

## ACS Net profit amounted to € 691 million in the first nine months, an increase of 14.6%

- Sales reached € 27,091 million, increasing by 5.2%.
- Backlog stood at € 70,329 million, 7.7% more.
- € 128 million Net debt, after improving € 1,500 million in the last twelve months.

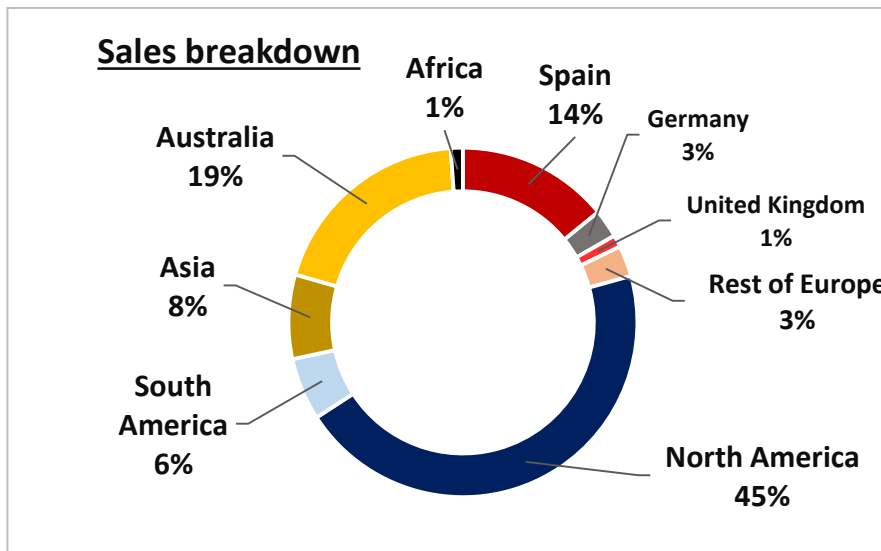
<b>Grupo ACS</b>		<i>Key operating &amp; financial figures</i>		
<i>Euro Million</i>	<b>9M17</b>	<b>9M18</b>	<b>Var.</b>	<b>Var comp*</b>
<b>Turnover</b>	25,758	<b>27,091</b>	<b>+5.2%</b>	<b>+11.4%</b>
<b>EBITDA</b>	1,712	<b>1,806</b>	<b>+5.5%</b>	<b>+12.3%</b>
<b>EBIT</b>	1,235	<b>1,350</b>	<b>+9.3%</b>	<b>+16.4%</b>
<b>Attributable Net Profit*</b>	603	<b>691</b>	<b>+14.6%</b>	<b>+20.9%</b>
<b>Backlog</b>	65,309	<b>70,329</b>	<b>+7.7%</b>	<b>+10.2%</b>
<b>Total Net Debt</b>	(1,416)	<b>128</b>	<i>n.a.</i>	<i>n.a.</i>

\* In a like to like basis, excluding the effect of exchange rate variations.

### Consolidated Results

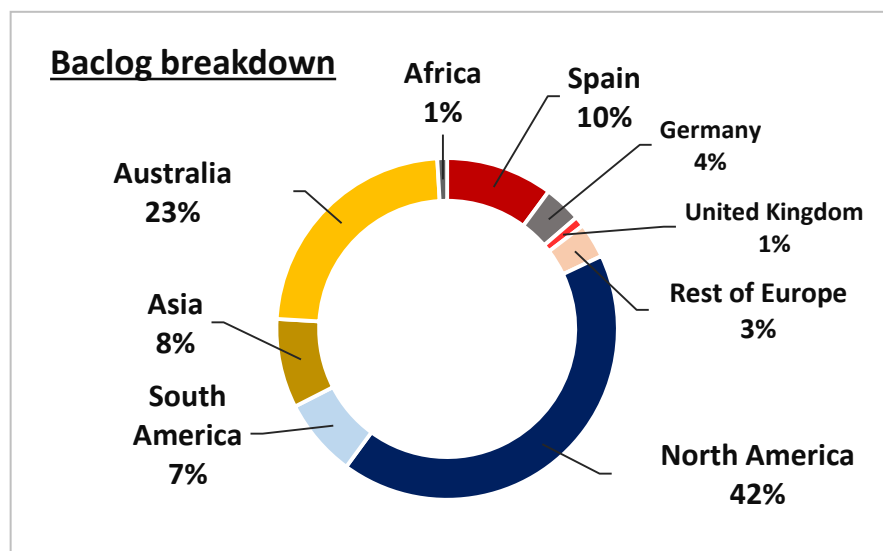
ACS Group sales, in the first nine months of 2018, accounted for € 27,091 million, representing an increase of 5.2%, and 11.4% in comparable terms; not taking into consideration the effect of exchange rate variations due to the revalorization of the euro against foreign currencies in the last twelve months. This positive trend in all activities is mainly backed by the growth of the North American and Spanish markets.

The geographical distribution of sales showed the broad diversification of the Group, with North America accounting for 45% of sales, Europe 21%, Australia 19%, Asia 8%, South America 6% and Africa the remaining 1%. Sales in Spain accounted for 14% of total sales.



Backlog, in this third quarter of 2018, amounted to € 70,329 million, growing by 7.7%, and by 10.2% in local currency when adjusted to the exchange rate. To mention, the good development in the North American market, both in the United States and Canada, with a year-on-year growth rate over 30%.

Backlog’s geographical distribution is similar to current sales.



Total EBITDA accounted for € 1,806 million in the third quarter of 2018, increasing by 5.5% almost in line with sales increase. Therefore, margin over sales stood at 6.7%. In a like to like basis, that is to say, not considering the exchange rate impact, EBITDA increased by 12.3%.

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Likewise, EBIT reached € 1,350 million, after increasing by 9.3%, 16.4% in a like to like basis. Sales margin rose up to 5.0%, 20 p.b higher than last year due to less amortization.

The Group's attributable net profit stood at € 691 million, meaning 14.6% of nominal growth. This growth rose up to 20.9% if the exchange rate variation impact was to be excluded.

<b>Grupo ACS</b>		<b>Net Profit breakdown</b>	
<i>Euro Million</i>	<b>9M17</b>	<b>9M18</b>	<b>Var.</b>
Construction	282	366	+29.6%
Industrial Services	252	260	+3.3%
Services	30	25	-17.1%
Corporation	40	41	+3.0%
<b>TOTAL Net Profit*</b>	<b>603</b>	<b>691</b>	<b>+14.6%</b>

*\* In a like to like basis, excluding the exchange rate variation effect, growth reached 20.9%.*

Construction net profit grew by 29.6%, with a solid operating performance across activities. This profit includes Abertis' indirect contribution through HOCHTIEF's 20% stake. Not considering this result, Construction net profit rose by 15%.

Industrial Services net profit grew by 3.3% underpinned by the boost of the international activity and the rebound of the Spanish market.

Likewise, net profit in Services reached € 25 million, its variation is affected by the capital gains coming from Sintax's sale in 2017. Clece's net profit grew by 7.8%.

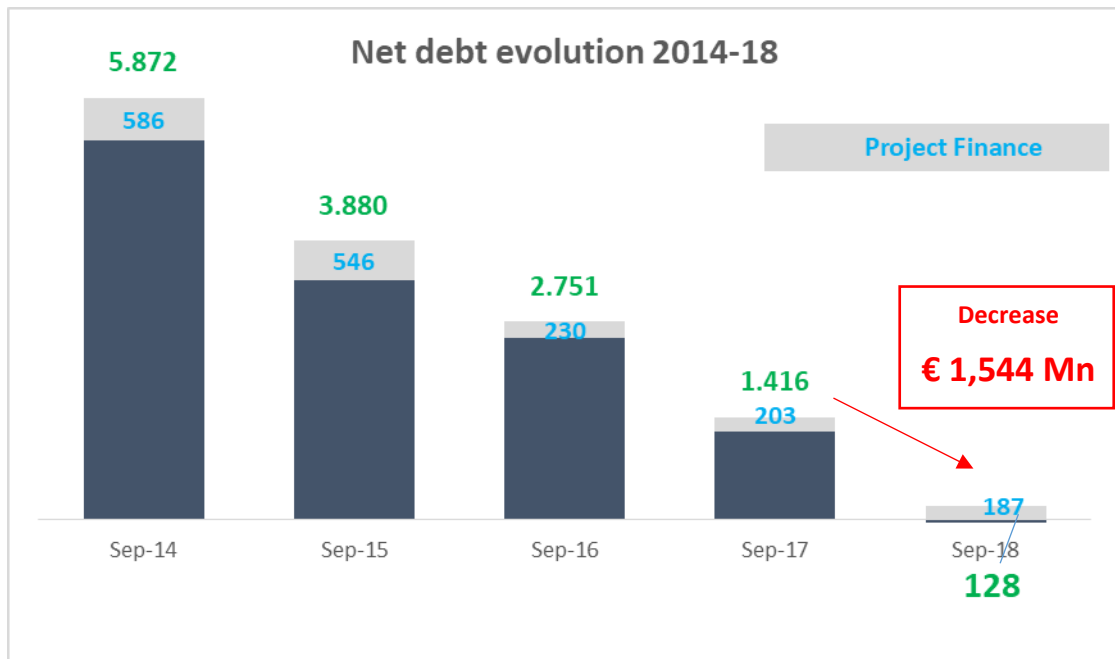
Net profit in the third quarter included Abertis' net contribution since June, which accounted for € 123 million (€ 81 million coming directly from ACS and included in Corporation, and € 42 million indirectly coming through HOCHTIEF). Last year 2017, Corporation net profit included the reversion of provisions linked to the sale of Urbaser.

### Financial Situation

ACS Group net debt at period-end stood at € 128 million, improving in more than € 1,500 million since September last year, mainly due to a strong cash generation from operating activities in the last twelve months. Not considering the

### 3rd QUARTER 2018 Results

shareholder's non-recourse project financing, net cash position grew up to € 315 million.



Data in million euro

Besides that, ACS Group's equities will be reinforced by more than € 2,400 million owing to the sale of shares in HOCHTIEF to Atlantia, at a given price of € 143.04 per share, last October 29<sup>th</sup>. At the same time, ACS underwrote a capital increase of 6.35 million shares at same price to place its stake in HOCHTIEF in 50.4%

### Investments

ACS Group total investment volume, during the considered period, amounted to € 679 million, resulting in € 214 million net balance due to investment activities.

<b>Grupo ACS</b>		<i>Net investments breakdown</i>	
<i>Euro million</i>	<b>Investm.</b>	<b>Disposals</b>	<b>TOTAL</b>
Construction	399	(103)	<b>296</b>
Industrial Services	240	(349)	<b>(109)</b>
Services	31	(1)	<b>30</b>
<b>TOTAL</b>	<b>679</b>	<b>(465)</b>	<b>214</b>

Net Operating CAPEX largely corresponded to the acquisition of machinery for the Group's several projects in mining, civil works, and industrial facilities.

The main financial investment corresponded to Industrial Services' concession projects which are currently running, such as renewable energy plants or power transmission lines.

The Group's main divestment during the period corresponded to SaetaYield's sale worth € 241 million, recorded under Industrial Services area.

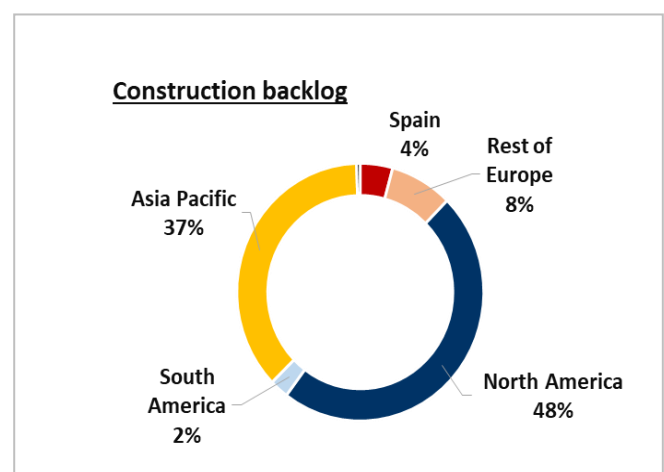
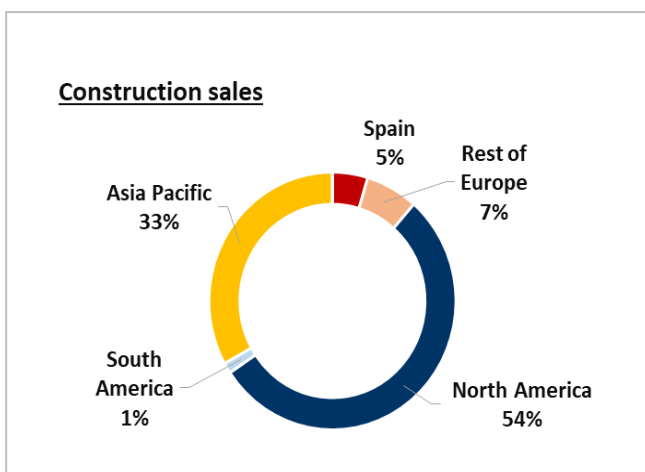
The investment related to the stake in Abertis was not reflected under these figures as the acquisition process was still running at period-end.

## Results per Area of Activity

### Construction

Sales in Construction, in the third quarter of 2018, accounted for € 20,874 million, showing an increase of 5.6%, and which rises up to 12.3% when excluding the exchange rate variation impact.

ACS Group's international sales in the Construction area amounted to € 19,907 million, which represented 95% of total sales in this area, being North America and Australia the most important markets. Domestic sales represented 5% of total.



Construction EBITDA accounted for € 1,281 million, with a sales margin of 6.1%, after growing 7.0% in line with sales increase, 9.0% in comparable terms.

Net profit reached over € 366 million, showing an increase of 29.6%, and supported by a solid operating performance from all companies related to this

### **3rd QUARTER 2018 Results**

area and the indirect contribution from Abertis via HOCHTIEF. Excluding this contribution, net profit grew by 15%.

Construction Backlog during this first nine months of 2018, rose up to € 58,150 million, growing 10.6% after being adjusted to the exchange rate. This growth is based on the good development of the North American and Spanish markets. International Backlog represented 96% of total volume in the Construction area.

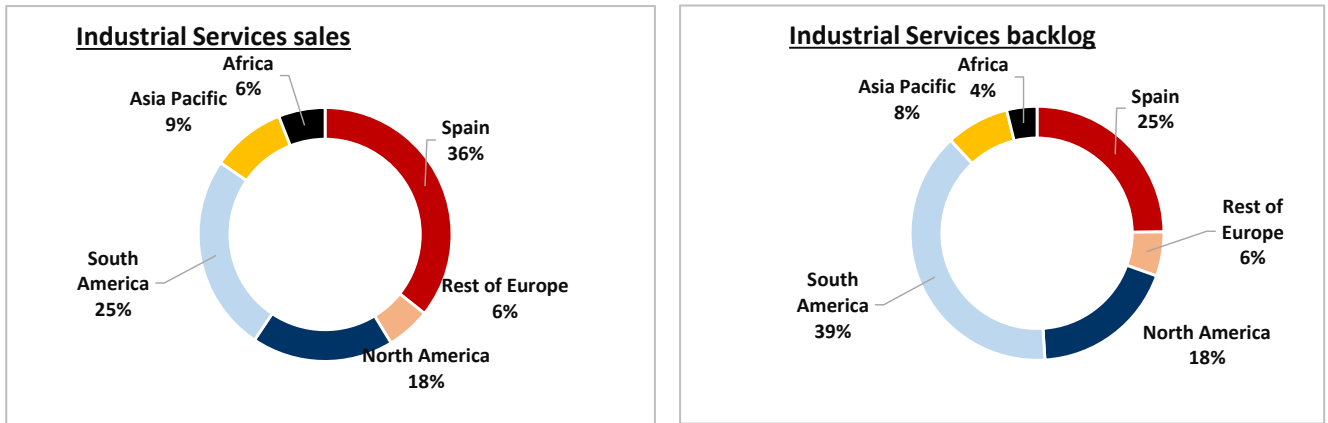
Amongst the most important awards achieved during this third quarter of 2018, these are the most significant:

- Construction of the new 2.5 km international cable-stayed bridge Gordie Howe between Windsor (Canada) and Detroit (United States), as well as the border crossings in each country.
- PPP Project for the Waikeria Corrections and Treatment Facility construction (New Zealand).
- Extension of the contract for mining services in El Encuentro open pit (Chile).
- Works for the construction of metropolitan railway infrastructure Metro Tunnel in Melbourne (Australia).
- Improvement works along I-16 between I-95 and I-516 and reconstruction of the I-16 at I-95 interchange in Georgia (United States).
- Rehabilitation and repair works at Catskill aqueduct in New York (United States).
- Widening works for SR 821 (HEFT) from I-75 to South Miramar Parkway, in Miami-Dade and Broward Counties (Florida, United States).
- Extension of the contract for mining services at Leinster Underground Mine (Australia).
- Works for the construction of the A-67 highway in the section between Sierrapando-Barreda (Cantabria, Spain).
- Maintenance contract for Western Australia road network (Australia).
- Improvement works in SR93 and SR60 (Florida, United States).
- Construction of the high speed railway line between Mondragón and Elorrio (Guipúzcoa, Spain).

#### ***Industrial Services***

Sales in Industrial Services reached € 5,109 million, increasing by 3.5%, and 8.7% when adjusted to the exchange rate. The solid recovery of the domestic market and the strong growth in Latin American countries are the main reasons for this positive change.

## 3rd QUARTER 2018 Results



EBITDA accounted for € 513 million, 3.5% more than in the same period 2017, with a sales margin of 10%.

Equally, net profit reached € 260 million, 3.3% higher compared to last year's same term.

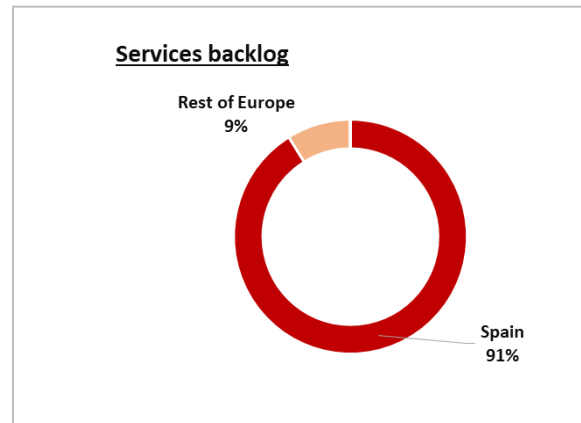
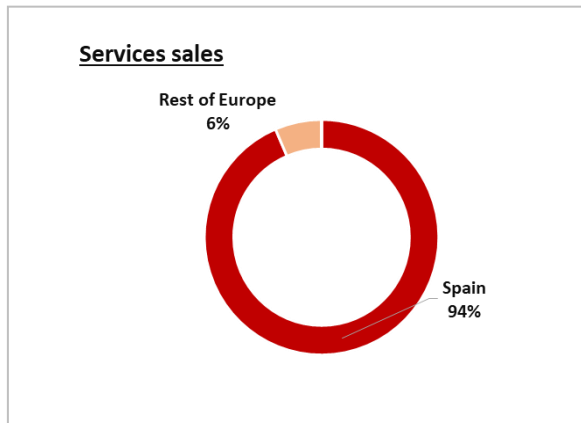
Industrial Services has increased its Backlog by 6.2% up to € 9,721 million at the end of the third quarter of 2018, equivalent to 18 months of production, being 75% international contracts. Excluding exchange rate variations, Backlog grew by 12.2%. Amongst the most important awards of this third quarter of 2018 it can be found:

- Construction of a 300 MW Combined Cycle plant of natural gas, integrated with a seawater reverse osmosis desalination plant located in Duqm (Oman).
- Development of the Kurayoshi photovoltaic park with an installed capacity of 42MW (Japan).
- Installation of an intelligent transport system, operating and maintenance of the control system for the M4-M5 project (main tunnel) for WestConnex in Sydney (Australia).
- Works for the installation of electricity transmission lines (HVDC) and associated electrical substations in Central Asia.

### **Services**

Sales in the Services area accounted for € 1,121 million, which only corresponded to Clece, rising by 5.1%.

### 3rd QUARTER 2018 Results



EBITDA in Services accounted for € 59 million, growing by 9.5%. Sales margin stood at 5.3%, 20 p.b better than last year.

Net profit accounted for € 25 million, increasing by 7.8% in a like to like basis.

Services Backlog reached € 2,458 million, equivalent to 20 months of activity.

Amongst the most important awards achieved during this third quarter of 2018, these are the most significant:

- New contract for cleaning services in the east area of Spain for the railway company Renfe.
- New contract for management and exploitation of the Areeiro retirement home (Lisbon, Portugal).
- New contract for the management of a retirement home in Salamanca (Spain).
- Extension of the cleaning service contract in the facilities of the Ministry of Defence (Spain).

**Madrid, November 14<sup>th</sup>, 2018**