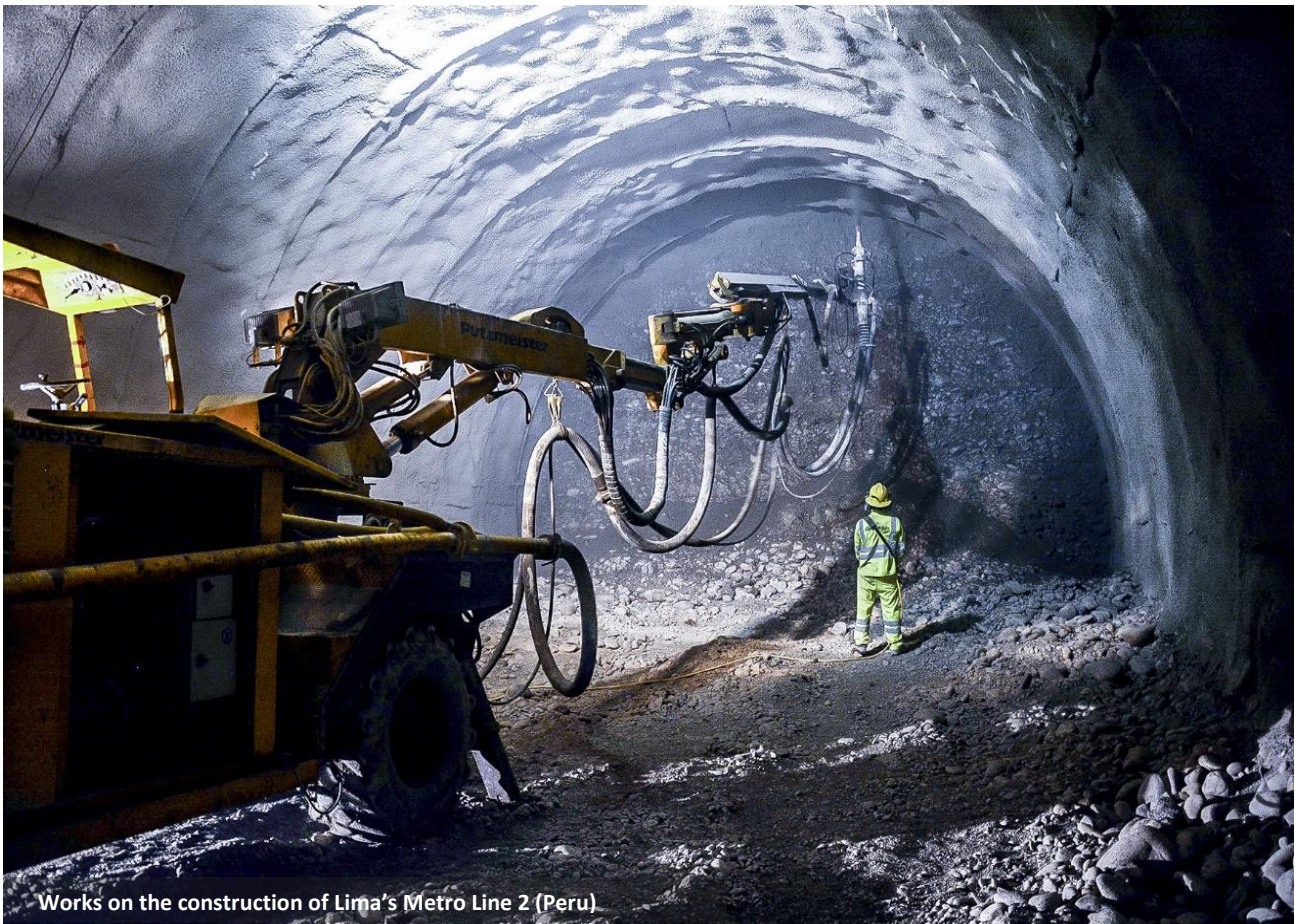




3Q 2019

Results Report



7 November 2019

INDEX

1	<i>Executive Summary</i>	3
1.1	Main figures	3
1.2	Relevant facts	5
2	<i>Consolidated Financial Statements</i>	6
2.1	Income Statement	6
2.1.1	Sales and Backlog	7
2.1.2	Operating Results	9
2.1.3	Financial Results	9
2.1.4	Results from Associates	10
2.1.5	Net Profit Attributable	10
2.2	Consolidated Balance Sheet	11
2.2.1	Non-Current Assets	12
2.2.2	Working Capital	12
2.2.3	Net Worth	12
2.2.4	Net Debt	13
2.3	Net Cash Flows	13
2.3.1	Cash Flow from Operating Activities	13
2.3.2	Investments	14
2.3.3	Other Cash Flows	14
3	<i>Evolution per Areas of Activity</i>	15
3.1	Infrastructures	15
3.1.1.	Construction	16
3.1.2	Concessions	18
3.2	Industrial Services	20
3.3	Services	22
4	<i>Annex</i>	23
4.1	Main figures per area of activity	23
4.2	Share data	24
4.3	Exchange Rate Effect	25
4.4	Main Awards	26
4.4.1	Infrastructure	26
4.4.2	Industrial Services	28
4.4.3	Services	28
5	<i>ACS Group organizational structure</i>	29
6	<i>Glossary</i>	30

1 Executive Summary

1.1 Main figures

Grupo ACS		<i>Key operating & financial figures</i>		
<i>Euro Million</i>	9M18	9M19	Var.	
Turnover	27,091	28,800	+6.3%	
Backlog	70,329	77,584	+10.3%	
<i>Months</i>	22	24		
EBITDA ⁽¹⁾	2,171	2,406	+10.8%	
<i>Margin</i>	8.0%	8.4%		
EBIT ⁽¹⁾	1,543	1,652	+7.0%	
<i>Margin</i>	5.7%	5.7%		
Attributable Net Profit	691	769	+11.2%	
EPS	2.22 €	2.50 €	+12.4%	
Net Investments	214	1,271	n.a	
Investments	679	1,538		
Disposals	465	266		
Total Net (Debt)/Cash	128	(1,236)	n.a	
Businesses' Net (Debt)/Cash	315	(1,121)		
Project Financing	(187)	(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 € 28,800 million, an increase of 6.3%. All activities showed a good performance. Adjusted by currency effects, sales grew by 4.0%.
- Backlog accounted for € 77,584 million, growing by 10.3% year on year with a good evolution in general across areas. Adjusted by exchange rate impact, backlog grew by 7.6%.
- The Group's EBITDA accounted for € 2,406 million, growing by 10.8%. EBITDA margin increased up to 8.4% due to the Abertis' contribution during the complete period whereas in the comparable period of 2018 it only contributed during four months.
- EBIT stood at € 1,652 million and grew by 7.0%. EBIT margin remained stable in relation to the prior period (due to the higher weight of lower risk activities such as Construction Management).

NOTE: The ACS Group classified, in accordance to the EEC/ 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, has been considered to be part of to the Group's same operating business.

Grupo ACS		<i>Main operating figures detail</i>		
<i>Euro Million</i>	9M18	9M19	Var.	
Backlog	70,329	77,584	+10.3%	
Direct	65,971	73,476	+11.4%	
Proportional ⁽¹⁾	4,358	4,108	-5.7%	
Work Done	28,338	29,754	+5.0%	
Direct	27,091	28,800	+6.3%	
Proportional ⁽¹⁾	1,247	954	-23.5%	
EBITDA	2,171	2,406	+10.8%	
Direct	1,884	2,052	+8.9%	
Operating equity method results	287	354	+23.5%	
EBIT	1,543	1,652	+7.0%	
Direct	1,256	1,298	+3.3%	
Operating equity method results	287	354	+23.5%	

(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 € 769 million growing by 11.2%. All activities showed solid growth rates. The contribution from the Construction activity grew in comparable terms by 6.2%*. Net Profit included € 193 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>	9M18	9M19	Var.	
Infrastructures	445	470	+5.6%	
Construction*	316	263	-16.7%	
Concessions	129	206	+60.5%	
Industrial Services	260	270	+4.0%	
Services	25	29	+17.9%	
Corporation	(38)	0	n.a	
TOTAL Net Profit	691	769	+11.2%	

- The Group maintained a € 1,236 million net debt position (0.4x annualized EBITDA) as of September 2019, increasing by € 1,364 million year on year due the acquisition of Abertis in the last quarter of 2018, which amounted to a net of € 1.040 million, and the investment in renewable energy projects which amounted to € 850 million.
- Additionally, € 995 million were devoted to shareholder's remuneration, both from ACS and the Group's minorities, in the last twelve months.

* Growth rate considering the same stake of ACS in HOCHTIEF, which has changed from 71.8% to 50.4% after the sale of a stake 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 already executed 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 (Capital City Link) in Canada. The EV reached € 438 million with profit after tax rising up to € 20 million.

d) Others

- On April 24th, 2019 a presentation 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>Consolidated Income Statement</i>			
<i>Euro Million</i>	9M18		9M19		Var.
Net Sales	27,091	100.0 %	28,800	100.0 %	+6.3%
Other revenues	219	0.8 %	274	1.0 %	+24.9%
Total Income	27,310	100.8 %	29,074	101.0 %	+6.5%
Operating expenses	(19,549)	(72.2 %)	(20,533)	(71.3 %)	+5.0%
Personnel expenses	(5,877)	(21.7 %)	(6,490)	(22.5 %)	+10.4%
Operating Results from Equity Method*	287	1.1 %	354	1.2 %	+23.5%
Operating Cash Flow (EBITDA)	2,171	8.0 %	2,406	8.4 %	+10.8%
Fixed assets depreciation	(596)	(2.2 %)	(708)	(2.5 %)	+18.9%
Current assets provisions	(32)	(0.1 %)	(46)	(0.2 %)	+40.9%
Ordinary Operating Profit (EBIT)	1,543	5.7 %	1,652	5.7 %	+7.0%
Impairment & gains on fixed assets	(3)	(0.0 %)	3	0.0 %	n.a
Other operating results	(75)	(0.3 %)	(81)	(0.3 %)	+8.9%
Operating Profit	1,465	5.4 %	1,574	5.5 %	+7.4%
Financial income	119	0.4 %	160	0.6 %	+35.0%
Financial expenses	(350)	(1.3 %)	(354)	(1.2 %)	+1.1%
Ordinary Financial Result	(231)	(0.9 %)	(193)	(0.7 %)	-16.3%
Foreign exchange results	(7)	(0.0 %)	4	0.0 %	n.a
Changes in fair value for financial instruments	91	0.3 %	27	0.1 %	-70.0%
Impairment & gains on financial instruments	(65)	(0.2 %)	23	0.1 %	n.a
Net Financial Result	(212)	(0.8 %)	(139)	(0.5 %)	-34.4%
Non Operating Results from Equity Method*	4	0.0 %	4	0.0 %	+1.3%
PBT of continued operations	1,258	4.6 %	1,439	5.0 %	+14.4%
Corporate income tax	(328)	(1.2 %)	(328)	(1.1 %)	-0.1%
Net profit of continued operations	929	3.4 %	1,111	3.9 %	+19.5%
Profit after taxes of the discontinued operations	0	0.0 %	0	0.0 %	n.a
Consolidated Result	929	3.4 %	1,111	3.9 %	+19.5%
Minority interest	(238)	(0.9 %)	(342)	(1.2 %)	+43.7%
Net Profit Attributable to the Parent Company	691	2.6 %	769	2.7 %	+11.2%

*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 € 201 million, a higher amount of depreciations worth € 172 million, and higher financial expenses worth € 29 million.

2.1.1 Sales and Backlog

- Sales during the period have risen to € 28,800 million, increasing by 6.3%, 4.0% currency effects adjusted. All areas of activity showed a good general trend.
- Sales breakdown by geographical areas showed the diversification of the Group's revenue sources, where North America represented 48.3% of total sales, Asia Pacific 24.7%, Europe 20.3%, of which Spain represented 14.5%, and the remaining regions 6.8%.

Grupo ACS			Sales per Geographical Areas		
Euro Million	9M18	%	9M19	%	Var.
Europe	5,612	20.7 %	5,832	20.3%	+3.9%
North America	12,224	45.1 %	13,913	48.3%	+13.8%
South America	1,566	5.8 %	1,782	6.2%	+13.8%
Asia Pacific	7,385	27.3 %	7,103	24.7%	-3.8%
Africa	304	1.1 %	171	0.6%	-43.8%
TOTAL	27,091		28,800		+6.3%

Grupo ACS			Sales per Countries		
Euro Million	9M18	%	9M19	%	Var.
EE.UU	10,368	38.3 %	12,062	41.9%	+16.3%
Australia	5,271	19.5 %	5,355	18.6%	+1.6%
Spain	3,825	14.1 %	4,184	14.5%	+9.4%
Canada	1,043	3.9 %	1,148	4.0%	+10.0%
Germany	709	2.6 %	551	1.9%	-22.3%
RoW	5,875	21.7 %	5,501	19.1%	-6.4%
TOTAL	27,091		28,800		+6.3%

- To highlight the solid growth of the North American markets in the construction area, namely USA which grew 16.3%, 9.4% when adjusted to the currency impacts, whilst Canada grew by a nominal 10.0%, 6.0% currency adjusted.
- Likewise, it is important to mention the strong growth in the Spanish market which rose 9.4%, due to the boost of the renewable energy business in the Industrial Services area.
- Sales in Australia accounted for € 5,355 million, with an adjusted growth due to the exchange rate variation of 3.3%.

Grupo ACS			Backlog per Geographical Areas		
Euro Million	Sep-18	%	Sep-19	%	Var.
Europe	12,644	18.0 %	13,179	17.0%	+4.2%
North America	29,598	42.1 %	34,576	44.6%	+16.8%
South America	5,231	7.4 %	5,154	6.6%	-1.5%
Asia Pacific	22,203	31.6 %	22,918	29.5%	+3.2%
Africa	653	0.9 %	1,757	2.3%	+168.9%
TOTAL	70,330		77,584		+10.3%

- The Group's total Backlog stood at € 77,584 million, growing by 10.3%. Adjusted to currency effects, the backlog grew by 7.6%. Order intake showed a good performance in all areas of activities, although boosted by infrastructure activities in the strategic regions of the Group.

Grupo ACS			Backlog per Geographical Areas		
Euro Million	Sep-18	%	Sep-19	%	Var.
EE.UU	22,739	32.3 %	29,055	37.5%	+27.8%
Australia	16,271	23.1 %	18,418	23.7%	+13.2%
Spain	7,123	10.1 %	6,861	8.8%	-3.7%
Canada	5,178	7.4 %	4,075	5.3%	-21.3%
Germany	2,500	3.6 %	2,664	3.4%	+6.5%
RoW	16,518	23.5 %	16,511	21.3%	-0.0%
TOTAL	70,330		77,584		+10.3%

- United States backlog rose to € 29,055 million, of which two thirds correspond to Turner. Growing by 27.8%, +20.2% adjusted by exchange rate variations.
- Likewise, Australia's backlog has a positive growth of 13.2%, 13.7% when adjusted to exchange rate impact, thanks to mining, civil work, and services projects.
- The remaining countries in Europe grew by 14.4% , supported by the award of singular projects in the UK (Construction of Euston high-speed train station in London). On their side, Spain's Backlog decreased by 3.7%.

2.1.2 Operating Results

Grupo ACS		Operating Results		
<i>Euro Million</i>	9M18	9M19	Var.	
EBITDA	2,171	2,406	+10.8%	
<i>EBITDA Margin</i>	8.0%	8.4%		
Depreciation	(596)	(708)	+18.9%	
<i>Infraestructuress</i>	(514)	(618)		
<i>Industrial Services</i>	(59)	(61)		
<i>Services</i>	(22)	(28)		
<i>Corporation</i>	(1)	(1)		
Current assets provisions	(32)	(46)	+40.9%	
EBIT	1,543	1,652	+7.0%	
<i>EBIT Margin</i>	5.7%	5.7%		

- The Group's EBITDA accounted for € 2,406 million, showing an increase of 10.8%, mainly due to Abertis' greater contribution during this period, compared to the prior one where it only contributed since June. Not considering this effect, EBITDA grew in line with sales.
- Specifically, Abertis contributed with € 241 million to the Group's EBITDA until September 2019.
- EBIT reached € 1,652 million, growing by 7.0% with respect to the prior year, with a stable margin over sales.

2.1.3 Financial Results

Grupo ACS		Financial Results		
<i>Euro Million</i>	9M18	9M19	Var.	
Financial income	119	160	+35.0%	
Financial expenses	(350)	(354)	+1.1%	
Ordinary Financial Result	(231)	(193)	-16.3%	
<i>Infraestructuress</i>	(154)	(131)	-14.9%	
<i>Industrial Services</i>	(50)	(45)	-8.9%	
<i>Services</i>	(5)	(5)	-10.9%	
<i>Corporation</i>	(22)	(12)	-44.5%	

- The ordinary financial result increased by 16.3%. Financial expenses increased 1.1% as a result of a higher gross average debt related to Abertis' investments and renewable assets. This increase was compensated by higher financial revenues compared to the previous term.

Grupo ACS		Financial Results	
<i>Euro Million</i>	9M18	9M19	Var.
Ordinary Financial Result	(231)	(193)	-16.3%
<i>Foreign exchange results</i>	(7)	4	
<i>Changes in fair value for financial instruments</i>	91	27	
<i>Impairment & gains on financial instruments</i>	(65)	23	
Net Financial Result	(212)	(139)	-34.4%

- Regarding the non-ordinary net financial result, in 2018 the revaluation of the MásMóvil share options was included in “Changes in fair value for financial instruments” item whereas 2019 include financial instruments and derivatives results from the companies of the Group.

2.1.4 Results from Associates

- The majority of the 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. Consequently leaving this item as “Non-Operating Results on Equity Method”, corresponding to the remaining associates, which amounted to € 4 million.

2.1.5 Net Profit Attributable

Grupo ACS		Net Profit breakdown	
<i>Euro Million</i>	9M18	9M19	Var.
Infrastructures	445	470	+5.6%
Construction*	316	263	-16.7%
Concessions	129	206	+60.5%
Industrial Services	260	270	+4.0%
Services	25	29	+17.9%
Corporation	(38)	0	n.a
TOTAL Net Profit	691	769	+11.2%

- The ACS Group reported a Net Profit during 2019 first-half of € 769 million, 11.2% higher compared to the prior year.
- The effective corporate tax rate stood at 30% against 34% from the last comparable term, due to lower tax rates in Australia and USA.

* Comparable growth rate of 6.2%, that is 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.

2.2 Consolidated Balance Sheet

Grupo ACS		Consolidated balance sheet			
<i>Euro Million</i>	Dec-18		Sep-19		Var.
FIXED and NON-CURRENT ASSETS	14,216	40.0 %	14,447	36.9 %	+1.6%
Intangible Fixed Assets	4,164		4,181		+0.4%
Tangible Fixed Assets	2,524		2,640		+4.6%
Equity Method Investments	4,709		4,454		-5.4%
Non current financial assets	1,244		1,563		+25.6%
Financial instrument debtors	63		61		-4.3%
Deferred Taxes Assets	1,511		1,548		+2.4%
CURRENT ASSETS	21,314	60.0 %	24,756	63.1 %	+16.2%
Non Current Assets Held for Sale	1,034		2,147		<i>n.a</i>
Inventories	867		998		+15.1%
Accounts receivables	10,719		12,745		+18.9%
Other current financial assets	1,464		1,313		-10.3%
Financial instrument debtors	53		10		-81.9%
Other Short Term Assets	210		360		+71.3%
Cash and banks	6,966		7,184		+3.1%
TOTAL ASSETS	35,530	100.0 %	39,203	100.0 %	+10.3%
NET WORTH	5,991	16.9%	6,037	15.4 %	+0.8%
Equity	4,647		4,719		+1.6%
Value change adjustments	(292)		(358)		+22.7%
Minority Interests	1,636		1,676		+2.4%
NON-CURRENT LIABILITIES	9,142	25.7%	9,971	25.4 %	+9.1%
Subsidies	3		3		-5.2%
Long Term Provisions	1,683		1,776		+5.5%
Long Term Financial Liabilities	6,252		6,858		+9.7%
Bank loans and debt obligations	6,016		6,630		+10.2%
Project Finance	101		88		-12.6%
Other financial liabilities	135		140		+3.2%
LT Operating Lease liabilities	695		690		-0.7%
Financial Instruments Creditors	45		70		+55.4%
Long term deferred tax liabilities	380		464		+22.0%
Other Long Term Accrued Liabilities	84		110		+30.9%
CURRENT LIABILITIES	20,397	57.4%	23,195	59.2 %	+13.7%
Liabilities from Assets Held for Sale	537		1,425		<i>n.a</i>
Short Term Provisions	1,044		1,017		-2.6%
Short Term Financial Liabilities	2,175		2,876		+32.2%
Bank loans and debt obligations	2,092		2,745		+31.2%
Project Finance	16		27		+69.2%
Other financial liabilities	67		103		+54.1%
ST Operating Lease liabilities	307		315		+2.6%
Financial Instruments Creditors	82		20		-75.9%
Trade accounts payables	15,794		16,815		+6.5%
Other Short Term liabilities	458		729		+59.0%
TOTAL EQUITY & LIABILITIES	35,530	100.0%	39,203	100.0 %	+10.3%

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 € 4,181 million, included goodwill from past strategic transactions amounting to € 3,122 million, 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 rest corresponds to the integration of the various companies in the Group, mainly in HOCHTIEF.
- The investment balance held by Equity Method includes the stake in Abertis, holdings from HOCHTIEF's associated companies, certain energy assets from Industrial Services and concessions from Iridium, as the Zero-E assets are accounted for as Assets Held for Sale.
- ACS and HOCHTIEF stakes in Abertis are recorded as *Investment in Associates (Equity Method)* in their respective balance sheets. ACS stake (30%) accounts for € 1,997 million, while HOCHTIEF's (20% minus one share) amounted to € 1,338 million. Therefore, the total impact on the ACS Group balance sheet stands at € 3,335 million.

2.2.2 Working Capital

Grupo ACS		Working Capital evolution				
Euro Million	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	
Infrastructures	(3,764)	(4,828)	(4,110)	(4,190)	(3,575)	
Industrial Services	(748)	(1,221)	(1,123)	(1,429)	(1,346)	
Services	(32)	(51)	(31)	(120)	(46)	
Corporation	8	265	177	178	186	
TOTAL	(4,536)	(5,835)	(5,088)	(5,560)	(4,782)	

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 € 246 million.
- The commercial discount and securitization outstanding balance (factoring) amounted to € 2,175 million by 2019 September-end, with a proportion over annual sales of less than 6%. This represents € 148 million less than the outstanding balance at June closing.

2.2.3 Net Worth

- The ACS Group Net worth accounted for € 6,037 million at 2019 September-end.

Grupo ACS		Net Worth		
Euro Million	Sep-18	Dec-18	Sep-19	
Shareholders' Equity	2,760	4,647	4,719	
Adjustment s from Value Changes	(259)	(292)	(358)	
Minority Interests	927	1,636	1,676	
Net Worth	3,427	5,991	6,037	

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

2.2.4 Net Debt

- At September-end, the Group maintained a Net Debt position of € 1,236 million, increasing by € 1,364 year on year, due to the acquisition of Abertis, completed at the end of 2018, and an increase in renewable energy projects' investment.
- Net Debt increased by € 1,240 million year to closing date (January to September).

Net Debt (€ mn)	Infraestructuras	Industrial Services	Services	Corporation	Adjust.	Grupo ACS
30 September 2019						
LT loans from credit entities	1,922	41	232	1,898	0	4,093
ST loans from credit entities	587	180	80	1	0	849
Debt with Credit Entities	2,509	222	313	1,899	0	4,942
Bonds	2,498	796	0	1,140	0	4,434
Non Recourse Financing	109	7	0	0	0	115
Other financial liabilities*	127	56	1	0	0	184
Total External Gross Debt	5,242	1,080	314	3,039	0	9,675
Net debt with Group's companies & Affiliates	121	28	0	0	(89)	59
Total Gross Financial Debt	5,363	1,108	314	3,039	(89)	9,734
ST* & other financial investments	1,003	226	107	68	(89)	1,313
Cash & Equivalents	5,428	1,495	72	189	0	7,184
Total cash and equivalents	6,431	1,721	179	256	(89)	8,497
(NET FINANCIAL DEBT) / NET CASH POSITION	1,068	613	(135)	(2,783)	(0)	(1,236)
<i>NET FINANCIAL DEBT previous year</i>	<i>1,727</i>	<i>630</i>	<i>(150)</i>	<i>(2,079)</i>		<i>128</i>

2.3 Net Cash Flows

Grupo ACS	Net Cash Flow						
	Euro Million	9M18			9M19		
		TOTAL	HOT	ACS exHOT	TOTAL	HOT	ACS exHOT
Cash Flow from Operating Activities before Working Capital	1,720	936	784	2,103	1,226	876	
Operating working capital variation	(989)	(277)	(713)	(1,397)	(632)	(765)	
Net CAPEX	(373)	(279)	(94)	(427)	(341)	(86)	
Net Operating Cash Flow from continuing activities	358	381	(22)	278	253	25	
Financial Investments/Disposals	263	44	218	(760)	(167)	(594)	
Operating Leases (IFRS16)	(193)	(140)	(53)	(272)	(212)	(60)	
Other Financial Sources	(96)	(94)	(3)	(14)	1	(16)	
Free Cash Flow	332	191	141	(768)	(248)	(644)	
Dividends paid	(274)	(121)	(153)	(435)	(237)	(199)	
Intra group Dividends	0	(156)	156	0	(177)	177	
Treasury Stock	(265)	0	(265)	(416)	0	(416)	
Total Cash Flow Generated / (Consumed)	(206)	(85)	(121)	(1,620)	(662)	(1,082)	
<i>Perimeter change (Increase)/decrease</i>	<i>483</i>	<i>65</i>	<i>419</i>	<i>228</i>	<i>(191)</i>	<i>419</i>	
<i>Exchange rate (Increase)/decrease</i>	<i>7</i>	<i>15</i>	<i>(9)</i>	<i>152</i>	<i>117</i>	<i>35</i>	
Total Net Debt variation in the Balance Sheet	284	(5)	289	(1,240)	(736)	(628)	

2.3.1 Cash Flow from Operating Activities

- The cash flows from operating activities before working capital amounted to € 2,103 million, improving by 22.2% versus last year's. The positive performance in operating activities together with Abertis' dividend inflow which amounted to € 432 million, broadly compensated a higher tax disbursement during the current term.

- The operating working capital variation resulted in a € 1,397 million cash outflow, partly due to the business seasonality and also to the greater contribution of activities with lower risk and different cash flow profile (such as Alliance Style agreements and Contract Mining). In contrast to the prior period, the lesser use of factoring explains the difference between both periods. Thus, during the first nine months of 2019 the working capital variation factoring-adjusted amounted to € 1,342 million, improving € 227 million versus the comparable period of 2018.
- Meanwhile, CAPEX rose to € 427 million, € 54 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 investments	Total Net Investments
Infrastructures	409	(47)	362	299	(86)	213	575
<i>Dragados</i>	50	(30)	21	0	(0)	(0)	20
<i>Hochtief</i>	359	(17)	341	213	(46)	167	508
<i>Iridium</i>	0	0	0	86	(40)	46	46
Industrial Services	56	(4)	51	736	(127)	609	660
Services	16	(2)	13	6	0	6	20
Corporation	0	0	0	16	0	16	17
TOTAL	481	(54)	427	1,057	(213)	844	1,271

- The ACS Group total net investments in the nine months of 2019 amounted to € 1,271 million.
- Net CAPEX amounted to € 427 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 € 844 million and are detailed as follows:
 - o Infrastructures mainly included a € 149 million investment from HOCHTIEF's JV. Likewise, Iridium invested € 86 million in several toll roads (SH288 in Texas and M11 in Ireland) and railways (Ottawa light train) concessions. 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 € 736 million mainly in renewable assets in Spain and sold € 127 million in energy assets, mostly transmission lines.
- Furthermore, € 85 million pending from URBASER's sale have been cashed and reflected in the cash flow statement as financial divestments. This quantity was booked when the transaction was closed, in December 2016.

2.3.3 Other Cash Flows

- The dividends paid in cash by the Group amounted to € 435 million, of which € 199 million correspond to ACS Group scrip dividends paid in cash in February and July 2019. The remaining corresponds to remuneration of minorities in HOCHTIEF and CIMIC.
- Likewise, the acquisition of treasury shares in the period to serve scrip dividends of July 2019 and February 2020, worth € 416 million.
- Therefore, the Group devoted € 851 million to its shareholders and minorities' remuneration.

3 Evolution per Areas of Activity

3.1 Infrastructures

Infrastructure		Key figures	
Euro Million	9M18	9M19	Var.
Turnover	20,874	22,348	+7.1%
EBITDA	1,618	1,827	+12.9%
Margin	7.8%	8.2%	
EBIT	1,083	1,170	+8.0%
Margin	5.2%	5.2%	
Net Profit	445	470	+5.6%
Margin	2.1%	2.1%	
Backlog	58,150	65,115	+12.0%
Months	23	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 € 22,348 million, representing a 7.1% growth, 4.2%, adjusted by currency effects. This growth is mainly backed by North American sales and Australian market's contribution, despite the exchange rate impact.
- Sales evolution is shifting towards a business mix with a lower risk profile thanks to a greater contribution from "Construction management" activities, mining and infrastructures services, Alliance-style contracts and P3 projects, which represent around 70% of the activity.
- EBITDA accounted for € 1,827 million and EBIT rose to € 1,170 million. Not considering the "Operating Equity Method", which includes JV's net result and Abertis' contribution, operating margin remained stable year on year.
- Net Profit reached over € 470 million, 5.6% more compared to last term, from which € 263 million come from the Construction activity while € 206 million relate to Concessions.

Infrastructure		Sales per geographical areas			
Euro Million	9M18	% weight	9M19	% weight	Var.
Spain	966	4.6%	979	4.4%	+1.4%
Rest of Europe	1,427	6.8%	1,246	5.6%	-12.7%
North America	11,301	54.1%	13,022	58.3%	+15.2%
South America	279	1.3%	265	1.2%	-5.0%
Asia Pacific	6,900	33.1%	6,836	30.6%	-0.9%
TOTAL	20,874	100%	22,348	100%	+7.1%

- Adjusted to exchange rate effects, sales in Australia grew by 3.3% and 9.4% in USA.

Infrastructure			Backlog per geographical areas		
Euro Million	Sep-18	% weight	Sep-19	% weight	Var.
Spain	2,469	4.2%	2,415	3.7%	-2.2%
Rest of Europe	4,756	8.2%	5,430	8.3%	+14.2%
North America	27,795	47.8%	32,953	50.6%	+18.6%
South America	1,432	2.5%	1,361	2.1%	-4.9%
Asia Pacific	21,420	36.8%	21,920	33.7%	+2.3%
Africa	278	0%	1,037	1.6%	n.a
TOTAL	58,150	100%	65,115	100%	+12.0%

- Backlog at the end of the period stood at € 65,115 million, 12.0% higher compared to last year's same period. Adjusted by the currency exchange effect, backlog grew by 8.9%. This good performance is partly a consequence of the significant projects awarded during this period which grew by 11.3% year on year. Mainly in the UK, USA and contract mining projects. CIMIC's backlog grew by 6.3% in local currency.

3.1.1. Construction

Construction											
Euro Million	Dragados			HOCHTIEF (ACS contr.)			Adjustments		Total		
	9M18	9M19	Var.	9M18	9M19	Var.	9M18	9M19	9M18	9M19	Var.
Sales	3,388	3,539	+4.4%	17,402	18,752	+7.8%	0	0	20,791	22,291	+7.2%
EBITDA	252	260	+3.4%	1,248	1,396	+11.8%	(59)	(97)	1,441	1,559	+8.2%
Margin	7.4%	7.4%		7.2%	7.4%				6.9%	7.0%	
EBIT	178	181	+1.7%	838	863	+3.0%	(99)	(131)	917	913	-0.4%
Margin	5.3%	5.1%		4.8%	4.6%				4.4%	4.1%	
Net Financial Results	(39)	(38)		(78)	(76)		(3)	0	(121)	(114)	
Equity Method	0	0		0	0		0	0	0	0	
Other Results & Fixed Assets	(15)	(14)		(23)	(6)		(0)	(0)	(39)	(20)	
EBT	124	129	+4.5%	736	781	+6.1%	(102)	(131)	758	779	+2.8%
Taxes	(34)	(37)		(207)	(197)		13	11	(228)	(224)	
Minorities	(3)	(1)		(239)	(353)		28	62	(214)	(292)	
Net Profit	87	91	+5.5%	290	230	-20.7%	(61)	(58)	316	263	-16.7%
Margin	2.6%	2.6%		1.7%	1.2%				1.5%	1.2%	
Backlog	12,869	14,628	+13.7%	45,281	50,486	+11.5%			58,150	65,115	+12.0%
Months	33	36		22	23				23	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 7.4%. EBIT margin declined slightly due to higher amortizations from specialized machinery for new infrastructure projects. Net Profit grew up to € 91 million, meaning a 5.5% increase.
- HOCHTIEF showed a solid growth across all of its operating figures. HOCHTIEF's net profit reached € 456 million, and its contribution to ACS net profit, after minorities, reached € 230 million. This contribution is proportional to the current 50.4% stake in contrast to the 71.8% of the comparable term. The construction activity (excluding the impact on minorities after the Abertis transaction) grew by 6.2% in a like-to-like basis.

HOCHTIEF														
Euro Million	America			Asia Pacific			Europe			Holding		Total		
	9M18	9M19	Var.	9M18	9M19	Var.	9M18	9M19	Var.	9M18	9M19	9M18	9M19	Var.
Sales	9,501	11,064	+16.4%	6,768	6,676	-1.4%	1,056	906	-14.3%	77	107	17,402	18,752	+7.8%
EBITDA	273	293	+7.1%	873	972	+11.4%	85	73	-14.3%	17	58	1,248	1,396	+11.8%
Margin	2.9%	2.6%		12.9%	14.6%		8.0%	8.0%		0.0%	0.0%	7.2%	7.4%	
EBIT	231	240	+3.7%	543	538	-1.0%	49	35	-27.8%	15	50	838	863	+3.0%
Margin	2.4%	2.2%		8.0%	8.1%		4.6%	3.9%		0.0%	0.0%	4.8%	4.6%	
Net Financial Results	(11)	(6)		(88)	(87)		2	4		19	13	(78)	(76)	
Equity Method	0	0		0	0		0	0		0	0	0	0	
Other Results & Fixed Asset	1	(0)		(12)	(6)		(13)	0		(0)	(0)	(23)	(6)	
EBT	221	233	+5.5%	443	444	+0.3%	38	40	+4.6%	34	64	736	781	+6.1%
Taxes	(54)	(54)		(137)	(131)		(8)	(6)		(8)	(5)	(207)	(197)	
Minorities	(32)	(32)		(93)	(95)		0	1		0	0	(125)	(127)	
Net Profit	135	146	+8.6%	213	217	+2.1%	30	34	+14.0%	26	58	404	456	+12.9%
Margin	1.4%	1.3%		3.1%	3.3%		2.8%	3.8%				2.3%	2.4%	

- Amongst HOCHTIEF's different areas of activity, it is worth highlighting:
 - a) The growth in America, where sales went up by 16.4%, and a 10% currency adjusted. Operating margin evolution reflects the greater contribution from the Construction Management business. Net profit rose by 8.6%.
 - 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 in the 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 in the local market, adjusted by the exchange rate variation. Net profit increased by 2.1% in nominal terms.
 - d) Corporation Net Profit included Abertis' net contribution in the period from HOCHTIEF's stake, amounting to € 96 million. Once minority interests have been deducted, its net contribution to ACS stood at € 49 million profit.

3.1.2 Concessions

Concessions		Key figures	
Euro Million	9M18	9M19	Var.
Sales	83	58	-30.6%
Iridium	83	58	
Abertis	-	-	
EBITDA	177	268	+51.0%
Iridium	31	27	
Abertis	146	241	
EBIT	166	257	+55.0%
Iridium	20	16	
Abertis	146	241	
Net Profit	129	206	+60.5%
Iridium	6	14	
Abertis	123	193	

Note: Concessions includes Iridium and Abertis' activity

Iridium

- During the second quarter of the year, Iridium has carried out the sale of its 25% stake in the Canadian company Northeast Anthony Henday, the concessionary company of the Edmonton city ring road (Capital City link) in Alberta, Canada. This transaction implied a € 10 million capital gain tax netted.
- Meanwhile, during the period Iridium invested € 86 million in highway concessions (SH288 in Texas and M11 in Ireland) as well as railways concessions (Ottawa light train)

Abertis

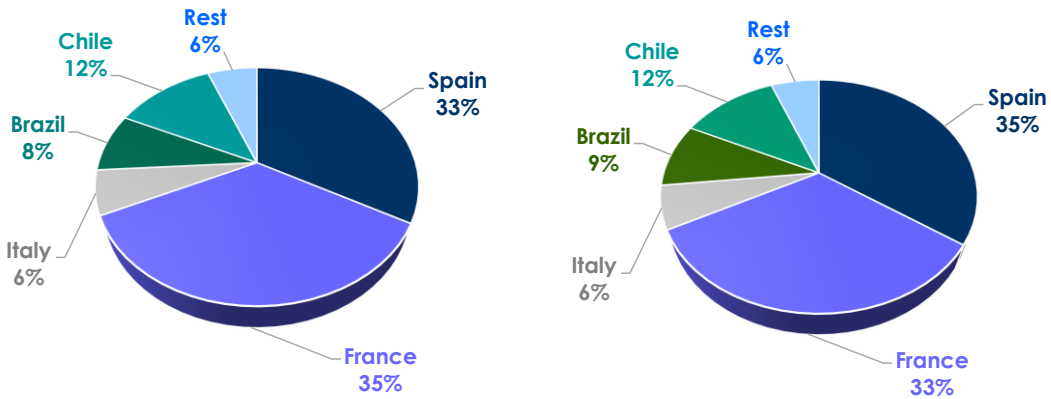
- During 2019 the first nine months of 2019, Abertis' highways performance was positive due to the solid growth of traffic rates registered in Spain (+4.7%), Chile (+2.9%), Brazil (+4.1%), and India (+7.6%), whereas France and Italy remained practically stable versus the comparable period.
- On a like for like basis: revenues during the period increased 4%, EBITDA grew 7%, and net profit rose 9%.

Abertis		Key figures		
Million euros	9M19	9M18	Var	Var. LFL*
Sales	3,958	4,059	+2.6%	+4%
EBITDA	2,663	2,811	+5.6%	+7%
Net Profit	1,452	853	-41.3%	+9%
Net Debt	12,194	22,502	+84.5%	n.a

*Like for like variation adjusted by FX and extraordinary results

Abertis

EBITDA by Countries



- Abertis’ contribution to the ACS Group profit is recorded using the Equity Method and included as an operating item in EBITDA, rising up to € 241 million. During 2019’s first three quarters, Abertis’ contribution to the Group’s Net profit amounted to €193 million, from which € 144 million corresponded to ACS direct stake, and the remaining €49 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 and the investment in new assets in order to replace cash flows and diversify its portfolio geographically.
- In October, Abertis and GIC reached an agreement for the acquisition of the Red de Carreteras de Occidente (RCO) in Mexico, one of the largest highway operators in the country. It manages 5 concessions, with a total of 876 kilometers, located in the central-western Mexican region.

3.2 Industrial Services

Industrial Services		Key Figures	
<i>Euro Million</i>	9M18	9M19	Var.
Turnover	5,109	5,283	+3.4%
EBITDA	536	554	+3.4%
<i>Margin</i>	10.5%	10.5%	
EBIT	468	487	+4.0%
<i>Margin</i>	9.2%	9.2%	
Net Profit	260	270	+4.0%
<i>Margin</i>	5.1%	5.1%	
Backlog	9,721	9,968	+2.5%
<i>Months</i>	18	18	

- Sales in Industrial Services accounted for € 5,283 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 € 270 million, 4.0% 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 which however shows signs of recovery in the third quarter.

Industrial Services		Turnover breakdown by activity	
<i>Euro Million</i>	9M18	9M19	Var.
Support Services	2,815	2,925	+3.9%
<i>Networks</i>	529	524	-0.9%
<i>Specialized Products</i>	1,650	1,743	+5.6%
<i>Control Systems</i>	636	657	+3.4%
EPC Projects	2,292	2,330	+1.7%
Renewable Energy: Generation	7	33	n.s
<i>Consolidation Adjustments</i>	(4)	(5)	
TOTAL	5,109	5,283	+3.4%
International	3,286	3,162	-3.8%
<i>% over total sales</i>	64.3%	59.9%	

Industrial Services			Sales per geographical areas		
Euro Million	9M18	% weight	9M19	% weight	Var.
Spain	1,823	35.7%	2,121	40.1%	+16.3%
Rest of Europe	287	5.6%	316	6.0%	+10.1%
North America	924	18.1%	891	16.9%	-3.5%
South America	1,287	25.2%	1,517	28.7%	+17.8%
Asia Pacific	484	9.5%	267	5.1%	-44.9%
Africa	304	5.9%	171	3.2%	-43.8%
TOTAL	5,109	100%	5,283	100%	+3.4%

- Backlog grew by 2.5% up to € 9,968 million, with no significant exchange rate impact. International Backlog represented 78.3% of the total.
- Backlog in Spain is adjusted for the progress in production of PV plants. Meanwhile, backlog in Africa and Asia Pacific grew underpinned by energy and industrial plants projects, and new PV awards, respectively.
- Likewise Mexico shows signs of recovery in the third quarter with a backlog growth of 4% versus June 2019, confirming a change in the trend.

Industrial Services		Backlog per activity	
Euro Million	Sep-18	Sep-19	Var.
Support Services	5,227	5,257	+0.6%
<i>Networks</i>	496	548	+10.4%
<i>Specialized Products</i>	3,292	3,296	+0.1%
<i>Control Systems</i>	1,438	1,413	-1.8%
EPC Projects	4,494	4,665	+3.8%
Renewable Energy: Generation	0	45	-
TOTAL BACKLOG	9,721	9,968	+2.5%
International	7,308	7,809	+6.9%
<i>% over total backlog</i>	75.2%	78.3%	

Industrial Services			Backlog per geographical areas		
Euro Million	Sep-18	% weight	Sep-19	% weight	Var.
Spain	2,414	24.8%	2,159	21.7%	-10.5%
Rest of Europe	547	5.6%	674	6.8%	+23.3%
North America	1,803	18.5%	1,624	16.3%	-10.0%
South America	3,799	39.1%	3,793	38.1%	-0.2%
Asia Pacific	783	8.1%	998	10.0%	+27.4%
Africa	375	3.9%	720	7.2%	+92.1%
TOTAL	9,721	100%	9,968	100%	+2.5%

3.3 Services

Services		Key figures		
<i>Euro Million</i>	9M18	9M19	Var.	
Turnover	1,121	1,180	+5.3%	
EBITDA	65	71	+9.0%	
<i>Margin</i>	5.8%	6.0%		
EBIT	41	43	+3.5%	
<i>Margin</i>	3.7%	3.6%		
Net Profit	25	29	+17.9%	
<i>Margin</i>	2.2%	2.5%		
Backlog	2,458	2,501	+1.7%	
<i>Months</i>	20	19		

- Sales in Services increased by 5.3%, growing both in the domestic and international markets.

Services		Sales per geographical areas			
<i>Euro Million</i>	9M18	weight %	9M19	weight %	Var.
Spain	1,049	93.6%	1,095	92.8%	+4.4%
United Kingdom	56	5.0%	68	5.8%	+22.8%
Portugal	17	1.5%	17	1.5%	+3.9%
TOTAL	1,121	100%	1,180	100%	+5.3%

- EBITDA accounted for € 71 million, growing by 9.0%. EBIT increased by 3.5% up to € 43 million. Operating margins remained fairly stable.

Services		Backlog per geographical areas			
<i>Euro Million</i>	sep.-18	weight %	sep.-19	weight %	Var.
Spain	2,240	91.1%	2,288	91.5%	+2.1%
United Kingdom	134	5.5%	136	5.4%	+1.5%
Portugal	84	3.4%	77	3.1%	-8.0%
TOTAL	2,458	100%	2,501	100%	+1.7%

- Services Backlog reached € 2,501 million, growing 1.7% equivalent to over 19 months of production.

4 Annex

4.1 Main figures per area of activity

TURNOVER					
<i>Euro Million</i>	9M18		9M19		Var.
Infraestructures	20,874	77 %	22,348	78 %	+7.1%
Industrial Services	5,109	19 %	5,283	18 %	+3.4%
Services	1,121	4 %	1,180	4 %	+5.3%
Corporation / Adjustments	(13)		(11)		
TOTAL	27,091		28,800		+6.3%

EBITDA					
<i>Euro Million</i>	9M18		9M19		Var.
Infraestructures	1,618	73 %	1,827	75 %	+12.9%
Industrial Services	536	24 %	554	23 %	+3.4%
Services	65	3 %	71	3 %	+9.0%
Corporation / Adjustments	(47)		(46)		
TOTAL	2,171		2,406		+10.8%

EBIT					
<i>Euro Million</i>	9M18		9M19		Var.
Infraestructures	1,083	68 %	1,170	69 %	+8.0%
Industrial Services	468	29 %	487	29 %	+4.0%
Services	41	3 %	43	3 %	+3.5%
Corporation / Adjustments	(49)		(48)		
TOTAL	1,543		1,652		+7.0%

NET PROFIT					
<i>Euro Million</i>	9M18		9M19		Var.
Infraestructures	445	61 %	470	61 %	+5.6%
Industrial Services	260	36 %	270	35 %	+4.0%
Services	25	3 %	29	4 %	+17.9%
Corporation / Adjustments	(38)		0		
TOTAL	691		769		+11.2%

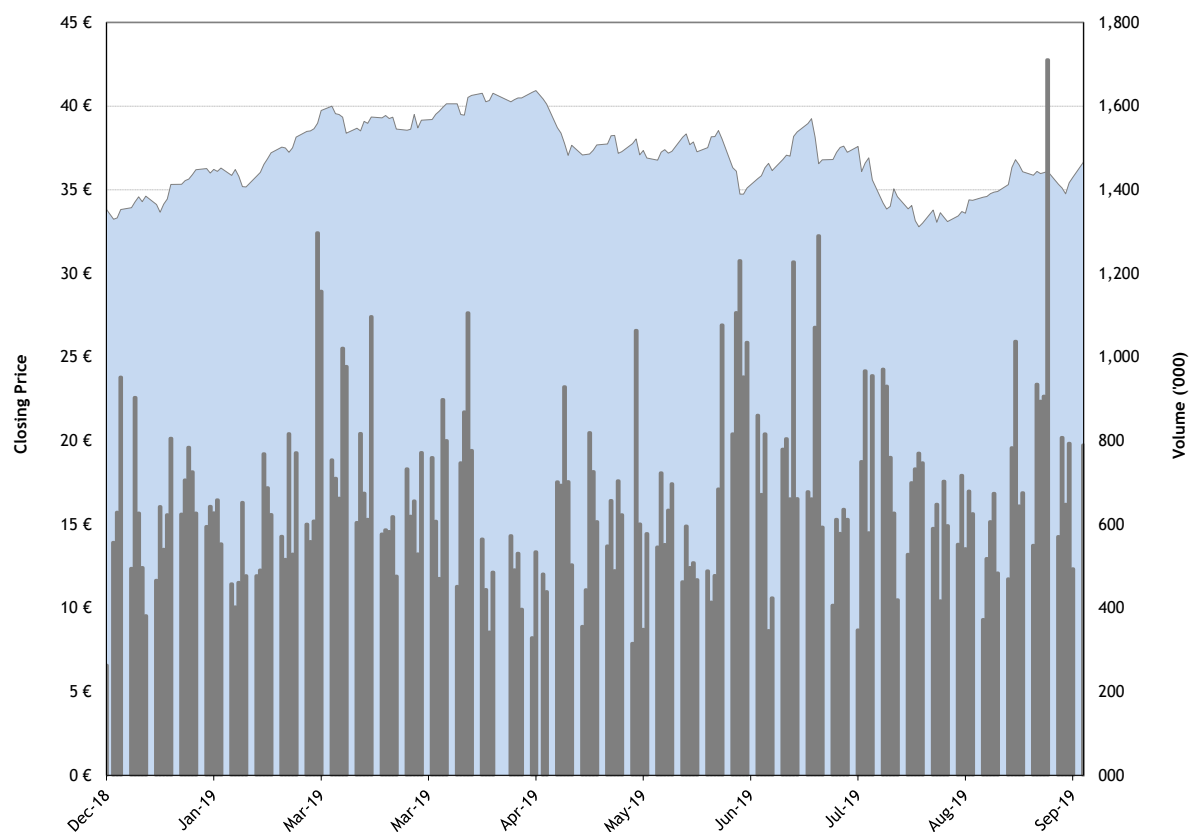
AWARDS					
<i>Euro Million</i>	9M18		9M19		Var.
Infraestructures	24,433		27,189		+11.3%
Industrial Services	5,586		5,310		-4.9%
Services	1,302		653		-49.8%
Corporation / Adjustments	(0)		0		
TOTAL	31,320		33,152		+5.9%

BACKLOG					
<i>Euro Million</i>	Sep-18		Sep-19		Var.
		months		months	
Infraestructures	58,150	23	65,115	25	+12.0%
Industrial Services	9,721	18	9,968	18	+2.5%
Services	2,458	20	2,501	19	+1.7%
TOTAL	70,330	22	77,584	24	+10.3%

NET DEBT					
<i>Euro Million</i>	Sep-18		Sep-19		Var.
Infraestructures	1,727		1,068		-38.1%
Industrial Services	630		613		-2.7%
Services	(150)		(135)		-10.3%
Corporation / Adjustments	(2,079)		(2,783)		+33.9%
TOTAL	128		(1,236)		n.a.

4.2 Share data

ACS Shares Data (YTD)	9M18	9M19
Closing price	36.68 €	36.66 €
Performance	17.02%	-0.05%
Period High	38.36 €	40.97 €
High date	27-Jul	30-Apr
Period Low	26.67 €	32.32 €
Low date	7-Mar	15-Aug
Average in the period	33.80 €	36.93 €
Total volume ('000)	133,826	127,717
Daily average volume ('000)	701	669
Total traded effective (€ mn)	4,523	4,717
Daily average effective (€ mn)	23.68	24.70
Number of shares (mn)	314.66	314.66
Market cap (€ mn)	11,542	11,535



4.3 Exchange Rate Effect

EXCHANGE RATE EFFECT

EXCHANGE RATE EFFECT (€ vs. currency)	Average Exchange Rate			
	Sep-18	Sep-19	difference	%
1 US Dollar	1.1932	1.1218	(0.0714)	-6.0%
1 Australian Dollar	1.5803	1.6065	0.0262	+1.7%
1 Mexican Peso	22.5717	21.6933	(0.8784)	-3.9%
1 Brazilian Real	4.3217	4.3665	0.0448	+1.0%

EXCHANGE RATE EFFECT (€ vs. currency)	Closing Exchange Rate			
	Sep-18	Sep-19	difference	%
1 US Dollar	1.1576	1.0889	(0.0687)	-5.9%
1 Australian Dollar	1.6048	1.6126	0.0078	+0.5%
1 Mexican Peso	21.7000	21.4893	(0.2107)	-1.0%
1 Brazilian Real	4.6986	4.5282	(0.1704)	-3.6%

EXCHANGE RATE EFFECT Euro million	Grupo ACS			
	USD	AUD	Others	Total
Backlog	1,828	(113)	171	1,886
Sales	759	(114)	(9)	636
Ebitda	23	(16)	(5)	2
Ebit	18	(9)	(5)	5
Net Profit	4	(2)	(1)	2

EXCHANGE RATE EFFECT	Infraestructures			
Euro Million	USD	AUD	Others	Total
Backlog	1,786	(112)	106	1,780
Sales	737	(114)	(31)	592
Ebitda	23	(16)	(3)	5
Ebit	18	(9)	(3)	7
Net Profit	7	(2)	1	6

EXCHANGE RATE EFFECT	Industrial Services			
Euro Million	USD	AUD	Others	Total
Backlog	41	(1)	64	105
Sales	22	(0)	22	43
Ebitda	(0)	(0)	(2)	(2)
Ebit	(0)	(0)	(2)	(3)
Net Profit	(3)	(0)	(2)	(5)

EXCHANGE RATE EFFECT	Services			
Euro Million	USD	AUD	Others	Total
Backlog	0	0	1	1
Sales	0	0	0	0
Ebitda	0	0	0	0
Ebit	0	0	0	0
Net Profit	0	0	0	0

4.4 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
Six-year contract extension by Coronado Global Resources Inc to provide mining services at the Curragh Mine in Queensland (Australia)	Contract mining	Asia Pacific	806.2
Construction of a plant and tunnel for the treatment of water contamination (Los Angeles, United States)	Hydraulic	América	557.6
Alliance Style Contract to deliver the Rail, Integration and Systems (RIS) package of the Cross River Rail project, new 10-kilometer metro line in the capital Brisbane, in Queensland (Australia)	Railways	Asia Pacific	548.4
Contract to deliver Stage 2 of the Monash Freeway Upgrade , the project will upgrade the Monash and Princes Freeways between Warrigal Road, Chadstone and Cardinia Road in Pakenham (Victoria, Australia)	Roads	Asia Pacific	471.9
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 I-405 widening between Renton and Bellevue in Washington (United States)	Roads	America	377.0
Design, construction and maintenance of approximately 7.8 miles of improvements along I-2 and I-69 including the full reconstruction of the I-2/I-69C interchange (Texas, United States)	Roads	America	289.8
Contract to build the new Sydney Metro City & Southwest Pitt Street Station (Australia)	Railways	Asia Pacific	287.2
Contract to deliver the Campbelltown Hospital Redevelopment Stage 2 project (New South Wales, Australia)	Building	Asia Pacific	259.8
Contract to deliver the Nepean Hospital Redevelopment Stage 1 project involving construction of a new 14-storey clinical building (New South Wales, Australia)	Building	Asia Pacific	231.8
Earthwork project for the construction of Western Sydney International (Nancy-Bird Walton) Airport (Australia)	Building	Asia Pacific	197.7
Works for the expansion from two to four lanes of different sections of the SH36 highway (Texas, United States)	Roads	America	183.7
Project for the expansion of the Centerm terminal of the Port of Vancouver (Canada)	Hydraulic	América	173.6
New rail and mining services contracts from UGL across Australia	Services	Asia Pacific	157.7
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
Works for the expansion of I-95 from Stirling Road in Broward County to Linton Boulevard in Palm Beach County (Florida, United States)	Roads	America	132.6
Reconstruction and improvement works of the Newark Bay Bridge in New Jersey (United States)	Roads	America	122.1
Contract to deliver early Works package for Melbourne's North East Link (Australia)	Roads	Asia Pacific	119.4
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

Project	Type of Project	Region	€ mn
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 to deliver the next stage of works on the Sunbury Line Upgrade in Victoria (Australia)	Railways	Asia Pacific	96.6
Project for the construction of the section of the high-speed rail line between Atxondo-Abadiño in Vizcaya (Spain)	Railways	Spain	93.2
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
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
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
Design and construction of improvement lanes on the SR 101L highway in Arizona (United States)	Roads	America	53.0
Rehabilitation and improvement works of the Chamartín railway station (Madrid, Spain)	Railways	Spain	48.8
Project for the construction of the Residential Via Maris Salou consisting of 150 homes (Tarragona, Spain)	Building	Spain	43.0
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
Engineering design, supply, construction and commissioning of the floating offshore wind farm Kincardine with a nominal capacity of 50 MW (Aberdeen, United Kingdom)	EPC Projects	Europe	363.0
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 for Azito's combined cycle power plant extension to 280 MW in Ivory Coast.	EPC Projects	Africa	201.6
EPC contract for the construction of two photovoltaic plants in Takasaki of 11.6 MW and 53.7 MW of installed power (Japan)	EPC Projects	Asia Pacific	76.0
Design, construction and maintenance of the new Óscar Danilo Rosales School Hospital in León (Nicaragua)	EPC Projects	America	75.9
Design, construction and maintenance of the new Nuevo Amanecer Hospital (Nicaragua)	EPC Projects	America	64.4
Facility management contracts for two Cepsa refineries in Huelva and Cádiz (Spain)	Specialized Products	Spain	49.1
Contract for the delivery of the Communication Systems for the Finch West Light Rail Transit Project in Toronto (Canada)	Control Systems	America	31.9
Design and construction of the sewerage network of Burunga (Panama)	Networks	America	29.2
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
Contract for different security services in the Ministry of Health (Valencia, Spain)	Services for buildings	Spain	42.3
Renovation of the cleaning service at the University Hospital of Bellvitge, Hospital de Viladecans and Instituto 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
Renovation of the contract for food services and management of the vending machines in the hospital of Bellvitge and in the hospital of Viladecans (Barcelona, Spain)	Services for buildings	Spain	20.5
New awards of the cleaning service of the Cadiz hospital for the Andalusian Health Service (Spain)	Services for buildings	Spain	15.7
New contract for the cleaning service in facilities dependent on the City Council of Barcelona (Spain)	Services for buildings	Spain	13.4

5 ACS Group organizational structure

The ACS Group is a worldwide leader 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

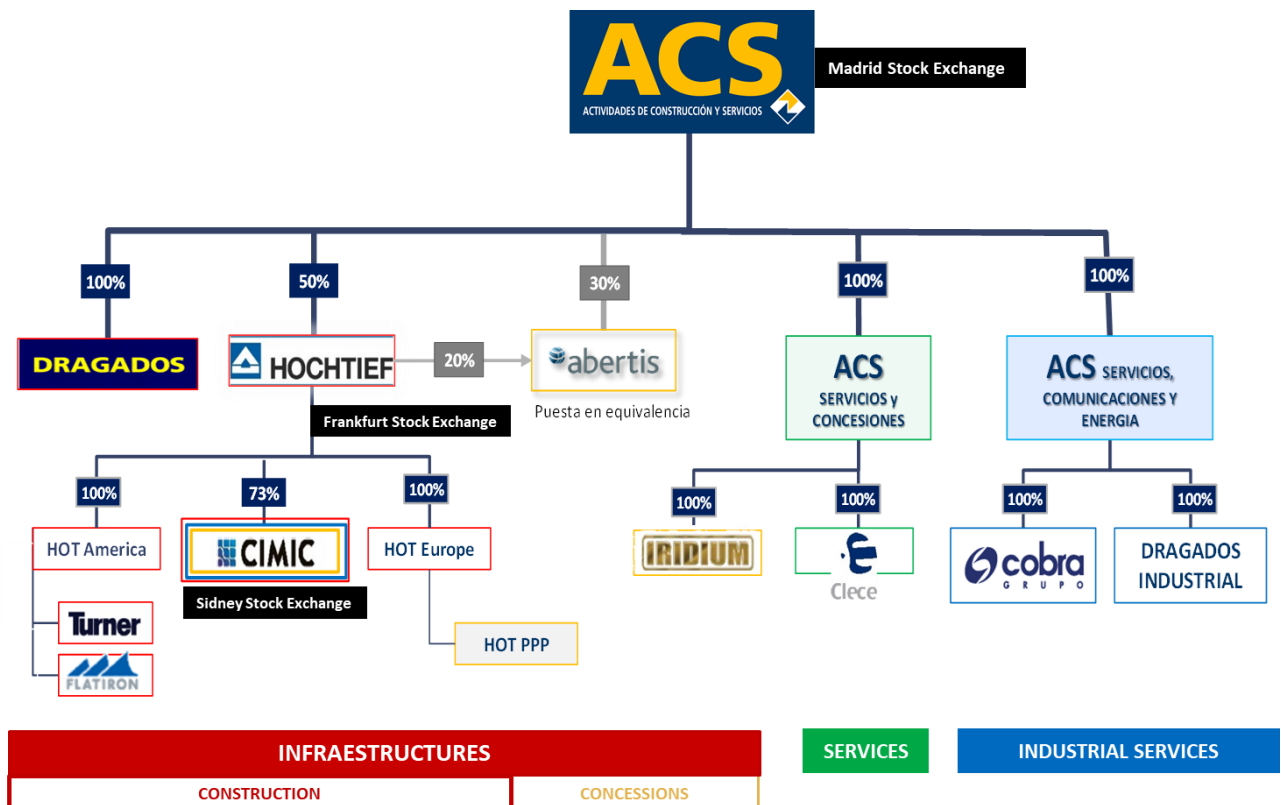
This area includes Construction and Concession activities performed by Dragados, Hochtief (including CIMIC), and Iridium and the stake in Abertis. It is oriented towards the development of different projects such as Civil Works, Building and activities related to the mining sector (carried out by CIMIC, mainly in Asia Pacific) and the 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 legally 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.



6 Glossary

The ACS Group presents its results in accordance to 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	sep-19	sep-18
Market capitalisation	Num of shares at period close x price at period close	11,535	11,542
Earnings per share	Net Profit of the period / Average num of shares of the period	2.50	2.22
Net Attributable profit	Total Income - Total Expenses of the period - Minority interests result	769	691
Average num. of shares of the period	Daily average outstanding shares in the period adjusted by treasury stock	308.0	311.5
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)	77,584	70,329
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)	2,406	2,171
(+) Operating Profit	Operating income - Operating expenses	1,220	1,179
(-) 1.D&A	Operating provisions and fix asset depreciation	(754)	(628)
(-) 2. Non recurrent operating results and/or which dont imply a cash flow	Impairment & gains on fixed assets + other operating results	(78)	(78)
(+) 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	354	287
Net Financial Debt / EBITDA	Net Financial Debt / Annualized EBITDA	0.4x	0.0x
Net Financial Debt (1)-(2)	Gross external financial debt +Net debt with group companies - Cash & Equivalents	1,236	(128)
(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	9,734	8,064
(2) Cash & Equivalents	Temporary Financial investments + L/T deposits + Cash & Equivalents	8,497	8,192
Annualized EBITDA	EBITDA of the period / num of month within the period x 12 months	3,207	2,895
Net Cash Flow	(1) Cash Flow from operating activities + (2) Cash Flow from investing activities + (3) Other Cash flows	(1,620)	(206)
1. Cash Flow from operating activities	Adjusted Net Profit attributable + Operating working capital variation ex discontinued operations	706	731
Adjusted Net Profit attributable	Net profit attributable (+/-) adjustments of concepts which dont imply an operating cash flow	2,103	1,720
Operating working capital variation	Working capital variation of the period (+/-) adjustments of non operating concepts (Ej: dividends, interests, taxes, etc)	(1,397)	(989)
2. Cash Flow from investing activities	Net investments (paid/collected) ex discontinued operations	(1,188)	(110)
(-) 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) <small>ex discontinued operations</small>	(1,539)	(675)
(+) 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) <small>ex discontinued operations</small>	352	565
3. Other Cash Flows	Treasury stock sale/acquisition + Dividend payments + Other financial sources + Op.Lease payments+ Cash generated from discontinued operations	(1,138)	(827)
Ordinary Financial Result	Financial Income - Financial expenses	(193)	(231)
Net Financial Result	Ordinary financial result + Foreign exchange results + Impairment non current assets results + Results on non current assets disposals	(139)	(212)
Working Capital	Stock + Total accounts receivables - Total accounts payables - other current liabilities	(4,782)	(4,536)

NOTE: All financial indicators and AMPs 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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