

30 January 2009

## MITIE Group PLC Interim Management Statement

MITIE Group PLC ("MITIE"), the strategic outsourcing and asset management company, today releases its Interim Management Statement for the period from 1 October 2008 to date.

### Trading update

MITIE has built on its strong interim results for the six months to 30 September 2008 and has had a positive start to the second half of the year. The Group has secured 98% (2008: 97%) of forecast revenue for the year ended 31 March 2009. The Group is continuing to show growth, but as expected, is experiencing a slowing in some niche areas of its interior fit-out and new build housing activities, to which our exposure is minimal. Group earnings continue to develop in line with management expectations.

The market for outsourced services remains attractive to MITIE. We have won new work across our business and have maintained our focus on relationships with clients with a strong financial covenant, and on the delivery of high quality services and the generation of robust earnings. MITIE is well placed to provide cost effective outsourcing solutions across the estates of new and existing clients and we have been pleased with our progress in developing our multi services offerings during the year.

We are continuing to make selective investment in areas where we see the potential for further growth, including our facilities management and business development capability, and as a result are well placed to develop our work in the areas of targeted government spending in the health, education and social housing arenas.

Examples of contracts secured in the second half of the year to date include:

- In the **education sector** we have been awarded preferred bidder status for the Derbyshire County Council Building Schools for the Future (BSF) project as part of the Equitix consortium. The contract will total £65 million for MITIE, running over a period of 25 years and will see MITIE providing facilities management services to 46 schools across the county;
- In the **social housing sector**, we have been awarded preferred bidder status and secured contracts with a total value of £78m delivering responsive maintenance and Decent Homes work to more than 21,000 homes in Hampshire, Middlesex, London, Essex, Renfrewshire and Glasgow; and
- In the **transport sector**, we have secured a new security contract with the Port of Felixstowe adding to our existing three-year catering contract that was secured in May 2008 to provide staff catering, hospitality and vending services.

### Financial position

MITIE benefits from a very strong balance sheet with minimal debt. The Group is supported by committed funding lines of £230m which are renewable in 2012, and this leaves us well placed to take advantage of value creating acquisitions and other opportunities as and when they arise, if the Board considers this to be appropriate.

### Dividend

The interim dividend of 3.3p per share, reflecting growth of 17.9% over the prior year interim dividend, will be paid to shareholders on 5 February 2009. Our dividend policy is to maintain dividend growth at least in line with the underlying adjusted profit growth of the business and at a cover ratio of 2.5 times adjusted earnings.

## Outlook

The Group benefits from a well diversified portfolio of service offerings and we are well placed to support our clients in their agendas to drive operational and financial efficiencies, and to achieve optimal asset lifecycle costs – factors that are particularly important in the current climate.

Group earnings continue to develop in line with management expectations and we remain confident of MITIE's prospects for the future.

## Future reporting dates

MITIE will be releasing a pre-close statement on 30 March 2009 and its full-year results for the year ending 31 March 2009 on 18 May 2009.

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## Conference call

MITIE will be holding an investor / analyst conference call today at 9.00am. For details of the call, please contact Brunswick on [mitie@brunswickgroup.com](mailto:mitie@brunswickgroup.com) or +44 20 7404 5959.