



PEAB AB INTERIM REPORT JANUARY– MARCH 2011.

Operative net sales increased by 22 percent to SEK 8,797 million (7,189)

Operative operating profit amounted to SEK 102 million (107)

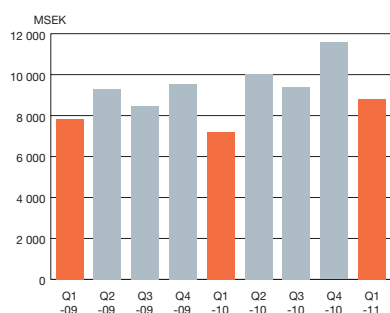
Earnings per share before dilution amounted to SEK 0.19 (0.27)

Orders received during the first quarter increased by 20 percent to SEK 10,306 million (8,591)

Order backlog in Construction and Civil Engineering has grown by 11 percent to SEK 29,689 million (26,769)

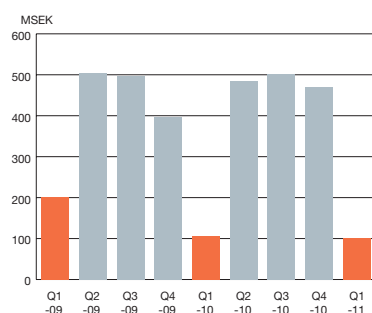
INTERIM REPORT JANUARY - MARCH 2011

Operative net sales



Group operative net sales the first quarter 2011 amounted to SEK 8,797 million (7,189), which was an increase of 22 percent. Even after adjustments for acquired and divested units operative net sales increased by 22 percent compared to the same period last year.

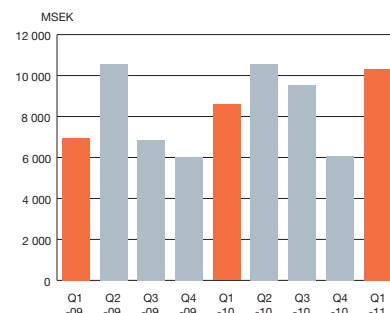
Operative operating profit



Operative operating profit the first quarter 2011 amounted to SEK 102 million compared to SEK 107 million for the same period last year.

Construction and Civil Engineering

Orders received per quarter



Orders received the first quarter 2011 amounted to SEK 10,306 million compared to SEK 8,591 million for the same period last year. Order backlog amounted to SEK 29,689 million compared to SEK 27,063 million per 31 December 2010.

Group

MSEK	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010	Financial objectives
Operative net sales	8,797	7,189	39,792	38,184	
Net sales	8,708	7,100	39,653	38,045	
Operative operating profit	102	107	1,558	1,563	
Operative operating margin, %	1.2	1.5	3.9	4.1	
Operating profit	114	102	1,515	1,503	
Operating margin, %	1.3	1.4	3.8	4.0	
Pre-tax profit	74	104	1,483	1,513	
Profit for the period	55	77	1,168	1,190	
Earnings per share before dilution, SEK	0.19	0.27	4.04	4.11	
Return on equity, %	15.2 ¹⁾	17.0 ¹⁾	15.2	15.6	> 20%
Equity/assets ratio, %	28.0	30.6	28.0	27.8	> 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 a new neighborhood, containing 113 rental apartments in Helsinki. The client is Etera Mutual Insurance Company and the contract amounts to MEUR 17. Peab will also build 32 apartments in downtown Helsinki. The buyer is OY Hietalahden Helmi and the contract price is MEUR 12.
- Peab has been commissioned to undertake a complete rebuild and expansion of a power plant in Örebro. The customer is E.ON Thermal Sweden and the contract amounts to SEK 150 million.
- Peab has been commissioned in collaboration with the Swedish Transport Administration to prepare for the rebuilding of the national and regional road net in northern, eastern and southern Greater Gothenburg. The customer is the Swedish Transport Administration and the total contract is worth about SEK 250 million.
- Peab has been contracted to carry out the expansion of Möckeln high school in Karlskoga. The client is Karlskoga Municipality and the contract amounts to SEK 185 million.
- Peab has been contracted to build an office building in Fin-spång. The client is Siemens and the contract amounts to approximately SEK 150 million.
- Peab has been contracted to be responsible for operation and maintenance of roads in the Midt Romerike outside Oslo. The client is Public Roads Administration and the total contract amounts to MNOK 262. The contract starts on 1 September, 2011 and extends until 2016.
- Peab has been contracted to implement the expansion of E4 South Myre-Skönsmon at Sundsvall. The customer is the Swedish Transport Administration and the contract amounts to SEK 1.1 billion.

COMMENTS BY THE CEO

The first quarter has been characterised by continued improvement in the economy and more activity on the construction market. Operative net sales amounted to SEK 8,797 million (7,189) in the first quarter of 2011, which is an increase of 22 percent compared to the same period in 2010. Operative operating profit was SEK 102 million compared to SEK 107 million for the first quarter in 2010. The first quarter is Peab's seasonally weakest quarter and this year the effect of winter on production in the first three months of 2011 generated higher costs than usual. Production of orders with lower margins from when the economy was tight has affected profitability.

The level of orders received was good in the first quarter and amounted to SEK 10,306 million compared to SEK 8,591 million in 2010. The increase is spread throughout all our product segments although it is most noticeable in housing construction and civil engineering. Order backlog increased to SEK 29.7 billion compared to SEK 27.1 billion at the end of 2010.

We sold 589 (598) of our own developed homes during the first quarter and started production on 486 (558). The fact that 80 percent (75) of our housing in production is already sold and demand is high means we have a good platform to increase the tempo in upstarts of new projects. Several aspects such as demography, the economy, interest rates, and access to mortgages are driving demand. All these factors indicate continuing good demand in all kinds of housing.

In 2010 we recovered, in principle, the entire drop on the construction market in Sweden in 2009, which indicates a certain slow down in 2011. However, growth will continue in building construction. Although growth levels will probably be the highest in housing they will also be good in commercial premises and industrial real estate. On the other hand construction in the public sector is expected to diminish as municipalities tighten their budgets. Growth is expected to pick up in civil engineering again in 2011 after a year of shrinking investments. It will be a challenge to handle the competition for personnel while the number of workers entering retirement swells in the coming years.

Norway and Finland also experienced recovery in 2010 although it was not as intense as in Sweden. The construction business cycle there is expected to continue to develop positively in 2011, albeit more strongly in Norway than in Finland.



We are well prepared to meet the expanding economy. We are establishing Peab as the Nordic community builder step-by-step. This interim report will be my last as CEO for Peab. I want to take this opportunity to thank all our employees for the great work they have done and their fantastic cooperation throughout the years. Jan Johansson will now take over the helm and lead the company onward in true Peab spirit. I wish him and everyone in the company all the best in the future.

*Mats Paulsson
CEO and President*

ACCOUNTING PRINCIPLES FOR HOUSING

Peab applies IFRIC 15, Agreements for the construction of real estate, in legal reporting. As a result 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. Segments are reported through the percentage of completion method in all our projects since this reflects the way executive management and the Board monitor the business. A bridge is created in segment reporting between operative reporting according to the percentage of completion method and legal reporting.

NET SALES AND PROFIT

Group operative net sales for the first quarter 2011 amounted to SEK 8,797 million (7,189), which was an increase of 22 percent. Even after adjustments for acquired and divested units operative net sales increased by 22 percent compared to the same period last year. Adjustments in housing reporting affected net sales by SEK -89 million (-89). Group net sales for the first quarter 2011 increased by 23 percent to SEK 8,708 million (7,100). Of the period's net sales, SEK 1,188 million (957) was attributable to sales and production outside Sweden.

Operative operating profit for the first quarter 2011 amounted to SEK 102 million compared to SEK 107 million for the same period last year. Adjustments in housing reporting affected operating profit by SEK 12 million (-5). Operating profit for the first quarter 2011 amounted to SEK 114 million compared to SEK 102 million for the same period last year. Depreciation for the period was SEK 186 million (178).

The first quarter is Peab's seasonally weakest quarter. Operating profit was affected by higher costs stemming from the unusually severe winter weather as well as lower margins in orders from when the economy was tight.

Net financial items amounted to SEK -40 million (2), of which net interest expense amounted to SEK -64 million (-34). The effect of valuing financial instruments at fair value affected net financial items by SEK 25 million (36), of which the income effect of valuing the Brinova holding at fair value amounted to SEK 30 million (41). The shareholding is reported at market price on the balance sheet date. Peab's holding in Catena is reported as an associated company in the income statement and has therefore not been given a market value.

Pre-tax profit amounted to SEK 74 million compared to SEK 104 million for the same period last year.

Tax for the period was SEK -19 million (-27).

Profit for the period amounted to SEK 55 million (77).

FINANCIAL POSITION

The equity/assets ratio on 31 March 2011 was 28.0 percent compared to 27.8 percent at the previous year-end. Interest-bearing net debt amounted to SEK 6,326 million compared to SEK 5,719 million at the previous year-end. The average interest rate in the loan portfolio including derivatives on 31 March 2011 was 3.2 percent (2.3).

Group liquid funds, including non-utilised credit facilities, amounted to SEK 4,608 million at the end of the period compared to SEK 5,274 million on 31 December 2010.

At the end of the period, Group contingent liabilities, excluding joint and several liabilities in trading and limited partnerships, amounted to SEK 1,885 million compared to SEK 1,602 million on 31 December 2010. Of contingent liabilities, obligations to tenant-owners' associations under construction amounted to SEK 1,548 million compared to SEK 1,449 million at year-end.

INVESTMENTS

Net investment of tangible and intangible assets amounted to SEK 220 million during the period. Net divestments were SEK 375 million for the same period last year. Project and development properties were sold for a total of SEK 6 million (106) during the first quarter 2011.

CASH FLOW

Cash flow from current operations before changes in working capital was SEK 178 million (22). Cash flow from changes in working capital was SEK -504 million (-166). The growth in net sales in the first quarter has generated a higher level of working capital. The acquisition of project and development property for SEK 42 million (divestments of SEK 110 million) is also included in the change in working capital.

Cash flow from investment activities amounted to SEK -636 million compared to SEK -94 million the same period the previous year. The increase consists of strategic company acquisitions, investments in housing and project development property and machines.

Cash flow before financing amounted to SEK -962 million compared to SEK -238 million for the same period last year.

PERSONNEL

At the end of the period, the company had 14,006 employees compared to 12,717 at the same time the previous year.

COMMENTS ON THE BUSINESS AREAS

Peab's business areas Construction, Civil Engineering and Industry are operating segments.

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. As of 1 January 2011 a new Nordic division has been added to the business area that will handle Group property development.

Operative net sales for the first quarter 2011 amounted to SEK 6,119 million (4,980), which is an increase of 23 percent. After adjustments for acquired and divested units the increase was 21 percent.

Operative operating profit for the first quarter 2011 amounted to SEK 132 million compared to SEK 117 million the same period last year. Operative operating margin sank to 2.2 percent compared to 2.3 percent for the same period last year. Operative margin for the latest rolling 12 month period was 3.4 percent compared to 3.5 percent for full year 2010.

Production tempo has been high during the first quarter. Production of our own housing developments continues to grow and generate improved profitability. At the same time margins in Construction are still being affected negatively by orders from when the economy was tight and the cost of winter.

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 quarter 2011 amounted to SEK 2,376 million compared to SEK 1,985 million for the same period last year, which is an increase of 20 percent. Even after adjustments for acquired and divested units the increase was 20 percent.

Operating profit for the first quarter 2011 amounted to SEK 38 million compared to SEK 65 million for the same period last year. Operating margin sank to 1.6 percent compared to 3.3 percent for the same period last year. Operative margin for the latest rolling 12 month period was 3.0 percent compared to 3.3 percent for full year 2010.

Operating profit and margins have continuously been affected negatively in the first quarter by orders from when the economy was tight and the cost of winter.

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 quarter 2011 amounted to SEK 1,689 million compared to SEK 1,295 million for the same period last year, which is an increase of 30 percent. After adjustments for acquired and divested units net sales increased by 35 percent.

Operating profit for the first quarter 2011 amounted to SEK -1 million compared to SEK -23 million for the same period last year. Operating margin was -0.1 percent compared to -1.8 percent for the same period last year. Operative margin for the latest rolling 12 month period was 6.4 percent, which is unchanged compared to full year 2010.

The first quarter is normally characterised by less activity than the other quarters in all the units in the business area because of the winter climate. However, both net sales and profits have grown compared to last year as a result of increased activity in construction and civil engineering operations even though the cost of winter had a negative effect on profit, particularly in asphalt operations.

ORDERS RECEIVED AND ORDER BACKLOG CONSTRUCTION AND CIVIL ENGINEERING

Orders received for the first quarter 2011 amounted to SEK 10,306 million compared to SEK 8,591 million for the same period last year.

Order backlog yet to be produced at the end of the period amounted to SEK 29,689 million compared to SEK 26,769 million the same period last year. Order backlog has increased in both construction and civil engineering operations since 2010.

Of the total order backlog, 39 percent (40) is expected to be produced after 2011. Construction projects accounted for 65 percent (65) of the order backlog. Swedish operations accounted for 87 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	31 Mar 2011	31 Mar 2010	31 Dec 2010
Current financial year	18,118	16,113	19,137
Next financial year	8,962	7,572	6,374
Thereafter	2,609	3,084	1,552
Total order backlog	29,689	26,769	27,063
Orders received	10,306	8,591	34,764

HOUSING PRODUCTION

Peab produces all kinds of housing which includes apartment buildings with tenant-owners, condominiums and rentals. We also have a certain amount of single home construction.

Our own housing developments do not include rental production. New production of Peab's own housing developments made up 10 percent of net sales for the latest rolling 12 month period compared to 9 percent for full year 2010. The number of homes in production at the end of the period was 3,249 compared to 3,212 the previous year-end. The level of own housing development start-ups is slightly lower than last year and amounted to 486 (558). The number of sold homes during the period was 589 compared to 598 during the same period 2010. The fact that 80 percent (75) of our housing in production is already sold and demand is high means we have a good platform to increase the tempo in upstarts of new projects.

Several aspects such as demography, the economy, interest rates, and access to mortgages are driving demand. All these factors indicate continuing good demand in all kinds of housing.

Total holdings of project and development property at the end of the period amounted to SEK 5,292 million compared to SEK 4,921 million per 31 December 2010. The increase is mainly a result of reclassification of property from fixed assets in connection with the

Peab's own housing development construction

	Jan-Mar 2011	Jan-Mar 2010	Jan-Dec 2010
Number of housing starts during the period	486	558	2,113
Number of homes sold during the period	589	598	2,179
Total number of homes under construction, at the end of the period	3,249	3,019	3,212
Share of sold homes under construction, at the end of the period	80%	75%	77%
Number of repurchased homes in the balance sheet, at the end of the period	193	242	213

creation of the new division for property development. The number of repurchased homes on 31 March 2011 was 193 (242) and is evenly divided in Sweden, Finland and Norway.

THE CONSTRUCTION MARKET

The broad, strong recovery in construction in Sweden continued during the fourth quarter of 2010 and building construction start-ups increased more than 30 percent. Apartment building construction shot up to almost double but all other sectors showed double digit growth figures as well. The level of orders received in construction companies continued to rise in the first quarter 2011 and expectations remain positive. At the same time 60 percent of the companies have problems recruiting personnel and therefore the analytics company Industrifakta predicts a leveling out of building construction in 2011. It is particularly difficult to find work and planning leaders. Investments in civil engineering fell by slightly more than 5 percent during the first three quarters of 2010, which indicates a break-even or slightly negative result for 2010.

The best forecasts from Industrifakta for 2011, increases of around 20 percent in project start-ups, are found in single home and industrial construction, and apartment building renovation. The market for apartment buildings is expected to level out after it doubled in 2010 and construction of public premises is expected to diminish by around 10 percent. Commercial premises, however, are expected to increase by some 5 percent. It is uncertain how stricter borrowing regulations, rising interest rates and a lack of land to build single homes on will affect construction. Nonetheless housing production needs to grow by at least a further 10,000 apartments annually to meet housing needs. More people who have jobs and strong household consumption contribute to higher rent levels and fewer vacancies and this is good for commercial property developments. Construction of new buildings in the public sector is expected to drop despite the pressing need to renew and refurbish existing premises. In total building construction start-ups are expected to increase by 3 percent in 2011. Growth in renovation and maintenance is expected to remain stable, in part through more investments connected to energy conservation.

Construction in civil engineering is expected to rise again in 2011, mainly due to greater public investments in roads and railways but also through private investments related to energy supply. Civil engineering construction is expected to grow by 3 percent in 2011.

All in all building and civil engineering construction is forecasted to grow by around 3 percent in 2011 after last year's dramatic rise by more than 15 percent.

Even Norway showed clear signs of recovery in 2010, although at a more moderate rate of 8 percent growth in building construction start-ups and the differences between sectors were more pronounced. As in Sweden the strongest growth was in apartment buildings. At the same time single home construction, which dominates the housing markets shrunk by more than 5 percent. Start-ups in single homes and apartment buildings in 2011 is expected to increase by some 15 percent, while the forecast for commercial and public premises is 5 respectively 8 percent. All in all start-ups in building construction are expected to increase by some 10 percent in Norway, which is slightly more than in 2010. Rising interest rates and restrictions on

new commercial areas can become obstacles. Nonetheless households continue to be positive and further investments are needed in, among other areas, hospitals and educational facilities.

Civil engineering in Norway had a preliminary growth of around 3 percent in 2010 and is expected to grow a further 5 percent, mainly through investments in roads.

In total building and civil engineering construction is forecasted to grow by 8 percent in 2011.

Although growth in building construction in Finland was on par with Norway in 2010, 8 percent. Housing production increased by around 50 percent where apartment building growth dominated slightly. The latter is expected to decrease by around 10 percent in 2011, while single homes in production are forecasted to grow almost as much. Construction of private premises also increased radically last year but is expected to level out to just a few percent's growth in 2011. Start-ups of public premises diminished by 25 percent in 2010, but the forecast is still positive with around 8 percent growth this year. The huge need for renovation and renewal in both housing and commercial premises is a positive factor for Finnish building construction. In addition, positive households lead to greater demand in the service sector and retail. Nonetheless rising interest rates can hamper growth. In total building construction start-ups are expected to increase by 4 percent in 2011.

Civil engineering in Finland shrunk preliminarily by 2 percent in 2010 and is expected to stay on the same level in 2011.

This means that all told the construction and civil engineering markets in Finland, like Sweden, are expected to grow by some 3 percent in 2011, which is slightly more than previous forecasts.

As in Sweden renovation and maintenance volumes are expected to grow by a few percent annually in both Norway and Finland.

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 completion and volume and price risks.

Structured risk assessment is crucial in the 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 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 2010 Annual Report.

IMPORTANT EVENTS DURING THE REPORT PERIOD

Jan Johansson has been appointed new President and CEO of Peab and will take up this position at the AGM on 10 May 2011. Jan Johansson, 52, has a Master of Science in Engineering and joined Peab in 1986. Jan has held the position of Deputy CEO with responsibility for Peab's operations since 2009. Mats Paulsson has been nominated Vice Chairman of the Board.

IMPORTANT EVENTS AFTER THE REPORT PERIOD

Mats Leifland has announced his intention to resign from his position as Deputy CEO of Peab. Mats will immediately begin his new post as President of Ideon Life Science Village in Lund. Mats Leifland 54, joined Peab in 1995, when he was appointed CFO and he has since 1996 he has been a Deputy CEO.

ACQUISITIONS AFTER THE REPORT PERIOD

Peab has signed a letter of intent to acquire 90.1 percent of K. Nordang AS. The construction company operates in Western Norway. K. Nordang had net sales of about MNOK 300 in 2010 and has around 80 employees. The acquisition requires approval by the Norwegian Competition Authority.

Peab acquired 50 percent of Balder Fjorton AB from Fastighets AB Balder. The total investment by Peab amounts to SEK 270 million. The property portfolio contains good locations in Sweden and offers interesting exploitation and development opportunities.

ACCOUNTING PRINCIPLES

This interim 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.

The parent company's reports have been prepared according to the Swedish Company Accounts Act and RFR 2, Accounting rules for legal entities.

This interim report has otherwise been presented according to the same accounting principles and prerequisites as described in the Annual Report of 2010.

HOLDINGS OF OWN SHARES

At the beginning of 2011 Peab's own B share holding was 9,308,220 which corresponds to 3.1 percent of the total number of shares. No changes have taken place in the first quarter of 2011.

THE PEAB SHARE

Peab's B share is listed on the NASDAQ OMX Stockholm, Large Cap list. As of 9 May 2011, the price of the Peab share was SEK 55.15, a decrease of 3.7 percent during 2011. During the same period, the Swedish stock market increased by 0.5 percent according to general index in the business magazine "Affärsvärlden". During 2011, the Peab share has been quoted at a maximum of SEK 59.20 and a minimum of SEK 49.85.

PARENT COMPANY

The parent company Peab AB's net sales for the first quarter 2011 amounted to SEK 24 million (20) and mainly consisted of internal Group services. Profit after tax amounted to SEK -22 million (-20).

The parent company's assets mainly consist of participations in Group companies amounting to SEK 11,728 million (11,634), shares in Catena AB worth SEK 263 million (-), shares in Brinova Fastigheter AB worth SEK 602 million (434) and convertible bonds in Peab Industri AB worth SEK 579 million (575). The assets have been financed from equity of SEK 7,332 million (6,627) and long-term liabilities amounting to SEK 6,126 million (7,265).

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.

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 2011	1,583.9	34,319,957	261,729,773	296,049,730	9,308,220	286,741,510
Share capital and number of shares 31 March 2011	1,583.9	34,319,957	261,729,773	296,049,730	9,308,220	286,741,510

FUTURE FINANCIAL INFORMATION

- Half-year report January-June 2011 23 August 2011
- Interim report January-September 2011 22 November 2011
- Year-end report 2011 15 February 2012

Förslöv, 10 May 2011

*Mats Paulsson
CEO and President*

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

Condensed income statement for the Group

MSEK	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010
Net sales	8,708	7,100	39,653	38,045
Production costs	-8,014	-6,470	-36,077	-34,533
Gross profit	694	630	3,576	3,512
Sales and administrative expenses	-604	-522	-2,221	-2,139
Profit from participation in joint ventures/ associated companies	3	-11	109	95
Other operating income	22	5	55	38
Other operating costs	-1	0	-4	-3
Operating profit	114	102	1,515	1,503
Net financial items	-40	2	-32	10
Pre-tax profit	74	104	1,483	1,513
Tax	-19	-27	-315	-323
Profit for the period	55	77	1,168	1,190
Profit for the period, attributable to:				
Shareholders in parent company	55	79	1,163	1,187
Non-controlling interests	0	-2	5	3
Profit for the period	55	77	1,168	1,190
Key ratios				
Earnings per share, SEK	0.19	0.27	4.04	4.11
- after dilution	0.19	0.27	4.02	4.10
Average number of outstanding shares, million	286.7	291.1	287.6	288.6
- after dilution	295.5	299.9	296.4	297.4
Return on capital employed, %	11.8 ¹⁾	12.3 ¹⁾	11.8	11.7
Return on equity, %	15.2 ¹⁾	17.0 ¹⁾	15.2	15.6

¹⁾ Calculated on rolling 12 months

Condensed comprehensive income statement for the Group

MSEK	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010
Profit for the period	55	77	1,168	1,190
Other comprehensive income				
Translation differences for the period from translation of foreign operations	-25	-50	-142	-167
Profit/loss from currency risk hedging in foreign operations	9	18	56	65
Translation differences transferred to profit for the period	-	-	-3	-3
Changes in fair value of cash flow hedges for the period	7	-16	56	33
Tax attributable to components in other comprehensive income	-10	-12	-45	-47
Other comprehensive income for the period	-19	-60	-78	-119
Total comprehensive income for the period	36	17	1,090	1,071
Total comprehensive income for the period, attributable to:				
Shareholders in parent company	36	19	1,085	1,068
Non-controlling interests	0	-2	5	3
Total comprehensive income for the period	36	17	1,090	1,071

Condensed balance sheet for the Group

MSEK	31 Mar 2011	31 Mar 2010	31 Dec 2010
Assets			
Intangible assets	2,199	2,259	2,190
Tangible assets	4,479	4,372	4,847
Interest-bearing long-term receivables	749	271	474
Other financial fixed assets	2,109	1,532	2,056
Deferred tax recoverables	91	197	90
Total fixed assets	9,627	8,631	9,657
Project and development properties	5,292	4,026	4,921
Inventories	439	505	411
Work in progress	1,413	1,328	1,263
Interest-bearing current receivables	35	413	36
Other current receivables	10,184	8,357	10,482
Short-term holdings	0	903	1
Liquid funds	540	760	809
Total current assets	17,903	16,292	17,923
Total assets	27,530	24,923	27,580
Equity and liabilities			
Equity	7,709	7,623	7,673
Liabilities			
Interest-bearing long-term liabilities	6,000	4,971	5,437
Deferred tax liabilities	260	–	326
Other long-term liabilities	261	287	298
Total long-term liabilities	6,521	5,258	6,061
Interest-bearing current liabilities	1,650	2,024	1,602
Other current liabilities	11,650	10,018	12,244
Total current liabilities	13,300	12,042	13,846
Total liabilities	19,821	17,300	9,907
Total equity and liabilities	27,530	24,923	27,580
Key ratios			
Capital employed	15,360	14,618	14,712
Equity/assets ratio, %	28.0	30.6	27.8
Net debt	6,326	4,648	5,719
Equity per share, SEK	26.89	26.04	26.76
- after dilution	28.06	27.20	27.93
Number of outstanding shares at the end of the period, million	286.7	291.1	286.7
- after dilution	295.5	299.9	295.5

Condensed statement of changes in Group's equity

MSEK	31 Mar 2011	31 Mar 2010	31 Dec 2010
Equity attributable to shareholders in parent company			
Opening equity on 1 January	7,673	7,563	7,563
Profit for the period	55	79	1,187
Other comprehensive income for the period	-19	-60	-119
Comprehensive income for the period	36	19	1,068
Cash dividend	–	–	-728
Acquisition of own shares	–	–	-177
Disposal of own shares	–	–	4
Acquisition of non-controlling interests, controlling interests already	–	–	-57
Closing equity	7,709	7,582	7,673
Non-controlling interests			
Opening equity on 1 January	0	43	43
Profit for the period	0	-2	3
Acquisition of non-controlling interests, controlling interests already	–	–	-46
Closing equity	0	41	0
Total closing equity	7,709	7,623	7,673

Condensed cash flow statement for the Group

MSEK	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010
Cash flow from current operations before changes in working capital	178	22	2,046	1,890
Cash flow from changes in working capital	-504	-166	-1,065	-727
Cash flow from current operations	-326	-144	981	1,163
Acquisition of subsidiaries	-176	-74	-502	-400
Disposal of subsidiaries	-1	-4	61	58
Acquisition of fixed assets	-497	-120	-1,675	-1,298
Sales of fixed assets	38	104	96	162
Cash flow from investment operations	-636	-94	-2,020	-1,478
Cash flow before financing	-962	-238	-1,039	-315
Cash flow from financing operations	692	-580	-58	-1,330
Cash flow for the period	-270	-818	-1,097	-1,645
Cash at the beginning of the period	810	2,488	1,663	2,488
Exchange rate differences in cash	-	-7	-26	-33
Cash at the end of the period	540	1,663	540	810

Net sales and operating profit per business area

MSEK	Net sales				Operating profit				Operating margin			
	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010
Construction	6,119	4,980	25,325	24,186	132	117	850	835	2.2%	2.3%	3.4%	3.5%
Civil Engineering	2,376	1,985	11,055	10,664	38	65	329	356	1.6%	3.3%	3.0%	3.3%
Industry	1,689	1,295	8,902	8,508	-1	-23	566	544	-0.1%	-1.8%	6.4%	6.4%
Group functions	38	33	151	146	-67	-52	-187	-172				
Eliminations	-1,425	-1,104	-5,641	-5,320								
Operative ¹⁾	8,797	7,189	39,792	38,184	102	107	1,558	1,563	1.2%	1.5%	3.9%	4.1%
Adjustment for housing reporting ²⁾	-89	-89	-139	-139	12	-5	-43	-60				
Legal	8,708	7,100	39,653	38,045	114	102	1,515	1,503	1.3%	1.4%	3.8%	4.0%

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

	Jan-Mar 2011	Oct-Dec 2010	Jul-Sep 2010	Apr-Jun 2010	Jan-Mar 2010	Oct-Dec 2009	Jul-Sep 2009	Apr-Jun 2009	Jan-Mar 2009
MSEK									
Net sales	8,708	11,538	9,124	10,283	7,100	9,228	8,448	9,094	8,098
Production costs	-8,014	-10,491	-8,289	-9,283	-6,470	-8,278	-7,603	-8,045	-7,359
Gross profit	694	1,047	835	1,000	630	950	845	1,049	739
Sales and administrative expenses	-604	-656	-401	-560	-522	-588	-397	-597	-536
Profit from participation in joint ventures/associated companies	3	29	26	51	-11	-7	12	14	-
Other operating income	22	19	6	8	5	17	18	25	30
Other operating costs	-1	-3	0	0	0	0	0	0	0
Operating profit	114	436	466	499	102	372	478	491	233
Net financial items	-40	28	55	-75	2	6	46	13	-19
Pre-tax profit	74	464	521	424	104	378	524	504	214
Tax	-19	-60	-131	-105	-27	-8	-134	-122	-54
Profit for the period	55	404	390	319	77	370	390	382	160
Profit for the period, attributable to:									
Shareholders in parent company	55	403	390	315	79	369	387	381	159
Non-controlling interests	0	1	0	4	-2	1	3	1	1
Profit for the period	55	404	390	319	77	370	390	382	160
Key ratios									
Earnings per share, SEK	0.19	1.39	1.36	1.09	0.27	1.27	1.33	1.35	0.57
- after dilution	0.19	1.39	1.35	1.08	0.27	1.26	1.32	1.34	0.57
Average number of outstanding shares, million	286.7	286.7	286.8	290.0	291.1	291.1	291.1	282.2	281.1
- after dilution	295.5	295.5	295.6	298.8	299.9	299.9	299.9	292.0	289.9

Business areas

	Jan-Mar 2011	Oct-Dec 2010	Jul-Sep 2010	Apr-Jun 2010	Jan-Mar 2010	Oct-Dec 2009	Jul-Sep 2009	Apr-Jun 2009	Jan-Mar 2009
MSEK									
Net sales									
Construction	6,119	7,552	5,619	6,035	4,980	5,996	4,988	5,881	5,490
Civil Engineering	2,376	3,319	2,657	2,703	1,985	2,700	2,355	2,373	1,911
Industry	1,689	2,265	2,556	2,392	1,295	2,024	2,218	2,041	1,298
Group functions	38	46	33	34	33	50	49	42	39
Eliminations	-1,425	-1,613	-1,453	-1,150	-1,104	-1,244	-1,127	-1,050	-894
Operative ¹⁾	8,797	11,569	9,412	10,014	7,189	9,526	8,483	9,287	7,844
Adjustment for housing reporting ²⁾	-89	-31	-288	269	-89	-298	-35	-193	254
Legal	8,708	11,538	9,124	10,283	7,100	9,228	8,448	9,094	8,098
Operating profit									
Construction	132	241	198	279	117	194	178	295	147
Civil Engineering	38	113	99	79	65	118	131	129	68
Industry	-1	160	232	175	-23	122	210	150	32
Group functions	-67	-45	-26	-49	-52	-36	-23	-69	-45
Operative ¹⁾	102	469	503	484	107	398	496	505	202
Adjustment for housing reporting ²⁾	12	-33	-37	15	-5	-26	-18	-14	31
Legal	114	436	466	499	102	372	478	491	233
Order situation									
Orders received	10,306	6,056	9,547	10,570	8,591	6,039	6,854	10,551	6,949
Order backlog at the end of the period	29,689	27,063	30,753	29,039	26,769	24,487	26,694	26,728	24,079

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)

Condensed income statement for the parent company

MSEK	Jan-Mar 2011	Jan-Mar 2010	Apr-Mar 2010/2011	Jan-Dec 2010
Net sales	24	20	86	82
Administrative expenses	-41	-43	-150	-152
Operating profit	-17	-23	-64	-70
Result from financial investments				
Profit from participation in Group companies	–	–	1,390	1,390
Profit from participation in associated companies	–	–	59	59
Other financial items	-21	-13	-23	-15
Pre-tax profit	-38	-36	1,362	1,364
Tax	16	16	65	65
Profit and comprehensive income for the period	-22	20	1,427	1,429

Condensed balance sheet for the parent company

MSEK	31 Mar 2011	31 Mar 2010	31 Dec 2010
Assets			
Fixed assets			
Machinery and equipment	2	2	2
Participation in Group companies	11,728	11,634	11,728
Participation in associated companies	263	–	263
Receivables from Group companies	733	1,403	1,015
Other securities held as fixed assets	630	470	602
Deferred tax recoverables	11	9	–
Other long-term receivables	1	1	1
Total fixed assets	13,368	13,519	13,611
Current assets			
Accounts receivable	0	7	0
Receivables from Group companies	31	20	27
Interest-bearing current receivables	5	284	5
Tax recoverables	1	2	–
Other receivables	83	78	–
Prepaid expenses and accrued income	16	16	8
Liquid funds	2	4	3
Total current assets	138	411	43
Total assets	13,506	13,930	13,654
Equity and liabilities			
Equity	7,332	6,627	7,355
Long-term liabilities			
Liabilities to Group companies	5,539	6,684	5,670
Convertible promissory note	583	575	581
Deferred tax liabilities	–	–	5
Total long-term liabilities	6,122	7,259	6,256
Current liabilities			
Accounts payable	13	9	4
Liabilities to Group companies	2	2	4
Income tax liabilities	–	–	1
Other liabilities	5	5	4
Accrued expenses and deferred income	32	28	30
Total current liabilities	52	44	43
Total liabilities	6,174	7,303	6,299
Total equity and liabilities	13,506	13,930	13,654
Pledged assets and contingent liabilities for the parent company			
Pledged assets	–	–	–
Contingent liabilities	15,760	13,962	15,126

List of shareholders 31 March 2011

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 family and companies		17,852,000	17,852,000	6.0	3.0
Fredrik Paulsson with family and companies	4,261,430	6,002,154	10,263,584	3.5	8.0
Anita Paulsson with family and companies	4,261,431	5,957,050	10,218,481	3.5	8.0
Lannebo Funds		8,680,379	8,680,379	2.9	1.4
Folksam		6,900,000	6,900,000	2.3	1.1
Peab's profit sharing foundation		5,685,108	5,685,108	1.9	0.9
Swedbank Robur Funds		5,077,116	5,077,116	1.7	0.8
Danica Pension		3,981,359	3,981,359	1.4	0.7
Handelsbanken Funds		3,928,160	3,928,160	1.3	0.7
SEB Investment Management		3,476,295	3,476,295	1.2	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
Foreign owners		35,822,017	35,822,017	12.1	5.9
Others	335,523	100,538,127	100,873,650	34.2	17.2
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

