



INTERIM REPORT JANUARY–SEPTEMBER 2006

Net sales increased by 18 per cent to SEK 20 971 million (17 727)

Operating profit amounted to SEK 782 million (468)

Profit for the period amounted to SEK 569 million (662)

Profit per share before dilution amounted to SEK 6.69 (7.80)

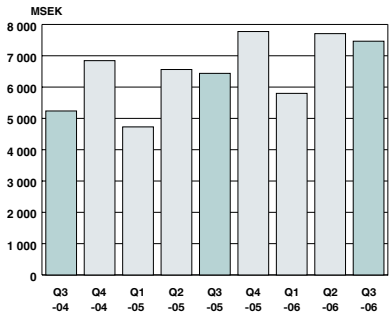
Orders received amounted to SEK 21 539 million (17 364)

Order backlog amounted to SEK 21 852 million (17 862)

PEAB

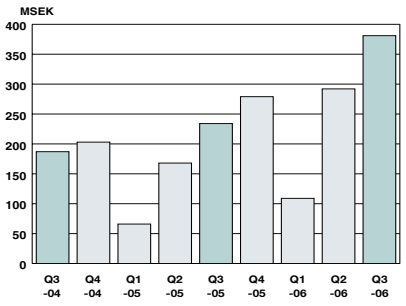
Interim Report January-September 2006

Net sales



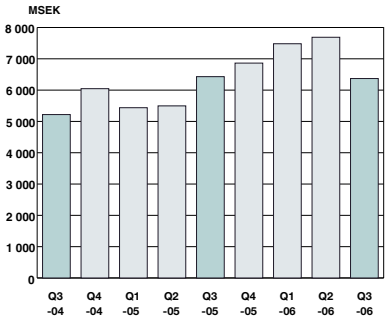
The Group's net sales for the January-September 2006 period amounted to SEK 20 971 million, which was an increase of 18 per cent compared with the corresponding period the previous year. Adjusted for acquired and divested units, the increase in net sales amounted to 13 per cent.

Operating profit



The Group's operating profit for the January-September 2006 period amounted to SEK 782 million, compared to SEK 468 million for the corresponding period the previous year. Operating profit for the latest rolling 12-month period amounted to SEK 1 061 million compared to SEK 747 million for the full year 2005.

Orders received per quarter



Orders received for January-September 2006 period amounted to SEK 21 539 million, compared to SEK 17 364 milion for the corresponding period the previous year. The order backlog amounted to SEK 21 852 million compared with an order backlog of SEK 17 722 million at the end of 2005.

The Group

MSEK	Jan-Sep 2006	Jan-Sep 2005	Oct-Sep 2005/2006	Jan-Dec 2005	Financial objectives
Net sales	20 971	17 727	28 745	25 501	
Operating profit	782	468	1 061	747	
Operating margin	3.7%	2.6%	3.7%	2.9%	
Profit before tax	789	559	1 054	824	
Profit for the period	569	662	762	855	
Return on capital employed	14.2%	11.9%	19.1%	17.1%	>12%
Return on equity	16.4%	23.1%	22.7%	28.7%	>15%
Profit per share before dilution, SEK	6.69	7.80	8.95	10.06	
Equity/assets ratio	22.0%	23.3%	22.0%	24.4%	>25%

New contracts during the third quarter

We took on several major projects during the third quarter, including:

- Peab has been contracted to build a new warehouse for Bergendahls in Hässleholm. The client is Röinge Förvaltning and the contract amounts to SEK 120 million. The work has started and it is estimated to be ready during April 2008.

- Peab has been contracted to carry out the extension of the cooling water system to the new Öresund works in Malmö. The client is E.ON and the contract amounts to SEK 250 million. The plant is estimated to be ready during 2008.

MD´s comments

Demand in the building and construction market remained high during the first nine months of the year. We are noting an upturn in all the segments and markets where we are active, and this applies to orders received, sales and operating profits alike. In the first nine months of the year, sales increased by 18 per cent, whilst operating profit increased by 67 per cent compared with the same period last year. Operating profit was adversely affected to the tune of SEK 75 million by negative results in a company acquired during the period.

The housing market is still strong, and this applies to Sweden, Norway and Finland alike. Markets are particularly good in the regions around the capitals. Higher market interest rates has had no significant effect on housing demand. Nevertheless, a downturn in the rate of increase is to be expected next year as a result of a lack of resources on the part of construction companies and uncertainty about the new government's housing policy.

We have also found that price increases within the building and construction industry for intermediate goods and subcontractors are extremely high in some cases. Above all, this is apparent in the case of materials containing metals or other raw materials such as oil, which taken together with a shortage of manpower is increasing costs.

We are continuing the work of strengthening our appeal as employer, while also setting up the Peab School, a 3-year training course, which is aimed at the many young people who wish to make a career in the building and construction Industry and with Peab.



Constant efforts to develop and improve the company have always been a matter of course at Peab. As part of this work, in October the board of directors decided to propose the AGM 2007 the distribution of the shares in Peab Industri AB to our shareholders. Distribution will improve opportunities for the further development both of Peab's building and construction activities and its industrial activities.

Mats Paulsson
Managing Director

Net sales and profit

The Group's net sales for the January to September period increased by 18 per cent to SEK 20 971 million (17 727). Adjusted for acquired and divested units the increase in net sales amounted to 13 per cent. Of the period´s net sales, SEK 3 059 million (2 765) related to sales and production outside Sweden.

Operating profit for the period January-September amounted to SEK 782 million, compared to SEK 468 million for the corresponding period the previous year. Operating profit for the latest rolling 12-month period amounted to SEK 1 061 million compared with SEK 747 million for the full year 2005. Operating profit was adversely affected to the tune of SEK 75 million by negative results in a company acquired during the period. Peab has submitted a claim to the seller for an equivalent amount. The reduction of AMF's pension premium during the year resulted in a SEK 65 million reduction in costs for Peab's Swedish business with the consequent positive impact on operating profit.

Profit after financial items amounted to SEK 789 million compared to SEK 559 million during January-September period of the previous year. Net financial expense was SEK 7 million (91), of which net interest expense amounted to SEK -54 million (-51). The effect valuing financial instruments at fair value is recognised in net financials by SEK 63 million (142). Holdings of convertible promissory notes in Brinova Fastigheter AB were converted to shares on 28 June 2006. The overall impact on profit from valuing the Brinova holding at fair value amounted to SEK 61 million during the period January-September, and this was recognised in net financials. The share holding is entered at the market price on balance sheet day. During the same period the previous year total profit from the valuation of convertible promissory notes in Brinova amounted to SEK 152 million.

Participation in the profits of joint ventures are booked in accordance with the equity method. The period's share of profits in joint ventures amounted to SEK -7 million (14). Peab recognises results from participations one quarter in arrears.

Tax for the period amounted to SEK -220 million (103), which is equivalent to a tax rate of 28 per cent. Tax during period January-September of 2005 included deferred tax revenue concerning the revaluation of deferred tax receivables to an amount of SEK 211 million. The annual expected tax rate is estimated to amount to approximately 28 per cent, and will for the main part refer to deferred tax expenses as a result of the use of tax loss carry-forwards, the taxable value of which was earlier allocated as deferred tax recoverable.

Profit for the period amounted to SEK 569 million (662).

Financial position

The equity/assets ratio was 22.0 per cent, compared with 23.3 per cent at the same time last year. Net debt amounted to SEK 1 575 million, compared with SEK 2 044 million at the same time last year. The average interest rate on the loan portfolio amounted to 3.6 per cent (3.1).

At the end of the period, the Group's liquid funds including non-exercised credit lines amounted to SEK 4 434 million compared with SEK 4 101 million as at 31 December 2005. Disposable liquid funds include commercial papers issued to a value of SEK 649 million, compared with SEK 494 million on 31 December 2005.

At the end of the period, the Group's contingent liabilities excluding joint and several liability in trading and limited partnerships amounted to SEK 1 559 million compared to SEK 847 million as at 31 December 2005. This amount includes the SEK 167 million charge that the Swedish Competition Authority is demanding that Peab pay in the current asphalt cartel case. The main negotiations started in September 2006 and are planned to finish in February 2007. A judgement of first instance is expected in 2007. Of other contingent liabilities SEK 1 101 million relates to obligations to tenant-owners' cooperatives under construction compared with SEK 478 million at the end of the year 2005.

Investments

Net investments in tangible and intangible fixed assets amounted to SEK 555 million (300) during the period. The net change in shares and participations amounted to SEK 525 million (33), of which the conversion of convertible promissory notes to shares in Brinova Fastigheter AB amounted to SEK 493 million. During the period SEK 379 million (232) net was invested in project- and development properties.

Cash flow

Cash flow before financing for the period January-September amounted to SEK 1 305 million (346). The improvement may above all be attributed to high levels of invoicing in relation to completions and improved profitability from the current operations. Cash flow from changes in operating profits was reduced by SEK 261 million (divestments SEK 41 million) as a result of the acquisition of project- and development properties.

Personnel

At the end of the period, the company employed a staff of 12 647 compared to 11 491 at the same time the previous year.

Comments by business sectors

Construction and Civil Engineering

The Construction and Civil Engineering business sector comprises the Group's resources concerning Construction and Civil Engineering related services. Peab covers the whole of Sweden, while in Norway and Finland its activities are centered in the metropolitan areas.

Net sales in the Construction and Civil Engineering area for the first nine months amounted to SEK 18 297 million compared with SEK 15 484 million the previous year, equivalent to a rise of 18 per cent. The increase stem from Swedish activities and some SEK 725 million may be attributed to aquired companies during the period January-September.

Operating profits amounted to SEK 538 million for the period January-September, compared to SEK 304 million the previous year. Operating profit for the Swedish activities was adversely affected to the tune of SEK 75 million by negative results in a company acquired during the period. Peab has submitted a claim to the seller for an equivalent amount. The reduction of AMF's pension premium during the year resulted in a SEK 55 million reduction in costs with the consequent positive impact on operating profit. During the latest rolling 12-month period the operating margin for Swedish Construction and Civil Engineering activities was 3.6 per cent compared with 3.1 per cent for the full year 2005. Both the Building and Civil Engineering areas in Sweden continues to show increased volumes and widening margins.

Our foreign activities are showing an improved order book and strong demand. Norweigan operations generate a positive operating profit during the period January-September. Finnish operations are running in accordance with the action plans adopted. Foreign activities reported operating profits for the period January-September of SEK -29 million (-65).

Capital employed in Construction and Civil Engineering amounted to SEK 4 554 million (4 188). Return on capital employed for the latest rolling 12-month period was 18.0 per cent, compared to 13.0 per cent for the full year 2005.

Orders received during the first nine months amounted to SEK 21 539 million (17 364), which is an increase of 24 per cent. The order backlog at the end of the period amounted to SEK 21 852 million compared with SEK 17 722 million at the end of the year. This represents an increase of 22 per cent. Of the total order backlog, 69 per cent (68) is expected to be produced after the current year. Construction projects accounted for 75 per cent (75) of the order backlog. Swedish operations accounted for 81 per cent (83) of the backlog.

Order backlog and orders received Construction and Civil Engineering

MSEK	2006-09-30	2005-09-30	2005-12-31
Current financial year	6 694	5 805	13 413
Coming financial year	11 685	9 353	3 534
Thereafter	3 473	2 704	775
Total order backlog	**21 852**	**17 862**	**17 722**
Orders received	**21 539**	**17 364**	**24 227**

Within its contracting operations, Peab is also engaged in internally developed construction of housing, comprising tenant-owner rights and single homes sold directly to the end customer. At the end of the period, 3 956 (2 607) internally developed homes were under construction, 73 per cent (70) of which were sold. As at 30 September the total holding of project- and development properties in Construction and Civil Engineering amounted to SEK 2 163 million (1 831).

Internally developed housing construction

	Jan-Sep 2006	Jan-Sep 2005	Jan-Dec 2005
Number of housing starts during the period	1 827	1 532	2 230
Number of homes sold during the period	1 632	1 251	1 907
Total number of homes under construction	3 956	2 607	2 771
Share of sold homes under construction	73%	70%	69%
Number of repurchased tenant-owner rights in own balance sheet	4	25	16

Industry

The Industry business sector comprises the Group's activities within ready-mixed concrete, concrete production and prefab, rock/gravel, transport, manufacture and laying of asphalt, plant and crane hire and temporary electricity installations.

The net sales in Industry for the first nine months amounted to SEK 3 935 million (3 220), which is an increase of 22 per cent. Operating profit amounted to SEK 344 million (264). All units within the Industry business area enjoyed increased volumes and good profitability. The prospects for the rest of the year appear good with continued good demand. Capital employed in the Industry business sector amounted to SEK 2 327 million (1 938). Return on capital employed for the latest rolling 12-month period was 21.2 per cent, compared to 19.0 per cent for the full year 2005.

Trust/Management

Trust/Management comprises the central companies, certain subsidiaries and joint ventures and other holdings. Operating profit amounted to SEK -100 million (-100). Common Group costs were recognised at a total of SEK -81 million (-82).

The construction market

The Swedish construction market continues to grow and there continue to be good conditions for increased investment in building in the forthcoming years. Despite interest rate rises and manpower shortages, building investment is expected to increase by eight per cent this year and four per cent in 2007.

For the first time in a number of years investment has increased in all segments, thus giving building and construction activities a certain breadth. The housing market is still strong, and this applies to Sweden, Norway and Finland alike. Markets are particularly good in the regions around the capitals. Higher market interest rates has had no significant effect on housing demand. Nevertheless, a slight downturn in the rate of increase is to be expected next year as a result of a lack of resources on the part of construction companies and some uncertainty about the new government's housing policy.

Civil engineering investments are expected to increase by six per cent this year. Several major road construction projects show that road investments are on the rise again after the declines of last year.

Extensive conversion work to both business and office premises has turn the tide of investment in business premises. New investment in office premises has also shown a steep rise, which may be attributed to the major increase in household consumption.

It has been assessed that Swedish industrial investment will increase by ten per cent this year and remain unchanged in 2007.

Acquisitions during the period

Peab has acquired 100 per cent of the shares in Midroc Construction AB. The company operates in southern Sweden and has some 500 employees. In 2005, it had net sales of SEK 1 188 million. The company engages in construction and civil engineering activities.

Peab has acquired 100 per cent of the shares in Almqvist Bygg in Gnosjö. The company has its activities in Småland. The company has about 25 employees and the annual turnover amounts to some SEK 40 million.

Acquisitions after the period

Peab Norge AS has come to an agreement with Björn-Gruppen AS about acquiring all shares in Björn Bygg AS and Ferdigbetong AS. Björn Bygg has about 200 employees and the turnover in 2005 amounted to NOK 356 million. Ferdigbetong had turnover of NOK 26 million in 2005. The acquisition depends on approval by the Norweigan Competition Authority.

Peab has come to an agreement about acquiring all shares in the construction company NBA, Nybyggarna i Nerike. The company has about 200 employees and the turnover during 2005 amounted to SEK 273 million. The acquisition depends on approval by the Swedish Competition Authority.

Important events during the period

Peab has prolonged bilateral loan agreements totalling SEK 3 000 million with seven banks. The extension means that loan agreements signed in September 2004 which were originally to expire in September 2009 will now fall due for payment in February 2013. The loans are not subject to amortization and otherwise terms are unchanged.

Mats Johansson, 56, and Jesper Göransson, 35, have been appointed deputy managing directors in Peab AB. Mats has many years' experience of personnel and organisational issues as an independent consultant, and was employed as director of human resources at Peab in 2006. Jesper, who has now been appointed Treasury Director, was first employed in the company in 1995 and since 1998 has been working as Treasury Manager.

Peab has, in accordance with the conditions of convertible promissory notes 2003/2008, converted to new B-shares in Brinova Fastigheter AB. Conversion has been carried out of all convertible promissory notes 2003/2008, for nominal SEK 253 million, at a price of SEK 51.30 per share. After the conversion Peab holds 4 931 773 B-shares corresponding to 21.82 per cent of the capital and 14.35 per cent of the votes in Brinova Fastigheter AB.

Distribution of industry companies

The Peab board of directors will ask the AGM in May 2007 to pass a resolution accepting a proposed distribution of all the company's industrial activities to the shareholders. Distribution will take the form of shares in a subsidiary to be named Peab Industri AB. The companies which will form Peab Industri are Swerock, S:t Eriks, Skandinaviska Byggelement, Peab Asfalt and Lambertsson, this corresponds to today's Industry business area. Above that will also Peab Grundläggning and Netel be included.

The board of directors proposes issuing A and B-shares in Peab Industri. It is intended to list the B-shares on The Nordic Exchange, at the latest by the third quarter of 2007. Shares will be distributed in accordance with "lex Asea".

Peab Industri and the remaining part of Peab, which means construction and civil engineering, will continuously have Sweden, Norway and Finland as its markets. As a consequence of this distribution there will be increased possibilities on specialisation and development of both companies together with an increased competitiveness. The purpose is to develop the activities with focus on profitability and growth in a continued strong Nordic construction market.

Detailed information will be distributed at the latest by the time of publishing the 2006 year end report on 14 February 2007.

The Peab-share

Peab's B-share is listed on The Nordic Exchange. As at 23 November 2006, the price of the Peab share was SEK 139.50, which is an increase of 37 per cent since the end of the previously year. During the corresponding period, the Swedish stock market increased by 19 per cent according to Affärsvärlden's general index. During 2006, the Peab share was traded at a maximum of SEK 146.00 and a minimum of SEK 93.50.

Holdings of own shares

At the start of 2005, Peab's holding of own shares amounted to 2 093 200 B-shares, corresponding to 2.4 per cent of the total number of shares. The Annual General Meeting decided on 17 May 2006 to authorize the board of Peab to repurchase a maximum of 8 700 000 shares of Peab AB during the period up to the next Annual General Meeting. The board of Peab has with support of this authorization decided to purchase a maximum of 1 000 000 B-shares. The shares may be acquired on The Nordic Exchange at the current exchange prize at the time. During the January-September period, 732 000 B-shares to a value of SEK 85.8 million were repurchased. During the same period, 15 200 B-shares to a value of SEK 1.8 million were divested as part payment for company acquisitions. The holding of own shares on 30 September amounted to 2 810 000 B-shares, equivalent to 3.2 per cent of the total number of shares.

Number of outstanding shares, 30 September 2006	
Number of registrated shares	87 195 944
Holdings of own shares, 31 December 2005	-2 093 200
Number of outstanding shares, 31 December 2005	**85 102 744**
Acquire of own shares during the period	-732 000
Disposal of own shares during the period	15 200
Number of outstanding shares, 30 June 2006	**84 385 944**

Accounting principles

The report for the first nine months 2006 has been drawn up in accordance with the IFRS standards adopted by the EU and the interpretations of current standards adopted by the EU, IFRIC. This report has been prepared in accordance with IAS 34, Interim Financial Reporting and RR 31, Interim reporting for groups.

Convertible promissory notes in Brinova Fastigheter AB have, in the group, until their conversion to shares, been accounted divided into a conversion right and a financial asset. The total value was previously recognised as an interest-bearing long-term receivable. From the first quarter of 2006, the claim part will be recognised as an interest-bearing long-term receivable and the conversion right as a financial fixed asset (non interest-bearing). Comparative figures in the balance sheet for previous periods have been reclassified correspondingly. After the conversion 28 June 2006, the share holding is entered into other financial fixed assets and classified as Financial asset at fair value through the income statement.

In the parent company, from 1 January 2006 onwards, the Swedish Annual Accounts Act rules section 4 paragraph 14 a-e concerning valuation of certain financial instruments at fair value and hedge accounting have been applied. This has resulted in a change in accounting principles. The changes mean that the parent company's holdings of convertible promissory notes in Brinova Fastigheter AB have been valued at their fair value. The corresponding comparative figures for previous years have therefore been recalculated. The effect of the altered accounting principle on the parent company's opening equity for 1 January 2005 meant an increase of SEK 53 million.
The interim report has in other respects been prepared using the same accounting principles and assumptions that were described in the 2005 annual report.

Annual General Meeting

Peabs regular AGM will be held on 16 May 2007 at 3 pm in Grevieparken in Grevie.

Nominating committee

At the annual general meeting held on 17 May 2006, Malte Åkerström (chairman), Leif Franzon, Göran Grosskopf and Fredrik Paulsson were elected as members of the nominating committee.

Shareholders wishing to submit names for Peab's nominating committee can do so to email address valberedning@peab.se or by applying Peab AB, Att. Nominating Committee, 260 92 Förslöv, Sweden. In order to be considered, nominations to the committee should be submitted at the latest by 15 January 2007.

Future financial information

- Year-end Report 2006:
  The date of publication has been changed from 15 February to 14 February 2007
- Annual Report 2006:
  In the beginning of April 2007
- Interim report January-March 2007:
  16 May 2007
- Interim report January-June 2007:
  23 August 2007
- Interim report January-September 2007:
  23 november 2007
- Year-end Report 2007:
  14 February 2008

Förslöv, 24 November 2006

Mats Paulsson
Managing Director

The information in this interim report has not been subject to closer inspection by the company´s auditor

Condensed income statement

The Group MSEK	Jan-Sep 2006	Jan-Sep 2005	Jul-Sep 2006	Jul-Sep 2005	Oct-Sep 2005/2006	Jan-Dec 2005
Net sales	20 971	17 727	7 465	6 438	28 745	25 501
Production costs	-18 974	-16 263	-6 747	-5 966	-26 113	-23 402
Gross profit	**1 997**	**1 464**	**718**	**472**	**2 632**	**2 099**
Selling and administrative expenses	-1 208	-1 013	-339	-251	-1 573	-1 378
Participation in profit of joint ventures	-7	14	2	13	2	23
Result from participations in Group companies sold	0	3	0	0	0	3
Operating profit	**782**	**468**	**381**	**234**	**1 061**	**747**
Net financial income/expense	7	91	5	-58	-7	77
Profit before tax	**789**	**559**	**386**	**176**	**1 054**	**824**
Tax	-220	103	-108	-59	-292	31
Profit for the period	**569**	**662**	**278**	**117**	**762**	**855**
Profit attributable to shareholders' in Parent Company	568	663	278	117	761	856
Profit attributable to minority interest	1	-1	0	0	1	-1
Key ratios						
Profit per share, SEK	6.69	7.80	3.28	1.37	8.95	10.06
– after complete conversion	6.28	7.63	3.08	1.29	8.41	9.74
Average number of outstanding shares, million	84.9	85.0	84.6	85.1	84.9	85.1
– after complete conversion	90.4	86.9	90.1	90.6	90.4	87.9
Return on capital employed					19.1%	17.1%
Return on equity					22.7%	28.7%

Condensed balance sheet

The Group MSEK	30 Sep 2006	30 Sep 2005	31 Dec 2005
Assets			
Intangible assets	428	377	390
Tangible fixed assets	2 265	1 851	2 048
Interest-bearing long-term receivables [1]	113	368	359
Other financial fixed assets [1]	863	479	497
Deferred tax assets	723	943	705
Total fixed assets	**4 392**	**4 018**	**3 999**
Project- and development properties	2 163	1 831	1 784
Inventories	280	223	345
Interest-bearing short-term receivables	175	273	171
Other current receivables	8 293	6 907	7 312
Short-term shareholdings	5	2	1
Liquid funds	837	190	130
Total current assets	**11 753**	**9 426**	**9 743**
Total assets	**16 145**	**13 444**	**13 742**
Shareholders´equity and liabilities			
Shareholders´equity	**3 544**	**3 135**	**3 348**
Interest-bearing long-term liabilities	1 388	1 676	2 176
Other long-term liabilities	147	102	128
Total long-term liabilities	**1 535**	**1 778**	**2 304**
Interest-bearing short-term liabilities	1 317	1 201	595
Other current liabilities	9 749	7 330	7 495
Total current liabilities	**11 066**	**8 531**	**8 090**
Total liabilities	**12 601**	**10 309**	**10 394**
Total shareholders´equity and liabilities	**16 145**	**13 444**	**13 742**
Key ratios			
Capital employed	6 249	6 012	6 119
Equity/assets ratio	22.0%	23.3%	24.4%
Net debt	1 575	2 044	2 110
Adjusted equity per share, SEK	41.99	36.84	39.34
– after complete conversion	39.42	39.68	36.96
Number of outstanding shares at end of period, million	84.4	85.1	85.1
– after complete conversion	89.9	90.6	90.6

[1] Reclassification has been made of the conversion rights concerning convertible promissory notes in Brinova Fastigheter AB in accordance with the description under Accounting principles. Thereby an amount of SEK 220 million as of September 30, 2005 and an amount of SEK 217 million as of December 31, 2005 have been reclassified from Interest-bearing long-term receivables to Other financial fixed assets.

Change in shareholders´equity

The Group MSEK	30 Sep 2006	30 Sep 2005	31 Dec 2005
Shareholders´equity attributable to shareholders´ in Parent Company			
Opening balance shareholders´ equity, 1 January	3 348	2 620	2 620
Changes in translation reserve for the period	-34	36	56
Profit for the period	568	663	856
Cash dividend	-255	-212	-212
Shareholders´ equity convertible debentures		27	27
Deferred tax on temporary differences relating to the loan part of convertible promissory notes		-8	-8
Disposal of own shares	-86		
Aquisition of own shares	2	9	9
Closing balance shareholders´ equity	**3 543**	**3 135**	**3 348**
Shareholders´ equity attributable to minority interest			
Opening balance shareholders´ equity, 1 January	0	33	33
Profit for the period	1	-1	-1
Acquisition minority interest		-32	-32
Closing balance shareholders´ equity	**1**	**0**	**0**
Total closing balance shareholders´ equity	**3 544**	**3 135**	**3 348**

Condensed cash flow statement

The Group MSEK	Jan-Sep 2006	Jan-Sep 2005	Jul-Sep 2006	Jul-Sep 2005	Oct-Sep 2005/2006	Jan-Dec 2005
Cash flow from current operations before working capital changes	1 015	748	467	406	1 557	1 290
Cash flow from changes in working capital	712	176	-10	189	515	-21
Cash flow from current operations	**1 727**	**924**	**457**	**595**	**2 072**	**1 269**
Acquisition of subsidiaries	-166	-307	-44	-35	-272	-413
Disposal of subsidiaries	—	7	—	4	—	7
Acquisition of fixed assets	-313	-300	-139	-104	-379	-366
Sales of fixed assets	57	22	34	7	76	41
Cash flow from investment operations	**-422**	**-578**	**-149**	**-128**	**-575**	**-731**
Cash flow before financing	**1 305**	**346**	**308**	**467**	**1 497**	**538**
Cash flow from financing operations	-598	-242	-225	-407	-848	-492
Cash flow for the period	**707**	**104**	**83**	**60**	**649**	**46**
Cash at the beginning of the period	130	85	753	130	190	85
Exchange rate differences in cash	0	1	1	0	-2	-1
Cash at the end of the period	**837**	**190**	**837**	**190**	**837**	**130**

Net sales and operating profit per business area

	Net sales				Operating profit				Operating margin			
MSEK	Jan-Sep 2006	Jan-Sep 2005	Oct-Sep 2005/2006	Jan-Dec 2005	Jan-Sep 2006	Jan-Sep 2005	Oct-Sep 2005/2006	Jan-Dec 2005	Jan-Sep 2006	Jan-Sep 2005	Oct-Sep 2005/2006	Jan-Dec 2005
Construction and Civil Engineering												
Sweden	15 737	12 880	21 777	18 920	567	369	784	586	3.6%	2.9%	3.6%	3.1%
Abroad	2 560	2 604	3 466	3 510	-29	-65	-52	-88	-1.1%	-2.5%	-1.5%	-2.5%
Total	**18 297**	**15 484**	**25 243**	**22 430**	**538**	**304**	**732**	**498**	**2.9%**	**2.0%**	**2.9%**	**2.2%**
Industry												
Swerock/Asphalt	3 387	2 764	4 493	3 870	211	166	292	247	6.2%	6.0%	6.5%	6.4%
Plant/Cranes	548	456	742	650	133	98	168	133	24.3%	21.5%	22.6%	20.5%
Total	**3 935**	**3 220**	**5 235**	**4 520**	**344**	**264**	**460**	**380**	**8.7%**	**8.2%**	**8.8%**	**8.4%**
Trust/Management	**82**	**72**	**105**	**95**	**-100**	**-100**	**-131**	**-131**				
Elimination	-1 343	-1 049	-1 838	-1 544								
The Group	**20 971**	**17 727**	**28 745**	**25 501**	**782**	**468**	**1 061**	**747**	**3.7%**	**2.6%**	**3.7%**	**2.9%**

Quarterly figures

The Group per quarter

MSEK	Jul-Sep 2006	Apr-Jun 2006	Jan-Mar 2006	Oct-Dec 2005	Jul-Sep 2005	Apr-Jun 2005	Jan-Mar 2005	Oct-Dec 2004	Jul-Sep 2004
Net sales	7 465	7 707	5 799	7 774	6 438	6 561	4 728	6 844	5 237
Production expenses	-6 747	-6 909	-5 318	-7 139	-5 966	-5 990	-4 307	-6 279	-4 759
Gross profit	**718**	**798**	**481**	**635**	**472**	**571**	**421**	**565**	**478**
Selling and administrative expenses	-339	-498	-371	-365	-251	-407	-355	-376	-297
Participations in profit of joint ventures	2	-8	-1	9	13	1	0	2	-2
Result from participations in joint ventures sold	–	–	–	–	–	–	0	12	8
Result from participations in Group companies sold	0	0	0	0	0	3	0	0	0
Operating profit	**381**	**292**	**109**	**279**	**234**	**168**	**66**	**203**	**187**
Net financial income/expense	5	-133	135	-14	-58	169	-20	-1	-8
Profit before tax	**386**	**159**	**244**	**265**	**176**	**337**	**46**	**202**	**179**
Tax	-108	-44	-68	-72	-59	-38	200	-49	-47
Profit for the period	**278**	**115**	**176**	**193**	**117**	**299**	**246**	**153**	**132**
Profit attributable to shareholders´ in Parent Company	278	114	176	193	117	299	247	151	128
Profit attributable to minority interest	0	1	0	0	0	0	-1	2	4
Earnings per share, SEK	3.28	1.34	2.07	2.27	1.37	3.51	2.91	1.78	1.51
– after complete conversion	3.08	1.26	1.94	2.03	1.29	3.51	2.91	1.78	1.51
Average number of outstanding shares, million	84.6	85.0	85.1	85.1	85.1	85.0	85.0	85.0	84.9
– after complete conversion	90.1	90.5	90.6	90.6	90.6	85.2	85.0	85.0	84.9

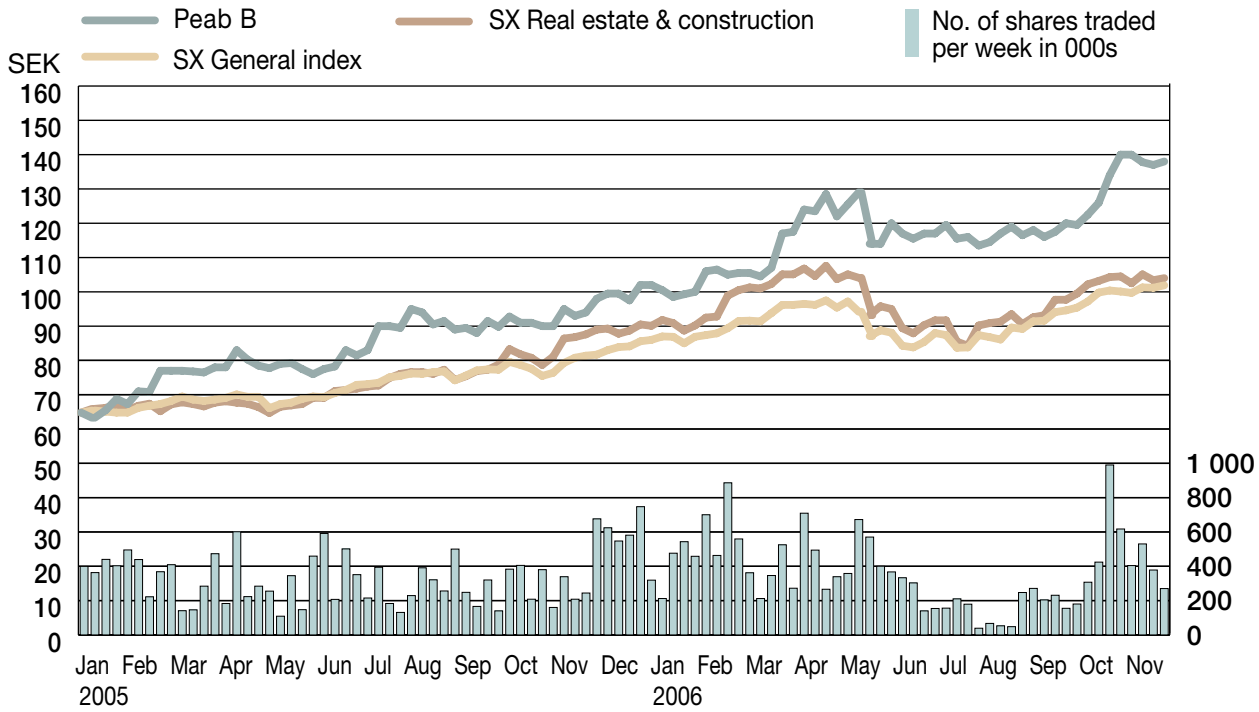
Business area per quarter

MSEK	Jul-Sep 2006	Apr-Jun 2006	Jan-Mar 2006	Oct-Dec 2005	Jul-Sep 2005	Apr-Jun 2005	Jan-Mar 2005	Oct-Dec 2004	Jul-Sep 2004
Net sales									
Construction and Civil Engineering	6 200	6 690	5 407	6 946	5 424	5 655	4 405	6 096	4 310
Industry	1 728	1 494	713	1 300	1 357	1 288	575	1 138	1 275
Trust/Management	30	27	25	23	26	27	19	15	19
Elimination	-493	-504	-346	-495	-369	-409	-271	-405	-367
Total	**7 465**	**7 707**	**5 799**	**7 774**	**6 438**	**6 561**	**4 728**	**6 844**	**5 237**
Operating profit									
Construction and Civil Engineering	196	190	152	194	108	100	96	165	95
Industry	215	143	-14	116	156	110	-2	72	146
Trust/Management	-30	-41	-29	-31	-30	-42	-28	-34	-54
Total	**381**	**292**	**109**	**279**	**234**	**168**	**66**	**203**	**187**
Order situation Construction and Civil Engineering									
Orders received	6 370	7 688	7 481	6 863	6 430	5 496	5 438	6 046	5 219
Order backlog at the end of the period	21 852	21 715	20 714	17 722	17 862	16 793	16 945	15 899	15 956

List of shareholders, 31 October 2006

Shareholders	A-shares	B-shares	Total no of shares	Proportion of capital, %	Proportion of votes, %
Erik Paulsson with family and company	3 487 890	3 699 514	7 187 404	8.2%	22.0%
Mats Paulsson with company	2 787 117	4 855 590	7 642 707	8.8%	18.7%
Mohammed Al-Amoudi with company		18 854 865	18 854 865	21.6%	10.7%
Fredrik Paulsson with family and company	1 201 171	1 612 250	2 813 421	3.2%	7.8%
Stefan Paulsson with family and company	1 201 172	1 596 856	2 798 028	3.2%	7.8%
Svante Paulsson with family and company	491 688	728 880	1 220 568	1.4%	3.2%
Sara Karlsson with family and company	508 040	348 019	856 059	1.0%	3.1%
Karl-Axel Granlund with company		4 025 000	4 025 000	4.6%	2.3%
Robur Funds		1 473 049	1 473 049	1.7%	0.8%
Skandia Life		1 407 600	1 407 600	1.6%	0.8%
Handelsbanken Funds		1 076 923	1 076 923	1.2%	0.6%
Other	128 624	34 806 696	34 935 320	40.2%	20.5%
Number of outstanding shares	**9 805 702**	**74 485 242**	**84 290 944**		
Peab AB		2 905 000	2 905 000	3.3%	1.7%
Number of registered shares	**9 805 702**	**77 390 242**	**87 195 944**	**100.0%**	**100.0%**

Source: VPC





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