

First Half 2018 Results

**PROSEGUR REPORTS A
NET PROFIT OF 112 MILLION EUROS**

- Sales reached EUR 2,011 million and an organic growth of 8.4% was reported for the company's overall activity in all business lines.
- The net operating profit (EBIT) was EUR 181 million, where there has been a noteworthy rise in the EBIT gross margin up to 9.0%.

Madrid, 27 July 2018 - Prosegur has reported a net profit of EUR 112 million for the first half-year of 2018. This figure represents an increase of 5.4% compared to the first half of 2017. The company reported income of EUR 2,011 million over the first six months of 2018, with an organic growth of 8.4%. However, the devaluation of currencies in the Ibero-American markets - particularly those in Argentina and Brazil - has resulted in a decrease of 5.5% in the turnover in euros compared to the same period in 2017.

This situation, which has been ongoing since the start of the financial period, has not prevented the company from improving its profitability. The EBIT gross margin has continued to rise, reaching 9.0% for the first half-year of 2018, from 8.6% that was recorded for the same period in 2017. EBIT for the first half of the financial period was EUR 181 million, while for the first six months of 2017 the EBIT figure was recorded at EUR 183 million. The EBITDA reached EUR 251 million against EUR 247 million obtained in the first half of 2017.

The devaluation of the currencies has allowed Prosegur to demonstrate its strong capacity for resilience in the business. In terms of organic growth, the overall activity for all its business lines has shown a positive performance, which has partly compensated the currencies devaluation. Furthermore, the rise in its margins and the growth in its net profit is noteworthy. Likewise, the rise in its inorganic growth strategy has been outstanding, particularly for the activity of Prosegur Cash, as well as in the progress made in implementing the Digital Transformation project across the whole organization.

As regards the evolution of its activity by business lines:

Prosegur Security

Prosegur Security, the surveillance and technology business unit, reported revenues of EUR 996 million. The business unit has increased its organic sales in local currency by 6.2%, although, due to the exchange rate effect, the total sales in euros was about 4.2% less than in the first half of 2017. The organic growth in sales is in line with the seasonal fluctuations that the group experiences, while the commercialization of the combined services of surveillance and technology has continued to grow.

The new business proposal, together with the margin protection measures taken, are proving conducive to the profitability of operations. The unit reported an EBIT figure of EUR 26 million, which is up 2.0% on the first half-year of 2017. Similarly, the EBIT margin maintained its positive trend, rising from 2.4% to 2.6% for the period.



Prosegur Alarms

Prosegur Alarms, the division that specialises in alarms for homes and businesses, recorded sales of EUR 132 million for the first half-year of 2018. This figure represents a 6.0% increase, while in organic terms the increase is as much as 18.3%. In the second quarter of 2018, Prosegur Alarms added more than 16,000 net connections to its total base of connections, with which it now amounts to 528,000 connections and maintains the same growth rate as in previous quarters. As for the average income per user, this has remained stable at 36.7 euros per month, which is an improvement in local currency but has been impacted by the exchange rates in Ibero-America.

Prosegur Cash

Prosegur Cash, the Cash-In-Transit business unit, obtained EUR 883 million in sales during the first six months of 2018. It should be noted that the organic growth in sales was 9.1%. However, the prominent activity of Prosegur Cash in Ibero-America has been subject to a greater impact from the exchange rate in its sales in euros, which fell by around 8.4%. In any case, the profit margins have continued to rise, which again has shown the resilience of the business. The EBIT margin rose from 17.8% to 18.0% in the period and the EBIT reached EUR 159 million.

As for the sales of new services, Prosegur Cash has continued to show a strong growth rate and this now represents 10.8% of total sales.

Financial Position

Finally, in the first six months of 2018, the net financial debt of the Group increased by EUR 139 million compared to the close of 2017. The figure now amounts to EUR 391 million, maintaining a low level of debt with a net financial debt to EBITDA ratio of 0.7. Prosegur has continued working with the principles of financial discipline that are contributing to significant levels of efficiency and improvement.

About Prosegur

Prosegur is a global leader in the private security sector. Across its three business lines - Prosegur Security, Prosegur Cash and Prosegur Alarms - Prosegur provides companies and households with reliable security services using the most advanced market solutions. With a global presence, Prosegur reported sales of 4.291 billion euros in 2017 and is listed on the Madrid and Barcelona stock exchanges under the ticker code PSG, currently having a team of over 175,000 employees.

The company directs its social action through the Prosegur Foundation, which, with more than 39,900 beneficiaries in 2017, works on four focal points: education, employment inclusion of people with intellectual disabilities, corporate volunteering and cultural development.

For more information, visit www.prosegur.com

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