



Results 2019 First Half

25 July 2019

I.	First Half Highlights	2
II.	Income Statement	12
III.	Backlog	16
IV.	Consolidated Balance Sheet	17
V.	Performance by Business Area	20
VI.	Stock Market Performance	40
VII.	Significant Holdings	41
VIII.	Appendices	41

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. First Half Highlights

Corporate

Shareholder Remuneration

Pursuant to the company's shareholder remuneration strategy and in accordance with the resolutions approved by the General Meeting of Shareholders held on 13 June 2019, during the month of July, and after the close of the quarter, Sacyr paid out a scrip dividend to its shareholders. In this instance, shareholders had the option of receiving one new share for every 39 old shares or otherwise selling their scrip dividend rights to the company at a fixed price of EUR 0.054 gross per right.

This shareholder remuneration is in addition to the scrip dividend paid in February, in which shareholders could either receive one new share for every 35 shares held or else sell Sacyr the rights to receive free shares at a guaranteed fixed price of €0.051, gross, per right.

These two pay-outs to shareholders during 2019 continue the strategy charted by the company. The return to shareholders during 2019 has been 5.4%.

Asset Rotation

- In February, Sacyr disposed of its entire holding in Itinere Infraestructuras for 202 million euros.
- In June, Sacyr concluded the rotation of 49% of its vehicle with holdings 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 euros (including debt).

Given that the group still holds 51% of that vehicle, for accounting purposes the sale was recorded as described below:

- Capital gains: with no effect on P&L; it is booked as a positive adjustment in equity.

- Cash flow statement: it is not recorded under disinvestments and is instead recognised under cash flows from financing activities (equity instruments).

For a better understanding of how net debt is behaving, in the graphic depicting net debt the sale was considered under disinvestments.

Capital Markets

- **Issue of 175 million euros in Convertible Bonds**

In April, Sacyr carried out a successful issue of 175 million euros in 5-year convertible bonds. The new bonds accrue fixed interest of 3.75% per annum and have a conversion premium of 35% with respect to the closing price on the issue date.

The issue, with an initially projected volume of €150 million, was very well received in the market, allowing the demand book to be filled in the first hour and the maximum announced volume to be placed. The deal was oversubscribed several times over, with orders being 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 borrowed in the convertible bonds market. The clear improvement in borrowing costs is reflected in the lower coupon and the substantial rise in the conversion premium, which testify to the market's decidedly positive expectations for share's long-term performance.

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

- **Redemption of Convertible Bonds for €250 million.**

In May the Group redeemed the convertible bonds with maturity 8 May 2019 for a total of €250 million. The bond was accruing an annual coupon of 4%.

Panama

In March 2019, Sacyr settled the second and last tranche of advances for approximately 125 million euros. This second payment marks the completion of the return of advances to the Panama Canal Authority.

Nevertheless, the GUPC group is still awaiting resolution of approximately 5,200 million dollars in claims 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 3-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 registered an availability of 99.97%, surpassing the contractual obligation to reach 99.6%. Furthermore, there have been no incidents during this time 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 concession 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 of this information is available on our website (http://www.sacyr.com/es_es/canales/canal-shareholders-e-inversores/informacion-economico-financiera/investor-day/).

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

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

The weight of concession assets in the Group has grown ever larger and at the close of the first half of the year accounted for more than 77% of the Group's total EBITDA.

Consolidation in Strategic Markets

INTERNATIONAL

- **Sacyr was awarded the construction and concession of Ferrocarril Central in Uruguay with a backlog of approximately 2,200 million euros and an 18-year concession term, with a budget for the construction part of more than 735 million euros.**

The Grupo Vía Central (GVC) consortium, led by Sacyr and which also includes the Uruguayan companies Saceem and Berkes and the French NGE, has signed the contract awarding the Ferrocarril Central de Uruguay project. The project includes 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 euros and a concession term of 18 years. Grupo Vía Central will be responsible for the financing, design, construction during 36 months, rehabilitation and maintenance during the concession term. The construction budget tops 735 million euros.

Financing for the project

GVC has concluded the initial stage of arranging the financing for the project. The funding will be provided by IDB, CAF, CAFAM and international private lenders.

- **Sacyr won the new Route 5 concession for the segment “Los Vilos – La Serena” in Chile, which is estimated will contribute an aggregate of 1,195 million euros to the backlog.**

Sacyr Concessions has been selected for award of the 245 km project, with an estimated backlog value of 864 million euros for the concession and 331 million euros for the construction. The road covers a total of 245 kilometres running from north of Los Vilos, with the intercity stretch ending south of Coquimbo, plus another 16 kilometres of urban road connection with the Route 5 concession's “La Serena-Vallenar” segment, also operated by Sacyr Concessions. The concession is scheduled to have a maximum term of 30 years.

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

- **Sacyr awarded construction of two new hospitals, “Provincia Cordillera” and “Sótero del Río”, both in Chile, for an aggregate of 481 million euros.**

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

- **Sacyr awarded contract for supplementary services in the General Hospital of Tláhuac in Mexico, for our concessions division.**

Sacyr Services has been selected to provide supplementary services to the medical care services in the General Hospital of Tláhuac, Mexico City, and a concession term of 23 years.

- **Sacyr awarded the expansion and concession for the Chacalluta Airport in Chile, estimated to increase the construction and concession portfolio by 264 million euros.**

Sacyr Concessions has been awarded the new expansion and concession for the Chacalluta Airport in Arica, Chile, with an estimated investment of 203 million euros for the concession operations, with a term of 20 years, and of 61 million euros 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 tram, with a total budget of 241 million euros.**

A consortium led by Sacyr Engineering and Infrastructures has been awarded the infrastructure and systems contract, including the design, construction and commissioning of the new segment of the Edinburgh (Scotland) tram from York Place to Newhaven.

This 4.7 kilometre new stretch will have eight stops and will extend the tram line to the north of the city, which currently connects the airport with Haymarket Station and Princes Street in the City Centre. The project has a budget of 241 million euros.

Construction of the infrastructure will begin in September this year and will have a duration of 40 months. The first passengers are projected to use the new line at the beginning of 2023.

- **Sacyr awarded construction of a stretch of the Portuguese high-speed train system for 130.5 million euros.**

Infraestructuras de Portugal has selected Sacyr Engineering and Infrastructures to build a 40-km stretch of railway. This infrastructure will be a strategic part of the Southern International Corridor, which will connect ports in the south of the country (Lisbon, Sines and Setubal) with the railway network that connects with Spain through Badajoz.

The project involves an investment of 130.5 million euros and a construction period of 28 months. The works consist of the construction of a new rail line, which runs mostly through rural areas and which links the Évora Line, the Alandroal subsection and the Eastern Line. The works include the construction of the rail platform, drainage and other infrastructures such as viaducts, crossings, stations, technical buildings and those related to signalling and telecommunications.

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

Sacyr Engineering and Infrastructures has been awarded the reconstruction and expansion of the IH35E interstate highway in Texas (USA), with a budget amounting to 117 million dollars (102 million euros).

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

The IH35E contract has been awarded by the Texas Department of Transportation (TxDOT) and has an execution period of 40 months. Sacyr will rebuild and expand 11.5 kilometres of the IH35E, widening it from four to six lanes from the intersection with the IH35W and the Ellis County boundary. Furthermore, the existing entrance and exit ramps will be upgraded at junctions with the FM2959 and the FM934. The project includes earthworks, drainage, earth walls, pavement, signalling, beaconing, safety, lighting and replanting.

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

Sacyr Industrial has been selected for the construction, assembly, 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 euros 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 euros and concession term of three years, and another of 324 kilometres between the Peruvian cities of Cusco and Echarate, with a budget of 8 million euros and concession term of three years.

- **Sacyr selected to expand the 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 construction of the “Los Arejos – Níjar” section of the Mediterranean Corridor of the high-speed train system in Almería, for a total of approximately 98 million euros.**

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

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

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

- **Sacyr awarded cleaning contract for terminals 1 and 2 of the Barcelona Airport for 70 million euros.**

Sacyr Facilities has been awarded the cleaning service for terminals 1 and 2 of Barcelona's Josep Tarradellas – El Prat Airport for a total of 70 million euros over three years.

The services that Sacyr Facilities will carry out are the cleaning of both airport terminals, the passenger restrooms, airport offices and the disinfection, disinfestation and rat extermination services. This contract includes cleaning an approximate total area of 300,000 m² through which almost 50 million passengers pass every year, making it the second busiest airport in Spain in terms of passenger traffic.

- **Sacyr awarded construction of the new building joining terminals 1 and 2 of the Tenerife Sur airport in the Canary Islands for an approximate total of 44 million euros.**

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 usable floor area of the airport by 14,000 m² and has a budget of 44 million euros and a scheduled duration of 23 months to complete the works.

- **Sacyr awarded the construction and maintenance of the Madrid–León high-speed rail lines for an approximate total of 43 million euros.**

Sacyr has been awarded the maintenance contract for infrastructure, rail and railway equipment for the Madrid-León high-speed line, in service, and the Venta de Baños-Burgos high-speed line, in its last phase of execution, for a total of approximately 43 million euros.

- **Sacyr awarded enlargement of the Turia Highway (CV-35), in the Region of Valencia, for a total of 37 million euros.**

The project entails building a third lane in both directions between kilometres 19.7 and 25.7, as well as widening the road to two lanes. It will also include works to prolong the underpasses and overpasses to adapt them to the new roadway.

- **Sacyr awarded construction of the Oncology Institute of the Gregorio Marañón Hospital in Madrid for 18 million euros.**

The renovation works of the Oncology Institute will affect more than 15,000 square meters dedicated to cancer patient care, of which almost 2,000 will correspond to expansion works. The contract has an execution period of 18 months.

Work awarded after the end of the half year:

- Sacyr has been awarded **new railway projects** in Spain and Ireland for a total of approximately 100 million euros.

- Sacyr has been selected as preferred bidder to build the **Polyclinic Hospital of Milano**, with a total budget of approximately 153 million euros.
- A consortium including Sacyr Industrial has been awarded the construction and installation of the “Moquegua 1” and “Moquegua 3” hydroelectric power plants in Peru, for a total of 102 million euros and a term of 30 months for executing the work. The two plants will have total installed capacity of 34 MW.

II. Income Statement

The results at 30 June 2019 mark a continuation of the Group's excellent operating performance of recent quarters. The close focus on profitability and cash flow generation, together with consolidation in the strategic markets where the Group operates, highlight the results for the first six months of the year.

The profile as concession operator that Group is acquiring has made Sacyr a company with stable and predictable earnings and strong capacity to generate cash flow.

CONSOLIDATED INCOME STATEMENT			
(Thousand of Euros)	1H 2019	1H 2018	% Chg 19/18
Revenue	2,009,190	1,802,996	11.4%
Other income	158,756	167,483	-5.2%
Total operating income	2,167,946	1,970,480	10.0%
External and Operating Expenses	-1,852,783	-1,731,610	7.0%
EBITDA	315,163	238,870	31.9%
Depreciation and amortisation expense	-87,285	-62,366	40.0%
Trade Provisions and non recurring items	-946	-6,154	-84.6%
NET OPERATING PROFIT	226,931	170,350	33.2%
Financial results	-138,787	-113,669	22.1%
Forex results	2,062	18,341	n.a.
Results from equity accounted subsidiaries	70,267	186,072	-62.2%
Provisions for financial investments	-1,109	-2,329	-52.4%
Change in value on financial instruments	-30,567	-138,768	-78.0%
Results from sales of non current assets	-1,608	774	n.a.
PROFIT BEFORE TAX	127,190	120,770	5.3%
Corporate Tax	-15,880	-24,182	-34.3%
RESULT FROM CONTINUING OPERATIONS	111,310	96,588	15.2%
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	n.a.
CONSOLIDATED RESULT	111,310	96,588	15.2%
Minorities	-30,814	-24,247	27.1%
NET ATTRIBUTABLE PROFIT	80,496	72,341	11.3%
Gross margin	15.7%	13.2%	

- Revenue for the six months ended 30 June 2019 amounted to €2,009 million, a year-on-year gain of 11%.
- EBITDA grew 32% with respect to the same period of the previous year to reach €315 million.

- The EBITDA generated by the assets operated under concessions in four business areas (transportation infrastructure, waste treatment plants, water treatment plants and power plants) represents 77% of the Group total.
- Operating profit (EBIT) rose 33% to €227 million.
- The EBITDA margin was 15.7%, compared to 13.2% in the same period of the preceding year, a gain of 250 basis points.
- Attributable net profit at 30 June 2019 reached €80 million euros, 11% higher than the previous year.

IFRS 16

The entry into effect of IFRS 16, the new accounting standard on leases, requires that a new account be recognised in the balance sheet for “right to use leased assets”. The standard lays down the principles for recognising, measuring, presenting and disclosing leases and requires all lessees to use a single model balance sheet, similar to the one current accounting 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	9,706
EBITDA Increase	9,706
Amortisation Increase	(8,841)
EBIT	865
Financial Expense Increase	(1,791)
Forex	23
Financial Result	(1,768)
Results Before Tax	(903)
Corporate Tax	244
Results After Tax	(659)

Revenue

Revenue growth of 11%

Solid business performance allowed the Group to post revenue of 2,009 million euros, 11% more than in the same period of the previous year.

Sacyr Concessions grew 36%, buoyed both by the rise in construction revenues (+64%) thanks to the progress made in executing recently awarded contracts and to increased concession revenues (+19%). The Engineering and Infrastructures division grew 19%, continuing the solid trend of recent quarters. This growth is driven by the pace of revenues from major projects in the different strategic markets where it operates (Colombia, Uruguay, Italy, United States, Peru, Paraguay, United Kingdom, Spain, amongst others). The revenues from Sacyr Services rose 4%, reflecting the start of operation of projects in the portfolio, while revenues from Sacyr Industrial were down by 17% due to the completion of major projects that were previously in the advanced execution phase.

REVENUE (Thousands of Euros)	1H 2019	1H 2018	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	958,772	803,843	19%
SACYR CONCESSIONS	444,610	325,754	36%
Revenue from concessions	238,333	199,974	19%
Revenue from construction	206,277	125,780	64%
SACYR SERVICES	550,046	528,364	4%
SACYR INDUSTRIAL	216,010	260,039	-17%
Holding y Adjustment	-160,249	-115,003	
REVENUE	2,009,190	1,802,996	11%

EBITDA

EBITDA growth of 32%

The focus on profitability as strategic pivot for the Group has been reflected in the solid EBITDA numbers posted for the first half of 2019, with a gain of 32% over the same period of the previous year. The increase was 17% in Sacyr Concessions, 26% in Sacyr Services and 70% in the Sacyr Engineering and Infrastructures area. The decline in EBITDA in the Industrial division was due to the completion of major projects.

The gains in Group EBITDA lifted the EBITDA margin to 15.7% in 2018, an improvement of 250 basis points with respect to the first six months of 2018.

EBITDA (Thousands of Euros)	1H 2019	1H 2018	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	103,919	61,149	70%
SACYR CONCESSIONS	150,816	128,498	17%
SACYR SERVICES	55,072	43,564	26%
SACYR INDUSTRIAL	16,022	17,963	-11%
Holding y Adjustment	-10,665	-12,303	
EBITDA	315,163	238,870	32%
Ebitda Margin (%)	15.7%	13.2%	

Operating Profit (EBIT)

Operating profit reached €227 million, 33% higher than for the same period in 2018.

Financial Results

Net financial results came in at -139 million euros at 30 June 2019. The average borrowing cost was 3.9%.

Results from equity accounted holdings

The total under this heading of the income statement amounted to €70 million, of which €66 million relate to our stake in Repsol. Repsol's carrying amount at 30 June 2019 was €16.79 per share.

Net Profit

Attributable net profit at 30 June 2019 reached €80 million euros, 11% higher than the previous year.

III. Backlog

Sacyr's project backlog at 30 June 2019, in revenue terms, amounted to 42,642 million euros, a gain of 2% over the December figure, a noteworthy achievement given the strong pace of growth in Group revenues.

The Sacyr Group continues consolidating its strategic position in key markets. The international backlog accounts for 73% of the total, thanks to the success in winning different projects that have strengthened its presence in countries of Latin America, with several projects in Chile, Peru, Uruguay, Mexico, Brazil and Bolivia, in the USA, specifically in Texas, and in Europe as well, highlighted by the projects awarded in the United Kingdom and Portugal. Also of note is the healthy increase in the number of projects obtained in Spain.

BACKLOG (Thousands of euros)	1H 2019	International	Spain	% Internat.
SACYR ENGINEERING & INFRASTRUCTURES	6,699	5,859	841	87%
SACYR CONCESSIONS	27,849	22,957	4,892	82%
SACYR SERVICES	5,662	1,809	3,852	32%
SACYR INDUSTRIAL	2,432	298	2,134	12%
TOTAL	42,642	30,922	11,720	
Backlog December 2018	41,674			
Change 2019/2018	2%			

In the Engineering and Infrastructures business, international projects account for 87% 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, amongst other countries.

In the Concessions business, Sacyr's international presence is steadily increasing, with a focus on strategic markets for the Group. At 30 June 2019, the international backlog accounted for 82% of the total. The Concessions division 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-person care services, facility management, etc.) and water projects. In addition to this domestic business, some 32% of the division's

backlog is located outside Spain, specifically in Australia, Chile, Colombia, Peru, Portugal and other countries, largely through contracts for the operation and maintenance of water concessions, infrastructure maintenance and waste collection and transport.

Sacyr Industrial, for its part, is present in Australia, Oman, Chile, Bolivia, Peru and Ecuador, as well as Spain, with numerous projects in Oil & Gas, electricity infrastructure and in power plants, cement plants, desalination plants and waste treatment facilities. It now has a backlog of projects totalling €2,432 million, 12% of which is located abroad.

IV. Consolidated Balance Sheet

BALANCE SHEET (Thousands of Euros)	JUN. 2019	DEC. 2018	Chg 19/18
NON CURRENT ASSETS	9,687,124	8,895,503	791,621
Intangible Assets	28,446	25,901	2,545
Concessions Investments	1,333,077	1,353,656	-20,579
Fixed Assets	417,875	441,230	-23,356
Right of use over leased assets	125,525	0	125,525
Financial Assets	3,464,310	3,335,804	128,506
Receivables from concession assets	4,089,089	3,552,834	536,254
Other non Current Assets	62,253	19,444	42,809
Goodwill	166,550	166,633	-84
CURRENT ASSETS	4,745,193	4,954,307	-209,115
Non current assets held for sale	149,357	362,172	-212,815
Inventories	227,368	209,331	18,037
Receivables from concession assets	310,667	293,238	17,429
Accounts Receivable	2,222,449	1,974,908	247,541
Financial Assets	116,602	124,446	-7,844
Cash	1,718,748	1,990,212	-271,463
ASSETS = LIABILITIES	14,432,317	13,849,810	582,506
EQUITY	1,619,536	1,507,190	112,345
Shareholder's Equity	1,214,780	1,145,833	68,947
Minority Interests	404,756	361,358	43,398
NON CURRENT LIABILITIES	8,194,327	7,915,873	278,453
Financial Debt	5,194,526	5,061,232	133,293
Financial Instruments at fair value	161,246	105,917	55,329
Lease Obligations	86,429	0	86,429
Provisions	212,034	313,917	-101,883
Other non current Liabilities	922,651	817,365	105,285
Other hedged debt	1,617,442	1,617,442	0
CURRENT LIABILITIES	4,618,454	4,426,746	191,708
Liabilities associated with the non current assets held for sale	167,842	170,236	-2,394
Financial Debt	1,083,543	1,097,331	-13,788
Financial Instruments at fair value	9,497	18,953	-9,456
Lease Obligations	29,623	0	29,623
Trade Accounts Payable	2,422,046	2,431,138	-9,092
Operating Provisions	157,330	157,225	106
Other current liabilities	748,572	551,863	196,709

Net Financial Debt

The Group's net debt amounts to 4,443 million euros. The breakdown of the debt and the changes with respect to December 2018 are as follows:

€ Million	Jun.19	Dec.18	Var.
Project Finance	3.356	2.907	449
Bank Borrowings (operating lines)	440	461	-21
Capital Markets (Bonds + ECP)	647	677	-30
NET DEBT	4.443	4.045	398

Bank debt: the group's bank debt stands at €440 million, consisting of working capital finance used by the Group in its various businesses. This amount includes the bank debt of each of the Group's business areas and the financial liabilities associated with the holding company.

In the first half of the year, the Group's bank debt declined despite having begun in March the final repayment of the down payments corresponding to the third set of locks at the Panama Canal.

Capital markets: at 30 June 2019, the holding company was carrying a financial liability of €647 million, mainly in respect of:

- The new issue of €175 million in 5-year convertible debentures carried out in April
- The European Commercial Paper (ECP) programme, which has been very active in recent months
- The European Medium Term Note (EMTN) programme launched in May 2018

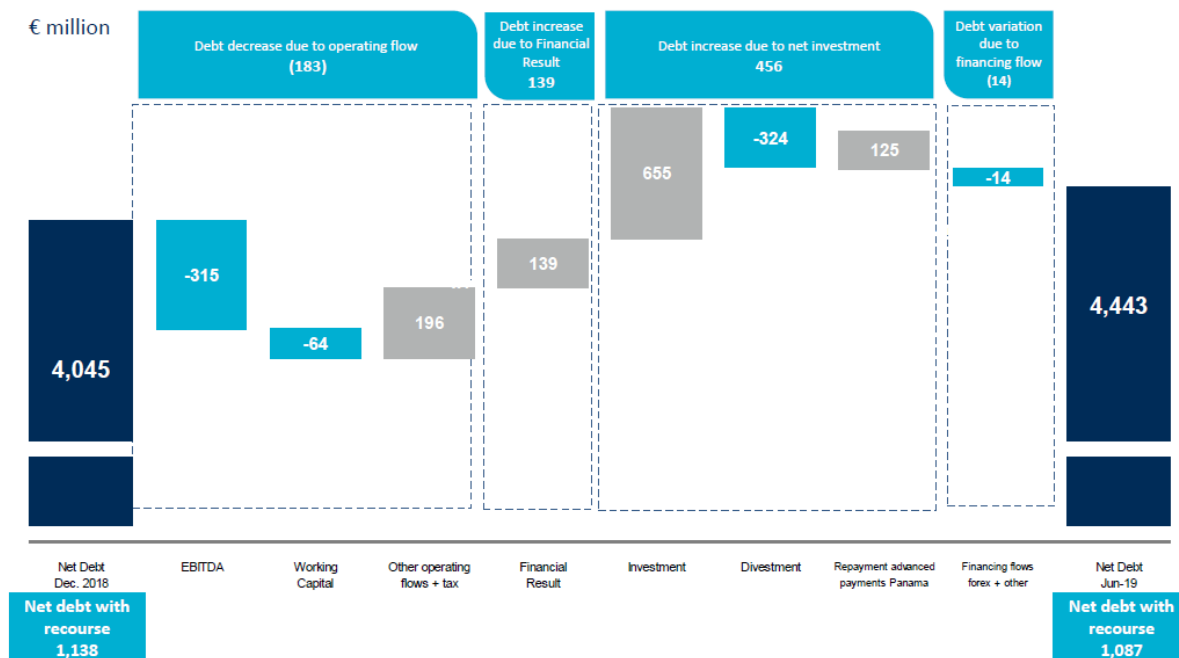
This funding is used by the parent company, in its financial management and coordination activities as the Group's controlling company, to meet the needs of the various Group companies

Project finance amounts to €3,356 million and consists of finance for very long-term projects. This debt is repaid out of the cash flows generated by the projects themselves.

The changes in net debt during the first half of 2019 is shown below:

Net Debt Evolution

€ million



V. Performance by Business Area

CONSOLIDATED INCOME STATEMENT AS OF JUNE 2019						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
Revenue	958,772	444,610	550,046	216,010	-160,249	2,009,190
Other income	130,025	6,251	18,325	8,085	-3,931	158,756
Total operating income	1,088,797	450,862	568,371	224,095	-164,180	2,167,946
External and Operating Expenses	-984,879	-300,046	-513,300	-208,074	153,515	-1,852,783
EBITDA	103,919	150,816	55,072	16,022	-10,665	315,163
Depreciation and amortisation expense	-28,024	-25,087	-25,781	-6,264	-2,130	-87,285
Trade Provisions and non recurring items	580	-672	-1,366	501	10	-946
NET OPERATING PROFIT	76,475	125,057	27,925	10,259	-12,785	226,931
Financial results	-24,589	-79,847	-8,852	-2,322	-23,177	-138,787
Forex results	3,472	-3,726	-581	1,046	1,852	2,062
Results from equity accounted subsidiaries	228	1,288	3,917	-6	64,840	70,267
Provisions for financial investments	-11	-1,017	-81	0	0	-1,109
Change in value on financial instruments	0	-9,534	-1,513	-362	-19,157	-30,567
Results from sales of non current assets	2,061	8	-443	-1,413	-1,820	-1,608
PROFIT BEFORE TAX	57,635	32,229	20,371	7,202	9,753	127,190
Corporate Tax	-23,901	-6,920	-6,536	-2,060	23,537	-15,880
RESULT FROM CONTINUING OPERATIONS	33,734	25,310	13,835	5,141	33,290	111,310
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	0	0	0	0
CONSOLIDATED RESULT	33,734	25,310	13,835	5,141	33,290	111,310
Minorities	-18,642	-12,090	68	-169	18	-30,814
NET ATTRIBUTABLE PROFIT	15,092	13,220	13,903	4,973	33,308	80,496

CONSOLIDATED INCOME STATEMENT AS OF JUNE 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
Revenue	803,843	325,754	528,364	260,039	-115,003	1,802,996
Other income	119,675	35,129	13,578	2,952	-3,851	167,483
Total operating income	923,518	360,882	541,942	262,992	-118,854	1,970,480
External and Operating Expenses	-862,369	-232,385	-498,378	-245,029	106,551	-1,731,610
EBITDA	61,149	128,498	43,564	17,963	-12,303	238,870
Depreciation and amortisation expense	-12,786	-23,845	-20,112	-4,630	-994	-62,366
Trade Provisions and non recurring items	-1,628	-835	-1,504	1,802	-3,989	-6,154
NET OPERATING PROFIT	46,734	103,818	21,948	15,135	-17,286	170,350
Financial results	-14,921	-59,701	-5,846	-3,189	-30,013	-113,669
Forex results	12,541	-3,678	-646	-415	10,537	18,341
Results from equity accounted subsidiaries	-26	3,455	2,502	-4	180,144	186,072
Provisions for financial investments	-30	-1,826	-473	0	0	-2,329
Change in value on financial instruments	0	-9,689	-1,779	0	-127,299	-138,768
Results from sales of non current assets	745	34	639	-644	0	774
PROFIT BEFORE TAX	45,044	32,414	16,346	10,883	16,084	120,770
Corporate Tax	-19,301	-11,805	-5,090	-4,462	16,476	-24,182
RESULT FROM CONTINUING OPERATIONS	25,743	20,609	11,256	6,420	32,559	96,588
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	0	0	0	0
CONSOLIDATED RESULT	25,743	20,609	11,256	6,420	32,559	96,588
Minorities	-13,193	-12,562	1,685	-653	476	-24,247
NET ATTRIBUTABLE PROFIT	12,550	8,047	12,941	5,768	33,035	72,341

CONSOLIDATED BALANCE SHEET AS OF JUNE 2019						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
NON CURRENT ASSETS	2,080,990	3,735,205	966,907	195,071	2,708,951	9,687,124
Intangible Assets	20	80	23,767	1,054	3,525	28,446
Concessions Investments	728	1,032,331	279,152	0	20,867	1,333,077
Fixed Assets	163,448	2,697	162,875	84,940	3,914	417,875
Right of use over leased assets	25,296	1,475	70,118	13,595	15,040	125,525
Financial Assets	192,562	524,441	95,160	27,653	2,624,495	3,464,310
Receivables for concession assets	1,698,936	2,155,464	234,689	0	0	4,089,089
Other non Current Assets	0	18,717	2,426	0	41,110	62,253
Goodwill	0	0	98,720	67,829	0	166,550
CURRENT ASSETS	3,244,024	918,111	582,830	324,864	-324,635	4,745,193
Non current assets held for sale	0	0	0	0	149,357	149,357
Inventories	178,537	395	15,884	13,977	18,575	227,368
Receivables for concession assets	383	308,084	2,200	0	0	310,667
Accounts Receivable	1,705,735	191,758	400,396	199,874	-275,314	2,222,449
Financial Assets	153,831	36,449	111,146	40,763	-225,586	116,602
Cash	1,205,537	381,424	53,205	70,249	8,333	1,718,748
ASSETS = LIABILITIES	5,325,014	4,653,316	1,549,736	519,934	2,384,316	14,432,317
Equity	494,672	908,631	399,325	135,725	-318,817	1,619,536
Shareholder's Equity	425,204	622,336	392,822	89,712	-315,294	1,214,780
Minority Interests	69,468	286,296	6,503	46,012	-3,523	404,756
NON CURRENT LIABILITIES	2,060,144	3,108,881	657,264	149,914	2,218,124	8,194,327
Financial Debt	1,855,458	2,310,875	372,571	90,816	564,806	5,194,526
Financial Instruments at fair value	0	94,140	11,915	2,236	52,956	161,246
Lease Obligations	11,957	983	49,281	9,788	14,420	86,429
Provisions	29,726	48,040	103,721	29,056	1,492	212,034
Other non current Liabilities	163,004	654,844	119,776	18,020	-32,993	922,651
Other hedged debt	0	0	0	0	1,617,442	1,617,442
CURRENT LIABILITIES	2,770,197	635,804	493,147	234,296	485,010	4,618,454
Liabilities associated with the non current assets held for sale	0	0	0	0	167,842	167,842
Financial Debt	104,169	419,593	86,530	31,367	441,885	1,083,543
Financial instruments at fair value	0	7,528	1,550	419	0	9,497
Lease Obligations	11,971	292	12,817	3,752	791	29,623
Trade Accounts Payable	2,058,584	42,870	153,444	149,535	17,612	2,422,046
Operating Provisions	57,567	8,941	28,153	9,348	53,321	157,330
Other current liabilities	537,906	156,579	210,653	39,875	-196,441	748,572

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)	1H 2019	1H 2018	% Chg
Revenue	444,610	325,754	36%
Construction revenue	206,277	125,780	64%
Concessions revenue	238,333	199,974	19%
EBITDA	150,816	128,498	17%
EBITDA Margin	63.3%	64.3%	

- At 30 June 2019, revenue from the concessions business totalled €445 million, an increase of 36% compared to the same period of 2018, in line with the positive trend of previous quarters. This solid performance is being driven both by concession revenue and construction revenue.
- Construction revenue was up 64% over the same period of the previous year thanks to greater advances in some of the key projects currently in the portfolio. This gain was mainly due to growth in 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.
- Revenue for the six months ended 30 June 2019 amounted to €238 million, a year-on-year gain of 19%. These strong revenue numbers are primarily explained by operating growth of assets, the start of operations of the Tepual and Chacalluta Airports in Chile, and by growth in traffic.
- Rising revenues are being accompanied by gains in the area's EBITDA. At 30 June 2019, EBITDA amounted to €151 million, a gain of 17% over the €128 million recorded the previous year. The EBITDA margin for the business at the end of the first half of 2019 was 63.3%.
- Shown below is the breakdown of revenues by asset:

€ Thousands	1H 2019	1H 2018	Chg. (%)
AUTOVÍA DEL TURIA	7,237	6,912	4.7%
AUTOVÍA NOROESTE C.A.R.M.	3,328	3,158	5.4%
VIASTUR	4,220	3,697	14.1%
PALMA MANACOR	5,672	5,564	1.9%
AUTOVÍA DEL BARBANZA	6,271	5,935	5.7%
AUTOVÍA DEL ERESMA	3,484	3,432	1.5%
AUTOVÍA DEL ARLANZÓN	16,426	16,831	-2.4%
INTERCAMBIADOR DE MONCLOA	6,406	6,393	0.2%
INTERCAMBIADOR DE PLAZA ELÍPTICA	3,333	3,382	-1.5%
AUTOPISTA DE GUADALMEDINA	7,609	6,888	10.5%
HOSPITAL DE PARLA	6,636	6,718	-1.2%
HOSPITAL DE COSLADA	6,929	6,843	1.2%
PARKING ROMERO	79	-	n/a
PARKING VELARDE	246	-	n/a
PARKING ESPLANDIÚ	47	-	n/a
PARKING ENCARNACIÓN	1,469	-	n/a
PARKING MILENIO	139	-	n/a
HOLDINGS	235	1,264	-81.4%
SPAIN	79,766	77,019	3.6%
HOLDINGS	658	643	2.3%
IRELAND	658	643	2.3%
HOLDINGS	447	444	0.9%
PORTUGAL	447	444	0.9%
SOCIEDAD PARKING SIGLO XXI	290	153	89.7%
RUTAS DEL DESIERTO - ACCESOS A IQUIQUE	9,672	9,620	0.5%
VALLES DEL BIO BIO - CONCEPCIÓN CABRERO	16,557	18,372	-9.9%
VALLES DEL DESIERTO - VALLENAR CALDERA	9,800	10,397	-5.7%
RUTA 43 - LIMARI	7,412	2,818	163.0%
HOSPITAL ANTOFAGASTA	17,991	19,695	-8.7%
SERENA VALLENAR - RUTAS DEL ALGARROBO	14,912	14,247	4.7%
AEROPUERTO DEL SUR S.A.	4,009	131	2961.9%
AEROPUERTO ARICA	1,519	-	n/a
HOLDINGS	789	775	1.8%
CHILE	82,952	76,207	8.9%
CONVIAL SIERRA NORTE	19,865	11,674	70.2%
PERU	19,865	11,674	70.2%
MONTES DE MARÍA	11,368	8,975	26.7%
RUMICHACA	20,548	14,170	45.0%
PAMPLONA-CÚCUTA	7,813	5,851	33.5%
HOLDINGS	618	391	58.0%
COLOMBIA	40,348	29,388	37.3%
RUTAS DEL LITORAL	3,275	1,335	145.4%
HOLDINGS	41	21	97.2%
URUGUAY	3,316	1,355	144.7%
RUTAS DEL ESTE	4,377	2,126	105.9%
PARAGUAY	4,377	2,126	105.9%
HOSPITAL TLAHUAC	1,612	148	991.9%
AUTOVIA PIRÁMIDES TULANCINGO PACHUCA	4,973	866	474.2%
HOLDINGS	18	104	-82.2%
MEXICO	6,603	1,117	491.0%
TOTAL WITHOUT CONSTRUCTION REVENUES	238,333	199,974	19.2%
CONSTRUCTION REVENUES	206,277	125,780	64.0%
TOTAL	444,610	325,754	36.5%

Traffic Figures

Traffic rose in Spain and abroad. Of note in the international operations were the Valles del Bio-Bio motorway in Chile, with growth of 8%, Desarrollo Vial al Mar in Colombia, up by 6%, and the N6 Galway-Ballinasloe in Ireland, which was 7% higher, while in Spain the Málaga – Las Pedrizas motorway recorded traffic gains of around 7%.

The traffic data are shown in the following table:

ACCUMULATED ADT

	1H 2019	1H 2018	CHG.
SHADOW TOLL HIGHWAY SPAIN			
- AUTOVIA DEL NOROESTE	12,557	12,571	-0.1%
- Ma-15 PALMA-MANACOR	25,012	25,008	2.0%
- AS-II OVIEDO-GIJÓN (VIATUR)	24,164	23,529	2.7%
- AUTURSA CV-35	40,366	39,444	2.3%
- ERESMA	7,784	7,769	0.2%
- BARBANZA	13,378	12,897	3.7%
- ARLANZON	20,653	19,948	3.5%
TOLL HIGHWAY SPAIN			
- AP-46 MÁLAGA - LAS PEDRIZAS	12,768	11,937	7.0%
TOLL HIGHWAY OTHER COUNTRIES			
- N6 GALWAY-BALLINASLOE	13,587	12,736	6.7%
- VALLES DEL DESIERTO	5,091	4,960	2.7%
- RUTAS DEL DESIERTO	6,992	6,841	2.2%
- RUTAS DEL ALGARROBO	4,636	4,581	1.2%
- VALLES DEL BIO-BIO	8,028	7,463	7.6%
- RUTA DE LIMARÍ	5,303	-	-
- MONTES DE MARÍA	3,062	2,990	2.4%
- UNIÓN VIAL DEL SUR	5,767	6,207	-7.1%
- DESARROLLO VIAL AL MAR	7,778	7,341	6.0%
- RUTAS DEL ESTE	14,971	14,462	3.5%

Procurement and Backlog

At 30 June 2019, Sacyr Concessions had a backlog of €27,849 million, some 3% larger than at 31 December 2018, with international projects accounting for 82%.

There follows a description of some of the projects awarded during the first half of 2019.

- Sacyr Concessions has been 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.

Financing for the project

GVC, the consortium led by Sacyr, has concluded the initial stage of arranging the financing for the work. The funding will be provided by IDB, CAF, CAFAM and international private banks.

- Sacyr Concessions has been selected for award of the new concession in the **Route 5 motorway, for the “Los Vilos-La Serena” stretch in Chile**, which also includes a new intercity segment between La Serena and Coquimbo.

The project, with a budgeted investment of €447 million and estimated backlog value of €864 million, covers a total of 245 running from north of Los Vilos, with the intercity stretch ending south of Coquimbo, plus another 16 kilometres of urban road connection with the Route 5 concession's “La Serena-Vallenar” segment, also operated by Sacyr Concessions. The concession is scheduled to have a maximum term of 30 years.

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

- Sacyr Concessions has been awarded the new **airport concession in Chile, the “Chacalluta de Arica” airport**, with a projected investment of €74 million, 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 Chilean toll motorway Américo Vespucio Oriente (AVO I) have arranged financing for the concession with a group of local banks who will provide €840 million for the works to be executed in the urban corridor of Santiago de Chile.

In volume terms, this is Sacyr's biggest project in Chile, where the Group has built up a large business both in construction and in concessions, on par, for example, with countries such as Spain. Sacyr has a stake both in the concessionaire and in the construction consortium for AVO I. This motorway, running 9.3 kilometres, is one of the largest construction projects currently underway 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 operation, with 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 euros for Autopista al Mar 1 in Colombia.**

Sacyr has closed the financing for the highway to the coast Autopista al Mar 1 road

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 forms part of the Colombian government's Fourth Generation highway initiative. The Devimar Concessionaire will work on the 176 km 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, as well as upgrade, operation and maintenance of a 25-kilometer stretch of the 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 dollars, 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 closes deal with international banks for more than €440 million in financing for Paraguay's Routes 2 and 7.**

The consortium Rutas del Este has successfully closed the financing of Routes 2 and 7 for more than €440 million (500 million dollars), with the participation of international banks.

The funds obtained will be used in the twinning of the two main roads in the country: Route 2, between the capital, Asunción, and Coronel Oviedo; and Route 7, between Coronel Oviedo and Caaguazú.

Rutas del Este, owned by Sacyr (60%) and the Paraguayan company Ocho A (40%), have already reached agreements for the definitive conclusion of the project, with financing from the Inter-American Development Bank (IDB Invest) and the US investment bank Goldman

Sachs, in addition to €70 million (80 million dollars) in contributions from the shareholders themselves.

The construction and expansion of Routes 2 and 7 is the first roadway project under the PPP law of Paraguay. Its development is essential for the growth of the country, as this is the most important corridor in Paraguay and concentrates 70% of its economic activity.

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

Sacyr Concessions 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 euros.

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, the equivalent of 204.4 million euros) will accrue fixed annual interest of 1.3% over their 12 years of life, while the Series B bonds (37,158 million pesos, equivalent of 49.4 million euros), with a term of 9 years, will accrue interest of 1.25%.

Developments after close of first half

- **Sacyr closes the financing for the Rumichaca – Pasto road in Colombia for 513 million euros.**

The 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 euros). The funding arrangement guarantees the investment required to successfully build this 83-kilometer 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.

Commissioning

In June Sacyr brought into service the first 5.7 km 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.

SACYR ENGINEERING AND INFRASTRUCTURES

(Thousands of euros)	1H 2019	1H 2018	% Chg
Revenue	958,772	803,843	19%
EBITDA	103,919	61,149	70%
EBITDA Margin	10.8%	7.6%	

Revenue from the Engineering and Infrastructures business during the first half of the year was up 19% over the same period of the previous year, reaching €959 million at 30 June. This solid advance with respect to the previous year came on the strength of growth of 12% in international markets and 68% domestically

The Engineering and Infrastructures division continues its large international presence, with some 82% of its revenues being generated outside Spain. Also of note was the increase in activity in the Spanish market in the first half of 2019.

The increase in the Engineering and Infrastructures business was driven by the strong pace of execution of major projects on the books, in Colombia, Uruguay, United States, Peru, United Kingdom, Chile, Spain, and others, and, in addition, by the contribution of the Pedemontana – Veneta motorway project in Italy. A large part of these projects are executed for our Concessions division.

All these factors have helped boost EBITDA to €104 million at 30 June 2019, marking a hefty gain of 70% with respect to the year earlier period. The EBITDA margin came in at 10.8%, an improvement of 320 basis points in the profitability of this business.

Procurement and Backlog

The Engineering and Infrastructures backlog reached €6,669 million, some 8% more than in December 2018. This backlog covers 42 months of activity at the current pace of revenue generation. International operations continue to account for the lion's share of the pipeline at 87%. Some 52% of the Engineering and Infrastructures backlog consists of infrastructure projects for Sacyr Concessions.

There follows a description of some of the projects awarded during the first half of 2019.

Internationally:

- Construction and rehabilitation of **Ferrocarril Central** 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 project represents Sacyr's first construction contract in Texas (USA).
- Construction of the “**Los Vilos – La Serena**” stretch of motorway in Chile, with an estimated value of €331 million.
- Construction of the “**Sótero del Río**” hospital in Chile, with an estimated investment of €328 million.
- Construction of the prolongation of the **Edinburgh tramway**, with a total budget of approximately 241 million euros.
- Construction of the “**Province Cordillera**” hospital in Comuna de 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 130.5 million euros.
- **Urban development works in Qatar**, specifically in South Al Meshaf south of Doha, for a total of approximately 114 million euros.

- Expansion of the **Chacatulla Airport** in Chile, with estimated backlog value of €61 million.
- Construction of 205 km of **roadway in Áncash**, north of Lima, Peru, for a total of approximately €34 million.
- Construction of **Jardín Colonial metro station, in Sao Paulo**, Brasil, for a total amount approximately of €14.5 million euros.

In Spain:

- Construction of the “**Arejos – Níjar**” **stretch of the AVE high-speed train** in Almería, as part of the on the Mediterranean corridor, for a total of approximately €98 million.
- Construction of **several buildings** for a total of approximately €125 million.
- Construction of the building joining terminals 1 and 2 of the **Tenerife Sur airport** in the Canary Islands for an approximate total of 44 million euros.
- Maintenance and construction in **the Madrid – León AVE high-speed rail lines**, for a total of approximately 43 million euros.
- Enlargement of the **Turia Highway (CV-35)** in the region of Valencia for a total of approximately €37 million.
- Remodelling work on the **M-40 ring road with the A-6 motorway** in Madrid, for a total of approximately €24 million.
- Comprehensive reform of the Oncology Institute of the **Gregorio Marañón Hospital** in Madrid, for a total of approximately €18 million.

Work awarded after the end of the half year:

- Preferred selected bidder to build the new **Polyclinic Hospital of Milano**, with a total budget of approximately €153 million.

- Sacyr has been awarded new **railway projects in Spain and Ireland** for a total of €100 million.

SACYR SERVICES

(Thousands of euros)	1H 2019	1H 2018	% Chg
Revenue	550,046	528,364	4.1%
Environment	234,921	212,054	
Multiservices	253,490	250,416	
Water	59,689	64,024	
Central	1,946	1,870	
EBITDA	55,072	43,564	26.4%
Environment	31,292	22,997	
Multiservices	12,358	7,724	
Water	11,881	11,082	
Central	(459)	1,761	
EBITDA Margin	10.0%	8.2%	

At 30 June 2019 the revenue of Sacyr Services reached €550 million, an increase of 4.1% over the year earlier period. This gain was generated by a strong contribution from the multiservices and environment areas as new projects awarded in previous quarters came onto the revenue stream. This growth reflects the solid upward trend of the Group's services activity, increasingly focused on public and private service concessions.

By business unit this growth breaks down as follows:

- Environment revenue was up 11% and EBITDA increased 36%, thanks, among other things, to the contracts of (i) national, waste collection in Melilla and burying containers, waste collection and transport in Madrid (ii) international, waste collection and transport contract in Bogotá, Colombia.

- Multiservices revenue increased as well as the EBITDA (+60%) due to the contribution of major contracts awarded in this period and previous quarters, such as, (i) internationally, the service, operation and maintenance contract for the Antofagasta Hospital and various infrastructure upkeep contracts, and, (ii) in Spain, mainly from contracts for services to dependent persons.
- Water related services boosted the area's profitability thanks to the across-the-board improvement in contracts and the inclusion of new contracts in the portfolio (e.g., comprehensive management of the water cycle in Sotogrande).

EBITDA reached €55 million, a gain of 26% in the first half of 2019 over the year earlier period. This significant improvement was driven by all areas of the division, boosting the EBITDA margin to 10%, a gain of 180 basis points.

Procurement and Backlog

The Sacyr Services backlog totals €5,662 million. Already 32% of the backlog is international. Sacyr Services continues carrying on intense commercial activity both in and out of Spain.

Some of the more noteworthy contracts won were:

Environment:

- Cleaning and urban waste collection services in Toledo and Cádiz, for a total of €14 million.
- Urban waste transfer and transport service in Viladecans, Barcelona, for a total of €13 million and term of three years, renewable for another two years.
- Expansion of the project for burial of urban solid waste containers in Torrejón de Ardoz (Madrid) for a total of €10 million.
- Urban waste collection, transport and disposal services and urban cleaning services in Aveiro, Portugal for a total of €7 million and a term of eight years.

Multiservices

- Supplementary services to medical care services in the General Hospital General of Tláhuac (Mexico City), for our Concessions division.
- Cleaning services at Terminals 1 and 2 of the El Prat Airport in Barcelona, for a total of €58 million and a concession term of three years.
- Cleaning, waste management and landscape services for the “MallPlaza” shopping centres in Chile, for a total of €16 million and a term of four years.
- Renewal of the upkeep and service contract for the “Valles del Desierto” Motorway in Chile, for €13 million and a term of four years.
- Management and upkeep of 436 kilometres of roadways in the road network linking the departments of Ayacucho, Huancavelica and Junín, in Peru, for a total of €10 million and a term of three years.
- Management and upkeep of the 324 kilometres road corridor between Cusco and Echarate in Peru, for a total of €8 million and a term of three years.
- Renewal of home-assistance services for the municipal government of Madrid for a total of €23 million and a term of five months.
- Renewal of the home-assistance service of the provincial government of Ávila, for a total of €12 million and a term of two years.
- Cleaning services for the Puerta al Mar Hospital, San Carlos Hospital and dependent-persons care centres in Cádiz, for a total of €14 million and a term of two years.
- Cleaning, disinfection, disinfestation and rat extermination in several buildings of the directorate general of the Civil Guard and Police in Extremadura, Andalusia, Canary Islands, Ceuta and Melilla, for a total of €13 million and a term of three years.
- Cleaning and maintenance of office buildings and business parks of Merlin Properties, for a total of €9 million and a term of three years.

- Renewal of the cleaning service in the Adolfo Suarez Airport in Madrid, for a total of €8 million and a term of one year.

Water

- Drinking water supply and sewage service for the municipal government of Biar (Alicante), for a total of €9 million.
- Operating, maintenance and upkeep contracts for transportation and wastewater treatment infrastructures in the Northwest and Pyrenees zones of Navarre, for a total of €5 million.

SACYR INDUSTRIAL

(Thousands of euros)	1H 2019	1H 2018	% Chg
Revenue	216,010	260,039	-16.9%
Oil and Gas	52,035	75,505	
Industrial processing plants	20,274	32,749	
Water	29,482	59,537	
Elec. generation, grid and transport	113,455	91,526	
Central	764	722	
EBITDA	16,022	17,963	-10.8%
EBITDA Margin	7.4%	6.9%	

The performance of the Industrial division in the first half of the year was marked by the completion of major projects. Sacyr Industrial posted revenue of €216 million for the six months ended 30 June 2019.

- Oil & Gas recorded revenue of €52 million, down year-on-year due to the completion of major ongoing projects such as the Nuevo Mundo compression facility and the gasoline module at the Pampilla refinery in Peru.

- In the industrial processing plant business, revenue reached €20 million for the half year, compared to €33 million of the year earlier period. This decline in revenue reflected phases near completion of projects previously in the backlog: the cement plants in Chimborazo, Ecuador and Oruro, Bolivia, offset in part by the Potosí cement plant, in Bolivia as well.
- The Water business saw its revenue decrease due to the completion of the Sohar desalination plant in Oman.
- In the electricity generation, grid and transport area, revenue reached €114 million at 30 June 2019, compared to €92 million for the same period of the previous year. This robust growth was mainly driven by the EPC business due to the faster execution of projects such as the photovoltaic solar plants in Picón (Spain) and construction of aerogenerators at a wind farm in Lugo (Spain). The generation division revenue was stable during the period.

The average electricity pool price was 51.8 €/MWh during the first half of 2019 versus 50.2 €/MWh for the same period of the previous year.

The area's EBITDA amounted to €16 million at the close of the first half of 2019, with the EBITDA margin coming in at 7.4%.

Procurement and Backlog

The Industrial division backlog stood at €2,432 million at the end of the first half of 2019. Of note was the award of the following projects:

- Construction contracts for **two wind farms** with capacity of 84 MW in Bio Bio and 155 MW in Antofagasta. The projects involve laying foundations, preparation of accessways, including upgrading the road from the unloading port and building a booster substation and evacuation line for each wind farm, for €28 million and €33 million, respectively.
- Construction, assembly and start-up of the building and facilities of the primary crusher, conveyor belt and building and workshop facilities of 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 increase from 100,000 to 150,000 cubic metres per day.
- Construction of a pilot 5 MW **geothermal plant** in Laguna Colorada, Bolivia for €15 million. If the project is successful a new 100 MW plant may be built in two stages of 50 MW each.

Work awarded after the end of the half year:

After the close of the reporting period, 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 and a term of 30 months for executing the works. The two plants will have aggregate installed capacity of 34 megawatts.

Significant Milestones

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

VI. Stock Market Performance

SACYR	JUNE		% Chg 19/18
	2019	2018	
Market Price at closing (euros per share)	2.13	2.35	-9.12%
High share price	2.37	2.72	-12.79%
Low share price	1.69	2.09	-19.14%
Market Capitalization at closing (Thousands of euros)*	1,212,245	1,333,924	-9.12%
Average Trading Volume (Thousands of euros)	493,158	867,214	-43.13%
Average Daily Trading Volume (Number of shares)	1,870,992	2,004,441	-6.66%
Liquidity (%)	100	100	
Number of shares (Thousands)	568,595	543,758	4.57%
Share Nominal Value	1 EURO	1 EURO	

VII. Significant Holdings

The breakdown of the Group's significant holdings at 30 June 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), as follows: "Iberclear".

	June-19
Disa Corporación Petrolífera, S.A.	12.61%
Beta Asociados, S.L.	7.01%
Grupo Corporativo Fuertes, S.L.	6.30%
Prilomi, S.L.	4.68%
Prilou, S.L.	3.56%
Others	65.83%
Total	100.00%

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 any 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 awarded and closed work contracts pending completion. Contract revenue is included in the backlog once a contract has been signed. The backlog is shown as the percentage attributable to the Group, as per the corresponding consolidation method.

Once a contract has been included in the backlog, the value of production pending completion on the contract remains in the backlog until it is completed or cancelled. Nevertheless, valuation adjustments are made to reflect any changes in prices and in time periods agreed with the client. Due to a number of factors, all or part of the backlog linked to a contract may not actually become income. The backlog is subject to adjustments and cancellation of projects and cannot be taken as an exact indicator of future earnings.

Given that no comparable financial measure is foreseen under IFRS, a reconciliation with the financial statements is not possible. Sacyr Management considers that the backlog is a useful indicator of the Group's future revenues and a customary indicator used by companies in the sector in which Sacyr operates.

The concessions backlog represents estimated future revenues on 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 yearend 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 the year-on-year comparison 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: +34 91 545 50 00

ir@sacyr.com