

REG-Serco Group plc Offer Unconditional as to Acceptances

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RECOMMENDED OFFER TO ACQUIRE ITNET PLC ("ITNET") MADE BY LAZARD & CO., LIMITED ON BEHALF OF SERCO GROUP PLC ("SERCO") OFFER UNCONDITIONAL AS TO ACCEPTANCES

On 16 December 2004, Serco announced a cash offer with a partial share alternative to acquire the entire issued and to be issued ordinary share capital of ITNET which is unanimously recommended by the ITNET Board of Directors.

LEVEL OF ACCEPTANCES

Serco today announces that as at 3.00 p.m. (London time) on 28 January 2005 valid acceptances of the Offer had been received in respect of 58,513,032 ITNET Shares, representing approximately 79.6 per cent. of the existing issued ordinary share capital of ITNET.

As previously advised, Serco received irrevocable undertakings to accept the Offer from the Directors of ITNET in respect of 3,447,708 ITNET Shares, representing approximately 4.5 per cent. of ITNET's existing issued and to be issued ordinary share capital. Valid acceptances in respect of 2,140,460 of these shares were received by Serco prior to 28 January 2005 and are included in the acceptances referred to above. The remaining 1,307,248 ITNET Shares that are subject to the irrevocable undertakings are to be allocated or issued pursuant to the exercise of options granted, or the vesting of awards, under the ITNET Share Option Schemes or ITNET Share Schemes.

Since 16 December 2004, Serco has acquired 4,382,472 ITNET Shares (representing approximately 6.0 per cent. of ITNET's existing issued ordinary share capital) on-market. Apart from these acquisitions, neither Serco, nor any of the Serco Directors, nor, so far as Serco is aware, any person acting in concert with Serco has acquired or agreed to acquire any ITNET Shares since the commencement of the Offer Period (as defined in the Code). Prior to the commencement of the Offer Period (as defined in the Code), neither Serco nor any person acting in concert with Serco owned any ITNET Shares.

As a result, Serco has acquired or received valid acceptances for 62,895,504 ITNET Shares, representing approximately 85.6 per cent. of ITNET's existing issued ordinary share capital.

OFFER UNCONDITIONAL AS TO ACCEPTANCES

The Offer has now been declared unconditional as to acceptances.

EXTENSION OF CLOSING DATE

The Offer (including the Share Alternative) has been extended and will remain open until further notice. On 24 January 2005 Serco announced that the Mix and Match Facility would not be extended beyond 3.00 p.m. (London time) on 28 January 2005; accordingly, that facility has now closed.

ACCEPTANCE PROCEDURE

To accept the Offer, ITNET Shareholders should complete, sign and return the Form of Acceptance, whether or not their ITNET Shares are held in CREST, in accordance with the instructions set out in the Offer Document and in the Form of Acceptance so as to be received as soon as possible.

ITNET Shareholders who have any queries in relation to the procedure for acceptance, or who would like a replacement Form of Acceptance, can contact Computershare Investor Services PLC on 0870 702 0100 (or +44 (0)870 702 0100 for callers outside the UK).

ITNET Shareholders who have not accepted the Offer are urged to do so without delay.

ENQUIRIES

Serco Group plc +44 (0)1256 745 900
Andrew Jenner, Finance Director
Dominic Cheetham, Director of Corporate Communications
Richard Hollins, Head of Investor Relations

Lazard & Co., Limited (Financial Adviser to +44 (0)20 7187 2000 Serco)
Paul Jameson
Samuel Bertrand

Merrill Lynch International (Corporate Broker to +44 (0)20 7628 1000 Serco)
Simon Fraser
Andrew Osborne

OTHER INFORMATION

Terms used in this announcement shall have the same meaning as those in the Offer Document, unless the context otherwise requires.

The Offer will not be made, directly or indirectly, in or into, or by use of the mails or any means of instrumentality (including without limitation facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of the United States, nor will it be made in or into Canada, Australia or Japan. Accordingly, copies of this announcement are not being, and must not be, mailed or otherwise distributed or sent in or into or from the United States, Canada, Australia or Japan and persons receiving this announcement (including custodians, nominees and trustees) must not distribute or send it in, into or from the United States, Canada, Australia or Japan.

This announcement does not constitute, or form any part of, any offer for, or solicitation of any offer for securities. Any acceptance or other response to the Offer should be made only on the basis of the information contained in the Offer Document and the Form of Acceptance.

Lazard & Co., Limited, which is regulated in the United Kingdom by the Financial Services Authority, is acting for Serco and no-one else in connection with the Offer and will not be responsible to anyone other than Serco for providing the protections afforded to customers of Lazard & Co., Limited.

Merrill Lynch International, which is regulated in the United Kingdom by the Financial Services Authority, is acting as sole corporate broker to Serco and no-one else in connection with the Offer and will not be responsible to anyone other than Serco for providing the protections afforded to customers of Merrill Lynch International.

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