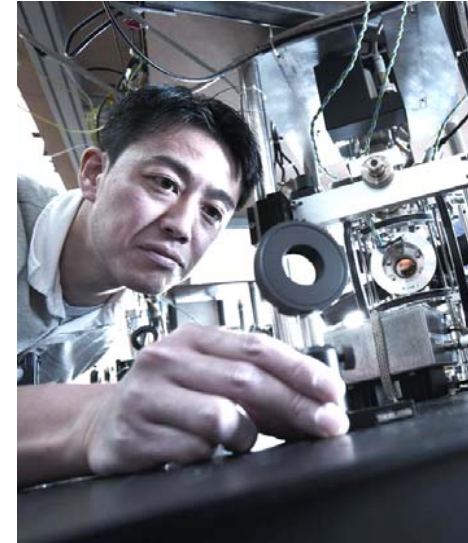


Bringing service to life



Serco Group plc

Andrew White
Group Marketing Director

Presentation to UBS Support Services Conference

19 September 2007

Background

- Approximately £2.5bn of turnover in 2006
- More than 600 contracts and 47,000 staff in 35 countries
- >90% of our business is publicly funded
- Ever-increasing involvement in core public services
- Expanding addressable markets
- Track record of high growth

Serco's vision

- Vision: to be the leading service company in our chosen markets
- To deliver this our business is underpinned by:
 - strong set of values
 - long-term relationships
 - world class systems, processes and people
- Built on a reputation of:
 - continuous improvement
 - organic growth
 - value creation

Strategy based on following objectives

- Balanced portfolio of market facing businesses
- Maintaining high rebid and new win rates
- Developing new models in existing and emerging markets
- Strategic acquisitions for new skills or market entry

This enables us to:

- Strengthen our position in our chosen markets
- Reduce exposure to market fluctuations
- Develop new skills and capabilities for the future

Serco's distinctive strengths

■ Serco has:

- 40 years' service experience – people-led change management
- significant exposure to rapidly growing markets
- deep public-service ethos and culture
- robust risk management and corporate governance
- excellent reputation for assured service delivery
- proven ability to evolve to take advantage of new opportunities

■ which lead to:

- highly-visible and predictable revenue, growing at double digits
- the ability to bid selectively and increase margins
- rising and predictable cash flows

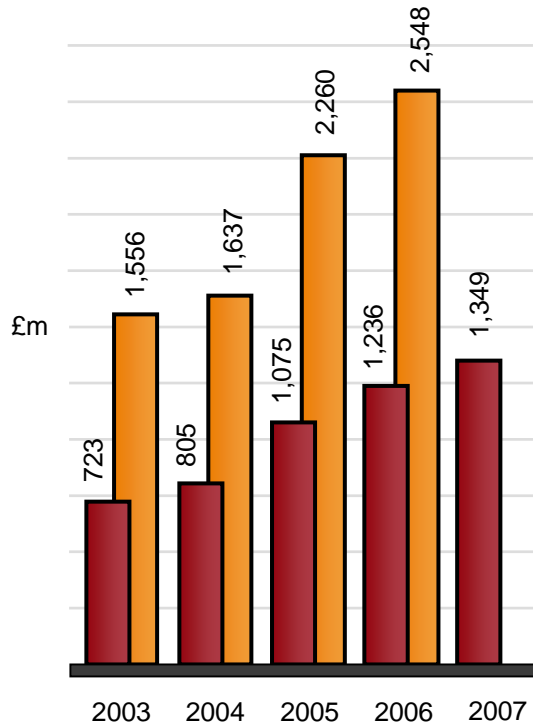
Strong market drivers

- All governments facing common challenges
 - demands for better public services
 - limits on taxation
 - efficiency and impact of technology
 - border control, security and crime
 - health, education and economic regeneration
 - environment, energy and transport congestion

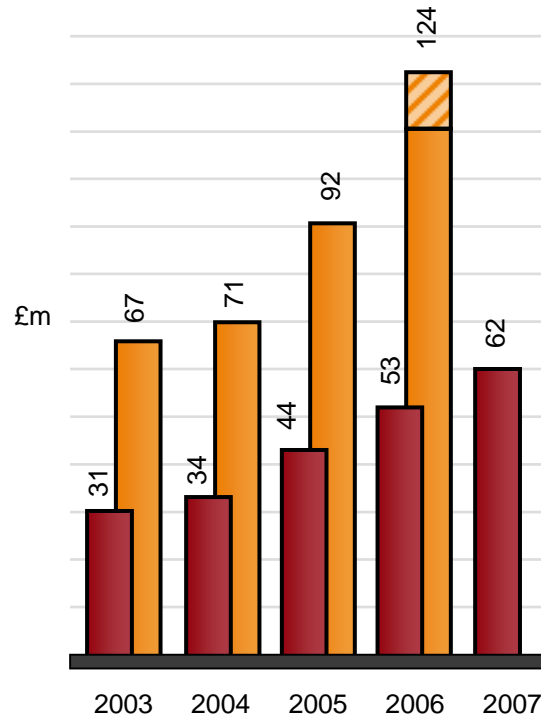
- UK public service reform agenda continues
 - joined up government
 - localising and personalising services
 - increasing and evolving contracting models
 - ▶ ranges from PFI to partnering
 - ▶ mixed economy of providers

Track record of growth

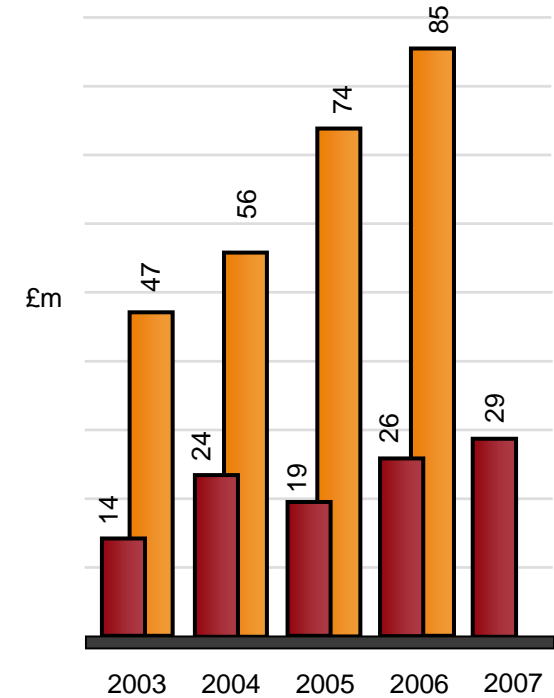
Revenue



Profit before tax and intangible amortisation



Free cash flow



■ half year ■ full year

▨ 2006 profit before tax and amortisation includes £11m gain on sale

Consistently meeting expectations

2007 interim results

	2007	Increase
Revenue	£1,349m	9.1%
Profit before tax (PBT)	£52.0m	16.1%
Earnings per share (EPS)	7.71p	15.2%
PBT before amortisation	£61.6m	17.3%
EPS before amortisation	9.38p	16.4%
Dividend per share	1.23p	17.1%
Group free cash flow	£28.8m	11.6%

Maintaining strong performance

In the first half of 2007 we

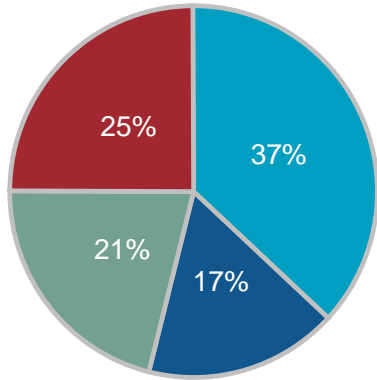
- Signed new business valued at £2bn
- Were appointed preferred bidder for contracts valued at £0.6bn
- Maintained a 50% win rate for new business
- Maintained a 90% win rate for rebids and extensions
- Converted 73% of Group EBITDA into cash

High visibility of future revenue

- Forward order book at record £14.6bn
- Preferred bidder on contracts valued at £1.8bn
- Identified 99% of 2007 revenue, 84% of 2008 and 73% of 2009
- Significant pipeline
 - shortlisted for contracts valued at £1.1bn
 - £24bn of further opportunities identified

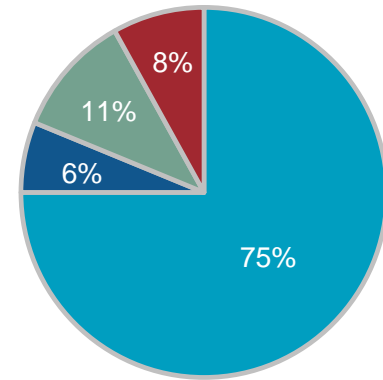
A balanced portfolio

Revenue by market

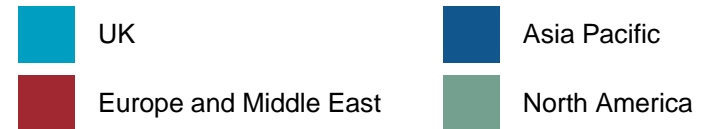
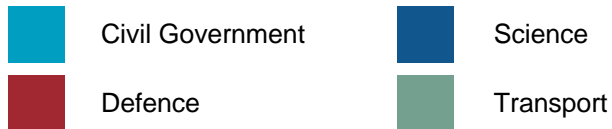
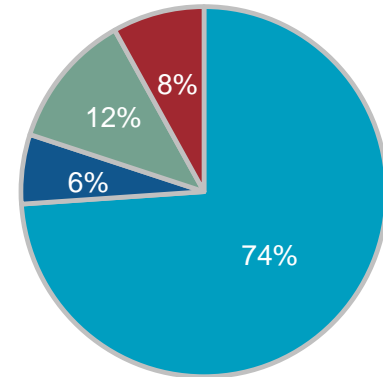
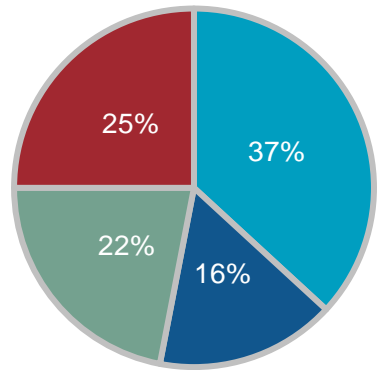


2007 £1,349m

Revenue by geography



2006 £1,236m



Rising margins

- Margin improvement is being driven by
 - management of the contract portfolio
 - efficiency measures e.g. strategic sourcing and new SAP system
 - selective bidding for new contracts

Outlook

- Confident of
 - double-digit growth for the foreseeable future
 - increasing margins