

Serco's joint venture renews \$500m contract with Royal Australian Navy

Serco, the international service company, announces today that its joint venture, DMS Maritime, has renewed its contract to support the Royal Australian Navy with a broad range of harbour and offshore services.

DMS Maritime is a 50/50 joint venture, owned by Serco and P&O Maritime Services.

The new ten-year Fleet Marine Services contract is valued at more than \$500m, has a potential one year extension, and is a renewal of the Port Services and Support Craft contract awarded in 1997.

The operating contract commences in October 2010 and includes: supplying and operating a wide range of fleet operations such as berthing and refuelling; conducting maritime training; commissioning and modifying vessels to suit local and international requirements; and, undertaking integrated logistics management. These services cover a wide range of support craft including tugs, fuel and water barges, and rigid hull inflatable boats deployed around the world.

In Australia, Serco has supported the Australian Defence Force for more than 15 years: providing garrison support to the army; maritime engineering and technical services to the navy; and, logistics, engineering standards policy advice and aircraft maintenance support to the air force.

David Campbell, Serco Asia Pacific Chief Executive Officer, said:

"I am delighted with this news. Over the last decade we have built a leading position in defence support services in Australia serving our customer. In renewing this Fleet Marine Services contract we have demonstrated our capacity to deliver real efficiencies

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Media Release (continued)

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. Our strategic advice comes from hands-on experience. We advise policy makers, design innovative solutions, integrate systems and – most of all – deliver front-line services that make a positive difference to customers and communities.

Serco has been delivering mission critical public services for more than 40 years. We support governments, agencies and companies in 30 countries who seek a trusted partner with a solid track record of providing assured service excellence. Globally our employees deliver operational, management and consulting expertise in defence, science, technology, justice, immigration, transport, health, education, aviation and business process outsourcing.

Our 6,000 people in the Asia Pacific business operate in Australia and Hong Kong. Our customers have the dual benefits of global scale and local autonomy. One of our strengths is that we live locally, think locally, act locally, and are supported globally.

In Asia Pacific, Serco supports the Australian Defence Force through the provision of garrison and port services, rehabilitates offenders in our prisons, helps to make the roads safer in Victoria through our traffic camera services operation, provides travellers in Perth and Brisbane with timely and helpful public transport advice, keeps Melbourne's parks and gardens green, operates tunnels in Hong Kong helping 76.8 million commuters each year and provides an unparalleled, award winning rail tourism experience on the Ghan, Indian Pacific and Overland.

More information can be found at www.serco-ap.com.au