



Trading Review

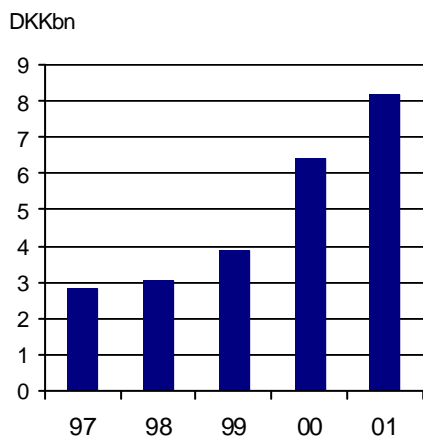
For the period 1 January – 31 March 2001

To The Copenhagen Stock Exchange and The London Stock Exchange
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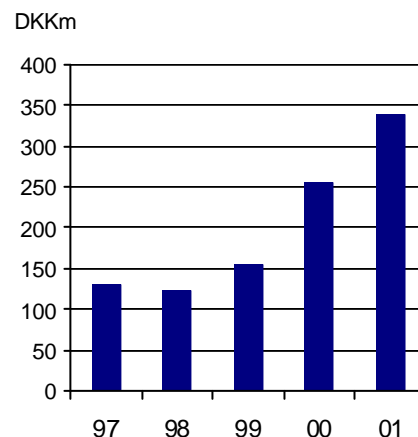
Highlights

- Turnover up 28%
- Operating profit up 33%
- EPS before goodwill amortisation up 27%
- 18 acquisitions in the period 1 January to 21 May 2001
- ISS entered Japan
- Share capital increased by 4.2% following directed share issue
- Outlook remains unchanged

Turnover
1 January – 31 March



Operating profit ¹⁾
1 January – 31 March



¹⁾ Before other income and expenses, net

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The trading review is unaudited and has been prepared using the same accounting principles as for the 2000 financial statements. Amounts in DKKm, except per share data.

Key Figures

	1.1.-31.3. 2001	1.1.-31.3. 2000	1.1.-31.12. 2000
Turnover	8,153	6,384	28,719
Operating profit ¹⁾	339	254	1,454
Financial expenses, net	(72)	(41)	(244)
Ordinary profit ²⁾	186	139	830
Cash flow from operations	(82)	(71)	1,265
Earnings per share ²⁾, DKK	4.62	3.65	21.02

Regional Operating Performance

	Turnover			Operating profit ¹⁾			Operating margin ¹⁾	
	1.1.-31.3. 2001	1.1.-31.3. 2000	Change	1.1.-31.3. 2001	1.1.-31.3. 2000	Change	1.1.-31.3. 2001	1.1.-31.3. 2000
Northern Europe	3,812	2,890	32%	205	146	40%	5.4%	5.1%
Southern Europe	3,870	3,073	26%	151	122	24%	3.9%	4.0%
Overseas	471	421	12%	27	22	26%	5.8%	5.1%
Corporate	-	-	-	(44)	(36)	23%	-	-
Total	8,153	6,384	28%	339	254	33%	4.2%	4.0%

1) Before other income and expenses, net

2) Before goodwill amortisation

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Review of key figures

Turnover in the first three months of 2001 increased by 28% to DKK 8,153 million. The increase was due to organic growth (5%), acquisitions (24%) and currency exchange rate effects (-1%). The previously announced trimming of the contract portfolio in certain European countries reduced organic growth by more than 1%.

Operating profit increased by 33% to DKK 339 million. The operating margin increased to 4.2% against 4.0% in the same period last year. Margin in the Northern European business increased from 5.1% last year to 5.4%, while margin in the Southern European business was 3.9% against 4.0% last year. The reduction in margin in the Southern European business was - as expected - attributable to the Benelux countries. The margin in the Overseas business increased from 5.1% to 5.8%.

Financial expenses, net increased to DKK 72 million due to acquisition financing. The net debt increased to DKK 4,651 million from DKK 4,357 million at the end of 2000.

Ordinary profit (before goodwill amortisation) increased by 33% to DKK 186 million.

Cash flow from operations was like last year negative in the first quarter (DKK -82 million). Debtor days were reduced by one day compared to first quarter last year. Investment in fixed assets remained at a lower level than depreciation.

Earnings per share (before goodwill amortisation) increased by 27% to DKK 4.62. At the end of March 2001 ISS issued 1,704,545 new ISS shares in a private placement at market price, equivalent to 4.2% of the share capital prior to the issue of new shares. This increased the total number of shares from 40,166,825 to 41,871,370. The new ISS shares were subscribed at price of DKK 440 per share, which gave ISS gross proceeds of DKK 750 million.

Acquisitions

During the period 1 January to 21 May 2001, ISS has made 18 acquisitions. In total, the acquired companies had annualised turnover of approximately DKK 831 million and approximately 5,000 employees. The companies have been acquired at an average Price/EBITA multiple of 6.8 (before synergies).

In April 2001, ISS expanded its international reach through a joint venture with Mitsui & Co., Ltd. ISS and Mitsui each own 50% of Bussan ISS Holding Co., Ltd. Initially, Bussan ISS Holding's portfolio consists of one company, Nesco, an established cleaning and building maintenance company with annual turnover of approximately DKK 250 million. By acquiring 50% of Bussan ISS Holding, ISS has created a platform for growth in Japan.

An updated acquisition list can be viewed at: <http://www.issworld.com/facts/acquisitions01.htm>

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Outlook

(See Forward-looking Statements below)

The turnover and operating profit outlook for 2001 stated on 2 March 2001 in the Annual Report 2000 remains unchanged, i.e. turnover and operating profit are expected to increase by more than 15%.

Interest expenses are expected to increase due to the acquisitions made. Interest expenses are also affected by movements in interest rates because the Group's debt at present mainly consists of variable-interest loans.

Amortisation of goodwill, including the effect of acquisitions announced prior to 21 May 2001, is expected to amount to approximately DKK 720 million in 2001.

Forward-looking Statements

This trading review contains forward-looking statements within the meaning of US Private Securities Litigation Act of 1995 and similar laws in other countries regarding expectations to the future development, in particular future sales, operating efficiencies and business expansion. Such statements are subject to risks and uncertainties as various factors, many of which are beyond ISS' control, may cause the actual development and results to differ materially from the expectations contained in the trading review. Factors that might affect such expectations include, among others, overall economic and business conditions, fluctuations in currencies, the demand for ISS' services, competitive factors in the service industry and uncertainties concerning possible acquisitions and divestments.

See also the description of risk factors set out on page 14-17 of the Annual Report 2000, which can be viewed at: http://www.issworld.com/news/results_2000.htm

In accordance with the Listing Rules on the London Stock Exchange, please be informed that copies of the trading review are available to the public in the United Kingdom from World Investor Link Ltd., Hook Rise South, Surbiton, Surrey KT6 7LD, Tel. +44 20 8974 0200.

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