

# Press release

20 August 2007, 11.01

## **Peab Industri's Board of Directors has established financial objectives**

Prior to the planned spin-off and listing of Peab Industri AB on the OMX Nordic Exchange, the Board of Directors of Peab Industri AB has established the following financial objectives to apply over a business cycle.

### **Financial objectives**

- Return on capital employed shall exceed 18%
- Operating margin shall exceed 9%
- Organic growth shall exceed growth in the underlying market and be supplemented by acquisitions

Although the Board has not adopted a dividend policy, the aim, taking into consideration future consolidation requirements, is that the company will distribute at least one third of after-tax earnings to the shareholders.

In addition, the Board has established the following vision and business concept.

### **Vision**

Peab Industri will deliver sustainable and profitable growth by endeavouring to be the leading manufacturer of products and provider of services for the Construction and Civil Engineering market in northern Europe.

### **Business concept**

Having committed employees and a local presence will enable Peab Industri to be the most innovative, knowledgeable and reliable manufacturer of products and provider of services for the Construction and Civil Engineering market and thereby the customer's first choice.

### Specialisation of the business

Peab Industri runs operations within three complementary business areas: Machinery, Products and Services, all aimed at the Nordic Construction and Civil Engineering market.

The main part of the group's turnover is currently generated by the Swedish market where the group has national operations with strong local anchorage. Business is also run in Norway and Finland.

The businesses within Peab Industri turned over around SEK 6 billion during 2006 and the number of employees amounted to around 2,000.

### Report structure

Peab Industri's business sectors for its external reporting will be as follows:

- **Machinery**, the Group's resources within machinery, temporary electricity and crane operations. The main activity conducted in this business sector is rental operations, although certain sales of cranes and machinery occur.
- **Products**, the Group's resources within everything from raw materials such as gravel and aggregates to manufactured asphalt and concrete. This business sector also includes more refined products such as concrete elements, paving products and roofing tiles.
- **Services**, the Group's services involving asphalt paving, transport and machinery operations and services within the electricity, power and telecom areas.

### Forthcoming information

Peab Industri will publish the interim report for the period 1 January - 30 June 2007 on 23 August in connection with the release of Peab AB's interim report. Both reports will be available on Peab's websites [www.peab.se](http://www.peab.se) and [www.peab.com](http://www.peab.com). The listing prospectus will be published on 17 September 2007.

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

This is the type of information that Peab AB is obligated to disclose in accordance with the Swedish Securities Exchange and Clearing Operations Act and/or the Financial Instruments Trading Act.

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

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