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FOR IMMEDIATE RELEASE

WATERMAN GROUP PLC INTERIM MANAGEMENT STATEMENT

Waterman Group plc (“Waterman” or “the Group”), a leading international engineering and environmental consultant, today announces its Interim Management Statement in respect of current trading in the second half of its financial year ending 30 June 2008.

Waterman has made continued progress in the current financial year. The Group has traded strongly and, including the benefit of earnings enhancing acquisitions, invoicing for the first nine months was up by 29%, compared to the same period last year.

The Group’s Environmental, Sustainability, Landscape, Transport and Infrastructure disciplines, which represent approximately 46% of Waterman’s annual revenue, continue to show encouraging growth.

Waterman’s involvement in the UK property segment represents approximately 28% of our annual turnover and is diversified across a growing number of sectors. Demand for our services is in robust health and our performance has not been affected by the current backdrop of uncertainty in the financial markets.

Waterman is working on 20 new secondary schools as part of the Building Schools for the Future Programme. We are pleased to announce that our long term order book for urban regeneration mixed use projects has increased to over £4bn of development, giving us a good level of visibility for the future.

International work represents approximately 26% of our annual turnover and the Group has concentrated its attention and resources in countries with strong emerging and growing economies, principally fuelled by oil, gas and natural mineral wealth. Waterman has benefited from growth in Russia, Kazakhstan, UAE and China, with design work being transferred between all offices to maximise staff utilisation.

Since 30 June 2007, the total number of employees has increased from 1,785 to 2,032, including 37 from the acquisition of Furness Green Limited, highlighting our committed plans for future growth. Value enhancing acquisitions in key markets in the UK and overseas remain an important part of the Group’s strategy.

The Group’s strong balance sheet and relatively low gearing ratio of 29% mean that we are well placed to take advantage of opportunities both in the UK and overseas markets. Current trading supports our confidence in expecting results for this year end to be in line with expectations. We anticipate that we will achieve our target of improving profit margins by 10% over last year. The Group’s long term order book, which is differentiated by both sector and geography, stands at record levels. The future prospects of the Group remain promising.

-ENDS-

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Waterman Group plc

Engineering & Environmental Consultants

Notes to Editors:

Waterman Group plc is an international engineering and environmental company providing multi-disciplinary consultancy services to the property, infrastructure, energy and environmental markets around the world.

Founded in London in 1952, the company was listed on the London Stock Exchange in 1988 and has developed into a leading consultancy group with over 2000 staff and 48 offices in 14 countries.

With the commitment of our staff and a focus on innovative, economic and sustainable engineering and environmental solutions, we have achieved a growing workload in diverse markets worldwide.

Our intention is to work in partnership with our clients and to provide them with the best integrated team of professionals with extensive experience of major projects in the UK, Central & Eastern Europe, Western Europe, the Middle East, CIS and Asia Pacific. Our stated aim is to become the "International Consultant of Choice".

For further information about Waterman please visit www.waterman-group.co.uk

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