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Regional CEO UK & Africa

Securing Your World



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Overview – UK & Africa

Largest security company in UK and Africa

£1.7 billion turnover - 160,000 employees - 31 countries



UK

- Largest security company in UK
- £1.25 billion turnover
- Over 50,000 employees
- Over 6,000 customers



Africa

- Largest security solutions company in Africa
- £450 million turnover
- Over 110,000 employees
- Over 15,000 customers + 60,000 alarm connections
- 29 countries

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UK & Africa growth trends 2010-2013

UK & Ireland

Organic growth increasing to over 8% per annum:

- positive impact from recent contract wins
- GDP + inflation recovering

Improving margin trend helped by business mix:

- Government versus Commercial
- Solutions strategy
- Ireland turnaround

Africa

Organic growth increasing to over 12% per annum

Maintain double digit margins

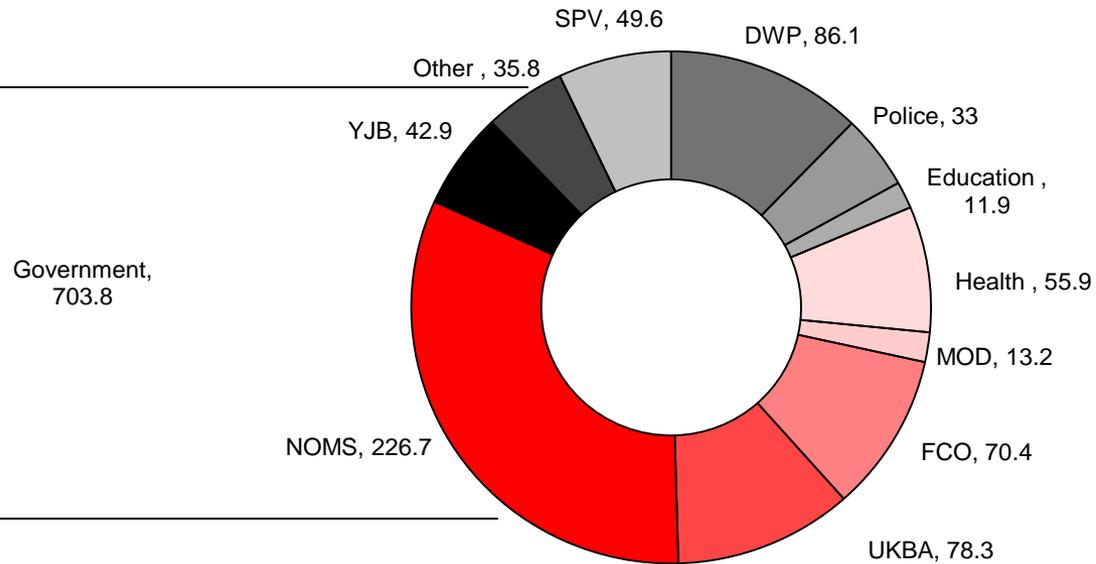
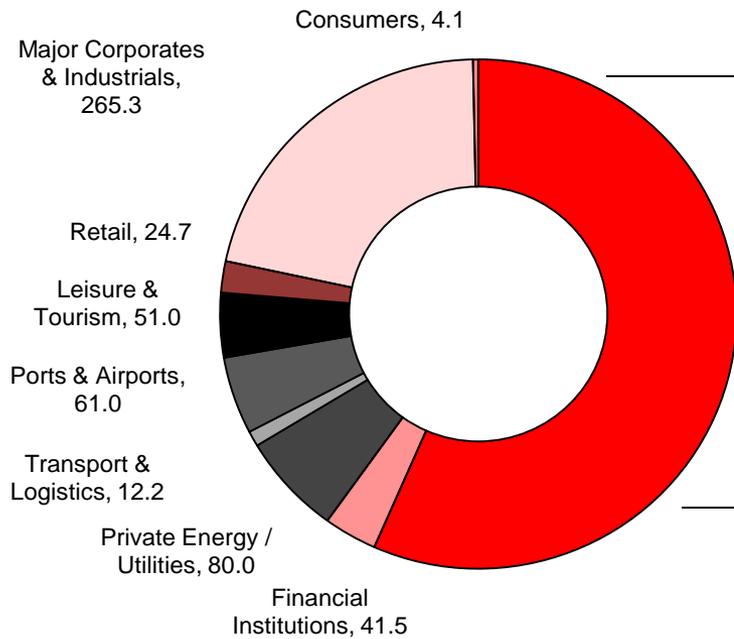


UK

2010 revenue breakdown

Commercial

£540 million



Government

£703 million

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Commercial strategy

Commercial strategy

Deliver the basics

- Growth, profit and service
- Deliver great service and avoid serious incidents
- Win rebids
- Beat the economic situation

Consolidate, build and acquire

- Be a market leader in our chosen sectors
- Use existing market positions as a platform
- Execute solutions strategy

Effective organisation

- Put in place effective lean organisational structures, processes and values
- Account Management / Upselling
- Acquire and develop people to deliver strategy
- Be a brand / thought leader

Government strategy

Government strategy

Deliver the basics

- Growth, profit and service
- Deliver great service and avoid serious incidents
- Win rebids
- Beat the economic situation

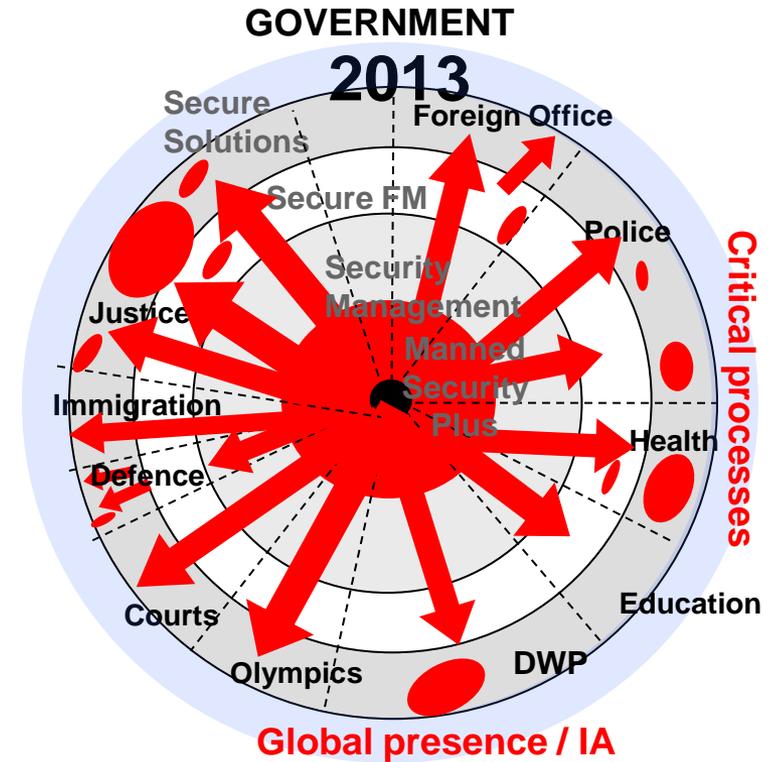
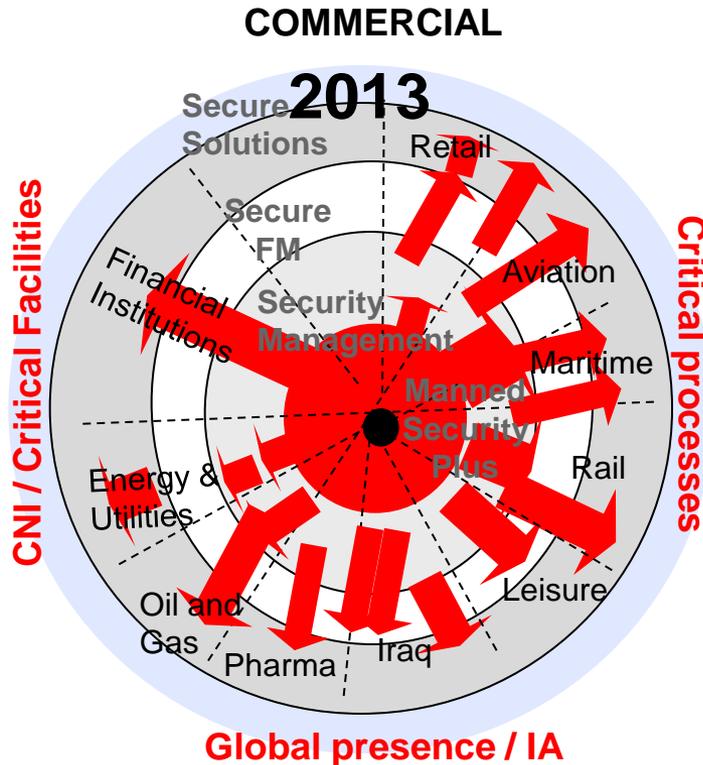
Consolidate, build and acquire

- Use existing Government positions as a platform
- Enter new areas of Government
- Proactive response to Government outsourcing opportunities

Effective organisation

- Further develop BPO capability
- Put in place effective lean organisational structures, processes and values
- Acquire and develop people to deliver strategy
- Be a brand / thought leader

Sector strategy



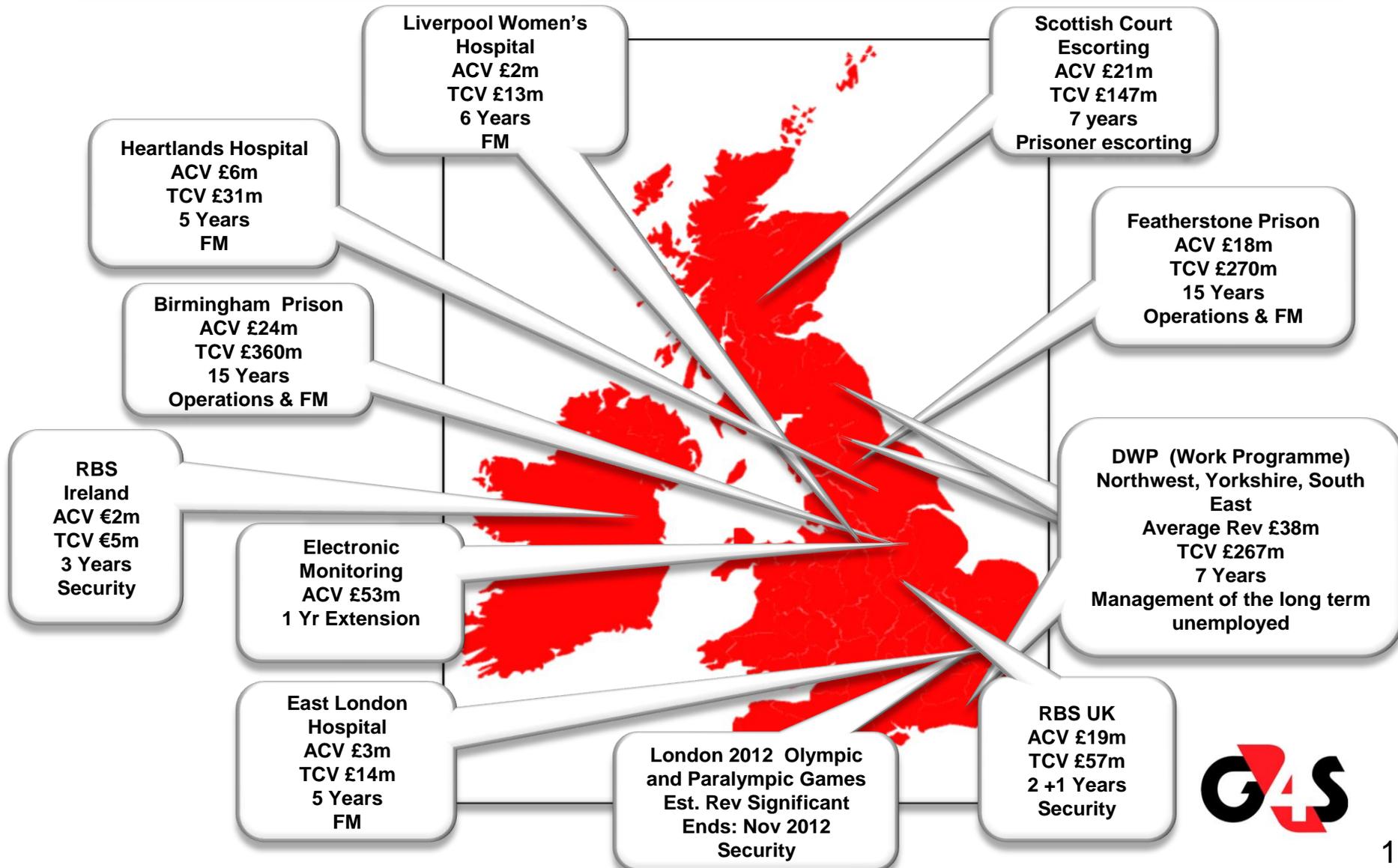
International expansion

- Events – Abu Dhabi
- Care & Justice – Norway, France, Saudi Arabia, Brazil, New Zealand
- PPP – Israel

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Recent successes (total >£200m PA)



HMP Birmingham and HMP Featherstone 2

Case Study: MOJ Prisons

HMP Birmingham (Cat B)

- 15 year contract
- £24m PA
- 700 staff / 1,450 prisoners
- First publicly run prison to be transferred to a private service provider
- Union/employee issues
- Commences Oct 2011



G4S UK – 6 prisons and 7,109 prisoners

Planning for programme of prison outsourcing of up to 10 prisons each year

HMP Featherstone 2 (Cat C)

- 15 year contract
- £18m PA
- 550 staff / 1,605 prisoners
- Prison under construction
- Commences Apr 2012



London 2012 Games Video



London 2012 Olympic and Paralympic Games

Case study: Major Events

- G4S: Official Provider of Security Services to the London 2012 Olympic and Paralympic Games – exclusive supply contract and sponsorship deal
- Security workforce delivery: circa 10k staff
- Search & screening, patrol & response, CCTV operation, asset protection
- In the region of 100 venues across the UK
- Significant revenue
- Opportunity to provide services to sponsors, teams and parallel events



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Welfare to Work

Case Study: DWP Work Programme Wins

- 2010 DWP spend - £159Bn
- UK worklessness - 5.5m people (£40bn PA in benefits)
- G4S awarded 3 Work Programme Area contracts:
 - Most successful market entrant
 - 5+2 year contracts - starting Jun 2011
 - Estimated £267m total contract revenue
 - Helping 150,000 long term unemployed
 - Prime contract model
 - Payment based on results
- Significant future opportunities
 - G4S DWP estates contract
 - Medical assessments
 - Workless families - Q3 2011 (£5m)
 - Offender re-settlement
 - Drug rehabilitation
 - Benefit fraud

DWP Department for
Work and Pensions



**UK market leader in surveillance,
fraud analytics, intelligence and
investigations services**

Gives intelligence-based fraud investigations capability for large scale opportunities within UK central and local government involving fraud

Recent losses

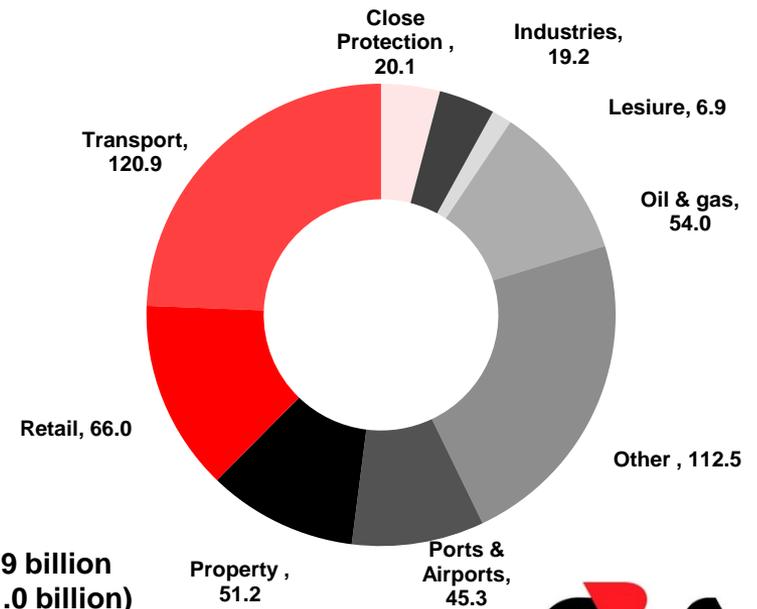
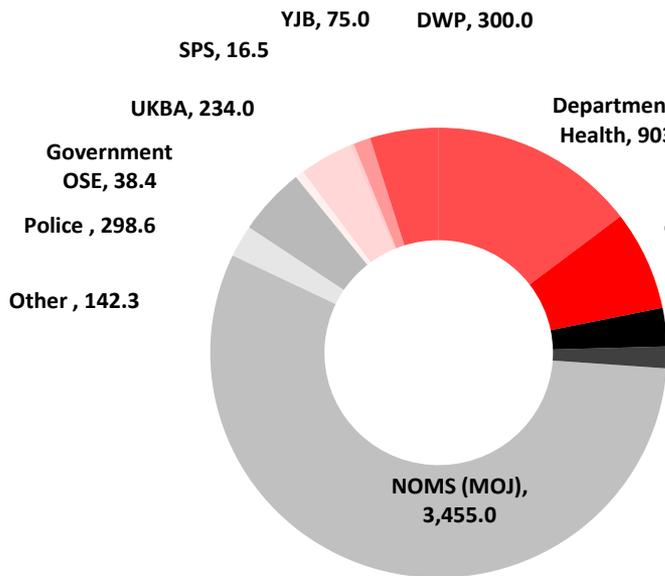
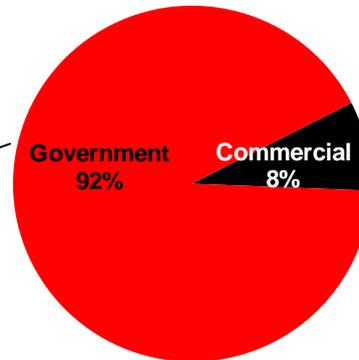
- **Loss of Detention & Escorting**
 - Lost to Reliance
 - £44m revenue PA
 - Awarded on price
 - Handed over end Apr 2011
- **Loss of Prisoner Escorting in England and Wales**
 - 3 areas to Geo / Amey - new market entrant
 - G4S lost 2 of these areas
 - £76m revenue PA
 - Awarded on price not quality
 - G4S provides services until end Aug 2011
- **Loss of Dungavel Immigration Removal Centre**
 - Top performing Immigration Centre
 - Lost to Geo - new market entrant
 - £5m revenue PA
 - UKBA awarded on price not quality
 - G4S provides services until end Sept 2011

UK Government trends and lessons from recent wins and losses

- Challenging macro environment / weak economy
- Government represents threats and opportunities
 - Cabinet Office MOU signed but ongoing client scrutiny
 - Outsourcing will be a key part of Government's budget deficit agenda
 - Increasing evidence of new outsourcing – DWP, MOJ & Police
 - New models emerging – Mutuals, JVs, partnerships
 - Focus on outcome orientated contracts
 - Price key determinant in re-bids – lowest cost operator important
 - Price and competence on 1st generation bids – DWP and prison wins
 - Has the potential to transform the scale of our business

UK Market Opportunity

Total Contract Value (for contracts >£3m)



Total Contract Value £6.9 billion
(Annual Contract Value £1.0 billion)

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Acquisition strategy

Acquisition pipeline focus:

- Security consulting
- Technology / systems integration
- Sector capability
- Consolidation / synergies
- FM in our chosen sectors



THE COTSWOLD GROUP



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AFRICA

G4S Africa overview



Main Focus	Company	HQ	Est. T/O					
			£m P.A.	West Africa	East Africa	North Africa	South & Central	South Africa
Manned Security	G4S	UK	£500M+					
	Omega	SA	£50					
	KK	KE	£30					
	Security Group	KE	£25					
	Inter-Con Security	US	£20					

- Largest security solutions company in Africa
- £450 million turnover
- Over 110,000 employees
- 29 countries

Africa strategy

Consolidate our position as the market leader in securing and managing critical services and facilities for businesses and selected governments in Africa

Deliver the basics

- **Growth, profit and service:**
 - **Improve sales capability**
 - **Turn around underperforming businesses**

Consolidate, build & acquire

- **Focus on prioritized territories and sectors**
- **Effect market entry**

Effective organisation

- **Put in place effective organisational structures, processes and values**
- **Acquire and develop people to deliver the strategy**
- **Be a brand / thought leader and live the G4S values**

Sector strategy

Mining: Over 700 operating mines in Africa including ~250 gold mines

Oil & Gas: Africa produces ~ 12.5% of global oil, over 1m bpd. Four African countries in top 20 producers and 17 in top 100

Telecoms: Over 200,000 towers in Africa. Market penetration still under 50%. Tower leasing and sharing driving outsourcing

Embassies: US 43 / UK 41 / EU 47. UK & EU now sourcing on a global basis

Ports: 15 major sea ports & + 50 international air ports in Africa

International Accounts: GSK, HP, IBM, Diageo, GE

Angola

Case Study: Market entry

- Entered market in June 2010.
- US embassy win - 5 year/ \$10m contract
- Contracts with Statoil & Fugro added \$1.5m PA
- Current bids with Schlumberger & Subsea 7 would add \$7m PA
- Substantive growth opportunities
 - **Oil & Gas** - largest reserves in Africa after Libya & Nigeria. Major G4S clients all have major projects before 2015
 - **Mining** - one of largest & most diversified resources in Africa. G4S global clients gives us strong positioning for growth
 - **Infrastructure** - major overhaul of dams, power grids and ports underway. G4S will leverage its port security and CNI credentials



Summary – UK & Africa

UK

- Economy remains challenging
- Government bid pipeline is expanding
- Government
 - Increased emphasis on price in rebids.
 - Price & competence key in 1st generation bids
- Commercial - focus on solutions strategy and sectors where security is key

Africa

- Overall strong growth
- Mix of benign and complex operating environments and economic conditions
- Significant opportunity in Embassies, oil & gas, mining, telecoms and international accounts

Acquisitions

- Strong pipeline of further capability, synergy and market entry transactions