KELLER

Preliminary results
Year ended 31 December 2002

March 2003

Highlights

- Sales break through £500m barrier
- Operating profit* up 35% to £34.3m; margins up to 6.7% (2001: 6.0%)
- Profits before tax* up 29% to £30.4m (2001: £23.6m)
- Earnings per share* increased 27% to 32.7p (2001: 25.8p)
- Strong cash flow with EBITDA interest cover of 11 times
- Five acquisitions completed during the year
- 2003 prospects enhanced by recent acquisitions
- Recommended total dividend up 8% at 9.9p (2001: 9.2p)

*Pre-goodwill amortisation of £3.1m

KELLER

Management Changes

Tom Dobson
Chief Executive

Justin Atkinson
Chief Operating Officer

Bob Rubright
Foundation Services MD

TBA
Finance Director

Rob Ewen
Specialist Services MD

Foundation Services

USA
Hayward Baker
Case
McKinney

Europe & Overseas
Keller

UK
Keller

Australia
Franki
Vibropile

Specialist Services

USA
Suncoast

Europe & Overseas
Wannenwetsch

UK
Makers
Allied/Accrete

Profit and Loss Account

£millions	2002	2001	% Change
Turnover	511.0	422.2	+21
Operating profit pre-goodwill	34.3	25.4	+35
Operating profit post goodwill	31.2	24.2	+29
Interest	(3.9)	(1.8)	
Profit before tax	27.3	22.4	+22
Taxation	(10.7)	(8.7)	
Profit after tax	16.6	13.7	+21
Profit before tax pre-goodwill amortisation	30.4	23.6	+29
Earnings per share pre-goodwill amortisation	32.7p	25.8p	+27
Dividend per share	9.9p	9.2p	+8

- Organic profit growth of 14%, like-for-like
- Operating margins increase from 6.0% to 6.7%
- Interest cover to EBITDA 11.1 times
- Acquisitions contribute £1.4m operating profit plus full year of Suncoast

KELLER

Acquisitions in 2002

Company	Month acquired	Total Investment[1] £m	2002 Contribution to Sales £m	2002 Contribution to Operating Profit £m
Wannenwetsch	Jan/Oct	2.7	1.7	0.4
Accrete	August	4.0	2.0	0.2
Vibropile	August	2.2	4.9	0.8
Keller-Terra[2]	December	9.1	Nil	Nil
McKinney[2]	December	17.7	Nil	Nil
Total		**35.7**	**8.6**	**1.4**

[1] Including costs, net debt/(cash) acquired and estimated deferred purchase consideration

[2] Acquisitions in December 2002 – no profit taken in year

- 5 acquisitions; 5 different countries
- Total net goodwill acquired of £8.7m

Balance Sheet

£millions	2002	2001
Fixed assets		
Intangible assets	66.7	61.0
Tangible assets	79.8	59.2
	146.5	120.2
Current assets		
Stocks	15.1	12.5
Debtors	143.9	120.3
Cash	16.2	12.2
	175.2	145.0
Creditors: due within one year	(141.4)	(129.1)
Net current assets	33.8	15.9
Total assets less current liabilities	180.3	136.1
Creditors: due after one year	(72.3)	(56.8)
Provisions for liabilities and charges	(7.9)	(6.0)
Net assets	100.1	73.3

KELLER

- Net asset base up 37% on December 2001
- Net tangible assets £33.4m (2001: £12.3m)
- Net debt of £68.0m (2001: £63.2m)
- Gearing down to 68% (2001: 86%)

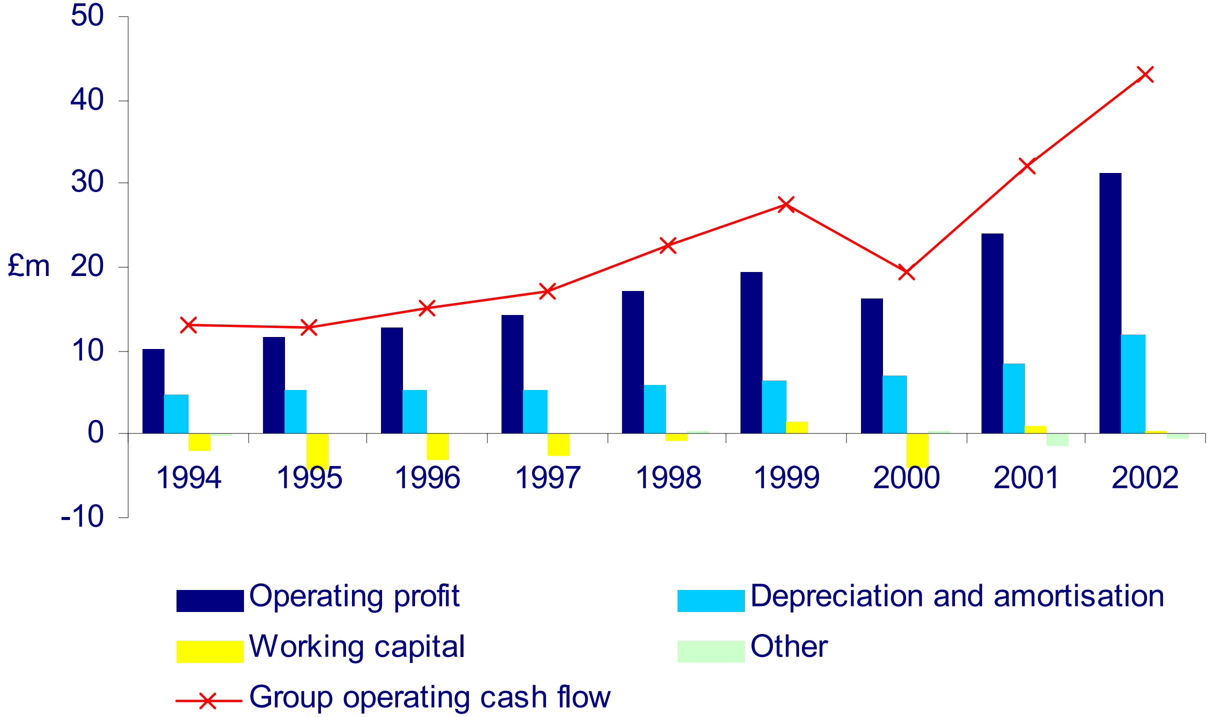
Cash Flow Statement

£millions	2002	2001
Net cash inflow from operating activities	43.2	32.2
Returns on investment and servicing of finance	(4.4)	(3.3)
Taxation	(9.0)	(8.2)
Capital expenditure	(12.7)	(10.3)
Acquisitions and disposals	(32.0)	(67.3)
Equity dividends paid	(5.6)	(5.0)
Net cash outflow	(20.5)	(61.9)
Share issue proceeds	13.6	7.9
Other debt movements	2.1	0.4
Net debt brought forward	(63.2)	(9.6)
Net debt carried forward	(68.0)	(63.2)

- Operating cash flow 126% of operating profit
- Capex remains circa 1.5 x depreciation
- Good headroom in banking facilities

KELLER

Operating Cash Flow

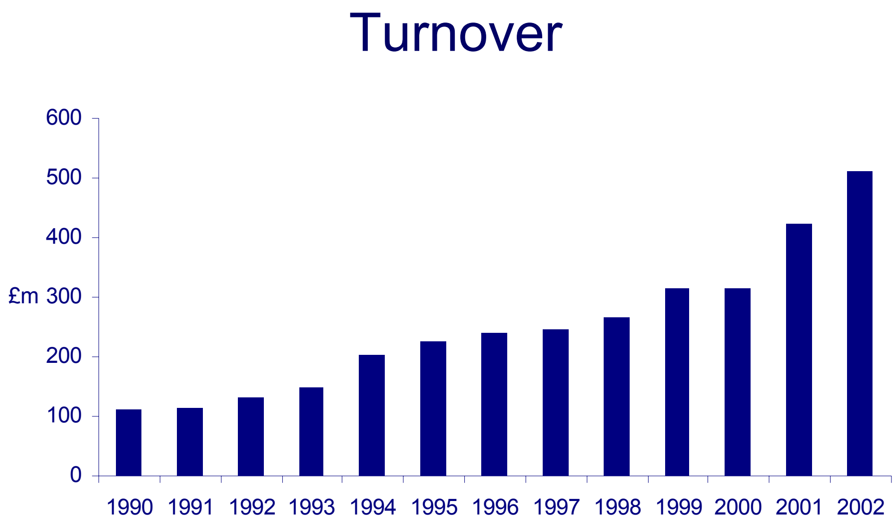


- 16% compound growth in operating cash flow 1994 - 2002

Accounting Developments

- FRS 17 impact on UK pension scheme
  - Year end net deficit of £4.6m
  - Scheme closed to new members since 1999
  - Contributions into the scheme increased
- UITF 34 on pre contract costs
  - All bid costs expensed to profit
- Captive insurance company set up during the year
- International financial reporting standards review in 2003

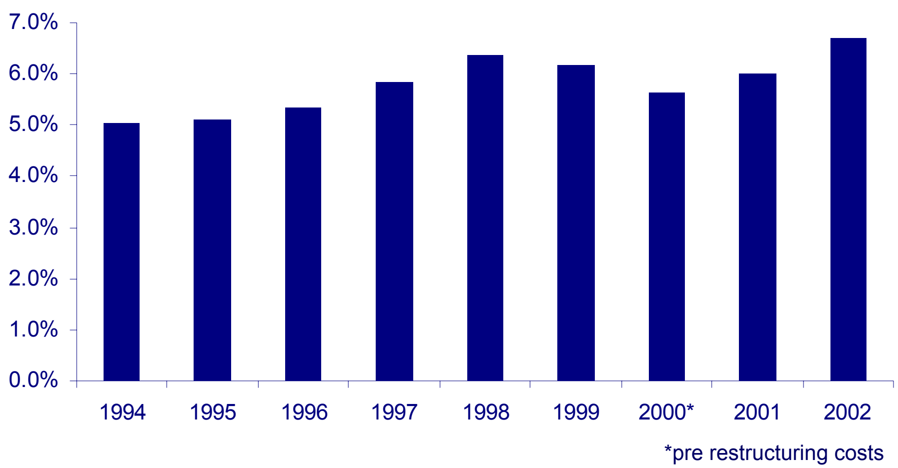
Results History



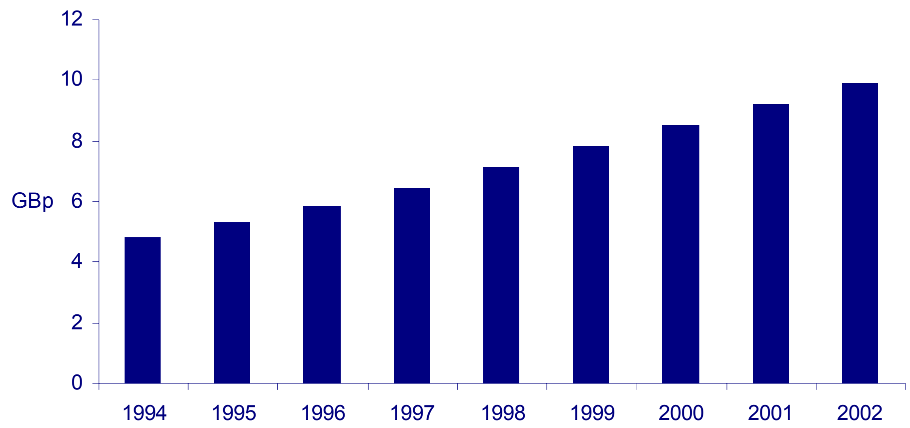
- Buy out in 1990
- Flotation in 1994
- Benefits of McKinney and Keller-Terra in 2003

Results History

Operating margin



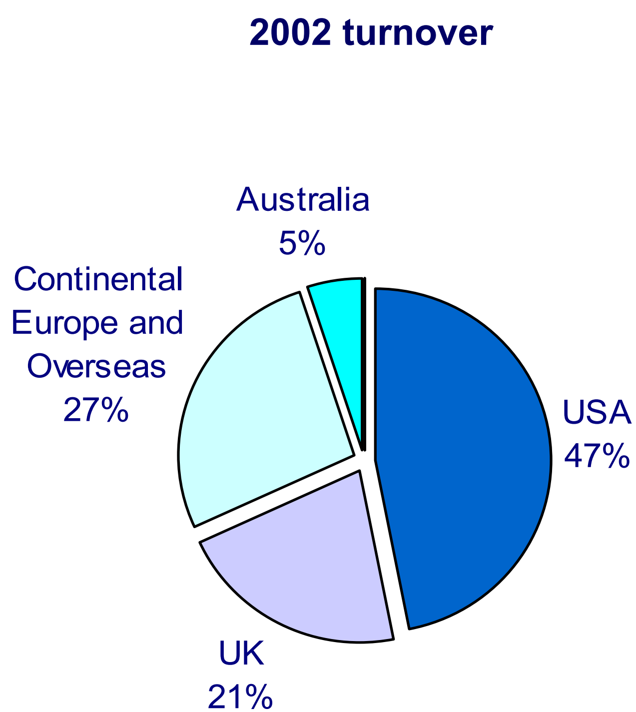
Dividend per share

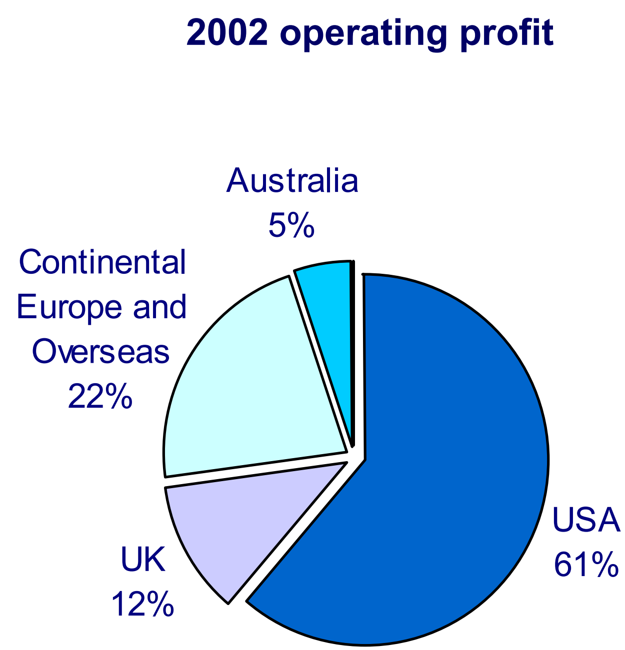


- Industry leading margins
- Dividend per share more than doubled since flotation

KELLER

Geographical Analysis



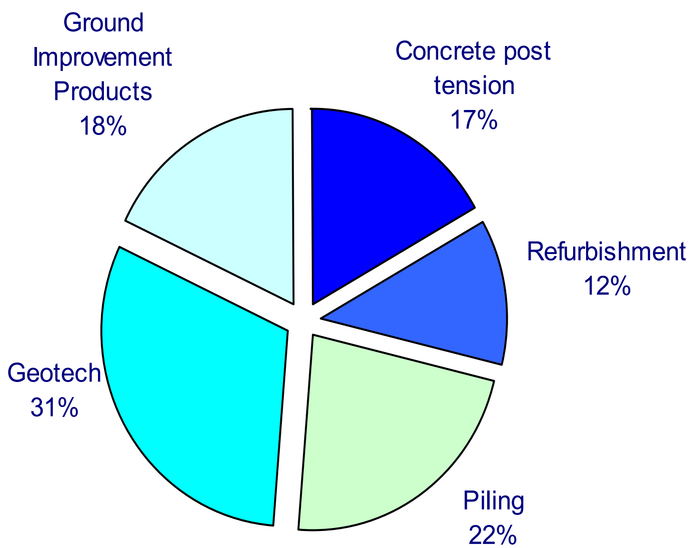


- Increased margins in all major foundation business units
- German sales 8% of Group

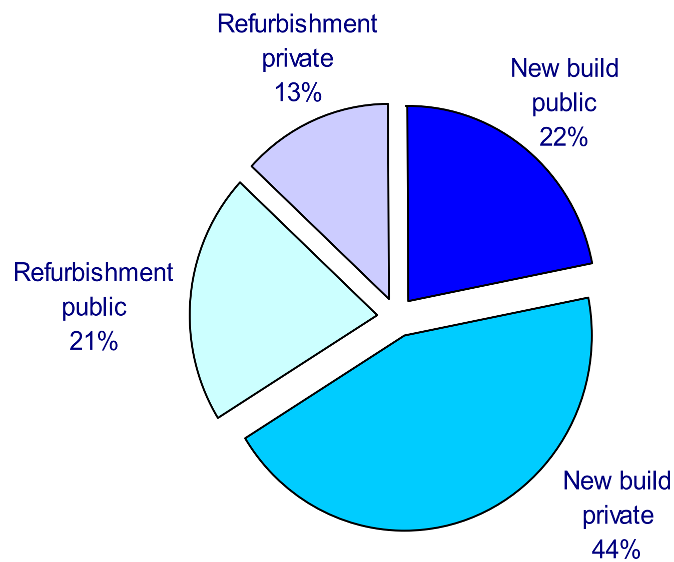
Product / Customer Analysis

2002 turnover

Products



Customers



- Foundation Services:Specialist Services split 71%:29%
- Spread of work minimises Keller's exposure to sector risks

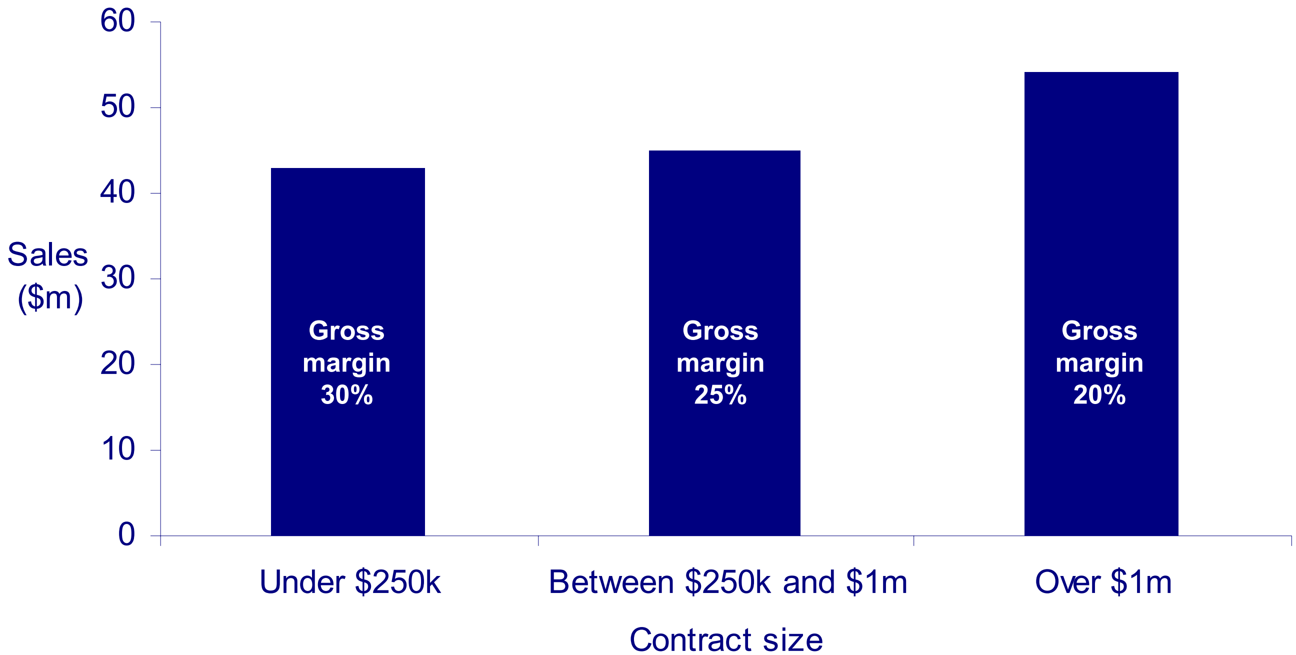
Foundation Services

£millions	2002	2001	% Change
Sales	361.4	347.8	+4%
Operating profit pre-goodwill	27.7	23.5	+18%
Margin	7.7%	6.8%	+13%

- Sales 71% of Group
- Operating profit 76% of Group (pre-head office costs)
- All major business units increased operating margins

KELLER

Foundation Services



- Average of 2000 - 2002 Hayward Baker contracts

Foundation Services

Trading Highlights

- Another record year for US business
- Small and medium sized contracts predominate, but:
  - Jet grouting at Wickiup Dam, Oregon
  - Caissons at Cooper River, South Carolina
- German margins increased in difficult market
- Another successful year in France
- Excellent performance in the Far East
- Packaged solutions helped UK business improve on prior year
- Very strong result from Australia helped by Vibropile acquisition

KELLER

Foundation Services

KELLER

Foundation Services

Specialist Services

£millions	2002	2001	% Change
Sales	149.6	74.4	+101%
Operating profit pre-goodwill	8.8	3.7	+138%
Margin	5.9%	5.0%	+18%

- Sales 29% of Group
- Operating profit 24% of Group (pre-head office costs)
- Full year impact of Suncoast

KELLER

Specialist Services

Trading Highlights

Makers

- Business structured around key markets
- Social housing now accounts for 50% of turnover
- First new build car park completed

Wannenwetsch

- Wannenwetsch returned double digit margins

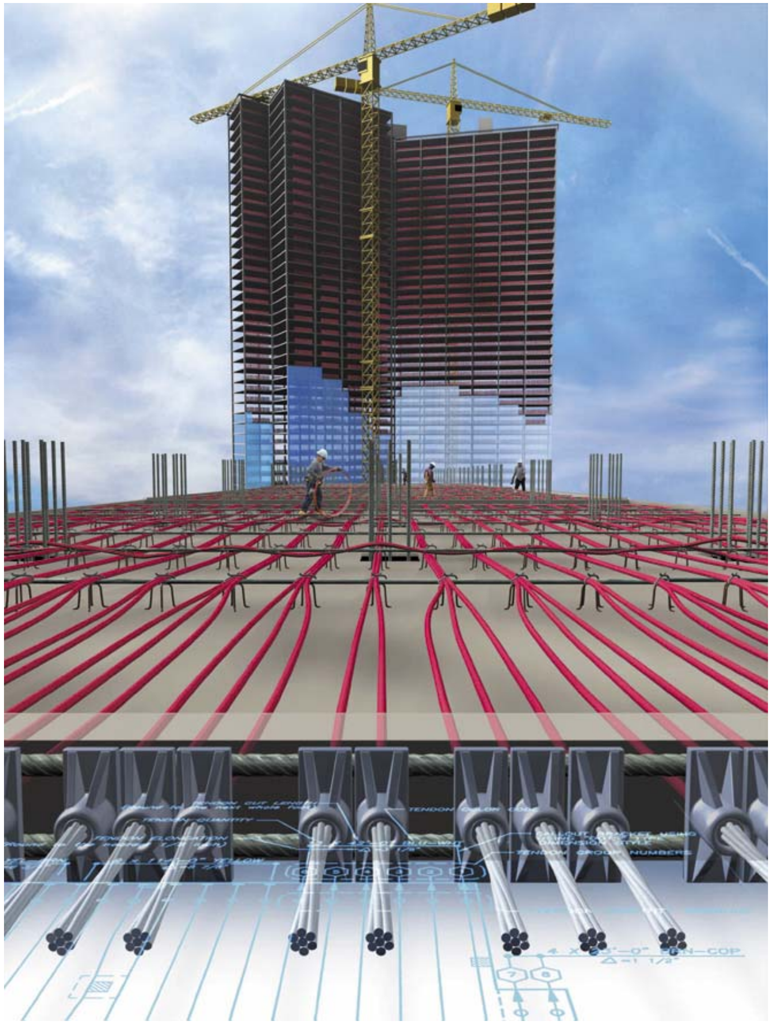
Suncoast

- Push to grow sales outside of Texas market
  - New offices opened in Atlanta, Denver, Las Vegas and Sacramento
- High rise activity declined post September 11
- Housing starts remain strong
- Better control systems in place; production efficiencies in Houston

KELLER

Specialist Services

Specialist Services



Strategy

- Further consolidate our global leadership in Foundation Services
- Strengthen and broaden our offering of Specialist Services
- Invest wisely in our existing businesses
- Take advantage of selective acquisition opportunities
- Continue successful business model

Business model

- Lean head office
- Autonomous and well incentivised business units
- Specialized equipment and people support niche positions
- Regionalisation offers clients a local presence
- Contract mix spreads risk and enhances margins
- Acquisitions sourced and integrated on a local basis

Current Trading and Prospects

- Year end order book at four months’ sales
- US infrastructure and housing markets remain good
- Continued growth in Europe; expansion of European Union
- Growth opportunities within Makers and Suncoast
- Clear market leader in Australia
- 2003 prospects enhanced by recent acquisitions

KELLER

Summary

- Record set of results continues impressive track record
- Industry leading margins increased to 6.7%
- Profit quickly converted to cash
- Increased dividend well covered
- Succession plans combine continuity with fresh perspective

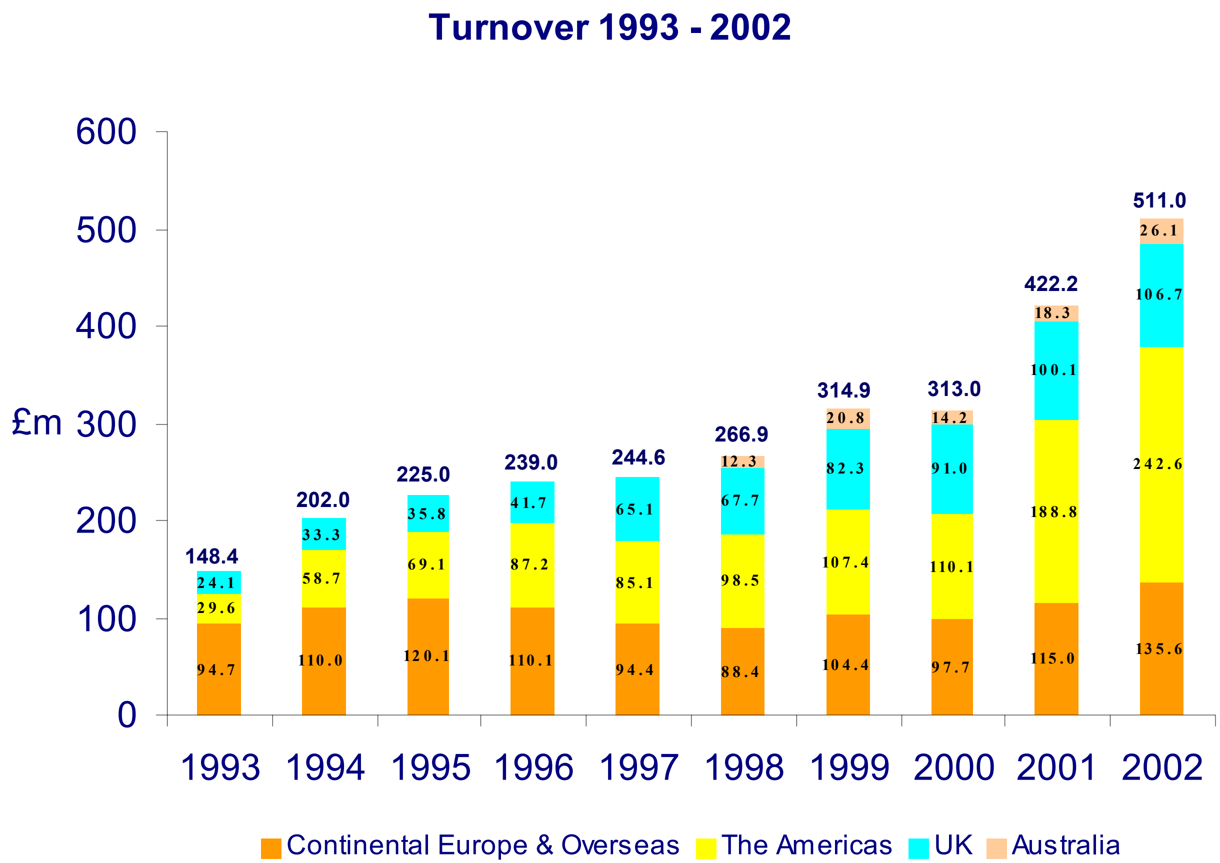
KELLER

Preliminary results
Year ended 31 December 2002

March 2003

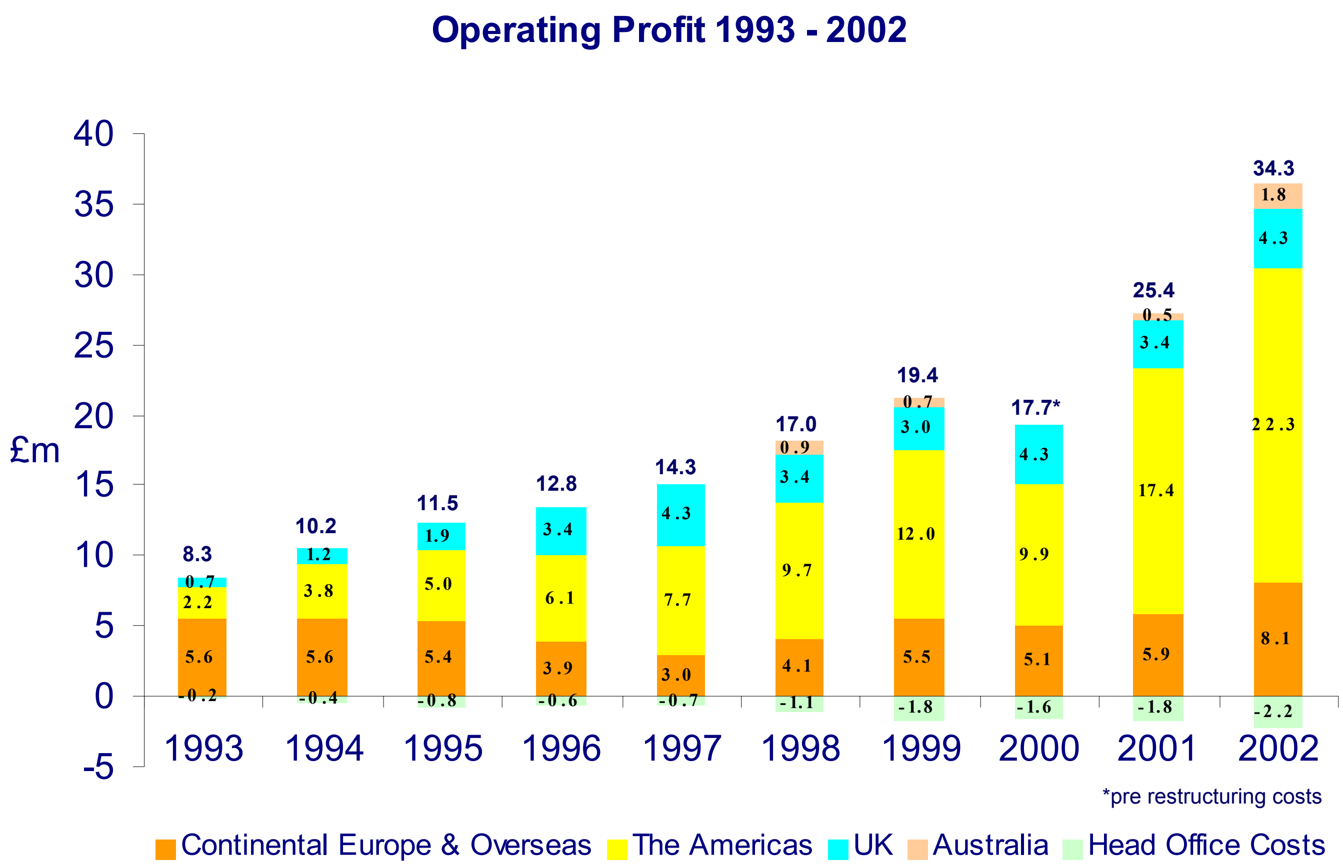
Appendix

Ten year track record



- 15% compound growth in turnover 1993 - 2002

Ten year track record



- 17% compound growth in operating profit 1993 - 2002