

**Bilfinger Berger–Siemens– CAF
Consortium**

Our ref: **25.1.201/MFr/1789**

3rd March 2009

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For the attention of Steven Bell – Tram Project Director

Dear Sirs,

**Edinburgh Tram Network Infraco
Press Statement**

Please find attached an Infraco statement for onward transmission to the media.

We request permission, as per the discussion MacKay/Keysberg to distribute this. Please confirm by 2.00pm 5th March 2009.

Yours faithfully,


M Foerder
Project Director
Bilfinger Berger Siemens CAF Consortium

Bilfinger Berger release the attached statement following requests from the media. In accordance with contractual requirements, this release has been approved by the client tie.

Edinburgh Tram Network

The Consortium comprising Bilfinger Berger, Siemens and CAF refute the allegations that they demanded £50 - £80m in additional payment as a pre condition to commence works on Princes Street 48 hours before Princes Street was due to close.

In the week before the Princes Street closure, the Consortium attended a meeting with tie. Bilfinger Berger advised the client, that following a joint exercise reprogramming the works, which involved both Infraco and tie planners, taking into consideration the latest MUDFA completion programme for utility diversions and the latest projected release dates of approved construction drawings incorporating design changes, the construction project was likely to overrun by 16 months.

As a result of this programme overrun, together with existing costed and notified changes, the costs were likely to increase by £50m. In addition to this, it is likely that more major obstructions will be encountered, and this, together with the additional costs, construction costs could actually rise to around £80m for events as they were currently known.

At no time did the Infraco or Bilfinger Berger demand additional money or time in respect of the above as a condition precedent to the commencement of works in Princes Street.