



11 July 2018

G4S presents 2017 segmental results reflecting new organisation structure

In accordance with IFRS, the presentation of G4S's results from H1 2018 onwards will reflect the new organisation structure which was implemented on 1 January 2018. This saw the creation of new management structures for Secure Solutions and Global Cash Solutions which has enabled us to further strengthen the Group's strategic, commercial and operational focus in each of our core service lines .

In addition, the presentation of the Group's results will reflect the:

- elimination of the separate presentation of portfolio businesses as the portfolio programme is substantially complete; and
- introduction of the separate presentation of the impact of business disposals in the current and prior year.

These presentational changes do not change the Group's audited prior period results.

Ahead of the announcement of its half year 2018 results on 9 August, to aid comparison with prior periods, a summary of the Group's results for H1 2017 and FY 2017 reflecting the above changes and presented at average exchange rates for the six months ended 30 June 2018 is set out below:

£m	HY 2017			FY 2017		
	Revenue	Adjusted PBITA	EPS	Revenue	Adjusted PBITA	EPS
Core businesses as previously reported	3,715	235	8.3	7,427	496	17.9
Portfolio businesses as previously reported	200	2	(0.1)	282	(5)	(1.0)
Business disposals: 2017 & 2018	(156)	(10)	(0.4)	(197)	(14)	(0.4)
Underlying businesses at actual exchange rates	3,759	227	7.8	7,512	477	16.5
Exchange differences	(167)	(9)	(0.5)	(257)	(14)	(0.5)
Underlying businesses at H1 2018 exchange rates	3,592	218	7.4	7,255	463	16.1

Reconciliations of the segmental and total group results as previously reported to those reported in the new structure are set out at the end of this announcement.

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Notes to Editors:

G4S is the leading global, integrated security company, specialising in the provision of security services and solutions to customers. Our mission is to create material, sustainable value for our customers and shareholders by being the supply partner of choice in all our markets.

G4S is quoted on the London Stock Exchange and has a secondary stock exchange listing in Copenhagen. G4S is active in around 90 countries and has around 570,000 employees. For more information on G4S, visit www.g4s.com.

Reconciliation of segmental results for the six months ended 30 June 2017 to the new organisational structure

	Core businesses as previously reported (a)	Cash Solutions (b)	Secure Solutions (c)	Core businesses in new structure	Portfolio businesses (d)	Disposed businesses (e)	Underlying businesses at actual exchange rates	Exchange differences (f)	Underlying businesses at H1 2018 exchange rates
Revenue - £m									
Africa	228	(34)	-	194	6	(1)	199	(10)	189
Asia	367	(115)	179	431	13	(13)	431	(28)	403
Middle East & India	427	(27)	(179)	221					
Europe	654	(146)	-	508					
United Kingdom & Ireland	649	(144)	-	505					
Europe & Middle East	1,730	(317)	(179)	1,234	97	(103)	1,228	(6)	1,222
Latin America	350	(22)	-	328					
North America	1,040	(149)	-	891					
Americas	1,390	(171)	-	1,219	41	(23)	1,237	(106)	1,131
Cash Solutions	-	637	-	637	43	(16)	664	(17)	647
Total Core/Underlying	3,715	-	-	3,715	200	(156)	3,759	(167)	3,592

Adjusted PBITA (g) - £m

Africa	24	(9)	-	15	1	(1)	15	(1)	14
Asia	30	(16)	14	28	1	(1)	28	(2)	26
Middle East & India	34	(1)	(14)	19					
Europe	48	(20)	-	28					
United Kingdom & Ireland	53	(14)	-	39					
Europe & Middle East	135	(35)	(14)	86	5	(5)	86	-	86
Latin America	15	(3)	-	12					
North America	57	(17)	-	40					
Americas	72	(20)	-	52	-	(2)	50	(3)	47
Cash Solutions	-	80	-	80	(5)	(1)	74	(3)	71
Total before corporate costs	261	-	-	261	2	(10)	253	(9)	244
Corporate costs	(26)	-	-	(26)	-	-	(26)	-	(26)
Total Core/Underlying	235	-	-	235	2	(10)	227	(9)	218

	Core businesses as previously reported	Portfolio businesses (d)	Disposed businesses (e)	Underlying businesses at actual exchange rates	Exchange differences (f)	Underlying businesses at H1 2018 exchange rates
Other financial KPIs - £m						
Profit before tax	181	1	(10)	172	(10)	162
Profit after tax	138	(1)	(7)	130	(7)	123
Earnings	128	(1)	(6)	121	(7)	114
Earnings per share - p	8.3	(0.1)	(0.4)	7.8	(0.5)	7.4
Operating cash flow	192	(3)	(6)	183	-	183

Reconciliation to statutory results	Underlying businesses at actual exchange rates	Add back: Disposed businesses (e)	Restructuring	Onerous contracts	Acquisition related amortisation and other	Statutory results at actual exchange rates	Exchange differences (f)	Statutory results at H1 2018 exchange rates
Other financial KPIs - £m								
Profit before tax	172	10	(14)	(5)	55	218	(12)	206
Profit after tax	130	7	(11)	(4)	42	164	(8)	156
Earnings	121	6	(11)	(4)	38	150	(8)	142
Earnings per share - p	7.8	0.4	(0.7)	(0.3)	2.5	9.7	(0.5)	9.2
Operating cash flow	183	6	(13)	-	-	176	-	176

Reconciliation of segmental results for the year ended 31 December 2017 to the new organisational structure

	Core businesses as previously reported (a)	Cash Solutions (b)	Secure Solutions (c)	Core businesses in new structure	Portfolio businesses (d)	Disposed businesses (e)	Underlying businesses at actual exchange rates	Exchange differences (f)	Underlying businesses at H1 2018 exchange rates
Revenue - £m									
Africa	457	(70)	-	387	12	(3)	396	(13)	383
Asia	736	(223)	358	871	25	(25)	871	(45)	826
Middle East & India	845	(54)	(358)	433					
Europe	1,356	(303)	-	1,053					
United Kingdom & Ireland	1,334	(293)	-	1,041					
Europe & Middle East	3,535	(650)	(358)	2,527	102	(115)	2,514	(20)	2,494
Latin America	693	(41)	-	652					
North America	2,006	(225)	-	1,781					
Americas	2,699	(266)	-	2,433	56	(23)	2,466	(160)	2,306
Cash Solutions	-	1,209	-	1,209	87	(31)	1,265	(19)	1,246
Total Core/Underlying	7,427	-	-	7,427	282	(197)	7,512	(257)	7,255

Adjusted PBITA (g) - £m

Africa	46	(18)	-	28	1	(1)	28	(1)	27
Asia	65	(32)	27	60	-	-	60	(3)	57
Middle East & India	58	-	(27)	31					
Europe	104	(43)	-	61					
United Kingdom & Ireland	120	(35)	-	85					
Europe & Middle East	282	(78)	(27)	177	4	(8)	173	(1)	172
Latin America	29	(7)	-	22					
North America	123	(25)	-	98					
Americas	152	(32)	-	120	-	(2)	118	(7)	111
Cash Solutions	-	160	-	160	(10)	(3)	147	(2)	145
Total before corporate costs	545	-	-	545	(5)	(14)	526	(14)	512
Corporate costs	(49)	-	-	(49)	-	-	(49)	-	(49)
Total Core/Underlying	496	-	-	496	(5)	(14)	477	(14)	463

	Core businesses as previously reported	Portfolio businesses (d)	Disposed businesses (e)	Underlying businesses at actual exchange rates	Exchange differences (f)	Underlying businesses at H1 2018 exchange rates
Other financial KPIs - £m						
Profit before tax	383	(7)	(14)	362	(11)	351
Profit after tax	291	(14)	(7)	270	(8)	262
Earnings	277	(15)	(6)	256	(7)	249
Earnings per share - p	17.9	(1.0)	(0.4)	16.5	(0.5)	16.1
Operating cash flow	527	(7)	(9)	511	-	511

Reconciliation to statutory results	Underlying businesses at actual exchange rates	Add back: Disposed businesses (e)	Restructuring	Onerous contracts	Acquisition related amortisation and other	Statutory results at actual exchange rates	Exchange differences (f)	Statutory results at H1 2018 exchange rates
Other financial KPIs - £m								
Profit before tax	362	14	(20)	(19)	49	386	(11)	375
Profit after tax	270	7	(16)	(15)	12	258	(8)	250
Earnings	256	6	(16)	(15)	5	236	(8)	228
Earnings per share - p	16.5	0.4	(1.0)	(1.0)	0.3	15.2	(0.5)	14.7
Operating cash flow	511	9	(19)	-	-	501	-	501

a) Results from core businesses as previously reported in the Group's results for the six months ended 30 June 2017 or the year ended 31 December 2017 as appropriate. Segment results were presented geographically with segments combining Secure Solutions and Cash Solutions.

b) As reported in the 2017 Integrated Report and Accounts, in January 2018 the Group created a new 'Cash Solutions' division. This column presents the re-classification of the results from the Cash Solutions businesses that were previously reported in the geographical segments into the new Cash Solutions division.

c) With effect from 1 January 2018, the Secure Solutions division was consolidated into four regions: Americas, Europe & Middle East, Africa and Asia. Following this re-organisation, the results of certain businesses previously reported in the Middle East & India region (primarily India and Bangladesh) are now reported in the Asia region.

d) As reported in the 2017 Integrated Report and Accounts, the Group's portfolio business divestment and closure programme is now materially complete. The financial impact of portfolio businesses is no longer material and to simplify reporting moving forwards, the Group has ceased separate columnar disclosure of these businesses.

e) To present results on a consistent and comparable basis, the results from any businesses sold in either the current or prior periods are excluded from the underlying businesses in both the current and prior periods. These include the Youth Services businesses in North America, the children's homes business in the UK and Group businesses in Israel and Bulgaria in 2017 and the document storage business in Kenya and the Group's businesses in Hungary in 2018.

f) The 30 June 2017 results were presented at average exchange rates for the six months ended 30 June 2017 and those for the year ended 31 December 2017 were presented at average exchange rates for the year ended 31 December 2017. The comparative results have been re-presented at average exchange rates for the six months ended 30 June 2018.

g) Adjusted PBITA is an Alternative Performance Measure as defined in the 2017 Integrated Report and Accounts, together with restructuring, acquisition-related amortisation, specific and other items.