

MITIE Group PLC – Expansion in the Social Housing Market

MITIE Group PLC (“MITIE” or the “Company”) is pleased to announce that it has agreed to acquire the entire issued share capital of Environmental Property Services plc (“EPS”) from Uberior Holdings Ltd, the EPS senior management team and Alchemy Partners. EPS will be integrated with MITIE’s Property Management business in the South East of England and will significantly enhance our capability in the social housing market.

EPS provides property solutions for a wide range of clients - public and private landlords; education and healthcare institutions; and retail and financial services. The business is focused on repair, refurbishment and maintenance in the social housing sector. It also undertakes property maintenance and mechanical and electrical installation for public and private sector clients as well as providing specialist gas servicing and security services.

The total consideration will be up to £38.5m on a cash and debt free basis. £35m will be paid in cash on completion and the balance will be paid in cash pro rata on a sliding scale based on achieving a minimum level of earnings before interest, tax, depreciation and amortisation for the year ending 31 March 2010, capped at a maximum additional payment of £3.5m. The transaction is conditional on EPS converting from a plc to a limited company; this conversion, and completion of the transaction, are expected to occur within 2 weeks of this announcement.

The statutory accounts of EPS for the year ended 31 March 2009 showed revenues of £79.3m, consolidated operating profit (before amortisation of goodwill and depreciation) of £4.5m and profit before tax of £2.4m. Gross assets of EPS were £26.9m.

This acquisition increases MITIE’s total social housing business to circa £200m in annualised revenues and will provide a strong platform for further growth in this important sector as well as providing further significant cross-selling opportunities within MITIE’s existing service offering.

Ruby McGregor-Smith, Chief Executive, MITIE Group PLC, commenting on the transaction, said:

“We are delighted to have reached an agreement to purchase EPS. This acquisition demonstrates our continued commitment to form a leading social housing business that will enhance our ability to provide our social housing clients with strategic outsourcing and asset management services.

There will be significant opportunities for us to leverage the skills that EPS brings to MITIE. We are delighted to welcome the management team and all EPS employees to MITIE.”

Peter Griffin, who will be continuing in his role as Managing Director of EPS added, “We are really pleased to be joining MITIE. We share the same focus on client satisfaction, delivering innovative services and looking after our greatest assets, which are our people. We look forward to collectively building a leading social housing business”

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Notes:

MITIE will be announcing its results for the six months ended 30 September 2009 on Monday 23 November 2009 at 0700hrs. There will be an analysts presentation at UBS Investment Bank, Seventh Floor, 1 Finsbury Avenue, London EC2M 2PP at 0930hrs on 23 November 2009 and an update on this acquisition will be provided at that time.