

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2020

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-09148

THE BRINK'S COMPANY

(Exact name of registrant as specified in its charter)

Virginia
(State or other jurisdiction of
incorporation or organization)

54-1317776
(I.R.S. Employer
Identification No.)

1801 Bayberry Court, Richmond, Virginia 23226-8100

(Address of principal executive offices) (Zip Code)

(804) 289-9600

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$1.00 per share	BCO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

(Check one): Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of July 24, 2020, 50,520,662 shares of \$1 par value common stock were outstanding.

Part I - Financial Information
Item 1. Financial Statements

THE BRINK'S COMPANY
and subsidiaries

Condensed Consolidated Balance Sheets
(Unaudited)

(In millions, except for per share amounts)

June 30, 2020

December 31, 2019

ASSETS			
Current assets:			
Cash and cash equivalents	\$	531.3	311.0
Restricted cash		171.5	158.0
Accounts receivable, net		695.0	635.6
Prepaid expenses and other		277.3	128.0
Total current assets		1,675.1	1,232.6
Right-of-use assets, net		329.8	270.3
Property and equipment, net		813.6	763.3
Goodwill		1,114.0	784.6
Other intangibles		406.7	272.5
Deferred income taxes		244.1	273.5
Other		187.9	167.0
Total assets	\$	4,771.2	3,763.8
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term borrowings	\$	12.1	14.3
Current maturities of long-term debt		108.7	74.5
Accounts payable		174.4	184.5
Accrued liabilities		690.1	628.4
Restricted cash held for customers		87.4	100.3
Total current liabilities		1,072.7	1,002.0
Long-term debt		2,362.6	1,554.8
Accrued pension costs		259.7	228.9
Retirement benefits other than pensions		339.8	347.8
Lease liabilities		268.9	218.4
Deferred income taxes		44.8	21.2
Other		231.8	183.1
Total liabilities		4,580.3	3,556.2
Commitments and contingent liabilities (notes 4, 8 and 14)			
Equity:			
The Brink's Company ("Brink's") shareholders:			
Common stock, par value \$1 per share:			
Shares authorized: 100.0			
Shares issued and outstanding: 2020 - 50.5; 2019 - 50.1		50.5	50.1
Capital in excess of par value		667.4	663.3
Retained earnings		455.2	457.4
Accumulated other comprehensive loss		(1,061.8)	(979.0)
Brink's shareholders		111.3	191.8
Noncontrolling interests		79.6	15.8
Total equity		190.9	207.6
Total liabilities and equity	\$	4,771.2	3,763.8

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Condensed Consolidated Statements of Operations
(Unaudited)

<i>(In millions, except for per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Revenues	\$ 826.0	914.0	\$ 1,698.8	1,819.0
Costs and expenses:				
Cost of revenues	683.9	708.5	1,377.3	1,411.2
Selling, general and administrative expenses	139.6	154.6	287.7	296.3
Total costs and expenses	823.5	863.1	1,665.0	1,707.5
Other operating income (expense)	(3.5)	1.7	(8.6)	(0.5)
Operating profit (loss)	(1.0)	52.6	25.2	111.0
Interest expense	(23.2)	(22.7)	(43.2)	(45.7)
Interest and other nonoperating income (expense)	(3.0)	(3.1)	(18.6)	(14.3)
Income (loss) from continuing operations before tax	(27.2)	26.8	(36.6)	51.0
Provision (benefit) for income taxes	(43.2)	12.7	(55.4)	22.4
Income from continuing operations	16.0	14.1	18.8	28.6
Loss from discontinued operations, net of tax	(0.8)	(0.1)	(0.8)	(0.1)
Net income	15.2	14.0	18.0	28.5
Less net income attributable to noncontrolling interests	2.3	1.5	3.3	2.3
Net income attributable to Brink's	12.9	12.5	14.7	26.2
Amounts attributable to Brink's				
Continuing operations	13.7	12.6	15.5	26.3
Discontinued operations	(0.8)	(0.1)	(0.8)	(0.1)
Net income attributable to Brink's	\$ 12.9	12.5	\$ 14.7	26.2
Income (loss) per share attributable to Brink's common shareholders^(a):				
Basic:				
Continuing operations	\$ 0.27	0.25	\$ 0.31	0.53
Discontinued operations	(0.02)	—	(0.02)	—
Net income	\$ 0.25	0.25	\$ 0.29	0.52
Diluted:				
Continuing operations	\$ 0.27	0.25	\$ 0.30	0.52
Discontinued operations	(0.01)	—	(0.02)	—
Net income	\$ 0.25	0.25	\$ 0.29	0.51
Weighted-average shares				
Basic	50.8	50.2	50.7	50.1
Diluted	51.0	50.9	51.2	50.9
Cash dividends paid per common share	\$ 0.15	0.15	\$ 0.30	0.30

(a) Amounts may not add due to rounding.

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Condensed Consolidated Statements of Comprehensive Income (Loss)
(Unaudited)

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income	\$ 15.2	14.0	\$ 18.0	28.5
Benefit plan adjustments:				
Benefit plan actuarial gains	13.2	9.0	31.8	20.3
Benefit plan prior service costs	(1.3)	(1.2)	(2.4)	(2.5)
Deferred profit sharing	—	0.1	—	0.1
Total benefit plan adjustments	11.9	7.9	29.4	17.9
Foreign currency translation adjustments	28.2	9.1	(92.1)	9.7
Losses on cash flow hedges	(2.6)	(10.6)	(17.3)	(18.5)
Other comprehensive income (loss) before tax	37.5	6.4	(80.0)	9.1
Provision (benefit) for income taxes	2.3	(0.7)	2.2	(0.2)
Other comprehensive income (loss)	35.2	7.1	(82.2)	9.3
Comprehensive income (loss)	50.4	21.1	(64.2)	37.8
Less comprehensive income attributable to noncontrolling interests	3.3	1.6	3.9	2.7
Comprehensive income (loss) attributable to Brink's	\$ 47.1	19.5	\$ (68.1)	35.1

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Condensed Consolidated Statements of Equity
(Unaudited)

(In millions)	Six Months ended June 30, 2020						
	Shares	Common Stock	Capital in Excess of Par Value	Retained Earnings	AOCI*	Noncontrolling Interests	Total
Balance as of December 31, 2019	50.1	\$ 50.1	663.3	457.4	(979.0)	15.8	207.6
Cumulative effect of change in accounting principle ^(a)	—	—	—	(1.7)	—	—	(1.7)
Net income	—	—	—	1.8	—	1.0	2.8
Other comprehensive loss	—	—	—	—	(117.0)	(0.4)	(117.4)
Dividends to:							
Brink's common shareholders (\$0.15 per share)	—	—	—	(7.5)	—	—	(7.5)
Noncontrolling interests	—	—	—	—	—	(0.7)	(0.7)
Share-based compensation:							
Stock awards and options:							
Compensation expense	—	—	7.2	—	—	—	7.2
Other share-based benefit transactions	0.4	0.4	(8.6)	(0.1)	—	—	(8.3)
Balance as of March 31, 2020	50.5	\$ 50.5	661.9	449.9	(1,096.0)	15.7	82.0
Net income	—	—	—	12.9	—	2.3	15.2
Other comprehensive income	—	—	—	—	34.2	1.0	35.2
Dividends to:							
Brink's common shareholders (\$0.15 per share)	—	—	—	(7.6)	—	—	(7.6)
Noncontrolling interests	—	—	—	—	—	(7.2)	(7.2)
Share-based compensation:							
Stock awards and options:							
Compensation expense	—	—	5.4	—	—	—	5.4
Other share-based benefit transactions	—	—	0.1	—	—	—	0.1
Acquisitions with noncontrolling interests	—	—	—	—	—	67.8	67.8
Balance as of June 30, 2020	50.5	\$ 50.5	667.4	455.2	(1,061.8)	79.6	190.9

(a) Effective January 1, 2020, we adopted the provisions of ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. We recognized a cumulative effect adjustment to January 1, 2020 retained earnings as a result of adopting this standard. See Note 1 for further details.

Six Months ended June 30, 2019

<i>(In millions)</i>	Shares	Common Stock	Capital in Excess of Par Value	Retained Earnings	AOCI*	Noncontrolling Interests	Total
Balance as of December 31, 2018	49.7	\$ 49.7	628.2	429.1	(953.3)	12.9	166.6
Cumulative effect of change in accounting principle ^(a)	—	—	—	28.8	(28.8)	—	—
Net income	—	—	—	13.7	—	0.8	14.5
Other comprehensive income	—	—	—	—	1.9	0.3	2.2
Shares repurchased	—	—	(0.5)	0.5	—	—	—
Dividends to:							
Brink's common shareholders (\$0.15 per share)	—	—	—	(7.4)	—	—	(7.4)
Share-based compensation:							
Stock awards and options:							
Compensation expense	—	—	9.4	—	—	—	9.4
Other share-based benefit transactions	0.2	0.2	(6.2)	—	—	—	(6.0)
Balance as of March 31, 2019	49.9	\$ 49.9	630.9	464.7	(980.2)	14.0	179.3
Net income (loss)	—	—	—	12.5	—	1.5	14.0
Other comprehensive loss	—	—	—	—	7.0	0.1	7.1
Dividends to:							
Brink's common shareholders (\$0.15 per share)	—	—	—	(7.5)	—	—	(7.5)
Noncontrolling interests	—	—	—	—	—	(0.2)	(0.2)
Share-based compensation:							
Stock awards and options:							
Compensation expense	—	—	16.7	—	—	—	16.7
Other share-based benefit transactions	0.1	0.1	0.1	—	—	—	0.2
Capital contributions from noncontrolling interest	—	—	—	—	—	0.1	0.1
Balance as of June 30, 2019	50.0	\$ 50.0	647.7	469.7	(973.2)	15.5	209.7

(a) Effective January 1, 2019, we adopted the provisions of ASU 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*. We recognized a cumulative effect adjustment to January 1, 2019 retained earnings as a result of adopting this standard. See Note 1 for further details.

* *Accumulated other comprehensive income (loss)*

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)

<i>(In millions)</i>	Six Months Ended June 30,	
	2020	2019
Cash flows from operating activities:		
Net income	\$ 18.0	28.5
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss from discontinued operations, net of tax	0.8	0.1
Depreciation and amortization	97.1	96.6
Share-based compensation expense	12.6	26.1
Deferred income taxes	21.9	(1.0)
Gains on sale of property, equipment and marketable securities	(3.3)	(1.1)
Gains on business dispositions	(4.7)	—
Impairment losses	4.9	1.6
Retirement benefit funding less than expense:		
Pension	6.1	1.9
Other than pension	4.7	7.1
Remeasurement losses due to Argentina currency devaluations	3.5	3.4
Other operating	16.2	(4.7)
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable and income taxes receivable	(87.1)	(56.3)
Accounts payable, income taxes payable and accrued liabilities	(91.3)	(29.8)
Restricted cash held for customers	5.3	(29.5)
Customer obligations	(11.3)	7.0
Prepaid and other current assets	(12.6)	(16.3)
Other	(40.8)	(9.7)
Net cash provided (used) by operating activities	(60.0)	23.9
Cash flows from investing activities:		
Capital expenditures	(53.9)	(73.1)
Acquisitions, net of cash acquired	(408.4)	(167.0)
Dispositions, net of cash disposed	(3.1)	—
Marketable securities:		
Purchases	(1.2)	(2.2)
Sales	0.6	0.8
Cash proceeds from sale of property and equipment	1.4	1.9
Acquisition of customer contracts	(5.2)	(3.1)
Net cash used by investing activities	(469.8)	(242.7)
Cash flows from financing activities:		
Borrowings (repayments) of debt:		
Short-term borrowings	(1.6)	0.1
Long-term revolving credit facilities:		
Borrowings	736.7	525.9
Repayments	(855.6)	(656.5)
Other long-term debt:		
Borrowings	994.3	334.9
Repayments	(44.6)	(25.4)
Payment of acquisition-related obligation	(6.8)	(1.5)
Debt financing costs	(11.5)	(4.0)
Dividends to:		
Shareholders of Brink's	(15.1)	(14.9)
Noncontrolling interests in subsidiaries	(7.9)	(0.2)
Tax withholdings associated with share-based compensation	(9.3)	(7.2)
Other	0.8	(1.7)
Net cash provided by financing activities	779.4	149.5
Effect of exchange rate changes on cash	(15.8)	0.5
Cash, cash equivalents and restricted cash:		
Increase (decrease)	233.8	(68.8)

Balance at beginning of period		469.0	479.5
Balance at end of period		\$ 702.8	410.7

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Notes to Condensed Consolidated Financial Statements
(Unaudited)

Note 1 - Basis of presentation

The Brink's Company (along with its subsidiaries, "Brink's" or "we") has three operating segments:

- North America
- South America
- Rest of World

Our unaudited interim condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial reporting and applicable quarterly reporting regulations of the Securities and Exchange Commission (the "SEC"). Accordingly, the unaudited condensed consolidated financial statements do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Operating results for interim periods are not necessarily indicative of the results that may be expected for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes in our Annual Report on Form 10-K for the year ended December 31, 2019.

We have made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these condensed consolidated financial statements. Actual results could differ materially from these estimates. The most significant estimates are related to goodwill and other long-lived assets, pension and other retirement benefit obligations, legal contingencies, allowance for doubtful accounts, deferred tax assets, purchase price allocations and foreign currency translation. Our estimates could be materially adversely affected in future periods by the coronavirus (COVID-19) pandemic, which began to have an adverse impact on our results of operations in the quarter ended March 31, 2020 through a reduction in global commerce, reducing the demand for our services and lowering volumes. As a result, we have experienced reduced revenues as some of our customers canceled or suspended service. Consequently we began to align our cost structure to the reduced demand for our services.

We expect a negative impact on volumes, revenues and operating results while the COVID-19 pandemic continues. Because of the significant uncertainty with respect to the magnitude of the impact and duration of the COVID-19 pandemic, future developments associated with the COVID-19 pandemic could materially adversely affect our financial position, results of operations, cash flows or our long-term liquidity position. We will continue to monitor developments affecting our condensed consolidated financial statements, including indicators that goodwill or other long-lived assets may be impaired, increases in valuation allowances for doubtful accounts or deferred tax assets may be necessary or other accruals that may increase or be necessary resulting from actions taken to reduce our cost structure or conserve our liquidity.

Consolidation

The condensed consolidated financial statements include our controlled subsidiaries. Control is determined based on ownership rights or, when applicable, based on whether we are considered to be the primary beneficiary of a variable interest entity. See "Venezuela" section below for further information. For controlled subsidiaries that are not wholly-owned, the noncontrolling interests are included in net income and in total equity.

Investments in businesses that we do not control, but for which we have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method and our proportionate share of income or loss is recorded in other operating income (expense). Investments in businesses for which we do not have the ability to exercise significant influence over operating and financial policies are accounted for at fair value, if readily determinable, with changes in fair value recognized in net income. For equity investments that do not have a readily determinable fair value, we measure these investments at cost minus impairment, if any, plus or minus changes from observable price changes. All intercompany accounts and transactions have been eliminated in consolidation.

Foreign Currency Translation

Our condensed consolidated financial statements are reported in U.S. dollars. Our foreign subsidiaries maintain their records primarily in the currency of the country in which they operate. The method of translating local currency financial information into U.S. dollars depends on whether the economy in which our foreign subsidiary operates has been designated as highly inflationary or not. Economies with a three-year cumulative inflation rate of more than 100% are considered highly inflationary.

Assets and liabilities of foreign subsidiaries in non-highly inflationary economies are translated into U.S. dollars using rates of exchange at the balance sheet date. Translation adjustments are recorded in other comprehensive income (loss). Revenues and expenses are translated at rates of exchange in effect during the year. Transaction gains and losses are recorded in net income.

Foreign subsidiaries that operate in highly inflationary countries use the U.S. dollar as their functional currency. Local currency monetary assets and liabilities are remeasured into U.S. dollars using rates of exchange as of each balance sheet date, with remeasurement adjustments

and other transaction gains and losses recognized in earnings. Other than nonmonetary equity securities, nonmonetary assets and liabilities do not fluctuate with changes in local currency exchange rates to the dollar. For nonmonetary equity securities traded in highly inflationary economies, the fair market value of the equity securities are remeasured at the current exchange rates to determine gain or loss to be recorded in net income. Revenues and expenses are translated at rates of exchange in effect during the year.

Argentina

We operate in Argentina through wholly owned subsidiaries and a smaller controlled subsidiary (together "Brink's Argentina"). Revenues from Brink's Argentina represented approximately 5% of our consolidated revenues for the first six months of 2020 and 6% of our consolidated revenues for the first six months of 2019.

The operating environment in Argentina continues to present business challenges, including ongoing devaluation of the Argentine peso and significant inflation. In the first six months of 2020 and 2019, the Argentine peso declined approximately 15% (from 59.9 to 70.4 pesos to the U.S. dollar) and approximately 12% (from 37.6 to 42.6 pesos to the U.S. dollar), respectively. For the year ended December 31, 2019, the Argentine peso declined approximately 37% (from 37.6 to 59.9 pesos to the U.S. dollar).

Beginning July 1, 2018, we designated Argentina's economy as highly inflationary for accounting purposes. As a result, we consolidated Brink's Argentina using our accounting policy for subsidiaries operating in highly inflationary economies beginning with the third quarter of 2018. Argentine peso-denominated monetary assets and liabilities are remeasured at each balance sheet date using the currency exchange rate then in effect, with currency remeasurement gains and losses recognized in earnings. In the first six months of 2020, we recognized a \$3.5 million pretax remeasurement loss. In the first six months of 2019, we recognized a \$3.4 million pretax remeasurement loss.

At June 30, 2020, Argentina's economy remains highly inflationary for accounting purposes. At June 30, 2020, we had net monetary assets denominated in Argentine pesos of \$25.0 million (including cash of \$21.1 million). At June 30, 2020, we had net nonmonetary assets of \$149.2 million (including \$99.8 million of goodwill). At June 30, 2020, we had no equity securities denominated in Argentine pesos.

During September 2019, the Argentine government announced currency controls on both companies and individuals. The Argentine central bank issued details as to how the exchange control procedures would operate in practice. Under these procedures, central bank approval is required for many transactions, including dividend repatriation abroad.

We have in the past and may elect in the future to utilize other market mechanisms to convert Argentine pesos into U.S. dollars. Conversions under these other market mechanisms have settled at rates that are generally less favorable than the rates at which we remeasured the financial statements of Brink's Argentina. We did not have any such conversions losses in the six months ended June 30, 2020.

Although the Argentine government has implemented currency controls, Brink's management continues to provide guidance and strategic oversight, including budgeting and forecasting for Brink's Argentina. We continue to control our Argentina business for purposes of consolidation of our financial statements and continue to monitor the situation in Argentina.

Venezuela

Our Venezuelan operations offer transportation and route-based logistics management services for cash and valuables throughout Venezuela. Currency exchange regulations, combined with other government regulations, such as price controls and strict labor laws, significantly limit our ability to make and execute operational decisions at our Venezuelan subsidiaries. As a result of these conditions, we do not meet the accounting criteria for control over our Venezuelan operations and, as a result, we report the results of our investment in our Venezuelan subsidiaries using the cost method of accounting, the basis of which approximates zero. Prior to the imposition of the U.S. government sanctions in 2019, we provided immaterial amounts of financial support to our Venezuela operations. We continue to monitor the situation in Venezuela, including the imposition of sanctions by the U.S. government targeting Venezuela.

Internal loss

A former non-management employee in our U.S. global services operations embezzled funds from Brink's in prior years. Except for a small deductible amount, the amount of the internal loss related to the embezzlement was covered by our insurance. In an effort to cover up the embezzlement, the former employee intentionally misstated the underlying accounts receivable subledger data. In 2019, we incurred \$4.5 million in costs (primarily third party expenses) to reconstruct the accounts receivables subledger. In the first six months of 2020, we incurred an additional \$0.2 million in costs related to this activity. In the third quarter of 2019, we were able to identify \$4.0 million of revenues billed and collected in prior periods which had never been recorded in the general ledger. We also identified and recorded \$0.3 million in bank fees, which had been incurred in prior periods. The rebuild of the subledger was completed during the third quarter of 2019. Based on the reconstructed subledger, we were able to analyze and quantify the uncollected receivables from prior periods. Although we plan to attempt to collect these receivables, we estimated an increase to bad debt expense of \$13.7 million in the third quarter of 2019.

The estimate of the allowance for doubtful accounts was adjusted in the fourth quarter of 2019 for an additional \$6.4 million and again in the first six months of 2020 for an additional \$10.6 million. This estimate will be adjusted in future periods, if needed, as assumptions related to the collectability of these accounts receivable change. At June 30, 2020, we have recorded a \$21.6 million allowance on \$25.0 million of accounts receivable, or 86%. We have defined accounts receivable impacted by the embezzlement as accounts receivable recorded as of and prior to the third quarter of 2019. Due to the unusual nature of this internal loss and the related errors in the subledger data, along with the fact that management has excluded these amounts when evaluating internal performance, we have excluded these net charges from segment results.

Goodwill

Goodwill is recognized for the excess of the purchase price over the fair value of tangible and identifiable intangible net assets of businesses acquired. We review goodwill for impairment annually, as of October 1, and whenever events or circumstances in interim periods indicate that it is more likely than not that an impairment may have occurred. Given the COVID-19 pandemic, impairment indicators were reviewed as of June 30, 2020 and we concluded that, due to decreases in our forecasted results, an impairment evaluation for all reporting units was necessary. We performed the interim impairment test as of April 30, 2020 and elected to forego the optional qualitative assessment and performed a quantitative goodwill impairment test instead. We estimated the fair value of each reporting unit using a weighting of three valuation methodologies: the Income Approach, the Public Company Market Multiple Method, and the Similar Transactions Method with greatest weight placed on the Income Approach. The resulting reporting unit fair values were compared to each reporting unit's carrying value. As a result of the evaluation, we concluded that the fair value of each reporting unit exceeded its carrying value for all reporting units, other than France, by a range of 21% to 199%. For the France reporting unit, although fair value exceeded carrying value by only 8%, goodwill related to the France reporting unit was not impaired. We assessed whether there were new events or circumstances as of the quarter end date of June 30, 2020 to roll forward the interim test conclusion and determined there was no impairment at that date. The France reporting unit had \$86.7 million of goodwill at June 30, 2020.

Restricted Cash

In France and Malaysia, we offer services to certain of our customers where we manage some or all of their cash supply chains. In connection with these offerings, we take temporary title to certain customers' cash, which is included as restricted cash in our financial statements due to customer agreement or regulation. In addition, in accordance with a revolving credit facility, we are required to maintain a restricted cash reserve of \$5.0 million and, due to this contractual restriction, we have classified this amount as restricted cash.

New Accounting Standards

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which requires the recognition of right-of-use assets and lease liabilities by lessees for certain leases classified as operating leases and also requires expanded disclosures regarding leasing activities. The accounting for financing leases (previously "capital leases") remains substantially unchanged. We adopted the standard effective January 1, 2019 and elected to adopt the new standard at the adoption date through a cumulative-effect adjustment to the opening balance of retained earnings. Under this approach, we will continue to report comparative periods under ASC 840. We elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed us to carry forward the historical lease classification. We also made an accounting policy election to exclude leases with an initial term of 12 months or less from the condensed consolidated balance sheet. We recognize those lease payments in the condensed consolidated statements of operations on a straight-line basis over the lease term. As part of this adoption, we implemented internal controls and key system functionality to enable the preparation of financial information. The adoption of the standard resulted in recording right-of-use assets of \$310.1 million and lease liabilities of \$320.3 million as of January 1, 2019. The right-of-use assets are lower than the lease liabilities as existing deferred rent and lease incentive liabilities were recorded as a reduction of the right-of-use assets at adoption in accordance with the standard. The standard did not affect our condensed consolidated statements of operations or our condensed consolidated statements of cash flows and did not result in a cumulative-effect adjustment to the opening balance of retained earnings. The standard had no impact on our debt-covenant compliance under our current agreements.

In February 2018, the FASB issued ASU 2018-02, *Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, which allows a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act of 2017 ("Tax Reform Act"). We adopted ASU 2018-02 effective January 1, 2019 and elected to recognize a cumulative-effect adjustment increasing retained earnings by \$28.8 million related to the change in the U.S. federal corporate tax rate.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, which changes the fair value measurement disclosure requirements. The amendments in this ASU eliminate some disclosures that are no longer considered cost beneficial, modify/clarify the specific requirements of certain disclosures and add disclosure requirements for Level 3 fair value measurements. We adopted ASU 2018-13 effective January 1, 2020 and the standard did not have a significant impact on our financial statements.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which changes the way entities recognize impairment of many financial assets. This new guidance requires immediate recognition of estimated credit losses expected to occur over the life of the asset and incorporates estimated, forward-looking data when measuring lifetime Estimated Credit Losses (ECL). The standard was designed to provide greater transparency and understanding of credit risk by requiring enhanced financial statement disclosures which fall into three general categories: ECL estimate methodology and assumptions, quantitative information and metrics, and policy and process explanations. We adopted the standard using the modified retrospective transition method. Results for the reporting period beginning January 1, 2020 are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP. We recognized a cumulative-effect adjustment decreasing retained earnings by \$1.7 million on January 1, 2020. The adoption of the standard also resulted in expanded disclosures related to credit losses (see Note 10).

In December 2019, the FASB issued ASU 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which removes certain exceptions for recognizing deferred taxes for investments, performing intraperiod tax allocations and calculating income taxes in interim periods. The ASU also adds guidance to reduce complexity in certain areas, including recognizing deferred taxes for tax goodwill and allocating taxes to members of a consolidated group. ASU 2019-12 will be effective for us on January 1, 2021. We are currently evaluating the impact it will have on our financial statements.

Note 2 - Revenue from Contracts with Customers

Performance Obligations

We provide various services to meet the needs of our customers and we group these service offerings into three broad categories: Core Services, High-Value Services and Other Security Services.

Core Services

Cash-in-transit ("CIT") and ATM services are core services we provide to customers throughout the world. We charge customers per service performed or based on the value of goods transported. CIT services generally involve the secure transportation of cash, securities and other valuables between businesses, financial institutions and central banks. ATM services are generally composed of management services, including cash replenishment and forecasting, remote monitoring, transaction processing, installation and maintenance.

High-Value Services

Our high-value services leverage our brand, global infrastructure and core services and include cash management services, global services and payment services. We offer a variety of cash management services such as currency and coin counting and sorting, deposit preparation and reconciliation, and safe device installation and servicing (including our CompuSafe® service). Our global services business provides secure ground, sea and air transportation and storage of highly-valued commodities including diamonds, jewelry, precious metals and other valuables. We also provide payment services which include bill payment and processing services on behalf of utility companies and other billers plus general purpose reloadable prepaid cards and payroll cards.

Other Security Services

Our other security services feature the protection of airports, offices, warehouses, stores, and public venues in Europe and Brazil.

For performance obligations related to the services described above, we generally satisfy our obligations as each action to provide the service to the customer occurs. Because the customers simultaneously receive and consume the benefits from our services, these performance obligations are deemed to be satisfied over time. We use an output method, units of service provided, to recognize revenue because that is the best method to represent the transfer of our services to the customer at the agreed upon rate for each action.

Although not as significant as our service offerings, we also sell goods to customers from time to time, such as safe devices. In those transactions, we satisfy our performance obligation at a point in time. We recognize revenue when the goods are delivered to the customer as that is the point in time that best represents when control has transferred to the customer.

Our contracts with customers describe the services we can provide along with the fees for each action to provide the service. We typically send invoices to customers for all of the services we have provided within a monthly period and payments are generally due within 30 to 60 days of the invoice date.

Although our customer contracts specify the fees for each action to provide service, the majority of the services stated in our contracts do not have a defined quantity over the contract term. Accordingly, the transaction price is considered variable as there is an unknown volume of services that will be rendered over the course of the contract. We recognize revenue for these services in the period in which they are provided to the customer based on the contractual rate at which we have the right to invoice the customer for each action.

Some of our contracts with customers contain clauses that define the level of service that the customer will receive. The service level agreements ("SLA") within those contracts contain specific calculations to determine whether the appropriate level of service has been met within a specific period, which is typically a month. We estimate SLA penalties and recognize the amounts as a reduction to revenue.

Taxes collected from customers and remitted to governmental authorities are not included in revenues in the condensed consolidated statements of operations.

Revenue Disaggregated by Reportable Segment and Type of Service

<i>(In millions)</i>	Core Services	High-Value Services	Other Security Services	Total
Three months ended June 30, 2020				
Reportable Segments:				
North America	\$ 204.0	145.1	—	349.1
South America	87.1	67.7	4.1	158.9
Rest of World	129.0	152.6	36.4	318.0
Total reportable segments	420.1	365.4	40.5	826.0
Three months ended June 30, 2019				
Reportable Segments:				
North America	\$ 279.8	162.7	—	442.5
South America	118.8	104.0	2.4	225.2
Rest of World	88.1	124.4	34.1	246.6
Total reportable segments	486.7	391.1	36.5	914.3
Not Allocated to Segments:				
Acquisitions and dispositions	—	(0.3)	—	(0.3)
Total	\$ 486.7	390.8	36.5	914.0
Six months ended June 30, 2020				
Reportable Segments:				
North America	\$ 478.2	315.2	—	793.4
South America	187.5	161.5	7.8	356.8
Rest of World	211.0	270.5	67.1	548.6
Total reportable segments	876.7	747.2	74.9	1,698.8
Six months ended June 30, 2019				
Reportable Segments:				
North America	\$ 557.0	320.0	—	877.0
South America	238.0	212.1	5.4	455.5
Rest of World	176.1	243.7	67.0	486.8
Total reportable segments	971.1	775.8	72.4	1,819.3
Not Allocated to Segments:				
Acquisitions and dispositions	—	(0.3)	—	(0.3)
Total	\$ 971.1	775.5	72.4	1,819.0

The majority of our revenues from contracts with customers are earned by providing services and these performance obligations are satisfied over time. Smaller amounts of revenues are earned from selling goods, such as safes, to customers where the performance obligations are satisfied at a point in time.

Certain of our high-value services involve the leasing of assets, such as safes, to our customers along with the regular servicing of those safe devices. Revenues related to the leasing of these assets are recognized in accordance with applicable lease guidance, but are included in the above table as the amounts are a small percentage of overall revenues.

Contract Balances
Contract Asset

Although payment terms and conditions can vary, for the majority of our customer contracts, we invoice for all of the services provided to the customer within a monthly period. For certain customer contracts, the timing of our performance may precede our right to invoice the customer for the total transaction price. For example, Brink's affiliates in certain countries, primarily in South America, negotiate annual price adjustments with certain customers and, once the price increases are finalized, the pricing changes are made retroactive to services provided in earlier periods. These retroactive pricing adjustments are estimated and recognized as revenue with a corresponding contract asset in the same period in which the related services are performed. As the estimate of the ultimate transaction price changes, we recognize a cumulative catch-up adjustment for the change in estimate. Contract assets are included in prepaid expenses and other on the condensed consolidated balance sheet.

Contract Liability

For other customer contracts, we may obtain the right to payment or receive customer payments prior to performing the related services under the contract. When the right to customer payments or receipt of payments precedes our performance, we recognize a contract liability, which is included in accrued liabilities on the condensed consolidated balance sheet.

The opening and closing balances of receivables, contract assets and contract liabilities related to contracts with customers are as follows:

<i>(In millions)</i>	Receivables	Contract Asset	Contract Liability
Opening (January 1, 2020)	\$ 635.6	1.9	12.8
Closing (June 30, 2020)	695.0	1.4	11.9
Increase (decrease)	\$ 59.4	(0.5)	(0.9)

The amount of revenue recognized in the six months ended June 30, 2020 that was included in the January 1, 2020 contract liability balance was \$9.4 million. This revenue consists of services provided to customers who had prepaid for those services prior to the current year.

We also recognized revenue of \$0.6 million in the six months ended June 30, 2020 from performance obligations satisfied in the prior year. This amount is a result of changes in the transaction price of our contracts with customers.

Contract Costs

Sales commissions directly related to obtaining new contracts with customers qualify for capitalization. These capitalized costs are amortized to expense ratably over the term of the contracts. At June 30, 2020, the net capitalized costs to obtain contracts was \$1.6 million, which is included in other assets on the condensed consolidated balance sheet. Amortization expense was not significant and there were no impairment losses recognized related to these contract costs in the first six months of 2020.

Practical Expedients

For the majority of our contracts with customers, we invoice a fixed amount for each unit of service we have provided. These contracts provide us with the right to invoice for an amount or rate that corresponds to the value we have delivered to our customers. The volume of services that will be provided to customers over the term is not known at inception of these contracts. Therefore, while the rate per unit of service is known, the transaction price itself is variable. For this reason, we recognize revenue from these contracts equal to the amount for which we have the contractual right to invoice the customers. Because we are not required to estimate variable consideration related to the transaction price in order to recognize revenue, we are also not required to estimate the variable consideration to provide certain disclosures. As a result, we have elected to use the optional exemption related to the disclosure of transaction prices, amounts allocated to remaining performance obligations and the future periods in which revenue will be recognized, sometimes referred to as backlog.

We have also elected to use the practical expedient for financing components related to our contract liabilities. We do not recognize interest expense on contracts for which the period between our receipt of customer payments and our service to the customer is one year or less.

Note 3 - Segment information

We identify our operating segments based on how our chief operating decision maker (“CODM”) allocates resources, assesses performance and makes decisions. Our CODM is our President and Chief Executive Officer. Our CODM evaluates performance and allocates resources to each operating segment based on a profit or loss measure which, at the reportable segment level, excludes the following:

- Corporate expenses - former non-segment and regional management costs, currency transaction gains and losses, adjustments to reconcile segment accounting policies to U.S. GAAP, and costs related to global initiatives are excluded from segment results.
- Other items not allocated to segments - certain significant items such as reorganization and restructuring actions that are evaluated on an individual basis by management and are not considered part of the ongoing activities of the business are excluded from segment results. We also exclude certain costs, gains and losses related to acquisitions and dispositions of assets and of businesses. Brink's Argentina is consolidated using our accounting policy for subsidiaries operating in highly inflationary economies. We have excluded from our segment results the impact of highly inflationary accounting in Argentina, including currency remeasurement losses. Incremental costs (primarily third party expenses) incurred related to the mitigation of material weaknesses and the implementation and adoption of ASU 2016-02, the new lease accounting standard effective for us January 1, 2019, are excluded from segment results. We have also excluded from our segment results net charges related to an internal loss in our U.S. global services operations. The net impact of the internal loss includes costs incurred to reconstruct an accounts receivable subledger as well as estimated bad debt expense for uncollectible receivables, partially offset by revenue billed and collected, but not previously recorded as a result of the former non-management employee's embezzlement activities.

The following table summarizes our revenues and segment profit for each of our reportable segments and reconciles these amounts to consolidated revenues and operating profit:

<i>(In millions)</i>	Revenues		Operating Profit	
	Three Months Ended June 30,		Three Months Ended June 30,	
	2020	2019	2020	2019
Reportable Segments:				
North America	\$ 349.1	442.5	\$ 17.9	46.4
South America	158.9	225.2	33.1	45.0
Rest of World	318.0	246.6	31.4	26.2
Total reportable segments	826.0	914.3	82.4	117.6
Reconciling Items:				
Corporate expenses:				
General, administrative and other expenses	—	—	(24.6)	(32.5)
Foreign currency transaction gains (losses)	—	—	(0.9)	(0.3)
Reconciliation of segment policies to GAAP ^(a)	—	—	16.3	4.0
Other items not allocated to segments:				
Reorganization and Restructuring	—	—	(39.0)	(10.6)
Acquisitions and dispositions	—	(0.3)	(30.9)	(22.6)
Argentina highly inflationary impact	—	—	(2.8)	(0.1)
Internal loss ^(b)	—	—	(1.2)	(2.6)
Reporting compliance ^(c)	—	—	(0.3)	(0.3)
Total	\$ 826.0	914.0	\$ (1.0)	52.6

(a) This line item includes an adjustment to bad debt expense reported by the segments to the estimated consolidated amount required by U.S. GAAP. This line item also includes an adjustment to expense recognized by our Mexican subsidiaries for an annual profit sharing incentive based on local taxable income. U.S. GAAP requires that this plan should be accounted for similar to income tax expense on an interim reporting basis.

(b) See details regarding the impact of the Internal Loss at Note 1.

(c) Costs (primarily third party expenses) related to accounting standard implementation. Additional information provided at page 45.

<i>(In millions)</i>	Revenues		Operating Profit	
	Six Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Reportable Segments:				
North America	\$ 793.4	877.0	\$ 50.9	90.4
South America	356.8	455.5	74.7	88.0
Rest of World	548.6	486.8	46.4	50.0
Total reportable segments	1,698.8	1,819.3	172.0	228.4
Reconciling Items:				
Corporate expenses:				
General, administrative and other expenses	—	—	(51.9)	(59.6)
Foreign currency transaction gains (losses)	—	—	(3.6)	0.6
Reconciliation of segment policies to GAAP ^(a)	—	—	19.8	4.2
Other items not allocated to segments:				
Reorganization and Restructuring	—	—	(44.6)	(14.1)
Acquisitions and dispositions	—	(0.3)	(50.0)	(39.8)
Argentina highly inflationary impact	—	—	(5.2)	(4.4)
Internal loss ^(b)	—	—	(10.8)	(2.6)
Reporting compliance ^(c)	—	—	(0.5)	(1.7)
Total	\$ 1,698.8	1,819.0	\$ 25.2	111.0

(a) This line item includes an adjustment to bad debt expense reported by the segments to the estimated consolidated amount required by U.S. GAAP. This line item also includes an adjustment to expense recognized by our Mexican subsidiaries for an annual profit sharing incentive based on local taxable income. U.S. GAAP requires that this plan should be accounted for similar to income tax expense on an interim reporting basis.

(b) See details regarding the impact of the Internal Loss at Note 1.

(c) Costs (primarily third party expenses) related to accounting standard implementation. Additional information provided at page 45.

<i>(in millions)</i>	June 30, 2020	December 31, 2019
Assets held by Reportable Segment		
North America	\$ 1,598.4	1,683.0
South America	730.7	806.1
Rest of World	1,999.6	1,006.8
Total reportable segments	4,328.7	3,495.9
Corporate items	442.5	267.9
Total	\$ 4,771.2	3,763.8

Note 4 - Retirement benefits

Pension plans

We have various defined-benefit pension plans covering eligible current and former employees. Benefits under most plans are based on salary and years of service.

The components of net periodic pension cost for our pension plans were as follows:

<i>(In millions)</i>	U.S. Plans		Non-U.S. Plans		Total	
	2020	2019	2020	2019	2020	2019
<i>Three months ended June 30,</i>						
Service cost	\$ —	—	3.0	2.4	3.0	2.4
Interest cost on projected benefit obligation	6.7	8.6	2.9	2.6	9.6	11.2
Return on assets – expected	(11.6)	(12.7)	(3.1)	(2.6)	(14.7)	(15.3)
Amortization of losses	7.2	4.8	1.2	1.0	8.4	5.8
Amortization of prior service credit	—	—	—	0.1	—	0.1
Settlement loss	—	—	0.1	0.6	0.1	0.6
Net periodic pension cost	\$ 2.3	0.7	4.1	4.1	6.4	4.8
<i>Six months ended June 30,</i>						
Service cost	\$ —	—	5.9	4.9	5.9	4.9
Interest cost on projected benefit obligation	13.3	17.1	5.3	5.2	18.6	22.3
Return on assets – expected	(23.1)	(25.4)	(5.7)	(5.2)	(28.8)	(30.6)
Amortization of losses	14.1	9.8	2.4	2.0	16.5	11.8
Amortization of prior service cost	—	—	—	0.1	—	0.1
Settlement loss	—	—	0.5	0.9	0.5	0.9
Net periodic pension cost	\$ 4.3	1.5	8.4	7.9	12.7	9.4

We did not make cash contributions to the primary U.S. pension plan in 2019 or the first six months of 2020. Based on assumptions described in our Annual Report on Form 10-K for the year ended December 31, 2019, we do not expect to make any additional contributions to the primary U.S. pension plan until 2022.

Retirement benefits other than pensions

We provide retirement healthcare benefits for eligible current and former U.S., Canadian, and Brazilian employees. Retirement benefits related to our former U.S. coal operations include medical benefits provided by the Pittston Coal Group Companies Employee Benefit Plan for United Mine Workers of America Represented Employees (the "UMWA plans") as well as costs related to Black Lung obligations.

The components of net periodic postretirement cost related to retirement benefits other than pensions were as follows:

<i>(In millions)</i>	UMWA Plans		Black Lung and Other Plans		Total	
	2020	2019	2020	2019	2020	2019
<i>Three months ended June 30,</i>						
Service cost	\$ —	—	0.1	0.1	0.1	0.1
Interest cost on accumulated postretirement benefit obligations	3.1	4.1	1.0	0.9	4.1	5.0
Return on assets – expected	(3.2)	(3.3)	—	—	(3.2)	(3.3)
Amortization of losses	4.1	3.8	2.1	1.2	6.2	5.0
Amortization of prior service (credit) cost	(1.1)	(1.2)	(0.2)	(0.1)	(1.3)	(1.3)
Net periodic postretirement cost	\$ 2.9	3.4	3.0	2.1	5.9	5.5
<i>Six months ended June 30,</i>						
Service cost	\$ —	—	0.1	0.1	0.1	0.1
Interest cost on accumulated postretirement benefit obligations	6.4	9.1	1.9	1.8	8.3	10.9
Return on assets – expected	(6.5)	(6.6)	—	—	(6.5)	(6.6)
Amortization of losses	8.1	8.9	4.1	2.3	12.2	11.2
Amortization of prior service credit	(2.3)	(2.3)	(0.2)	(0.2)	(2.5)	(2.5)
Net periodic postretirement cost	\$ 5.7	9.1	5.9	4.0	11.6	13.1

The components of net periodic pension cost and net periodic postretirement cost other than the service cost component are included in interest and other nonoperating income (expense) in the condensed consolidated statements of operations.

Note 5 - Income taxes

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
<i>Continuing operations</i>				
Provision (benefit) for income taxes (in millions)	\$ (43.2)	12.7	\$ (55.4)	22.4
Effective tax rate	158.8%	47.4%	151.4%	43.9%

2020 Compared to U.S. Statutory Rate

The effective income tax rate on continuing operations in the first six months of 2020 was greater than the 21% U.S. statutory tax rate primarily due to the geographical mix of earnings, the seasonality of book losses for which no tax benefit can be recorded, nondeductible expenses in Mexico, taxes on cross border payments and U.S. taxable income limitations, and the characterization of a French business tax as an income tax, partially offset by the tax benefits related to the distribution of share-based payments.

2019 Compared to U.S. Statutory Rate

The effective income tax rate on continuing operations in the first six months of 2019 was greater than the 21% U.S. statutory tax rate primarily due to the geographical mix of earnings, the seasonality of book losses for which no tax benefit can be recorded, nondeductible expenses in Mexico, taxes on cross border payments and the characterization of a French business tax as an income tax, partially offset by the tax benefits related to the distribution of share-based payments.

Note 6 - Acquisitions and Dispositions

Acquisitions

We account for business combinations using the acquisition method. Under the acquisition method of accounting, assets acquired and liabilities assumed from these operations are recorded at fair value on the date of acquisition. The condensed consolidated statements of operations include the results of operations for each acquired entity from the date of acquisition.

G4S plc ("G4S") Acquisitions

On February 26, 2020, we announced that we agreed to acquire the majority of the cash management operations of U.K.-based G4S, with closings planned in multiple phases in 2020. In March 2020, we acquired 100% of the capital stock of G4S International Logistics Group Limited, a company which directly or indirectly owns controlling interests in multiple businesses providing secure international transportation of valuables. In April 2020, we acquired cash management operations from G4S located in the Netherlands, Belgium, Ireland, Hong Kong, Cyprus, Romania, the Czech Republic, Malaysia and the Dominican Republic. In June 2020, we acquired G4S' cash management operations in the Philippines. For the majority of the acquisitions in the second quarter of 2020, we acquired 100% of the ownership interests. In Malaysia, the Dominican Republic and the Philippines, we acquired ownership interests of less than 100%. We believe that we meet the accounting criteria for consolidating these subsidiaries. In the aggregate, the purchase consideration for the G4S acquisitions in the first half of 2020 is \$694.7 million. The operations we have acquired through June 30, 2020, which represent approximately 80% of the total estimated purchase price, generate approximately \$690 million in annual revenues.

The contingent consideration noted in the following table below is related to the acquisition of the Malaysia operations. The consideration will be paid when minimum dividend distributions are received by Brink's relating to cash on the balance sheets of the Malaysia subsidiaries as of the acquisition date. We used a probability-weighted approach to estimate the fair value of the contingent consideration. The fair value of the contingent consideration reflected in the table below is the full \$38 million that remains potentially payable as of June 30, 2020 as we believe it is unlikely that the contingent consideration payments will be reduced.

We have provisionally estimated fair values for the assets purchased, liabilities assumed and purchase consideration as of the date of the acquisition in the following table. The determination of estimated fair value required management to make significant estimates and assumptions. The amounts reported are considered provisional as we are completing the valuations that are required to allocate the purchase price in areas such as property and equipment, intangible assets, lease-related assets and liabilities, deferred taxes and goodwill. As a result, the allocation of the provisional purchase price may change in the future.

<i>(In millions)</i>	Estimated Fair Value at Acquisition Date	
Fair value of purchase consideration		
Cash paid through June 30, 2020	\$	651.2
Contingent consideration		38.0
Liabilities assumed from seller		9.4
Receivable from seller		(3.9)
Fair value of purchase consideration	\$	694.7
Fair value of net assets acquired		
Cash	\$	214.3
Restricted cash		30.1
Accounts receivable		129.5
Other current assets		22.6
Property and equipment, net		123.1
Right-of-use assets, net		72.0
Intangible assets ^(a)		157.7
Goodwill ^(b)		370.3
Other noncurrent assets		19.3
Current liabilities		(229.8)
Lease liabilities		(58.2)
Other noncurrent liabilities		(88.4)
Fair value of net assets acquired	\$	762.5
Less: Fair value of noncontrolling interest		(67.8)
Fair value of purchase consideration	\$	694.7

(a) Intangible assets are composed of customer relationships (\$158 million fair value and 15 year amortization period).

(b) Consists of intangible assets that do not qualify for separate recognition, combined with synergies expected from integrating G4S operations with our existing operations. Goodwill has been provisionally assigned to the Global Markets-EMEA reporting unit (\$257 million), the Global Markets-Asia reporting unit (\$97 million) and the Global Markets-South America reporting unit (\$5 million). Approximately \$12 million of goodwill has not been assigned to a reporting unit as of June 30, 2020. We do not currently expect goodwill in these reporting units to be deductible for tax purposes.

Rodoban Transportes Aereos e Terrestres Ltda., Rodoban Servicos e Sistemas de Seguranca Ltda., and Rodoban Seguranca e Transporte de Valores Ltda ("Rodoban")

On January 4, 2019, we acquired 100% of the capital stock of Rodoban in Brazil for \$134 million. Rodoban provides cash-in-transit, money processing and ATM services and generates annual revenues of approximately \$80 million. The Rodoban business expanded our operations in southeastern Brazil and is integrated with our existing Brink's Brazil operations. Rodoban has approximately 2,900 employees, 13 branches and about 190 armored vehicles across its operations.

We estimated fair values for the assets purchased, liabilities assumed and purchase consideration as of the date of the acquisition in the following table. The determination of estimated fair value required management to make significant estimates and assumptions. We finalized our purchase price accounting in the fourth quarter of 2019. There were no significant changes to our fair value estimates of the net assets acquired of Rodoban.

<i>(In millions)</i>	Fair Value at Acquisition Date	
Fair value of purchase consideration		
Cash paid through June 30, 2020	\$	135.7
Indemnification asset		(1.9)
Fair value of purchase consideration	\$	133.8
Fair value of net assets acquired		
Cash	\$	1.4
Accounts receivable		8.9
Other current assets		0.5
Property and equipment, net		2.4
Intangible assets ^(a)		49.0
Goodwill ^(b)		85.1
Other noncurrent assets		5.8
Current liabilities		(11.4)
Noncurrent liabilities		(7.9)
Fair value of net assets acquired	\$	133.8

(a) Intangible assets are composed of customer relationships (\$47 million fair value and 11 year amortization period), trade name (\$1 million fair value and 1 year amortization period), and non-compete agreement (\$1 million fair value and 5 year amortization period).

(b) Consists of intangible assets that do not qualify for separate recognition, combined with synergies expected from integrating Rodoban's operations with our existing Brink's Brazil operations. All of the goodwill has been assigned to the Brazil reporting unit and is expected to be deductible for tax purposes.

Other acquisitions in 2019

On June 12, 2019, we acquired 100% of the capital stock of Balance Innovations, LLC and its wholly owned subsidiary, Balance Innovations Services, Inc. (together "BI"). BI develops and licenses software that provides real-time data to optimize operations for general retail and convenience store industries throughout the United States and Canada. This acquisition enhances our ability to deliver technology-enabled, end-to-end retail cash management services.

On June 14, 2019, we acquired 100% of the capital stock of Comercio Eletronico Facil Ltda. ("COMEF"), a Brazil-based company. COMEF offers bank correspondent services and bill payment processing and is expected to supplement our existing Brazilian payment services businesses.

On September 30, 2019, we acquired 100% of the capital stock of Transportadora de Valores del Sur Limitada and its wholly owned subsidiary, TVS Pagos, Recaudos y Procesos S.A.S. (together "TVS"). TVS provides cash in transit and money processing services in Colombia. This acquisition is expected to provide opportunities for branch consolidation and route efficiencies and position our existing Colombian business as well as TVS to more effectively service our customers.

The aggregate purchase price of these three business acquisitions (BI, COMEF and TVS) was approximately \$49 million. Together, these three acquired operations have approximately 1,300 employees.

For these three business acquisitions (BI, COMEF and TVS), we estimated fair values for the assets purchased and liabilities assumed as of the date of the acquisitions. These estimated amounts are aggregated in the following table. The determination of estimated fair value required management to make significant estimates and assumptions. We finalized our purchase price accounting in the second quarter of 2020 for BI and COMEF and there were no significant changes to our fair value estimates of the net assets acquired for these acquisitions. The amounts reported for TVS are considered provisional as we continue to finalize our purchase price allocation for that acquisition.

<i>(In millions)</i>	Estimated Fair Value at Acquisition Date	
Fair value of purchase consideration		
Cash paid through June 30, 2020	\$	60.2
Contingent consideration		1.6
Indemnification asset		(12.9)
Fair value of purchase consideration	\$	48.9
Fair value of net assets acquired		
Cash	\$	6.5
Accounts receivable		4.5
Property and equipment, net		7.1
Intangible assets ^(a)		24.4
Goodwill ^(b)		33.8
Other current and noncurrent assets		1.9
Current liabilities		(15.2)
Noncurrent liabilities		(14.1)
Fair value of net assets acquired	\$	48.9

(a) Intangible assets are composed of developed technology, customer relationships and trade names.

(b) Consists of intangible assets that do not qualify for separate recognition, combined with synergies expected from integrating these acquired operations into our existing operations. The goodwill from these acquisitions have been assigned to the following reporting units: BI (U.S.), COMEF (Brazil) and TVS (Global Markets - South America). We expect goodwill related to BI to be deductible for tax purposes. We do not expect goodwill related to COMEF or TVS to be deductible for tax purposes.

Actual and Pro forma disclosures

Below are the actual results included in Brink's consolidated results for the businesses we acquired in the first six months of 2020.

<i>(In millions)</i>	Revenue	Net income (loss) attributable to Brink's
Three months ended June 30, 2020		
G4S	\$ 123.5	2.6
Total	\$ 123.5	2.6
Six months ended June 30, 2020		
G4S	\$ 128.9	3.0
Total	\$ 128.9	3.0

The pro forma consolidated results of Brink's presented below reflect a hypothetical ownership as of January 1, 2018 for the businesses we acquired during 2019 and a hypothetical ownership as of January 1, 2019 for the businesses we acquired in the first six months of 2020.

<i>(In millions)</i>	Revenue	Net income (loss) attributable to Brink's
Pro forma results of Brink's for the three months ended June 30,		
2020		
Brink's as reported	\$ 826.0	12.9
G4S ^(a)	19.5	(0.2)
Total	\$ 845.5	12.7
2019		
Brink's as reported	\$ 914.0	12.5
G4S ^(a)	172.5	2.3
Other acquisitions ^(a)	9.0	0.5
Total	\$ 1,095.5	15.3
Pro forma results of Brink's for the six months ended June 30,		
2020		
Brink's as reported	\$ 1,698.8	14.7
G4S ^(a)	166.5	(1.4)
Total	\$ 1,865.3	13.3
2019		
Brink's as reported	\$ 1,819.0	26.2
G4S ^(a)	345.0	4.6
Rodoban ^(a)	0.6	—
Other 2019 acquisitions ^(a)	21.9	1.0
Total	\$ 2,186.5	31.8

(a) Represents amounts prior to acquisition by Brink's.

Acquisition costs

We have incurred \$16.1 million in transaction costs related to business acquisitions in the first six months of 2020 (compared to \$1.9 million in the first six months of 2019). These costs are classified in the condensed consolidated statements of operations as selling, general and administrative expenses.

Dispositions

On January 1, 2020, we sold 100% of our ownership interest in a French security services company for a net sales price of approximately \$11 million. We recognized a \$4.7 million gain on the sale of this business, which is reported in interest and other nonoperating income (expense) in the condensed consolidated statements of operations. The French security services company was part of the Rest of World reportable segment and reported revenues of \$3 million in 2019.

Note 7 - Accumulated other comprehensive income (loss)

Other comprehensive income (loss), including the amounts reclassified from accumulated other comprehensive loss into earnings, was as follows:

(In millions)	Amounts Arising During the Current Period		Amounts Reclassified to Net Income (Loss)		Total Other Comprehensive Income (Loss)
	Pretax	Income Tax	Pretax	Income Tax	
<i>Three months ended June 30, 2020</i>					
Amounts attributable to Brink's:					
Benefit plan adjustments	\$ (1.5)	0.2	13.4	(3.3)	8.8
Foreign currency translation adjustments ^(b)	27.2	—	—	—	27.2
Gains (losses) on cash flow hedges	(1.4)	0.1	(1.2)	0.7	(1.8)
	24.3	0.3	12.2	(2.6)	34.2
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	1.0	—	—	—	1.0
	1.0	—	—	—	1.0
Total					
Benefit plan adjustments ^(a)	(1.5)	0.2	13.4	(3.3)	8.8
Foreign currency translation adjustments ^(b)	28.2	—	—	—	28.2
Gains (losses) on cash flow hedges ^(c)	(1.4)	0.1	(1.2)	0.7	(1.8)
	\$ 25.3	0.3	12.2	(2.6)	35.2
<i>Three months ended June 30, 2019</i>					
Amounts attributable to Brink's:					
Benefit plan adjustments	\$ (2.3)	0.4	10.2	(2.4)	5.9
Foreign currency translation adjustments	9.0	—	—	—	9.0
Gains (losses) on cash flow hedges	(14.2)	3.9	3.6	(1.2)	(7.9)
	(7.5)	4.3	13.8	(3.6)	7.0
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	0.1	—	—	—	0.1
	0.1	—	—	—	0.1
Total					
Benefit plan adjustments ^(a)	(2.3)	0.4	10.2	(2.4)	5.9
Foreign currency translation adjustments	9.1	—	—	—	9.1
Gains (losses) on cash flow hedges ^(c)	(14.2)	3.9	3.6	(1.2)	(7.9)
	\$ (7.4)	4.3	13.8	(3.6)	7.1

(In millions)	Amounts Arising During the Current Period		Amounts Reclassified to Net Income (Loss)		Total Other Comprehensive Income (Loss)
	Pretax	Income Tax	Pretax	Income Tax	
<i>Six months ended June 30, 2020</i>					
Amounts attributable to Brink's:					
Benefit plan adjustments	\$ 2.7	0.3	26.7	(6.4)	23.3
Foreign currency translation adjustments ^(b)	(92.7)	—	—	—	(92.7)
Gains (losses) on cash flow hedges	8.6	(5.2)	(25.9)	9.1	(13.4)
	(81.4)	(4.9)	0.8	2.7	(82.8)
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	0.6	—	—	—	0.6
	0.6	—	—	—	0.6
Total					
Benefit plan adjustments ^(a)	2.7	0.3	26.7	(6.4)	23.3
Foreign currency translation adjustments ^(b)	(92.1)	—	—	—	(92.1)
Gains (losses) on cash flow hedges ^(c)	8.6	(5.2)	(25.9)	9.1	(13.4)
	\$ (80.8)	(4.9)	0.8	2.7	(82.2)

Six months ended June 30, 2019

Amounts attributable to Brink's:					
Benefit plan adjustments	\$ (3.6)	0.6	21.5	(5.1)	13.4
Foreign currency translation adjustments	9.3	—	—	—	9.3
Gains (losses) on cash flow hedges	(19.5)	5.0	1.0	(0.3)	(13.8)
	(13.8)	5.6	22.5	(5.4)	8.9
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	0.4	—	—	—	0.4
	0.4	—	—	—	0.4
Total					
Benefit plan adjustments ^(a)	(3.6)	0.6	21.5	(5.1)	13.4
Foreign currency translation adjustments	9.7	—	—	—	9.7
Gains (losses) on cash flow hedges ^(c)	(19.5)	5.0	1.0	(0.3)	(13.8)
	\$ (13.4)	5.6	22.5	(5.4)	9.3

- (a) The amortization of actuarial losses and prior service cost is part of total net periodic retirement benefit cost when reclassified to net income. Net periodic retirement benefit cost also includes service cost, interest cost, expected return on assets, and settlement losses. Total service cost is allocated between cost of revenues and selling, general and administrative expenses on a plan-by-plan basis and the remaining net periodic retirement benefit cost items are allocated to interest and other nonoperating income (expense):

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Total net periodic retirement benefit cost included in:				
Cost of revenues	\$ 2.6	1.9	\$ 5.0	3.8
Selling, general and administrative expenses	0.5	0.6	1.0	1.2
Interest and other nonoperating income (expense)	9.2	7.8	18.3	17.5

- (b) 2020 foreign currency translation adjustment amounts arising during the current period reflect primarily the Mexican peso, Brazilian real and the Argentine peso.
- (c) Pretax gains and losses on cash flow hedges are classified in the condensed consolidated statements of operations as:
- other operating income (expense) (\$3.7 million gain in the three months ended June 30, 2020 and \$2.4 million of losses in the three months ended June 30, 2019; as well as \$29.8 million gain in the six months ended June 30, 2020 and \$1.4 million gain in the six months ended June 30, 2019)
 - interest expense (\$2.4 million of expense in the three months ended June 30, 2020 and \$1.3 million of expense in the three months ended June 30, 2019; as well as \$3.9 million of expense in the six months ended June 30, 2020 and \$2.5 million of expense in the six months ended June 30, 2019).

The changes in accumulated other comprehensive loss attributable to Brink's are as follows:

<i>(In millions)</i>	Benefit Plan Adjustments	Foreign Currency Translation Adjustments	Gains (Losses) on Cash Flow Hedges	Total
Balance as of December 31, 2019	\$ (583.0)	(382.8)	(13.2)	(979.0)
Other comprehensive income (loss) before reclassifications	3.0	(92.7)	3.4	(86.3)
Amounts reclassified from accumulated other comprehensive loss to net income	20.3	—	(16.8)	3.5
Other comprehensive income (loss) attributable to Brink's	23.3	(92.7)	(13.4)	(82.8)
Balance as of June 30, 2020	\$ (559.7)	(475.5)	(26.6)	(1,061.8)

Note 8 - Fair value of financial instruments

Investments in Marketable Securities

We have investments in mutual funds and equity securities that are carried at fair value in the financial statements. For these investments, fair value was based on quoted market prices, which we have categorized as a Level 1 valuation.

Fixed-Rate Debt

The fair value and carrying value of our material fixed-rate debt are as follows:

<i>(In millions)</i>	June 30, 2020	December 31, 2019
\$600 million Senior unsecured notes		
Carrying value	\$ 600.0	600.0
Fair value	581.7	624.7
\$400 million Senior unsecured notes		
Carrying value	400.0	—
Fair value	394.9	—

The fair value estimate of our senior unsecured notes was based on the present value of future cash flows, discounted at rates for similar instruments at the measurement date, which we have categorized as a Level 3 valuation.

Forward and Swap Contracts

We have outstanding foreign currency forward and swap contracts to hedge transactional risks associated with foreign currencies. At June 30, 2020, the notional value of our short term outstanding foreign currency forward and swap contracts was \$142 million, with average maturities of approximately one month. These foreign currency forward and swap contracts primarily offset exposures in the euro, the British pound and the Brazilian real and are not designated as hedges for accounting purposes. Accordingly, changes in their fair value are recorded immediately in earnings. At June 30, 2020, the fair value of our short term foreign currency contracts was an asset of approximately \$3.9 million and was included in prepaid expenses and other on the condensed consolidated balance sheet. At December 31, 2019, the fair value of these foreign currency contracts was a net asset of approximately \$0.6 million, of which \$0.8 million was included in prepaid expenses and other and \$0.2 million was included in accrued liabilities on the condensed consolidated balance sheet.

Amounts under these contracts were recognized in other operating income (expense) and in interest and other nonoperating income and expense as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Derivative instrument gains (losses) included in other operating income (expense)	\$ 2.6	(1.4)	\$ 3.9	2.5
Derivative instrument gains (losses) included in other nonoperating income (expense) ^(a)	(0.4)	—	(8.1)	—

(a) Represents loss on foreign currency forward contracts related to 2020 acquisition of business operations from G4S.

In the first quarter of 2019, we entered into a long term cross currency swap contract to hedge exposure in Brazilian real, which is designated as a cash flow hedge for accounting purposes. At June 30, 2020, the notional value of this long term contract was \$110 million with a weighted-average maturity of 2.1 years. At June 30, 2020, the fair value of the long term cross currency swap contract was a \$29.2 million net asset, of which \$3.9 million is included in prepaid expenses and other and \$25.3 million is included in other assets on the condensed consolidated balance sheet. At December 31, 2019, the fair value of the long term cross currency swap contract was a \$2.1 million net asset, of which a \$4.9 million asset is included in other assets and a \$2.8 million liability is included in accrued liabilities on the condensed consolidated balance sheet.

Amounts under this contract were recognized in other operating income (expense) to offset transaction gains or losses and in interest expense as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Derivative instrument gains (losses) included in other operating income (expense)	\$ 3.7	(2.4)	\$ 29.8	1.4
Offsetting transaction gains (losses)	(3.7)	2.4	(29.8)	(1.4)
Derivative instrument gains (losses) included in interest expense	(0.3)	(1.3)	(1.0)	(2.7)
Net gain (loss) on derivative instrument	3.4	(3.7)	28.8	(1.3)

In the first quarter of 2016, we entered into two interest rate swaps to hedge cash flow risk associated with changes in variable interest rates and that are designated as cash flow hedges for accounting purposes. At June 30, 2020, the notional value of these contracts was \$40 million with a remaining weighted-average maturity of 0.4 years. At June 30, 2020, the fair value of these interest rate swaps was a liability of \$0.3 million and was included in accrued liabilities on the condensed consolidated balance sheet. At December 31, 2019, the fair value of these interest rate swaps was an asset of \$0.2 million and was included in prepaid expenses and other on the condensed consolidated balance sheet. The effect of these swaps is included in interest expense and was not significant in the first six months of 2020 or 2019.

In the first quarter of 2019, we entered into ten interest rate swaps that hedge cash flow risk associated with changes in variable interest rates and that are designated as cash flow hedges for accounting purposes. At June 30, 2020, the notional value of these contracts was \$400 million with a remaining weighted-average maturity of 1.8 years. At June 30, 2020, the fair value of these interest rate swaps was a net liability of \$34.2 million, of which \$9.6 million was included in accrued liabilities and \$24.6 million was included in other liabilities on the condensed consolidated balance sheet. At December 31, 2019, the fair value of these interest rate swaps was a net liability of \$15.0 million, of which \$3.6 million was included in accrued liabilities and \$11.4 million was included in other liabilities on the condensed consolidated balance sheet.

The effect of these swaps is included in interest expense. The amounts recognized in the 2019 periods were not significant.

<i>(In millions)</i>	Three Months Ended June 30, 2020	Six Months Ended June 30, 2020
Derivative instrument losses included in interest expense	\$ 2.1	2.9

The fair values of these forward and swap contracts are based on the present value of net future cash payments and receipts, which we have categorized as a Level 2 valuation.

Other Financial Instruments

Other financial instruments include cash and cash equivalents, accounts receivable, floating rate debt, accounts payable and accrued liabilities. The financial statement carrying amounts of these items approximate the fair value.

There were no transfers in or out of any of the levels of the valuation hierarchy in the first six months of 2020.

Note 9 - Debt

<i>(In millions)</i>	June 30, 2020	December 31, 2019
Debt:		
Short-term borrowings		
Restricted cash borrowings ^(a)	\$ 10.3	10.3
Other	1.8	4.0
Total short-term borrowings	\$ 12.1	14.3
Long-term debt		
Bank credit facilities:		
Term loan A ^(b)	\$ 1,326.3	767.0
Senior unsecured notes ^(c)	986.6	592.9
Revolving Credit Facility	—	115.0
Other	8.2	4.9
Financing leases	150.2	149.5
Total long-term debt	\$ 2,471.3	1,629.3
Total debt	\$ 2,483.4	1,643.6
Included in:		
Current liabilities	\$ 120.8	88.8
Noncurrent liabilities	2,362.6	1,554.8
Total debt	\$ 2,483.4	1,643.6

(a) These amounts are for short-term borrowings related to cash borrowed under lending arrangements used in the process of managing customer cash supply chains, which is currently classified as restricted cash and not available for general corporate purposes. See Note 13 for more details.

(b) Amounts outstanding are net of unamortized debt costs of \$6.3 million as of June 30, 2020 and \$3.0 million as of December 31, 2019.

(c) Amounts outstanding are net of unamortized debt costs of \$13.4 million as of June 30, 2020 and \$7.1 million as of December 31, 2019.

Long-Term Debt

Senior Secured Credit Facility

In April 2020, we amended our senior secured credit facility (the "Senior Secured Credit Facility") with Bank of America, N.A. as administrative agent to increase the term loan borrowing by \$590 million. After the amendment, the Senior Secured Credit Facility consisted of a \$1 billion revolving credit facility (the "Revolving Credit Facility") and we had borrowed a total of \$1,390 million of term loans thereunder (the "Term Loans"). Prior to the amendment, the balance of outstanding Term Loans was approximately \$760 million. The proceeds of the incremental term loan borrowings were used to repay outstanding principal under the Revolving Credit Facility as well as certain fees, costs and expenses related to the closing of the G4S acquisition.

In June 2020, we amended our Revolving Credit Facility to, among other things, change the methodology for calculating the company's leverage ratio by using a net first lien leverage ratio (net secured debt leverage ratio) instead of a total net debt leverage ratio. Under the amended agreement, the maximum net first lien leverage ratio for the remainder of 2020 is 4.25x. The pricing grid in the Senior Secured Facility remains unchanged, except for the addition of a fifth tier if the total net debt leverage ratio equals or exceeds 4.0x.

All Loans under the Revolving Credit Facility and the Term Loans will mature five years after the first amendment date (on February 8, 2024). Principal payments for the Term Loans are due quarterly in an amount equal to 1.25% of the initial loan amount with a final lump sum payment due on February 8, 2024. Interest rates for the Senior Secured Credit Facility are based on LIBOR plus a margin or an alternate base rate plus a margin. The Revolving Credit Facility allows us to borrow money or issue letters of credit (or otherwise satisfy credit needs) on a revolving basis over the term of the facility. As of June 30, 2020, \$1,000 million was available under the Revolving Credit Facility. The obligations under the Senior Secured Credit Facility are secured by a first-priority lien on all or substantially all of the assets of the Company and certain of its domestic subsidiaries, including a first-priority lien on equity interests of certain of the Company's direct and indirect subsidiaries. The Company and certain of its domestic subsidiaries also guarantee the obligations under the Senior Secured Credit Facility.

The margin on both LIBOR and alternate base rate borrowings under the Senior Secured Credit Facility is based on the Company's total net debt leverage ratio. The margin on LIBOR borrowings, which can range from 1.25% to 2.50%, was 1.75% at June 30, 2020. The margin on alternate base rate borrowings, which can range from 0.25% to 1.50%, was 0.75% as of June 30, 2020. We also pay an annual commitment fee on the unused portion of the Revolving Credit Facility based on the Company's total net leverage ratio. The commitment fee, which can range from 0.15% to 0.35%, was 0.25% as of June 30, 2020.

Senior Unsecured Notes

In June 2020, we issued at par five-year senior unsecured notes (the "2020 Senior Notes") in the aggregate principal amount of \$400 million. The 2020 Senior Notes will mature on July 15, 2025 and bear an annual interest rate of 5.5%. The 2020 Senior Notes are general unsecured obligations guaranteed by certain of the Company's existing and future U.S. subsidiaries, which are also guarantors under the Senior Secured Credit Facility.

In October 2017, we issued at par ten-year senior unsecured notes (the "2017 Senior Notes" and together with the 2020 Senior Notes, the "Senior Notes") in the aggregate principal amount of \$600 million. The 2017 Senior Notes will mature on October 15, 2027 and bear an annual interest rate of 4.625%. The 2017 Senior Notes are general unsecured obligations guaranteed by certain of the Company's existing and future U.S. subsidiaries, which are also guarantors under the Senior Secured Credit Facility.

The Senior Notes have not been and will not be registered under the Securities Act of 1933 (the "Securities Act") or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. The notes were offered in the United States only to persons reasonably believed to be qualified institutional buyers in reliance on the exception from registration set forth in Rule 144A under the Securities Act and outside the United States to non-U.S. persons pursuant to Regulation S under the Securities Act.

Letter of Credit Facilities and Bank Guarantee Facilities

We have three committed letter of credit facilities totaling \$58 million, of which approximately \$12 million was available at June 30, 2020. At June 30, 2020, we had undrawn letters of credit and guarantees of \$46 million issued under these facilities. A \$10 million facility expires in April 2022, a \$32 million facility expires in December 2022 and a \$16 million facility expires in January 2024.

We have two uncommitted letter of credit facilities totaling \$55 million, of which approximately \$33 million was available at June 30, 2020. At June 30, 2020, we had undrawn letters of credit and guarantees of \$22 million issued under these facilities. A \$40 million facility expires in December 2020 and a \$15 million facility has no expiration date.

The Senior Secured Credit Facility is also available for issuance of letters of credit and bank guarantees.

The Senior Secured Credit Facility, Senior Unsecured Notes, the Letter of Credit Facilities and Bank Guarantee Facilities contain various financial and other covenants. The financial covenants, among other things, limit our ability to provide liens, restrict fundamental changes, limit transactions with affiliates and unrestricted subsidiaries, restrict changes to our fiscal year and to organizational documents, limit asset dispositions, limit the use of proceeds from asset sales, limit sale and leaseback transactions, limit investments, limit the ability to incur debt, restrict certain payments to shareholders, limit negative pledges, limit the ability to change the nature of our business, provide for a maximum consolidated net leverage ratio and provide for minimum coverage of interest costs. If we were not to comply with the terms of our various financing agreements, the repayment terms could be accelerated and the commitments could be withdrawn. An acceleration of the repayment terms under one agreement could trigger the acceleration of the repayment terms under the other financing agreements. We were in compliance with all covenants at June 30, 2020.

Note 10 - Credit losses

We are exposed to credit losses primarily through sales of our Core and High-Value services to customers with operations in the U.S. as well as customers in more than 100 countries outside the U.S. We typically invoice our customers on a monthly basis and payment terms are generally between 30 and 60 days.

We assess our financial assets on a pool basis by aggregating financial assets with similar risk characteristics. We have pooled the financial assets by geographical location, specifically by country, because of the similarities within each country such as customers, payment terms, and services offered. Loss experience is monitored for each pool and we determine historical loss rates for each pool. These historical loss rates are the main assumption used in estimating expected credit losses over the life of the financial assets.

We monitor the aging of accounts receivables by country and write off any accounts that are deemed uncollectible. We also monitor any significant economic events to identify any current or expected trends and risks within a pool that could impact the collectability of outstanding accounts receivables balances that were not contemplated or relevant during a previous period.

The following table is a rollforward of the allowance for bad debts for the six month period ending June 30, 2020.

Allowance for doubtful accounts:

(In millions)

December 31, 2019	\$	30.2
Cumulative effect of change in accounting principle		2.3
Provision for uncollectible accounts receivable ^(a)		13.1
Write-offs less recoveries		(1.4)
Foreign currency exchange effects		(0.7)
June 30, 2020	\$	43.5

(a) The provision in 2020 includes a \$10.6 million allowance related to the internal loss in our U.S global services operations. See Note 1 for details.

Note 11 - Share-based compensation plans

We have share-based compensation plans to attract and retain employees and nonemployee directors and to more closely align their interests with those of our shareholders.

We have outstanding share-based awards granted to employees under the 2013 Equity Incentive Plan ("2013 Plan") and the 2017 Equity Incentive Plan (the "2017 Plan"). These plans permit grants of restricted stock, restricted stock units, performance stock, performance units, stock appreciation rights, stock options, as well as other share-based awards to eligible employees. The 2013 Plan and the 2017 Plan also permit cash awards to eligible employees. The 2017 Plan became effective May 2017. No further grants of awards will be made under the the 2013 Plan, although awards under this prior plan remain outstanding.

We also have outstanding deferred stock units granted to directors under the 2017 Plan. Share-based awards were previously granted to directors and remain outstanding under the Non-Employee Director's Equity Plan and the Directors' Stock Accumulation Plan, which has expired.

Outstanding awards at June 30, 2020 include performance share units, restricted stock units, deferred stock units, performance-based stock options, time-based stock options and certain awards that will be settled in cash.

Compensation Expense

Compensation expense is measured using the fair-value-based method. Prior to 2020, for employee and director awards considered equity grants, compensation expense is recognized from the award or grant date to the earlier of the retirement-eligible date or the vesting date. In 2020, the retirement eligibility provisions for many employee awards were changed on a go-forward basis to require a six month notification period prior to actual retirement. For these awards, we recognize expense from the grant date to six months after the participant's retirement eligible date. For awards considered liability awards, compensation cost is based on the change in the fair value of the instrument for each reporting period and the percentage of the requisite service that has been rendered. Compensation cost associated with liability awards was not significant in the prior year periods.

Compensation expenses are classified as selling, general and administrative expenses in the condensed consolidated statements of operations. Compensation expenses for the share-based awards were as follows:

(in millions)	Compensation Expense Three Months Ended June 30,		Compensation Expense Six Months Ended June 30,	
	2020	2019	2020	2019
Performance share units	\$ 2.4	8.8	\$ 7.0	14.6
Restricted stock units	1.7	1.9	3.0	3.9
Deferred stock units and fees paid in stock	0.3	0.3	0.6	0.6
Performance-based stock options	0.5	5.4	1.2	6.5
Time-based vesting stock options	0.5	0.3	0.8	0.5
Cash based awards	0.4	—	0.4	—
Share-based payment expense	5.8	16.7	13.0	26.1
Income tax benefit	(1.2)	(3.8)	(2.8)	(6.0)
Share-based payment expense, net of tax	\$ 4.6	12.9	\$ 10.2	20.1

Performance-Based Stock Options

In 2018, 2017 and 2016, we granted performance-based stock options that have a service condition as well as a market condition. In addition, some of the awards granted in 2016 contained a non-financial performance condition. We measure the fair value of these performance-based options at the grant date using a Monte Carlo simulation model.

The following table summarizes performance-based stock option activity during the first six months of 2020:

	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Outstanding balance as of December 31, 2019	1,191.1	\$ 11.52
Granted	—	—
Forfeited	—	—
Exercised	—	—
Outstanding balance as of June 30, 2020	1,191.1	\$ 11.52

Time-Based Stock Options

We granted time-based stock options that contain only a service condition. We measure the fair value of these time-based options at the grant date using a Black-Scholes-Merton option pricing model.

The following table summarizes time-based stock option activity during the first six months of 2020:

	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Outstanding balance as of December 31, 2019	127.0	\$ 21.56
Granted	80.8	21.10
Forfeited	—	—
Exercised	—	—
Outstanding balance as of June 30, 2020	207.8	\$ 21.38

Restricted Stock Units ("RSUs")

We granted RSUs that contain only a service condition. We measure the fair value of RSUs based on the price of Brink's stock at the grant date, adjusted for a discount for dividends not received or accrued during the vesting period.

The following table summarizes RSU activity during the first six months of 2020:

	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested balance as of December 31, 2019	172.7	\$ 71.87
Granted	83.1	75.41
Forfeited	(10.0)	78.68
Conversion to cash settled awards ^(a)	(1.3)	72.80
Vested	(83.3)	67.31
Nonvested balance as of June 30, 2020	161.2	\$ 75.63

(a) Certain RSUs were modified in the first quarter of 2020 to change the awards' classification from share-settled to cash-settled. The weighted-average grant date fair value per share shown above is the removal of the original fair value.

Performance Share Units ("PSUs")

We granted Internal Metric PSUs ("IM PSUs") and Total Shareholder Return PSUs ("TSR PSUs").

IM PSUs contain a performance condition as well as a service condition. We measure the fair value of these PSUs based on the price of Brink's stock at the grant date, adjusted for a discount for dividends not received or accrued during the vesting period. For the IM PSUs granted in 2020, the performance period is from January 1, 2020 to December 31, 2022.

TSR PSUs contain a market condition as well as a service condition. We measure the fair value of PSUs containing a market condition at the grant date using a Monte Carlo simulation model. For the TSR PSUs granted in 2020, the performance period is from January 1, 2020 to December 31, 2022.

The following table summarizes all PSU activity during the first six months of 2020:

	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested balance as of December 31, 2019	564.2	\$ 70.10
Granted	242.7	84.60
Forfeited	(16.9)	75.92
Conversion to cash settled awards ^(a)	(4.6)	65.42
Vested ^(b)	(204.3)	56.72
Nonvested balance as of June 30, 2020	581.1	\$ 80.73

(a) Certain IM PSUs were modified in the first quarter of 2020 to change the awards' classification from share-settled to cash-settled. The weighted-average grant date fair value per share shown above is the removal of the original fair value.

(b) The vested PSUs presented are based on the target amount of the award. In accordance with the terms of the underlying award agreements, the actual shares earned and distributed for the performance period ended December 31, 2019 were 394.0 thousand, compared to target shares of 204.3 thousand.

Deferred Stock Units ("DSUs")

We granted DSUs to our nonemployee directors in 2019 and in prior years. We measure the fair value of DSUs at the grant date, based on the price of Brink's stock, and, if applicable, adjusted for a discount for dividends not received or accrued during the vesting period.

DSUs granted after 2014 will be paid out in shares of Brink's stock on the first anniversary of the grant date, provided that the director has not elected to defer the distribution of shares until a later date. DSUs granted prior to 2015, in general, will be paid out in shares of stock following separation from service.

The following table summarizes all DSU activity during the first six months of 2020:

	Shares (in thousands)	Weighted-Average Grant-Date Fair Value
Nonvested balance as of December 31, 2019	12.1	\$ 79.69
Granted	21.6	40.46
Vested	(11.1)	78.70
Nonvested balance as of June 30, 2020	22.6	\$ 42.70

Note 12 - Capital Stock

Common Stock

At June 30, 2020, we had 100 million shares of common stock authorized and 50.5 million shares issued and outstanding.

Dividends

We paid regular quarterly dividends on our common stock during the last two years. On July 17, 2020, the Board declared a regular quarterly dividend of 15 cents per share payable on September 1, 2020. The payment of future dividends is at the discretion of the Board of Directors and is dependent on our future earnings, financial condition, shareholder equity levels, cash flow, business requirements and other factors.

Preferred Stock

At June 30, 2020, we had the authority to issue up to 2.0 million shares of preferred stock with a par value of \$10 per share.

Share Repurchase Program

On February 6, 2020, our board of directors authorized a \$250 million share repurchase authorization that expires on December 31, 2021. The authorization replaces our previous \$200 million repurchase program, authorized by the board of directors in May 2017, which expired December 31, 2019. Under the \$200 million repurchase program, we repurchased 1.3 million shares for approximately \$94 million, or an average cost of \$69.35 per share. There was approximately \$106 million remaining available under the \$200 million repurchase program when it expired. Under the \$250 million repurchase program, we are not obligated to repurchase any specific dollar amount or number of shares. The timing and volume of share repurchases may be executed at the discretion of management on an opportunistic basis, or pursuant to trading plans or other arrangements. Share repurchases under this program may be made in the open market, in privately negotiated transactions, or otherwise. No shares have been repurchased under the \$250 million share repurchase program.

Shares Used to Calculate Earnings per Share

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Weighted-average shares:				
Basic ^(a)	50.8	50.2	50.7	50.1
Effect of dilutive stock awards and options	0.2	0.7	0.5	0.8
Diluted	51.0	50.9	51.2	50.9
Antidilutive stock awards and options excluded from denominator	0.8	0.1	0.6	0.1

(a) We have deferred compensation plans for directors and certain of our employees. Some amounts owed to participants are denominated in common stock units. Each unit represents one share of common stock. The number of shares used to calculate basic earnings per share includes the weighted-average common stock units credited to employees and directors under the deferred compensation plans. Additionally, nonvested units containing only a service requirement are also included in the computation of basic weighted-average shares when the requisite service period has been completed. Accordingly, included in basic shares are 0.3 million in the three months and 0.3 million in the six months ended June 30, 2020, and 0.3 million in the three months and 0.3 million in the six months ended June 30, 2019.

Note 13 - Supplemental cash flow information

(In millions)	Six Months Ended June 30,	
	2020	2019
Cash paid for:		
Interest	\$ 40.9	40.9
Income taxes, net	42.8	31.9

Argentina Currency Conversions

We have elected in the past and could continue in the future to repatriate cash from Brink's Argentina using different means to convert Argentine pesos into U.S. dollars. Conversions under these other market mechanisms have settled at rates that are generally less favorable than the rates at which we remeasured the financial statements of Brink's Argentina. The net cash flows from these transactions are treated as operating cash flows as the financial instruments are purchased specifically for resale and are generally sold within a short period of time from the date of purchase. We did not have any such conversions in the first six months of 2020 or 2019.

Non-cash Investing and Financing Activities

We acquired \$19.4 million in armored vehicles and other equipment under financing lease arrangements in the first six months of 2020 compared to \$30.5 million in armored vehicles and other equipment acquired under financing lease arrangements in the first six months of 2019.

Restricted Cash (Cash Supply Chain Services)

In France, we offer services to certain of our customers where we manage some or all of their cash supply chains. Providing this service requires our French subsidiary to take temporary title to the cash received from the management of our customers' cash supply chains until the cash is returned to the customers. As part of this service offering, we have entered into lending arrangements with some of our customers. Cash borrowed under these lending arrangements is used in the process of managing these customers' cash supply chains. The cash for which we have temporary title and the cash borrowed under these customer lending arrangements is restricted and cannot be used for any other purpose other than to service our customers who participate in this service offering.

In Malaysia, we offer ATM replenishment services to certain of our financial institution customers. Providing this service requires our Malaysia subsidiary to take temporary title to the cash received in advance of ATM replenishment. The cash for which we have temporary title is restricted and cannot be used for any other purpose other than to service our customers who participate in this service offering.

In accordance with a revolving credit facility, we are required to maintain a restricted cash reserve of \$5.0 million and, due to this contractual restriction, we have classified this amount as restricted cash.

At June 30, 2020, we held \$171.5 million of restricted cash (\$10.3 million represented short-term borrowings, \$87.4 million represented restricted cash held for customers, and \$67.8 million represented accrued liabilities). At December 31, 2019, we held \$158.0 million of restricted cash (\$10.3 million represented short-term borrowings, \$100.3 million represented restricted cash held for customers and \$47.4 million represented accrued liabilities).

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that sum to the total of the same such amounts shown in the condensed consolidated statements of cash flows.

(In millions)	June 30,	December 31,
	2020	2019
Cash and cash equivalents	\$ 531.3	311.0
Restricted cash	171.5	158.0
Total, cash, cash equivalents, and restricted cash in the condensed consolidated statements of cash flows	\$ 702.8	469.0

Note 14 - Contingent matters

During the fourth quarter of 2018, we became aware of an investigation initiated by the Chilean Fiscalía Nacional Económica (the Chilean antitrust agency) related to potential anti-competitive practices among competitors in the cash logistics industry in Chile. Because no legal proceedings have been initiated against Brink's Chile, we cannot estimate the probability of loss or any range of possible loss at this time. It is possible, however, that Brink's Chile could become the subject of legal or administrative claims or proceedings that could result in a loss in a future period.

In addition, we are involved in various other lawsuits and claims in the ordinary course of business. We are not able to estimate the loss or range of losses for some of these matters. We have recorded accruals for losses that are considered probable and reasonably estimable. Except as otherwise noted, we do not believe that it is reasonably possible the ultimate disposition of any of the lawsuits currently pending against the Company could have a material adverse effect on our liquidity, financial position or results of operations.

Note 15 - Reorganization and Restructuring

Other Restructurings

Management periodically implements restructuring actions in targeted sections of our business. As a result of these actions, we recognized net costs of \$14.1 million in the first six months of 2019 and \$44.6 million in the first six months of 2020, primarily severance costs. For the restructuring actions that have not yet been completed, we expect to incur additional costs between \$5 million and \$7 million in future periods.

The following table summarizes the costs incurred, payments and utilization, and foreign currency exchange effects of other restructurings:

<i>(In millions)</i>	Severance Costs	Other	Total
Balance as of January 1, 2020	\$ 7.0	—	7.0
Expense	41.8	2.8	44.6
Payments and utilization	(28.3)	(2.8)	(31.1)
Foreign currency exchange effects	(0.7)	—	(0.7)
Balance as of June 30, 2020	\$ 19.8	—	19.8

Note 16 - Subsequent Events

Acquisition of Cash Management Operations

As discussed in Note 6, on February 26, 2020, we announced that we agreed to purchase the majority of the cash management operations from U.K.-based G4S plc, with closings planned in multiple phases in 2020. On July 6, 2020, we completed the acquisition of G4S cash operations in Indonesia.

We filed an amended form 8-K on July 13, 2020, which provides the historical financial statements of the G4S operations we have agreed to purchase and the unaudited pro forma financial information required by Items 9.01(a) and 9.01(b) of Form 8-K.

THE BRINK'S COMPANY
and subsidiaries

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Brink's Company offers transportation and logistics management services for cash and valuables throughout the world. These services include:

- Cash-in-transit ("CIT") services – armored vehicle transportation of valuables
- ATM services – replenishing and maintaining customers' automated teller machines; providing network infrastructure services
- Global services – secure international transportation of valuables
- Cash management services
 - Currency and coin counting and sorting; deposit preparation and reconciliations; other cash management services
 - Safe and safe control device installation and servicing (including our patented CompuSafe[®] service)
 - Vaulting services
 - Check imaging services
- Payment services – bill payment and processing services on behalf of utility companies and other billers at any of our Brink's or Brink's-operated payment locations in Brazil, Colombia, Panama, and Mexico and Brink's Money[™] general purpose reloadable prepaid cards and payroll cards in the U.S.
- Commercial security systems services – design and installation of security systems in designated markets in Europe
- Guarding services – protection of airports, offices, and certain other locations in Europe and Brazil with or without electronic surveillance, access control, fire prevention and highly trained patrolling personnel

We identify our operating segments based on how our chief operating decision maker ("CODM") allocates resources, assesses performance and makes decisions. Our CODM is our President and Chief Executive Officer. Our CODM evaluates performance and allocates resources to each operating segment based on an operating profit or loss measure, excluding income and expenses not allocated to segments.

We have three operating segments:

- North America
- South America
- Rest of World

RESULTS OF OPERATIONS

COVID-19 Pandemic Impact

We are closely monitoring developments related to the ongoing coronavirus (COVID-19) pandemic, which has created global volatility, uncertainty and economic disruption. We have taken and continue to take steps to mitigate the potential risks to our employees, our customers and our business around the world. We are focused on three priorities:

- Protecting our people and providing essential services to our customers;
- Preserving cash and optimizing profitability; and
- Positioning Brink's to be stronger on the other side of the crisis.

The COVID-19 pandemic began to have a material adverse impact on our results of operations in the quarter ended March 31, 2020. It first affected our operations in Asia, and then beginning in early March moved sequentially through Europe, North America and South America. Government-imposed mandatory closures and other restrictions across our key global markets have contributed to a reduction in global commerce, reducing the demand for our services and lowering volumes. As a result, we have experienced reduced revenues as some of our customers canceled or suspended service. Consequently, we began to align our cost structure to the reduced demand for our services, including through employee lay-offs, furloughs and pay reductions across our global operations.

As of the date of this filing, significant uncertainty remains with respect to the magnitude of the impact and duration of the COVID-19 pandemic. However, we expect that the COVID-19 pandemic will impact each of our businesses and segments differently. As health and economic conditions around the world have continued to worsen, this has impacted, and may continue to impact, how we do business and the services that we provide. We expect a negative impact on volumes, revenues and operating results while the COVID-19 pandemic continues. To address this negative impact, during the quarter ended March 31, 2020, we began taking steps to reduce expenses including reducing headcount, managing overtime, reducing salaries and benefits, limiting non-safety-related fleet maintenance, eliminating non-essential travel and other expenses, as well as pursuing government assistance (where available). The extent of the impact will depend on future developments, including the duration and spread of the pandemic and related government restrictions, all of which are uncertain and cannot be predicted.

In addition, we cannot predict whether future developments associated with the COVID-19 pandemic will have a materially adverse effect on our long-term liquidity position. During the quarter ended March 31, 2020, in addition to the steps we began taking to reduce expenses, we also began taking steps to reduce capital expenditures, including suspending our fleet replacement program, and optimizing our working capital to conserve our liquidity. We believe we continue to have sufficient liquidity to meet our current obligations. This is, however, a rapidly evolving situation, and we cannot predict the extent or duration of the ongoing COVID-19 pandemic, the effects of it on the global, national or local economy, including the impacts on our ability to access capital, or its effects on our business, financial position, results of operations, and cash flows.

We will continue to monitor developments affecting our employees, customers and operations and take additional steps to address the spread of COVID-19 and its impacts, as necessary.

Refer to the "Liquidity and Capital Resources" section below, as well as Part II, Item 1A, "Risk Factors" for further discussion.

Consolidated Review

GAAP and Non-GAAP Financial Measures

We provide an analysis of our operations below on both a generally accepted accounting principles (“GAAP”) and non-GAAP basis. The purpose of the non-GAAP information is to report our operating profit, income from continuing operations and earnings per share without certain income and expense items that do not reflect the regular earnings of our operations. The non-GAAP financial measures are intended to provide investors with a supplemental comparison of our operating results and trends for the periods presented. Our management believes these measures are also useful to investors as they allow investors to evaluate our performance using the same metrics that our management uses to evaluate past performance and prospects for future performance. We do not consider these items to be reflective of our core operating performance due to the variability of these items from period-to-period in terms of size, nature and significance. The non-GAAP adjustments used to reconcile our GAAP results are described on pages 44–45 and are reconciled to comparable GAAP measures on pages 50–52.

Definition of Organic Growth

Organic growth represents the change in revenues or operating profit between the current and prior period, excluding the effect of acquisitions and dispositions and changes in currency exchange rates. See definitions on page 42.

(In millions, except for per share amounts)	Three Months Ended June 30,			% Change	Six Months Ended June 30,			% Change
	2020	2019			2020	2019		
GAAP								
Revenues	\$ 826.0	914.0	(10)	1,698.8	1,819.0	(7)		
Cost of revenues	683.9	708.5	(3)	1,377.3	1,411.2	(2)		
Selling, general and administrative expenses	139.6	154.6	(10)	287.7	296.3	(3)		
Operating profit (loss)	(1.0)	52.6	unfav	25.2	111.0	(77)		
Income from continuing operations ^(a)	13.7	12.6	9	15.5	26.3	(41)		
Diluted EPS from continuing operations ^(a)	\$ 0.27	0.25	8	0.30	0.52	(42)		
Non-GAAP^(b)								
Non-GAAP revenues	\$ 826.0	914.3	(10)	1,698.8	1,819.3	(7)		
Non-GAAP operating profit	73.2	88.8	(18)	136.3	173.6	(21)		
Non-GAAP income from continuing operations ^(a)	34.1	43.9	(22)	57.7	84.9	(32)		
Non-GAAP diluted EPS from continuing operations ^(a)	\$ 0.67	0.86	(22)	1.13	1.67	(32)		

(a) Amounts reported in this table are attributable to the shareholders of Brink’s and exclude earnings related to noncontrolling interests.

(b) Non-GAAP results are reconciled to the applicable GAAP results on pages 50–52.

GAAP Basis

Analysis of Consolidated Results: Second Quarter 2020 versus Second Quarter 2019

Consolidated Revenues Revenues decreased \$88.0 million due to an organic decrease in North America (\$82.1 million), Rest of World (\$52.6 million), and South America (\$17.1 million), and the unfavorable impact of currency exchange rates (\$85.7 million), partially offset by the favorable impact of acquisitions (\$149.5 million). The unfavorable currency impact was driven by the Brazilian real, Argentine peso and Mexican peso. Revenues decreased 17% on an organic basis primarily due to the impact of the COVID-19 pandemic. See above for our definition of “organic.”

Consolidated Costs and Expenses Cost of revenues decreased 3% to \$683.9 million primarily due to organic decreases in labor and other operational costs, including cost saving actions related to COVID-19, and changes in currency exchange rates, partially offset by the impact of acquisitions and higher costs related to restructuring actions. Selling, general and administrative costs decreased 10% to \$139.6 million due to organic decreases in labor and other operational costs, including cost saving actions related to COVID-19, and changes in currency exchange rates, partially offset by the impact of acquisitions, including integration costs.

Consolidated Operating Profit Operating profit decreased \$53.6 million due mainly to:

- unfavorable changes in currency exchange rates (\$13.2 million) driven by the Argentine peso and Brazilian real
 - the following items included in “Other items not allocated to segments”:
 - higher charges incurred, primarily related to an increase in reorganization and restructuring charges (\$28.4 million),
 - higher costs related to business acquisitions and dispositions (\$9.5 million), primarily from the impact of acquisition-related charges and intangible asset amortization in the second quarter of 2020
 - organic decreases in North America (\$26.9 million) and Rest of World (\$9.6 million),
- partially offset by:
- lower corporate expenses (\$20.1 million on an organic basis), and
 - the favorable operating impact of business acquisitions and dispositions (\$18.6 million), excluding intangible amortization and acquisition-related charges.

Consolidated Income from Continuing Operations Attributable to Brink's and Related Per Share Amounts Income from continuing operations attributable to Brink's shareholders increased \$1.1 million to \$13.7 million primarily due to an income tax benefit (\$55.9 million), partially offset by the operating profit decrease mentioned above, higher interest expense (\$0.5 million) and higher noncontrolling interest (\$0.8 million). Earnings per share from continuing operations was \$0.27, up from \$0.25 in the second quarter of 2019.

Analysis of Consolidated Results: First Half 2020 versus First Half 2019

Consolidated Revenues Revenues decreased \$120.2 million due to an organic decrease in North America (\$73.6 million) and Rest of World (\$60.8 million), and the unfavorable impact of currency exchange rates (\$145.2 million), partially offset by the favorable impact of acquisitions (\$159.1 million). The unfavorable currency impact was driven by the Argentine peso, Brazilian real, and Mexican peso. Revenues decreased 7% on an organic basis primarily due to the impact of the COVID-19 pandemic in the second quarter of 2020. See above for our definition of "organic."

Consolidated Costs and Expenses Cost of revenues decreased 2% to \$1,377.3 million primarily due to changes in currency exchange rates and organic decreases in labor and other operational costs, including cost saving actions related to COVID-19, partially offset by the impact of acquisitions, and higher costs related to restructuring actions in the second quarter of 2020. Selling, general and administrative costs decreased 3% to \$287.7 million due to organic decreases in labor and other operational costs, including cost saving actions related to COVID-19, and changes in currency exchange rates, partially offset by the impact of acquisitions, including integration costs, and charges related to the internal loss in the U.S. global services operations.

Consolidated Operating Profit Operating profit decreased \$85.8 million due mainly to:

- unfavorable changes in currency exchange rates (\$28.3 million) driven by the Argentine peso and Brazilian real and higher foreign currency transaction losses,
- the following items included in "Other items not allocated to segments":
 - higher charges incurred related to an increase in reorganization and restructuring charges (\$30.5 million), and higher charges incurred, primarily bad debt expense, related to an internal loss in the U.S. global services operations (\$8.2 million),
 - higher costs related to business acquisitions and dispositions (\$11.2 million), primarily from the impact of acquisition-related charges and intangible asset amortization in the first half of 2020
- organic decreases in North America (\$37.5 million) and Rest of World (\$18.1 million),

partially offset by:

- lower corporate expenses (\$23.3 million on an organic basis),
- the favorable operating impact of business acquisitions and dispositions (\$19.3 million), excluding intangible amortization and acquisition-related charges, and
- an organic increase in South America (\$11.9 million).

Consolidated Income from Continuing Operations Attributable to Brink's and Related Per Share Amounts Income from continuing operations attributable to Brink's shareholders decreased \$10.8 million to \$15.5 million primarily due to the operating profit decrease mentioned above, higher interest and other nonoperating expense (\$4.3 million), and higher noncontrolling interest (\$1.0 million), partially offset by an income tax benefit (\$77.8 million) and lower interest expense (\$2.5 million). Earnings per share from continuing operations was \$0.30, down from \$0.52 in the first half of 2019.

Non-GAAP Basis

Analysis of Consolidated Results: Second Quarter 2020 versus Second Quarter 2019

Non-GAAP Consolidated Revenues Non-GAAP revenues decreased \$88.3 million due to an organic decrease in North America (\$82.1 million), Rest of World (\$52.6 million), and South America (\$17.1 million), and the unfavorable impact of currency exchange rates (\$85.7 million), partially offset by the favorable impact of acquisitions (\$149.2 million). The unfavorable currency impact was driven by the Brazilian real, Argentine peso and Mexican peso. Revenues decreased 17% on an organic basis primarily due to the impact of the COVID-19 pandemic. See above for our definition of "organic."

Non-GAAP Consolidated Operating Profit Non-GAAP operating profit decreased \$15.6 million due mainly to:

- unfavorable changes in currency exchange rates (\$18.1 million) driven by the Argentine peso and Brazilian real, and
- organic decreases in North America (\$26.9 million) and Rest of World (\$9.6 million),

partially offset by:

- lower corporate expenses (\$20.1 million on an organic basis), and
- the favorable operating impact of business acquisitions and dispositions (\$18.6 million), excluding intangible amortization and acquisition-related charges.

Non-GAAP Consolidated Income from Continuing Operations Attributable to Brink's and Related Per Share Amounts Non-GAAP income from continuing operations attributable to Brink's shareholders decreased \$9.8 million to \$34.1 million due to the operating profit decrease mentioned above, higher interest expense (\$1.7 million) and slightly higher income tax expense (\$0.2 million), partially offset by higher interest and other nonoperating income (\$7.0 million) and slightly lower noncontrolling interest (\$0.7 million). Earnings per share from continuing operations was \$0.67, down from \$0.86 in the second quarter of 2019.

Analysis of Consolidated Results: First Half 2020 versus First Half 2019

Non-GAAP Consolidated Revenues Non-GAAP revenues decreased \$120.5 million due to an organic decrease in North America (\$73.6 million) and Rest of World (\$60.8 million), and the unfavorable impact of currency exchange rates (\$145.2 million), partially offset by the favorable impact of acquisitions (\$158.8 million). The unfavorable currency impact was driven by the Argentine peso, Brazilian real, and Mexican peso. Revenues decreased 7% on an organic basis primarily due to the impact of the COVID-19 pandemic in the second quarter of 2020. See above for our definition of “organic.”

Non-GAAP Consolidated Operating Profit Non-GAAP operating profit decreased \$37.3 million due mainly to:

- unfavorable changes in currency exchange rates (\$36.2 million) driven by the Argentine peso and Brazilian real and higher foreign currency transaction losses, and
- organic decreases in North America (\$37.5 million) and Rest of World (\$18.1 million),

partially offset by:

- lower corporate expenses (\$23.3 million on an organic basis),
- the favorable operating impact of business acquisitions and dispositions (\$19.3 million), excluding intangible amortization and acquisition-related charges, and
- an organic increase in South America (\$11.9 million).

Non-GAAP Consolidated Income from Continuing Operations Attributable to Brink's and Related Per Share Amounts Non-GAAP income from continuing operations attributable to Brink's shareholders decreased \$27.2 million to \$57.7 million due to the operating profit decrease mentioned above, partially offset by higher interest and other nonoperating income (\$4.4 million), lower income tax expense (\$4.4 million), lower noncontrolling interest (\$0.8 million), and lower interest expense (\$0.5 million). Earnings per share from continuing operations was \$1.13, down from \$1.67 in the first half of 2019.

Revenues and Operating Profit by Segment: Second Quarter 2020 versus Second Quarter 2019

(In millions)	2Q'19	Organic Change	Acquisitions / Dispositions ^(a)	Currency ^(b)	2Q'20	% Change Total	% Change Organic
Revenues:							
North America	\$ 442.5	(82.1)	6.0	(17.3)	349.1	(21)	(19)
South America	225.2	(17.1)	6.5	(55.7)	158.9	(29)	(8)
Rest of World	246.6	(52.6)	136.7	(12.7)	318.0	29	(21)
Segment revenues^(e)	914.3	(151.8)	149.2	(85.7)	826.0	(10)	(17)
Other items not allocated to segments ^(d)	(0.3)	—	0.3	—	—	(100)	—
Revenues - GAAP	\$ 914.0	(151.8)	149.5	(85.7)	826.0	(10)	(17)
Operating profit:							
North America	\$ 46.4	(26.9)	0.4	(2.0)	17.9	(61)	(58)
South America	45.0	0.3	1.1	(13.3)	33.1	(26)	1
Rest of World	26.2	(9.6)	17.1	(2.3)	31.4	20	(37)
Segment operating profit	117.6	(36.2)	18.6	(17.6)	82.4	(30)	(31)
Corporate ^(c)	(28.8)	20.1	—	(0.5)	(9.2)	(68)	(70)
Operating profit - non-GAAP	88.8	(16.1)	18.6	(18.1)	73.2	(18)	(18)
Other items not allocated to segments ^(d)	(36.2)	(33.4)	(9.5)	4.9	(74.2)	unfav	92
Operating profit - GAAP	\$ 52.6	(49.5)	9.1	(13.2)	(1.0)	unfav	(94)

Amounts may not add due to rounding.

- (a) Non-GAAP amounts include the impact of prior year comparable period results for acquired and disposed businesses. GAAP results also include the impact of acquisition-related intangible amortization, restructuring and other charges, and disposition-related gains/losses.
- (b) The amounts in the "Currency" column consist of the effects of Argentina devaluations under highly inflationary accounting and the sum of monthly currency changes. Monthly currency changes represent the accumulation throughout the year of the impact on current period results of changes in foreign currency rates from the prior year period.
- (c) Corporate expenses are not allocated to segment results. Corporate expenses include salaries and other costs to manage the global business and to perform activities required by public companies.
- (d) See pages 44–45 for more information.
- (e) Segment revenues equal our total reported non-GAAP revenues.

Analysis of Segment Results: Second Quarter 2020 versus Second Quarter 2019

North America

Revenues decreased 21% (\$93.4 million) primarily due to a 19% organic decrease (\$82.1 million) and the unfavorable impact of currency exchange rates (\$17.3 million) mostly from the Mexican peso, partially offset by the favorable impact of acquisitions (\$6.0 million). Organic revenue decreased primarily from lower volumes due to the COVID-19 pandemic in the United States, Mexico and Canada. Operating profit decreased 61% (\$28.5 million) driven by an organic decrease (\$26.9 million) and unfavorable currency (\$2.0 million). The organic decrease was due to the impact of the COVID-19 pandemic, partially offset by labor and other operational cost saving actions, as well as government COVID-19 assistance in Canada that offset the impact of revenue declines and delays in executing cost reduction actions.

South America

Revenues decreased 29% (\$66.3 million) primarily due to the unfavorable impact of currency exchange rates (\$55.7 million) primarily from the Brazilian real and Argentine peso, and an 8% organic decrease (\$17.1 million), partially offset by the favorable impact of acquisitions and dispositions (\$6.5 million). Organic revenue decreased across the region due to lower volumes due to the COVID-19 pandemic, partially offset by organic growth in Argentina driven by inflation-based price increases. Operating profit was down 26% (\$11.9 million) primarily due to unfavorable currency (\$13.3 million), partially offset by the favorable impact of acquisitions and dispositions (\$1.1 million) and 1% organic growth (\$0.3 million). Throughout the segment, labor and other operational cost saving actions helped to offset the impact of lower revenue due to the COVID-19 pandemic, with organic growth in Argentina and Brazil partially offset by organic decreases in Colombia and Chile.

Rest of World

Revenues increased 29% (\$71.4 million) due to the favorable impact of acquisitions and dispositions (\$136.7 million), partially offset by a 21% organic decrease (\$52.6 million) and the unfavorable impact of currency exchange rates (\$12.7 million). The organic decrease was primarily due to lower volumes throughout the region, especially in France, driven by the impact of the COVID-19 pandemic. Operating profit increased 20% (\$5.2 million) due to the favorable impact of acquisitions and dispositions (\$17.1 million), partially offset by an organic decrease (\$9.6 million) and unfavorable currency (\$2.3 million). The organic decrease was primarily due to the impact of the COVID-19 pandemic, partially offset by labor and other operational cost saving actions. Results were also helped by government COVID-19 assistance in several countries that offset the impact of revenue declines and delays in executing cost reduction actions.

Revenues and Operating Profit by Segment: First Half 2020 versus First Half 2019

<i>(In millions)</i>	YTD '19	Organic Change	Acquisitions / Dispositions ^(a)	Currency ^(b)	YTD '20	% Change	
						Total	Organic
Revenues:							
North America	\$ 877.0	(73.6)	11.0	(21.0)	793.4	(10)	(8)
South America	455.5	0.3	7.2	(106.2)	356.8	(22)	—
Rest of World	486.8	(60.8)	140.6	(18.0)	548.6	13	(12)
Segment revenues^(e)	1,819.3	(134.1)	158.8	(145.2)	1,698.8	(7)	(7)
Other items not allocated to segments ^(d)	(0.3)	—	0.3	—	—	(100)	—
Revenues - GAAP	\$ 1,819.0	(134.1)	159.1	(145.2)	1,698.8	(7)	(7)
Operating profit:							
North America	\$ 90.4	(37.5)	0.6	(2.6)	50.9	(44)	(41)
South America	88.0	11.9	1.6	(26.8)	74.7	(15)	14
Rest of World	50.0	(18.1)	17.1	(2.6)	46.4	(7)	(36)
Segment operating profit	228.4	(43.7)	19.3	(32.0)	172.0	(25)	(19)
Corporate ^(c)	(54.8)	23.3	—	(4.2)	(35.7)	(35)	(43)
Operating profit - non-GAAP	173.6	(20.4)	19.3	(36.2)	136.3	(21)	(12)
Other items not allocated to segments ^(d)	(62.6)	(45.2)	(11.2)	7.9	(111.1)	77	72
Operating profit - GAAP	\$ 111.0	(65.6)	8.1	(28.3)	25.2	(77)	(59)

Amounts may not add due to rounding.

See page 42 for footnote explanations.

Analysis of Segment Results: First Half 2020 versus First Half 2019

North America

Revenues decreased 10% (\$83.6 million) primarily due to an 8% organic decrease (\$73.6 million) and the unfavorable impact of currency exchange rates (\$21.0 million) mostly from the Mexican peso, partially offset by the favorable impact of acquisitions (\$11.0 million). Organic revenue decreased primarily from lower volumes due to the second-quarter impact of the COVID-19 pandemic in the United States, Mexico and Canada. Operating profit decreased 44% (\$39.5 million) driven by an organic decrease (\$37.5 million) and unfavorable currency (\$2.6 million). The organic decrease was due to the impact of the COVID-19 pandemic, partially offset by labor and other operational cost saving actions, as well as government COVID-19 assistance in Canada in the second-quarter that offset the impact of revenue declines and delays in executing cost reduction actions.

South America

Revenues decreased 22% (\$98.7 million) primarily due to the unfavorable impact of currency exchange rates (\$106.2 million) primarily from the Argentine peso and Brazilian real, partially offset by the favorable impact of acquisitions and dispositions (\$7.2 million). Organic revenue growth was flat due to organic growth in Argentina driven by inflation-based price increases, offset by lower volumes across the region due to the COVID-19 pandemic. Operating profit was down 15% (\$13.3 million) primarily due to unfavorable currency (\$26.8 million), partially offset by 14% organic growth (\$11.9 million), including the benefit of labor and other operational cost saving actions, and the favorable impact of acquisitions and dispositions (\$1.6 million). The organic growth was driven by Argentina and Brazil.

Rest of World

Revenues increased 13% (\$61.8 million) due to the favorable impact of acquisitions and dispositions (\$140.6 million), partially offset by a 12% organic decrease (\$60.8 million) and the unfavorable impact of currency exchange rates (\$18.0 million). The organic decrease was primarily due to lower volumes throughout the region, especially in France, driven by the impact of the COVID-19 pandemic. Operating profit decreased 7% (\$3.6 million) due to an organic decrease (\$18.1 million) and unfavorable currency (\$2.6 million), partially offset by the favorable impact of acquisitions and dispositions (\$17.1 million). The organic decrease was primarily due to the impact of the COVID-19 pandemic, partially offset by labor and other operational cost saving actions. Results were also helped by government COVID-19 assistance in several countries in the second-quarter, which offset the impact of revenue declines and delays in executing cost reduction actions.

Income and Expense Not Allocated to Segments

Corporate Expenses

(In millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	% change	2020	2019	% change
General, administrative and other expenses	\$ (24.6)	(32.5)	(24)	\$ (51.9)	(59.6)	(13)
Foreign currency transaction gains (losses)	(0.9)	(0.3)	unfav	(3.6)	0.6	unfav
Reconciliation of segment policies to GAAP	16.3	4.0	fav	19.8	4.2	fav
Corporate expenses	\$ (9.2)	(28.8)	(68)	\$ (35.7)	(54.8)	(35)

Corporate expenses for the first six months of 2020 decreased \$19.1 million versus the prior year period primarily driven by a reduction in bad debt expense and Mexico profit sharing plan expense as part of the reconciliation of segment accounting policies to U.S. GAAP, cost savings initiated as a result of the COVID crisis, including lower IT expenses, and lower stock compensation expense. The bad debt expense decrease excludes the impact of the internal loss in our U.S. global services operations described on the next page. These factors were partially offset by foreign currency transaction losses in the current year period versus transaction gains in the prior year period. Corporate expenses include former non-segment and regional management costs, currency transaction gains and losses, costs related to global initiatives and adjustments to reconcile segment accounting policies to U.S. GAAP.

Other Items Not Allocated to Segments

(In millions)	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	% change	2020	2019	% change
Revenues:						
Acquisitions and dispositions	—	(0.3)	(100)	—	(0.3)	(100)
Revenues	\$ —	(0.3)	(100)	\$ —	(0.3)	(100)
Operating profit:						
Reorganization and Restructuring	(39.0)	(10.6)	unfav	(44.6)	(14.1)	unfav
Acquisitions and dispositions	(30.9)	(22.6)	37	(50.0)	(39.8)	26
Argentina highly inflationary impact	(2.8)	(0.1)	unfav	(5.2)	(4.4)	18
Internal loss	(1.2)	(2.6)	(54)	(10.8)	(2.6)	unfav
Reporting compliance	(0.3)	(0.3)	—	(0.5)	(1.7)	(71)
Operating profit	\$ (74.2)	(36.2)	unfav	\$ (111.1)	(62.6)	77

The impact of other items not allocated to segments was a loss of \$74.2 million in the second quarter of 2020 versus the prior year period loss of \$36.2 million. The change was primarily due to higher reorganization and restructuring expenses and an increase in costs related to acquisitions and dispositions.

The impact of other items not allocated to segments was a loss of \$111.1 million in the first six months of 2020 versus the prior year period loss of \$62.6 million. The change was primarily due to higher reorganization and restructuring expenses, an increase in costs related to acquisitions and dispositions and net charges recognized in the current year period related to an internal loss in the U.S. global services operations.

Reorganization and Restructuring

Other Restructurings

Management periodically implements restructuring actions in targeted sections of our business. As a result of these actions, we recognized charges of \$14.1 million in the first six months of 2019 and \$44.6 million in the first six months of 2020, primarily severance costs. When completed, the current restructuring actions will reduce our workforce by 2,300 to 2,500 positions and result in annualized cost savings of \$35 million to \$40 million. For the restructuring actions that have not yet been completed, we expect to incur additional costs between \$5 million and \$7 million in future periods. These estimates will be updated as management targets additional sections of our business.

Due to the unique circumstances around these charges, they have not been allocated to segment results and are excluded from non-GAAP results. Charges related to the employees, assets, leases and contracts impacted by these restructuring actions were excluded from the segments and corporate expenses as shown in the table below.

(In millions)	Three Months Ended June 30,			%	Six Months Ended June 30,			%
	2020	2019	change		2020	2019	change	
Reportable Segments:								
North America	\$ (11.5)	(0.5)	unfav	\$ (11.5)	(1.5)	unfav		
South America	(15.1)	(0.3)	unfav	(17.0)	(0.9)	unfav		
Rest of World	(11.9)	(1.9)	unfav	(15.4)	(3.3)	unfav		
Total reportable segments	(38.5)	(2.7)	unfav	(43.9)	(5.7)	unfav		
Corporate items	(0.5)	(7.9)	(94)	(0.7)	(8.4)	(92)		
Total	\$ (39.0)	(10.6)	unfav	\$ (44.6)	(14.1)	unfav		

Acquisitions and dispositions Certain acquisition and disposition items that are not considered part of the ongoing activities of the business and are special in nature are consistently excluded from segment and non-GAAP results. These items are described below:

2020 Acquisitions and Dispositions

- Transaction costs related to business acquisitions were \$16.1 million in the first six months of 2020.
- Amortization expense for acquisition-related intangible assets was \$16.0 million in the first six months of 2020.
- We incurred \$13.6 million in integration costs, primarily related to Dunbar and G4S, in the first six months of 2020.
- Restructuring costs related to acquisitions were \$3.8 million in the first six months of 2020.

2019 Acquisitions and Dispositions

- We incurred \$17.6 million in integration costs related to Dunbar in the first six months of 2019.
- Amortization expense for acquisition-related intangible assets was \$13.5 million in the first six months of 2019.
- Restructuring costs related to our Dunbar and Rodoban acquisitions were \$3.8 million in the first six months of 2019.
- Transaction costs related to business acquisitions were \$1.9 million in the first six months of 2019.
- Compensation expense related to the retention of key Dunbar employees was \$1.6 million in the first six months of 2019.
- In the first six months of 2019, we recognized \$1.3 million in net charges, primarily asset impairment and severance costs, related to the exit from our top-up prepaid mobile phone business in Brazil.

Argentina highly inflationary impact Beginning in the third quarter of 2018, we designated Argentina's economy as highly inflationary for accounting purposes. As a result, Argentine peso-denominated monetary assets and liabilities are now remeasured at each balance sheet date to the currency exchange rate then in effect, with currency remeasurement gains and losses recognized in earnings. In addition, nonmonetary assets retain a higher historical basis when the currency is devalued. The higher historical basis results in incremental expense being recognized when the nonmonetary assets are consumed. In the first six months of 2020, we recognized \$5.2 million in pretax charges related to highly inflationary accounting, including currency remeasurement losses of \$3.5 million. In the first six months of 2019, we recognized \$4.4 million in pretax charges related to highly inflationary accounting, including currency remeasurement losses of \$3.4 million. These amounts are excluded from segment and non-GAAP results.

Internal loss A former non-management employee in our U.S. global services operations embezzled funds from Brink's in prior years. Except for a small deductible amount, the amount of the internal loss related to the embezzlement was covered by our insurance. In an effort to cover up the embezzlement, the former employee intentionally misstated the underlying accounts receivable subledger data. In 2019, we incurred \$4.5 million in costs (primarily third party expenses) to reconstruct the accounts receivables subledger. In the first quarter of 2020, we incurred an additional \$0.2 million in costs related to this activity.

In the third quarter of 2019, we were able to identify \$4.0 million of revenues billed and collected in prior periods which had never been recorded in the general ledger. We also identified and recorded \$0.3 million in bank fees, which had been incurred in prior periods. The rebuild of the subledger was substantially completed during the third quarter of 2019. Based on the reconstructed subledger, we were able to analyze and quantify the uncollected receivables from prior periods. Although we plan to attempt to collect these receivables, we estimated an increase to bad debt expense of \$13.7 million in the third quarter of 2019.

The estimate of the allowance for doubtful accounts was adjusted in the fourth quarter of 2019 for an additional \$6.4 million and again in the first six months of 2020 for an additional \$10.6 million. This estimate will be adjusted in future periods, if needed, as assumptions related to the collectability of these accounts receivable change. At June 30, 2020, we have recorded a \$21.6 million allowance on \$25.0 million of accounts receivable, or 86%. We have defined accounts receivable impacted by the embezzlement as accounts receivable recorded as of and prior to the third quarter of 2019. Due to the unusual nature of this internal loss and the related errors in the subledger data, along with the fact that management has excluded these amounts when evaluating internal performance, we have excluded these net charges from segment and non-GAAP results.

Reporting compliance Certain compliance costs (primarily third party expenses) are excluded from segment and non-GAAP results. These costs relate to the implementation and January 1, 2019 adoption of the new lease accounting standard (\$0.5 million in the first six months of 2020 and \$1.4 million in the first six months of 2019). We also incurred \$0.3 million in costs related to mitigation of material weaknesses in the first six months of 2019. We did not incur any such costs in the first six months of 2020.

Foreign Operations

We currently serve customers in more than 100 countries, including 48 countries where we operate subsidiaries.

We are subject to risks customarily associated with doing business in foreign countries, including labor and economic conditions, the imposition of international sanctions, including by the U.S. government, political instability, controls on repatriation of earnings and capital, nationalization, expropriation and other forms of restrictive action by local governments. Changes in the political or economic environments in the countries in which we operate could have a material adverse effect on our business, financial condition and results of operations. The future effects, if any, of these risks are unknown. In April 2019, the U.S. government sanctioned the Venezuela central bank and, as a result, the Company has ceased support of the Venezuela business.

Our international operations conduct a majority of their business in local currencies. Because our financial results are reported in U.S. dollars, they are affected by changes in the value of various local currencies in relation to the U.S. dollar. Recent strengthening of the U.S. dollar has reduced our reported U.S. dollar revenues and operating profit and may continue in 2020.

At June 30, 2020, Argentina's economy remains highly inflationary for accounting purposes. At June 30, 2020, we had net monetary assets denominated in Argentine pesos of \$25.0 million (including cash of \$21.1 million) and net nonmonetary assets of \$149.2 million (including \$99.8 million of goodwill). At June 30, 2020, we had no equity securities denominated in Argentine pesos.

During September 2019, the Argentine government announced currency controls on both companies and individuals. Under the exchange procedures implemented by the central bank, approval is required for many transactions, including dividend repatriation abroad.

We have in the past and may elect in the future to utilize other market mechanisms to convert Argentine pesos into U.S. dollars. Conversions under these other market mechanisms have settled at rates that are generally less favorable than the rates at which we remeasured the financial statements of Brink's Argentina. We did not have any such conversions losses in the six months ended June 30, 2020.

Although the Argentine government has implemented currency controls, Brink's management continues to provide guidance and strategic oversight, including budgeting and forecasting for Brink's Argentina. We continue to control our Argentina business for purposes of consolidation of our financial statements and continue to monitor the situation in Argentina.

Changes in exchange rates may also affect transactions that are denominated in currencies other than the functional currency. From time to time, we use short term foreign currency forward and swap contracts to hedge transactional risks associated with foreign currencies. At June 30, 2020, the notional value of our short term outstanding foreign currency forward and swap contracts was \$142 million with average contract maturities of approximately one month. These short term foreign currency forward and swap contracts primarily offset exposures in the euro, the British pound and the Brazilian real. Additionally, these short term contracts are not designated as hedges for accounting purposes, and accordingly, changes in their fair value are recorded immediately in earnings. At June 30, 2020, the fair value of our short term foreign currency contracts was an asset of approximately \$3.9 million and was included in prepaid expenses and other on the condensed consolidated balance sheet. At December 31, 2019, the fair value of these foreign currency contracts was a net asset of approximately \$0.6 million, of which \$0.8 million was included in prepaid expenses and other and \$0.2 million was included in accrued liabilities on the condensed consolidated balance sheet.

Amounts under these contracts were recognized in other operating income (expense) and in interest and other nonoperating income and expense as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Derivative instrument gains (losses) included in other operating income (expense)	\$ 2.6	(1.4)	\$ 3.9	2.5
Derivative instrument gains (losses) included in other nonoperating income (expense) ^(a)	(0.4)	—	(8.1)	—

(a) Represents loss on foreign currency forward contracts related to 2020 acquisition of business operations from G4S.

We also have a long term cross currency swap contract to hedge exposure in Brazilian real, which is designated as a cash flow hedge for accounting purposes. At June 30, 2020, the notional value of this long term contract was \$110 million with a weighted-average maturity of approximately 2.1 years. At June 30, 2020, the fair value of the long term cross currency swap contract was a \$29.2 million net asset, of which \$3.9 million is included in prepaid expenses and other and \$25.3 million is included in other assets on the condensed consolidated balance sheet. At December 31, 2019, the fair value of the long term cross currency swap contract was a \$2.1 million net asset, of which a \$4.9 million asset is included in other assets and a \$2.8 million liability is included in accrued liabilities on the condensed consolidated balance sheet.

Amounts under this contract were recognized in other operating income (expense) to offset transaction gains or losses and in interest expense as follows:

<i>(In millions)</i>	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Derivative instrument gains (losses) included in other operating income (expense)	\$ 3.7	(2.4)	\$ 29.8	1.4
Offsetting transaction gains (losses)	(3.7)	2.4	(29.8)	(1.4)
Derivative instrument gains (losses) included in interest expense	(0.3)	(1.3)	(1.0)	(2.7)
Net gain (loss) on derivative instrument	3.4	(3.7)	28.8	(1.3)

See Note 1 to the condensed consolidated financial statements for a description of how we account for currency remeasurement for Argentine subsidiaries, beginning July 1, 2018 under the heading, "Argentina".

Other Operating Income (Expense)

Other operating income (expense) includes amounts included in segment results as well as income and expense not allocated to segments.

(In millions)	Three Months Ended June 30,			% change	Six Months Ended June 30,		
	2020	2019			2020	2019	% change
Foreign currency items:							
Transaction gains (losses)	\$ (5.3)	1.7	unfav	\$ (10.9)	(5.2)	unfav	
Derivative instrument gains (losses)	2.6	(1.4)	fav	3.9	2.5	56	
Gains (losses) on sale of property and other assets	0.1	1.1	(91)	(0.2)	1.2	unfav	
Impairment losses	(2.9)	(0.4)	unfav	(4.9)	(1.6)	unfav	
Share in earnings of equity affiliates	0.2	0.3	(33)	0.2	0.5	(60)	
Royalty income	1.1	1.3	(15)	2.3	2.5	(8)	
Other gains (losses)	0.7	(0.9)	fav	1.0	(0.4)	fav	
Other operating income (expense)	\$ (3.5)	1.7	unfav	\$ (8.6)	(0.5)	unfav	

Other operating income (expense) was \$(3.5) million of expense in the second quarter of 2020 versus 1.7 million of income in the prior year period. The change from the prior year quarter was primarily due to foreign currency losses in the second quarter of 2020 and higher impairment losses in the current year period.

Other operating income (expense) was \$8.6 million of expense in the first six months of 2020 versus \$0.5 million of expense in the prior year period. The change from the prior year period was primarily due to higher foreign currency losses in the first six months of 2020 and higher impairment losses in the current year period.

Nonoperating Income and Expense

Interest expense

(In millions)	Three Months Ended June 30,			% change	Six Months Ended June 30,		
	2020	2019			2020	2019	% change
Interest expense	\$ 23.2	22.7	2	\$ 43.2	45.7	(5)	

Interest expense was higher in the second quarter of 2020 compared to the prior year period primarily due to higher borrowing levels due to business acquisitions.

Interest expense was lower in the first six months of 2020 compared to the prior year period primarily due to lower short-term borrowings as well as lower interest rate levels on variable rate long-term debt.

Interest and other nonoperating income (expense)

(In millions)	Three Months Ended June 30,			% change	Six Months Ended June 30,		
	2020	2019			2020	2019	% change
Interest income	\$ 1.6	1.1	45	\$ 2.7	2.3	17	
Gain on equity securities	5.9	—	fav	3.4	—	fav	
Foreign currency transaction gains (losses)	0.1	—	fav	(0.1)	—	unfav	
Derivative instrument losses ^(a)	(0.4)	—	unfav	(8.1)	—	unfav	
Retirement benefit cost other than service cost	(9.2)	(7.8)	18	(18.3)	(17.5)	5	
Non-income taxes on intercompany billings ^(b)	(0.7)	(0.8)	(13)	(1.6)	(1.8)	(11)	
Venezuela operations ^(c)	—	(0.4)	(100)	—	(0.9)	(100)	
Gain on lease termination ^(d)	—	5.2	(100)	—	5.2	(100)	
Gain on disposition of subsidiary ^(e)	—	—	—	4.7	—	fav	
Other	(0.3)	(0.4)	(25)	(1.3)	(1.6)	(19)	
Interest and other nonoperating income (expense)	\$ (3.0)	(3.1)	(3)	\$ (18.6)	(14.3)	30	

(a) Represents loss on foreign currency forward contracts related to acquisition of business operations from G4S.

(b) Certain of our Latin American subsidiaries incur non-income taxes related to the billing of intercompany charges. These intercompany charges do not impact South American segment results and are eliminated in our consolidation.

(c) Charges incurred for providing financial support to Brink's Venezuelan subsidiaries after the June 30, 2018 deconsolidation. We do not expect any future funding of the Venezuela business, as long as current U.S. sanctions remain in effect.

(d) Gain on termination of a mining lease obligation related to former coal operations. We have no remaining mining leases.

(e) Gain on the sale of our former French security services subsidiary in the first quarter of 2020.

Income Taxes

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
<i>Continuing operations</i>				
Provision (benefit) for income taxes (in millions)	\$ (43.2)	12.7	\$ (55.4)	22.4
Effective tax rate	158.8%	47.4%	151.4%	43.9%

Effective Tax Rate

Our effective tax rate may fluctuate materially from these estimates due to changes in pre-tax earnings, permanent book-tax differences, changes in the expected amount and geographical mix of earnings, changes in current or deferred taxes due to legislative changes, changes in valuation allowances or accruals for contingencies, changes in distributions of share-based payments, changes in U.S. taxable income, changes in guidance and additional legislative changes related to the Tax Reform Act, and other factors.

Noncontrolling Interests

<i>(In millions)</i>	Three Months Ended June 30,			Six Months Ended June 30,		
	2020	2019	% change	2020	2019	% change
Net income attributable to noncontrolling interests	\$ 2.3	1.5	53	\$ 3.3	2.3	43

The change in net income attributable to noncontrolling interests in the three months and six months ended June 30, 2020 from prior periods is primarily attributable to the G4S acquisitions that closed in the second quarter of 2020.

Non-GAAP Results Reconciled to GAAP

Non-GAAP results described in this filing are financial measures that are not required by or presented in accordance with GAAP. The purpose of the non-GAAP results is to report financial information from the primary operations of our business by excluding the effects of certain income and expenses that do not reflect the ordinary earnings of our operations. The specific items excluded have not been allocated to segments, are described in detail on pages 44–45, and are reconciled to comparable GAAP measures below.

Non-GAAP results adjust the quarterly non-GAAP tax rates so that the non-GAAP tax rate in each of the quarters is equal to the full-year estimated non-GAAP tax rate. The full-year non-GAAP tax rate in both years excludes certain pretax and income tax amounts. Amounts reported for prior periods have been updated in this report to present information consistently for all periods presented.

The Non-GAAP financial measures are intended to provide investors with a supplemental comparison of our operating results and trends for the periods presented. Our management believes these measures are also useful to investors as they allow investors to evaluate our performance using the same metrics that our management uses to evaluate past performance and prospects for future performance. We do not consider these items to be reflective of our core operating performance due to the variability of such items from period-to-period in terms of size, nature and significance. Additionally, non-GAAP results are utilized as performance measures in certain management incentive compensation plans.

Non-GAAP results should not be considered as an alternative to revenue, income or earnings per share amounts determined in accordance with GAAP and should be read in conjunction with their GAAP counterparts.

(In millions, except for percentages)	YTD '20			YTD '19		
	Pre-tax	Tax	Effective tax rate	Pre-tax	Tax	Effective tax rate
Effective Income Tax Rate^(a)						
GAAP	\$ (36.6)	(55.4)	151.4%	\$ 51.0	22.4	43.9%
Retirement plans ^(d)	15.8	3.7		14.9	3.5	
Venezuela operations ^(e)	—	—		0.9	—	
Reorganization and Restructuring ^(b)	44.6	10.3		14.1	3.6	
Acquisitions and dispositions ^(b)	54.5	5.7		42.8	2.8	
Argentina highly inflationary impact ^(b)	5.2	(0.5)		4.4	—	
Internal loss ^(b)	10.8	2.5		2.6	0.1	
Reporting compliance ^(b)	0.5	—		1.7	—	
Gain on lease termination ^(f)	—	—		(5.2)	—	
Income tax rate adjustment ^(c)	—	69.3		—	7.6	
Non-GAAP	\$ 94.8	35.6	37.5%	\$ 127.2	40.0	31.4%

Amounts may not add due to rounding.

- (a) From continuing operations.
- (b) See “Other Items Not Allocated To Segments” on pages 44–45 for details. We do not consider these items to be reflective of our core operating performance due to the variability of such items from period-to-period in terms of size, nature and significance.
- (c) Non-GAAP income from continuing operations and non-GAAP EPS have been adjusted to reflect an effective income tax rate in each interim period equal to the full-year non-GAAP effective income tax rate. The full-year non-GAAP effective tax rate is estimated at 37.5% for 2020 and was 31.4% for 2019.
- (d) Our U.S. retirement plans are frozen and costs related to these plans are excluded from non-GAAP results. Certain non-U.S. operations also have retirement plans. Settlement charges related to these non-U.S. plans are also excluded from non-GAAP results.
- (e) Post-deconsolidation funding of ongoing costs related to our Venezuelan operations was \$0.9 million in 2019 and was expensed as incurred and reported in interest and other nonoperating income (expense). We do not expect any future funding of the Venezuela business, as long as current U.S. sanctions remain in effect.
- (f) Gain on settlement of a mining lease obligation related to former coal operations. We have no remaining mining leases.

Non-GAAP Results Reconciled to GAAP

(In millions, except for percentages and per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Revenues:				
GAAP	\$ 826.0	914.0	\$ 1,698.8	1,819.0
Acquisitions and dispositions ^(b)	—	0.3	—	0.3
Non-GAAP	\$ 826.0	914.3	\$ 1,698.8	1,819.3
Operating profit:				
GAAP	\$ (1.0)	52.6	\$ 25.2	111.0
Reorganization and Restructuring ^(b)	39.0	10.6	44.6	14.1
Acquisitions and dispositions ^(b)	30.9	22.6	50.0	39.8
Argentina highly inflationary impact ^(b)	2.8	0.1	5.2	4.4
Internal loss ^(b)	1.2	2.6	10.8	2.6
Reporting compliance ^(b)	0.3	0.3	0.5	1.7
Non-GAAP	\$ 73.2	88.8	\$ 136.3	173.6
Operating margin:				
GAAP margin	(0.1)%	5.8%	1.5%	6.1%
Non-GAAP margin	8.9 %	9.7%	8.0%	9.5%
Interest expense:				
GAAP	\$ (23.2)	(22.7)	\$ (43.2)	(45.7)
Acquisitions and dispositions ^(b)	0.3	1.5	1.0	3.0
Non-GAAP	\$ (22.9)	(21.2)	\$ (42.2)	(42.7)
Interest and other nonoperating income (expense):				
GAAP	\$ (3.0)	(3.1)	\$ (18.6)	(14.3)
Retirement plans ^(d)	8.1	6.5	15.8	14.9
Venezuela operations ^(e)	—	0.4	—	0.9
Acquisitions and dispositions ^(b)	0.5	—	3.5	—
Gain on lease termination ^(g)	—	(5.2)	—	(5.2)
Non-GAAP	\$ 5.6	(1.4)	\$ 0.7	(3.7)
Provision for income taxes:				
GAAP	\$ (43.2)	12.7	\$ (55.4)	22.4
Retirement plans ^(d)	1.9	1.6	3.7	3.5
Reorganization and Restructuring ^(b)	9.0	2.6	10.3	3.6
Acquisitions and dispositions ^(b)	3.6	1.1	5.7	2.8
Argentina highly inflationary impact ^(b)	(0.3)	—	(0.5)	—
Internal loss ^(b)	0.3	0.1	2.5	0.1
Income tax rate adjustment ^(c)	49.7	2.7	69.3	7.6
Non-GAAP	\$ 21.0	20.8	\$ 35.6	40.0

Amounts may not add due to rounding.
See page 50 for footnote explanations.

<i>(In millions, except for percentages and per share amounts)</i>	Three Months Ended June 30,		Six Months Ended June 30,			
	2020	2019	2020	2019		
Net income (loss) attributable to noncontrolling interests:						
GAAP	\$	2.3	1.5	\$	3.3	2.3
Reorganization and Restructuring ^(b)		—	—		0.1	—
Acquisitions and dispositions ^(b)		0.1	—		0.1	—
Income tax rate adjustment ^(c)		(1.6)	—		(2.0)	—
Non-GAAP	\$	0.8	1.5	\$	1.5	2.3
Income (loss) from continuing operations attributable to Brink's:						
GAAP	\$	13.7	12.6	\$	15.5	26.3
Retirement plans ^(d)		6.2	4.9		12.1	11.4
Venezuela operations ^(e)		—	0.4		—	0.9
Reorganization and Restructuring ^(b)		30.0	8.0		34.2	10.5
Acquisitions and dispositions ^(b)		28.0	23.0		48.7	40.0
Argentina highly inflationary impact ^(b)		3.1	0.1		5.7	4.4
Internal loss ^(b)		0.9	2.5		8.3	2.5
Reporting compliance ^(b)		0.3	0.3		0.5	1.7
Gain on lease termination ^(g)		—	(5.2)		—	(5.2)
Income tax rate adjustment ^(c)		(48.1)	(2.7)		(67.3)	(7.6)
Non-GAAP	\$	34.1	43.9	\$	57.7	84.9
Diluted EPS:						
GAAP	\$	0.27	0.25	\$	0.30	0.52
Retirement plans ^(d)		0.12	0.10		0.24	0.22
Venezuela operations ^(e)		—	0.01		—	0.02
Reorganization and Restructuring ^(b)		0.59	0.16		0.67	0.21
Acquisitions and dispositions ^(b)		0.55	0.45		0.95	0.79
Argentina highly inflationary impact ^(b)		0.06	—		0.11	0.09
Internal loss ^(b)		0.02	0.05		0.16	0.05
Reporting compliance ^(b)		0.01	0.01		0.01	0.03
Gain on lease termination ^(g)		—	(0.10)		—	(0.10)
Income tax rate adjustment ^(c)		(0.94)	(0.05)		(1.31)	(0.15)
Non-GAAP	\$	0.67	0.86	\$	1.13	1.67

Amounts may not add due to rounding.

See page 50 for footnote explanations.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Cash flows from operating activities decreased by \$83.9 million in the first six months of 2020 as compared to the first six months of 2019. Cash used for investing activities increased by \$227.1 million in the first six months of 2020 compared to the first six months of 2019. We financed our liquidity needs in the first six months of 2020 with cash flows from long-term debt.

Operating Activities

<i>(In millions)</i>	Six Months Ended June 30,		\$
	2020	2019	change
Cash flows from operating activities			
Operating activities - GAAP	\$ (60.0)	23.9	(83.9)
(Increase) decrease in restricted cash held for customers	(5.3)	29.5	(34.8)
(Increase) decrease in certain customer obligations ^(a)	11.3	(7.0)	18.3
Operating activities - non-GAAP	\$ (54.0)	46.4	(100.4)

(a) To adjust for the change in the balance of customer obligations related to cash received and processed in certain of our secure cash management services operations. The title to this cash transfers to us for a short period of time. The cash is generally credited to customers' accounts the following day and we do not consider it as available for general corporate purposes in the management of our liquidity and capital resources.

Non-GAAP cash flows from operating activities is a supplemental financial measure that is not required by, or presented in accordance with, GAAP. The purpose of this non-GAAP measure is to report financial information excluding restricted cash held for customers and the impact of cash received and processed in certain of our secure cash management services operations. We believe this measure is helpful in assessing cash flows from operations, enables period-to-period comparability and is useful in predicting future operating cash flows. This non-GAAP measure should not be considered as an alternative to cash flows from operating activities determined in accordance with GAAP and should be read in conjunction with our condensed consolidated statements of cash flows.

GAAP

Cash flows from operating activities decreased by \$83.9 million in the first six months of 2020 compared to the same period in 2019. The decrease was attributed to the decrease in operating profit, changes in working capital, and changes in customer obligations related to certain of our secure cash management services operations (cash held for customers decreased by \$11.3 million in 2020 compared to an increase of \$7 million in 2019), offset by the \$34.8 million increase in restricted cash held for customers.

Non-GAAP

Non-GAAP cash flows from operating activities decreased by \$100.4 million in the first six months of 2020 as compared to the same period in 2019. The decrease was attributed to the decrease in operating profit and changes in working capital.

Investing Activities

<i>(In millions)</i>	Six Months Ended June 30,		\$
	2020	2019	change
Cash flows from investing activities			
Capital expenditures	\$ (53.9)	(73.1)	19.2
Acquisitions, net of cash acquired	(408.4)	(167.0)	(241.4)
Dispositions, net of cash disposed	(3.1)	—	(3.1)
Marketable securities:			
Purchases	(1.2)	(2.2)	1.0
Sales	0.6	0.8	(0.2)
Proceeds from sale of property and equipment	1.4	1.9	(0.5)
Acquisition of customer contracts	(5.2)	(3.1)	(2.1)
Investing activities	\$ (469.8)	(242.7)	(227.1)

Cash used by investing activities increased by \$227.1 million in the first six months of 2020 versus the first six months of 2019. The increase was primarily due to the G4S acquisition in 2020.

Capital expenditures and depreciation and amortization were as follows:

<i>(In millions)</i>	Six Months Ended June 30,		\$	Full Year
	2020	2019	change	2019
Property and equipment acquired during the period				
Capital expenditures: ^(a)				
North America	\$ 21.7	33.6	(11.9)	76.6
South America	10.6	19.8	(9.2)	44.4
Rest of World	18.5	13.8	4.7	33.5
Corporate	3.1	5.9	(2.8)	10.3
Capital expenditures - GAAP and non-GAAP	\$ 53.9	73.1	(19.2)	164.8
Financing leases: ^(b)				
North America	\$ 18.4	26.3	(7.9)	51.8
South America	0.5	0.9	(0.4)	3.7
Rest of World	0.5	3.3	(2.8)	4.2
Financing leases - GAAP and non-GAAP	\$ 19.4	30.5	(11.1)	59.7
Total:				
North America	\$ 40.1	59.9	(19.8)	128.4
South America	11.1	20.7	(9.6)	48.1
Rest of World	19.0	17.1	1.9	37.7
Corporate	3.1	5.9	(2.8)	10.3
Total property and equipment acquired	\$ 73.3	103.6	(30.3)	224.5
Depreciation and amortization^(a)				
North America	\$ 40.2	42.3	(2.1)	81.1
South America	13.1	14.0	(0.9)	27.9
Rest of World	21.2	17.3	3.9	32.3
Corporate	4.4	5.6	(1.2)	10.8
Depreciation and amortization - non-GAAP	\$ 78.9	79.2	(0.3)	152.1
Argentina highly inflationary impact	1.4	0.5	0.9	1.8
Reorganization and Restructuring	0.3	0.1	0.2	0.2
Acquisitions and dispositions	0.5	3.3	(2.8)	3.1
Amortization of intangible assets	16.0	13.5	2.5	27.8
Depreciation and amortization - GAAP	\$ 97.1	96.6	0.5	185.0

(a) Incremental depreciation related to highly inflationary accounting in Argentina, accelerated depreciation related to restructuring and acquisition-related integration activities, and amortization of acquisition-related intangible assets have been excluded from non-GAAP amounts.

(b) Represents the amount of property and equipment acquired using financing leases. Because the assets are acquired without using cash, the acquisitions are not reflected in the condensed consolidated cash flow statement. Amounts are provided here to assist in the comparison of assets acquired in the current year versus prior years.

Non-GAAP capital expenditures and non-GAAP depreciation and amortization are supplemental financial measures that are not required by, or presented in accordance with GAAP. The purpose of these non-GAAP measures is to report financial information excluding incremental depreciation related to highly inflationary accounting in Argentina, accelerated depreciation from restructuring and acquisition-related integration activities, and amortization of acquisition-related intangible assets. We believe these measures are helpful in assessing capital expenditures and depreciation and amortization, enable period-to-period comparability and are useful in predicting future investing cash flows. These non-GAAP measures should not be considered as alternatives to capital expenditures and depreciation and amortization determined in accordance with GAAP and should be read in conjunction with our condensed consolidated statements of cash flows.

Our reinvestment ratio, which we define as the annual amount of property and equipment acquired during the period divided by the annual amount of depreciation, was 1.3 for the twelve months ending June 30, 2020 compared to 1.4 for the twelve months ending June 30, 2019.

Capital expenditures in the first six months of 2020 were primarily for machinery and equipment, information technology and armored vehicles.

Financing Activities

<i>(In millions)</i>	Six Months Ended June 30,		\$
	2020	2019	change
Cash flows from financing activities			
Borrowings and repayments:			
Short-term borrowings	\$ (1.6)	0.1	(1.7)
Long-term revolving credit facilities, net	(118.9)	(130.6)	11.7
Other long-term debt, net	949.7	309.5	640.2
Borrowings (repayments)	829.2	179.0	650.2
Debt financing costs	(11.5)	(4.0)	(7.5)
Dividends to:			
Shareholders of Brink's	(15.1)	(14.9)	(0.2)
Noncontrolling interests in subsidiaries	(7.9)	(0.2)	(7.7)
Payment of acquisition-related obligation	(6.8)	(1.5)	(5.3)
Tax withholdings associated with share-based compensation	(9.3)	(7.2)	(2.1)
Other	0.8	(1.7)	2.5
Financing activities	\$ 779.4	149.5	629.9

Debt borrowings and repayments

Cash flows from financing activities increased by \$629.9 million in the first six months of 2020 compared to the first six months of 2019 as net borrowings increased compared to the prior six month period.

Dividends

We paid dividends to Brink's shareholders of \$0.30 per share or \$15.1 million in the first six months of 2020 compared to \$0.30 per share or \$14.9 million in the first six months of 2019. Future dividends are dependent on our earnings, financial condition, shareholders' equity levels, our cash flow and business requirements, as determined by the Board of Directors.

Reconciliation of Net Debt to U.S. GAAP Measures

(In millions)	June 30, 2020	December 31, 2019
Debt:		
Short-term borrowings	\$ 12.1	14.3
Long-term debt	2,471.3	1,629.3
Total Debt	2,483.4	1,643.6
Restricted cash borrowings ^(a)	(10.3)	(10.3)
Total Debt without restricted cash borrowings	2,473.1	1,633.3
Less:		
Cash and cash equivalents	531.3	311.0
Amounts held by Cash Management Services operations ^(b)	(11.6)	(26.3)
Cash and cash equivalents available for general corporate purposes	519.7	284.7
Net Debt^(c)	\$ 1,953.4	1,348.6

(a) Restricted cash borrowings are related to cash borrowed under lending arrangements used in the process of managing customer cash supply chains, which is currently classified as restricted cash and not available for general corporate purposes.

(b) Title to cash received and processed in certain of our secure Cash Management Services operations transfers to us for a short period of time. The cash is generally credited to customers' accounts the following day and we do not consider it as available for general corporate purposes in the management of our liquidity and capital resources and in our computation of Net Debt.

(c) Included within Net Debt is net cash from our Argentina operations of \$22 million at June 30, 2020 and \$17 million at December 31, 2019 (see Note 1 to the condensed consolidated financial statements for a discussion of currency controls in Argentina).

Net Debt is a supplemental non-GAAP financial measure that is not required by, or presented in accordance with GAAP. We use Net Debt as a measure of our financial leverage. We believe that investors also may find Net Debt to be helpful in evaluating our financial leverage. Net Debt should not be considered as an alternative to Debt determined in accordance with GAAP and should be reviewed in conjunction with our condensed consolidated balance sheets. Set forth above is a reconciliation of Net Debt, a non-GAAP financial measure, to Debt, which is the most directly comparable financial measure calculated and reported in accordance with GAAP, as of June 30, 2020, and December 31, 2019.

Net Debt increased by \$605 million primarily to fund business acquisitions and other working capital needs including insurance and bonus payments.

Liquidity Needs

Our liquidity needs include not only the working capital requirements of our operations but also investments in our operations, business development activities, payments on outstanding debt, dividend payments and share repurchases.

Our liquidity needs are typically financed by cash from operations, short-term debt and the available borrowing capacity under our Revolving Credit Facility (our debt facilities are described in more detail in Note 9 to the condensed consolidated financial statements, including certain limitations and considerations related to the cash and borrowing capacity). As of June 30, 2020, \$1,000 million was available under the Revolving Credit Facility. Based on our current cash on hand, cash generated from operations, and amounts available under our credit facilities, we believe that we will be able to meet our liquidity needs for the next twelve months.

Limitations on dividends from foreign subsidiaries. A significant portion of our operations are outside the U.S. which may make it difficult or costly to repatriate cash for use in the U.S. See "Risk Factors" in Item 1A of our annual report on Form 10-K for the year ended December 31, 2019, for more information on the risks associated with having businesses outside the U.S.

Our conclusion that we will be able to fund our cash requirements for the next 12 months by using existing capital resources, cash on hand, and cash generated from operations does not take into account any potential material worsening of economic conditions as a result of the ongoing COVID-19 pandemic that would adversely affect our business. The anticipated cash needs of our business could change significantly if we pursue and complete additional business acquisitions, if our business plans change, if events, including economic disruptions, arising from the ongoing COVID-19 pandemic worsen, or if other economic conditions change from those currently prevailing or from those now anticipated, or if other unexpected circumstances arise that may have a material effect on the cash flow or profitability of our business, including material negative changes in the health and welfare of our employees or changes in the condition of our customers or suppliers, and the operating performance or financial results of our business. Any of these events or circumstances, including any new business opportunities, could involve significant additional funding needs in excess of the identified currently available sources and could require us to raise additional debt or equity funding to meet those needs. Our ability to raise additional capital, if necessary, is subject to a variety of factors that we cannot predict with certainty, including:

- our future profitability;
- the quality of our accounts receivable;
- our relative levels of debt and equity;
- the volatility and overall condition of the capital markets; and
- the market prices of our securities.

Equity

On February 6, 2020, our board of directors authorized a \$250 million share repurchase authorization that expires on December 31, 2021. The authorization replaces our previous \$200 million repurchase program, authorized by the board of directors in May 2017, which expired December 31, 2019. Under the \$200 million repurchase program, we repurchased 1.3 million shares for approximately \$94 million, or an average cost of \$69.35 per share. There was approximately \$106 million remaining available under the \$200 million repurchase program when it expired. Under the \$250 million repurchase program, we are not obligated to repurchase any specific dollar amount or number of shares. The timing and volume of share repurchases may be executed at the discretion of management on an opportunistic basis, or pursuant to trading plans or other arrangements. Share repurchases under this program may be made in the open market, in privately negotiated transactions, or otherwise. No shares have been repurchased under the \$250 million share repurchase program and, as of the date of this filing, we have suspended share repurchases under the program.

U.S. Retirement Liabilities

Assumptions for U.S. Retirement Obligations

The amounts in the tables below are based on a variety of estimates, including actuarial assumptions as of the most recent measurement date. The assumptions used to estimate our U.S. retirement obligations can be found in our Annual Report on Form 10-K for the year ended December 31, 2019. The estimated amounts will change in the future to reflect payments made, investment returns, actuarial revaluations, and other changes in estimates. Actual amounts could differ materially from the estimated amounts and will be updated at December 31, 2020.

Our most significant actuarial assumptions include:

- Changing discount rates and other assumptions in effect at measurement dates (normally December 31)
- Investment returns of plan assets
- Addition of new participants (historically immaterial due to freezing of pension benefits and exit from coal business)
- Mortality rates
- Change in laws

Funded Status of U.S. Retirement Plans

(In millions)	Actual	Actual	Projected				
	2019	First Half 2020	2nd Half 2020	2021	2022	2023	2024
Primary U.S. pension plan							
Beginning funded status	\$ (106.8)	(118.3)	(108.4)	(97.4)	(75.6)	(38.6)	4.0
Net periodic pension credit ^(a)	16.9	9.9	9.9	21.0	22.4	24.0	27.1
Payment from Brink's	—	—	—	—	14.1	17.6	16.3
Benefit plan experience gain (loss)	(28.4)	—	1.1	0.8	0.5	1.0	—
Ending funded status	\$ (118.3)	(108.4)	(97.4)	(75.6)	(38.6)	4.0	47.4
UMWA plans							
Beginning funded status	\$ (297.4)	(246.7)	(243.8)	(246.3)	(247.2)	(249.0)	(251.8)
Net periodic postretirement cost ^(a)	(4.0)	0.1	0.3	(0.9)	(1.8)	(2.8)	(3.9)
Benefit plan experience gain (loss)	55.1	—	—	—	—	—	—
Other	(0.4)	2.8	(2.8)	—	—	—	—
Ending funded status	\$ (246.7)	(243.8)	(246.3)	(247.2)	(249.0)	(251.8)	(255.7)
Black lung plans							
Beginning funded status	\$ (67.9)	(99.2)	(96.6)	(91.5)	(84.0)	(77.1)	(70.6)
Net periodic postretirement cost ^(a)	(3.0)	(1.5)	(1.6)	(2.6)	(2.5)	(2.2)	(2.1)
Payment from Brink's	8.4	4.1	6.7	10.1	9.4	8.7	8.1
Benefit plan experience gain (loss)	(36.7)	—	—	—	—	—	—
Ending funded status	\$ (99.2)	(96.6)	(91.5)	(84.0)	(77.1)	(70.6)	(64.6)

(a) Excludes amounts reclassified from accumulated other comprehensive income (loss).

Primary U.S. Pension Plan

Pension benefits provided to eligible U.S. employees were frozen on December 31, 2005, and are not provided to employees hired after 2005 or to those covered by a collective bargaining agreement. We did not make cash contributions to the primary U.S. pension plan in 2019 or the first six months of 2020. There are approximately 11,200 beneficiaries in the plan.

We do not expect to make contributions until 2022.

UMWA Plans

Retirement benefits related to former coal operations include medical benefits provided by the Pittston Coal Group Companies Employee Benefit Plan for UMWA Represented Employees. There were approximately 3,000 beneficiaries in the UMWA plans as of December 31, 2019. The company does not expect to make additional contributions to these plans until 2028 based on actuarial assumptions.

Black Lung

Under the Federal Black Lung Benefits Act of 1972, Brink's is responsible for paying lifetime black lung benefits to miners and their dependents for claims filed and approved after June 30, 1973. There were approximately 800 black lung beneficiaries as of December 31, 2019.

Summary of Expenses Related to All U.S. Retirement Liabilities through 2024

This table summarizes actual and projected expense related to U.S. retirement liabilities.

(In millions)	Actual	Actual	Projected					
	2019	First Half 2020	2nd Half 2020	FY2020	2021	2022	2023	2024
Primary U.S. pension plan	\$ 21.8	4.1	4.6	8.7	3.1	(1.3)	(4.4)	(11.3)
UMWA plans	15.9	5.7	5.8	11.5	11.4	11.6	11.9	12.3
Black lung plans	7.4	5.5	5.6	11.1	9.8	9.1	8.5	7.9
Total	\$ 45.1	15.3	16.0	31.3	24.3	19.4	16.0	8.9

Summary of Payments from Brink's to U.S. Plans and Payments from U.S. Plans to Participants through 2024

This table summarizes actual and projected payments:

- from Brink's to U.S. retirement plans, and
- from the plans to participants.

(In millions)	Actual	Actual	Projected					
	2019	First Half 2020	2nd Half 2020	FY2020	2021	2022	2023	2024
Payments from Brink's to U.S. Plans								
Primary U.S. pension plan	\$ —	—	—	—	—	14.1	17.6	16.3
Black lung plans	8.4	4.1	6.7	10.8	10.1	9.4	8.7	8.1
Total	\$ 8.4	4.1	6.7	10.8	10.1	23.5	26.3	24.4

Payments from U.S. Plans to participants

Primary U.S. pension plan	\$ 48.5	21.1	25.9	47.0	47.0	47.0	47.0	46.9
UMWA plans	29.3	13.2	17.0	30.2	30.2	29.7	29.3	28.7
Black lung plans	8.4	4.1	6.7	10.8	10.1	9.4	8.7	8.1
Total	\$ 86.2	38.4	49.6	88.0	87.3	86.1	85.0	83.7

Contingent Matters

See Note 14 to the condensed consolidated financial statements for information about contingent matters at June 30, 2020.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We serve customers in more than 100 countries, including 48 countries where we operate subsidiaries. These operations expose us to a variety of market risks, including the effects of changes in interest rates and foreign currency exchange rates. In addition, we consume various commodities in the normal course of business, exposing us to the effects of changes in the prices of such commodities. These financial and commodity exposures are monitored and managed by us as an integral part of our overall risk management program. Our risk management program seeks to reduce the potentially adverse effects that the volatility of certain markets may have on our operating results. We have not had any material change in our market risk exposures in the six months ended June 30, 2020.

Item 4. Controls and Procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer (“CEO”), who is our principal executive officer, and our Executive Vice President and Chief Financial Officer (“CFO”), who is our principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Rule 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, as of the end of the period covered by this report, our CEO and CFO concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in internal control over financial reporting.

There has been no change in our internal control over financial reporting during the quarter ended June 30, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Forward-looking information

This document contains both historical and forward-looking information. Words such as “anticipates,” “assumes,” “estimates,” “expects,” “projects,” “predicts,” “intends,” “plans,” “potential,” “believes,” “could,” “may,” “should” and similar expressions may identify forward-looking information. Forward-looking information in this document includes, but is not limited to, statements concerning: the impact of the ongoing COVID-19 pandemic on our business, employees, customers, operating results and financial position; difficulty in repatriating cash; continued strengthening of the U.S. dollar; effects of currency rate changes; anticipated costs of our Reorganization and Restructuring activities; collection of receivables related to the internal loss in the U.S. global services operations; support for the Company’s Venezuela business; our effective tax rate; the ability to meet liquidity needs; expenses and payouts for the U.S. retirement plans and the funded status of the primary pension plan; expected liability for and future contributions to the UMWA plans; liability for black lung obligations; and the effect of pending legal matters. Forward-looking information in this document is subject to known and unknown risks, uncertainties, and contingencies, which are difficult to quantify and which could cause actual results, performance or achievements to differ materially from those that are anticipated.

These risks, uncertainties and contingencies, many of which are beyond our control, include, but are not limited to:

- our ability to improve profitability and execute further cost and operational improvements and efficiencies in our core businesses;
- our ability to improve service levels and quality in our core businesses;
- market volatility and commodity price fluctuations;
- seasonality, pricing and other competitive industry factors;
- investment in information technology and its impact on revenue and profit growth;
- our ability to maintain an effective IT infrastructure and safeguard confidential information;
- our ability to effectively develop and implement solutions for our customers;
- risks associated with operating in foreign countries, including changing political, labor and economic conditions, regulatory issues (including the imposition of international sanctions, including by the U.S. government), currency restrictions and devaluations, restrictions on and cost of repatriating earnings and capital, impact on the Company’s financial results as a result of jurisdictions determined to be highly inflationary, and restrictive government actions, including nationalization;
- labor issues, including negotiations with organized labor and work stoppages;
- pandemics (including the ongoing COVID-19 pandemic and related impacts and restrictions on the actions of businesses and consumers, including suppliers and customers), acts of terrorism, strikes or other extraordinary events that negatively affect global or regional cash commerce;
- anticipated cash needs in light of our current liquidity position and the impact of COVID-19 on our liquidity;
- the strength of the U.S. dollar relative to foreign currencies and foreign currency exchange rates;
- our ability to identify, evaluate and complete acquisitions and other strategic transactions and to successfully integrate acquired companies;
- costs related to dispositions and product or market exits;
- our ability to obtain appropriate insurance coverage, positions taken by insurers relative to claims and the financial condition of insurers;
- safety and security performance and loss experience;
- employee, environmental and other liabilities in connection with former coal operations, including black lung claims;
- the impact of the Patient Protection and Affordable Care Act on legacy liabilities and ongoing operations;

- funding requirements, accounting treatment, and investment performance of our pension plans, the VEBA and other employee benefits;
- changes to estimated liabilities and assets in actuarial assumptions;
- the nature of hedging relationships and counterparty risk;
- access to the capital and credit markets;
- our ability to realize deferred tax assets;
- the outcome of pending and future claims, litigation, and administrative proceedings;
- public perception of our business, reputation and brand;
- changes in estimates and assumptions underlying our critical accounting policies; and
- the promulgation and adoption of new accounting standards, new government regulations and interpretation of existing standards and regulations.

This list of risks, uncertainties and contingencies is not intended to be exhaustive. Additional factors that could cause our results to differ materially from those described in the forward-looking statements can be found under “Risk Factors” in Item 1A of our Annual Report on Form 10-K for the period ended December 31, 2019 and in our other public filings with the Securities and Exchange Commission. The forward looking information included in this document is representative only as of the date of this document, and The Brink’s Company undertakes no obligation to update any information contained in this document.

Part II - Other Information

Item 1. Legal Proceedings

For a discussion of legal proceedings, see Note 14 to the condensed consolidated financial statements, “Contingent Matters,” in Part I, Item 1 of this Form 10-Q.

Item 1A. Risk Factors

The following risk factors are in addition to the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2019, filed with the Securities and Exchange Commission (the “SEC”) on February 28, 2020. We may disclose changes to risk factors or disclose additional factors from time to time in our future filings with the SEC.

Decreased use of cash could have a negative impact on our business.

While cash remains the most popular form of consumer payment in the world, the growth of other payment options, the increase of on-line transactions, and the influence of governments to increase tracking of payments could reduce the need for services related to cash, thereby affecting our financial results. We are developing new services that offer current and prospective customers opportunities to streamline their cash processing costs, making cash more competitive with other forms of payment. There is a risk that these initiatives may not offset the risks associated with our traditional cash-based business and that our business, financial condition, results of operations and cash flows could be negatively impacted.

The ongoing COVID-19 pandemic is expected to adversely affect our business, financial condition and results of operations, the extent of which is not now known or predictable.

The ongoing COVID-19 pandemic has created volatility, uncertainty and economic disruption for Brink’s, our customers and vendors, and the markets in which we do business. Beginning in the first quarter of 2020, health and economic conditions in the vast majority of the countries in which we operate rapidly worsened. As a result, government and customer actions and related events have impacted, and we expect will continue to impact, how we do business and the services that we provide, for a sustained period. It continues to be too early to assess the full impact that the COVID-19 pandemic, and the actions taken in response to it, will have on our employees, our businesses and segments, our customers and vendors, the industries that we serve, our financial condition and/or our results of operations as well as those of the businesses we are acquiring as part of the acquisition of the cash management operations of U.K.-based G4S plc. The full impact depends on many factors that are uncertain or not yet identifiable, and in many cases are out of our control. Those factors could include, among other things, (i) the duration of the COVID-19 pandemic and the types and magnitude of adverse impacts on regional economies, individually, and the global economy, as a whole; (ii) the health and welfare of our employees and that of our customers, vendors and suppliers; (iii) evolving business and government actions in response to the pandemic, including moratoriums by governments and regulators on rule making and regulatory and legal proceedings, limitations on employee actions by regulators and unions, and stay at home, social distancing measures and travel bans; (iv) the impact on the development and implementation of strategic initiatives and the integration of acquired businesses, including those acquired from G4S; (v) the response of our customers or prospective customers to the pandemic, including suspensions or terminations of existing contracts; (vi) the varying demand for the types of services we offer in the countries in which we offer them; (vii) our ability to continue to effectively market our services; (viii) our ability to resume services as needed; (ix) the type, size, profitability and geographic locations of our operations; (x) the ability of our customers to pay, to make timely payments or to pay in full; and (xi) the timing of finding effective treatments or a cure. Such events would result in reduced revenues and operating profit. Any of these events and others we have not yet identified could cause or contribute to the risks and uncertainties facing the Company and our customers and could materially adversely affect our business or portions thereof, and our financial condition, results of operations and/or stock price.

The ongoing COVID-19 pandemic could adversely impact the health and welfare of our employees, including our executive officers, which could have a material adverse effect on our ability to serve our customers and our results of operations.

Our customer-facing employees are necessary to conduct many of our services. If the health and welfare of customer-facing employees or employees providing critical corporate functions (including our executive officers) deteriorates, the number of employees so afflicted becomes significant, or an employee with skills and knowledge that cannot be replicated in our organization is impaired due to the COVID-19 pandemic, our ability to win business and provide services, as well as employee morale, customer relationships, business prospects, and results of operations of one or more of our segments, or the Company as a whole, could be materially adversely affected.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table provides information about common stock repurchases by the Company during the quarter ended June 30, 2020.

Period	(a) Total Number of Shares Purchased ⁽¹⁾	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number (or Approximate Dollar Value) of Shares that May Yet be Purchased Under the Plans or Programs
April 1 through				
April 30, 2020	—	\$ —	—	\$ —
May 1 through				
May 31, 2020	—	—	—	—
June 1 through				
June 30, 2020	—	—	—	—

- (1) On February 6, 2020, the Company's board of directors authorized the Company to repurchase up to \$250,000,000 of common stock from time to time as market conditions warrant and as covenants under existing agreements permit. The program does not require the Company to acquire any specific numbers of shares and may be modified or discontinued at any time. At June 30, 2020, \$250,000,000 remains available under this program. The program will expire on December 31, 2021.

Item 6. Exhibits

Exhibit Number

- 10.1 [Key Employees' Deferred Compensation Program, as amended and restated effective April 1, 2020.](#)
- 31.1 [Certification of Douglas A. Pertz, President and Chief Executive Officer \(Principal Executive Officer\) of The Brink's Company, pursuant to Rules 13a-14\(a\) and 15d-14\(a\), promulgated under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 31.2 [Certification of Ronald J. Domanico, Executive Vice President and Chief Financial Officer \(Principal Financial Officer\) of The Brink's Company, pursuant to Rules 13a-14\(a\) and 15d-14\(a\), promulgated under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.](#)
- 32.1 [Certification of Douglas A. Pertz, President and Chief Executive Officer \(Principal Executive Officer\) of The Brink's Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 32.2 [Certification of Ronald J. Domanico, Executive Vice President and Chief Financial Officer \(Principal Financial Officer\) of The Brink's Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.](#)
- 101 Interactive Data File (Quarterly Report on Form 10-Q, for the quarterly period ended March 31, 2020, furnished in Inline eXtensible Business Reporting Language (iXBRL)). The instance document does not appear in the interactive data file because its iXBRL tags are embedded within the iXBRL document.

Attached as Exhibit 101 to this report are the following documents formatted in iXBRL: (i) the Condensed Consolidated Balance Sheets at June 30, 2020, and December 31, 2019, (ii) the Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2020 and 2019, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2020 and 2019, (iv) the Condensed Consolidated Statements of Equity for the six months ended June 30, 2020 and 2019, (v) the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2020 and 2019 and (vi) the Notes to the Condensed Consolidated Financial Statements. Users of this data are advised pursuant to Rule 406T of Regulation S-T that this interactive data file is deemed not filed or part of a registration statement or prospectus for purposes of sections 11 or 12 of the Securities Act of 1933, is deemed not filed for purposes of section 18 of the Securities and Exchange Act of 1934, and otherwise is not subject to liability under these sections.

*Certain schedules attached to the Stock Purchase Agreement Amendment have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company will furnish the omitted schedules to the Securities and Exchange Commission upon request by the Commission.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

July 28, 2020

THE BRINK'S COMPANY

By: /s/ Ronald J. Domanico
Ronald J. Domanico
(Executive Vice President and
Chief Financial Officer)
(principal financial officer)

Key Employees' Deferred Compensation Program

as Amended and Restated as of April 1, 2020



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**KEY EMPLOYEES' DEFERRED COMPENSATION PROGRAM OF
THE BRINK'S COMPANY
(Amended and Restated as of April 1, 2020)**

PREAMBLE

The Key Employees' Deferred Compensation Program of The Brink's Company, as amended and restated (the "**Program**"), provides an opportunity to certain employees to defer receipt of (a) up to 90% of their cash incentive payments awarded under the Incentive Plan and any stock unit awards; (b) up to 50% of their base salary; (c) any or all amounts that are prevented from being deferred as a matched contribution under The Brink's Company 401(k) Plan as a result of limitations imposed by Sections 401(a)(17), 401(k)(3), 402(g) and 415 of the Internal Revenue Code of 1986, as amended (the "**Code**"); and (d) any and all other amounts that the Committee (as defined below), in its sole discretion, shall allow.

In order to align the interests of participants more closely to the long term interests of The Brink's Company (the "**Company**") and its shareholders, the Program also (a) provides matching contributions with respect to certain cash incentive awards and salary deferrals for certain participants designated by the Committee and (b) allocates under the Program an amount equivalent to matching contributions that are not eligible to be made under The Brink's Company 401(k) Plan as a result of limitations imposed by Code Section 401(m)(2).

The Program is an unfunded plan maintained primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees, within the meaning of Section 201(2) of the Employee Retirement Income Security Act of 1974, as amended.

ARTICLE 1
DEFINITIONS

Section 1.01. *Definitions.*

Wherever used in the Program, the following terms shall have the meanings indicated:

"409A Change in Control" A Change in Control that also constitutes a "change in the ownership of the Company", "change in the effective control of the Company", and/or a "change in the ownership of a substantial portion of the Company's assets", in each case, within the meaning of Treasury Regulation Section 1.409A-3(i)(5) or such other regulation or guidance issued under Code Section 409A.

"Board" The Board of Directors of the Company.

“Brink’s Stock” The Brink’s Company Common Stock, par value \$1.00 per share.

“Cause” (a) Embezzlement, theft or misappropriation by the Employee of any property of the Company, (b) the Employee’s willful breach of any fiduciary duty to the Company, (c) the Employee’s willful failure or refusal to comply with laws or regulations applicable to the Company and its business or the policies of the Company governing the conduct of its employees, (d) the Employee’s gross incompetence in the performance of the Employee’s job duties, (e) commission by the Employee of a felony or of any crime involving moral turpitude, fraud or misrepresentation, (f) the failure of the Employee to perform duties consistent with a commercially reasonable standard of care or (g) any gross negligence or willful misconduct of the Employee resulting in a loss to the Company.

“Change in Control” The occurrence of:

(a) (i) any consolidation or merger of the Company in which the Company is not the continuing or surviving corporation or pursuant to which the shares of Brink’s Stock would be converted into cash, securities or other property other than a consolidation or merger in which holders of the total voting power in the election of directors of the Company of Brink’s Stock outstanding (exclusive of shares held by the Company’s affiliates) (the **“Total Voting Power”**) immediately prior to the consolidation or merger will have the same proportionate ownership of the total voting power in the election of directors of the surviving corporation immediately after the consolidation or merger, or (ii) any sale, lease, exchange or other transfer (in one transaction or a series of transactions) of all or substantially all the assets of the Company; *provided, however*, that with respect to any Units credited to an Employee’s Pre-2015 Stock Incentive Account as of November 16, 2007 that are attributable to Matching Incentive Contributions, Matching Salary Contributions or dividends related thereto, a **“Change in Control”** shall be deemed to occur upon the approval of the shareholders of the Company (or if such approval is not required, the approval of the Board) of any of the transactions set forth in clauses (i) or (ii) of this sub-paragraph (a);

(b) any “person” (as defined in Section 13(d) of the Securities Exchange Act of 1934, as amended (the **“Act”**)) other than the Company, its affiliates or an employee benefit plan or trust maintained by the Company or its affiliates, becomes the “beneficial owner” (as defined in Rule 13d-3 under the Act), directly or indirectly, of more than 20% of the Total Voting Power; or

(c) at any time during a period of two consecutive years, individuals who at the beginning of such period constituted the Board cease for any reason to constitute at least a majority thereof, unless the election by the Company’s shareholders of each new director during such two-year period was approved by a vote of at least two-thirds of the directors then still in office who were directors at the beginning of such two-year period.

“Committee” The Compensation and Benefits Committee of the Board or such other committee as may be designated by the Board.

“Disability” Unless otherwise required by Code Section 409A and the regulations or guidance thereunder, an Employee shall be deemed to be disabled if the Employee meets at least one of the following requirements: (a) the Employee is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months or (b) the Employee is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under a disability benefit plan covering employees of the Company.

“Employee” Any individual who is in the employ of the Company or a Subsidiary who is designated by the Committee to participate in the Program.

“Equity Incentive Plan” The Brink’s Company 2017 Equity Incentive Plan, as the same may be amended from time to time, and any predecessor or successor plan thereto.

“Foreign Subsidiary” Any corporation that is not incorporated in the United States of America of which more than 80% of the outstanding voting stock is owned directly or indirectly by the Company, by the Company and one or more Subsidiaries and/or Foreign Subsidiaries or by one or more Subsidiaries and/or Foreign Subsidiaries.

“Incentive Accounts” An Employee’s Incentive Accounts refers to an Employee’s Cash Incentive Account and Stock Incentive Accounts (each as defined in Section 2.03).

“Retirement” With respect to any Employee, any Termination of Employment of such Employee on or after the date on which the Employee has (i) attained age 65 and completed at least five years of service with the Company or any of its Subsidiaries or (ii) attained age 55 and completed at least ten years of service with the Company or any of its Subsidiaries; *provided* that the Employee’s employment is not terminated for Cause.

“Salary” The base salary, as in effect from time to time, paid to an Employee by the Company, a Subsidiary or a Foreign Subsidiary for personal services determined prior to giving effect to any salary reduction pursuant to an employee benefit plan as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended (i) to which Code Section 125 or 402(e)(3) applies or (ii) which provides for the elective deferral of compensation (including, but not limited to, reductions for contributions to the Savings Plan (as defined in Section 5.01)).

“Shares” Brink’s Stock.

“Subsidiary” Any corporation incorporated in the United States of America of which more than 80% of the outstanding voting stock is owned directly or indirectly by the Company, by the Company and one or more Subsidiaries or by one or more Subsidiaries.

“Termination of Employment” An Employee’s “Termination of Employment” under the Program shall occur when the Employee ceases to provide services to the Company or any of its affiliates in any capacity or when the Employee continues to provide services to the Company or any of its affiliates whether as an employee or independent contractor, but such continued services in the aggregate do not exceed 49% of the level of services the Employee provided to the Company and its affiliates prior to such decrease in the level of services provided by the Employee to the Company and its affiliates, all as determined in accordance with the Treasury Regulations under Code Section 409A; *provided, however*, no employee of any Subsidiary shall be considered to experience a Termination of Employment as a result of a spinoff of such Subsidiary from the Company, except as may be permitted under Code Section 409A.

“Unforeseeable Emergency” A severe financial hardship of an Employee resulting from (a) an illness or accident of the Employee, the Employee’s spouse, the Employee’s beneficiary or the Employee’s dependent (as defined in Code Section 152 without regard to paragraphs (b)(1), (b)(2) and (d)(1)(b) thereof), (b) loss of the Employee’s property due to casualty or (c) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Employee, all as determined by the Committee based on the relevant facts and circumstances in a manner consistent with Treasury Regulation Section 1.409A-3(i)(3).

“Unit” The equivalent of one share of Brink’s Stock credited to an Employee’s Stock Incentive Accounts.

“Year” With respect to the benefits provided pursuant to Articles 3, 4, 5 and 6, the calendar year; *provided, however* that if a newly-hired Employee becomes eligible to participate in the benefits provided pursuant to Articles 4 and/or 5, on a day other than the first day of the Year, the Year for purposes of Articles 4 and 5 shall be the portion of the calendar year during which the Employee is first eligible to participate in the benefits provided thereunder.

ARTICLE 2

AVAILABLE SHARES; ADMINISTRATION; ACCOUNTS; OTHER DEFERRALS

Section 2.01. *Available Shares*. The maximum number of Shares available for issuance under the Program is subject to, and shall be counted against, the maximum number of Shares available for issuance under the Equity Incentive Plan. Each Unit standing to the credit of an Employee’s Stock Incentive Accounts shall be counted against the maximum Share limit under the Equity Incentive Plan in the manner set forth under the Equity Incentive Plan. Notwithstanding the foregoing, this Section 2.

01 shall only apply to Units credited to an Employee's Stock Incentive Accounts on or after May 7, 2010.

Section 2.02. *Administration.* The Committee is authorized to construe the provisions of the Program and to make all determinations in connection with the administration of the Program including, but not limited to, the Employees who are eligible to participate in the benefits provided under Articles 3, 4 or 5. All such determinations made by the Committee shall be final, conclusive and binding on all parties, including Employees participating in the Program. All authority of the Committee provided for in, or pursuant to, the Program may also be exercised by the Board. In the event of any conflict or inconsistency between determinations, orders, resolutions or other actions of the Committee and the Board taken in connection with the Program, the actions of the Board shall control. In addition, other than with respect to the Share counting provision addressed by Section 2.01 above, in the event of any conflict or inconsistency between the provisions of the Program and the provisions of the Equity Incentive Plan, the provisions of the Program shall control.

Section 2.03. *Accounts.* Effective July 10, 2014, the Company shall maintain a Pre-2015 Stock Incentive Account and, once established pursuant to Article 3, 4 or 5, a Post-2014 Stock Incentive Account for each Employee selected for participation in the Program and Stock Unit Deferral Accounts for Stock Unit Deferrals pursuant to Section 3.05 (together, the "**Stock Incentive Accounts**"). An Employee's Pre-2015 Stock Incentive Account shall document the amounts deferred under the Program by such Employee and any other amounts credited hereunder that are converted into or credited as Units, with respect to which a deferral election was made by the applicable Employee prior to January 1, 2014. An Employee's Post-2014 Stock Incentive Account shall document the amounts deferred under the Program by such Employee and any other amounts credited hereunder that are converted into and credited as Units with respect to which a deferral election was made by the applicable Employee on or after July 10, 2014. Effective July 10, 2014, the Company shall maintain, once established pursuant to Article 3, 4 or 5, a Cash Incentive Account for each Employee selected for participation in the Program (the "**Cash Incentive Account**"). An Employee's Cash Incentive Account shall document the amounts deferred under the Program by such Employee and any other amounts credited hereunder, with respect to which a deferral election was made by the applicable Employee on or after July 10, 2014, other than amounts converted to Units and credited to such Employee's Post-2014 Stock Incentive Account.

Section 2.04. *Deferral of Other Amounts.* In addition to the deferral opportunities provided for in Articles 3, 4, 5 and 6 below, an Employee may also defer any and all other amounts that the Committee, in its sole discretion, shall allow. The terms and conditions applicable to deferrals of such amounts shall be set forth in the applicable agreement between the Employee and the Company providing for such deferrals.

ARTICLE 3
DEFERRAL OF CASH INCENTIVE PAYMENTS AND STOCK UNIT AWARDS

Section 3.01. *Definitions.* Whenever used in the Program, the following terms shall have the meanings indicated:

“Cash Incentive Payment” A cash incentive payment awarded to an Employee for any Year under an Incentive Plan. Notwithstanding anything contained herein to the contrary, any compensation, bonuses or incentive payments approved by the Committee payable pursuant to any special recognition bonus payable to any highly compensated employees, shall be excluded for purposes of defining or determining the Cash Incentive Payment for which an Employee may make an elective deferral, and for which Matching Incentive Contributions (as defined below) are made, pursuant to the terms of the Program.

“Incentive Plan” The Brink’s Incentive Plan , as in effect from time to time or any successor thereto, the Field Management Incentive Plan, and any other cash incentive plan in which an employee of Company, its subsidiary or affiliate participates.

“Matching Incentive Contributions” Matching contributions allocated to an Employee’s Stock Incentive Accounts pursuant to Section 3.04.

“Stock Unit Award” A Performance Share Unit Award or Restricted Stock Unit Award granted under the Equity Incentive Plan.

“Stock Unit Deferral” A Stock Unit Award deferred pursuant to Section 3.05.

“Vesting Date” A vesting date for a Stock Unit Award as specified under the award agreement for such Stock Unit Award.

Section 3.02. *Eligibility.* The Committee shall determine on an annual basis for each Year which Employees (a) may participate in the benefits provided pursuant to this Article 3 and (b) shall be eligible to receive a Matching Incentive Contribution benefit provided pursuant to this Article 3.

Section 3.03. *Deferral of Cash Incentive Payments.* Each Employee whom the Committee has selected to be eligible to defer a Cash Incentive Payment for any Year pursuant to this Article 3 may make an election to defer an amount, expressed as a percentage from 10% to 90%, of such Cash Incentive Payment which may be made to him or her for such Year. Such Employee’s election for such Year shall be made prior to the beginning of the Year with respect to which the Cash Incentive Payment is earned (and as otherwise permitted under Treasury Regulation Section 1.409A-2(a)) by filing a deferral election form with the Company. Such deferral election form shall include the Employee’s written election as to time and form of distribution of such deferred amounts in accordance with Article 8. A Cash Incentive Account and/or Post-2014 Stock Incentive Account (which may be the same such accounts established p

ursuant to Articles 4 and/or 5) shall be established for each Employee making such election, and cash and/or Units, as applicable, in respect of such deferred amounts shall be credited to such accounts as provided in Section 3.06 below.

Section 3.04. *Matching Incentive Contributions.* Each Employee who has been designated by the Committee as eligible to receive Matching Incentive Contributions for any Year pursuant to Section 3.02, and who has deferred a percentage of his or her Cash Incentive Payment for such Year pursuant to Section 3.03, shall have a Matching Incentive Contribution allocated to his or her Post-2014 Stock Incentive Account for such Year. The amount of such Matching Incentive Contribution for any Year shall be equal to the portion of his or her Cash Incentive Payment that he or she has elected to defer for such Year but not in excess of 10% of his or her Cash Incentive Payment. The dollar amount of each Employee's Matching Incentive Contributions deferred to his or her Post-2014 Stock Incentive Account shall be converted into Units and credited to such Post-2014 Stock Incentive Account as provided in Section 3.06 below. Stock Unit Deferrals are not eligible for Matching Incentive Contributions. Notwithstanding the foregoing, no Matching Incentive Contributions shall be credited on deferrals credited on or after April 1, 2020 through December 31, 2020.

Section 3.05. *Deferral of Stock Unit Awards.* Each Employee whom the Committee has selected to be eligible to defer a Stock Unit Award pursuant to this Article 3 may make an election to defer such Stock Unit Award which may be made to him or her for such Year. Such Employee's election for such Year shall be made prior to the beginning of the Year with respect to which the Stock Unit Award is granted (and as otherwise permitted under Treasury Regulation Section 1.409A-2(a)) by filing a deferral election form with the Company. Such deferral election form shall include the Employee's written election as to time and form of distribution of such deferred amounts in accordance with Article 8. An Employee also may make an election to defer a previously granted Stock Unit Award by filing a deferral election form with the Company on or before the date that is at least 12-months prior to the Vesting Date for the applicable Stock Unit Award and subject to a minimum deferral period of five (5) years (and as otherwise permitted under Treasury Regulation Section 1.409A-2(a) or Treasury Regulation Section 1.409A-2(b), as applicable). Such deferral election form shall include the Employee's written election as to time (subject to the five (5) year minimum deferral requirement) and form of distribution of such deferred amounts in accordance with Article 8. A Stock Unit Deferral Account shall be established for each Employee making such an election and Units in respect of such deferred amounts shall be credited to such accounts as provided in Section 3.06 below.

Section 3.06. *Crediting of Cash and Stock Incentive Accounts.* The amount of an Employee's deferred Cash Incentive Payment for any Year shall be credited to such Employee's Cash Incentive Account as of the last day of the month in which the non-deferred portion of the Cash Incentive Payment was made, and each Employee may, in a manner compliant with Treasury Regulation Section 1.409A-1(o), elect one or more investment options selected by the Company, in its sole discretion, for t

he purpose of crediting or debiting additional amounts to such deferred amount (each such investment option, an “**Eligible Investment Option**”); *provided, however*, if such Employee elects to invest his or her deferred Cash Incentive Payment for any Year in Units, or fails to make a timely investment election (as prescribed by the Committee) with respect to such deferred Cash Incentive Payment, the portion of the Employee’s deferred Cash Incentive Payment so invested in Units or with respect to which a timely investment election was not made shall instead be converted to Units and credited to such Employee’s Post-2014 Stock Incentive Account as of the last business day of the month in which the Cash Incentive Payment was made. The amount of an Employee’s Matching Incentive Contributions for any Year shall be converted to Units and credited to such Employee’s Post-2014 Stock Incentive Account as of the last business day of the month in which the non-deferred portion of the applicable Cash Incentive Payment was made. The amount of an Employee’s Stock Unit Deferrals for any Year shall be converted to Units and credited to such Employee’s Stock Unit Deferral Account as of the Vesting Date for the applicable Stock Units.

The number (computed to at least the second decimal place) of Units credited to an Employee’s Post-2014 Stock Incentive Account for any Year for Matching Incentive Contributions shall be determined by dividing the aggregate amount of the Cash Incentive Payment deferred to such Employee’s Post-2014 Stock Incentive Account for such Year under this Section 3.06 or the Matching Incentive Contributions for such Year, as applicable, by the per share reported closing price of Brink’s Stock as reported on the New York Stock Exchange on the final trading day of the month in which the Cash Incentive Payment was made.

Section 3.07. *Adjustments*. The Committee shall determine such equitable adjustments in the Units credited to each Stock Incentive Account as may be appropriate to reflect any stock split, stock dividend, recapitalization, merger, consolidation, reorganization, combination, or exchange of shares, split-up, split-off, spin-off, liquidation or other similar change in capitalization or any distribution to shareholders other than cash dividends.

Section 3.08. *Dividends and Distributions*. Whenever a cash dividend or any other distribution is paid with respect to shares of Brink’s Stock, the Stock Incentive Accounts of each Employee will be credited with an additional number of Units, equal to the number of shares of Brink’s Stock, including fractional shares (computed to at least the second decimal place), that could have been purchased had such dividend or other distribution been paid to the applicable Stock Incentive Account on the payment date for such dividend or distribution based on the number of Shares represented by Units in such Stock Incentive Account as of such date and assuming the amount of such dividend or value of such distribution had been used to acquire additional Units. Such additional Units shall be deemed to be purchased: (1) at the per share reported closing price of Brink’s Stock as reported on the New York Stock Exchange on the payment date for the dividend or other distribution for Units credited on or after January 1, 2015; and (2) at the average of the high and low per share quoted s

ale prices of Brink's Stock, as reported on the New York Stock Exchange Composite Transaction Tape on the payment date for the dividend or other distribution for Units credited prior to January 1, 2015. The value of any distribution in property will be determined by the Committee.

Section 3.09. *Minimum Distribution*. Distributions shall be made in accordance with Article 8; *provided, however*, that the aggregate value of the Brink's Stock distributed to an Employee (or his or her beneficiaries) attributable to deferrals of Cash Incentive Payments otherwise payable in respect to services rendered prior to January 1, 2007 (including dividends relating to such Units but not Matching Incentive Contributions) shall not be less than the aggregate amount of Cash Incentive Payments and dividends (credited to his or her Pre-2015 Stock Incentive Account pursuant to Section 3.07) in respect of which such Units were initially so credited. The value of the Brink's Stock, so distributed shall be considered equal to the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution.

ARTICLE 4 DEFERRAL OF SALARY

Section 4.01. *Definitions*. Wherever used in the Program, the following term shall have the meaning indicated:

"Matching Salary Contributions" Matching contributions allocated to an Employee's Incentive Accounts pursuant to Section 4.04.

Section 4.02. *Eligibility*. The Committee shall determine on an annual basis for each Year which Employees (a) may participate in the benefits provided pursuant to this Article 4 and (b) shall be eligible to receive a Matching Salary Contribution benefit provided for pursuant to this Article 4.

Section 4.03. *Deferral of Salary*. Each Employee who is eligible to defer Salary for any Year pursuant to this Article 4 may elect to defer an amount, expressed as a percentage, from 5% to 50% of his or her Salary for such Year; *provided, however*, that in the case of an Employee who first becomes eligible to participate in this portion of the Program after January 1 of such Year, only Salary earned (from 5% to 50%) after he or she files a deferral election with the Company may be deferred. Such Employee's election hereunder for any Year shall be made prior to the later of (a) the first day of such Year or (b) the expiration of the 30 day period following (and including) his or her initial date of becoming eligible to participate in the Plan, or as otherwise required under Treasury Regulation Section 1.409A-2(a), by filing a deferral election form with the Company. Such deferral election form shall include the Employee's written election as to time and form of distribution of such deferred amount in accordance with Article 8. A Cash Incentive Account and/or Post-2014 Stock Incentive Account (which may be the same such accounts established pursuant to Articles 3 and/or 5) shall be established for each Employee making such election, and c

ash and/or Units, as applicable, in respect of such deferred amounts shall be credited to such accounts as provided in Section 4.05 below.

Section 4.04. *Matching Salary Contributions.* Each Employee who has been designated by the Committee as eligible to receive Matching Salary Contributions for a Year pursuant to Section 4.02 and who has deferred a percentage of his or her Salary for such Year pursuant to Section 4.03 shall have Matching Salary Contributions allocated to his or her Post-2014 Stock Incentive Account for such Year. The amount of such Matching Salary Contributions for any Year shall be equal to 100% of the first 10% of his or her Salary that he or she has elected to defer for the Year pursuant to Section 4.03. The dollar amount of each Employee's Matching Salary Contributions deferred to his or her Post-2014 Stock Incentive Account shall be converted into Units and credited to such Post-2014 Stock Incentive Account as provided in Section 4.05 below. Notwithstanding the foregoing, no Matching Salary Contributions shall be credited on deferrals credited on or after April 1, 2020 through December 31, 2020.

Section 4.05. *Crediting of Cash and Stock Incentive Accounts.* The amount of an Employee's deferred Salary for any Year shall be credited to such Employee's Cash Incentive Account as of the last business day of the month in which such Salary was earned and payable, and each Employee may, in a manner compliant with Treasury Regulation Section 1.409A-1(o), elect one or more Eligible Investment Options for the purpose of crediting or debiting additional amounts to such deferred amount; *provided, however*, if such Employee elects to invest his or her deferred Salary for any Year in Units, or fails to make a timely investment election (as prescribed by the Committee) with respect to such deferred Salary, the portion of the Employee's deferred Salary so invested in Units or with respect to which a timely investment election was not made shall instead be converted to Units and credited to such Employee's Post-2014 Stock Incentive Account as of the last business day of the month in which Salary was earned and payable. The amount of an Employee's Matching Salary Contributions for any Year shall be converted to Units and shall be credited to such Employee's Post-2014 Stock Incentive Account as of the last business day of the month in which the applicable Salary would have been payable.

The number (computed to at least the second decimal place) of Units credited to an Employee's Post-2014 Stock Incentive Account for any month shall be determined by dividing the aggregate amount of the Salary deferred to such Employee's Post-2014 Stock Incentive Account for such month under this Section 4.05 or the Matching Salary Contributions for such month, as applicable, by the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day of the month in which the applicable Salary would have been payable.

Section 4.06. *Adjustments.* The Committee shall determine such equitable adjustments in the Units credited to each Stock Incentive Account as may be appropriate to reflect any stock split, stock dividend, recapitalization, merger, consolidation, reorganization, combination, or exchange of shares, split up, split-off, s

pin-off, liquidation or other similar change in capitalization or any distribution to shareholders other than cash dividends.

Section 4.07. *Dividends and Distributions.* Whenever a cash dividend or any other distribution is paid with respect to shares of Brink's Stock, the Stock Incentive Accounts of each Employee will be credited with an additional number of Units equal to the number of shares of Brink's Stock, including fractional shares (computed to at least the second decimal place), that could have been purchased had such dividend or other distribution been paid to the applicable Stock Incentive Account on the payment date for such dividend or distribution based on the number of Shares represented by the Units in such Stock Incentive Account as of such date and assuming the amount of such dividend or value of such distribution had been used to acquire additional Units. Such additional Units shall be deemed to be purchased: (1) at the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the payment date for the dividend or other distribution for Units credited on or after January 1, 2015; and (2) at the average of the high and low per share quoted sale prices of Brink's Stock, as reported on the New York Stock Exchange Composite Transaction Tape on the payment date for the dividend or other distribution for Units credited prior to January 1, 2015. The value of any distribution in property will be determined by the Committee.

Section 4.08. *Minimum Distribution.* Distributions shall be made in accordance with Article 8; *provided, however,* the aggregate value of the Brink's Stock distributed to an Employee (or his or her beneficiaries) attributable to the deferral of Salary otherwise payable for services rendered prior to January 1, 2007 (including dividends relating to such Units but not Matching Salary Contributions) shall not be less than the aggregate amount of Salary and dividends (credited to his or her Pre-2015 Stock Incentive Account pursuant to Section 4.07) in respect of which Units were initially so credited. The value of the Brink's Stock so distributed shall be considered equal to the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution.

ARTICLE 5 SUPPLEMENTAL SAVINGS PLAN

Section 5.01. *Definitions.* Whenever used in the Program, the following terms shall have the meanings indicated:

"Compensation" The regular wages received during any pay period by an Employee while a participant in the Savings Plan for services rendered to the Company or any Subsidiary that participates in the Savings Plan, including any commissions or bonuses, but excluding any overtime or premium pay, living or other expense allowances, or contributions by the Company or such Subsidiaries to any plan of deferred compensation, and determined without regard to the application of any salary reduction election under the Savings Plan. Bonuses paid pursuant to the Incentive Plan shall be considered received in the Year in which they are payable whether or not such bonus is deferred pursuant to Article 3 hereof.

“Matching Supplemental Savings Plan Contributions” Amounts allocated to an Employee’s Incentive Accounts pursuant to Section 5.04.

“Post-2014 Matching Supplemental Savings Plan Contributions” Matching Supplemental Savings Plan Contributions allocated to an Employee’s Incentive Accounts pursuant to elections made on or after July 10, 2014.

“Savings Plan” The Brink’s Company 401(k) Plan, as in effect from time to time.

Section 5.02. *Eligibility.* The Committee shall determine on an annual basis for each Year which Employees (a) may participate in the benefits provided pursuant to this Article 5 and (b) shall be eligible to receive a Matching Supplemental Savings Plan Contribution benefit provided pursuant to this Article 5.

Section 5.03. *Deferral of Compensation.* Each eligible Employee who is not permitted to defer the maximum amount of his or her Compensation that may be contributed under the Savings Plan for any Year as a result of limitations imposed by Code Sections 401(a)(17), 401(k)(3), 402(g) and/or 415 may elect to defer the excess of (a) the maximum percentage of his or her Compensation for such Year (without regard to any limitation on such amount imposed by Code Section 401(a)(17)) with respect to which he or she could have received a matching contribution under the Savings Plan (based on the rate at which matching contributions are credited under the Savings Plan as of January 1 of such Year) over (b) the amount actually deferred as a matched contribution under the Savings Plan for such Year. In order to be permitted to defer any portion of his or her Compensation pursuant to this Section 5.03, the Employee must elect to defer the maximum amount permitted as a matched contribution for the Year under the Savings Plan. Such Employee’s election hereunder for any Year shall be made prior to the first day of such Year or, if later, within 30 days after his or her initial date of becoming eligible to participate in the Plan (and as otherwise permitted under Treasury Regulation Section 1.409A-2(a)), but only with respect to Compensation for services performed after the date of such election, by filing a deferral election form with the Company. Such deferral election form shall include the Employee’s written election as to time and form of distribution of such deferred amounts in accordance with Article 8. A Cash Incentive Account and/or Post-2014 Stock Incentive Account (which may be the same such accounts established pursuant to Articles 3 and/or 4) shall be established for each Employee making such election, and cash and/or Units, as applicable, in respect of such deferred payment shall be credited to such accounts as provided in Section 5.05 below; *provided, however*, that in the event an Employee is not permitted to defer the maximum amount of his or her Compensation that may be contributed under the Savings Plan for any year as a result of the limitation imposed by Code Section 401(k)(3), such excess contribution to the Savings Plan shall be distributed to the Employee, his or her Compensation paid after the date of the distribution shall be reduced by that amount and such amount shall be allocated to his or her accounts as soon as practicable following the first business day following the J

January 1 next following the Year for which the excess contribution was made under the Savings Plan and credited as provided in Section 5.05 below.

Section 5.04. *Matching Supplemental Savings Plan Contributions.* Each Employee who has been designated by the Committee as eligible to receive Matching Supplemental Savings Plan Contributions for a Year pursuant to Section 5.02 and who has deferred a portion of his or her Compensation for such Year pursuant to Section 5.03 shall have a Matching Supplemental Savings Plan Contribution allocated to his or her Post-2014 Stock Incentive Account equal to the amount elected to be deferred pursuant to Section 5.03 above for each month. The dollar amount of each Employee's Matching Supplemental Savings Plan Contribution deferred to his or her Post-2014 Stock Incentive Account shall be converted into Units and credited to such Post-2014 Stock Incentive Account as provided in Section 5.05 below. Notwithstanding the foregoing, no Matching Supplemental Savings Plan Contributions shall be credited on deferrals credited on or after April 1, 2020 through December 31, 2020.

If an Employee is participating in this portion of the Program pursuant to Sections 5.02 and 5.03 and his or her matching contribution under the Savings Plan for any Year will be reduced as a result of the nondiscrimination test contained in Code Section 401(m)(2), (a) to the extent such matching contribution under the Savings Plan is forfeitable, it shall be forfeited and that amount shall be allocated to his or her Post-2014 Stock Incentive Account as a Matching Contribution or (b) to the extent such matching contribution is not forfeitable, it shall be distributed to the Employee, his or her Compensation paid after the date of the distribution shall be reduced by that amount and such amount shall be allocated to his or her Post-2014 Stock Incentive Account as a Matching Contribution. The dollar amount of such Matching Contribution shall be allocated to the Employee's Post-2014 Stock Incentive Account as soon as practicable following the January 1 next following the Year for which the matching contribution was made under the Savings Plan. Units in respect of such contribution shall be credited to the Employee's Post-2014 Stock Incentive Account as provided in Section 5.05 below.

Section 5.05. *Crediting of Cash and Stock Incentive Accounts.* The amount of an Employee's deferred Compensation for any Year shall be credited to such Employee's Cash Incentive Account as of the last business day of the month in which such Compensation was earned, and each Employee may, in a manner compliant with Treasury Regulation Section 1.409A-1(o), elect one or more Eligible Investment Options for the purpose of crediting or debiting additional amounts to such deferred amount; *provided, however*, if such Employee elects to invest his or her deferred Compensation for any Year in Units, or fails to make a timely investment election (as prescribed by the Committee) with respect to such deferred Compensation, the portion of the Employee's deferred Compensation so invested in Units or with respect to which a timely investment election was not made shall instead be converted to Units and credited to such Employee's Post-2014 Stock Incentive Account as of the last business day of the month in which the Compensation was earned. The amount of an Employee's Matching Supplemental Savings Plan Contribution (representing amounts that cannot be c

ontributed to the Savings Plan in respect of employee contributions due to applicable limits on such employee contributions) for any Year shall be converted to Units and shall be credited to such Employee's Post-2014 Stock Incentive Account as of the last business day of the month in which the matching contribution was made under the Savings Plan.

The number (computed to at least the second decimal place) of Units credited to an Employee's Post-2014 Stock Incentive Account for any month shall be determined by dividing the aggregate amount of the Compensation deferred to such Employee's Post-2014 Stock Incentive Account for such month under this Section 5.05 or the Matching Supplemental Savings Plan Contributions for such month, as applicable, by the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day of the month in which the matching contribution was made under the Savings Plan.

Section 5.06. *Adjustments.* The Committee shall determine such equitable adjustments in the Units credited to each Stock Incentive Account as may be appropriate to reflect any stock split, stock dividend, recapitalization, merger, consolidation, reorganization, combination, or exchange of shares, split up, split-off, spin-off, liquidation or other similar change in capitalization or any distribution to shareholders other than cash dividends.

Section 5.07. *Dividends and Distributions.* Whenever a cash dividend or any other distribution is paid with respect to shares of Brink's Stock, the Stock Incentive Accounts of each Employee will be credited with an additional number of Units equal to the number of shares of Brink's Stock, including fractional shares (computed to at least the second decimal place), that could have been purchased had such dividend or other distribution been paid to the applicable Stock Incentive Account on the payment date for such dividend or distribution based on the number of Shares represented by the Units in such Stock Incentive Account as of such date and assuming that the amount of such dividend or value of such distribution had been used to acquire additional Units of the class giving rise to the dividend or other distribution. Such additional Units shall be deemed to be purchased: (1) at the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the payment date for the dividend or other distribution for Units credited on or after January 1, 2015; and (2) at the average of the high and low per share quoted sale prices of Brink's Stock, as reported on the New York Stock Exchange Composite Transaction Tape on the payment date for the dividend or other distribution for Units credited prior to January 1, 2015. The value of any distribution in property will be determined by the Committee.

ARTICLE 6 DEFERRAL OF PERFORMANCE AWARDS

Section 6.01. *Definitions.* Whenever used in the Program, the following terms shall have the meanings indicated:

“Cash Performance Payment” A cash incentive payment due to an Employee in any year under the Management Performance Improvement Plan.

“Management Performance Improvement Plan” The Brink’s Company Management Performance Improvement Plan, as in effect from time to time or any successor thereto.

“Performance Measurement Period” A performance cycle of one or more fiscal years of the Company under the Management Performance Improvement Plan.

Section 6.02. *Deferrals of Cash Performance Payments.* Effective as of January 1, 2014, no further deferral elections may be made with respect to Cash Performance Payments under the Management Performance Improvement Plan. Cash Performance Payments deferred in accordance with this Program pursuant to deferral elections made prior to January 1, 2014 shall continue to be credited to each applicable Employee’s Pre-2015 Stock Incentive Account and subject to the terms and conditions of this Program.

Section 6.03. *Adjustments.* The Committee shall determine such equitable adjustments in the Units credited to each Stock Incentive Account as may be appropriate to reflect any stock split, stock dividend, recapitalization, merger, consolidation, reorganization, combination, or exchange of shares, split up, split-off, spin-off, liquidation or other similar change in capitalization or any distribution to shareholders other than cash dividends.

Section 6.04. *Dividends and Distributions.* Whenever a cash dividend or any other distribution is paid with respect to shares of Brink’s Stock, the Stock Incentive Accounts of each Employee will be credited with an additional number of Units equal to the number of shares of Brink’s Stock, including fractional shares (computed to at least the second decimal place), that could have been purchased had such dividend or other distribution been paid to the applicable Stock Incentive Account on the payment date for such dividend or distribution based on the number of Shares represented by the Units in such Stock Incentive Account as of such date and assuming the amount of such dividend or value of such distribution had been used to acquire additional Units. Such additional Units shall be deemed to be purchased: (1) at the per share reported closing price of Brink’s Stock as reported on the New York Stock Exchange on the payment date for the dividend or other distribution for Units credited on or after January 1, 2015; and (2) at the average of the high and low per share quoted sale prices of Brink’s Stock, as reported on the New York Stock Exchange Composite Transaction Tape on the payment date for the dividend or other distribution for Units credited prior to January 1, 2015. The value of any distribution in property will be determined by the Committee.

Section 6.05. *Minimum Distribution.* Distributions shall be made in accordance with Article 8; *provided, however,* that the aggregate value of the Brink’s Stock distributed to an Employee (and his or her beneficiaries) attributable to deferrals of Cash Performance Payments otherwise payable with respect to Performance M

Measurement Periods ending prior to January 1, 2007 (including dividends relating to such Units) shall not be less than the aggregate amount of Cash Performance Payments and dividends (credited to his or her Pre-2015 Stock Incentive Account pursuant to Section 6.04) in respect of which such Units were initially so credited. The value of the Brink's Stock, so distributed shall be considered equal to the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution.

ARTICLE 7 REALLOCATIONS; UNCONVERTED AMOUNTS

Section 7.01. *Reallocations Between Cash Incentive Accounts and Stock Incentive Accounts.* Notwithstanding anything in the Program to the contrary, and for the avoidance of doubt, no Employee may be permitted at any time to allocate amounts deferred into the Employee's Cash Incentive Account to such Employee's Stock Incentive Accounts or allocate Units credited to such Employee's Stock Incentive Accounts to such Employee's Cash Incentive Account.

Section 7.02. *Reallocations Among Investment Options.* At any time after amounts have been credited to an Employee's Cash Incentive Account in accordance with the Program, such Employee may, in a manner compliant with Treasury Regulation Section 1.409A-1(o), elect to change the allocation of amounts credited to an Employee's Cash Incentive Account between Eligible Investment Options.

Section 7.03. *Unconverted Amounts Upon Termination of Employment.* Upon any Employee's Termination of Employment, any cash amounts that are required to be converted into Units pursuant to any provision of the Program but have not been so converted as of the date of such Termination of Employment shall, notwithstanding anything herein to the contrary, be converted into Units and credited to such Employee's Post-2014 Stock Incentive Account immediately prior to any distributions pursuant to Article 8 based on the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of termination.

Section 7.04. *Removal of Investment Option.* Notwithstanding anything herein to the contrary, nothing in the Program shall require the Company to offer or continue to offer any particular investment option. In the event that the Company ceases to offer a particular investment option, each Employee will be permitted to allocate amounts previously allocated to such discontinued investment option to one or more available Eligible Investment Options.

ARTICLE 8 DISTRIBUTIONS; CHANGES TO AND CANCELATIONS OF DEFERRAL ELECTIONS

Section 8.01. *In Service Distributions.* (a) In connection with each deferral election made by an Employee under the Program, the Employee may (but s

shall not be required to) elect to receive distributions in cash and/or Brink's Stock in respect of all or a portion of the amounts and/or Units covered by such deferral election (other than Units attributable to Matching Incentive Contributions, Matching Salary Contributions, Matching Supplemental Savings Plan Contributions and dividends related thereto) standing to the credit of such Employee's Cash Incentive Account and Post-2014 Stock Incentive Account, as applicable, prior to such Employee's Termination of Employment. Such Employee may elect to receive (i) such cash amounts in a single-lump sum distribution on or in equal annual installments (at least two and not more than five) beginning on a nondiscretionary and objectively determinable calendar date (within the meaning of Treasury Regulation Section 1.409A-3(i)(1)); *provided, however*, that if the aggregate value of the applicable portion of amounts credited to such Employee's Cash Incentive Account at the time any such installment is due, is less than or equal to the lesser of \$25,000 and the limitation calculated in accordance with Treasury Regulation Section 1.409A-3(j)(4)(v)(B), then such amounts shall be distributed to such Employee in a single-lump sum distribution in a manner that shall comply with Treasury Regulation Section 1.409A-3(j)(4)(v) and (ii) such Units in a single-lump sum distribution on a nondiscretionary and objectively determinable calendar date (within the meaning of Treasury Regulation Section 1.409A-3(i)(1)). The distribution election(s) described in this Section 8.01 shall be made no later than the corresponding deferral election. After making such a distribution election, an Employee may subsequently change, at least 12 months prior to the first scheduled distribution under such Employee's current election (such, date the "**Initial Distribution**"), his or her distribution election under this Section 8.01, but such Employee shall not be permitted to change his or her distribution election subsequent to the second such change. Distributions pursuant to any such subsequent election shall not commence earlier than the fifth anniversary of the Initial Distribution and any such subsequent election shall not become effective prior to the 12-month anniversary of the date such subsequent election is made and shall otherwise comply with Treasury Regulation Section 1.409A-2(b). For the avoidance of doubt, any such subsequent election shall be void and without effect with respect to any payment that would otherwise occur during the 12-month period following the date that such subsequent election is made, and the Employee's election in effect at the time that the subsequent election is made shall instead be applicable with respect to any such payment; *provided, however*, that, for the avoidance of doubt, a subsequent election shall be applicable with respect to installment payments that are payable after the 12-month period following the date that a such subsequent election is made provided that the Employee specifies that the subsequent election is applicable to each such installment payment. If an Employee experiences a Disability or dies prior to receiving all such distributions elected pursuant to this Section 8.01, such amounts and/or Units that have not been distributed shall be treated in accordance with Section 8.02 below.

(a) The amount of cash to be included in each installment pursuant to this Section 8.01, if applicable, shall be a fraction, the numerator of which is equal to the applicable portion of such Employee's remaining Cash Incentive Account balance subject to such distribution election (i.e., the original amounts deferred under such election together with the amounts credited or debited to such Cash Incentive Account,

reduced by the amounts subject to any prior installments) and the denominator of which is equal to the number of remaining installments (including the current installment).

(b) Any fractional Units distributed pursuant to this Section 8.01 shall be converted to cash based on the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution and shall be paid in cash.

(c) Notwithstanding the foregoing, in the event that Section 8.02, 8.03 or 8.05 becomes applicable (whether or not distribution has commenced) prior to the date of the first scheduled distribution of any deferred amounts and/or Units under this Section 8.01, such provision shall apply instead of this Section 8.01; *provided, however*, that this Section 8.01 shall continue to apply to any deferred amounts and/or Units after the commencement of distributions hereunder without regard to the potential subsequent application of Section 8.03 or 8.05. Section 8.02 shall apply in all events notwithstanding this Section 8.01.

Section 8.02. Certain Distributions on Death or Disability. (a) Each Employee shall receive a distribution in cash and/or Brink's Stock in respect of all amounts and/or Units (other than Units attributable to Matching Incentive Contributions, Matching Salary Contributions, Matching Supplemental Savings Plan Contributions and dividends related thereto) standing to the credit of such Employee's Cash Incentive Account and Stock Incentive Accounts, as applicable, as of the date of such Employee's death or Disability (whether or not distribution shall have previously commenced pursuant to Section 8.01, 8.03 or 8.05), in a single-lump sum distribution as soon as practicable, but no later than 45 days, after the date of such Employee's death or Disability, as applicable.

(a) Any fractional Units distributed pursuant to this Section 8.02 shall be converted to cash based on the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution and shall be paid in cash.

(b) In the event of an Employee's death or Disability after the provisions of Section 8.01, 8.03 or 8.05 have become applicable (whether or not distribution has commenced), this Section 8.02 shall apply in lieu of such Sections with respect to any amounts and/or Units that remain standing to the credit of such Employee's Incentive Accounts as provided in Section 8.02(a).

Section 8.03. Certain Distributions on Termination of Employment. (a) In connection with each deferral under the Program made after July 10, 2014, each Employee shall elect to receive (i) distributions in cash in respect of all amounts covered by such deferral election standing to the credit of such Employee's Cash Incentive Account as of the date of such Employee's Termination of Employment, in a single-lump sum distribution on the first day that is more than six months after the date of the Employee's Termination of Employment or in equal annual installments (at least two and n

ot more than five) commencing on the first day that is more than six months after the date of the Employee's Termination of Employment, and with each subsequent installment being paid on each anniversary of such date that is more than six months after the date of the Employee's Termination of Employment and (ii) distributions in Brink's Stock in respect of all Units covered by such deferral election (other than Units attributable to Matching Incentive Contributions, Matching Salary Contributions, Post-2014 Matching Supplemental Savings Plan Contributions and dividends related thereto) standing to the credit of such Employee's Post-2014 Stock Incentive Account as of the date of such Employee's Termination of Employment, in a single-lump sum distribution on the first day that is more than six months after the date of the Employee's Termination of Employment. The distribution election described in this Section 8.03 shall be made no later than the corresponding deferral election. An Employee may subsequently change, at least 12 months prior to his or her Termination of Employment, such distribution election, but such an Employee shall not be permitted to change his or her distribution election subsequent to the second such change. Distributions pursuant to any such subsequent election shall not commence earlier than the fifth anniversary of when distributions would have commenced under such Employee's current election and any such subsequent election shall not become effective prior to the 12-month anniversary of the date the subsequent election is made and shall otherwise comply with Treasury Regulation Section 1.409A-2(b). For the avoidance of doubt, any such subsequent election made during the 12-month period prior to an Employee's Termination of Employment shall be void and without effect with respect to any payment that would otherwise occur during the 12-month period following the date that such subsequent election is made, and the Employee's election in effect at the time that the subsequent election is made shall instead remain applicable with respect to any such payment; *provided, however*, for the avoidance of doubt, a subsequent election shall be applicable with respect to installment payments that are payable after the 12-month period following the date that a such subsequent election is made provided that the Employee specifies that the subsequent election is applicable to each such installment payment. In the event that an Employee fails to clearly and unambiguously elect a form of distribution under this Section 8.03(a) with respect to all or a portion of any amounts standing to the credit of (or to be credited to) such Employee's Incentive Accounts, such Employee will be deemed to have elected to receive a single-lump sum distribution as provided for pursuant to this Section 8.03(a) with respect thereto.

(a) In connection with each deferral election made prior to January 1, 2014 under the Program, for any Termination of Employment, each Employee shall receive distributions in Brink's Stock in respect of all Units (other than Units attributable to Matching Incentive Contributions, Matching Salary Contributions, Matching Supplemental Savings Plan Contributions (other than Post-2014 Matching Supplemental Savings Plan Contributions) and dividends related thereto) standing to the credit of such Employee's Pre-2015 Stock Incentive Account in a single-lump sum distribution on the first day that is more than six months after the date of the Employee's Termination of Employment or in accordance with any applicable distribution election

made by such Employee covered by such applicable deferral election prior to January 1, 2014.

(b) The amount of cash to be included in each installment pursuant to this Section 8.03, if applicable, shall be a fraction, the numerator of which is equal to the applicable portion of such Employee's remaining applicable Cash Incentive Account balance subject to such distribution election (i.e., the original amounts deferred under such election together with the amounts credited or debited to such Cash Incentive Account, reduced by the amounts subject to any prior installments) and the denominator of which is equal to the number of remaining installments (including the current installment).

(c) Any fractional Units distributed pursuant to this Section 8.03 shall be converted to cash based on the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution and shall be paid in cash.

(d) Notwithstanding the foregoing, in the event that Section 8.01, 8.02 or 8.05 becomes applicable (whether or not distribution has commenced) prior to the applicable Employee's Termination of Employment, the provisions of Section 8.01, 8.02 or 8.05, as applicable, shall apply instead of this Section 8.03; *provided, however*, that this Section 8.03 shall continue to apply to any deferred amounts and/or Units after the occurrence of such Employee's Termination of Employment without regard to the potential subsequent application of Section 8.01 or 8.05. Section 8.02 shall apply in all events notwithstanding this Section 8.03.

Section 8.04. Distributions Attributable to Matching Incentive Contributions and Matching Salary Contributions on Termination of Employment. In the event of an Employee's (a) death, (b) Retirement, (c) Disability or (d) Termination of Employment for any reason within three years following a Change in Control (other than a Termination of Employment by the Company for Cause), the Employee shall receive a distribution of Brink's Stock in respect of each Unit standing to the credit of such Employee's Stock Incentive Accounts attributable to Matching Incentive Contributions, Matching Salary Contributions, Post-2014 Matching Supplemental Savings Plan Contributions and dividends related thereto in the same manner as provided in Section 8.02 or 8.03, as applicable, for the distribution of the applicable deferred amount that gave rise to the Matching Incentive Contribution, Matching Salary Contribution, Post-2014 Matching Supplemental Savings Plan Contribution or dividend related thereto that was converted into such Unit.

In the event of a Termination of Employment for a reason not described in the preceding paragraph and that is not in connection with a Termination of Employment by the Company for Cause, such Employee shall be vested in the Units standing to the credit of such Employee in his or her Stock Incentive Accounts attributable to Matching Incentive Contributions, Matching Salary Contributions, Post-2014 Matching

Supplemental Savings Plan Contributions and dividends related thereto in accordance with the following schedule:

<u>Months Since Initial Program Participation</u>	<u>Vested Percentage</u>
less than 36	0
at least 36 but less than 48	50%
at least 48 but less than 60	75%
60 or more	100%

An Employee shall receive credit for one "month of participation" for each calendar month subsequent to the effective date of the Employee's initial participation in the Program (without regard to whether such Employee participates in subsequent calendar years) through the date of such Employee's Termination of Employment; *provided, however*, if subsequent to an Employee's Termination of Employment for any reason, such former Employee again becomes eligible to participate in the Program, any prior credits for "months of participation" shall be disregarded. Notwithstanding anything herein to the contrary, Brink's Stock in respect of each vested Unit standing to the credit of such Employee attributable to Matching Incentive Contributions, Matching Salary Contributions, Matching Supplemental Savings Plan Contributions and dividends related thereto shall be distributed as provided in Section 8.02 or 8.03, as applicable, and any remaining unvested Units shall be forfeited; *provided further*, that any such distribution pursuant to Section 8.03 shall be pursuant to an election made by such Employee as provided for under Section 8.03 in respect of Units deferred under the Program. For the avoidance of doubt, an Employee shall always be vested in any Matching Supplemental Savings Plan Contributions that are not Post-2014 Matching Supplemental Savings Plan Contributions.

Section 8.05. *Distribution Following a Change in Control.* (a) In the event of a 409A Change in Control, each Employee shall receive a single-lump sum distribution in cash and/or Brink's Stock (or stock of the successor to the Company, if any) in respect of all amounts and/or Units (other than Units attributable to Matching Incentive Contributions, Matching Salary Contributions, Post-2014 Matching Supplemental Savings Plan Contributions, Stock Unit Deferrals and dividends related thereto) standing to the credit of such Employee's Cash Incentive Account and Post-2014 Stock Incentive Account, as applicable, on the earlier of (i) the date that is 15 months from the 409A Change in Control and (ii) the date (the "**Specified Distribution Date**") specified in any applicable deferral election of the Employee, but only to the extent that such Specified Distribution Date is within 12 months from the 409A Change in Control; *provided, however*, such Employee may, with respect to each deferral election under the Program made on or after July 10, 2014, elect prior to the earlier of (A) the date that is three months after the occurrence of the 409A Change in Control and (B) the date that is at least 12 months prior to the Specified Distribution Date d

esignated by the Employee in any applicable deferral election, to receive the amounts and/or Units subject to such deferral election in a single-lump sum distribution or, in the case of amounts subject to such deferral elections only, in equal annual installments (at least two and not more than five) commencing no earlier than the fifth anniversary of the date such amounts and/or Units would have been distributed absent such election, and each such distribution election shall otherwise comply with Treasury Regulation Section 1.409A-2(b).

(a) Notwithstanding the foregoing, in the event that Section 8.01, 8.02 or 8.03 becomes applicable (whether or not distribution has commenced) prior to a 409A Change in Control, the provisions of Section 8.01, 8.02 or 8.03, as applicable, shall apply instead of this Section 8.05; *provided, however*, that this Section 8.05 shall continue to apply to any deferred amounts and/or Units after the occurrence of a 409A Change in Control without regard to the potential subsequent application of Section 8.01 or 8.03. Section 8.02 shall apply in all events notwithstanding this Section 8.05.

Section 8.06. *Unforeseeable Emergencies*. An Employee who experiences an Unforeseeable Emergency may petition the Company to receive a partial or full payout from his or her Cash Incentive Account and/or Stock Incentive Accounts to the extent permitted by Treasury Regulation Section 1.409A-3(i)(3). Such payout, if any, shall not exceed the amount necessary to satisfy the Unforeseeable Emergency, plus amounts necessary to pay Federal, state, local or foreign income taxes or penalties reasonably anticipated as a result of such distribution, but after taking into account any additional compensation available by canceling deferral elections as permitted under the Program or any other non-qualified deferred compensation plan in which the Employee participates. An Employee shall not be eligible to receive a payout according to this Section 8.06 to the extent that such a payout would not be permitted by Treasury Regulation Section 1.409A-3(i)(3) or the Unforeseeable Emergency is or may be relieved (a) through reimbursement or compensation by insurance or otherwise, (b) by liquidation of the Employee's assets, to the extent the liquidation of such assets would not itself cause severe financial hardship or (c) by cessation of deferrals under the Program.

Section 8.07. *Changes to and Cancellations of Deferral Elections*. Any election to defer under the Program shall be irrevocable, in the case of (a) amounts under the Program for any Year, (i) on and after the first day of such Year or (ii) in the case of an election made by a newly hired Employee for his or her initial Year of employment, after the date such an election is made and (b) Cash Performance Payments under the Program for any Performance Measurement Period, after the last date for making such an election, as specified in the second or third sentence of Section 6.03, above, as applicable (it being understood that an Employee may only change any such election prior to its becoming irrevocable in accordance with procedures established by the Company). After such election has become irrevocable, an Employee may only subsequently change such election consistent with this Article 8 a

nd Code Section 409A but may, in compliance with Treasury Regulation Section 1.409A-3(j)(4)(viii), cancel any such election.

Section 8.08. *Termination of Employment by the Company for Cause.* In the event of a Termination of Employment by the Company for Cause, the Employee shall forfeit all of the Units standing to the credit of the Employee's Stock Incentive Accounts attributable to Matching Incentive Contributions, Matching Salary Contributions, Post-2014 Matching Supplemental Savings Plan Contributions and dividends related thereto.

Section 8.09. *Installment Payments.* For purposes of Section 409A, each installment payment provided for under this Article 8 will be deemed to be a separate payment as permitted under Treasury Regulation Section 1.409A-2(b)(2)(iii).

Section 8.10. *Distribution Timing.* Distributions made pursuant to this Article 8 will be made on the designated payment date or as soon as administratively practicable following such date.

ARTICLE 9 DESIGNATION OF BENEFICIARY

An Employee may designate in a written election filed with the Company a beneficiary or beneficiaries (which may be an entity other than a natural person) to receive all distributions and payments under the Program after the Employee's death. Any such designation may be revoked, and a new election may be made, at any time and from time to time, by the Employee without the consent of any beneficiary. If the Employee designates more than one beneficiary, any distributions and payments to such beneficiaries shall be made in equal percentages unless the Employee has designated otherwise, in which case the distributions and payments shall be made in the percentages designated by the Employee. If no beneficiary has been named by the Employee or no beneficiary survives the Employee, the remaining amounts and/or Shares (including fractional Shares) in the Employee's Cash Incentive Account and/or Stock Incentive Accounts shall be distributed or paid in a single lump-sum sum to the Employee's estate. All distributions from an Employee's Stock Incentive Accounts shall be made in Shares except that fractional Shares shall be paid in cash.

ARTICLE 10 MISCELLANEOUS

Section 10.01. *Nontransferability of Benefits.* Except as provided in Article 9, amounts and/or Units credited to a Cash Incentive Account and/or Stock Incentive Account shall not be transferable by an Employee or former Employee (or his or her beneficiaries) other than by will or the laws of descent and distribution or pursuant to a domestic relations order. No Employee, no person claiming through such Employee, nor any other person shall have any right or interest under the Program, or in its continuance, in the payment of any amount or distribution of any amounts and/or S

hares under the Program, unless and until all the provisions of the Program, any determination made by the Committee thereunder, and any restrictions and limitations on the payment itself have been fully complied with. Except as provided in this Section 10.01, no rights under the Program, contingent or otherwise, shall be transferable, assignable or subject to any pledge or encumbrance of any nature, nor shall the Company or any of its Subsidiaries be obligated, except as otherwise required by law, to recognize or give effect to any such transfer, assignment, pledge or encumbrance.

Section 10.02. *Notices.* The Company may require all elections contemplated by the Program to be made on forms provided by it. All notices, elections and other communications pursuant to the Program shall be effective when received by the Company either, in the Company's sole discretion, via electronic delivery through a Company email system or by reference to a location on a Company intranet or secure internet site to which the Employee has access or in writing delivered to the following address:

The Brink's Company
1801 Bayberry Court
P. O. Box 18100
Richmond, VA 23226-8100

Attention of Chief Human Resources Officer

Section 10.03. *Limitation on Rights of Employee.* Nothing in the Program shall be deemed to create, on the part of any Employee, beneficiary or other person, (a) any interest of any kind in the assets of the Company or (b) any trust or fiduciary relationship in relation to the Company. The right of an Employee to receive any amounts and/or Shares shall be no greater than the right of any unsecured general creditor of the Company.

Section 10.04. *No Contract of Employment.* The benefits provided under the Program for an Employee shall be in addition to, and in no way preclude, other forms of compensation to or in respect of such Employee. However, the selection of any Employee for participation in the Program shall not give such Employee any right to be retained in the employ of the Company or any of its Subsidiaries for any period. The right of the Company and of each such Subsidiary to terminate the employment of any Employee for any reason or at any time is specifically reserved. In addition, designation of an Employee as a participant for one Year does not create any right to participation or expectation that the Committee will designate the Employee as a participant in any subsequent Year.

Section 10.05. *Withholding.* All distributions pursuant to the Program shall be subject to withholding in respect of income and other taxes required by law to be withheld. The Company shall establish appropriate procedures to ensure payment or withholding of such taxes. Such procedures may include arrangements for payment or withholding of taxes by retaining Shares otherwise issuable in accordance with the p

revisions of the Program or by accepting already owned Shares, and by applying the fair market value of such Shares to the withholding taxes payable. The value of the Brink's Stock distributed to an Employee pursuant to the Program shall, for purposes of income taxes and all other applicable taxes, be considered equal to the per share reported closing price of Brink's Stock as reported on the New York Stock Exchange on the final trading day immediately preceding the date of distribution.

Section 10.06. *Amendment and Termination.* The Committee may from time to time amend any of the provisions of the Program, or may at any time terminate the Program. No amendment or termination shall adversely affect any Units (or distributions in respect thereof) which shall theretofore have been credited to any Employee's Cash Incentive Account and/or Stock Incentive Accounts. On the termination of the Program, distributions from an Employee's Cash Incentive Account and/or Stock Incentive Accounts shall be made in compliance with Code Section 409A and Treasury Regulations issued thereunder.

I, Douglas A. Pertz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 of The Brink's Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2020

/s/ Douglas A. Pertz

Douglas A. Pertz

President and Chief Executive Officer

(Principal Executive Officer)

I, Ronald J. Domanico, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 of The Brink's Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2020

/s/ Ronald J. Domanico

Ronald J. Domanico

Executive Vice President and Chief Financial Officer

(Principal Financial Officer)

CERTIFICATION PURSUANT TO**18 U.S.C. SECTION 1350,****AS ADOPTED PURSUANT TO****SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of The Brink's Company (the "Company") for the period ending June 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Douglas A. Pertz, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Douglas A. Pertz

Douglas A. Pertz

President and Chief Executive Officer

(Principal Executive Officer)

July 28, 2020

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of The Brink's Company (the "Company") for the period ending June 30, 2020 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ronald J. Domanico, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ronald J. Domanico

Ronald J. Domanico
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

July 28, 2020

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.