

Stock Exchange Announcement

Serco awarded contracts for support services to the UK's Royal Air Force and Naval Air Command

25 January 2012

Serco Group plc (Serco), the international service company, announces that it has been awarded a number of contracts providing a range of operational support, engineering and training services, known as Multi-Activity Contracts (MACs). The contracts to the UK's Royal Air Force (RAF) and Naval Air Command have a combined total potential value to Serco of £130m.

Serco has successfully rebid its RAF Northolt MAC, providing aviation and engineering facilities and logistics support at this major RAF airport, including maintenance and associated support of 32 (The Royal) Squadron, and at various satellite stations in and around London. The contract commences in April 2012, is for a three-year period with options to extend by up to a further four years and would have a total value to Serco of approximately £70m over the full seven years.

The provision of aviation and engineering facilities and aircraft support at Royal Navy Air Stations (RNAS) Yeovilton and Culdrose, together with various satellite stations, has also been successfully rebid. This complements our maintenance and support services currently provided under a separate contract to the Merlin helicopter fleet at RNAS Culdrose, which was recently awarded a Commander-in-Chief Fleet's Commendation for outstanding support to flying training. The new contract commences in April 2012, is for a three-year period with two option years and would have a total value to Serco of approximately £40m over the full five years.

A new MAC was also won in November 2011 for RAF Valley on the Isle of Anglesey, North Wales, which will support their crucial role in training fast jet pilots for both the RAF and the Royal Navy. RAF Valley is also home to the life-saving UK military Search and Rescue Force headquarters, search and rescue training, and the RAF Mountain Rescue Service. The five-year contract commences in April 2012 and has a total value to Serco of over £20m.

Christopher Hyman, Chief Executive of Serco Group, said: "We are delighted that the Ministry of Defence has selected us to extend our operational support to cover 29 UK military bases, with services ranging from aircraft engineering through training to asset and infrastructure management. These contract awards demonstrate our ongoing commitment to enable affordable defence capability around the world."

Ends

For further information please contact Serco:

Stuart Ford, Head of Investor Relations T +44 (0) 208 334 4122

Dominic Cheetham, Director of Corporate Communications T +44 (0) 208 334 4334

Marcus De Ville, Head of Media Relations T +44 (0) 208 334 4334

Stock Exchange Announcement

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