

Press Release

Serco Completes Acquisition of SI International

30 December 2008

Acquisition Broadens Federal Government Customer Base and Service Offerings

Serco Group plc (Serco) today announces that it has completed the acquisition of SI International, Inc. (NASDAQ:SINT), a provider of information services, technology, and network solutions to the US government, following the receipt of all regulatory approvals and satisfaction of customary closing conditions.

SI International will be combined with Serco's existing North American business and will enhance Serco's ability to deliver integrated solutions to the US\$290 billion US federal government services market, with:

- **Scale** and increased resources to bid on larger US government contracts. Serco North America and SI International will have combined annual revenue of \$1.3 billion and approximately 11,500 employees.
- **Depth of capabilities** to enhance Serco North America's offerings, encompassing information technology, professional services, human capital management, engineering and logistics, national security, and intelligence.
- **Access** to higher growth areas, such as improved information sharing, cyber security, systems engineering, program management, business process reengineering and homeland security.
- **New customer relationships.** With Serco North America and SI International having highly complementary customer bases, the combined company now serves every branch of the military, numerous federal civilian agencies, and the intelligence community. Major customers include: US Army, US Air Force, US Navy, Department of Homeland Security, Department of State, US Federal Aviation Administration, Federal Retirement Thrift Investment Board, US Postal Service, and the intelligence community.

Under the terms of the definitive merger agreement, Serco acquired *SI International* for \$32 per share in cash, valuing its fully diluted share capital at US\$422 million. Including the assumption of SI International's net debt, the consideration values SI International at US\$524 million. The acquisition, which was financed from multi-currency bank facilities, is expected to be accretive to Serco's Adjusted earnings in its first full year of ownership, and its returns are expected to meet Serco's cost of capital in the third full year of ownership. Serco will announce its preliminary results for the full year ending 31 December 2008 on 26 February 2009.

Serco Group Chief Executive Christopher Hyman said: "We are delighted to welcome the employees of SI International to Serco. In the US, Serco is a leading supplier to the substantial US federal services market. We now have a stronger platform from which we will be able to offer our customers more integrated solutions and deliver robust growth for our shareholders."

For further details contact:

Serco Group plc, Palm Court, 4 Heron Square, Richmond, Surrey TW9 1EW, United Kingdom
T +44 (0)20 8334 4122 F +44 (0)20 8334 4118 www.serco.com

Press Release

For further information please contact Serco Group plc: +44 (0) 1256 745 900

Charles King, Head of Investor Relations

Marcus De Ville, Head of Media Relations

www.serco.com

Notes to Editors

About Serco

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 aviation, defence, education, health, home affairs, local government, science, technology, transport and the commercial sectors. More information can be found at www.serco.com

About Serco North America

Serco North America is a leading provider of professional, technology, and management services focused on the federal government. We advise, define, develop, integrate, deliver, and maintain solutions that transform how clients achieve their missions. Our agility, customer-first approach, robust portfolio of services, and global experience enable us to quickly respond with solutions that achieve outcomes with value. Headquartered in Reston, Virginia, Serco North America has approximately 11,500 employees and annual revenue of US\$1.3 billion, and is part of Serco Group, a US\$5 billion international business that has helped transform government and public services around the world. More information can be found at www.serco-na.com.

For further details contact:

Serco Group plc, Palm Court, 4 Heron Square, Richmond, Surrey TW9 1EW, United Kingdom
T +44 (0)20 8334 4122 F +44 (0)20 8334 4118 www.serco.com