



Results 2019 Third Quarter

7 November 2019

I.	Highlights January-September	2
II.	Income Statement	11
III.	Backlog	14
IV.	Consolidated Balance Sheet	16
V.	Performance by Business Area	19
VI.	Stock Market Performance	40
VII.	Significant Holdings	40
VIII.	Appendices	43

Notes

The interim financial information presented in this document has been prepared in accordance with International Financial Reporting Standards. This information is unaudited and may be modified in the future. This document does not constitute an offer, invitation or recommendation to acquire, sell or exchange shares or to make any type of investment. Sacyr is not responsible for damage or loss of any kind arising from any use of this document or its content.

In order to comply with the Guidelines on Alternative Performance Measures (2015/1415en) published by the European Securities and Markets Authority (ESMA), the key Alternative Performance Measures (APMs) used in preparing the financial statements are included in the Appendix at the end of this document. Sacyr considers that this additional information improves the comparability, reliability and comprehensibility of its financial information.

I. Highlights January-September

Corporate

Shareholder Remuneration

In 2019, the Group has continued its shareholder remuneration strategy by paying out two scrip dividends.

In the first, paid in February, shareholders could either: (i) receive one new share for every 35 existing shares held or (ii) sell their rights to receive free shares to the Company at a guaranteed fixed price of €0.051 gross per right.

In the second, paid in July, shareholders could either: (i) receive one new share for every 39 existing shares held or (ii) sell their rights to receive free shares to the Company at a guaranteed fixed price of €0.055 gross per right.

These two pay-outs to shareholders continue the strategy charted by the Company. The return to shareholders during 2019 to date has been 5%.

Divestment and Asset Disposals

- In February, Sacyr disposed of its entire holding in Itínere Infraestructuras for €202 million.
- In June, Sacyr completed the disposal of 49% of its special vehicle, which has interests in seven concession assets in Chile (of the 10 it owns in all), to Toesca Infraestructuras SC Fondo de Inversión. The total amount of the transaction was €440 million (including debt).

Given that the Group still holds 51% of said company, for accounting purposes the sale was recorded as described below:

- Capital gains on disposal: the gains are not recognised in the income statement but are booked as a positive adjustment in equity.

- Cash flow statement: the sale is not recorded under disinvestments but is recognised under cash flows from financing activities (equity instruments).

In the net debt chart, however, the sale is included in disinvestments in order to show more clearly the overall trend in net debt.

After the close:

- The Sacyr Group completed the sale of nine power plants located in southern Spain for a total of approximately €150 million, including debt.
- The Sacyr Group signed an agreement for the sale of 47.5% of the Guadalmedina toll road for approximately €220 million, including debt. The sale is subject to compliance with the usual conditions precedent for this type of transaction.

Capital Markets

- **Issue of €175 million of convertible bonds**

In April, Sacyr successfully issued €175 million of five-year convertible bonds with an annual fixed interest rate of 3.75% and a conversion premium of 35% with respect to the closing price on the day of issue.

The issue, originally planned to be €150 million, was well received on the market. The deal was several times oversubscribed, with orders received from more than 65 investors in 13 different countries

These figures bear out investor confidence in the Sacyr strategy and in the Group's solid performance since the last time it raised funds in the convertible bond market. The clear improvement in funding costs is reflected in the lower coupon and the substantial increase in the conversion premium, which testify to the market's decidedly positive expectations for the share's long-term performance.

The convertible bond issue strengthens and diversifies the funding sources Sacyr can rely on to continue optimising its financial structure.

- **Redemption of €250 million of convertible bonds.**

In May the Group redeemed a total of €250 million of convertible bonds maturing on 8 May 2019. The bond accrued an annual coupon of 4%.

Panama

In March, Sacyr settled the second and last tranche of advances, amounting to approximately €125 million. This second payment marks the completion of the repayment of advances to the Panama Canal Authority.

However, the GUPC group is still awaiting the resolution of claims totalling approximately \$5,200 million in various arbitration processes at the International Chamber of Commerce (ICC) in Miami. A positive impact on cash is expected at the end of each arbitration proceeding.

From the standpoint of operations, in June the GUPC consortium, led by Sacyr, completed the three-year maintenance period for the third set of locks of the Panama Canal. In these 36 months, nearly 6,500 vessels have sailed through the new Canal, which has had an availability of 99.97%, surpassing the contractual obligation to reach 99.6%. Furthermore, there have been no incidents during this period attributable to GUPC. The vessels that sail through the neopanamax locks represent 51% of the Canal's revenues from tolls, due to their greater cargo capacity. The larger size of vessels represents 3.4 times more tonnes per transit compared to the original locks. The Canal offers a daily average transit rate of around 7.5 vessels in the neopanamax locks, but as many as 12 vessels have sailed through in a single day.

Sacyr Concessions Investor Day

In June, Sacyr showcased its concessions business to the market. The presentation covered the main strategic lines of the business, value creation, growth opportunities, enhancing the value of the business, etc., with the aim of increasing this area's visibility in the market. All this information is available on our website.

[\(http://www.sacyr.com/es_en/channel/shareholders-and-investor-channel/financial-information/investor-day/\)](http://www.sacyr.com/es_en/channel/shareholders-and-investor-channel/financial-information/investor-day/)

The concessions business strategy rests on three fundamental pillars: (i) vertical integration to generate value at all stages of the concession life cycle (opportunity detection, consortium formation, bid preparation, award, design, financing, construction and operation), (ii) financial strategy optimization, and (iii) asset rotation.

Sacyr Concessions is the fourth-ranked developer of greenfield projects and the world's seventh largest transport infrastructure concessionaire, according to the prestigious journal *Public Works Financing*.

The relative contribution of concession assets to Group earnings has been steadily growing and at 30 September 2019 concession assets accounted for more than 77% of the Group's total EBITDA.

Consolidation in Strategic Markets

INTERNATIONAL

- **Sacyr has been awarded the construction contract and operating concession for the Ferrocarril Central railway in Uruguay, with estimated revenue of approximately €2,200 million and an 18-year concession term, and with a construction budget of more than €735 million.**

The Grupo Vía Central (GVC) consortium, led by Sacyr and also including the Uruguayan companies Saceem and Berkes and the French company NGE, has signed the contract for the Ferrocarril Central de Uruguay project. The project includes remodelling and operating the future rail link between the capital Montevideo and Paso de los Toros in the department of Tacuarembó in northern Uruguay.

This 270km rail corridor across Uruguay is a key asset for the country's development and the largest infrastructure project in the country's history.

In October, the project financing was agreed, with a senior loan of up to \$855 million (approximately €765 million). The lenders are SMBC, Intesa San Paolo, IDB, CAF and CAFAM.

- **Sacyr won the concession for the new Los Vilos-La Serena segment of the Route 5 motorway in Chile, which is expected to add €1,195 million to the backlog.**

Sacyr Concessions has been awarded the 245km Los Vilos-La Serena segment of the Route 5 motorway, valued at €864 million for the concession and €331 million for construction. The road covers a total of 245 kilometres, starting north of Los Vilos and ending south of Coquimbo, plus another 16 kilometres of urban road linking to the La Serena-Vallenar segment of Route 5, also operated by Sacyr Concesiones. The concession is scheduled to have a maximum term of 30 years.

The project involves the construction, maintenance and operation of this segment of Route 5 North, with upgrade works throughout the route.

- **Sacyr awarded contracts to build two new hospitals, the Provincia Cordillera and the Sótero del Río, both in Chile, for a combined total of €481 million.**

Sacyr Engineering and Infrastructures has been awarded the contract to build two new hospitals in Chile, the Provincia Cordillera Hospital, with an investment of €153 million, and the Sótero del Río Hospital, with an investment of €328 million.

- **Sacyr awarded contract for supplementary services in Tláhuac General Hospital in Mexico, for our concessionaire company.**

Sacyr Servicios has won the contract to provide services supplementary to the medical care services in the Tláhuac General Hospital in Mexico City for a concession term of 23 years.

- **Sacyr awarded expansion and concession for Chacalluta Airport in Chile, adding an estimated €264 million to the construction and concession backlog.**

Sacyr Concessions has been awarded a contract to expand and operate Chacalluta Airport in Arica, Chile, with an estimated investment of €203 million for the concession, with a term of 20 years, and €61 million for construction. The project involves expanding and upgrading the existing air terminal, doubling its size to allow it to handle more than 1.1 million passengers per year.

- **Sacyr awarded the extension of the Edinburgh, Scotland tramway, with a total budget of €120 million.**

A consortium led by Sacyr Engineering and Infrastructures has been awarded the infrastructure and systems contract for the new segment of the Edinburgh tramway from York Place to Newhaven. The project will create an extension to the north of the tram line that currently connects the airport with Haymarket Station and Princes Street in the city centre.

- **Sacyr awarded construction of Moquegua 1 and Moquegua 3 hydroelectric plants for a total of approximately €102 million.**

A consortium including Sacyr Industrial has been awarded the contracts for the construction and installation of the Moquegua 1 and Moquegua 3 hydroelectric power plants in Peru, for a total of €102 million and a term of 30 months for executing the work. The two plants will have a total installed capacity of 34 MW.

- **Sacyr awarded construction of segment of Portuguese high-speed train system for €130 million.**

Infraestructuras de Portugal has selected Sacyr Engineering and Infrastructures to build a 40km stretch of railway. This infrastructure will be part of the strategic South International Corridor, which will connect the south of the country with the Spanish railway network.

The project involves an investment of €130 million and a construction period of 28 months. The works consist of the construction of a new rail line, running mostly through rural areas and linking the Évora Line, the Alandroal subsection and the Eastern Line.

- **Sacyr awarded rebuilding and expansion of IH35E interstate highway in Texas, with a budget of €102 million. This project is Sacyr's first construction contract in Texas (USA).**

The Texas Department of Transportation (TxDOT) has awarded Sacyr Engineering and Infrastructures the contract for the reconstruction and expansion of the IH35E interstate highway in Texas (USA), with a budget of \$117 million (€102 million) and a 40-year implementation period.

The Company entered the United States in 2018 with four contracts in Florida, totalling €320 million. The Texas project contributes to the Company's expansion in the United States, which is one of the pillars of the 2015-2020 Strategic Plan.

- **Sacyr awarded several contracts for construction and start-up of the Quellaveco mine in Peru.**

Sacyr Industrial has been selected for the construction, assembly and start-up of the building and facilities of the primary crusher, conveyor belt and the building and workshop facilities of the Quellaveco copper mine, located in the Department of Moquegua, Peru.

- **Sacyr awarded management and upkeep of two roadways for an aggregate of €18 million in Peru.**

Sacyr Infrastructure Upkeep has been awarded a contract for management and upkeep of two roadways, one covering 436 kilometres between the Peruvian departments of Ayacucho, Huancavelica and Junín, with a budget of €10 million and a concession term of three years, and another of 324 kilometres between the Peruvian cities of Cusco and Echarate, with a budget of €8 million and a concession term of three years.

- **Sacyr selected to expand Neerabup water purification plant in Australia.**

A consortium that includes Sacyr Industrial has been selected by Australia's Water Corporation to expand the groundwater purification plant in Neerabup, north of Perth (Western Australia). The project envisages 15 months for executing the works to boost the plant's treatment capacity from 100,000 to 150,000 cubic metres per day.

SPAIN

- **Sacyr awarded street cleaning and waste collection services in Santa Cruz de Tenerife for a total of approximately €142 million.**

From December, Valoriza Medioambiente will provide urban cleaning and waste collection and transport services in Santa Cruz de Tenerife, Canary Islands. The contract runs for eight years and is worth an estimated total of €142 million. The new service aims for sustainability, as the entire fleet of vehicles and machinery will be replaced by a much more eco-efficient

fleet fuelled by compressed natural gas (CNG) or electricity. The fleet will generate fewer polluting emissions and will be much more environmentally friendly.

- **Sacyr awarded new construction contracts worth 125 million.**

Sacyr Engineering and Infrastructures has been awarded several residential construction contracts in Spain for a total of €125 million.

- **Sacyr awarded construction of Los Arejos-Níjar section of high-speed train line in Almería, for a total of approximately €98 million.**

Adif Alta Velocidad has awarded Sacyr Engineering and Infrastructures the construction of the Los Arejos-Níjar (Almería) section of the Murcia-Almería high-speed Mediterranean Corridor. The contract has a value of €98 million and an execution period of 32 months. The 17.7km route has 9.2km in double track and another 8.5km in single track.

- **Sacyr awarded various maintenance, electrification and construction contracts on several railway lines for €96 million.**
- **Sacyr awarded cleaning contract for Terminals 1 and 2 of Barcelona Airport for €70 million.**
- **Sacyr awarded construction of the new building joining Terminals 1 and 2 of the Tenerife Sur airport in the Canary Islands for a total of approximately 44 million.**

Sacyr Engineering and Infrastructures has been awarded the construction of the new building joining Terminals 1 and 2 of the Tenerife Sur airport in the Canary Islands. The project will increase the total floor area of the airport by 14,000 m² and has a budget of €44 million and is scheduled to be completed in 23 months.

- **Sacyr awarded construction and maintenance of Madrid–León high-speed rail lines for a total of approximately €43 million.**

Sacyr has been awarded a contract for the maintenance of infrastructure, tracks, and switches and crossings on the Madrid-León high-speed line (currently in service) and the

Venta de Baños-Burgos high-speed line (currently in the final phase of execution) for a total of approximately €43 million.

- **Sacyr awarded enlargement of Turia Highway (CV-35) in the Valencian Community for a total of €37 million.**

The project involves building a third lane in both directions between kilometres 19.7 and 25.7 and dividing the highway. The underpasses and overpasses will also be extended to adapt them to the new roadway.

- **Sacyr awarded remodelling and construction of Gregorio Marañón Hospital in Madrid for 34 million.**

The renovation of the hospital's Oncology Institute and surgical block will affect more than 15,000m² assigned to cancer patient care, including almost 2,000m² of extensions. The contract has an execution period of 18 months.

Work awarded after the end of the reporting period:

Sacyr has won the contract to build the Milan Polyclinic Hospital, with a total budget of approximately €155 million.

II. Income Statement

The results at 30 September 2019 mark a continuation of the excellent operating performance the Group has shown in recent quarters. The Group's profile as a concession operator has made Sacyr a strong company, with stable, predictable earnings and substantial cash-generating capacity.

CONSOLIDATED INCOME STATEMENT			
(Thousand of Euros)	9M 2019	9M 2018	% Chg 19/18
Revenue	3,032,130	2,701,747	12.2%
Other income	239,333	241,460	-0.9%
Total operating income	3,271,463	2,943,207	11.2%
External and Operating Expenses	-2,779,441	-2,569,430	8.2%
EBITDA	492,022	373,777	31.6%
Depreciation and amortisation expense	-132,970	-95,340	39.5%
Trade Provisions and non recurring items	-2,211	240	n.a.
NET OPERATING PROFIT	356,841	278,677	28.0%
Financial results	-221,865	-177,045	25.3%
Forex results	-7,728	18,619	n.a.
Results from equity accounted subsidiaries	124,706	225,045	-44.6%
Provisions for financial investments	-1,735	-3,770	-54.0%
Change in value on financial instruments	-51,679	-155,411	-66.7%
Results from sales of non current assets	4,857	2,074	134.2%
PROFIT BEFORE TAX	203,397	188,188	8.1%
Corporate Tax	-38,156	-37,327	2.2%
RESULT FROM CONTINUING OPERATIONS	165,241	150,860	9.5%
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	n.a.
CONSOLIDATED RESULT	165,241	150,860	9.5%
Minorities	-43,161	-42,079	2.6%
NET ATTRIBUTABLE PROFIT	122,080	108,781	12.2%
Gross margin	16.2%	13.8%	

- Revenue for the period ended 30 September 2019 amounted to €3,032 million, a year-on-year gain of 12%.
- EBITDA grew 32% with respect to the same period of the previous year to reach €492 million.
- The EBITDA generated by concession assets in four business areas (transport infrastructure, waste treatment plants, water treatment plants, and power plants) represents 77% of the Group's total EBITDA.
- Net operating profit (EBIT) increased by 28% to €357 million.
- The EBITDA margin was 16.2%, compared to 13.8% in the same period of the preceding year, a gain of 240 basis points.
- Attributable net profit at 30 September 2019 reached €122 million, 12% more than the previous year.

The focus on profitability and cash flow generation marks the results of these first nine months of the year.

IFRS 16

The entry into effect of IFRS 16, the new accounting standard on leases, requires that lessees recognise a “right-of-use asset” in their balance sheet. The standard lays down the principles for recognising, measuring, presenting and disclosing leases and requires all lessees to use a single accounting model, like the one currently used for finance leases under IAS 17.

The main changes impacting the Group have not been significant. They are summarised below:

P&L ADJUSTMENTS	
Thousands of euros	New Effects
Less Lease Expense	11,100
EBITDA Increase	11,100
Amortisation Increase	(11,403)
EBIT	-303
Financial Expense Increase	(796)
Forex	(7)
Financial Result	(803)
Results Before Tax	(1,106)
Corporate Tax	261
Results After Tax	(845)

Revenue

Revenue has grown 12%

Solid business performance allowed the Group to post revenue of €3,032 million, 12% more than in the same period of the previous year. The Group’s international turnover also increased by 12% during the first nine months of the year.

Sacyr Concessions grew 28%, buoyed by the increase in construction revenues (+45%), thanks to the progress in executing the contracts awarded most recently, and concession revenues (+16%). The Engineering and Infrastructure division grew 23%, continuing the

solid trend of recent quarters. This growth is driven by the pace of revenues from major projects in the different strategic markets in which the division operates (Colombia, Uruguay, Italy, United States, Peru, Paraguay, United Kingdom, Spain and others). Revenue from Sacyr Services rose 6%, reflecting the start of new projects awarded in previous quarters, while revenue from Sacyr Industrial was down 27% due to the completion of major projects that were already at an advanced stage of execution.

REVENUE (Thousands of Euros)	9M 2019	9M 2018	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	1,464,125	1,189,911	23%
SACYR CONCESSIONS	701,188	547,285	28%
Revenue from concessions	368,983	318,043	16%
Revenue from construction	332,205	229,242	45%
SACYR SERVICES	845,091	797,771	6%
SACYR INDUSTRIAL	283,956	388,462	-27%
Holding y Adjustment	-262,230	-221,682	
REVENUE	3,032,130	2,701,747	12%

EBITDA

EBITDA has grown 32%

The focus on profitability and cash generation as a strategic objective for the Group is reflected in the 32% growth in EBITDA during the first nine months of 2019, compared to the same period of the previous year. The increase was 20% in Sacyr Concessions, 24% in Sacyr Services and 76% in Sacyr Engineering and Infrastructures. The decline in EBITDA in the Industrial division was due to the completion of major projects from the backlog.

The growth in consolidated EBITDA brought the Group's EBITDA margin to 16.2%, an improvement of 240 basis points compared to the same period of the previous year.

EBITDA (Thousands of Euros)	9M 2019	9M 2018	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	167,388	95,167	76%
SACYR CONCESSIONS	234,456	195,253	20%
SACYR SERVICES	84,285	67,718	24%
SACYR INDUSTRIAL	20,585	27,500	-25%
Holding y Adjustment	-14,692	-11,860	
EBITDA	492,022	373,777	32%
Ebitda Margin (%)	16.2%	13.8%	

Operating profit (EBIT)

Net operating profit reached €357 million, 28% more than for the same period of 2018.

Financial Results

Net financial results were -€222 million at 30 September 2019. The average interest rate on borrowings stands at 3.9%.

Results from equity-accounted subsidiaries

The total under this heading of the income statement amounted to €125 million, of which €115 million relate to our stake in Repsol. Repsol's carrying amount at 30 September 2019 was €16.93 per share.

Net Profit

Net profit at 30 September 2019 came to €122 million, up 12% year-on-year.

III. Backlog

At 30 September 2019, Sacyr has a backlog of €42,616 million, an increase of 2% compared to December, which is significant given the Group's strong rate of earnings.

The Sacyr Group continues to strengthen its strategic position in key markets. The international backlog already accounts for 72% of the total, thanks to the success in winning various projects. The Group has increased its presence in Latin America, with various projects in Chile, Peru, Uruguay, Mexico, Brazil and Bolivia; in the United States, specifically Texas and Florida; and in Europe, with projects awarded in the United Kingdom and Portugal. The number of awards in Spain has also increased notably.

BACKLOG (Thousands of euros)	9M 2019	International	Spain	% Internat.
SACYR ENGINEERING & INFRASTRUCTURES	6,857	5,919	938	86%
SACYR CONCESSIONS	27,623	22,773	4,850	82%
SACYR SERVICES	5,689	1,781	3,908	31%
SACYR INDUSTRIAL	2,447	346	2,101	14%
TOTAL	42,616	30,820	11,796	
Backlog December 2018	41,674			
Change 2019/2018	2%			

In the Engineering and Infrastructures business, international projects account for 86% of the total backlog. The division's geographic exposure is concentrated in the United States, Chile, Italy, Peru, Colombia, Paraguay, Mexico, Brazil, the United Kingdom, Qatar, Uruguay and Portugal.

In Concessions, Sacyr's international presence is steadily increasing, with a focus on the Group's strategic markets. At 30 September 2019, the international backlog already accounted for 82% of the total Concessions backlog. Sacyr Concessions operates in Italy, Chile, Colombia, Uruguay, Paraguay, Peru, Mexico, Portugal and Ireland, as well as in Spain.

The Services division is present in the domestic market, with contracts in Spain for environmental projects (municipal services, waste treatment, etc.), multiservices (infrastructure maintenance, dependent-care services, facility management, etc.) and water projects. In addition to this domestic business, some 31% of the division's backlog is located outside Spain, including Australia, Chile, Colombia, Peru and Portugal, largely through contracts for the operation and maintenance of concessions for water management, infrastructure maintenance, and waste collection and transport.

Sacyr Industrial, meanwhile, is present in Australia, Oman, Chile, Bolivia, Peru and Ecuador, as well as in Spain, with various projects in oil & gas, electricity infrastructure, power plants, cement plants, desalination plants and waste treatment facilities. It has a backlog of projects totalling €2,447 million, 14% of which is located abroad.

IV. Consolidated Balance Sheet

BALANCE SHEET (Thousands of Euros)	SEP. 2019	DEC. 2018	Chg 19/18
NON CURRENT ASSETS	9,874,294	8,895,503	978,791
Intangible Assets	27,463	25,901	1,562
Concessions Investments	1,315,193	1,353,656	-38,463
Fixed Assets	345,205	441,230	-96,025
Right of use over leased assets	124,307	0	124,307
Financial Assets	3,487,459	3,335,804	151,655
Receivables from concession assets	4,337,159	3,552,834	784,325
Other non Current Assets	71,000	19,444	51,556
Goodwill	166,508	166,633	-125
CURRENT ASSETS	4,788,679	4,954,307	-165,628
Non current assets held for sale	294,424	362,172	-67,748
Inventories	212,543	209,331	3,212
Receivables from concession assets	306,179	293,238	12,941
Accounts Receivable	2,212,622	1,974,908	237,714
Financial Assets	91,257	124,446	-33,189
Cash	1,671,654	1,990,212	-318,558
ASSETS = LIABILITIES	14,662,973	13,849,810	813,163
EQUITY	1,541,870	1,507,190	34,680
Shareholder's Equity	1,159,976	1,145,833	14,143
Minority Interests	381,894	361,358	20,536
NON CURRENT LIABILITIES	8,403,763	7,915,873	487,890
Financial Debt	5,324,293	5,061,232	263,061
Financial Instruments at fair value	230,258	105,917	124,341
Lease Obligations	89,548	0	89,548
Provisions	197,203	313,917	-116,714
Other non current Liabilities	945,019	817,365	127,654
Other hedged debt	1,617,442	1,617,442	0
CURRENT LIABILITIES	4,717,340	4,426,746	290,594
Liabilities associated with the non current assets held for sale	293,615	170,236	123,379
Financial Debt	1,067,670	1,097,331	-29,661
Financial Instruments at fair value	6,631	18,953	-12,322
Lease Obligations	24,276	0	24,276
Trade Accounts Payable	2,429,701	2,431,138	-1,437
Operating Provisions	146,393	157,225	-10,832
Other current liabilities	749,054	551,863	197,191

For the purposes of the Consolidated Balance Sheet and due to Sacyr's divestment of nine power plants in its Industrial division, the Group now accounts for these assets as held for sale.

Net Financial Debt

The Group's net debt amounts to €4,634 million. The breakdown of the debt and the changes with respect to December 2018 are as follows:

€ Million	Sep.19	Dic.2018	Var.
Project Finance	3,552	2,907	645
Bank Borrowings (operating lines)	354	461	-107
Capital Markets (Bonds + ECP)	728	677	51
NET DEBT	4,634	4,045	589

Bank Debt: the Group's bank debt stands at €354 million, consisting mainly of working capital facilities used by the Group in its various businesses. This total includes the bank debt of each of the Group's business areas and the debt of the holding company.

Capital Market: at 30 September 2019, the holding company has financial liabilities totalling €728 million, mainly in respect of:

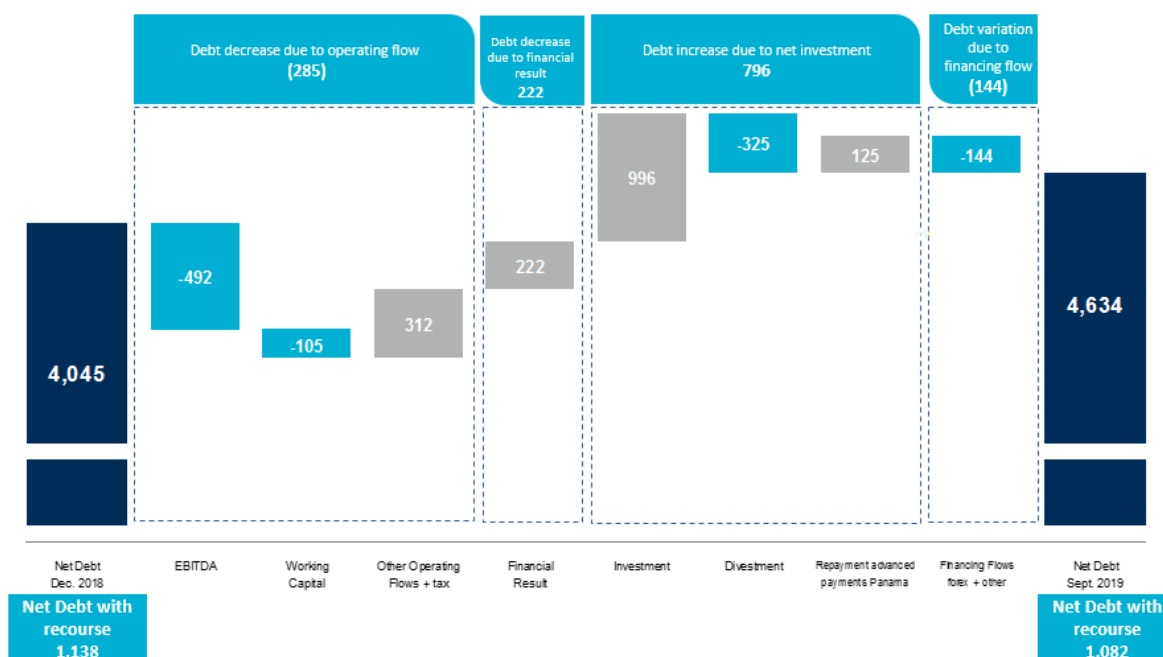
- The €175 million of five-year convertible bonds issued in April
- The European Commercial Paper (ECP) programmes.
- The European Medium-Term Note (EMTN) programme

The parent company uses this funding to perform its financial management and coordination tasks as the Group's controlling company, meeting the needs of the Group's various business areas.

Project Finance: this amounts to €3,552 million and consists of finance for very long-term projects. The debt is repaid out of the cash flows generated by the projects themselves.

The changes in net debt in the first nine months of 2019 were as follows:

Net Debt Evolution (€ Mn)



Investments: The increase in debt for net investment was €796 million. The breakdown is as follows:

- Gross investment: at 30 September 2019, gross investment amounts to €996 million, of which €175 million related to equity invested in concession assets (€160 million in Sacyr Concesiones and €15 million in Sacyr Servicios).

- Disinvestments: at 30 September 2019, disinvestments amount to €325 million, including the sale of 15.5% of the stake in Itinere and the sale of 49% of the special purpose vehicle that holds interests in seven concession assets in Chile (of the total of 10 such assets held by the Group).

- Return of advances (Panama): in March 2019, Sacyr settled the second and last tranche of advances, in the amount of approximately €125 million. This second payment marks the completion of the return of advances to the Panama Canal Authority.

V. Performance by business area

CONSOLIDATED INCOME STATEMENT AS OF SEPTEMBER 2019						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
Revenue	1,464,125	701,188	845,091	283,956	-262,230	3,032,130
Other income	190,692	9,900	24,977	23,803	-10,039	239,333
Total operating income	1,654,817	711,088	870,068	307,759	-272,269	3,271,463
External and Operating Expenses	-1,487,429	-476,632	-785,783	-287,174	257,577	-2,779,441
EBITDA	167,388	234,456	84,285	20,585	-14,692	492,022
Depreciation and amortisation expense	-42,528	-39,059	-38,277	-9,807	-3,299	-132,970
Trade Provisions and non recurring items	1,149	-2,940	982	-1,417	15	-2,211
NET OPERATING PROFIT	126,009	192,457	46,990	9,361	-17,976	356,841
Financial results	-45,469	-124,733	-13,024	-3,847	-34,792	-221,865
Forex results	-342	-12,351	-2,337	662	6,640	-7,728
Results from equity accounted subsidiaries	880	4,040	5,685	-9	114,110	124,706
Provisions for financial investments	-16	-1,702	-17	0	0	-1,735
Change in value on financial instruments	0	-10,617	-2,283	-540	-38,239	-51,679
Results from sales of non current assets	2,325	4,508	-408	252	-1,820	4,857
PROFIT BEFORE TAX	83,387	51,602	34,606	5,879	27,923	203,397
Corporate Tax	-28,898	-12,935	-11,086	-5,336	20,099	-38,156
RESULT FROM CONTINUING OPERATIONS	54,489	38,667	23,520	543	48,022	165,241
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	0	0	0	0
CONSOLIDATED RESULT	54,489	38,667	23,520	543	48,022	165,241
Minorities	-29,473	-19,566	-67	5,797	148	-43,161
NET ATTRIBUTABLE PROFIT	25,016	19,101	23,453	6,340	48,170	122,080

CONSOLIDATED INCOME STATEMENT AS OF SEPTEMBER 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
Revenue	1,189,911	547,285	797,771	388,462	-221,682	2,701,747
Other income	179,303	36,563	30,559	3,656	-8,621	241,460
Total operating income	1,369,214	583,848	828,330	392,118	-230,304	2,943,207
External and Operating Expenses	-1,274,048	-388,595	-760,612	-364,619	218,444	-2,569,430
EBITDA	95,167	195,253	67,718	27,500	-11,860	373,777
Depreciation and amortisation expense	-18,180	-37,516	-31,132	-6,938	-1,574	-95,340
Trade Provisions and non recurring items	-279	4,680	-5,862	1,695	7	240
NET OPERATING PROFIT	76,707	162,417	30,723	22,256	-13,427	278,677
Financial results	-28,367	-91,419	-6,976	-4,245	-46,039	-177,045
Forex results	13,998	-7,302	40	-718	12,601	18,619
Results from equity accounted subsidiaries	304	5,829	4,618	-8	214,302	225,045
Provisions for financial investments	-18	-3,331	-422	0	0	-3,770
Change in value on financial instruments	0	-13,725	-2,627	-583	-138,476	-155,411
Results from sales of non current assets	952	45	1,709	-632	0	2,074
PROFIT BEFORE TAX	63,577	52,514	27,065	16,070	28,962	188,188
Corporate Tax	-23,316	-16,986	-7,164	-5,139	15,278	-37,327
RESULT FROM CONTINUING OPERATIONS	40,260	35,528	19,902	10,931	44,240	150,860
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	0	0	0	0
CONSOLIDATED RESULT	40,260	35,528	19,902	10,931	44,240	150,860
Minorities	-21,764	-20,572	2,113	-2,311	455	-42,079
NET ATTRIBUTABLE PROFIT	18,496	14,956	22,014	8,620	44,695	108,781

CONSOLIDATED BALANCE SHEET AS OF SEPTEMBER 2019						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
NON CURRENT ASSETS	2,214,348	3,820,122	968,358	106,901	2,764,565	9,874,294
Intangible Assets	39	73	23,912	232	3,207	27,463
Concessions Investments	701	1,017,899	275,883	0	20,710	1,315,193
Fixed Assets	167,411	2,602	161,978	6,776	6,438	345,205
Right of use over leased assets	24,192	1,531	74,155	9,649	14,780	124,307
Financial Assets	190,719	524,563	86,601	22,415	2,663,161	3,487,459
Receivables for concession assets	1,831,286	2,261,089	244,785	0	-1	4,337,159
Other non Current Assets	0	12,365	2,365	0	56,270	71,000
Goodwill	0	0	98,679	67,829	0	166,508
CURRENT ASSETS	3,131,466	1,007,082	595,217	394,548	-339,634	4,788,679
Non current assets held for sale	0	0	0	148,897	145,527	294,424
Inventories	176,098	380	15,519	1,783	18,763	212,543
Receivables for concession assets	88	304,701	1,390	0	0	306,179
Accounts Receivable	1,706,234	194,872	411,952	163,740	-264,176	2,212,622
Financial Assets	145,824	46,520	107,236	43,271	-251,594	91,257
Cash	1,103,222	460,609	59,120	36,857	11,846	1,671,654
ASSETS = LIABILITIES	5,345,814	4,827,204	1,563,575	501,449	2,424,931	14,662,973
Equity	506,710	845,823	408,612	134,561	-353,836	1,541,870
Shareholder's Equity	426,793	586,734	401,699	94,701	-349,951	1,159,976
Minority Interests	79,917	259,089	6,913	39,860	-3,885	381,894
NON CURRENT LIABILITIES	2,064,003	3,339,161	670,890	43,656	2,286,053	8,403,763
Financial Debt	1,849,434	2,467,561	377,356	4,850	625,092	5,324,293
Financial Instruments at fair value	412	148,658	11,645	0	69,543	230,258
Lease Obligations	13,212	1,099	53,975	7,029	14,233	89,548
Provisions	27,961	50,410	102,083	15,258	1,491	197,203
Other non current Liabilities	172,984	671,433	125,831	16,519	-41,748	945,019
Other hedged debt	0	0	0	0	1,617,442	1,617,442
CURRENT LIABILITIES	2,775,101	642,220	484,073	323,232	492,714	4,717,340
Liabilities associated with the non current assets held for sale	0	0	0	125,823	167,792	293,615
Financial Debt	88,169	433,903	72,388	30,759	442,451	1,067,670
Financial instruments at fair value	119	4,838	1,674	0	0	6,631
Lease Obligations	10,004	342	10,066	3,064	800	24,276
Trade Accounts Payable	2,080,561	25,169	159,593	129,906	34,472	2,429,701
Operating Provisions	54,203	9,609	25,115	4,144	53,322	146,393
Other current liabilities	542,045	168,359	215,237	29,536	-206,123	749,054

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
NON CURRENT ASSETS	1,777,267	3,432,587	906,566	192,451	2,586,632	8,895,503
Intangible Assets	500	86	20,858	1,186	3,271	25,901
Concessions Investments	40,123	1,029,214	284,319	0	0	1,353,656
Fixed Assets	153,857	3,777	190,625	89,544	3,427	441,230
Financial Assets	180,035	457,878	84,066	33,891	2,579,934	3,335,804
Receivables for concession assets	1,402,752	1,924,736	225,345	0	0	3,552,834
Other non Current Assets	0	16,895	2,548	0	0	19,444
Goodwill	0	0	98,804	67,829	0	166,633
CURRENT ASSETS	3,204,853	1,068,773	557,188	343,376	-219,883	4,954,307
Non current assets held for sale	0	201,589	0	0	160,583	362,172
Inventories	161,273	306	13,031	15,400	19,321	209,331
Receivables for concession assets	271	288,888	4,079	0	0	293,238
Accounts Receivable	1,537,038	176,060	354,833	203,142	-296,164	1,974,908
Financial Assets	91,704	10,924	113,030	37,548	-128,760	124,446
Cash	1,414,567	391,006	72,215	87,286	25,137	1,990,212
ASSETS = LIABILITIES	4,982,120	4,501,360	1,463,753	535,827	2,366,750	13,849,810
EQUITY	457,227	878,911	393,320	138,670	-360,937	1,507,190
Shareholder's Equity	409,579	611,325	386,586	95,563	-357,220	1,145,833
Minority Interests	47,648	267,586	6,733	43,108	-3,717	361,358
NON CURRENT LIABILITIES	1,955,450	3,127,414	623,484	136,041	2,073,484	7,915,873
Financial Debt	1,720,758	2,284,492	405,062	92,078	558,842	5,061,232
Financial Instruments at fair value	0	93,610	11,307	1,000	0	105,917
Provisions	24,481	46,309	102,111	20,039	120,978	313,917
Other non current Liabilities	210,211	703,004	105,004	22,925	-223,779	817,365
Other hedged debt	0	0	0	0	1,617,442	1,617,442
CURRENT LIABILITIES	2,569,443	495,036	446,949	261,115	654,203	4,426,746
Liabilities associated with the non current assets held for sale	0	0	0	0	170,236	170,236
Financial Debt	160,621	274,073	74,685	27,803	560,149	1,097,331
Financial instruments at fair value	0	17,152	1,483	318	0	18,953
Trade Accounts Payable	1,996,846	29,126	158,208	203,460	43,498	2,431,138
Operating Provisions	61,625	9,455	26,322	6,502	53,321	157,225
Other current liabilities	350,350	165,230	186,252	23,033	-173,001	551,863

SACYR CONCESSIONS

(Thousands of euros)	9M 2019	9M 2018	% Chg
Revenue	701,188	547,285	28%
Construction revenue	332,205	229,242	45%
Concessions revenue	368,983	318,043	16%
EBITDA	234,456	195,253	20%
EBITDA Margin	63.5%	61.4%	

- At 30 September 2019, revenue from the Concessions business totalled €701 million, representing growth of 28% compared to the same period of the previous year, driven by both concession and construction revenue
- Construction revenue was up 45% compared to the same period of the previous year, thanks to progress in some of the largest projects currently in backlog. This growth is due mainly to the following concessions: Rumichaca Pasto, Montes de María and Pamplona-Cúcuta in Colombia; Pirámides-Tulancingo and Hospital de Tláhuac in Mexico; and Rutas del Litoral in Uruguay.
- Concession revenue contributes €369 million to the total for the period, an increase of 16% compared to the same period of the previous year. These good results are attributable to growth in operating revenue, the commissioning of Tepual Airport in Chile and growth in traffic.
- The growth in turnover has been accompanied by growth in EBITDA. At 30 September, EBITDA amounted to €234 million, up 20% compared to the previous year's €195 million. The EBITDA margin of the Concessions business was 63.5%, an improvement of 2.1 percentage points compared to the previous year.

- The following table shows revenue broken down by asset:

REVENUES BREAKDOWN

€ Thousands	9M 2019	9M 2018	Chg. (%)
AUTOVÍA DEL TURIA	10.897	10.423	4,5%
AUTOVÍA NOROESTE C.A.R.M.	5.041	4.877	3,4%
VIASTUR	6.092	5.466	11,4%
PALMA MANACOR	9.207	8.932	3,1%
AUTOVÍA DEL BARBANZA	8.435	8.066	4,6%
AUTOVÍA DEL ERESMA	5.401	5.357	0,8%
AUTOVÍA DEL ARLANZÓN	24.854	24.273	2,4%
INTERCAMBIADOR DE MONCLOA	9.739	9.671	0,7%
INTERCAMBIADOR DE PLAZA ELÍPTICA	5.054	5.110	-1,1%
AUTOPISTA DE GUADALMEDINA	14.359	13.211	8,7%
HOSPITAL DE PARLA	9.873	10.016	-1,4%
HOSPITAL DE COSLADA	10.351	10.392	-0,4%
PARKING ROMERO	120	-	n/a
PARKING VELARDE	346	-	n/a
PARKING ESPLANDIÚ	72	-	n/a
PARKING ENCARNACIÓN	2.137	-	n/a
PARKING MILENIO	200	-	n/a
HOLDINGS	253	1.295	-80,5%
SPAIN	122.430	117.089	4,6%
HOLDINGS	954	931	2,5%
IRELAND	954	931	2,5%
HOLDINGS	666	660	0,9%
PORTUGAL	666	660	0,9%
SOCIEDAD PARKING SIGLO XXI	449	271	65,5%
RUTAS DEL DESIERTO - ACCESOS A IQUIQUE	14.591	14.348	1,7%
VALLES DEL BIO BIO - CONCEPCIÓN CABRERO	25.060	27.282	-8,1%
VALLES DEL DESIERTO - VALLENAR CALDERA	14.691	14.953	-1,8%
RUTA 43 - LIMARI	10.618	5.956	78,3%
HOSPITAL ANTOFAGASTA	26.645	29.973	-11,1%
SERENA VALLENAR - RUTAS DEL ALGARROBO	22.204	20.992	5,8%
AEROPUERTO DEL SUR S.A.	5.618	2.547	120,6%
AEROPUERTO ARICA	2.147	-	n/a
HOLDINGS	1.169	1.168	0,1%
CHILE	123.191	117.489	4,9%
CONVIAL SIERRA NORTE	29.748	22.669	31,2%
HOLDINGS	126	-	n/a
PERU	29.874	22.669	31,8%
MONTES DE MARÍA	17.850	13.042	36,9%
RUMICHACA	34.200	22.391	52,7%
PAMPLONA-CÚCUTA	15.345	14.520	5,7%
HOLDINGS	810	587	37,9%
COLOMBIA	68.205	50.540	35,0%
RUTAS DEL LITORAL	5.507	2.564	114,8%
HOLDINGS	131	31	321,2%
URUGUAY	5.638	2.595	117,2%
RUTAS DEL ESTE	6.891	3.570	93,0%
PARAGUAY	6.891	3.570	93,0%
HOSPITAL TLAHUAC	2.806	351	700,0%
AUTOVIA PIRÁMIDES TULANCINGO PACHUCA	8.276	1.966	320,9%
HOLDINGS	51	182	-72,0%
MEXICO	11.134	2.499	345,6%
TOTAL WITHOUT CONSTRUCTION REVENUES	368.983	318.043	16,0%
CONSTRUCTION REVENUES	332.205	229.242	44,9%
TOTAL	701.188	547.285	28,1%

Traffic Figures

Traffic increased both internationally and in Spain. At the international level, the Valles del Bio-Bio motorway (Chile) saw growth of 7%, the Rutas del Desierto motorway (Chile) 6%, the Desarrollo Vial al Mar road (Colombia) 5% and the N6 Galway-Ballinasloe road (Ireland) nearly 6%, while in Spain the Málaga-Las Pedrizas road had traffic growth of 5%.

The following table shows traffic data:

ACCUMULATED ADT			
	9M 2019	9M 2018	CHG.
SHADOW TOLL HIGHWAY SPAIN			
- AUTOVIA DEL NOROESTE	12,549	12,539	0.1%
- Ma-15 PALMA-MANACOR	26,876	26,583	1.1%
- AS-II OVIEDO-GIJÓN (VIASTUR)	23,817	23,132	3.0%
- AUTURSA CV-35	40,293	39,431	2.2%
- ERESMA	8,022	8,050	-0.4%
- BARBANZA	14,490	14,218	1.9%
- ARLANZON	23,056	22,566	2.2%
TOLL HIGHWAY SPAIN			
- AP-46 MÁLAGA - LAS PEDRIZAS	14,182	13,492	5.1%
TOLL HIGHWAY OTHER COUNTRIES			
- N6 GALWAY-BALLINASLOE	14,283	13,520	5.6%
- VALLES DEL DESIERTO	4,998	4,796	4.2%
- RUTAS DEL DESIERTO	7,350	6,961	5.6%
- RUTAS DEL ALGARROBO	4,618	4,448	3.8%
- VALLES DEL BIO-BIO	7,778	7,249	7.3%
- RUTA DE LIMARÍ	5,295	0	n/a
- MONTES DE MARÍA	3,011	2,956	1.9%
- UNIÓN VIAL DEL SUR	5,674	6,207	-8.6%
- DESARROLLO VIAL AL MAR	7,734	7,366	5.0%
- RUTAS DEL ESTE	14,907	14,133	5.5%

Procurement and Backlog

At 30 September 2019, Sacyr Concessions had a total backlog of €27,623 million. International backlog accounted for 82% of this total.

The following projects were awarded during the period:

- Sacyr Concessions was awarded the **Ferrocarril Central de Uruguay** project. The contract includes the remodelling and concession of the future rail link between the capital Montevideo and Paso de los Toros in the department of Tacuarembó in northern Uruguay.

Over 270 kilometres long, this railway corridor will run across the entire country, with estimated future revenues of €2,200 million and a concession term of 18 years.

- Sacyr Concesiones was awarded the **Route 5 Concession** for the new Los Vilos-La Serena stretch of the Route 5 motorway in Chile, which also includes a stretch of urban highway between La Serena and Coquimbo.

With a budgeted investment of €447 million and an estimated backlog value of €864 million, the project covers a total of 245 kilometres, starting north of Los Vilos and ending with the intercity stretch south of Coquimbo, plus another 16 kilometres of urban road connecting with the La Serena-Vallenar segment of the Route 5 Concession, which is also operated by Sacyr Concessions. The concession has a maximum term of 30 years. The project involves the construction, maintenance and operation of this segment of Route 5 North, with upgrade works throughout the route.

- Sacyr Concessions has been awarded the new **Chacalluta de Arica airport concession in Chile**, with a planned investment of €74 million, an estimated backlog value of €203 million and a concession term of 20 years.

The project involves expanding and upgrading the existing air terminal, doubling its size, to allow it to handle more than 1.1 million passengers per year.

Significant Milestones

Financing arrangements for concession assets

- **Sacyr signs €840 million financing deal for Américo Vespucio Oriente motorway**

Sacyr and its partner in the Américo Vespucio Oriente (AVO I) toll motorway in Chile have secured financing for the concession from a group of local banks, which will provide €840 million to carry out the work on the Santiago de Chile urban corridor.

In volume terms, this is Sacyr's biggest project in Chile, where the Group's business has acquired considerable size, both in construction and in concessions (on a par, for example, with countries such as Spain). Sacyr is a shareholder of both the concessionaire and the AVO I construction consortium. This 9.3-kilometre motorway is one of the largest projects currently under construction in Chile. It is expected to come into operation in 2022 and will cut travel time considerably, benefiting close to 750,000 persons in the city of Santiago.

The banks leading the deal, with a participation of 75%, are Banco de Chile, Banco del Estado de Chile and Banco de Crédito e Inversiones (BCI). The remaining 25% was taken by Banco Consorcio, Compañía de Seguros de Vida Consorcio Nacional de Seguros, Principal Compañía de Seguros de Vida Chile, Bice Vida Compañía de Seguros S.A. and Metlife Chile Seguros de Vida.

- **Sacyr signs financing deal of approximately 630 million for Autopista al Mar 1 in Colombia.**

Sacyr has closed the financing for the Autopista al Mar 1 motorway concession for a total of approximately 2.19 billion Colombian pesos (close to €630 million). The deal guarantees the investment required to execute the project.

The Autopista al Mar 1 project is part of the Colombian government's fourth-generation highway initiative. The Devimar concessionaire will work on the 176km long highway, which includes, among other responsibilities, the construction of a dual carriageway between Medellín and Santa Fe de Antioquia, upgrade of the road between Santa Fe de Antioquia and the township of Peñalisa, and upgrade, operation and maintenance of a 25-kilometre stretch of road between Santa Fe de Antioquia and Cañasgordas. At present, the Autopista

al Mar 1 project is in its construction phase and is 30% complete. The project will generate 2,200 jobs, directly and indirectly.

The financing has been arranged in two tranches:

- A tranche of \$220 million, with the participation of Sumitomo Mitsui Banking Corporation – SMBC (Japan), KfW IPEX-Bank (Germany) and Société Générale (France).
 - A tranche of 1.55 billion Colombian pesos, with the participation of Financiera de Desarrollo Nacional – FDN (Colombia), Instituto de Crédito Oficial – ICO (Spain), BID Invest (multilateral bank), CAF (Latin American Development Bank) and BlackRock (Colombian Debt Fund).
- **Sacyr completes the financing of the Rumichaca-Pasto road in Colombia for €513 million.**

Concessionaire Vial Union del Sur, led by Sacyr Concessions, has put the financing in place for the Rumichaca-Pasto road for a total of 1.8 trillion pesos (€513 million). The funding arrangement guarantees the investment required to successfully build this 83-kilometre road project, located in the southwest of the country.

The international financial institutions that have participated in closing the financing are:

- Overseas Private Investment Corporation (OPIC), J.P. Morgan and Metlife of the United States.
- Banco Santander and Official Credit Institute (ICO) of Spain.
- Sumitomo Mitsui Banking Corporation (SMBC) and Mitsubishi UFJ Financial Group (MUFG) of Japan.
- Crédit Agricole of France.
- Bank of China of China.

- **Sacyr closes deal with international banks for more than €440 million to finance the Route 2 and Route 7 highways in Paraguay.**

The Rutas del Este consortium has successfully completed the financing of the Route 2 and Route 7 highways in the amount of more than €440 million (\$500 million), with the participation of international banks.

Led by Sacyr Concesiones, the Rutas del Este consortium has issued \$240 million of bonds to finance the duplication of the Route 2 and Route 7 highways in Paraguay. The bonds were 2.5 times oversubscribed, demonstrating the soundness of the project and the confidence it inspires in international investors. The bonds pay interest of 5% and have a maturity of 17 years.

The Rutas del Este consortium, formed by Sacyr (60%) and the Paraguayan firm Ocho A (40%), also has up to \$200 million of financing from the Inter-American Development Bank (IDB Invest) to carry out the work, which will require an investment of approximately \$520 million.

The contract includes the construction of five bypasses (37.5km), easing traffic between urban areas, and is intended to reduce the current cost, to the benefit of users—all this within the framework of a public-private partnership (PPP) with the Paraguayan Ministry of Public Works and Communications (MOPC).

The construction and expansion of Routes 2 and 7 is the first road project to be undertaken under Paraguay's PPP law. The project is crucial to the country's growth, as these roads form the most important corridor, in which 70% of Paraguay's economic activity is concentrated.

- **Sacyr refinances the Antofagasta hospital in Chile with two bond issues for €254 million.**

Sacyr Concesiones has successfully closed, at historically low rates, two bond issues (Series A and Series B) in Chile for 190,800 million pesos, the equivalent of €253.8 million.

The issue was very well received in the Chilean market, with demand 2.5 times the offered price, bearing out the confidence of the investor community in the strategy being pursued in Chile and in the Group's expected business performance.

The Series A bonds (153,700 million pesos, equivalent to €204.4 million) will accrue fixed annual interest of 1.3% over their 12 years of life, while the Series B bonds (37,158 million pesos, equivalent to €49.4 million), with a term of nine years, will accrue interest of 1.25%.

After the close

- **Sacyr completes the financing for the Ferrocarril Central railway line in Uruguay for \$855 million.**

The Grupo Vía Central (GVC) consortium, led by Sacyr Concesiones, has secured a senior loan of up to \$855 million (approximately €765 million) to finance the construction of 273km of railway line along the corridor linking the capital, Montevideo, with Paso de los Toros. The project will entail an investment of \$1,070 million (approximately €960 million). The lenders are SMBC, Intesa San Paolo, IDB, CAF and CAFAM.

The project includes the design, construction, financing, rehabilitation and maintenance, for an 18-year term, of the railway linking Montevideo and Paso de los Toros. This rail connection is a key asset for the country's development and will be the largest infrastructure project in Uruguay's history.

Commissioning

- In June, Sacyr brought into service the first 5.7km segment of the Pedemontana-Veneta highway and two junctions in Italy's Veneto region.

This segment, located in the province of Vicenza, will directly link the SP111 - Nuova Gasparona provincial roadway to the A31 Motorway and permit direct access to that motorway from the entire metropolitan area of Breganze and better access for all of the metropolitan area of Bassano del Grappa and Marostica.

- In September, Sacyr commissioned Routes 21 and 24 in Uruguay, the country's first road project carried out under a public-private partnership. The project involves the design, construction, operation and financing of the road infrastructure of Route 21, the section between Nueva Palmira and Route 2, Route 24 between Route 2 and Route 3, and the Nueva Palmira Bypass. Routes 21 and 24 make up the main West Coast transit corridor, which carries 50% of the country's heavy traffic.

SACYR ENGINEERING AND INFRASTRUCTURES

(Thousands of euros)	9M 2019	9M 2018	% Chg
Revenue	1,464,125	1,189,911	23%
EBITDA	167,388	95,167	76%
EBITDA margin	11.4%	8.0%	

In the first nine months of the year, the revenue of the Engineering and Infrastructures business grew 23% compared to the same period of the previous year, reaching €1,464 million. This year-on-year increase is the combined result of +18% growth in international markets and +54% growth in Spain

The Engineering and Infrastructures division continues to have a large international presence, having generated 82% of its revenues outside Spain.

The growth of the Engineering and Infrastructures business is due to the strong rate of execution of backlog projects, e.g. in Colombia, Uruguay, United States, Peru, United Kingdom, Chile, Spain and others, and also to the contribution of the Pedemontana–Veneta motorway project in Italy. A large part of these projects are carried out for our Concessions division, achieving major synergies for the Group.

All these factors have helped bring EBITDA at 30 September 2019 to €167 million, marking a hefty gain of 76% compared to the same period of the previous year. The EBITDA margin came in at 11.4%, marking an improvement of 340 basis points in the business’s profitability.

Procurement and Backlog

The Engineering and Infrastructures backlog reached €6,857 million, an increase of 11% compared to December 2018. This backlog covers 42 months of activity at the current rate of earnings and includes a large proportion (86%) of international projects. Some 52% of

the Engineering and Infrastructures backlog consists of infrastructure projects for Sacyr Concessions.

The following projects were awarded during the period:

At international level:

- Construction and rehabilitation of the **Ferrocarril Central** railway in Uruguay, with an estimated total budget of €735 million.
- Reconstruction and expansion of the **IH35E interstate highway in Texas**, with a budget of approximately €102 million. This is Sacyr's first construction contract in Texas (USA).
- Construction of the **Los Vilos-La Serena stretch of the Route 5 motorway** in Chile, worth an estimated €331 million.
- Construction of the **Sótero del Río hospital** in Chile, with an estimated investment of €328 million.
- Preferred selected bidder to build the new **Polyclinic Hospital in Milan**, with a total budget of approximately €155 million.
- Construction of the **Provincia Cordillera hospital** in the commune of Puente Alto, Chile, with an investment of approximately €153 million.
- Construction of the **South International Corridor rail line**, as part of the Portuguese High-Speed rail system, for a total of approximately €130 million.
- Construction of the prolongation of the **Edinburgh tramway**, with a total budget of approximately €120 million.
- **Urban development works in Qatar**, specifically in South Al Meshaf, south of Doha, for a total of approximately €114 million.
- Expansion of **Chacatulla Airport in Chile**, with an estimated backlog value of €61 million.

- Track maintenance and electrification works in the **Portuguese National Network** for a total of approximately €40 million.
- Construction of 205km of **road in Áncash**, north of Lima, Peru, for a total of approximately €34 million.
- Renovation and repairs in the **Irish rail network** for a total of €21 million.
- Construction of the **Jardín Colonial metro station in São Paulo**, Brazil, for a total of approximately €14.5 million.

In Spain:

- Construction of **various building projects** for a total of approximately €125 million.
- Construction of the **Arejos-Níjar stretch of the AVE high-speed train** in Almería, as part of the Mediterranean corridor, for a total of approximately €98 million.
- Maintenance, electrification and construction work on **various railway lines**, for a total of approximately €96 million.
- Construction of the new building linking Terminals 1 and 2 of **Tenerife Sur airport** in the Canary Islands, for a total of approximately €44 million.
- Construction and maintenance of the **Madrid-León AVE high-speed rail lines**, for a total of approximately €43 million.
- Construction of the **Hernani-Astigarraga section of the new high-speed rail (AVE) network in the Basque Country**, for approximately €38 million.
- Enlargement of the **Turia Highway (CV-35)** in the Valencian Community for a total of approximately €37 million.
- Remodelling and construction work in the **Gregorio Marañón Hospital** in Madrid, for a total of approximately €34 million.

- Remodelling of the **M-40 ring road and A-6 motorway** in Madrid, for a total of approximately €25 million.

SACYR SERVICES

(Thousands of euros)	9M 2019	9M 2018	% Chg
Revenue	845,091	797,771	5.9%
Environment	356,627	322,061	
Multiservices	388,304	378,868	
Water	96,910	94,171	
Central	3,250	2,671	
EBITDA	84,285	67,718	24.5%
Environment	47,210	37,021	
Multiservices	19,915	12,954	
Water	17,940	16,806	
Central	(780)	937	
EBITDA Margin	10.0%	8.5%	

At 30 September 2019, the revenue of Sacyr Services reached €845 million, an increase of 6% over the year-earlier period. This growth is thanks to the contribution of the Services business's three divisions: Environment, Multiservices and Water. It reflects the growth in the services activity, which increasingly is focused on concessions for public and private services.

By business line, the growth is as follows:

- Environment posted growth of 11% in revenue and 28% in EBITDA, with contributions from contracts: (i) outside Spain, such as the waste collection and transport contract in Bogotá, Colombia and the commissioning of the Melbourne waste treatment plant; and (ii) in Spain, such as the Melilla waste collection contract and the contract for underground container installation and waste collection and transport in the city of Madrid,

- Multiservices achieved growth in revenue and EBITDA (+54%) from major contracts: (i) outside Spain, including the Antofagasta Hospital service, operation and maintenance contract and various infrastructure maintenance contracts in Chile, Peru, etc.; and (ii) in Spain, mostly related to dependent care services.
- The Water division posted higher earnings thanks to a general improvement in the contracts and the addition of new contracts to the portfolio. Highlights include the commissioning of the Sohar desalination plant in Oman. This is a reverse osmosis desalination plant, with capacity to produce 250,000 cubic metres of water per day, sufficient to meet the demand of some 220,000 people.

EBITDA reached €84 million, up 24% in the first nine months of 2019 compared to the same period of the previous year. This significant improvement was supported by all areas of the division, bringing the EBITDA margin to 10%, up 150 basis points.

Procurement and Backlog

The Sacyr Services backlog totals €5,689 million, of which 31% is international. Sacyr Servicios continues to pursue opportunities both internationally and in Spain.

Noteworthy contracts it has won include the following:

Environment:

- Street cleaning, waste collection and waste transport services in the municipality of Santa Cruz de Tenerife for a total of €142 million, with a contract term of eight years, which may be extended for a further two years.
- Cleaning and urban waste collection services in Toledo and Cádiz, for a total of €18 million.
- Urban waste transfer and transport service in Viladecans, Barcelona, for a total of €13 million, with a contract term of three years, renewable for another two years.
- Urban waste collection, transport and disposal services and urban cleaning services in Aveiro, Portugal for a total of €7 million, with a contract term of eight years.

Multiservices

- Services supplementary to the medical care services at Tláhuac General Hospital (Mexico City), for our concessionaire.
- Cleaning services at Terminals 1 and 2 of El Prat Airport in Barcelona, for a total of €70 million, with a contract term of three years.
- Cleaning, waste management and landscape services for MallPlaza shopping centres in Chile, for a total of €16 million, with a contract term of four years.
- Cleaning services in various shopping centres, offices and corporate buildings, as well as comprehensive maintenance of the Arauco Coronel shopping centre in Chile, for a total of €15 million, with a contract term of three years.
- Renewal of the upkeep and service contract for the Valles del Desierto motorway in Chile, for €13 million, with a contract term of four years.
- Management and upkeep of 436 kilometres of road in the road network linking the departments of Ayacucho, Huancavelica and Junín in Peru, for a total of €10 million, with a contract term of three years.
- Management and upkeep of the 324-kilometre road corridor between Cusco and Echarate in Peru, for a total of €8 million, with a contract term of three years.
- Renewal of the home-assistance service for Madrid City Council, for a total of €23 million.
- Cleaning, waste management and landscape services for the MallPlaza shopping centres in Navarra, for a total of €15 million, with a contract term of four years.
- Cleaning services for the Puerta al Mar Hospital, San Carlos Hospital and affiliated facilities in Cádiz, for a total of €14 million, with a contract term of two years.
- Cleaning services for the Zamora regional primary care department, for a total of €6 million, with a contract term of two years.

Water

- Drinking water supply and sewage service for the municipality of Biar (Alicante), for a total of €9 million.
- Contracts for the operation, maintenance and upkeep of wastewater transport and treatment facilities in the Northwest and Pyrenees areas of Navarra, for a total of €5 million.
- Peripheral sanitation, lot 2, for the Bilbao water consortium, for a total of €4 million, with a contract term of three years, renewable for another two.

SACYR INDUSTRIAL

(Thousands of euros)	9M 2019	9M 2018	% Chg
Revenue	283,956	388,462	-26.9%
Oil and Gas	85,304	106,484	
Industrial processing plants	18,441	57,831	
Water	36,426	77,727	
Elec. generation, grid and transmission	142,661	145,439	
Central	1,123	981	
EBITDA	20,585	27,498	-25.1%
EBITDA margin	7.2%	7.1%	

The Industrial division's performance in the first nine months of the year was marked by the completion of large projects. At 30 September 2019, Sacyr Industrial posted revenue of €284 million.

- Oil & Gas recorded revenue of €85 million, a decrease compared to the same period of the previous year due to the completion of large ongoing projects, including the Nuevo Mundo compressor station and the petrol module at the Pampilla refinery, both in Peru. Also, during this period, the first scheduled recapitalisation programme at the Nuevo Mundo plant in Peru was started.

- The Industrial processing plant business posted nine-month revenue of €18 million, compared to €58 million one year earlier. This contraction was influenced by the near completion of the Chimborazo (Ecuador) and Oruro (Bolivia) cement plants and the completion of the industrial waste treatment plant in Melbourne, Australia.
- The turnover of the Water business was affected by the completion of the Sohar desalination plant in Oman, partly offset by projects in Australia, including the Neerabup (Perth) drinking water plant and the first phase of the Northern Adelaide Irrigation Plan.
- The Electricity generation, grid and transmission area posted revenue of €143 million for the period to 30 September 2019, compared to €145 million for the same period of the previous year. The performance of the EPC business during this period was marked by the increase in the rate of execution of projects such as the solar PV plants in Picón (Spain), the construction of wind turbines for a wind farm in Lugo (Spain) and electric infrastructure maintenance in Panama. Revenue from the Generation business remained stable over the period.

The average electricity pool price for the first nine months of 2019 was €49.9/MWh, compared to €55.4/MWh for the same period of the previous year.

The Generation business's EBITDA at 30 September 2019 reached €21 million, with an EBITDA margin of 7.2%.

Procurement and Backlog

At 30 September 2019, the Industrial division's backlog stood at €2,447 million. Notable awards include the following:

- A consortium that includes Sacyr Industrial was awarded the construction and installation of the **Moquegua 1 and Moquegua 3 hydroelectric power stations** in Peru, for a total of €102 million, with a period of 30 months to complete the work. The two plants will have aggregate installed capacity of 34 megawatts.
- Construction contracts for **two wind farms**, one in Bio Bio (84 MW) and one in Antofagasta (155 MW). The projects involve laying foundations, preparing

accessways (which includes upgrading the road from the unloading port) and building a collector substation and feeder for each wind farm. €28 million and €33 million, respectively.

- Construction, assembly and commissioning of the building and facilities of the primary crusher and conveyor belt and of the building and facilities of the truck repair shop at the **Quellaveco copper mine** in the department of Moquegua (Peru).
- Expansion of the **groundwater purification plant** in Neerabup, north of Perth (Western Australia). The plant's treatment capacity will be increased from 100,000 to 150,000 cubic metres per day.
- Construction of a 5MW **pilot geothermal plant** in Laguna Colorada in Bolivia for €15 million. If the project is successful, a new 100MW plant may be built in two stages of 50MW each.

Significant Milestones

In May, Sacyr Industrial inaugurated the Group's first waste treatment plant in Australia. Located southeast of Melbourne, the facility will service the more than 1.2 million residents of the area's eight townships. It has a maximum treatment capacity of 120,000 tonnes per year.

VI. Stock Market Performance

SACYR	SEPTEMBER		% Chg 19/18
	2019	2018	
Market Price at closing (euros per share)	2.35	2.53	-6.93%
High share price	2.52	2.77	-9.10%
Low share price	1.69	2.09	-19.14%
Market Capitalization at closing (Thousands of euros)*	1,367,714	1,469,565	-6.93%
Average Trading Volume (Thousands of euros)	722,897	1,145,224	-36.88%
Average Daily Trading Volume (Number of shares)	1,747,960	2,414,864	-27.62%
Liquidity (%)	100	100	
Number of shares (Thousands)	582,006	553,555	5.14%
Share Nominal Value	1 EURO	1 EURO	

* Adjusted in 2018 for the Capital Increases of July 2018, February 2019 and June 2019

VII. Significant Holdings

The breakdown of the Group's significant holdings at 30 September 2019, based on the data contained in the register kept by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear), is as follows.

	September -19
Disa Corporación Petrolífera, S.A.	12.64%
Beta Asociados, S.L.	6.81%
Grupo Corporativo Fuertes, S.L.	6.31%
Prilomi, S.L.	4.69%
Prilou, S.L.	3.57%
Others	65.98%
Total	100%

VIII. Appendix: ALTERNATIVE PERFORMANCE MEASURES

The Sacyr Group presents its earnings in accordance with International Financial Reporting Standards (IFRS). The Group also provides certain additional financial measurements (known as Alternative Performance Measures, or APMs), which are used by management in decision making and in evaluating the Group's financial performance, cash flows and financial position.

In order to comply with the Guidelines on Alternative Performance Measures (2015/1415en) published by the European Securities and Markets Authority (ESMA), the table below gives details of each APM, including its definition, reconciliation, explanation of its use, comparisons and consistency.

The Sacyr Group considers that this additional information improves the comparability, reliability and comprehensibility of its financial information.

ALTERNATIVE PERFORMANCE MEASURES

Gross operating profit/(loss) (EBITDA): this indicator shows operating profit or loss before depreciation and amortisation and any change in provisions, excluding extraordinary/ non-recurring profits and losses.

Operating profit/(loss) (EBIT): Calculated as the difference between Operating income (Revenue, Own work capitalised, Other operating income, Government grants released to the income statement) and Operating expenses (Staff costs, Depreciation and amortisation expense, Changes in provisions and Other).

Gross debt: Comprises Non-current financial debt and Current financial debt as shown on the liabilities side of the consolidated statement of financial position, which includes bank borrowings and issues in capital markets (bonds).

Net debt: Calculated as Gross debt less Other current financial assets and Cash and cash equivalents, from the asset side of the consolidated statement of financial position.

Project finance debt (gross or net): This is the financial debt (gross or net) from project companies. In this type of debt, the guarantee received by the lender is limited to the project cash flow and its asset value, with limited recourse to shareholders.

Corporate debt (gross or net): Debt held by the Group's parent, comprising bank borrowings and issues in capital markets.

Financial result: The difference between Total finance income and Total finance costs.

Backlog: Value of work still to be performed under contracts already awarded and signed. Work is added to backlog when the final contract is signed. The backlog is shown as the percentage attributable to the Group, depending on the consolidation method.

Once a contract has been included in the backlog, the value of the work to be performed under that contract remains in the backlog until it has been completed or is cancelled. Nevertheless, valuation adjustments are made to reflect any changes in prices and contract terms agreed with the client. Due to a number of factors, all or part of the backlog linked to a contract may not actually become revenue. The backlog is subject to project adjustments and cancellations and cannot be taken as an exact indicator of future earnings.

Because IFRS do not provide for any comparable financial measure, the backlog cannot be reconciled with the financial statements. Sacyr Management nevertheless considers that the backlog is a useful indicator of the Group's future revenues and an indicator customarily used by companies in the sector in which Sacyr operates.

The concessions backlog represents the estimated future revenues from concessions over the concession period, based on the financial plan for each concession. It includes projected fluctuations in the exchange rate between the euro and other currencies, as well as changes in inflation, prices, tolls and traffic volumes.

Market capitalisation: The number of shares at the reporting date, multiplied by the year-end share price.

Like-for-like basis: On occasions, certain figures are corrected to permit a year-on-year comparison, for example, by eliminating non-recurring impairment, significant changes in the consolidation scope that could distort year-on-year comparisons of indicators such as sales, the effect of exchange rates, etc. In each case, details are provided in the notes to the corresponding item.



Average Daily Traffic (ADT): Defined as the total number of users of a concession during a day. ADT is normally calculated as the total number of vehicles travelling on the motorway each day.

For more information, please contact:

Investor Relations Department

Tel: 91 545 50 00

ir@sacyr.com