

Press Release

AGM Statement **Serco Group plc**

5 May 2006

At today's Annual General Meeting Kevin Beeston, Executive Chairman of Serco Group plc ("Serco"), will make the following comments on current trading:

"Serco has made an excellent start to 2006 and is trading in line with expectations. We continue to deliver strong growth from our broad base of existing contracts, as well as winning new work. So far this year we have signed or been appointed preferred bidder for contracts valued at around £1.9bn.

"Of particular note, in February our joint venture was appointed preferred bidder for the UK Ministry of Defence's Future Provision of Marine Services contract, which is valued at around £1bn over 15 years. In March, we signed the new contract to operate the Docklands Light Railway (DLR) in London for up to a further nine years. The contract is valued at around £400m. Our strong performance at DLR was reflected in our winning the Public Transport Operator of the Year award at the London Transport Awards 2006.

"In April, we were awarded a contract by the London Development Agency to provide a range of business support services to London's 600,000 small and medium-sized enterprises. The contract draws together complementary skills from across Serco and is valued at around £60m over three years, with an option to renew for two additional years.

For further details contact:

Serco Group plc
T +44 (0)1256 745900 www.serco.com

Press Release (continued)

“We have also published today a News Update, which is available from our website and details some of our smaller and medium-sized contract wins, extensions and renewals. These contracts form the bedrock of our business, providing opportunities to build long-term relationships with clients, support them in achieving their ambitions and expand the services we deliver on their behalf.

“Serco continues to benefit from favourable market conditions, which provide us with a wealth of opportunities. The breadth of these opportunities, together with selective bidding, portfolio management and efficiency, make us confident of delivering double-digit growth and increasing margins.”

- Ends -

For further information please contact Serco Group plc: T +44 (0) 1256 745 900
Graham Capper, Head of Media and Public Relations
Richard Hollins, Head of Investor Relations
Dominic Cheetham, Corporate Communications Director

Notes to editors

Serco is an international service company which combines commercial know-how with a deep public service ethos.

We improve services by managing people, processes, technology and assets more effectively. We advise policy makers, design innovative solutions, integrate systems and - most of all - deliver to the public.

Serco supports governments, agencies and companies who seek a trusted partner with a solid track-record of providing assured service excellence. Our people offer operational, management and consulting expertise in the aerospace, defence, education, health, home affairs, local government, science, technology, transport and the commercial sectors.

More information can be found at www.serco.com.

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