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 September 30, 2019

☐ 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	54-1317776
(State or other jurisdiction of incorporation or organization)	(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 October 21, 2019, 50,024,922 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)		September 30, 2019	December 31, 2018
ASSETS			
Current assets:			
Cash and cash equivalents	$	337.0	343.4
Restricted cash		89.2	136.1
Accounts receivable, net		653.1	599.5
Prepaid expenses and other		166.8	127.5
Total current assets		1,246.1	1,206.5
Right-of-use assets, net		269.3	—
Property and equipment, net		718.1	699.4
Goodwill		776.0	678.6
Other intangibles		273.2	228.9
Deferred income taxes		236.3	236.5
Other		183.6	186.1
Total assets	$	3,702.6	3,236.0
LIABILITIES AND EQUITY			
Current liabilities:			
Short-term borrowings	$	15.4	28.9
Current maturities of long-term debt		73.7	53.5
Accounts payable		169.0	174.6
Accrued liabilities		592.0	502.1
Restricted cash held for customers		38.5	90.3
Total current liabilities		888.6	849.4
Long-term debt		1,660.8	1,471.6
Accrued pension costs		184.5	196.9
Retirement benefits other than pensions		365.5	366.1
Lease liabilities		217.9	—
Deferred income taxes		15.2	16.7
Other		184.9	168.7
Total liabilities		3,517.4	3,069.4
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: 2019 - 50.0; 2018 - 49.7		50.0	49.7
Capital in excess of par value		656.6	628.2
Retained earnings		467.5	429.1
Accumulated other comprehensive loss		(1,004.9)	(953.3)
Brink's shareholders		169.2	153.7
Noncontrolling interests		16.0	12.9
Total equity		185.2	166.6
Total liabilities and equity	$	3,702.6	3,236.0

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Condensed Consolidated Statements of Operations
(Unaudited)

(In millions, except for per share amounts)	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Revenues	**$ 928.4**	**852.4**	**$ 2,747.4**	**2,581.2**
Costs and expenses:				
Cost of revenues	714.4	652.6	2,125.6	2,013.0
Selling, general and administrative expenses	155.0	125.4	451.3	368.4
Total costs and expenses	869.4	778.0	2,576.9	2,381.4
Other operating income (expense)	(6.5)	(7.4)	(7.0)	(6.3)
Operating profit	**52.5**	**67.0**	**163.5**	**193.5**
Interest expense	(22.9)	(17.0)	(68.6)	(47.8)
Loss on deconsolidation of Venezuela operations	—	—	—	(126.7)
Interest and other nonoperating income (expense)	(7.8)	(8.1)	(22.1)	(29.3)
Income (loss) from continuing operations before tax	21.8	41.9	72.8	(10.3)
Provision for income taxes	14.7	23.0	37.1	53.0
Income (loss) from continuing operations	**7.1**	**18.9**	**35.7**	**(63.3)**
Loss from discontinued operations, net of tax	(0.4)	(0.1)	(0.5)	—
Net income (loss)	**6.7**	**18.8**	**35.2**	**(63.3)**
Less net income attributable to noncontrolling interests	1.3	1.4	3.6	4.9
Net income (loss) attributable to Brink's	**5.4**	**17.4**	**31.6**	**(68.2)**
Amounts attributable to Brink's				
Continuing operations	5.8	17.5	32.1	(68.2)
Discontinued operations	(0.4)	(0.1)	(0.5)	—
Net income (loss) attributable to Brink's	**$ 5.4**	**17.4**	**$ 31.6**	**(68.2)**
Income (loss) per share attributable to Brink's common shareholders[(a)]:				
Basic:				
Continuing operations	$ 0.11	0.34	$ 0.64	(1.34)
Discontinued operations	(0.01)	—	(0.01)	—
Net income (loss)	$ 0.11	0.34	$ 0.63	(1.34)
Diluted:				
Continuing operations	$ 0.11	0.34	$ 0.63	(1.34)
Discontinued operations	(0.01)	—	(0.01)	—
Net income (loss)	$ 0.10	0.34	$ 0.62	(1.34)
Weighted-average shares				
Basic	50.3	51.1	50.2	51.0
Diluted	51.1	52.0	51.0	51.0
Cash dividends paid per common share	**$ 0.15**	**0.15**	**$ 0.45**	**0.45**

(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)

(In millions)	Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Net income (loss)	$ 6.7	18.8	$ 35.2	(63.3)
Benefit plan adjustments:				
Benefit plan actuarial gains	9.2	13.5	29.5	51.2
Benefit plan prior service costs	(1.2)	(0.9)	(3.7)	(0.6)
Deferred profit sharing	0.1	0.1	0.2	0.1
Total benefit plan adjustments	8.1	12.7	26.0	50.7
Foreign currency translation adjustments	(34.9)	(0.6)	(25.2)	(31.4)
Gains (losses) on cash flow hedges	(3.9)	—	(22.4)	0.6
Other comprehensive income (loss) before tax	(30.7)	12.1	(21.6)	19.9
Provision for income taxes	0.7	3.1	0.5	10.1
Other comprehensive income (loss)	(31.4)	9.0	(22.1)	9.8
Comprehensive income (loss)	(24.7)	27.8	13.1	(53.5)
Less comprehensive income attributable to noncontrolling interests	1.6	1.4	4.3	5.0
Comprehensive income (loss) attributable to Brink's	$ (26.3)	26.4	$ 8.8	(58.5)

See accompanying notes to condensed consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Condensed Consolidated Statements of Equity
(Unaudited)

	Nine Months ended September 30, 2019						
(In millions)	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	—	—	—	12.5	—	1.5	14.0
Other comprehensive income	—	—	—	—	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
Net income	—	—	—	5.4	—	1.3	6.7
Other comprehensive income	—	—	—	—	(31.7)	0.3	(31.4)
Dividends to:							
Brink's common shareholders ($0.15 per share)	—	—	—	(7.5)	—	—	(7.5)
Noncontrolling interests	—	—	—	—	—	(1.2)	(1.2)
Share-based compensation:							
Stock awards and options:							
Compensation expense	—	—	9.8	—	—	—	9.8
Other share-based benefit transactions	—	—	(0.9)	(0.1)	—	—	(1.0)
Capital contributions from noncontrolling interest	—	—	—	—	—	0.1	0.1
Balance as of September 30, 2019	50.0	$ 50.0	656.6	467.5	(1,004.9)	16.0	185.2

(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.

	Nine Months ended September 30, 2018							
(In millions)	Shares	Common Stock		Capital in Excess of Par Value	Retained Earnings	AOCI*	Noncontrolling Interests	Total
Balance as of December 31, 2017	50.5	$	50.5	628.6	564.9	(926.6)	20.8	338.2
Cumulative effect of change in accounting principle[(a)]	—		—	—	3.3	(1.1)	—	2.2
Net income	—		—	—	22.3	—	3.2	25.5
Other comprehensive income	—		—	—	—	11.1	1.1	12.2
Dividends to:								
Brink's common shareholders ($0.15 per share)	—		—	—	(7.6)	—	—	(7.6)
Noncontrolling interests	—		—	—	—	—	(0.7)	(0.7)
Share-based compensation:								
Stock awards and options:								
Compensation expense	—		—	6.8	—	—	—	6.8
Other share-based benefit transactions	0.4		0.4	(10.5)	—	—	—	(10.1)
Balance as of March 31, 2018	50.9	$	50.9	624.9	582.9	(916.6)	24.4	366.5
Net income (loss)	—		—	—	(107.9)	—	0.3	(107.6)
Other comprehensive loss	—		—	—	—	(10.4)	(1.0)	(11.4)
Dividends to:								
Brink's common shareholders ($0.15 per share)	—		—	—	(7.6)	—	—	(7.6)
Noncontrolling interests	—		—	—	—	—	(1.2)	(1.2)
Share-based compensation:								
Stock awards and options:								
Compensation expense	—		—	5.7	—	—	—	5.7
Consideration from exercise of stock options	—		—	0.8	—	—	—	0.8
Other share-based benefit transactions	0.1		0.1	0.2	—	—	—	0.3
Dispositions of noncontrolling interests	—		—	—	—	—	(0.4)	(0.4)
Balance as of June 30, 2018	51.0	$	51.0	631.6	467.4	(927.0)	22.1	245.1
Net income	—		—	—	17.4	—	1.4	18.8
Other comprehensive income	—		—	—	—	9.0	—	9.0
Shares repurchased	(0.4)		(0.4)	(4.3)	(20.4)	—	—	(25.1)
Dividends to:								
Brink's common shareholders ($0.15 per share)	—		—	—	(7.7)	—	—	(7.7)
Noncontrolling interests	—		—	—	—	—	(1.9)	(1.9)
Share-based compensation:								
Stock awards and options:								
Compensation expense	—		—	6.3	—	—	—	6.3
Other share-based benefit transactions	—		—	0.3	—	—	—	0.3
Balance as of September 30, 2018	50.6	$	50.6	633.9	456.7	(918.0)	21.6	244.8

(a) Effective January 1, 2018, we adopted the provisions of ASU 2014-09, *Revenue From Contracts with Customers*, ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, and ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory.* We recognized a cumulative effect adjustment to January 1, 2018 retained earnings as a result of adopting each of these standards. See Note 1 for further details of the impact of each standard.

* *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)

	Nine Months Ended September 30,	
(In millions)	2019	2018
Cash flows from operating activities:		
Net income (loss)	$ 35.2	(63.3)
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss from discontinued operations, net of tax	0.5	—
Depreciation and amortization	139.5	119.5
Share-based compensation expense	35.9	18.8
Deferred income taxes	(3.6)	(18.2)
Gains on sale of property, equipment and marketable securities	(2.0)	(4.2)
Gain on business dispositions	—	(10.1)
Loss on deconsolidation of Venezuela operations	—	126.7
Impairment losses	3.3	4.3
Retirement benefit funding less than expense:		
Pension	2.6	6.8
Other than pension	11.5	13.6
Remeasurement losses due to Argentina and Venezuela currency devaluations	10.4	5.9
Other operating	11.8	6.6
Changes in operating assets and liabilities, net of effects of acquisitions:		
Accounts receivable and income taxes receivable	(36.5)	(80.0)
Accounts payable, income taxes payable and accrued liabilities	(15.4)	53.2
Restricted cash held for customers	(41.8)	(0.7)
Customer obligations	15.4	(4.9)
Prepaid and other current assets	(0.8)	(20.6)
Other	(14.2)	(4.8)
Net cash provided by operating activities	151.8	148.6
Cash flows from investing activities:		
Capital expenditures	(116.0)	(104.0)
Acquisitions, net of cash acquired	(183.9)	(521.0)
Dispositions, net of cash disposed	—	8.4
Marketable securities:		
Purchases	(2.6)	(55.9)
Sales	1.1	47.3
Cash proceeds from sale of property and equipment	3.0	2.8
Other	(3.1)	(0.9)
Net cash used by investing activities	(301.5)	(623.3)
Cash flows from financing activities:		
Borrowings (repayments) of debt:		
Short-term borrowings	(13.1)	(5.2)
Cash supply chain customer debt	—	(15.0)
Long-term revolving credit facilities:		
Borrowings	714.3	350.4
Repayments	(836.5)	(44.2)
Other long-term debt:		
Borrowings	334.9	1.2
Repayments	(43.7)	(40.9)
Payment of acquisition-related obligation	(4.1)	(0.3)
Debt financing costs	(4.0)	—
Repurchase shares of Brink's common stock	—	(25.1)
Dividends to:		
Shareholders of Brink’s	(22.4)	(22.9)
Noncontrolling interests in subsidiaries	(1.4)	(3.8)
Proceeds from exercise of stock options	—	0.8
Tax withholdings associated with share-based compensation	(8.4)	(11.3)
Other	(2.9)	0.6

Net cash provided by financing activities	112.7	184.3
Effect of exchange rate changes on cash	(16.3)	(29.6)
Cash, cash equivalents and restricted cash:		
Decrease	(53.3)	(320.0)
Balance at beginning of period	479.5	726.9
Balance at end of period	$ 426.2	406.9

See accompanying notes to condensed consolidated financial statements.

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, 2018.

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 and deferred tax assets.

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 6% of our consolidated revenues for the first nine months of 2019 and 8% of our consolidated revenues for the first nine months of 2018. The operating environment in Argentina continues to present business challenges, including ongoing devaluation of the Argentine peso and significant inflation. In the first nine months of 2019 and 2018, the Argentine peso declined approximately 35% (from 37.6 to 57.5 pesos to the U.S. dollar) and approximately 55% (from 18.6 to 41.3 pesos to the U.S. dollar), respectively. For the year ended December 31, 2018, the Argentine peso declined approximately 50% (from 18.6 to 37.6 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 second half of 2018, we recognized a $6.2 million pretax remeasurement loss. In the first nine months of 2019, we recognized a $10.4 million pretax remeasurement loss. At September 30, 2019, Argentina's economy remains highly inflationary for accounting purposes.

At September 30, 2019, we had net monetary assets denominated in Argentine pesos of $25.5 million (including cash of $16.6 million). At September 30, 2019, we had net nonmonetary assets of $151.0 million (including $99.8 million of goodwill). At September 30, 2019, 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. These currency control regulations will apply initially until December 31, 2019, although there can be no certainty that these regulations will not continue into 2020. Although the Argentine government has implemented currency controls impacting repatriation of funds, 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

Deconsolidation. 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. With the May 2018 re-election of the President in Venezuela for an additional six-year term, we expect these conditions to continue for the foreseeable future.

As a result of the conditions described above, we concluded that, effective June 30, 2018, we did not meet the accounting criteria for control over our Venezuelan operations and, as a result, we began reporting the results of our investment in our Venezuelan subsidiaries using the cost method of accounting. This change resulted in a pretax charge of $127 million in the second quarter of 2018. For reporting periods beginning after June 30, 2018, we have not included the operating results of our Venezuela operations. We may incur losses resulting from our Venezuelan business to the extent that we provide U.S. dollars or make future investments in our Venezuelan subsidiaries, including any additional investments made directly in our Venezuelan subsidiaries or additional costs incurred by us to address compliance with recent sanctions and other regulatory requirements imposed by the U.S. government that restrict our ability to conduct business in Venezuela. Prior to the imposition of the U.S. government sanctions, we provided immaterial amounts of financial support to our Venezuela operations in 2019 and 2018.

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 the first nine months of 2019, we incurred $3.9 million in costs (primarily third party expenses) to reconstruct the accounts receivables subledger. 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 have estimated an increase to bad debt expense of $13.7 million, which we recorded in the third quarter of 2019. Out of the $13.7 million in bad debt expense, $12.6 million represents an allowance on $25.3 million of accounts receivable generated prior to 2018. The estimate of the allowance for doubtful accounts will be adjusted in future periods, if needed, as assumptions related to the collectability of these accounts receivable change. The impact of the bad debt expense ($13.7 million) and bank fees ($0.3 million), partially offset by the revenue adjustment ($4.0 million), net to a $10.0 million cumulative accounting error which was corrected in the third quarter of 2019. We have concluded that the impact of this accounting error was not material to the current or any prior period financial statements. 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.

New Accounting Standards

In May 2014, the FASB issued ASU 2014-09, *Revenue From Contracts with Customers.* Under this standard, an entity recognizes an amount of revenue to which it expects to be entitled when the transfer of goods or services to customers occurs. The standard requires expanded disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. We adopted this standard effective January 1, 2018 using the modified retrospective method and recognized a cumulative-effect adjustment increasing retained earnings by $1.5 million.

The FASB issued ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, in January 2016. This new guidance changes the accounting related to the classification and measurement of certain equity investments. Equity investments with readily determinable fair values must be measured at fair value. All changes in fair value will be recognized in net income as opposed to other comprehensive income. We adopted ASU 2016-01 effective January 1, 2018 and recognized a cumulative-effect adjustment increasing retained earnings by $1.1 million.

In October 2016, the FASB issued ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, which changes the timing of when certain intercompany transactions are recognized within the provision for income taxes. We adopted ASU 2016-16 effective January 1, 2018 using the modified retrospective method and we recognized a cumulative-effect adjustment increasing retained earnings by $0.7 million.

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 have adopted the standard effective January 1, 2019 and have 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 have elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allows 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 will 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 have 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 against 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. The standard had no impact on our debt-covenant compliance under our current agreements.

In January 2017, the FASB issued ASU 2017-04, *Intangibles-Goodwill and Other: Simplifying the Test for Goodwill Impairment*, which eliminates the requirement that an entity perform a hypothetical purchase price allocation to measure goodwill impairment. Instead, impairment will be measured using the difference between the carrying amount and the fair value of the reporting unit. We early adopted this ASU effective January 1, 2019. The early adoption did not have any impact on our condensed consolidated financial statements.

In August 2017, the FASB issued ASU 2017-12, *Derivatives and Hedging: Targeted Improvements to Accounting for Hedging Activities*, which amends and simplifies the application of hedge accounting guidance to better portray the economic results of risk management activities in the financial statements. The guidance expands the ability to hedge nonfinancial and financial risk components, reduces complexity in fair value hedges of interest rate risk, eliminates the requirement to separately measure and report hedge ineffectiveness, and eases certain hedge effectiveness assessment requirements. We adopted the standard effective January 1, 2019 with no significant impact on our condensed consolidated financial statements.

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 guidance is effective January 1, 2020 with early adoption permitted. We are currently evaluating the potential impact of the standard on financial reporting.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which requires the use of the current expected credit loss model. This model is based on expected, rather than incurred, losses to determine the allowance for doubtful accounts and certain net investments in leases. The guidance is effective January 1, 2020 and we are currently evaluating the potential impact of the standard on financial reporting.

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

(In millions)		Core Services	High-Value Services	Other Security Services	Total
Three months ended September 30, 2019					
Reportable Segments:					
North America	$	275.7	171.0	—	446.7
South America		125.6	101.1	2.3	229.0
Rest of World		87.6	126.8	34.5	248.9
Total reportable segments		488.9	398.9	36.8	924.6
Not Allocated to Segments:					
Acquisitions and dispositions		—	(0.2)	—	(0.2)
Internal loss[(a)]		—	4.0	—	4.0
Total	$	488.9	402.7	36.8	928.4
Three months ended September 30, 2018					
Reportable Segments:					
North America	$	236.9	146.5	—	383.4
South America		104.3	107.9	3.3	215.5
Rest of World		88.9	128.6	36.0	253.5
Total reportable segments		430.1	383.0	39.3	852.4
Not Allocated to Segments:					
Venezuela		—	—	—	—
Total	$	430.1	383.0	39.3	852.4
Nine months ended September 30, 2019					
Reportable Segments:					
North America	$	832.7	491.0	—	1,323.7
South America		363.6	313.2	7.7	684.5
Rest of World		263.7	370.5	101.5	735.7
Total reportable segments		1,460.0	1,174.7	109.2	2,743.9
Not Allocated to Segments:					
Acquisitions and dispositions		—	(0.5)	—	(0.5)
Internal loss[(a)]		—	4.0	—	4.0
Total	$	1,460.0	1,178.2	109.2	2,747.4
Nine months ended September 30, 2018					
Reportable Segments:					
North America	$	616.7	410.8	—	1,027.5
South America		343.6	350.6	9.4	703.6
Rest of World		270.8	387.9	140.0	798.7
Total reportable segments		1,231.1	1,149.3	149.4	2,529.8
Not Allocated to Segments:					
Venezuela		18.4	33.0	—	51.4
Total	$	1,249.5	1,182.3	149.4	2,581.2

(a) See details regarding the Internal loss and the impact on revenues in Note 1.

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 (ASC 842 beginning in 2019 and ASC 840 prior to 2019), 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 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.

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

(In millions)		Receivables	Contract Asset	Contract Liability
Opening (January 1, 2019)	$	599.5	1.8	2.5
Closing (September 30, 2019)		653.1	2.3	8.9
Increase (decrease)	$	53.6	0.5	6.4

The amount of revenue recognized in the nine months ended September 30, 2019 that was included in the January 1, 2019 contract liability balance was $2.5 million. This revenue consists of services provided to customers who had prepaid for those services prior to the current year. The majority of the increase in the contract liability balance resulted from the acquisition of Balance Innovations, LLC in the second quarter of 2019 (see Note 6).

We also recognized revenue of $0.4 million in the nine months ended September 30, 2019 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 September 30, 2019, the net capitalized costs to obtain contracts was $1.7 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 nine months of 2019.

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. Prior to deconsolidation (see Note 1), results from Venezuela operations were also excluded from our segment results due to the Venezuelan government's restrictions that have prevented us from repatriating funds. We also exclude certain costs, gains and losses related to acquisitions and dispositions of assets and of businesses. Beginning in the third quarter of 2018, we began to consolidate Brink's Argentina 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 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:

	Revenues		Operating Profit	
	Three Months Ended September 30,		Three Months Ended September 30,	
(In millions)	2019	2018	2019	2018
Reportable Segments:				
North America	$ 446.7	383.4	$ 38.7	33.6
South America	229.0	215.5	59.4	46.3
Rest of World	248.9	253.5	32.2	30.8
Total reportable segments	924.6	852.4	130.3	110.7
Reconciling Items:				
Corporate expenses:				
General, administrative and other expenses	—	—	(26.2)	(20.6)
Foreign currency transaction gains (losses)	—	—	(0.4)	0.4
Reconciliation of segment policies to GAAP	—	—	(1.3)	4.8
Other items not allocated to segments:				
Reorganization and Restructuring	—	—	(6.4)	(7.3)
Acquisitions and dispositions	(0.2)	—	(24.0)	(10.7)
Argentina highly inflationary impact	—	—	(7.9)	(8.3)
Internal loss[(a)]	4.0	—	(11.3)	—
Reporting compliance[(b)]	—	—	(0.3)	(2.0)
Total	$ 928.4	852.4	$ 52.5	67.0

(a) See details regarding the impact of the Internal loss at Note 1.
(b) Costs (primarily third party expenses) related to accounting standard implementation and material weakness mitigation. Additional information provided at page 45.

	Revenues		Operating Profit	
	Nine Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2019	2018	2019	2018
Reportable Segments:				
North America	$ 1,323.7	1,027.5	$ 129.1	80.3
South America	684.5	703.6	147.4	148.0
Rest of World	735.7	798.7	82.2	82.6
Total reportable segments	2,743.9	2,529.8	358.7	310.9
Reconciling Items:				
Corporate expenses:				
General, administrative and other expenses	—	—	(85.8)	(72.6)
Foreign currency transaction gains (losses)	—	—	0.2	(1.8)
Reconciliation of segment policies to GAAP	—	—	2.9	6.5
Other items not allocated to segments:				
Venezuela operations	—	51.4	—	2.3
Reorganization and Restructuring	—	—	(20.5)	(15.5)
Acquisitions and dispositions	(0.5)	—	(63.8)	(24.6)
Argentina highly inflationary impact	—	—	(12.3)	(8.3)
Internal loss[(a)]	4.0	—	(13.9)	—
Reporting compliance[(b)]	—	—	(2.0)	(3.4)
Total	$ 2,747.4	2,581.2	$ 163.5	193.5

(a) See details regarding the impact of the Internal loss at Note 1.
(b) Costs (primarily third party expenses) related to accounting standard implementation and material weakness mitigation. Additional information provided at page 45.

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:

	U.S. Plans		Non-U.S. Plans		Total	
(In millions)	2019	2018	2019	2018	2019	2018
Three months ended September 30,						
Service cost	$ —	—	2.5	2.6	2.5	2.6
Interest cost on projected benefit obligation	8.5	8.0	2.6	2.5	11.1	10.5
Return on assets – expected	(12.6)	(13.4)	(2.5)	(2.7)	(15.1)	(16.1)
Amortization of losses	4.9	6.8	1.1	1.0	6.0	7.8
Amortization of prior service credit	—	—	(0.1)	—	(0.1)	—
Settlement loss	—	—	0.6	0.4	0.6	0.4
Net periodic pension cost	$ 0.8	1.4	4.2	3.8	5.0	5.2
Nine months ended September 30,						
Service cost	$ —	—	7.4	8.2	7.4	8.2
Interest cost on projected benefit obligation	25.6	24.0	7.8	9.8	33.4	33.8
Return on assets – expected	(38.0)	(40.2)	(7.7)	(8.4)	(45.7)	(48.6)
Amortization of losses	14.7	20.8	3.1	3.3	17.8	24.1
Amortization of prior service cost	—	—	—	0.2	—	0.2
Settlement loss	—	—	1.5	1.4	1.5	1.4
Net periodic pension cost	$ 2.3	4.6	12.1	14.5	14.4	19.1

We did not make cash contributions to the primary U.S. pension plan in 2018 or the first nine months of 2019. Based on assumptions described in our Annual Report on Form 10-K for the year ended December 31, 2018, 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:

		UMWA Plans		Black Lung and Other Plans		Total	
(In millions)		2019	2018	2019	2018	2019	2018
Three months ended September 30,							
Interest cost on accumulated postretirement benefit obligations	$	4.1	4.2	0.9	0.7	5.0	4.9
Return on assets – expected		(3.4)	(4.1)	—	—	(3.4)	(4.1)
Amortization of losses		3.9	4.9	1.2	1.6	5.1	6.5
Amortization of prior service (credit) cost		(1.2)	(1.2)	(0.1)	0.2	(1.3)	(1.0)
Net periodic postretirement cost	$	3.4	3.8	2.0	2.5	5.4	6.3
Nine months ended September 30,							
Service cost	$	—	—	0.1	0.1	0.1	0.1
Interest cost on accumulated postretirement benefit obligations		13.2	12.9	2.7	2.3	15.9	15.2
Return on assets – expected		(10.0)	(12.5)	—	—	(10.0)	(12.5)
Amortization of losses		12.8	15.4	3.5	4.3	16.3	19.7
Amortization of prior service (credit) cost		(3.5)	(3.5)	(0.3)	0.8	(3.8)	(2.7)
Net periodic postretirement cost	$	12.5	12.3	6.0	7.5	18.5	19.8

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 September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Continuing operations				
Provision for income taxes (in millions)	$ 14.7	23.0	$ 37.1	53.0
Effective tax rate	67.4%	54.9%	51.0%	(514.6%)

Tax Reform
On December 22, 2017, the Tax Cuts and Jobs Act of 2017 (“Tax Reform Act”) was enacted into law. The Tax Reform Act includes a reduction in the federal tax rate for corporations from 35% to 21% as of January 1, 2018, a one-time transition tax on the cumulative undistributed earnings of foreign subsidiaries as of December 31, 2017, a repeal of the corporate alternative minimum tax, and more extensive limitations on deductibility of performance-based compensation for named executive officers. Other provisions effective as of January 1, 2018, included the creation of a new U.S. minimum tax on foreign earnings called the Global Intangible Low-Taxed Income (“GILTI”) and limitations on the deductibility of interest expense.

Due to the timing of the enactment and the complexity involved in applying the provisions of the Tax Reform Act, the Company recorded provisional amounts as of December 31, 2017, in accordance with Staff Accounting Bulletin No. 118 ("SAB 118"). We recorded a provisional one-time non-cash charge of $92 million in the fourth quarter of 2017 to remeasure the deferred tax assets for the new rate and for other legislative changes. In the fourth quarter of 2018, we recorded a benefit of $2.3 million to reverse a component of the provisional one-time non-cash charge as a result of guidance issued by the U.S. authorities.

We filed our 2017 U.S. federal income tax return in October 2018, which did not reflect a U.S. federal current tax liability for the transition tax due to our high-tax foreign income, but we recorded an incremental $1.3 million of foreign tax credits, offset with a full valuation allowance in the fourth quarter of 2018 which was in addition to the provisional $31.1 million foreign tax credit offset with a full valuation allowance related to the transition tax recorded in the fourth quarter of 2017. We did not record a current state tax liability related to the transition tax in accordance with the interpretation of existing state laws and the provisional estimates in the fourth quarter of 2017, but we recorded the state impact of the transition tax of $0.2 million when we filed our tax returns in the fourth quarter of 2018.

Beginning in 2018, we accounted for GILTI, which did not reflect a U.S. federal current tax liability due to the high-tax foreign income. We adopted an accounting policy related to the provision of deferred taxes related to GILTI and determined that we would not record deferred taxes with respect to GILTI, but would instead treat GILTI as a current period cost. We did not change our assertion on the determination of which subsidiaries that we consider to be permanently invested and for which we do not expect to repatriate to the U.S. as a result of the Tax Reform Act. The accounting for the Tax Reform Act was completed in the fourth quarter of 2018 in accordance with SAB 118.

2019 Compared to U.S. Statutory Rate
The effective income tax rate on continuing operations in the first nine 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.

2018 Compared to U.S. Statutory Rate
The effective income tax rate on continuing operations in the first nine months of 2018 was negative primarily due to the impact of Venezuela’s earnings and the related tax expense, including the largely nondeductible loss on the deconsolidation of the Venezuela operations. The items that cause the rate to be higher than the U.S. statutory rate include 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 significant tax benefits related to the distribution of share-based payments and a French income tax credit.

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.

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 is expected to expand our operations in southeastern Brazil and will be 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 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. As a result, the allocation of the provisional purchase price may change in the future.

(In millions)		Estimated Fair Value at Acquisition Date
Fair value of purchase consideration		
Cash paid through September 30, 2019	$	135.7
Indemnification asset		(1.9)
Fair value of purchase consideration	$	133.8
Fair value of net assets acquired[(a)]		
Cash	$	1.4
Accounts receivable		9.2
Other current assets		0.5
Property and equipment, net		2.7
Intangible assets[(b)]		47.9
Goodwill[(c)]		84.3
Other noncurrent assets		5.3
Current liabilities		(9.6)
Noncurrent liabilities		(7.9)
Fair value of net assets acquired	$	133.8

(a) Final allocation will be determined once the valuation is complete.
(b) Intangible assets are composed of customer relationships ($46 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).
(c) 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.

Dunbar Armored, Inc. ("Dunbar")
U.S. Cash Management business

On August 13, 2018, we acquired 100% of the shares of Dunbar for approximately $541 million. We paid cash of approximately $547 million and have a receivable from the seller of approximately $6 million related to a net working capital adjustment. The Dunbar business is being integrated with our existing Brink's U.S. operations. This acquisition has expanded our customer base in the U.S. as a result of Dunbar's focus on small-to-medium sized retailers and financial institutions. At the time of the acquisition, Dunbar had approximately 5,400 employees, 78 branches and over 1,600 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 third quarter of 2019. As compared to our initial estimates in the period of acquisition, our fair value estimates of acquisition date intangible assets decreased approximately $20 million, acquisition date goodwill increased approximately $21 million, acquisition date other noncurrent assets increased approximately $11 million, acquisition date noncurrent liabilities increased approximately $16 million and total purchase consideration decreased approximately $6 million. There were no other significant changes to our fair value estimates of the net assets acquired for the Dunbar acquisition.

(In millions)		Estimated Fair Value at Acquisition Date
Fair value of purchase consideration		
Cash paid through September 30, 2019	$	546.8
Receivable from seller		(6.3)
Fair value of purchase consideration	$	540.5
Fair value of net assets acquired		
Cash	$	25.8
Accounts receivable		31.9
Other current assets		11.7
Property and equipment, net		56.6
Intangible assets[(a)]		162.0
Goodwill[(b)]		304.1
Other noncurrent assets		21.1
Current liabilities		(29.5)
Noncurrent liabilities		(43.2)
Fair value of net assets acquired	$	540.5

(a) Intangible assets are composed of customer relationships ($148 million fair value and 15 year amortization period) and rights related to the trade name ($14 million fair value and 8 year amortization period).
(b) Consists of intangible assets that do not qualify for separate recognition, combined with synergies expected from integrating Dunbar’s operations with our existing Brink’s U.S. operations. All of the goodwill has been assigned to the U.S. 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 $56 million. Together, these three acquired operations have approximately 1,300 employees.

For these three business acquisitions (BI, COMEF and TVS), we have provisionally 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. The amounts reported are considered provisional as we are completing the valuations that are required to allocate the purchase price. As a result, the allocation of the purchase price may change in the future.

(In millions)		Estimated Fair Value at Acquisition Date
Fair value of purchase consideration		
Cash paid through September 30, 2019	$	53.4
Fair value of future payments to sellers		7.8
Contingent consideration		1.6
Indemnification asset		(6.5)
Fair value of purchase consideration	$	56.3
Fair value of net assets acquired[(a)]		
Cash	$	5.1
Accounts receivable		4.5
Property and equipment, net		7.3
Intangible assets[(a)]		21.6
Goodwill[(b)]		36.5
Other current and noncurrent assets		2.4
Current liabilities		(14.8)
Noncurrent liabilities		(6.3)
Fair value of net assets acquired	$	56.3

(a) Intangible assets are composed of developed technology, customer relationships and trade names. Final allocation will be determined after all valuations have been completed.

(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.

Pro forma disclosures

The pro forma consolidated results of Brink’s presented below reflect a hypothetical ownership as of January 1, 2017 for the businesses we acquired during 2018 and a hypothetical ownership as of January 1, 2018 for the business we acquired in the first nine months of 2019.

(In millions)		Revenue	Net income (loss) attributable to Brink's
Actual results included in Brink's consolidated results for businesses acquired in 2019 from the date of acquisition			
Three months ended September 30, 2019			
Rodoban	$	18.3	1.8
Other acquisitions[(a)]		5.1	(0.2)
Total	$	23.4	1.6
Nine months ended September 30, 2019			
Rodoban	$	54.2	2.9
Other acquisitions[(a)]		6.2	(0.1)
Total	$	60.4	2.8

(a) Includes the actual results of BI, COMEF and TVS.

(In millions)		Revenue	Net income (loss) attributable to Brink's
Pro forma results of Brink's for the three months ended September 30,			
2019			
Brink's as reported	$	928.4	5.4
Other acquisitions[(a)]		5.0	0.7
Total	$	933.4	6.1
2018			
Brink's as reported	$	852.4	17.4
Rodoban[(a)]		17.5	(1.1)
Dunbar[(a)]		46.3	1.1
Other acquisitions[(a)]		10.6	0.3
Total	$	926.8	17.7
Pro forma results of Brink's for the nine months ended September 30,			
2019			
Brink's as reported	$	2,747.4	31.6
Rodoban[(a)]		0.6	—
Other acquisitions[(a)]		26.8	1.7
Total	$	2,774.8	33.3
2018			
Brink's as reported	$	2,581.2	(68.2)
Rodoban[(a)]		56.5	(3.0)
Dunbar[(a)]		244.0	5.4
Other acquisitions[(a)]		33.2	1.2
Total	$	2,914.9	(64.6)

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

Acquisition costs

We have incurred $5.6 million in transaction costs related to business acquisitions in the first nine months of 2019 ($5.9 million in the first nine months of 2018). These costs are classified in the condensed consolidated statements of operations as selling, general and administrative expenses.

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:

	Amounts Arising During the Current Period		Amounts Reclassified to Net Income (Loss)		
(In millions)	Pretax	Income Tax	Pretax	Income Tax	Total Other Comprehensive Income (Loss)
Three months ended September 30, 2019					
Amounts attributable to Brink's:					
Benefit plan adjustments	$ (2.2)	0.8	10.3	(2.5)	6.4
Foreign currency translation adjustments	(35.2)	—	—	—	(35.2)
Gains (losses) on cash flow hedges	3.5	(1.5)	(7.4)	2.5	(2.9)
	(33.9)	(0.7)	2.9	—	(31.7)
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	0.3	—	—	—	0.3
	0.3	—	—	—	0.3
Total					
Benefit plan adjustments[(a)]	(2.2)	0.8	10.3	(2.5)	6.4
Foreign currency translation adjustments	(34.9)	—	—	—	(34.9)
Gains (losses) on cash flow hedges[(b)]	3.5	(1.5)	(7.4)	2.5	(2.9)
	$ (33.6)	(0.7)	2.9	—	(31.4)
Three months ended September 30, 2018					
Amounts attributable to Brink's:					
Benefit plan adjustments	$ (1.1)	0.2	13.8	(3.3)	9.6
Foreign currency translation adjustments	(0.6)	—	—	—	(0.6)
Gains (losses) on cash flow hedges	0.1	—	(0.1)	—	—
	(1.6)	0.2	13.7	(3.3)	9.0
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	(0.6)	—	0.6	—	—
	(0.6)	—	0.6	—	—
Total					
Benefit plan adjustments[(a)]	(1.1)	0.2	13.8	(3.3)	9.6
Foreign currency translation adjustments	(1.2)	—	0.6	—	(0.6)
Gains (losses) on cash flow hedges[(b)]	0.1	—	(0.1)	—	—
	$ (2.2)	0.2	14.3	(3.3)	9.0

(In millions)	Amounts Arising During the Current Period Pretax	Amounts Arising During the Current Period Income Tax	Amounts Reclassified to Net Income (Loss) Pretax	Amounts Reclassified to Net Income (Loss) Income Tax	Total Other Comprehensive Income (Loss)
Nine months ended September 30, 2019					
Amounts attributable to Brink's:					
Benefit plan adjustments	$ (5.8)	1.4	31.8	(7.6)	19.8
Foreign currency translation adjustments	(25.9)	—	—	—	(25.9)
Gains (losses) on cash flow hedges	(16.0)	3.5	(6.4)	2.2	(16.7)
	(47.7)	4.9	25.4	(5.4)	(22.8)
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	0.7	—	—	—	0.7
	0.7	—	—	—	0.7
Total					
Benefit plan adjustments[(a)]	(5.8)	1.4	31.8	(7.6)	19.8
Foreign currency translation adjustments	(25.2)	—	—	—	(25.2)
Gains (losses) on cash flow hedges[(b)]	(16.0)	3.5	(6.4)	2.2	(16.7)
	$ (47.0)	4.9	25.4	(5.4)	(22.1)
Nine months ended September 30, 2018					
Amounts attributable to Brink's:					
Benefit plan adjustments	$ (0.8)	0.7	51.5	(10.1)	41.3
Foreign currency translation adjustments	(138.7)	—	107.2	(0.5)	(32.0)
Gains (losses) on cash flow hedges	0.7	(0.2)	(0.1)	—	0.4
	(138.8)	0.5	158.6	(10.6)	9.7
Amounts attributable to noncontrolling interests:					
Foreign currency translation adjustments	(0.5)	—	0.6	—	0.1
	(0.5)	—	0.6	—	0.1
Total					
Benefit plan adjustments[(a)]	(0.8)	0.7	51.5	(10.1)	41.3
Foreign currency translation adjustments	(139.2)	—	107.8	(0.5)	(31.9)
Gains (losses) on cash flow hedges[(b)]	0.7	(0.2)	(0.1)	—	0.4
	$ (139.3)	0.5	159.2	(10.6)	9.8

(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 September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Total net periodic retirement benefit cost included in:				
Cost of revenues	$ 1.9	1.9	$ 5.7	6.4
Selling, general and administrative expenses	0.6	0.7	1.8	1.9
Interest and other nonoperating income (expense)	7.9	8.9	25.4	30.6

(b) Pretax gains and losses on cash flow hedges are classified in the condensed consolidated statements of operations as:

- other operating income (expense) ($8.9 million gain in the three months ended September 30, 2019 and no gains or losses in the three months ended September 30, 2018; as well as $10.3 million gain in the nine months ended September 30, 2019 and no gains or losses in the nine months ended September 30, 2018)
- interest expense ($1.4 million of expense in the three months ended September 30, 2019; as well as $3.9 million of expense in the nine months ended September 30, 2019).

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

(In millions)		Benefit Plan Adjustments	Foreign Currency Translation Adjustments	Gains (Losses) on Cash Flow Hedges	Total
Balance as of December 31, 2018	$	(572.1)	(382.0)	0.8	(953.3)
Other comprehensive income (loss) before reclassifications		(4.4)	(25.9)	(12.5)	(42.8)
Amounts reclassified from accumulated other comprehensive loss to net income		24.2	—	(4.2)	20.0
Other comprehensive income (loss) attributable to Brink's		19.8	(25.9)	(16.7)	(22.8)
Cumulative effect of change in accounting principle[(a)]		(28.8)	—	—	(28.8)
Balance as of September 30, 2019	$	(581.1)	(407.9)	(15.9)	(1,004.9)

(a) We adopted ASU 2018-02 (see Note 1) effective January 1, 2019 and recognized a cumulative-effect adjustment to retained earnings.

Note 8 - Fair value of financial instruments

Investments in Mutual Funds
We have investments in mutual funds 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 fixed-rate debt are as follows:

(In millions)		September 30, 2019	December 31, 2018
Senior unsecured notes			
Carrying value	$	600.0	600.0
Fair value		613.0	519.9

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 September 30, 2019, the notional value of our short term outstanding foreign currency forward and swap contracts was $119 million, with average maturities of approximately two months. These short term foreign currency forward and swap contracts primarily offset exposures in the euro and the Brazilian real and are not designated as hedges for accounting purposes and, accordingly, changes in their fair value are recorded immediately in earnings. At September 30, 2019, the fair value of our short term foreign currency contracts was a net asset of approximately $1.4 million, of which $1.5 million was included in prepaid expenses and $0.1 million was included in accrued liabilities on the condensed balance sheet. We recognized gains of $8.3 million on our short term foreign currency contracts in the first nine months of 2019 and gains of $5.2 million in the first nine months of 2018.

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 September 30, 2019, the notional value of this long term contract was $133 million with a weighted-average maturity of 2.4 years. We recognized net gains of $6.3 million on this contract, of which gains of $10.3 million were included in other operating income (expense) to offset transaction losses of $10.3 million and expenses of $4.0 million were included in interest expense in the first nine months of 2019. At September 30, 2019, the fair value of the long term cross currency swap contract was a $7.0 million net asset, of which a $8.9 million asset is included in other assets and a $1.9 million liability is included in accrued liabilities on the condensed consolidated balance sheet.

In the first quarter of 2016, we entered into two 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 September 30, 2019, the notional value of these contracts was $40 million with a remaining weighted-average maturity of 0.8 years. At September 30, 2019, the fair value of these interest rates swaps was an asset of $0.2 million and was included in prepaid expenses on the condensed consolidated balance sheet. The effect of these swaps are included in interest expense and were not significant in the first nine months of 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 September 30, 2019, the notional value of these contracts was $400 million with a remaining weighted-average maturity of 2.2 years. At September 30, 2019, the fair value of these interest rate swaps was a net liability of $19.3 million, of which $3.5 million was included in accrued liabilities and $15.8 million was included in other liabilities on the condensed consolidated balance sheet. The effect of these swaps are included in interest expense and were not significant in the first nine months of 2019.

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.

Contingent Consideration
The estimated fair value of our liabilities for contingent consideration represents the fair value of the potential amounts payable for our acquisition of Maco Transportadora. The remaining contingent amount is expected to be paid in a scheduled second installment in the fourth quarter of 2019, with the final amount paid based partially on the retention of customer revenue versus a target revenue amount. The remaining contingent consideration arrangement requires us to pay potential undiscounted amounts between $0 to $15.1 million based on retaining the revenue levels of existing customers at the acquisition dates. If there is a shortfall in revenues, a multiple of 2.5 is applied to the revenue shortfall and the contingent consideration to be paid to the former owners is reduced.

We used a probability-weighted approach to estimate the fair value of these contingent consideration payments. The fair value of the contingent consideration is the full $15.1 million potentially payable as of September 30, 2019 as we believe it is unlikely that the contingent consideration payments will be reduced for a revenue shortfall.

At September 30, 2019, this $15.1 million was included in accrued liabilities on the condensed consolidated balance sheet. The fair value of this liability was estimated using a discounted cash flow technique with significant inputs that are not observable in the market and thus represents a Level 3 valuation. The significant inputs in the Level 3 valuation not supported by market activity included our probability assessments of expected future cash flows related to our acquisition of this entity during the period from acquisition to the estimated settlement date of the remaining payment.

The contingent consideration payments may differ from the amounts that are ultimately paid, with any changes in the liabilities recorded in interest and other nonoperating expense in our condensed consolidated statements of operations until the liabilities are settled.

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 nine months of 2019.

Note 9 - Debt

(In millions)		September 30, 2019	December 31, 2018
Debt:			
Short-term borrowings			
Restricted cash borrowings[(a)]	$	10.0	10.5
Other		5.4	18.4
Total short-term borrowings	$	15.4	28.9
Long-term debt			
Bank credit facilities:			
Term loan A[(b)]	$	776.9	466.9
Senior unsecured notes[(c)]		592.7	592.0
Revolving Credit Facility		217.9	340.0
Other		7.3	5.7
Financing leases		139.7	120.5
Total long-term debt	$	1,734.5	1,525.1
Total debt	$	1,749.9	1,554.0
Included in:			
Current liabilities	$	89.1	82.4
Noncurrent liabilities		1,660.8	1,471.6
Total debt	$	1,749.9	1,554.0

(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 $3.1 million as of September 30, 2019 and $1.8 million as of December 31, 2018.
(c) Amounts outstanding are net of unamortized debt costs of $7.3 million as of September 30, 2019 and $8.0 million as of December 31, 2018.

Long-Term Debt

Senior Secured Credit Facility
In February 2019, we amended our senior secured credit facility (the "Senior Secured Credit Facility") with Wells Fargo Bank, National Association, as former administrative agent and Bank of America, N.A. as successor administrative agent. After the amendment, the Senior Secured Credit Facility consisted of a $1 billion revolving credit facility (the "Revolving Credit Facility") and an $800 million term loan facility (the "Term Loan Facility"). Prior to the amendment, the Term Loan Facility had an outstanding balance of approximately $469 million. The proceeds from the amendment were used to repay outstanding principal under the Revolving Credit Facility as well as certain fees related to the closing of the transaction.

Loans under the Revolving Credit Facility mature five years after the amendment date (February 8, 2024). Principal payments are due quarterly for the amended Term Loan Facility 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 September 30, 2019, $782 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 consolidated net leverage ratio. The margin on LIBOR borrowings, which can range from 1.25% to 2.00%, was 1.75% at September 30, 2019. The margin on alternate base rate borrowings, which can range from 0.25% to 1.00%, was 0.75% as of September 30, 2019. We also pay an annual commitment fee on the unused portion of the Revolving Credit Facility based on the Company's consolidated net leverage ratio. The commitment fee, which can range from 0.15% to 0.30%, was 0.25% as of September 30, 2019.

Senior Unsecured Notes
In October 2017, we issued at par ten-year senior unsecured notes (the "Senior Notes") in the aggregate principal amount of $600 million. The Senior Notes will mature on October 15, 2027 and bear an annual interest rate of 4.625%. The 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 $80 million, of which approximately $28 million was available at September 30, 2019. At September 30, 2019, we had undrawn letters of credit and guarantees of $52 million issued under these facilities. A $10 million facility expires in April 2022, a $54 million facility expires in December 2019 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 September 30, 2019. At September 30, 2019, we had undrawn letters of credit and guarantees of $22 million issued under these facilities. A $40 million facility expires in January 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 financial covenants at September 30, 2019.

Note 10 - Leases

We lease facilities, vehicles, CompuSafe® units, computers and other equipment under long-term operating and financing leases with varying terms. Most of the operating leases contain renewal and/or purchase options at our sole discretion. The renewal periods differ by asset class and by country and are included in our determination of lease term if we determine we are reasonably certain to exercise the option.

We have taken the component election for all material asset categories, except CompuSafe units. This election allows us to account for lease components (e.g., fixed payments or variable payments that depend on a rate that can be determined at commencement, including rent for the right to use the asset) together with nonlease components (e.g., other fixed payments that deliver a good or service including common-area maintenance costs) in the calculation of the right-of-use asset and corresponding liability. Variable costs, such as inflation adjusted payments for facilities, or nonlease components that vary periodically (included as part of the component election), are expensed as incurred.

Our leases do not contain any material residual value guarantees or material restrictive covenants.

The components of lease assets and liabilities were as follows:

(In millions)	Balance sheet classification	September 30, 2019
Assets:		
Operating lease assets	Right-of-use assets, net	$ 269.3
Finance lease assets	Property and equipment, net	151.3
Total leased assets		$ 420.6
Liabilities:		
Current:		
Operating	Accrued liabilities	$ 64.3
Financing	Current maturities of long-term debt	29.3
Noncurrent:		
Operating	Lease liabilities	217.9
Financing	Long-term debt	110.4
Total lease liabilities		$ 421.9

The components of lease expense were as follows:

(In millions)	2019
Nine Months Ended September 30,	
Operating lease cost[(a)]	$ 71.2
Short-term lease cost	18.6
Financial lease cost:	
Amortization of right-of-use assets	20.6
Interest on lease liabilities	5.5
Total lease cost	$ 115.9

(a) Includes variable lease costs, which are immaterial.

Net rent expense and amortization expense and interest on financing leases included in continuing operations was $109.7 million for the nine months ended September 30, 2018.

Other information related to leases was as follows:

(In millions, except for lease term and discount rate)	2019
Nine Months Ended September 30,	
Supplemental Cash Flows Information	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	$ 70.8
Operating cash flows from finance leases	5.5
Financing cash flows from finance leases	21.1
Right-of-use assets obtained in exchange for lease obligations:	
Operating leases	42.9
Finance leases	46.2
Weighted Average Remaining Lease Term	
Operating leases	7.4 years
Finance leases	5.2 years
Weighted Average Discount Rate	
Operating leases	7.0%
Finance leases	5.2%

As of December 31, 2018, future minimum lease payments under noncancellable operating leases with initial or remaining lease terms in excess of one year were as follows:

(In millions)	Facilities	Vehicles	Other	Total
2019	$ 51.7	9.7	21.6	83.0
2020	46.2	5.5	15.5	67.2
2021	39.5	2.3	9.5	51.3
2022	33.8	0.6	5.3	39.7
2023	29.4	0.1	2.3	31.8
Later years	130.3	—	—	130.3
	$ 330.9	18.2	54.2	403.3

As of December 31, 2018, minimum repayments of long-term debt under financing leases were as follows:

(In millions)	
2019	$ 25.1
2020	23.5
2021	21.7
2022	19.7
2023	16.2
Later years	14.3
Total	$ 120.5

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 September 30, 2019 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. 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. 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 three and nine months ended September 30, 2019 or 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:

	Compensation Expense Three Months Ended September 30,		Compensation Expense Nine Months Ended September 30,	
(in millions)	2019	2018	2019	2018
Performance Share Units	$ 7.0	3.1	$ 21.6	9.7
Market Share Units	—	—	—	0.1
Restricted Stock Units	1.4	1.6	5.3	4.9
Deferred Stock Units and fees paid in stock	0.3	0.4	0.9	0.9
Stock Options	1.1	1.2	8.1	3.2
Share-based payment expense	9.8	6.3	35.9	18.8
Income tax benefit	(2.3)	(1.5)	(8.3)	(4.4)
Share-based payment expense, net of tax	$ 7.5	4.8	$ 27.6	14.4

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 contain 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 nine months of 2019:

	Shares *(in thousands)*	Weighted-Average Grant-Date Fair Value
Outstanding balance as of December 31, 2018	1,287.0	$ 10.88
Granted	—	—
Forfeited	—	—
Exercised	—	—
Outstanding balance as of September 30, 2019[(a)]	1,287.0	$ 14.00

(a) Certain performance-based stock options were modified in the second quarter of 2019. The weighted-average grant date fair value per share at September 30, 2019 reflects the inclusion of the modified fair value per share for the modified awards.

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 nine months of 2019:

	Shares *(in thousands)*		Weighted-Average Grant-Date Fair Value
Outstanding balance as of December 31, 2018	2.7	$	21.09
Granted	138.7		21.58
Forfeited	(14.4)		21.60
Exercised	—		—
Outstanding balance as of September 30, 2019	127.0	$	21.56

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 nine months of 2019:

	Shares *(in thousands)*		Weighted-Average Grant-Date Fair Value
Nonvested balance as of December 31, 2018	235.8	$	52.63
Granted	92.2		78.08
Forfeited	(9.9)		71.65
Vested	(133.8)		42.92
Nonvested balance as of September 30, 2019[(a)]	184.3	$	71.74

(a) Certain RSUs were modified in the second quarter of 2019. The weighted-average grant date fair value per share at September 30, 2019 reflects the inclusion of the modified fair value per share for the modified awards.

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 2019, the performance period is from January 1, 2019 to December 31, 2021.

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 2019, the performance period is from January 1, 2019 to December 31, 2021.

The following table summarizes all PSU activity during the first nine months of 2019:

	Shares *(in thousands)*		Weighted-Average Grant-Date Fair Value
Nonvested balance as of December 31, 2018	697.3	$	47.74
Granted	202.9		81.42
Forfeited	(19.2)		72.64
Vested[(a)(b)(c)]	(316.1)		32.35
Nonvested balance as of September 30, 2019[(c)]	564.9	$	70.01

(a) 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, 2018 were 225.9 compared to target shares of 187.0. Additionally, in accordance with the terms of the underlying award agreements, the actual shares earned and distributed for the performance period ended June 30, 2017 were 129.1 compared to target shares of 129.1.
(b) Certain PSUs were modified and distributed in the first quarter of 2019 and the resulting impact was not material.
(c) Certain PSUs were modified in the second quarter of 2019. A portion of these modified PSUs were distributed in the third quarter of 2019. The weighted-average grant date fair value per share at September 30, 2019 reflects the inclusion of the modified fair value per share for the remaining modified awards.

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 nine months of 2019:

	Shares *(in thousands)*	Weighted-Average Grant-Date Fair Value
Nonvested balance as of December 31, 2018	12.5	$ 74.43
Granted	12.1	79.69
Vested	(12.5)	74.43
Nonvested balance as of September 30, 2019	12.1	$ 79.69

Note 12 - Capital Stock

Common Stock
At September 30, 2019, we had 100 million shares of common stock authorized and 50.0 million shares issued and outstanding.

Dividends
We paid regular quarterly dividends on our common stock during the last two years. On October 14, 2019, the Board declared a regular quarterly dividend of 15 cents per share payable on December 2, 2019. 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 September 30, 2019, 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
In May 2017, our board of directors authorized a $200 million share repurchase program, which will expire on December 31, 2019. We are not obligated to repurchase any specific dollar amount or number of shares, and, at September 30, 2019, approximately $106 million remains available under this program. 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.

In December 2018, we entered into an accelerated share repurchase arrangement ("ASR") with a financial institution. In exchange for a $50 million up-front payment at the beginning of the purchase period, the financial institution delivered to us 700,000 shares of our common stock for an average repurchase price of $71.43 per share. The shares received were retired in the period they were delivered to us, and the up-front payment was accounted for as a reduction to shareholders' equity in the condensed consolidated balance sheet. For purposes of calculating earnings per share, we reported the ASR as a repurchase of our common stock in December 2018 and as a forward contract indexed to our common stock. The ASR met all of the applicable criteria for equity classification, and, as a result, was not accounted for as a derivative instrument.

The ASR purchase period subsequently ended in February 2019 and we received and retired an additional 37,387 shares under the ASR, resulting in an overall average repurchase price of $67.81 per share.

Additionally, during the year ended December 31, 2018, we used $43.5 million to repurchase 610,177 shares at an average price of $71.22 per share. These shares were retired upon repurchase. No additional shares were repurchased in the nine months ended September 30, 2019.

Shares Used to Calculate Earnings per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2019	2018	2019	2018
Weighted-average shares:				
Basic[(a)]	50.3	51.1	50.2	51.0
Effect of dilutive stock awards and options	0.8	0.9	0.8	—
Diluted	51.1	52.0	51.0	51.0
Antidilutive stock awards and options excluded from denominator	0.1	—	0.1	1.6

(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 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 nine months ended September 30, 2019, and 0.3 million in the three months and 0.3 million in the nine months ended September 30, 2018.

Note 13 - Supplemental cash flow information

(In millions)		Nine Months Ended September 30, 2019	2018
Cash paid for:			
Interest	$	56.0	38.5
Income taxes, net		33.4	72.8

Non-cash Investing and Financing Activities
We acquired $46.2 million in armored vehicles and other equipment under financing lease arrangements in the first nine months of 2019 compared to $42.0 million in armored vehicles and other equipment acquired under financing lease arrangements in the first nine months of 2018.

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.

At September 30, 2019, we held $89.2 million of restricted cash ($10.0 million represented short-term borrowings, $38.5 million represented restricted cash held for customers, and $40.7 million represented accrued liabilities). At December 31, 2018, we held $136.1 million of restricted cash ($10.5 million represented short-term borrowings, $90.3 million represented restricted cash held for customers and $35.3 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)		September 30, 2019	December 31, 2018
Cash and cash equivalents	$	337.0	343.4
Restricted cash		89.2	136.1
Total, cash, cash equivalents, and restricted cash in the condensed consolidated statements of cash flows	$	426.2	479.5

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

2016 Reorganization and 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 $18.1 million in 2016 costs and an additional $17.3 million in 2017 costs under this restructuring for severance, asset-related adjustments, a benefit program termination and lease terminations. We recognized additional charges of $11.3 million in the first nine months of 2018 under this restructuring for severance costs and asset-related adjustments. The actions under this program were substantially completed in 2018.

Other Restructurings

Management periodically implements restructuring actions in targeted sections of our business. As a result of these actions, we recognized charges of $4.2 million in the first nine months of 2018 and $20.5 million in the first nine months of 2019, primarily severance costs and charges related to the modification of share-based compensation awards. For the current restructuring actions, we expect to incur additional costs between $1 million and $3 million in future periods.

Note 16 - Subsequent Events

2019 Annuity Contract Buy-out

On October 8, 2019, we purchased a single premium group annuity contract from an insurance company to provide for the payment of pension benefits to 2,634 primary U.S. pension plan participants. We purchased the contract with $53 million of plan assets. The insurance company will take over the payments of these benefits starting January 1, 2020, at which date the beneficiaries will cease to be participants in the primary U.S. pension plan and the plan will have no further obligation to these participants. This transaction settles $54 million of our primary U.S. pension plan obligation. As a result, we expect to recognize a settlement charge of approximately $20 million in the fourth quarter of 2019. The actual amount of the charge will depend upon various actuarial assumptions, including discount rate, at the remeasurement date. After the settlement, there are expected to be approximately 11,400 beneficiaries remaining in the primary U.S. pension plan.

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

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 43–45 and are reconciled to comparable GAAP measures on pages 49–51.

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 41.

		Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions, except for per share amounts)		2019	2018	Change	2019	2018	Change
GAAP							
Revenues	$	928.4	852.4	9	2,747.4	2,581.2	6
Cost of revenues		714.4	652.6	9	2,125.6	2,013.0	6
Selling, general and administrative expenses		155.0	125.4	24	451.3	368.4	23
Operating profit		52.5	67.0	(22)	163.5	193.5	(16)
Income (loss) from continuing operations[(a)]		5.8	17.5	(67)	32.1	(68.2)	fav
Diluted EPS from continuing operations[(a)]	$	0.11	0.34	(68)	0.63	(1.34)	fav
Non-GAAP[(b)]							
Non-GAAP revenues	$	924.6	852.4	8	2,743.9	2,529.8	8
Non-GAAP operating profit		102.4	95.3	7	276.0	243.0	14
Non-GAAP income from continuing operations[(a)]		53.5	49.6	8	138.3	125.4	10
Non-GAAP diluted EPS from continuing operations[(a)]	$	1.05	0.95	11	2.71	2.41	12

(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 49–51.

Deconsolidation of Venezuela
Due to political and economic conditions in Venezuela, in the second quarter of 2018, we determined that we no longer met the accounting criteria for control over our Venezuelan operations. We expect these conditions to continue for the foreseeable future. Consequently, we began reporting the results of our investment in our Venezuelan subsidiaries using the cost method of accounting. We determined the fair value of our cost method investment in, and receivables from, our Venezuelan subsidiaries to be insignificant based on our expectations of dividend payments and settlements of such receivables in future periods. As a result, we deconsolidated our Venezuela subsidiaries and recognized a pretax loss of $126.7 million in the second quarter of 2018. This loss was excluded from our non-GAAP results.

GAAP Basis
Analysis of Consolidated Results: Third Quarter 2019 versus Third Quarter 2018

Consolidated Revenues Revenues increased $76.0 million as the favorable impact of acquisitions ($63.0 million) and organic growth in South America ($39.4 million), North America ($16.2 million) and Rest of World ($2.7 million) were partially offset by the unfavorable impact of currency exchange rates ($49.3 million). The unfavorable currency impact was driven by the Argentine peso and the euro. Revenues increased 7% on an organic basis due mainly to higher average selling prices in Argentina (including the effects of inflation) and organic revenue growth in Mexico due to price increases and volume growth. See above for our definition of "organic."

Consolidated Costs and Expenses Cost of revenues increased 9% to $714.4 million primarily due to the impact of acquisitions, including integration costs, and inflation-based organic increases in labor and other operational costs, partially offset by changes in currency exchange rates. Selling, general and administrative costs increased 24% to $155.0 million due to the impact of acquisitions, including integration costs, higher corporate expenses, and charges related to an internal loss in the U.S. global services operations, partially offset by changes in currency exchange rates.

Consolidated Operating Profit We believe our current operating profit margin in our North America segment is lower than our competitors as our vehicle and labor expenses are too high. We are working to increase our operating profit margin by implementing productivity improvements aimed at reducing vehicle and labor expenses and by selling higher valued services. We expect our North America segment operating profit margin will continue to be comparable to our Rest of World segment in the future, but will not achieve the same level as our South America segment, where profit margins are higher for us and our competitors due to market conditions.

Operating profit decreased $14.5 million due mainly to:

- unfavorable changes in currency exchange rates ($15.0 million) driven by the Argentine peso
- higher costs related to business acquisitions and dispositions ($13.8 million) included in "Other items not allocated to segments", primarily from the impact of intangible asset amortization and acquisition-related charges in the third quarter of 2019, and
- higher corporate expenses ($11.7 million on an organic basis),
- net charges incurred, primarily bad debt and third party costs, related to an internal loss in the U.S. global services operations ($11.3 million) included in "Other items not allocated to segments",

partially offset by:

- organic increases in South America ($25.0 million), North America ($3.9 million) and Rest of World ($1.7 million), and
- the favorable operating impact of business acquisitions and dispositions ($5.4 million), excluding intangible asset 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 decreased $11.7 million to $5.8 million primarily due to the operating profit decrease mentioned above and higher interest expense ($5.9 million), partially offset by lower income tax expense ($8.3 million). Earnings per share from continuing operations was $0.11, down from $0.34 in the third quarter of 2018.

Analysis of Consolidated Results: Nine Months 2019 versus Nine Months 2018

Consolidated Revenues Revenues increased $166.2 million as the favorable impact of acquisitions ($263.3 million) and organic growth in South America ($107.2 million), North America ($55.0 million), and Rest of World ($8.2 million) were partially offset by the unfavorable impact of currency exchange rates ($220.1 million) and the deconsolidation of Venezuela operations ($51.4 million) in the second quarter of 2018. The unfavorable currency impact was driven by the Argentine peso, Brazilian real and the euro. Revenues increased 5% on an organic basis due mainly to higher average selling prices in Argentina (including the effects of inflation) and organic revenue growth in Mexico due to price increases and volume growth. See above for our definition of "organic."

Consolidated Costs and Expenses Cost of revenues increased 6% to $2,125.6 million primarily due to the impact of acquisitions, including integration costs, and inflation-based organic increases in labor and other operational costs, partially offset by changes in currency exchange rates and the deconsolidation of Venezuela operations in the second quarter of 2018. Selling, general and administrative costs increased 23% to $451.3 million due primarily to the impact of acquisitions, including integration costs, corporate expenses, charges related to an internal loss in the U.S. global services operations, and inflation-based organic increases in labor and other administrative costs, partially offset by changes in currency exchange rates.

Consolidated Operating Profit We believe our current operating profit margin in our North America segment is lower than our competitors as our vehicle and labor expenses are too high. We are working to increase our operating profit margin by implementing productivity improvements aimed at reducing vehicle and labor expenses and by selling higher valued services. We expect our North America segment operating profit margin will continue to be comparable to our Rest of World segment in the future, but will not achieve the same level as our South America segment, where profit margins are higher for us and our competitors due to market conditions.

Operating profit decreased $30.0 million due mainly to:

- unfavorable changes in currency exchange rates ($47.9 million) driven by the Argentine peso and Brazilian real, slightly offset by the effect of Venezuela devaluations prior to deconsolidation,
- higher costs related to business acquisitions and dispositions ($41.5 million) included in "Other items not allocated to segments", primarily from the impact of intangible asset amortization and acquisition-related charges in the first half of 2019,
- higher corporate expenses ($16.9 million on an organic basis),
- net charges incurred, primarily bad debt and third party costs, related to an internal loss in the U.S. global services operations ($13.9 million) included in "Other items not allocated to segments",
- deconsolidation of Venezuela in the second quarter of 2018 ($12.5 million), and
- higher costs related to reorganization and restructuring ($5.0 million) included in "Other items not allocated to segments",

partially offset by:

- organic increases in South America ($45.2 million) and North America ($33.0 million), and
- the favorable operating impact of business acquisitions and dispositions ($28.7 million), excluding intangible asset 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 $100.3 million to $32.1 million primarily due to the second quarter of 2018 loss on deconsolidation of Venezuela operations ($126.7 million), lower interest and other expense ($7.2 million), lower income tax expense ($15.9 million), and lower income attributable to noncontrolling interests ($1.3 million), partially offset by the operating profit decrease mentioned above and higher interest expense ($20.8 million). Earnings per share from continuing operations was $0.63, up from negative $1.34 in 2018.

Non-GAAP Basis

Analysis of Consolidated Results: Third Quarter 2019 versus Third Quarter 2018

Non-GAAP Consolidated Revenues Non-GAAP Revenues increased $72.2 million as the favorable impact of acquisitions ($63.2 million) and organic growth in South America ($39.4 million), North America ($16.2 million) and Rest of World ($2.7 million) were partially offset by the unfavorable impact of currency exchange rates ($49.3 million). The unfavorable currency impact was driven by the Argentine peso and the euro. Non-GAAP revenues increased 7% on an organic basis due mainly to higher average selling prices in Argentina (including the effects of inflation) and organic revenue growth in Mexico due to price increases and volume growth. See above for our definition of "organic."

Non-GAAP Consolidated Operating Profit Non-GAAP operating profit increased $7.1 million due mainly to:

- organic increases in South America ($25.0 million), North America ($3.9 million) and Rest of World ($1.7 million), and
- the favorable operating impact of business acquisitions and dispositions ($5.4 million),

partially offset by:

- unfavorable changes in currency exchange rates ($17.2 million) driven by the Argentine peso, and
- higher corporate expenses ($11.7 million on an organic basis).

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 increased $3.9 million to $53.5 million due to the operating profit increase mentioned above and lower income tax expense ($1.6 million), partially offset by higher interest expense ($4.5 million) and higher interest and other expense ($1.0 million). Earnings per share from continuing operations was $1.05, up from $0.95 in the third quarter of 2018.

Analysis of Consolidated Results: Nine Months 2019 versus Nine Months 2018

Non-GAAP Consolidated Revenues Non-GAAP revenues increased $214.1 million as the favorable impact of acquisitions ($263.8 million) and organic growth in South America ($107.2 million), North America ($55.0 million), and Rest of World ($8.2 million) were partially offset by the unfavorable impact of currency exchange rates ($220.1 million). The unfavorable currency impact was driven by the Argentine peso, Brazilian real and the euro. Non-GAAP revenues increased 7% on an organic basis due mainly to higher average selling prices in Argentina (including the effects of inflation) and organic revenue growth in Mexico from price increases and volume growth. See above for our definition of "organic."

Non-GAAP Consolidated Operating Profit Non-GAAP operating profit increased $33.0 million due mainly to:

- organic increases in South America ($45.2 million) and North America ($33.0 million), and
- the favorable operating impact of business acquisitions and dispositions ($28.7 million),

partially offset by:

- unfavorable changes in currency exchange rates ($58.2 million) driven by the Argentine peso and Brazilian real, and
- higher corporate expenses ($16.9 million on an organic basis).

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 increased $12.9 million to $138.3 million due to the operating profit increase mentioned above, lower income tax expense ($3.0 million) and lower income attributable to noncontrolling interests ($2.3 million), partially offset by higher interest expense ($16.9 million) and higher interest and other expense ($8.5 million). Earnings per share from continuing operations was $2.71, up from $2.41 in 2018.

Revenues and Operating Profit by Segment: Third Quarter 2019 versus Third Quarter 2018

(In millions)	3Q'18	Organic Change	Acquisitions / Dispositions[a]	Currency[b]	**3Q'19**	% Change Total	% Change Organic
Revenues:							
North America	$ 383.4	16.2	50.2	(3.1)	**446.7**	17	4
South America	215.5	39.4	12.7	(38.6)	**229.0**	6	18
Rest of World	253.5	2.7	0.3	(7.6)	**248.9**	(2)	1
Segment revenues[e]	852.4	58.3	63.2	(49.3)	**924.6**	8	7
Other items not allocated to segments[d]	—	4.0	(0.2)	—	**3.8**	fav	fav
Revenues - GAAP	$ 852.4	62.3	63.0	(49.3)	**928.4**	9	7
Operating profit:							
North America	$ 33.6	3.9	1.7	(0.5)	**38.7**	15	12
South America	46.3	25.0	3.4	(15.3)	**59.4**	28	54
Rest of World	30.8	1.7	0.3	(0.6)	**32.2**	5	6
Segment operating profit	110.7	30.6	5.4	(16.4)	**130.3**	18	28
Corporate[c]	(15.4)	(11.7)	—	(0.8)	**(27.9)**	81	76
Operating profit - non-GAAP	95.3	18.9	5.4	(17.2)	**102.4**	7	20
Other items not allocated to segments[d]	(28.3)	(10.0)	(13.8)	2.2	**(49.9)**	76	35
Operating profit - GAAP	$ 67.0	8.9	(8.4)	(15.0)	**52.5**	(22)	13

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 Venezuela devaluations prior to deconsolidation, 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 43–45 for more information.
(e) Segment revenues equal our total reported non-GAAP revenues.

Analysis of Segment Results: Third Quarter 2019 versus Third Quarter 2018

North America
Revenues increased 17% ($63.3 million) primarily due to the favorable impact of acquisitions ($50.2 million), including the August 2018 Dunbar acquisition, and 4% organic growth ($16.2 million) driven by price increases and volume growth in Mexico. Operating profit increased $5.1 million primarily due to organic growth in Mexico and the favorable impact of acquisitions ($1.7 million), primarily from the Dunbar acquisition. Organic profit growth in Mexico was driven by higher volumes and labor-related productivity improvements.

South America
Revenues increased 6% ($13.5 million) primarily due to 18% organic growth ($39.4 million) and the favorable impact of acquisitions and dispositions ($12.7 million), primarily from the January 2019 Rodoban acquisition, partially offset by the unfavorable impact of currency exchange rates ($38.6 million) mostly from the Argentine peso. The organic growth was driven by inflation-based price increases and volume growth in Argentina. Operating profit increased 28% ($13.1 million) due to organic growth ($25.0 million) and the favorable impact of acquisitions and dispositions ($3.4 million), primarily from the Rodoban acquisition, partially offset by unfavorable currency ($15.3 million) driven by the Argentine peso. The organic profit increase was driven by growth in Argentina and Brazil. The growth in Argentina was driven by inflation-based price increases and higher volumes. The growth in Brazil was driven by a lower social tax rate, recovery of a social tax overpayment and productivity improvements.

Rest of World
Revenues decreased 2% ($4.6 million) due to the unfavorable impact of currency exchange rates ($7.6 million), partially offset by 1% organic growth ($2.7 million). The organic increase was primarily in Israel. Operating profit increased 5% ($1.4 million) due to organic growth ($1.7 million) partially offset by unfavorable currency ($0.6 million). The organic increase was primarily related to productivity initiatives in France.

Revenues and Operating Profit by Segment: Nine Months 2019 versus Nine Months 2018

(In millions)	YTD '18	Organic Change	Acquisitions / Dispositions[a]	Currency[b]	**YTD '19**	% Change Total	% Change Organic
Revenues:							
North America	$ 1,027.5	55.0	248.7	(7.5)	**1,323.7**	29	5
South America	703.6	107.2	49.9	(176.2)	**684.5**	(3)	15
Rest of World	798.7	8.2	(34.8)	(36.4)	**735.7**	(8)	1
Segment revenues[e]	2,529.8	170.4	263.8	(220.1)	**2,743.9**	8	7
Other items not allocated to segments[d]	51.4	(47.4)	(0.5)	—	**3.5**	(93)	(92)
Revenues - GAAP	$ 2,581.2	123.0	263.3	(220.1)	**2,747.4**	6	5
Operating profit:							
North America	$ 80.3	33.0	16.4	(0.6)	**129.1**	61	41
South America	148.0	45.2	11.0	(56.8)	**147.4**	—	31
Rest of World	82.6	1.2	1.3	(2.9)	**82.2**	—	1
Segment operating profit	310.9	79.4	28.7	(60.3)	**358.7**	15	26
Corporate[c]	(67.9)	(16.9)	—	2.1	**(82.7)**	22	25
Operating profit - non-GAAP	243.0	62.5	28.7	(58.2)	**276.0**	14	26
Other items not allocated to segments[d]	(49.5)	(31.8)	(41.5)	10.3	**(112.5)**	unfav	64
Operating profit - GAAP	$ 193.5	30.7	(12.8)	(47.9)	**163.5**	(16)	16

Amounts may not add due to rounding.

See page 41 for footnote explanations.

Analysis of Segment Results: Nine Months 2019 versus Nine Months 2018

North America
Revenues increased 29% ($296.2 million) primarily due to the favorable impact of the acquisitions ($248.7 million), primarily from the Dunbar acquisition, and 5% organic growth ($55.0 million), slightly offset by the unfavorable impact of currency exchange rates ($7.5 million) from the Mexican peso and the Canadian dollar. Organic revenue growth increased from price and volume growth in Mexico and price increases in the U.S. Operating profit increased $48.8 million primarily due to organic growth in Mexico and the U.S. and the favorable impact of acquisitions ($16.4 million), primarily from the Dunbar acquisition. Organic profit growth in Mexico was driven by higher volumes, price increases, and labor-related productivity improvements. Organic profit growth in the U.S. was driven by price increases and lower labor costs and other productivity improvements, related to breakthrough initiatives and Dunbar acquisition synergies.

South America
Revenues decreased 3% ($19.1 million) primarily due to the unfavorable impact of currency exchange rates ($176.2 million) mostly from the Argentine peso and Brazilian real, partially offset by 15% organic growth ($107.2 million) and the favorable impact of acquisitions and dispositions ($49.9 million), primarily from the Rodoban acquisition. The organic growth was driven by inflation-based price increases and volume growth in Argentina and price increases in Brazil. Operating profit was flat due to unfavorable currency ($56.8 million) driven by the Argentine peso and Brazilian real, offset by organic growth ($45.2 million) and the favorable impact of acquisitions and dispositions ($11.0 million), primarily from the Rodoban acquisition. The organic profit increase was driven by growth in Argentina and Brazil. The growth in Brazil was driven by a lower social tax rate, recovery of a social tax overpayment and productivity improvements.

Rest of World
Revenues decreased 8% ($63.0 million) due to the unfavorable impact of acquisitions and dispositions ($34.8 million), primarily related to the disposition of the French airport security services company in the second quarter of 2018, and the unfavorable impact of currency exchange rates ($36.4 million), partially offset by an organic increase ($8.2 million). The organic increase was primarily in Israel. Operating profit was flat due to unfavorable currency ($2.9 million), partially offset by organic growth ($1.2 million) and the favorable impact of acquisitions and dispositions ($1.3 million). The organic increase was primarily related to France, Israel, and the United Kingdom, partially offset by a decrease in Asia Pacific.

Income and Expense Not Allocated to Segments

Corporate Expenses

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions)	2019	2018	change	2019	2018	change
General, administrative and other expenses	$ (26.2)	(20.6)	27	$ (85.8)	(72.6)	18
Foreign currency transaction gains (losses)	(0.4)	0.4	unfav	0.2	(1.8)	fav
Reconciliation of segment policies to GAAP	(1.3)	4.8	unfav	2.9	6.5	(55)
Corporate expenses	$ (27.9)	(15.4)	81	$ (82.7)	(67.9)	22

Corporate expenses for the first nine months of 2019 increased $14.8 million versus the prior year period primarily driven by higher costs related to the next phase of our growth strategy, Strategy 2.0, increased share-based compensation expense and higher bad debt expense in the current year period, partially offset by a reduction in incentive compensation expense. The increased costs in the third quarter of 2019 were primarily driven by the same factors. 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

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions)	2019	2018	change	2019	2018	change
Revenues:						
Venezuela operations	$ —	—	—	$ —	51.4	(100)
Acquisitions and dispositions	(0.2)	—	unfav	(0.5)	—	unfav
Internal loss	4.0	—	fav	4.0	—	fav
Revenues	$ 3.8	—	fav	$ 3.5	51.4	(93)
Operating profit:						
Venezuela operations	$ —	—	—	—	2.3	(100)
Reorganization and Restructuring	(6.4)	(7.3)	(12)	(20.5)	(15.5)	32
Acquisitions and dispositions	(24.0)	(10.7)	unfav	(63.8)	(24.6)	unfav
Argentina highly inflationary impact	(7.9)	(8.3)	(5)	(12.3)	(8.3)	48
Internal loss	(11.3)	—	unfav	(13.9)	—	unfav
Reporting compliance	(0.3)	(2.0)	(85)	(2.0)	(3.4)	(41)
Operating profit	$ (49.9)	(28.3)	76	$ (112.5)	(49.5)	unfav

The impact of other items not allocated to segments was a loss of $49.9 million in the third quarter of 2019 versus the prior year period loss of $28.3 million. The change was primarily due to higher acquisition-related charges and net charges related to internal loss in the U.S. global services operations recognized in the current year period. These costs were partially offset by a reduction in reporting compliance costs, lower reorganization and restructuring expenses and a decrease in the impact of highly inflationary accounting in Argentina.

The impact of other items not allocated to segments was a loss of $112.5 million in the first nine months of 2019 versus the prior year period loss of $49.5 million. The change was primarily due to higher acquisition-related charges, net charges related to internal loss in the U.S. global services operations recognized in the current year period, increased reorganization and restructuring expenses, the impact of highly inflationary accounting in Argentina and profits from our Venezuela operations in the prior year period. These increased costs were partially offset by a reduction in reporting compliance costs.

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. In light of these unique circumstances, our operations in Venezuela have been largely independent of the rest of our global operations. 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. Additionally, management believed excluding Venezuela from segment results made it possible to more effectively evaluate the company’s performance between periods. These amounts were also excluded from non-GAAP results. Prior to deconsolidation,Venezuela operating results included remeasurement gains and losses on monetary assets and liabilities related to currency devaluations. We recognized remeasurement gains of $2.2 million in the first nine months of 2018.

Factors considered by management in excluding Venezuela results included:

- Continued inability to repatriate cash to redeploy to other operations or dividend to shareholders,
- Highly inflationary environment,
- Previous fixed exchange rate policy,
- Continued currency devaluations, and
- Difficulty raising prices and controlling costs.

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 $18.1 million in 2016 costs and an additional $17.3 million in 2017 costs under this restructuring for severance, asset-related adjustments, a benefit program termination and lease terminations. We recognized additional charges of $11.3 million in the first nine months of 2018 under this restructuring for severance costs and asset-related adjustments. The actions under this program were substantially completed in 2018.

Other Restructurings
Management periodically implements restructuring actions in targeted sections of our business. As a result of these actions, we recognized charges of $4.2 million in the first nine months of 2018 and $20.5 million in the first nine months of 2019, primarily severance costs and charges related to the modification of share-based compensation awards. When completed, the current restructuring actions will reduce our workforce by 200 to 300 positions and result in approximately $10 million in annualized cost savings. For the current restructuring actions, we expect to incur additional costs between $1 million and $3 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.

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions)	2019	2018	change	2019	2018	change
Reportable Segments:						
North America	$ —	—	—	$ (1.5)	(0.6)	unfav
South America	(4.4)	(0.9)	unfav	(5.3)	(1.9)	unfav
Rest of World	(1.8)	(6.4)	(72)	(5.1)	(13.0)	(61)
Total reportable segments	(6.2)	(7.3)	(15)	(11.9)	(15.5)	(23)
Corporate items	(0.2)	—	unfav	(8.6)	—	unfav
Total	$ (6.4)	(7.3)	(12)	$ (20.5)	(15.5)	32

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:
2019 Acquisitions and Dispositions
- We incurred $27.8 million in integration costs related to Dunbar in the first nine months of 2019.
- Amortization expense for acquisition-related intangible assets was $20.7 million in the first nine months of 2019.
- Restructuring costs related to our Dunbar and Rodoban acquisitions were $5.7 million in the first nine months of 2019.
- Transaction costs related to business acquisitions were $5.6 million in the first nine months of 2019.
- Compensation expense related to the retention of key Dunbar employees was $1.6 million in the first nine months of 2019.
- In the first nine months of 2019, we recognized $2.1 million in net charges, primarily asset impairment and severance costs, related to the exit from our top-up prepaid mobile phone business in Brazil.

2018 Acquisitions and Dispositions
- Amortization expense for acquisition-related intangible assets was $11.7 million in the first nine months of 2018.
- Severance costs related to our 2017 acquisitions in Argentina, France and Brazil were $3.7 million in the first nine months of 2018.
- Transaction costs related to business acquisitions were $5.9 million in the first nine months of 2018.
- Compensation expense related to the retention of key Dunbar employees was $1.3 million in the third quarter of 2018.

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. Currency remeasurement losses were $8.1 million and incremental expense related to nonmonetary assets was $0.2 million in the third quarter of 2018. In the first nine months of 2019, we recognized $12.3 million in pretax charges related to highly inflationary accounting, including currency remeasurement losses of $10.4 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 the first nine months of 2019, we incurred $3.9 million in costs (primarily third party expenses) to reconstruct the accounts receivables subledger. 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 have estimated an increase to bad debt expense of $13.7 million, which we recorded in the third quarter of 2019. Out of the $13.7 million in bad debt expense, $12.6 million represents an allowance on $25.3 million of accounts receivable generated prior to 2018. The estimate of the allowance for doubtful accounts will be adjusted in future periods, if needed, as assumptions related to the collectability of these accounts receivable change. 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 the first nine months of 2019 segment and non-GAAP results. These costs relate to the implementation and January 1, 2019 adoption of the new lease accounting standard ($1.7 million), and the mitigation of material weaknesses ($0.3 million).

Foreign Operations

We currently serve customers in more than 100 countries, including 41 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. The recent strengthening of the U.S. dollar has reduced our reported U.S. dollar revenues and operating profit and may continue for the remainder of 2019.

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 September 30, 2019, the notional value of our short term outstanding foreign currency forward and swap contracts was $119 million with average contract maturities of approximately two months. These short term foreign currency forward and swap contracts primarily offset exposures in the euro 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 September 30, 2019, the fair value of our short term foreign currency contracts was a net asset of approximately $1.4 million, of which $1.5 million was included in prepaid expenses and $0.1 million was included in accrued liabilities on the condensed balance sheet. We recognized gains of $8.3 million on our short term foreign currency contracts in the first nine months of 2019 and gains of $5.2 million in the first nine months of 2018.

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 September 30, 2019, the notional value of this long term contract was $133 million with a weighted-average maturity of approximately 2.4 years. We recognized net gains of $6.3 million on this contract, of which gains of $10.3 million were included in other operating income (expense) to offset transaction losses of $10.3 million and expenses of $4.0 million were included in interest expense in the first nine months of 2019. At September 30, 2019, the fair value of the long term cross currency swap contract was a $7.0 million net asset, of which an $8.9 million asset is included in other assets and a $1.9 million liability is included in accrued liabilities on the condensed consolidated balance sheet.

See Note 1 to the condensed consolidated financial statements for a description of the deconsolidation of our Venezuelan subsidiaries effective June 30, 2018 under the heading, "Venezuela". 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.

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions)	2019	2018	change	2019	2018	change
Foreign currency items:						
Transaction losses	$ (13.3)	(9.6)	39	$ (18.5)	(12.9)	43
Derivative instrument gains	5.8	1.8	fav	8.3	5.2	60
Gains on sale of property and other assets	0.4	0.6	(33)	1.6	1.1	45
Impairment losses	(1.7)	(1.6)	6	(3.3)	(4.3)	(23)
Share in earnings of equity affiliates	0.2	0.3	(33)	0.7	1.7	(59)
Royalty income	1.4	1.4	—	3.9	3.2	22
Other gains (losses)	0.7	(0.3)	fav	0.3	(0.3)	fav
Other operating income (expense)	$ (6.5)	(7.4)	(12)	$ (7.0)	(6.3)	11

Other operating income (expense) was $6.5 million of expense in the third quarter of 2019 versus $7.4 million of expense in the prior year period. Other operating income (expense) was $7.0 million of expense in the first nine months of 2019 versus $6.3 million of expense in the prior year period.

Nonoperating Income and Expense

Interest expense

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions)	2019	2018	change	2019	2018	change
Interest expense	$ 22.9	17.0	35	$ 68.6	47.8	44

Interest expense was higher in the third quarter and first nine months of 2019 compared to the prior year periods primarily due to higher borrowing levels due to business acquisitions.

Loss on deconsolidation of Venezuela operations

	Three Months Ended September 30,		%	Nine Months Ended September 30,		%
(In millions)	2019	2018	change	2019	2018	change
Loss on deconsolidation of Venezuela operations	$ —	—	—	$ —	126.7	(100)

See Note 1 to the condensed consolidated financial statements for more information about the loss on deconsolidation of our Venezuelan operations.

Interest and other nonoperating income (expense)

(In millions)		Three Months Ended September 30, 2019	2018	% change		Nine Months Ended September 30, 2019	2018	% change
Interest income	$	2.0	1.6	25	$	4.3	5.7	(25)
Gain on equity securities		—	1.6	(100)		—	3.1	(100)
Foreign currency transaction losses[(a)]		—	—	—		—	(15.5)	(100)
Retirement benefit cost other than service cost		(7.9)	(8.9)	(11)		(25.4)	(30.6)	(17)
Non-income taxes on intercompany billings[(b)]		(0.1)	(0.3)	(67)		(1.9)	(0.9)	unfav
Venezuela operations[(c)]		—	—	—		(0.9)	—	unfav
Gain on lease termination[(d)]		—	—	—		5.2	—	fav
Gain on a disposition of a subsidiary[(e)]		—	(0.2)	(100)		—	10.1	(100)
Other		(1.8)	(1.9)	(5)		(3.4)	(1.2)	unfav
Interest and other nonoperating income (expense)	$	(7.8)	(8.1)	(4)	$	(22.1)	(29.3)	(25)

(a) Prior to the July 1, 2018 highly inflationary designation for accounting purposes, currency transaction losses incurred by Brink's Argentina related to its U.S. dollar-denominated payables to the sellers of Maco Transporatadora and Maco Litoral.
(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 airport security services subsidiary in the second quarter of 2018. The estimate of the gain was revised in the third quarter of 2018.

Income Taxes

		Three Months Ended September 30, 2019	2018		Nine Months Ended September 30, 2019	2018
Continuing operations						
Provision for income taxes (in millions)	$	14.7	23.0	$	37.1	53.0
Effective tax rate		67.4%	54.9%		51.0%	(514.6%)

Effective Tax Rate
Our effective tax rate may fluctuate materially from these estimates due to changes in 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 guidance and additional legislative changes related to the Tax Reform Act, and other factors.

Noncontrolling Interests

(In millions)		Three Months Ended September 30, 2019	2018	% change		Nine Months Ended September 30, 2019	2018	% change
Net income attributable to noncontrolling interests	$	1.3	1.4	(7)	$	3.6	4.9	(27)

The net income of $1.3 million attributable to noncontrolling interests in the third quarter of 2019 is consistent with $1.4 million of net income attributable to noncontrolling interests in the third quarter of 2018.

The change from $4.9 million net income attributable to noncontrolling interests in the first nine months of 2018 to $3.6 million of net income attributable to noncontrolling interests in the first nine months of 2019 was primarily due to the deconsolidation of our Venezuelan subsidiaries effective June 30, 2018, and the acquisition of the Colombian noncontrolling interests in the fourth quarter of 2018.

See Note 1 to the condensed consolidated financial statements for more information about the deconsolidation of our Venezuelan subsidiaries.

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 43–45, 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.

	YTD '19			YTD '18		
(In millions, except for percentages)	**Pre-tax**	**Tax**	**Effective tax rate**	**Pre-tax**	**Tax**	**Effective tax rate**
Effective Income Tax Rate[(a)]						
GAAP	$ 72.8	37.1	51.0%	$ (10.3)	53.0	(514.6)%
Retirement plans[(d)]	21.5	5.1		25.0	5.9	
Venezuela operations[(b)(f)]	0.9	—		0.9	(3.9)	
Reorganization and Restructuring[(b)]	20.5	5.6		15.5	5.1	
Acquisitions and dispositions[(b)]	68.5	3.7		30.6	12.1	
Tax on accelerated income[(e)]	—	—		—	0.3	
Argentina highly inflationary impact[(b)]	12.3	(1.4)		7.8	0.6	
Internal loss[(b)]	13.9	2.5		—	—	
Reporting compliance[(b)]	2.0	—		3.4	0.8	
Gain on lease termination[(g)]	(5.2)	(1.2)		—	—	
Loss on deconsolidation of Venezuela operations[(f)]	—	—		126.7	0.1	
Income tax rate adjustment[(c)]	—	13.9		—	(5.7)	
Non-GAAP	$ 207.2	65.3	31.5%	$ 199.6	68.3	34.2 %

Amounts may not add due to rounding.

(a) From continuing operations.
(b) See “Other Items Not Allocated To Segments” on pages 43–45 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 31.5% for 2019 and was 34.2% for 2018.
(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) The non-GAAP tax rate excludes the 2018 foreign tax benefit that resulted from the transaction that accelerated U.S. tax in 2015.
(f) Effective June 30, 2018, we deconsolidated our investment in Venezuelan subsidiaries and recognized a pretax charge of $126.7 million. Post-deconsolidation funding of ongoing costs related to our Venezuelan operations was $0.9 million in the first nine months of 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.
(g) Gain on settlement of a mining lease obligation related to former coal operations. We have no remaining mining leases.
(h) Because we reported a loss from continuing operations on a GAAP basis in the first nine months of 2018, GAAP EPS was calculated using basic shares. However, as we reported income from continuing operations on a non-GAAP basis in the first nine months of 2018, non-GAAP EPS was calculated using diluted shares.

Non-GAAP Results Reconciled to GAAP

(In millions, except for percentages and per share amounts)		Three Months Ended September 30, 2019	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018
Revenues:					
GAAP	$	928.4	852.4	2,747.4	2,581.2
Venezuela operations[b]		—	—	—	(51.4)
Acquisitions and dispositions[b]		0.2	—	0.5	—
Internal loss[b]		(4.0)	—	(4.0)	—
Non-GAAP	$	924.6	852.4	2,743.9	2,529.8
Operating profit:					
GAAP	$	52.5	67.0	163.5	193.5
Venezuela operations[b]		—	—	—	(2.3)
Reorganization and Restructuring[b]		6.4	7.3	20.5	15.5
Acquisitions and dispositions[b]		24.0	10.7	63.8	24.6
Argentina highly inflationary impact[b]		7.9	8.3	12.3	8.3
Internal loss[b]		11.3	—	13.9	—
Reporting compliance[b]		0.3	2.0	2.0	3.4
Non-GAAP	$	102.4	95.3	276.0	243.0
Operating margin:					
GAAP margin		5.7%	7.9%	6.0%	7.5%
Non-GAAP margin		11.1%	11.2%	10.1%	9.6%
Interest expense:					
GAAP	$	(22.9)	(17.0)	(68.6)	(47.8)
Venezuela operations[b]		—	—	—	0.1
Acquisitions and dispositions[b]		1.5	0.1	4.5	0.5
Non-GAAP	$	(21.4)	(16.9)	(64.1)	(47.2)
Loss on deconsolidation of Venezuela operations:					
GAAP	$	—	—	—	(126.7)
Loss on deconsolidation of Venezuela operations[f]		—	—	—	126.7
Non-GAAP	$	—	—	—	—
Interest and other nonoperating income (expense):					
GAAP	$	(7.8)	(8.1)	(22.1)	(29.3)
Retirement plans[d]		6.6	8.1	21.5	25.0
Venezuela operations[b][f]		—	0.3	0.9	3.1
Acquisitions and dispositions[b]		0.2	0.2	0.2	5.5
Argentina highly inflationary impact[b]		—	(0.5)	—	(0.5)
Gain on lease termination[g]		—	—	(5.2)	—
Non-GAAP	$	(1.0)	—	(4.7)	3.8
Provision for income taxes:					
GAAP	$	14.7	23.0	37.1	53.0
Retirement plans[d]		1.6	2.0	5.1	5.9
Venezuela operations[b]		—	—	—	(3.9)
Reorganization and Restructuring[b]		2.0	2.4	5.6	5.1
Acquisitions and dispositions[b]		0.9	2.8	3.7	12.1
Tax on accelerated income[e]		—	—	—	0.3
Argentina highly inflationary impact[b]		(1.4)	0.6	(1.4)	0.6
Internal loss[b]		2.4	—	2.5	—
Reporting compliance[b]		—	0.5	—	0.8
Gain on lease termination[g]		(1.2)	—	(1.2)	—
Loss on deconsolidation of Venezuela operations[h]		—	0.1	—	0.1
Income tax rate adjustment[c]		6.2	(4.6)	13.9	(5.7)
Non-GAAP	$	25.2	26.8	65.3	68.3

Amounts may not add due to rounding.

See page 49 for footnote explanations.

		Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except for percentages and per share amounts)		2019	2018	2019	2018
Net income (loss) attributable to noncontrolling interests:					
GAAP	$	1.3	1.4	3.6	4.9
Venezuela operations(b)		—	—	—	1.0
Reorganization and Restructuring(b)		—	—	—	(0.1)
Income tax rate adjustment(c)		—	0.6	—	0.1
Non-GAAP	$	1.3	2.0	3.6	5.9
Income (loss) from continuing operations attributable to Brink's:					
GAAP	$	5.8	17.5	32.1	(68.2)
Retirement plans(d)		5.0	6.1	16.4	19.1
Venezuela operations(b)(f)		—	0.3	0.9	3.8
Reorganization and Restructuring(b)		4.4	4.9	14.9	10.5
Acquisitions and dispositions(b)		24.8	8.2	64.8	18.5
Tax on accelerated income(e)		—	—	—	(0.3)
Argentina highly inflationary impact(b)		9.3	7.2	13.7	7.2
Internal loss(b)		8.9	—	11.4	—
Reporting compliance(b)		0.3	1.5	2.0	2.6
Gain on lease termination(g)		1.2	—	(4.0)	—
Loss on deconsolidation of Venezuela operations(f)		—	(0.1)	—	126.6
Income tax rate adjustment(c)		(6.2)	4.0	(13.9)	5.6
Non-GAAP	$	53.5	49.6	138.3	125.4
Diluted EPS:					
GAAP	$	0.11	0.34	0.63	(1.34)
Retirement plans(d)		0.10	0.12	0.32	0.37
Venezuela operations(b)(f)		—	0.01	0.02	0.07
Reorganization and Restructuring(b)		0.09	0.09	0.29	0.20
Acquisitions and dispositions(b)		0.49	0.16	1.27	0.36
Tax on accelerated income(e)		—	—	—	(0.01)
Argentina highly inflationary impact(b)		0.18	0.14	0.27	0.14
Internal loss(b)		0.17	—	0.22	—
Reporting compliance(b)		0.01	0.03	0.04	0.05
Gain on lease termination(g)		0.02	—	(0.08)	—
Loss on deconsolidation of Venezuela operations(f)		—	—	—	2.43
Income tax rate adjustment(c)		(0.12)	0.08	(0.27)	0.11
Share adjustment(h)		—	—	—	0.03
Non-GAAP	$	1.05	0.95	2.71	2.41

Amounts may not add due to rounding.

See page 49 for footnote explanations.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Cash flows from operating activities increased by $3.2 million in the first nine months of 2019 as compared to the first nine months of 2018. Cash used for investing activities decreased by $321.8 million in the first nine months of 2019 compared to the first nine months of 2018. We financed our liquidity needs in the first nine months of 2019 with cash flows from long term debt.

Operating Activities

(In millions)		Nine Months Ended September 30, 2019	2018	$ change
Cash flows from operating activities				
Operating activities - GAAP	$	151.8	148.6	3.2
Venezuela operations		—	(0.4)	0.4
(Increase) decrease in restricted cash held for customers		41.8	0.7	41.1
(Increase) decrease in certain customer obligations[a]		(15.4)	4.9	(20.3)
Operating activities - non-GAAP	$	178.2	153.8	24.4

(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 cash flows from Venezuela operations prior to the deconsolidation, 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 increased by $3.2 million in the first nine months of 2019 compared to the same period in 2018. The increase was attributed to lower amounts paid for taxes and the changes in customer obligations related to certain of our secure cash management services operations (cash held for customers increased by $15.4 million in 2019 compared to a decrease of $4.9 million in 2018), partially offset by the $41.1 million decrease in restricted cash held for customers and higher amounts paid for interest.

Non-GAAP

Non-GAAP cash flows from operating activities increased by $24.4 million in the first nine months of 2019 as compared to the same period in 2018. The increase was primarily due to lower amounts paid for taxes, partially offset by higher amounts paid for interest.

Investing Activities

(In millions)		Nine Months Ended September 30, 2019	2018	$ change
Cash flows from investing activities				
Capital expenditures	$	(116.0)	(104.0)	(12.0)
Acquisitions, net of cash acquired		(183.9)	(521.0)	337.1
Dispositions, net of cash disposed		—	8.4	(8.4)
Marketable securities:				
Purchases		(2.6)	(55.9)	53.3
Sales		1.1	47.3	(46.2)
Proceeds from sale of property and equipment		3.0	2.8	0.2
Other		(3.1)	(0.9)	(2.2)
Investing activities	$	(301.5)	(623.3)	321.8

Cash used by investing activities decreased by $321.8 million in the first nine months of 2019 versus the first nine months of 2018. The decrease was due to lower amounts paid for acquisitions during the first nine months of 2019.

Capital expenditures and depreciation and amortization were as follows:

(In millions)		Nine Months Ended September 30, 2019	Nine Months Ended September 30, 2018	$ change	Full Year 2018
Property and equipment acquired during the period					
Capital expenditures:[a]					
North America	$	52.2	35.4	16.8	59.1
South America		32.0	31.4	0.6	43.3
Rest of World		23.8	24.6	(0.8)	37.9
Corporate		8.0	12.6	(4.6)	14.8
Capital expenditures - GAAP and non-GAAP	$	116.0	104.0	12.0	155.1
Financing leases:[b]					
North America	$	39.3	34.2	5.1	42.3
South America		3.0	7.8	(4.8)	9.6
Rest of World		3.9	—	3.9	—
Financing leases - GAAP and non-GAAP	$	46.2	42.0	4.2	51.9
Total:					
North America	$	91.5	69.6	21.9	101.4
South America		35.0	39.2	(4.2)	52.9
Rest of World		27.7	24.6	3.1	37.9
Corporate		8.0	12.6	(4.6)	14.8
Total property and equipment acquired	$	162.2	146.0	16.2	207.0
Depreciation and amortization[a]					
North America	$	60.7	51.9	8.8	72.1
South America		21.0	19.9	1.1	26.3
Rest of World		24.9	23.7	1.2	31.3
Corporate		8.2	9.4	(1.2)	11.9
Depreciation and amortization - non-GAAP	$	114.8	104.9	9.9	141.6
Venezuela		—	1.1	(1.1)	1.1
Argentina highly inflationary impact		0.8	—	0.8	—
Reorganization and Restructuring		0.1	1.8	(1.7)	1.9
Acquisitions and dispositions		3.1	—	3.1	—
Amortization of intangible assets		20.7	11.7	9.0	17.7
Depreciation and amortization - GAAP	$	139.5	119.5	20.0	162.3

(a) Capital expenditures as well as depreciation and amortization related to Venezuela have been excluded from South America. In addition, incremental depreciation related to highly inflationary accounting in Argentina, accelerated depreciation related to restructuring activities and amortization of acquisition-related intangible assets have also 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 capital expenditures and depreciation and amortization from our Venezuela operations prior to the deconsolidation, 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 1.5 for the twelve months ending September 30, 2019 compared to 1.6 for the twelve months ending September 30, 2018.

Capital expenditures in the first nine months of 2019 were primarily for machinery and equipment, information technology and armored vehicles.

Financing Activities

(In millions)	Nine Months Ended September 30, 2019	2018	$ change
Cash flows from financing activities			
Borrowings and repayments:			
Short-term borrowings	$ (13.1)	(5.2)	(7.9)
Cash supply chain customer debt	—	(15.0)	15.0
Long-term revolving credit facilities, net	(122.2)	306.2	(428.4)
Other long-term debt, net	291.2	(39.7)	330.9
Borrowings (repayments)	155.9	246.3	(90.4)
Debt financing costs	(4.0)	—	(4.0)
Repurchase shares of Brink's common stock	—	(25.1)	25.1
Dividends to:			
Shareholders of Brink’s	(22.4)	(22.9)	0.5
Noncontrolling interests in subsidiaries	(1.4)	(3.8)	2.4
Acquisition-related financing activities:			
Payment of acquisition-related obligation	(4.1)	(0.3)	(3.8)
Proceeds from exercise of stock options	—	0.8	(0.8)
Tax withholdings associated with share-based compensation	(8.4)	(11.3)	2.9
Other	(2.9)	0.6	(3.5)
Financing activities	$ 112.7	184.3	(71.6)

Debt borrowings and repayments
Cash flows from financing activities decreased by $71.6 million in the first nine months of 2019 compared to the first nine months of 2018 as net borrowings decreased compared to the prior year period, partially offset by less cash used to purchase Brink's common stock.

Dividends
We paid dividends to Brink’s shareholders of $0.45 per share or $22.4 million in the first nine months of 2019 compared to $0.45 per share or $22.9 million in the first nine months of 2018. 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)		September 30, 2019	December 31, 2018
Debt:			
Short-term borrowings	$	15.4	28.9
Long-term debt		1,734.5	1,525.1
Total Debt		1,749.9	1,554.0
Restricted cash borrowings[a]		(10.0)	(10.5)
Total Debt without restricted cash borrowings		1,739.9	1,543.5
Less:			
Cash and cash equivalents		337.0	343.4
Amounts held by Cash Management Services operations[b]		(29.5)	(14.1)
Cash and cash equivalents available for general corporate purposes		307.5	329.3
Net Debt[c]	$	1,432.4	1,214.2

(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 at September 30, 2019 is net cash of $23.2 million from our Argentina operations (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 September 30, 2019, and December 31, 2018.

Net Debt increased by $218 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 September 30, 2019, $782 million was available under the Revolving Credit Facility. Based on our current cash on hand and amounts available under our credit facilities, we believe that we will be able to meet our liquidity needs for the foreseeable future.

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, 2018, for more information on the risks associated with having businesses outside the U.S.

Equity

In May 2017, our board of directors authorized a $200 million share repurchase program, which will expire on December 31, 2019. We are not obligated to repurchase any specific dollar amount or number of shares, and, at September 30, 2019, approximately $106 million remains available under this program. 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.

In December 2018, we entered into an accelerated share repurchase arrangement ("ASR") with a financial institution. In exchange for a $50 million up-front payment at the beginning of the purchase period, the financial institution delivered to us 700,000 shares of our common stock for an average repurchase price of $71.43 per share. The shares received were retired in the period they were delivered to us, and the up-front payment was accounted for as a reduction to shareholders' equity in the condensed consolidated balance sheet. For purposes of calculating earnings per share, we reported the ASR as a repurchase of our common stock in December 2018 and as a forward contract indexed to our common stock. The ASR met all of the applicable criteria for equity classification, and, as a result, was not accounted for as a derivative instrument.

The ASR purchase period subsequently ended in February 2019 and we received and retired an additional 37,387 shares under the ASR, resulting in an overall average repurchase price of $67.81 per share.

During the nine months ended September 30, 2019, no additional shares were repurchased.

U.S. Retirement Liabilities

2019 Annuity Contract Buy-out
On October 8, 2019, we purchased a single premium group annuity contract from an insurance company to provide for the payment of pension benefits to 2,634 primary U.S. pension plan participants. We purchased the contract with $53 million of plan assets. The insurance company will take over the payments of these benefits starting January 1, 2020, at which date the beneficiaries will cease to be participants in the primary U.S. pension plan and the plan will have no further obligation to these participants. This transaction settles $54 million of our primary U.S. pension plan obligation. As a result, we expect to recognize a settlement charge of approximately $20 million in the fourth quarter of 2019. The actual amount of the charge will depend upon various actuarial assumptions, including discount rate, at the remeasurement date. After the settlement, there are expected to be approximately 11,400 beneficiaries remaining in the primary U.S. pension plan.

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, 2018. The estimated amounts will change in the future to reflect payments made, investment returns, actuarial revaluations, and other changes in estimates (including the impacts of the *2019 Annuity Contract Buy-out* on our primary U.S. pension plan). Actual amounts could differ materially from the estimated amounts and will be updated at December 31, 2019.

Our most significant actuarial assumptions include:

- Discount rates and other assumptions in effect at measurement dates (normally December 31)
- Investment returns of plan assets
- Mortality rates
- Change in laws

Funded Status of U.S. Retirement Plans

		Actual	Actual	Projected				
(In millions)		2018	Nine Months 2019	4th Quarter 2018	2020	2021	2022	2023
Primary U.S. pension plan								
Beginning funded status	$	(102.3)	(106.8)	(94.1)	(94.3)	(81.4)	(68.0)	(36.4)
Net periodic pension credit[(a)]		22.0	12.7	4.2	15.7	15.4	15.7	16.6
Payment from Brink's		—	—	—	—	—	17.3	28.3
Benefit plan experience loss		(26.5)	—	(4.4)	(2.8)	(2.0)	(1.4)	(0.1)
Ending funded status	$	(106.8)	(94.1)	(94.3)	(81.4)	(68.0)	(36.4)	8.4
UMWA plans								
Beginning funded status	$	(294.3)	(297.4)	(299.4)	(301.4)	(309.1)	(318.0)	(328.1)
Net periodic postretirement cost[(a)]		(0.4)	(3.2)	(0.8)	(7.7)	(8.9)	(10.1)	(11.5)
Benefit plan experience loss		(1.4)	—	—	—	—	—	—
Other		(1.3)	1.2	(1.2)	—	—	—	—
Ending funded status	$	(297.4)	(299.4)	(301.4)	(309.1)	(318.0)	(328.1)	(339.6)
Black lung plans								
Beginning funded status	$	(67.0)	(67.9)	(64.0)	(63.3)	(58.6)	(54.3)	(50.3)
Net periodic postretirement cost[(a)]		(2.5)	(2.2)	(0.8)	(2.4)	(2.3)	(2.2)	(1.9)
Payment from Brink's		8.1	6.1	1.5	7.1	6.6	6.2	5.7
Benefit plan experience loss		(6.5)	—	—	—	—	—	—
Ending funded status	$	(67.9)	(64.0)	(63.3)	(58.6)	(54.3)	(50.3)	(46.5)

(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 2018 or the first nine months of 2019.

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 3,200 beneficiaries in the UMWA plans as of December 31, 2018. The company does not expect to make additional contributions to these plans until 2025 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, 2018.

Summary of Expenses Related to All U.S. Retirement Liabilities through 2023

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

	Actual	Actual	Projected					
(In millions)	2018	Nine Months 2019	4th Quarter 2019	FY2019	2020	2021	2022	2023
Primary U.S. pension plan	$ 5.5	1.9	0.7	2.6	5.5	5.2	4.3	4.0
UMWA plans	16.1	12.5	3.4	15.9	22.6	22.9	23.2	23.7
Black lung plans	9.8	5.5	1.9	7.4	6.6	6.2	5.7	5.3
Total	$ 31.4	19.9	6.0	25.9	34.7	34.3	33.2	33.0

Summary of Payments from Brink's to U.S. Plans and Payments from U.S. Plans to Participants through 2023

This table summarizes actual and projected payments:

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

	Actual	Actual	Projected					
(In millions)	2018	Nine Months 2019	4th Quarter 2019	FY2019	2020	2021	2022	2023
Payments from Brink's to U.S. Plans								
Primary U.S. pension plan	$ —	—	—	—	—	—	17.3	28.3
Black lung plans	8.1	6.1	1.5	7.6	7.1	6.6	6.2	5.7
Total	$ 8.1	6.1	1.5	7.6	7.1	6.6	23.5	34.0
Payments from U.S. Plans to participants								
Primary U.S. pension plan	$ 48.3	36.3	14.7	51.0	51.1	51.1	51.0	51.0
UMWA plans	28.6	22.7	10.8	33.5	33.6	33.6	34.2	34.0
Black lung plans	8.1	6.1	1.5	7.6	7.1	6.6	6.2	5.7
Total	$ 85.0	65.1	27.0	92.1	91.8	91.3	91.4	90.7

Contingent Matters

See Note 14 to the condensed consolidated financial statements for information about contingent matters at September 30, 2019.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We serve customers in more than 100 countries, including 41 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 nine months ended September 30, 2019.

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 September 30, 2019 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: segment operating profit margin outlook; 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, expected impact of acquisitions; our effective tax rate; costs related to and continued limitation in our ability to make and execute operational decisions with respect to our Venezuela operations; the ability to meet liquidity needs; settlement charge related to the annuity contract buy-out for our U.S. pension liability; 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;
- 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, 2018 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 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 September 30, 2019.

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
July 1 through July 31, 2019	—	$ —	—	$ —
August 1 through August 31, 2019	—	—	—	—
September 1 through September 30, 2019	—	—	—	—

(1) On May 8, 2017, the Company’s board of directors authorized the Company to repurchase up to $200,000,000 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 September 30, 2019, $106,542,999 remains available under this program. The program will expire on December 31, 2019.

Item 6. Exhibits

Exhibit Number

10.1	Key Employees' Deferred Compensation Program, as amended and restated effective September 26, 2019.
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 September 30, 2019, 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 September 30, 2019, and December 31, 2018, (ii) the Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2019 and 2018, (iii) the Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2019 and 2018, (iv) the Condensed Consolidated Statements of Equity for the nine months ended September 30, 2019 and 2018, (v) the Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2019 and 2018 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.

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.

THE BRINK'S COMPANY

October 23, 2019

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

Exhibit 10.1

The Brink's Company
Richmond, Virginia

Key Employees' Deferred Compensation Program

as Amended and Restated as of September 26, 2019

KEY EMPLOYEES' DEFERRED COMPENSATION PROGRAM OF THE BRINK'S COMPANY
(Amended and Restated as of September 26, 2019)

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 pursuant 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.

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 the 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 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 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 cash 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.

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, spin-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 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.

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 contributed 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 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 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.

(b) 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.

(c) 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 not 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.

(b) 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.

(c) 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).

(d) 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.

(e) 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:

Months Since Initial Program Participation	Vested Percentage
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 designated 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 Cancelations 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 and 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 Shares 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 provisions 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.

EXHIBIT 31.1

I, Douglas A. Pertz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 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: October 23, 2019

/s/ Douglas A. Pertz
Douglas A. Pertz
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

I, Ronald J. Domanico, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2019 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: October 23, 2019

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

EXHIBIT 32.1

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 September 30, 2019 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)

October 23, 2019

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.

EXHIBIT 32.2

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 September 30, 2019 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)

October 23, 2019

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.