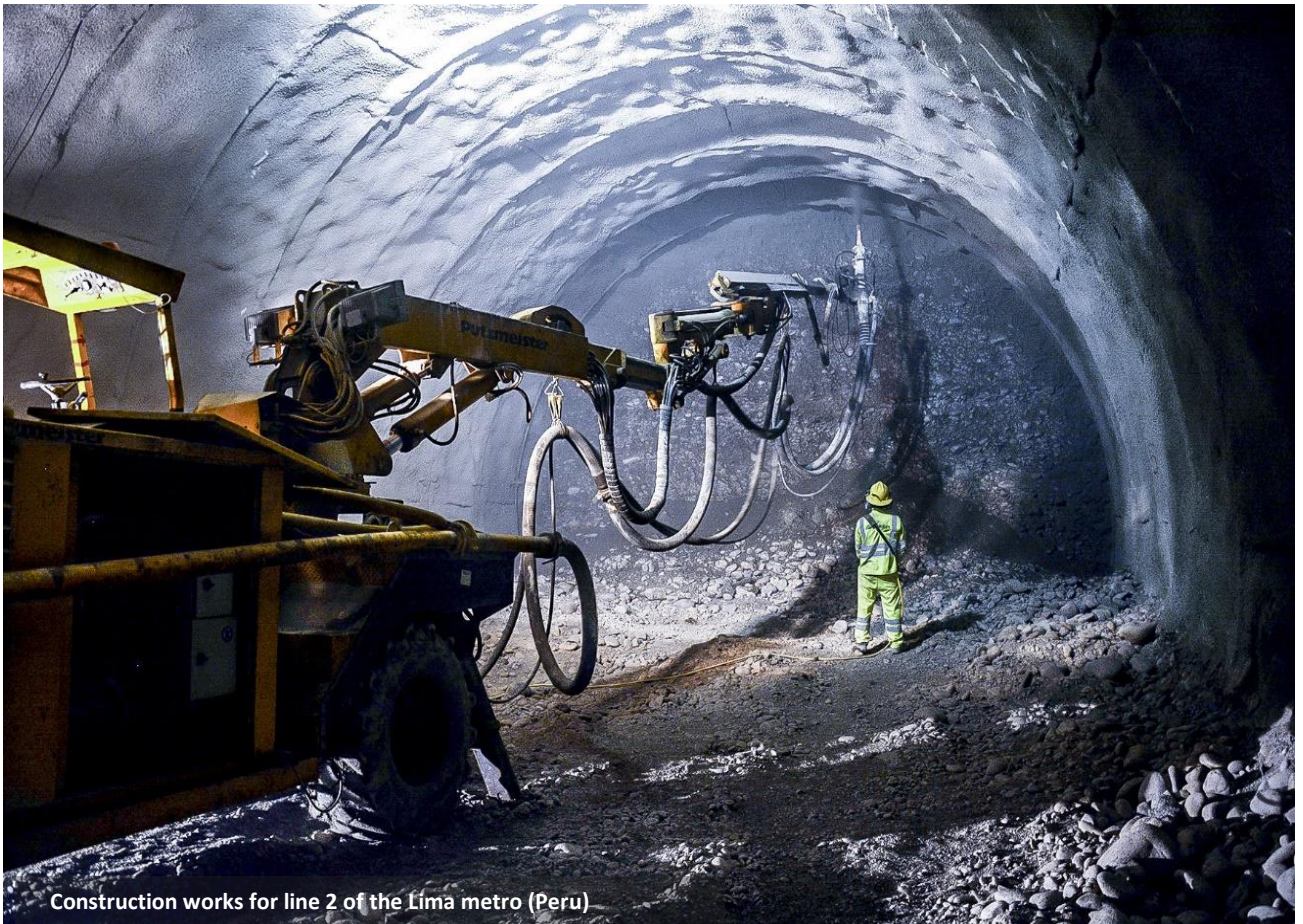


1H 2019

Results Report



Construction works for line 2 of the Lima metro (Peru)

29 July 2019

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1 Executive Summary

1.1 Main figures

Grupo ACS		Key operating & financial figures		
<i>Euro Million</i>	6M18	6M19	Var.	
Turnover	17,777	18,817	+5.8%	
Backlog	69,782	76,502	+9.6%	
<i>Months</i>	23	24		
EBITDA ⁽¹⁾	1,409	1,621	+15.1%	
<i>Margin</i>	7.9%	8.6%		
EBIT ⁽¹⁾	1,001	1,098	+9.7%	
<i>Margin</i>	5.6%	5.8%		
Attributable Net Profit	447	523	+17.1%	
EPS	1.44 €	1.70 €	+18.5%	
Net Investments	123	1,008	n.s	
Investments	415	1,125		
Disposals	292	118		
Total Net (Debt)/Cash	(58)	(725)	n.a	
Businesses' Net (Debt)/Cash	137	(610)		
Project Financing	(195)	(115)		

Data presented according to ACS Group management criteria.

IFRS 16 (Operational Leases) has been applied since January 2019, with restatement of the comparable period.

(1) It includes "Results from Equity Method of operating activities": the result corresponds to associates (including Abertis' contribution to the Group) and Joint Ventures which belong to the ordinary activity.

- Sales in the period accounted for € 18,817 million, an increase of 5.8%. All activities showed a good performance. The boost in the North American markets offset the seasonal slowdown of CIMIC's sales in the Asian construction market. Adjusted by currency effects, sales grew by 3.6%.
- Backlog accounted for € 76,502 million, growing by 9.6% during the last twelve months with a good evolution in general across areas. Adjusted by exchange rate impact, backlog grew by 9.3%. This growth is mainly boosted by large infrastructure project awards, both in the USA and Australia as well as the UK.
- The Group's EBITDA accounted for € 1,621 million, growing by 15.1%. EBITDA margin increased 70 b.p., up to 8.6%. This improvement is mainly due to Abertis' greater contribution, as last term it only contributed during one month. EBITDA's margin, excluding the operating Equity Method, improved by 50 b.p. compared to the prior period.
- EBIT stood at € 1,098 million and grew by 9.7%. EBIT margin, excluding Equity Method Results from operating activities, remained stable in relation to the prior period.

NOTE: The ACS Group has proceeded to classify, in accordance with what has been stated by the EECS/ 0114-06 Decision – "Changes in the presentation of the stake in results of the associates and joint businesses accounted following the equity method" issued by the European Securities and Markets Authority (ESMA), as part of its "Operating Result", under "Results of ordinary activity entities through the equity method" heading the result of all associates and joint ventures which, after an individual analysis, it has been considered to be part of to the Group's same operating business.

Grupo ACS		<i>Main figures details</i>	
<i>Euro Million</i>	6M18	6M19	Var.
Backlog	69,782	76,502	+9.6%
Direct	65,125	71,952	+10.5%
Proportional*	4,657	4,550	-2.3%
Work Done	18,615	19,409	+4.3%
Direct	17,777	18,817	+5.8%
Proportional*	838	593	-29.3%
EBITDA	1,409	1,621	+15.1%
Direct	1,285	1,447	+12.7%
Operating equity method results	124	174	+40.1%
EBIT	1,001	1,098	+9.7%
Direct	877	924	+5.4%
Operating equity method results	124	174	+40.1%

(1): Refers to the proportional stake of the operating Joint Ventures and projects not fully consolidated in the Group

- The Group's attributable Net Profit reached € 523 million which represents 17.1% increase. All activities showed solid growth rates. The contribution from the Construction activity (not considering Abertis) grew in comparable terms by 4.6%*. Net Profit included € 104 million from Abertis' contribution during the period, both directly via ACS and indirectly via HOCHTIEF.

Grupo ACS		<i>Net Profit breakdown</i>	
<i>Euro Million</i>	6M18	6M19	Var.
Infrastructures	248	294	+18.5%
Construction	220	184	-16.2%
Concessions	29	110	+284.5%
Industrial Services	214	221	+3.5%
Services	17	19	+12.3%
Corporation	(33)	(12)	-63.2%
TOTAL Net Profit	447	523	+17.1%

- The Group maintained a € 725 million net debt position (0.2x EBITDA) as of June 2019, increasing by € 667 million compared to the outstanding balance of 12 months ago due to last year's Abertis' acquisition which amounted to a net of € 1.040 million and a significant increase in renewable energy projects for over € 600 million.
- Excluding non-recourse debt (project finance) net debt position reached € 610 million.

* Considering the same stake of ACS in HOCHTIEF, which has changed from 71.8% to 50.4% after its sale to Atlantia during the last quarter of 2018.

1.2 Relevant facts

a) Dividends

- On December 13th, 2018, by virtue of the authorisation conferred by agreement of the Annual General Meeting held on May the 8th, 2018, the Board of Directors signed off the second execution of the scrip dividend in February 2019, at an equivalent amount of € 0.45 per share. 74% of ACS capital opted for shares remuneration.
- Likewise, the AGM held on May 10th, 2019 signed off the Scrip Dividend System for 2019 of approximately € 1.89 per share to be executed in two terms: the first one in July 2019 at an average amount of € 1.44 per share, and the second one in February 2020 worth € 0.45 per share. 65% of ACS capital opted for shares remuneration in July's dividend distribution.

b) Corporate Governance

- On February 27th, 2019, the ACS Board of Directors signed off the modification of several articles (3, 24, 26, and 27) from the Board of Directors Regulation, essentially to adapt it to the adjustment made in the Law on Corporations by the Law of November 28th 2018 and the CNMV's Technical Guide.
- On May 10th, 2019 the AGM was held and several agreements were signed. Prior to this, the ACS Board of Directors meeting took place and the re-election of different board positions was agreed. (available [here](#)).

c) Acquisitions and transfer of shares

- On February 11th, 2019 Cobra Instalaciones y Servicios S.A., subsidiary wholly owned by ACS, Actividades de Construcción y Servicios, S.A., bought Global Infrastructure Partners (GIP) 49% stake in Bow Power SL company, worth \$ 96.8 million (equity value), becoming 100% shareholder of the mentioned company, and therefore, including its assets in Zero-E company.
- On July 2nd, 2019, the ACS Group sold its 50% (25% through Iridum and 25% through Hochtief PPP) stake in the Canadian company Northeast Anthony Henday, concessionary company of Edmonton city ring road (Canada). The EV reached € 438 million with profit after tax rising up to € 20 million.

d) Others

- On April 24th, 2019 a presentation on different reports of the ACS Group Industrial Services area was held for investors and analysts. Its content is available [here](#).

2 Consolidated Financial Statements

2.1 Income Statement

Grupo ACS		<i>Income statement</i>			
<i>Euro Million</i>	6M18		6M19		Var.
Net Sales	17,777	100.0 %	18,817	100.0 %	+5.8%
Other revenues	154	0.9 %	211	1.1 %	+37.2%
Total Income	17,931	100.9 %	19,028	101.1 %	+6.1%
Operating expenses	(12,798)	(72.0 %)	(13,461)	(71.5 %)	+5.2%
Personnel expenses	(3,848)	(21.6 %)	(4,120)	(21.9 %)	+7.1%
Operating Results from Equity Method*	124	0.7 %	174	0.9 %	+40.1%
Operating Cash Flow (EBITDA)	1,409	7.9 %	1,621	8.6 %	+15.1%
Fixed assets depreciation	(382)	(2.1 %)	(495)	(2.6 %)	+29.6%
Current assets provisions	(26)	(0.1 %)	(28)	(0.2 %)	+8.7%
Ordinary Operating Profit (EBIT)	1,001	5.6 %	1,098	5.8 %	+9.7%
Impairment & gains on fixed assets	6	0.0 %	(0)	(0.0 %)	-101.3%
Other operating results	(49)	(0.3 %)	(32)	(0.2 %)	-35.4%
Operating Profit	958	5.4 %	1,067	5.7 %	+11.3%
Financial income	79	0.4 %	110	0.6 %	+39.3%
Financial expenses	(230)	(1.3 %)	(248)	(1.3 %)	+7.7%
Ordinary Financial Result	(151)	(0.8 %)	(138)	(0.7 %)	-8.8%
Foreign exchange results	(12)	(0.1 %)	22	0.1 %	-289.2%
Changes in fair value for financial instruments	70	0.4 %	18	0.1 %	-74.4%
Impairment & gains on financial instruments	(66)	(0.4 %)	2	0.0 %	n.a.
Net Financial Result	(159)	(0.9 %)	(95)	(0.5 %)	-40.0%
Non Operating Results from Equity*	4	0.0 %	2	0.0 %	-45.8%
PBT of continued operations	803	4.5 %	973	5.2 %	+21.2%
Corporate income tax	(213)	(1.2 %)	(242)	(1.3 %)	+13.4%
Net profit of continued operations	590	3.3 %	732	3.9 %	+23.9%
Profit after taxes of the discontinued operations	0	0.0 %	0	0.0 %	n.a.
Consolidated Result	590	3.3 %	732	3.9 %	+23.9%
Minority interest	(144)	(0.8 %)	(209)	(1.1 %)	+45.3%
Net Profit Attributable to the Parent Company	447	2.5 %	523	2.8 %	+17.1%

*The results from associates and JV which are part of the ordinary activity has been reclassified as "Operating Results from Equity Method" included at EBITDA level. This result was previously accounted for below the Ordinary result. Thus the heading "non Operating Results" has been left for the remaining associates and JV outside the Operating results.

NOTE: 2018 comparable term has been restated due to IFRS 16 (Operational Leases) application, which meant an increase in EBITDA of € 125 million, a higher amount of depreciations worth € 106 million, and higher financial expenses worth € 19 million.

2.1.1 Sales and Backlog

- Sales during the period have risen to € 18,817 million, increasing 5.8%, 3.6% when adjusted by currency effects. All areas of activity showed a good general trend. The boost of the North American activity together with the positive impact of USA currency offset the seasonal slowdown of CIMIC's sales in the Asian construction market.
- Sales breakdown by geographical areas demonstrated the diversification of the Group's revenue sources, where North America represented 46.9% of total sales, Asia Pacific 24.4%, Europe 21.5%, of which Spain represented 15.9%, and the remaining regions 7.2%.

Grupo ACS			Sales per Geographical Areas		
<i>Euro Million</i>	6M18	%	6M19	%	Var.
Europe	3,607	20.3 %	4,046	21.5%	+12.2%
North America	7,903	44.5 %	8,820	46.9%	+11.6%
South America	1,175	6.6 %	1,210	6.4%	+3.0%
Asia Pacific	4,851	27.3 %	4,601	24.4%	-5.2%
Africa	241	1.4 %	140	0.7%	-41.8%
TOTAL	17,777		18,817		+5.8%

Grupo ACS			Sales per Countries		
<i>Euro Million</i>	6M18	%	6M19	%	Var.
EE.UU	6,603	37.1 %	7,700	40.9%	+16.6%
Australia	3,463	19.5 %	3,541	18.8%	+2.3%
Spain	2,479	13.9 %	2,998	15.9%	+20.9%
Canada	659	3.7 %	683	3.6%	+3.7%
Germany	465	2.6 %	338	1.8%	-27.3%
Rest of the world	4,108	23.1 %	3,556	18.9%	-13.4%
TOTAL	17,777		18,817		+5.8%

- To highlight, the strong growth in the Spanish market which rose 20.9%, due to the boost of the renewable energy business.
- Likewise, it is important to mention the solid growth of the North American markets in the construction area, namely USA which grew 16.6%, 9.3% when adjusted to currency impacts.
- Sales in Australia accounted for € 3,541 million, with an adjusted growth due to the exchange rate variation of 4.0%. On their side, Asia Pacific has been affected by the temporary restriction of the activity in Hong Kong, which represents approximately 10% of the sales in the region, decreasing more than 26% compared to the prior term.

Grupo ACS			Backlog per Geographical Areas		
<i>Euro Million</i>	Jun-18	%	Jun-19	%	Var.
Europe	13,045	18.7 %	13,909	18.2%	+6.6%
North America	28,699	41.1 %	33,447	43.7%	+16.5%
South America	4,587	6.6 %	5,149	6.7%	+12.3%
Asia Pacific	23,098	33.1 %	22,435	29.3%	-2.9%
Africa	352	0.5 %	1,562	2.0%	+343.6%
TOTAL	69,782		76,502		+9.6%

- The Group's total Backlog stood at € 76,502 million, growing by 9.6%. Adjusted to currency effects, backlog grew 9.3%. Order intake showed a good performance in all areas of activities.

Grupo ACS			Backlog per Geographical Areas		
<i>Euro Million</i>	Jun-18	%	Jun-19	%	Var.
EE.UU	22,503	32.2 %	27,976	36.6%	+24.3%
Australia	16,922	24.2 %	17,689	23.1%	+4.5%
Spain	7,469	10.7 %	7,401	9.7%	-0.9%
Canada	4,412	6.3 %	4,048	5.3%	-8.2%
Germany	2,586	3.7 %	2,664	3.5%	+3.0%
Rest of the world	15,891	22.8 %	16,724	21.9%	+5.2%
TOTAL	69,782		76,502		+9.6%

- United States backlog rose to € 27,976 million, growing by 24.3% with strong awards both in building and civil engineering projects. Adjusted by exchange rate variations, backlog showed a similar growth to nominal, (+21.4%).
- Likewise, Australia's backlog is positively remarkable growing 4.5%, 7.6% when adjusted to exchange rate impact, thanks to mining, civil work, and services projects, for instance the Cross River Rail Project in Brisbane.
- The remaining countries in Europe grew by 16.7% , supported by the award of large projects in the UK (Construction of Euston high-speed train station in London). On their side, Spain closed its Backlog in € 7,401 million, remaining stable in relation to last term due to the production increase from renewable energy projects awarded during 2018.

2.1.2 Operating Results

Grupo ACS		Operating Results		
<i>Euro Million</i>	6M18	6M19	Var.	
EBITDA	1,409	1,621	+15.1%	
<i>EBITDA Margin</i>	7.9%	8.6%		
Depreciation	(382)	(495)	+29.6%	
<i>Infrastructures</i>	(328)	(417)		
<i>Industrial Services</i>	(39)	(59)		
<i>Services</i>	(14)	(18)		
<i>Corporation</i>	(1)	(1)		
Current assets provisions	(26)	(28)	+8.7%	
EBIT	1,001	1,098	+9.7%	
<i>EBIT Margin</i>	5.6%	5.8%		

- The Group's EBITDA accounted for € 1,621 million, showing an increase of 15.1%, mainly due to Abertis' greater contribution during this period compared to the prior one where it only contributed during June. Not considering this effect, EBITDA grew in line with sales.
- Specifically, Abertis contributed with € 130 million to the Group's EBITDA, during 2019 first-half.
- EBIT reached € 1,098 million, growing 9.7% again due to Abertis' contribution.

2.1.3 Financial Results

Grupo ACS		Financial Results		
<i>Euro Million</i>	6M18	6M19	Var.	
Financial income	79	110	+39.3%	
Financial expenses	(230)	(248)	+7.7%	
Ordinary Financial Result	(151)	(138)	-8.8%	
Infrastructures	(100)	(96)	-4.2%	
Industrial Services	(37)	(38)	+4.8%	
Services	(4)	(3)	-6.5%	
Corporation	(10)	0	<i>n.a</i>	

- The ordinary financial result increased by 8.8%. Financial expenses increased 7.7% due to a higher gross average debt as a consequence of Abertis' investments and renewable assets. This increase was compensated by higher non-recurrent financial revenues compared to the previous term.

Grupo ACS		Financial Results	
<i>Euro Million</i>	6M18	6M19	Var.
Ordinary Financial Result	(151)	(138)	-8.8%
<i>Foreign exchange results</i>	(12)	22	
<i>Changes in fair value for financial instruments</i>	70	18	
<i>Impairment & gains on financial instruments</i>	(66)	2	
Net Financial Result	(159)	(95)	-40.0%

- Regarding the net financial result in 2018, the revaluation of the option over MásMóvil stake was included in “Changes in fair value for financial instruments” item.

2.1.4 Results from Associates

- The majority of Equity Method’s results have been re-classified as “Operating Results on Equity Method”, also within EBITDA, which corresponds to results from associates and joint ventures from ordinary activities, leaving this item as “Non-Operating Results on Equity Method”, corresponding to the remaining associates and joint ventures, which amounted to € 2 million.

2.1.5 Net Profit Attributable

Grupo ACS		Net Profit breakdown	
<i>Euro Million</i>	6M18	6M19	Var.
Infrastructures	248	294	+18.5%
Construction	220	184	-16.2%
Concessions	29	110	+284.5%
Industrial Services	214	221	+3.5%
Services	17	19	+12.3%
Corporation	(33)	(12)	-63.2%
TOTAL Net Profit	447	523	+17.1%

- ACS Group reported a Net Profit during 2019 first-half of € 523 million, 17.1% higher compared to the prior year.
- Effective corporate tax rate stood at 30.2% against 31.4% from the last comparable term.

2.2 Consolidated Balance Sheet

Grupo ACS		Consolidated balance sheet		
<i>Euro Million</i>	dic.-18	jun.-19	Var.	
FIXED and NON-CURRENT ASSETS	14,216 40.0 %	14,151 38.1 %		-0.5%
Intangible Fixed Assets	4,164	4,164		-0.0%
Tangible Fixed Assets	2,524	2,617		+3.7%
Equity Method Investments	4,709	4,341		-7.8%
Non current financial assets	1,244	1,435		+15.3%
Financial instrument debtors	63	55		-13.0%
Deferred Taxes Assets	1,511	1,539		+1.8%
CURRENT ASSETS	21,314 60.0 %	22,954 61.9 %		+7.7%
Non Current Assets Held for Sale	1,034	2,182		+111.1%
Inventories	867	946		+9.2%
Accounts receivables	10,719	11,926		+11.3%
Other current financial assets	1,464	1,015		-30.7%
Financial instrument debtors	53	7		-86.0%
Other Short Term Assets	210	330		+57.0%
Cash and banks	6,966	6,547		-6.0%
TOTAL ASSETS	35,530 100.0 %	37,105 100.0 %		+4.4%
NET WORTH	5,991 16.9%	5,603 15.1 %		-6.5%
Equity	4,647	4,349		-6.4%
Value change adjustments	(292)	(347)		+18.7%
Minority Interests	1,636	1,600		-2.2%
NON-CURRENT LIABILITIES	9,142 25.7%	8,703 23.5 %		-4.8%
Subsidies	3	3		-3.7%
Long Term Provisions	1,683	1,761		+4.6%
Long Term Financial Liabilities	6,252	5,671		-9.3%
Bank loans and debt obligations	6,016	5,435		
Project Finance	101	99		
Other financial liabilities	135	137		
LT Operating Lease liabilities	695	686		-1.3%
Financial Instruments Creditors	45	59		+30.4%
Long term deferred tax liabilities	380	421		+10.8%
Other Long Term Accrued Liabilities	84	102		+21.2%
CURRENT LIABILITIES	20,397 57.4%	22,799 61.4 %		+11.8%
Liabilities from Assets Held for Sale	537	1,413		+163.3%
Short Term Provisions	1,044	918		-12.1%
Short Term Financial Liabilities	2,175	2,616		+20.3%
Bank loans and debt obligations	2,092	2,535		+21.1%
Project Finance	16	16		+0.8%
Other financial liabilities	67	65		-2.8%
ST Operating Lease liabilities	307	313		+2.2%
Financial Instruments Creditors	82	31		-62.2%
Trade accounts payables	15,794	16,129		+2.1%
Other Short Term liabilities	458	1,380		+201.0%
TOTAL EQUITY & LIABILITIES	35,530 100.0%	37,105 100.0 %		+4.4%

NOTE: The December 2018 closing has been restated in compliance with IFRS 16 including operational leases in "Operating Lease liabilities" item, both in the long and in the short term.

2.2.1 Non-Current Assets

- Intangible assets, which amounted to € 4,164 million, included goodwill from past strategic transactions, from which € 743 million came from ACS and Dragados Group merger in 2003, and € 1,389 million came from HOCHTIEF's acquisition in 2011.
- The investment balance held by Equity Method included the stake in Abertis, holdings from HOCHTIEF's associated companies, certain energy assets from Industrial Services and concessions from Iridium, as Zero-E assets are accounted as Assets Held for Sale.
- ACS and HOCHTIEF stake in Abertis are recorded as *Investment in Associates (Equity Method)* in their respective balance sheets. ACS stake (30%) accounted for € 1,964 million, while HOCHTIEF's (20% minus one share) amounted to € 1,320 million. Therefore, total impact on the ACS Group balance sheet stood at € 3,284 million.

2.2.2 Working Capital

Grupo ACS		Working Capital evolution				
Euro Million	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	
Infrastructures	(3,917)	(3,764)	(4,828)	(4,110)	(4,190)	
Industrial Services	(918)	(748)	(1,221)	(1,123)	(1,429)	
Services	(40)	(32)	(51)	(31)	(120)	
Corporation	35	8	265	177	178	
TOTAL	(4,839)	(4,536)	(5,835)	(5,088)	(5,560)	

NOTE: figures related to 2018 term have been restated in accordance with the IFRS 16 application.

- In the last 12 months, net working capital increased its credit balance by € 721 million.
- Commercial discount and securitization balance (factoring) amounted to € 2,323 million by 2019 June-end, with a stable proportion over annual sales of around 6%.
- Working capital variation adjusted by commercial discount (factoring) improved by € 30 million, with € 1,282 million cash outflow compared to € 1,310 million from last year's same period.

2.2.3 Net Worth

- ACS Group Net worth accounted for € 5,603 million at 2019 June-end.

Grupo ACS		Net Worth		
Euro Million	Jun-18	Dec-18	Jun-19	
Shareholders' Equity	2,390	4,647	4,349	
Adjustment s from Value Changes	(282)	(292)	(347)	
Minority Interests	867	1,636	1,600	
Net Worth	2,974	5,991	5,603	

NOTE: figures related to 2018 term have been restated in accordance with IFRS 16 application.

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2.2.4 Net Debt

- The Group maintained a Net Debt position of € 725 million, increasing by € 667 in the last twelve months, due to the acquisition of Abertis, completed at the end of 2018, and an increase in renewable energy projects' investment.
- Net Debt increased by € 728 million during 2019.

Net Debt (€ mn)	Infra- estructuras	Industrial Services	Services	Corporation	Adjust.	Grupo ACS
<i>30 de junio de 2019</i>						
LT loans from credit entities	1,558	21	171	1,898	0	3,648
ST loans from credit entities	485	145	57	1	0	688
Debt with Credit Entities	2,044	166	228	1,899	0	4,336
Bonds	1,639	787	0	1,207	0	3,633
Non Recourse Financing	107	8	0	0	0	115
Other financial liabilities*	97	57	1	0	0	155
Total External Gross Debt	3,887	1,017	229	3,106	0	8,240
Net debt with Group's companies & Affiliates	120	21	0	0	(94)	47
Total Gross Financial Debt	4,007	1,039	229	3,106	(94)	8,287
ST* & other financial investments	711	197	114	87	(94)	1,015
Cash & Equivalents	4,926	1,455	52	114	0	6,547
Total cash and equivalents	5,637	1,652	166	201	(94)	7,562
(NET FINANCIAL DEBT) / NET CASH POSITION	1,630	614	(63)	(2,905)	(0)	(725)
<i>NET FINANCIAL DEBT previous year</i>	<i>1,697</i>	<i>610</i>	<i>(146)</i>	<i>(2,220)</i>	<i>(0)</i>	<i>(58)</i>

2.3 Net Cash Flows

Grupo ACS	Net Cash Flow					
Euro Million	6M18			6M19		
	TOTAL	HOT	ACS exHOT	TOTAL	HOT	ACS exHOT
Cash Flow from Operating Activities before Working Capital	1,120	625	496	1,611	894	717
Operating working capital variation	(1,006)	(267)	(739)	(1,189)	(517)	(672)
Net CAPEX	(214)	(164)	(50)	(279)	(234)	(44)
Net Operating Cash Flow from continuing activities	(99)	194	(293)	143	142	1
Financial Investments/Disposals	191	(17)	208	(645)	(117)	(527)
Operating Leases (IFRS16)	(119)	(85)	(34)	(180)	(139)	(41)
Other Financial Sources	(91)	(86)	(5)	3	1	2
Free Cash Flow	(118)	6	(125)	(678)	(113)	(565)
Dividends paid	(57)	(5)	(51)	(44)	(5)	(39)
Treasury Stock	(188)	0	(188)	(256)	0	(256)
Total Cash Flow Generated / (Consumed)	(363)	1	(364)	(979)	(118)	(860)
<i>Perimeter change (Increase)/decrease</i>	<i>409</i>	<i>44</i>	<i>365</i>	<i>201</i>	<i>(147)</i>	<i>348</i>
<i>Exchange rate (Increase)/decrease</i>	<i>49</i>	<i>42</i>	<i>7</i>	<i>50</i>	<i>10</i>	<i>40</i>
Total Net Debt variation in the Balance Sheet	95	87	8	(728)	(255)	(473)

2.3.1 Cash Flow from Operating Activities

- Gross cash flows from operating activities before working capital amounted to € 1,611 million, improving by 43.8% versus last year's. The positive performance in operating activities together with Abertis' dividend collection which amounted to € 432 million, broadly compensated a higher tax disbursement during the current term.

RESULTS REPORT 1Q19

- Operating working capital meant a € 1,189 million cash outflow, due to the business seasonality, an increase in projects execution charged to pre-existing pre-payments and the variation of CIMIC's business mix, with a greater contribution from capital intensive activities (contract mining services) and *Alliance*-style agreements which do not consider pre-payments.
- On their side, CAPEX rose up to € 279 million, € 65 million more than last year and in line with growth in more intensive capital activities.

2.3.2 Investments

Grupo ACS			Investments breakdown				
Euro Million	Operating Investments	Operating divestments	NET Operating CAPEX	Project / Financial Investments	Financial Divestments	Net Project / Financial invesments	Total Net Investments
Infrastructures	280	(26)	254	177	(50)	126	380
<i>Dragados</i>	31	(12)	19	0	(0)	(0)	19
<i>Hochtief</i>	249	(14)	234	143	(26)	117	352
<i>Iridium</i>	0	0	0	34	(24)	9	9
Industrial Services	35	(20)	15	609	(20)	588	604
Services	11	(1)	9	(0)	(0)	(0)	9
Corporation	0	0	0	14	0	14	15
TOTAL	326	(47)	279	800	(71)	729	1,008

- The ACS Group total net investments in 2019 first half grew up to € 1,008 million.
- Net CAPEX amounted to € 279 million and mainly corresponded to machinery acquisition for the Group's mining, civil work, and industrial facilities projects.
- The Financial and Project net investments reached € 729 million and are detailed as follows:
 - o Infrastructures mainly included € 99 million investment from HOCHTIEF's JV. Likewise, Iridium invested € 34 million in several concessions among which it can be found the SH288 in Texas. Iridium and Hochtief's financial divestment (€ 50 million overall) correspond to the sale of their respective 25% stake in the Capital Link City ring road in Canada.
 - o Industrial Services invested € 609 million mainly in renewable assets in Spain.
- Furthermore, € 85 million pending from URBASER's sale have been cashed and reflected in the flow statement as financial divestments. This quantity was booked when the transaction was closed, by December 2016.

2.3.3 Other Cash Flows

- Dividends paid worth € 39 million mainly corresponded to ACS Group scrip dividends paid in cash in February 2019.
- Likewise, during this year, the acquisition of treasury shares, worth € 256 million, was made to serve scrip dividends of July 2019 and February 2020.
- Therefore, the Group devoted € 301 million to its shareholders and minorities' payment.

3 Evolution per Areas of Activity

3.1 Infrastructures

Infrastructure		Key figures	
Euro Million	6M18	6M19	Var.
Turnover	13,353	14,235	+6.6%
EBITDA	997	1,193	+19.7%
Margin	7.5%	8.4%	
EBIT	650	746	+14.9%
Margin	4.9%	5.2%	
Net Profit	248	294	+18.5%
Margin	1.9%	2.1%	
Backlog	57,913	63,981	+10.5%
Months	24	25	

NOTE: Infrastructures includes Construction activity – Dragados and HOCHTIEF (ex Abertis), and Concessions activity – Iridium and Abertis (both directly and indirectly through HOCHTIEF).

- Sales in Infrastructure reached € 14,235 million, representing a 6.6% growth. That is, an increase of 3.7%, adjusted by currency effects. This growth is mainly backed by North American sales and Australian market's contribution, despite exchange rate impact.
- Sales evolution is shifting towards a business mix with a more balanced risk profile; with a greater contribution from "Construction management" activities, mining services and infrastructures, Alliance-type contracts and P3 projects.
- EBITDA accounted for € 1,193 million and EBIT rose to € 746 million. Not considering the "Operating Equity Method", which includes JV's net result and Abertis' contribution, operating margin remained stable in comparable terms.
- Net Profit reached over € 294 million, 18.5% more compared to last term, from which € 184 million come from Construction activity while € 110 million relate to Concessions.

Infrastructure		Sales per geographical areas			
Euro Million	6M18	% weight	6M19	% weight	Var.
Spain	575	4.3%	597	4.2%	+3.7%
Rest of Europe	895	6.7%	785	5.5%	-12.3%
North America	7,189	53.8%	8,263	58.0%	+14.9%
South America	188	1.4%	170	1.2%	-9.3%
Asia Pacific	4,506	33.7%	4,403	30.9%	-2.3%
TOTAL	13,353	100%	14,235	100%	+6.6%

- Adjusted to exchange rate effects, sales in Australia grew by 4.0% and 9.3% in USA.

Infrastructure			Backlog per geographical areas		
Euro Million	Jun-18	% weight	Jun-19	% weight	Var.
Spain	2,797	4.8%	2,592	4.1%	-7.4%
Rest of Europe	4,828	8.3%	5,553	8.7%	+15.0%
North America	26,754	46.2%	31,885	49.8%	+19.2%
South America	1,248	2.2%	1,390	2.2%	+11.4%
Asia Pacific	22,258	38.4%	21,523	33.6%	-3.3%
Africa	28	0%	1,038	1.6%	n.a
TOTAL	57,913	100%	63,981	100%	+10.5%

- Backlog at the end of the period stood at € 63,981 million, 10.5% higher compared to last year's same period. Adjusted by the currency exchange effect, backlog grew by 10.3%. This good performance is partly a consequence of the significant projects awarded during this first half which grew by 16.9% in comparable terms. Mainly in UK, USA and contract mining projects. CIMIC's backlog grew by 6.5%.

3.1.1. Construction

Construction											
Euro Million	Dragados			HOCHTIEF (ACS contr.)			Adjustments		Total		
	6M18	6M19	Var.	6M18	6M19	Var.	6M18	6M19	6M18	6M19	Var.
Sales	2,096	2,189	+4.4%	11,203	12,009	+7.2%	0	0	13,299	14,199	+6.8%
EBITDA	184	193	+5.0%	778	909	+16.9%	(12)	(52)	949	1,049	+10.6%
Margin	8.8%	8.8%		6.9%	7.6%				7.1%	7.4%	
EBIT	133	138	+3.8%	516	547	+6.0%	(38)	(75)	610	610	-0.1%
Margin	6.3%	6.3%		4.6%	4.6%				4.6%	4.3%	
Net Financial Results	(24)	(24)		(62)	(62)		0	0	(86)	(86)	
Equity Method	0	0		0	0		0	0	0	0	
Other Results & Fixed Assets	(6)	(7)		(7)	5		(0)	(0)	(13)	(3)	
EBT	103	106	+2.7%	446	490	+9.7%	(38)	(75)	511	521	+1.8%
Taxes	(27)	(30)		(138)	(134)		8	7	(157)	(156)	
Minorities	(3)	(0)		(144)	(215)		11	35	(135)	(180)	
Net Profit	74	76	+3.2%	165	141	-14.7%	(19)	(33)	220	184	-16.2%
Margin	3.5%	3.5%		1.5%	1.2%				1.7%	1.3%	
Backlog	12,329	14,556	+18.1%	45,584	49,425	+8.4%			57,913	63,981	+10.5%
Months	33	36		22	23				24	25	

Note: The column "Adjustments" includes the removal of Abertis' contribution through HOCHTIEF, PPA adjustments, PPA depreciation, and consequently the impact on tax and minorities.

- Dragados increased its sales by 4.4% and the EBITDA margin remained stable at 8.8%. Net Profit grew up to € 76 million, meaning a 3.2% increase.
- HOCHTIEF showed a solid growth across all its operating figures. HOCHTIEF's net profit reached € 279 million, and its contribution to ACS net profit, after minorities, reached € 141 million. This contribution is proportional to the current 50.4% stake in contrast to 71.8% from the comparable term. Construction activity (excluding Abertis) grew by 4.6%, in a like-to-like basis.

HOCHTIEF														
Euro Million	America			Asia Pacific			Europe			Holding		Total		
	6M18	6M19	Var.	6M18	6M19	Var.	6M18	6M19	Var.	6M18	6M19	6M18	6M19	Var.
Sales	6,051	7,017	+16.0%	4,417	4,352	-1.5%	682	574	-15.9%	53	66	11,203	12,009	+7.2%
EBITDA	176	195	+10.8%	557	640	+15.0%	66	50	-23.6%	(21)	23	778	909	+16.9%
Margin	2.9%	2.8%		12.6%	14.7%		9.7%	8.8%		0.0%	0.0%	6.9%	7.6%	
EBIT	149	156	+4.8%	351	346	-1.4%	38	27	-30.9%	(23)	18	516	547	+6.0%
Margin	2.5%	2.2%		7.9%	7.9%		5.6%	4.6%		0.0%	0.0%	4.6%	4.6%	
Net Financial Results	(8)	(4)		(59)	(57)		(9)	(9)		15	8	(62)	(62)	
Equity Method	0	0		0	0		0	0		0	0	0	0	
Other Results & Fixed Asset	1	(0)		(2)	(3)		(6)	8		0	(0)	(7)	5	
EBT	142	153	+7.3%	289	286	-1.0%	23	25	+6.8%	(8)	26	446	489	+9.7%
Taxes	(33)	(41)		(93)	(85)		(8)	(6)		(4)	(2)	(138)	(134)	
Minorities	(20)	(14)		(59)	(63)		0	0		0	0	(79)	(77)	
Net Profit	89	98	+9.7%	137	138	+0.7%	15	19	+24.8%	(12)	24	230	279	+21.4%
Margin	1.5%	1.4%		3.1%	3.2%		2.3%	3.4%				2.0%	2.3%	

- Amongst HOCHTIEF's different areas of activity, it is worth highlighting:
 - a) The growth in America, where sales went up by 16.0%, was supported by Turner and Flatiron's good performance. The EBITDA remained relatively stable whilst the EBIT decreased close to 30 b.p. due to a higher specialised machinery depreciation intended for civil engineering projects. Net profit rose by 9.7%.
 - b) In Europe, the positive sales trend is still defined by non-strategic business restructuring processes and the strict risk policy related to the selection of new bids. The positive trend of the operating margins and Net Profit during the last terms is consolidated thanks to the improvements implemented in the execution and delivery of projects.
 - c) Sales in Asia Pacific (CIMIC) remained stable due to the sustained momentum of the mining activity which offset a lower contribution of the construction activity abroad, mainly due to temporary restrictions in the activity in Hong Kong. Nonetheless, sales in the local market grew by 4%, adjusted by the exchange rate variation. Net profit increased by 0.7% in nominal terms.
 - d) Corporation Net Profit included Abertis' net contribution in the period from HOCHTIEF's stake, amounting to € 52 million. Once minority interests have been deducted, its net contribution to ACS stood at € 26 million profit.

3.1.2 Concessions

Concessions		Key figures	
Euro Million	6M18	6M19	Var.
Sales	54	37	-31.5%
Iridium	54	37	
Abertis	-	-	
EBITDA	48	144	+203.0%
Iridium	19	14	
Abertis	29	130	
EBIT	39	137	+246.3%
Iridium	11	7	
Abertis	29	130	
Net Profit	29	110	+284.5%
Iridium	3	6	
Abertis	26	104	

Note: Concessions includes Iridium and Abertis' activity

Iridium

- During this first half, Iridium has carried out the sale of its 25% stake in the Canadian company Northeast Anthony Henday, the concessionary company of Edmonton city ring road in Alberta, Canada. The Enterprise Value amounted to € 438 million with earnings after taxes of € 10 million, equivalent to 1.8x the equity invested.
- Likewise, it invested € 34 million during this term in the SH288 highway in Texas.

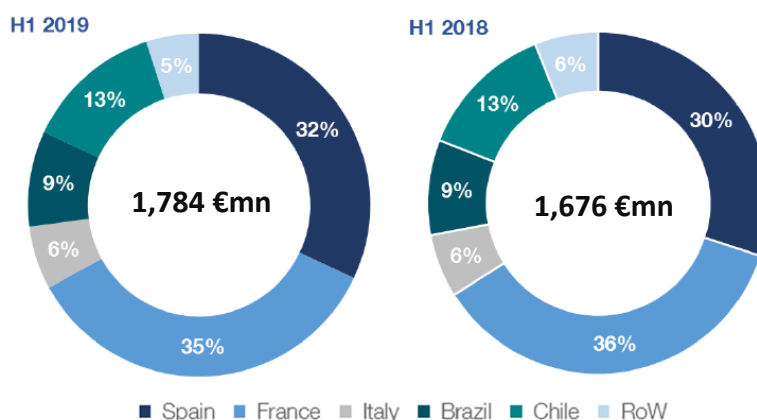
Abertis

- During 2019 first half, Abertis' highways performance was positive due to the solid growth of traffic rates registered in Spain (+2.5%), France (+0.3%), Chile (+2.2%), Brazil (+5.0%), and Italy (-0.3%).
- On a like for like basis: revenues during the period increased 5%, EBITDA grew 9%, and net profit rose 10%.

Abertis		Key figures		
Million euros	1H17	1H18	Var	Var. LFL*
Sales	2,535	2,596	+2%	+5%
EBITDA	1,676	1,784	+6%	+9%
Net Profit	567	514	-9%	+10%
Net Debt	15,038	22,846	+52%	n.a

*Like for like variation adjusted by FX and extraordinary results

EBITDA by countries



- Abertis' contribution to the ACS Group profit has been recorded using the Equity Method and included as an operating item in EBITDA, rising up to € 130 million. During 2019 first half, Abertis' contribution to the Group's Net profit amounted to €104 million, from which € 78 million corresponded to ACS direct stake, and the remaining €26 million to the indirect stake through HOCHTIEF, once minority interests were deducted.
- Abertis' strategic plan considers improving efficiency which will lead to a € 150 million cost reduction.

3.2 Industrial Services

Industrial Services		Key Figures	
Euro Million	6M18	6M19	Var.
Turnover	3,679	3,804	+3.4%
EBITDA	399	413	+3.4%
Margin	10.8%	10.8%	
EBIT	355	356	+0.2%
Margin	9.7%	9.4%	
Net Profit	214	221	+3.5%
Margin	5.8%	5.8%	
Backlog	9,462	9,794	+3.5%
Months	18	18	

- Sales in Industrial Services accounted for € 3,804 million, increasing by 3.4%.
- Operating results grew in line with sales, resulting in stable margins based on business diversification, considering both geography and area of activity.
- Net profit accounted for € 221 million, 3.5% higher versus the prior year.
- This growth is backed by the boost in the renewable energy business, namely in Spain, which offset the termination of several projects in the Middle East and the decline of the Mexican activity.

Industrial Services		Turnover breakdown by activity		
Euro Million	6M18	6M19	Var.	
Support Services	2,013	2,105	+4.6%	
<i>Networks</i>	383	373	-2.5%	
<i>Specialized Products</i>	1,194	1,241	+4.0%	
<i>Control Systems</i>	436	490	+12.5%	
EPC Projects	1,664	1,734	+4.2%	
Renewable Energy: Generation	6	22	<i>n.s</i>	
<i>Consolidation Adjustments</i>	(3)	(56)		
TOTAL	3,679	3,804	+3.4%	
International	2,474	2,127	-14.0%	
<i>% over total sales</i>	67.3%	55.9%		

Industrial Services		Sales per geographical areas			
Euro Million	6M18	% weight	6M19	% weight	Var.
Spain	1,205	32.7%	1,677	44.1%	+39.2%
Rest of Europe	187	5.1%	210	5.5%	+11.9%
North America	714	19.4%	556	14.6%	-22.1%
South America	987	26.8%	1,040	27.3%	+5.4%
Asia Pacific	345	9.4%	197	5.2%	-42.8%
Africa	241	6.6%	123	3.2%	-48.9%
TOTAL	3,679	100%	3,804	100%	+3.4%

- Backlog grew by 3.5% up to € 9,794 million, with no significant exchange rate impact. International Backlog represented 76.3% of the total.
- It is worth noting the positive performance in South America reflected in its 12.6% growth, mainly due to energy projects awarded in Brazil, Peru and Chile. Backlog in Spain decreased because of the progress in production of PV plants. The Mexican Backlog decline was outweighed by the good performance in the rest of continents.

Industrial Services		Backlog per activity		
Euro Million	Jun-18	Jun-19	Var.	
Support Services	5,247	5,347	+1.9%	
<i>Networks</i>	569	542	-4.8%	
<i>Specialized Products</i>	3,267	3,387	+3.7%	
<i>Control Systems</i>	1,411	1,418	+0.5%	
EPC Projects	4,215	4,406	+4.5%	
Renewable Energy: Generation	0	41	-	
TOTAL BACKLOG	9,462	9,794	+3.5%	
International	7,031	7,476	+6.3%	
<i>% over total backlog</i>	74.3%	76.3%		

Industrial Services			Backlog per geographical areas		
<i>Euro Million</i>	Jun-18	% weight	Jun-19	% weight	Var.
Spain	2,431	25.7%	2,318	23.7%	-4.7%
Rest of Europe	582	6.1%	719	7.3%	+23.6%
North America	1,945	20.6%	1,561	15.9%	-19.7%
South America	3,339	35.3%	3,760	38.4%	+12.6%
Asia Pacific	840	8.9%	912	9.3%	+8.6%
Africa	324	3.4%	524	5.3%	+61.6%
TOTAL	9,462	100%	9,794	100%	+3.5%

3.3 Services

Services		Key figures	
<i>Euro Million</i>	6M18	6M19	Var.
Turnover	754	786	+4.2%
EBITDA	43	47	+7.1%
<i>Margin</i>	5.8%	5.9%	
EBIT	28	28	+3.2%
<i>Margin</i>	3.7%	3.6%	
Net Profit	17	19	+12.3%
<i>Margin</i>	2.3%	2.4%	
Backlog	2,407	2,727	+13.3%
<i>Months</i>	19	21	

- Sales in Services increased by 4.2%, growing both in the domestic and international markets.

Services		Sales per geographical areas			
<i>Euro Million</i>	6M18	weight %	6M19	weight %	Var.
Spain	708	93.9%	732	93.2%	+3.3%
Rest of Europe	46	6.1%	54	6.8%	+16.8%
TOTAL	754	100%	786	100%	+4.2%

- EBITDA accounted for € 47 million, growing by 7.1%. EBIT increased by 3.2% up to € 28 million. Operating margins remained fairly stable.

Services		Backlog per geographical areas			
<i>Euro Million</i>	jun.-18	weight %	jun.-19	weight %	Var.
Spain	2,240	93.1%	2,491	91.4%	+11.2%
Rest of Europe	166	6.9%	236	8.6%	+41.6%
TOTAL	2,407	100%	2,727	100%	+13.3%

- Services Backlog reached € 2,727 million, growing 13.3% equivalent to over 21 months of production.

4 Description of main risks and uncertainties

- The ACS Group develops its activities in different sectors, countries and socioeconomic and legal environments involving risk exposure, inherent to the businesses it operates in.
- The ACS Group 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 its customers or a negative impact on the Group as a whole. For risk-control, the ACS Group has instruments to identify and manage them properly with sufficient time, either by preventing its materialization or by minimizing impacts.
- In addition to those inherent risks to the different businesses in which it operates, the ACS Group is exposed to various financial risks, either by changes in interest or exchange rates, liquidity risks or credit risks.
 - a) Risks arising from changes in the cash flow interest rates are mitigated by ensuring rates through financial instruments which may cushion its fluctuation.
 - b) Risk management related to exchange rates is carried out by taking debt in the same functional currency as that of the assets that the Group finances overseas. To cover net positions in currencies other than the euro, the Group arranges various financial instruments in order to reduce such exposure to exchange rate risks.
 - c) The most important aspects impacting the financial risks of ACS during 2019 first half and detailed in 2018 annual statements are:
 - o ACS, Actividades de Construcción y Servicios, SA, has renewed the Euro Commercial Paper (ECP) program for a maximum amount of € 750 million, the Negotiable European Commercial Paper program (NEU CP) for a maximum amount of € 300 million, and the debt issuance program called Euro Medium Term Note Program (EMTN Program). From this last one, two issuance have been made for a total of € 170 million during 2019 first half.
 - o The rating agency Standard and Poor's (S & P) has maintained the long-term BBB and A-2 short-term corporate credit rating ("investment grade"), with stable outlook, for ACS, Actividades de Construcción y Servicios, S.A.. Likewise, HOCHTIEF and CIMIC have maintained the same credit rating.
- The Integrated Annual Report, which includes Non-Financial Information, Corporate Governance Reports, and ACS Group Consolidated Financial Statements (www.grupoacs.com), discusses more in detail the risks and the tools for its control. Likewise, HOCHTIEF's Annual Report (www.hochtief.com) details the risks inherent to the German company and its control mechanisms.
- For the next six months, from the closing date of the accounts referred to in this document, the ACS Group, based on information currently available, does not expect to deal with situations of risk and uncertainty significantly different to those of the last year, particularly those derived from the internationalization of the Group's activities.

5 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.
- The ACS Group Corporate Social Responsibility Policy, reviewed and approved by the Board of Directors on their meeting on February 25th 2016, established the basic and specific principles of action in this area, as well as in the Group's relationship with its environment.

a) Basic principles of action

- The ACS Group and its affiliate 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 ACS Group Ethics Channel which enables any person to communicate inappropriate conduct or breaches of the Code of Conduct if there were to occur.
- The ACS Group upholds full commitment of rigorousness in the disclosure of information with due respect to the interests of clients and remaining social interlocutors of the company.

b) Specific principles of action

- To coordinate The ACS Group's Corporate Social Responsibility policy, taking into consideration its operational decentralization and geographic breadth, the Group has developed project "one", which aims at promoting good management practices and the extension of corporate culture through specific homogenous principles across the Group in relation to its stakeholders, customers, employees, suppliers, shareholders and the society in general.
- The areas of non-financial management in which these principles of action are focused on are:
 - the quality of products and services
 - occupational safety
 - recruitment and retention of talent
 - protection of the environment
 - innovation and development
 - social action
- The ACS Group detail policies' results on Corporate Social Responsibility is collected and published frequently on the Group's web page (www.grupoacs.com) and in the Integrated Annual Report, also available on the same web page. Likewise, HOCHTIEF's Annual Report (www.hochtief.com) details the most relevant aspects regarding the Corporate Social Responsibility of this company and its subsidiaries.

6 Information on related parties

- Information regarding transactions with related parties is carried out in the relevant section of the annual financial report regularly submitted to the CNMV.
- All these commercial relationships with related parties have been made in the ordinary course of business, market conditions and correspond to normal operations of the Group's Companies, and have not materially affected the financial position nor results of operations during this period.

7 Annex

7.1 Main figures per area of activity

TURNOVER					
<i>Euro Million</i>	6M18		6M19		Var.
Infraestructures	13,353	75 %	14,235	76 %	+6.6%
Industrial Services	3,679	21 %	3,804	20 %	+3.4%
Services	754	4 %	786	4 %	+4.2%
Corporation / Adjustments	(9)		(8)		
TOTAL	17,777		18,817		+5.8%

EBITDA					
<i>Euro Million</i>	6M18		6M19		Var.
Infraestructures	997	69 %	1,193	72 %	+19.7%
Industrial Services	399	28 %	413	25 %	+3.4%
Services	43	3 %	47	3 %	+7.1%
Corporation / Adjustments	(30)		(31)		
TOTAL	1,409		1,621		+15.1%

EBIT					
<i>Euro Million</i>	6M18		6M19		Var.
Infraestructures	650	63 %	746	66 %	+14.9%
Industrial Services	355	34 %	356	31 %	+0.2%
Services	28	3 %	28	3 %	+3.2%
Corporation / Adjustments	(32)		(33)		
TOTAL	1,001		1,098		+9.7%

NET PROFIT					
<i>Euro Million</i>	6M18		6M19		Var.
Infraestructures	248	52 %	294	55 %	+18.5%
Industrial Services	214	45 %	221	41 %	+3.5%
Services	17	4 %	19	4 %	+12.3%
Corporation / Adjustments	(33)		(12)		
TOTAL	447		523		+17.1%

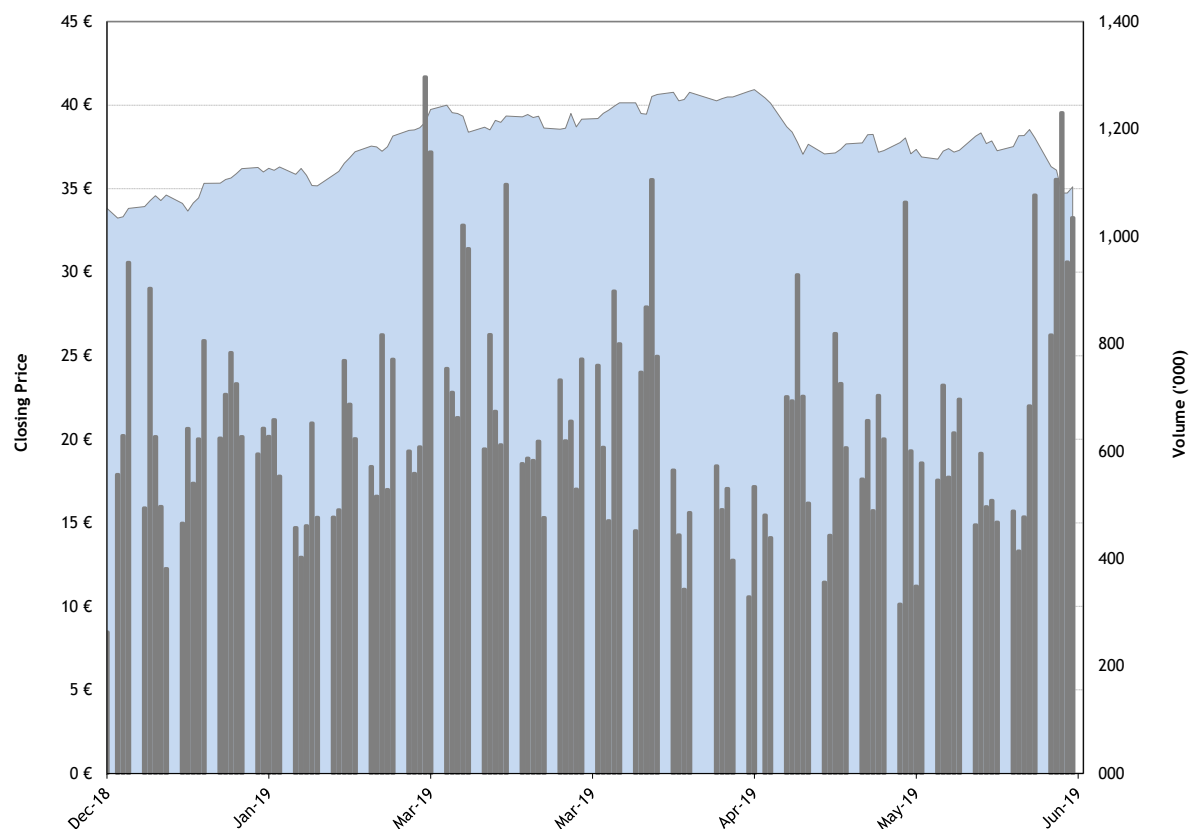
AWARDS					
<i>Euro Million</i>	6M18		6M19		Var.
Infraestructures	16,331		19,091		+16.9%
Industrial Services	3,957		3,528		-10.8%
Services	894		485		-45.8%
Corporation / Adjustments	0		0		
TOTAL	21,182		23,104		+9.1%

BACKLOG					
<i>Euro Million</i>	Jun-18		Jun-19		Var.
		months		months	
Infraestructures	57,913	24	63,981	25	+10.5%
Industrial Services	9,462	18	9,794	18	+3.5%
Services	2,407	19	2,727	21	+13.3%
TOTAL	69,782	23	76,502	24	+9.6%

NET DEBT					
<i>Euro Million</i>	Jun-18		Jun-19		Var.
Infraestructures	1,697		1,630		-3.9%
Industrial Services	610		614		+0.6%
Services	(146)		(63)		-56.5%
Corporation / Adjustments	(2,220)		(2,905)		+30.9%
TOTAL	(58)		(725)		n.a.

7.2 Share data

ACS Shares Data (YTD)	6M18	6M19
Closing price	34.70 €	35.11 €
Performance	2.72%	1.18%
Period High	37.55 €	40.97 €
High date	12-Jun	30-Apr
Period Low	26.67 €	32.62 €
Low date	7-Mar	2-Jan
Average in the period	32.88 €	37.65 €
Total volume ('000)	97,357	81,116
Daily average volume ('000)	773	649
Total traded effective (€ mn)	3,201	3,054
Daily average effective (€ mn)	25.41	24.43
Number of shares (mn)	314.66	314.66
Market cap (€ mn)	10,919	11,048



7.3 Exchange Rate Effect

EXCHANGE RATE EFFECT

EXCHANGE RATE EFFECT (€ vs. currency)	Average Exchange Rate			
	Jun-18	Jun-19	difference	%
1 US Dollar	1.2071	1.1315	(0.0757)	-6.3%
1 Australian Dollar	1.5707	1.5981	0.0274	+1.7%
1 Mexican Peso	22.9246	21.7575	(1.1671)	-5.1%
1 Brazilian Real	4.1835	4.3324	0.1489	+3.6%

EXCHANGE RATE EFFECT (€ vs. currency)	Closing Exchange Rate			
	Jun-18	Jun-19	difference	%
1 US Dollar	1.1658	1.1380	(0.0278)	-2.4%
1 Australian Dollar	1.5787	1.6244	0.0457	+2.9%
1 Mexican Peso	23.2150	21.8400	(1.3750)	-5.9%
1 Brazilian Real	4.5289	4.3760	(0.1529)	-3.4%

EXCHANGE RATE EFFECT Euro million	Grupo ACS			
	USD	AUD	Others	Total
Backlog	704	(664)	186	226
Sales	504	(79)	(31)	395
Ebitda	16	(11)	(5)	(1)
Ebit	12	(6)	(5)	0
Net Profit	2	(1)	(2)	(1)

EXCHANGE RATE EFFECT	Infrastructures			
Euro Million	USD	AUD	Others	Total
Backlog	693	(659)	80	113
Sales	488	(78)	(28)	382
Ebitda	15	(11)	(2)	2
Ebit	12	(6)	(1)	4
Net Profit	4	(1)	1	3

EXCHANGE RATE EFFECT	Industrial Services			
Euro Million	USD	AUD	Others	Total
Backlog	11	(5)	108	115
Sales	16	(0)	(3)	12
Ebitda	0	(0)	(4)	(3)
Ebit	0	(0)	(4)	(4)
Net Profit	(2)	(0)	(2)	(4)

EXCHANGE RATE EFFECT	Services			
Euro Million	USD	AUD	Others	Total
Backlog	0	0	(2)	(2)
Sales	0	0	0	0
Ebitda	0	0	0	0
Ebit	0	0	0	0
Net Profit	0	0	(0)	(0)

7.4 Main Awards

4.4.1 Infrastructure

Project	Type of Project	Region	€ mn
PPP Project for the financing, design, construction and operation of the Cross River Rail project, new 10-kilometer metro line in the capital Brisbane, in Queensland (Australia)	Railways	Asia Pacific	1,682.5
Project for the expansion of the I-64 tunnel in the Hampton Roads region (Virginia). The expansion project consists of improvements to the I-64 corridor between I-664 in Hampton and I-564 in Norfolk to expand capacity to six lanes throughout the corridor (United States).	Roads	America	1,235.8
Project for extending and upgrading Euston Station (London), as required for the new High Speed railway (London, United Kingdom)	Railways	Europe	1,054.0
Mining contract at Debswana Diamond Company's Jwaneng Mine Cut 9 project in Botswana	Contract mining	Africa	744.6
Construction of a plant and tunnel for the treatment of water contamination (Los Angeles, United States)	Hydraulic	América	557.6
Project (PPP) for delivery and maintenance of a new regional rail fleet and construction of a new maintenance facility in Dubbo, New South Wales (Australia)	Railways	Asia Pacific	457.6
5 year contract for the maintenance and logistics services of the metropolitan trains of Sydney (Australia)	Services	Asia Pacific	391.5
Project for the expansion of the Centerm terminal of the Port of Vancouver (Canada)	Hydraulic	América	173.6
Construction of the Redlands rail project that will extend this service from San Bernardino to the University of Redlands (California, United States)	Railways	America	137.0
Construction of Christchurch Metro Sports Facility, the largest aquatic and indoor recreation and community venue in New Zealand.	Building	Asia Pacific	134.3
Reconstruction and improvement works of the Newark Bay Bridge in New Jersey (United States)	Roads	América	122.1
New contract for services in the Karratha Gas Plant (KGP) operated by the Woodside Energy Limited (Australia)	Services	Asia Pacific	118.8
Building of warehouse and y offices for Amazon in Seville (Spain)	Building	Spain	117.8
Works to expand I-5 between SR-73 and Toro Road in Orange County (California)	Roads	America	115.0
Contract extension for mining services in Melak in East Kalimantan (Indonesia)	Contract mining	Asia Pacific	107.0
Construction of the CDC East car park as well as the associated infrastructures in Atlanta (Georgia, United States)	Building	America	98.0
Project for the expansion of the Triangle Expressway Southeast in North Carolina (United States)	Roads	America	84.0
Construction of the new institute and associated facilities of Bellaire in Texas (United States)	Building	America	79.0
Project for Northern Road upgrade between Eaton Road and Littlefields Road (New South Wales, Australia)	Roads	Asia Pacific	75.4
Reconstruction and improvement of the Henning Building of the Pennsylvania State University (United States)	Building	America	70.0
Project for the construction of the section of the high-speed rail line between Atxondo-Abadiño in Vizcaya (Spain)	Railways	Spain	69.9
Design and construction of the Wagga Wagga Health Service Stage 3 Redevelopment Project (New South Wales, Australia)	Building	Asia Pacific	67.8
Project for the construction of the R2 highway between Mýtna and Tomášovce in Slovakia	Roads	Europe	63.9
Construction of an office building in Poble Nou (Barcelona, Spain)	Building	Spain	61.2
Construction of a new bridge crossing over the Bow River in Calgary (Canada)	Roads	America	59.0

Project	Type of Project	Region	€ mn
Construction of infrastructures related to the gas gathering for Australia Pacific LNG in the Surat basin (Queensland, Australia)	Other civil works	Asia Pacific	56.4
Works for the expansion of the Citrus Park Drive in Hillsborough County (Florida, United States)	Roads	America	42.0
Works for the improvement of the section of the N-260 between Congosto de Ventamillo - Campo (Huesca, Spain)	Roads	Spain	35.7
Project for the installation of antifloods systems and improvement of the drainage / sewer system to protect the tunnel from the yard of the terminal station of St. George (New York, United States)	Hydraulic	America	28.6
Works for the implementation of the third lane in the section of the Mediterranean corridor between the towns of Martorell and Castellbisbal in a stretch of approximately 11 km (Barcelona, Spain)	Railways	Spain	25.7

4.4.2 Industrial Services

Project	Type of Project	Region	€ mn
Works for basic engineering, detailed engineering, equipment and material supply, construction and implementation of two 5,000 tons-per-day sulphuric acid plants in Jorf Lasfar industrial site (Morocco)	EPC Projects	Africa	253.2
Project fo Azito's combined cycle power plant extension to 280 MW in Ivory Coast.	EPC Projects	Africa	201.6
Design, construction and maintenance of the new Óscar Danilo Rosales School Hospital in León (Nicaragua)	EPC Projects	America	75.9
Contract for the delivery of the Communication Systems for the Finch West Light Rail Transit Project in Toronto (Canada)	Control Systems	America	31.9
Delivery of the OMCS head-end system for the M4-M5 Link Tunnels (Stage 3A) and the Integrated OMCS for the entire WestConnex project (Australia)	Control Systems	Asia Pacific	28.9

4.4.3 Services

Project	Type of Project	Region	€ mn
Renovation of the cleaning service at the University Hospital of Bellvitge, Hospital de Viladecans and Dnstituto Diagnóstico de la Imagen (Barcelona, Spain)	Services for citizens	Spain	35.5
Extension for the contract of the Home Help Service in Madrid City (Spain)	Services for citizens	Spain	28.8
Renewal of the contract for Home Help service in Durham County Council (United Kingdom)	Services for citizens	Europe	28.6
New awards of the cleaning service of the Cadiz hospital for the Andalusian Health Service (Spain)	Services for buildings	Spain	15.7
Contract for different security services in the Ministry of Health (Valencia, Spain)	Services for buildings	Spain	14.7
Contract for different security services in the Generalitat Valenciana (Valencia, Spain)	Services for buildings	Spain	13.7
New contract for the cleaning service in facilities dependent on the City Council of Barcelona (Spain)	Services for buildings	Spain	13.4

8 ACS Group organizational structure

ACS Group is a world benchmark company in the infrastructure industry. This sector contributes to a great extent to the economic and social development of the world’s different regions in an increasingly competitive, demanding and global market.

Main Group areas:

a) Infrastructure

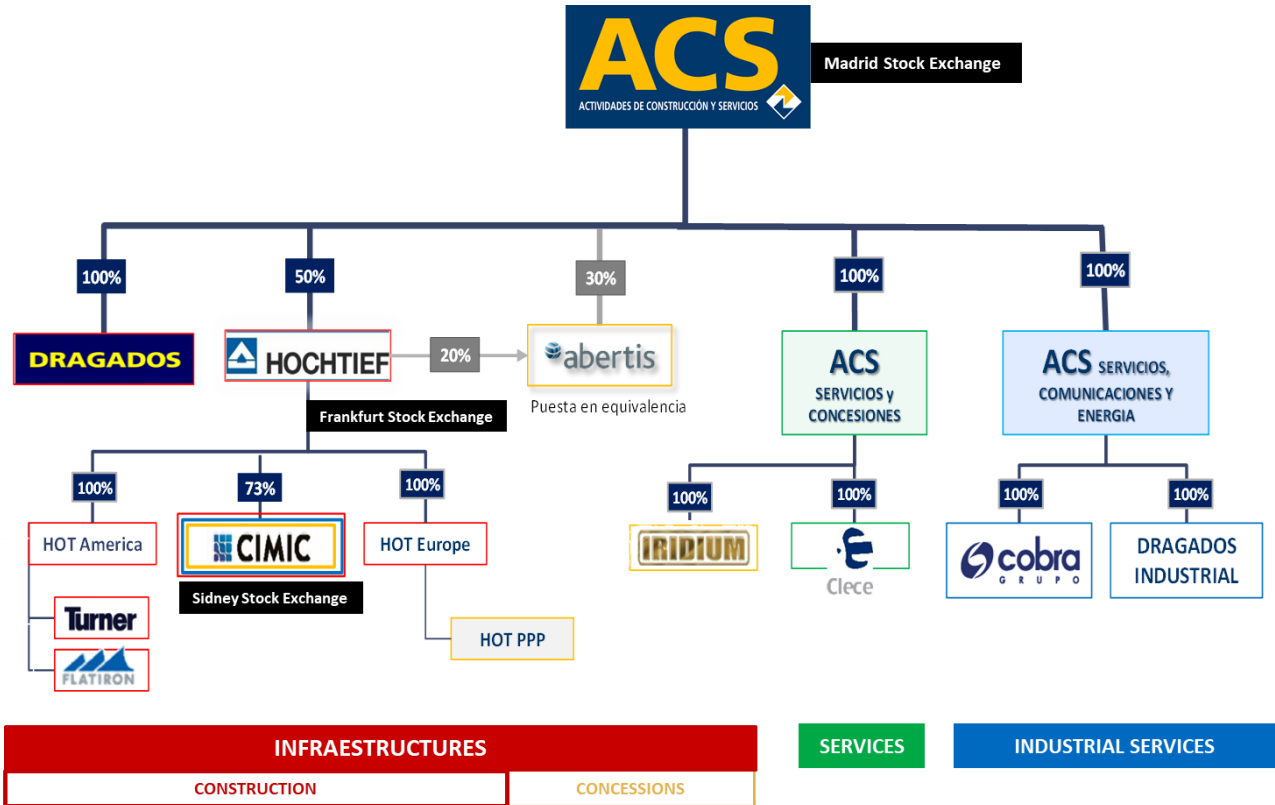
This area includes Construction and Concession activities performed by Dragados, Hochtief (including CIMIC), and Iridium and the stake in Abertis. It is oriented towards the development of different projects such as Civil Works, Building and activities related to the mining sector (carried out by CIMIC, mainly in Asia Pacific) and development and concession of transport concessions. The geographic regions with the highest exposure to this area are North America, Asia Pacific and Europe. The Group mainly operates in developed environments and in geopolitical, macroeconomic, and legal safe markets.

b) Industrial Services

This area is devoted to applied industrial engineering, construction developing activities, operation and maintenance of energy services, industrial and mobility infrastructures through an extensive group of companies headed by Grupo Cobra and Dragados Industrial. This area is present in more than 50 countries, with a predominant exposure to the Mexican and Spanish market despite the rapid growth in new Asian countries and Latin American countries.

c) Services

This area is only represented by Clece's facility management activity, which comprises building maintenance, public places and organizations, as well as care assistance. This area is mainly based in Spain, but it is slowly making headway in the European market.



9 Glossary

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.

CONCEPT	DEFINITION and COHERENCE	jun-19	jun-18
Market capitalisation	Num of shares at period close x price at period close	11,048	10,919
Earnings per share	Net Profit of the period / Average num of shares of the period	1.70	1.44
Net Attributable profit	Total Income - Total Expenses of the period - Minority interests result	523	447
Average num. of shares of the period	Daily average outstanding shares in the period adjusted by treasury stock	307.2	311.1
Backlog	Value of the contracts awarded and pending to be executed. In section 1.1, a breakdown is made between a direct and proportional portfolio (referring to proportional participation in joint operating companies and projects not consolidated globally in the Group)	76,502	69,782
Gross Operating Profit (EBITDA)	Operating Profit excluding (1) D&A y (2) non recurrent operating results and/or which dont imply a cash flow + Results from Equity Method (Associates and Joint Ventures)	1,621	1,409
(+) Operating Profit	Operating income - Operating expenses	893	834
(-) 1.D&A	Operating provisions and fix asset depreciation	(523)	(408)
(-) 2. Non recurrent operating results and/or which dont imply a cash flow	Impairment & gains on fixed assets + other operating results	(32)	(42)
(+) Results from Equity Method Investments (Associates and Joint Ventures)	Profit before Taxes from foreign joint ventures consolidated by Equity method. It is similar to the UTEs regime in Spain, thus it is included in the EBITDA in order to standardize the accounting criteria with the Group's foreign companies	174	124
Net Financial Debt / EBITDA	Net Financial Debt / Annualized EBITDA	0.2x	0.0x
Net Financial Debt (1)-(2)	Gross external financial debt + Net debt with group companies - Cash & Equivalents	725	58
(1) Deuda Financiera Bruta	Bank debt + Obligations and other negotiable securities + Project finance and non recourse debt + Financial lease + Other I/T non bank debt + Debt with group companies	8,287	7,533
(2) Cash & Equivalents	Temporary Financial investments + L/T deposits + Cash & Equivalents	7,562	7,475
Annualized EBITDA	EBITDA of the period / num of month within the period x 12 months	3,243	2,817
Net Cash Flow	(1) Cash Flow from operating activities + (2) Cash Flow from investing activities + (3) Other Cash flows	(979)	(363)
1. Cash Flow from operating activities	Adjusted Net Profit attributable + Operating working capital variation ex discontinued operations	422	115
Adjusted Net Profit attributable	Net profit attributable (+/-) adjustments of concepts which dont imply an operating cash flow	1,611	1,120
Operating working capital variation	Working capital variation of the period (+/-) ajustments of non operating concepts (Ej: dividends, interests, taxes, etc)	(1,189)	(1,006)
2. Cash Flow from investing activities	Net investments (paid/collected) ex discontinued operations	(923)	(23)
(-) Payments from investments	Payments for operating, project and financial investments. This figure may differ from that shown in section 2.3.2 for reasons of deferral (accruals) ex discontinued operations	(1,128)	(416)
(+) Collections from divestments	Collections from operating, project and financial divestments. This figure may differ from that shown in section 2.3.2 for reasons of deferral (accruals) ex discontinued operations	204	393
3. Other Cash Flows	Treasury stock sale/acquisition + Dividend payments + Other financial sources + Op.Lease payments+ Cash generated from discontinued operations	(477)	(455)
Ordinary Financial Result	Financial Income - Financial expenses	(138)	(151)
Net Financial Result	Ordinary financial result + Foreign exchange results + Impairment non current assets results + Results on non current assets disposals	(95)	(159)
Working Capital	Stock + Total accounts receivables - Total accounts payables - other current liabilities	(5,560)	(4,839)

NOTE: All financial indicators and APMs are calculated under the principles of coherence and homogeneity allowing comparability between periods and in compliance with the applicable accounting rules and standards

Data in million of euros

CONCEPT	USE
Market capitalisation	Value of the company in the stock exchange market
Earnings per share	Indicates the part of the net profit that corresponds to each share
Backlog	An indicator of the Group's commercial activity. The value divided by the average duration of the projects is an approximation to the revenues to be received in the following periods
Gross Operating Profit (EBITDA)	Measure of comparable performance to evaluate the evolution of the Group's operating activities excluding depreciation and provisions (more variable items according to the accounting criteria used). This AMP is widely used to evaluate the operational performance of companies as well as part of ratios and valuation multiples and measurement of risks
Net Financial Debt / EBITDA	Comparable ratio of the Group's indebtedness level. It measures the repayment capacity of the financing in number of years.
Net Financial Debt (1)-(2)	Total net debt level at the end of the period. In section 1, it is included a breakdown of the net debt of the projects (Project Finance) and the net debt of the business
(1) Deuda Financiera Bruta	Level of gross financial debt at period end
(2) Cash & Equivalents	Current liquid assets available to cover the repayment needs of financial liabilities
Annualized EBITDA	
Net Cash Flow	Cash generated / consumed of the period
1. Cash Flow from operating activities	Cash generated by operating activities. Its value is comparable to the Group's EBITDA by measuring the conversion of operating income into cash generation
2. Cash Flow from investing activities	Funds consumed / generated by investment needs or divestments collections in the period
3. Other Cash Flows	
Ordinary Financial Result	Medida de evaluación del resultado procedente del uso de activos y pasivos financieros. Este concepto incluye tanto ingresos y gastos directamente relacionados con deuda financiera neta como otros ingresos y gastos financieros no relacionados con la misma
Net Financial Result	
Working Capital	

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This document contains forward-looking statements on the intentions, expectations or forecasts of ACS Group 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 ACS Group 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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