

ASX/MEDIA RELEASE

24th June 2009

United Group Limited CEO extends contract until 2014

Sydney: Engineering and property services company United Group Limited (ASX:UGL) is pleased to announce the extension of Richard Leupen's contracted term as Managing Director & CEO until 31st March 2014.

UGL Chairman, Trevor Rowe AM, said: "Securing Richard's services for this extended period will provide ongoing stability. He continues to perform impressively and clearly has the enthusiasm and commitment to keep delivering for UGL and its shareholders."

"The Board is also mindful of the importance of succession planning. Richard's extended contract includes key performance indicators and incentives in relation to the development of his senior management team and the appointment of a suitable successor."

The attached appendix contains an overview of the key details and provisions of Mr Leupen's extended contract and remuneration package.

For further information, please contact:

James Hall
Investor Relations Manager
United Group Limited
+61 2 9492 1431
+61 401 524 645
james.hall@unitedgrouppltd.com

Trevor Rowe AM
Chairman
United Group Limited
+61 2 9323 2293

United Group Limited (ASX: UGL) is an engineering and property services company working in design and construction, maintenance and facilities management. It consists of four businesses – UGL Infrastructure, UGL Rail, UGL Resources and UGL Services – operating in Australia, New Zealand, Asia, North America and the Middle East.

www.unitedgrouppltd.com

Appendix: summary of the key terms and conditions of extended appointment

Term

Extended to 31st March 2014, subject to earlier termination by UGL or Mr Leupen. Mr Leupen has agreed to provide the Board with at least 12 months' notice if he intends to resign prior to 31st March 2014.

Remuneration

Total fixed remuneration:

- \$2 million per annum.
- Fixed for three years.

Short-term incentive:

- Up to 125% of total fixed remuneration per annum.
- Subject to achieving financial, strategic and management targets set in advance by the Board.
- Commences 1st July 2009.

Succession planning incentive:

- Restricted shares with a market value of \$500,000 per annum vesting at the end of the term, subject to performance of succession planning conditions to the reasonable satisfaction of the Board.

Long-term incentive:

- 300,000 restricted shares per annum for each of the 2010, 2011 and 2012 financial years subject to achieving agreed performance targets in accordance with UGL's long-term incentive plan.
- Grants will be broadly on the same terms offered to other senior executives under the UGL Employee Share Plan, except:
 - Half will be subject to performance hurdles based on earnings per share growth. These entitlements have a gateway hurdle of 5% per annum compound growth from 1st July 2009 to 31st March 2014 and full vesting at 10% per annum compound growth over that period.
 - Half will be subject to UGL's total shareholder return relative to companies in the S&P/ASX200 Industrials Index during the period 1st July 2009 to 31st March 2014. Fifty per cent of these entitlements vest if total shareholder return exceeds the 50th percentile. The remainder will vest on a sliding scale between the 51st and 75th percentiles. No entitlements will vest if total shareholder return does not reach the 50th percentile.

Renegotiation of incentives:

- UGL and Mr Leupen have agreed to negotiate alternative succession planning and long-term incentive arrangements if changes in the law or regulations applying to employee share schemes or grants to executive directors materially affect the value of the proposed grants to Mr Leupen.

Payments on termination

If UGL terminates Mr Leupen's employment as a result of fraud, dishonesty or a material breach that is not remedied (i.e. "for cause"), Mr Leupen will only receive his statutory entitlements and all restricted shares will be forfeited. In other circumstances, unless Mr Leupen has resigned (without there having been a material diminution in his role) he will be entitled to a termination payment equal to 12 months' total fixed remuneration and succession planning incentive (or a pro rata reduced amount where termination occurs in the last year of his contract).