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Skanska to construct first phase of new subway line in New York for USD 337 M of which Skanska's share amounts to USD 126 M, SEK 885 M

Skanska has been contracted to manage and carry out construction of the new Second Avenue Subway Line project in New York City on Manhattan's East Side. The contract amount is USD 337 M, about SEK 2.3 billion, of which Skanska's share is 37.5 percent, corresponding to SEK 885 M. The order is included in order bookings for the first quarter of 2007. The customer is MTA/New York City Transit, which is receiving Federal funding for the project.

The contract is for construction of a 245-meter-long by 23-meter-wide "launch box," which will be the future 96th Street Station. Two parallel, four-kilometer-long train tunnel shafts will be advanced from this box using a tunnel-boring machine (TBM). Additionally, two access shafts will be installed for the future 72nd Street Station.

Part of the approximately 100,000 cubic meters of the soil and rock to be excavated is contaminated and must be treated in an environmentally correct manner. Also included in the contract are extensive utility relocation and construction, temporary road decking and an electricity substation.

Construction will begin immediately and is scheduled to be completed during 2010. The contract is being carried out in a joint venture named S3 Tunnel Constructors comprising Skanska USA Civil, Schiavone Construction Co (37.5 percent) and J.F. Shea Construction (25 percent).

Work on the new subway line is divided into several phases, of which this is start of the first. The Second Avenue Subway Line will be a total of 14 kilometers long and relieve congestion on the Lexington Avenue Line, which carries more than one million passengers daily. Funding for this project consists of a combination of Federal Transit Administration grants and local funds provided by the New York State Transportation Bond Act of 2004 and the MTA Capital Program.

Skanska USA Civil is the largest civil engineering construction company in New York. Currently, among other projects Skanska is working on the

PATH station in the Ground Zero area, the Manhattan Bridge and the Triborough Bridge, several wastewater treatment plants, the New Yankee Stadium and the New Meadowlands Stadium for the New York Jets and the New York Giants.

Skanska USA Civil's operations focus on transportation infrastructure and facilities for power generation, water and wastewater treatment in the eastern US, Colorado and California. Skanska USA Civil has some 4,000 employees and had sales totaling approximately SEK 9.8 billion in 2006.

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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 56,000 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 2006 totaled USD 17 billion.