



**PROSEGUR COMPAÑÍA DE SEGURIDAD, S.A. AND  
SUBSIDIARIES**

**QUARTERLY FINANCIAL INFORMATION**  
Interim Statement for third quarter of financial year 2013



**PROSEGUR**



**RESULTS FOR PERIOD JANUARY TO SEPTEMBER 2013**

Millions of euros			
<b>CONSOLIDATED RESULTS</b>	<b>3Q 2012</b>	<b>3Q 2013</b>	<b>% Var.</b>
<b>Sales</b>	<b>2,700.6</b>	<b>2,753.3</b>	<b>2.0%</b>
<b>EBITDA</b>	<b>295.0</b>	<b>298.7</b>	<b>1.3%</b>
<i>Margin</i>	<i>10.9%</i>	<i>10.9%</i>	
PPE amortisation	(57.2)	(59.2)	
Intangible asset amortisation	(16.0)	(32.3)	
Goodwill impairment	-	-	
<b>EBIT</b>	<b>221.8</b>	<b>207.2</b>	<b>-6.6%</b>
<i>Margin</i>	<i>8.2%</i>	<i>7.5%</i>	
Financial results	(46.1)	(41.4)	
<b>Profit before tax</b>	<b>175.7</b>	<b>165.8</b>	<b>-5.6%</b>
<i>Margin</i>	<i>6.5%</i>	<i>6.0%</i>	
Taxes	(62.4)	(60.0)	
<b>Net result</b>	<b>113.2</b>	<b>105.8</b>	<b>-6.5%</b>
Non-controlling interests	(0.5)	(0.2)	
<b>Consolidated net result</b>	<b>113.7</b>	<b>106.0</b>	<b>-6.8%</b>
<i>Margin</i>	<i>4.2%</i>	<i>3.8%</i>	
<b>Basic profit per share</b>	<b>0.2</b>	<b>0.2</b>	<b>-6.8%</b>

**PERFORMANCE IN THE PERIOD**

- The business turnover has increased by 2.0% over that of 2012, of which 6.8% is due to pure organic growth, 3.3% to inorganic growth and exchange rates have a negative effect of 8.1%.
- The EBIT has decreased by 6.6% compared to financial year 2012 having reached 207.2 million euros, with an 7.5% margin on sales.
- The consolidated net result has been of 106.0 million euros, a drop of 6.8% over that of 2012.



## **INTERIM STATEMENT (JANUARY – SEPTEMBER 2013)**

(In millions of euros)

### **1. BUSINESS PERFORMANCE**

The performance of the most significant items in the consolidated income statement pertaining to the period from January to September of financial years 2013 and 2012 is shown below:

#### **a) Sales**

Prosegur sales during the period from January to September 2013 have reached 2,753.4 million euros, compared to 2,700.6 million euros in the same period in 2012, accounting for an increase of 2.0%. Of the overall growth, 6.8% pertains to pure organic growth, 3.3% to inorganic growth due to the acquisitions made during financial year 2012 and the effect of the exchange rate accounts for a drop of 8.1%.

The following aspects relating to the consolidation perimeter of Prosegur have an influence on the sales turnover regarding inorganic growth:

- In Brazil, the companies of Grupo Nordeste and Transbank began to be consolidated in the month of March 2012. The business turnover contributed in the period from January to February 2013 has been of 53.8 million euros.
- In Uruguay, the companies of Grupo Segura (Coral Melody, S.A. and Tecnofren, S.A.) began to be consolidated in the month of March 2012. The business turnover contributed in the period from January to February 2013 has been of 1.2 million euros.
- In India, a shareholding of the company SIS Cash Services Private Ltd. was acquired, which began to be consolidated in the month of March 2012. The business turnover contributed in the period from January to February 2013 has been of 0.9 million euros.
- In Uruguay, the company Roytronic, S.A. began to be consolidated in the month of May 2012. The business turnover contributed in the period from January to April 2013 has been of 0.8 million euros.
- In Argentina, the company Servin Seguridad, S.A. began to be consolidated in the month of May 2012. The business turnover contributed in the period from January to April 2013 has been of 11.4 million euros.



- In Argentina, the company T.C. Interplata, S.A. began to be consolidated in the month of May 2012. The business turnover contributed in the period from January to April 2013 has been of 2.5 million euros.
- In France, the companies of Grupo GRP began to be consolidated in the month of May 2012. The business turnover contributed in the period from January to April 2013 has been of 10.8 million euros.
- In China, a shareholding in the company Shanghai Weldon Security Equipment Co Ltd. and other related companies was acquired, which began to be consolidated in the month of July 2012. The business turnover contributed during the period from January to June of 2013 has been of 4.5 million euros.
- In Mexico, the company Grupo Mercurio de Transportes, S.A. began to be consolidated in the month of August 2012. The business turnover contributed during the period from January to July of 2013 has been of 2.0 million euros.

The following table shows the distribution of sales of Prosegur by geographical area and business line:

Millions of euros									
Sales	Europe-Asia			LatAm			Total Prosegur		
	2012	2013	% Var.	2012	2013	% Var.	2012	2013	% Var.
<b>Manned Guarding</b>	<b>679.1</b>	<b>632.6</b>	<b>-6.8%</b>	<b>565.5</b>	<b>639.3</b>	<b>13.1%</b>	<b>1,244.6</b>	<b>1,271.9</b>	<b>2.2%</b>
<i>% of total</i>	<i>61.0%</i>	<i>58.0%</i>		<i>35.4%</i>	<i>38.2%</i>		<i>46.1%</i>	<i>46.2%</i>	
<b>Cash in Transit</b>	<b>282.6</b>	<b>293.4</b>	<b>3.8%</b>	<b>873.3</b>	<b>886.4</b>	<b>1.5%</b>	<b>1,155.9</b>	<b>1,179.8</b>	<b>2.1%</b>
<i>% of total</i>	<i>25.8%</i>	<i>27.4%</i>		<i>54.7%</i>	<i>53.0%</i>		<i>42.8%</i>	<i>42.8%</i>	
<b>Technology</b>	<b>143.8</b>	<b>154.0</b>	<b>7.1%</b>	<b>156.4</b>	<b>147.7</b>	<b>-5.6%</b>	<b>300.1</b>	<b>301.7</b>	<b>0.5%</b>
<i>% of total</i>	<i>13.2%</i>	<i>14.6%</i>		<i>9.8%</i>	<i>8.8%</i>		<i>11.1%</i>	<i>11.0%</i>	
<b>Total sales</b>	<b>1,105.5</b>	<b>1,080.1</b>	<b>-2.3%</b>	<b>1,595.1</b>	<b>1,673.3</b>	<b>4.9%</b>	<b>2,700.6</b>	<b>2,753.4</b>	<b>2.0%</b>

In regard to the geographical distribution of sales, sales in the Europe-Asia region have reached 1,080.1 million euros, decreasing by 2.3% over that of the previous year. Sales in the LatAm region have grown by 4.9%, having reached 1,673.3 million euros. In this region, the effect of the exchange rate has caused a drop in sales of 13.6%.

In regard to the distribution of sales by business line, during the period from January to March 2013, Guarding sales have reached 1,271.9 million euros with an increase of 2.2% over the same period the year before. Sales in Cash in Transit (CIT) have increased by 2.1%, reaching 1,179.8 million euros, and Technology sales have reached 301.7 million euros with an increase of 0.5%.



The following table shows the growth in sales by country and the effects of the changes made in the consolidation perimeter and exchange rates:

Millions of euros

Sales	Total Prosegur			Organic	Inorganic	Exchange rate
	<u>3Q 2012</u>	<u>3Q 2013</u>	<u>% Var.</u>	<u>% Var.</u>	<u>% Var.</u>	<u>% Var.</u>
Spain	703.4	656.7	<b>-6.6%</b>	-6.6%	0.0%	0.0%
France	155.8	170.2	<b>9.2%</b>	2.3%	6.9%	0.0%
Portugal	109.8	108.4	<b>-1.2%</b>	-1.2%	0.0%	0.0%
Romania	5.5	2.9	<b>-46.5%</b>	-47.4%	0.0%	0.9%
Germany	111.7	115.7	<b>3.6%</b>	3.6%	0.0%	0.0%
Asia Area (1)	19.4	26.0	<b>34.5%</b>	11.3%	27.9%	-4.7%
Argentina Area (2)	478.4	534.7	<b>11.8%</b>	29.5%	3.3%	-21.1%
Brazil	782.7	796.5	<b>1.8%</b>	8.1%	6.9%	-13.2%
Chile	102.1	106.4	<b>4.2%</b>	6.9%	0.0%	-2.7%
Colombia	96.0	91.3	<b>-4.8%</b>	1.7%	0.0%	-6.5%
Peru	115.4	120.6	<b>4.5%</b>	8.1%	0.0%	-3.7%
Mexico	20.6	23.7	<b>15.1%</b>	4.1%	9.9%	1.0%
<b>Total sales</b>	<b>2,700.6</b>	<b>2,753.4</b>	<b>2.0%</b>	<b>6.8%</b>	<b>3.3%</b>	<b>-8.1%</b>

(1) Includes Singapore, India and China.

(2) Includes Argentina, Uruguay and Paraguay.

#### **b) Operating results**

The operating result (EBIT) for the period from January to September of financial year 2013 has been of 207.2 million euros, whereas that in the same period in 2012 was 221.8 million euros, accounting for a drop of 6.6%. The margin of EBIT over sales in the period from January to September of 2013 has been 7.5%, compared to that of 8.2% in the previous year.



The performance of the EBIT by geographical area is summarised in the table below:

Millions of euros									
EBIT	Europe-Asia			LatAm			Total Prosegur		
	2012	2013	% Var.	2012	2013	% Var.	2012	2013	% Var.
Sales	1,105.5	1,080.1	-2.3%	1,595.1	1,673.3	4.9%	2,700.6	2,753.4	2.0%
EBIT	22.6	28.6	26.7%	199.2	178.6	-10.3%	221.8	207.2	-6.6%
Margin	2.0%	2.7%		12.5%	10.7%		8.2%	7.5%	

The EBIT for the Europe-Asia region in the period from January to September 2013 has been of 28.6 million euros compared to 22.6 million euros in the same period in 2012, accounting for an increase of 26.7% due mainly to the good business performance in the new countries in which Prosegur has begun operating. The EBIT for the LatAm region has decreased by 10.3%, having reached 178.6 million euros in the period from January to September 2013 compared to 199.2 million euros in the same period in 2012. This drop is due mainly to the devaluation of the local currency in Argentina and Brazil.

### c) Financial results

The net financial expenses of Prosegur in the period from January to September 2013 have reached 41.4 million euros compared to 46.1 million euros in the same period the previous year, which translates into a drop of 4.7 million euros. The main variations in financial expenses have been the following:

- Net financial expenses in interest paid in the period from January to September 2013 have amounted to 42.8 million euros, compared to 44.7 million euros in 2012, equal to a drop of 1.9 million euros due to the price fixing of an uncovered bond issue in the month of March 2013 with a face value of 500 million euros and maturing on 2 April 2018, which has enabled the deferral of maturities of part of the Prosegur debt (from 2015 to 2018), as well as the partial cancellation of the restricted public distribution debenture issued by the Brazilian entities in 2012 and the syndicated financing agreement entered into in 2010, the full cancellation of the syndicated financing agreement entered into in 2012 and the diversification of funding sources. The bonds have been issued in April and are traded on the secondary market (the Irish Stock Exchange). They accrue a coupon of 2.75% per annum payable yearly on maturity.
- Net financial income for exchange differences and derivative valuation has reached 3.8 million euros in the period from January to September 2013, compared to net financial costs for exchange differences and derivative valuation which reached 1.4 million euros in 2012, which is equal to a drop of 5.2 million euros.



- In addition, the period from January to September 2013 has accrued impairment losses from financial investments amounting to 6.6 million euros and income from financial investment dividends amounting to 4.1 million euros. In the same period of the previous year no losses or profits had been posted for these items.

#### **Net results**

The net consolidated result for the period from January to September 2013 has increased to 106.0 million euros compared to 113.7 million euros in the same period in 2012, accounting for a 6.8% drop.

The effective tax rate has increased to 36.2% in the period from January to September 2013, compared to 35.5% in the same period in 2012.

## **2. SIGNIFICANT EVENTS AND OPERATIONS**

### **Significant events**

On 18 July 2013, the transaction consisting of the purchase of 100% of the shares in Brink's Deutschland GmbH and Brink's Transport & Service GmbH, German subsidiaries of The Brink's Company in Germany via its Holding Company Brink's Beteiligungsgesellschaft GmbH, has been approved with reservations by the German authorities.

## **3. CONSOLIDATED FINANCIAL INFORMATION**

The consolidated financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable at 30 September 2013. Such accounting principles have been applied both to financial years 2013 and 2012.



Millions of euros		
<b>CONSOLIDATED BALANCE SHEET</b>	<b>31/12/2012</b>	<b>30/09/2013</b>
<b>Non-current assets</b>	<b>1,590.5</b>	<b>1,506.5</b>
Property, plant and equipment	460.5	455.0
Goodwill	529.5	489.3
Intangible assets	361.2	339.1
Non-current financial assets	37.3	33.8
Other non-current assets	202.1	189.4
<b>Current assets</b>	<b>1,295.1</b>	<b>1,355.2</b>
Inventories	61.0	56.1
Debtors	1,064.3	1,140.9
Other current assets	0.5	0.5
Derivative financial instruments	-	-
Cash and other financial assets	169.3	157.6
<b>ASSETS</b>	<b>2,885.6</b>	<b>2,861.6</b>
<b>Net equity</b>	<b>731.8</b>	<b>691.4</b>
Share capital	37.0	37.0
Own shares	(125.3)	(125.2)
Retained earnings and other reserves	820.1	779.6
<b>Non-current liabilities</b>	<b>1,091.5</b>	<b>1,155.0</b>
Debts with credit institutions	615.8	722.1
Other financial liabilities	121.6	101.9
Derivative financial instruments	4.5	-
Other non-current liabilities	349.5	331.0
<b>Current liabilities</b>	<b>1,062.3</b>	<b>1,015.2</b>
Debts with credit institutions	195.0	107.5
Other financial liabilities	100.9	41.4
Derivative financial instruments	0.0	1.6
Trade and other payables	745.4	840.5
Other current liabilities	21.0	24.0
<b>NET EQUITY AND LIABILITIES</b>	<b>2,885.6</b>	<b>2,861.6</b>





The main variations in the consolidated balance sheet at 30 September 2013 compared to the close of financial year 2012 are summarised as follows:

**a) Property, plant and equipment**

Investments made in PPE during the period from January to September 2013 have amounted to 78.5 million euros.

**b) Goodwill**

The movements in goodwill during the period from January to September 2013 pertain to allocation adjustments made in the value of goodwill which had been provisionally calculated in 2012. During the same period in 2013 no impairment losses in goodwill have been registered.

**c) Net equity**

The variations in net equity during the period from January to September 2013 are mainly due to the net result for the period and the performance of the reserve due to cumulative conversion differences.

**d) Net debt**

Prosegur calculates net debt to be the total debt held with credit institutions (current and non current) plus/minus the net derivative financial instruments, minus cash and equivalents, and minus other current financial assets.

Net debt at 30 September 2013 has amounted to 673.5 million euros, having increased by 27.4 million euros over the amount at 31 December 2012 (646.1 million euros).

At 30 September 2013, the net debt/EBITDA ratio has reached 1.4 and the net debt/shareholder equity ratio has reached 0.9.

At 30 September 2013, liabilities as debt with credit institutions pertain mainly to the issue of uncovered bonds amounting to 503 million euros, the syndicated financing agreement entered into in 2010 for 105 million euros (the syndicated financing agreement entered into in 2012 was cancelled in full on 2 April 2013) and the restricted public distribution debenture issued by the Brazilian entities in 2012 amounting to 84 million euros.



Below is the net overall cash flow generated in the period from January to September in financial year 2013:

Millions of euros	
<b>CONSOLIDATED CASH FLOW</b>	<b>30/09/2013</b>
Profit for the period	165.8
Adjustments made to results	133.0
Tax on profit	(64.7)
Variation in working capital	(21.5)
Interest payments	(32.6)
<b>OPERATING CASH FLOW</b>	<b>180.0</b>
Modification of securitisation programme	(33.8)
Acquisition of tangible fixed assets	(78.5)
Payments for acquisition of subsidiaries	(52.7)
Payment of dividends	(44.6)
Other cash flows from investment/financing activities	2.2
<b>INVESTMENT/FINANCING CASH FLOW</b>	<b>(207.4)</b>
<b>TOTAL NET CASH FLOW</b>	<b>(27.4)</b>
<b>NET INITIAL DEBT (31/12/2012)</b>	<b>(646.1)</b>
Net cash (reduction)/increase	(27.4)
<b>NET FINAL DEBT (30/09/2013)</b>	<b>(673.5)</b>