

# Results Report

# 2014



*26th February, 2015*



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# 1 Executive Summary

## 1.1 Main figures

<b>Grupo ACS</b>		<i>Key operating &amp; financial figures</i>		
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>	
<b>Turnover</b>	<b>35,178</b>	<b>34,881</b>	<b>-0.8%</b>	
<b>Backlog</b>	<b>59,363</b>	<b>63,320</b>	<b>+6.7%</b>	
<i>Months</i>	19	20		
<b>EBITDA</b>	<b>2,833</b>	<b>2,466</b>	<b>-12.9%</b>	
<i>Margin</i>	8.1%	7.1%		
<b>EBIT</b>	<b>1,640</b>	<b>1,598</b>	<b>-2.6%</b>	
<i>Margin</i>	4.7%	4.6%		
<b>Attributable Net Profit</b>	<b>702</b>	<b>717</b>	<b>+2.2%</b>	
<b>EPS</b>	<b>2.26 €</b>	<b>2.31 €</b>	<b>+2.0%</b>	
<b>Cash Flow from Activities</b>	<b>1,086</b>	<b>824</b>	<b>-24.1%</b>	
<b>Net Investments</b>	<b>494</b>	<b>(313)</b>	<b>n.a.</b>	
Investments	2,502	2,310	-7.7%	
Disposals	2,008	2,623	+30.6%	
<b>Total Net Debt*</b>	<b>3,811</b>	<b>3,722</b>	<b>-2.3%</b>	
Businesses' Net Debt	3,126	3,129	+0.1%	
Project Financing	685	593	-13.4%	

Note: data presented according to Grupo ACS management criteria. Balance sheet, income statement and cash flow have been restated as a result of the entry into force of the IFRS 10, 11 and 12 new standards. The main impact comes from the application of the IFRS 11 that affects the affiliate Leighton. This establishes the requirements to make an analysis of the joint ventures, their structuring or not through a separate vehicle, and if there is a net profit distribution or a right or liability over a proportional part of its assets and liabilities, respectively. Additionally there has been a reclassification of the results from John Holland and Leighton Services as discontinued operations in both exercises after its sale. Clece is globally consolidated since the 1<sup>st</sup> of July, 2014.

\* Total net debt includes the proceeds pending to be collected obtained after the sale of John Holland and Leighton Services in December 2014, accounted in the balance sheet by 31<sup>st</sup> of December 2014 as Accounts receivable.

- Sales in 2014 accounted for € 34,881 million, a decrease of 0.8% compared to those of 2013. Not considering the exchange rate impact, nor the perimeter changes, additional to those from the reclassification of John Holland and Leighton Services as discontinued operations, sales would have decreased by 1.8%. International activity currently accounts for an 84.0% on total sales.
- Backlog accounts for € 63,320 million, showing an increase of a 6.7% in the last twelve months. The appreciation of the US dollar and the acquisitions from the last months enabled this increase. Not taking into consideration those impacts, backlog would have decreased by 2.9%.

<b>Grupo ACS</b>		<i>Forex &amp; perimeter changes impact</i>		
Euro Million	<b>2013</b>	<b>2014</b>	<b>Var.</b>	<b>Comp. Var.*</b>
<b>Backlog</b>	<b>59,363</b>	<b>63,320</b>	<b>+6.7%</b>	<b>-2.9%</b>
Direct	53,689	56,472	+5.2%	-4.1%
Proportional**	5,674	6,849	+20.7%	+9.9%
<b>Work Done</b>	<b>37,205</b>	<b>37,088</b>	<b>-0.3%</b>	<b>-1.2%</b>
Direct	35,178	34,881	-0.8%	-1.8%
Proportional**	2,027	2,207	+8.9%	+5.2%

\* Comparable variation not considering exchange rates and/or consolidation perimeter variations

\*\* Backlog and production equivalent to the proportional participation of the Group in the Joint Ventures not fully consolidated.

- EBITDA of the Group accounts for € 2,466 million, a 12.9% less than in 2013. EBIT accounts for € 1,598 million and decreases by 2.6%.

<b>Grupo ACS</b>		<i>Forex &amp; perimeter changes impact</i>		
Euro Million	<b>2013</b>	<b>2014</b>	<i>Var.</i>	<i>Comp. Var.*</i>
<b>EBITDA</b>	<b>2,833</b>	<b>2,466</b>	<i>-12.9%</i>	<i>-3.9%</i>
<b>EBIT</b>	<b>1,640</b>	<b>1,598</b>	<i>-2.6%</i>	<i>+3.1%</i>

\* Comparable variation not considering exchange rates and/or consolidation perimeter variations, nor FleetCo impact.

- This reduction in the EBITDA is coming from perimeter changes, the exchange rates and the impact of the creation of the FleetCo, the affiliate of Leighton that gathers all the mining related assets, where the financial leasing has been substituted by operating leasing. Excluding all these effects, ACS EBITDA would have decreased by 3.9%. EBIT, also including those adjustments, would have grown by 3.1%. The main reasons behind this operating margins evolution are:
  - ✓ The organizational, operational and backlog restructuring in HOCHTIEF Europe, Flatiron and Leighton, whose effects are expected to start generating results from 2015.
  - ✓ The impact of the decline in mining activity in Leighton, whose contribution margin is substantially larger than the other businesses.
  - ✓ The reduction in Industrial Services as a result of the slowdown in investment in the sector, impacted by the sharp drop in oil prices in recent quarters.
- Leighton has accounted a provision to reduce operational risk on its balance sheet for € 458 million. Leighton has also accounted as profit from discontinued operations the capital gains from the sale of John Holland and Leighton Services (€ 409 million after tax).
- Net profit of Grupo ACS accounts for € 717 million, showing a 2.2% growth, being the operating activities breakdown as follows:

<b>Grupo ACS</b>		<i>Net Profit Details</i>	
Euro Million	<b>2013</b>	<b>2014</b>	<i>Var.</i>
<i>Net Profit Construction</i>	<i>189</i>	<i>223</i>	<i>+18.1%</i>
<i>Net Profit Industrial Services</i>	<i>418</i>	<i>420</i>	<i>0.5%</i>
<i>Net Profit Environment</i>	<i>58</i>	<i>72</i>	<i>+24.4%</i>
<i>Net Profit Corporation</i>	<i>37</i>	<i>2</i>	<i>n.a.</i>
<b>Net Profit</b>	<b>702</b>	<b>717</b>	<b>+2.2%</b>

- Grupo ACS's net debt has decreased by 2.3% down to € 3,722 million. This figure includes the proceeds that will be collected after the sale of John Holland and Leighton Services, accounting for € 1,108 million, included in the balance sheet as Accounts Receivable.

## 1.2 Relevant facts

- The 12<sup>th</sup> of December, 2013 the Board of Directors approved the distribution of a dividend of € 0.446 per share. Its distribution has been carried out during the month of February 2014 using the scrip dividend system.

Moreover, the Shareholder Annual General Meeting approved last 29<sup>th</sup> of May the distribution of a complementary dividend of 0.71 Euros per share. This dividend has been paid during the month of July using the script dividend system. In this process, 40.89% of ACS's shareholders chose to sell their rights to ACS, thus meaning a total gross payment of 91 million Euros. Additionally 3,875,019 shares were issued the 30<sup>th</sup> of July for those shareholders that chose the payment in shares, and afterwards cancelled during the month of September. By the end of the reporting period the share capital was represented by 314,664,594 shares.

- Last 31<sup>st</sup> of January 2014 HOCHTIEF sold 50% of its stake in the Real Estate company *aurelis* as a new step on its strategy to dispose of noncore assets.
- The 10<sup>th</sup> of March 2014 the Australian company HOCHTIEF Australia Holding Ltd (fully owned by HOCHTIEF, A.G., and affiliate of Grupo ACS) announced a proportional offer over Leighton Holdings Ltd. The transaction was completed last 12<sup>th</sup> of May 2014, with HOCHTIEF increasing its stake to 69.62%. The investment performed by HOCHTIEF in this transaction accounts for 617 million Euros.
- The 20<sup>th</sup> of March, 2014, ACS issued a Euro Commercial Paper (ECP) program for a maximum amount of € 750 million, listed in the Irish Stock Exchange. Through this program ACS will be able to issue promissory notes with maturities between 1 and 364 days, contributing in this way to the diversification of the financial sources of the company.
- The 27<sup>th</sup> of March, 2014 ACS Actividades Finance 2 B.V. (wholly-owned Dutch subsidiary of ACS, Actividades de Construcción y Servicios S.A.) issued exchangeable bonds for shares in Iberdrola S.A., for a total amount of € 405.6 million, maturing by March, 27<sup>th</sup>, 2019, with a fixed interest rate of 1.625% to be paid every three months in arrears.

The 9<sup>th</sup> of December, 2014 ACS announced the offer of an incentive in cash to all bondholders of both the bonds maturing in 2018 and 2019, which ended with an anticipated redemption of 593.8 euro million of debt, broken down as follows:

- ✓ 170.3 euro million from the 2019 bond emission, for an incentive of 30.7 euro million; and
- ✓ 423.5 euro million from the 2018 bond emission, for an incentive of 55.5 euro million.

By the end of 2014, Grupo ACS held 89 million shares of Iberdrola on its balance sheet, pledged as a guarantee to bonds whose nominal amount accounts for 532 euro million.

- The 8<sup>th</sup> of May Urbaser refinanced a syndicated loan of € 506 million with 19 banks, both Spanish and international. The syndicated loan was extended by 3 years up to November 2017, and the capital has been enlarged to € 600 million.
- During 2014 Dragados has acquired two companies in the US, Prince Contracting LLC (Florida) and JF White Contracting (Massachusetts), to reinforce its activity in North America. Combined, both companies invoiced 304 million Euro in 2013 and incorporate 525 million Euro of Backlog.

- In August 2014 Grupo ACS has bought back the stake of a 25% of Clece, S.A., for € 121 million, to several funds managed by Mercapital Private Equity, cancelling all the previous agreements and contracts. Grupo ACS, after this transaction, is the owner of 100% of Clece, meaning that the accounting consolidation method will change from the current equity method to a global integration. The total EV considered in the deal has been 542 million Euros.
- The 27<sup>th</sup> of August 2014, Iridium reached a global agreement valued in 175.2 million Euro that includes the sale of an 80% of its stake in several concessional assets like the Transfer Stations in Madrid, the Majadahonda Hospital and the Line 9 of Barcelona’s Subway, as well as the co-management agreement in other highway concessional assets in Spain where the Group holds a majority stake, incorporating to the agreement also several acquisition rights, executable in later periods.
- The 4<sup>th</sup> of October has been published the Royal Law Decree 13/2014 that rules the acceptance of the renounce, with the consequent extinction of the concession, of the gas storage facility named “Castor”, and the hibernation of the premises whose management has been assigned to ENAGAS TRANSPORTE, S.A.U.. In the same resolution it is established the compensation to Escal UGS for the investment performed in the project (€1,350.7 million), that has been paid last 11<sup>th</sup> of November, and for the compensation rights accrued, including the financial compensation and the operating & maintenance costs incurred between the provisional operational start and the Royal Law Decree publication, as well as the O&M costs since the publication of the law, that will be paid according to the applicable legislation for each case.
- The 12<sup>th</sup> of December Leighton announced the agreement to sell its subsidiary John Holland to China Communications Construction Company. The selling price implied an enterprise value of the company's 1,150 million Australian dollars, subject to a number of adjustments.

Also, the 17<sup>th</sup> of December Leighton agreed to sell 50% of its services subsidiary to several funds subsidiaries of Apollo Global Management LLC. The selling price implied an enterprise value for 100% of the company of 1,075 million Australian dollars, subject to a number of adjustments.

Both transaction has meant a gain after tax of 409 million euros, which has been accounted as net income from discontinued operations in 2014. Likewise, the ordinary contribution to the net profit of both businesses is accounted in the same account and amounts to 129 million euros.

<b>Grupo ACS</b>	<i>Ordinary contribution of John Holland and Leighton Services</i>	
Euro Million	<b>2013</b>	<b>2014</b>
<b>Sales</b>	<b>3,895</b>	<b>4,291</b>
<b>Net Profit</b>	<b>91</b>	<b>129</b>
<b>Net cash position</b>	<b>67</b>	<b>285</b>

- These transactions have reduced the Group's net debt at 823 million euros, which is the difference between the 1,108 million euro of the disposal, whose funds are Accounts receivable (considered as lower net debt), and 285 million euros that both companies held as net cash at the time of sale and, therefore has been deconsolidated in the balance sheet by December 31st, 2014.
- The 18<sup>th</sup> of December, 2014 the Board of Directors approved the distribution of a dividend of € 0.45 per share. Its distribution, through a flexible dividend, was made during the month of February 2015. In this process a 40.46% of the rights have been acquired by ACS under the purchase commitment assumed by the company. For the remaining shareholders a total of 2,616,408 shares were issued on February 24, which have been redeemed simultaneously, as approved at the Shareholders General Meeting of May 29<sup>th</sup>, 2014.

- The 13th of February, 2015, ACS Actividades de Construcción y Servicios, S.A., has signed with a syndicate of banks, comprising forty-three Spanish and foreign entities, a financing contract for a total amount of 2,350 million euros, divided in two tranches (tranche A loan amounting to 1,650 million euros, and tranche B, a credit line amounting to 700 million euros) maturing on February 13th, 2020. This is dedicated to cancel the previously existing syndicated loan, signed on February 9th, 2012, for 1,430.3 million euros; and three loans to finance the acquisition of shares of Hochtief AG, that amount to 694.5 million euros.
- The 21st of January, 2015 Grupo ACS reached an agreement with Global Infrastructure Partners for the sale of the 49% of a company created to develop energy assets, where the renewable energy assets to be sold to Saeta Yield are included. This operation is pending the approval by the competent regulatory bodies.
- The 16th of February, 2015 Saeta Yield was listed on the Stock Exchange. With this transaction, the Grupo ACS sold 51% of the company to the market. Additionally, under the agreements reached with Global Infrastructure Partners, ACS has sold additionally a 24.4% of the company. Both transactions imply cash proceeds of 361 euro million, net of the capital increase performed before the listing, the intra group loans redemption and the expenses from the transaction.

## 2 Consolidated Financial Statements

### 2.1 Income Statement

<b>Grupo ACS</b>			<i>Income statement</i>		
Million Euro	<b>2013</b>		<b>2014</b>		<b>Var.</b>
<b>Net Sales</b>	<b>35,178</b>	<b>100.0 %</b>	<b>34,881</b>	<b>100.0 %</b>	<b>-0.8%</b>
Other revenues	571	1.6 %	623	1.8 %	+9.1%
<b>Total Income</b>	<b>35,749</b>	<b>101.6 %</b>	<b>35,504</b>	<b>101.8 %</b>	<b>-0.7%</b>
Operating expenses	(25,318)	(72.0 %)	(25,276)	(72.5 %)	-0.2%
Personnel expenses	(7,598)	(21.6 %)	(7,761)	(22.3 %)	+2.2%
<b>Operating Cash Flow (EBITDA)</b>	<b>2,833</b>	<b>8.1 %</b>	<b>2,466</b>	<b>7.1 %</b>	<b>-12.9%</b>
Fixed assets depreciation	(1,145)	(3.3 %)	(824)	(2.4 %)	-28.0%
Current assets provisions	(48)	(0.1 %)	(45)	(0.1 %)	-7.7%
<b>Ordinary Operating Profit (EBIT)</b>	<b>1,640</b>	<b>4.7 %</b>	<b>1,598</b>	<b>4.6 %</b>	<b>-2.6%</b>
Impairment & gains on fixed assets	(199)	(0.6 %)	(4)	(0.0 %)	n.a.
Other operating results	98	0.3 %	(634)	(1.8 %)	n.a.
<b>Operating Profit</b>	<b>1,539</b>	<b>4.4 %</b>	<b>960</b>	<b>2.8 %</b>	<b>-37.6%</b>
Financial income	362	1.0 %	354	1.0 %	-2.4%
Financial expenses	(1,122)	(3.2 %)	(1,036)	(3.0 %)	-7.7%
<b>Ordinary Financial Result</b>	<b>(760)</b>	<b>(2.2 %)</b>	<b>(682)</b>	<b>(2.0 %)</b>	<b>-10.2%</b>
Foreign exchange results	(23)	(0.1 %)	(24)	(0.1 %)	+2.0%
Changes in fair value for financial instruments	555	1.6 %	234	0.7 %	-57.9%
Impairment & gains on financial instruments	101	0.3 %	163	0.5 %	+61.1%
<b>Net Financial Result</b>	<b>(126)</b>	<b>(0.4 %)</b>	<b>(309)</b>	<b>(0.9 %)</b>	<b>+144.8%</b>
Results on equity method	96	0.3 %	132	0.4 %	+37.4%
<b>PBT of continued operations</b>	<b>1,509</b>	<b>4.3 %</b>	<b>782</b>	<b>2.2 %</b>	<b>-48.1%</b>
Corporate income tax	(425)	(1.2 %)	(319)	(0.9 %)	-25.0%
<b>Net profit of continued operations</b>	<b>1,084</b>	<b>3.1 %</b>	<b>464</b>	<b>1.3 %</b>	<b>-57.2%</b>
Profit after taxes of the discontinued operations	163	0.5 %	464	1.3 %	+184.3%
<b>Consolidated Result</b>	<b>1,247</b>	<b>3.5 %</b>	<b>928</b>	<b>2.7 %</b>	<b>-25.6%</b>
Minority interest	(545)	(1.6 %)	(211)	(0.6 %)	-61.4%
<b>Net Profit Attributable to the Parent Company</b>	<b>702</b>	<b>2.0 %</b>	<b>717</b>	<b>2.1 %</b>	<b>+2.2%</b>

#### 2.1.1 Sales and Backlog

- Net sales of Grupo ACS in the period accounted for € 34,881 million, 0.8% less than last year. This figure would have reached € 39,172 million, almost the same figure as last year, considering the revenues of John Holland and Leighton Services in 2013 and 2014, not accounting them as discontinued operations after its sale in December 2014.
- Sales by geographical area demonstrate the diversification of income sources of the Group, where America represents 39.3% of sales, Asia Pacific 34.3% and Europe a 25.7%. Spain represents a 16.0% of the total.



<b>Grupo ACS</b>					
<b>Sales per Geographical Areas</b>					
Euro Million	2013	%	2014	%	Var.
Spain	5,245	14.9 %	5,581	16.0%	+6.4%
Rest of Europe	4,498	12.8 %	3,381	9.7%	-24.8%
America	13,054	37.1 %	13,692	39.3%	+4.9%
Asia Pacific	11,917	33.9 %	11,960	34.3%	+0.4%
Africa	463	1.3 %	267	0.8%	-42.4%
<b>TOTAL</b>	<b>35,178</b>		<b>34,881</b>		<b>-0.8%</b>

<b>Sales per Geographical Area (inter area of activity adjustments excluded)</b>									
Euro Million	Construction			Industrial Services			Environment		
	2013	2014	Var.	2013	2014	Var.	2013	2014	Var.
Spain	1,393	1,415	+1.6%	2,739	2,466	-10.0%	1,148	1,728	+50.5%
Rest of Europe	3,510	2,604	-25.8%	693	482	-30.5%	296	296	-0.0%
America	9,754	10,283	+5.4%	3,014	3,126	+3.7%	286	283	-0.9%
Asia Pacific	11,707	11,517	-1.6%	210	443	+110.8%	0	0	n.a.
Africa	1	1	n.a.	411	234	-43.0%	52	32	-38.9%
<b>TOTAL</b>	<b>26,365</b>	<b>25,820</b>	<b>-2.1%</b>	<b>7,067</b>	<b>6,750</b>	<b>-4.5%</b>	<b>1,781</b>	<b>2,338</b>	<b>+31.3%</b>

- In Construction is worth noting the stabilization of the activity in Spain. In Europe and Asia Pacific the decrease in sales is due to the sale of HOCHTIEF Services and the exchange rate impact.
- Industrial Services shows a decrease in Spain after the finalization of several projects, mainly in thermosolar plants. Latam shows an increase in sales backed by the activity in Mexico. Middle East shows large growth backed by the Saudi Arabia projects awarded by late 2013. Both in Europe and Africa the drops come from the finalization of large projects (Bremen and South Africa).
- Environmental sales include Clece since the 1st of July, mainly a domestic activity.
- Group's backlog, which accounts for € 63,320 million, has grown by 6.7%.

<b>Grupo ACS</b>					
<b>Backlog per Geographical Areas</b>					
Euro Million	Dec-13	%	Dec-14	%	Var.
Spain	10,177	17.1 %	11,476	18.1%	+12.8%
Rest of Europe	8,778	14.8 %	8,019	12.7%	-8.6%
America	16,494	27.8 %	21,184	33.5%	+28.4%
Asia Pacific	23,516	39.6 %	21,758	34.4%	-7.5%
Africa	398	0.7 %	883	1.4%	+121.6%
<b>TOTAL</b>	<b>59,363</b>		<b>63,320</b>		<b>+6.7%</b>

<b>Backlog per Geographical Area</b>									
Euro Million	Construction			Industrial Services			Environment		
	Dec-13	Dec-14	Var.	Dec-13	Dec-14	Var.	Dec-13	Dec-14	Var.
Spain	3,354	3,247	-3.2%	2,327	1,937	-16.8%	4,496	6,293	+40.0%
Rest of Europe	5,302	4,827	-9.0%	597	370	-38.0%	2,879	2,821	-2.0%
America	12,175	16,550	+35.9%	3,310	3,626	+9.5%	1,008	1,009	+0.1%
Asia Pacific	22,675	20,512	-9.5%	841	1,247	+48.2%	0	0	n.a.
Africa	0	0	n.a.	337	842	+149.6%	61	41	-33.1%
<b>TOTAL</b>	<b>43,507</b>	<b>45,135</b>	<b>+3.7%</b>	<b>7,413</b>	<b>8,021</b>	<b>+8.2%</b>	<b>8,443</b>	<b>10,164</b>	<b>+20.4%</b>

It worth highlighting the evolution of Construction in America, after the acquisition of Prince and White and the good performance of Dragados, with major projects in Ohio and California, as well as Turner and Flatiron.

- In Europe, HOCHTIEF reduces its backlog as part of its operational restructuring, and Asia Pacific drop occurs in the mining activity.

- Industrial Services reduced its backlog in Spain, following the completion of projects of renewable energy, while in the rest of Europe has completed some projects that have not replaced. On the contrary, growth in America comes mostly from Mexico and Brazil, while growth in Asia comes from the Middle East, especially Saudi Arabia.
- Finally, the Environment portfolio grows mainly due to the incorporation of Clece.

### 2.1.2 Operating Results

<b>Grupo ACS</b>		<b>Operating Results</b>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>EBITDA</b>	<b>2,833</b>	<b>2,466</b>	<b>-12.9%</b>
<i>EBITDA Margin</i>	<i>8.1%</i>	<i>7.1%</i>	
<b>Depreciation</b>	<b>(1,145)</b>	<b>(824)</b>	<b>-28.0%</b>
<i>Construction</i>	<i>(946)</i>	<i>(623)</i>	<i>-34%</i>
<i>Industrial Services</i>	<i>(56)</i>	<i>(56)</i>	<i>-0.3%</i>
<i>Environment</i>	<i>(141)</i>	<i>(145)</i>	<i>+2.3%</i>
<i>Corporation</i>	<i>(1)</i>	<i>(1)</i>	<i>-16.9%</i>
<b>Current assets provisions</b>	<b>(48)</b>	<b>(45)</b>	<b>-7.7%</b>
<b>EBIT</b>	<b>1,640</b>	<b>1,598</b>	<b>-2.6%</b>
<i>EBIT Margin</i>	<i>4.7%</i>	<i>4.6%</i>	

- EBITDA accounted for € 2,466 million, showing a decrease of a 12.9% compared to 2013, whilst EBIT accounted for € 1,598 million, decreasing by 2.6%. The main reasons behind this operating margins evolution are:
  - ✓ The organizational, operational and backlog restructuring in HOCHTIEF Europe, Flatiron and Leighton, whose effects are expected to start generating results from 2015.
  - ✓ The impact of the decline in mining activity in Leighton, whose contribution margin is substantially larger than the other businesses.
  - ✓ The reduction in Industrial Services as a result of the slowdown in investment in the sector, impacted by the sharp drop in oil prices in recent quarters.
- The Construction depreciation includes the amortization of the higher value of certain assets because of the purchase price allocation "PPA", which have been accounted in the period for € 104.9 million gross, a 45.8% less than last year. There has been also a reduction of the depreciation after the creation of the FleetCo in Leighton.
- In the Other Operating Results account is included a provision for € 458 million, performed in Leighton (a Contract Debtors Provision), to reduce its operating activity risk on its balance sheet.

**2.1.3 Financial Results**

<b>Grupo ACS</b>		<i>Financial Results</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
Financial income	362	354	-2.4%
Financial expenses	(1,122)	(1,036)	-7.7%
<b>Ordinary Financial Result</b>	<b>(760)</b>	<b>(682)</b>	<b>-10.2%</b>
<i>Construction</i>	<i>(321)</i>	<i>(293)</i>	<i>-8.6%</i>
<i>Industrial Services</i>	<i>(156)</i>	<i>(145)</i>	<i>-6.9%</i>
<i>Environment</i>	<i>(59)</i>	<i>(54)</i>	<i>-8.5%</i>
<i>Corporation</i>	<i>(224)</i>	<i>(190)</i>	<i>-15.1%</i>

- Ordinary financial result decreased by 10.2% accounting for € 682 million. Financial expenses drop by 7.7% after the interest rates drop in the year. On the other hand, there is a decrease of 2.4% in the financial income, after the reduction in the contribution of Iberdrola DPS, which has been reduced.

<b>Grupo ACS</b>		<i>Financial Results</i>	
Millones de Euros	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Ordinary Financial Result</b>	<b>(760)</b>	<b>(682)</b>	<b>-10.2%</b>
<i>Foreign exchange Results</i>	<i>(23)</i>	<i>(24)</i>	<i>+2.0%</i>
<i>Impairment non current assets results</i>	<i>555</i>	<i>234</i>	<i>-57.9%</i>
<i>Results on non current assets disposals</i>	<i>101</i>	<i>163</i>	<i>+61.1%</i>
<b>Net Financial Result</b>	<b>(126)</b>	<b>(309)</b>	<b>+144.8%</b>

- Net financial result includes an impairment of fair value of certain financial instruments amounting to € 234 million, mainly from the derivatives of Iberdrola.
- Additionally, the results on non-current assets disposals account for € 163 million, and include the capital gains before taxes and minorities from the sales of Iridium, those from the redemption of the exchangeable bonds of Iberdrola and, in the negative side, the sale of several assets and the provisions created in HOCHTIEF.
- Results by equity method of associated companies include the contribution of HOCHTIEF affiliates, Iridium and Urbaser. In this figure are also included the benefits from various projects in Leighton and HOCHTIEF America developed in collaboration with other partners through shared management joint entities.

<b>Grupo ACS</b>		<i>Profit from Associates</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Results on equity method</b>	<b>96</b>	<b>132</b>	<b>+37.4%</b>
Construction	74	106	+43.3%
Industrial Services	3	7	+118.8%
Environment	19	19	+0.7%

### 2.1.4 Net Profit Attributable to the Parent Company

- Net result of the Group in the period accounts for € 717 million showing a 2.2% growth.

<b>Grupo ACS</b>		<b>Net Profit Details</b>	
Euro Million	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<i>Net Profit Construction</i>	189	223	+18.1%
<i>Net Profit Industrial Services</i>	418	420	0.5%
<i>Net Profit Environment</i>	58	72	+24.4%
<i>Net Profit Corporation</i>	37	2	n.a.
<b>Net Profit</b>	<b>702</b>	<b>717</b>	<b>+2.2%</b>

- Net profit from discontinued operations from both years correspond to the contribution of John Holland and Leighton Services and, in 2014 includes the net capital gain after the sale of those assets, amounting to € 409 million, whilst in 2013 also includes the capital gains after the sale of the telecom business of Leighton for € 82 million.
- Profit attributable to minority interests of € 211 million comes mainly because of HOCHTIEF, both because of the full consolidation into ACS and because of minorities coming from the consolidation of Leighton.
- Grupo ACS's effective tax rate, adjusted from the net contributions of financial investments and the equity method, stands at 34.7%.
- The impact of the tax rate changes in Spain has impacted the accounts with an additional expense of € 127 million.

## 2.2 Consolidated Balance Sheet

<b>Grupo ACS</b>		<b>Consolidated balance sheet</b>			
Million Euro	<b>December-13</b>		<b>December-14</b>		<b>Var.</b>
Intangible Fixed Assets	4,950	12.4 %	5,042	12.8 %	+1.9%
Tangible Fixed Assets	2,607	6.5 %	2,658	6.8 %	+2.0%
Investments accounted by Equity Method	1,366	3.4 %	1,231	3.1 %	-9.9%
Long Term Financial Investments	2,508	6.3 %	2,462	6.3 %	-1.8%
Long Term Deposits	559	1.4 %	404	1.0 %	-27.8%
Financial Instruments Debtors	41	0.1 %	6	0.0 %	-84.2%
Deferred Taxes Assets	2,380	6.0 %	2,196	5.6 %	n.a.
<b>Fixed and Non-current Assets</b>	<b>14,412</b>	<b>36.1 %</b>	<b>14,001</b>	<b>35.6 %</b>	<b>-2.8%</b>
Non Current Assets Held for Sale	5,310	13.3 %	3,822	9.7 %	-28.0%
Inventories	1,827	4.6 %	1,522	3.9 %	-16.7%
Accounts receivables	11,316	28.3 %	11,611	29.5 %	+2.6%
Accounts receivables (proceeds on sale of discontinued o	0	0.0 %	1,108	2.8 %	+0.0%
Short Term Financial Investments	2,980	7.5 %	1,893	4.8 %	-36.5%
Financial Instruments Debtors	12	0.0 %	34	0.1 %	+183.9%
Other Short Term Assets	185	0.5 %	162	0.4 %	-12.4%
Cash and banks	3,924	9.8 %	5,167	13.1 %	+31.7%
<b>Current Assets</b>	<b>25,554</b>	<b>63.9 %</b>	<b>25,320</b>	<b>64.4 %</b>	<b>-0.9%</b>
<b>TOTAL ASSETS</b>	<b>39,965</b>	<b>100 %</b>	<b>39,321</b>	<b>100 %</b>	<b>-1.6%</b>
Shareholders' Equity	3,803	9.5 %	3,452	8.8 %	-9.2%
Adjustments from Value Changes	(535)	(1.3 %)	(418)	(1.1 %)	-21.8%
Minority Interests	2,221	5.6 %	1,864	4.7 %	-16.1%
<b>Net Worth</b>	<b>5,489</b>	<b>13.7 %</b>	<b>4,898</b>	<b>12.5 %</b>	<b>-10.8%</b>
Subsidies	50	0.1 %	60	0.2 %	+20.1%
Long Term Financial Liabilities	7,411	18.5 %	6,091	15.5 %	-17.8%
Deferred Taxes Liabilities	1,381	3.5 %	1,269	3.2 %	-8.1%
Long Term Provisions	1,795	4.5 %	1,764	4.5 %	-1.7%
Financial Instruments Creditors	498	1.2 %	197	0.5 %	-60.5%
Other Long Term Accrued Liabilities	188	0.5 %	155	0.4 %	-17.6%
<b>Non-current Liabilities</b>	<b>11,324</b>	<b>28.3 %</b>	<b>9,535</b>	<b>24.2 %</b>	<b>-15.8%</b>
Liabilities from Assets Held for Sale	3,878	9.7 %	2,891	7.4 %	-25.5%
Short Term Provisions	1,108	2.8 %	1,342	3.4 %	+21.2%
Short Term Financial Liabilities	3,863	9.7 %	6,204	15.8 %	+60.6%
Financial Instruments Creditors	71	0.2 %	78	0.2 %	+10.9%
Trade accounts payables	13,677	34.2 %	13,962	35.5 %	+2.1%
Other current payables	556	1.4 %	411	1.0 %	-26.0%
<b>Current Liabilities</b>	<b>23,153</b>	<b>57.9 %</b>	<b>24,888</b>	<b>63.3 %</b>	<b>+7.5%</b>

### 2.2.1 Non-Current Assets

- Intangible assets include € 2,894 million corresponding to goodwill, of which € 1,389 million come from the acquisition of HOCHTIEF and € 781 million from ACS's merger with Dragados.

- Iberdrola investment is accounted in the balance sheet as follows:
  - a) In long term financial investments are included the direct stake of ACS in Iberdrola (89 million shares by 31st of December 14) at market prices. All of them are pledged in the exchangeable bonds issued by October 2013 and March 2014.
  - b) In the liabilities account “Financial Instruments Creditors” the following derivatives are included:
    - ✓ The equity swap of 164 million shares, out of which ACS holds the usufruct
    - ✓ The put spread that has substituted the call spread in the monetization process completed in December, for the notional value of the 453 million underlying shares.
  - c) In the Long Term Deposits account are included the funds acting as collateral in Iberdrola position, both for the equity swap and the put spread.
- The balance of the investments held by equity method includes, amongst others, various holdings in associated companies from HOCHTIEF and the stake of the Group in Clece. The later after its recent acquisition is fully consolidated since July 1st, 2014.
- The net deferred taxes account for € 927 million and corresponds mainly to previous tax losses and deductions.

### 2.2.2 Assets held for sale

- Grupo ACS keeps its strategy of asset rotation of projects that, once mature, will be sold partially or totally to reinvest in new greenfield projects.

<b>Grupo ACS</b>				<i>December-14</i>
Euro Million	Renewable energy	Energy Concessions	Other assets	TOTAL
Assets Held for Sale	3,337	274	211	3,822
Liabilities from Assets Held for Sale	2,635	171	84	2,891
<b>Net Assets Held for Sale</b>	<b>701</b>	<b>104</b>	<b>127</b>	<b>931</b>
Net Debt from Assets Held for Sale	2,001	134	78	2,213
EBITDA from Assets Held for Sale	285	4	7	296
<i>Net Debt/EBITDA</i>	<i>7.0x</i>	<i>30.9x</i>	<i>10.8x</i>	<i>7.5x</i>

- Net debt corresponding to these projects held for sale accounts for € 2,213 million, whilst the EBITDA of those projects in 2014 accounts for € 296 million.
- The 16<sup>th</sup> of February, 2015, Saeta Yield has been listed in the market. This company comprises a significant portion of the renewable assets of ACS that are considered as assets held for sale by 31<sup>st</sup> of December, 2014.
- Additional to that, ACS has reached an agreement with Global Infrastructure Partners to create a company to include the rest of the renewable assets, those on which Saeta holds a right of first offer.

- Both Saeta Yield stake and the company created alongside G.I.P. will be accounted as equity method investments in the accounts of Grupo ACS starting in the first quarter of 2015. This means a deconsolidation of the debt held for sale from the renewable assets of € 1,966 million, additional to the net debt reduction of € 506 million.

### 2.2.3 Working Capital

<b>Grupo ACS</b>		<i>Working Capital evolution</i>				
Million Euro	<b>Dec-13</b>	<b>Mar-14</b>	<b>Jun-14</b>	<b>Sep-14</b>	<b>Dec-14</b>	
Construction	(1,045)	(21)	51	(346)	(585)	
Industrial Services	(1,091)	(977)	(1,026)	(759)	(867)	
Environment	72	132	125	180	88	
Corporation	(7)	24	157	47	7	
<b>TOTAL</b>	<b>(2,071)</b>	<b>(842)</b>	<b>(693)</b>	<b>(877)</b>	<b>(1,356)</b>	

*Note: 2013 data has been reexpressed after the IFRS 11 standards changes*

- Net working capital has decreased its credit balance in the last 12 months by € 715 million. This figure includes the operating working capital deterioration of € 571 million, corresponding mainly to a transitory situation in Industrial Services, with an increase in the debtor account and prepayments reduction, from its activity in Mexico, and after the debtor account increase from clients in Dragados and Leighton.
- It's worth highlighting the factoring figure accounts by the period's end € 477 million.

### 2.2.4 Net Debt

<b>Net Debt (€ mn)</b>	<b>Construction</b>	<b>Industrial Services</b>	<b>Environmental Services</b>	<b>Corporation / Adjustments</b>	<b>Grupo ACS</b>
<i>December 31, 2014</i>					
LT loans from credit entities	1,068	418	871	101	2,458
ST loans from credit entities	1,311	1,087	386	2,125	4,909
<b>Debt with Credit Entities</b>	<b>2,380</b>	<b>1,505</b>	<b>1,256</b>	<b>2,226</b>	<b>7,367</b>
Bonds	2,672	0	0	1,018	3,689
Non Recourse Financing	212	61	320	390	983
Other financial liabilities	99	85	1	0	184
<b>Total External Gross Debt</b>	<b>5,362</b>	<b>1,652</b>	<b>1,577</b>	<b>3,633</b>	<b>12,223</b>
<b>Net debt with Group's companies &amp; Affiliates</b>	<b>53</b>	<b>(152)</b>	<b>(211)</b>	<b>268</b>	<b>(42)</b>
<b>Total Gross Debt</b>	<b>5,414</b>	<b>1,500</b>	<b>1,366</b>	<b>3,901</b>	<b>12,182</b>
ST & other financial investments	955	241	312	677	2,184
Cash & Equivalents*	4,458	1,601	214	2	6,275
<b>Total cash and equivalents</b>	<b>5,413</b>	<b>1,842</b>	<b>526</b>	<b>679</b>	<b>8,460</b>
<b>NET DEBT</b>	<b>2</b>	<b>(341)</b>	<b>839</b>	<b>3,223</b>	<b>3,722</b>

*(\*) Includes the Accounts Receivable of € 1,108 million from the sale of John Holland and Leighton Services.*

- Grupo ACS's total net debt at the end of 2014 amounts to € 3,722 million, a 2.3% less than in December 2013.
- This includes as less debt the Accounts Receivable of € 1,108 million after the sale of John Holland and Leighton Services that, once netted from the cash gone with the companies sold, of € 285 million, accounted for a net debt reduction of € 823 million.
- ACS Corporation accounts a net debt of € 3,223 million, including € 532 million derived from the exchangeable bonds for Iberdrola shares, and several bilateral loans. It also includes by December 31<sup>st</sup>, 2014, the debt from the acquisition of Hochtief AG, which has been cancelled by February 2015, and the syndicated loan maturing by July 2015.

- Both loans has been refinanced the 13th of February, 2015, and have been substituted by a loan with a syndicate of Banks, for a total amount of € 2,350 million, divided in two tranches (tranche A loan amounting to 1,650 million euros, and tranche B, a credit line amounting to 700 million euros) maturing on February 13th, 2020.,

### 2.2.5 Net Worth

<b>Grupo ACS</b>		<b>Net Worth</b>	
Million Euro	<b>Dec-13</b>	<b>Dec-14</b>	<b>Var.</b>
Shareholders' Equity	3,803	3,452	-9.2%
Adjustment s from Value Changes	(535)	(418)	-21.8%
Minority Interests	2,221	1,864	-16.1%
<b>Net Worth</b>	<b>5,489</b>	<b>4,898</b>	<b>-10.8%</b>

- The Net worth of ACS accounts for € 4,898 million by period end, decreasing by 10.8% since December 2013. This is impacted by the treasury stock acquisition of the period and the increase in the stake in Leighton Holdings and in HOCHTIEF AG.
- In the period the company has distributed the interim dividend referred to the results of 2013, approved in December 2013 and paid in February 2014 under the scrip dividend scheme. Additionally the complementary dividend has been also paid during July, as approved in the AGM the last 29<sup>th</sup> of May, and this accounts show the accrual of the interim dividends referred to the results of 2014, paid in February 2015.
- The Adjustments from Value Changes, which account for € 418 million, includes mainly the impact of the interest and exchange rates coverage variations in several capital intensive assets.
- The balance of minority interests includes the equity participation of minority shareholders of HOCHTIEF as well as minority interests included in the balance of the German company, mainly related to minority shareholders of Leighton Holdings. The decrease of the period is a consequence of the increased stake of HOCHTIEF in Leighton.



## 2.3 Net Cash Flows

Grupo ACS							Net Cash Flows	
Euro Million	2013			2014			Var.	
	TOTAL	HOT	ACS exHOT	TOTAL	HOT	ACS exHOT	TOTAL	ACS exHOT
<b>Cash Flow from Operating Activities before Working Capital</b>	<b>1,958</b>	<b>1,075</b>	<b>884</b>	<b>1,395</b>	<b>845</b>	<b>550</b>	<b>-28.8%</b>	<b>-37.7%</b>
Operating working capital variation	(873)	(583)	(290)	(571)	(89)	(482)		
<b>Cash Flow from Operating Activities</b>	<b>1,086</b>	<b>492</b>	<b>594</b>	<b>824</b>	<b>756</b>	<b>68</b>	<b>-24.1%</b>	<b>-89%</b>
1. Payments due for investments	(2,502)	(1,668)	(834)	(2,310)	(1,367)	(943)		
2. Cash collected from disposals	2,008	1,912	96	1,515	416	1,099		
<b>Cash flow from Investing Activities</b>	<b>(494)</b>	<b>244</b>	<b>(738)</b>	<b>(795)</b>	<b>(951)</b>	<b>156</b>	<b>+60.9%</b>	<b>n.a.</b>
1. Treasury stock acquisition	(98)	0	(98)	(358)	(48)	(310)		
2. Dividends paid	(398)	(180)	(218)	(318)	(151)	(167)		
3. Other financial sources	634	(128)	763	(11)	(60)	49		
<b>Other Cash Flows</b>	<b>139</b>	<b>(308)</b>	<b>447</b>	<b>(688)</b>	<b>(259)</b>	<b>(428)</b>	<b>n.a.</b>	<b>n.a.</b>
<b>Total Cash Flow generated / (Consumed)</b>	<b>730</b>	<b>427</b>	<b>302</b>	<b>(659)</b>	<b>(454)</b>	<b>(205)</b>	<b>n.a.</b>	<b>n.a.</b>

Note 1: A restatement of the 2013 cash flows has been performed as a consequence of the entry in force of the IFRS 10, 11 and 12. The main impact refers to the application of the IFRS 11 that affects the stake in Leighton, and consequently in HOCHTIEF.

Note 2: the account cash collected from disposals does not include the payment of € 1,108 million from the sale of John Holland and Leighton Services

### 2.3.1 Operating Activities

- Cash flows from operating activities have accounted for a cash inflow of € 824 million, showing a 24.1% decrease compared to last year due to:
  - a) The cash flow from operating activities before working capital variations have generated a cash inflow of € 1,395 million, out of which € 845 come from HOCHTIEF and € 550 from the rest of Grupo ACS activities. The drop in this figure is produced by the drop in mining activity, more capital intensive, and with a higher contribution margin, as well as because the drop in Industrial Services, after the reduction of their main clients investments in oil and gas activities.
  - b) Operating working capital has required cash of € 571 million, out of which € 89 million come from HOCHTIEF, mainly from Leighton and the growth experienced in America, and € 482 million from the rest of Grupo ACS activities, mainly from Construction and Industrial Services. Comparing the evolution versus the year 2013, Leighton has recuperated cash after finishing some projects in Australia generating underclaims, whilst Industrial Services deteriorated operating working capital because of several accounts receivable increases in Mexico in 2014.

### 2.3.2 Investments

Grupo ACS				Investments			
Euro Million	Operating Capex	Investments in Projects & Financial	Total Investments	Operating Disposals	Financial Disposals	Total Disposals	Net Investments
<b>Construction</b>	625	901	<b>1,526</b>	(152)	(1,604)	<b>(1,757)</b>	<b>(230)</b>
<i>Dragados</i>	50	73	<b>123</b>	(11)	(9)	<b>(20)</b>	<b>102</b>
<i>Hochtief</i>	575	791	<b>1,367</b>	(141)	(1,383)	<b>(1,524)</b>	<b>(157)</b>
<i>Iridium</i>	0	37	<b>37</b>	0	(213)	<b>(213)</b>	<b>(176)</b>
<b>Environmental Services</b>	120	228	<b>347</b>	(7)	(6)	<b>(13)</b>	<b>335</b>
<b>Industrial Services</b>	32	183	<b>215</b>	(7)	(252)	<b>(259)</b>	<b>(45)</b>
<b>Corporation &amp; others</b>	0	221	<b>222</b>	0	(594)	<b>(594)</b>	<b>(373)</b>
<b>TOTAL</b>	<b>777</b>	<b>1,532</b>	<b>2,310</b>	<b>(167)</b>	<b>(2,456)</b>	<b>(2,623)</b>	<b>(313)</b>

- Total investments in Grupo ACS accounted for € 2,310 million, whilst disposals accounted for € 2,623 million.
- Operational investments in Construction activity are related mainly to the acquisition of machinery for mining contracts by Leighton (€ 443 million net from operating disposals), showing a significant reduction after the drop in activity experienced and the more efficient management thanks to the creation of FleetCo.
- Concessional projects and financial investments in Construction required € 901 million, including mainly the public offer from HOCHTIEF on Leighton (€ 617 million), the acquisition in Dragados of Prince and White as well as the investments from Iridium and the HOCHTIEF joint ventures. The financial disposals in HOCHTIEF correspond to the sale of John Holland and Leighton Services and the real estate businesses in Europe. Those in Iridium correspond to the sale of the Seville Subway and other concessional projects.
- Investments in Industrial Services are mainly devoted to finish renewable energy projects under construction (€ 91 million). Disposals correspond mainly to the sale of the Escal SDG rights after the renounce to the Castor project concession (€ 240 million).
- In Environmental Services there has been an investment of € 121 million to acquire 25% of Clece and € 37 million to increase its stake in Tirme. Urbaser is building the treatment plant of Essex, in the UK, dedicating € 43 million in the period, as well as other assets in Chile, with an investment of € 29 million.
- In the Corporation are accounted the investments for the acquisition of HOCHTIEF shares, equivalent to a 5% of its share capital, for € 212 million. The ACS's stake in HOCHTIEF by the end of the period accounts for a 61.4%.

### 2.3.3 Other Cash Flows

- In the period the Group has dedicated € 358 million to the acquisition of treasury stock, as a consequence of the scrip dividend payment. Additionally has paid in cash € 160 million as dividends.
- HOCHTIEF and Leighton have paid to its minority shareholders € 151 million as dividends.

## 3 Areas of Activity Evolution

### 3.1 Construction

<b>Construction</b>		<i>Key Figures</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Turnover</b>	<b>26,365</b>	<b>25,820</b>	-2.1%
<b>EBITDA</b>	<b>1,656</b>	<b>1,323</b>	-20.1%
<i>Margin</i>	6.3%	5.1%	
<b>EBIT</b>	<b>674</b>	<b>704</b>	+4.4%
<i>Margin</i>	2.6%	2.7%	
<b>Net Profit</b>	<b>189</b>	<b>223</b>	+18.1%
<i>Margin</i>	0.7%	0.9%	
<b>Backlog</b>	<b>43,507</b>	<b>45,135</b>	+3.7%
<i>Months</i>	19	19	
<b>Net Investments</b>	<b>(101)</b>	<b>(230)</b>	+128.2%
<i>Projects &amp; financial (Gross Inv.)</i>	870	901	
<b>Working Capital</b>	<b>(1,045)</b>	<b>(585)</b>	-44.0%
<b>Net Debt</b>	<b>405</b>	<b>2</b>	n.a.
<i>ND/Ebitda</i>	0.2x	0.0x	

- Construction total sales accounted for € 25,820 million representing a decrease of a 2.1%. This figure includes the activity of all construction companies worldwide, including the contribution of HOCHTIEF and Iridium, the concessions activity of Grupo ACS. This figure is affected by the consolidation as discontinued operations of John Holland and Leighton Services both in 2013 and 2014.
- The sales decrease accounted is the result of the depreciation of the Australian Dollar, and it is impacted by the sale of assets in HOCHTIEF in 2013 (Facility Management in Europe) and the acquisition of Prince and White by Dragados in 2014. Excluding these effects, sales would have grown by 1.4%.
- EBITDA accounts for € 1,323 million, decreasing by 20.1%. This reduction is coming from the forex impact, perimeter changes and the creation of the FleetCo. Excluding all these effects the EBITDA would have decreased by 4.4%. The main reasons behind this drop are:
  - ✓ The organizational, operational and backlog restructuring in HOCHTIEF Europe, Flatiron and Leighton, whose effects are expected to start generating results from 2015.
  - ✓ The impact of the decline in mining activity in Leighton, whose contribution margin is substantially larger than the other businesses.
  - ✓ The gross margin convergence of Dragados to lower levels, as well as the lower contribution from Iridium after the sale of several assets.
- EBIT accounted for € 704 million, and is strongly impacted by the EBITDA drop. EBIT also is affected, on the positive side, by the lower depreciation of assets from the acquisition of HOCHTIEF, that account for € 104.9 million in the period, a figure 45.8% below the one accounted

in 2013. Also, there is a decrease in the depreciation of Leighton after the creation of FleetCo in Australia.

- Construction net profit reaches € 223 million and includes, in the negative side, a gross provision of € 458 million accounted in Leighton (Contract Debtors Provision) to reduce risk on the balance sheet related to its operating activity. On the positive side, it includes the capital gains after the sale of John Holland and Leighton Services in December 2014.
- Domestic business start showing some stabilization signals. In the rest of Europe sales drop as a consequence of the sale of Services and Real Estate in HOCHTIEF, and the restructuring of its backlog. American growth comes from USA mainly, whilst the decrease in Asia Pacific is due to the forex effect and the lower mining activity.

<b>Construction</b>		<i>Sales per geographical areas</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
Spain	1,393	1,415	+1.6%
Rest of Europe	3,510	2,604	-25.8%
America	9,754	10,283	+5.4%
Asia Pacific	11,707	11,517	-1.6%
Africa	1	1	n.a.
<b>TOTAL</b>	<b>26,365</b>	<b>25,820</b>	<b>-2.1%</b>

- The backlog accounted at the end of the period, € 45,135 million grows a 3.7% compared to the figure recorded 12 months ago. This is backed by the growth in America, after the acquisition of Prince and White, the outstanding evolution of the backlog in Dragados, with new projects in Ohio and California, as well as the growth in Turner and Flatiron. In Europe HOCHTIEF reduces significantly its backlog after its operating restructuring, and in Asia Pacific the drop is provoked by the mining activity.

<b>Construction</b>		<i>Backlog per geographical areas</i>	
Million Euro	<b>Dec-13</b>	<b>Dec-14</b>	<b>Var.</b>
Spain	3,354	3,247	-3.2%
Rest of Europe	5,302	4,827	-9.0%
America	12,175	16,550	+35.9%
Asia Pacific	22,675	20,512	-9.5%
Africa	0	0	n.a.
<b>TOTAL</b>	<b>43,507</b>	<b>45,135</b>	<b>+3.7%</b>

Construction														
Euro Million	Dragados			Iridium			HOCHTIEF (ACS contr.)			Adjustments		Total		
	2013	2014	Var.	2013	2014	Var.	2013	2014	Var.	2013	2014	2013	2014	Var.
Sales	3,760	3,643	-3.1%	106	77	-26.9%	22,499	22,099	-1.8%	0	0	26,365	25,820	-2.1%
EBITDA	319	295	-7.5%	50	21	-59.0%	1,086	906	-16.6%	201	101	1,656	1,323	-20.1%
Margin	8.5%	8.1%		47.4%	26.6%		4.8%	4.1%				6.3%	5.1%	
EBIT	234	257	+9.5%	22	(4)	n/a	375	456	+21.6%	43	(4)	674	704	+4.4%
Margin	6.2%	7.0%		20.6%	-5.7%		1.7%	2.1%				2.6%	2.7%	
Net Financial Results	(40)	(48)		(70)	(57)		(211)	(188)		(0)	0	(321)	(293)	
Equity Method	5	3		23	16		153	75		(106)	11	74	106	
Other Results	(49)	(68)		(3)	35		214	(521)		173	(0)	335	(554)	
EBT	150	144	-4.1%	(28)	(11)	+59.5%	530	(177)	n.a.	110	7	762	(37)	n/a
Taxes	(52)	(39)		18	9		(158)	45		(56)	(5)	(249)	11	
Profit from Disc. Operations	0	0		0	0		174	538		(10)	(73)	163	464	
Minorities	3	(2)		1	2		(454)	(255)		(38)	40	(488)	(215)	
Net Profit	101	103	+1.6%	(9)	0	n/a	91	150	+65.5%	6	(30)	189	223	+18.1%
Margin	2.7%	2.8%		-8.8%	0.2%		0.4%	0.7%				0.7%	0.9%	
Backlog	7,622	9,431	+23.7%	n.a.	n.a.		35,884	35,704	-0.5%			43,507	45,135	+3.7%
Months	24	31		n.a.	n.a.		19	19				20	21	

Note: . The column "Adjustments" includes the PPA adjustments, the PPA depreciation and the tax and minorities from both.

- The activity of Dragados in Spain is becoming more stable, whilst Dragados International drops as a result of the finalization of several jobs in the US and Canada, that have been already substituted by new concessions accounted in the backlog during recent months.
- The net impact of HOCHTIEF to the profit, after the minority interests, accounts for € 150 million, proportional to the effective stake of ACS in the period, which by the end of 2014 accounted for a 61.4% of the share capital.

HOCHTIEF														
Euro Million	America			Asia Pacific			Europe			Holding*		Total		
	2013	2014	Var.	2013	2014	Var.	2013	2014	Var.	2013	2014	2013	2014	Var.
Sales	7,944	8,615	+8.5%	11,623	11,397	-1.9%	2,819	1,966	-30.3%	112	121	22,499	22,099	-1.8%
EBITDA	83	121	+45.6%	1,122	917	-18.3%	(62)	(73)	+17.6%	(57)	(58)	1,086	906	-16.6%
Margin	1.0%	1.4%		9.7%	8.0%		-2.2%	-3.7%		0.0%	0.0%	4.8%	4.1%	
EBIT	55	97	+77.1%	504	524	+4.0%	(124)	(105)	-15.3%	(60)	(61)	375	456	+21.6%
Margin	0.7%	1.1%		4.3%	4.6%		-4.4%	-5.3%		0.0%	0.0%	1.7%	2.1%	
Net Financial Results	(19)	(14)		(178)	(157)		(23)	(13)		9	(4)	(211)	(188)	
Equity Method	46	31		(9)	11		56	34		60	0	153	75	
Other Results	13	(5)		(87)	(493)		154	11		134	(33)	214	(521)	
EBT	94	108	+15.3%	230	(115)	n.a.	63	(73)	n.a.	143	(98)	530	(177)	n.a.
Taxes	(22)	(30)		(94)	(15)		(23)	(12)		(19)	103	(158)	45	
Profit from Disc. Opera	0	0		174	538		0	0		0	0	174	538	
Minorities	(12)	(15)		(126)	(143)		(8)	4		(228)	0	(374)	(154)	
Net Profit	59	63	+6.3%	184	265	+44.1%	32	(81)	n.a.	(104)	4	171	252	+47.0%
Margin	0.7%	0.7%		1.6%	2.3%		1.1%	-4.1%				0.8%	1.1%	

(\*) the results from the Airports activity in from 2013 have been included in the Holding accounts.

- The good evolution of HOCHTIEF Americas is due to the end of several projects in the period. Leighton is affected in terms of EBITDA after the depreciation of the Australian Dollar and the drop in mining activity, more capital intensive and with a higher contribution margin. Europe and the Holding include non-recurrent costs in 2014 and a lower contribution from asset disposals.

### 3.2 Industrial Services

<b>Industrial Services</b>		<i>Key Figures</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Turnover</b>	<b>7,067</b>	<b>6,750</b>	<b>-4.5%</b>
<b>EBITDA</b>	<b>937</b>	<b>902</b>	<b>-3.8%</b>
<i>Margin</i>	<i>13.3%</i>	<i>13.4%</i>	
<b>EBIT</b>	<b>881</b>	<b>810</b>	<b>-8.0%</b>
<i>Margin</i>	<i>12.5%</i>	<i>12.0%</i>	
<b>Net Profit</b>	<b>418</b>	<b>420</b>	<b>+0.5%</b>
<i>Margin</i>	<i>5.9%</i>	<i>6.2%</i>	
<b>Backlog</b>	<b>7,413</b>	<b>8,021</b>	<b>+8.2%</b>
<i>Months</i>	<i>13</i>	<i>14</i>	
<b>Net Investments</b>	<b>388</b>	<b>(45)</b>	<b>n.a.</b>
<b>Working Capital</b>	<b>(1,091)</b>	<b>(867)</b>	<b>-20.6%</b>
<b>Net Debt</b>	<b>(621)</b>	<b>(341)</b>	<b>-45.0%</b>
<i>ND/Ebitda</i>	<i>-0.7x</i>	<i>-0.4x</i>	

- Industrial Services sales have accounted for € 6,750 million, showing a drop of a 4.5% compared to 2013, after the reduction in the activity in Europe and America (due to the finalization of jobs in USA, Panama and Dominican Republic).

<b>Industrial Services</b>		<i>Sales per geographical areas</i>	
Euro Million	<b>2013</b>	<b>2014</b>	<b>Var.</b>
Spain	2,739	2,466	-10.0%
Rest of Europe	693	482	-30.5%
America	3,014	3,126	+3.7%
Asia Pacific	210	443	+110.8%
Africa	411	234	-43.0%
<b>TOTAL</b>	<b>7,067</b>	<b>6,750</b>	<b>-4.5%</b>

- EPC projects grows slightly as a consequence of the finalization of renewable projects in Spain and US, as well as some projects in Central America, not yet substituted in terms of activity by recent awards.

<b>Industrial Services</b>		<i>Turnover breakdown by activity</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Support Services</b>	<b>3,904</b>	<b>3,471</b>	<b>-11.1%</b>
<i>Networks</i>	<i>647</i>	<i>661</i>	<i>+2.2%</i>
<i>Specialized Products</i>	<i>2,396</i>	<i>1,965</i>	<i>-18.0%</i>
<i>Control Systems</i>	<i>862</i>	<i>845</i>	<i>-2.0%</i>
<b>EPC Projects</b>	<b>2,872</b>	<b>2,923</b>	<b>+1.8%</b>
<b>Renewable Energy: Generation</b>	<b>343</b>	<b>406</b>	<b>+18.5%</b>
<i>Consolidation Adjustments</i>	<i>(53)</i>	<i>(50)</i>	
<b>TOTAL</b>	<b>7,067</b>	<b>6,750</b>	<b>-4.5%</b>
<b>International</b>	<b>4,328</b>	<b>4,284</b>	<b>-1.0%</b>
<i>% over total sales</i>	<i>61.2%</i>	<i>63.5%</i>	

- The income from energy generation is increasing by 18.5% after the incorporation of a new thermosolar plant in Spain and the larger contribution from the wind parks.

<b>Industrial Services</b>			
<i>Backlog per geographical areas</i>			
Euro Million	<b>Dec-13</b>	<b>Dec-14</b>	<b>Var.</b>
Spain	2,327	1,937	-16.8%
Rest of Europe	597	370	-38.0%
America	3,310	3,626	+9.5%
Asia Pacific	841	1,247	+48.2%
Africa	337	842	+149.6%
<b>TOTAL</b>	<b>7,413</b>	<b>8,021</b>	<b>+8.2%</b>

- Backlog grows by 8.2% up to € 8,021 million. International backlog represents 75.9% of the total amount.

<b>Industrial Services</b>			
<i>Backlog per activity</i>			
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Support Services</b>	<b>4,507</b>	<b>4,833</b>	<b>+7.2%</b>
<i>Networks</i>	474	474	+0.1%
<i>Specialized Products</i>	2,792	3,071	+10.0%
<i>Control Systems</i>	1,242	1,288	+3.7%
<b>EPC Projects</b>	<b>2,451</b>	<b>3,097</b>	<b>+26.4%</b>
<b>Renewable Energy: Generation</b>	<b>455</b>	<b>92</b>	<b>-79.8%</b>
<b>TOTAL BACKLOG</b>	<b>7,413</b>	<b>8,021</b>	<b>+8.2%</b>
<b>International</b>	<b>5,086</b>	<b>6,085</b>	<b>+19.6%</b>
<i>% over total backlog</i>	68.6%	75.9%	

- EBITDA accounted for € 902 million, a 3.8% less than in 2013 (showing a drop in comparable terms of a 2.1%), increasing margin on sales up to 13.4%, thanks to the larger weight of renewables in the total results.
- EBIT decreased by 8.0% down to € 810 million, with a margin of a 12.0%. This drop is due to the increase in provisions to reduce the operating risk of the balance sheet, which in 2014 accounted for € 35.4 million.
- Net profit accounted for € 420 million, a 0.5% more than in 2013 thanks to the financial expenses reduction and the lower tax rate of the activity.

### 3.3 Environment

<b>Environment</b>		<i>Key Figures</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Turnover</b>	<b>1,781</b>	<b>2,338</b>	<b>+31.3%</b>
<b>EBITDA</b>	<b>275</b>	<b>291</b>	<b>+5.7%</b>
<i>Margin</i>	<i>15.4%</i>	<i>12.4%</i>	
<b>EBIT</b>	<b>123</b>	<b>135</b>	<b>+9.4%</b>
<i>Margin</i>	<i>6.9%</i>	<i>5.8%</i>	
<b>Net Profit</b>	<b>58</b>	<b>72</b>	<b>+24.4%</b>
<i>Margin</i>	<i>3.2%</i>	<i>3.1%</i>	
<b>Backlog</b>	<b>8,443</b>	<b>10,164</b>	<b>+20.4%</b>
<i>Months</i>	<i>57</i>	<i>41</i>	
<b>Net Investments</b>	<b>173</b>	<b>335</b>	<b>+93.0%</b>
<b>Working Capital</b>	<b>72</b>	<b>88</b>	<b>+23.5%</b>
<b>Net Debt</b>	<b>660</b>	<b>839</b>	<b>+27.2%</b>
<i>ND/Ebitda</i>	<i>2.4x</i>	<i>2.6x</i>	

- Sales in the area of Environment increase by 31.3% as a consequence of the incorporation of Clece by global consolidation since 1<sup>st</sup> of July 2014. In comparable terms, excluding this effect and the exchange rate variations, sales would have decreased by 1.1%.
- EBITDA accounts for € 291 million and grows by 5.7%. Not including the effect of Clece incorporation and the forex impacts, the drop would have been a 1.6%, after the decrease in Urban Services activity. Net profit grows by 24.4% , a 21.6% in comparable terms. This growth is due to the improvements in the waste treatment activities, as well as because the lower financial expenses.

<b>Environment</b>		<i>Sales breakdown</i>	
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>
<b>Waste Treatment</b>	<b>533</b>	<b>523</b>	<b>-1.9%</b>
<b>Urban Services</b>	<b>1,118</b>	<b>1,031</b>	<b>-7.8%</b>
<b>Logistics</b>	<b>130</b>	<b>134</b>	<b>+2.4%</b>
<b>Facility Management</b>	<b>0</b>	<b>650</b>	<b>n.a.</b>
<b>TOTAL</b>	<b>1,781</b>	<b>2,338</b>	<b>+31.3%</b>
<b>International</b>	<b>633</b>	<b>610</b>	<b>-3.6%</b>
<i>% over total sales</i>	<i>35.5%</i>	<i>26.1%</i>	

- Waste Treatment activity, which includes capital-intensive recycling, treatment and incineration plants, landfills and the facilities to produce methane and other kinds of renewable energy, has decreased by 1.9%.
- Urban Services activity includes the collection of municipal solid waste, landscaping, street cleaning and other management services to municipalities. This is primarily an activity that takes place in Spain, is labor intensive and has experienced a sales decrease of 7.8% produced by the rationalization of several contracts in Spain in 2013.
- Logistics activity includes the residual assets of transportation.
- Facility Management includes the activity of Clece. In annual terms, sales of the company, mainly domestic, grow by 7% up to € 1,304 million.



- International sales drop by 3.6% as a consequence of the exchange rate evolution, mainly in Latam. Not taking this effect into consideration, nor the incorporation of Clece, international sales would have grown by 7.2%. By the end of 2014 represented 26.1% of the total.

<b>Environment</b>		<i>Sales per geographical areas</i>		
Million Euro	<b>2013</b>	<b>2014</b>	<b>Var.</b>	
Spain	1,148	1,728	+50.5%	
Rest of Europe	296	296	-0.0%	
America	286	283	-0.9%	
Asia Pacific	0	0	n.a.	
Africa	52	32	-38.9%	
<b>TOTAL</b>	<b>1,781</b>	<b>2,338</b>	<b>+31.3%</b>	

- Environment backlog accounts for € 10,164 million, equivalent to 3 years. It is a 20.4% higher than the figure accounted last year. Not including the consolidation effect of Clece and the exchange rates, it would have decreased by 5.3%.

<b>Environment</b>		<i>Backlog breakdown by activity</i>		
Million Euro	<b>Dec-13</b>	<b>Dec-14</b>	<b>Var.</b>	
<b>Waste Treatment</b>	<b>5,868</b>	<b>6,072</b>	<b>+3.5%</b>	
<b>Urban Services</b>	<b>2,575</b>	<b>2,384</b>	<b>-7.4%</b>	
<b>Facility Management</b>	<b>0</b>	<b>1,708</b>	<b>n.a.</b>	
<b>TOTAL</b>	<b>8,443</b>	<b>10,164</b>	<b>+20.4%</b>	
<i>International</i>	<b>3,947</b>	<b>3,871</b>	<b>-1.9%</b>	
<i>% over total backlog</i>	<b>46.8%</b>	<b>38.1%</b>		

- International backlog, which mainly corresponds to Waste Treatment, weights 38.1% of the total.

<b>Environment</b>		<i>Backlog per geographical areas</i>		
Million Euro	<b>Dec-13</b>	<b>Dec-14</b>	<b>Var.</b>	
Spain	4,496	6,293	+40.0%	
Rest of Europe	2,879	2,821	-2.0%	
America	1,008	1,009	+0.1%	
Asia Pacific	0	0	n.a.	
Africa	61	41	-33.1%	
<b>TOTAL</b>	<b>8,443</b>	<b>10,164</b>	<b>+20.4%</b>	

## 4 Relevant facts after the end of the period

- The 13th of February, 2015, ACS Actividades de Construcción y Servicios, S.A., has signed with a syndicate of banks, comprising forty-three Spanish and foreign entities, a financing contract for a total amount of 2,350 million euros, divided in two tranches (tranche A loan amounting to 1,650 million euros, and tranche B, a credit line amounting to 700 million euros) maturing on February 13th, 2020. This is dedicated to cancel the previously existing syndicated loan, signed on February 9th, 2012, for 1,430.3 million euros; and three loans to finance the acquisition of shares of Hochtief AG, that amount to 694.5 million euros.
- The 21st of January, 2015 Grupo ACS reached an agreement with Global Infrastructure Partners for the sale of the 49% of a company created to develop energy assets, where the renewable energy assets to be sold to Saeta Yield are included. This operation is pending the approval by the competent regulatory bodies.
- The 16th of February, 2015 Saeta Yield was listed on the Stock Exchange. With this transaction, the Grupo ACS sold 51% of the company to the market. Additionally, under the agreements reached with Global Infrastructure Partners, ACS has sold additionally a 24.4% of the company. Both transactions imply cash proceeds of 361 euro million, net of the capital increase performed before the listing, the intra group loans redemption and the expenses from the transaction.

## 5 Description of the main risks and opportunities

- Grupo ACS operates in different sectors, countries and economic and legal environments involving exposure to different levels of risk, inherent in the businesses in which it operates.
- ACS monitors and controls these risks in order to avoid a decline in the profitability of its shareholders, a danger to its employees or its corporate reputation, a problem for customers or a negative impact for the Group as a whole. To perform this task to control the risk, Grupo ACS has instruments to identify and to manage them properly in sufficient time, either by preventing its materialization or minimizing impacts, prioritizing, depending on their importance, as necessary. Notable are those systems related to control the bidding, contracting, planning and management of works and projects, systems of quality management, environmental management and human resources.
- In addition to the risks specific to the various businesses in which it operates, ACS is exposed to various financial risks, either by changes in interest or exchange rates, liquidity risk or credit risk.
  - a) The risks arising from changes in interest rates on cash flows are mitigated by ensuring the rates of financial instruments to cushion its fluctuation.
  - b) Risk management of exchange rates is done by taking debt in the same functional currency as that of the assets that the Group finances overseas. To cover the net positions in currencies other than euro, the Group arranges various financial instruments in order to reduce such exposure to exchange rate risk.
  - c) The most important aspects impacting the liquidity financial risks of ACS during the period are:
    - ✓ The refinancing of the corporate debt by signing a debt contract of 2,350 euro million, divided in two tranches (tranche A loan amounting to 1,650 million euros, and tranche B, a credit line amounting to 700 million euros) maturing on February 13th, 2020.
    - ✓ The issuance of an exchangeable bond on Iberdrola shares for € 405.6 million, maturing by the 27<sup>th</sup> of March, 2019. This bond has been partially redeemed

alongside with the bond issued on October 2013 thanks to the positive evolution of the pledged shares of Iberdrola.

- ✓ The issuance of a non rated bond by Hochtief for € 500 million maturing by May 2019.
  - ✓ The renovation of the Euro Commercial Paper program for € 750 million.
  - ✓ The renovation of the Urbaser syndicated loan for € 600 mn up to 2017.
  - ✓ The combined credit and guarantees line of € 2,000 million held by Hochtief with a syndicate of international banks has been extended in time up to April 2019
  - ✓ Grupo ACS holding accounts more than € 650 million in cash.
  - ✓ Lastly, credit risk of commercial loans is countered through preventive screening of "rating" of creditworthiness of potential customers of the Group, both at the beginning of the relationship for each work or project and for the duration the contract, evaluating the credit quality of outstanding amounts and checking the estimated amounts recoverable from those considered as doubtful.
- Corporate Governance and Corporate Responsibility Annual Reports, and the Consolidated Financial Statements of Grupo ACS ([www.grupoacs.com](http://www.grupoacs.com)), develops more in detail the risks and the tools for control. Likewise the Annual Report of Hochtief ([www.hochtief.com](http://www.hochtief.com)) details the risks inherent in the German company and its control mechanisms.
  - For the next six months since the date of closure of the accounts referred in this document, Grupo ACS, based on information currently available, does not expect to deal with situations of risk and uncertainty significantly different to those of the last six months of the period closed, except those arising from:
    - a) The internationalization of the Group's activities;
    - b) The impact in the growth slowdown in Asia Pacific
    - c) Economic and financial uncertainties arising from the European crisis.
    - d) The slow growth in infrastructure investments in Spain after the cut in investment from the central government.

## 6 Corporate Social Responsibility

- Grupo ACS is a worldwide reference in the infrastructure development industry, participating in sectors which are fundamental to the economy. It defines itself as a company committed to economic and social progress in the countries where it is present. This commitment with society is summarized in four fields of action:
  - ✓ Respect for the ethics, integrity and professionalism in the Group’s relationship with stakeholders.
  - ✓ Respect for the social, economic and environmental setting
  - ✓ Promotion of innovation and research in its application to infrastructure development
  - ✓ Creation of employment and well-being, as an economic motor for its stakeholders
- To tackle the Corporate Responsibility policy coordination, taking into consideration its operational decentralization and geographic breadth, has developed project “one”, which aims to promote good management practices and the spread of corporate culture. The areas of non-financial management which affects are ethics, efficiency and employee.
- The details on Corporate Responsibility of Grupo ACS are included in the web page of the Group ([www.grupoacs.com](http://www.grupoacs.com)) and in the CR Report.

### 6.1 Ethics

- Grupo ACS and its affiliated companies are fully committed to promoting, strengthening and controlling issues related to ethics and integrity, through measures to prevent, detect and eradicate bad practices.
- The Group has developed and implemented the General Code of Conduct, which applies to 100% of employees, suppliers and subcontractors. Additionally, develops training initiatives to publicize the Code to all of them, as well as the implementation of the Grupo ACS Ethical Channel, that allows anyone to communicate any misconducts or any breaches of the Code of Conduct if applicable.

### 6.2 Efficiency

- Grupo ACS has identified a number of non-financial functional areas that are key to the development of its activities, which are part of the industrial production process and that generate a significant portion of the profitability and productivity of the operating companies.

#### **Contracting and Production**

- The commitment to clients is one of the most important corporate values of Grupo ACS. Almost all of the Group’s companies have a customer management system, controlled by the bidding department. Aspects common to all companies are:
  - ✓ Tracking of customer needs.
  - ✓ Periodic measurement of customer satisfaction.
  - ✓ Development of new business.
- Quality is a determining factor for the ACS Group, as it represents the factor distinguishing it from the competition in the infrastructure and services industry, with high technical sophistication.

- Each company in the group adapts its needs to the specific characteristics of its type of production, but a series of common lines of action have been identified within their Quality Management Systems:
  - ✓ Objectives are set periodically as regards quality and their fulfillment is assessed.
  - ✓ Initiatives and actions are carried out aimed at improving the quality of the services provided.
  - ✓ Specific actions are carried out in collaboration with suppliers and subcontractors to improve quality.
- The decentralization of procurement and suppliers in the Group requires a detailed monitoring and control process, which have the following points in common in all companies:
  - ✓ Implementation of specific rules and a management, classification, approval and risk management system of suppliers and subcontractors.
  - ✓ Analysis of the level of compliance within these systems.
  - ✓ Collaboration with suppliers and transparency in contractual relations.

#### Activities in Research, Development and Innovation

- Grupo ACS is committed to a policy of continuous improvement of its processes and applied technology in all areas of activity. Involvement with research, development and innovation is evident in the increased investment and effort in R + D + i, year after year. This effort translates into tangible improvements in productivity, quality, customer satisfaction, job security, development of new and better materials, product and process design or more efficient production systems, among others.
- To this end, ACS maintains its own program of research to develop new technological knowledge to the design of processes, systems, new materials, etc. for each area of activity. The management of R + D + i is done through a system that broadly follows the guidelines of the UNE 166002:2006 rule and is audited by independent experts.
- This program is based on three premises for action:
  - a) Development of individualized strategic research lines per company.
  - b) Development of projects with prestigious research institutions, both of domestic and European level to complement the capabilities of Grupo ACS researchers.
  - c) Increased investment in order to implement the research, to generate patents and operational techniques more consistent and efficient.

#### Environmental Protection

- ACS develops activities that involve a significant environmental impact, directly as a result of altering the environment or indirectly by the consumption of materials, energy and water. ACS develops its activities in a manner respectful to the law, adopting the most efficient measures to reduce these negative effects, and reports its activity through the mandatory impact studies.
- Additionally, develops policies and processes suited to encourage a high percentage of the Group's business to certify under ISO 14001 rule, which represents an additional commitment to those required by law towards best environmental practices.
- In addition, ACS has ongoing action plans in its companies to reduce environmental impacts in more specific areas. The main initiatives are:
  - a) Actions to help reduce climate change.
  - b) Initiatives to enhance energy efficiency in their activities.

- c) Procedures to help reduce to a minimum the impact on biodiversity in those projects where necessary.
- d) Promoting good practices designed to save water in locations with water stress.

### 6.3 Employees

#### Human Resources

- Grupo ACS employed at the end of the period a total of 210,345 people, of which 33,473 are university graduates.
- Some of the fundamental principles governing corporate human resources policies of the Group companies are based on the following joint actions:
  - a) To attract, retain and motivate talented people.
  - b) To promote teamwork and quality control as tools to encourage the excellence of a job well done.
  - c) To act quickly, promoting accountability and minimizing bureaucracy.
  - d) To support and increase training and learning.
  - e) To innovate to improve processes, products and services.

#### Health and Safety

- The prevention of occupational risks is one of the strategic pillars of all Grupo ACS companies. The risk prevention policy complies with the various Occupational Health and Safety regulations which govern the area in the countries where it is operates, at the same time as promoting integration of occupational risks into the company strategy by means of advanced practices, training and information. Despite the fact that they operate independently, the great majority of the Group's companies share common principles in the management of their employees' health and safety. These principles are the following:
  - ✓ Compliance with current legislation on occupational risk prevention and other requirements voluntarily observed
  - ✓ Integration of occupational risk prevention into the set of initiatives and at all levels, implemented through correct planning and its putting into practice
  - ✓ Adoption of all those measures necessary to ensure employees' protection and well-being
  - ✓ Achieving continuous improvement of the system by means of appropriate training and information as regards risk prevention
  - ✓ Qualification of staff and application of technological innovations

## 7 Information on affiliates

- Information regarding transactions with related parties is carried out in the relevant section of the annual financial report submitted to the CNMV.
- During the twelve months preceding the closing of the accounts to which this document relates, transactions with related parties have not materially affected the financial position or results of operations during this period.
- All these trade relations with related parties have been made in the ordinary course of business, market conditions and correspond to normal operations of the Group Companies.

## 8 Annexes

### 8.1 Main figures per area of activity\*

<b>TURNOVER</b>					
Million Euro	<b>2013</b>		<b>2014</b>		<b>Var.</b>
Construction	26,365	75 %	25,820	74 %	-2.1%
Industrial Services	7,067	20 %	6,750	19 %	-4.5%
Environmental Services	1,781	5 %	2,338	7 %	+31.3%
Corporation / Adjustments	(35)		(27)		
<b>TOTAL</b>	<b>35,178</b>		<b>34,881</b>		<b>-0.8%</b>

<b>EBITDA</b>					
Million Euro	<b>2013</b>		<b>2014</b>		<b>Var.</b>
Construction	1,656	58 %	1,323	53 %	-20.1%
Industrial Services	937	32 %	902	36 %	-3.8%
Environmental Services	275	10 %	291	12 %	+5.7%
Corporation / Adjustments	(35)		(49)		
<b>TOTAL</b>	<b>2,833</b>		<b>2,466</b>		<b>-12.9%</b>

<b>EBIT</b>					
Million Euro	<b>2013</b>		<b>2014</b>		<b>Var.</b>
Construction	675	40 %	704	43 %	+4.4%
Industrial Services	881	53 %	810	49 %	-8.0%
Environmental Services	123	7 %	135	8 %	+9.4%
Corporation / Adjustments	(39)		(52)		
<b>TOTAL</b>	<b>1,640</b>		<b>1,598</b>		<b>-2.6%</b>

<b>NET PROFIT</b>					
Million Euro	<b>2013</b>		<b>2014</b>		<b>Var.</b>
Construction	189	28 %	223	31 %	+18.1%
Industrial Services	418	63 %	420	59 %	+0.5%
Environmental Services	58	9 %	72	10 %	+24.4%
Corporation / Adjustments	37		2		
<b>TOTAL</b>	<b>702</b>		<b>717</b>		<b>+2.2%</b>

<b>NET INVESTMENTS</b>					
Million Euro	<b>2013</b>		<b>2014</b>		<b>Var.</b>
Construction	(101)		(230)		n.a.
Industrial Services	388		(45)		n.a.
Environmental Services	173		335		+93.0%
Corporation / Adjustments	34		(373)		n.a.
<b>TOTAL</b>	<b>494</b>		<b>(313)</b>		<b>n.a.</b>

<b>BACKLOG</b>					
Million Euro	<b>Dec-13</b>		<b>Dec-14</b>		<b>Var.</b>
		months		months	
Construction	43,507	19	45,135	19	+3.7%
Industrial Services	7,413	13	8,021	14	+8.2%
Environmental Services	8,443	57	10,164	41	+20.4%
<b>TOTAL</b>	<b>59,363</b>	<b>19</b>	<b>63,320</b>	<b>20</b>	<b>+6.7%</b>

<b>NET DEBT</b>					
Million Euro	<b>Dec-13</b>		<b>Dec-14</b>		<b>Var.</b>
Construction	405	11 %	2	0 %	-99.6%
Industrial Services	(621)	(16 %)	(341)	(9 %)	-45.0%
Environmental Services	660	17 %	839	23 %	+27.2%
Corporation / Adjustments	3,367	88 %	3,223	86 %	-4.3%
<b>TOTAL</b>	<b>3,811</b>		<b>3,722</b>		<b>-2.3%</b>

\* Percentages are calculated according to the sum of the data for each activity

## 8.2 Financial Accounts per area of Activity

### 8.2.1 Income Statement

<b>Income Statement per area of activity. Year 2014</b>	Construction	Industrial Services	Environment	Corporation / Adjustments	<b>Grupo ACS</b>
Million Euro					<b>2014</b>
<b>Net Sales</b>	<b>25,820</b>	<b>6,750</b>	<b>2,338</b>	<b>(27)</b>	<b>34,881</b>
Other revenues	509	72	76	(33)	623
<b>Total Income</b>	<b>26,328</b>	<b>6,822</b>	<b>2,414</b>	<b>(60)</b>	<b>35,504</b>
Operating expenses	(19,863)	(4,593)	(863)	44	(25,276)
Personnel expenses	(5,142)	(1,327)	(1,260)	(32)	(7,761)
<b>Operating Cash Flow (EBITDA)</b>	<b>1,323</b>	<b>902</b>	<b>291</b>	<b>(49)</b>	<b>2,466</b>
Fixed assets depreciation	(623)	(56)	(145)	(1)	(824)
Current assets provisions	4	(35)	(11)	(1)	(45)
<b>Ordinary Operating Profit (EBIT)</b>	<b>704</b>	<b>810</b>	<b>135</b>	<b>(52)</b>	<b>1,598</b>
Fixed assets depreciation	5	(11)	2	0	(4)
Other operating results	(567)	(59)	(7)	(1)	(634)
<b>Operating Profit</b>	<b>143</b>	<b>740</b>	<b>129</b>	<b>(52)</b>	<b>960</b>
Financial income	169	111	44	30	354
Financial expenses	(462)	(256)	(98)	(220)	(1,036)
<b>Ordinary Financial Result</b>	<b>(293)</b>	<b>(145)</b>	<b>(54)</b>	<b>(190)</b>	<b>(682)</b>
Foreign exchange Results	(1)	(20)	(3)	0	(24)
Impairment non current assets results	6	(60)	0	287	234
Results on non current assets disposals	2	(7)	4	165	163
<b>Net Financial Result</b>	<b>(286)</b>	<b>(232)</b>	<b>(53)</b>	<b>262</b>	<b>(309)</b>
Results on equity method	106	7	19	(0)	132
<b>Ordinary income of continued operations</b>	<b>(37)</b>	<b>515</b>	<b>95</b>	<b>210</b>	<b>782</b>
Corporate income tax	11	(108)	(15)	(207)	(319)
<b>Profit after taxes of the continued operation:</b>	<b>(26)</b>	<b>407</b>	<b>80</b>	<b>3</b>	<b>464</b>
Profit after taxes of the discontinued operations	464	0	0	0	464
<b>Consolidated Result</b>	<b>438</b>	<b>407</b>	<b>80</b>	<b>3</b>	<b>928</b>
Minority interest	(215)	13	(8)	0	(211)
<b>Net Profit Attributable to the Parent Company</b>	<b>223</b>	<b>420</b>	<b>72</b>	<b>3</b>	<b>717</b>



**8.2.2 Balance Sheet**

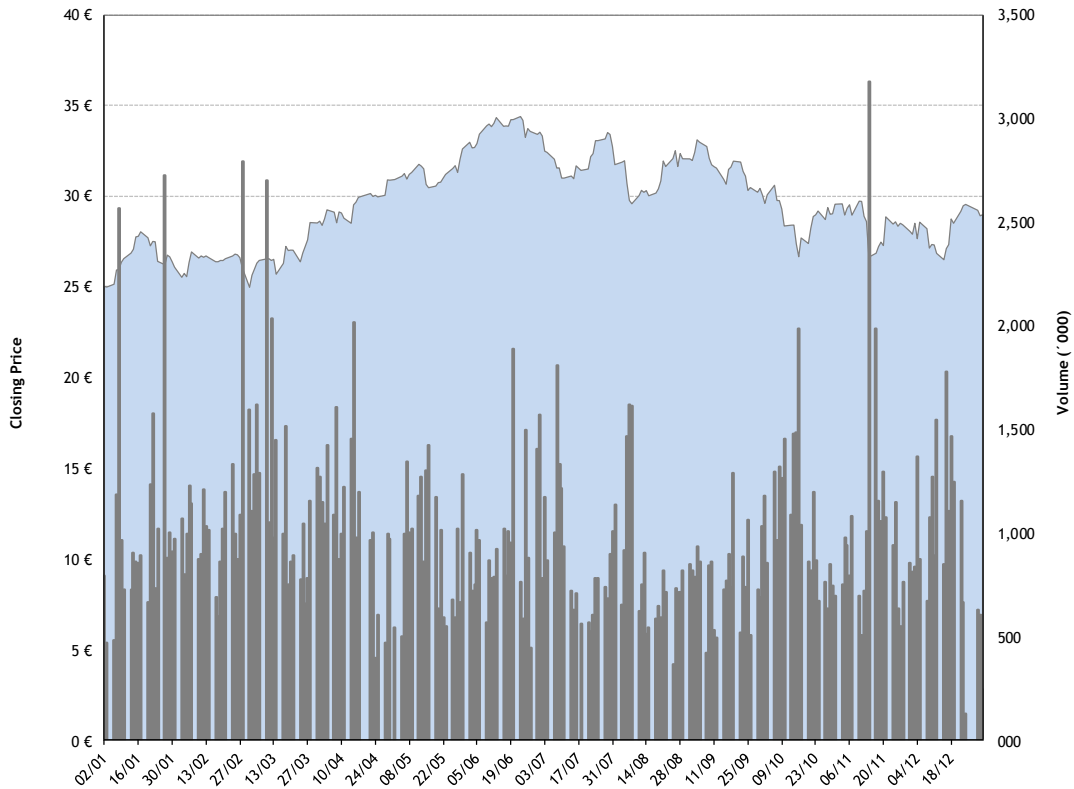
<b>Consolidated Balance Sheet</b> <i>December 31st, 2014</i>	Construction	Industrial Services	Environment	Corporation / Adjustments	<b>Grupo ACS</b>
<b>Million Euro</b>					
Intangible Fixed Assets	3,609	133	1,025	276	5,042
Tangible Fixed Assets	1,795	198	658	7	2,658
Investments accounted by Equity Method	862	271	99	(0)	1,231
Long Term Financial Investments	1,378	126	569	389	2,462
Long Term Deposits	5	1	0	399	404
Financial Instruments Debtors	6	0	0	0	6
Deferred Taxes Assets	1,046	134	124	892	2,196
<b>Fixed and Non-current Assets</b>	<b>8,701</b>	<b>863</b>	<b>2,474</b>	<b>1,962</b>	<b>14,001</b>
Non Current Assets Held for Sale	178	3,644	0	0	3,822
Inventories	1,267	193	64	(1)	1,522
Accounts receivables	6,876	3,845	903	(12)	11,611
Account receivable (sale of discontinued Ops) LEI	1,108	0	0	0	1,108
Short Term Financial Investments	1,343	394	632	(475)	1,893
Financial Instruments Debtors	5	0	0	29	34
Other Short Term Assets	101	50	9	2	162
Cash and banks	3,350	1,601	214	2	5,167
<b>Current Assets</b>	<b>14,228</b>	<b>9,727</b>	<b>1,822</b>	<b>(456)</b>	<b>25,320</b>
<b>TOTAL ASSETS</b>	<b>22,929</b>	<b>10,590</b>	<b>4,296</b>	<b>1,506</b>	<b>39,321</b>
Shareholders' Equity	3,367	1,009	1,318	(2,243)	3,452
Adjustments from Value Changes	(185)	(241)	(81)	89	(418)
Minority Interests	1,742	54	69	(0)	1,864
<b>Net Worth</b>	<b>4,924</b>	<b>823</b>	<b>1,305</b>	<b>(2,154)</b>	<b>4,898</b>
Subsidies	2	2	57	(0)	60
Long Term Financial Liabilities	3,790	560	1,151	591	6,091
Deferred Taxes Liabilities	947	143	92	87	1,269
Long Term Provisions	1,080	172	195	317	1,764
Financial Instruments Creditors	40	4	52	101	197
Other Long Term Accrued Liabilities	123	11	22	(0)	155
<b>Non-current Liabilities</b>	<b>5,980</b>	<b>891</b>	<b>1,569</b>	<b>1,095</b>	<b>9,535</b>
Liabilities from Assets Held for Sale	63	2,827	0	(0)	2,891
Short Term Provisions	1,252	39	38	13	1,342
Short Term Financial Liabilities	2,021	1,094	534	2,554	6,204
Financial Instruments Creditors	8	2	3	66	78
Trade accounts payables	8,504	4,760	780	(81)	13,962
Other current payables	178	153	67	13	411
<b>Current Liabilities</b>	<b>12,025</b>	<b>8,876</b>	<b>1,422</b>	<b>2,565</b>	<b>24,888</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>22,929</b>	<b>10,590</b>	<b>4,296</b>	<b>1,506</b>	<b>39,321</b>

### 8.3 Infrastructure Concessions

Concession - Description	Stake	Consolidation Method	Country	Activity	Status	#	Expiry Date	Total Expected Investment	Expected ACS Investment	ACS Investment 31/12 /14
A8/AP1 - Bidelan	50.0%	E.M.	Spain	Highways	Expl.	124	Jun-18	57	3	3
Autovía de La Mancha	75.0%	E.M.	Spain	Highways	Expl.	52	Apr-33	128	21	21
Circunvalación de Alicante	50.0%	E.M.	Spain	Highways	Expl.	148	Feb.-40	464	71	71
Autopista del Henares (R2 y M50)	35.0%	E.M.	Spain	Highways	Expl.	87	Nov-39	898	81	81
Accesos Madrid (R3/R5 y M50)	19.7%	N.C.	Spain	Highways	Expl.	90	Nov-49	1679	55	55
Reus-Alcover	100.0%	E.M.	Spain	Highways	Expl.	10	Dec-38	72	16	16
Santiago Brión	70.0%	E.M.	Spain	Highways	Expl.	16	Sep-35	118	14	14
Autovía de los Pinares	63.3%	E.M.	Spain	Highways	Expl.	44	Apr-41	96	17	17
Autovía Medinaceli-Calatayud	95.0%	Global	Spain	Highways	Expl.	93	Dec-26	183	23	23
Autovía del Camp del Turia (CV 50)	65.0%	Global	Spain	Highways	Cons.	20	Feb-43	110	10	3
Autovía del Pirineo (AP21)	72.0%	E.M.	Spain	Highways	Expl.	45	Jul-39	226	58	58
Autovía de la Sierra de Arana	40.0%	E.M.	Spain	Highways	Cons.	39	Jul-41	200	16	2
EMESA (Madrid Calle 30)	50.0%	E.M.	Spain	Highways	Expl.	33	Sep-40	221	48	48
Eje Diagonal	100.0%	E.M.	Spain	Highways	Expl.	67	Jan-42	406	154	154
A-30 Nouvelle Autoroute 30	50.0%	E.M.	Canada	Highways	Expl.	74	Sep-43	1329	80	80
Capital City Link (NEAH)	25.0%	E.M.	Canada	Highways	Cons.	27	Sep-46	1095	13	0
FTG Transportation Group	50.0%	E.M.	Canada	Highways	Expl.	45	Jun-34	530	11	11
Windsor Essex	33.3%	E.M.	Canada	Highways	Cons.	11	Feb-44	925	8	8
Ruta del Canal	51.0%	E.M.	Chile	Highways	Expl.	55	Feb-50	176	18	18
Autopista Conexión Pacifico 1	40.0%	E.M.	Colombia	Highways	Cons.	50	2039	1076	79	2
Mulaló Loboguerreros	40.0%	E.M.	Colombia	Highways	Cons.	32	Jul-44	805	57	2
Autopista Jónica (NEA ODOS)	33.3%	N.C.	Greece	Highways	Expl. / Cons.	380	Dec-37	1391	64	41
Central Greece	33.3%	N.C.	Greece	Highways	Expl. / Cons.	231	Mar-38	1146	22	22
	33,33%									
CRG Waterford - Southlink	(Waterford) 16,5% ( Souhtlink) 33,33%	E.M. / N.C	Ireland	Highways	Expl.	23	Apr-36	321	22	22
CRG Portlaoise - Midlink	(Portlaoise) 16,5% (Midlink M7/M8)	E.M. / N.C	Ireland	Highways	Expl.	41	Jun-37	328	23	23
N25 New Ross Bypass	50.0%	E.M.	Ireland	Highways	Cons.	14	Feb-43	173	12	12
Sper - Planestrada (Baixo Alentejo)	49,5% (SPER) 70% (Planestrada)	E.M. / Global	Portugal	Highways	Cons.	347	Dec-38	539	79	19
Rotas do Algarve - Marestrada	45% (ROTAS) 70% (Marestrada)	E.M. / Global	Portugal	Highways	Cons.	260	Apr-39	271	50	11
A-13, Puerta del Tamesis	25.0%	E.M.	UK	Highways	Expl.	22	Jul-30	309	8	8
Portsmouth	40.0%	E.M.	USA	Highways	Cons.	35	Dec-53	496	18	0
I595 Express	50.0%	E.M.	USA	Highways	Expl.	17	Feb-44	1352	82	82
<b>Total Highways (km)</b>						<b>2,532</b>		<b>17,120</b>	<b>1,233</b>	<b>925</b>
Figueras Perpignan - TP Ferro	50.0%	E.M.	Spain - Fr	Railways	Expl.	45	Feb-57	1206	66	60
Línea 9 Tramo II	50.0%	E.M.	Spain	Railways	Expl.	11	Oct-42	724	35	35
Línea 9 Tramo IV	10.0%	N.C.	Spain	Railways	Expl.	11	Sep-40	613	6	6
Metro de Arganda	8.1%	N.C.	Spain	Railways	Expl.	18	Dec-29	149	3	3
ELOS - Ligações de Alta Velocidade	15.2%	N.C.	Portugal	Railways	Cons.	167	2050	1649	19	0
Rideau Transit Group (Ligth RT Ottawa)	40.0%	E.M.	Canada	Railways	Cons.	13	Jun-48	1442	21	0
Metro de Lima Línea 2	25.0%	E.M.	Peru	Railways	Cons.	35	Apr-49	3885	25	12
<b>Total Railways (km)</b>						<b>299</b>		<b>9,669</b>	<b>175</b>	<b>116</b>
Cárcel de Brians	100.0%	Global	Spain	Jail	Expl.	95,182	Dec-34	106	14	14
Comisaría Central (Ribera norte)	100.0%	Global	Spain	Police Station	Expl.	60,330	May-24	70	12	12
Comisaría del Vallés (Terrasa)	100.0%	Global	Spain	Police Station	Expl.	8,937	Mar-32	17	3	3
Comisaría del Vallés (Barberá)	100.0%	Global	Spain	Police Station	Expl.	9,269	Apr-32	16	4	4
Los Libertadores	100.0%	Global	Chile	Frontier Complex	Cons.	32,011	Mar-30	70	8	0
<b>Public Facilities (m2)</b>						<b>205,729</b>		<b>279</b>	<b>41</b>	<b>32</b>
Hospital Majadahonda	55.0%	E.M.	Spain	Hospital	Expl.	749	Jul-35	257	19	19
Hospital Son Dureta	49.5%	E.M.	Spain	Hospital	Expl.	987	Oct-39	306	17	17
Hospital de Can Misses (Ibiza)	40.0%	E.M.	Spain	Hospital	Expl.	297	Oct-42	130	13	13
Centros de Salud de Mallorca	49.5%	E.M.	Spain	Health Center	Expl.	n.a.	Apr-21	19	3	3
<b>Health Facilities (beds)</b>						<b>2,033</b>		<b>711</b>	<b>52</b>	<b>52</b>
Intercambiador Plaza de Castilla	4.4%	N.C.	Spain	Transfer Station	Expl.	59,650	Feb-41	167	3	3
Intercambiador Príncipe Pío	8.4%	N.C.	Spain	Transfer Station	Expl.	28,300	Dec-40	66	1	1
Intercambiador Avda América	12.0%	N.C.	Spain	Transfer Station	Expl.	41,000	Jun-38	75	1	1
<b>Transfer Stations (m2)</b>						<b>128,950</b>		<b>307</b>	<b>5</b>	<b>5</b>
Iridium Aparcamientos	100.0%	Global	Spain	Parking	Expl. / Cons.	15,715	2058	49	49	48
Serrano Park	50.0%	E.M.	Spain	Parking	Expl.	3,297	Dec-48	130	24	20
<b>Parkings (lots)</b>						<b>19,012</b>		<b>179</b>	<b>73</b>	<b>69</b>
<b>TOTAL CONCESIONES</b>								<b>28,266</b>	<b>1,579</b>	<b>1,200</b>

8.4 Share data

ACS Shares Data (YTD)	2013	2014
Closing price	25.02 €	28.97 €
Performance	31.41%	15.79%
Maximum in the period	25.20 €	34.50 €
Maximum Date	30-Dec-13	23-Jun-14
Minimum in the period	16.68 €	24.56 €
Minimum Date	06-Feb-13	06-Jan-14
Average in the period	21.04 €	29.26 €
Total volume ('000)	201,976	252,332
Daily average volume ('000)	792	990
Total traded effective (€ mn)	4,249	7,383
Daily average effective (€ mn)	16.66	28.95
Number of shares (mn)	314.66	314.66
Market cap (€ mn)	7,873	9,116



**8.5 Exchange rate effect**

EXCHANGE RATE EFFECT (€ vs. currency)	Average Exchange Rate			
	dic.-13	dic.-14	difference	Var.
1 US Dollar	1.3298	1.3205	(0.0093)	-0.7%
1 Australian Dollar	1.3951	1.4696	0.0745	+5.3%
1 Mexican Peso	17.0711	17.6307	0.5596	+3.3%
1 Brazilian Real	2.9005	3.1127	0.2122	+7.3%

EXCHANGE RATE EFFECT (€ vs. currency)	Closing Exchange Rate			
	dic.-13	dic.-14	difference	%
1 US Dollar	1.3745	1.2097	(0.1648)	-12.0%
1 Australian Dollar	1.5421	1.4802	(0.0619)	-4.0%
1 Mexican Peso	17.9118	17.8358	(0.0760)	-0.4%
1 Brazilian Real	3.2463	3.2142	(0.0321)	-1.0%

EXCHANGE RATE EFFECT Euro million	Grupo ACS			
	USD	AUD	Others	Total
Backlog	1,758	789	196	2,743
Sales	768	(648)	(267)	(147)
EBITDA	10	(57)	(30)	(77)
EBIT	8	(35)	(25)	(52)
Net Profit	5	(17)	(3)	(15)

EXCHANGE RATE EFFECT Euro million	Construction			
	USD	AUD	Others	Total
Backlog	1,680	789	23	2,492
Sales	762	(648)	(57)	58
EBITDA	11	(57)	(2)	(49)
EBIT	8	(35)	(1)	(28)
Net Profit	5	(17)	(1)	(12)

EXCHANGE RATE EFFECT Euro million	Industrial Services			
	USD	AUD	Others	Total
Backlog	78	0	147	226
Sales	5	(0)	(136)	(131)
EBITDA	(0)	(0)	(15)	(15)
EBIT	(0)	(0)	(14)	(15)
Net Profit	(1)	(0)	(4)	(5)

EXCHANGE RATE EFFECT Euro million	Environment			
	USD	AUD	Others	Total
Backlog	0	0	25	25
Sales	0	0	(74)	(74)
EBITDA	(0)	0	(12)	(12)
EBIT	(0)	0	(10)	(10)
Net Profit	(0)	0	2	2

## 8.6 Main Awards of the Period

*In light blue the new awards of the period*

### 8.6.1 Construction

Project	Type of Project	Region	€ mn
Design, build, finance and operation for a 15 year period of the rapid transit train service North West Rail Link project in New South Wales (Australia)	Civil Works	Asia Pacific	1,850.0
Works for the construction of Line 2 and stretch from Av. Faucett-Av Gambetta of the Lima subway network (Peru)	Civil Works	America	900.2
Design and construction of a 56km highway plus five interchanges of New Orbital Highway in Doha (Qatar)	Civil Works	Asia Pacific	684.0
Construction of a passenger clearance building for Hong Kong's International Airport	Building	Asia Pacific	607.0
Contract for the design and construction of the 27 km Transmission Gully Motorway and operation and maintenance contract from 2020 for a period of 25 years (New Zealand).	Civil Works	Asia Pacific	560.0
Contract for 39 years with the Ohio Department of Transportation for the design, construction, financing, operation and maintenance of the new Portsmouth Bypass Highway (State Route 823), Ohio, (USA)	Civil Works	America	475.0
Construction, rehabilitation and upgrading works in the Pacific Highway 1 connection which includes the construction of a new dual carriageway with a length of 23.6 km. including two tunnels (1.6 and 4.1 km.) and 20 bridges of varying lengths; rest 23.3 km. operating and maintenance (Colombia)	Civil Works	America	434.7
Works for the project "Jewel of the Creek" in Dubai comprising of buildings, marina, bridges and landscaping works (United Arab Emirates)	Building	Asia Pacific	420.0
Project for the construction of the motorway A7 between Hamburg and Bordesholm (Germany)	Civil Works	Europe	406.0
Contract to design and construct Sydney's new Northern Beaches Hospital (Australia)	Building	Asia Pacific	364.8
Project for the construction of the segments 2 and 3 of the California high speed railway system, located within the counties of Fresno, Tulare, and Kings and the cities of Hanford, Corcoran and Allensworth and with a length of around 100 kilometers.	Civil Works	America	357.2
Construction of tunnel buildings, systems and fitting out works for Central Wanchai Bypass in Hong Kong	Civil Works	Asia Pacific	292.0
Construction of structural, mechanical, piping, electrical and instrumentation works for the Roy Hill iron ore mine, Western Australia	Mining	Asia Pacific	224.0
Supply and installation of 120 kilometers of ductile iron pipes in the Mega Reservoir Corridor Main 1 project to supply water in Doha (Qatar)	Civil Works	Asia Pacific	219.0
Design and construction of a highway around the City of Portsmouth in Scioto County (Ohio,USA)	Civil Works	America	171.6
Contract to operate the Jellinbah Plains open-pit (Queensland, Australia)	Mining	Asia Pacific	168.9
Project for the construction of the S7 national road in the Random ring road with the Voivodato Mazowieckie border (Poland)	Civil Works	Europe	162.8
Works for the Optus project for the installation and upgrade of LTE internet networks in rural areas (Australia)	Civil Works	Asia Pacific	159.0
Building of two new west approach bridges that will connect the new SR520 floating bridge to the Montlake area (Seattle, United States)	Civil Works	America	157.9
Contract for the renewal and improvement of six stations (8th Ave, Fort Hamilton Parkway, New Utrecht, 18th Ave, 20th Ave and Bay Parkway) of the New York subway (USA)	Civil Works	America	156.0
Works for the construction of the railway tunnel called Arge Tunnel Rastatt (Germany)	Civil Works	Europe	156.0

Project	Type of Project	Region	€ mn
Development of the University of Western Sydney campus building (Australia)	Civil Works	Asia Pacific	149.0
Building of the new Stockton Courthouse in California (USA)	Building	America	148.9
Project for the construction of a 5.6 kilometers of the North Luzon Expressway Segment 10 in Manila (Philippines)	Civil Works	Asia Pacific	146.0
Construction of a hydroelectric power station in the Inn river (Austria)	Civil Works	Europe	132.2
Significant contract extension with NBN Co for installation, activation and maintenance of home and business premise connections to the National Broadband Network (Australia)	Civil Works	Asia Pacific	124.0
Project for the construction of the Winston-Salem Northern Beltway (North Carolina, USA)	Civil Works	America	123.0
Development of the Durham East End Connector project, that consists in the construction of a new road in the Durham County that extends from nC98 to NC147 and will provide a direct connection between NC147 and US70 (North Carolina,USA)	Civil Works	America	114.0
Construction of the Dingley Bypass project a 6.4 km road to link Moorabbin and Dingley Village (Melbourne, Australia)	Civil Works	Asia Pacific	110.0
Project for the construction of a motorway tunnel in the D3 Highway in Czech Republic	Civil Works	Europe	102.0
Project for the design and construction of the M4 motorway widening in Sydney (Australia)	Civil Works	Asia Pacific	101.3
Three-year mining contract with Western Desert Resources for Rope Bar Iron Ore (Australia)	Mining	Asia Pacific	97.0
Building of the new health complex of Clinica Cruz Blanca Salud(Chile)	Building	America	90.5
Contract for the design and construction project of the I-73 connector with the Piedmont Triad International Airport in Greensboro (North Carolina, USA)	Civil Works	America	90.3
Project for the capacity expansion of the highway AP-9 between Canga and Teis in the stretch of the Rande over the estuary of Vigo (Pontevedra, Spain)	Civil Works	Europe	84.9
Design and build of 16,4 km from Nowa Sol Puludnie junction to Gaworzycze junction in the express road S3 Nowa Sol-Legnica (Poland)	Civil Works	Europe	82.9
Construction of 13,8 kilometer of the S5 national road between Korzensko and Wroclaw (Poland)	Civil Works	Europe	74.3
Construction of express road S3 Gorow-Wielkopolski (Poland)	Civil Works	Europe	69.2
Design and building of the Cleveland Convention Center (United States)	Building	America	68.6
Construction of office buildings project Wiśniowy Business Garden II (Poland)	Building	Europe	66.3
Construction of mine infrastructure for Rio Tinto Pilbara (Australia)	Mining	Asia Pacific	66.0
rehabilitation and upgrading works in the I-295 highway in Florida (United States)	Civil Works	America	65.3
Contract for the construction, maintenance and operation of the new Hospital of Toledo (Spain)	Building	Europe	63.3
2 year NBN contract extension for design and construction of fiber optic networks for new developments estates in Victoria, Tasmania, Queensland (Australia)	Civil Works	Asia Pacific	63.0
Construction of a subway tunnel in the area of Nordhavnen (Copenhagen, Denmark)	Civil Works	Europe	59.9
Works for rehabilitation and improvement of Perris Dam (USA)	Civil Works	America	56.4
Design and construction of HOV and general purpose lanes including roadway, sound wall, signing, lighting, landscape and drainage improvements on SR 202L in Maricopa County within the City of Mesa (Arizona , USA)	Civil Works	America	56.2
Works for the modernization and improvement of the railway track line to the Gdansk Port (Poland)	Civil Works	Europe	54.8
Project for the widening of the SR 101L highway with 17.7 kilometers of new construction between the cities of Scottsdale, Tempe and Mesa and Salt River Pima-Maricopa Indian Community (Arizona, USA)	Civil Works	America	53.3
Project development of Leonardo-da-Vinci-Allee complex in Frankfurt am Main (Germany)	Building	Europe	44.7

Project	Type of Project	Region	€ mn
Building of the new headquarter office of Banco Popular (Madrid)	Building	Europe	44.6
Construction of a new watergate in Mosela river in the city of Trier (Germany)	Civil Works	Europe	43.2
Renovation and expansion works of the Columbus main library as well as the new construction of 10 library branches (United States)	Building	America	43.2
Works for the reconstruction and improvement of the Veterans Expressway SR 589, from the Sugarwood Plaza to south of Van Dyke Road in Tampa (Florida, USA)	Civil Works	America	40.7
Construction of the road tunnel Arge Hafentunnel Cherbourger Strasse (Germany)	Civil Works	Europe	40.3
Project development of Adicksallee complex in Frankfurt am Main (Germany)	Building	Europe	39.2
Project for the improvement and enlargement of the Miller River's drainage system that collects drainage from the Fitchburg and New Hampshire Commuter rail lines and surrounding towns (Massachusetts, USA)	Civil Works	America	37.3
Construction and design of a facility for Volkswagen plant in Września (Poland)	Building	Europe	35.8
Building of the Mannheim fire station (Germany)	Building	Europe	34.0
Bath Corridor construction of railway electrification (United Kingdom)	Civil Works	Europe	33.3
Project for the construction of a new museum in Madrid	Building	Europe	33.1
Construction and extension of a highway lane in the A4 in Austria	Civil Works	Europe	32.1
Works for the enlargement and improvement of the expressway Bruce B. Downs Boulevard from Bearss Avenue to Palm Springs Boulevard in Tampa (USA)	Civil Works	America	28.9
Works in the Almudévar dam for the improvement in the system of irrigation of Alto Aragón (Huesca)	Civil Works	Europe	28.5
Works for the improvement of the railway line between Warszawa Okecie and Warka (Poland)	Civil Works	Europe	28.4
Works for the improvement of Levante highway to Mercapalma (Palma de Mallorca, Spain)	Civil Works	Europe	27.4
Construction of an office building in Warsaw (Poland)	Building	Europe	26.7
Contract for the planning, construction and operation of the Wolfgang-Borchert-Gymnasium (secondary school), in the municipality of Halstenbek (Germany)	Building	Europe	26.6
Construction of a new bridge in Langenfeld (Germany)	Civil Works	Europe	24.3
Project for the construction of the access roads to the new container terminal in the port of Cadiz (Spain)	Civil Works	Europe	24.0
Project for the rebuilding and enlargement of the Orense University Hospital Complex	Building	Europe	23.0
Enlargement and improvement works in Calaveras Dam (USA)	Civil Works	America	22.2
Works for the construction of the Ruskin Dam (Canada)	Civil Works	America	19.9
Construction of mechanical workshop and engine shed facilities for the line 3 of Santiago's subway (Chile)	Civil Works	America	19.7
Project for the reconfiguration and upgrade of the Johnson Avenue Yard in Long Island (USA)	Civil Works	America	18.8
Infrastructures works for the enlargement of Los Angeles subway network (USA)	Civil Works	America	18.6
Improvement works of the Puerto Natales Hospital in Chile	Building	America	18.2
Works in the high-speed railway between Madrid and Extremadura in the stretch of San Rafael and Cuarto de la Jara (Mérida, Badjoz, Spain)	Civil Works	Europe	18.0
Modernization of irrigation area of Molinar del Flumen with the construction of a pumping station, distribution network for irrigation water and automation and control of all the facilities (Huesca, Spain)	Civil Works	Europe	17.9
Project for the enlargement of the line D of Buenos Aires subway (Argentina)	Civil Works	America	17.6

### 8.6.2 Industrial Services

Project	Type of Project	Region	€ mn
EPC project for the construction of new plants (sour water treatment plant and hydrogen production plant) and rebuilding of the middle distillates hydrosulfuration plant and diesel hydrodesulfuration plant (Mexico)	EPC Projects	America	284.4
Project for the renovation of a combined cycle power plant composed by two units of 275 MW installed capacity each one (Mexico)	Specialized Products	America	265.8
EPC project for the construction of the Guaimbe photovoltaic plant with an installed capacity of 150 MW in the northern area of Sao Paulo (Brazil)	EPC Projects	America	212.4
EPC project for the construction of the Dracena photovoltaic plant with an installed capacity of 120 MW in the northern area of Sao Paulo (Brazil)	EPC Projects	America	173.6
Project for the rebuilding of the Urea plants and other ancillary installations for the client Pro-Agroindustria (Mexico)	EPC Projects	America	173.4
Contract for the public facilities and energy management of urban facilities in the city of Madrid (Spain)	Specialized Products	Europe	171.2
Contract for the construction of new facilities within the Ma'aden Phosphate Company (MPC) complex for storage and interconnection to the Ras Al-Khair Port (Saudi Arabian)	Specialized Products	Asia Pacific	162.3
EPC project for the construction of the HA-Litoral-A2 quarters platform (Mexico)	EPC Projects	America	103.8
Design, supply and construction of the Renace III hydroelectric plant in Alta Verapaz (Guatemala)	EPC Projects	America	96.9
Works for the rehabilitation and improvement of the Esmeraldas oil refinery including the construction of oil -gas storage tanks, sour water treatment plant and reparation and maintenance of oil- gas storage tanks (Ecuador)	Specialized Products	America	95.4
EPC project for the development of "Los Cocos III" windfarm in Dominican Republic	EPC Projects	America	83.3
Project for the construction of 520 kilometers of high voltage transmission line in Brazil	Specialized Products	America	70.3
Thermal power station construction with an installed capacity of 182 MW in the Cerro Verde mine (Peru)	EPC Projects	America	66.6
EPC project for the construction of the Penonomé windfarm in Panama	EPC Projects	America	48.6
Mechanical EPC contract for Suez thermal plant with an installed capacity of 650 MW (Egypt)	EPC Projects	Asia Pacific	42.8
Design, supply and construction of 281 kilometers of electricity transmission lines in Bangladesh	Specialized Products	Asia Pacific	37.6
Works for Entel telecommunication company as well as supply and maintenance services for its clients (Chile)	Specialized Products	America	24.8
Construction and equipment supply for a 70-bed hospital in Angola	Specialized Products	Africa	24.5
Operation and maintenance of the trolleybus of the Ryhad University (Saudi Arabia)	Control Systems	Asia Pacific	23.9
Construction and maintenance of the West Raynham solar park with an installed capacity of 49.9 MW (Fakenham, United Kingdom)	EPC Projects	Europe	23.8
Two contracts for public lighting of two areas (center and west areas ) of the city of Madrid (Spain)	Control Systems	Europe	23.4
Construction of electricity transmission lines in Belo Monte (Brazil)	Specialized Products	America	18.8
Contract for maintenance and operation road services in the A-6 and N-IV in the Community of Madrid (Spain)	Control Systems	Europe	17.3
Contract for public lighting services in Mostoles municipality (Madrid, Spain)	Control Systems	Europe	16.3
Works for the phase II of the railway project Silverline that will connect Washington Dulles International Airport and Loudoun County (USA)	Specialized Products	America	15.9
Two contract for the traffic lighting management in two areas of the city of Madrid (Spain)	Control Systems	Europe	15.6



Project	Type of Project	Region	€ mn
Maintenance and exploitation operation of different sections of highways in Catalonia (Spain)	Specialized Products	Europe	15.2
Construction of the El Salvado photovoltaic plant with an installed capacity of 68 MW (Chile)	EPC Projects	America	14.7
Works for the rehabilitation and improvement of the Washington International Airport en Baltimore (USA)	Specialized Products	America	14.7
EPC project for the construction of a photovoltaic plant with an installed capacity of 10 MW in Panama	EPC Projects	America	14.1
EPC project for the construction of a photovoltaic plant with an installed capacity of 11,5 MW in Japan	EPC Projects	Asia Pacific	13.0

### 8.6.3 Environment

Project	Type of Project	Region	€ mn
Extension of the street cleaning and urban waste collection contract for the eastern area of Barcelona (Spain)	Urban Services	Europe	98.9
Contract for the management of the waste treatment in the Zonzamas plant (Lanzarote, Spain)	Waste Treatment	Europe	70.9
Contract for the public cleaning services in Madrid (Spain)	Urban Services	Europe	55.6
Contract for street cleaning and urban waste collection in the municipality of Arrecife (Lanzarote, Spain)	Urban Services	Europe	54.1
Extension of the contract for the management of the urban waste treatment plant in Zaragoza (Spain)	Waste Treatment	Europe	43.4
Contract for home care services in the city of Madrid (Spain)	Facility Management	Europe	40.9
Contract for home care services for the Hampshire County (United Kingdom)	Facility Management	Europe	36.9
Management of a senior residential home in Logroño (Spain)	Facility Management	Europe	34.6
Contract for the solid urban waste collection in surrounding area of Madrid city(Spain)	Urban Services	Europe	32.3
Management of home care services in the city of Madrid (Spain)	Facility Management	Europe	30.0
Extension of the cleaning contract for centers run by the regional Ministry of Education of the Generalitat Valenciana (Spain)	Facility Management	Europe	26.9
Contract for the solid urban waste collection and street cleaning services in the Municipality of LO Barnechea (Argentina)	Urban Services	America	26.7
Urban waste collection, street and beach cleaning services in Torroella de Montgri (Girona, Spain)	Urban Services	Europe	23.9
Street cleaning contract extension for the sector 7 in Buenos Aires (Argentina)	Urban Services	America	22.8
Contract for urban waste collection in the municipality of San Fernando (Argentina)	Urban Services	America	22.6
Contract for urban waste collection and street cleaning in the municipality of Santa Cruz de Tenerife (Spain)	Urban Services	Europe	18.4
Urban waste collection and street cleaning contract extension for Santa Cruz de Tenerife	Urban Services	Europe	17.3
Street Cleaning and waste collection in the municipality of Coronel (Chile)	Urban Services	America	15.3
Extension of the contract with the Spanish Ministry of Defense for cleaning services (Spain)	Facility Management	Europe	14.6
Urban waste collection contract in the Municipality of Providencia (Argentina)	Urban Services	America	14.0
Street cleaning contract extension for the city of Paris (France)	Urban Services	Europe	12.5
Renewal of the gardening services contract in the municipality of Dos Hermanas (Sevilla, Spain)	Urban Services	Europe	10.4

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## Investor Relations Department

ACS, Actividades de Construcción y Servicios S.A.

Av. Pío XII, 102

28036 Madrid

+ 34 91 343 92 39

[irgrupoacs@grupoacs.com](mailto:irgrupoacs@grupoacs.com)

[www.grupoacs.com](http://www.grupoacs.com)