

Market Characteristics

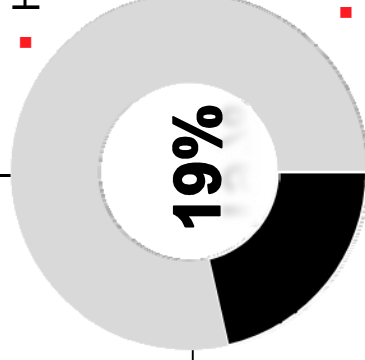
Cash Solutions

Key Characteristics

- Above group average margins
- Consolidated markets
- Very high G4S competitive expertise
- Cost base – fixed in short term

Long Term Growth Drivers

- Development phases of the cash cycle
- Role and strategy of Central Banks
- Increased willingness to outsource
- Product innovation - End to end ATM management, CASH360, etc
- High single digit market growth



Market Participants

- Loomis
- Brinks
- Prosegur
- Garda
- Technology companies

Defensive Qualities

- Cash usage trends in economic downturns
- Long term contracts / relationships
- G4S integral part of customer process

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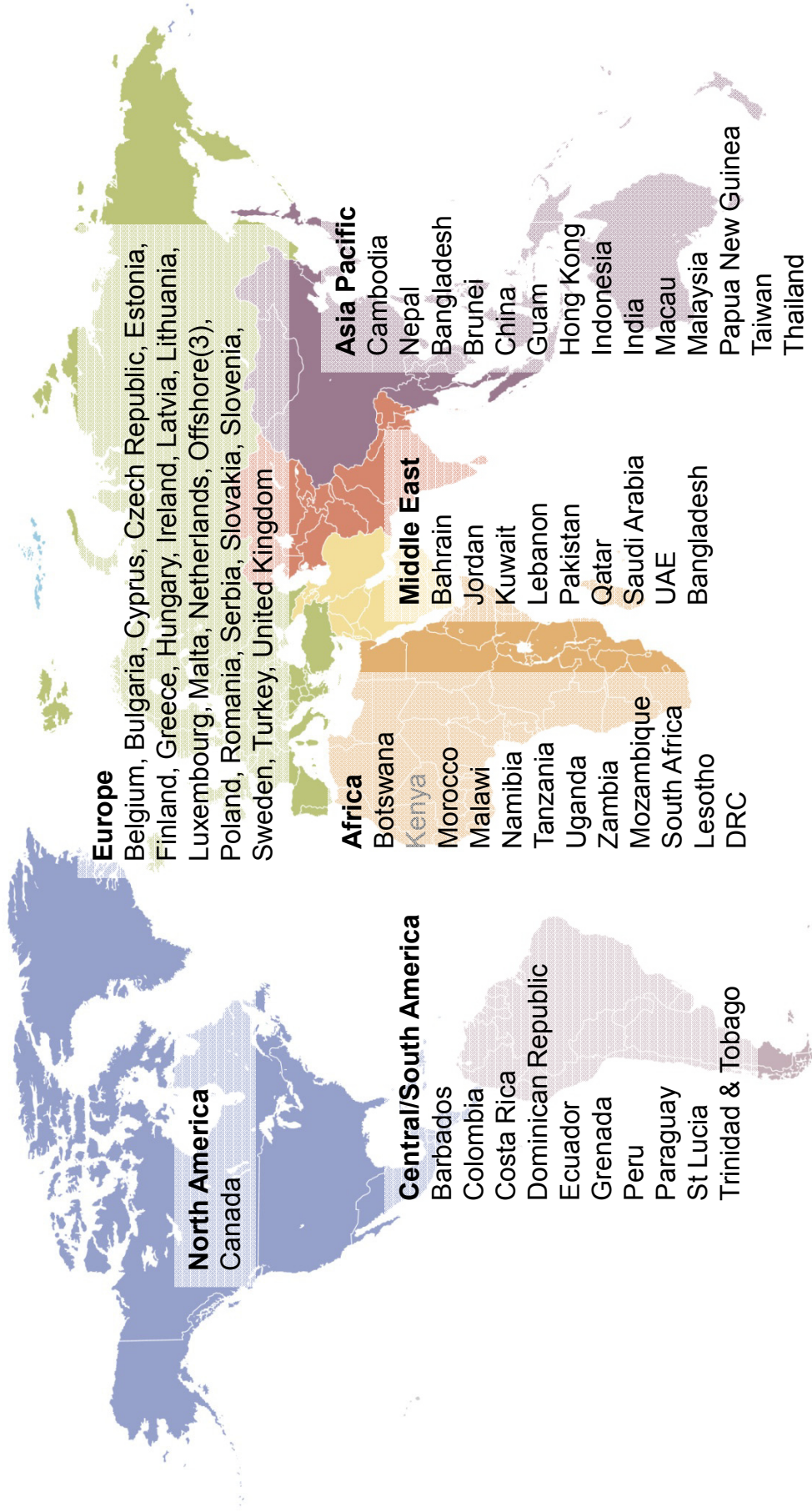
Ken Niven

Cash Solutions - Divisional President

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G4S Cash Solutions

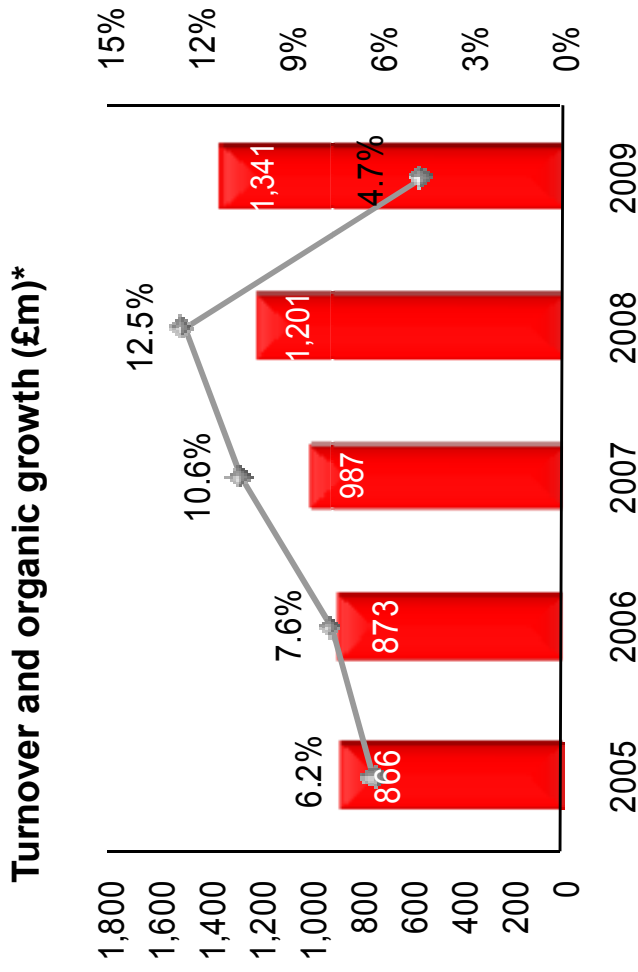


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G4S Cash Solutions

- £1.3 bn revenue
- 11.4% PBITA margin
- 15% PBITA CAGR last five years
- 72 countries
- 45,000 employees
- 9,500 vehicles
- 600 Cash management locations



*As published


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G4S versus Competition

12 months ended 31 December 2009

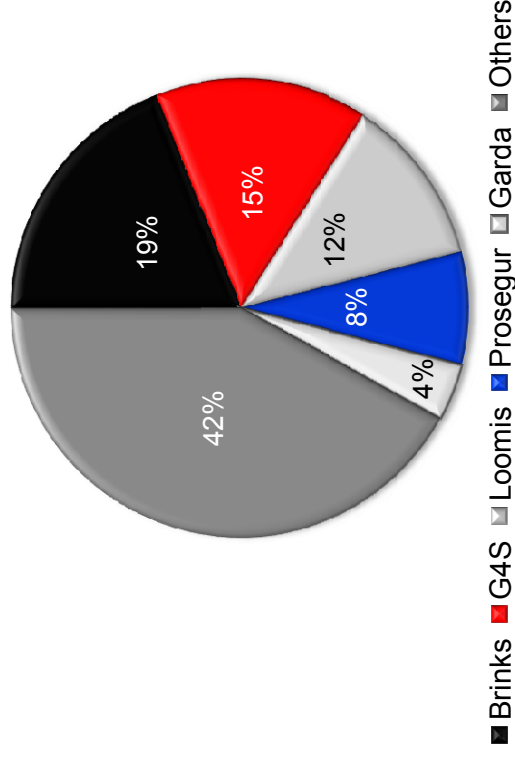
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£m		Brinks	Loomis
Turnover	1,341.2	1,793.9	1,039.8
Organic Growth	4.7%	0.1%	-3.0%
PBITA	152.4	84.8	72.6
PBITA Margin	11.4%	4.7%	7.0%
Margin % vs FY08	+0.1%	-1.3%	+0.4%

*Brinks: 'adjusted' results, excluding 2009 'one-offs'

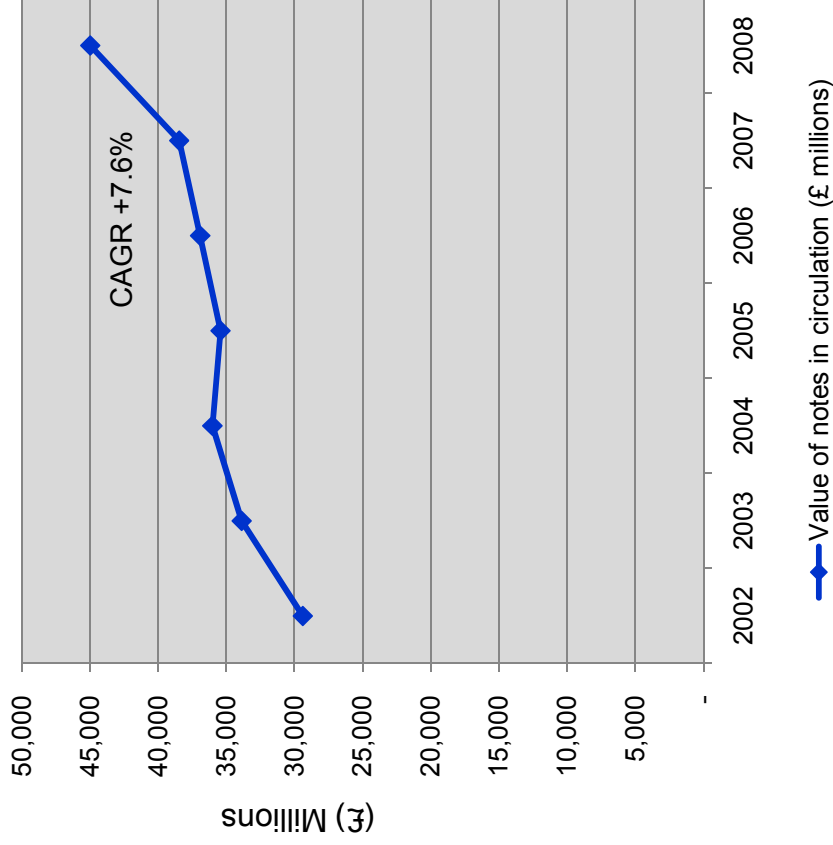
31st December exchange rates used: 1 GBP = SEK 11.53; US\$1.61

Global Cash Market Shares – Top Players

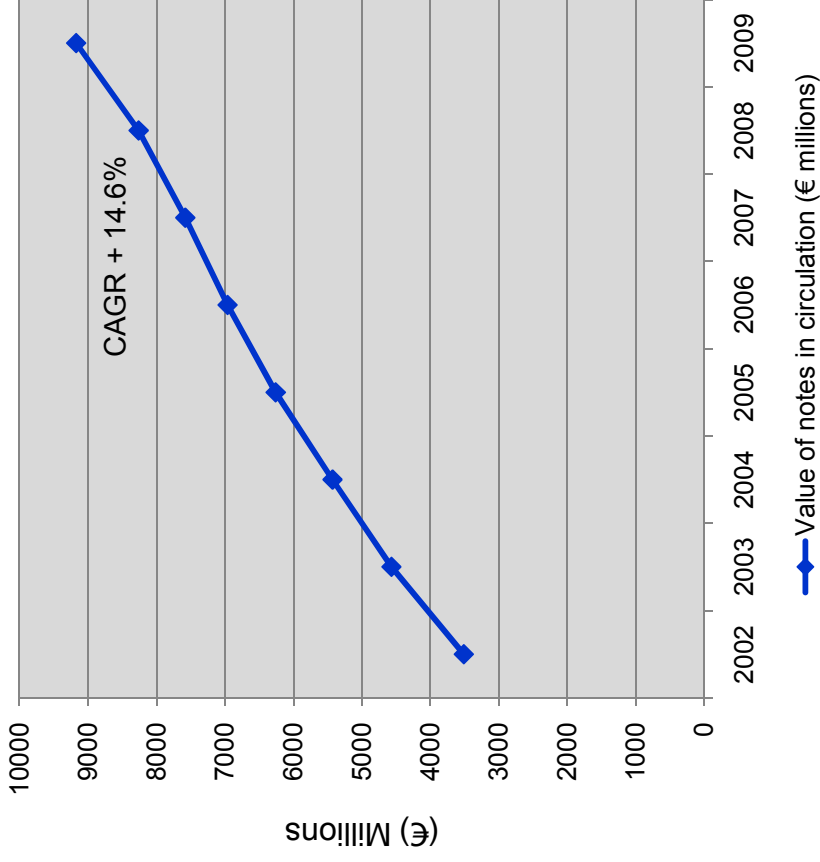


Value of GBP & Euro notes in circulation

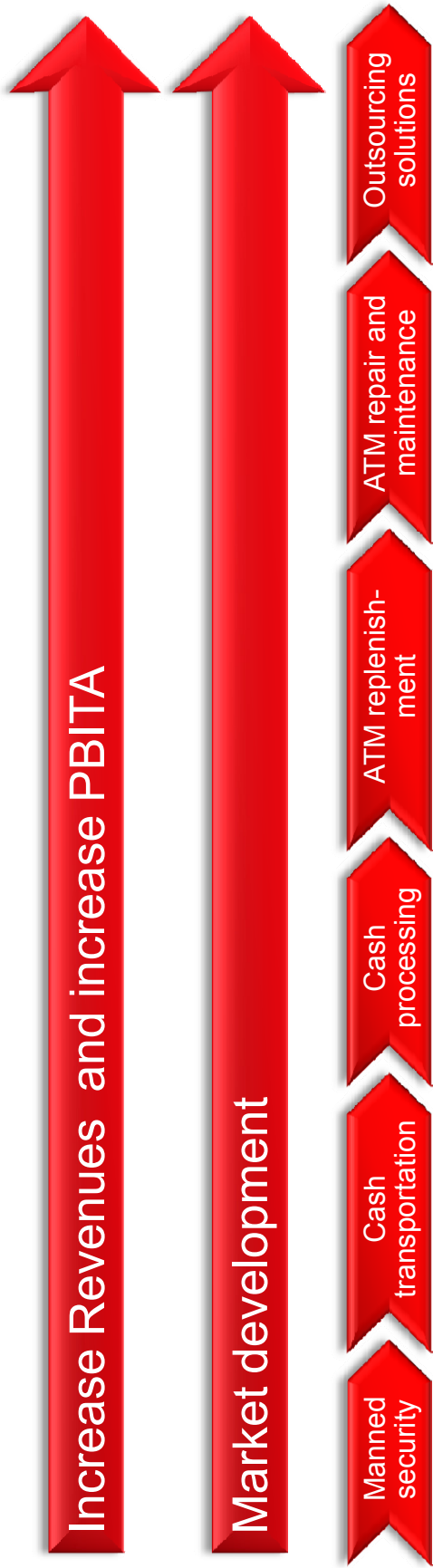
Value of GBP Notes in Circulation 2002-2008



Value of Euro notes in circulation 2002 - 2009



Cash Market Development

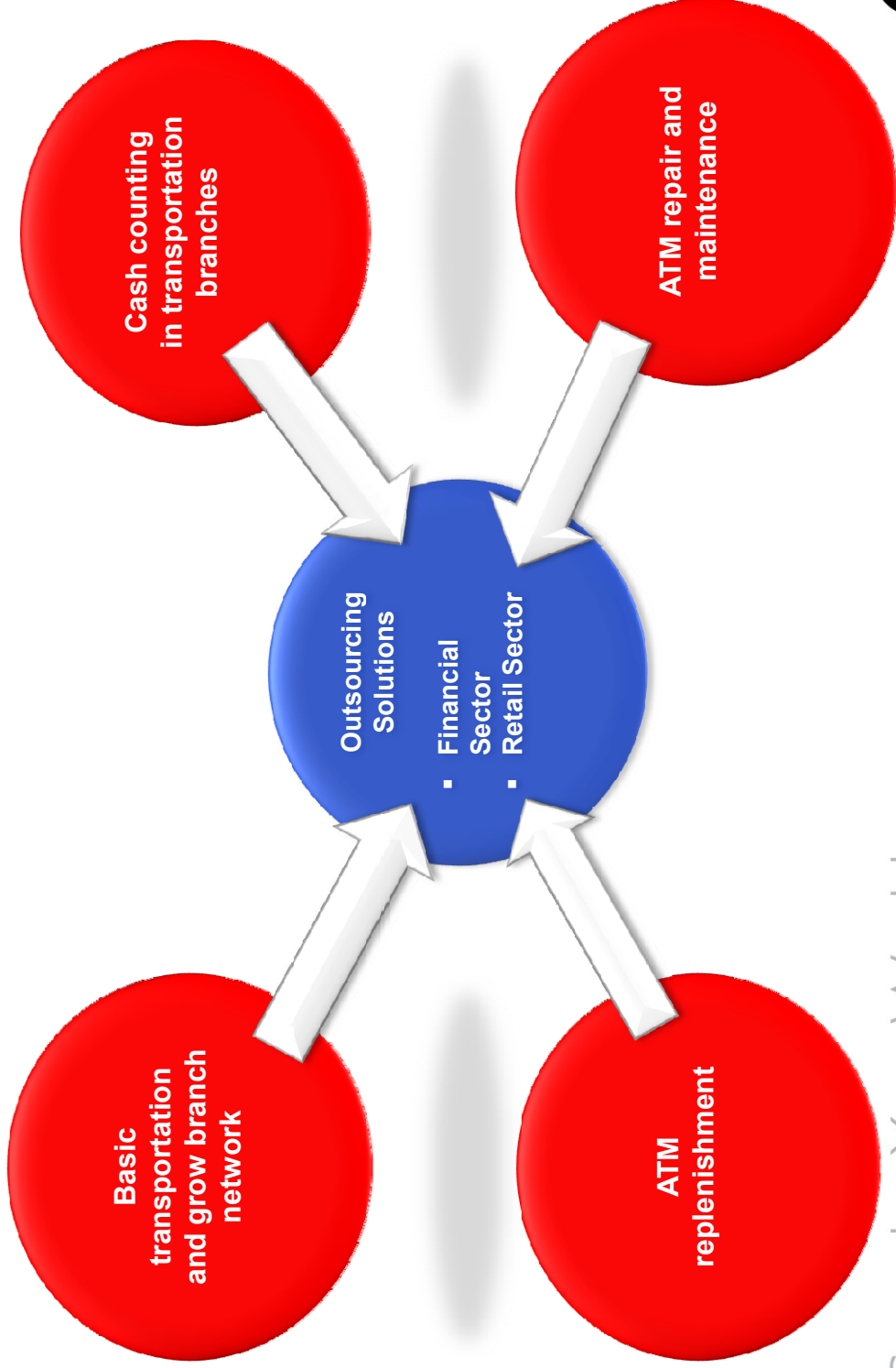


- Cash cycle management
- ATM
 - Cash centres
 - Forecasting
 - Retail solutions

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Cash Market Development



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Cash Market Development

Evolving the Cash Product

Basic secure transportation

- Migrate from bank and government operated secure transportation

Cash counting

- Process retail deposits of transportation hubs – co-location efficiency benefits

ATM replenishment

- Support of ATM's not positioned at bank branches

ATM repair and maintenance

- Introduction of technical services based on ATM knowledge

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Cash Market Development

Outsourcing Solutions

Retail Solutions

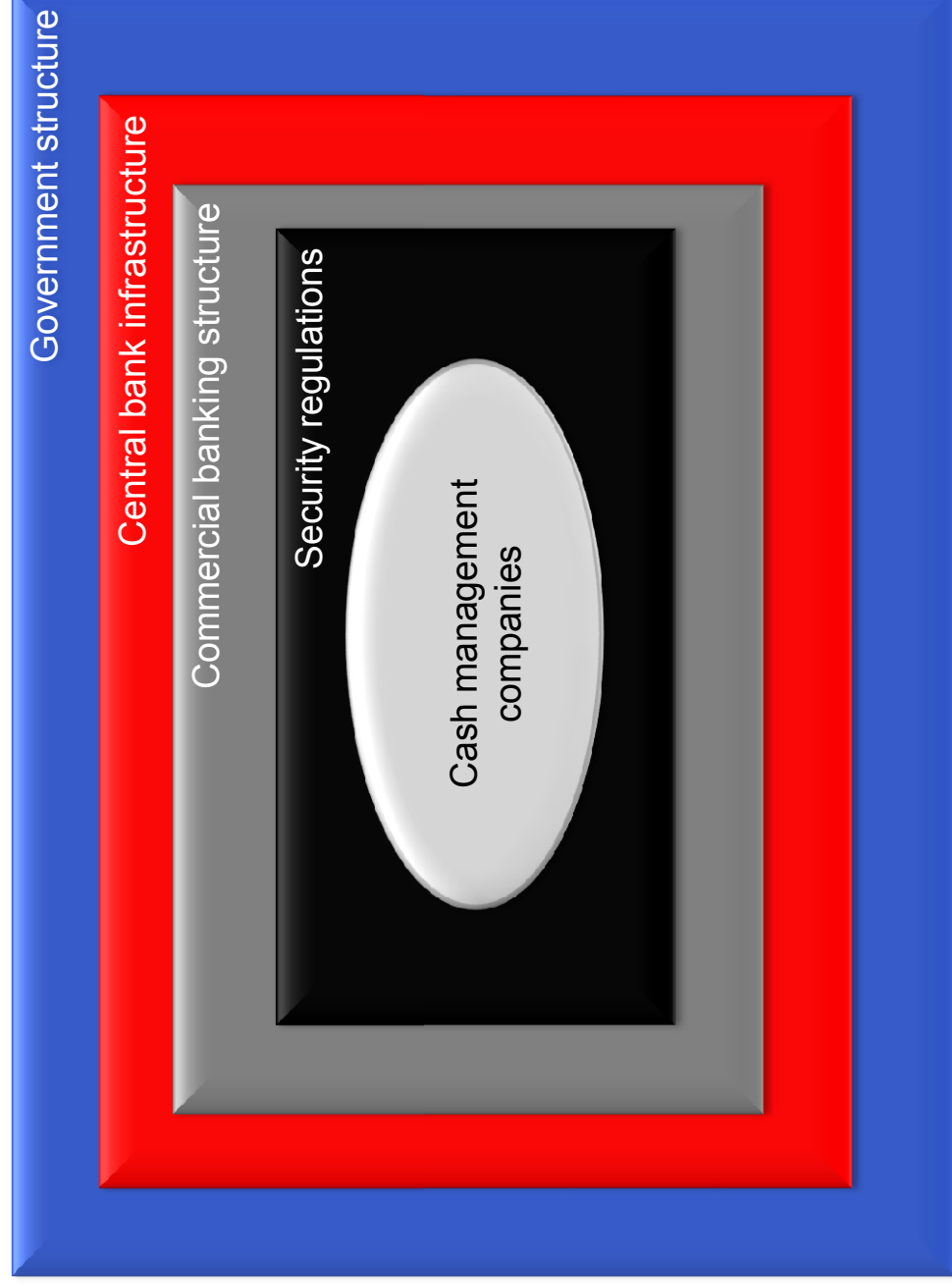
- Outsource retail store cash offices
- Real time cash balance information
- Secure environment

Cash Cycle Management

- Cash centre outsourcing
- ATM network outsourcing
- Cash forecasting



Factors that impact cash market characteristics



National Cash Market Drivers

No two markets are the same

- **Government structure and strategy :**
 - central vs decentralised
- **Central bank strategy and infrastructure**
 - many central bank branches or a few strategic locations?
- **Commercial banking structure**
 - national banks or many regional players?
- **Regional bank infrastructure**
 - result in fragmented cash markets
- **Security regulation**
 - Police carrying weapons usually results in armed cash crews
 - Strategy of government on required levels of secure transport regulation

National Cash Markets

Two Key Drivers

Central Bank Strategy

- Central bank view on need to closely control physical cash
- Central bank infrastructure
 - Many cash branches
 - High control
 - Few cash branches
 - Low intervention and increased outsourcing
- Central banks moving towards less intervention and more currency management outsourcing

Security Regulation

- Some countries reluctant to permit private security
- Government intent to regulate?
 - “light touch or detailed requirements / regulations”
- Armed crews generally mean lower operating costs
 - Low investment
 - Lower crewing levels
- Technology increasingly a basis for regulation
 - Operating centres
 - Vehicles

Benefit of technology solutions

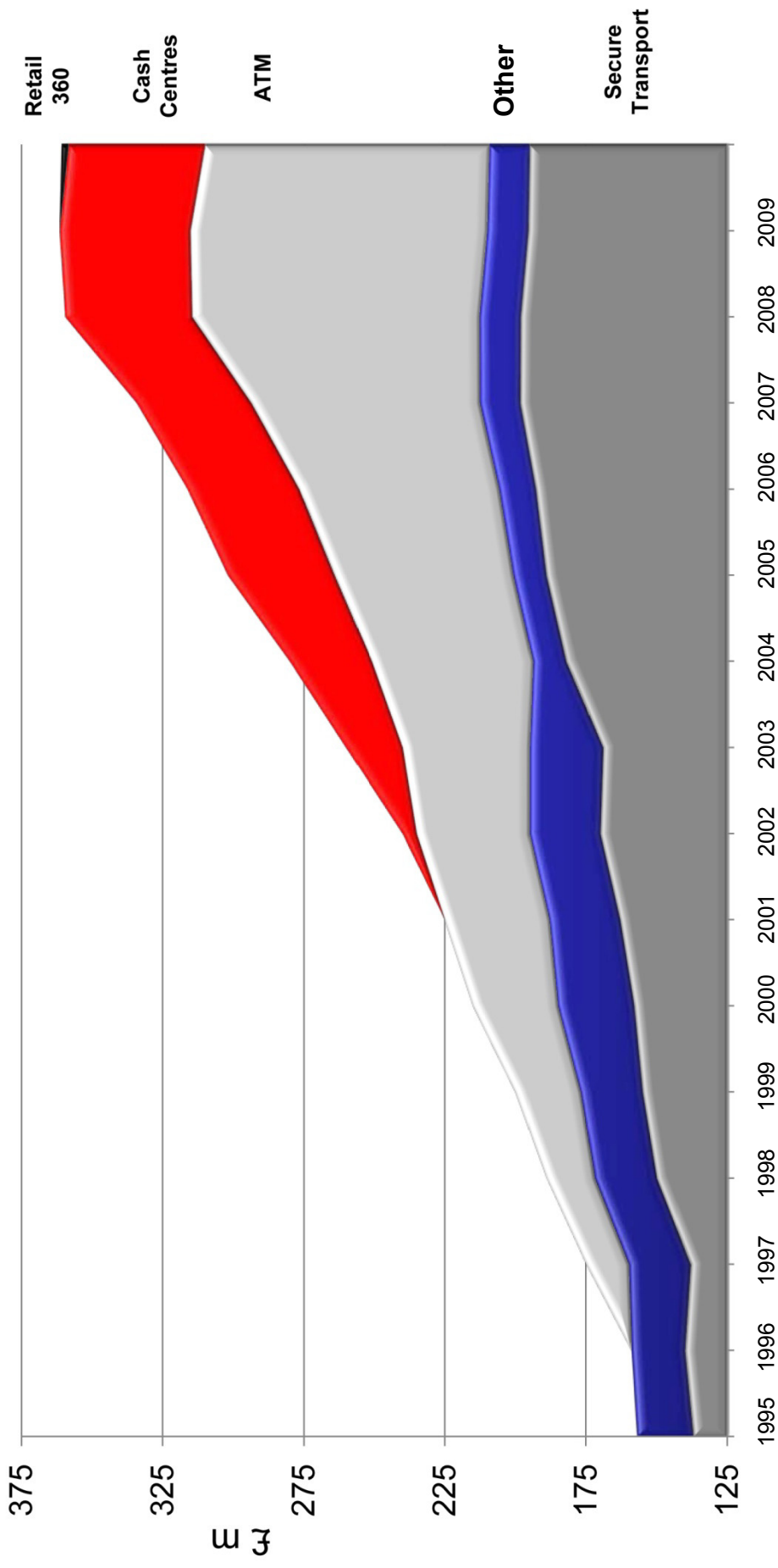
Ireland

- Since 2008 Ireland has invested in a multi-million pound new build infrastructure with eight branches and a new purpose built control centre .
- One third of the vehicle fleet has been renewed during the same period.
- The branches incorporate an “onion – ring” defence strategy with fences, detection systems and layered internal design.
- Since 2008 attacks have halved
- End to End systems will follow later this year following the introduction of the Private Security Authority (PSA) minimum standards in 2009.



Development of a Cash market

Product revenues - UK

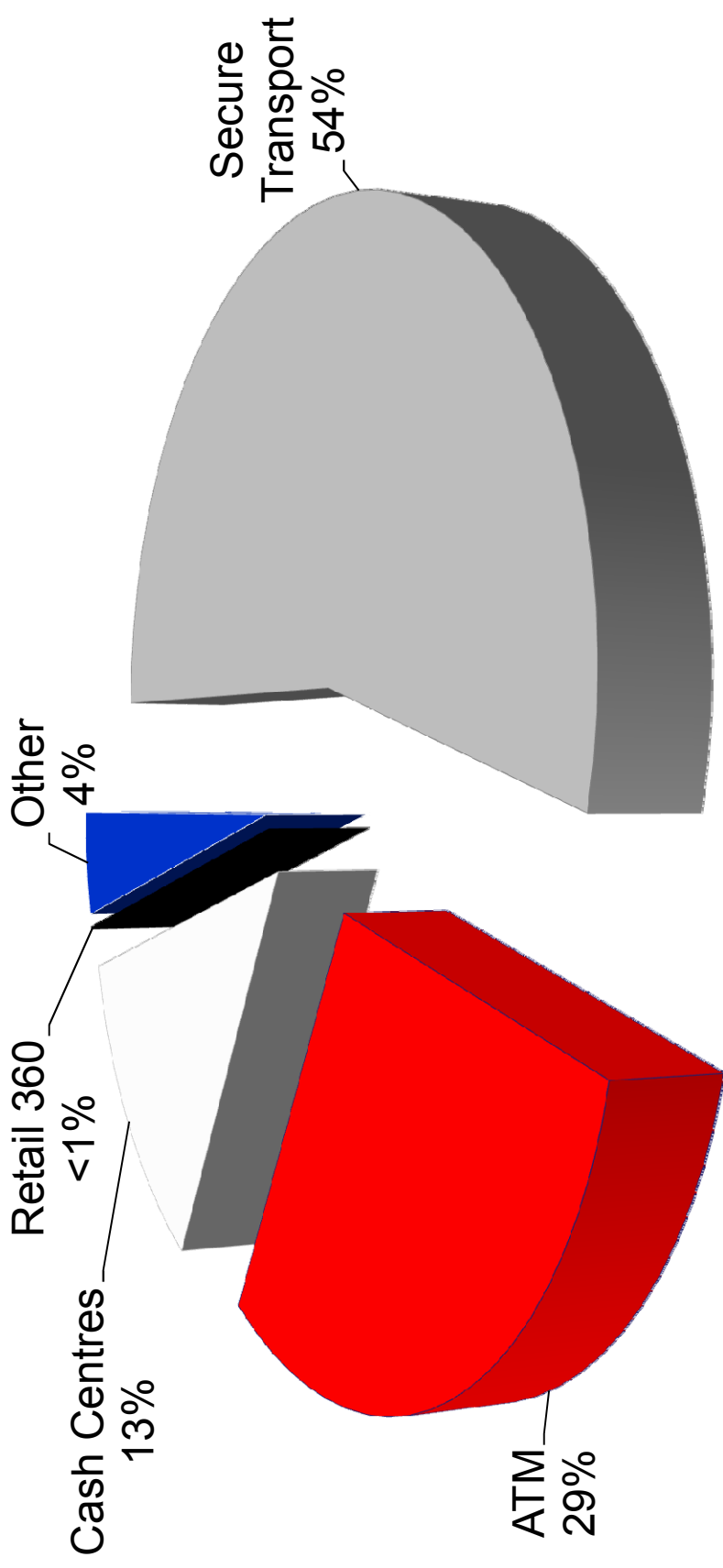


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UK Cash Solutions

Revenue Split 2009



Sustainable Development of a Large Cash Market : UK Example

- Original market entry manned security
- Extension into cash transportation, then counting retail deposits
- G4S developed nationwide cash services leadership : No. 1
- ATM's rolled out in 1970's and 1980's
- Major cash logistics challenge for central bank

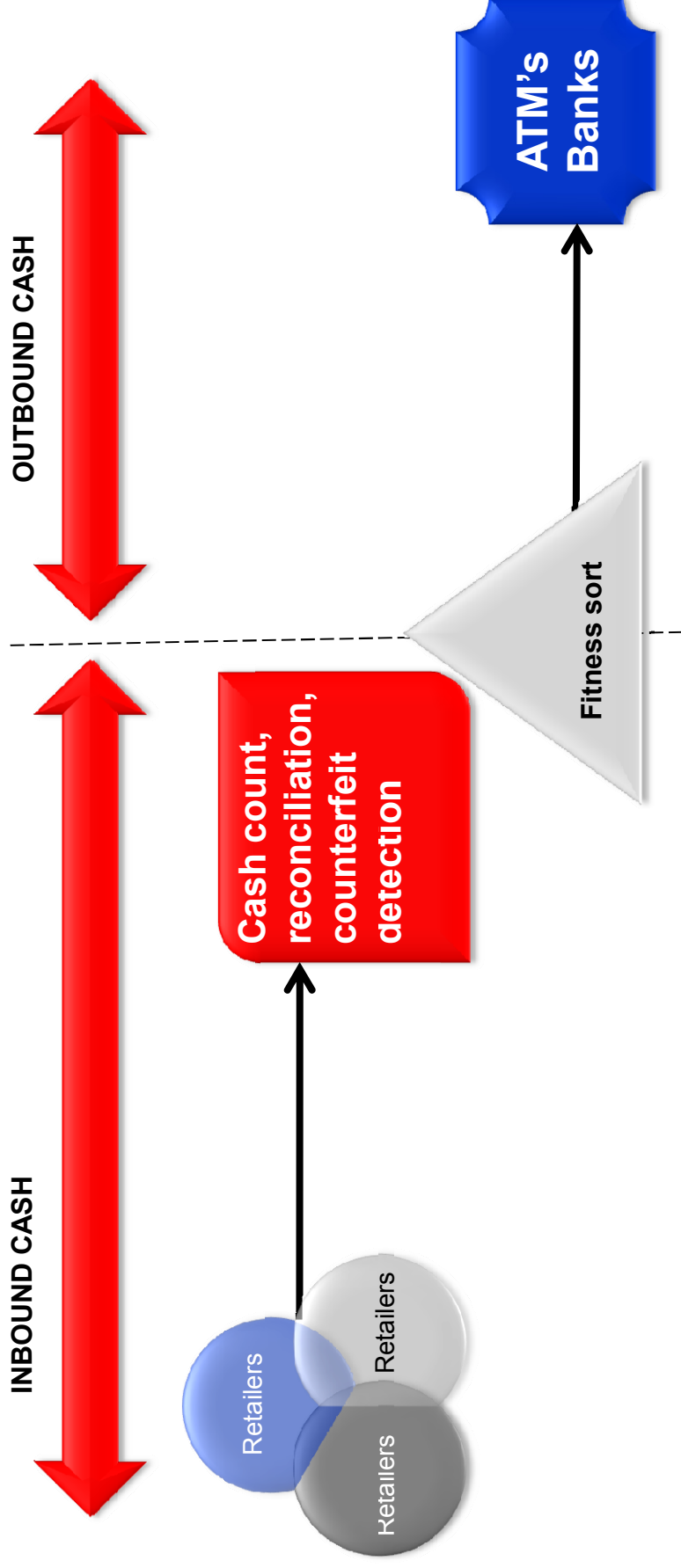
Cash in circulation	1970	£4bn
	1980	£12bn
	2000	£33bn (2009 £49bn 8% yoy)
- Cash note distribution delegated to commercial banks : interest relief through **Note Held To Order** scheme (NHTO)

Sustainable Development of a Large Cash Market: UK Example cont'd

- Commercial banks created networks of non-core centres to fitness sort and counterfeit check for central bank
- Note Circulation Scheme replaced NHTO in 2001 – tighter controls and increased efficiency
- Significant outsourcing in following three years
- UK bank processing centres now outsourced with exception of one major
- G4S only commercial cash management organisation providing outsourcing processing solutions

Sustainable Development of Cash Markets

Next Steps in Market Development



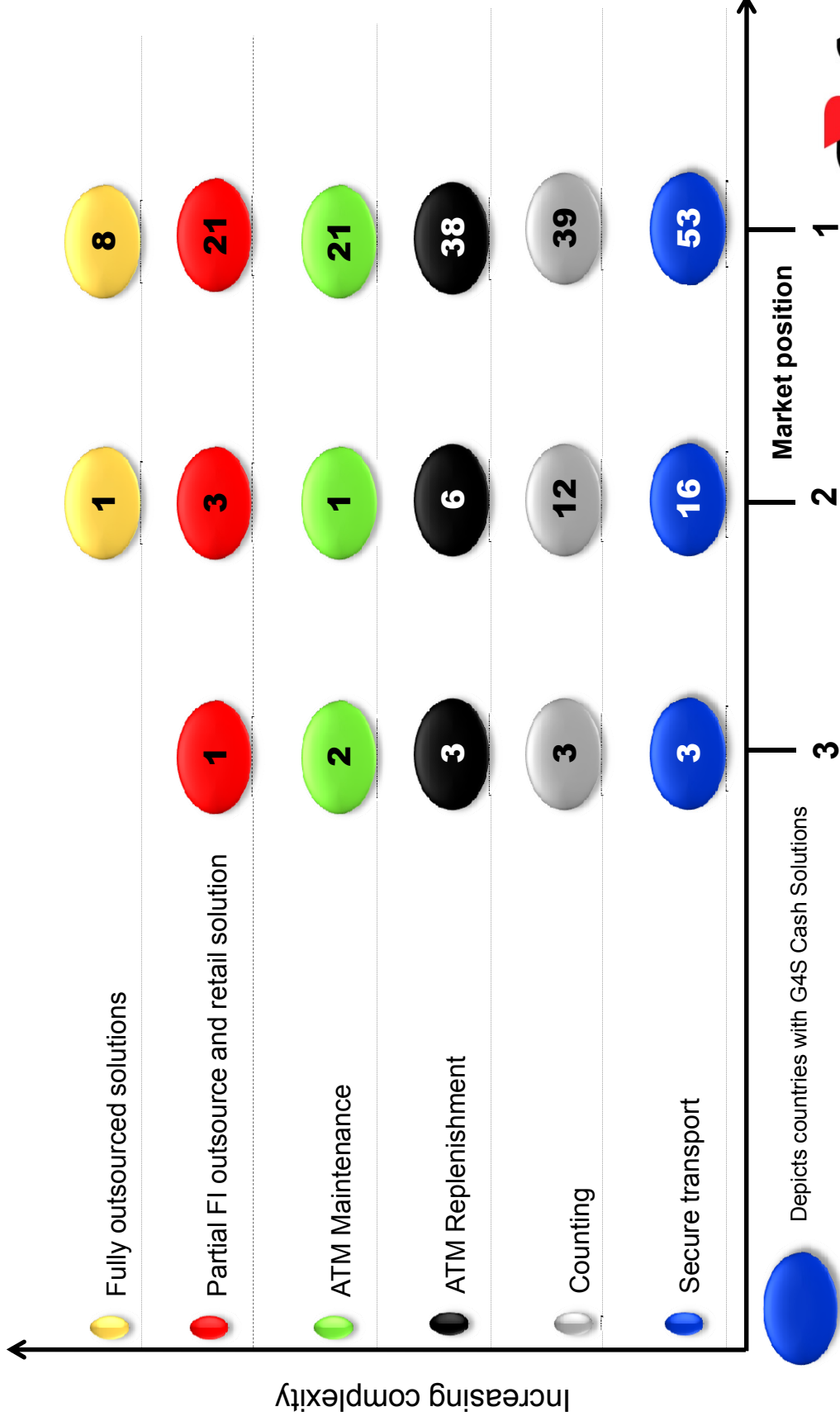
- Outbound logistics – highly efficient
- Inbound logistics – material efficiencies yet to be released
- Launch of Cash 360 retailer outsourcing

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G4S Cash Solutions

Global Opportunity



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Summary

Growth through Solutions

- Five year CAGR 11.6%
- Growth in 2009
 - New Markets 12%
 - Developed markets 2.7%
- Significant, sustainable solutions opportunities in New Markets and developed markets
 - Central banks moving to delegated distribution models
 - ATM outsource solutions – e.g. Standard Chartered
- Best practice transfer – all New Markets regions have cash solutions specialists
- Growing cash solutions consultancy to position for growth