

**PROSEGUR COMPAÑÍA DE SEGURIDAD S.A.**

**NOTICE OF RELEVANT EVENT**

Madrid, 2 March 2017

Prosegur Compañía de Seguridad, S.A. (“**Prosegur**”) informs that today, the Spanish National Securities Market Commission (CNMV) has approved and registered in the corresponding official register, the prospectus of the offer (the “**Offer**”) for shares of its subsidiary Prosegur Cash (“**Prosegur Cash**” or the “**Company**”), the company that heads its cash services business, directed to qualified investors.

Prosegur Assets Management, S.L.U. (selling shareholder), a Prosegur’s wholly-owned subsidiary, plans to sell 375,000,000 shares representing 25% of the total share capital of Prosegur Cash. This amount may be increased to a maximum of 27.5% in the event that the over-allotment option granted over up to 10% of the number of shares initially offered is fully executed.

The Offer will be exclusively directed to qualified investors and is expected to be conducted through a book-building process, which will start on 3 March 2017 and end on 15 March 2017.

The indicative non-binding offering price range is between €1.95 and €2.35 per offered share.

The offering final price is expected to be determined on or about 15 March 2017 and that Prosegur Cash’s shares start trading on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges, as well as in the Continuous Market, on or about 17 March 2017.

The prospectus will be available at Prosegur Cash’s registered address (Santa Sabina 8, 28007 Madrid, Spain), at the Spanish National Securities Market Commission (Calle Edison 4, 28006 Madrid and Passeig de Gràcia 19, 08007 Barcelona (Spain)), as well as on the Prosegur Cash website ([www.prosegurcash.com](http://www.prosegurcash.com)) and the Spanish National Securities Market Commission website ([www.cnmv.es](http://www.cnmv.es)).

Attached are the 2016 profit and loss accounts for the Prosegur Cash Group, the Prosegur Group and pro-forma profit and loss accounts for the Prosegur Group, in the latest case, as if the Offer had taken place on 1 January 2016, with the sale of 25% of its capital. Percentages that Prosegur Cash represents over the most relevant items of the profit and loss accounts of the Prosegur Group, are included. Attached also, a press release about the Offer.

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**PROSEGUR COMPAÑÍA DE SEGURIDAD, S.A. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
*(Considering that the investment of Prosegur in Prosegur Cash had been from 75% since January 1<sup>st</sup>)*

(in thousands of Euros)

	<b>Prosegur Cash Group</b>	<b>Prosegur Group (Proforma)</b>	<b>Prosegur Group</b>
	<b>2016</b>	<b>2016</b>	<b>2016</b>
Revenues	1.724.258	3.902.266	3.902.266
Cost of sales	(1.097.331)	(2.989.970)	(2.989.970)
<b>Gross profit</b>	<b>626.927</b>	<b>912.296</b>	<b>912.296</b>
Other income	71.433	8.360	8.360
Selling, general and administrative expenses	(305.757)	(554.301)	(554.301)
Other expenses	(2.719)	(28.560)	(28.560)
Profit / (Loss) from equity accounted-investees	(4.529)	(4.893)	(4.893)
<b>Results from operating activities (EBIT)</b>	<b>385.355</b>	<b>332.903</b>	<b>332.902</b>
Finance income	31.114	16.150	16.150
Finance costs	(40.314)	(74.803)	(74.803)
Net finance income /(costs)	(9.200)	(58.653)	(58.653)
<b>Profit before income tax</b>	<b>376.155</b>	<b>274.249</b>	<b>274.249 (*)</b>
Income tax expense	(149.913)	(140.118)	(140.118)
<b>Post-tax profit from continuing operations</b>	<b>226.242</b>	<b>134.131</b>	<b>134.131 (*)</b>
Profit / (loss) from discontinued operation	(47.276)	-	-
<b>Consolidated profit for the period</b>	<b>178.966</b>	<b>134.131</b>	<b>134.131 (*)</b>
Attributable to:			
Owners of the Parent	178.324	89.579	134.160
Non-controlling interests	642	44.552	(29)

Prosegur Cash represents 44% of the total sales of the Prosegur Group, 69% of the Gross Profit and 96% of the results from operating activities (EBIT).

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**The Spanish National Securities Market Commission (CNMV)  
approves the registration of the Prospectus of the Offer**

## **PROSEGUR CASH STARTS ITS IPO TOMORROW**

- **Prosegur, through its wholly-owned subsidiary Prosegur Assets Management, is offering 25% of the share capital of Prosegur Cash to qualified investors. This amount may be increased in case of exercise of the over-allotment option up to a maximum of 27.5%.**
- **The indicative non-binding offering price range is between 1.95 and 2.35 Euros per offered share.**
- **The final price of the Offer is expected to be determined on or about 15 March and the Company's shares are expected to be listed on or about 17 March under the symbol "CASH".**
- **Prosegur Cash has a Board of Directors with a high degree of independence and a management team with broad experience and successful performance in the industry.**

**Madrid, 2 March 2017.-** The Spanish National Securities Market Commission (CNMV) has registered today the Prospectus for the Offering of shares of Prosegur Cash. This Prospectus is available on the respective websites of the regulatory body ([www.cnmv.es](http://www.cnmv.es)) and of the company ([www.prosegurcash.com](http://www.prosegurcash.com)). The book-building process is expected to start tomorrow, 3 March and last until 15 March. Therefore, the company expects to start trading in the Continuous Market of the Spanish Stock Exchanges next Friday 17 March 2017.

The Prosegur Cash Offering is directed to qualified institutional investors only. The indicative and non-binding range of prices of the offered shares is between 1.95 and 2.35 Euros per share. Prosegur, through its wholly-owned subsidiary Prosegur Assets Management, is offering 375 million shares out of a total of 1.5 billion shares, representing 25% of the share capital of Prosegur Cash. The total number of offered shares could increase up to a maximum of 412.5 million shares representing 27.5% of the share capital, if the over-allotment option (greenshoe) granted to the Joint Global Coordinators is fully exercised.

The final price of the Offer is expected to be determined on or about 15 March, upon the finalization of the book-building period, which would be the final step before trading of shares starts under the symbol "CASH" in the Spanish Stock Exchanges.

## **Prosegur aims to enhance its value proposition**

With the listing of Prosegur Cash in the Spanish Stock Exchanges, Prosegur will create a listed pure player in the cash logistics and cash management industry, with the clear purpose of leading the international consolidation process that is expected to take place in an industry with more than 500 players. The global market structure, with over 40% owned by small and midsize local groups, presents ideal characteristics for Prosegur Cash to grow through acquisitions, without compromising on its historical financial discipline.

Since 2011, Prosegur Cash has carried out 18 acquisitions, with combined revenues of c.800 million Euros. The company maintains its intention to be a leading company of the sector and to play an important role in the consolidation of the cash management industry.

Likewise, the offering will promote the growth of the rest of Prosegur's business lines, through the redeployment of part of the funds received in the offering. It will mainly focus on customer growth in the alarms and cybersecurity divisions and investment in new technologies in the rest of the businesses. Prosegur also expects to carry out a partial return of capital to shareholders.

## **Growth and international development**

Prosegur Group's activities in the cash logistics and cash management began more than 40 years ago. Since then, the group's activity in this area has followed a continuous process of expansion. First with development in the Iberian Peninsula, then with expansion into Latin America and in this latest stage by opening up to new geographies. This important development has meant that Prosegur Cash's income has multiplied by eight times between the year 2000 and now.

In 2016, Prosegur Cash continued to develop its growth strategy with the entry into South Africa and the expansion of its operations in Spain, India and Australia. Prosegur Cash has recorded an organic growth of 15.1% in the 2016 financial year. Its sales have increased, in terms of local currency, in all geographic areas and have reached 1,724.3 million Euros.

## **Prosegur will develop an attractive dividend policy**

Prosegur Cash aims to offer its shareholders annual dividends equivalent to at least 50% to 60% of the net profit from the previous year. For 2017, the intention of the Board of Directors is to approve an interim cash dividend in December, the first payment of which would be made in that same month. The proposed dividend policy follows a line that is consistent with the objectives of growth and leverage, with a pay-out ratio backed by strong cash generation and a solid capital structure.

## **Experience and dedicated professional team**

Prosegur Cash has a Board of Directors with a high degree of independence and a solid professional background. The company's governing body consists of nine members: two Executive Directors, Christian Gut, as Executive Chairman and José Antonio Lasanta, as CEO; and seven non-executive directors, of which four are independent: María Benjumea, Ana Sainz de Vicuña, Claudio Aguirre and Daniel Entrecanales; and three are proprietary directors representing Prosegur: Chantal Gut, Pedro Guerrero and Antonio Rubio.

Another of the strengths of Prosegur Cash is its management team, which combines experience and excellence. The senior executives of the company have an accumulated experience of more than 115 years in the sector and they have been the architects of some of the group's most successful transactions. Its members have a strong record and in recent years have successfully accomplished various different strategic initiatives, which have reported a growth of 57% in earnings since 2011.

Banco Bilbao Vizcaya Argentaria, S.A, Banco Santander, S.A., Citigroup Global Markets Limited and Goldman Sachs International will act as *Joint Global Coordinators* and *Joint Bookrunners* of the Offering. Deutsche Bank AG, HSBC Bank plc and JB Capital Markets, S.V. will act as *Joint Bookrunners*, Bankinter S.A., Caixabank, S.A. and Itau BBA USA Securities, Inc. will act as *Co-lead Managers* and Lazard Asesores Financieros, S.A. will act as *Financial Advisor*. Additionally ANZ Bank New Zealand Ltd will participate in the marketing and commercial activities of the operation.

## **About Prosegur**

Prosegur is a global leader in the private security sector. Across its three business lines - Prosegur Cash, Prosegur Security and Prosegur Alarms - Prosegur provides companies and households with reliable security services using the most advanced solutions on the market. With a presence on five continents, Prosegur had a turnover of 3.902 billion Euros in 2016, is listed on the Spanish Stock Exchanges under the PSG symbol and currently has a workforce of over 168,000 employees.

## **About Prosegur Cash**

Prosegur Cash is a company dedicated to the cash logistics and cash management covering the full cycle of cash. Each year it processes close to 550,000 USD million in over 550 facilities. It employs more than 55,000 people in 15 countries and is the leader in 9 of them. Prosegur Cash has a fleet of more than 9,000 vehicles, between armoured trucks and soft-skin vehicles. Billing in 2016 reached 1,724 million Euros and a EBIT up to 320 million Euros. Prosegur Cash is second worldwide in terms of earnings and it is positioned as a global benchmark with a clear vocation of leadership.

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