



MEDIA/ASX RELEASE

15 June 2004

United Group strengthens presence in water sector with \$15 million acquisition of Thames Water Projects Australia, Singapore and Malaysia

- **Builds on water core competency**
- **Expands Group's presence in South East Asia**
- **Acquisition includes ownership of wastewater treatment plant**
- **EPS accretive from date of acquisition**

Diversified services company United Group Limited has strengthened its presence in the water services sector with the \$15 million acquisition of Thames Water Projects, a leading water and wastewater design and construction firm with operations in Australia, Singapore and Malaysia. As part of the acquisition, which will be funded by existing facilities, United Group will also own and operate a wastewater treatment plant in Maffra, Victoria – its first move into the ownership of essential infrastructure assets.

Thames Water Projects will be integrated into the Group's engineering construction, maintenance and facilities management business, United KG. Thames Water Projects has an excellent record in the design and construction of water projects in Australia and Asia, and has active contracts in Singapore, Victoria, South Australia, New South Wales and the ACT. This acquisition adds to United KG's existing base of water and wastewater construction, maintenance and facility management contracts.

Thames Water Projects has a turnover of \$50 million and employs 110 staff, 60 in Melbourne, 20 in Kuala Lumpur and 30 in Singapore. The business was part of Thames Water's international operations. The acquisition includes an agreement that United Group has access to Thames Water technology from its UK base.

United Group's Managing Director and Chief Executive Officer, Mr Richard Leupen, said the acquisition was a good fit with the Group's strategy as well as being EPS accretive from the date of settlement.

"This is a significant milestone in positioning United Group as one of the region's leading integrated water and wastewater engineering, construction and maintenance services provider. Importantly, it gives the Group an expanded global footprint, access to world-class technology, and puts us in an excellent position to service water and wastewater projects throughout South East Asia.

"The acquisition of the Maffra wastewater treatment plant marks United Group's first move into the ownership of essential infrastructure assets, and gives us a platform on which to acquire similar assets should the right opportunities present themselves.

“The Group’s total water and wastewater order book including the acquisition, is over \$250 million, and is expected to continue to increase steadily with the increased resources and skills of the combined team. Thames Water Projects business will also benefit from United Group’s broader skills base in the sector, giving the business the ability to bid for long-term facilities management and maintenance contracts, as well as design and construction works.

“This acquisition is another sign of United Group’s emerging regional presence in essential services. United Goninan continues to secure additional rail project work in Hong Kong and other markets in the region, United KFPW is increasing its business process outsourcing services throughout South East Asia, and the acquisition of Thames Water Projects will help to extend United Group’s reach into other key sectors in which we operate.”

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For further information, please contact:

Richard Leupen - Managing Director and Chief Executive Officer

United Group Limited - Tel: (61 2) 9492 8803

Released through: Ben Jarvis, Financial & Corporate Relations – (61 2) 8264 1003/ 0413 150 448

United Group (ASX - UGL) is a diversified engineering and services group specialising in industrial maintenance, facilities management, commercial property management services, manufacturing, fabrication and construction. The group consists of five businesses:

United Goninan, a leader in railway manufacturing, maintenance and engineering;

United KFPW, a market leader in business process outsourcing services;

United KG, an integrated facilities management, industrial maintenance and engineering construction business;

United Gooder, a multi-disciplinary engineering construction and services business in New Zealand.

United KFPW.HRS Australia's market leader for the provision of outsourced HR, payroll and employee information services

United Group has 5,000 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.

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