AUDITED FINANCIAL RESULTS
for the year ended 31 December 2013

G4S (Botswana) Limited

Cash Solutions | Manned Security | Systems | Cleaning | Facilities Management | Fleet Management

The Annual Financial Statements have been prepared based on International Financial Reporting Standards, and are consistent with those applied in the previous financial year. The accounting policies applied in the preliminary results are consistent with those applied in the Annual Financial Statements.

There have been no events between the period-end and the date of this report which could have a material effect on the company's financial position and results of its operations and cash flows as of and for the year ended 31 December 2013.

Dividend
The Directors have recommended a final special dividend of 3.53 thebe per share gross of tax. The final dividend is payable on, or about 11th April 2014 to shareholders registered as at 4th April 2014.

Comments and prospects
Marginal revenue growth of 0.7% was achieved during the period due to challenging market conditions. Net earnings attributable to equity holders were 31.9% lower than for the corresponding period in 2012. This was due to the subdued revenue growth, an increase in the impairment for trade receivables, one-off costs associated with a restructuring of the business, and a decline in investment income following the acquisition of the Facilities Management business in 2012.

Profit improvement measures, which include a review of overheads and operating costs and enhanced focus on collection of trade receivables, are now in place. In addition, various initiatives have been undertaken to improve the service offering and drive revenue growth in 2014. The vehicle replacement program will continue in 2014, adding new vehicles to the fleet to reduce running costs and improve operational efficiencies.

The Directors are pleased to note that the turnaround initiatives referred to above are succeeding and the results are already manifesting in both the operations and financial performance of the business going into 2014. The Directors are therefore confident that the business will register growth in earnings in 2014.

Part disposal of investment in subsidiary
In order to comply with the licensing requirements for cleaning, which is a reserved activity under section 15 (1) of the Trade Act, 2003, read together with section 11 of the Trade (Amendment) Act, 2010, G4S (Botswana) Limited reduced its shareholding in G4S Facilities Management (Botswana) (Pty) Limited from 70% to 49%. The transaction completed in November 2013 involved the selling of shares valued at P2,759,739 to a citizen shareholder. Subsequent to the completion of the transaction the trading licences for G4S Facilities Management (Botswana) (Pty) Limited were renewed by the licensing authorities.

Signed on behalf of the Board of Directors:

L.M. Mpotokwane (Chairman)
M.L. Kampani (Managing Director)

05 March 2014