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Securing Your World



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Global Security Market

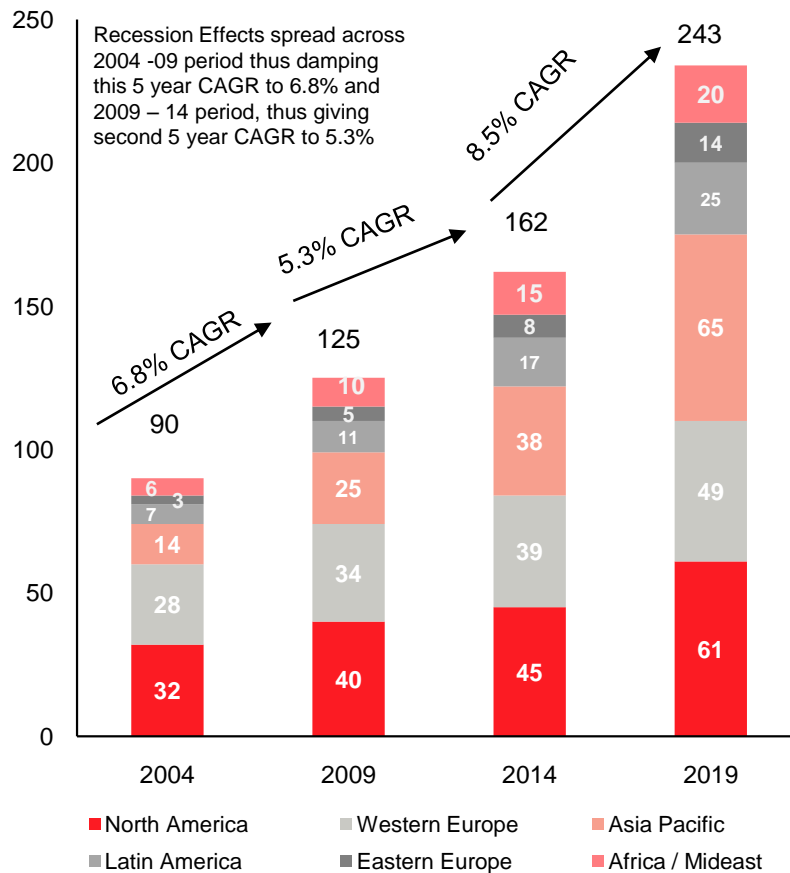
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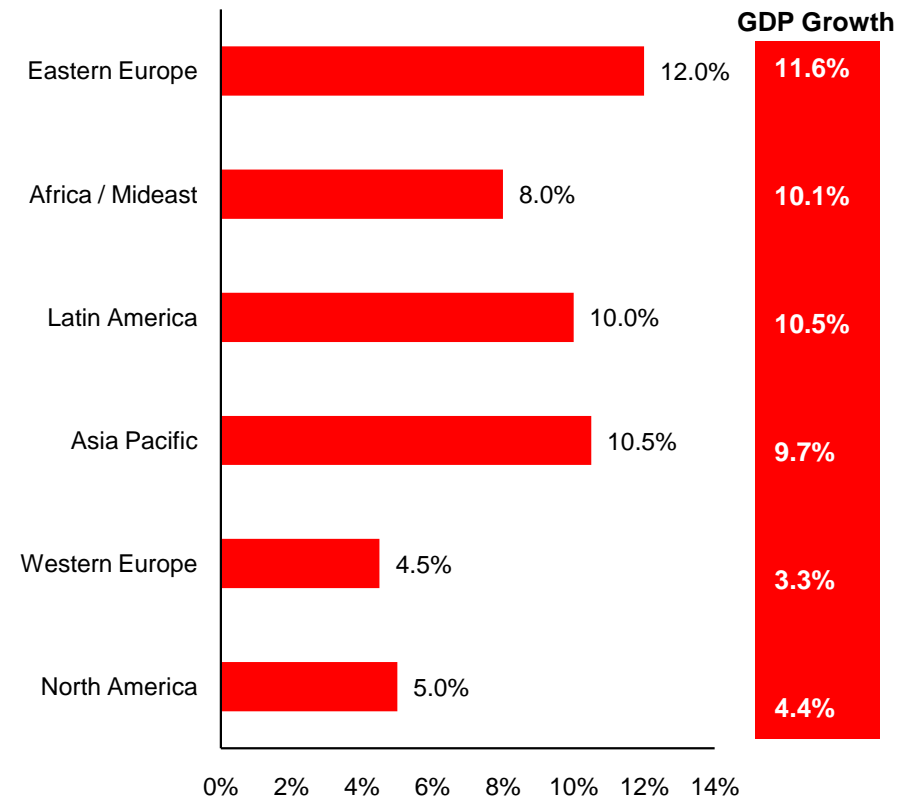
Global Market Size and Growth Rates

Strong structural growth B-B & B-G Markets

Security market revenue by region (US\$ bn)



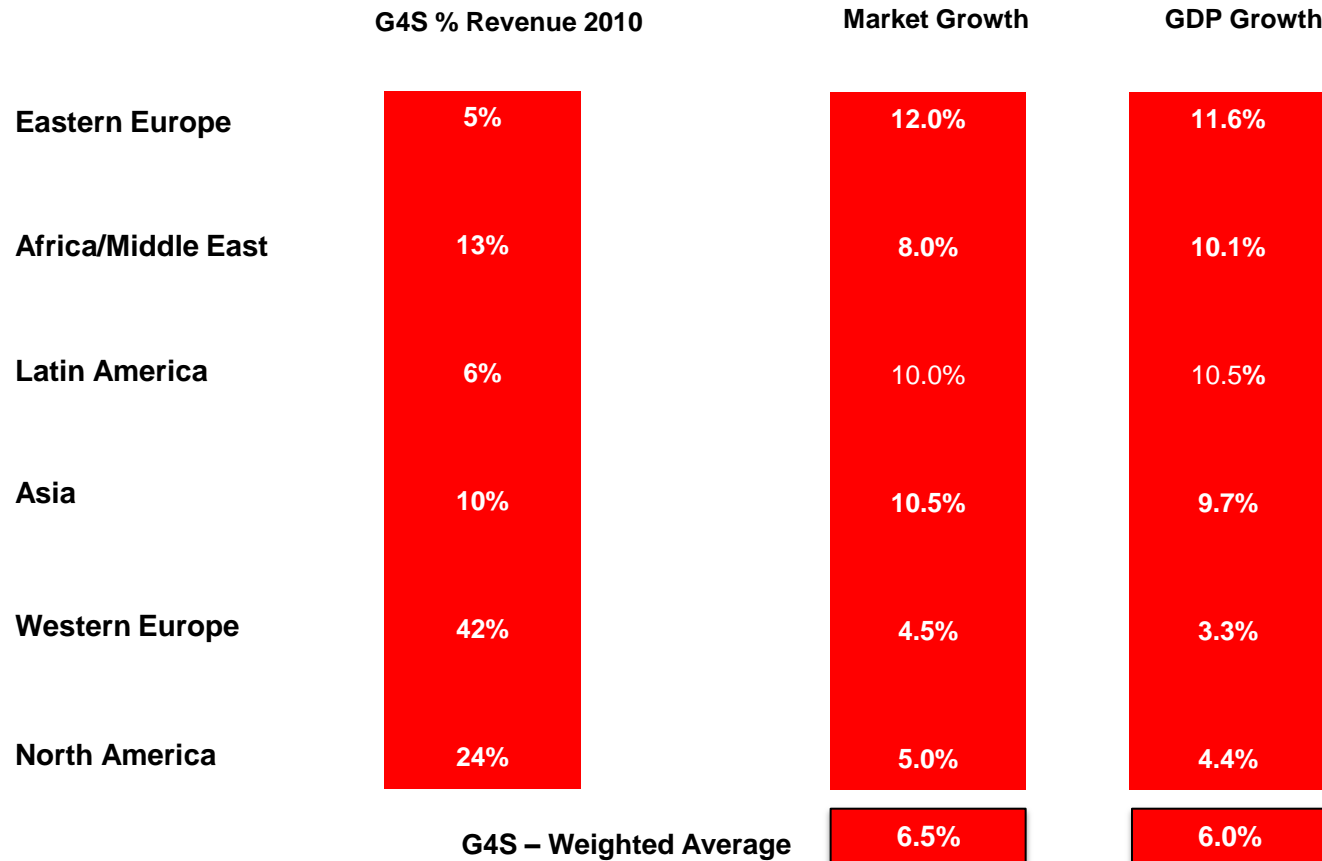
Estimated annual growth 2009 to 2014 by region



Source: Freedonia 2011, Company estimates, IMF April 2011

Weighted average growth rates 2009-2014

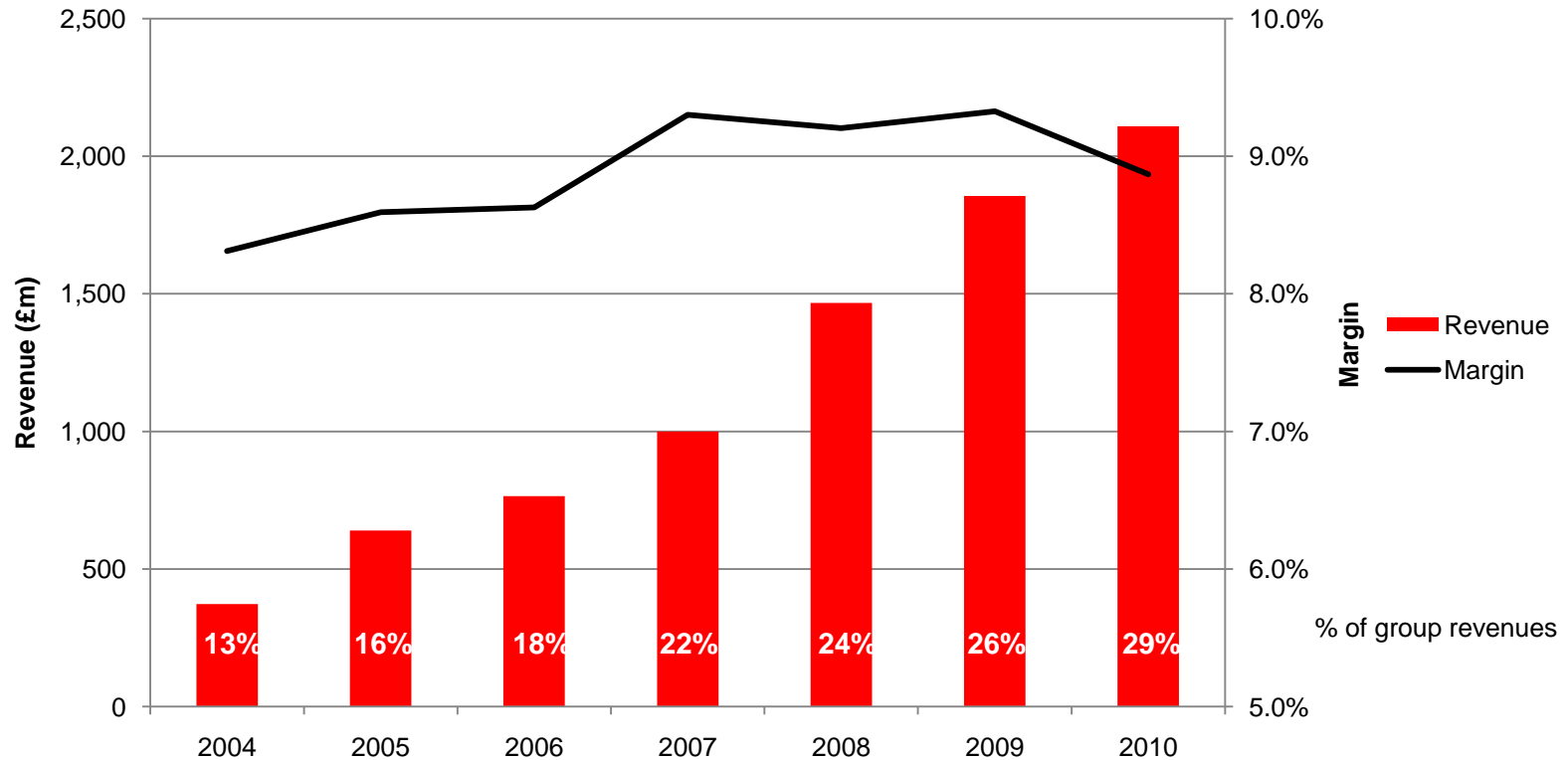
Strong exposure to high growth developing markets



G4S Revenue from New Markets

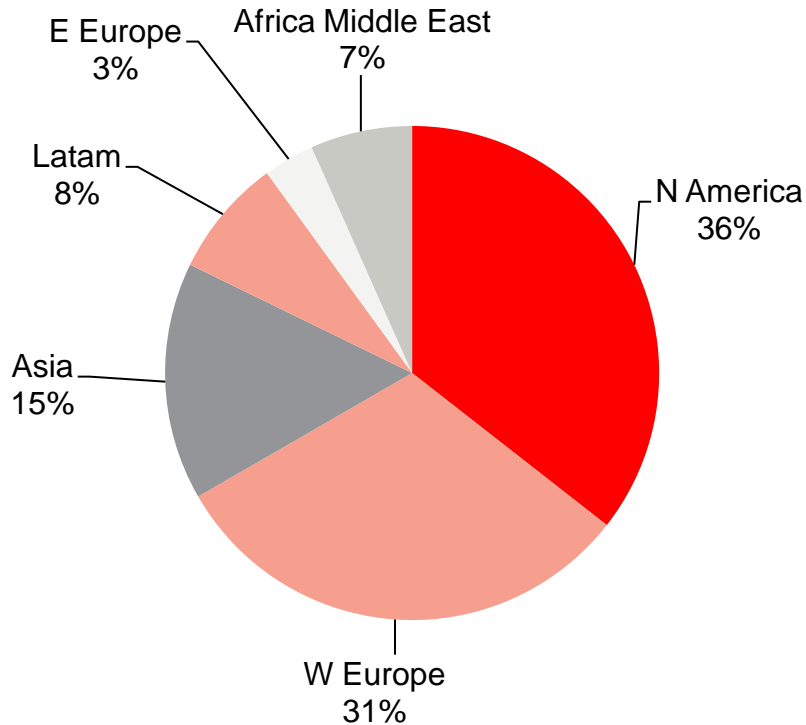
Proportion of revenues more than doubled to 29%

New Markets Revenues/Margin 2004-2010

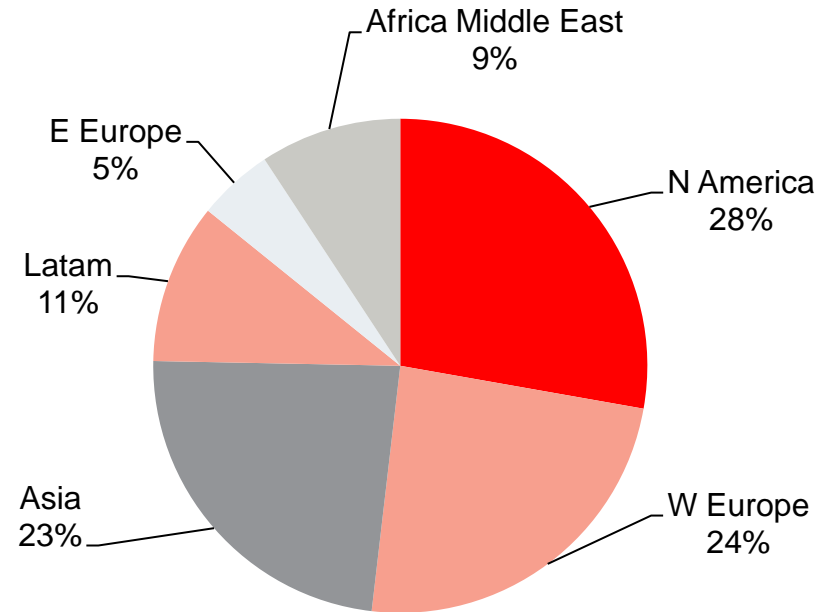


Global Security

Rise of New Markets from 33% to 48% of global market



2004 market size: £57bn



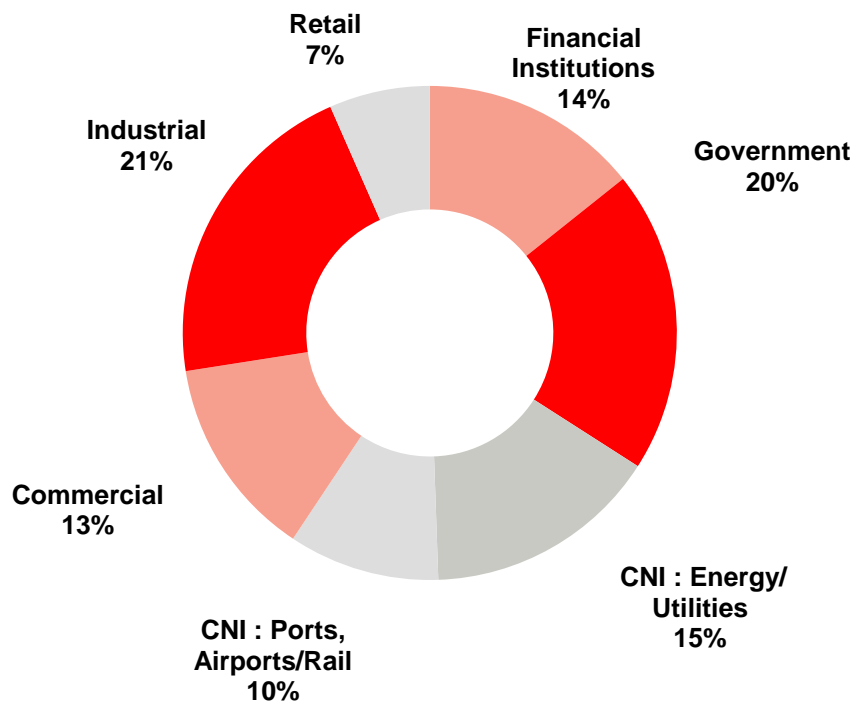
2019 Market Size: £155bn

Source: Freedonia 2011, Frost & Sullivan, Company estimates

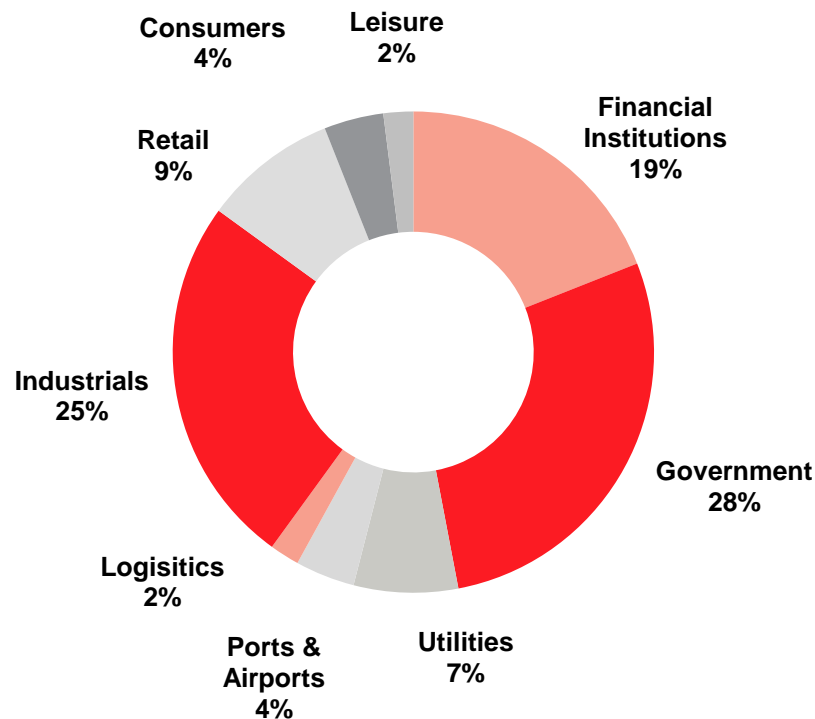
Global Outsourced Security Market v G4S Customer Split

Opportunity in CNI

2010 Market sector split



2010 G4S customer split



Sources : Freedonia, Frost & Sullivan, Turner & Townsend, G4S analysis

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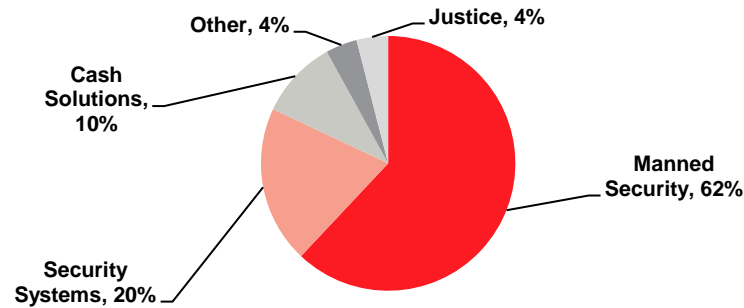


Global Market by Segment & Market Shares

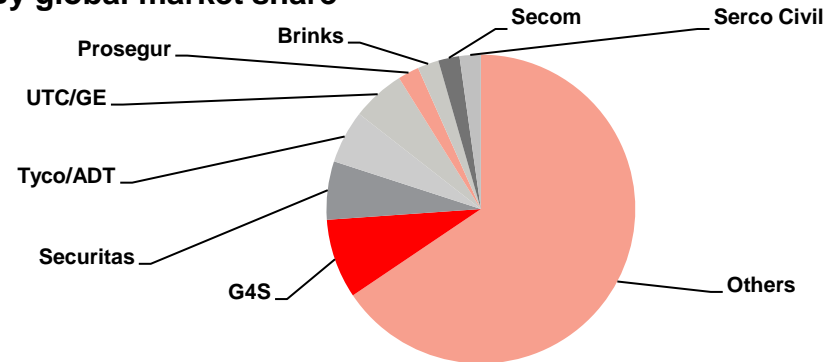
Fragmented markets except Cash Solutions

The £90bn global b2b security market – by segment and market share (2010)

By segment

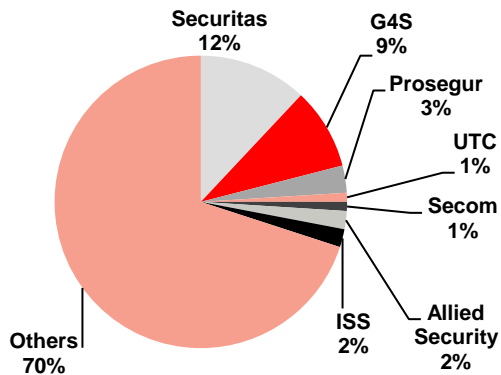


By global market share

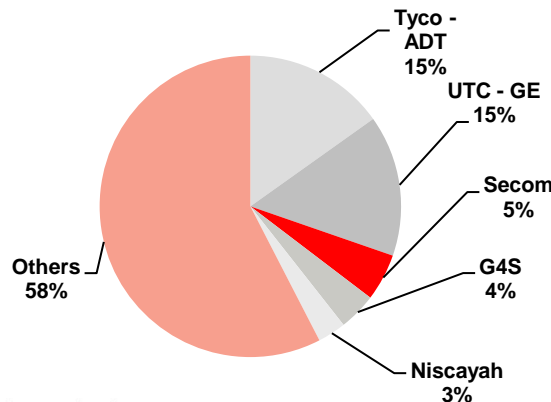


Security market segments – global market shares (2010)

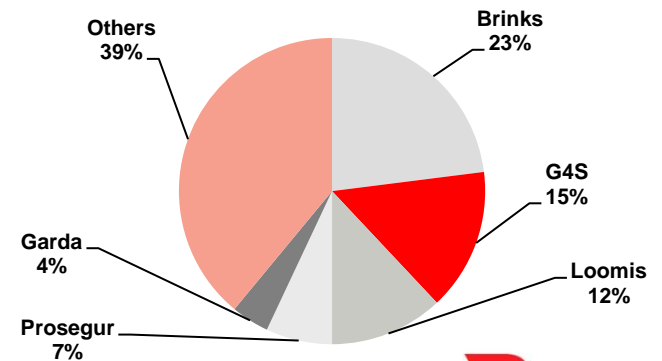
Manned Security



Security Systems



Cash Solutions



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Source: Market data & G4S estimates



G4S Market Overlap

Integrated security solutions - no direct peer



Source: Market data & G4S estimates

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Key Market Trends

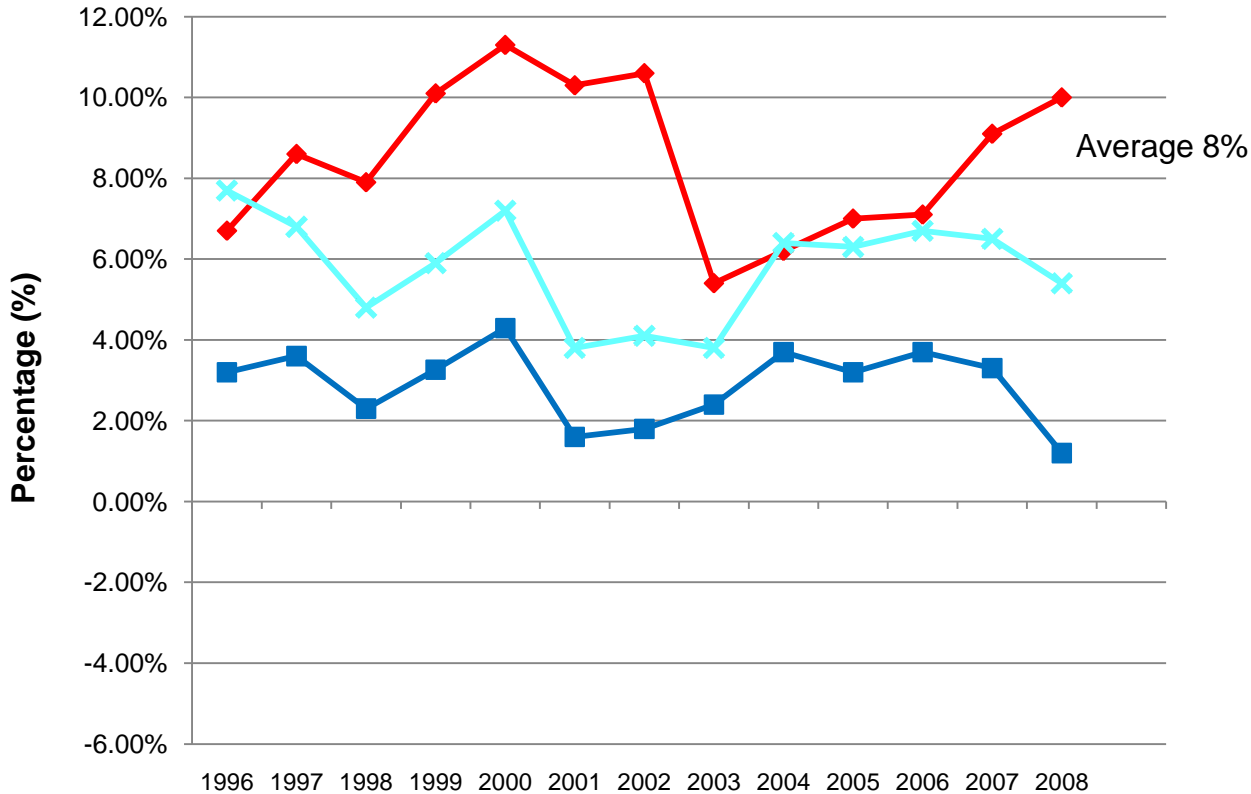
Market	Customer	Product/Service
Industry Consolidation	Facilities Management (some markets)	Innovative Technology – differentiator
Rise of New Markets to c.50% of market	Balancing customer economic and security needs	Risk Management and Consultancy a differentiator
Regulation improves standards and benefits high quality providers	Growth of internationally let contracts	Global Consistency important
Government Outsourcing		

Economic sensitivities

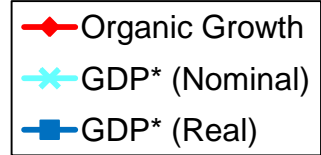
Historic Organic Growth

During a “normal” economic cycle

G4S Organic Growth 1996 to 2008 (%) vs GDP



■ No cyclical relationship during normal cycle

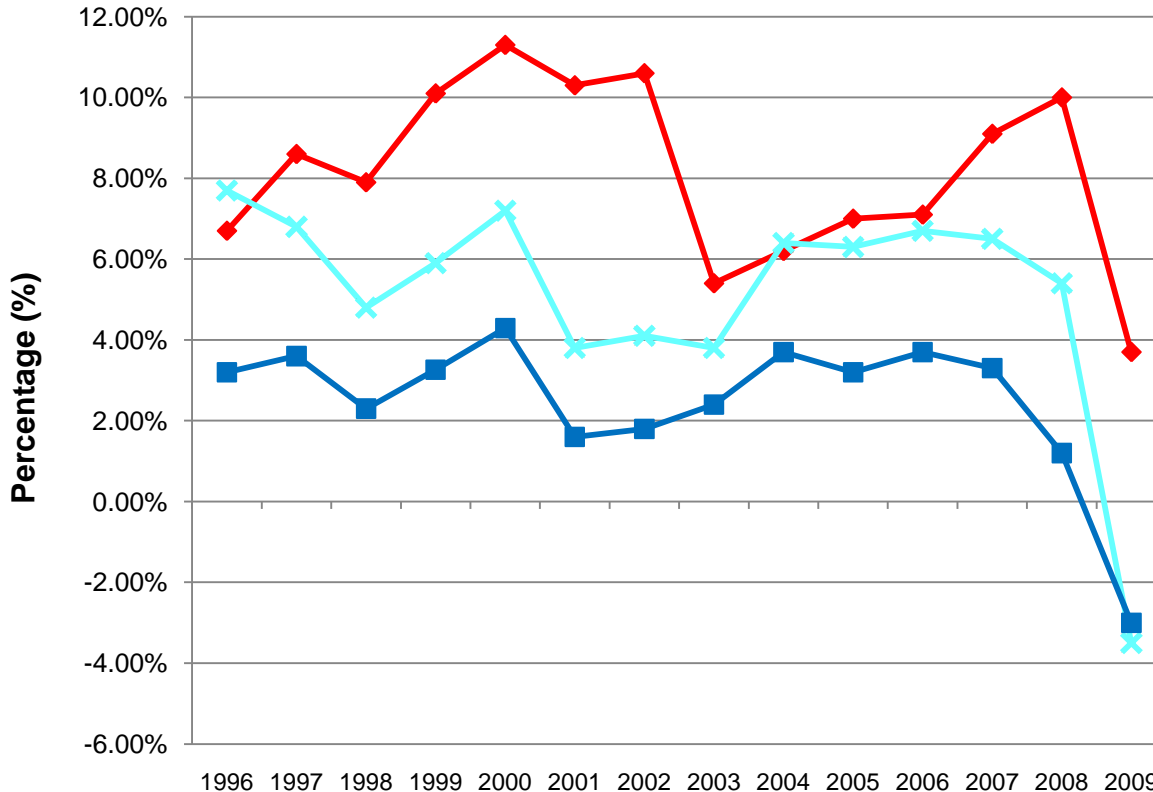


* Ex Brazil and China

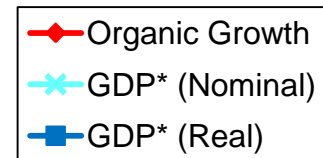
Source: Global Insight, G4S analysis

Historic Organic Growth

G4S Organic Growth 1996 to 2009 (%) vs GDP



- No cyclical relationship during normal cycle
- Defensive but not immune in a severe downturn



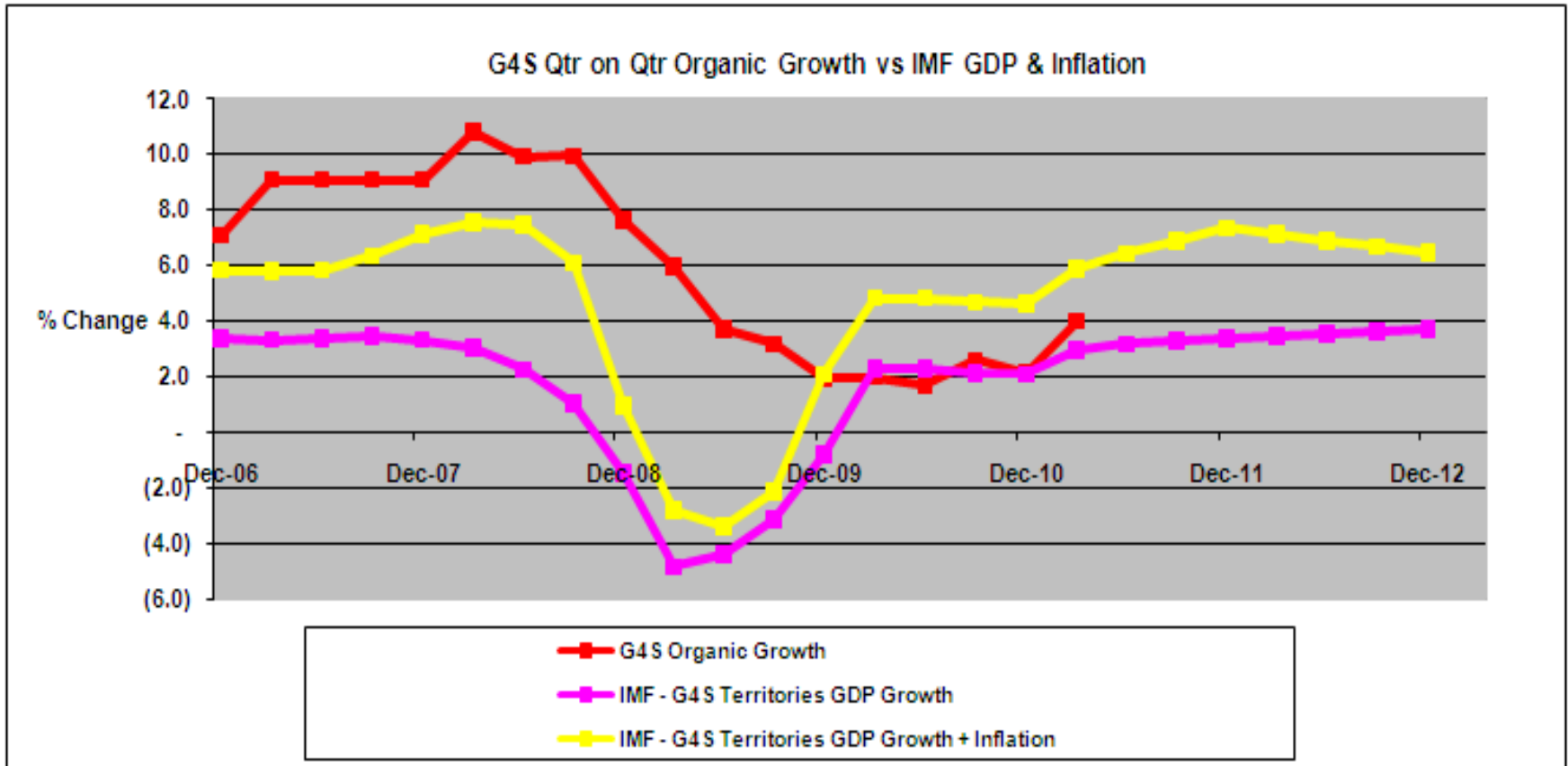
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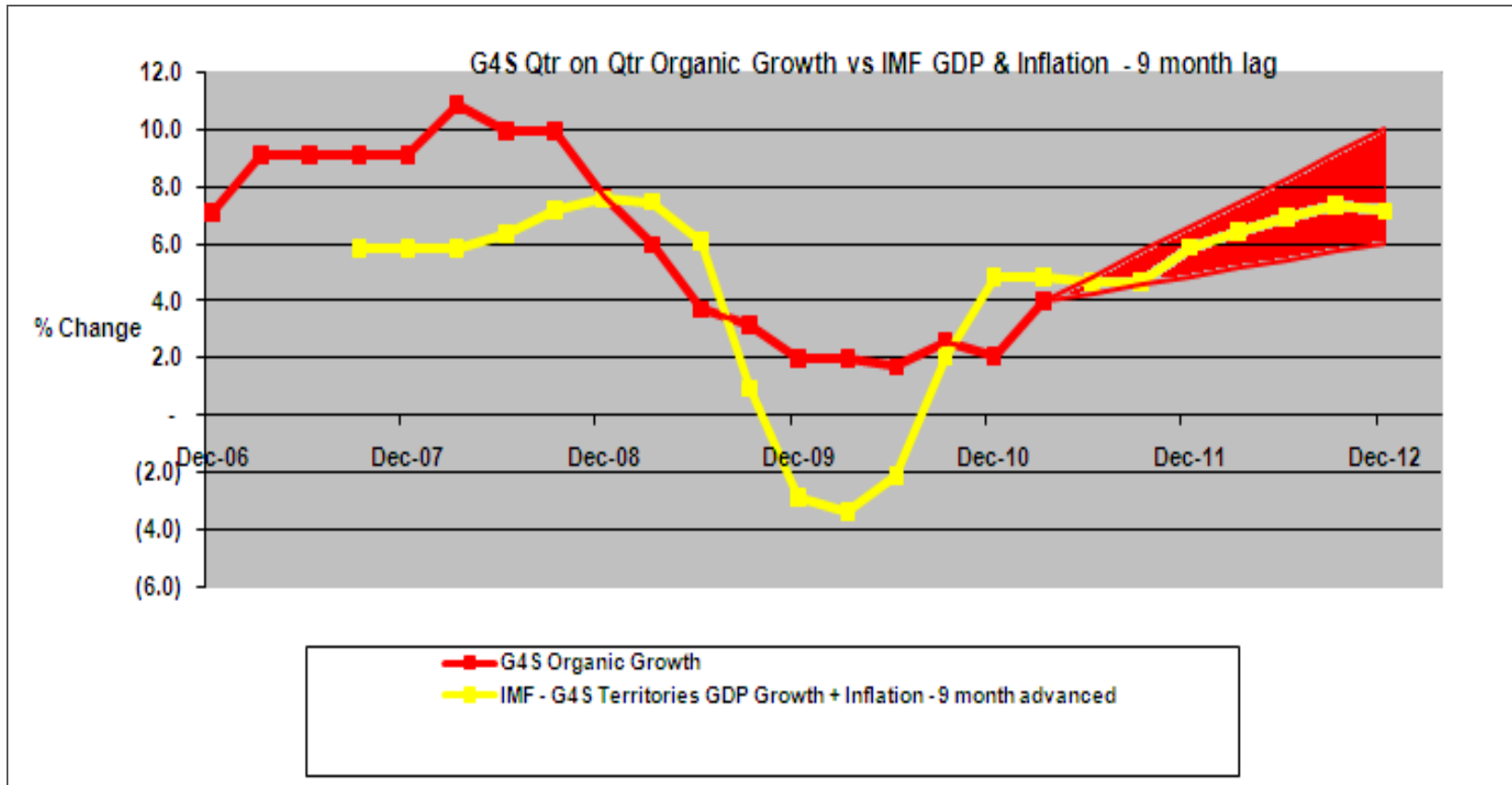
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Analysis of G4S organic growth vs. IMF GDP

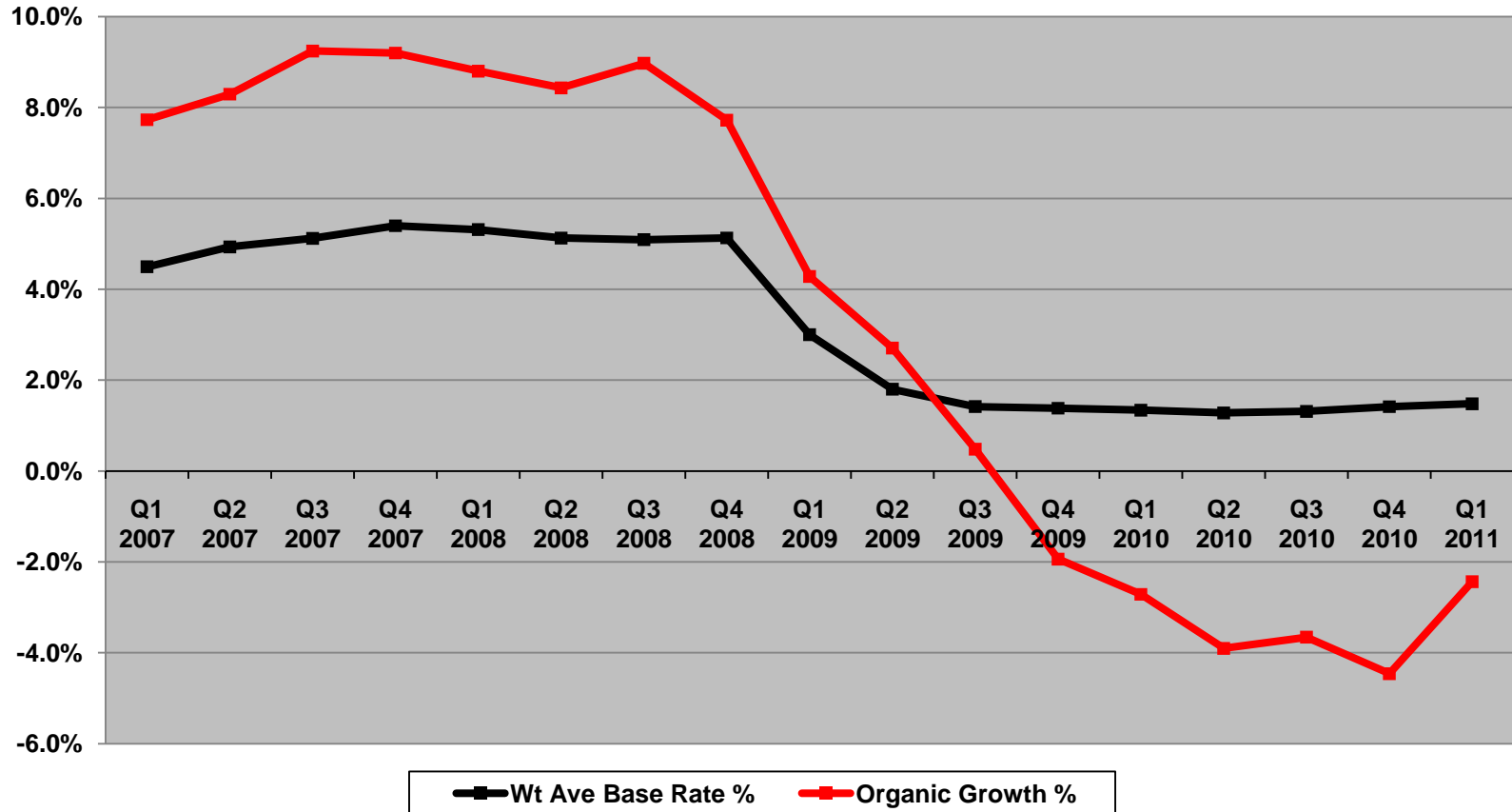


Analysis of G4S Qtr on Qtr Organic Growth vs. IMF GDP Growth + 9 months



Cash Solutions - Developed Markets

Organic Growth vs. Weighted Average Base Rate %



Economic Sensitivities of G4S

GDP/inflation

- Will deliver growth well above nominal GDP due to trends towards outsourcing and increasing global security requirements
- All business segments benefit from an inflationary environment

Interest Rates

- Base Rates below 2.5% can result in cash services reductions
- Economics of outsourcing improve at higher interest rates

Government

- Short-term margin pressure
- Budget constraints should accelerate long-term outsourcing opportunity

Contract fundamentals

- Majority of contracts include price escalators or discussion clauses
- Wage inflation helps drive organic growth

G4S Core Values

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Core Values

What G4S stands for

Customer Focus

We have close, open relationships with our customers that generate trust and we work in partnership for the mutual benefit of our organisations

Expertise

We develop and demonstrate our expertise through our innovative and leading edge approach to creating and delivering the right solution

Best People

We always take care to employ the best people, develop their competence, provide opportunity and inspire them to live our values

Teamwork & Collaboration

We collaborate for the benefit of G4S as a whole

Integrity

We can always be trusted to do the right thing

Performance

We challenge ourselves to improve performance year-on-year to create long term sustainability

Objectives

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Business Strategy

G4S is the world's leading international security solutions group which specialises in outsourcing of business processes and facilities in sectors where security and safety risks are considered as a strategic threat

B – B Markets



B – G Markets

“the assessment and management of security and safety risks for buildings, infrastructure, materials, valuables, people and society”

Long Term (5+ years) Contracts should be output based around delivery of the one or more of the following Customer's Business Objectives :-

- Revenue Growth
- Cost Management
- Critical Asset or Risk Management (including regulatory)
- Customer Service (end customer)

Key Business Objectives

Teamwork and Collaboration

Integrity

Recognised as global leader in outsourced solutions

Strong reputation for integrity & positive contribution to society

Best People

Continuously improve employee satisfaction & retention

Build talent pools to meet future business requirements

Growth

Continue organic and acquisitive growth in New Markets multi-service business

Build significant presence in China, India, Saudi Arabia & Brazil

Customer Focus

Embed customer satisfaction monitoring and focus on customer service

Expertise

Acquire significant additional capability in risk consulting and systems integration

Performance

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Integrity

CSR Achievements & Focus for 2011



2010 Achievements

- Implemented a CSR Checklist for assessing acquisitions and major investments
- Became a founder signatory to an in new International Code of Conduct for private security providers
- Introduced a group-wide simplified ethics code which can be easily understood by all employees
- CSR benchmarking exercise carried out in April 2010 – evaluation versus peers and best practice
- Commissioned independent customer survey amongst top 200 customers

2011 Focus

- Became a signatory to the UN Global Compact
- Implementing requirements of the Bribery Act
- Developing and implementing approach to Human Rights

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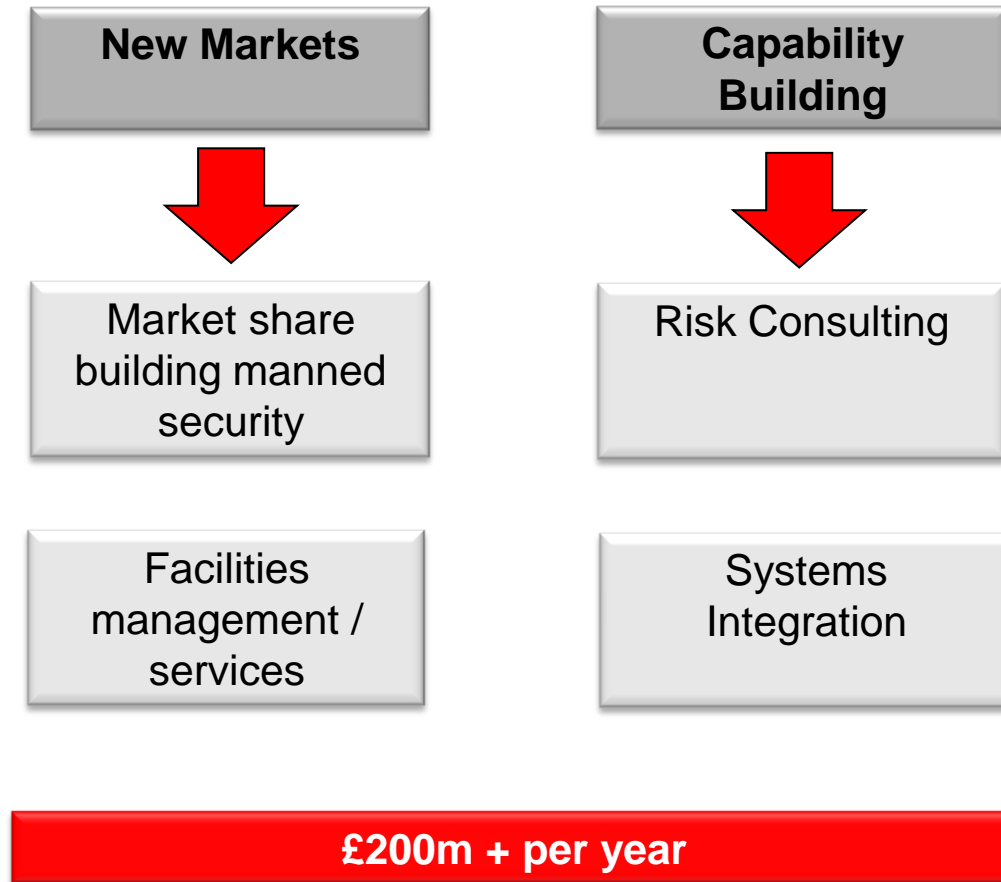
Acquisition Strategy

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Acquisitions

Key areas of focus



Summary

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Summary

Market

- Economic improvement heading in the right direction
- Positive global security market trends
- G4S uniquely positioned across key growth markets

G4S Strategic Development

- Create global secure solutions group focusing outsourcing of strategic security and risk processes
- Build on strong New Markets positions via acquisition and organic growth
- Substantial opportunity in China, Brazil, India and Saudi Arabia
- Continue building capability in US and UK markets

Acquisitions - £200m+

- Risk Consulting
- All services (including facilities) in New Markets

Performance

- Reaffirmed key financial objectives to deliver increased organic and EPS growth