

Press Release

Change to Board Responsibilities

Kevin Beeston to move to Non-Executive Chairman role

31 August 2006

Serco Group plc ('Serco' or the 'Group') today announces that Executive Chairman Kevin Beeston will move to Non-Executive Chairman from 1 September 2007.

With Serco performing strongly and well-positioned for future growth, and having built a highly-capable management team at all levels, Kevin has decided to diversify his business interests.

Kevin Beeston joined Serco in 1985, was appointed Finance Director in 1996, Chief Executive in 1999 and Executive Chairman in 2002.

He said: "I have been with Serco for over 21 years. The time is right for me to diversify my interests and the one-year transition period will ensure that the handover of my executive responsibilities is conducted in an orderly manner.

"I have had the great pleasure of building and leading a remarkable business over many years. The high-quality and capable management team is led by an excellent Chief Executive in Chris Hyman. I am certain they will continue to deliver sustained success for the company.

"I am delighted the Board has asked me to continue providing guidance and support as Non-Executive Chairman. I look forward to a new role within the company, to continuing to chair the Board and overseeing the Company's development on behalf of shareholders."

Chief Executive Christopher Hyman said: "Kevin has made an immense contribution to Serco and in particular during his ten years as an Executive Director. He has been instrumental to the values, business processes and people that have delivered Serco's success and has been a great support to me personally in my first four years as Chief Executive. I am delighted that he will continue to contribute to our future as Non-Executive Chairman and I look forward to the Group's strong progress."

Ends

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Press Release (continued)

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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.