



# Results 2019 First Quarter

10 May 2019

I.	<b>First Quarter Highlights</b>	- 2 -
II.	<b>Income Statement</b>	- 8 -
III.	<b>Backlog</b>	- 11 -
IV.	<b>Consolidated Balance Sheet</b>	- 13 -
V.	<b>Performance by Business Area</b>	- 16 -
VI.	<b>Stock Market Performance</b>	- 34 -
VII.	<b>Significant Holdings</b>	- 34 -
VIII.	<b>Appendix: Alternative Performance Measures</b>	- 35 -

## **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 Quarter Highlights

### Corporate:

#### Shareholder Remuneration

In February, pursuant to the company's shareholder remuneration strategy, Sacyr paid out a scrip dividend. Shareholders had the option of receiving one new share for every 35 old shares or otherwise selling their scrip dividend rights to the company at a fixed price of EUR 0.051 gross per right.

To fund the payment of the dividend, in February 2019 Sacyr issued 15 million new shares, so that Sacyr's share capital now consists of 568.6 million shares with a par value of one euro each, all of the same class and series and carrying the same rights. More than 95% of Sacyr's share capital opted to receive the scrip dividend in shares, underscoring their confidence in the company's share.

As part of the Group's regular dividend policy, the return for shareholders during 2019 is expected to be between 4% and 5%.

#### Divestments and Asset Rotation

- In February, Sacyr disposed of its entire holding in Itinere Infraestructuras for 202 million euros.
- After the close of the quarter, Sacyr sold 49% of its stake in seven concession assets in Chile (of the 10 it owns in all) to the investment fund Toesca Infraestructuras SC. The total amount of the transaction was 440 million euros. The sale is subject to the standard conditions for deals of this type, including authorisation from antitrust authorities. The transaction is expected to be executed this coming July.

Sacyr will allocate part of the proceeds from the sale to paying down its corporate debt. This is one of the commitments included in the Sacyr Strategic Plan 2015-2020. This partial disinvestment will also allow the company to fund other projects in Chile, such as the recently awarded Los Vilos-La Serena motorway; Américo Vespucio Oriente (AVO I), under construction (recently financed); or the Arica and Puerto Montt airports that

were awarded a few months ago, as well as to participate in new tenders in the Chilean concession plan.

Sacyr will continue controlling and managing the seven assets included in the deal, and they will therefore remain fully integrated in its consolidated accounts. The partial sale will thus have no impact on the income statement. The assets included in the agreement are five motorways covering a total of 701 kilometres, the 671-bed Hospital in Antofagasta and the El Tepual Airport.

The deal is not included in the results for the first quarter as it was signed in April.

## Capital Markets

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

After the close, 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.**

After the close, 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 down payments for approximately 125 million euros. This second payment marks the completion of the return of down payments to the Panama Canal Authority.

Nevertheless, the GUPC group is still awaiting the resolution of approximately 5,200 million dollars in claims in various arbitration processes at the International Chamber of Commerce in Miami. A positive impact on cash is expected at the end of each arbitration proceeding.

## Consolidation in Strategic Markets

### INTERNATIONAL

- **Sacyr won the new Route 5 concession for the “Los Vilos – La Serena” stretch 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 new “Los Vilos-La Serena” stretch of the Route 5 motorway in Chile.

The project involves an estimated backlog value of 864 million euros in the concession portion and 331 million euros in construction. The road covers a total of 245 kilometres running from north of Los Vilos and 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, “Province 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 “Province Cordillera” hospital project will involve investment of 153 million euros and comprise 394 beds and 10 wards, occupying 92,886 square metres of floor area.

-The “Sótero del Río” hospital, with an investment of 328 million euros and floor area of 213,803 square metres, will be one of the largest and most complex of Chile's capital city. It will house 710 beds, 39 wards and five delivery rooms.

- **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 improving the existing air terminal, doubling its size to allow it to handle more than 1.1 million passengers per year. The works will include installation of five new departure gates, parking capacity for seven aircraft and the expansion of vehicle access out of the airport and pedestrian access to the interior. New aeronautic facilities will also be built, including, a control tower, an administrative building and a logistics building, a rescue and firefighting services building, etc.

- **Sacyr awarded construction of a stretch of the Portuguese high-speed train system for 130 million euros.**

Sacyr Engineering and Infrastructures is the selected tenderer to build the Évora line, in the “Alandroal - Línea del Este (Elvas)” subsegment, in the Portuguese High Speed Rail programme, for a total of 130 million euros.

- **Sacyr wins award for two wind farms in Chile, for a combined total of 61 million euros.**

Sacyr Industrial has signed contracts to build two wind farms, an 84MW facility in Bio-Bio and an 155MW facility in Antofagasta, both in Chile. The works will 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 euros, respectively.

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

Sacyr Infrastructure Upkeep has been awarded management and upkeep of:

-A road corridor covering 436 kilometres between the Peruvian departments of Ayacucho, Huancavelica and Junín. The work involves a budget of 10 million euros and the concession has a term of three years.

-A road corridor of 324 kilometres between the Peruvian cities of Cusco and Echarate. The work involves a budget of 8 million euros and the concession has a term of three years.

## **SPAIN**

- **Sacyr awarded construction of the “Los Arejos – Níjar” section in Almería of the Mediterranean Corridor of the high-speed train system, 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.

The main actions to be carried out in the section are 10 viaducts, of which three are of large dimensions (more than 900 m in length), five overpasses on roads or paths, 11 underpasses and a protection wall.

The project also includes earthworks (demolitions, clearings, embankments, etc.); the longitudinal and transversal drainage of the platform; and the replacement of electrical and telephony services and easements.

- **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 useful floor area of the airport by 14,000 m<sup>2</sup> and has a budget of 44 million euros and a scheduled duration of 23 months to complete the works.

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

Sacyr Engineering and Infrastructures has been awarded the enlargement of the Turia Highway (CV – 35). 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 between kilometres 36.8 and 52. It will also include works to prolong the underpasses and overpasses to adapt them to the new roadway.

- **Sacyr has been awarded the extension of cleaning service and home-care service contracts in Spain for an aggregate of 45 million euros.**

- Extension of the home-care service for the municipal government of Madrid for a total of 23 million euros.

- Extension of the cleaning service for the El Prat Airport in Barcelona for 14 million euros.

- Extension of the cleaning service for the Adolfo Suarez Airport in Madrid for a total of 8 million euros.

#### **Work awarded after the end of the quarter:**

- A consortium led by Sacyr Engineering and Infrastructures has been awarded the design, construction, systems integration and commissioning of the expansion of the Tram System Service for the city of Edinburgh (United Kingdom). The new line, running 4.6 kilometres in length, will connect York Place with Leith and Newhaven.



## II. Income Statement

The results of the first quarter of 2019 mark a continuation of the Group's excellent operating performance of recent quarters. Consolidation in the strategic markets where the Group operates, combined with a close focus on profitability and cash flow generation, highlight the results in this quarter.

Sacyr's ever more prominent profile as concession operator has made it a company with stable and predictable earnings and strong capacity to generate cash flow.

INCOME STATEMENT (Thousands of Euros)	MAR. 2019	MAR. 2018	% Chg 19/18
<b>Revenue</b>	<b>972,381</b>	887,298	9.6%
Other income	70,706	79,018	-10.5%
<b>Total operating income</b>	<b>1,043,087</b>	<b>966,317</b>	7.9%
External and Operating Expenses	-900,011	-854,821	5.3%
<b>EBITDA</b>	<b>143,076</b>	<b>111,496</b>	28.3%
Amortisation and depreciation charge	-41,406	-30,277	36.8%
Trade Provisions and non recurring items	1,998	-7,350	-127.2%
<b>NET OPERATING PROFIT</b>	<b>103,668</b>	<b>73,870</b>	40.3%
Financial results	-57,514	-45,974	25.1%
Forex results	272	-6,978	n.a.
Results from equity accounted subsidiaries	52,734	50,613	4.2%
Provisions for financial investments	-414	-237	74.9%
Change in value of financial instruments	-29,803	-16,264	83.2%
Results from sales of non current assets	-1,501	296	n.a.
<b>PROFIT BEFORE TAXES</b>	<b>67,441</b>	<b>55,327</b>	21.9%
Corporate Tax	-15,701	-10,118	55.2%
<b>PROFIT FOR CONTINUING ACTIVITIES</b>	<b>51,740</b>	45,209	14.4%
RESULTS FOR COMPANIES WITH DISCONTINUOUS ACTIVITIES	0	0	
<b>CONSOLIDATE RESULTS</b>	<b>51,740</b>	45,209	14.4%
Minorities	-13,292	-10,376	28.1%
<b>NET ATTRIBUTABLE PROFIT</b>	<b>38,448</b>	34,833	10.4%
<b>Gross margin</b>	<b>14.7%</b>	12.6%	

- Revenue for the three months ended 31 March 2019 amounted to €972 million, a year-on-year gain of 10%.
- EBITDA reached €143 million at 31 March 2019, 28% higher than the same period of the previous year.

- The EBITDA generated by the assets operated under concessions in four business areas (transportation infrastructure, waste treatment plants, water treatment plants, and power plants) represent over 77% of the Group total.
- Operating profit (EBIT) rose 40% to €104 million.
- The EBITDA margin was 14.7%, compared to 12.6% in the same period one year earlier, a gain of 210 basis points.
- Attributable net profit at 31 March 2019 reached €38 million euros, 10% higher than one year ago.

## 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:

### ADJUSTMENTS TO THE INCOME STATEMENT

Thousands of Euros	New effects
Less leas expenses	4,438
<b>EBITDA increase</b>	<b>4,438</b>
Amortization increase	(3,995)
<b>EBIT</b>	<b>443</b>
Financial expenses increase	(810)
Forex	(15)
<b>Financial Result</b>	<b>(825)</b>
<b>Profit before taxes</b>	<b>(382)</b>
Corporate Tax	95
<b>Net Profit</b>	<b>(287)</b>

## Revenue

### Revenue growth of 10%

Solid business performance allowed the Group to post revenue of 972 million euros, 10% more than in the same period of the previous year.

Sacyr Concessions grew 51%, buoyed by the rise in construction revenues thanks to the progress made in executing recently awarded contracts and to increases in concession revenues. The Engineering and Infrastructures division grew 14%, 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, etc.). The revenues from Sacyr Services rose 5%, reflecting the start of operation of projects in the backlog, while revenues from Sacyr Industrial were down by 17% due to the completion of major projects that were in the execution phase.

REVENUE (Thousands of Euros)	1Q 2019	1Q 2018	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	455,668	400,389	13.8%
SACYR CONCESSIONS	218,073	144,588	50.8%
Revenue from concessions	117,155	96,171	21.8%
Revenue from construction	100,918	48,418	108.4%
SACYR SERVICES	265,696	251,963	5.5%
SACYR INDUSTRIAL	110,337	133,042	-17.1%
Holding y Adjustment	-77,393	-42,684	
<b>REVENUE</b>	<b>972,381</b>	<b>887,298</b>	<b>9.6%</b>

## EBITDA

The focus on profitability as strategic pivot for the Group has been reflected in the solid EBITDA numbers posted for the first quarter of 2019, with a notable gain of 28% over the same period of the previous year. The increase was 27% in Sacyr Concessions, 24% in Sacyr Services and 40% 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 14.7% in 2018, an improvement of 210 basis points with respect to the first quarter of 2018.

EBITDA (Thousands of Euros)	1Q 2019	1Q 2018	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	41,035	29,391	39.6%
SACYR CONCESSIONS	74,943	58,966	27.1%
SACYR SERVICES	23,977	19,298	24.2%
SACYR INDUSTRIAL	7,439	9,902	-24.9%
Holding y Adjustment	-4,319	-6,060	
<b>EBITDA</b>	<b>143,076</b>	<b>111,496</b>	<b>28.3%</b>
<b>Ebitda Margin (%)</b>	<b>14.7%</b>	<b>12.6%</b>	

## Operating Profit (EBIT)

Operating profit reached €104 million, 40% higher than for the same period in 2018.

## Financial Results

Net financial results came in at -58 million euros at 31 March 2019. The average borrowing cost was 3.7%.

## Results from equity accounted holdings

The total under this heading of the income statement amounted to €53 million, of which €50 million relate to our stake in Repsol. Repsol's carrying amount at 31 March 2019 was €16.75 per share.

## Net Profit

Net profit at 31 March 2019 reached €38 million, 10% more than the previous year.

## III. Backlog

Sacyr's project backlog at 31 March 2019, in revenue terms, amounted to €42,912 million, for a gain of 2% in the first quarter of the year, a noteworthy achievement given the strong pace of growth in Group revenues.

The Group continues consolidating its strategic position in key markets. The international backlog accounts for 72% of the total, thanks to the success in winning projects in Chile, Peru, Brazil, Portugal, United Kingdom, etc. Also bearing emphasis is the notable rise in the number of projects awarded in Spain.

BACKLOG (Thousands of euros)	1Q 2019	International	Spain	% Internat.
SACYR ENGINEERING & INFRASTRUCTURES	6,554	5,787	767	88%
SACYR CONCESSIONS	28,064	23,131	4,933	82%
SACYR SERVICES	5,836	1,676	4,160	29%
SACYR INDUSTRIAL	2,458	274	2,184	11%
<b>TOTAL</b>	<b>42,912</b>	<b>30,868</b>	<b>12,044</b>	
<b>Backlog December 2018</b>	<b>41,674</b>			
<b>Chg. 1Q19</b>	<b>3%</b>			

In the Engineering and Infrastructures business, international projects account for 88% 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, Portugal and elsewhere.

In the Concessions business, Sacyr's international presence is steadily increasing, with a focus on strategic markets for the Group. At 31 March 2019, the international backlog accounted for 82% of the total. The Concessions division operates in Chile, Colombia, Uruguay, Paraguay, Peru, Mexico and Italy.

The Services division is present in the domestic market, with contracts in Spain for dependent-person care services, municipal services, waste treatment, environmental projects, catering, mining, facility management, amongst others. In addition to this domestic business, some 29% 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 and for infrastructure maintenance and waste collection and transport.

Sacyr Industrial, for its part, is present in Australia, Oman, Chile, Bolivia, Peru, Ecuador and Panama, Chile as well as Spain, with numerous projects in the Oil & Gas and electricity infrastructure sectors and in power plants, cement plants, desalination plants and waste treatment facilities. It now has a backlog of projects totalling €2,458 million, 11% outside Spain.

## IV. Consolidated Balance Sheet

BALANCE SHEET (Thousands of Euros)	MAR. 2019	DEC. 2018	Chg 19/18
<b>NON CURRENT ASSETS</b>	<b>9,363,173</b>	<b>8,895,503</b>	<b>467,670</b>
Intangible Assets	36,835	25,901	10,933
Concessions Investments	1,344,386	1,353,656	-9,270
Fixed Assets	413,973	441,230	-27,258
Right of use over leased assets	108,010	0	108,010
Financial Assets	3,430,679	3,335,804	94,875
Receivables from concession assets	3,823,920	3,552,834	271,086
Other non Current Assets	38,779	19,444	19,335
Goodwill	166,592	166,633	-42
<b>CURRENT ASSETS</b>	<b>4,677,318</b>	<b>4,954,307</b>	<b>-276,989</b>
Non current assets held for sale	160,687	362,172	-201,485
Inventories	224,514	209,331	15,182
Receivables from concession assets	299,738	293,238	6,500
Accounts Receivable	1,954,537	1,974,908	-20,370
Financial Assets	100,246	124,446	-24,200
Cash	1,937,596	1,990,212	-52,615
<b>ASSETS = LIABILITIES</b>	<b>14,040,490</b>	<b>13,849,810</b>	<b>190,680</b>
<b>EQUITY</b>	<b>1,514,917</b>	<b>1,507,190</b>	<b>7,726</b>
Shareholder's Equity	1,140,555	1,145,833	-5,278
Minority Interests	374,361	361,358	13,004
<b>NON CURRENT LIABILITIES</b>	<b>8,009,458</b>	<b>7,915,873</b>	<b>93,584</b>
Financial Debt	5,004,072	5,061,232	-57,160
Financial Instruments at fair value	205,564	105,917	99,648
Provisions	208,363	313,917	-105,554
Other non current Liabilities	974,017	817,365	156,651
Other hedged debt	1,617,442	1,617,442	0
<b>CURRENT LIABILITIES</b>	<b>4,516,116</b>	<b>4,426,746</b>	<b>89,370</b>
Liabilities associated with the non current assets held for sale	170,183	170,236	-53
Financial Debt	1,210,320	1,097,331	112,988
Financial Instruments at fair value	13,050	18,953	-5,903
Trade Accounts Payable	2,397,112	2,431,138	-34,026
Operating Provisions	152,185	157,225	-5,040
Other current liabilities	573,267	551,863	21,403

### Financial Debt

The Group's net debt amounts to €4,177 million. The breakdown of the debt and the changes with respect to December 2018 are as follows:

€ Million	Q1 2019	2H 2018	Var.
Project Finance	3,053	2,907	146
Bank Borrowings (operating lines)	442	461	-19
Capital Markets (Bonds + ECP)	682	677	5
<b>Deuda Neta</b>	<b>4,177</b>	<b>4,045</b>	<b>132</b>

**Bank debt:** the group's bank debt stands at €442 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 liability associated with the holding company.

In the first quarter, 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 31 March 2019, the holding company was carrying a financial liability of €682 million, mainly in respect of:

- The outstanding amount of the convertible bonds issued in 2014 and maturing in 2019. After the close of the quarter, this issue was redeemed and a new issue, with more favourable terms, of €175 million in convertible bonds was successfully carried out.
- The European Commercial Paper (ECP) programme, which has been very active in recent months.
- The European Medium Term Note (EMTN) programme, launched in May.

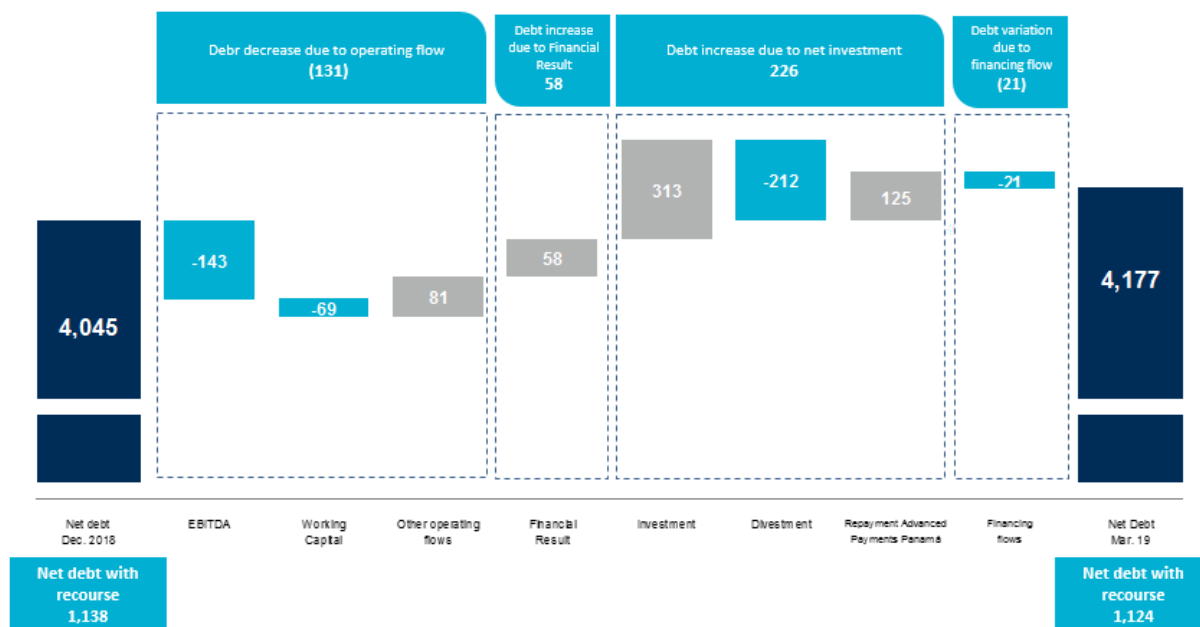
This funding is used by the parent company, in its financial management and coordination activities as the Group's controlling company, to meet the needs of the various Group companies.

**Project finance** amounts to €3,053 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 quarter of the year 2019 is shown below:

## Net Debt Evolution

€ million





## V. Performance by Business Area

CONSOLIDATED INCOME STATEMENT AS OF MARCH 2019						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
<b>Turnover</b>	<b>455,668</b>	<b>218,073</b>	<b>265,696</b>	<b>110,337</b>	<b>-77,393</b>	<b>972,381</b>
Other Income	56,208	2,660	12,844	525	-1,531	70,706
<b>Total Income</b>	<b>511,876</b>	<b>220,734</b>	<b>278,539</b>	<b>110,862</b>	<b>-78,924</b>	<b>1,043,087</b>
External and Operating Expenses	-470,841	-145,791	-254,562	-103,423	74,605	-900,011
<b>GROSS OPERATING PROFIT</b>	<b>41,035</b>	<b>74,943</b>	<b>23,977</b>	<b>7,439</b>	<b>-4,319</b>	<b>143,076</b>
Depreciation	-12,908	-12,255	-12,211	-3,131	-901	-41,406
Trade Provisions and non recurring items	3,298	-1,869	-191	754	5	1,998
<b>NET OPERATING PROFIT</b>	<b>31,425</b>	<b>60,819</b>	<b>11,576</b>	<b>5,062</b>	<b>-5,215</b>	<b>103,668</b>
Financial results	-6,810	-34,235	-2,423	-992	-13,055	-57,514
Forex results	1,397	-2,541	-59	860	614	272
Results from equity accounted subsidiaries	297	1,278	2,125	-3	49,037	52,734
Provisions for financial investments	-4	-475	-20	0	84	-414
Change in value of financial instruments at fair value	0	-4,587	-840	-183	-24,193	-29,803
Results from sales of non current assets	573	92	-632	-1,535	0	-1,501
<b>PROFIT BEFORE TAXES</b>	<b>26,878</b>	<b>20,352</b>	<b>9,728</b>	<b>3,210</b>	<b>7,273</b>	<b>67,441</b>
Corporate Tax	-11,165	-4,931	-3,243	-576	4,214	-15,701
<b>PROFIT FOR CONTINUING ACTIVITIES</b>	<b>15,713</b>	<b>15,421</b>	<b>6,484</b>	<b>2,634</b>	<b>11,487</b>	<b>51,740</b>
<b>PROFIT FOR DISCONTINUING ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CONSOLIDATE RESULTS</b>	<b>15,713</b>	<b>15,421</b>	<b>6,484</b>	<b>2,634</b>	<b>11,487</b>	<b>51,740</b>
Minorities	-5,213	-7,909	304	-404	-70	-13,292
<b>NET ATTRIBUTABLE PROFIT</b>	<b>10,500</b>	<b>7,512</b>	<b>6,788</b>	<b>2,231</b>	<b>11,417</b>	<b>38,448</b>

CONSOLIDATED INCOME STATEMENT AS OF MARCH 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
<b>Turnover</b>	<b>400,389</b>	<b>144,588</b>	<b>251,963</b>	<b>133,042</b>	<b>-42,684</b>	<b>887,298</b>
Other Income	48,291	26,764	2,826	1,062	75	79,018
<b>Total Income</b>	<b>448,680</b>	<b>171,353</b>	<b>254,789</b>	<b>134,104</b>	<b>-42,609</b>	<b>966,317</b>
External and Operating Expenses	-419,289	-112,387	-235,492	-124,203	36,549	-854,821
<b>GROSS OPERATING PROFIT *</b>	<b>29,391</b>	<b>58,966</b>	<b>19,298</b>	<b>9,902</b>	<b>-6,060</b>	<b>111,496</b>
Depreciation	-6,211	-11,545	-9,725	-2,291	-504	-30,277
Trade Provisions and non recurring items	-7,531	1,047	-856	-15	6	-7,350
<b>NET OPERATING PROFIT</b>	<b>15,649</b>	<b>48,467</b>	<b>8,716</b>	<b>7,595</b>	<b>-6,558</b>	<b>73,870</b>
Financial results	1,068	-27,953	-2,315	-1,442	-15,332	-45,974
Forex results	1,185	-1,224	-122	9	-6,826	-6,978
Results from equity accounted subsidiaries	-123	1,520	1,119	-2	48,100	50,613
Provisions for financial investments	-18	-90	-128	0	0	-237
Change in value of financial instruments at fair value	0	-4,433	-864	-197	-10,771	-16,264
Results from sales of non current assets	115	21	150	10	0	296
<b>PROFIT BEFORE TAXES</b>	<b>17,876</b>	<b>16,308</b>	<b>6,556</b>	<b>5,974</b>	<b>8,613</b>	<b>55,327</b>
Corporate Tax	-6,094	-6,731	-1,924	-2,317	6,948	-10,118
<b>PROFIT FOR CONTINUING ACTIVITIES</b>	<b>11,782</b>	<b>9,577</b>	<b>4,632</b>	<b>3,656</b>	<b>15,561</b>	<b>45,209</b>
<b>PROFIT FOR DISCONTINUING ACTIVITIES</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CONSOLIDATE RESULTS</b>	<b>11,782</b>	<b>9,577</b>	<b>4,632</b>	<b>3,656</b>	<b>15,561</b>	<b>45,209</b>
Minorities	-5,238	-4,857	182	-641	178	-10,376
<b>NET ATTRIBUTABLE PROFIT</b>	<b>6,544</b>	<b>4,720</b>	<b>4,814</b>	<b>3,015</b>	<b>15,739</b>	<b>34,833</b>

CONSOLIDATED BALANCE SHEET AS OF MARCH 2019						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
<b>NON CURRENT ASSETS</b>	<b>1,903,712</b>	<b>3,658,916</b>	<b>949,824</b>	<b>194,177</b>	<b>2,656,543</b>	<b>9,363,173</b>
Intangible Assets	8,889	79	23,146	1,153	3,567	36,835
Concessions Investments	754	1,040,660	281,788	0	21,184	1,344,386
Fixed Assets	153,844	2,826	167,433	86,270	3,601	413,973
Right of use over leased assets	26,809	1,653	53,777	10,469	15,301	108,010
Financial Assets	191,863	525,864	89,445	28,456	2,595,052	3,430,679
Receivables for concession assets	1,521,553	2,069,381	232,986	0	0	3,823,920
Other non Current Assets	0	18,455	2,487	0	17,837	38,779
Goodwill	0	0	98,762	67,829	0	166,592
<b>CURRENT ASSETS</b>	<b>3,159,656</b>	<b>935,064</b>	<b>578,809</b>	<b>365,137</b>	<b>-361,348</b>	<b>4,677,318</b>
Non current assets held for sale	0	0	0	0	160,687	160,687
Inventories	160,826	293	15,663	20,108	27,623	224,514
Receivables for concession assets	471	295,830	3,437	0	0	299,738
Accounts Receivable	1,478,332	178,850	372,507	225,142	-300,293	1,954,537
Financial Assets	187,302	9,757	127,039	36,707	-260,560	100,246
Cash	1,332,725	450,333	60,164	83,180	11,195	1,937,596
<b>ASSETS = LIABILITIES</b>	<b>5,063,368</b>	<b>4,593,981</b>	<b>1,528,633</b>	<b>559,314</b>	<b>2,295,194</b>	<b>14,040,490</b>
	0	0	0	0	0	0
<b>Equity</b>	<b>487,599</b>	<b>882,215</b>	<b>394,207</b>	<b>137,632</b>	<b>-386,736</b>	<b>1,514,917</b>
Shareholder's Equity	434,774	609,929	387,702	91,123	-382,972	1,140,555
Minority Interests	52,825	272,285	6,505	46,510	-3,764	374,361
<b>NON CURRENT LIABILITIES</b>	<b>2,018,944</b>	<b>3,143,619</b>	<b>645,874</b>	<b>151,302</b>	<b>2,049,719</b>	<b>8,009,458</b>
Financial Debt	1,814,900	2,280,604	370,215	90,816	447,538	5,004,072
Financial Instruments at fair value	0	111,784	11,356	1,717	80,707	205,564
Provisions	24,039	48,728	101,614	32,489	1,492	208,363
Other non current Liabilities	180,004	702,503	162,688	26,280	-97,459	974,017
Other hedged debt	0	0	0	0	1,617,442	1,617,442
<b>CURRENT LIABILITIES</b>	<b>2,556,826</b>	<b>568,147</b>	<b>488,552</b>	<b>270,380</b>	<b>632,212</b>	<b>4,516,116</b>
Liabilities associated with the non current assets held for sale	0	0	0	0	170,183	170,183
Financial Debt	123,693	415,011	93,892	29,303	548,422	1,210,320
Financial instruments at fair value	0	10,820	1,636	594	0	13,050
Trade Accounts Payable	2,007,429	46,179	154,286	191,950	-2,732	2,397,112
Operating Provisions	53,954	9,436	26,193	10,124	52,478	152,185
Other current liabilities	371,749	86,702	212,546	38,409	-136,140	573,267

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
<b>NON CURRENT ASSETS</b>	<b>1,777,267</b>	<b>3,432,587</b>	<b>906,566</b>	<b>192,451</b>	<b>2,586,632</b>	<b>8,895,503</b>
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
<b>CURRENT ASSETS</b>	<b>3,204,853</b>	<b>1,068,773</b>	<b>557,188</b>	<b>343,376</b>	<b>-219,883</b>	<b>4,954,307</b>
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
<b>ASSETS = LIABILITIES</b>	<b>4,982,120</b>	<b>4,501,360</b>	<b>1,463,753</b>	<b>535,827</b>	<b>2,366,750</b>	<b>13,849,810</b>
	0	0	0	0	0	0
<b>EQUITY</b>	<b>457,227</b>	<b>878,911</b>	<b>393,320</b>	<b>138,670</b>	<b>-360,937</b>	<b>1,507,190</b>
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
<b>NON CURRENT LIABILITIES</b>	<b>1,955,450</b>	<b>3,127,414</b>	<b>623,484</b>	<b>136,041</b>	<b>2,073,484</b>	<b>7,915,873</b>
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
<b>CURRENT LIABILITIES</b>	<b>2,569,443</b>	<b>495,036</b>	<b>446,949</b>	<b>261,115</b>	<b>654,203</b>	<b>4,426,746</b>
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)	1Q 2019	1Q 2018	% Chg.
<b>Revenue</b>	<b>218,073</b>	<b>144,588</b>	<b>51%</b>
Construction revenue	100,918	48,418	108%
<b>Concessions revenue</b>	<b>117,155</b>	<b>96,171</b>	<b>22%</b>
<b>EBITDA</b>	<b>74,943</b>	<b>58,966</b>	<b>27%</b>
<b>EBITDA Margin</b>	<b>64.0%</b>	<b>61.3%</b>	

- At 31 March 2019, revenue from the concessions business totalled €218 million, an increase of 51% compared to the same period of 2018, in line with the positive trend of previous quarters. This growth is being driven both by concession revenue and construction revenue.
- The major progress made in some of the key projects, now included in the portfolio, drove construction revenue up by 108% over the same period of the previous year. This gain was mainly due to the following concessions: Rumichaca Pasto and Montes de María in Colombia, Pirámides-Tulancingo and Hospital de Tláhuac, both in Mexico, Rutas del Litoral in Uruguay and the Tepual Airport in Chile.
- At 31 March, concession revenue amounted to €117 million, 22% higher than the same period one year earlier. These strong revenue numbers are primarily explained by operating growth of assets, the start of operations of the Tepual Airport in Chile and by growth in traffic.
- The rising revenues are being accompanied by higher profit margins. EBITDA at 31 March 2019 totalled €75 million, 27% higher than the year earlier figure. The EBITDA margin for the business at the end of the first quarter of 2019 was 64%, an improvement of 270 basis points with respect to the same period of the previous year.
- Shown below is the breakdown of revenues by asset:

€ Thousands	Q1 2019	Q1 2018	Chg. (%)
AUTOVÍA DEL TURIA	3,528	3,326	6%
AUTOVÍA NOROESTE C.A.R.M.	1,644	1,450	13%
VIASTUR	2,275	1,868	22%
PALMA MANACOR	2,450	2,437	1%
AUTOVÍA DEL BARBANZA	4,482	4,219	6%
AUTOVÍA DEL ERESMA	1,651	1,591	4%
AUTOVÍA DEL ARLANZÓN	6,930	7,228	-4%
INTERCAMBIADOR DE MONCLOA	3,160	3,154	0%
INTERCAMBIADOR DE PLAZA ELÍPTICA	1,636	1,677	-2%
AUTOPISTA DE GUADALMEDINA	3,070	2,980	3%
HOSPITAL DE PARLA	3,448	3,326	4%
HOSPITAL DE COSLADA	3,509	3,444	2%
PARKING ROMERO	39	-	n/a
PARKING VELARDE	131	-	n/a
PARKING ESPLANDIÚ	20	-	n/a
PARKING ENCARNACIÓN	675	-	n/a
PARKING MILENIO	68	-	n/a
HOLDINGS	351	241	45%
<b>SPAIN</b>	<b>39,067</b>	<b>36,943</b>	<b>6%</b>
HOLDINGS	293	288	2%
<b>IRELAND</b>	<b>293</b>	<b>288</b>	<b>2%</b>
HOLDINGS	219	217	1%
<b>PORTUGAL</b>	<b>219</b>	<b>217</b>	<b>1%</b>
HOLDINGS	388	438	-11%
SOCIEDAD PARKING SIGLO XXI	131	59	121%
RUTAS DEL DESIERTO - ACCESOS A IQUIQUE	4,872	4,668	4%
VALLES DEL BIO BIO - CONCEPCIÓN CABRERO	8,259	8,531	-3%
VALLES DEL DESIERTO - VALLENAR CALDERA	4,855	5,181	-6%
RUTA 43 - LIMARI	3,484	1,259	177%
HOSPITAL ANTOFAGASTA	9,326	9,720	-4%
SERENA VALLENAR - RUTAS DEL ALGARROBO	7,556	7,130	6%
AEROPUERTO DEL SUR S.A.	2,237	-	n/a
<b>CHILE</b>	<b>41,109</b>	<b>36,986</b>	<b>11%</b>
CONVIAL SIERRA NORTE	9,676	4,188	131%
<b>PERU</b>	<b>9,676</b>	<b>4,188</b>	<b>131%</b>
HOLDINGS	190	192	-1%
MONTES DE MARÍA	5,999	5,972	0%
RUMICHACA	10,255	7,221	42%
PAMPLONA-CÚCUTA	3,752	2,299	63%
<b>COLOMBIA</b>	<b>20,195</b>	<b>15,685</b>	<b>29%</b>
HOLDINGS	10	9	11%
RUTAS DEL LITORAL	1,456	439	232%
<b>URUGUAY</b>	<b>1,466</b>	<b>448</b>	<b>228%</b>
RUTAS DEL ESTE	2,112	875	141%
<b>PARAGUAY</b>	<b>2,112</b>	<b>875</b>	<b>141%</b>
HOLDINGS	171	24	598%
HOSPITAL TLAHUAC	696	57	1117%
AUTOVIA PIRÁMIDES TULANCINGO PACHUCA	2,152	461	367%
<b>MÉJICO</b>	<b>3,019</b>	<b>542</b>	<b>457%</b>
<b>TOTAL WITHOUT CONSTRUCTION REVENUES</b>	<b>117,155</b>	<b>96,171</b>	<b>22%</b>
<b>CONSTRUCTION REVENUES</b>	<b>100,918</b>	<b>48,418</b>	<b>108%</b>
<b>TOTAL</b>	<b>218,073</b>	<b>144,588</b>	<b>51%</b>

## Traffic Figures

Results 1Q 2019

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 7%, and the N6 Galway-Ballinasloe in Ireland, which was 9% 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

	1Q 2019	1Q 2018	CHG.
<b>SHADOW TOLL HIGHWAY SPAIN</b>			
- AUTOVIA DEL NOROESTE	12,361	12,348	0.1%
- Ma-15 PALMA-MANACOR	21,846	22,146	-1.4%
- AS-II OVIEDO-GIJÓN (VIATUR)	23,993	23,672	1.4%
- AUTURSA CV-35	39,575	38,201	3.6%
- ERESMA	7,399	7,230	2.3%
- BARBANZA	12,870	12,152	5.9%
- ARLANZON	18,605	18,019	3.3%
<b>TOLL HIGHWAY SPAIN</b>			
- AP-46 MÁLAGA - LAS PEDRIZAS	11,844	11,089	6.8%
<b>TOLL HIGHWAY OTHER COUNTRIES</b>			
- N6 GALWAY-BALLINASLOE	12,587	11,532	9.1%
- VALLES DEL DESIERTO	5,856	5,837	0.3%
- RUTAS DEL DESIERTO	7,301	7,388	-1.2%
- RUTAS DEL ALGARROBO	5,096	5,230	-2.6%
- VALLES DEL BIO-BIO	9,150	8,444	8.4%
- RUTA DE LIMARÍ	5,631	-	-
- MONTES DE MARÍA	3,135	3,192	-1.8%
- UNIÓN VIAL DEL SUR	5,629	6,336	-11.2%
- DESARROLLO VIAL AL MAR	7,739	7,218	7.2%
- RUTAS DEL ESTE	15,819	15,639	1.2%

## Procurement and Backlog

At 31 March 2019, the Sacyr Concessions backlog stood at €28,064 million, some 4% 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 quarter of 2019.

- **Sacyr was awarded the new concession for the “Los Vilos – La Serena” stretch of the Route 5 motorway in Chile, with an estimated value of €864 million.**

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 projected 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 has been awarded the concession for the Chacalluta Airport in Chile with a projected investment of €74 million and term of 20 years.**

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

The project involves expanding and improving the existing air terminal, doubling its size to allow it to handle more than 1.1 million passengers per year. The works will include installation of five new departure gates, parking capacity for seven aircraft and the expansion of vehicle access out of the airport and pedestrian access to the interior. New aeronautic facilities will also be built, including, a control tower, an administrative building and a logistics building, a rescue and firefighting services building, an aeronautics electrical substation, etc.



## 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 signed a financing agreement 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, this is the Sacyr's biggest project in Chile, where the Group has built up a large business both in construction and in concessions, on a 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% is being provided 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 highway to the coast Autopista al Mar 1 road concession for a total of approximately 2.19 billion Colombian pesos (close to 630 million euros). 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 works, 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 the 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 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%.

## SACYR ENGINEERING AND INFRASTRUCTURES

(Thousands of euros)	1Q 2019	1Q 2018	% Chg.
<b>Revenue</b>	<b>455,668</b>	<b>400,389</b>	<b>14%</b>
<b>EBITDA</b>	<b>41,035</b>	29,391	40%
<b>EBITDA Margin</b>	<b>9.0%</b>	7.3%	

Revenue from the Engineering and Infrastructures business at 31 March 2019 reached €456 million, compared with the €400 million euros recorded in the same period of the previous year, an increase of 14%. This solid advance with respect to the previous year came on the strength of growth of 6% in international markets and 80% domestically.

The Engineering and Infrastructures division continues its decidedly large international presence, with some 83% of its revenues being generated outside Spain. The growth in the Spanish market in these first three months of 2019 was also notable.

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, Paraguay, United Kingdom, Spain, and others, and, in addition, by the contribution of the Pedemontana – Veneta motorway project in Italy. The great majority of these projects are executed for our Concessions division.

The combination of all these factors has helped boost EBITDA to €41 million at 31 March 2019, marking a hefty gain of 40% with respect to the year earlier period. The EBITDA margin came in at 9%, an improvement of 170 basis points in the profitability of this business.

## Procurement and Backlog

The Engineering and Infrastructures backlog reached €6,554 million, which covers 43 months of activity at the current pace of revenue generation. International operations continue to account for the lion's share of the pipeline at 88%. 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 quarter of 2019:

Internationally:

- 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 “Province Cordillera” hospital in Comuna de Puente Alto, Chile, with an investment of approximately €153 million.
- Construction of the Évora rail line, in the “Alandroal – Línea del Este (Elvas)” subsegment, as part of the Portuguese High Speed rail system, for a total of €130 million.
- Expansion of the Chacatulla Airport in Chile, with estimated backlog value of €61 million.
- Construction of a 205 km roadway in Áncash, north of Lima, Peru, for €34 million.

In Spain:

- Construction of the “Arejos – Nijar” 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 in Madrid for approximately €65 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.
- Enlargement of the Turia Highway (CV-35) in the region of Valencia for a total of approximately €37 million.

**Contracts awarded after the end of the quarter:**

- Design, construction, systems integration and commissioning of the expansion of the streetcar system in the city of Edinburgh (United Kingdom).

## SACYR SERVICES

(Thousands of euros)	1Q 2019	1Q 2018	% Chg.
<b>Revenue</b>	<b>265,696</b>	<b>251,963</b>	<b>5.5%</b>
<b>Environment</b>	<b>112,991</b>	101,533	
<b>Multiservices</b>	<b>123,884</b>	121,087	
<b>Water</b>	<b>27,938</b>	28,556	
<b>Central</b>	<b>883</b>	787	
<b>EBITDA</b>	<b>23,977</b>	<b>19,298</b>	<b>24.2%</b>
<b>Environment</b>	<b>13,972</b>	12,119	
<b>Multiservices</b>	<b>4,970</b>	2,510	
<b>Water</b>	<b>5,384</b>	4,491	
<b>Central</b>	<b>(349)</b>	178	
<b>EBITDA Margin</b>	<b>9.0%</b>	<b>7.7%</b>	<b>2.3p.p.</b>

At 31 March 2019 the revenue of Sacyr Services reached €266 million, an increase 5.5% over the year earlier period. This gain was lifted 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 the growth breaks down as follows:

- Environment revenue was up 12%, thanks, among other things, to the contract for waste collection, street cleaning, green area maintenance and waste transport in Bogotá, Colombia.
- Multiservices revenue rose 2% due to the contribution of major contracts awarded in 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, contracts for services to dependent persons.

- The Water business posted revenue of €28 million for the three months ended 31 March 2019.

EBITDA reached €24 million in the first quarter of 2019, compared to €19 million recorded for the same period of the previous year, a gain of 24%. It bears noting that this EBITDA growth came across all areas. The EBITDA margin was 9.0%.

## **Procurement and Backlog**

The Sacyr Services backlog totals €5,899 million, some 29% of which is international. Sacyr Services continues carrying out intense commercial activity both in and out of Spain.

Some of the more noteworthy contracts won were:

### **Environmental Services:**

- 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.
- Upkeep and improvement of urban gardens, flower boxes and trees for a total of €9 million and term of four years.
- Urban waste collection, transport and disposal services in Aveiro, Portugal for a total of €7 million and a term of eight years.

### **Multiservices**

- 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-care services for the municipal government of Madrid for a total of €23 million and a term of five months.
- Renewal of the cleaning service for El Prat Airport in Barcelona, for a total of €14 million and a term of one year.
- 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.



## SACYR INDUSTRIAL

(Thousands of euros)	1Q 2019	1Q 2018	% Chg.
<b>Revenue</b>	<b>110,337</b>	<b>133,042</b>	<b>-17.1%</b>
Oil and Gas	18,701	38,515	
Industrial processing plants	8,463	14,403	
Water	10,381	32,807	
Elec. generation, grid and transport	72,431	46,898	
Central	361	419	
<b>EBITDA</b>	<b>7,439</b>	<b>9,902</b>	<b>-24.9%</b>
<b>EBITDA Margin</b>	<b>6.7%</b>	<b>7.4%</b>	

The performance of the Industrial division in the first quarter of the year was marked by the completion of major projects. Sacyr Industrial posted revenue of €110 million at 31 March 2019.

- The Oil & Gas division recorded revenue of €19 million, down year-on-year due to the completion of major projects in Peru such as the Nuevo Mundo project and gasoline facility at the Pampilla refinery in Peru.
- In the industrial processing plant business, revenue reached €8 million at 31 March 2019, compared to €14 million of the year earlier period. This decline in revenue reflected phases near completion and the completion of major projects previously in the backlog: The cement plants in Chimborazo, Ecuador and Oruro, Peru.
- The Water business recorded revenue of €10 million at 31 March 2019. This figure reflects the nearing of completion of the Soha desalination plant in Oman.
- In the electricity generation, grid and transport area, revenue reached €72 million at 31 March 2019, compared to €47 million for the same period of the previous year. This robust growth was driven by: (I) gains in Generation, due to the increase in the electricity pool price, (II) and in 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 average electricity pool price was 54.9 €/MWh during the first quarter of the year 2019 versus 48.3€/MWh for the same period of the previous year.

EBITDA reached €7 million at the end of the first quarter del 2019, taking the EBITDA margin to 6.7%.

## **Procurement and Backlog**

The Industrial division backlog stood at €2,458 million at the end of the first quarter 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 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.

## VI. Stock Market Performance

SACYR	MARCH		% Chg 19/18
	2018	2017	
Market Price at closing (euros per share)	2.26	2.17	3.87%
High share price	2.37	2.72	-12.87%
Low share price	1.69	2.09	-19.14%
Market Capitalization at closing (Thousands of euros)*	1,282,182	1,234,420	3.87%
Average Trading Volume (Thousands of euros)	262,234	459,419	-42.92%
Average Daily Trading Volume (Number of shares)	2,004,441	2,972,645	-32.57%
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 31 March 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:

	March - 2019
Disa Corporación Petrolífera, S.A.	12.61%
Beta Asociados, S.L.	7.05%
Grupo Corporativo Fuertes, S.L.	6.30%
Prilomi, S.L.	4.68%
Prilou, S.L.	3.56%
Others	65.80%
<b>Total</b>	<b>100.00%</b>

## 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: 91 545 50 00**

**[ir@sacyr.com](mailto:ir@sacyr.com)**