

Stock Exchange Announcement

Serco signs two-year contract extension for London cycle hire scheme

9 January 2014

Serco Group plc (Serco), the international service company, today announces that it has signed a two-year extension to its contract with Transport for London (TfL) to manage and operate the Barclays Cycle Hire Scheme. The extension is valued at £38m and will see Serco continue to run the service until July 2017.

The contract to design, build and operate the service was awarded in 2009 and had an initial six-year period. As part of the contract and together with TfL, Serco has implemented successfully two expansions of the scheme; the first into east London in April 2012, and the second into west London at the end of last year. The scheme now covers 100km² with a total of 11,000 bikes and 756 docking stations.

David Stretch, Serco's Director of Transport, said: "This contract extension demonstrates the trust and confidence Transport for London has in Serco's ability to support the future of the iconic Barclays Cycle Hire Scheme. We are committed to providing the best service to users and continually improving overall performance. Serco has a huge amount of experience delivering high quality transport services across the world which we draw upon to ensure our customers get the best possible service."

TfL's Managing Director of Surface Transport, Leon Daniels, added: "TfL continues to work with Serco to deliver improvements to the redistribution of bikes around London. A number of improvements made last year to the operation of Barclays Cycle Hire mean the scheme is now even easier to use, and recent survey results show that overall satisfaction of members has reached the highest score since launch. There have been a total of over 26 million hires since the scheme began in July 2010."

Ends

For further information please contact Serco:

Stuart Ford, Head of Investor Relations T +44 (0) 1256 386 227

Marcus De Ville, Head of Media Relations T +44 (0) 1256 386 226

About Serco

Serco is an 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