

Skanska awarded £30 million office refurbishment in the City of London

Skanska's expertise in delivering high quality commercial office projects in London, has secured the award of a major Category A office refurbishment contract at Finsbury Circus House, 10 South Place near Liverpool Street Station in the City of London.

Valued at around £30 million, (approximately SEK 300 million) the contract will be included in Skanska's order bookings for the third quarter of 2011. Client for the scheme is Hamburg-based Union Investment Real Estate GmbH, the owner of "Finsbury Circus House", who has appointed CORE to manage the project on their behalf.

To deliver a solution to its client, Skanska has combined its in-house skills and expertise in construction and mechanical and electrical service installations.

Initial works will include the demolition of the ground floor slab, together with structural alterations to the existing eight-storey office building.

During the reconstruction phase, Skanska will add an additional floor at roof level, to provide in excess of 1000 square metres of additional prime fully serviced office space. Work also includes the full restoration of the existing Portland Stone façade to the Finsbury Circus elevation and the construction of a new rear façade incorporating Portland Stone and new windows to the rear elevation.

The Skanska team will also undertake the installation of new mechanical and electrical services throughout, as well as new internal finishing including high-quality toilet and reception areas, and six new passenger lifts.

Architect for the scheme is Fletcher Priest. Work will start on site immediately, with completion scheduled for January 2013.

Commenting, **Paul Heather**, Managing Director of Skanska's Building – London & South East Operating Unit said: "The award of this contract demonstrates our capability to develop the range of projects we undertake, and deliver value solutions to our clients. We have worked with both Union Investments and CORE on previous schemes in London and I am delighted that we will be continuing to build upon our successful relationship at Finsbury Circus House."

Dr Karl-Joseph Hermanns-Engel, Union Investment Real Estate commented: "The current market cycle in London provides an almost perfect opportunity for this type of reconstruction in prime locations. Repositioning our property will enable us to meet the high demand for energy-efficient core properties in the financial district."

David Ainsworth, Director of CORE added: "This is an exciting opportunity to reconstruct a principal building in a key City of London location, and we are pleased to be working again with Union Investment. When completed, Finsbury Circus House will provide high quality office space at a time when the supply of Grade A space is forecast to be tight."

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Notes to Editors - About Skanska:

Skanska is involved in some of the UK's most prestigious projects in both the Private and Public Sectors. Whilst known mainly for our large high-profile schemes, we also undertake many smaller projects including public realm improvements, hard and soft landscaping as well as hundreds of utilities projects each year covering gas, electricity and water.

By combining the skills and experience of our construction operations and those of our Infrastructure Development Business Unit, we have become a UK leader in Private Finance Initiative/Public Private Partnership schemes covering healthcare, education, defence, transportation and street lighting.

In December 2010, we announced our intention to establish a Residential Development Business in the UK. This decision followed a comprehensive review of the UK market, which identified a high-volume, long term need for high-quality residential properties in the UK. This, coupled with the extensive environmental requirements placed on new UK homes fits perfectly with Skanska's knowledge and experience. In January 2011, we purchased our first residential development site in Cambridge.

Our business model is to integrate our core disciplines to deliver project solutions across our chosen market areas. By integrating all disciplines and working together with our clients, our partners and our supply chain, we make a real difference to the delivery of projects. We focus is on creating sustainable solutions and we aim to be leaders in green construction, health and safety and business ethics. We work strictly in accordance with the Skanska Code of Conduct and to our Five Zeros, which reflect our core values: Zero loss-making projects, Zero accidents, Zero environmental incidents, Zero ethical breaches and Zero defects.

Our commitment to contribute to a more sustainable world is resolute. In June 2011, we were named the Greenest company in the UK across all industries in the Sunday Times Best Green Companies Awards. We seek to use our position to influence both our clients and our supply chain to make more sustainable decisions, taking a longer-term view over the infrastructure we develop. Our ability to demonstrate real responsibility to people, organisations and the environment in which we work attracts the next generation of talent who want to make a real difference.

Backed by the financial strength of, Skanska AB, we focus totally on our customers in the UK, understanding their needs.

We employ approximately 4,600 staff in the UK and undertake around £1.3 billion worth of work each year. We carry out all aspects of the construction, development and infrastructure process - from financing projects, through design and construction right through to facilities management, operation and maintenance.

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. Based on its global green experience, Skanska aims to be the clients' first choice for Green solutions. The Group currently has 52,000 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 2010 totalled around £11 billion.