



The GEO Group, Inc.

Supplemental Financial and Operational Information

Fourth Quarter and Year-End 2012

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 100 facilities totaling 73,000 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

One Park Place
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Boca Raton, Florida 33487
1-866-301-4436

Stock Information

New York Stock Exchange Common Stock Ticker: GEO

CUSIP: 36159R103

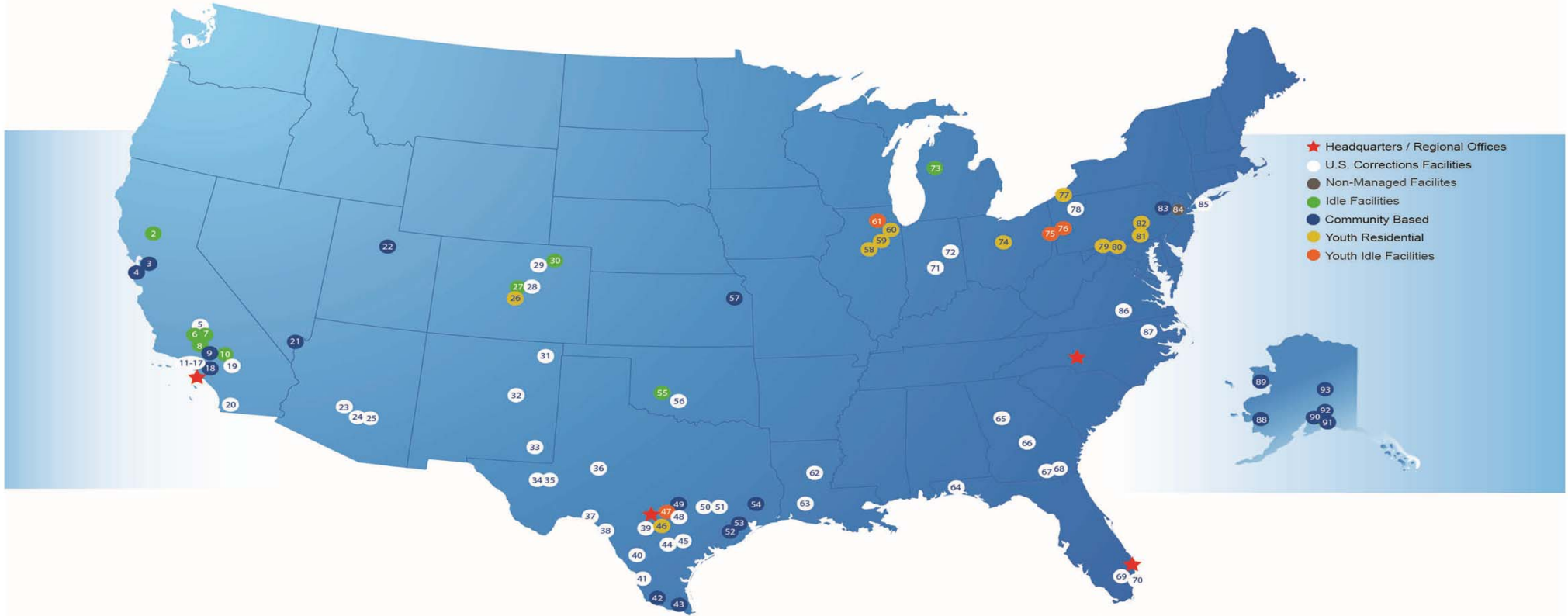
Equity Analyst Coverage (*Firms Listed in Alphabetical Order*)

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 93 facilities in the United States totaling approximately 66,000 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)

	13 Weeks Ended 31-Dec-12	13 Weeks Ended 1-Jan-12	52 Weeks Ended 31-Dec-12	52 Weeks Ended 1-Jan-12
Revenues				
Company owned and leased property	\$ 226,430	\$ 207,258	\$ 886,470	\$ 839,691
Managed only, non-residential services and other	152,301	147,215	592,592	567,481
Total Revenues	<u>\$ 378,731</u>	<u>\$ 354,473</u>	<u>\$ 1,479,062</u>	<u>\$ 1,407,172</u>
Net Operating Income (NOI) / Gross Profit				
Company owned and leased property	\$ 62,984	\$ 60,127	\$ 261,795	\$ 252,333
Managed only, non-residential services and other	34,518	35,973	128,036	118,829
Total NOI	<u>\$ 97,502</u>	<u>\$ 96,100</u>	<u>\$ 389,830</u>	<u>\$ 371,162</u>
Adjusted EBITDA	\$ 83,458	\$ 78,141	\$ 318,896	\$ 301,415
Normalized Funds from Operations (FFO)	\$ 49,007	\$ 41,530	\$ 195,531	\$ 172,451
Adjusted Funds from Operations (AFFO)	\$ 51,784	\$ 43,255	\$ 215,707	\$ 184,554
AFFO Per Share	\$ 0.84	\$ 0.70	\$ 3.52	\$ 2.90
GAAP Income from Continuing Operations Per Share	\$ 1.55	\$ 0.28	\$ 2.36	\$ 1.09
Pro Forma Income from Continuing Operations Per Share	\$ 0.44	\$ 0.36	\$ 1.49	\$ 1.42
Weighted average common shares outstanding-diluted	61,663	61,780	61,265	63,740
Net Debt	\$ 1,456,418	\$ 1,550,940	\$ 1,456,418	\$ 1,550,940

Condensed Consolidated Statements of Income

(In thousands except per share data)
(Unaudited)

	13 Weeks Ended 31-Dec-12	13 Weeks Ended 1-Jan-12	52 Weeks Ended 31-Dec-12	52 Weeks Ended 1-Jan-12
Revenues	\$ 378,731	\$ 354,473	\$ 1,479,062	\$ 1,407,172
Operating expenses	281,229	258,372	1,089,232	1,036,010
Depreciation and amortization	23,540	22,486	91,685	81,548
General and administrative expenses	34,649	26,317	113,792	110,015
Operating income	\$ 39,313	\$ 47,298	\$ 184,353	\$ 179,599
Interest income	1,497	2,073	6,716	7,032
Interest expense	(20,160)	(19,681)	(82,189)	(75,378)
Loss on early extinguishment of debt	-	-	(8,462)	-
Income before income taxes, equity in earnings (loss) of affiliates and discontinued operations	\$ 20,650	\$ 29,690	\$ 100,418	\$ 111,253
(Benefit) provision for income taxes	(72,837)	11,725	(40,562)	43,172
Equity in earnings (loss) of affiliates, net of Income tax	1,926	(789)	3,578	1,563
Income from continuing operations	\$ 95,413	\$ 17,176	\$ 144,558	\$ 69,644
Income (loss) from discontinued operations, net of income tax	(13,777)	1,450	(10,660)	7,819
Net income	\$ 81,636	\$ 18,626	\$ 133,898	\$ 77,463
Net (income) loss attributable to non-controlling interests	(28)	112	852	1,162
Net income attributable to The GEO Group, Inc.	<u>\$ 81,608</u>	<u>\$ 18,738</u>	<u>\$ 134,750</u>	<u>\$ 78,625</u>
Weighted average shares outstanding				
Basic	61,218	61,615	60,934	63,425
Diluted	61,663	61,780	61,265	63,740
Income per share from continuing operations				
Basic	\$ 1.56	\$ 0.28	\$ 2.37	\$ 1.10
Diluted	\$ 1.55	\$ 0.28	\$ 2.36	\$ 1.09
Income per share attributable to The GEO Group, Inc.				
Basic	\$ 1.33	\$ 0.30	\$ 2.21	\$ 1.24
Diluted	\$ 1.32	\$ 0.30	\$ 2.20	\$ 1.23

Condensed Consolidated Balance Sheets

(In thousands)
(Unaudited)

	ASSETS	31-Dec-12	1-Jan-12
Current Assets			
Cash and cash equivalents		\$ 31,755	\$ 43,377
Restricted cash and investments		15,654	42,535
Accounts receivable, less allowance for doubtful accounts		246,635	265,250
Current deferred income tax assets		18,290	28,580
Prepaid expenses and other current assets		24,849	49,025
Current assets of discontinued operations		-	30,562
Total current assets		337,183	459,329
Restricted Cash and Investments		32,756	56,925
Property and Equipment, Net		1,687,159	1,688,356
Assets Held for Sale		3,243	4,363
Direct Finance Lease Receivable		26,757	32,146
Non-Current Deferred Income Tax Assets		2,532	1,437
Goodwill		490,308	490,296
Intangible Assets, Net		178,318	195,716
Other Non-Current Assets		80,938	79,577
Non-Current Assets of Discontinued Operations		-	41,778
		\$ 2,839,194	\$ 3,049,923
	LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities			
Accounts payable		50,110	68,033
Accrued payroll and related taxes		39,322	34,806
Accrued expenses		116,557	125,836
Current portion of capital lease obligation, long-term debt, and non-recourse debt		53,882	53,653
Current liabilities of discontinued operations		-	6,490
Total current liabilities		259,871	288,818
Non-Current Deferred Income Tax Liabilities		15,703	125,516
Other Non-Current Liabilities		82,025	54,106
Capital Lease Obligations		11,926	13,064
Long-Term Debt		1,317,529	1,319,068
Non-Recourse Debt		104,836	208,532
Non-Current Liabilities of Discontinued Operations		-	2,298
Total Shareholders' Equity		1,047,304	1,038,521
Total Liabilities and Shareholders' Equity		\$ 2,839,194	\$ 3,049,923

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

(In thousands except per share data)

(Unaudited)

	13 Weeks Ended 31-Dec-12	13 Weeks Ended 1-Jan-12	52 Weeks Ended 31-Dec-12	52 Weeks Ended 1-Jan-12
Income from continuing operations	\$ 95,413	\$ 17,176	\$ 144,558	\$ 69,644
Net (Income) loss attributable to non-controlling interests	(28)	112	852	1,162
Start-up/transition expenses, net of tax	800	5,207	6,189	14,625
International bid related costs, net of tax	904	-	3,215	703
REIT conversion related expenses and other expenses, net of tax	9,001	-	9,606	-
M&A related expenses, net of tax	-	-	874	4,129
Tax impact of REIT conversion	(79,033)	-	(79,033)	-
Early extinguishment of debt, net of tax	-	-	4,977	-
Pro forma income from continuing operations	<u>\$ 27,057</u>	<u>\$ 22,495</u>	<u>\$ 91,238</u>	<u>\$ 90,263</u>
Income from continuing operations per diluted share (1)	\$ 1.55	\$ 0.28	\$ 2.36	\$ 1.09
Net (Income) loss attributable to non-controlling interests	-	-	0.01	0.02
Start-up/transition expenses, net of tax	0.01	0.08	0.10	0.23
International bid related costs, net of tax	0.01	-	0.05	0.01
REIT conversion related expenses and other expenses, net of tax	0.15	-	0.16	-
M&A related expenses, net of tax	-	-	0.01	0.06
Tax impact of REIT conversion	(1.28)	-	(1.29)	-
Early extinguishment of debt, net of tax	-	-	0.08	-
Diluted Pro forma income from continuing operations per diluted share	<u>\$ 0.44</u>	<u>\$ 0.36</u>	<u>\$ 1.49</u>	<u>\$ 1.42</u>
Weighted average common shares outstanding-diluted	61,663	61,780	61,265	63,740

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

Reconciliation of Income from Continuing Operations to Adjusted EBITDA

(In thousands)

(Unaudited)

	13 Weeks Ended <u>31-Dec-12</u>	13 Weeks Ended <u>1-Jan-12</u>	52 Weeks Ended <u>31-Dec-12</u>	52 Weeks Ended <u>1-Jan-12</u>
Income from continuing operations	\$ 95,413	\$ 17,176	\$ 144,558	\$ 69,644
Interest expense, net	18,663	17,608	75,473	68,346
Income tax provision (benefit)	(72,837)	11,725	(40,562)	43,172
Depreciation and amortization	23,540	22,486	91,685	81,548
Tax provision on equity in earnings of affiliates	802	701	1,660	2,406
EBITDA	\$ 65,581	\$ 69,696	\$ 272,814	\$ 265,116
Adjustments				
Net (Income) loss attributable to non-controlling interests	(28)	112	852	1,162
Stock based compensation expenses, pre-tax	1,531	1,270	6,543	6,113
Start-up/transition expenses, pre-tax	800	7,063	9,027	21,625
International bid related costs, pre-tax	904	-	4,057	1,091
REIT conversion related expenses and other expenses, pre-tax	14,670	-	15,670	-
M&A related expenses, pre-tax	-	-	1,471	6,308
Early extinguishment of debt, pre-tax	-	-	8,462	-
Adjusted EBITDA	\$ 83,458	\$ 78,141	\$ 318,896	\$ 301,415

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

(In thousands)

(Unaudited)

	13 Weeks Ended 31-Dec-12	13 Weeks Ended 1-Jan-12	52 Weeks Ended 31-Dec-12	52 Weeks Ended 1-Jan-12
Income from Continuing Operations	\$ 95,413	\$ 17,176	\$ 144,558	\$ 69,644
Net (Income) Loss Attributable to Non-controlling Interests	(28)	112	852	1,162
Real Estate Related Depreciation and Amortization	13,267	12,063	51,182	43,507
Funds from Operations	<u>\$ 108,652</u>	<u>\$ 29,351</u>	<u>\$ 196,592</u>	<u>\$ 114,313</u>
Funds from Operations	\$ 108,652	\$ 29,351	\$ 196,592	\$ 114,313
Income Tax Provision	(72,837)	11,725	(40,562)	43,172
Income Taxes (Paid) Refunded	(5,108)	(5,820)	(2,764)	(15,621)
Equity in Earnings (Loss) of Affiliates, Net of Income Tax	1,926	(789)	3,578	1,563
Start-up/transition Expenses	800	7,063	9,027	21,625
International Bid Related Costs	904	-	4,057	1,091
REIT Conversion Related Expenses	14,670	-	15,670	-
M&A Related Expenses	-	-	1,471	6,308
Early Extinguishment of Debt	-	-	8,462	-
Normalized Funds from Operations	<u>\$ 49,007</u>	<u>\$ 41,530</u>	<u>\$ 195,531</u>	<u>\$ 172,451</u>
Normalized Funds from Operations	\$ 49,007	\$ 41,530	\$ 195,531	\$ 172,451
Non-Real Estate Related Depreciation & Amortization	10,274	10,423	40,503	38,041
Consolidated Maintenance Capital Expenditures - Real Estate and Non-Real Estate Related	(10,551)	(10,565)	(30,739)	(33,796)
Stock Based Compensation Expenses	1,531	1,270	6,543	6,113
Amortization of Debt Costs and Other Non-Cash Interest	1,523	597	3,869	1,745
Adjusted Funds from Operations (AFFO)	<u>\$ 51,784</u>	<u>\$ 43,255</u>	<u>\$ 215,707</u>	<u>\$ 184,554</u>
Normalized FFO Per Diluted Share	<u>\$ 0.79</u>	<u>\$ 0.67</u>	<u>\$ 3.19</u>	<u>\$ 2.71</u>
AFFO Per Diluted Share	<u>\$ 0.84</u>	<u>\$ 0.70</u>	<u>\$ 3.52</u>	<u>\$ 2.90</u>
Weighted Average Common Shares Outstanding-Diluted	61,663	61,780	61,265	63,740

Reconciliation of Operating Income to Net Operating Income

(In thousands)
(Unaudited)

	13 Weeks Ended <u>31-Dec-12</u>	13 Weeks Ended <u>1-Jan-12</u>	52 Weeks Ended <u>31-Dec-12</u>	52 Weeks Ended <u>1-Jan-12</u>
Operating Income	\$ 39,313	\$ 47,298	\$ 184,353	\$ 179,599
Depreciation and amortization	23,540	22,486	91,685	81,548
General and administrative expenses	34,649	26,317	113,792	110,015
Net Operating Income	<u>\$ 97,502</u>	<u>\$ 96,101</u>	<u>\$ 389,830</u>	<u>\$ 371,162</u>

2013 Outlook/Reconciliation

(Unaudited)

(In thousands except per share data)

	Full Year 2013	
	<u> </u>	<u> </u>
Net Income	\$ 120,000	to \$ 130,000
Real Estate Related Depreciation and Amortization	45,000	45,000
Funds from Operations (FFO)	<u>\$ 165,000</u>	<u>to \$ 175,000</u>
Non-Real Estate Related Depreciation and Amortization	50,000	50,000
Consolidated Maintenance Capex - Real Estate and Non-Real Estate	(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>\$ 210,000</u>
Net Interest Expense	75,000	75,000
Consolidated Maintenance Capex - Real Estate and Non-Real Estate	30,000	30,000
Income Taxes	15,000	15,000
Adjusted EBITDA	<u>\$ 320,000</u>	<u>\$ 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>\$ 420,000</u>
FFO Per Share	\$ 2.29	\$ 2.43
AFFO Per Share	\$ 2.78	\$ 2.92
Dividend Per Share	\$ 2.00	\$ 2.00
Weighted Average Common Shares Outstanding-Diluted	72,000	72,000
FFO Payout Ratio	87%	82%
AFFO Payout Ratio	72%	69%

Business Segment Results (1)

(In thousands)
(Unaudited)

	13 Weeks Ended <u>31-Dec-12</u>	13 Weeks Ended <u>1-Jan-12</u>	52 Weeks Ended <u>31-Dec-12</u>	52 Weeks Ended <u>1-Jan-12</u>
Revenues				
U.S. Corrections & Detention	\$ 250,249	\$ 231,914	\$ 975,445	\$ 925,572
GEO Community Services	74,209	72,219	291,891	280,080
International Services	54,273	50,336	211,726	201,397
Facility Construction & Design	-	4	-	123
	<u>\$ 378,731</u>	<u>\$ 354,473</u>	<u>\$ 1,479,062</u>	<u>\$ 1,407,172</u>
Operating Expenses				
U.S. Corrections & Detention	\$ 177,396	\$ 162,073	\$ 690,155	\$ 655,053
GEO Community Services	51,432	49,569	199,752	194,539
International Services	52,401	46,741	199,325	186,389
Facility Construction & Design	-	(11)	-	29
	<u>\$ 281,229</u>	<u>\$ 258,372</u>	<u>\$ 1,089,232</u>	<u>\$ 1,036,010</u>
Depreciation & Amortization Expense				
U.S. Corrections & Detention	\$ 15,924	\$ 15,235	\$ 62,587	\$ 55,207
GEO Community Services	6,978	6,725	26,738	24,271
International Services	638	526	2,360	2,070
Facility Construction & Design	-	-	-	-
	<u>\$ 23,540</u>	<u>\$ 22,486</u>	<u>\$ 91,685</u>	<u>\$ 81,548</u>

(1) Business segment results exclude results from discontinued operations

Business Segment Results (1) (Continued)

(Unaudited)

	13 Weeks Ended <u>31-Dec-12</u>	13 Weeks Ended <u>1-Jan-12</u>	52 Weeks Ended <u>31-Dec-12</u>	52 Weeks Ended <u>1-Jan-12</u>
Compensated Mandays				
U.S. Corrections & Detention	4,278,206	3,986,738	16,649,085	16,058,333
GEO Community Services	301,379	295,493	1,231,176	1,255,342
International Services	654,945	646,244	2,595,892	2,571,127
	<u>5,234,530</u>	<u>4,928,475</u>	<u>20,476,153</u>	<u>19,884,802</u>
Revenue Producing Beds				
U.S. Corrections & Detention	49,076	46,521	49,076	46,521
GEO Community Services	3,916	3,936	3,916	3,936
International Services	7,149	7,149	7,149	7,149
	<u>60,141</u>	<u>57,606</u>	<u>60,141</u>	<u>57,606</u>
Average Occupancy (2)				
U.S. Corrections & Detention	96.1%	96.4%	96.3%	95.6%
GEO Community Services	80.6%	81.2%	82.7%	83.5%
International Services	99.6%	99.3%	99.5%	99.8%
	<u>95.5%</u>	<u>95.7%</u>	<u>95.7%</u>	<u>95.2%</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)

	13-weeks Ended <u>31-Dec-12</u>	13-weeks Ended <u>1-Jan-12</u>	52 Weeks Ended <u>31-Dec-12</u>	52 Weeks Ended <u>1-Jan-12</u>
Revenues (In thousands)				
U.S. Corrections & Detention				
Federal	\$ 153,152	\$ 146,944	\$ 602,390	\$ 567,788
State	94,533	82,222	362,010	346,976
Local	1,103	1,278	4,353	4,577
Other	1,461	1,470	6,692	6,231
Total U.S. Corrections & Detention	<u>\$ 250,249</u>	<u>\$ 231,914</u>	<u>\$ 975,445</u>	<u>\$ 925,572</u>
Compensated Mandays				
U.S. Corrections & Detention				
Federal	2,162,284	2,062,053	8,421,383	8,077,595
State	2,086,969	1,893,443	8,111,520	7,860,484
Local	28,953	31,242	116,182	120,254
Other	-	-	-	-
Total U.S. Corrections & Detention	<u>4,278,206</u>	<u>3,986,738</u>	<u>16,649,085</u>	<u>16,058,333</u>

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

GEO Community Services

(Unaudited)

	13-weeks Ended <u>31-Dec-12</u>	13-weeks Ended <u>1-Jan-12</u>	52 Weeks Ended <u>31-Dec-12</u>	52 Weeks Ended <u>1-Jan-12</u>
Revenues (In thousands)				
Community Based Services	\$ 23,998	\$ 23,334	\$ 94,922	\$ 91,446
Youth Services	23,732	23,102	96,882	101,768
BI Electronic & Location Monitoring	26,479	25,783	100,087	86,866
Total GEO Community Services	<u>\$ 74,209</u>	<u>\$ 72,219</u>	<u>\$ 291,891</u>	<u>\$ 280,080</u>
Compensated Mandays				
Residential				
Community Based Services	214,113	209,440	871,448	880,884
Youth Services	87,266	86,053	359,728	374,458
Total Residential Mandays	<u>301,379</u>	<u>295,493</u>	<u>1,231,176</u>	<u>1,255,342</u>
Non-Residential Units				
Community Based Services (1)	213,952	205,755	816,916	754,968
Youth Services (2)	80,538	100,133	372,979	467,532
BI Electronic & Location Monitoring (3)	6,057,447	5,828,034	23,124,832	20,478,730
Total Non-Residential Units	<u>6,351,937</u>	<u>6,133,922</u>	<u>24,314,727</u>	<u>21,701,230</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

Fourth Quarter 2012 Supplemental Financial and Operating Data

Owned and Leased Properties

	Facility Name	City	State	Year Contracted	Primary Customer	Design Capacity	Ownership Type	Term	Renewal Options
1	Adelanto Detention Facility	Adelanto	California	May-11	ICE	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 Detention Facility	Aurora	Colorado	None	Idle	432	Owned	None	None
10	Aurora ICE Processing Center	Aurora	Colorado	September-11	ICE	1,100	Owned	2 year	Four, Two-year
11	High Plains Correctional Facility	Brush	Colorado	None	Idle	272	Owned	None	None
12	Hudson Correctional Facility	Hudson	Colorado	Septemeber 2009	AK DOC	1,250	Leased	3 years	Seven, One-year
13	Broward Transition Center	Deerfield Beach	Florida	April-09	ICE	700	Owned	11 months	Four, One-year, Unlimited 6-month
14	D. Ray James Correctional Facility	Folkston	Georgia	October-10	BOP	2,507	Owned	4 years	Three, two-year
15	D. Ray James Detention Facility	Folkston	Georgia	October-10	USMS	340	Owned	Perpetual	N/A
16	Riverbend Correctional Facility	Milledgeville	Georgia	July-10	GA DOC	1,500	Owned	Partial 1 year	Forty, One-year and one partial year
17	Robert A. Deyton Detention Facility	Lovejoy	Georgia	February-08	USMS	768	Leased	5 years	Three, Five year
18	LaSalle Detention Facility	Jena	Louisiana	July-07	ICE	1,160	Owned	Perpetual	N/A
19	North Lake Correctional Facility	Baldwin	Michigan	None	Idle	1,740	Owned	None	None
20	Delaney Hall	Newark	New Jersey	May-03	Tenant-CEC	1,200	Owned-Not Managed	None	None
21	Guadalupe County Correctional Facility	Santa Rosa	New Mexico	January-99	NM DOC	600	Owned	3 year	Two-year extension with five one-year
22	Lea County Correctional Facility	Hobbs	New Mexico	September-98	NM DOC	1,200	Owned	5 years	Eight, one-year
23	Queens Detention Facility	Jamaica	New York	January-08	USMS	222	Owned	2 year	Four, two-year
24	Rivers Correctional Institution	Winton	North Carolina	April-13	BOP	1,450	Owned	4 year	Three two-year
25	Great Plains Correctional Facility	Hinton	Oklahoma	None	Idle	2,048	Owned	None	Five, One-year
26	Lawton Correctional Facility	Lawton	Oklahoma	July-08	OK DOC	2,526	Owned	1 year	Unlimited, Four-year
27	Moshannon Valley Correctional Center	Phillipsburg	Pennsylvania	April-06	BOP	1,495	Owned	36 months	Seven, One-year
28	Big Spring Correctional Center	Big Spring	Texas	April-07	BOP	3,509	Owned	4 years	Three, Two-year and One. Six-month
29	Karnes Correctional Center	Karnes City	Texas	December 2012/May 1998	ICE / USMS	679	Owned	Peperual	N/A
30	Karnes County Civil Detention Center	Karnes County	Texas	December-10	ICE	600	Owned	5 years	None
31	Rio Grande Detention Center	Laredo	Texas	October-08	USMS	1,500	Owned	5 years	Three, Five-year
32	South Texas Detention Complex	Pearsall	Texas	December-11	ICE	1,904	Owned	11 months	Four, One-year
33	Val Verde Correctional Facility	Del Rio	Texas	January-01	USMS	1,407	Owned	Perpetual	N/A
34	Northwest Detention Center	Tacoma	Washington	October-09	ICE	1,575	Owned	1 year	Four, one-year

Fourth Quarter 2012 Supplemental Financial and Operating Data

Owned and Leased Properties

	Facility Name	City	State	Year Contracted	Primary Customer	Design Capacity	Ownership Type	Term	Renewal Options
COMMUNITY-BASED SERVICES									
1	Beaumont Transitional Treatment Center	Beaumont	Texas	Sep-03	TDCJ / Travis County	180	Owned	2 year	Five, Two-year and One six-month
2	Bronx Community Re-entry Center	Bronx	New York	Oct-07	BOP	110	Leased	2 year	Three, One-year
3	Cordova Center	Anchorage	Alaska	Sep-07	AK DOC / BOP	207	Owned	7 months	Four, one-year, One five-month
4	El Monte Center	El Monte	California	Mar-08	BOP	61	Leased	7 months	Four, 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	BOP / Travis Co./ US PO	113	Owned	2 year	Three, one-year
10	Mid Valley House	Edinburg	Texas	Dec-08	BOP / US Probation	100	Leased	2 years	Three, one-year
11	Midtown Center	Anchorage	Alaska	Sep-07	AK DOC	32	Owned	7 months	Four, one-year, One Five-month
12	Northstar Center	Fairbanks	Alaska	Feb-11	AK DOC / BOP	143	Leased	5 months	Four, one-year, One Five-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	7 months	Four, one-year, One Five-month
15	Reality House	Brownsville	Texas	September 2011/October 2009	BOP / US Probation	94	Owned	2 year/2 year	Three, one-year/Two, one-year
16	Southeast Texas Transitional Center	Houston	Texas	Sep-03	TDCJ	500	Owned	2 years	Five, two-year
17	Salt Lake City Center	Salt Lake City	Utah	June 2011/October 2009	BOP / US Probation	115	Leased	2 years/2 years	Three one-year/Two, two-year
18	Seaside Center	Nome	Alaska	Dec-07	AK DOC	50	Leased	1 year	Five, one-year
19	Taylor Street Center	San Francisco	California	Feb-06	BOP / CDCR	210	Owned	3 years	Seven, one-year
20	Tundra Center	Bethel	Alaska	Dec-06	AK DOC	85	Owned	1 year	Five, one-year
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	Abraxas III	Pittsburgh	Pennsylvania	None	Idle	24	Owned	None	None
11	Abraxas Center For Adolescent Females	Pittsburgh	Pennsylvania	None	Idle	108	Owned	None	None
12	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		
13	Leadership Development Program	South Mountain	Pennsylvania	1994	Various Counties	128	Leased	N/A	N/A
14	Texas Adolescent Treatment Center	San Antonio	Texas	None	Idle	145	Owned		None
15	Hector Garza Center	San Antonio	Texas	2003	TYC	133	Owned	N/A	N/A

Fourth Quarter 2012 Supplemental Financial and Operating Data

Managed-Only Facilities

	Facility Name	City	State	Year Contracted	Primary Customer	Design Capacity	Ownership Type	Term	Renewal Options
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	4 years	Two, Five-year
8	Plainfield Indiana STOP Facility	Plainfield	Indiana	March-11	IN DOC	1,066	Managed	4 years	One, Four-year
9	Northeast New Mexico Detention Facility	Clayton	New Mexico	August-08	NMDOC	625	Managed	5 years	Five, One-year
10	Central Texas Detention Facility	San Antonio	Texas	April-09	USMS / ICE	688	Managed	10 year	None
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/ August 2008	USMS / ICE	1,287	Managed	2 years	Unlimited, two-year
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 / BOP	688	Managed	Month to month	Perpetual until terminated
15	Reeves County Detention Complex R1/R2	Pecos	Texas	February-07	Reeves County / BOP	2,407	Managed	10 years	One, Ten year
16	Reeves County Detention Complex R3	Pecos	Texas	January-07	Reeves County / BOP	1,356	Managed	10 years	One, Ten year
17	Lawrenceville Correctional Center	Lawrenceville	Virginia	March-03	VA DOC	1,536	Managed	5 years	Ten, One-year
<u>LA COUNTY CITY JAILS</u>									
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-06	Los Angeles County	25	Managed	2 years	Unlimited
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 December 31, 2012

Facility Ownership (1)

	<u>Facility Count</u>	<u>Bed Count</u>	<u>% Beds</u>	<u>% of Revenue Twelve Months Ended 12/31/12</u>
Company Owned	43	32,159	49.0%	49.9%
Company Leased	13	3,777	5.8%	10.6%
Managed-Only	31	29,581	45.2%	32.4%
Non-Residential Services and Other	N/A	N/A	N/A	7.1%
Total	87	65,517	100.0%	100.0%

Customer Concentration (1)

	<u>Facility Count</u>	<u>Bed Count</u>	<u>% Beds</u>	<u>% of Revenue Twelve Months Ended 12/31/12</u>
<i>Company-Owned & Company-Leased</i>				
Bureau of Prisons	16	10,317	15.8%	16.5%
U.S. Immigration and Customs Enforcement	7	8,339	12.8%	13.6%
United States Marshals Service	7	5,686	8.8%	9.7%
State of Alaska	7	1,859	2.8%	1.6%
State of New Mexico	2	1,800	2.7%	2.9%
State of Georgia	1	1,500	2.3%	1.4%
State of Oklahoma	1	2,526	3.9%	2.4%
State of California	1	685	1.0%	0.5%
State of Illinois	3	254	0.4%	2.6%
Various Others	11	2,970	4.5%	9.2%
<i>Managed-Only, Non-Residential, and Other</i>				
Australia	4	3,288	5.0%	10.7%
U.S. Federal (Managed Only & Non-Residential)	5	6,426	9.9%	6.5%
State of Florida	2	3,898	5.9%	4.1%
State of Arizona	3	2,480	3.8%	3.1%
State of Indiana	2	4,160	6.3%	2.8%
State of Texas	2	1,520	2.3%	1.2%
Commonwealth of Virginia	1	1,536	2.3%	1.6%
State of Louisiana	1	1,538	2.3%	1.2%
South Africa	1	3,024	4.6%	1.4%
United Kingdom	2	837	1.3%	2.2%
Various Others	8	874	1.3%	4.8%
Total	87	65,517	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 six smaller idle facilities (four Youth Services facilities and two adult secure facilities)*

Summary of Capital Expenditures

(In thousands)

(Unaudited)

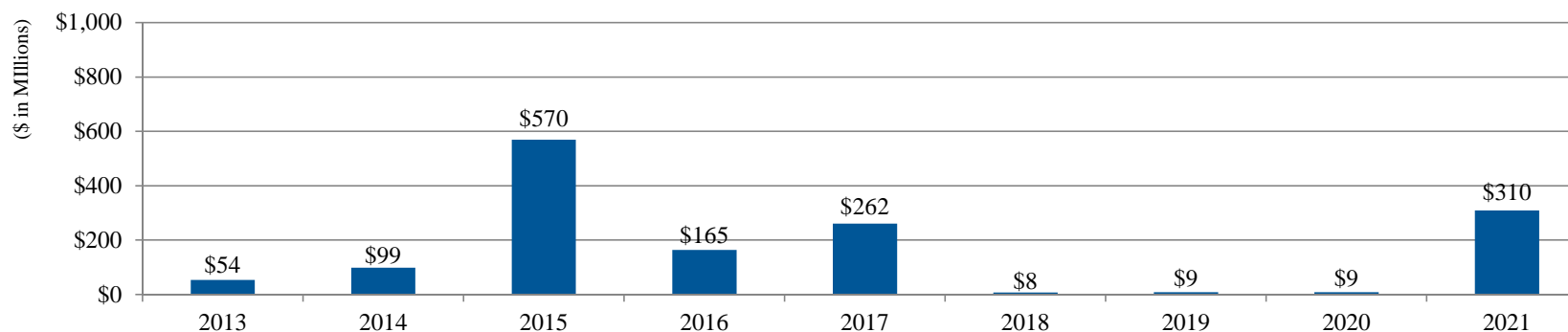
Capital Expenditures

	For the Three Months Ended			
	31-Dec-12	30-Sep-12	1-Jul-12	1-Apr-12
New facility development	\$ 310	\$ 4,680	\$ 11,135	\$ 38,093
Existing facility improvements	6,279	7,629	3,796	4,578
Maintenance capital expenditures	10,551	7,388	7,496	5,302
Total Capital Expenditures	<u>\$ 17,140</u>	<u>\$ 19,697</u>	<u>\$ 22,427</u>	<u>\$ 47,973</u>

Debt Maturities, Leverage/Coverage Ratios, and Return Metrics

(In Thousands except leverage and coverage ratios)

Maturity Schedule (December 31, 2012)



	<u>31-Dec-12</u>	<u>1-Jan-12</u>
Total Debt	\$ 1,488,173	\$ 1,594,317
Cash and Cash Equivalents	31,755	43,377
Net Debt	<u>\$ 1,456,418</u>	<u>\$ 1,550,940</u>
Total Debt to Total Market Capitalization	74%	156%
Total Debt to Total Assets	52%	52%
Net Debt to Adjusted EBITDA	4.57x	5.15x
Total Senior Secured Net Debt to Adjusted EBITDA	1.89x	2.08x
Interest Coverage Ratio Based on Adjusted EBITDA	4.23x	4.41x
Long Term Assets	1,687,159	1,688,356
Net Asset Value	1,047,304	1,038,521
Return on Equity	13.8%	6.7%
Return on Capital Employed	9.0%	9.5%
Return on Investment (1)	14.6%	13.2%

(1) Adjusted for start-up expenses

Definitions of Non-GAAP Measures

Adjusted EBITDA: Adjusted EBITDA is defined as income from continuing operations before net interest expense, income tax provision, 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, non-cash interest expense, and certain other adjustments.

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

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 and proposal expenses, net of tax, and certain other adjustments.