

Wood Group (John) PLC

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John Wood Group lands US\$66mIn contract for services to Sellafield nuclear site

John Wood Group PLC (LON:WG.) has landed a US\$66mIn contract to supply programmable digital control technologies to the Sellafield nuclear site in Cumbria, UK.

The oil and gas services provider said it would assist Sellafield and its wider supply chain in delivering safe, sustainable and cost-effective solutions to the site.

The 10-year contract covers system design, manufacture and assembly of equipment, obsolescence management and maintenance support to project work and decommissioning carried out by Sellafield Ltd.

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"We are looking forward to working with Sellafield Ltd and demonstrating the strength and depth of controls integration expertise across the whole of Wood, bringing together our nuclear expertise with our automation and controls capability," said Bob MacDonald, chief executive of Wood Specialist Technical Solutions.

"Securing this important framework is proof of the rationale for acquiring Amec Foster Wheeler 12 months ago and a good revenue synergy. We could not have won this contract as separate businesses."

Wood Group completed the £2.2bn takeover of Amec Foster Wheeler in October last year.

The contract announcement will come as welcome news for investors after the company warned earlier this month that recent volatility in commodity prices may impact confidence and the pace of contract awards.

Nevertheless, Wood Group said it anticipated further earnings growth through 2019, thanks in part to US\$60mIn of cost synergies.

However, in early morning trading, Wood Group shares were still 2.8% lower at 519.20p.

-- Adds share price --

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Price: 341.6

Market Cap: £2.34 billion

1 Year Share Price Graph



Share Information

Code: WG.

Listing: LSE

52 week High Low
685.4 322.5

Sector: Energy

Website: www.woodgroup.com

Company Synopsis:

Provision of selected engineering design, production support and industrial gas turbine services to the oil and gas, and power generation industries.

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