

## Results for the first nine months of 2017

**PROSEGUR REPORTED A NET PROFIT OF EUR 158 MILLION FROM ITS BUSINESS ACTIVITY IN THE FIRST NINE MONTHS OF 2017**

- If the non-recurring and extraordinary expenses relating to the corporate reorganisation process are taken into account, the net profit comes to EUR 145 million.
- Sales amounted to EUR 3,184 million euros, up 12%. With an organic growth of 11.1%, the currency effect in the first nine months of the year had no overall impact on the results.
- During this period Prosegur maintained the positive trend of improving profitability, both in absolute and relative terms. EBITDA attributable to its main business activity amounted to EUR 374 million, while EBIT, also attributable to its main business activity, rose by a significant 20.7% to EUR 279 million. As for EBIT margin, this was calculated at 8.8%.

**Madrid, 8 November 2017** - Prosegur reported a net profit of EUR 158 million from its business activity in the first nine months of 2017. This figure represents an increase of 24.7% compared to the same period of the previous year. Taking account of the costs relating to the corporate reorganisation process, which are of a non-recurring and extraordinary nature, the figure comes to EUR 145 million.

It should be noted that consolidated net profit - after discounting the minority interest derived from the sale of 27.5% of Prosegur Cash - remained stable compared to the previous year. Earnings per share also remained at the same levels of 2016.

**Prosegur maintains positive trend in sales and profitability**

Sales amounted to EUR 3,184 million for the first nine months of 2017, which is 12,0% higher than the figure for the same period in 2016. The company reported an organic growth of 11.1% for its three business lines together: Prosegur Security, Prosegur Alarms and Prosegur Cash. Sales revenue increased in all of the business lines as well as in all of the geographical areas in which Prosegur operates. It should be noted that the currency effect in the first nine months of the year had no overall impact on the results.

Similarly, the company continued to improve the performance of its profitability indicators. This is a clear sign that the measures taken in previous years to protect margins has had a positive effect. EBITDA attributable to its main business activity was reported at EUR 374 million, compared to EUR 316 million for the third quarter of 2016. As for EBIT, also attributable to its main business activity, this rise by a significant 20.7%, to EUR 279 million. Moreover, it is worth noting at EBIT margin widened from 8.1% to 8.8% in the first nine months of the year. Lastly, if the expenses relating to the

corporate reorganisation process were to be taken into account, EBITDA reported for the period would be EUR 371 million, with EBIT of EUR 275 million.

### **Prosegur Security increases the weighting in technology sales and improves profitability**

With regards to the development of each business line, Prosegur Security - the surveillance and technology business unit - reported an increase in sales of 9.3% to EUR 1,262 million (not accounting for the business in Brazil). As for the profitability of the business unit, EBIT (not taking Brazil into account) climbed to EUR 48 million, which is 26.3% higher than the figure for the same period in 2016. Similarly, EBIT margin maintained its positive trend, rising from 3.3% to 3.8% for the current period.

As seen in the preceding periods, Prosegur Security's operations are showing a particularly positive performance in Europe, where the weighting of the Technology side of the business is increasingly more prominent.

Lastly, the Prosegur Security business in Brazil reported an increase in its sales of almost 5%, to EUR 301 million. The company continues to optimize its operations in the country and it is now close to returning to profit.

### **Prosegur Alarms continues to grow at a rapid pace**

Prosegur Alarms - the business unit that specializes in alarm systems for homes and businesses - maintained the strong growth rate in its total number of connections and increased its sales by 18.4%, to EUR 186 million for the period. At the close of the third quarter, the business unit had surpassed 473,000 connections. This figure means that, during the first nine months of 2017, Prosegur Alarmas completed an additional 50,000 connections.

The sharp increase in sales is combined with having maintained a positive trend in the main performance indicators of the business. The churn rate amounted to 10%, while ARPU (average revenue per user) was EUR 38 per month - up by 5.6% on 2016.

### **Prosegur Cash increases both sales and profitability**

Finally, sales at Prosegur Cash during the first nine months of 2017 amounted to EUR 1,436 million, up 16.5% compared to the same period in 2016. This increase is essentially due to organic growth of nearly 15%. With regard to the development of new services at Prosegur Cash, the positive trend has continued. Sales of new products came to EUR 121 million, and now account for 8.4% of the total sales mix.

### **Stable financial position with credit rating confirmed**

All the financial parameters and the cash flow remained within normal levels during the period. As has already been reported, net debt dropped sharply during the first quarter and by the end of the third quarter it was EUR 51 million. The company is effectively in a very solid financial position, which was further endorsed by the confirmation - announced last September - of the investment grade rating (BBB) and stable outlook issued by Standard & Poor's.