

## PROSEGUR CASH REPORTED A NET PROFIT ATTRIBUTABLE TO ITS ACTIVITY OF EUR 60 MILLION IN THE FIRST QUARTER OF 2017

- Considering corporate operations between Prosegur Compañía de Seguridad and Prosegur Cash consolidated net profit amounted to EUR 128 million.
- Prosegur Cash increases its turnover by 25% in the first quarter and reported organic growth of 16%. Sales of new services growth an outstanding 56% in the period.
- The company has reduced its debt in the first quarter by EUR 191 million. As a result the net financial debt reaches EUR 452 million.

**Madrid, 5 May 2017.** - Prosegur Cash has recorded a net profit attributable to its activity of EUR 60 million in the first quarter of 2017. This figure represents an increase of 24% compared to the same period in the previous year. These results exclude corporate operations unrelated to the business activity of the company, as it was detailed in the Prospectus of Prosegur Cash IPO. Considering these sales, consolidated net profit in the period amounted to EUR 128 million. These are the first results presented by Prosegur Cash after its flotation on the Spanish stock exchanges on March 17<sup>th</sup>.

### New services reported a notable increase in the sales mix

Sales in the first quarter of 2017 have reached EUR 487 million, a 25% increase compared to the same period in 2016. This is mainly explained by solid organic growth, above 16%, and the positive currency effect in almost all regions in which the company operates. In addition, the generation of non-recurring volumes in some markets has positively influenced the increase of turnover.

It's remarkable the positive evolution of Prosegur Cash new services, since they already comprise 8% of the company's total sales mix. In the first quarter of 2017, sales of new products have reached EUR 39 million, a growth of 56% versus the same period of the previous year, driven mainly by cash management automation services and the AVOS (Added Value Outsourcing Services).

### Continuity in soundness of the Prosegur Cash business margins

Regarding Prosegur Cash profitability, the EBITDA attributable to its activity was EUR 112 million, a 24% increase. The EBIT also attributable to its activity obtained a positive growth of 26%, to EUR 95 million, which reflects a slight increase of the margin EBIT, from 19.4% in the same period of the previous year, to 19.5% in the first quarter of 2017. EBITDA and EBIT, without deducting the operations between Prosegur Compañía de Seguridad and Prosegur Cash, would have reached EUR 195 and 179 million respectively. Prosegur Cash continues improving profitability, both in absolute and relative terms, which reinforces the strength of the company's business model.

In the first quarter of 2017, the successful integration of the latest acquisitions has had particular impact in improving profitability. In this regard, the good behaviour being shown by operations in India should be noted, following the acquisition of a portfolio of more than 4,800 ATMs, and South

Africa, with the knowledge and best practices transfer. It is also important to mention the latest acquisitions in Australia, in Cash In Transit and AVOS.

### **Strong generation of cash and reduction of debt**

In terms of operating cash flow, Prosegur Cash activities in the period generated EUR 61 million. The company remains committed to continuous improvement in the management of working capital and will continue implementing and reinforcing measures focused on the generation of cash flow. Acquisitions of fixed assets amounted to EUR 25 million, reflecting investments in security improvement initiated the previous year, while payments for acquisition of subsidiaries were EUR 8 million.

The financial situation of the company reflects a reduction in its debt in the first quarter by EUR 191 million. As a result, the net financial debt reaches EUR 452 million. This reduction is explained in part by intercompany operations associated Prosegur Cash IPO and the cash flow generation of the period. In this way, the leverage is placed in a level of 1.1 times EBITDA, well below the limit of 2.5 times EBITDA marked by the company. Thus, Prosegur Cash keeps a wide manoeuvring margin to accomplish its growth strategy. Standard & Poor's endorsed the financial strength of Prosegur Cash last March with the BBB/A-2 rating.