

Balfour Beatty



Investor Day

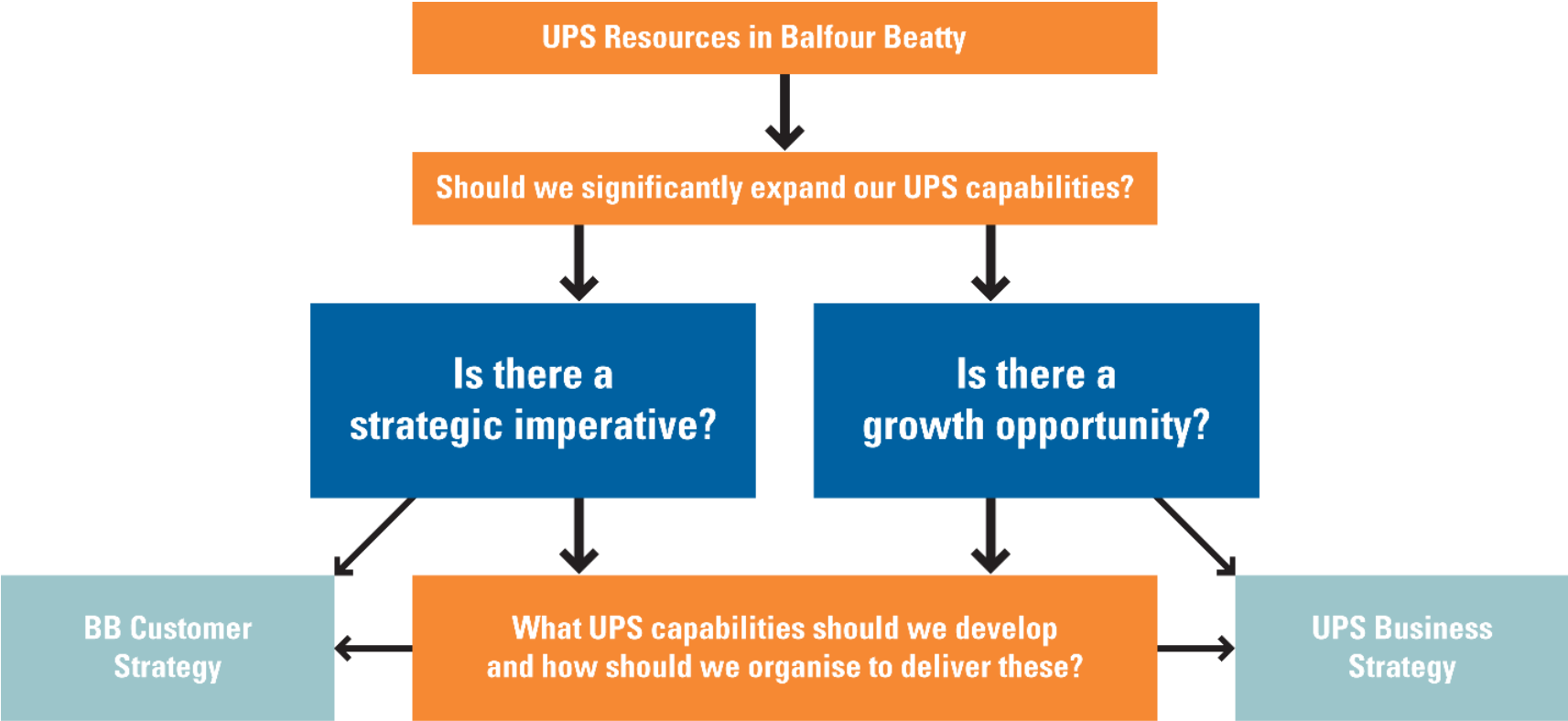
9 June 2009



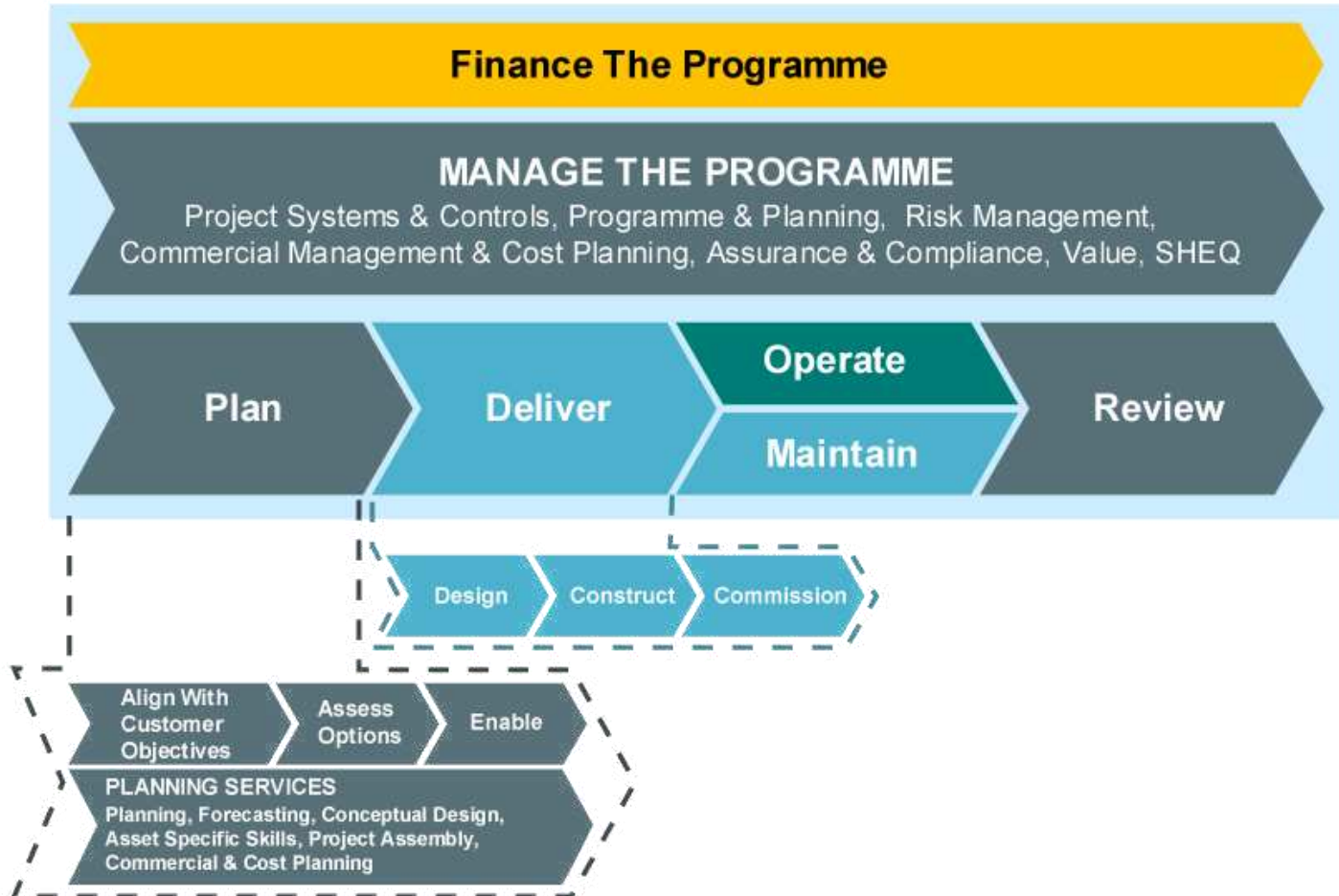
Professional Services

Andrew Wolstenholme

Strategic Review of Upstream Professional Services (UPS) Opportunities - 2006



Developing the Strategy



Emerging themes from our Customers

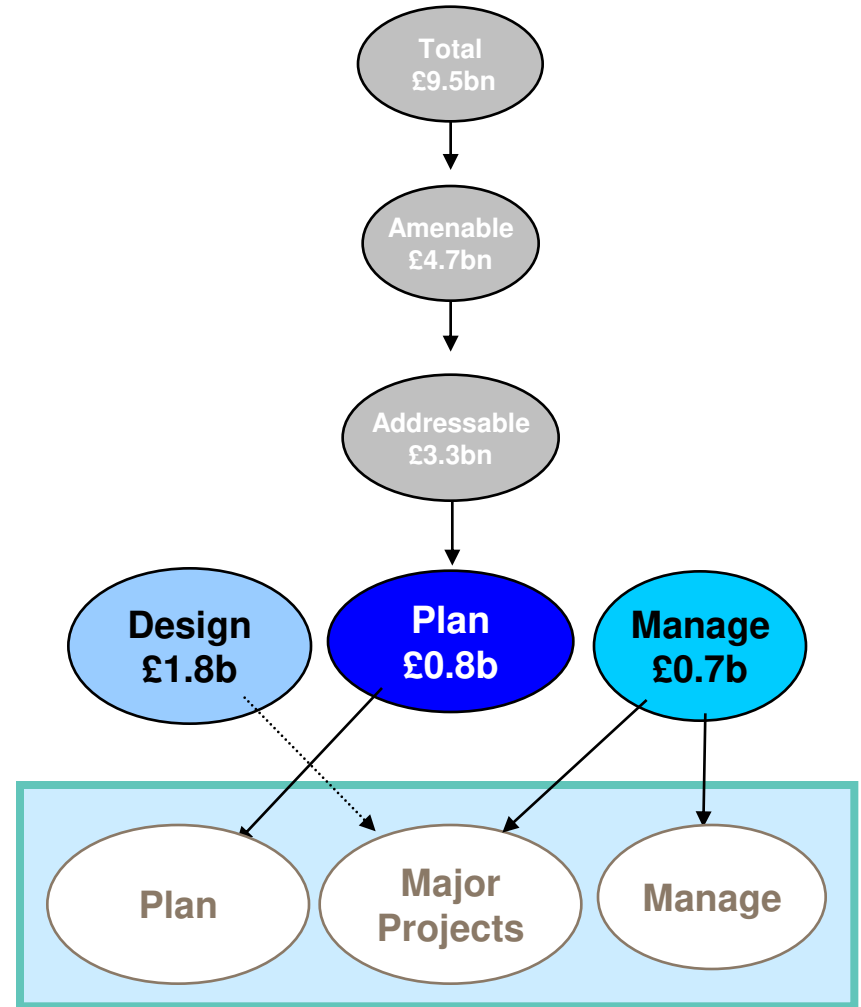
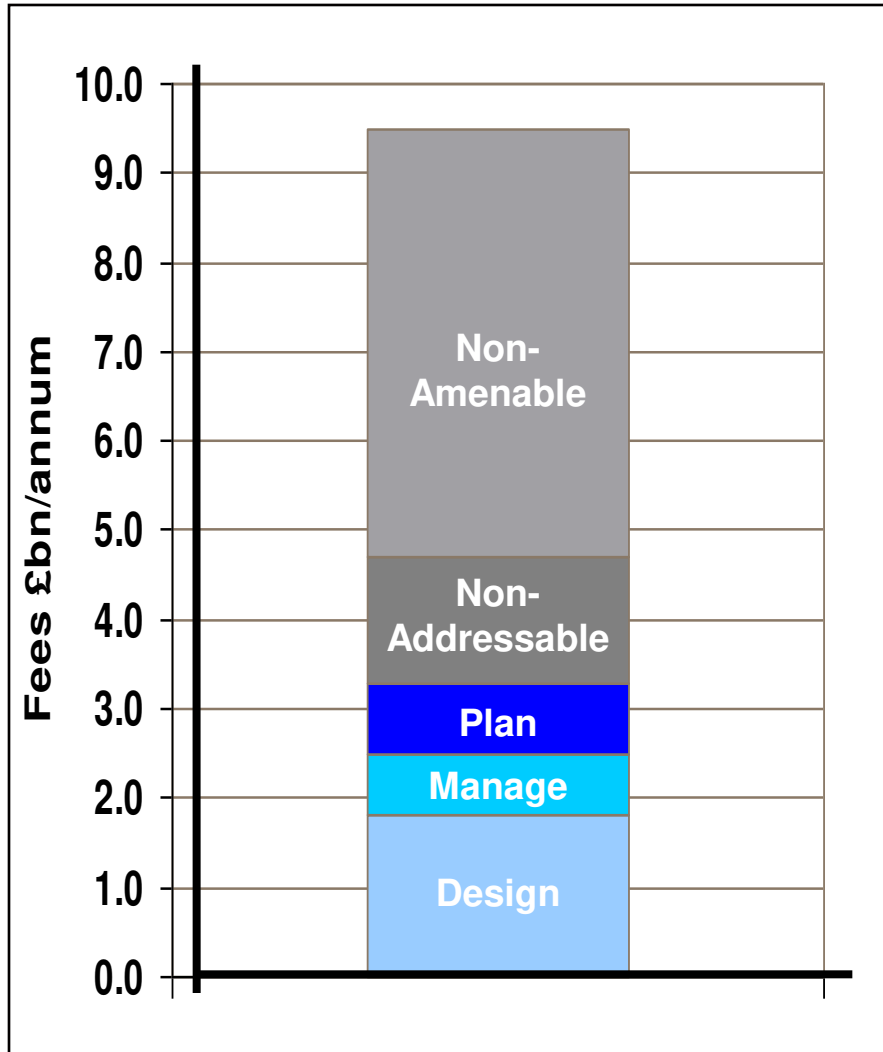
- Desire for a more integrated service offering from contractors
 - Buildability and value engineering skills
 - Design management
 - Development management
 - Programme management and related services
 - Innovation
- Change in Procurement Strategies

A Focused UPS Capability

A focused UPS capability should provide BB Group:

- Bundling of UPS and Downstream Delivery Services (DDS)
- The “glue” between Delivery OpCo’s to create a better integrated offer
- A standalone UPS Consultancy Service
- A centre of excellence for the management of Major Projects
- A nucleus to build a larger and stronger UPS business for the future

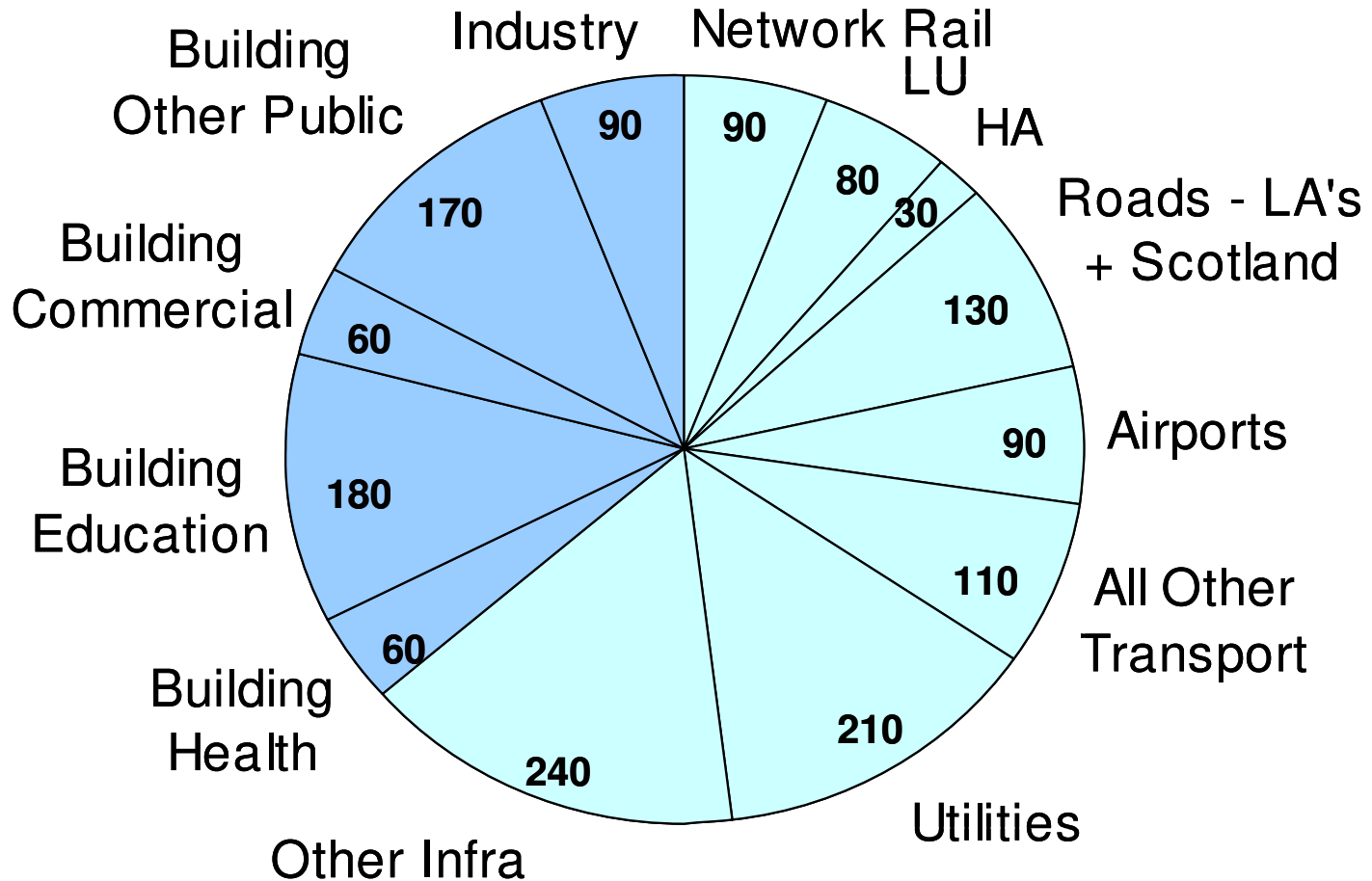
UK UPS Market



BB UPS Market Focus £1.5bn

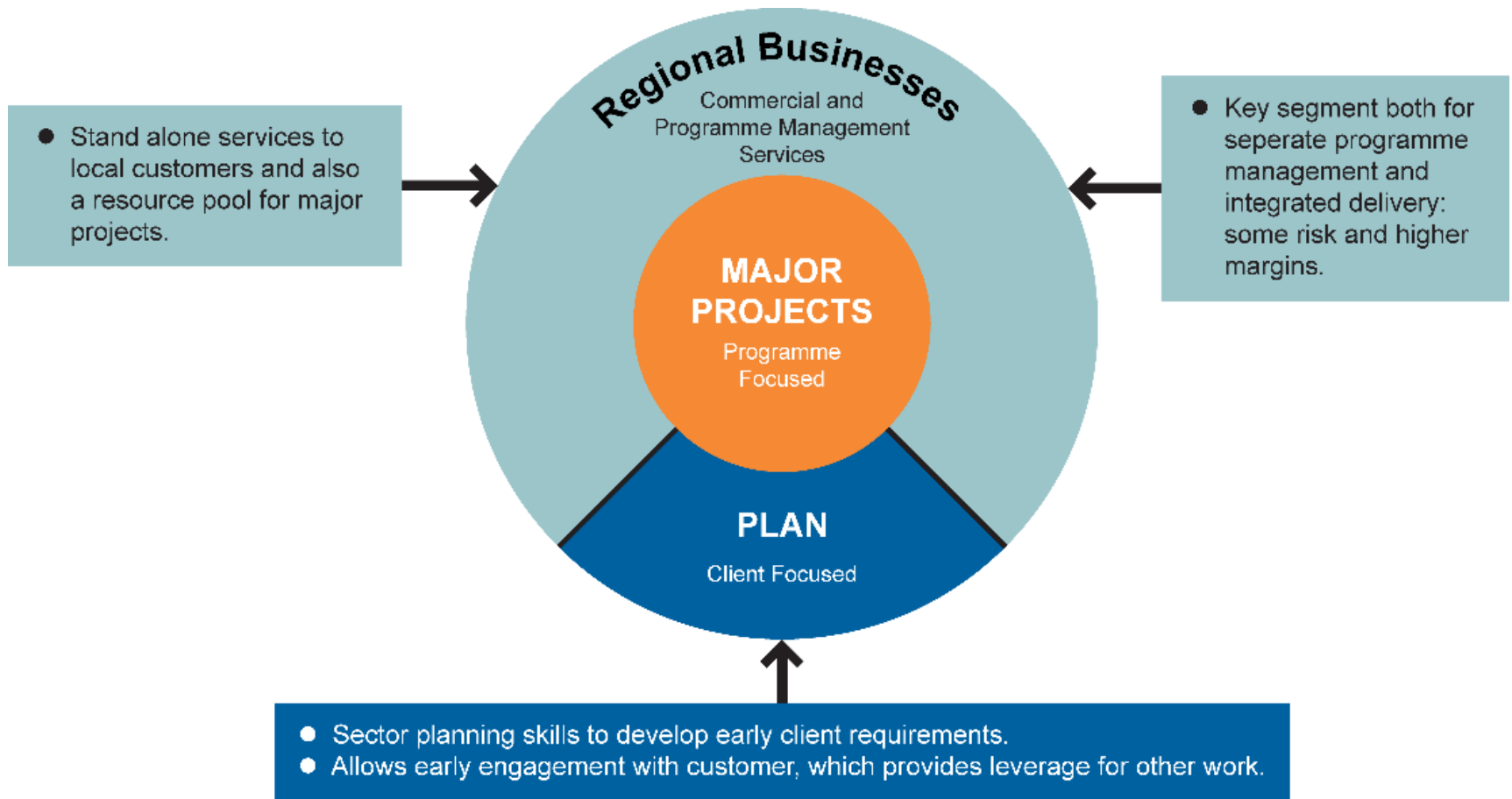
UK UPS Addressable Market

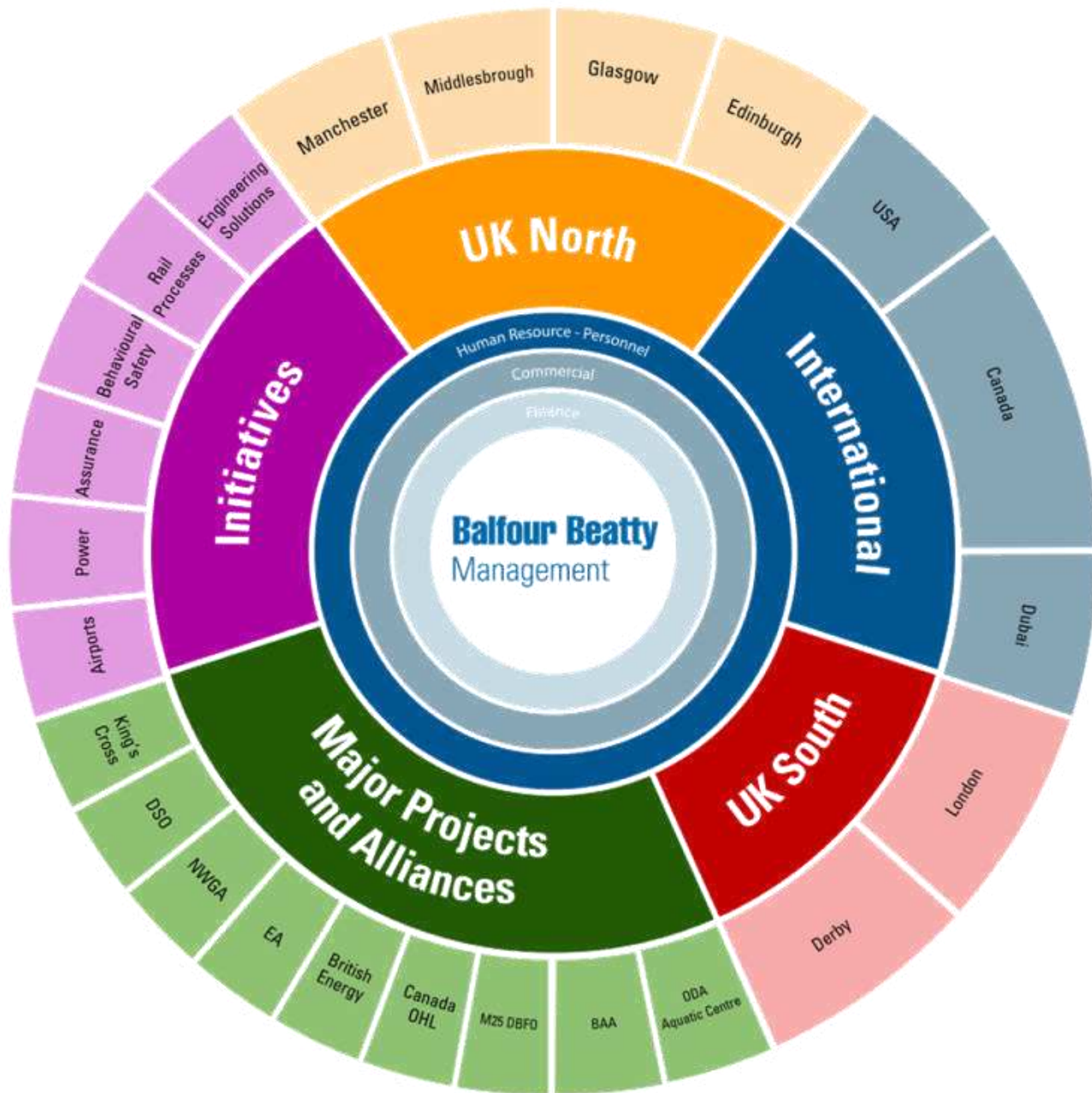
Plan & Manage the Programme (£1.5bpa)



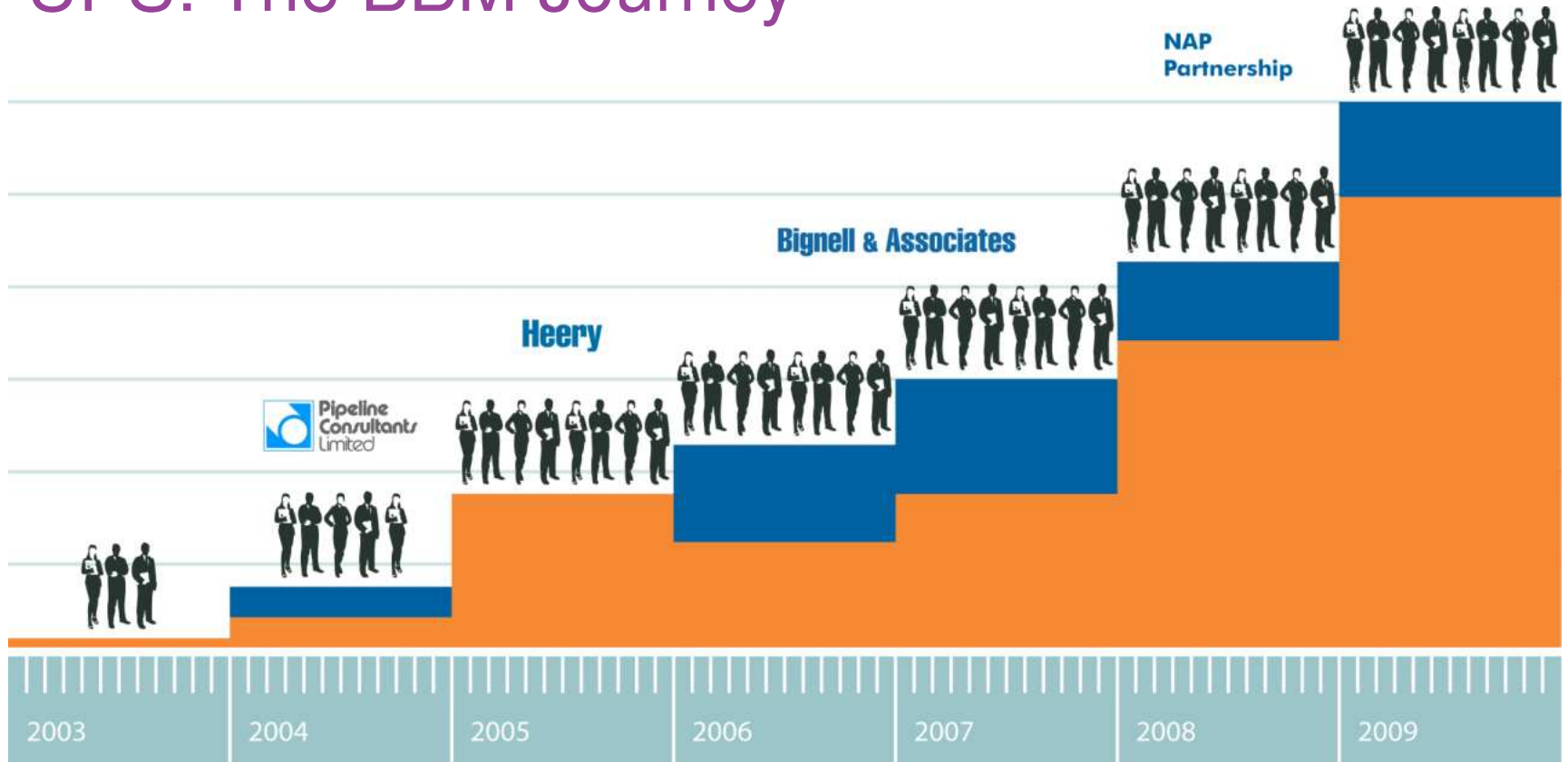
Market spans large number of sectors but biased to infrastructure

The Professional Services Model





UPS: The BBM Journey



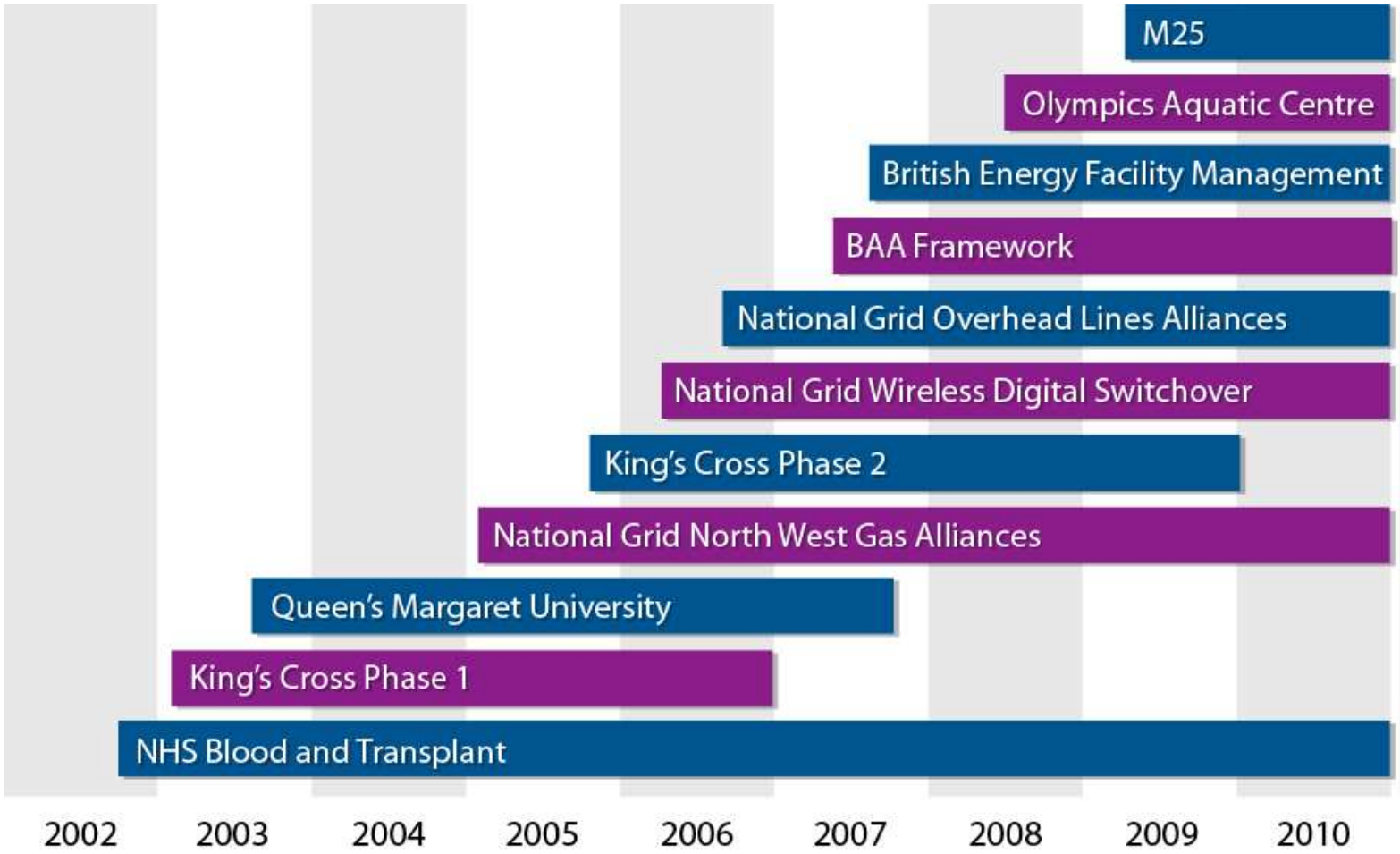
- Increase through Recruitment
- Increase through Aquisition

BBM Office Locations

- London
- Edinburgh
- Glasgow
- Middlesbrough
- Manchester
- Derby



Major Projects



Major Projects – King's Cross



Transportation Experience



Industry Experience



سابك
sabic



ConocoPhillips



Q8 KPE
RAFFINADERIJ EUROPOORT ROTTERDAM



BAE SYSTEMS



corus



Lucite
International

Building Experience



Queen Margaret University
EDINBURGH

Infrastructure & Engineering Experience



Wheelabrator Technologies Inc.
shanks. waste solutions.



ENERGO



SCOTTISH
WATER



nationalgrid



HIGHWAYS
AGENCY



British Energy

Alliances



Where is the market today?

- General move away from Design - Bid - Build
- Qualification based selection
- Further shift towards 'bundling of services'
 - Design and Build
 - Multidisciplinary projects
- Move to early contractor involvement
- Customers teams are becoming "thinner"

Looking Ahead

- BB set a five-year plan for UPS in 2006
- BBM today
 - 600 strong
- Attracted strong team with unique UPS experience
- BBM set up to support BB Group and standalone business
- Mature platform for future growth