

## Press Release

### **Serco Group plc – Pre-Close Trading Update**

29 June 2009

#### **On track to deliver 2009 guidance**

Ahead of its half year end tomorrow, Serco Group plc (Serco) releases the following update on first half performance.

We remain on track to deliver on our guidance for 2009, and we continue to see significant opportunities to help our customers deliver value for money services in the current challenging economic environment.

In the first half, we have seen a high level of activity in bidding across all our markets and regions. At our AGM on 12 May we announced that we had signed contracts with a total value of £1bn. Since then, we have announced that we have been selected on over £1bn of further contracts, including wins valued at £245m for Air Traffic Services at Dubai Airport and £140m for Plymouth Hospitals services, and our selection as preferred bidder for three Flexible New Deal contracts in the UK worth up to £500m.

We have today announced that we have signed an AUS\$370m (£180m) contract with the Australian Government's Department of Immigration and Citizenship to transform its immigration detention centres.

We are making excellent progress with the integration of SI International, and we now have a strong foundation for growth in the world's largest government services market.

In summary, we have seen a sustained high level of activity throughout the first half, trading remains strong, and we continue to generate good cash flow. In the first half, we expect a modest increase in working capital investment compared to the same period last year driven by the significant number of contract start ups and transitions, and acquisition integration.

Our broad capabilities and the flexibility we have in deploying them, together with our pipeline of opportunities in existing and new markets and our substantial order book, support our expectation of continued strong performance.

Serco will release its 2009 half year results on 26 August 2009.

**Ends**

**For further information please contact Serco:**

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### **About Serco**

Serco is a FTSE 100 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 aviation, BPO, defence, education, health, home affairs, local government, science, technology, transport and the commercial sectors.

More information can be found at [www.serco.com](http://www.serco.com)

### **Financial guidance**

Our projections are that our revenue will increase to approximately £5bn and our Adjusted operating profit margin to approximately 6.3% by the end of 2012, excluding material acquisitions, disposals and currency effects. In 2009, we expect to deliver double-digit revenue growth and a 30bps increase in our Adjusted PBT margin, excluding SI International. The addition of SI International is anticipated to increase our 2009 revenue growth by approximately 10%. Including the benefit of SI International, we expect our Adjusted operating profit margin of 5.3% in 2008 to increase by approximately 40 bps in 2009. This 2009 guidance excludes material currency effects.