

MITIE Group PLC - Pre-close trading update

MITIE Group PLC ("MITIE" or the "Company"), the strategic outsourcing and asset management company, will enter a close period on 1 April 2009, in advance of announcing its preliminary results on 18 May 2009.

Trading performance

MITIE has continued to show good growth in the second half of the year, despite experiencing some continuation of the previously reported slowing in some areas of its business such as interior fit-out and new-build housing, to which it has limited exposure. Group earnings for the year ending 31 March 2009 continue in line with management expectations.

MITIE remains well placed to provide cost effective outsourcing solutions across the estates of new and existing clients. The group has been successful in winning new work across all three of its business areas and has maintained its focus on the delivery of high quality services and, increasingly, integrated support to its client base. We have continued to see the development of our FM and multi-service offerings winning a number of new contracts of this type during the period. These contracts will contribute to our growth for the coming year.

The market for outsourced services remains attractive to MITIE. MITIE benefits from a broad and high quality contract base split between the public and private sector and we see strength and resilience in the diversification of both our client portfolio and service offering. Our strategy to maintain our focus on those sectors that provide the opportunity for sustainable profitable growth is serving us well. In the period since the publication of our last Interim Management Statement, we have been particularly pleased with our progress in sectors that support the UK's national infrastructure, both through our public and private sector clients. Further, the drive for cost efficiency has provided new opportunities for MITIE to support new or existing clients through innovative or increasingly integrated service models.

Examples of contracts secured since the publication of our last Interim Management Statement include:

- In the **transport sector**, we have secured a new contract with Eurostar to provide security services at their St Pancras International, Ebbsfleet International and Ashford International terminals as well as at their Temple Mills engineering base. The team of over 300 officers will undertake a variety of roles including customer service support, searching of trains, passengers and baggage, and 24-hour control of access in and out of all sites;
- In the **utilities sector**, we have been made preferred bidder for a six-year integrated facilities management contract with Thames Water Utilities Ltd (TWUL). The estimated total value of the contract for MITIE is over £100m, which will cover TWUL's entire estate, including their head office building and laboratories as well as operational buildings throughout the Thames region. MITIE will have responsibility for managing and delivering a variety of expertise and services, which will include a tailored asset management strategy, enabling the client to identify and target effective capital investment, reducing annual operational expenditure. This will be combined with a range of other services, driven through a dedicated helpdesk system;
- In the **healthcare sector**, we have secured a multi-service contract with St. Georges Healthcare NHS Trust, whose main site in Tooting, South West London, is one of the UK's largest teaching hospitals. The seven-year contract will result in the employment of 500 people providing cleaning and catering services across the Trust's estate;
- In the **social housing sector**, we will be providing day-to-day responsive repairs to 6,500 properties throughout Hampshire, Wiltshire and Berkshire in a four-year contract with Wessex Housing Partnership with a total value of £9.2m. We have also signed a contract with St Pancras & Humanist Housing Association, valued at £7.2m over four years, to deliver a responsive repairs, voids and adaptations service to the tenants of 5,300 homes across North London and the home counties. In North Hampshire, we have renewed and expanded our repairs and maintenance contract with Sentinel Housing

Association. The new contract, valued at £50.0m over five years, starts in April 2009, and will see us delivering services to 7,300 homes;

- In the **finance and professional sector**, we have been successful in securing further work with Barclays, following the contract that we secured in 2008 to provide cleaning, manned guarding, pest control and waste management services to its corporate offices, together with the provision of cleaning services at more than 1,000 of its retail branches. MITIE will now be cleaning an extra 340 Barclays retail branches, as well as providing planned and reactive mechanical and engineering maintenance to 400 retail branches in the South and South West of England. We have also secured a new three-year contract with Citigroup to provide front of house reception and security services to their Canary Wharf UK headquarters.

Financial position

MITIE has a very strong balance sheet with minimal debt and is supported by committed funding lines of £230.0m, which are renewable in 2012. This leaves MITIE extremely well positioned to take advantage of value creating acquisitions and other opportunities as they arise.

Appointment of Non-Executive Director

MITIE is delighted to announce the appointment of Terry Morgan as a Non-Executive Director of the Company with effect from 1 July 2009.

Terry is Chief Executive of Tube Lines Limited (and a Director of Tube Lines (Finance) PLC), which is responsible for the maintenance and upgrade of infrastructure on the London Underground and provides a number of the Underground's support services. Prior to joining Tube Lines, Terry held the posts of Director of Human Resources and Managing Director for Operations at BAE Systems where he was responsible for five divisions with 14,000 employees and revenue of almost \$2 billion. In 2004, Terry was appointed a Director of Invest In Thames Gateway London Ltd, the UK's largest regeneration project, which supports unique investment opportunities for local, national and international businesses to help build infrastructure and develop communities. Since 2006, Terry has been a Non-Executive Director at M J Gleeson Group PLC, where he is the Chairman of the Remuneration Committee and member of both the Audit and Nomination Committees. He will also become Non-Executive Chairman of Crossrail later this year, which will be responsible for the £16bn trans-London rail project – the biggest transport infrastructure scheme in the UK since the Channel Tunnel rail link.

There are no other disclosures to be made under rule 9.6.13R of the Listing Rules.

Results

MITIE will announce its results for the year ending 31 March 2009 on Monday 18 May 2009.

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Conference call

MITIE will be holding an investor / analyst conference call today at 11.00am. For details of the call please contact Brunswick on mitie@brunswickgroup.com or +44 20 7404 5959.