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Financing secured for PPP school project in Bristol – Skanska invests GBP 4.8 million, approximately SEK 65 million, and receives construction contract worth GBP 120 million, corresponding to SEK 1.6 billion.

Skanska has reached financial close for the financing, design, construction and operation of four schools under the UK Government's program for Public Private Partnerships (PPP), Private Finance Initiative (PFI), in Bristol. For Skanska, this means:

- receiving a construction contract worth around GBP 120 million, about SEK 1.6 billion, which is to be included in order bookings for the second quarter of 2006.
- receiving a facilities management contract valued at around GBP 2.8 million, about SEK 38 million, per year during the 25-year concession period, commencing in September 2007. GBP 5.6 M, SEK 76 M, will be included in order bookings for the second quarter.
- investing GBP 4.8 million, approximately SEK 65 million, corresponding to 44 percent of the overall investment in the project company. The other investors are Partnership for Schools and Investors in the Community.

The Skanska consortium will develop and maintain compulsory-level school and college premises for over 5,000 students at four sites. Preparatory work is underway and the first schools will be completed for the start of the new academic year in September 2007 and with all schools being completed by December 2008. The project also includes integration of IT learning aids at an existing Bristol school.

The British Government has appointed Bristol to pioneer the "Building Schools for the Future" (BSF) initiative. The Bristol schools project is the first within the BSF framework for the upgrading of compulsory-level and upper-secondary schools in the United Kingdom. School projects totaling approximately GBP 2.2 billion, about SEK 30 billion, annually are planned for the next 10-15 years.

Bristol City Council has selected Skanska as an exclusive long-term partner and the assignments described above are part of the agreement that Skanska Infrastructure Development and Bristol City

Council have signed. The objective is to provide a platform for developing all medium to large school projects in Bristol during the next ten years. Skanska will manage the work to transform education in Bristol and create stimulating learning environments, including a large element of IT learning aids.

Skanska is a leading Private Public Partnership (PPP) company in the United Kingdom. Work on the largest project to date – development of the Barts and The London hospitals, for which the construction contracts amount to approximately GBP 1 billion, about 13.6 billion – started in the past few days.

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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 54,000 employees in selected home markets in Europe, in the US and Latin America. Sales in 2005 totaled USD 17 billion.