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**Skanska chosen to develop hospital in Walsall
– Skanska to invest approximately GBP 6 M, SEK 81 M.
Design and build contract expected to amount to GBP 170 M,
SEK 2.3 billion**

Skanska and Innisfree have been selected preferred-bidder to develop Manor Hospital in Walsall for the Walsall Hospitals NHS Trust. The Skanska consortium will be responsible for design, construction, financing and operation of the hospital facilities for a period of 33 years, calculated from the completion date.

Skanska Infrastructure Development and Innisfree are responsible for the development and management of the project. Skanska's investment amounts to GBP 6 M, or approximately SEK 81 M. The value of the design-build contract, to be executed by Skanska UK, is expected to amount to approximately GBP 170 M, or about SEK 2.3 billion.

In the next phase negotiations will be concluded and financing for the project arranged. Thereafter, the construction contract will be signed and included in Skanska UK's order bookings.

Skanska Infrastructure Development is a leader in the global Public Private Partnerships (PPP) market. The business unit invests in, develops and operates roads, hospitals, schools, power plants and other social infrastructure in partnership with the public sector.

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More information about Skanska's activities within the Public-Private Partnerships segment can be found at: www.skanska.com/id

This and previous releases can also be found at www.skanska.com

Skanska is one of the world's leading construction groups with expertise in construction, development of commercial and residential projects and public-private partnerships. The Group currently has 54,000 employees in selected home markets in Europe, in the US and Latin America. Sales in 2005 totaled USD 17 billion.