



## INTERIM MANAGEMENT STATEMENT – 3 MAY 2012

Regus plc, the world's largest provider of flexible workspaces, today announces an update on current trading for the three months to 31 March 2012.

Regus' financial performance in the first quarter of 2012 was in line with management expectations. Group turnover increased by 8.8% to £299.3m in the three months to 31 March 2012, from £275.1m in the corresponding period last year.

Our mature business, which makes up over 85% of our global portfolio of centres, continues to perform well. Revenues for these centres (which were opened prior to 31 December 2010) increased 4.4% to £282.2m in the three months to 31 March 2012, from £270.2m in the corresponding period last year. This like-for-like increase builds further on the strong performance in 2011, reflecting continued healthy levels of occupancy, as well as growth in Revenue Per Occupied Workstation (REVPOW), which in the quarter improved to £1,883, an increase of 1.4% (up £26) at constant currency rates and 1.0% (up £19) at actual rates. The strong cash flow characteristics of our mature business continued in the first quarter. Overall, this performance further demonstrates the success of the company's strategic initiatives and we expect continued progress throughout the year.

We also remain focussed on the execution of our growth strategy. Consistent with previous guidance, we opened 37 centres in the first quarter of 2012, compared with just 12 centres in the first quarter of 2011. As a result the total number of workstations increased to 208,152 as at 31 March 2012 (204,043 workstations as at 31 December 2011)<sup>1</sup>. Accordingly, we now have 176 new centres (centres opened on or after 1 January 2011). In total, these centres contributed £16.0m to revenue in the three months to 31 March 2012, compared with £0.5m in the corresponding period last year and continue to develop as anticipated. We still expect to open 200 new centres in 2012 and continue to explore a number of Third Place opportunities.

As expected, the accelerated pace of new centre openings since the second half of 2011 has weighed on profitability in early 2012. The financial drag from new centres is expected to diminish through the remainder of this year.

We invested a further £25m of capital expenditure in our growth programme in the three months to 31 March 2012. As a result of the accelerated opening programme and associated start-up losses, our net cash position declined by £18m to £170m at 31 March 2012. This continued strong net cash position is in line with our expectations.

As announced on 20 March 2012, the board has recommended a 14% increase in the final dividend per share for 2011 from 1.75p to 2.0p. This reflects the Group's strong trading performance and cash generation, and the Board's confidence in the Group's long-term prospects. Subject to shareholder approval at the AGM, this will be paid on 25 May 2012 to shareholders who were on the register at the close of business on 27 April 2012. This represents an increase in the full year dividend of 12% to 2.9p (2010: 2.6p).

Overall, our business has demonstrated continued resilience and flexibility in the face of challenging market conditions and we are comfortable with our plan to invest further to accelerate growth. As always, however, we are ready to scale back our growth plans if macro-economic conditions were to deteriorate.

Looking forward to the rest of 2012, management remain confident that the business is executing a clear strategy which is delivering in line with our expectations.

Regus will be hosting a call for analysts and investors at 08.30am BST this morning. If you wish to participate please contact [jayres@brunswickgroup.com](mailto:jayres@brunswickgroup.com).

<sup>1</sup> Consolidated workstations as at 31 March 2012 were 198,065 (31 December 2011: 193,911 workstations)

**For further information, please contact:**

**Regus plc Tel: + 352 22 9999 5160**

Mark Dixon, Chief Executive Officer  
Dominique Yates, Chief Financial Officer  
Wayne Gerry, Head of Investor Relations

**Brunswick Tel: + 44 (0) 20 7404 5959**

Simon Sporborg  
Nick Cosgrove

This interim management statement contains certain forward looking statements with respect to the operations of Regus. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward looking statements and forecasts. Nothing in this announcement should be construed as a profit forecast.

**About Regus**

Regus is the world's largest provider of flexible workplaces, with products and services ranging from fully equipped offices to professional meeting rooms, business lounges and the world's largest network of video communication studios. Regus enables people to work their way, whether it's from home, on the road or from an office. Customers such as Google, GlaxoSmithKline, and Nokia join hundreds of thousands of growing small and medium businesses that benefit from outsourcing their office and workplace needs to Regus, allowing them to focus on their core activities.

Over 1,000,000 customers a day benefit from Regus facilities spread across a global footprint of 1,200 locations in 550 cities and 95 countries, which allow individuals and companies to work wherever, however and whenever they want to. Regus was founded in Brussels, Belgium in 1989, is headquartered in Luxembourg and listed on the London Stock Exchange.

For more information please visit: [www.regus.com](http://www.regus.com)