

February 29<sup>th</sup>, 2016

## **FY 2015 Results Presentation**



# 1

## GROWTH

- Excellent results in Spain and Argentina
- Positive organic growth in Brazil
- Sales growth of 4.7% including FX rate
- LatAm organic growth above 12%
- Alarms business grows at 15%

# 2

## PROFITABILITY

- Margins grow in Europe & Asia Pacific and remain stable in LatAm despite the adverse macro environment
- Net consolidated profit grows above 15%

# 3

## FINANCIAL SOUNDNESS

- Strong operating cash flow
- Improvement of working capital parameters
- Improvement of the financial result and decrease of the net debt

**Main  
highlights**



# LatAm opportunities and strengths



## BRAZIL

- Inflation passed through to prices without erosion
- High interest rates stimulates Cash Management
- Organizational adjustment according to market
- Margin protection measures
- Good performance of collections

## ARGENTINA

- Lifting of the capital market controls
- Excellent growth in alarms
- Depreciation impact softened by the passing through of costs
- Group cash optimization

# Expansion into new markets

## SOUTH AFRICA



Prosegur has subscribed 33,33% of the share capital of the South African cash management company **SBV Services Proprietary Limited**

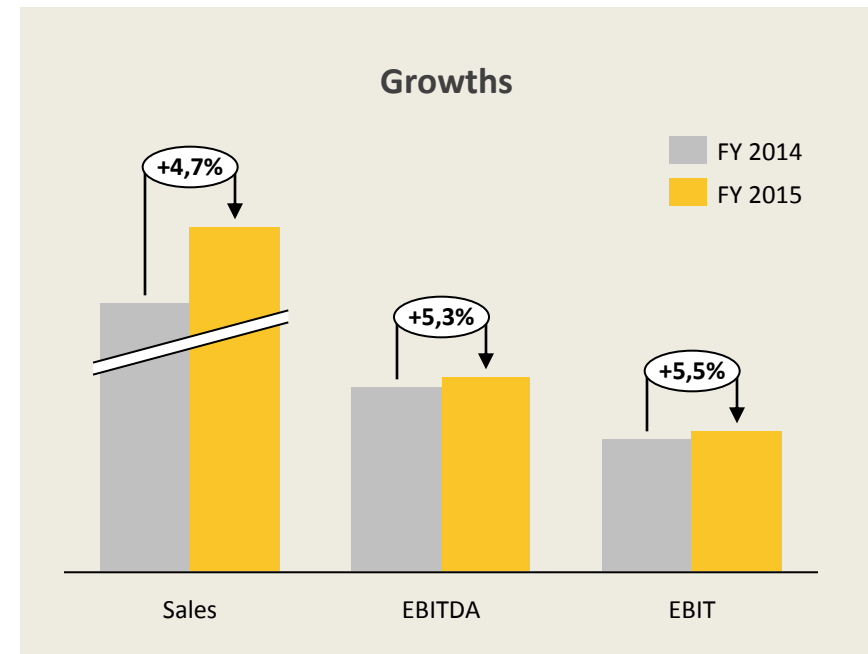
- Full national coverage in South Africa
- **44** branches
- More than **740** armored vans
- More than **6,400** employees
- **135** Million Euros revenues in the last year

# P&L

## Consolidated Results

Million Euros

	FY 2014	FY 2015
<b>Sales</b>	3,783	<b>3,959</b>
<b>EBITDA</b>	426	<b>448</b>
<i>Margin</i>	11.3%	11.3%
Depreciation	-82	-93
Amortization of intangible and other	-37	-31
<b>EBIT</b>	307	<b>324</b>
<i>Margin</i>	8.1%	8.2%
Financial Result	-58	-36
<b>Profit before taxes</b>	249	<b>288</b>
<i>Margin</i>	6.6%	7.3%
Taxes	-91	<b>-105</b>
<i>Tax rate</i>	36.4%	36.3%
<b>Net Profit</b>	<b>159</b>	<b>183</b>
Minority interests	-0.3	0.0
<b>Net consolidated profit</b>	<b>159</b>	<b>183</b>
<b>EPS</b> (Euros per share)	<b>0.27</b>	<b>0.31</b>



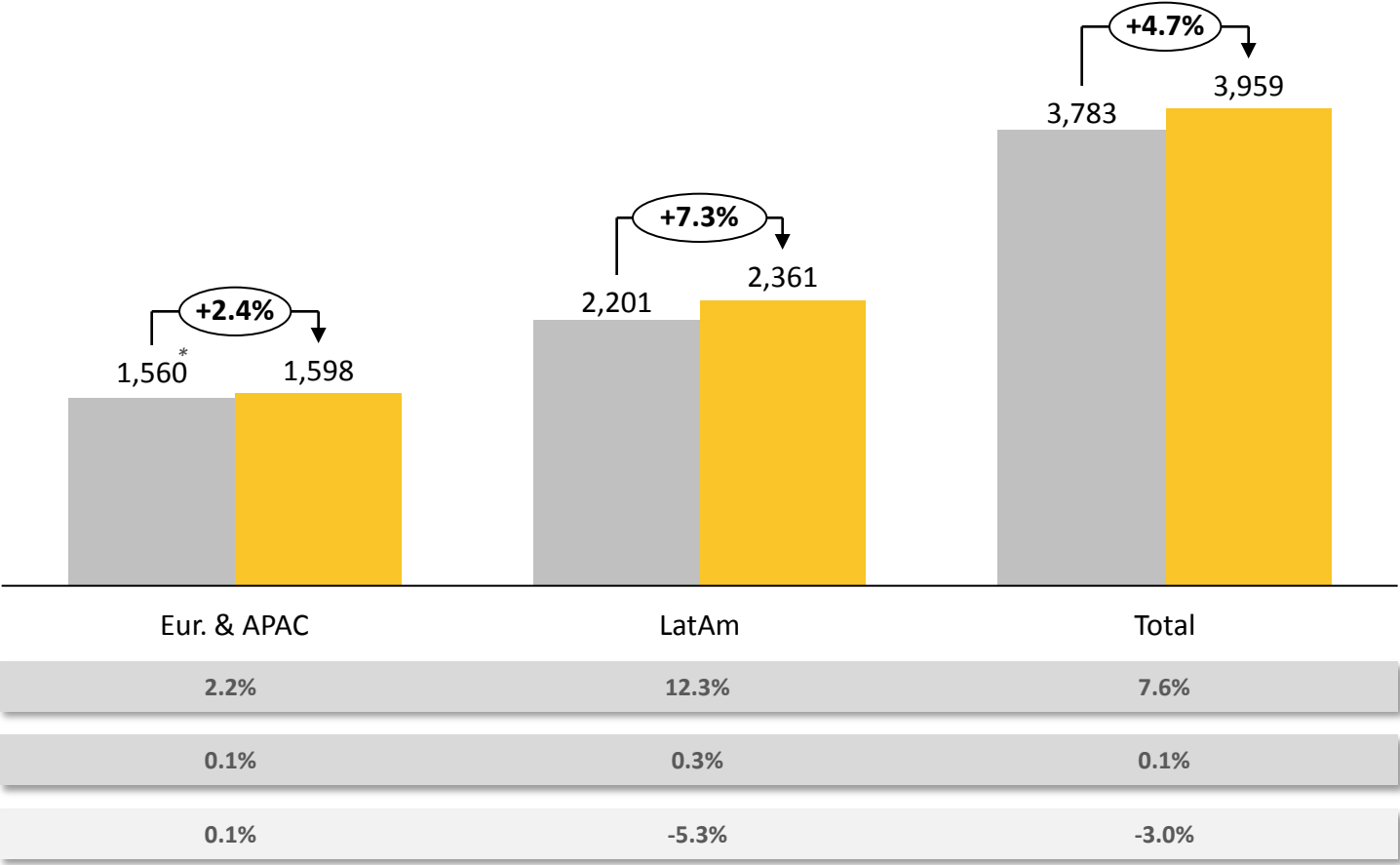
- EBIT margin grows to 8.2% despite the adverse macro environment
- Net Consolidated Profit increases by 15.5% reaching 183 Million Euros

# Sales Evolution



Million Euros

■ FY 2014  
■ FY 2015



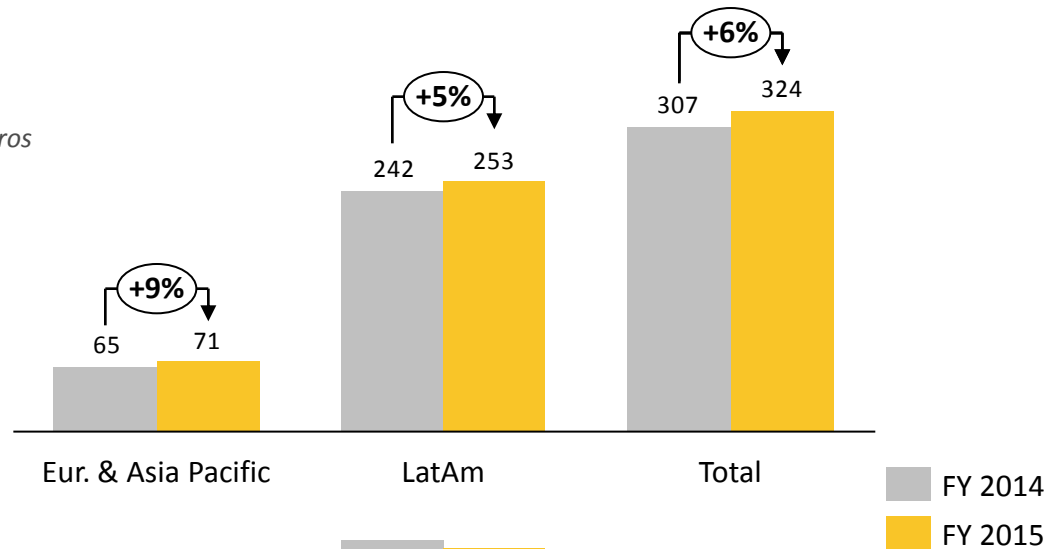
\* In a comparable base



# EBIT

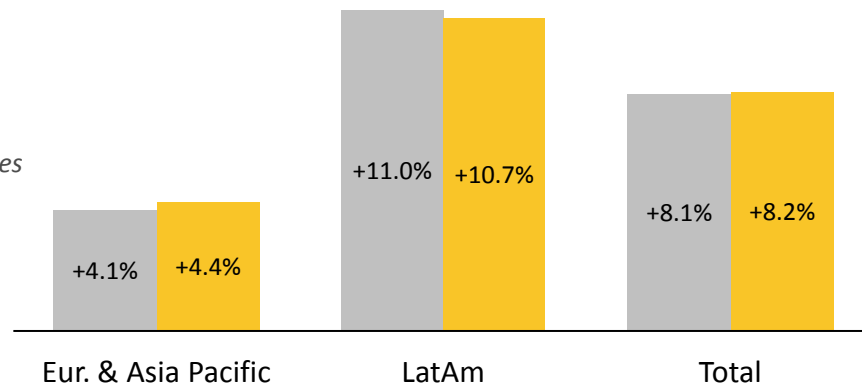


Million Euros

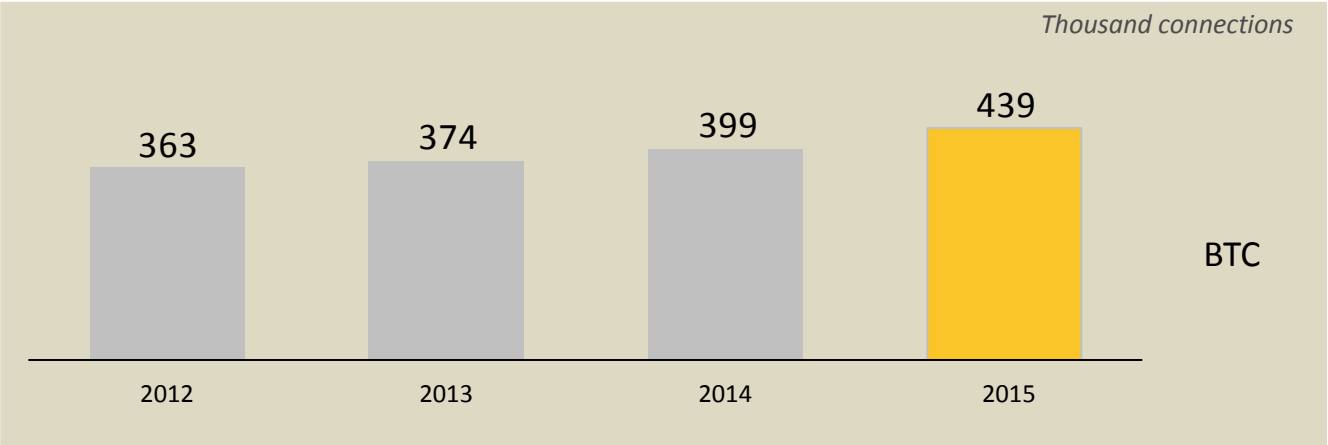
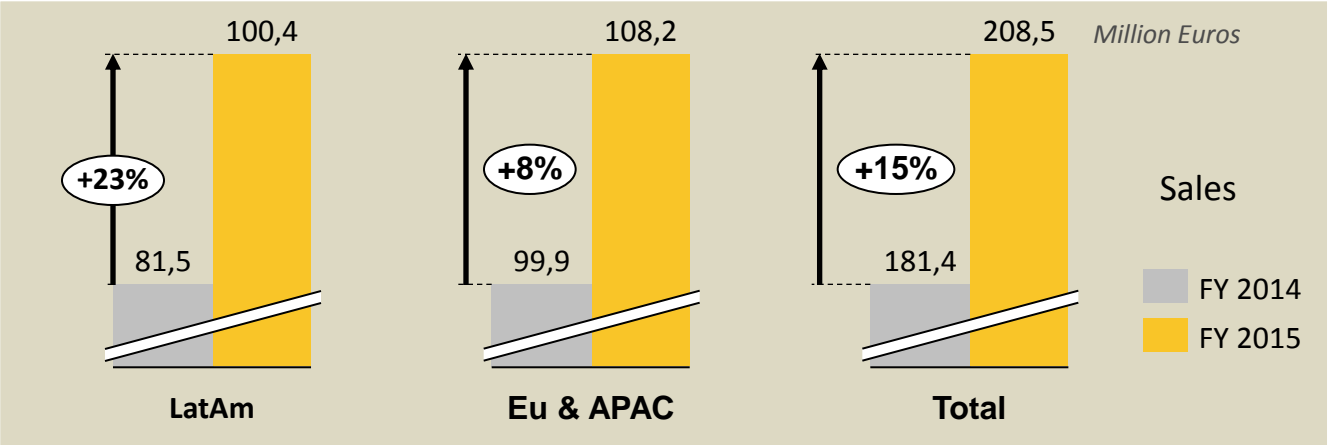


- EBIT improves in all regions steadily
- EBIT margin in Europe & Asia-Pacific continues improving

% over sales



# Alarms Business Evolution



- Total sales growth **15%**
- BTC over **439,000 connections**
- Starting operations in **India**



# FY 2015

## Results by Region and Business Line

### Business Line

- SIS
- Cash Management
- Alarms

### Europe & Asia Pacific

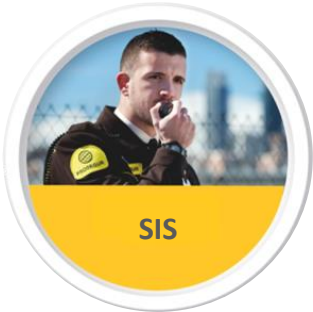
- Germany
- Spain
- France
- Portugal
- Australia
- China
- Singapore
- India

### LatAm

- Argentina
- Brazil
- Chile
- Colombia
- Peru
- Mexico
- Uruguay
- Paraguay

# Sales per business line

Million Euros



	FY 2014	FY 2015	Var. %
Europe & Asia Pacific	966	955	-1.2%
LatAm	970	1.029	6.1%
Total	1,937	1,985	2.5%

% over sales

50.1%



	FY 2014	FY 2015	Var. %
Europe & Asia Pacific	515	535	3.9%
LatAm	1,149	1,231	7.1%
Total	1,664	1,766	6.1%

44.6%



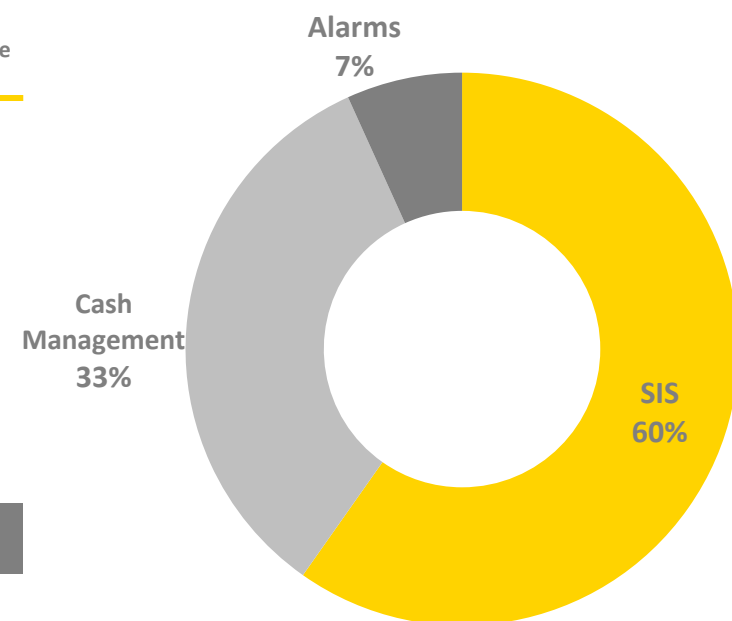
	FY 2014	FY 2015	Var. %
Europe & Asia Pacific	100	108	8.3%
LatAm	81	100	23.2%
Total	181	209	15.0%

5.3%

# Europe & Asia-Pacific



Million Euros	FY 2014	FY 2015	Var.	Organic	Inorganic	Exchange rate
Spain	856	<b>896</b>	4.7%	4.7%		
France*	232	<b>213</b>	-8.2%	-8.2%		
Germany	208	<b>211</b>	1.6%	1.4%	0.2%	
Portugal	143	<b>146</b>	1.9%	1.9%		
Asia-Pacific **	121	<b>132</b>	8.7%	5.7%	0.7%	2.3%
<b>Total</b>	<b>1,581</b>	<b>1,598</b>	1.1%	1.0%	0.1%	0.0%
<b>EBIT</b>	<b>65</b>	<b>71</b>	8,8%			
<i>Margin</i>	4.1%	4.4%				

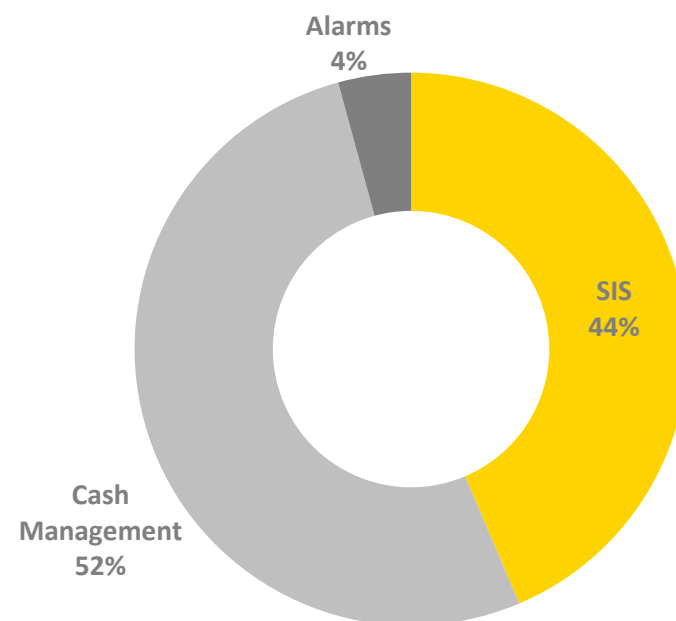


\* Includes Luxembourg

\*\* Includes Singapore, China (in a comparable base) and Australia



Million Euros	FY 2014	FY 2015	Var.	Organic	Inorganic	Exchange rate
Brazil	1,042	895	-14.1%	0.4%	0.4%	-14.9%
Argentina Area*	695	990	42.5%	36.9%		5.6%
Peru	157	174	11.2%	4.3%		6.9%
Chile	132	147	11.6%	6.9%		4.7%
Colombia	136	111	-18.5%	-6.9%		-11.6%
Mexico	40	44	10.2%	10.0%		0.2%
<b>Total</b>	<b>2,201</b>	<b>2,361</b>	<b>7.3%</b>	<b>12.3%</b>	<b>0.2%</b>	<b>-5.3%</b>
<b>EBIT</b>	<b>242</b>	<b>253</b>	<b>4,7%</b>			
Margin	11.0%	10.7%				



\* Includes Uruguay and Paraguay

# Financial Information

A yellow mining truck, likely a Mercedes-Benz Aro 818, is driving on a dirt road in a mountainous area. The truck has the number 1228 on its side and is moving towards the viewer. The background shows steep, rocky hills under a cloudy sky.

**Financial Result**

**Net Profit**

**Consolidated Cash Flow**

**Net Debt**

**Balance Sheet**



# Composition of Financial Result



- The decrease in financing cost is maintained

Million Euros	FY 2014	FY 2015
Net Financial Expenses	43	40
Depreciation of financial investments and other	13	6
Exchange differences	2	(10)
Financial Result	58	36



# Net Profit



Consolidated Results <i>Million Euros</i>		<i>FY 2014</i>	<i>FY 2015</i>	<i>Var.</i>
Profit before tax		249	<b>288</b>	15.5%
	<i>Margin</i>	6.6%	7.3%	
Tax		-91	<b>-105</b>	
	<i>Tax rate</i>	36.4%	36.3%	
Net Profit		159	<b>183</b>	
Minority interests		-0.3	0.0	
Net consolidated profit		159	<b>183</b>	15.5%
	<i>Margin</i>	4.2%	4.6%	
EPS <i>(Euros per share)</i>		0.27	<b>0.31</b>	

- Net consolidated profit grows by **15.5%**

# Consolidated Cash Flow

## Consolidated cash flow

Million Euros

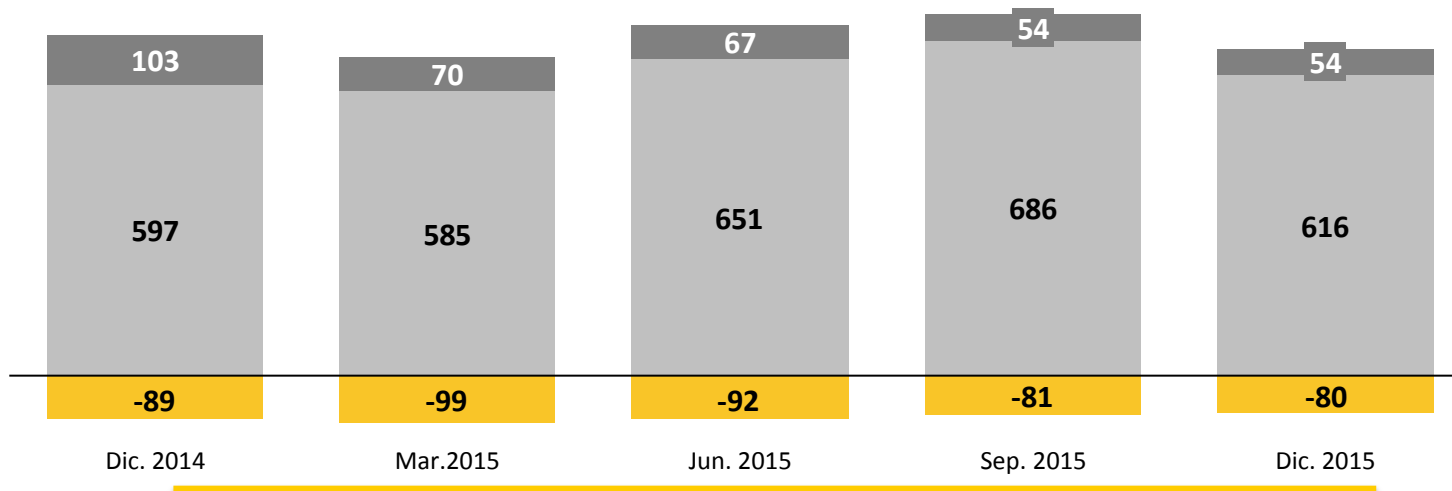
	<b>FY 2014</b>	<b>FY 2015</b>
EBITDA	426	448
Provisions and other non cash items	2	37
Tax on profit	(98)	(116)
Changes in working capital	(31)	(53)
Interest payments	(35)	(28)
<b>Operating cash flow</b>	<b>264</b>	<b>288</b>
Acquisition of property, plant and equipment	(167)	(199)
Payments for acquisition of subsidiaries	(76)	(29)
Dividend payment	(64)	(64)
Other flows from investment/ financing activities	122	1
<b>Cash flow from investment/ financing</b>	<b>(185)</b>	<b>(291)</b>
<b>Total net cash flow</b>	<b>79</b>	<b>(3)</b>
<b>Initial net financial position (31/12/2013-14)</b>	<b>(666)</b>	<b>(597)</b>
Net increase/ (decrease) in cash	79	(3)
Exchange rate	(10)	(16)
<b>Final net financial position (31/12/2014-15)</b>	<b>(597)</b>	<b>(616)</b>



# Total Net Debt



- Deferred payments
- Net financial position
- Treasury stock at current price



- In comparison with the end of 2014 net debt has decreased by **21 Million Euros**
- Average cost of debt for the period **3.3%**
  - **Ratio Total Net Debt/ EBITDA** **1.3**
  - **Ratio Total Net Debt/ Equity** **0.8**

# Debt maturity (main facilities)



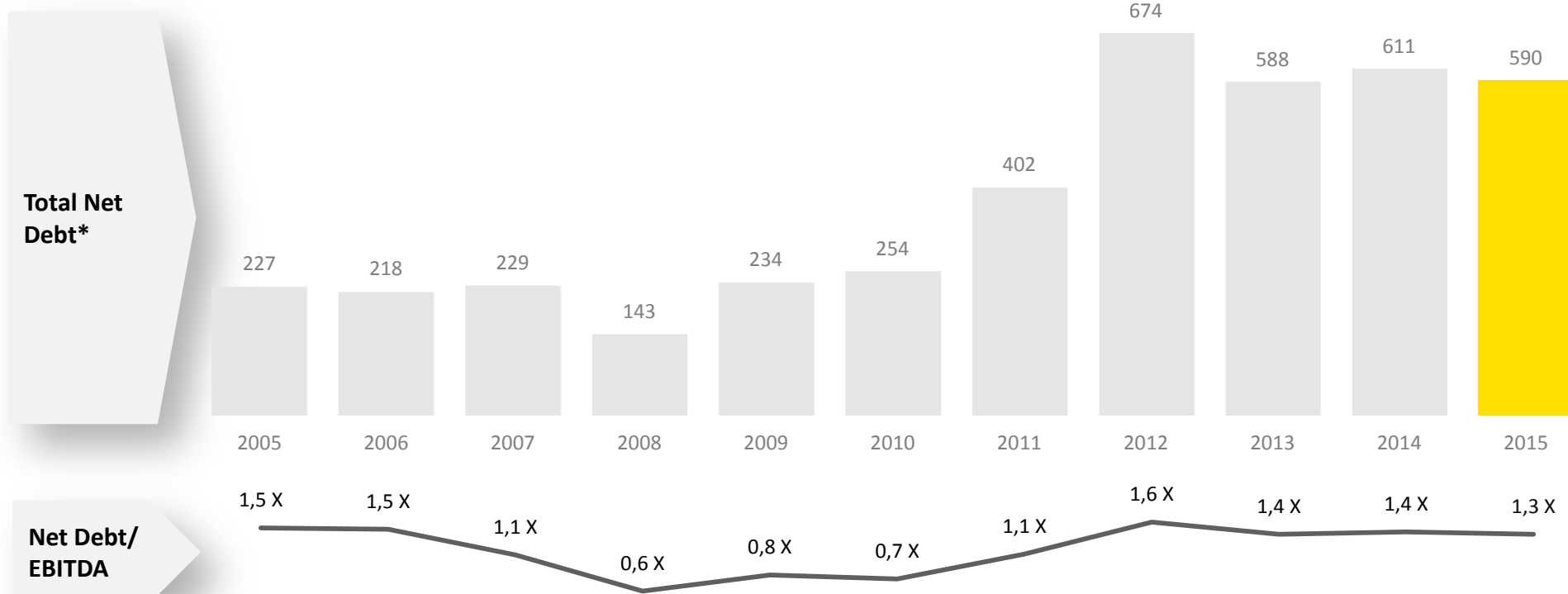
Country		Financing	Maturity	Outstanding balance as of December 2015	2016	2017	2018	2019	2020
Spain	Bond		Apr-18	500	-	-	500	-	-
Spain	Syndicated Credit Facility		Mar-20	50	-	-	-	-	400
Brazil	Debenture		Mar-17	16	11	5	-	-	-
Australia	Syndicated loan		Dec-16	47	47	-	-	-	-
Peru	Loan		Apr-18	12	5	5	2	-	-
Germany	Loan		Sep-18	13	-	-	13	-	-
Total Mill. Euros					63	10	515	-	400

- In addition to the Euro 400M Syndicated RCF Prosegur has bilateral RCFs up to Euro 420M. These facilities are renewed on an annual basis

# Total Net Debt



Million Euros



\* Net Debt of 2010, 2011, 2012, 2013, 2014 and 2015 includes deferred payments, securitization and treasury stock

# Balance Sheet

Million Euros

	FY 2014	FY 2015
<b>Non current assets</b>	<b>1,615</b>	<b>1,481</b>
Tangible fixed assets	507	467
Intangible assets	856	740
Other	252	274
<b>Current assets</b>	<b>1,398</b>	<b>1,294</b>
Inventories	60	70
Customer and other receivables	1,044	907
Cash and equivalents and other financial assets	293	317
<b>ASSETS</b>	<b>3,012</b>	<b>2,775</b>
<b>Net equity</b>	<b>864</b>	<b>700</b>
Share capital	37	37
Treasury shares	(53)	(53)
Accumulated difference and other reserves	881	716
<b>Non current liabilities</b>	<b>1,066</b>	<b>912</b>
Banks borrowings and other financial liabilities	712	617
Other financial liabilities	354	295
<b>Current liabilities</b>	<b>1,082</b>	<b>1,163</b>
Bank borrowings and other financial liabilities	252	338
Trade and other payables	830	825
<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>3,012</b>	<b>2,775</b>



# Main highlights and 2016 Outlook



- 🌐 **Excellent growth recovery** in Spain
- 🌐 **Good general outlook** in LatAm, specially in Argentina
- 🌐 **Organic growth** in **Brazil** despite the strong price pressure and the recessionary situation of its economy
- 🌐 Expansion into **new geographies** and higher consolidation of the Cash Management platform
- 🌐 **Margins increase** despite the adverse macro environment
- 🌐 Growth **above the average** of the alarms business in all geographies continues
- 🌐 Excellent improvement of the **cash flow generation** and decrease of the financial expenses

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February 29<sup>th</sup>, 2016

## FY 2015 Results Presentation



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