

Press Release

September 27, 2011

Skanska USA Commercial Development Announces \$70M Life Science Development in Cambridge's Kendall Square

150 Second Street marks Skanska USA's first commercial investment in Boston Area

Cambridge, Mass. – Skanska USA's Commercial Development business unit in Boston announced the investment of \$70 million in a laboratory and office building located at 150 Second Street in Cambridge. The project is Skanska's first commercial real estate investment in Cambridge, home to the world's leading biotechnology and technology innovation center, Kendall Square.

Skanska USA Commercial Development acquired the 60,000-square-foot parcel in November 2010. The three-story Class A building, designed by Elkus Manfredi Architects, will be designed and developed to LEED® Gold minimum standards. The project will include approximately 120,000 square feet of highly sustainable lab space. Skanska will self-finance 100 percent of the development costs.

"150 Second Street exemplifies our core values of developing first class buildings featuring progressive operating efficiencies and environmental sustainability. We are eager to contribute a world-class lab building to one of the world's leading biotech clusters," said Shawn Hurley, executive vice president and regional manager of Skanska USA Commercial Development in Boston. "The location in Kendall Square will provide tenants with optimal convenience, offering access to public transportation, Cambridge's lively 24-7 atmosphere and immediate proximity to some of the world's leading educational and research institutions and clinical hospitals."

150 Second Street is designed to meet the United States Green Building Council's LEED Gold criteria, reducing the building's carbon footprint. 150 Second Street will contain large windows designed to wash natural daylight throughout open floor plates to minimize the cooling load of the building's mechanical systems and the need for artificial light. To reduce water waste, the site will include underground storm water storage and a filtration system as well as a landscaped courtyard with natural vegetation that will not require irrigation.

Skanska USA Commercial Development purchased the project from a private investment partnership sponsored by Spaulding & Slye Investments, which had previously received site plan approval through the Cambridge Planning Board. Jones Lang LaSalle has been retained to handle the agency leasing and property management assignments of the new development. Skanska USA Building will be the construction manager for the project.

In addition to Boston, Skanska USA has commercial development groups across the country in Washington D.C., Houston and Seattle; all four metropolitan areas have strong market drivers in addition to construction units in place.

This fall, Skanska USA Commercial Development will complete its first commercial development project in Washington D.C.: a Class A sustainable mixed-use building located at 733 10th Street. The project is currently 90% leased.

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For more information on this project please visit www.150second.com.

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

Skanska USA is one of the largest, most financially sound construction networks in the country serving a broad range of industries including healthcare, education, sports, data centers, government, aviation, transportation, and water/wastewater. Headquartered in New York with 35 offices across the country, Skanska USA employs approximately 7,000 employees committed to sustainable construction and an injury-free workplace. Skanska USA Building, which specializes in building construction, and Skanska USA Civil, which is focused on civil infrastructure, generated \$4.8 billion in revenue in 2010, representing 31 percent of Skanska's global construction revenues. Additional operations in the U.S. include Skanska USA Commercial Development, which pursues commercial development initiatives in select U.S. markets, and Skanska Infrastructure Development Americas, which develops public-private partnerships. Global revenue of parent company Skanska AB, headquartered in Stockholm and listed on the Stockholm Stock Exchange, totaled \$16.9 billion in 2010.