

REPORT OF THE BOARD OF DIRECTORS OF PROSEGUR COMPAÑÍA DE SEGURIDAD, S.A. WITH RESPECT TO THE PROPOSAL TO RE-ELECT MR ISIDRO FERNÁNDEZ BARREIRO AS OTHER EXTERNAL DIRECTOR REFERRED TO IN ITEM 4.3 OF THE AGENDA OF THE SHAREHOLDERS' GENERAL MEETING CONVENED FOR 27 APRIL 2016, ON FIRST CALL, AND FOR 28 APRIL 2016, ON SECOND CALL

The Board of Directors of Prosegur Compañía de Seguridad, S.A. (the "**Company**") has issued this report in order to justify the proposal for the re-election of the executive director, Mr Isidro Fernández Barreiro submitted for approval of the Shareholders' General Meeting under item 4.3 of the agenda, as set forth in article 529 decies of the Spanish Corporations Act.

In fact, said article 529. decies requires that the proposal for appointment or re-election of board members must be accompanied by a justification report from the board appraising the skills, experience and merits of the proposed candidate, which shall be attached to the minutes of the Shareholders' General Meeting; and this shall be preceded, in the case of a proposal to appoint or re-elect a non-independent director, by a report from the Appointments and Remuneration Committee. In accordance with article 518 of said legal text, both documents must be published on the corporate website as of the publication of the announcement to convene the meeting.

For the purposes of carrying out said proposal, the Board of Directors has evaluated the favourable report issued by the Appointments and Remuneration Committee, in accordance with the provisions in article 529. decies. 6 of the Spanish Corporations Act and articles 17, 20.3 and 22 of the Regulations of the Board, after having conducted an analysis of the current composition of the board and its needs, evaluating the characteristics that the directors must possess in order to exercise their duties and the dedication required to effectively perform their role.

In addition, as established in the aforementioned regulation, to issue this report the Board of Directors has evaluated the skills, experience and merits of the proposed candidate in the terms indicated in the following:

1. PROFESSIONAL AND BIOGRAPHIC PROFILE OF MR ISIDRO FERNÁNDEZ BARREIRO AND NOTABLE EXPERIENCE

Don Isidro Fernández Barreiro is an Industrial Engineer and holds an MBA from the Universidad de Navarra – IESE.

Mr Isidro Fernández Barreiro has been a Company director since 2002 and has held the position of Vice-Chair of the Company's Board of Directors, with wide experience in the role. He has been Executive Vice-Chair of Uralita, S.A. and Executive Vice-Chair of

Banco Urquijo. Likewise, he was a director of Actividades de Construcción y Servicios, S.A. (ACS) as well as director of Corporación Financiera Alba.

His education and experience fully qualify him to adopt the position of the director and Vice-Chair of the Company's Board of Directors.

2. DATE OF THE FIRST AND LAST APPOINTMENT AS DIRECTOR OF THE COMPANY

Mr Isidro Fernández Barreiro was first appointed director of the Company by resolution of the Shareholders' General Meeting held on 19 June 2002, and last appointed by resolution of the Shareholders' General Meeting held on 29 April 2013 in the category of other external, being reclassified as an independent director in 2014. He currently holds the role of Vice-Chair of the Board of Directors.

3. COMPANY SHARES AND FINANCIAL INSTRUMENTS DERIVED FROM COMPANY SHARES OWNED BY HIM

Don Isidro Fernández Barreiro holds no Company shares, nor does he hold any financial instruments derived from Company shares.

4. DIRECTOR CATEGORY

Mr Isidro Fernández Barreiro has been proposed because of his personal and professional qualities, with both the Appointments and Remuneration Commission and the Board of Directors itself judging that he can carry out his duties positively, in this case being re-elected to the position of other external director, having held the post of director for more than 12 years (which prevents him being re-elected as independent director).

5. RE-ELECTION PROPOSAL

Taking all the above into account, and likewise considering the favourable report from the Appointments and Remuneration Committee, which shall be made available to the Shareholders' General Meeting, the Board of Directors of the Company especially values the contribution of Mr Isidro Fernández Barreiro to the effective functioning of the governing body, providing especially relevant knowledge and experience, concluding that he meets the requirements of honourableness, suitability, solvency, competence, qualifications, training, availability and work commitment to carry out the duties of the role, and is not disqualified due to any incompatibility, prohibition or conflict of interests.

Hence, Mr Isidro Fernández Barreiro has the skills, experience and merits necessary to be a director of the company, with the category of other external director, and Vice-Chair of the Board of Directors, and it is in the best interest of the Company that he be re-elected for said position for a new three-year period.

Therefore, in light of the favourable report from the Appointments and Remunerations Commission, the following re-election proposal is hereby raised to the General Shareholder Meeting for Mr Isidro Fernández Barreiro as other external director of Prosegur Compañía de Seguridad, S.A.:

“4.3. Re-election of Mr Isidro Fernández Barreiro (other external director).

Re-elect Mr Isidro Fernández Barreiro other external director of Prosegur Compañía de Seguridad, S.A., for the statutory term of three years.”

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Madrid, 21 March 2016