

ACS gains 570 million euros of net profit, 2.4% more in a like for like basis

- Sales reached 23.37 billion euros, 5.3% lower in a like for like basis
- Backlog increases by 9.1% up to 62,14 billion euros
- Group's net debt decreases by 29.1% down to 2.75 billion.

Grupo ACS		Key operating & financial figures		
Euro Million	9M15	9M16	Var.	Var comp*
Turnover	25,135	23,371	-7.0%	-5.3%
EBITDA	1,615	1,513	-6.3%	-2.2%
EBIT	1,110	1,119	+0.8%	+6.6%
Attributable Net Profit	574	570	-0.7%	+2.4%
Backlog	56,975	62,138	+9.1%	+7.3%
Total Net Debt	3,880	2,751	-29.1%	n.a

(*) Adjusted by currency variations and sale of renewable assets in 2015

NOTE: 2015 P&L has been restated to reflect the sale agreement of Urbaser which has been reclassified as discontinued operations in both exercises

Consolidated Results

Sales in the first nine months of 2016 accounted for 23,371 million euro, representing a decrease of 5.3% in a like for like basis, this means excluding the effect the exchange rate and the sale of renewable assets in the first quarter of 2015.

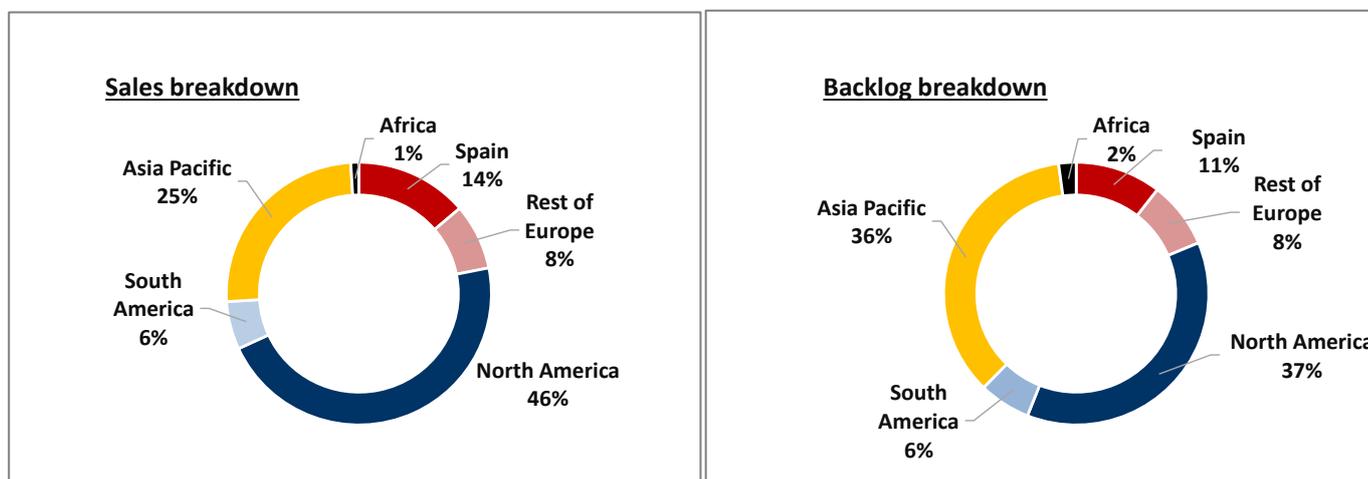
This decrease is mainly due to the Construction activity, affected by the lower activity in Spain and the termination in Australia of large liquefied natural gas (LNG) projects during the first part of 2015.

However, quarterly production at CIMIC has increased by 8% over the previous quarter, confirming the trend change shown in the second quarter and will continue to rise in following quarters.

The geographical distribution of sales shows the broad diversification of the Group, in which North America accounts for 46.5% of sales, Europe 22%, Australia 15%, Asia 10%, South America 6% and Africa the remaining 1%. International sales account for 86% of the total.

2016 3rd QUARTER RESULTS

Backlog at the end of September of 2016 amounted to 62,138 million euros, 9.1% higher than in September 2015 ensuring future growth with an equivalent sales geographical breakdown. In fact, the larger proportion of the backlog in Asia Pacific is due to contract mining activity which has longer period contracts than in construction and engineering activity.



Total EBITDA accounted for 1,513 million euro, decreasing by 2.2% on a like for like basis (adjusted by exchange rate impacts and the sale of renewable assets in Spain) Margin over sales improves in 20bp up to 6.5% .

Likewise, EBIT stood at 1,119 million euros and increased by 6.6%, on a like for like basis, thanks to the good operating performance of the activities.

The operational improvements and the significant reduction in financial expenses contributed to an increase of 14.1% of the attributable net profit from activities, before corporate costs.

Grupo ACS		Net Profit breakdown	
<i>Euro Million</i>	9M15	9M16	Var.
Construction	152	220	+44.7%
Industrial Services ⁽¹⁾	245	240	-2.0%
Environment	55	56	+1.7%
Net Profit from activities	453	517	+14.1%
Renewable assets	6	0	
Corporation	115	53	
TOTAL Net Profit	574	570	-0.7%

(1) Excludes renewables

2016 3rd QUARTER RESULTS

It is worth noting that the Construction activity which grew by 44.7% as a result of the transformation processes implemented in HOCHTIEF and its subsidiaries, and the increase in the stake thereof.

Net profit in Industrial Services decreased by 2.0%, not considering the sale of renewable assets in the first quarter of 2015, as consequence of the slowdown in the oil & gas projects in the Mexican market and the less investments in energy assets in Spain.

Net profit from Environment area increased by 1.7% and includes the contribution of Urbaser as discontinued operations whose sale agreement to a Chinese investment group was signed last September (pending regulatory approvals scheduled for early December).

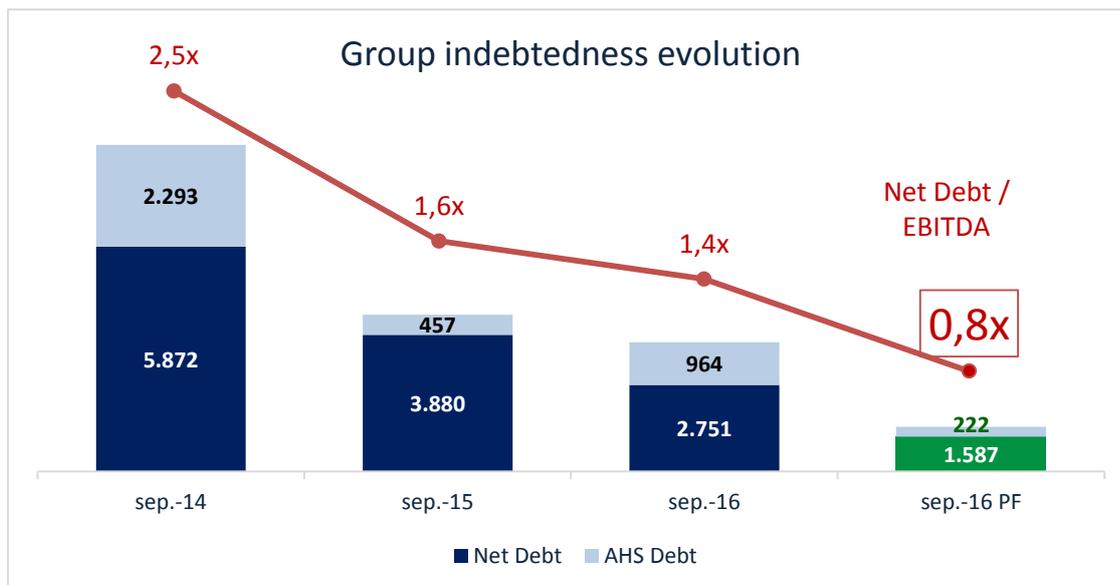
The net profit of Grupo ACS in the first nine months of 2016 amounted to 570 million euros, similar to last year which included higher exceptional results in the Corporation, mainly related to the former stake Iberdrola, whose complete divestment was made by end of March this year with the sale of the remaining stake

Financial Situation

Net debt of Grupo ACS accounted for 2,751 million euro, 1,129 million euros lower to that held in September 2015, equivalent to a reduction of 29.1%. The improvement in operating cash flows from all activities and the sale agreement of Urbaser, which has been reclassified as a held-for-sale asset and whose net debt amounted to 742 million euros, are the key reasons for the substantial reduction in the Group's net debt.

Once the corresponding regulatory authorizations are obtained and the agreement is closed, expected for December, the proceeds from the sale of Urbaser's shares will reach a minimum of 1,164 million euros, thus the consolidated net debt of Grupo ACS will stand below 1.6 billion euros, equivalent to 0.8 times the annualized EBITDA, of which 230 million correspond to non recourse financing of projects.

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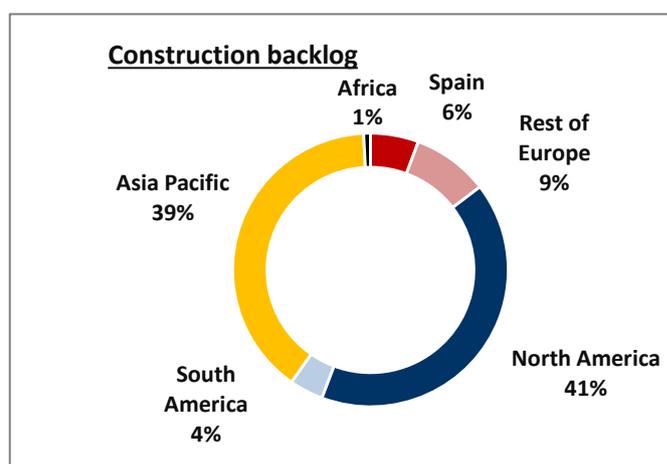
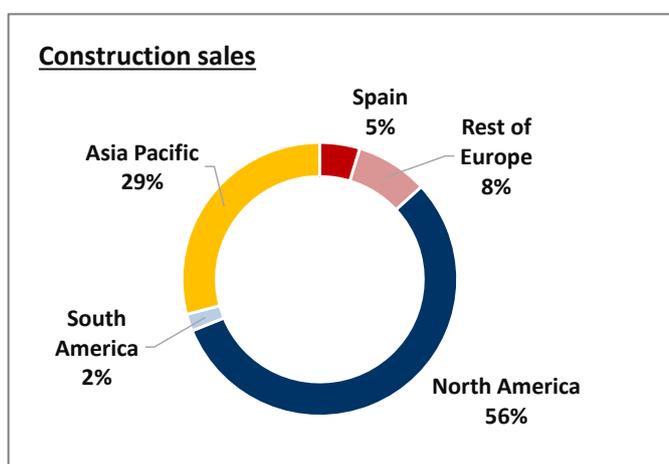
NOTE: Pro-Forma Net Debt as of September 30, 2016 is calculated considering that the proceeds from the sale of Urbaser have been fully paid in.

Results per Area of Activity

Construction

Sales in Construction accounted for 17,447 million euro, showing a decrease of 8.6% due to the termination of major LNG projects in Australia and lower domestic activity in civil works. However, it is important to note that production in Australia shows signs of recovery and grew in the third quarter by 8% over the previous quarter, marking the beginning of the recovery that will occur in the coming quarters.

International sales of the Construction area amounted to 16,626 million euros which represents 95.3% of total sales in this area, being North America and Australia the most important markets.



2016 3rd QUARTER RESULTS

Construction EBITDA accounted for 1,010 million euro, with a margin over sales of 5.8%, which represent an improvement of 20bp with respect to the prior period.

Net profit reached over 220 million euros, showing a solid growth as a result of the profitability increase from HOCHTIEF and its subsidiaries after the transformation process carried out in the last years.

Construction Backlog, at the end of September of 2016, accounted for 51,801 million euro, 9.7% more than 12 months ago. International backlog represents 94.3% of the total in Construction.

Amongst the most important awards during this period, these are the most significant:

- Project for the design and construction of Chesapeake Bay Bridge-Tunnel in Cape Charles (Virginia, United States)
- Project for the construction of the Tseung Kwan O - Lam Tin highway tunnel in Hong Kong (China)
- Rehabilitation and improvement works in the Corpus Christi Harbor Bridge in the highway US-181 (Texas, United States)
- Echowater project development that consists in an addition to the Sacramento Regional Wastewater Treatment Plant (California, United States)
- Project for removing nine level crossings between Caulfield and Dandenong in Melbourne's south-eastern suburbs, as well as rebuild five railway stations (Melbourne, Australia)
- Contract for mining services in oil sands in Athabasca region (Canada)
- Construction of the Christchurch Hospital Acute Services Building (ASB) in New Zealand
- Renovation and rehabilitation works for the Museum Center in Union Terminal in Cincinnati (Ohio, United States)
- Construction of the stage 2 of the Gold Coast light rail between Southport and Helensvale (Queensland, Australia)
- Development of Mercedes-Platz event building in Berlin (Germany)
- Construction of the Wellsburg Bridge crossing the Ohio River in West Virginia (United States)
- Design and construction of Naval Academy's Center for Cyber Security Studies in Annapolis (Maryland, United States)
- Works for the renovation and enlargement of the Prince George's Community College in Largo (Maryland, United States)
- Project for the construction of the segment 1 of the C-407 tolled highway (Denver, United States)
- Construction of Tunnell Stellingen in the A7 motorway enlargement project (Hamburg, Germany)
- Upgrade works in a section of Bruce Highway in Queensland (Australia)
- Project for the construction of a new building, Tollman Hall, in the University of Berkeley (California, United States)
- Construction of two interconnected underground combined sewage storage tunnels in Ottawa (Canada)

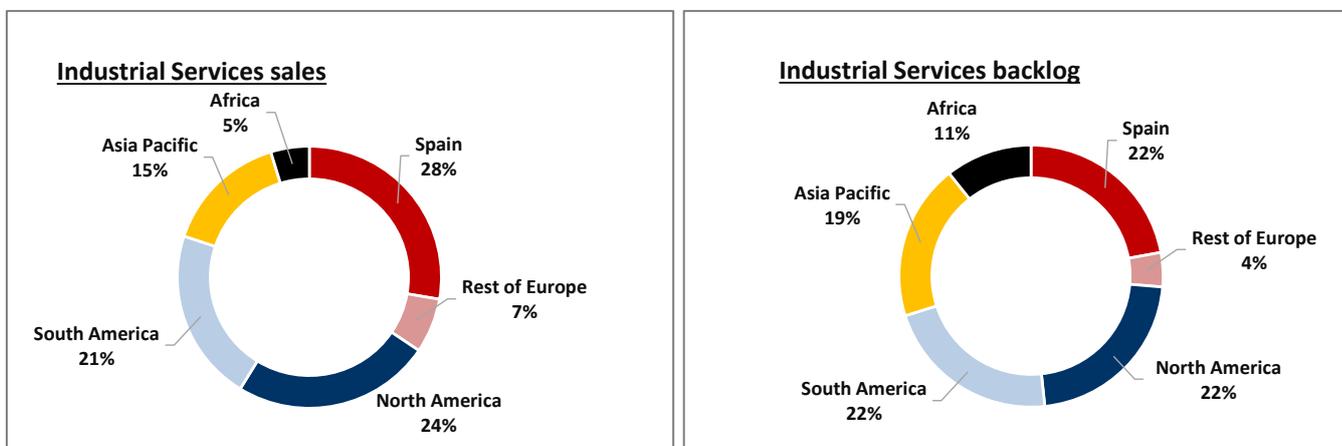
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- Reconstruction and improvements works in the Red Deer interchange in Alberta (Canada)
- Works for the widening of two stretches of the SH-288 in Harris County (Houston, Texas, United States)
- Construction of Amazon's new logistic center in Barcelona (Spain)
- Construction of sections of both the N25 and N30 routes (Ireland).
- Modernization works for the E-30 railway line (Poland)
- Construction of the I-10 and the SR303L system traffic interchange project in Maricopa County within the City of Goodyear (Arizona, United States)
- Development of works for the Belesar hydro-electric power plant enlargement (Lugo, Spain)

Industrial Services

Sales in Industrial Services reached 4,793 million euro, out of which 3,465 million euros (72.3%) correspond to international sales which have grown by 9.0%.

Total sales declined by 3.1% due to the sale of renewable assets during the first quarter of 2015. Not taking into consideration this effect, sales would have decreased by 2.0%, on a like for like basis as a result of a reduction in the industrial investment activity in Spain, the depreciation of the Mexican peso by 17% and the slowdown in the oil&gas projects in this country.



EBITDA accounted for 483 million euro, with a decrease of 2,0% excluding that sale of renewable assets in 2015. Net Profit stood at 240 million euro, similar to that of the prior year.

Industrial Services has increased its backlog by 5.4% up to 8,590 million euro at the end of September of 2016, equivalent to 16 months of production, being 77.9% from international contracts. The most important awards of the period are:

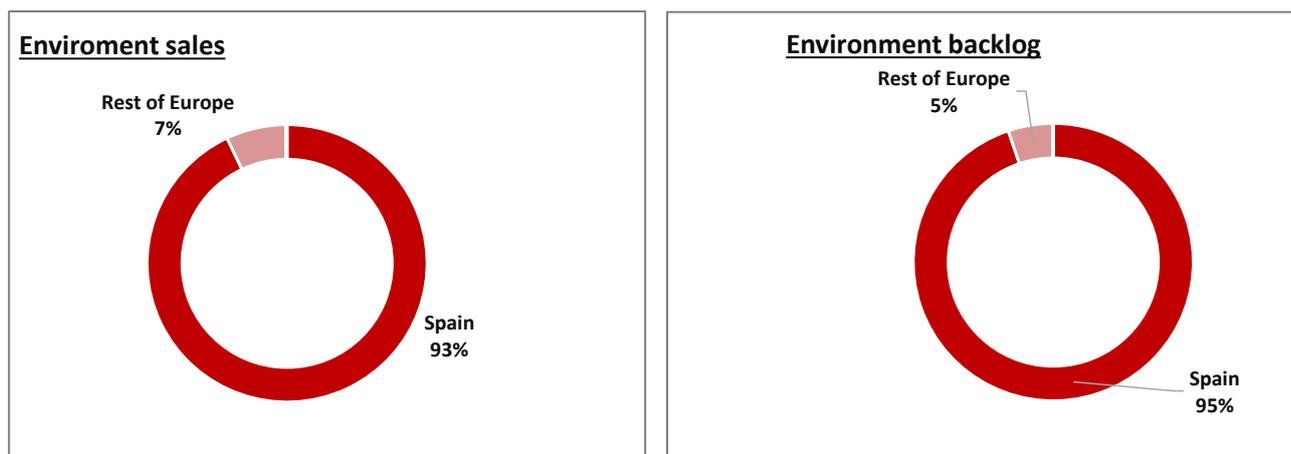
- EPC project for various transmission lines 500kw with total length of 3,376km in Minas Gerais, Bahía, Ceará, Piauí y Maranhao (Brazil)

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- Contract for the development of engineering, supply of equipment and materials as well as the construction, including erection, commissioning and start-up for a new fertilizers complex which includes a Sulphuric Acid Plant, and a DAP & TSP Plant (Egypt)
- EPC project for the construction of Ras Al Khaimah desalination plant with a capacity of 100,000 m³/day (United Arab Emirates)
- Fabrication of 4 substation jackets for the Hornsea offshore wind farm project (Denmark)
- EPC project for the construction of the geothermal energy plant of Las Pailas II with an installed capacity of 55MW (Costa Rica)
- Contract for the development of Pastoral windfarm with an installed capacity of 53MW (Uruguay)
- EPC project for the construction of Tuas 3 desalination plant with a capacity of 136,000 m³/day (Singapore)
- Contract for the gas services distribution for Gas Natural in Chile
- Construction of a photovoltaic plant with an installed capacity of 33,4MW in Fukushima (Japan)
- Works for traffic control systems installation in Al Muntazah Street (Qatar)
- Construction of Hokota, Hayato and Kagoshima photovoltaic plants with a total installed capacity of 39 MW (Japan)
- Works for traffic control systems installation, signalling and lighting of the I-95 phase 3 (United States)
- Construction of container yard 6 south at Bayport terminal in the port of Houston (United States)
- Maintenance services of potable water systems and sewerage systems in Lima (Peru)
- Construction and equipment of the new hospital of the city of Manta (Ecuador)

Environment

Environment accounted for sales of 1,160 million euro, once excluded the activity of Urbaser, showing an increase of 2.7%.



EBITDA in Environment accounted for 59 million euro with a margin over sales of 5.1%, 20 b.p higher than last year.

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Net Profit accounted for 56 million euro in 2015 growing by 1.7% and includes the contribution from Urbaser of 35 million euros as discontinued operations

Backlog accounts for 1,748 million euro, equivalent to 14 months of activity.

Amongst the most important awards of the period are:

- Renewal of the contract for home care services in Madrid city (Spain)
- Contract for the facility management of "La Jesuitina" retirement home in Vallalid (Spain)
- Contract for cleaning services in buildings of Valencian Community Health Department (Spain)
- Contract for home care services in Barcelona, Vigo and Málaga (Spain)
- Extension of the contract for the facility management of Baños retirement home (Spain)
- Cleaning service contract for high-speed trains of Alstom (Spain)
- Freight service contract at the airport of Madrid (Spain)
- Extension of the contract for home care services in Malaga and Barcelona (Spain)

Madrid, November 14th, 2016