

ASX/ MEDIA RELEASE

29 October 2007

United Group delivers record sales of \$1 billion in first four months

- **Experiencing growth in all core sectors**
- **On track for strong growth in 2008**
- **All sectors showing signs of continued growth and opportunity**
- **Integration of UNICCO progressing well**

SYDNEY: Leading infrastructure and services company United Group Limited (ASX:UGL) today announced record sales of \$1 billion in the first four months of the Financial Year 2007-08. United Group has secured several major re-competes as well as new projects in all of its major sectors including transportation (road & rail), water and waste water, power, resources and property services.

Managing Director and Chief Executive Officer Richard Leupen said, "United Group's first four month's performance continued to drive growth. It is also pleasing to note that our strong performance is occurring across all of our core sectors.

"The \$1 billion in sales is made up of a mix of contract renewals and extensions, and new projects. This highlights two important factors: Customers continue to see value in partnering with United Group over the longer term and we continue to build relationships with new blue chip customers.

"United Group's sales in the Rail sector confirm the company's leading position in this market. In the last four months, we have secured over \$500 million in new projects including the fabrication of VCA coal wagons and bogies for QR, the ongoing fabrication and supply of iron ore wagons for BHP Billiton, and the supply of six locomotives for Rio Tinto Iron Ore. We have also expanded some of our rail maintenance contracts which are at the core of that business.

"Our Infrastructure business UGL Water & Energy is also experiencing strong growth with over \$150 million of new power and water related projects secured in the quarter. One project is the construction of the Tarago water treatment plant for Melbourne Water.

"United Group's Services division has also performed well during the first quarter both in Australia and Asia with over \$100m of contract renewals. With the UNICCO transaction now completed, and the integration process progressing well, we expect continued growth from the Services business in the coming year. We are also encouraged by the prospects for the Services business in Asia with a number of major tenders for new property services projects currently under review.

"United Group's Resources division also extended its maintenance and turnaround services for BP Kwinana Refinery, Western Australia, for four years. United Group has been on site since 1991 and will be executing the largest shutdown in the refinery's 50 year history in 2008. UGL Resources also extended its O&M Alliance Agreement with Water Corporation, Western Australia, to 2010.

"2008 is shaping up well for United Group, backed by strong market conditions, growth in our sectors of infrastructure, resources and property services combined with stable and secure cash flows from long-term projects," Mr. Leupen said.

- ENDS -

For further information, please contact:

Richard Leupen, CEO and Managing Director +61 2 9492 8803

Teresa Aruego Easter, Group Manager, Corporate Affairs +61 2 9492 8842, +61 401 147 822

About United Group:

United Group (ASX - UGL) is a diversified services company specialising in maintenance, facilities management, manufacturing, fabrication, engineering, construction and business process outsourcing. It operates in Australia, New Zealand, Asia, North America, and parts of Europe and the Middle East. The group consists of five businesses each with specific complementary services:

UGL Rail is Australia's foremost rail and rolling stock company offering services such as; engineering and manufacturing, refurbishment and remanufacture, maintenance services and spare parts

UGL Resources is a long term solution provider of multi-discipline services to clients in the resources industry

UGL Services is a premier global provider of outsourcing services. Services include corporate real estate, facilities management, project management, finance and accounting, procurement, human resource management and learning

UGL Transport & Systems is a multi-service business offering construction, engineering, operational and maintenance services to the communications, road & rail transport and defence industries

UGL Water & Energy is a market leader providing industrial maintenance, construction and engineering services to the water and energy sectors using technology partnerships with world-leading organisations.