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17 October 2011
For immediate release

G4S PLC
ACQUISITION OF ISS A/S FOR £5.2 BILLION AND £2 BILLION RIGHTS ISSUE

Creating the World's Largest Integrated Security and Facilities Services Group

G4S plc, the international security solutions group, today announces the acquisition of ISS A/S for an enterprise value of approximately £5.2 billion. G4S also announces a 7 for 6 rights issue at 122p to raise approximately £2 billion.

The Acquisition has a compelling strategic and financial rationale and will:

- Create a global leader in integrated security and facilities services combining G4S's 2010 revenue of £7,397 million and ISS's 2010 revenue of £8,522 million
- Accelerate delivery of G4S's strategy to provide integrated facilities services ("IFS")
- Provide significant growth opportunities and an estimated £100 million of annual pre-tax cost savings by 2014
- Lead to an investment of £20 million per year by 2014 in creating service excellence centres to share best practice across the enlarged group
- Be a financially compelling transaction expected to deliver, within three years:
  - double digit post-tax ROIC
  - double digit EPS accretion
  - no PBITA margin dilution
- Be funded in a manner to allow G4S to retain a BBB (or equivalent) credit rating

The combination of G4S and ISS creates the world's largest integrated security and facilities services company, by revenue, profit, countries of operation and number of employees.

Commenting on the Acquisition, G4S's CEO, Nick Buckles said:
"We are excited to announce the acquisition of ISS to create the world's largest integrated security and facilities services group. Since G4S was created in 2004, we have grown our business significantly and have expanded our service offering beyond our traditional security heritage into much broader areas of facilities services and outsourcing to meet growing customer needs. We believe this acquisition will transform our business, significantly accelerate the delivery of our solutions strategy and create substantial value for

shareholders.

G4S and ISS have very similar cultures and strategic ambitions as well as a strong, shared vision for providing service excellence to customers across the security and facilities services spectrum. The acquisition will also provide significant opportunities for staff at all levels to develop and broaden their skills into complementary areas, as part of a team of more than 1 million G4S employees."

Chairman of G4S, Alf Duch-Pedersen added:
"This acquisition brings together two high quality companies and management teams with a very strong business performance and integration track record. We have a compelling strategy, significant experience in meeting a wide range of customer needs and in motivating a large and diverse workforce to deliver excellent service to our customers.

I am delighted that ISS's CEO, Jeff Gravenhorst, will be joining the G4S Board and I look forward to welcoming him and the ISS management and employees into the group."

Summary of the transaction structure

G4S has agreed to acquire 100% of ISS for a total enterprise value of approximately £5.2 billion reflecting a multiple of 8.5x ISS's last twelve months EBITDA.

FS Invest II (the sole shareholder of ISS and a company indirectly owned by funds advised by EQT Partners and GS Capital Partners) will receive DKK 130 per ISS share, equivalent to around £1,528m in total – 50% paid in cash and 50% in G4S shares, with these shares being subject to a nine month lock-up.

The transaction is to be funded through a combination of a 7 for 6 fully underwritten rights issue to raise approximately £2 billion, and new debt facilities which will also be used to refinance existing debt. The new debt facilities have been fully underwritten by Deutsche Bank, HSBC Bank and The Royal Bank of Scotland.

Accelerating G4S's strategy and creating a platform for further growth

The G4S Board believes that the combination of G4S and ISS provides a significant opportunity to accelerate delivery of G4S's IFS, or "solutions", strategy, in response to customer demand and by addressing what the G4S directors believe to be a current market supply gap for IFS. IFS is the provision of multi-service types under one contract, together with on-site management through a single point of contact with the customer, which allows the facilities services functions to be integrated at the customer's premises.

The G4S Board believes that Enlarged G4S will have a strong base from which to develop its IFS proposition with a significant proportion of 2010 revenue in IFS or solutions contracts (20% of ISS's 2010 revenue was derived from IFS contracts and 30% of G4S's 2010 revenue was from solutions contracts).

The G4S Board believes that G4S and ISS operate in complementary geographies with overlaps in over 40 countries, which it is expected will provide significant opportunities for cross-selling. In addition, there are a number of countries where only one business is present today yielding opportunities to broaden Enlarged G4S's offer in those markets. In particular, Enlarged G4S will be able to build upon ISS's presence in European countries such as Spain, Italy and Switzerland, while G4S's presence throughout the Middle East and Africa will provide a platform from which to launch and develop ISS's service lines in those regions.

The Acquisition brings together two market leading businesses with complementary strategies and service lines to create a market leader in integrated security and facilities services with expertise in individual service lines, which is a key customer requirement, in addition to experience of providing bundled services and IFS.

The group will continue to have significant exposure to faster growing developing markets, representing around a quarter of combined G4S and ISS 2010 revenue and targeted to increase to 50% of revenue by 2019. In the first half of 2011, G4S's New Markets businesses delivered organic growth of 9% and ISS's Emerging Markets delivered strong organic growth of 14%.

The combination provides best practice sharing opportunities which the G4S Board expects will improve the performance of ISS's Emerging Markets businesses in line with that of G4S and will enable the Enlarged G4S to transfer ISS's IFS expertise into multiple G4S developed markets. It will also create an IFS proposition to meet customer demand for such services.

The G4S Board believes that Enlarged G4S will be well positioned to target what it estimates to be a £500 billion global facilities services market with the aim of developing longer term partnerships with customers, driving better value for customers and generating more predictable, higher quality earnings for G4S.

Creating value for shareholders

The G4S Board believes that the combination is financially compelling and will create shareholder value with expected:

- Cost synergies of approximately £100 million per year by 2014, primarily through reduced central, regional and national overheads with one-off implementation costs of approximately £100 million

- Investment of £20 million per year by 2014 in service excellence centres that will build on existing expertise in service standards and systems

- Post-tax returns on invested capital which are ahead of G4S's weighted average cost of capital within two years with double digit returns achieved within three years

- Earnings per share (before goodwill amortisation and exceptional items (including one-off costs associated with the integration of ISS)) ("**EPS**") accretion in the first year following completion and double digit EPS accretion within three years

- Post combination PBITA margin (post synergies and before one-off costs associated with the integration of ISS) which will be in line with G4S's current level with the potential to enhance margins in the future from increasing developing markets revenue, sharing of best practice, cross selling and increasing the contribution from solutions contracts

- Further value from significant revenue opportunities and enhanced future growth prospects

- The G4S Board is targeting achieving an effective tax rate of approximately 24 per cent. for Enlarged G4S and combined cash conversion of at least 85 per cent. Further details in respect of the targeted effective tax rate are set out in paragraph 3 of the additional information below

A compelling service proposition for customers

The Acquisition enables G4S to offer the full range of integrated security and facilities services and to meet demand from national and multi-national customers who require:

- Management of risk and reputation protection

- Quality and consistency of security and facilities services (across sites and countries)

- Better visibility and management of costs

- A single account management structure and accountability for service delivery

- Access to the latest technology and service innovation

- A commitment to continuous improvement in terms of cost and service

To ensure Enlarged G4S continues to deliver service excellence and focuses on customer needs G4S is intending to invest £20 million per year by 2014 in creating service excellence centres to share best practice across the group, including common systems and processes and to deliver global consistency for an increasingly international customer base.

ISS has been successful in the implementation of large IFS contracts with major customers such as Citi in EMEA, United Kingdom Foreign & Commonwealth Office in Asia Pacific and Telefonica.

G4S has delivered IFS, particularly in the government sector, for some years and has recently announced a major contract with the UK Ministry of Justice for IFS across its courts and related buildings.

A strong management team with extensive integration experience

Enlarged G4S will have an experienced combined management team at a corporate and regional level with a strong performance track record, substantial integration experience and a shared vision for IFS and the combined group.

G4S management has experience of acquiring and integrating over £800 million (consideration of £630 million plus net debt) of acquisitions since 2008 including the integration of GSL, a large government outsourcing business in 2008 and the successful integration of Securicor plc and the security business of Group 4 Falck A/S in 2004. ISS management has strong integration experience, having acquired and integrated over 600 acquisitions since 2000.

The two organisations have similar cultures and strong operational management well positioned to deliver service excellence for customers.

Jeff Gravenhorst, current ISS CEO, will join the G4S Board on completion of the Acquisition as Chief Operating Officer and Regional CEO Europe bringing a wealth of experience in facilities services including almost 10 years with ISS.

Creating an environment for employees to develop

G4S and ISS have a shared tradition of respect for employees – people are central to the success of both G4S and ISS. Enlarged G4S will continue to invest in processes, training, skills and tools to provide employees with the means to deliver excellent service and to be proud of the role that G4S employees play in society.

The creation of Enlarged G4S will also provide career opportunities for multiple layers of the combined workforce given the geographical and service breadth of the combined group and it will feed additional high quality employees into the succession pipeline.

ISS is a quality business which adds value to G4S

ISS is one of the world's largest facilities services providers with more than 535,000 employees in over 60 countries. In 2010, ISS had revenue of £8.5 billion and PBITA of £481 million.

ISS offers its customers a range of facilities services, which include cleaning services, property services, catering services, support services, security services and facility management services.

ISS has delivered positive organic growth, including during the recent global recessionary period and an organic growth rate of 6.0% in the first half of 2011. In the same period, ISS's Emerging Markets' organic growth was a strong 14%. ISS has achieved strong operating margins, averaging 5.8% per year since 2005 and strong cash conversion averaging 98% over the same period.

Retaining a robust capital structure

Enlarged G4S expects to retain a BBB (or equivalent) credit rating which will allow for further investment in growth and for the group to continue to make additional small acquisitions to address specific service line gaps. The blended cost of debt of Enlarged G4S is expected to be just under 5% per annum on its gross drawn debt.

G4S intends to evaluate the sale of the non-core elements of ISS's business in France and certain other developed markets. However, G4S intends to maintain a presence in all relevant markets to service International Accounts and IFS customers. The 2010 revenue generated by the businesses under evaluation was approximately £1 billion with PBITA of approximately £40 million.

G4S has a strong performance track record

G4S is the world's largest security solutions group with more than 635,000 employees in over 125 countries. In 2010, G4S had revenue of £7.4 billion and PBITA of £527 million. G4S's performance remained resilient during the recent economic downturn, and G4S achieved organic growth of 5% in the first half of 2011.

G4S has delivered year on year earnings and dividend growth since the group was created in 2004 from the merger of Securicor plc and the security businesses of Group 4 Falck A/S. G4S has achieved mid-teens returns on invested capital and average shareholder returns of 13.5% per year since the start of 2005 to the Latest Practicable Date.

Approval of the transaction

The Acquisition and Rights Issue are subject to G4S shareholder approval at a General Meeting to be held on 2 November 2011 at 2 p.m.

The Acquisition is also subject to customary closing conditions including securing the necessary regulatory and anti-trust approvals.

Deutsche Bank and Greenhill are acting as Joint Lead Financial Advisers to G4S and Deutsche Bank and RBS Hoare Govett are acting as Joint Global Co-ordinators and Joint Corporate Brokers to G4S. HSBC and RBS Hoare Govett also provided financial advice.

This preceding summary should be read in conjunction with the full text of the following announcement and its appendices, including the announcement released by G4S incorporating, inter alia, historic ISS financial information.

A meeting for analysts and institutional investors will be held today at the London Stock Exchange 10 Paternoster Square, London at 9am.

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ADDITIONAL INFORMATION REGARDING THE TRANSACTION

ACQUISITION OF ISS

AND 7 FOR 6 RIGHTS ISSUE TO RAISE £2,008 MILLION

G4S announces the proposed acquisition of the entire issued share capital of ISS by G4S.

The total consideration to be received by the Seller at Completion under the terms of the Acquisition is DKK 13,000 million (approximately £1,528 million) with 50 per cent. of the consideration to be satisfied in cash and 50 per cent. in new Ordinary Shares to be issued to the Seller at the Consideration Price on the basis of the Average Exchange Rate. Accordingly, on Completion the Seller will receive DKK 6,500 million (approximately £764 million) in cash and 389,942,017 Consideration Shares.

Assuming that no further Ordinary Shares will be issued from the Latest Practicable Date until Re-Admission, other than Rights Issue Shares and Consideration Shares, the Consideration Shares will represent approximately 11.3 per cent. of Enlarged G4S's issued share capital immediately following Re-Admission.

G4S proposes to undertake a Rights Issue and has entered into the Acquisition Facilities Agreement pursuant to which funds will be made available by a syndicate of banks in order to raise the funds required for the Acquisition, to repay a portion of existing debt and to pay fees relating to the Rights Issue and the Acquisition. The Rights Issue is expected to raise a total of approximately £1,880 million, net of expenses and underwriting commissions.

Because of the size of ISS when compared to G4S, the Acquisition is classified under the Listing Rules as a reverse takeover and requires the approval of Shareholders.

The Acquisition is conditional upon the satisfaction of certain Conditions. The Acquisition will not proceed if the Acquisition Resolutions are not passed by Shareholders at the General Meeting, or if the other conditions to the Acquisition and the conditions to the Rights Issue are not fulfilled.

A circular will be posted to Shareholders shortly including a letter from the Chairman of G4S, the purpose of which is, amongst other things: (i) to explain the background to, and reasons for, the Acquisition, (ii) to explain why the Directors believe that the Acquisition will assist in promoting the success of the Company and is in the best interests of the Company and the Shareholders as a whole, and (iii) to recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

A prospectus is expected to be published today and will be available on G4S's website www.G4S.com.

1. Transaction summary

The combination of G4S and ISS will merge G4S's presence in over 125 countries with ISS's presence in over 60 countries, creating the world's largest integrated security and facilities services group, with the capability to deliver excellence across a broad range of service lines.

The Acquisition will build on G4S's market-leading position in security solutions and ISS's market-leading position in facilities services.

The G4S Board believes that the Acquisition will yield significant benefits for shareholders, customers and employees of both G4S and ISS given the compelling logic of the Acquisition and the excellent geographic, operational and cultural fit of the businesses of each group.

If the Acquisition is completed, immediately following Re-Admission, the Seller will own approximately 11.3

per cent. of Enlarged G4S's issued share capital. The ability of the Seller to transfer its shares in Enlarged G4S will be restricted for a period of nine months following Re-Admission subject to certain exceptions.

It is proposed that the Ordinary Shares of Enlarged G4S will be admitted to the premium segment of the Official List and to trading on the Main Market of the London Stock Exchange and to official listing and trading on NASDAQ OMX Copenhagen.

The Acquisition is conditional upon the satisfaction of the Conditions. The Acquisition will not proceed if the Acquisition Resolutions are not passed by Shareholders at the General Meeting, or if the other conditions to the Acquisition and the conditions to the Rights Issue are not satisfied.

2. Rationale for the Acquisition

The G4S Board believes that:

- the Acquisition will accelerate G4S's strategy;
- ISS is a quality business which will add value to G4S;
- the potential combination has compelling financial metrics;
- the Acquisition will create a strategically and financially stronger G4S; and
- Enlarged G4S will have a combined management team with strong integration experience.

Accelerate G4S's strategy and create a platform for further growth

The G4S Board believes that the combination of G4S and ISS provides a significant opportunity to accelerate G4S's integrated facilities services ("IFS"), or "solutions", strategy, in response to customer demand for IFS and by addressing what the G4S Board believes to be a current market supply gap for IFS.

The G4S Board believes that Enlarged G4S will have a strong base from which to develop its IFS proposition. G4S delivers IFS in a number of markets with approximately 30 per cent. of its revenue for the financial year ended 31 December 2010 represented by solutions contracts. G4S has a clear, articulated strategy of expanding the IFS model further, and the G4S Board believes that ISS represents a strong strategic fit, with approximately 20 per cent. of its revenue for the financial year ended 31 December 2010 derived from IFS contracts.

G4S and ISS operate in complementary geographies with overlaps in over 40 countries, which is expected to provide significant opportunities for cross-selling. In addition, there are a number of countries where only one business is present today yielding opportunities to broaden Enlarged G4S's offering in those markets. In particular, Enlarged G4S will be able to build upon ISS's presence in European countries such as Spain, Italy and Switzerland, while G4S's presence throughout the Middle East and Africa will provide a platform from which to launch and develop ISS's service lines in those regions.

The G4S Board believes that the Acquisition will bring together two market-leading businesses with complementary strategies and service lines to create a market leader in integrated security and facilities services with:

- expertise in individual service lines, which is a key customer requirement, in addition to experience of providing bundled services and IFS;
- significant exposure to faster growing developing markets;
- high quality management at the corporate level with a strong performance track record, substantial integration experience and a shared vision for IFS and Enlarged G4S; and
- similar organisational cultures and strong operational management well positioned to deliver service

excellence and expertise in single service lines, multi-services and in IFS delivery.

ISS is a quality business which will add value to G4S

ISS is a high quality business with a successful track record demonstrated by:

- positive organic growth, achieved during the recent global recessionary period, and an organic growth rate of 6.0 per cent. in the six-month period ended 30 June 2011;

- reported organic growth of 14 per cent. in its Emerging Markets in the first six months of 2011; and

- resilient operating margin averaging 5.8 per cent. from the beginning of 2005 until the end of 2010 and strong cash conversion averaging 98 per cent. over the same period.

The potential combination has compelling financial metrics

The G4S Board believes that the potential combination is financially compelling, and the G4S Board expects that:

- the post-tax return on invested capital arising from the Acquisition will cover G4S's estimated weighted average cost of capital ("WACC") in the second year following Completion and G4S will aim to achieve a double digit post-tax return on invested capital arising from the Acquisition in the third year following Completion;

- it will deliver pre-tax cost synergies of approximately £100 million per year by 2014, primarily through reduced central, regional and national overheads resulting from the extensive geographic overlap of the G4S Group and the ISS Group, with one-off implementation costs of approximately £100 million;

- Enlarged G4S will invest £20 million per year by 2014 in service excellence centres that will build on existing expertise in service standards and systems;

- G4S's EPS will be enhanced in the first year following Completion with G4S targeting double digit EPS accretion as a result of the Acquisition within three years following Completion;

- the Acquisition will reflect a multiple of 8.5x enterprise value/last twelve months' EBITDA; and

- the Acquisition will be funded in a manner to allow G4S to retain its BBB (or equivalent) credit rating.

A strategically and financially stronger G4S

The G4S Board expects the Acquisition to enhance the strategic capability of Enlarged G4S, which the G4S Board believes will be well placed to capitalise on market opportunities to enhance shareholder value through:

- improved organic growth through cross selling multi-services and increasing the proportion of longer term IFS contracts;

- increasing developing markets revenue - targeted to increase to 50 per cent. of revenue by 2019;

- a post combination PBITA margin (post synergies and before one-off costs associated with the integration of ISS) expected to be in line with G4S's current level and potentially enhanced margins from increasing developing markets revenue, sharing of best practice, cross selling and further synergy delivery;

- continued enhancement of the G4S IFS proposition through acquisitions to address specific service line gaps in individual markets; and

- an expected blended cost of debt of just under 5 per cent. per annum on its gross drawn debt.

A strong management team with extensive integration experience

Enlarged G4S will have an experienced combined management team at a corporate and regional level with a strong performance track record, substantial integration experience and a shared vision for IFS and the combined group.

G4S management has experience of acquiring and integrating over £800 million (consideration of £630 million plus net debt) of acquisitions since 2008 including the integration of GSL, a large government outsourcing business. In addition, G4S management was also responsible for the successful integration of Securicor and the security business of Group 4 Falck A/S in 2004. ISS management has strong integration experience, having acquired and integrated over 600 businesses since the beginning of 2000. It is envisaged that the Enlarged G4S management team will create a central integration office to manage the overall integration programme whilst appointing dedicated regional and large country integration resources.

3. Information on Enlarged G4S

Introduction

Enlarged G4S will be a global leader in integrated security and facilities services combining G4S's revenue of £7,397 million and ISS's revenue of £8,522 million for the year ended 31 December 2010.

With operations in over 130 countries and approximately 1,170,000 employees, Enlarged G4S will have expertise in individual service lines, which is a key customer requirement, in addition to experience of providing bundled services and IFS.

Markets

The G4S Board estimates that the IFS market is worth approximately £500 billion per year and expects it to grow at rates which are at least 2 per cent. above the rate of nominal global GDP growth.

In respect of the security services market in which G4S operates, based on published market research (Freedonia Report on World Security Services, March 2011) and G4S's own analysis, the G4S Board estimates that this market will grow at between 8 per cent. and 12 per cent. per year in developing markets and between 4 per cent. and 5 per cent. per year in developed markets during the five-year period from 2009 to 2014.

For the same period, the G4S Board estimates that the facilities services market will grow at between 10 per cent. and 12 per cent. in developing markets and at approximately 4 per cent. in developed markets.

Customers

The Acquisition enables Enlarged G4S to offer integrated security and facilities services, and to meet demand from national and multi-national customers which the G4S Board believes prefer a single account management structure, quality and consistency of services (across sites and sometimes countries) and better visibility and management of costs.

Enlarged G4S will also benefit from additional skills and expertise, which it requires in key growth sectors such as justice, police, healthcare, aviation, ports, financial institutions, business services and information technology.

Services

Enlarged G4S will have a strong heritage and expertise in multiple service lines with specialist operational knowledge in security, cleaning and catering which will enable the sharing of best practice to leverage additional benefits for Enlarged G4S.

The Acquisition provides the foundation for building an IFS offering in developed markets and will enable Enlarged G4S to expand its current multi-service offering into broader facilities services areas.

In addition, Enlarged G4S intends to build expertise in service standards and systems by creating service excellence centres, which will be tasked with ensuring that Enlarged G4S delivers consistently high quality services across service lines and customer sectors. When fully developed, the investment is expected to be £20 million per annum from 2014.

Organisation

Enlarged G4S will be an independent company listed and headquartered in the UK. Jeff Gravenhorst, Chief Executive Officer of ISS will join the Enlarged G4S Board following Completion as COO and Regional CEO for Europe. See paragraph 10 below for details of the proposed Enlarged G4S Board.

The creation of Enlarged G4S will also provide career opportunities for multiple layers of the combined workforce and will feed additional high quality employees into the succession pipeline.

Financials

Whilst the G4S Board believes that G4S's organic growth and inorganic growth will enable G4S to continue to deliver strong growth rates in revenue, PBITA and EPS, the G4S Board believes that the Acquisition provides a more compelling platform from which to deliver future returns.

The G4S Board is targeting achieving an effective tax rate of approximately 24 per cent. for Enlarged G4S (reducing the effective tax rate of ISS to approximately 26 per cent.). The targeted effective rate assumes the elimination of existing non-deductible interest expenses in the ISS Group which arise as a result of Danish thin capitalisation legislation. It is anticipated that the elimination of the non-deductible interest expense will be achieved as part of the post acquisition restructuring process. In the event that such non-deductible interest expense remains within the ISS Group, the ISS effective tax rate may remain at levels similar to those set out under paragraph 13 of Part V (*Historical Financial Information Relating to ISS*) of the Circular.

Further information regarding the expected synergy benefits from, and financial effects of, the Acquisition is set out below.

Non-core businesses

G4S intends to evaluate the sale of the non-core elements of ISS's business in France and certain other developed markets. G4S intends, however, to maintain a presence in relevant markets to service International Accounts and IFS customers. The 2010 revenue generated by the businesses under evaluation was approximately £1 billion, with PBITA of approximately £40 million.

4. Synergy benefits from the Acquisition

In addition to the significant revenue opportunities expected to result from the combination, G4S will target achieving, within three years following Completion, approximately £100 million in pre-tax cost synergies per year and a PBITA margin (post synergies and before one-off costs associated with the integration of ISS) that is broadly in line with G4S's current level. To this end, the targeted cost synergies are expected to enhance G4S's PBITA margin by approximately 0.5 per cent. in 2014.

The G4S Board expects £50 million of pre-tax cost synergies to be achieved in 2012 with £83 million in 2013 before the full synergies are achieved in 2014. The cost synergies will be achieved primarily through reduced central, regional and national overheads resulting from the extensive geographic overlap of the two groups and will additionally be augmented by operational integration of overlapping security activities, reduced procurement costs and insurance premiums. Elimination of overlapping regional, national and branch offices and the integration of head office functions is expected to result in the loss of a number of management and office positions. The reduction in regional, country and branch overheads is expected to achieve £76 million of pre-tax cost synergies by 2014 with the integration of corporate head office functions expected to achieve £24 million of pre-tax cost synergies by 2014.

In order to deliver these operating synergies, it is expected that one-off implementation costs of approximately £100 million (£75 million in 2012 and £25 million in 2013) will be incurred by Enlarged G4S.

5. Financial effects of the Acquisition on Enlarged G4S

The G4S Board believes that the Acquisition will enhance G4S's EPS (before goodwill amortisation and exceptional items (including one-off costs associated with the integration of ISS)) in the first year following Completion with double digit EPS accretion expected within three years following Completion. However, no statement in this announcement should be interpreted to mean that the future EPS of Enlarged G4S will necessarily match or exceed the historical published EPS of G4S.

In addition, the G4S Board believes that the Acquisition will result in Enlarged G4S being well positioned for strong medium-term organic growth and for strong cash generation. The G4S Board expects that the post-tax return on invested capital arising from the Acquisition will cover G4S's estimated WACC in the second year following Completion and Enlarged G4S will aim to achieve a double digit post-tax return on invested capital in respect of the Acquisition in the third year following Completion. G4S also expects to retain its BBB (or equivalent) credit rating following the Acquisition.

6. Summary of the terms of the Acquisition

The terms of the Acquisition are set out in the Share Purchase Agreement dated 17 October 2011. Under the terms of the Share Purchase Agreement, G4S has agreed to acquire ISS by purchasing all of ISS's issued shares from the Seller, ISS's immediate parent company.

Consideration payable to the Seller

The total consideration to be received by the Seller at Completion under the terms of the Acquisition is DKK 13,000 million (approximately £1,528 million) with 50 per cent. of the consideration to be satisfied in cash and 50 per cent. in new Ordinary Shares to be issued at the Consideration Price to the Seller on the basis of the Average Exchange Rate. Accordingly, on Completion the Seller will receive DKK 6,500 million (approximately £764 million) in cash and 389,942,017 Consideration Shares.

Assuming that no further Ordinary Shares will be issued from the Latest Practicable Date until Re-Admission, other than Rights Issue Shares and Consideration Shares, the Consideration Shares will represent approximately 11.3 per cent. of Enlarged G4S's share capital immediately following Re-Admission.

The Consideration Shares will be issued at Completion to the Seller credited as fully paid and will rank *pari passu* in all respects with the Ordinary Shares, including the right to receive all dividends, distributions, or any return of capital declared, made or paid after Completion.

Share Purchase Agreement

In order to implement the Acquisition, G4S has entered into the Share Purchase Agreement with the Seller.

Conditions to Completion

Completion of the Share Purchase Agreement is conditional upon:

- the passing of the Acquisition Resolutions;
- the Underwriting Agreement becoming unconditional;
- Admission becoming effective;
- certain anti-trust approvals being obtained, prior to Re-Admission; and
- Re-Admission becoming effective.

Completion under the Share Purchase Agreement will not take place until Re-Admission, which is the final Condition. If the Acquisition Resolutions are approved at the General Meeting and each of the other Conditions are satisfied (or, where capable of being waived, waived) prior to the Long Stop Date, G4S will be contractually obliged to proceed to Completion. Completion is currently expected to occur towards the end of 2011.

Accordingly, the Rights Issue may complete even if the conditions to the Share Purchase Agreement relating to obtaining certain anti-trust approvals and Re-Admission becoming effective are not satisfied such that the Acquisition will not complete. In the event that the Rights Issue completes, but Completion does not take place, the G4S Directors' current intention is that the proceeds of the Rights Issue will be invested on a short-term basis while the G4S Directors evaluate other acquisition opportunities. If no acquisitions can be found on acceptable terms, the G4S Directors will consider how best to return surplus capital to Shareholders. Such a return could carry fiscal costs for certain Shareholders and will have costs for G4S.

Lock-Up Agreement

G4S, the Seller, the Seller Parent, GS Capital Partners and funds advised by EQT Partners have entered into the Lock-Up Agreement in respect of the Consideration Shares which the Seller will receive at Completion.

The Lock-Up Agreement imposes certain restrictions on the Seller in relation to its ability to deal in the Consideration Shares. In particular, subject to certain exceptions, for a period of nine months following Re-Admission, the Seller is prevented from disposing of any of its Consideration Shares without the prior written consent of G4S.

7. Principal terms and conditions of the Rights Issue

G4S proposes to raise approximately £1,880 million, net of expenses and the underwriting commissions, by way of the Rights Issue. The Rights Issue Price of 122 pence per Rights Issue Share represents a discount of 56.8 per cent. to the Closing Price of 282.3 pence per Ordinary Share on 14 October 2011 (being the last trading day prior to the announcement of the Rights Issue) and a 37.8 per cent. discount to the theoretical ex-rights price of 196 pence per Ordinary Share, based on such Closing Price. If a Qualifying Shareholder does not take up any of his entitlement to Rights Issue Shares, his proportionate shareholding will be diluted by 53.8 per cent. However, if a Qualifying Shareholder takes up his Rights in full, he will, after the Rights Issue has been completed and ignoring any entitlement to a fraction of an Ordinary Share, have the same proportionate voting rights and entitlements to dividends as he had on the Rights Issue Record Date.

G4S proposes to offer Rights Issue Shares, in aggregate, by way of Rights, to Qualifying Shareholders (other than Restricted Shareholders) on the basis of 7 Rights Issue Shares at 122 pence each for every 6 Ordinary Shares held and registered in their name on the Rights Issue Record Date. For the purpose of acceptance in respect of Rights credited to Qualifying VP Shareholders in VP Securities, 7 Rights Issue Shares will be issued at DKK 10.38 each for every 6 Ordinary Shares based on holdings on 2 November 2011 at 5 p.m. (Copenhagen time).

The Rights Issue Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive in full all dividends and other distributions (if any) declared, made or paid by reference to a record date after the date of their issue.

Conditions to the Rights Issue

The Rights Issue is conditional upon (*inter alia*):

- the Share Purchase Agreement not having been terminated and none of the conditions precedent to Completion set out therein having become incapable of satisfaction prior to Admission;
- the passing of the Acquisition Resolutions;
- the Underwriting Agreement not having been terminated prior to becoming unconditional; and
- Admission having become effective by not later than 8.00 a.m. on 3 November 2011 (or such later time and/or date as the Company and the Underwriters may agree).

The Rights Issue has been fully underwritten.

The results of the Rights Issue, including the aggregate number of Rights Issue Shares issued and the aggregate amount raised, net of expenses, is expected to be announced by G4S to a Regulatory Information Service after 7.00 a.m. on 18 November 2011.

Use of proceeds

Assuming Completion takes place, the Rights Issue proceeds of approximately £2,008 million will be applied to satisfy the cash consideration to be paid to the Seller (approximately £764 million), with the remainder used to repay a portion (approximately £1,116 million) of ISS's existing debt and to pay fees relating to the Rights Issue (approximately £54 million) and the Acquisition (approximately £74 million).

However, the Rights Issue is not itself conditional upon Completion. In the event that the Rights Issue completes, but Completion does not take place, the G4S Directors' current intention is that the proceeds of the Rights Issue will be invested on a short-term basis while the G4S Directors evaluate other acquisition opportunities. If no acquisitions can be found on acceptable terms, the G4S Directors will consider how best to return surplus capital to Shareholders. Such a return could carry fiscal costs for certain Shareholders and will have costs for G4S.

Structure of the Rights Issue

The Rights Issue has been structured in a way that is expected to have the effect of creating a merger reserve in an amount approximately equal to the net proceeds of the Rights Issue less the par value of the Rights Issue Shares issued by G4S. G4S and the Subscribing Bank have agreed to acquire, by direct issue, ordinary shares in Gem Diamond (Jersey) Limited ("**Newco**"). Capita Registrars will receive, into an account set up specifically for the purpose (the "**Capita Proceeds Account**") and as Receiving Agent for and on behalf of the Subscribing Bank, monies from Qualifying Shareholders, or renouncees, taking up Rights Issue Shares under the Rights Issue, and from any persons procured by the Joint Bookrunners to acquire Rights Issue Shares not taken up by Qualifying Shareholders or by the Joint Bookrunners as underwriters. Provided certain conditions are met, the Subscribing Bank will use certain amounts in the Capita Proceeds Account to acquire by direct issue, redeemable preference shares in Newco.

G4S will allot and issue the Rights Issue Shares to those persons entitled thereto in consideration for the Subscribing Bank transferring its holdings of ordinary shares and redeemable preference shares in Newco to G4S. Accordingly, instead of receiving cash as consideration for the issue of the Rights Issue Shares, at the conclusion of the Rights Issue, G4S will own the entire issued share capital of Newco whose only asset will be its cash reserves, which will represent an amount equivalent to the net proceeds of the Rights Issue.

If the Acquisition does not complete, to the extent the merger reserve is considered to be realised, this should result in distributable reserves, which would facilitate the return of surplus capital to Shareholders if the G4S Directors determine to do so. Should the Acquisition complete, these distributable reserves would not exist.

8. Information on ISS

ISS is a leading global provider of facilities services and one of the largest private employers in the world with more than 535,000 employees as at 30 June 2011.

ISS has operated in the service industry for more than one hundred years and was established in 1901 as a small Danish security company, before beginning to offer cleaning services in 1934. In 2005, ISS was acquired by an entity controlled by funds advised by EQT Partners and GS Capital Partners, and was de-listed from NASDAQ OMX Copenhagen in that year.

Since the beginning of 2000, ISS has acquired and integrated over 600 businesses. In recent years, ISS has followed a strategy of selectively acquiring smaller companies in order to strengthen its competencies, enhance its service offering and establish critical mass. Divestments since 2008 have primarily focussed on non-core activities and smaller businesses which lacked critical mass.

With its headquarters in Copenhagen, Denmark, ISS has operations in more than 60 countries across Europe, Asia Pacific, Latin America and North America. In the six months ended 30 June 2011, 51 per cent. of ISS's revenue came from Western Europe, 23 per cent. from the Nordic region and the remaining 26 per cent. from other territories.

ISS has a large and diverse customer base operating in both the private and public sectors in areas such as business services and IT, public administration, and healthcare.

ISS is a wholly owned subsidiary of the Seller, a company registered in Luxembourg. The Seller is indirectly owned by funds advised by EQT Partners, GS Capital Partners and by the participants in the ISS Incentive Programmes. As at the Latest Practicable Date, funds advised by EQT Partners and GS Capital Partners indirectly owned approximately 54 per cent. and 44 per cent., respectively, and the participants in the ISS Incentive Programmes indirectly owned approximately 2 per cent., of the shares of the Seller.

For the financial year ended 31 December 2010, ISS had revenue of £8,522 million, PBITA of £481 million, and profit before tax of £273 million. As at 31 December 2010, ISS had total equity of £306 million and gross assets of £6,373 million.

9. Dividend policy of Enlarged G4S

The G4S Board intends to maintain G4S's current dividend policy. Future dividend payments per Ordinary Share will be adjusted to take account of the enlarged number of Ordinary Shares that will be in issue following the Rights Issue and the Acquisition. The G4S Board intends that Enlarged G4S will continue to increase dividends broadly in line with normalised adjusted earnings.

10. G4S Board and Enlarged G4S Board

G4S Board changes / G4S Board committees

G4S also announces that with effect from today Mark Seligman replaces Lord Condon as Deputy Chairman with Lord Condon remaining Senior Independent Director. Also, and in recognition of the importance which G4S places on CSR, with effect from today the CSR Committee becomes a full committee of the G4S Board. The CSR Committee will continue to be chaired by Mark Elliott who will be joined by three other directors, Bo Lerenius (who steps down from the Remuneration Committee), Clare Spottiswoode and Winnie Kin Wah Fok.

Enlarged G4S Board

Enlarged G4S will be an independent company listed and headquartered in the UK with a strong board of directors. Jeff Gravenhorst, Chief Executive Officer of ISS will join the Enlarged G4S Board following Completion.

Accordingly, following Re-Admission, the Enlarged G4S Board is expected to comprise the following members:

Name	*Role on Enlarged G4S Board*	*Existing Position at G4S*
Alf Duch-Pedersen	Chairman	Chairman
Mark Seligman	Deputy Chairman and Non-executive Director	Deputy Chairman and Non-executive Director
Lord Condon	Senior Independent Director	Senior Independent Director
Nick Buckles	Chief Executive	Chief Executive
Trevor Dighton	Chief Financial Officer	Chief Financial Officer
Grahame Gibson	Chief Operating Officer & Regional CEO Americas	Chief Operating Officer & Regional CEO Americas
Jeff Gravenhorst	Chief Operating Officer & Regional CEO Europe	N/A
Mark Elliott	Non-executive Director	Non-executive Director

Bo Lerenius	Non-executive Director	Non-executive Director
Clare Spottiswoode	Non-executive Director	Non-executive Director
Winnie Kin Wah Fok	Non-executive Director	Non-executive Director

Following Re-Admission, the Enlarged G4S Board will adhere to the provisions of the UK Corporate Governance Code.

Proposed G4S Director's service contract

Jeff Gravenhorst has entered into a new service agreement with G4S which is conditional on, and will take effect from, Completion.

The new service agreement does not have a fixed term, but provides for termination on the following terms:

- six months' notice from either party during the period between the commencement of Mr. Gravenhorst's employment under the terms of the new service agreement and 31 March 2013; and

- 12 months' notice from either party from 1 April 2013.

Where notice is served by Mr. Gravenhorst on or before 31 December 2012, G4S reserves the right to terminate Mr. Gravenhorst's employment immediately together with a payment in lieu of notice equal to such sum as would have been payable as gross salary, together with a sum equivalent to the cost to G4S (calculated at the discretion of the Remuneration Committee) of Mr. Gravenhorst's contractual benefits, (less any deductions which G4S is required to make including in respect of income tax and employee's National Insurance contributions).

Where notice is served by Mr. Gravenhorst after 31 December 2012 but on or before 31 March 2013 or by G4S on or before 31 March 2013, G4S reserves the right to terminate Mr. Gravenhorst's employment immediately or at any time during the notice period and in any event shall pay to Mr. Gravenhorst a sum equal to DKK 15,300,000 (which represents 24 months' basic salary and car benefit at the rate paid to Mr. Gravenhorst by ISS immediately prior to Completion) together with a pro-rated bonus payment relating to the then current financial year of G4S calculated on the basis that a full year's bonus for that year shall be equal to the average bonus amount paid to Mr. Gravenhorst during the past three full years of his employment by ISS and subject to a maximum cap of DKK 3,120,000 (the "Termination Payment"). The Termination Payment is not payable if G4S terminates Mr. Gravenhorst's employment on grounds of gross misconduct.

Where notice is served by either party after 31 March 2013, G4S reserves the right to terminate Mr. Gravenhorst's employment immediately together with a payment in lieu of notice equal to such sum as would have been payable as basic salary, together with a sum equivalent to the cost to G4S (calculated at the discretion of the Remuneration Committee) of Mr. Gravenhorst's contractual benefits (less any deductions which G4S is required to make including in respect of income tax and employee's National Insurance contributions). Any such payment in lieu of notice may be phased in monthly or quarterly instalments over 12 months from the date on which Mr. Gravenhorst's employment terminates and reduced in accordance with any mitigation by Mr. Gravenhorst by offsetting any income obtained during the 12 month period (excluding income arising from Mr. Gravenhorst's appointments with Danish Crown Holding A/S, Danish Crown AMBA and Statsautoriseret revisor Ove Haugsted og Hustru Lissi Haugsteds Familiefond). The off-setting arrangement is not intended to apply in respect of any other payments under the service agreement (including the Termination Payment).

Pursuant to the new service agreement, Mr. Gravenhorst will be entitled to a basic salary at the rate of DKK 5,464,300 per annum (or such higher rate as the Remuneration Committee may from time to time determine).

Pursuant to the new service agreement, Mr. Gravenhorst will also be eligible to receive the following benefits in kind:

- Participation in the Executive Directors' discretionary bonus scheme on such terms and at such level as the G4S remuneration committee may from time to time determine

- A sum equal to 40 per cent. of his basic salary in lieu of pension.

- Participation in the long-term performance share plan applicable to G4S from time to time.

- Life assurance cover at the rate of four times his basic salary.

- Private medical insurance and personal accidence insurance.

- A company car at a maximum purchase price of DKK 1,500,000 (and G4S will bear all costs related to the running of the car) or a monthly cash allowance in lieu corresponding to G4S's estimated cost for leasing and running a car of that value.

11. Employees

At Completion, Enlarged G4S is expected to have over 1,170,000 employees worldwide. G4S attaches great importance to retaining the skills and expertise of the management teams and employees of both G4S and ISS. The increased size and strength of Enlarged G4S has the potential to offer attractive career prospects for employees. The existing legal employment rights of employees of both G4S and ISS will be safeguarded on Completion.

12. General Meeting

A circular containing a notice convening the General Meeting of the Company will be sent to Shareholders shortly. The purpose of the General Meeting will be to seek Shareholders' approval of the Resolutions in connection with the Acquisition and the Rights Issue. The full text of the Resolutions will be set out in the notice convening the General Meeting.

13. Further information and risk factors

Further details in relation to the Acquisition and Rights Issue will be set out in the Circular and the Prospectus. Shareholders' attention is drawn, in particular, to the risk factors to be included in the Prospectus.

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Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin – Federal Financial

Supervisory Authority) and authorised and subject to limited regulation by the Financial Services Authority. Details about the extent of Deutsche Bank AG's authorisation and regulation by the Financial Services Authority are available on request. Deutsche Bank AG, London Branch is acting exclusively for G4S in connection with the transaction referred to in this announcement and no one else in connection with the transaction and will not be responsible to anyone other than G4S for providing the protections afforded to clients of Deutsche Bank AG, London Branch, nor for providing advice in relation to the transaction or any matter or arrangement referred to in this announcement.

Greenhill & Co. International LLP, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for G4S in connection with the transaction referred to in this announcement and for no one else in connection with the transaction and will not be responsible to anyone other than G4S for providing the protections afforded to clients of Greenhill & Co. International LLP nor for giving advice in relation to the transaction or any matter or arrangement referred to in this announcement.

The Royal Bank of Scotland plc (trading as RBS Hoare Govett), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for G4S in connection with the transaction referred to in this announcement and for no one else in connection with the transaction and will not be responsible to anyone other than G4S for providing the protections afforded to clients of The Royal Bank of Scotland plc (trading as RBS Hoare Govett) nor for giving advice in relation to the transaction or any matter or arrangement referred to in this announcement.

HSBC Bank plc, which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting exclusively for G4S in connection with the transaction referred to in this announcement and for no one else and will not be responsible to anyone other than G4S for providing the protections afforded to clients of HSBC Bank plc nor for giving advice in relation to the transaction or any matter or arrangement referred to in this announcement

Disclaimers

This announcement is not for release, publication or distribution, directly or indirectly, in whole or in part, in or into the United States, Hong Kong, India, Japan, People's Republic of China, Saudi Arabia, South Africa, Switzerland or any *jurisdiction into which the same would be unlawful.*

This announcement is not intended to, and does not, constitute or form part of any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities pursuant to this announcement or otherwise.

This announcement has been prepared in accordance with English law, the Listing Rules and the Disclosure Rules and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The distribution of this announcement in jurisdictions other than the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom will need to inform themselves about, and observe, any applicable requirements.

This announcement is not an offer to sell or a solicitation of any offer to buy the securities of G4S plc (the "Securities") in the United States, Australia, Canada, Japan or in any other jurisdiction where such offer or sale would be unlawful.

The Securities have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act"), or with any securities regulatory authority of any State or other jurisdiction of the United States. Consequently, the Securities may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any State or other jurisdiction of the United States. No public offering of the Securities is being made in the United States.

The Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares and the Provisional Allotment Letters *have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States or qualify for distribution under any of the relevant securities laws of the Excluded Territories. Subject to certain exceptions, none of the Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares nor the Provisional Allotment Letters may be offered, sold, resold, delivered or transferred or delivered, directly or indirectly, within the United States, or the Excluded Territories. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights, the New Ordinary Shares or the Provisional Allotment Letters in the United States.*

The distribution of this announcement and/or the Prospectus and/or the Provisional Allotment Letter and/or the offering of the Nil Paid Rights, the Fully Paid Rights or the New Ordinary Shares in jurisdictions other than the United Kingdom may be restricted by law. No action has been taken by the Company or any of Deutsche Bank A.G., London Branch, The Royal Bank of Scotland plc (trading as RBS Hoare Govett) and Greenhill & Co. International LLP that would permit an offering of such rights or shares or possession or distribution of this announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this announcement comes are required by the Company and each of Deutsche Bank A.G., London Branch, The Royal Bank of Scotland plc (trading as RBS Hoare Govett) and Greenhill & Co. International LLP to inform themselves about, and to observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Certain information in this announcement is based on management estimates. By their nature, estimates may not be correct or complete. Accordingly, no representation or warranty (express or implied) is given that such estimates are correct or complete or founded on reasonable grounds. None of G4S, ISS, Deutsche Bank A.G., London Branch, The Royal Bank of Scotland plc (trading as RBS Hoare Govett) and Greenhill & Co. International LLP undertake any obligation to correct or complete any estimate whether as a result of being aware of information (new or otherwise), future events or otherwise.

In this announcement certain financial measures relating to G4S are presented that are not measures of financial performance under IFRS, including PBITA and PBITA margin, organic growth, operating cash flow and cash conversion. These figures have not been audited. These non-IFRS financial measures should not be considered in isolation, as an alternative to other measures of financial performance under IFRS or as a measure of G4S's profitability or liquidity. Non-IFRS financial measures presented in this announcement in relation to G4S may not be comparable to other similarly titled measures of other companies including ISS.

In this announcement certain financial measures relating to ISS are presented that are not measures of financial performance under IFRS, including operating profit before other items, operating profit and operating margin, PBITA, PBITA margin, organic growth and cash conversion. These figures have not been audited. These non-IFRS financial measures should not be considered in isolation, as an alternative to other measures of financial performance under IFRS or as a measure of ISS's profitability or liquidity. Non-IFRS financial measures presented in this announcement in relation to ISS may not be comparable to other similarly titled measures of other companies including G4S. The financial information relating to ISS set out in this announcement has been restated to be consistent with the accounting policies adopted by G4S and has also been translated into sterling.

THIS ANNOUNCEMENT IS AN ADVERTISEMENT AND NOT A PROSPECTUS AND INVESTORS SHOULD NOT SUBSCRIBE FOR OR PURCHASE ANY SECURITIES REFERRED TO IN THIS ANNOUNCEMENT EXCEPT ON THE BASIS OF INFORMATION TO BE CONTAINED IN THE PROSPECTUS EXPECTED TO BE PUBLISHED TODAY BY THE COMPANY IN CONNECTION WITH THE PROPOSED ACQUISITION AND RIGHTS ISSUE. COPIES OF THE PROSPECTUS WILL BE AVAILABLE FROM THE COMPANY'S REGISTERED OFFICE.

Nothing in this announcement is intended, or is to be construed, as a profit forecast or to be interpreted to mean that G4S's EPS for the current or future financial years, or those of the proposed enlarged G4S, will necessarily match or exceed the historical published EPS of G4S. Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This announcement, including information included or incorporated by reference in this announcement, may contain "forward-looking statements" concerning G4S and ISS. Generally, the words "will", "may", "should", "continue", "believes", "expects", "intends", "anticipates" or similar expressions identify forward-looking statements. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those suggested by them. Many of these risks and uncertainties relate to factors that are beyond the companies' abilities to control or estimate precisely, such as future market conditions and the behaviours of other market participants, and therefore undue reliance should not be placed on such statements which speak only as at the date of this announcement. G4S and ISS assume no obligation and do not intend to update these forward-looking statements, except as required pursuant to applicable law.

Forward-looking statements contained in this announcement apply only as at the date of this announcement. Subject to any obligations under the Listing Rules, the Disclosure and Transparency Rules and the Prospectus Rules, G4S undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Prospective investors should specifically consider the factors identified in the Prospectus which could cause actual results to differ before making an investment decision.

APPENDIX 1

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below is indicative only and may be subject to change.[1]

The timetable set out below does not apply to VP Beneficiaries who should refer to the timetable included in Appendix 1 (Information and terms and conditions of the Rights Issue for VP Beneficiaries) of the Prospectus.

Publication of the Prospectus and posting of the Circular and Notice of General Meeting	17 October 2011
Rights Issue Record Date	Close of business on 31 October 2011
Latest time and date for receipt of Forms of Proxy	2.00 p.m. on 31 October 2011
General Meeting	2.00 p.m. on 2 November 2011
Despatch of Provisional Allotment Letters (to Qualifying non-CREST Shareholders only)[2]	2 November 2011
Existing Ordinary Shares marked "ex" by London Stock Exchange	8.00 a.m. on 3 November 2011
Admission and dealings in Nil Paid Rights and Fully Paid Rights commence on the London Stock Exchange[2]	8.00 a.m. on 3 November 2011
Nil Paid Rights credited to stock accounts in CREST (Qualifying CREST Shareholders only)	As soon as practicable after 8.00 a.m. on 3 November 2011
Nil Paid Rights and Fully Paid rights enabled in CREST	As soon as practicable after 8.00 a.m. on 3 November 2011
Recommended latest time for requesting withdrawal of Nil Paid Rights and Fully Paid Rights from CREST (i.e. if your Nil Paid Rights and Fully Paid Rights are in CREST and you wish to convert them to certificated form)	4.30 p.m. on 11 November 2011
Recommended latest time for depositing renounced Provisional Allotment Letters, nil or fully paid, into CREST or for dematerializing Nil Paid Rights or Fully Paid Rights into a CREST stock account (i.e. if your Nil Paid Rights and Fully Paid Rights are represented by a Provisional Allotment Letter and you wish to convert them to uncertificated form)	3.00 p.m. on 14 November 2011
Latest time and date for splitting Provisional Allotment Letters, nil or fully paid	3.00 p.m. on 15 November 2011
Latest time and date for acceptance, payment in full and registration of renunciation of Provisional Allotment Letters	**11.00 a.m. on 17 November 2011**
Results of Rights Issue to be announced through a Regulatory Information Service	As soon as practicable after 7.00 a.m. on 18 November 2011
Dealings in Rights Issue Shares, fully paid, commence on the London Stock Exchange	**8.00 a.m. on 18 November 2011**
Rights Issue Shares credited to CREST accounts	As soon as practicable after 8.00 a.m. on 18 November 2011
Despatch of definitive share certificates for the Rights Issue Shares in certificated form	25 November 2011
Latest date for despatch of Sale of Rights payment, if any	25 November 2011
Completion of the Acquisition and Re-Admission	by no later than the fifth Business Day following 31 March 2012

1 All references to time are to London time.

2 Subject to certain restrictions relating to Qualifying Shareholders with registered addresses outside the UK.

APPENDIX 2

DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise:

“Acquisition”	means the proposed acquisition by G4S of ISS, to be effected through the purchase by G4S of the entire issued share capital of ISS
“Acquisition Facilities Agreement”	means the £1,330 million and €4,100 million multi-currency term and revolving credit facilities agreement dated 17 October 2011 entered into between G4S plc, G4S International Finance plc, Deutsche Bank AG, London Branch, HSBC Bank plc and The Royal Bank of Scotland plc as mandated lead arrangers and lenders
“Acquisition Resolutions”	means the resolutions numbered 1, 2 and 3 and set out in the Notice of General Meeting
“Admission”	means the proposed admission of the Rights Issue Shares by the UK Listing Authority to listing on the Official List and by the London Stock Exchange to trading nil paid on the main market of the London Stock Exchange
“Average Exchange Rate”	means the arithmetic average DKK to GBP rate for 12, 13 and 14 October 2011 of 8.5053 taken from Reuters' ECB37 screen
“Business Day”	means any day on which banks are generally open in London for the transaction of business other than a Saturday or Sunday or public holiday
“Capita Registrars”	means Capita Registrars Limited, being G4S’s registrars
“certificated form”	means in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in certificated form (that is, not in CREST)
“Circular”	means the circular to be despatched to shareholders in connection with the Acquisition and the Rights Issue
“Closing Price”	means the closing middle market price of a relevant share as derived from Stock Exchange Daily Official List on any particular day
“Completion”	means completion of the Acquisition pursuant to the Share Purchase Agreement
“Conditions”	means the conditions to Completion of the Acquisition as set out in the Share Purchase Agreement
“Consideration Price”	means 195.985 pence being the agreed price of a Consideration Share
“Consideration Shares”	means the Ordinary Shares to be issued by G4S to the Seller pursuant to the Share Purchase Agreement
“CREST”	means the relevant system (as defined in the Regulations) in respect of

	which Euroclear is the operator (as defined in the Regulations)
“CSR”	means corporate social responsibility
“CSR Committee”	means the corporate social responsibility committee of the G4S Board
“Deutsche Bank”	means Deutsche Bank AG, London Branch
“developing markets”	means those markets that will, upon Completion, replace the current reporting segments of G4S and ISS called “New Markets” and “Emerging Markets”, respectively. The countries which will comprise this segment have not yet been determined
“Disclosure and Transparency Rules”	means the disclosure and transparency rules made by the UK Listing Authority under Section 73A of FSMA as amended from time to time
“DKK”	means Danish Krone the lawful currency of the Kingdom of Denmark
“EEA State”	means a member state of the European Economic Area
“Eastern Europe”	means Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Russia, Slovakia, Slovenia and the Ukraine
“Emerging Markets”	comprises the markets in which ISS currently operates in countries in Asia, Eastern Europe and Latin America as well as Turkey, Israel and South Africa
“Enlarged G4S”	means G4S as enlarged by ISS following Completion and Re-Admission
“Enlarged G4S Board”	means the board of directors of Enlarged G4S
“EQT Partners”	means EQT Partners AB and its subsidiaries, including EQT Partners A/S
“Excluded Territories”	means Hong Kong, India, Japan, People’s Republic of China, Saudi Arabia, South Africa, Switzerland and any other jurisdiction where the extension or availability of the Rights Issue (and any other transaction contemplated thereby) would breach any applicable law
“Existing Ordinary Shares”	means Ordinary Shares in issue as at the Rights Issue Record Date
“Form of Proxy”	means the form of proxy for the General Meeting
“FS Invest II” or “Seller”	means FS Invest II S.àr.l
“Fully Paid Rights”	means rights to acquire Rights Issue Shares, fully paid
“GDP”	means Gross Domestic Product
“G4S”	means G4S plc
“G4S Articles”	means the articles of association of G4S in force from time to time
“G4S Board”	means the board of directors of G4S
“G4S Directors”	means the current directors of G4S
“G4S Group”	means G4S and its subsidiaries and subsidiary undertakings from time to time

“General Meeting”	means the general meeting of G4S to be held on 2 November 2011 to consider, and if thought fit, approve the Resolutions
“Greenhill”	means Greenhill & Co. International LLP
“GS Capital Partners”	means funds affiliated with Goldman Sachs International
“HSBC”	means HSBC Bank plc
“IFRS”	means International Financial Reporting Standards as adopted by the European Union
“IFS”	means integrated facilities services
“ISS”	means ISS A/S
“ISS Group”	means ISS and its subsidiaries and subsidiary undertakings from time to time
“ISS Incentive Programmes”	means the ISS directors participation programme, the ISS co - investment scheme and the ISS management participation programme
“Joint Bookrunners”	means each of Deutsche Bank and RBS
“Latest Practicable Date”	means 14 October 2011 being the latest practicable date prior to the publication of the Prospectus
“Listing Rules”	means the listing rules made by the UK Listing Authority under section 73A of the FSMA as amended from time to time
“Lock-Up Agreement”	means the agreement dated 17 October 2011 between G4S, the Seller, the Seller Parent, funds advised by EQT Partners and GS Capital Partners in relation to the Acquisition
“London Stock Exchange”	means London Stock Exchange plc
“Long Stop Date”	means 31 March 2012
“Main Market”	means the London Stock Exchange’s main market for listed securities
“NASDAQ OMX Copenhagen”	means NASDAQ OMX Copenhagen A/S or its predecessor the Copenhagen Stock Exchange
“Newco”	means Gem Diamond (Jersey) Limited, a company incorporated under the law of Jersey (registered number 109200) with its registered office at Ogier House, The Esplanade, St. Helier, JE4 9WG
“New Markets”	in relation to G4S’s operations, means the Middle East and the Gulf States, Latin America, the Caribbean, Africa, South Asia and Asia Pacific
“New Ordinary Shares”	means, as the context permits, the Rights Issue Shares and/or the Consideration Shares
“Nil Paid Rights”	means rights to acquire Rights Issue Shares
“Notice of General Meeting”	means the notice of the general meeting of G4S to be held on 2 November 2011 included in Part X (*Notice of General Meeting*) of the Circular

“Official List”	means the official list of the UK Listing Authority
“operating profit before other items”	means ISS’s operating profit excluding other income and expenses, net, acquisition and integration costs, goodwill impairment and amortisation and impairment of brands and customer contracts
“Ordinary Shares”	means the ordinary shares of nominal value 25 pence in the capital of G4S including, if the context requires, the Rights Issue Shares and the Consideration Shares
“PBITA”	means profit before interest, taxation and amortisation of acquisition-related intangible assets
“Proposed G4S Director”	means Jeff Gravenhorst
“Prospectus”	means the prospectus expected to be published by G4S today
“Prospectus Rules”	means the prospectus rules of the UK Listing Authority made in accordance with Section 73a of FSMA, as amended from time to time
“Provisional Allotment Letter”	means the provisional allotment letter to be issued to Qualifying non-CREST Shareholders
“Qualifying CREST Shareholder”	means a Qualifying Shareholder holding Ordinary Shares in uncertificated form excluding, for the avoidance of doubt, Qualifying VP Shareholders
“Qualifying non-CREST Shareholder”	means Qualifying Shareholders holding Ordinary Shares in certificated form
“Qualifying Shareholder”	means a holder of Ordinary Shares on the register of members of G4S on the Rights Issue Record Date (including HSBC acting as nominee for the Qualifying VP Shareholders)
“Qualifying VP Shareholder”	means a person who as at 5.00 p.m. on 2 November 2011 owns Existing Ordinary Shares registered in VP Securities regardless of such Existing Ordinary Shares having been credited to such person’s stock account in VP Securities
“RBS”	means The Royal Bank of Scotland plc (trading as RBS Hoare Govett)
“Re - Admission”	means admission of the Consideration Shares, and re-admission of the Ordinary Shares to the Official List of the UK Listing Authority and to trading on the London Stock Exchange
“Receiving Agent”	means Capita Registrars, or any other Receiving Agent appointed by G4S from time to time
“Regulatory Information Service”	means one of the regulatory information services authorised by the UK Listing Authority to receive, process and disseminate regulatory information from listed companies
“Remuneration Committee”	means the remuneration committee of the G4S Board
“Resolutions”	means the resolutions numbered 1 to 5 in the Notice of General Meeting
“Restricted Shareholder”	means a Qualifying Shareholder with a registered address in an Excluded Territory or for whom the availability of the Rights Issue (or any other transaction contemplated thereby) would otherwise breach

	any applicable law
“reverse takeover”	has the meaning given to such term by the Listing Rules
“Rights”	means the Nil Paid Rights and/or the Fully Paid Rights
“Rights Issue”	means the offer by way of Rights to Qualifying Shareholders to acquire Rights Issue Shares, on the terms and conditions set out in the Prospectus and, in the case of Qualifying non-CREST Shareholders only, the Provisional Allotment Letter
“Rights Issue Price”	means 122 pence per Rights Issue Share or, in respect of New Ordinary Shares to be issued in respect of Nil Paid Rights issued by VP Securities, DKK 10.38 per Rights Issue Share
“Rights Issue Record Date”	means 5.00 p.m. on 31 October 2011
“Rights Issue Shares”	means the Ordinary Shares proposed to be issued pursuant to the Rights Issue
“Securities Act”	means the United States Securities Act of 1933
“Seller” or “FS Invest II”	means FS Invest II S.à.r.l.
“Seller Parent”	means FS Invest S.à.r.l., the Seller’s direct parent company
“Shareholder”	means a holder of Ordinary Shares
“Share Purchase Agreement”	means the agreement entered into on 17 October 2011 between the Seller and G4S pursuant to which G4S will acquire the entire issued share capital of ISS
“sterling” or “£”	means the lawful currency of the United Kingdom from time to time
“Subscribing Bank”	means Deutsche Bank;
“UK Corporate Governance Code”	means the UK Corporate Governance Code 2010 issued by the Financial Reporting Council in the UK
“uncertificated forms”	means, in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST
“Underwriters”	means each of Deutsche Bank and RBS
“Underwriting Agreement”	means the underwriting agreement dated 17 October 2011 between G4S, Greenhill and the Underwriters relating to the Rights Issue
“United Kingdom” or “UK”	means the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	means the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction
“VP Beneficiaries”	means Qualifying VP Shareholders and persons having acquired Nil Paid Rights or Rights Issue Shares credited or to be credited through VP Securities
“VP Securities”	means VP Securities A/S, a Clearing and Securities Depository approved under the Danish Act on Securities Trading
“Western Europe”	means Austria, Belgium, Denmark, Finland, France, Germany, Greece,

	Iceland, Ireland, Italy, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK

References to a “company” in this announcement shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.