



To the Board of Directors for
Peab AB (publ)
Margretetorpsvägen 84
SE-269 73 Förslöv Sweden

8 April 2016

To Peab AB's (publ) Board of Directors

Peab AB (publ) ("Peab"), through the subsidiary Peab FU Holding 7 AB, intends to enter into a joint venture with Volito Fastigheter AB ("Volito") in order to continue development of the projects in Point Hyllie. The projects in Point Hyllie are owned by PEAB FU Linné AB, the name is in the process of being changed to Point Hyllie Holding AB ("PHH"), via two subsidiaries, Annehem Hyllie Point 3 AB ("AHP3"), which consists of a completed hotel property, and Annehem Hyllie Point 4 AB ("AHP4"), which consists of development rights for a large office building (The Point).

Peab plans to divest 50 percent of the shares in PHH and 50 percent of the existing shareholder loans ("the Transaction"). The conditions in the Transaction are calculated on an underlying asset value of a total of SEK 777 million, of which SEK 565 million refer to the hotel property and SEK 212 million refer to the office space development rights. An additional purchase sum may be paid out if certain key ratios connected to net sales in the property Vårdshuset 5 are reached during the fiscal year 2016.

Considering that the indirect owner of Volito is also a Member of the Board of Directors in Peab the Board of Directors has decided that the Transaction according to the Leo rules and general good practice in publically owned companies is subject to approval by the shareholders following the Leo rules.

Öhrlings PricewaterhouseCoopers AB ("PwC" or "we") have been commissioned to act as an independent expert in assessing the reasonableness of the Transaction for Peab's shareholders from a financial point of view.

We have assessed the reasonableness of the Transaction by analyzing the market value of the assets and debts in the PHH Group compared to the purchase sum and debt settlement that Peab through subsidiaries will and may receive from Volito through the Transaction.

Our independent assessment of market values have included among others: analyses, return calculations and value assessments related to the hotel project in AHP3, as well as the development rights in AHP4. We have collected information and made the analyses that we deemed necessary and relevant for our assessment of the Transaction's reasonableness.

We base our assessment, among other things, on the following information:

- a) Interview, oral discussions as well as mail correspondence with Niclas Winkvist, CFO, and Göran Linder, COO Peab Projektutveckling AB.
- b) Disinvestment demand for AHP3 and AHP4 of 23 November 2015, signed Pia Andersson (Annehem as Peab's subsidiary).

*PwC, Torsgatan 21, SE-113 97, Stockholm, visiting address Torsgatan 21
V: +46 8 555 330 00, www.pwc.com/se*



- a) Purchase sum calculation for the acquisition of 50 percent of shares and shareholder loans in PHH.
- b) Pro forma Group balance sheet for PHH as of 31 May 2016.
- c) Investment demand as well as comments thereto regarding Point Hyllie step 4 – house A as of 21 February 2014, signed Pia Andersson and Martin Thelin (Annehem as Peab's subsidiary).
- d) Assessed investment costs for Point Hyllie step 4 as of 7 October 2014, signed Martin Thelin (Annehem as Peab's subsidiary).
- e) Value statement for the property Vårdshuset 5 per the value date 10 December 2015, as well as 22 March 2016, conducted by Malmöbryggan Fastighetsekonomi AB.
- f) Value statement of preliminary value for the property Vårdshuset 4 per the value date 30 June 2015, as well as 22 March 2016, conducted by Malmöbryggan Fastighetsekonomi AB.

In addition we visited the site on 23 March 2016.

We have relied on the essential correctness and completeness of the information given to us or otherwise made available to us through representatives of Peab.

Our fairness opinion is of necessity based on the financial, economical, market-related and other conditions as well as the information given to us per this date. Changes in the given prerequisites may affect the assumptions that have been the basis of our value statements and we do not accept any responsibility for updating, revising or confirming this fairness opinion.

We have not acted as financial advisors to Peab or Volito in connection with the proposed Transaction. Our fee for this commission does not depend on the completion of the Transaction.

This fairness opinion has been delivered to the Board of Directors of Peab as a basis for its decision regarding the Transaction. The fairness opinion can therefore be made available on Peab's website and in other information related to the AGM 2016. We do not accept any responsibility if it is used for other purposes than the one mentioned here. Except for the abovementioned purposes the fairness opinion may not be published, or otherwise referred to, without our approval unless it is necessary by law, stock market regulations or by court order.

Considering the abovementioned prerequisites and reservations it is the opinion of PwC that the Transaction per this date is reasonable from a financial perspective for Peab's shareholders, regardless of an additional purchase sum is remitted or not.

PwC

Jon Walberg
Partner

Per-Erik Waller
Director