

# Second Quarter 2019

July 24, 2019



# Safe Harbor Statements and Non-GAAP Results

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These materials contain forward-looking information. Words such as "anticipate," "assume," "estimate," "expect," "target" "project," "predict," "intend," "plan," "believe," "potential," "may," "should" and similar expressions may identify forward-looking information. Forward-looking information in these materials includes, but is not limited to information regarding: 2019 non-GAAP outlook, including revenue, operating profit, margin rate, earnings per share and adjusted EBITDA; margin rate target for the U.S. business; drivers of future results; expected impact of currency translation, including in Argentina; 2019 cash flow, net debt and leverage outlook and the impact of future acquisitions; capex outlook for 2019 - 2020; future benefit plan payments; results related to the Dunbar acquisition; planned investment related to Strategy 2.0; and expected revenues from the Groupe BPCE contract.

Forward-looking information in this document is subject to known and unknown risks, uncertainties and contingencies, which are difficult to predict or 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 improvement 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 ("IT") 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; 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 market or product 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 critical accounting policies; 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, 2018, and in our other public filings with the Securities and Exchange Commission. Unless otherwise noted, the forward-looking information discussed today and included in these materials is representative as of today only and The Brink's Company undertakes no obligation to update any information contained in this document.

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Today's presentation is focused primarily on non-GAAP results. Detailed reconciliations of non-GAAP to GAAP results are included in the appendix and in the Second Quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website: [www.brinks.com](http://www.brinks.com).

# Second-Quarter Highlights

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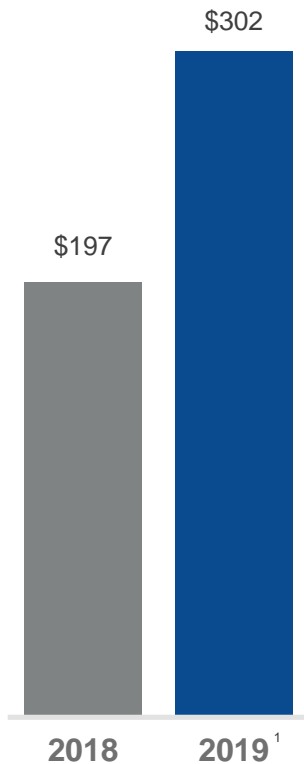
(Non-GAAP, \$ Millions)

- Strong growth in revenue, operating profit, adjusted EBITDA and EPS
- Operating profit up 17%, up 41% in constant currency
- Profits in U.S. more than doubled, Mexico +49%
- Dunbar integration on track; expect to exceed targeted synergies of ~\$45M
- 2019 guidance affirmed
- Business development
  - Strategy 1.0 – Gaining account share with financial institutions
  - Strategy 1.5 – 2 new acquisitions, 1 asset purchase; strong pipeline
  - Strategy 2.0 – Development and roll-out
    - BPCE France to outsource ATM network to Brink's
    - Acquired Balance Innovations to support tech-enabled services
- All 3 strategies expected to drive strong profit growth in next 3-year plan period (2020-2022)

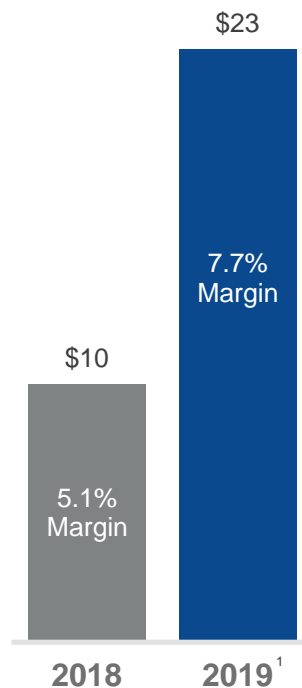
# U.S. Profit Momentum Continues

(\$ Millions)

## Revenue +54%



## Op Profit +132%



## 2Q Highlights

- Revenue up 54%, operating profit up 132%
  - Improvement in legacy business and Dunbar acquisition
- Margin rate up 260 bps to 7.7%
- 2019 exit rate margin target of ~10%
- Dunbar integration on track to exceed \$45 million in annualized cost synergies by end of 2020
  - 13% margin target in 2021
- Expanding account share with financial institutions

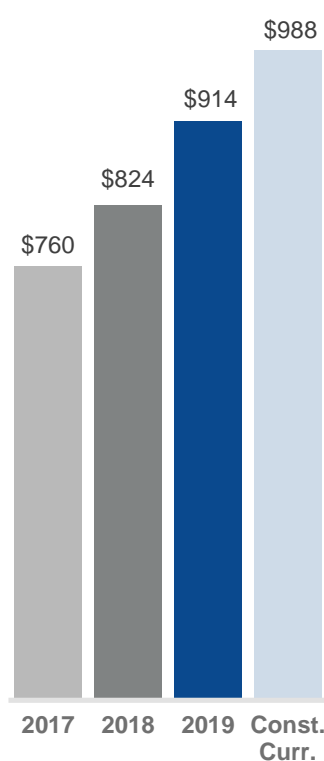
1. Includes Dunbar acquisition which closed in the third quarter of 2018.  
Note: Amounts may not add due to rounding.

# Second-Quarter 2019 Non-GAAP Results

(Non-GAAP, \$ Millions, except EPS)

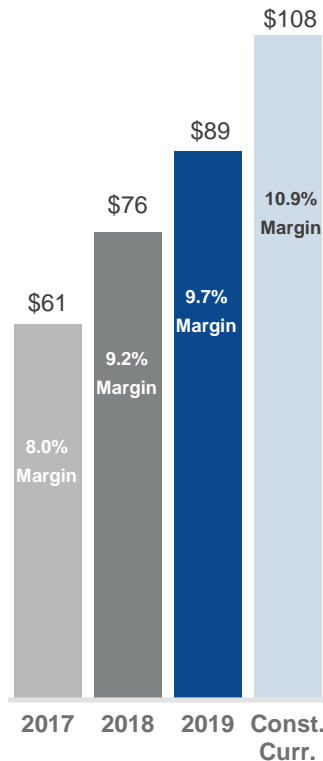
**Revenue +11%**  
Constant currency +20%

Organic	+8%
Acq	+12%
FX	(9%)

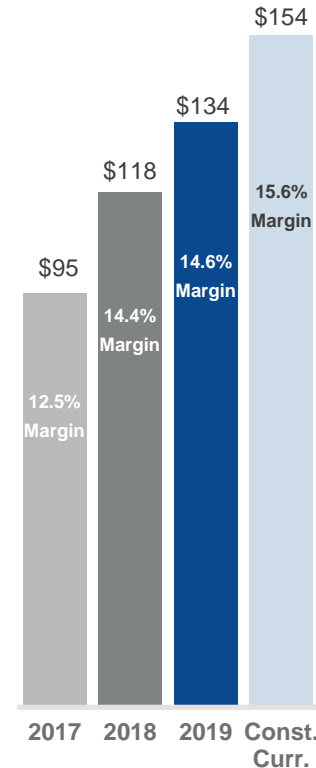


**Op Profit +17%**  
Constant currency +41%

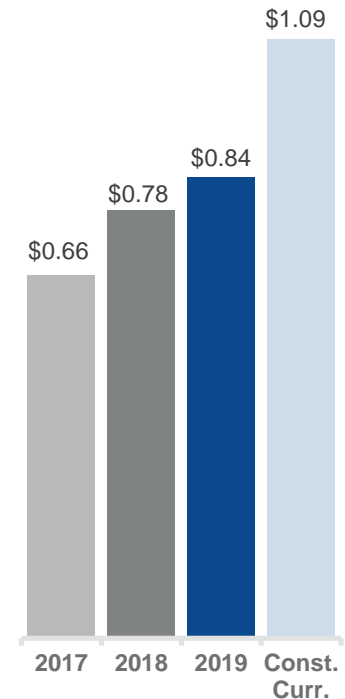
Organic	+28%
Acq	+14%
FX	(25%)



**Adj. EBITDA +13%**  
Constant currency +30%



**EPS +8%**  
Constant currency +40%



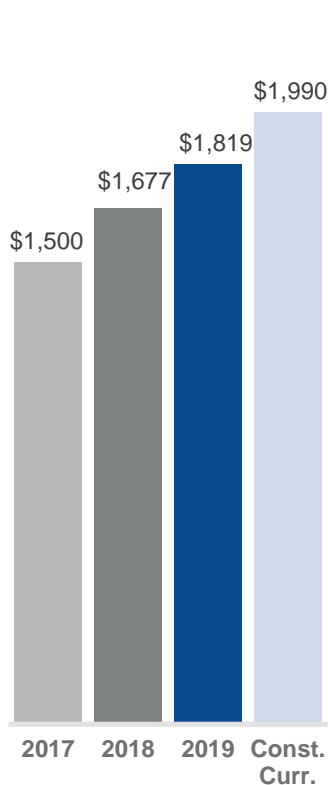
Notes: See detailed reconciliations of non-GAAP to GAAP results included in the Second Quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com). See detailed reconciliations of non-GAAP to GAAP 2017 results in the Appendix. Constant currency represents 2019 results at 2018 exchange rates.

# First-Half 2019 Non-GAAP Results

(Non-GAAP, \$ Millions, except EPS)

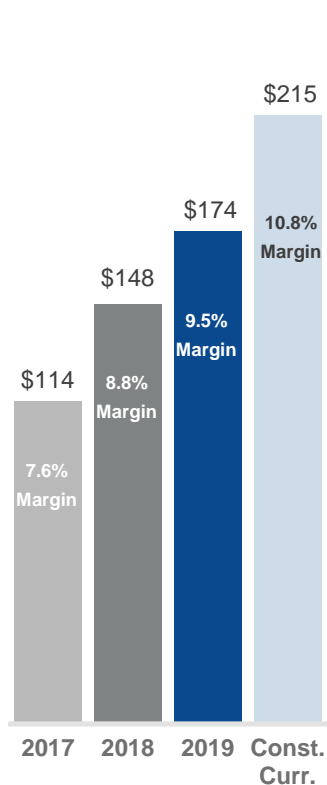
**Revenue +8%**  
Constant currency +19%

Organic	+7%
Acq	+12%
FX	(10%)

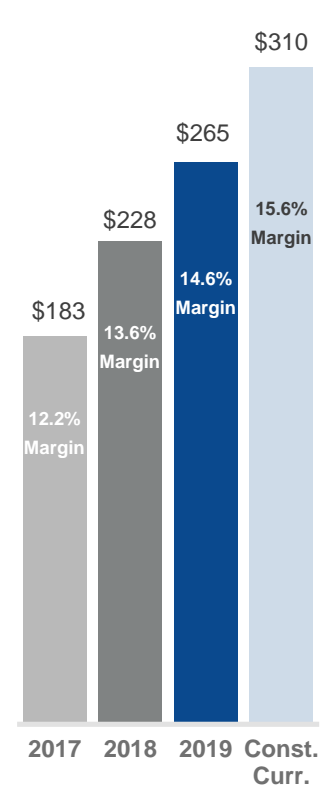


**Op Profit +18%**  
Constant currency +45%

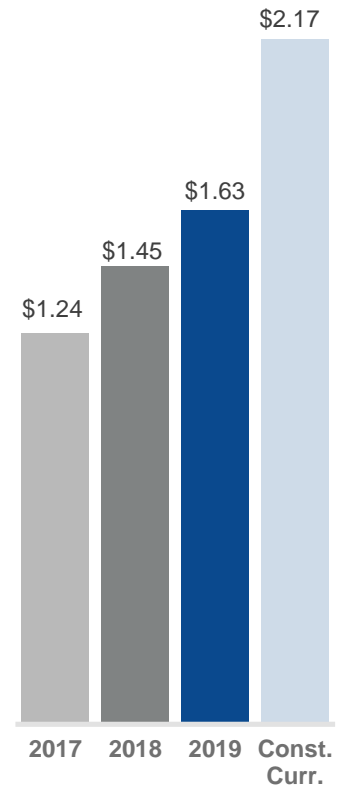
Organic	+30%
Acq	+16%
FX	(28%)



**Adj. EBITDA +16%**  
Constant currency +36%



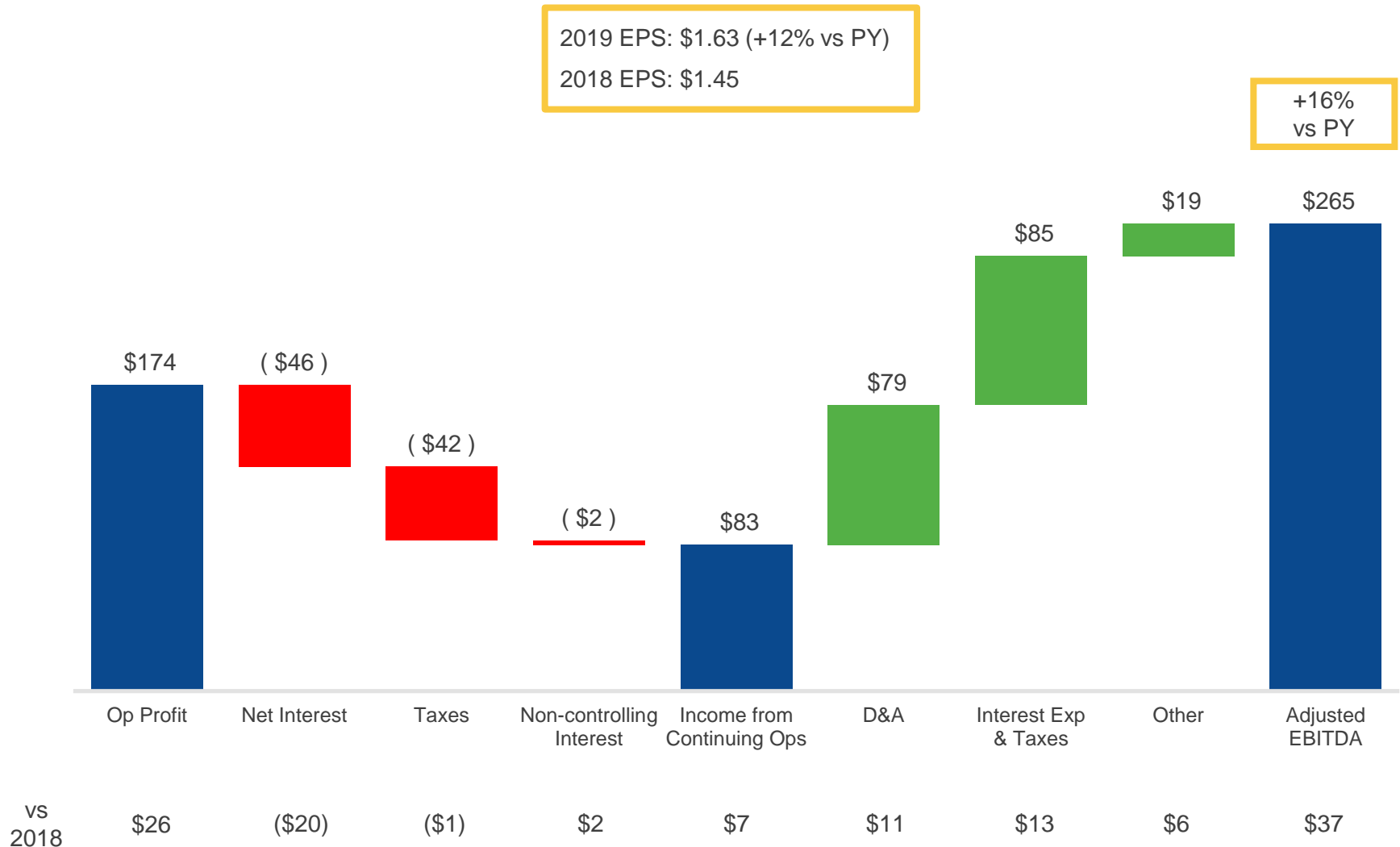
**EPS +12%**  
Constant currency +50%



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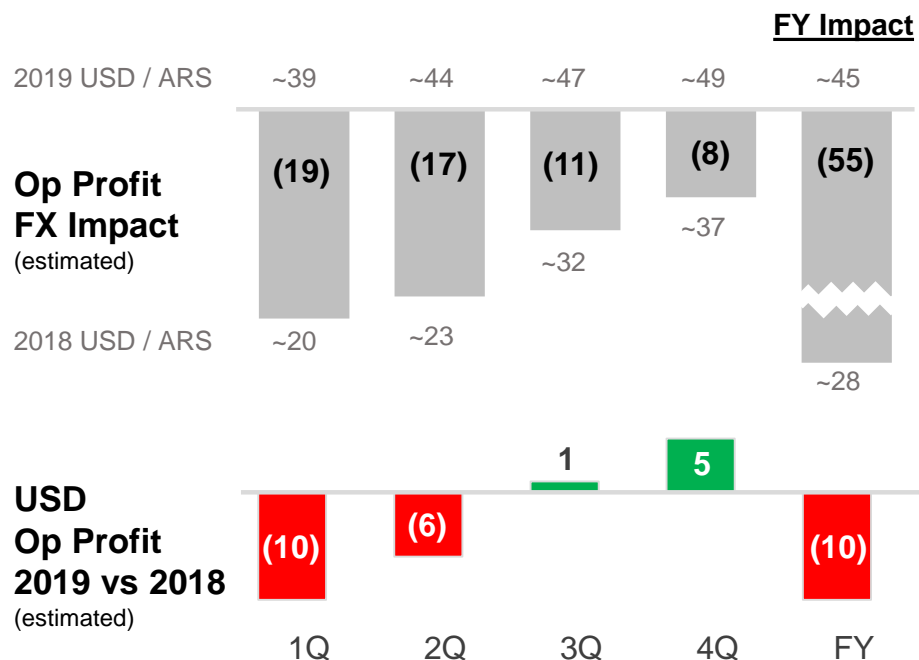
# First-Half Adjusted EBITDA and EPS vs 2018

(Non-GAAP, \$ Millions, except EPS)



# Argentina – Impact of Currency Devaluation

## Operating Profit: 2019 versus 2018



## Illustrative Devaluation Impact

(USD / ARS Rate: 42.5 as of July 22, 2019)

2019 Average Exchange Rate:	BCO Guidance	Alternate Scenarios		
		Upside	Downsides	
Jan. – Jun. <small>(Actual)</small>	~41	~41	~41	~41
Jul. – Nov.	~47	~46	~49	~55
Dec.	~51	~49	~53	~67
<b>Full Year</b>	<b>~45</b>	<b>~44</b>	<b>~46</b>	<b>~50</b>

### Impact vs. Guidance:

Operating Profit	~\$2	~\$(2)	~\$(8)
EPS	~\$0.02	~\$(0.02)	~\$(0.11)

Inflation-based pricing and volume growth expected to overcome devaluation, leading to:

- year-over-year USD profit improvement in 3Q19
- a return to pre-devaluation USD profit levels in 3Q20

Each full-year average one peso devaluation in 2019 reduces average Operating Profit by ~\$1.6 million and EPS by ~\$0.02<sup>1</sup>

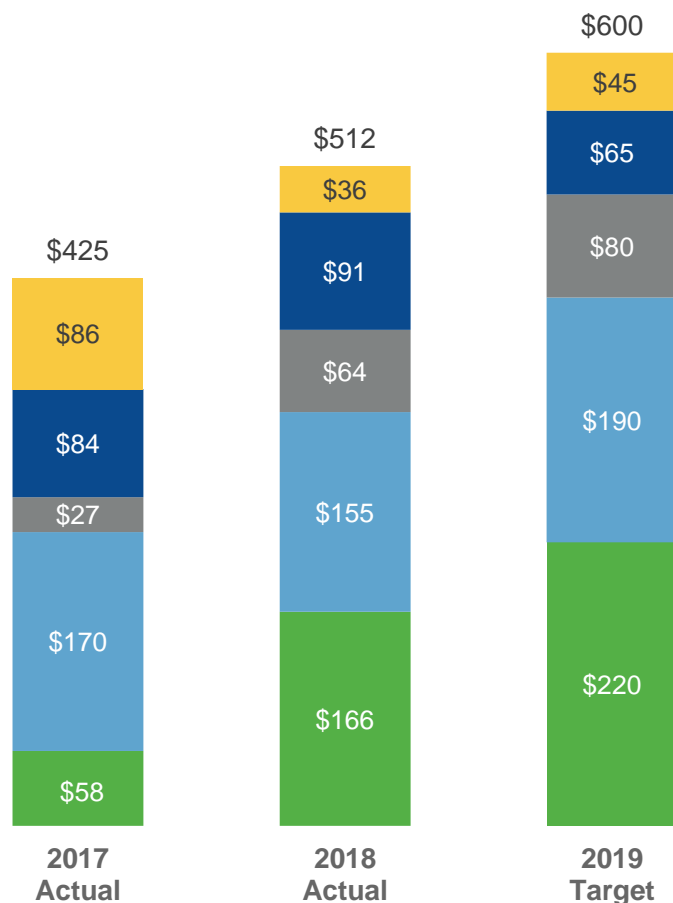
Note: Non-GAAP, \$ Millions except USD / ARS and EPS. USD / ARS rates represent average exchange rates for each quarter.

1. The impact to Operating Profit and EPS diminishes slightly with each additional one peso devaluation.



# Free Cash Flow (incl. completed acquisitions)

(Non-GAAP, \$ Millions)



- Adjusted EBITDA**
- **Working Capital:** Targeting ~flat
  - **Cash Restructuring:** ~\$45 million, primarily acquisition-related
  - **Cash Taxes:** Higher income offset by lower ETR, FTCs and refund timing
  - **Cash Interest:** Higher Net Debt (driven by acquisitions) offset by lower rates from 2019 credit agreement amendment
  - **Cash Capital Expenditures:** (detail in appendix)
    - Maintenance: ~4.5% of Revenue
    - Incremental: Strategic initiatives and acquisitions
  - **Free Cash Flow before Dividends**

37%	92%	~100%	FCF Conversion – Income <sup>1</sup>
14%	32%	~37%	FCF Conversion – Adjusted EBITDA <sup>2</sup>

## 2019 Free Cash Flow Target –Almost Quadruples in Two Years

Note: Amounts may not add due to rounding.

Non-GAAP Free Cash Flow excludes the impact of Venezuela operations. See detailed reconciliations of cash flows in the Appendix.

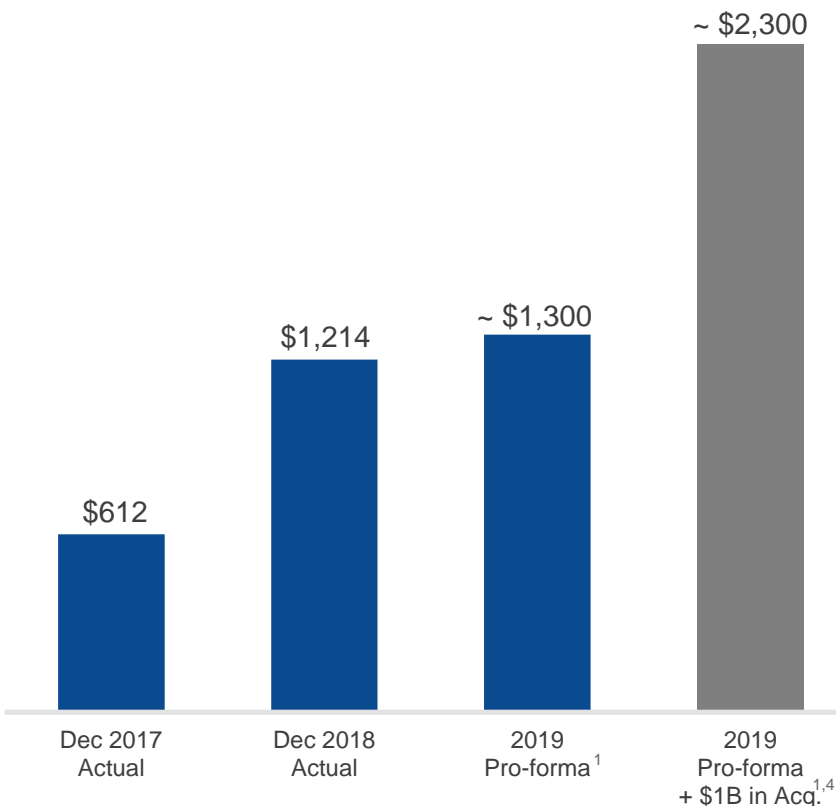
1. FCF Conversion – Income is defined as Free Cash Flow before Dividends divided by Non-GAAP Income (loss) from continuing operations attributable to Brink's.

2. FCF Conversion – Adjusted EBITDA is defined as Free Cash Flow before Dividends divided by Adjusted EBITDA.

# Net Debt and Leverage

## Net Debt

Significant capacity for acquisitions

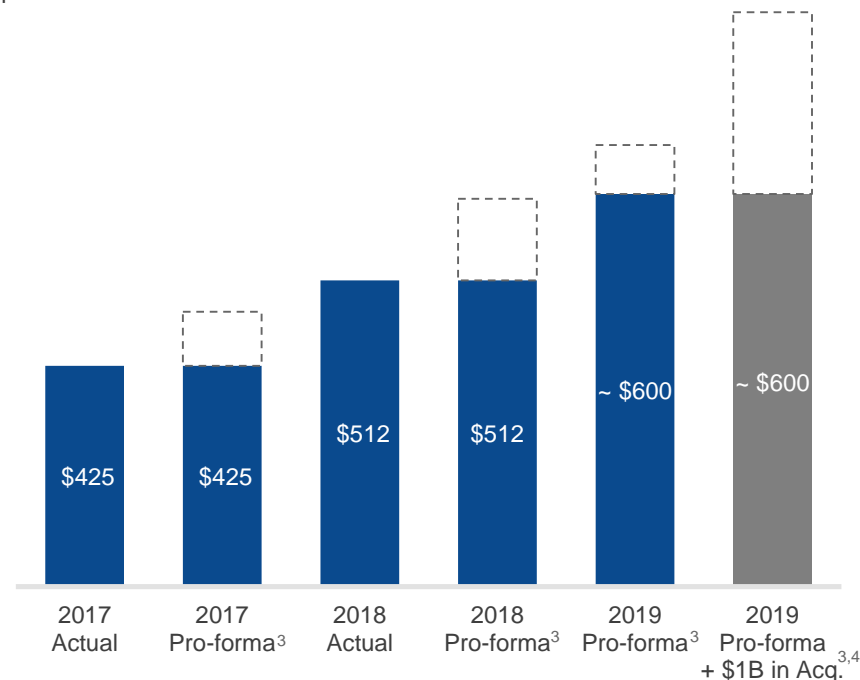


(Non-GAAP, \$ Millions)

## Adjusted EBITDA and Financial Leverage

Leverage Ratio<sup>2</sup>

Period	Leverage Ratio <sup>2</sup>	Adjusted EBITDA + Synergized Acquisitions (\$ Millions)
2017 Actual	1.4	~\$480
2017 Pro-forma <sup>3</sup>	~1.3	~\$480
2018 Actual	2.4	~\$595
2018 Pro-forma <sup>3</sup>	~2.0	~\$595
2019 Pro-forma <sup>3</sup>	~2.0	~\$650
2019 Pro-forma + \$1B in Acq. <sup>3,4</sup>	~2.9	~\$785



## Existing Leverage Capacity to Execute Additional Acquisitions

1. Forecasted utilization based on business plan through 2019 including closed acquisitions.
2. Net Debt divided by Adjusted EBITDA for Actual, and Net Debt divided by Adjusted EBITDA + Synergized Acquisitions for Pro-forma.

3. Additional pro-forma impact (TTM) based on post-closing synergies through 2020 of closed acquisitions.

4. Includes assumption of \$1 billion in acquisitions with a 7.5x multiple.

Note: See detailed reconciliations of non-GAAP to GAAP results in the appendix

# Three-Year Strategic Plan - Strategy 1.0 + 1.5

Organic Growth + Acquisitions

**2019 Adjusted EBITDA Target \$600 Million – 3-yr CAGR ~21%\***

## Strategy 1.5 Acquisitions

	<u>2019</u>
Adj. EBITDA	\$120
Op Profit	\$105

- Focus on “core-core” & “core-adjacent”
- Capture synergies & improve density
- 12 Acquisitions closed to date
- \$1.1B invested in closed and announced acquisitions to date

## Strategy 1.0 Core Organic Growth

	<u>2019</u>
Adj. EBITDA	\$480
Op Profit	\$310

- Close the Gap
- Accelerate Profitable Growth
- Introduce Differentiated Services – technology-driven

2017

2018

2019

**Organic Growth + Acquisitions = Increased Shareholder Value**

Note: See detailed reconciliations of non-GAAP to GAAP results included in the appendix.

\* Growth rates calculated based on the mid-point of the range

# Strategy 2.0 – Total Cash Ecosystem

Further Expansion into Cash-Related, High-Value Services

## Strategy 2.0 Expand Services & Customer Base

- Expand high-margin, high-value, cost-effective service offerings:
  - Increase share with existing customers via a broader array of high-value services
  - Add new unvetted and underserved customers with attractively-priced, high-value services

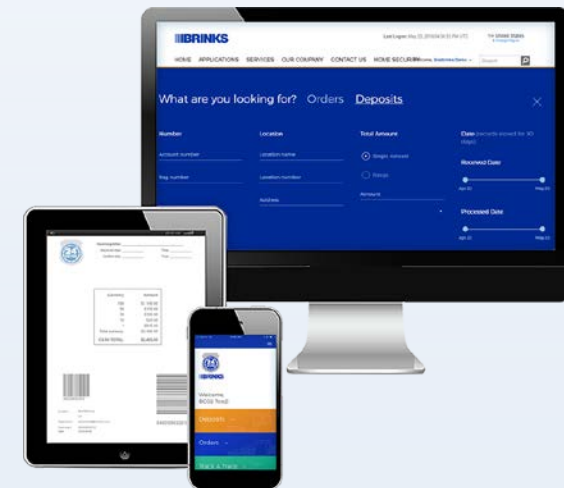
2019

2020

2021

## Recent Business Development

- Agreement with Groupe BPCE, 2<sup>nd</sup> largest banking group in France
  - Brink's to own & manage entire network of 11,600 ATMs
  - Long-term contract expected to generate ~\$50M in annual recurring revenues beginning in 2021
- Acquired U.S. software company Balance Innovations
  - Provides cash management software to ~11K retail locations



~\$20M Operational Expenditures to Drive High-Margin Growth in 2020 and Beyond

# 2019 Guidance Affirmed

20% Op Profit Growth (+100 bps) Including \$20-\$30 Million OpEx Investment

(Non-GAAP, \$ Millions, except EPS)

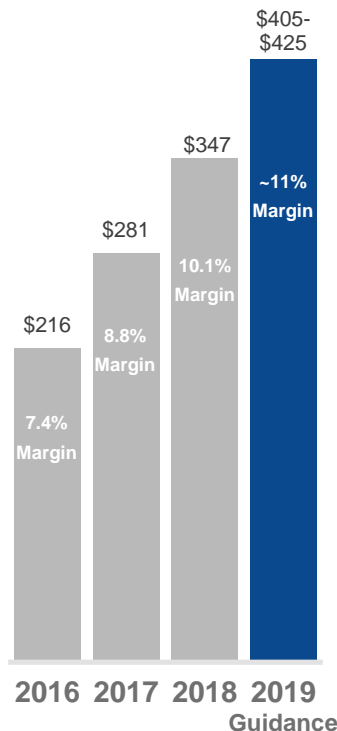
**Revenue +9%**  
Constant currency +15%

Organic +7%  
Acq/Disp +8%  
FX (6%)



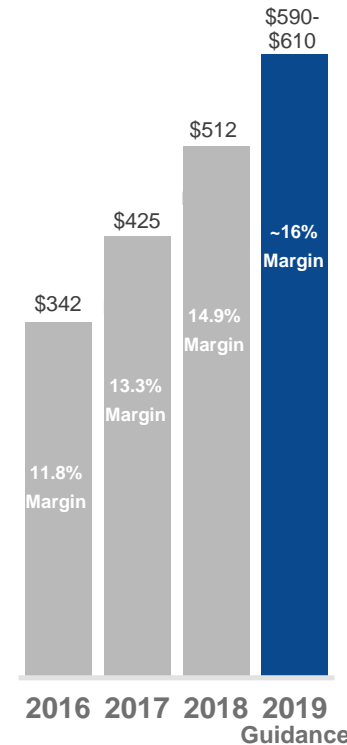
**Op Profit +20%**  
Constant currency +37%

Organic +27%  
Acq/Disp +10%  
FX (17%)



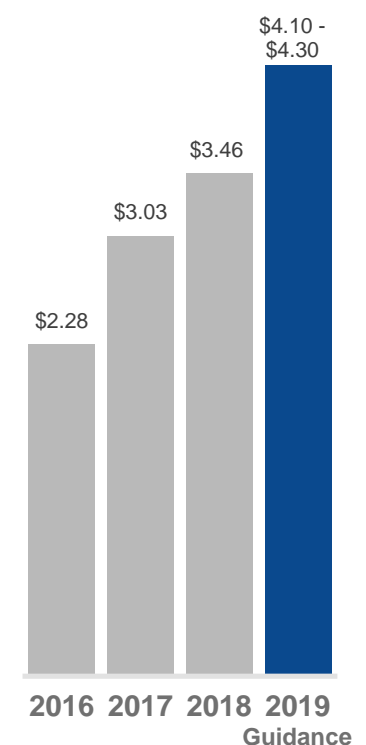
**Adj. EBITDA**  
Constant currency +30%

+17%



**EPS**  
Constant currency +44%

+21%

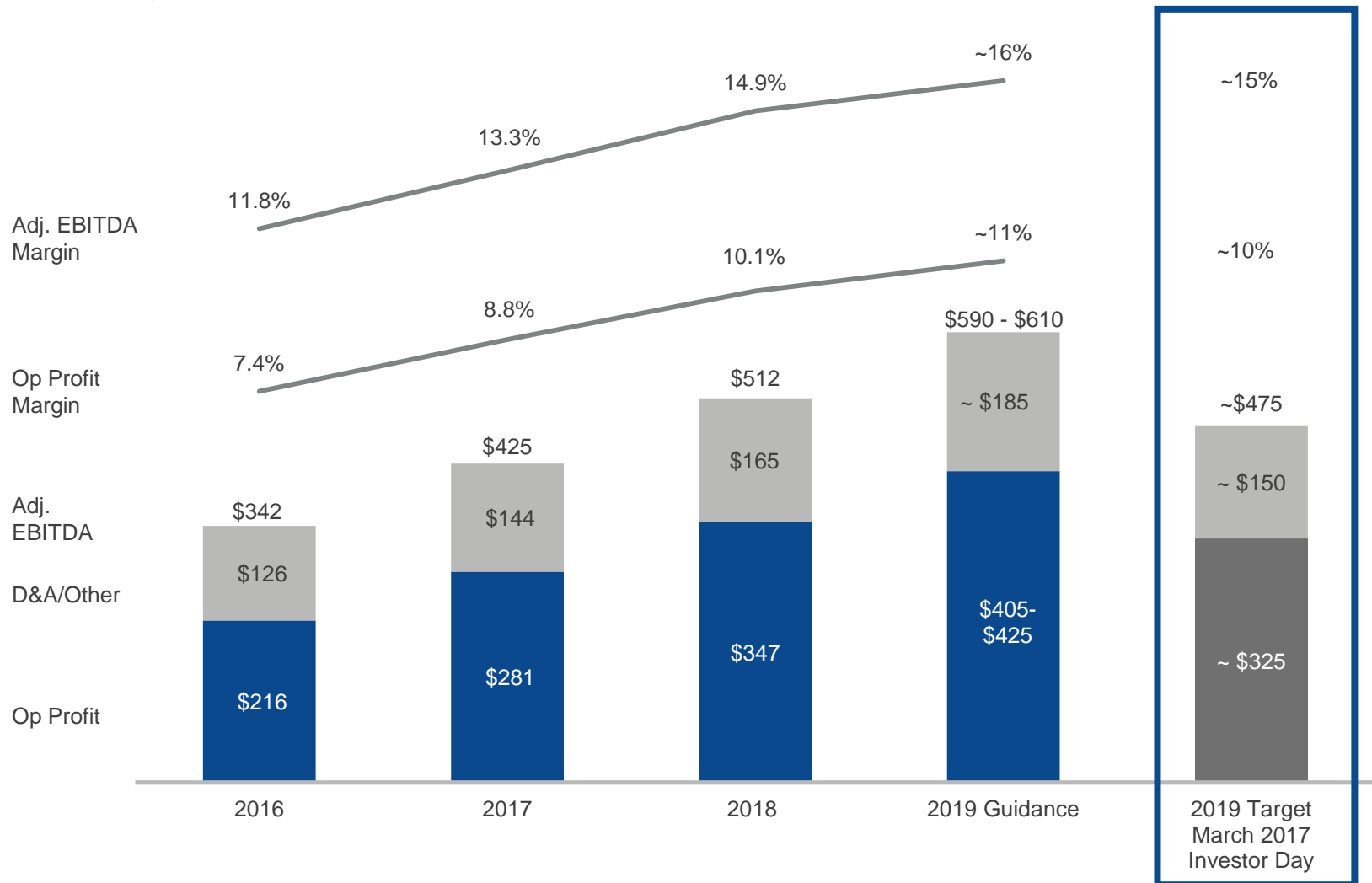


See detailed reconciliations of non-GAAP to GAAP results included in the Second Quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com). See detailed reconciliations of non-GAAP to GAAP 2016 and 2017 results in the Appendix. 2019 growth rates calculated based on mid-point of range provided vs 2018. Constant currency represents 2019 guidance at 2018 exchange rates.

# Continued Improvement Expected in 2019 and Beyond

(Non-GAAP, \$ Millions)

## Operating Profit & Adj. EBITDA

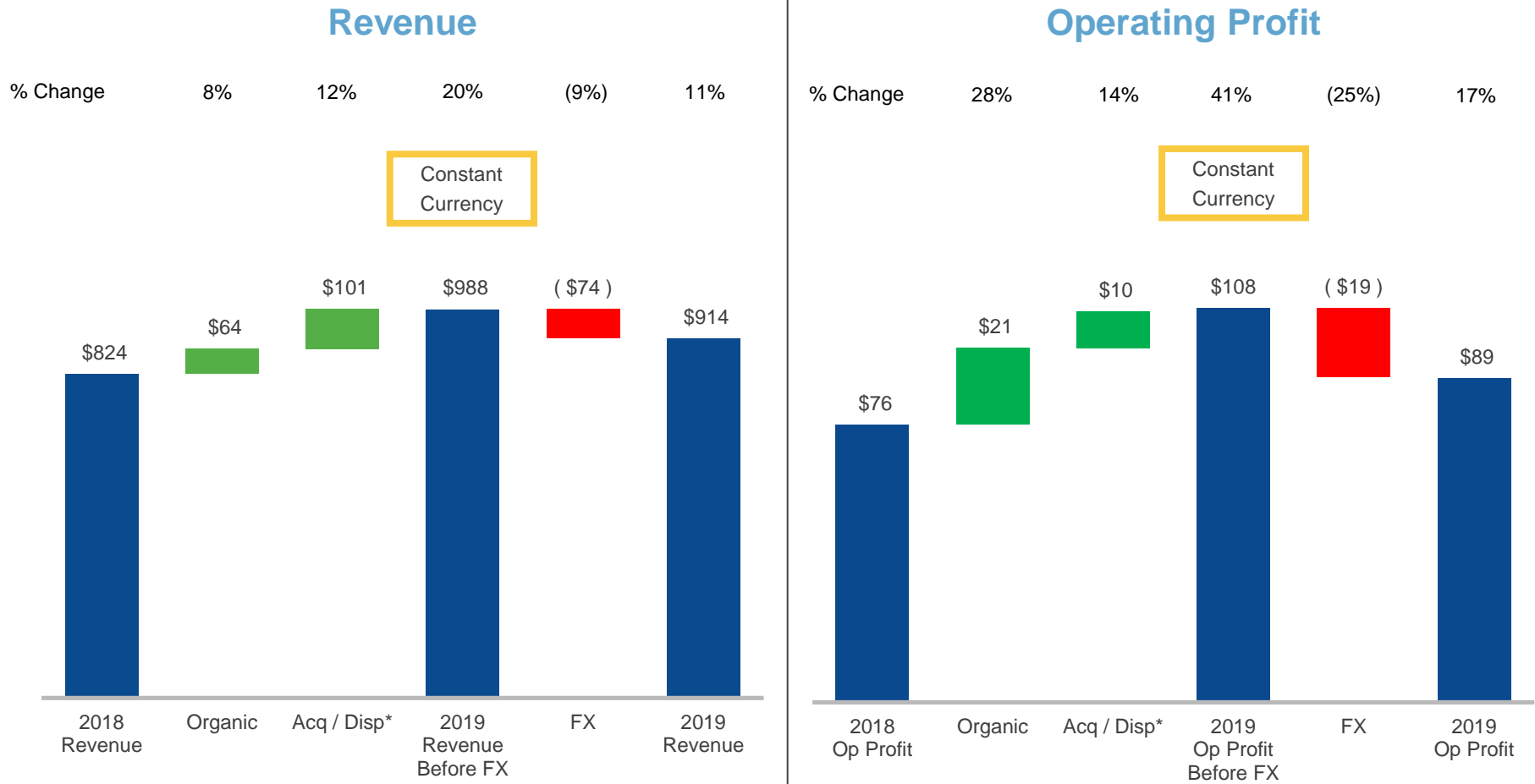


Notes: See detailed reconciliations of non-GAAP to GAAP results included in the second quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com). See detailed reconciliations of non-GAAP to GAAP 2016 and 2017 results in the Appendix.

# Appendix

# Second-Quarter Revenue and Operating Profit vs 2018

(Non-GAAP, \$ Millions)



Notes: Amounts may not add due to rounding. See detailed reconciliations of non-GAAP to GAAP results included in the Second Quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com). Constant currency represents 2019 results at 2018 exchange rates.

\* Acq/Disp amounts include the impact of prior year trailing twelve-month results for acquired and disposed businesses.

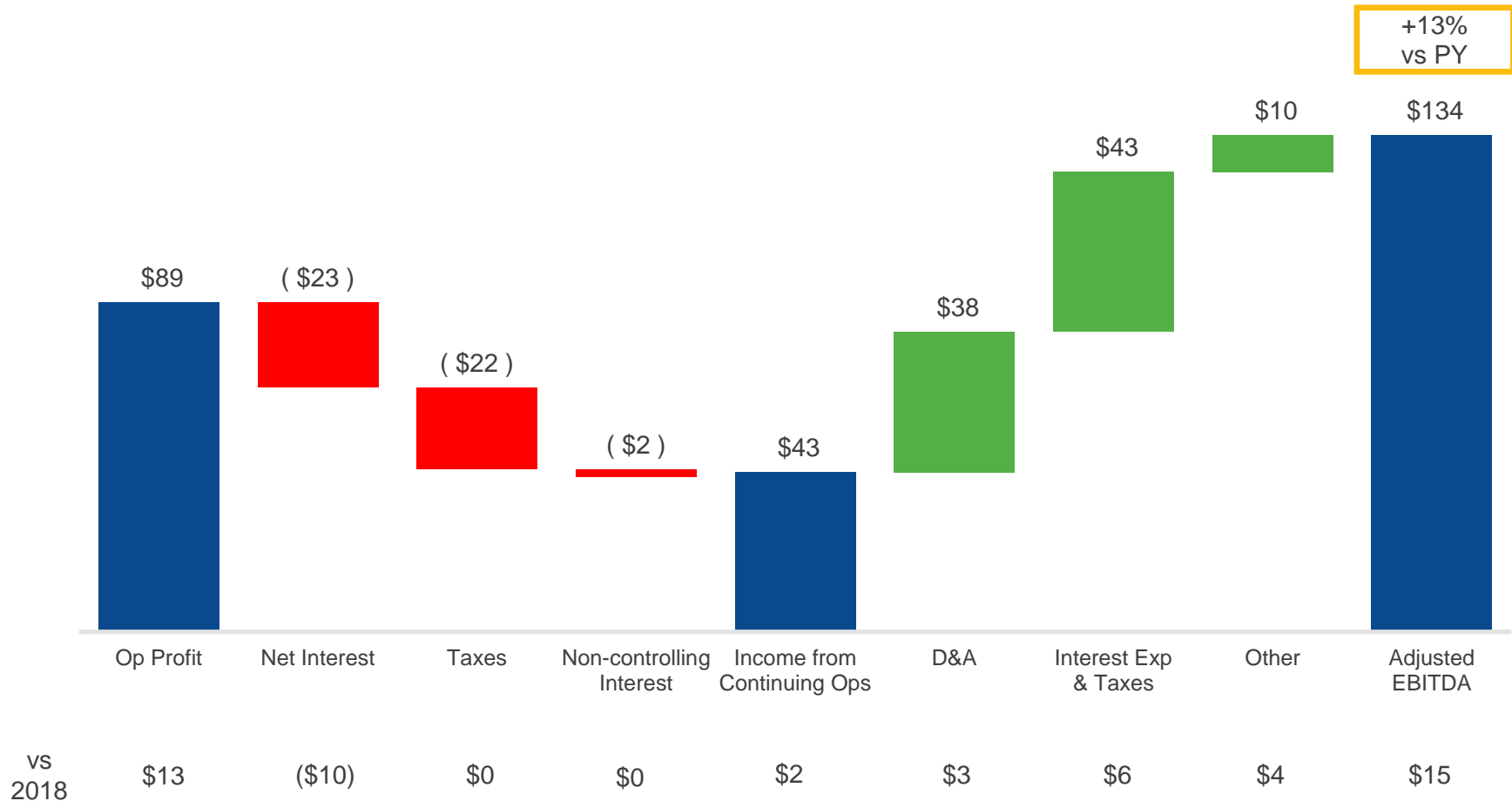


# Second-Quarter Adjusted EBITDA and EPS vs 2018

(Non-GAAP, \$ Millions, except EPS)

Q2 2019 EPS: \$0.84 +8% vs PY  
 Q2 2018 EPS: \$0.78

+13%  
vs PY



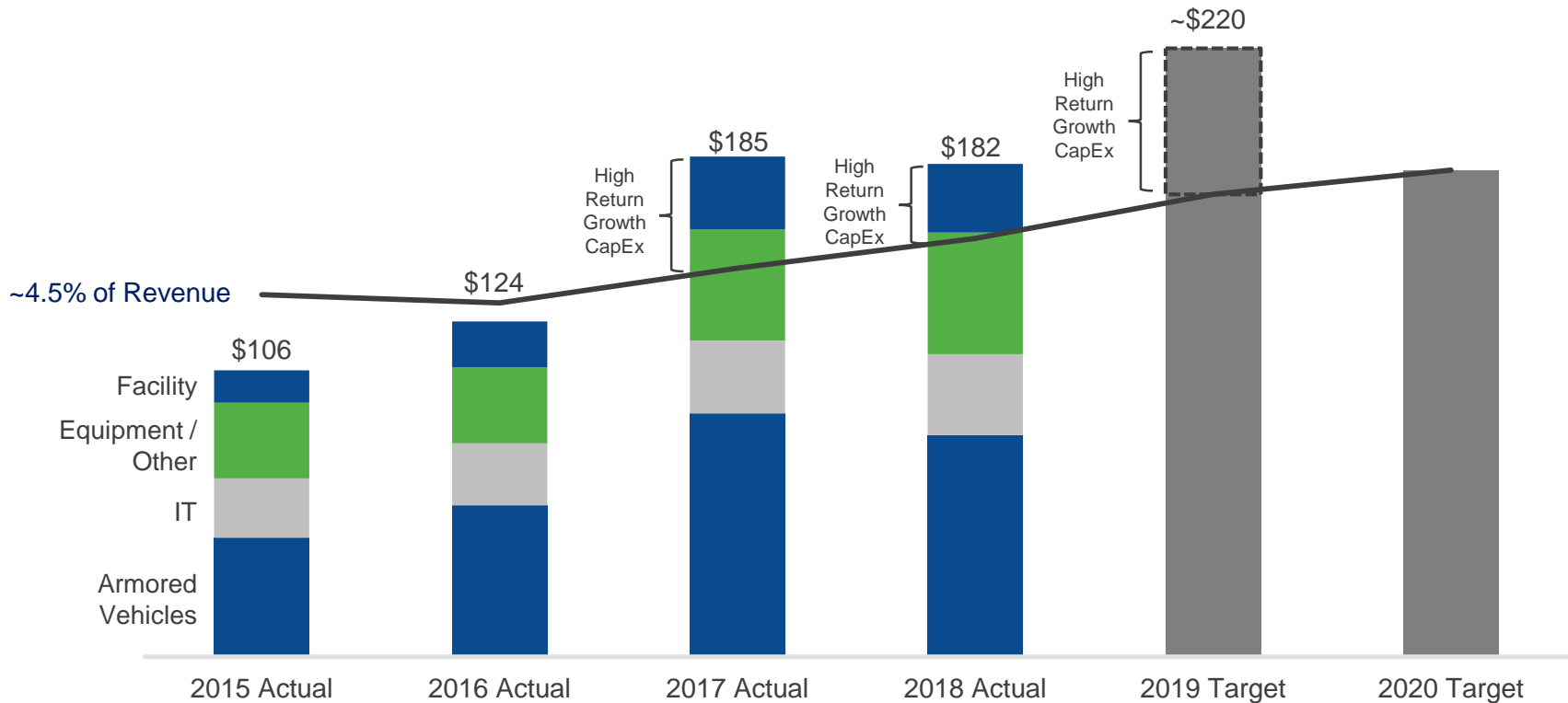
Notes: Amounts may not add due to rounding. See detailed reconciliations of non-GAAP to GAAP results included in the Second Quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com). Constant currency represents 2019 results at 2018 exchange rates.

# CapEx Expected to Return to ~4.5% of Revenue in 2020

Capital expenditures 2015 – 2020<sup>1</sup>

(Non-GAAP, \$ Millions)

Higher 2017-19 CapEx reflects investment in strategic initiatives

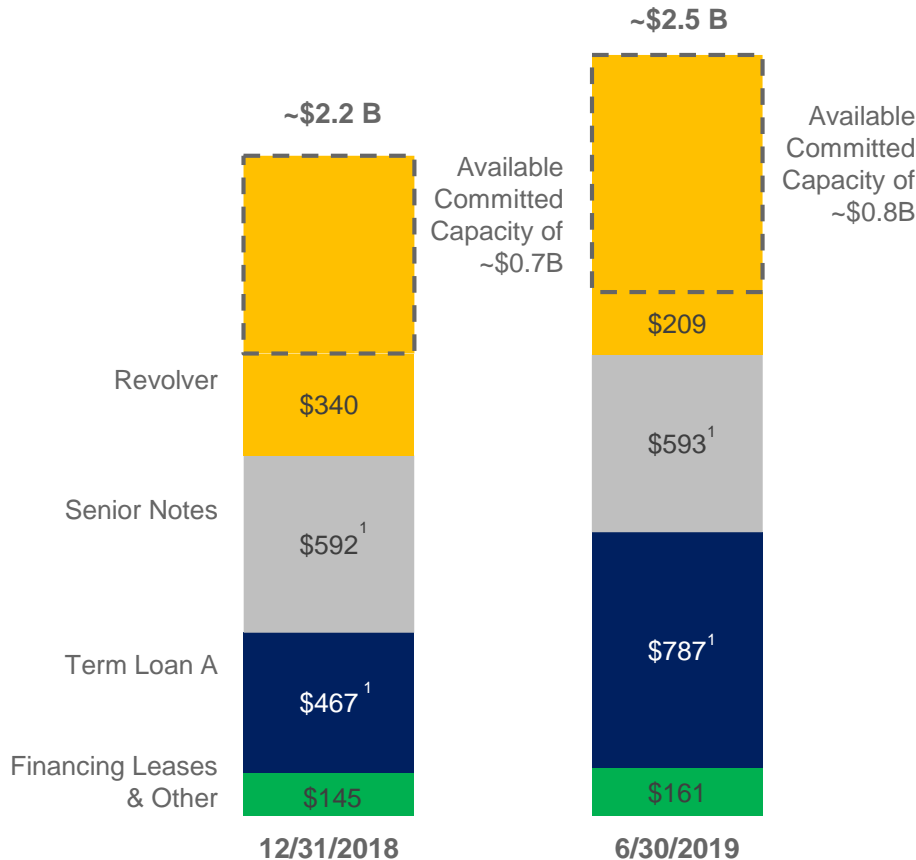


% Revenue	3.5%	4.2%	5.8%	5.3%	~6% <sup>2</sup>	~4.5% <sup>2</sup>
D&A <sup>1</sup>	\$118	\$112	\$119	\$126		
Reinvestment Ratio	0.9	1.1	1.6	1.4		

1. Excludes CompuSafe® Service  
 2. Excludes potential acquisitions (through year-end 2019).  
 See detailed reconciliations of non-GAAP to GAAP in the Appendix.

# Credit Facility and Debt Structure

## Debt Balance



## 2019 Credit Facility Amendment

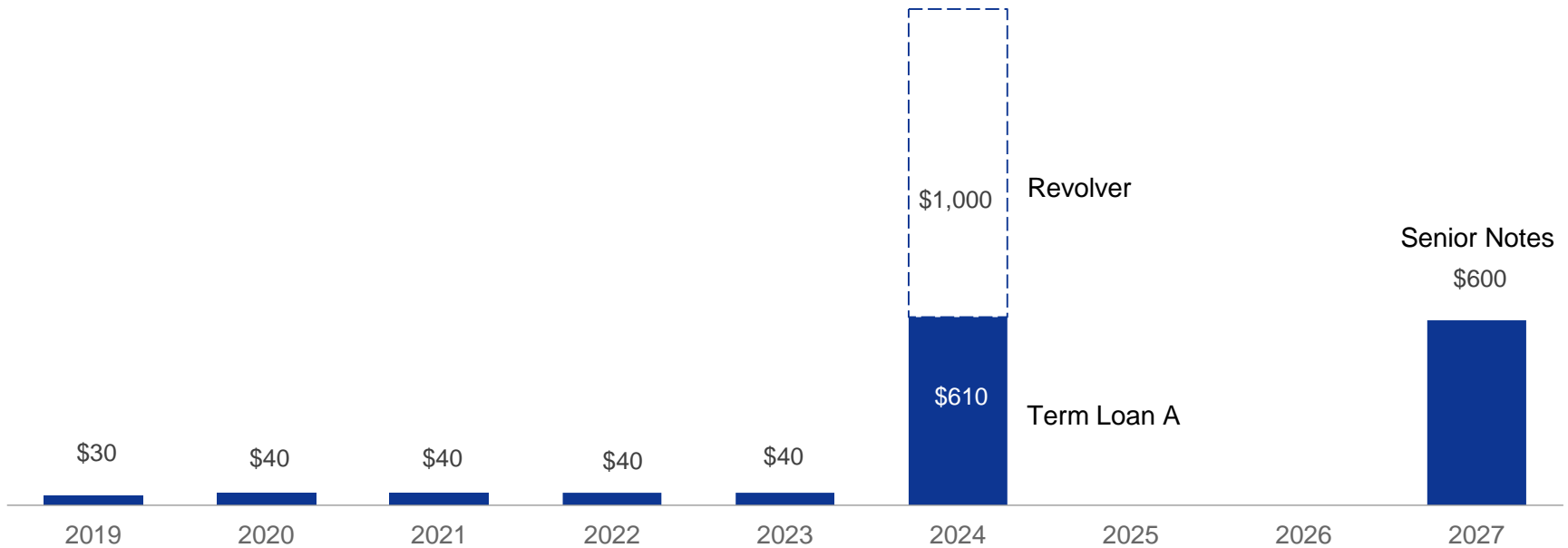
- Term Loan A increased from \$469 million to \$800 million
- Secured revolving credit facility consistent at \$1.0 billion
- Interest floats based on LIBOR plus a margin that is a minimum of 25 bps lower than previous financing
  - Interest rate swap locking \$400 million at fixed rate
- Interest rate: ~4.25%
- Matures February 2024; Term Loan A amortizes at 5% per year
- Closing fees of \$4 million

**Additional ~\$131 Million of Capacity to Execute Strategy with Improved Terms**

1. Net of unamortized issuance costs of \$8.0 million on Senior Notes and \$1.8 million on Term Loan A as of 12/31/18 and \$7.5 million on Senior Notes and \$3.3 million on Term Loan A as of 6/30/19.

# Strong and Sustainable Credit Statistics

(\$ Millions)

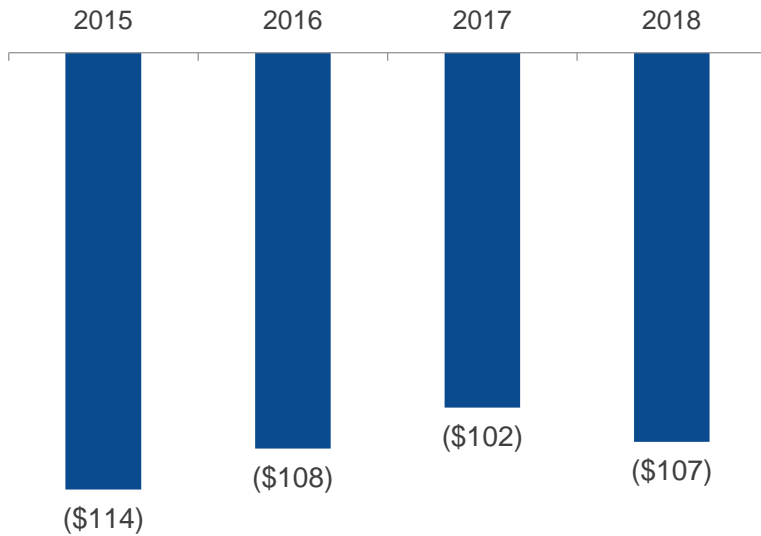


## Maturity Schedule for Credit Facility and Senior Notes

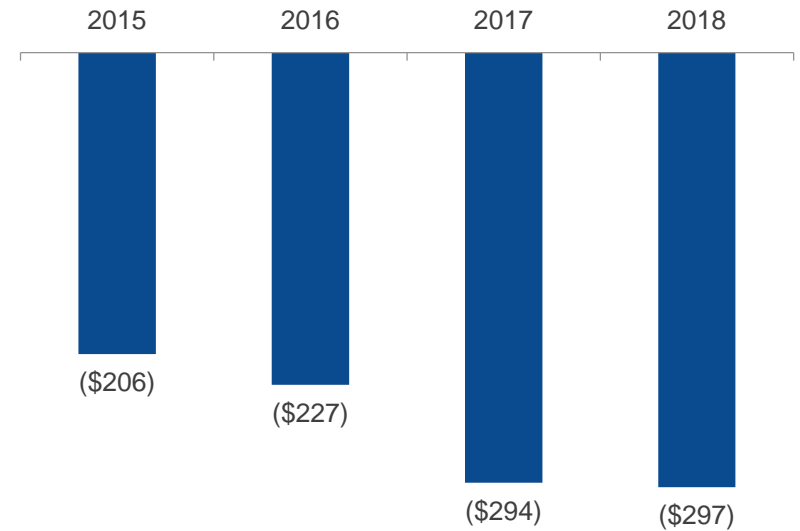
# Legacy Liabilities – Underfunding at 12/31/2018

(\$ Millions)

## Frozen Primary U.S. Pension



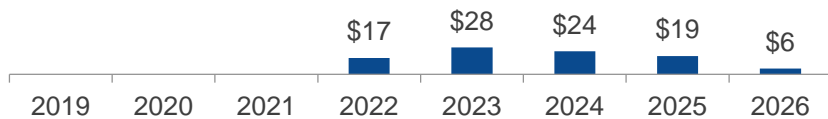
## UMWA



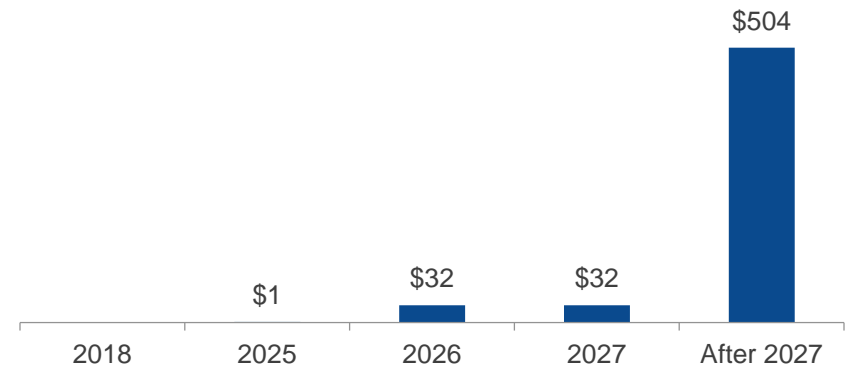
# Estimated Cash Payments to Frozen U.S. Pension Plan

(\$ Millions)

## Payments to Primary U.S. Pension



## Payments to UMWA



- Prepaid pension payments in 2014 with an \$87 million contribution
  - Accelerated de-risking of invested asset allocation
  - Reduced PBGC premiums
  - **No cash payments expected for Primary U.S. Pension based on actuarial assumptions until 2022**
  - **Remeasurement occurs every year-end with 10K filing**
- No cash payments to UMWA expected until 2025 based on actuarial assumptions at 12/31/2018

# Comparison to Route-Based Industrial Services Peers <sup>1</sup>

	Peers	Brink's
Specialized fleet	✓	✓
Focus on route density and optimization	✓	✓
Strong recurring revenue	✓	✓
High customer retention	✓	✓
Ability to leverage physical infrastructure	✓	✓
Accretive/high-synergy M&A	✓	✓
Technology-enhanced logistics	✓	✓
Organic growth	~4%	~6%
Adj. EBITDA margin	~23%	~16%
3-yr Adj. EBITDA CAGR	~6%	~21%
EV/2019E Adj. EBITDA multiple	~15x - 17x	~10x

Industrial Services/Route-Based peers include Cintas Corporation (CTAS), Iron Mountain, Inc. (IRM), Rollins, Inc. (ROL), ServiceMaster Global Holdings, Inc. (SERV), Stericycle, Inc. (SRCL), UniFirst Corporation (UNF) and Waste Management, Inc. (WM). See page 24 of the appendix for additional metrics. See detailed reconciliations of non-GAAP to GAAP results in the appendix.

1. Financial metrics and calculations based on 2016-2019 fiscal year-end non-GAAP actuals and estimates, BCO guidance, FactSet data and broker consensus estimates, publically available information, and internal estimates as of July 18, 2019. Components of the calculation may differ between companies. BCO EV/Adj. EBITDA calculation excludes retirement and postemployment benefit obligations.

# Industrial Services/Route-Based Peer Comparisons<sup>1</sup>

Company	Business Overview	2019E Financial Metrics			Growth	Valuation
	Description	OP Margin	Adj. EBITDA Margin	Capex (% of Rev)	3-Year Adj. EBITDA CAGR	EV / Adj. EBITDA
<b>The Brink's Company (BCO)</b>	<b>Cash Management</b>	<b>~11%</b>	<b>~16%</b>	<b>~5%</b> <sup>2</sup>	<b>~21%</b>	<b>~10x</b>
Cintas Corporation (CTAS)	Uniform rental and cleaning services	~17%	~22%	~4%	~19%	~20x
Iron Mountain, Inc. (IRM)	Information protection and storage	~19%	~33%	~12%	~10%	~12x
Rollins, Inc. (ROL)	Pest control	~16%	~20%	~1%	~8%	~31x
ServiceMaster Global Holdings, Inc. (SERV)	Pest control	~17%	~22%	~2%	~0% <sup>3</sup>	~19x
Stericycle, Inc. (SRCL)	Medical waste management	~16%	~19%	~6%	~(8%)	~12x
UniFirst Corporation (UNF)	Uniform rental and cleaning services	~12%	~17%	~6%	~5%	~11x
Waste Management, Inc. (WM)	Non-hazardous waste management	~18%	~28%	~11%	~6%	~15x
<b>Peer Average ex. BCO</b>		<b>~16%</b>	<b>~23%</b>	<b>~6%</b>	<b>~6%</b>	<b>~17x</b> <sup>4</sup>
					<i>Average ex. ROL</i>	~15x

1. Financial metrics and calculations based on 2016-2019 fiscal year-end non-GAAP actuals and estimates, BCO guidance, Factset data and broker consensus estimates, publically available information, and internal estimates as of July 18, 2019. Components of the calculation may differ between companies. BCO EV/Adj. EBITDA calculation excludes retirement and postemployment benefit obligations. See detailed reconciliations of non-GAAP to GAAP results in the appendix.

2. Cash CapEx including CompuSafe®. Excludes financing leases.

3. Adjusted to account for the disposition of American Home Shield in the fourth quarter of 2018.

4. Including Prosegur Cash SA (BME:CASH) and Loomis (OMX:LOOMB), the peer average is reduced from ~17x to ~15x.

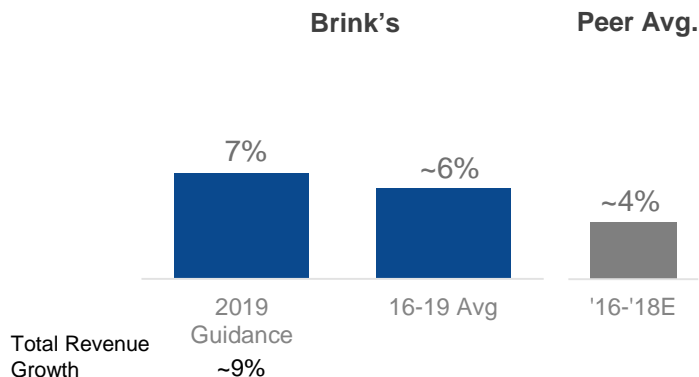


# Compared to Industrial Services/Route-Based Peers<sup>1</sup>...

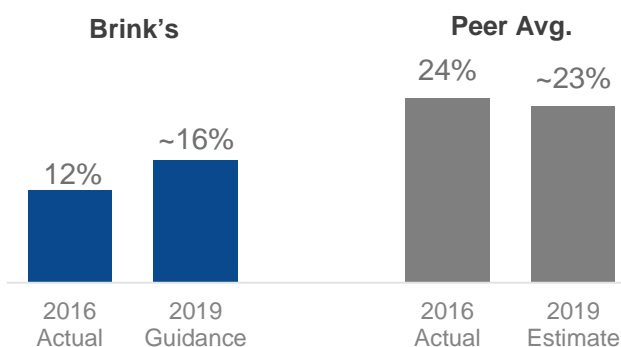
Growing Faster

21% CAGR Ahead of Peers & Closing the Gap

## Organic Revenue Growth

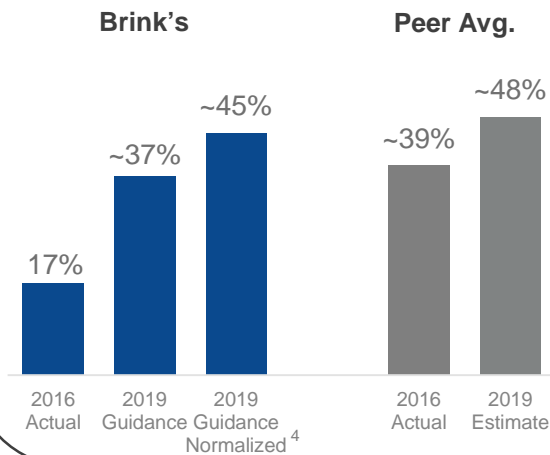


## Adj. EBITDA Margin

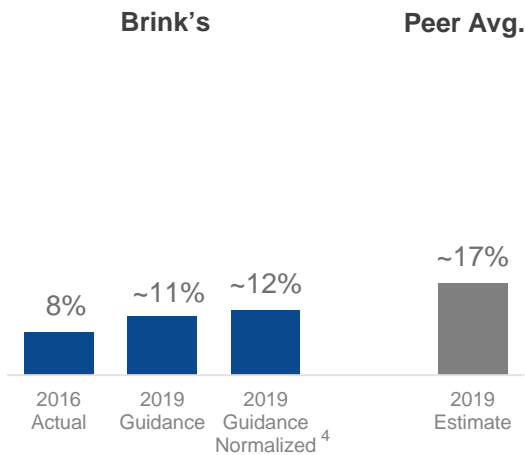


## Improving Our Cash Flow

### FCF<sup>2</sup> as a % of EBITDA

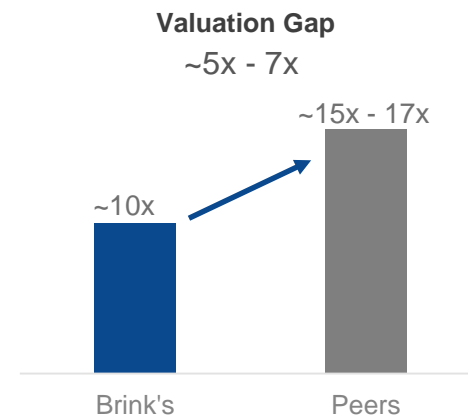


### EBITDA – CapEx<sup>3</sup> as a % of Revenue



## Why the Valuation Discount?

### Forward 2019 EBITDA Multiple



Industrial Services/Route-Based peers include Cintas Corporation (CTAS), Iron Mountain, Inc. (IRM), Rollins, Inc. (ROL), ServiceMaster Global Holdings, Inc. (SERV), Stericycle, Inc. (SRCL), UniFirst Corporation (UNF) and Waste Management, Inc. (WM). See page 24 of the appendix for additional metrics. See detailed reconciliations of non-GAAP to GAAP results in the appendix.

1. Financial metrics and calculations based on 2016-2019 fiscal year-end non-GAAP actuals and estimates, BCO guidance, FactSet data and broker consensus estimates, publically available information, and internal estimates as of July 18, 2019. Components of the calculation may differ between companies. BCO EV/Adj. EBITDA calculation excludes retirement and postemployment benefit obligations.

2. Adjusted Cash Flow from Operations less Cash Capital Expenditures.

3. Adjusted EBITDA less Cash Capital Expenditures..

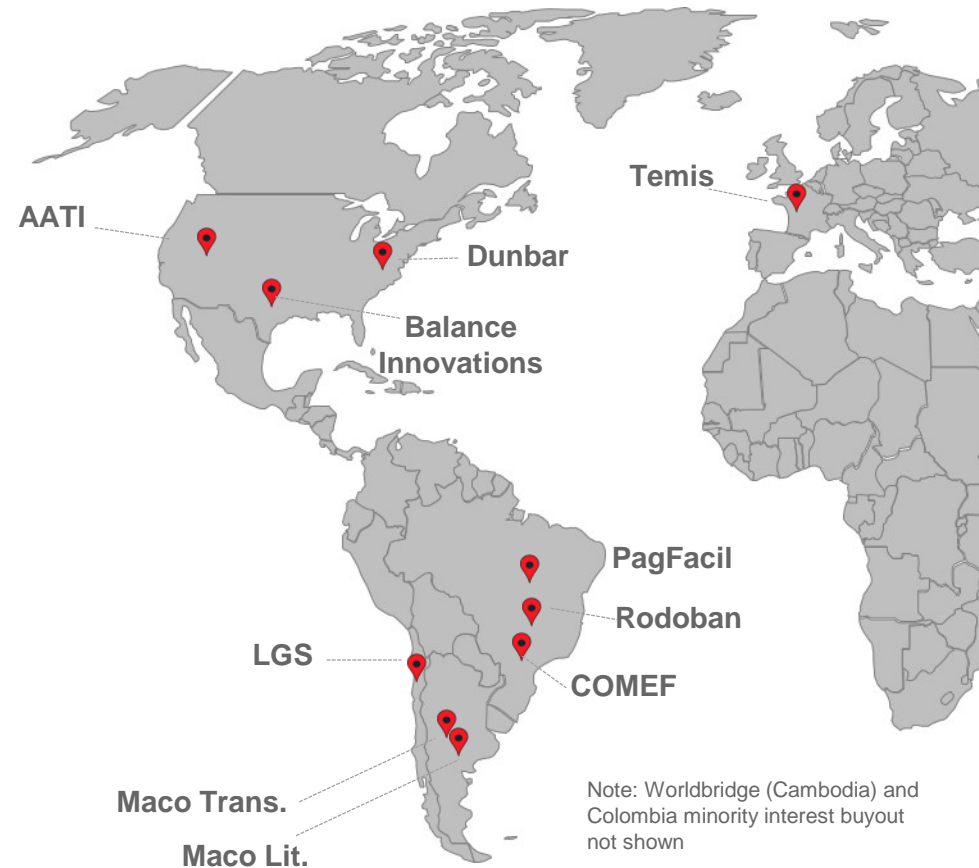
4. Adjusted to reflect lower pro forma capital and restructuring expenditures.

# Strategy 1.5 – Core Acquisitions

## Synergistic, Accretive Acquisitions in Our Core Markets

### Core Acquisitions-to-Date

- 2017: 6 completed, including Maco
- 2018: 3 completed, including Dunbar
- 2019: 3 completed, 1 pending
  - Rodoban (Brazil), COMEF (Brazil), Balance Innovations (U.S.),
  - Colombia acquisition pending
- Closed acquisitions expected to generate Adjusted EBITDA of \$120 million in 2019
  - Fully synergized ~\$185M
- Strong pipeline of additional opportunities

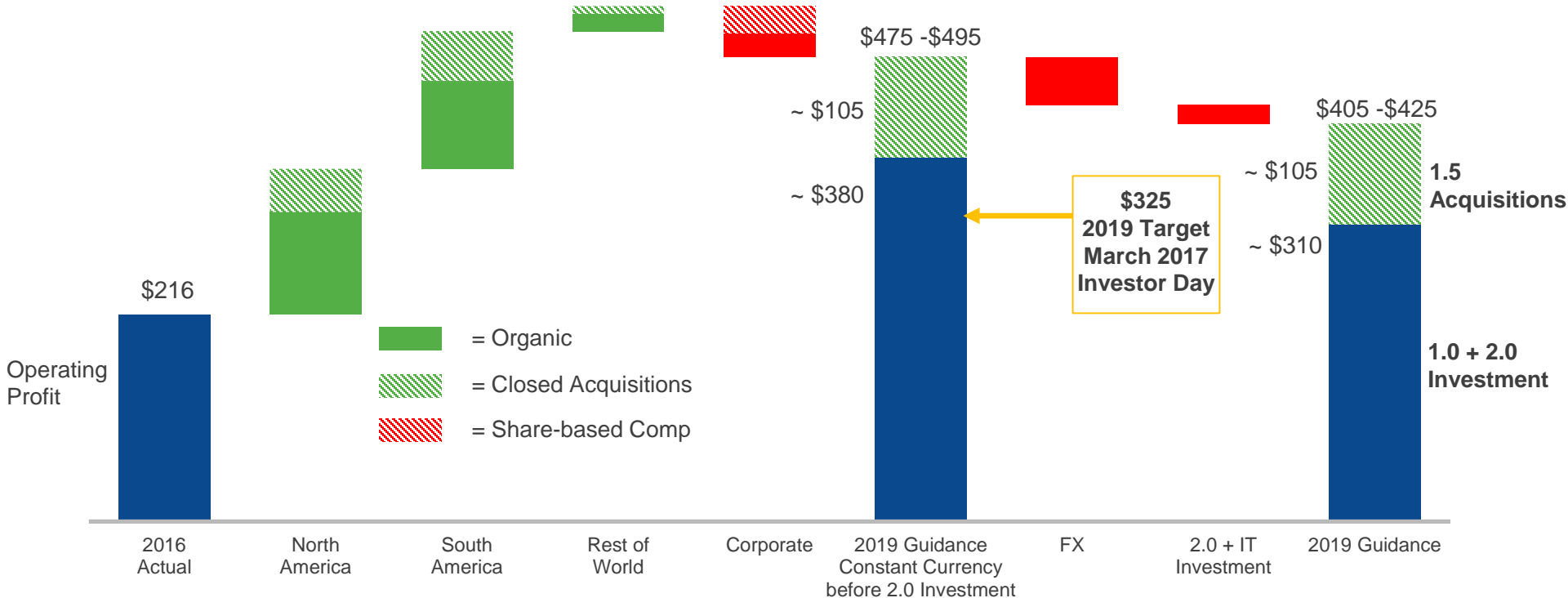


# Strategic Plan 2017 – 2019 Operating Profit

(Non-GAAP, \$ Millions)

OP Margin 7.4%

~11%



Notes: See detailed reconciliations of non-GAAP to GAAP results included in the second quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com).

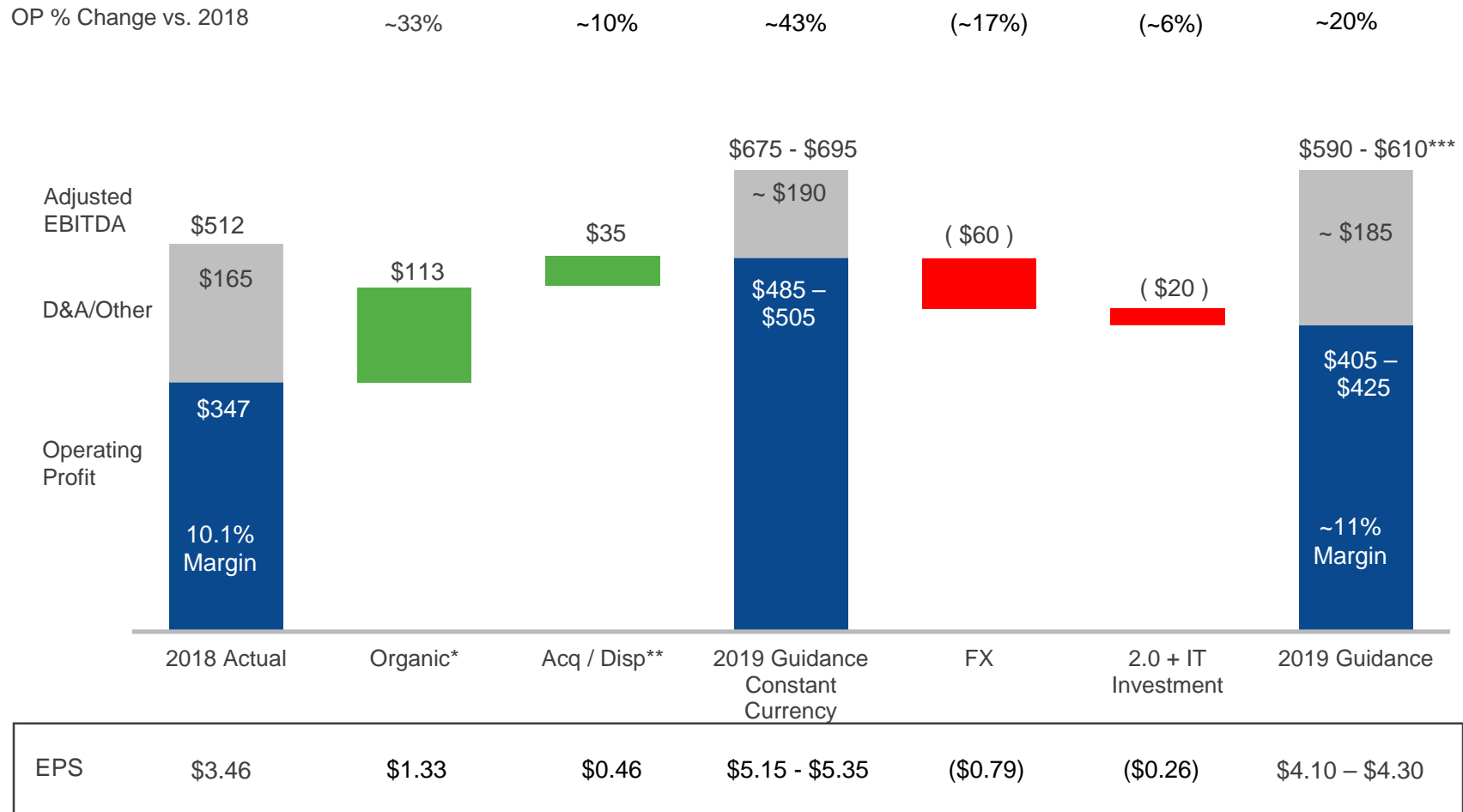
See detailed reconciliations of non-GAAP to GAAP 2016 results in the Appendix.

Constant Currency represents 2019 Guidance at 2019 Target exchange rates as of Investor Day March 2, 2017.

FX is the impact of foreign currency translation for the base business (excluding acquisitions).

# 2019 Guidance - Operating Profit and Adjusted EBITDA

(Non-GAAP, \$ Millions, except EPS)



Note: Amounts may not add due to rounding. Constant currency represents 2019 guidance at 2018 guidance exchange rates. See detailed reconciliations of non-GAAP to GAAP results included in the second quarter 2019 Earnings Release available in the Quarterly Results section of the Brink's website [www.brinks.com](http://www.brinks.com).

\* Organic growth excluding 2.0 + IT Investment

\*\*Acq/Disp amounts include the impact of prior year trailing twelve-month results for acquired and disposed businesses

\*\*\* Assumes currency rates as of December 31, 2018 for all currencies (except the Argentine peso, for which the company is using an estimated 2019 rate of 45 pesos to the U.S. dollar)

# 2016 - 2017 Non-GAAP Results Reconciled to GAAP (1 of 3)

## The Brink's Company and subsidiaries

### Non-GAAP Reconciliations

(In millions)

	Q1	Q2	2016 Q3	Q4	Full Year	Q1	Q2	2017 Q3	Q4	Full Year
<b>Revenues:</b>										
GAAP	\$ 721.8	739.5	755.8	803.5	3,020.6	\$ 788.4	805.9	849.5	903.2	3,347.0
Venezuela operations <sup>(a)</sup>	(32.1)	(21.5)	(20.4)	(35.4)	(109.4)	(48.1)	(46.3)	(20.8)	(38.9)	(154.1)
Acquisitions and dispositions <sup>(a)</sup>	(0.8)	(1.5)	(0.5)	-	(2.8)	-	-	-	-	-
Non-GAAP	\$ 688.9	716.5	734.9	768.1	2,908.4	\$ 740.3	759.6	828.7	864.3	3,192.9
<b>Operating profit (loss):</b>										
GAAP	\$ 23.5	32.2	59.7	69.1	184.5	\$ 70.9	48.3	66.4	88.3	273.9
Venezuela operations <sup>(a)</sup>	(2.7)	(1.6)	(2.2)	(12.0)	(18.5)	(21.1)	4.5	(2.5)	(1.3)	(20.4)
Reorganization and Restructuring <sup>(a)</sup>	6.0	2.1	2.3	19.9	30.3	4.1	5.6	6.4	6.5	22.6
Acquisitions and dispositions <sup>(a)</sup>	6.8	7.4	3.2	2.1	19.5	(0.4)	2.4	6.1	(2.8)	5.3
Non-GAAP	\$ 33.6	40.1	63.0	79.1	215.8	\$ 53.5	60.8	76.4	90.7	281.4
<b>Interest expense:</b>										
GAAP	\$ (4.9)	(4.9)	(5.1)	(5.5)	(20.4)	\$ (4.8)	(6.0)	(7.7)	(13.7)	(32.2)
Venezuela operations <sup>(a)</sup>	0.1	-	-	-	0.1	-	-	-	0.1	0.1
Acquisitions and dispositions <sup>(a)</sup>	-	-	-	-	-	-	-	0.8	0.3	1.1
Non-GAAP	\$ (4.8)	(4.9)	(5.1)	(5.5)	(20.3)	\$ (4.8)	(6.0)	(6.9)	(13.3)	(31.0)
<b>Taxes:</b>										
GAAP	\$ 9.4	14.5	19.5	35.1	78.5	\$ 14.4	17.3	16.4	109.6	157.7
Retirement plans <sup>(c)</sup>	2.6	2.9	2.9	2.9	11.3	2.7	3.1	3.2	3.6	12.6
Venezuela operations <sup>(a)</sup>	(2.5)	(4.7)	(2.4)	(4.5)	(14.1)	(4.9)	(3.8)	(3.1)	(0.9)	(12.7)
Reorganization and Restructuring <sup>(a)</sup>	1.9	0.6	0.7	4.2	7.4	1.4	1.9	2.2	2.1	7.6
Acquisitions and dispositions <sup>(a)</sup>	0.3	0.9	0.2	0.4	1.8	0.2	0.3	2.5	1.5	4.5
Deferred tax valuation allowance <sup>(b)</sup>	-	-	-	(14.7)	(14.7)	-	-	-	-	-
Prepayment penalties <sup>(d)</sup>	-	-	-	-	-	-	-	2.4	(2.2)	0.2
Interest on Brazil tax claim <sup>(e)</sup>	-	-	-	-	-	-	-	1.4	(0.9)	0.5
Tax reform <sup>(f)</sup>	-	-	-	-	-	-	-	-	(86.0)	(86.0)
Tax on accelerated income <sup>(g)</sup>	-	-	-	-	-	-	-	-	0.4	0.4
Income tax rate adjustment <sup>(h)</sup>	(1.7)	(1.5)	0.1	3.1	-	2.5	(0.3)	(1.5)	(0.7)	-
Non-GAAP	\$ 10.0	12.7	21.0	26.5	70.2	\$ 16.3	18.5	23.5	26.5	84.8

# 2016 - 2017 Non-GAAP Results Reconciled to GAAP (2 of 3)

## The Brink's Company and subsidiaries Non-GAAP Reconciliations (In millions)

	2016					2017				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
<b>Income (loss) from continuing operations attributable to Brink's:</b>										
GAAP	\$ (3.1)	0.3	24.5	14.5	36.2	\$ 34.7	14.3	19.9	(52.0)	16.9
Retirement plans <sup>(c)</sup>	4.7	5.2	5.0	5.3	20.2	4.6	5.5	5.8	6.4	22.3
Venezuela operations <sup>(a)</sup>	1.7	5.0	0.4	(4.5)	2.6	(8.4)	8.3	0.9	-	0.8
Reorganization and Restructuring <sup>(a)</sup>	4.1	1.5	1.7	16.4	23.7	2.4	3.6	4.0	4.2	14.2
Acquisitions and dispositions <sup>(a)</sup>	6.5	6.5	2.9	2.3	18.2	(0.6)	2.1	4.4	2.3	8.2
Deferred tax valuation allowance <sup>(b)</sup>	-	-	-	14.7	14.7	-	-	-	-	-
Prepayment penalties <sup>(d)</sup>	-	-	-	-	-	-	-	4.1	4.0	8.1
Interest on Brazil tax claim <sup>(e)</sup>	-	-	-	-	-	-	-	2.7	(1.6)	1.1
Tax reform <sup>(f)</sup>	-	-	-	-	-	-	-	-	86.0	86.0
Tax on accelerated income <sup>(g)</sup>	-	-	-	-	-	-	-	-	(0.4)	(0.4)
Income tax rate adjustment <sup>(h)</sup>	2.1	1.8	(0.2)	(3.7)	-	(2.7)	0.3	1.7	0.7	-
Non-GAAP	\$ 16.0	20.3	34.3	45.0	115.6	\$ 30.0	34.1	43.5	49.6	157.2
<b>EPS:</b>										
GAAP	\$ (0.06)	0.01	0.48	0.28	0.72	\$ 0.67	0.28	0.38	(1.02)	0.33
Retirement plans <sup>(c)</sup>	0.09	0.10	0.10	0.10	0.39	0.09	0.11	0.11	0.12	0.43
Venezuela operations <sup>(a)</sup>	0.04	0.09	0.01	(0.09)	0.05	(0.16)	0.15	0.02	-	0.02
Reorganization and Restructuring <sup>(a)</sup>	0.08	0.03	0.04	0.33	0.47	0.04	0.07	0.08	0.08	0.27
Acquisitions and dispositions <sup>(a)</sup>	0.13	0.13	0.06	0.04	0.37	(0.01)	0.04	0.09	0.05	0.16
Deferred tax valuation allowance <sup>(b)</sup>	-	-	-	0.29	0.29	-	-	-	-	-
Prepayment penalties <sup>(d)</sup>	-	-	-	-	-	-	-	0.08	0.08	0.16
Interest on Brazil tax claim <sup>(e)</sup>	-	-	-	-	-	-	-	0.05	(0.03)	0.02
Tax reform <sup>(f)</sup>	-	-	-	-	-	-	-	-	1.65	1.66
Tax on accelerated income <sup>(g)</sup>	-	-	-	-	-	-	-	-	(0.01)	(0.01)
Income tax rate adjustment <sup>(h)</sup>	0.04	0.04	(0.01)	(0.07)	-	(0.05)	0.01	0.03	0.01	-
Share adjustment <sup>(i)</sup>	-	-	-	-	-	-	-	-	0.02	-
Non-GAAP	\$ 0.32	0.40	0.68	0.88	2.28	\$ 0.58	0.66	0.84	0.95	3.03
<b>Depreciation and Amortization:</b>										
GAAP	\$ 32.2	32.9	32.4	34.1	131.6	\$ 33.9	34.6	37.9	40.2	146.6
Venezuela operations <sup>(a)</sup>	(0.1)	(0.2)	(0.1)	(0.3)	(0.7)	(0.4)	(0.4)	(0.4)	(0.5)	(1.7)
Reorganization and Restructuring <sup>(a)</sup>	-	-	-	(0.8)	(0.8)	(0.9)	(0.6)	(0.5)	(0.2)	(2.2)
Acquisitions and dispositions <sup>(a)</sup>	(0.9)	(0.9)	(0.9)	(0.9)	(3.6)	(0.6)	(1.1)	(2.7)	(4.0)	(8.4)
Non-GAAP	\$ 31.2	31.8	31.4	32.1	126.5	\$ 32.0	32.5	34.3	35.5	134.3

# 2016 - 2017 Non-GAAP Results Reconciled to GAAP (3 of 3)

## The Brink's Company and subsidiaries Non-GAAP Reconciliations (In millions)

	2016					2017				
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	Q3	Q4	Full Year
<b>Adjusted EBITDA<sup>(a)</sup>:</b>										
Net income (loss) attributable to Brink's - GAAP	\$ (3.1)	0.3	24.5	12.8	34.5	\$ 34.7	14.2	19.9	(52.1)	16.7
Interest expense - GAAP	4.9	4.9	5.1	5.5	20.4	4.8	6.0	7.7	13.7	32.2
Income tax provision - GAAP	9.4	14.5	19.5	35.1	78.5	14.4	17.3	16.4	109.6	157.7
Depreciation and amortization - GAAP	32.2	32.9	32.4	34.1	131.6	33.9	34.6	37.9	40.2	146.6
EBITDA	\$ 43.4	52.6	81.5	87.5	265.0	\$ 87.8	72.1	81.9	111.4	353.2
Discontinued operations - GAAP	-	-	-	1.7	1.7	-	0.1	-	0.1	0.2
Retirement plans <sup>(c)</sup>	7.3	8.1	7.9	8.2	31.5	7.3	8.6	9.0	10.0	34.9
Venezuela operations <sup>(a)</sup>	(1.0)	0.1	(2.1)	(9.3)	(12.3)	(13.7)	4.1	(2.6)	(1.5)	(13.7)
Reorganization and Restructuring <sup>(a)</sup>	6.0	2.1	2.4	19.8	30.3	2.9	4.9	5.7	6.1	19.6
Acquisitions and dispositions <sup>(a)</sup>	5.9	6.5	2.2	1.8	16.4	(1.0)	1.3	3.4	(0.5)	3.2
Prepayment penalties <sup>(d)</sup>	-	-	-	-	-	-	-	6.5	1.8	8.3
Interest on Brazil tax claim <sup>(e)</sup>	-	-	-	-	-	-	-	4.1	(2.5)	1.6
Income tax rate adjustment <sup>(h)</sup>	0.4	0.3	(0.1)	(0.6)	-	(0.2)	-	0.2	-	-
Share-based compensation <sup>(i)</sup>	2.8	2.1	1.8	2.8	9.5	4.5	4.0	4.0	5.2	17.7
Adjusted EBITDA	\$ 64.8	71.8	93.6	111.9	342.1	\$ 87.6	95.1	112.2	130.1	425.0

The outlook for 2019 Non-GAAP Adjusted EBITDA, 2019 Non-GAAP operating profit, 2019 non-GAAP EPS, and 2019 and 2020 target free cash flows cannot be reconciled to GAAP without unreasonable effort. We cannot reconcile these amounts to GAAP because we are unable to accurately forecast the impact of highly inflationary accounting on our Argentina operations and other potential Non-GAAP adjusting items for which the timing and amounts are currently under review, such as future restructuring actions. The impact of highly inflationary accounting on our Argentina operations and other potential Non-GAAP adjusting items could be significant to our GAAP results and cash flows. The Non-GAAP outlook for 2019 and 2020 capital expenditures excludes forecasted CompuSafe additions for those years. The non-GAAP outlook for year-end 2019 Net Debt does not include any forecasted changes to the 2018 balance of restricted cash borrowings or certain cash amounts held by Cash Management Services operations.

- (a) See "Other Items Not Allocated To Segments" on slide 32 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.
- (b) There was a change in judgment resulting in a valuation allowance against certain tax attributes with a limited statutory carryforward period that are no longer more-likely-than-not to be realized due to lower than expected U.S. operating results, certain non-GAAP pre-tax items, and the timing of tax deductions related to executive leadership transition.
- (c) 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.
- (d) Penalties upon prepayment of Private Placement notes in September 2017 and a term loan in October 2017.
- (e) Related to an unfavorable court ruling in the third quarter of 2017 on a non-income tax claim in Brazil. The court ruled that Brink's must pay interest accruing from the initial claim filing in 1994 to the current date. The principal amount of the claim was approximately \$1 million and was recognized in selling, general and administrative expenses in the third quarter of 2017.
- (f) Represents the estimated impact of tax legislation enacted into law in the fourth quarter of 2017. This primarily relates to the U.S. Tax Reform expense from the remeasurement of our net deferred tax assets.
- (g) The non-GAAP tax rate excludes the 2017 foreign tax benefits that resulted from the transaction that accelerated U.S. tax in 2015.
- (h) 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 34.2% for 2017 and 36.8% for 2016.
- (i) There is no difference between GAAP and non-GAAP share-based compensation amounts for the periods presented.
- (j) Adjusted EBITDA is defined as non-GAAP income from continuing operations excluding the impact of non-GAAP interest expense, non-GAAP income tax provision, non-GAAP depreciation and amortization and non-GAAP share-based compensation.

# Non-GAAP Reconciliation - Other

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## The Brink's Company and subsidiaries Other Items Not Allocated to Segments (Unaudited))

Brink's measures its segment results before income and expenses for corporate activities and for certain other items. See below for a summary of the other items not allocated to segments.

**Venezuela operations** Prior to the deconsolidation of our Venezuelan subsidiaries effective June 30, 2018, we excluded from our segment results all of our Venezuela operating results, due to the Venezuelan government's restrictions that prevented us from repatriating funds. As a result, the Chief Executive Officer, the Company's Chief Operating Decision maker ("CODM"), assessed segment performance and made resource decisions by segment excluding Venezuela operating results.

### Reorganization and Restructuring

#### *2016 Restructuring*

In the fourth quarter of 2016, management implemented restructuring actions across our global business operations and our corporate functions. As a result of these actions, we recognized charges of \$18.1 million in 2016 and additional charges of \$17.3 million in 2017.

#### *Executive Leadership and Board of Directors*

In 2015, we recognized \$1.8 million in charges related to Executive Leadership and Board of Directors restructuring actions, which were announced in January 2016. We recognized \$4.3 million in charges in 2016 related to the Executive Leadership and Board of Directors restructuring actions.

#### *2015 Restructuring*

Brink's initiated a restructuring of its business in the third quarter of 2015. We recognized \$11.6 million in related 2015 costs and additional charges of \$6.5 million in 2016 related to this restructuring. The actions under this program were substantially completed by the end of 2016, with cumulative pretax charges of approximately \$18 million.

#### *Other Restructurings*

Management periodically implements restructuring actions in targeted sections of our business. As a result of these actions, we recognized charges of \$4.6 million in 2017, primarily severance costs.

Due to the unique circumstances around these charges, they have not been allocated to segment results and are excluded from non-GAAP results.

**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 non-GAAP results. These items are described below:

#### *2017 Acquisitions and Dispositions*

- Amortization expense for acquisition-related intangible assets was \$8.4 million in 2017.
- Fourth quarter 2017 gain of \$7.8 million related to the sale of real estate in Mexico.
- Severance costs of \$4.0 million related to our 2017 acquisitions in Argentina and Brazil.
- Transaction costs of \$2.6 million related to acquisitions of new businesses in 2017.
- Currency transaction gains of \$1.8 million related to acquisition activity.

#### *2016 Acquisitions and Dispositions*

- Due to management's decision in the first quarter of 2016 to exit the Republic of Ireland, the prospective impacts of shutting down this operation were included in items not allocated to segments and were excluded from the operating segments effective March 1, 2016. This activity is also excluded from the consolidated non-GAAP results. Beginning May 1, 2016, due to management's decision to also exit Northern Ireland, the results of shutting down these operations were treated similarly to the Republic of Ireland.
- Amortization expense for acquisition-related intangible assets was \$3.6 million in 2016.
- Brink's recognized a \$2.0 million loss related to the sale of corporate assets in the second quarter of 2016.



# Non-GAAP Reconciliation - Other

## The Brink's Company and subsidiaries Non-GAAP Reconciliations — Other Amounts (Unaudited) (In millions)

### Amounts Used to Calculate Reinvestment Ratio

#### Property and Equipment Acquired During the Period

	Full-Year 2015	Full Year 2016	Full Year 2017	Full Year 2018
Capital expenditures — GAAP	101.1	112.2	174.5	155.1
Financing leases — GAAP	18.9	29.4	51.7	51.9
Total Property and equipment acquired	120.0	141.6	226.2	207.0
Venezuela property and equipment acquired	(4.3)	(5.0)	(4.2)	-
CompuSafe	(10.2)	(13.1)	(37.5)	(25.1)
Total property and equipment acquired excluding Venezuela & CompuSafe	105.5	123.5	184.5	181.9

#### Depreciation

Depreciation and amortization — GAAP	139.9	131.6	146.6	162.3
Amortization of intangible assets	(4.2)	(3.6)	(8.4)	(17.7)
Venezuela depreciation	(3.9)	(0.7)	(1.7)	(1.1)
Reorganization and Restructuring	-	(0.8)	(2.2)	(1.9)
CompuSafe	(14.2)	(14.9)	(15.6)	(15.9)
Depreciation and amortization — Non-GAAP (excluding CompuSafe)	117.6	111.6	118.7	125.7
Reinvestment Ratio	0.9	1.1	1.6	1.4

# Non-GAAP Reconciliation – Cash Flows

## The Brink's Company and subsidiaries (In millions)

	Full Year <u>2017</u>	Full Year <u>2018</u>
<b>Cash flows from operating activities</b>		
Operating activities - GAAP	\$ 296.4	\$ 364.1
Venezuela operations	(17.3)	(0.4)
(Increase) decrease in restricted cash held for customers	(44.3)	(44.4)
(Increase) decrease in certain customer obligations <sup>(a)</sup>	<u>(6.1)</u>	<u>1.7</u>
Operating activities - non-GAAP	<u>\$ 228.7</u>	<u>\$ 321.0</u>
Capital expenditures – GAAP	(174.5)	(155.1)
Venezuela property and equipment acquired	<u>4.2</u>	<u>-</u>
Free cash flow before dividends	<u>\$ 58.4</u>	<u>\$ 165.9</u>

(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.

Free cash flow before dividends 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 cash flows from Venezuela operations, the impact of cash received and processed in certain of our Cash Management Services operations and capital expenditures, adjusted for Venezuela property and equipment acquired. We believe this measure is helpful in assessing cash flows from operations, enables period-to-period comparability and is useful in predicting future 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 consolidated statements of cash flows.

# Non-GAAP Reconciliation – Net Debt

## The Brink's Company and subsidiaries Non-GAAP Reconciliations - Net Debt (Unaudited) (In millions)

(In millions)	December 31, 2017	December 31, 2018
Debt:		
Short-term borrowings	\$ 45.2	\$ 28.9
Long-term debt	1,191.5	1,525.1
<b>Total Debt</b>	<b>1,236.7</b>	<b>1,554.0</b>
Restricted cash borrowings <sup>(a)</sup>	(27.0)	(10.5)
<b>Total Debt without restricted cash borrowings</b>	<b>1,209.7</b>	<b>1,543.5</b>
Less:		
Cash and cash equivalents	614.3	343.4
Amounts held by Cash Management Services operations <sup>(b)</sup>	(16.1)	(14.1)
<b>Cash and cash equivalents available for general corporate purposes</b>	<b>598.2</b>	<b>329.3</b>
<b>Net Debt</b>	<b>\$ 611.5</b>	<b>\$ 1,214.2</b>

- 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.

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 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 December 31, 2017 and December 31, 2018.