



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

QUARTERLY FINANCIAL INFORMATION
Interim Statement for first quarter of financial year 2014



PROSEGUR



RESULTS FOR PERIOD JANUARY TO MARCH 2014

| Millions of euros | | | |
|--------------------------------|--------------|--------------|---------------|
| CONSOLIDATED RESULTS | 2013 | 2014 | % Var. |
| Sales | 918.6 | 885.5 | -3.6% |
| EBITDA | 107.6 | 105.3 | -2.1% |
| <i>Margin</i> | <i>11.7%</i> | <i>11.9%</i> | |
| PPE amortisation | (20.2) | (18.8) | -6.8% |
| Intangible asset amortisation | (10.2) | (9.1) | -11.0% |
| Goodwill impairment | - | - | |
| EBIT | 77.2 | 77.4 | 0.3% |
| <i>Margin</i> | <i>8.4%</i> | <i>8.7%</i> | |
| Financial results | (24.2) | (16.0) | -33.7% |
| Profit before tax | 53.0 | 61.4 | 15.8% |
| <i>Margin</i> | <i>5.8%</i> | <i>6.9%</i> | |
| Taxes | (17.4) | (22.1) | 27.1% |
| Net result | 35.6 | 39.3 | 10.3% |
| Non-controlling interests | (0.1) | 0.0 | |
| Consolidated net result | 35.7 | 39.3 | 10.1% |
| <i>Margin</i> | <i>3.9%</i> | <i>4.4%</i> | |
| Basic profit per share | 0.6 | 0.7 | 5.5% |

PERFORMANCE IN THE PERIOD

- The business turnover has decreased by 3.6% over that of 2013, of which 9.6% is due to pure organic growth, 3.4% to inorganic growth and exchange rates have a negative effect of 16.7%.
- The EBIT has increased by 0.3% compared to financial year 2013 having reached 77.4 million euros, with an 8.7% margin on sales.
- The consolidated net result has been of 39.3 million euros, an increase of 10.1% over that of 2013.



INTERIM STATEMENT (JANUARY – MARCH 2014)

(In millions of euros)

1. BUSINESS PERFORMANCE

The performance of the most significant items in the consolidated income statement pertaining to the period from January to March of financial years 2014 and 2013 is shown below:

a) Sales

Prosegur sales during the period from January to March 2014 have reached 885.5 million euros, compared to 918.6 million euros in the same period in 2013, accounting for a drop of 3.6%. Of the overall decrease, 9.6% pertains to pure organic growth, 3.4% to inorganic growth due to the acquisitions made during financial years 2013 and 2014 and the effect of the exchange rate accounts for a drop of 16.7%.

The following aspects relating to the consolidation perimeter of Prosegur have an influence on the sales turnover regarding inorganic growth:

- In Australia, the company Chubb Security Services PTY LTD began to be consolidated in the month of December 2013. The business turnover contributed in the period from January to March 2014 has been of 20.5 million euros.
- In Germany, the company Brinks Deutschland GMBH began to be consolidated in the month of December 2013. The business turnover contributed in the period from January to March 2014 has been of 9.0 million euros.
- In Singapore, the company Evtec Management Services PTE LTD began to be consolidated in the month of February 2014. The business turnover contributed in the period from February to March 2014 has been of 1.6 million euros.
- In Germany, the company Chorus Security Service GmbH & Co. KG began to be consolidated in the month of March 2014. The business turnover contributed in the month of March 2014 has been of 0.4 million euros.



The following table shows the distribution of sales of Prosegur by geographical area and business line:

| Millions of euros | | | | | | | | | |
|------------------------|---------------------|--------------|--------------|--------------|--------------|---------------|----------------|--------------|---------------|
| Sales | Europe-Asia-Pacific | | | LatAm | | | Total Prosegur | | |
| | 2013 | 2014 | % Var. | 2013 | 2014 | % Var. | 2013 | 2014 | % Var. |
| Manned Guarding | 218.3 | 201.4 | -7.7% | 202.9 | 195.7 | -3.5% | 421.3 | 397.2 | -5.7% |
| <i>% of total</i> | <i>59.7%</i> | <i>53.5%</i> | | <i>36.7%</i> | <i>38.4%</i> | | <i>45.9%</i> | <i>44.9%</i> | |
| Cash in Transit | 91.1 | 122.3 | 34.3% | 298.5 | 270.2 | -9.5% | 389.6 | 392.5 | 0.7% |
| <i>% of total</i> | <i>24.9%</i> | <i>32.5%</i> | | <i>54.0%</i> | <i>53.1%</i> | | <i>42.4%</i> | <i>44.3%</i> | |
| Technology | 56.2 | 52.5 | -6.7% | 51.5 | 43.3 | -16.0% | 107.8 | 95.8 | -11.1% |
| <i>% of total</i> | <i>15.4%</i> | <i>13.9%</i> | | <i>9.3%</i> | <i>8.5%</i> | | <i>11.7%</i> | <i>10.8%</i> | |
| Total sales | 365.6 | 376.2 | 2.9% | 553.0 | 509.2 | -7.9% | 918.6 | 885.5 | -3.6% |

In regard to the geographical distribution of sales, sales in the Europe-Asia-Pacific region have reached 376.2 million euros, increasing by 2.9% over that of the previous year. Sales in the LatAm region have decreased by 7.9%, having reached 509.2 million euros. In this region, the effect of the exchange rate has caused a drop in sales of 27.6%.

In regard to the distribution of sales by business line, during the period from January to March 2014, Manned Guarding sales have reached 397.2 million euros with a drop of 5.7% over the same period the year before. Sales in Cash in Transit (CIT) have increased by 0.7%, having reached 392.5 million euros. Technology sales have reached 95.8 million euros with a drop of 11.1%.



The following table shows the growth in sales by country and the effects of the changes made in the consolidation perimeter and exchange rates:

Millions of euros

| Sales | Total Prosegur | | | Organic % Var. | Inorganic % Var. | Exchange rate % Var. |
|--------------------|----------------|--------------|--------------|-------------------|---------------------|-------------------------|
| | 1Q 2013 | 1Q 2014 | % Var. | | | |
| Spain | 228.4 | 205.9 | -9.8% | -9.8% | 0.0% | 0.0% |
| France | 55.5 | 57.1 | 2.9% | 2.9% | 0.0% | 0.0% |
| Portugal | 35.1 | 34.4 | -2.0% | -2.0% | 0.0% | 0.0% |
| Romania | 1.5 | 0.0 | -100.0% | -100.0% | 0.0% | 0.0% |
| Germany | 36.8 | 49.5 | 34.4% | 9.0% | 25.5% | 0.0% |
| Asia-Pacific (1) | 8.3 | 29.3 | 252.8% | -7.7% | 265.9% | -5.4% |
| Argentina Area (2) | 174.1 | 152.8 | -12.2% | 32.9% | 0.0% | -45.1% |
| Brazil | 267.4 | 243.5 | -8.9% | 12.1% | 0.0% | -21.0% |
| Chile | 35.2 | 32.7 | -7.2% | 12.4% | 0.0% | -19.5% |
| Colombia | 28.2 | 32.2 | 14.3% | 33.3% | 0.0% | -19.0% |
| Peru | 40.7 | 39.0 | -4.2% | 8.5% | 0.0% | -12.7% |
| Mexico | 7.4 | 9.1 | 21.6% | 32.1% | 0.0% | -10.4% |
| Total sales | 918.6 | 885.5 | -3.6% | 9.6% | 3.4% | -16.7% |

(1) Includes Singapore, India, China and Australia (in the case of India, IFRS 11 is applied in 2014).

(2) Includes Argentina, Uruguay and Paraguay.

b) Operating results

The operating result (EBIT) for the period from January to March of financial year 2014 has been of 77.4 million euros, whereas that in the same period in 2013 was 77.2 million euros, accounting for a 0.3% increase. The margin of EBIT over sales in the period from January to March 2014 has been 8.7%, compared to that of 8.4% in the previous year.

The performance of the EBIT by geographical area is summarised in the table below:

Millions of euros

| EBIT | Europe-Asia-Pacific | | | LatAm | | | Total Prosegur | | |
|--------|---------------------|-------|--------|-------|-------|--------|----------------|-------|--------|
| | 2013 | 2014 | % Var. | 2013 | 2014 | % Var. | 2013 | 2014 | % Var. |
| Sales | 365.6 | 376.2 | 2.9% | 553.0 | 509.2 | -7.9% | 918.6 | 885.5 | -3.6% |
| EBIT | 10.4 | 12.2 | 17.2% | 66.8 | 65.2 | -2.4% | 77.2 | 77.4 | 0.3% |
| Margin | 2.8% | 3.2% | | 12.1% | 12.8% | | 8.4% | 8.7% | |



The EBIT for the Europe-Asia-Pacific region in the period from January to March 2014 has been of 12.2 million euros compared to 10.4 million euros in the same period in 2013, accounting for an increase of 17.2% due mainly to the sound business performance in the new countries in which Prosegur has begun operating. The EBIT for the LatAm region has decreased by 2.4%, having reached 65.2 million euros in the period from January to March 2014 compared to 66.8 million euros in the same period in 2013. This drop is due mainly to the depreciation of the local currency in Argentina and Brazil.

c) Financial results

The net financial expenses of Prosegur during the period from January to March 2014 have reached 16.0 million euros, compared to 24.2 million euros in the same period in 2013, which translates into a drop of 8.2 million euros. The main variations in financial expenses have been the following:

- Net financial expenses from interest in the period from January to March 2014 have reached 11.6 million euros, compared to 13.3 million euros in 2013, which accounts for a drop of 1.7 million euros due to the price fixing of an uncovered bond issue in the month of March 2013 with a face value of 500 million euros and maturing on 2 April 2018, which has enabled the deferral of maturities of part of the Prosegur debt (from 2015 to 2018), as well as the partial cancellation (in financial years 2013 and 2014) of the restricted public distribution debenture issued by the Brazilian entities in 2012 and the syndicated financing agreement entered into in 2010 and the full cancellation of the syndicated financing agreement entered into in 2012. The bonds were issued in April 2013 and are traded on the secondary market (the Irish Stock Exchange). They accrue a coupon of 2.75% per annum payable yearly on maturity.
- Net financial income for exchange differences and derivative valuation has reached 5.6 million euros in the period from January to March 2014, compared to net financial costs for exchange differences and derivative valuation which reached 4.3 million euros in 2013, which is equal to a drop of 9.9 million euros.
- Additionally, the period from January to March 2014 has accrued impairment losses from financial investments amounting to 10.0 million euros. In the same period of the previous year impairment losses from financial investments amounted to 6.6 million euros.

Net results

The net consolidated result for the period from January to March 2014 has reached 39.3 million euros, compared to 35.7 million euros in the same period in 2013, accounting for an increase of 10.1%.

The effective tax rate has increased to 36.0% in the period from January to March 2014, compared to 32.8% in the same period in 2013.



2. SIGNIFICANT EVENTS AND OPERATIONS

Significant events

During the period from January to March 2014, the following significant operations and events have taken place:

Acquisition of subsidiaries

By means of its subsidiary Singpai Pte. Ltd., on 23 January 2014 Prosegur acquired 100% of the shares of Evttec Management Services PTE LTD located in Singapore. This transaction represents a maximum investment for Prosegur of 7.5 million Singapore dollars (equivalent to 4.3 million euros), including the debt of the acquired company.

By means of its subsidiary Prosegur GmbH, on 17 February 2014 Prosegur acquired 100% of the shares of Chorus Security Service GmbH & Co. KG and 100% of the shares of its general partner Chorus Security Service Verwaltungs GmbH, both companies located in Germany. This transaction represents a maximum investment for Prosegur of 1.8 million euros, including the debt of the acquired company.

Other significant events

On 10 January 2014 Prosegur proceeded with the sale of a package of own shares, representing 4.032% of the share capital, for a total amount of 123.2 million euros (24,882,749 shares at 4.95 euros) to satisfy the demand presented by JB Capital Markets of a limited number and reduced group of institutional investors. Following the conclusion of this transaction, Prosegur maintains 3.047% of own shares that is deemed strategic to satisfy possible future corporate transactions.



3. CONSOLIDATED FINANCIAL INFORMATION

The consolidated financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable at 31 March 2014. Such accounting principles have been applied both to financial years 2014 and 2013.



| Millions of euros | | |
|--------------------------------------|-------------------|-------------------|
| CONSOLIDATED BALANCE SHEET | 31/12/2013 | 31/03/2014 |
| Non-current assets | 1,536.1 | 1,520.1 |
| Property, plant and equipment | 472.0 | 461.3 |
| Goodwill | 516.0 | 520.8 |
| Intangible assets | 341.7 | 330.1 |
| Investments in subsidiaries | - | 6.1 |
| Non-current financial assets | 25.8 | 15.9 |
| Other non-current assets | 180.6 | 185.9 |
| Current assets | 1,362.2 | 1,446.8 |
| Inventories | 58.6 | 61.7 |
| Debtors | 1,008.9 | 1,112.3 |
| Other current assets | 0.5 | 12.2 |
| Derivative financial instruments | - | - |
| Cash and other financial assets | 294.1 | 260.6 |
| ASSETS | 2,898.3 | 2,966.9 |
| Net equity | 654.5 | 776.6 |
| Share capital | 37.0 | 37.0 |
| Own shares | (125.2) | (53.5) |
| Retained earnings and other reserves | 742.7 | 793.0 |
| Non-current liabilities | 1,196.7 | 1,072.7 |
| Debts with credit institutions | 791.7 | 674.7 |
| Other financial liabilities | 70.8 | 59.6 |
| Derivative financial instruments | - | - |
| Other non-current liabilities | 334.2 | 338.4 |
| Current liabilities | 1,047.1 | 1,117.6 |
| Debts with credit institutions | 132.6 | 177.0 |
| Other financial liabilities | 63.5 | 60.6 |
| Derivative financial instruments | 1.6 | 0.4 |
| Trade and other payables | 819.9 | 847.7 |
| Other current liabilities | 29.3 | 31.8 |
| NET EQUITY AND LIABILITIES | 2,898.3 | 2,966.9 |



The main variations in the consolidated balance sheet at 31 March 2014 compared to the close of financial year 2013 are summarised as follows:

a) Property, plant and equipment

Investments made in PPE during the period from January to March 2014 have amounted to 30.0 million euros due mainly to a property acquisition in Argentina totalling 12 million euros.

b) Goodwill

An increase of 4.8 million euros has taken place in goodwill as a result of the addition of Evtec Management Services PTE LTD and Chorus Security Service Verwaltungs GmbH to the consolidation perimeter, subsidiaries acquired during the period from January to March 2014. During the same period in 2014 no impairment loss in goodwill have been registered.

c) Net equity

The variations in net equity during the period from January to March 2014 are mainly due to the sale of a package of own shares, representing 4.032% of the share capital, the net result for the period and the performance of the reserve due to cumulative conversion differences.

d) Net debt

Prosegur calculates net debt to be the total debt held with credit institutions (current and non current) plus/minus the net derivative financial instruments, minus cash and equivalents, and minus other current financial assets.

Net debt at 31 March 2014 has amounted to 591.9 million euros, having decreased by 39.8 million euros over the amount at 31 December 2013 (631.7 million euros).

At 31 March 2014, the annualised net debt/EBITDA ratio has reached 1.5 and the net debt/equity ratio has reached 0.8.



At 31 March 2014, liabilities as debt with credit institutions pertain mainly to:

- Issue of uncovered bonds amounting to 510 million euros (interests included).
- The syndicated financing agreement entered into in 2010 for 65 million euros (the syndicated financing agreement entered into in 2012 was cancelled in full on 2 April 2013).
- The restricted public distribution debenture issued by the Brazilian entities in 2012 for 36 million euros (the restricted public distribution debenture was partially cancelled in financial years 2014 and 2013).

Below is the net overall cash flow generated in the period from January to March 2014:

| Millions of euros | |
|---|-------------------|
| CONSOLIDATED CASH FLOW | 31/03/2014 |
| Profit for the period | 61.5 |
| Adjustments made to results | 50.0 |
| Profit tax | (24.3) |
| Changes in working capital | (29.2) |
| Interest payments | (9.1) |
| OPERATING CASH FLOW | 48.9 |
| Modification of securitisation programme | (0.2) |
| Acquisition of property, plant and equipment | (30.0) |
| Payments for acquisition of subsidiaries | (36.1) |
| Payment of dividends | (16.0) |
| Other cash flows from investment/financing activities | 119.9 |
| INVESTMENT/FINANCING CASH FLOW | 37.6 |
| TOTAL NET CASH FLOW | 86.5 |
| NET INITIAL DEBT (31/12/2013) | (665.7) |
| Net cash (decrease)/increase | 86.5 |
| Effect of exchange differences | (12.7) |
| FINAL NET DEBT (31/03/2014) | (591.9) |