



ACS

ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS



ACS Group

2019 Results Presentation

February 19th, 2020

Executive summary

POSITIVE EVOLUTION OF THE BUSINESSES	Net Profit 2019 962 €mn		+5.1%
MIDDLE EAST EXIT - BICC	Results Impact (420) €mn		
SOLID CASH GENERATION	CFO before investment 2,379€mn		+2.5%
MINIMUM FINANCIAL DEBT	Net Financial Debt € 54 mn		0.02x EBITDA
GROWING PROJECT BACKLOG	North America 32.2 €bn +10.1%*	Australia 19.4 €bn +6.3%*	Europe 14.3 €bn +8.6%
STRATEGIC GROUP APPROACH			

*Annual growth adjusted by F/X

2019 Main operating figures

		Variation	Comparable ¹ Var.
SALES	39,049	+6.5%	+4.5%
BACKLOG	77,756	+7.7%	+6.0%
EBITDA	3,148	+7.0%	+7.2%
EBIT	2,126	+3.7%	+3.8%
NET PROFIT	962	+5.1%	+4.2%
CFO before investment²	2,379	+2.5%	

(1) Adjusted by F/X

(2) Operating cash flows before investments

Net Debt evolution 2011- 2019

Net Cash Position (ex Project Finance)

(87)

Project Finance (non-recourse)

141

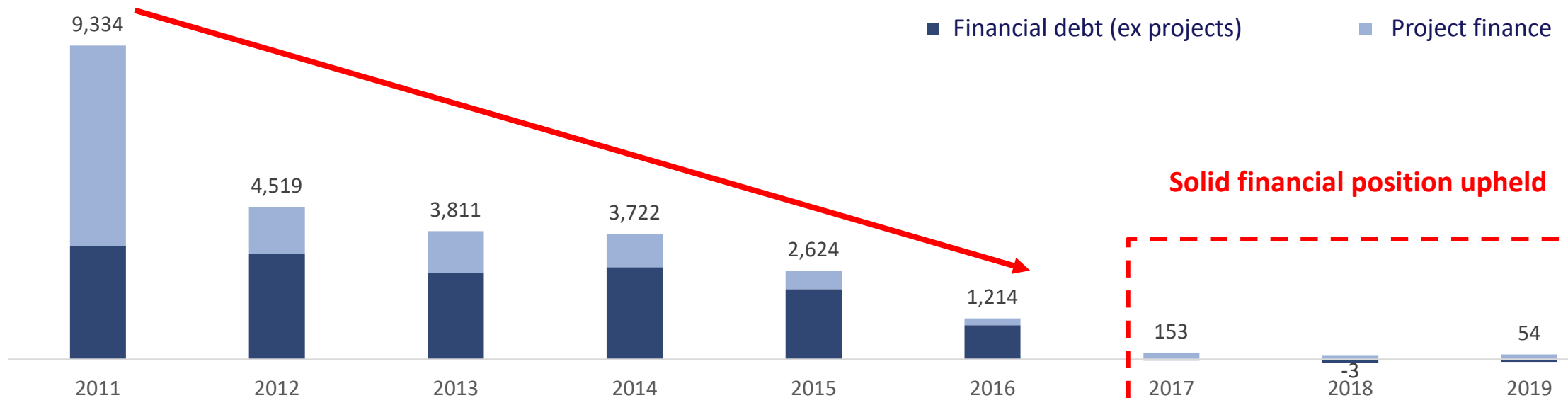
Net Debt Position at 2019 year-end

54

BBB (Investment grade)

S&P Global
Ratings

0.02x EBITDA



Geographical distribution

Sales 2019

39,049 €mn

+6.5%

+4.5% adj. FX

Europe

20% o/sales
+0.0%

Africa

1% o/sales

Australia

19% o/sales
+0.4%

Asia

5% o/sales
-19.2%

North America

50% o/sales
+16.4%

South America

5% o/sales
+12.7%

Annual Growth

Geographical distribution

Backlog 2019

77,756 €mn

+7.7%

+6.0% adj. FX

Europe

18% o/backlog
+8.6%

Africa

2% o/backlog

Australia

25% o/backlog
+7.7%

Asia

5% o/backlog
-27.1%

North America

44% o/backlog
+11.8%

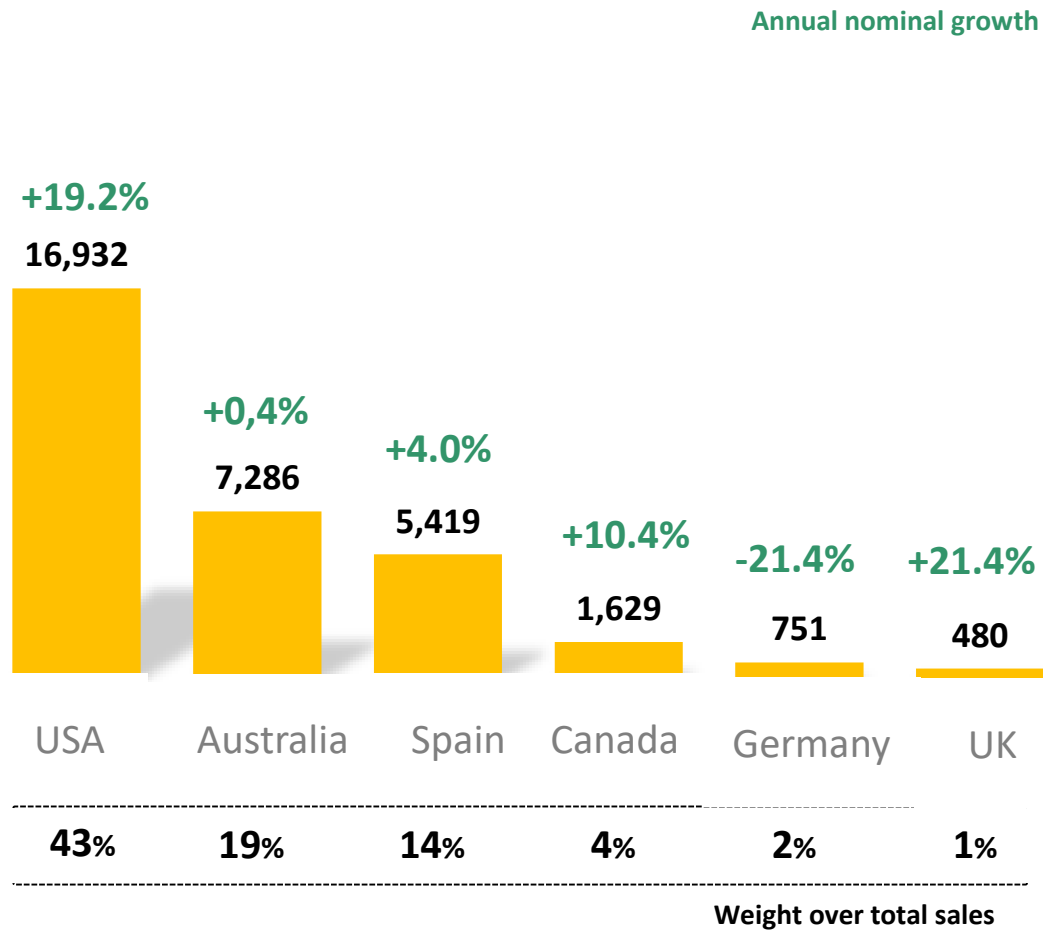
South America

6% o/backlog
-8.2%

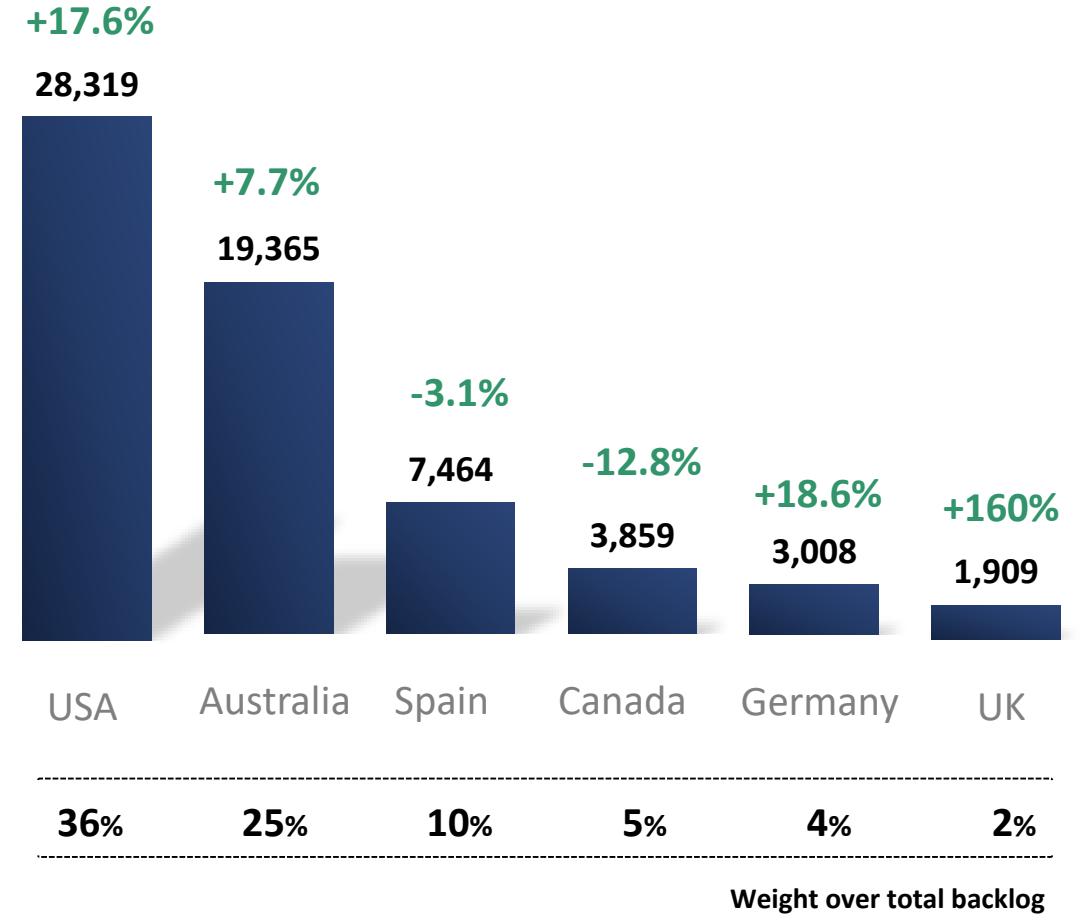
Annual Growth

Activity in the main markets

Sales breakdown by key countries

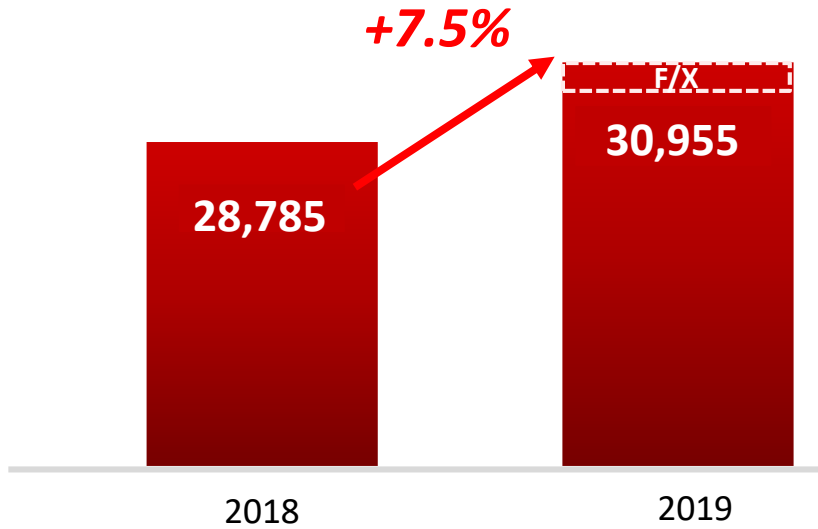


Backlog breakdown by key countries

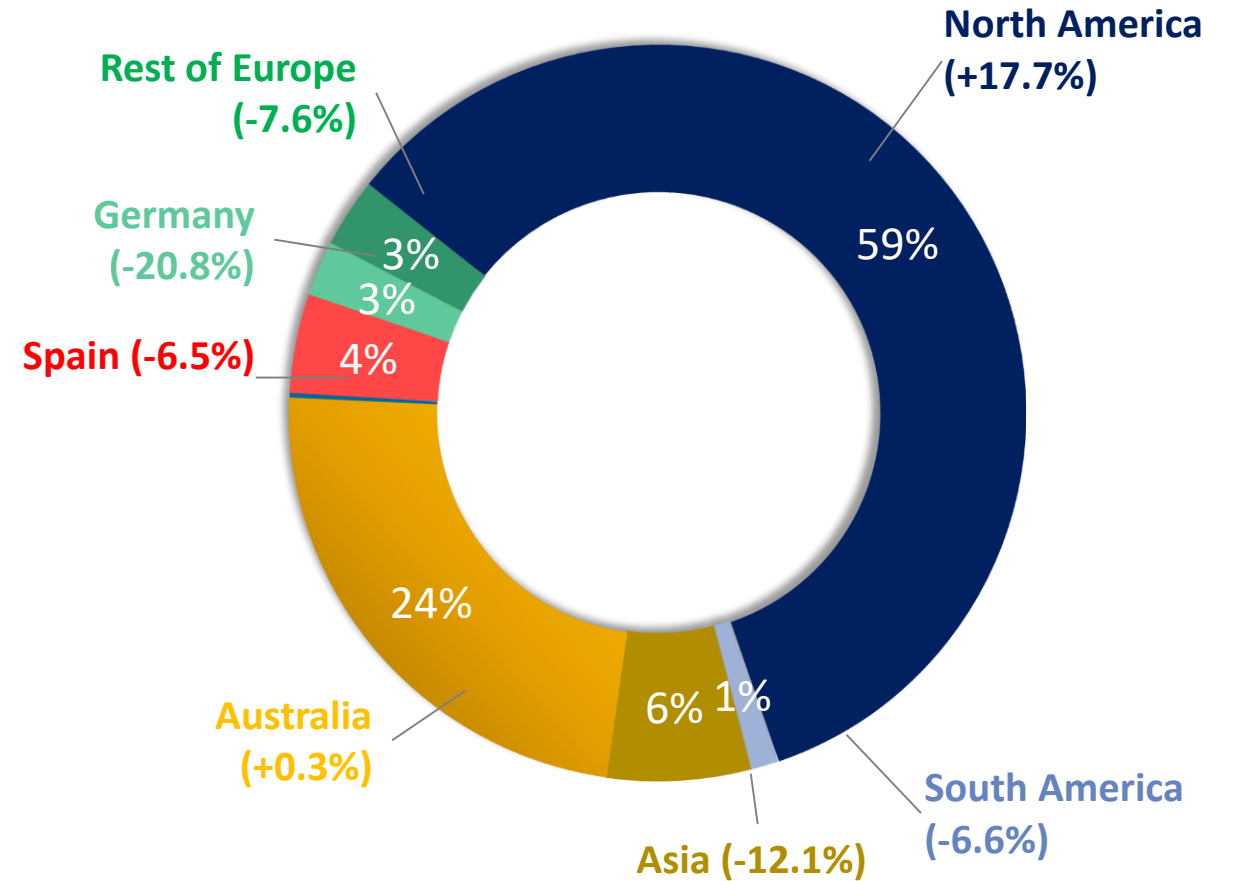


Infrastructures – Sales evolution

Annual nominal growth

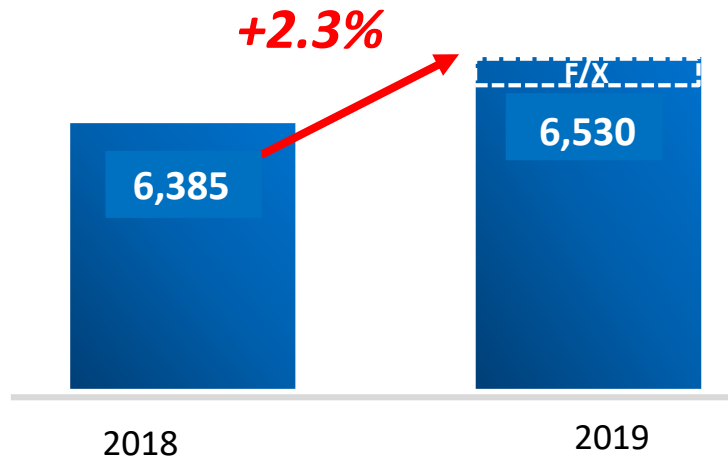


- ✓ **Solid growth in North America →**
 - +18.4%**
+12.4% ex F/X
 - +10.7%**
+7.0% ex F/X
- ✓ **Positive evolution in Australia's construction activity → +2.3% in local currency**

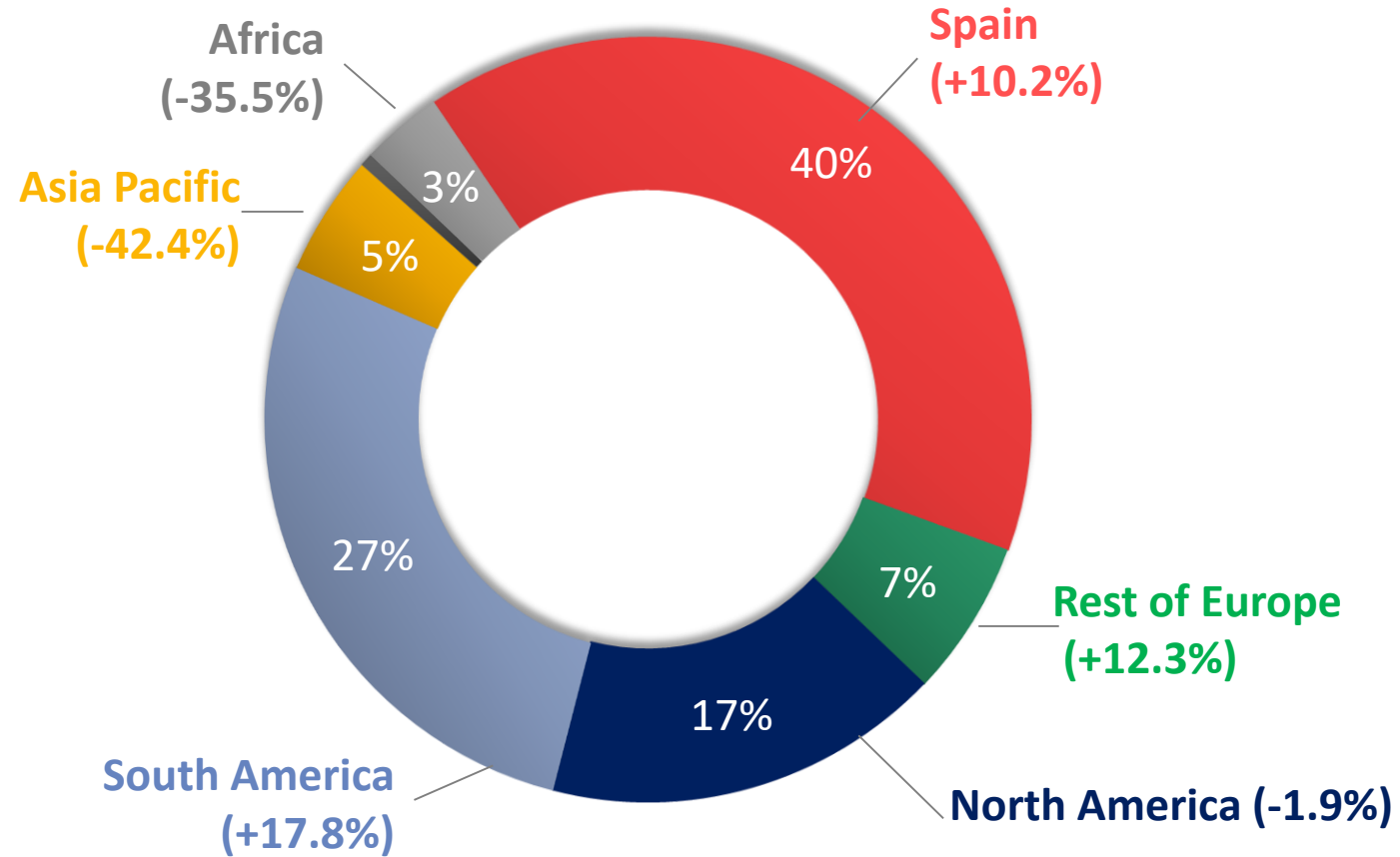


Industrial Services – Sales evolution

Annual nominal growth

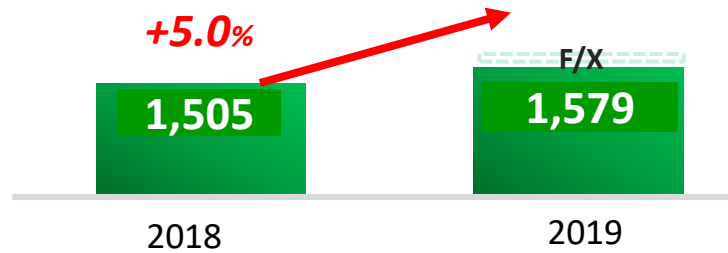


- ✓ **Development of renewable energies in Spain + Industrial plants' projects** offsetting large projects completion in 2018 year-end in Middle East
- ✓ **Significant growth in Europe and South America** thanks to the execution of large industrial plants' projects



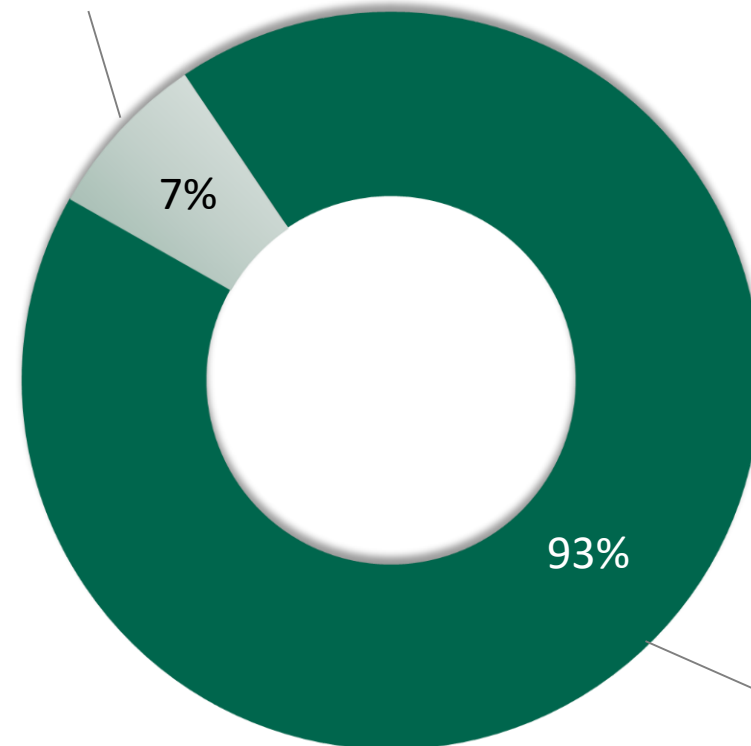
Services – Sales evolution

Annual nominal growth



✓ Solid position in Spain with growing internationalization

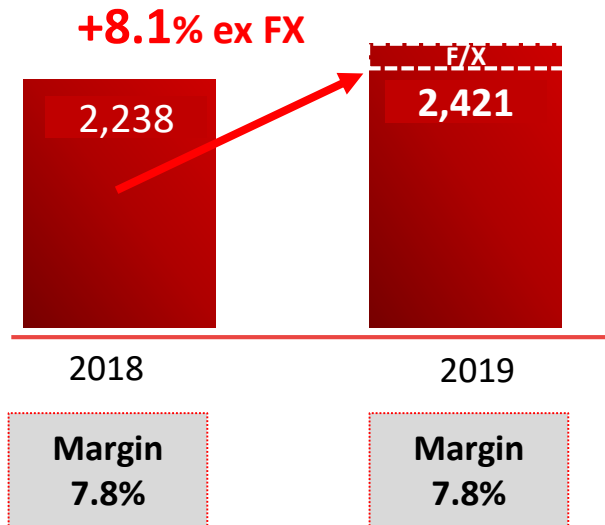
Rest of Europe
(+17.9%)



Spain
(+4.1%)

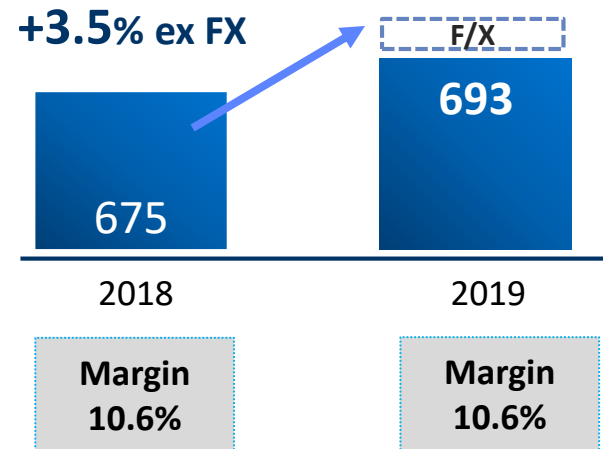
Operating Results- EBITDA

INFRASTRUCTURES



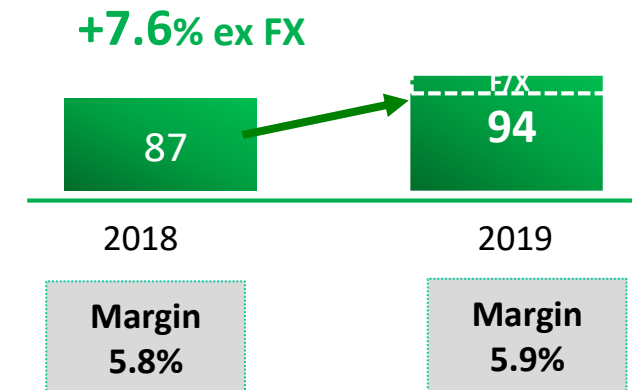
Margin's stability with a more balanced business mix and higher weight of Concessions

INDUSTRIAL SERVICES



Activity and market diversification allow maintaining operating margins

SERVICES



Operating efficiency improvement + international business growth

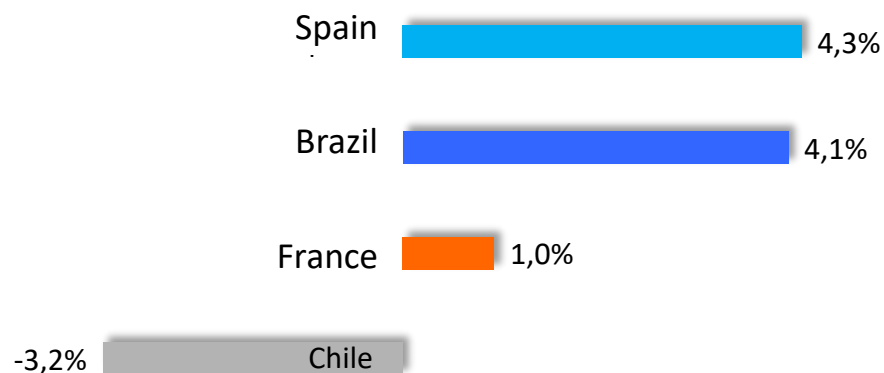
Abertis' 2019 Results

ABERTIS	2019	Var. comp*
Revenues	5,361	+4.2%
EBITDA	3,737	+7.6%
Net Profit	1,101	+9.0%
Net Debt	21,017	n.a

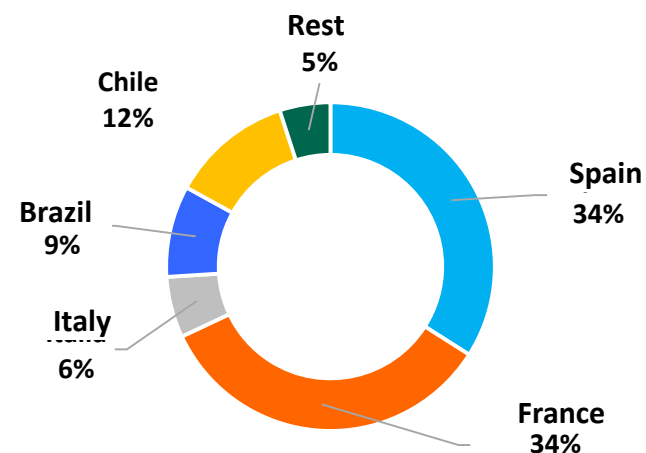
* Adjusted by exchange rate effects and excluding extraordinary results

- ✓ Abertis' strategic plan: efficiency improvement (€ 150 million cost reduction) and investment in new assets to replace cash flows and diversify its geographical portfolio.
- ✓ Investment in Red de Carreteras de Occidente (RCO) in Mexico, one of the largest highway operators in the country (5 concessions with 876 kilometres). Abertis expects to invest aprox. € 1,500 million in the acquisition of its 50.1% stake.

Traffic evolution in key regions



EBITDA's geographical distribution



Net Profit

	2018	2019			
<i>Data Euro Million</i>	Restated* NP	Operating NP	Var (%)	Non-recurrent impact	Reported NP
Infrastructures	586	613	+4.6%	(420)	193
Construction	401	358	-10.9%	(420)	(62)
Concessions	184	255	+38.3%		255
Industrial Services	325	350	+7.8%	250	600
Services	37	38	+3.3%	-	38
Corporation	(32)	(39)		170	131
GROUP'S NET PROFIT	916	962	+5.1%	-	962

* In accordance with IFRS 16

Non-recurrent impacts on 2019 results

BICC's NET IMPACT

Euro Million	CIMIC	HOT	ACS
EBT	(1,695)	(1,695)	(1,695)
Taxes	550	550	550
Minorities	-	311	725
Net Profit	(1,145)	(833)	(420)

Application of provisions in ACS (net impact) 170

RENEWABLES' SALE NET IMPACT

Net results	€ mn
Period 2019	250
Period 2020 onwards	80

Enterprise Value
2,200 € mn

	Projects	Installed Capacity
Installed capacity	19	914 MW
Pipeline	41	2010 MW
TOTAL PROJECTS	60	2,924 MW

IMPACT ON 2019 GROUP'S NET PROFIT

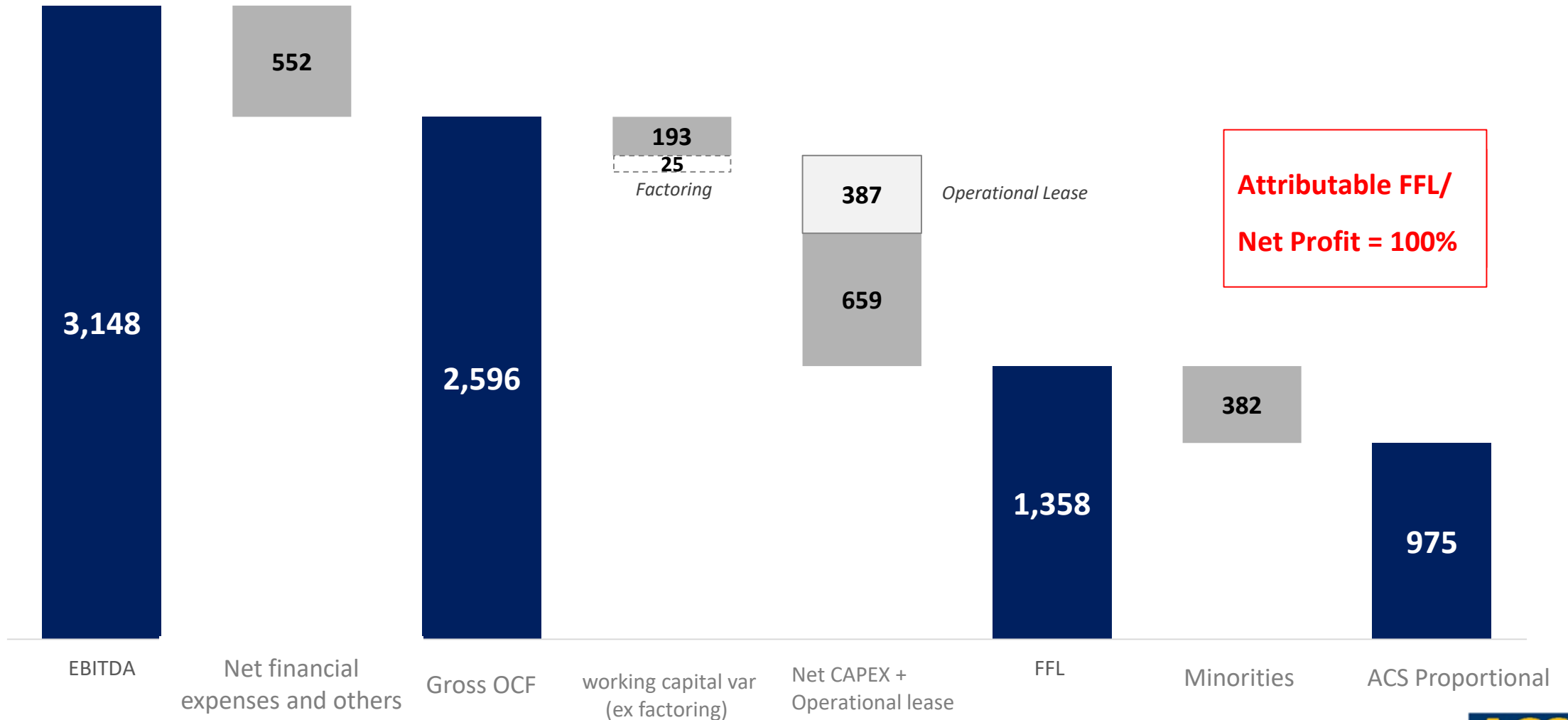
(250)

IMPACT ON 2019 GROUP'S NET PROFIT

250

With no impact on ACS Group's Consolidated Net Profit

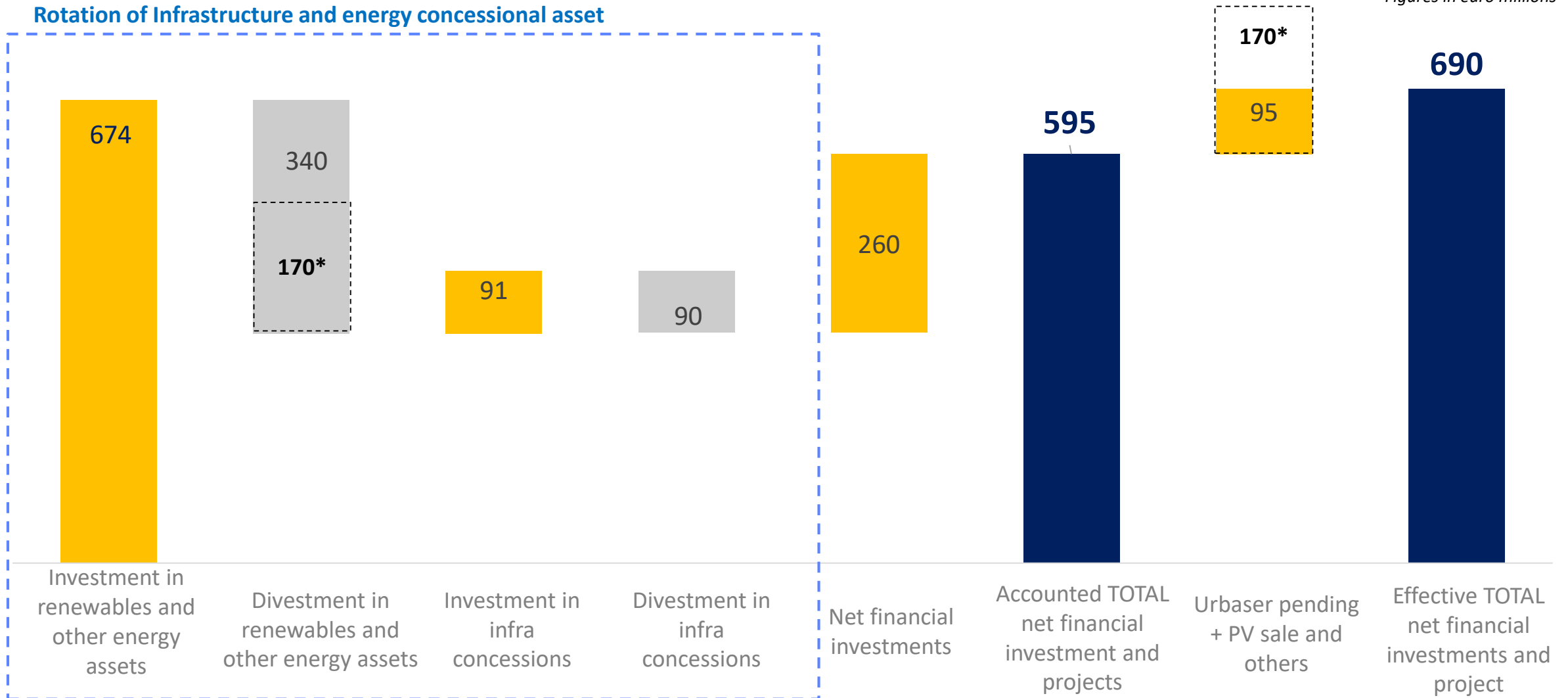
Free Cash Flow 2019



**Attributable FFL/
Net Profit = 100%**

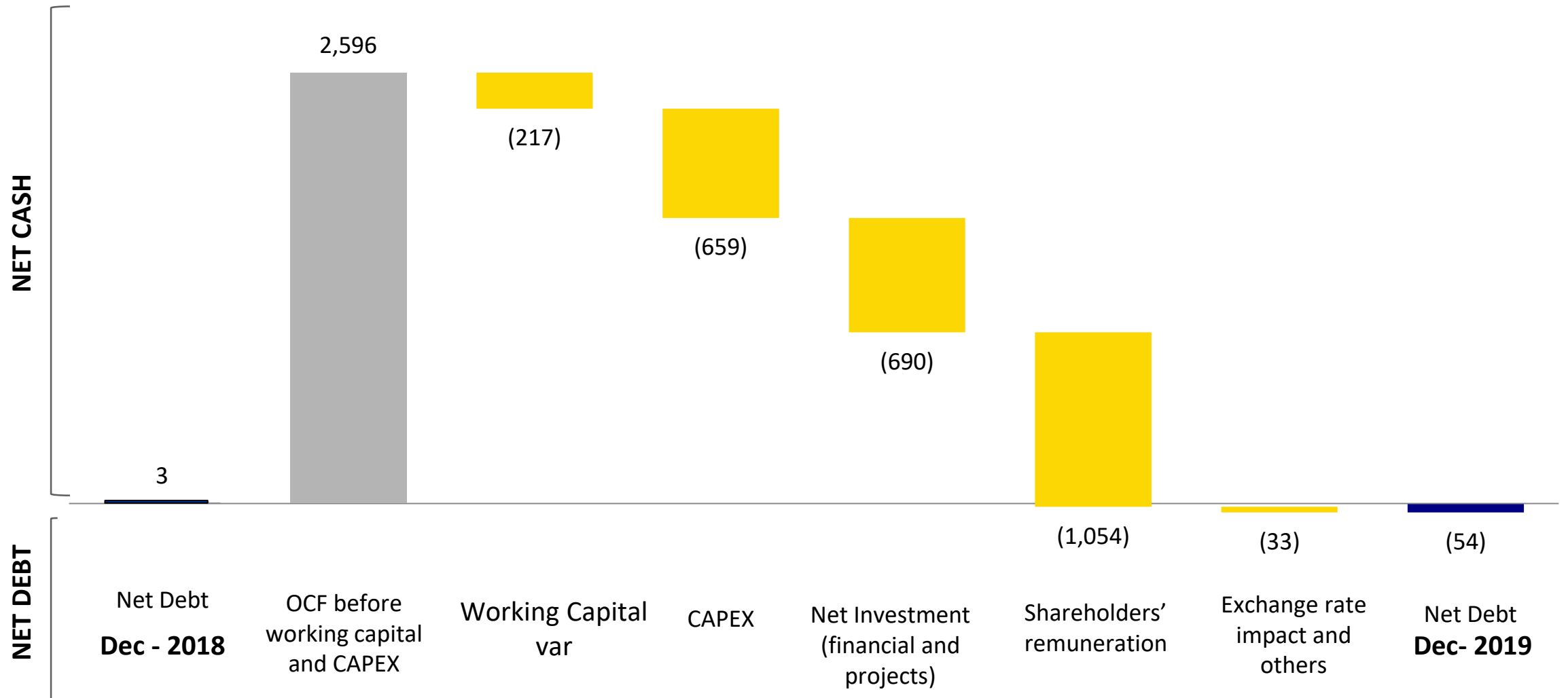
Net financial investment and concession projects

Figures in euro millions

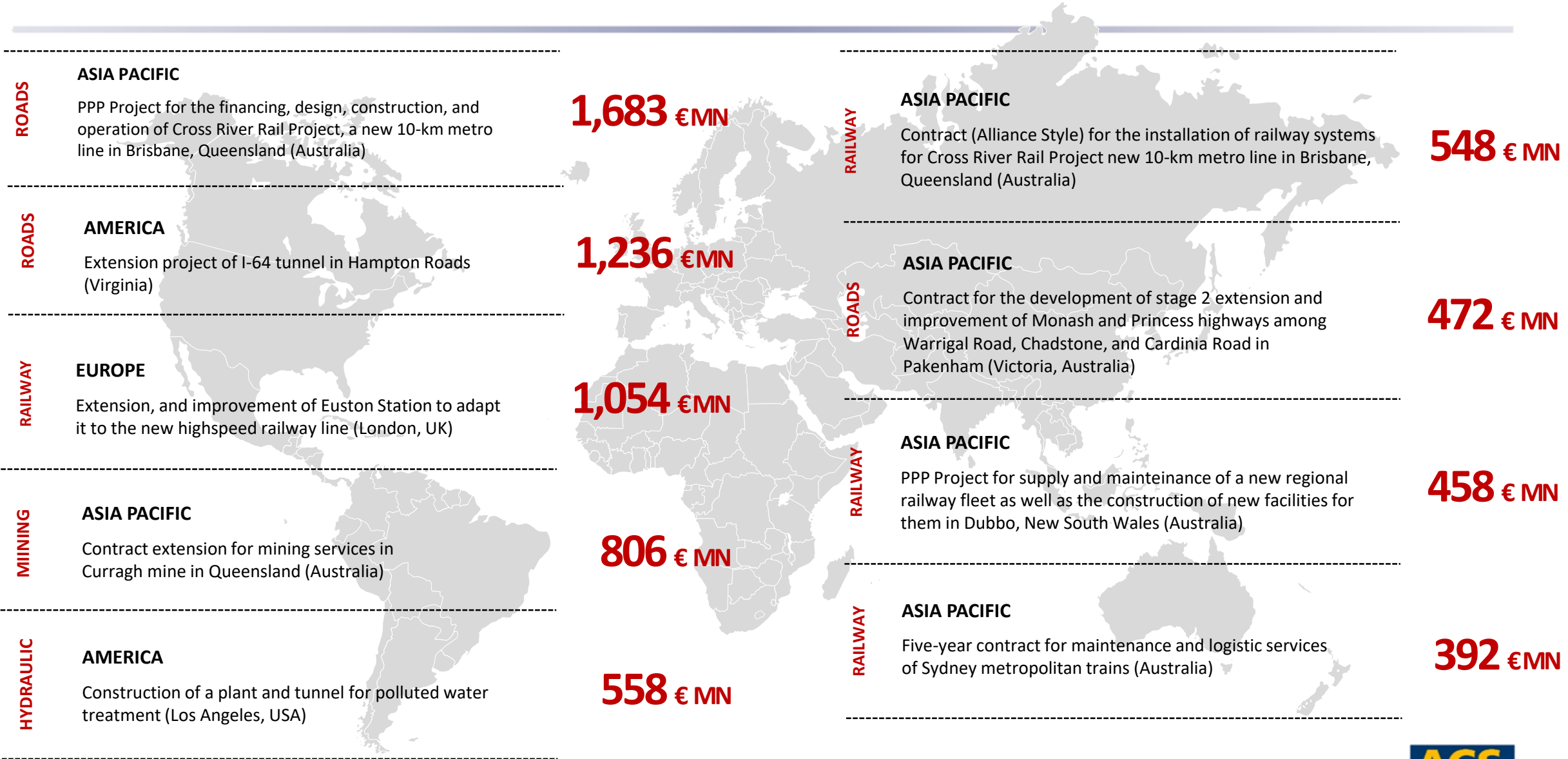


*€170 mn which correspond to the partial sale of PV plants in Spain, still not cashed at 2019 year-end

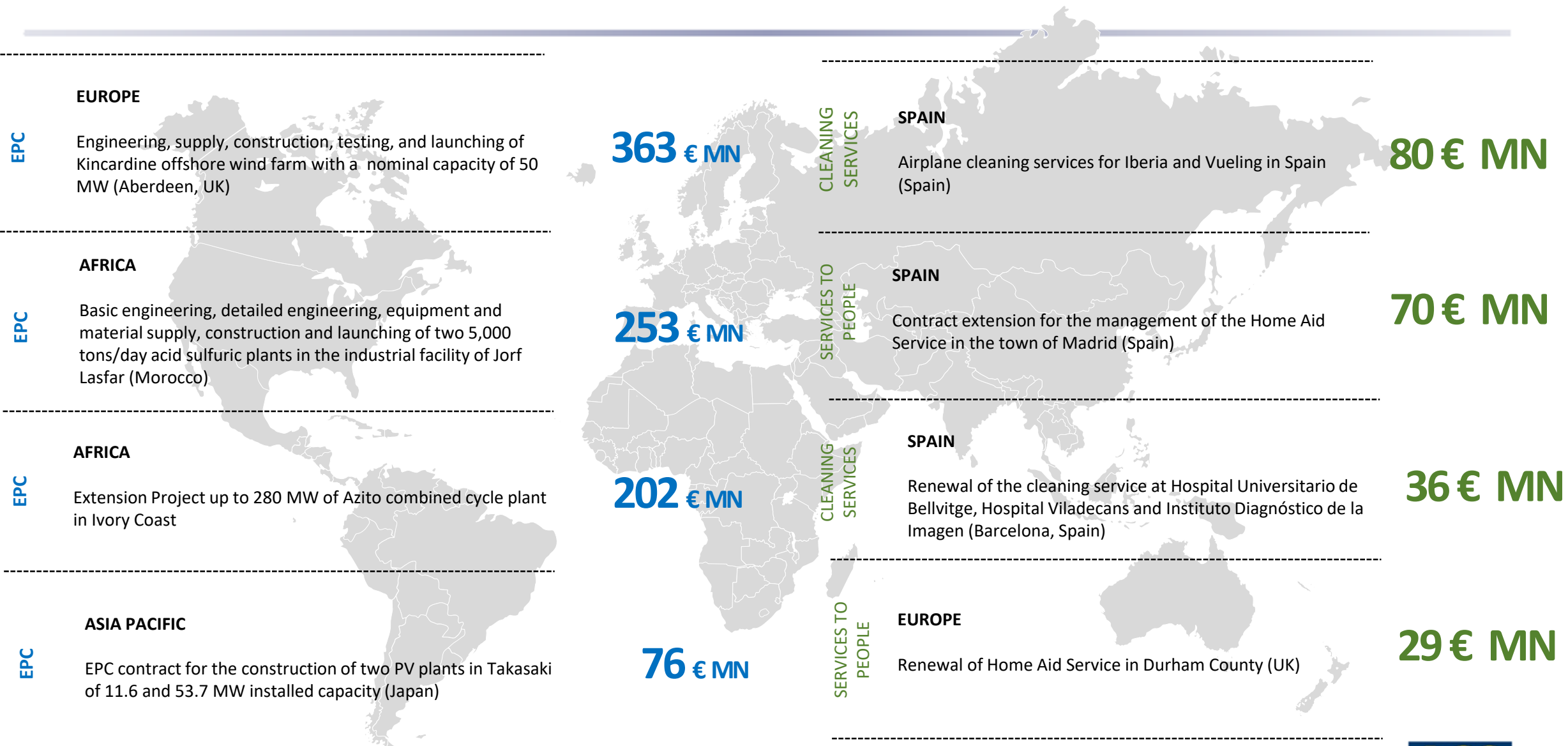
Debt evolution 2019



Main Awards Construction-2019



Main Awards Industrial Services and Services - 2019



EPC

EUROPE

Engineering, supply, construction, testing, and launching of Kincardine offshore wind farm with a nominal capacity of 50 MW (Aberdeen, UK)

EPC

AFRICA

Basic engineering, detailed engineering, equipment and material supply, construction and launching of two 5,000 tons/day acid sulfuric plants in the industrial facility of Jorf Lasfar (Morocco)

EPC

AFRICA

Extension Project up to 280 MW of Azito combined cycle plant in Ivory Coast

EPC

ASIA PACIFIC

EPC contract for the construction of two PV plants in Takasaki of 11.6 and 53.7 MW installed capacity (Japan)

CLEANING SERVICES

SPAIN

Airplane cleaning services for Iberia and Vueling in Spain (Spain)

SERVICES TO PEOPLE

SPAIN

Contract extension for the management of the Home Aid Service in the town of Madrid (Spain)

CLEANING SERVICES

SPAIN

Renewal of the cleaning service at Hospital Universitario de Bellvitge, Hospital Viladecans and Instituto Diagnóstico de la Imagen (Barcelona, Spain)

SERVICES TO PEOPLE

EUROPE

Renewal of Home Aid Service in Durham County (UK)

Global positioning in the infrastructure sector

Sector Leadership ✓

Balanced risk profile ✓

**Growth opportunities in
strategic markets** ✓

Solid financial position ✓

Market leadership in engineering and construction

TOP 1 for 7 consecutive years

Sector leader in infrastructure development

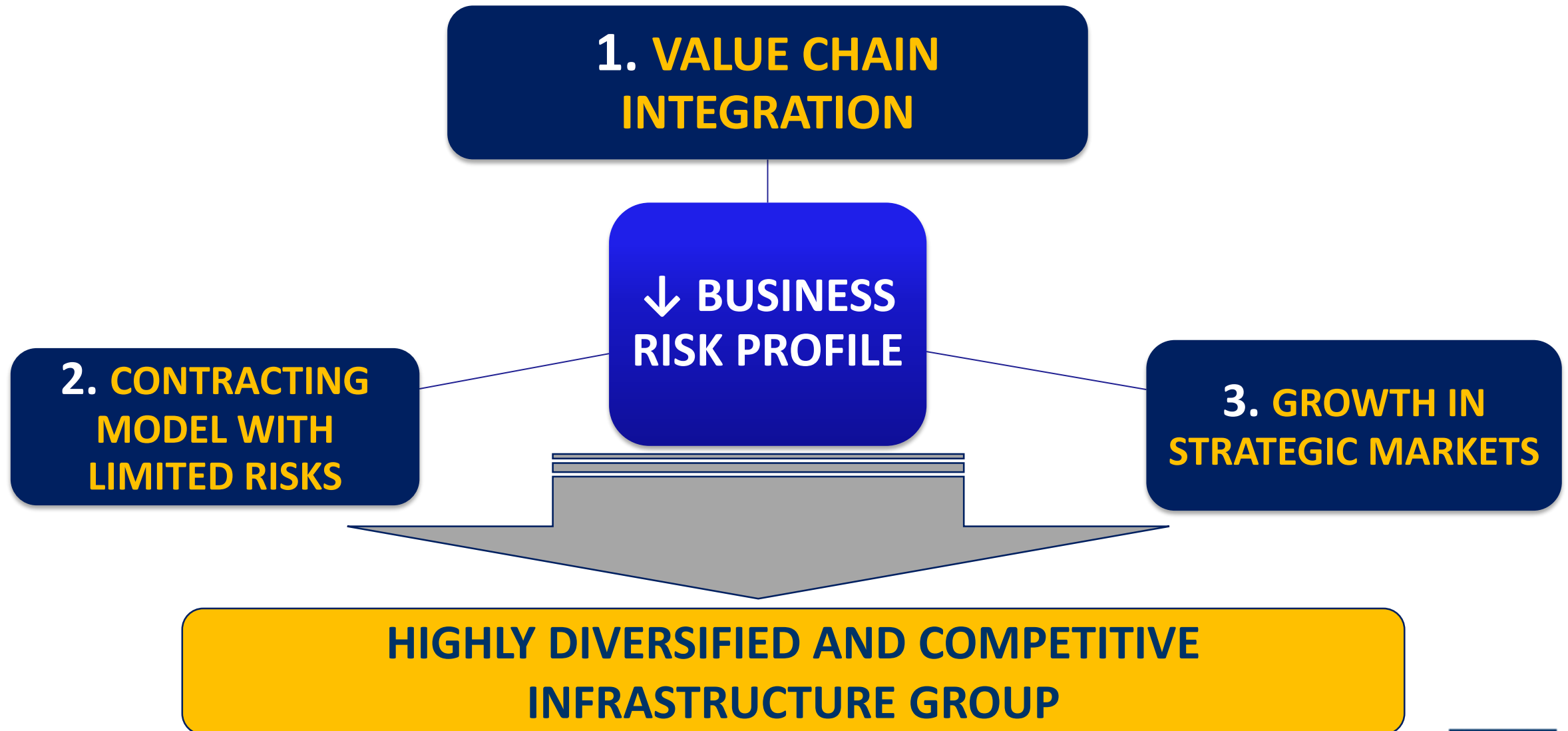
ENR THE TOP 250 INTERNATIONAL CONTRACTORS

RANK		FIRM	2018 REVENUE \$ MIL.	
2019	2018		INT'L	TOTAL
1	1	ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS SA, Madrid, Spain†	38,041.0	44,188.2
2	2	HOCHTIEF AKTIENGESELLSCHAFT, Essen, NRW, Germany†	27,797.0	29,121.0
3	3	CHINA COMMUNICATIONS CONSTRUCTION GROUP LTD., Beijing, China†	22,727.4	83,278.3
4	4	VINCI, Rueil-Malmaison, Hauts-de-Seine, France†	22,207.0	52,139.0
5	5	STRABAG SE, Vienna, Austria†	15,779.0	18,689.0
6	7	BOUYGUES, Paris, France†	15,582.0	32,023.0
7	10	POWER CONSTRUCTION CORP. OF CHINA, Beijing, China†	13,775.4	52,982.8
8	9	SKANSKA AB, Stockholm, Sweden†	13,583.0	17,124.0
9	8	CHINA STATE CONSTRUCTION ENGINEERING CORP. LTD., Beijing, China†	12,812.5	170,435.3
10	11	FERROVIAL, Madrid, Spain†	11,892.0	15,288.0
11	6	TECHNIPFMC, London, U.K.†	11,149.9	11,643.6
12	13	FLUOR CORP., Irving, Texas, U.S.A.†	8,844.9	15,593.5
13	12	BECHTEL, Reston, Va., U.S.A.†	7,260.0	16,837.0
14	14	CHINA RAILWAY CONSTRUCTION CORP. LTD., Beijing, China†	6,695.0	111,656.0
15	16	HYUNDAI ENGINEERING & CONSTRUCTION CO. LTD., Seoul, South Korea	6,638.0	15,731.8
16	15	SALINI IMPREGILO SPA, Milan, Italy†	6,462.8	7,044.3
17	18	CONSOLIDATED CONTRACTORS GROUP, Athens, Attica, Greece†	6,208.5	6,208.5
18	17	CHINA RAILWAY GROUP LTD., Beijing, China†	6,181.9	140,090.0
19	25	CHINA NATIONAL MACHINERY INDUSTRY CORP., Beijing, China†	5,449.3	7,186.8
20	24	ROYAL BAM GROUP NV, Bunnik, The Netherlands†	5,308.0	8,509.0

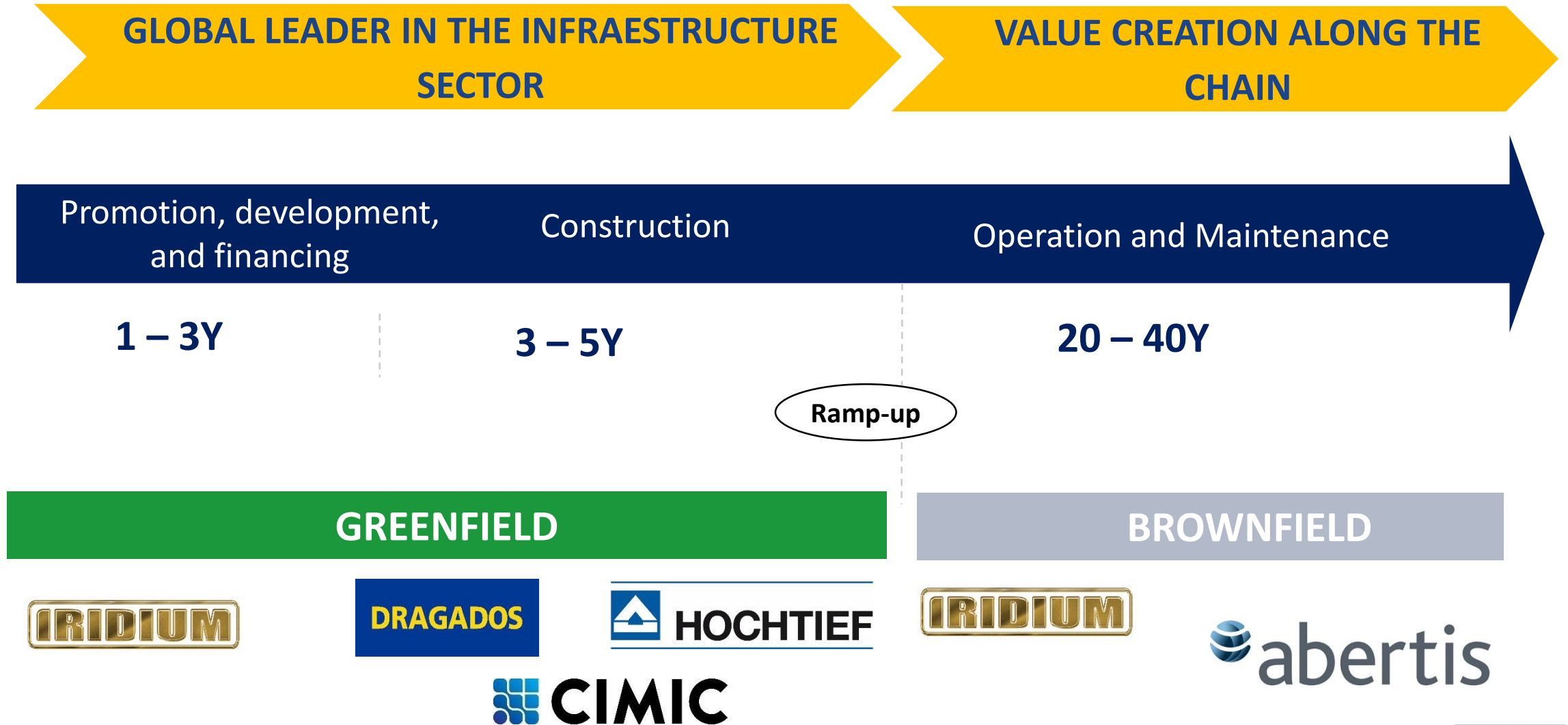
ENR The Top 10 by Market

MARKET	RANK 2019	RANK 2018	FIRM
1 TRANSPORTATION Top 10 Revenue: \$83,598.8 Mil. Sector's Revenue: \$152,188.9 Mil.	1	1	CHINA COMMUNICATIONS CONSTRUCTION GROUP LTD.
	2	2	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS SA
	3	4	BOUYGUES
	4	3	VINCI
	5	5	STRABAG SE
	6	6	HOCHTIEF AKTIENGESELLSCHAFT
	7	8	FERROVIAL
	8	7	CHINA STATE CONSTRUCTION ENGINEERING CORP. LTD.
	9	**	SKANSKA AB
	10	10	CHINA RAILWAY CONSTRUCTION CORP. LTD.
2 BUILDINGS Top 10 Revenue: \$60,959.0 Mil. Sector's Revenue: \$114,564.4 Mil.	1	1	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS SA
	2	2	HOCHTIEF AKTIENGESELLSCHAFT
	3	3	CHINA STATE CONSTRUCTION ENG'G CORP. LTD.
	4	4	SKANSKA AB
	5	5	STRABAG SE
	6	6	LENLEASE
	7	7	BOUYGUES
	8	9	ROYAL BAM GROUP NV
	9	8	KAJIMA CORP.
	10	10	PCL CONSTRUCTION ENTERPRISES INC.
4 POWER Top 10 Revenue: \$29,000.5 Mil. Sector's Revenue: \$50,703.7 Mil.	1	1	POWER CONSTRUCTION CORP. OF CHINA
	2	3	VINCI
	3	2	CHINA ENERGY ENGINEERING CORP. LTD.
	4	4	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS SA
	5	5	CHINA NATIONAL MACHINERY INDUSTRY CORP.
	6	9	LARSEN & TOUBRO LTD.
	7	6	HYUNDAI ENGINEERING & CONSTRUCTION CO. LTD.
	8	**	FERROVIAL
	9	**	CHINA ZHONGYUAN ENGINEERING CORP.
	10	**	EIFFAGE
5 INDUSTRIAL Top 10 Revenue: \$13,040.6 Mil. Sector's Revenue: \$21,684.5 Mil.	1	4	FLUOR CORP.
	2	1	DANIELI & C. O.M. SPA
	3	3	CHINA METALLURGICAL GROUP CORP.
	4	2	BECHTEL
	5	5	CHINA NATIONAL CHEMICAL ENG'G GROUP CORP. LTD.
	6	6	STRABAG SE
	7	**	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS SA
	8	**	HOCHTIEF AKTIENGESELLSCHAFT
	9	**	SINOSTEEL EQUIPMENT & ENGINEERING CO. LTD.
	10	8	VINCI
7 WATER Top 10 Revenue: \$6,988.2 Mil. Sector's Revenue: \$14,405.3 Mil.	1	2	SALINI IMPREGILO SPA
	2	1	OBAYASHI CORP.
	3	3	ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS SA
	4	4	POWER CONSTRUCTION CORP. OF CHINA
	5	9	FERROVIAL
	6	6	CHINA NATIONAL MACHINERY INDUSTRY CORP.
	7	**	CHINA ENERGY ENGINEERING CORP. LTD.
	8	8	STRABAG SE
	9	7	CHINA COMMUNICATIONS CONSTR. GROUP LTD.
	10	5	ACCIONA INFRASTRUCTURE
9 TELECOMMUNICATIONS Top 10 Revenue: \$6,652.0 Mil. Sector's Revenue: \$6,873.6 Mil.	1	1	VINCI
	2	2	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS SA
	3	3	HOCHTIEF AKTIENGESELLSCHAFT
	4	4	BOUYGUES
	5	**	STO BUILDING GROUP INC.
	6	**	CHINA GENERAL TECHNOLOGY (GROUP) HOLDING CO. LTD.
	7	8	EIFFAGE
	8	5	FLUOR CORP.
	9	7	KINDEN CORP.
	10	**	SKANSKA AB

Strategic transition towards an integrated and reliable business model



1. Chain value integration...



1. ... increasing investment in infrastructure concession projects...

ACS Group infrastructure concession portfolio

94

concessions

70% explotación / 30% construcción

57,130 €mn

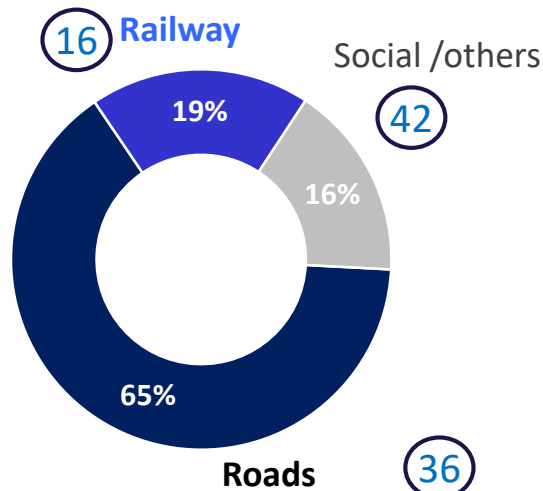
total managed investment

1,219 €mn

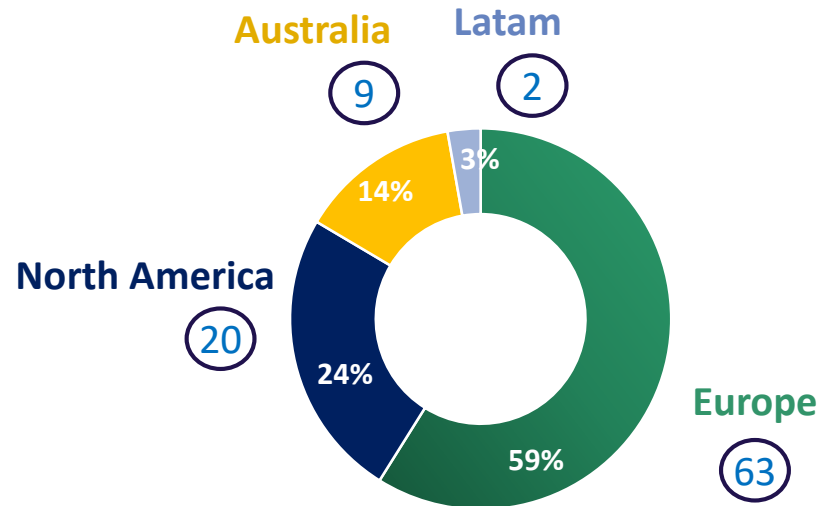
committed investment



Global leader in concessions' development



Committed investment by type of concession



Committed investment by geography



1. ... and in energy assets...

2,010 MW ●

45 PV plants

410 MW ●

9 Wind farms

260 MW ○

3 Thermosolar plants

5,526 Km ●

Transmission lines

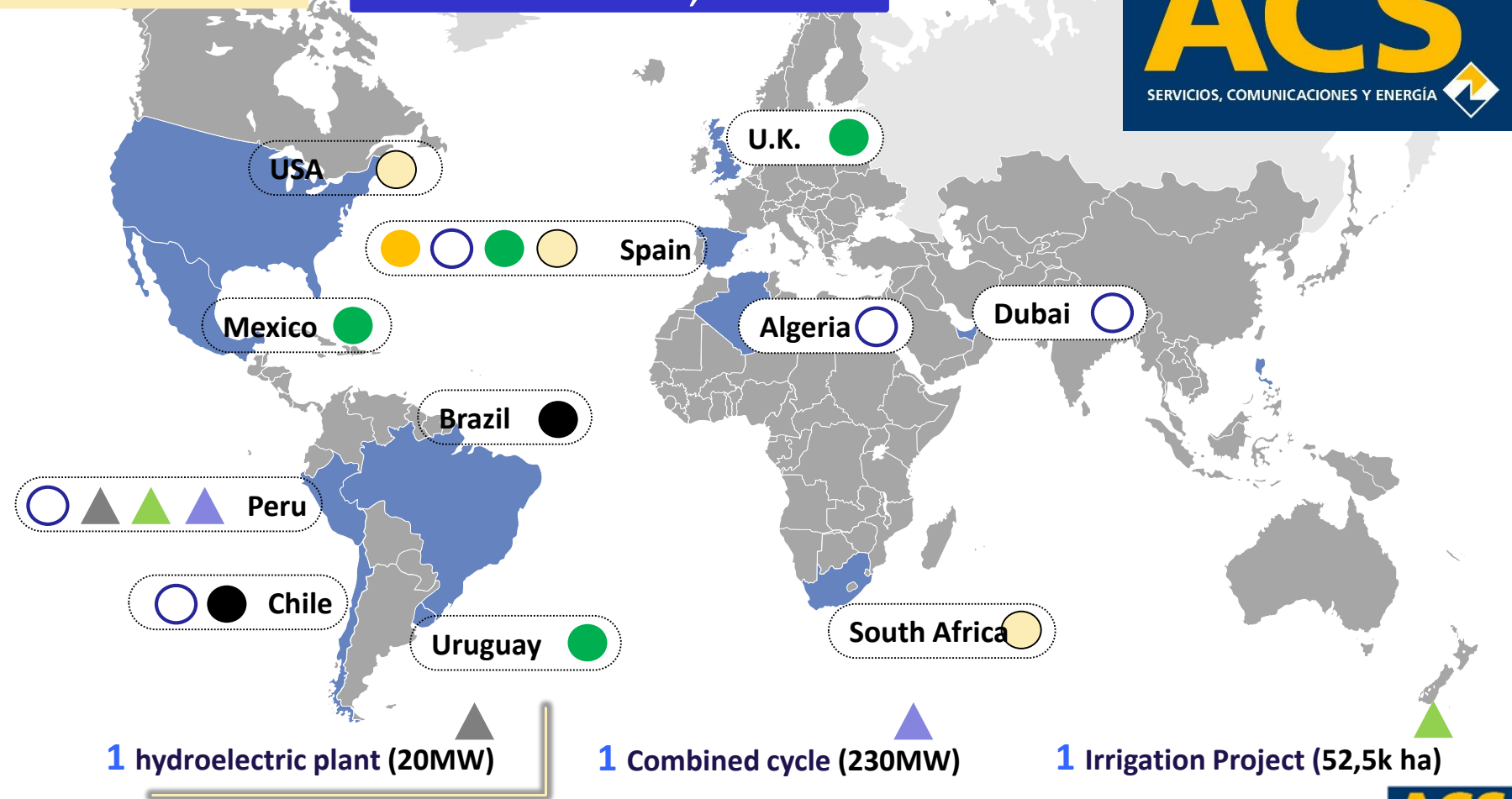
1,687k m³/day ○

10 Desalination/ Purifiers

2,700 MW *
Renewable energy

Total investment **5,724 € mn**





ACS contribution **1,000 € mn**



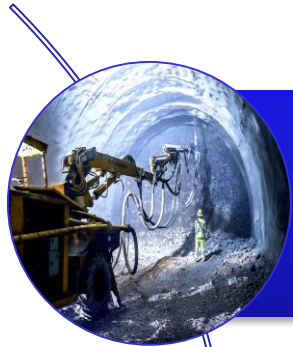
* Includes assets sold to Galp in January 2020



1. ... where the Group has wide experience in green technologies

	DEVELOPED CAPACITY	INVESTMENT	PF DEBT	# DEVELOPED PROJECTS	# SOLD PROJECTS	# PROJECTS MAINTAINED IN ACS
	1,826MW	c. € 2.9k mn	c. € 2.2k mn	54 wind farms	45 wind farms	9 wind farms
	609MW	c. € 4.1k mn	c. € 2.9k mn	10 thermosolar plants	7 thermosolar plants	3 thermosolar plants
	3,777MW	c. € 2.8k mn	c. € 0.6k mn	69 PV plants	64 PV plants	5 PV plants
	16,942km	c. € 3.6k mn	c. € 1.8k mn	41 transmission lines	30 transmission lines	11 transmission lines
	1,687k m ³ /day	c. € 1.1k mn	c. € 0.8k mn	10 water treatment plants/ desalination	0 water treatment plants/ desalination	10 water treatment plants/ desalination
	20MW	c. € 0.1k mn	c. € 0.02k mn	1 hydroelectric plant	0 hydroelectric plant	1 hydroelectric plant
	Total	c. € 14.6k mn	c. € 8.3k mn	185	146	39

2. Transition towards a low-risk contracting model



Contracts with lower risks from development and execution of projects

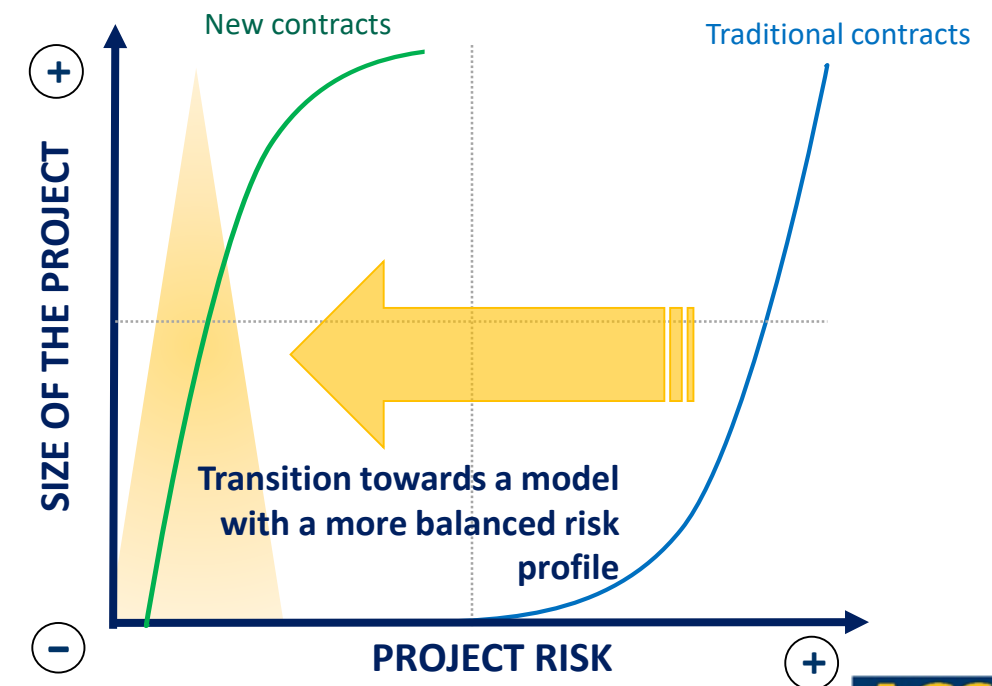


Reduction of exposure to large projects for third parties



Increase of PPP projects in JV

- ✓ Amended/complaints reduction
- ✓ More transparency in project execution costs
- ✓ Higher interest alignment among involved parties



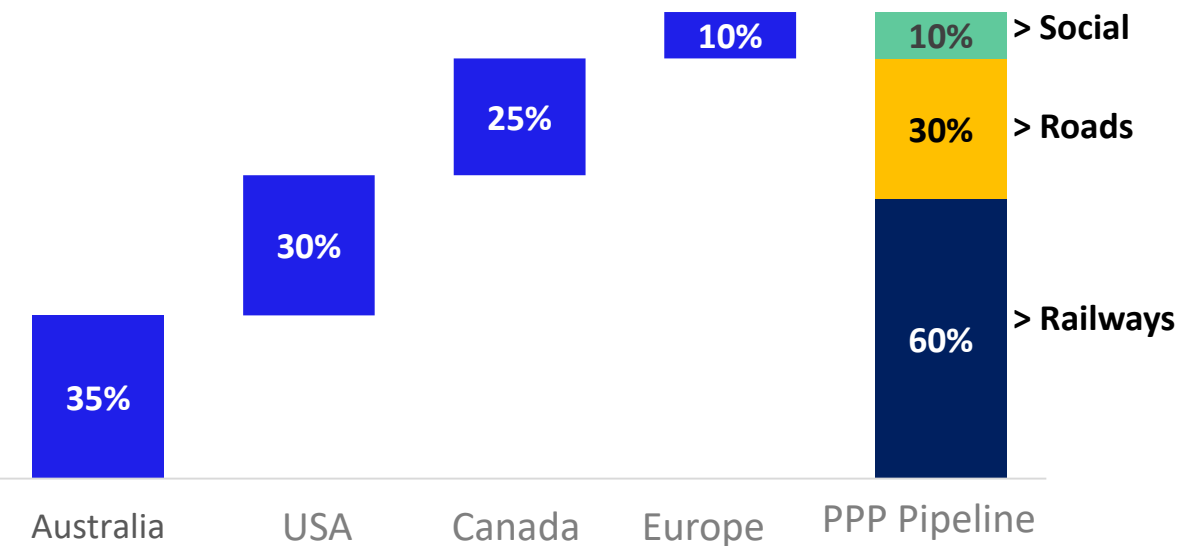
3. Focused on strategic regions with growth potential...

+150 identified infrastructure PPP projects

230,000 € million

Current backlog **77,756** € million, growing **7.7%** y-o-y

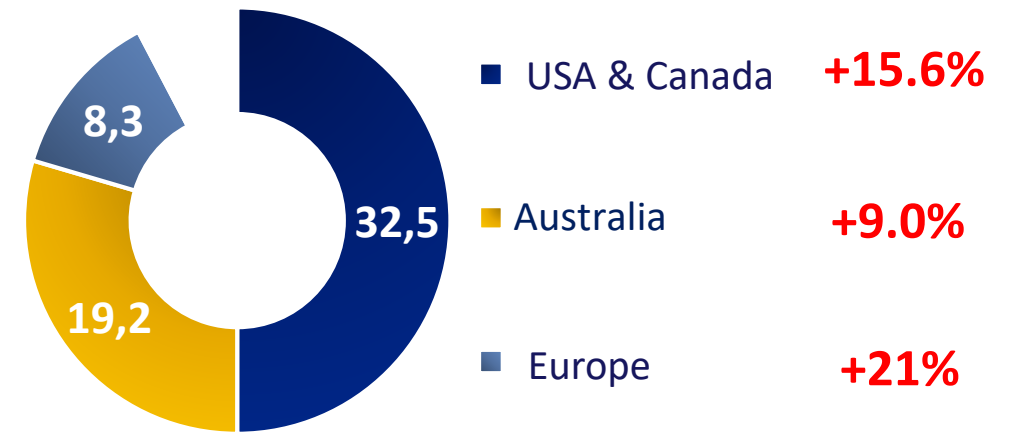
2020 PPP projects pipeline breakdown



Current infrastructure Group's 2019 backlog

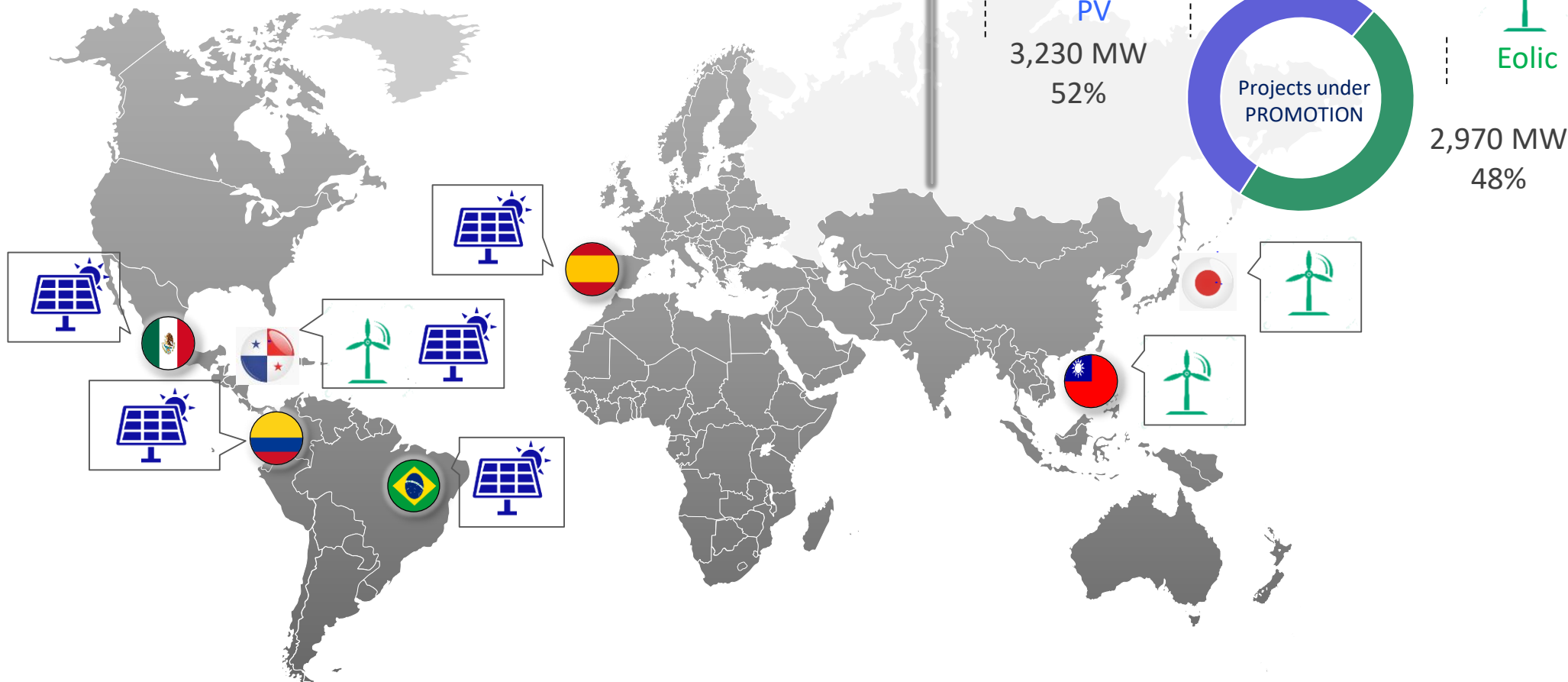
Data Euro Million

TACC (ex F/X)
3 years



2 ... and growing areas: “Pipeline” in the renewable energy market*

6,200 MW projects under promotion



* After renewable's sale operation

Conclusion

Solid operating and financial evolution for the last 3 years

1. Net Profit

Annual growth > 5%

2. Attractive dividend policy

65% "pay-out"

3. Financial position

Net Debt < 0.1X EBITDA

SAME GOALS

2020

Promoting sustainable and profitable growth

Thank you to the effort of the 190.000 people that play a part in ACS Group



39% women

+ 9,600 People from vulnerable groups



PRIORITY Nº1 = SECURITY

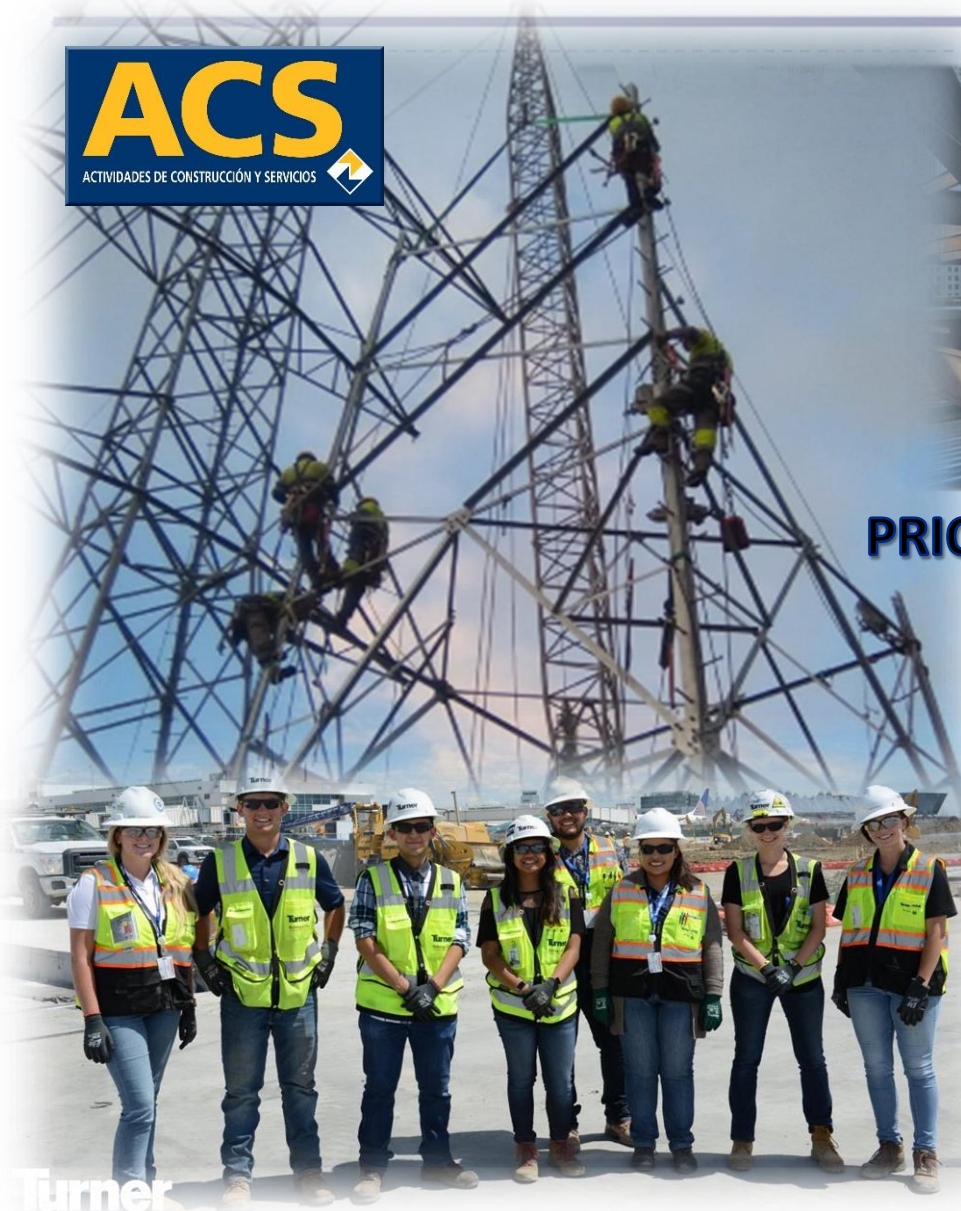
EQUAL OPPORTUNITIES

DIVERSITY AND INCLUSION

TALENT AND EFFORT

TEAM WORK

EXCELLENCE AND ILLUSION



Turner





Aviso Legal

El presente documento contiene manifestaciones de futuro sobre intenciones, expectativas o previsiones del Grupo ACS o de su dirección a la fecha de realización del mismo, que se refieren a diversos aspectos, entre otros, a la base de clientes y a su evolución, al crecimiento de las distintas líneas de negocio y al del negocio global, a la cuota de mercado, a los resultados del Grupo ACS y a otros aspectos relativos a la actividad y situación de la misma.

Las manifestaciones de futuro o previsiones contenidas en este documento pueden ser identificadas, en determinados casos, por la utilización de palabras como «expectativa», «anticipación», «propósito», «creencia» o de un lenguaje similar, o de su correspondiente forma negativa, o por la propia naturaleza de predicción que tienen las cuestiones referidas a estrategias, planes o intenciones.

Estas manifestaciones de futuro o previsiones no constituyen, por su propia naturaleza, garantías de un futuro cumplimiento, encontrándose condicionadas por riesgos, incertidumbres y otros factores relevantes, que podrían determinar que los desarrollos y resultados finales difieran materialmente de los puestos de manifiesto en estas intenciones, expectativas o previsiones.

ACS, Actividades de Construcción y Servicios, S.A. no se obliga a informar públicamente del resultado de cualquier revisión que pudiera realizar de estas manifestaciones para adaptarlas a hechos o circunstancias posteriores a esta presentación, incluidos, entre otros, cambios en el negocio de la Compañía, en su estrategia de desarrollo de negocio o cualquier otra posible circunstancia sobrevenida.

Lo expuesto en esta declaración debe ser tenido en cuenta por todas aquellas personas o entidades que puedan tener que adoptar decisiones o elaborar o difundir opiniones relativas a valores emitidos por el Grupo ACS y, en particular, por los analistas e inversores que manejen el presente documento.

Se invita a todos ellos a consultar la documentación e información pública comunicada o registrada por el Grupo ACS ante las entidades de supervisión de mercados de valores más relevantes y, en particular, ante la Comisión Nacional del Mercado de Valores.

Este documento contiene información financiera elaborada de acuerdo con las Normas Internacionales de Información Financiera (NIIF). Se trata de una información no auditada, por lo que no se trata de una información definitiva, que podría verse modificada en el futuro.