Keller Group plc

Interim Results 2008

Half year ended June 2008

Highlights

Å Revenue* of £568.7m (2007: £443.9m) up 28%, driven by excellent organic growth outside the US

Å Operating profit* of £56.1m (2007: £47.4m) up 18%

Å Group now much more broadly based, with less exposure to individual market cycles

Å Profit before tax* of £54.2m (2007: £45.4m) up 19%

Å Basic earnings per share* up 20% to 51.6p (2007: 42.9p)

Å Interim dividend per share of 6.9p (2007: 6.0p), in line with the policy of dividend increases of 15% per annum

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*from continuing operations

Group Income Statement

Continuing operations

£m	**June 2008**	June 2007	% change	Full Year 2007
Revenue	**568.7**	443.9	+28%	955.1
Operating profit	**56.1**	47.4	+18%	107.4
Interest	(1.9)	(2.0)		(4.2)
Profit before tax	**54.2**	45.4	+19%	103.2
Tax	(17.9)	(16.1)		(35.9)
Profit after tax	36.3	29.3		67.3

Constant currency basis
- revenue up 20%
- operating profit up 9%

Average euro rate of ú1.29 (2007 H1: ú1.48)

EBITDA interest cover over 30 times

Effective tax rate 33% (2007 FY 35%)

Group Income Statement (continued)

£m	**June 2008**	June 2007	% change	Full Year 2007
Profit after tax*	**36.3**	29.3		67.3
Discontinued operation (post tax)	(1.2)	(3.7)		(10.5)
	35.1	25.6		56.8
Minority interests	(2.2)	(1.1)		(2.8)
Attributable to shareholders	**32.9**	24.5		54.0
Earnings per share from continuing operations	**51.6p**	42.9p	+20%	97.6p
Earnings per share	49.9p	37.2p		81.8p
Dividends per share	**6.9p**	6.0p	+15%	18.0p

Discontinued losses relate to Makers legacy issues

Minority interests mainly Spain and Saudi Arabia

Dividend policy
-15% annual growth, subject to 3 x cover

Share buy-back programme for up to 5% of shares in 2008
- 1.7% purchased in H1

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* from continuing operations

Operating Profit & Margin*

	June 2008			June 2007		
£m	Revenue	Op Profit	Margin	Revenue	Op Profit	Margin
UK	44.8	2.2	4.9%	35.4	1.7	4.8%
USA	245.5	22.1	9.0%	232.7	29.4	12.6%
CEMEA	204.4	23.8	11.6%	136.2	13.7	10.1%
Australia	74.0	10.7	14.4%	39.6	4.6	11.6%
	568.7	58.8	10.3%	443.9	49.4	11.1%
Central costs	-	(2.7)		-	(2.0)	
	568.7	**56.1**	**9.3%**	**443.9**	**47.4**	**10.7%**

Underlying organic revenue growth of 17%

Suncoast represents vast majority of US profit decrease

Record margins in CEMEA and Australia

* from continuing operations

Group Balance Sheet

£m	June 2008		June 2007		Dec 2007	
Goodwill / intangibles		83.3		63.9		80.8
Plant & equipment		181.3		130.8		155.8
		264.6		194.7		236.6
Inventories	41.9		27.4		26.9	
Debtors	320.2		260.5		273.6	
Creditors	(289.1)		(222.2)		(244.8)	
Working capital		**73.0**		65.7		55.7
Capital employed		**337.6**		260.4		292.3
Employee benefits		(14.8)		(18.2)		(14.6)
Tax		(15.2)		(8.4)		(8.6)
Other		2.3		(1.2)		(3.1)
Net debt		(74.4)		(53.8)		(54.5)
Net assets		**235.5**		178.8		211.5

Net debt represents 0.5x annualised EBITDA

Gearing of 32% (June 2007: 30%)

£195m of borrowing facilities committed until at least 2010

Group Cash Flow Statement

£m	June 2008	June 2007	Dec 2007
Cash from operating activities*	**46.0**	45.0	127.4
Discontinued operation	(2.4)	(4.8)	(10.2)
Capex ï net	(29.5)	(21.8)	(47.1)
Tax	(11.9)	(14.0)	(32.0)
Interest	(1.9)	(1.8)	(4.0)
Free cash flow	**0.3**	2.6	34.1
Dividends	(10.2)	(8.0)	(12.3)
Acquisitions	(2.5)	(9.0)	(34.5)
Net cash flow	**(12.4)**	(14.4)	(12.7)
Other	(7.5)	(0.8)	(3.2)
Opening net debt	(54.5)	(38.6)	(38.6)
Closing net debt	**(74.4)**	(53.8)	(54.5)

Last 12 monthsô cash from continuing operations 93% of EBITDA (June 2007: 94%)

Capex targeted at growth regions

Acquisition spend is deferred consideration

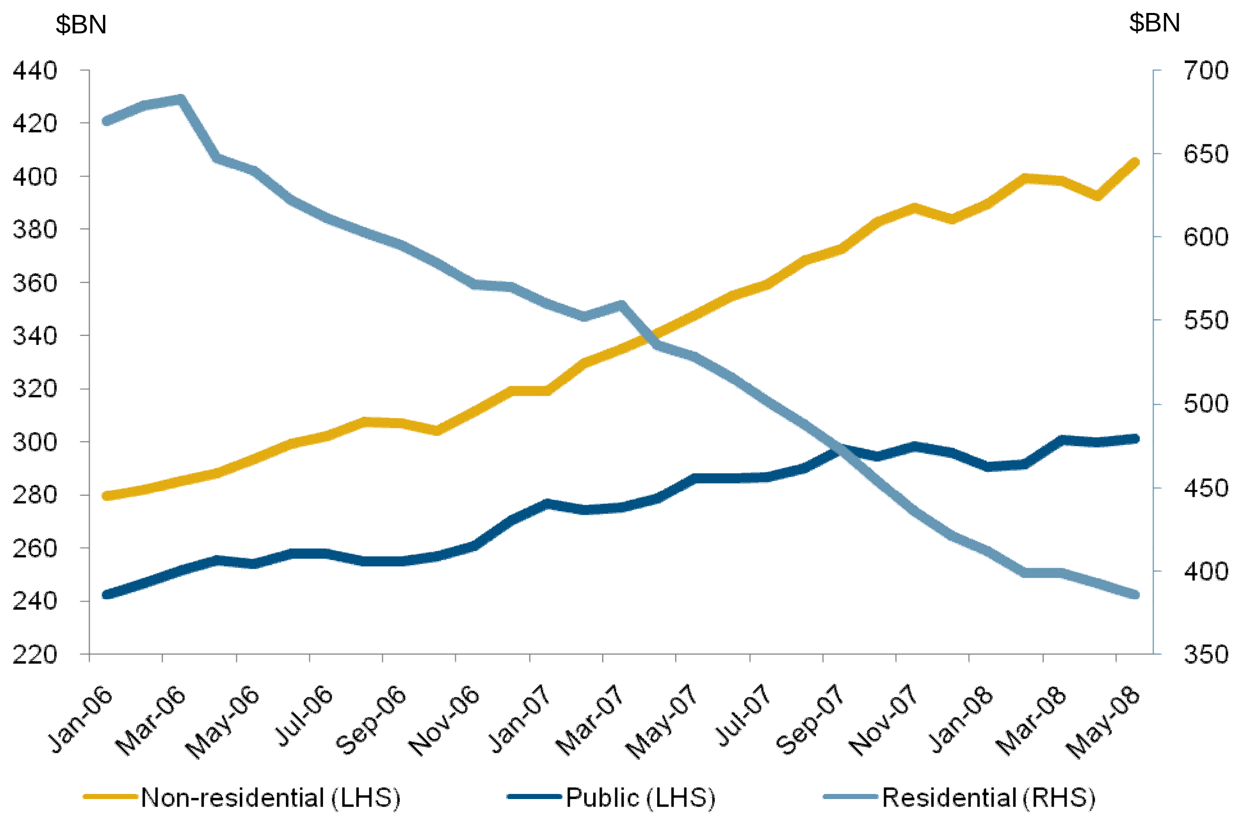
Other includes £7.1m of share buy-backs

* from continuing operations

2008 Guidance

- Group results expected to be broadly in line with 2007
- Regional full year trends similar to H1
  - US profits will be less than in 2007
  - significant increase elsewhere
- Expected effective tax rate of circa 33%
- Full year capex around £55m
- Continuation of share buy-back programme announced in March

US Construction Market Analysis



Up 17% yoy (May 08 /May 07) Up 5% yoy Down 27% yoy

US non-residential remains the largest end market for Keller at circa 45% of revenue

Keller has a good presence in the public sector market

Suncoast with an 80% exposure to the residential market had a yoy revenue decline of 21%

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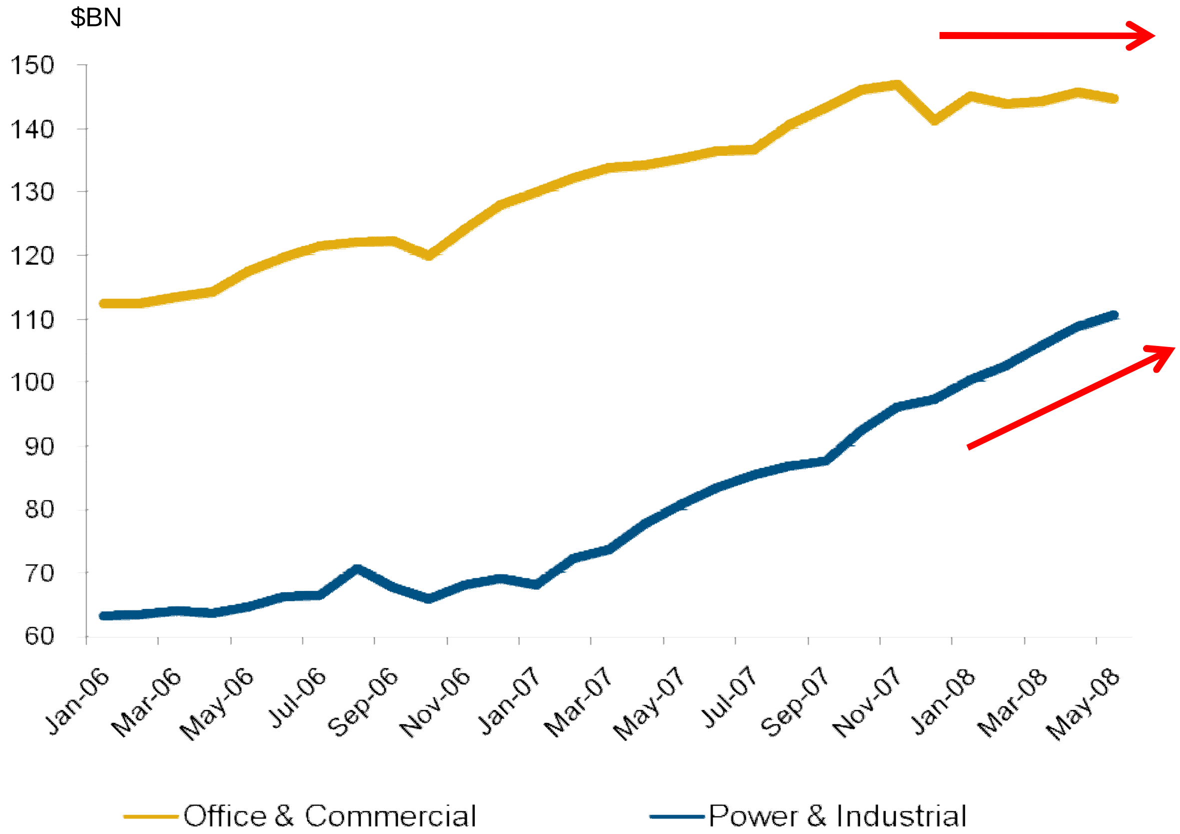
Source: US Census, US Department of Commerce, 01 July 2008

US Private Non-residential Construction



Two sub-sectors currently represent about two-thirds of this market

ï Office and Commercial 36% + 7% yoy growth

ï Power and Industrial 27% + 37% yoy growth

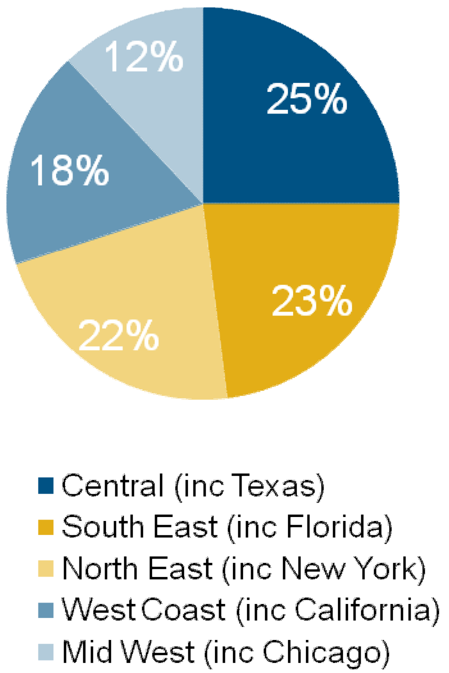
Techniques, people and equipment not sector-specific

Source: US Census, US Department of Commerce, 01 July 2008

North America Analysis of Revenue

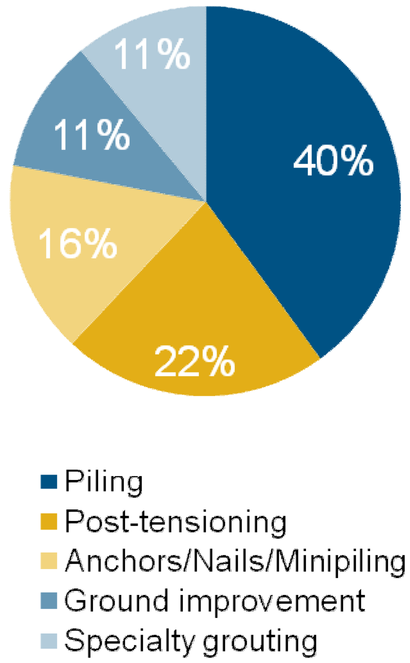
H1 2008 Revenue by Region

Total revenue £245.5m



H1 2008 Revenue by Product

Total revenue £245.5m



Well balanced geographical presence within the US across our six separate companies

Product exposure weighted towards piling reflects the make up of the market

North America ï Highlights

Copper mine, Arizona
Emergency wall repair using anchors

Very solid result from our US bellweather Hayward Baker

Good overall performance from the four piling businesses

ï further progress in extending synergies between the businesses

Good progress in integrating HJ, the Florida based CFA piling specialist acquired in 2007

ï introduction of CFA piling outside Florida gathering momentum

Significant weakening of Suncoast margins

ï business still profitable in a difficult market

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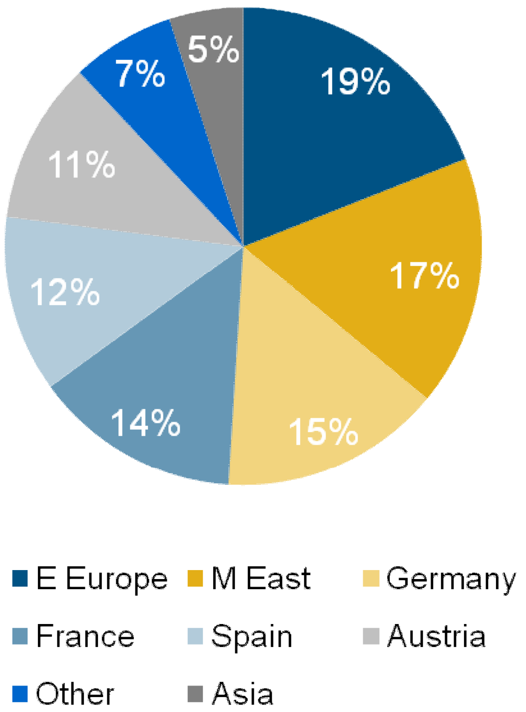
North America Case Studies

Piling at power plant, West Virginia
McKinney & Case working together

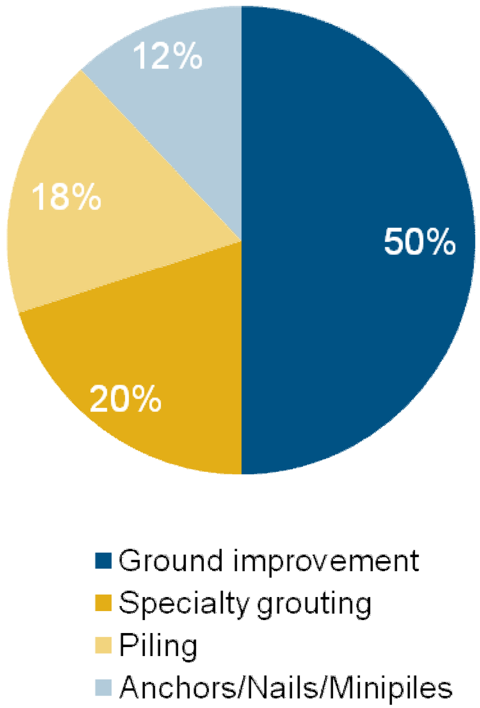
Emergency repair on road embankment, Colorado
Anchors, soil nails and minipiles

CEMEA Analysis of Revenue

H1 2008 Revenue by Country
Total revenue £204.4m



H1 2008 Revenue by Product
Total revenue £204.4m



Fast growing areas now around 40% of revenue

- Eastern Europe
- Middle East
- Asia

Piling products now represent nearly 20% of revenue following recent investments

CEMEA Highlights

Cement plant, South East Poland
Foundations for a new clinker silo

Another record result from this diversified business unit ï operating margin of 11.6%

Good exposure to infrastructure projects; limited exposure to residential housing

Continued improvement from our German business

Steady performance in France

Excellent result from Eastern Europe & Middle East

Reduction in Spanish revenues and margins reflecting weaker market conditions

Asia remains small but well positioned for H2

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CEMEA Case Studies

City tunnel project, Leipzig, Germany
Compensation grouting to protect buildings

Al Raha Beach Resort, Abu Dhabi, UAE
Onshore & offshore ground improvement

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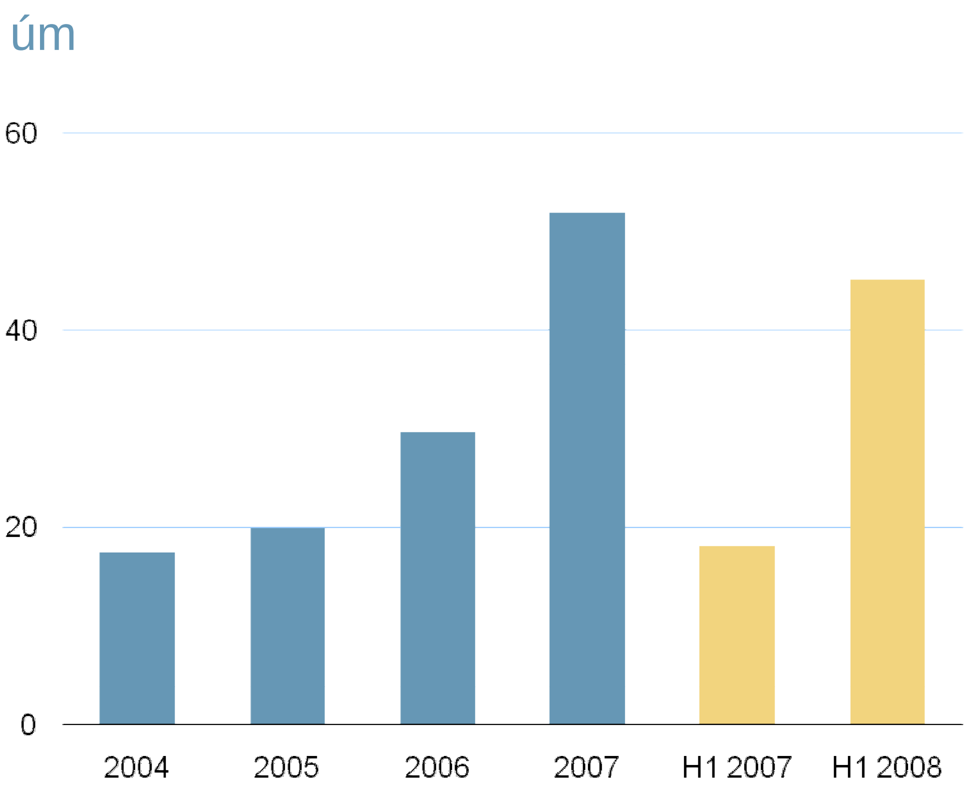
Middle East Sales Growth



Outstanding results across the region in H1 with revenue more than double last year

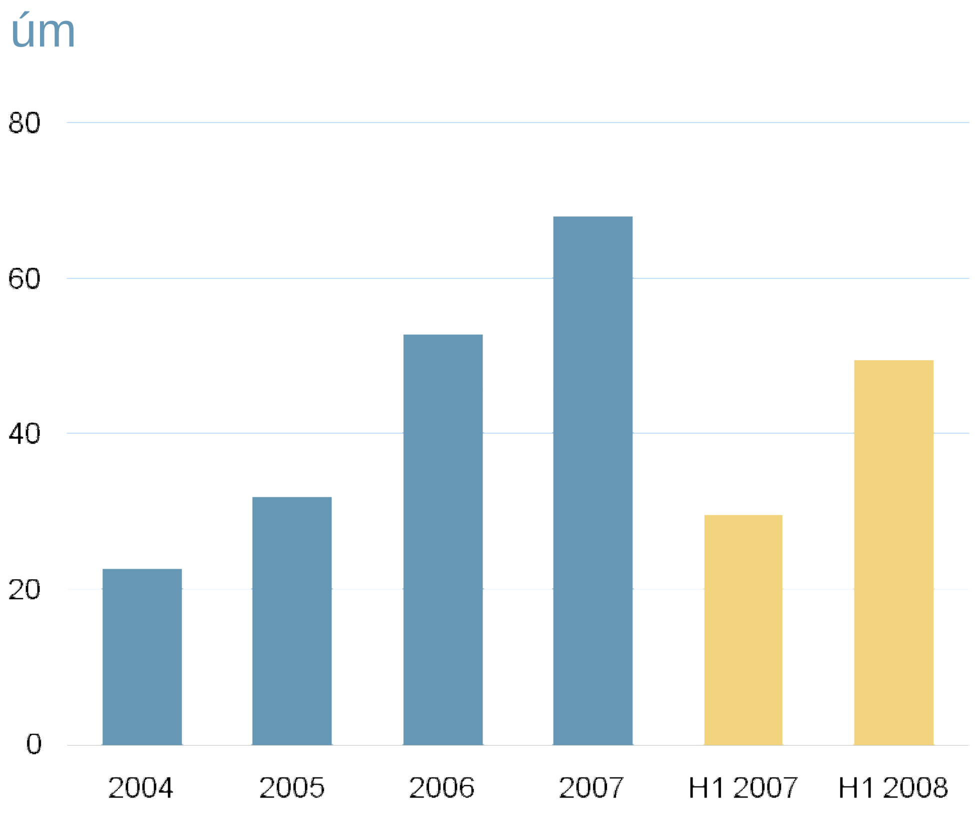
ï recent investment in equipment has brought strong growth

ï piling operations have now started in UAE

ï good progress on large contracts in
Saudi Arabia, Saudi Kayan
Dubai, Palm Deira
Abu Dhabi, Al Raha Beach Resort

ï continued growth expected

Eastern Europe Sales Growth



An excellent performance in H1 with revenue more than 50% up on last year

ï another record result for the period

ï full range of services now being offered

ï Poland represents circa 60% of the revenue in this business unit

ï further growth expected after recent investment

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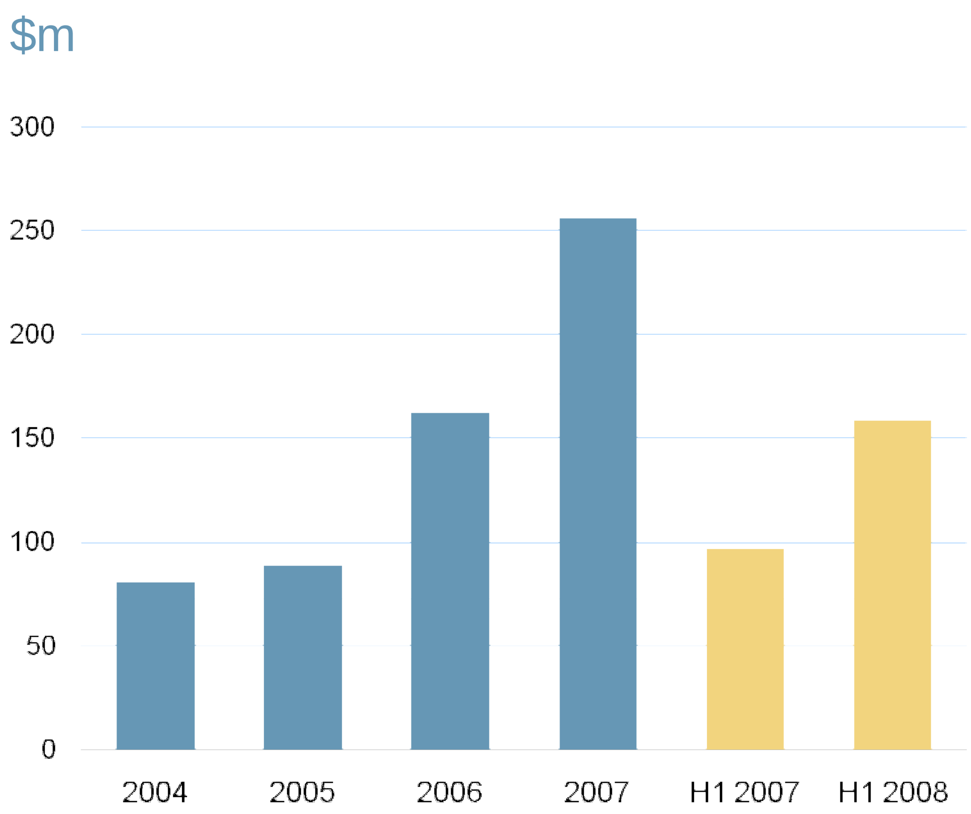
Australia Sales Growth



Significant increase in the scale of this business in the last three years helped by

- acquisition of Piling Contractors in August 2006
- infrastructure & resources boom
- extension of product range through growth of KGE

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Australia Highlights


Caboolture bypass, Brisbane, Queensland
Piling Contractors installing driven piles

Excellent revenue growth and record margin

Gateway contract now circa 90% complete

- very good performance on this landmark project

Infrastructure and resources-related work still strong

- Ballina bypass work in Northern NSW
- coal handling facility in NSW

Overall, market expected to remain strong

UK Highlights

Artist's impression of 2012 Olympic Main Stadium
Keller is performing the foundation package
Driven piles, cfa piles and vibro concrete columns

Good performance in difficult market conditions

30% exposure to the residential sector has held back performance in the Ground Improvement division

Geotechnical division returned to profitability

Excellent contribution from Phi

Systems Geotechnique now integrated

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Outlook

- US non-residential market remains resilient
  - medium term outlook for the US markets remains unclear
- Continued momentum in our high growth markets expected
- Moderate tightening expected in certain of our Western European markets
- Strong order book around last year's record level
- Robust current trading
- Full year results will be broadly in line with last year's excellent performance

Appendix

Keller's History

1958 — Est. 1958 Ground test services

1960's — Expansion into a UK national piling & ground improvement company

1974 — Acquired Johann Keller in Germany, marking international expansion

1984 — Acquired Hayward Baker (US)

1990 — Management buyout from GKN plc

1994 — Acquired Case (US); IPO on London Stock Exchange

1996 — Acquired Makers (UK)

2001 — Acquired Suncoast (US) leading post-tension cable company

2002 — Acquired McKinney (US); Acquired 51% of Keller-Terra (Spain)

2005 — Acquired Donaldson (US)

2006 — Acquired Phi (UK); Acquired Piling Contractors (Australia); Acquired Anderson Drilling (US)

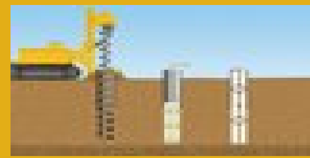
2007 — Acquired Systems Geotechnique (UK); Acquired HJ Foundation (US)

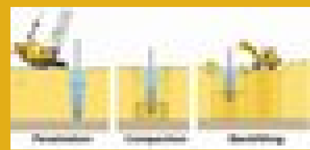
NOW — 6,300 employees; Offices in >30 countries; Revenue £1bn+

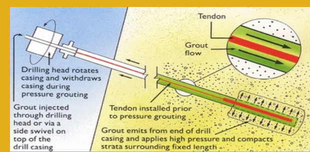
Only larger and most recent acquisitions shown

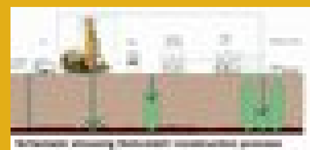
Ground engineering worldwide

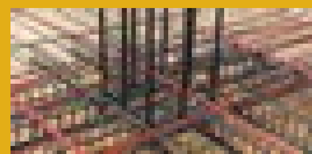
Activities	% of H1 2008 revenue	Regions of use	Applications
Piling	38 %	US UK & Eastern Europe Middle East Australia	Foundation support Earth retention
Ground improvement	25 %	US Europe Middle East & Asia Australia	Foundation support Seismic risk protection
Anchors, Nails, Minipiles	14 %	US Europe	Excavation support Slope protection Underpinning
Specialty Grouting	14 %	US Europe Asia	Control of building settlement Groundwater control
Post-tension concrete	9 %	US	Slab-on-grade foundations High rise structures











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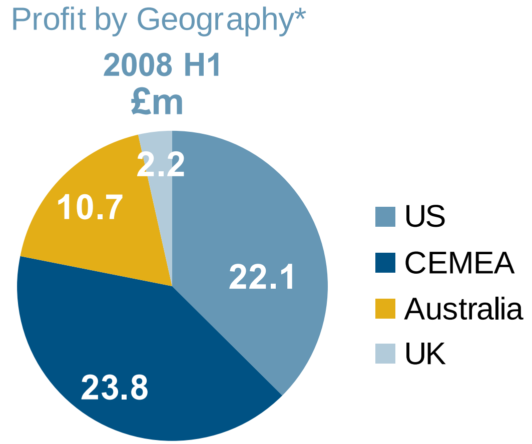
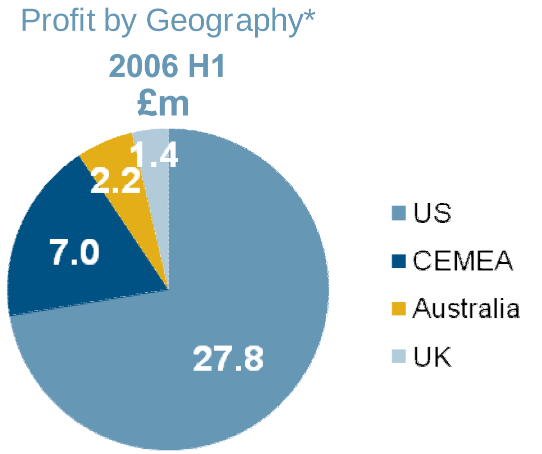
Business Model

- A very broadly based business by
  - Geographies and products
  - Customers and end markets
  - Individual contracts (circa 8,500 in 2007)
- Strong control framework but with local empowerment
  - Global and local benefits
- Continuous innovation
  - Manufacture own equipment for ground improvement products
  - Successfully transfer technology around the Group
  - Offer design and build capability and alternative solutions
- A good track record of acquisitions
  - Synergistic effects help grow the turnover and profit





*from continuing operations

Strategy

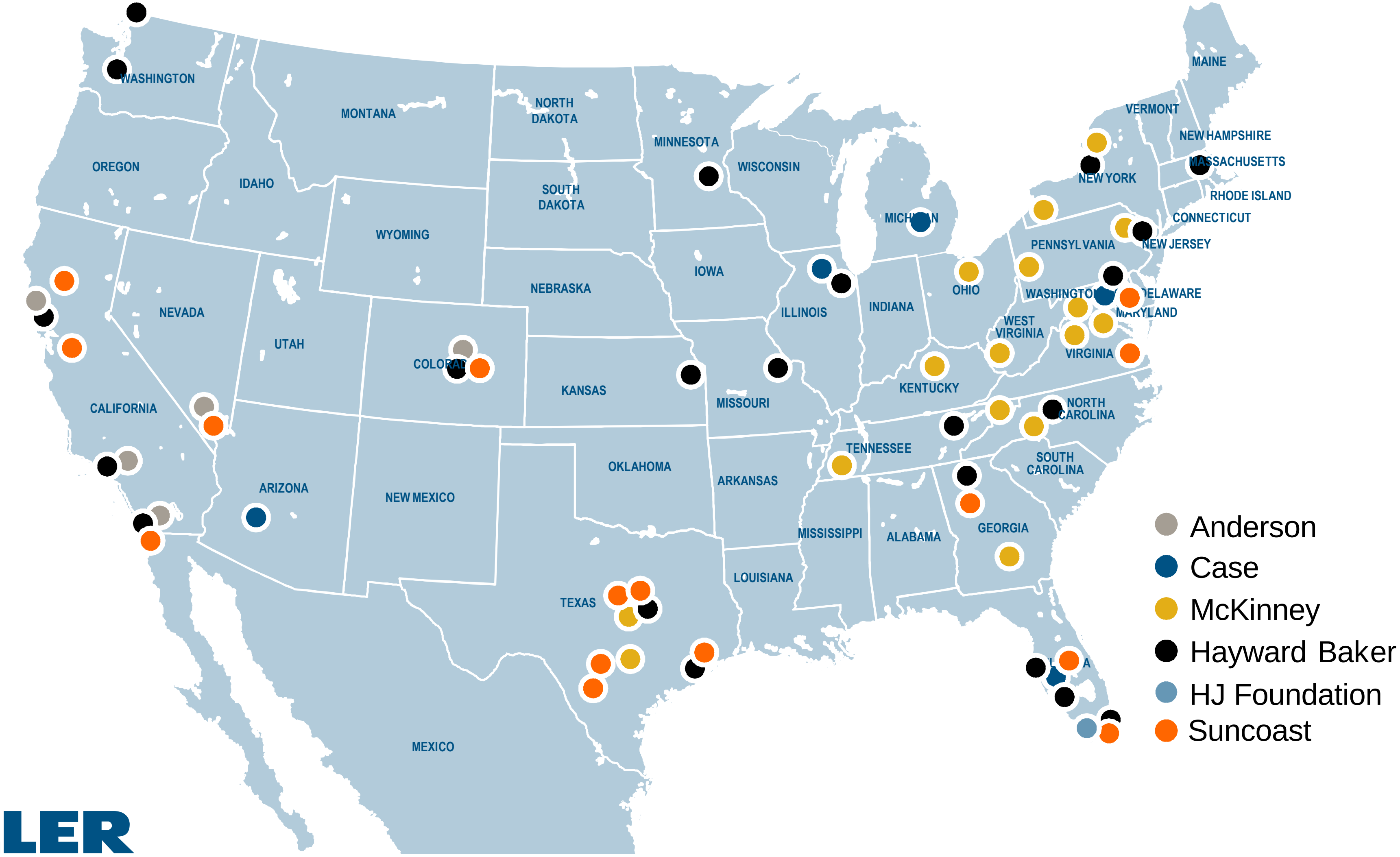
Keller is the world's largest and most profitable independent ground engineering contractor with leading market positions in many countries

- Market Drivers
  - More pressure to build on brownfield/marginal land
  - More ambitious development and infrastructure projects

- Our Objective
  - To extend our global leadership in specialist ground engineering through:
    - Organic growth, particularly in growing markets
    - Targeted acquisitions

- Our Execution
  - Transfer of technologies across our geographic regions
  - Expansion into new geographic regions
  - Acquisition and development of new technologies and techniques

US Geographic Coverage



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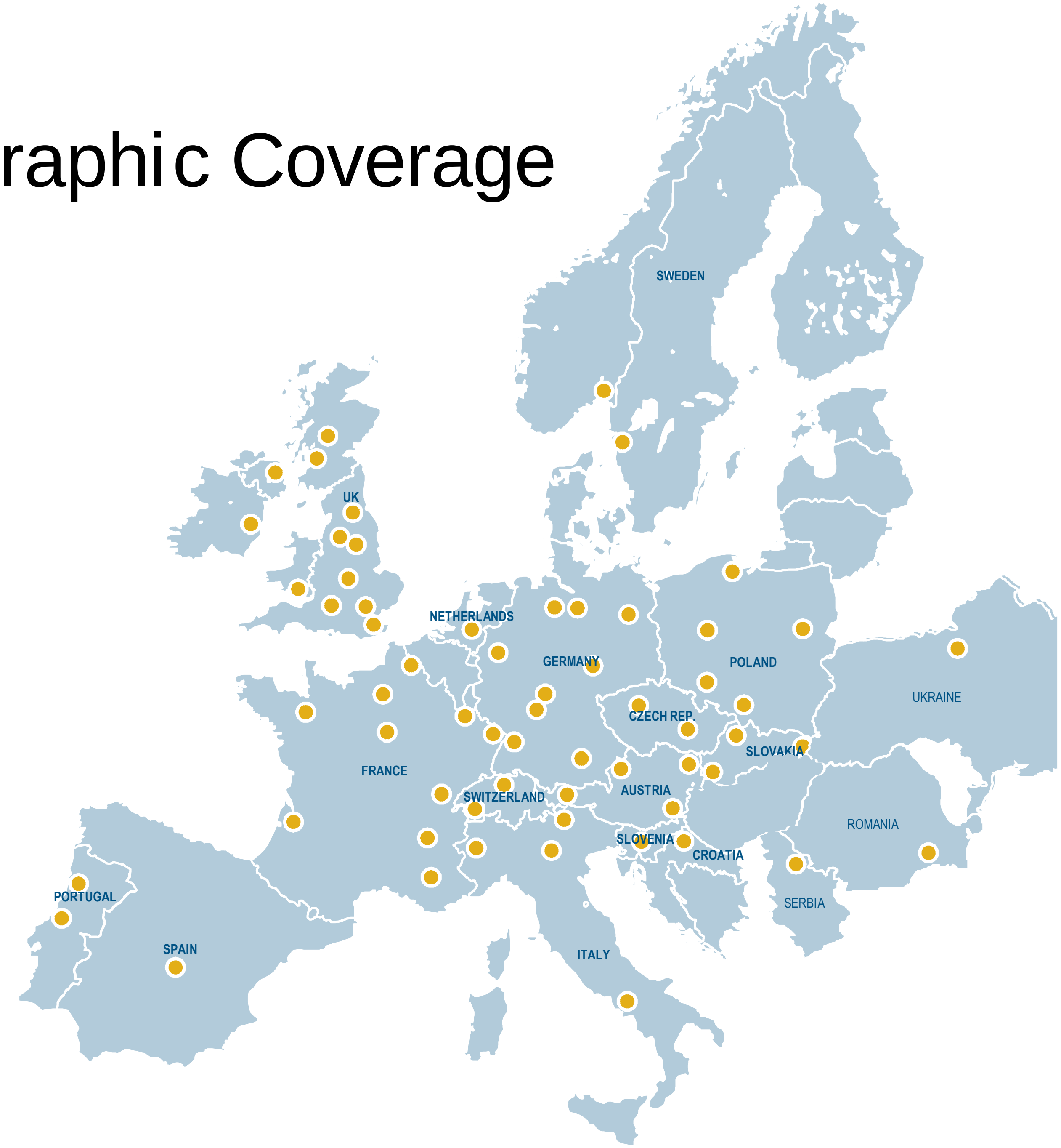
Europe Geographic Coverage



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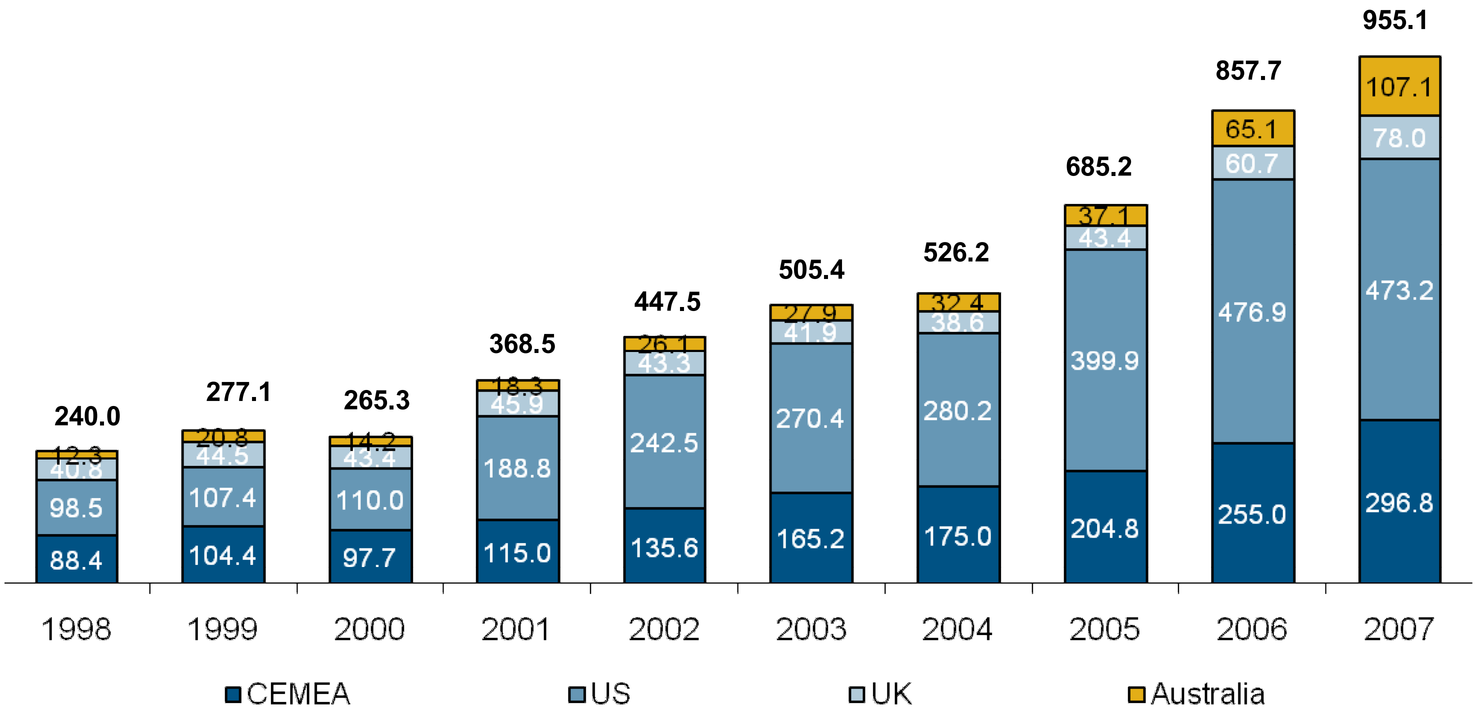
Ten Year Track Record

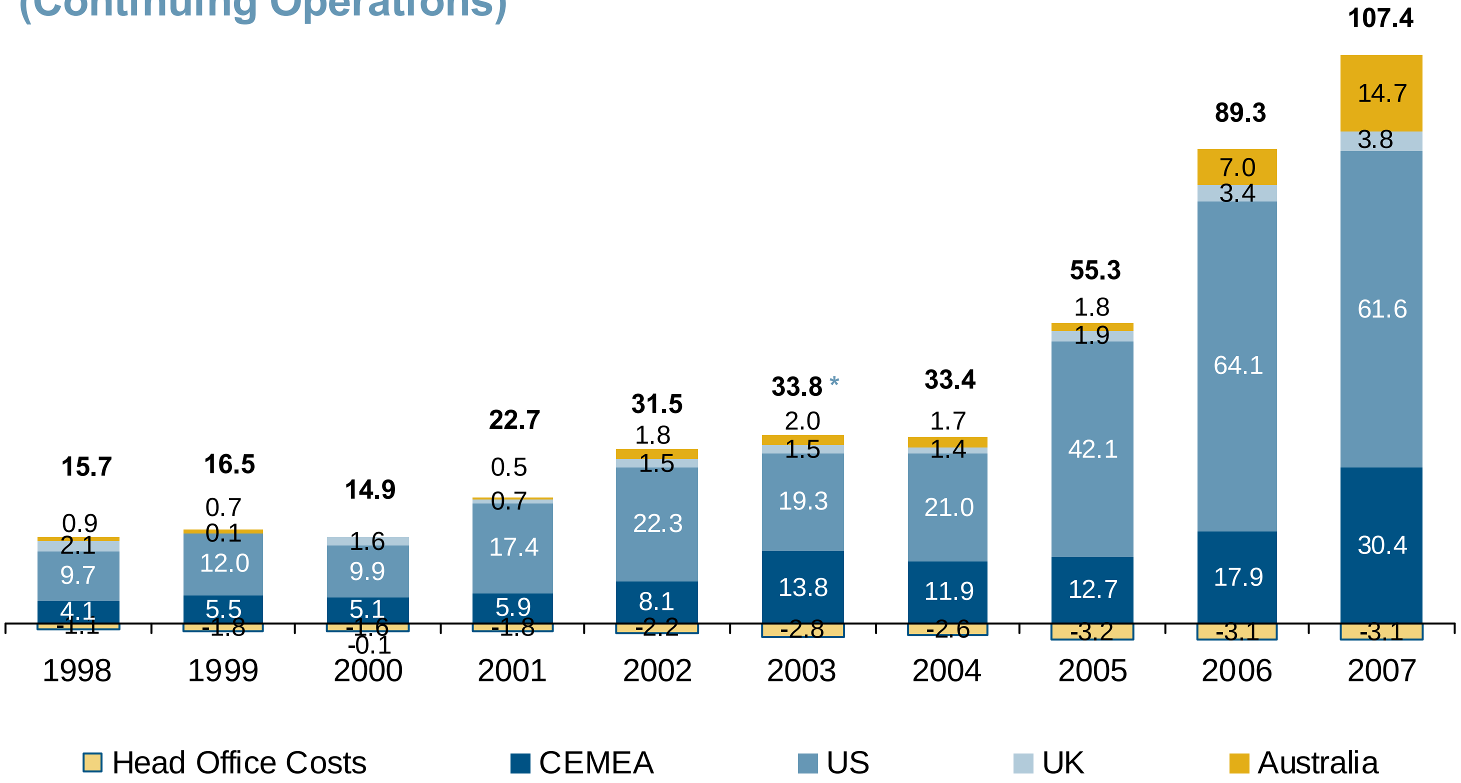
Revenue 1998 – 2007 (£m)
(Continuing Operations)



Compound annual growth rate of 17%

Ten Year Track Record

Operating Profit 1998 – 2007 (£m) (Continuing Operations)

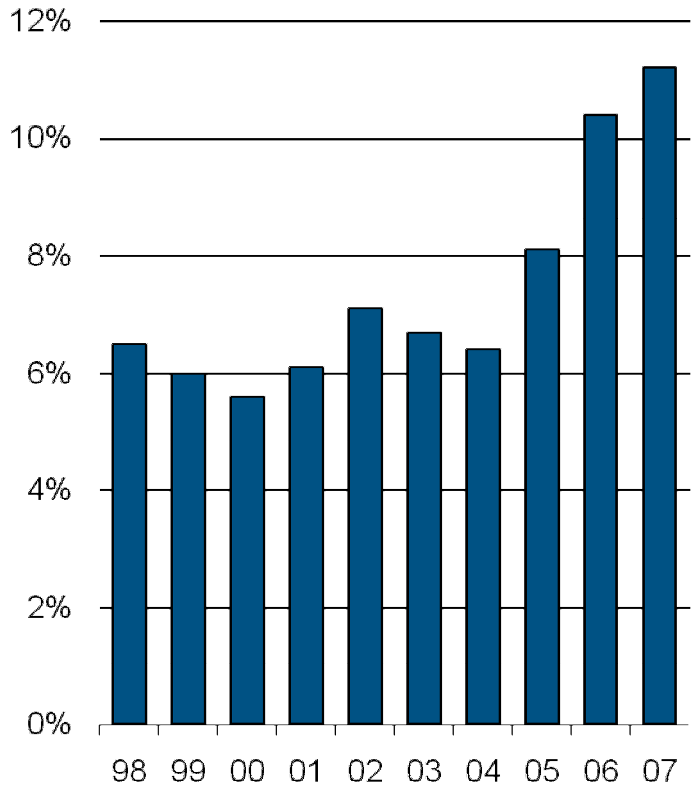


Compound annual growth rate of 24%

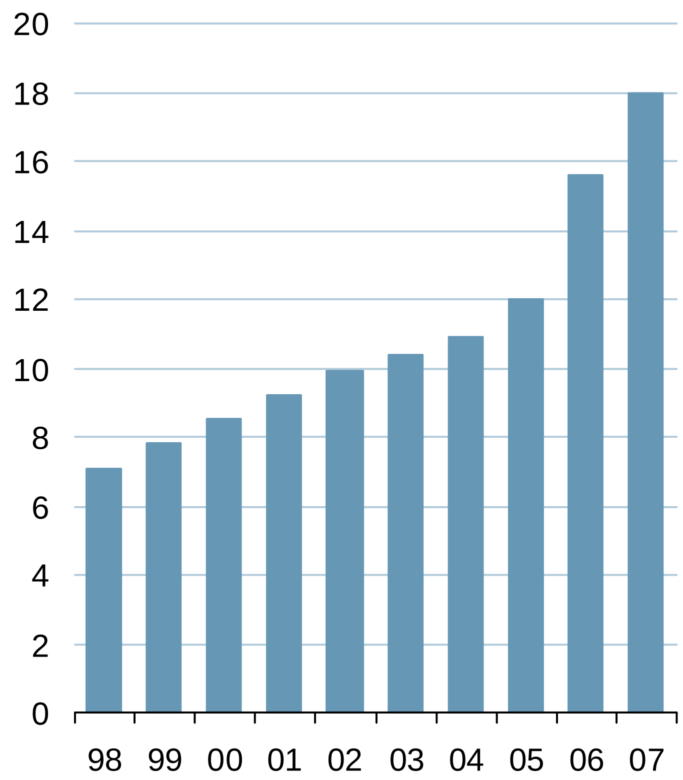
*pre-exceptionals

Financial Performance

Operating margin*



Dividend per share



Industry-leading margins

Uninterrupted dividend growth

Dividend policy

- 15% growth subject to 3x cover

*from continuing operations

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