ASX Release

16 June 2014

UGL announces the sale of DTZ for $1.215 billion

- **UGL has entered into a binding agreement for the sale of DTZ to a private equity consortium for $1.215 billion which the Board believes delivers significant value to shareholders**
- **Net proceeds of around $1.0-$1.05 billion expected, depending on final capital gains tax assessments, transaction costs and other sale adjustments**
- **Completion expected around the end of September 2014, subject to regulatory approvals, no material adverse change and other business-related conditions**
- **Board is evaluating options for the efficient use of sale proceeds and will update the market following completion of the sale**
- **Transaction achieves Board's intention to structurally separate UGL's two distinct operating businesses**
- **Board believes private equity is best placed to support the strong future growth potential of DTZ, maximising the long term interests of clients and staff**
- **Post transaction, UGL will be a dedicated engineering, construction and maintenance service provider in Australia, New Zealand and South East Asia with strong recurring revenues and a robust balance sheet**

Sydney: UGL Limited (ASX:UGL) today announced that it has entered into a binding agreement to sell its global property services business, DTZ, to a consortium comprising TPG Capital (**TPG**), PAG Asia Capital (**PAG**) and Ontario Teachers' Pension Plan (**OTPP**) (together **TPG and PAG Consortium**) for an enterprise value of $1.215 billion.

As previously disclosed on 17 February 2014, UGL has undertaken a process to evaluate third party interest received in DTZ to determine whether a potential sale of the business is in the best interests of shareholders. Following completion of this process, the Board has determined to enter into a binding sale agreement with the TPG and PAG Consortium.

UGL Chairman, Trevor C. Rowe AO said: "Over the past eighteen months, the Board has carefully evaluated various options to determine the optimal corporate structure for UGL, recognising that UGL is comprised of two distinct and sizeable businesses which operate in different markets, with different geographic focuses and strategic requirements. The Board continues to believe a structural separation of DTZ and Engineering is in the best interests of shareholders, and will be beneficial for both our clients and our people.

"To effect the separation of DTZ and Engineering, the Board considered a number of alternatives including a demerger and a sale of DTZ. The Board has concluded that the TPG and PAG Consortium offer to acquire DTZ is in the best interests of the Company and its shareholders. The sale price represents a fair valuation for DTZ which the Board believes will deliver significant value to UGL shareholders. The Board also believes the TPG and PAG

Consortium are best placed to support the strong future growth potential of DTZ as it becomes one of the dominant global property services players, ensuring the long term interests of our clients and our people are maximised," Mr Rowe said.

UGL Managing Director and CEO, Richard Leupen said: "Over the last sixteen years, UGL has built one of the leading global property services platforms through both selective acquisitions and investing in organic growth. The sale price reflects the significant value we have created in building a unique platform over this time delivering a highly positive result for UGL and its shareholders. The sale of DTZ to the TPG and PAG Consortium will provide the business with the flexibility to undertake its next stage of growth.

"As highlighted when we announced our intention to pursue a demerger, the operational and strategic priorities and financial requirements of DTZ and Engineering are increasingly diverging. We believe that a separation of the two distinct businesses is the right decision to allow both DTZ and Engineering to solely focus on their own strategies and opportunities for growth unhindered," Mr Leupen said.

Key conditions

The sale consideration will consist solely of cash and the sale is conditional on certain approvals from regulatory bodies, no material adverse change and other business-related conditions. The transaction is expected to be completed around the end of September 2014.

Under the terms of the sale agreement, UGL will also enter into a transition services agreement to facilitate business continuity and the orderly transfer of DTZ to the TPG and PAG Consortium until August 2015.

Use of proceeds

Net proceeds from the sale will be dependent on final capital gains tax assessments, transaction costs (including sale and demerger related costs) and other sale adjustments including certain known liabilities which will be transferred with DTZ. It is expected net proceeds will be around $1.0-1.05 billion after these items.

UGL is evaluating a range of options for the efficient use of net proceeds and will communicate its strategy following completion of the sale.

UGL post sale

Following the sale of DTZ, UGL will be a dedicated engineering, construction and maintenance services provider in Australia, New Zealand and South East Asia. UGL will maintain a diversified end market exposure across rail, infrastructure and resources projects, balanced by a leading maintenance services capability delivering a material recurring revenue base. On a standalone basis, UGL will employ 6,650 people with annual revenue in excess of $2.3 billion.

Following completion of the sale, UGL will have a robust balance sheet which will position it strongly to capitalise on future growth opportunities including reinvestment in the core engineering and maintenance services business to drive organic growth as well as the flexibility to consider potential strategic growth opportunities.

As separately announced today, UGL confirms the appointment of Ross Taylor to the role of Managing Director and CEO of UGL Limited. Ross Taylor will commence his role with UGL on 24 November 2014. Current Managing Director and CEO, Richard Leupen, will work with the Board to ensure an orderly transition in leadership prior to Ross Taylor's commencement date.

UGL's Engineering business has a strong operational management team in place with an average tenure of 7 years at UGL and on average, more than 25 years of experience within the engineering and maintenance services industries.

Following the sale, UGL is expected to continue to qualify for inclusion in the S&P ASX 200 index. The company currently expects to resume the payment of dividends in the 2015 financial year.

Advisers to UGL

Goldman Sachs acted as exclusive financial adviser and Herbert Smith Freehills acted as legal adviser to UGL.

About the TPG and PAG Consortium

TPG

TPG is a leading global private investment firm founded in 1992, with more than US$59 billion of assets under management and offices in San Francisco, Fort Worth, Austin, Beijing, Chongqing, Hong Kong, London, Luxembourg, Melbourne, Moscow, Mumbai, New York, Paris, São Paulo, Shanghai, Singapore and Tokyo. TPG Capital has extensive experience with global public and private investments executed through leveraged buyouts, recapitalizations, spinouts, growth investments, joint ventures and restructurings. The firm has been very active in Asia for twenty years having completed major investments including BTPN, Shenzhen Development Bank, Li Ning, China Grand Auto and has made many investments in Australia including Healthscope, Myer, Pet Barn, Alinta and Inghams. For more information visit www.tpg.com.

PAG

PAG is one of the region's largest Asia-focused alternative investment managers with funds under management across Private Equity, Real Estate and Absolute Return strategies. PAG currently has US$10 billion in capital under management, with over 300 staff and offices in Hong Kong, Shanghai, Tokyo, Beijing, Sydney, Singapore, Seoul, Shenzhen, and Delhi. PAG Asia Capital (PAGAC), the private equity strategy of PAG, is currently investing its US$2.5 billion pan-Asian buyout fund and its current portfolio includes control and structured minority investments across the financial services, pharmaceuticals, automotive services and consumer retail sectors. In addition to the extensive investment experience in private equity, PAG has a solid track record in real estate, completing over 500 real estate related transactions throughout Asia with total investment value in excess of US$20 billion. For more information visit www.pagasia.com.

OTPP

OTPP is one of the largest and most successful institutional investment management organizations in the world, with over C$140 billion in assets under management as of December 31, 2013. Teachers' Private Capital ("TPC") is the private equity investing division of OTPP, and is an important element of OTPP's overall investment program. With approximately 50 investment professionals and approximately C$14.8 billion in assets under management, TPC manages direct private equity investments and co-investments around the world. Since its inception in 1991, TPC has an extensive and successful track record in the private equity market, having deployed more than $20 billion in capital involving more than 300 companies and funds.

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FOR FURTHER INFORMATION CONTACT:

Rebecca Hill
Group Investor Relations & Corporate Affairs Manager
UGL Limited
+61 2 9492 1431
rebecca.a.hill@ugllimited.com

Richard Leupen
Managing Director & CEO
UGL Limited
+61 2 9492 8803
richard.leupen@ugllimited.com

Media please contact: Ben Jarvis +61 413 150 448