



The GEO Group, Inc.

Supplemental Financial and Operational Information

First Quarter 2013

The GEO Group's ("GEO") Unaudited Reconciliation Tables and Supplemental Disclosure presented herein speaks only as of the date or period indicated, and GEO does not undertake any obligation, and disclaims any duty, to update any of this information. GEO's future financial performance is subject to various risks and uncertainties that could cause actual results to differ materially from expectations. The factors that could affect GEO's future financial results are discussed more fully in our reports on Form 10-K, Form 10-Q and Form 8-K filed with the SEC. Readers are advised to refer to these reports for additional information concerning GEO.

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The GEO Group

The GEO Group is the first fully integrated equity real estate investment trust specializing in the design, financing, development, and operation of correctional, detention, and community reentry facilities around the globe. GEO is the world's leading provider of diversified correctional, detention, and community reentry services to government agencies worldwide with operations in the United States, Australia, South Africa, and the United Kingdom. GEO's worldwide operations include the ownership and/or management of 95 facilities totaling 72,000 beds with a growing workforce of approximately 18,000 professionals.

Board of Directors

George C. Zoley - Chairman, CEO and Founder, The GEO Group
Norman Carlson - Former Director, Federal Bureau of Prisons
Clarence Anthony - Executive Director, League of Cities

Richard Glanton - Chairman and CEO, Philadelphia Television Network
Anne Foreman - Former Under Secretary, United States Air Force
Chris Wheeler - Former Member and Partner, Proskauer Rose LLP

Senior Management

George C. Zoley, Chairman, CEO and Founder
John M. Hurley, President, GEO Corrections & Detention
John Bulfin, Senior Vice President and General Counsel
Stephen Fuller, Senior Vice President, Human Resources

Brian R. Evans, Senior Vice President and Chief Financial Officer
Jorge A. Dominicis, Senior Vice President, GEO Community Services
Thomas Wierdsma, Senior Vice President, Project Development

Corporate Headquarters

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Stock Information

New York Stock Exchange Common Stock Ticker: GEO

CUSIP: 36159R103

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Kevin Campbell, Avondale Partners
Clint Fendley, Davenport
Todd Van Fleet, First Analysis
Tobey Sommer, SunTrust

Manav Patnaik, Barclays Capital
Robert Wasserman, Dawson James
Kevin McVeigh, Macquarie

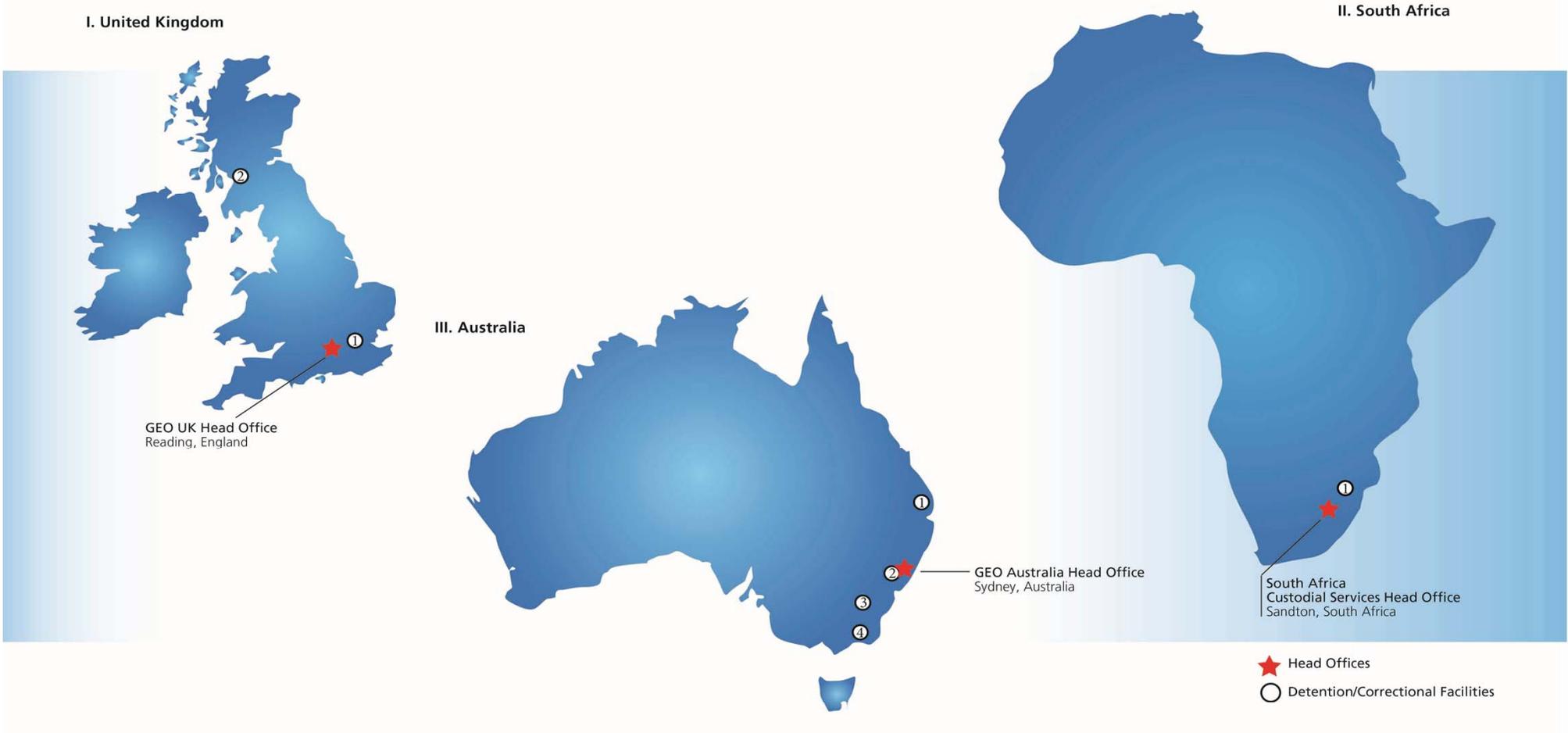
Facility Portfolio

GEO owns, leases and/or manages 88 facilities in the United States totaling approximately 65,000 beds located in 18 states.



Facility Portfolio

GEO manages 7 facilities totaling approximately 7,000 beds overseas in Australia, South Africa and the United Kingdom.



Financial Highlights

(In thousands except per share data)
(Unaudited)

	Three Months Ended 31-Mar-13	Three Months Ended 1-Apr-12
Revenues		
Company owned and leased property	\$ 239,805	\$ 226,333
Managed only, non-residential services and other	137,226	133,709
Total Revenues	\$ 377,031	\$ 360,042
Net Operating Income (NOI) / Gross Profit		
Company owned and leased property	\$ 65,057	\$ 57,917
Managed only, non-residential services and other	31,177	31,405
Total NOI	\$ 96,234	\$ 89,322
Adjusted EBITDA	\$ 73,527	\$ 71,150
Normalized Funds from Operations (FFO)	\$ 39,611	\$ 26,037
Adjusted Funds from Operations (AFFO)	\$ 49,627	\$ 32,821
AFFO Per Diluted Share	\$ 0.69	\$ 0.54
GAAP Income from Continuing Operations Per Diluted Share	\$ 0.33	\$ 0.23
Pro Forma Income from Continuing Operations Per Diluted Share	\$ 0.38	\$ 0.29
Weighted average common shares outstanding-diluted	71,412	60,929
Net Debt	\$ 1,455,712	\$ 1,456,418

Condensed Consolidated Statements of Income

(In thousands except per share data)
(Unaudited)

	Three Months Ended 31-Mar-13	Three Months Ended 1-Apr-12
Revenues	\$ 377,031	\$ 360,042
Operating expenses	280,797	270,720
Depreciation and amortization	22,935	22,239
General and administrative expenses	32,040	26,586
Operating income	\$ 41,259	\$ 40,497
Interest income	1,184	1,807
Interest expense	(19,341)	(20,806)
Income before income taxes, equity in earnings of affiliates and discontinued operations	\$ 23,102	\$ 21,498
Provision for income taxes	881	8,490
Equity in earnings of affiliates, net of income tax provision	1,217	748
Income from continuing operations	\$ 23,438	\$ 13,756
Income from discontinued operations, net of income tax provision	-	1,303
Net income	\$ 23,438	\$ 15,059
Net income attributable to non-controlling interests	(18)	(34)
Net income attributable to The GEO Group, Inc.	\$ 23,420	\$ 15,025
Weighted average shares outstanding		
Basic	70,850	60,768
Diluted	71,412	60,929
Income per share from continuing operations		
Basic	\$ 0.33	\$ 0.23
Diluted	\$ 0.33	\$ 0.23
Income per share attributable to The GEO Group, Inc.		
Basic	\$ 0.33	\$ 0.25
Diluted	\$ 0.33	\$ 0.25

Condensed Consolidated Balance Sheets

(In thousands)
(Unaudited)

	ASSETS	31-Mar-13	31-Dec-12
Current Assets			
Cash and cash equivalents		\$ 83,724	\$ 31,755
Restricted cash and investments		15,780	15,654
Accounts receivable, less allowance for doubtful accounts		254,917	246,635
Current deferred income tax assets		18,290	18,290
Prepaid expenses and other current assets		25,649	24,849
Total current assets		398,360	337,183
Restricted Cash and Investments		30,337	32,756
Property and Equipment, Net		1,680,165	1,687,159
Assets Held for Sale		1,700	3,243
Direct Finance Lease Receivable		25,010	26,757
Non-Current Deferred Income Tax Assets		2,532	2,532
Goodwill		490,312	490,308
Intangible Assets, Net		174,473	178,318
Other Non-Current Assets		85,193	80,938
		\$ 2,888,082	\$ 2,839,194
	LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities			
Accounts payable		52,152	50,110
Accrued payroll and related taxes		46,316	39,322
Accrued expenses		112,175	116,557
Current portion of capital lease obligation, long-term debt, and non-recourse debt		59,627	53,882
Total current liabilities		270,270	259,871
Non-Current Deferred Income Tax Liabilities		15,703	15,703
Other Non-Current Liabilities		82,522	82,025
Capital Lease Obligations		11,678	11,926
Long-Term Debt		1,370,167	1,317,529
Non-Recourse Debt		97,964	104,836
Total Shareholders' Equity		1,039,778	1,047,304
Total Liabilities and Shareholders' Equity		\$ 2,888,082	\$ 2,839,194

Reconciliation of Income from Continuing Operations to Funds from Operations, Normalized FFO, and Adjusted Funds from Operations

(In thousands)

(Unaudited)

	Three Months Ended 31-Mar-13	Three Months Ended 1-Apr-12
Income from Continuing Operations	\$ 23,438	\$ 13,756
Net Income Attributable to Non-controlling Interests	(18)	(34)
Real Estate Related Depreciation and Amortization	12,524	12,315
Funds from Operations	<u>\$ 35,944</u>	<u>\$ 26,037</u>
Funds from Operations	\$ 35,944	\$ 26,037
REIT Conversion Related Expenses	3,667	-
Normalized Funds from Operations	<u>\$ 39,611</u>	<u>\$ 26,037</u>
Normalized Funds from Operations	\$ 39,611	\$ 26,037
Non-Real Estate Related Depreciation & Amortization	10,411	9,924
Consolidated Maintenance Capital Expenditures	(3,617)	(5,302)
Stock Based Compensation Expenses	1,685	1,472
Amortization of Debt Costs and Other Non-Cash Interest	1,537	690
Adjusted Funds from Operations (AFFO)	<u>\$ 49,627</u>	<u>\$ 32,821</u>
Normalized FFO Per Diluted Share	<u>\$ 0.55</u>	<u>\$ 0.43</u>
AFFO Per Diluted Share	<u>\$ 0.69</u>	<u>\$ 0.54</u>
Weighted Average Common Shares Outstanding-Diluted	71,412	60,929

Reconciliation of Income from Continuing Operations to Adjusted EBITDA

(In thousands)

(Unaudited)

	Three Months Ended <u>31-Mar-13</u>	Three Months Ended <u>1-Apr-12</u>
Income from continuing operations	\$ 23,438	\$ 13,756
Interest expense, net	18,157	18,999
Income tax provision	881	8,490
Depreciation and amortization	22,935	22,239
Tax provision on equity in earnings of affiliates	477	321
EBITDA	<u>\$ 65,888</u>	<u>\$ 63,805</u>
Adjustments		
Net Income attributable to non-controlling interests	(18)	(34)
Stock based compensation expenses, pre-tax	1,685	1,472
Start-up/transition expenses, pre-tax	-	4,889
International bid related costs, pre-tax	-	565
REIT conversion related expenses, pre-tax	5,972	-
M&A related expenses, pre-tax	-	453
Adjusted EBITDA	<u><u>\$ 73,527</u></u>	<u><u>\$ 71,150</u></u>

Reconciliation of Income from Continuing Operations to Pro Forma Income from Continuing Operations

(In thousands except per share data)

(Unaudited)

	Three Months Ended 31-Mar-13	Three Months Ended 1-Apr-12
Income from continuing operations	\$ 23,438	\$ 13,756
Net Income attributable to non-controlling interests	(18)	(34)
Start-up/transition expenses, net of tax	-	3,055
International bid related costs, net of tax	-	418
REIT conversion related expenses, net of tax	3,667	-
M&A related expenses, net of tax	-	273
Pro forma income from continuing operations	<u>\$ 27,087</u>	<u>\$ 17,468</u>
Income from continuing operations per diluted share ⁽¹⁾	\$ 0.33	\$ 0.23
Net Income attributable to non-controlling interests	-	-
Start-up/transition expenses, net of tax	-	0.05
International bid related costs, net of tax	-	0.01
REIT conversion related expenses, net of tax	0.05	-
M&A related expenses, net of tax	-	-
Diluted Pro forma income from continuing operations per diluted share	<u>\$ 0.38</u>	<u>\$ 0.29</u>
Weighted average common shares outstanding-diluted	71,412	60,929

(1) Note that earnings per share tables may contain slight summation differences due to rounding

Reconciliation of Operating Income to Net Operating Income

(In thousands)
(Unaudited)

	Three Months Ended <u>31-Mar-13</u>	Three Months Ended <u>1-Apr-12</u>
Operating Income	\$ 41,259	\$ 40,497
Depreciation and amortization	22,935	22,239
General and administrative expenses	32,040	26,586
Net Operating Income	<u>\$ 96,234</u>	<u>\$ 89,322</u>

2013 Outlook/Reconciliation

(Unaudited)

(In thousands except per share data)

	Full Year 2013	
Net Income	\$ 112,000	to \$ 122,000
Real Estate Related Depreciation and Amortization	50,000	50,000
Funds from Operations (FFO)	<u>\$ 162,000</u>	<u>to \$ 172,000</u>
REIT Conversion Related Expenses & Write-Off of Deferred Financing Fees	8,000	8,000
Normalized Funds from Operations	<u>\$ 170,000</u>	<u>to \$ 180,000</u>
Non-Real Estate Related Depreciation and Amortization	45,000	45,000
Consolidated Maintenance Capex	(30,000)	(30,000)
Non-Cash Stock Based Compensation and Non-Cash Interest Expense	15,000	15,000
Adjusted Funds From Operations (AFFO)	<u>\$ 200,000</u>	<u>to \$ 210,000</u>
Net Cash Interest Expense	75,000	75,000
Consolidated Maintenance Capex	30,000	30,000
Income Taxes	15,000	15,000
Adjusted EBITDA	<u>\$ 320,000</u>	<u>to \$ 330,000</u>
G&A Expenses	100,000	100,000
Non-Cash Stock Based Compensation	(10,000)	(10,000)
Net Operating Income	<u>\$ 410,000</u>	<u>to \$ 420,000</u>
FFO Per Share	\$ 2.25	to \$ 2.39
AFFO Per Share	\$ 2.78	to \$ 2.92
Dividend Per Share	\$ 2.00	\$ 2.00
Weighted Average Common Shares Outstanding-Diluted	72,000	72,000
FFO Payout Ratio	89%	84%
AFFO Payout Ratio	72%	69%

Business Segment Results (1)

(In thousands)
(Unaudited)

	Three Months Ended <u>31-Mar-13</u>	Three Months Ended <u>1-Apr-12</u>
Revenues		
U.S. Corrections & Detention	\$ 248,896	\$ 235,035
GEO Community Services	73,941	72,258
International Services	54,194	52,749
Facility Construction & Design	-	-
	<u>\$ 377,031</u>	<u>\$ 360,042</u>
Operating Expenses		
U.S. Corrections & Detention	\$ 179,713	\$ 172,760
GEO Community Services	49,333	49,470
International Services	51,751	48,490
Facility Construction & Design	-	-
	<u>\$ 280,797</u>	<u>\$ 270,720</u>
Depreciation & Amortization Expense		
U.S. Corrections & Detention	\$ 15,097	\$ 15,168
GEO Community Services	7,203	6,539
International Services	635	532
Facility Construction & Design	-	-
	<u>\$ 22,935</u>	<u>\$ 22,239</u>

(1) Business segment results exclude results from discontinued operations.

Business Segment Results (1) (Continued)

(Unaudited)

	Three Months Ended <u>31-Mar-13</u>	Three Months Ended <u>1-Apr-12</u>
Compensated Mandays		
U.S. Corrections & Detention	4,182,584	4,000,526
GEO Community Services	293,842	309,025
International Services	638,744	645,664
	<u>5,115,170</u>	<u>4,955,215</u>
Revenue Producing Beds		
U.S. Corrections & Detention	49,076	47,262
GEO Community Services	3,778	3,941
International Services	7,149	7,149
	<u>60,003</u>	<u>58,352</u>
Average Occupancy (2)		
U.S. Corrections & Detention	96.0%	96.1%
GEO Community Services	79.9%	82.9%
International Services	99.3%	99.2%
	<u>95.3%</u>	<u>95.5%</u>

(1) Business segment results exclude the results from discontinued operations.

(2) Average occupancy excludes the impact of GEO's idle facilities.

GEO Corrections & Detention (1)

(Unaudited)

	Three Months Ended <u>31-Mar-13</u>	Three Months Ended <u>1-Apr-12</u>
Revenues (In thousands)		
U.S. Corrections & Detention		
Federal	\$ 156,719	\$ 148,739
State	88,747	83,229
Local	1,889	1,154
Other	1,541	1,913
Total U.S. Corrections & Detention	<u>\$ 248,896</u>	<u>\$ 235,035</u>
 Compensated Mandays		
U.S. Corrections & Detention		
Federal	2,107,494	2,039,832
State	2,046,329	1,931,320
Local	28,761	29,374
Other	-	-
Total U.S. Corrections & Detention	<u>4,182,584</u>	<u>4,000,526</u>

(1) Business segment results exclude the results from discontinued operations.

GEO Community Services

(Unaudited)

	Three Months Ended <u>31-Mar-13</u>	Three Months Ended <u>1-Apr-12</u>
Revenues (In thousands)		
Community Based Services	\$ 23,787	\$ 23,823
Youth Services	24,290	23,888
BI Electronic & Location Monitoring	25,864	24,547
Total GEO Community Services	<u>\$ 73,941</u>	<u>\$ 72,258</u>
Compensated Mandays		
Residential		
Community Based Services	209,096	220,494
Youth Services	84,746	88,531
Total Residential Mandays	<u>293,842</u>	<u>309,025</u>
Non-Residential Units		
Community Based Services (1)	212,740	200,271
Youth Services (2)	75,398	109,940
BI Electronic & Location Monitoring (3)	5,810,045	5,672,041
Total Non-Residential Units	<u>6,098,183</u>	<u>5,982,252</u>

Non-Residential Units presented in the table are calculated based on number of days within the period times number of units:

- (1) Community Based Services Non-Residential units include home confinement populations and day reporting center participants.
- (2) Youth Non-Residential units include education, counseling, and other outpatient treatment services.
- (3) BI Non-Residential units include electronic monitoring services and ISAP participants.

Owned and Leased Properties

	Facility Name	City	State	Year(s) Contracted	Primary Customer(s)	Design Capacity	Ownership Type	Term(s)	Renewal Option(s)
1	Adelanto Detention Facility	Adelanto	California	May-11	ICE - IGA	1,300	Owned	5 years	None
2	Central Valley MCCF	McFarland	California	None	Idle	640	Owned	None	None
3	Desert View MCCF	Adelanto	California	None	Idle	650	Owned	None	None
4	Leo Chesney Female CCF	Live Oak	California	None	Idle	318	Leased	None	None
5	McFarland Female CCF	McFarland	California	None	Idle	260	Owned	None	None
6	Mesa Verde Female CCF	Bakersfield	California	None	Idle	400	Owned	None	None
7	Golden State MCCF	McFarland	California	March-97	CDCR	625	Owned	10 year	One, Five-year
8	Western Region Detention Facility	San Diego	California	January-06	USMS	770	Leased	5 year	One, Five-year
9	Aurora ICE Processing Center	Aurora	Colorado	September 2011/October 2012	ICE/USMS	1,532	Owned	2 year/2 year	Four, Two-year/Four, Two-year
10	Hudson Correctional Facility	Hudson	Colorado	September-09	AK DOC	1,250	Leased	2 years 9 1/2 months	Seven, One-year
11	Broward Transition Center	Deerfield Beach	Florida	April-09	ICE	700	Owned	11 months	Four, One-year, Unlimited 6-month
12	D. Ray James Correctional Facility	Folkston	Georgia	October-10	BOP	2,507	Owned	4 years	Three, Two-year
13	D. Ray James Detention Facility	Folkston	Georgia	January-07	USMS - IGA	340	Owned	Perpetual	N/A
14	Riverbend Correctional Facility	Milledgeville	Georgia	July-10	GA DOC	1,500	Owned	Partial 1 year	Forty, One-year
15	Robert A. Deyton Detention Facility	Lovejoy	Georgia	February-08	USMS	768	Leased	5 years	Three, Five year
16	LaSalle Detention Facility	Jena	Louisiana	July-07	ICE - IGA	1,160	Owned	Perpetual	N/A
17	North Lake Correctional Facility	Baldwin	Michigan	None	Idle	1,740	Owned	None	None
18	Delaney Hall	Newark	New Jersey	May-03	Tenant-CEC	1,200	Owned-Not Managed	None	None
19	Guadalupe County Correctional Facility	Santa Rosa	New Mexico	January-99	NMCD - IGA	600	Owned	Perpetual	N/A
20	Lea County Correctional Facility	Hobbs	New Mexico	September-98	NMCD - IGA	1,200	Owned	Perpetual	N/A
21	Queens Detention Facility	Jamaica	New York	January-08	USMS	222	Owned	2 year	Four, Two-year
22	Rivers Correctional Institution	Winton	North Carolina	April-11	BOP	1,450	Owned	4 year	Three, Two-year
23	Great Plains Correctional Facility	Hinton	Oklahoma	None	Idle	2,048	Owned	None	Five, One-year
24	Lawton Correctional Facility	Lawton	Oklahoma	July-08	OK DOC	2,526	Owned	1 year	Unlimited, Four-year
25	Moshannon Valley Correctional Center	Phillipsburg	Pennsylvania	April-06	BOP	1,820	Owned	36 months	Seven, One-year
26	Big Spring Correctional Center	Big Spring	Texas	April-07	BOP	3,509	Owned	4 years	Three, Two-year
27	Karnes Correctional Center	Karnes City	Texas	February-98	USMS - IGA	679	Owned	Peperual	N/A
28	Karnes County Civil Detention Center	Karnes County	Texas	December-10	ICE - IGA	600	Owned	5 years	None
29	Rio Grande Detention Center	Laredo	Texas	October-08	USMS	1,500	Owned	5 years	Three, Five-year
30	South Texas Detention Complex	Pearsall	Texas	December-11	ICE	1,904	Owned	11 months	Four, One-year
31	Val Verde Correctional Facility	Del Rio	Texas	January-01	USMS - IGA	1,407	Owned	Perpetual	N/A
32	Northwest Detention Center	Tacoma	Washington	October-09	ICE	1,575	Owned	1 year	Four, One-year

Owned and Leased Properties

	Facility Name	City	State	Year Contracted	Primary Customer(s)	Design Capacity	Ownership Type	Term(s)	Renewal Option(s)
COMMUNITY-BASED SERVICES									
1	Beaumont Transitional Treatment Center	Beaumont	Texas	Sep-03	TDCJ	180	Owned	2 year	Five, Two year/ One, Six-month
2	Bronx Community Re-entry Center	Bronx	New York	Apr-13	BOP	110	Leased	1 year	Four, One-year Three, One-year/ Four, One, Five - month
3	Cordova Center	Anchorage	Alaska	Jan-13	AK DOC / BOP	262	Owned	4 months	Four, One-year
4	El Monte Center	El Monte	California	Mar-08	BOP	70	Leased	7 months	Three, One-year
5	Grossman Center	Leavenworth	Kansas	Oct-07	BOP	150	Leased	2 years	Three, One-year
6	Las Vegas CCC	Las Vegas	Nevada	Oct-10	BOP	124	Owned	2 years	Three, One-year
7	Leidel Comprehensive Sanction Center	Houston	Texas	Jan-11	BOP	190	Owned	2 years	Three, One-year
8	Marvin Gardens Center	Los Angeles	California	May-06	BOP	60	Leased	2 years	Three, One-year
9	McCabe Center	Austin	Texas	Apr-07	Travis Co/VA	113	Owned	1 year	Two, One- year/ Four, One- year
10	Mid Valley House	Edinburg	Texas	Dec-08	BOP	100	Leased	2 years	Three, One-year
11	Midtown Center	Anchorage	Alaska	Sep-07	AK DOC	32	Owned	4 months	Four, One-year, One, Five-month
12	Northstar Center	Fairbanks	Alaska	Feb-11	AK DOC	143	Leased	5 months	Four, One-year, One, Six-month
13	Oakland Center	Oakland	California	Nov-08	BOP	69	Owned	3 years	Seven, One-year
14	Parkview Center	Anchorage	Alaska	Sep-07	AK DOC	112	Owned	4 months	Four, One-year, One Five-month
15	Reality House	Brownsville	Texas	Sep-11	BOP	94	Owned	2 year	Three, One-year
16	Southeast Texas Transitional Center	Houston	Texas	Sep-03	TDCJ	500	Owned	2 year	Five, Two year
17	Salt Lake City Center	Salt Lake City	Utah	Jun-11	BOP	115	Leased	2 years	Three, One-year
18	Seaside Center	Nome	Alaska	Dec-07	AK DOC	50	Leased	7 months	Four, One- year/ One, Five month
19	Taylor Street Center	San Francisco	California	Feb-06	BOP / CDCR	210	Owned	2 year, 8 month	Seven, One-year
20	Tundra Center	Bethel	Alaska	Dec-06	AK DOC	85	Owned	5 month	Four, One- year/ One, Six- month
YOUTH SERVICES									
1	Southern Peaks Regional Treatment Center	Canon City	Colorado	2004	CO Counties of DHS,DYC, CDE	136	Owned	N/A	N/A
2	Southwood Interventions	Chicago	Illinois	1999	OASA, City of Chicago, Medicaid	128	Owned	N/A	N/A
3	Woodridge Interventions	Woodridge	Illinois	1999	IL DASA, insurance	90	Owned	N/A	N/A
4	DuPage Interventions	Hinsdale	Illinois	1999	IL DASA, Medicaid, Private	36	Owned	N/A	N/A
5	Contact Interventions	Wauconda	Illinois	None	Idle	32	Owned	None	None
6	Abraxas Ohio	Shelby	Ohio	1993	Various Counties	100	Owned	N/A	N/A
7	Abraxas Academy	Morgantown	Pennsylvania	2006	Various Agencies	214	Owned	N/A	N/A
8	Abraxas I	Marienville	Pennsylvania	1973	Various Counties	266	Owned	N/A	N/A
9	Abraxas Youth Center	South Mountain	Pennsylvania	1999	PA Dept of Public Welfare	72	Leased	N/A	N/A
10	Erie Residential Programs	Erie	Pennsylvania	1974	Various Clients	41	Owned	N/A	N/A
	Abraxas II (23 Beds)	Erie	Pennsylvania		Various Counties		Owned		
	Erie Residential Mental Health (17 Beds)	Erie	Pennsylvania		Counties via State Medicaid		Owned		
11	Leadership Development Program	South Mountain	Pennsylvania	1994	Various Counties	128	Leased	N/A	N/A
12	Hector Garza Center	San Antonio	Texas	2003	TYC	133	Owned	N/A	N/A

Managed-Only Facilities

	Facility Name	City	State	Year(s) Contracted	Primary Customer(s)	Design Capacity	Ownership Type	Term(s)	Renewal Option(s)
1	Arizona State Prison- Florence West	Florence	Arizona	October-02	AZ DOC	750	Managed	10 years	Two, Five-year
2	Arizona State Prison- Phoenix West	Phoenix	Arizona	July-02	AZ DOC	450	Managed	10 years	Two, Five-year
3	Central Arizona Correctional Facility	Florence	Arizona	December-06	AZ DOC	1,280	Managed	10 years	Two, Five-year
4	Blackwater River Correctional Facility	Milton	Florida	April-10	FL DMS	2,000	Managed	3 years	Two, Two-year
5	South Bay Correctional Facility	South Bay	Florida	July-09	FL DMS	1,898	Managed	3 years	Unlimited, Two-year
6	Allen Correctional Center	Kinder	Louisiana	July-10	LA DOC	1,538	Managed	10 years	None
7	New Castle Correctional Facility	New Castle	Indiana	January-06	IN DOC	3,094	Managed	22 year	Three, Two-year
8	Plainfield Indiana STOP Facility	Plainfield	Indiana	March-11	IN DOC	1,066	Managed	4 year	One, Four-year
9	Northeast New Mexico Detention Facility	Clayton	New Mexico	August-08	NMCD-IGA	625	Managed	22 year	Unlimited, 1-year
10	Central Texas Detention Facility	San Antonio	Texas	April-09	USMS - IGA	688	Managed	Perpetual	N/A
11	Cleveland Correctional Center	Cleveland	Texas	January-09	TDCJ	520	Managed	2.6 years	Two, Two-year
12	Joe Corley Detention Facility	Conroe	Texas	August 2008/ July 2008	USMS / ICE - IGA	1,287	Managed	USMS Perpetual	ICE 100 day renew not to exceed 60 months
13	Lockhart Work Program Facilities	Lockhart	Texas	January-09	TDCJ	1,000	Managed	2.6 years	Two, Two-year
14	Maverick County Detention Center	Maverick	Texas	April-07	USMS - IGA	688	Managed	Perpetual	Perpetual Until Terminated
15	Reeves County Detention Complex R1/R2	Pecos	Texas	February-07	Reeves County / BOP	2,407	Managed	10 years/4 year	One, Ten year/ Three, Two-year
16	Reeves County Detention Complex R3	Pecos	Texas	January-07	Reeves County / BOP	1,356	Managed	10 years/4 year	One, Ten year/ Three, Two-year
17	Lawrenceville Correctional Center	Lawrenceville	Virginia	March-03	VA DOC	1,536	Managed	5 years	Ten, One-year
LA COUNTY CITY JAILS									
18	Alhambra City Jail	Alhambra	California	July-08	Los Angeles County	67	Managed	3 years	Two, One-year
19	Baldwin Park City Jail	Baldwin Park	California	July-03	Los Angeles County	32	Managed	3 years	Three, Three-year
20	Downey City Jail	Downey	California	June-03	Los Angeles County	30	Managed	3 years	Three, Three-year
21	Fontana City Jail	Fontana	California	February-07	Los Angeles County	39	Managed	5 months	Five, One-year
22	Garden Grove City Jail	Garden Grove	California	January-10	Los Angeles County	16	Managed	30 months	Unlimited
23	Montebello City Jail	Montebello	California	January-96	Los Angeles County	25	Managed	2 years	One year
24	Ontario City Jail	Ontario	California	September-06	Los Angeles County	40	Managed	3 years	Unlimited
INTERNATIONAL									
1	Arthur Gorrie Correctional Centre	Brisbane, AUS	Queensland	January-08	Queensland DOC	890	Managed	5 years	One, Five-year
2	Fulham Correctional Centre	West Sale, AUS	Victoria	October-95	Victoria Ministry of Corrections	717	Managed	22 years	None
	Fulham Nalu Challenge Community Unit	West Sale, AUS	Victoria	October-95	Victoria Ministry of Corrections	68	Managed	22 years	None
3	Junee Correctional Centre	Junee, AUS	New South Wales	April-09	New South Wales Corrective Servies	790	Managed	5 years	Two, Five-year
4	Parklea Correctional Centre	Parklea, AUS	New South Wales	October-09	New South Wales Corrective Servies	823	Managed	5 years	One, Two-year
5	Dungavel House Immigration Removal Centre	Kidlington, ENG		September-11	U.K. Border Agency	217	Managed	5 years	None
6	Harmondsworth Immigration Removal Centre	London, ENG		June-09	U.K. Border Agency	620	Managed	3 years	None
7	Kutama-Sinthumule Correctional Centre	Louis Trichardt, South Africa		February-02	RSA Dept. of Correctional Services	3,024	Managed	25 years	None

Customer and Facility Portfolio Summary

As of March 31, 2013

Facility Ownership (1)

	<u>Facility Count</u>	<u>Bed Count</u>	<u>% Beds</u>	<u>% of Revenue Three Months Ended 3/31/13</u>
Company Owned	43	32,971	49.7%	50.4%
Company Leased	13	3,786	5.7%	10.3%
Managed-Only	31	29,581	44.6%	32.1%
Non-Residential Services and Other	N/A	N/A	N/A	7.2%
Total	87	66,338	100.0%	100.0%

Customer Concentration (1)

	<u>Facility Count</u>	<u>Bed Count</u>	<u>% Beds</u>	<u>% of Revenue Three Months Ended 3/31/13</u>
<i>Company-Owned & Company-Leased</i>				
Bureau of Prisons	16	10,651	16.1%	16.1%
U.S. Immigration and Customs Enforcement	7	8,451	12.7%	15.0%
United States Marshals Service	7	6,006	9.1%	9.7%
State of Alaska	7	1,914	2.9%	2.7%
State of New Mexico	2	1,800	2.7%	2.6%
State of Georgia	1	1,500	2.3%	1.8%
State of Oklahoma	1	2,526	3.8%	2.4%
State of California	1	685	1.0%	1.1%
State of Illinois	3	254	0.4%	1.1%
Various Others	11	2,970	4.4%	8.2%
<i>Managed-Only, Non-Residential, and Other</i>				
Australia	4	3,288	5.0%	11.1%
U.S. Federal (Managed Only & Non-Residential)	5	6,426	9.7%	6.3%
State of Florida	2	3,898	5.9%	3.9%
State of Arizona	3	2,480	3.7%	2.9%
State of Indiana	2	4,160	6.3%	3.0%
State of Texas	2	1,520	2.3%	1.1%
Commonwealth of Virginia	1	1,536	2.3%	1.6%
State of Louisiana	1	1,538	2.3%	1.1%
South Africa	1	3,024	4.6%	1.2%
United Kingdom	2	837	1.3%	2.0%
Various Others	8	874	1.2%	5.1%
Total	87	66,338	100.0%	100.0%

(1) Excludes Idle Facilities/Beds in Inventory

Beds in Inventory

(Unaudited)

The following table contains a list of beds in inventory, which GEO is currently marketing to correctional and detention agencies.

<u>Facility</u>	<u>Location</u>	<u>Bed Count</u>	<u>Prospective Customer</u>
Great Plains Correctional Facility	Oklahoma	2,048	State & Federal
North Lake Correctional Facility	Michigan	1,740	State & Federal
Desert View Community Correctional Facility	California	650	Counties & Federal
Central Valley Community Correctional Facility	California	640	Counties & Federal
Leo Chesney Community Correctional Facility	California	318	Counties & Federal
Mesa Verde Community Correctional Facility	California	400	Counties & Federal
McFarland Community Correctional Facility	California	260	Counties & Federal
		6,056	

The combined cash carrying costs for GEO's beds in inventory equal approximately \$0.11 per share.

** Beds in Inventory listed do not include a smaller Youth Services idle facility (32-bed Contact Interventions)*

Summary of Capital Expenditures

(In thousands)

(Unaudited)

Capital Expenditures

	For the Three Months Ended			
	31-Mar-13	31-Dec-12	30-Sep-12	1-Jul-12
New facility development	\$ -	\$ 310	\$ 4,680	\$ 11,135
Existing facility improvements	7,785	6,279	7,629	3,796
Maintenance capital expenditures	3,617	10,551	7,388	7,496
Total Capital Expenditures	<u>\$ 11,402</u>	<u>\$ 17,140</u>	<u>\$ 19,697</u>	<u>\$ 22,427</u>

Debt Maturities, Leverage/Coverage Ratios, and Return Metrics

(In Thousands except leverage and coverage ratios)

Maturity Schedule (March 31, 2013)



	<u>31-Mar-13</u>	<u>31-Dec-12</u>
Total Debt	\$ 1,539,436	\$ 1,488,173
Cash and Cash Equivalents	83,724	31,755
Net Debt	<u>\$ 1,455,712</u>	<u>\$ 1,456,418</u>
Total Debt to Total Market Capitalization	57%	74%
Total Debt to Total Assets	53%	52%
Net Debt to Adjusted EBITDA	4.53x	4.57x
Total Senior Secured Net Debt to Adjusted EBITDA	1.48x	1.89x
Interest Coverage Ratio Based on Adjusted EBITDA	4.30x	4.23x
Long Term Assets	1,680,165	1,687,159
Book Net Asset Value	1,039,778	1,047,304
Return on Equity	14.8%	13.8%
Return on Capital Employed	9.0%	9.0%
Return on Invested Capital	13.5%	14.6%

Definitions of Non-GAAP Measures

Adjusted EBITDA: Adjusted EBITDA is defined as income from continuing operations before net interest expense, income tax provision (benefit), depreciation and amortization, and tax provision on equity in earnings of affiliates, adjusted for net income/loss attributable to non-controlling interests, non-cash stock-based compensation expenses, and certain other adjustments as defined from time to time.

Adjusted Funds From Operations (AFFO): Adjusted Funds From Operations, or AFFO, is defined as Normalized Funds From Operations adjusted for non-real estate related depreciation and amortization expense, maintenance capital expenditures, non-cash stock-based compensation expenses, non-cash interest expense, and certain other adjustments as defined from time to time.

Funds From Operations (FFO): Funds From Operations, or FFO, is defined in accordance with standards established by the National Association of Real Estate Investment Trusts, or NAREIT, which defines FFO as net income (loss) attributable to common shareholders (computed in accordance with Generally Accepted Accounting Principles), excluding real estate related depreciation and amortization, excluding gains and losses from the cumulative effects of accounting changes, extraordinary items and sales of properties, and including adjustments for unconsolidated partnerships and joint ventures.

Normalized Funds From Operations (FFO): Normalized Funds From Operations, or Normalized FFO, is defined as FFO adjusted for certain items which by their nature are not comparable from period to period or that tend to obscure the Company's actual operating performance.

Net Operating Income (NOI): Net Operating Income, or Gross Profit, is defined as segment revenues less segment expenses excluding depreciation and amortization expense, and general and administrative expenses.

Pro Forma Income from Continuing Operations: Pro Forma Income from Continuing Operations is defined as income from continuing operations adjusted for net income/loss attributable to non-controlling interests, start-up/transition expenses, net of tax, international bid related costs, net of tax, and certain other adjustments as defined from time to time.