

Skanska's custodial expertise secures £100 million project

Skanska has today been awarded a £100 million contract by BWP Project Services an investment vehicle 100% managed by Barclays Infrastructure Funds Management Limited, for the design and construction of a new Category B local prison at Belmarsh West in South East London, which will be operated by Serco. Ultimate client for the scheme is the Ministry of Justice.

Skanska and Serco have a long and successful history of working together. Most recently, Skanska was appointed by Serco to construct 260-cell expansions at both HMP Lowdham Grange in Nottinghamshire and HMP Dovegate in Staffordshire both of which were originally built by Skanska in 1997 and 2001 respectively.

Under this latest contract, Skanska, working with Serco, will undertake the design and construction of a new prison at Belmarsh West with a target of achieving a BREEAM rating of Excellent. The new prison will be centred around a 600-cell four-storey house block as well as associated buildings to provide education, rehabilitation, training, hospital, sports, healthcare, worship, kitchens, recycling, storage, visits, administration works, horticulture and security. Using its in-house skills, Skanska will also undertake the piling works, the structural and civil design as well as the installation of mechanical and electrical services.

Skanska's professional team for this project is lead by our architects and long-term design partners on custodial projects Capita Symonds.

Enabling works have begun with main construction scheduled to begin next month and completion set during the first half of 2012.

Commenting on the award, **Paul Chandler**, Executive Vice President of Skanska UK said: "This award reinforces Skanska's commitment to the custodial sector where we have been successfully operating for over 15 years. I am also pleased that we will be once again working with Serco with whom we have developed a strong working relationship through the successful delivery of similar schemes".

Ends

Notes to Editors:

Skanska UK is a construction services business with operations in building, civil engineering, utilities and infrastructure services, piling and ground engineering, design, mechanical and electrical, hard and soft FM, PFI/PPP, ceilings and decorative plasterwork, steel decking and Communities, which delivers ModernaHus, Skanska's low energy MMC residential solution.

Our business model is to integrate our core disciplines to deliver project solutions across our chosen market areas. By integrating all disciplines and working together with our clients, our partners and our supply chain, we make a real difference to the way construction is delivered.

Backed by the financial strength of our parent, Skanska AB, we focus totally on our customers in the UK, understanding their needs. We combine this with a "can-do" mindset to get it right first time. By continually improving the service we offer and delivering on safety, environment, quality and performance – our clients

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see us as the first choice of partner. Our ability to demonstrate real responsibility to the people, organisations and environments in which we work attracts the next generation of talent who want to make a real difference.

We employ around 5000 staff and undertake over £1.5 billion of work each year. All operating units have certification to the management systems ISO 14001, ISO 9001 and OHSAS 18001 and work strictly in accordance with the Skanska Code of Conduct.

Skanska UK is part of Skanska, Skanska is one of the world's leading project development and construction groups with expertise in construction, development of commercial and residential projects and public-private partnerships. The Group currently has 55,000 employees in selected home markets in Europe, in the US and Latin America. Headquartered in Stockholm, Sweden and listed on the Stockholm Stock Exchange, Skanska's sales in 2009 totalled £11.4 billion.