

United Group strengthens rail business with \$45 million in new contracts

Diversified engineering and services business United Group, has strengthened its position as the leading railway manufacturing and maintenance business in Australia and South East Asia by securing two contracts valued at \$45 million. The group has also been confirmed as selected tenderer on a third major contract. The projects were awarded to United Group's 103-year-old railway manufacturing and maintenance business United Goninan.

The first project is a five-year, \$30 million contract extension for maintenance services to Great Southern Railway's Ghan, Overland and Indian Pacific tourism rail services. United Goninan will provide these services from its Keswick maintenance depot in Adelaide and the Kewdale depot in Perth.

The second contract is the manufacture of 120 iron ore wagons for BHP Billiton Iron Ore, valued at \$15 million. Manufacturing and steel fabrication will be carried out at United Goninan's Bassendean manufacturing and maintenance facility in Perth. The project is expected to be complete by August 2003.

As announced by the New South Wales State Government, United Goninan has also been confirmed as selected tenderer to manufacture 14 diesel multi-unit (DMU) passenger railcars to service the Hunter region for the New South Wales State Rail Authority. A further seven railcars may also be included in the final contract which is currently under negotiation.

United Group Managing Director and CEO Richard Leupen says securing these contracts illustrates the group's ability to maintain long term partnerships with key customers in the rail sector. "We have a successful track record of retaining contracts with our customers because of our reliability, and ability to deliver maintenance and manufacturing projects on time and to budget.

"We look forward to working with Great Southern Railway for another five years and continuing our 16 year relationship with BHP Billiton Iron Ore," Mr Leupen said. "These projects are very positive for our South Australian and Western Australian operations."

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United Group (ASX - UGL) is a diversified engineering and services company specialising in industrial maintenance, facilities management, manufacturing, fabrication and construction. The group consists of four businesses: United Goninan, a leader in railway manufacturing, maintenance and engineering; United KG, an integrated facilities management, industrial maintenance and engineering construction business; United KFPW, a market leader in corporate property management services; United Gooder, a multi-disciplinary engineering

and construction business in New Zealand. The group has 4,500 employees, facilities in 25 locations and 60 site operations throughout Australia, New Zealand, UK and Southeast Asia. It partners with customers to deliver solutions in the following sectors: power supply and distribution; water and waste management processes; mining and mineral processing; oil, gas and LNG; telecommunications; commercial buildings; property management; heavy haulage railway and commuter transport equipment. Go to: www.unitedgroup.com.au