

# Quarterly report

## January - March 2015



VÅGHOLME AND PIER  
Västerås

- Operative net sales SEK 9,001 million (9,194)
- Operative operating profit SEK 171 million (155)
- Operative operating margin improved to 1.9 percent (1.7)
- Pre-tax profit SEK 106 million (71)
- Earnings per share SEK 0.30 (0.19)
- Orders received during the period amounted to SEK 9,559 million (9,077)
- Order backlog SEK 26,750 million (29,475)
- Positive cash flow before financing of SEK 621 million (131)
- Net debt fell to SEK 3,269 million (5,866)
- Equity/assets ratio was 30.1 percent (24.5)

# Comments by the CEO

Business has continued to develop stably during the first quarter. Our units are successively improving, which have resulted in improved profit and lower debt.

## Market conditions

The good development in the Swedish building construction market in 2014 is expected to continue in 2015. The housing sector is still strong and public investments in healthcare facilities and hospital buildings also contribute to growth. Development in housing construction in Norway was weak in 2014. Some recovery is expected in apartment construction but the building construction market as a whole is expected to be weaker than in 2014. A slight recovery for total building construction in Finland is possible after a weak 2014. The conditions for the civil engineering market in Sweden and Norway will most likely be stable during the year but developments in Finland are expected to be weak. Investments in road and railway infrastructure in Sweden will most likely become apparent in the form of greater volumes but not until 2016.

## Order situation

Orders received in the first quarter of 2015 amounted to SEK 9.6 billion compared to SEK 9.1 billion for the same period in 2014. Orders received in business area Construction have contracted slightly while orders received in Civil Engineering in the first quarter increased compared to last year. Orders received in Project Development were lower compared to the first quarter in 2014 due to fewer housing production starts. There is a wider geographical spread of orders received for housing than last year when most of them were concentrated to the Stockholm region. The order backlog amounted to SEK 26.8 billion compared to SEK 29.5 billion at the end of the first quarter last year.

## Business area development

The first quarter is seasonally weak compared to the other quarters, especially in Civil Engineering and Industry. Net sales



rose by 3 percent in business area Construction with an unchanged margin. Net sales in business area Civil Engineering rose by 7 percent during the first quarter and the margin improved. The net sales and the result in business area Industry were on the same level as the first quarter last year. Net sales in business area Project Development were lower due to fewer production starts in Housing Development during the period. The comparable period included a large number of production starts of homes in the Stockholm region, which had a positive effect on both net sales and the result. There were no significant property sales in Property development during the first quarter.

## Group development

Operative net sales during the period were SEK 9,001 million (9,194). Operative operating profit improved to SEK 171 million compared to SEK 155 million last year, which entails an operative operating margin of 1.9 percent (1.7). We have continued to streamline tied up capital and cash flow before financing increased to SEK 621 million (131) which led to reduced net debt of SEK 3,269 million compared to SEK 3,886 million at year-end. The reduced net debt together with low interest rates are successively improving net interest.

## On the right road

After several years of growth that led to diminished profitability we implemented an

action plan in 2013. Among other things we became more selective about the projects we take on. As a direct consequence net sales in Peab are now leveling out, which we believe is the right road to take in a market going through intense change and with limited access to resources. One main project that was started before the action plan was initiated is the Mall of Scandinavia in Solna – also our largest project ever. The project has been a challenge from the start, in part due to changes as it has progressed. The project progresses according to plan.

In recent years we have been the largest construction company in Sweden in terms of net sales and number of employees. Now we are taking the next step by setting our ambition to be the best company. In order to achieve this we have established three target areas:

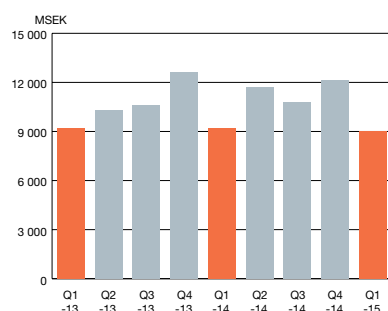
- Most satisfied customers in the industry
- Best workplace in the industry
- Most profitable company in the industry

These targets are firmly rooted in our organization and the work to achieve them has begun.

*Jesper Göransson*  
CEO and President

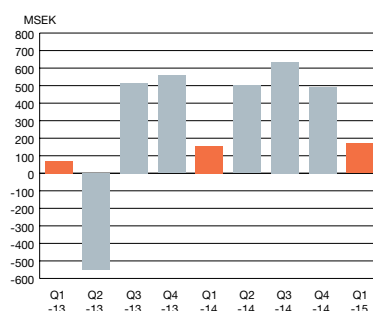
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## Operative net sales



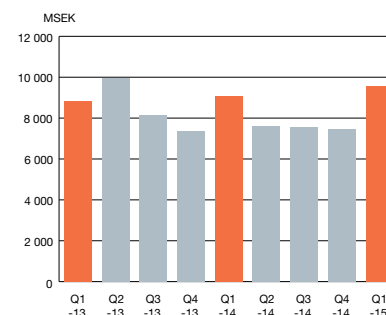
Group operative net sales for the first quarter 2015 amounted to SEK 9,001 million (9,194), which was a decrease of 2 percent. After adjustments for acquired units net sales decreased by 3 percent compared to the same period last year.

## Operative operating profit



Operative operating profit for the first quarter 2015 amounted to SEK 171 million compared to SEK 155 million for the same period last year.

## Orders received



Orders received for the first quarter 2015 amounted to SEK 9,559 million compared to SEK 9,077 million for the same period last year. Order backlog amounted to SEK 26,750 million compared to SEK 29,475 million the same period last year.

Group					
	Jan-Mar	Jan-Mar	Apr-Mar	Jan-Dec	Financial
MSEK	2015	2014	2014/2015	2014	goals
Operative net sales <sup>1)</sup>	9,001	9,194	43,627	43,820	
Net sales	8,876	9,002	43,504	43,630	
Operative operating profit <sup>1)</sup>	171	155	1,799	1,783	
Operative operating margin, % <sup>1)</sup>	1.9	1.7	4.1	4.1	
Operating profit	140	125	1,767	1,752	
Operating margin, %	1.6	1.4	4.1	4.0	
Pre-tax profit	106	71	1,265	1,230	
Profit for the year	88	55	1,060	1,027	
Earnings per share, SEK	0.30	0.19	3.59	3.48	
Return on equity, %	13.4 <sup>2)</sup>	3.7 <sup>2)</sup>	13.4	13.1	> 20%
Net debt	3,269	5,866	3,269	3,886	
Equity/assets ratio, %	30.1	24.5	30.1	28.2	> 25%

<sup>1)</sup> 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.

<sup>2)</sup> Calculated on rolling 12 months.

## NEW CONTRACTS DURING THE FIRST QUARTER

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

- New construction of some 11,000 sq.m health care facilities, rehabilitation facilities and offices as well as around 5,000 sq.m reconstruction of existing health care facilities, clinics and offices in Ängelholm. The client is Hälsostaden Ängelholm AB and the contract is worth around SEK 435 million.
- Construction of 344 new apartments in the residential area Rosendal, Uppsala. The client is Rosendal Fastigheter and the contract is worth SEK 342 million.
- Construction of new nursing and clinic facilities on hospital grounds in Malmö. The client is Region Skåne and the contract is worth around SEK 338 million.
- Contract to maintain and repair public roads in Sveg, Svenstavik, Bollnäs and Älvdalen. The client is the Swedish Transport Administration and the total amount of the four contracts is approximately SEK 453 million over four years.
- Construction of a new school, daycare center and sports arena in Bunkeflostrand, Malmö. The customer is Malmö City through Stadsfastigheter and the contract is worth around SEK 198 million.
- Construction of 130 youth apartments and a sports arena with surrounding grounds that include an outdoor multi-sport arena in Malmö's West Harbor. The client is Malmö City through Stadsfastigheter and the contract is worth around SEK 112 million.
- Construction of a new office building in Arenastaden, Solna. The client is Fabege and the contract is worth around SEK 435 million.
- Foundation and construction work in three transformer stations in Nord-Trøndelag and Nordland in Norway. The customer is Statnett and the contract is worth around SEK 112 million.

## NET SALES AND PROFIT <sup>1)</sup>

Group operative net sales for first quarter 2015 amounted to SEK 9,001 million (9,194). Adjustments in housing reporting affected net sales by SEK -125 million (-192). Group net sales for the first quarter 2015 decreased by 1 percent to SEK 8,876 million (9,002). Business areas Construction and Civil Engineering have grown by 3 respectively 7 percent while volumes in Industry remain unchanged compared to the first quarter last year. Net sales in Project Development have contracted due to fewer production starts in housing. Of the period's net sales SEK 1,361 million (1,358) were attributable to sales and production outside Sweden.

Operative operating profit for the first quarter 2015 was SEK 171 million compared to SEK 155 million in corresponding period last year. Operative operating margin was 1.9 percent (1.7).

Operating margins are unchanged in all the business areas except Civil Engineering which reported a slightly higher operating margin.

Eliminating internal profit in our own projects has affected the result by SEK -16 million (-19). Elimination is reversed in connection with the external divestment of a project.

Operating profit for the first quarter 2015 was SEK 140 million (125). The operating margin amounted to 1.6 percent (1.4). Adjustments in housing reporting affected operating profit by SEK -31 million (-30).

Depreciation and write-downs for the period were SEK 202 million (192).

Net financial items amounted to SEK -34 million (-54). Net interest improved to SEK -29 million (-65), primarily as a result of lower net debt.

Pre-tax profit was SEK 106 million (71).

Profit for the period was SEK 88 million (55).

## FINANCIAL POSITION

The equity/assets ratio on 31 March 2015 was 30.1 percent compared to 28.2 percent at the previous year-end. Interest-bearing net debt amounted to SEK 3,269 million compared to SEK 3,886 million at the end of 2014. Net debt was lower due to a positive cash flow. The average interest rate in the loan

portfolio, including derivatives, was 3.2 percent (3.2) on 31 March 2015.

Group liquid funds, including unutilized credit facilities, were SEK 6,441 million at the end of the period compared to SEK 6,752 million on 31 December 2014.

At the end of the period Group contingent liabilities, excluding joint and several liabilities in trading and limited partnerships, amounted to SEK 8,370 million compared to SEK 7,378 million on 31 December 2014. Of contingent liabilities, obligations to tenant-owners associations under construction were SEK 4,503 million compared to SEK 4,247 million at the previous year-end.

## INVESTMENTS

Tangible and intangible fixed assets have been divested during the period of SEK 1 million (net invested SEK 146 million). Net investments in project and development properties totaled SEK 265 million (262) during the period.

## CASH FLOW

Cash flow from current operations was SEK 516 million (205). The improvement is a result of higher operating profit and a reduction in working capital.

Cash flow from investment activities was SEK 105 million compared to SEK -74 million same period last year. The positive cash flow from investment activities is primarily due to

the divestiture of operations, tangible fixed assets and the sales of the partly owned company S:t Eriks.

Cash flow before financing amounted to SEK 621 million compared to SEK 131 million same period last year.

Cash flow from financing operations amounted to SEK -1,081 million (-112), due to the repayment of loans.

## ORDERS RECEIVED AND ORDER BACKLOG

Orders received for the first quarter 2015 amounted to SEK 9,559 million compared to SEK 9,077 million same period last year. The level of orders received in Construction has shrunk while orders received in Civil Engineering is higher compared to the same period last year. Orders received in Project Development has contracted as a result of fewer production starts in housing. There is a wider geographical spread of orders received for housing in the first quarter of 2015 compared to last year when most of them were concentrated to the Stockholm region.

Order backlog yet to be produced at the end of the period amounted to SEK 26,750 million compared to SEK 29,475 million for same period last year.

Of the total order backlog, 35 percent (38) is expected to be produced after 2015 (2014). Swedish operations accounted for 87 percent (85) of the order backlog.

### Orders received and order backlog

Orders received	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
<b>MSEK</b>				
Construction	6,589	6,936	22,388	22,735
Civil Engineering	3,092	1,977	10,163	9,048
Project Development	1,215	1,608	5,315	5,708
Eliminations	-1,337	-1,444	-5,694	-5,801
<b>Group</b>	<b>9,559</b>	<b>9,077</b>	<b>32,172</b>	<b>31,690</b>

Order backlog	31 Mar 2015	31 Mar 2014	31 Dec 2014
<b>MSEK</b>			
Construction	18,936	21,011	17,966
Civil Engineering	8,519	8,535	7,525
Project Development	3,419	4,013	3,536
Eliminations	-4,124	-4,084	-4,105
<b>Group</b>	<b>26,750</b>	<b>29,475</b>	<b>24,922</b>

<sup>1)</sup> 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 reported according to legal accounting.

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

## PERSONNEL

At the end of the period, the company had 12,996 employees compared to 13,094 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 11 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 the first quarter 2015 were SEK 5,683 million (5,515) which was an increase of 3 percent. Adjusted for acquisitions the increase was 2 percent compared with the same period last year.

Operating profit for the first quarter 2015 amounted to SEK 120 million (115). The operating margin was 2.1 percent (2.1). Operating margin for the latest rolling 12 month period was unchanged at 2.3 percent compared

to the entire year 2014. The business has stabilized in all the regions.

Our largest project ever – the Mall of Scandinavia in Solna – was registered as an order for around SEK 3,500 million and work on it began in the first quarter of 2012. The project has been a challenge from the start, in part due to changes as it has progressed. The project progresses according to plan. Completing the project is demanding and requires a great deal of resources from the business area and from the Group.

### Civil Engineering

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

Net sales for the first quarter 2015 amounted to SEK 2,110 million compared to SEK 1,973 million for same period last year, which is an increase of 7 percent.

Operating profit for first quarter 2015 amounted to SEK 32 million (22) and the operating margin was 1.5 percent (1.1). The operative margin for the latest 12 month rolling period was 3.4 percent compared to 3.3 percent for the entire year 2014.

Net sales and profits have improved in Local market, Operations and maintenance as well as Infrastructure.

### Industry

Business area Industry is run in seven product areas; Asphalt, Concrete, Gravel and Rock, Transportation and Machines, Foundations, Rentals and Construction System (Indu-

strial Construction). All of them work on the Nordic construction and civil engineering markets.

Net sales for the first quarter 2015 amounted to SEK 1,845 million compared to SEK 1,872 million same period last year.

Operating profit for the first quarter 2015 amounted to SEK 2 million (1). The operating margin was 0.1 percent (0.1). The operative margin for the latest rolling 12 month period was unchanged at 6.2 percent compared to the entire year 2014.

Net sales and profit in Asphalt and Concrete have contracted compared to the same period last year while net sales and profit have increased in Gravel and Rock. Activity is lower in Transportation and Machines in the first quarter compared to the first quarter last year when the transportation of iron ore for Northland contributed positively to net sales and result. The other product areas are on par with the first quarter of last year.

Capital employed in Industry at the end of the period amounted to SEK 4,828 million compared to SEK 5,257 million at the previous year-end.

### Project Development

Business area Project Development comprises Peab's developments in housing and commercial properties. 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 the first quarter 2015 in business area Project Development amounted to SEK 1,416 million (1,798) and operative

## Net sales and operating profit per business area

MSEK	Net sales				Operating profit				Operating margin			
	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
Construction	5,683	5,515	24,642	24,474	120	115	557	552	2.1%	2.1%	2.3%	2.3%
Civil Engineering	2,110	1,973	10,095	9,958	32	22	341	331	1.5%	1.1%	3.4%	3.3%
Industry	1,845	1,872	10,803	10,830	2	1	672	671	0.1%	0.1%	6.2%	6.2%
Project Development	1,416	1,798	7,448	7,830	47	59	330	342	3.3%	3.3%	4.4%	4.4%
- of which Property Development	77	107	1,377	1,407	-11	-20	21	12	-14.3%	-18.7%	1.5%	0.9%
- of which Housing Development	1,339	1,691	6,071	6,423	58	79	309	330	4.3%	4.7%	5.1%	5.1%
Group functions	202	180	845	823	-14	-23	-62	-71				
Eliminations	-2,255	-2,144	-10,206	-10,095	-16	-19	-39	-42				
<b>Operative <sup>1)</sup></b>	<b>9,001</b>	<b>9,194</b>	<b>43,627</b>	<b>43,820</b>	<b>171</b>	<b>155</b>	<b>1,799</b>	<b>1,783</b>	<b>1.9%</b>	<b>1.7%</b>	<b>4.1%</b>	<b>4.1%</b>
Adjustment for housing reporting <sup>2)</sup>	-125	-192	-123	-190	-31	-30	-32	-31				
<b>Legal</b>	<b>8,876</b>	<b>9,002</b>	<b>43,504</b>	<b>43,630</b>	<b>140</b>	<b>125</b>	<b>1,767</b>	<b>1,752</b>	<b>1.6%</b>	<b>1.4%</b>	<b>4.1%</b>	<b>4.0%</b>

<sup>1)</sup> According to the percentage of completion method (IAS 11)

<sup>2)</sup> 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)

operating profit was SEK 47 million (59).

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

There were 488 (734) start-ups of our own developed homes spread out geographically. During the same period last year many of the start-ups were in the Stockholm region. The number of sold homes during the period was 550 (734). The number of own developed homes in production at the end of the period

was 4,150 compared to 4,034 at the previous year-end. The level of sold homes in production was 84 percent and unchanged compared to previous year-end. The number of repurchased homes per 31 March 2015 amounted to 85 compared to 97 at the previous year-end.

Net sales and profit were lower compared to the same period last year due to fewer production starts in Housing Development during the period. During first quarter 2015 operative net sales were SEK 1,339 million (1,691) and

operative operating profit was SEK 58 million (79). The operative operating margin was 4.3 percent (4.7). Operating margin for the latest rolling 12 month period was unchanged on 5.1 percent compared to entire year 2014.

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 first quarter 2015 net sales in Property Development were SEK 77 million (107) and operating profit was SEK -11 million (-20). Profit from property sales has had an effect on the result of SEK 1 million compared to SEK 15 million the same period last year.

Operating profit from partly owned companies has improved compared to the same period last year. However, operating profit is still charged with negative results from properties in the developmental phase. Included in this is the result from Peab's share in the management 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 11,124 million compared to SEK 10,646 million at previous year-end.

### Peab's own housing development construction

	Jan-Mar 2015	Jan-Mar 2014	Jan-Dec 2014
Number of housing starts during the period	488	734	2,502
Number of homes sold during the period	550	734	2,871
Total number of homes under construction, at the end of the period	4,150	4,276	4,034
Share of sold homes under construction, at the end of the period	84%	77%	84%
Number of repurchased homes in the balance sheet, at the end of the period	85	127	97

### Capital employed Project Development

MSEK	31 Mar 2015	31 Dec 2014
Project and development properties	6,777	6,523
Participation in joint ventures	757	752
Financial statements and others	3,590	3,371
<b>Total</b>	<b>11,124</b>	<b>10,646</b>

On 31 March 2015 booked values for project and development properties of SEK 6,777 million were allocated as shown in the table below:

### Project and development properties

MSEK	31 Mar 2015	31 Dec 2014
<b>Housing Development</b>	<b>3,210</b>	<b>3,263</b>
- Of which development rights	2,954	2,974
- Of which shares in tenant owner associations or the like	256	289
<b>Property Development</b>	<b>3,567</b>	<b>3,260</b>
- Of which investment properties	1,535	1,406
- Of which projects under construction	1,322	1,144
- Of which commercial development rights	710	710
<b>Total Project and development properties</b>	<b>6,777</b>	<b>6,523</b>

### Development rights for housing

Number, approx.	31 Mar 2015	31 Dec 2014
Development rights on our own balance sheet	14,900	15,200
Development rights via joint ventures	6,900	6,900
Development rights via options etc.	6,900	7,000
<b>Total</b>	<b>28,700</b>	<b>29,100</b>

## **THE CONSTRUCTION MARKET**

The outcome of 2014 showed considerable growth for the entire building construction market in Sweden. The analysis company Industrifakta expects this good development to continue in 2015. There still continue to be major regional differences with the Stockholm market being the motor of both the Swedish economy and the building construction industry. The urbanization trend is strong and there is an acute housing shortage in growth regions. Household consumption was a significant driving force behind growth in 2014. Conditions were enhanced by growing employment, the falling price of oil and shrinking interest rates. In 2015 all building construction sectors are expected to grow with the exception of industrial construction. Housing production will continue to grow as will healthcare and hospital building construction. This is a sector with substantial challenges regarding demography and operational changes. Civil engineering construction is expected to remain on the same level in 2015. Investment levels are expected to be lower in roads and railways in 2015 with an increase first in 2016.

Despite several signals pointing to financial challenges for Norway the Norwegian economy improved slightly last year. Total building construction recovered in 2014, primarily due to a strong come back in public building construction. This year while the apartment building sector is looking better negative development is expected in all other sectors. In contrast to the weak industrial business cycle start-ups in private and public premises increased in 2014, which has a positive impact also on the construction market in 2015. Greater activity is also expected in civil engineering investments this year.

Finland's economy continues to falter and very limited growth is forecasted for the country's BNP in 2015. Unemployment is still heading in the wrong direction which is mirrored in the forecast of a barely noticeable increase in household consumption compared to 2014. On the other hand a turn upward is expected in Finland this year although at a slow rate. The total volume of building construction fell and the housing market continued to be tough in 2014. Apartment building construction is expected to recover slightly in 2015 while single home construction will continue to struggle. Construction of private and public premises is expected to rise in 2015 and contribute a recovery of the total volume of building construction in Finland. Finland's public finances seem to be in relatively good

shape which together with the new government can stimulate the market positively by, for instance, starting up infrastructure projects. This can lift the trend in the Finnish civil engineering market where the forecast for this year and next is a slight decline.

## **RISKS AND UNCERTAINTY FACTORS**

Peab's business is exposed to operational and financial risks. The impact of these risks on Peab's result and position depends on how well we handle the day-to-day business. In addition, Peab faces circumstantial risks such as developments in the economy and altered conditions like changes in laws and regulations and other political decisions.

Handling operational risks is a constant ongoing process since there are always a large number of projects that are beginning, up and running and ending. Operational risks are taken care of in the line organization in each business area. The financial risks are connected to tying up capital and the need for capital, primarily in the form of interest rate risk and refinancing risk. Financial risks are dealt with on Group level.

For further information on risks and uncertainty factors, see the 2014 Annual Report.

## **HOLDINGS OF OWN SHARES**

At the beginning of 2015 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 first quarter 2015.

## **THE PEAB SHARE**

Peab's B share is listed on the NASDAQ OMX Stockholm, Large Cap list. As of 12 May 2015 the price of the Peab share was SEK 68.25, an increase of 24 percent during 2015. During the same year, the Swedish stock market increased by 11 percent according to the general index in the business magazine "Affärsvärlden". During 2015 the Peab share has been quoted at a maximum of SEK 74.70 and a minimum of SEK 55.00.

### List of shareholders 30 April 2015

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	17,902,000	19,402,000	6.6	5.4
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
Carnegie Funds		9,722,300	9,722,300	3.3	1.6
Peab's profit sharing foundation		8,613,432	8,613,432	2.9	1.4
Kamprad family foundation		8,581,236	8,581,236	2.9	1.4
SIX SIS AG, W8IMY	823,500	4,991,785	5,815,285	2.0	2.2
CBNY-Norges Bank		4,559,959	4,559,959	1.5	0.8
Handelsbanken Funds		4,505,297	4,505,297	1.5	0.7
Skandinaviska Enskilda Banken S.A W8IMY		4,320,700	4,320,700	1.5	0.7
Danica Pension		3,362,565	3,362,565	1.1	0.6
BK Julius Baer & CO Sweden Main AC		3,187,554	3,187,554	1.1	0.5
Others	1,679,926	145,624,152	147,304,078	49.6	26.9
<b>Number of outstanding shares</b>	<b>34,319,957</b>	<b>260,642,789</b>	<b>294,962,746</b>		
Peab AB		1,086,984	1,086,984	0.4	0.2
<b>Number of registered shares</b>	<b>34,319,957</b>	<b>261,729,773</b>	<b>296,049,730</b>	<b>100.0</b>	<b>100.0</b>

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 2015	1 583.9	34,319,957	261,729,773	296,049,730	1,086 984	294,962,746
<b>Share capital and number of shares 31 March 2015</b>	<b>1 583.9</b>	<b>34,319,957</b>	<b>261,729,773</b>	<b>296,049,730</b>	<b>1,086 984</b>	<b>294,962,746</b>



## Report on the Group income statement in summary

MSEK	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
Net sales	8,876	9,002	43,504	43,630
Production costs	-8,203	-8,341	-39,549	-39,687
<b>Gross profit</b>	<b>673</b>	<b>661</b>	<b>3,955</b>	<b>3,943</b>
Sales and administrative expenses	-547	-537	-2,253	-2,243
Profit from participation in joint ventures	-1	-6	-37	-42
Other operating income	30	12	131	113
Other operating costs	-15	-5	-29	-19
<b>Operating profit</b>	<b>140</b>	<b>125</b>	<b>1,767</b>	<b>1,752</b>
Net financial items	-34	-54	-502	-522
<b>Pre-tax profit</b>	<b>106</b>	<b>71</b>	<b>1,265</b>	<b>1,230</b>
Tax	-18	-16	-205	-203
<b>Profit for the period</b>	<b>88</b>	<b>55</b>	<b>1,060</b>	<b>1,027</b>
<b>Profit for the period, attributable to:</b>				
Shareholders in parent company	88	55	1,060	1,027
Non-controlling interests	0	-	-	-
<b>Profit for the period</b>	<b>88</b>	<b>55</b>	<b>1,060</b>	<b>1,027</b>
<b>Key ratios</b>				
Earnings per share before and after dilution, SEK	0.30	0.19	3.59	3.48
Average number of outstanding shares, million	295.0	295.0	295.0	295.0
Return on capital employed, %	12.3 <sup>1)</sup>	4.9 <sup>1)</sup>	12.3	12.1
Return on equity, %	13.4 <sup>1)</sup>	3.7 <sup>1)</sup>	13.4	13.1

<sup>1)</sup> Calculated on rolling 12 months

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

MSEK	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
<b>Profit for the period</b>	<b>88</b>	<b>55</b>	<b>1,060</b>	<b>1,027</b>
<b>Other comprehensive income</b>				
<b>Items that can be reclassified or have been reclassified to income for the period</b>				
Translation differences for the period from translation of foreign operations	11	17	10	16
Changes for the period in fair value of available-for-sale financial assets	33	-38	-26	-97
Changes in fair value of cash flow hedges for the period	-17	-41	-109	-133
Tax referring to items that can be reclassified or have been reclassified to income for the period	4	19	32	47
	<b>31</b>	<b>-43</b>	<b>-93</b>	<b>-167</b>
<b>Items that cannot be reclassified to income for the period</b>				
Revaluation of defined benefit pension plans	-	8	-	8
Tax referring to items that cannot be reclassified to income for the period	-	-2	-	-2
	<b>-</b>	<b>6</b>	<b>-</b>	<b>6</b>
<b>Other comprehensive income for the period</b>	<b>31</b>	<b>-37</b>	<b>-93</b>	<b>-161</b>
<b>Total comprehensive income for the period</b>	<b>119</b>	<b>18</b>	<b>967</b>	<b>866</b>
<b>Total comprehensive income for the period, attributable to:</b>				
Shareholders in parent company	119	18	967	866
Non-controlling interests	0	-	0	-
<b>Total comprehensive income for the period</b>	<b>119</b>	<b>18</b>	<b>967</b>	<b>866</b>

## Report on balance sheet for the Group in summary

MSEK	31 Mar 2015	31 Mar 2014	31 Dec 2014
<b>Assets</b>			
Intangible assets	2,033	2,049	2,039
Tangible assets	3,643	3,931	3,830
Interest-bearing long-term receivables	1,613	1,745	1,663
Other financial fixed assets	1,418	1,769	1,607
Deferred tax recoverables	150	171	145
<b>Total fixed assets</b>	<b>8,857</b>	<b>9,665</b>	<b>9,284</b>
Project and development properties	6,777	7,068	6,523
Inventories	365	418	379
Work-in-progress	1,296	1,186	1,186
Interest-bearing current receivables	470	354	404
Other current receivables	8,879	12,219	9,797
Short-term holdings	20	20	20
Liquid funds	334	456	792
<b>Total current assets</b>	<b>18,141</b>	<b>21,721</b>	<b>19,101</b>
<b>Total assets</b>	<b>26,998</b>	<b>31,386</b>	<b>28,385</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>8,116</b>	<b>7,686</b>	<b>7,997</b>
<b>Liabilities</b>			
Interest-bearing long-term liabilities	2,753	6,002	3,397
Deferred tax liabilities	561	487	562
Other long-term liabilities	738	573	760
<b>Total long-term liabilities</b>	<b>4,052</b>	<b>7,062</b>	<b>4,719</b>
Interest-bearing current liabilities	2,953	2,439	3,368
Other current liabilities	11,877	14,199	12,301
<b>Total current liabilities</b>	<b>14,830</b>	<b>16,638</b>	<b>15,669</b>
<b>Total liabilities</b>	<b>18,882</b>	<b>23,700</b>	<b>20,388</b>
<b>Total equity and liabilities</b>	<b>26,998</b>	<b>31,386</b>	<b>28,385</b>
<b>Key ratios</b>			
Capital employed	13,822	16,127	14,762
Equity/assets ratio, %	30.1	24.5	28.2
Net debt	3,269	5,866	3,886
Equity per share, SEK	27.51	26.06	27.11
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	31 Mar 2015	31 Mar 2014	31 Dec 2014
<b>Equity attributable to shareholders in parent company</b>			
Opening equity on 1 January	7,997	7,668	7,668
Profit for the period	88	55	1,027
Other comprehensive income for the period	31	-37	-161
<b>Comprehensive income for the period</b>	<b>119</b>	<b>18</b>	<b>866</b>
Cash dividend	-	-	-531
Acquisition of non-controlling interests, controlling interests held already	-	-	-6
<b>Closing equity</b>	<b>8,116</b>	<b>7,686</b>	<b>7,997</b>
<b>Non-controlling interests</b>			
Opening equity on 1 January	0	0	0
Comprehensive income for the period	0	-	-
Acquisition of non-controlling interests, controlling interests held already	-	-	0
<b>Closing equity</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total closing equity</b>	<b>8,116</b>	<b>7,686</b>	<b>7,997</b>

## Report on Group cash flow in summary

MSEK	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
Cash flow from current operations before changes in working capital	385	332	2,651	2,598
Cash flow from changes in working capital	131	-127	1,410	1,152
<b>Cash flow from current operations</b>	<b>516</b>	<b>205</b>	<b>4,061</b>	<b>3,750</b>
Acquisition of subsidiaries/ businesses	-	-	-126	-126
Disposal of subsidiaries/ businesses	75	-	75	-
Acquisition of fixed assets	-255	-304	-1,629	-1,678
Sales of fixed assets	285	230	912	857
<b>Cash flow from investment operations</b>	<b>105</b>	<b>-74</b>	<b>-768</b>	<b>-947</b>
<b>Cash flow before financing</b>	<b>621</b>	<b>131</b>	<b>3,293</b>	<b>2,803</b>
Cash flow from financing operations	-1,081	-112	-3,440	-2,471
<b>Cash flow for the period</b>	<b>-460</b>	<b>19</b>	<b>-147</b>	<b>332</b>
Cash at the beginning of the period	812	459	476	459
Exchange rate differences in cash	2	-2	25	21
<b>Cash at the end of the period</b>	<b>354</b>	<b>476</b>	<b>354</b>	<b>812</b>

## PARENT COMPANY

The parent company Peab AB's net sales for first quarter 2015 amounted to SEK 60 million (53) and mainly consisted of internal Group services. Profit after tax amounted to SEK -5 million (-45).

The parent company's assets mainly consist of participations in Group companies amounting to SEK 11,894 million (13,173) and shares in Lemminkäinen Oyj worth SEK 245 million (246). The assets have been financed from equity of SEK 6,431 million (6,921) and long-term liabilities amounting to SEK 5,916 million (6,672).

The parent company's liquid funds amounted to SEK 13 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.

## Report on the parent company income statement in summary

MSEK	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
Net sales	60	53	244	237
Administrative expenses	-25	-63	-282	-320
<b>Operating profit</b>	<b>35</b>	<b>-10</b>	<b>-38</b>	<b>-83</b>
<b>Result from financial investments</b>				
Profit from participation in Group companies	-	0	-29	-29
Other financial items	-41	-46	-331	-336
<b>Result after financial investments</b>	<b>-6</b>	<b>-56</b>	<b>-398</b>	<b>-448</b>
Appropriations	-	-	399	399
<b>Pre-tax profit</b>	<b>-6</b>	<b>-56</b>	<b>1</b>	<b>-49</b>
Tax	1	11	70	80
<b>Profit for the period</b>	<b>-5</b>	<b>-45</b>	<b>71</b>	<b>31</b>

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

MSEK	Jan-Mar 2015	Jan-Mar 2014	Apr-Mar 2014/2015	Jan-Dec 2014
<b>Profit for the period</b>	<b>-5</b>	<b>-45</b>	<b>71</b>	<b>31</b>
<b>Other comprehensive income</b>				
<b>Items that can be reclassified or have been reclassified to income for the period</b>				
Changes for the period in fair value of available-for-sale financial assets	22	-37	-29	-88
<b>Total comprehensive income for the period</b>	<b>17</b>	<b>-82</b>	<b>42</b>	<b>-57</b>

## Report on balance sheet for the parent company in summary

MSEK	31 Mar 2015	31 Mar 2014	31 Dec 2014
<b>Assets</b>			
Machinery and equipment	1	1	1
Participation in Group companies	11,894	13,173	11,894
Interest-bearing long-term receivables	–	208	28
Other securities held as fixed assets	245	252	223
Deferred tax recoverables	71	0	82
<b>Total fixed assets</b>	<b>12,211</b>	<b>13,634</b>	<b>12,228</b>
Accounts receivable	1	–	1
Receivables from Group companies	150	171	1,019
Tax assets	10	12	–
Other current receivables	28	2	5
Prepaid expenses and accrued income	10	7	5
Liquid funds	13	4	0
<b>Total current assets</b>	<b>212</b>	<b>196</b>	<b>1,030</b>
<b>Total assets</b>	<b>12,423</b>	<b>13,830</b>	<b>13,258</b>
<b>Equity and liabilities</b>			
<b>Equity</b>	<b>6,431</b>	<b>6,921</b>	<b>6,414</b>
<b>Untaxed reserves</b>	<b>0</b>	<b>156</b>	<b>0</b>
Liabilities to Group companies	5,895	6,672	6,061
Other provisions	21	–	20
<b>Total long-term liabilities</b>	<b>5,916</b>	<b>6,672</b>	<b>6,081</b>
Accounts payable	13	9	20
Liabilities to Group companies	11	6	690
Income tax liabilities	–	–	1
Other liabilities	7	11	7
Accrued expenses and deferred income	45	55	45
<b>Total current liabilities</b>	<b>76</b>	<b>81</b>	<b>763</b>
<b>Total liabilities</b>	<b>5,992</b>	<b>6,753</b>	<b>6,844</b>
<b>Total equity and liabilities</b>	<b>12,423</b>	<b>13,830</b>	<b>13,258</b>
<b>Pledged assets and contingent liabilities for the parent company</b>			
Pledged assets	–	–	–
Contingent liabilities	21,261	21,036	21,615

### NOTE 1 ACCOUNTING PRINCIPLES

The quarterly report has been prepared according to the IFRS standards that have been adopted by EU as well as the interpretations that have been adopted by EU of the valid standards, IFRICs. This report has been prepared according to IAS 34, Interim financial reporting.

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

New standards and interpretations have not had any effect material on Group accounting.

The quarterly report has otherwise been prepared according to the same accounting principles and conditions described in the Annual Report 2014.

## NOTE 2 OPERATING SEGMENT

### Group Jan-Mar 2015

MSEK	Con- struction	Civil Engine- ering	Industry	Project Develop- ment	Group func- tions	Elimina- tions	Total operative for the Group <sup>1)</sup>	Adjustment for housing reporting <sup>2)</sup>	Group
External sales	4,595	1,865	1,151	1,407	22	-39	9,001	-125	8,876
Internal sales	1,088	245	694	9	180	-2,216	0		0
<b>Total income</b>	<b>5,683</b>	<b>2,110</b>	<b>1,845</b>	<b>1,416</b>	<b>202</b>	<b>-2,255</b>	<b>9,001</b>	<b>-125</b>	<b>8,876</b>
<b>Operating profit</b>	<b>120</b>	<b>32</b>	<b>2</b>	<b>47</b>	<b>-14</b>	<b>-16</b>	<b>171</b>	<b>-31</b>	<b>140</b>
<b>Operating margin, %</b>	<b>2.1</b>	<b>1.5</b>	<b>0.1</b>	<b>3.3</b>			<b>1.9</b>		<b>1.6</b>
Net financial items									-34
<b>Pre-tax profit</b>									<b>106</b>
Tax									-18
<b>Profit for the period</b>									<b>88</b>
<b>Capital employed (closing balance)</b>			<b>4,828</b>	<b>11,124</b>					

### Group Jan-Mar 2014

MSEK	Con- struction	Civil Engine- ering	Industry	Project Develop- ment	Group func- tions	Elimina- tions	Total operative for the Group <sup>1)</sup>	Adjustment for housing reporting <sup>2)</sup>	Group
External sales	4,542	1,651	1,098	1,764	6	133	9,194	-192	9,002
Internal sales	973	322	774	34	174	-2,277	0		0
<b>Total income</b>	<b>5,515</b>	<b>1,973</b>	<b>1,872</b>	<b>1,798</b>	<b>180</b>	<b>-2,144</b>	<b>9,194</b>	<b>-192</b>	<b>9,002</b>
<b>Operating profit</b>	<b>115</b>	<b>22</b>	<b>1</b>	<b>59</b>	<b>-23</b>	<b>-19</b>	<b>155</b>	<b>-30</b>	<b>125</b>
<b>Operating margin, %</b>	<b>2.1</b>	<b>1.1</b>	<b>0.1</b>	<b>3.3</b>			<b>1.7</b>		<b>1.4</b>
Net financial items									-54
<b>Pre-tax profit</b>									<b>71</b>
Tax									-16
<b>Profit for the period</b>									<b>55</b>
<b>Capital employed (closing balance)</b>			<b>5,263</b>	<b>11,365</b>					

### Group Jan-Dec 2014

MSEK	Con- struction	Civil Engine- ering	Industry	Project Develop- ment	Group func- tions	Elimina- tions	Total operative for the Group <sup>1)</sup>	Adjustment for housing reporting <sup>2)</sup>	Group
External sales	19,505	8,711	7,332	7,740	78	454	43,820	-190	43,630
Internal sales	4,969	1,247	3,498	90	745	-10,549	0		0
<b>Total income</b>	<b>24,474</b>	<b>9,958</b>	<b>10,830</b>	<b>7,830</b>	<b>823</b>	<b>-10,095</b>	<b>43,820</b>	<b>-190</b>	<b>43,630</b>
<b>Operating profit</b>	<b>552</b>	<b>331</b>	<b>671</b>	<b>342</b>	<b>-71</b>	<b>-42</b>	<b>1,783</b>	<b>-31</b>	<b>1,752</b>
<b>Operating margin, %</b>	<b>2.3</b>	<b>3.3</b>	<b>6.2</b>	<b>4.4</b>			<b>4.1</b>		<b>4.0</b>
Net financial items									-522
<b>Pre-tax profit</b>									<b>1,230</b>
Tax									-203
<b>Profit for the year</b>									<b>1,027</b>
<b>Capital employed (closing balance)</b>			<b>5,257</b>	<b>10,646</b>					

<sup>1)</sup> According to the percentage of completion method (IAS 11)

<sup>2)</sup> 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. 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.

For a description of how fair value has been calculated see the Annual Report 2014, note 35. The fair value of financial assets and liabilities is estimated to be, in principle, the same as their booked values.

Group	31 Mar 2015				31 Mar 2014				31 Dec 2014			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>MSEK</b>												
<b>Assets</b>												
Other securities held as fixed assets	245		71	316	246		53	299	223		66	289
<i>Whereof shareholding in listed company</i>	245			245	246			246	223			223
<i>Whereof investment in an unlisted fund</i>			71	71			53	53			66	66
Other current receivables		2		2		4		4		10		10
<i>Whereof currency swaps</i>		2		2		4		4		10		10
<b>Total assets</b>	<b>245</b>	<b>2</b>	<b>71</b>	<b>318</b>	<b>246</b>	<b>4</b>	<b>53</b>	<b>303</b>	<b>223</b>	<b>10</b>	<b>66</b>	<b>299</b>
<b>Liabilities</b>												
Other long-term liabilities		189		189		80		80		171		171
<i>Whereof commodity hedge</i>		2		2		1		1		2		2
<i>Whereof interest rate swaps</i>		187		187		79		79		169		169
Other current liabilities		6		6		3		3		2		2
<i>Whereof currency swaps</i>		6		6		3		3		2		2
<b>Total liabilities</b>	<b>-</b>	<b>195</b>	<b>-</b>	<b>195</b>	<b>-</b>	<b>83</b>	<b>-</b>	<b>83</b>	<b>-</b>	<b>173</b>	<b>-</b>	<b>173</b>
<b>Parent company</b>												
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>MSEK</b>												
<b>Assets</b>												
Other securities held as fixed assets	245			245	246			246	223			223
<i>Whereof shareholding in listed company</i>	245			245	246			246	223			223
<b>Total assets</b>	<b>245</b>	<b>-</b>	<b>-</b>	<b>245</b>	<b>246</b>	<b>-</b>	<b>-</b>	<b>246</b>	<b>223</b>	<b>-</b>	<b>-</b>	<b>223</b>

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		
	31 Mar 2015	31 Mar 2014	31 Dec 2014
<b>MSEK</b>			
<b>Opening balance</b>	<b>66</b>	<b>53</b>	<b>53</b>
Investments during the period	1	1	5
Reported in other comprehensive income	4	-1	8
<b>Closing balance</b>	<b>71</b>	<b>53</b>	<b>66</b>

### FUTURE FINANCIAL INFORMATION

- Quarterly report January-June 2015 21 August 2015
- Quarterly report January-September 2015 12 November 2015
- Year-end Report 2015 16 February 2016
- Annual report 2015 April 2016

Förslöv, 13 May 2015

Jesper Göransson  
CEO and President

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

## Quarterly data Group

	Jan-Mar 2015	Oct-Dec 2014	Jul-Sep 2014	Apr-Jun 2014	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013
<b>MSEK</b>									
Net sales	8,876	12,213	10,811	11,604	9,002	12,926	10,522	10,370	9,309
Production costs	-8,203	-11,046	-9,756	-10,544	-8,341	-11,765	-9,635	-10,290	-8,638
<b>Gross profit</b>	<b>673</b>	<b>1,167</b>	<b>1,055</b>	<b>1,060</b>	<b>661</b>	<b>1,161</b>	<b>887</b>	<b>80</b>	<b>671</b>
Sales and administrative expenses	-547	-637	-453	-616	-537	-663	-424	-643	-575
Profit from participation in joint ventures/associated companies	-1	-54	7	11	-6	3	9	9	-9
Other operating income	30	29	15	57	12	69	21	14	24
Other operating costs	-15	-6	-1	-7	-5	-7	-6	-5	-2
<b>Operating profit</b>	<b>140</b>	<b>499</b>	<b>623</b>	<b>505</b>	<b>125</b>	<b>563</b>	<b>487</b>	<b>-545</b>	<b>109</b>
Net financial items	-34	-348	-37	-83	-54	-88	-58	-59	-26
<b>Pre-tax profit</b>	<b>106</b>	<b>151</b>	<b>586</b>	<b>422</b>	<b>71</b>	<b>475</b>	<b>429</b>	<b>-604</b>	<b>83</b>
Tax	-18	15	-114	-88	-16	-105	-90	127	-17
<b>Profit for the period</b>	<b>88</b>	<b>166</b>	<b>472</b>	<b>334</b>	<b>55</b>	<b>370</b>	<b>339</b>	<b>-477</b>	<b>66</b>
<b>Profit for the period, attributable to:</b>									
Shareholders in parent company	88	166	472	334	55	370	339	-477	66
Non-controlling interests	0	-	-	-	-	0	0	0	0
<b>Profit for the period</b>	<b>88</b>	<b>166</b>	<b>472</b>	<b>334</b>	<b>55</b>	<b>370</b>	<b>339</b>	<b>-477</b>	<b>66</b>
<b>Key ratios</b>									
Earnings per share, SEK	0.30	0.56	1.60	1.13	0.19	1.25	1.15	-1.62	0.22
Average number of outstanding shares, million	295.0	295.0	295.0	295.0	295.0	295.0	295.0	295.0	295.0

## Business areas

	Jan-Mar 2015	Oct-Dec 2014	Jul-Sep 2014	Apr-Jun 2014	Jan-Mar 2014	Oct-Dec 2013	Jul-Sep 2013	Apr-Jun 2013	Jan-Mar 2013
<b>MSEK</b>									
<b>Net sales</b>									
Construction	5,683	6,832	5,262	6,865	5,515	6,165	5,311	5,957	5,676
Civil Engineering	2,110	2,905	2,555	2,525	1,973	3,142	2,939	2,709	2,382
Industry	1,845	2,865	3,205	2,888	1,872	2,871	3,086	2,694	1,696
Project Development	1,416	2,024	2,027	1,981	1,798	2,162	1,368	1,196	1,027
- of which Property Development	77	172	895	233	107	313	87	103	105
- of which Housing Development	1,339	1,852	1,132	1,748	1,691	1,849	1,281	1,093	922
Group functions	202	265	188	190	180	138	94	94	93
Eliminations	-2,255	-2,733	-2,460	-2,758	-2,144	-1,877	-2,171	-2,325	-1,662
<b>Operative <sup>1)</sup></b>	<b>9,001</b>	<b>12,158</b>	<b>10,777</b>	<b>11,691</b>	<b>9,194</b>	<b>12,601</b>	<b>10,627</b>	<b>10,325</b>	<b>9,212</b>
Adjustment for housing reporting <sup>2)</sup>	-125	55	34	-87	-192	325	-105	45	97
<b>Legal</b>	<b>8,876</b>	<b>12,213</b>	<b>10,811</b>	<b>11,604</b>	<b>9,002</b>	<b>12,926</b>	<b>10,522</b>	<b>10,370</b>	<b>9,309</b>
<b>Operating profit</b>									
Construction	120	147	128	162	115	100	66	-807	102
Civil Engineering	32	104	90	115	22	113	102	125	31
Industry	2	161	313	196	1	226	305	177	-27
Project Development	47	112	121	50	59	153	61	26	7
- of which Property Development	-11	11	67	-46	-20	51	-14	-21	-14
- of which Housing Development	58	101	54	96	79	102	75	47	21
Group functions	-14	-12	-13	-23	-23	-26	-19	-58	-50
Eliminations	-16	-21	-4	2	-19	-9	-1	-11	7
<b>Operative <sup>1)</sup></b>	<b>171</b>	<b>491</b>	<b>635</b>	<b>502</b>	<b>155</b>	<b>557</b>	<b>514</b>	<b>-548</b>	<b>70</b>
Adjustment for housing reporting <sup>2)</sup>	-31	8	-12	3	-30	6	-27	3	39
<b>Legal</b>	<b>140</b>	<b>499</b>	<b>623</b>	<b>505</b>	<b>125</b>	<b>563</b>	<b>487</b>	<b>-545</b>	<b>109</b>
<b>Order situation</b>									
Orders received	9,559	7,458	7,564	7,591	9,077	7,345	8,158	9,941	8,848
Order backlog at the end of the period	26,750	24,922	27,547	27,499	29,475	28,164	30,515	30,591	28,815

<sup>1)</sup> According to the percentage of completion method (IAS 11)

<sup>2)</sup> 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 43 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.