



3 March 2008

SSE ACQUIRE SEEBOARD TRADING

Scottish and Southern Energy plc ("SSE") has entered into an agreement with EDF Energy to acquire Seeboard Trading Limited, which finances and operates street lighting replacement and maintenance projects for three local authorities in the south of England under the Private Finance Initiative (PFI). The total cash consideration is £7.8m.

The three local authorities are the London Borough of Islington, the London Borough of Ealing and Dorset County Council. The projects cover around 90,000 street lighting columns and they all have at least 20 years to run.

Through its subsidiary, SSE Contracting, and in partnership with the asset finance division of The Royal Bank of Scotland, SSE already has PFI contracts to replace and maintain around 210,000 street lighting columns for four local authorities in England: Stoke on Trent City Council; Leeds City Council; Newcastle City Council and North Tyneside Council. These contracts all have over 20 years to run.

In addition to the PFI replacement and maintenance contracts, SSE has contracts with 22 local authorities in England, Wales and Scotland to maintain over one million street lights. This includes a contract with St Helens Council, which was recently signed and which is SSE's first in the north west of England. It is now the largest street lighting contractor in the UK.

Around 70 employees will transfer to SSE as a result of the acquisition.

Colin Hood, Chief Operating Officer of SSE, said: "This is a very good acquisition, which reinforces our position as the UK's leading street lighting contractor. Additional street lighting PFI contracts are now unlikely to be awarded before 2010, and so this is a unique opportunity to build further our presence in this increasingly important sector."

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SSE Contracting is a trading name of Southern Electric Contracting Limited
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press release

“The PFI approach has emerged as an excellent way of replacing ageing street lighting infrastructure. Our existing PFI projects have been successful and have delivered real benefits to communities. We will now ensure that best practice applies across our enlarged group of contracts, so that local authorities and local residents benefit from the successful delivery of our approach.”
