

Press Release

August 29, 2002

Skanska expands in US infrastructure sector – will acquire Yeager Construction Company in California for USD 48 M, approximately SEK 440 M

Skanska has signed a letter of intent to acquire the Yeager Construction Company, a civil engineering company based in southern California. The purchase price will be approximately USD 48 M (approximately SEK 440 M). The transaction is expected to be completed by mid-September. The selling party is an ownership group within the company's senior management.

Through this acquisition of Yeager Construction Company, Skanska will gain nationwide coverage in the American infrastructure market. Yeager will be included as an operating unit within Skanska USA Civil under the name, Yeager Skanska.

Yeager Construction Company posted sales in 2001 of USD 282 M and an operating income of USD 11 M. The order backlog amounted to USD 409 M at the end of July 2002.

"We have long had a strategic goal to establish a permanent presence in California, which is the world's fifth largest economy. We are very proud to be able to add Yeager to the Group," says Claes Björk, Skanska's President and CEO.

"Yeager is a very well managed company with low overhead costs and with great potential to develop further in the expansive infrastructure market in the U.S. As a result of this acquisition, Skanska USA Civil increases its national footprint as a premiere infrastructure contractor in the U.S.," continues Claes Björk.

The Yeager Construction Company's primary focus is on the construction of roads and civil engineering projects. The Company's operations also encompass rock and gravel quarries, crushing plants and state-of-the-art construction equipment and machinery, including stationary and mobile asphalt plants. The company has a permanent staff of 100 and employs 750 to 1,000 union workers in current projects.

The majority of Yeager's operations are carried out in southern California, but the company also performs project work in Arizona, Nevada, New Mexico and Utah.

Yeager Construction Company was founded in 1919 and in 1995 transferred ownership to a group of senior management within the company. Upon acquisition, these persons will continue in key positions in the company.

Skanska USA Civil posted sales in 2001 of SEK 14 billion and at year-end had an order backlog of SEK 21 billion. While the majority of Skanska USA Civil's operations are in the eastern U.S., Skanska USA Civil is presently involved in three large projects in California: two for the BART subway extension in San Francisco and one for the renovation and the seismic retrofitting of the Richmond-San Raphael Bridge.

Key figures Yeager Construction Company 2001

	USD M
Net sales	282.0
Operating income	11.4
Interest-bearing net debt	5
Order backlog (July 31, 2002)	409
No. of permanent employees	100
- plus 750 – 1,000 project workers	

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