



G4S Asia Middle East

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Agenda

1. AME Overview
2. Large Country Reviews
3. Focus on G4S in the Middle East
4. Summary & Outlook



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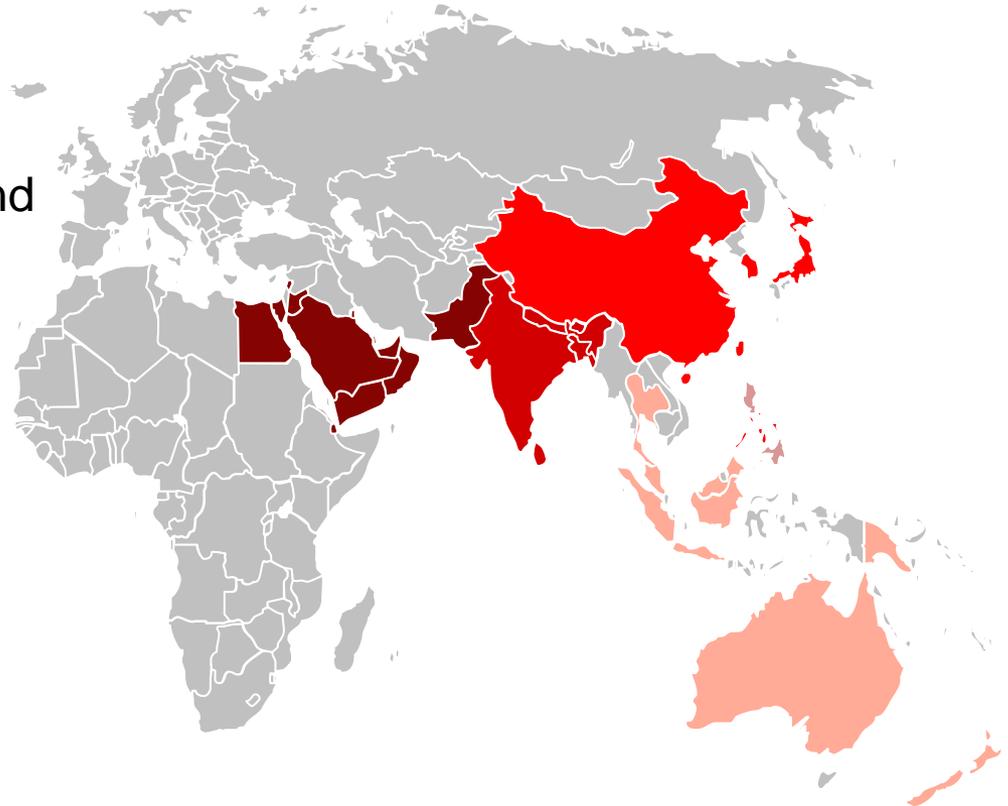


G4S Asia Middle East

Market Overview

Statistics

- 33 countries
- 300,000 employees
- 10 time zones: Cairo to Auckland
- 19 official languages
- 56% of the world's population



Regional Structure

- Middle East
- South Asia
- South East Asia
- North Asia

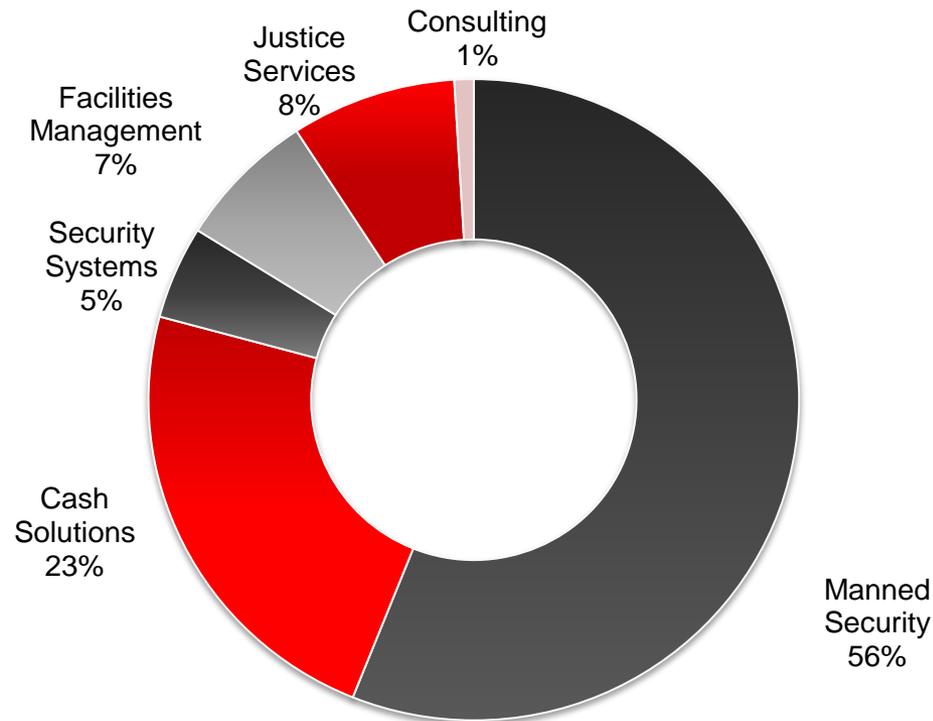
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Market Overview

- 16 % of group revenue
- Dominated by a traditional product portfolio



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Key themes

- Incorporates 2 BRIC countries
- Dominant market presence across the region
- Growth expected to be 15% per annum over next 3 years against average nominal GDP growth of circa 10%
- Good opportunities to leverage international footprint and strong product positions in each market
- Focus on making good businesses even better:
 - Margin improvement through productivity and efficiency by implementing G4S best practice
 - Right-sizing organisational overheads
- Transfer product expertise from G4S developed to developing markets
- Continue to develop our autonomous and entrepreneurial country model, but with mandated best practice

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Prioritisation and categorisation of markets

	Invest & Grow (Large)	Invest & Grow (Small)	Improve	Defend and Harvest	Enter
North Asia	China Hong Kong	Taiwan	Korea	Macau	Mongolia
South East Asia	Thailand Malaysia Indonesia Australia/ NZ	Philippines PNG	Singapore	Brunei Guam	
South Asia	India	Bangladesh		Bhutan Sri Lanka Nepal	
Middle East	UAE Qatar Saudi Arabia	Djibouti Jordan Kuwait		Egypt Bahrain Oman Lebanon Yemen	

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Sector Focus

Ports

- AME has 33 of top 50 global container ports
- GCC countries investment in Port Infrastructure 2010 – 2020 = £40bn
- ME port security market 8% - 10% of global market
- Market spend £485m-£962m

- Major developments in Port Khalifa & Jebel Ali, (UAE); Doha, (Qatar); King Abdullah (KSA) and Bubayan, (Kuwait)
- G4S provides consultancy and secure solutions to Abu Dhabi Terminals
- G4S prequalified as security provider for Doha (£10bn project)
- G4S Consultancy design for King Abdullah (£50bn project)

Aviation

- Asia Pacific forecast \$4.8bn in 2012 rising to \$8.6bn in 2022 (CAGR 5.9%)
- CAA China to invest \$230bn in next 5 yrs with 55 new airports & additional 47 reported by 2022
- Middle East forecast \$2.7bn in 2012 rising to \$6.9bn

- Aus market opportunity of \$300m+ where there has been little new market entrants
- Network solutions for airlines enables consistency and controls
- Major infrastructure work in the ME and Saudi Arabia where only 4 of the 30 airports cater for international flights

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Sector Focus

Government - Corrections

- Represents 30% of Global Justice Market
- Limited outsourcing across Region – target markets - Australia, NZ, China, Singapore, Saudi, UAE

- Contracts – Prisons x 2, Court Escorting x 2, Court Security x 2, Custody x 1, EM x 3
- Opportunities – DIAC £850m, Victoria Prison £300m, Saudi EM £4.3m, Singapore EM £1.8m, Australia EM (Victoria) £1m

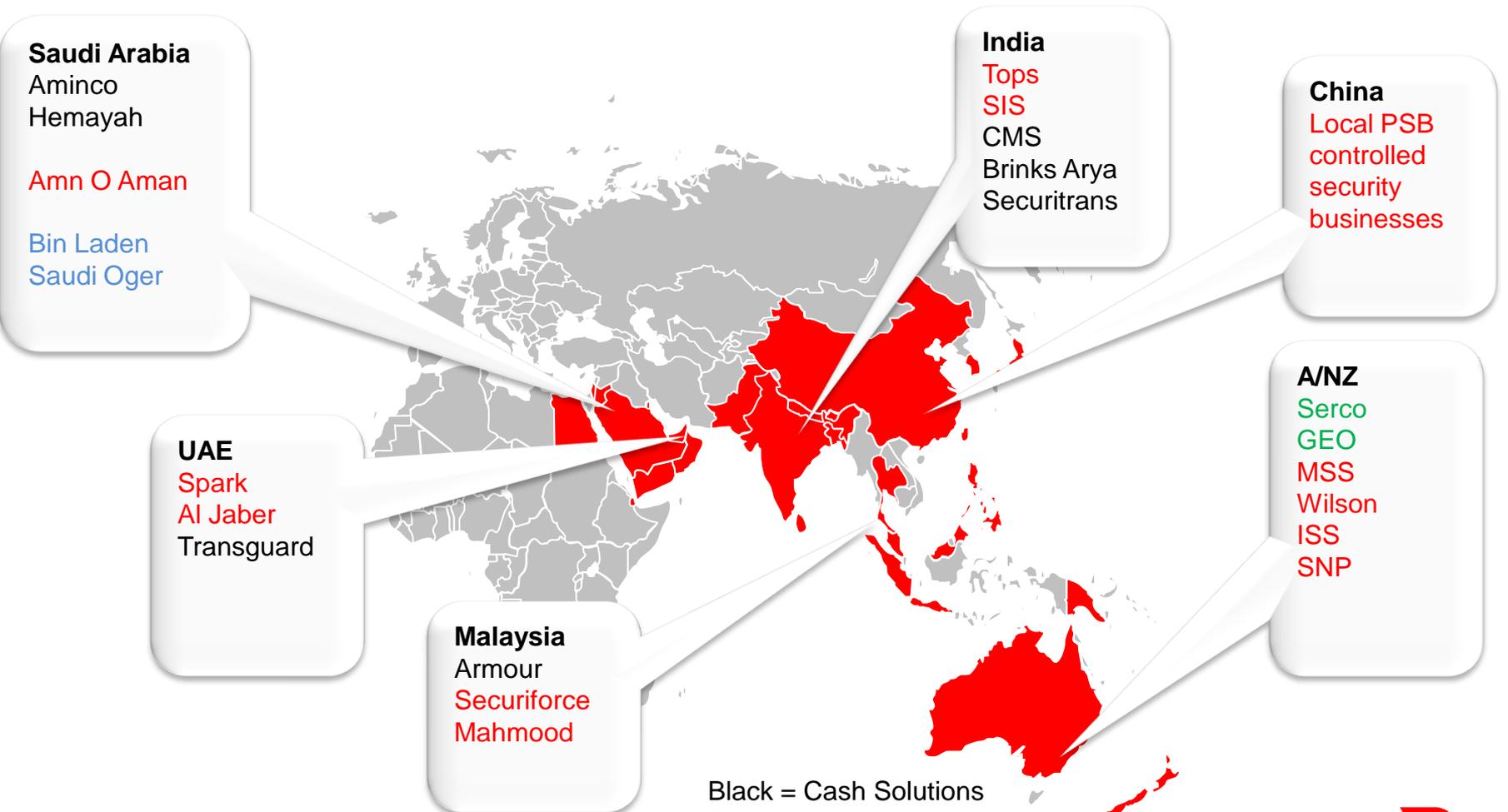
Oil & Gas – Capital Project focus

- AME Region accounts for > 65% of global oil production across 23 countries.
- ME – security market substantially reserved by State
- Qatar capital projects – success story
- Capital projects cycle in Australia (LNG & CBM) opportunity

- Strong Revenue growth (+40%), £13m from £32.5 to £45.5m
- International client relationships driving growth
- NW Shelf LNG projects & Queensland CSG large project opportunity for security & systems

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Competitive Landscape



Black = Cash Solutions
Red = Manned security
Blue = Facilities management
Green = Government

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Market Positions

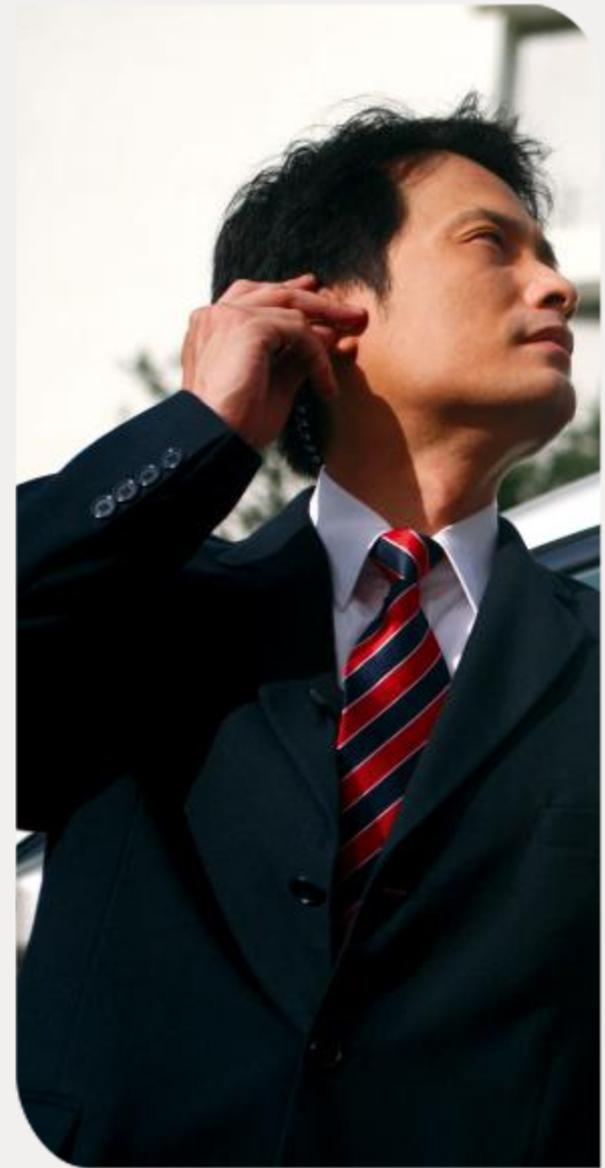
Country	Service Line				
	Manned Security	Security Systems	Cash Solutions	Justice Services	Facilities Services
India	1	N/A	6	N/A	5
Saudi Arabia	4	N/A	1	N/A	6
Malaysia	1	4	1	N/A	N/A
Thailand	3	N/A	2	N/A	3
Hong Kong	1	2	2	N/A	N/A
Australia/NZ	4	N/A	N/A	2	N/A
UAE	1	N/A	2	N/A	N/A

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Large Country Reviews



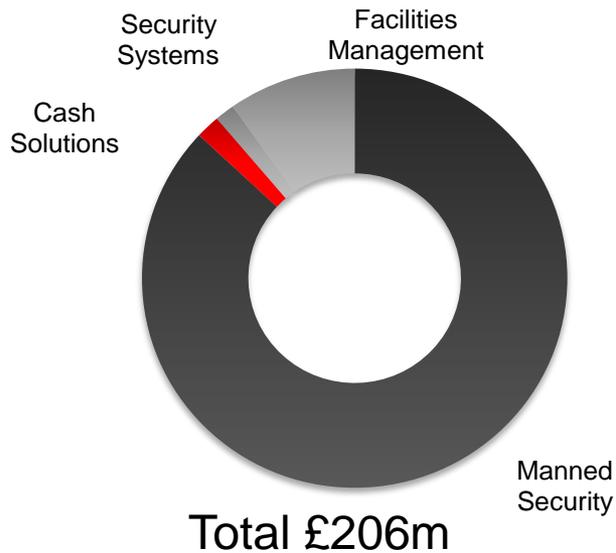
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G4S India

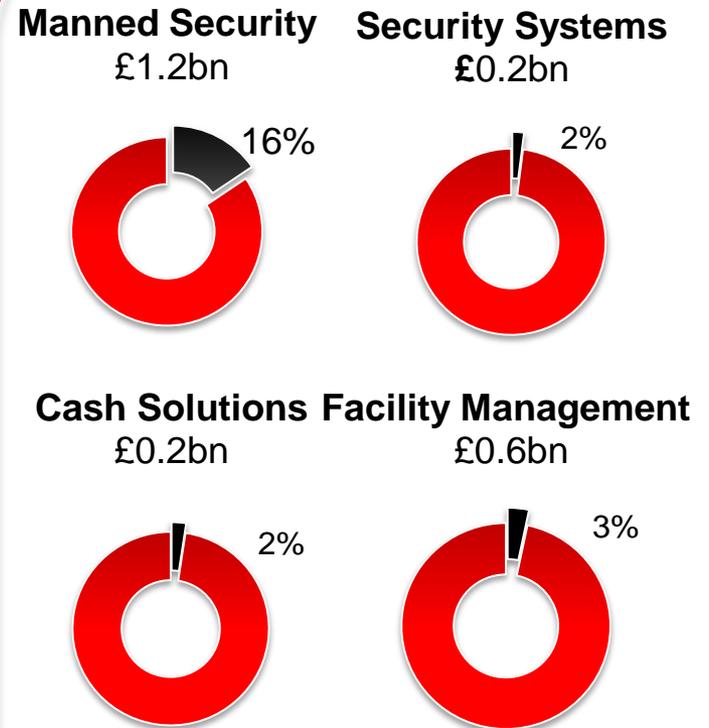
Market Overview

Product mix



CAGR 2011-14 = 20%

Market Size/G4S Share



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G4S India

Market Overview

Competitive Landscape

- Very strong manned security position
- 16% share of organised market
- Nearest competitor = 3%
- Fragmented facilities management market

Growth Drivers

- Opportunity to grow in facilities services sector by leveraging manned security position
- Market shifting from unorganised to organised

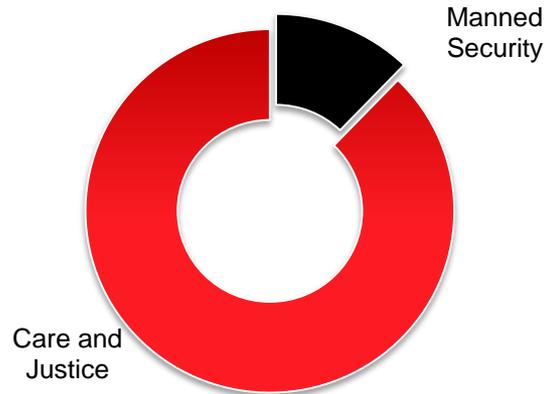
Margin Drivers

- Focus on price increases keeping pace or ahead of wage rises
- Opportunity for higher level of product segmentation
- Optimising overhead structure

G4S Australia and New Zealand

Market Overview

Product mix

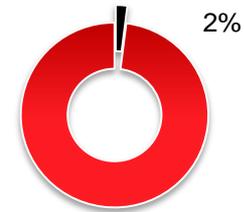


Total £114m

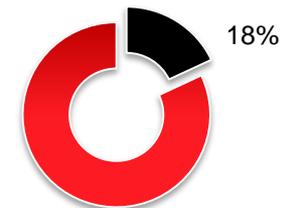
CAGR 2011-14 = 11%

Market Size/G4S Share

Manned Security
£0.7bn



Care and Justice Services
£0.6bn



G4S Australia & New Zealand

Market Overview

Competitive Landscape

- Justice Services: Serco & Geo
- Security: SNP, ISS & Wilson

Growth Drivers

- Government outsourcing
- Demand for alternative manned security market player

Margin Drivers

- Variations and growth on existing PPP contracts
- Extended electronic monitoring contracts in New Zealand to 2014

G4S Australia and New Zealand

Market Overview

Justice & Borders:

Current Position

- 10 Prisons currently privatised (G4S operates 2)
- 4 Prisoner Transport (G4S operates 2)
- 6 EM contracts (G4S operates the 3 largest)

Potential Opportunities

- Immigration – DIAC
- PPP prison in Victoria in next 12-18 months
- NSW private prisons operated by GEO are likely to be tendered in 2-3 years
- NSW Prisoner Transport to go to market
- Current EM contracts in Australia to grow (Victoria out to tender)

G4S Australia and New Zealand

Market Overview

Public Safety:

Current Position

- Vic Police outsource custody management at two sites to G4S

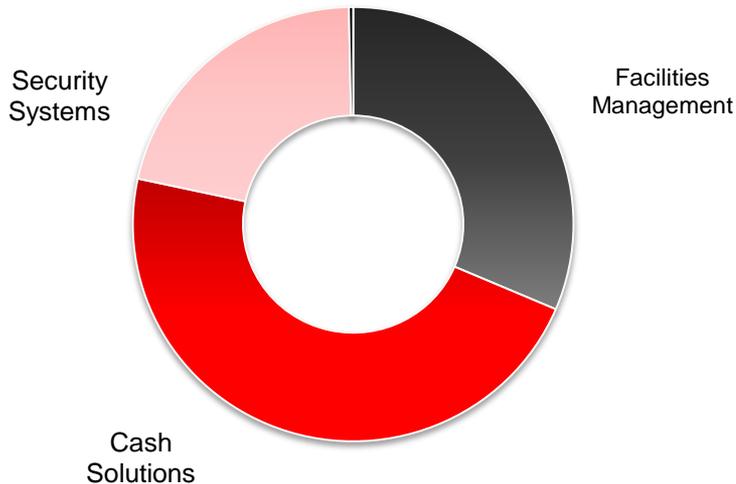
Potential Opportunities

- Community Safety Officers at Railway Stations in Victoria
- Potential PPP opportunity for new custody suite in Victoria 2-3 years out
- Potential support services eg recruitment in Victoria
- Custody suites across VIC, NSW and SA
- Transport Solution, VIC, NSW and SA
- Other non sworn officer duties, finger print processing, forensic evidence, health services, VIC, NSW, SA
- Support to Public Safety events e.g. G20, Commonwealth Games, Nationwide

G4S China

Market Overview

Product mix



Total £17m

CAGR 2011-14 = 25%

Market size indicators:

Manned Security: 6 million employees ^[1]
Cash market estimated to be £2bn

Forecast growth:

Manned Security and Cash Solutions 10% p.a ^[1]
Security Systems: 16-18% per annum ^[2]
FM: 15-20%/year ^[3]

Sources

1. China Security Association
2. China Security Protection Market Report 2010 (excludes product costs)
3. China Facility Management Association

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G4S China

Market Opportunity

Current footprint:

- Offices in Beijing and Shanghai
- Dedicated regional team led by Chinese national
- 2 main businesses : National ATM 2nd line maintenance, Security Systems installation

Key to success in China:

- Leverage G4S global scale and competency
- Demonstrate win-win; G4S brings some expertise, local PSB brings business
- We must avoid head-on competition against local PSB-related security companies

G4S China

Market Opportunity

Concentrate on 5 areas of activity:

1. Obtain a security license – Focus on 2nd tier cities
2. Develop integrated cash solutions for FI's
3. Provide bundled service solutions - facilities management with manned security
4. Assist Sino companies which operate overseas and develop trusted advisor status
5. Develop integrated security solutions for specific market sectors e.g. Development Zones operated by local government
 - Led by New Regional Managing Director based in Beijing
 - Delivered through a mixture of informal partnerships, JV's and acquisitions
 - Pipeline of opportunities is promising



G4S Middle East

**Chris Fergus
Regional MD
Middle East**



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Market Overview

- 12 countries
- 60,000 employees
- 2,500 customers



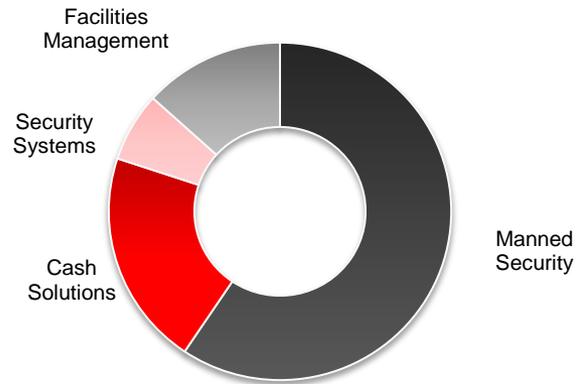
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G4S UAE

Market Overview

Product mix



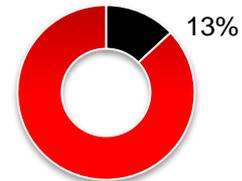
Total £75m

CAGR 2011-14 = 12%

Market Size/G4S Share

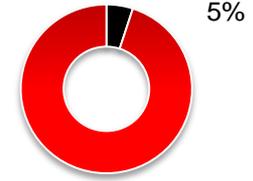
Manned Security

£ 300m



Security Systems

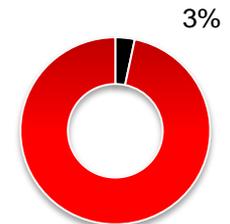
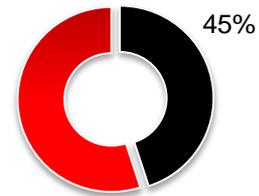
£ 100m



Cash Solutions Facility Management

£ 35m

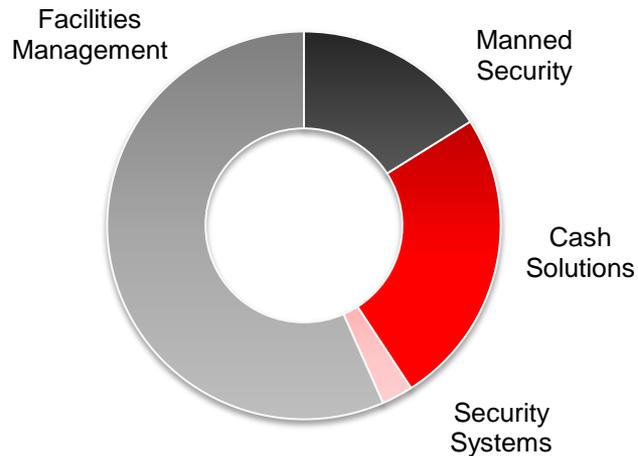
£ 300m



G4S Saudi Arabia

Market overview

Product mix

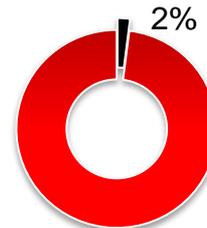


Total £ 132m

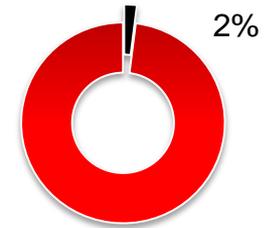
CAGR 2011-14 = 16%

Market Size/G4S Share

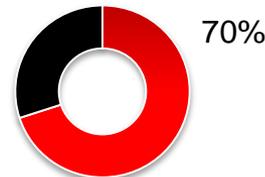
Manned Security
£ 1.1bn



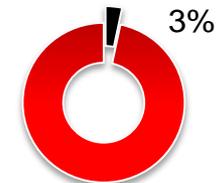
Security Systems
£ 0.2bn



Cash Solutions
£ 50m



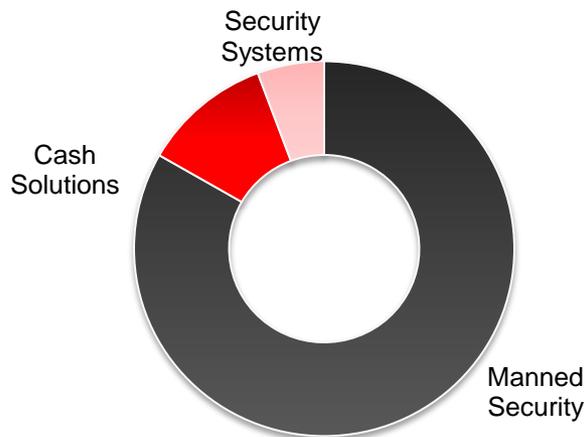
Facility Management
£ 2bn



G4S Qatar

Market Overview

Product mix

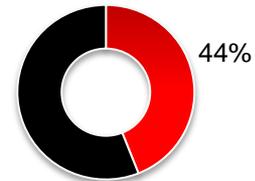


Total £ 60m

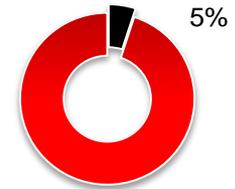
CAGR 2011-14 = 15%

Market Size/G4S Share

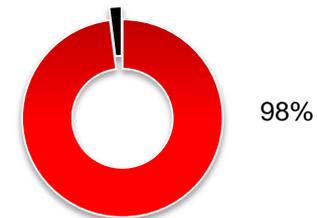
Manned Security
£ 100m



Security Systems
£ 68m



Cash Solutions
£ 7m



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Market Overview

Competitive Landscape

- Leading position in large manned security and cash solutions markets
- Increasing legislation creating higher barriers to entry

Growth Drivers

- Nominal GDP growth at 7-10%
- Market share opportunity in manned security, facilities services and security systems
- Significant pipeline – ports & aviation
- Partnership model
- Unique recruitment model

Margin Drivers

- Integrated solutions capability – e.g. Etihad
- Enhanced cash solutions offering
- Quality of service

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Market Overview



Matthew Vaughan, Head of Aviation Security for Etihad Airways said :

“G4S is a trusted partner for Etihad’s strategic security requirements.

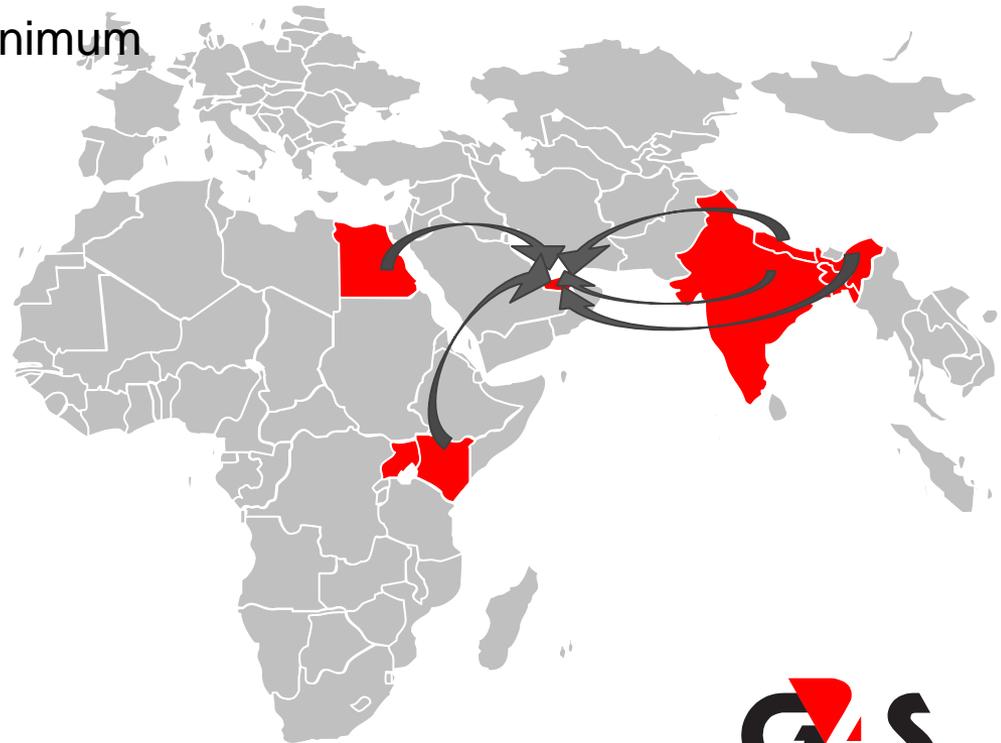
We are continually expanding and view G4S as not only a service provider but also as a knowledge partner that can provide technical advice in terms of the security threats and regulatory requirements.

The benchmark of services provided by G4S in the Middle East is one that we will continue to expand globally”.

G4S Middle East

Unique Recruitment Model

- Key to maintain and accelerate growth
- 75%+ of G4S ME employees are expatriates
- Supply of labour from G4S business units in India, Pakistan, Sri Lanka, Nepal, Bangladesh, Egypt, Uganda and Kenya
- Opportunity to triple salary as minimum
- Employer of choice at origin
- Ability to deploy quickly



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UAE Staff Accommodation



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G4S Middle East

Case Study – Dubai Airport

Feb 2011

- Contract award £5m per annum

March

- Staff interviewed and appointed in home country – India, Uganda, Nepal, Bangladesh

April

- Staff relocated to UAE
- Staff Trained and Licensed

May 2011

- Full contract deployment



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G4S Asia Middle East

Dan Ryan
Regional CEO
Asia Middle East



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Bidding Pipeline

Country	Sector	G4S Services	Bid award date	Estimated start date	Annual Contract Value
Australia	Ports	Security	Jul 2012	Oct 2012	£3.2m
Australia/ NZ	Industrial	Security	Jul 2012	Sep 2012	£2.1m
Australia	Aviation	Security	Jun 2012	Sep 2012	£4.5m
Indonesia	Oil and Gas	Security and systems	June 2012	July 2012	£1.0m
Qatar	Ports	Security	June 2012	Aug 2012	£1.1m
UAE	Govt.	Facility Services	July 2012	Sep 2012	£1.8m
UAE	FI	Cash	June 2012	Aug 2012	£0.8m

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G4S Asia Middle East

Summary & Outlook

What we will do:

- Deliver growth of 15% per annum
- Deliver margin improvement
- Acquire positions in China and capability in India

How will we do it:

Segmentation, Service excellence (developed markets expertise into developing markets), **Sector focus** (Oil & Gas, Aviation, Ports, Banking, Government, Mining)

Outlook:

Capitalise on current AME positions and Global expertise to take advantage of the massive opportunities in this expanding market