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Serco selected as preferred bidder for Dstl contract valued at up to £80 million.

The Defence Science and Technology Laboratory ("Dstl"), part of the Ministry of Defence ("MoD"), has awarded preferred bidder status for its communications and information services contract to Serco Consultancy, which operates as part of Serco Defence. Through the contract Serco will provide communications and information systems support services to underpin the vital scientific and technology work at Dstl.

This contract, which adds significantly to Serco's growing portfolio of information systems contracts, has a baseline value of £30 million and will run for five years. The contract has an option for three one-year extensions, and additional scope of works, which could result in the total value of the contract to Serco rising to £80 million.

Commenting on the award, Chris Hyman - Serco's Chief Executive said:

"Serco has beaten off an impressive list of competitors to win preferred status for the Dstl contract and I am delighted that the company's record of providing innovative solutions that provide best value for our customers continues. This contract confirms, once again, the MoD's confidence in Serco's ability, on its own or in partnership, to manage critical and complex projects and comes at a time of record levels of bidding activity into the MoD."

Martin Earwicker, Chief Executive at Dstl, said:

"Serco has demonstrated not just the technical capability to run this very important contract, but also the right partnership ethos when it comes to service delivery. We were impressed by Serco's recognition of the importance of the work carried out at Dstl and the need to form the right relationships at all levels. I am sure that our two organisations will be highly compatible and will work very well together."

- Ends -

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Notes to Editors

- Serco is an international provider of management services to government and industry. The company covers a wide range of activities, from controlling satellites and operating computer networks for the European Space Agency, to managing and operating the Docklands Light Railway where Serco was recently voted National Rail Operator of the Year, for the second year in succession. The company employs over 34,000 staff in 36 countries.
- The scope of work under this new contract includes support to Dstl's unrestricted and classified networks, voice services, Enterprise Applications Systems, desktop services and user support. It will involve 90-100 personnel who will be employed at a number of Dstl sites throughout the UK.
- Contracts with the UK Ministry of Defence accounted for approximately 15 per cent of Serco's 2001 turnover, making it the Group's single largest customer. Services across over 100 contracts range from management of the Atomic Weapons Establishment and the Joint Services Command Staff College to Aircraft Engineering and Support, Training Services, Total Facilities Management, Marine Services and Property and Estate Management.
- More information on Serco can be found at www.serco.com
- Dstl (the Defence Science and Technology Laboratory) is the centre of scientific excellence for the Ministry of Defence, housing one of the largest groups of scientists and engineers in public service in the country. Its 3,000 strong workforce at sites all over the UK includes some of the nation's most talented and creative scientists with the brief to ensure that the UK Armed Forces and Government are supported in house by world-class scientific advice. Dstl delivers defence research, specialist technical services and the ability to track global technological developments. Its capabilities compare with the best in the world, supporting procurement decisions, defence policy making and operations.
- More information on Dstl can be found at www.dstl.gov.uk