

A WORLD OF SERVICE

Investor Presentation Q1 2011 Results

12 May 2011



Forward-looking statements

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This presentation contains forward-looking statements, including, but not limited to, the statements and expectations contained in the “Outlook” section of this presentation. 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 2010 of ISS A/S and other information made available by ISS.

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The Annual Report 2010 of ISS A/S is available from the Group’s website, www.issworld.com.

Agenda

- Business update and key events
- Financials
- Capital structure
- Q&A



Business update and key events

Key features of ISS



Key events

"ISS delivers close to 6% organic growth and 7% higher operating profit in first quarter 2011"

Several new contract wins

- Several contract wins across categories, including
 - IFS, Emerging Markets, Government
- Solid win rate achieved in key focus segments

Successful implementation of large IFS contracts

- Roll-out of large IFS contracts progressing according to plan

Continued strong development in Emerging Markets

- Emerging Markets¹ continues to be a key growth driver, growing organically by 15% in the quarter
- Growth particularly strong in Asia and Latin America

France turnaround

- Turnaround of activities in France is progressing

ISS Way strategy

- Focus on implementing the ISS Way strategy continued across the organisation
- ISS named top international outsourcing provider by IAOP. ISS now ranked no. 2 in the World

1. Emerging markets comprise Asia, Eastern Europe, Latin America, Israel, South Africa and Turkey

Several contract wins across categories

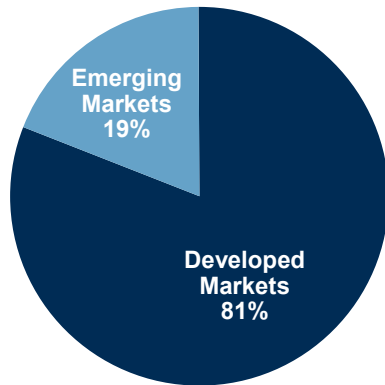
- Continued contract wins within large integrated facility services contracts demonstrating strong client demand for self-delivered, one point of contact service solutions. Significant wins in Q1 include:
 - Statoil, Norway
- Growth in IFS contracts complemented by continued solid development in multi-services and single service contracts
 - New South Wales Government Schools, Australia
- ISS operations across emerging markets continued to develop very favourably with several contract wins in Q1, including:
 - Shanghai Pudong International Airport, China
- Government focus on outsourcing as a means to reduce costs has led to a number of contract wins, including:
 - Royal Air Force, UK

Successful implementation of large IFS contracts

- Start of **HP Americas** contract and transition according to plan.
- Initial 10 weeks start-up phase now completed. Key transition achievements during 10 weeks start-up process include:
 - Full service delivery organisation hiring more than 1,600 employees completed
 - Implemented a full service call center with newly hired staff
- Citi contract start-up and roll-out in accordance with plan
 - 27 countries implemented in a 6 month period, 964 sites, 886,000 sqm of property and over 1,000 ISS employees delivering the services
 - Pilot energy saving and waste management initiatives completed within 10 sample countries. EMEA strategy to implement underway
 - Completion of roll-out expected in accordance with original roll-out plan

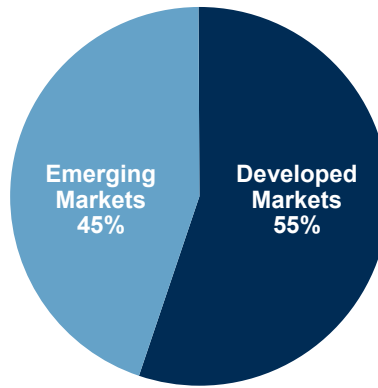
Continued strong development in Emerging Markets

Revenue



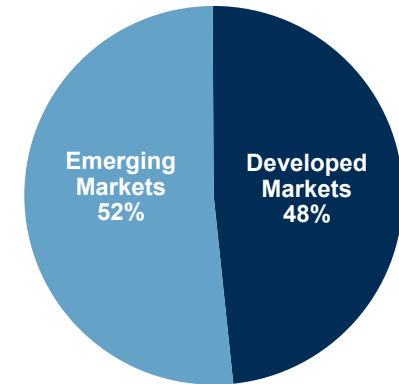
EM: DKK 3.6bn

Organic Growth



EM: DKK 0.5bn

Employees



EM: ~272,000

Key Developments

- Continued strong development in Emerging Markets, delivering organic growth of 15% in Q1
- High double digit development in Asia and Latin America
- In Q1 Emerging markets contributed 45% of organic growth and more than 19% of revenues
- More than 50% of our employees are employed in Emerging Markets

France turnaround

- Positive highlights include organic growth in Key Accounts, Landscaping, Logistic & Production and Pest Control
- Continued investment in enhancing the platform to be able to continue to deliver against the objectives in the turnaround plan:
 - Consolidating five locations in Paris into one new national head office
 - After successful pilot test with leading multinational retailer, fully fledged national Key Account Sales team established and fully staffed in Q1 to work with top 200 customers
 - Sales management capabilities enhanced on divisional level by national sales directors in Hygiene & Prevention and Cleaning on board in Q1
 - National and divisional HR teams enhanced and fully staffed according to plan

The ISS Way - Our transformation



“A transformation designed to fully capture an attractive market opportunity”

Worlds second best outsourcing company

2011 Ranking from IAOP – published in Fortune

Year	IAOP Ranking
2011	2
2010	6
2009	7
2008	31



Key Developments

- The International Association of Outsourcing Professionals' (IAOP) Global Outsourcing 100 is published in Fortune Magazine
- The 2011 ranking represents the fourth consecutive year of improvement for ISS. In 2011 ISS has taken a further 4 steps to number 2
- Only company ahead of ISS on the global ranking is the management consultancy company Accenture



Financials

January – March 2011

Summary of Financials Q1 2011

- Revenue from continuing business grew by 10%, while total revenue increased by 8%
- Operating profit before other items were up 7%
- Operating profit increased by 31% equaling DKK 201 million

Organic Growth

- Organic growth at 5,8% up from 4% in Q4 2010 and 2% in Q1 2010
- 6 of 7 regions achieved positive organic growth for Q1 2011, with Latin America, North America and Asia delivering double-digit organic growth

Operating Margin

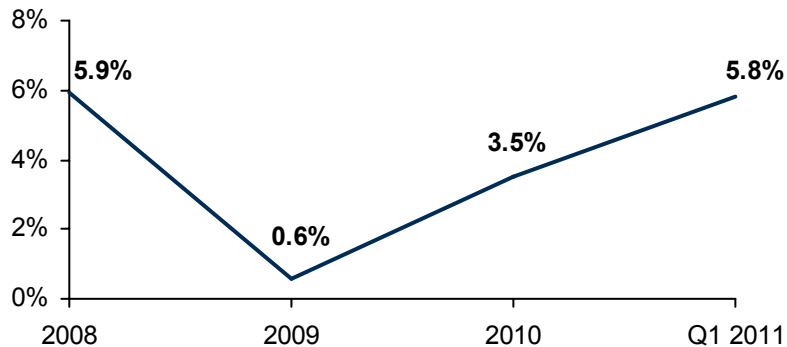
- Operating margin maintained at 4.6%
- Western Europe improved 0.3%-point despite challenging economic environment
- Asia continues to deliver the highest margin of any region with an increase of 0.5%-point compared with same quarter last year to 7.4%

Cash Flow

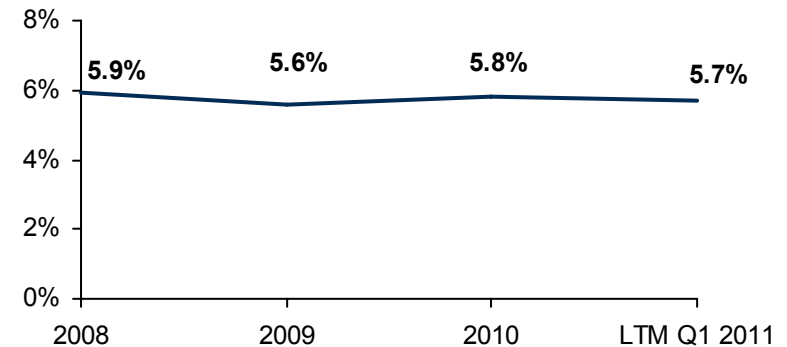
- The average LTM Cash Conversion for Q1 2011 was 86%. This should be seen in the light of a low working capital position at 31 March 2010 where the LTM Cash Conversion was 106%, i.e. the average LTM Cash Conversion over the last two years was 96%

Key operational objectives

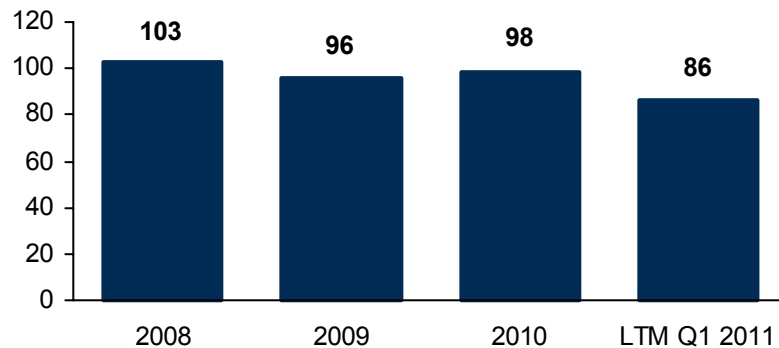
Organic Growth (%)



Operating Margin (% revenue)



LTM Cash Conversion (%)¹



● Operational Performance

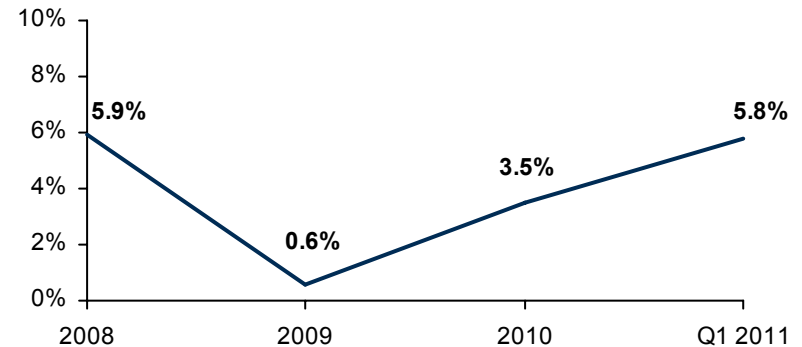
- 8% top line growth
- Organic growth of 5.8%
- Operating margin of 4,6% equal to Q1 2010 resulting in a 5.7% LTM operating margin
- 7% growth in operating profit before other items
- LTM cash conversion of 86%

1. Cash conversion is defined as operating profit before other items plus Changes in working capital as a percentage of operating profit before other items

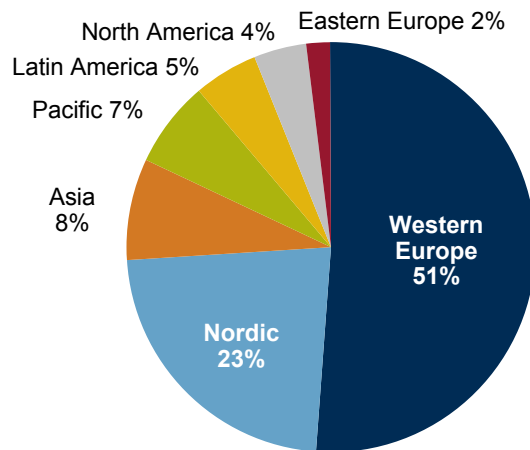
Revenue development in Q1

- Revenue in continuing business grew by 10% and total revenue growth of 8% compared to Q1 2011
- Increasing organic growth – amounted to 5.8% in Q1
- 6 of 7 regions achieved positive organic growth for Q1 2011, with North America, Latin America and Asia delivering double-digit organic growth

Organic Growth (%)



2011 YTD Revenue by ISS Region

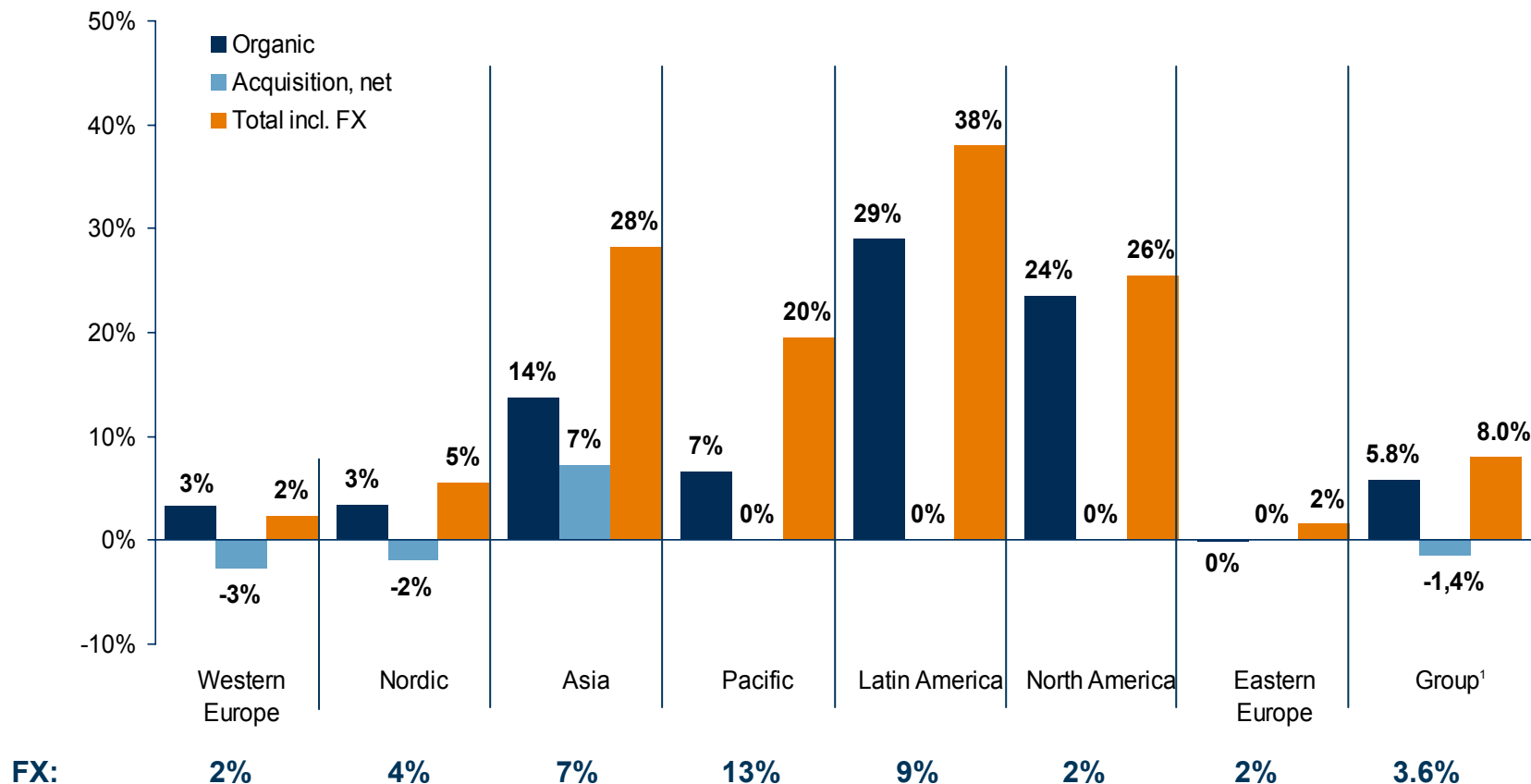


2011 YTD Revenue growth

	Q1 2011	Q1 2010
Organic growth	5.8%	2.1%
FX	3.6%	3.6%
Acquisitions, net	0.5%	0.7%
Growth from continuing business	9.9%	6.4%
Divestments	-1.9%	-1.0%
Revenue growth	8.0%	5.4%

Q1 revenue growth by ISS region

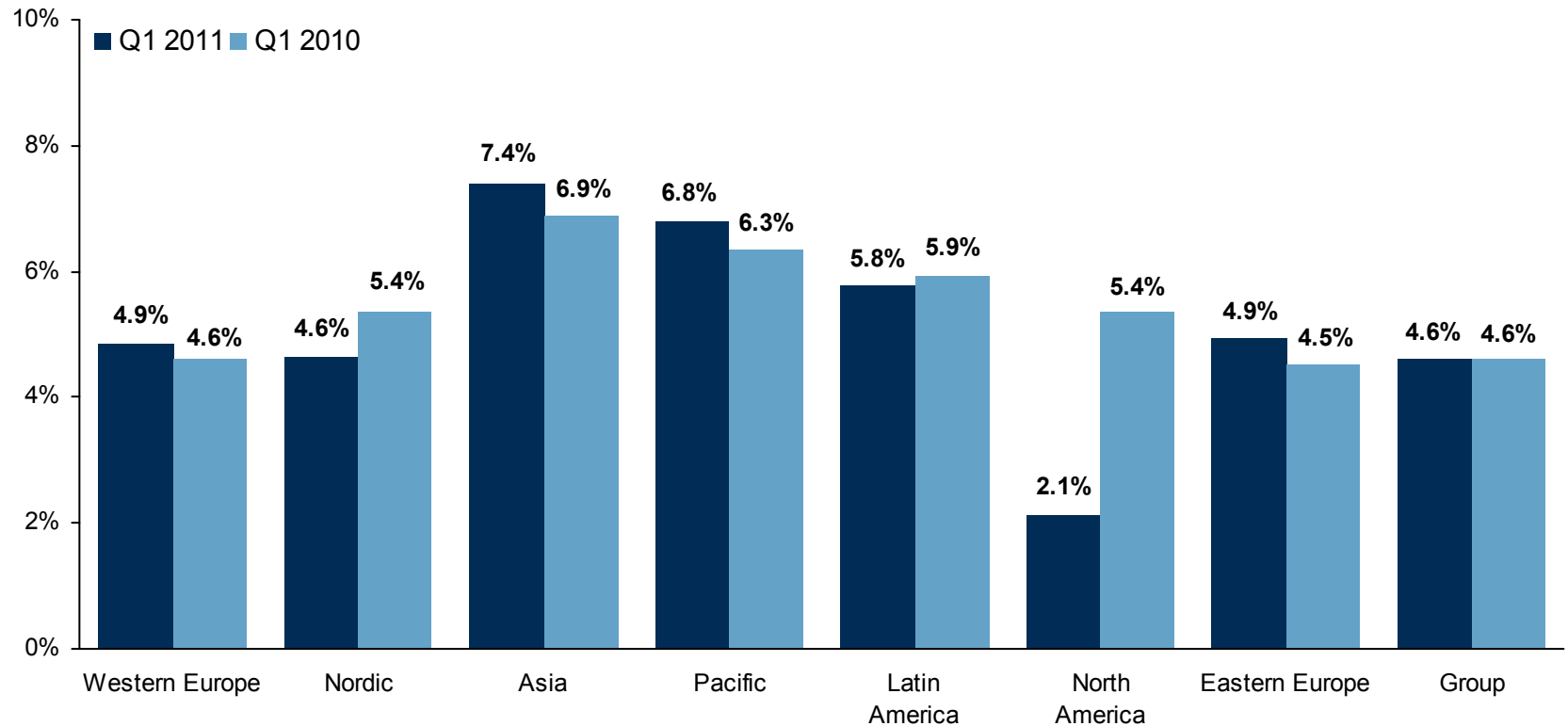
Revenue growth by component



1. Other Countries, which include Bahrain, Nigeria, Pakistan, South Africa, Ukraine and United Arab Emirates, are not shown as a separate region but included in Group figures

Q1 Operating Margin by ISS region

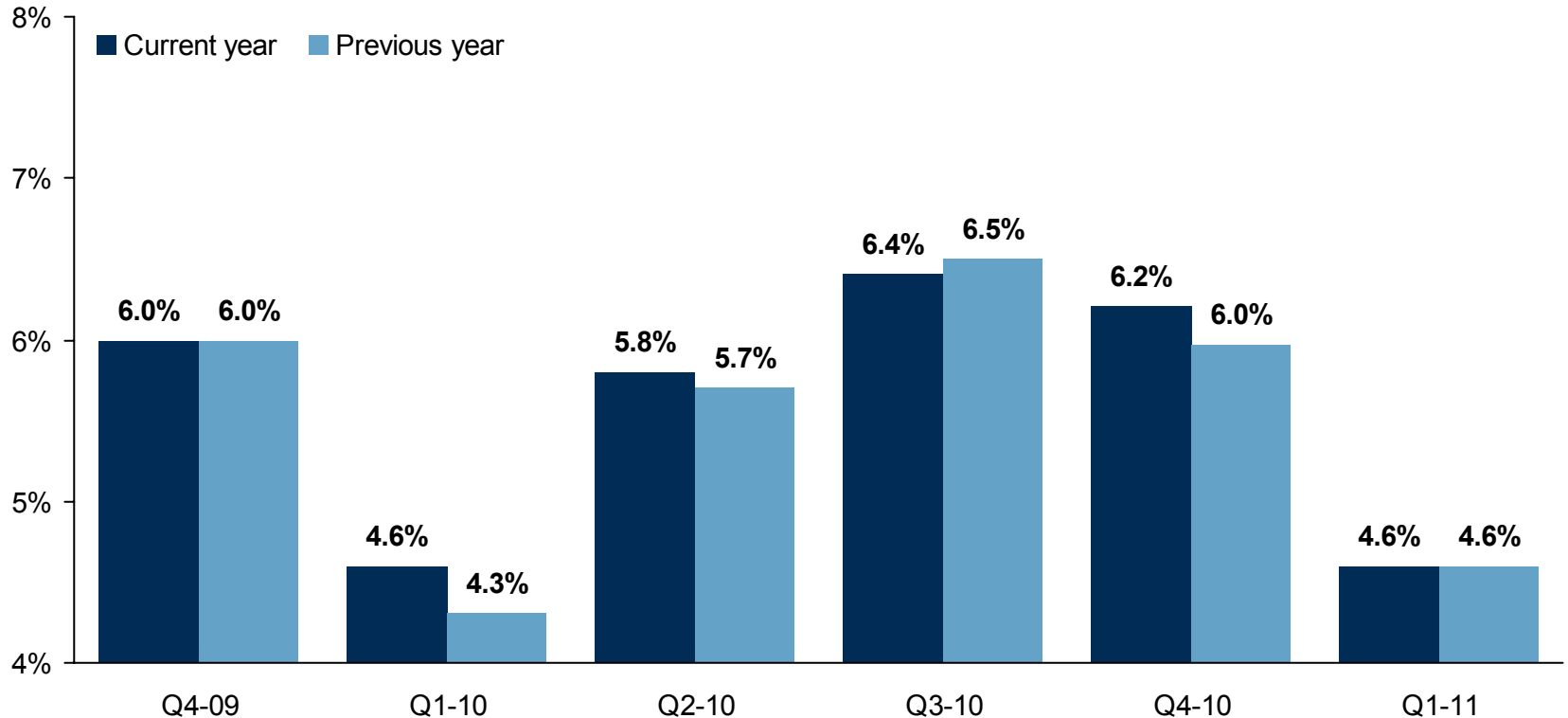
Operating Profit before Other Items



¹ Other Countries, which include Bahrain, Nigeria, Pakistan, South Africa, Ukraine and United Arab Emirates, are not shown as a separate region but included in Group figures

Seasonality of Operating Margin

Operating Profit before Other Items



Q1 2011 summary overview - key figures

DKKm	2011	2010	Δ	FX	C ¹
Revenue	18,984	17,574	+8%	+4%	+4%
Operating profit before other items	864	806	+7%	+3%	+4%
Operating margin before other items	4.6%	4.6%			
Operating profit	851	650	+31%	+3%	+28%
Organic growth	5.8%	2.1%			

1. C: Growth at constant exchange rates

Outlook¹

Outlook for 2011

- Revenue growth of approximately 4% assuming constant FX rates and before the impact of any acquisition or divestment in 2011. This expected revenue growth is negatively impacted by approximately 1% point related to the net effect of the acquisition and divestments completed in 2011, i.e. organic growth of 5%.
- Operating margin slightly above the level realised in 2010
- Cash conversion at similar level realised in 2010

Medium term targets

- Organic growth of at least 6%
- Achieve 6.5% operating margin

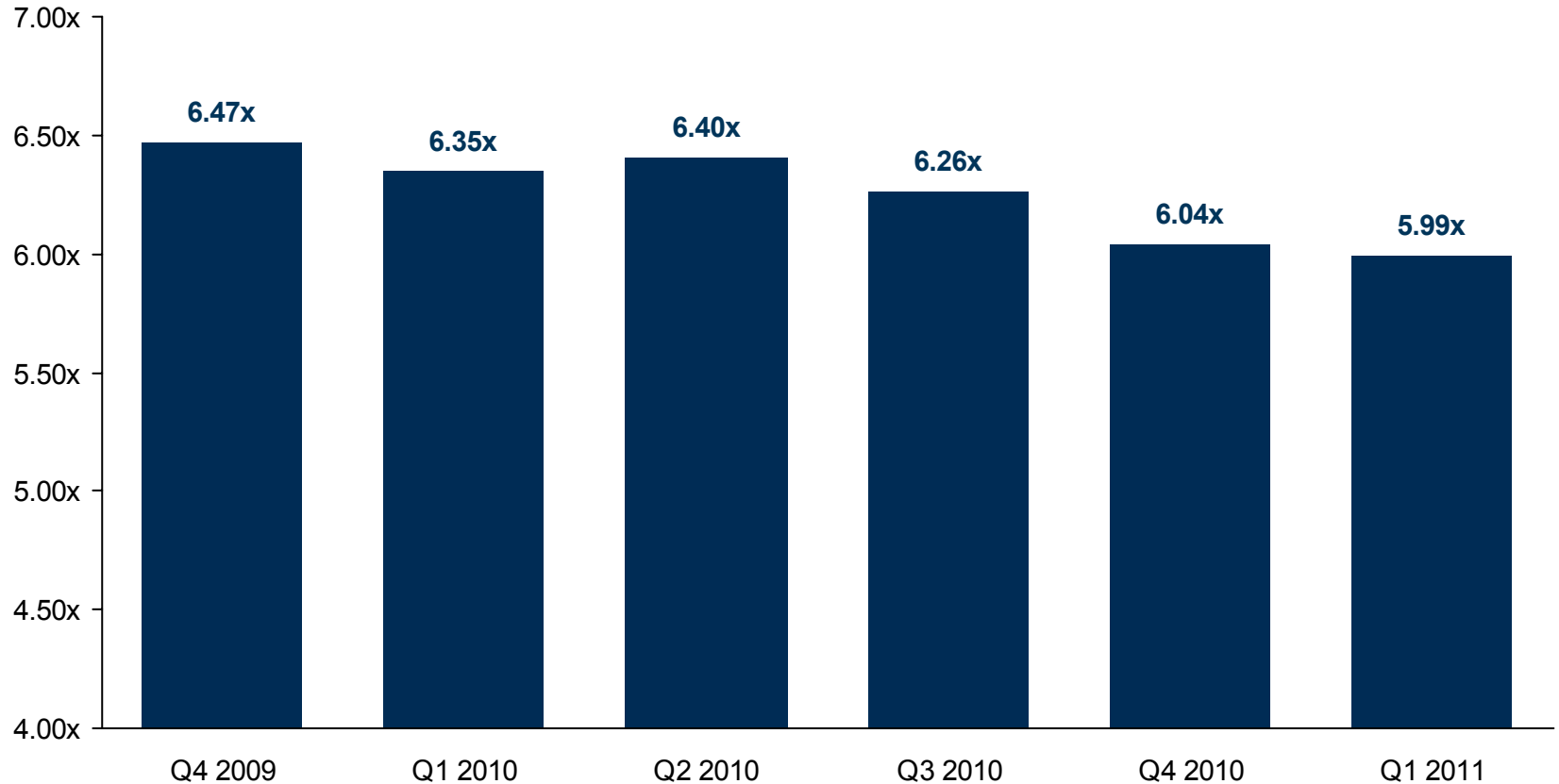
1. See the Outlook section on page 7 in the interim report



Capital Structure

Continued deleverage

Pro forma Credit Ratios¹



1. Carrying amount of net debt measured to Pro forma adjusted EBITDA

Capital structure

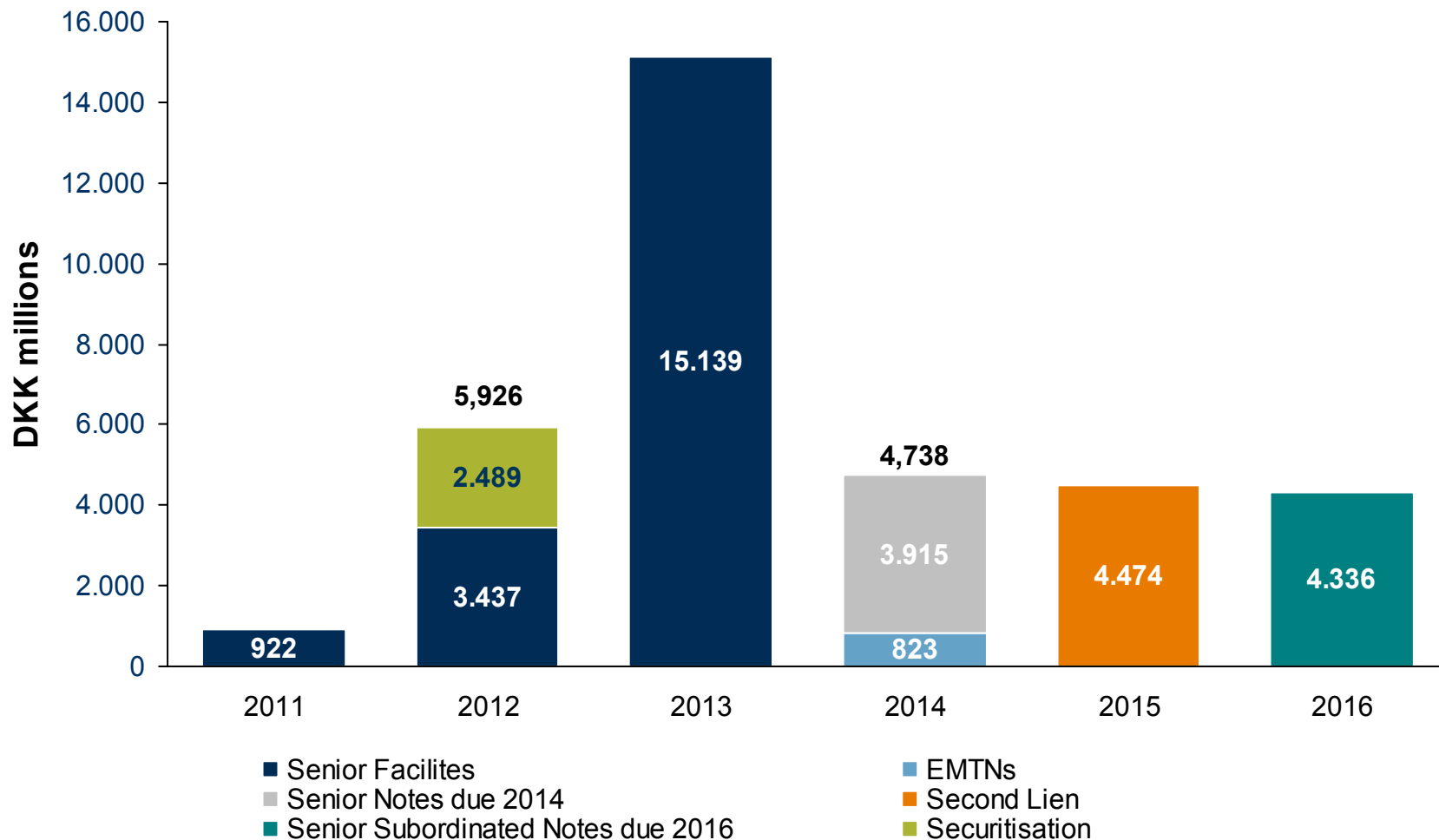
Net debt – 31 March, 2011 ¹	DKKm ²	Leverage ³	% of Total
Cash, cash equivalents and securities	(2,716)	(0.53)x	(9%)
Senior Facilities	17,898	3.48x	57%
Second Lien	4,434	0.86x	14%
Senior Subordinated Notes due 2016	4,264	0.83x	14%
Senior Notes due 2014	3,777	0.73x	12%
Securitisation	2,438	0.47x	8%
Medium Term Notes due 2014	747	0.15x	2%
Interest rate swaps	64	0.01x	0%
Other Indebtedness	585	0.11x	2%
Total Net Debt	31,491	6.12x	100%
Seasonality changes in working capital	(673)		
Seasonality adjusted Net Debt	30,818	5.99x	

1. Measured at carrying amount of net debt.

2. Converted to DKK as per exchange rate of 31 March, 2011.

3. Measured to Pro forma adjusted EBITDA.

Maturity of the credit facilities



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Q&A

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