

Press release

March 27, 2020

Peab's acquisition of YIT's Nordic paving and mineral aggregates business is approved by the EU Commission

Peab has received approval by the EU Commission (phase 1) to finalize the acquisition of YIT's Nordic paving and mineral aggregates business in Finland, Norway, Denmark and Sweden. The acquisition will be finalized on April 1, 2020 and the business will be consolidated into the Peab Group as of that date.

Through the acquisition Peab will expand its presence in Sweden, Norway and Finland and become established in the paving business in Denmark. This gives Peab a unique and market leading position in this business in the Nordic region. The deal will also increase the importance of industrial operations for the Group. Greater geographic proliferation in areas that are normally less sensitive to the business cycle increases stability in the Group. It also provides a platform for further expansion and development in other operations such as Recycling and Concrete.

"We are pleased to have received approval by the EU Commission allowing us to welcome all our new employees in Finland, Norway, Denmark and Sweden into the Peab Group. We look forward to further raising our competence in this important area and we have a great deal to learn from each other. At the same time the acquisition is a significant step in our ambition to strengthen our local presence and develop our work in what we call locally produced community building," says Jesper Göransson, President and CEO of Peab.

Peab is currently a leading player in asphalt manufacturing and paving as well as in mineral aggregates operations in Sweden and Norway. Now Peab is further expanding its operations through the acquisition of YIT's corresponding operations in Sweden, Norway, Finland and Denmark. The acquisition entails taking over some 1,700 employees, around 200 strategically placed quarries along with 63 production asphalt plants in the Nordic region from YIT. The acquired business had net sales of around SEK 6,005 million with an adjusted EBITDA of around SEK 240 million in 2018.

The acquisition was made public on July 4, 2019 and will be finalized on April 1, 2020.

The transaction is a combination of an asset acquisition and a share purchase. The acquisition payment is expected to amount to around three billion Swedish kronor for a debt-free business and is fully financed.

Photo: Mette Ottosson

Caption: Jesper Göransson, President and CEO Peab

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Peab is a leading Nordic construction and civil engineering company with about 14,000 employees and SEK 54 billion in net sales. The Group has strategically placed offices in Sweden, Norway and Finland. Company headquarters are in Förslöv on Bjäre Peninsula in southern Sweden. The Peab share is listed on NASDAQ Stockholm.

