



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

QUARTERLY FINANCIAL INFORMATION
Interim Financial Statement for the first quarter of 2015



PROSEGUR



QUARTERLY RESULTS FOR THE PERIOD JANUARY- MARCH 2015

Million euros			
CONSOLIDATED RESULTS	2014	2015	% Var.
Sales	885.5	968.4	9.4%
EBITDA	105.3	114.1	8.4%
<i>Margin</i>	<i>11.9%</i>	<i>11.8%</i>	
Amortization Property, Plant and Equipment	(18.8)	(23.0)	22.3%
Amortization Intangible assets	(9.1)	(8.6)	-5.8%
Impairment of Goodwill	-	-	
EBIT	77.4	82.6	6.6%
<i>Margin</i>	<i>8.7%</i>	<i>8.5%</i>	
Financial Results	(16.0)	(10.8)	-32.8%
BAI Profit Before Tax	61.4	71.8	16.9%
<i>Margin</i>	<i>6.9%</i>	<i>7.4%</i>	
Taxes	(22.1)	(25.5)	15.4%
Net Result	39.3	46.3	17.8%
Minority Interests	0.0	(0.2)	
Consolidated Net Results	39.3	46.5	18.4%
<i>Margin</i>	<i>4.4%</i>	<i>4.8%</i>	
Basic profit per share (euros per share)	0.1	0.1	18.4%

PERFORMANCE IN THE PERIOD

- The business turnover has increased by 9.4% over that of 2014, of which 6.0% is due to pure organic growth, 0.3% to inorganic growth and exchange rates have had a positive effect of 3.0%.
- The EBIT has increased by 6.6% compared to financial year 2014 having reached EUR 82.6 million, with an 8.5% margin on sales.
- The consolidated net result amounts to EUR 46.5 million, 18.4% higher than in 2014.



INTERIM STATEMENT (JANUARY – MARCH 2015)

(Million 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 2015 and 2014 is shown below:

a) Sales

Prosegur's sales from January to March 2015 have reached EUR 968.4 million, compared to EUR 885.5 million in the same period in 2014, representing an increase of 9.4%. 6.0% of the total growth was generated by pure organic growth, 0.3% by inorganic growth due to the acquisitions made during financial year 2014 and the exchange rate effect accounts for an increase of 3.0%.

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

- In Singapore, the company Evttec Management Services PTE LTD was not consolidated until the month of February 2014. The turnover contributed by the business in January 2015 amounts to EUR 0.8 million.
- In Germany, the company Chorus Security Service GmbH & Co.KG began to be consolidated in March 2014. The business turnover contributed in the period January-February 2015 amounts to EUR 0.5 million.
- In Brazil, the Company Transvig – Transporte de Valores e Vigilancia LTDA began to be consolidated in November 2014. The turnover contributed by the company in the period January- March 2015 amounts to EUR 1.5 million.



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

Million euros									
Sales	Europe-Asia-Pacific			LatAm			Total Prosegur		
	2014	2015	% Var.	2014	2015	% Var.	2014	2015	% Var.
Integrated Security Solutions	228.0	228.3	0.1%	219.6	251.5	14.5%	447.6	479.7	7.2%
<i>% of total</i>	60.6%	59.8%		43.1%	42.9%		50.6%	49.5%	
CIT	123.5	127.2	3.0%	270.4	309.8	14.6%	393.9	437.0	11.0%
<i>% of total</i>	32.8%	33.3%		53.1%	52.8%		44.5%	45.1%	
Alarms	24.7	26.4	6.9%	19.2	25.1	30.9%	43.9	51.6	17.4%
<i>% of total</i>	6.6%	6.9%		3.8%	4.3%		5.0%	5.3%	
Total sales	376.2	381.9	1.5%	509.2	586.4	15.2%	885.5	968.4	9.4%

With respect to geographical distribution of sales, sales in the Europe-Asia-Pacific region have reached EUR 381.9 million, increasing by 1.5% over that of the previous year. Sales in the LatAm region have increased by 15.2%, having reached EUR 586.4 million. The effect of the exchange rate in the sales growth of the region has been of 4.6%.

With regard to the distribution of sales by business line, during the period from January to March 2015, Integrated Security Solutions sales have reached EUR 479.7 million with an increase of 7.2% over the same period the year before. CIT sales have increased by 11.0% having reached EUR 437.0 million. Alarm sales have reached EUR 51.6 million with an increase of 17.4%.



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

Million euros						
Sales	Total Prosegur			Organic	Inorganic	Exchange Rate
	<u>1T 2014</u>	<u>1T 2015</u>	<u>% Var.</u>	<u>% Var.</u>	<u>% Var.</u>	<u>% Var.</u>
Spain	205.9	203.8	-1.0%	-1.0%	0.0%	0.0%
France	57.1	53.8	-5.8%	-5.8%	0.0%	0.0%
Portugal	34.4	35.4	2.9%	2.9%	0.0%	0.0%
Germany	49.5	50.6	2.3%	1.3%	1.1%	0.0%
Asia - Pacific (1)	29.3	38.3	30.7%	17.7%	2.9%	10.1%
Argentina Area (2)	152.8	226.1	48.0%	38.5%	0.0%	9.6%
Brazil	243.5	240.5	-1.3%	-2.5%	0.6%	0.6%
Chile	32.7	37.4	14.4%	6.5%	0.0%	7.9%
Colombia	32.2	28.6	-11.2%	-10.2%	0.0%	-1.0%
Peru	39.0	43.1	10.5%	-1.0%	0.0%	11.5%
Mexico	9.1	10.8	19.0%	10.6%	0.0%	8.4%
Total sales	885.5	968.4	9.4%	6.0%	0.3%	3.0%

(1) Including Singapore, China and Australia.

(2) Including Argentina, Uruguay and Paraguay.

b) Operating results

The operating result (EBIT) for the period from January to March 2015 amounts to EUR 82.6 million, whereas that in the same period in 2014 was EUR 77.4 million, so this accounts for a 6.6% increase. The EBIT over sales margin from January to March 2015 has been 8.5% compared to that of 8.7% in the previous year.

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

Million euros									
EBIT	Europe-Asia-Pacific			LatAm			Total Prosegur		
	<u>2014</u>	<u>2015</u>	<u>% Var.</u>	<u>2014</u>	<u>2015</u>	<u>% Var.</u>	<u>2014</u>	<u>2015</u>	<u>% Var.</u>
Sales	376.2	381.9	1.5%	509.2	586.4	15.2%	885.5	968.4	9.4%
EBIT	12.2	12.1	-0.8%	65.2	70.5	8.0%	77.4	82.6	6.6%
Margin	3.2%	3.2%		12.8%	12.0%		8.7%	8.5%	



The EBIT for the Europe-Asia-Pacific region in the period from January to March 2015 has totalled EUR 12.1million compared to EUR 12.2 million in the same period in 2014, which accounts for a drop of 0.8% showing some seasonal effect for not being completed the annual process of transferring costs to market. The EBIT for the LatAm region has increased by 8.0%, having reached EUR 70.5 million in the period from January to March 2015 compared to EUR 65.2 million in the same period in 2014. This increase is mainly due to positive effect of some currencies and widespread improvement in profitability.

c) Financial Results

The net financial expenses of Prosegur during the period from January to March 2015 totalled EUR 10.8 million, compared to EUR 16.0 million in the same period in 2014, which represents a drop of EUR 5.2 million. The main variations in financial expenses have been the following:

- Net financial expenses from interest in the period from January to March 2015 have reached EUR 8.9 million, compared to EUR 11.6 million in 2014, which accounts for a drop of 2.7 million euros due to the partial cancellation, in the financial year 2014, of the restricted public distribution debenture issued by the Brazilian entities in 2012 and due to the improvement in corporate financing conditions.
- Net financial expenses related to exchange rate differences have reached EUR 1.9 million in the period from January to March 2015, compared to net financial income for derivative valuation and exchange differences that totalled EUR 5.6 million in 2014, which amounts to an increase of EUR 7.5 million.
- The first quarter of 2014 accrued impairment losses from financial investments amounting to EUR 10.0 million, while in the same period of 2015 no losses in this respect have been recorded.

Net Results

The net consolidated result for the period from January to March 2015 has reached EUR 46.5 million compared to EUR 39.3 million in the same period in 2014, which represents an increase of 18.4%.

The effective tax rate has reached 35.6% in the first quarter of 2015, compared to 36.0% in the same period in 2014, accounting for a decrease of 0.4 percentage points.



2. SIGNIFICANT EVENTS AND OPERATIONS

Significant events

During the first quarter of 2015, no subsequent operations and events have taken place.

3. CONSOLIDATED FINANCIAL INFORMATION

The consolidated financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable at 31 March 2015. Such accounting principles have been applied to financial years 2015 and 2014.



Million euros		
CONSOLIDATED BALANCE SHEET	31/12/2014	31/03/2015
Non current assets	1,614.7	1,619.3
Property, Plant and Equipment	506.5	522.0
Goodwill	532.2	533.7
Intangible assets	324.3	308.0
Investment property	46.5	51.3
Investments in associates	12.6	14.2
Non current financial assets	11.6	12.5
Other non current assets	181.0	177.5
Current assets	1,397.5	1,460.7
Inventories	59.6	72.2
Debtors	1,043.9	1,089.9
Other current assets	0.4	0.4
Cash and other financial assets	293.5	298.2
ASSETS	3,012.3	3,080.1
Net Equity	864.1	941.1
Share capital	37.0	37.0
Own shares	(53.5)	(53.5)
Retained earnings and other reserves	880.5	957.6
Non current liabilities	1,066.2	1,069.9
Debts with credit institutions and other financial liabilities	712.3	728.8
Other non current liabilities	354.0	341.1
Current liabilities	1,082.0	1,069.1
Debts with credit institutions and other financial liabilities	251.6	236.8
Trade and other payables	791.7	796.2
Other current liabilities	38.7	36.1
NET EQUITY AND LIABILITIES	3,012.3	3,080.1



The main variations in the consolidated balance sheet at 31 March 2015 compared to the close of financial year 2014 are summarized as follows:

a) Property, plant and equipment

Investments in Property, Plant and Equipment during the period from January to March 2015 amount to EUR 29.2 million.

b) Goodwill

During the first quarter of 2015 no goodwill impairment loss has been recognized.

c) Net equity

Changes in net equity during the period from January to March 2015 are due to the net result for the period and the performance of the reserve due to accumulated exchange rate differences.

d) Net debt

Prosegur calculates net debt as the total debt with credit institutions (current and non-current), minus cash and cash equivalents, and minus other current financial assets.

Net debt at 31 March 2015 amounts to EUR 585.4 million, so it has decreased by EUR 12.3 million with regard to the amount at 31 December 2014 (EUR 597.7 million).

At 31 March 2015, the annualized ratio total net debt/EBITDA has reached 1.3 and the total net debt/net equity ratio has reached 0.6.

At 31 March 2015, financial liabilities from borrowings from credit institutions pertain mainly to:

- Issue of uncovered bonds amounting to EUR 511 million (interests included).
- Syndicated financing agreement entered into in 2014 for EUR 82.6 million (the syndicated financing agreement entered into in 2010 was cancelled in full on 30 June 2014).



- The restricted public distribution debenture issued by the Brazilian entities in 2012 for EUR 27 million (which was partially cancelled in advance in 2014).
- Prosegur, through its affiliates, Prosegur Australia Holdings PTY Limited and Prosegur Australia Investments PTY Limited contracted a syndicated financing operation in December 2013 in the amount of 70,000 thousand Australian dollars for a three-year term.

Below is the net overall cash flow generated in the period from January to March 2015:

Million euros	
CONSOLIDATED CASH FLOW	31/03/2015
EBITDA	114.1
Adjustments to results	39.4
Profit tax	(27.0)
Changes in working capital	(48.5)
Interest payments	(4.1)
OPERATING CASH FLOW	73.9
Acquisition of property, plant and equipment	(29.2)
Payments acquisition of subsidiaries	(21.9)
Payment of dividends	(16.0)
INVESTMENT/FINANCING CASH FLOW	(67.1)
TOTAL NET CASH FLOW	6.9
NET INITIAL DEBT (31/12/2014)	(597.7)
Net cash increase/(decrease)	6.9
Effect exchange rate differences	5.4
NET FINAL DEBT (31/03/2015)	(585.4)