



Quarterly report

January - September 2014

- Operative net sales amounted to SEK 31,662 million (30,164)
- Operative operating profit was SEK 1,292 million (36). Last year's operating profit was charged with one-off costs of SEK 920 million
- Highly improved operative operating margin to 4.1 percent (0.1)
- Earnings per share amounted to SEK 2.92 (-0.24)
- Orders received during the period amounted to SEK 24,232 million (26,947)
- Order backlog amounted to SEK 27,547 million (30,515)
- Positive cash flow before financing of SEK 1,118 million (-494)
- The action plan that was implemented in 2013 is having the intended effect

Comments by the CEO

Peab's business has developed in the right direction in the third quarter and on the whole for the first nine months of the year. We can definitely see the results of the measures we have taken to improve profitability and lower levels of tied up capital.

Market conditions

Demand on the Swedish construction market is good where new housing production is the strongest segment. A high level of activity and the same degree of building construction start-ups is also expected in 2015. Housing construction in Norway is expected to shrink in 2014 although at a slower rate than first expected. Premise construction in Norway is strong but is expected to slow in 2015. Housing construction development in Finland has been weak in 2014 as a result of the country's tight economy and this low level of activity is expected to continue into next year. The civil engineering market is expected to be stable in Sweden and Norway but development is expected to be weaker in Finland.

Order situation

Orders received in the first nine months of 2014 amounted to SEK 24.2 billion compared to SEK 26.9 billion for the same period in 2013. Orders received in business area Construction and Civil Engineering have declined during the period. For Construction this is in part due to Peab's selective order strategy. This has led to a greater number of mid-sized and smaller construction and civil engineering projects. The order backlog amounted to SEK 27.5 billion compared to SEK 28.2 billion at the end of the year. The share of housing projects in order backlog has increased.

Business area development

Net sales were slightly higher in business area Construction and the operating margin was better in the nine month period. The action plan carried out in 2013 is producing the profit improvements we planned on. The operating margin was 2.3 percent compared to -3.8 percent (underlying, i.e.



exclusive one-off costs of SEK 920 million, 1.7 percent) in the same period last year. Net sales in business area Civil Engineering contracted as a result of lower orders received, which has also affected profits. Net sales in business area Industry have grown and profit is up in part due to an early start in the season after a mild winter as well greater activity during the rest of the period. Net sales in business area Project Development have grown considerably and profit is up in the first nine months of the year due to a growing housing market, particularly in Stockholm. Start-ups of our own developed housing were 1,797 (1,213) during the first nine months and sold homes numbered 1,929 (1,254). The divestiture of Varvsstaden in Malmö to Centur, a development company jointly owned with Balder, along with an overhaul of the project portfolio led to a positive effect on profit of SEK 100 million.

Group development

Operative net sales during the period January-September were SEK 31,662 million (30,164) which was an increase by 5 percent compared to the same period in 2013. Operative operating profit amounted to SEK 1,292 million compared to SEK 36 million (underlying 956) last year, which was an operative operating margin of 4.1 percent compared to 0.1 percent (underlying 3.2 percent). Work on streamlining

capital binding continues and cash flow before financing was SEK 1,118 million (-494).

Effective operations

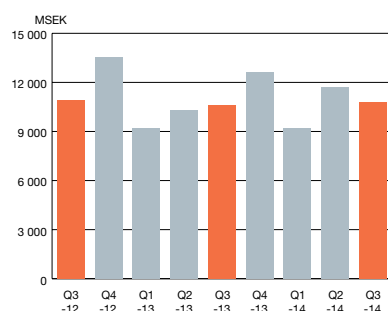
Our action plan is the foundation for more effective operations and a more profitable Peab. We see effects on profit according to plan in production such as lower overhead and higher earnings. Continued improvement in our day-to-day business along with greater efficiency in capital utilization has resulted in a strong cash flow and lower net debt, which has led to better net interest.

Based on stable market conditions we continue to work on increasing customer focus on the local market. The biggest challenge for us and the industry is the lack of resources such as personnel that can manage projects and the lack of land to build rental housing on. In addition, the lack of political agreement is delaying important infrastructure investments, which creates uncertainty for us and can slow growth in Sweden.

Jesper Göransson
CEO and President

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Operative net sales



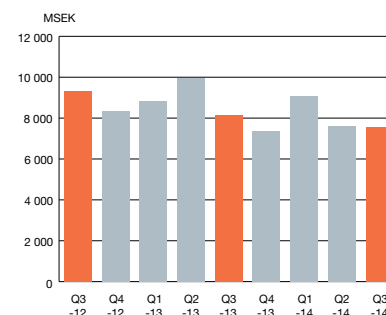
Group operative net sales for January-September 2014 amounted to SEK 31,662 million (30,164), which was an increase of 5 percent.

Operative operating profit



Operative operating profit for January-September 2014 amounted to SEK 1,292 million compared to SEK 36 million for the same period last year.

Orders received



Orders received for January-September 2014 amounted to SEK 24,232 million compared to SEK 26,947 million for the same period last year. Order backlog amounted to SEK 27,547 million compared to SEK 28,164 million per 31 December 2013.

Group					
MSEK	Jan-Sep 2014	Jan-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013	Financial goals
Operative net sales ¹⁾	31,662	30,164	44,263	42,765	
Net sales	31,417	30,201	44,343	43,127	
Operative operating profit ¹⁾	1,292	36	1,849	593	
Operative operating margin, % ¹⁾	4.1	0.1	4.2	1.4	
Operating profit	1,253	51	1,816	614	
Operating margin, %	4.0	0.2	4.1	1.4	
Pre-tax profit	1,079	-92	1,554	383	
Profit for the period	861	-72	1,231	298	
Earnings per share, SEK	2.92	-0.24	4.17	1.01	
Return on equity, %	16.1 ²⁾	2.9 ²⁾	16.1	3.8	> 20%
Equity/assets ratio, %	25.7	22.2	25.7	24.0	> 25%

¹⁾ Operative net sales and operative operating profit are reported according to percentage of completion method. Net sales and operating profit are reported according to legal accounting.

²⁾ Calculated on rolling 12 months.

NEW CONTRACTS DURING THE THIRD QUARTER

We received several major contracts and agreements during the third quarter, including:

- Renovation and extension of Fridhems-skolan in Kungsholmen in Stockholm. The customer is Skolfastigheter i Stockholm AB, SISAB, and the contract is worth SEK 175 million.
- Construction of Nya Slottsholmen in Västervik consisting of apartments, a restaurant, conference facilities and a reception for a coming floating hotel. The customer is Fastighetsbolaget Slottsholmen 1 AB and the contract is worth SEK 125 million.
- Construction of a helicopter base at the Bardufoss airport in Norway. The customer is Forsvarsbygg and the contract is worth NOK 207 million.
- Construction of a new 40,000 square meter care facility on hospital grounds in Helsingborg. The customer is Region Skåne and the project is a collaboration contract. The project order will be registered after the partners determine a final contract sum, which is expected to take place in the first quarter of 2015.
- Construction of 47 new tenant owner apartments in Kålgården, Jönköping. The customer is HSB Göta and the contract is worth SEK 86 million.
- Construction of an extension of Kapellskär port, Stockholm's most northern port. The customer is Stockholms Hamnar through Kapellskärs Hamn AB and the contract is worth around SEK 200 million.
- Peab has acquired land for a further 120 apartments in the new city district Tegnérslunden in Västerås. As a result of the acquisition Peab will construct a total of 270 apartments and together with Arvid Svensson Fastigheter 200 garage spaces in the area.
- Construction of a new terminal building in Sunnanå, just outside Malmö. The customer is a company jointly owned by Catena AB and Peab and the contract is worth SEK 148 million. The renter will be DHL Freight.

NET SALES AND PROFIT ¹⁾

Group operative net sales for January-September 2014 amounted to SEK 31,662 million (30,164). Adjustments in housing reporting affected net sales by SEK -245 million (37). Group net sales for January-September 2014 increased by 4 percent to SEK 31,417 million (30,201). Increased housing production has affected Construction and Project Development positively. Greater activity in Industry has contributed to higher net sales while production volumes in Civil Engineering are lower. Of the period's net sales, SEK 5,372 million (5,843) were attributable to sales and production outside Sweden.

Operative operating profit for January-September 2014 was SEK 1,292 million compared to SEK 36 million in the corresponding period last year. One-off costs for the action plan of SEK 920 million were included in operating profit for the comparable period.

All the business areas are showing some improvement except Civil Engineering where operating profit is down slightly due to lower net sales. The sales of Varvsstaden in Malmö and an overhaul of the values in our project portfolio in Project Development had a positive effect in the third quarter on operating profit of SEK 100 million. The action plan carried out in 2013 is generating the expected improvements in profits, primarily in business areas Construction and Project Development as well as in Group functions. Eliminating internal profit in our own projects has affected the result by SEK -21 million (-5). Elimination is reversed in connection with the external divestment of a project.

Operating profit for January-September 2014 was SEK 1,253 million (51). The operating margin amounted to 4.0 percent (0.2). Adjustments in housing reporting affected operating profit by SEK -39 million (15) due to greater housing production in relation to projects that have been turned over.

Depreciation and write-downs for the period were SEK 583 million (628).

Net financial items amounted to SEK -174 million (-143), of which net interest expense amounted to SEK -182 million (-189).

Pre-tax profit was SEK 1,079 million (-92).

Tax for the period was SEK -218 million (20).

Profit for the period was SEK 861 million (-72).

FINANCIAL POSITION

The equity/assets ratio on 30 September 2014 was 25.7 percent compared to 24.0 percent at the previous year-end. Interest-bearing net debt amounted to SEK 4,831 million compared to SEK 5,948 million at the end of 2013. Net debt has been affected by disbursed dividends of SEK 531 million (472). The average interest rate in the loan portfolio, including derivatives, was 3.1 percent (3.2) on 30 September 2014.

Group liquid funds, including unutilized credit facilities, were SEK 5,633 million at the end of the period compared to SEK 4,806 million on 31 December 2013.

At the end of the period Group contingent liabilities, excluding joint and several liabilities in trading and limited partnerships, amounted to SEK 6,298 million compared to SEK 5,057 million on 31 December 2013. Of contingent liabilities, obligations to tenant-owners associations under construction were SEK 4,299 million compared to SEK 3,083 million at the previous year-end.

INVESTMENTS

Investments in tangible and intangible fixed assets during the period were SEK 509 million (169). Net divestments in project and

development properties totaled SEK -244 million (net investments 360) during the period.

CASH FLOW

Cash flow from current operations was SEK 2,107 million (-742). The improvement is a result of higher operating profit and a reduction in working capital, primarily the divestiture of project and exploitation property such as Varvsstaden in Malmö.

Cash flow from investment activities was SEK -989 million compared to SEK 248 million the same period last year. The increase is largely due to a higher level of loans to jointly owned project companies, primarily Fastighets AB Centur.

Cash flow before financing amounted to SEK 1,118 million compared to SEK -494 million the same period last year.

Cash flow from financing operations amounted to SEK -1,182 million (917), of which the dividends paid totaled SEK -531 million (-472).

ORDERS RECEIVED AND ORDER BACKLOG

Orders received for January-September 2014 amounted to SEK 24,232 million compared to SEK 26,947 million the same period last year. Orders received in Construction have contracted while the share of housing projects has grown compared to last year. Orders received in Civil Engineering have shrunk during the

Orders received and order backlog				
Orders received				
MSEK	Jan-Sep 2014	Jan-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Construction	17,282	18,443	22,583	23,744
Civil Engineering	7,032	8,563	9,561	11,092
Project Development	4,302	2,770	6,647	5,115
Eliminations	-4,384	-2,829	-7,214	-5,659
Group	24,232	26,947	31,577	34,292

Order backlog			
MSEK	30 Sep 2014	30 Sep 2013	31 Dec 2013
Construction	19,418	20,896	19,647
Civil Engineering	8,516	9,142	8,483
Project Development	3,868	3,976	3,975
Eliminations	-4,255	-3,499	-3,941
Group	27,547	30,515	28,164

¹⁾ Peab applies IFRIC 15, Agreements for the Construction of Real Estate, in the reporting. IAS 18, Revenue, is applied on Peab's housing projects in Finland and Norway as well as Peab's own single homes in Sweden. Revenue from these projects are recognised first when the home is handed over to the buyer. Segment reporting is based on the percentage of completion method for all our projects since this mirrors how executive management and the Board monitor the business. There is a bridge in segment reporting between operative reporting according to the percentage of completion method and legal reporting. Operative net sales and operative operating profit are reported according to the percentage of completion method. Net sales and operating profit are reporting according to legal accounting.

period. The reduction in Construction and Civil Engineering has led to a greater number of small and mid-sized construction and civil engineering projects. Orders received in Project Development have grown as a result of more production starts in our own developed homes.

Order backlog yet to be produced at the end of the period amounted to SEK 27,547 million compared to SEK 30,515 million the same period last year.

Of the total order backlog, 70 percent (75) is expected to be produced after the current year. Swedish operations accounted for 83 percent (85) of the order backlog.

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

PERSONNEL

At the end of the period, the company had 13,474 employees compared to 13,528 at the same time the previous year.

COMMENTS ON THE BUSINESS AREAS

The Peab Group is presented in four different business areas: Construction, Civil Engineering, Industry and Project Development.

Construction

Business area Construction comprises Group resources in construction related services. Construction builds for external as well as internal customers, primarily for business area Project Development. Operations are run through 12 regions in Sweden, two in Norway and two in Finland. Three of the Swedish regions are focused on housing production.

These are in Stockholm/Mälardalen, Gothenburg and the Öresund region. Construction maintenance operations are run in a nationwide region primarily focused on the big city areas. The other regions do all kinds of construction in their geographic areas.

Net sales for January-September 2014 were SEK 17,642 million (16,944) which was an increase of 4 percent largely due to an increase in housing production.

Operating profit for January-September 2014 amounted to SEK 405 million (-639). Operating profit for the comparable period included one-off costs for the action plan of SEK 920 million. The operating margin was 2.3 percent (-3.8). Corrected for one-off costs of SEK 920 million during the same period 2013 the operating margin in Construction was 1.7 percent. For the past rolling 12 month period the operating margin was 2.1 percent compared to 1.6 percent (excluding one-off costs) for the entire year of 2013. The action plan carried out in 2013 is producing the expected improvements in profits.

Civil Engineering

The business area Civil Engineering works in the market segments Local market, Infrastructure as well as Operations and maintenance. The operations are run in geographical regions in Sweden, Norway and Finland.

Net sales for January-September 2014 amounted to SEK 7,053 million compared to SEK 8,030 million for the same period last year, which is a drop of 12 percent. A lower level of orders received has led to lower net sales during the period.

Operating profit for January-September 2014

amounted to SEK 227 million (258). The operating margin was 3.2 percent (3.2). The operating margin for the latest rolling 12 month period was 3.3 percent which is unchanged compared to the entire year of 2013.

In comparison with the previous year both net sales and profit have shrunk in Local market and Infrastructure. Net sales in Operations and maintenance have contracted and the level of profitability is too low. Competition on the operations and maintenance market has grown resulting in pressed prices.

Industry

Business area Industry is run in seven product segments; Asphalt, Concrete, Gravel and Rock, Transportation and Machines, Foundations, Rentals and Construction System (Industrial Construction). All of them work on the Nordic construction and civil engineering markets.

Net sales for January-September 2014 amounted to SEK 7,965 million compared to SEK 7,476 million for the same period last year, which was an increase of 7 percent.

Operating profit for January-September 2014 amounted to SEK 510 million (455). The operating margin was 6.4 percent (6.1). The operating margin for the latest rolling 12 month period was 6.8 percent compared with 6.6 percent for the entire year of 2013.

Higher net sales and profit is in part due to an early start in the season as the result of a mild winter but also a growth in volumes after that.

Capital employed in Industry at the end of the period amounted to SEK 5,685 million compared to SEK 5,301 million at previous year-end.

Net sales and operating profit per business area												
MSEK	Net sales				Operating profit				Operating margin			
	Jan-Sep 2014	Jan-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013	Jan-Sep 2014	Jan-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013	Jan-Sep 2014	Jan-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Construction	17,642	16,944	23,807	23,109	405	-639	505	-539	2.3%	-3.8%	2.1%	-2.3%
Civil Engineering	7,053	8,030	10,195	11,172	227	258	340	371	3.2%	3.2%	3.3%	3.3%
Industry	7,965	7,476	10,836	10,347	510	455	736	681	6.4%	6.1%	6.8%	6.6%
Project Development	5,806	3,591	7,968	5,753	230	94	383	247	4.0%	2.6%	4.8%	4.3%
- of which Property Development	1,235	295	1,548	608	1	-49	52	2	0.1%	-16.6%	3.4%	0.3%
- of which Housing Development	4,571	3,296	6,420	5,145	229	143	331	245	5.0%	4.3%	5.2%	4.8%
Group functions	558	281	696	419	-59	-127	-85	-153				
Eliminations	-7,362	-6,158	-9,239	-8,035	-21	-5	-30	-14				
Operative ¹⁾	31,662	30,164	44,263	42,765	1,292	36	1,849	593	4.1%	0.1%	4.2%	1.4%
Adjustment for housing reporting ²⁾	-245	37	80	362	-39	15	-33	21				
Legal	31,417	30,201	44,343	43,127	1,253	51	1,816	614	4.0%	0.2%	4.1%	1.4%

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)

Project Development

Business area Project Development comprises Peab's developments in housing and property. Project development projects are either wholly owned by Peab or in partnerships via joint ventures. The business is run in two segments, Housing Development and Property Development.

Operative net sales for January-September 2014 in business area Project Development amounted to SEK 5,806 million (3,591) and operative operating profit was SEK 230 million (94).

Project Development's business was reviewed during the year in order to develop its business model which resulted in, among other things, clarification of its strategy and an overhaul of the project development portfolio. As part of this strategy a collaboration with Balder regarding the further development of Varvsstaden in Malmö was created. In this collaboration Varvsstaden was sold in the third quarter to the by Peab and Balder jointly owned development company Centur. This divestiture, together with an overhaul of the values in the project portfolio, had a positive effect on operating profit of SEK 100 million.

Housing Development develops all kinds of housing such as apartment buildings in tenancy ownership, ownership and rental form as well as the production of single homes.

The growing interest home buyers have been showing in our homes has led to a higher rate of production start-ups in housing projects. There were 1,797 (1,213) start-ups of our own developed homes, of which most were in the Stockholm region. The number of sold homes during the period was 1,929 (1,254). The number of own developed homes in production at the end of the period increased and was 4,224 compared to 3,654 at the previous year-end. The share of sold homes in production was 80 percent compared to 73 percent at the previous year-end. The number of repurchased homes per 30 September 2014

amounted to 134 compared to 141 at the previous year-end.

The increase in activity in Housing Development has led to higher net sales and improved profit. During the period January-September 2014 operative net sales in Housing Development were SEK 4,571 million (3,296) and operative operating profit was SEK 229 million (143). The operative operating margin was 5.0 percent (4.3). Operative operating margin for the latest rolling 12 month period was 5.2 percent compared with 4.8 percent for the entire 2013.

Operations in Property Development revolve around the acquisition, development and divestiture of commercial property. The business includes projects in wholly owned and partly owned companies. Partly owned companies consist of, among other things, Peab's ownership in Tornet (ownership of apartments for rent), in Centur (ownership and development of commercial property) and in companies connected to the development of Arenastaden in Solna. Wholly owned subsidiaries and projects consists of a number of holdings that include everything from land for development where zoning is being worked out to completed projects ready for sale. Net sales and operating profit from operations are derived from running our wholly owned property, shares in the profit from partly owned companies as well as capital gains from the divestiture of completed property and shares in partly owned companies.

During the period January-September 2014 net sales in Property Development were SEK 1,235 million (295) and operating profit was SEK 1 million (-49). Profit from property sales has had an effect on the result of SEK 132 million compared to SEK 27 million the same period last year.

Operating profit is charged by negative shares in the results of property projects in partly owned companies in the development phase. Included in this result is Peab's share of the operations result of Friends Arena. Friends

Arena is an essential part of the realization of Arenastaden, a completely new city district in Solna. For Peab the development of Arenastaden means significant construction and civil engineering contracts, the creation of interesting development rights for, among other things, housing and opportunities for commercial property development. The projects in its entirety follows the plans established when Peab made the decision to participate in this development.

Capital employed in Project Development at the end of the period amounted to SEK 10,961 million compared to SEK 11,376 million at previous year-end.

Capital employed Project Development

MSEK	30 Sep 2014
Project and development properties	6,521
Participation in joint ventures	818
Financial statements and others	3,622
Total	10,961

On 30 September 2014 booked values for project and development properties of SEK 6,521 million were allocated as shown in the table below.

Project and development properties

MSEK	30 Sep 2014
Housing Development	3,595
- Of which development rights	3,280
- Of which shares in tenant owner associations or the like	315
Property Development	2,926
- Of which investment properties	1,154
- Of which projects under construction	1,237
- Of which commercial development rights	535
Total Project and development properties	6,521

Peab's own housing development construction

	Jan-Sep 2014	Jan-Sep 2013	Jan-dec 2013
Number of housing starts during the period	1,797	1,213	2,077
Number of homes sold during the period	1,929	1,254	2,034
Total number of homes under construction, at the end of the period	4,224	2,982	3,654
Share of sold homes under construction, at the end of the period	80%	71%	73%
Number of repurchased homes in the balance sheet, at the end of the period	134	162	141

Development rights for housing

Number, approx.	30 Sep 2014
Development rights on our own balance sheet	15,400
Development rights via joint ventures	7,700
Development rights via options etc.	5,800
Total	28,900

THE CONSTRUCTION MARKET

Statistics for the first half-year of 2014 show continued positive growth for total start-ups in building construction in Sweden. The analysis company Industrifakta forecasts modest growth for the entire year of 2014, and their previous forecast of basically unchanged volumes in 2015 remains the same. There are, however, major regional and sectorial differences. Growing geopolitical unrest is dampening the Swedish economy and it affects Swedish exports. Lower interest rates and a downwardly adjusted long-term interest curve has, for the moment, weakened the Swedish crown, which may be an important injection to the Swedish export industry. Household consumption will continue to be the locomotive in the Swedish economy, where a high level of employment and low interest rates indicate continued good growth at the same time calls for reducing household debt through tougher amortization requirements will most likely dampen consumption.

The Stockholm area is the major catalyst in the housing sector where continued urbanization is driving the production of housing primarily in the growth regions. Apartment buildings are the strongest sector but the single home sector is showing good growth as well. The requirements for a higher rate of amortization together with a larger down payment are shifting the market from tenant-owned apartments to rentals.

The total premise construction volume is expected to be on par with 2013. Public premise construction investments are down and they are expected to shrink in 2015 as well.

Industrifakta's forecast for civil engineering construction in Sweden shows growth this year compared with 2013, when, above all, the water treatment works sector contributed to pushing up volumes. Growth is expected to continue next year as well.

During the year the Norwegian economy has been negatively affected by a lower demand for petroleum products and more stringent terms for mortgages. The prospects for Norway's economy have brightened in the past months and several important indicators are looking up. One of the driving forces is a better situation on the housing market, which in turn has created a more positive climate for private consumption. Industrifakta expects a continued decline in housing investments for the entire year of 2014 and believes the level will remain the same in 2015. Continued strong growth is expected this year regarding private premises resulting in a decline in

2015. Growth is expected to continue in the Norwegian civil engineering market this year and next.

Finland's economy continues to lag. The slow economic recovery in the world and the crisis in the Ukraine is particularly difficult for Finland. Investments are expected to decline this year and will only level out in 2015. Because households are suffering from high unemployment, weak income growth and little faith in the future they are not driving growth. This means housing production is on the back burner and a change for the positive is not anticipated before 2015 at the earliest, and in that case it will be in apartment buildings. The forecast for civil engineering in 2014 is somewhat lower volumes compared to last year, a level that is expected to even out in 2015.

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, that tenders submitted are correctly priced 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. The largest risk in fixed price contracts is a miscalculation in the tender. In addition, there is a risk that price hikes cut into profitability without being able to claim compensation from the customer.

The Group is exposed to financial risks such as changes in debt and interest rate levels.

For further information on risks and uncertainty factors, see the 2013 Annual Report.

NORTHLAND RESOURCES

Peab has carried out several major projects for Northland Resources that are connected to the iron ore mine outside Pajala. On 8 February 2013 Northland Resources applied for a company reorganization. As a part of a

long-term financial solution for Northland, the company raised USD 335 million through the issue of bonds. A consortium consisting of Folksam, Metso, Norrskenet and Peab has invested USD 22 million each in Northland bonds. Outstanding debts to Peab have been converted into an interest-bearing supplier loan with semi-annual amortization from January 2016 until maturity, at the latest in July 2020.

On 14 November 2013 Northland announced a plan to strengthen its financial buffers by USD 150 million. As part of this funding super senior notes for USD 60 million have been issued and approved by bondholders at the bondholding meeting on 4 April 2014.

On 14 July 2014 Northland applied for a new reconstruction, which was also granted. The creditor's meeting on 4 August 2014 clubbed a continuation of the reconstruction according to the preliminary reconstruction plan presented.

On 7 October 2014 Northland announced that operations would be stopped for an indefinite period of time and that most of its employees would be made redundant due to the company's extremely strained liquidity.

On 3 November 2014 the Luleå District Court granted the Swedish subsidiaries continued reconstruction.

On 11 November 2014 Northland presented a compound proposal with the intention of clubbing the proposal before the end of the year. In order to carry out the compound proposal the financing to keep operations going must be in place.

Peab's total risk exposure in the balance sheet currently amounts to SEK 260 million and consists of outstanding unprioritized receivables that are included in the refinancing plan (reclassified as long-term interest-bearing receivables) and bonds guaranteed by liens. There may also be additional costs in the fourth quarter for terminating employee contracts and the discontinued transportation operations.

At the moment negotiations are being held between various partners aimed at finding a solution for the future of Northland. As mentioned above a compound proposal has been presented. We are in the process of evaluating these negotiations and the proposal. At the time of the publication of this quarterly report this evaluation was not completed and therefore we have not been able to take a position regarding Northland's future business or the value of our receivables.

IMPORTANT EVENTS DURING THE PERIOD

In a structural deal 15,706,663 Peab A shares have changed hands. The sellers are Sara Karlsson with companies and Svante Paulsson with companies. The buyers are Fredrik Paulsson with family and companies, and Mats Paulsson with companies, who together acquired 12,006,000 A shares and disposed 4,000,000 B shares.

In addition, Karl-Axel Granlund with family and companies acquired 1,500,000 A shares, Malte Åkerström with family and companies acquired 1,377,163 A shares and Göran Grosskopf with family and companies acquired 823,500 A shares.

After the change in ownership Mats and Fredrik Paulsson with families and companies own a total of 25.5 percent of the capital and 57.6 percent of the votes in Peab.

HOLDINGS OF OWN SHARES

At the beginning of 2014 Peab's own B shareholding was 1,086,984 which corresponds to 0.4 percent of the total number of shares. No changes have taken place during the period January-September 2014.

THE PEAB SHARE

Peab's B share is listed on the NASDAQ OMX Stockholm, Large Cap list. As of 12 November 2014, the price of the Peab share was SEK 50.75, an increase of 29 percent during 2014. During the same period, the Swedish stock market increased by 8 percent according to the general index in the business magazine "Affärsvärlden". During 2014 the Peab share has been quoted at a maximum of SEK 55.00 and a minimum of SEK 38.89.

List of shareholders 31 October 2014

Shareholder	A shares	B shares	Total no of shares	Proportion of capital, %	Proportion of votes, %
Mats Paulsson with companies	13,754,910	35,255,750	49,010,660	16.6	28.6
Karl-Axel Granlund with family and companies	1,500,000	18,402,000	19,902,000	6.7	5.5
Anita Paulsson with family and companies	8,280,811	5,013,905	13,294,716	4.5	14.5
Fredrik Paulsson with family and companies	8,280,810	5,002,154	13,282,964	4.5	14.5
Kamprad family foundation		8,581,236	8,581,236	2.9	1.4
Carnegie Funds		8,292,300	8,292,300	2.8	1.4
Peab's profit sharing foundation		8,253,432	8,253,432	2.8	1.4
Handelsbanken Funds		6,541,593	6,541,593	2.2	1.1
Danica Pension		3,810,720	3,810,720	1.3	0.6
Swedbanken Robur Funds		5,760,709	5,760,709	1.9	1.0
Folksam		3,620,000	3,620,000	1.2	0.6
Avanza Pension		2,914,871	2,914,871	1.0	0.5
Foreign owners		44,411,666	44,411,666	15.0	7.3
Others	2,503,426	104,782,453	107,285,879	36.2	21.4
Number of outstanding shares	34,319,957	260,642,789	294,962,746		
Peab AB		1,086,984	1,086,984	0.4	0.2
Number of registered shares	34,319,957	261,729,773	296,049,730	100.0	100.0

Source: Euroclear Sweden AB

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 2014	1 583.9	34,319,957	261,729,773	296,049,730	1,086 984	294,962,746
Share capital and number of shares 30 September 2014	1 583.9	34,319,957	261,729,773	296,049,730	1,086 984	294,962,746

Report on the Group income statement in summary

MSEK	Jan-Sep 2014	Jan-Sep 2013	Jul-Sep 2014	Jul-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Net sales	31,417	30,201	10,811	10,522	44,343	43,127
Production costs	-28,641	-28,563	-9,756	-9,635	-40,406	-40,328
Gross profit	2,776	1,638	1,055	887	3,937	2,799
Sales and administrative expenses	-1,606	-1,642	-453	-424	-2,269	-2,305
Profit from participation in joint ventures/associated companies	12	9	7	9	15	12
Other operating income	84	59	15	21	153	128
Other operating costs	-13	-13	-1	-6	-20	-20
Operating profit	1,253	51	623	487	1,816	614
Net financial items	-174	-143	-37	-58	-262	-231
Pre-tax profit	1,079	-92	586	429	1,554	383
Tax	-218	20	-114	-90	-323	-85
Profit for the period	861	-72	472	339	1,231	298
Profit for the period, attributable to:						
Shareholders in parent company	861	-72	472	339	1,231	298
Non-controlling interests	-	0	-	0	-	0
Profit for the period	861	-72	472	339	1,231	298
Key ratios						
Earnings per share, SEK	2.92	-0.24	1.60	1.15	4.17	1.01
Average number of outstanding shares, million	295.0	295.0	295.0	295.0	295.0	295.0
Return on capital employed, %	11.7 ¹⁾	3.8 ¹⁾				5.2
Return on equity, %	16.1 ¹⁾	2.9 ¹⁾				3.8

¹⁾ Calculated on rolling 12 months

Report on the Group income statement and other comprehensive income in summary

MSEK	Jan-Sep 2014	Jan-Sep 2013	Jul-Sep 2014	Jul-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Profit for the period	861	-72	472	339	1,231	298
Other comprehensive income						
Items that can be reclassified or have been reclassified to income for the period						
Translation differences for the period from translation of foreign operations	84	-138	35	-77	83	-139
Changes for the period in fair value of available-for-sale financial assets	-44	15	-20	6	-42	17
Changes in fair value of cash flow hedges for the period	-105	86	-23	5	-122	69
Change in fair value of cashflow hedges carried over to profit for the period	-	-46	-	-	-	-46
Tax referring to items that can be reclassified or have been reclassified to income for the period	47	-35	9	-3	50	-32
	-18	-118	1	-69	-31	-131
Items that cannot be reclassified to income for the period						
Revaluation of defined benefit pension plans	8	-	-	-	8	0
Tax referring to items that cannot be reclassified to income for the period	-2	-	-	-	-2	0
	6	-	-	-	6	0
Other comprehensive income for the period	-12	-118	1	-69	-25	-131
Total comprehensive income for the period	849	-190	473	270	1,206	167
Total comprehensive income for the period, attributable to:						
Shareholders in parent company	849	-190	473	270	1,206	167
Non-controlling interests	0	0	0	0	0	0
Total comprehensive income for the period	849	-190	473	270	1,206	167

Report on balance sheet for the Group in summary

MSEK	30 Sep 2014	30 Sep 2013	31 Dec 2013
Assets			
Intangible assets	2,010	2,067	2,053
Tangible assets	3,895	4,072	3,973
Interest-bearing long-term receivables	2,033	1,610	1,717
Other financial fixed assets	1,890	1,725	1,871
Deferred tax recoverables	171	232	156
Total fixed assets	9,999	9,706	9,770
Project and development properties	6,521	6,936	6,801
Inventories	376	430	412
Work-in-progress	1,234	1,050	1,100
Interest-bearing current receivables	719	614	410
Other current receivables	11,757	13,323	12,953
Short-term holdings	20	21	21
Liquid funds	405	860	438
Total current assets	21,032	23,234	22,135
Total assets	31,031	32,940	31,905
Equity and liabilities			
Equity	7,980	7,312	7,668
Liabilities			
Interest-bearing long-term liabilities	4,323	7,244	5,064
Deferred tax liabilities	463	335	492
Other long-term liabilities	707	431	531
Total long-term liabilities	5,493	8,010	6,087
Interest-bearing current liabilities	3,685	2,765	3,470
Other current liabilities	13,873	14,853	14,680
Total current liabilities	17,558	17,618	18,150
Total liabilities	23,051	25,628	24,237
Total equity and liabilities	31,031	32,940	31,905
Key ratios			
Capital employed	15,988	17,321	16,202
Equity/assets ratio, %	25.7	22.2	24.0
Net debt	4,831	6,904	5,948
Equity per share, SEK	27.05	24.79	26.00
Number of outstanding shares at the end of the period, million	295.0	295.0	295.0

Report on changes in Group's equity in summary

MSEK	30 Sep 2014	30 Sep 2013	31 Dec 2013
Equity attributable to shareholders in parent company			
Opening equity on 1 January	7,668	7,978	7,978
Profit for the period	861	-72	298
Other comprehensive income for the period	-12	-118	-131
Comprehensive income for the period	849	-190	167
Cash dividend	-531	-472	-472
Acquisition of non-controlling interests, controlling interests held already	-6	-4	-5
Closing equity	7,980	7,312	7,668
Non-controlling interests			
Opening equity on 1 January	0	1	1
Comprehensive income for the period	-	0	0
Acquisition of non-controlling interests, controlling interests held already	-	-1	-1
Closing equity	0	0	0
Total closing equity	7,980	7,312	7,668

Report on Group cash flow in summary

MSEK	Jan-Sep 2014	Jan-Sep 2013	Jul-Sep 2014	Jul-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Cash flow from current operations before changes in working capital	1,655	547	747	592	2,294	1,186
Cash flow from changes in working capital	452	-1,289	357	-1,112	381	-1,360
Cash flow from current operations	2,107	-742	1,104	-520	2,675	-174
Acquisition of subsidiaries	-22	-21	-6	-	-124	-123
Disposal of subsidiaries	-	163	-	20	155	318
Acquisition of fixed assets	-1,348	-1,039	-812	-321	-1,515	-1,206
Sales of fixed assets	381	1,145	30	526	1,045	1,809
Cash flow from investment operations	-989	248	-788	225	-439	798
Cash flow before financing	1,118	-494	316	-295	2,236	624
Cash flow from financing operations	-1,182	917	-1,023	836	-2,771	-672
Cash flow for the period	-64	423	-707	541	-535	-48
Cash at the beginning of the period	459	460	1,154	349	881	460
Exchange rate differences in cash	30	-2	-22	-9	79	47
Cash at the end of the period	425	881	425	881	425	459

PARENT COMPANY

The parent company Peab AB's net sales for the period January-September 2014 amounted to SEK 162 million (64) and mainly consisted of internal Group services. Profit after tax amounted to SEK 72 million (182).

The parent company's assets mainly consist of participations in Group companies amounting to SEK 12,114 million (12,909) and shares in Lemminkäinen Oyj worth SEK 269 million (272). The assets have been financed from equity of SEK 6,501 million (6,945) and long-term liabilities amounting to SEK 5,996 million (6,391).

The parent company's liquid funds amounted to SEK 1 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.

Report on the parent company income statement in summary

MSEK	Jan-Sep 2014	Jan-Sep 2013	Jul-Sep 2014	Jul-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Net sales	162	64	55	21	203	105
Administrative expenses	-220	-122	-63	-28	-270	-172
Operating profit	-58	-58	-8	-7	-67	-67
Result from financial investments						
Profit from participation in Group companies	220	324	-1,005	-	116	220
Other financial items	-127	-139	-35	-56	-179	-191
Result after financial investments	35	127	-1,048	-63	-130	-38
Appropriations	-	-	-	-	267	267
Pre-tax profit	35	127	-1,048	-63	137	229
Tax	37	55	8	16	-18	0
Profit for the period	72	182	-1,040	-47	119	229

Report on the parent company income statement and other comprehensive income in summary

MSEK	Jan-Sep 2014	Jan-Sep 2013	Jul-Sep 2014	Jul-Sep 2013	Oct-Sep 2013/2014	Jan-Dec 2013
Profit for the period	72	182	-1,040	-47	119	229
Other comprehensive income						
Items that can be reclassified or have been reclassified to income for the period						
Changes for the period in fair value of available-for-sale financial assets	-43	16	-18	4	-33	26
Total comprehensive income for the period	29	198	-1,058	-43	86	255

Report on balance sheet for the parent company in summary

MSEK	30 Sep 2014	30 Sep 2013	31 Dec 2013
Assets			
Machinery and equipment	1	1	1
Participation in Group companies	12,114	12,909	13,173
Interest-bearing long-term receivables	226	191	194
Other securities held as fixed assets	274	279	289
Other long-term receivables	1	1	1
Total fixed assets	12,616	13,381	13,658
Receivables from Group companies	38	99	1,544
Tax assets	41	53	–
Other current receivables	2	2	2
Prepaid expenses and accrued income	27	6	5
Liquid funds	1	2	8
Total current assets	109	162	1,559
Total assets	12,725	13,543	15,217
Equity and liabilities			
Equity	6,501	6,945	7,002
Untaxed reserves	156	156	156
Liabilities to Group companies	5,996	6,391	6,396
Total long-term liabilities	5,996	6,391	6,396
Accounts payable	10	11	7
Liabilities to Group companies	3	2	1,595
Income tax liabilities	–	–	3
Other liabilities	7	3	3
Accrued expenses and deferred income	52	35	55
Total current liabilities	72	51	1,663
Total liabilities	6,068	6,442	8,059
Total equity and liabilities	12,725	13,543	15,217
Pledged assets and contingent liabilities for the parent company			
Pledged assets	–	–	–
Contingent liabilities	22,525	22,268	21,464

NOTE 1 ACCOUNTING PRINCIPLES

This quarterly 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.

As of 1 January Peab applies IFRS 11 Joint Arrangements. This is a new standard that regulates the accounting of joint ventures and joint operations. For Peab the change entails reclassifying a few joint ventures to joint operations. Joint operations are accounted for according to the proportionate consolidation method which means that each party in a joint operation presents their share of assets, liabilities, income and costs. Joint ventures will continue to be accounted for according to the equity method. The effects of the amended standard on individual balance and income items are marginal. For the entire year of 2013 net sales increase by SEK 32 million and the balance sheet total by SEK 54 million. The comparison periods' income and balance sheets have been recalculated. Other new standards are only expected to affect presentation demands.

This quarterly report has otherwise been presented according to the same accounting principles and prerequisites as described in the Annual Report 2013.

NOTE 2 OPERATING SEGMENT**Group Jan-Sep 2014**

MSEK	Con- struction	Civil Engine- ering	Industry	Project Develop- ment	Group functions	Elimina- tions	Total operative for the Group ¹⁾	Adjustment for housing reporting ²⁾	Group
External sales	14,030	6,096	5,445	5,727	29	335	31,662	-245	31,417
Internal sales	3,612	957	2,520	79	529	-7,697	0		0
Total income	17,642	7,053	7,965	5,806	558	-7,362	31,662	-245	31,417
Operating profit	405	227	510	230	-59	-21	1,292	-39	1,253
Operating margin, %	2.3	3.2	6.4	4.0			4.1		4.0
Net financial items									-174
Pre-tax profit									1,079
Tax									-218
Profit for the period									861
Other comprehensive income for the period									-12
Total comprehensive income for the period									849
Capital employed (closing balance)			5,685	10,961					

Group Jan-Sep 2013

MSEK	Con- struction	Civil Engine- ering	Industry	Project Develop- ment	Group functions	Elimina- tions	Total operative for the Group ¹⁾	Adjustment for housing reporting ²⁾	Group
External sales	14,612	6,945	4,756	3,422	21	408	30,164	37	30,201
Internal sales	2,332	1,085	2,720	169	260	-6,566	0		0
Total income	16,944	8,030	7,476	3,591	281	-6,158	30,164	37	30,201
Operating profit	-639	258	455	94	-127	-5	36	15	51
Operating margin, %	-3.8	3.2	6.1	2.6			0.1		0.2
Net financial items									-143
Pre-tax profit									-92
Tax									20
Profit for the period									-72
Other comprehensive income for the period									-118
Total comprehensive income for the period									-190
Capital employed (closing balance)			5,743	11,724					

Group Jan-Dec 2013

MSEK	Con- struction	Civil Engine- ering	Industry	Project Develop- ment	Group functions	Elimina- tions	Total operative for the Group ¹⁾	Adjustment for housing reporting ²⁾	Group
External sales	20,346	9,770	6,534	5,516	31	568	42,765	362	43,127
Internal sales	2,763	1,402	3,813	237	388	-8,603	0		0
Total income	23,109	11,172	10,347	5,753	419	-8,035	42,765	362	43,127
Operating profit	-539	371	681	247	-153	-14	593	21	614
Operating margin, %	-2.3	3.3	6.6	4.3			1.4		1.4
Net financial items									-231
Pre-tax profit									383
Tax									-85
Profit for the year									298
Other comprehensive income for the year									-131
Total comprehensive income for the year									167
Capital employed (closing balance)			5,301	11,376					

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)

NOTE 3 FINANCIAL ASSETS AND LIABILITIES VALUED AT FAIR VALUE

The table below shows the allocated level for financial assets and financial liabilities recognized at fair value in the Group's balance sheet.

Group		Level 1	Level 2	Level 3	Total
30 Sep 2014					
MSEK					
Assets					
Other securities held as fixed assets		269		61	330 ¹⁾
<i>Whereof shareholding in listed company</i>		269			269
<i>Whereof investment in a unlisted fund</i>				61	61
Other current receivables			5		5 ²⁾
<i>Whereof currency swaps</i>			5		5
Total assets		269	5	61	335
Liabilities					
Other long-term liabilities			144		144 ³⁾
<i>Whereof interest rate swaps</i>			144		144
Total liabilities		-	144	-	144
Parent company					
30 Sep 2014					
MSEK					
Assets					
Other securities held as fixed assets		269			269
<i>Whereof shareholding in listed company</i>		269			269
Total assets		269	-	-	269

Measurement of fair value is based on a three level hierarchy;

Level 1: prices that reflect quoted prices on an active market for identical assets.

Level 2: based on direct or indirect inputs observable to the market not included in level 1.

Level 3: based on inputs unobservable to the market.

¹⁾ Are included in the balance sheet item Other financial fixed assets totaling SEK 1,890 million.

²⁾ Are included in the balance sheet item Other current receivables totaling SEK 11,757 million.

³⁾ Are included in the balance sheet item Other long-term liabilities totaling SEK 707 million.

For a description of how fair value has been calculated see the Annual Report 2013, note 36 page 72. The fair value of financial assets and liabilities is estimated to be, in principle, the same as their booked values.

The table below is a reconciliation between the opening and closing balance for assets included in level 3.

Group	Other securities held as fixed assets	
	30 Sep 2014	31 Dec 2013
MSEK		
Opening balance	53	39
Investments during the year	2	12
Reported in other comprehensive income	6	2
Closing balance	61	53

FUTURE FINANCIAL INFORMATION

- Year-end report 2014 12 February 2015
- Annual report 2014 April 2015
- Quarterly report January-March 2015 and Annual General Meeting 13 May 2015
- Quarterly report January-June 2015 21 August 2015
- Quarterly report January-September 2015 12 November 2015

Förslov, 13 November 2014

Jesper Göransson
CEO and President

REVIEW REPORT

We have reviewed the interim report for Peab AB (publ) as of 30 September 2014 and the nine-month period which ended on this date. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim financial information based on our review.

We conducted our review in accordance with the Swedish Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information 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 International Standards on Auditing and the generally accepted auditing practice. Consequently a review does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act in the case of the Group and in accordance with the Annual Accounts Act in the case of the parent company.

Förslov, 13 November 2014
KPMG AB

Thomas Thiel
Authorised Public Accountant

Quarterly data Group

MSEK	Jul-Sep 2014	Apr-Jun 2014	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013	Oct-Dec 2012 ¹⁾	Jul-Sep 2012 ¹⁾
Net sales	10,811	11,604	9,002	12,926	10,522	10,370	9,309	13,893	11,379
Production costs	-9,756	-10,544	-8,341	-11,765	-9,635	-10,290	-8,638	-12,949	-10,357
Gross profit	1,055	1,060	661	1,161	887	80	671	944	1,022
Sales and administrative expenses	-453	-616	-537	-663	-424	-643	-575	-732	-485
Profit from participation in joint ventures/associated companies	7	11	-6	3	9	9	-9	17	-8
Other operating income	15	57	12	69	21	14	24	89	-5
Other operating costs	-1	-7	-5	-7	-6	-5	-2	7	-18
Operating profit	623	505	125	563	487	-545	109	325	506
Net financial items	-37	-83	-54	-88	-58	-59	-26	-87	-65
Pre-tax profit	586	422	71	475	429	-604	83	238	441
Tax	-114	-88	-16	-105	-90	127	-17	61	-116
Profit for the period	472	334	55	370	339	-477	66	299	325
Profit for the period, attributable to:									
Shareholders in parent company	472	334	55	370	339	-477	66	300	325
Non-controlling interests	-	-	-	0	0	0	0	-1	0
Profit for the period	472	334	55	370	339	-477	66	299	325
Key ratios									
Earnings per share, SEK	1.60	1.13	0.19	1.25	1.15	-1.62	0.22	1.01	1.10
- after dilution	1.60	1.13	0.19	1.25	1.15	-1.62	0.22	1.01	1.10
Average number of outstanding shares, million	295.0	295.0	295.0	295.0	295.0	295.0	295.0	295.0	295.0
- after dilution	295.0	295.0	295.0	295.0	295.0	295.0	295.0	300.7	303.8

Business areas

MSEK	Jul-Sep 2014	Apr-Jun 2014	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013	Oct-Dec 2012 ¹⁾	Jul-Sep 2012 ¹⁾
Net sales									
Construction	5,262	6,865	5,515	6,165	5,311	5,957	5,676	7,052	5,909
Civil Engineering	2,555	2,525	1,973	3,142	2,939	2,709	2,382	3,878	3,195
Industry	3,205	2,888	1,872	2,871	3,086	2,694	1,696	2,751	3,048
Project Development	2,027	1,981	1,798	2,162	1,368	1,196	1,027	1,986	1,280
- of which Property Development	895	233	107	313	87	103	105	101	87
- of which Housing Development	1,132	1,748	1,691	1,849	1,281	1,093	922	1,885	1,193
Group functions	188	190	180	138	94	94	93	26	25
Eliminations	-2,460	-2,758	-2,144	-1,877	-2,171	-2,325	-1,662	-2,130	-2,518
Operative ²⁾	10,777	11,691	9,194	12,601	10,627	10,325	9,212	13,563	10,939
Adjustment for housing reporting ³⁾	34	-87	-192	325	-105	45	97	330	440
Legal	10,811	11,604	9,002	12,926	10,522	10,370	9,309	13,893	11,379
Operating profit									
Construction	128	162	115	100	66	-807	102	-104	70
Civil Engineering	90	115	22	113	102	125	31	162	124
Industry	313	196	1	226	305	177	-27	225	303
Project Development	121	50	59	153	61	26	7	123	11
- of which Property Development	67	-46	-20	51	-14	-21	-14	23	-28
- of which Housing Development	54	96	79	102	75	47	21	100	39
Group functions	-13	-23	-23	-26	-19	-58	-50	-90	-25
Eliminations	-4	2	-19	-9	-1	-11	7	-17	5
Operative ²⁾	635	502	155	557	514	-548	70	299	488
Adjustment for housing reporting ³⁾	-12	3	-30	6	-27	3	39	26	18
Legal	623	505	125	563	487	-545	109	325	506
Order situation									
Orders received	7,564	7,591	9,077	7,345	8,158	9,941	8,848	8,473	9,302
Order backlog at the end of the period	27,547	27,499	29,475	28,164	30,515	30,591	28,815	28,056	31,379

¹⁾ Not translated according to IFRS 11, Joint Arrangements

²⁾ According to the percentage of completion method (IAS 11)

³⁾ 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)

The Nordic Community Builder

Peab is the Nordic Community Builder with approximately 13,000 employees and a net sales exceeding SEK 40 billion. The Group's subsidiaries have strategically located offices in Sweden, Norway and Finland. Group headquarters are located in Förslöv, Skåne in south of Sweden. The share is listed on NASDAQ Stockholm.