Regus Group plc
20 August 2004

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Regus Group plc
Completion of Acquisition

On 16 July 2004 Regus Group plc ("Regus" or the "Company") announced the agreement to acquire the entire issued share capital of HQ Global Holdings, Inc, ("HQ") and the Placing and Open Offer of up to 196,958,408 New Ordinary Shares at 62.25 pence per New Ordinary Share on the basis of 1 New Ordinary Share for every 4 existing Ordinary Shares.

Following the passing on 9 August 2004 of the resolutions put to shareholders to effect the Acquisition and Placing and Open Offer, and the admission earlier today of the New Ordinary Shares to listing on the Official List of the UK Listing Authority and to trading on the London Stock Exchange's main market for listed securities, the Company is pleased to announce that the Acquisition has now been completed.

The Company has now acquired the entire issued share capital of HQ and therefore there will be no Second Closing as contemplated by the Prospectus.

The Acquisition for a total cash consideration of approximately US$309 million (£167 million)(1) paid at completion of the Acquisition Agreement has been financed by the Placing and Open Offer which raised approximately £119 million, net of expenses, and from certain drawdowns under the Company's new Debt Facilities.

The Company's interim results will be announced on 6 September 2004.

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Notes:

(1) Assuming an exchange rate of £1:$1.85, based on the spot rate on 15 July 2004, the day before the announcement of the Acquisition.

(2) Definitions used in the Prospectus shall have the same meaning when used in this announcement, unless the context requires otherwise.

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