THIRD QUARTER TRADING STATEMENT – 3 November 2015

Regus plc, the global workplace provider, today issues its trading statement for the period to 30 September 2015.

Further improvement in Group performance

The Group has enjoyed good trading in the quarter to 30 September 2015, continuing the momentum reported at the time of the interim results.

In the three months to 30 September 2015, Group revenue increased to £478.8m compared with £413.6m in the corresponding period last year, an increase of 17.3% at constant currency rates (up 15.8% at actual rates). For the nine months ended 30 September 2015, Group revenue increased to £1,415.8m compared with £1,218.3m for the same period last year, an improvement of 16.7% at constant currency rates (up 16.2% at actual rates). Prevailing exchange rates have provided a headwind on the translation of our results during the third quarter.

Underlying cash generation[1] has been strong, increasing 54% year-on-year to £137.8m (nine months to September 2014: £89.6m), reflecting the good trading performance.

The Group's focus remains on building long-term shareholder value through delivering attractive returns from our existing business and continuing with the disciplined investment in new locations – both organic and through acquisitions. During the third quarter we added 110 new locations to our global network with associated net growth capital investment of £55.3m[2]. This investment included £10.9m spent on acquiring a property which we expect to deliver good returns. In the nine months to 30 September 2015 the Group has added 341 new locations, representing over 4.6m sq ft of space added to the network, which now totals more than 43m sq ft globally. As at 30 September 2015, the Group had a total of 2,584 locations, with the total number of co-working seats / workstations (including non-consolidated) increasing to 405,845 (391,978 as at 30 June 2015)[3]. In addition, the Group has more than 60,000 meeting room seats and over 2,000 business lounges to serve its more than 2m members.

The Group had net debt at 30 September 2015 of £146.4m, a small increase on the 30 June 2015 position of £136.9m, reflecting the £10.9m property purchase described above as well as £4.7m of additional share purchases.

2015 and 2016 growth plans

Our pipeline of new openings remains strong and, with a number of late 2015 openings now scheduled to open in early 2016, our visibility on net capital expenditure for the whole of 2015 is approximately £250m, representing c550 locations.

In respect of the 2016 growth pipeline, we currently have visibility on net capital expenditure of £65m, representing approximately 220 locations. As highlighted at the Capital Markets Day in October, we are focused on making increased use of partnering in our new investments, reducing capital expenditure per location and, thereby, de-risking and improving financial returns.

Strong mature performance

The performance of our mature business, representing approximately 70% of our global portfolio of locations, remains strong. Revenues for these centres (which were opened on or before 31 December 2013) were £397.5m in the three months to 30 September 2015, an increase of 3.9% at constant currency (up 2.5% at actual exchange rates). This reflects the continued development of the newer locations within the mature business, which are now being measured against stronger comparatives.

For the nine months ended 30 September 2015 mature revenue increased to £1,214.1m compared to £1,157.3m for the comparable period in 2014, an increase of 5.3% at constant currency (up 4.9% at actual rates).

This strong performance reflects both solid underlying revenue growth in our more established locations as well as the continued maturation of the 434 locations added in 2013 which joined the mature portfolio on 1 January 2015, and which now comprises a total of 1,802 locations.

Year-on-year mature occupancy for the nine months to 30 September 2015 increased 3.3 percentage points on a like-for-like basis to 82.2%, reflecting the maturation of the 2013 additions where occupancy has grown strongly as expected. There has also been occupancy improvement in those locations that were open on or before 31 December 2012. Overall mature margins remain strong and returns continue to move forward.

Summary

We are pleased with the continued strong performance of our business which remains in line with management expectations.

Our investments are continuing to deliver attractive returns well ahead of our cost of capital.

The performance of our mature business remains strong, generating good levels of profitability and cash flow. We have again been able to reinvest in building our business, which, we believe, will deliver further incremental long-term shareholder value.

Our newer locations continue to progress towards maturity in line with our expectations. Prudent risk management and financial discipline remain key cornerstones of our expansion strategy as we continue to grow and the outlook for the roll-out of our range of formats remains positive.

We continue to strive for greater operational rigour and efficiency and we remain on track to deliver further scale benefits.

Looking forward to the remainder of 2015, we remain confident in the outlook. Our business is performing strongly and our network investment continues to deliver good returns and drive long-term shareholder value.

[1] Underlying cash generation is cash generated before the investment in growth capital expenditure, dividend payments and the purchase of shares

[2]Net capital expenditure in new locations equals gross capital expenditure less any contributions received towards fit-out costs

Growth Capital Expenditure (£m)	**H1 2015**	**Q3 2015**	**YTD 2015**
Gross Growth Capital Expenditure	144.5	70.0	214.5
Net Growth Capital Expenditure	120.0	55.3	175.3

[3]Consolidated co-working seats / workstations as at 30 September 2015 were 386,758 (30 June 2015: 370,616)

Conference call details

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

Dial in number: +44 (0) 20 7192 8000
Conference ID: 67886592

There will also be a replay facility available for 7 days after the call (until 10 November, 9.30am):

Dial in number: +44 (0) 1452 550 000
Playback ID: 67886592

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About Regus

Regus is the global workplace provider.

Its network of more than 2,500 business centres in 106 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 2.1million 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.