

# Stock Exchange Announcement

## Pre-close statement

26 June 2012

Ahead of Serco's half year end on 30 June 2012, we will be holding our customary pre-close meetings with analysts over the coming days. No new material information will be disclosed. The Group remains on track to meet expectations for 2012: we continue to expect another year of strong total revenue growth, including further good organic growth, together with an Adjusted operating margin increase similar to 2011.

Our recently created global BPO business has demonstrated the strength of its strategic positioning, achieving excellent new contract wins that will add significant future revenues. In our regional frontline operations we have seen further strong growth in AMEAA, an improving outlook in the UK, but conditions in the US federal market remain very tough for our Americas division. Accordingly, for the first half of the year, we expect a small reduction in the Group's organic revenue. Acquisitions will contribute growth of approximately 6% to the Group's total revenue. The Adjusted operating margin, before the implementation costs of organisational changes, is expected to be broadly flat compared to the corresponding period in 2011.

As previously indicated, our financial performance (including revenue growth, margin progression and free cash generation) will be weighted to the second half of the year when we expect a strong financial result. This reflects excellent performance over the last few months in securing new contract awards that will flow through to organic revenue growth; the successful conclusion of our change programme; and the benefit of recent acquisitions.

Serco will release its 2012 half year results on Wednesday 29 August 2012. As previously described, our reporting will now reflect the new corporate structure, comprising the Global Services division, alongside a single UK & Europe division, and our Americas and AMEAA divisions. Segmental income statement information for the comparable reporting periods is published today on [www.serco.com](http://www.serco.com).

**Ends**

**For further information please contact Serco:**

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

Marcus De Ville, Head of Media Relations T +44 (0) 208 334 4388

## **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](http://www.serco.com)