



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

INTERIM QUARTERLY FINANCIAL INFORMATION
Interim financial statements for the first quarter of 2012



PROSEGUR



RESULTS FROM JANUARY-MARCH 2012

€ Mn			
CONSOLIDATED PROFIT	2012	2011	% chg.
Sales	838.1	643.3	30.3%
EBITDA	98.4	84.9	15.8%
<i>Margin</i>	<i>11.7%</i>	<i>13.2%</i>	
Depreciation of PPE	(18.7)	(14.2)	
Amortisation of intangible assets	(4.4)	(4.7)	
Goodwill impairment	-	-	
EBIT	75.3	66.1	14.0%
<i>Margin</i>	<i>9.0%</i>	<i>10.3%</i>	
Financial results	(8.5)	(3.5)	
EBT	66.8	62.6	6.7%
<i>Margin</i>	<i>8.0%</i>	<i>9.7%</i>	
Taxes	(22.9)	(19.8)	
Net profit	44.0	42.8	2.7%
Minority interests	(0.1)	(0.1)	
Consolidated net profit	44.1	42.9	2.9%
<i>Margin</i>	<i>5.3%</i>	<i>6.7%</i>	
Basic earnings per share	0.8	0.7	

PERFORMANCE IN THE PERIOD

- Turnover rose by 30.3% year-on-year, with 13.8% pure organic growth, 17.1% inorganic growth and a negative exchange rate impact of 0.6%.
- EBIT increased by 14% year-on-year to €75.3 million, and the EBIT margin was 9%.
- Consolidated net profit grew by 2.9% with respect to 2011 to reach €44.1 million.
- During the period, a number of companies were acquired in various regions:



- Coral Melody, S.A. and Tecnofren, S.A. in Uruguay.
- Nordeste/Transbank Group companies in Brazil:
 - Nordeste Segurança de Valores Paraíba Ltda.
 - Nordeste Segurança de Valores Alagoas Ltda.
 - Nordeste Segurança de Valores Rio Grande do Norte Ltda.
 - Nordeste Segurança de Valores Ceará Ltda.
 - Nordeste Segurança de Valores Bahia Ltda.
 - Nordeste Transporte de Valores Ltda.
 - Nordeste Segurança de Valores Sergipe Ltda.
 - Nordeste Segurança e Transporte de Valores Piauí Ltda.
 - Transbank Segurança e Transporte de Valores Ltda.
 - Digipro Processamento de Documentos e Valores Ltda.
 - Nordeste Segurança Eletrônica Ltda.

INTERIM FINANCIAL STATEMENTS (JANUARY – MARCH 2012)

(€ Mn)

1. BUSINESS PERFORMANCE

Details of the business performance of the main consolidated income statement items for January-March of 2012 and 2011 were as follows:

a) Sales

Prosegur's sales from January to March 2012 totalled €838.1 million, compared with €643.3 million in the same period of 2011, implying 30.3% growth. Of total sales growth, 13.8% was pure organic growth, 17.1% was inorganic growth through acquisitions in 2011 and 2012, and there was a negative exchange rate effect of 0.6%.

The following aspects in Prosegur's consolidation scope had an impact on sales growth:

- In Singapore, Prosec Pte. Ltd. and Safeway Pte. Ltd. began consolidating in March 2011. They contributed €2.3 million in revenue from January to February 2012.
- Seguridad Vigilada Group companies, acquired in Spain, began consolidating in July 2011. They contributed €3.5 million in revenue from January to March 2012.



- Inversiones BIV Group companies, acquired in Colombia, began consolidating in August 2011. They contributed €13.4 million in revenue from January to March 2012.
- Vimarco Servicios Generales, Ltda. and Vimarco Servicios Temporales, Ltda., acquired in Colombia, began consolidating in September 2011. They contributed €1.5 million in revenue from January to March 2012.
- Prover Eletronica, Ltda., acquired in Brazil, began consolidating in October 2011. It contributed €0.7 million in revenue from January to March 2012.
- In France, Sazias, S.A and its subsidiaries began consolidating in October 2011. They contributed €4.6 million in revenue from January to March 2012.
- Security Systems, S.A., Integra Monitoreo S.A.S. and GPS de Colombia, S.A.S., acquired in Colombia, began consolidating in October 2011. They contributed €4.7 million in revenue from January to March 2012.
- Fiel Vigilancia e Transporte de Valores, acquired in Brazil, began consolidating in November 2011. It contributed €7.3 million in revenue from January to March 2012.
- Axis Security Management Pte, Ltd., acquired in Singapore, began consolidating in January 2012. It contributed €1.4 million in revenue from January to March 2012.
- Securlog GMBH, acquired in Germany, began consolidating in January 2012. It contributed €36.4 million in revenue from January to March 2012.
- Nordeste/Transbank Group companies, acquired in Brazil, began consolidating in March 2012. They contributed €31.7 million in revenue in March 2012.

The table below shows the breakdown of Prosegur's sales by geographical area and business line:



€ Mn									
Sales	Europe-Asia			LatAm			Total Prosegur		
	2012	2011	% chg.	2012	2011	% chg.	2012	2011	% chg.
Guarding	223.6	211.6	5.7%	164.0	104.8	56.5%	387.6	316.4	22.5%
% of total	61.7%	68.1%		34.5%	31.5%		46.2%	49.2%	
CiT	88.9	50.2	77.1%	268.0	200.7	33.6%	356.9	250.8	42.3%
% of total	24.5%	16.2%		56.4%	60.3%		42.6%	39.0%	
Technology	50.1	48.8	2.7%	43.5	27.4	58.9%	93.6	76.0	22.9%
% of total	13.8%	15.7%		9.2%	8.2%		11.2%	11.8%	
Total sales	362.6	310.5	16.8%	475.5	332.8	42.9%	838.1	643.3	30.3%

As for the geographical breakdown, sales in the Europe-Asia region totalled €362.6 million, up 16.8% year-on-year. Sales in LatAm rose by 42.9% to €475.5 million. In this region, the exchange rate had a negative impact of 1.1% on sales.

With regard to the breakdown of turnover by business line, in January to March 2012, Guarding revenue totalled €387.6 million, i.e. up 22.5% on the same period one year previously. Cash in Transit (CiT) sales increased by 42.3% to €356.9 million, and sales in Electronic Security grew by 22.9% to €93.6 million.

The table below shows sales growth by country, including the impact of changes in the consolidation scope and of exchange rates:

€ Mn						
Sales	Total Prosegur			Organic % chg.	Inorganic % chg.	Exchange rate % chg.
	1Q12	1Q11	% chg.			
Spain	237.5	232.5	2.1%	0.6%	1.5%	0.0%
France	45.8	38.3	19.5%	7.4%	12.1%	0.0%
Portugal	35.9	36.7	-2.2%	-2.2%	0.0%	0.0%
Romania	1.9	2.1	-8.3%	-5.7%	0.0%	-2.6%
Germany	36.4	0.0	100.0%	0.0%	100.0%	0.0%
Asia	5.1	0.9	499.4%	14.1%	521.3%	-36.0%
Argentina (*)	145.5	108.3	34.3%	37.4%	0.0%	-3.1%
Brazil	223.7	152.9	46.2%	23.0%	26.0%	-2.8%
Chile	32.4	28.3	14.5%	11.4%	0.0%	3.1%
Colombia	30.7	9.1	239.2%	13.9%	216.8%	8.5%
Peru	36.8	28.3	30.3%	14.4%	6.4%	9.5%
Mexico	6.4	5.9	9.4%	13.3%	0.0%	-3.9%
Total sales	838.1	643.3	30.3%	13.8%	17.1%	-0.6%

(*) Including Uruguay and Paraguay.



b) EBIT

Operating earnings (EBIT) in the period from January to March 2012 amounted to €75.3 million, while in the same period in 2011 it totalled €66.1 million, implying 14% growth. The EBIT margin in January-March 2012 was 9%, compared with 10.3% one year previously.

The following table shows the breakdown of EBIT performance by geographical area:

€ Mn									
EBIT	Europe-Asia			LatAm			Total Prosegur		
	2012	2011	% chg.	2012	2011	% chg.	2012	2011	% chg.
Sales	362.6	310.5	16.8%	475.5	332.8	42.9%	838.1	643.3	30.3%
EBIT	10.3	17.1	-39.5%	65.0	49.0	32.6%	75.3	66.1	14.0%
<i>Margin</i>	<i>2.8%</i>	<i>5.5%</i>		<i>13.7%</i>	<i>14.7%</i>		<i>9.0%</i>	<i>10.3%</i>	

EBIT in Europe-Asia in January-March 2012 amounted to €10.3 million, compared with €17.1 million for the same period in 2011, implying a 39.5% fall due mainly to the tough economic environment in the region. EBIT in LatAm increased by 32.6% to €65 million in January-March 2012, compared with €49 million in the same period of 2011.

c) Financial results

Prosegur's net financial expenses in the period from January to March 2012 totalled €8.5 million, vs. €3.5 million in the same period of 2011, implying an increase of €5 million. The main changes in financial expenses were as follows:

- Net financial expenses from interest payments in January to March 2012 totalled €7.5million, compared with €4.1 million in 2011, implying an increase of €3.4 million due mainly to higher debt levels and the increased average cost of funding.
- Net financial expenses due to exchange rate differences and differences in the measurement of derivative instruments were up €1.6 million to €1 million in January-March 2012 (compared with revenue of 0.6 million in 2011).

d) Net profit

Consolidated net profit in January-March 2012 totalled €44.1 million, compared with €42.9 million in the same period of 2011, implying 2.9% growth.



The effective tax rate was 34.2% in the period from January to March 2012, compared with 31.7% in the same period of 2011, due mainly to the generation of earnings in countries with higher average tax rates.

2. SIGNIFICANT EVENTS AND TRANSACTIONS

The following significant events and transactions took place in the first three months of 2012:

Acquisition of subsidiaries

On 24 February 2012 Prosegur acquired 100% of Coral Melody, S.A. and Tecnofren, S.A. in Uruguay, companies specialising in home surveillance and technology services and recording an annual turnover of around €7.3 million, and with a workforce of 630. The total acquisition price was €10 million.

On 7 March 2012, Prosegur acquired 100% of the 11 companies belonging to Nordeste Segurança/Transbank Group in Brazil. These companies provide Guarding, CiT and residential technology services, post an annual turnover of around €345 million and have a workforce of 20,000. The total acquisition price was €191.1 million and the debt acquired amounts to €64.5 million.

Other significant events

In May 2011, Prosegur reached an agreement with Security and Intelligence Services (SIS), subject to approval by the competent authorities, to launch a 49%-51% joint venture based in India and focusing on the CiT business. On 9 February 2012, Prosegur invested €10 million in a capital increase at SIS Cash Services Pvt. Ltd. Co.

In February 2012, Prosegur Compañía de Seguridad, S.A. arranged a €200 million syndicated loan to fund the acquisition of companies operating in the sector. The facility comprises two tranches: a loan totalling €100 million and a credit line worth €100 million. The credit facility will be repaid in a single instalment on maturity, 3 years after arrangement date. The interest rate is a floating rate indexed to the Euribor for the period plus a margin linked to the net financial debt/EBITDA ratio.

In March 2012, Brazilian companies Prosegur Brasil, S.A., Prosegur Activa Alarmes, S.A. and Prosegur Holding e Participações, S.A. arranged a syndicated loan with Banco Bradesco BBI, S.A., Banco Itaú BBA, S.A. and Banco Santander, maturing in 5 years and totalling BRL450 million (€190.7 million). The interest rate is indexed to the Brazilian CDI plus a margin of 230 basis points.



3. CONSOLIDATED FINANCIAL DATA

The consolidated financial data was prepared in accordance with International Financial Reporting Standards (IFRS) applicable at 31 March 2012. Said standards were applied to both 2012 and 2011 data.

€ Mn		
CONSOLIDATED BALANCE SHEET	31/03/2012	31/12/2011
Non-current assets	1,472.9	1,099.7
Property, plant and equipment	437.0	406.0
Goodwill	715.1	405.9
Intangible assets	153.3	147.2
Non-current financial assets	46.6	34.0
Other non-current assets	120.9	106.7
Current assets	1,253.7	1,091.8
Inventories	61.9	54.6
Accounts receivable	981.9	847.6
Other current assets	0.4	0.5
Derivative financial instruments	-	-
Cash and other financial assets	209.5	189.1
ASSETS	2,726.6	2,191.6
Net Equity	725.1	670.9
Share capital	37.0	37.0
Treasury shares	(120.9)	(123.2)
Retained earnings and other reserves	809.0	757.0
Non-current liabilities	889.5	690.9
Bank borrowings	475.2	436.7
Other financial liabilities	118.2	29.4
Derivative financial instruments	3.4	3.6
Other non-current liabilities	292.7	221.2
Current liabilities	1,112.0	829.7
Bank borrowings	218.4	108.9
Other financial liabilities	123.3	87.4
Derivative financial instruments	-	0.0
Trade and other accounts payable	743.8	605.4
Other current liabilities	26.5	28.0
NET EQUITY AND LIABILITIES	2,726.6	2,191.5



The main variations in the amounts on the consolidated balance sheet at 31 March 2012 with respect to the closing balances of 2011 were as follows:

a) Property, plant and equipment

Investment in PPE in the first three months of 2012 totalled €15.7 million.

b) Goodwill

Goodwill increased by €309.2 million, due mainly to the inclusion in the consolidation scope of the Nordeste Segurança/Transbank Group companies acquired in March 2012. No goodwill impairment losses were recorded in the first quarter of 2012.

c) Net equity

The changes in net equity in the first three months of 2012 arose mainly under net profit in the period and the reserve for cumulative translation differences.

d) Net debt

Prosegur calculates net debt as total bank borrowings (current and non-current) plus/minus net derivative financial instruments, minus cash and cash equivalents, and minus other current financial assets.

Net debt at 31 March 2012 amounted to €487.5 million, up €127.4 million with respect to the figure at 31 December 2011 (€360.1 million).

At 31 March 2012, the net debt/EBITDA ratio was 1.3 and the net debt/equity ratio was 0.7.

At 31 March 2012, liabilities arising from borrowings related mainly to the syndicated loan agreement signed in 2010, totalling €400 million, and the syndicated loan arranged by the Brazilian entities in 2012.

The total net cash flow generated in the first three months of 2012 was as follows:



€ Mn	
CONSOLIDATED CASH FLOW	31/03/2012
Profit (loss) in the period	66.8
Adjustments in profit	31.5
Income tax	(24.4)
Changes in working capital	(24.9)
Interest payments	(7.5)
OPERATING CASH FLOW	41.5
Acquisition of PPE	(15.7)
Payment of acquisition of subsidiaries	(138.1)
Payment of dividends	(15.1)
Other flows from investment/financing activities	-
INVESTMENT / FINANCING CASH FLOW	(168.9)
TOTAL NET CASH FLOW	(127.4)
OPENING NET DEBT (31/12/2011)	(360.1)
Net (reduction)/increase in cash	(127.4)
CLOSING NET DEBT (31/03/2012)	(487.5)