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US tunnel order worth USD 47 M, about SEK 315 M, suspended due to budgetary reasons

At the request of the customer, work on the Palisades Tunnel, which is part of the new Trans-Hudson Express Project (THE Project) between Manhattan, New York and New Jersey, has been suspended until further notice. The reason is the lack of available funds in the state of New Jersey's budget.

Skanska's share of the remaining construction project totals USD 47 M, about SEK 315 M. Order bookings will now be reduced by the corresponding amount in the fourth quarter of 2010. The contract was originally included in order bookings for the second quarter of 2010 and, since then, Skanska has completed about 10 percent of the contracted assignment.

"It is highly unusual that we are forced to suspend an ongoing project. The reason is that the state of New Jersey does not have the funds available in its budget to complete the project," says Richard Cavallaro, President of Skanska USA Civil.

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