

## *News Release*

10 January 2012

### **BALFOUR BEATTY TRADING UPDATE**

Balfour Beatty plc, the international infrastructure group, is providing this trading update in advance of its results for the year ended 31 December 2011 which will be announced on 8 March 2012.

#### **Trading**

Further to our Interim Management Statement of 10 November 2011, overall trading remains in line with our expectations.

Order book remained stable over the year despite weak market conditions in some of our core markets at a level in excess of £15 billion. During the year, Support Services and US Construction order books increased while the UK Construction order book contracted.

#### **Other matters**

Following our previously announced decision to dispose of our 25.5% effective interest in Barking Power Limited, we sold the asset to the Balfour Beatty Pension Fund at book value of £55 million. The transaction was completed in December 2011 by way of a £55 million additional contribution to the pension fund; this reduced the pension deficit and enabled the fund to make the purchase.

Our average net cash for the year was approximately £200 million reflecting investments completed during the year and cyclical unwind of working capital. Year-end net cash was at a similar level to that at the half-year.

#### **Outlook**

We continue to manage the business on the basis that conditions in our core markets will remain difficult while positioning the Group to take advantage of the positive medium and long-term prospects for infrastructure markets.

ENDS

**Analyst/investor enquiries:**

Basak Kotler  
Balfour Beatty plc  
Tel 020 7216 6924

**Media enquiries:**

Tony Maguire  
Balfour Beatty plc  
Tel 020 7216 6865

This document contains forward looking statements which have been made in good faith based on the information available at the time of its approval. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a number of risks and uncertainties that are inherent in any forward looking statement which could cause actual results to differ materially from those currently anticipated.

**Notes to Editors:**

1. Balfour Beatty ([www.balfourbeatty.com](http://www.balfourbeatty.com)) is a world-class infrastructure group with capabilities in professional services, construction services, support services and infrastructure investments.

We work in partnership with our customers principally in the UK, continental Europe, the US, South-East Asia, Australia and the Middle East, who value the highest levels of quality, safety and technical expertise.

Key infrastructure markets include transportation (roads, rail and airports); social infrastructure (education, specialist healthcare, and various types of accommodation); utilities (water, gas and power transmission and generation) and commercial (offices, leisure and retail).

The Group delivers services essential to the development, creation and care of these infrastructure assets including project design, financing and management, engineering and construction, and facilities management services.

Balfour Beatty employs 50,000 people around the world.