

Press release

4 April 2008 – 13.00 a.m.

Peab proposes new convertibles for recently employed personnel

Peab AB's board has decided to issue convertibles for a total nominal value of maximum SEK 96 million, pending approval by the Annual General Meeting on 15 May 2008. Peab AB will issue at the most 2,000,000 convertibles.

The convertibles will run from 1 December 2008 to 30 November 2012. Each convertible can be converted to one B share in Peab AB during a part of December month in 2010 and 2011 and a part of September month in 2012. The offer to participate in the program will be made to all personnel employed after 15 November 2007, or employees in companies that have been acquired by Peab after 15 November 2007. The offer is based on market terms and each new employee has the right to subscribe for a minimum of 200 convertibles. The subscription period for employees will be from 26 November 2008 to 12 December 2008.

All Peab's employees were invited to subscribe for convertibles in 2007. Altogether 5,198 of approximately 12,600 employees (41 percent) took the opportunity to subscribe for these convertibles. A total of 8.8 million convertibles for a nominal amount of SEK 598 million were issued. The convertibles run until 30 November 2012 and each convertible gives the right to sign for one B share in Peab AB at a price of SEK 68.

Peab intends to propose a repurchasing authorisation to the Annual General Meeting that would make it possible to buy back company B shares on the market to neutralise the dilution effect that may occur in connection with the conversion of the convertibles issued by the company.

Further information can be found in the summons to participate in Peab's Annual General Meeting. All the terms will be made public no later than two weeks before the Annual General Meeting.

"Peab's employees will have the opportunity to reap the growth they help to create. Subscribing for convertibles is an excellent way to promote involvement and commitment," comments Mats Paulsson, CEO of Peab.

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Peab AB discloses the information provided herein pursuant to the Securities Markets Act and/or the Financial Instruments Trading Act. The information was submitted for publication at 13.00 a.m. on 4 April 2008. Previous press releases from Peab are available at www.peab.com

Peab is one of the leading construction and civil engineering companies in the Nordic countries with approximately 12 000 employees and a net sale exceeding SEK 30 billion. The Group's subsidiaries have strategically located offices in Sweden, Norway and Finland. The share is listed on the Stockholm Stock Exchange. The registered office of the Group is at Förslöv, Skåne in south of Sweden.

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