

UXC Acquires Largest Oracle Consulting Firm in Australia/New Zealand

ASX-listed UXC Limited (UXC) has today completed the purchase of 100 percent of the shares of Red Rock Consulting Pty Ltd, the largest independent Oracle solution and consulting service provider in Australia/New Zealand.

The acquisition will enable Red Rock Consulting to pursue its multi-pronged growth strategy which is likely to include the acquisition of two Australian technology businesses within the next 12 to 18 months. This strategy is closely aligned to that pursued by UXC.

Red Rock Consulting has been consistently profitable since it was established in 1998 and the acquisition will be earnings per share positive immediately. Red Rock generated in excess of \$12m in revenues and \$2.25m in earnings before interest and tax in the last calendar year.

UXC Executive Chairman, Geoff Lord, said today, The Red Rock Consulting acquisition is one of the more substantial since the formation of UXC Limited and we consider it to be a significant building block in UXC's Business Solutions Group. Red Rock's strong capability in the Oracle Technology stack complements our other businesses and the company brings with it significant growth opportunities. Additionally, Red Rock is well placed to further the technological synergies that are being created between UXC's Utility Services Group and the Business Solutions Group due to its strength with customers in the Utility sector. UXC recently announced the expansion of its investment in the Utility Services Group through the acquisition of the remaining interest in Skilltech, and the transition of that Group towards increasingly technology based, data-oriented solutions. We have high expectations of the role that Red Rock can play in this.

Red Rock Consulting was 100 percent owned by four equal shareholders: Greg Woollett, Jonathan Rubinsztein, Duane Goff and Mike Blenkinsop. Following the acquisition, these four Principals will continue to manage Red Rock as a Business Unit within the Business Solutions Group of UXC, reporting to Cris Nicolli, Chief Executive Officer of that Group.

Red Rock Consulting Managing Director, Greg Woollett, said, This is great news for Red Rock, its customers and staff. Operationally it will be business as usual for Red Rock, however we can now deliver a wider range of services with the backing of a strong listed company.

Red Rock Consulting Sales and Marketing Director, Jonathan Rubinsztein, added, The union with UXC will help us accelerate our growth aspirations by enabling us to work with the other members of the UXC Group, as well as the acquisition of companies with complementary offerings. Red Rock Consulting offers Oracle application services, custom build services and Oracle selective outsourcing, and has successfully implemented and supported some of the largest Oracle implementations in Australia and New Zealand. Boasting a combination of superior technical skills and deep business understanding, the company has achieved pole market position in just six years of operation. Today it has more than 90 consultants, maintains offices in Sydney, Melbourne, Canberra and Auckland, and services projects in the Asia Pacific region including Hong Kong, New Zealand, Indonesia and PNG.

Red Rock's client base includes blue chip organisations in telecommunications, utilities, government, education and service industries such as Vodafone Australia and New Zealand, Fuji Xerox, Diageo and Manpower.

The initial consideration is based on a multiple of current earnings and will be payable in a combination of cash and shares. In addition, UXC will pay further consideration based on growth in earnings for the 2004, 2005 and 2006 calendar years. Consideration will comprise 50 percent cash and 50 percent shares in UXC Limited.

Assuming that Red Rock Consulting maintains profits, the transaction will be immediately earnings per share positive.

ABOUT UXC LIMITED

UXC Limited is an S&P / ASX 300 listed Australian business solutions company that has grown its market capitalisation from some \$7 million in 1998 to approximately \$110 million today. UXC Limited offered a dividend yield of over 6.25% fully franked in 2003, and expects to at least maintain the current dividend rate. Revenue is running at an annual rate exceeding \$180 million and the group employs more than 1,000 employees. The company has substantial resources with which to fund further acquisitive growth.

UXC provides its services through three divisions:

Utility Services Group, which is engaged in asset and data management for utilities, including electricity distribution asset inspection, management and maintenance services; the provision of utility meter installation and reading services; related data management and GIS services; mobile telephony and industrial design;

Business Solutions Group, which is involved in consulting, implementation and integration, application, and infrastructure services, including knowledge management; project and change management; CRM, ERP, financial and business information applications; technology architecture; IT security; and data storage and management;

Intellectual Property Ventures Group, which is concerned with identifying, developing and commercialising intellectual property to realise associated capital gains.

ABOUT RED ROCK CONSULTING

Red Rock Consulting is the largest independent Oracle solution and consulting service provider in Australia/New Zealand. It focuses on three core offerings: Oracle Application services, Custom Build services and Oracle Selective Outsourcing. The company is an Oracle Certified Advantage Partner, having achieved the highest level of certification by Oracle worldwide.

Established in 1998, Red Rock Consulting today has more than 90 highly skilled and experienced Oracle consultants in offices in Sydney, Melbourne, Canberra and Auckland, and onsite with clients in Hong Kong, New Zealand, Indonesia and PNG. Its clients include high and mid-level corporate and government organisations, such as Vodafone Australia and New Zealand, Fuji Xerox, Diageo and Manpower. For further information, please call +61 (0)2 9262 1972 or visit: www.redrock.net.au

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