G4S plc
Interim Results Announcement
January – June 2007

G4S plc, the international security solutions group, today announces its interim results for the six months to 30 June 2007.

RESULTS HIGHLIGHTS

- Good organic turnover growth of 7.5% (2006: 7.3%)
- Group turnover* up 11.8% to £2,263.9 million (2006: £2,025.3m)
- PBITA* up 15.9% to £139.5 million (2006: £120.4 m)
- Margin* improved to 6.2% (2006: 5.9%)
- Cash flow generation of £97.7 million, 71% of PBITA (2006: 85%)
- Adjusted earnings per share* increased by 11.8% to 5.7p (2006: 5.1p)
- Interim dividend up 24.9% to 2.11 pence per share DKK 0.2319 (2006: 1.69p/DKK 0.1863)
- Strong performance achieved across all regions and service lines
    - New Markets PBITA* up 38%
- Good progress made towards growth and margin targets
- Expect positive momentum to continue into the second half

* at constant exchange rates

Nick Buckles, Chief Executive Officer, commented:

“We have had a very good first half with strong performances across all regions and service lines, despite the weakening of the US dollar. We have made a number of small and medium sized acquisitions in the last six months, mainly targeted at adding further capabilities and expertise to the group – this strategy will help us to continue our security solutions approach to the market.

We are pleased to be making good progress towards our published margin and growth targets. As a result of our continuing growth, we have now broken the 500,000 employee threshold. We are very proud of our people and the high quality security solutions they provide to major organisations and strategically important locations around the world.

We expect the strong momentum achieved so far this year to continue into the second half.”

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Notes to Editors:
G4S plc is an international security solutions group, operating in over 100 countries throughout the world and employing over 500,000 people. G4S is a market leader in the provision of security services and cash services in many of the countries in which it operates. For more information on G4S, visit www.g4s.com.

Presentation of Results:
A presentation to investors and analysts is taking place today at 0900hrs at the London Stock Exchange, 10 Paternoster Square, London, EC4M 7LS. A telephone dial-in facility is available on +44 (0) 20 7162 0125.

Results

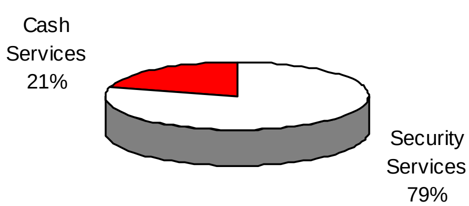
The results which follow have been prepared under International Financial Reporting Standards (IFRS), as adopted by the European Union.

Group Turnover

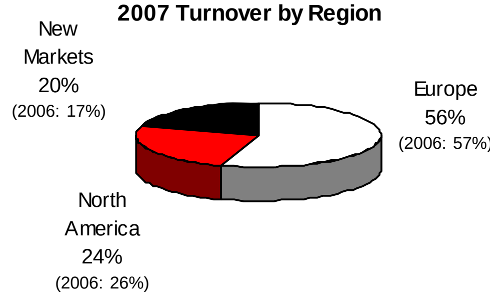
Turnover of Continuing Businesses	H107 £m	H106 £m
Turnover at constant exchange rates	2,263.9	2,025.3
Exchange difference	-	100.2
Total continuing business turnover	2,263.9	2,125.5

Turnover, at constant exchange rates, increased by 11.8% to £2,263.9 million. Organic turnover growth was 7.5%.

2007 Turnover by Service



2007 Turnover by Region



Organic Turnover Growth *	Europe	North America	New Markets	Total
Security Services	4.7%	6.5%	13.0%	6.7%
Cash Services	10.4%	(4.2%)	21.5%	10.5%
Total	6.2%	5.7%	14.4%	7.5%

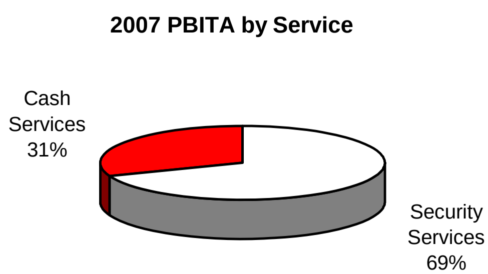
** Calculated to exclude acquisitions and disposals, and at constant exchange rates*

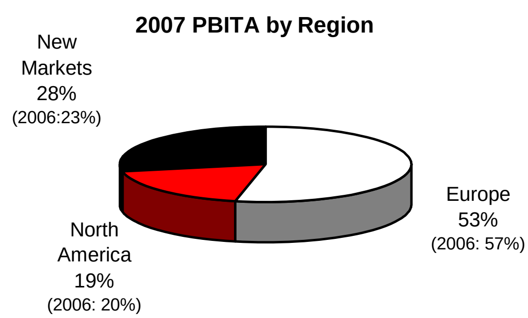
Group Profit

PBITA * of Continuing Businesses	**H107 £m**	**H106 £m**
PBITA at constant exchange rates	139.5	120.4
Exchange difference	-	6.1
Total continuing business PBITA	139.5	126.5
PBITA margin	6.2%	5.9%

** PBITA is defined as profit before interest, taxation, amortisation of acquisition-related intangible assets and exceptional items*

PBITA at constant exchange rates increased by 15.9% to £139.5 million. The PBITA margin was 6.2%.





Cash Flow and Financing

Cash Flow	**H107 £m**	**H106 £m**
Operating cash flow	97.7	106.5
Operating cash flow / PBITA	71%	85%

Operating cash flow was £97.7 million in the period, representing 71% of PBITA. Net debt at the end of the period was £801.5 million (June 2006: £669.7m, December 2006: £672.8m).

Adjusted Earnings Per Share

Adjusted Earnings per share	**H107 £m**	**H106 at constant exchange rates £m**	**H106 £m**
PBITA from continuing operations	139.5	120.4	126.5
Interest (before pensions)	(27.8)	(19.2)	(21.2)
Tax	(31.9)	(30.9)	(32.1)
Minorities	(7.1)	(5.8)	(6.0)
Adjusted profit attributable to shareholders	72.7	64.5	67.2
Average number of shares (m)	1,280.4	1,266.3	1,266.3
Adjusted EPS (p)	5.7p	5.1p	5.3p

Adjusted earnings per share increased by 7.5%, or by 11.8% at constant exchange rates.

Security Services

* At constant exchange rates	Turnover £m		PBITA £m		Margins		Organic Growth
	H107	H106	H107	H106	H107	H106	H107
Europe *	910.7	855.3	49.4	45.9	5.4%	5.4%	4.7%
North America *	515.8	481.5	27.7	25.8	5.4%	5.4%	6.5%
New Markets *	371.2	288.6	29.7	22.3	8.0%	7.7%	13.0%
Total Security Services *	1,797.7	1,625.4	106.8	94.0	5.9%	5.8%	6.7%
Exchange differences	-	88.8	-	5.1			
At actual exchange rates	1,797.7	1,714.2	106.8	99.1			

The security services division continued its strong performance with good organic growth of 6.7% and margins improving to 5.9%.

Europe

* At constant exchange rates	Turnover £m		PBITA £m		Margins		Organic Growth
	H107	H106	H107	H106	H107	H106	H107
UK & Ireland*	283.9	261.2	21.8	19.6	7.7%	7.5%	6.2%
Continental Europe *	626.8	594.1	27.6	26.3	4.4%	4.4%	4.1%
Total Europe *	910.7	855.3	49.4	45.9	5.4%	5.4%	4.7%

Organic growth in Europe was 4.7% compared to 4.5% in the same period last year. Margins were maintained at 5.4%.

There was strong organic growth in the **UK & Ireland** as the benefit of a single approach to the market across our security services and justice services product lines began to show positive results. There were a number of acquisitions made in the UK in the first half, adding further capabilities to the business mix. The business became the UK's largest event security company in the period. Margins also improved to 7.7%.

The **Netherlands** continued to build on its 2006 success with organic growth of over 6% and two capability-building acquisitions in the fire and safety sectors. Margins also improved significantly over the prior year. **Luxembourg** had a very strong first half in terms of organic growth and margin improvement.

There was also a solid performance in **Belgium**, as a result of good cost control and improved efficiencies. In **Denmark**, margins were in line with the prior year and organic growth was solid as the benefits of combining the security systems and security services businesses began to take effect.

Restructuring continues in **France** and **Sweden** to ensure that we build a long term sustainable improvement in the business performance. **Germany** has stabilised in the first half and performed well compared to the first half of 2006.

Whilst the performance in **Greece** has improved on 2006, challenges remain in the market relating to the impact of local employment legislation.

The **Baltic States** had another strong half year with double digit organic growth and very good margin improvements. **Turkey** continued to grow strongly and we commenced operations in **Serbia** during the period with a small market entry acquisition.

North America

* At constant exchange rates	Turnover £m		PBITA £m		Margins		Organic Growth
	H107	H106	H107	H106	H107	H106	H107
North America *	515.8	481.5	27.7	25.8	5.4%	5.4%	6.5%

Organic growth in North America was 6.5% overall and margins were maintained at 5.4%.

The **United States** businesses performed very well overall with a number of major contract wins in the commercial sector providing strong growth and margin improvements. Growth in the government business was lower than the same period in the prior year, mainly due to the additional revenues relating to hurricane support in the first half of 2006, however a number of recent contract wins and re-bids have secured future growth.

In **Canada** the business performed in line with our expectations including a new business win with IBM and some project work relating to local rail strikes.

New Markets

* At constant exchange rates	Turnover £m		PBITA £m		Margins		Organic Growth
	H107	H106	H107	H106	H107	H106	H107
Asia *	126.1	113.7	10.4	8.2	8.2%	7.2%	10.5%
Middle East *	84.7	56.1	7.4	5.4	8.7%	9.6%	15.0%
Africa *	84.6	66.9	7.1	5.6	8.4%	8.4%	11.7%
Latin America & Caribbean *	75.8	51.9	4.8	3.1	6.3%	6.0%	18.1%
Total New Markets *	371.2	288.6	29.7	22.3	8.0%	7.7%	13.0%

In **New Markets** organic growth was 13% and margins improved to 8.0% from 7.7% in the same period last year. A number of acquisitions were made across the region during the first half, the most significant of those being in Saudi Arabia, Africa, Pakistan and Mexico, bringing overall turnover growth to 29%.

Organic growth in **Asia** was 11% and margins improved strongly to 8.2%. **Macau** continues to benefit from a strong local economy and a fast-growing tourist industry leading to organic growth of over 20% and strong margins. **Indonesia** also experienced growth of over 20% and **India** continued to grow strongly at 29%.

In **Hong Kong** the business is much improved on the prior year and we have finalised the integration of a systems acquisition to complete our security solutions capability.

In the **Middle East** there was organic growth of 15% in the period with the key businesses in **Saudi Arabia**, **Kuwait** and the **UAE** all performing well. Margins were slightly lower than the same period last year at 8.7%, due to the acquisition of a facilities management business in Saudi Arabia changing the service mix.

In **Africa** organic growth was 12% and margins were maintained at 8.4%. In **South Africa** the business is much improved on the same period last year now that the industrial unrest appears to have settled. Good growth and margin improvements were also achieved in **Kenya** and **Nigeria.** A number of acquisitions are being integrated in many countries across the region, consolidating our position as the leading security solutions provider in Africa.

The **Latin America & Caribbean** region achieved organic growth of 18% and margins improved on the prior year to 6.3%. **Argentina** continues to grow strongly as a result of increased business in the oil & gas sector where we provide specialist services to our customers. In **Colombia** the business continues to benefit from growth in the provision of infrastructure for toll collection as tourism continues to grow in the country. **Chile** has now become our second largest business in the region with the acquisition of Segel in the second half of 2006.

A strong overall performance was achieved in the security services division, with the solid performances in Europe and North America being amplified by an outstanding performance from New Markets.

Cash Services

* At constant exchange rates	Turnover £m		PBITA £m		Margins		Organic Growth
	H107	**H106**	**H107**	**H106**	**H107**	**H106**	**H107**
Europe *	337.0	303.6	32.8	29.9	9.7%	9.8%	10.4%
North America *	38.4	40.1	0.9	0.5	2.3%	1.2%	(4.2%)
New Markets *	90.8	56.2	13.7	9.1	15.1%	16.2%	21.5%
Total Cash Services *	466.2	399.9	47.4	39.5	10.2%	9.9%	10.5%
Exchange differences	-	11.4	-	0.9			
At actual exchange rates	466.2	411.3	47.4	40.4			

The cash services division continued its very strong performance with excellent overall organic growth of 10.5%. Margins were also strong at 10.2% compared to 9.9% in the same period last year.

Organic growth in **Europe** was 10.4%. In the **UK**, whilst attack levels continue to be an issue, we maintained our strong margin performance and good growth record in the first half of the year. Our ATM business grew by around 25% as a result of customers moving towards a full service ATM proposition – we have recently won a substantial contract to replenish bank branch ATMs for Halifax Bank of Scotland which will commence in the last quarter of 2007. The UK cash management business continues to perform strongly, based on high quality service and a robust control environment.

The business in the **Netherlands** also performed well in the first half of the year with good margins and a strong contract pipeline developing into the remainder of 2007. In **Sweden** the implementation of the Swedbank ATM management contract has been very successful and the business performance has improved greatly compared to the same period last year.

Belgium, the **Czech Republic**, the **Baltics** and **Hungary** are all performing well with good organic growth and strong margins. Belgium is benefiting from a growing remote ATM market whilst the Czech Republic is growing well and achieving synergies from integrating a small acquisition.

The business in **Romania** has grown by almost 100% in the period as a result of a number of new contract wins, including the Romanian post office. We expect further contract wins to follow.

Retail Solutions pilots have commenced successfully in the UK, Netherlands and Finland. Customer reaction continues to be positive and we expect to launch this project fully towards the end of 2007, with our first contracts commencing in 2008.

In **North America**, there was negative organic growth in **Canada** in a challenging market, but margin improvement was achieved through good cost control. A new CEO has been appointed recently and we expect the business performance to improve in the second half of the year.

In **New Markets** organic growth was very strong at 21.5% and margins were also good at over 15%. There were excellent results across the region in the **Middle East**, **Asia**, **Latin America** and **Africa**.

The acquisition of Fidelity Cash Management in **South Africa** has gone extremely well and the business continues to perform strongly, building on its market leading position in a growing market place. In **Malaysia** there is significant growth in the ATM and bank outsourcing markets.

A very good performance was achieved overall in the cash services division, demonstrating our market expertise in this area and our ability to spread best practice throughout the group.

Acquisitions

The group invested £99 million in acquisitions in the first half. The largest of these were Fidelity Cash Management Services PTY in South Africa and Al Majal Service Master LLC, a facilities management business, in Saudi Arabia.

Financing

The group's primary source of finance is a £1.1bn multicurrency revolving credit facility provided by a consortium of lending banks at a margin of 0.225% over Libor. The banks exercised their options to extend the term of this facility to seven years from 28 June 2005. The facility will mature on 28 June 2012.

The group has other short term committed facilities of £40m and uncommitted facilities of £389m.

On the 1 March 2007 the group completed a USD 550m Private Placement of Notes which mature at various dates between 2014 and 2022 and bear interest at rates between 5.77% and 6.06%.

As of 30 June 2007, net debt was £801m, representing gearing of 73%. The group has sufficient borrowing capacity to finance organic and acquisitive growth.

Net interest payable on net debt in the six months to 30 June 2007 was £27.8m. This is an increase of 31% over the 2006 cost of £21.2m due principally to the rising cost of borrowing and the increase in the group's average gross debt. The payment of the 2006 final dividend (£32m) was brought forward to June this year from July. This impacted on the total cash flow in the first half.

The group's average cost of gross borrowings in H107 was 5.4% compared to 4.5% in H106. The cost as at 30 June 2007, was 5.6%

Also included within financing is net interest income of £2.8m (2006: cost of £0.6m) in respect of movements in the group's retirement benefit obligations.

Taxation

Tax has been provided for at the estimated effective tax rate for the full year of 28.6%, which is in line with the effective tax rate for the year to 31 December 2006.

Pensions

At 30 June 2007 the group's funding shortfall on defined benefit pension obligations on the valuation basis specified in IAS19 *Employee Benefits* was £55m before tax or £39m after tax, compared to £226m and £158m respectively at 31 December 2006. The value of the assets in the funds increased by £73m in the six months, including additional cash contributions of £22.5m, and the rate at which the liabilities are discounted in the UK increased from 5.2% to 5.9%.

Additional cash contributions will amount to £26m in total for 2007. This level of contribution will be reviewed annually and reassessed formally following the completion of the next actuarial valuations which for the Group 4 scheme is in respect of 31 March 2007 and for the Securicor scheme is in respect of 5 April 2009.

Dividend

The Board has declared an interim dividend for 2007 of 2.11p per share (DKK 0.2319) payable on 16 November 2007.

REVIEW AND OUTLOOK

We have made a very strong start to the year across all service lines with good organic growth and with margins moving towards our published target. Cash flow in the first half was slightly behind that of the prior year, but we are confident that we will achieve our target for the full year.

We have made a number of acquisitions this year, adding further capability and expertise to our business, which enhances our ability to deliver complex security solutions to our customers around the world.

We have broken through the 500,000 employee mark and are proud of the high quality service our employees provide to our customers at important locations around the world. It is their focus and expertise which supports our strong business performance.

We are confident that the strong results achieved in the first half will be maintained throughout the year. We will continue to make appropriate acquisitions to enhance our capabilities and build on our strong, existing business platforms across the globe.

Overall we are very satisfied with our performance so far this year and are excited about the further development of the group.

29 August 2007