



2015 Results Presentation

February 26th, 2016

Executive Summary

Robust results in an adverse scenario

Strong operating cash generation

Significant net debt reduction

Excellent competitive position

Financial highlights 2015

		Var. 14/15	Var. PRO-FORMA*
Sales	€ 34,925 mn	+0.1%	+1.0%
EBITDA	€ 2,409 mn	-5.6%	+3.6%
EBIT	€ 1,541 mn	-8.5%	+5.8%
Net Profit	€ 725 mn	+1.1%	
Net Debt	€ 2,624 mn	-29.5%	

* Eliminating renewable asset contribution in both years

Consolidating our international leadership

Var. 14/15

Sales 2015

€ 34,925 mn

+0.1%

40%

€ 13,916 mn



6%

€ 2,259 mn

0.5%

€ 183 mn

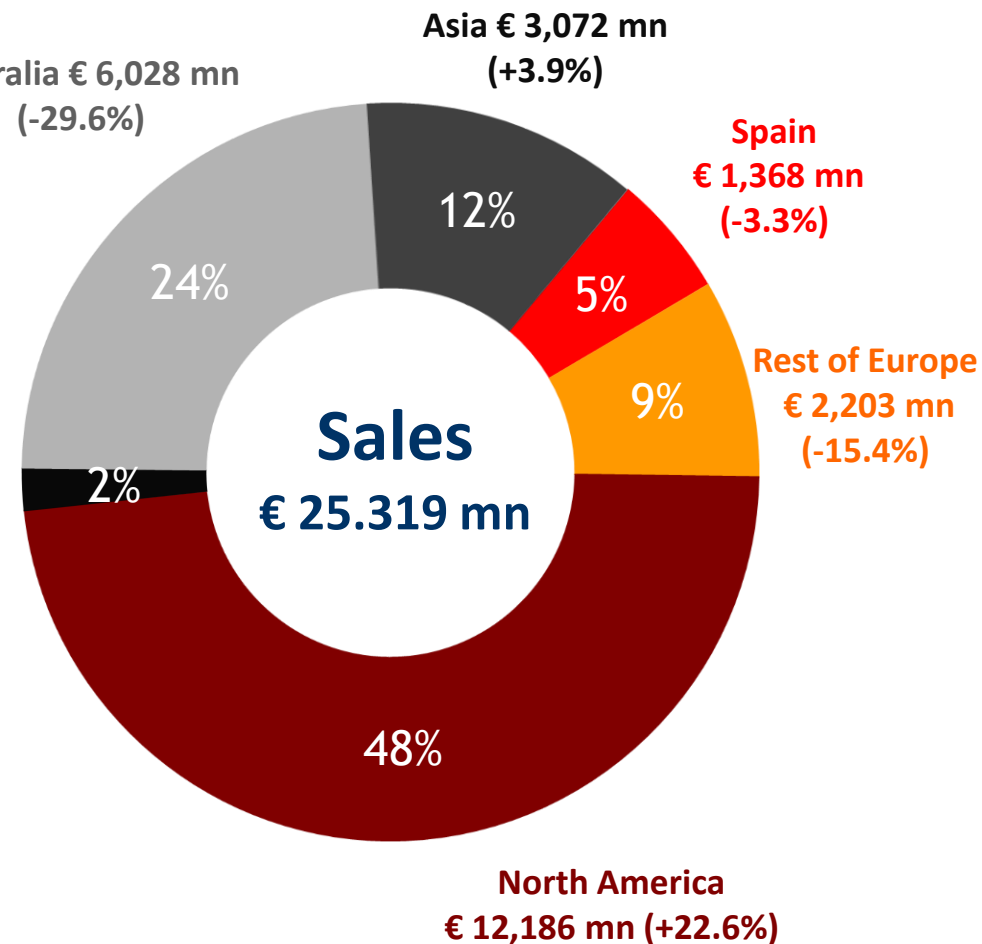
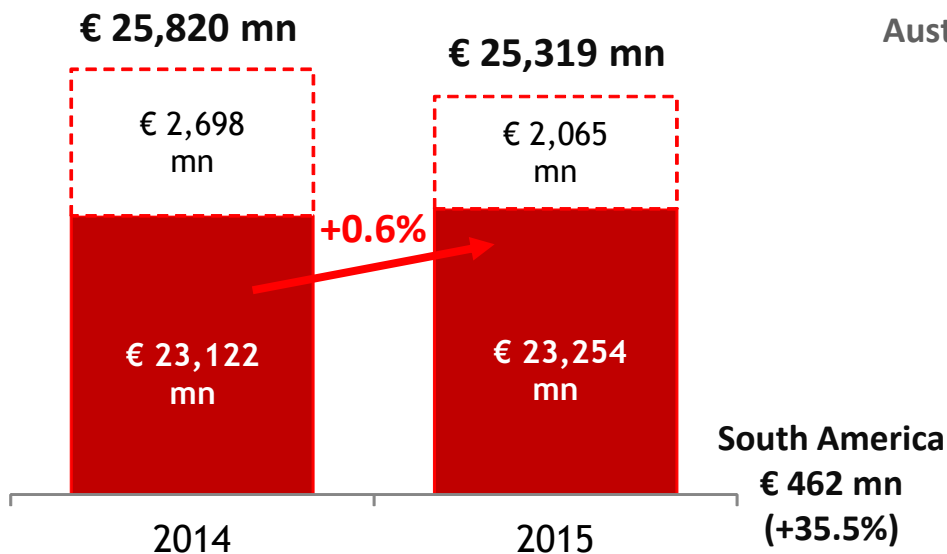
25%

€ 8,833 mn

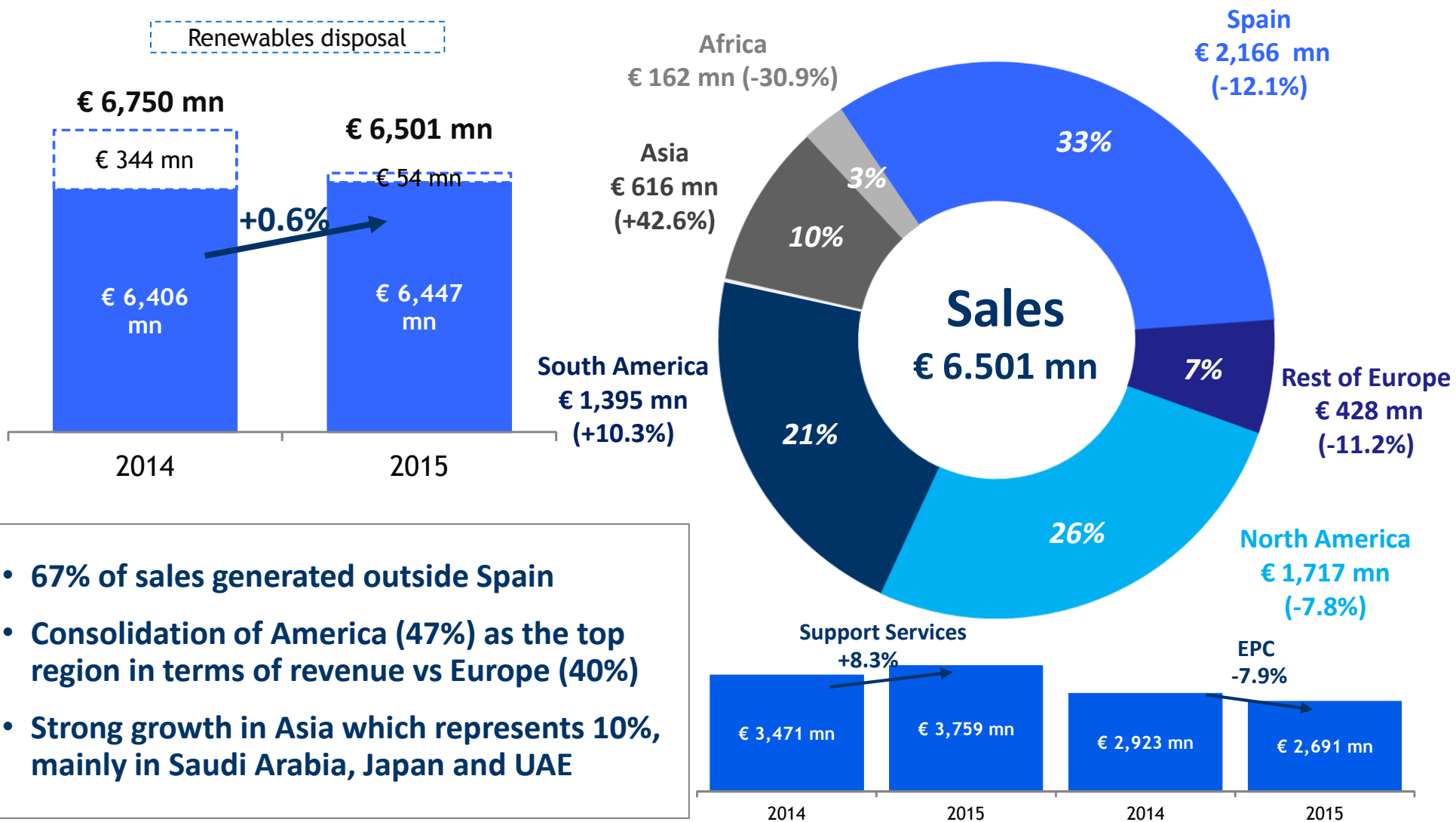
28%

€ 9,733 mn

Contract mining

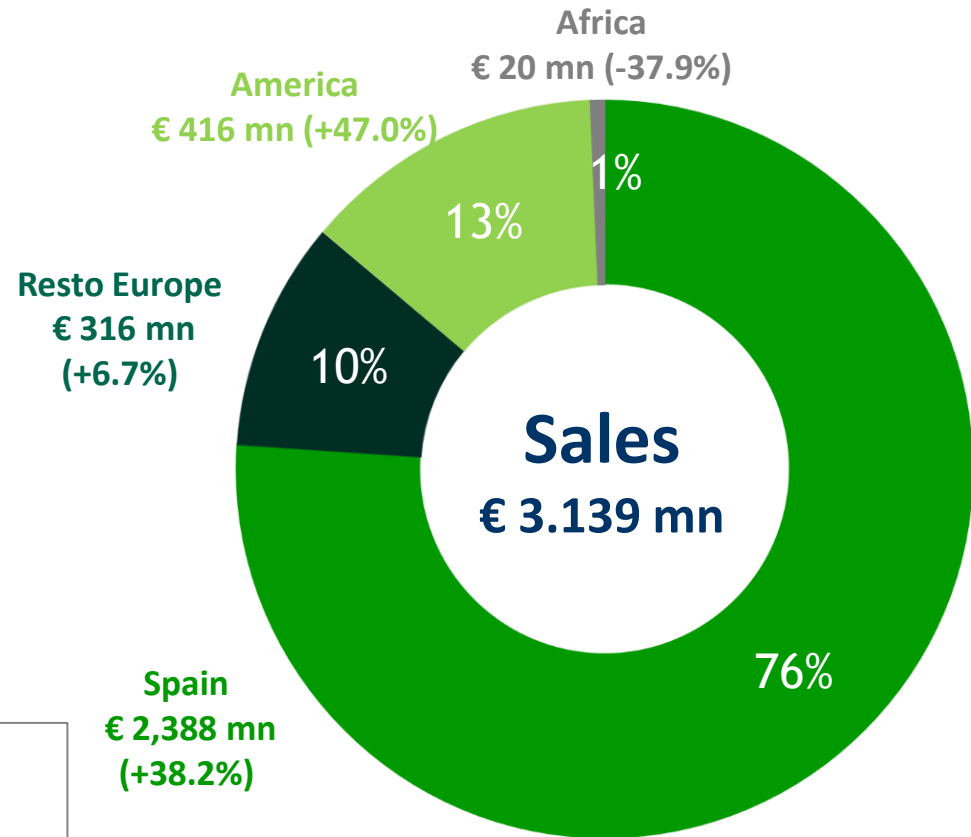
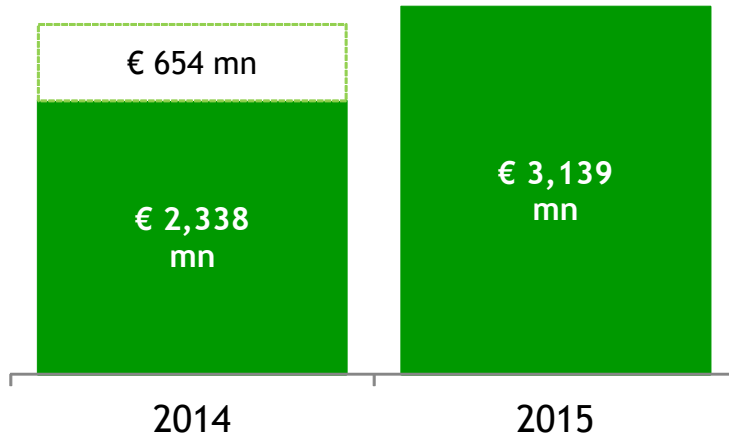


- Stable sales in construction activities
- Slowdown of the contract mining activity due to a competitive environment
- Construction in Spain (-3.3%)

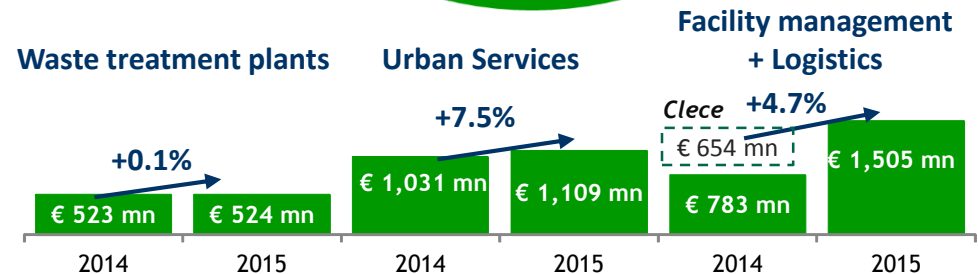


Incorporation of Clece
in jul-14

Comparable increase
+4.9%

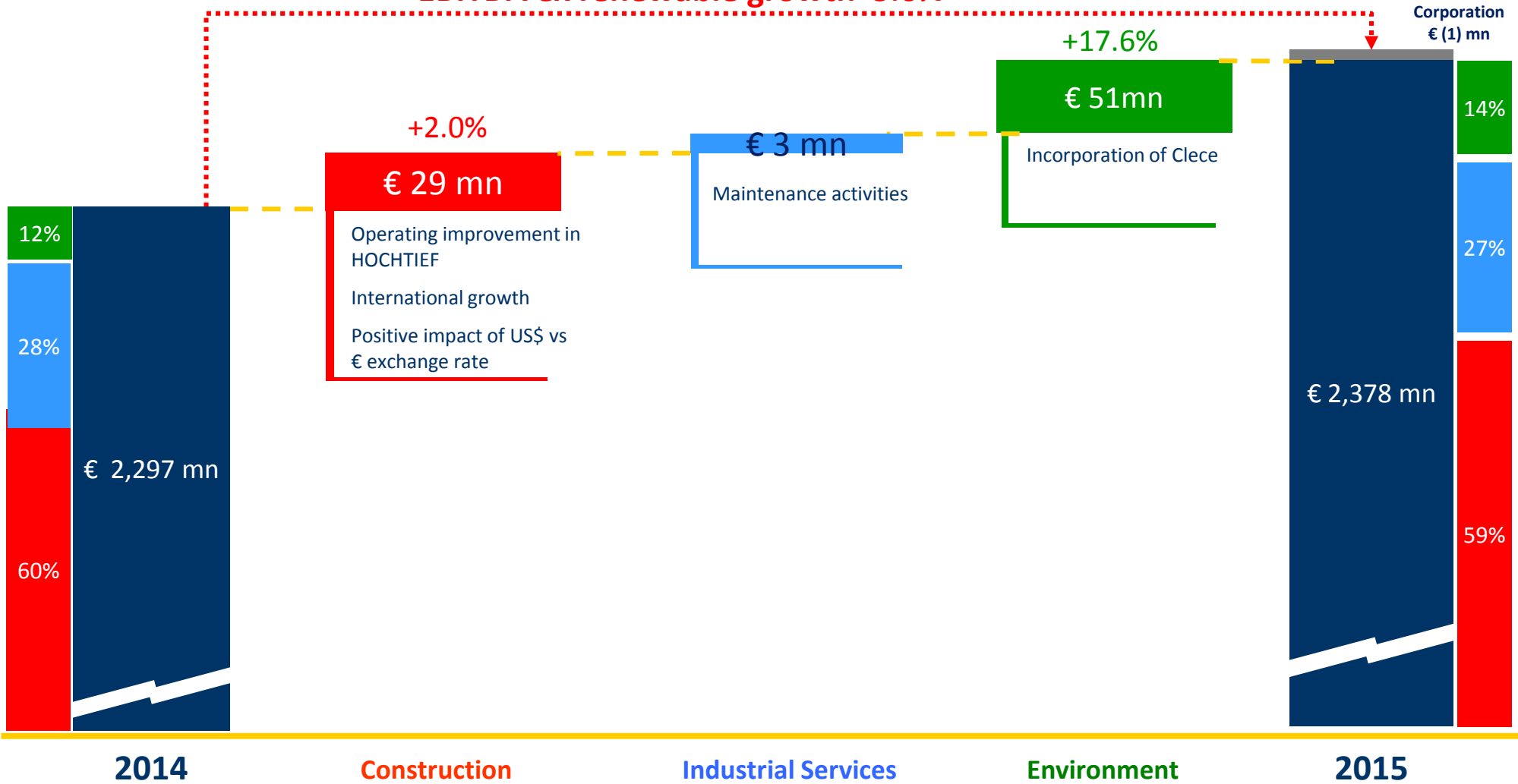


- Activity growth due to the incorporation of Clece, impacting mainly in Spain
- Higher organic growth in France, Mexico and Chile

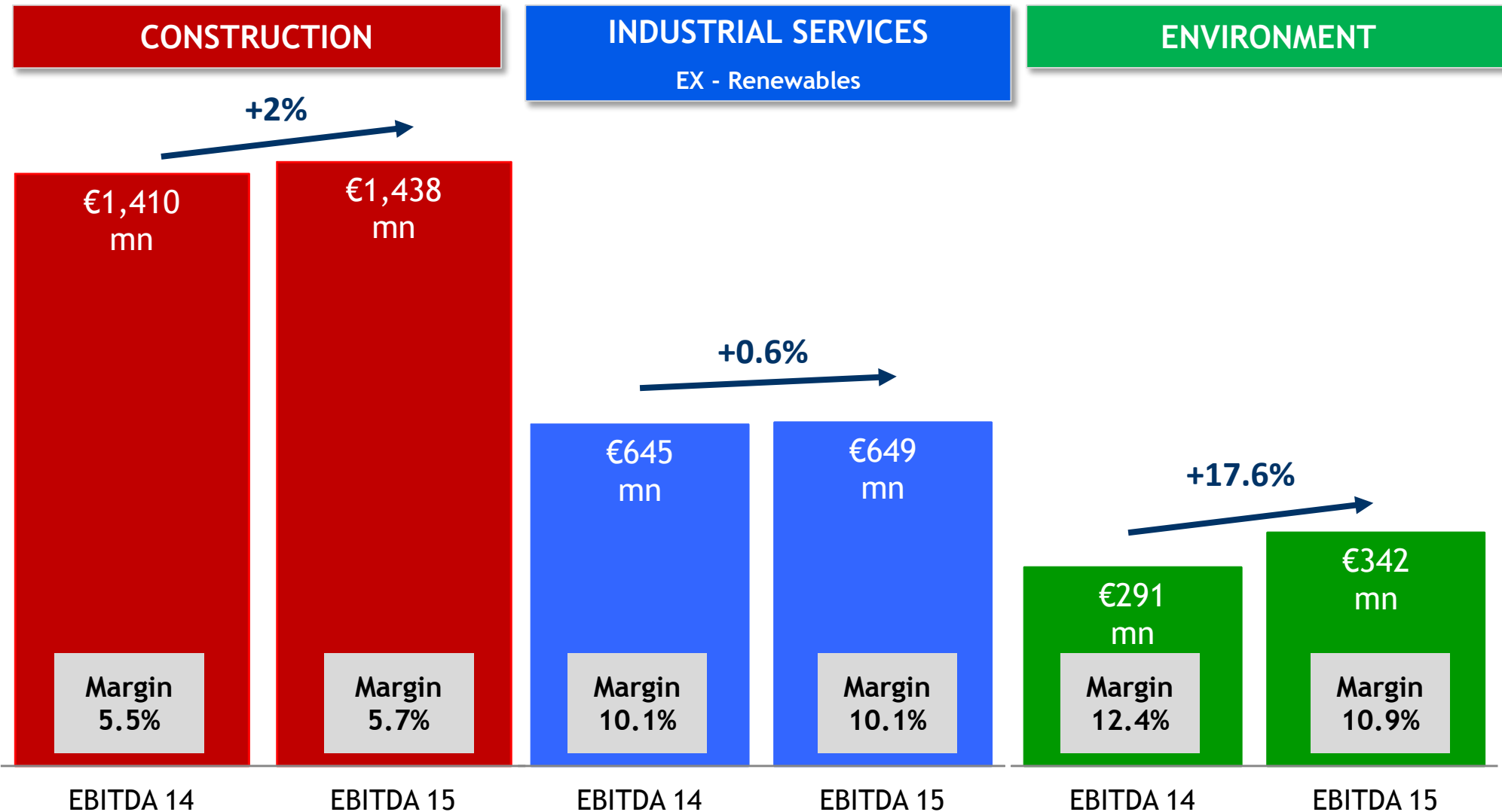


Operating results – Adjusted EBITDA (ex renewables)

EBITDA ex renewable growth 3.6%



Operating results - EBITDA



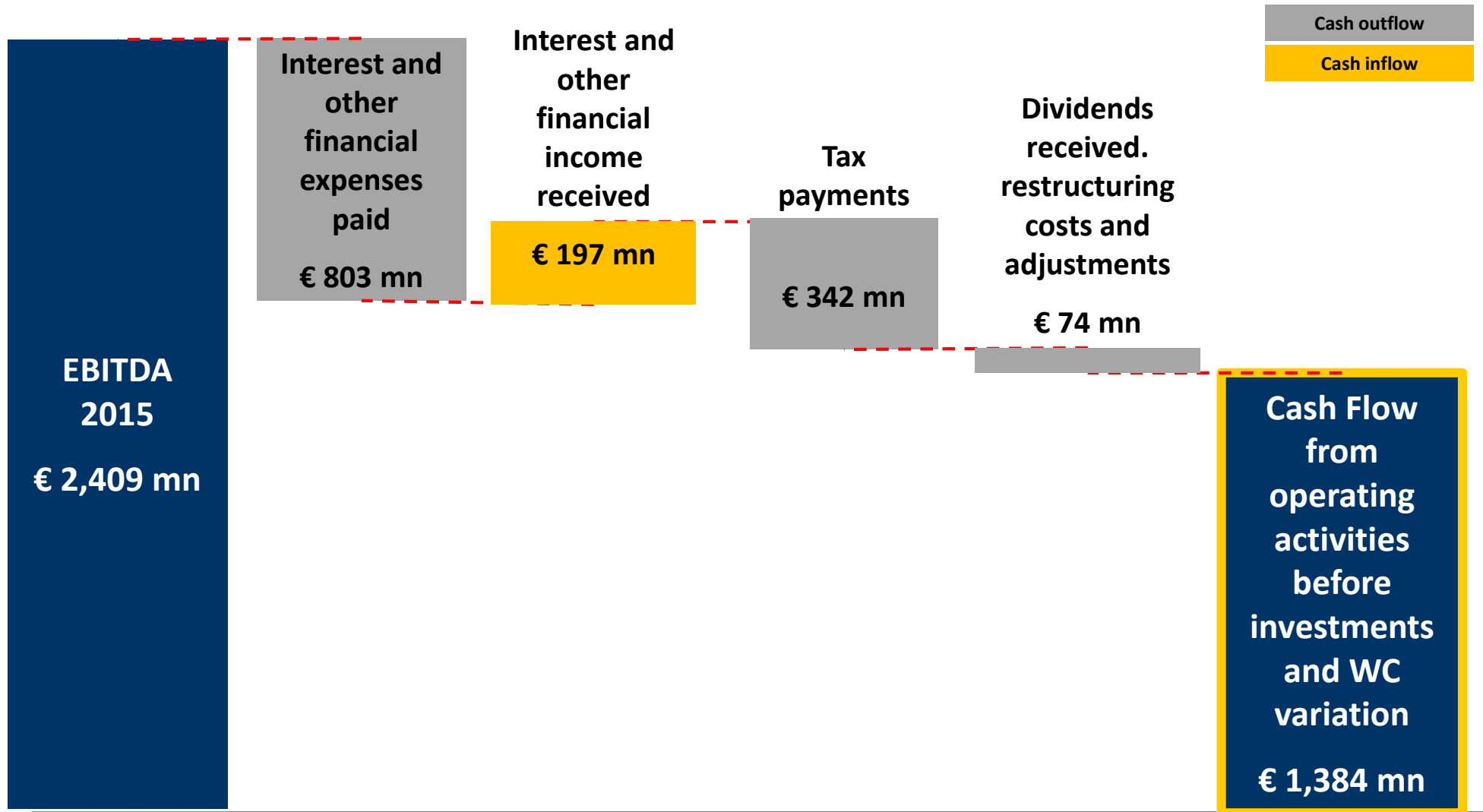
Net Profit 2015

€ million

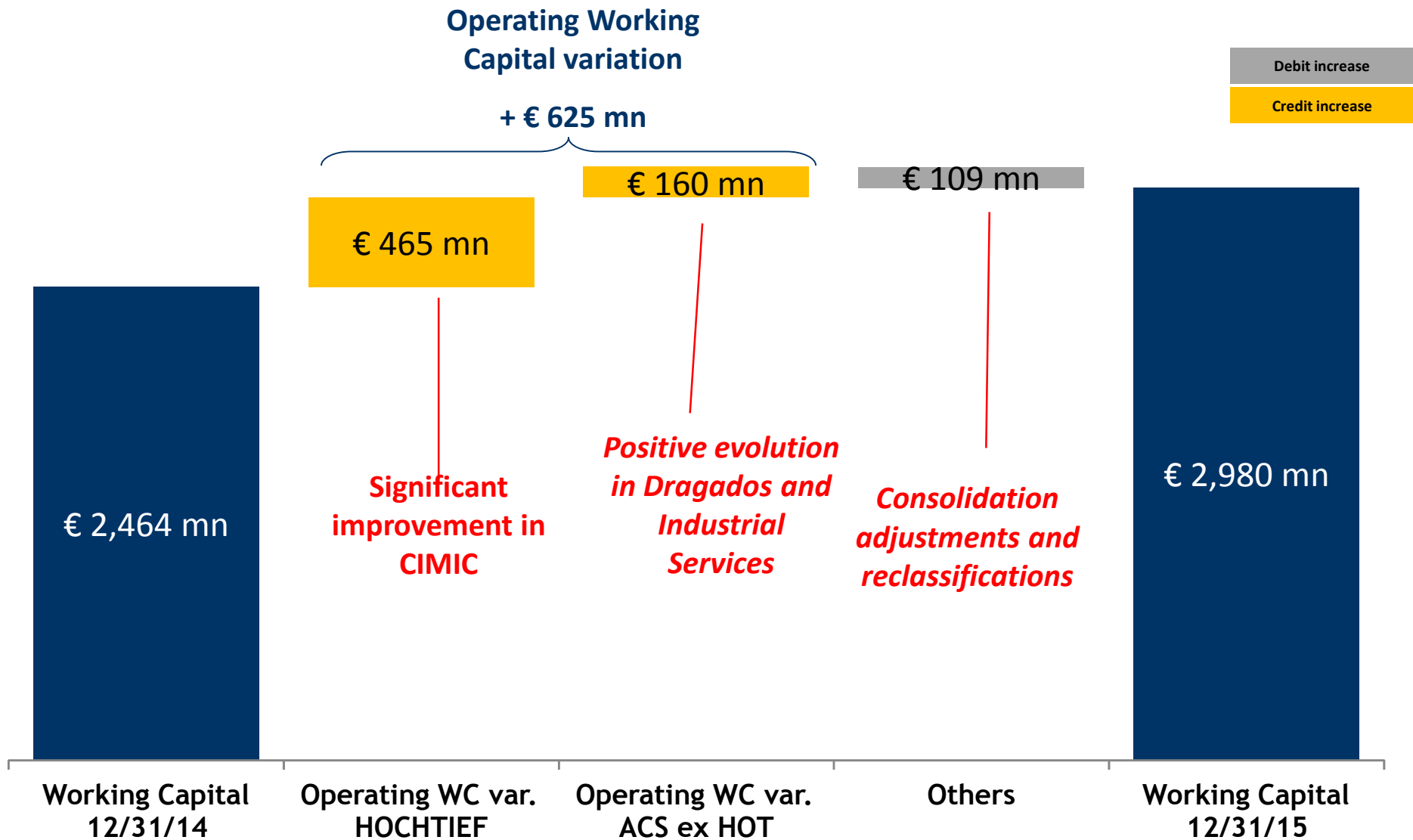
	2014	2015	Var.
Net Profit Construction	223	304	+36.4%
Net Profit Industrial Services ⁽¹⁾	316	314	-0.7%
Net Profit Environment	72	73	+1.4%
Recurring Net profit from Operating Activities	611	691	+13.1%
Renewable assets contribution	104	6	
Corporation	3	28	
Net attributable profit	717	725	+1.1%

(1) Not including contribution from renewable assets sold during 2015

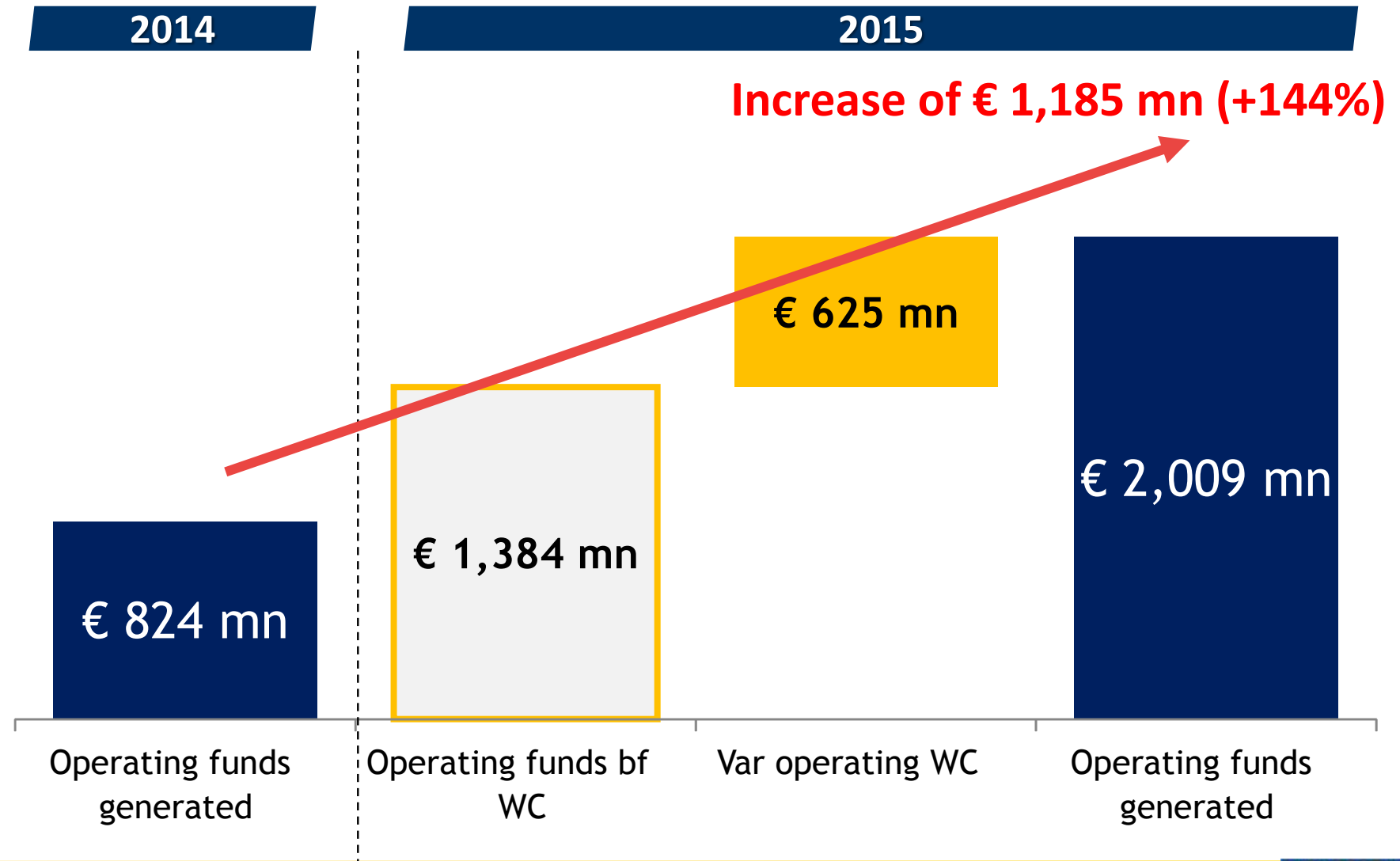
Cash Flow from Operations



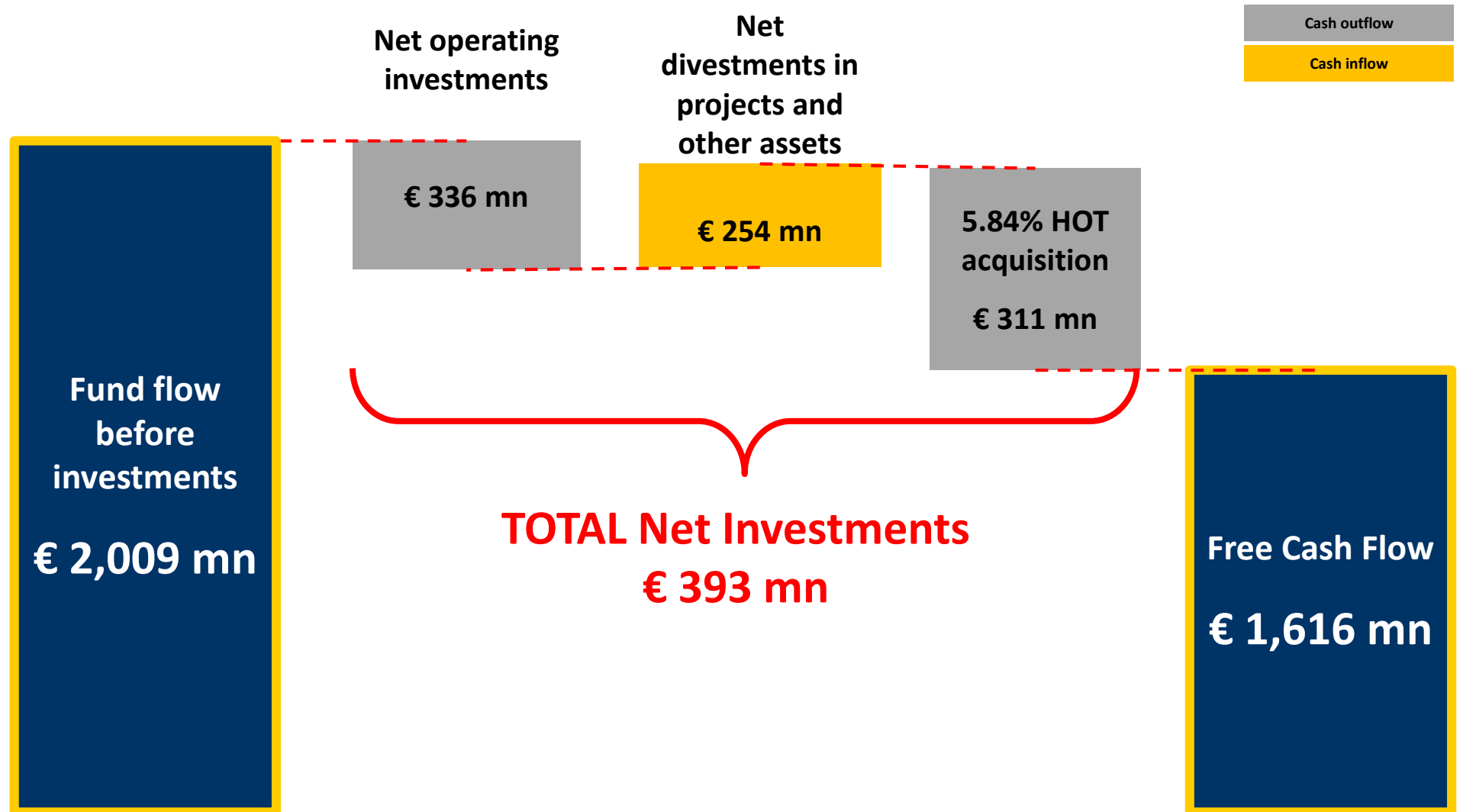
Working Capital evolution 2015



Net Cash Flow from Operations



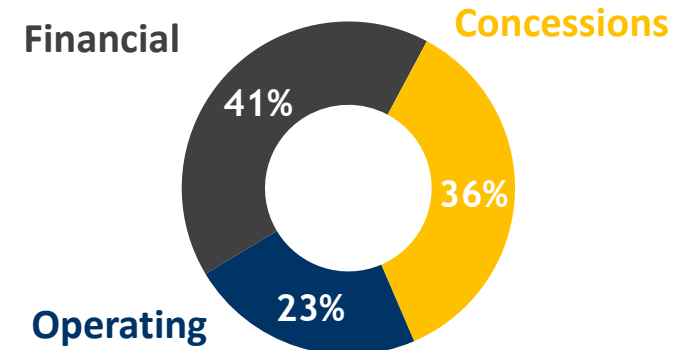
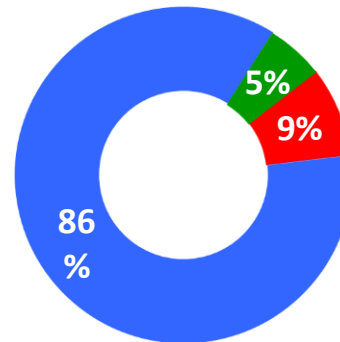
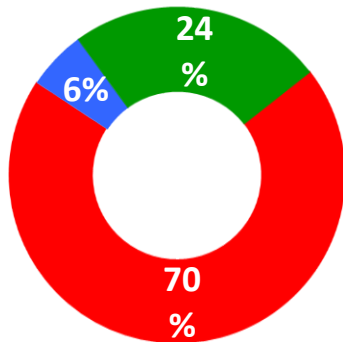
Free Cash Flow



Investments breakdown

Total Investments € 2,228 mn

Operating Activities € 509 mn		Concessional assets € 796 mn		Financial Investments € 923 mn	
Construction	€ 354 mn	Construction	€ 69 mn	<ul style="list-style-type: none"> • 5.8% HOT acquisition € 311 mn • HOCHTIEF Corp* € 465 mn • HOT America JV € 88 mn • Others € 59 mn 	
Industrial Services	€ 29 mn	Industrial Services	€ 683 mn	<p>* Includes € 428 mn adjustment for Builders Reinsurance disposal. No net cash impact</p>	
Environment	€ 124 mn	Environment	€ 44 mn		



Divestments breakdown

Total Divestments

€ 1,835 mn

Operating Activities

€ 173 mn

Concessional assets

€ 1,108 mn

Financial Divestments

€ 554 mn

Construction

€ 157 mn

Construction

€ 284 mn

Industrial Services

€ 6 mn

Industrial Services

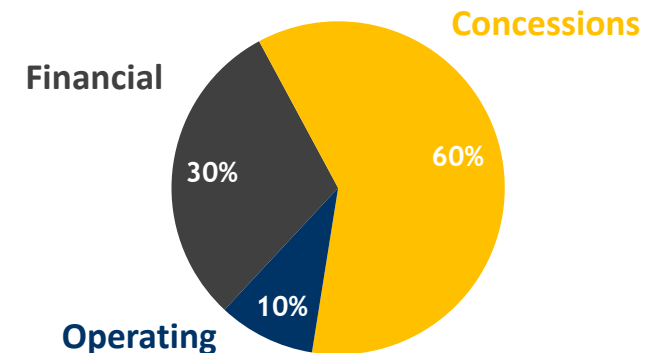
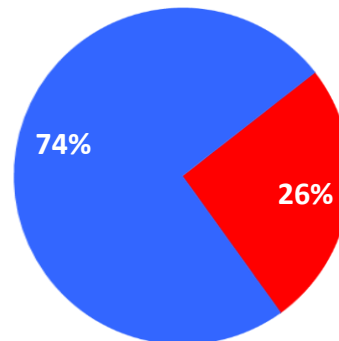
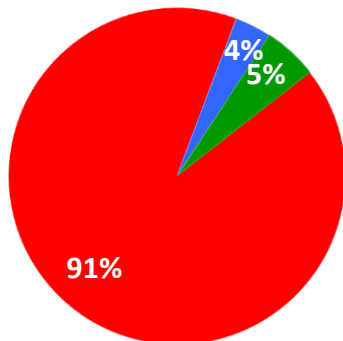
€ 824 mn

Environment

€ 9 mn

- HOCHTIEF Corp* € 428 mn
- JVs in CIMIC € 64 mn
- HGO OffShore € 33 mn
- Others € 29 mn

* Builders Reinsurance divestment. no net cash impact



Net Investments / Divestments balance



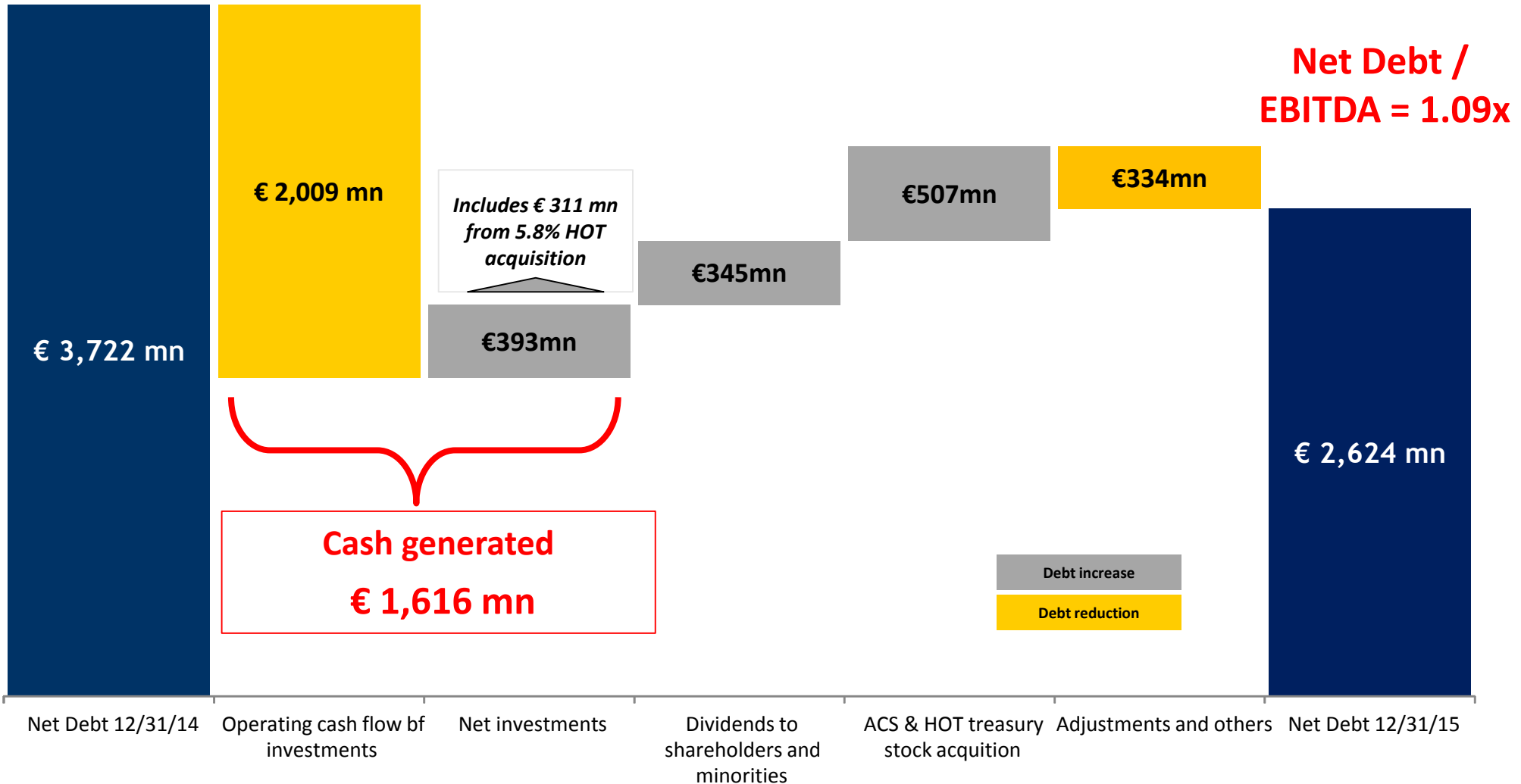
Net Financial Investments

€ 369 mn

TOTAL CASH USED IN INVESTMENT ACTIVITIES

€ 393 mn

2015 Net Debt evolution

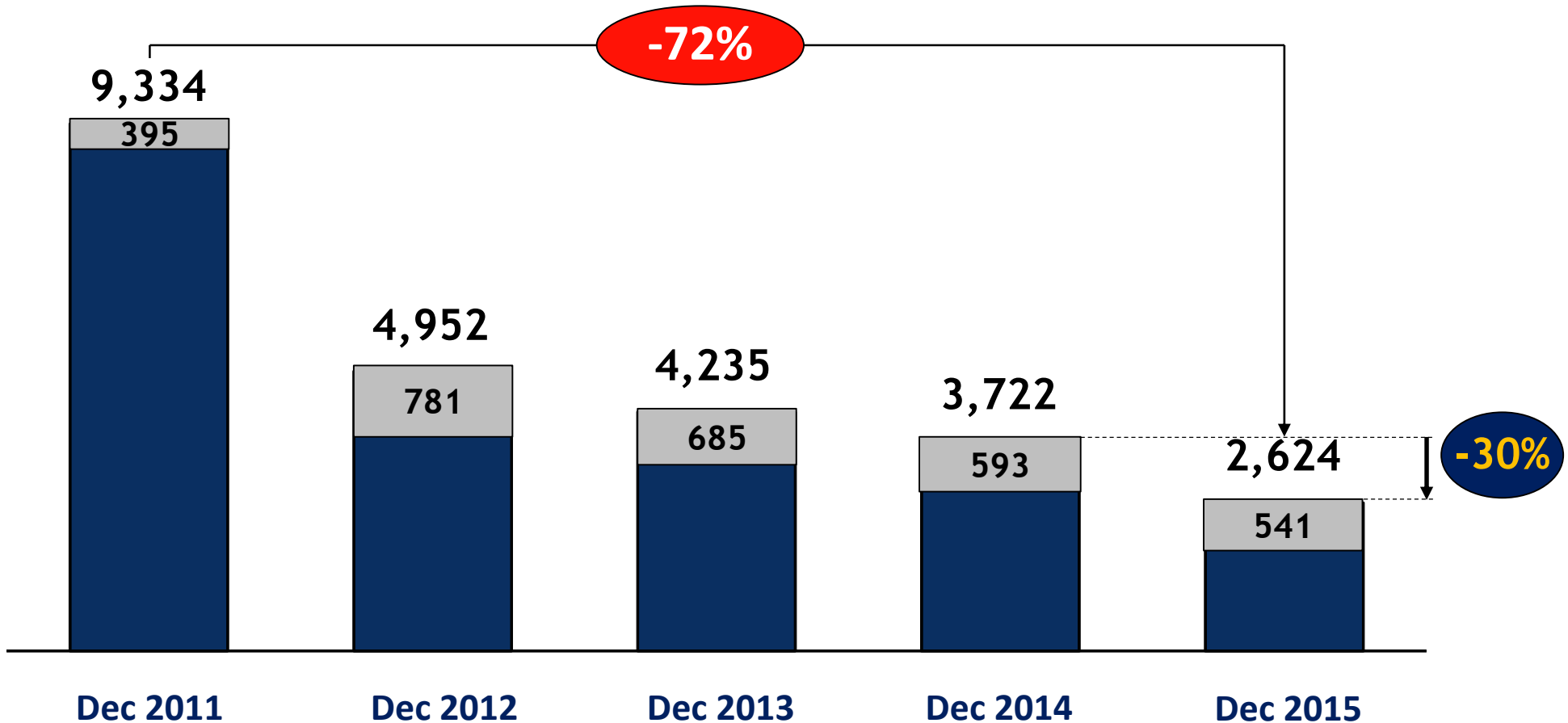


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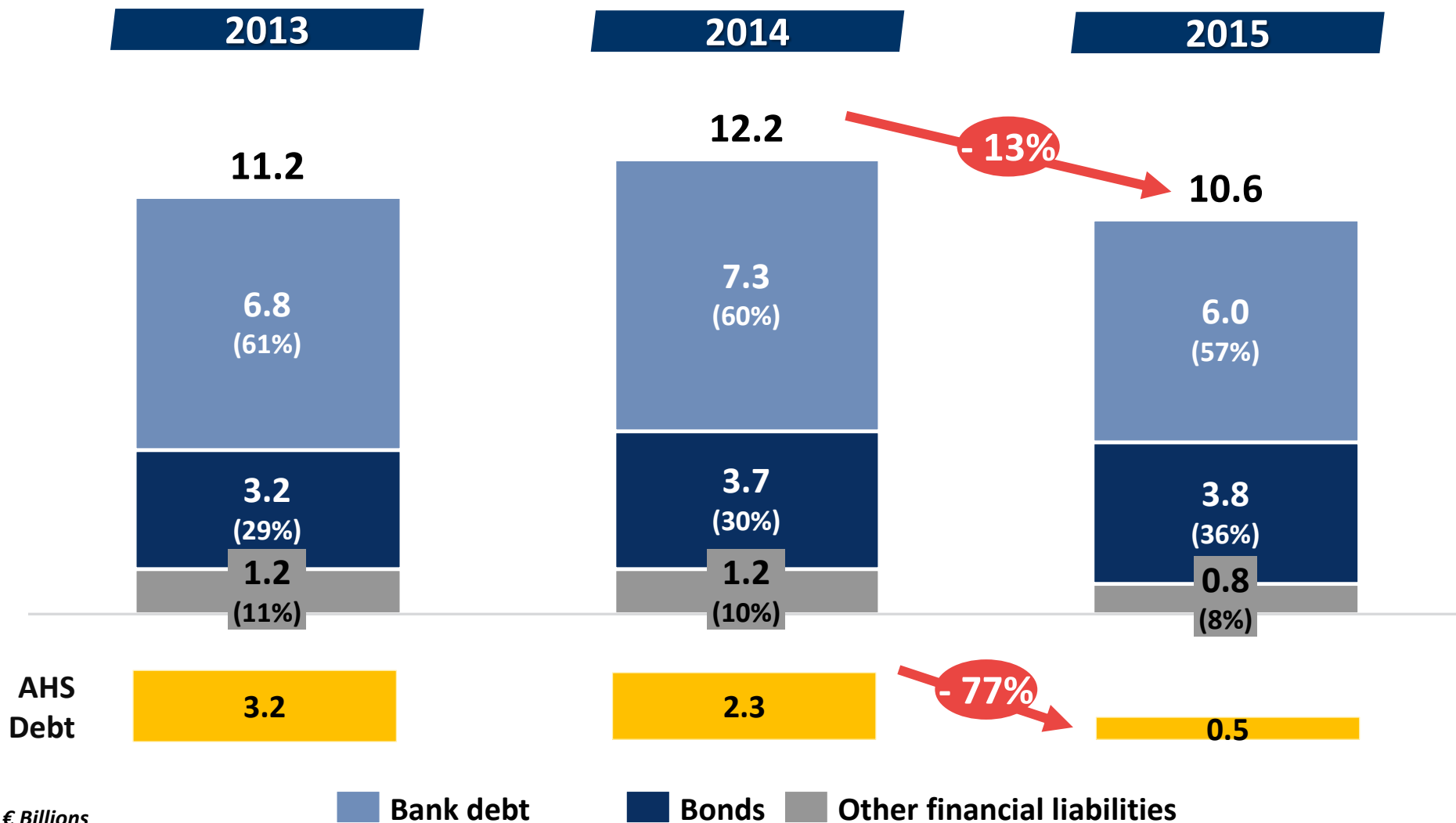
Significant deleverage in 4 years

Project Finance

Net Debt / EBITDA 2015 = 1.09x



Gross debt structure by facility



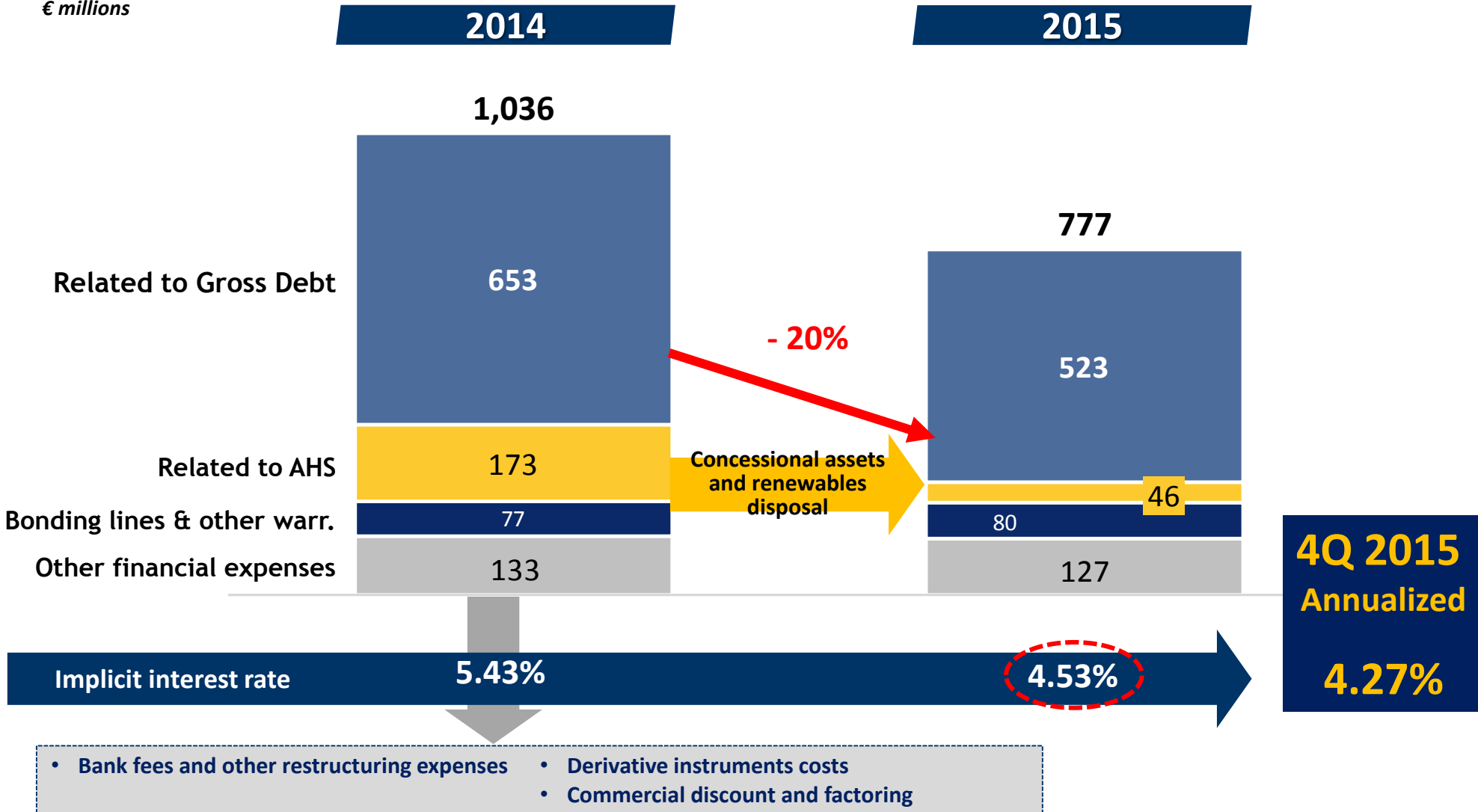
€ Billions

Net debt structure by activity

	GROSS DEBT	CASH	NET DEBT
CONSTRUCTION	3,981	4,831	(849)
INDUSTRIAL SERVICES	1,193	1,897	(704)
ENVIRONMENT	1,585	469	1,116
CORPORATION	3,873	812	3,061
GROUP TOTAL	€ 10,632 mn	€ 8,008 mn	€ 2,624 mn

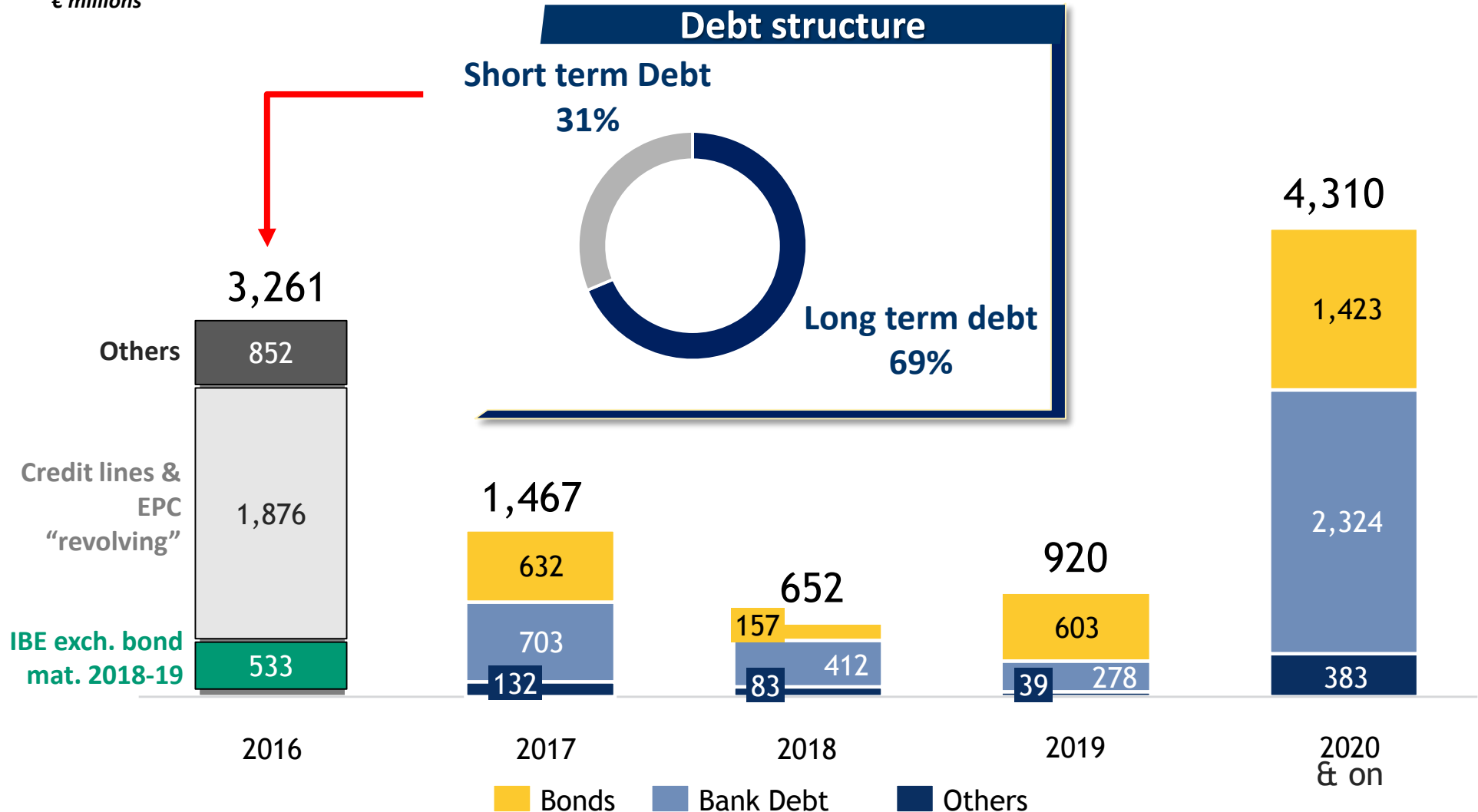
Financial Expenses evolution

€ millions



Debt maturity schedule

€ millions



Excellent competitive position

2006... from a local player

2015... the global leader

The Top 225 International Contractors

(Based on Contracting Revenue from Projects Outside Home Country)

RANK 2007	RANK 2006	FIRM	2006 REVENUE (\$ MIL.)	
			INTERNATIONAL	TOTAL
1	1	HOCHTIEF AG, Essen, Germany†	17,598.9	19,795.0
2	2	SKANSKA AB, Solna, Sweden†	12,347.1	15,722.2
3	3	VINCI, Rueil-Malmaison, France†	11,065.0	32,699.0
4	4	STRABAG SE, Vienna, Austria†	10,799.0	13,502.0
5	5	BOUYGUES, Paris, France†	9,576.0	24,960.0
6	7	BECHTEL, San Francisco, Calif., U.S.A.†	8,931.0	15,367.0
7	9	TECHNIP, Paris La Defense, France†	8,084.0	8,245.0
8	6	KBR, Houston, Texas, U.S.A.†	7,426.4	8,150.2
9	10	BILFINGER BERGER AG, Mannheim, Germany†	6,553.0	9,967.0
10	8	FLUOR CORP., Irving, Texas, U.S.A.†	6,338.5	11,273.7
11	11	ROYAL BAM GROUP NV, Bunnik, The Netherlands†	5,892.0	10,844.0
12	13	BOVIS LEND LEASE, Harrow, Middlesex, U.K.†	5,680.0	8,353.0
13	17	CONSOLIDATED CONTRACTORS INT'L CO., Athens, Greece†	3,941.2	3,941.2
14	45	CHINA COMMUNICATIONS CONSTRUCTION GROUP, Beijing, China†	3,380.7	14,734.4
15	15	JGC CORP., Yokohama, Japan	3,159.0	3,804.0
16	18	CHIYODA CORP., Yokohama, Japan†	3,053.0	3,517.0
17	16	GRUPO ACS, Madrid, Spain†	3,004.0	18,526.6
18	20	CHINA STATE CONSTRUCTION ENG'G CORP., Beijing, China†	2,956.1	16,146.9
19	22	PCL CONSTRUCTION ENTERPRISES, Denver, Colo., U.S.A.†	2,527.0	4,110.0
20	19	BALFOUR BEATTY PLC, London, U.K.†	2,380.0	9,073.0

1st



17th



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
11	23	POWER CONSTRUCTION CORP. OF CHINA, Beijing, China†	11,653.4	38,689.6
12	5	FLUOR CORP., Irving, Texas, U.S.A.†	11,524.1	16,924.9
13	12	CONSTRUTORA NORBERTO ODEBRECHT SA, Sao Paulo, SP, Brazil†	10,199.7	14,042.9
14	13	HYUNDAI ENGINEERING & CONSTRUCTION CO. LTD., Seoul, S. Korea	9,687.4	16,366.4
15	14	FERROVIAL, Madrid, Spain†	8,365.6	11,618.6

Consolidating our global presence

Var. 14/15

Backlog 2015

€ 67,072 mn

+5.0%

30%

€ 20,249 mn



7%

€ 4,554 mn

1%

€ 998 mn

28%

€ 18,787 mn

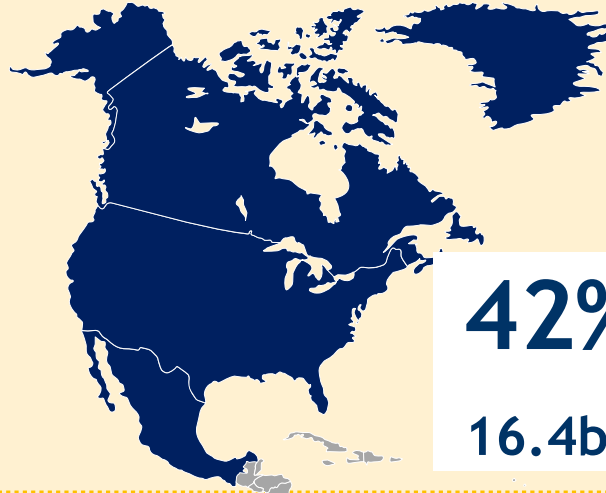
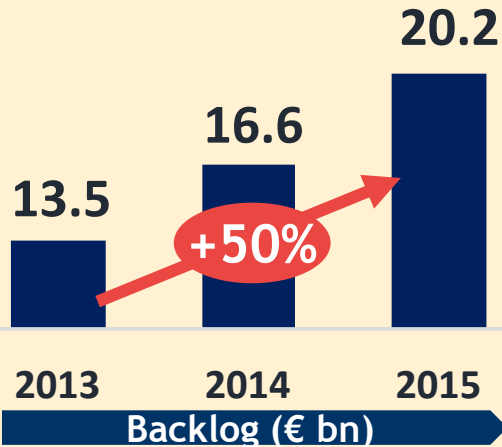
34%

€ 22,485 mn

Growing in secure markets...

NORTH AMERICA

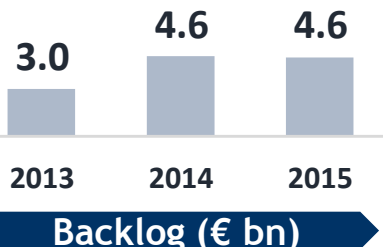
€ 38.6 bn intakes in 2015 of which...



42%
16.4bn

- Leading position in the region of North America which has experienced a **strong growth** in the last two years
- 75% of the current backlog in North America corresponds to the **USA** with **56% growth** in the last two years
- 15% corresponds to **Canada** where the **backlog** has **grown by 61%** in the last year
- El 10% of the backlog corresponds to **Mexico** where the backlog **has grown by 13%** in the last two years

SOUTH AMERICA

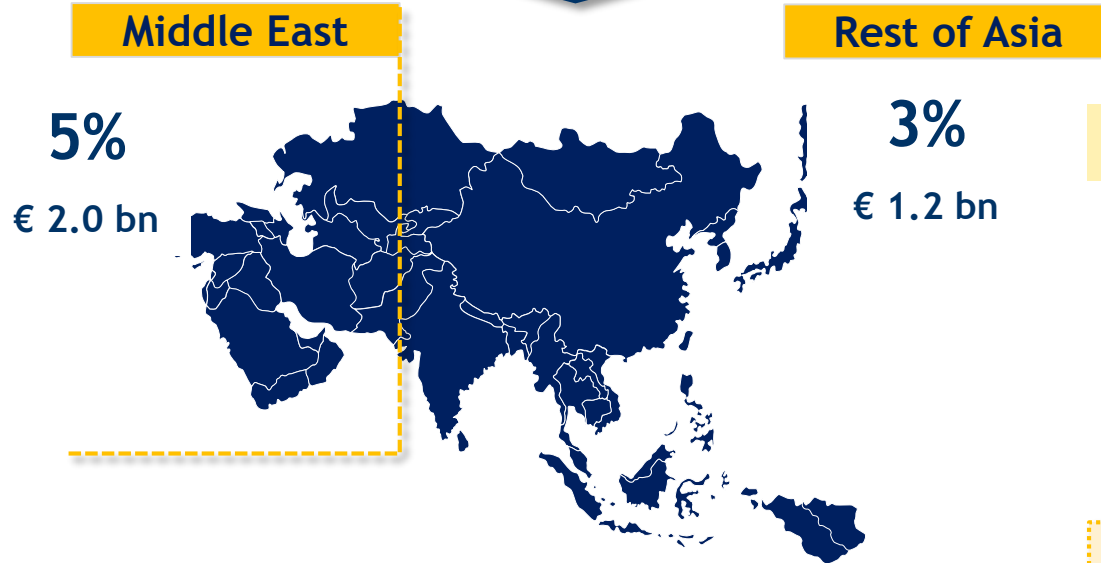


7%
2.5bn

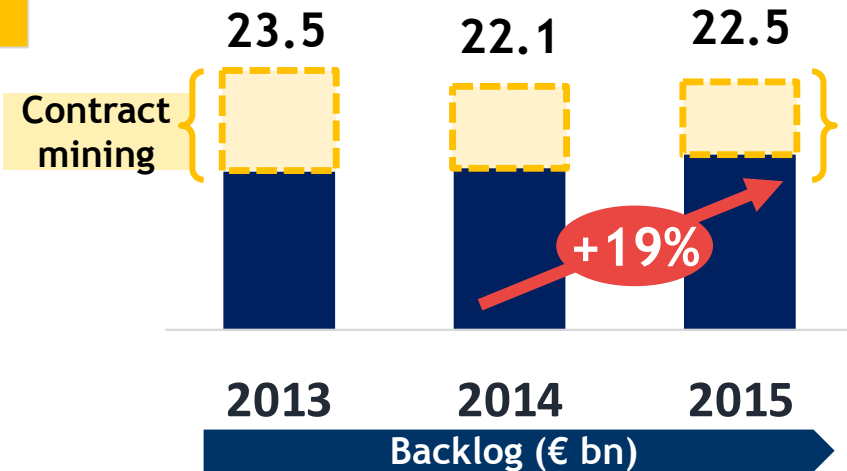


...with high potential growth

€ 38.6 bn intakes in 2015 of which...



ASIA PACIFIC

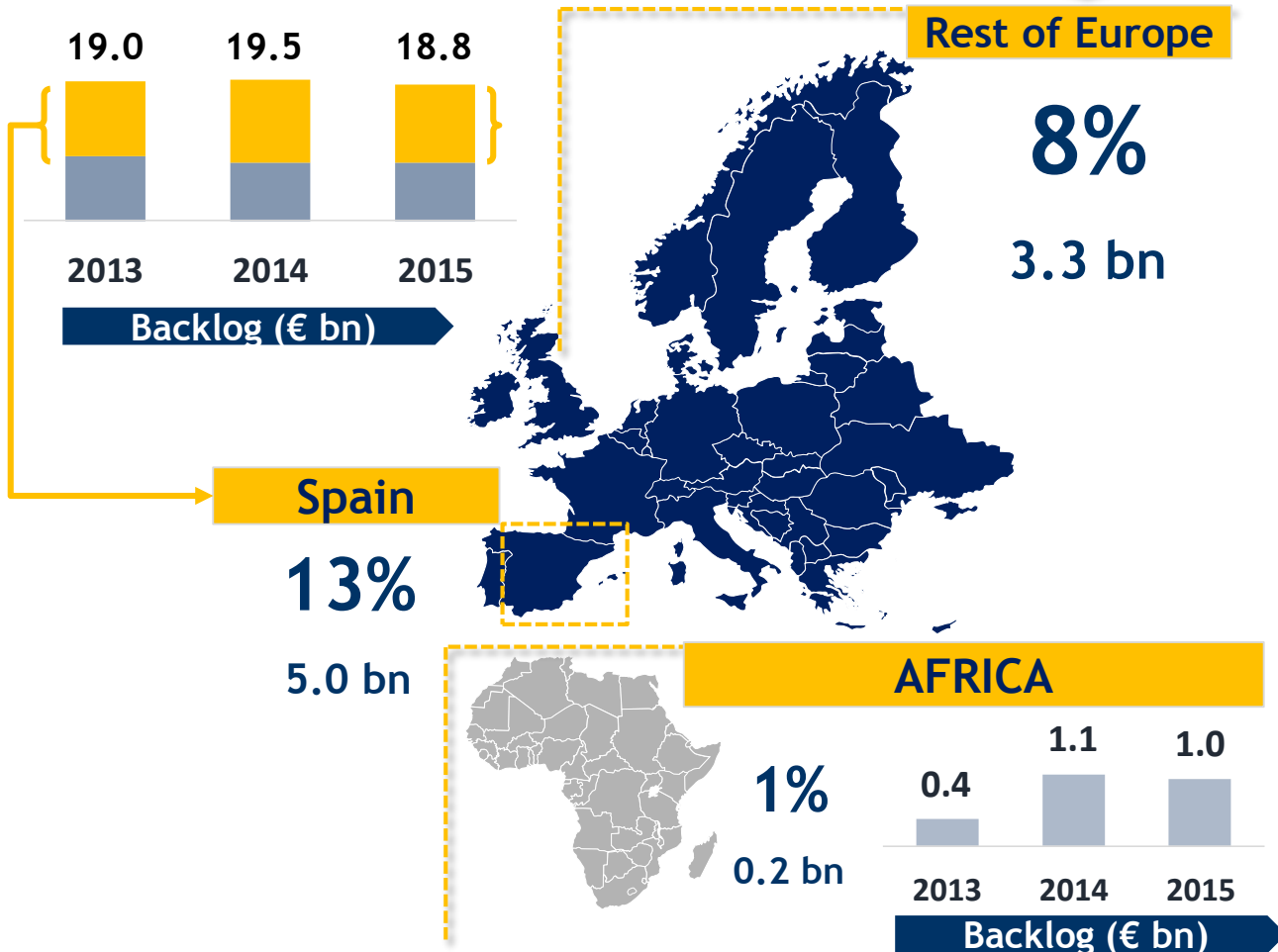


- **Leading position in the Asia Pacific region** where the construction backlog has grown by 19% from last year
- This is a **high potential growth region** for the coming years given the high demand and the public and private investment capacity

...even in stagnated economies

EUROPE

€ 38.6 bn intakes in 2015 of which...



- **Resistant position** in a stagnated region with low recovery potential in the mid term
- However...
 - ✓ Slight recovery of the backlog in **Germany**
 - ✓ Taking advantage of opportunities in countries with **higher growth forecast: UK**

CONSTRUCTION

Backlog and Awards

Backlog
€ 48,874 mn +7.0%

D H € 848 mn

Construction of the new bridge over the St. Lawrence River in Montreal (CN)

D H € 811 mn

100km of high speed railway in California (US)

D € 380 mn

Rehabilitation and improvement works in the Corpus Christi Harbor Bridge, Texas (US)

D € 346 mn

Construction of Long Island Rail Road (LIRR) Concourse at Grand Central Terminal in New York (US)

H € 172 mn

Construction and operation (30Y) of a laboratory for the Berlin-Brandenburg State Laboratory (ALE)

C € 250 mn

Construction of 5 reservoirs, pumping station and other associated facilities for KAHRAMAA (QT)

C € 662 mn

4 year contract extension at the Ukhaa Khudag (UHG) coal mine (MG)

C € 810 mn

Construction of a boundary control point between Hong Kong and China (HK)

D C € 1,769 mn

M5 highway Sydney (AUS)

C € 402 mn

Melbourne's CityLink Tulla Widening project (AUS)

C € 856 mn

3 year contract extension to continue turnkey operations at Lake Vermont Coal Mine (AUS)

C € 616 mn

M4 East -Homebush Bay Drive connection in Sydney. (AUS)

D € 318 mn

Mulaló – Guerrero road (COL)

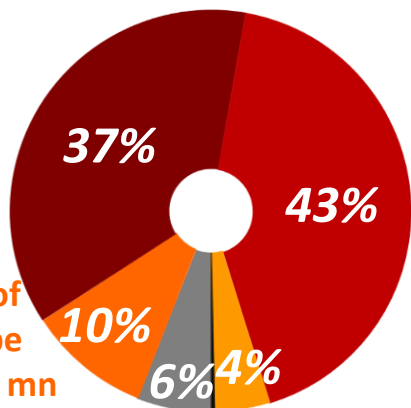
North America
€ 18,060 mn (+23.7%)

Asia Pacific
€ 20,763 mn (-0,6%)

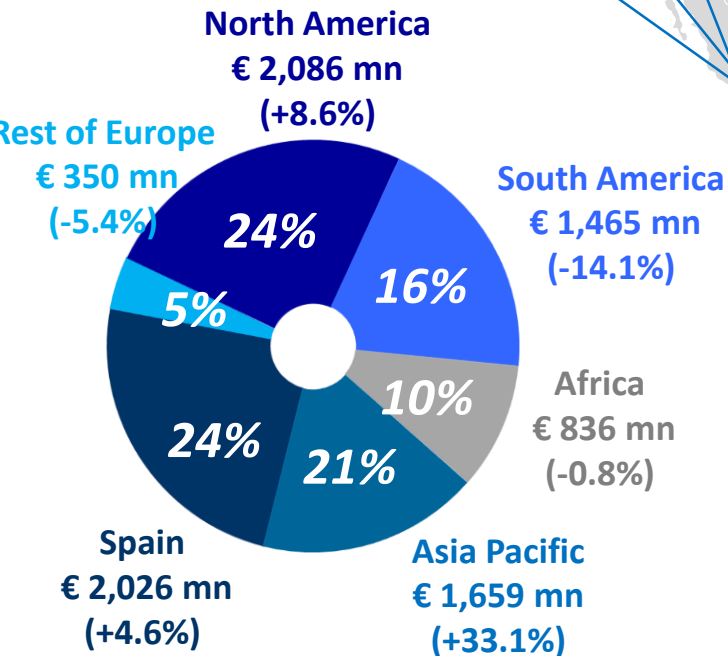
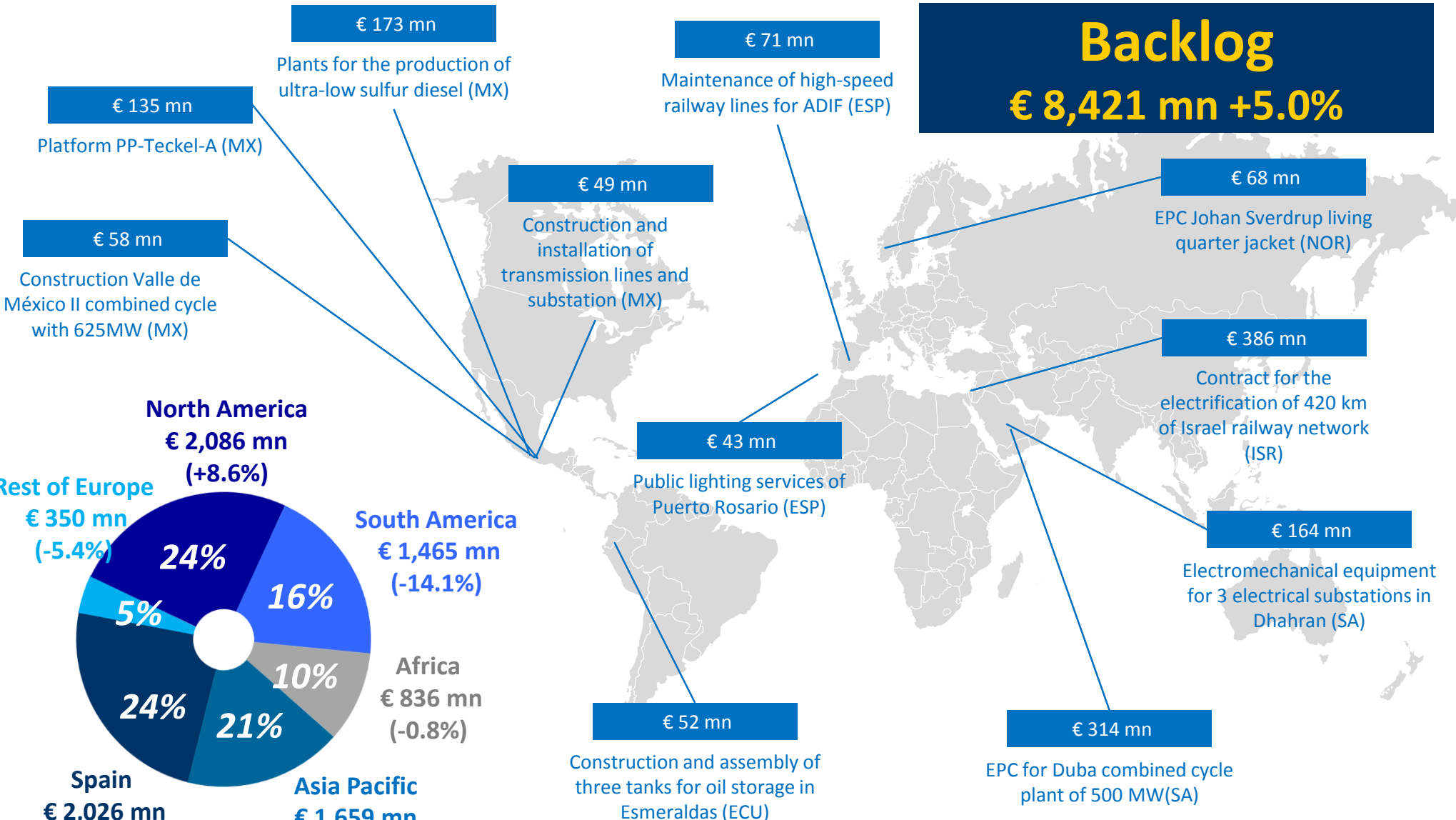
Rest of Europe
€ 4,830 mn (+0.1%)

Spain
€ 2,905 mn (-10.5%)

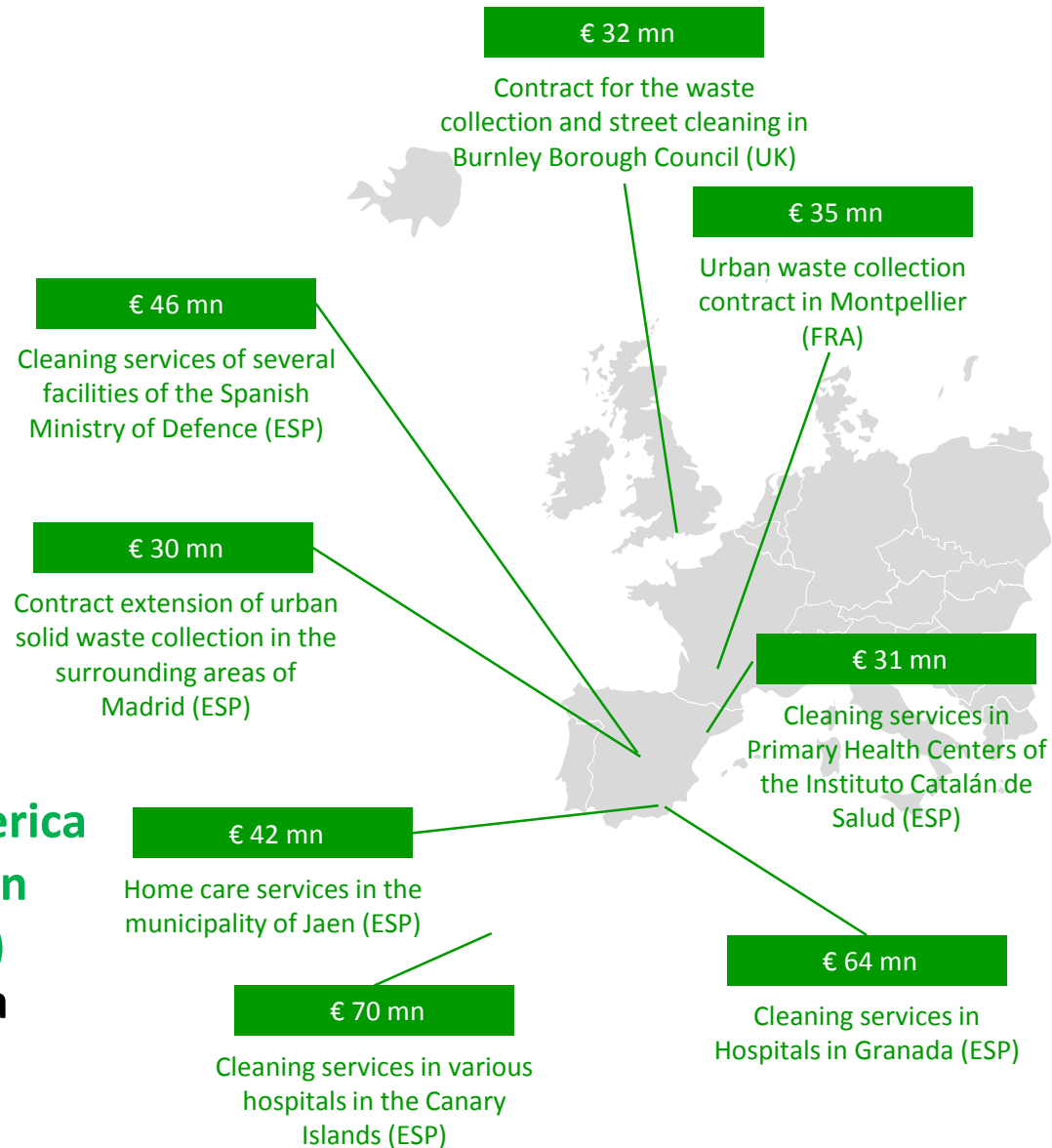
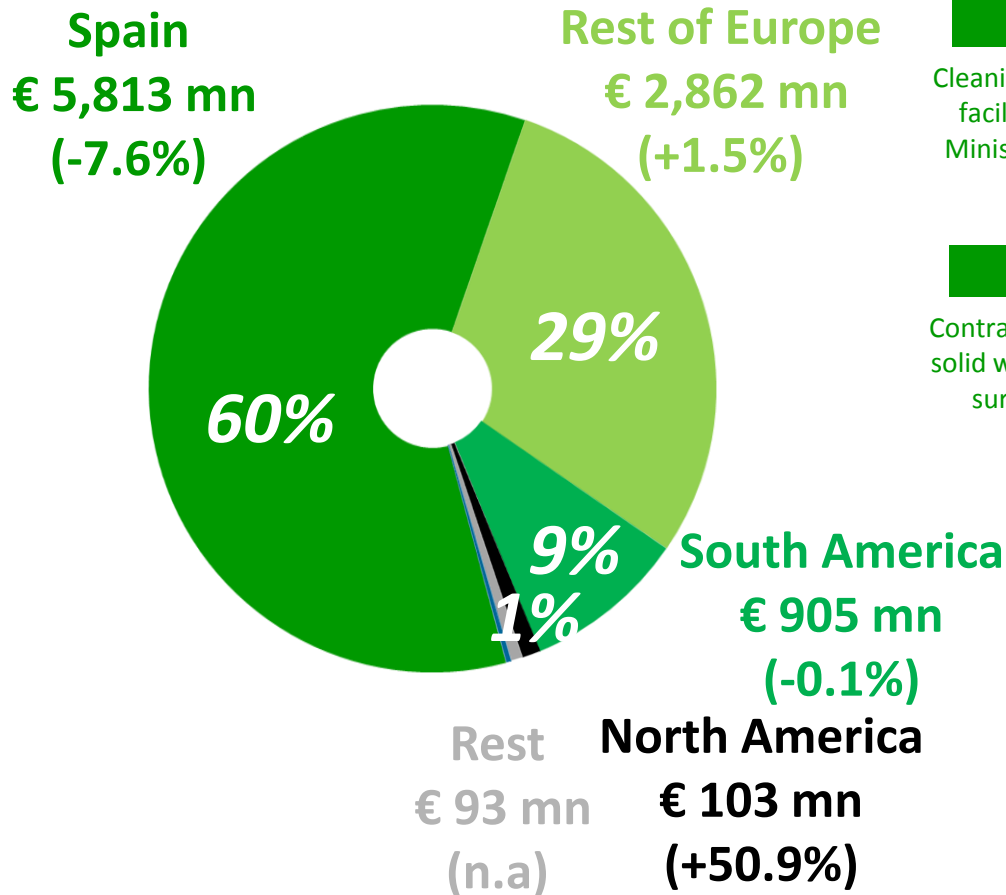
South America
€ 2,184 mn (+12.3%)



Backlog
€ 8,421 mn +5.0%



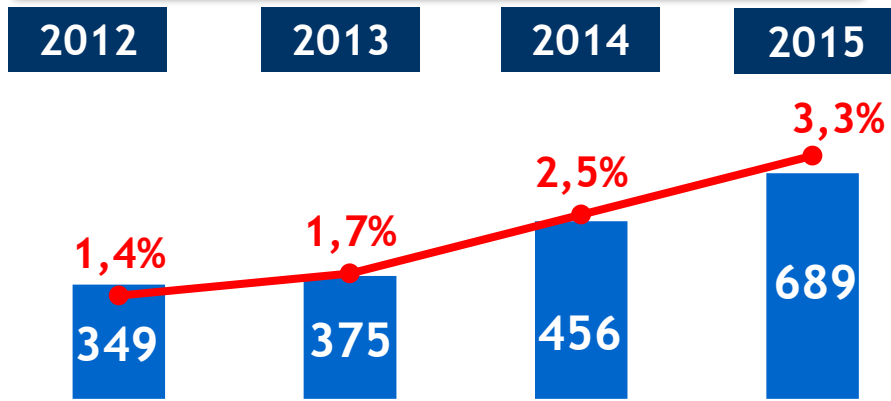
Backlog
€ 9,776 mn -3.8%



Culminating a successful transformation process

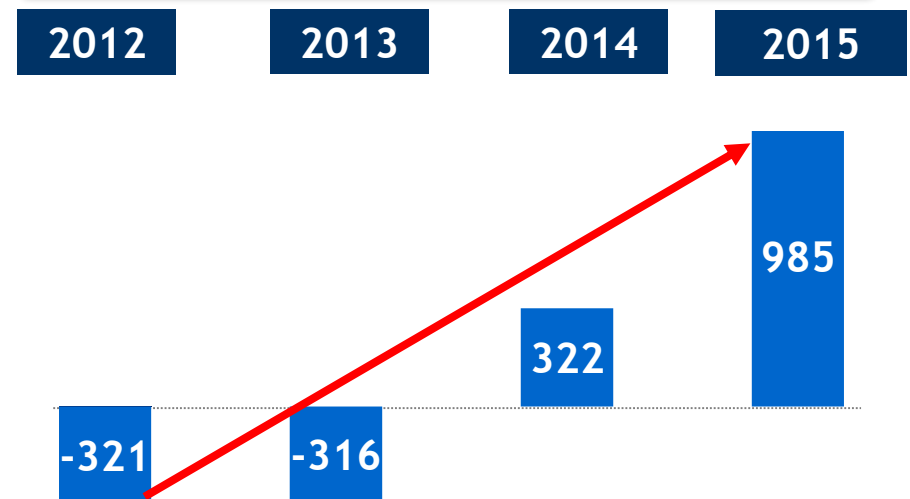


EBIT HOCHTIEF



€ millions

FCF* HOCHTIEF



* Free Cash Flow: Cash Flow from operations + Working capital variation - Net operating investments

...to optimize value creation

A solid security...

Global leader with a long successful track record worldwide

Diversified geographical and business mix

Outperforming an adverse and challenging scenario

... with potential for profitable growth

Growing in developed countries with low risk profile and growth potential

Continuous transformation process which aims at optimizing operating and financial structure, enhancing efficiency and improving profitability

Conclusions




Excellent competitive and commercial position



High net income potential upside derived from the conclusion of the transformation process



Solid financial structure after the significant reduction of the Group's Net Debt



Better prepared to achieve our goals of recurring profitability



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