

# ACTIVITY REPORT OF ACS GROUP 2015



Cover photo: Champlain Bridge in Montreal (Canada)

# MAIN FIGURES OF THE ACS GROUP

## FINANCIAL AND OPERATING DATA

MILLION OF EUROS	2010 <sup>(1)</sup>	2011	2012 <sup>(2)</sup>	2013 <sup>(3)</sup>	2014 <sup>(4)</sup>	2015 <sup>(4)</sup>
<b>TURNOVER</b>	14,328.5	28,471.9	38,396.2	35,178.0	34,880.9	34,924.7
<b>GROSS OPERATING PROFIT (EBITDA)</b>	1,431.7	2,317.7	3,088.4	2,832.5	2,552.7	2,408.6
<b>NET OPERATING PROFIT (EBIT)</b>	1,039.2	1,333.3	1,579.4	1,639.7	1,684.2	1,541.5
<b>ATTRIBUTABLE NET PROFIT</b>	1,312.6	961.9	-1,927.9	701.5	717.1	725.3
<b>CASH-FLOW <sup>(*)</sup></b>	1,705.1	1,946.4	-418.8	1,894.3	1,585.6	1,592.4
<b>DIVIDENDS PAID</b>	618.2	613.9	639.2	398.0	318.0	344.5
<b>NET INVESTMENTS/(DIVESTMENTS)</b>	2,317.2	2,901.9	(2,285.2)	494.3	(313.0)	392.6
<b>TOTAL ASSETS</b>	34,184.5	47,987.6	41,563.4	39,965.4	39,320.7	35,279.8
<b>EQUITY</b>	4,442.4	6,191.3	5,711.5	5,488.9	4,897.9	5,197.3
<b>SHAREHOLDERS' EQUITY</b>	4,178.5	3,319.1	2,656.5	3,267.9	3,033.5	3,421.0
<b>NON- CONTROLLING INTERESTS</b>	263.8	2,872.2	3,055.0	2,221.0	1,864.4	1,776.3
<b>TOTAL NET DEBT <sup>(5)</sup></b>	8,003.1	9,334.2	4,952.0	3,811.1	3,722.3	2,624.1
<b>NET DEBT WITH RECOURSE</b>	956.6	3,368.7	3,569.5	2,553.9	2,739.6	2,083.2
<b>NON RECOURSE FINANCING</b>	7,046.5	5,965.5	1,382.4	1,257.1	982.7	540.9
<b>ORDER BOOK <sup>(6)</sup></b>	27,602.0	74,333.4	74,587.9	59,363.0	63,871.0	67,071.0
<b>NUMBER OF EMPLOYEES</b>	89,039	162,262	162,471	157,689	210,345	196,967

(\*) Net profit + Depreciation + Change in provisions.

## DATA PER SHARE

EUROS	2010 <sup>(1)</sup>	2011	2012 <sup>(2)</sup>	2013 <sup>(3)</sup>	2014	2015
<b>EARNINGS</b>	4.38	3.24	-6.62	2.26	2.31	2.35
<b>GROSS DIVIDEND <sup>(**)</sup></b>	2.050	1.968	1.112	1.153	1.153	1.150
<b>CASH-FLOW</b>	5.70	6.56	-1.44	6.11	5.10	5.16
<b>SHAREHOLDERS' EQUITY</b>	13.96	11.19	9.12	10.53	9.76	11.09

(\*\*) The final amount of the gross dividend of 2015 will be determined according to the scrip dividend result.

## STOCK MARKET DATA

	2010	2011	2012	2013	2014	2015
<b>LISTED SHARES</b>	314,664,594	314,664,594	314,664,594	314,664,594	314,664,594	314,664,594
<b>MARKET CAPITALIZATION (€ MILLION)</b>	11,036.7	7,205.7	5,991.1	7,872.8	9,115.7	8,500.5
<b>YEAR-END CLOSING PRICE</b>	35.08 €	22.90 €	19.04 €	25.02 €	28.97 €	27.02 €
<b>ANNUAL REVALUATION</b>	0.76%	-34.71%	-16.86%	31.41%	15.79%	-6.75%

## KEY RATIOS

	2010 <sup>(1)</sup>	2011	2012 <sup>(2)</sup>	2013 <sup>(3)</sup>	2014 <sup>(4)</sup>	2015 <sup>(4)</sup>
<b>OPERATING MARGIN</b>	7.3%	4.7%	4.1%	4.7%	4.8%	4.4%
<b>NET MARGIN</b>	9.2%	3.4%	-5.0%	2.0%	2.1%	2.1%
<b>ROE</b>	32.5%	23.3%	N.A.	22.7%	22.0%	20.8%
<b>GEARING <sup>(7)</sup></b>	180.2%	150.8%	86.7%	69.4%	76.0%	50.5%
<b>DIVIDEND YIELD</b>	5.8%	8.6%	5.8%	4.6%	4.0%	4.3%

(1) 2010 data proforma, Clece has been reclassified as "Discontinued Operation", using the same criteria that it has been used in 2011.

(2) 2012 data have been restated as a result of the entry into force of the revised IAS 19, which applies retroactively.

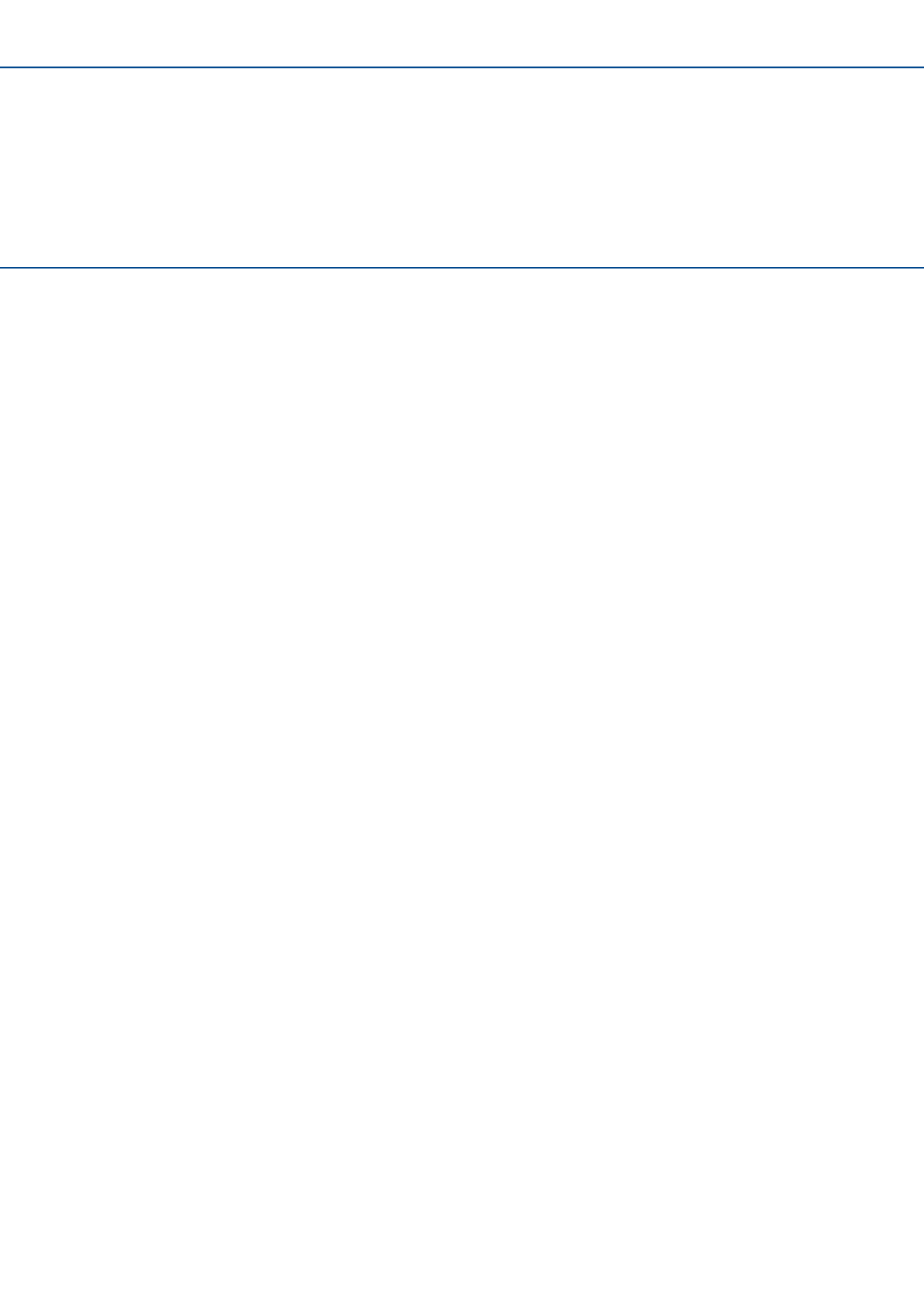
(3) 2013 data have been restated as a result of the entry into force of the IFRS 10, 11 and 12 new standards. Additionally there has been a reclassification of the results from John Holland and Leighton Services as discontinued operations in both exercises after its sale.

(4) 2014 and 2015 EBITDA and EBIT include Joint Ventures Net Results (companies executing projects managed with partners) not fully consolidated.

(5) In 2014, total net debt includes the proceeds pending to be collected obtained after the sale of John Holland and Leighton Services in December 2014, accounted in the balance sheet by 31st of December 2014 as Accounts receivable.

(6) Includes the order book proportional to the stake in joint ventures that the Group does not fully consolidate.

(7) Gearing: Net Debt / (Shareholders' Equity+Non-controlling interests).



# MAIN FIGURES OF THE ACS GROUP

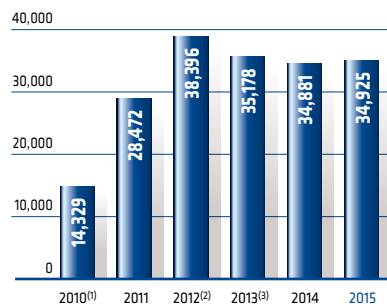


## INTERNATIONAL PRESENCE

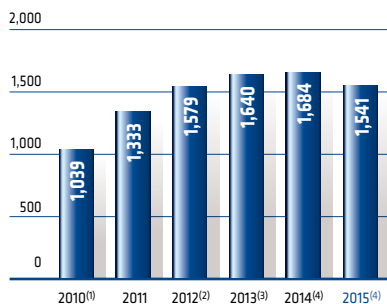
### MAIN COUNTRIES IN WHICH ACS GROUP IS PRESENT

ALGERIA	COLOMBIA	HONDURAS	NICARAGUA
ANGOLA	COSTA RICA	INDIA	NORWAY
ARGENTINA	CZECH REPUBLIC	INDONESIA	PANAMA
AUSTRALIA	DENMARK	IRELAND	PERU
AUSTRIA	DOMINICAN REPUBLIC	ITALY	PHILIPPINES
BELGIUM	ECUADOR	JAPAN	POLAND
BOLIVIA	EGYPT	MALAYSIA	PORTUGAL
BRAZIL	EL SALVADOR	MAURITANIA	QATAR
BULGARIA	FRANCE	MEXICO	ROMANIA
CAMEROON	GERMANY	MONGOLIA	SAUDI ARABIA
CANADA	GREECE	MOROCCO	SINGAPORE
CHILE	GUATEMALA	NETHERLANDS	SOUTH AFRICA
CHINA		NEW ZEALAND	SPAIN
			SWEDEN
			SWITZERLAND
			TURKEY
			UNITED ARAB EMIRATES
			UNITED KINGDOM
			UNITED STATES
			VENEZUELA
			VIETNAM

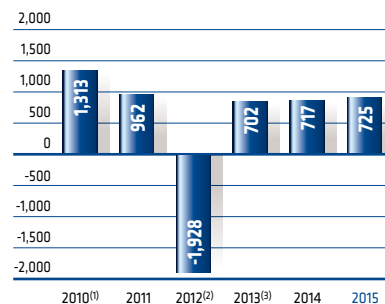
### TURNOVER MILLIONS OF EUROS



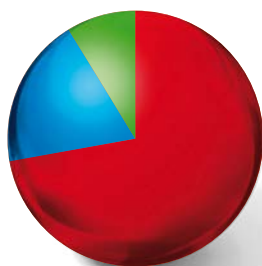
### NET OPERATING PROFIT (EBIT) MILLIONS OF EUROS



### ATTRIBUTABLE NET PROFIT MILLIONS OF EUROS

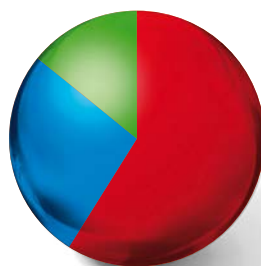


### 2015 TURNOVER BY BUSINESS <sup>(5)</sup>



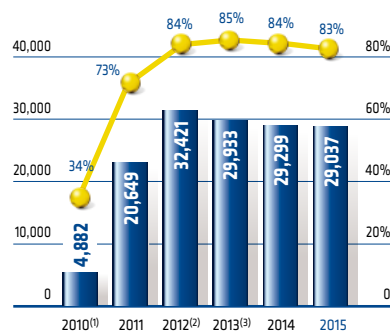
- CONSTRUCTION: 72%
- INDUSTRIAL SERVICES: 19%
- ENVIRONMENT: 9%

### 2015 GROSS OPERATING PROFIT (EBITDA) BY BUSINESS <sup>(5)</sup>



- CONSTRUCTION: 58%
- INDUSTRIAL SERVICES: 28%
- ENVIRONMENT: 14%

### INTERNATIONALIZATION MILLIONS OF EUROS

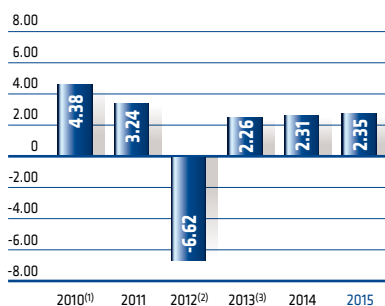


- INTERNATIONAL TURNOVER
- % INTERNATIONAL OVER TOTAL

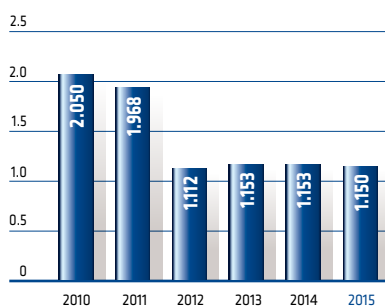
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 (3) 2013 data have been restated as a result of the entry into force of the IFRS 10, 11 and 12 new standards. Additionally there has been a reclassification of the results from John Holland and Leighton Services as discontinued operations in both exercises after its sale.  
 (4) 2014 and 2015 EBITDA and EBIT include Joint Ventures Net Results (companies executing projects managed with partners) not fully consolidated.  
 (5) Percentages calculated over the sum of activities considered in each graph. Construction includes Dragados, Hochtief and Iridium.



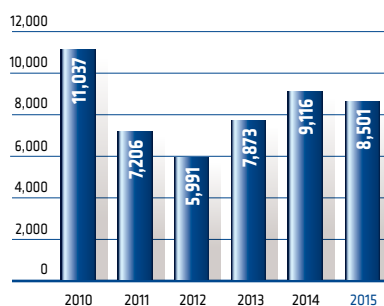
### EARNINGS PER SHARE EUROS



### DIVIDEND PER SHARE EUROS



### MARKET CAPITALIZATION MILLIONS OF EUROS



### CONSTRUCTION 2015 <sup>(1)</sup> MILLIONS OF EUROS

TURNOVER INTERNATIONAL	25,319 94.6%
GROSS OPERATING PROFIT (EBITDA) <sup>(2)</sup> MARGIN	1,438 5.7%
NET PROFIT MARGIN	304 1.2%
ORDER BOOK <sup>(2)</sup>	48,874
EMPLOYEES	57,903

### INDUSTRIAL SERVICES 2015 MILLIONS OF EUROS

TURNOVER INTERNATIONAL	6,501 66.7%
GROSS OPERATING PROFIT (EBITDA) MARGIN	680 10.5%
NET PROFIT MARGIN	320 4.9%
ORDER BOOK	8,421
EMPLOYEES	40,006

### ENVIRONMENT 2015 MILLIONS OF EUROS

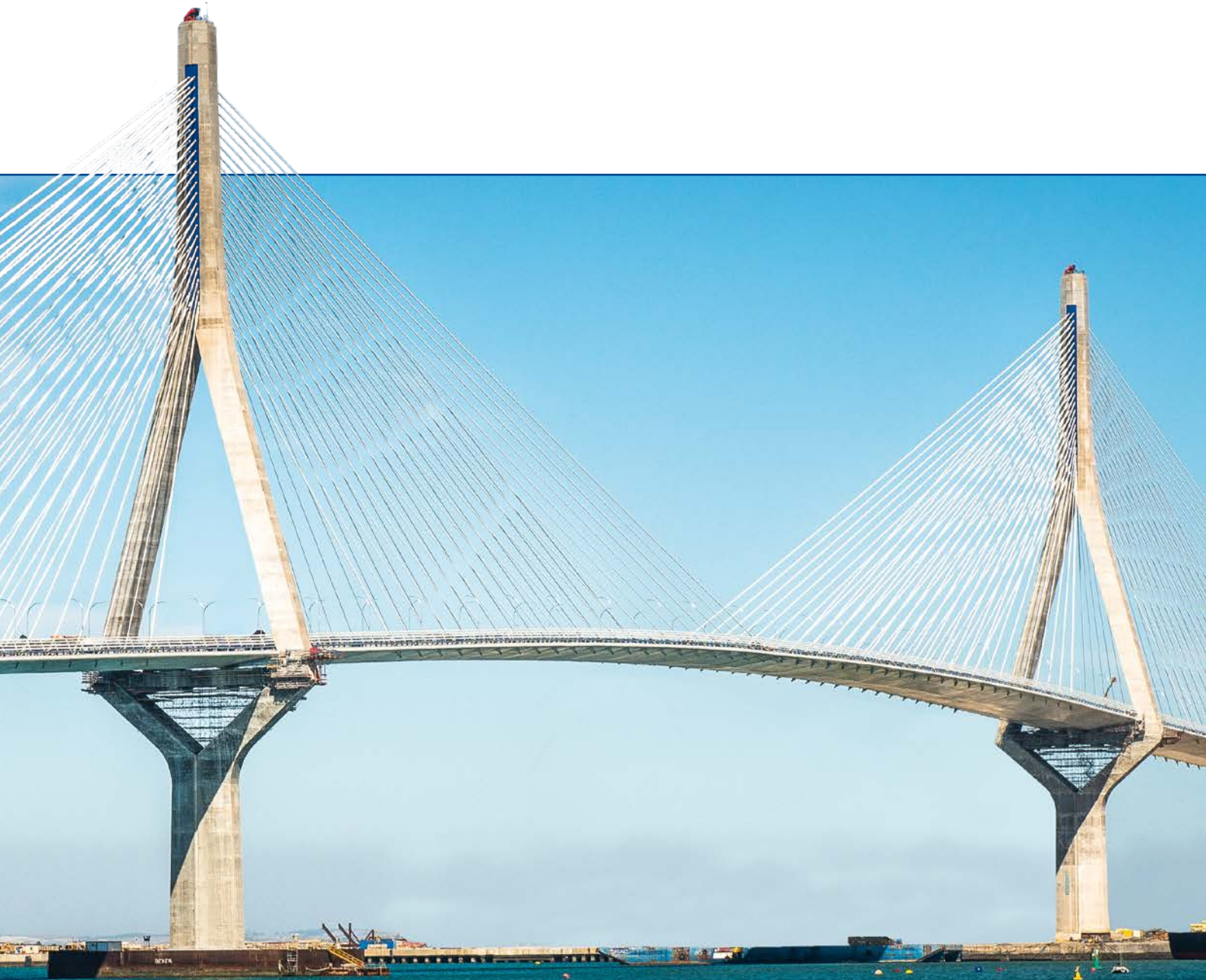
TURNOVER INTERNATIONAL	3,139 23.9%
GROSS OPERATING PROFIT (EBITDA) MARGIN	342 10.9%
NET PROFIT MARGIN	73 2.3%
ORDER BOOK	9,776
EMPLOYEES	99,005

(1) Construction includes the activity of Dragados, Hochtief and Iridium.

(2) EBITDA Includes Joint Ventures Net Results (companies executing projects managed with partners) not fully consolidated. Includes the order book proportional to the stake in joint ventures that the Group does not fully consolidated.

# ACTIVITY REPORT OF ACS GROUP 2015

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# LETTER FROM THE CHAIRMAN

## DEAR SHAREHOLDER,

In 2012 we embarked upon a new stage with the objective of building a stronger, more efficient and competitive group. During this period we undertook profound changes that positioned the ACS Group as a recognised global leader in the infrastructure sector, with a strong presence in the most developed markets, such as North America, Europe and Australia.

As a result of this strategic evolution, the ACS Group today has an excellent competitive position at global level, located in a vast range of regions, with proven technical ability and a strong financial structure, allowing us to offer our customers quality in any part of the world and to provide attractive returns for our shareholders.

The results obtained in 2015 reflect the effectiveness of these changes and show good performance, as we have achieved our operational and financial objectives in a complicated macroeconomic environment full of uncertainty. Specifically, the total turnover of the Group reached 35,000 million euros, with more than 85% of our activity generated in countries with developed economies. North America is the highest contributor with 40% of the total, followed by Europe with 25% and Australia with 17%. Asia accounts for 11% of the total turnover, while South America represents 6% and Africa the remaining 1%.

The increased internationalisation of the Group and our efficient project management policy, with an obvious improvement in the results of HOCHTIEF and CIMIC after the transformation processes carried out in the last few years, have contributed to increasing the 2015 net profit by 1.1% to 725 million euros, with all of the activities evolving positively:

- Construction gained 304 million euros, growing 36.4% thanks to the improvement in the operating profit of HOCHTIEF and the increase of our share.
- Industrial Services obtained a net profit, without considering the 314 million euros contribution of the renewable energy assets sold in 2015, virtually stable in relation to the previous year.
- Environment reached net profit of 73 million euros, showing growth of 1.4%.

At the end of 2015 the portfolio of works accounted for more than 67,000 million euros, after growing 5% during the year. By geographical region, Asia Pacific accounts for 34% of the total, with projects in Australia, Hong Kong and the Middle East. North America, with strong growth in the United States and Canada, accounts for 30%, while the portfolio in Europe represents 28% of the total. South America contributes 7% of the portfolio and Africa 1%.

Thanks to this major geographic diversification, the Group is capable of mitigating the adversities of the macroeconomic environment and the cyclical nature typical of the construction activity in small markets, thus taking advantage of the opportunities for growth in more favourable environments and consolidating our presence in countries with greater potential in the development of new infrastructure.

I also wish to remark on the great effort invested during the last four years to decrease the financial leverage of the Group, reducing net debt by more than 6,700 million euros, 72% lower than in 2011. In the last year the reduction was 29.5%, putting ACS' net debt at the close of 2015 at 2,624 million euros, equivalent to 1.09 times the gross operating profit. This structure allows us to be more financially solid and more commercially competitive in an environment in which flexibility and the capacity to adapt are key to maintaining leadership and continuing to grow.

Without doubt, this significant debt reduction was possible because we demonstrated that we have a consistent capacity to generate cash, both through operating activities and as a result of the working capital control policy. Together, in 2015 both sources allowed us to generate 2,009 million euros, before net investments and payment of dividends.

The net investments made by the Group during 2015 reached 393 million euros. These include the increase in our share in HOCHTIEF, which is currently 71.8%, plus operating investments and investments in the various concessions that we are promoting all over the world.



Despite the solid results obtained, ACS' share price was affected by the volatile environment of the capital markets, which worsened in the last quarter. As such, it closed the year at €27.02 per share, showing an annual evolution of -3.1% once adjusted with the dividends paid out in the year, while the IBEX 35 Spanish reference index had a result of -7.1%.

As with every year, at ACS we continue advancing in matters related to our commitment to sustainability. As such, during 2015 a new Corporate Social Responsibility Policy was defined, recently approved by the Board of Directors, formalising the main basic principles of action with respect to our main interest group. Likewise the Code of Conduct has been updated in accordance with the most stringent standards in terms of corporate governance and human rights, adapting it to the United Nations Ruggie Report. Lastly, I wish to highlight the increase in funds intended for social action, which are equivalent to 1.6% of the Group's net profit.

I believe that we are now better prepared to continue growing and offer our shareholders an attractive, exciting and, above all, profitable project. Our excellent competitive position, the solid organisational and financial structure of the Group and, in particular, the 200,000 people who form part of ACS are the best assets that we have to successfully face the challenges that we have set ourselves.



**Florentino Pérez**  
Chairman of the ACS Group



# MANAGEMENT BODIES

## BOARD OF DIRECTORS

### CHAIRMAN AND CEO

#### Mr. Florentino Pérez Rodríguez

##### Civil Engineer

Chairman and CEO of ACS Group

since 1993

Member of the Board of Directors of ACS

since 1989

### EXECUTIVE VICE CHAIRMAN

#### Mr. Antonio García Ferrer

##### Civil Engineer

Member of the Board of Directors of ACS

since 2003

### VICE CHAIRMAN

#### Mr. Pablo Vallbona Vadell

##### Naval Engineer and MBA from the IESE

Member of the Board of Directors of ACS

since 1997

Vice Chairman of Consulnor

Member of the Board of the Fundación Juan March

### MEMBER OF THE BOARD OF DIRECTORS

#### Mr. José María Loizaga Viguri

##### Economist

Member of the Board of Directors of ACS since 1989

Chairman of Cartera Industrial REA

Vice Chairman of Zardoya Otis

#### Mr. Agustín Batuecas Torrego

##### Civil Engineer

Member of Board of Directors of ACS since 1999

#### Mr. Antonio Botella García

##### Lawyer and State Attorney

Member of Board of Directors of ACS since 2015

#### Mr. Manuel Delgado Solís

##### B.S. in Pharmacy and Lawyer

Member of the Board of Directors of ACS since 2003

#### Mr. Javier Echenique Landiribar

##### B.A. in Economics

Member of the Board of Directors of ACS since 2003

Vice Chairman of Banco Sabadell

Member of the Board of Directors of Telefónica Móviles México

Member of the Board of Directors-Advisor of Telefónica España

Member of the Board of Directors of Ence

Member of the Board of Directors of Repsol

#### Iberostar Hoteles y Apartamentos, S.L.

Represented by:

#### Ms. Sabina Fluxà Thienemann

##### B.A. in Business Administration

Member of the Board of Directors of ACS since 2009

Co-Executive Vice Chairwoman and Chief Executive Officer of Grupo Iberostar

#### Mr. Joan-David Grimà i Terré

##### Doctorate in Economics and Business Studies

Member of the Board of Directors of ACS since 2003

#### Mr. Pedro López Jiménez

##### Civil Engineer

Member of the Board of Directors of ACS since 1989

Member of the Supervisory Board of HOCHTIEF, Chairman of the Human

Resources Committee of HOCHTIEF and of the Appointment

Committee of HOCHTIEF

Member of the Board of Directors and of Appointment and

Remuneration Committee of CIMIC


Member of the Board of Directors of GHESA



**Mr. Emilio García Gallego**   
**Civil Engineer and Lawyer**  
 Member of Board of Directors of ACS since 2014

**Mr. Santos Martínez-Conde Gutiérrez-Barquín**   
**Civil Engineer**  
 Member of the Board of Directors of ACS since 2001  
 Chief Executive Officer (CEO) of Corporación Financiera Alba  
 Member of the Board of Directors of Acerinox  
 Member of the Board of Directors of Banca March  
 Member of the Board of Directors of Indra  
 Member of the Board of Directors of BME




**Mr. Javier Monzón de Cáceres**  
**B.A. in Economics**  
 Member of the Board of Directors of ACS since 2003  
 Member of the Board of Directors of Banco Santander España  
 Member of the Board of Directors of Ferroglobe  
 Member of the Supervisory Board of Lagardère SCA  
 Member of the Advisory Board of Chemo Group  
 Member of the Advisory Board of Internacional de Brookings  
 Member of the Board of Directors of Endeavor España





**Ms. Catalina Miñarro Brugarolas**   
**Lawyer and State Attorney**  
 Member of Board of Directors of ACS since 2015  
 Member of the Board of Directors of MAPFRE

**Mr. Miquel Roca i Junyent**   
**Lawyer**  
 Member of the Board of Directors of ACS since 2003  
 Secretary non-member of the Board of Directors of Abertis Infraestructuras  
 Secretary non-member of the Board of Directors of Banco de Sabadell  
 Member of the Board of Directors de Endesa  
 Secretary non-member of the Board of Directors of TYPESA

**Ms. María Soledad Pérez Rodríguez**    
**B.S. in Chemistry and Pharmacy**  
 Member of the Board of Directors of ACS since 2014

## MEMBER OF THE BOARD OF DIRECTORS- SECRETARY GENERAL

**Mr. José Luis del Valle Pérez**     
**Lawyer and State Attorney**  
 Member of the Board of Directors of ACS since 1989  
 Member of the Supervisory Board of Hochtief  
 Member of the Board of Directors of CIMIC

-  Member of the Executive Commission
-  Member of the Audit Commission
-  Member of the Appointment and Remuneration Commission
-  Secretary non-member

# MANAGEMENT BODIES

## MANAGEMENT COMMITTEE



### **MR. JOSÉ LUIS DEL VALLE PÉREZ**

**General Secretary**

Born in 1950.  
Lawyer and State Attorney

From 1975 until 1983 Mr. del Valle held various positions in the Public Administration and was a member of the Parliament from 1979 to 1982 and Deputy Secretary of the Ministry of Territorial Administration. He has been a member of the Board of Directors of the ACS since 1989 and has been the Secretary General to the Board of Directors since 1997.

### **MR. FLORENTINO PÉREZ RODRÍGUEZ**

**Chairman and CEO**

Born in 1947.  
Civil Engineer

Although Mr. Pérez started his career in the private sector, he held different posts in the Public Administration between 1976 and 1983 when he was Delegate for Sanitation and Environment of the Madrid City Council, General Sub-Director of Promotion of the Centre for the Development of Industrial Technology in the Ministry of Industry and Energy, General Manager of Transport Infrastructures in the Ministry for Transport, as well as Chairman of IRYDA in the Ministry of Agriculture. In 1983, he returned to the private sector as top executive of Construcciones Padrós, S.A. since 1984, of which he was one of the main shareholders. Since 1993, he has been the Chairman and CEO of the ACS Group, first as the chairman of OCP Construcciones S.A., as result of the merger of Construcciones Padrós with Geocisa, and since 1997 as the chairman and CEO of the so-called ACS Group, as result of the merger of OCP Construcciones S.A., Ginés Navarro, S.A. and Auxini, S.A.



## MR. EUGENIO LLORENTE GÓMEZ

**Chairman and CEO of the Industrial Services Area**

Born in 1947.  
Industrial Technical Engineer and MBA, Madrid Business School

Mr. Llorente started his professional career in Cobra Instalaciones y Servicios, S.A. in 1973. After occupying different positions of responsibility, in 1989 was named director of Downtown, in 1998 he was promoted Corporate General Manager and in 2004 General Manager. Currently, he is General Manager of ACS Services, Communications and Energy and responsible for the Industrial Services Area of the Group.

## MR. ÁNGEL GARCÍA ALTOZANO

**Corporate General Manager**

Born in 1949.  
Civil Engineer and MBA

Mr. García Altozano started his professional career in the construction sector. He was General Manager of the Instituto Nacional de Industria (INI) and President of Bankers Trust for Spain and Portugal. In 1997 he joined the ACS Group as Corporate General Manager with responsibility over the economic-financial areas (CFO), corporate development and affiliates.

## MR. ANTONIO GARCÍA FERRER

**Executive Vice Chairman**

Born in 1945.  
Civil Engineer

Mr. García started his career in Dragados y Construcciones, S.A. in 1970. After assuming various positions of responsibility in the construction Company, in 1989 he was appointed Regional Manager for Madrid. Then, in 1998, he was placed at the head of the Building business and in 2001, he became General Manager of the Industrial and Services Divisions. In 2002 Mr. García was appointed as the Chairman of Grupo Dragados, S.A., and in December 2003 he became the Executive Vice Chairman of the ACS Group.

# MANAGEMENT BODIES

## MANAGEMENT TEAM

### ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS

**Mr. Florentino Pérez Rodríguez**  
Chairman and Chief Executive Officer (CEO)

**Mr. Antonio García Ferrer**  
Executive Vice Chairman

**Mr. Ángel García Altozano**  
Corporate General Manager

**Mr. José Luis del Valle Pérez**  
Secretary General

### CONSTRUCCIÓN

#### HOCHTIEF

**Mr. Marcelino Fernández Verdes**  
Chairman of the Vorstand<sup>1</sup> of HOCHTIEF AG.  
Chief Executive Officer (CEO)  
Chairman and Chief Executive Officer (CEO) of CIMIC Group

**Mr. Peter Sassenfeld**  
Member of the Vorstand<sup>1</sup> of HOCHTIEF AG.  
Chief Financial Officer (CFO)

**Mr. José Ignacio Legorburo Escobar**  
Member of the Vorstand<sup>1</sup> of HOCHTIEF AG.  
Chief Operating Officer (COO)

**Mr. Nikolaus Graf von Matuschka**  
Member of the Vorstand<sup>1</sup> of HOCHTIEF AG.  
Chief Executive Officer (CEO) of HOCHTIEF Solutions

**Mr. Adolfo Valderas**  
Chief Operating Officer (COO) of CIMIC Group

**Mr. Javier Loizaga Jiménez / Mr. Ángel Muriel Bernal** <sup>(2)</sup>  
Chief Financial Officer (CFO) of CIMIC Group

**Mr. Malcolm Ashcroft**  
Deputy Chief Financial Officer (Deputy CFO) of CIMIC Group

**Mr. Peter Davoren**  
Chairman and Chief Executive Officer (CEO) of Turner Construction

**Mr. John DiCiurcio**  
Chairman and Chief Executive Officer (CEO) of Flatiron

#### DRAGADOS

**Mr. Ignacio Segura Suriñach**  
Chief Executive Officer (CEO)

**Mr. Luis Nogueira Miguelsanz**  
Secretary General

**Mr. Diego Zumaquero García**  
Exploitation Manager of Spain

**Mr. Ricardo Martín de Bustamante**  
Manager of North America

**Mr. Fernando Bolinaga Hernández**  
Manager of South America

#### IRIDIUM

**Mr. Juan Santamaría Cases / Mr. Santiago García Salvador** <sup>(3)</sup>  
Chief Executive Officer (CEO)

(1) Executive Board .

(2) Since July 23, 2015, Mr. Ángel Muriel Bernal replaces Mr. Javier Loizaga Jiménez as CFO of CIMIC Group.

(3) Since September 30, 2015, Mr. Santiago García Salvador replaces Mr. Juan Santamaría Cases as CEO of Iridium.

## INDUSTRIAL SERVICES

**Mr. Eugenio Llorente Gómez**

Chairman and Chief Executive Officer (CEO)

**Mr. José Alfonso Nebrera García**

General Manager

**Mr. Epifanio Lozano Pueyo**

Corporate General Manager

**Mr. Cristóbal González Wiedmaier**

Finance Manager

**Mr. José María Castillo Lacabex**

General Manager of Cobra

## ENVIRONMENT

**Mr. José M.<sup>a</sup> López Piñol**

Chief Executive Officer (CEO) of Urbaser

**Mr. Cristobal Valderas**

Chief Executive Officer (CEO) de Clece



# THE ACS GROUP IN 2015

## A WORLDWIDE LEADER IN THE INFRASTRUCTURE DEVELOPMENT SECTOR

### SPAIN

REVENUE 5,887

ORDER BOOK 10,744

### REST OF EUROPE

REVENUE 2,946

ORDER BOOK 8,043

### AMERICA

REVENUE 16,175

ORDER BOOK 24,803

### ASIA PACIFIC

REVENUE 9,733

ORDER BOOK 22,485

### AFRICA

REVENUE 183

ORDER BOOK 998

MILLION EUROS



REVENUES  
**34,925**

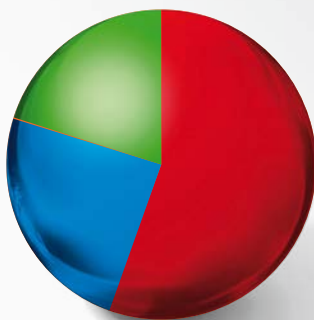
MILLION EUROS

ORDER BOOK\*  
**67,072**

MILLION EUROS



- CONSTRUCTION: 72%
- INDUSTRIAL SERVICES: 19%
- ENVIRONMENT: 9%



- CONSTRUCTION: 73%
- INDUSTRIAL SERVICES: 12%
- ENVIRONMENT: 15%

\* Includes the order book proportional to the stake in joint ventures that the Group does not fully consolidate.





**EBITDA**  
**2,409**  
MILLION EUROS

**NET PROFIT**  
**725**  
MILLION EUROS

**GROSS INVESTMENTS**  
**2,228**  
MILLION EUROS

**EMPLOYEES**  
**196,967**

**WORLDWIDE LEADER  
IN CONSTRUCTION**



THE TOP 250 INTERNATIONAL CONTRACTORS

RANK		FIRM	2014 REVENUE \$ MIL.	
2015	2014		INT'L	TOTAL
1	1	ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS SA, Madrid, Spain†	38,707.5	46,081.1
2	2	HOCHTIEF AKTIENGESellschaft, Essen, Germany†	29,299.3	31,118.8
3	3	BECHTEL, San Francisco, Calif., U.S.A.†	21,414.0	28,302.0
4	4	VINCI, Rueil-Malmaison, France†	19,679.9	51,868.8
5	9	CHINA COMMUNICATIONS CONSTRUCTION GRP. LTD., Beijing, China†	15,827.0	60,314.6
6	10	TECHNIP, Paris, France†	14,223.6	14,343.6
7	7	BOUYGUES SA, Paris, France†	14,201.0	32,335.0
8	8	SKANSKA AB, Stockholm, Sweden†	14,024.9	17,687.2
9	6	STRABAG SE, Vienna, Austria†	13,972.0	16,470.0
10	11	SAIPEM, San Donato Milanese, Italy†	13,623.4	13,831.9

Source: ENR The top 250 global contractors.

**WORLDWIDE LEADER  
IN CONCESSIONS**



**World's Largest Transportation Developers**  
2015 SURVEY OF PUBLIC-PRIVATE PARTNERSHIPS WORLDWIDE

Ranked by Number of Transportation Concessions Currently Operating or Under Construction

Company	Operating or Under Const.			Sold or Expired Since 1985		Pursuits		# Operating or Under Construction In:			
	Operating	Sold or Expired	Pursuits	U.S.	Canada	Home Country	All Other	U.S.	Canada	Home Country	All Other
ACS Group/Hochtief (Spain)	60	49	59	3	8	19	30				
Globalvia-FCC-Banisa (Spain)	43	8	20	0	1	28	14				
Macquarie (Australia)	43	18	8	4	1	1	27				
Vinci (France)	42	6	10	1	3	15	23				
Aberbia (Spain)	41	17	2	0	0	14	27				
Ferrovial/Cintra (Spain)	40	24	47	6	3	11	20				
Sacyr (Spain)	29	20	6	0	0	15	14				
Bouygues (France)	27	4	6	1	1	10	15				
NWS Holdings (China)	26	1	na	0	0	26	0				
Egis (France)	26	1	13	0	1	5	20				
John Laing (UK)	24	6	6	2	0	13	9				

Source: Public Works Financing.

# CORPORATE STRATEGY

## VISION

A **worldwide reference** in the **industry of infrastructure development**, both civil and industrial engineering projects. A Group which participates in the **development** of sectors which are fundamental for the economy. A Company committed to **economic and social progress** in the countries where it is present.



## MISSION

### PURSUING GLOBAL LEADERSHIP

- Positioning itself as one of the main players in all those sectors in which it takes part as a means of boosting its competitiveness, maximising value creation in relation to its clients and continuing to attract talent to the organisation.
- Meeting the needs of our clients by offering a diversified portfolio of products, innovating daily and selectively investing to increase the range of services and activities offered.
- Continuously improving quality, safety and reliability standards in the services offered in order to foster stability and to guarantee recurring income.
- Expanding the Group's current client base through a permanent commercial effort in new markets.

### OPTIMISING THE PROFITABILITY OF THE RESOURCES MANAGED

- Increasing operating and financial efficiency and offering attractive profitability to our shareholders.
- Applying strict investment criteria in line with the company's strategy of expansion and growth.
- Maintaining a solid financial structure which facilitates the raising of resources and the maintenance of a low cost thereof.

### PROMOTING SUSTAINABLE GROWTH

- Improving the society in which we live by helping to grow the economy, generating wealth through the ACS Group's own activities, thereby guaranteeing the well-being of citizens.
- Respecting the economic, social and environmental backdrop, innovating in the establishment of company procedures and respecting in each of the activities carried out by the Group, the recommendations of the main domestic and international institutions.
- Helping the economy to grow by creating stable, respectable and fairly-remunerated employment.

## VALUES

All ACS Group activities show a determined customer orientation, with a contracting culture and as a guarantee for future, building solid long-term relationships based on **trust** and mutual knowledge.



The flexible and decentralized Group structure promotes the responsibility and entrepreneurship of the employees, being a basic tool for maximising **profitability** and encouraging the **excellence** necessary to offer the best services and products to the customers.

The ACS Group maintains an unavoidable **commitment** to sustainable development, in order to serve society in an efficient and

ethically responsible manner through its capacity to create value for shareholders and all stakeholders, demanding the maximum **integrity** standards from its employees and collaborators.

These values, which have formed part of the Group's culture since its foundation, have created the main competitive advantages which are the cornerstone of its past and future growth.



# CORPORATE STRATEGY

## COMPETITIVE ADVANTAGES

### TECHNICAL ENGINEERING CAPABILITIES

#### CIVIL ENGINEERING

- Specialization in Infrastructure development.
- Large projects management.
- Development, Construction and Operation of Concessions.

#### INDUSTRIAL ENGINEERING

- Integrated value chain: Engineering, development and maintenance contracts.
- Energy turnkey projects.
- Investment capacity: energy concession, high-voltage lines, desalinization plants.

### CONTRACTING CULTURE

- Client Knowledge.
- Flexibility.
- Global clients.

### ENTREPRENEURSHIP

- Efficient management of resources.
- Constant growth and profitability targets.
- Investment Opportunities.



## THE ACS GROUP AND CORPORATE SOCIAL RESPONSIBILITY

Improving society, generating wealth to guarantee the well-being of the citizens it serves, in the final analysis, is a primordial part of the ACS Group's mission.

The ACS Group's commitment to society is summarised in four fields of action:

- **RESPECT FOR ETHICS, INTEGRITY AND PROFESSIONALISM IN THE GROUP'S RELATIONSHIP WITH ITS STAKEHOLDERS.**
- **RESPECT FOR THE SOCIAL, ECONOMIC AND ENVIRONMENTAL SETTING.**
- **PROMOTION OF INNOVATION AND RESEARCH IN ITS APPLICATION TO INFRASTRUCTURE DEVELOPMENT.**
- **CREATION OF EMPLOYMENT AND WELL-BEING, AS AN ECONOMIC MOTOR FOR SOCIETY.**



To face up to the challenge of coordinating the **ACS Group's Corporate Social Responsibility** challenge, given its characteristics of operational decentralisation and geographical scope, a project related to the ACS Group's Corporate Responsibility over the coming years, known as **Project one**.

Project one seeks to promote good management practices and to evaluate common principles and targets defined in the ACS Corporate Social Responsibility Policy, and it is framed in the Group's general strategy, focused on reinforcing ACS's world leadership.

The promotion of good management practices focuses on the following major areas:

**THE GROUP'S  
POSITION IN TERMS  
OF ETHICS.**

**one**ethics

**IN TERMS OF EFFICIENCY,  
INVOLVING CLIENT, QUALITY,  
SUPPLIER, ENVIRONMENTAL  
AND R&D+I POLICIES.**

**one**efficiency

**IN TERMS OF EMPLOYEES,  
PERSONNEL, HEALTH AND SAFETY  
AND SOCIAL ACTION POLICIES OF  
THE ACS GROUP.**

**one**employees

In practice, Project one analyses and evaluates the performance of the Group and its companies in relation to a scorecard of control indicators, aligned with Dow Jones Sustainability Index requirements, which is supervised by independent external consultants and inspectors who qualify the inclusion of improvements periodically, both at the functional and procedural levels.



# HISTORY



**1983**



Founded in 1968

Construction company based in Badalona (Spain), restructured and relaunched after acquisition. It was the seed for today's ACS Group.

**1986**



Founded in 1942

Spanish construction company, the acquisition of which represented a leap in size for the Group in the 80s.

**1988**



Founded in 1919

A company specialised in power lines, developer of the Spanish grid, the Group's first diversification into industrial services.

**1989**



Founded in 1948

A leading industrial services company in Spain and Latin America, acquired in the market to lead the Group's expansion in this area.

**1992**



Founded in 1992

The result of the merger between Ocisa and Construcciones Padrós, creating one of Spain's 10 biggest companies at the time.

**1996**



Founded in 1945

State-owned construction company, increasing the Group's domestic presence.

**1997**



Founded in 1930

One of Spain's most important construction companies, specialised in civil works.



1997



Founded in 1928

One of Spain's most practised companies in railway development, with over 80 years' experience. Joined the ACS Group as a Ginés Navarro subsidiary.

1997



Founded in 1997

A world leader in infrastructure development. Created from the merger between OCP and Ginés Navarro in 1997.

2003



Founded in 1941

A leader in Spain and a highly diversified company. Its merger with ACS created one of the world's five biggest companies and laid the foundations for the Group's future growth.

2003



Founded in 1983

Created to provide value-added services to local councils and corporations, it is now a world leader in performing environmental activities.

2003



Founded in 1992

Initially focusing on providing cleaning services for public organisations, it has become Spain's leading multiservices Company.

2011



Founded in 1873

A leading company in Germany and involved in over 50 countries, it is the ACS Group's platform for international growth.

2011



Founded in 1902

A HOCHTIEF subsidiary since 1999, it is a leading "General Contractor" in the United States and is involved in executing large non-residential building projects across almost the whole country.

2011



Founded in 1949

A subsidiary of HOCHTIEF, which holds a 69.63% of the company's shares at December 31, 2015, acquired in 1983. It is Australia's leading construction company and a world leader in mining concessions.

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

THE ACS GROUP IS A BENCHMARK WORLDWIDE IN THE INFRASTRUCTURE CONSTRUCTION SECTOR. THIS SECTOR SIGNIFICANTLY CONTRIBUTES TO THE ECONOMIC AND SOCIAL DEVELOPMENT OF VARIOUS REGIONS OF THE WORLD IN A MARKET THAT IS INCREASINGLY MORE COMPETITIVE, DEMANDING AND GLOBAL.







# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

The ACS Group is a benchmark worldwide in the infrastructure construction sector. This sector significantly contributes to the economic and social development of various regions of the world in a market that is increasingly more competitive, demanding and global.

The current backdrop and macroeconomic outlook, although uncertain and challenging, constitute a scenario of opportunities for growth and consolidation of the ACS Group's leadership worldwide in the infrastructure sector.

The main factors that directly influence the infrastructure sector are as follows:

## ● Growth of the population

Both the increase in life expectancy and the higher concentration of population in urban areas significantly affect the demand for infrastructure in developed countries. This need for investment in infrastructure arises mainly in large cities of developed countries where there is high demand to renovate and adapt existing infrastructure, and high purchasing power on the part of the private sector.

## ● Transition of emerging economies

The rapid pace of economic growth in developing countries over the last few years has not been in step with infrastructure development to support this growth. These regions have been plagued with an infrastructure deficit that should be corrected in the coming years

## ● Climate change

The growing concern about climate change and its impact on our planet increases the need to implement an energy model based on infrastructures that are innovative, more efficient and respectful of the environment by increasing the weight of renewable energies.

## ● Alternative sources of financing

The funds available to finance infrastructure development are not as abundant as in the pre-financial crisis years. Infrastructure development was traditionally financed through public funds.



## Growth of the population, transition of emerging economies, climate change, alternative sources of financing and globalisation are factors that directly influence the infrastructure sector.

Now the private sector needs to make contributions in order to cover demand in different regions of the world.

Accordingly, the business fabric of most emerging countries seems to have accumulated excessive debt and they are at the starting point of a long deleveraging process, however, the majority of these regions are implementing expansive economic policies with greater public spending budgeted by their respective governments.

Conversely, developed countries (mainly European) are in the final phase of their process of reducing both public and private debt. On one hand, public spending containment policies will continue to have an effect on the budgets of member states and restrict investment in infrastructure development.

On the other hand, a slight recovery in investment levels is expected from the private sector, underpinned by the expansive policies at supranational level with interest rates at 0% and liquidity injected by the central banks.

However, the financing resources available are still reduced and, therefore, public-private partnerships in infrastructure development are key and will determine the competitiveness of the companies in the sector.

### ● Globalisation

This factor has two aspects. At the economic level, the opening of economies and greater interconnection between countries favours the international expansion of companies in the sector and the reduction of entry barriers in foreign markets as well as greater access to both public and private financing in international markets. However, a world that is increasingly more integrated requires global and innovative solutions that create synergies; infrastructure that allows for more efficient interconnection between countries, with less impact on the environment, with a greater degree of sophistication, and with the capacity to respond to any challenges that arise in advanced societies and to adapt to a world that is continuously changing.



# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

## GLOBAL MACROECONOMIC ENVIRONMENT

The challenges for the sector arise mainly as a result of a macroeconomic backdrop plagued with interconnected uncertainties that can be summarised as follows:

- The general decrease in the price of raw materials, mainly the price of oil.
- The slowdown of the Chinese economy and adjustment to the growth projections for emerging economies. Nevertheless, China still contributes one third of world economic growth and emerging economies as a whole represent more than two thirds, with India gaining importance.
- Political uncertainty in certain regions, mainly in European countries, have obscured the visibility of projections regarding growth and public and private investment.

All these factors directly influence world economic growth, measured by the countries' GDP, and affect growth forecasts for the coming years. According to the International Monetary Fund<sup>1</sup>, world growth reached 3.1% in 2015 and is expected to gradually increase to 3.4% and 3.6% in 2016 and 2017, respectively.

Although growth estimates for emerging economies have decreased, advanced economies are expected to gradually continue to recover, albeit at uneven rates. The gaps between the growth of developed and emerging countries are therefore gradually expected to be bridged.

According to the IMF, growth forecasts for advanced economies stand at around 2.1% for 2016 (up 20 basis points on 2015) and are expected to remain virtually stable in 2017, whereas this projection for emerging economies is around 4.3% and 4.7% for 2016 and 2017, respectively.

<sup>1</sup> "World Economic Outlook", International Monetary Fund, October 2015 and January 2016.



According to the IMF, 25.2% of GDP was allocated to investment at global level in 2015. This percentage is expected to remain relatively stable over the next two years.

Emerging countries continue to allocate a greater percentage of their GDP to investment, and this investment is expected to be around 32% of GDP in the coming years. With regard to advanced economies, a gradual recovery is expected in terms of investment levels after several years of crisis; investment is expected to be around 21.1% and 21.4% for 2016 and 2017, respectively.

With regard to the public sector, according to the IMF, both advanced and emerging economies will continue to reduce the level of public spending in relation to GDP, which will be below 39% and around 30%, respectively. Tax consolidation policies continue to be restrictive, mainly in the euro zone, although a slight moderation is expected in the coming years in most countries.

%	% GDP CHANGE					% INVESTMENT OVER GDP				
	2013	2014	2015e	2016e	2017e	2013	2014	2015e	2016e	2017e
<b>WORLDWIDE</b>	<b>3.3%</b>	<b>3.4%</b>	<b>3.1%</b>	<b>3.4%</b>	<b>3.6%</b>	<b>24.8%</b>	<b>25.0%</b>	<b>25.2%</b>	<b>25.2%</b>	<b>25.3%</b>
EUROPEAN UNION	0.2%	1.5%	1.9%	1.9%	2.0%	19.4%	19.5%	19.2%	19.5%	19.8%
UNITED STATES	1.5%	2.4%	2.5%	2.6%	2.6%	19.5%	19.9%	20.3%	20.6%	20.9%
CANADA	2.0%	2.4%	1.2%	1.7%	2.1%	24.5%	24.0%	23.6%	22.7%	22.6%
LATIN AMERICA	2.9%	1.3%	-0.3%	-0.3%	1.6%	21.6%	21.2%	20.0%	19.5%	19.7%
AUSTRALIA	2.1%	2.7%	2.4%	2.9%	3.1%	27.6%	26.7%	26.3%	26.4%	26.6%
ASEAN-5*	5.1%	4.6%	4.7%	4.8%	5.1%	29.1%	28.4%	28.2%	28.6%	29.0%
CHINA	7.7%	7.3%	6.9%	6.3%	6.2%	46.6%	46.4%	44.3%	43.1%	42.0%
INDIA	6.9%	7.3%	7.3%	7.5%	7.5%	32.5%	31.6%	30.7%	30.6%	30.6%
UNITED ARAB EMIRATES	4.3%	4.6%	3.0%	3.1%	3.3%	23.2%	24.7%	24.2%	24.7%	24.2%

%	% FISCAL (DEFICIT)/SURPLUS					% PUBLIC EXPENDITURE OVER GDP				
	2013	2014	2015e	2016e	2017e	2013	2014	2015e	2016e	2017e
<b>WORLDWIDE</b>										
EUROPEAN UNION	-3.1%	-2.9%	-2.5%	-2.0%	-1.5%	47.8%	47.6%	46.7%	45.9%	45.2%
UNITED STATES	-4.7%	-4.1%	-3.8%	-3.6%	-3.3%	36.2%	35.7%	36.0%	35.9%	35.3%
CANADA	-2.7%	-1.6%	-1.7%	-1.3%	-1.0%	40.7%	39.4%	39.7%	39.5%	39.2%
LATIN AMERICA	-3.1%	-4.9%	-5.8%	-5.4%	-4.6%	33.2%	34.3%	34.4%	34.1%	33.4%
AUSTRALIA	-2.8%	-2.8%	-2.4%	-1.8%	-0.9%	36.9%	37.0%	37.3%	36.9%	36.4%
ASEAN-5*	-2.0%	-2.1%	-2.4%	-2.5%	-2.3%	22.0%	21.5%	20.8%	21.1%	21.0%
CHINA	-1.1%	-1.2%	-1.9%	-2.3%	-2.1%	29.2%	29.7%	30.8%	30.5%	30.2%
INDIA	-7.6%	-7.0%	-7.2%	-7.0%	-6.7%	27.4%	26.6%	27.2%	27.1%	27.0%
UNITED ARAB EMIRATES	10.4%	5.0%	-5.5%	-4.0%	-1.8%	30.6%	32.8%	36.8%	33.9%	31.8%

\* Indonesia, Malaysia, Singapore, Philippines and Thailand  
Source: "World Economic Outlook", International Monetary Fund, October 2015 and January 2016

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

## MACROECONOMIC ENVIRONMENT BY GEOGRAPHICAL AREA

### EUROPE

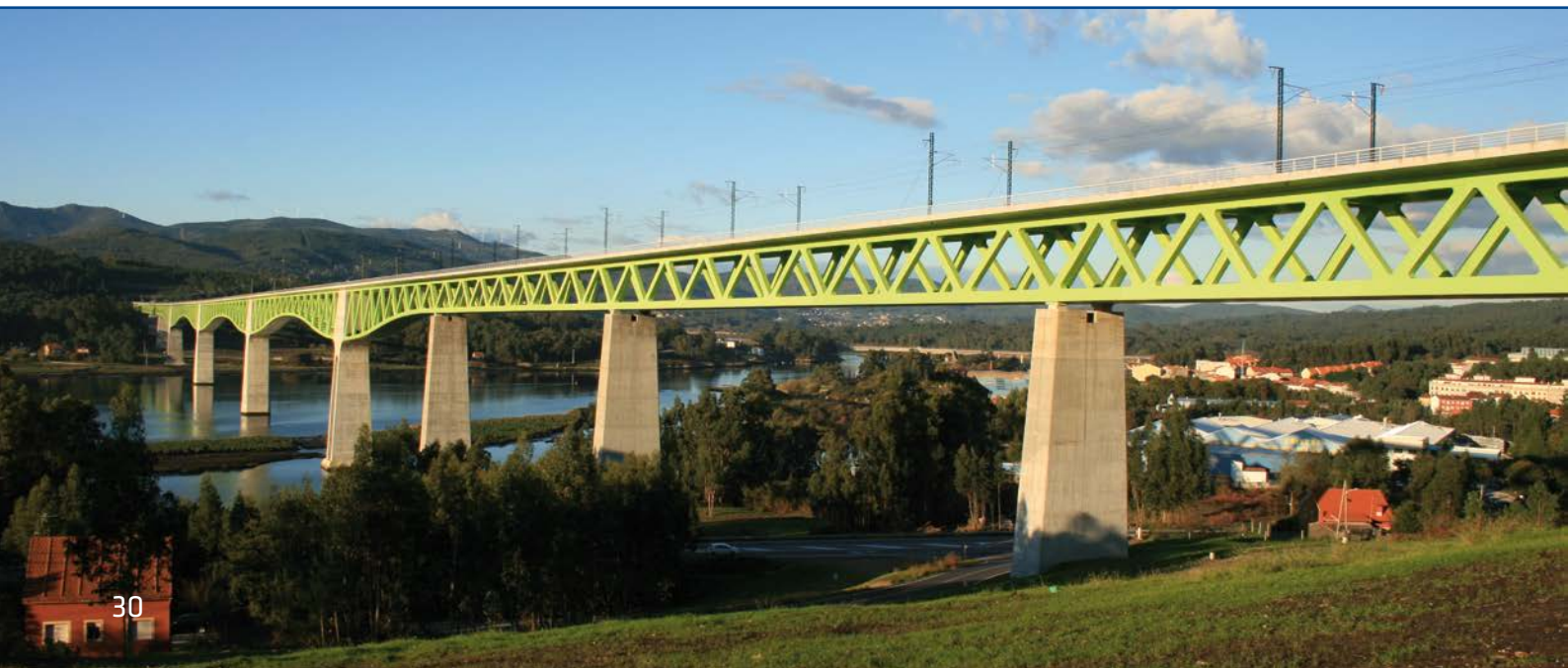
According to the IMF, growth in the European Union in 2015 stood at around 1.9% and is expected to remain at this level in the coming years thanks to low interest rates and the drop in the price of raw materials, which will contribute to an improvement in domestic demand.

Spain grew by 3.2%, up 180 basis points on 2014 and 150 basis points above the European Union average. This recovery is due mainly to the buoyant growth of domestic demand as a result of job creation, fewer tax restrictions and the notable recovery of investment. After a recent upward correction, forecasts for the coming years estimate that growth will be higher than the EU average, reaching around 2.7% and 2.3% in 2016 and 2017, respectively.

With regard to investments, a slight recovery is expected in private investment, however, public spending will continue to be limited by fiscal containment and debt reduction policies.

The GDP of the United Kingdom grew at a rate of around 2.2% in 2015 and we expect to see flat growth over the next two years. This slowdown is due to, among other reasons, the uncertainty regarding Brexit, with the possible departure of the United Kingdom from the European Union. With regard to investments, as is the case in Spain, private investment is expected to improve and a gradual reduction in public spending is expected over the coming years.

In Germany, according to the IMF, GDP in 2015 stood at 1.5% and is expected to remain stable at 1.7% in 2016 and 2017. Whereas moderate recovery is expected in Italy and France with growth rates at around 1.3%. GDP growth rates in Eastern European countries remain at around 3% thanks to the drop in the price of oil and the recovery of the rest of the European Union.



In summary:

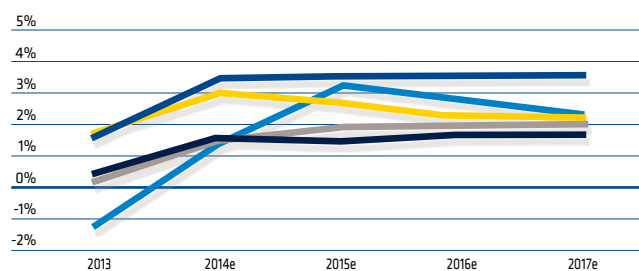
- Growth in Europe is expected to be slow and unequal.
- The tax deficit in the European Union will continue to decrease following the consolidation measures taken in previous years.
- According to the IMF, investment in the European Union as a percentage of

GDP will be around 19.4% in 2016 and is expected to continue to gradually increase in the coming years, returning to pre-financial crisis levels.

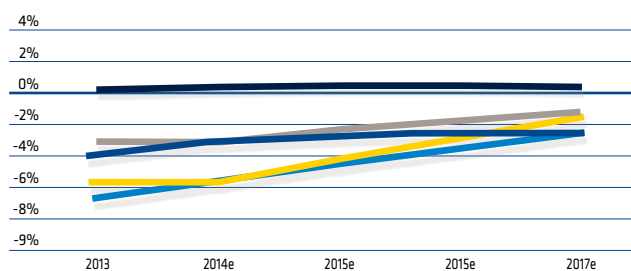
- Public spending, however, will continue to gradually decrease, which will lead to a greater need for funds from the private sector to finance investments.

## TREND IN THE MAIN MACROECONOMIC INDICATORS IN EUROPE

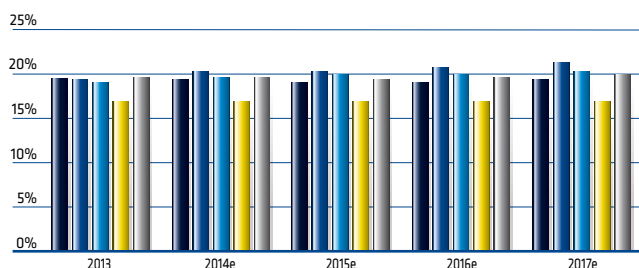
**GDP EVOLUTION**  
% GDP ANNUAL CHANGE



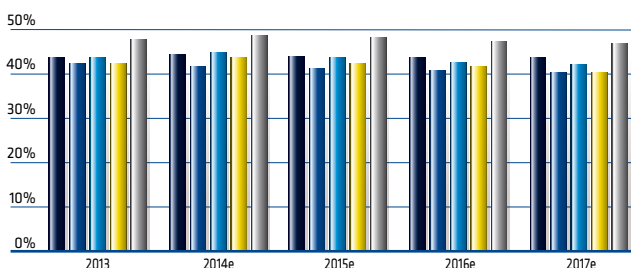
**FISCAL (DEFICIT)/SURPLUS EVOLUTION**  
% FISCAL (DEFICIT)/SURPLUS



**INVESTMENT EVOLUTION**  
% INVESTMENT OVER GDP



**PUBLIC EXPENDITURE EVOLUTION**  
% PUBLIC EXPENDITURE OVER GDP



- GERMANY
- POLAND
- SPAIN
- UNITED KINGDOM
- EUROPEAN UNION

Source: "World Economic Outlook", International Monetary Fund, October 2015 and January 2016.

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

## AMERICA

According to the IMF, growth in the United States in 2015 was around 2.5%. Over the next two years, flat growth of 2.6% is expected as a result of the drop in the price of energy, favourable financial conditions and the improvement in the housing and job markets, despite the weakening of exports stemming from the appreciation of the US dollar. Investment in the United States as a percentage of GDP will continue to gradually increase to around 21.5%, a level slightly higher than in Europe. Public spending is expected to remain stable at around 35.5% of GDP.

In Canada, growth in 2015 was negatively affected by the drop in the price of oil and gas, standing at around 1.2% (down 130 basis points on growth in 2014). The IMF expects a gradual recovery in growth over the next two years as a result of the stabilisation of the economy and favourable growth of the United States.

According to the IMF, growth in Mexico stood at 2.5% in 2015, and forecasts for the next two years have been increased to around 2.6% and 2.9% for 2016 and 2017, respectively. The Mexican economy was especially affected by the drop in the price of oil, and fiscal consolidation has been a moderate obstacle to growth. Growth forecasts have been held up by an estimated rise in industrial activity in the United States, which would drive manufacturing and general growth in Mexico. Despite the fact that the government announced a restrictive budget for 2016, the structural reforms to be carried out are expected to have the positive effect of promoting and driving economic activity in the medium term by increasing private investment and productivity.

According to the IMF, growth forecasts for South America are not as positive and recovery is not expected until 2017. This situation is explained mainly by:

- The drop in commodity prices, given that the main countries in this region export natural resources (mainly oil).
- The continued geopolitical tensions in various countries, such as Venezuela or Argentina.
- The recession of the Brazilian economy, which posted negative growth of -3.8% in 2015 and has no prospects of recovering over the next two years.

However, countries such as Chile and Peru have a more stable outlook with an expected rise in growth for the next two years.

## ASIA PACIFIC

The Asia Pacific region was particularly affected by the price of raw materials and the slowdown of China.

Although China continues to be one of the main driving forces of economic growth at the global level, with growth rates greater than 6%, the economy is gradually slowing down. This situation is explained mainly by the measures to rebalance the economy taken by Chinese authorities that seek to change the growth model for investments and exports, and by the moderation of domestic consumption.

In Australia, although GDP growth in 2015 was slightly affected by the general drop in the price of commodities, the IMF estimates that growth will be around 3% for the next two years. The Australian economy is not as hard-hit as other exporting countries by the drop in commodity prices, thanks to a favourable monetary policy, the depreciation of the Australian dollar and the effort that the country is making to steer investments towards other sectors of the economy.

GDP growth in Middle Eastern countries is expected to be around 3.6% for the next two years, underpinned by the levels of tax reserves of the countries, although





adversely affected by the drop in the price of oil and the geopolitical tensions in the area. Growth forecasts for the other economies of the area continue to be very positive, especially with regard to India, which is expected to grow at a rate of 7.5%, but with the risk of being affected by its closest neighbour.

- Emerging countries that have undergone considerable economic and social growth in recent years but with a precarious level of infrastructure development. These countries need to invest in infrastructure in order to support their growth, thereby eliminating potential bottlenecks restricting their development potential.

## INFRASTRUCTURE NEEDS AND DEMAND

The infrastructure sector is one of the fundamental pillars of any country's economic and social development. The world is constantly changing and needs to develop infrastructure that not only meets population demands but also supports sustainable economic growth. These needs are cyclical and vary depending on the degree of a country's economic and social development, its growth expectations, its natural and financial resources, its population level and its geographical location.

The regions with the highest current demand for infrastructure are as follows:

- Advanced countries with resources that have experienced significant population growth or that have a high concentration of their population living in large cities and that need to develop new infrastructure to improve their social well-being or to replace what has become obsolete with other more efficient and sophisticated infrastructure with a larger capacity. These countries include the United States, Australia and the United Kingdom.

One of the determining factors in a country's infrastructure demand is demographic growth and population movement. According to the United Nations<sup>2</sup>, the world population will rise from 7,349 million at present to 9,725 million in 2050. We also expect to see the consolidation of the middle class, especially in emerging countries, and an increase in the concentration of the population living in urban areas, from the current 54% to over 66% in 2050, with Africa and Asia being the regions that will undergo the largest population migration towards urban centres. These forecasts will give rise to very high transport, social and energy infrastructure needs in the medium and long term.

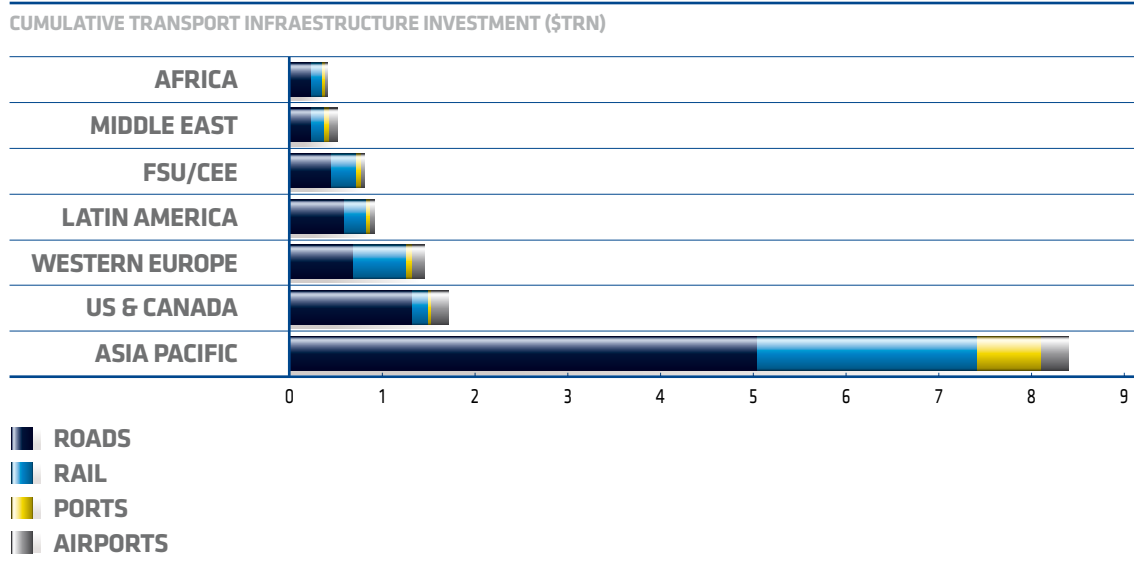
<sup>2</sup> "World Population Prospects: The 2015 Revision", United Nations, 2015.

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

## TRANSPORT INFRASTRUCTURE

Oxford Economics<sup>3</sup> estimates that more than 13,000 billion US dollars will be invested in **transport infrastructure** (roads, railways, ports and airports) over the next ten years.

### GROWTH IN INFRASTRUCTURE SPENDING BY REGION TO 2025



Source: "Assessing the global transport infrastructure market: Outlook to 2025", PWC and Oxford Economics, 2015.

According to this source, annual investment in transport infrastructure worldwide will grow at a compound annual rate of 5% per year, from 942.000 million US dollars in investment in 2014 to 1.568 trillion US dollars in 2025.

### PWC/OXFORD ECONOMICS: INFRASTRUCTURE SPENDING TO 2025

US\$BN	2014	2015
ROAD NETWORK (INCLUDING BRIDGES AND TUNNELS)	559	946
RAILROAD NETWORK (INCLUDING STATIONS AND TERMINALS)	261	426
SEA PORTS	62	116
AIRPORTS	60	80
<b>GLOBAL TOTAL TRANSPORT INFRASTRUCTURE SPENDING</b>	<b>942</b>	<b>1,568</b>

Source: "Assessing the global transport infrastructure market: Outlook to 2025", PWC and Oxford Economics, 2015

<sup>3</sup> "Assessing the global transport infrastructure market: Outlook to 2025", PWC and Oxford Economics, 2015.



Road networks are expected to accumulate the highest level of investment, mainly in emerging countries, due to higher population demands and the increase in the purchasing power of these regions. Secondly, rail transport will increase by more than 60% in both emerging and developed countries, especially in Eastern Europe. Although the investment will be less in absolute terms, port infrastructures will grow at around 50% over the next ten years.

According to Oxford Economics, more than 50% of the total accumulated investment in transport infrastructure will be made in the Asia Pacific region, with an estimate of more than 8 trillion US dollars for 2025. The markets of the United States, Canada and Eastern Europe will follow with accumulated investments of around 1.5 trillion US dollars.

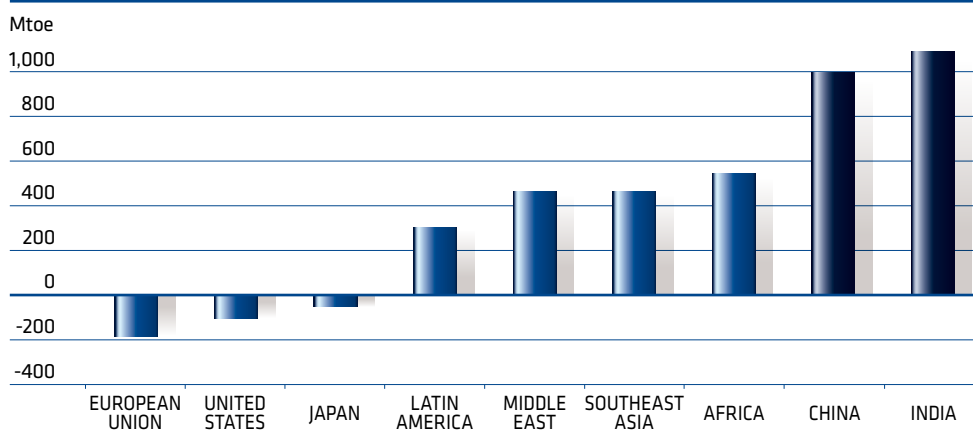
## ENERGY INFRASTRUCTURE

Investments in **energy infrastructure** was especially affected by the drop in the price of oil, however long-term investment will be supported thanks to:

- The increase in energy consumption: according to a report issued by the International Energy Agency<sup>4</sup>, the demand for energy from 2014 to 2040 will grow at an average rate of 1% per year, led by emerging countries, in particular India and China.
- The implementation of a more efficient energy system and the driving force of fuel and technologies with less CO<sub>2</sub> emissions in order to limit global warming, in line with the agreements reached at the COP21.

<sup>4</sup> "World Energy Outlook 2015", International Energy Agency, noviembre 2015.

## CHANGES IN ENERGY DEMAND BY REGION (2014-2040)



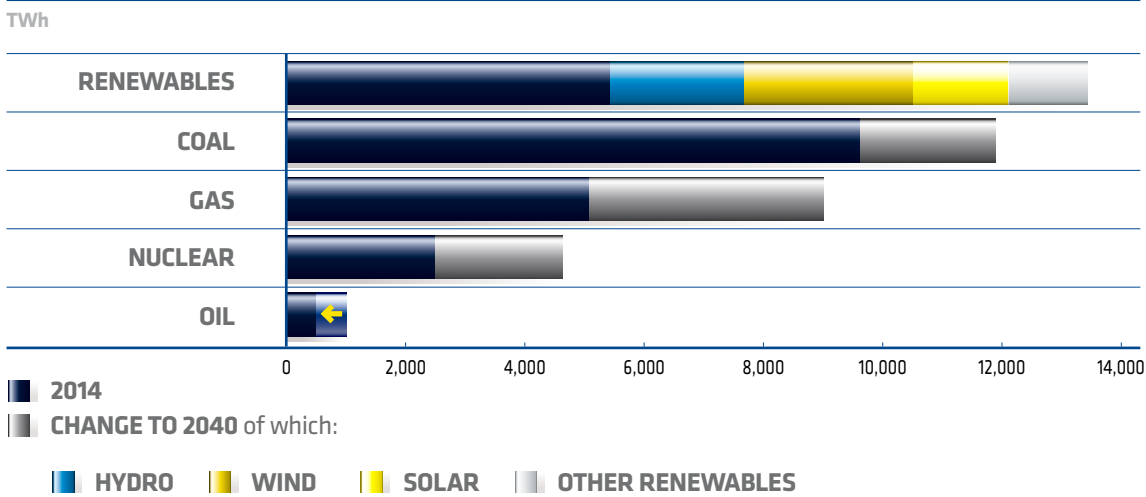
Source: "World Energy Outlook 2015", International Energy Agency, November 2015

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

According to the World Energy Outlook, investments allocated to the energy sector worldwide will exceed 68,000 billion US dollars between 2015 and 2040. Of this investment, more than 25,000 billion US dollars will be allocated to the supply of oil and gas, 22,000 billion US dollars to greater efficiency in the final use of the energy and 21,000 billion US dollars to energy supply.

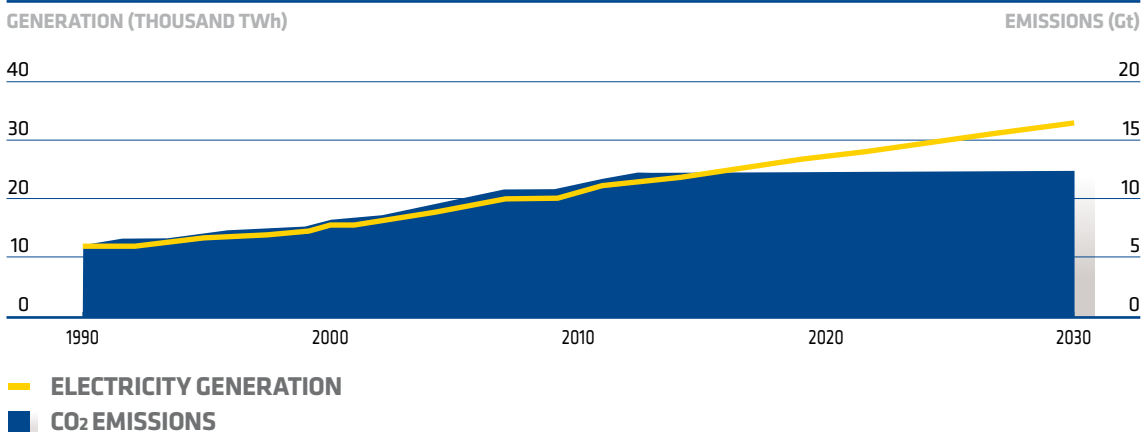
The demand for electricity is expected to grow by 70% by 2040, representing almost one fourth of final energy consumption. The energy generated from renewable sources is also expected to gain importance, reaching 50% of the total energy output in the European Union, 30% in China and Japan, and more than 25% in the United States by 2040. As a result, CO<sub>2</sub> emissions from the electricity sector are only expected to increase by 14%, i.e., one fifth of the expected 70% increase in output.

## GLOBAL ELECTRICITY GENERATION BY SOURCE



Source: "World Energy Outlook 2015", International Energy Agency, November 2015

## WORLD ELECTRICITY GENERATION AND RELATED CO<sub>2</sub> EMISSIONS



Source: "World Energy Outlook 2015", International Energy Agency, November 2015



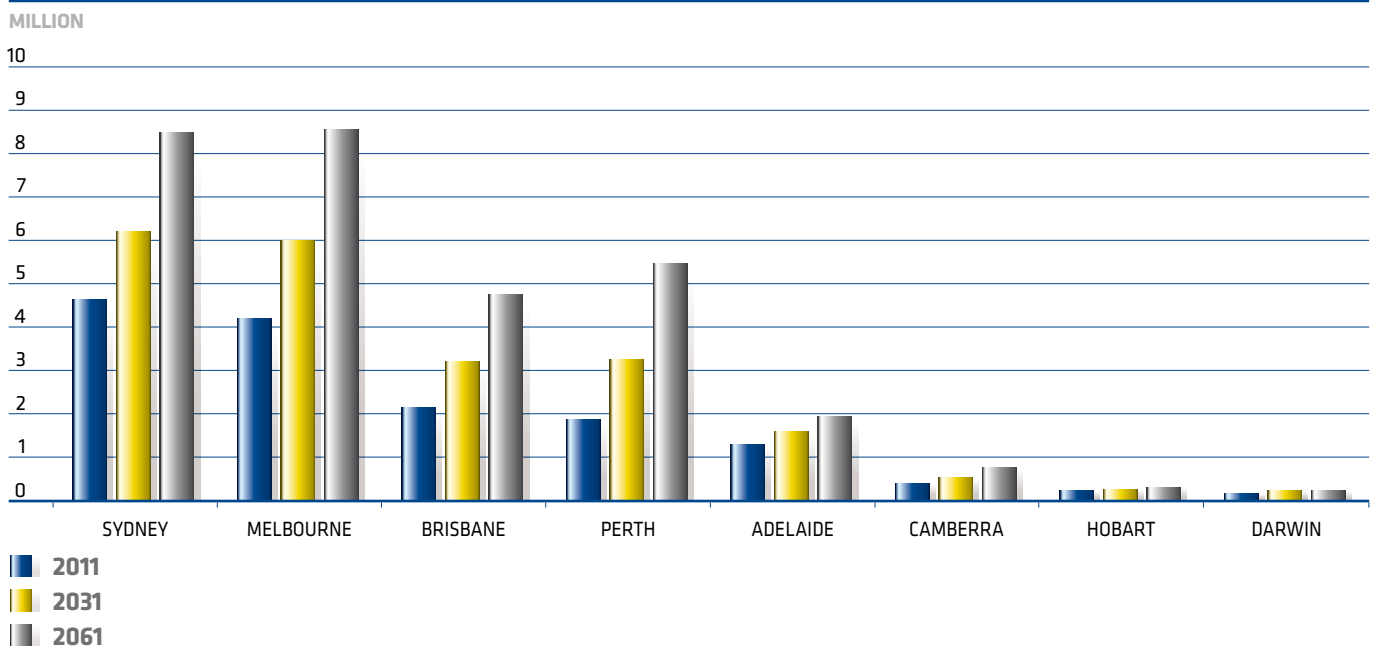
## STATE OF THE INFRASTRUCTURE SECTOR IN AUSTRALIA

### Demand / Needs

Growth in 2015 stood at around 2.4%, as it was slightly affected by the impact of the drop in the mining sector, which represents 9.3% of Australia's GDP. However, the country's generation of wealth is highly diversified and, therefore, the impact of the drop in price of raw materials did not affect its growth potential. The IMF therefore expects that Australia will continue to grow at a rate of around 3%, above the average for advanced countries, in the coming years.

Accordingly, growth forecasts for infrastructure projects, mainly with regard to transport, are positive. These projections are underpinned by the higher demand of a population which, according to the OECD, will increase by more than 25% to 30.5 million inhabitants in 2030 and will be concentrated in four main cities (Sydney, Melbourne, Brisbane and Perth).

## POPULATION OF AUSTRALIA'S CAPITAL CITIES IN 2011 AND PROJECTED TO 2031 AND 2061



Source: "Infrastructure Australia Analysis of Australian Bureau of Statistics", 2013.

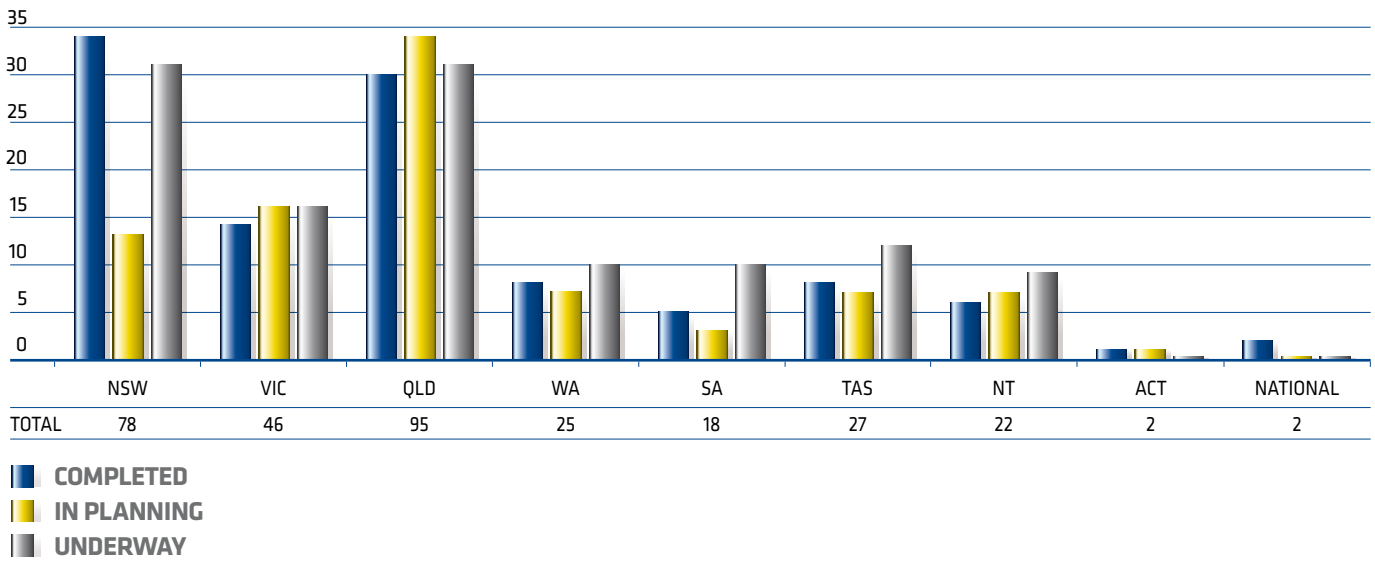
# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

The Australian government is currently drawing up an Infrastructure Plan based on an independent auditors report issued in May 2015, which reflects the current and future deficit in the country's infrastructure development. The Plan defines several lines of action in order to promote sustainable development of the

country's infrastructure network and covers current as well as future demand needs. The Plan also establishes a list of top-priority projects that are currently estimated at a value of approximately 92,000 million Australian dollars, which includes the programme for maintaining and improving the road network.

## PROJECTS BY STATUS AND STATE AS OF DEC 2015

TOTAL PROYECTS



### Resources / Financing

The Australian government is one of the least leveraged governments in the world, with a credit rating of AAA, according to S&P, Moody's and Fitch. The country's net debt is around 19% of its GDP, significantly below the average for advanced countries, which is around 70%. The country therefore has sufficient public funds to finance its infrastructure needs. Based on the Infrastructure Plan that has been drawn up, the government has currently allocated around 50,000 million Australian dollars for the development of infrastructure, mainly with regard to transport. The Plan counts on the collaboration of the private sector to finance the projects.

The country also has a pension system ("Superannuation Funds") that favours the participation of the private sector in financing infrastructure projects. The superannuation funds is the largest pension fund system in the Asia Pacific region and the fourth worldwide, with almost 2,600 billions Australian dollars in assets under management. These funds are very attractive for investment in the infrastructure sector and are expected to reach 3,600 billions Australian dollars in 2025.

In addition, Australia has more than 25 years of experience in carrying out public-private partnership projects, which have undergone a significant increase in investment in this sector. Up until 2014 more than 127 projects

of this type were carried out in Australia with joint investment greater than 60,000 million Australian dollars, and this figure is expected to continue growing in the coming years.

### TREND IN THE INFRASTRUCTURE CONSTRUCTION ACTIVITY BY SECTOR IN AUSTRALIA

#### Demand / Needs

The construction sector in the United States is in the middle of a new cycle of expansion and recovery, with estimated growth rates of 7% in the coming years. The level of investment in infrastructure has not kept pace with the population growth that the country has undergone in the last few years and, therefore, this infrastructure has gradually deteriorated and is currently obsolete.

Various initiatives have been created to analyse and forewarn of this infrastructure deficit. The American Society of Civil Engineers (ASCE) estimates that by 2020 the investments necessary to maintain, expand and improve infrastructure for transport, water, waste management and electricity transmission systems will reach 3,625 billion US dollars. However, according to the ASCE, the financial deficit for the necessary projects up until 2020 is 1.6 trillion US dollars. Failure to comply with these investment levels would represent a cost of 1.2 trillion US dollars for companies and 611,000 million US dollars for households.

## OVERALL INVESTMENT NEEDED IN INFRASTRUCTURE UP UNTIL 2020

BILLIONS OF DOLLARS	TOTAL NEEDS	ESTIMATED FUNDING	FUNDING GAP
LAND TRANSPORT	1,723	877	846
WATER/WASTERWATER INFRAESTRUCTURE	126	42	84
ELECTRICITY	736	629	107
AIRPORTS	134	95	39
INLAND WATERWAYS AND MARINE PORTS	30	14	16
DAMS	21	6	15
WASTE TREATMENT	56	10	46
LEVEES	80	8	72
GREEN AREAS	238	134	104
RAIL	100	89	11
SCHOOL	391	120	271
<b>TOTALS</b>	<b>3,635</b>	<b>2,024</b>	<b>1,611</b>
YEARLY INVESTMENT NEEDED	454	253	201

Source: "2013 Report Card for America's Infrastructure", American Society of Civil Engineers, 2013.

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

According to Finance and Commerce, 163,000 million US dollars would need to be invested each year in the 2015-2020 period only in the system of highways, bridges

and public transport, whereas current investment is estimated at 105,000 million US dollars per year; this investment gap must therefore be bridged.

## US P3 MARKET: DECADE IN REVIEW

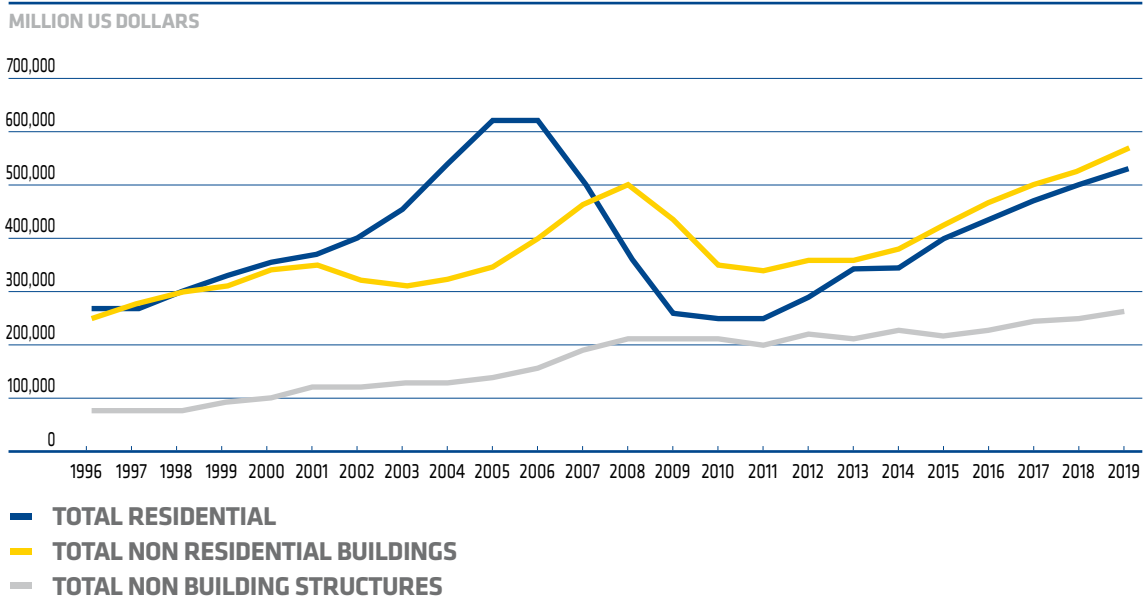
2005-2014	
ANNOUNCED TRANSACTIONS	48
ANNOUNCED TRANSACTION VALUE	60.7
COMPLETED TRANSACTIONS	40
COMPLETED TRANSACTIONS VALUE	39.0

According to data from the FMI Corporation<sup>5</sup>, the construction sector grew by 10% in 2015, thereby exceeding expectations for this year; residential building grew by 15% and non-residential building and civil engineering works grew by around 11% compared to 2014. The FMI Corporation also estimates that the construction sector will grow at an annual compound rate of 6.3% over the next three years, underpinned mainly by residential

building which is estimated to grow at 7.6% per year. Furthermore, it highlights the recovery of non-residential building and civil engineering works, which will grow at an annual compound rate of 5.6%, significantly above the -0.5% compound growth rate for the 2010-2014 period.

<sup>5</sup> "2015 FMI's Construction Outlook, fourth quarter", FMI, December 2015.

## PERFORMANCE OF THE CONSTRUCTION SECTOR IN THE UNITED STATES BETWEEN 1996 AND 2019



Source: "2015 FMI's Construction Outlook, fourth quarter", FMI, December 2015.



### Resources / Financing

In December 2015 a new draft law known as Fixing America's Surface Transportation (FAST) Act was approved to finance the system of roads, public transport and railways over the next five years. This law will have a total budget of 305,000 million US dollars, of which 233,000 million US dollars will be allocated to the road system, 49,000 million US dollars to financing public transport and 10,000 million US dollars to the federal railway system. According to the ASCE<sup>6</sup>, when this new draft law is completed in five years, investment in highways will increase by 15%, financing for public transport systems will grow by 18% and investment in the federal railway system will remain at current levels.

In view of the current decrease in public spending, the United States is one of the countries where public-private partnerships in financing infrastructure projects are key. Not only because of the growth potential and market needs, but also because it is a

possibility that is underdeveloped. However, it is also one of the markets that has made the greatest progress in recent years. According to InfraAmericas, 48 PPP projects were announced from 2005 to 2014 in the United States with a value of 60,700 million US dollars, of which 40 projects representing 39,000 million US dollars were completed.

In addition, measures are being taken to encourage the use of public-private partnership projects, such as TIFIA and WIFIA credits, which offers special financing terms and conditions for transport and water infrastructure projects.

Currently 33 states, the District of Columbia and Puerto Rico have already legislation that enables these types of public-private projects and, therefore, the focus should be on unifying and expanding legislation in order to develop these types of contracts.

<sup>6</sup> Peter Nonis, ASCE, December 2015.

## TRENDS IN PUBLIC-PRIVATE PARTNERSHIPS



Source: Public-Private Partnerships for Transportation, National Conference of State Legislatures, 2016.

# RELEVANT FACTORS IN THE CURRENT ENVIRONMENT OF THE INFRASTRUCTURE SECTOR

## CONSTRUCTION SECTOR IN EUROPE

### Demand / Needs

According to Euroconstruct data, the construction sector in Europe grew by 1.6% in 2015, making it the second year in a row with positive growth since the beginning of the financial crisis. Growth of 3% and 2.7% is expected for 2016 and 2017, respectively. Following the downturn experienced in recent years, the residential building area is the sector with the largest growth margin. The growth rate for 2015 was 2.2%, and the sector is expected to grow at rates of 6.1% and 4.1% in 2016 and 2017, respectively. Non-residential building continued to drop by 0.6% in 2015, but is expected to pick up in 2016 at a rate of 3.8%. According to Euroconstruct, civil engineering works is the segment that experienced the largest

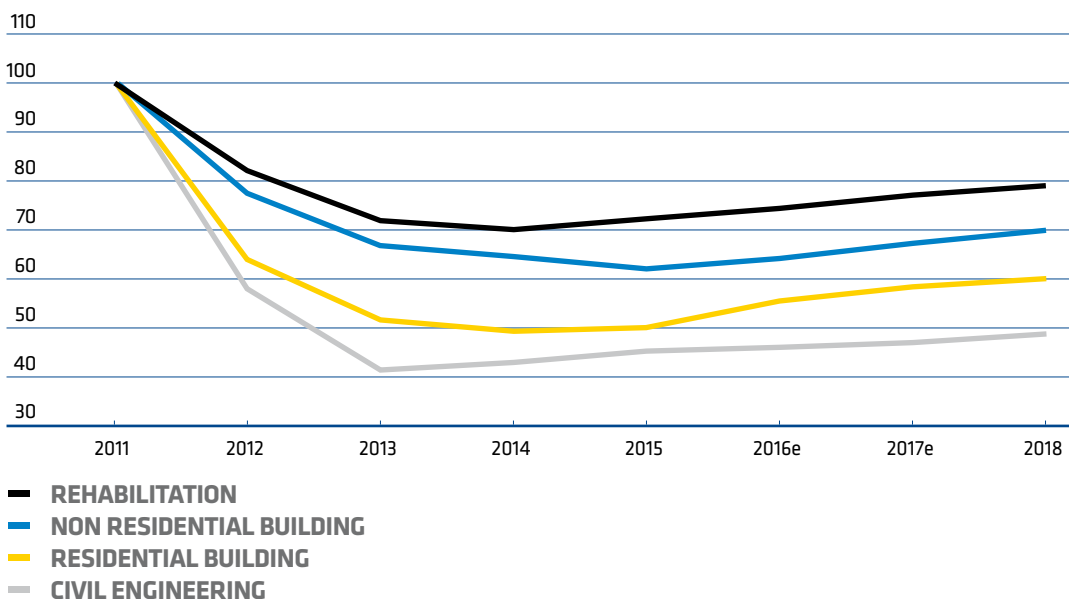
growth in 2015 (up 3.3%), especially in Eastern Europe as a result of the funds allocated, and the outlook continues to be positive for the 2016-2018 period with average growth of 3.2%.

The sector's performance in the various European countries will be varied: Ireland, Poland and Spain will be leading the growth in the sector, whereas growth in other countries, such as Germany and the United Kingdom, will be more moderate at around 2%. That said, the outlook for the next two years is positive for most countries.

In Spain, Euroconstruct expects a rise in the sector that will reflect growth of 4.4% (compared to 2.4% in 2015). The construction sector is expected to maintain this rate of growth, with forecast rates of +4% in 2017 and +3.3% in 2018.

## PERFORMANCE OF THE VARIOUS SUBSECTORS IN THE SPANISH MARKET

PRODUCTION INDICES AT CONSTANT PRICES, BASE 2011=100



Source: ITeC - Euroconstruct, december 2015.

## The challenge that European countries are facing is that of obtaining financing for infrastructure projects. Private investment is key.

Within the construction sector, residential building will experience the greatest increases after the harsh readjustment suffered in recent years, with growth forecasts of 10% in 2016 and, according to this report, growth rates of around 5% and 4% for 2017 and 2018, respectively. After the negative growth rate in 2015 for non-residential building, activity in this segment is expected to rise by 3.5% in 2016, although these increases will be more moderate than in the residential building segment. With regard to civil works, this segment's performance will clearly depend on the possible change in government and, therefore, the Euroconstruct report for 2016 states that growth in this segment will be around 1.6%, taking into account the completion of work already begun, whereas growth of 3% is expected for 2017 and 2018.

### Resources / Financing

The challenge that European countries are facing is that of obtaining financing for infrastructure projects. Private investment is key in this area since for the most part European governments are tightening their budgets with budgetary deficit levels of around 2%. A slight recovery is therefore expected in private investment, driven by an expansive monetary policy on the part of the European Union with interest rates at 0% and promoting liquidity in financial markets.

In particular, the budgets approved for 2016 in Spain will remain virtually unchanged compared to those of the previous year. The budgets include an investment of 9,493 million euros in infrastructure, of which 4,318 million euros will be allocated to railways, 2,206 million euros to roads, 1,253 million euros to hydraulic infrastructure, 878 million euros to port infrastructure, 544 million euros to airports, 251 million euros to environmental infrastructure and coasts and 43 million euros to other infrastructure.



# CONSTRUCTION

**THE ACS GROUP'S CONSTRUCTION AREA IS AIMED AT EXECUTING OF CIVIL WORKS PROJECTS, BUILDING WORKS AND PROJECTS TO THE MINING SECTOR BY THE THREE LEAD COMPANIES DRAGADOS, HOCHTIEF E IRIDIUM.**





# CONSTRUCTION

## CONSTRUCTION





The ACS Group's Construction area is aimed at executing of all kinds of **Civil Works** projects (infrastructure-related developments such as highways, railways, maritime and airport works), **Building Works** (residential, social infrastructure and facilities) and projects related to the **Mining** sector (contracts for the provision of mining services and the infrastructure required for mining activities). These projects are executed either via direct construction models for institutional or private clients or via public-private partnership models, where the ACS Group covers the whole concession business value chain, from project design through financing, construction and start-up to operation.

These activities are performed by the three lead companies in this area, **Dragados, HOCHTIEF e Iridium.**

Each of these three companies is made up of a large group of companies which operate independently, specialising in different activities and geographic regions in which the Group operates. This highly decentralised structure, together with the specialisation and complementary nature of the various companies, has enabled the ACS Group to tackle larger, more complex projects. This activity is performed with rigorous monitoring of the risks associated with each project, optimising financial strength in this area so as to maximise the operating efficiency and profitability of each and every project.

In this way, the ACS Group positions itself as a leading company globally in Construction, with projects in over 30 countries worldwide.



America becomes in the main geographic area for the Construction business, with 50% of the total sales in this area.

## MAIN FIGURES

The ACS Group's Construction **business turned over revenue** of 25,319 million euros in 2015, which represents a decrease of 1.9% compared to 2014.

### CONSTRUCTION

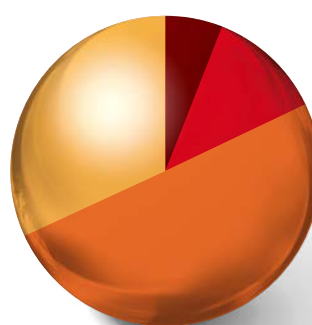
MILLION OF EUROS	2014	2015	% Var.
REVENUE	25,820	25,319	-1.9%
EBITDA*	1,410	1,438	2.0%
MARGIN	5.5%	5.7%	
EBIT*	791	821	3.8%
MARGIN	3.1%	3.2%	
NET PROFIT	223	304	36.4%
MARGIN	0.9%	1.2%	
ORDER BOOK**	45,686	48,874	7.0%
MONTHS	19	21	
NUMBER OF EMPLOYEES	74,440	57,903	

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

\*\* Includes the order book proportional to the stake in joint ventures that the Group does not fully consolidated.

On analysing Group activity by geographic area, the growth in sales in America stands out. This became the main geographic area for the Construction business in 2015, with 50% of the total sales in this area. As such, sales in America reached 12,648 million euros in 2015, with growth of 23% with respect to the previous year, thanks to the revaluation of the US dollar and the consolidation of the Group's companies in this region. Sales of 9,100 million euros were recorded in Asia Pacific during 2015, representing a 21% drop with respect to the year before, deriving mainly from the slowing of mining activity in Australia and to the completion of projects related to gas infrastructure. In Europe, activity decreased by 3.3% in Spain, with sales of 1,368 million euros in 2015, while in the rest of Europe revenue was 2,203 million euros in 2015, 15.4% lower than the revenue recorded in 2014.

### REVENUE BREAKDOWN BY GEOGRAPHICAL AREAS



●	SPAIN: 5%
●	REST OF EUROPE: 9%
●	AMERICA: 50%
●	ASIA PACIFIC: 36%

# CONSTRUCTION

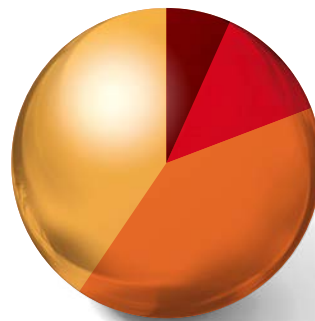


**Gross operating profit** in Construction activity in 2015 rose by 2% compared to 2014, reaching 1,438 million euros, deriving from improved operating efficiency and risk management, especially in HOCHTIEF companies. As such, gross operating profit margin in 2015 was 5.7%, 20 basis points higher than in 2014.

**Net profit** in 2015 totalled 304 million euros, representing growth of 36.4% with respect to the year before.

At December 2015, the **order book** for Construction activity was 48,874 million euros, representing growth of 7.0% with respect to the previous year and covering 21 months of activity. By geographical area, America is the region that produced the greatest increase in the order book, up 22.3% compared to 2014 and now representing 41% of the order book for this area of activity. Order book figures for the Asia Pacific region remain practically stable with respect to 2014 and it continues to be the Group's main area of activity, with 43% of the projects in the order book at the end of 2015. In Europe, the order book figure fell to 16% of the total figure.

## ORDER BOOK BREAKDOWN BY GEOGRAPHICAL AREAS



- SPAIN: 6%
- REST OF EUROPE: 10%
- AMERICA: 41%
- ASIA PACIFIC: 43%



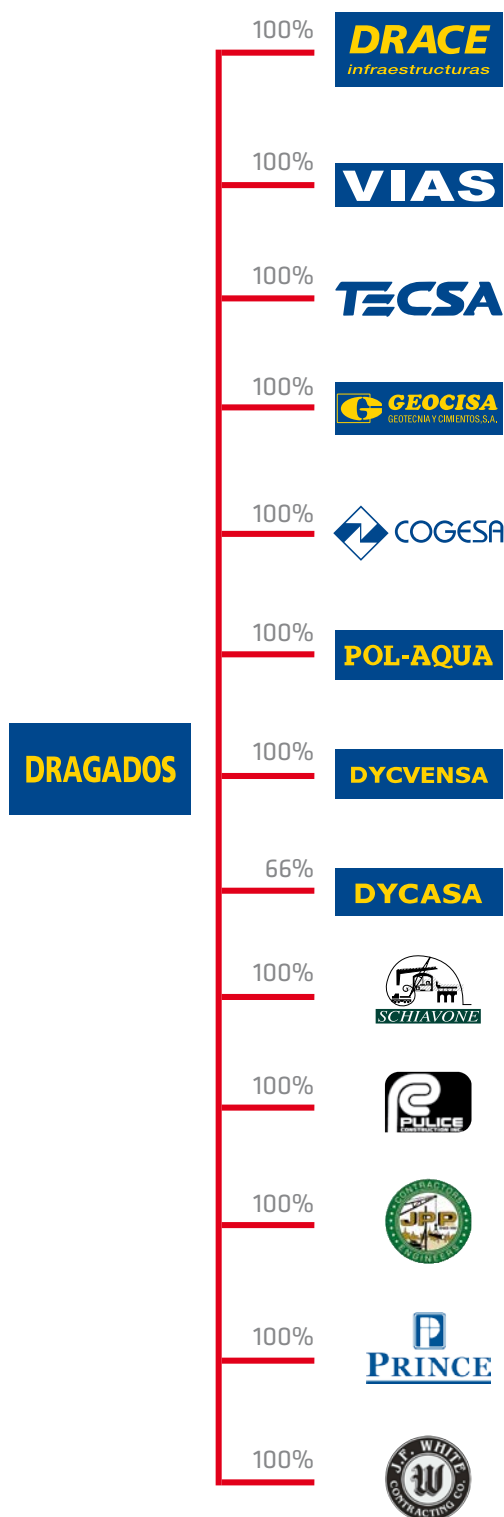
The construction activity was 48,874 million euros, covering 21 months of activity.

## DRAGADOS

Dragados since its foundation in the first half of the 20th century, has been oriented to executing Civil Works infrastructures (motorways, railway, marine, water and airport works) and both residential and non-residential building projects.

Dragados is also the leading Construction company in Spain and a worldwide reference that executes significant infrastructure projects in other European countries such as Portugal, the United Kingdom and Ireland and Poland, where it has consolidated itself through its subsidiary Pol-Aqua. Furthermore, Dragados has similarly strengthened its position in the United States and Canada thanks to the activity of its North America subsidiaries Schiavone, Pulice, John P. Picone, Prince Contracting and J.F. White Contracting. On the other hand, it has extended experience, with over thirty-five years of presence, in executing projects in Latin America, especially in Chile, Peru and Colombia, and in Argentina and Venezuela, where it has its own subsidiaries of Dycasa (Argentina) and Dycvensa (Venezuela).

Dragados' strategy focuses on maintaining its leadership position in Spain while continuing to consolidate its position in those markets where it is already a reference in the infrastructures sector, as well as expanding its activity to other international markets, in all those projects which enable it to provide competitive advantages with respect to the local industry, but always maintaining rigorous control of risks and costs to enable it to maximise their operating efficiency and profitability.

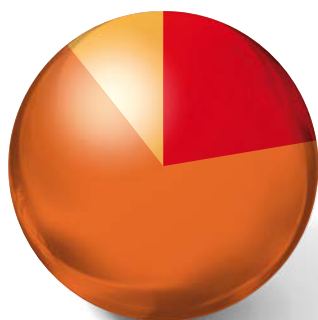


# CONSTRUCTION

Dragados' revenue totalled 4,152 million euros in 2015, representing growth of 14.0% with respect to 2014. Activity in Spain is starting to show signs of recovery in building investment, especially residential, and Dragados' revenue in its national market was 1,327 million euros, 1.4% lower than in 2014. Revenue in foreign markets grew by 23% to 2,825 million euros, driven by the increase in activity in the United States due to the start of projects awarded in 2014, as well as the growth in activity in Latin American countries such as Chile, Peru and Colombia.

At 31 December 2015, Dragados' project **order book** was 12,158 million euros, representing coverage of 35 months of activity and an increase of 28.9% with respect to 2014 thanks to significant Civil Works projects awarded to Dragados in international markets, which already represent 76% of Dragados' total order book in 2015.

## DRAGADOS REVENUE BREAKDOWN BY TYPE OF ACTIVITY



- DOMESTIC CIVIL WORKS: 22%
- INTERNATIONAL CIVIL WORKS: 68%
- BUILDING: 10%

## DRAGADOS ORDER BOOK BREAKDOWN BY TYPE OF ACTIVITY



- DOMESTIC CIVIL WORKS: 19%
- INTERNATIONAL CIVIL WORKS: 76%
- BUILDING: 5%

## DRAGADOS

MILLION OF EUROS	2014	2015	% Var.
REVENUE	3,643	4,152	14.0%
EBITDA	295	292	-1.1%
MARGIN	8.1%	7.0%	
EBIT	257	230	-10.3%
MARGIN	7.0%	5.5%	
NET PROFIT	103	107	4.1%
MARGIN	2.8%	2.6%	
ORDER BOOK	9,431	12,158	28.9%
MONTHS	31	35	
NUMBER OF EMPLOYEES	12,244	13,383	

## HOCHTIEF

HOCHTIEF is one of the world's leading construction groups. Its business focuses on developing infrastructures and building in the transport, energy and social and urban infrastructures sectors, as well as contract mining activity. The company is based on the know-how in development, financing, construction and operation of infrastructures it has acquired during its over 140 years of experience. Thanks to its international network, HOCHTIEF is present in the world's most important markets and has a consolidated presence in Asia Pacific, Middle East, United States and Canadian markets, as well as in Central Europe.

HOCHTIEF's extended experience in the market, its size and the synergies between its various areas of business enable it to tackle very complex projects both directly and in concession regimes, as its comprehensive focus produces particularly advantageous results in public-private partnership projects.

HOCHTIEF's commercial activities are divided into the three large geographical regions in which the company operates: HOCHTIEF Americas, HOCHTIEF Asia Pacific and HOCHTIEF Europe.



Among its objectives are to continue its activities, aiming at sustainable and profitable cash-backed growth to enable it to continue to be among the main companies in the sector. To guarantee long-term growth, it promotes interaction between economic, ecological and social aspects.

All of this is based on values built around integrity, accountability, innovation, delivery, sustainability, and safety.



# CONSTRUCTION

As such, HOCHTIEF's strategic initiatives are focused on: maintaining its orientation towards to the infrastructure sector, and continuing with its process of maximising profitability and generating cash, at the same time as improving risk management. All by means of highly specialised solutions which seek differentiation through innovation and with the support of excellent human capital, without forgetting the interactions with the remaining aspects that ensure sustainable growth.

As such, in 2015 HOCHTIEF continued its process of internal transformation, adapting and harmonising structures and processes between the various areas.

HOCHTIEF's **revenue** totalled 21,097 million euros in 2015, representing a reduction of 4.5% with respect to 2014. By division,

HOCHTIEF America's sales grew by 20.2% to 10,354 million euros, thanks to the positive development of its subsidiaries Turner and Flatiron in the United States and Canada market and the revaluation of the dollar against the euro. In the Hochtief Asia Pacific division, sales in 2015 were 8.946 million euros, 21.5% lower than the previous year, due to the reduction in mining activity, and in Hochtief Europe sales saw a fall of 15.5% due to the restructuring of its activity.

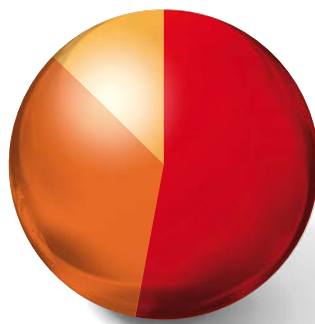
At 31 December 2015, HOCHTIEF's **order book** had increased by 1.3% to 36,717 million euros, which is equivalent to 18 months' activity. Worth highlighting is the 10.8% increase in HOCHTIEF America's order book based on good development in the sector, especially in the infrastructure area, and the effect of the exchange rate between the dollar and the euro.

## HOCHTIEF REVENUE BREAKDOWN BY DIVISIONS



- HOCHTIEF ASIA PACIFIC: 43%
- HOCHTIEF AMERICAS: 49%
- HOCHTIEF EUROPE: 8%

## HOCHTIEF ORDER BOOK BREAKDOWN BY DIVISIONS



- HOCHTIEF ASIA PACIFIC: 53%
- HOCHTIEF AMERICAS: 35%
- HOCHTIEF EUROPE: 12%



## HOCHTIEF\*

MILLION OF EUROS	2014	2015	% Var.	CONSOLIDATION ADJUSTMENTS	
				2014	2015
REVENUE	22,099	21,097	-4.5%	0	0
EBITDA*	993	1,143	15.1%	101	0
MARGIN	4.5%	5.4%		n.a.	n.a.
EBIT*	542	689	27.1%	(4)	(89)
MARGIN	2.5%	3.3%		n.a.	n.a.
NET PROFIT (HOCHTIEF A.G.)	252	208	-17.2%		
MARGIN	1.1%	1.0%			
NET PROFIT (CONTRIBUTION TO ACS)**	150	135	-10.3%	(30)	55
ORDER BOOK***	36,255	36,717	1.3%		
MONTHS	18	18			
NUMBER OF EMPLOYEES	61,949	44,264			

\* Data presented according to ACS management criteria. EBITDA and EBIT includes Joint Venture Net Results (companies executing projects managed with partners) not fully consolidated.

\*\* HOCHTIEF contribution to ACS Group during 2014 and 2015 fully integrated consolidation. Neither in 2014 nor in 2015, financial expenses related to Hochtief's acquisition were included.

\*\*\* Includes the order book proportional to the stake in joint ventures that the Group does not fully consolidate.

## HOCHTIEF. EARNINGS BY BUSINESS LINE\*

MILLION OF EUROS	HOCHTIEF AMERICAS			HOCHTIEF ASIA PACIFIC			HOCHTIEF EUROPE			HEADQUARTERS/ ADJUSTMENTS		TOTAL		
	2014	2015	% Var.	2014	2015	% Var.	2014	2015	% Var.	2014	2015	2014	2015	% Var.
REVENUE	8,615	10,354	20.2%	11,397	8,946	-21.5%	1,966	1,660	-15.5%	121	136	22,099	21,097	-4.5%
EBITDA**	151	215	42.0%	936	994	6.2%	(37)	2	n.a.	(58)	(68)	993	1,143	15.1%
MARGIN	1.8%	2.1%		8.2%	11.1%		-1.9%	0.1%				4.5%	5.4%	
EBIT**	128	180	40.9%	543	627	15.4%	(68)	(29)	58.2%	(61)	(90)	542	689	27.1%
MARGIN	1.5%	1.7%		4.8%	7.0%		-3.5%	-1.7%				2.5%	3.3%	
NET PROFIT	63	101	60.1%	265	173	-34.6%	(81)	(30)	63.0%	4	(36)	252	208	-17.2%
MARGIN	0.7%	1.0%		2.3%	1.9%		-4.1%	-1.8%				1.1%	1.0%	
ORDER BOOK	11,603	12,860	10.8%	20,906	19,470	-6.9%	3,747	4,390	17.2%			36,255	36,717	1.3%

\* Data presented according to ACS management criteria.

\*\* Includes Joint Venture Net Results (companies executing projects managed with partners) not fully consolidated.

# CONSTRUCTION



## HOCHTIEF Americas

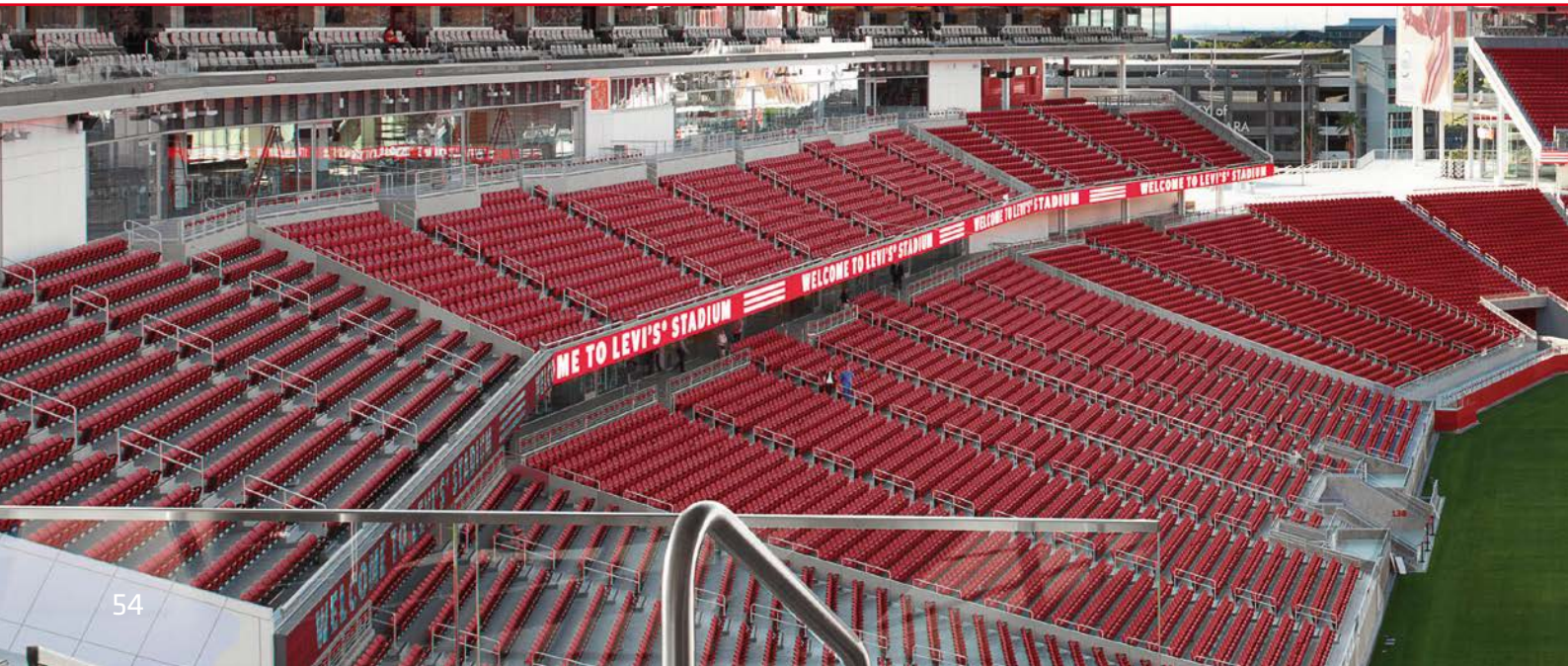
The HOCHTIEF Americas division covers the activity of HOCHTIEF subsidiaries in the United States and Canada, which are: Turner, Flatiron, E.E. Cruz and Clark Builders. Each of these subsidiaries focuses on different aspects of the infrastructures and building sector in this geographic region, basically including the development of transport infrastructures (basically roads and bridges), as well as public buildings, office buildings, sports facilities, school and healthcare buildings, in addition to having performed work related to infrastructures in the energy sector, such as hydroelectric power plants, dams and the laying of electrical cables.

HOCHTIEF America’s subsidiaries are closely related to each other, enabling them to benefit from synergies, as well as from a constant interchange of information and experience.

During 2015, all the operating units in this area improved their operating earnings, thanks to the favourable development of the construction sector in these markets.

Turner continues to be positioned among the construction market leaders in the United States. According to the journal Engineering News-Record, Turner leads the market in the construction of commercial/industrial buildings and was in first place in the ranking of the 100 best sustainable construction suppliers in the United States for the eighth consecutive time. This sector is on the rise, as shown by the systematic analysis Turner carries out regularly through its Green Building Barometer studies.

Flatiron, specialised in the construction of civil works infrastructures, is in 15th place



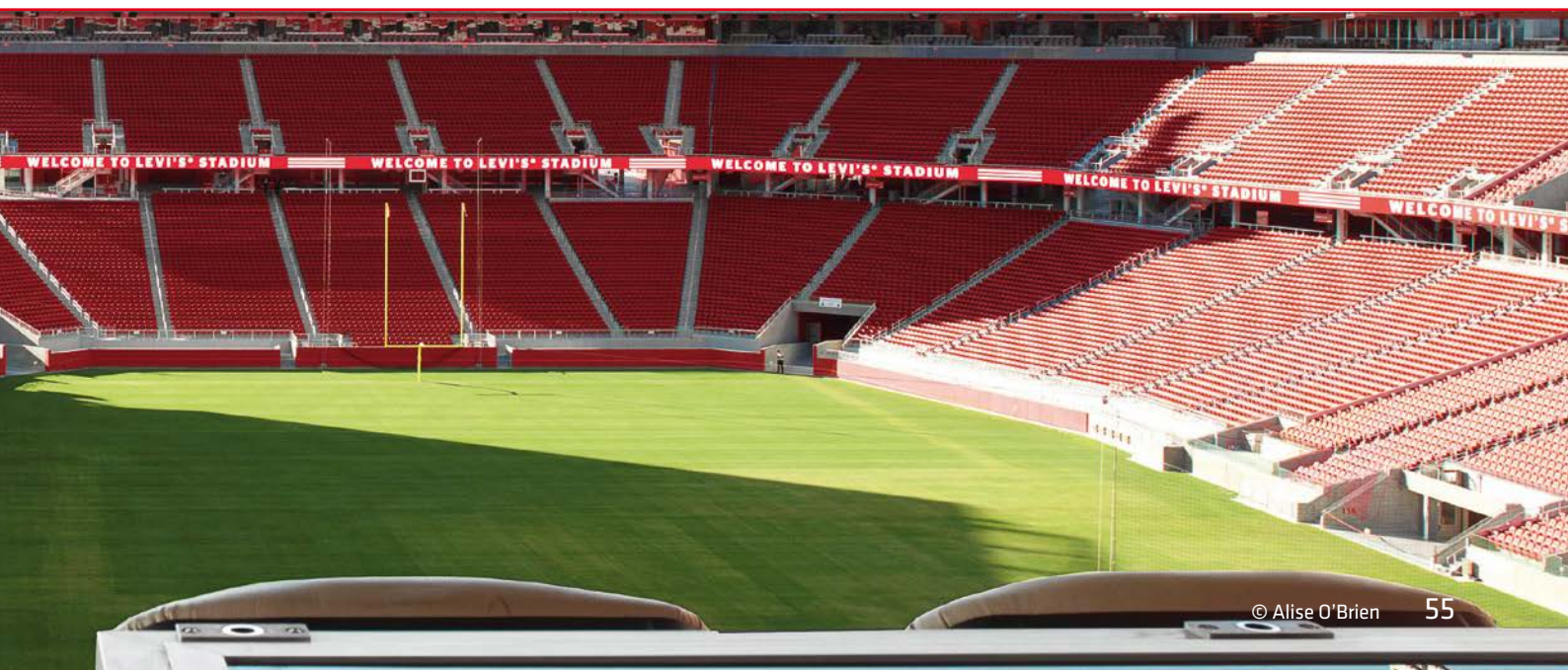
in the ranking of the 50 best Contractors in the United States, according to the Engineering News-Record study. Flatiron will continue to improve its position in the market, thanks to carrying out projects obtained in previous years.

In the year in question for this report, the engineering sector took on special importance for Turner and Flatiron, given the general market trend to contracts for design and construction projects, in which engineering and construction services are supplied from a single source. The two companies have created their own engineering units – Turner Engineering and Flatiron Technical Services – that provide their services as competence centres, supervising the preparation of designs, including revision and optimisation tasks when necessary, with a view to minimising project risks. The objective is to generate a competitive advantage by improving the added value and profitability of projects. HOCHTIEF Engineering in Essen (Germany) provides support to the new engineering units, with which it exchanges information in order to improve efficiency.

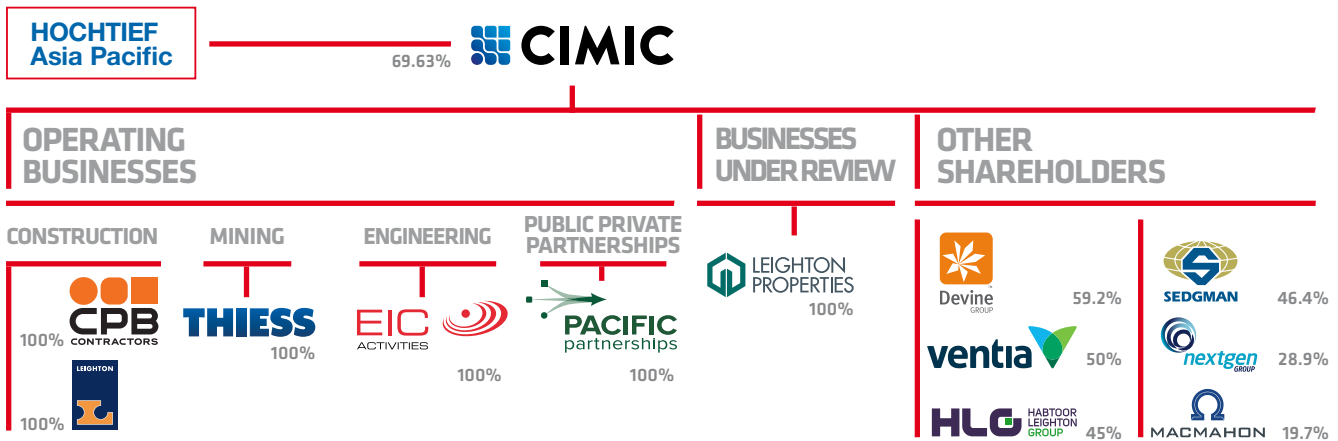
For example, the Turner Engineering Group provides technical know-how on geotechnology, building physics, structural

dynamics, building management systems, construction technical services and other fields. Turner also plays a fundamental role in Building Information Modelling (BIM) sectors and the Lean Construction segment. Finally, in the public-private partnership transport infrastructures sector, the North American market showed signs of possible lasting growth in the construction of bridges and roads during the year in question for this report, while in Canada, with a highly consolidated market in terms of public-private partnership projects, HOCHTIEF PPP Solutions again had success in collaboration with Flatiron, Turner and Clark Builders, its United States partners in the HOCHTIEF Group.

As such, during 2015, HOCHTIEF Americas has continued to consolidate its position in the North American market by means of collaboration between Group companies and the exchange of technical know-how and it has also continued with its role of driving innovation in its sector.



# CONSTRUCTION



## HOCHTIEF Asia Pacific

The CIMIC Group, previously known as Leighton Holdings until early 2015, changed its name to CIMIC by voting majority at its Annual General Meeting held in April.

CIMIC, the parent company of the Group in the HOCHTIEF Asia Pacific division, holds a position of leadership, together with its operating units, in the construction market in Australia, Asia and the Middle East. It operates in over 20 countries, executing projects and providing services in the infrastructure, building, concessions and mining sectors. The different units operate under their own names in these markets. The CIMIC Group includes CPB Contractors (formerly Leighton Contractors) and Leighton Asia serving the construction industry, Thiess (the world’s largest mining contractor) that groups its mining activities together, Pacific Partnership that undertakes public-private partnership projects and concessions and EIC Activities, a recently founded company that covers the engineering sector, offering engineering services to end clients at the same time as providing support to CIMIC’s operating units. CIMIC also holds 45% of the Habtoor Leighton Group in Dubai and 50% of Ventia, one of Australia’s largest service suppliers.

In 2015, CIMIC to a large extent completed the process of strategic alignment and operational restructuring started in previous years.

The rationalisation of its operating structures through the divisions facilitates the transfer of know-how between all the HOCHTIEF Group units. Furthermore, the transformation of CIMIC enables it to offer clients services in the whole infrastructure project value chain, from financing to operation, within the carrying out of public-private partnership projects. HOCHTIEF sees enormous growth potential for the CIMIC Group, above all because Australia already has a stable market that is favourable for carrying out public-private partnership projects.

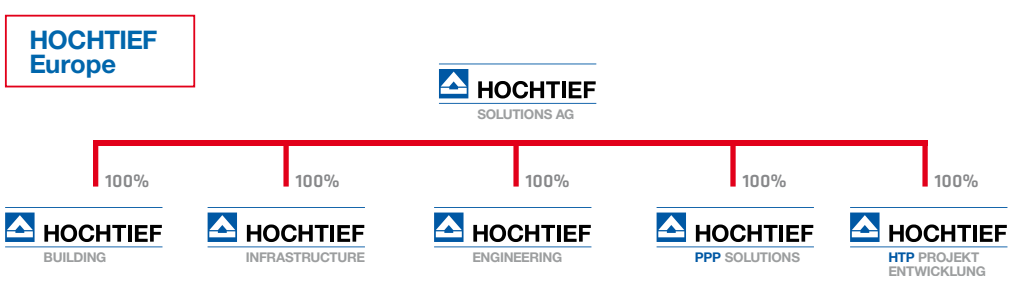
The CIMIC Group companies are continuing with an improvement process in the selection of contracts and seek to continue to improve their risk management systematically.

The transformation made in the CIMIC Group was well received by the market and during the year the CIMIC Group managed to improve its operating efficiency, especially in transport infrastructures and mining sectors, at the same time as managing to maintain a high order book level for the coming years.





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## HOCHTIEF Europe

HOCHTIEF Solutions AG is the management company for the HOCHTIEF Europe division. It combines its central businesses in Europe with other regions with high growth around the world. The subsidiaries of this division – HOCHTIEF Building, HOCHTIEF Infrastructure, HOCHTIEF Engineering, HOCHTIEF PPP Solutions and HOCHTIEF Projektentwicklung GmbH – carry out their operating activities under the common name of HOCHTIEF Solutions AG. At the beginning of 2016, the units HOCHTIEF Building and HOCHTIEF Infrastructure were amalgamated.

HOCHTIEF Building provides building services, from turnkey projects to renovations, including public-private partnership projects.

HOCHTIEF Infrastructure lays the foundations for well-planned, sustainable growth in Europe and in selected regions worldwide by building, from bridges, roads, railways, tunnels, airports, ports and urban infrastructures to conventional and renewable energy generating plants.

HOCHTIEF Engineering provides its clients with know-how on planning, technical consultancy, design and project management, as well as, through HOCHTIEF ViCon, building information modelling.

HOCHTIEF PPP Solutions designs, finances, builds and operates projects for the public sector as a partner. It provides comprehensive public-private partnership solutions for transport, energy and social infrastructure projects. To create greater added value for our company, public-private partnership services are only offered if HOCHTIEF is also charged with the construction work.

The processes within this division were harmonised still further in 2015. Quality improvements were made in the contracts acquired and in risk management, processes were simplified, IT tools were standardised and lines of communication were simplified. In this way, HOCHTIEF seeks to continue to reduce costs with a view to improving the competitive edge of each of its individual companies.

It is HOCHTIEF's intention to continue to consolidate its position in Germany by carrying out projects with high profitability, as well as to intensify its activities in other European countries, basically in Scandinavian countries, the Netherlands, Austria and the United Kingdom, as well as continuing performing activities in countries in the Middle East.

# CONSTRUCTION

## IRIDIUM

The company manages concession and public-private partnership contracts for transport infrastructures and public facilities, both nationally and internationally.

Iridium has for another year shown its capacity for development and management with a portfolio of over 110 national and international companies, making ACS in 2015 the world leader among concession groups both by number of assets and by investment volume. Furthermore, the company emphasises efficiency and innovation in its financial management by developing alternative project financing, for which it received several prizes in 2015.

Together with the rest of the ACS Group, Iridium maintains its privileged position as a worldwide reference in the development and management of infrastructures, as again acknowledged by the specialist journal Public Works Financing, which keeps ACS at the top of the ranking of the world's main concession groups, both by number of assets and by investment volume.

With accumulated experience of over 45 years, Iridium operates by implementing a strict risk control policy. In this way, Iridium identifies, assesses and minimises each specific risk in the various projects.



### World's Largest Transportation Developers

2015 SURVEY OF PUBLIC-PRIVATE PARTNERSHIPS WORLDWIDE

Ranked by Number of Transportation Concessions Currently Operating or Under Construction

Company	Operating or Under Const.	Sold or Expired Since 1985	Pursuits	# Operating or Under Construction In:			
				U.S.	Canada	Home Country	All Other
ACS Group/Hochtief (Spain)	60	49	59	3	8	19	30
Globalvia-FCC-Bankia (Spain)	43	8	20	0	1	28	14
Macquarie (Australia)	43	18	8	4	1	1	37
Vinci (France)	42	6	10	1	3	15	23
Abertis (Spain)	41	17	2	0	0	14	27
Ferrovial/Cintra (Spain)	40	24	47	6	3	11	20
Sacyr (Spain)	29	20	6	0	0	15	14
Bouygues (France)	27	4	6	1	1	10	15
NWS Holdings (China)	26	1	na	0	0	26	0
Egis (France)	26	1	13	0	1	5	20
John Laing (UK)	24	6	6	2	0	13	9
Meridiam (France)	24	0	7	5	2	3	14
OHL (Spain)	22	17	11	0	0	8	14

## IRIDIUM

MILLION OF EUROS	2014	2015	% Var.
REVENUE	77	71	-8.7%
EBITDA	21	4	-81.2%
EBIT	-4	-10	n/a
NET PROFIT	0	8	n/a
NUMBER OF EMPLOYEES	247	256	

Stabilisation of the infrastructure sector continued during 2015, with the start of recovery, deriving from improvement in the macroeconomic indicators for the countries with the worst debt problems. The interest rate environment in the main developed countries has remained at historically low levels, with the resulting reduction in financing costs and a lower perceived risk to investors. It is hoped that investors' interest in the sector will continue during 2016, taking the relatively attractive profitability of this type of investment and the high level of liquidity worldwide.

As regards business strategy and market development, the company continues to consolidate itself as a North American market leader, with four new awards in 2015 for investment of 9,500 million dollars, including the recent financial closures for the "Eglinton Crosstown Light Rail" project in Ontario (July 2015), the "New Champlain Bridge Corridor" (June 2015) and the "Portsmouth Bypass Project" in Ohio (February 2015), together with the "SH-288 Toll Lanes" in Texas (awarded in February 2015, for which financial closure

is expected in 2016) and the Harbor Bridge in Texas, under a "design-build-operate-maintain" (awarded in April 2015 and signed in September 2015). This, together with the long list of existing North American concession projects, give rise to a portfolio valued at over 18,000 million dollars, including the A-30 autoroute in Montreal (in operation since December 2012); the South Fraser Perimeter Road in Vancouver (opened to traffic in December 2013); the I-595 Expressway in Florida (opened to traffic in March 2014); the Right Honourable Herb Grey Parkway in Ontario (open to traffic since June 2015); the completion of the North East Anthony Henday Drive bypass in Edmonton, Alberta and the new Ottawa light rail line. ACS Infrastructure, a subsidiary of Iridium, was recognised by the publication P3 Bulletin with the Gold Award as "Developer of the Year 2015" for North America. In addition, ACS Infrastructure is short-listed in the Colorado I-70 East project in the United States and in three projects in Canada: the Calgary Ring Road in Alberta, the Gordie Howe Bridge in Ontario, linking Canada to the United States; and the Ontario 427 Highway.



# CONSTRUCTION

In Canada, in spite of recent falls in the national currency related to the oil price, prospects in the infrastructure sector continue to be very promising for the ACS Group. For example, the recent arrival of the Liberal Party Federal Government was preceded by the promise of raising the budgetary item for infrastructure costs to 125,000 million Canadian dollars over the next ten years, as well as collaborating more closely with provincial and municipal governments in this mission. In turn, municipal governments are taking on an increasingly significant role in public works tenders in the transport sector (especially in urban tramways) and the water supply and treatment sector. The level of maturity in tendering and the business model mean that clients have very good knowledge of the structure, operation and bid times, meaning that tendering programmes are robust, reliable and certain in time.

On the other hand, there is a great need for infrastructures in the United States, although plans for tendering for new projects have been affected to a degree due to the country's Federal elections. Concession projects are being put out to tender mainly in certain states, including Florida, Texas (where ACS was awarded the SH-288 freeway in February 2015), Virginia and California. Additionally, some states and authorities have expressed an interest in developing concession projects, including the state of North Dakota.

In parallel, Latin America continues to be a target market for carrying out the company's business. Although the macroeconomic situation in the region is delicate, the gap in infrastructures drives the various governments to continue developing them. Especially in Peru, tendering is expected in 2016 for a value of over \$6,000 million, outstanding among which is Lima Metro Line 3. Chile continues to be committed to the concession model and tendering for four new projects is awaited, with the tender for a new stretch of the Americo Vespucio Highway outstanding. In Colombia, Iridium remains alert to new opportunities appearing in the market.

Additionally, the company continues to consider Europe as its natural market and is well positioned for the infrastructure development plans to be formulated by the Governments of the various countries. As such, in Spain in January 2015, the consortium of which Iridium is a member was awarded the contract for financing, design, construction and operation over 30 years of the University of Toledo Hospital Complex. Similarly, the United Kingdom and Ireland are especially important in this context. Iridium was awarded two road projects in the latter country in late 2013 and financial closure for these was achieved in the last few months.

Furthermore, within Iridium's asset rotation strategy, the following processes were carried out during 2015:

- In November 2015, the sale was carried out of 75% of ACS's 50% stake in the concession operator for the A-30 in Canada.
- In October 2015, the process for the selling the A8/AP1 Bidelán to the rest of the concession company partners was completed.
- December 2015 saw the closure of the sale of 80% of Barcelona Line 9 Stretch II and its maintenance company.
- In June 2015 the sale of 80% of Majadahonda Hospital was completed.

Shown below is a detail of the projects making up the Group's portfolio current at 31 December 2015:

Concession-Description	ACS Group stake	Country	Activity	Phase	Units	Espiry date	Total investment (million of euros)	ACS Group investment (million of euros)
Autovía de La Mancha	75,0%	Spain	Highways	Operation	52	2033	128	21
Circunvalación de Alicante	50,0%	Spain	Highways	Operation	148	2040 <sup>(1)</sup>	464	71
Autopista del Henares (R2 y M50)	35,0%	Spain	Highways	Operation	87	2039	898	81
Accesos Madrid (R3/R5 y M50)	19,7%	Spain	Highways	Operation	90	2049	1,679	55
Reus-Alcover	100,0%	Spain	Highways	Operation	10	2038	72	16
Santiago Brión	70,0%	Spain	Highways	Operation	16	2035	118	14
Autovía de los Pinares	63,3%	Spain	Highways	Operation	44	2041	96	17
Autovía Medinaceli-Calatayud	95,0%	Spain	Highways	Operation	93	2026	183	23
Autovía del Camp del Turia (CV 50)	65,0%	Spain	Highways	Construction	20	2043	110	10
Autovía del Pirineo (AP21)	100,0%	Spain	Highways	Operation	45	2039	226	81
Autovía de la Sierra de Arana	40,0%	Spain	Highways	Construction	39	2041	200	16
EMESA (Madrid Calle 30)	50,0%	Spain	Highways	Operation	33	2040	221	48
Eje Diagonal	100,0%	Spain	Highways	Operation	67	2042	406	154
A-30 Nouvelle Autoroute 30	12,5%	Canada	Highways	Operation	74	2043	1,243	19
Capital City Link (NEAH)	25,0%	Canada	Highways	Construction	27	2046	1,024	12
FTG Transportation Group	50,0%	Canada	Highways	Operation	45	2034	439	10
Windsor Essex	33,3%	Canada	Highways	Operation	11	2044	857	7
Signature on the Saint-Lawrence Group General Part	25,0%	Canada	Highways	Construction	3	2049	1,659	14
Ruta del Canal	51,0%	Chile	Highways	Operation	55	2050	172	17
Concesionaria Vial del Pacífico, S.A.S	40,0%	Colombia	Highways	Construction	50	2039 <sup>(1)</sup>	900	84
Concesionaria Nueva Vía al Mar, S.A.	40,0%	Colombia	Highways	Construction	32	2044	740	57
Autopista Jónica (NEA ODOS)	33,3%	Greece	Highways	Constr. / Operation	380	2037	1,391	41
Central Greece	33,3%	Greece	Highways	Constr. / Operation	231	2038	1,146	22
CRG Waterford - Southlink	33,3%	Ireland	Highways	Operation	23	2036	321	22
CRG Portlaoise - Midlink	33,3%	Ireland	Highways	Operation	41	2037	328	23
N25 New Ross Bypass	50,0%	Ireland	Highways	Construction	14	2043	173	12
M11 Gorey - Enniscorthy	50,0%	Ireland	Highways	Construction	32	2044	253	13
Sper - Planestrada (Baixo Alentejo)	49,5%	Portugal	Highways	Construction	347	2038	539	79
Rotas do Algarve - Marestrada	45,0%	Portugal	Highways	Construction	260	2039	271	50
A-13, Puerta del Tamesis	25,0%	UK	Highways	Operation	22	2030	325	8
SH288 Toll Lanes-Texas	21,6%	USA	Highways	Construction	17	2067	983	73
Portsmouth Bypass	40,0%	USA	Highways	Construction	35	2053	500	18
I595 Express	50,0%	USA	Highways	Operation	17	2044	1,479	96
<b>Total Highways (km)</b>					<b>2,460</b>		<b>19,545</b>	<b>1,284</b>
Figueras Perpignan - TP Ferro	50,0%	Spain - Fr	Railways	Operation	45	2057	1,206	66
Línea 9 Tramo II	10,0%	Spain	Railways	Operation	11	2042	726	7
Línea 9 Tramo IV	10,0%	Spain	Railways	Operation	11	2040	613	6
Metro de Arganda	8,1%	Spain	Railways	Operation	18	2029	149	3
ELOS - Ligações de Alta Velocidade	15,2%	Portugal	Railways	Construction	167	2050	1,649	19
Rideau Transit Group (Ligth RT Ottawa)	40,0%	Canada	Railways	Construction	13	2048	1,349	20
Crosslinx Transit Solutions	25,0%	Canada	Railways	Construction	20	2051	3,692	17
Metro de Lima Línea 2	25,0%	Peru	Railways	Construction	35	2049	4217	28
<b>Total Railways (km)</b>					<b>319</b>		<b>13,602</b>	<b>166</b>
Cárcel de Brians	100,0%	Spain	Jails	Operation	95,182	2034	106	14
Comisaría Central (Ribera norte)	100,0%	Spain	Police Station	Operation	60,330	2024	70	12
Comisaría del Vallés (Terrasa)	100,0%	Spain	Police Station	Operation	8,937	2032	17	3
Comisaría del Vallés (Barberá)	100,0%	Spain	Police Station	Operation	9,269	2032	16	4
Los Libertadores	100,0%	Chile	Border Facility	Construction	32,011	2030	64	8
<b>Public Facilities (m<sup>2</sup>)</b>					<b>205,729</b>		<b>274</b>	<b>41</b>
Hospital Majadahonda	11,0%	Spain	Hospitals	Operation	749	2035	257	4
Nuevo Hospital de Toledo, S.A.	33,3%	Spain	Hospitals	Construction	760	2045	220	16
Hospital Son Espases	49,5%	Spain	Hospitals	Operation	987	2039	306	17
Hospital de Can Misses (Ibiza)	40,0%	Spain	Hospitals	Operation	297	2042	130	13
Centros de Salud de Mallorca	49,5%	Spain	Health Center	Operation	n.a.	2021	19	3
<b>Public Facilities (number of beds)</b>					<b>2,793</b>		<b>931</b>	<b>53</b>
Intercambiador Plaza de Castilla	4,4%	Spain	Transfer Stations	Operation	59,650	2041	167	3
Intercambiador Príncipe Pío	8,4%	Spain	Transfer Stations	Operation	28,300	2040	66	1
Intercambiador Avda América	12,0%	Spain	Transfer Stations	Operation	41,000	2038	75	1
<b>Transfers Stations (m<sup>2</sup>)</b>					<b>128,950</b>		<b>307</b>	<b>5</b>
Iridium Aparcamientos	100,0%	Spain	Parkings	Constr. / Operation <sup>(2)</sup>	15,715	2058	49	49
Serrano Park	50,0%	Spain	Parkings	Operation	3,297	2048	130	24
<b>Total Parkings (number of places)</b>					<b>19,012</b>		<b>179</b>	<b>73</b>
<b>TOTAL CONCESSIONS</b>							<b>34,838</b>	<b>1,622</b>

The investment paid already by ACS up to December 2015 accounted for 1,154 million euros.

(1) Extendable by 2044.

(2) Cover main contracts managed by Iridium Aparcamientos.

# CONSTRUCTION

## THE ACS GROUP'S CONSTRUCTION ACTIVITY IN 2015\*

MILLION OF EUROS

### REVENUE

#### SPAIN

2014	1,415
2015	1,368

#### REST OF EUROPE

2014	2,604
2015	2,203

#### AMERICA

2014	10,283
2015	12,648

#### ASIA PACIFIC

2014	11,518
2015	9,100

#### AFRICA

2014	1
2015	1

### ORDER BOOK

#### SPAIN

2014	3,247
2015	2,905

#### REST OF EUROPE

2014	4,827
2015	4,830

#### AMERICA

2014	16,550
2015	20,244

#### ASIA PACIFIC

2014	20,879
2015	20,763

#### AFRICA

2014	183
2015	133

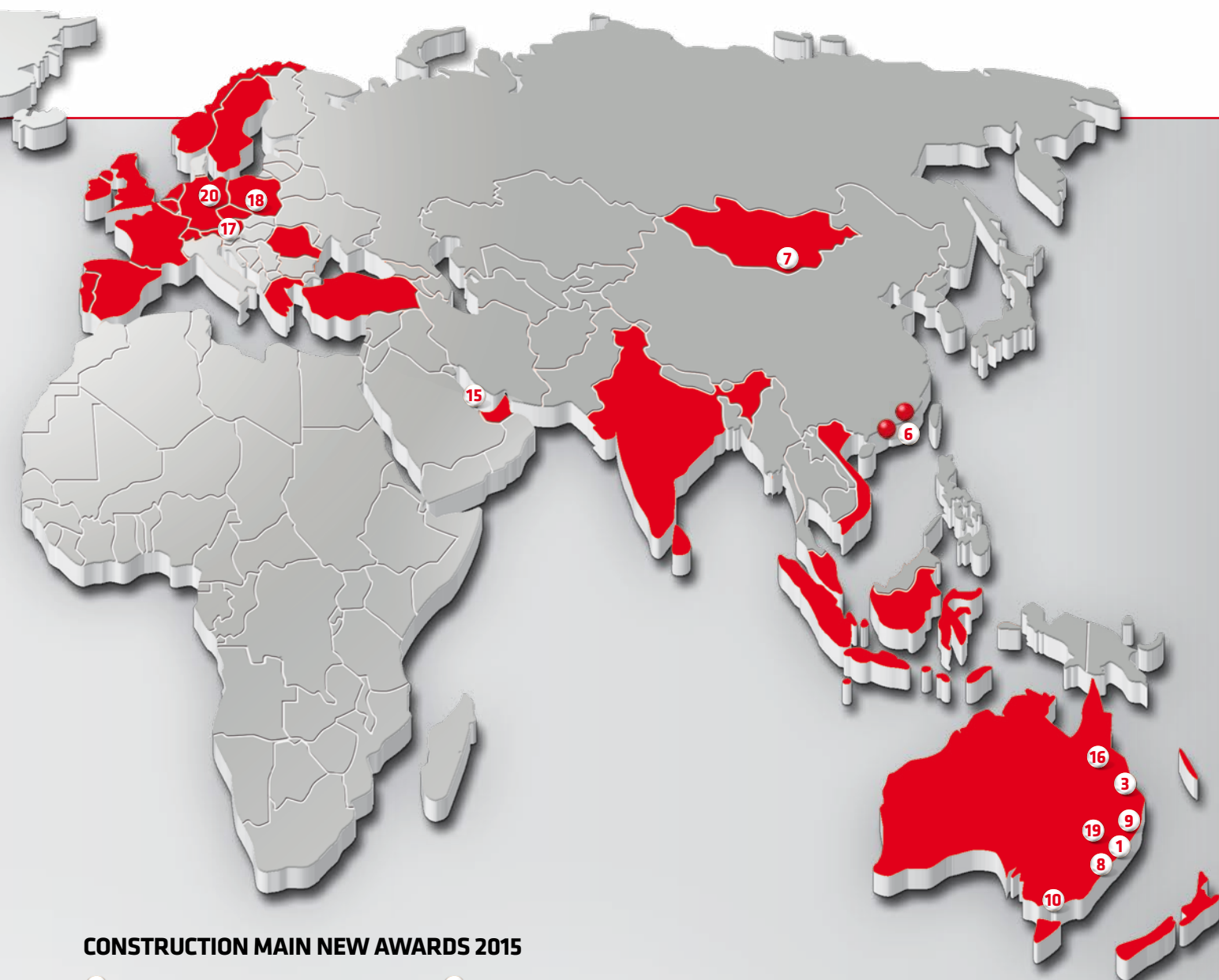
### 2015 REVENUE BREAKDOWN BY COUNTRY

UNITED STATES	11,140
AUSTRALIA	6,027
CHINA	2,073
SPAIN	1,368
CANADA	1,039
GERMANY	890
INDONESIA	632
POLAND	553
UNITED KINGDOM	366
CHILE	224
CZECH REPUBLIC	193
INDIA	128
ARGENTINA	117
AUSTRIA	91
OTHERS	478



\* Main countries where the Construction area reported ongoing projects or new awarding projects.





## CONSTRUCTION MAIN NEW AWARDS 2015

<b>1</b>	<b>SYDNEY, AUSTRALIA</b> DESIGN AND CONSTRUCTION OF THE NEW M5.	VALUE <b>1,769</b> MILLION OF EUROS	<b>8</b>	<b>SYDNEY, AUSTRALIA</b> DESIGN AND CONSTRUCTION OF SYDNEY'S M4 EAST MOTORWAY THAT WILL JOIN THE M4 WIDENING AT HOMEBUSH BAY DRIVE.	VALUE <b>616</b> MILLION OF EUROS
<b>2</b>	<b>TORONTO, CANADA</b> CONTRACT FOR THE DESIGN AND CONSTRUCTION OF THE NEW EGLINTON CROSSTOWN LIGHT METRO LINE.	VALUE <b>976</b> MILLION OF EUROS	<b>9</b>	<b>AUSTRALIA</b> EXTENSION OF THE CONTRACT FOR THE OPERATION OF MT OWEN COAL MINE.	VALUE <b>512</b> MILLION OF EUROS
<b>3</b>	<b>AUSTRALIA</b> EXTENSION TO CONTINUE TURNKEY OPERATIONS AT LAKE VERMONT COAL MINE.	VALUE <b>856</b> MILLION OF EUROS	<b>10</b>	<b>MELBOURNE, AUSTRALIA</b> MELBOURNE'S CITYLINK TULLA WIDENING PROJECT.	VALUE <b>403</b> MILLION OF EUROS
<b>4</b>	<b>MONTREAL, CANADA</b> DESIGN AND CONSTRUCTION OF THE NEW BRIDGE OVER THE ST. LAWRENCE RIVER.	VALUE <b>848</b> MILLION OF EUROS	<b>11</b>	<b>TEXAS, USA</b> REHABILITATION AND IMPROVEMENT WORKS IN THE CORPUS CHRISTI HARBOR BRIDGE IN THE HIGHWAY US-181.	VALUE <b>380</b> MILLION OF EUROS
<b>5</b>	<b>CALIFORNIA, USA</b> PROJECT FOR THE CONSTRUCTION OF THE SEGMENTS 2 AND 3 OF THE CALIFORNIA HIGH SPEED RAILWAY SYSTEM.	VALUE <b>811</b> MILLION OF EUROS	<b>12</b>	<b>UTAH, USA</b> DESIGN AND CONSTRUCTION OF THE A SEGMENT OF STATE HIGHWAY ("SH") 288 FROM U.S. ROUTE ("US") 59 TO THE HARRIS COUNTY LINE AT CLEAR CREEK.	VALUE <b>380</b> MILLION OF EUROS
<b>6</b>	<b>HONG KONG and CHINA</b> CONSTRUCTION OF A BOUNDARY CONTROL POINT ON THE BORDER BETWEEN HONG KONG AND CHINA.	VALUE <b>810</b> MILLION OF EUROS	<b>13</b>	<b>NEW YORK, USA</b> CONSTRUCTION OF THE FUTURLONG ISLAND RAIL ROAD (ILRR) CONCOURSE AT GRAND CENTRAL TERMINAL IN NEW YORK.	VALUE <b>346</b> MILLION OF EUROS
<b>7</b>	<b>MONGOLIA</b> CONTRACT EXTENSION FOR MINING SERVICES AT THE UKHAA KHUDAQ COAL MINE.	VALUE <b>662</b> MILLION OF EUROS	<b>14</b>	<b>COLOMBIA</b> CONSTRUCTION OF THE ROAD BETWEEN MULALÓ AND GUERRERO.	VALUE <b>318</b> MILLION OF EUROS
			<b>15</b>	<b>QATAR</b> CONSTRUCTION OF 5 RESERVOIRS AS WELL AS PUMPING STATION AND OTHER ASSOCIATED FACILITIES FOR KAHRAMAA.	VALUE <b>251</b> MILLION OF EUROS
			<b>16</b>	<b>QUEENSLAND, AUSTRALIA</b> DELIVERY OF GAS FIELD DEVELOPMENT WORKS IN THE SURAT BASIN.	VALUE <b>188</b> MILLION OF EUROS
			<b>17</b>	<b>GLOGGNITZ, AUSTRIA</b> CONTRACT TO BUILD THE GLOGGNITZ TUNNEL, SITUATED ON THE EDGE OF THE CITY OF GLOGGNITZ IN SOUTHERN LOWER AUSTRIA.	VALUE <b>183</b> MILLION OF EUROS
			<b>18</b>	<b>POLAND</b> CONSTRUCTION OF THE RADOM RINGROAD IN THE S-7 EXPRESS ROAD.	VALUE <b>176</b> MILLION OF EUROS
			<b>19</b>	<b>NEW SOUTH WALES, AUSTRALIA</b> DELIVERY OF THE RAAF BASE WILLIAMTOWN REDEVELOPMENT STAGE 2 PROJECT IN THE HUNTER REGION OF NEW SOUTH WALES.	VALUE <b>173</b> MILLION OF EUROS
			<b>20</b>	<b>BERLIN, GERMANY</b> CONTRACT FOR THE BUILDING AND OPERATION DURING 30 YEAR OF A NEW LABORATORY AND ADMINISTRATION BUILDING FOR THE BERLIN BRANDENBURG STATE LABORATORY.	VALUE <b>172</b> MILLION OF EUROS

# CONSTRUCTION

## EUROPE

Revenue from Construction activity in Europe totalled 3,570 million euros in 2015, representing 14% of sales.

During 2015, Dragados and Iridium again consolidated their position of leadership in the construction and concessions sectors in Spain, while HOCHTIEF is a reference company in the German construction sector. Similarly, in the rest of Europe, the various ACS Group Construction companies have a consolidated presence and proven track record in implementing projects in countries such as Poland, the United Kingdom, Ireland and Central European countries, where Austria and the Czech Republic stand out.

In 2015, sales in Spain totalled 1,368 million euros, meaning a reduction of 3.3% in revenue with respect to 2014, maintaining the signs of stabilisation that were already discerned in 2014 in this market, which in 2015 represented 5% of construction activity. The year was characterised by the beginnings of a recovery in residential building investment, contributing to which were the drive from internal demand due to improved confidence, favourable financing conditions and low oil prices.

Among the most significant works carried out by Dragados in Spain in 2015 in the fields of Civil Works and Building, the following can be highlighted:

- Completion and putting into service of the Constitution of 1812 Bridge over the Bay of Cadiz, creating a new access to the city.
- Construction of the Viaduct over the river Ulla (La Coruña) on the Atlantic High Speed Railway Line.
- Completion of the fourth phase, relating to facilities and finishes, of the Museum of Royal Collections (Madrid).
- Architecture, façade, installations and urban development for the Pelli Tower (Seville).
- Works to repair and remodel the Congress of Deputies building (Madrid).
- Development of the Linares-Ibros (Jaén) stretch of the A-32 highway, Linares-Albacete, on a new route and over 11 kilometres in length, outstanding in which is the construction of a viaduct over the railway and the river Guadalimar of almost 600 metres in length.
- Construction of the Mendez Núñez-Río Genil stretch of Granada metro line 1, totally underground and including the construction of two stations.
- Improvement in water treatment by reverse osmosis in the Sant Joan Despi (Barcelona) Waste Water Treatment Plant (WWTP).
- Construction of the Central Market (Valencia) station on line T2 of the Valencia metro.
- Comprehensive refurbishment of the Zarzuela Hippodrome (Madrid).
- Urban development and Construction of the Central Services Building for the University of Granada Health Sciences Technological Campus.
- Railway caisson for Vigo-Urzaiz station (Pontevedra).
- Construction of the fourth phase of the University of La Rioja Technological Scientific Complex.
- Construction of the new Head Office of the Banco Popular (Madrid).

In addition, Iridium participates in 13 motorways, 4 railway works and 14 public and social facilities in Spain.

In the rest of Europe, revenue was 2,203 million euros, 15.3% lower than recorded in 2014, due to the restructuring of the portfolio on the continent. Construction activity in this area represents 9% of total sales and is performed through the subsidiaries of Dragados in Poland,



## ACS Group Construction companies have a consolidated presence and proven track record in implementing projects in Europe.

the United Kingdom and Ireland where, in recent years, significant contracts have been won related to developing transport infrastructures, as well as through HOCHTIEF Europe, which focuses on executing building and civil engineering projects in Germany, Austria, the Czech Republic, Poland, the United Kingdom and the Scandinavian countries.

In 2015, the following can be highlighted among the projects being executed by HOCHTIEF and Dragados in this geographical region:

- Construction of the Forth Replacement Crossing Bridge, or Queensferry Crossing as it is now known, in Edinburgh (Scotland), consisting of the design and construction of a new cable-stayed bridge over the Firth of Forth, including the construction and improvement of the adjoining roads and structures.
- Construction of the water circuit between Roxo and Sado (Portugal), to reinforce irrigation in the Campilhas and Alto Sado zone from the Alqueva dam.
- Construction of the Gorzów Wielkopolski by-pass on the S-3 highway (Poland), at 11.4 kilometres in length and with 9 structures.
- Construction of section 5 of the S-3 highway between Nowa Sól and Legnica (Poland), with a length of 22.6 kilometres, with three new junctions and 35 structures.
- Modernisation of the traffic management, transmission and automatic signalling systems for level crossings on the E20 railway line (Poland).
- Reconstruction and repair of the Wloclawek dam structures in the Kujawsko-Pomorskie region (Poland).
- Design and construction of the reconstruction and repair of flood protection works on the river Odra for the city of Wroclaw (Poland).
- Modernisation and improvement works for the electrical system on 55 kilometres of the historic Great Western Main Line between London and Bristol (United Kingdom).
- Building of the new corporate headquarters of the engineering company Deublin in Mainz (Germany).
- Public-private partnership contract for the design, construction and operation of the new Aachen police headquarters (Germany).



# CONSTRUCTION



- Construction of the string of tunnels at Granitzal on the Koralm high-speed railway line in Austria.
- Construction of the Rastatt tunnel, within the project to build the new railway line between the cities of Karlsruhe (Germany) and Basel (Switzerland).

In 2015, Iridium has continued with the operation and construction of nine motorways in Europe, specifically in Ireland, the United Kingdom, Portugal and Greece, having been awarded, during 2015, the concession contract for financing, design, construction, operation and maintenance over 25 years of the M11 project in the Gorey – Enniscorthy stretch (Ireland).

At 31 December 2015, the order book in Europe, including both Spain and the rest of Europe, totalled 7,735 million euros, representing 16% of the total Construction portfolio in 2015. Within Europe, one of the countries that has experienced the greatest growth is Ireland, where the order book tripled with the construction of the M-11 Gorey-Enniscorthy Motorway. Also outstanding is growth of the order book in Austria with the awarding of significant transport infrastructure development projects, such as the construction of the Gloggnitz tunnel. Finally, the order book in Germany has seen growth of nearly 4% thanks to the awarding of projects related to civil works, the railway tunnel in the Bad Cannstatt district in Stuttgart and building works such as the HighRiseOne office tower in Munich.

## ARCHITECTURE, FAÇADE, INSTALLATIONS AND URBAN DEVELOPMENT FOR THE PELLI TOWER

### CLIENT

Puerto Triana, S.A.U.

### PROJECT EXECUTION DATES

2013-2015.

### LOCATION

Seville (Spain).

### TYPE OF WORKS

Building.

### VALUE

76 million euros.

### COMPANIES INVOLVED IN THE PROJECT

Dragados.

### FULL PROJECT DESCRIPTION

Dragados carried out the construction of the complex along with the interior and exterior project landscaping based on an existing structure. The building works comprise an office tower, two podiums for retail premises connected to a large square and three levels of basement, two of them intended to accommodate approximately 1,900 parking spaces. Part of basement 2, basement 1 and the west podium are occupied by the Caixaforum Sevilla project, currently under construction and also executed by Dragados. The buildings of the podium have been executed with a green roof, with paths, grass and plants that help to control the impact of the Sun and provide thermal mass to the extended horizontal mass. The oval-shaped tower subtly tapers in diameter as it rises. The floor surface area varies from 1,489 m<sup>2</sup> at the bottom to 1,170 m<sup>2</sup> at the top. The tower has a central core, which serves as the main structure of the building and as the axis for vertical access, reaching a height of 180 m. The core is surrounded by open floorspace. Of the 37 floors above ground, 24 are completed for office use, floors 25 to 35 are free space, floor 36 is equipped to host a future restaurant and floor 37 is fitted out as a panoramic terrace. The approximate total surface is 214,934.50 m<sup>2</sup>. The tower has two access lobbies to the high and low sections of the building. It has a total of 12 elevators, 6 for each zone and a service elevator that reaches all 37 floors.



# CONSTRUCTION

## CONSTRUCTION OF THE CONSTITUTION OF 1812 BRIDGE ACROSS THE BAY OF CADIZ

### PROJECT EXECUTION DATES

2007-2015.

### VALUE

353 million euros.

### LOCATION

Cadiz (Spain).

### COMPANIES INVOLVED IN THE PROJECT

Dragados S.A. (80%).

Drace Infraestructuras (20%).

### TYPE OF WORKS

Civil Works.

### FULL PROJECT DESCRIPTION

The works consist of the construction of a new stretch of dual carriageway to form a second access to Cadiz from the AP-4, with a length of 5 km, consisting of four structures and three linking sections. The most unique element of the project is the access viaduct to Cadiz from Puerto Real. It is 3,157 metres in length. Taking into account the support, the section and the typology of the deck, the bridge assembly can be grouped into four parts:

- 1) Access section, 645 metres in length composed of 9 spans of 45 m + 8 of 75 m and a mixed deck section of variable width from 33.20 m to 36.76 m width with 3 m depth.
- 2) Detachable section; between pylons 9 and 10 there is a mobile section of 150 metres in length, with a horizontal gap of 140 m. The deck is made of metal with a width of 33.20 m and varying in depth from 3 to 8 metres.
- 3) Cable-stayed section; 1,180 m divided into 5 spans of 120 + 200 + 540 + 200 + 120. The section is mixed with a width of 34.30 m and a depth of 3 m. It rests on two large suspension towers of 181 and 187 metres in height, one in the sea and the other resting on land.
- 4) Final stretch; 1182 metres in length, with the following spans: 4 x 75 + 68 + 4 x 62 + 54 + 12 x 40 + 32. The deck is pre-stressed concrete poured on-site, executed with hollow inner cells. It has a width that varies between 30.86 and 36 m and a variable width of 3 and 3 m [sic]. It is supported on 20 beam pylons.

The viaduct consists of 37 pylons, 12 of them over the sea. Pylons 1 to 17 are of the so-called "Palm tree" type, except for pylons 12 and 13 which are the two pylons of the cable-stayed span. From pylon 18 onwards they transform into supporting beams to allow traffic to pass under them.

The road section is variable, consisting of:

- 1) One zone 6.8 metres wide reserved for the two tramway rails, with a distance of at least 90 cm from the rest of traffic.
- 2) Two lanes of 3.5 m in each direction, both directions separated by a rigid barrier 0.80 m wide and two hard shoulders of 1 m.
- 3) Emergence of a new lane in each direction as we approach the abutments.
- 4) Extra wideness in the oversea section to accommodate the pavement.
- 5) Extra wideness in the cable-stayed section to accommodate cable anchors.
- 6) Minimal outer hard shoulders where there is pavement (oversea section) and of up to 2.50 m wide in overland sections.



# CONSTRUCTION

## PROJECT FOR THE CONSTRUCTION OF THE GRANITZAL TUNNEL (AUSTRIA)

### CLIENT

ÖBB Infrastruktur AG.

### PROJECT EXECUTION DATES

2015-2020.

### LOCATION

Lavanttal (Austria).

### TYPE OF WORKS

Civil Works (Railways).

### AMOUNT

Construction costs : 140 million euros ( HOCHTIEF share 70 million euros).

### COMPANIES INVOLVED IN THE PROJECT

Arge Implenia Österreich.  
HOCHTIEF Infrastructure Austria.

### FULL PROJECT DESCRIPTION

Under a joint venture, HOCHTIEF Infrastructure Austria is carrying out the contract for ÖBB Infrastruktur AG to build the Granitztal tunnel chain—a six-kilometer stretch of the Koralm rail link. The contract is valued at around EUR 140 million. HOCHTIEF accounts for 50% of the total volume. Early 2020 has been set as the work's scheduled completion date, with final completion of the Koralm high-speed rail link projected for 2023. Alongside precise testing of the geological substrata, the bid planning focused on construction site administration, construction logistics, and safety. The contract covers construction of the shell for the tunnel chain, including the open segments at the tunnel entrances, as well as landscaping and work on the flanking hydraulics at the Granitztal enclosure.



## MODERNISATION OF THE E-20 RAILWAY LINE (POLAND)

### CLIENT

PKP Polskie Linie Kolejowe S.A.

### PROJECT EXECUTION DATES

2012-2015.

### LOCATION

Siedlce, Łuków y Międzyrzec Podlaski (Polonia).

### TYPE OF WORKS

Civil works (Railway).

### AMOUNT

127 million euros.

### COMPANIES INVOLVED IN THE PROJECT

Dragados, Pol-Aqua, Vías y Construcciones, Electrén.

### FULL PROJECT DESCRIPTION

The contract included the modernisation of the railway traffic, signalling and automatic level crossing management systems on the stretch of the E-20 line from the station to point 172.400 approximately. In the framework of the works at the stations of Siedlce, Łuków and Międzyrzec Podlaski and to modernise the railway traffic management and telecommunication systems at the remaining stations and junction service posts between Siedlce station and point 170.300, the following works were planned:

- Modernisation of tracks, infrastructure and drainage at Siedlce, Międzyrzec Podlaski and Łukow stations.
- Removal of obsolete railway infrastructure and connecting new railway infrastructure.
- Reconstruction of platforms, construction of underpasses and construction of the new overpass at Łukow station.
- Reconstruction and renovation of engineering structures.
- Reconstruction or removal of level crossings at track level and construction of access roads to the viaducts.
- Reconstruction of catenary lines and support structures, of railway traffic management system, of the telecommunications networks and of power supply system (non-catenary).
- Installation of the DSAT 7 and UOZ systems and noise reduction devices.
- Construction of new buildings and engineering structures.

In the stations the water evacuation systems have been reconstructed, in particular, all new junctions will be equipped with the new drainage system.



# CONSTRUCTION

## AMERICA

America is the main geographical region by level of sales for the ACS Group's Construction area. In this region, through its Dragados, HOCHTIEF Americas and Iridium subsidiaries, the ACS Group performs civil engineering, infrastructure development and building activities in the United States and Canada, where it continues to lead the infrastructure concessions market. Similarly, it has solid experience in executing projects in Latin American countries such as Argentina, Chile, Peru, Colombia and Venezuela.

During 2015, Construction area revenue in America totalled 12,648 million euros, representing growth of 23% with respect to 2014. As such, activity in this area already represents 50% of Construction revenue.

Sales in the United States and Canada exceeded 12,178 million euros, meaning an increase of 22.6% with respect to revenue in 2014. These data are driven by the improvement in the exchange rate, in addition to the Group's growing consolidation in the market of civil works development and building in these countries, through the Group's subsidiaries operating in this sector: Dragados USA, Dragados Canada, Pulice, Picone, Prince Contracting, Flatiron, JF White Contracting Turner, EE. Cruz and Clark Builders.

Among the most significant projects executed in the United States and Canada in 2015 are:

- Execution of the BT1 Rondaut by-pass project, consisting of the construction of two shafts to permit the execution of a 4.2 kilometres stretch of tunnel (New York, United States).
- Refurbishment and restoration of the existing Longfellow Bridge over the Charles River in the city of Boston (Massachusetts, United States).
- Execution of the SR23 North and SR23 South, consisting of the construction of two stretches of the future SR23 toll road that will form part of the outer ring road for Jacksonville, Florida (United States).
- Construction of a new structure for the station at the corner of Fulton Street and Broadway in Manhattan, New York (United States).
- Execution of the SR429 Wekiva Parkway project, consisting of the construction of a 3.8 kilometre stretch of the SR 429 freeway, including the construction of 12 bridges (Florida, United States).
- Design, construction, financing, operation, maintenance and restoration of the Northeast Anthony Henday Drive in Edmonton (Canada).
- Execution of stretches 2 and 3 of the high-speed rail line in California (United States).
- Building of the Martin Army Community Hospital in Fort Benning, Georgia (United States), which recently obtained LEED Gold certification from the United States' Green Building Council.
- Construction of the Hilton Conrad Hotel in Washington D.C. (United States).
- Design and construction of the West Clermont Institute in Cincinnati (Ohio, United States).
- Completion of the Watt Family Innovation Centre for Clemson University (South Carolina, United States).
- Design and construction of the junction between Provincial Trunk Highway 59 and the PTH 101 in Winnipeg, Manitoba (Canada).
- Construction of the South Fraser Perimeter Road, at 35 kilometres in length on a new route in Vancouver (Canada).
- Construction of the lift bridge over the Fore River in Massachusetts (United States), parallel to the existing bridge and demolition of the old one.
- Renovation of a viaduct 1.4 kilometres long and with 8 lanes, the structure of which is part of the I-91 interstate highway in Massachusetts (United States).



## Construction area revenue in America totalled 12,648 million euros, a 23% above 2014.

In the field of concessions, Iridium has continued to consolidate its position in the North American market thanks to the awarding of the following projects during 2015:

- Contract for the design, construction, financing, operation and maintenance of 16.5 kilometres of the SH288 Toll Lanes in Texas, with investment of 700 million euros. Iridium has a 21% stake in the project.
- Contract for the design, construction, financing, operation and maintenance of the Harbor Bridge in Texas. Iridium takes a 50% part of the subcontracting joint venture for operation and maintenance and Dragados and Flatiron also take part in the construction. Investment in construction stands at 800 million euros.
- Contract for the design, construction, financing, operation and maintenance of the general part of the Signature on the Saint-Lawrence Group, in Canada. Investment in construction totals around 1,600 million euros and HOCHTIEF and Dragados also participate in this project.
- Contract for the design, construction, financing, operation and maintenance of the Crosslinx Transit Solutions light rail for Toronto (Canada). Investment in construction totals around 3,670 million euros and Iridium has a 25% stake in the project.



# CONSTRUCTION

As such, the nine projects currently managed by Iridium in the United States and Canada exceed 18,000 million dollars.

The significant projects awarded to the various ACS Group companies in the United States and Canada during 2015 mean that the order book in this area grew by 23.7% compared to 2014, which already represented a 27% increase with respect to 2013, and it now represents 37% of the total order book for this area.

In Latin America, the Construction activity carries out mainly civil engineering projects such as roads, railway or water and has a strong presence in Argentina and Venezuela, where Dragados has its own subsidiaries in addition to executing projects in developing countries with high growth potential such as Colombia or Peru. Only in countries such as Chile where the company already has a consolidated position in the local market is it also executing non-residential building projects. Dragados continued to execute projects in this area during 2015, such as the construction of the new road between Bogotá and Villavicencio and repair works on railway lines in Colombia, as well as continuing the pre-construction period for the two "Prosperity Highway" works awarded in Colombia, Pacific Connection 1 and Mulaló-Loboguerrero, and progressing with the works for the new metro line 2 in Lima, Peru.

Among the most significant projects ACS Group companies carried out during 2015 in Latin Americas are:

- Restoration and structural consolidation of the Melbourne Clark Chilean Nitrate Quay, located at 400 m from the Port of Antofagasta (Chile).
- Replacement of the 215-CH route in the sector between the branch to Carlos Hott Airport and the Las Lumas junction in the Lakes Region (Chile).
- Comprehensive construction and opening under commercial operation conditions of stretches A0, A1 and C2 of Line H of the Buenos Aires Metro (Argentina), supply of rolling stock and financing of investments.

In the field of concessions, Iridium continued to consolidate its position in 2015 with the execution of significant projects in this area, such as Metro line 2 and a stretch of line 4 that will run to the airport in Lima, with investment of around 3,300 million euros for the construction of 35 underground stations and the Pacific Connection 1 motorway, with investment of 1,200 million euros. As such, Iridium managed three motorways, one railway installation and one border complex in this area in 2015. Furthermore, during 2015, HOCHTIEF won a contract through its Thies subsidiary for a mine operating contract in Chile, this being the first contract of this nature obtained in this geographic region.

## CONCESSIONAIRE CONTRACT FOR THE CONSTRUCTION OF THE WINDSOR-ESSEX FREEWAY (THE RIGHT HONOURABLE HERB GRAY PARKWAY)

### CLIENT

Windsor Essex Mobility Group GP Gray.

### AMOUNT

Initial investment 1,226 million Canadian dollars.

### PROJECT EXECUTION DATES

Construction: 2010-2015, maintenance 30 years.

### COMPANIES INVOLVED IN THE PROJECT

ACS Infrastructure Development.  
 Dragados Canadá Inc.  
 Acciona Infrastructure Canadá Inc.  
 Fluor Canadá LTD.

### LOCATION

Windsor, Ontario (Canada).

### TYPE OF WORKS

Civil Works (Roads).

### FULL PROJECT DESCRIPTION

The Windsor-Essex Parkway project includes the design, construction, financing and maintenance of the freeway which is part of the proposed plan to connect highway 401 in Ontario (Canada) to Interstate 75 in Michigan (USA), which will include a new highway, the construction of a new border checkpoint and an international bridge between the two countries. The Windsor-Essex Parkway project is an innovative 6-lane freeway of 11 kilometres and service roads of 4-lanes and 7 kilometres, providing improvements in transportation, incorporating green spaces, footpaths and community connections. In total 186 kilometres of freeway lanes, mostly below ground level. It also includes the building of service side roads, interchanges, green areas and recreational pathways and also hiking and/or cycling routes. Incorporating a total of 35 structures, including 12 tunnels and 14 bridges along its path.

The concessionaire is responsible for the design, construction, financing, operation and maintenance of the project for 30 years. In June 2015 the road and its associated works were opened to traffic, and since then the concessionaire has been carrying out operation and maintenance activities.



# CONSTRUCTION

## CONSTRUCTION AND OPERATION OF THE NEW CHAMPLAIN BRIDGE IN MONTREAL

### CLIENT

Government of Canada (Infrastructure Canada).

### TYPE OF WORKS

Civil Works (Roads).

### PROJECT EXECUTION DATES

Construction 2015-2019, subsequent concession contract for 30 years.

### AMOUNT

Total investment: 3,400 million euros.

### LOCATION

Montreal (Canada).

### COMPANIES INVOLVED IN THE PROJECT

HOCHTIEF PPP Solutions North America, ACS Infrastructure Canada, Flatiron, Dragados Canadá, SNC-Lavalin.

### FULL PROJECT DESCRIPTION

In April 2015 the consortium formed by different companies of the ACS Group was awarded the project for planning, financing, constructing and operating the new Champlain bridge in Montreal. Contracted by the Canadian Government, the concessionaire "Signature on the Saint-Lawrence Group" is building the bridge over the famous St. Lawrence River which is one of the main transport axes on the United States-Canada border.

The project involves the demolition of the old Champlain bridge and the construction of the new bridge formed by an eight-lane freeway which covers a total distance of 3.4 km and ensures the fluidity of traffic on this important trade and transit route between the United States and Canada, with a traffic of more than 40 million vehicles. Construction is expected to extend over four years and a half. Building on the new bridge will be completed by late-2018, completing the remaining eight kilometres of stretches of the overall project by the end of 2019.

The project of the new Champlain Bridge is considered one of the most important transport infrastructure projects in North America.



## CONSTRUCTION OF THE BOGOTA-VILLAVICENCIO DUAL-CARRIAGEWAY (SECTOR 2)

### CLIENT

Coviandes S.A.

### VALUE

128 millions of euros.

### LOCATION

Bogota-Villavicencio (Meta Department, Colombia).

### COMPANIES INVOLVED IN THE PROJECT

Dragados (70%)/Concay (30%).

### TYPE OF WORKS

Civil Works (Roads).

### FULL PROJECT DESCRIPTION

Project for the construction of a dual carriageway linking the cities of Bogotá and Villavicencio in Colombia. The project involves the construction of a tunnel of 4,350 metres, with its longitudinal and transverse escape galleries, and a bridge of 150 metres in length along with surface roads to the Naranjal intersection (with a length of 2 kilometres until the start of the toll booth area).

The project also includes side roads, additional works for connection of the tunnel with the bridge, electrical, voice and data ducts in the tunnel and related pathways. Similarly, the project includes the landscape, geotechnical, structural and hydraulic stabilisation works associated with the project. Also involved is the construction of the tunnel fire protection network and the processing of environmental and traffic management formalities and the corresponding social projects and urban planning requirements.



# CONSTRUCTION

## ASIA PACIFIC

Sales in the Asia Pacific region in 2015 totalled 9,100 million euros and represent 36% of total Construction revenue. In turn, the project order book totalled 20,763 million euros and this continues to be one of the main growth areas for Construction activity due to its level of projects.

Activity in this area is focused on developing facilities for mining operations, transport infrastructures, building and public facilities, telecommunications and infrastructures for projects with oil and gas.

These projects are basically executed through the CIMIC Group and its subsidiaries, which underwent a change in its company name and organisational restructuring in 2015, meaning that it is now composed of CPB Contractors, Leighton Asia, Thiess, Pacific Partnership and EIC Activities. Furthermore, Dragados has been participating in projects in this market for several years, either as sole contractor or together with other CIMIC companies and HOCHTIEF Europe also executes projects in this region, in markets selected for their high growth potential.

In 2015, Construction activity in Australia and New Zealand totalled 6,046 million euros, where the following projects executed during the year can be highlighted:

- Design and construction of phase 2 of the new M5 motorway in Sydney (Australia).
- Works to expand the M4 East Sydney motorway (Australia).
- Construction of 6 kilometres of urban motorway and additional lanes within the Mitchell Freeway expansion project in Perth (Australia).
- Construction and improvement of the SH1 state motorway in Auckland (New Zealand).
- Contract for design, financing and operation of the Northwest Rapid Transit (NRT) project within the project to expand the Sydney Metro (Australia).
- Design and construction of works within the North-South Corridor in Adelaide, in the stretch of road connecting Torrens Road in Ridleyton and Ashwin Parade in Torrensville (Australia).



- Contract for the design and construction of 27 kilometres of the Transmission Gully motorway, as well as the contract for operation and maintenance of the motorway over 25 years. This is the first motorway built in New Zealand under a public-private partnership contract (New Zealand).
- Design and building of the new Royal Adelaide Hospital in Australia.
- Contract for carrying out works to obtain gas from the Surat Basin (Queensland, Australia).
- Mining services for Rocky's Reward open cast nickel mine (Australia).
- Provision of mining services in the Mt. Owen Coal Mine in New South Wales.

as all the associated installations and construction has continued of tunnel infrastructures, systems and complementary works for the Central Wanchai By-pass in Hong Kong.

CIMIC also executes significant projects in the Middle East through its subsidiary Leighton Group, with a presence in Qatar and in the United Arab Emirates and HOCHTIEF Europe also has several projects in this region. These companies were awarded significant projects in 2015, such as the construction of five dams, as well as pumping stations and other associated installations for the Qatar water and electricity company (KAHRAMAA) or the building of the first phase of the Fakeeh Academic medical centre in Dubai.

Similarly, in 2015, the subsidiaries have continued to execute projects in South East Asian countries, in Mongolia and in the two major powers in Asia; India and China. As such, in 2015, Group subsidiaries have been awarded the construction of a border control post between Hong Kong and China, as well



# CONSTRUCTION

## DESIGN AND CONSTRUCTION OF THE WEST CONNEX M5 URBAN MOTORWAY (SYDNEY)

### CLIENT

West Connex Delivery Authority.

### TYPE OF WORKS

Civil Works (Roads).

### PROJECT EXECUTION DATES

2015-2019.

### VALUE

Total amount: 2,505 million euros  
(ACS Group companies share: 1,769 million euros).

### LOCATION

Sydney-New South Wales-Australia.

### COMPANIES INVOLVED IN THE PROJECT

DRAGADOS (30%), CIMIC (40%), SAMSUNG (30%).

### FULL PROJECT DESCRIPTION

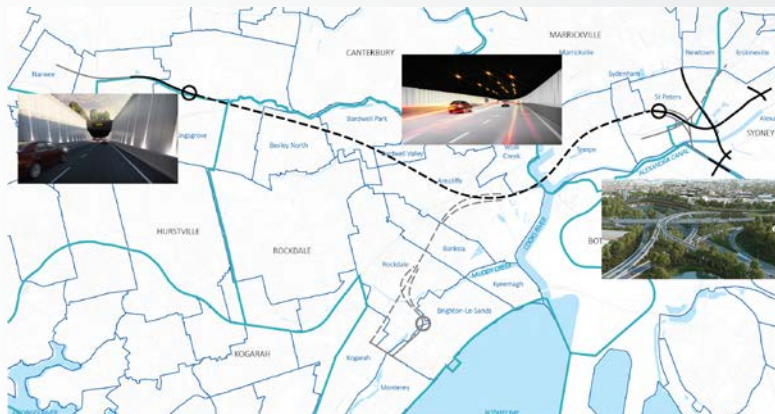
Project for the design and construction of phase 2 of the new M5 motorway in Sydney (Australia).

The project consists of the construction of approximately 9 kilometres of twin tunnels using shearer loaders, which will give two lanes in each direction with the capacity to operate three lanes per direction in the future, all with links at different levels with existing motorways.

The new M5 tunnel constitutes phase 2 of the project known as WestConnex, and will be the longest tunnel in Australia, which aims to integrate traffic management and urban revitalisation through a project implemented by the Sydney Motorway Corporation (SMC) on behalf of the New South Wales Government.

Once the design works and other previous approval processes are completed, construction is expected to begin in mid-2016, while the date scheduled for opening to traffic of the new M5 is late-2019.

The new M5 is the second phase of the 33 kilometres of motorway comprising WestConnex, currently the largest transport infrastructure and urban revitalisation project in Australia, and that will run under the tunnel from the current M5 East. Specifically, from Kingsgrove to the new link in St Peters, substantially improving the east-west corridor, which connects Sydney city centre, Port Botany, the Sydney Airport area and the connection with the urban development area in the south west.







# CONSTRUCTION

## TRANSMISSION GULLY MOTORWAY (NEW ZEALAND)

### CLIENT

New Zealand Transport Agency.

### PROJECT EXECUTION DATES

2014-2017.

### LOCATION

Wellington (New Zealand).

### TYPE OF WORKS

Civil Works.

### AMOUNT

1,000 million New Zealand dollars (CPB stake: 800 million New Zealand dollars).

### COMPANIES INVOLVED IN THE PROJECT

CPB Contractors, HEB Construction Ltd, InfraRed Capital Partners, Bank of Tokyo-Mitsubishi UFJ (BTMU) y Accident Compensation Corporation (ACC).

### FULL PROJECT DESCRIPTION

CIMIC is part of a consortium building the Transmission Gully Motorway, a 27-kilometer stretch of motorway north of Wellington. This is the first motorway in New Zealand to be built under a public-private partnership. The motorway is the first in New Zealand to seek silver certification under the Greenfields international sustainability rating system for road design and construction. A major focus is on water conservation. Measures include seven kilometers of seepage pools, 17 kilometers of fencing to prevent building sludge from flowing into the groundwater, as well as 37 kilometers of waste water drainage systems.

The motorway will be a safer, more reliable, and more efficient transportation link. Notably, it can be brought back into operation faster than the previous coastal road in the event of an earthquake.



## OPERATION OF UKHAA KHUDAG COAL MINE (MONGOLIA)

### CLIENT

Mongolian Mining Corporation.

### PROJECT EXECUTION DATES

2008-2022.

### LOCATION

Mongolia.

### TYPE OF WORKS

Mining.

### AMOUNT

Approx. 2,100 million Australian dollars (total amount of the contract).

### COMPANIES INVOLVED IN THE PROJECT

Thiess.

### FULL PROJECT DESCRIPTION

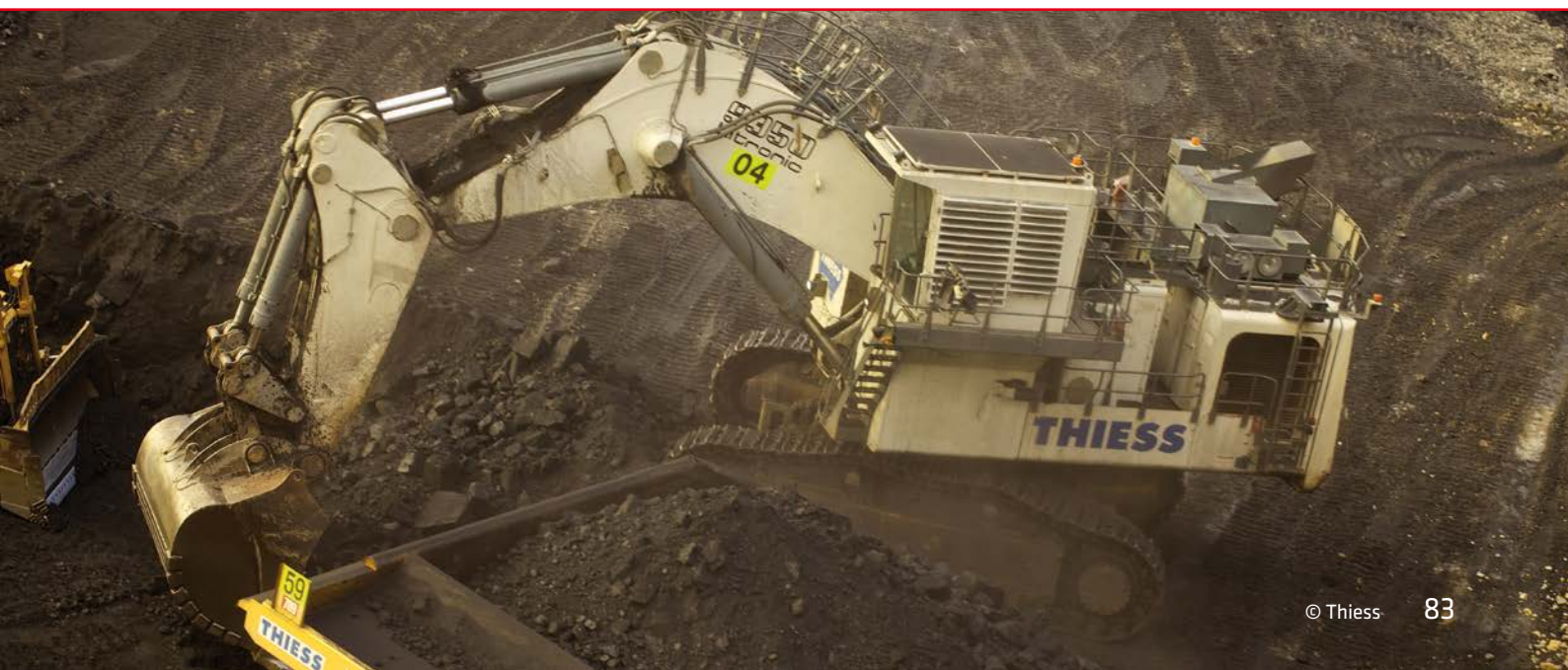
Ukhaa Khudag coal mine is located in the Gobi desert, southern Mongolia.

Thiess began its activities in this project, since its inception in 2008, and the mine is currently at full capacity producing high quality metallurgical coal. Due to its location more than 600 km south of the capital of Mongolia, Ulaanbaatar, the fleet of mining trucks had to be assembled in a border town in China.

The extreme weather of this location, with severe dust storms in summer and winter temperatures that regularly reach -40 degrees centigrade, poses significant challenges in the development of this project. The successful management of these conditions demonstrates the ability of Thiess to implement this type of project.

Thiess is responsible for all the mining operations at the Ukhaa Khudag coal mine, including drilling and blasting, removing excess, loading and transporting coal together with planning the mining, engineering, fleet operation and maintenance tasks.

In 2015, the operation contract of the mine was renovated for another 7 years until 2022, a volume of 662 million euros.



# INDUSTRIAL SERVICES

**THE ACTIVITY OF THE INDUSTRIAL SERVICES AREA IS FOCUSED ON THE DEVELOPMENT, CONSTRUCTION, MAINTENANCE AND OPERATION OF ENERGY, INDUSTRIAL AND MOBILITY INFRASTRUCTURES.**





# INDUSTRIAL SERVICES

**The ACS Group's Industrial Services area is one of the main global competitors in the field of applied industrial engineering.**

The **ACS Group's Industrial Services area** is one of the main global competitors in the field of applied industrial engineering, with projects in more than 50 countries. Its activity is focused on the development, construction, maintenance and operation of energy, industrial and mobility infrastructures through a large group of companies.

Within its sector, the Industrial Services area is a leader within the Spanish market and one of the main competitors in Latin America, where it has extensive experience and steady involvement in executing turnkey projects and providing services, especially in Mexico and Peru where it occupies a leading position. Likewise, the Industrial Services area is increasingly involved in Europe and Middle East countries, where the Group has been awarded significant projects in recent years. Equally, the Group is consolidating its presence in areas such as North America, Africa and Asian Pacific countries.

For the next few years, the Industrial Services area will continue consolidating its position and leadership situation in the countries in which it already has strong implementation, combining it with sustainable expansion toward new geographical markets with strong potential for growth, making use of the synergies arising from joint action with other ACS Group companies.

The Industrial Services area will continue to focus on consolidating its position as a global benchmark in the sector, thanks to ongoing technological innovation and its technical excellence. This, seeking to efficiently and profitably combine Support Services to Industry which provide greater recurrence and stability with the activity of EPC Projects, which, being specialised and specific solutions for each client, contribute higher profitability levels.

With regards to the activities carried out by the Industrial Services area, the recent agreements of the COP 21 in Paris in



# The Industrial Services area will continue to focus on consolidating its position as a global benchmark in the sector, thanks to ongoing technological innovation and its technical excellence.

December 2015, will provide an additional boost over the medium to long-term for renewable energies and energy efficiency services. On this aspect, the ACS Group's Industrial Services area is a leading company in carrying out projects under EPC thermal solar and wind energy regime, with increasing presence in large photovoltaic projects all over the world, as well as being the regional leading in mini-hydroelectric in Latin America and putting biomass plants into operation. From a technological evolution stance, the main objectives driving these projects focus on reducing costs involved in solar energy and offshore wind energy projects, as well as combining different renewable energy sources for improving the flexibility and integration of renewable energies into the electrical systems.

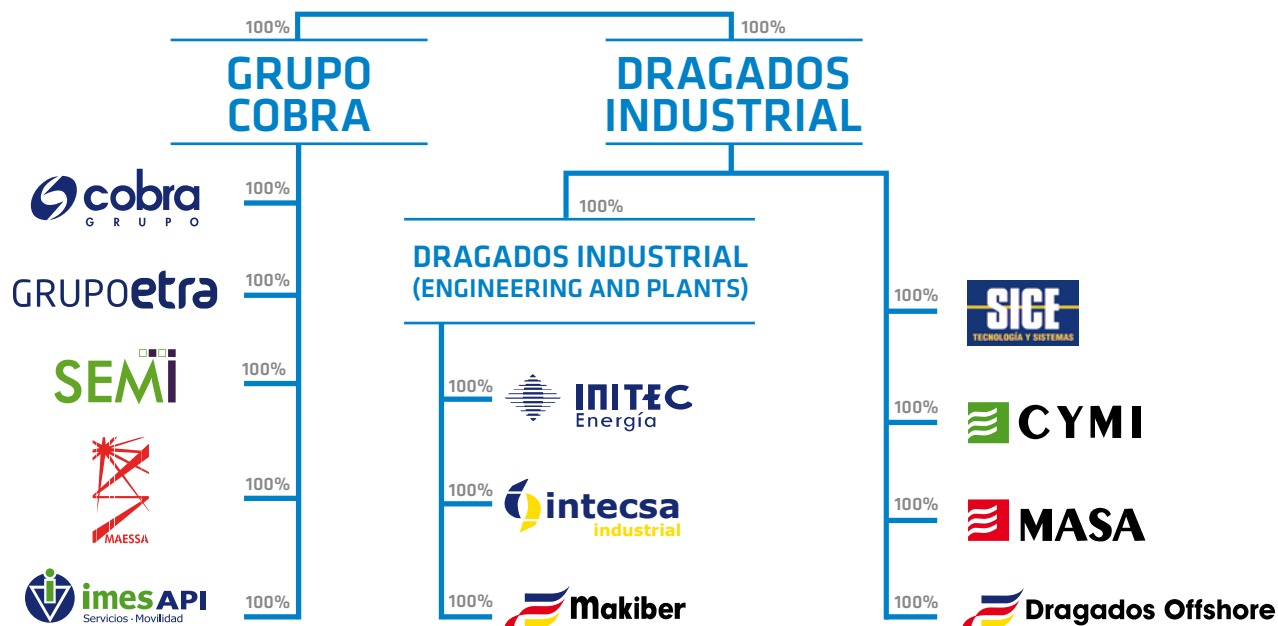
In relation to energy efficiency, its main activities are focused on sustainable mobility. Likewise, ACS Group holds a global leading position in technologies for managing urban

and motorway traffic, which, combined with its presence as a support company for the "utilities" of energy and communication services, enables it to take part in activities entailing a large potential for growth, such as the "Smart Cities" or developing electric vehicle charging infrastructure.

On the other hand, the experiences and capability of the Industrial Services area for developing projects will lead to continuing consolidating their position in concessional projects both in the energy field (renewable generation, transporting electricity, sustainable transportation) and in the environmental field (desalination, purification and treatment plants).

Likewise, the Industrial Services are will continue developing projects related to hydrocarbon development and use. These are fields in which the ACS Group's Industrial Services area has extensive experience and in which it has recognition from the sector.

## INDUSTRIAL SERVICES



# INDUSTRIAL SERVICES

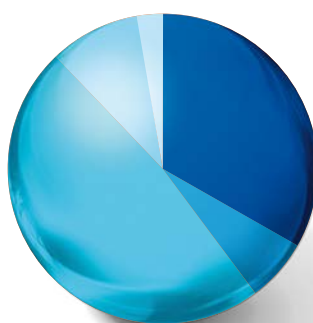
## MAIN FIGURES

In 2015, the **turnover** of the Industrial Services area was 6,501 million euros, a 3.7% decrease with respect to the previous year. It is worth highlighting that in 2015, all figures within this area are affected by the sale of renewable assets during the first quarter of 2015, without taking into account this effect the sales would have increased by 0.6% with respect to 2014.

Sales in international markets, stood at 4,335 million, 1.2% above 2014, and represent 67% of total turnover, thanks to the significant increase of activity in Asia Pacific, thanks to the major contracts awarded in previous years in the Middle East and other countries in this area (Australia, Japan, India), while sales in America, the Group's main geographic area, have remained practically stable.

Turnover in Spain for 2015 stands at 2,166 million euros, which represents a 12.1% reduction with respect to 2014, due to the sale of the above mentioned renewable assets.

## REVENUE BREAKDOWN BY GEOGRAPHICAL AREA



- SPAIN: 33%
- REST OF EUROPE: 7%
- AMERICA: 47%
- ASIA PACIFIC: 10%
- AFRICA: 3%

## INDUSTRIAL SERVICES

MILLION EUROS	2014	2015*	% Var.
SALES	6,750	6,501	-3.7%
EBITDA	902	680	-24.6%
MARGIN	13.4%	10.5%	
EBIT	810	608	-25.0%
MARGIN	12.0%	9.4%	
NET PROFIT	420	320	-23.7%
MARGIN	6.2%	4.9%	
ORDER BOOK	8,021	8,421	5.0%
MONTHS	14	16	
NUMBER OF EMPLOYEES	41,272	40,006	

\* The sale of the renewable energy assets took place in the first quarter of 2015.



The activities in the ACS Group's Industrial Services area combine two fundamental lines of business: Support Services to Industry and EPC Projects.

**Support Services to Industry** are aimed at industrial maintenance contracts and services, as well as support services to the clients' operational activities, and in turn cover three areas of activity:

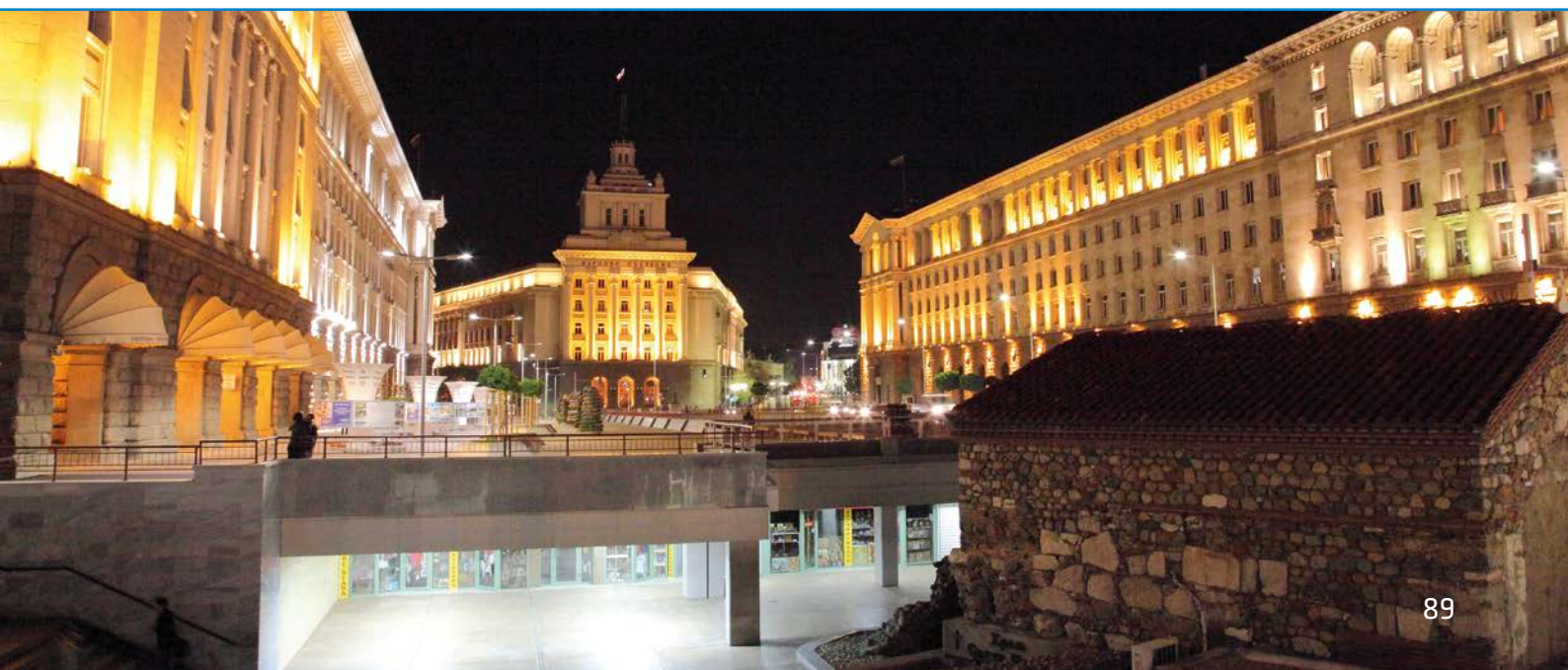
- **Networks:** electricity, gas and water network maintenance services and activities, in which the ACS Group has over 80 years' experience.
- **Specialised Products:** covering construction, installation and maintenance activities for high-voltage electricity lines, telecommunications systems, railway installations, electricity facilities, mechanical assemblies and heating and cooling systems.
- **Control Systems:** activities for installing and operating control systems for industrial and municipal services, noteworthy among which are traffic and transport control systems and systems for comprehensive management of public infrastructures, segments in which ACS has become the leading engineering supplier.

The ACS Group's activity in **EPC Projects** focus on the execution of "turnkey" or EPC<sup>7</sup> projects for the design, construction and commissioning of projects connected to the energy sector (electricity generation, also being noteworthy for the execution of projects related to renewable energies, assets related to the oil and gas sector, among others) and engineering applied to industry.

The ACS Group also has outstanding experience in developing and taking a stake in concession assets, basically related to energy, such as wind farms, thermal solar plants (either with central tower or with parabolic trough concentrators and storage of molten salt technology), transmission lines, purifying plants and desalinating plants.

So, at 31 December 2015, the ACS Group held stakes in 2 wind farms in Spain, with a gross installed capacity of 13.5 MW and 3 wind farms abroad, with gross installed capacity of 160.9 MW, as well as the participation in two wind farms in construction, one in Peru and the other one in Portugal with a gross installed capacity of 117.2 MW.

<sup>7</sup> EPC stands for Engineering, Procurement and Construction.



# INDUSTRIAL SERVICES

In thermal solar energy, in Spain the ACS Group had a 10% stake in two other plants of 49.9 MW each. Outside Spain it has a stake in the Tonopah thermal solar plant in the United States, with an installed power of 110 MW, which is one of the largest tower thermal solar plants with molten salt storage in the world, as well as thermal solar plant in South Africa with an installed capacity of 100 MW, both currently under construction.

In addition, the ACS Group also has a stake in several concession projects for the management and maintenance of high-voltage lines mainly in Brazil, with secured financing from the Banco Nacional de Desenvolvimento Economico e Social do Brasil (BNDES). At 31 December 2015, the ACS Group held stakes in 8 transmission lines, with a total length of 5,183 kilometres, and the Sete Lagoas electricity substation.

The ACS Group has also been developing equipment and technologies for water purification and desalination since 1983, as a global leader in this field, especially in water desalination by reverse osmosis, thanks to its extensive experience in carrying out projects in countries such

as Algeria, Australia, Mexico, Qatar, etc. The ACS Group had stakes in two desalination plants at 31 December 2015 –one in Spain and one in Algeria– with a capacity of 272,000 m<sup>3</sup>/day of water production for human consumption.

Likewise, on these lines indicating that during the first quarter of 2015 ACS Group witnessed the creation and flotation of its subsidiary Saeta Yield S.A., integrating the mature energy assets of the ACS Group.

The ACS Group sold 51% of Saeta Yield on the market to qualified institutional investors, and 24.4% to Global Infrastructure Partners. With this, ACS Group maintains at 31 December 2015 a 24.21% stake in Saeta Yield. At 31 December 2015, Saeta has an installed power of 538.5 MW in wind farms and 149.8 MW in thermal solar plants.

Simultaneously, ACS Group reached an agreement with Global Infrastructure Partners for the sales of 49% of Bow Power, a company dedicated to developing energy assets, over which Saeta Yield holds a right of first offer. Thus, at 31 December 2015, ACS Group held a 51% stake in Bow Power, which on this



## INDUSTRIAL SERVICES CONCESSIONAL ASSETS AT 31 DECEMBER 2015

WIND FARMS	Number of wind farms	Installed capacity (MW)	Average stake
WIND FARMS IN OPERATION	5	174.4 MW	76%
WIND FARMS IN CONSTRUCTION	2	117.2 MW	96%
THERMAL SOLAR PLANTS	Number of plants	Installed capacity (MW)	
STAKE IN THERMAL SOLAR PLANTS IN OPERATION	2	99.8 MW	10%
THERMAL SOLAR PLANTS IN CONSTRUCTION	2	210 MW	29%
ELECTRICITY TRANSMISSION ASSETS	Number	Kilometers	
TRANSMISSION LINES	8	5,183	47%
ELECTRICAL SUBSTATION	1		100%
PHOTOVOLTAIC PLANTS	Number of plants	Installed capacity (MW)	
PHOTOVOLTAIC PLANTS IN OPERATION	3	12.4	80%
OTHER CONCESSIONAL ASSETS	Number	Capacity	
DESALINISATION PLANTS	2	272,000 m <sup>3</sup> /day	59%
WATER TREATMENT PLANTS	31	1,774,715 m <sup>3</sup> /day	99%
COMBUSTION CYCLE	1	223 MW	50%

date had an installed power of 151.2 MW in wind farms, at different stages of development, and 149.7 MW in thermal solar plants, as well as a transmission line which is 402 kilometres long.

With these two operations, the Group has restructured its stake in these assets, remaining the industrial shareholder of reference in Saeta Yield to promote its

profitable growth, and strengthening the rotation strategy of the mature assets developed by the Group.



# INDUSTRIAL SERVICES

In 2015, the activity of Support Services to Industry, grew by 8.3% with respect to 2014, reaching 3,759 million euros, while the EPC Projects activity decreased by 7.9% due to the completion of several major projects combined with a delay in starting new awards. The sales of Renewable Energy Generation reflect a 72.1% decrease due to the sale of renewable assets during the first quarter of 2015.

The Industrial Services area has a balanced diversification and business mix, enabling it to face up to the changes in situation and retaining stable levels of profitability. In this way the EPC Projects activity (representing 43% of the total) combines

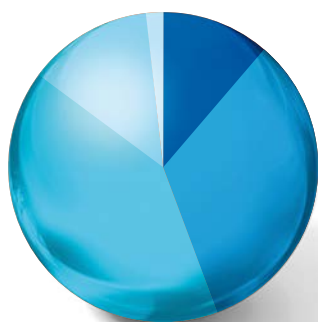
with the Specialised Products activity, (33% of the total) which features technologically complex businesses with higher margins, with the Networks and Control Systems, that contribute greater stability and visibility to the volume of business with their recurrence.

The technological capacity and its consolidated international track record, lead to the Industrial Services area being of high geographic diversification, especially in EPC Projects and Specialised Installations areas, with turnover outside Spain of 94% and 60% respectively, which contributes greater stability in the case of fluctuations in the domestic market.

## REVENUE BREAKDOWN BY ACTIVITY

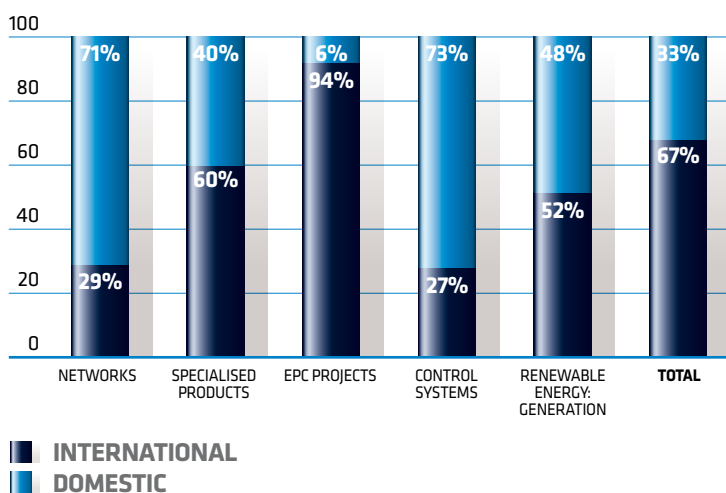
MILLION EUROS	2014	2015	% Var.
<b>SUPPORT SERVICES</b>	<b>3,471</b>	<b>3,759</b>	<b>8.3%</b>
<b>NETWORKS</b>	<b>661</b>	<b>738</b>	<b>11.7%</b>
<b>SPECIALISED PRODUCTS</b>	<b>1,965</b>	<b>2,163</b>	<b>10.0%</b>
<b>CONTROL SYSTEMS</b>	<b>845</b>	<b>859</b>	<b>1.7%</b>
<b>EPC PROJECTS</b>	<b>2,923</b>	<b>2,691</b>	<b>-7.9%</b>
<b>RENEWABLE ENERGY: GENERATION</b>	<b>406</b>	<b>113</b>	<b>-72.1%</b>
<b>CONSOLIDATION ADJUSTMENTS</b>	<b>(50)</b>	<b>(63)</b>	<b>n.a.</b>
<b>TOTAL</b>	<b>6,750</b>	<b>6,501</b>	<b>-3.7%</b>

## REVENUE BREAKDOWN BY ACTIVITY

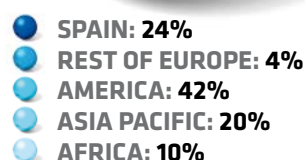
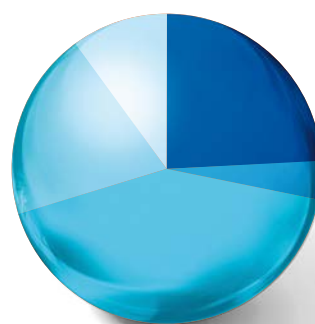


- NETWORKS: 11%
- SPECIALISED PRODUCTS: 33%
- EPC PROJECTS: 41%
- CONTROL SYSTEMS: 13%
- RENEWABLE ENERGY: GENERATION: 2%

## REVENUE BREAKDOWN BY MARKET



## ORDER BOOK BREAKDOWN BY GEOGRAPHICAL AREA



The Industrial Services area recorded an EBITDA of 680 million euros for 2015, representing a 10.5% margin on sales, while the net profit for 2015 was recorded at 320 million euros.

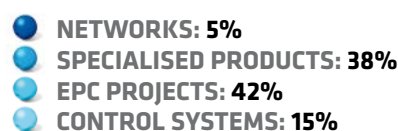
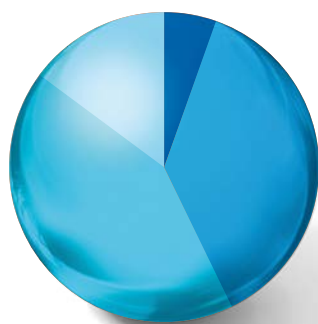
On the other hand, in 2015 the Industrial Services' **order book** increased by 5%, reaching 8,421 million euros, driven by the increase in the national order book and the major contracts awarded in the international sphere, especially those related to the field of energy and the development of turnkey industrial plants in Latin America and countries like Saudi Arabia, India or Japan, which have led to a 5.1% in the order book

related to international markets. Activities EPC Projects and Specialised Installations represented 80% of the total order book, with 96% and 78% respectively of their order book projects located abroad.

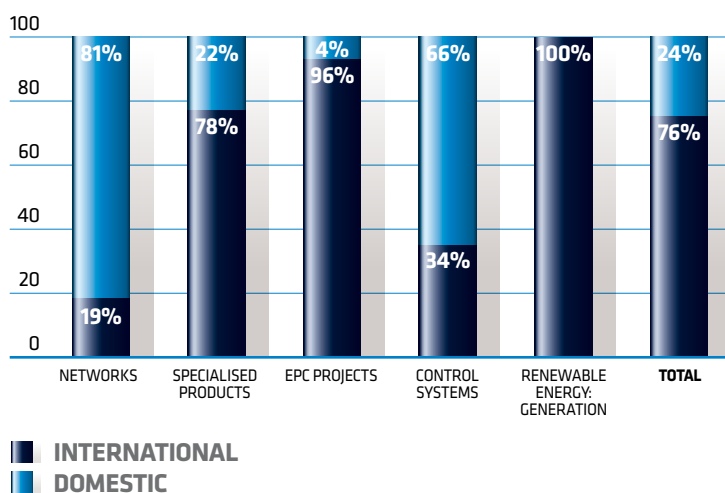
## ORDER BOOK BREAKDOWN BY ACTIVITY

MILLION EUROS	2014	2015	% Var.
SUPPORT SERVICES	4,833	4,867	0.7%
NETWORKS	474	448	-5.5%
SPECIALISED PRODUCTS	3,071	3,171	3.3%
CONTROL SYSTEMS	1,288	1,248	-3.1%
EPC PROJECTS	3,096	3,545	14.5%
RENEWABLE ENERGY: GENERATION	92	9	-90.3%
<b>TOTAL</b>	<b>8,021</b>	<b>8,421</b>	<b>5.0%</b>

## ORDER BOOK BREAKDOWN BY TYPE OF ACTIVITY



## ORDER BOOK BREAKDOWN BY TYPE OF ACTIVITY



# INDUSTRIAL SERVICES

## INDUSTRIAL SERVICES' ACTIVITY 2015\*

MILLION EUROS

### REVENUE

#### SAPIN

2014	2,466
2015	2,166

#### REST OF EUROPE

2014	482
2015	428

#### AMERICA

2014	3,126
2015	3,112

#### ASIA PACIFIC

2014	443
2015	633

#### AFRICA

2014	234
2015	162

### ORDER BOOK

#### SPAIN

2014	1,937
2015	2,026

#### REST OF EUROPE

2014	370
2015	350

#### AMERICA

2014	3,626
2015	3,551

#### ASIA PACIFIC

2014	1,247
2015	1,659

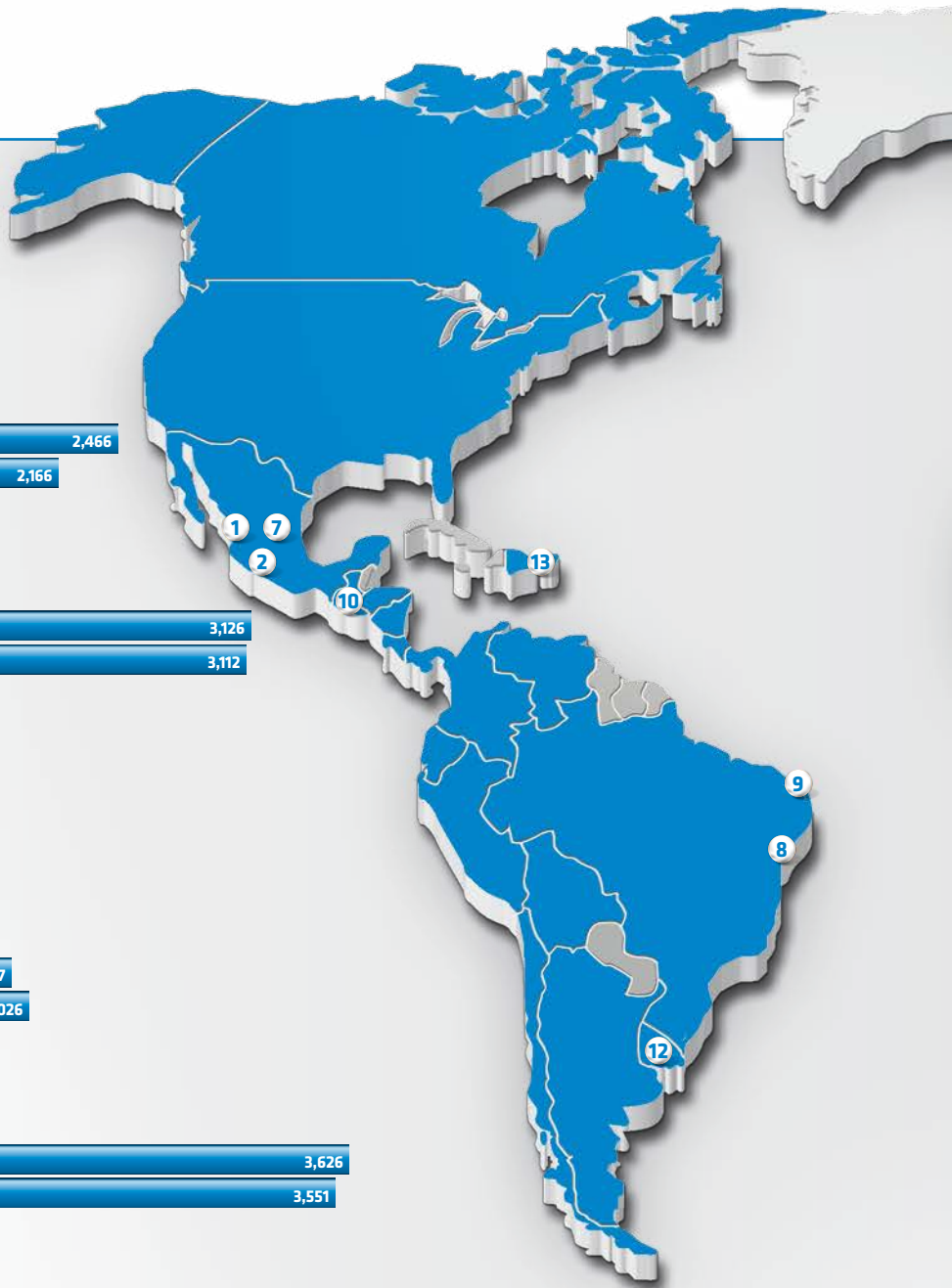
#### AFRICA

2014	842
2015	836

### 2015 REVENUE BREAKDOWN BY COUNTRY

SPAIN	2,166
MEXICO	1,563
SAUDI ARABIA	478
PERU	359
BRAZIL	209
PORTUGAL	195
CHILE	132
UNITED STATES	132
DOMINICAN REPUBLIC	119
OTHERS	1,148

\* Main countries where Industrial Services has reported ongoing projects or new awards.





## 2015 INDUSTRIAL SERVICES MAIN AWARDS

<b>1</b>	<b>MEXICO</b> CONSTRUCTION IN THE MIGUEL ALLENDE DE TULA REFINERY OF PLANTS FOR THE PRODUCTION OF ULTRA-LOW SULFUR DIESEL	<b>AMOUNT</b> <b>586</b> MILLION EUROS	<b>7</b>	<b>MEXICO</b> ENGINEERING, SUPPLY, CONSTRUCTION AND INSTALLATION OF THE OIL DRILLING PLATFORM PP-TECKEL-A.	<b>AMOUNT</b> <b>135</b> MILLION EUROS	<b>13</b>	<b>DOMINICAN REPUBLIC</b> EPC PROJECT FOR THE CONSTRUCTION OF KIVU WIND FARM WITH AN INSTALLED CAPACITY OF 49.5 MW.	<b>AMOUNT</b> <b>85</b> MILLION EUROS
<b>2</b>	<b>MEXICO</b> CONSTRUCTION OF VALLE DE MEXICO II COMBINED CYCLE PLANT WITH AN INSTALLED CAPACITY OF 615 MW.	<b>AMOUNT</b> <b>387</b> MILLION EUROS	<b>8</b>	<b>BRAZIL</b> EPC PROJECT FOR THE CONSTRUCTION OF ODOVA ELECTRICITY TRANSMISSION LINE WITH 281 KILOMETRES LENGTH IN BAHIA STATE.	<b>AMOUNT</b> <b>123</b> MILLION EUROS	<b>14</b>	<b>SAUDI ARABIA</b> SUPPLY AND INSTALLATION OF ELECTROMECHANICAL EQUIPMENT FOR 3 ELECTRICAL SUBSTATIONS IN DIAHRAN.	<b>AMOUNT</b> <b>83</b> MILLION EUROS
<b>3</b>	<b>ISRAEL</b> CONTRACT FOR THE ELECTRIFICATION OF 420 KILOMETERS OF ISRAEL RAILWAY NETWORK.	<b>AMOUNT</b> <b>386</b> MILLION EUROS	<b>9</b>	<b>BRAZIL</b> EPC PROJECT FOR THE CONSTRUCTION OF ESPERANZA ELECTRICITY TRANSMISSION LINE WITH 492 KILOMETRES LENGTH IN RIO DO GRANDE STATE.	<b>AMOUNT</b> <b>120</b> MILLION EUROS	<b>15</b>	<b>SINGAPOUR</b> EPC PROJECT FOR THE CONSTRUCTION OF TUAS 3 DESALINISATION PLANT WITH A CAPACITY OF 136,000 M <sup>3</sup> /DAY.	<b>AMOUNT</b> <b>81</b> MILLION EUROS
<b>4</b>	<b>SAUDI ARABIA</b> EPC PROJECT FOR THE ENGINEERING AND CONSTRUCTION OF DUBA COMBINED CYCLE PLANT WITH A TOTAL POWER OF 500 MW.	<b>AMOUNT</b> <b>314</b> MILLION EUROS	<b>10</b>	<b>GUATEMALA</b> DESIGN, ENGINEERING, SUPPLY, CONSTRUCTION AND COMMISSIONING OF RENACE IV HYDROELECTRIC PLANT.	<b>AMOUNT</b> <b>92</b> MILLION EUROS	<b>16</b>	<b>ALGERIA</b> MECHANICAL, ELECTRICAL AND PLUMBING INSTALLATIONS FOR THE NEW TERMINAL OF THE ALGIERS AIRPORT.	<b>AMOUNT</b> <b>75</b> MILLION EUROS
<b>5</b>	<b>SPAIN</b> MAINTENANCE CONTRACT FOR TELEFONICA IN SPAIN.	<b>AMOUNT</b> <b>198</b> MILLION EUROS	<b>11</b>	<b>JAPAN</b> EPC PROJECT FOR THE CONSTRUCTION OF MASHIKI PHOTOVOLTAIC FARM WITH AN INSTALLED CAPACITY OF 47.7 MW.	<b>AMOUNT</b> <b>89</b> MILLION EUROS	<b>17</b>	<b>SPAIN</b> CONTRACT FOR THE MAINTENANCE SERVICES OF SEVERAL STRECHTS OF THE SPANISH HIGH-SPEED RAILWAY LINE.	<b>AMOUNT</b> <b>71</b> MILLION EUROS
<b>6</b>	<b>UNITED ARAB EMIRATES</b> EPC PROJECT FOR THE CONSTRUCTION OF RAS AL-KHAIMAH DESALINISATION PLANT WITH A CAPACITY OF 100,000 M <sup>3</sup> /DAY.	<b>AMOUNT</b> <b>148</b> MILLION EUROS	<b>12</b>	<b>URUGUAY</b> EPC PROJECT FOR THE CONSTRUCTION OF KIVU WIND FARM WITH AN INSTALLED CAPACITY OF 48.6 MW.	<b>AMOUNT</b> <b>87</b> MILLION EUROS	<b>18</b>	<b>NORWAY</b> EPC PROJECT FOR THE CONSTRUCTION OF THE JOHAN SVERDRUP LIVING QUARTER JACKET.	<b>AMOUNT</b> <b>68</b> MILLION EUROS

# INDUSTRIAL SERVICES

## EUROPE

During 2015, ACS Group's Industrial Services area invoiced 2,594 million euros in Europe, representing 40% of the total turnover. The order book for this geographic area totalled 2,376 million euros.

In Spain, the sales are recorded at 2,166 million euros, 12.1% below the figure recorded in 2014 for the sale of renewable assets in Spain during the first quarter. Without this effect, the turnover would have remained stable. Thus, the Industrial Services area continues to be a leading company in Spain in the field of applied engineering, thanks to the strong diversification of its services and its long-standing experience in the sector. This has allowed for, in 2015, the Industrial Services order book within the national market to have increased by 4.6% with respect to 2014, with contracting during the year exceeding 2,200 million euros.

Within Spain, the Group continued to execute significant projects during 2015, such as:

- Construction and maintenance of the installations overhead contact line and associated systems of the high-speed railway stretch between Albacete and Alicante and its subsequent maintenance for two years.
- Contract for the maintenance service of the street lighting of Murcia.
- Comprehensive maintenance of four coal-fired power stations in Galicia.
- Contract for installation and maintenance of telephone, broadband services, voice, fibre and television networks for Movistar in various Spanish provinces.
- Construction and maintenance of Natural Gas networks including the gas distribution network, emergency

call-out service and industrial connections in different areas within Spain.

- Contract for developing climate control installations, mechanics and control of the new data processing centre for the BBVA in Tres Cantos (Madrid).

In the rest of Europe, ACS Group's Industrial Services area recorded sales for 2015 amounting to 428 million euros, which represent 7% of its turnover. In this sense, the Group is present in major European countries such as Portugal, the United Kingdom, France, Italy, Ireland, Poland, Norway and some Eastern countries, developing projects mainly related to power generation, control systems and other specialised installations.

Among the main projects carried out by the area in these countries in 2015 would include the following:

- Increasing the installed capacity of the Penamacor wind farm in Portugal.
- Project for the construction of a drinking water treatment plant and supply networks in the regions of Agnita and Dumbrăveni (Romania).
- Construction of a photovoltaic plant with 49.9 MW of installed capacity in West Raynham (United Kingdom).
- Implementation of a 17 kilometres underground electric interconnection line between Moirans and Vinay (France).
- Mechanical assembly work for the nitric acid plant owned by Yara Norge (Norway).
- Maintenance of the street lights in Sofia, Bulgaria.
- Control and security system installations in the tunnel under the Vistula river (Poland).



## EPC PROJECT FOR THE MARINER PROJECT OIL RIG

### CLIENT

Statoil UK.

### PROJECT TYPE

EPC Projects.

### PROJECT EXECUTION DATES

2012-2015.

### AMOUNT

214 million euros.

### LOCATION

Project Implementation: Puerto Real, Cádiz –  
Definitive location: Mariner oilfield, British sector of  
the North Sea

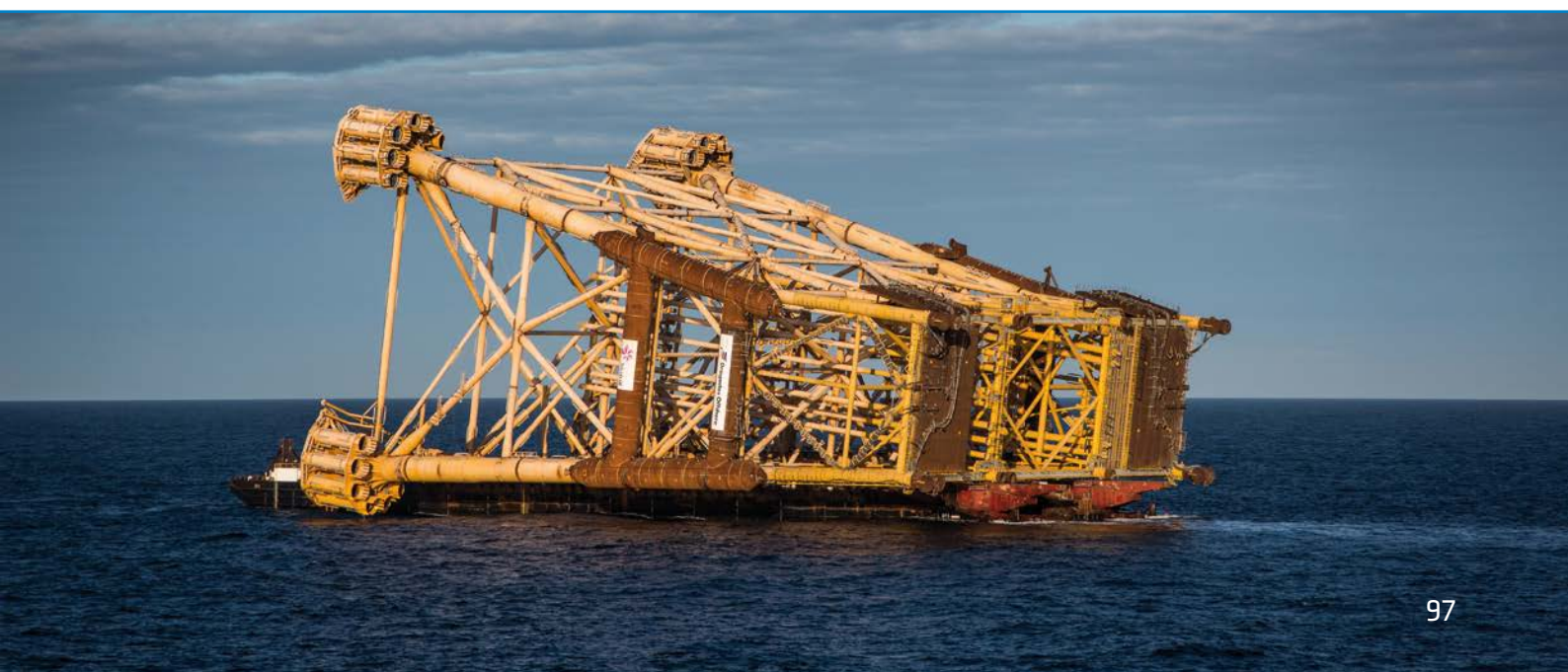
### COMPANIES INVOLVED IN THE PROJECT

Dragados Offshore.

### FULL PROJECT DESCRIPTION

In 2015, Dragados Offshore completed for Statoil the oil rig (jacket) for the Mariner project. Within this project, Dragados Offshore has been responsible for executing the Works involved in the engineering, procurement and construction (EPC) of the rig, until its loading and mooring to the transport ship. The jacket weighs approximately 22,400 tonnes, and it is the largest of its kind ever built by Statoil and by Dragados Offshore.

The Mariner oilfield is located approximately 130 kilometres off the British coast and 40 kilometres from the United Kingdom/Norway international border, with a water depth ranging from 97 metres to 112 metres. It is expected that the rig rested on the jacket will produce heavy crude through 50 wells. The unit will in turn be connected to a floating storage and unloading unity. The rig will separate the gas and water from the crude oil that is produced. The stabilised crude oil will be piped to the storage ship and from there it will be sent to the mainland using tankers.



# INDUSTRIAL SERVICES

## AMERICA

In ACS Group's Industrial Services area, America remained the main geographic area in 2015 due to revenue, with recorded sales of 3,112 million euros, representing 47% of the revenue, as well as its order book which closed 2015 at 3,551 million euros, which represents 42% of the total order book.

In Latin America, the ACS group is a forerunner in the applied engineering sector, holding a leading position in several of the most significant countries, such as Mexico and Peru. Sales in this area exceed 2,900, which represents more than a 5% increase with respect to 2014, primarily due to the awarding of major contracts related to energy generation and transmission, and related to oil products and other specialised installations. The order book for this division in 2015 exceeds 3,300 million euros.

In Mexico, one of the Group's main activity areas, sales for 2015 stood at 1,563 million euros, while the order book increased by 6.9% with respect to 2014 up to 1,897 million euros, which reaffirms the Group's position in this area. In this way, the contracts obtained in this country during 2015 include projects related to energy generation and distribution such as the construction of the Valle de México II combine cycle with an installed power of 625 MW or the project for the construction of the Chimalpa Two substation, as well as projects related to oil products, such as phase II for the development of the plants for producing ultra-low sulphur diesel in the Miguel Hidalgo Refinery in Tula de Allende or the EPC project for implementing the PP-Teckel-A drilling oil rig.

In the remaining Latin American countries, the Group has a sound presence in countries such as Peru, Brazil, Chile, Argentina, Colombia, Ecuador or Panama,

where it is developing projects for electricity generation, hydroelectricity and other renewable energies along with electricity transmission projects, and projects related to oil products, mobility systems and water networks or treatment. On these lines, special relevance should be given to the alliance reached by the Industrial Services area with the Canadian investment fund Brookfield for implementing projects in the transmission sector in Brazil, where the ACS Group companies in Brazil (mainly Cobra and Cymi) have already established a solid reputation, experience and technical solvency.

During 2015, the projects executed in Latin America by companies belonging to the Industrial Services area include:

- Rehabilitation and modernisation of packages 1 and 2 of the combined cycle in the Tula thermal electric plant, comprising two units of 275 MW of installed power each, which is located in the town of Tula de Allende in the state of Hidalgo (Mexico).
- Contract for the execution of the engineering, supplies, civil works and assembly of the Transmission line in 500 kV between the Luziania and Pirapora 2 substations (400 km) in Brazil.
- Turnkey project for execution of the Recka thermal generation plant of 182 MW in Peru.
- Design, supply and construction of the Renace III hydroelectric project in Alta Verapaz (Guatemala).
- EPC project for the construction of a 30 MW biomass power plant in San Pedro de Macoris, Dominican Republic.
- Construction of the Larimar wind farm with installed capacity of more than 50 MW in Dominican Republic.

## The Industrial Services activity in America represents a 47% of the total revenue, reaching 3,112 million euros.

- Construction and installation of the Nacome II photovoltaic park with an installed capacity of 50 MW in Honduras.
- EPC project for the implementation of three photovoltaic plants of approximately 11 MW each in Panama.
- Implementation of the drilling water treatment plant at Puerto Gaitán (Colombia).
- Supply, installation and commissioning of the Tetra systems for providing coverage to the Collective Transport System (CTS) in Mexico FD.
- Supply, installation and commissioning of an Intelligent Traffic System (ITS), electrical and electromechanical system (ventilation, fire-protection system and lighting) of the Gambetta tunnel in Lima (Peru).

During 2015, the Industrial Services area has continued with its activity in the US and Canadian markets, in which, although still with a budding presence, has already implemented major projects in the energy field, such as the Tonopah solar thermal plant, in the United States. The Group has also implemented in this area projects related to transport infrastructures, such as the electrical installations along 11 kilometres of the Windsor Essex highway in Canada or the installation of the intelligent transport system for the new bridge over St. Lawrence river in Montreal (Canada). Also within the field of specialised installations, this division has been awarded in 2015 the contract for the electrical installations, sound and video systems, climate control and ventilation for Grace Church in Humble (United States). The aim is to continue consolidating its position in the North American market, one of world's major infrastructure markets.



# INDUSTRIAL SERVICES

## EPC WIND FARM PROJECT IN TRES HERMANAS (PERU)

### CLIENT

Parque Eólico Tres Hermanas SAC.

### PROJECT EXECUTION DATES

2014-2016.

### LOCATION

Marcona (Peru).

### PROJECT TYPE

EPC Projects.

### AMOUNT

168 million euros.

### COMPANIES INVOLVED IN THE PROJECT

Cobra Instalaciones y Servicios, S.A.

### FULL PROJECT DESCRIPTION

Turnkey implementation of the engineering, procurement, construction and commissioning of a 97.15 MW wind farm located close to the town of Marcona, Department of Ica, Peru.

The project includes the supply and installation of 25 Siemens SWT 108 wind turbines of 3.15 MW and 8 Siemens SWT 108 wind turbines of 2.3 MW, all of which with their corresponding transformation centres.

Likewise, the scope of the project includes the construction of access roads; interior paths; assembly platforms and foundations for the wind turbines and cable trenches.

Also implementing the underground power evacuation lines at 34.5 kV and communication via fibre optics to the transformer substation, as well as the works for extending the Park's step-up transformer substation at 220 kV.



## PROJECT FOR THE DEVELOPMENT OF THE COMPRESION ALTA LITORAL A PLATFORM (MEXICO)

### CLIENT

Pemex.

### PROJECT TYPE

EPC Projects.

### PROJECT EXECUTION DATES

2012-2015.

### AMOUNT

350 million euros.

### LOCATION

Tampico, Mexico – Definitive location: Litoral Oilfield, Gulf of Mexico, Mexico.

### COMPANIES INVOLVED IN THE PROJECT

Dragados Offshore de México SA de CV.

### FULL PROJECT DESCRIPTION

The Compresion Alta Litoral A platform is part of the Litoral oilfield development project, which is being carried out by Dragdos Offshore for Petróleos Mexicanos (Pemex). The Litoral A oilfield is located in the southern part of the Gulf of Mexico, in the south-eastern area of Campeche Sound, which is Mexico's most important oil producing province. The maximum water depth in the Litoral oilfield is of 115 feet (35 metres). The Compresión Alta Litoral A platform has been designed to comply with new operating conditions for the Litoral processing centres, eliminating excess gas burning, and to provide the necessary modular capacity for increasing production. The platform's compression system will have the capacity for increasing the pressure to 85 bar using high-pressure compression modules.

The scope of the works carried out by Dragados Offshore include the engineering, procurement, construction, loading and commissioning of the platform (EPCIC). The structure weighs more than 15,000 tonnes, including the main 9,000 tonne platform, the 2,000 tonne jacket, bridges, and tripods. Due to the shallowness of the sheet of water, this project is the first installation project to be executed using the "float-over" method in Mexican waters and in the Gulf of Mexico.



# INDUSTRIAL SERVICES

## ALTO HYDROELECTRIC PLANT (PANAMA)

### CLIENT

Panamá Power Holdings, INC.

### PROJECT TYPE

EPC Projects.

### PROJECT EXECUTION DATES

2010-2015.

### AMOUNT

110 million euros.

### LOCATION

Chiriquí Province, Panama.

### COMPANIES INVOLVED IN THE PROJECT

Cobra Infraestructuras Hidráulicas.

### FULL PROJECT DESCRIPTION

The project consists in the turnkey construction of El Alto thermal electric plant. This is a hydroelectric exploitation which comprises a 50 metre-high dam with a 3.3 kilometre headrace tunnel, followed by a 480 metre-long pressurised pipe, surge tank, powerhouse and a discharge canal.

The El Alto project's curved gravity dam is made from conventional concrete, is 160 metres long, its normal operating level of 634 metres and the minimum level is 625 metres. The headrace tunnel has a 5 metres diameter for a design flow rate of 60 m<sup>3</sup>/s. A chimney tunnel of the same diameter as the tunnel and a forced pipe of 3.8 metre diameter, which splits before reaching the powerhouse, which houses three Francis vertical axis units each with an installed power of 22.3 MW.

The Project has a transmission line of 230 KV from the powerhouse until intercepting the SEIPAC transmission line, with an approximate length of 6 kilometres.

In addition, for accessing the dam, 2.5 kilometres of the Producción Plaza Caisán – El Alto road have been reconditioned and a further 1.2 kilometres have been laid until reaching the dam. For accessing the powerhouse, 2.5 kilometres of the Hato Volcán – San Andrés road have been recondition until reaching the bridge along the Plaza de Caisán – Cañas Gordas road and a further 2.5 kilometres of road has been laid until reaching the powerhouse.



## ASIA PACIFIC AND AFRICA

The Asia Pacific and Middle East region has experienced in 2015 the largest growth in the Industrial Services area, thanks to major contracts awarded during previous years, in countries such as Saudi Arabia, United Arab Emirates, Japan and India, where the Group is implementing industrial plants, electrification projects, mobility projects or renewable energy assets. Thus in 2015, sales in this area have increased by 43.1% compared to the previous year, up to 633 million euros and they already represent 10% of the Group's total revenue. Likewise, in this area the order book is at 1,659 million euros, which entails a 33.1% increase when compared to the 2014 figure, thanks to major awards won in 2015 such as the contract for the electrification of 420 kilometres of railway network in Israel or the contract for the supply and assembly of 3 electrical substations in Dahrán (Saudi Arabia). For its part, the turnover in Africa for 2015 has reached 162 million euros, while the order book remains at 836 million euros.

In these countries, during 2015, major projects have continued to be developed, including:

- Turnkey project for the construction of mineral handling units and infrastructures related to the bauxite mine belonging to Ma'aden Bauxite and Alumina Company in Saudi Arabia.
- Design, supply, installation and commissioning of the control systems of the WestConnex M4-East tunnel (Australia).
- Design, execution, commissioning and operation of the Ali Mendjeli Sewage Treatment Plant (Algiers).
- Urban traffic regulation system in Casablanca (Morocco).
- Projects for the installation of electrical systems in the Indian railway network.
- Turnkey execution of the photovoltaic plant of Fukuroda, with installed capacity of 32 MW (Japan).
- Contract for the engineering, supply, and construction of a fertiliser plant, more specifically, diammonium phosphate (DAP), producing 1.5 million tonnes per year, in the industrial city of Ras al Khair (Saudi Arabia).
- Turnkey contract for the implementation of the "Ibn Sina" plastics plant in Saudi Arabia, with production capacity of 50,000 tonnes of polyoxymethylene. The scope of the work includes the engineering of details, purchase management, and construction of a polyoxymethylene (POM) plant, as well as the auxiliary and offsite services.
- Project for the engineering, supply and installation of 10 reactors for different plants belonging to subsidiaries of the Sabic Group in Saudi Arabia.
- Turnkey project for a 200-bed hospital and 24 relatives accommodation houses for healthcare staff (Angola).



# INDUSTRIAL SERVICES

## DESIGN, CONSTRUCTION AND MAINTENANCE OF THE ISRAELI RAILWAY INFRASTRUCTURE IN ISRAEL

### CLIENT

Israel Railways Limited.

### PROJECT TYPE

Specialised Installations.

### PROJECT EXECUTION DATES

2016-2032.

### AMOUNT

386 million euros.

### LOCATION

Israel.

### COMPANIES INVOLVED IN THE PROJECT

SEMI.

### FULL PROJECT DESCRIPTION

The project consists of the design, construction and maintenance of the Israeli railway infrastructure. The scope of the electrification spans over 420 kilometres of double-track, quadruple-track, etc., reaching a total of 1,100 kilometres of single-track. The techniques to be implemented are overhead contact line, traction substations (14 units), Scada and communications. The contract also includes obtaining all permits from local and national authorities and coordination with the state-owned electricity board, Israel Electric Co.

After delivering the construction, the initial 10-year maintenance period will begin, with a possibility of being extended for a further 15 years. Other contract options are the line extensions, which total about 250 kilometres of track and 9 substations.

The first line to be completed is the A1, between Herzliya and Jerusalem, a new-build which will allow for travelling between the country's two main cities in less than 20 minutes.





## PLANT FOR EXPORTING GAS AND NGL (NATURAL GAS LIQUIDS) OF KJO (SAUDI ARABIA)

### CLIENT

KJO (Al-Khafji Joint Operations).

### PROJECT TYPE

EPC Projects.

### PROJECT EXECUTION DATES

2011-2015.

### AMOUNT

45 million euros.

### LOCATION

Khafji, Arabia Saudi.

### COMPANIES INVOLVED IN THE PROJECT

Intecsa.

### FULL PROJECT DESCRIPTION

The scope of the project consists of providing the engineering, procurement and construction of the gas and NGL (Natural Gas Liquids) exporting plant of KJO. The complex will require the construction of the installations for handling the natural gas and the recovered liquids (also known as condensed). This product is of great commercial interest and is extracted from the natural gas due to being heavier than methane.

The scope of the project includes NGL containment tanks and the product transfer. The unit would require an NGL cooling system for storage.

The project has also included the construction of the installations for exporting sour gas for its desulphurisation and the safety flare for burning acid gases.

For servicing the plant, the project also included carrying out the nitrogen generation package, the air compression system for instrumentation, the systems and operations buildings, and all the piping, loading arms and interconnections within the complex.



# ENVIRONMENT

**THE ENVIRONMENT AREA OF THE ACS GROUP FOCUSES ON ENVIROMENTAL SERVICES, FACILITY MANAGEMENT AND LOGISTICS SERVICES.**





# ENVIRONMENT

## ENVIRONMENT



In the **Environment area**, the ACS Group focuses on its **Environmental Services** mainly through Urbaser, its **Facility Management** through Clece, and its **Logistics Services** through Sintax.

The **Environment Services** activity implemented by Urbaser is in turn divided into two differentiated areas, **Urban Services and Waste Treatment**.

The activity included in the **Urban Services** area focuses on urban solid waste collection and cleaning services (including selective collection programs, beach cleaning and office cleaning), landscaping, collecting and processing construction and demolition waste and integral water cycle management.

Within the **Waste Treatment** area, Urbaser covers the entire value chain, from the design, development and implementation of the project to the construction, financing and operation of plants for sorting, processing and recycling waste, biomethanisation, energy recovery, landfills and landfill degasification, in addition to generating power from materially unrecoverable waste. Urbaser has an in-depth understanding of the different processes applicable for the correct management of waste, applying in each case the best available technology, with industrially proven processes designed to recover waste optimally, always within an environmentally sustainable framework.



## Turnover in the Environment area in 2015 stood at 3,139 million euros.

Urbaser's extensive experience in the Spanish sector, both regarding waste treatment and urban services, together with its commitment to technological innovation, have led it to reinforce its position in the European market in recent years, especially in France and the United Kingdom, as well as to continue its activities in Latin America and North Africa, and for expanding its activities within other markets. Thus, throughout this year Urbaser has signed an agreement with a private partner for the construction of an industrial waste assessment plant in Oakland (United States).

In so far as the **Facility Management** activities carried out by Clece, these are structured into three main areas:

- **Services for people**, covering the assistance needs and resources aimed at certain collectives, such as elderly citizens, dependent people, disabled people and children aged up until the age of three, including services such as care for the elderly; managing playschools and collective restoration.
- **Services for buildings**, include the necessary services for ensuring the optimal operation of any property, such as maintenance, energy efficiency, cleaning, security, logistics and auxiliary services.
- **Services for the city and the environment**, encompassing all activities aimed at preserving and caring for public spaces such as managing public lighting which includes investing in changing light fittings, environmental services and airport services.

### MAIN FIGURES IN 2015

Turnover in the Environment area in 2015 stood at 3,139 million euros, amounting to a 34.2% growth. In this respect, it needs to be borne in mind that all the 2014 operating figures have been affected by the consolidation through global integration of Clece from 1 July 2014, if we consider during both years Clece's integration over 12 months, the turnover would rise to 4.9%.

### ENVIRONMENT

MILLION EUROS	2014*	2015	% Var.
SALES	2,338	3,139	34.2%
EBITDA	291	342	17.6%
MARGIN	12.4%	10.9%	
EBIT	135	166	23.4%
MARGIN	5.8%	5.3%	
NET PROFIT	72	73	1.4%
MARGIN	3.1%	2.3%	
ORDER BOOK	10,164	9,776	-3.8%
MONTHS	41	37	
NUMBER OF EMPLOYEES	94,581	99,005	

\*Clece's consolidation by global integration since 1 July 2014.

# ENVIRONMENT

In 2015, sales in the Environment area in Spain were recorded at 2,388 million euros, representing a 34.2% increase, driven by the consolidation of Clece's global integration throughout 2015, with most of its activity taking place in the domestic market.

In the international market, turnover in the Environment area increased by 23.1% up to 751 million euros, thanks to the positive exchange rate evolution in Latin America, Clece's integration and the start-up of operations in Waste treatment plants in France, as well as the implementation of the major contracts awarded in previous years in countries such as Argentina, Chile and Mexico. Thus, for 2015 the activity carried out in the international sphere represents 24% of the total turnover.

By areas of activity, sales in the **Waste Treatment** area are recorded at 524 million euros, remaining stable when compared to the figure recorded in 2014 and representing 17% of the Environment activity in 2015. On the other hand, the revenue from **Urban Services** experienced a 7.5% increase with respect to 2014, which stood at 1,109 million euros, accounting for 35% of the area's total activity.

The **Logistics** area covers the remaining multimodal transport assets, with a turnover for 2015 recorded at 129 million euros.

In so far as **Facility Management** activities in 2015 these reached sales for 1,377 million euros. If Clece's revenue for 2014 and 2015 had been consolidated over 12 months, the sales would have increased by 7.7% in comparable terms.

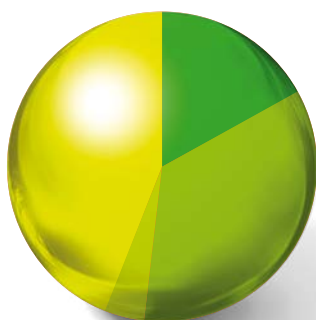
**EBITDA** of the Environment area grew stood at 342 million euros, representing a 17.6% increase with respect to 2014. The margin over sales stands at 10.9% for 2015, in comparison to the 12.4% for the previous year. This decrease in the margin is due to the inclusion of the Facility Management business, which, like Urban Services, includes intense activities in terms of labour and requiring less investment, which due to being based on medium- and long-term recurring contracts, they enhance visibility by generating income and sustained returns. Meanwhile Waste Treatment activities are more capital-intensive of the concession type with higher returns.

**Net profit** in the Environment area for 2015 was 73 million euros, 1.4% higher than 2014.

At 31 December 2015, the ACS Group Environment area's **order book** stood at 9,776 million euros, equal to 37 months of production.

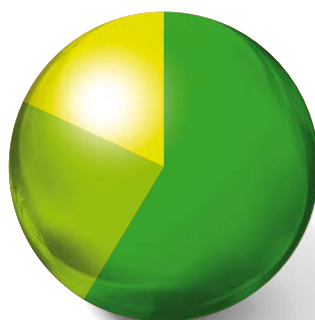
By geographic areas, we see that the order book in the international scope stands at 3,964 million euros, representing 63 months of activity and entails a 2.4% increase with respect to 2014. The increase in the international order book is due to being awarded major contracts in the field of Waste Treatment and Urban Services in the United Kingdom, Mexico, Venezuela and Oman. By type of activity, the Waste Treatment area represents 60% of the total portfolio, while Urban Services represents 23% and Facility Management represents 17%.

## TURNOVER BREAKDOWN BY TYPE OF ACTIVITY



- WASTE TREATMENT: 17%
- URBAN SERVICES: 35%
- LOGISTIC: 4%
- FACILITY MANAGEMENT: 44%

## ORDER BOOK BREAKDOWN BY TYPE OF ACTIVITY



- WASTE TREATMENT: 60%
- URBAN SERVICES: 23%
- FACILITY MANAGEMENT: 17%

## ENVIRONMENT

MILLION EUROS	2014*	2015	% Var.
<b>SALES</b>	<b>2,338</b>	<b>3,139</b>	<b>34.2%</b>
WASTE TREATMENT	523	524	0.1%
URBAN SERVICES	1,031	1,109	7.5%
LOGISTICS	134	129	-3.6%
FACILITY MANAGEMENT	650	1,377	n.a.
<b>ORDER BOOK</b>	<b>10,164</b>	<b>9,776</b>	<b>-3.8%</b>
WASTE TREATMENT	6,073	5,826	-4.1%
URBAN SERVICES	2,383	2,304	-3.3%
FACILITY MANAGEMENT	1,708	1,647	-3.6%

\*Clece's consolidation by global integration since 1 July 2014.



# ENVIRONMENT

## ENVIRONMENT' ACTIVITY 2015\*

MILLION EUROS

### REVENUE\*

#### SPAIN

2014	1,728
2015	2,388

#### REST OF EUROPE

2014	296
2015	316

#### AMERICA

2014	283
2015	416

#### AFRICA

2014	32
2015	20

\*Clece's consolidation by global integration since 1 July 2014.

### ORDER BOOK

#### SPAIN

2014	6,293
2015	5,813

#### REST OF EUROPE

2014	2,821
2015	2,862

#### AMERICA

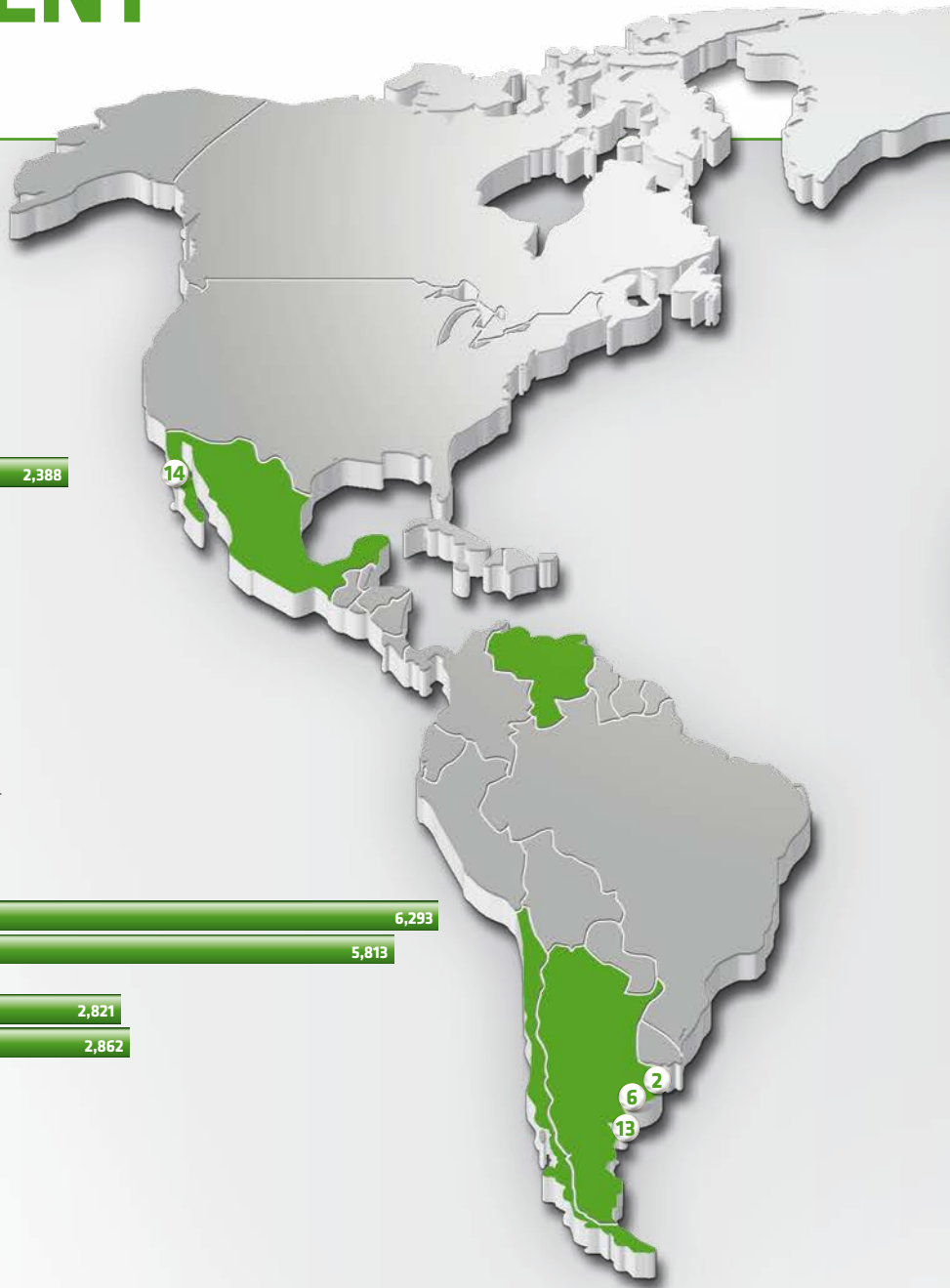
2014	1,009
2015	1,008

#### ASIA PACIFIC

2014	0
2015	64

#### AFRICA




2014	41
2015	29



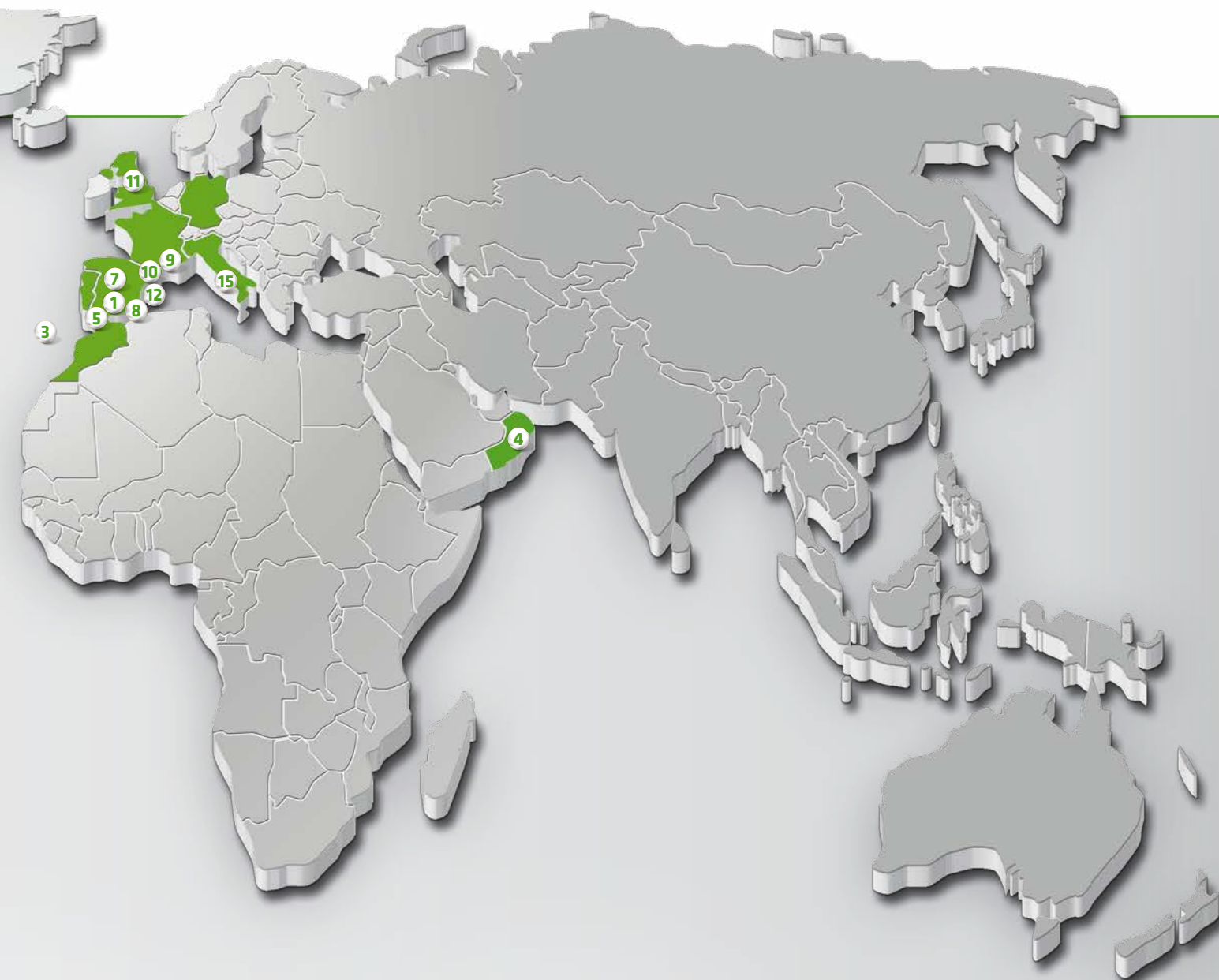
### 2015 REVENUE BREAKDOWN BY COUNTRY

SPAIN	2,388
FRANCE	245
ARGENTINA	207
CHILE	127
VENEZUELA	69
UNITED KINGDOM	43
PORTUGAL	24
MOROCCO	20
MEXICO	14
GERMANY	4
















\* Main countries where Environment has reported ongoing projects or new awards.

- URBAN SERVICES 
- WASTE TREATMENT 
- FACILITY MANAGEMENT 





## 2015 ENVIRONMENT MAIN AWARDS

<p><b>1</b></p>  <p><b>SPAIN*</b> COLLECTION AND TREATMENT OF WASTE AND STREET CLEANING FOR THE PROVINCIAL JURISDICTION OF JAÉN.</p>	<p>AMOUNT</p> <p><b>484</b></p> <p>MILLION EUROS</p>	<p><b>6</b></p>  <p><b>ARGENTINA</b> CONTRACT FOR THE MAINTENANCE OF GREEN AREAS OF THE CITY OF BUENOS AIRES.</p>	<p>AMOUNT</p> <p><b>49</b></p> <p>MILLION EUROS</p>	<p><b>11</b></p>  <p><b>UNITED KINGDOM</b> CONTRATO PARA LA RECOGIDA DE RESIDUOS Y LIMPIEZA DE CALLES EN BURNLEY BOROUGH COUNCIL.</p>	<p>AMOUNT</p> <p><b>32</b></p> <p>MILLION EUROS</p>
<p><b>2</b></p>  <p><b>ARGENTINA</b> URBAN WASTE COLLECTION CONTRACT IN MORON.</p>	<p>AMOUNT</p> <p><b>116</b></p> <p>MILLION EUROS</p>	<p><b>7</b></p>  <p><b>SPAIN</b> CONTRACT WITH THE SPANISH MINISTRY OF DEFENSE FOR CLEANING SERVICES OF SEVERAL FACILITIES.</p>	<p>AMOUNT</p> <p><b>46</b></p> <p>MILLION EUROS</p>	<p><b>12</b></p>  <p><b>SPAIN</b> RENEWAL OF A CONTRACT FOR CLEANING SERVICES AND ACHIEVEMENT OF NEW CONTRACT FOR CLEANING SERVICES IN PRIMARY HEALTH CENTERS OF THE INSTITUTO CATALAN DE SALUD.</p>	<p>AMOUNT</p> <p><b>31</b></p> <p>MILLION EUROS</p>
<p><b>3</b></p>  <p><b>CANARY ISLANDS, SPAIN</b> RENEWAL OF THE CONTRACT FOR THE CLEANING SERVICES OF DIFFERENT HOSPITALS IN THE CANARY ISLANDS.</p>	<p>AMOUNT</p> <p><b>70</b></p> <p>MILLION EUROS</p>	<p><b>8</b></p>  <p><b>JAEN, SPAIN</b> HOME CARE SERVICES IN THE MUNICIPALITY OF JAÉN.</p>	<p>AMOUNT</p> <p><b>42</b></p> <p>MILLION EUROS</p>	<p><b>13</b></p>  <p><b>ARGENTINA</b> MAINTENANCE SERVICES OF WOODED AREA FOR PUBLIC USE OF THE CITY OF BUENOS AIRES.</p>	<p>AMOUNT</p> <p><b>30</b></p> <p>MILLION EUROS</p>
<p><b>4</b></p>  <p><b>OMAN</b> CONTRACT FOR WASTE OPERATION SERVICES IN SOUTH AL BATINAH GOVERNATORATE.</p>	<p>AMOUNT</p> <p><b>66</b></p> <p>MILLION EUROS</p>	<p><b>9</b></p>  <p><b>MONTPELLIER, FRANCE</b> URBAN WASTE COLLECTION CONTRACT IN MONTPELLIER.</p>	<p>AMOUNT</p> <p><b>35</b></p> <p>MILLION EUROS</p>	<p><b>14</b></p>  <p><b>MEXICO</b> URBAN SOLID WASTE COLLECTION IN TECATE, BAJA CALIFORNIA.</p>	<p>AMOUNT</p> <p><b>20</b></p> <p>MILLION EUROS</p>
<p><b>5</b></p>  <p><b>GRANADA, SPAIN</b> RENEWAL OF THE CONTRACT FOR THE CLEANING SERVICES OF THE VIRGEN DE LAS NIEVES HOSPITAL AND NEW CONTRACT FOR THE SAN CECILIO HOSPITAL CLEANING SERVICES.</p>	<p>AMOUNT</p> <p><b>64</b></p> <p>MILLION EUROS</p>	<p><b>10</b></p>  <p><b>GIRONA, SPAIN</b> CONTRACT FOR WASTE COLLECTION AND URBAN CLEANING SERVICES IN PALAFRUGELL.</p>	<p>AMOUNT</p> <p><b>33</b></p> <p>MILLION EUROS</p>	<p><b>15</b></p>  <p><b>ITALY</b> CONTRACT FOR CLEANING SERVICES AS WELL AS URBAN WASTE COLLECTION AND TRANSPORT IN TERRACINA.</p>	<p>AMOUNT</p> <p><b>19</b></p> <p>MILLION EUROS</p>

\*New award not included in the December, 2015 order book.

# ENVIRONMENT

## ACTIVITIES IN 2015

### SPAIN

In **Spain**, Urbaser has developed and manages the following **facilities for the treatment, recovery and disposal of urban solid waste** in the **Waste Treatment and Urban Services** area:

- 36 Plants for the pre-treatment of urban solid waste, with capacity to treat 6,793,654 tonnes.
- 4 Energy recovery plants, with capacity to treat 1,163,000 tonnes and an installed electrical power of 114.26 MW.
- 15 plants for biomethanisation of organic fractions, with capacity to treat 895,837 tonnes, an installed capacity of 38.54 MW and an average annual production of 89.07 Hm<sup>3</sup> of biogas.
- 41 Composting plants with capacity to treat 2,613,663 tonnes.
- 81 Transfer plant installations with capacity to transfer 3,216,596 tonnes.

- 33 Packaging treatment facilities, with capacity to treat 377,431 tonnes.
- 37 Controlled landfills, with an annual theoretical dumping capacity of 4,607,302 tonnes. In addition to 2 RCD landfills of 223,000 tonnes and 2 RTP landfills of 68,440 tonnes.

Urbaser consolidated itself in the waste treatment sector, increasing the quantity of recyclable products recovered in the plants, as well as achieving better yield in biogas production from anaerobic digestion of organic fractions from urban solid waste, an activity in which Urbaser is a world leader. Also remaining committed to energy efficiency, performing audits on the facilities which require them.

Another highlight in 2015 was the new award of the contract for waste treatment of Jaen province for a 15-year period, extendable for 2 more 5-year periods, for a total contract amount of 127 million euros. Also highlighting the award for sealing phase II of El Mazo landfill, located between Torrelavega and Piélagos, in Cantabria, for a total contract amount of 2 million euros. Furthermore in 2015 the company has completed the works for updating of the



urban waste and light packaging treatment plant in the Campiña 2000 Environmental Complex located in Seville. At the same time, the work of the Zonzamas Environmental Complex, in Lanzarote, is in progress, which was awarded in 2014 a contract in the amount of 15.2 million euros, for modifying the Sierra Norte de Gredos Urban Waste treatment plant, in Ávila, for a total contact amount of 7 million euros, and the biogas recovery tank of the waste deposit within Las Dehesas Urban Waste treatment plan. Urbaser places great emphasis on its R&D+i policy with the objective of distinguishing itself through the technological level of its solutions, as well as supporting our client's urban sustainability. In this sense, Urbaser has invested heavily in the creation of the ground-breaking "Alfonso Maílló" Technological Innovation Centre for waste treatment in Spain that was certified by AENOR in 2013 under standard UNE 166.002 for R&D+i Management, where the group has its laboratory to study the implementation of the latest technologies.

Activity in **the construction and demolition waste** sector continues to be influenced by the current economic environment in the construction sector, even though the five facilities Urbaser manages in Madrid started to improve slightly in 2015.

The **integral management of industrial wastes** area, through the company Sertego, has an operational and logistics network consisting of 14 laboratories, 29 transfer centres and 21 treatment facilities, a dedicated fleet of 268 vehicles and 320 collaborating agents, enabling it to handle around 711,000 tonnes of waste per year. Its main features include four plants for regenerating waste oils to obtain base oil from which to manufacture new lubricating oils, fuel production from Marpol residue from ships and the recovery and treatment of packaging and other industrial waste, allowing around 110,000 tonnes of managed waste to be recovered. Furthermore, for waste that cannot be recovered, Sertego has six landfills for hazardous and non-hazardous industrial waste, and has started activity in the thermal biomass sector.

In **urban solid waste collection** activity in 2015, over 5,000,000 tonnes of waste were collected in cities such as Madrid, Barcelona, Buenos Aires, Bahrain and Santiago de Chile, among others.

The **street cleaning** activity continues to perform the urgent cleaning service (SELUR) in Madrid, having obtained the collection, cleaning and treatment of RESUR in Jaén,



# ENVIRONMENT

amounting to 484 million euros.

In **management of green spaces**, covering both landscaping and the maintenance of these areas, Urbaser provided services for over 50,000,000 square metres. In this area, it is worth noting the award of the contract for the comprehensive preservation and maintenance of the gardens of Bilbao for 13 million euros.

Socamex, the company that oversees the **integral water cycle**, manages the following facilities:

- 53 services attended in total, with more than 196 installations.
- 207 Industrial water purifying stations for 1,337,369 cubic metres per day for the equivalent of 5,922,619 inhabitants.
- 19 Sewage operations for the equivalent of 1,385,000 inhabitants.
- 15 Water supply facilities for 312,834 cubic metres per day for the equivalent of 505,319 inhabitants.
- 10 Drinking water treatment plants at 287,694 cubic metres per day for the equivalent of 421,819 inhabitants.
- 7 analysis and control laboratories for the equivalent of 1,659,605 inhabitants.
- 4,490 kilometres of sewer systems managed under the various contracts.
- 28 self-filling cistern trucks for industrial cleaning, cleaning of drainage, and transportation of hazardous waste to third parties.

The activity related to the integral water cycle at European level faces the challenge of making the services more sustainable, primarily by optimizing the management and energy efficiency of each of the processes. On the legislative front, the

need is maturing to increase the quality requirements for the use of sewage sludge in agriculture, in order to guarantee proper sanitation prior to application. Urbaser has in-house technology and patents in the field of energy use and the treatment of sludge that have kept up with the evolution of the market. Nationally, the need for implementing and upgrading the water infrastructure, and therefore the sector is progressing towards the creation of a sustainable technical-economic model, bringing together public and private participation. Furthermore, Socamex develops many R&D+I projects, whose results are applied to its activities and designs, thus improving their competitiveness. The lines of action in the field of R&D+I include recovery of energy from waste water through the optimisation of the anaerobic digestion of WWTP sludge.

In the **Facility Management** area, Clece, which specialises in staff management and resource optimisation, focuses its activity around three main areas: Services for people, Services for buildings and Services for the City and the Environment.

Within the **Services for people** area, Clece has consolidated its position as a reference in the provision of social services with close collaboration with public administrations. Among the significant services provided in 2015, Clece managed 186 centres that attend more than 4,000 people within vulnerable collectives, such as disabled people, gender-related violence victims and people at risk of exclusion. Among its more recent projects, in 2015 Clece has taken on the management of the Francisco Gamez Morón Centre for people with mental disabilities and the management and revitalisation service of the social-educational attention centres, both of which are in Melilla.

Likewise, Clece has positioned itself as one of the country's main operators in care for the elderly. Highlighting in this



scope the increase in the Home Help Services, through which Clece attends more than 86,000 users with a team of 21,400 professionals. The tele-assistance services have also undergone a positive evolution thanks to promoting new contracts such as the one entered into with Palma de Mallorca City Council and Vélez Málaga City Council, with 1,200 and 500 users respectively.

In the **Services for buildings** area, innovation and experience continue to drive the cleaning activity which has reached a high level of specialisation with vastly complex projects. This is the case of some more recent awards such as the management of the cleaning services in the Palaces that depend on the National Heritage body or the unified provision of cleaning services at the military facilities of the country's three branches of the armed forces, Army, Air Force and Navy, the IGESAN (National Military Healthcare Network, Military Command and the Central Defence Body.

As the main innovation milestone and with the aim of obtaining greater specialisation in cleaning and disinfection services within the health scope, since early 2015, Clece has been leading the first European project for disinfection using C-type pulsating ultra violet light (UVC) via Xenon lamp, for which it has become the exclusive Spanish and Portuguese partner of its American manufacturer, XENEX Ltd. Clece has implemented this system in several health centres, including among others, the Hospital Universitario de Valle Hebrón

in Barcelona and Hospital Universitario y Politécnico de La Fe of Valencia.

Along with the cleaning activity, other notable awards for 2015 correspond to comprehensive service management (maintenance of facilities and infrastructures, cleaning, gardening and managing spaces) such as that carried out for 208 buildings belong to the energy firm Endesa at a national level; or the Facility Management of the BSCH Financial City in Boadilla del Monte, Madrid.

Clece completes its activity with the **Services to the City and the Environment** area. The company's activity regarding environmental services, developed through its subsidiary Talher, has been especially dynamic thanks to contracts such as the cleaning and preservation service of the Outdoor Spaces of the Patronage of La Alhambra and Generalife. Talher has also strengthened its position in so far as fire prevention and fighting, with the awarding of this service from the heliborne bases of Cueto and Camposagrado in León and Maillo in Salamanca.

Airport services have also contributed to this area's growth by means of contracts such as the service for providing attention to people with Reduced Mobility at Luton airport in the United Kingdom or the one for airplane cleaning for the airline company Vueling.

# ENVIRONMENT

## COLLECTION AND TREATMENT OF WASTE AND STREET CLEANING FOR THE PROVINCIAL JURISDICTION OF JAEN

### CLIENT

Provincial Council of Jaén.

### PROJECT TYPE

Urban Services and Waste treatment.

### PROJECT EXECUTION DATES

2016 – 2031 (15 years)  
Two possible 5-year extensions, up until 2041.

### AMOUNT

484 million euros.

### LOCATION

Jaén (Spain).

### COMPANIES INVOLVED IN THE PROJECT

Urbaser, S.A.

### FULL PROJECT DESCRIPTION

The contract comprises the following transfer and treatment services:

Transfer service for the waste from the remaining fraction, paper-cardboard and glass originating from municipal waste collection for optimising their transportation. The transfer of the remaining fraction will be carried out using static containers, the paper-cardboard will be transferred using compaction containers and open-box containers will be used for the glass, in a total of six facilities located in La Loma (Úbeda), Andújar, La Puerta del Segura, Cazorla, Alcalá la Real (Jaén) and Castellar, where a series of refurbishments and improvements will be carried out. Additionally, two new warehouses will be built for housing vehicles and changing rooms within the transfer facilities in Andújar and Cazorla. In 2014, these transfer facilities handled approximately 115,000 tonnes.

Solid urban waste treatment service in the Environmental Complexes of Guadiel and Sierra-Sur, where non-hazardous urban waste undergoes comprehensive treatment, maximum recovery of all raw material contained in these, as well as recycling the organic fraction for transforming it into bio-stabilised material.

Environmental Complex Guadiel



### ENVIRONMENTAL COMPLEX OF GUADIEL:

At the CMA of Guadiel, among other actions involving refurbishment and improvement, a new storage/laundry building will be built, as well as an area for selecting and shredding bulky waste, the sorting plant will be automated, a glass recovery will be installed in the refinery, body 1 of the landfill will be adapted and body 4 will be waterproofed.

The treatment process will be carried out at the Plants for Sorting (capacity of 140,000 tonnes/year), Composting and refining (capacity of 80,000 tonnes/year), Lixiviates, Bulky waste area, energetic use of the landfill biogas, and elimination of the rejects in the landfill.

### ENVIRONMENTAL COMPLEX OF SIERRA SUR:

At the CMA of Sierra Sur, among other actions involving refurbishment and improvement, a new warehouse will be made available for storage/laundry, an area will be adapted for selecting and shredding bulky waste, the sorting plant will be automated, a glass recovery will be installed in the refinery, body 3 of the landfill will be extended, waterproofed and reconfigured and a new body 4 will be built.

The treatment process will be carried out at the Plants for Sorting (capacity of 90,000 tonnes/year), Biomethanisation (capacity of 20,000 tonnes/year), Composting and refining (25,000 tonnes/year), Lixiviates, Bulky waste area, energetic use of the landfill biogas, and elimination of the rejects in the landfill.

**The Service for sorting light packaging and cardboard** will be carried out in the Ibros Sorting and Selection plant, comprised by two parallel package treatment lines (8 tonnes/hour) and a paper/cardboard treatment line (5 tonnes/hour). This Plant will undergo a series of refurbishments and improvement, highlighting the construction of a new interpretation and recycling centres and a Punto Limpio (clean spot) on the higher plot.

**The CDW (Construction and Demolition Waste collection and treatment service.** The CDW from minor work will be collected at the 21 collection points spread all over the province in four open 18 m<sup>3</sup> depending on the type of waste (selected CDW, heterogenous CDW, mixed CDW and very mixed CDW) and will be transported to four CDW storage and treatment plants currently built in Jaén, Linares, Jódar and Navas de San Juan, as well as a further 5 that are projected.

Environmental Complex Sierra Sur



# ENVIRONMENT

## PRESERVATION AND MAINTENANCE SERVICE FOR THE GARDENS, STREET TREES, PLANTERS AND GARDEN STRUCTURES OF THE BILBAO DISTRICTS

### CLIENT

Bilbao City Council.

### AMOUNT

22 million euros.

### PROJECT EXECUTION DATES

2016-2020.

### COMPANIES INVOLVED IN THE PROJECT

UTE Urbaser, S.A. - Cycasa, S.A. (50% - 50%).

### LOCATION

Bilbao (Spain).

### PROJECT TYPE

Urban services.

### FULL PROJECT DESCRIPTION

The purpose of this contract consists of the provision of services for the preservation and maintenance of the gardens, street trees, planters and flower structures of the Bilbao districts, as well as carrying out all works involving the renewals and improvements linked to this service, which are economically covered by successive work contracts, by means of a framework agreement entering into with the contract awardee.

The green areas object of the preservation and maintenance service are the urban parks, green areas (areas between buildings, squares, etc.), street trees (including lines of palm trees), planters, flower beds, public schools, green areas lining the streets (central reservations, slopes, boulevards and roundabouts), timely gardening tasks, suburban parks and other municipal areas provided and enabled as green areas.





## LOGISTICS AND INDUSTRIAL CLEANING OF THE PSA PEUGEOT – CITROËN PLAN IN VIGO

### CLIENT

PSA Peugeot-Citroën.

### PROJECT TYPE

Facility Management.

### PROJECT EXECUTION DATES

2015-2018.

### AMOUNT

30 million euros.

### LOCATION

Vigo (Pontevedra).

### COMPANIES INVOLVED IN THE PROJECT

Clece, S.A.

### FULL PROJECT DESCRIPTION

Clece performs the comprehensive cleaning service of the production plant which the French group PSA Peugeot-Citroën has in Vigo. This is one of the largest automotive plants in the country, with an average production of 400,000 vehicles per year.

The contract includes the technical and general cleaning services of all facilities within the factory, as well as the empty container logistics service and the supply of parts for the assembly chain. In order to optimise resources, Clece has provided the highest possible flexibility to the service by adjusting it at all times to the production levels, that may vary on a weekly or even daily basis.

The contract was awarded for the first time in 2014 for a 15-month period. In 2015, PSA Peugeot-Citroën renewed its trust in Clece for the provision of this service for a further 45 months, with a contract amount of 30.23 million euros.

With this contract, Clece has managed to consolidate its position within a cleaning and industrial logistics sector which is highly qualified and very complex, and is now looked up as one of the benchmark companies within the Automotive Sector for providing this type of service.



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## THE REST OF EUROPE, AMERICA, ASIA AND NORTH AFRICA

In the international field, the main Waste Treatment and Urban Services activities where Urbaser has focused its efforts include tendering for contracts in the United Kingdom, France, Latin America, the United States and Canada. It is also starting to obtain contracts in Asia, especially in the Middle East area.

Urbaser has developed and manages the following facilities **for the treatment, recovery and disposal of urban solid waste:**

- 16 Plants for the pre-treatment of urban solid waste, with the capacity to treat 3,634,654 tonnes.
- 4 Energy recovery plants, where 1,345,000 tonnes were treated, with an installed electrical power of 118.4 MW.
- 13 plants for biomethanisation of organic fractions, with the capacity to treat 779,973 tonnes, an installed capacity of 31.79 MW and an average annual production of 83.49 Hm<sup>3</sup> biogas.
- 14 Composting plants, with the capacity to treat 978,385 tonnes.

- 60 Transfer plant installations with the capacity to treat 4,130,400 tonnes.
- 20 Packaging treatment facilities with the capacity to treat 258,900 tonnes.
- 38 Controlled landfills, with an annual theoretical dumping capacity of 6,387,257 tonnes. In addition to 2 CDW Landfills; 37,671 tonnes.
- 7 landfill degasification installations with an average annual production of 107.29 Hm<sup>3</sup> of biogas, and an installed capacity of 33.42 MW.

In 2015, Urbaser has signed a contract with a private partner for the construction of a plant for the recovery of organic fraction from waste in Oakland, United States. Each year, this plant will treat 105,000 tonnes of organic waste originating from a mixed waste sorting facility. At present, the contract is at a feasibility study stage. This contract entails the beginning of Urbaser's activity in this country, which is one of the company's main objectives.

In 2015, Urbaser has implemented the commissioning of the Essex biostabilisation plant, in the United Kingdom. This facility

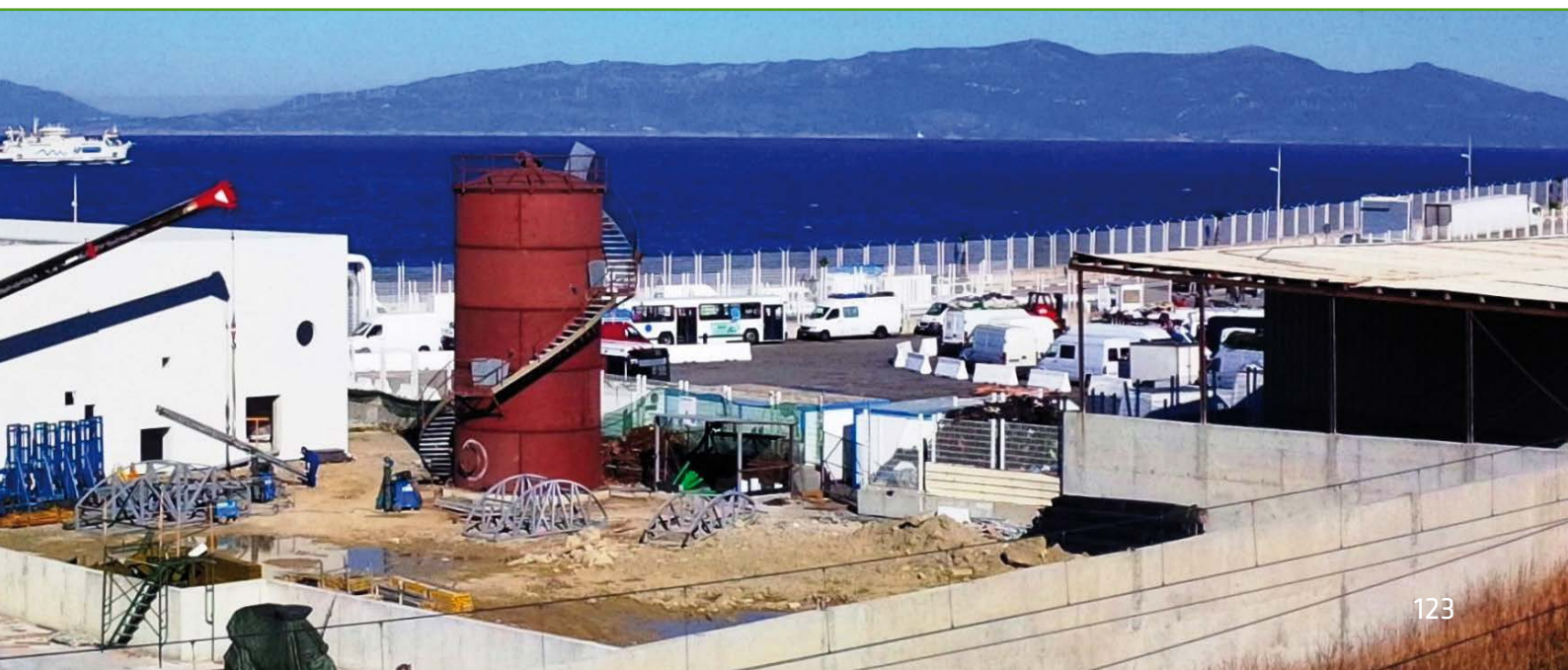


has a treatment capacity of 417,000 tonnes of waste per year through the pre-treatment processes for the recovery of recyclable waste, maturation through a bucket wheel, refining and treatment of effluents. In addition, in 2015 construction has continued on the Hertfordshire and Worcestershire energy recovery plant, with the capacity to recover energy from 190,000 tonnes of waste. These two facilities, together with the Gloucestershire energy recovery plant, whose construction will likely begin next year, reflect Urbaser's success and consolidation in the British market. Likewise, the company continues operating the Norton packages plant, with capacity for treating 100,000 tonnes of packages per year.

In recent years, Urbaser has managed to position itself as one of the leading operators in France, standing out for its high technological added value. During 2015 Urbaser has completed the construction of the package classification plant in Romainville, while it has also been awarded the exploitation of this facility for 5 years. Likewise, the company continued operation of the biogas plant in Calais, overseeing the anaerobic digestion of 25,000 tons of solid waste per year, as

well as management of the integrated municipal solid waste plant in Marseille which began commercial operation in 2010. In 2015, it continued operating the biomethanisation plant in Bayonne, which incorporates pre-treatment, biomethanisation and composting processes for 85,000 tonnes per year of urban solid waste, 20,000 tons per year of bulk waste, 6,500 tons per year of green waste and classification of 15,000 tons of packaging per year. This contract includes the operation of the facility for a period of 6 years and its overall turnover amounts to 98 million euros. In Bayonne, Urbaser has been awarded the transport and waste to energy recovery service for the facility it currently operates.

In 2015, Urbaser, together with its Portuguese investee SUMA, S.A., was awarded the contract for the reprivatisation of Empresa Geral de Fomento, S.A. This company is the majority shareholder in eleven intermunicipal systems that have been the concessionaires for 20 years, managing packaging waste and treating urban solid waste. It serves more than six million residents, handling more than three million tonnes per year, with annual revenues of 170 million euros.



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In Chile, through the company KDM, the capacity of the plant to generate power from biogas in the Loma de los Colorados landfill continues to increase. The plant currently has an installed capacity of 22.8 MW. In the industrial waste area, KDM has become a reference in comprehensive management of the waste produced by mining companies.

In Morocco, the company SERTEGO has begun the works for the construction of a plant for treating marpol waste from the ships in Tangiers harbour. These works are expected to be completed by mid-2016.

Regarding the **Urban Services** activity, Urbaser has been awarded a contract in France to provide collection of urban waste in Montpellier for 40 million euros. Furthermore, services awarded in previous years continue to be provided, such as the collection and cleaning of the city of Paris, collection of domestic waste in Olonnes, door-to-door collection of domestic and recyclable waste in La Rochelle (Charente-Maritime), domestic waste collection in Boucle de Seine, domestic waste collection in Ville de Joinville le Pont, domestic waste management in the

Communauté de Comune Ardene Rives de Meuse, as well as waste collection and road cleaning in Marseilles.

In the United Kingdom, Urbaser has been awarded a contract for waste collection in Bournemouth for 10 million euros, while it continues to provide waste collection services, road cleaning, and beach cleaning in Gosport, serving a population of 80,000 residents. This contract amounts to a billable total of 26 million euros. It also provides cleaning services in Waltham Forest, London, serving a population of 250,000 citizens. This contract amounts to a billable total of 48 million euros.

In Bahrain, Urbaser has been awarded by North-Middle South, Bahrain for 5 years for 114 million euros which will begin to be operated in 2016 and in Oman the company has obtained a contract for providing waste management services for the Al Batinah South Government for 64 million euros.



## CONSTRUCTION OF WASTE TO ENERGY PLANT (HERTFORDSHIRE & WORCESTERSHIRE, UNITED KINGDOM)

### CLIENT

Worcestershire County Council and The County of Herefordshire District Council.

### AMOUNT

150 million euros.

### PROJECT EXECUTION DATES

2014-2017.

### COMPANIES INVOLVED IN THE PROJECT

Mercia Waste Management Ltd. FCC (50%) + Urbaser (50%).

### LOCATION

Hartlebury, Worcestershire (United Kingdom).

### PROJECT TYPE

Waste treatment.

### FULL PROJECT DESCRIPTION

The Mercia Waste Management waste to energy plant, Envirecover EfW, is encompassed within the infrastructures dedicated to the comprehensive management of waste within the counties of Hereford and Worcester. This management has been carried out by the company Mercia Waste Management since 1998. In compliance with the regulatory principles governing waste management, and with a view to reducing the percentage of waste that is eliminated, the entry into operation of Envirecover EfW will entail the recovery of the energy contained in 185,000 tonnes of waste each year.

Envirecover EfW has been designed for treating 200,000 tonnes/year of unclassified waste, the calorific power of which will produce 139,787 MWh of electrical power. Thanks to this yield, the plant is far above the threshold established by the R1 formula for be classified as waste to energy.



# **MAIN ECONOMIC AND FINANCIAL FIGURES**

## **THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY**

### **CORPORATE GOVERNANCE IN THE ACS GROUP**





# MAIN ECONOMIC AND FINANCIAL FIGURES

## KEY FINANCIAL AND OPERATING FIGURES

MILLION EURO	2014	2015	Var.
<b>Turnover</b>	<b>34,881</b>	<b>34,925</b>	<b>+0.1%</b>
<b>Backlog</b>	<b>63,871</b>	<b>67,072</b>	<b>+5.0%</b>
Months	20	21	
<b>EBITDA (1) (2)</b>	<b>2,553</b>	<b>2,409</b>	<b>-5.6%</b>
Margin	7.3%	6.9%	
<b>EBIT (1) (2)</b>	<b>1,684</b>	<b>1,541</b>	<b>-8.5%</b>
Margin	4.8%	4.4%	
<b>Attributable Net Profit</b>	<b>717</b>	<b>725</b>	<b>+1.1%</b>
<b>EPS</b>	<b>2.31</b>	<b>2.35</b>	<b>+2.0%</b>
<b>Cash Flow from Activities</b>	<b>1,395</b>	<b>1,384</b>	<b>-0.8%</b>
<b>Net Investments</b>	<b>(313)</b>	<b>393</b>	<b>-225.4%</b>
Investments	2,310	2,228	-3.6%
Disposals	2,623	1,835	-30.0%
<b>Total Net Debt</b>	<b>3,722</b>	<b>2,624</b>	<b>-29.5%</b>
Businesses' Net Debt	3,129	2,083	-33.4%
Project Financing	593	541	-8.8%

Note: data presented according to ACS Group management criteria.

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

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





## Net profit of ACS Group accounted 725 million euros in 2015.

### RELEVANT FACTS

Sales in the period accounted for 34.925 million euros an increase of 0.1% compared to 2014, with a good performance of all operating activities and supported by the appreciation of the US Dollar against the Euro.

Backlog accounts for 67,072 million euros, showing an increase of 5.0% in the last twelve months. The positive evolution of the contracting activity in the period and the appreciation of the US Dollar enabled this increase.

### EXCHANGE RATE AND CHANGE IN THE SCOPE OF CONSOLIDATION IMPACTS ON KEY OPERATING FIGURES.

MILLION EURO	2014	2015	Var.
<b>Backlog</b>	<b>63,871</b>	<b>67,072</b>	<b>+5.0%</b>
Direct	54,851	59,043	+7.6%
Proportional*	9,020	8,029	-11.0%
<b>Work Done</b>	<b>36,490</b>	<b>37,776</b>	<b>+3.5%</b>
Direct	34,881	34,925	+0.1%
Proportional*	1,609	2,852	+77.2%
<b>EBITDA</b>	<b>2,553</b>	<b>2,409</b>	<b>-5.6%</b>
Direct	2,466	2,306	-6.5%
Proportional*	86	102	+18.3%
<b>EBIT</b>	<b>1,684</b>	<b>1,541</b>	<b>-8.5%</b>
Direct	1,598	1,439	-9.9%
Proportional*	86	102	+18.3%

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

### PROFORMA OPERATING RESULTS (EX-RENEWABLES)

MILLION EURO	2014	2015	Var.
<b>Net Sales</b>	<b>34,537</b>	<b>34,871</b>	<b>+1.0%</b>
<b>Operating Cash Flow (EBITDA)</b>	<b>2,297</b>	<b>2,378</b>	<b>+3.6%</b>
EBITDA margin	6.6%	6.8%	
<b>Ordinary Operating Profit (EBIT)</b>	<b>1,428</b>	<b>1,511</b>	<b>+5.8%</b>
EBIT margin	4.1%	4.3%	

EBITDA of the Group accounts for 2,409 million euros, a 5.6% drop compared with 2014. This decline is due to the sale of renewable assets during the year, excluding this disposal, EBITDA would have grown by 3.6%.

EBIT accounts for 1,541 million euros and drops by 8.5% as well as the margin which decreases by 40 bp due to the above mentioned effect of asset disposals. Without taking into account this effect, EBIT would have grown by 5.8% and EBIT margin would stand at 4.3%.

# MAIN ECONOMIC AND FINANCIAL FIGURES

Net profit of ACS Group accounted 725 million euros, showing 1.1% growth. This includes the impacts of the restructuring process being carried out by the Group in its various areas of activity, particularly in construction, as well as the lower

contribution from Industrial Services due to the sale of renewable assets. It also includes the reversion of various corporate provisions tied to different assets which have offset extraordinary restructuring costs.

## NET PROFIT BREAKDOWN BY ACTIVITY

MILLION EURO	2014	2015	Var.
Construction	223	304	+36.4%
Industrial Services <sup>(1)</sup>	316	314	-0.7%
Environment	72	73	+1.4%
<b>Net Profit from activities</b>	<b>611</b>	<b>691</b>	<b>+13.1%</b>
Renewable assets	104	6	
Corporation	2	28	
<b>TOTAL Net Profit</b>	<b>717</b>	<b>725</b>	<b>+1.1%</b>

(1) It excludes renewable assets sold in 1Q/2015. Further detail in Industrial Services.

Thus, net recurrent profit stood at 691 million euros, without taking into consideration contributions from renewable assets sold in 2015. This represents 13.1% growth and is backed by an excellent operating evolution of Hochtief after culminating its transformation process, and a solid stability of the remaining activities despite the adverse macro scenario.

ACS Group's net debt has decreased by 29.5% down to 2,624 million euros in the last 12 months. This substantial improvement of the Group's net debt, of c. 1,100 million euros from December 2014, is primarily due to:

- a) An increase in cash flow from operations, despite the sale of John Holland and the renewable assets which imply a lower contribution to the operating activity. There has been a significant operating improvement both in margins and working capital management across all business units.
- b) A reduction in net investments of the Group. Operating CAPEX implied an investment of 261 million euros which represents a more than half reduction compared to the prior period. This reduction on the operating investment requirement is mainly due to the overcapacity in mining equipment to cover current demand and better management thereof.

The following significant events occurred during 2015:

- On January 21st 2015, ACS Group reached an agreement with Global Infrastructure Partners for the sale of 49% of a newly created company which aims to develop energy assets and in which the renewable energy assets to be sold to Saeta Yield are included.
- On February 13th 2015, ACS Actividades de Construcción y Servicios, S.A., signed a financing contract with a syndicate of banks made up of forty-three Spanish and foreign entities, for a total amount of 2,350 million euros, divided in two tranches (tranche A loan amounting to 1,650 million euros, and tranche B, a credit line amounting to 700 million euros) maturing on February 13th, 2020. This was assigned to cancel the previously existing syndicated loan and three loans to finance the acquisition of shares of Hochtief, A.G.
- Saeta Yield's IPO took place on February 16th 2015. With this transaction, the ACS Group sold 51% stake in the company. Additionally, under the agreements reached with Global Infrastructure Partners (GIP), ACS sold an additional stake of 24% in Saeta. Both transactions imply cash proceeds of 361 million euros, net of the capital increase performed before the listing, the intra group loans redemption and the expenses from the transaction. In turn, ACS Group closed a transaction with GIP in late April to acquire a 50% stake in the ROFO assets in Spain, for 65 million euros.
- On March 16th 2015, ACS issued bonds in the Euromarket for 500 million euro with a five year maturity. This issuance has been paid the 1st of April, 2015, with an annual coupon of 2.875%.
- During the months of March and April of 2015 ACS Group has completely cancelled the equity swap over 164.35 million shares of Iberdrola, for a notional amount of approximately 1 billion euros.
- The Shareholder Annual General Meeting held on April 28th 2015 approved the distribution of a dividend of 0.71 Euros per share, which has been paid by July 2015 using a scrip dividend system.
- On October 13th 2015, ACS Group acquired 4,050,000 Hochtief's shares, which represent 5.84% of its capital share, for a price of € 77 per share. With this acquisition, the total number of Hochtief's shares owned by ACS Group amounts to 46,118,122 equivalent to 70% of its share capital adjusted by Hochtief's treasury stock.
- On December 17th, 2015, exercising the powers granted by resolution of the General Shareholder's Meeting of the Company held on April 28th, 2015, it was agreed to proceed to the second execution of the capital increase against reserves up to 142 million euros (equivalent to around 0.45 euros per share), which was approved by the aforementioned General Meeting in order that shareholders could choose between continuing to receive remuneration in cash or in shares of the Company. This process of expansion and simultaneous capital reduction has been carried out in February 2016.

# MAIN ECONOMIC AND FINANCIAL FIGURES

## SIGNIFICANT EVENTS SUBSEQUENT TO YEAR-END

On December 17th, 2015, the Board of Directors of ACS, Actividades de Construcción y Servicios, S.A. approved the distribution of an interim dividend of € 0.45 per share. Its distribution through a scrip dividend scheme was carried

out in February 2016. In this process 44.25% of the free allocation rights were acquired by ACS, Actividades de Construcción y Servicios, S.A. under the commitment assumed by the company. For the remaining shareholders, a total of 2,941,011 shares have been simultaneously issued and amortized in accordance with what was approved at the General Shareholders' Meeting of April 28th, 2015.



## CONSOLIDATED INCOME STATEMENT

MILLION EURO	2014		2015		Var.
<b>Net Sales</b>	<b>34,881</b>	<b>100.0 %</b>	<b>34,925</b>	<b>100.0 %</b>	<b>+0.1%</b>
Other revenues	623	1.8 %	421	1.2 %	-32.4%
Joint Ventures Net Results*	86	0.2 %	102	0.3 %	+18.3%
<b>Total Income</b>	<b>35,590</b>	<b>102.0 %</b>	<b>35,448</b>	<b>101.5 %</b>	<b>-0.4%</b>
Operating expenses	(25,276)	(72.5 %)	(25,113)	(71.9 %)	-0.6%
Personnel expenses	(7,761)	(22.3 %)	(7,927)	(22.7 %)	+2.1%
<b>Operating Cash Flow (EBITDA)</b>	<b>2,553</b>	<b>7.3 %</b>	<b>2,409</b>	<b>6.9 %</b>	<b>-5.6%</b>
Fixed assets depreciation	(824)	(2.4 %)	(788)	(2.3 %)	-4.4%
Current assets provisions	(45)	(0.1 %)	(79)	(0.2 %)	+77.8%
<b>Ordinary Operating Profit (EBIT)</b>	<b>1,684</b>	<b>4.8 %</b>	<b>1,541</b>	<b>4.4 %</b>	<b>-8.5%</b>
Impairment & gains on fixed assets	(4)	(0.0 %)	(32)	(0.1 %)	n.a.
Other operating results	(634)	(1.8 %)	(186)	(0.5 %)	n.s.
<b>Operating Profit</b>	<b>1,046</b>	<b>3.0 %</b>	<b>1,324</b>	<b>3.8 %</b>	<b>+26.5%</b>
Financial income	354	1.0 %	243	0.7 %	-31.2%
Financial expenses	(1,036)	(3.0 %)	(777)	(2.2 %)	-25.0%
<b>Ordinary Financial Result</b>	<b>(682)</b>	<b>(2.0 %)</b>	<b>(533)</b>	<b>(1.5 %)</b>	<b>-21.8%</b>
Foreign exchange results	(24)	(0.1 %)	38	0.1 %	-260.2%
Changes in fair value for financial instruments	234	0.7 %	36	0.1 %	-84.5%
Impairment & gains on financial instruments	163	0.5 %	299	0.9 %	+83.1%
<b>Net Financial Result</b>	<b>(309)</b>	<b>(0.9 %)</b>	<b>(160)</b>	<b>(0.5 %)</b>	<b>-48.4%</b>
Results on equity method*	45	0.1 %	201	0.6 %	+342.6%
<b>PBT of continued operations</b>	<b>782</b>	<b>2.2 %</b>	<b>1,365</b>	<b>3.9 %</b>	<b>+74.5%</b>
Corporate income tax	(319)	(0.9 %)	(311)	(0.9 %)	-2.5%
<b>Net profit of continued operations</b>	<b>464</b>	<b>1.3 %</b>	<b>1,054</b>	<b>3.0 %</b>	<b>+127.4%</b>
Profit after taxes of the discontinued operations	464	1.3 %	0	0.0 %	-100.0%
<b>Consolidated Result</b>	<b>928</b>	<b>2.7 %</b>	<b>1,054</b>	<b>3.0 %</b>	<b>+13.6%</b>
Minority interest	(211)	(0.6 %)	(329)	(0.9 %)	+56.2%
<b>Net Profit Attributable to the Parent Company</b>	<b>717</b>	<b>2.1 %</b>	<b>725</b>	<b>2.1 %</b>	<b>+1.1%</b>

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

# MAIN ECONOMIC AND FINANCIAL FIGURES

## CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2014 AND 2015

MILLION EURO	Dec-14		Dec-15		Var.
Intangible Fixed Assets	5,042	12.8 %	4,854	13.8 %	-3.7%
Tangible Fixed Assets	2,658	6.8 %	2,447	6.9 %	-7.9%
Investments accounted by Equity Method	1,231	3.1 %	1,907	5.4 %	+54.9%
Long Term Financial Investments	2,462	6.3 %	2,372	6.7 %	-3.7%
Long Term Deposits	404	1.0 %	6	0.0 %	-98.6%
Financial Instruments Debtors	6	0.0 %	12	0.0 %	+84.5%
Deferred Taxes Assets	2,196	5.6 %	2,181	6.2 %	-0.7%
<b>Fixed and Non-current Assets</b>	<b>14,001</b>	<b>35.6 %</b>	<b>13,779</b>	<b>39.1 %</b>	<b>-1.6%</b>
Non Current Assets Held for Sale	3,822	9.7 %	859	2.4 %	-77.5%
Inventories	1,522	3.9 %	1,468	4.2 %	-3.6%
Accounts receivables	11,611	29.5 %	10,916	30.9 %	-6.0%
Accounts receivables (proceeds on sale of discontinued ops.)	1,108	2.8 %	0	0.0 %	n.a.
Short Term Financial Investments	1,893	4.8 %	2,311	6.6 %	+22.1%
Financial Instruments Debtors	34	0.1 %	3	0.0 %	-92.0%
Other Short Term Assets	162	0.4 %	140	0.4 %	-14.0%
Cash and banks	5,167	13.1 %	5,804	16.5 %	+12.3%
<b>Current Assets</b>	<b>25,320</b>	<b>64.4 %</b>	<b>21,501</b>	<b>60.9 %</b>	<b>-15.1%</b>
<b>TOTAL ASSETS</b>	<b>39,321</b>	<b>100 %</b>	<b>35,280</b>	<b>100 %</b>	<b>-10.3%</b>
Shareholders' Equity	3,452	8.8 %	3,455	9.8 %	+0.1%
Adjustments from Value Changes	(418)	-1.1 %	(34)	-0.1 %	-91.9%
Minority Interests	1,864	4.7 %	1,776	5.0 %	-4.7%
<b>Net Worth</b>	<b>4,898</b>	<b>12.5 %</b>	<b>5,197</b>	<b>14.7 %</b>	<b>+6.1%</b>
Subsidies	60	0.2 %	59	0.2 %	-1.6%
Long Term Financial Liabilities	6,091	15.5 %	7,382	20.9 %	+21.2%
Deferred Taxes Liabilities	1,269	3.2 %	1,334	3.8 %	+5.1%
Long Term Provisions	1,764	4.5 %	1,620	4.6 %	-8.1%
Financial Instruments Creditors	197	0.5 %	115	0.3 %	-41.7%
Other Long Term Accrued Liabilities	155	0.4 %	180	0.5 %	+16.0%
<b>Non-current Liabilities</b>	<b>9,535</b>	<b>24.2 %</b>	<b>10,689</b>	<b>30.3 %</b>	<b>+12.1%</b>
Liabilities from Assets Held for Sale	2,891	7.4 %	525	1.5 %	-81.8%
Short Term Provisions	1,342	3.4 %	1,034	2.9 %	-22.9%
Short Term Financial Liabilities	6,204	15.8 %	3,363	9.5 %	-45.8%
Financial Instruments Creditors	78	0.2 %	124	0.4 %	+58.5%
Trade accounts payables	13,962	35.5 %	13,923	39.5 %	-0.3%
Other current payables	411	1.0 %	425	1.2 %	+3.3%
<b>Current Liabilities</b>	<b>24,888</b>	<b>63.3 %</b>	<b>19,393</b>	<b>55.0 %</b>	<b>-22.1%</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>39,321</b>	<b>100 %</b>	<b>35,280</b>	<b>100 %</b>	<b>-10.3%</b>

## NET CASH FLOWS

MILLION EURO	2014			2015			Var.	
	Total	HOT	ACS exHOT	Total	HOT	ACS exHOT	TOTAL	ACS exHOT
<b>Cash Flow from Operating Activities before Working Capital</b>	<b>1,395</b>	<b>845</b>	<b>550</b>	<b>1,384</b>	<b>671</b>	<b>713</b>	<b>-0.8%</b>	<b>+29.8%</b>
Operating working capital variation	(571)	(89)	(482)	625	465	160		
<b>Cash Flow from Operating Activities</b>	<b>824</b>	<b>756</b>	<b>68</b>	<b>2,009</b>	<b>1,136</b>	<b>873</b>	<b>+144%</b>	<b>+1186%</b>
1. Payments due for investments	(2,310)	(1,367)	(943)	(2,233)	(873)	(1,360)		
2. Cash collected from disposals	1,515	416	1,099	2,627	1,599	1,028		
<b>Cash flow from Investing Activities</b>	<b>(795)</b>	<b>(951)</b>	<b>156</b>	<b>394</b>	<b>726</b>	<b>(332)</b>	<b>n.a.</b>	<b>n.a.</b>
1. Treasury stock acquisition/sale	(358)	(48)	(310)	(507)	(245)	(262)		
2. Dividends paid	(318)	(151)	(167)	(345)	(156)	(189)		
3. Other financial sources	(11)	(60)	49	9	(80)	89		
<b>Other Cash Flows</b>	<b>(688)</b>	<b>(259)</b>	<b>(428)</b>	<b>(843)</b>	<b>(481)</b>	<b>(362)</b>	<b>+22.7%</b>	<b>-15.3%</b>
<b>Total Cash Flow generated/(Consumed)</b>	<b>(659)</b>	<b>(454)</b>	<b>(204)</b>	<b>1,560</b>	<b>1,381</b>	<b>179</b>	<b>n.a.</b>	<b>n.a.</b>

Note: Collections from divestments in HOCHTIEF during 2015 include disposals of CIMIC businesses (John Holland and Leighton Services) agreed in December 2014 and collected during the first half of 2015.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## SUSTAINABILITY IN THE ACS GROUP

The ACS Group is a worldwide benchmark in the infrastructure development industry, participating in sectors which are fundamental to the economy. It defines itself as a company committed to economic and social progress in the countries where it is present.

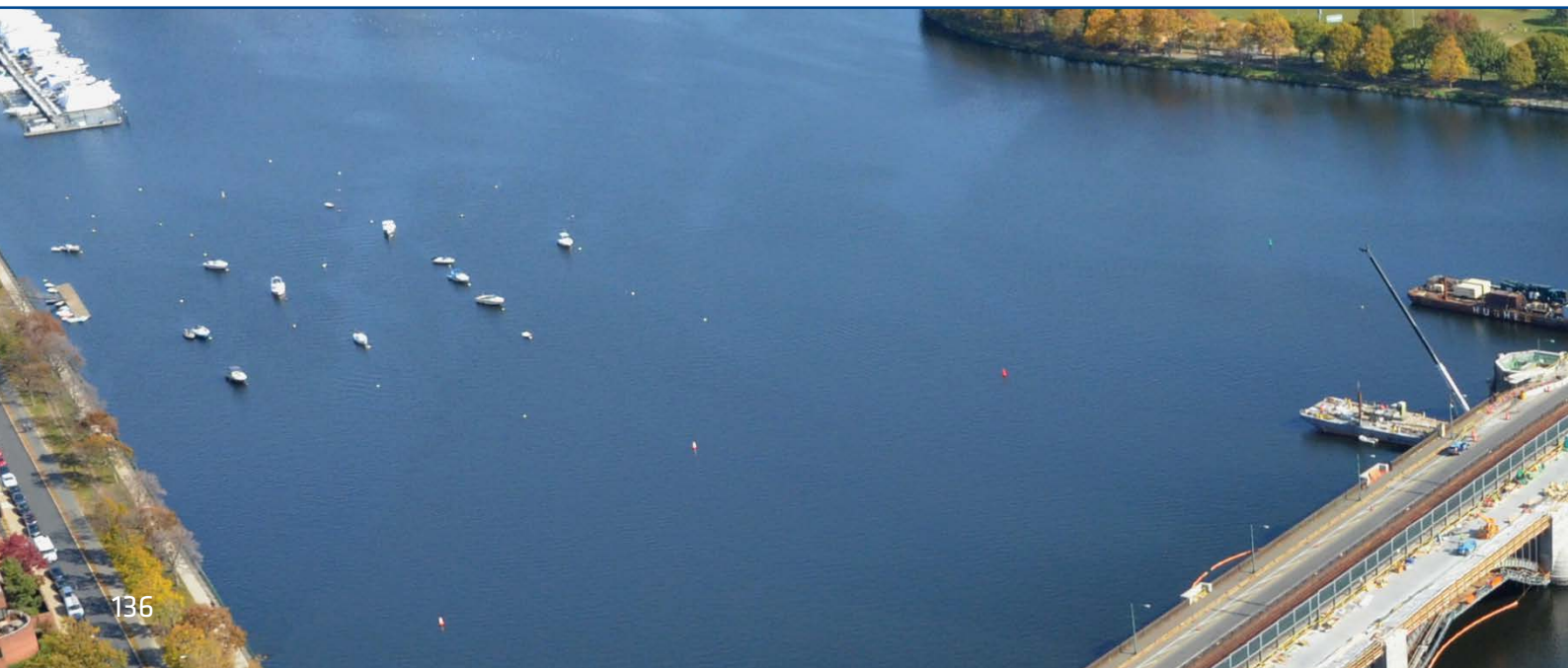
ACS is positioned as a world leader in the infrastructure development industry, with a clear and defined mission:

**To pursue global leadership, optimising the profitability of the resources employed and promoting sustainable development**

Improving society, generating wealth to guarantee the well-being of the citizens it serves, is ultimately an essential part of the ACS Group's mission.

The ACS Group's commitment to society is summarised in four fields of action:

- RESPECT FOR ETHICS, INTEGRITY AND PROFESSIONALISM IN THE GROUP'S RELATIONSHIP WITH ITS STAKEHOLDERS.
- RESPECT FOR THE SOCIAL, ECONOMIC AND ENVIRONMENTAL SETTING.
- PROMOTION OF INNOVATION AND RESEARCH IN ITS APPLICATION TO INFRASTRUCTURE DEVELOPMENT.
- CREATION OF EMPLOYMENT AND WELL-BEING, AS AN ECONOMIC DRIVER FOR SOCIETY.





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The objective is for all the ACS Group's companies to share the Group's values and culture, at the same time as each operates in a standalone manner.

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This performance and all the Group's activities are imbued with the corporate values ACS has developed over its nearly 30 years of history and form the basis of the actions of all the Group's employees:

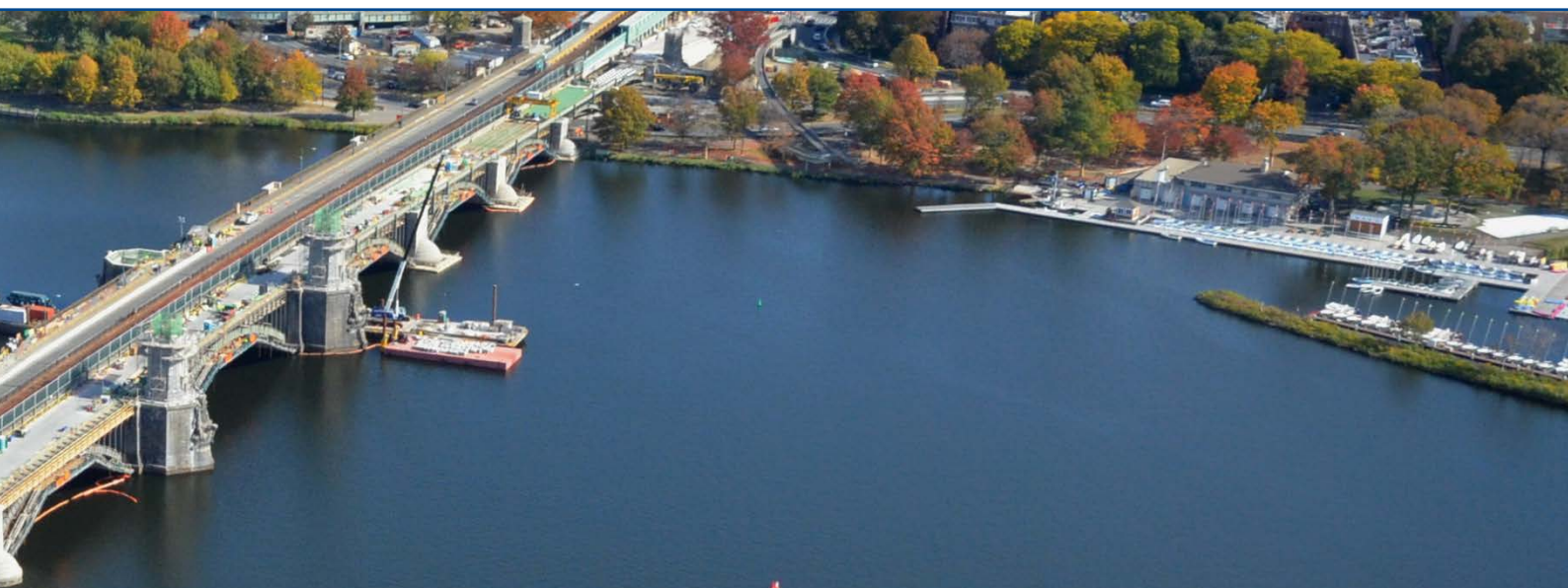
- ACHIEVING PROFITABILITY.
- RESPECTING INTEGRITY.
- COMMITMENT TO THEIR WORK.
- SEEKING THE CLIENT'S TRUST.
- EXCELLENCE IN THEIR PROFESSIONAL ACTIVITIES.

The ACS has a decentralised structure based around its three areas of:

Construction,  
Industrial Services and  
Environment.

and it carries out its activities through dozens of different companies. This complex but highly efficient organisation encourages the Group's companies to compete and carry out their work independently, at the same time sharing common guidelines which add value for their clients.

**Profitability and integrity, together with commitment to stakeholders, especially commitment to clients, and operational excellence, are the hallmarks of the ACS Group.**



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

Each of the ACS Group's companies is managed autonomously, with independent functional managements and flexible and sovereign executive bodies. The aim of this type of organisation is to promote:

- PROFITABILITY
- DECENTRALISATION
- REDUCED BUREAUCRACY
- ENTREPRENEURSHIP
- COMPETITIVENESS
- FLEXIBILITY AND ABILITY TO ADAPT
- DIVERSITY
- SUBCONTRACTING OF ACTIVITIES

The objective is for all the ACS Group's companies to share the Group's values and culture, at the same time as each operates in a standalone manner, individually contributing numerous valid and profitable management formulas, thanks to the multiple factors involved in their decision making and generating know-how and good practices which are also independent.

Hence, there are many different companies within the ACS Group which make their own efforts towards Sustainability adding up to a combined whole. They define their action policies autonomously and manage their resources as efficiently as possible, based at all times on the common principles and objectives defined in the Corporate Social Responsibility Policy of the ACS Group, approved on 26 February 2016, and which sets out the basic and specific principles of action in this field, and the Group's relations with its environment.



## PROJECT ONE



Project one seeks to promote and reinforce good management practices and is framed in the Group's general strategy, focused on reinforcing ACS's world leadership. The objective of Project one is to promote the strongly industrial nature of ACS's activities by spreading its corporate culture.

The promotion of good management practices focuses on the following major areas:



The process of promoting good practices is divided into two phases implemented every year; a first one in which the Project focuses on the production of a detailed analysis of the position of the Group's different companies in terms of Corporate Social Responsibility and the aforementioned management areas, performing an assessment in accordance with the Group's Materiality Analysis and the Dow Jones Sustainability Index.

The second phase is where the implementation of a series of strategies and good practices in each company is recommended. These are a result of the Group's strategic vision, in line with the aforementioned company values and representing an area for substantial improvement.

This process is overseen by independent consultants and external specialists who help in regularly adding improvements both at functional level and in procedures.

The results expected from Project one can be summarised as:

- Continuing redefinition of a repository of non-financial, best governance, environmental and social best practices.
- Regular assurance of their implementation in the various Group companies and of the monitoring of their management indicators, particularly of material matters.
- Aligning the ACS Group with the Dow Jones Sustainability Index, in which the Group appears currently in its European scope.
- The creation of the Corporate Social Responsibility Report, including a summary of ACS's governance, environmental and social policies.

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## ETHICS

### ETHICS AND INTEGRITY: SUMMARY, OBJECTIVES AND GENERAL PRINCIPLES

The ACS Group and the companies which make it up are fully committed to promotion, reinforcement and control in matters related to ethics and integrity, through measures which enable them to prevent, detect and eradicate bad practices.

The ACS Group promotes knowledge of the general principles of conduct, ethics and integrity by all employees, clients, suppliers and contractors.

Integrity is a very important aspect in the ACS Group. Currently, the ACS

Group has equipped itself with two corporate tools: the Code of Conduct and the Ethical Channel, which are widely adopted in the various business areas, and a control system reporting to the Board of Directors, called the Code of Conduct Monitoring Committee.



## ETHICS AND INTEGRITY: CODE OF CONDUCT

Since its foundation, the ACS Group and its companies have made a commitment to the various parties forming part of its operations and which interact with the company or its employees. This commitment is based on the ethical principles governing the ACS Group's operations, which shape its corporate culture. In 2015, the ACS Group updated its Code of Conduct to follow the most demanding standards in terms of good corporate governance, bringing its content in line with the principles and recommendations of the New Good Corporate Governance Code for Listed Companies of February 2015.

This new Code of Conduct was approved by the resolution of the Board of Directors of ACS, Actividades de Construcción y Servicios, S.A. at its meeting held on 12 November 2015. This resolution was disclosed to the CNMV and uploaded to the ACS Group website on the same date.

In terms of respect for human rights, the Code has included the adaptation of the business activity to the framework of the Report of the Special Representative of the Secretary General of the United Nations on the matter of human rights and multinational companies and other companies, John Ruggie, approved in March 2011. The "Ruggie" Report sets out the United Nations framework to "protect, respect and remedy" the protection of human rights in the world of business.

ACS's Code of Conduct<sup>8</sup> constitutes a guide for the professional performance of all the Group's employees and managers in relation to their daily work, the resources used and the business environment, as well as for all the investee companies in which the ACS Group controls their management.

The basic principles for action in the Code of Conduct are as follows:

- **Integrity:**  
the ACS Group promotes recognition of behaviour in accordance with loyalty and good faith, and against corruption and bribery, among its employees, avoiding any kind of behaviour and procedures constituting unfair competition; and commitment to fiscal responsibility.
- **Professionalism:**  
the ACS Group's employees and management should be recognised for their high professionalism based on proactive and efficient and customer-centric performance focused on excellence, quality, innovation and willingness to provide service.
- **Respect for Others and the Environment:**  
ACS undertakes the commitment to act at all times in accordance with the United Nations Global Compact, to which it has been a signatory since its foundation, the objective of which is the adoption of universal principles in the areas of human and labour rights and the protection of the environment.

<sup>8</sup> The ACS Group's Code of Conduct can be read at [http://www.grupoacs.com/index.php/en/c/corporategovernance\\_codeofconduct](http://www.grupoacs.com/index.php/en/c/corporategovernance_codeofconduct)

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

All actions taken by the ACS Group and its employees shall strictly abide by the Human Rights and Civil Liberties included in the Universal Declaration of Human Rights, and, specifically, the United Nations Ruggie Report on Human Rights and companies. The relationship of the Group with its employees, as well as the relationship among employees, therefore, shall be based on the following commitments:

- Prevention of corruption and bribery.
- Equal opportunities.
- Non-discrimination.
- Confidentiality in information management, when applicable.
- Fair competition and avoidance on anti-competitive practices.
- Promotion of training and professional and personal development.
- Occupational health and safety.
- Eradication of child labour.
- Eradication of forced labour.
- Respect for minorities.
- Fiscal responsibility.
- Reduction of negative impact on local and indigenous communities.
- Channels for appropriate reporting of those inappropriate practices identified (Ethical Channel).

## ACTIONS TO PROMOTE GOOD ETHICAL PRACTICES

The ACS Group understands due diligence as the set of activities carried out and aimed at minimising the possibility of bad practices arising in the Group as regards ethics and integrity. The ACS Group understands that the following are necessary for this:

- Allocation of responsibilities as regards supervision of the company's performance in this field. This responsibility falls to the Code of Conduct Monitoring Committee, reporting to the Board of Directors.
- Establishing procedures which enable the prevention, detection, notification and eradication of bad practices in this field. In this regard, specific initiatives are defined in Group companies where additional risks (operational, geographical or mixed) are detected, to expand on the Code of Conduct at the same time as promoting training in fields related to Ethics and encouraging use of the Ethical Channel.
- The knowledge and understanding by the company's people of what is expected of them in relation to ethics and integrity. In 2015, companies representing 93.8% of Group employees report the existence of a specific training plan in matters of Human Rights, Ethics and Integrity and Conduct. A total of 1,384 training courses, attended by 51,326 employees, were given in this field in ACS in 2015. Indeed, the level of penetration of training in terms of Human Rights, Ethics and Integrity and Conduct has already reached 33.6% of the Group's total number of employees. Each trained employee had an average of 3 training hours during the year.
- The adoption of good practices has begun to be promoted relating to performance assessment in terms of Ethics and variable remuneration according to parameters related to the control of Ethical risks. As such, formal,

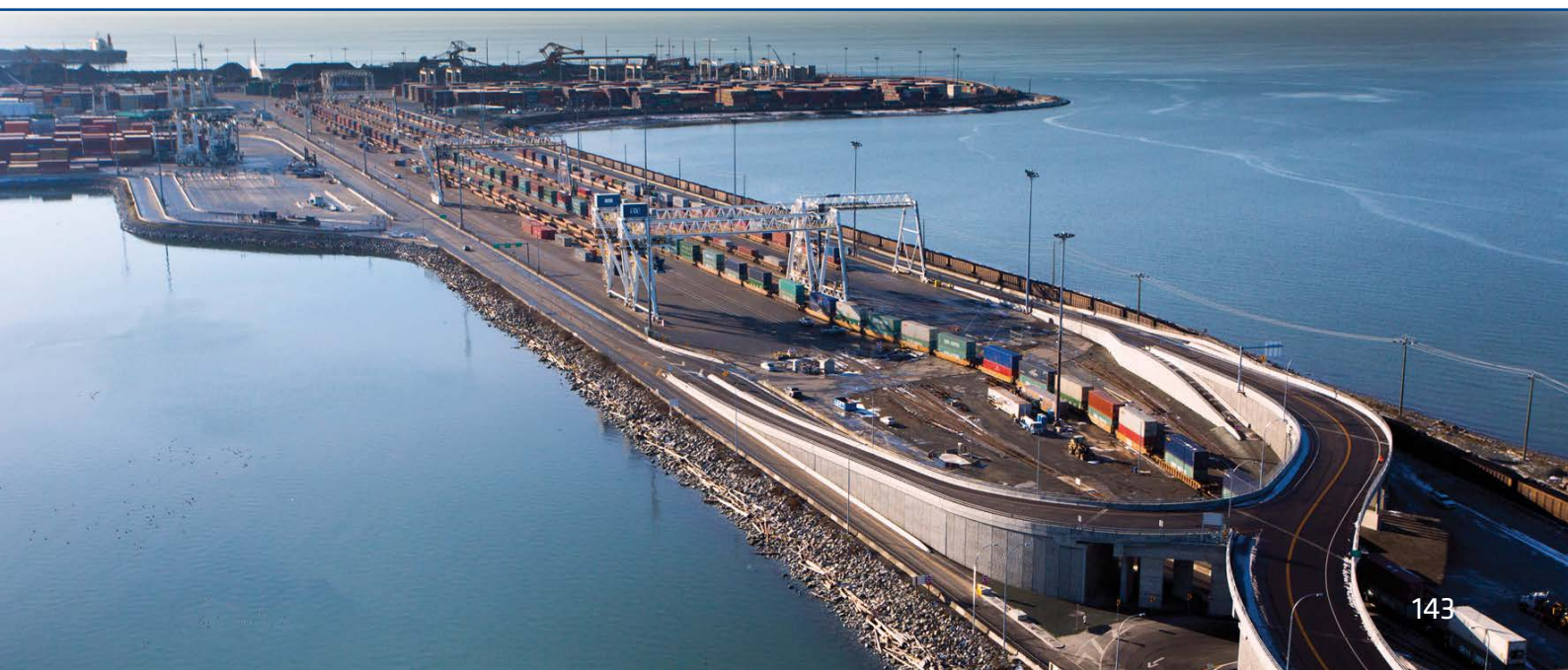
documented commitments to the Universal Declaration of Human Rights are included in companies representing 89.8% of ACS employees. Additionally, compliance with the precepts of the Code of Conduct is confirmed in employee performance assessments.

- Establishing commitments which make clear the behaviour expected of the people who make up the company. An outstanding cultural characteristic in compliance terms in the ACS Group is the adoption of “Zero Tolerance” policies to breaches in this field. Companies representing 84.5% of Group employees report the existence of such a policy.
- Supervision and monitoring of the whole process by means of audits or inspections by independent companies. Companies representing 18.8% of Group employees perform regular (annual or at least twice-yearly) independent external audits.
- Promotion and monitoring of ethical standards in suppliers and subcontractors. ACS Group companies representing 82% of sales explicitly include compliance with the ACS

Code of Conduct in the contracts they sign with Suppliers and Subcontractors. Furthermore, 27% internally or externally verify such compliance. Companies representing 69% of ACS’s sales promote and positively assess their suppliers’ adherence to international standards such as the Global Compact, UN and ILO conventions, etc.

- In terms of avoiding monopoly practices, the ACS Group is opposed to such practices, through its Code of Conduct, and assesses annually the level of risk this aspect represents. In 2015, the Group’s purchasing managers reported that companies representing 65.3% of total turnover had implemented anti-market monopoly practices.

The final aim of ACS’s actions with regards to ethics and integrity is to establish a framework for action which stimulates everyone to execute their responsibilities in an upright, responsible and transparent manner.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

The main tool serving the Monitoring Committee is the Ethical Channel. It is used to report on any irregular conduct in any of the companies which form part of the ACS Group or any breach of the standards set out in the Code of Conduct, using the following:

- email address:  
**canaletico@grupoacs.com**
- Or also by writing by post to:  
**Canal Ético, Grupo ACS,  
Avda. Pío XII 102, 28036 Madrid, Spain.**

The Ethical Channel is both a means for reporting breaches of the rules in the ACS Group's Code of Conduct and a means for resolving doubts which may be raised on applying the Code of Conduct.

A total of 97 communications were received in 2015, and 14 information or investigation files were opened (out of 95 of them). One of these files, which accounts for 69 of the communications, has led to the issue of a Conclusions and Recommendations report which the Committee has escalated to the Industrial Area Division. No proceedings have been opened for two of the notifications received as they were simply requests for information about the Ethical Channel or the Code of Conduct. The digital channel was used in 94 of the cases. Two communications have been received by bureau fax and one by fax.

## MANAGEMENT INDICATORS

### MAIN MANAGEMENT INDICATORS - ETHICS

	2013	2014	2015	Objective for 2016
Percentage of total ACS Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career with the company (% of total ACS employees)	38%	36%	34%	> 2015
Level of implementation in the ACS Group of regular external audits to confirm the degree of compliance with the Code of Conduct (% of total ACS employees)	33%	17%	19%	N/A
Level of implementation in the ACS Group of contractual clauses on the compliance with the Code of Conduct in contracting with suppliers and subcontractors (% of sales)	90%	84%	82%	> 2015
Level of implementation in the ACS Group of regular external audits to confirm the degree of compliance with the Code of Conduct by suppliers or contractors (% of sales)	17%	27%	27%	N/A
Communications received by the Ethical Channel	27	9	97	N/A



## QUALITY AND MANAGEMENT OF EXCELLENCE

Quality is a determining factor for the ACS Group, as its high level of technical sophistication is a factor which sets it apart from its competitors in the infrastructure and services industry.

The Quality Department in the Group's different companies is the entity responsible for implementing their own Quality Management Systems. Companies representing 94.4% of ACS Group sales<sup>9</sup> presented some form of quality management system in 2015. In this period and as a consequence of these systems, the ACS Group invested a total of €4.6 million in promoting quality.

These quality systems are audited regularly in order to certify Group activities, mainly according to the ISO 9001 standard, held by companies representing 62.9% of the Group's sales.

### MANAGEMENT PRINCIPLES

Each company in the group adapts its needs to the specific characteristics of its type of production, but a series of common lines of action have been identified within their Quality Management Systems:

- **Objectives** are set periodically as regards quality and their fulfilment is assessed.
- **Initiatives and actions** are carried out aimed at improving the quality of the services provided.
- Specific actions are carried out in **collaboration with suppliers and subcontractors** to improve quality.

<sup>9</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

The quality management for the ACS Group's various companies sets general quality objectives for the following financial year. In 2015, companies representing 94.4% of ACS Group sales defined formal objectives in this respect.

According to its characteristics, each project or work adopts the general objectives applicable to it, which generally focus on obtaining, renewing or expanding quality certifications, especially when a Group company develops a new technique or expands its activity into a new geographical area.

At the same time, another common aspiration is to minimise incidents through quantifiable improvement activities, as well as to obtain information relating to clients.

The most important objectives reported by the ACS Group's

companies can be summarised in the following overall framework:

- Obtaining and expanding the scope of certifications.
- Implementing tools to improve quality.
- Improving specific performance indicators.
- Improving the training of supervisors, operators and works managers.
- Increasing client satisfaction indices, reducing complaints due to problems in execution.
- Meeting delivery schedules globally and with maximum quality.
- Increasing the number and capacity of internal quality auditors.



The concern with quality in all the group's companies reflects not only the effort to achieve the objectives set, but also the specific actions by the companies. A significant percentage of the Group's companies carry out quality improvement actions. According to the reported data,

companies representing 95.3% of ACS Group sales carried out at least one initiative of this type in 2015.

## MANAGEMENT INDICATORS

### MAIN MANAGEMENT INDICATORS - QUALITY

	2013	2014	2015	Objective for 2016
Percentage of sales from activities certified under the ISO 9001 standard (%)	71.8%	68.2%	62.9%	> 2015
Number of Quality audits per million euros of turnover	0.037	0.046	0.047	> 2015
Intensity of investment in measures to promote and improve Quality (€ investment per € million of turnover)	123	162	137	> 2015

\* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## CLIENTS AND CONTRACTING

### STRATEGY

The commitment to clients is one of the ACS Group's most important corporate values. A strong level of trust between the client and the Group has developed, thanks to the high value-added services the company offers throughout time, promoting this close relationship.

This commitment to its clients is tackled from a clear strategy based around the following points:

- Problem-solving focus.
- Client relationship feedback.
- Information on the ACS Group's capabilities.
- Identification of future needs and opportunities for collaboration.

In addition, the ACS Group seeks appropriate solutions to improve its approach to the client, particularly in technological matters of importance. This leads to the search for collaboration with detail engineering companies, specialised in the specific field required for each project. The most suitable alliances are created for each case in this way and, as such, the final client can be offered the best technical and economic solution.

Another important value for the Group's businesses is confidentiality. ACS Group companies' contracting and client relationship departments carry out regular initiatives to promote responsible use of information, so guaranteeing client confidentiality.

### MANAGEMENT PRINCIPLES

Given the characteristics of ACS's business, where large infrastructure projects are carried out or general agreements are entered into for the provision of services (such as the cleaning of a city or maintenance of an electricity grid), the number of clients with whom ACS deals is very limited or they are large corporations or public institutions from around the world. Its clients tend to be very recurrent. In 2015, the total percentage of sales from recurrent clients stood at 72.1%.

In 2015, companies representing 31.5% of ACS Group<sup>10</sup> sales reported the existence of a client management system, managed by each company's procurement department. The management aspects common to the whole ACS Group are as follows:

- Monitoring of client needs.
- Regular measurement of client satisfaction.
- Promotion of commercial activity.

ACS's second key client relationship management policy is the measurement of their satisfaction. Companies representing 85.6% of ACS Group sales carry out this type of process, either in a standalone form or within the framework of quality management systems. Furthermore, Group companies representing 86.2% of sales implement measures and plans to improve client satisfaction.

<sup>10</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.

## MANAGEMENT INDICATORS

### MAIN MANAGEMENT INDICATORS - CLIENTS

	2013	2014	2015	Objective for 2016
Number of client satisfaction surveys carried out	2,979	3,459	5,025	> 2015
Number of client satisfaction surveys received	1,279	1,341	3,173	> 2015
Percentage of client responses of "satisfied" or "very satisfied" over the total number of surveys RECEIVED (%)	86.91%	87.25%	84.36%	> 2015
Number of complaints received from clients	26,506	34,259	33,267	< 2015
Number of complaints dealt with	100.0%	99.9%	100.0%	> 2015
Number of complaints satisfactorily resolved (proportion of those received)	97%	99%	99%	> 2015
Percentage of total sales generated by recurrent clients	N/A	N/A	72%	N/A

\* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

\*\* The increase in satisfaction surveys performed and received in 2015 is mainly as a result of an action plan deployed by Urbaser, raising the number of surveys by 1,531 compared with 2014.

\*\*\* The scope of the complaint data is of 22.92% of sales in 2014 and 24.51% of sales in 2015. A large proportion of these complaints - over 90% - concern the provision of services to individual customers, particularly reading meters; when the customer has made a complaint they are resolved satisfactorily in almost all cases.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## EMPLOYEES

### THE ACS GROUP'S PEOPLE

The ACS Group's<sup>11</sup> business success comes from its team. Hence the company maintains its commitment to continuously improving their skills, capabilities and level of responsibility and motivation, at the same time as it attends to working and safety conditions with the greatest dedication.

The ACS Group applies modern and efficient human resource management tools with the objective of retaining the best professionals. Some of the fundamental principles governing the Group companies' corporate human resources policies are based on the following common actions:



- Attracting, retaining and motivating talented individuals.
- Promoting teamwork and quality control as tools to drive excellence as work well done.
- Acting quickly, promoting the assumption of responsibilities and minimising bureaucracy.
- Supporting and increasing training and learning.
- Innovating to improve processes, products and services.

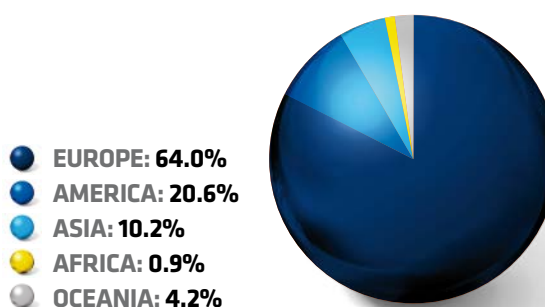
The ACS Group is an active defender of the human and labour rights recognised by various international organisations. The company promotes, respects and protects the forming of labour unions and employees' rights to freedom of association and guarantees equal opportunities and treatment, without discriminating on the basis of sex, ideology, religion or any other social or individual circumstance or condition.

Likewise, the Group promotes the professional development of its workers. With this aim, it has an employment policy in place which generates wealth in the zones where it operates and produces links which create positive synergies for the environment. Furthermore, it shows special interest in ensuring dignified working conditions, subject to the most advanced measures for health and safety at work. It promotes management by skills-based management, performance assessment and management of the professional careers of its workers.

<sup>11</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by number of employees. The data is expressed in terms of percentage of total Group employees at 31 December 2015. In order to weight the 2013 year, Clece employees are included: at 31/12/13, the company had 65,774 employees. The 2014 data include the employees of John Holland (3,874 employees), Thiess Services (1,070 employees) and Leighton Contractors Services (3,758 employees). These companies were sold by HOCHTIEF in December 2014.

The ACS Group employs a total of 196,967 people, 83,750 of whom work in Spain and 113,217 abroad. Of all the employees, 38,983 people are of a different nationality to that of their company's head office. The ACS Group has employees in more than 70 countries, in which it promotes its workers' economic and social development.

## PERSONNEL BY GEOGRAPHICAL AREA



## NUMBER OF EMPLOYEES BY AREA OF ACTIVITY

	2013	2014	2015
Construction	87,457	74,440	57,903
Industrial Services	41,635	41,272	40,006
Environment	94,319	94,581	99,005
Corporate Unit	52	52	53

## PERSONNEL BY PROFESSIONAL CATEGORY AND AREA OF ACTIVITY

	Construction	Industrial Services	Environment	Corporate Unit	Total
Graduates	15,297	4,021	1,552	31	20,901
Personnel with diplomas	3,196	5,341	2,609	6	11,152
Non-graduate line personnel	7,260	5,688	4,107	0	17,055
Administration staff	4,653	2,727	1,580	12	8,972
Other staff	27,497	22,229	89,157	4	138,887

## TYPES OF CONTRACT

	2012	2013	2014	2015
Permanent contracts	100,132	94,056	82,740	57,756
Temporary contracts	62,339	129,407	127,605	139,211

## PERSONNEL BY PROFESSIONAL CATEGORY AND GENDER

	Women	Men	Total
Graduates	4,935	15,966	20,901
Personnel with diplomas	3,319	7,833	11,152
Non-graduate line personnel	4,493	12,563	17,056
Administration staff	4,798	4,174	8,972
Other staff	61,351	77,536	138,886
<b>Total</b>	<b>78,896</b>	<b>118,071</b>	<b>196,967</b>
<i>Proportion of ACS Group total</i>	<i>40.1%</i>	<i>59.9%</i>	

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## MANAGEMENT PRINCIPLES

Equal opportunities, lack of discrimination and respect for human rights, which are basic principles included in the Group's Code of Conduct, are also determining factors when advancing the professional and personal development of all the ACS Group's employees. Companies representing 89.8% of Group employees express their formal, documented commitment to the Universal Declaration of Human Rights in the development of their Human Rights policy.

The ACS Group rejects any type of discrimination, in particular that due to age, sex, religion, race, sexual orientation, nationality or disability. This commitment extends to selection and promotion processes, which are based on assessment of the person's capabilities, on the analysis of the requirements of the job post and on individual performance.

Currently, companies representing 95.4% of ACS Group employees have formal programmes to ensure equal opportunities. These Equality Plans include specific actions as regards selection and hiring of personnel, salary, training, working days, professional promotion, assistance, bonuses and social, health and occupational risk prevention policies, as well as in matters of gender violence. A total of 1,559 women were reported in management posts in the company in 2015 (14.9% of the total management staff).

The ACS Group also promotes the hiring of people with disabilities and offers them a working environment which enables them to develop under conditions of equality. In this regard, 5,804 disabled people were working in the ACS Group at 31 December 2015.

The ACS Group also understands the relevance that having local roots and

being sensitive to each place's particular nature has in the company's success. For that reason, it promotes direct hiring of local employees and managers. A total of 508 executives came from the local community in 2015 (4.9% of the Group's total management personnel).

All the ACS Group's employees, including expatriate Spanish workers, are subject to the collective agreements in force applicable to the sector in which they work, as well as the regulations relating to management personnel and, in all cases, the labour legislation in the countries where they work. For example, collective agreements on matters of notice period(s) regarding organisational changes are rigorously respected.

In the field of labour relations, the ACS Group considers dialogue to be an essential element. For this reason, it holds regular meetings with union representatives for all its companies. Of Group employees, 23.1% are members of trade unions or union organisations.

Furthermore, companies representing 82.3% of ACS Group employees have developed protocols or policies to avoid situations in which union rights or rights of association could be compromised in certain countries. It is the policy of the ACS Group to promote good labour practices and respect for applicable laws.

Companies representing 96.48% of Group employees have programmes promoting life/work balance available to them. The following are noteworthy among the different initiatives applied by ACS Group companies to promote life/work balance:

- Flexitime: the workforce can take up the offer of flexible working time schemes, with a margin of one hour, to accommodate their periods for entering or leaving work to their personal needs.



- Reduced working day: there are people in ACS who have a working day without a break or who have a reduced day.
- Accumulation of breast-feeding periods.
- Time off or part-time working for fathers and mothers after childbirth.
- Change of work centre due to change of residence.
- Management of shift changes between workers in services.
- Expatriate workers: helping the family's move to the new location.

The performance assessment models in ACS companies are based on the skills and parameters for each work post, as described in the management systems.

Each ACS Group company manages its professionals' development independently, adapting this to its needs and the specific nature of its activities. A significant majority of ACS Group companies adopt

competence management models to improve personal knowledge and skills and use training as a tool to achieve ideal performance of the work.

Skills maps, prepared in ACS Group companies, are aligned with the strategy and particular features of each one. These maps, which are reviewed regularly, define the basic and specific competences of each work post which are essential for its effective performance.

The ACS Group has programmes for continuous training and skills development, aimed at covering the employees' training shortcomings and needs, as identified during the year and in line with the competences established in the management models. The aim of the training plans is to meet the employees' training needs for correct execution of their work and for their personal and professional development.

## MAIN MANAGEMENT INDICATORS - PEOPLE

	2013*	2014	2015
Percentage days lost through absenteeism	1.4%	2.3%	2.3%
Employees covered by a formal professional development system	87.8%	91.4%	91.6%
Employees in posts defined according to a formal skills map	33.1%	33.1%	34.3%
Employees subject to performance assessment processes	55.5%	32.6%	33.1%
Employees covered by variable remuneration systems	91.3%	96.2%	96.7%
Investment in training per employee (over total employees) (€)	708.0	643.1	513.1
Percentage of total current Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career	38.1%	36.3%	33.6%

\* 2013 data are not comparable due to organisational restructuring processes of the ACS Group.

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

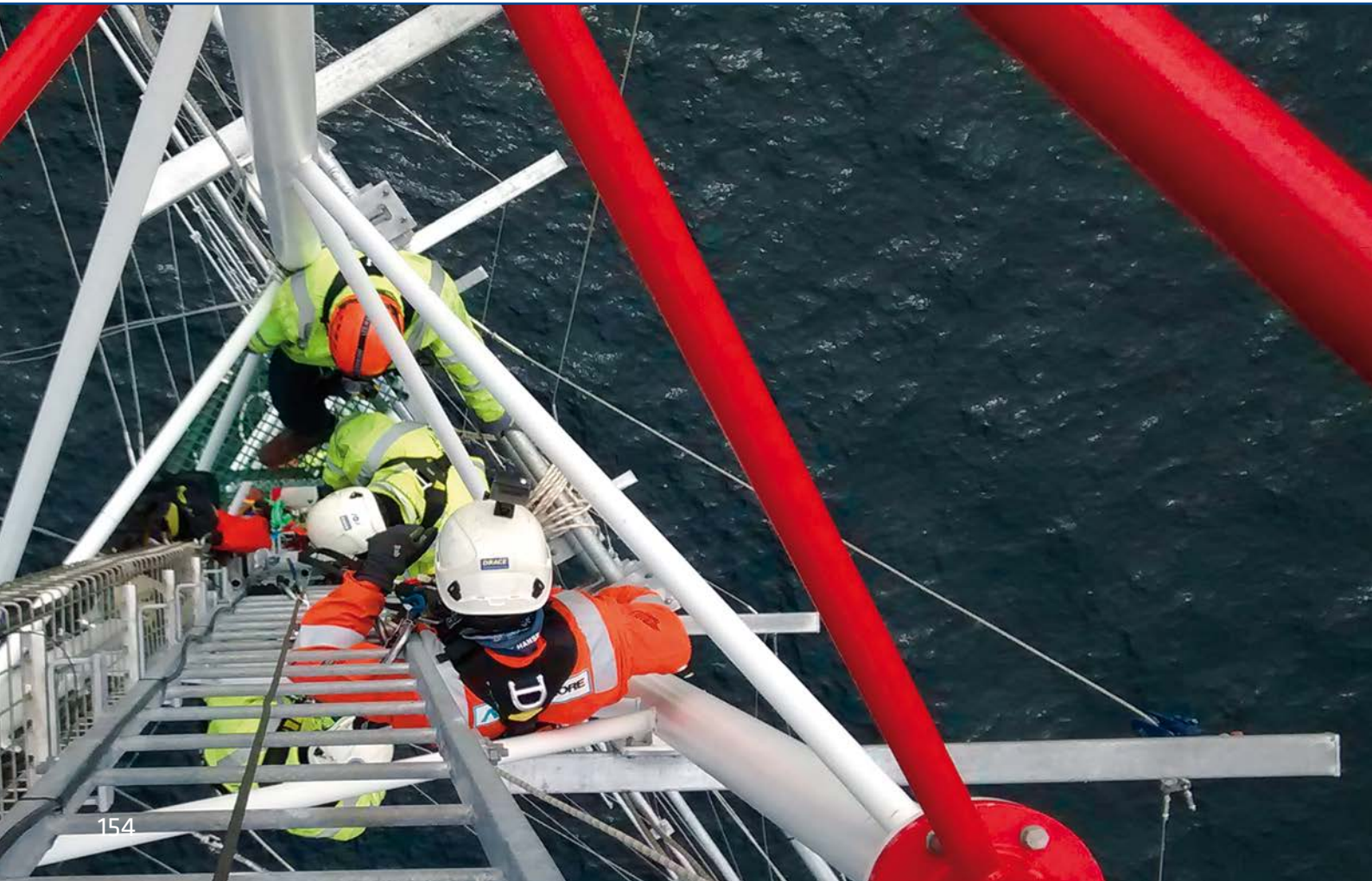
## SAFETY IN THE WORKPLACE IN THE ACS GROUP

The prevention of labour risks<sup>12</sup> is one of the strategic pillars of all ACS Group companies. Each of these companies and the Group in general maintain the commitment to reach the most demanding standards in this area and so become a reference in health and safety protection, not only for its own employees, but also for its suppliers, contractors and collaborating companies.

The main challenge lies in designing and implementing, in all its operating fields, a risk prevention service which meets expectations. Furthermore, the company considers it fundamental to reinforce its commitment to a risk prevention culture and to optimising resources.

Thanks to the individual commitment of all its employees and the involvement of suppliers, contractors and collaborating companies, the ACS Group continues to advance in building the desired risk prevention culture, approaching its ultimate objective of achieving an accident rate of zero.

<sup>12</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by number of employees. The data is expressed in terms of percentage of total Group employees at 31 December 2015. In order to weight the 2013 year, Clece employees are included; at 31/12/13, the company had 65,774 employees. The 2014 data include the employees of John Holland (3,874 employees), Thiess Services (1,070 employees) and Leighton Contractors Services (3,758 employees). These companies were sold by HOCHTIEF in December 2014. The concepts of occupational risk prevention and safety at work are used indistinctly.



## MANAGEMENT MODEL

The ACS Group's risk prevention policy complies with the various Occupational Health and Safety regulations which govern the area in the countries where it is operates, at the same time as promoting integration of labour risks into the company strategy by means of advanced practices, training and information.

Despite the fact that they operate independently, the great majority of the Group's companies share common principles in the management of their employees' health and safety. These principles are the following:

- Compliance with current legislation on occupational risk prevention and other requirements voluntarily observed.
- Integration of occupational risk prevention into the set of initiatives and at all levels, implemented through correct planning and its putting into practice.
- Adoption of all those measures necessary to ensure employees' protection and well-being.
- Achieving continuous improvement of the system by means of appropriate training and information as regards risk prevention.
- Qualification of staff and application of technological innovations.
- Definition and spreading worldwide of shared, homogeneous standards which enable assessment of Group companies in Safety terms.
- Variable remuneration depending on the success of the risk prevention and safety policy.

The great majority of Group companies report the existence of a health and safety management function and system which deals with the implementation of the policy and of the action plans developed in accordance with the priorities identified. In general, these ACS Group companies share a series of characteristics in risk prevention management:

- Implementation of systems for prevention management according to the OHSAS 18001 reference standard. This policy was reported by companies representing 79.70% of Group employees.
- The existence of systems audited internally and/or externally, in addition to the audits regulated by law (99.18% of Group employees).
- Definition of objectives and planning of preventive actions in the framework of the policy and particular nature of each company, an aspect which affects 100.00% of the Group's employees.
- A worldwide system affecting 97.12% of ACS's people.

In line with the risk prevention policy, and within these Group companies' management systems, these are the main common characteristics:

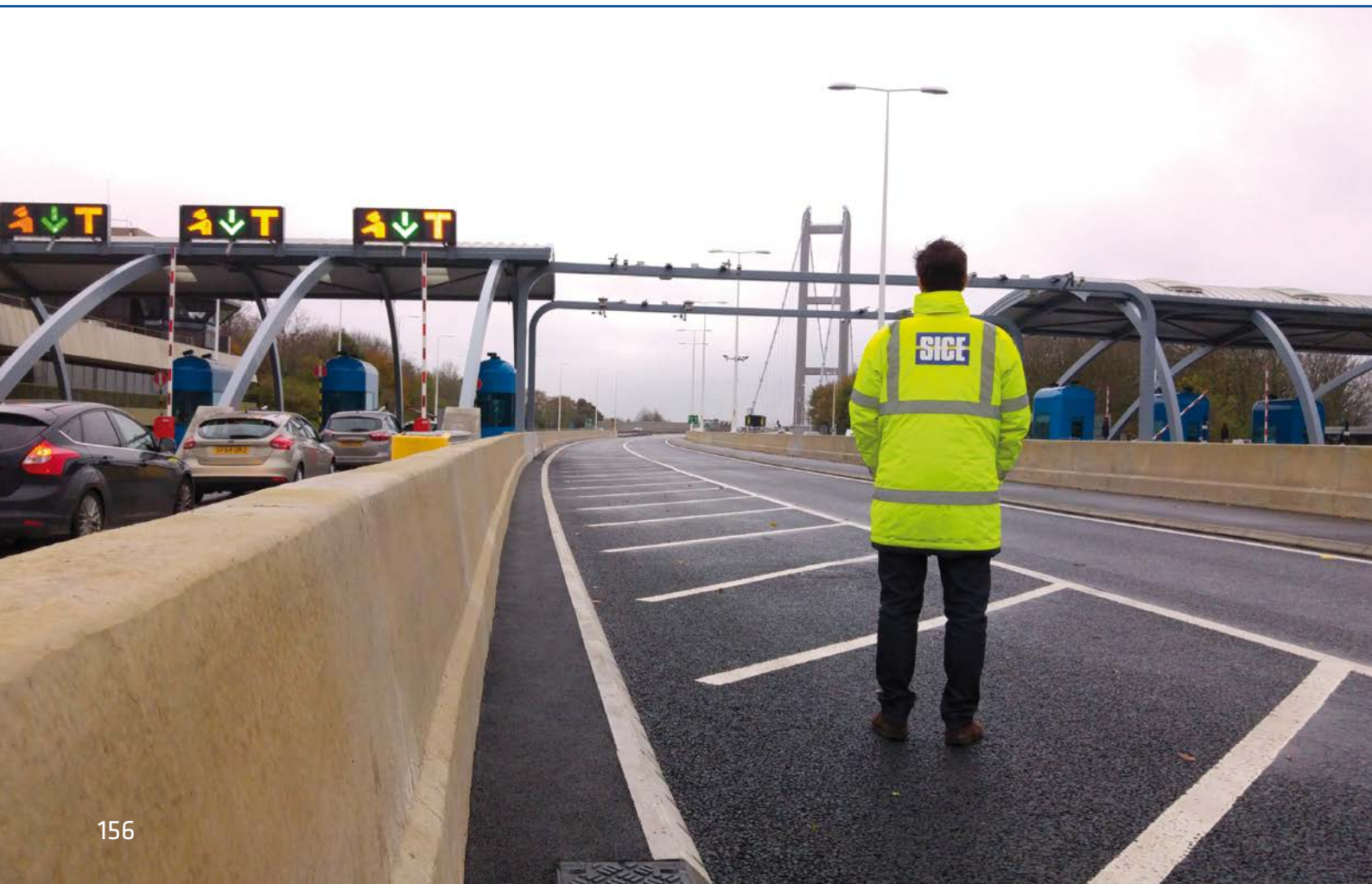
- There are systems for regular assessment of the risks to which workers are exposed in companies representing 79.70% of ACS Group employees.
- Risk prevention plans are defined which take in the improvements detected in these assessment procedures (100.00% of Group employees).
- Systems which could have resulted in an incident are identified and recorded (analysis of near misses) in companies representing 99.95% of ACS's employees.

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

- Workers' and managers' remuneration are referenced to fulfilment of formal targets as regards health and safety in 93.66% of the ACS Group.
- There are integrated computerised systems in the great majority of Group companies, which are used to monitor data related to employee and subcontractor health and safety.

The supervision and optimisation of these systems involves setting and monitoring objectives, which are generally annual, approved by senior management and transferred to the company's various levels to be fulfilled.

The Risk Prevention Plans prepared in the Group companies include the conclusions from the regular risk assessments and guidelines for action are laid down for achieving the objectives set. Likewise, in many of the Group's companies, specific assessments are carried out for activities and centres, leading to Specific Risk Prevention Plans. Along these lines, certain groups of workers who, due to their occupation, are at high risk of contracting specific diseases, are given special consideration. In 2015, there 2,602 people were identified in this category.



## SPENDING ON HEALTH AND SAFETY

	2012*	2013*	2014	2015
Spending (€ million)**	220.1	171.7	129.0	132.6
Spending per employee (€)**	1,354.8	768.5	804.5	784.4

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

\*\* In 2014 and 2015, the scope of the data are of 78.33% and 85.57% of employees respectively (as opposed to percentages of close to 100% in previous years) due to organisational restructuring processes. Spending per employee has been calculated in accordance with these scopes.

Training and information are fundamental to the development of the ACS Group's risk prevention policy and are the most effective way of raising the staff's awareness about health and safety.

## TRAINING IN HEALTH AND SAFETY

	2012*	2013*	2014	2015
Employees who have received Health and Safety training during the year (%)	58.9%	66.9%	65.8%	65.0%
Employees who have received Health and Safety training during their career with the company (%)	71.2%	94.2%	97.1%	96.8%

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

## ACCIDENT RATE INDICES EMPLOYEES

	2012*	2013*	2014	2015
<b>Frequency</b>	<b>27.84</b>	<b>19.07</b>	<b>15.20</b>	<b>18.56</b>
Construction	10.70	4.23	2.41	3.29
Industrial Services	16.83	11.95	11.14	9.15
Environment	64.89	39.79	42.69	38.96
<b>Severity</b>	<b>0.73</b>	<b>0.55</b>	<b>0.38</b>	<b>0.50</b>
Construction	0.27	0.12	0.08	0.09
Industrial Services	0.54	0.31	0.31	0.31
Environment	1.63	1.16	1.02	1.01
<b>Incident rate</b>	<b>30.20</b>	<b>33.24</b>	<b>37.38</b>	<b>36.02</b>
Construction	8.47	8.13	9.47	8.56
Industrial Services	22.39	22.11	22.55	20.13
Environment	109.29	61.00	65.10	57.44

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

\*\* In 2015, the frequency index increased because even though the number of reported accidents fell by 11%, total hours worked decreased 27% (due to the sale of companies in 2014 and organisational restructuring processes).

## MAIN MANAGEMENT INDICATORS - HEALTH AND SAFETY

	2012*	2013*	2014	2015
Percentage of total employees covered by OSHAS 18001 certification	88.9%	75.4%	83.3%	79.7%
Frequency Rate	27.84	19.07	15.20	18.56
Spending per employee on Safety (€)	1,354.82	768.49	804.50	784.42
Total number of accidents with reported employee time off	4,723.00	7,321.00	7,798.00	6,974.00
Employees who have received Health and Safety training during their career with the company (%)	71.2%	94.2%	97.1%	96.8%

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## SUPPLY CHAIN

### STRATEGY

In Group companies, the purchasing department manages the relationship with suppliers<sup>13</sup> and contractors by means of specific systems for managing, classifying and approving them and controlling risks.

As a characteristic differentiating the Group from its competitors, it is important to highlight the distinct decentralisation of purchasing and supplier management

departments in this area. There are a variety of systems in ACS in this aspect, which vary according to operating company needs. From a central, reference, corporate department, which defines policies and prices, to the most complete decentralisation where the works managers themselves define their needs and meet them using a common, widespread policy.

<sup>13</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.



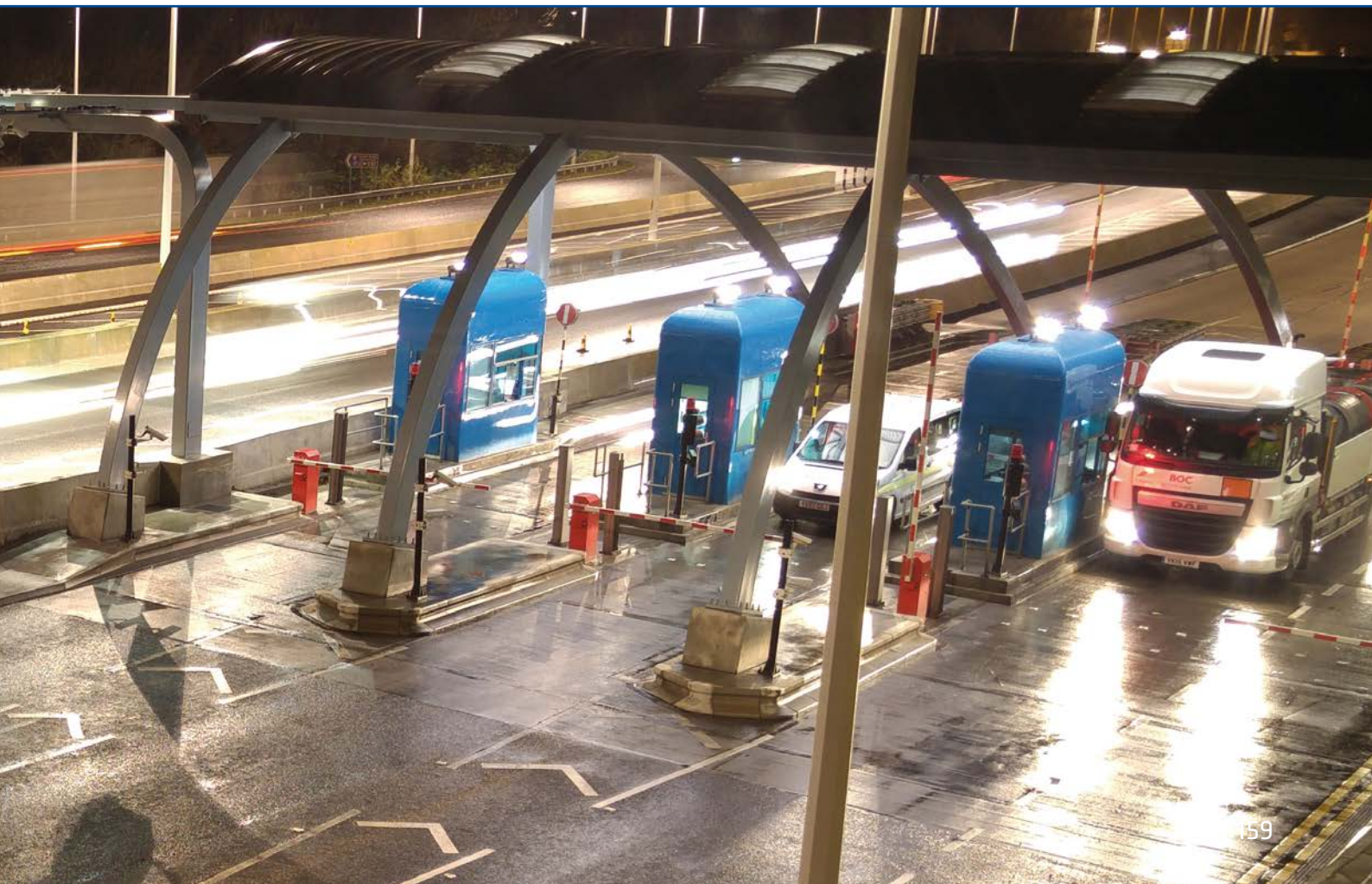
Furthermore, Group companies face three different types of suppliers or subcontractors:

- Suppliers of materials and/or services defined by the client.
- Suppliers of services or subcontractors contracted by the ACS Group.
- Materials suppliers contracted by the ACS Group.

In the first case, in which an ACS Group company carries out a project in which the client defines the type of suppliers contractually, as well as the quantity and characteristics of the materials to be

used, the Group companies, in general, obey these requirements. Even so, the ACS Group's purchasing and suppliers departments have a control procedure established to verify the efficiency of the supplier designated by the client.

This procurement format, in which ACS has very little capability for managing the suppliers, is not in isolation because, as mentioned in the section on clients in this report, the Company carries out feedback actions with the client. This means that, in cases in which the suppliers defined by the client have given problems or presented areas for improvement, the client will be notified of them and corrective measures will be sought.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY



It is worth highlighting that, once the special features of the different markets in which the ACS Group is present have been considered, specific purchasing procedures are developed when necessary to increase competitiveness.

For suppliers of services and materials contracted by the ACS Group, whether through a central purchasing department or in a decentralised manner by works managers, detailed management and control processes are defined, which share the following points in common in all Group companies:

- There are specific standards and a system for management, classification and approval of suppliers and subcontractors and risk control.
- The level of compliance with these systems is assessed.
- Collaboration with suppliers and transparency in contractual relationships are promoted.
- The purchasing system supports suppliers in driving a broad policy in its comparison which promotes the participation of various suppliers in selection processes. Given that the works managers tend to use the same suppliers, a study of common suppliers has been started to put decisions into objective terms and give access to new suppliers in different parts of the world.
- Visible purchasing portals for all services are being developed, offering a wide range of products from different suppliers.



## MANAGEMENT PRINCIPLES

Companies representing 75.1% of ACS Group have a formal system for approving suppliers and subcontractors, in line with a series of clearly established criteria, which is subsequently used by the project works managers and provides them with information on the suitability or otherwise of a supplier to fulfil the anticipated task. The main concepts used for approving suppliers, both in the formal systems and informally are:

- Cost, payment and collection term, experience, professional prestige and technical capability.
- History of fulfilment of contractual clauses in their prior relationship with ACS.
- Additional non-financial criteria (see table attached).

## LEVEL OF IMPLEMENTATION OF NON-FINANCIAL IN SUPPLIER APPROVAL (% OF ACS GROUP SALES)

	2012*	2013*	2014	2015
Adherence to the ACS Group Code of Conduct	82.7%	90.2%	83.8%	81.6%
Adherence to international standards as regards human rights and labour rights	67.1%	76.6%	68.3%	68.8%
Adherence to standards for fulfilment of commitments in ethical, social and environmental matters	67.1%	76.6%	73.7%	70.6%
Certification in quality aspects (ISO9001)	67.1%	30.0%	65.0%	87.6%
Certification in environmental aspects (ISO14001, EMAS or similar)	67.1%	95.0%	90.2%	87.6%
Analysis of labour standards and practices of suppliers and subcontractors	71.2%	77.8%	76.1%	73.7%

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

Additionally, in 2015 companies representing 57.6% of ACS sales specifically promote the use of recycled and/or certified construction materials in the supplier approval process, offering the client this type of option when the type of procurement is decided.

During 2015, the ACS Group has also prepared a Constructed Materials Policy through which it seeks to develop the following good practices in recommending construction materials to clients in applications to tender.

# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

Within the approval system, an after the fact analysis is carried out on suppliers. This process feeds back into the approval system. This system, which seeks to guarantee compliance with contractual clauses and agreements, is based fundamentally on detection and on corrective measures or management of non-compliance.

In the case of the initiatives for detection and control, the policy is based on regular audits, both internal and independent. In this case, companies representing 37.7% of ACS Group sales report carrying out internal audits of suppliers (affecting an average of 3.0% of suppliers) and 38.8% report that they carry out independent audits (affecting an average of 0.8% of suppliers). Specifically, compliance with the ACS Group Code of Conduct by suppliers is verified internally or externally in companies representing 27.0% of Group sales.

Companies representing 42.8% of ACS Group sales have carried out an analysis to identify whether they have critical suppliers. Specifically, a supplier is defined as critical when it concentrates a significantly higher percentage of procurement or subcontracting costs than the average for the rest of the company's suppliers.

As a result of this analysis, and due to the characteristics of its business, it has been found that in several of the ACS Group's main companies, the suppliers are highly fragmented, geographically dispersed and do not have enough critical mass to be determined to be critical. On the contrary, in companies representing 77.8% of Group sales, such critical suppliers have been detected.

## MAIN MANAGEMENT INDICATORS - SUPPLIERS

	2012*	2013*	2014	2015	Objective for 2016
Analysis of supplier and subcontractor criticality	49.6%	59.9%	41.6%	42.8%	> 2015
Inclusion of compliance with the Code of Conduct in supplier and subcontractor contract clauses	82.7%	90.2%	83.8%	81.6%	> 2015
Existence of formal systems for supplier and subcontractor approval	47.3%	95.8%	71.6%	75.1%	> 2015
Carrying out of internal audits on suppliers and subcontractors	6.6%	8.2%	35.1%	37.7%	> 2015
Development of corrective plans for suppliers and subcontractors to improve their performance in economic, social or environmental matters	54.0%	4.2%	4.5%	46.8%	> 2015

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

## TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

El Grupo ACS es una organización que evoluciona continuamente, adaptándose a las necesidades de sus clientes y a The ACS Group is an organisation which is continually evolving, adapting to the needs of its clients and demands from society. The diversification process through which the ACS Group is passing during these years has led it to undertake a wide range of activities which approach innovation and development differently, but resolutely. Through this commitment to technological development, the ACS Group responds to the growing demand for improvements in processes, technological progress and quality of service from its clients and from society.

Its involvement in research, development and innovation are clear in its increased investment and the R&D+i<sup>14</sup> efforts the ACS Group makes year after year. This effort leads to tangible improvements in productivity, quality, client satisfaction,

occupational safety, the obtaining of new and better materials and products and the design of more efficient production processes and systems, among others.

The ACS Group's largest companies have governing bodies for technology, which are usually the Technological Development Committee, which leads the development of research activities in each company. The existence of this governing body or committee was reported by companies representing 89.9% of ACS Group sales in 2015.

R&D management takes place through a system which, in the largest companies and in general, follows the guidelines in the UNE 166002:2006 standard and is audited by independent specialists. There is a formal management system in companies representing 92.3% of Group sales. Furthermore, independent audits are carried out in companies representing 88.6% of sales.

<sup>14</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

This management system serves the general research strategy of each of the companies which, whatever their specific features, share the following lines of action:

- Development of strategic lines of research individualised by company.
- Strategic collaboration with external organisations.
- Growing and responsible investment in order to promote research and generate patents and operational techniques constantly and efficiently

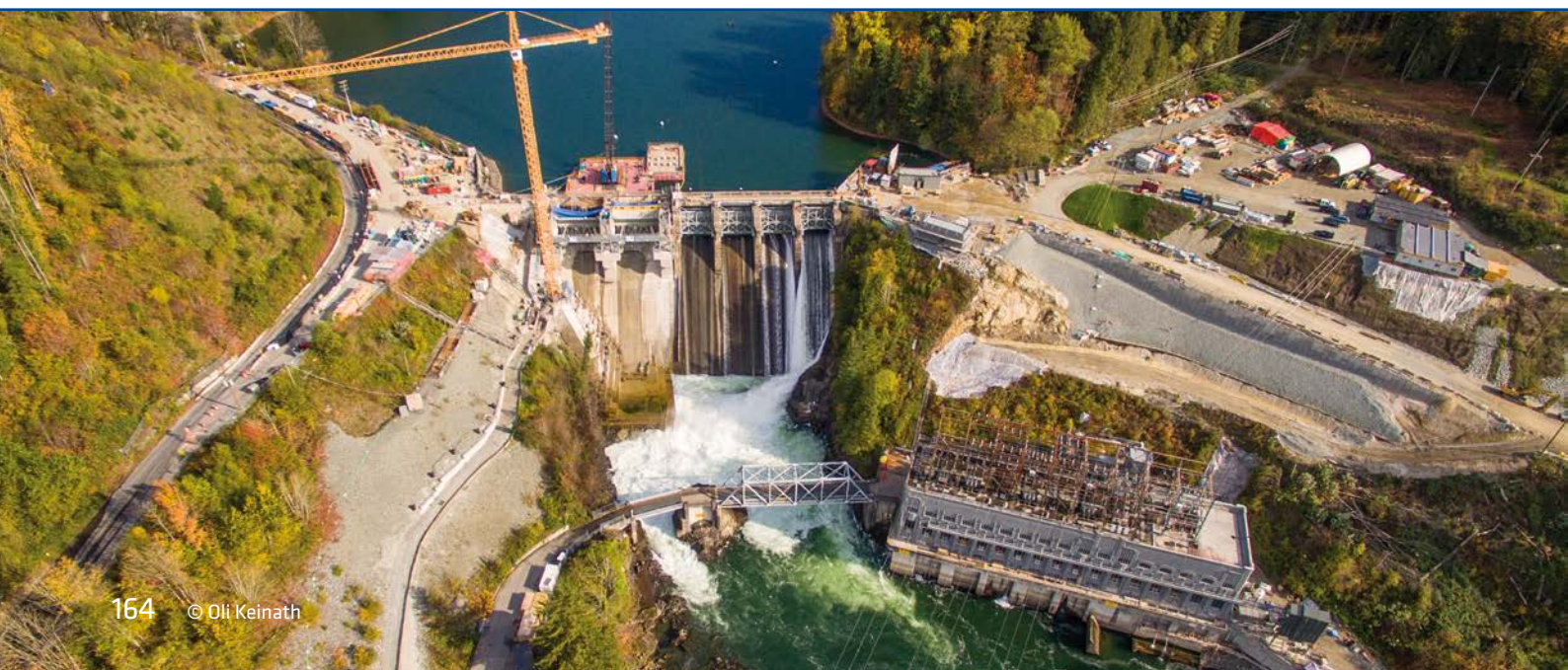
Each Group company’s strategic decisions on the execution of R&D projects seek to maximise the positive impact of ACS’s technical and technological progress. The companies have analysis and discrimination procedures to decide which projects to undertake.

At 31 December 2015, the ACS Group had 203 projects in progress<sup>15</sup> and had registered 8 patents during the year. During the last 10 years, the Group companies have registered a total of 60 patents.

<sup>15</sup> In total projects for 2015, the scope is 41.78% of the Group’s sales.

## MAIN MANAGEMENT INDICATORS - R&D+i

	2013	2014	2015	Objective for 2016
Investment in R&D+i (€ million)	49.4	54.7	50.6	> 2015
Level of implementation of a specific R&D+i department	90.3%	92.2%	89.9%	> 2015
Level of implementation of a formal system for R&D+i management	71.5%	94.2%	92.3%	> 2015



## ENVIRONMENT

The ACS Group<sup>16</sup> combines its business aims with the objective of protecting the environment and appropriately managing the expectations of its stakeholders in this area. ACS's environmental policy is intended to be a framework in which, on the one hand, the general lines to be followed (principles) are defined and, on the other hand, the particular features of each business line and each project are collected (articulation).

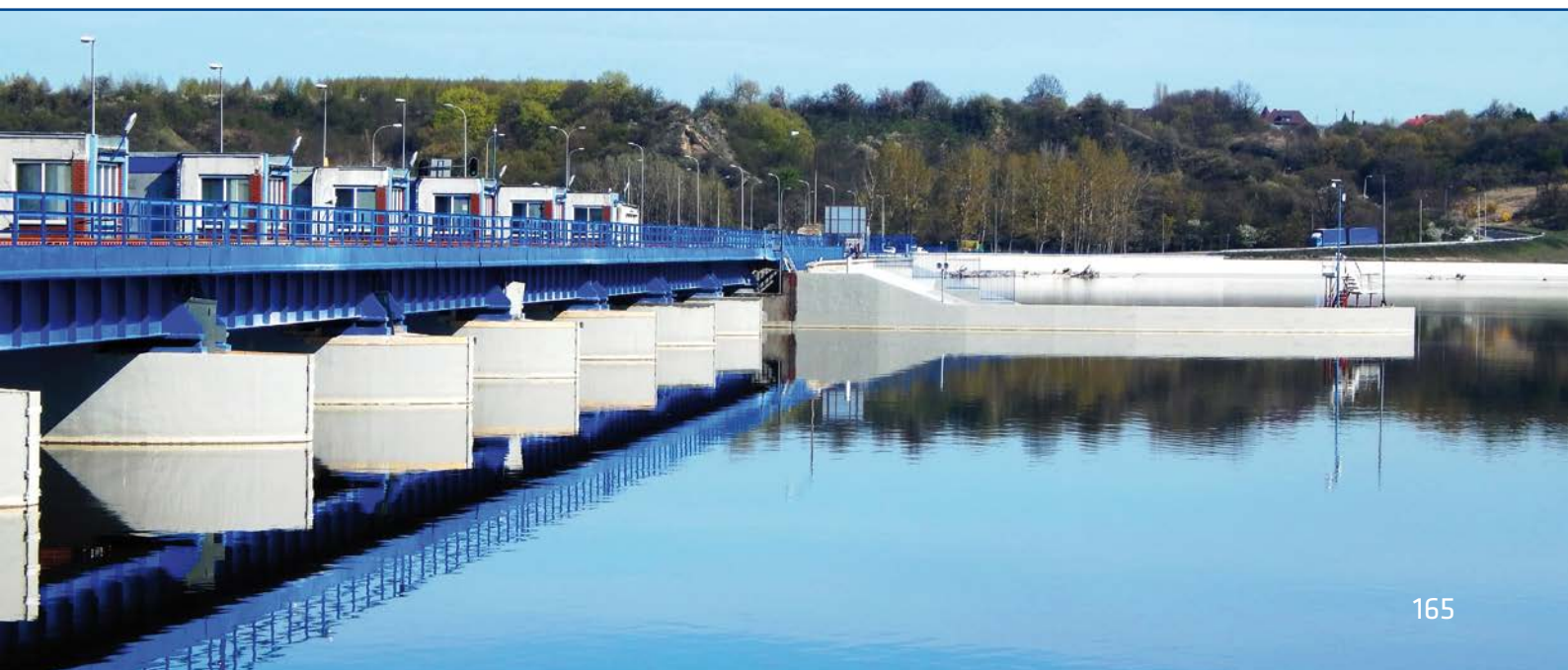
The principles are the ACS Group's general environmental commitments. These are sufficiently flexible as to accommodate the elements of policy and planning developed by the companies in the different business areas. In addition, these commitments need to keep within the requirements of the ISO 14001 Standard:

- Commitment to complying with the legislation.

- Commitment to preventing pollution.
- Commitment to continuous improvement.
- Commitment to transparency, communication and the training of Group employees, suppliers, clients and other stakeholders.

In order to be able articulate and deploy a policy on these environmental commitments, the most significant are identified at corporate level and are compared with each company's management system and the environmental priorities for each business. These common priorities, which then become common to the majority of the ACS Group members, establish objectives and programs to individually improve each company.

<sup>16</sup> The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## MANAGEMENT PRINCIPLES

The following is a map outlining the main common features of ACS Group company management models and summarising their initiatives and degree of implementation:

### LEVEL OF IMPLEMENTATION OF GOOD ENVIRONMENTAL MANAGEMENT

(EXPRESSED AS % OF SALES)	2013*	2014	2015
Implementation of an environmental management system	98.1%	97.3%	95.8%
Implementation of ISO 14001 certification	65.7%	78.8%	70.3%
Implementation of certifications other than ISO 14001	11.2%	0.3%	0.5%
Existence of specific targets for reducing CO <sub>2</sub> emissions	71.8%	12.0%	13.9%
Execution of projects to reduce waste generation	93.0%	95.1%	94.5%
Existence of plans to reduce water consumption	81.0%	83.2%	82.1%
Setting of objectives to minimise the impact of the company's activities on biodiversity	57.6%	79.0%	79.0%
The remuneration of workers, middle management and/or executives is linked to the achievement of formal environmental objectives	17.4%	15.7%	16.6%
There is some kind of non-economic incentive/recognition for the achievement of formal environmental objectives	46.5%	42.3%	37.0%
The environmental management system has been audited by an external independent third party	98.1%	97.3%	95.8%
Number of environmental audits carried out in your company	2,182	1,207	1,150
Number of environmental incidents which occurred	731	856	932
Number of environmental complaints	N/A	N/A	19
Existence of a system for collecting data on environmental near misses	81.1%	80.8%	79.0%
Existence of a centralised database to collect data on environmental matters	77.5%	88.5%	86.5%

\* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.



The significant level of implementation of an environmental management system, present in companies representing 95.8% of Group sales, is based on the objective of seeking adoption of the ISO 14001 standard in the majority of the Group's activities, which is already implemented in 70.29% of ACS Group sales<sup>17</sup>.

The responsibility of overseeing the ACS Group's environmental performance falls to the Environmental Department in each company. In general, and as summarised in the Management Principles table, the following common, general and most significant characteristics were found in ACS Group companies' management of environmental impacts:

- They themselves, in a decentralised and autonomous manner, develop their own policies and action plans.
- They implement projects for certification and/or independent external auditing.

- They carry out environmental audits.
- They have some kind of centralised database for collecting environmental data.
- They have a system for collecting incidents, non-conformities or near misses related to the environment.
- Companies which account for 95.66% of the ACS Group's sales have developed environmental initiatives to reduce costs, and 24.54% have implemented environmental initiatives to increase revenues.

Specifically and operationally, the main environmental measures revolve around four key risks, on which the ACS Group's companies position themselves explicitly: **the fight against climate change, promotion of eco-efficiency, water saving and respect for biodiversity.**

<sup>17</sup> Other certifications cover 0.50% of the Group's sales.



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

## MAIN INDICATORS<sup>18</sup>

### MAIN MANAGEMENT INDICATORS - ENVIRONMENT

	2012*	2013*	2014	2015	Objective for 2016
Percentage of sales covered by ISO 14001 Certification	68.0%	65.7%	78.8%	70.3%	> 2015
Total Water consumption (m <sup>3</sup> )	10,067,651	18,460,840	28,324,847	40,783,487	N/A
Ratio: m <sup>3</sup> of Water / Sales (€ million)	262.2	465.9	831.9	1,206.0	< 2015
Direct emissions (Scope 1) (tCO <sub>2</sub> equiv.)	322,758	3,771,674	5,492,986	3,288,764	N/A
Scope 1 Carbon Intensity Ratio: Emissions / Sales (€ million)	8.4	95.2	161.3	97.3	< 2015
Indirect emissions (Scope 2) (tCO <sub>2</sub> equiv.)	392,331	302,158	363,767	294,523	N/A
Scope 2 Carbon Intensity Ratio: Emissions / Sales (€ million)	10.2	7.6	10.7	8.7	< 2015
Indirect emissions (Scope 3) (tCO <sub>2</sub> equiv.)	1,451,662	7,103,265	10,728,161	9,131,960	N/A
Scope 3 Carbon Intensity Ratio: Emissions / Sales (€ million)	37.8	179.3	315.1	270.0	< 2015
Total Emissions (tCO <sub>2</sub> equiv.)	2,166,750	11,177,096	16,584,914	12,715,248	N/A
Total Carbon Intensity Ratio: Total Emissions / Sales (€ million)	56.4	282.1	487.1	376.0	< 2015
Significant emissions of NO <sub>x</sub> , SO <sub>x</sub> and other significant atmospheric emissions (kg)	N/A	N/A	N/A	14,390.6	N/A
Non-hazardous waste sent for management (t)	1,274,102	3,115,431	4,032,274	4,133,643	N/A
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	33.2	78.6	118.4	122.2	< 2015
Hazardous waste sent for management (t)	88,182	268,137	171,643	327,729	N/A
Ratio: Tonnes of hazardous waste / Sales (€ million)	2.3	6.8	5.0	9.7	< 2015

\* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

<sup>18</sup> Reported water treatment increased as a result of the start-up of Cobra's international assets. Total water treatment by Cobra went from 13,254,636 m<sup>3</sup> in 2014 to 19,778,612 m<sup>3</sup> in 2015. Water treatment in 2014 and 2015 includes CIMIC (see scopes) with 8,180,000 m<sup>3</sup> and 11,900,000 m<sup>3</sup> of water treated in 2014 and 2015 respectively.

For CO<sub>2</sub> emissions, it is important to note that the HOCHTIEF Asia Pacific data for 2014 have been recalculated due to an update in the reporting method used. Reported emissions of scope 1, 2 and 3 of HOCHTIEF Asia Pacific in 2014 were 3,191,956; 218,953 and 2,750,651 tCO<sub>2</sub> respectively. The drop in CO<sub>2</sub> emissions is also largely due to the restructuring process in HOCHTIEF Asia Pacific, and the reported CO<sub>2</sub> emissions in 2015 of HOCHTIEF Asia Pacific of scope 1, 2 and 3 are 1,790,000; 84,000 and 3,497,000 tCO<sub>2</sub> respectively. Scope 1, 2 and 3 emissions of HOCHTIEF Americas are estimated (in 2014 Scope 1: 2,432 tCO<sub>2</sub>, Scope 2: 6,620 tCO<sub>2</sub>, Scope 3: 3,648,726 tCO<sub>2</sub>, in 2015 Scope 1: 1,148,432 tCO<sub>2</sub>, Scope 2: 37,112 tCO<sub>2</sub> and Scope 3: 1,086,608 tCO<sub>2</sub>).

Scope 3 emissions include those calculated for employee travel. In HOCHTIEF and CIMIC they include those calculated referring to the Supply Chain (Cement, Timber, Waste and Steel).

A methodology has been adopted in this report to account for CO<sub>2</sub> emissions in all years under which Urbaser classifies the emissions from water and waste treatment centres as indirect under Scope 3, as it does not own or have operational control over these facilities, as included in the international GHG Protocol (Appendix F) and EPE Protocol (waste sector methodology) standards Urbaser has used to calculate its Carbon Footprint. The Public Authorities, as the owners of the facilities, impose the operating requirements, while the management companies limit themselves to operating them temporarily. It is also important to note that use of concession assets - which are currently owned by Saeta Yield - is only taken into account in the Industrial Services division until February 2015, at which point the Group stopped having a majority shareholding and managing these assets.



## HOW THE ACS GROUP HELPS SOCIETY

A commitment to improving society is part of the ACS Group's objectives. To contribute to this objective, ACS defines a Policy for Social Action linked to its business strategy, as this is the best way of creating real shared value for all stakeholders.

	COORDINATORS	REASONS FOR CONTRIBUTORS	TYPES OF CONTRIBUTIONS	FIELDS OF ACTION	GEOGRAPHICAL AREAS	MONITORING	REPORTING
SOCIAL ACTION POLICIES OF THE ACS GROUP	GROUP COMPANIES	INVESTMENTS IN THE COMMUNITY	IN KIND	<ul style="list-style-type: none"> <li>Corporate volunteering</li> <li>Raising awareness communities</li> <li>Environmental awareness</li> <li>Energy efficiency</li> <li>Road safety / labour risks</li> <li>Supporting NGOs and community organisations</li> </ul>	ALL COUNTRIES WHERE ACS OPERATES	INTERNAL MONITORING COMMITTEE OF MONITORING, EVALUATION OF ACHIEVEMENTS AND IMPACT	CSR REPORT OF THE ACS GROUP
	ACS FOUNDATION	COMMERCIAL INITIATIVES	CASH	<ul style="list-style-type: none"> <li>Removing barriers and universal accessibility for disabled people and people with reduced mobility</li> <li>Environmental education and protection</li> <li>Restoration of historical monuments</li> <li>Scientific and technical research</li> <li>Sponsorship of other foundations and institutions</li> <li>Support for cultural activities</li> <li>Support for sporting activities</li> <li>Cooperation with respect to development</li> </ul>			ANNUAL REPORT OF THE FOUNDATION ACS
		PHILANTHROPIC DONATIONS					

This Policy seeks to promote the ACS Group's Social Action, which will help the company to achieve the following objectives:



- DRIVING FORWARD THE BUSINESS AND SUSTAINABILITY OF THE BUSINESS
- IMPROVING THE COMPANY'S PRESTIGE AND REPUTATION
- INCREASING EMPLOYEE AND PARTNER SATISFACTION
- HELPING TO IMPROVE THE SOCIETY IN WHICH THE ACS GROUP OPERATES



# THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

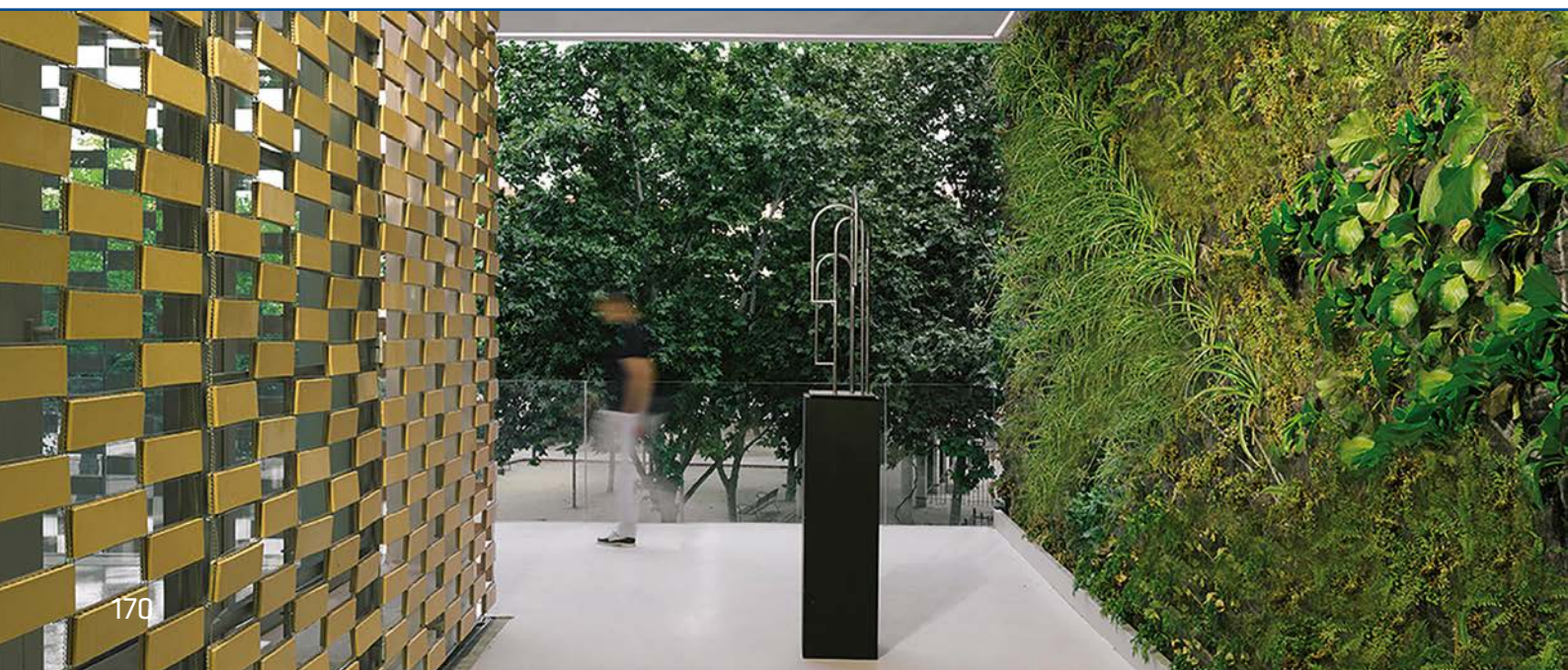
## SOCIAL ACTION OF ACS GROUP COMPANIES

The Group's general policy was approved in May 2014, so the development of social actions within the ACS Group companies is still within its infancy. However, significant progress was made in this field in 2015 both in funds contributed and also in the gathering and tracking of indicators.

The target of the Human Resources departments of the Group is that in 2016 and in successive years, we should make even greater efforts to increase the amount of funds raised and to continue to improve the compiling and monitoring indicators for these initiatives.

### MAIN SOCIAL ACTION INDICATORS

	2015	Objective for 2016
Cash Funds used for Social Initiatives (€ mn)	7.4	> 2015
Monetary estimate of payments in kind used for Social Initiatives (€ mn)	0.1	> 2015
Estimated number of persons benefiting from social initiatives	1,752,484	> 2015
Number of courses or raising of awareness activities performed (road safety, environment, efficiency, social integration,...)	705	> 2015
Number of volunteers (employees) who have taken part in these awareness raising activities	6,095	> 2015
Number of foundations or NGOs who received grants/support during the year	404	> 2015
Number of events (conferences, exhibitions, sporting events,...) sponsored during the year.	88	> 2015
Time which the employees have spent in year acting as volunteers during their working day (h)	872	> 2015



## THE ACS FOUNDATION

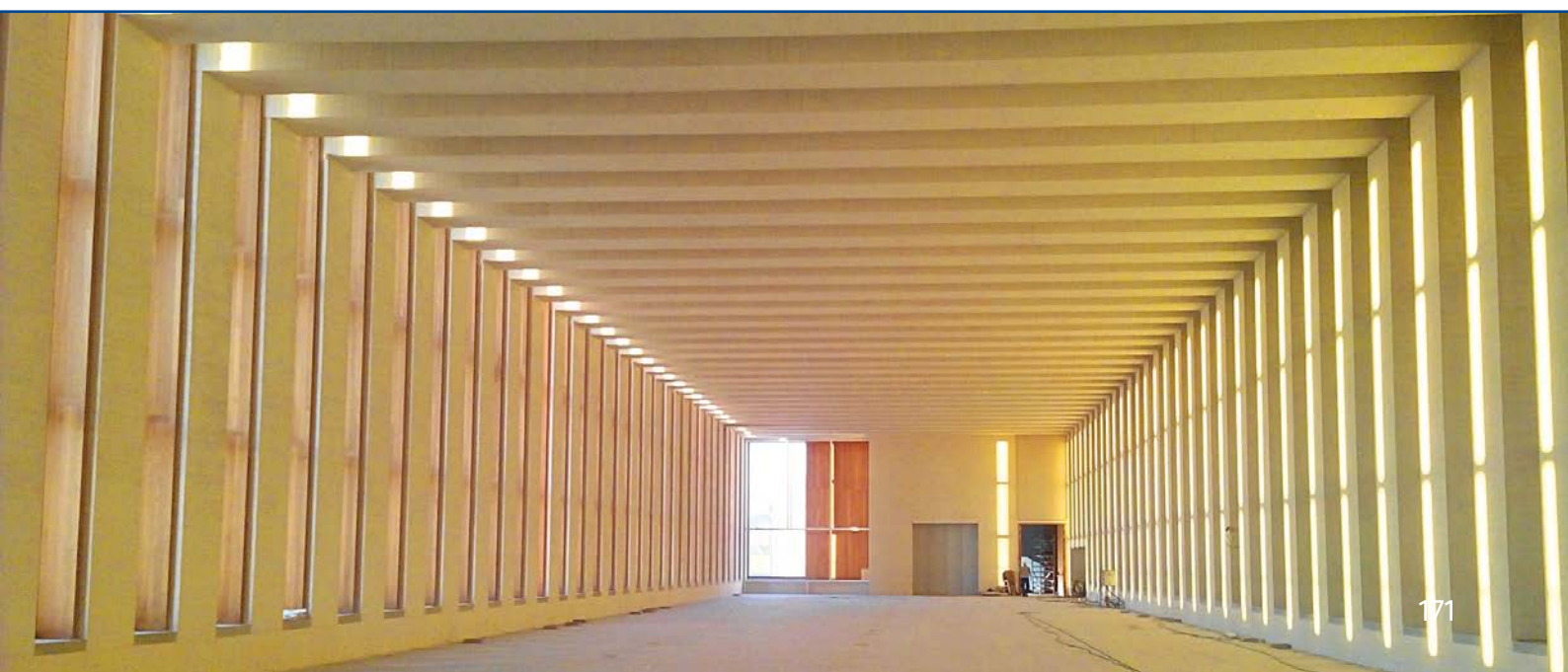
The ACS Foundation, the formal social action policy of which is stated in its foundation charters, is guided by several principles for action:

- Philanthropic action by means of donations and contributions to specialised institutions.
- Actions in various fields of work: accessibility, assistance to development, environment, cultural and educational promotion, dissemination and restoration of Spanish national heritage, collaboration with scientific institutions and sponsorship and patronage of philanthropic institutions, universities, technical schools and other learning centres.
- Selection of projects which provide the greatest social benefit – carried out with prestigious bodies, leaders in their field – and of great general interest.
- Setting up of mixed monitoring committees, between donor and beneficiary, to monitor the execution of significant projects.

In 2015, the ACS Foundation spent 4.298 million euros, tantamount to 98.8% of its budget, and the financial assistance to entities increased by 9.5% compared with 2014. A budget of €4.450 million has been approved for 2016.

Category	Amount allocated (€ million)
Elimination of barriers (disability)	0.739
Environment	0.079
Research	0.639
Promotion of cultural activities	1.580
Aid to other foundations and institutions	0.848
Others <sup>19</sup>	0.413
<b>TOTAL</b>	<b>4.298</b>

<sup>19</sup> Personnel and other costs for actions, such as training, payment of teachers, publishing of materials, etc.



# CORPORATE GOVERNANCE IN THE ACS GROUP

## SHAREHOLDER STRUCTURE

ACS, Actividades de Construcción y Servicios, S.A. (ACS), the ACS Group's parent company, is a Spanish listed limited company, the share capital of which totalled €157,332,297 at 31 December 2015, represented by 314,664,594 shares, with a face value of €0.50 per share, fully subscribed and paid up, all of a single class and with the same rights.

ACS's shares are represented by means of book entries and admitted to trading

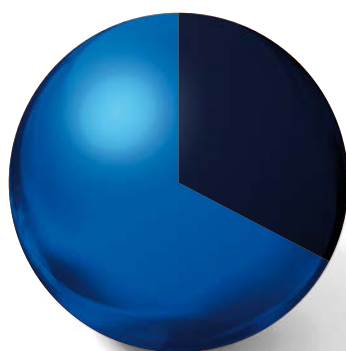
in all Spain's Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). You can access the main data relating to the company's ownership structure in real time through the company's corporate website, [www.grupoacs.com](http://www.grupoacs.com), and that of the Spanish Stock Market Commission (C.N.M.V), [www.cnmv.es](http://www.cnmv.es), as reflected in the following table as at 31 December 2015:

Shareholder's name or corporate name	Number of shares	Percentage of the total number of shares
Mr. Florentino Pérez Rodríguez	39,397,625	12.52%
Corporación Financiera Alba, S.A.	36,779,286	11.69%
Iberostar Hoteles y Apartamentos, S.L.	17,741,012	5.64%
Mr. Alberto Cortina Alcocer	10,272,467	3.27%
Mr. Alberto Alcocer Torra	9,549,983	3.03%

The information obtained from IBERCLEAR, the Spanish Central Securities Depository, for the call to the company's most recent General Shareholders' Meeting, held on 28 April 2015, showed a total of 49,960 shareholders. There were 41,625 resident minority shareholders, who held 16.0% of the share capital. There were 8,335 non-resident shareholders and domestic institutional shareholders with a remaining stake of 84.0%.

According to the stated data and bearing in mind those shareholders who, with a share of over 3% of the capital, also have representation on the board of directors, the distribution of capital ownership is as follows:

### CAPITAL OWNERSHIP DISTRIBUTION



● MAJOR SHAREHOLDERS\* 36%  
● FREE FLOAT 64%

\* Representation on the Board.

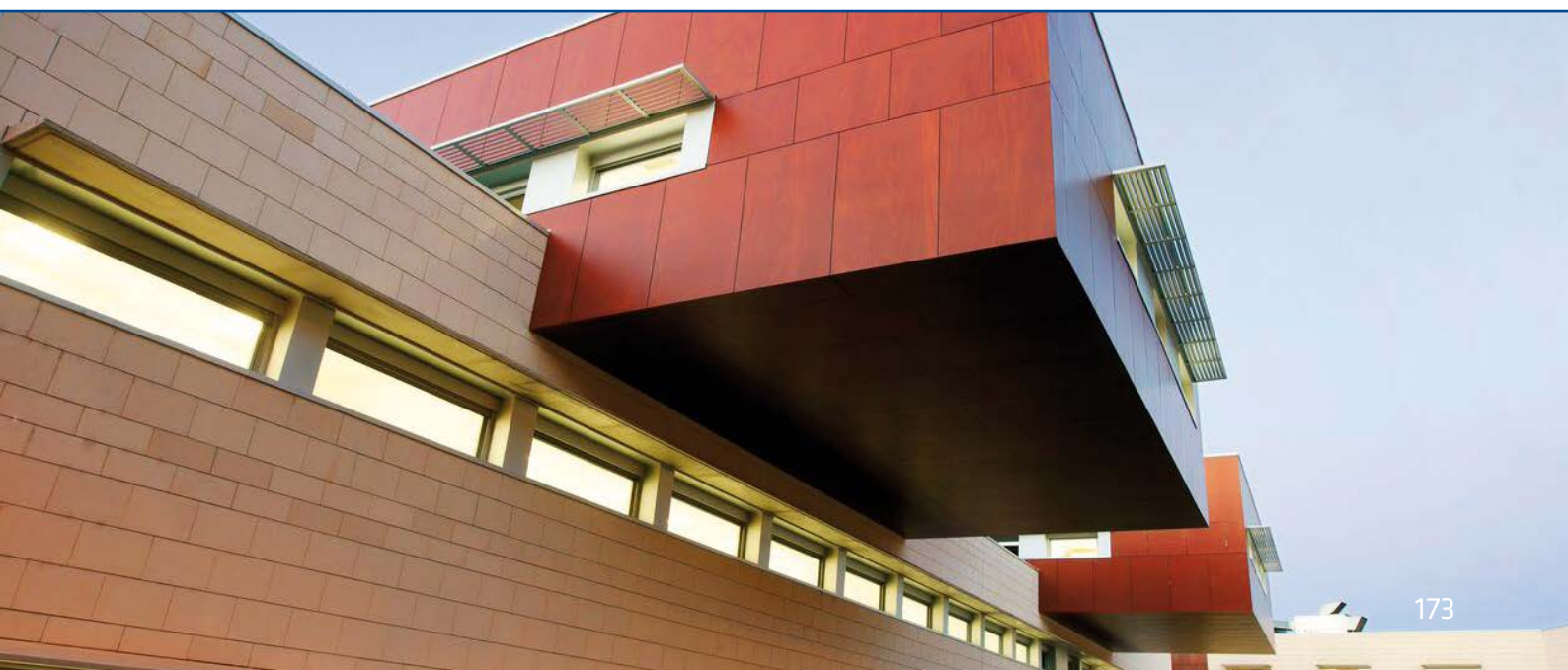
The share capital of the ACS Group is represented by 314,664,594 shares, with a face value of €0.50 per share.

## ACS STOCK

	2013	2014	2015
<b>Closing Price</b>	<b>€25.02</b>	<b>€28.97</b>	<b>€27.02</b>
<i>Appreciation of ACS shares</i>	<i>31.41%</i>	<i>15.79%</i>	<i>-6.75%</i>
<i>Appreciation of the IBEX35</i>	<i>21.42%</i>	<i>3.66%</i>	<i>-7.15%</i>
<b>Maximum closing price</b>	<b>€25.02</b>	<b>€34.39</b>	<b>€34.06</b>
<b>Minimum closing price</b>	<b>€16.76</b>	<b>€24.97</b>	<b>€25.49</b>
<b>Average price over the period</b>	<b>€21.11</b>	<b>€28.95</b>	<b>€28.57</b>
<b>Total volume (thousands)</b>	<b>201,945</b>	<b>252,332</b>	<b>238,296</b>
<i>Average daily volume of shares (thousands)</i>	<i>792</i>	<i>990</i>	<i>931</i>
<b>Turnover (€ million)</b>	<b>4,248</b>	<b>7,383</b>	<b>7,158</b>
<i>Average daily turnover (€ million)</i>	<i>16.66</i>	<i>28.95</i>	<i>27.96</i>
<i>Number of shares (mn)</i>	<i>314.66</i>	<i>314.66</i>	<i>314.66</i>
<b>Capitalisation at the end of the period (million)</b>	<b>7,873</b>	<b>9,116</b>	<b>8,501</b>

ACS is a company committed to generating value for its shareholders, both from the point of view of dividend distribution and share price appreciation. In terms of total shareholder return, an investor who bought one share in ACS on 31 December 1996, just before the creation of ACS in its current form,

would have obtained, at the end of 2015, an annual return of 24.47%. If he or she had invested €100 on that day, at the end of 2015 he or she would have had €6,401, meaning that the investment would have multiplied by 64.01. Total shareholder return includes stock market appreciation and the dividends paid by the ACS Group.



# CORPORATE GOVERNANCE IN THE ACS GROUP

## STRUCTURE AND COMPOSITION OF THE GOVERNING BODIES OF THE ACS GROUP

It is laid down in the Company's By-laws and the Rules of the Board of Directors that ACS will be governed by a Board of Directors made up of a minimum of eleven (11) and a maximum of twenty-one (21) members. ACS's Board Members are named according to a procedure to assess their competences, knowledge, experience and dedication to proper fulfilment of their task, carried out by the Board of Directors' Appointments and Remuneration Committee.

As ACS's decision-making body, it falls to the Shareholders' Meeting, at the proposal of the Board of Directors, both to set the exact number of members of the Board, within these limits, and to name the people to occupy these posts.

The composition of the Board of Directors is based on a proportional principle, by means of which the interests of all ACS's groups of shareholders are represented on the Board. At 31 December 2015, ACS's Board of Directors was made up of 18 Board Members: 4 executive members, 7 proprietary Board Members, 5 independent members and 2 external members.

The ACS Group promotes all the policies necessary to ensure equality of opportunities and to avoid implicit bias and any discrimination in selection processes not just for members of the Board of Directors, but also for any work position and to guarantee that the applicants meet the competence, knowledge and experience requirements to carry out their work, as stated in point 1.3.1 of the

ACS Code of Conduct. At 31 December 2015, the Board of Directors of the ACS Group includes three women Board members out of a total of 18, accounting for 16.7% of the total.

The mission of these independent and external board members is to represent the interests of the free-float capital on the Board of Directors. The Chairman of the Board of Directors, Florentino Pérez, is also the CEO of ACS.

Board member	Year of birth
Florentino Pérez Rodríguez	1947
Antonio García Ferrer	1945
Pablo Vallbona Vadell	1942
Agustín Batuecas Torrego	1949
Manuel Delgado Solís	1948
Javier Echenique Landiribar	1951
(Iberostar Hoteles y Apartamentos, S.L.) Sabina Fluxá Thienemann	1980
Joan-David Grimà i Terré	1953
Pedro López Jiménez	1942
José María Loizaga Viguri	1936
Emilio García Gallego	1947
Santos Martínez-Conde Gutiérrez-Barquín	1955
Javier Monzón de Cáceres	1956
Miquel Roca i Junyent	1940
María Soledad Pérez Rodríguez	1943
José Luis del Valle Pérez	1950
Catalina Miñarro Brugarolas	1963
Antonio Botella García	1947

## GOVERNANCE PROCEDURES IN ACS

As regards the function of the Board of Directors, this acts jointly and is granted the broadest of powers to represent and govern the company as the body supervising and controlling its activity, but also with the capacity to assume the responsibilities and decision-making powers directly on the management of the businesses.

In particular, the Board of Directors in plenary session will not be entitled to delegate, under any circumstances, the powers described in article 5 of the Board of Directors'<sup>20</sup> Regulation, which includes the approval of the following general policies and strategies:

- Investment and financing policy.
- Definition of the corporate group structure.
- Corporate governance policy.
- Corporate social responsibility policy.
- Approval of financial information.
- Strategic or business plan, as well as management targets and annual budgets.
- Senior executive remuneration and performance assessment policy.

Risk control and management policy, including fiscal risks, and overview of internal reporting and control systems.

- The dividend policy, and share and Treasury Shares policy.
- Related-party transactions, except in those cases anticipated by the Regulations.
- Establishing the Company's fiscal strategy, and approving the creation of acquisition of shareholdings of companies in countries or territories which may be considered to be tax havens, and other transactions or operations which are so complex that they could detract from the transparency of the Company and its group.

For greater efficiency in its functions, a set of Committees are constituted within the Board of Directors, the task of which consists of controlling and monitoring those areas of greatest importance for good governance of the company. The Board of Directors currently has three such committees: The Executive Committee, Audit Committee and the Appointments and Remuneration Committee, whose functions are set out in the Board of Directors' Regulation.

The Executive Committee is a delegated committee which can exercise all the Board of Directors' powers except those which cannot be delegated or which the Board reserves as its competence.

<sup>20</sup> For more information on functions of the Board of Directors which cannot be delegated, please refer to: [http://www.grupoacs.com/index.php/en/c/corporategovernance\\_boardofdirectors\\_rulesoftheboardofdirector](http://www.grupoacs.com/index.php/en/c/corporategovernance_boardofdirectors_rulesoftheboardofdirector)

# CORPORATE GOVERNANCE IN THE ACS GROUP

The Audit Committee has the main functions described in Article 24 of the Rules of the Board of Directors, including the functions of accounting control and risk management, *inter alia*. According to that stated in Article 25 of the Rules of the Board of Directors, the Audit Committee is responsible for supervising compliance with the rules for corporate governance, the internal codes of conduct and the corporate social responsibility policy. Furthermore, among the functions attributed to the Audit Committee is the reviewing of the Company's Corporate Social Responsibility Policy to ensure that this is aimed at creating value. Similarly, the Audit Committee is responsible for monitoring corporate social responsibility strategy and practices, as well as evaluating the degree of compliance with them. The Audit Committee will also be responsible for supervising and evaluating the processes in the relationships with the various stakeholders and evaluating all matters relating to the company's non-financial risks, including operational, technological, legal, social, environmental and political risks and risks to its reputation.

Lastly, the Appointments and Remuneration Committee has the main functions detailed in Article 26 of the Rules of the Board of Directors, including the control of board member and senior management remuneration and performance, proposals for their appointments and matters relating to gender diversity on the Board of Directors, among others.

The Board Members' remuneration is defined by a general policy approved by the full Board, heeding the recommendations of the Appointments and Remuneration Committee. In 2015, the Board of Directors earned remuneration of € 12.67 million, and € 2.02 was paid into saving schemes during the year. Within the ACS Group's transparency and information policy, the remuneration received by both the members of the Board of Directors and the Senior Executives during the financial year, both of which are summarised here, is shown in the Annual Corporate Governance Report, while the individual details of the remunerations of the Board of Directors are delivered in the General Shareholders' Meeting, also available at the Spanish Stock Market Commission (CNMV).





Retribución de los miembros del Consejo	€ thousands
Remuneration to the Board of Directors	12,670
Contribution to the savings systems in the year	2,019
Value of the rights accumulated by the Board Members as regards pensions	50,357
Amount of the rights accumulated by the Board Members as regards pensions	0
<b>Total remuneration of Senior Executives (56 Executives)</b>	<b>30,332</b>

Assessment of the Board of Directors' quality and efficiency of performance is a task which falls to the Board itself and cannot be delegated. It is carried out after receiving a report from the Appointments and Remuneration Committee. Furthermore, the General Shareholders' Meeting submits approval of the Board of Directors' management to a vote every year.

Finally, the ACS Group, through the Rules of the ACS Board of Directors, has detailed rules on the mechanisms laid down for detecting, determining and resolving possible conflicts of interest

between the company and/or its group and its board members, managers or significant shareholders, as detailed in point D.6 of the ACS Group's Corporate Governance Report.



# CORPORATE GOVERNANCE IN THE ACS GROUP

## SHAREHOLDER' RIGHTS AND THE GENERAL SHAREHOLDERS' MEETING

The operation of the Shareholders' Meeting and the rights of the shareholders are regulated in ACS's Company By-laws and in the Shareholders' General Meeting By-laws. According to Article 1 of the latter, the Shareholders' Meeting is the supreme body for the expression of the will of the company and its decision making.

As such, according to these Rules, the Group's shareholders represented in the General Shareholders' Meeting will decide all matters within the Meeting's powers by majority. This meeting will be made up of those holders of at least one hundred shares present or represented, such that holders of less than one hundred shares can group together to reach this number.

In addition, shareholders' attendance and voting rights are laid down in these Rules, by means of which egalitarian treatment is guaranteed for all and a series of measures aimed at encouraging shareholders' participation in the General Meeting are included. As such, not only is delegation or representation of votes permitted during the Meeting, but the possibility of shareholders casting their vote remotely is also expressly established. Furthermore, since the Ordinary General Shareholders' Meeting of 19 May 2005, the necessary procedures have been articulated for exercising the right to vote in advance remotely. The measures adopted by the Group to encourage attendance of the Meeting are positively reflected in their attendance percentages.

Attendance at Shareholders' Meetings	2010 Ordinary	2010 Extraordinary	2011 Ordinary	2012 Ordinary	2013 Ordinary	2014 Ordinary	2015 Ordinary
Shareholders Present	213	115	179	216	226	273	260
Quorum Shareholders Present	19.44%	19.93%	20.55%	20.05%	20.19%	7.31%	7.52%
Shareholders Represented	2,776	2,183	2,792	2,368	2,214	1,933	1,560
Quorum Shareholders Represented	58.22%	57.11%	54.41%	51.40%	55.06%	62.89%	65.71%
Total Quorum	77.66%	77.04%	74.96%	71.45%	75.25%	70.20%	73.23%

Likewise, the shareholders' and investors' rights to information are detailed in several parts of the Shareholders' General Meeting By-laws. Indeed, all the necessary information is made available to the shareholders prior to holding each Meeting, in that, in addition to the standard information provided by the

company in the annual, half-yearly or quarterly reports, the Group maintains a website with all the fundamental data on it. Periodic meetings are also held with analysts for this information to reach both shareholders and the general market in the fairest, most symmetrical and efficient way possible.

The ACS Group not only sets up permanent communications channels with its shareholders and investors, but also ensures that all the information made available to them is truthful and rigorous. The Audit Commission reviews this information before it is transmitted to confirm that it is prepared in accordance with the professional principles, criteria and practices with which the accounts are prepared.

ACS's Board of Directors has, over a number of years, also been promoting measures to guarantee the transparency of the company's action in the financial markets and to exercise as many functions as result from its position as a listed company on the stock exchanges. To this effect, we try to ensure that knowledge of significant events is restricted, until made public, to the minimum number of identified people.



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