PROSEGUR CASH, S.A. AND SUBSIDIARIES

INTERIM QUARTERLY FINANCIAL INFORMATION

Interim financial statements for the first quarter of 2019

(Translation from the original in Spanish. In the event of discrepancy, the Spanish language version prevails)

RESULTS FROM JANUARY-MARCH 2019

Million euros

CONSOLIDATED RESULTS	1T 2018	1T 2019	% Var.
Sales	**449,5**	**432,1**	**-3,9%**
EBITDA	**104,8**	**85,9**	**-18,1%**
Margin	*23,3%*	*19,9%*	
Depreciation Property, plant and Equipment	(12,8)	(20,1)	**56,2%**
Amortization Intangible assets	(3,9)	(4,4)	**11,5%**
EBIT	**88,1**	**61,4**	**-30,2%**
Margin	*19,6%*	*14,2%*	
Financial Results	5,9	(10,3)	**-276,0%**
EBT	**94,0**	**51,1**	**-45,7%**
Margin	*20,9%*	*11,8%*	
Taxes	(31,6)	(19,8)	**-37,4%**
Net Result from continuing operations	**62,4**	**31,3**	**-49,8%**
Net result from discontinuing operations	(0,4)	-	
Net Result	**62,0**	**31,3**	**-49,5%**
Minority Interests	-	-	-
Consolidated Net Result	**62,0**	**31,3**	**-49,5%**
Margin	*13,8%*	*7,2%*	
Earnings per share (Euros per share)	**0,04**	**0,02**	

PERFORMANCE IN THE PERIOD

- The Prosegur Cash business turnover (hereinafter, the Prosegur Cash Group or Prosegur Cash) decreased by 3.9% with respect to the same period in 2018. This decrease is explained by the adverse setting in Australia, the slowdown of some Ibero-America economies and by the general devaluation of emerging currencies. To this regard, the negative impact of currency exchange rates amounted to 18.9% and was compounded by the application of IAS 29 and IAS 21.42 in Argentina, due to its treatment as a hyperinflationary economy. Nevertheless, the underlying business continues to perform as anticipated and shows an organic growth of 7.9% supplemented by an inorganic growth of 7.1%.

- The EBIT has decreased by 30.2% compared to financial year 2018 having reached EUR 61.4 million, with an 14.2% margin on sales.

- The greatly significant decrease observed in the EBIT during the first quarter of 2019 compared to the same period in 2018 is owing mainly to the lower weight of the Ibero-America region deriving from the devaluation of currencies and the application of IAS 29 and IAS 21.42 in Argentina, due to its treatment as a hyperinflationary country, and to the adverse environments in France and Australia. Furthermore, the acquisitions made during 2018 are still being integrated, and with margins that are lower than the average of the Prosegur Cash Group. The company expects that as these projected synergies are obtained, the margins will ultimately converge with the average margins of the Group.

- The net result of the interrupted activities in 2019 corresponds to the results of the security business under the company Alarmas de Guatemala, which will be sold in the coming months of 2019. In the January-March 2018 period, this item was composed of the business transactions of the Security business in Brazil, which was sold on 31 July 2018.

- Isolating the extraordinary impacts (not attributable to the cash business), the income statement would be as follows:

Millions of euros

CONSOLIDATED RESULTS	1T 2018 Adjusted	1T 2019 Adjusted	% Var.
Sales	**449.5**	**432.1**	**-3.9%**
EBITDA	**104.8**	**85.9**	**-18.1%**
Margin	*23.3%*	*19.9%*	
Depreciation of Property, Plant and Equipment	(12.8)	(20.1)	**56.2%**
Amortization of Intangible Assets	(3.9)	(4.4)	**11.5%**
EBIT	**88.1**	**61.4**	**-30.2%**
Margin	*19.6%*	*14.2%*	
Financial Results	5.9	(10.3)	**-276.0%**
EBT	**94.0**	**51.1**	**-45.7%**
Margin	*20.9%*	*11.8%*	
Taxes	(31.6)	(19.8)	**-37.4%**
Net Result from continuing operations	**62.4**	**31.3**	**-49.8%**

INTERIM FINANCIAL STATEMENTS (JANUARY – MARCH 2019)

(In millions of euros)

1. BUSINESS PERFORMANCE

Details of the business performance of the main consolidated income statement items for January-March 2019 and January-March 2018 were as follows:

a) Sales

Prosegur Cash sales from January to March 2019 totalled EUR 432.1 million, compared to EUR 449.5 million in the same period of 2018, accounting for a drop of 3.9%. The negative impact of the currency exchange rate, which amounts to 18.9%, was partially offset by a positive organic variation of 7.9% and an increased inorganic contribution that reached 7.1%.

The drop in sales is essentially explained by the currency depreciation with respect to the year before, and by the application of IAS 29 and IAS 21.42 in Argentina, due to its treatment as a hyperinflationary economy.

During this quarter a change has occurred to the consolidation scope as a result of the acquisition of a company in Ibero-America in February. This acquisition began to consolidate one month following its acquisition.

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

Million of euros

Sales	Europe			AOA			Ibero-America			Prosegur Cash Total		
	2018	2019	% Var.	2018	2019	% Var.	2018	2019	% Var.	2018	2019	% Var.
Cash in transit	64.0	65.4	2.2%	11.1	18.1	62.8%	210.4	178.8	-15.0%	285.5	262.3	-8.1%
% of total	55.3%	52.8%		56.9%	71.1%		67.0%	63.2%		63.5%	60.7%	
Cash management	34.8	36.3	4.3%	6.3	6.0	-4.3%	75.6	62.8	-17.0%	116.7	105.1	-10.0%
% of total	30.1%	29.3%		32.3%	23.7%		24.0%	22.2%		26.0%	24.3%	
New products	17.0	22.2	30.4%	2.1	1.3	-36.7%	28.2	41.2	46.2%	47.3	64.7	36.8%
% of total	14.6%	17.9%		10.8%	5.2%		9.0%	14.6%		10.5%	15.0%	
Total sales	115.8	123.9	7.0%	19.5	25.4	30.4%	314.2	282.8	-10.0%	449.5	432.1	-3.9%

In regard to the geographical distribution of sales, sales in the Europe region have reached EUR 123.9 million, increasing by 7.0% over that of the previous year. Sales in the AOA region have risen to EUR 25.4 million, meaning a positive variation of 30.4% with respect to the previous year. Lastly, sales in Ibero-America have decreased by 10.0%, reaching EUR 282.8 million.

In regard to the distribution of sales by business line, during the period from January to March 2019, Transport sales have reached EUR 262.3 million with a drop of 8.1% over the same period the year before. Cash Management sales decreased by 10.0%, reaching EUR 105.1 million. Sales of new products reached EUR 64.7 million with an increase of 36.8%.

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

Millions of euros						
Sales						
	1T 2018	**1T 2019**	**% Var.**	**Organic**	**Inorganic**	**Exchange Rate**
Europe	115.8	123.8	7.0%	**4.7%**	**2.3%**	**0.0%**
Ibero-America	314.2	282.9	-10.0%	**10.2%**	**6.7%**	**-26.9%**
AOA	19.5	25.4	30.4%	**-9.8%**	**41.9%**	**-1.7%**
Total sales	**449.5**	**432.1**	**-3.9%**	**7.9%**	**7.1%**	**-18.9%**

b) EBIT

Operating earnings (EBIT) for the period from January to March of financial year 2019 amounted to EUR 61.4 million, while in the same period in 2018 it totalled EUR 88.1 million, accounting for a drop of 30.2%. The EBIT margin over sales in January-March 2019 was 14.2%, compared to that of 19.6% in the previous year.

The greatly significant decrease observed in the EBIT during the first quarter of 2019 compared to the same period in 2018 is owing mainly to the lower weight of the Ibero-America region deriving from the devaluation of currencies and the application of IAS 29 and IAS 21.42 in Argentina, due to its treatment as a hyperinflationary economy, and to the adverse environments in France and Australia. Furthermore, the acquisitions made during 2018 are still being integrated, and with margins that are lower than the average of the Prosegur Cash Group. The company expects that as these projected synergies are obtained, the margins will ultimately converge with the average margins of the Group.

c) Financial results

From January to March 2019, Prosegur Cash obtained a negative financial result of EUR 10.3 million compared to a positive result of EUR 5.9 million in the same period in 2018, representing a decrease of 276.0%.

The main changes in the financial result were as follows:

- The financial expenses for payment of interest in January to March 2019 were EUR 5.8 million, compared to EUR 5.3 million in the same period in 2018, accounting for an increase of EUR 0.5 million.

- The positive differences of exchange rates in January to March 2019 amounted to EUR 1.9 million, mainly as a result of a loan granted in non-functional currency, compared to the EUR 11.2 million during the same period in 2018.

- The net financial expenses from the net monetary position amounted to EUR 6.4 million in January to March 2019. No revenue for that concept was recorded in the same period of the previous year, since the item arises as a result of the application of the IAS 29 and IAS 21.42 applicable as of 1 July 2018, and reflects the exposure to the change in the purchasing power of the Argentine currency.

Net results

The net consolidated result for January to March 2019 totalled EUR 31.3 million, compared to EUR 62.0 million during the same period in 2018. This lower result is the consequence of a lower EBIT and greater financial expenses, as explained in the preceding paragraphs.

The effective tax rate is 38.7% in the first quarter of 2019, compared to 33.6% in the same quarter of 2018, implying an increase of approximately 5 percentage points. This increase is essentially the result of applying hyperinflationary accounting in Argentina, and its impact on the financial expenses.

2. SIGNIFICANT EVENTS AND TRANSACTIONS

Significant events

During the month of February, Prosegur Cash reinforced its AVOS division by acquiring a company in the region of Ibero-America.

Subsequent significant events

On 11 April, Prosegur Cash reinforced its operations in the AOA region by acquiring 49% of a security company in Indonesia. This company provides cash in transit and cash management services.

In addition, on 4 April Prosegur Cash entered into negotiations with Loomis AB, both by means of subsidiaries, for the sale and purchase of their operations in France. The closing of this transaction is planned for the third quarter of 2019 and is subject to the appropriate approval by the French authorities with competence in foreign investment. The final price of the transaction will be determined and paid at closing.

3. CONSOLIDATED FINANCIAL INFORMATION

The consolidated financial information has been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable at 31 March of 2019. Such accounting standards have been applied both to financial years 2019 and 2018.

The treatment of Argentina as a hyperinflationary economy must be taken into account for the purposes of comparing the two periods. The financial statements of the Argentine subsidiaries whose functional currency is the Argentine peso have been re-stated in terms of the current unit of measurement at closing date of March before being included in the consolidated financial statements of the first quarter. In accordance with the criteria contained in IFRS-EU, the comparative figures for January to March 2018 have not been restated.

The financial statements submitted were prepared applying IFRS 16 dated 1 January 2019, and the comparative figures for the previous period of January to March 2018 were not restated in accordance with IFRS-EU criteria. This standard establishes that companies that are lessee in lease contracts will recognise in the consolidated balance sheet the liabilities and assets of lease contracts (except short-term and low-value lease agreements). According to the previous standard, Prosegur Group Cash contracts were classified as an operating lease, and payments were booked on the basis of the conditions and term of the lease. Moreover, the operating lease expense has been replaced by a charge for straight-line amortisation of rightof-use assets and an interest expense on lease liabilities. The Prosegur Cash Group opted to apply the combined modified retrospective transition method.

In addition, the financial statements submitted were prepared by applying IFRIC 23 dated 1 January 2019. This standard establishes how each uncertain tax treatment should be considered, whether separately, or jointly with one or several other uncertain tax treatments, on the basis of the approach that best predicts the resolution of the uncertainty.

Millions of euros

CONSOLIDATED BALANCE SHEET	31/12/2018	31/03/2019
Non current assets	**937.3**	**1,077.8**
Property, plant and equipment	333.5	423.5
Goodwill	356.1	384.1
Intangible assets	178.5	184.6
Investments in associates	26.5	26.9
Non current financial assets	6.5	8.0
Other non current assets	36.2	50.8
Current assets	**769.0**	**756.6**
Inventories	19.8	21.7
Trade and other receivables	420.7	423.0
Accounts receivables with Prosegur Group	54.0	46.8
Non current assets held for sale	0.7	0.7
Treasury and other financial assets	273.8	264.4
ASSETS	**1,706.3**	**1,834.4**
Equity	**238.0**	**240.1**
Share capital	30.0	30.0
Retained earnings and other reserves	208.0	210.1
Non-Current Liabilities	**865.9**	**960.5**
Debts with credit institutions and other financial liabilities	688.0	751.4
Other non-current liabilities	177.9	209.1
Current Liabilities	**602.4**	**633.8**
Debts with credit institutions and other financial liabilities	132.0	212.5
Trade and other payables	381.0	347.8
Accounts payable with Prosegur Group	80.8	67.0
Other current liabilites	8.6	6.5
EQUITY AND LIABILITIES	**1,706.3**	**1,834.4**

The main variations in the amounts on the consolidated balance sheet at 31 March 2019 with respect to the closing balances of financial year 2018 are summarised as follows:

a) Property, Plant and Equipment

Investments made in PPE during the period from January to March 2019 have amounted to EUR 18.4 million. As a result of the application of IFRS 16, an asset has been recognised at the current amount of all future payments associated with operating leases.

b) Goodwill

During the first quarter of 2019 no impairment losses in goodwill have been registered.

c) Net equity

The changes in net equity during the period from January to March 2019 arose under net profit in the period, the reserve for cumulative translation differences and the impacts associated with the application of IFRS 16 and IFRIC 23.

d) Other non-current liabilities

The change of other non-current liabilities is mainly associated with the first application of IFRIC 23.

e) Net debt

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

Net debt at 31 March 2019 amounted to EUR 523.9 million, having increased by EUR 33.2 million over the amount at 31 December 2018 (EUR 490.7 million), isolating the effect of IFRS 16.

At 31 March 2019, the annualised net debt/EBITDA ratio has reached 1.96 and the net debt/shareholder equity ratio has reached 2.63. In both cases the debt associated to the application of IFRS 16 has been included in order to be comparable.

At 31 March 2019, the liabilities for debts with credit entities corresponded mainly to the following:

- Issue of uncovered bonds due in February 2026 amounting to EUR 595 million (interests included).
- A 4-year bullet loan for ZAR 272 million (EUR 16.7 million) to finance part of the acquisition of SBV Services Proprietary Limited.
- Prosegur, through its subsidiary Prosegur Australia Investments PTY Limited, contracted a syndicated financing operation as of April 2017, amounting to AUD 70 million over three years.

The total net cash flow generated in the period from January to March 2019 was as follows:

Million euros

CONSOLIDATED CASH FLOW	**31/03/2019**
EBITDA	85.9
Adjustments to profit or loss	11.8
Income tax	(26.9)
Change in working capital	(23.5)
Interest payments	(8.5)
OPERATING CASH FLOW	**38.7**
Acquisition of Property, plant and equipment	(18.4)
Payments acquisition of subsidiaries	(19.5)
Dividend payments	(29.4)
Other payments/collections	-
CASH FLOW FROM INVESTMENT / FINANCING	**(67.3)**
TOTAL NET CASH FLOW	**(28.6)**
INITIAL NET DEBT (31/12/2018)	**(491.0)**
Net (Decrease) / Increase in treasury	(28.6)
Exchange rate effect	(4.2)
NET DEBT AT THE END OF THE PERIOD (31/03/2019)	**(523.9)**

4. ALTERNATIVE PERFORMANCE MEASURES

In order to meet ESMA guidelines on Alternative Performance Measures (hereinafter, APMs), the Prosegur Cash Group presents this additional information to enhance the comparability, reliability and understanding of its financial reporting. The company presents its profit/(loss) in accordance with International Financial Reporting Standards (IFRS-EU). However, Management considers that certain alternative performance measures provide additional useful financial information that should be taken into consideration when assessing its performance. Management also uses these APMs to make financial, operating and planning decisions, as well as to assess the company's performance. The Prosegur Cash Group provides those APMs it deems appropriate and useful for users to make decisions and those it is convinced represent a true and fair view of its financial information.

APM	Definition and calculation	Purpose
Working capital	A financial measure showing the Group's operational liquidity. Working capital is calculated as current assets less current liabilities, plus deferred tax assets less deferred tax liabilities, less non-current provisions.	Positive working capital is needed to ensure that a company is able to continue operating and has sufficient funds with which to meet its current debt obligations and imminent operating expenses. The management of working capital requires the Group to control inventories, accounts receivable and payable and cash.
EBIT Margin	EBIT Margin is calculated as results from operating activities divided by total revenue.	EBIT margin provides a view of the company's operating results in comparison with the total revenue.
Adjusted EBIT Margin	Adjusted EBIT Margin is calculated as results from operating activities, after eliminating the results that can not be assigned to any segment, divided by total revenue.	Adjusted EBIT Margin provides a view of the company´s operating pure results in comparison with the accrued revenue.
Organic Growth	Organic Growth is calculated as the increase or decrease in revenue between two periods adjusted for acquisition and divestitures and changes in exchange rate.	Organic Growth provides a view of the company's organic revenue growth excluding the foreign exchange rate.
Inorganic Growth	Company calculates Inorganic growth for a given period as the aggregation of all the revenues from all the acquired entities during the last 12 months.	Inorganic Growth provides a view of the company's increase or decrease of revenue due to M&A or Sales variations.
Effect of exchange rate fluctuations	The Group calculates the Effect of exchange rate fluctuations as the different of Revenues for the current year less revenues for the current year at exchange rates of previous year.	The Effect of exchange rate fluctuations provides the impact of the currencies in the company's revenues.
Cash Flow Conversion	The Group calculates Cash Flow Conversion Rate as the ratio between EBITDA minus capital expenditures over EBITDA.	Cash Flow Conversion provides the capacity of cash generation of the company.
Net Financial Debt	The Group calculates Net Financial Debt as the sum of current and non-current financial liabilities (including other non-bank payables corresponding to deferred payments for M&A acquisitions and financial liabilities with Group companies) less cash and cash equivalents, less current investments in group companies, less other current financial assets.	Net Financial Debt provides the absolute figure of the Groups level of debt less cash in absolute terms
EBITA	EBITA is calculated on the Group's Consolidated profit for the year without factoring in loss from discontinued operation net of tax, income tax expenses, net finance income or cost and amortisation of goodwill or of intangible assets, but including amortisation of software.	EBITA provides a view of the company's earnings before interest, taxes and amortisation of goodwill or of intangible assets.
EBITDA	EBITDA is calculated on the Group's Consolidated profit without factoring in loss from discontinued operations net of tax, income tax expenses, net finance income or cost and any depreciation or amortisation of goodwill.	EBITDA provides an accurate view of what a company is earning or losing from its business. EBITDA excludes non-cash variables, which can vary significantly from one company to another, depending on the accounting policies applied. Depreciation and amortisation are non-monetary variables and are therefore of limited interest to investors.

Working Capital (Million Euros)	31.03.2019	31.12.2018
Non-Current Assets held-for-sale	0.7	0.6
Inventories	21.7	19.8
Trade and other receivables	328.0	334.1
Current receivables with Prosegur group companies	46.8	54.0
Current tax assets	95.0	86.7
Cash and cash equivalents	264.4	273.8
Deferred tax assets	50.8	36.2
Trade and other payables	(270.6)	(314.0)
Current tax liabilities	(77.2)	(64.7)
Financial liabilities	(212.5)	(132.0)
Current payables with Prosegur group companies	(67.0)	(80.8)
Liabilities held-for-sale	0.0	0.0
Other current liabilities	(6.5)	(8.6)
Deferred tax liabilities	(44.3)	(41.2)
Provisions	(164.8)	(139.0)
Total Working Capital	**(35.5)**	**24.9**

Adjusted EBIT Margin (Million Euros)	31.03.2019	31.03.2018
EBIT	61.4	88.1
Less: items not assigned	-	0.0
Adjusted EBIT	61.4	88.1
Revenues	432.1	449.5
Adjusted EBIT Margin	**14.2%**	**19.6%**

Organic Growth (Million Euros)	31.03.2019	31.03.2018
Revenues for current year	432.1	449.5
Less: Revenues for the previous year	449.5	486.5
Less: Inorganic Growth	31.9	7.2
Effect of exchange rate fluctuations	(84.8)	(88.0)
Total Organic Growth	**35.5**	**43.8**

Inorganic Growth (Million Euros)	31.03.2019	31.03.2018
Europe	2.6	4.4
Latam	21.1	2.3
ROW	8.2	0.5
Total Inorganic Growth	**31.9**	**7.2**

Effect of exchange rate fluctuations (Million Euros)	31.03.2019	31.03.2018
Revenues for current year	432.1	449.5
Less: Revenues for the current year at exchange rate of previous year	516.9	537.5
Effect of exchange rate fluctuations	**(84.8)**	**(88.0)**

Cash Flow Conversion Rate (Million Euros)	**31.03.2019**	**31.03.2018**
EBITDA	85.9	104.8
Less: items not assigned	-	0.0
Adjusted EBITDA	85.9	104.8
CAPEX	18.4	18.8
Cash Flow Conversion Rate (adjusted EBITDA - CAPEX / adjusted EBITDA)	**79%**	**82%**

Net Financial Debt (Million Euros)	**31.03.2019**	**31.12.2018**
Financial liabilities	965.3	820.0
Adjusted financial liabilities **(A)**	965.3	820.0
Not assigned financial liabilities with group companies **(B)**	-	2.8
Cash and cash equivalents	(264.4)	(273.8)
Less: adjusted cash and cash equivalents **(C)**	(264.4)	(273.8)
Less: not assigned current investments in group companies **(D)**	-	-
Less: IFRS 16 debt **(E)**	(105.8)	-
Total Net Financial Debt (A+B+C+D+E)	**595.1**	**549.1**
Less: Treasury shares **(F)**	(2.2)	(1.9)
Total Net Financial Debt including treasury shares (A+B+C+D+E+F)	**592.9**	**547.2**
Less: other non-bank payables **(G)**	(71.0)	(58.4)
Treasury shares **(H)**	2.2	1.9
Total Net Financial Debt (excluding other non-bank payables corresponding to deferred payments for M&A acquisitions) **(A+B+C+D+E+F+G+H)**	**523.9**	**490.7**

EBITA (Million Euros)	**31.03.2019**	**31.03.2018**
Consolidated profit for the year	31.3	62.0
Profit / (loss) from discontinued operation, net of tax	(0.0)	0.4
Income tax expenses	19.8	31.6
Net finance income / (costs)	10.3	(5.9)
Amortizations	4.4	3.9
EBITA	**65.8**	**92.0**

EBITDA (Million Euros)	**31.03.2019**	**31.03.2018**
Consolidated profit for the year	31.3	62.0
Profit / (loss) from discontinued operation, net of tax	(0.0)	0.4
Income tax expenses	19.8	31.6
Net finance income / (costs)	10.3	(5.9)
Depreciation and amortization	24.5	16.7
EBITDA	**85.9**	**104.8**