



**ACS**

ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS



# Results Report

# 1H16

**June 29<sup>th</sup>, 2016**



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# 1 Executive Summary

## 1.1. Main figures

<b>Grupo ACS</b>		<i>Key operating &amp; financial figures</i>		
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	
<b>Turnover</b>	<b>17,860</b>	<b>16,387</b>	<b>-8.2%</b>	
<b>Backlog</b>	<b>67,329</b>	<b>69,561</b>	<b>+3.3%</b>	
<i>Months</i>	21	23		
<b>EBITDA <sup>(1)(2)</sup></b>	<b>1,315</b>	<b>1,225</b>	<b>-6.9%</b>	
<i>Margin</i>	7.4%	7.5%		
<b>EBIT <sup>(1)(2)</sup></b>	<b>905</b>	<b>897</b>	<b>-0.9%</b>	
<i>Margin</i>	5.1%	5.5%		
<b>Attributable Net Profit</b>	<b>407</b>	<b>388</b>	<b>-4.7%</b>	
<b>EPS</b>	<b>1.32 €</b>	<b>1.27 €</b>	<b>-3.8%</b>	
<b>Net Investments</b>	<b>68</b>	<b>(77)</b>	<b>n.a</b>	
Investments	930	600		
Disposals	863	677		
<b>Total Net Debt</b>	<b>3,508</b>	<b>3,741</b>	<b>+6.6%</b>	
Businesses' Net Debt	2,949	3,201		
Project Financing	559	540		

Note: data presented according to Grupo ACS management criteria.

(1) Includes Joint Ventures Net Results (companies executing projects managed with partners) not fully consolidated.

(2) EBITDA and EBIT in 2015 impacted by renewable energy disposals

- Sales in the period accounted for € 16,387 million, a decrease of 8.2% compared to the same period of the previous year. This evolution is mainly due to the downturn in CIMIC's activity caused by the termination of large projects during the first half of 2015, sharpened by the Australian dollar depreciation against the euro. However, production in CIMIC during the second quarter is 6% higher than in the first quarter, thus beginning to recover.
- Backlog accounts for € 69,561 million, growing by 3.3%. Australian dollar and Mexican peso depreciation has impacted the backlog evolution. Without this impact, backlog would have grown by 6.1%

<b>Grupo ACS</b>		<i>Main figures details</i>		
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	
<b>Backlog</b>	<b>67,329</b>	<b>69,561</b>	<b>+3.3%</b>	
Direct	56,817	62,018	+9.2%	
Proportional*	10,512	7,543	-28.2%	
<b>Work Done</b>	<b>19,286</b>	<b>17,601</b>	<b>-8.7%</b>	
Direct	17,860	16,387	-8.2%	
Proportional*	1,426	1,213	-14.9%	
<b>EBITDA</b>	<b>1,315</b>	<b>1,225</b>	<b>-6.9%</b>	
Direct	1,264	1,148	-9.2%	
Proportional*	51	77	+51.1%	
<b>EBIT</b>	<b>905</b>	<b>897</b>	<b>-0.9%</b>	
Direct	854	820	-4.0%	
Proportional*	51	77	+51.1%	

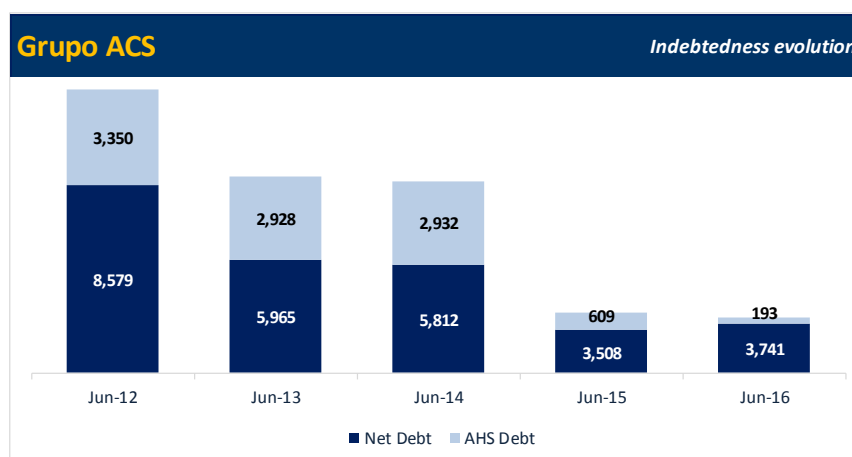
\* Refers to the proportional stake of the operating Joint Ventures and projects not fully consolidated in the Group

- EBITDA of the Group accounts for € 1,225 million, 6.9% decrease impacted by the sale of renewable assets during the first quarter of 2015. Excluding this effect, EBITDA would have gone down by 4.6%, (see 2.1.2) mainly due to a lower production in CIMIC with respect to the first half of the prior year, although the second quarter of 2016 shows signs of recovery, confirming the upward trend expected for the coming quarters.
- EBIT accounts for € 897 million and drops by 0.9%, also impacted by the sale of renewable assets. Without taking into account this effect, EBIT would have grown by 2.6% (see 2.1.2). EBIT margin stood at 5.5% increasing 60 bp in comparable terms, as a result of operating improvements in HOCHTIEF and CIMIC.
- Net profit of Grupo ACS accounted for € 388 million, showing 4.7% decrease as the same period of 2015 included extraordinary results from fair value adjustments on financial instruments. Likewise, Net Profit from activities grew by 8,6% underpinned by the positive evolution in Construction.

Grupo ACS		Net Profit breakdown		
Euro Million	6M15	6M16	Var.	
Construction	124	157	+26.1%	
Industrial Services <sup>(1)</sup>	202	200	-1.0%	
Environment	47	49	+3.2%	
<b>Net Profit from activities</b>	<b>373</b>	<b>405</b>	<b>+8.6%</b>	
Renewable assets	6	0		
Corporation	27	(17)		
<b>TOTAL Net Profit</b>	<b>407</b>	<b>388</b>	<b>-4.7%</b>	

(1) Excludes renewables

- Net debt stood at € 3,741 million, 233 million higher than the outstanding balance 12 months ago as a result of investment volume devoted to increase the stake in HOCHTIEF and CIMIC in the same period , which together amounted to 766 million euros.



- However, the Group has reduced in the last twelve months its net debt thanks to the good performance of the debt related to assets held for sale, which has decreased by 68 % down to 193 million euros. The overall net indebtedness of the Group, including assets held for sale decreased by 4.4% from June 2015 and 67% in the last five years.

## 1.2. *Relevant facts*

- On December 17<sup>th</sup>, 2015, exercising the powers granted by resolution of the General Shareholder's Meeting of the Company held on April 28<sup>th</sup>, 2015, it was agreed to proceed to the second execution of the capital increase against reserves up to € 142 million (equivalent to around 0.45 euros per share), which was approved by the aforementioned General Meeting in order that shareholders could choose between continuing to receive remuneration in cash or in shares of the Company. The dividend distribution was made in February 2016 using the scrip dividend system.

Moreover, the Shareholder Annual General Meeting approved last 5<sup>th</sup> of May the distribution of a complementary dividend of 0.71 euros per share, paid in July 2016 using a scrip dividend system.

- On January 27<sup>th</sup>, 2016 the Group carried out the sale of 80% of its stake in Servicios , Transportes y Equipamentos Públicos Dos, S.L which is the entity that owns 50% of the concession of the Line 9 (segment II) of Barcelona's underground and the entity in charge of the maintenance of segment II and segment IV of that line.
- In late March 2016 ACS Group executed prepaid forward sale of 90 million Iberdrola shares at an average price of € 6.02 share. Simultaneously, it acquired call options on the same number of Iberdrola shares to eliminate the market risk associated with the exchangeable bonds issued during 2013 and 2014. The combined result of these operations resulting in an estimated pretax profit of 95 million euros.
- In June 15<sup>th</sup> 2016, ACS Group, through its subsidiary CYMI, once obtained all necessary permits, has proceeded to sell to funds controlled by Brookfield 50% of three concessionaires of power transmission lines in Brazil (Odoyá Transmissora de Energía S.A., Esperanza Transmissora de Energía S.A., Transmissora José María de Macedo de Electricidad S.A.). Similarly, they have been granted cross purchase and sale options for the remaining 50%, exercisable once the construction of the lines is finished. The sale amounts to a total enterprise value of 115.4 million €, being the nominal value of the shares and does not generate gains or losses.
- In June 22<sup>th</sup> 2016, ACS Group, through its subsidiary ACS Telefonía Móvil, S.L., has reached an agreement with Másmovil Ibercom, S.A. for the sale of its shares and loans in Xfera Móviles, S.A. The consideration for this sale is the issue of a convertible loan for a maximum amount of 200 million euros. No significant gains or losses are expected from the sale.
- In June 29<sup>th</sup> 2016, the shareholder Corporación Financiera Alba S.A voluntarily renounced to have representation on the Board of Directors of ACS due to strategic issues and conflict of interest. The representation had been exercised by the Proprietary Board members Mr. Pablo Vallbona Vadell and Mr. Javier Fernández Alonso who presented their respective resignation letters.

## 2 Consolidated Financial Statements

### 2.1 Income Statement

<b>Grupo ACS</b>		<i>Income statement</i>			
<i>Euro Million</i>	<b>6M15</b>		<b>6M16</b>		<b>Var.</b>
<b>Net Sales</b>	<b>17,860</b>	<b>100.0 %</b>	<b>16,387</b>	<b>100.0 %</b>	<b>-8.2%</b>
Other revenues	201	1.1 %	212	1.3 %	+5.8%
Joint Ventures Net Results*	51	0.3 %	77	0.5 %	+51.1%
<b>Total Income</b>	<b>18,112</b>	<b>101.4 %</b>	<b>16,677</b>	<b>101.8 %</b>	<b>-7.9%</b>
Operating expenses	(12,688)	(71.0 %)	(11,761)	(71.8 %)	-7.3%
Personnel expenses	(4,109)	(23.0 %)	(3,691)	(22.5 %)	-10.2%
<b>Operating Cash Flow (EBITDA)</b>	<b>1,315</b>	<b>7.4 %</b>	<b>1,225</b>	<b>7.5 %</b>	<b>-6.9%</b>
Fixed assets depreciation	(387)	(2.2 %)	(309)	(1.9 %)	-20.2%
Current assets provisions	(22)	(0.1 %)	(18)	(0.1 %)	-18.8%
<b>Ordinary Operating Profit (EBIT)</b>	<b>905</b>	<b>5.1 %</b>	<b>897</b>	<b>5.5 %</b>	<b>-0.9%</b>
Impairment & gains on fixed assets	(10)	(0.1 %)	(14)	(0.1 %)	
Other operating results	(49)	(0.3 %)	(102)	(0.6 %)	
<b>Operating Profit</b>	<b>846</b>	<b>4.7 %</b>	<b>781</b>	<b>4.8 %</b>	<b>-7.6%</b>
Financial income	127	0.7 %	108	0.7 %	-15.2%
Financial expenses	(435)	(2.4 %)	(298)	(1.8 %)	-31.5%
<b>Ordinary Financial Result</b>	<b>(308)</b>	<b>(1.7 %)</b>	<b>(190)</b>	<b>(1.2 %)</b>	<b>-38.2%</b>
Foreign exchange results	20	0.1 %	(6)	(0.0 %)	
Changes in fair value for financial instruments	40	0.2 %	(22)	(0.1 %)	
Impairment & gains on financial instruments	183	1.0 %	105	0.6 %	
<b>Net Financial Result</b>	<b>(65)</b>	<b>(0.4 %)</b>	<b>(114)</b>	<b>(0.7 %)</b>	<b>+75.5%</b>
Results on equity method*	(16)	(0.1 %)	16	0.1 %	n.a.
<b>PBT of continued operations</b>	<b>765</b>	<b>4.3 %</b>	<b>683</b>	<b>4.2 %</b>	<b>-10.7%</b>
Corporate income tax	(249)	(1.4 %)	(210)	(1.3 %)	-15.8%
<b>Net profit of continued operations</b>	<b>516</b>	<b>2.9 %</b>	<b>473</b>	<b>2.9 %</b>	<b>-8.2%</b>
Profit after taxes of the discontinued operations	0	0.0 %	0	0.0 %	n.a.
<b>Consolidated Result</b>	<b>516</b>	<b>2.9 %</b>	<b>473</b>	<b>2.9 %</b>	<b>-8.2%</b>
Minority interest	109	0.6 %	85	0.5 %	-21.3%
<b>Net Profit Attributable to the Parent Company</b>	<b>407</b>	<b>2.3 %</b>	<b>388</b>	<b>2.4 %</b>	<b>-4.7%</b>

\* The Joint Ventures Net Results, which are those companies that are executing projects but managed with partners, has been included in the Total Income figure, whilst the Results on Equity Method includes the net results of the rest of affiliated companies

### 2.1.1 Sales and Backlog

- Net sales in the period accounted for € 16,387 million, 8.2% less than those registered in the same period of the prior year with a significant decrease CIMIC's activity in Australia, due to the termination of projects, however the second quarter shows signs of recovery with respect to first quarter.
- Sales breakdown by geographical areas demonstrates the diversification of the Group's revenue sources, where North America represents 44.1% of the sales, Asia Pacific 23.2%, Spain 17.0% and the remaining 15.8%.

<b>Grupo ACS</b>					
<b>Sales per Geographical Areas</b>					
<i>Euro Million</i>	<b>6M15</b>	<b>%</b>	<b>6M16</b>	<b>%</b>	<b>Var.</b>
Spain	3,295	18.4 %	2,778	17.0%	-15.7%
Rest of Europe	1,407	7.9 %	1,295	7.9%	-7.9%
North America	6,625	37.1 %	7,228	44.1%	+9.1%
South America	1,111	6.2 %	1,106	6.7%	-0.5%
Asia Pacific	5,336	29.9 %	3,794	23.2%	-28.9%
Africa	86	0.5 %	186	1.1%	+115.8%
<b>TOTAL</b>	<b>17,860</b>		<b>16,387</b>		<b>-8.2%</b>

<b>Sales per Geographical Area</b> <small>(inter area of activity adjustments excluded)</small>									
<i>Euro Million</i>	<b>Construction</b>			<b>Industrial Services</b>			<b>Environment</b>		
	<b>6M15</b>	<b>6M16</b>	<b>%</b>	<b>6M15</b>	<b>6M16</b>	<b>%</b>	<b>6M15</b>	<b>6M16</b>	<b>%</b>
Spain	662	563	-15.0%	1,432	947	-33.8%	1,212	1,285	+6.0%
Rest of Europe	1,039	943	-9.2%	218	200	-8.3%	150	152	+1.3%
North America	5,761	6,380	+10.7%	857	838	-2.2%	6	9	+44.5%
South America	236	149	-36.7%	683	808	+18.4%	193	149	-22.8%
Asia Pacific	5,058	3,307	-34.6%	278	486	+74.5%	0	2	n.a.
Africa	(0)	2	n.a.	76	177	+132.8%	11	8	-25.0%
<b>TOTAL</b>	<b>12,756</b>	<b>11,344</b>	<b>-11.1%</b>	<b>3,544</b>	<b>3,455</b>	<b>-2.5%</b>	<b>1,572</b>	<b>1,604</b>	<b>+2.0%</b>

- The construction activity in North America has grown aided by the initiation of recently awarded projects during the last months. This growth occurs especially in the United States with 11.6% growth. Likewise, South America also experienced strong growth mainly in Chile and Colombia thanks to the initiation of the new concession projects awarded in 2015. On the other hand, Europe and Asia Pacific show negative growth rates respectively, affected by the reorganization of the activity in Germany and the completion of large projects in CIMIC. Spain shows a reduction of 15.0%.
- The Industrial Services area in Spain falls due to the divestment of renewable assets in 2015 first quarter. Meanwhile, activity in North America declines due to the adjustment of the activity in Mexico to the current market demand. In addition, especially noteworthy is the strong growth in Asia Pacific, especially in Saudi Arabia where several turnkey projects have been initiated.
- Environment sales increased by 2.0% with a good evolution of domestic activity growing by 6.0%, while international activity the evolution is impacted by the exchange rate evolution and the termination of several contracts is impacted urban services.
- Group's backlog, which stood at € 69,561 million, growing by 3.3% despite the significant impact of the exchange rate due to Australian dollar and Mexican peso depreciation.



<b>Grupo ACS</b>					
<b>Backlog per Geographical Areas</b>					
<i>Euro Million</i>	<b>jun-15</b>		<b>jun-16</b>		<b>Var.</b>
Spain	11,191	16.6 %	11,029	15.9%	-1.5%
Rest of Europe	7,912	11.8 %	7,743	11.1%	-2.1%
North America	19,963	29.6 %	22,304	32.1%	+11.7%
South America	4,857	7.2 %	4,483	6.4%	-7.7%
Asia Pacific	22,392	33.3 %	22,978	33.0%	+2.6%
Africa	1,013	1.5 %	1,024	1.5%	+1.1%
<b>TOTAL</b>	<b>67,329</b>		<b>69,561</b>		<b>+3.3%</b>

<b>Backlog per Geographical Area</b>									
<i>Euro Million</i>	<b>Construction</b>			<b>Industrial Services</b>			<b>Environment</b>		
	<b>jun-15</b>	<b>jun-16</b>	<b>%</b>	<b>jun-15</b>	<b>jun-16</b>	<b>%</b>	<b>jun-15</b>	<b>jun-16</b>	<b>%</b>
Spain	3,124	3,000	-4.0%	1,956	1,981	+1.3%	6,112	6,049	-1.0%
Rest of Europe	4,670	4,697	+0.6%	362	402	+11.2%	2,880	2,644	-8.2%
North America	17,891	20,287	+13.4%	1,960	1,906	-2.7%	112	111	-1.2%
South America	2,284	2,076	-9.1%	1,519	1,668	+9.8%	1,054	739	-29.9%
Asia Pacific	20,883	20,947	+0.3%	1,509	1,859	+23.1%	0	173	n.a.
Africa	159	246	+54.5%	817	756	-7.5%	37	23	-38.5%
<b>TOTAL</b>	<b>49,011</b>	<b>51,252</b>	<b>+4.6%</b>	<b>8,123</b>	<b>8,572</b>	<b>+5.5%</b>	<b>10,195</b>	<b>9,738</b>	<b>-4.5%</b>

- It is worth noting the evolution of Construction activity in North America, after the good performance of the new order intakes in Dragados, Turner and Flatiron, while domestic backlog is reduced by 4% due to the absence of public tenders. The backlog of the rest of Europe shows a slight recovery of around 1 %. On the other hand, Asia Pacific's backlog is affected by the depreciation of the Australian dollar; without this effect the backlog would have grown by 3.4%
- Industrial Services experienced solid growth in their backlog of 5.5% mainly in Asia Pacific, despite the impact of the exchange rate, in Europe and South America.
- Lastly, Environment backlog is reduced in Spain, mainly in the segment of municipal waste management with local and municipal administrations.

## 2.1.2 Operating Results

<b>Grupo ACS</b>		<b>Operating Results</b>	
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
<b>EBITDA</b>	<b>1,315</b>	<b>1,225</b>	<b>-6.9%</b>
<i>EBITDA Margin</i>	7.4%	7.5%	
Depreciation	(387)	(309)	-20.2%
<i>Construction</i>	(281)	(208)	
<i>Industrial Services</i>	(24)	(20)	
<i>Environment</i>	(82)	(82)	
<i>Corporation</i>	(0)	(0)	
Current assets provisions	(22)	(18)	
<b>EBIT</b>	<b>905</b>	<b>897</b>	<b>-0.9%</b>
<i>EBIT Margin</i>	5.1%	5.5%	

- EBITDA accounted for € 1,225 million, showing a decrease of 6.9% compared to the same period of 2015. EBIT accounted for € 897 million, falling by 0.9%.
- However, eliminating the effect from the disposal of renewable assets carried out during the first quarter of 2015, the evolution of operating results are more favourable. In this case, EBITDA declines by 4.6% in comparable terms, affected by the lower activity in CIMIC. EBIT increases by 2.6% and margin improves by 60 bp thanks to the positive impact of the restructuring processes in HOCHTIEF and CIMIC.

<b>Grupo ACS</b>	<b>Proforma Operating Results Ex Renewables</b>			
	<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
<b>Net Sales</b>		<b>17,807</b>	<b>16,387</b>	<b>-8.0%</b>
<b>Operating Cash Flow (EBITDA)</b>		<b>1,285</b>	<b>1,225</b>	<b>-4.6%</b>
<i>EBITDA margin</i>		7.2%	7.5%	
<b>Ordinary Operating Profit (EBIT)</b>		<b>875</b>	<b>897</b>	<b>+2.6%</b>
<i>EBIT margin</i>		4.9%	5.5%	
<b>Consolidated Result</b>		<b>401</b>	<b>388</b>	<b>-3.2%</b>

### 2.1.3 Financial Results

<b>Grupo ACS</b>	<b>Financial Results</b>		
	<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>
Financial income	127	108	-15.2%
Financial expenses	(435)	(298)	-31.5%
<b>Ordinary Financial Result</b>	<b>(308)</b>	<b>(190)</b>	<b>-38.2%</b>
Construction	(137)	(72)	-47.5%
Industrial Services	(60)	(28)	-53.7%
Environment	(38)	(31)	-18.1%
Corporation	(73)	(59)	-18.6%

- Ordinary financial result has decreased by 38.2%. Financial expenses dropped by 31.5% as a result of the reduction of interest rates following the refinancing efforts and deleverage.
- Net financial income includes the gain from the forward sale of Iberdrola shares in march 2016 which amounted to € 95 million.

<b>Grupo ACS</b>	<b>Financial Results</b>		
	<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>
<b>Ordinary Financial Result</b>	<b>(308)</b>	<b>(190)</b>	<b>-38.2%</b>
<i>Foreign exchange Results</i>	20	(6)	<i>n.a</i>
<i>Impairment non current assets results</i>	40	(22)	<i>n.a</i>
<i>Results on non current assets disposals</i>	183	105	-42.7%
<b>Net Financial Result</b>	<b>(65)</b>	<b>(114)</b>	<b>+75.5%</b>

- The Joint Ventures net results (companies executing projects managed with partners) not fully consolidated, accounts, as of September 2015, for € 77 million increasing by 51.1%. This figure is included in the EBITDA of the Group.

<b>Grupo ACS</b>		<i>Profit from Associates</i>	
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
<b>Joint Ventures Net Results</b>	<b>51</b>	<b>77</b>	<b>+51.1%</b>
<b>Results on equity method</b>	<b>(16)</b>	<b>16</b>	<b>n.a</b>

#### 2.1.4 Net Profit Attributable to the Parent Company

- Attributable net profit in the period accounted for € 388 million showing 4.7% decrease with respect to the same period in 2015 which included extraordinary results from fair value adjustments of financial instruments. Meanwhile, net profit from activities increased by 8.6%, thanks to the impacts from the restructuring processes across the Group in its various areas of activity, mainly in HOCHTIEF and CIMIC.

<b>Grupo ACS</b>		<i>Net Profit breakdown</i>	
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
<i>Construction</i>	124	157	+26.1%
<i>Industrial Services <sup>(1)</sup></i>	202	200	-1.0%
<i>Environment</i>	47	49	+3.2%
<b>Net Profit from activities</b>	<b>373</b>	<b>405</b>	<b>+8.6%</b>
<i>Renewable assets</i>	6	0	
<i>Corporation</i>	27	(17)	
<b>TOTAL Net Profit</b>	<b>407</b>	<b>388</b>	<b>-4.7%</b>

*(1) Excludes renewables*

**2.2 Consolidated Balance Sheet**

<b>Grupo ACS</b>			<b>Consolidated balance sheet</b>		
<i>Euro Million</i>	<b>Dec-15</b>		<b>Jun-16</b>		<b>Var.</b>
Intangible Fixed Assets	4,854	13.8 %	4,820	13.8 %	-0.7%
Tangible Fixed Assets	2,447	6.9 %	2,398	6.9 %	-2.0%
Investments accounted by Equity Method	1,907	5.4 %	1,757	5.0 %	-7.9%
Long Term Financial Investments	2,372	6.7 %	2,253	6.5 %	-5.0%
Long Term Deposits	6	0.0 %	14	0.0 %	+145.0%
Financial Instruments Debtors	12	0.0 %	14	0.0 %	+22.1%
Deferred Taxes Assets	2,181	6.2 %	2,234	6.4 %	+2.4%
<b>Fixed and Non-current Assets</b>	<b>13,779</b>	<b>39.1 %</b>	<b>13,490</b>	<b>38.6 %</b>	<b>-2.1%</b>
Non Current Assets Held for Sale	859	2.4 %	723	2.1 %	-15.9%
Inventories	1,468	4.2 %	1,379	4.0 %	-6.0%
Accounts receivables	10,916	30.9 %	11,977	34.3 %	+9.7%
Short Term Financial Investments	2,311	6.6 %	2,060	5.9 %	-10.9%
Financial Instruments Debtors	3	0.0 %	91	0.3 %	n.a.
Other Short Term Assets	140	0.4 %	180	0.5 %	+29.1%
Cash and banks	5,804	16.5 %	5,007	14.3 %	-13.7%
<b>Current Assets</b>	<b>21,501</b>	<b>60.9 %</b>	<b>21,417</b>	<b>61.4 %</b>	<b>-0.4%</b>
<b>TOTAL ASSETS</b>	<b>35,280</b>	<b>100 %</b>	<b>34,908</b>	<b>100 %</b>	<b>-1.1%</b>
Shareholders' Equity	3,455	9.8 %	3,492	10.0 %	+1.1%
Adjustments from Value Changes	(34)	(0.1 %)	(327)	(0.9 %)	n.a.
Minority Interests	1,776	5.0 %	1,494	4.3 %	-15.9%
<b>Net Worth</b>	<b>5,197</b>	<b>14.7 %</b>	<b>4,658</b>	<b>13.3 %</b>	<b>-10.4%</b>
Subsidies	59	0.2 %	56	0.2 %	-4.6%
Long Term Financial Liabilities	7,382	20.9 %	6,937	19.9 %	-6.0%
Deferred Taxes Liabilities	1,334	3.8 %	1,324	3.8 %	-0.7%
Long Term Provisions	1,620	4.6 %	1,776	5.1 %	+9.6%
Financial Instruments Creditors	115	0.3 %	173	0.5 %	+50.5%
Other Long Term Accrued Liabilities	180	0.5 %	186	0.5 %	+3.2%
<b>Non-current Liabilities</b>	<b>10,689</b>	<b>30.3 %</b>	<b>10,451</b>	<b>29.9 %</b>	<b>-2.2%</b>
Liabilities from Assets Held for Sale	525	1.5 %	259	0.7 %	-50.6%
Short Term Provisions	1,034	2.9 %	936	2.7 %	-9.5%
Short Term Financial Liabilities	3,363	9.5 %	3,886	11.1 %	+15.5%
Financial Instruments Creditors	124	0.4 %	129	0.4 %	+4.4%
Trade accounts payables	13,923	39.5 %	14,071	40.3 %	+1.1%
Other current payables	425	1.2 %	518	1.5 %	+21.9%
<b>Current Liabilities</b>	<b>19,393</b>	<b>55.0 %</b>	<b>19,798</b>	<b>56.7 %</b>	<b>+2.1%</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>35,280</b>	<b>100 %</b>	<b>34,908</b>	<b>100 %</b>	<b>-1.1%</b>

### 2.2.1 Non-Current Assets

- Intangible assets include € 2,947 million corresponding to goodwill, of which € 1,389 million come from the acquisition of HOCHTIEF in 2011 and € 781 million from ACS's merger with Dragados in 2003.
- The balance of the investments held by equity method includes various holdings in associated companies from HOCHTIEF, Saeta Yield and several Iridium Concessions.

### 2.2.2 Working Capital

<b>Grupo ACS</b>		<b>Working Capital evolution</b>				
<i>Euro Million</i>	<b>jun.-15</b>	<b>sep.-15</b>	<b>dic.-15</b>	<b>mar.-16</b>	<b>jun.-16</b>	
Construction	(1,043)	(1,086)	(1,971)	(1,226)	(1,169)	
Industrial Services	(732)	(340)	(1,049)	(820)	(912)	
Environment	136	230	98	100	75	
Corporation	(112)	(14)	(57)	39	(20)	
<b>TOTAL</b>	<b>(1,751)</b>	<b>(1,210)</b>	<b>(2,980)</b>	<b>(1,908)</b>	<b>(2,026)</b>	

- In the last 12 months, the net working capital has increased its credit balance € 275 million as a result of a reduction of the real estate development stock balance in HOCHTIEF and the normalization of accrued corporate tax balance.
- However, net working capital decreases by € 954 million in the first 6 months of 2016. This is due to, on the one hand, to the seasonality of the period and, secondly, to a current situation of increase in the debit balance of certain receivables, particularly in Mexico, and a reduction in the average period of payment to suppliers in Construction.
- The balance of factoring and securitization end of the period amounted to € 828 million.

### 2.2.3 Net Debt

<b>Net Debt (€ mn)</b>	<b>Construction</b>	<b>Industrial Services</b>	<b>Environmenta l Services</b>	<b>Corporation / Adjustments</b>	<b>Grupo ACS</b>
<i>June 30, 2016</i>					
LT loans from credit entities	711	235	923	2,061	3,930
ST loans from credit entities	975	940	311	206	2,431
<b>Debt with Credit Entities</b>	<b>1,685</b>	<b>1,175</b>	<b>1,234</b>	<b>2,267</b>	<b>6,361</b>
Bonds	2,244	0	1	1,469	3,714
Non Recourse Financing	216	17	307	0	540
Other financial liabilities*	269	103	28	(193)	207
<b>Total Gross Financial Debt</b>	<b>4,415</b>	<b>1,295</b>	<b>1,569</b>	<b>3,543</b>	<b>10,822</b>
ST* & other financial investments	802	492	319	461	2,074
Cash & Equivalent	3,370	1,421	214	2	5,007
<b>Total cash and equivalents</b>	<b>4,172</b>	<b>1,913</b>	<b>533</b>	<b>463</b>	<b>7,081</b>
<b>NET FINANCIAL DEBT</b>	<b>243</b>	<b>(618)</b>	<b>1,036</b>	<b>3,080</b>	<b>3,741</b>

(\*) Debt and credit with associates are included in "Other financial liabilities" and "ST financial investments"

- Grupo ACS's total net debt at the end of the period amounts to € 3,741 million, 6.6% more than that of June 2015 as a result of direct and indirect (treasury) stake acquisition in HOCHTIEF and CIMIC, with an overall investment of 766 million of euros in the last twelve months.
- Net debt linked to assets held for sale decreased by over 68% with respect to June 2015, and stands at € 193 million as a result of the divestments made in concessions, mainly energy projects.
- As of March 2016, the prepaid forward sale of 90 million Iberdrola shares transaction was closed, with a pre-tax result of € 95 million (including the cost of the option acquired to cover the risks arising from exchangeable bonds for the same stock of Iberdrola). As the shares were accounted as Temporary Financial Investments, this transaction has had a limited impact on net debt (€ 117 million) due to the value fall since December 2015 and the cost of the call option acquisition.

#### 2.2.4 Net Worth

<b>Grupo ACS</b>		<b>Net Worth</b>	
<i>Euro Million</i>	<b>dic.-15</b>	<b>jun.-16</b>	<b>Var.</b>
Shareholders' Equity	3,455	3,492	+1.1%
Adjustment s from Value Changes	(34)	(327)	n.a
Minority Interests	1,776	1,494	-15.9%
<b>Net Worth</b>	<b>5,197</b>	<b>4,658</b>	<b>-10.4%</b>

- The Net worth of ACS accounts for € 4,658 million by period end, showing a decrease of 10.4% since December 2015. This decline is due to exchange and interest rates impacts which affects accounting adjustments from value changes in Net worth.
- 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 CIMIC Holdings.

## 2.3 Net Cash Flows

Grupo ACS							Net Cash Flows	
Euro Million	6M15			6M16			Var.	
	TOTAL	HOT	ACS exHOT	TOTAL	HOT	ACS exHOT	TOTAL	ACS exHOT
<b>Cash Flow from Operating Activities before Working Capital</b>	<b>620</b>	<b>242</b>	<b>378</b>	<b>981</b>	<b>387</b>	<b>594</b>	<b>+58.2%</b>	<b>+57.0%</b>
Operating working capital variation	(577)	(137)	(440)	(1,337)	(444)	(892)		
<b>Cash Flow from Operating Activities</b>	<b>43</b>	<b>105</b>	<b>(62)</b>	<b>(356)</b>	<b>(57)</b>	<b>(299)</b>	<i>n.a.</i>	<b>+379%</b>
1. Payments due for investments	(930)	(207)	(723)	(654)	(352)	(303)		
2. Cash collected from disposals	1,797	1,037	760	787	30	757		
<b>Cash flow from Investing Activities</b>	<b>866</b>	<b>830</b>	<b>37</b>	<b>133</b>	<b>(322)</b>	<b>455</b>	<b>-85%</b>	<i>n.a.</i>
1. Treasury stock acquisition	(129)	(49)	(80)	(120)	(78)	(41)		
2. Dividends paid	(158)	(100)	(59)	(168)	(97)	(72)		
3. Other financial sources	(19)	(81)	62	(34)	(98)	65		
<b>Other Cash Flows</b>	<b>(306)</b>	<b>(230)</b>	<b>(76)</b>	<b>(322)</b>	<b>(273)</b>	<b>(48)</b>	<b>+5%</b>	<b>-37%</b>
<b>Total Cash Flow generated / (Consumed)</b>	<b>603</b>	<b>705</b>	<b>(102)</b>	<b>(545)</b>	<b>(652)</b>	<b>108</b>	<i>n.a.</i>	<i>n.a.</i>

Note: Collections from divestments include € 542 million forward sale of 90 million shares of Iberdrola, with no impact on net debt as these were considered as financial investments as of December 2015

### 2.3.1 Operating Activities

- Cash Flow from Operating Activities before working capital amount to € 981 million, improving by 58.2% respect to the first half of 2015 across the Group activities. The significant improvement of financial expenses, the use of tax shields and reduction of extraordinary expenses derived from the transformation process in HOCHTIEF have offset the lower contribution of the EBITDA in the first half of 2016.
- Operating working capital has decreased its credit balance by € 1,337 million with respect to December of 2015. This variation is due to the seasonality of the period as well as a temporary situation of increase in the debit balance, mainly in Industrial Services and CIMIC. The last 12 month evolution of the operating working capital, which eliminates seasonality effects, represents a slight increase of € 134 million in the debit balance.

### 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>	135	271	<b>406</b>	(38)	(0)	<b>(38)</b>	<b>368</b>
<i>Dragados</i>	39	3	<b>42</b>	(9)	(0)	<b>(9)</b>	<b>33</b>
<i>Hochtief</i>	96	257	<b>353</b>	(30)	(0)	<b>(30)</b>	<b>323</b>
<i>Iridium</i>	0	12	<b>12</b>	0	0	<b>0</b>	<b>12</b>
<b>Environmental Services</b>	84	10	<b>94</b>	(3)	(10)	<b>(13)</b>	<b>82</b>
<b>Industrial Services</b>	9	19	<b>28</b>	(1)	(84)	<b>(85)</b>	<b>(57)</b>
<b>Corporation &amp; others</b>	0	71	<b>72</b>	(0)	(542)	<b>(542)</b>	<b>(470)</b>
<b>TOTAL</b>	228	372	<b>600</b>	(42)	(636)	<b>(677)</b>	<b>(77)</b>

- The ACS Group's total investments amounted to € 600 million, while divestments course € 677 million.
- Operating CAPEX in Construction business correspond mainly to the acquisition of machinery for mining contracts by CIMIC (€ 45 million net from operating divestments), showing a significant reduction due to its lower activity and more efficient management.
- Total investment in concession projects and financial investments in Construction business reached € 271 million which practically corresponds to investments made by CIMIC for IPOs of its subsidiaries Segdman and Devine, as well as the treasury stock acquisition.
- The € 109 million sale of the Barcelona Metro Line 9 carried out in December 2015 was collected in January this year so it is not included within this period divestments.
- In Industrial Services area, gross divestments in concession projects amounted to € 84 primarily corresponding to the sale of renewable assets while gross investments amounted to € 19 million related to the sale of renewable assets.
- The area of Environment has allocated € 84 million to operational investments in various treatment plants.
- In Corporation, the prepaid forward sales of Iberdrola shares is included as divestment, while the acquisition of the call option, to cover the underlying risk of the exchangeable bonds issued in 2013 and 2014, is included in investments

### 2.3.3 Other Cash Flows

- During the period the Group has devoted € 120 million to the acquisition of treasury stock, mainly by HOCHTIEF which has acquired during this semester around 1.4% treasury stock.
- Additionally the Group has paid € 168 million of dividends in cash of which € 62 million are part of ACS scrip dividend paid in the month of February while the remaining correspond to HOCHTIEF and its subsidiaries. Scrip dividend was accrued in June and paid in July.



## 3 Areas of Activity Evolution

### 3.1 Construction

<b>Construction</b>			
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
<b>Turnover</b>	<b>12,756</b>	<b>11,344</b>	<b>-11.1%</b>
<b>EBITDA</b>	<b>770</b>	<b>712</b>	<b>-7.5%</b>
<i>Margin</i>	6.0%	6.3%	
<b>EBIT</b>	<b>485</b>	<b>510</b>	<b>+5.2%</b>
<i>Margin</i>	3.8%	4.5%	
<b>Net Profit</b>	<b>124</b>	<b>157</b>	<b>+26.1%</b>
<i>Margin</i>	1.0%	1.4%	
<b>Backlog</b>	<b>49,011</b>	<b>51,252</b>	<b>+4.6%</b>
<i>Months</i>	21	23	
<b>Net Investments</b>	<b>123</b>	<b>368</b>	<b>+199%</b>
<b>Working Capital</b>	<b>(1,043)</b>	<b>(1,169)</b>	<b>+12.1%</b>
<b>Net Debt</b>	<b>214</b>	<b>242</b>	<b>+13.3%</b>
<i>ND/Ebitda</i>	0.1x	0.2x	

- Construction sales accounted for € 11,344 million representing a decrease of 11.1%. This decline is due to the fall in CIMIC activity due to the completion of large projects in 2015, compounded by a negative impact of Australian dollar versus euro exchange rate, but recovering production by 6% in the second quarter with respect to the first one. However, it is worth noting the positive evolution of the activity in North America growing by 10.7%.

<b>Construction</b>		<i>Sales per geographical areas</i>	
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
Spain	662	563	-15.0%
Rest of Europe	1,039	943	-9.2%
North America	5,761	6,380	+10.7%
South America	236	149	-36.7%
Asia Pacific	5,058	3,307	-34.6%
Africa	(0)	2	n.a.
<b>TOTAL</b>	<b>12,756</b>	<b>11,344</b>	<b>-11.1%</b>

- EBITDA accounted for € 712 million, decreasing by 7.5% compared to June 2015, but margin improving by 30bp.
- EBIT accounted for € 510 million, and grew by 5.2% thanks to the operating improvements above mentioned. The depreciation of assets from the acquisition of HOCHTIEF account for € 36.2 million in the period, a figure 19% below than the one accounted in June 2015.
- Construction Net Profit reached € 157 million which imply a 26.1% increase underpinned by the financial efficiency improvement in HOCHTIEF.
- Backlog at the end of the period stood at € 51,252 million, 5% higher compared to the figure recorded 12 months ago. This is backed by the growth in America and the positive evolution of the backlog in Dragados.

<b>Construction</b>		<i>Backlog per geographical areas</i>		
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	
Spain	3,124	3,000	-4.0%	
Rest of Europe	4,670	4,697	+0.6%	
North America	17,891	20,287	+13.4%	
South America	2,284	2,076	-9.1%	
Asia Pacific	20,883	20,947	+0.3%	
Africa	159	246	+54.5%	
<b>TOTAL</b>	<b>49,011</b>	<b>51,252</b>	<b>+4.6%</b>	

<b>Construction</b>														
<i>Euro Million</i>	<b>Dragados</b>			<b>Iridium</b>			<b>HOCHTIEF (ACS contr.)</b>			<b>Adjustments</b>		<b>Total</b>		
	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	<b>6M15</b>	<b>6M16</b>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>
<b>Sales</b>	<b>1,943</b>	<b>1,946</b>	<b>+0.1%</b>	<b>28</b>	<b>32</b>	<b>+13.8%</b>	<b>10,784</b>	<b>9,366</b>	<b>-13.2%</b>	<b>0</b>	<b>0</b>	<b>12,756</b>	<b>11,344</b>	<b>-11.1%</b>
<b>EBITDA</b>	<b>155</b>	<b>156</b>	<b>+0.0%</b>	<b>6</b>	<b>9</b>	<b>+50.9%</b>	<b>609</b>	<b>548</b>	<b>-10.0%</b>	<b>0</b>	<b>0</b>	<b>770</b>	<b>712</b>	<b>-7.5%</b>
<i>Margin</i>	8.0%	8.0%		20.2%	26.8%		5.6%	5.9%				6.0%	6.3%	
<b>EBIT</b>	<b>127</b>	<b>122</b>	<b>-3.4%</b>	<b>(2)</b>	<b>1</b>	<b>n/a</b>	<b>405</b>	<b>423</b>	<b>+4.5%</b>	<b>(45)</b>	<b>(36)</b>	<b>485</b>	<b>510</b>	<b>+5.2%</b>
<i>Margin</i>	6.5%	6.3%		-5.6%	3.9%		3.8%	4.5%				3.8%	4.5%	
Net Financial Results	(19)	(27)		5	(1)		(66)	(42)		0	0	(80)	(69)	
Equity Method	(1)	(0)		(6)	4		(18)	1		(0)	(0)	(25)	4	
Other Results & Fixed Assets	(4)	(2)		(1)	(1)		(35)	(83)		0	0	(40)	(86)	
<b>EBT</b>	<b>103</b>	<b>93</b>	<b>-9.3%</b>	<b>(3)</b>	<b>3</b>	<b>n/a</b>	<b>285</b>	<b>300</b>	<b>+5.3%</b>	<b>(45)</b>	<b>(37)</b>	<b>340</b>	<b>359</b>	<b>+5.8%</b>
Taxes	(35)	(25)		7	(0)		(112)	(111)		14	11	(126)	(125)	
Minorities	0	(0)		(0)	0		106	88		(17)	(11)	89	77	
<b>Net Profit</b>	<b>68</b>	<b>68</b>	<b>+0.1%</b>	<b>4</b>	<b>2</b>	<b>-45.8%</b>	<b>67</b>	<b>101</b>	<b>+50.8%</b>	<b>(14)</b>	<b>(14)</b>	<b>124</b>	<b>157</b>	<b>+26.1%</b>
<i>Margin</i>	3.5%	3.5%		14.2%	6.8%		0.6%	1.1%				1.0%	1.4%	
<b>Backlog</b>	<b>11,295</b>	<b>12,438</b>	<b>+10.1%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>37,716</b>	<b>38,813</b>	<b>+2.9%</b>	<b>-</b>	<b>-</b>	<b>49,011</b>	<b>51,252</b>	<b>+4.6%</b>
<i>Months</i>	38	36		0	0		18	21				21	23	

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

- Dragados experienced growth mainly due to the boost of international activity. Despite the decline in the activity of HOCHTIEF it is noteworthy the growth in EBIT and the significant improvement in margins as a result of operational improvements from the restructuring process. In particular, the EBIT margin increased by 70bp up to 4.5%.
- HOCHTIEF 's contribution to net profit of ACS, after deducting minority interests, amounted to € 101 million, 50.8% higher compared to the same period of the previous year, in proportion to its average stake in the period which stood at 66.5% . The current stake stands at 71.8% adjusted for treasury stocks.
- HOCHTIEF accounts include other extraordinary negative results derived from the transformation process.

<b>HOCHTIEF</b>														
<i>Euro Million</i>	<b>America</b>			<b>Asia Pacific</b>			<b>Europe</b>			<b>Holding</b>		<b>Total</b>		
	<b>6M15</b>	<b>6M16</b>	<i>Var.</i>	<b>6M15</b>	<b>6M16</b>	<i>Var.</i>	<b>6M15</b>	<b>6M16</b>	<i>Var.</i>	<b>6M15</b>	<b>6M16</b>	<b>6M15</b>	<b>6M16</b>	<i>Var.</i>
<b>Sales</b>	<b>4.913</b>	<b>5.362</b>	<i>+9,1%</i>	<b>4.990</b>	<b>3.248</b>	<i>-34,9%</i>	<b>807</b>	<b>704</b>	<i>-12,8%</i>	<b>75</b>	<b>52</b>	<b>10.784</b>	<b>9.366</b>	<i>-13,2%</i>
<b>EBIT</b>	<b>94</b>	<b>119</b>	<i>+26,2%</i>	<b>342</b>	<b>295</b>	<i>-13,6%</i>	<b>(16)</b>	<b>28</b>	<i>n/a</i>	<b>(15)</b>	<b>(20)</b>	<b>405</b>	<b>423</b>	<i>+4,5%</i>
<i>Margin</i>	<i>1,9%</i>	<i>2,2%</i>		<i>6,8%</i>	<i>9,1%</i>		<i>-2,0%</i>	<i>4,0%</i>		<i>0,0%</i>	<i>0,0%</i>	<i>3,8%</i>	<i>4,5%</i>	
Net Financial Results	(9)	(6)		(90)	(32)		33	(11)		(1)	7	(66)	(42)	
Equity Method	0	0		(17)	2		(1)	(0)		(0)	0	(18)	1	
Other Results & Fixed Assets	0	(5)		(17)	(66)		(19)	(7)		(0)	(3)	(35)	(83)	
<b>EBT</b>	<b>85</b>	<b>107</b>	<i>+26,1%</i>	<b>218</b>	<b>198</b>	<i>-9,2%</i>	<b>(3)</b>	<b>10</b>	<i>n/a</i>	<b>(16)</b>	<b>(16)</b>	<b>285</b>	<b>300</b>	<i>+5,3%</i>
Taxes	(26)	(32)		(74)	(70)		(10)	(5)		(2)	(4)	(112)	(111)	
Minorities	11	12		55	36		(1)	0		0	0	65	49	
<b>Net Profit</b>	<b>48</b>	<b>64</b>	<i>+34,0%</i>	<b>90</b>	<b>92</b>	<i>+2,2%</i>	<b>(11)</b>	<b>5</b>	<i>n/a</i>	<b>(18)</b>	<b>(20)</b>	<b>108</b>	<b>140</b>	<i>+30,3%</i>
<i>Margin</i>	<i>1,0%</i>	<i>1,2%</i>		<i>1,8%</i>	<i>2,8%</i>		<i>-1,4%</i>	<i>0,7%</i>				<i>1,0%</i>	<i>1,5%</i>	

- By areas of activities of HOCHTIEF, it is worth highlighting:
  - a) Growth in America where sales went up by 9.1% and net profit by 34.0%. The main factors backing this positive behavior are the good performance of the activities of Turner and Flatiron, the increasing demand and measures introduced to improve operational efficiency.
  - b) Europe's net profit delivers positive net profit for the first time with positive operating margins, after a long process of transformation and adaptation to the reality of Central European construction market.
  - c) CIMIC experienced a substantial improvement in operating margins which, along with a significant reduction of financial expenses, has resulted in improvement in net profit of 2.2%. Additionally, it is worth noting the better evolution in sales in the second quarter with respect to the first one, marking the beginning of recovery which is expected to occur gradually in coming quarters.

### 3.2 Industrial Services

Industrial Services		Key Figures	
<i>Euro Million</i>	6M15	6M16	Var.
<b>Turnover</b>	<b>3,544</b>	<b>3,455</b>	<b>-2.5%</b>
<b>EBITDA</b>	<b>399</b>	<b>365</b>	<b>-8.6%</b>
<i>Margin</i>	11.3%	10.6%	
<b>EBIT</b>	<b>363</b>	<b>330</b>	<b>-9.3%</b>
<i>Margin</i>	10.3%	9.5%	
<b>Net Profit</b>	<b>208</b>	<b>200</b>	<b>-3.9%</b>
<i>Margin</i>	5.9%	5.8%	
<b>Backlog</b>	<b>8,123</b>	<b>8,572</b>	<b>+5.5%</b>
<i>Months</i>	15	16	
<b>Net Investments</b>	<b>(150)</b>	<b>(57)</b>	<b>-62.3%</b>
<b>Working Capital</b>	<b>(732)</b>	<b>(912)</b>	<b>+24.7%</b>
<b>Net Debt</b>	<b>(581)</b>	<b>(618)</b>	<b>+6.4%</b>
<i>ND/Ebitda</i>	-0.7x	-0.8x	

Proforma Results ex Renewables			
<i>Euro Million</i>	6M15	6M16	Var.
<b>Sales</b>	3,490	<b>3,455</b>	<b>-1.0%</b>
<b>EBITDA</b>	369	<b>365</b>	<b>-1.0%</b>
<i>Margin</i>	10.4%	10.6%	
<b>EBIT</b>	333	<b>330</b>	<b>-1.0%</b>
<i>Margin</i>	9.4%	9.5%	
<b>Net Profit</b>	202	<b>200</b>	<b>-1.0%</b>

- Industrial Services sales accounted for € 3,455 million, showing a drop of 2.5% compared to the same period of 2015. These figures are affected by the sale of renewables in the prior period. Not taking the contribution of renewables into consideration, sales would have grown by 1.0%, remaining practically stable. International activity grows by 18.8% representing 72.6% of total sales.

Industrial Services		Sales per geographical areas		
<i>Euro Million</i>	6M15	6M16	Var.	
Spain	1,432	947	-33.8%	
Rest of Europe	218	200	-8.3%	
North America	857	838	-2.2%	
South America	683	808	+18.4%	
Asia Pacific	278	486	+74.5%	
Africa	76	177	+132.8%	
<b>TOTAL</b>	<b>3,544</b>	<b>3,455</b>	<b>-2.5%</b>	

- EPC projects remains stable while Support Services activities slightly decreases by 1.4%, mainly due to the slowdown in domestic activity.

- By region, it is worth noting the good performance in Asia Pacific and South America. North America experienced a slight decrease due to adjustment to current market demand in Mexico. The decline in Spain is due to the sale of renewable assets and the completion of several turnkey projects which have been replaced by others in the international market.
- Revenue generation from renewable energy show a decrease of 71.2% after the sale of renewable assets in the first quarter of 2015.

Industrial Services		Turnover breakdown by activity		
Euro Million	6M15	6M16	Var.	
<b>Support Services</b>	<b>2,090</b>	<b>2,060</b>	<b>-1.4%</b>	
<i>Networks</i>	430	301	-29.9%	
<i>Specialized Products</i>	1,246	1,349	+8.2%	
<i>Control Systems</i>	414	410	-0.9%	
<b>EPC Projects</b>	<b>1,378</b>	<b>1,373</b>	<b>-0.3%</b>	
<b>Renewable Energy: Generation</b>	<b>91</b>	<b>26</b>	<b>-71.2%</b>	
<i>Consolidation Adjustments</i>	(15)	(5)		
<b>TOTAL</b>	<b>3,544</b>	<b>3,455</b>	<b>-2.5%</b>	
<b>International</b>	<b>2,112</b>	<b>2,508</b>	<b>+18.8%</b>	
<i>% over total sales</i>	59.6%	72.6%		

- Backlog grows by 5.5% up to € 8,572 million. International backlog represents 76.9% of the total amount. It is worth noting the positive evolution in Asia Pacific, South America and Europe as well as the slight recovery of the domestic market with an increase in backlog with respect to the prior period.

Industrial Services		Backlog per geographical areas		
Euro Million	6M15	6M16	Var.	
Spain	1,956	1,981	+1.3%	
Rest of Europe	362	402	+11.2%	
North America	1,960	1,906	-2.7%	
South America	1,519	1,668	+9.8%	
Asia Pacific	1,509	1,859	+23.1%	
Africa	817	756	-7.5%	
<b>TOTAL</b>	<b>8,123</b>	<b>8,572</b>	<b>+5.5%</b>	

Industrial Services		Backlog per activity		
Euro Million	6M15	6M16	Var.	
<b>Support Services</b>	<b>4,793</b>	<b>4,962</b>	<b>+3.5%</b>	
<i>Networks</i>	400	431	+7.8%	
<i>Specialized Products</i>	3,087	3,200	+3.7%	
<i>Control Systems</i>	1,306	1,331	+1.9%	
<b>EPC Projects</b>	<b>3,318</b>	<b>3,583</b>	<b>+8.0%</b>	
<b>Renewable Energy: Generation</b>	<b>12</b>	<b>26</b>	<b>+117.2%</b>	
<b>TOTAL BACKLOG</b>	<b>8,123</b>	<b>8,572</b>	<b>+5.5%</b>	
<b>International</b>	<b>6,167</b>	<b>6,591</b>	<b>+6.9%</b>	
<i>% over total backlog</i>	75.9%	76.9%		

- EBITDA accounted for € 365 million, 8.6% less than in June 2015. Not considering the contribution of renewables it would have gone down by 1.0%.
- EBIT decreased by 9.3% down to € 330 million, with a 9.5% margin. Ex renewables, the figure would decrease by 1,0%.
- Net profit accounted for € 200 million, 3.9% less than in June 2015.

### 3.3 Environment

Environment		Key figures	
<i>Euro Million</i>	6M15	6M16	Var.
<b>Turnover</b>	<b>1,572</b>	<b>1,604</b>	<b>+2.0%</b>
<b>EBITDA</b>	<b>171</b>	<b>175</b>	<b>+2.1%</b>
<i>Margin</i>	10.9%	10.9%	
<b>EBIT</b>	<b>83</b>	<b>85</b>	<b>+2.9%</b>
<i>Margin</i>	5.3%	5.3%	
<b>Net Profit</b>	<b>47</b>	<b>49</b>	<b>+3.2%</b>
<i>Margin</i>	3.0%	3.0%	
<b>Backlog</b>	<b>10,195</b>	<b>9,738</b>	<b>-4.5%</b>
<i>Months</i>	40	37	
<b>Net Investments</b>	<b>94</b>	<b>82</b>	
<b>Working Capital</b>	<b>136</b>	<b>75</b>	
<b>Net Debt</b>	<b>1,204</b>	<b>1,036</b>	<b>-13.9%</b>
<i>ND/Ebitda</i>	3.5x	3.0x	

- Sales in the area of Environment increased by 2.0% showing a positive evolution in all segments of activities.
- EBITDA accounts for € 175 million and grew by 2.1% in line with sales growth. Net profit increased by 3.2%.

Environment		Sales breakdown	
<i>Euro Million</i>	6M15	6M16	Var.
Urbaser	816	818	+0.2%
Facility management	690	717	+3.9%
Logistics	66	69	+5.1%
<b>TOTAL</b>	<b>1,572</b>	<b>1,604</b>	<b>+2.0%</b>
<b>International</b>	<b>360</b>	<b>320</b>	<b>-11.2%</b>
<i>% over total sales</i>	22.9%	19.9%	

- Urbaser activity, slightly reduces its sales due to the impact of the exchange rate in activities in Chile. Meanwhile, the start of operation of new treatment plants built in the UK is expected for the second half of 2016
- International sales fell by 11.2% as a consequence of the exchange rate evolution.

<b>Environment</b>		<i>Sales per geographical areas</i>		
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	
Spain	1,212	1,285	+6.0%	
Rest of Europe	150	152	+1.3%	
North America	6	9	+44.5%	
South America	193	149	-22.8%	
Asia Pacific	0	2	<i>n.a.</i>	
Africa	11	8	-25.0%	
<b>TOTAL</b>	<b>1,572</b>	<b>1,604</b>	<b>+2.0%</b>	

- Environment backlog accounts for € 9,738 million, equivalent to over 3 years. It is 4.5% lower than the figure accounted last year.

<b>Environment</b>		<i>Backlog breakdown by activity</i>		
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	
Urbaser	8,539	8,011	-6.2%	
Facility management	1,655	1,727	+4.3%	
<b>TOTAL</b>	<b>10,195</b>	<b>9,738</b>	<b>-4.5%</b>	
<b>International</b>	<b>4,083</b>	<b>3,690</b>	<b>-9.6%</b>	
<i>% over total backlog</i>	<i>40.0%</i>	<i>37.9%</i>		

- International backlog, which mainly corresponds to Waste Treatment, makes up 37.9% of the total.

<b>Environment</b>		<i>Backlog per geographical areas</i>		
<i>Euro Million</i>	<b>6M15</b>	<b>6M16</b>	<b>Var.</b>	
Spain	6,112	6,049	-1.0%	
Rest of Europe	2,880	2,644	-8.2%	
North America	112	111	-1.2%	
South America	1,054	739	-29.9%	
Asia Pacific	0	173	<i>n.a.</i>	
Africa	37	23	-38.5%	
<b>TOTAL</b>	<b>10,195</b>	<b>9,738</b>	<b>-4.5%</b>	

## 4 Relevant facts after the end of the period

- The Shareholder Annual General Meeting approved the 5th of May the distribution of a complementary dividend of 0.71 Euros per share, which has been paid by July 2016 using a scrip dividend system. In this period, the purchasing agreement from ACS has been accepted by a 51.24% of shareholders, leading to an acquisition by ACS of 161,229,439 rights for a total amount of 113,989,213.37 euros.

The number of shares issued with a nominal value of 0.5 euros the 22th of July amounted to 3,825,354. The nominal amount of the capital increase accounted for 1,912,677 euros.

## 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:
    - ✓ Renewal of the Euro Commercial Paper (EPC) issue for 750 million euros and Euro Medium Term Note Program (EMNT) for 1,500 million euros.
    - ✓ Bond (Notes) issuance in the euro market for 28 million euro, maturing in 2018
    - ✓ Significant reduction of the market risk linked to Iberdrola stake as a result of the forward sale and the derivative contracts as well as the following maturity of the put spread.
- Corporate Governance and Corporate Responsibility Annual Reports, and the Consolidated Financial Statements of Grupo ACS ([www.grupoacs.com](http://www.grupoacs.com)), develop 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:



- ✓ The internationalization of the Group's activities;
- ✓ The impact in the growth slowdown in Asia Pacific
- ✓ Economic and financial uncertainties arising from the European crisis.
- ✓ The slow growth in infrastructure investments in Spain due to the provisional government after the elections.

## 6 Corporate Social Responsibility

- The ACS Group is a worldwide reference in the infrastructure development industry, and it is deeply committed to economic and social progress in the countries where it is present.
- To tackle the Corporate Social Responsibility policy coordination, taking into consideration its operational decentralization and geographic breadth, the Group has developed project “one”, which aims at promoting good management practices and the spread of corporate culture. The areas of non-financial management that affects are basic principles of action that govern the activity of the Grupo ACS, ethics and transparency of information, as well as the specific principles with its groups of interest, customers, employees, suppliers, shareholders and the society in general, also affecting the management of other non-financial functional areas that are key to the development of the activity, such as the quality of services, the protection of the environment and innovation and development.
- Thus, the Grupo ACS has approved its policy of Corporate Social Responsibility laying down these principles basic and specific of this matter, as well as the Group's relationship with its environment. The detail of the results of policies of responsibility Corporate Social Responsibility of Grupo ACS is collected and published frequently on the Group's web page ([www.grupoacs.com](http://www.grupoacs.com)) and in the annual report of Corporate Social Responsibility.

### 6.1 Basic principles of action: Ethics and Information Transparency

- 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 its General Code of Conduct which is applicable to its employees, suppliers and subcontractors. In addition, training initiatives are carried out in order to inform all three groups of the Code, as well as the implementation of the ACS Group Ethics Channel which enables any person to communicate inappropriate conduct or breaches of the Code of Conduct if there were to occur.
- Grupo ACS has a full commitment of rigorousness in the disclosure of information with due respect to the interests of clients and remaining social interlocutors of the company

### 6.2 Specific principles of action

#### Clients, Suppliers and Quality

- A 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 Grupo ACS, 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 safety, 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:
  - ✓ Development of individualized strategic research lines per company.
  - ✓ Strategic collaboration with external organizations.
  - ✓ Responsible and increased investment focused on enhancing research and generating more consistent and efficient patents and operational techniques.

## 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, it 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:
  - ✓ Actions to help reduce climate change.
  - ✓ Initiatives to enhance energy efficiency in their activities.
  - ✓ Procedures to help reduce to a minimum the impact on biodiversity in those projects where necessary.
  - ✓ Promoting good practices designed to save water in locations with water stress.

### **6.3 Employees**

#### **Human Resources**

- At the end of the June 30<sup>th</sup> 2016, Grupo ACS employed a total of 199,865 people, of which 31,375 are university graduates.
- Some of the fundamental principles governing corporate human resources policies of the Group companies are based on the following joint actions:
  - ✓ To attract, retain and motivate talented people.
  - ✓ To promote teamwork and quality control as tools to encourage the excellence of a job well done.
  - ✓ To act quickly, promoting accountability and minimizing bureaucracy.
  - ✓ To support and increase training and learning.
  - ✓ 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 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.

**Social Action**

- The commitment to the betterment of society is part of the objectives of Grupo ACS. In order to contribute to this objective, the Group relies on a Social Action policy linked to its business strategy, since this is the best mean to generate real value for all stakeholders. This policy seeks to promote Social Action of Grupo ACS, with the following objectives:
  - ✓ Promoting businesses growth and sustainability. Improve the recognition and reputation of the company.
  - ✓ Increase satisfaction of employees and partners.
  - ✓ Contribute to the improvement of the society in which Grupo ACS operates.

## 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 Annex

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

<b>TURNOVER</b>					
<i>Euro Million</i>	<b>6M15</b>		<b>6M16</b>		<b>Var.</b>
Construction	12,756	71 %	11,344	69 %	-11.1%
Industrial Services	3,544	20 %	3,455	21 %	-2.5%
Environmental Services	1,572	9 %	1,604	10 %	+2.1%
Corporation / Adjustments	(11)		(16)		
<b>TOTAL</b>	<b>17,860</b>		<b>16,387</b>		<b>-8.2%</b>

<b>EBITDA</b>					
<i>Euro Million</i>	<b>6M15</b>		<b>6M16</b>		<b>Var.</b>
Construction	770	57 %	712	57 %	-7.5%
Industrial Services	399	30 %	365	29 %	-8.6%
Environmental Services	171	13 %	175	14 %	+2.1%
Corporation / Adjustments	(25)		(27)		
<b>TOTAL</b>	<b>1,315</b>		<b>1,225</b>		<b>-6.9%</b>

<b>EBIT</b>					
<i>Euro Million</i>	<b>6M15</b>		<b>6M16</b>		<b>Var.</b>
Construction	485	52 %	510	55 %	+5.2%
Industrial Services	363	39 %	330	36 %	-9.3%
Environmental Services	83	9 %	85	9 %	+2.9%
Corporation / Adjustments	(27)		(28)		
<b>TOTAL</b>	<b>905</b>		<b>897</b>		<b>-0.9%</b>

<b>NET PROFIT</b>					
<i>Euro Million</i>	<b>6M15</b>		<b>6M16</b>		<b>Var.</b>
Construction	124	33 %	157	39 %	+26.1%
Industrial Services	208	55 %	200	49 %	-3.9%
Environmental Services	47	12 %	49	12 %	+3.2%
Corporation / Adjustments	27		(17)		
<b>TOTAL</b>	<b>407</b>		<b>388</b>		<b>-4.7%</b>

<b>NET INVESTMENTS</b>					
<i>Euro Million</i>	<b>6M15</b>		<b>6M16</b>		<b>Var.</b>
Construction	123		368		+198.9%
Industrial Services	(150)		(57)		-62.3%
Environmental Services	94		82		-13.3%
Corporation / Adjustments	0		(470)		n.a
<b>TOTAL</b>	<b>68</b>		<b>(77)</b>		<b>n.a</b>

<b>BACKLOG</b>					
<i>Euro Million</i>	<b>jun.-15</b>		<b>jun.-16</b>		<b>Var.</b>
		months		months	
Construction	49,011	21	51,252	23	+4.6%
Industrial Services	8,123	15	8,572	16	+5.5%
Environmental Services	10,195	40	9,738	37	-4.5%
<b>TOTAL</b>	<b>67,329</b>	<b>21</b>	<b>69,561</b>	<b>23</b>	<b>+3.3%</b>

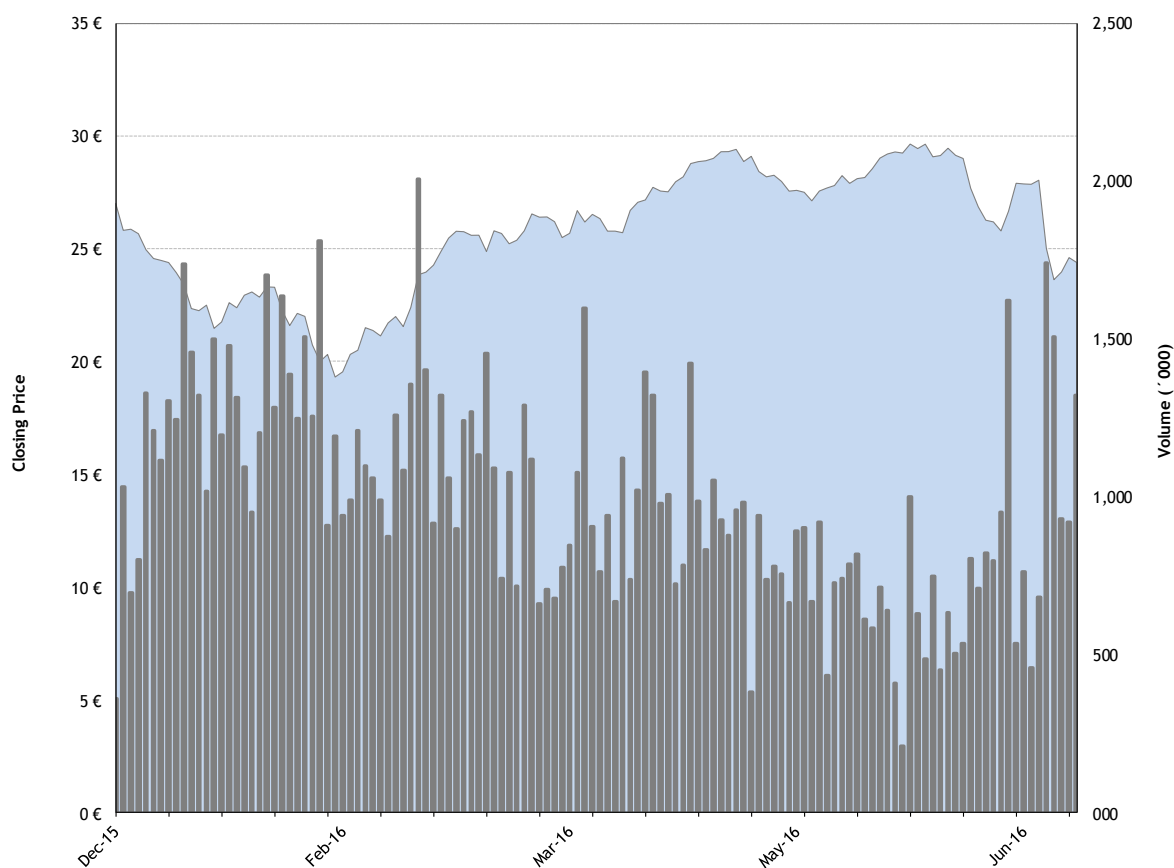
  

<b>NET DEBT</b>					
<i>Euro Million</i>	<b>jun.-15</b>		<b>jun.-16</b>		<b>Var.</b>
Construction	214		242		+13.3%
Industrial Services	(581)		(618)		+6.4%
Environmental Services	1,204		1,036		-13.9%
Corporation / Adjustments	2,672		3,081		+15.3%
<b>TOTAL</b>	<b>3,508</b>		<b>3,741</b>		<b>+6.6%</b>

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

8.2 Share data

ACS Shares Data (YTD)	6M15	6M16
Closing price	28.86 €	24.40 €
Performance	-13.61%	-15.46%
Maximum in the period	34.40 €	29.95 €
Maximum Date	27-feb	03-jun
Minimum in the period	27.22 €	19.31 €
Minimum Date	18-jun	11-feb
Average in the period	31.07 €	25.16 €
Total volume ('000)	124,826	127,110
Daily average volume ('000)	999	1,001
Total traded effective (€ mn)	3,879	3,198
Daily average effective (€ mn)	31.03	25.18
Number of shares (mn)	314.66	314.66
Market cap (€ mn)	9,080	7,676



**8.3 Exchange rate effect**

EXCHANGE RATE EFFECT (€ vs. currency)	Average Exchange Rate			
	jun.-15	jun.-16	difference	%
1 US Dollar	1.1092	1.1128	0.0036	+0.3%
1 Australian Dollar	1.4323	1.5118	0.0795	+5.6%
1 Mexican Peso	16.9363	19.9135	2.9771	+17.6%
1 Brazilian Real	3.3266	4.0506	0.7240	+21.8%

EXCHANGE RATE EFFECT (€ vs. currency)	Closing Exchange Rate			
	jun.-15	jun.-16	difference	%
1 US Dollar	1.1135	1.1104	(0.0031)	-0.3%
1 Australian Dollar	1.4447	1.4905	0.0458	+3.2%
1 Mexican Peso	17.5139	20.3020	2.7881	+15.9%
1 Brazilian Real	3.4541	3.5673	0.1132	+3.3%

EXCHANGE RATE EFFECT Euro million	Grupo ACS			
	USD	AUD	Others	Total
Backlog	150	(643)	(1,359)	(1,853)
Sales	(15)	(179)	(286)	(480)
Ebitda	(0)	(21)	(35)	(56)
Ebit	(0)	(15)	(30)	(45)
Net Profit	(0)	(4)	(16)	(20)

EXCHANGE RATE EFFECT	Construction			
<i>Euro Million</i>	USD	AUD	Others	Total
Backlog	148	(642)	(349)	(843)
Sales	(15)	(178)	(61)	(253)
Ebitda	(0)	(21)	(4)	(25)
Ebit	(0)	(15)	(3)	(19)
Net Profit	(0)	(4)	(6)	(10)

EXCHANGE RATE EFFECT	Industrial Services			
<i>Euro Million</i>	USD	AUD	Others	Total
Backlog	2	(1)	(474)	(474)
Sales	(1)	(0)	(150)	(151)
Ebitda	0	(0)	(17)	(17)
Ebit	0	(0)	(16)	(16)
Net Profit	0	(0)	(6)	(6)

EXCHANGE RATE EFFECT	Environment			
<i>Euro Million</i>	USD	AUD	Others	Total
Backlog	0	0	(536)	(536)
Sales	0	0	(76)	(76)
Ebitda	0	0	(14)	(14)
Ebit	0	0	(11)	(11)
Net Profit	0	0	(4)	(4)

## 8.4 Main Awards of the Period

*In blue the new awards corresponding to the last quarter*

### 8.4.1 Construction

Project	Type of Project	Region	€ mn
Rehabilitation and improvement works in the Corpus Christi Harbor Bridge in the highway US-181 (Texas, United States)	Civil Works	America	363.0
Echewater project development that consists in an addition to the Sacramento Regional Wastewater Treatment Plant (California, United States)	Civil Works	America	362.0
Project for removing nine level crossings between Caulfield and Dandenong in Melbourne's south-eastern suburbs, as well as rebuild five railway stations (Melbourne, Australia)	Civil Works	Asia Pacific	317.9
Construction of an eight-storey columbarium, garden of remembrance and other ancillary facilities in Hong Kong (China)	Building	Asia Pacific	214.6
Construction of the Christchurch Hospital Acute Services Building (ASB) in New Zealand	Building	Asia Pacific	182.7
Works for the widening of two stretches of the SH-288 in Harris County (Houston, Texas, United States)	Civil Works	America	160.1
Delivery of phases two and three of the Maker Maxity project which comprise a premium retail and hospitality development (Mumbai, India)	Building	Asia Pacific	148.8
Renovation and rehabilitation works for the Museum Center in Union Terminal in Cincinnati (Ohio, United States)	Building	America	136.0
Construction of the stage 2 of the Gold Coast light rail between Southport and Helensvale (Queensland, Australia)	Civil Works	Asia Pacific	135.0
Development of Mercedes-Platz event building in Berlin (Germany)	Building	Europe	134.5
Project for the construction of the segment 1 of the C-407 tolled highway (Denver, United States)	Civil Works	America	129.0
Construction of Tunnell Stellingen in the A7 motorway enlargement project (Hamburg, Germany)	Civil Works	Europe	127.6
Three-year contract extension to continue operations at Melak Coal Mine until December 2019 (Indonesia)	Contract mining	Asia Pacific	122.9
Network integrity and facilities management supply services to more than 40,000 exchange and network assets across Australia.	Civil Works	Asia Pacific	119.9
Design and construction of Naval Academy's Center for Cyber Security Studies in Annapolis (Maryland, United States)	Building	America	103.0
Upgrade works in a section of Bruce Highway in Queensland (Australia)	Civil Works	Asia Pacific	102.9



Construction of Amazon's new logistic center in Barcelona (Spain)	Building	Europe	101.4
Project for the construction of a new building, Tollman Hall , ib the University of Berkeley (California, United States)	Building	America	83.8
Construction of sections of both the N25 and N30 routes (Ireland).	Civil Works	Europe	69.0
Modernisation works for the E-30 railway line (Poland)	Civil Works	Europe	64.8
Works for the renovation and enlargement of the Prince George's Community College in Largo (Maryland, United States)	Building	America	62.0

### 8.4.2 Industrial Services

Project	Type of Project	Region	€ mn
EPC project for the construction of Mantiqueira electricity transmission line with a length of 1,341 km in Minas Gerais State (Brazil)	EPC Projects	America	640.0
EPC project for the construction of 1,166 km of transmission lines of 500 kV, in the states of Ceará, Piauí y Maranhao, and the construction of four new substations of 500 kV and the expansion at 500 kV substation Pecém II (Brazil)	EPC Projects	America	443.7
EPC project for the construction of José María Mace electricity transmission line with a length of 869 km in Bahia State (Brazil)	EPC Projects	America	312.0
Contract for the development of engineering, supply of equipment and materials as well as the construction, including erection, commissioning and start-up for a new fertilizers complex which includes a Sulphuric Acid Plant, and a DAP & TSP Plant (Egypt)	EPC Projects	Africa	220.4
EPC project for the construction of Ras Al Khaimah desalination plant with a capacity of 100,000 m <sup>3</sup> /day (United Arab Emirates)	EPC Projects	Asia Pacific	149.0
Contract for the development of Pastore windfarm with an installed capacity of 53MW (Uruguay)	EPC Projects	America	92.0
Design, supply and construction of the Renace IV hydroelectric plant in Alta Verapaz (Guatemala)	EPC Projects	America	90.0
EPC project for the construction of Tuas 3 desalination plant with a capacity of 136,000 m <sup>3</sup> /day (Singapore)	EPC Projects	Asia Pacific	75.6
Contract for the gas services distribution for Gas Natural in Chile	Networks	America	60.0
Fabrication of 4 substation jackets for the Hornsea offshore wind farm project (Denmark)	Specialized Products	Europe	56.6
Construction of a photovoltaic plant with an installed capacity of 33,4MW in Fukushima (Japan)	EPC Projects	Asia Pacific	52.4
Construction of Hokota photovoltaic plant with an installed capacity of 21,53 MW (Japan)	EPC Projects	Asia Pacific	51.9
Works for traffic control systems installation in Al Muntazah Street (Qatar)	Control Systems	Asia Pacific	44.8
Construction of a photovoltaic plant with an installed capacity of 17MW in Hayato (Japan)	EPC Projects	Asia Pacific	43.2
Construction of a photovoltaic plant with an installed capacity of 17MW in Kagoshima (Japan)	EPC Projects	Asia Pacific	39.1
Works in the Saudi Aramco Krurahis project consisting in the trunklines oil/gas construction between Mazalij and Abufijan (Saudi Arabia)	Specialized Products	Asia Pacific	33.7
Maintenance services of potable water systems and sewerage systems in Lima (Peru)	Specialized Products	America	31.4

### 8.4.3 Environment

Project	Type of Project	Region	€ mn
Contract for solid urban waste collection and treatment and street cleaning services in the provincial jurisdiction of Jaen (Spain)	Urban Services	Europe	460.4
Renewal of the contract for home care services in Madrid city (Spain)	Facility Management	Europe	169.3
Contract for urban solid waste collection in the North-Middle South region of Bahrain	Urban Services	Asia Pacific	110.8
Contract for cleaning services in buildings of Valencian Community Health Department (Spain)	Facility Management	Europe	55.8
Extension of the contract for the exploitation of the Romainville urban waste treatment plant (France)	Waste treatment	Europe	31.7
Contract for home care services in Barcelona (Spain)	Facility Management	Europe	30.2
Contract for urban solid waste collection in San Pedro de Cholula (Mexico)	Urban Services	America	17.3
Management of the at-home medical care service in Málaga (Spain)	Facility Management	Europe	15.6
Freight service contract at the airport of Madrid (Spain)	Facility Management	Europe	14.7
Cleaning service contract for high-speed trains of Alstom (Spain)	Facility Management	Europe	13.6
Street cleaning services in Antofagasta (Chile)	Urban Services	America	12.8

## 9. Glosary

ACS Group presents its results in accordance with the International Financial Reporting Standards (IFRS). However, the group makes use of some alternative measures of performance (APM) to provide additional information that promote comparability and understanding of its financial information, and facilitates decision making and evaluation of the performance of the group. Below are the most outstanding APMs.

<b>Market capitalisation</b>	Num of shares at the close of the period x price at the close of the period
<b>Earnings per share</b>	Net profit for the period / average number of shares of the period
<b>PER</b>	Price at the close of the period / Earnings per share for the last 4 quarters
<b>Backlog</b>	Value of the awards pending to be executed
<b>Gross Operating Profit (EBITDA)</b>	Operating Profit + Net results from JV + Depreciations, Amortisations and Provisions
<b>Net Operating Profit (EBIT)</b>	Operating Profit + Net results from JV
<b>Net results from JV</b>	Profit before tax from Joint Ventures
<b>Financial Result</b>	Financial Revenue - Financial Expenses
<b>Net Debt with group companies</b>	Debt with group companies - loans to group companies
<b>Gross Financial Debt</b>	Bank debt + Bonds and obligations + Project finance debt + Financial lease + other non bank debt + net debt with group companies
<b>Net Financial Debt</b>	Gross Financial Debt – Short term financial investmets - Long term deposits - Cash and other cash equivalentents
<b>Net Financial Debt / EBITDA</b>	Net Financial Debt / annualized EBITDA (period EBITDA/period months*12)
<b>Cash Flow from Operating Activities (FFO)</b>	Operating collections - Operating payments of the period
<b>Cash Flow from Investing Activities</b>	Total investments collected - Total divestments paid
<b>Net Operating Cash Flow per Share</b>	FFO for the quarter / average Number of shares of the period
<b>Net Investments</b>	Investments - divestments of the period
<b>Working Capital</b>	Stocks + Total trade receivables - total trade payables - other current liabilities
<b>Operating Working Capital</b>	Working capital excluding non-operating items

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This document contains forward-looking statements on the intentions, expectations or forecasts of Grupo ACS or its management at the time the document was drawn up and in reference to various matters including, among others, its customer base, its performance, the foreseeable growth of its business lines and its overall turnover, its market share, the results of Grupo ACS and other matters relating to the Group's activities and current position. These forward-looking statements or forecasts can in some cases be identified by terms such as "expectation", "anticipation", "proposal", "belief" or similar, or their corresponding negatives, or by the very nature of predictions regarding strategies, plans or intentions. Such forward-looking statements or forecasts in no way constitute, by their very nature, guarantees of future performance but are conditional on the risks, uncertainties and other pertinent factors that may result in the eventual consequences differing materially from those contained in said intentions, expectations or forecasts.

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