 3.1% | 4.6% | 4.0% | 4.8% |
| Industry | 3,687 | 3,339 | 7,929 | 7,581 | 152 | 182 | 484 | 514 | 4.1% | 5.5% | 6.1% | 6.8% |
| Group functions | 67 | 81 | 166 | 180 | -101 | -114 | -160 | -173 | | | | |
| Eliminations | -2,254 | -1,944 | -4,625 | -4,315 | | | | | | | | |
| Operative¹⁾ | 17,203 | 17,131 | 35,212 | 35,140 | 591 | 707 | 1,485 | 1,601 | 3.4% | 4.1% | 4.2% | 4.6% |
| Adjustment for housing reporting ²⁾ | 180 | 61 | -153 | -272 | 10 | 17 | -35 | -28 | | | | |
| Legal | 17,383 | 17,192 | 35,059 | 34,868 | 601 | 724 | 1,450 | 1,573 | 3.5% | 4.2% | 4.1% | 4.5% |

¹⁾ According to the percentage of completion method (IAS 11)

²⁾ Adjustment in accounting principle for own single homes in Sweden as well as housing in Finland and Norway according to the completed contract method (IAS 18)

Quarterly data

Group

| | Apr-Jun 2010 | Jan-Mar 2010 | Oct-Dec 2009 | Jul-Sep 2009 | Apr-Jun 2009 | Jan-Mar 2009 | Oct-Dec 2008 ³⁾ | Jul-Sep 2008 ³⁾ | Apr-Jun 2008 ³⁾ |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------|-------------------------------|-------------------------------|
| MSEK | | | | | | | | | |
| Net sales | 10,283 | 7,100 | 9,228 | 8,448 | 9,094 | 8,098 | 9,408 | 7,891 | 9,203 |
| Production costs | -9,283 | -6,470 | -8,278 | -7,603 | -8,045 | -7,359 | -8,638 | -7,139 | -8,293 |
| Gross profit | 1,000 | 630 | 950 | 845 | 1,049 | 739 | 770 | 752 | 910 |
| Sales and administrative expenses | -560 | -522 | -588 | -397 | -597 | -536 | -514 | -345 | -479 |
| Profit from participation in joint ventures/associated companies | 51 | -11 | -7 | 12 | 14 | - | -6 | -3 | 6 |
| Other operating income | 8 | 5 | 17 | 18 | 25 | 30 | -7 | 0 | 3 |
| Operating profit | 499 | 102 | 372 | 478 | 491 | 233 | 243 | 404 | 440 |
| Net financial items | -75 | 2 | 6 | 46 | 13 | -19 | -208 | -125 | -15 |
| Pre-tax profit | 424 | 104 | 378 | 524 | 504 | 214 | 35 | 279 | 425 |
| Tax | -105 | -27 | -8 | -134 | -122 | -54 | 329 | -69 | -111 |
| Profit for the period | 319 | 77 | 370 | 390 | 382 | 160 | 364 | 210 | 314 |
| Profit for the period, attributable to: | | | | | | | | | |
| Shareholders in parent company | 315 | 79 | 369 | 387 | 381 | 159 | 364 | 210 | 314 |
| Minority interests | 4 | -2 | 1 | 3 | 1 | 1 | 0 | 0 | 0 |
| Profit for the period | 319 | 77 | 370 | 390 | 382 | 160 | 364 | 210 | 314 |
| Key ratios | | | | | | | | | |
| Earnings per share, SEK | 1.09 | 0.27 | 1.27 | 1.33 | 1.35 | 0.57 | 2.20 | 1.27 | 1.87 |
| - after dilution | 1.08 | 0.27 | 1.26 | 1.32 | 1.34 | 0.57 | 2.20 | 1.21 | 1.79 |
| Average number of outstanding shares, million | 290.0 | 291.1 | 291.1 | 291.1 | 282.2 | 281.1 | 166.6 | 165.9 | 167.3 |
| - after dilution | 298.8 | 299.9 | 299.9 | 299.9 | 292.0 | 289.9 | 175.5 | 174.7 | 176.1 |

Business areas

| | Apr-Jun 2010 | Jan-Mar 2010 | Oct-Dec 2009 | Jul-Sep 2009 | Apr-Jun 2009 | Jan-Mar 2009 | Oct-Dec 2008 ³⁾ | Jul-Sep 2008 ³⁾ | Apr-Jun 2008 ³⁾ |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------------------------------|-------------------------------|-------------------------------|
| MSEK | | | | | | | | | |
| Net sales | | | | | | | | | |
| Construction | 6,035 | 4,980 | 5,996 | 4,988 | 5,881 | 5,490 | 7,066 | 5,930 | 7,291 |
| Civil Engineering | 2,703 | 1,985 | 2,700 | 2,355 | 2,373 | 1,911 | 2,803 | 2,322 | 2,291 |
| Industry | 2,392 | 1,295 | 2,024 | 2,218 | 2,041 | 1,298 | 2,211 | 2,531 | 2,410 |
| Group functions | 34 | 33 | 50 | 49 | 42 | 39 | 39 | 18 | 22 |
| Eliminations | -1,150 | -1,104 | -1,244 | -1,127 | -1,050 | -894 | -1,315 | -1,122 | -1,219 |
| Operative¹⁾ | 10,014 | 7,189 | 9,526 | 8,483 | 9,287 | 7,844 | 10,804 | 9,679 | 10,795 |
| Adjustment for housing reporting ²⁾ | 269 | -89 | -298 | -35 | -193 | 254 | | | |
| Legal | 10,283 | 7,100 | 9,228 | 8,448 | 9,094 | 8,098 | | | |
| Operating profit | | | | | | | | | |
| Construction | 279 | 117 | 194 | 178 | 295 | 147 | 138 | 326 | 375 |
| Civil Engineering | 79 | 65 | 118 | 131 | 129 | 68 | 144 | 127 | 105 |
| Industry | 175 | -23 | 122 | 210 | 150 | 32 | 214 | 300 | 270 |
| Group functions | -49 | -52 | -36 | -23 | -69 | -45 | -39 | -49 | -40 |
| Eliminations | - | - | - | - | - | - | -1 | 0 | -2 |
| Operative¹⁾ | 484 | 107 | 398 | 496 | 505 | 202 | 456 | 704 | 708 |
| Adjustment for housing reporting ²⁾ | 15 | -5 | -26 | -18 | -14 | 31 | | | |
| Legal | 499 | 102 | 372 | 478 | 491 | 233 | | | |
| Order situation | | | | | | | | | |
| Orders received | 10,570 | 8,591 | 6,039 | 6,854 | 10,551 | 6,949 | 6,420 | 7,953 | 8,432 |
| Order backlog at the end of the period | 29,039 | 26,769 | 24,487 | 26,694 | 26,728 | 24,079 | 24,233 | 27,307 | 27,306 |

¹⁾ According to the percentage of completion method (IAS 11)

²⁾ Adjustment in accounting principle for own single homes in Sweden as well as housing in Finland and Norway according to the completed contract method (IAS 18)

³⁾ Not adjusted for changes in the accounting principle concerning housing

Condensed income statement for the parent company

| MSEK | Jan-Jun 2010 | Jan-Jun 2009 | Apr-Jun 2010 | Apr-Jun 2009 | Jul-Jun 2009/2010 | Jan-Dec 2009 |
|--|-----------------|-----------------|-----------------|-----------------|----------------------|-----------------|
| Net sales | 40 | 48 | 20 | 25 | 88 | 96 |
| Administrative expenses | -88 | -94 | -45 | -55 | -147 | -153 |
| Operating profit | -48 | -46 | -25 | -30 | -59 | -57 |
| Result from financial investments | | | | | | |
| Profit from participation in Group companies | 1,441 | 378 | 1,441 | 378 | 1,428 | 365 |
| Other financial items | -90 | -6 | -77 | - | -43 | 41 |
| Profit after financial items | 1,303 | 326 | 1,339 | 348 | 1,326 | 349 |
| Appropriations | - | - | - | - | 160 | 160 |
| Pre-tax profit | 1,303 | 326 | 1,339 | 348 | 1,486 | 509 |
| Tax | 35 | 29 | 19 | 15 | 19 | 13 |
| Profit for the period | 1,338 | 355 | 1,358 | 363 | 1,505 | 522 |

Condensed balance sheet for the parent company

| MSEK | 30 Jun 2010 | 30 Jun 2009 | 31 Dec 2009 |
|---|----------------|----------------|----------------|
| Assets | | | |
| Fixed assets | | | |
| Machinery and equipment | 2 | 2 | 2 |
| Participation in Group companies | 11,626 | 11,356 | 11,634 |
| Receivables from Group companies | 754 | 780 | 1,546 |
| Other securities held as fixed assets | 675 | 299 | 430 |
| Deferred tax recoverables | 34 | 22 | - |
| Interest-bearing long-term receivables | - | 59 | - |
| Other long-term receivables | 1 | 1 | 1 |
| Total fixed assets | 13,092 | 12,519 | 13,613 |
| Current assets | | | |
| Accounts receivable | 0 | 2 | 0 |
| Receivables from Group companies | 42 | 59 | 59 |
| Interest-bearing current receivables | 6 | 284 | 284 |
| Prepaid tax | 2 | - | - |
| Other current receivables | 3 | 27 | - |
| Prepaid expenses and accrued income | 25 | 31 | 8 |
| Liquid funds | 7 | 2 | 11 |
| Total current assets | 85 | 405 | 362 |
| Total assets | 13,177 | 12,924 | 13,975 |
| Equity and liabilities | | | |
| Equity | | | |
| | 7,105 | 6,182 | 6,646 |
| Untaxed reserves | | | |
| | 0 | 160 | 0 |
| Long-term liabilities | | | |
| Liabilities to Group companies | 5,407 | 5,810 | 6,567 |
| Convertible promissory note | 577 | 569 | 573 |
| Deferred tax liabilities | 6 | - | 7 |
| Total long-term liabilities | 5,990 | 6,379 | 7,147 |
| Current liabilities | | | |
| Accounts payable | 18 | 11 | 7 |
| Liabilities to Group companies | 3 | 3 | 5 |
| Income tax liabilities | - | 133 | 136 |
| Other liabilities | 6 | 11 | 6 |
| Accrued expenses and deferred income | 55 | 45 | 28 |
| Total current liabilities | 82 | 203 | 182 |
| Total liabilities | 6,072 | 6,582 | 7,329 |
| Total equity and liabilities | 13,177 | 12,924 | 13,975 |
| Pledged assets and contingent liabilities for the parent company | | | |
| Pledged assets | - | - | - |
| Contingent liabilities | 15,848 | 12,404 | 13,626 |

Recalculation according to new accounting principles for housing production

Income statement

| | Jan - Mar 2009 | | | Jan - Jun 2009 | | |
|---|---------------------------|------------|---------------------------|---------------------------|------------|---------------------------|
| | Reported income statement | Adjustment | Adjusted income statement | Reported income statement | Adjustment | Adjusted income statement |
| MSEK | | | | | | |
| Net sales | 7,844 | 254 | 8,098 | 17,131 | 61 | 17,192 |
| Production costs | -7,135 | -224 | -7,359 | -15,359 | -45 | -15,404 |
| Gross profit | 709 | 30 | 739 | 1,772 | 16 | 1,788 |
| Sales and administrative expenses | -536 | 0 | -536 | -1,133 | 0 | -1,133 |
| Profit from participation in joint venture/associated companies | -1 | 1 | 0 | 13 | 1 | 14 |
| Other operating income | 30 | 0 | 30 | 55 | 0 | 55 |
| Operating profit | 202 | 31 | 233 | 707 | 17 | 724 |
| Net financial items | -19 | 0 | -19 | -6 | 0 | -6 |
| Pre-tax profit | 183 | 31 | 214 | 701 | 17 | 718 |
| Tax | -47 | -7 | -54 | -176 | 0 | -176 |
| Profit for the period | 136 | 24 | 160 | 525 | 17 | 542 |

Profit for the period, attributable to:

| | | | | | | |
|--------------------------------|------------|-----------|------------|------------|-----------|------------|
| Shareholders in parent company | 135 | 24 | 159 | 523 | 17 | 540 |
| Minority interests | 1 | 0 | 1 | 2 | 0 | 2 |
| Profit for the period | 136 | 24 | 160 | 525 | 17 | 542 |

Statements of

comprehensive income

| | Reported comprehensive income | | Adjusted comprehensive income | | Reported comprehensive income | | Adjusted comprehensive income | |
|--|-------------------------------|------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--|
| | Reported comprehensive income | Adjustment | Adjusted comprehensive income | Reported comprehensive income | Adjustment | Adjusted comprehensive income | | |
| MSEK | | | | | | | | |
| Profit for the period | 136 | 24 | 160 | 525 | 17 | 542 | | |
| Period change in translation reserve | 136 | -1 | 135 | 97 | 0 | 97 | | |
| Changes in other comprehensive income | 26 | - | 26 | 66 | 0 | 66 | | |
| Other comprehensive income for the period | 162 | -1 | 161 | 163 | 0 | 163 | | |
| Total comprehensive income for the period | 298 | 23 | 321 | 688 | 17 | 705 | | |

Total comprehensive income for the period, attributable to:

| | | | | | | |
|--|------------|-----------|------------|------------|-----------|------------|
| Shareholders in parent company | 297 | 23 | 320 | 685 | 17 | 702 |
| Minority interests | 1 | 0 | 1 | 3 | 0 | 3 |
| Total comprehensive income for the period | 298 | 23 | 321 | 688 | 17 | 705 |

Balance sheet

| | 2009-03-31 | | | 2009-06-30 | | |
|--|------------------------|------------|------------------------|------------------------|------------|------------------------|
| | Reported balance sheet | Adjustment | Adjusted balance sheet | Reported balance sheet | Adjustment | Adjusted balance sheet |
| MSEK | | | | | | |
| Assets | | | | | | |
| Intangible assets | 2,195 | 0 | 2,195 | 2,181 | 0 | 2,181 |
| Tangible assets | 4,328 | 0 | 4,328 | 4,284 | 0 | 4,284 |
| Interest-bearing long-term receivables | 334 | 0 | 334 | 348 | 0 | 348 |
| Other financial fixed assets | 923 | 0 | 923 | 983 | 0 | 983 |
| Deferred tax recoverables | 658 | 18 | 676 | 621 | 25 | 646 |
| Total fixed assets | 8,438 | 18 | 8,456 | 8,417 | 25 | 8,442 |
| Project and development properties | 3,804 | 0 | 3,804 | 4,081 | 0 | 4,081 |
| Inventories | 492 | 0 | 492 | 522 | 0 | 522 |
| Work in progress | - | 1,122 | 1,122 | - | 973 | 973 |
| Interest-bearing current receivables | 332 | 0 | 332 | 323 | 0 | 323 |
| Other current receivables | 9,935 | -804 | 9,131 | 10,505 | -684 | 9,821 |
| Short-term holdings | 1,106 | 0 | 1,106 | 904 | 0 | 904 |
| Liquid funds | 651 | 0 | 651 | 475 | 0 | 475 |
| Total current assets | 16,320 | 318 | 16,638 | 16,810 | 289 | 17,099 |
| Total assets | 24,758 | 336 | 25,094 | 25,227 | 314 | 25,541 |
| Equity and liabilities | | | | | | |
| Equity | 6,823 | -61 | 6,762 | 6,576 | -67 | 6,509 |
| Liabilities | | | | | | |
| Interest-bearing long-term liabilities | 5,645 | 132 | 5,777 | 5,178 | 109 | 5,287 |
| Other long-term liabilities | 307 | 0 | 307 | 300 | 0 | 300 |
| Total long-term liabilities | 5,952 | 132 | 6,084 | 5,478 | 109 | 5,587 |
| Interest-bearing current liabilities | 1,353 | 55 | 1,408 | 2,139 | 54 | 2,193 |
| Other current liabilities | 10,630 | 210 | 10,840 | 11,034 | 218 | 11,252 |
| Total current liabilities | 11,983 | 265 | 12,248 | 13,173 | 272 | 13,445 |
| Total equity and liabilities | 24,758 | 336 | 25,094 | 25,227 | 314 | 25,541 |

Recalculation according to new accounting principles for housing production

Income statement

| | Jan - Sep 2009 | | | Jan - Dec 2009 | | |
|--|---------------------------|------------|---------------------------|---------------------------|------------|---------------------------|
| | Reported income statement | Adjustment | Adjusted income statement | Reported income statement | Adjustment | Adjusted income statement |
| MSEK | | | | | | |
| Net sales | 25,614 | 26 | 25,640 | 35,140 | -272 | 34,868 |
| Production costs | -22,979 | -28 | -23,007 | -31,529 | 243 | -31,286 |
| Gross profit | 2,635 | -2 | 2,633 | 3,611 | -29 | 3,582 |
| Sales and administrative expenses | -1,530 | 0 | -1,530 | -2,118 | 0 | -2,118 |
| Profit from participation in joint ventures/associated companies | 25 | 1 | 26 | 18 | 1 | 19 |
| Other operating income | 73 | 0 | 73 | 90 | 0 | 90 |
| Operating profit | 1,203 | -1 | 1,202 | 1,601 | -28 | 1,573 |
| Net financial items | 40 | 0 | 40 | 46 | 0 | 46 |
| Pre-tax profit | 1,243 | -1 | 1,242 | 1,647 | -28 | 1,619 |
| Tax | -315 | 5 | -310 | -326 | 8 | -318 |
| Profit for the period | 928 | 4 | 932 | 1,321 | -20 | 1,301 |
| Profit for the period attributable to: | | | | | | |
| Shareholders in parent company | 923 | 4 | 927 | 1,315 | -20 | 1,295 |
| Minority interests | 5 | 0 | 5 | 6 | 0 | 6 |
| Profit for the period | 928 | 4 | 932 | 1,321 | -20 | 1,301 |

Statements of comprehensive income

| | Reported comprehensive income | | Adjusted comprehensive income | | Reported comprehensive income | | Adjusted comprehensive income | |
|--|-------------------------------|------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--|
| | Reported comprehensive income | Adjustment | Adjusted comprehensive income | Reported comprehensive income | Adjustment | Adjusted comprehensive income | | |
| MSEK | | | | | | | | |
| Profit for the period | 928 | 4 | 932 | 1,321 | -20 | 1,301 | | |
| Period change in translation reserve | 49 | -1 | 48 | 60 | 1 | 61 | | |
| Changes in other comprehensive income | 141 | 0 | 141 | 185 | 0 | 185 | | |
| Other comprehensive income for the period | 190 | -1 | 189 | 245 | 1 | 246 | | |
| Total comprehensive income for the period | 1,118 | 3 | 1,121 | 1,566 | -19 | 1,547 | | |
| Total comprehensive income for the period, attributable to: | | | | | | | | |
| Shareholders in parent company | 1,113 | 3 | 1,116 | 1,559 | -19 | 1,540 | | |
| Minority interests | 5 | 0 | 5 | 7 | 0 | 7 | | |
| Total comprehensive income for the period | 1,118 | 3 | 1,121 | 1,566 | -19 | 1,547 | | |

Balance sheet

| | 2009-09-30 | | | 2009-12-31 | | |
|--|------------------------|------------|------------------------|------------------------|-------------|------------------------|
| | Reported balance sheet | Adjustment | Adjusted balance sheet | Reported balance sheet | Adjustment | Adjusted balance sheet |
| MSEK | | | | | | |
| Assets | | | | | | |
| Intangible assets | 2,149 | 0 | 2,149 | 2,281 | 0 | 2,281 |
| Tangible assets | 4,714 | 0 | 4,714 | 4,904 | 0 | 4,904 |
| Interest-bearing long-term receivables | 284 | 0 | 284 | 387 | 0 | 387 |
| Other financial fixed assets | 1,167 | 0 | 1,167 | 1,253 | 0 | 1,253 |
| Deferred tax recoverables | 623 | 30 | 653 | 123 | 34 | 157 |
| Total fixed assets | 8,937 | 30 | 8,967 | 8,948 | 34 | 8,982 |
| Project and development properties | 4,385 | 0 | 4,385 | 4,132 | 0 | 4,132 |
| Inventories | 546 | 0 | 546 | 492 | 0 | 492 |
| Work in progress | - | 925 | 925 | - | 1,216 | 1,216 |
| Interest-bearing current receivables | 340 | 0 | 340 | 388 | 0 | 388 |
| Other current receivables | 10,669 | -767 | 9,902 | 9,860 | -944 | 8,916 |
| Short-term holdings | 904 | 0 | 904 | 904 | 0 | 904 |
| Liquid funds | 809 | 0 | 809 | 1,584 | 0 | 1,584 |
| Total current assets | 17,653 | 158 | 17,811 | 17,360 | 272 | 17,632 |
| Total assets | 26,590 | 188 | 26,778 | 26,308 | 306 | 26,614 |
| Equity and liabilities | | | | | | |
| Equity | 7,259 | -81 | 7,178 | 7,709 | -103 | 7,606 |
| Liabilities | | | | | | |
| Interest-bearing long-term liabilities | 5,416 | 10 | 5,426 | 5,690 | 51 | 5,741 |
| Other long-term liabilities | 284 | 0 | 284 | 319 | 0 | 319 |
| Total long-term liabilities | 5,700 | 10 | 5,710 | 6,009 | 51 | 6,060 |
| Interest-bearing current liabilities | 2,585 | 0 | 2,585 | 2,042 | 51 | 2,093 |
| Other current liabilities | 11,046 | 259 | 11,305 | 10,548 | 307 | 10,855 |
| Total current liabilities | 13,631 | 259 | 13,890 | 12,590 | 358 | 12,948 |
| Total equity and liabilities | 26,590 | 188 | 26,778 | 26,308 | 306 | 26,614 |

List of shareholders 31 July 2010

| 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 | 11,916,299 | 24,123,914 | 8.1 | 22.2 |
| 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 | 5,957,050 | 10,218,481 | 3.5 | 8.0 |
| Folksam | | 9,100,000 | 9,100,000 | 3.1 | 1.5 |
| Peab's profit sharing foundation | | 5,685,108 | 5,685,108 | 1.9 | 0.9 |
| Lannebo Funds | | 4,992,953 | 4,992,953 | 1.7 | 0.8 |
| SEB Investment Management | | 4,369,980 | 4,369,980 | 1.5 | 0.7 |
| Swedbank Robur Funds | | 4,071,910 | 4,071,910 | 1.4 | 0.7 |
| Danica Pension | | 3,813,964 | 3,813,964 | 1.3 | 0.6 |
| Svante Paulsson with family and companies | 1,720,908 | 1,343,580 | 3,064,488 | 1.0 | 3.1 |
| Sara Karlsson with family and companies | 1,778,140 | 863,299 | 2,641,439 | 0.9 | 3.1 |
| Handelsbanken Funds | | 2,306,664 | 2,306,664 | 0.8 | 0.4 |
| Foreign owners | | 28,258,328 | 28,258,328 | 9.5 | 4.7 |
| Others | 335,523 | 111,290,779 | 111,626,302 | 37.7 | 19.0 |
| Number of outstanding shares | 34,319,957 | 252,421,553 | 286,741,510 | | |
| Peab AB | | 9,308,220 | 9,308,220 | 3.1 | 1.5 |
| Number of registered shares | 34,319,957 | 261,729,773 | 296,049,730 | 100.0 | 100.0 |

Source: Euroclear Sweden AB

