

## ACS wins 802 million euros in 2017, an increase of 6,8%

- Sales reached 34,898 million euros, increasing by 9.1%
- EBITDA stood at 2.279 million euros, increasing by 12.6%
- Funds from operations increased by 42.8% up to 1,492 million euros
- Net Debt decreased to historical low levels down to 153 million euros, lower than 0,1x EBITDA

<b>Grupo ACS</b>		<i>Key operating &amp; financial figures</i>		
<i>Euro Million</i>	<b>2016</b>	<b>2017</b>	<i>Var.</i>	<i>Var comp*</i>
<b>Turnover</b>	31,975	<b>34,898</b>	<b>+9.1%</b>	<b>+10.7%</b>
<b>EBITDA</b>	2,023	<b>2,279</b>	<b>+12.6%</b>	<b>+13.9%</b>
<b>EBIT</b>	1,445	<b>1,626</b>	<b>+12.5%</b>	<b>+14.2%</b>
<b>Attributable Net Profit</b>	751	<b>802</b>	<b>+6.8%</b>	<b>+17.0%</b>
<b>Operating Cash Flow</b>	1,045	<b>1,492</b>	<b>+42.8%</b>	<b>+0.0%</b>
<b>Backlog</b>	66,526	<b>67,082</b>	<b>+0.8%</b>	<b>+8.8%</b>
<b>Net Indebtedness (including AHS)</b>	1,214	<b>153</b>	<b>-87.4%</b>	
Debt link to AHS	202	195	-3.5%	
<b>Total Net Debt</b>	1,012	<b>(42)</b>	<i>n.a.</i>	

\* In a like to like basis, removing the effect of exchange rate variations and excluding Urbaser from 2016 Net Profit.

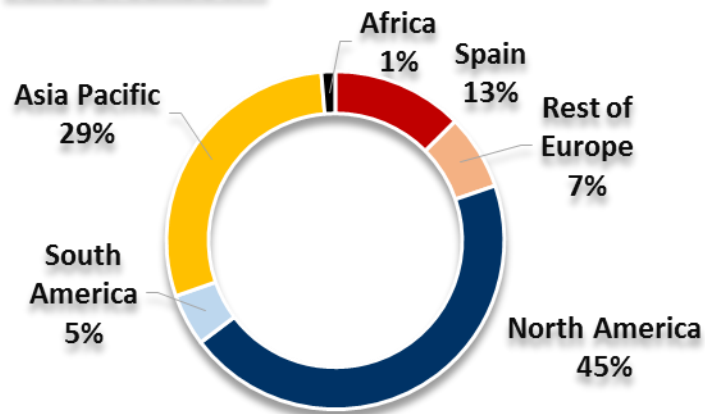
### Consolidated Results

ACS Group sales in 2017 accounted for 34,898 million euros, representing an increase of 9.1%, mainly given to the good evolution of the construction activity. In comparable terms, excluding the impact of the exchange rate, this growth stands at 10.7%

## 2017 RESULTS

The geographical distribution of sales shows the broad diversification of the Group, with North America accounting for 45% of sales, Europe 20%, Australia 20%, Asia 9%, South America 5%, and Africa the remaining 1%. Sales in Spain account for 13% of total sales.

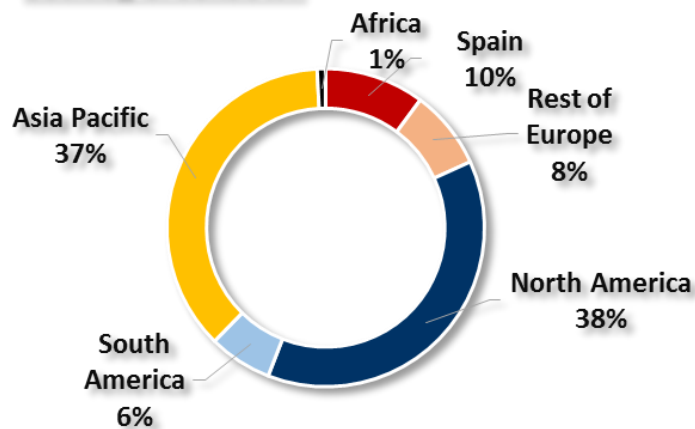
### Sales breakdown



Backlog, at the end of 2017, amounted to 67,082 million euros, with a 1% increase. The appreciation of the Euro against the rest of the currencies has had a negative impact on the backlog of more than 5,200 million euros. Therefore, the growth without considering this effect would be 8.8%.

Backlog geographical distribution is similar to those of sales.

### Backlog breakdown



## 2017 RESULTS

Total EBITDA accounted for 2,279 million euros in 2017, increasing 12.6% with a margin over sales of 6.5%, 20 bp more than last year.

Likewise, Net Operating Profit (EBIT) stood at 1,626 million euros after increasing by 12.5%. Sales margin increases by 4.7%, 20 bp more than last year.

The Group's attributable Net Profit stood at 802 million euros, growing by 6.8%, i 15.5% excluding Urbaser's contribution in the prior period. This growth rises up to 17% if exchange rate variations are removed.

<b>Grupo ACS</b>		<b>Net Profit breakdown</b>	
<i>Euro Million</i>	<b>2016</b>	<b>2017</b>	<b>Var.</b>
Construction	311	387	+24.4%
Industrial Services	305	319	+4.6%
Services	27	37	+38.4%
Corporation	52	59	+14.2%
<b>Net Profit from activities</b>	<b>694</b>	<b>802</b>	<b>+15.5%</b>
Discontinues Op. (Urbaser)	57	0	
<b>TOTAL Net Profit</b>	<b>751</b>	<b>802</b>	<b>+6.8%</b>

Construction activity grew 24.4%, supported by the excellent performance of HOCHTIEF and its subsidiaries, whose contribution to the consolidated profit of the Group increased by 35%.

Industrial Services Net Profit grew 4.6% fostered by the boost of the international activity and the rebound of the Spanish market.

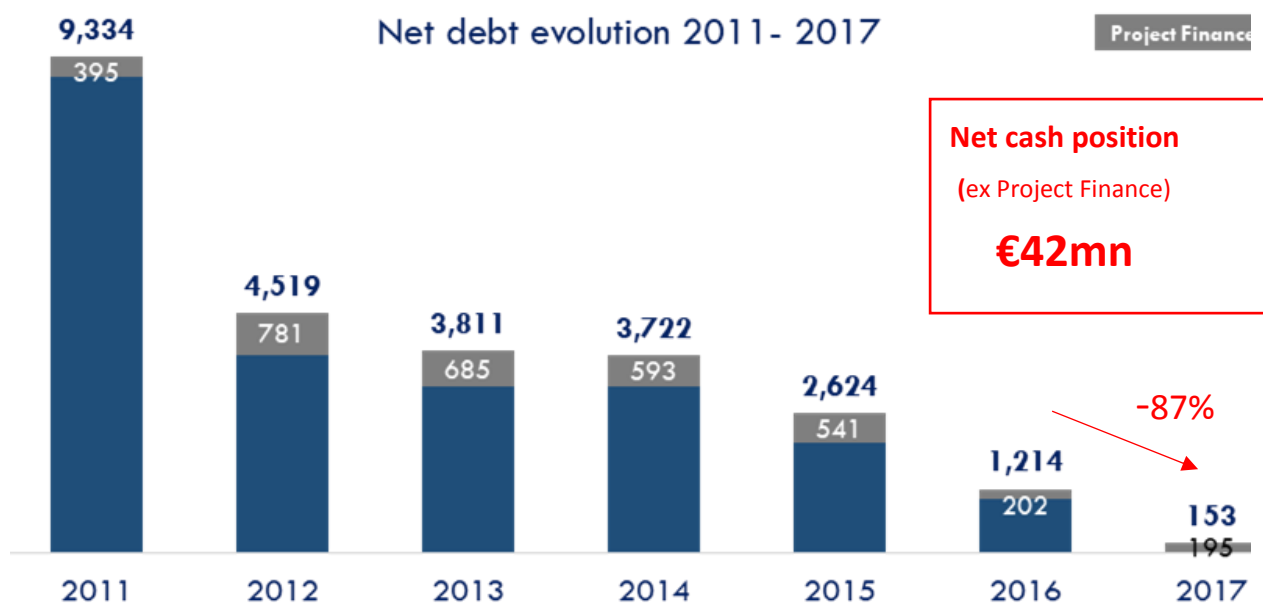
Likewise, Net Profit in Services reached 37 million euros, which corresponds to Clece's contribution after selling Sintax and Urbaser at the end of 2016.

The Corporation's net impact rises up to 59 million euros.

### Financial Situation

ACS Group Net Debt is at its historical lowest levels, reaching 153 million euros at the end of 2017, decreasing by 87.4% since the closure of 2016.

Once excluded project finance, without recourse to the shareholder, and increasing to 195 million euros, the Group presents Net cash of 42 million euros at the year-end, confirming the solid financial situation reached after the shift launched in 2012.



The Debt decrease achieved in 2017 is mainly motivated by the strong cash generation from operations, improving in 42.8% in relation to the previous year. Particularly, net cash flows generated by operations (after working capital and operational investments), have reached up to 1,492 given by the boost in operating results, the decrease in net financial expenses and the improvement of working capital.

Total volume of ACS Group investments in 2017, including operational, financial and concessional projects, amounted to 915 million euros, mainly in mining machinery in CIMIC and in energy assets (transmission lines in Brazil and renewable energy projects), by Cobra.

<b>Grupo ACS</b>		<i>Net investments breakdown</i>		
<i>Euro million</i>	<b>Investm.</b>	<b>Disposals</b>	<b>TOTAL</b>	
Construction	548	(368)	<b>180</b>	
Industrial Services	336	(181)	<b>156</b>	
Services	38	(65)	<b>(26)</b>	
Corporation	(8)	7	<b>(1)</b>	
<b>TOTAL</b>	<b>915</b>	<b>(607)</b>	<b>308</b>	

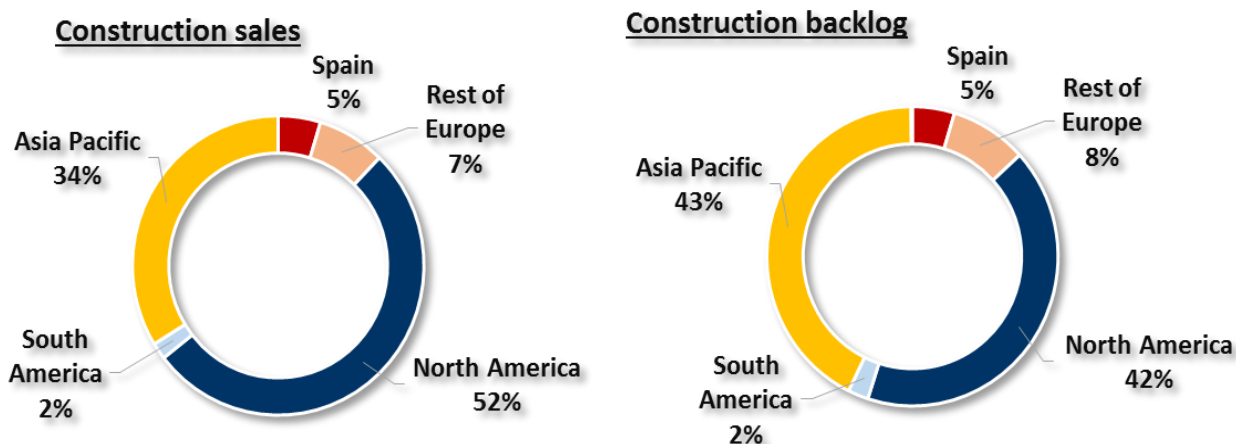
Total disposals reached 607 million euros, highlighting the sale of various hospitals in the Balearic Islands and several highways in Chile and Greece by Iridium for a total amount of 177 million euros, the sale of the wind farms in Portugal, worth 116 million euros, and Sintax's sale worth 55 million euros.

### Results per Area of Activity

#### **Construction**

Sales in Construction, in 2017, accounted for 27,221 million euros, showing an increase of 12% due to the strong growth of the activity in Australia, and the solid growth of the North American market, despite the negative impact of the exchange rate.

ACS Group international sales, in the Construction area, amounted to 25,941 million euros, which represents 95% of total sales in this area, being North America and Australia the most important markets. Domestic sales represent 5% of total.



Construction EBITDA accounted for 1,620 million euros, with a margin over sales of 6.0%, after growing a 15% in line with the sales increase.

Net Profit reached over 387 million euros, showing an increase of 24%, supported by an operational performance from all companies and less financial expenses.

## 2017 RESULTS

Construction Backlog, at the end of 2017, rose up to 55,529 million euros. International Backlog represents 95% of total in the Construction area.

Amongst the most important awards in 2017, these are the most significant:

- Project for the construction of Westgate tunnel and expansion of West Gate highway (Australia).
- Operational Services and maintenance for Melbourne's metro network (Australia)
- Project for a new metro line that consists of the construction of two 15.5 Km long twin tunnels and the Stage 2 associated works at Sydney Harbour (Australia).
- Project for the expansion of Denver's International Airport (United States).
- Design, construction and complementary works for the expansion of Long Island Railway (LIRR) from Floral Park to Hicksville (New York, United States).
- Zuidasdok Project: Enlargement of A10 Highway in South of Amsterdam and its undergrounding through Amsterdam Zuid Station (Amsterdam, Holland).
- Works of enlargement at Hong Kong airport terminal 1 and 2.
- Mining operating contract in Mount Pleasant coal mine (New South Wales, Australia).
- Design and construction of 7.9 Km of Singapore's sewage system and associated hydraulic facilities.
- Contract for the construction of the concrete structure for White Rose project's offshore platforms (Canada).
- Construction of the East Kowloon cultural centre in Hong Kong.
- Mining services contract extension in Yallourn mine (Australia).
- Mining services in Gunung Bara Utama coal mine in Indonesia.
- Mining operations contract in Caval Ridge and Peal Downs coal mines, from BHP Billiton Mitsubishi Alliance in Queensland (Australia).
- Improvement works in the Pacific Highway (New South Wales, Australia).
- Metro Tunnel Project in Victoria in the new line between Sunbury and Cranbourne/ Pakenham (Australia).
- Extension of the mining service contract in Mahakam Sumber Jaya coal mine in Indonesia.
- Extension of the mining service contract in Sangatta mine (Indonesia).
- Contract for full-service maintenance of different municipal facilities in Auckland (New Zealand).
- Project for the extension and improvement of three miles of 820 interstate highway in Texas (United States).

## 2017 RESULTS

- Construction of the Christchurch Convention and Exhibition Centre in New Zealand.
- Construction of 11.3 Km of ring motorway in Mackay (Queensland, Australia).
- Construction of a new bridge in the current road NC12 between Pea Island National Wildlife Refuge and Rodanthe City (North Carolina, United States).
- Extension of the mining service contract of Jellinbah Plains well (Central Queensland, Australia).
- Design, construction, finance and maintenance of 10.6 km of enlargement at Highway 427 in Ontario (Canada).
- Design and construction of Northlink phase 3 which consists of a two-lane motorway between Ellenbrook and Muchea (Perth, Australia).
- Modernisation works at Coolidge Senior Institute (Washington, United States).
- Demolition and construction of the new bridge in Bruckner Boulevard Rd. over Westchester Creek (New York, United States).
- Ottawa's light-rail contract extension together with the enlargement of Belfast's deposit and the supply of 38 urban trains for Confederation Line Phase 2 (Canada).
- Enlargement of M1 Pacific Motorway (New South Wales, Australia).
- Construction and development of line 3 metro stations in Santiago de Chile (Chile).
- Improvement works at Capricornia reformatory (Queensland, Australia).
- Mining operating management contract in Satui and Bayan's Wahana coal mines (Indonesia).
- Project for the enlargement and improvement of Junee prison (New South Wales, Australia).
- Improvement works of highway I-95 in Miami (Florida, United States).
- Project for the construction of SH 288 highway enlargement in Brazoria County (Texas, United States).
- EPC Project for the construction of Bannerton's solar farm, including the associated substation and connection to the network (Victoria, Australia).
- Enlargement of San Diego's airport terminal (California, United States).
- Works for the modification and improvement of Lake Isabella dam in Kern County (California, United States).
- Construction of the office building Business Garden in Wroclaw (Poland).
- Improvement works at Stratford Institute (Connecticut, United States).
- Improvement works of two tunnels at Myrtle Avenue railway lines (New York, United States).
- Design and construction of four primary schools (three in Auckland and one in Hamilton), as well as their maintenance during 25 years (Australia).

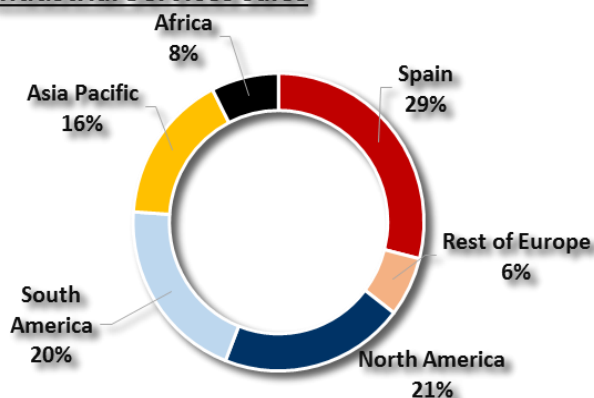
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- Works for the construction of copper and zinc processing plants in Woodland mine (New South Wales, Australia).

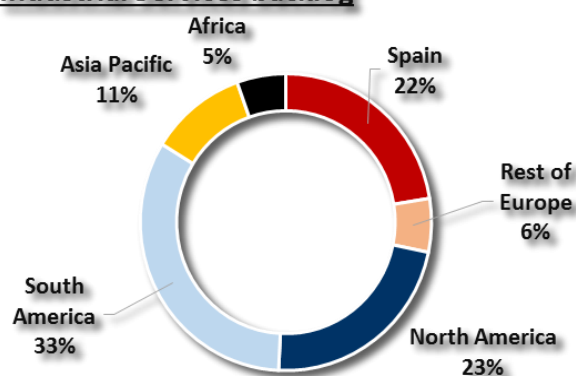
### **Industrial Services**

Sales in Industrial Services reached 6,260 million euros, remaining almost stable in relation to last year. The economic slowdown of the Mexican market and the negative impact of the currency effect are compensated by the upturn of the national market and the growing activity in the Asian and South African markets.

**Industrial Services sales**



**Industrial Services backlog**



EBITDA accounted for 633 million euros, with a margin over sales of 10.1%, stable in relation to the comparable period.

Equally, Net Profit reached 319 million euros, 5% more than in 2016.

Industrial Services has increased its Backlog by 6%, up to 9,286 million euros in the first semester of 2017, equivalent to 18 months of production, being 78% international contracts. Without the impact of exchange rate variations, the industrial backlog rises up to 15%. Amongst the most important awards of the year 2017 we may highlight:

- Solar farms EPC construction in Spain with a total installed capacity of 1,550 MW.
- Modernization of Talara refinery consisting of the execution of auxiliary units and complementary works (Peru).
- Construction of a sour gas field offshore platform in Ku-Malooob-Zaap reservoir in the Campeche Sound (Mexico).
- Project Dolwin 6. Construction of an offshore platform for an HVDC in the North Sea (Germany).
- Contract for the installation and maintenance of Santa María's and Orejana's photovoltaic plants, with an installed capacity of 166 MW and 125 MW, respectively, in Chihuahua and Sonora (Mexico).



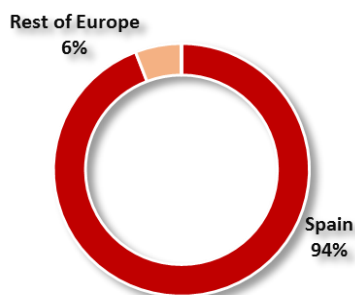
## 2017 RESULTS

- EPC Project for the construction of Matsuzaka photovoltaic plant with an installed capacity of 100 MW (Japan).
- Construction of a desalinization plant for Spence Mine in Chile.
- Design, construction, operation and maintenance of Gamboa's water treatment plant (Panama).
- Maintenance services for the road section between Matehuala and Saltillo in Nuevo León (Mexico).
- Enlargement project of Oita's solar farm (Japan).
- Project for the optimization of drinking water supply and sewage in the Northern area of Lima (Peru).
- Awarding of two contracts for the installation and maintenance of medium and low voltage networks for Enel in Liguria and Western Piamonte (Italia).
- Construction and equipping of 250-bed new hospital in Kuito (Angola).
- EPC Project for the construction of the hydroelectric power station of Hidromanta with an installed capacity of 19.80 MW (Peru).
- Works for the construction and development of Atami solar farm (Japan).
- Outsourcing of different sale points in 6,000 Repsol's service stations (Spain).
- Electrical installations for Champlain's bridge (Canada).
- Design, installation, operation and maintenance of Gaborone public transport signalling system (Botswana).
- Concession of the electronic collection system for SEITUR (Urban Electric Train System) in Guadalajara (Jalisco, Mexico).
- Job Order Contract for the development of several construction services and maintenance in the Base Naval de Rota (Spain).

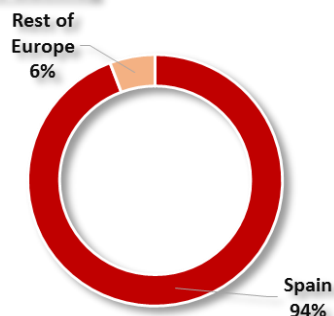
### Services

Services area accounted for sales of 1,446 million euros, which only corresponds to Clece, remaining virtually stable in comparable terms.

**Services sales**



**Services backlog**



## 2017 RESULTS

EBITDA in Services accounted for 73 million euros with a margin over sales of 5.1%, similar to the previous year, excluding the impact of the logistic activity's sale.

Net Profit accounted for 37 million euros. Clece's Net Profit increased by 3.0%.

Current services Backlog reach 2,267 million euros, equivalent to 19 months of activity.

Amongst the most important projects awarded during 2017, we shall highlight:

- Contract renewal of the assistance service to disable people (PMR's) in the following airports: Barcelona, Reus, Santiago, Asturias, Palma de Mallorca, Ibiza and Menorca (Spain).
- Cleaning service contract renewal and extension for Metro de Madrid stops (Spain).
- Cleaning service contract renewal for the Police General Department facilities.
- Service cleaning contract at Miguel Servet Hospital (Zaragoza, Spain).
- Total management contract of Burgos' archbishopric nursing home (Spain)
- Cleaning service contract renewal at Ramón y Cajal and Niño Jesús Hospitals (Madrid, Spain).
- Total management contract of "El Villar" nursing home in Corella (Navarra).
- Home assistance service contract for Santa Cruz de Tenerife Town hall (Spain).
- Cleaning service contract extension in the Ministry of Defence facilities (Spain).
- Cleaning service, disinfection, rat extermination, and debug in the Gerencia de Atención Integrada de Ciudad Real (España).
- Home assistance service contract extension for Malaga Council (Spain).
- Cleaning service contract for Renault's factory in Valladolid (Spain).
- New home assistance contract for Las Palmas de Gran Canaria town hall (Spain).

**Madrid, February 28<sup>th</sup> 2018**