

Skanska secures first UK residential development site

Skanska today announces it has exchanged contracts to purchase its first UK residential development site. This news follows the announcement in December that it was to establish a Residential Development business in the UK.

The site, which extends to around 6.5 acres, is situated in Cambridge, and forms part of Countryside Properties' Great Kneighton development. It has outline planning permission for 128 properties including both houses and apartments.

In the next stage, Skanska will submit details to obtain detailed planning permission for its new homes, which will be delivered based on sound sustainable principles, developed to Level 4 of the Code for Sustainable Homes. It is anticipated that the detailed planning process will be concluded during the first half of 2011 with construction planned to start later this year.

Commenting, **Magnus Andersson**, President of Skanska Residential Development UK said, "I am delighted we have secured our first land deal for residential development. Cambridge is a very vibrant market and Great Kneighton is in an excellent location close to the M11. This marks the start of an exciting new journey for Skanska in the UK."

Richard Cherry, Deputy Chairman of Countryside Properties commented, "We are delighted to be working with Skanska on their first residential project in the UK. We share a similar vision which will be realised at Great Kneighton that will ultimately comprise 2,550 new homes and a wide range of community facilities."

Ends

Notes to Editors:

About Great Kneighton:

Great Kneighton is located immediately to the east of Trumpington, on the southern edge of the city of Cambridge. Great Kneighton will be a mixed-use scheme including 2,550 new homes, with community, retail, healthcare, education facilities including a site for a new primary and secondary school, access to 120 acres of parkland, and new and improved transport connections including an extensive footpath/cycleway network.

About Skanska:

Skanska has been a leader in the Residential Development sector in the Nordic countries for a number of years. In December 2010, the company announced its 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.

Since 2000, Skanska has developed a successful construction business in the UK, involved in some of the country's most prestigious major projects in both the Private and Public Sectors. Whilst known mainly in the UK for our large high-profile schemes, we also undertake a number of smaller projects including public realm improvements, hard and soft landscaping as well as hundreds of utilities projects each year covering gas, electricity and water.

By combining the skills and experience of our construction operations and those of our Infrastructure Development Business Unit, we have also become a UK leader in Private Finance Initiative or Public Private Partnership schemes covering healthcare, education, defence, transportation and street lighting.

Our focus is on creating sustainable solutions and we aim to be leaders in green construction, health and safety and business ethics. We work strictly in accordance with the Skanska Code of Conduct and to our five zeros, which reflect our core values: Zero loss-making projects, Zero accidents, Zero environmental incidents, Zero ethical breaches and Zero defects.

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 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.

In the UK, we employ approximately 5,000 staff and undertake around £1.5 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. 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.

For further information please contact:

Tanya Barnes,
Head of Communications
Tel. +44 1923 423 905

This and other press releases can be found at www.skanska.co.uk