

SK / AP PARTNERSHIP ALLIANCE PRESS RELEASE**Embargoed until 4th March 2011****Skanska and Arup form a partnership to address major market for sustainable property upgrades**

Skanska and Arup are today announcing a strategic partnership with the potential to revolutionise the commercial property market. The firms are providing clients with a jointly-delivered green retrofit and refurbishment process. As a result, this market, worth in excess of £10bn per year in the UK, is set to undergo a much needed transformation.

Mike Putnam, President and CEO Skanska UK says, “The property market is changing. Tougher climate-change laws, new ways of working, and demands from investors and tenants are transforming the way we think about building performance and value. These changes are forcing the industry to evaluate property assets in ways that consider their long-term value and their role in achieving corporate goals.”

David Glover, Arup’s global property market leader says, “It can be virtually impossible for portfolio holders to identify which retrofit and refurbishment initiatives have the most impact on an individual property’s market value. Short-term cosmetic upgrades may have an immediate effect, but in today’s market businesses need to make investments that bring value both today and tomorrow.

“This partnership bridges the gap between sustainability and value, allowing portfolio holders to make forward-looking changes that meet the requirements of new legislation, improve performance, reduce risks, and that satisfy the sustainability criteria of tenants, owners and investors.”

Through the partnership Arup and Skanska are integrating architectural, engineering, and financial risk analysis. Focusing on clients and their business models, the collaboration allows them to:

- Assess a portfolio of buildings or individual property: identifying how value can be enhanced through targeted physical interventions, how value for money and

return on assets can be improved and the appropriate strategy for a building or portfolio, based on the client's business goals and needs

- Provide design and construction expertise, managing this process seamlessly
- Continue to work with clients to provide managed service options and monitoring, allowing them to take advantage of the full potential and cost effectiveness of the building.

Leading this partnership on behalf of Skanska is Director of Green Business, Craig Sparrow who comments, "We believe that it is right that we contribute to a low carbon economy and that early adopters in this space will be market leaders in the real estate sector. By joining forces with Arup we aim to offer the first commercially viable, full service green refurbishment and retrofit process in the UK. Our mission is to put buildings on 'The Journey to Deep Green™' – a place where ultimately the value of assets are future-proofed¹."

The partnership has already led to plans for several showcase pilot refurbishment projects, which will commence work later this year. These redevelopments will be focused around improving the property's energy, carbon and water efficiency; they will be exemplars for the next generation of green refurbishment.

Ends

Notes to editor

Skanska and Arup will be exhibiting together at MIPIM in the London Pavilion and a Skanska spokesperson will be available for interviews regarding this partnership during the show. For interview requests please contact Magdalen or Emma at APCO Worldwide

For further information please contact:

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¹ 'The Journey to Deep Green' is a Skanska trade mark for the journey to future-proofing assets and facilities by improving their energy efficiency, carbon footprint, materials use and water efficiency.

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About 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. In the UK, we employ approximately 4,600 staff and undertake around £1.3 billion worth of work each year. We carry out all aspects of the construction, development and infrastructure process - from financing projects, through design and construction right through to facilities management, operation and maintenance.

Since increasing our presence in the UK in 2000, we have developed a successful construction business, involved in some of the country's most prestigious major projects in both the Private and Public Sectors. Most recently these have included, 30 St Mary Axe (the Gherkin) in London and Heron Tower - named the tallest new building in the City. It has also been responsible for the redevelopment of Barts & The London Hospitals, as well as the M25 Design Build Finance and Operate scheme, being undertaken in Joint Venture. Whilst known mainly in the UK for large high-profile schemes, Skanska also undertakes a number of smaller projects.

Skanska has become a UK leader in Private Finance Initiative or Public Private Partnership schemes covering healthcare, education, defence, transportation and street lighting.

In December 2010, we announced our intention to establish a Residential Development Business in the UK. This decision followed a comprehensive review of the UK market, which identified a high-volume, long term need for high-quality residential properties in the UK. This, coupled with the extensive environmental requirements placed on new UK homes fits perfectly with Skanska's knowledge and experience.

Our commitment to contribute to a more sustainable world is resolute. We were recently named the UK's leading Green Contractor in the Sunday Times 2010 Best Green Companies Awards and achieved 2nd place across all industries. We seek to use our position to influence both our clients as well as our supply chain to make more sustainable decisions, taking a longer-term view over the infrastructure we develop.

Our focus is on creating sustainable solutions and we aim to be leaders in green construction, health and safety and business ethics.

About Arup

Arup is the creative force behind many of the world's prominent building, infrastructure and industrial projects. We offer a broad range of professional services that combine to make a positive difference to our clients and the communities in which we work.

We are truly global. From 90 offices in 35 countries our 10000 planners, designers, engineers and consultants deliver work across the world with flair and enthusiasm.

Founded in 1946 with an enduring set of values, our unique trust ownership fosters a distinctive culture, an intellectual independence and encourages truly collaborative working.

This is reflected in everything we do, allowing us to contribute meaningful ideas, help shape agendas, and deliver results that frequently surpass the expectations of our clients. We passionately strive to find a better way, to imagine and shape ideas and to deliver better solutions for our clients. We shape a better world.