

ASX/MEDIA RELEASE

3 July 2007

United Group secures over \$220 million in new Water projects

Leading engineering and services company United Group Limited (ASX: UGL) today announced that its Infrastructure business has secured over \$220 million of new water and wastewater projects throughout Australia. The new projects also signal a strengthening of United Group's partnership with GE as it expands its operations in the essential infrastructure sectors.

Recent projects wins include:

- Nomination of preferred tenderer status for the delivery of the Western Sydney Recycled Water Initiative – Replacement Flows Project as part of the Deerubbin WaterFutures Consortium, which consists of United Group Infrastructure, GE Water and the McConnell Dowell Constructors. The project will see wastewater from St Marys, Penrith and Quakers Hill sewage treatment plants being treated using GE's Zeeweed and reverse osmosis technology, to provide potable replacement high quality water for environmental flows.
- In joint venture with GE Water, construction of nine water treatment plants for country townships along the Murray River for SA Water.
- Design, construction and commissioning of works associated with North Head STP PARR Improvement Project for Sydney Water in an alliance with major partner John Holland, designers Patterson Britton and MWH Australia, and Manidis Roberts for the environment.
- Increased scope of works associated with the Gibson Island Advance Water Treatment Plant, as part of the Western Corridor Recycled Water Project, announced in March 2007. The project will now have an increased total net output from 35ML/day to 50ML/day of recycled water.

United Group's Managing Director and CEO Richard Leupen said these new projects reflect the continued strength of spending in essential infrastructure markets in Australia, as well as the fact that United Group's risk is well spread across a broad number of projects it has in the water sector.

"The spending on infrastructure such as water, power and transport in Australia is continuing, and State Governments remain committed to improving essential services in suburban and regional areas. United Group is establishing a leading position in the water sector in all major states as reflected by these new projects in New South Wales, Queensland and South Australia.

"Our partnership with GE Water is particularly pleasing and offers the Group significant opportunities to expand its presence in the water sector both in Australia and internationally. GE has indicated that infrastructure remains one of its major growth channels going forward, and United Group is well placed to partner with GE Water as it pursues a broad range of opportunities in Australia and throughout Asia.

"United Group is currently involved in over 20 projects undertaking engineering, construction and maintenance works in the water sector both in Australia and in South East Asia so we are not reliant on any one major project. The pipeline of bidding opportunities in both markets is very encouraging," Mr Leupen said.

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United Group (ASX - UGL) is a diversified services company specialising in maintenance, facilities management, manufacturing, fabrication, engineering, construction and business process outsourcing. The group consists of four businesses each with specific complementary services:

United Group Infrastructure is a multi-service business offering construction, engineering, operational and maintenance services to the water, power, communications, road & rail transport and defence industries

United Group 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

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

United Group 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