



Stock Exchange Release

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ISS' share-based incentive schemes

Increased employee ownership based on employee shares and share-based incentive schemes is part of the employee policy contained in the Group's strategy, **create2005**.

Employee shares

In the spring of 2001, ISS launched an employee share programme under which 5,134 employees subscribed for a total of 345,705 shares.

The Board of Directors has resolved to use authorisations to launch an employee share programme in the spring of 2002. Employees with at least three months' seniority will be invited to subscribe for ISS shares at a price equivalent to one third of the market price at the time of subscription. The total maximum number of shares, which can be subscribed for is 854,295, but due to tax rules implemented with effect from 2001, the total subscription is, as in 2001, expected to be lower than the maximum number of shares available.

Share-based incentive schemes

As part of the company's share-based incentive schemes ISS issues warrants/options on an ongoing basis (e.g. in connection with newly appointed senior managers). After consulting with the Copenhagen Stock Exchange, ISS believes that 10% of the total outstanding share-based incentive programmes is a threshold of materiality in relation to the disclosure rules of the Stock Exchange.

Accordingly, ISS will notify the Copenhagen Stock Exchange when the accumulated number of warrants and options allocated or forfeited (for reasons other than exercise) since the previous preliminary announcement of the annual results or other Stock Exchange release announcing a share-based incentive programme exceeds the 10% limit. Significant changes in the accumulated number of outstanding share-based incentive programmes will normally take place in the beginning of a year in connection with discussions with the individual senior manager regarding future goals.

2000 Warrants Programme

Under the terms of the 2000 Warrant Programme, up to 517,500 warrants to senior managers can be issued. At 31 December 2001, 151 senior managers had subscribed for a total of 265,000 warrants under this programme. This is an increase of 48,000 since the release of the annual results for 2000, primarily due to grants to newly appointed managers.

Today, it has been decided to grant 26 senior managers between 500 and 10,000 warrants each, equivalent to a total allocation of 140,500 warrants under the 2000 Warrant Programme. The grant will take place on the 6th trading day on Copenhagen Stock Exchange following the release of the preliminary announcement of the annual results for 2001. The exercise price will be fixed at the market price at the time of allocation plus 10%, however with a minimum price of DKK 514 per share.

The warrants under the terms of the 2000 Warrant Programme are exercisable after the release of the preliminary announcement of the annual results for the years 2003-2007, provided the holder is not under notice of termination.

For further information of the terms and conditions for subscription and exercise of the warrants under the terms of the 2000 Warrant Programme, please see Appendix 3 to ISS A/S' Articles of Association.

2001 Warrants Programme

Under the terms of the 2001 Warrant Programme, up to 800,000 warrants can be issued to the Board of Directors and senior managers.

Today, it has been decided to grant 153 senior managers between 1,000 and 6,000 warrants each, equivalent to a total allocation of 305,500 warrants under the 2001 Warrant Programme. The grant will take place on the 6th trading day on Copenhagen Stock Exchange following the release of the preliminary announcement of the annual results for 2001. The exercise price will be fixed at the market price at the time of allocation plus 10%, however with a minimum price of DKK 418 per share.

The warrants under the terms of the 2001 Warrant Programme are exercisable after the release of the preliminary announcement of the annual results for the years 2004-2008, provided the holder is not under notice of termination.

For further information of the terms and conditions for subscription and exercise of the warrants under the terms of the 2001 Warrant Programme, please see Appendix 4 to ISS A/S' Articles of Association.

Stock Option Programme to the Executive Management Board (EMB)

As part of the stock option programme launched in 1998, members of the EMB have been granted a total of 50,000 stock options with an exercise price of DKK 480. The options are exercisable in the period from 1 January 2003 to 31 December 2008.

Market value

The market value of stock options and warrants is calculated using the Black-Scholes' valuation method. The assumptions underlying the calculation are described below. Thus, the theoretical market value of the new grants mentioned in this release (i.e. warrants/options granted since the release of the annual results for 2000) is approximately DKK 42 million. This equals approximately 2 pro thousand (0.2%) of the Group's market capitalisation. However, the price of the warrants granted in 2002 is only fixed after release of the annual results for 2001.

Volatility: (annualised volatility based on standard deviation of monthly observations in 2000 and 2001)	26%
Interest rate: (risk free interest rate at an average duration of five years)	4.7%
Expected life:	One year after the expiry of the vesting period
Share price:	400
Dividends:	0

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Forward-looking Statements

This Stock Exchange Release 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 Stock Exchange Release. 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.