



March 2000

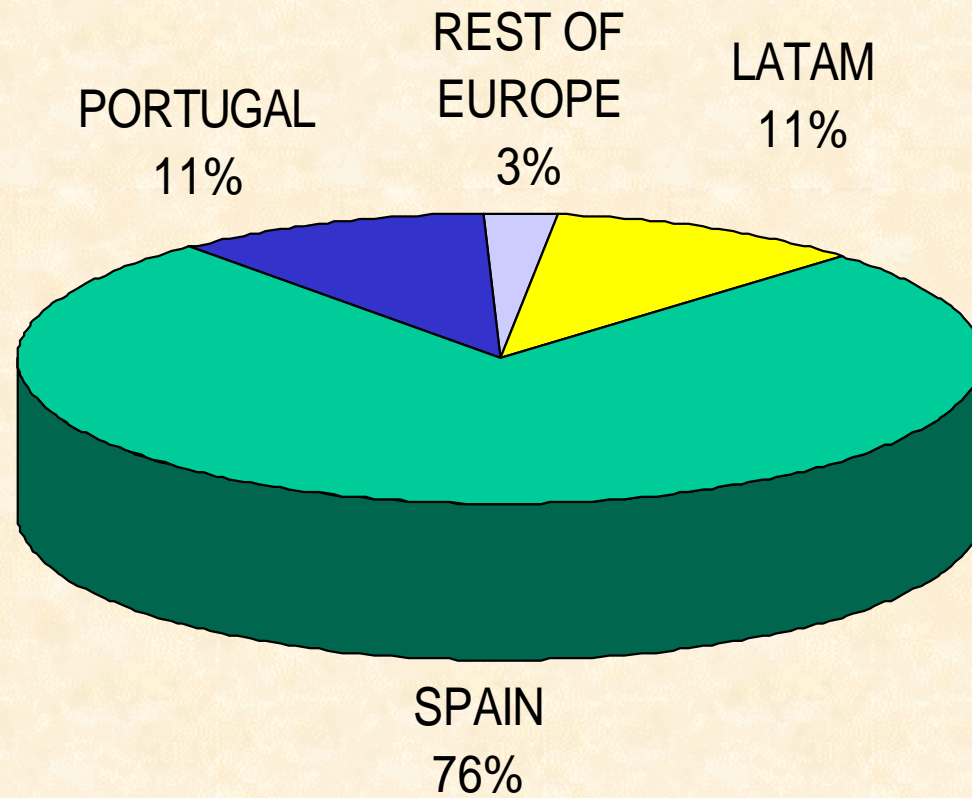
www.prosegur.es

INDEX

- Prosegur Today
- Prosegur in three years time
- Guarding
- CIT
- Residential alarms
- Umano

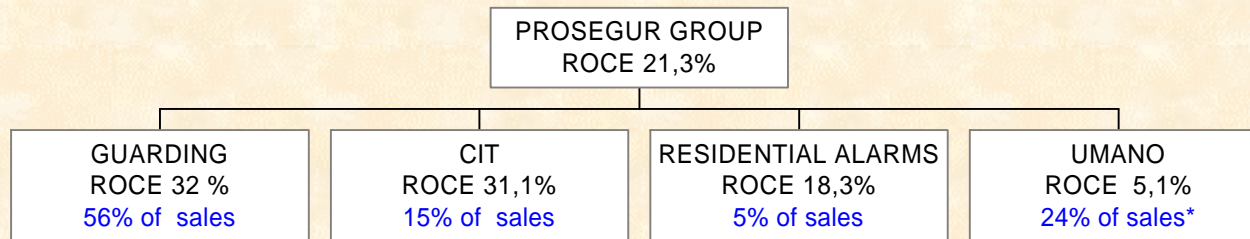


BREAKDOWN OF SALES BY COUNTRY 1999





- **Prosegur Today**
- Prosegur in three years´ time
- Guarding
- CIT
- Residential alarms
- Umano



* Includes Cleaning in Spain and Courier in Portugal



PROSEGUR IN THREE YEARS

(NO AQUISITIONS - NO DISINVESTMENT)

M EURO	1.999	2.000E		2.001E		2.002E		CAGR 99-02
		delta		delta		delta		
SALES	681,3	8,5%	739,5	12,8%	834,5	12,8%	941,2	11,4%
EBITDA	66,5	12,5%	74,8	22,3%	91,5	23,6%	113,1	19,4%
EBIT	48,5	7,2%	52,0	25,3%	65,2	26,6%	82,5	19,3%
EBT	41,0	16,7%	47,9	28,1%	61,3	29,0%	79,1	24,5%
NET PROFIT	25,8	16,0%	30,0	19,3%	35,7	23,3%	44,1	19,5%
DEPRECIATION	20,2	13,0%	22,9	15,3%	26,4	16,3%	30,7	14,9%
CASH FLOW	46,1	14,7%	52,8	17,6%	62,1	20,3%	74,7	17,5%
CAPEX	19,8	39,0%	27,6	-17,4%	22,8	0,4%	22,9	4,9%
CAPITAL EMPLOYED	195,2	7,0%	208,8	5,2%	219,7	2,7%	225,7	5,0%
ROCE	21,0%		24,9%		29,7%		36,5%	

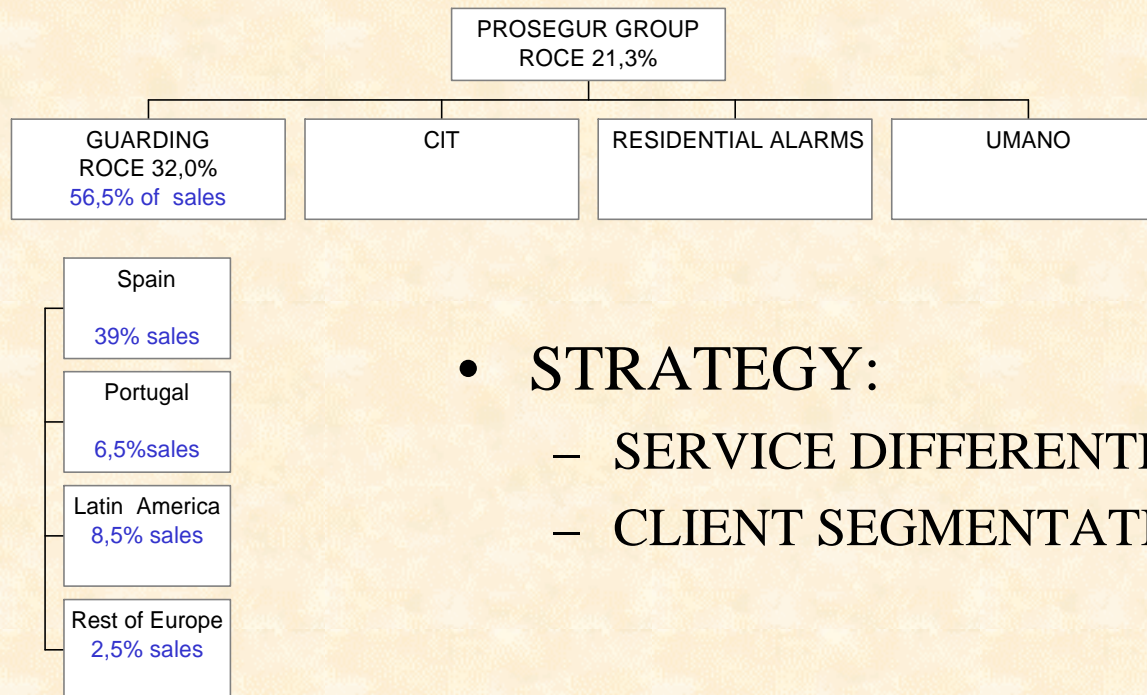
ACCORDING TO 1999 ESTIMATES

www.prosegur.es



GUARDING

- Prosegur Today
- Prosegur in three years time
- **Guarding**
- CIT
- Residential alarms
- Umamo



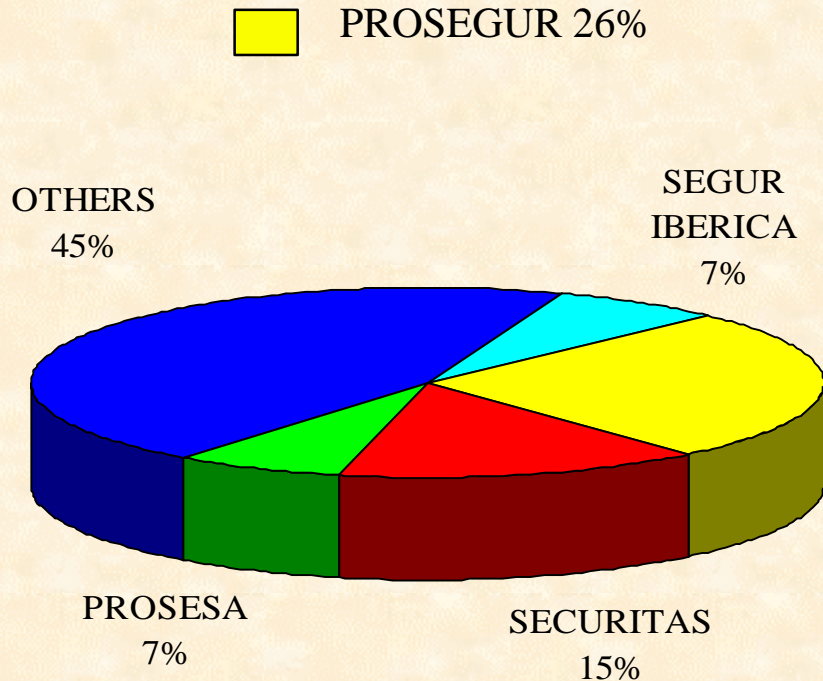
- **STRATEGY:**
 - SERVICE DIFFERENTIATION
 - CLIENT SEGMENTATION





GUARDING (I)- Spain

SPAIN



1999

- Favourable year: 12% growth
 - 9% is volume
 - 3% is price

Trends: 2000- 2002

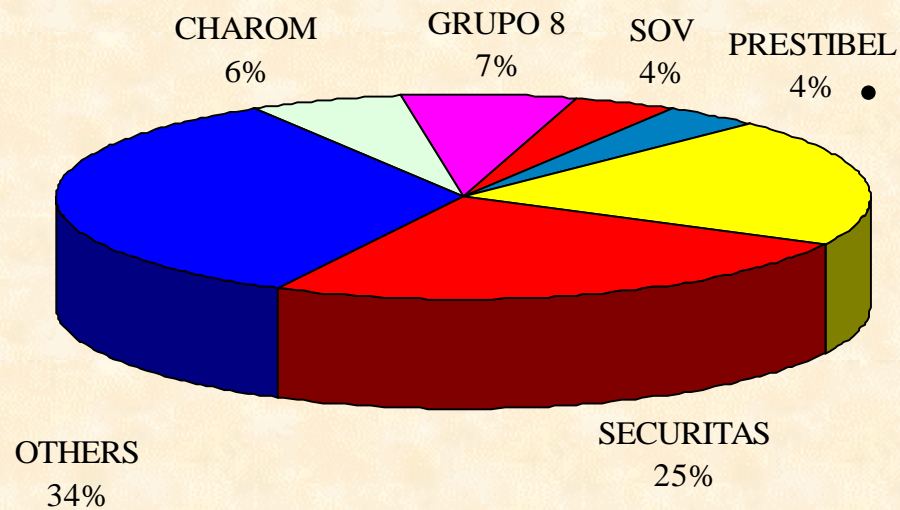
- Sales growth: CAGR: 5 %
- Cost: Union Agreement linked to inflation until 2001



GUARDING (II)- Portugal

PORTUGAL

■ PROSEGUR 20%



1998

- Favourable year:
 - Expo '98
 - Impact of the acquisition of IMPERIO and ETD

1999

• A difficult year:

- No Expo '98 revenues & profits
- Changes in legislation increase labour costs by 15% Vs 9% increase in price (we will recover margin in 2000 and 2001)
- Provisions no tax-deductibles

Trends: 2000- 2002

- Sales growth: CAGR 10%
- Cost: back to normality. Margins will recover

GUARDING (III)- Latam



	Manpower	Sales 99EUR	Mark. Share	GROWTH 99
ARGENTINA	2.857	32 M	4,5 %	23 %
CHILE	1.450	8 M	6,2 %	7 %
URUGUAY	1.157	8 M	15 %	11 %
PANAMA	1.656	11 M	15 %	25 %
TOTAL	7.120	59 M		20 %

- Prosegur Today
- Prosegur in three years time
- **Guarding**
- CIT
- Residential alarms
- Umano

Trends: 2000- 2002

- Looking for acquisitions
- Natural growth of sales: CAGR > 15%

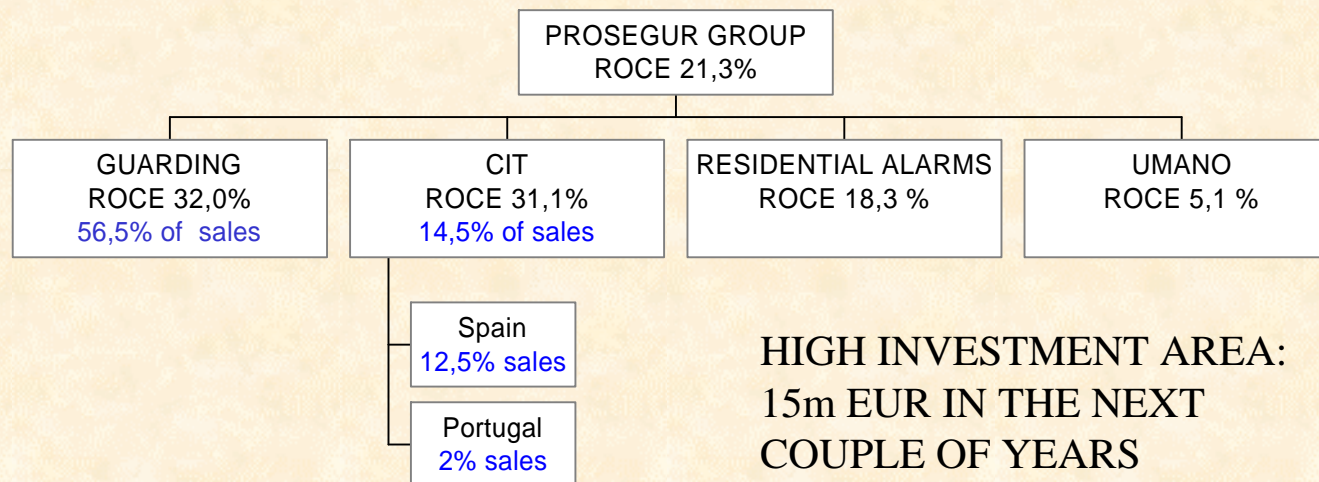
Future Targets to reach:

- 30% of sales
- 30% ROE



CASH IN TRANSIT

- STRATEGY:
 - COST LEADER



HIGH INVESTMENT AREA:
15m EUR IN THE NEXT
COUPLE OF YEARS



- 525 ARMoured TRUCKS
- 50 BRANCHES



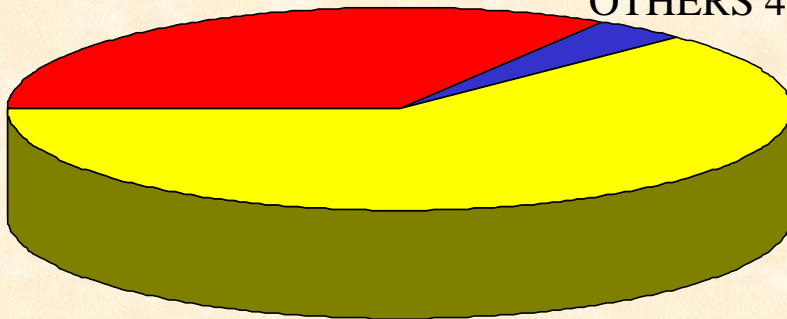
CASH IN TRANSIT (I)- Spain

SPAIN 63%

1999

SECURITAS- AUSYSEGUR 34 %

OTHERS 4%



- Sales are flat
- Big Banks signed until 2001

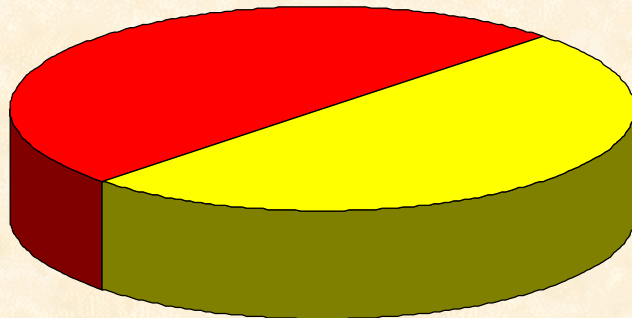
Trends: 2000- 2002

- Sales growth: we expect an annual growth of 1,5% but in the year 2002 it will burst in due to the introduction of the euro.
- Cost: investment in R+D to achieve economies of scale



PORTUGAL 50%

SECURITAS 50%



1999

- Sales: up 16%
- Margins are recovering after our acquisition/ integration of ETD in 1998

– Sales growth: CAGR 9%, for 2000 & 2001 growth will be 5%, the rest is the effect of the Euro in 2002

– Cost: investment in R+D to achieve economies of scale



NEW AREAS FOR FUTURE DEVELOPMENT

- Prosegur Today
- Prosegur in three years time
- Guarding
- CIT
- Residential alarms
- Umamo

- **ATMS' INTEGRAL SERVICE**

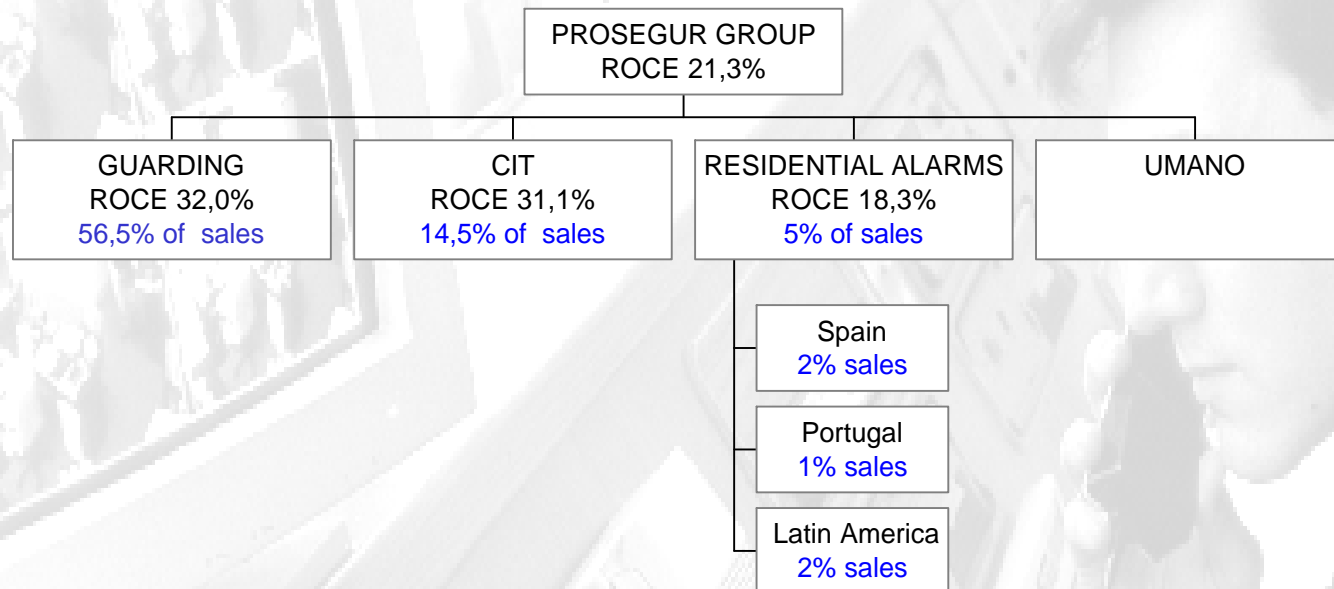
- **OUTSOURCING OF BANKS**

- **OUTSOURCING OF CENTRAL BANKS CASH ACTIVITIES**



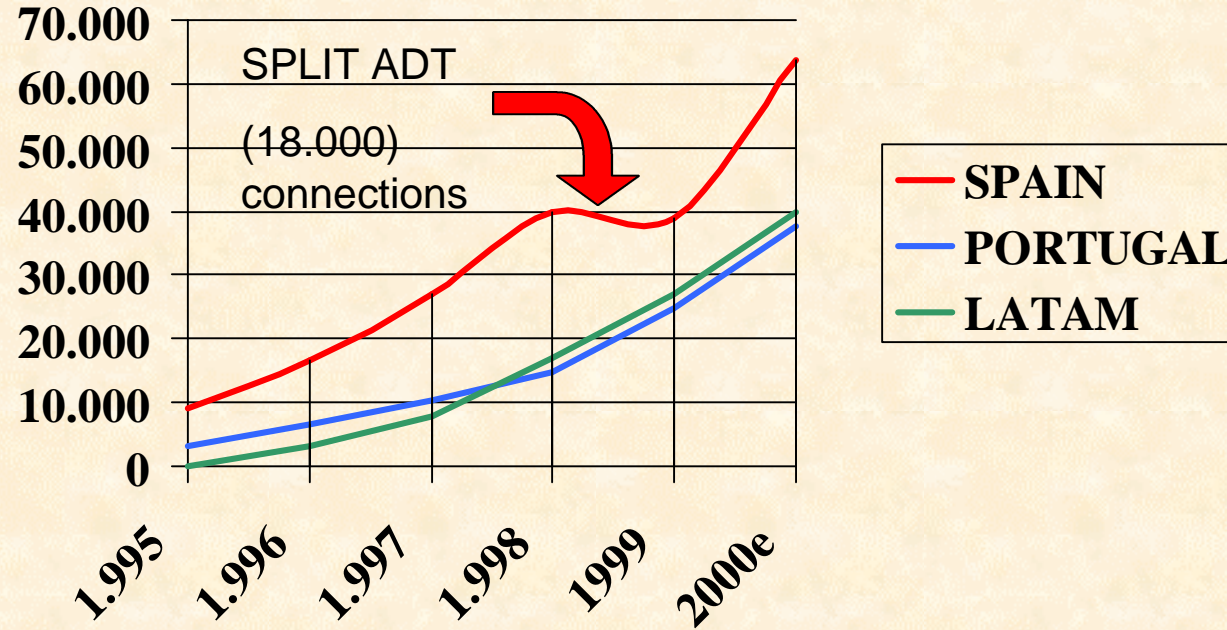
PROTECCION ACTIVA

- Prosegur Today
- Prosegur in three years time
- Guarding
- CIT
- **Residential alarms**
- Umamo





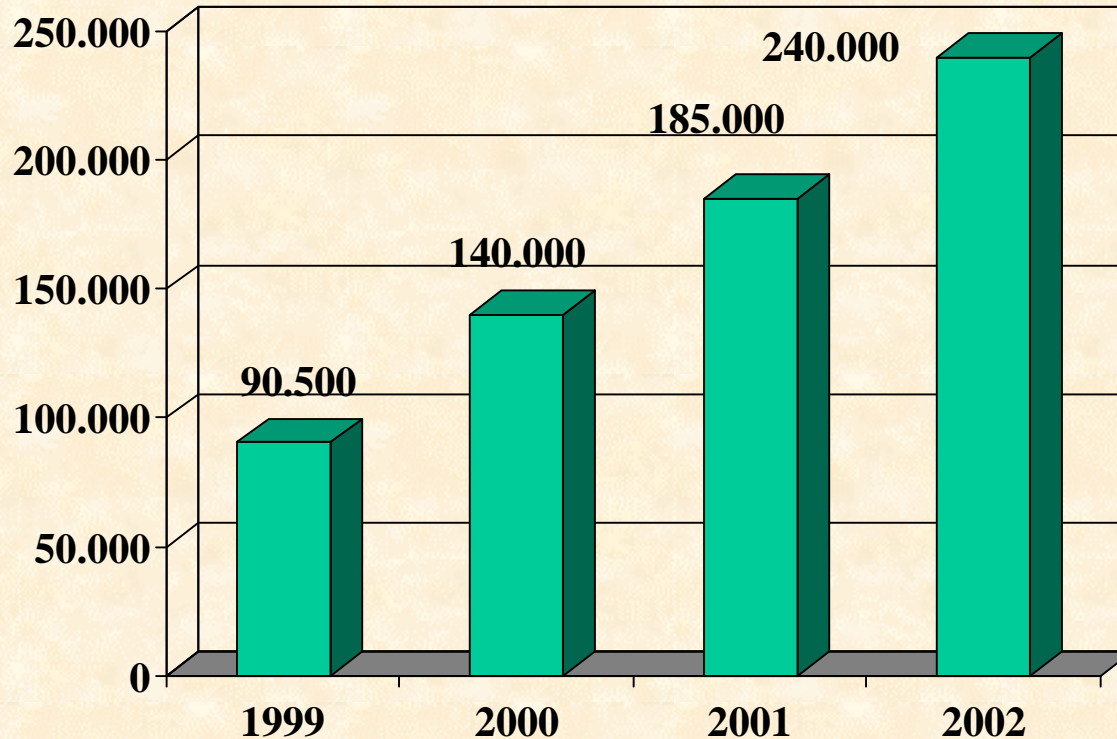
1995- 2000e Number of Connections



	1.995	1.996	1.997	1.998	1.999	2000e
SPAIN	9.000	16.500	27.000	40.000	38.900	63.600
PORTUGAL	3.000	6.500	10.300	14.900	24.700	37.300
LATAM	0	3.000	8.000	17.000	26.900	40.000
TOTAL	12.000	26.000	45.300	71.900	90.500	140.900



THREE YEARS PLAN (number of connections)



Trends: 2000- 2002

Number of connections we have to achieve per year

- Spain:
 - 20.000-25.000
- Portugal:
 - 10.000-15.000
- Latam:
 - 10.000-15000

PROTECCION ACTIVA	1.999	2.000	2.001	2.002
SALES (m euros)	34,3	46,9	64,6	85,4
EBIT m Euros (net of "growth cost")	2,2	7,8	12,4	18,0
CAPITAL EMPLOYED	12,3	22,0	26,4	30,4
ROCE	18,3%	35,7%	46,9%	59,2%

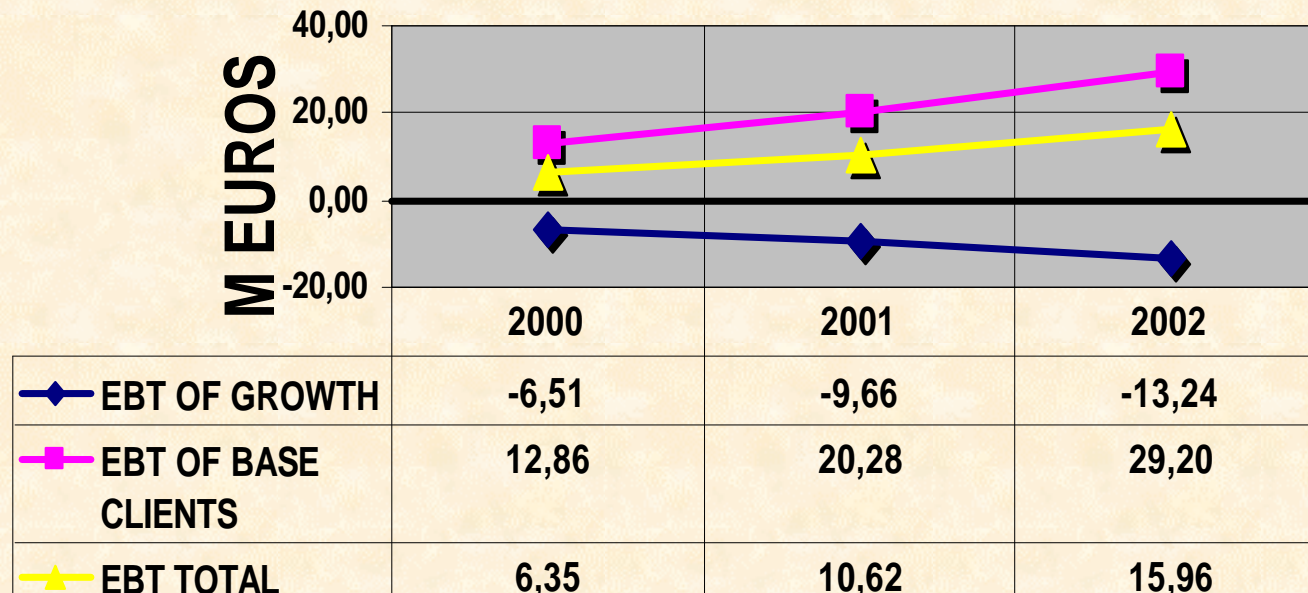


Evolution of EBT

Three years plan

- Prosegur Today
- Prosegur in three years time
- Guarding
- CIT
- **Residential alarms**
- Umamo

40%-50% of EBT is invested in growing the business



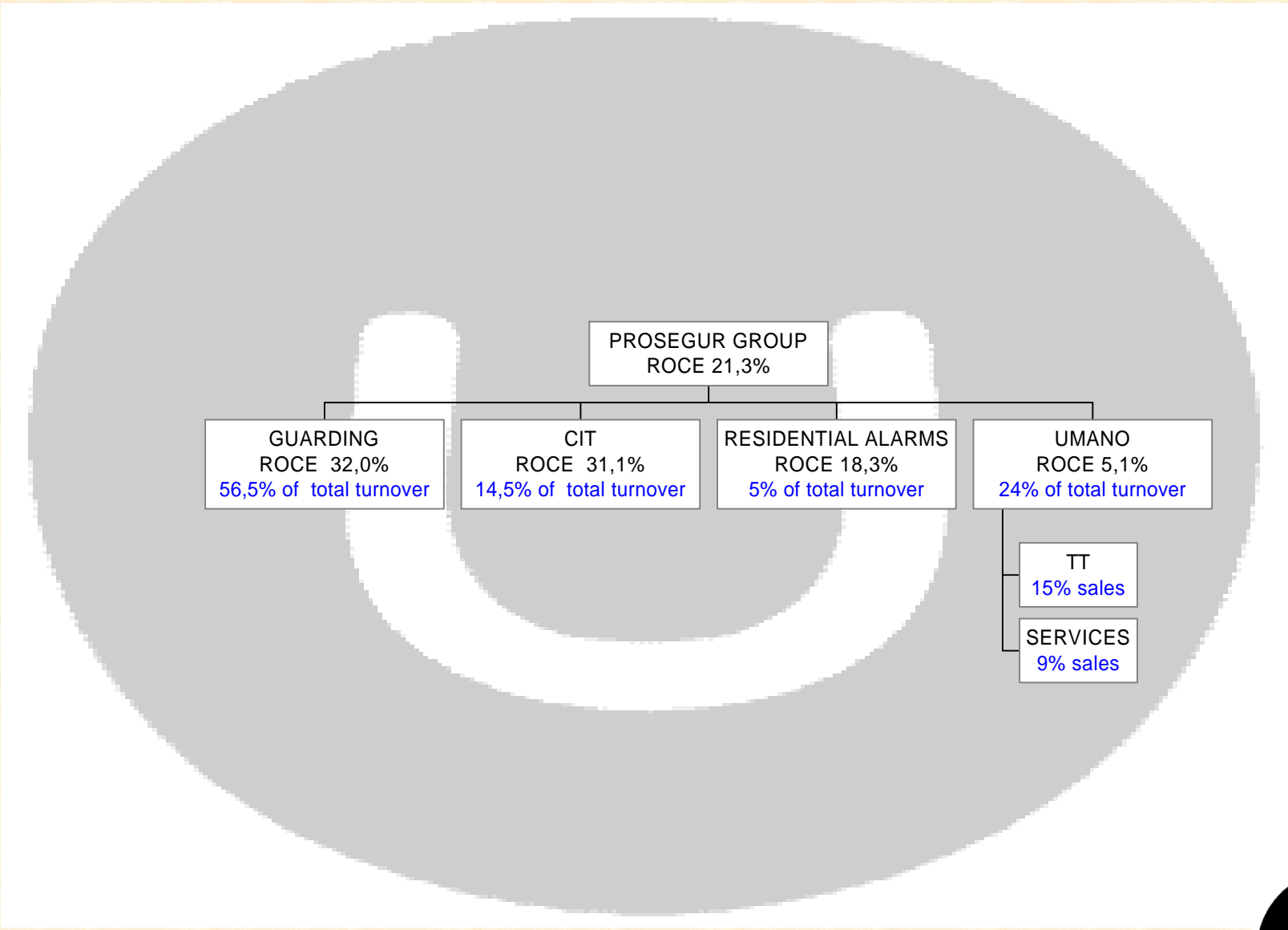


Protección Activa: Creating value for the future (1999 example)

- Prosegur Today
 - Prosegur in three years time
 - Guarding
 - CIT
 - **Residential alarms**
 - Umano
- New connections of the year: 37.600
 - Cash impact: (18m Euro)
 - EBT impact: (6m Euro)
 - Value Added to the Group: 35-70m Euro (40-80 mrr)

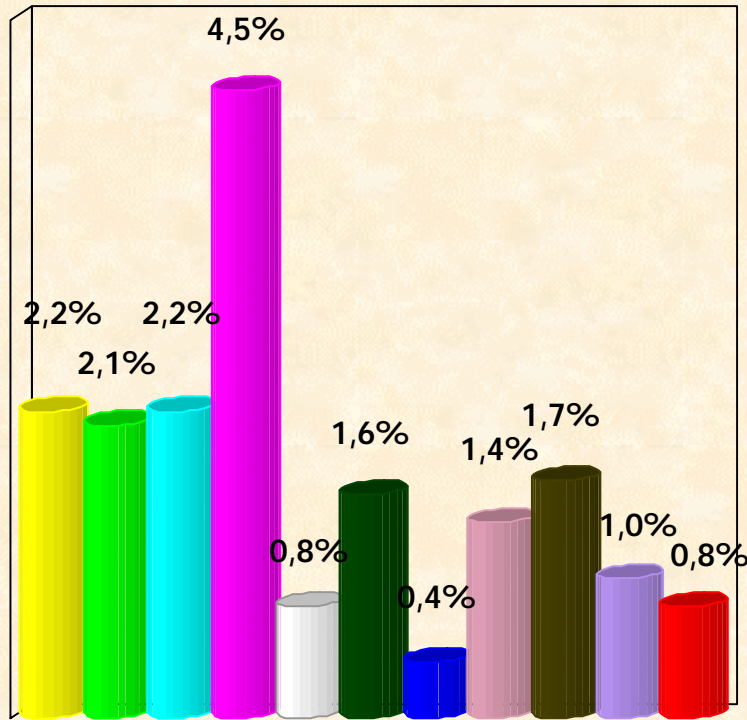
- **ADQUISITION RECORD**

- In 1999 TYCO paid for 100.000 subscribers of ALARMGUARDS 55 monthly recurrent revenues (mrr)
- In 1998 WESTERN RESOURCES paid 400m\$ for 360.000 connections to MULTIMEDIA SECURITY SERVICES and to NETWORK MULTI FAMILY
- In 1998 WESTEC SECURITY GROUP paid EDISON INT'L 300M\$ for 150.000 connections



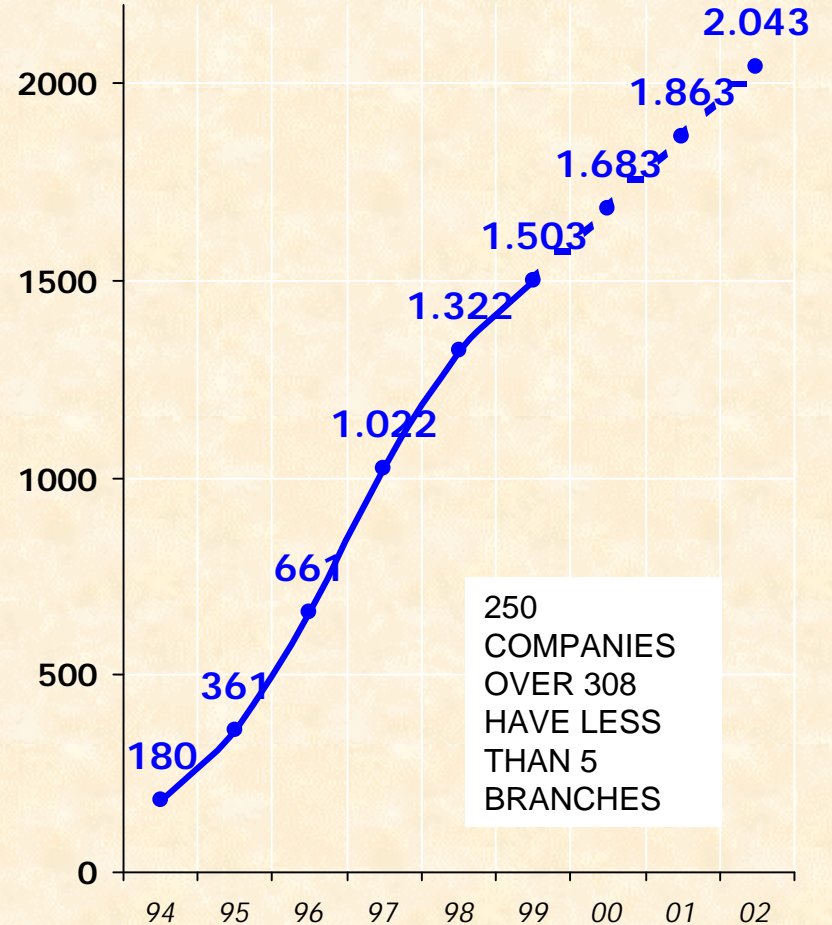
PENETRATION: % ACTIVE POPULATION

- Prosegur Today
- Prosegur in three years time
- Guarding
- CIT
- Residential alarms
- **Umano**



- USA
- U.K.
- GERMANY
- CANADA
- BELGIUM
- SWITZERLAND
- FRANCE
- HOLLAND
- JAPAN
- AUSTRALIA
- SPAIN
- OTHER

**TEMPORARY MARKET IN SPAIN:
Evolution of sales in m Euro**



250 COMPANIES OVER 308 HAVE LESS THAN 5 BRANCHES

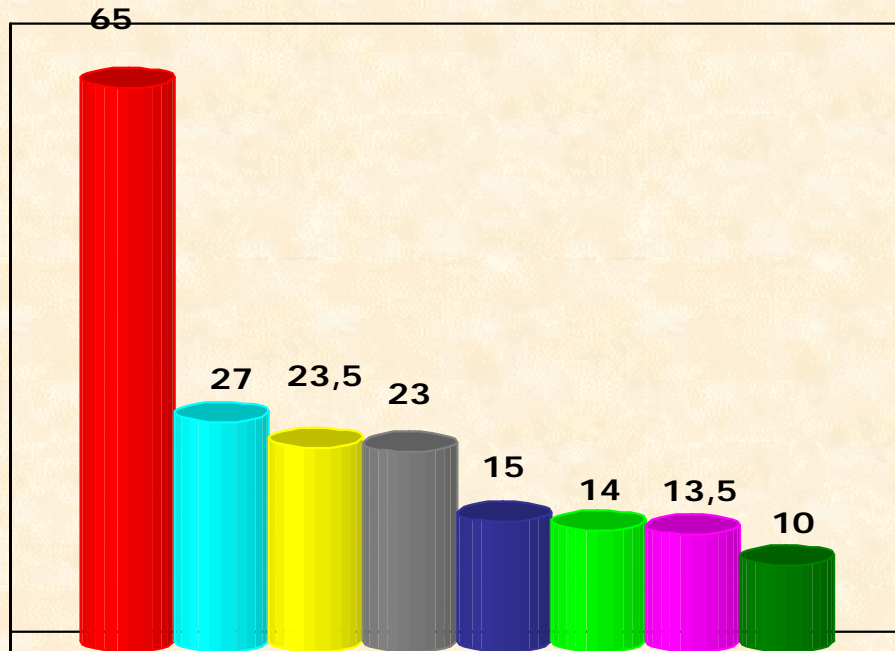
Source: ABN-AMRO, JUL 99

www.prosegur.es



MAIN COMPETITORS IN 1999

Sales in billions pesetas

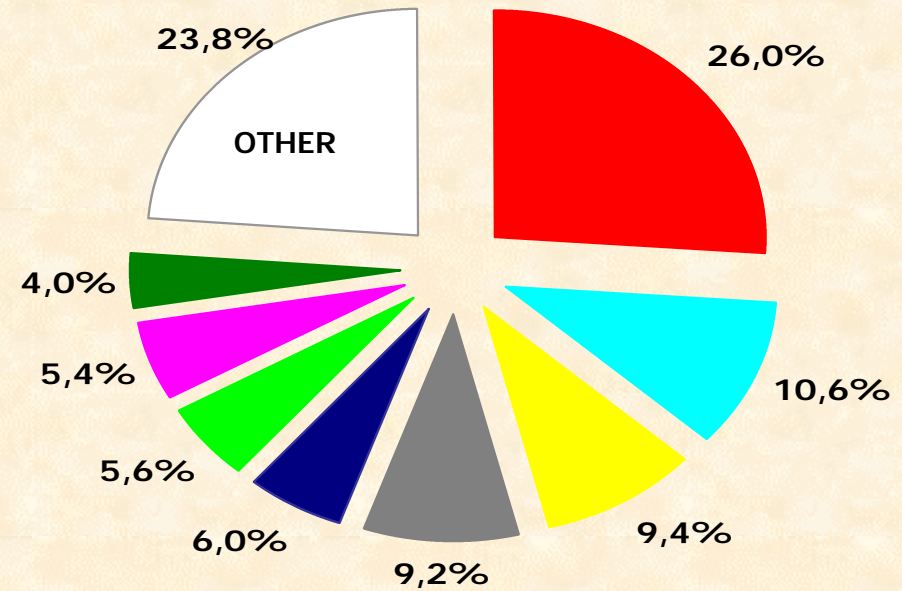


■ ADECCO
■ ALTA GESTIÓN
■ FLEXIPLAN

■ VEDIOR-SELECT
■ MANPOWER
■ RANDSTAD-TEMPO

■ UMANO
■ PEOPLE-ACTIVA

% Market Share



Source: ABN-AMRO, JUL 99

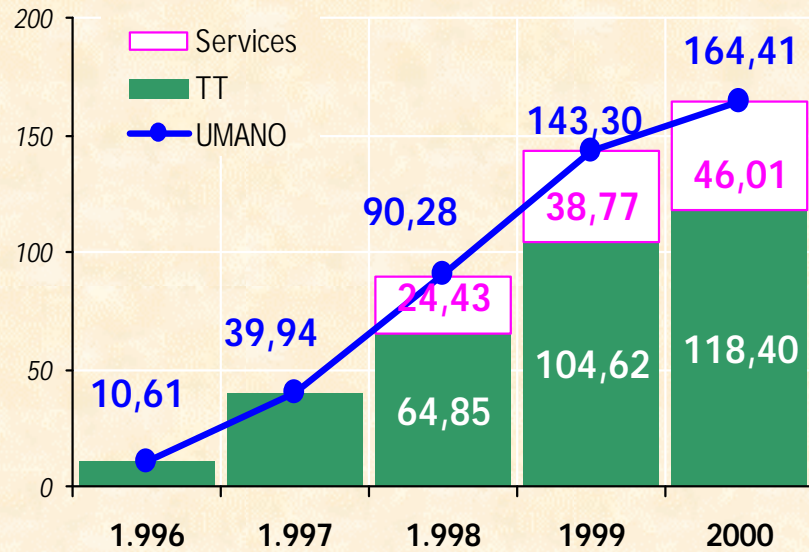
www.prosegur.es

GRUPO PROSEGUR

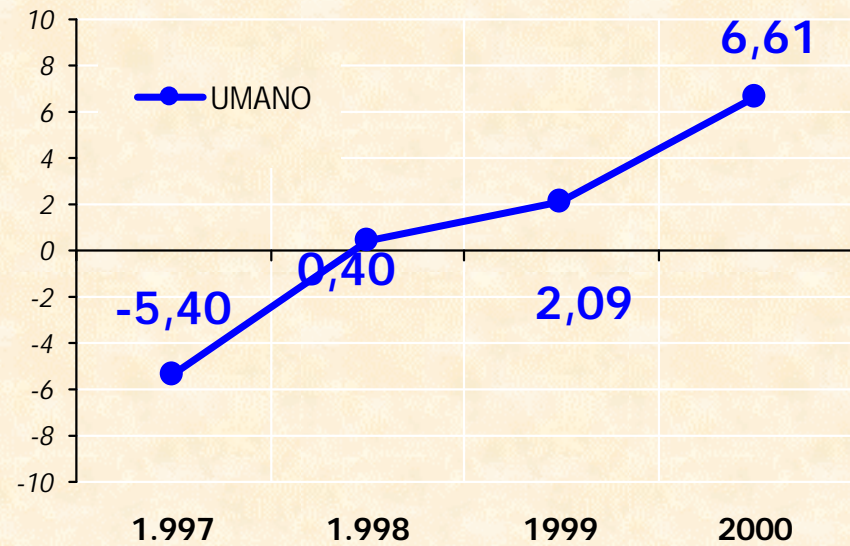


Umano 1996-2000

SALES m euros



EBT m euros

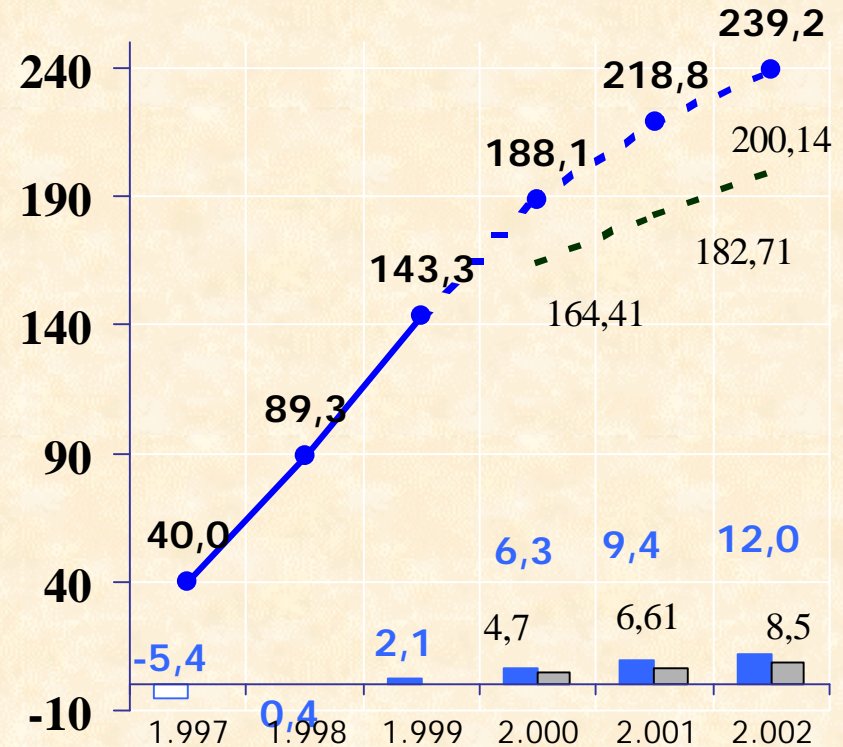


	branches	total sales 99	%/ sales	total sales 2000	%/ sales
Umano Group	100	143	100%	164	100%
Generalist	77	87	61%	98	59%
Specilised	12	30	21%	37	23%
Services	11	26	18%	29	18%

www.prosegur.es

Umano 2000 - 2002

- Prosegur Today
 - Prosegur in three years time
 - Guarding
 - CIT
 - Residential alarms
 - **Umano**
- **TARGETS 2002**
 - EBITDA margin: 4,11% ==> 6,8%
 - EBTmargin : 1,46% ==> 5%
 - **Market Share:**
 - #2 in Spanish Market
 - **Specialised: 50% of sales**
 - **New Products:**
 - Umano Selección
 - Umano Formación
 - Umano On Line



UMANO	1.999	2.000	2.001	2.002
EBIT without aquisitions	2,9	5,4	7,3	9,2
CAPITAL EMPLOYED	56,0	51,0	46,1	47,8
ROCE	5,1%	10,6%	15,9%	19,3%

- ebt with aquisitions
- ebt without
- sales with aquisitions
- sales without



ANNEX

Risk of a devaluation in Latam

- Initial Investment: 9m\$
 - Book Value: 8m\$
 - No return in the short-term expected
 - Bank Debt 8,5\$ in local currencies
 - Capital Employed: 17m\$
 - Roce: 17%
 - Looking for acquisitions
- Future Targets
 - 30% of sales
 - 30% ROE



MARCH 2000

www.prosegur.es

INDEX

- Environmental and Organisational Analysis
 - Environment, strategy and organisation
 - Financial Highlights
 - Three year Plan
- The future of residential alarms
 - The market: US and Europe
 - Evolution, driving forces and the keys to success
 - Market Evolution



Environment

- More Complex: clients are bigger and demand more sophisticated products
- More Competitive:
 - Global Competitors
 - More specialised competitors
 - From many different fields: Telecoms, Utilities, Hardware
- The Speed for change is increasing



Strategy

- Growth:
 - Organic:

	1.999	2.000e
	10%	10%
 - Acquisitions

	1.999	2.000e
	6%	6%
- » Spain
- » Southern Europe
- » Latam



Strategy

- Growth:
- To be close to the clients:
 - Better knowledge
 - Segmentation
 - New product development
 - Being part of the client's value chain



New organisational behaviour according with environment & strategy

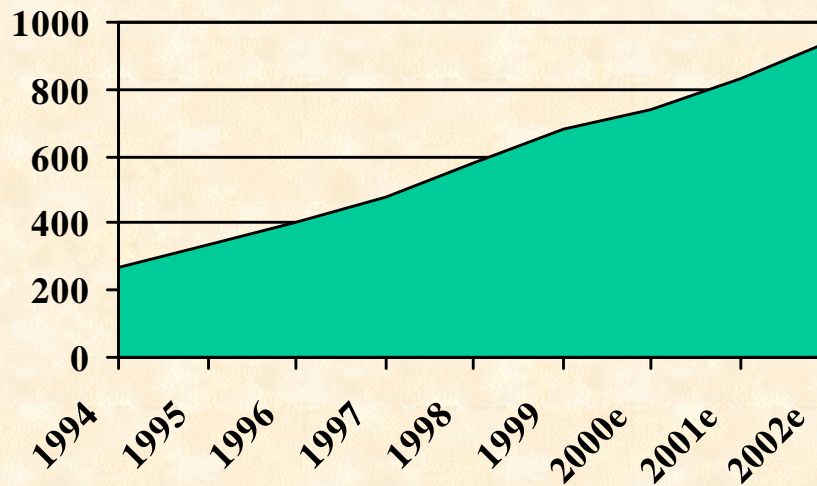
- Business Units instead of Countries
 - Specialisation
 - Segmentation
 - Close relationship with the clients
- Empower managers
- Retribution linked to the share performance



Prosegur Group Financial Highlights I

Cagr 94- 99 : 21 %

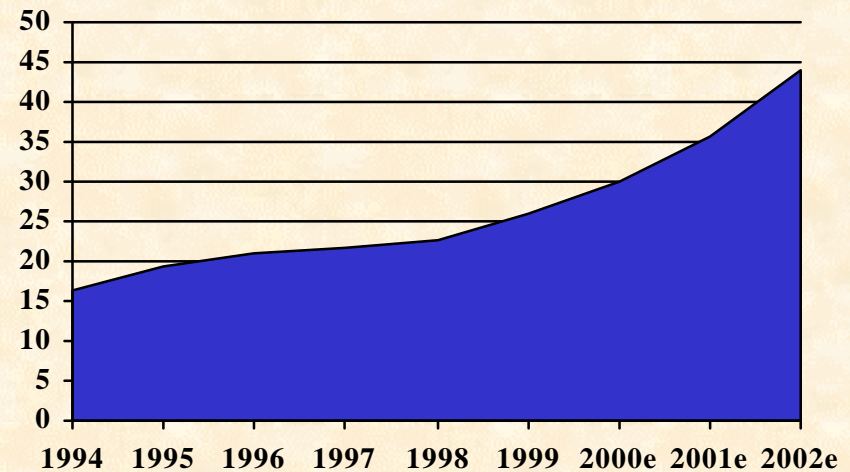
sales



1999: 677m euros

Cagr 94- 99: 10 %

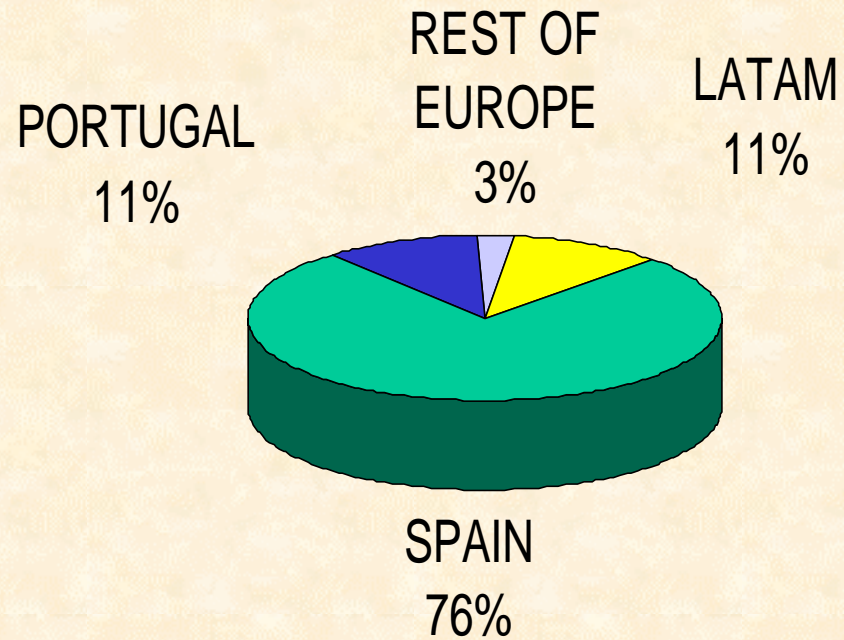
Profits



1999: 26 m euros



Prosegur Group Financial Highlights II

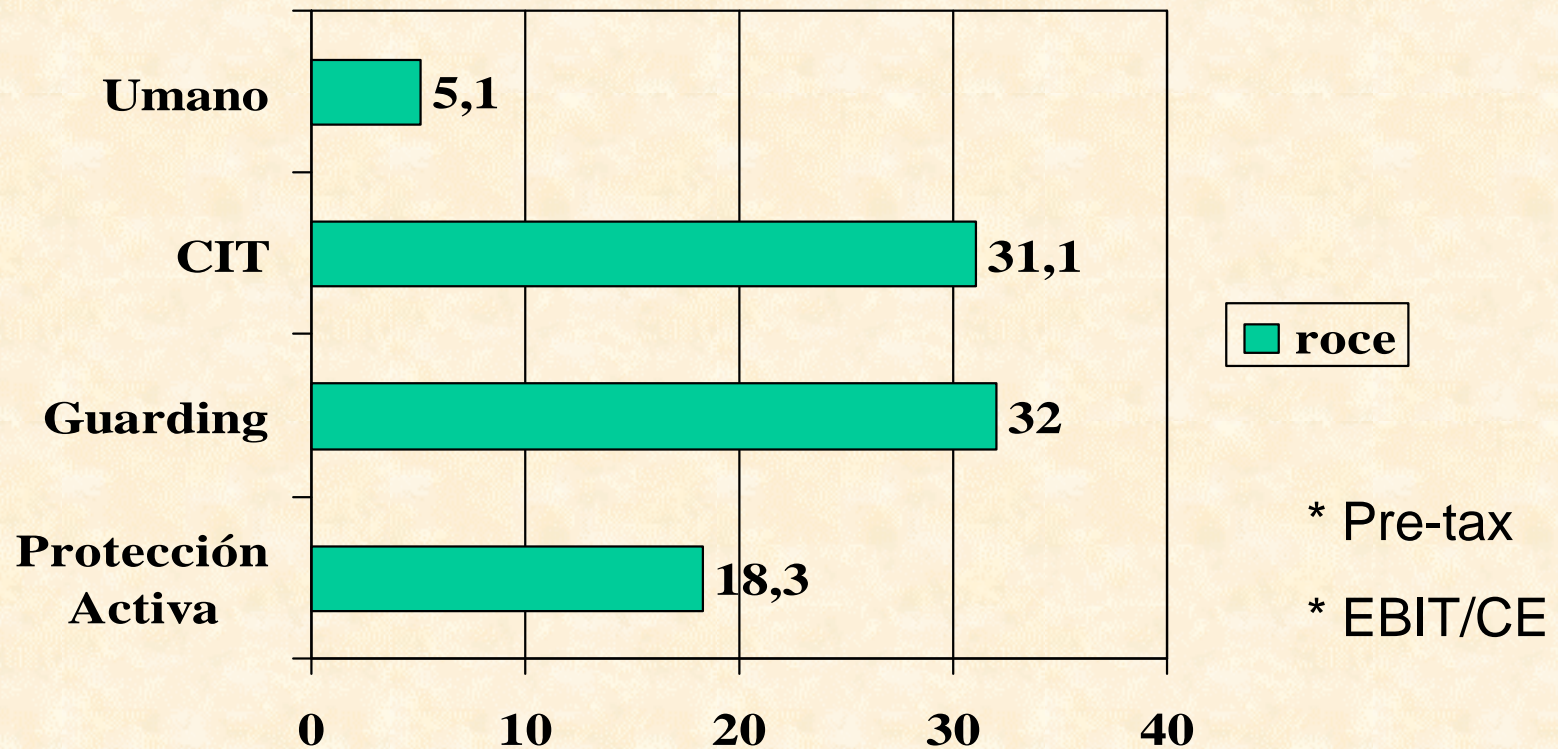


BREAKDOWN OF SALES BY COUNTRY 1999



Prosegur Group Financial Highlights III

Average ROCE: 21,3 %





PROSEGUR OVER THE NEXT THREE YEARS

(NO ACQUISITIONS - NO DISPOSALS)

M EURO	1.999	2.000E		2.001E		2.002E		CAGR 99-02
		delta		delta		delta		
SALES	681,3	8,5%	739,5	12,8%	834,5	12,8%	941,2	11,4%
EBITDA	66,5	12,5%	74,8	22,3%	91,5	23,6%	113,1	19,4%
EBIT	48,5	7,2%	52,0	25,3%	65,2	26,6%	82,5	19,3%
EBT	41,0	16,7%	47,9	28,1%	61,3	29,0%	79,1	24,5%
NET PROFIT	25,8	16,0%	30,0	19,3%	35,7	23,3%	44,1	19,5%
DEPRECIATION	20,2	13,0%	22,9	15,3%	26,4	16,3%	30,7	14,9%
CASH FLOW	46,1	14,7%	52,8	17,6%	62,1	20,3%	74,7	17,5%
CAPEX	19,8	39,0%	27,6	-17,4%	22,8	0,4%	22,9	4,9%
CAPITAL EMPLOYED	195,2	7,0%	208,8	5,2%	219,7	2,7%	225,7	5,0%
ROCE	21,0%		24,9%		29,7%		36,5%	

ACCORDING TO 1999 ESTIMATES

www.prosegur.es

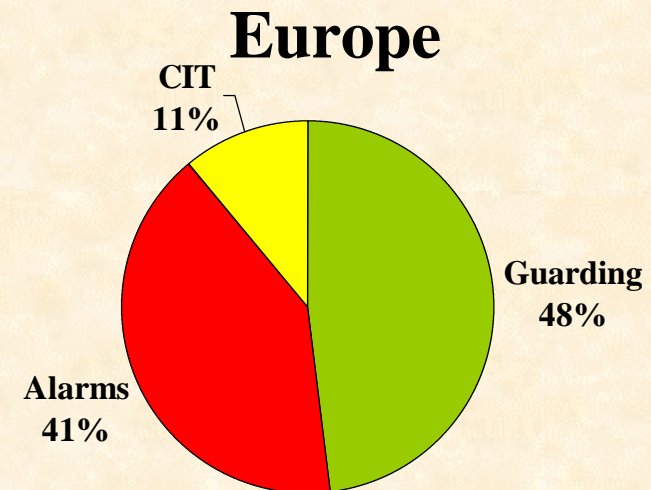
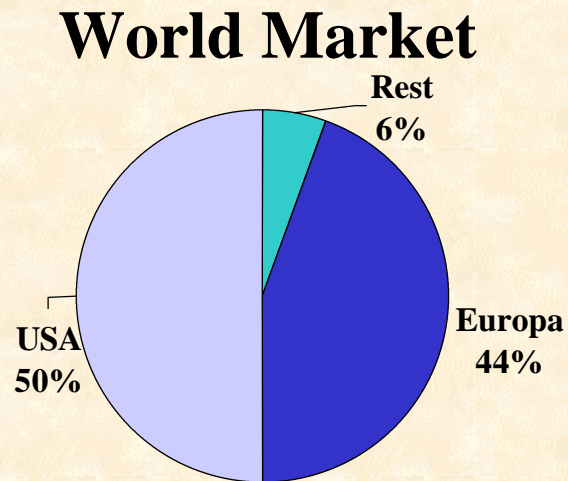


The future of residential alarms





World Security Market US and Europe



Source: Prosegur

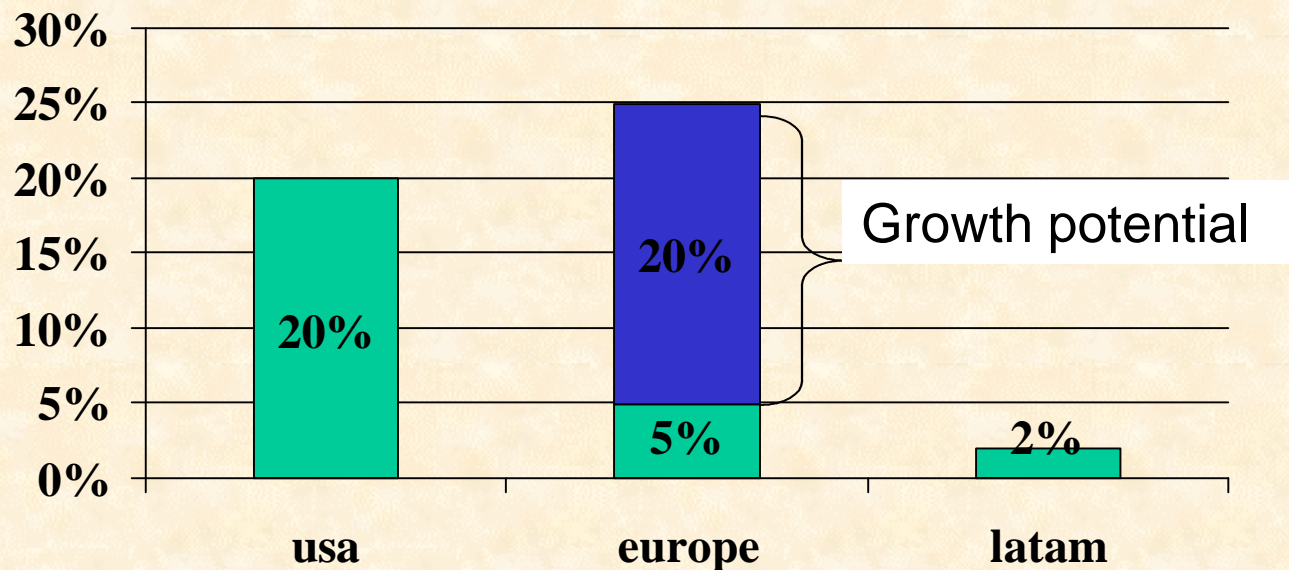
www.prosegur.es



Market Penetration

There is a great potential market in Europe

Penetration rate of alarm systems in residences



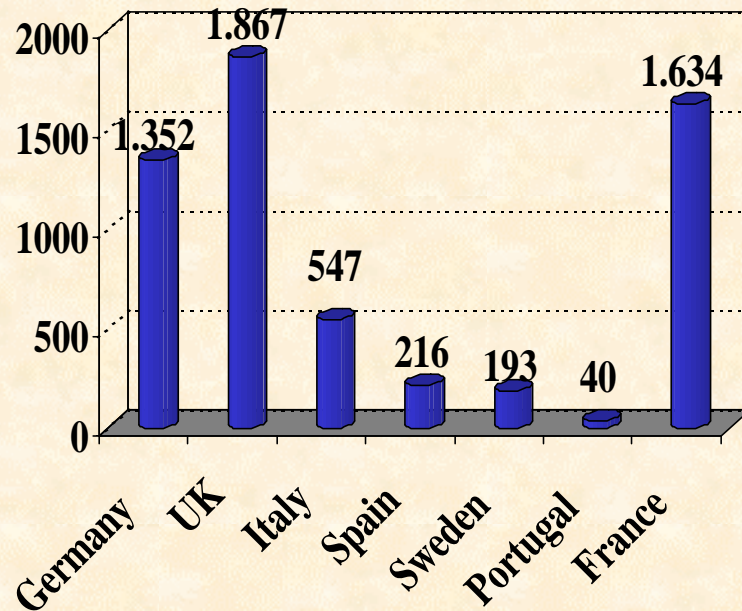
Source: Prosegur

www.prosegur.es



Europe

Market size- sales in 1997
m euros



- 90.000 m euros market
- 78% of it is in the “big five”
- Growth estimates over 10%

Source: Prosegur

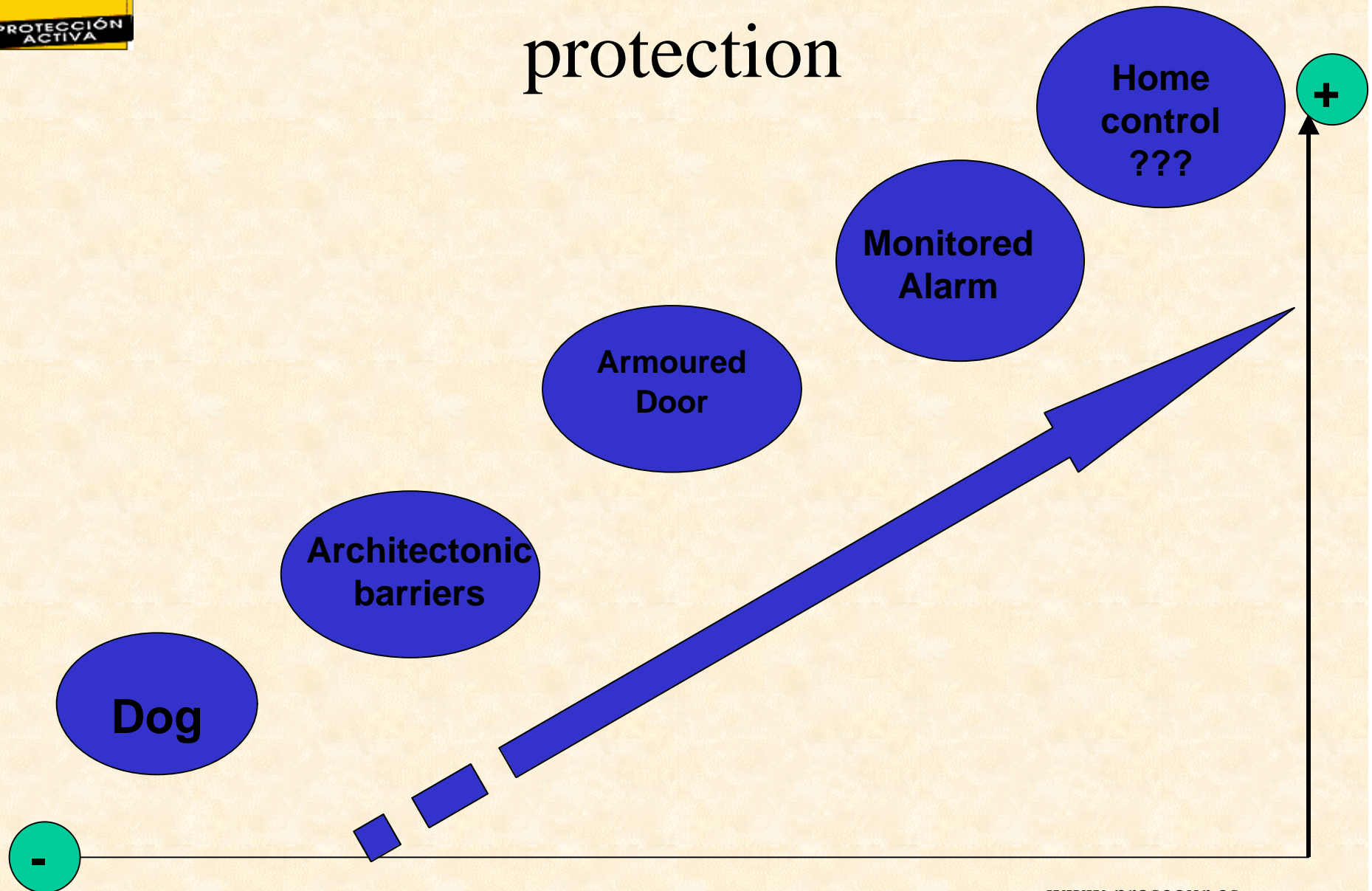


The European Market

- Very fragmented market
- Regional Competitors
- Not homogenous competitors nor services
 - Different approach: fire, intrusion, medical
 - With or without alarm response
 - Different segment targets
- From different fields: security, utility, finance, etc.

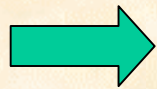


Evolution cycle of residential protection





The driving forces behind residential market growth:



Affluence



Fear of crime



**Demographics: population ageing,
increase in working women**



Police withdrawal from secondary duties



Affordable prices



**(Some) traditional security companies
are becoming mass-market oriented
companies**



Competition



Today

- The feeling is that clients buy security services not technology



VS



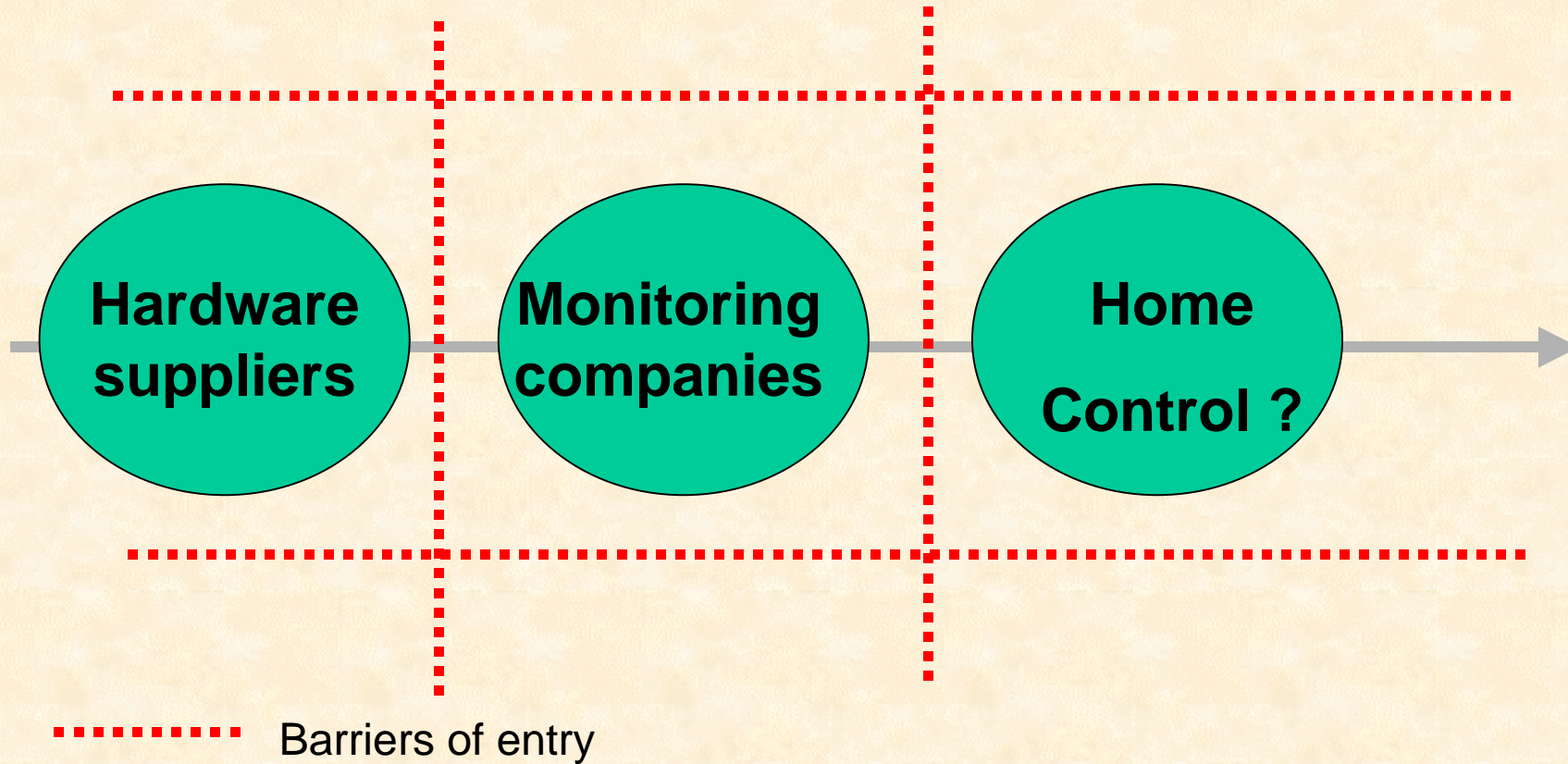


Today's keys to success

- Brand name
 - not necessaryglobal:
- Clients demand presence
- People need a reference: a friend, family, etc.
- Service
 - Installation
 - Alarm response
- Simple concept
- Reduction in prices of technology

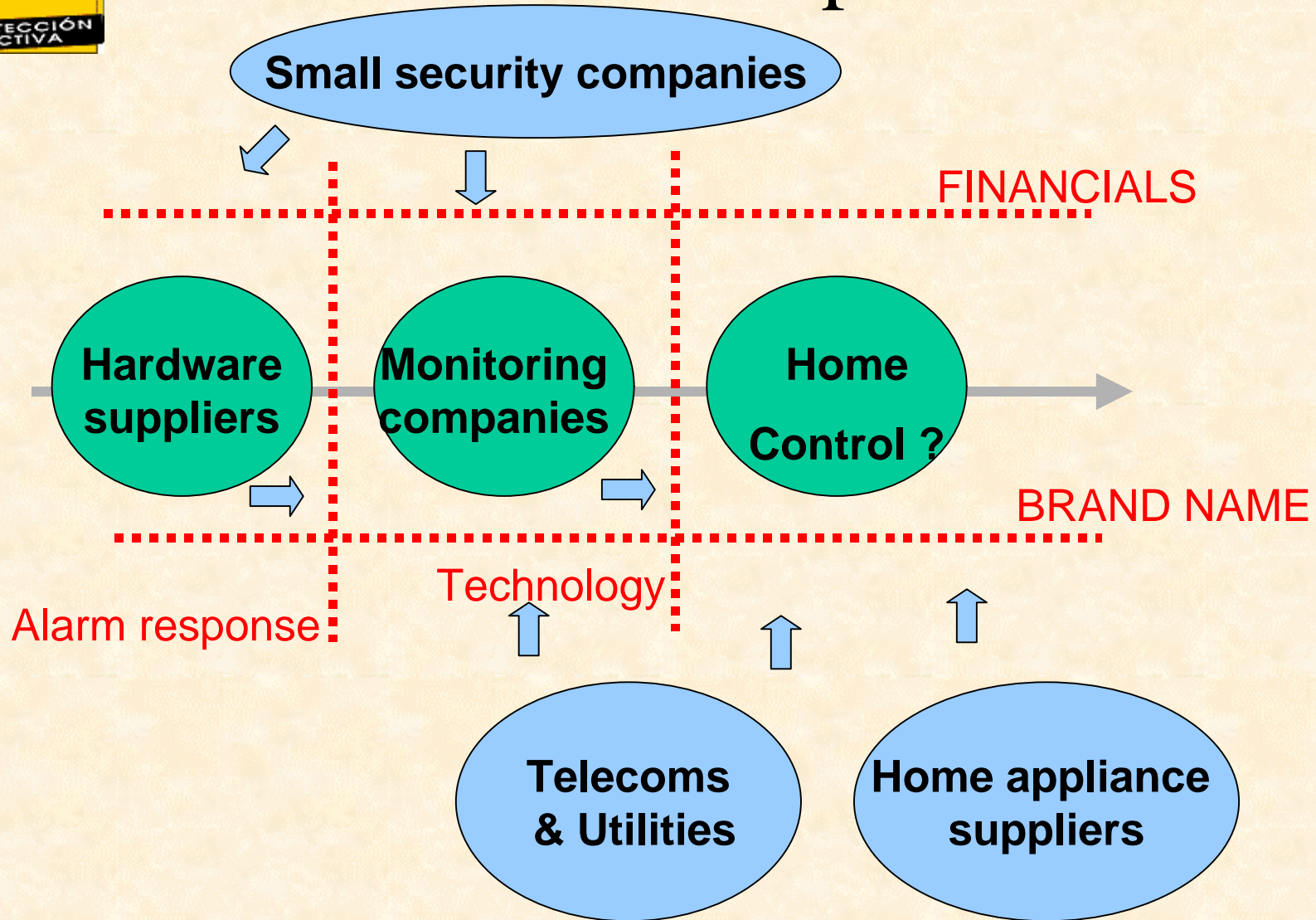


Market Evolution





New and old competitors





New threats: major non-security players on the move (1)

**Deregulation,
diversification**

Utilities

Telcos

Cable cos.

Conglomerates

**The big idea:
bundling services
like energy,
telephone, Internet,
alarms,
entertainment,
maintenance and
what-have-you**

**Assets are:
dispatch crews,
monitoring,
wired homes**

**Liabilities are:
poor service to
small accounts,
too much
outsourcing,
no security
background**

**After the frenzy of high-multiple deals, not much bundling is
being done yet.**

The giants have moved to a new battlefield: Internet.



New threats: major non-security players on the move (2)

Horizontal integration through acquisitions

Home automation and building control manufacturers

The big idea: integration of building systems like heating and air conditioning, lighting, water, *security*, safety and utility services

Assets are: financial muscle, R&D, experience in marketing & distribution

Liabilities are: limited service, need for partners to reach final users

Possibly a very real threat: the technology is already available and big industries are investing heavily. Partnerships or confrontation?



New threats: Internet

The Web will enable every single person to be linked anywhere, anytime

Internet Service Providers

The big idea: once low-cost, fully configurable Internet miniservers have become universally available, every home appliance (*alarms included*) will be Internet-connected

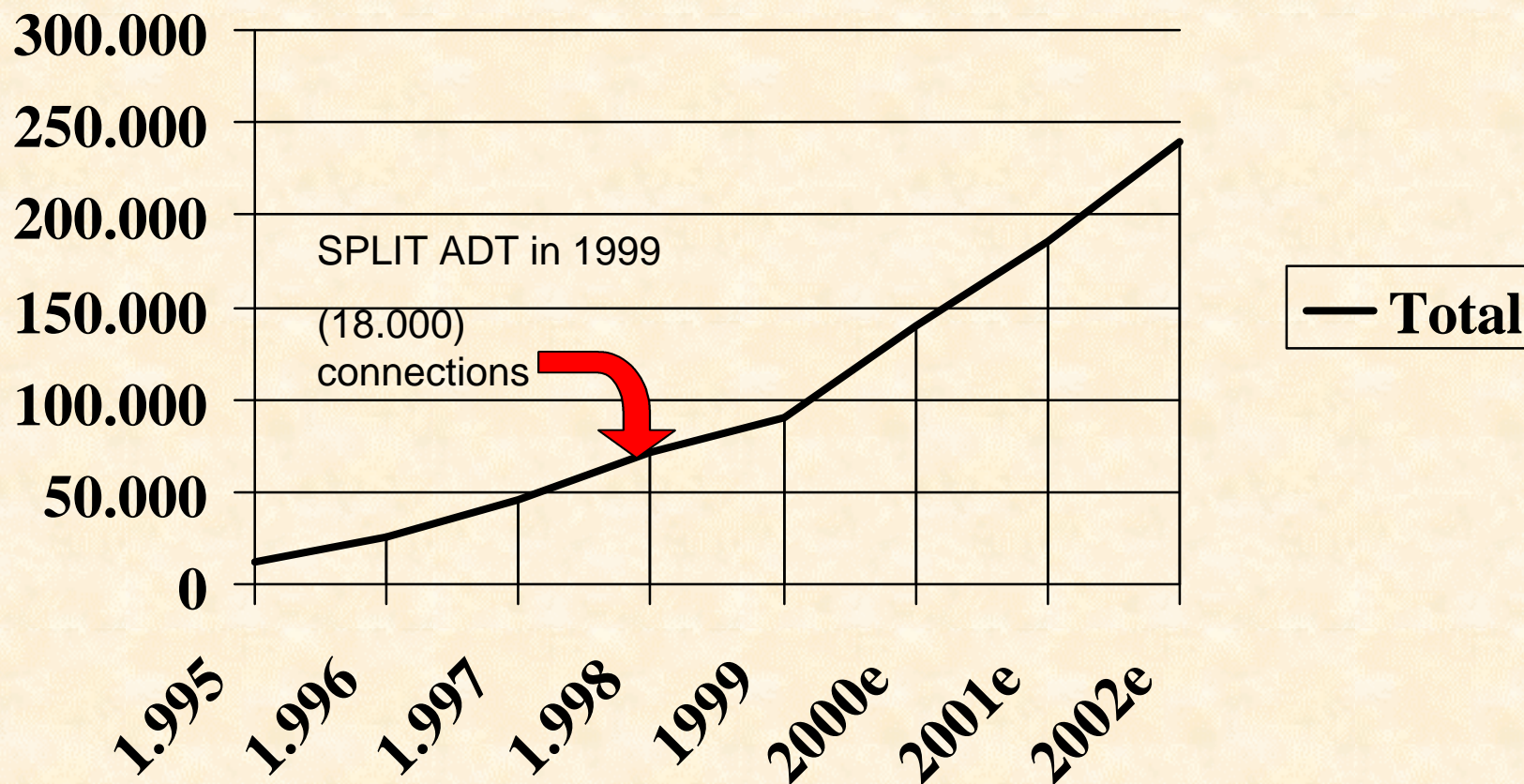
Assets are: low barriers to entry

Liabilities are: service limited to WAP messages, proliferation of false alarms

No doubt a very real threat: Internet is here to stay, and traditional players need to find their place in the era of e-business.



1995- 2002e Number of Connections



Markets: Spain, Portugal, Italy and South America