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PRESS RELEASE

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AGM TRADING UPDATE – PROGRESS CONTINUES

Chertsey, UK, 26 May 2005, Regus Group plc (LSE: RGU)

At today's AGM, John Matthews, Chairman, Regus, will provide the following update on current trading:

"I am pleased to report that Regus' performance in the year to date is in line with the Board's expectations and continues the progress made by the Company. We have seen good improvement in trading and free cash flow generation.

"In the first quarter, Revenue Per Available Workstation (REVPAW) increased by 9.4% over the same period last year (on a pro-forma basis including HQ). This growth was achieved through a combination of occupancy improvement and workstation price growth. Our Meeting Room and Virtual Office businesses have continued to experience double-digit growth.

"In the year to date, all regions reported month on month improvements in revenue with EMEA showing good progress and the US performance continuing to benefit from the acquisition of HQ Global Inc.

"The Group has already secured 80% of its budgeted workstation turnover for 2005. In addition, the rolling 12-month forward order book is 14% higher than the same period last year on a comparable basis.

"There remains a continued focus and selective approach to acquisitions and new centre investment. During the year, new centres have been added in Japan, India and Korea and we have recently made a small acquisition in Mexico. In addition, new centres are planned for China, Australia and Russia. It is anticipated that these will commence trading in the second half of this year and start contributing early next year.

"The Group has made an early prepayment of \$20m (£10.5m) on its US\$ term debt."

Regus Group plc will announce its interim results for the six months ended 30 June 2005 in late August 2005.

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