



ISS reports growth across all geographies and 7% organic growth for third quarter 2011

Today, ISS A/S announced final results for the third quarter 2011 and the period 1 January – 30 September. The results demonstrate increased profit and industry leading organic growth:

- In the first nine months of 2011 ISS grew its business organically by 6.4% delivering revenue of DKK 57.8 billion
- All regions – including all three regions in Europe – delivered positive growth in the first nine months of 2011 while Asia, North America and Latin America regions grew double digits. Third quarter organic growth was 7.0% - the eighth consecutive quarter with accelerating growth
- Operating profit before other items increased by 4% to DKK 3,180 million in the first nine months of 2011
- Operating profit increased by 7% to DKK 2,958 million in the first nine months of 2011
- Operating margin (operating profit before other items as a percentage of revenue) was 6.3% for the third quarter of 2011
- ISS added more than 5,500 new jobs in third quarter bringing the total number of ISS employees to 541,100 globally

Final results for the quarter are in line with the trading update announced on 17 October, in connection with the announcement of G4S's now terminated attempt to acquire ISS A/S.

Jeff Gravenhorst, ISS Group CEO, said:

"Following the termination of the proposed acquisition by G4S, we at ISS are now absolutely focused on further improving and growing our own business. We have a very strong business with accelerating momentum, as our results for third quarter and the first nine months of the year clearly demonstrate. Year to date our business has been growing in all our geographical regions with double digit growth in emerging markets and North America. Growth is fuelled by the start-up of several new major Integrated Facility Services contracts. In the third quarter we won many new contracts across a broad range of services like the customer support in Genève Aéroport, a significant multiservice contract with Ministry of Defence in Singapore, an IFS contract within remote site mining in Australia and large cleaning contracts with San Antonio and Portland airports in the USA."

Group Performance

ISS continued the growth momentum experienced in the first half of 2011 demonstrating increased organic growth and growing operating profit. Group revenue amounted to DKK 57.8 billion in the first nine months of 2011, an increase of 6% compared with the same period in 2010, driven by organic growth of 6.4% and a positive effect from exchange rate movements of 1% which was offset by a negative net effect from acquisitions and divestments of 2%.

The organic growth of 6.4% in the first nine months of 2011 was a continuation of the positive organic growth trend seen in 2010, fuelled by the start-up of several large Integrated Facility Services (IFS) contracts in 2011. Organic growth was 7.0% in the third quarter of 2011 and marks the eighth consecutive quarter with an increase in our organic growth rate. North America, Latin America and Asia delivered double-digit organic growth rates.

Operating profit before other items increased by 4% to DKK 3,180 million in the first nine months of 2011 compared with the same period of 2010. The operating margin (operating profit before other items as a percentage of revenue) was 5.5% for the first nine months of 2011 compared with 5.6% for the comparable period in 2010. The operating margin for the first nine months of 2011 is positively impacted by margin increases in especially Switzerland, the United Kingdom, Turkey and the Asian region. However, this is more than offset by the negative impact resulting from challenging economic conditions in the Mediterranean region, operational challenges in the Netherlands, the start-up of large national and international IFS contracts as well as the investment in building an IFS infrastructure in North America.

Operating profit increased by 7% from DKK 2,761 million in first nine months of 2010 to DKK 2,958 million in first nine months of 2011, despite expensing costs totalling DKK 100 million primarily related to the IPO preparation.

The net result decreased from a loss of DKK 338 million in the first nine months of 2010 to a loss of DKK 597 million in the first nine months of 2011, positively impacted by growth in revenue and operating profit, which was more than offset by an increase in the effect from foreign exchange losses, expensing of remaining financing fees related to the amended and extended debt and an increase in income taxes.

Outlook

The high organic growth in the first nine months of 2011 is considered sustainable and is expected to continue during 2011 unless macroeconomic factors should turn worse. Consequently, ISS expects organic revenue growth in 2011 to be around 6%.

The organic growth has been stronger than anticipated and operating profit before other items and operating profit is in 2011 expected to be above the level realised in 2010. However, the operating margin is expected to be slightly below the level realised in 2010, also reflecting tougher business conditions in certain Mediterranean countries and the operational challenges in the Netherlands.

Cash conversion for 2011 is expected to be slightly above the LTM level realised at 30 September 2011, however below the level realised in 2010.

Ole Andersen
Chairman of the Board

Jeff Gravenhorst
Group CEO

Telephone conference

ISS will host a conference call on Wednesday, 9 November 2011 at 14:00 CET (13:00 UK time).

Dial-in-numbers: +45 32 72 76 25 (Denmark)

+44 (0) 1452 555 566 (UK)

Conference ID: 19669819

Live webcast

The conference call will also be available on live webcast. In order to listen to the conference call and view the presentation simultaneously, please visit <http://inv.issworld.com/events.cfm>

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About the ISS Group

The ISS Group was founded in Copenhagen in 1901 and has grown to become one of the world's leading Facility Services companies. ISS offers a wide range of services such as: Cleaning, Catering, Security, Property and Support Services as well as Facility Management. Global revenue amounted to DKK 74 billion in 2010 and ISS now has more than 540,000 employees and local operations in more than 50 countries across Europe, Asia, North America, Latin America and Pacific, serving thousands of both public and private sector customers. For more information on the ISS Group, visit www.issworld.com.