

1 JANUARY – 31 MARCH

2 0 0 1

# Interim report

**Profit after net financial items**

increased to SEK 34 million (-1)

**Net sales** increased by

26 percent to SEK 3 830 million

**Continued good order situation,**

order backlog increased by 27 percent  
to SEK 11 482 million

**Profit for the period** increased  
to SEK 30 million (-9)



## Managing Director's Comments

The positive development that characterised operations last year has continued during the first quarter of 2001. The process of refinement which was substantially completed last year has meant that we can now focus on our building operations in a favourable market situation.

The Group's sales during the first quarter increased by 26 percent. At the same time, profit for the period has improved to SEK 30 million from SEK -9 million. Operating margin in construction operations remains at a high level (4.1%) measured during the past 12-month period despite the strong increase in volume.

Orders received have continued to be good during the first quarter of the year and totalled SEK 4 041 million which led to an increase in order backlog of 27 percent to SEK 11 482 million (9 040).

An increasing proportion of orders received are trust contracts or projects developed in common with the end customer. This type of contract is intended to give the end customers a better overall result the same time that in common with the end customers obtain a solution that is more cost effective. We are continuing to work according to the slogan a satisfied client is a client that comes back with new orders.

In the Industry business sector both volumes and profitability are developing positively. Capacity utilisation permits continued increases in volume and profitability.

We anticipate a continued favourable Swedish construction market. On our foreign markets, we will continue the careful expansion, with the continual requirement that the expansion is to bring financial added value to the Group in accordance with our financial objectives.

A well-structured Peab in a favourable

construction market provides us with good opportunities to further increase profitability which will benefit both employees and owners.



Mats Paulsson

## The Group

MSEK	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Financial objectives
Net sales	3 830	3 043	16 491	15 704	
Operating profit	51	15	700	664	
Operating margin	1.3%	0.5%	4.2%	4.2%	
Profit after financial items	34	-1	677	642	
Return on capital employed	1.6%	0.9%	20.7%	19.1%	>12%
Return on equity	1.3%	0.0%	27.1%	25.9%	>15%
Profit after actual tax SEK per share	0.40	-0.10	6.50	6.30	
Equity/assets ratio at the end of the period	24.2%	22.3%	24.2%	22.6%	>30%

## First quarter

The Peab Group's profit and cash flow continue to improve. During the first quarter, the order situation has further reinforced and the size of the order backlog was SEK 11 482 million at the end of the period. The strong upswing for construction in the Swedish construction market is reflected in an increase in net sales of 26 percent to SEK 3 830 Million and an improved operating profit to SEK 51 million compared with SEK 15 million for the same period in 2000.

The operating margin in construction operations, consisting of the Construction and Civil Engineering and Industry business sectors amounted to 2.0 percent for the first quarter compared to 1.3 percent for the corresponding period in the previous year. Operating margin for the past 12 months totalled 4.1 percent, which is unchanged compared with the whole year 2000.

Due to seasonal variations, there is typically a lower level of activity and earning capacity in the first quarter than that expected during the other quarters of the year.

## Comments on the Income Statement

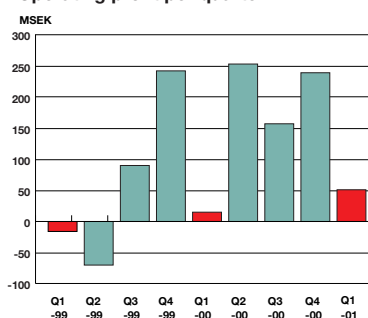
The Group's net sales for the period January-March increased by 26 percent to SEK 3 830 Million (3 043). SEK 200 million of the increase in net sales related to acquired units. Adjusted for

acquired and divested units, sales increased by 22 percent. The increase was 25 percent for comparable units in construction operations, comprising of Construction and Civil Engineering and Industry.

SEK 335 million (344) of the sales for the period related to production that took place outside Sweden, of which production carried out in Norway amounted to SEK 222 million (275) and in Finland to 83 million (43).

Operating profit for the period January-March improved by SEK 36 million to SEK 51 million compared with SEK 15 million for the same period in 2000.

### Operating profit per quarter



Profit after financial items amounted to SEK 34 million compared with SEK -1 million. Net interest items amounted to SEK -15 million (-16).

For the most recent rolling 12-month period, operating profit was SEK 700 million compared with SEK 664 million for the full year 2000.

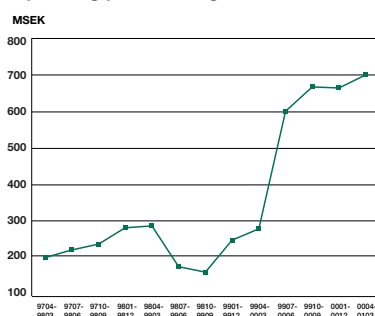
## The construction business

MSEK	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000
Net sales	3 756	2 978	16 225	15 447
Operating profit	75	39	672	636
Operating margin	2.0%	1.3%	4.1%	4.1%

## Condensed income statement

The Group MSEK	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000
Net sales	3 830	3 043	16 491	15 704
Production and management expenses	-3 470	-2 731	-14 798	-14 059
<b>Gross profit</b>	<b>360</b>	<b>312</b>	<b>1 693</b>	<b>1 645</b>
Selling and administrative expenses	-319	-283	-1 168	-1 132
Share of profit before tax of associated companies/joint ventures	10	-14	4	-20
Result from participations in associated companies/joint ventures	-	-	-11	-11
Result from participation in Group companies sold	-	-	-18	-18
Items affecting comparability	-	-	200	200
<b>Operating profit</b>	<b>51</b>	<b>15</b>	<b>700</b>	<b>664</b>
Profit from financial investments	-17	-16	-23	-22
<b>Profit after financial investments</b>	<b>34</b>	<b>-1</b>	<b>677</b>	<b>642</b>
Tax	-6	-7	-192	-193
Minority interests	2	-1	3	0
<b>Profit for the period</b>	<b>30</b>	<b>-9</b>	<b>488</b>	<b>449</b>
Profit after actual tax, SEK/share	0.40	-0.10	6.50	6.30
– after completed subscription and conversion	0.30	-0.10	5.50	5.00
Share price at end of period, SEK	29.80	20.40	29.80	33.50
P/E ratio			4.6	5.3
Number of shares at end of period, million	84.1	69.1	84.1	84.1
– after completed subscription and conversion	87.2	93.4	87.2	87.2
Average number of outstanding shares, million	84.1	69.1	75.2	71.5
– after completed subscription and conversion	87.2	93.4	88.4	90.0

### Operating profit, rolling 12 months



Profit after financial items amounted during the most recent rolling 12-month period to SEK 677 million compared with SEK 642 million for the full year 2000. Share of the profit of associated companies/joint ventures are reported according to the equity method. The share in associated companies'/ joint ventures profit before tax for the period was SEK 10 million (-14). Peab reports shares of profits with a three-month time lag.

## Tax

Tax for the period is estimated at SEK -6 million (-7) of which tax on the result of associated companies/joint ventures amounts to SEK to -3 million (-3).

## Changed accounting principles

This interim report has been prepared in accordance with the Swedish Financial Accounting Standards Council's recommendation RR 20 Interim reports. As from 1 January 2001 the Swedish Financial Accounting Standards Council's recommendations RR 9 Income taxes and RR 10 Contracts and similar commissions have been applied. The comparison figures have been

converted in accordance with these principles.

The application of RR 9 Income taxes means that temporary differences between taxation and accounting are taken into account when reporting tax by these temporary differences being reported in the Balance Sheet as a deferred tax receivable or a deferred tax liability. Changes relating to deferred taxes are reported as a tax expense or tax income in the Income Statement. The tax value of future loss carry forwards is reported as a deferred tax income to the extent that it is probable that the amounts can be set off against future taxable surpluses or deferred tax liabilities.

Since Peab already previously applied successive profit deduction on contracts in progress, recommendation RR10 Contracts and similar assignments only entails the change that the settlement balance that arises as a difference between the recognised project income and the invoiced amount in each contract in progress is reported gross in the Balance Sheet. Previously, the total of contracts in progress has been reported net as either an asset or a liability. Gross reporting entails that total assets increase and the equity/assets ratio falls.

Otherwise, the same accounting and valuation principles have been applied in the interim report as in the most recent annual accounts.

## Effect of changed accounting principles

MSEK	Reported 2000-12-31	Recalculation	Adjusted 2000-12-31
<b>Balance sheet</b>			
Fixed assets	2 253		2 253
Current assets	5 958	853	6 811
<b>Total assets</b>	<b>8 211</b>	<b>853</b>	<b>9 064</b>
Shareholders' equity	2 104	-62	2 042
Minority interests	10		10
Allocations	176	62	238
Long-term liabilities	2 476		2 476
Current liabilities	3 445	853	4 298
<b>Total shareholders' equity and liabilities</b>	<b>8 211</b>	<b>853</b>	<b>9 064</b>
<b>Income statement</b>			
Operating profit	664		664
Result from financial investments	-22		-22
<b>Profit after financial items</b>	<b>642</b>		<b>642</b>
Tax on profit for the year	-218	25	-193
Minority interests	0		0
<b>Net profit for the year</b>	<b>424</b>	<b>25</b>	<b>449</b>

## Condensed balance sheet

The Group MSEK	Mar 31 2001	Mar 31 2000	Dec 31 2000
<b>Assets</b>			
Intangible assets	262	229	265
Tangible fixed assets	1 117	975	1 024
Interest-bearing long-term receivables	327	711	334
Financial fixed assets	697	964	630
Project and development properties	912	211	880
Inventories	197	194	168
Interest-bearing current receivables	693	244	674
Other current receivables	4 412	3 134	4 990
Liquid funds	87	69	99
<b>Total assets</b>	<b>8 704</b>	<b>6 731</b>	<b>9 064</b>
<b>Shareholders' equity and liabilities</b>			
Shareholders' equity	2 094	1 492	2 042
Minority interests	9	7	10
Allocations	85	182	238
Interest-bearing long-term liabilities	2 400	1 878	2 476
Interest-bearing current liabilities	120	144	162
Other current liabilities	3 996	3 028	4 136
<b>Total shareholders' equity and liabilities</b>	<b>8 704</b>	<b>6 731</b>	<b>9 064</b>
Capital employed	4 623	3 521	4 690
Return on capital employed	1.6%	0.9%	19.1%
Return on equity	1.3%	0.0%	25.9%
Share of risk-bearing capital	24.7%	28.0%	23.2%
Equity/assets ratio	24.2%	22.3%	22.6%
Net borrowing	1 413	998	1 531
Adjusted equity, SEK per share	25.00	21.70	24.40
– after completed subscription and conversion	24.90	21.00	24.30

## Change in shareholders' equity

MSEK	Share capital	Restricted reserves	Unrestricted reserves	Total share- holders' equity
Closing balance Dec 31, 1999	692	302	520	1 514
Exchange rate differences			2	2
Buy-back of outstanding warrants			-37	-37
Transfer between restricted and unrestricted equity		41	-41	0
Net profit for the year			424	424
Dividend			-55	-55
New issue	150	106		256
<b>Closing balance Dec 31, 2000</b>	<b>842</b>	<b>449</b>	<b>813</b>	<b>2 104</b>
Effect of changed accounting principles			-62	-62
<b>Adjusted opening balance Jan 1, 2001</b>	<b>842</b>	<b>449</b>	<b>751</b>	<b>2 042</b>
Exchange rate differences			22	22
Transfer between restricted and unrestricted equity		18	-18	0
Net profit for the period			30	30
<b>Closing balance March 31, 2001</b>	<b>842</b>	<b>467</b>	<b>785</b>	<b>2 094</b>

## Comments on the Balance Sheet

Net borrowing totalled SEK 1 413 million compared with SEK 1 531 million at the year-end 2000. Average interest in the loan portfolio amounted to 5.2 percent compared with 5.3 percent at the year-end 2000.

The Group's disposable liquid funds were SEK 1 201 million at the end of the period compared with SEK 895 million at the year-end 2000.

The equity/assets ratio amounted to 24.2 percent compared with 22.3 percent at the same time the previous year. Peab's long-term objective is for the equity/assets ratio to be over 30 percent. The risk-bearing capital amounted to SEK 2 152 million compared with SEK 1 887 million for the corresponding period the previous year, which was equivalent to 24.7 percent (28.0) of total assets.

The Group's contingent liabilities have increased by SEK 353 million to SEK 1 209 million during the period January-March. The increase is primarily due to the start of the tenant-owner associations.

## Return

The return on capital employed for the past rolling 12-month period amounted to 20.7 percent compared with 19.1 percent for the full year 2000. Our objective is for the return on capital employed to amount to at least 12 percent.

For the past rolling 12-month period, return on capital amounted to 27.1 percent compared with 25.9 percent for the full year 2000. Our objective is for return on shareholders' equity to amount to at least 15 percent.

## Condensed cash flow statement

The Group MSEK	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000
Cash flow from current operations	445	-130	525	-50
Cash flow from investment operations	-235	256	-30	461
<b>Cash flow before financing</b>	<b>210</b>	<b>126</b>	<b>495</b>	<b>411</b>
Cash flow from financing operations	-223	-153	-481	-411
<b>Cash flow for the period</b>	<b>-13</b>	<b>-27</b>	<b>14</b>	<b>0</b>
Liquid funds at the start of the period	99	99	69	99
Exchange rate differences in liquid funds	1	-3	4	0
<b>Liquid funds at the end of the period</b>	<b>87</b>	<b>69</b>	<b>87</b>	<b>99</b>

## Cash flow

Cash flow before financing amounted to SEK 495 million for the latest rolling 12-month period compared with SEK 411 million for the whole year 2000. The improvement is due to increased profitability and reduction of operating liabilities. According to Peab's financial objectives, the cash flow before financing is to be positive and increasing.

## The Peab share

Peab's B share is listed on OM Stockholm Exchange's O list. The Peab share's share price was SEK 34 on 9 May 2000, which is an increase by 2 percent since 1 January. The Swedish stock exchange, measured by Affärsvärlden's general index, fell during the corresponding period by 11 percent. During the report period, the Peab share's highest price was SEK 34.90 and its lowest SEK 27.90.

## Investments

Net investments of fixed assets amounted during the first quarter to SEK 154 million (net divestment 243) of which shares and participations were net invested for SEK 4 million (net divestment 225). During this period, properties for resale were acquired for SEK 32 million (28) net.

## Personnel

The number of employees at the end of the period was 9 888 compared with 8 736 the previous year. This increase was primarily due to acquisitions carried out in Swedish Construction and Civil Engineering operations.

## Important events during the period covered by the report

Peab has acquired the asphalt company KPK Entreprenader AB with sales of SEK 70 million. KPK Entreprenader

operates in the Stockholm region with asphalt surfacing and restoration of road surfaces and pavements after excavation work. The company has 55 employees. This acquisition gives Peab increased sales in the asphalt sector in the Stockholm region.

## Future prospects

The beginning of 2001 has seen signs of reduced growth in the Swedish economy and a generally uncertain surrounding world. The relatively strong Swedish construction market combined with the continued high level of orders received and improved profitability in our construction business reinforces our earlier assessment that profit after financial items excluding items affecting comparability for 2001 is expected to exceed the corresponding result for 2000, which amounted to SEK 442 million.

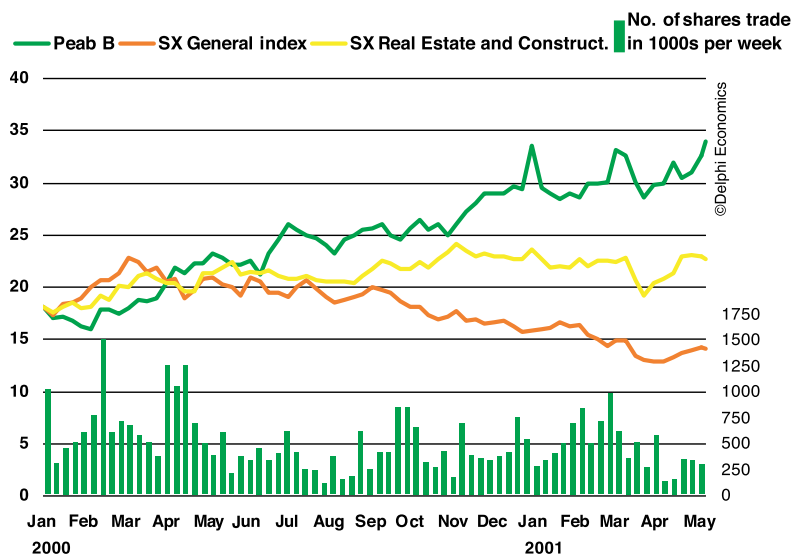
## Future information

The interim report for the first six months of 2001 will be published on 29 August, the interim report for the first nine months on 14 November and the year-end report on 8 February 2002.

Förlöv, 10 May 2001

Mats Paulsson  
Managing Director

The information in this interim report has not been subject to closer inspection by the company's auditors.





## Reporting of Peab's business sectors

Peab's different operations take place in four business sectors: Construction and Civil Engineering, Industry, Trust/Management and Operations under Termination.

MSEK	Sales				Operating profit				Profit after financial items			
	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000
Construction and Civil Engineering	3 461	2 709	14 383	13 631	48	25	395	372	52	24	403	375
Industry	504	448	2 827	2 771	27	14	277	264	21	7	250	236
Trust/management	87	11	311	235	-24	-13	79	90	-39	-19	84	104
Operations under Termination	0	65	0	65	0	-11	-51	-62	0	-13	-60	-73
Eliminations	-222	-190	-1 030	-998								
<b>Total</b>	<b>3 830</b>	<b>3 043</b>	<b>16 491</b>	<b>15 704</b>	<b>51</b>	<b>15</b>	<b>700</b>	<b>664</b>	<b>34</b>	<b>-1</b>	<b>677</b>	<b>642</b>
Capital employed	4 623	3 521	4 623	4 690								
Return on capital employed, percent	1.6%	0.9%	20.7%	19.1%								

### Peab's markets

#### Sweden

The growth rate in the Swedish economy has slowed down and according to the Government's Spring Fiscal Policy Bill, GDP is expected to increase by 2.7 percent this year and 2.6 percent in 2002. This is a substantial downward revision compared with the budget forecasts in the autumn but is still a good development viewed in a historical perspective. There is still a great need for construction investments and an increase of 7 percent is expected in 2001 and 2002.

*Housing:* Despite the slackening of growth in the economy, development of household purchasing power appears positive due to increased employment and disposable income. The improved purchasing power of households together with low interest rates contributes to increasing demand for housing. During 2001 construction of approximately 22 000 new housing units will start, an increase of 4 000 units compared with 2000. However, the levels are still low and there is a housing shortage in 91 of Sweden's municipalities where 45 percent of the Swedish population lives.

*Other buildings:* Other private building has increased greatly in recent years although the dampening of the Swedish economy probably means that this development will culminate this year. The large inward migration main-

ly to the big cities creates continued high demand for new office and commercial space, however. Other construction by the public sector (schools, hospitals, etc.) is dependent on public finances and has declined continuously since 1995. Apace with the stabilisation and improvement of the Swedish economy, there are prerequisites for an increased investment volume, primarily in local government facilities with neglected maintenance.

*Industrial construction:* Construction by industry substantially complies with development of capacity use and production changes in industry. The cyclical slackening in industry is expected to slow down new investments in industry. At present, an increase of industrial construction by 5 percent is expected this year and an unchanged level in 2002.

*Plant:* Plant construction is divided up into private and public construction. The forecasts for private plant construction are high, corresponding to an 11 percent increase in 2001 and 22 percent in 2002, and are based on the additional construction due to the expansion of the UMTS networks. Construction of public plant continues to decline slightly in 2001 to turn upwards in 2002. The Government states in the Spring Fiscal Policy Bill that there is a need for an increase in the level of ambition in the sphere of the infrastructure. The National Road Administration has calculated that

investment requirements due to neglected road maintenance amount to approximately SEK 13 billion.

#### Norway

Housing construction increased during 2000 by 20 percent to approximately 25 000 new housing units. In 2001 a small reduction in housing construction is expected to return to the level of around 25 000 housing units in 2002-2003. Plant construction has reduced in the past five years in Norway but is expected to increase in 2002 due to political infrastructural initiatives and private telecommunications investments.

#### Finland

The Finnish economy is at present strong, partly due to the export industry improving more and more. Construction investments are still on a high level, especially in the Helsinki area but also in Åbo, Tampere and Uleåborg. Some slackening in the business-cycle is to be expected.

#### Poland

Despite the extensive infrastructural investments, there is still a need for housing, commercial premises and infrastructure in Poland. Demand is expected to remain high in coming years.

## Peab's business sectors

### Construction and Civil Engineering

The Construction and Civil Engineering business sector continues to display a positive development with full capacity use and employment at the beginning of 2001. We are experiencing a relatively strong upswing in the construction industry in the form of high demand for housing although tendencies are apparent of a slackening of the need for new commercial premises. Net sales increased by 28 percent to SEK 3 461 Million. This increase has been accompanied by increased margins.

Operating profit improved to SEK 48 million compared with SEK 25 million the previous year. The improvement in income in the Swedish operations mainly depends on an increasing proportion of trust contracts, our successful construction concept where we are involved at an early stage in the project, work together with the client with open project accounting and with a common incentive for cost savings.

The transaction that regulates the agreement between Peab, JM and Wihlborgs on jointly acquiring a large area of land the "Kranen area" in Malmö harbour for development with housing and commercial premises is not included in the result for the first quarter. Property settlement is still in process but the assessment has been made that it is expected that the transaction will take place and produce a

capital gain of SEK 20 million for Peab. Work on increasing the focus on project development has continued in early 2001.

The total holding of project and development properties has increased by 32 SEK million during the first quarter to SEK 912 million. Peab's ambition is to commit around SEK 1 000 million to project and development properties.

Peab's property portfolio as per 31 March included 115 projects with building rights totalling approximately SEK 1.4 million. The major part of these building rights is in the growth regions, Malmö, Gothenburg, Stockholm and Mälardalen and was distributed as follows:

Building rights		
thousand sq.m	2001-03-31	2000-12-31
Housing	766	750
Commercial premises	394	385
Industrial premises	229	210
<b>Total</b>	<b>1 389</b>	<b>1 345</b>
<b>Number of projects</b>	<b>115</b>	<b>106</b>

Order backlog to produce amounted to SEK 11 482 at the end of the period, which is the highest ever for the company, compared with SEK 9 040 million

the same time the previous year, which meant an increase of 27 percent. At the end of 2000, the order backlog amounted to SEK 10 895 million. The order backlog for the current year in relation to net sales on an annual basis amounted to 84 percent (79). The proportion of construction projects in the order backlog was 73 percent (74).

Orders received during the first quarter amounted to SEK 4 041 million (4 598), which continues to be a historically high level.

Construction and civil engineering order backlog to produce and orders received				
MSEK	2001-03-31	2000-03-31	1999-03-31	2000-12-31
Coming financial year	8 164	6 379	5 444	8 398
Next financial year	2 862	2 007	1 458	2 480
Thereafter	456	654	453	17
<b>Total order backlog</b>	<b>11 482</b>	<b>9 040</b>	<b>7 355</b>	<b>10 895</b>
<b>Orders received</b>	<b>4 041</b>	<b>4 598</b>	<b>2 826</b>	<b>17 362</b>

Construction and civil engineering												
MSEK	Sales				Operating profit				Operating margin			
	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000
Sweden	3 165	2 537	13 260	12 632	48	22	369	343	1.5%	0.9%	2.8%	2.7%
Abroad	296	172	1 123	999	0	3	26	29	0.0%	1.7%	2.3%	2.9%
<b>Total</b>	<b>3 461</b>	<b>2 709</b>	<b>14 383</b>	<b>13 631</b>	<b>48</b>	<b>25</b>	<b>395</b>	<b>372</b>	<b>1.4%</b>	<b>0.9%</b>	<b>2.7%</b>	<b>2.7%</b>
Orders received	4 041	4 598	16 805	17 362								
Order stock	11 482	9 040	11 482	10 895								
Capital employed	2 308	707	2 308	2 304								
Return on capital employed	2.7%	4.4%	30.1%	26.6%								
Cashflow <sup>1</sup>	54	31	437	408								
Gross investments	32	36	353	357								
Number of employees	8 276	7 293	8 276	8 157								

<sup>1</sup>Operating profit plus depreciation

## Industry

The Industry business sector is a strategically important part of the Peab Group since the company secures access to concrete, rock/gravel, transport, asphalt, machinery and cranes, etc. for the Construction and Civil Engineering operations. The proportion of external sales is approximately 70 percent and it is aimed to increase that share in future.

Swerock reports continued improvements in its results in the first quarter. The strong upswing in the con-

struction industry has meant a high demand for ready-mixed concrete, in particular in the Stockholm and Mälardal region. Swerock aims to increase the improvement value of the product range. Swerock's carcass system won an important order during the period to supply and erect the carcass system for the 10-storey high office building for Ericsson Mobile Data Design in Gothenburg. The client is the Selmer/Skanska consortium and the contract amount is SEK 74 million.

Peab Asphalt is the company that is most affected by seasonal variations.

The first quarter was marked by low activity which was reflected in the volume and result. The order situation is better than at the corresponding time last year both with regard to volume and the margins of the orders accepted.

Plant and Crane are following the development of the construction market, which means that both these operations are showing increased capacity utilisation. The development of the results is good and the share of external sales is increasing.

Industry												
MSEK	Sales				Operation profit				Operating margin			
	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000	Jan-Mar 2001	Jan-Mar 2000	April-Mar 2000/2001	Jan-Dec 2000
Swerock/Asfalt	356	322	2 283	2 249	-4	-13	176	167	-1.1%	-4.0%	7.7%	7.4%
Plant/Cranes	148	126	544	522	31	27	101	97	20.9%	21.4%	18.6%	18.6%
<b>Total</b>	<b>504</b>	<b>448</b>	<b>2 827</b>	<b>2 771</b>	<b>27</b>	<b>14</b>	<b>277</b>	<b>264</b>	<b>5.4%</b>	<b>3.1%</b>	<b>9.8%</b>	<b>9.5%</b>
Capital employed	1 046	972	1 046	967								
Return on capital employed	2.9%	1.5%	28.6%	27.9%								
Cashflow <sup>1)</sup>	56	42	391	377								
Gross investments	92	47	295	250								
Number of employees	1 237	1 217	1 336	1 316								

<sup>1)</sup> Operating profit plus depreciation

## Trust/Management

Central companies, certain subsidiaries and associated companies, group-related surplus values relating to shares in subsidiaries and other group adjustments are reported under this heading. Operating profit for the period totalled SEK -24 million (-13).

Capital employed totals SEK 1 117 million (889). Lending to Investerings-sällskapet 1999 AB account for SEK 200 million of this, the receivable from SPP SEK 75 million, Maintech SEK 115 million, the share in Birsta SEK 63 million, the share in Skånehus SEK 146 million and lending to Skånehus SEK 142 million.

## Operations under Termination

Refinement of the Group is now largely completed. The remaining capital employed under Termination amounts to SEK 152 million (962) and relates to the 50 percent in Skånehus that Peab intends to divest during 2001.

