INTERIM MANAGEMENT STATEMENT – 30 April 2014

Regus plc, the global workplace provider, today announces its Interim Management Statement covering the period from 1 January to 29 April 2014.

We have made a good start to the year, with the first quarter financial performance to end March in line with management expectations. Group turnover in the period increased by 19.4% at constant currency to £393.2m compared with £357.0m in the corresponding period last year (an increase of 10.1% at actual rates). As previously indicated the strengthening of sterling over the last six months has affected the translation of our reported revenues.

As at 31 March 2014, the Group had a total of 1,945 centres. The total number of workstations (including non-consolidated) increased to 318,076 as at 31 March 2014 (304,774 workstations as at 31 December 2013)[1].

We continue to grow our network in response to strong customer demand, underpinned by the ongoing move to flexible working. Our focus is on building long-term shareholder value through disciplined investment – both organically and through acquisitions. Our expectation remains to add at least 300 new business centres, as well as additional Third Place locations in the financial year 2014.

Below we provide an update on the three parts of our business – Mature, New and Third Place – which have all continued to make good progress.

Strong underlying mature performance

The performance of our Mature business, the profit and cash engine of the Group, representing approximately 71% of our global portfolio of centres, remains strong. Revenues for these centres (which were opened on or before 31 December 2012) were £321.0m in the three months to 31 March 2014, an increase of 3.4% at constant currency (down 5.0% at actual exchange rates).

This like-for-like increase reflects the ongoing strength of our 2011 Mature business and the continuing maturation of the 239 centre openings from 2012. The addition of these 2012 new centre openings resulted in a significant increase in our Mature business to 1,377 centres with effect from 1 January 2014.

Our strong occupancy rates have remained stable on a like for like basis. We have continued to improve our mature Revenue Per Occupied Workstation (REVPOW) performance to £1,758, an increase of 2.9% (up £50) at constant currency rates, down 5.5% (down £102) at actual rates, reflecting the current strength of sterling.

The strong cash flow and profitability characteristics of our Mature business continued in the first quarter. Overall we are pleased with this performance.

New centres programme marks a good start to year

Following a strong opening programme in the final quarter of 2013, we have continued to make significant progress against our growth objective. The Group has added a further 123 centres in the first quarter of 2014 (Q1 2013: 100). Our new centre estate now comprises 568 new centres (centres opened on or after 1 January 2013). Over the period these contributed £71.6m of revenue (Q1 2013: £14.6m). These new centres continue to develop as planned.

A number of acquisitions were completed towards the end of the first quarter which contributed meaningfully to the 123 centres added in the period. These acquisitions give us increased confidence that we will add at least 300 centres in 2014.

Broadening interest in Third Place

We continue to see progress in our emerging Third Place business. During the first quarter we signed our first deal outside Europe with the Singapore Government for the placing of drop-in work locations in public libraries. We have also signed agreements to open business lounges within Heathrow and Gatwick airports. We remain encouraged by the growing interest from end users and potential new partners alike, across a broad range of sectors and geographies.

Strong financial position

Underlying cash generation from the Mature business remains strong. This, together with our revolving credit facility, continues to provide appropriate financial resources to support our growth programme. Over the period we invested a further £105.7m of capital expenditure, with £94.9m going in to our growth programme. As noted in our 2013 Annual Results the net debt position as at 31 December 2013 of £57.2m was slightly better than expected, mainly due to timing differences, particularly in relation to growth capital expenditure payments. With the additional settlement of these balances, and investment in growth, our net debt position increased by £72.9m in the quarter to £130.1m at 31 March 2014. This is in line with our expectations.

Summary

Current trading is good and in line with expectations.

Our Mature business remains the engine of the Group and management's primary focus is to deliver further improvements to mature operating profit and cash flow. This enables us to continue to invest in growth and build a larger Mature business, thereby delivering long-term shareholder value and, while we remain on track to add at least 300 centres this year, we maintain the flexibility to accelerate growth to take advantage of attractive opportunities or scale back growth based on market conditions and expected returns.

Overhead costs continue to be rigorously controlled to ensure we continue to realise the benefits of economies of scale. We expect overheads per available workstation to continue to reduce.

Overall, we have started the year well and remain confident that our Mature business will deliver good underlying profitability and strong cash generation. We continue to find compelling opportunities to grow and expect that investment in new centres will deliver attractive long-term incremental returns.

[1] Consolidated workstations as at 31 March 2014 were 305,995 (31 December 2013: 292,655 workstations)

Conference call details

Regus will be hosting a call for analysts and investors at 08.30am BST this morning. Details are set out below:

Dial in number: +44 (0) 207 192 8000
Conference ID: 32480074

There will also be a replay facility available after the call (until 9.30am, 7 May):

Dial in number: +44 (0) 1452 550000
Playback ID: 32480074

For further information, please contact:

Regus plc Tel: + 352 22 9999 5160
Mark Dixon, Chief Executive Officer
Dominique Yates, Chief Financial Officer
Wayne Gerry, Investor Relations Director

Brunswick Tel: + 44 (0) 20 7404 5959
Simon Sporborg
Nick Cosgrove

About Regus

Regus is the global workplace provider.

Its network of more than 1,900 business centres in 100 countries provides convenient, high-quality, fully serviced spaces for people to work, whether for a few minutes or a few years. Companies like Google, Toshiba and GlaxoSmithKline choose Regus so that they can work flexibly and make their businesses more successful.

The key to flexible working is convenience and so Regus is opening wherever its 1.6million members want support – city centres, suburban districts, shopping centres and retail outlets, railway stations, motorway service stations and even community centres.

Founded in Brussels, Belgium, in 1989, Regus is based in Luxembourg and listed on the London Stock Exchange. For more information, please visit www.regus.com