To Luxembourg Stock Exchange
29 May 2008

ISS Holding A/S

Interim Report January – March 2008

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Key Figures

Amounts in DKK millions	Q1 2008	Q1 2007
Revenue	16,367	14,930
Operating profit before other items	772	697
Operating margin before other items, %	4.7	4.7
Operating profit	741	675
Net finance costs	(666)	(595)
Profit before goodwill impairment/amortisation of brands and customer contracts	15	36
Net profit/(loss) for the period	(163)	(160)
Investments in property, plant and equipment, gross	176	193
Organic growth %	6.0	6.1
Total assets	54,036	52,014
Goodwill	27,505	26,419
Carrying amount of net debt	30,387	27,597
Total equity	4,998	5,781

Definitions

Operating margin before other items, % = $\frac{\text{Operating profit before other items x 100}}{\text{Revenue}}$

Carrying amount of net debt = Long-term debt + Short-term debt - Receivables from affiliates - Securities - Cash and cash equivalents

Other Financial Measures

	As of and for the 12-month period ended			
Amounts in DKK millions	30 June 2007	30 September 2007	31 December 2007	31 March 2008
Pro Forma Adj. EBITDA	4,593	4,752	4,866	4,929
Pro Forma Net Debt	30,662	31,230	29,981	31,096
Seasonality Adj. Pro Forma Net Debt	29,398	29,812	29,981	30,250
Pro Forma Net Debt / Pro Forma Adj. EBITDA	6.68x	6.57x	6.16x	6.31x
Seasonality Adj. Pro Forma Net Debt / Pro Forma Adj. EBITDA	6.40x	6.27x	6.16x	6.14x

Note: The Pro Forma adjusted financial information set out above is for informational purposes only. ISS includes these financial measures because it believes that they are useful measures of the Group's results of operations and liquidity; however, these items are not measures of financial performance under IFRS and should not be considered as a substitute for operating profit, net profit, cash flow or other financial measures computed in accordance with IFRS. See appendix on pages 28-31 of this report for further information on Other Financial Measures.

ISS Holding A/S ("ISS" or "the Group") is a holding company, and its primary assets consist of shares in ISS A/S.

For further information about ISS, see ISS Holding's Annual Report 2007, which is available from the Group's website, www.issworld.com.

Business highlights

During the first three months of 2008, ISS continued to develop the business towards achieving the targets set out in the Group strategy. Simultaneously, ISS maintained its operational focus on cash flow, profitability, organic growth, and on-going investments in the business through acquisitions.

ISS continued the expansion of its geographical platform by building up critical mass of services in selected countries, and expanding further organically and through acquisitions, especially in growth regions.

In addition, ISS continued to strengthen its service offering by building critical mass within property services, office support, catering and security services. Furthermore the transition towards becoming Integrated Facility Services providers continued in many countries.

In March 2008 ISS entered into an international Integrated Facility Services contract with HP, a leading international technology solutions provider, covering more than 40 countries in Europe, Middle East, Asia and Africa. This contract represents a significant milestone for ISS in pursuing its vision of being the leading global Facility Services provider and is a direct result of the establishment of the global Corporate Client organisation in 2007 with the purpose of driving new sales, operating and supporting multinational clients as well as further supporting the development of Integrated Facility Services.

ISS continued to invest in acquisitions in order to strengthen its service offering and to pursue opportunities in new geographies with high growth potential. In the first three months of 2008, ISS completed a total of 16 acquisitions with total annual revenue estimated at approximately DKK 823 million. Furthermore, ISS divested the remaining part of the non-core energy activities in France with annual revenue of DKK 854 million.

Financial Review

Income Statement

Revenue for the first three months of 2008 amounted to DKK 16,367 million representing a revenue growth of 10% compared to the first three months of 2007. Acquisitions, net of divestments, accounted for growth of 5%. The organic growth rate was 6% and currency adjustments decreased revenue by 1%. The organic growth was as expected driven by double-digit growth rates in the growth economies of Asia, Latin America and Central and Eastern Europe and stable growth in Western Europe and the Nordic region.

Operating results, January - March

	Revenue DKK millions			Operating profit before other items DKK millions			Operating margin before other items	
	Q1 2008	Q1 2007	Change	Q1 2008	Q1 2007	Change	Q1 2008	Q1 2007
Nordic [1]	4,132	3,960	4 %	220	205	7 %	5.3 %	5.2 %
Western Europe [2]	9,492	8,981	6 %	460	458	0 %	4.8 %	5.1 %
Central and Eastern Europe [3]	362	257	41 %	20	14	50 %	5.6 %	5.3 %
Asia [4]	685	571	20 %	43	33	32 %	6.3 %	5.7 %
Latin America [5]	408	333	23 %	23	17	41 %	5.8 %	5.0 %
USA	417	-	-	23	-	-	5.5 %	-
Pacific [6]	871	828	5 %	49	49	(1)%	5.6 %	5.9 %
Corporate	-	-	-	(66)	(77)	(14)%	(0.4)%	(0.5)%
Total	**16,367**	**14,930**	**10 %**	**772**	**697**	**11 %**	**4.7 %**	**4.7 %**

[1] Nordic comprises Denmark, the Faroe Islands, Finland, Greenland, Iceland, Norway and Sweden.

[2] Western Europe comprises Austria, Belgium, France, Germany, Greece, Ireland, Israel, Italy, Luxembourg, the Netherlands, Portugal, Spain, Switzerland, Turkey and the United Kingdom.

[3] Central and Eastern Europe comprises Bosnia and Herzegovina, Croatia, the Czech Republic, Estonia, Hungary, Poland, Romania, Russia, Slovakia and Slovenia.

[4] Asia comprises Brunei, China, Hong Kong, India, Indonesia, Malaysia, the Philippines, Singapore, Sri Lanka, Taiwan and Thailand.

[5] Latin America comprises Argentina, Brazil, Chile, Mexico and Uruguay.

[6] Pacific comprises Australia and New Zealand.

In the Nordic region, ISS's revenue increased by approximately 4% to DKK 4,132 million for the first three months in 2008. The increase was driven by organic growth, which increased revenue by 4%, mainly due to organic growth in Norway, Sweden, Denmark and Finland.

In the first three months of 2008, ISS's revenue in Western Europe increased by approximately 6% to DKK 9,492 million. Organic growth was 6% and growth from acquisitions and divestments, net, was 2%, while currency adjustments decreased revenue for the region by 2%. With the exception of the Netherlands and Austria, organic growth was positive in all countries in the region with Greece, Turkey, Switzerland and the UK delivering double-digit organic growth rates. In France, revenue was down 6%, or DKK 154 million, as the divestment of the remaining part of the non-core energy activities, which generated revenue of DKK 256 million in Q1 2007 was only partly offset by organic and acquisitive growth.

Revenue in Central and Eastern Europe increased by 41% from DKK 257 million in the first three months of 2007 to DKK 362 million in the same period in 2008. The growth was primarily driven by growth from acquisitions and divestments, net, of 24%. Organic growth amounted to 12%, whereas currency adjustments increased revenue by 5% compared to the first three months of 2007. Organic growth rates were double-digit in all countries in the region, except the Czech Republic and Slovakia.

In Asia, revenue increased by 20% to DKK 685 million in the first three months of 2008. The increase was driven by 14% growth from acquisitions and divestments, net, and organic growth of 17%. The organic growth was mainly driven by India and Indonesia and organic growth rates were double-digit in all countries in the region, except Brunei and Taiwan. Currency adjustments decreased revenue for the region by approximately 11%.

Revenue in Latin America increased by 23% from DKK 333 million in the first three months of 2007 to DKK 408 million in the same period in 2008. Organic growth was 17% and growth from acquisitions and divestments, net, was 6%. Organic growth was driven by positive organic growth throughout the region with the main contributors being Argentina and Chile.

Revenue in USA amounted to DKK 417 million and related to the country establishment via a platform acquisition in June 2007. In April 2008, ISS further expanded its US platform through the acquisition of BGM Industries, which established ISS as a leading provider of cleaning, property and security services in the Midwest region. Customers include the Denver and Salt Lake City airports.

Revenue in Pacific increased by 5% from DKK 828 million in the first three months of 2007 to DKK 871 million in the same period in 2008. The growth was primarily driven by organic growth of 4% stemming from positive organic growth in both Australia and New Zealand. Currency adjustments increased the revenue by approximately 1%.

Operating profit before other items for the first three months of 2008 amounted to DKK 772 million representing an increase of 11% compared to the same period of last year. Operating profit before other items as a percentage of revenue i.e. the operating margin was 4.7% in the first three months of 2008 equal to the operating margin in the same period of 2007.

In the first three months of 2008, the operating profit before other items in the Nordic region increased by 7% to DKK 220 million. The operating margin in the region increased to 5.3% compared with 5.2% in the same period of 2007. This was mainly due to operating margin increases in Finland and Denmark, partly offset by margin decreases in Norway and Sweden.

ISS Holding Revenue growth, January - March 2008

	Revenue growth, %			
	Organic [1)]	**Acq./Div., net**	**Currency**	**Total**
Nordic	4	0	0	4
Western Europe	6	2	(2)	6
Central and Eastern Europe	12	24	5	41
Asia	17	14	(11)	20
Latin America	17	6	(0)	23
USA	N/A	N/A	N/A	N/A
Pacific	4	0	1	5
Total ISS Holding	**6**	**5**	**(1)**	**10**

[1)] For a description of the method applied in estimating organic growth, see ISS Holding's Annual Report 2007, which is avaliable from the Group's website, www.issworld.com.

Operating profit before other items in Western Europe increased slightly from DKK 458 million in the first three months of 2007 to DKK 460 million in the same period in 2008. The operating margin decreased from 5.1% in the first three months of 2007 to 4.8% in the same period in 2008. The decrease was primarily a result of an expected margin decrease in France and challenging market conditions in the Netherlands and Austria, where turnaround plans to adjust the organisation to the current environment are being implemented. This was partly offset by positive operating margin development in Belgium, Switzerland and Portugal.

The operating profit before other items in Central and Eastern Europe increased by 50% to DKK 20 million in the first three months of 2008. Central and Eastern Europe improved the operating margin from 5.3% in the first three months of 2007 to 5.6% in the same period in 2008. The improvement was primarily driven by Romania and Russia.

The operating profit before other items in Asia increased by 32% to DKK 43 million in the first three months of 2008. The operating margin was 6.3% compared with 5.7% in the same period in 2007. This was due primarily to operating margin increases in Hong Kong, Taiwan and India, partly offset by decreases in operating margin in China and the Philippines.

The operating profit before other items in Latin America increased by 41% to DKK 23 million in the first three months of 2008. The operating margin for the first three months of 2008 was 5.8%, compared to 5.0% in the same period in 2007. All countries contributed to the margin increase, the main contributor being Mexico.

The operating profit before other items in USA amounted to DKK 23 million and the operating margin was 5.5%, in accordance with expectations, in the first three months of 2008.

The operating profit before other items in Pacific decreased slightly by 1% to DKK 49 million in the first three months of 2008. The operating margin in the region decreased from 5.9% in the first three months of 2007 to 5.6% in the same period in 2008, due to slightly negative developments in both Australia and New Zealand.

Net finance costs for the first three months increased 12% from DKK 595 million in 2007 to DKK 666 million in 2008. Net finance costs included DKK 555 million of net interest expenses, DKK 36 million of amortisation of financing fees and DKK 75 million of loss on foreign exchange.

***Income* taxes** were an expense of DKK 57 million in the first three months of 2008. The effective tax rate was adversely impacted by permanent differences and withholding taxes that are non-proportional to the profit before tax.

Net result for the period was a loss of DKK 163 million in the first three months of 2008 compared to a loss of DKK 160 million in the same period in 2007. The result was positively impacted by improved operational performance. This was more than offset by higher net finance costs as well as non-cash charges related to amortisation of brands and customer contract portfolios and related customer relationships, net of tax. A loss of DKK 160 million was attributable to the equity holders of ISS Holding, whereas a loss of DKK 3 million was attributable to minority interests.

Cash Flow Statement

Cash flow from operating activities in the first three months of 2008 was impacted by normal seasonality and resulted in a net cash outflow of DKK 306 million compared with a net cash outflow of DKK 188 million in the same period in 2007. The net cash outflow was due primarily to working capital outflow of DKK 1,067 million against an outflow of DKK 890 million in 2007, stemming from an increase in trade receivables, partly driven by organic growth, and a decrease in trade payables. This was partly offset by the cash inflow from operating activities of DKK 772 million in the first three months of 2008. Payments related to Other income and expenses, net amounted DKK 63 million of which DKK 48 million related to the re-scoping of the IT outsourcing agreement in 2007 with CSC. For further information on seasonality, see note 2 to the Condensed Consolidated Interim Financial Statements.

Cash flow from investing activities in the first three months of 2008 was a net cash outflow of DKK 285 million, predominantly affected by a cash outflow of DKK 530 million related to acquisitions, most significantly in Israel, the United Kingdom and Hong Kong. This was partly offset by proceeds from divestments of DKK 274 million, primarily related to the divestment of the remaining energy activities in France. In the first three months of 2007, net cash flow from investing activities was an outflow of DKK 854 million, predominantly affected by a cash outflow of DKK 642 million related to acquisitions, most significantly in Norway and the country establishment in Taiwan.

Cash flow from financing activities amounted to a net cash outflow of DKK 349 million in the first three months of 2008. This was primarily the result of interest payments of DKK 458 million, partly offset by drawings on credit facilities to fund working capital and acquisitions of DKK 114 million. In the first three months of 2007, cash flow from financing activities was a net cash outflow of DKK 12 million, due primarily to the cash inflow of DKK 318 million from increased indebtedness to fund acquisitions and drawings under local credit facilities to fund working capital needs, which was more than offset by interest payments of DKK 328 million.

Balance Sheet

Total assets amounted to DKK 54,036 million at 31 March 2008 compared to DKK 55,348 million at 31 December 2007.

Intangible assets amounted to DKK 36,839 million at 31 March 2008. The vast majority of intangibles were acquisition-related intangibles and comprised DKK 27,505 million of goodwill, DKK 7,462 million of customer contracts portfolios and customer relationship and DKK 1,605 million of brands.

Total equity was DKK 4,998 million as of 31 March 2008 of which DKK 4,960 million was attributable to the equity holders of ISS Holding A/S and DKK 38 million related to Minority interests. Net income and expenses recognised directly in equity reduced equity by DKK 503 million. This included negative currency adjustments relating to investments in foreign subsidiaries of DKK 271 million, net loss for the period of DKK 163 million and fair value adjustment of hedges, net, of DKK 93 million. The tax effect of entries recognised directly in equity was an increase of DKK 22 million. The equity ratio, defined as total equity relative to total assets, decreased from 10.0% at 31 December 2007 to 9.2% at 31 March 2008.

Carrying amount of net debt is typically higher after the first three months than at the end of the previous financial year due to acquisitions and the fact that ISS's operating cash flow is lower in the first quarter of the year. Due to this seasonality and the effect of acquisitions completed in the first three months of 2008, the carrying amount of net debt amounted to DKK 30,387 million at 31 March 2008. Long-term debt was DKK 31,017 million, short-term debt amounted to DKK 1,125 million while securities, cash and cash equivalents were DKK 1,692 million and receivables from affiliates were DKK 63 million.

For further information on the composition of the net debt as at 31 March 2008 see the appendix on pages 28-31 of this report.

Acquisitions

In the first three months of 2008, a total of 16 acquisitions were completed with total annual revenue estimated at approximately DKK 823 million based on expectations at the time of acquisition.

The acquisitions completed in the first three months of 2008 have been carried out at an average multiple of 8.1x EBITA.

Other Financial Measures

Pro forma Adjusted EBITDA for the 12-month period 1 April 2007 to 31 March 2008 amounted to DKK 4,979 million. Pro Forma Net Debt amounted to DKK 31,096 million at 31 March 2008. Seasonality Adjusted Pro Forma Net Debt, which is adjusted for seasonality in Changes in working capital, amounted to DKK 30,250 million at 31 March 2008.

The calculation of these figures is prepared according to the principles described in the appendix on pages 28-31 of this report.

Interest Rate Risk

Net of interest rate hedges, approximately 78% of ISS's Senior and Subordinated credit facilities carried fixed interest rates while approximately 22% carried floating interest rates at 31 March 2008.

Outlook

The expectations should be read in conjunction with "Forward-looking statements" on page 7.

In 2008, ISS will continue its strategic directions towards offering Integrated Facility Services, strengthening single-service excellence and maintaining focus on its key operational objectives (i) cash flow; (ii) operating margin; and (iii) profitable organic growth. The initiatives to improve efficiencies include the continued development of single-service excellence concepts of knowledge and best-practice sharing, further strengthening the global Corporate Client organisation and rolling out the "Service Culture – The ISS Way" programme. Furthermore, the Group intends to continue its strategy of acquiring companies to increase local scale and broadening its service competencies. Finally, ISS is also determined to seek to reduce, on a multiple basis, the financial leverage of the ISS Group.

ISS expects that at the prevailing currency rates and including acquisitions completed up to 30 April, 2008, revenue in the continuing business will increase by more than 10% in 2008 and that the operating margin will be maintained at the level realised in 2007.

Revenue, continuing business
DKK billions

Revenue 2007	63.9
Divested activities	(0.9)
Estimated currency adjustments	(1.1)
Adjusted Revenue, Continuing Busines	**61.9**

Subsequent Events

Subsequent to 31 March 2008, the Group has made 8 acquisitions up until 30 April 2008. See note 5, Acquisition and divestment of businesses to the Condensed Consolidated Interim Financial Statements.

As announced in December 2007, Jeff Gravenhorst was appointed Group COO with effect from 1 April 2008 and would continue to act as Group Chief Financial Officer (CFO) until his successor was appointed. On 8 May 2008 ISS announced that Mr. Jacob Stausholm has been appointed new Group CFO for the Group and will take up the position on 1 September 2008.

Apart from the above and the events described in this interim report, the Group is not aware of events subsequent to 31 March 2008, which are expected to have a material impact on the Group's financial position.

Forward-looking statements
This report may contain forward-looking statements. Statements herein, other than statements of historical fact, regarding future events or prospects, are forward-looking statements. The words ''may'', "will", "should", ''expect'', ''anticipate'', ''believe'', ''estimate'', ''plan'', "predict," ''intend' or variations of these words, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements. ISS has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of ISS. Although ISS believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the facility service industry in general or ISS in particular including those described in the annual report 2007 of ISS Holding A/S and other information made available by ISS.

As a result, you should not rely on these forward-looking statements. ISS undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

The Annual Report 2007 of ISS Holding A/S is available from the Group's website, www.issworld.com.

Financial Calendar 2008

Interim Report, January - June 2008	29 August 2008
Interim Report, January - September 2008	28 November 2008

Telephone conference

A telephone conference will be held on Thursday, 29 May 2008 at 2:00 PM CET (1:00 PM UK time).

The telephone numbers for the conference are:

+45 70 26 50 40 (Denmark)
+44 208 817 9301 (UK)
+1 718 354 1226 (US)

Management Statement

COPENHAGEN, 29 May 2008

The Board of Directors and the Executive Group Management have today discussed and approved the interim report of ISS Holding A/S for the period 1 January – 31 March 2008.

The interim report has not been reviewed or audited and has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional Danish disclosure requirements for interim reports.

In our opinion, the interim report gives a true and fair view of the Group's financial position at 31 March 2008 and of the results of the Group's operations and consolidated cash flows for the financial period 1 January – 31 March 2008.

Furthermore, in our opinion the Management Statement gives a true and fair view of the development of the Group's operations and financial activities, the results for the financial period (1 January - 31 March 2008) and of the Group's financial position in general including a description of the most material risks and uncertainties that may face the Group.

EXECUTIVE GROUP MANAGEMENT

Jørgen Lindegaard
Group Chief Executive Officer

Jeff Gravenhorst
Group Chief Operating Officer
Group Chief Financial Officer

BOARD OF DIRECTORS

Sir Francis Mackay
Chairman

Leif Östling
Vice-Chairman

Ole Andersen

Sanjay Patel

Steven Sher

Christoph Sander

Peter Korsholm

Condensed Consolidated Interim Financial Statements for ISS Holding A/S

Condensed Consolidated Interim Financial Statements

Condensed consolidated interim income statement

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

Note		2008	2007
3	**Revenue**	**16,367**	**14,930**
	Staff costs	(10,778)	(9,798)
	Cost of sales	(1,440)	(1,326)
	Other operating expenses	(3,176)	(2,907)
	Depreciation and amortisation [1]	(201)	(202)
3	**Operating profit before other items** [2]	**772**	**697**
4	Other income and expenses, net	(21)	(10)
	Integration costs	(10)	(12)
3	**Operating profit** [1]	**741**	**675**
	Share of result from associates	(3)	(1)
	Net finance costs	(666)	(595)
	Profit before tax and goodwill impairment/amortisation of brands and customer contracts	**72**	**79**
	Income taxes [3]	(57)	(43)
	Profit before goodwill impairment/amortisation of brands and customer contracts	**15**	**36**
	Goodwill impairment and write-down	-	-
	Amortisation of brands and customer contracts [4]	(248)	(275)
	Income tax effect [5]	70	79
	Net profit/(loss) for the period	**(163)**	**(160)**
	Attributable to:		
	Equity holders of ISS Holding	(160)	(164)
	Minority interests	(3)	4
	Net profit/(loss) for the period	**(163)**	**(160)**

[1] Excluding Goodwill impairment and write-down and Amortisation of brands and customer contracts.

[2] Other items comprise Other income and expenses, net, Integration costs, Goodwill impairment and write-down and Amortisation of brands and customer contracts.

[3] Excluding tax effect of Goodwill impairment and write-down and Amortisation of brands and customer contracts.

[4] Includes customer contract portfolios and related customer relationships.

Condensed consolidated interim cash flow statement

These condensed consolidated interim financial statements are unaudited.
1 January – 31 March. Amounts in DKK millions

Note		2008	2007
3	Operating profit before other items	772	697
	Depreciation and amortisation	201	202
	Changes in working capital	(1,067)	(890)
	Changes in provisions	(7)	(19)
	Income taxes paid, net	(131)	(92)
	Payments related to other income and expenses, net	(63)	(69)
	Payments related to integration costs	(11)	(17)
	Cash flow from operating activities	**(306)**	**(188)**
5	Acquisition of businesses	(530)	(642)
5	Divestment of businesses	274	12
	Investments in intangible assets and property, plant and equipment, net [1)]	(18)	(194)
	Investments in financial assets, net	(11)	(30)
	Cash flow from investing activities	**(285)**	**(854)**
	Net proceeds from financing	114	318
	Interest paid, net	(458)	(329)
	Minority interests	(5)	(1)
	Cash flow from financing activities	**(349)**	**(12)**
	Total cash flow	**(940)**	**(1,054)**
	Cash and cash equivalents at beginning	2,581	2,216
	Total cash flow	(940)	(1,054)
	Foreign exchange adjustments	(33)	3
	Cash and cash equivalents at 31 March	**1,608**	**1,165**

[1)] In Q1 2008, including received sales price of DKK 172 million related to sale of buildings in 2007 in Norway.

Condensed consolidated interim balance sheet

These condensed consolidated interim financial statements are unaudited.
Amounts in DKK millions

Note		31 March 2008	31 March 2007	31 December 2007
	Assets			
	Intangible assets	36,839	36,224	37,150
	Property, plant and equipment	2,179	2,206	2,223
	Investments in associates	25	23	28
	Deferred tax assets	656	539	598
	Other financial assets	240	256	229
	Total non-current assets	**39,939**	**39,248**	**40,228**
	Inventories	259	325	249
	Trade receivables	10,452	9,630	10,114
	Contract work in progress	208	312	161
	Tax receivables	316	280	277
	Other receivables	1,170	980	1,036
	Assets held for sale	-	-	619
	Securities	84	74	83
	Cash and cash equivalents	1,608	1,165	2,581
	Total current assets	**14,097**	**12,766**	**15,120**
	Total assets	**54,036**	**52,014**	**55,348**
	Equity and liabilities			
	Total equity attributable to equity holders of ISS Holding	4,960	5,716	5,459
	Minority interests	38	65	59
	Total equity	**4,998**	**5,781**	**5,518**
	Long-term debt	31,017	27,842	30,882
	Pensions and similar obligations	734	912	724
	Deferred tax liabilities	2,744	3,122	2,786
	Other provisions	323	327	326
	Total long-term liabilities	**34,818**	**32,203**	**34,718**
	Short-term debt	1,125	1,081	1,039
	Trade payables	2,194	2,164	2,750
	Tax payables	133	219	151
	Other liabilities	10,435	10,176	10,494
	Other provisions	333	390	327
	Liabilities held for sale	-	-	351
	Total current liabilities	**14,220**	**14,030**	**15,112**
	Total liabilities	**49,038**	**46,233**	**49,830**
	Total equity and liabilities	**54,036**	**52,014**	**55,348**

Condensed consolidated interim statement of total recognised income and expense and changes in equity

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

	Attributable to equity holders of ISS Holding						
2008	Share capital	Retained earnings	Cumulative fx adj.	Realised gain/(loss) on hedges	Unrealised gain/(loss) on hedges	Minority interests	Total equity
Total recognised income and expense							
Net profit/(loss) for the period	-	(160)	-	-	-	(3)	(163)
Foreign exchange adj. of subsidiaries and minorities	-	-	(270)	-	-	(1)	(271)
Fair value adjustment of hedges, net	-	-	-	-	(48)	-	(48)
Fair value adjustment of hedges, net, transferred to Net finance costs	-	-	-	-	(45)	-	(45)
Share-based payments	-	2	-	-	-	-	2
Tax of entries recognised directly in equity	-	(1)	-	-	23	-	22
Net income and expense recognised directly in equity	**-**	**1**	**(270)**	**-**	**(70)**	**(1)**	**(340)**
Total recognised income and expense for the period	**-**	**(159)**	**(270)**	**-**	**(70)**	**(4)**	**(503)**
Equity at 1 January 2008	**100**	**5,486**	**(249)**	**(7)** [1]	**129** [1]	**59**	**5,518**
Changes in equity							
Total recognised income and expense for the period	-	(159)	(270)	-	(70)	(4)	(503)
Impact from acquired and divested companies, net	-	-	-	-	-	(12)	(12)
Dividends paid	-	-	-	-	-	(5)	(5)
Total changes in equity	-	**(159)**	**(270)**	**-**	**(70)**	**(21)**	**(520)**
Equity at 31 March 2008	**100**	**5,327**	**(519)**	**(7)** [1]	**59** [1]	**38**	**4,998**

[1] Net of taxes.

Continues

Condensed consolidated interim statement of total recognised income and expense and changes in equity

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

2007	Share capital	Retained earnings	Cumula-tive fx adj.	Realised gain/(loss) on hedges	Unrealised gain/(loss) on hedges	Minority interests	Total equity
	Attributable to equity holders of ISS Holding						
Total recognised income and expense							
Net profit/(loss) for the period	-	(164)	-	-	-	4	(160)
Foreign exchange adj. of subsidiaries and minorities	-	-	(21)	-	-	-	(21)
Fair value adjustment of hedges, net	-	-	-	-	(2)	-	(2)
Fair value adjustment of hedges, net, transferred to Net finance costs	-	-	-	-	(7)	-	(7)
Actuarial gains, net	-	0	-	-	-	-	0
Tax of entries recognised directly in equity	-	(0)	-	-	(7) [1]	-	(7)
Net income and expense recognised directly in equity	**-**	**0**	**(21)**	**-**	**(16)**	**-**	**(37)**
Total recognised income and expense for the period	**-**	**(164)**	**(21)**	**-**	**(16)**	**4**	**(197)**
Equity at 1 January 2007	**100**	**5,716**	**14**	**(7)** [2]	**94** [2]	**63**	**5,980**
Changes in equity							
Total recognised income and expense for the period	-	(164)	(21)	-	(16)	4	(197)
Dividends paid	-	-	-	-	-	(2)	(2)
Total changes in equity	-	**(164)**	**(21)**	**-**	**(16)**	**2**	**(199)**
Equity at 31 March 2007	**100**	**5,552**	**(7)**	**(7)** [2]	**78** [2]	**65**	**5,781**

[1] Net impact from change in tax rate applied.
[2] Net of taxes.

Notes to the condensed consolidated interim financial statements

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

1. Significant accounting policies

The condensed consolidated interim financial statements of ISS Holding A/S for the period 1 January - 31 March 2008, comprise ISS Holding A/S and its subsidiaries (together referred to as "the Group") and the Group's interests in associates and jointly controlled entities.

STATEMENT OF COMPLIANCE

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Danish disclosure requirements for interim reports. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as of and for the year ended 31 December 2007.

ACCOUNTING POLICIES

The accounting policies applied by the Group in these condensed consolidated interim financial statements are consistent with those applied by the Group in its consolidated financial statements as of and for the year ended 31 December 2007.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ended 31 December 2007.

2. Seasonality

The operating margin is typically lower in the first quarter of the year and higher in the third quarter of the year, compared to other quarters. Cash flow from operations tends to be lower in the first quarter of the year due to a number of cash payments relating to, among other things, pension contributions, insurance premium payments, holiday payments and the payment of bonuses earned in the prior year. Cash flow from operations becomes increasingly positive throughout the year and is usually highest in the fourth quarter of the year, when revenue recognised in the third quarter of the year is collected.

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

3. Segment information

In line with the internal management structure, the geographical segment is the primary segment.

1 January – 31 March 2008 Geographical (primary segment)	External revenue	Total revenue [1]	Operating profit before other items [2]	Operating margin %	Operating profit [2]
France	2,281	2,281	111	4.9	90
United Kingdom	1,921	1,923	118	6.2	117
Norway	1,375	1,375	62	4.5	62
Spain	1,122	1,122	40	3.6	38
Denmark	924	927	62	6.7	66
Sweden	920	920	33	3.5	33
Netherlands	868	868	24	2.7	24
Finland	844	844	56	6.6	56
Australia	816	816	46	5.6	45
Belgium and Luxembourg	743	743	50	6.7	50
Switzerland	584	584	29	4.9	29
Germany	567	567	17	2.9	17
USA	417	417	23	5.5	21
Austria	415	415	17	4.2	17
Israel	340	340	16	4.6	15
Turkey	251	251	20	8.1	20
Hong Kong	223	223	17	7.5	17
Brazil	221	221	13	6.0	13
Singapore	140	140	8	6.0	8
Portugal	123	123	9	7.0	9
Ireland	113	113	3	3.1	3
Czech Republic	113	113	8	7.0	8
Greece	109	109	8	6.9	7
Slovakia	77	77	6	7.7	6
Indonesia	75	75	7	9.7	7
Mexico	74	74	3	4.4	3
Thailand	70	70	5	7.4	5
Chile	58	58	4	6.6	4
Italy	56	56	1	1.9	1
New Zealand	55	55	3	5.3	3
Argentina	47	47	2	5.3	2
China	45	45	(1)	(2.4)	3
Iceland	42	42	3	7.3	3
India	42	42	2	5.9	2
Slovenia	41	41	2	4.5	2
Taiwan	40	40	3	7.0	2
Estonia	33	33	1	4.5	1
Hungary	28	28	1	4.4	1
Philippines	26	26	1	2.8	0
Poland	25	25	0	2.0	0
Romania	24	24	1	5.5	1
Greenland	24	24	2	6.3	2
Malaysia	19	19	1	6.0	1
Russia	14	14	0	0.8	0
Uruguay	8	8	1	7.0	1
Croatia	7	7	0	2.7	0
Brunei	4	4	1	20.7	1
Faroe Islands	3	3	0	8.3	0
Regional cost, not allocated to countries / eliminations	-	(2)	(1)	-	(4)
Total regions	**16,367**	**16,370**	**838**	**5.1**	**812**
Corporate functions / eliminations	-	(3)	(66)	(0.4)	(71)
Total	**16,367**	**16,367**	**772**	**4.7**	**741**

[1] Internal revenue has not been disclosed due to immateriality.

[2] Before internal royalty to corporate functions and excluding Goodwill impairment and write-down and Amortisation of brands and customer contracts.

Continues

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

3. Segment information (continued)

1 January – 31 March 2007 Geographical (primary segment)	External revenue	Total revenue [1]	Operating profit before other items	Operating margin %	Operating profit [2]
France	2,435	2,435	129	5.3	138
United Kingdom	1,838	1,839	114	6.2	114
Norway	1,252	1,252	64	5.1	64
Spain	885	885	33	3.7	32
Denmark	913	916	55	6.0	51
Sweden	925	925	35	3.8	35
Netherlands	889	889	34	3.8	31
Finland	806	806	48	5.9	42
Australia	777	777	46	5.9	46
Belgium and Luxembourg	682	683	43	6.4	30
Switzerland	531	531	24	4.5	24
Germany	544	544	19	3.5	19
USA	-	-	-	-	-
Austria	418	418	23	5.5	22
Israel	226	226	14	6.3	14
Turkey	164	164	11	6.5	11
Hong Kong	194	194	13	7.0	11
Brazil	177	177	11	5.9	11
Singapore	128	128	7	5.7	6
Portugal	118	118	8	6.6	8
Ireland	139	139	5	3.7	5
Czech Republic	81	81	7	7.7	6
Greece	71	71	4	6.2	4
Slovakia	59	59	5	8.1	5
Indonesia	57	57	6	9.9	6
Mexico	71	71	2	2.7	2
Thailand	65	65	5	7.7	5
Chile	42	42	2	5.5	2
Italy	41	41	(1)	(2.5)	(1)
New Zealand	51	51	3	5.5	3
Argentina	38	38	2	4.5	1
China	28	28	1	2.2	1
Iceland	41	41	4	9.1	4
India	17	17	0	0.1	0
Slovenia	29	29	2	6.0	2
Taiwan	50	50	2	4.7	2
Estonia	28	28	1	3.9	1
Hungary	9	9	0	3.0	0
Philippines	5	5	0	6.2	0
Poland	17	17	0	0.7	0
Romania	16	16	0	(1.7)	0
Greenland	21	21	1	5.9	1
Malaysia	18	18	0	2.7	1
Russia	12	12	(1)	(6.6)	(1)
Uruguay	5	5	0	6.6	0
Croatia	6	6	0	4.0	0
Brunei	4	4	1	21.8	1
Faroe Islands	2	2	0	2.2	0
Sri Lanka	5	5	0	4.0	0
Regional cost, not allocated to countries / eliminations	-	-	(8)	-	(7)
Total regions	**14,930**	**14,935**	**774**	**5.2**	**752**
Corporate functions / eliminations	-	(5)	(77)	(0.5)	(77)
Total	**14,930**	**14,930**	**697**	**4.7**	**675**

[1] Internal revenue has not been disclosed due to immateriality.

[2] Before internal royalty to corporate functions and excluding Goodwill impairment and write-down and Amortisation of brands and customer contracts.

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

4. Other income and expenses, net	2008	2007
Gain on divestments	4	1
Other income	**4**	**1**
Loss on divestments [1)]	(23)	(10)
Other	(2)	(1)
Other expenses	**(25)**	**(11)**
Other income and expenses, net	**(21)**	**(10)**

[1)] Divestments mainly related to the remaining part of the non-core energy activities in France.

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

5. Acquisition and divestment of businesses

The Group made 16 acquisitions during 1 January - 31 March 2008 (28 during 1 January - 31 March 2007). The total purchase price amounted to DKK 353 million (DKK 530 million during 1 January - 31 March 2007). The total annual revenue of the acquired businesses (unaudited approximate figure) is estimated at approximately DKK 823 million (DKK 917 million during 1 January - 31 March 2007) based on expectations at the time of acquisition. The balance sheet items etc. relating to acquisitions and divestments (including adjustments to acquisitions and divestments in prior years) are specified below:

	Total acquisitions [1]		
Acquisitions and divestments 1 January - 31 March 2008	Net book value before takeover	Fair value at takeover [2]	Total divestments
Goodwill	-	-	(9)
Customer contract portfolios and related customer relationships	-	133	-
Other non-current assets	25	31	(2)
Trade receivables	149	144	(16)
Other current assets	42	42	(19)
Assets held for sale	-	-	(619)
Other provisions	(24)	(28)	0
Pensions, deferred tax liabilities and minorities	(1)	(29)	11
Long-term debt	(5)	(5)	-
Short-term debt	(45)	(45)	-
Other current liabilities	(152)	(155)	8
Liabilities held for sale	-	-	351
Net identifiable assets	**(11)**	**88**	**(295)**
Goodwill [3]		275	-
Loss/(gain) on divestment of businesses		-	19
Acquisition/divestment costs, net of tax [4]		(10)	(17)
Purchase/(sales) price		**353**	**(293)**
Cash and cash equivalents in acquired/divested businesses		(30)	8
Net purchase/(sales) price		**323**	**(285)**
Changes in deferred payments and earn-outs		176	-
Changes in receivable sales prices		-	4
Changes in prepayments regarding acquisitions in the coming period		21	-
Acquisition/divestment costs paid, net of tax		10	7
Net payments regarding acquisition/divestment of businesses		**530**	**(274)**

The amount of the acquiree's profit or loss since the acquisition date included in the income statement for the period is not disclosed, since such disclosure is impracticable, as acquired companies are typically merged with (or activities transferred to) existing companies shortly after completion of the acquisition.

[1] In Q1 2008, no acquisitions were accounted for more than 2% of the Group's revenue on an individual basis.

[2] In accordance with IFRS 3 opening balances are only provisionally determined within the 12 months period from the acquisition date. Fair value adjustments made in 2008 include adjustments relating to net assets from prior years acquisitions of DKK (5) million made within the 12 months period. Furthermore, the purchase price of prior years acquisitions increased by DKK 19 million in 2008, mainly due to inclusion of earn-outs. As a result goodwill increased by DKK 24 million in 2008 due to adjustments to prior years acquisitions.

[3] The following intangibles are subsumed into goodwill; i) assembled workforce, ii) technical expertise and technological know how, iii) training expertise and training and recruitment programmes and iv) platform for growth. As the Group is a service company that acquires businesses in order to apply the ISS model and generate value by restructuring and refining the acquired business, the main impact from acquisitions derives from synergies, the value of human resources and the creation of platforms for growth.

[4] Acquisition costs, net of tax amounting to DKK 10 million related mainly to the acquisitions of Adams Secufore in Hong Kong and Strata in the United Kingdom.

Continues

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

5. Acquisition and divestment of businesses (continued)

Acquisitions and divestments 1 January - 31 March 2007	Total acquisitions [1] Net book value before takeover	Fair value at takeover	Total divestments
Customer contract portfolios and related customer relationships	-	246	-
Other non-current assets	49	55	(16)
Trade receivables	165	167	-
Other current assets	142	140	(1)
Other provisions	(10)	(5)	-
Pensions, deferred tax liabilities and minorities	(28)	(89)	-
Long-term debt	(4)	(4)	-
Short-term debt	(35)	(33)	-
Other current liabilities	(178)	(180)	-
Net identifiable assets	**101**	**297**	**(17)**
Hereof previously recognised as associates		(42)	-
Net identifiable assets		**255**	**(17)**
Goodwill [2]		299	-
Loss/(gain) on divestment of businesses		-	10
Acquisition/divestment costs, net of tax [3]		(24)	(3)
Purchase/(sales) price		**530**	**(10)**
Cash and cash equivalents in acquired/divested businesses		(122)	-
Net purchase/(sales) price		**408**	**(10)**
Changes in deferred payments and earn-outs		220	(4)
Changes in prepayments regarding acquisitions in the coming period		(15)	-
Acquisition/divestment costs paid, net of tax		29	2
Net payments regarding acquisition/divestment of businesses		**642**	**(12)**

The amount of the acquiree's profit or loss since the acquisition date included in the income statement for the period is not disclosed, since such disclosure is impracticable, as acquired companies are typically merged with (or activities transferred to) existing companies shortly after completion of the acquisition.

[1] In Q1 2007, no acquisitions were accounted for more than 2% of the Group's revenue on an individual basis.

[2] The following intangibles are subsumed into goodwill; i) assembled workforce, ii) technical expertise and technological know how, iii) training expertise and training and recruitment programmes and iv) platform for growth. As the Group is a service company that acquires businesses in order to apply the ISS model and generate value by restructuring and refining the acquired business, the main impact from acquisitions derives from synergies, the value of human resources and the creation of platforms for growth.

[3] Acquisition costs, net of tax amounting to DKK 24 million related mainly to the acquisitions of Topman and Fealty in Taiwan, JV Strong in the United Kingdom and the remaining 40% of Aircon in Norway.

Continues

1 January – 31 March. Amounts in DKK millions

5. Acquisition and divestment of businesses (continued)	2008	2007
Pro forma revenue [1]		
Revenue recognised in the income statement	16,367	14,930
Adjustment, assuming all acquisitions from 1 January - 31 March were included as of 1 January	94	71
Revenue for the Group assuming all acquisitions from 1 January - 31 March were included as of 1 January	16,461	15,001
Adjustment, assuming all divestments signed from 1 January - 31 March were carried out as of 1 January	(0)	(13)
Revenue for the Group assuming all acquisitions and divestments from 1 January - 31 March were carried out as of 1 January	**16,461**	**14,988**
Pro forma operating profit before other items [1]		
Operating profit before other items recognised in the income statement	772	697
Adjustment, assuming all acquisitions from 1 January - 31 March were included as of 1 January	6	6
Operating profit before other items for the Group assuming all acquisitions from 1 January - 31 March were included as of 1 January	778	703
Adjustment, assuming all divestments signed from 1 January - 31 March were carried out as of 1 January	(0)	(1)
Operating profit before other items for the Group assuming all acquisitions and divestments from 1 January - 31 March were carried out as of 1 January	**778**	**702**

[1] The adjustment for revenue and operating profit before other items assuming all acquisitions and divestments were included as of 1 January is based on estimates of local ISS management in the respective jurisdictions in which such acquisitions and divestments occurred at the times of such acquisitions and divestments or actual results where available. Synergies from acquisitions are not included for periods in which such acquisitions were not controlled by the Group. These adjustments and the computation of total revenue and operating profit before other items calculated on a pro forma basis based on such adjustments are presented for informational purposes only and have not been audited. This information does not represent the results the Group would have achieved had the divestments and acquisitions during the period occurred on 1 January. In addition, the information should not be used as the basis for or prediction of any annualised calculation.

Continues

Notes to the condensed consolidated interim financial statements

These condensed consolidated interim financial statements are unaudited.

1 January – 31 March. Amounts in DKK millions

5. Acquisition and divestment of businesses (continued)

From 1 January 2008 to 31 March 2008, the Group made 16 acquisitions [1)]

Company/activity	Country	Consolidated in the income statement	Percentage interest	Annual revenue [2)]	Number of employees [2)]
Hoguin Espace	France	January	100%	10	21
Kolberg	Norway	January	Activities	17	12
Rengøringscentralen	Denmark	January	100%	24	120
Tefen	Israel	January	100%	26	230
Adams Secuforce Ltd	Hong Kong	January	100%	111	1,627
Triumph Network	India	February	Activities	2	35
Profi-Komfort	Hungary	February	100%	68	1,361
Smartcare	New Zealand	February	Activities	7	85
Kfir	Israel	March	100%	268	4,500
Arena21	United Kingdom	March	100%	43	114
Pest Check	Ireland	March	Activities	5	6
Slim	Chile	March	100%	22	667
TimSar & Hawes	Australia	March	Activities	1	9
Technisch Onderhoud (TO&S)	Belgium	March	100%	33	35
Strata	United Kingdom	March	100%	152	635
Schack Firmafrugt	Denmark	April	Activities	34	25
Total				**823**	**9,482**

[1)] Includes all acquisitions completed prior to 1 April 2008.

[2)] Unaudited approximate figures based on information available at the time of acquisition.

From 1 January to 31 March 2008, the Group made 7 divestments [1)]

Company/activity	Country	Excluded from the income statement	Annual revenue [2)]
Wood Restoration Business	Spain	January	6
EU Business	France	January	25
Slotsholmen	Denmark	January	45
ISS Energie	France	January	854
H. Jakober Transport	Switzerland	January	16
Eiendomsinvestor	Norway	February	-
Aquawall	Denmark	March	4
Total			**950**

[1)] Includes all divestments completed prior to 1 April 2008.

[2)] Unaudited approximate figures based on information available at the time of divestment.

Continues

1 January – 31 March. Amounts in DKK millions

5. Acquisition and divestment of businesses (continued)

Acquisitions and divestments completed in the period 1 April - 30 April 2008

In accordance with usual procedures for purchase price allocation, opening balances for acquisitions and closing balances for divestments subsequent to 31 March 2008 are not yet available.

From 1 April to 30 April 2008 , the Group made 8 acquisitions [1)]

Company/activity	Country	Consolidated in the income statement	Percentage interest	Annual revenue [2)]	Number of employees [2)]
Vigor	Norway	April	Activities	7	30
Gastropol	Poland	April	100%	81	670
BGM Industries	USA	April	100%	510	3,800
Ekå Växtservice	Sweden	April	100%	4	6
Complete Cleaning	Australian	April	100%	30	183
Aspis	Greece	April	100%	216	1,430
Inbuilt Engineering	Singapore	April	100%	94	110
Saneerauspari	Finland	May	Activities	13	26
Total				**955**	**6,255**

[1)] Includes all acquisitions completed prior to 1 May 2008 regardless of consolidation date.

[2)] Unaudited approximate figures based on information available at the time of acquisition.

6. Contingent liabilities

Senior Facility Agreement

ISS Holding A/S has executed a share pledge over its shares in ISS A/S as security for the Group's senior facilities and a secondary share pledge over such shares as security for the subordinated notes issued by ISS Holding A/S.

ISS A/S, ISS Global A/S and certain material subsidiaries of ISS Global A/S in Australia, Belgium, Denmark, Finland, France, the Netherlands, Norway, Spain, Sweden, and the United Kingdom have provided guarantees for ISS Global A/S's borrowings under the senior facilities. The guarantees have been backed up by security over bank accounts, trade receivables, intra-group receivables, other receivables, properties, production equipment and intellectual property rights of ISS A/S and these subsidiaries. At 31 March 2008, the aggregate approximate values of assets provided as security for the borrowings under the senior facilities were:

	Approximate values (DKK billions)
Goodwill	3.8
Customer contracts	1.1
Intellectual property rights	1.5
Other intangible and tangible assets	0.4
Trade receivables	3.7
Other receivables	0.1
Bank accounts	0.6
Total	**11.2**

In addition, the shares in the material subsidiaries and shares in certain of their subsidiaries as well as shares in certain subsidiaries in Austria, Germany, Hong Kong, Ireland, Portugal, Singapore and Switzerland have been pledged. Neither ISS A/S nor any of its direct or indirect subsidiaries have guaranteed or granted any security for ISS Holding A/S's borrowing used for financing the acquisition of ISS A/S.

Operating leases

Operating leases consist of leases and rentals of properties, vehicles (primarily cars) and other equipment. The total expense under operating leases in the income statement amounted to DKK 482 million (31 March 2007, DKK 436 million). Assuming the current car fleet etc. is maintained, the future minimum lease payments under operating leases are:

	Year 1	Year 2	Year 3	Year 4	Year 5	After 5 years	Total lease payment
At 31 March 2008	1,254	944	698	445	271	406	4,018
At 31 March 2007	1,158	834	593	403	272	432	3,692

Commitment vehicle leases

On 1 January 2005 the Group entered into a global car fleet lease framework agreement for three years, including an option for extension. The agreement was re-negotiated and extended for another three year term from 1 January 2008 to 31 December 2010. The framework agreement contains an option for the Group to terminate the fleet of an entire country or the entire fleet under the framework agreement with four weeks notice subject to payment of a termination amount. The majority of the underlying agreements have a duration of 3-5 years. The disclosed contingent liability includes the Group’s total leasing commitment assuming no early termination of any agreement.

Guarantee commitments

Indemnity and guarantee commitments at 31 March 2008 amounted to DKK 381 million (31 March 2007, DKK 353 million).

Performance guarantees

The Group has issued performance guarantee bonds for service contracts with an annual revenue of DKK 1,277 million (31 March 2007, DKK 977 million) of which DKK 1,070 million (31 March 2007, DKK 764 million) were bank-guaranteed performance bonds. Such performance bonds are issued in the ordinary course of business in the service industry.

Outsourcing of IT

The Group has an IT outsourcing agreement with Computer Sciences Corporation (CSC) running until 2015. The Group's contractual obligations related to the agreement at 31 March 2008 amounted to approximately DKK 66 million (31 March 2007: DKK 95 million).

Continues

6. Contingent liabilities (continued)

Divestments
The Group makes provisions for claims from purchasers or other parties in connection with divestments and representations and warranties given in relation to such divestments. Management believes that provisions made at 31 March 2008 are adequate. However, there can be no assurance that one or more major claims arising out of the Group's divestment of companies will not adversely affect the Group's activities, results of operations and financial position.

Legal proceedings
The Group is party to certain legal proceedings. Management believes that these proceedings (which are to a large extent labour cases incidental to its business) will not have a material impact on the Group's financial position beyond the assets and liabilities already recognised in the balance sheet at 31 March 2008.

7. Related party transactions

The sole shareholder of ISS Holding A/S, ISS Equity A/S, has controlling influence in the Group. The ultimate controlling company of the Group is FS Invest S.à r.l ("FS Invest"), which is 54% owned by funds advised by EQT Partners and 44% owned by funds advised by Goldman Sachs Capital Partners.

Members of the Board of Directors and Executive Group Management
Apart from remuneration and incentive programmes described below there were no significant transactions with members of the Board of Directors or the Executive Group Management during the period.

Management Participation Programme
The Principal Shareholders have offered a management participation programme, under which the Executive Group Management and a number of senior officers of the Group were offered to make an investment. The programme is structured as a combination of direct and indirect investments in a mix of shares and warrants of FS Invest, ISS Holding A/S's ultimate parent. As of 31 March 2008, the investments amounted to DKK 183 million in total for 138 executives and officers. As part of the programme, certain senior officers were granted warrants in FS Invest of which 464,476 were outstanding as of 31 March 2008.

Non-executive members of the Board of Directors (except representatives of the Principal Shareholders) have been offered to participate in a directors participation programme, under which they have invested in a mix of shares and warrants of FS Invest amounting to approximately DKK 6.4 million in total. In addition they have co-invested with the Principal Shareholders for approximately DKK 17.6 million in total.

Joint ventures and associates
Transactions with joint ventures and associates are limited to transactions related to shared service agreements. There were no significant transactions with joint ventures and associates during the period. All transactions are made on market terms.

In addition to the above and except for intra-group transactions, which have been eliminated in the consolidated accounts, there were no material transactions with related parties and shareholders during the period.

Continues

1 January – 31 March. Amounts in DKK millions

7. Related party transactions (continued)

External directorships and external executive positions of the Group's Board of Directors and Executive Group Management

Board of Directors	Board Member	Executive Position
Sir Francis Mackay	Chairman Carlton Partner LLP	BioGreen Limited, Director Graysons Limited, Director
Leif Östling	Scania AB, AB SKF, Svenskt Näringsliv (Confederation of Swedish Enterprise) and Teknikföretagen (The Association of Swedish Engineering Industries)	President and CEO of Scania AB
Ole Andersen	BCT Holding, Aleris AB and Dako A/S	Senior Partner and Head of the Copenhagen office of EQT Partners
Sanjay Patel	Ahlsell Sverige AB, certain holding companies of Ahlsell Sverige AB, Endemol N.V. and Get A/S and companies related to Sigma Electric	Co-head of Private Equity in Europe for the Principal Investment Area of Goldman Sachs
Christoph Sander	Casper Limited and subsidiaries of Casper Limited	Co-founder and CEO of Casper Limited
Steven Sher	Ahlsell Sverige AB, Edam Acquisitions B.V. and certain holding companies of Ahlsell Sverige AB and Endemol N.V.	Managing Director, Goldman Sachs International, Principal Investment Area
Peter Korsholm (alternate)	BTX Group A/S	Partner at EQT Partners

Executive Group Management	Board Member	Executive Position
Jørgen Lindegaard	Efsen Engineering A/S	None
Jeff Gravenhorst	None	None

Affiliates

In the period 1 January - 31 March 2008, the Group had the following transactions with affiliates:
- the Group received/paid interest from/to affiliates.
- the Group received/paid joint taxation contribution equal to 25% of taxable income from/to ISS Equity A/S (the ultimate parent company in Denmark).
- the Group and Goldman Sachs have agreed general terms and conditions for the supply of Facility Services to be applied by local ISS operations and local Goldman Sachs affiliates when contracting with each other. ISS in Switzerland, Russia and the United Kingdom have entered into Facility Services agreements with local Goldman Sachs affiliates. The annual revenue from these agreements is estimated at DKK 80 million.
- the Group and Goldman Sachs have entered into various agreements on provision of financing and banking related services.

All transactions were made on market terms.

8. Subsequent events

Subsequent to 31 March 2008, the Group has made 8 acquisitions up until 30 April 2008. See note 5, Acquisition and divestment of businesses.

Apart from the above and the events described in this interim report, the Group is not aware of events subsequent to 31 March 2008, which are expected to have a material impact on the Group's financial position.

APPENDIX: Other Financial Measures

The estimated pro forma information presented in this appendix is unaudited and for informational purposes only. This information does not represent the results the Group would have achieved had each of the acquisitions and divestments during the period 1 April 2007 – 31 March 2008 occurred on 1 April 2007.

ISS includes these financial measures because it believes that they are useful measures of the Group's results of operations and liquidity; however, these items are not measures of financial performance under IFRS and should not be considered as a substitute for operating profit, net profit, cash flow or other financial measures computed in accordance with IFRS. Other companies, including those in the Group's industry, may calculate similarly titled financial measures differently from the Group. Because all companies do not calculate these financial measures in the same manner, ISS's presentation of such financial measures may not be comparable to similarly titled measures of other companies. Funds depicted by certain of these measures may not be available for management's discretionary use due to covenant restrictions, debt service payments and other commitments. In addition, the calculations of some of these financial measures take into account estimates of pre-acquisition and post-acquisition results, which by their nature are uncertain.

For further information and definitions, reference is made to the appendix Other Financial Measures set out in the ISS Holding A/S Annual Report 2007, which can be downloaded from www.issworld.com.

Pro Forma Adjusted EBITDA

Estimated pro forma adjusted EBITDA of acquired and divested businesses represents the net aggregate estimated Adjusted EBITDA for each of the acquired or divested businesses for the period from 1 April 2007 to the date of its acquisition or divestment by the Group. These amounts are estimates in part because (i) the historical income statement information that was available for the acquired businesses for the periods from 1 April 2007 to the date of their acquisition by the Group has been converted and adjusted by the Group as described below, and (ii) income statement information was generally not available for any of the acquired businesses for the portions of the twelve-month period ended 31 March 2008 from the dates of the last annual or interim financial statements of the acquired businesses until the date on which they were purchased by the Group.

Reconciliation of EBITDA to Pro Forma ADJUSTED EBITDA

	12-month period ended 31 March 2008 (DKK millions)
Operating Profit	3,705
Depreciation and amortisation	844
EBITDA	4,549
Other income and expenses, net	140
Integration costs	65
Adjusted EBITDA	**4,754**
Estimated Pro Forma Adjusted EBITDA of acquired and divested businesses	175
Pro Forma Adjusted EBITDA	**4,929**

For further information on the method applied to estimate Pro Forma Adjusted EBITDA, reference is made to the appendix Other Financial Measures set out in the ISS Holding A/S Annual Report 2007, which can be downloaded from www.issworld.com.

Pro Forma Net debt

Pro Forma Net Debt as of 31 March 2008

	DKK millions		
	Consolidated Actual	Accounting adjustments 1)	Consolidated as Adjusted
Short-term debt 2):			
Senior Facilities			
Term Facility A	200		200
Other short-term debt	925	(63)	862
Total short-term debt	1,125		1,062
Long-term debt 2):			
Senior Facilities:			
Term Facility A	1,216	79	1,295
Term Facility B	13,127	110	13,237
Acquisition Facilities	1,823		1,823
Euro Medium Term Notes:			
4.75% Notes due 2010	5,988	350	6,338
4.50% Notes due 2014	779	45	824
Second Lien Facility	4,405	69	4,474
8.875% Subordinated Notes due 2016	3,285	100	3,385
Interest rate swaps	44	(44)	-
Other long-term debt	350		350
Total long-term debt	31,017		31,726
Total long and short-term debt			32,788
- Total cash and cash equivalents and securities			(1,692)
Pro Forma Net Debt			**31,096**
Changes in working capital, 1 January - 31 March, 2008			(1,067)
Changes in working capital, 1 April, 2007 - 31 March, 2008			221
Seasonality Adjusted Pro Forma Net Debt 3)			**30,250**

Notes:

(1) Accounting Adjustments:

Accounting adjustments comprise DKK 395 million of market price adjustments relating to Euro Medium Term Notes (DKK 350 million related to the notes due 2010 and DKK 45 million related to the notes due 2014); DKK (44) million of unamortised gains on interest rate swaps, DKK 358 million of unamortised financing fees (DKK 79 related to Term Facility A, DKK 110 million related to Term Facility B, DKK 69 million related to the Second Lien Facility, and DKK 100 million related to the Subordinated Notes due 2016); and a DKK (63) million adjustment related to the joint taxation scheme with Danish resident subsidiaries and ISS Equity A/S.

For additional information on the nature of these accounting adjustments, reference is made to the appendix Other Financial Measures set out in the ISS Holding A/S Annual Report 2007, which can be downloaded from www.issworld.com.

(2) Composition of short- and long-term debt:

Drawings under ISS's DKK 2,400 million Revolving Credit Facility amounted to DKK 816 million at 31 March 2008 and were included in "other short-term debt'' and ''other long-term debt'' in the Condensed Consolidated Interim Financial Statements. In addition, approximately DKK 1.0 billion of the Revolving Credit Facility was allocated to support performance bonds issued by operating subsidiaries.

Drawings under the Acquisition Facilities amounted to DKK 1,823 million of which DKK 1,384 million were drawn under Acquisition Facility A and DKK 439 million were drawn under Acquisition Facility B. As of 31 March 2008, a total of DKK 2,602 million were available under the Acquisition Facilities.

For additional information on ISS's credit facilities, reference is made to the appendix Other Financial Measures set out in the ISS Holding A/S Annual Report 2007, which can be downloaded from www.issworld.com.

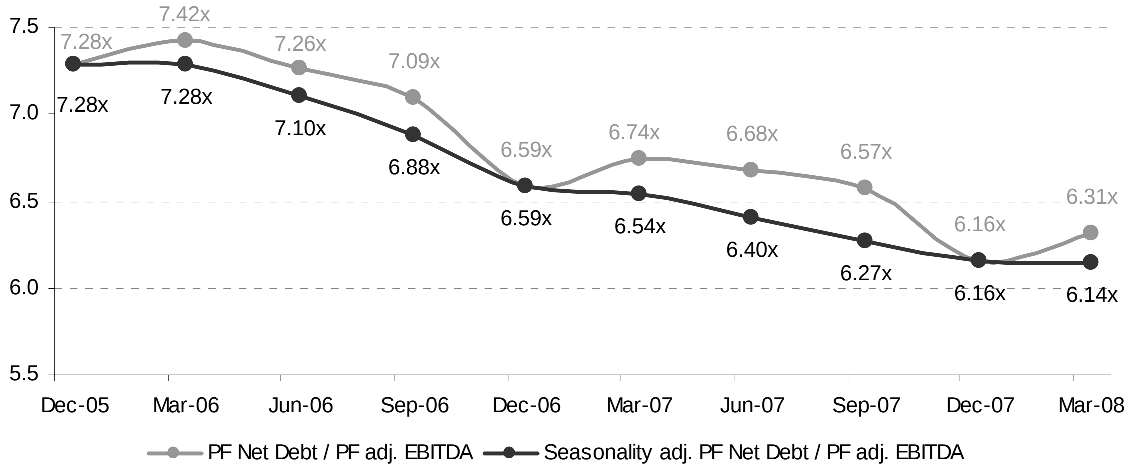
(3) Seasonality adjustment:

Seasonality Adjusted Pro Forma Net Debt, as calculated by ISS, represents Pro Forma Net Debt less changes in working capital for the three-month period ended 31 March 2008, plus changes in working capital for the 12-month period ended 31 March 2008. By applying changes in working capital for the 12-month period ended 31 March 2008 instead of the three-month period ended 31 March 2008, ISS adjusts Pro Forma Net Debt for seasonality in working capital and thus the Seasonality Adjusted Pro Forma Net Debt is comparable to ISS's Pro Forma Net Debt at the end of a financial year. For further information on seasonality, see note 2 to the Condensed Consolidated Interim Financial Statements.

Financial leverage ratios

As of 31 March 2008, ISS's estimated Pro Forma Net Debt was approximately equal to 6.31x Pro Forma Adj. EBITDA, a decrease in financial leverage of 0.97x Pro Forma Adj. EBITDA compared to 31 December 2005. Adjusted for seasonality in working capital, Seasonality adjusted Pro Forma Net Debt was approximately equal to 6.14x Pro Forma Adj. EBITDA, representing a reduction of 1.14x Pro Forma Adj. EBITDA compared to 31 December 2005.

Net debt to Pro Forma EBITDA ratios

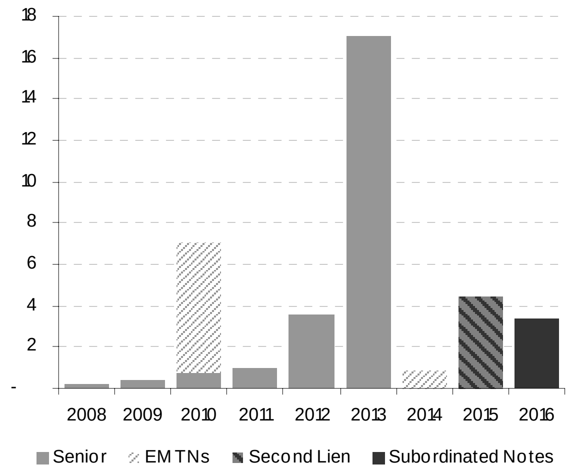


Note: Ratios for 31 December 2005 are proforma adjusted for the refinancing in April 2006 and ratios for 30 June 2007 are pro forma adjusted for the refinancing in July 2007.

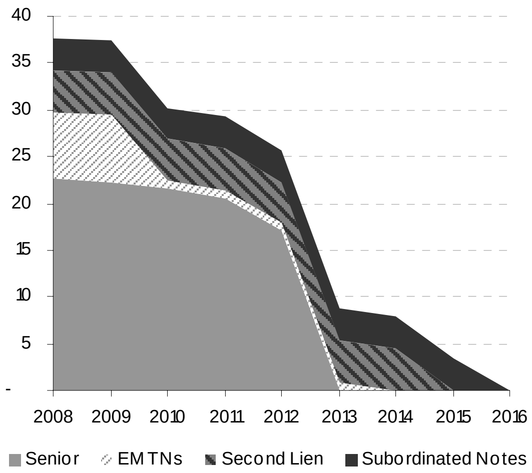
Maturity of Credit Facilities

The commitment period and maturity profile of the credit facilities available to ISS and its subsidiaries are illustrated below.

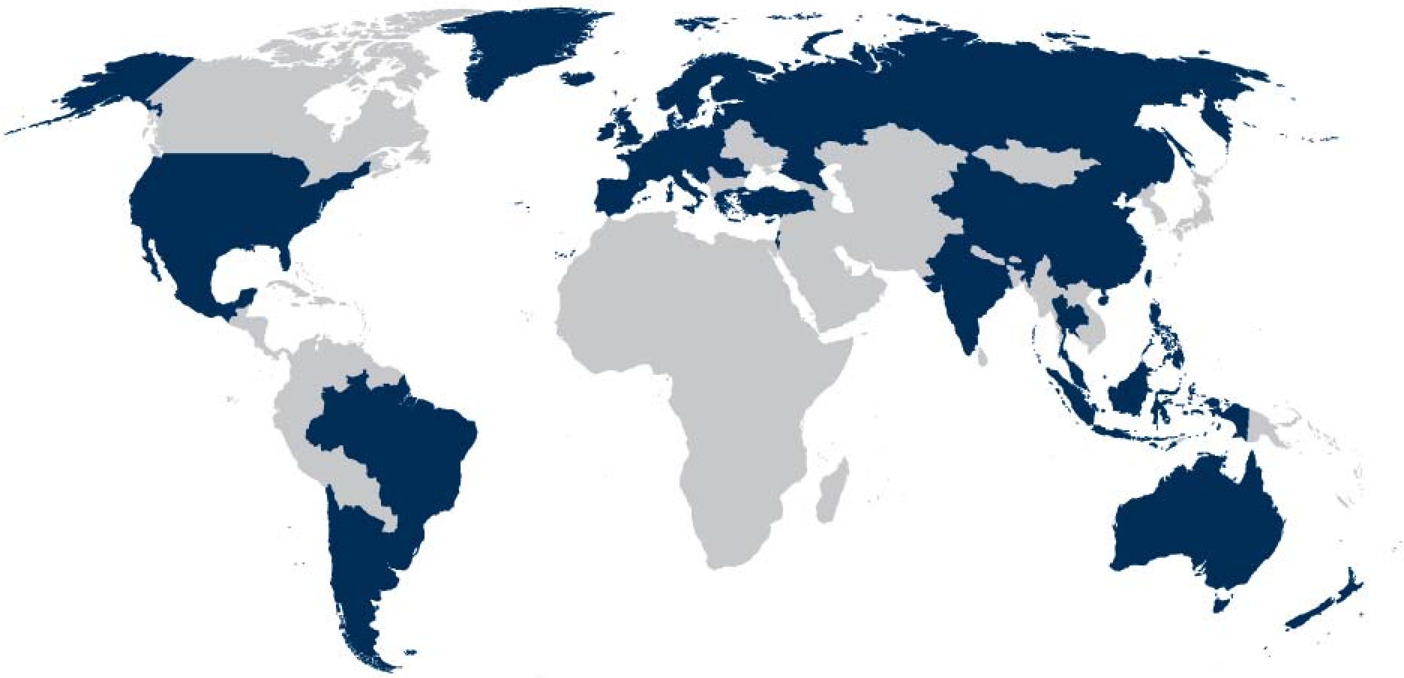
Maturity profile of nominal debt (DKK bn)



Commitment curve (DKK bn)



The ISS representation around the globe



The ISS Group was founded in Copenhagen in 1901 and has since grown to become one of the leading Facility Services companies in the world. ISS offers a wide range of services within the following business areas: Cleaning, Office Support, Property Services, Catering and Security. The ISS Group's revenue exceeded DKK 63 billion in 2007 and ISS now has more than 440,000 employees in 50 countries across Europe, Asia, Pacific, Latin America and the USA, who serve more than 200,000 business to business customers every day.

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