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To All Stakeholders

GEO CORPORATION

Head office: 1-1-1 Miyamachi, Kasugai City, Aichi

President: Tetsuya Morihara

(Security Code: 2681 Tokyo Stock Exchange, Nagoya Stock Exchange, First Section)

Contact: Takayuki Kubota, Executive Vice President

Tel: +81-568-33-4388

Announcement of Results of Investigation Concerning Improper Accounting Procedure at Consolidated Subsidiary

GEO CORPORATION made an announcement concerning an improper accounting procedure at a consolidated subsidiary on March 24, 2010 in a news release titled "Notice of Improper Accounting Procedure at Consolidated Subsidiary" and on April 28, 2011 announced the receipt of an interim report in a news release titled "Interim Progress Report Concerning Improper Accounting Procedure at Consolidated Subsidiary" and made this report public. GEO has now received the Final Investigation Report concerning an improper accounting procedure at a consolidated subsidiary based on additional investigations by the External Investigation Committee and the Internal Investigation Report prepared by an Internal Investigation Committee and is submitting the following information about these reports.

GEO deeply regrets any problems this incident has caused for shareholders and other parties associated with the GEO Group

1. Summary of Final Investigation Report

In the Final Investigation Report, GEO received primarily a report concerning the facts involving additional improper behavior that was discovered during the investigation of the improper transactions, which are mainly circular transactions that were reported in the Interim Progress Report of April 28. According to the final report, the investigation also discovered that two GEO employees and one employee of GEO subsidiary RETAILCOMM INC. were involved in improper behavior that included the receipt of rebates.

In addition, the Final Investigation Report contains advice concerning whether or not revisions to financial statements in prior fiscal years will be required due to the improper transactions and additional improper behavior and a description of these revisions. The report also points out the problems that made the improper transactions and additional improper behavior possible (inadequate organization and company systems, inadequate execution of business operations, etc.) and the problems that prevented the swift discovery of the improper transactions and additional improper behavior. GEO received recommendations and advice concerning how to prevent these problems from occurring again and how to deal with the individuals involved.

In response to the investigation and report of the External Investigation Committee, the Internal Investigation Committee prepared an Internal Investigation Report. This report contains information about revisions to prior-year financial statements, proposals for dealing with internal management system problems and preventing a reoccurrence of this problem, and actions to deal with individuals at the GEO Group who were involved with this incident. In particular, the Internal Investigation Report uses information about the causes of the improper transactions to provide suggestions on how to formulate and execute preventive measures and other actions.

2. Effect on results of operations

Financial data concerning the improper accounting procedures based on facts that have been determined by the investigation are presented in the included Final Investigation Report in section 3, "2. Figures for Improper Accounting Procedures Associated with Improper Transactions and Additional Improper Behavior." In addition, financial data concerning the required revisions to the consolidated financial statements due to the improper

transactions are presented in section 3 of the report, “3. Effect of Improper Transactions and Additional Improper Behavior on Earnings” and “4. Information about Revisions to Prior Year Financial Statements”

Detailed financial data for revisions to financial statements and quarterly data, including in prior years, based on the investigation results are in today’s news release titled “Notice Concerning Revised Securities Reports and Revisions to Earnings Announcements in Prior Fiscal Years.” Revised reports have been submitted to the Kanto Local Finance Bureau and earnings releases have been revised.

3. Upcoming actions and schedule

The effect of revisions due to the improper accounting procedure discovered by the investigation on the forecast for consolidated results of operations in the fiscal year that ended in March 2011 was announced on May 9 in a news release titled “Notice of Extraordinary Losses, Revision to Forecast and Effect on Consolidated Performance in Prior Years.” There are no additional effects resulting from the Final Investigation Report and Internal Investigation Report that were received today.

GEO will announce on May 20 its consolidated results of operations for the fiscal year that ended in March 2011.

In response to the Final Investigation Report of the External Investigation Committee and the Internal Investigation Report of the Internal Investigation Committee that were received today, GEO is determined to act quickly to take the actions needed to prevent this problem from occurring again and to restore the trust of the public.

In addition, an announcement will be when a decision has been reached concerning the punishment of individuals involved in this incident based on the advice of the two investigation committees.

(Additional information)

For more information, please see the Final Investigation Report and Internal Investigation Report on the GEO Japanese-language website.

(These reports are available only in Japanese.)