ASX/MEDIA RELEASE

15 August 2011

UGL delivers 10th consecutive record full year result

- **Net profit after tax up 10 per cent to $158.5 million**
- **Underlying net profit after tax of $164.4 million*, up 9 per cent**
- **Operating revenue of $4,583.6 million^, up 5 per cent**
- **Underlying earnings per share of 99.0 cents*, up 8 per cent**
- **Dividend per share of 70 cents fully franked – a record payout**
- **Secured more than $4.0 billion of new contracts and extensions**
- **Well placed for continued earnings growth in FY2012**

Sydney: UGL Limited (ASX: UGL) ("UGL") today reported net profit after tax (NPAT) of $158.5 million (FY10: $144.5 million) with underlying NPAT for the full year ended 30 June 2011 of $164.4 million* (FY2010: $151.1 million*), a 9 per cent increase on the prior year. Operating revenue increased 5 per cent to $4.6 billion^ (FY2011: $4.4 billion^), and underlying earnings before interest and tax (EBIT) was $249.4 million* (FY2010: $229.3 million*). Earnings per share (EPS) increased 8 per cent to 99.0 cents* (FY2010: 91.7 cents*), and the Board has declared a final dividend of 38 cents per share fully franked, payable on 8 September 2011 to shareholders on the register at 26 August 2011. This takes total dividends for the year to 70 cents per share, a record payout for the company.

While revenue increased 5 per cent to $4.6 billion^, UGL had a deliberate strategy of securing and executing projects on commercial and balanced trading terms, the outcome of which is reflected in the continued growth in earnings - the tenth consecutive increase for UGL.

During the year, UGL secured more than $4.0 billion of new projects and contract extensions. UGL continues to place significant emphasis on risk management and this has been a fundamental approach in new business wins, and it is a key factor in delivering profitable growth.

UGL's Managing Director and CEO, Richard Leupen, said: "It is pleasing to note that we have continued to deliver for our shareholders with this being our tenth consecutive year of profit growth. Building our services profile and a very strong focus on risk management have been the hallmarks for UGL in FY2011, and they will be important future growth drivers.

"Our order book remains strong at $8.2 billion, with over 73% of the order book made up of long term recurring maintenance style contracts. UGL also has over $1.0 billion of work in the preferred tenderer stage and $7.7 billion of weighted and qualified opportunities, giving us a stable revenue base for a number of years.

"The safety of our people continues to be a key performance measure for UGL. During the year we implemented a number of new safety training programs to ensure we remain one of Australia's safest employers. This has led to an improved safety performance in FY2011."

Mr. Leupen also highlighted that with gearing at historically low levels, UGL has a robust balance sheet and continues to assess acquisition opportunities in all of its key sectors.

*adjusted for amortisation of acquired intangibles
^includes UGL's share of joint ventures

ABN 85 009 180 287

UGL Infrastructure
Revenue was $1.1 billion^ while EBIT grew 6 per cent to $83.3 million. The pleasing financial result was driven by strong operational performance across all key business segments including transport, communications, power and water. EBIT margins increased to 7.8 per cent driven by an improvement in project mix and well executed contracts.

The pipeline of tendering opportunities continues to expand with the power, transport and communications segments supporting future growth. UGL has a number of significant infrastructure opportunities at an advanced stage of the tender process.

UGL Rail
Revenue increased 10 per cent to $1.2 billion^ driven by healthy activity levels across the freight and passenger segments of the business. EBIT grew 53 per cent to $84.8 million driven by a full year contribution from the MTM franchise in Melbourne, the ongoing success of the Oscar 3 passenger rail build program, and excellent project delivery in both manufacturing and maintenance contracts.

The continued expansion of the Australian resources market underpins a large and lengthy pipeline of freight rail supply and maintenance opportunities. Furthermore, long term passenger volumes in major capital cities are also expected to support new passenger rolling stock, fleet maintenance and enhancement projects.

UGL Resources
UGL Resources generated EBIT of $44.0 million on revenue of $959.0 million^. The business recovered strongly in the second half of the year off the back of improved project performance and continued growth in asset services markets. A number of significant contract awards were secured across the coal, iron ore and alumina sectors.

Current projects will deliver earnings growth in 2012. Additionally, tendering opportunities with blue chip customers across our core commodity segments, specifically the oil and gas and iron ore sectors, offer further upside.

UGL Services
EBIT increased to $76.5 million* while revenue was steady at $1.3 billion. EBIT increased 7 per cent, and excluding the impact of a strong Australian dollar against the US dollar, services revenue increased 6 per cent. The improved business performance was driven by a continued recovery in corporate real estate services, strong contributions from the Asia Pacific region, and a ramp up of activities in the Middle East.

During the year, the division won a record $1.5 billion of new work across all key markets and sectors. UGL Services is well placed to continue its long term business expansion supported by strong customer relationships and a healthy tendering environment.

Outlook
UGL expects a positive growth year for FY2012. Given recent economic developments throughout the world, UGL believes at this stage it is prudent that we do not give specific guidance until such time that the company can assess the impact of these developments.

“We will continue our deliberate growth strategy of only securing projects on acceptable commercial terms, maintaining the quality of our order book, with a focus on obtaining long-term services contracts, along with risk balanced construction and rail manufacturing projects.

*adjusted for amortisation of acquired intangibles
^includes UGL’s share of joint ventures

"We are always assessing potential acquisitions but will only pursue opportunities that make a positive contribution to our shareholders in the short to medium term as well as build upon our recurring revenue base.

"UGL is in good shape. With an excellent talent pool, a solid balance sheet which sets us apart, a growing international footprint, and an enviable blue-chip customer base, we again expect to deliver positive returns for our shareholders," Mr. Leupen said.

Annual general meeting

UGL will hold its 2011 Annual General Meeting at the InterContinental Sydney at 117 Macquarie Street, Sydney at 2pm on 27 October 2011. The company will send a notice of meeting containing full details in September 2011.

Ends

For further information, please contact:

Rob Bonaccorso
Chief Financial Officer
UGL Limited
+61 2 9492 8826 / +61 408 110 928
Robert.Bonaccorso@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

About UGL Limited

UGL Limited (ASX: UGL) is an engineering, maintenance and facilities management company operating in the water, power, transport, communications, resources and property sectors. It consists of four divisions – UGL Infrastructure, UGL Rail, UGL Resources and UGL Services. Headquartered in Sydney, Australia, UGL Limited operates in Australia, New Zealand, Asia, North America and the Middle East employing approximately 46,000 people. For more information, visit: www.ugllimited.com

*adjusted for amortisation of acquired intangibles
^includes UGL's share of joint ventures

Appendix: UGL Full Year 2011 Results Summary

Table 1: Group

	FY2011	FY2010	Change
Operating revenue^	$4,583.6m	$4,359.1m	5%
EBIT*	$249.4m	$229.3m	9%
*EBIT margin**	*5.4%*	*5.3%*	-
Net interest	($20.8m)	($20.3m)	3%
Tax*	($64.0m)	($58.4m)	10%
Minority interest	($0.2m)	$0.5m	-
NPAT*	$164.4m	$151.1m	9%
*NPAT margin**	*3.6%*	*3.5%*	-
EPS*	99.0¢	91.7¢	8%
DPS	70¢	64¢	9%

Table 2: Divisions

	FY2011	FY2010	Change
UGL Infrastructure			
Sales^	$1,065.6m	$1,096.0m	(3%)
EBIT	$83.3m	$78.9m	6%
EBIT margin	*7.8%*	*7.2%*	-
Order book	$1.6b	$2.1b	(25%)
UGL Rail			
Sales^	$1,249.6m	$1,135.8m	10%
EBIT	$84.8m	$55.2m	53%
EBIT margin	*6.8%*	*4.9%*	-
Order book	$2.8b	$3.1b	(10%)
UGL Resources			
Sales^	$959.0m	$785.9m	22%
EBIT	$44.0m	$59.4m	(26%)
EBIT margin	*4.6%*	*7.6%*	-
Order book	$1.0b	$1.0b	0%
UGL Services			
Sales	$1,328.9m	$1,361.9m	(2%)
EBIT*	$76.5m	$71.5m	7%
*EBIT margin**	*5.8%*	*5.2%*	-
Order book	$2.8b	$2.8b	0%

*adjusted for amortisation of acquired intangibles
^includes UGL's share of joint ventures