

Press release

March 24, 2020 11:45 a.m.

Peab postpones extra distribution of Real Estate Company and considers proposal for ordinary dividend

Peab's Board has today decided to delay the extra distribution of all the shares in the newly formed Real Estate Company holding Peab's wholly owned, fully developed commercial properties and therefore the proposal will not be presented to the Annual General Meeting in May for adoption. In addition, the Board will use the time until the summons to the Annual General Meeting to consider the proposal for the ordinary dividend.

As a result of the spread of the Coronavirus and its effects on external circumstances and financial markets Peab's Board has decided to withdraw the proposal to the Annual General Meeting concerning an extra distribution of all the shares in the newly formed Real Estate Company holding Peab's wholly owned, fully developed commercial properties. With the uncertain situation in the world this is not the right time to list the company. Peab continues to believe that a distribution of the properties is the solution that will over time provide shareholders with the greatest value. Therefore the operative work of building and structuring the Real Estate Company will continue as planned. The Board intends to summon an extraordinary General Meeting to decide on distribution of the Real Estate Company when the situation has stabilized and conditions are more favorable. The assessed effect on profit communicated in the year-end report will be updated in connection with the future distribution decision based on circumstances at the time.

Regarding the proposal for the ordinary dividend in Peab AB of SEK 4.20 per share the Board will use the time until the summons to the Annual General Meeting must be published, April 8, 2020 at the latest, to monitor developments and consider whether or not the proposed dividend can remain as is or if it needs to change.

"In recent weeks developments in the spread of the Coronavirus has entailed a dramatic change in a short period of time. The effect on Peab has so far been limited but in these uncertain and difficult to predict times the Board has chosen to delay the process of distributing our Real Estate Company. The work to build and structure the Real Estate Company will continue as planned. Regarding the ordinary dividend the Board will use the time until April 8, 2020 to assess the situation as best as possible and then present the final proposal. Peab's financial position is stable but it is of the utmost importance to have the best possible helicopter view when the proposal is presented to the Annual General Meeting," says Jesper Göransson, President and CEO of Peab.

For further information please contact

Jesper Göransson, President and CEO of Peab, is reached through
Juha Hartomaa, IR Manager Peab, cell: +46 725-33 31 45

Peab AB discloses the information provided herein pursuant to the EU Market Abuse Regulation. The information was submitted, through the contact persons above, for publication on March 24, 2020 at 11:45 a.m. CET.

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.