

18 December 2007

## REGUS GROUP PLC ("Regus" or "the Group")

## FULL YEAR PRE-CLOSE UPDATE

Regus Group plc, the world's largest provider of outsourced workplaces, gives the following pre-close update ahead of its year-end on 31st December 2007. Regus will announce its preliminary results in March 2008.

Regus has continued to deliver a strong performance across all four regions in the second half of 2007, increasing revenues and cash generation. Group revenues for the eleven months to 30<sup>th</sup> November 2007 (at actual exchange rates) have increased 27% to £783.1 million compared with £616.5 million for the equivalent period last year. At a constant exchange rate the increase is 32%.

This improved performance has been driven both by like for like sales increases and capacity growth.

On a like for like basis the revenues from our mature centres for the eleven months to 30<sup>th</sup> November 2007 (at constant exchange rates) have increased 12% driving improved margins.

Average available workstations for the 11 months to 30<sup>th</sup> November have increased by 24% to 132,059 compared with 106,089 for the same period last year. In the 11 months to 30<sup>th</sup> November, 129 new centres have been added worldwide consistent with our strategy of controlled growth by expanding into new markets and strengthening our position in existing markets. New locations in existing countries of operation include Winnipeg in Canada, Lille in France, Turin in Italy, Valencia in Spain, Kolkutta in India and we have opened our first centres in the following new countries: New Zealand, Bulgaria, Qatar, Jordan and Kenya.

With our leading indicators in all regions including the US remaining encouraging the Board expects full year operating profit for the current financial year to be in line with analysts' consensus. Given this and the scope for further improvement in all areas of operation in 2008 the Board expects to recommend a 67% increase in the final dividend from 0.6 pence to 1 pence per share for the year ending December 31<sup>st</sup>, 2007.

Commenting on today's announcement, Mark Dixon, Chief Executive, said:

"I am delighted that we are set to deliver our fifth successive year of financial improvement. Our strategy of controlled growth through a combination of opening new centres and acquiring existing businesses continues to deliver outstanding results.

While we are alive to market conditions our business model remains robust with strong cash generation, revenue, geographic and sector diversity and positive visibility on earnings.

Looking forward into 2008 we are in a good position to benefit from companies turning to our lower cost flexible office solutions as an alternative to conventional leasing as they experience increasing levels of uncertainty. Our focus will be on maintaining the performance of our like for like business alongside a measured expansion programme."

## For further information, please contact:

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## **About Regus**

The Regus Group is the world's leading provider of pioneering workplace solutions, with products and services ranging from fully equipped offices to professional meeting rooms, business lounges and the largest network of videoconference studios. The Regus Group delivers a new way to work whether it's from home, on the road or from an office.

Clients such as Google, GlaxoSmithKline, IBM, Nokia and Accenture join thousands of growing small and medium businesses that benefit from outsourcing their office and workplace needs to The Regus Group and allowing them to focus on their core business.

Over 100,000 clients a day benefit from Regus Group facilities spread across a global footprint of 950 locations, in 400 cities and 70 countries which allows individuals and companies to work wherever, however and whenever they want to.

For more information, visit www.regus.com.