

Press Release

Pre-Close Trading Update

Serco Group plc

29 June 2006

Ahead of the end of its financial half year on 30 June 2006 and its pre-close meetings with analysts, Serco Group plc (Serco or the Group) today releases the following update on current trading:

Serco has had another strong six months and is trading in line with expectations. Our broad contract base continues to deliver good growth, complemented by important new wins in both existing and new markets, as we build on the depth of capability across the Group. So far this year, we have won contracts valued at around £1bn and been appointed preferred bidder for contracts valued at around £1.5bn.

Notable wins since our last trading update on 5 May 2006 include our first significant home affairs contract in Australia, to manage and operate Acacia prison. We have also been appointed preferred bidder to provide support services for the NHS Forth Valley Acute Hospital.

We continue to address significant opportunities across our markets. Our selective approach to bidding and portfolio management, together with continued focus on efficiency, leave us confident of delivering double-digit growth and increasing margins going forward.

Serco will release its interim results on 31 August 2006.

Ends

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Notes to editors

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 aerospace, defence, education, health, home affairs, local government, science, technology, transport and commercial sectors.

More information can be found at www.serco.com.

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