

Press Release

Alastair Lyons appointed as non-executive Chairman of Serco

16 March 2009

The Board of Serco Group plc (Serco or the Company), the leading international service company, is pleased to announce the appointment of Alastair Lyons CBE as non-executive Chairman.

He joins the Board of Serco with immediate effect as a non-executive director, and will take up the chairmanship of the Company at the conclusion of Serco's Annual General Meeting on 11 May 2010. He will succeed Kevin Beeston who, as previously announced, will be retiring from the Company as non-executive Chairman and from Serco's Board at the Annual General Meeting.

His appointment follows a comprehensive search process led by senior independent director Baroness Margaret Ford.

Mr Lyons, 56, has a strong track record of leading boards and companies that have developed rapidly and internationally. In addition, he has a deep understanding of the UK public sector having served as a non-executive director of various government departments.

Since 2000, Mr Lyons has been non-executive Chairman of Admiral Group plc, the direct motor insurer. In 2008, he was appointed Deputy Chairman and senior independent director of Bovis Homes Group PLC, one of the UK's leading quoted house-builders.

Previously he was Chief Executive of the National Provident Institution and the National & Provincial Building Society, Managing Director of the Insurance Division of Abbey National plc, and Director of Corporate Projects at the National Westminster Bank plc.

In 2005, he stood down after three years as a non-executive director on the board of the UK Government's Department for Transport. Prior to this, he held similar non-executive roles at the Department for Work and Pensions and the Benefits Agency.

A Fellow of the Institute of Chartered Accountants, he was awarded a CBE in 2001 for services to social security.

Kevin Beeston, Chairman, Serco Group plc, said: "I am delighted to welcome Alastair to the Serco Group board as a Director and as my successor as Chairman. He brings with him a strong commercial acumen and public service ethos and has a wealth of experience gained in fast-

Press Release

growing companies, supporting UK Government departments and leading boards.”

Alastair Lyons said: “The Serco management team has a record of strong, sustained, profitable growth and ensuring excellent service delivery for the Group’s customers. Serco is an innovative business with significant potential for further growth. I am looking forward to working with Chris Hyman and his team as they continue to develop the Group in the UK and internationally.”

Christopher Hyman, Chief Executive, Serco Group plc, added: “The Board and I are very grateful for Kevin’s significant contribution over the last 25 years and we wish him well. I am delighted that Alastair will be our new Chairman. With his broad experience in growth businesses, his deep knowledge of the workings of the public sector as well as his significant experience in managing and developing Boards in both sectors, I am sure he will be a tremendous addition to the team as we continue to expand.”

Mr Lyons will chair the Nominations committee.

In accordance with the Listing Rules, there are no additional matters that would require disclosure under LR 9.6.13 R (1) to (6) in relation to this appointment.

For further information, please contact:

Charles King – Head of Investor Relations - 0044 (0) 20 8334 4122

Marcus De Ville, Head of Media Relations - 0044 (0) 20 8334 4388

Dominic Cheetham – Director, Corporate Communications - 0044 (0) 20 8334 4334

Biographical information on Alastair Lyons

Having gained an MA in Economics at Trinity College, Cambridge, Alastair Lyons qualified as a chartered accountant with Price Waterhouse, before joining N.M. Rothschild’s corporate finance team and then moving into industry.

His career with H P Bulmer Holdings, where he become acting Group Finance Director, lasted ten years. He then joined ASDA Group in 1989 as Divisional Director of Corporate Finance and became the Finance Director of ASDA Stores, the Group’s principal operating subsidiary.

In 1991 he joined the National and Provincial Building Society (N&P) as Group Finance Director and was appointed Chief Executive in 1994. Following the acquisition of N&P by Abbey National

Press Release

plc in 1996, he joined Abbey's main Board as Managing Director of its Insurance Division.

He was invited to become Chief Executive of the pensions specialist NPI in 1997, leading its demutualisation to become part of AMP. He then joined the National Westminster Bank plc as Director of Corporate Projects.

Since 2000, Alastair has been the non-executive Chairman of Admiral Group, the direct motor insurer which floated in September 2004 and subsequently entered the FTSE 100 in 2007.

He established Partners for Finance Ltd in 2001, with the backing of 3i, to provide specialist white-label manufacturing, administration and processing services to companies across the financial services sector.

In October 2005 he stood down after three years as a non-executive director of the Department for Transport, where he had been Chairman of the Audit Committee. Previously he held similar roles at the Department for Work and Pensions (formerly the Department of Social Security) and the Benefits Agency's Board. In 2001 he was awarded the CBE for his services to the DSS.

In 2008 he was appointed Deputy Chairman of Bovis Homes Group PLC, one of the UK's leading quoted house-builders.

Alastair is married with three children and lives in North Yorkshire and London.

About Serco

Serco is a FTSE 100 international service company, which combines commercial know-how with a deep public service ethos.

We improve essential 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, environmental services, facilities management, health, home affairs, information and communications technology, knowledge services, local government, science and nuclear, transport, welfare to work and the commercial sectors.

More information can be found at www.serco.com