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15th June 2006

MAY GURNEY

**23,728,116 shares placed at 186 pence per share
Offering nearly 2 times over subscribed**

The Placing

The Directors of May Gurney Integrated Services plc (“May Gurney” or the “Company”) are pleased to announce that 23,728,116 ordinary shares in the Company have been placed with institutional investors at 186 pence per share conditional on admission to AIM, raising £44.1 million in total, of which £13.5 million (net of expenses) was raised for the Company. At the placing price, the Company will be capitalised at £130.6 million. The Placing was nearly 2 times oversubscribed.

Altium Capital Limited acts as nominated adviser and broker to the Company.

The first day of dealings is expected to be Wednesday 21 June 2006.

May Gurney - Highlights

May Gurney has a differentiated business model of a dynamic, integrated support and construction services business led by a strong management team, with on average over 20 years industry experience and expertise, supported by an experienced operational team.

Its robust financial position, with a 7-year track record of growing turnover and profits alongside strong cash flow generation, has meant that EBITA has increased from £2.2 million in 2001 to £13.7 million in 2006.

The Company has highly visible and predictable quality earnings, with a forward order book in excess of £1.1 billion in total:

- of this, over £900 million is secured with an additional £250 million expected under framework contracts;
- the order book is based upon long term client relationships;
- there is a strong pipeline of future opportunities with a wide range of blue-chip clients across a number of sectors; and
- the majority of revenues for the year to March 2007 are secured.

May Gurney's focused strategy is to grow the business both organically and through selective acquisition opportunities in the UK's consolidating support services market place with the majority of the Company's revenues being derived from maintenance and enhancement spend. Thus the Company mitigates any exposure to any downturn in capital expenditure by the UK government.

Increased regulatory pressures and central government efficiency agendas should continue to provide good growth opportunities for May Gurney.

David Sterry, Chief Executive said:

"We are delighted that the offering has been so well received by institutions, particularly in light of recent volatile market conditions. We look forward to pursuing the exciting growth opportunities that exist in our chosen markets and continuing the excellent performance we have achieved in recent years."

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May Gurney - Background

May Gurney is a dynamic integrated support and construction services company. It provides maintenance and enhancement services to the highways, rail, utilities and general infrastructure sectors, primarily with public sector and regulated sector customers. The management team's strategy is to develop mutually beneficial relationships of a long term nature with key customers and to secure long-term partnered contracts. This approach underpins May Gurney's strong order book (currently equating to over £1.1 billion) and earnings visibility and provides opportunities for future growth.

The Company has developed rapidly since a management buy out (“MBO”) led by members of the current management team in 2001 and the Directors have demonstrated their ability to successfully acquire and integrate businesses whilst at the same time achieving strong organic growth.

Today, May Gurney employs approximately 3,200 people and has a geographical spread throughout the UK, with a significant presence in its key markets. The Directors believe that May Gurney benefits from an attractive service portfolio with a good spread of public and regulated sector exposure, generated by its differentiated business model and cultural approach.

The management’s focus on partnering with clients has led to the transformation of the business over the last five years since the MBO from a regional construction company into a dynamic, integrated support and construction services business, increasing EBITA margins from 1.6 per cent. to 3.7 per cent. in the process. In the year to March 2006, turnover was £365 million and PBT was £16.7 million. May Gurney is also very cash generative, achieving a net cash improvement of £11.3 million in 2006, representing 82 per cent of EBITA. The Directors expect the business to remain cash generative as the business grows and certain of its key contracts mature.

The Company’s long-term contracts, which typically run for 2 to 15 years, are across a broad range of services, particularly in the maintenance market in highways and utilities and also in infrastructure enhancement across the road, rail and waste sectors.

The contents of this announcement, which has been prepared by and is the sole responsibility of May Gurney, have been approved by Altium Capital Limited solely for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000. Altium Capital Limited is acting for May Gurney and no-one else in connection with the Placing and will not be responsible to any other person for providing the protections afforded to their respective clients or providing advice in relation to the Placing, the contents of this announcement or any matters referred to herein.