

SERCO News

Serco Group plc
Dolphin House
Windmill Road
Sunbury-on-Thames
Middlesex, TW16 7HT
United Kingdom
Telephone +44 (0)1932 755900
Facsimile +44 (0)1932 755854
Internet <http://www.serco.com>

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Contact: see below

SERCO GROUP PLC ("SERCO") ROLE IN THE PRIVATE FINANCE INITIATIVE FOR A NEW HOSPITAL AT NORWICH

The Norfolk & Norwich Health Care NHS Trust today signed a contract with Octagon Healthcare Limited for the provision of a new acute 809 bed, approximately £220m hospital under the Government's Private Finance Initiative Scheme. Under the terms of the contract the new hospital will be provided as a serviced facility for up to sixty years.

Serco Investments Limited, a wholly owned subsidiary of Serco, will invest £1.6m for a 5% share of the Octagon consortium. The other shareholders are John Laing Investments Limited and three institutional investors.

Serco Systems Limited, another wholly owned subsidiary of Serco, will sub-contract to Octagon for the provision of the services for the first thirty years of operation, starting from commissioning of the hospital in four years time. The sub-contract will have an annual value of approximately £10m.

- Ends -

For further information please contact:

Dr George Gray - Chairman
Kevin Beeston - Director, Finance

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