

# Press release

19 November 2007 – 15.16 pm

## Established terms for Peab convertibles

The terms and conditions for Peab Convertibles 2007/2012 have now been established.

- 8 800 000 new convertibles
- SEK 68 conversion price

At Peab's annual general meeting on May 16, 2007 it was resolved to approve the proposal by the board of directors for Peab AB to issue a convertible debenture loan for a total nominal value of SEK 600 million, which can be converted to shares in the B series, through the issue of 12 000 000 convertibles, with a maturity date from December 1, 2007 to November 30, 2012 (Peab Convertibles 2007/2012).

The right to subscribe to convertibles, with a departure from the preferential rights of shareholders, devolves on a wholly-owned subsidiary to Peab AB, with the right and obligation of the subsidiary to offer employees in the Peab AB Group and Peab Industri AB Group the opportunity to acquire the convertibles as of November 26, 2007 to December 12, 2007.

Each convertible may during the period December 1-15, 2010 to December 1-15, 2011, as well as during the period September 16-30, 2012, be converted to a share in the B series. Conversion may be made at a rate corresponding to 125 per cent of the listed average current price during the period from November 1 to November 14, 2007 for shares in the B series on the official price list of the OMX Nordic Exchange in Stockholm.

The conversion price has now been established as SEK 68, with an issue of Peab Convertibles 2007/2012 to an amount of SEK 598 400 000, corresponding to 8 800 000 new convertibles. If all the convertibles are converted to shares the dilution will be 5.05 per cent of the share capital and 2.51 per cent of the votes, based on the number of shares registered today. The convertible interest, which will be finally determined on December 1, will be based on the 5-year swap interest as of December 1, 2007, with a margin of 0.75 per cent.

*"We are now once again offering our employees the opportunity to become partners in the company in the long term, which I warmly recommend since I am convinced that a broad ownership among our employees contributes to greater commitment, which in turn reinforces our future prospects both on the market and in terms of results,"* commented Peab's managing director Mats Paulsson.

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Previous press releases from Peab are available at [www.peab.com](http://www.peab.com)

This information is such that Peab AB is obliged to publish in accordance with the Swede Act regarding the Securities Market and/or the Financial Instruments Trading Act or has itself chosen to publish.

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

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