

For immediate release

Date – 12 May 2011

Keller Group plc

Interim Management Statement

Keller Group plc (“Keller” or “the Group”), the international ground engineering specialist, issues its Interim Management Statement covering the period 1 January to 11 May 2011.

Overview

As expected, we have seen no easing of the challenges facing our industry in the first few months of this year. There has not been any meaningful recovery in our construction markets in the US and Western Europe, which were most severely impacted by the global recession. Over capacity remains a significant issue, particularly in the US, putting continued pressure on margins.

As expected, total revenue in the first four months was ahead of the same period last year. Order intake remains robust and the order book at the end of April was 9% ahead of 2010. We therefore still expect to deliver solid revenue growth over the full year.

However, the impact of lower margins in the US, combined with the Australian floods and geopolitical issues in the Middle East and North Africa, mean that the Board now expects that the Group’s EBIT for the year as a whole will be around 10% below that in 2010, with the second half being broadly in line with last year.

Despite this, the Board remains convinced that the outlook for global construction remains positive and that Keller is well placed to take full advantage of opportunities both in its developing markets and in its mature markets as these recover.

Divisional Review

US

In the US, expenditure in all sectors of the construction market continued to fall in the first three months of the year, most markedly the private non-residential sector, which contracted year-on-year by a further 12% in the period.

As a result of this continued market deterioration, our US foundation businesses have seen more intense pressure on margins than they have previously experienced. This is particularly so in that part of our business which is most exposed to smaller contracts in the commercial sector. Accordingly, despite the actions taken since the beginning of the recession to adapt these businesses to their tough trading environments, our profits in the US are expected to be no better than last year.

Whilst there has been no improvement in the US residential sector, Suncoast has traded in line with our expectations in the year to date.

Continental Europe, Middle East & Asia (CEMEA)

Across our diverse markets within the CEMEA division, performance has been varied. In our developing markets, demand has remained very strong in Poland and in South East Asia, where our businesses have performed very well.

Our businesses in the Middle East and North Africa have been severely disrupted by the civil unrest in many parts of these regions and, as a result, have made a loss in the first four months of the year.

Our Western European markets remain challenging but stable and our trading in these regions has been as anticipated at the start of the year.

Australia and UK

As expected, the Australian construction market as a whole is experiencing something of a temporary lull, although activity levels should pick up towards the end of the year, as some of the larger, resource-related projects currently being tendered come on stream.

The results of our Australian business for the first four months were adversely impacted by the flooding in Queensland, the effects of which proved to be longer lasting than we had anticipated at the time of our full-year results in February. However, the fundamentals of the business remain very good.

The UK business has, as we expected, had a difficult year to date, but is expected to have a better second half, as some of the transport infrastructure projects in which it will be involved get underway.

Financial Position

The Group's financial position remains strong. Other than the normal seasonal increase in working capital, there has been no significant change to our financial position since the last year end.

Annual General Meeting and Interim Results

Keller will be holding its Annual General Meeting at 11.00 on 17 May 2011 at the offices of RBS Hoare Govett Limited, 250 Bishopsgate, London, EC2M 4AA.

The Company intends to announce its interim results on Monday, 1 August 2011.

For further information, please contact:

Keller Group plc

Justin Atkinson, Chief Executive

James Hind, Finance Director

www.keller.co.uk

020 7616 7575

Finsbury

James Leviton, Clare Hunt

020 7251 3801

A conference call for analysts is to be held at 09.00 on 12 May 2011. Please contact Sara Merrilees at Finsbury (see above) for dial-in details.