

G4S plc

Capital Markets Day

18 May 2010

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Legal Disclaimer

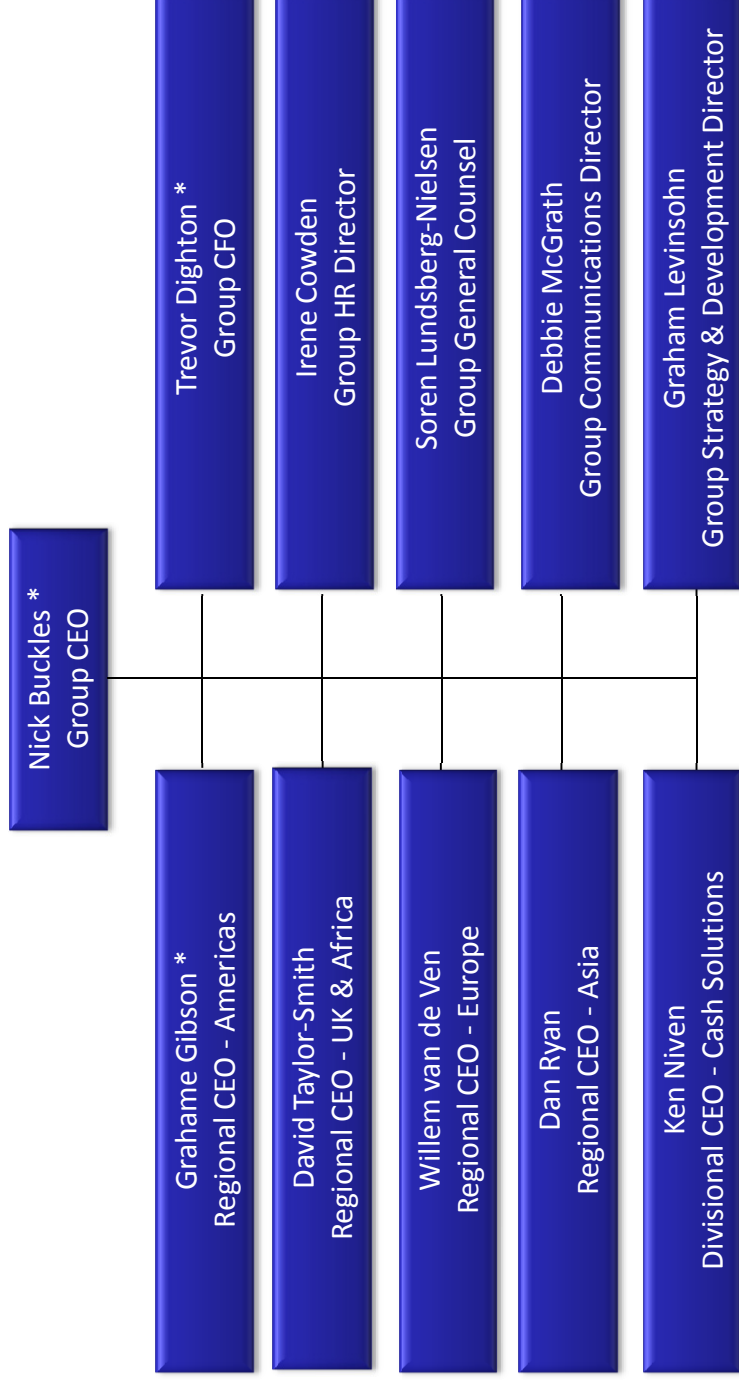
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Nick Buckles
Group CEO

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Group Executive Structure



* G4S plc Board member

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Agenda

Session One

Presentation Title	Presenter
Introduction	Alf Duch-Pedersen Chairman
Strategy Update	Nick Buckles Group CEO
Cash Solutions	Ken Niven Divisional President – Cash Solutions
Secure Solutions - US Commercial	Grahame Gibson Group COO & Divisional President
Q&A	All
Coffee Break	

Agenda

Session Two

Presentation Title	Presenter
Government	David Taylor-Smith CEO, Secure Solutions - UK & Ireland
Sector Strategy	Graham Levinsohn Group Strategy & Development Director
Ports	David Fairnie Director – Global Ports Solutions
Oil & Gas	Jorge Machnizh Director - Global Oil and Gas Solutions
Financials	Trevor Dighton Group CFO
Q&A	All
Lunch	

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Alf Duch-Pedersen

Chairman

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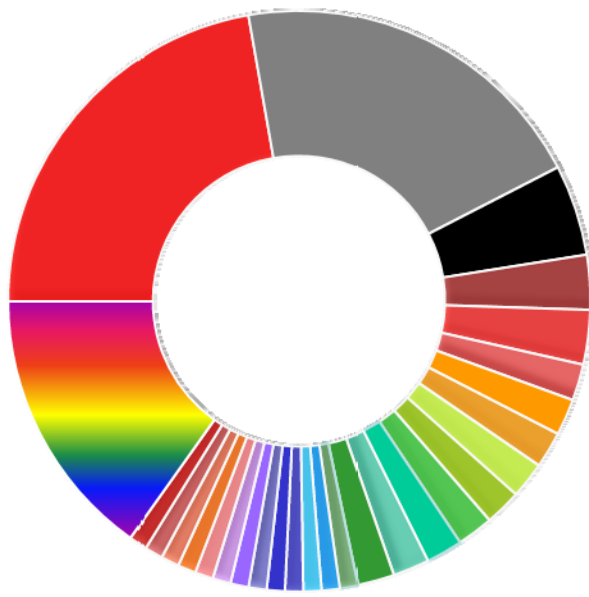


G4S Overview

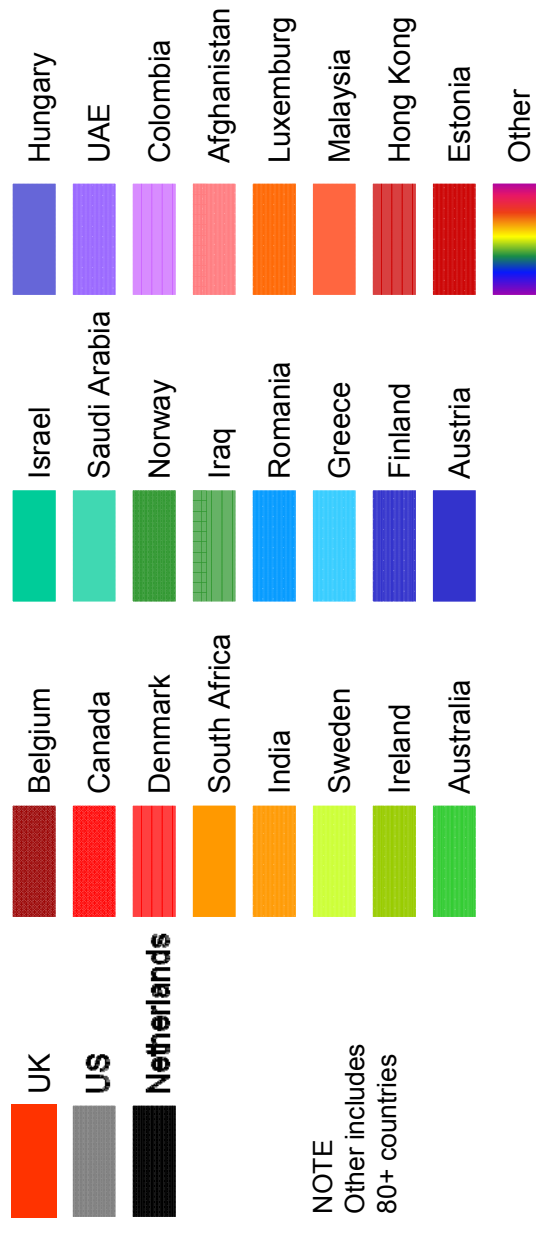
Since 2004 merger

- Grown from 385,000 employees to 600,000 today
- Revenues doubled to over £7 billion p.a
- PBITA growth of 18% per annum
- Retained multi-service strategy whilst others were narrowing service lines
- Acquired extensive capabilities in key sectors
- Generated excellent shareholder returns
- Continued to invest in high quality management to deliver the strategy
- Strategy will drive continued growth and development

Diversified Geographic Footprint

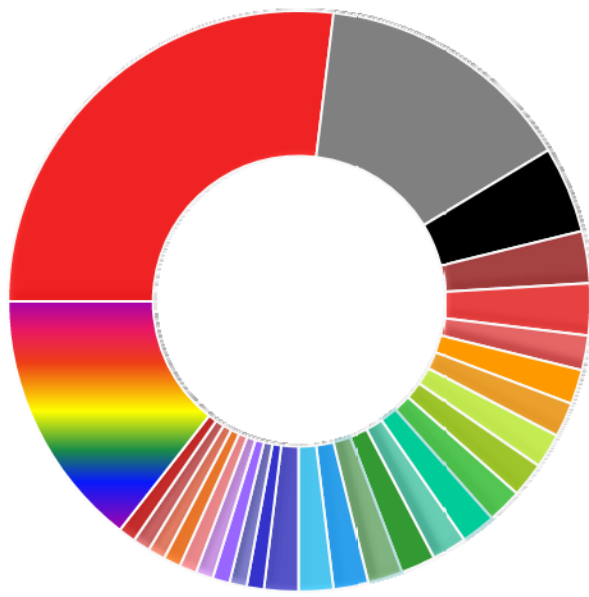


2009 Turnover by country (%)

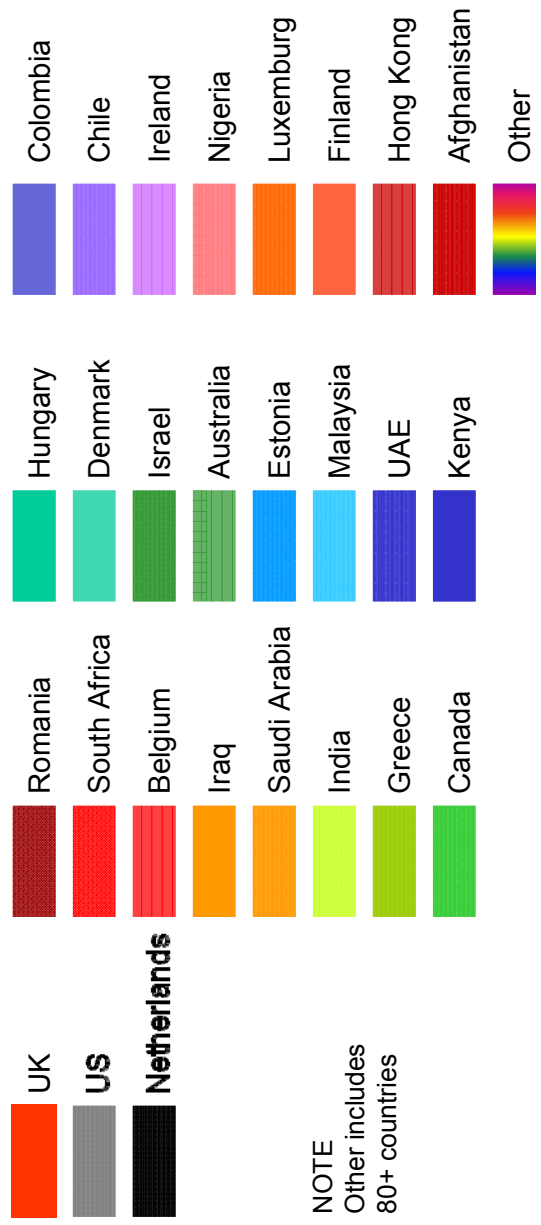


NOTE
Other includes
80+ countries

Diversified Geographic Footprint

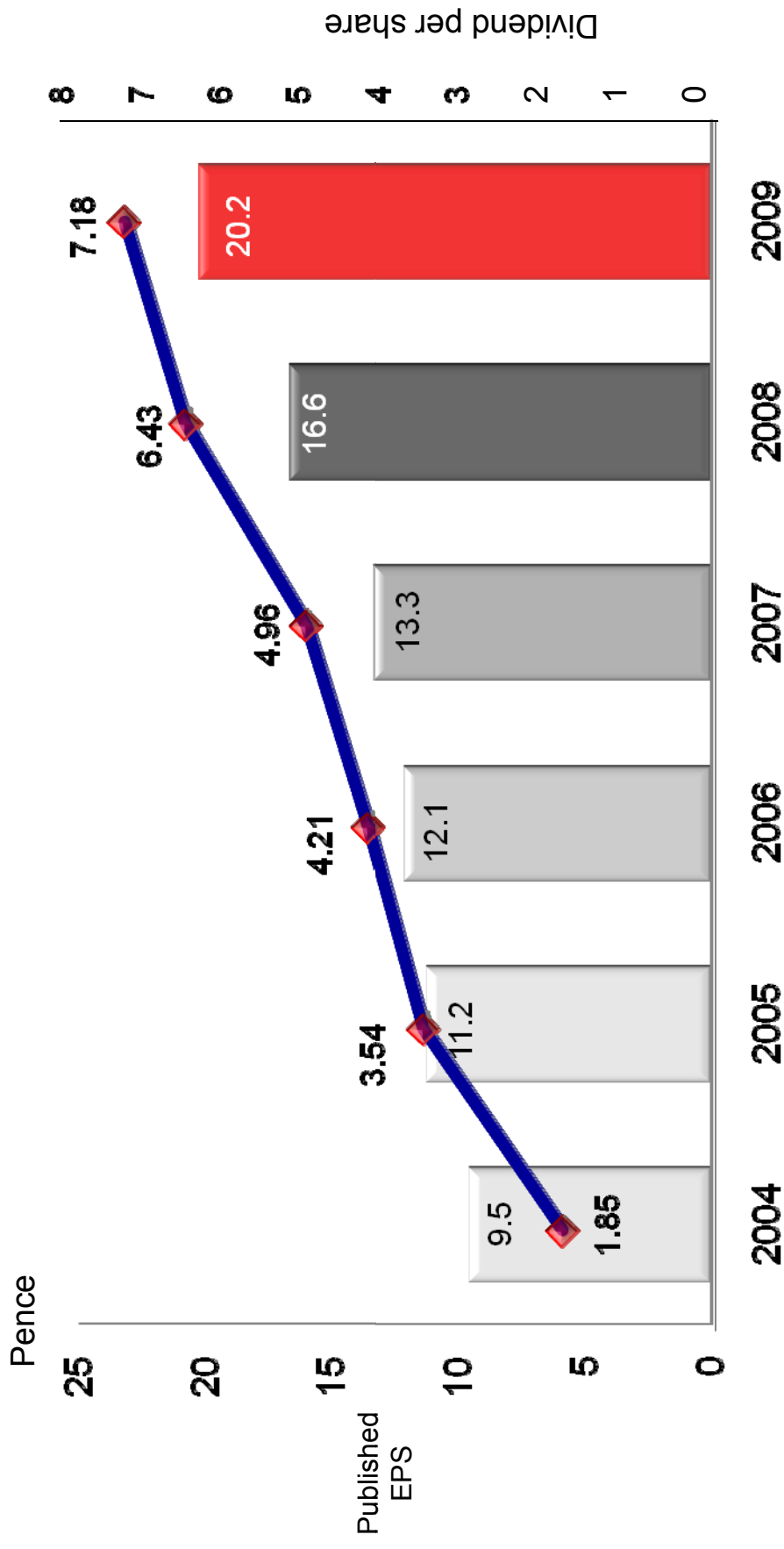


2009 PBITA by country (%)



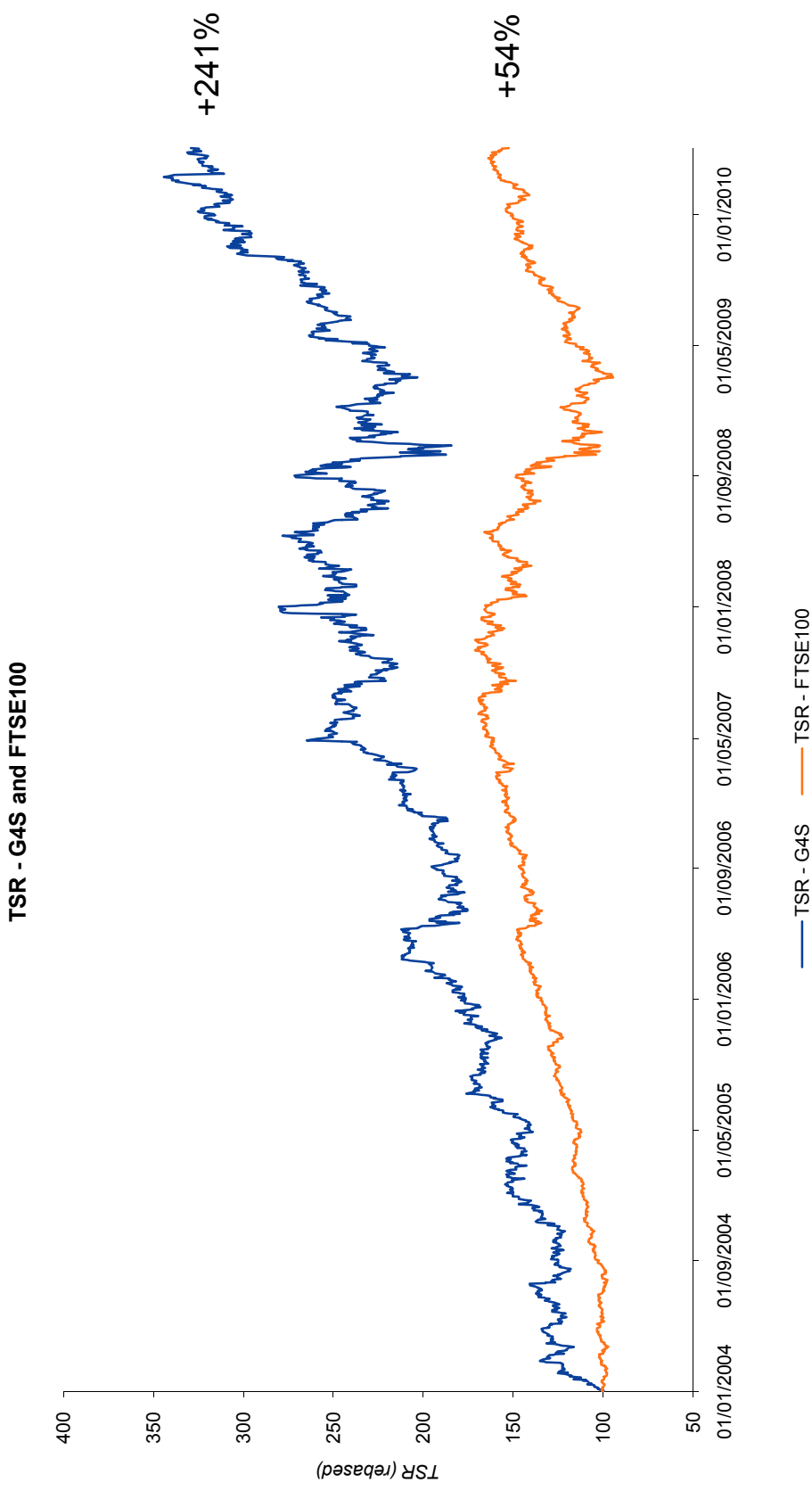
NOTE
Other includes
80+ countries

Adjusted EPS and Dividend 2004 -2009



TSR Development

G4S v FTSE 100 Comparison (Jan 04 – May 10)



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Nick Buckles
Group CEO

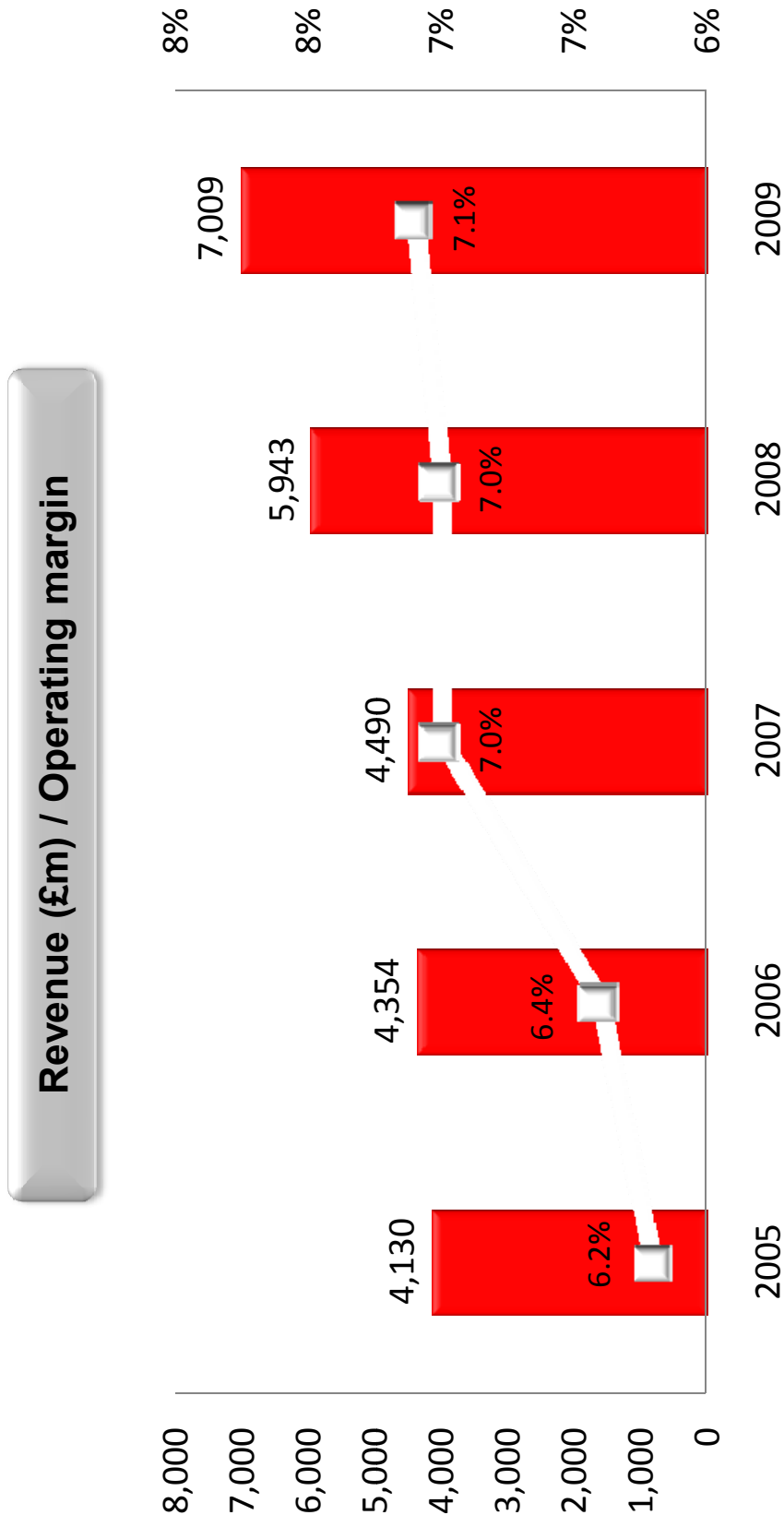
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Agenda

- Historical financial performance
- Investor proposition
- Delivering shareholder value
- Economic sensitivities
- Margin development
- Strategy overview
- Market characteristics

Historical Financial Performance*



* As reported and pre-disposals

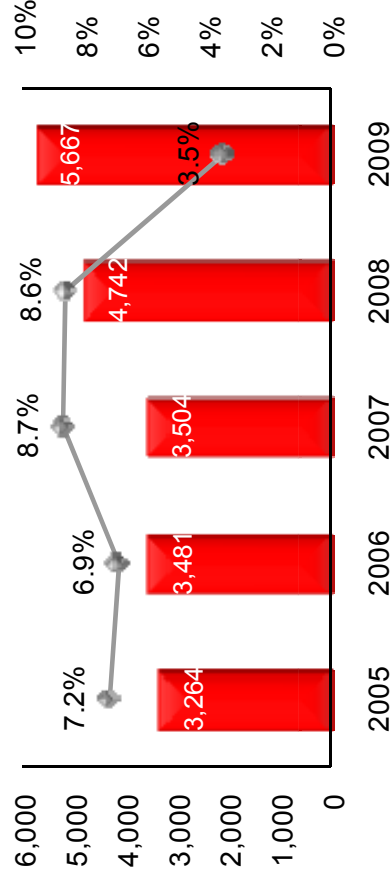
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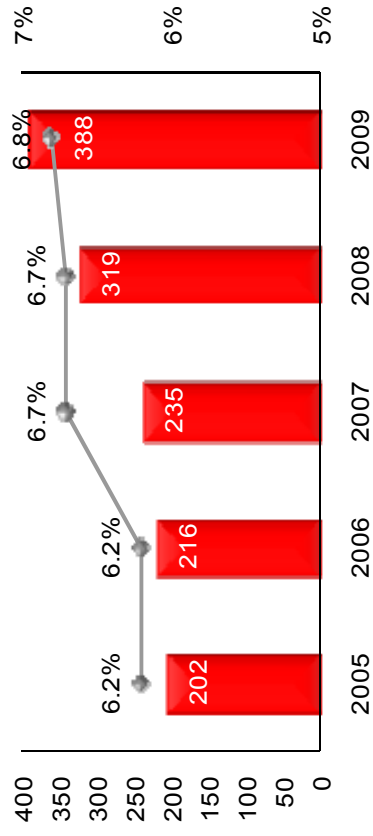
Historical Financial Performance*

Secure Solutions

Turnover and organic growth (£m)

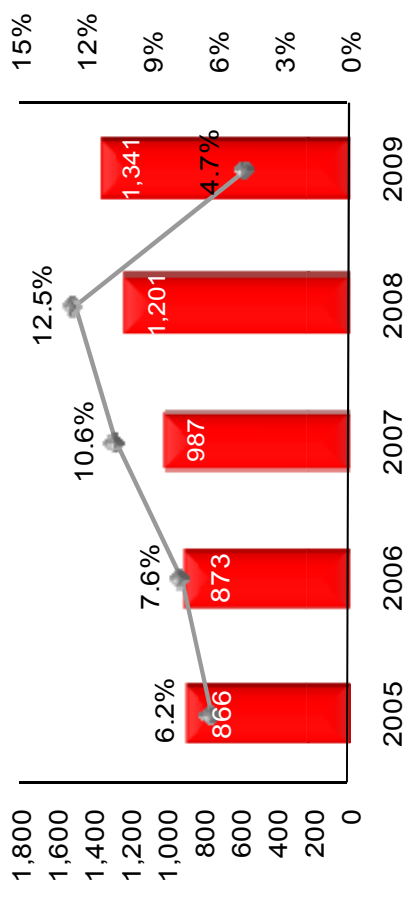


PBITA (£m) and PBITA margin**

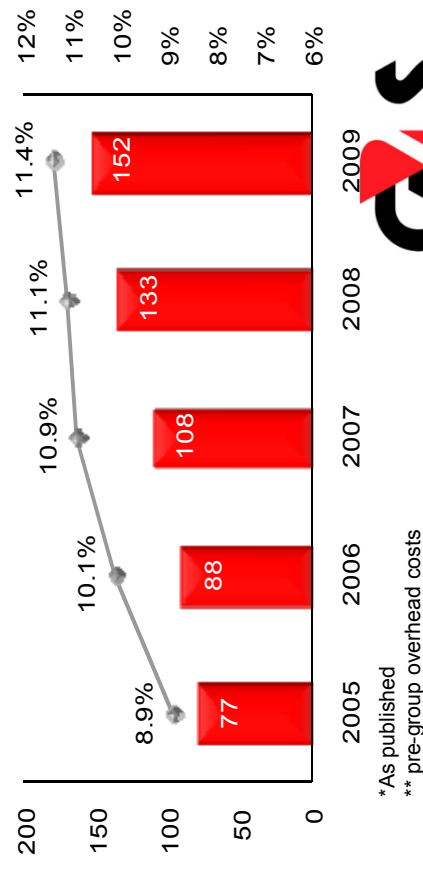


Cash Solutions

Turnover and organic growth (£m)



PBITA (£m) and PBITA margin**



*As published
** pre-group overhead costs

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Investor Proposition

Integrated security

- Key differentiator for the group
- Bring together project management, risk consultancy, physical security, intelligent systems and security personnel to solve security challenges for customers

Unrivalled cash solutions expertise

- Cash cycle management is a core competency
- Ability to drive substantial efficiencies for customers
- Achieving maximum financial return for our customers
- Substantial opportunity for continued outsourcing
- Market leading growth and margins for G4S

Government partnerships

- Substantial government contract base
- Public sector spending continuing under pressure
- Strategic partnerships
- Strong, long-term source of future growth

Strong “New Markets” positions

- Unrivalled global presence and experience of less developed markets
- 26% of revenue and 32% of 2009 PBITA
- Well positioned for structural growth opportunities
- Ability to drive development forward in industry sectors
- Increasing outsourcing trends

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Investor Proposition cont'd

Solutions approach

Greatest value achieved from

- Exporting government expertise into new countries
- Leveraging cash solutions model across New Markets
- Using global risk management & security capability to protect the world's most famous brands

Strong financial returns

- 85%+ of PBITA cash conversion for the last 5 years
- 15% ROIC per year and EPS CAGR of 16% over last 5 years
- Average organic growth of 8% between '96 to '08 and 3.7% in 2009
- Continued margin improvements from 6.2% in 2005 to 7.1% in 2009

Defensive characteristics

- Strong performance in 2009 despite economic pressures
- Expect to grow well above global nominal GDP in a normal economic cycle

Capability building acquisitions

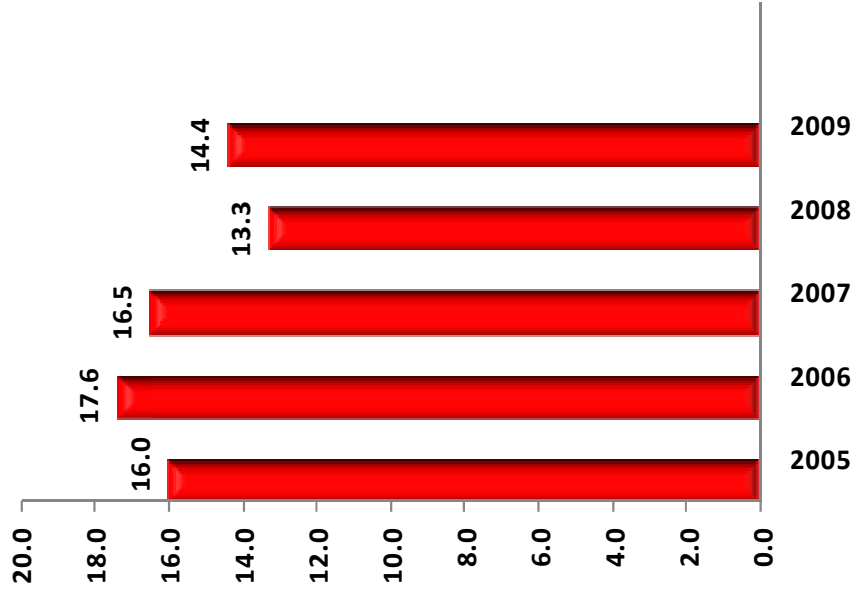
- EPS accretive
- Increase competitive differentiation/enhance customer offering
- Add capability to spread through geographic network

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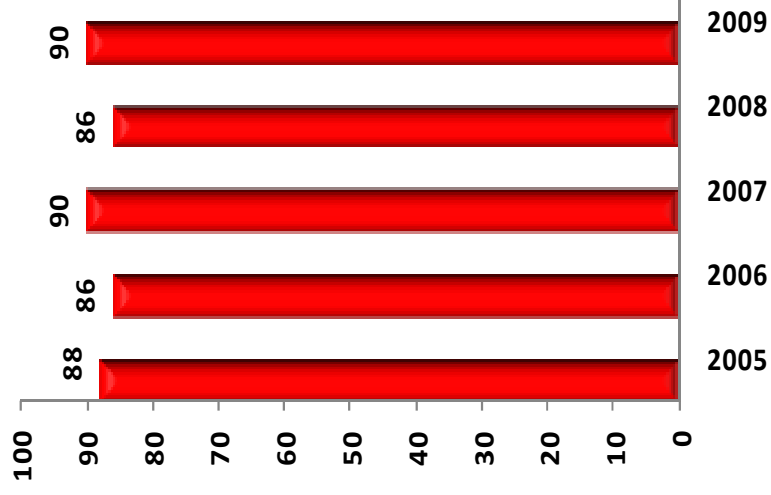


Delivering Shareholder Value

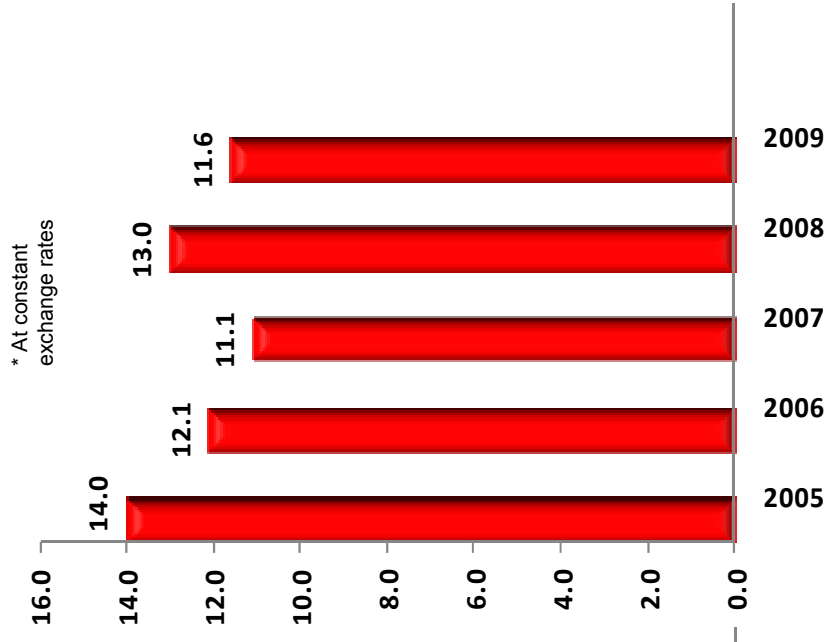
ROIC %



Cash Conversion %



EPS Growth % *



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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

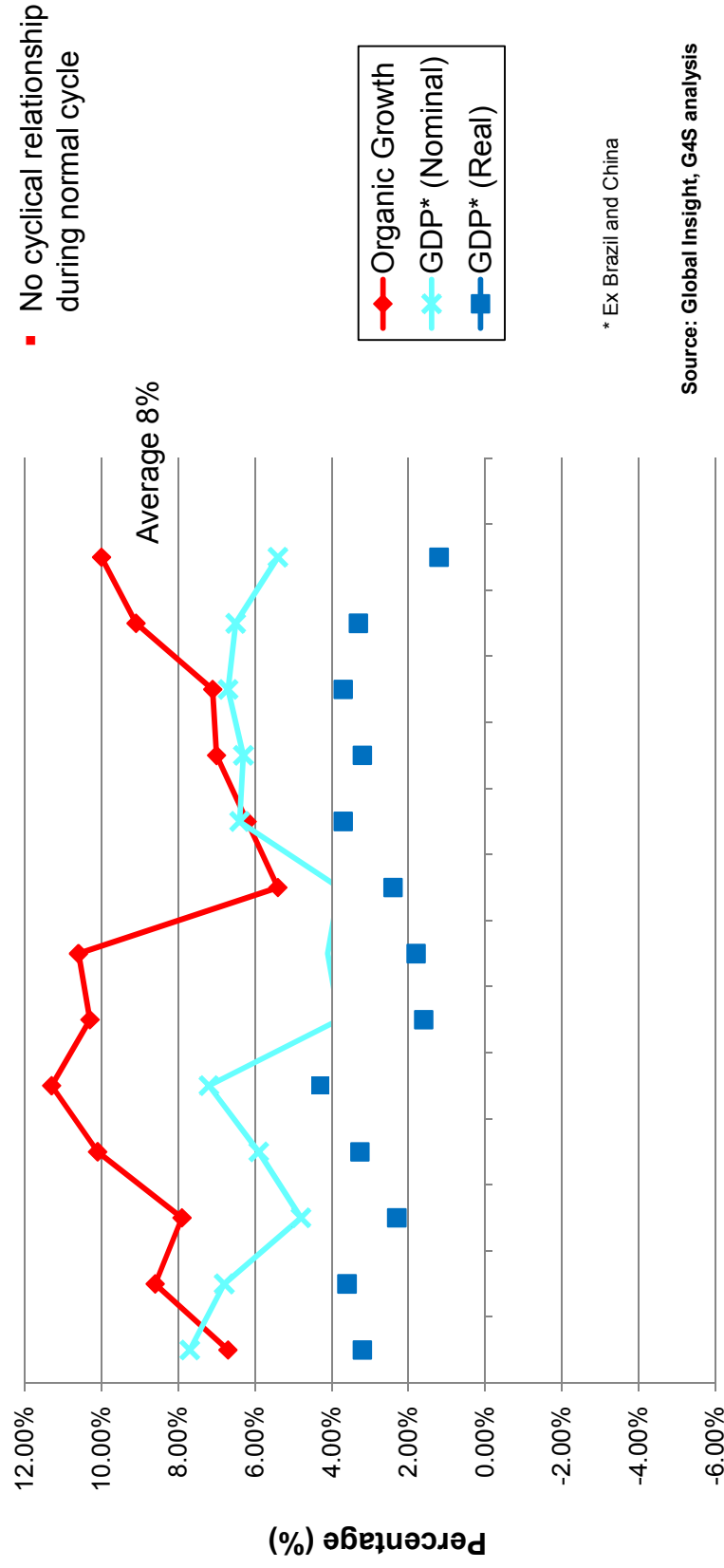
Government

- Long-term contracts
- Budget constraints should accelerate long-term outsourcing opportunity

Historic Organic Growth

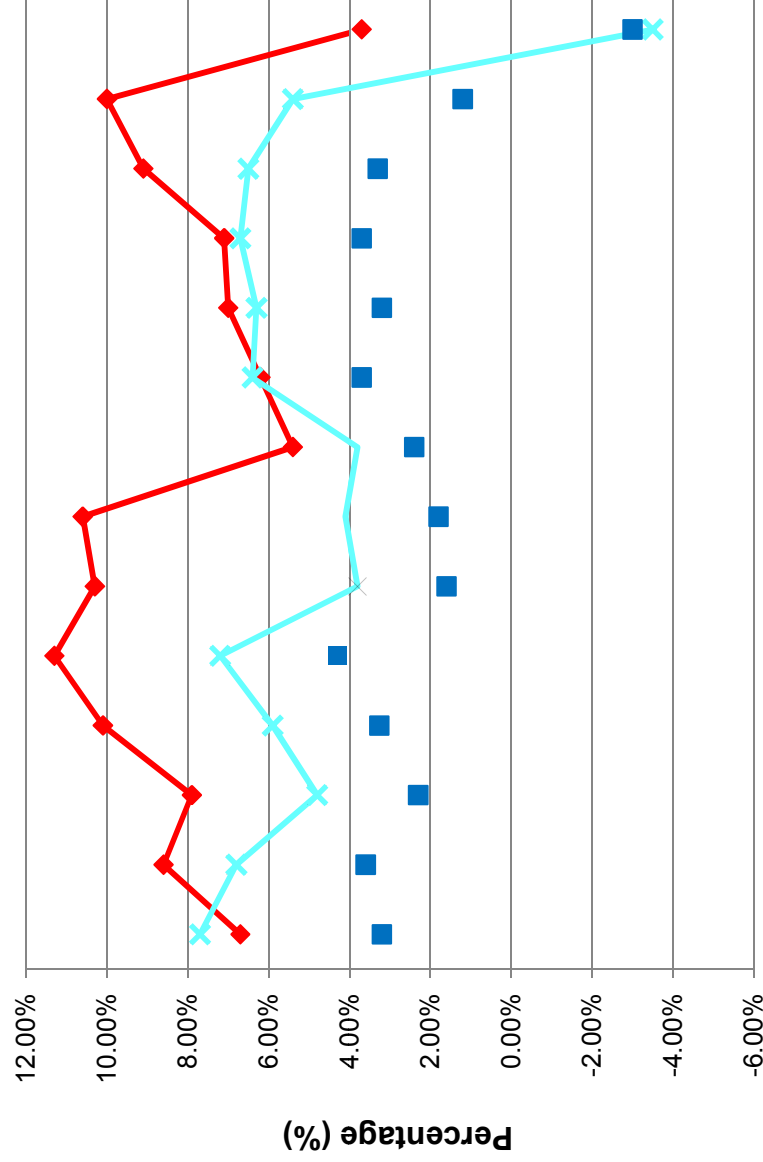
During a “normal” economic cycle

G4S Organic Growth 1996 to 2008 (%) vs GDP



Historic Organic Growth

G4S Organic Growth 1996 to 2009 (%) vs GDP



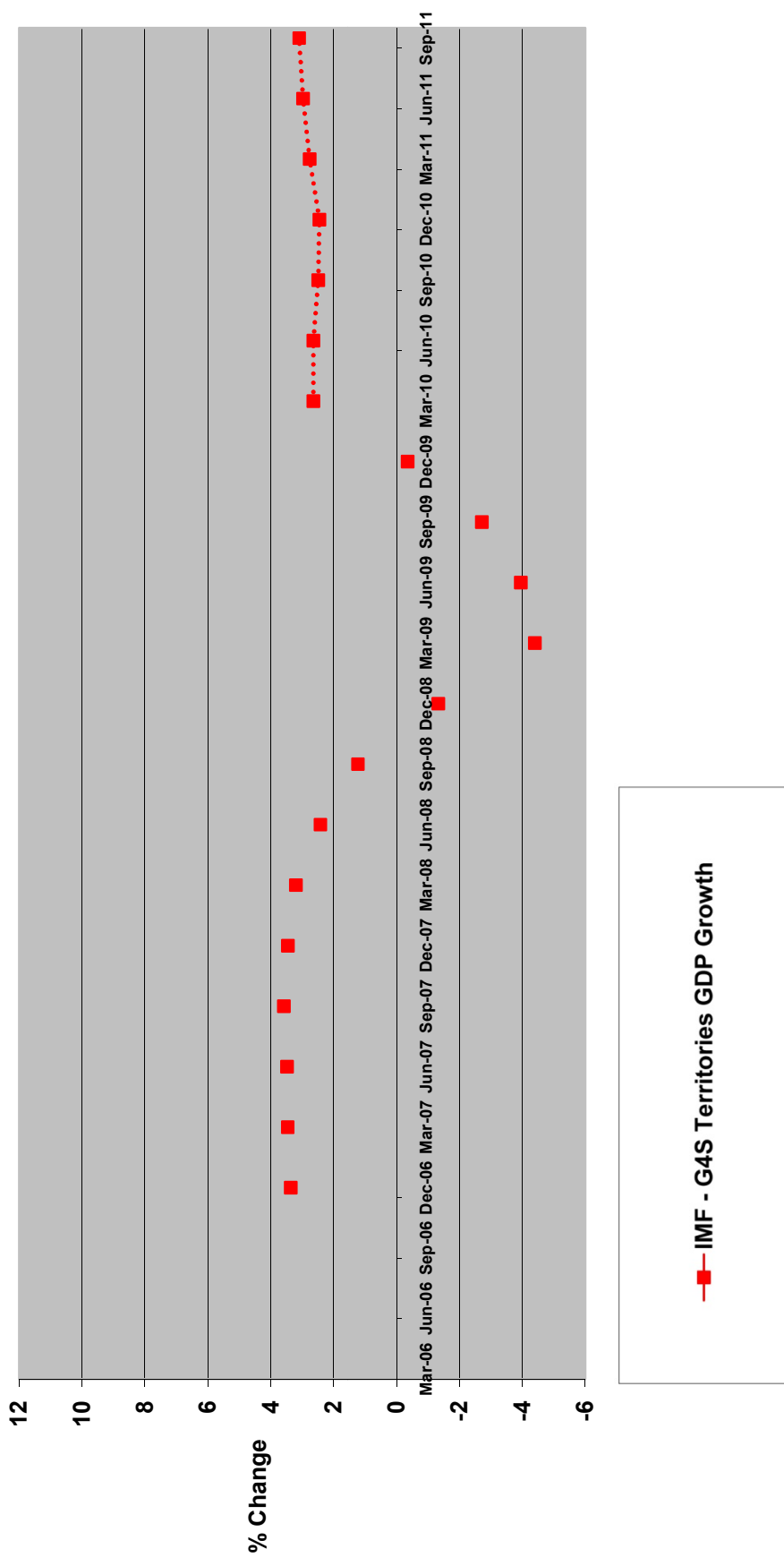
- No cyclical relationship during normal cycle
- Defensive but not immune in a severe downturn



* Ex Brazil and China

Source: Global Insight, G4S analysis

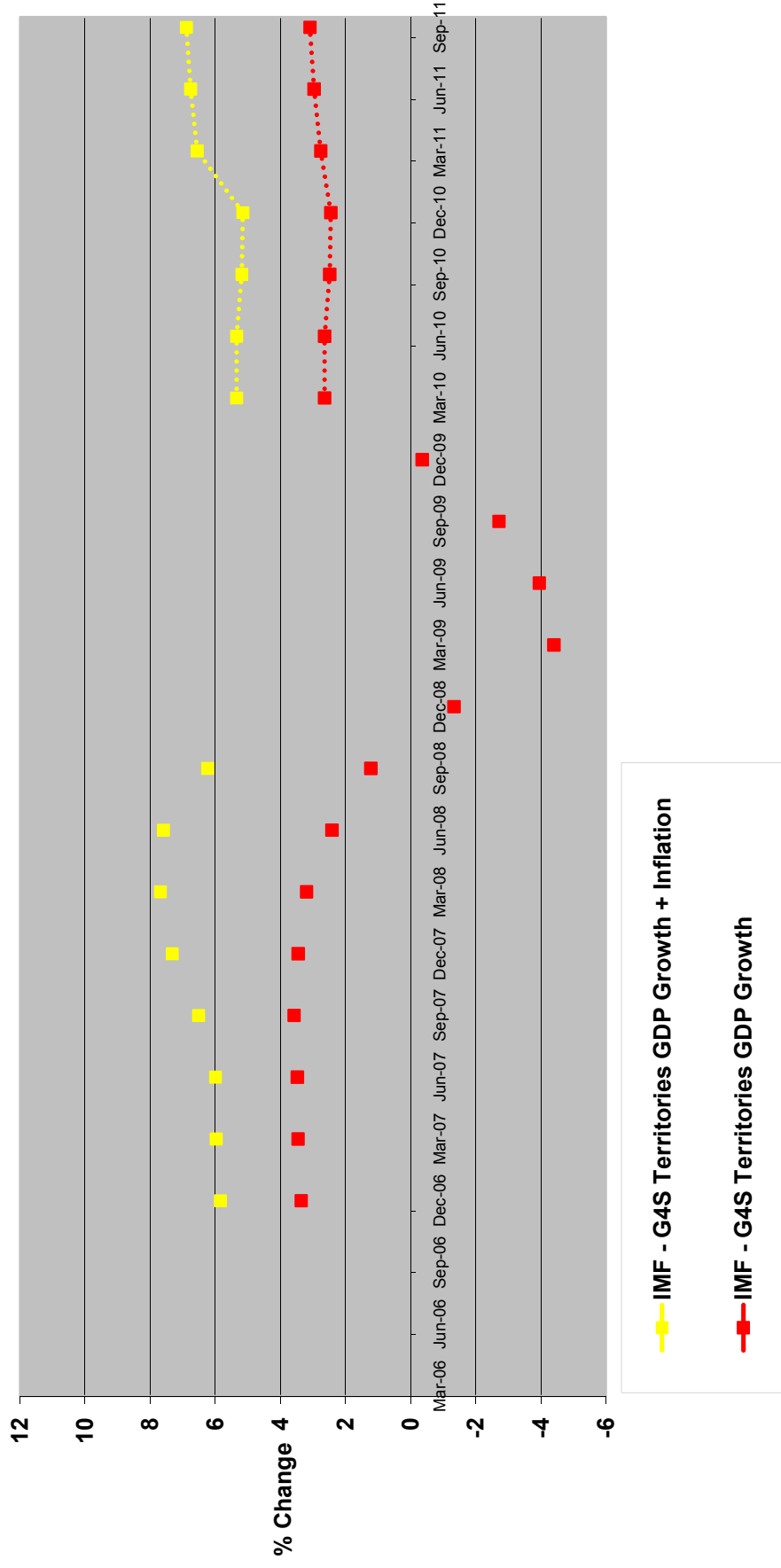
Growth trends



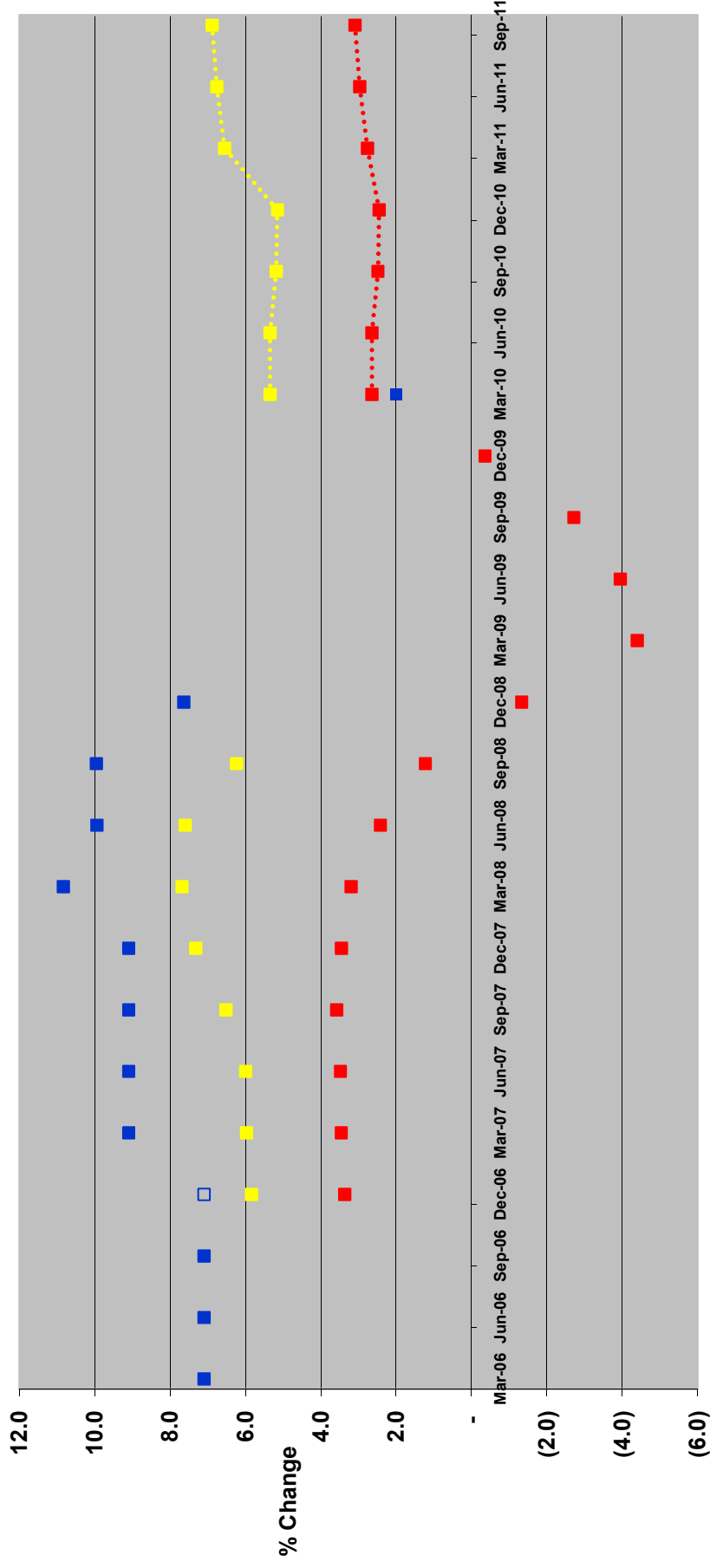
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Growth trends



Growth trends

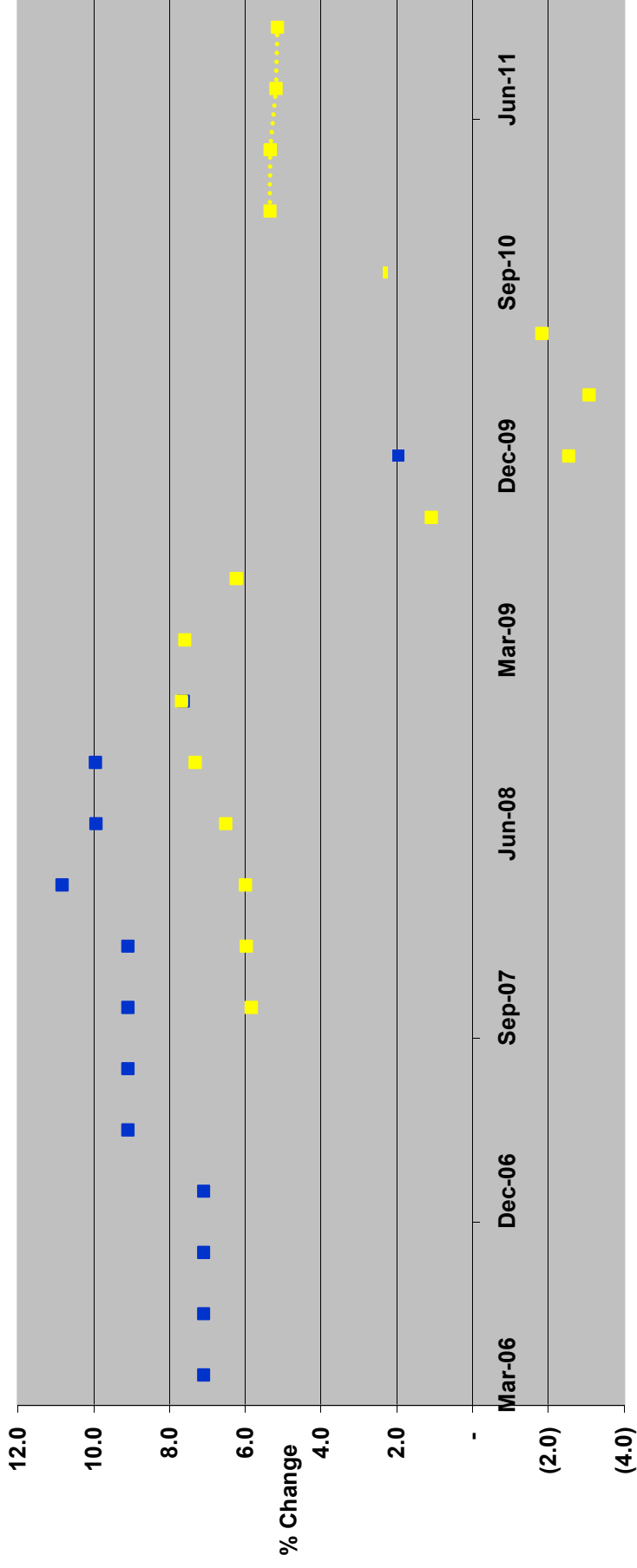


- G4S Organic Growth
- IMF - G4S Territories GDP Growth + Inflation
- IMF - G4S Territories GDP Growth

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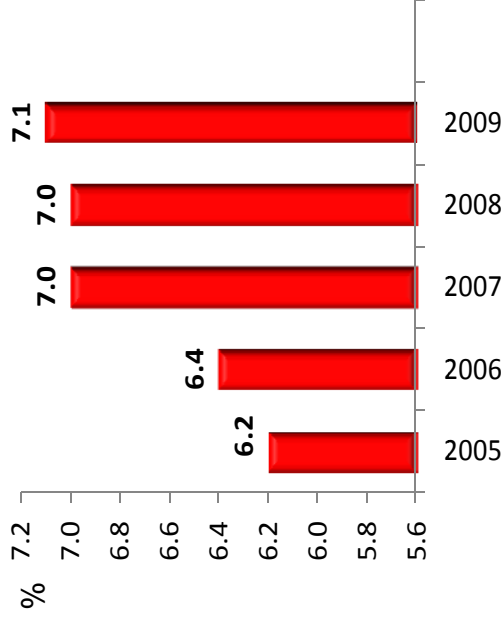
Growth trends



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PBITA Margin Development



2009 Margin (%)	G4S	Peer Average*
Total	7.1%	6.4%
Secure Solutions *	6.8%	6.4%
Cash Solutions *	11.4%	7.0%

- G4S margins higher than sector peers
- New Markets deliver higher margins and are a growing proportion of the group
- Continuous efficiency drives across the business to maintain “best in class” behaviour
- Impact of moving to complete outsourced solutions on margins = defensive in short term / long term benefit
- Business model will continue to drive growth and development

* Excluding corporate costs

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G4S Strategy Overview

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 a strategic threat

B – B Markets

B – G Markets

“the assessment and management of security and safety risks for buildings, infra-structure, 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 :-

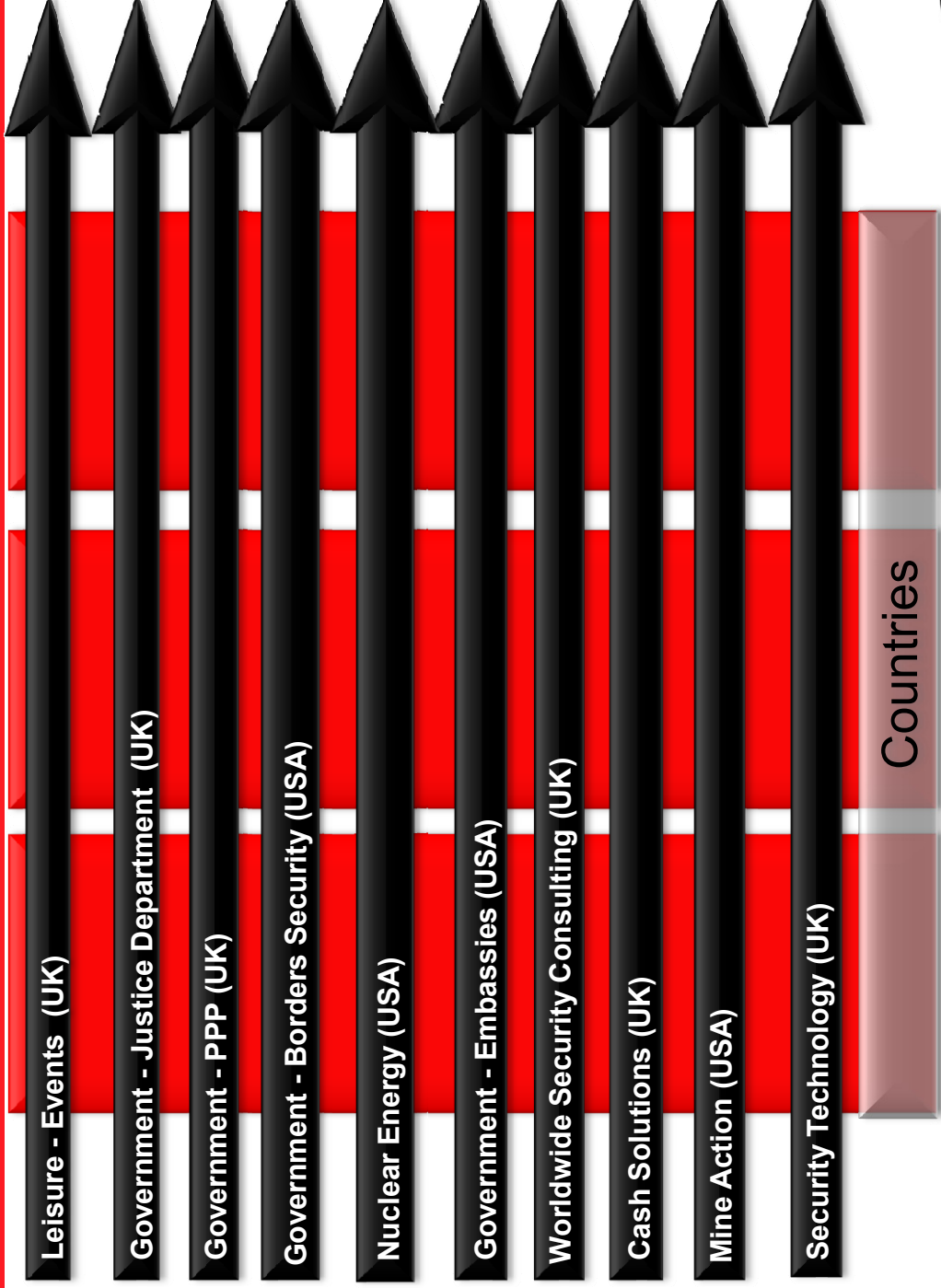
- Revenue Growth
- Cost Management
- Critical Asset or Risk Management (including regulatory)
- Customer Service (end customer)

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G4S Strategy Overview

Existing Centres of Excellence – Global Product Champions

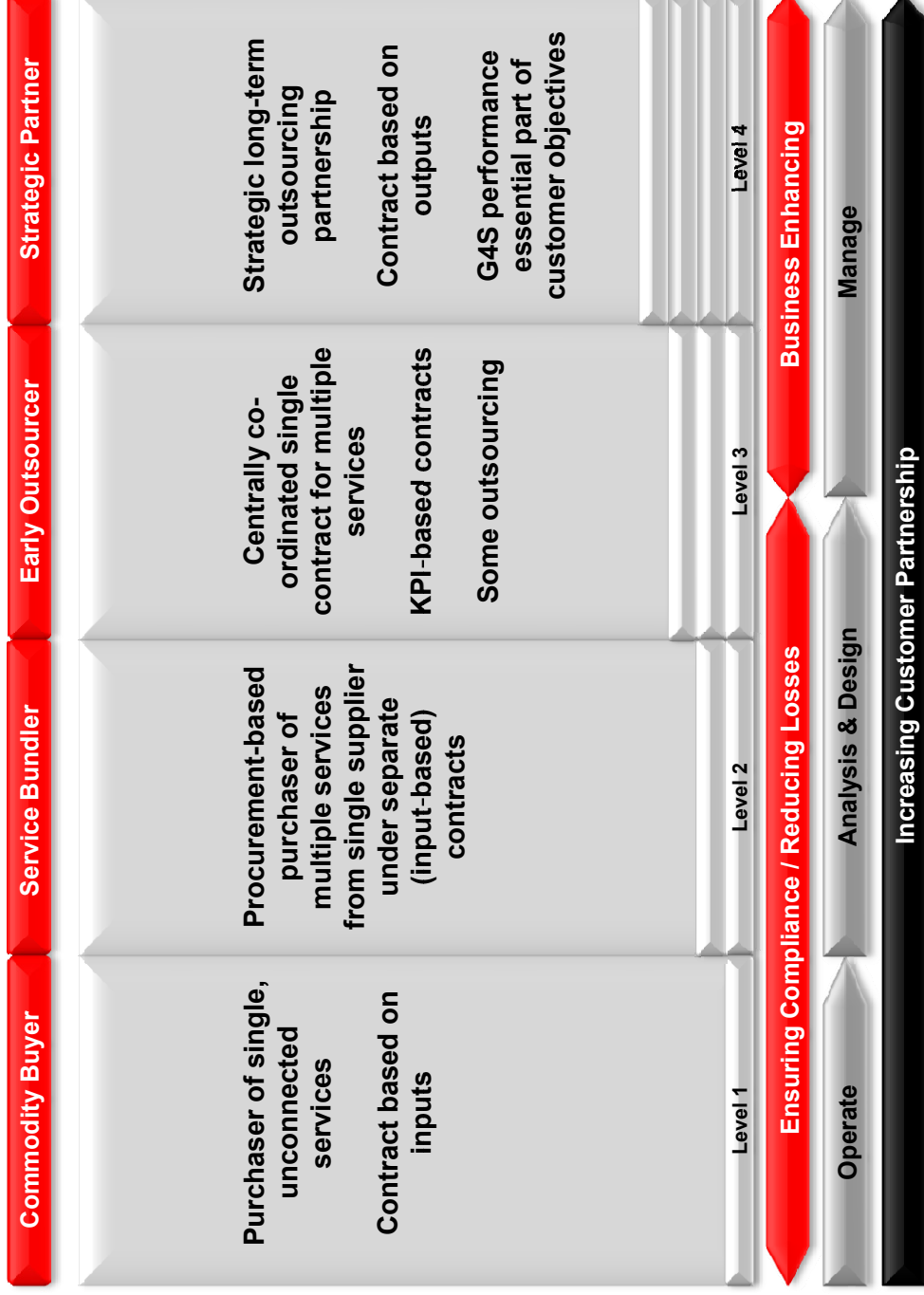


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Increase Customer Partnership

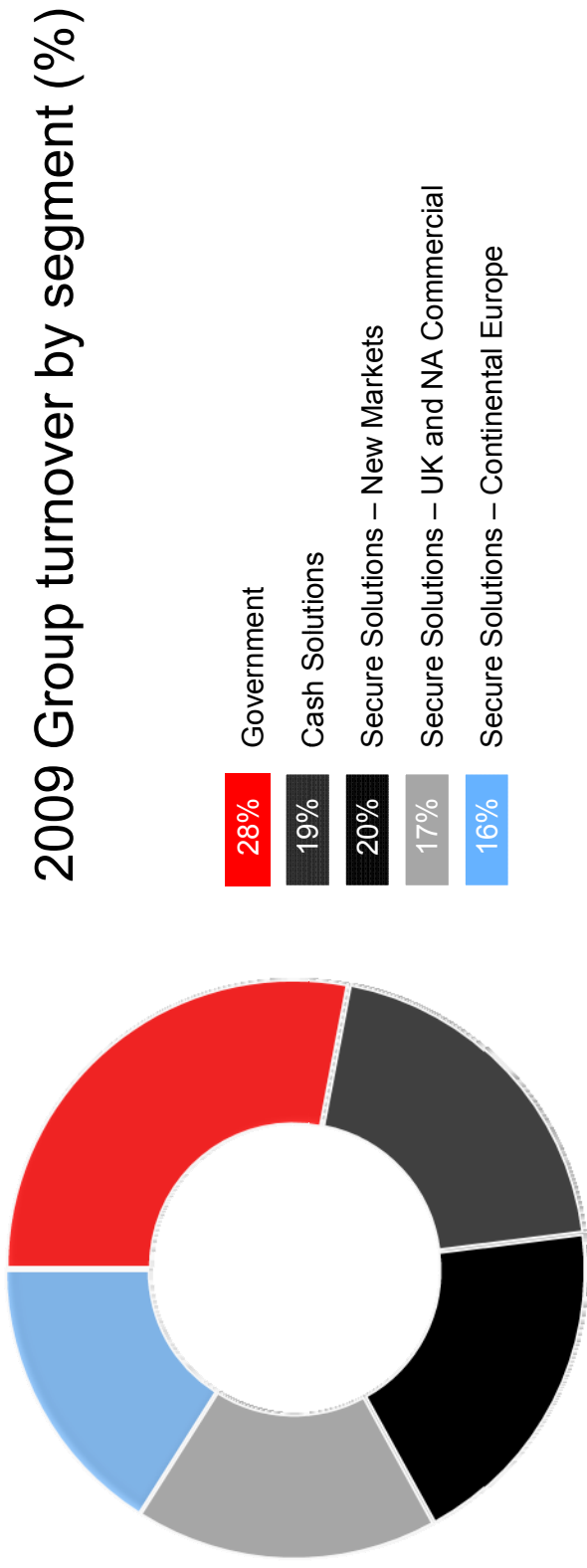
Customer Attributes



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Market Characteristics

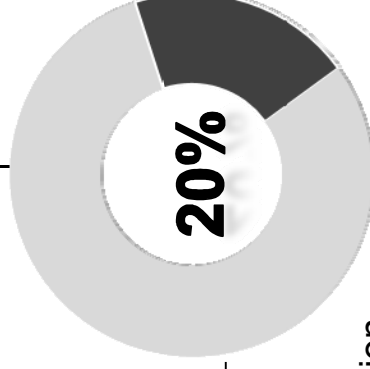


Market Characteristics

New Markets

Key Characteristics

- Above group average margins
- Very high G4S competitive expertise
- Fully flexible cost base



Long Term Growth Drivers

- Outsourcing in its infancy
- Opportunities from infrastructure growth
- Multi-national customers
- Double digit market growth

Market Participants

- No significant international competition

Defensive Qualities

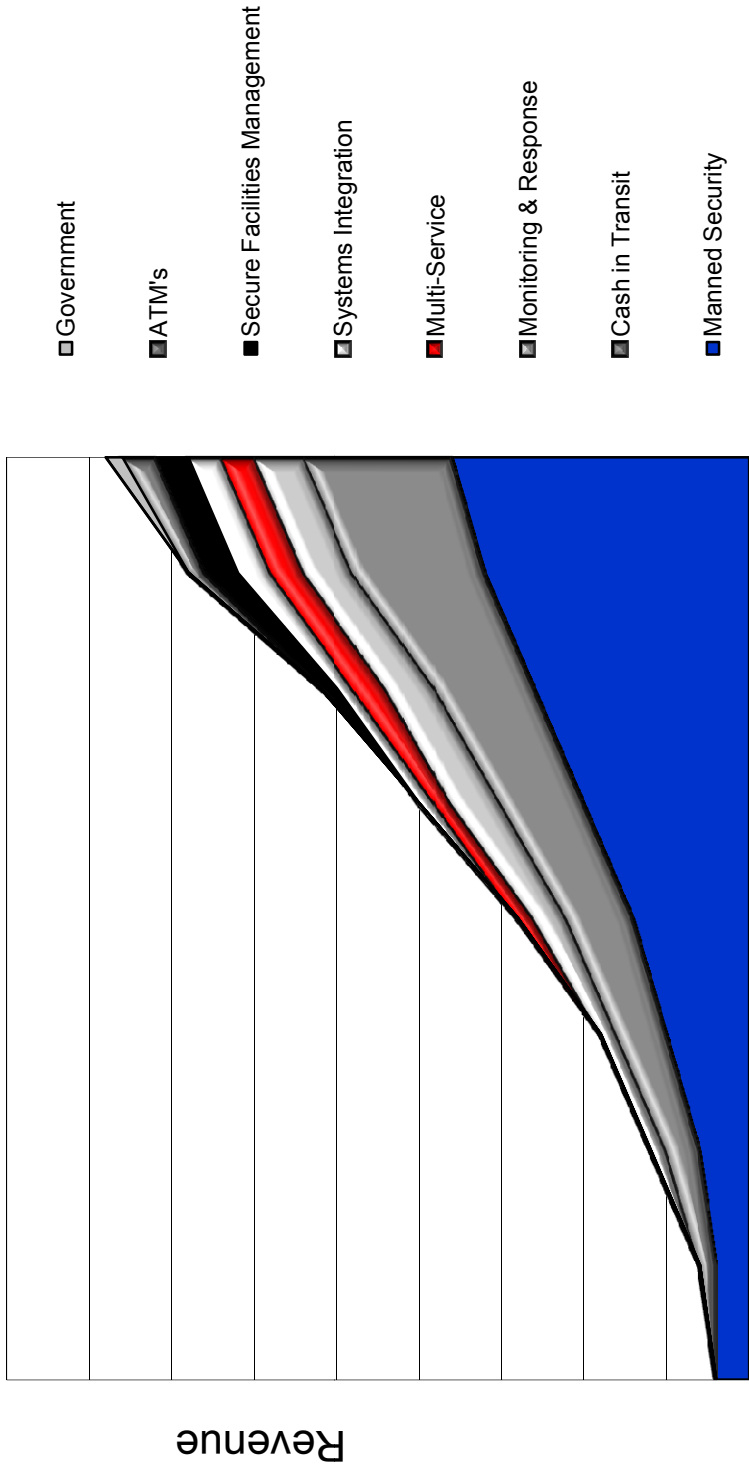
- G4S brand and reputation
- Multi-service approach

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The New Markets Model

Growth development

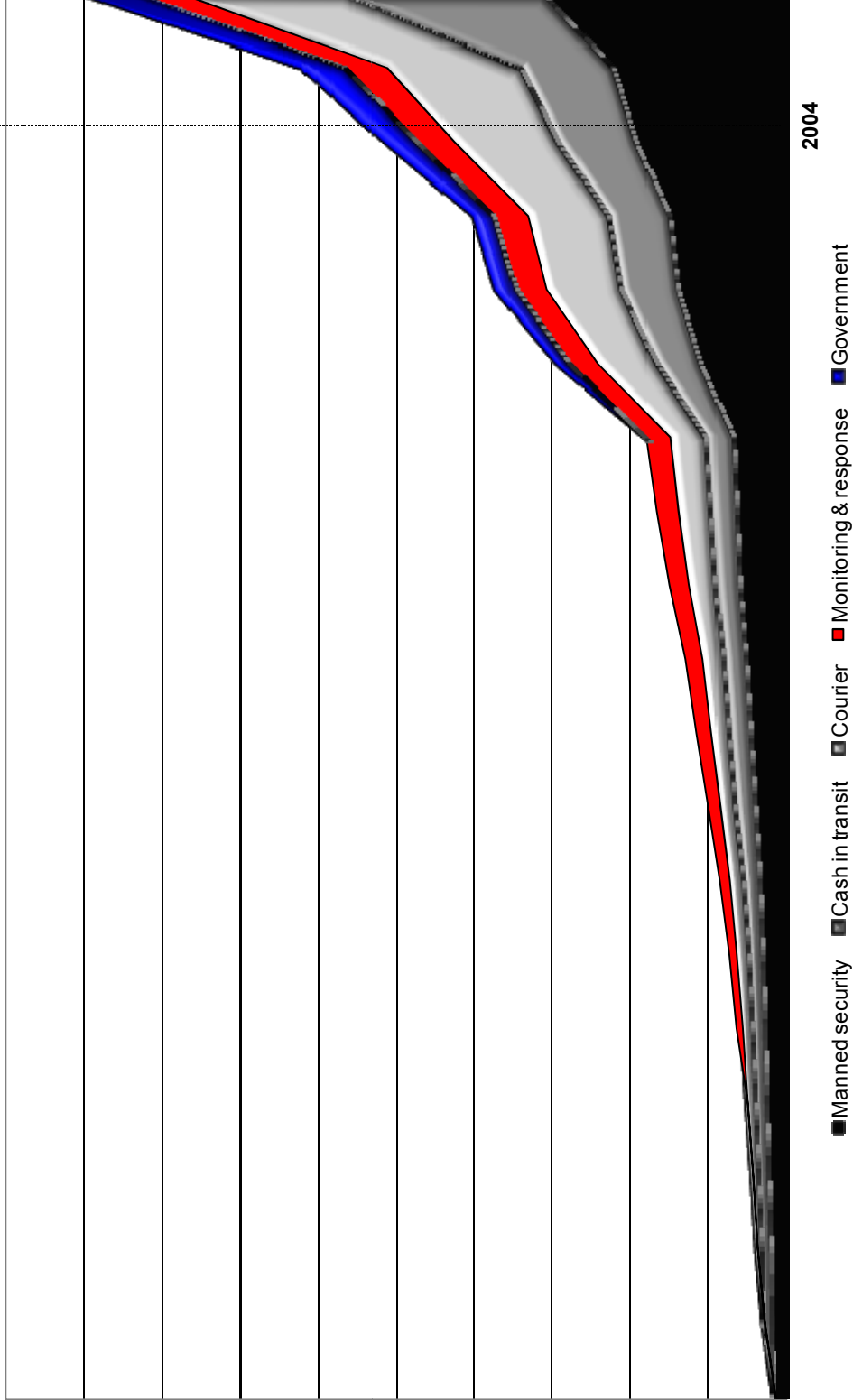


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Development of a New Market – Kenya

1970 to 2009



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