

Financial Results for 2019

PROSEGUR CASH REPORTS A CONSOLIDATED NET PROFIT OF EUR 169 MILLION IN 2019

- Prosegur Cash posted sales of EUR 1.799 billion, up 3.9% from last year.
- New Products sales grow by 42% to EUR 292 million in 2019 and already represent 16.2% of total turnover.
- Prosegur Cash has maintained a positive trend of an incremental recovery in growth and margins in 2019 as a result of the strong underlying business and the positive impact of the divestitures it has carried out.
- Prosegur Cash maintained its financial discipline, reducing its leverage to 1.6 times total net debt-to-EBITDA and generated EUR 213 million of Free Cash Flow in 2019.

Madrid, 28 February 2020. Prosegur Cash posted sales of EUR 1.799 billion in 2019, up 3.9% from last year. In addition, it is notable that growth in local currency (including both organic and inorganic growth) has increased by 16.7%. EBITDA for Prosegur Cash was EUR 408 million in 2019, up 19.8% from 2018. Operating margins increased by more than 13%, in absolute terms, and around 150 basis points in relative terms. Thus, EBITA has risen up to EUR 323 million, which is a margin of 18.0%, and EBIT reached EUR 305 million, representing a 16.9% margin on sales. Finally, Prosegur Cash obtained a consolidated net income of EUR 169 million in 2019, which is 3.0% less than the previous year.

In terms of cash flow, Prosegur Cash generated EUR 213 million of Free Cash Flow, maintaining a conversion ratio of 74%, slightly higher than for the same period last year. Total net debt, including IAS 16, treasury stock and deferred payments, was at EUR 654 million at the end of the year. It is worth noting that the company reduced its leverage ratio to 1.6 times total net debt-to-EBITDA.

These figures reveal the strength of the underlying business, which is maintaining double-digit organic growth. In addition, operating margins continue to show positive progress in both absolute and relative terms. However, higher financial costs, due to various factors, have mitigated the impact of operational improvements at the net profit level.

In terms of development of the activity by geographical regions:

Latin America generated 66% of total sales with EUR 1.185 billion, up 3.2% from 2018. It is worth noting the positive performance of the business, in terms of organic growth (+16%), due to the favourable performance of most markets. Inorganic contribution has stayed in line with previous quarters.

Europe contributed 28% of total sales, with a turnover of EUR 509 million, up 3.6% from 2018. Despite the exit from the French market, revenue from European operations remained positive, accompanied by a slight recovery in the operating margin.

The AOA (Asia, Oceania and Africa) region contributed 6% of sales and a turnover of EUR 105 million, up 13.3% from 2018. The region continued to drive turnover through activities in new markets, such as the Philippines or Indonesia, while Australia continued its trend from previous quarters.

Finally, activities of the New Products unit reported sales of EUR 292 million, up 42% from 2018. Thus, New Products already represent 16.2% of revenue for Prosegur Cash. Turnover in Latin America grew by 52% to EUR 192 million. In Europe, New Products already make up 18.5% of turnover, with revenue of EUR 94 million. In AOA, sales have reached EUR 6 million, in line with the figure of the previous year.