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Parsons Brinckerhoff and Balfour Beatty announce intention to join forces

Parsons Brinckerhoff (PB), employee-owned, strategic consulting, planning and program/construction management firm, has announced their recommendation to shareholders to approve the acquisition of PB by London-based infrastructure firm Balfour Beatty plc (BB) for US\$626 million.

PB's shareholders' meeting will take place on 21 October 2009.

PB Australia-Pacific Managing Director Dr Jim Mantle said management is enthusiastic about the proposed acquisition.

"If the acquisition goes ahead, PB will operate as an independent, but wholly-owned subsidiary of Balfour Beatty.

"In the Australia-Pacific context, it is not Balfour Beatty's plan to be a general contractor in the region; however, we gain a strategic partner that complements our services.

"PB will continue to serve our clients in the broadest array of professional services, as well as continuing to work with our existing contractor partners.

"This is a positive move for PB — we will retain our operations in the region, along with our name, organisational structure and culture.

"On a global scale it will assist us with our on-going expansion," said Dr Mantle.

The agreement is subject to approval of the shareholders of each company.

In 2008, PB had revenues of US\$2.34 billion and approximately 13,000 employees in over 100 offices worldwide. The publicly traded Balfour Beatty (London Stock Exchange, BALF.L) has approximately 40,000 employees and last year had revenues of approximately UK£10 billion.

About Parsons Brinckerhoff

PB is one of the world's leading planning, environment and infrastructure consultancies, with over 13,000 staff based in offices across six continents. The employee-owned firm is headquartered in New York. In Australia and New Zealand, PB's team of over 2,500 professionals offers a comprehensive range of multidisciplinary services and total project delivery on projects of any scale. See www.pb.com.au and www.pbworld.com.

About Balfour Beatty

Balfour Beatty is an international engineering, construction services (including facilities management), professional services and investment group, offering customers a wide range of capabilities across infrastructure markets with a particular focus on the public sector and regulated utilities. The firm works in partnership with its customers principally in the UK, the US, South-East Asia 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 electricity) and commercial (offices, leisure and retail). Balfour Beatty delivers services essential to the development, creation and care of these infrastructure assets including investments, project design, financing and management, engineering and construction and maintenance management services. Balfour Beatty's strong financial position offers continuing flexibility to make appropriate investments in long-term growth opportunities. See www.balfourbeatty.com