

Balfour Beatty wins seven-year integrated FM Contract for British Energy with a potential value of over £350 million



6 November 2007

“Important further step in developing the Group’s integrated FM services business following recent acquisition of Covion Ltd.”

Balfour Beatty, the international engineering, construction, services and investment group, and Haden Building Management announces today that it has been awarded a seven-year contract, with a potential annual value of £50 million per annum, by British Energy Generation Limited for the facilities management of British Energy’s portfolio of eight nuclear power stations and two office complexes across England and Scotland. Balfour Beatty will provide additional support to British Energy in outages, projects and other infrastructure related services.

Commenting on the award, Balfour Beatty Chief Executive, Ian Tyler, said:

“We are delighted to have been chosen to carry out this extremely important work for British Energy, with whom Balfour Beatty has had a positive working relationship for over 30 years. The award recognises the all-round strength of the Balfour Beatty Group and our capability in integrating our specialist skills to meet specific customer need.”

Under the contract, Balfour Beatty will be responsible for providing a range of services to the nuclear power stations at Hunterston B and Torness in Scotland, Heysham 1 and 2 and Hartlepool in the north of England, Sizewell B in East Anglia and Hinkley Point B and Dungeness B in the South.

Bill Coley, Chief Executive of British Energy, also commenting today, said:

“British Energy’s business strategy includes strategic alliances with quality partners. Balfour Beatty have proven to be a quality supplier, and this contract recognises our confidence in them as an important partner in achieving the long term goals of our company.”

Services will be provided by a Balfour Beatty Group team comprising, Haden Building Management, Balfour Kilpatrick and Balfour Beatty Management.

ENDS

Enquiries to:

Tim Sharp
Tel: 020 7216 6884
www.balfourbeatty.com





Notes to Editors

1. Amongst the services to be provided under this contract are likely to be mechanical and electrical maintenance, industrial, transportation and accommodation services and waste management, cleaning, security and vending.
2. On 18 October, Balfour Beatty announced that it had acquired Covion, the facilities infrastructure services business, for £33 million. Covion provides property, technology, people and facilities management services in integrated packages to the manufacturing facilities and corporate business sectors and has been one of the fastest growing companies in the UK in 2005 and 2006.
3. Balfour Beatty's annual revenues in facilities management will exceed £300 million and it had an order book, before securing this contract, of over £1 billion.
4. Balfour Beatty is a world-class engineering, construction, services and investment business, well positioned in infrastructure markets which offer significant long-term growth. We work in partnership with sophisticated customers who value the highest levels of quality, safety and technical expertise. Our skills are applied in appropriate combinations to meet individual customer need. Its financial position, with significant net cash and with strong operating cash flows, offers continuing flexibility to add additional capacity and expertise to the business mix and to make appropriate investments in PPP and other long-term growth opportunities.