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Serco Forms Joint Venture Facilities Management Company with Dubai Government, United Arab Emirates

Serco Group plc ("Serco") today announced the formation of a joint venture facilities management company with the Jebel Ali Free Zone Authority ("JAFZA") in Dubai in the United Arab Emirates. The joint venture, which will be known as Serco Gulf, will deliver a range of engineering and other support services to JAFZA, the Dubai Port Authority ("DPA") and Dubai Customs, which together constitute the Dubai Ports Customs and Free Zone Corporation ("PCFC").

The formation of Serco Gulf represents a significant initiative by the PCFC to improve the quality and efficiency of its support services and to open up new commercial opportunities. Serco Gulf will deliver the engineering and other support services to PCFC at Jebel Ali, Port Rashid and other locations in Dubai under a 10-year contract term, with the total sales revenue to Serco expected to be over £40 million. It will be one of the first significant 'multi-activity' outsourcing contracts to have been awarded in the Middle East.

Kevin Beeston, Chief Executive of Serco, said:

"Our international strategy continues to provide us with growth opportunities and this is a significant development for Serco in a progressive and expanding marketplace. With JAFZA as partners we will be able to provide a wider range of services, not just in Dubai, but also in the UAE and Gulf marketplace. Our relationship with JAFZA will provide us with greater commercial opportunities, whilst also providing a platform for PCFC to increase the value of the services it offers its customers."

Sultan Ahmed Bin Sulayem, the Executive Chairman of PCFC said:

"The outsourcing of a number of the existing JAFZA, DPA and Customs engineering support services to Serco Gulf, will facilitate a more integrated and cohesive approach to their management, increasing the value of the services offered to PCFC's customers. Furthermore, the diverse and well-established international experience that Serco brings to this partnership will enable us to rapidly develop a successful facilities management company that will capitalize on the increasing opportunities for outsourcing with Government, Industrial and Commercial customers alike."

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**Notes to editors**

1. Serco owns 49% and JAFZA 51% of Serco Gulf.
2. 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. The company employs over 34,000 staff in more than 35 countries. Serco has provided the UAE and Bahrain governments with Air Traffic Control and Engineering Services for over 50 years.
3. JAFZA is responsible for the marketing, operation, support and administration of the Jebel Ali Free Zone, which is home to over 2,200 international and local companies from 97 countries, and covers an area of over 30 sq km. DPA operates two ports in Dubai, with the container port at Jebel Ali being one of busiest and most important transshipment hubs in the Middle East. DPA also manages and operates the container ports at Jeddah in Saudi Arabia and in Djibouti.

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