

Press Release

Serco signs AUS\$370m contract with Australian Government to transform immigration centres

29 June 2009

Serco Group plc (Serco) today announces that it has signed a new contract with the Australian Government Department of Immigration and Citizenship (DIAC) to transform its immigration detention centres across the country.

The five year contract is valued at around AUS\$370m (approximately £180m), and may be extended for a further four years. The transition from the existing service provider will commence in July, and is expected to be completed by November.

Under the contract, Serco will manage and operate seven adult immigration detention centres and provide national and international transport and escort services from Australia. Our new approach and improved services will create a comprehensive framework for quality improvement, introduce performance management systems and deliver value for money.

We will provide a greater focus on the well-being of the people in our care, and using the skills and operational experience developed in the UK and Australia, seek to improve the operation of the centres. This will include improvements to the standard of living skills and English language education programmes, and to the availability of facilities such as a World Faith Centre, gym, library and internet. Central to our approach will be our focus on engaging with and supporting the detainees, and we will recruit employees with social care skills to ensure this is delivered.

Christopher Hyman, Chief Executive of Serco Group, said: "We are committed to providing the best possible environment for those in our care, treating them with dignity and respect, and delivering the highest standards of performance and accountability. This contract is also a particularly significant win for us, in that it demonstrates our ability to successfully leverage our world-leading home affairs capabilities to further broaden our presence in Australia."

Ends

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Note to editors

Five adult Immigration Detention Centres are located at Villawood, New South Wales; Maribyrnong, Victoria; Darwin, Northern Territory; Perth, Western Australia; and on Christmas Island. Serco will also provide services to two alternative places of detention on Christmas Island.

This win is a further development of Serco's business in Australia, where we also support the Australian Defence Forces through garrison and port services, rehabilitate offenders in our two prisons in Queensland and Western Australia, help make the roads safer in Victoria through our traffic safety camera operation, keep Melbourne's parks and gardens green and provide an unparalleled, award winning rail tourism experience on the Ghan, Indian Pacific and Overland.

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