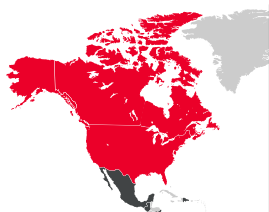


North America



John Kenning
Regional CEO for North America & Technology



G4S North America is predominantly an integrated secure solutions business for commercial customers, with some government contracts including juvenile detention services and border protection. It has recently launched an innovative cash management solution for retail customers, CASH360™ (see page 26).

2014 highlights

+6.9%

Organic growth

\$46^{bn}

Total security market size in 2013*

57,000

Employees

+33.9%

PBITA growth

Revenue £m			PBITA £m		
2014 ¹	2013 ²	YoY %	2014 ¹	2013 ²	YoY %
1,365	1,277	6.9%	75	56	33.9%

John Kenning succeeded Grahame Gibson as CEO for the North America region in December 2014 following Grahame's retirement from the role after 30 successful years with the group. John brings extensive security and systems experience to the group.

Revenue grew by 7% in **North America** reflecting a strong performance in commercial security, compliance and investigations and justice services.

We have retained contracts with major financial institutions and IT companies, and grown our business in the wholesale retail sector. We have extended our youth justice services to now cover 13 states. There were also major contract wins in the industrial, healthcare and biotech sectors.

PBITA for the region was 34% higher, reflecting higher revenue and improved direct labour efficiency resulting in a reduction in non-billable overtime, and overheads.

With the introduction of the Affordable Care Act, effective in the fourth quarter of 2015, we have reviewed and modified our plans. We do not expect the Act to have a material impact on the group's business, as our plans were broadly compliant with the legislation.

The region is expanding its shared services centre to include **Canada**, which will generate overhead savings in 2015.

Good progress was made in the region on rationalising the business portfolio. The sale of the cash solutions business in **Canada** completed for £60 million in January 2014 and the sale of the US Government Solutions business for £36 million completed in November 2014.

Overall, the North American business has a strong contract pipeline with opportunities across diverse sectors including commerce, retail, industry and government.

North America case study – *International Gem Tower*

The International Gem Tower in New York opened in 2014 and is designed specifically for the global diamond, gem and jewellery industry. Because security, safety and speed are essential to success, the developers required a comprehensive, world-class solutions including security technology, consulting, personnel and international logistics.

