

Stock Exchange Announcement

Serco signs new contract to provide pre-deployment training and support for British Army

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Serco Group plc (Serco), the international service company, announces that it has signed a contract with the UK Ministry of Defence (MOD) to provide training and support to the British Army prior to deployment on operations around the world.

Known as the Contemporary Operating Environment Force (COEFOR), and awarded by the British Army's Headquarters, the contract will start in April 2012. Including an option year, the contract has a total value to Serco of approximately £55m through to December 2014.

Under the contract Serco will provide critical pre-deployment training including essential language, culture and operational environment skills, and will create realistic training conditions to prepare UK military forces for deployed operations primarily in Afghanistan, but also worldwide. To deliver the programme, Serco has created new partnerships with a number of small and medium sized enterprises to supply some of the specialised training services.

Serco is a leading provider of training services to the UK Government and other nations and provides pre-deployment training for the Royal Navy, helicopter flying training and fixed wing pilot training to the Royal Air Force (RAF) and supports the operation of the Emergency Planning College, the International Fire Training Centre and the Defence Academy.

Brigadier Richard Toomey, from the Army's Collective Training Group, said: "I look forward to working with Serco. The successful delivery of this contract is critical to the successful preparation of our troops before they deploy on operations."

Christopher Hyman, Chief Executive of Serco Group, said: "We are delighted to have been selected for the provision of such an important service to the British Army. This contract builds on our proven track record in helping the Armed Forces in the UK, US and Australia, and recognises our high quality, efficient and innovative approach in training services."

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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.

Around the world, 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