

Share Price Summary

Price	188.9p
Consensus Target Price	242.8p
Upside/(Downside)	29%
12 Month High/Low	309.6/185.1
No. of Shares	1551.6m
Market Value	£2,931.0m
Net Debt/(Cash)	£1,653.0m
Enterprise Value	£5,867.6m

-1m -3m -12m

Absolute	-1.0%	-13.3%	-35.1%
Rel Allshare	-9.1%	-13.4%	-27.2%
Rel Sector	-3.0%	-3.7%	-22.1%

Share Price Chart



Valuations

	2015	2016E	2017E
P/E	12.9	11.8	11.0
EV/Revenue	0.2	0.2	0.2
EV/Adj. EBITDA	8.1	7.7	7.3
Div. Yield	5.1%	5.2%	5.6%
P/CFPS	18.4	--	--

Directors

CEO	A. Almanza
Exec. Director	H. Raja
Pres. UK & Ire.	P. Neden
Index	FTSE 250

Address The Manor, Manor Royal
Crawley, West Sussex,
RH10 9UN

Global leader in integrated security services

G4S Plc is the leading global integrated security company specialising in the outsourced provision of security products, services and solutions. G4S works to safeguard the welfare and prosperity of millions of people worldwide and is active in over 100 countries with over 611,000 employees.

G4S serves a wide range of industries and commercial and government customers. Its operations span security guarding (55% of PBITA), cash management (30%), care and justice services (8%) and security systems and technology (7%). Strategic focus under the helm of Ashley Amanza, CEO since 2013, has been to invest in organic growth (sales and account management), to rationalise the portfolio and to drive productivity initiatives.

In the last five years, G4S has grown revenues and PBITA by 25% and 12% respectively. The global demand backdrop is healthy and expected to grow at 7% compound pa until 2023, reaching c.£210bn in annual revenues. To put this in perspective, consensus expects G4S to deliver £6.8bn of revenue in 2015. GDP, infrastructure investment, increasing conflict and crime, customer efficiency and outsourcing objectives and regulation are all some of the drivers of growth.

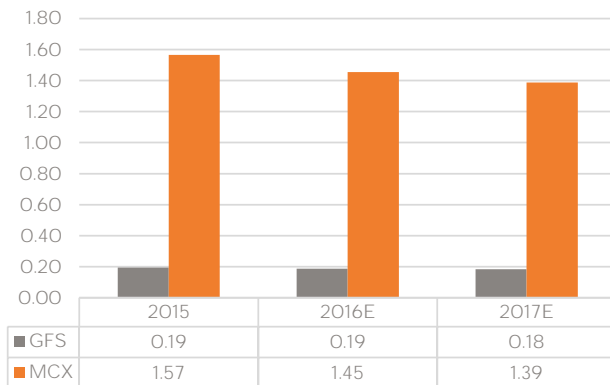
Consensus Financial Data

Year End:	2013	2014	2015	2016E	2017E	3 Year CAGR (%)
December						
Revenue (£m)	7061.0	6848.0	6863.0	6965.5	7249.2	1.9%
Gross Profit (£m)	1282.0	1302.0	--	1407.0	1475.2	4.2%
Adj. EBITDA (£m)	144.0	454.0	561.9	591.8	621.6	10.9%
Adj. EBIT (£m)	(70.0)	262.0	421.2	427.8	455.5	20.0%
Adj. PBT (£m)	(190.0)	148.0	331.1	344.2	374.5	35.9%
Adj. PAT (£m)	52.0	399.6	--	--	--	--
Free Cash Flow (£m)	86.0	3.0	158.9	196.9	213.7	
Net Assets (£m)	884.0	970.0	--	--	--	
Capital Employed (£m)	1107.0	950.0	--	--	--	
Net Debt/ (Cash) (£m)	1639.0	1653.0	1599.8	1623.5	1594.6	
Wt. Avg. Shares (m)	1452.0	1545.0	1545.0	--	--	
Actual EPS (p)	13.8	12.9	--	--	--	
Adj. EPS (p)	14.7	12.9	14.7	16.0	17.2	
Dividend (p)	9.0	9.2	9.7	9.9	10.5	
NAV (p)	60.9	62.8	--	--	--	
CFPS (p)	5.9	0.2	10.3	--	--	

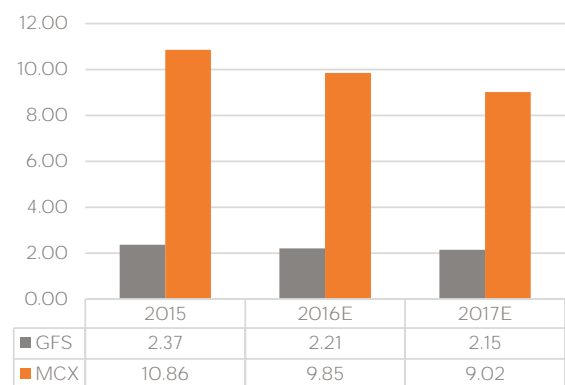
Margins and Returns

	2013	2014	2015	2016E	2017E
Gross Margin (%)	18.2%	19.0%	19.9%	20.2%	20.4%
EBITDA Margin (%)	0.0	0.1	8%	8%	9%
Conversion Ratio (%)	11%	35%	--	42%	42%
Return On Equity (%)	5.9%	41.2%	--	--	--
ROCE (%)	--	10.0%	--	--	--
Net Debt/EBITDA	11.4x	3.6x	2.8x	2.7x	2.6x

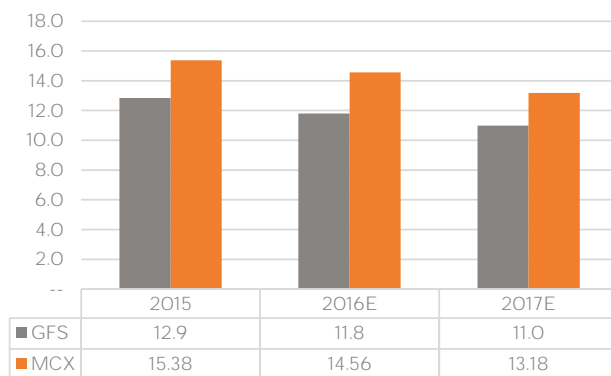
EV/SALES



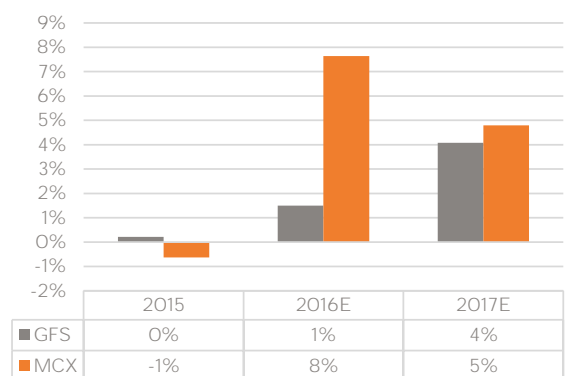
EV/ADJ.EBITDA



ADJ. P/E



REVENUE GROWTH



DISCLAIMERS AND DISCLOSURES

Copyright 2015 Capital Access Group Ltd. ("CAGL"). All rights reserved. CAGL provides professional equity research services, and the companies researched pay fees to CAGL in order for this research to be made available. This report has been prepared and issued by CAGL for publication in the United Kingdom only. All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable; however, CAGL does not guarantee the accuracy or completeness of this report. Opinions contained in this report represent those of the research department of CAGL at the time of publication, and any estimates are those of CAGL and not of the companies concerned unless specifically sourced otherwise. CAGL is not regulated by the Financial Conduct Authority (FCA).

This document is provided for information purposes only, and is not a solicitation or inducement to buy, sell, subscribe, or underwrite securities or units. Investors should seek advice from an Independent Financial Adviser or regulated stockbroker before making any investment decisions. CAGL does not make investment recommendations. Any valuation given in a research note is the theoretical result of a study of a range of possible outcomes, and not a forecast of a likely share price. CAGL does not undertake to provide updates to any opinions or views expressed in this document.

This document has not been approved for the purposes of Section 21(2) of the Financial Services & Markets Act 2000 of the United Kingdom. This document is a marketing communication under FCA Rules. It has not been prepared in accordance with the legal requirements designed to promote the independence of investment research. It is not subject to any prohibition on dealing ahead of the dissemination of investment research. CAGL does not hold any positions in the securities mentioned in this report. However, CAGL's directors, officers, employees and contractors may have a position in any or related securities mentioned in this report.

CAGL or its affiliates may perform services or solicit business from any of the companies mentioned in this report. The value of securities mentioned in this report can fall as well as rise and may be subject to large and sudden swings. In addition, the level of marketability of the shares mentioned in this report may result in significant trading spreads and sometimes may lead to difficulties in opening and/or closing positions. It may be difficult to obtain accurate information about the value of securities mentioned in this report. Past performance is not necessarily a guide to future performance.