

02 October 2013

Extension of UGL MD & CEO contract to drive demerger preparation and ensure stability

Sydney: UGL Limited (ASX: UGL) today announced an extension of up to thirteen months of Richard Leupen's term as Managing Director & CEO until 30 April 2015, or upon earlier completion of a demerger.

UGL Chairman, Trevor Rowe AO said: "To ensure continuity and stability in preparation for a demerger, the Board and Richard Leupen have agreed to extend Richard Leupen's contract until the earlier of 30 April 2015 or the completion of a demerger.

"Richard's primary focus during the extension period will be to prepare DTZ and Engineering as quickly as possible for separation and to oversee the recent appointments by the Board of the DTZ and Engineering CEOs who have the responsibility to deliver the trading results and growth strategies for their respective businesses. Richard will work closely with Tod Lickerman and Russell Waugh to assist as they transition to become leaders of two standalone ASX-listed companies."

The attached appendix contains a summary of the key details of Mr Leupen's extended contract and remuneration.

ENDS

FOR FURTHER INFORMATION CONTACT:

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Appendix:

Summary of the key terms and conditions of contract extension from 1 April 2014 to 30 April 2015

Term

Contract term extended for up to 13 months until 30 April 2015, subject to earlier termination by UGL or Mr Leupen. Mr Leupen will provide 6 months' notice to the Board if he intends to resign prior to 30 April 2015 (other than for material breach).

Similarly, if the Board determines to terminate Mr Leupen's contract prior to 30 April 2015 (other than for fraud or material breach) the Board must provide 6 months' notice to Mr Leupen.

Remuneration

Total fixed remuneration:

- \$2.08 million per annum, fixed for the term of the contract extension.

Strategic incentive fee:

- Up to \$1.5 million, subject to determination by the Board, for achievement of strategic milestones.

Other incentives:

- No further performance based remuneration incentives will be granted.

Termination payment

In the event the Board determines to terminate Mr Leupen's contract prior to 30 April 2015 (other than for fraud or material breach) the Board must provide 6 months' notice or pay Mr Leupen the total fixed remuneration equivalent. If the remaining contract term is less than 6 months, a pro rata reduced amount will be paid.