

Press Release

30th November 2009

Skanska Laing Consortium reaches Financial Close for Surrey Street Lighting PFI. Skanska and John Laing to each invest £4.6 million and Skanska to receive a construction contract worth £83.7 million.

Skanska and John Laing today announce that their 50/50 Skanska Laing Consortium has achieved Financial Close on the Surrey Street Lighting PFI scheme. This follows the Consortium's appointment as Preferred Bidder in July this year.

Each company will invest £4.6 million. Skanska will receive a construction contract worth £83.7 million as well as an operation and maintenance contract valued at around £1.5 million per annum during the 25 year period. This is Skanska's first success in the UK street lighting PFI market.

The client for the project is Surrey County Council. Under the contract, the Skanska Laing Consortium will be responsible for the design, build, finance and operation of the stock of lighting columns across the Surrey County for a period of 25 years starting in March 2010. The design, installation and ongoing operations will be carried out by Skanska.

During the first five years of the scheme, the Skanska team, which has extensive experience in infrastructure services and utilities, will replace approximately 70,000 life expired lighting columns and refurbish and upgrade a further 19,000.

Existing orange/yellow lights will be replaced with modern white light sources. In addition, full use of new energy-efficient equipment will be incorporated therefore reducing energy consumption and the carbon impact of delivering street lighting services.

Skanska will also be responsible for the operation and maintenance of the assets, including provision of help desk services and emergency response.

Steve Sams, Executive Vice President of **Skanska Infrastructure Development UK** said: "Today's announcement marks an important milestone in providing safer, energy efficient public lighting services for the people of Surrey. Skanska has many years experience in delivering street lighting in the UK and delivering these services under the PPP sector is an important part of the development of our UK PFI portfolio."

David Hardy, Director of **John Laing Investments**, said: "This is an important programme which will ensure that the people of Surrey have well lit streets. In these resource constrained times Surrey County Council will benefit from a better service at less cost to their tax payers."

Dr Andrew Povey, Leader of **Surrey County Council**, said: "This deal is the right choice for Surrey because the benefits for residents are clear. Bright white lights managed by remote control will mean a more reliable system that will help people to feel safer. All this will cost less to run than if we were to maintain the county's current ageing orange lights. This will deliver better value for money for taxpayers all round.

"In addition reduced light pollution and reduced energy consumption make this a better deal for the environment. This is in keeping with my pledge to protect the unique character of our county.

"I am committed to raising standards and working to achieve a new world class level in the services that we provide. I believe this deal signals that we are on our way to being the best that we can be."

For further information please contact:

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

For John Laing, Jo Young, Group Communications Manager at John Laing plc Tel: +44 (0) 20 7901 3639 Or Charles Reynolds / Sarah Mylroie, Madano Partnership Tel: +44 (0) 20 7593 4000

SKANSKA

John laing
making infrastructure happen

Notes to Editors:

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 2008 totalled £11.9 billion.

www.skanska.co.uk / www.skanska.com

John Laing plc is a specialist provider of facilities through public private partnerships with a long-term perspective and approach. The company manages and delivers 65 projects from planning and funding through to design, construction and operation. It is actively involved in the management of a wide range of health, regeneration, education, police, rail, roads and special purpose government facilities, both in the UK and internationally.

<http://www.laing.com>