

BRINKS CO  
Form 10-Q  
April 25, 2018

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 March 31, 2018

“ 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 (I.R.S. Employer  
incorporation or organization) 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)

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files).

Yes ✓ No “

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of “large accelerated filer”, “accelerated filer” and “smaller reporting 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 April 23, 2018, 50,904,939 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) March 31, December 31,  
2018 2017

ASSETS

Current assets:

|                            |         |         |
|----------------------------|---------|---------|
| Cash and cash equivalents  | \$562.2 | 614.3   |
| Restricted cash            | 159.4   | 112.6   |
| Accounts receivable, net   | 633.9   | 642.3   |
| Prepaid expenses and other | 151.8   | 119.0   |
| Total current assets       | 1,507.3 | 1,488.2 |

|                             |       |       |
|-----------------------------|-------|-------|
| Property and equipment, net | 659.7 | 640.9 |
| Goodwill                    | 444.7 | 453.7 |
| Other intangibles           | 98.7  | 105.7 |
| Deferred income taxes       | 233.3 | 226.2 |
| Other                       | 155.4 | 144.9 |

|              |           |         |
|--------------|-----------|---------|
| Total assets | \$3,099.1 | 3,059.6 |
|--------------|-----------|---------|

LIABILITIES AND EQUITY

Current liabilities:

|                                      |        |       |
|--------------------------------------|--------|-------|
| Short-term borrowings                | \$64.8 | 45.2  |
| Current maturities of long-term debt | 53.2   | 51.9  |
| Accounts payable                     | 162.8  | 174.6 |
| Accrued liabilities                  | 453.2  | 488.5 |
| Restricted cash held for customers   | 118.6  | 74.7  |
| Total current liabilities            | 852.6  | 834.9 |

|   |         |         |
|---|---------|---------|
| Long-term debt                          | 1,137.7 | 1,139.6 |
| Accrued pension costs                   | 203.7   | 208.8   |
| Retirement benefits other than pensions | 362.2   | 362.8   |
| Deferred income taxes                   | 27.9    | 25.1    |
| Other                                   | 148.5   | 150.2   |
| Total liabilities                       | 2,732.6 | 2,721.4 |

Commitments and contingent liabilities (notes 4, 8 and 13)

Equity:

The Brink's Company ("Brink's") shareholders:

Common stock, par value \$1 per share:

Shares authorized: 100.0

|   |      |      |
|---|------|------|
| Shares issued and outstanding: 2018 - 50.9; 2017 - 50.5 | 50.9 | 50.5 |
|---|------|------|

Edgar Filing: BRINKS CO - Form 10-Q

|                                      |           |          |
|--------------------------------------|-----------|----------|
| Capital in excess of par value       | 624.9     | 628.6    |
| Retained earnings                    | 582.9     | 564.9    |
| Accumulated other comprehensive loss | (916.6 )  | (926.6 ) |
| Brink's shareholders                 | 342.1     | 317.4    |
| Noncontrolling interests             | 24.4      | 20.8     |
| Total equity                         | 366.5     | 338.2    |
| Total liabilities and equity         | \$3,099.1 | 3,059.6  |

See accompanying notes to condensed consolidated financial statements.

2

---

THE BRINK'S COMPANY  
and subsidiaries

Condensed Consolidated Statements of Operations  
(Unaudited)

| (In millions, except for per share amounts)                                  | Three Months<br>Ended March<br>31, |         |
|--|------------------------------------|---------|
|  | 2018                               | 2017    |
| Revenues   | \$879.1                            | 788.4   |
| Costs and expenses:  |                                    |         |
| Cost of revenues   | 693.6                              | 610.3   |
| Selling, general and administrative expenses                                 | 123.1                              | 107.1   |
| Total costs and expenses   | 816.7                              | 717.4   |
| Other operating income (expense)   | 2.4                                | (0.1 )  |
| Operating profit   | 64.8                               | 70.9    |
| Interest expense   | (15.0 )                            | (4.8 )  |
| Interest and other income (expense)  | (13.1 )                            | (11.2 ) |
| Income from continuing operations before tax                                 | 36.7                               | 54.9    |
| Provision for income taxes   | 11.4                               | 14.4    |
| Income from continuing operations  | 25.3                               | 40.5    |
| Income from discontinued operations, net of tax                              | 0.2                                | —       |
| Net income   | 25.5                               | 40.5    |
| Less net income attributable to noncontrolling interests                     | 3.2                                | 5.8     |
| Net income attributable to Brink's   | 22.3                               | 34.7    |
| Amounts attributable to Brink's  |                                    |         |
| Continuing operations  | 22.1                               | 34.7    |
| Discontinued operations  | 0.2                                | —       |
| Net income attributable to Brink's   | \$22.3                             | 34.7    |
| Income per share attributable to Brink's common shareholder <sup>(a)</sup> : |                                    |         |
| Basic:   |                                    |         |
| Continuing operations  | \$0.43                             | 0.69    |
| Discontinued operations  | —                                  | —       |
| Net income   | \$0.44                             | 0.69    |