

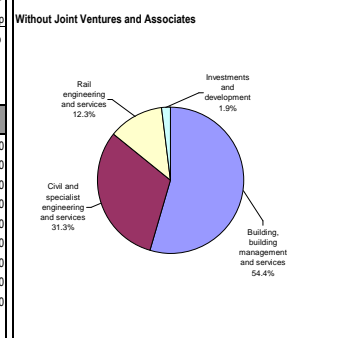
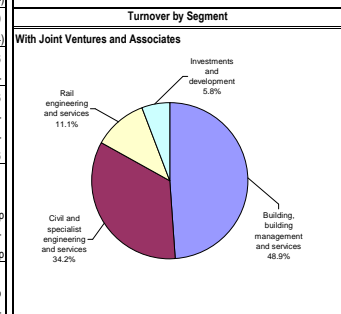
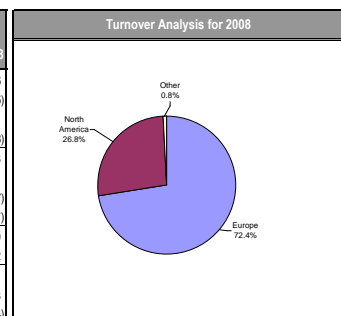
Company Overview			
<b>Activities</b>			
Balfour Beatty is the largest fixed rail infrastructure contractor in the world. Balfour Beatty serves the international markets for rail, road and utility systems, buildings and complex structures.			
<b>Share Data</b>		<b>Performance</b>	
Market Cap (£m)	1,871	1 day	0.5%
Ticker	BBY LN	1 w	2.7%
Shares in issue	685m	1 m	5.4%
		3 m	3.4%
		6 m	0.3%
		1 yr	(13.9%)
Dividend Yield	4.7%	52 wk high	346.18
Dividend per share	12.8p	52 wk low	243.40
		52 wk high	78.9%
		52 wk low	112.2%
			9,795.61
			5,718.13
			96.1%
			164.7%
<b>Financial Ratios for 2008</b>			
Return on equity	22.66%		
Return on capital	14.47%		
EBITDA as a % of sales	3.62%		
EBIT as a % of sales	2.65%		

Key P&L Data (£m)	2006	2007	2008
<b>Revenue</b>			
Building, building management and services	2,030	3,527	4,498
Civil and specialist engineering and services	1,677	2,112	2,587
Rail engineering and services	766	775	1,016
Investments and development	14	51	160
<b>Total*</b>	<b>4,487</b>	<b>6,466</b>	<b>8,261</b>
* Figure for 2007 includes corporate costs of £1m			
<b>Ordinary operating results</b>			
Building, building management and services	42	70	84
Civil and specialist engineering and services	47	59	85
Rail engineering and services	35	39	39
Investments and development	(19)	(25)	(19)
Corporate costs, assets and liabilities	(24)	(30)	(34)
<b>Total</b>	<b>81</b>	<b>113</b>	<b>155</b>

Key Balance Sheet Data (£m)	2005	2006	2007	2008
Working capital	(104)	(221)	(479)	(643)
Net capital employed	864	978	1,194	1,735
Net financial position	6	33	30	(61)
Shareholders' equity	292	387	483	865
Cash flow from operating activities	139	193	253	279
Free cash flow	4	21	89	(155)
Surplus/(deficit)	(93)	(2)	63	2

Cash Flow and NFP for 2008 (£m)	
Net CF from operating activities	279
Net CF from investing activities	(434)
<b>Free cash flow</b>	<b>(155)</b>
Proceeds/ buyback of shares	173
Proceeds/ repayment of loans	63
Financial lease repayment	(2)
Dividend paid	(65)
Others	(12)
<b>Surplus/(deficit)</b>	<b>2</b>
Total financial assets	211
Total financial liabilities	(272)
<b>Net financial position</b>	<b>(61)</b>

Profit Analysis: Year End 31-December (£m)	IFRS				
	2004	2005	2006	2007	2008
<b>Revenue including share of joint ventures and associates</b>	4,239	4,938	5,506	7,488	9,486
Share of revenue of joint ventures and associates	(749)	(1,101)	(1,019)	(1,022)	(1,225)
<b>Group revenue</b>	<b>3,490</b>	<b>3,837</b>	<b>4,487</b>	<b>6,466</b>	<b>8,261</b>
Cost of sales	(3,192)	(3,542)	(4,121)	(5,992)	(7,628)
<b>Gross profit</b>	<b>298</b>	<b>295</b>	<b>366</b>	<b>474</b>	<b>633</b>
Net operating expenses					
- amortization of intangible assets	-	-	(1)	(9)	(27)
- other	(242)	(237)	(305)	(400)	(427)
<b>Group operating profit</b>	<b>56</b>	<b>58</b>	<b>60</b>	<b>65</b>	<b>179</b>
Share of results of joint ventures and associates	36	73	48	71	72
<b>Profit from operations</b>	<b>92</b>	<b>131</b>	<b>108</b>	<b>136</b>	<b>251</b>
Investment income	56	56	26	42	43
Finance costs	(28)	(46)	(25)	(21)	(24)
<b>Profit before taxation</b>	<b>120</b>	<b>141</b>	<b>109</b>	<b>157</b>	<b>270</b>
Taxation	(28)	(35)	(34)	12	(74)
<b>Profit for the year from continuing operations</b>	<b>92</b>	<b>106</b>	<b>75</b>	<b>169</b>	<b>196</b>
<b>Profit (Loss) for the year from discontinued operations</b>	<b>168</b>	<b>-</b>	<b>16</b>	<b>(18)</b>	<b>-</b>
<b>Profit for the year</b>	<b>260</b>	<b>106</b>	<b>91</b>	<b>151</b>	<b>196</b>
Preference dividend	(13)	-	-	-	-
Premium paid on buyback of shares	(6)	-	-	-	-
<b>Profit for the year attributable to equity shareholders</b>	<b>241</b>	<b>106</b>	<b>91</b>	<b>151</b>	<b>196</b>
<b>Basic earnings per ordinary share</b>					
- continuing operations	17.3p	24.9p	17.6p	39.3p	42.9p
- discontinued operations	40.1p	-	3.6p	(4.2)p	-
	57.4p	24.9p	21.2p	35.1p	42.9p
<b>Diluted earnings per ordinary share</b>					
- continuing operations	17.2p	24.7p	17.4p	39.0p	42.7p
- discontinued operations	39.7p	-	3.6p	(4.2)p	-
	56.9p	24.7p	21.0p	34.8p	42.7p
<b>Dividends per ordinary share proposed for the year</b>	<b>6.6p</b>	<b>8.1p</b>	<b>9.1p</b>	<b>11.5p</b>	<b>12.8p</b>



Management	
Jan Tyler	Chief Executive
Anthony Rabin	Deputy Chief Executive
Andrew McNaughton	Chief Operating Officer
Peter Zinkin	Planning and Development Director
Duncan Magrath	Finance Director
Steve Marshall	Non-Executive Chairman
Robert Walvis	Non-Executive Director
Hubertus Krossa	Non-Executive Director
Gordon Sage	Non-Executive Director
Mike Donovan	Non-Executive Director
Graham Roberts	Non-Executive Director
Iain Ferguson	Non-Executive Director
Manfred Leger	Group Managing Director
Brian Osborne	Group Managing Director
Mike Pessland	Group Managing Director
Andy Rose	Group Managing Director
Jim Moynihan	Group Managing Director
Robert Van Cleave	Group Managing Director
Paul Raby	Human Resources Director
Chris Vaughan	General Counsel and Company Secretary

Corporate Financial Calendar	
2009 Prelim announcement	04-Mar-2010
Ordinary: ex-dividend	21-Apr-2010
Ordinary: record date	23-Apr-2010
AGM	12-May-2010
Preference: ex-dividend	26-May-2010
Preference: record date	28-May-2010
Ordinary: last date for form of election (DRIP)	01-Jun-2010
Preference and ordinary: payment	01-Jul-2010
Half-year results announcement	11-Aug-2010

Latest News (Last update 01/29/10)	
15 Jan 2010:	Balfour Beatty plc trading update
13 Jan 2010:	Balfour Beatty reaches financial close for £450 million Building Schools for the Future project
12 Jan 2010:	Balfour Beatty awarded AMP 5 contracts worth approximately £600 million
05 Jan 2010:	Gammon wins £180 million of new contracts
24 Dec 2009:	Balfour Beatty to acquire Strata Construction for £10.3 million
23 Dec 2009:	Balfour Beatty awarded facilities management contract by Cinetiq
23 Dec 2009:	Balfour Beatty awarded education sector contracts worth £191 million
18 Dec 2009:	Appointment of Iain Ferguson CBE as Non-Executive Director
01 Dec 2009:	Balfour Beatty completes acquisition of SpawMaxwell. The business is being acquired from its management for a total cash consideration of up to \$25 million.
01 Dec 2009:	George Pierson, the President and Chief Operating Officer of Parsons Brinckerhoff's Americas operations, has been appointed CEO of Parsons Brinckerhoff Inc.