



I.	Highlights of first half 2018	2
II.	Income statement	9
III.	Backlog	13
IV.	Consolidated balance sheet	15
V.	Performance by business area	18
VI.	Stock market performance	35
VII.	Appendix	36

Notes

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

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

I. Highlights of first half 2018

Corporate:

Shareholder remuneration

As a continuation of its shareholder remuneration strategy and pursuant to the resolutions adopted by the General Meeting of Shareholders held on 7 June 2018, in July Sacyr paid out a scrip dividend to its shareholders. In this case, shareholders could either receive one new share for every 48 existing shares held, or otherwise sell Sacyr their rights to receive free shares at a guaranteed fixed price of €0.051, gross, per share.

This shareholder remuneration is in addition to the scrip dividend paid in February, in which shareholders could either receive one new share for every 48 shares held or else sell Sacyr the rights to receive free shares at a guaranteed fixed price of €0.052, gross, per right.

These two pay-outs to shareholders mark the resumption of the regular dividend policy that is part of the Group's strategy. The return to shareholders during 2018 has been 4.2%.

European Medium Term Note (EMTN) Programme

During April, Sacyr launched an issue of fixed-income securities (European Medium Term Note Programme) in a maximum aggregate nominal amount of €500 million.

The programme will enable Sacyr to issue fixed-income securities that will be eligible for admission to trading on the regulated Irish Stock Exchange (currently operating as Euronext Dublin) or any other stock market or trading system, over a period of 12 months, subject to the terms and conditions of the programme prospectus.

This programme is part of the Group's efforts to diversify its funding sources.

Closing of financing arrangements

- **Sacyr closes the financing for the Tláhuac Hospital (Mexico)**

Sacyr Concesiones has closed the financing for the Tláhuac Hospital in Mexico City, in the amount of €88 million, with the Mexican development bank Banobras.

The consortium that will build and manage the Tláhuac Hospital in Mexico City will design, build, equip, operate, maintain and provide ancillary services (supplementary to the medical services) to the General Hospital belonging to the South Regional Branch of Mexico's Civil Service Social Security and Services Institute, ISSSTE (*Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado*). The hospital, which is already under construction, will have 250 beds and represents a backlog of €1,233 million over the 25-year term of the concession.

- **Sacyr closes the financing for the Pirámides-Tulancingo-Pachuca highway (Mexico)**

Sacyr Concesiones has closed the financing for the Pirámides-Tulancingo-Pachuca highway, in the amount of €75 million, with the Mexican bank Banco Interacciones.

The consortium led by Sacyr will carry out the rehabilitation of the Pirámides-Tulancingo-Pachuca highway, which links the archaeological area of Pirámides with the city of Pachuca, priced at €72.2 million. The concession has a term of 10 years and represents a backlog estimated at approximately €214 million.

The project involves the rehabilitation and upkeep of the combined 91.5 km of the two stretches of the MEX-130 and MEX-132 highways covered by the contract, which run through the states of Mexico and Hidalgo. The highway is divided, with two lanes in each direction, equivalent to a length of 183 km.

International expansion:

NEW MARKET: UNITED STATES

- **Sacyr wins its first infrastructure projects in the United States.**

Sacyr has been awarded its first three infrastructure projects in the United States, thus meeting one of the targets of its 2015-2020 strategic programme. The Engineering and Infrastructures division, which in 2018 entered the U.S. market, already has a backlog of €115 million in the U.S.

- Sacyr Infraestructuras e Ingeniería will carry out the remodelling of a stretch of Interstate 75, situated in the west of Florida, for the FDOT (Florida Department of Transportation), with a budget of around €70 million. The project will consist of the reconstruction, remodelling and widening of more than 12 kilometres of highway at the intersection of I-75 and SR70. The work will include building two new bridges to take I-75 over SR70 and the demolition of the existing bridges. The project will improve the highway's capacity and safety.
- Sacyr Ingeniería e Infraestructuras will carry out works to widen State Road 82 between Alabama Road South and Homestead South, doubling the existing number of lanes, on behalf of the Florida Department of Transportation (FDOT). Budgeted at €36 million, the project will double 11 km of the existing road, so that it has two lanes in each direction, with a division in the middle, rather than just one. The widening will improve the highway's capacity and safety.
- In the village of Palmetto Bay, Miami-Dade County, 30 minutes south of the city of Miami, Sacyr will design and build three new streets and expand and improve two existing streets, with a total length of 1,800 m, for €9 million.

STRATEGIC MARKETS

- **Sacyr has won the contract to build the A6 motorway between Dungiven and Drumahoe in Northern Ireland.**

A consortium led by Sacyr has been awarded the contract to build the A6 motorway between Dungiven and Drumahoe in Northern Ireland. The contract is valued at €161 million.

Awarded by the Department for Infrastructure of the Government of Northern Ireland, the contract includes designing and building the 26-kilometre highway. The road is part of the North East Transport Corridor, a strategic link between Belfast and the north-east of the country.

The project entails designing and building 26 kilometres of motorway, four new junctions, three roundabouts and 21 additional structures. The work will run for four years, while maintenance services will be provided over 52 weeks.

- **Sacyr has won a contract to build its third hospital in Chile: the Alto Hospicio Hospital**

Sacyr Ingeniería e Infraestructuras has won the contract to design and build the new Alto Hospicio Hospital in Iquique, in the Tarapacá region, for a total of €95 million. With 235 beds, 3 integrated delivery rooms, 49 cubicles, seismic isolation, energy efficiency and a heliport, the hospital will serve more than 108,000 inhabitants and will house the health care services of the communes of Tamarugal Province.

The Alto Hospicio Hospital, the construction work for which will last approximately 40 months, will be the third hospital to be built by Sacyr in Chile, after the Antofagasta Hospital, which came into operation in 2017 and is managed by Sacyr Concesiones, and the bi-provincial Quillota-Petorca Hospital, currently under construction.

- **First award of airport concession in Chile: El Tepual Airport in Puerto Montt**

Sacyr has entered the airport concession business in Chile after being awarded the contract to expand, finance, build and manage for six years the El Tepual Airport in Puerto Montt, in partnership with Agunsa.

The project includes expanding and upgrading the passenger terminal, building 152 parking spaces, expanding vehicle access to the airport, and enlarging the aircraft apron, among other work.

The contract is worth €58 million for the concession and €33 million for the construction.

- **Sacyr Servicios has moved into Colombia by securing a waste collection and cleaning contract for Special Services Area 5 in Bogotá.**

Through its subsidiary, Valoriza Medioambiente, Sacyr heads up the Área Limpia SAS ESP Consortium, which won the waste collection and cleaning contract for Special Services Area 5 (ASE 5) in the city of Bogotá (Colombia). The contract runs for eight years and is worth an estimated €170 million in total.

The service is provided under a concession with exclusive service areas. It consists of collecting non-recyclable waste, sweeping, cleaning of streets and public areas, grass cutting, tree pruning in public areas, litter collection in public areas, and transportation of the waste collected in these activities to the final disposal sites.

With this new contract Valoriza Medioambiente expands its international reach, having already won a waste treatment contract in Melbourne (Australia).

- **Sacyr Servicios will provide street cleaning and waste collection services for the Autonomous City of Melilla for €53 million.**

Valoriza Medioambiente has won the contract for street cleaning and waste collection services in the Autonomous City of Melilla for an aggregate amount of €53 million over a period of four years, extendable for a further two years.

Under this contract the company will serve a population of nearly 85,000 inhabitants and will take over and hire a total of 354 employees, including direct staff and indirect management, administrative and supervisory staff.

The main improvements to the service are the investment of more than €15 million in more than 65 new vehicles (sweepers, ancillary vehicles, collection trucks, etc.) and the introduction of more than 1,600 new containers, including 428 with a bilateral system for the separation of packaging waste, which Valoriza will implement for the first time in the Autonomous City of Melilla.

All the street cleaning and waste collection equipment is more environmentally friendly and sustainable, so as to reduce emissions of greenhouse gases and noise pollution. The company will also have sound-insulated equipment with water-saving devices with a view to increasing the use of high-pressure water jets in street cleaning.

- **Award of three projects in Peru: construction of the El Callao Sports Centre, redevelopment of Miguel Grau Coliseum in El Callao, and construction of the National University of San Marcos Stadium in Lima for the 2019 Pan American Games.**

Partnering with Saceem, Sacyr will build these three facilities in Peru, requiring an investment of €44 million.

- The first project entails designing and building a new sports centre at the El Callao regional sports village. The sports centre will boast competition and warm-up areas and will have seating for 6,100 spectators. It will have a surface area of 17,600 m² and will play host to the volleyball and taekwondo competitions at the Pan American Games.
- The second contract also includes designing, redeveloping and expanding the Miguel Grau Coliseum with seating for 2,400 spectators. It will host the wrestling competitions.
- The third contract involves designing, redeveloping and expanding the National University of San Marcos Football Stadium, with capacity for 33,000 spectators.

- **Cleaning and minor maintenance service agreement for Lines 2 and 6 of the Santiago de Chile Metro.**

Through its subsidiary Sacyr Facilities, Sacyr has been awarded the contract to clean and carry out minor maintenance tasks for Lines 2 and 6 of the Santiago de Chile Metro, with a total budget of €30 million.

The contract includes cleaning and carrying out minor maintenance work at 32 stations (220,300 m²), intermodal hubs and maintenance depots (40,300 m²) and tracks (25 km), as well as cleaning rolling stock (38 trains) for a term of 42 months, with the option of extending the contract for another year.

Sacyr Facilities specialises in providing facilities management services (integrated building management) and facility services (building support services). In Chile it has become one of the leading companies in the industry.

- **Sacyr Industrial has won a contract to design, build and manage a farm water treatment plant in Adelaide (Australia).**

SA Water Corporation, a state corporation of the Government of South Australia, has awarded Sacyr the contract to design, build and manage a high-tech tertiary water treatment plant in the north of Adelaide (Australia). The project will be completed in stages and has an overall budget of €85 million.

The EPC project includes the infrastructure required for the treatment and distribution of water for agricultural use and includes the possibility of adapting the plant to include reverse osmosis technology. The plant will have an output of up to 12 cubic hectometres per annum.

After the close:

- **Sacyr has won a contract to build the subway in Fortaleza (Brazil).**

Sacyr Ingeniería e Infraestructuras and the Brazilian construction firm Ferrera Guedes have been awarded the contract to build the East Line of the subway in the city of Fortaleza (Brazil).

The project, awarded by the Infrastructure Secretariat of the State of Ceará, relates to Phase 1 of the East Line. The work includes the construction of the line from the Tirol-Moura Brasil station to the subway rail yards, located beyond the Papicú station.

The project comprises 7.3 kilometres of tunnel, of which 6 kilometres will be excavated using tunnel boring machines, as well as four underground stations (Central Chico da Silva, Colegio Militar, Nunes Valente and Papicú) and one overground station (Tirol-Moura Brasil).

- **Entry into service of the route between La Serena and Ovalle (Limarí Highway).**

After the close, Sacyr Concesiones brought the new highway between La Serena and Ovalle (Limarí Highway), in the Region of Coquimbo in the north of Chile, into service. The total investment exceeds €180 million and the concession period is 30 years.

The project comprises 86 km of paved road, which include almost the whole of the D-43 highway, and a newly constructed urban hub, called Avenida Las Torres.

With these improvements and enhanced safety standards, the new Limarí Highway will help improve transport connections in the area, cutting travel times by 25% to 30%.

II. Income statement

The results for the first half of 2018 confirm the strong operating performance of all the Group's businesses and the consolidation of strategic growth across our international markets. Careful attention to profitability and cash flow generation, based on rigorous selection of contracts and thorough control of the associated risks and costs, is key to the Group's operating performance.

INCOME STATEMENT (Thousands of Euros)	1H 2018	1H 2017	% chg 18/17
Revenue	1,802,996	1,522,573	18.4%
Other income	167,483	40,228	316.3%
Total operating income	1,970,480	1,562,801	26.1%
External and Operating Expenses	-1,731,610	-1,371,973	26.2%
EBITDA	238,870	190,828	25.2%
Amortisation and depreciation charge	-62,366	-55,640	12.1%
Trade Provisions and non recurring items	-6,154	646	-1052.6%
NET OPERATING PROFIT	170,350	135,834	25.4%
Financial results	-113,669	-87,570	29.8%
Forex results	18,341	-16,944	n.a.
Results from equity accounted subsidiaries	186,072	48,488	283.8%
Provisions for financial investments	-2,329	-2,874	-19.0%
Change in value of financial instruments	-138,768	8,435	n.a.
Results from sales of non current assets	774	1,836	-57.8%
PROFIT BEFORE TAXES	120,770	87,205	38.5%
Corporate Tax	-24,182	-15,705	54.0%
PROFIT FOR CONTINUING ACTIVITIES	96,588	71,501	35.1%
RESULTS FOR COMPANIES WITH DISCONTINUOUS ACTIVITIES	0	0	
CONSOLIDATE RESULTS	96,588	71,501	35.1%
Minorities	-24,247	-11,111	118.2%
NET ATTRIBUTABLE PROFIT	72,341	60,390	19.8%
Gross margin	13.2%	12.5%	

- Revenue in the first half of the year totalled €1,803 million, an increase of 18% compared with the first half of 2017.
- 60% of revenue and 71% of the backlog were generated outside Spain.
- EBITDA climbed 25% to €239 million in the first half of 2018.
- Net operating profit (EBIT) increased by 25% to €170 million.
- The EBITDA margin was 13.2%, compared to 12.5% in the first half of 2017.
- Attributable net profit reached €72 million at 30 June 2018, marking a year-on-year improvement of 20%.

Revenue

Revenue grew by 18% as a result of the favourable performance of all the Group's businesses.

The positive business performance across all the Group's areas generated revenue of €1,803 million.

The Engineering and Infrastructures area grew 27%, continuing the trend of recent quarters, thanks to the revenue from major projects and the contribution from the Pedemontana-Veneta motorway in Italy. Sacyr Concesiones grew its revenue by 25%, Sacyr Servicios by 14% and Sacyr Industrial by 0.3%.

REVENUE (Thousands of Euros)	1H 2018	1H 2017	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	803,843	631,533	27.3%
SACYR CONCESSIONS	325,754	260,480	25.1%
Revenue from concessions	199,974	173,698	15.1%
Revenue from construction	125,780	86,782	44.9%
SACYR SERVICES	528,364	463,185	14.1%
SACYR INDUSTRIAL	260,039	259,356	0.3%
Holding y Adjustment	-115,003	-91,981	
REVENUE	1,802,996	1,522,573	18.4%
International	1,085,985	868,118	25.1%
% International	60%	57%	

EBITDA

The growth in revenue has been accompanied during this first half of the year by a very positive trend in EBITDA, with year-on-year growth of 25%. EBITDA growth was 15% in Sacyr Concesiones, 13% in Sacyr Servicios and 5% in Sacyr Industrial. The performance of the Engineering and Infrastructures business has been driven by the rate of execution of several major projects in backlog and the contribution from the Pedemontana-Veneta motorway in Italy.

This improvement brought the EBITDA margin on consolidated turnover to 13.2%, up 0.7 percentage points compared to the same period of the previous year.

EBITDA (Thousands of Euros)	1H 2018	1H 2017	% Chg
SACYR ENGINEERING & INFRASTRUCTURES	61,149	21,512	184.2%
SACYR CONCESSIONS	128,498	111,671	15.1%
SACYR SERVICES	43,564	38,715	12.5%
SACYR INDUSTRIAL	17,963	17,175	4.6%
Holding y Adjustment	-12,303	1,755	
EBITDA	238,870	190,828	25.2%
Ebitda Margin (%)	13.2%	12.5%	

Operating profit (EBIT)

Net operating profit reached €170 million, an increase of 25% compared to the same period of the previous year.

Net finance expense

Net finance expense net for the first half of 2018 came to €114 million. The average interest rate on borrowings stands at 3.6%.

Results from equity accounted subsidiaries

The total under this heading of the income statement amounted to €186 million, of which €180 million relate to our share of Repsol. Repsol's carrying amount at 30 June was €16.76/share.

Change in value of financial instruments

The balance of this item in the income statement is €139 million, of which €127 million relate to the fair value measurement of the three derivative structures through which the Group holds its interest in Repsol.

Net profit

Net profit at 30 June 2018 was €72 million, 20% more than at the end of the first half of the previous year.

III. Backlog

At 30 June 2018, Sacyr has a backlog of future revenue of €42,122 million.

During this first half of the year, Sacyr won its first contracts in the United States, thus meeting one of the main targets of the 2015-2020 strategic plan. The Group continues to pursue a strategy of internationalisation in strategic markets.

The international backlog now accounts for 71% of the total, as against 60% in the first half of 2017. This significant growth is due to the huge success in securing contracts in countries such as the United States, Colombia, Mexico, Peru, Paraguay, Australia, Chile and Northern Ireland, and also to the inclusion of the Pedemontana-Veneta concession in Italy in the backlog.

BACKLOG (Thousands of euros)	1H 2018	International	Spain	% Internat.
SACYR ENGINEERING & INFRASTRUCTURES	5,859	5,240	619	89%
SACYR CONCESSIONS	27,429	22,500	4,928	82%
SACYR SERVICES	6,097	1,753	4,345	29%
SACYR INDUSTRIAL	2,737	397	2,340	14%
TOTAL	42,122	29,890	12,232	
Backlog December 2017	41,001			
Chg. 1H18	3%			

In the Engineering and Infrastructures business, international projects make up 89% of the total backlog. The Group's geographic exposure is concentrated in the United States, Chile, Italy, Peru, Colombia, Paraguay, Mexico, Brazil, the United Kingdom, Qatar, Uruguay, Portugal, Angola and various other countries.

Sacyr's international presence is steadily increasing in the Concessions business, with a focus on strategic markets. At 30 June 2018, the international backlog accounted for 82%

of the total. The company operates in Chile, Colombia, Uruguay, Paraguay, Peru, Italy, Mexico, Ireland and Portugal.

The Services division is present in the domestic market, with contracts in Spain for care services, municipal services, waste treatment, environmental projects, catering, mining, facility management, etc. In addition to this domestic business, some 29% of the division's backlog is located outside Spain, specifically in Colombia, Australia, Algeria, Chile, Uruguay, Mexico, Peru, Portugal and other countries, largely through contracts for the operation and maintenance of water concessions, and infrastructure maintenance and waste collection and transport contracts.

Sacyr Industrial is present in countries such as Australia, Bolivia, Oman, Mexico, Peru, Panama, Chile, Colombia and Ecuador, as well as Spain, with numerous projects in the oil and 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 €2,737 million, 14% of which is located abroad.

IV. Consolidated balance sheet

BALANCE SHEET (Thousands of Euros)	JUN. 2018	DEC. 2017	Chg 1H 18
NON CURRENT ASSETS	8,661,157	8,098,032	563,125
Intangible Assets	17,209	17,188	21
Concessions Investments	1,395,384	1,370,054	25,330
Fixed Assets	392,211	387,600	4,611
Financial Assets	3,273,655	3,059,941	213,714
Receivables from concession assets	3,173,346	2,854,735	318,611
Other non Current Assets	242,636	241,714	922
Goodwill	166,717	166,801	-84
CURRENT ASSETS	5,366,834	5,478,224	-111,389
Non current assets held for sale	457,445	454,992	2,453
Inventories	203,670	199,937	3,733
Receivables from concession assets	281,124	260,278	20,847
Accounts Receivable	2,207,939	2,333,664	-125,725
Financial Assets	130,663	113,361	17,302
Cash	2,085,993	2,115,992	-29,999
ASSETS = LIABILITIES	14,027,992	13,576,256	451,736
EQUITY	1,652,412	2,004,419	-352,006
Shareholder's Equity	1,289,210	1,652,138	-362,928
Minority Interests	363,203	352,281	10,922
NON CURRENT LIABILITIES	7,743,702	7,253,254	490,448
Financial Debt	4,897,739	4,729,167	168,572
Financial Instruments at fair value	260,526	192,800	67,726
Provisions	459,248	294,882	164,367
Other non current Liabilities	635,979	547,154	88,826
Other hedged debt	1,490,209	1,489,252	957
CURRENT LIABILITIES	4,631,877	4,318,583	313,294
Liabilities associated with the non current assets held for sale	175,805	176,965	-1,160
Financial Debt	1,037,709	921,205	116,504
Financial Instruments at fair value	25,834	27,127	-1,293
Trade Accounts Payable	2,593,781	2,460,956	132,825
Operating Provisions	111,768	122,726	-10,958
Other current liabilities	686,981	609,604	77,377

The main changes in the first half of 2018 are the result of first-time application of IFRS 15. As indicated in the Group's financial statements, an adjustment of €416 million was recognised in equity at 1 January 2018.

Financial debt

The Group's net debt amounted to €3,719 million. The breakdown of the debt and the changes with respect to December 2017 are as follows:

€ Million	1H 2018	2H 2017	VAR. 1H
Project Finance	2,724	2,517	207
Bank borrowings (operating lines)	372	498	-126
Capital Markets (Bonds + ECP)	623	406	217
Net Debt	3,719	3,421	298

Bank debt: The Group's bank debt stands at €372 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.

Capital markets: At 30 June 2018 the holding company has a financial liability of €623 million, mainly for:

- The outstanding amount of the convertible bonds issued in 2014, maturing in 2019.
- The ECP programme, which has been very active in recent months.
- The Euro Medium Term Note Programme, launched in May.

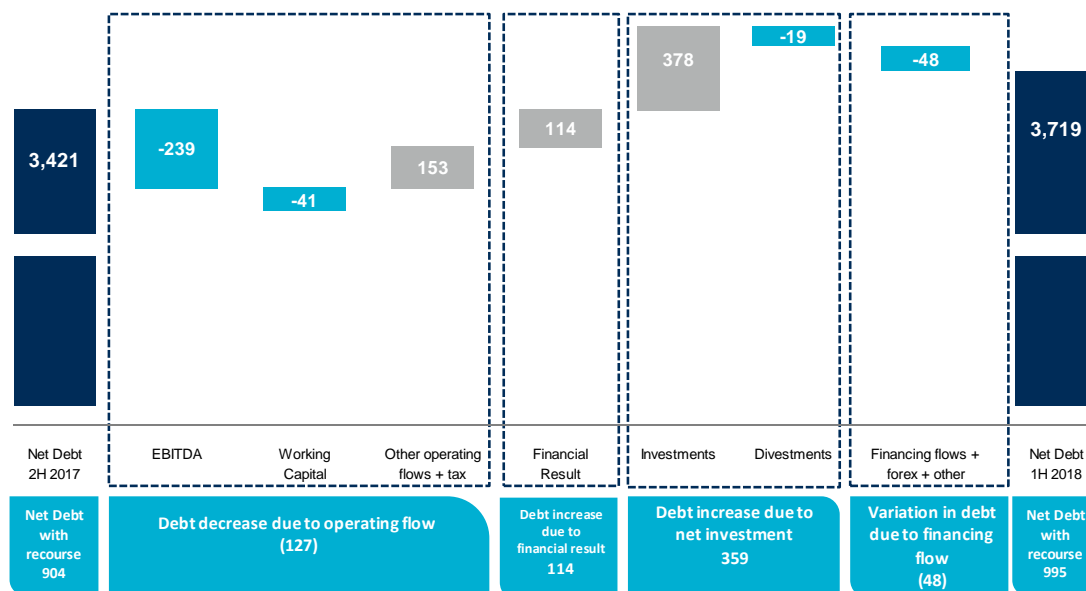
This finance is used by the parent company in its financial management and coordination activities as the Group's controlling company, aimed at meeting the financing needs of the various Group companies.

Project finance: this amounts to €2,724 million and consists of very long-term project finance. This debt is repaid out of the cash flows generated by the projects themselves.

The changes in net debt during the first half of 2018 were as follows:

Net Debt Evolution

€ Million



V. Performance by business area

CONSOLIDATED INCOME STATEMENT AS OF JUNE 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
Turnover	803,843	325,754	528,364	260,039	-115,003	1,802,996
Other Sales	119,675	35,129	13,578	2,952	-3,851	167,483
Total 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
GROSS OPERATING PROFIT	61,149	128,498	43,564	17,963	-12,303	238,870
Depreciation	-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 of financial instruments at fair value	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 TAXES	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
PROFIT FOR CONTINUING ACTIVITIES	25,743	20,609	11,256	6,420	32,559	96,588
PROFIT FOR DISCONTINUING ACTIVITIES	0	0	0	0	0	0
CONSOLIDATE RESULTS	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 INCOME STATEMENT AS OF JUNE 2017						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & Adjustments	TOTAL
Turnover	631,533	260,480	463,185	259,356	-91,981	1,522,573
Other Sales	30,320	4,018	5,234	1,936	-1,280	40,228
Total Income	661,853	264,498	468,420	261,293	-93,262	1,562,801
External and Operating Expenses	-640,341	-152,827	-429,705	-244,118	95,017	-1,371,973
GROSS OPERATING PROFIT	21,512	111,671	38,715	17,175	1,755	190,828
Depreciation	-8,556	-23,199	-18,396	-4,482	-1,008	-55,640
Trade Provisions and non recurring items	7,171	-4,550	-1,787	-194	6	646
NET OPERATING PROFIT	20,127	83,922	18,532	12,499	753	135,834
Financial results	-509	-50,584	-5,312	-1,858	-29,308	-87,570
Forex results	-7,104	1,764	-37	-574	-10,993	-16,944
Results from equity accounted subsidiaries	2,151	4,090	2,977	35	39,235	48,488
Provisions for financial investments	354	-2,902	-332	513	-506	-2,874
Change in value of financial instruments at fair value	0	-8,990	-1,597	-561	19,583	8,435
Results from sales of non current assets	1,632	30	163	-77	88	1,836
PROFIT BEFORE TAXES	16,651	27,330	14,394	9,978	18,852	87,205
Corporate Tax	-10,660	-9,030	-4,134	-2,239	10,358	-15,705
PROFIT FOR CONTINUING ACTIVITIES	5,991	18,299	10,260	7,739	29,211	71,501
PROFIT FOR DISCONTINUING ACTIVITIES	0	0	0	0	0	0
CONSOLIDATE RESULTS	5,991	18,299	10,260	7,739	29,211	71,501
Minorities	1	-9,123	282	-2,418	147	-11,111
NET ATTRIBUTABLE PROFIT	5,992	9,177	10,542	5,321	29,358	60,390

CONSOLIDATED BALANCE SHEET AS OF JUNE 2018						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
NON CURRENT ASSETS	1,557,194	3,492,038	883,773	186,835	2,541,317	8,661,157
Intangible Assets	559	81	13,740	1,385	1,443	17,209
Concessions Investments	48,045	1,054,267	293,072	0	0	1,395,384
Fixed Assets	135,043	2,888	157,319	93,792	3,168	392,211
Financial Assets	181,109	423,025	108,987	23,828	2,536,706	3,273,655
Receivables for concession assets	1,192,438	1,771,408	209,499	0	0	3,173,346
Other non Current Assets	0	240,369	2,267	0	0	242,636
Goodwill	0	0	98,888	67,829	0	166,717
CURRENT ASSETS	3,880,377	1,128,314	518,840	329,446	-490,143	5,366,834
Non current assets held for sale	0	283,074	0	0	174,371	457,445
Inventories	167,616	290	14,814	20,946	4	203,670
Receivables for concession assets	237	278,235	2,652	0	0	281,124
Accounts Receivable	1,789,304	194,504	363,491	171,922	-311,282	2,207,939
Financial Assets	390,739	9,066	66,555	36,434	-372,131	130,663
Cash	1,532,481	363,145	71,327	100,145	18,895	2,085,993
ASSETS = LIABILITIES	5,437,571	4,620,352	1,402,613	516,281	2,051,174	14,027,992
Equity	346,772	983,196	373,954	130,925	-182,435	1,652,412
Shareholder's Equity	313,201	697,273	366,012	90,506	-177,781	1,289,210
Minority Interests	33,571	285,924	7,942	40,419	-4,654	363,203
NON CURRENT LIABILITIES	2,370,972	3,007,775	599,409	134,628	1,630,918	7,743,702
Financial Debt	1,801,435	2,330,654	383,670	105,760	276,220	4,897,739
Financial Instruments at fair value	0	121,528	12,406	796	125,797	260,526
Provisions	342,229	69,262	106,850	9,810	-68,904	459,248
Other non current Liabilities	227,307	486,331	96,483	18,262	-192,404	635,979
Other hedged debt	0	0	0	0	1,490,209	1,490,209
CURRENT LIABILITIES	2,719,827	629,381	429,250	250,728	602,691	4,631,877
Liabilities associated with the non current assets held for sale	0	0	0	0	175,805	175,805
Financial Debt	112,466	189,995	61,936	43,188	630,123	1,037,709
Financial instruments at fair value	0	24,087	1,378	370	0	25,834
Trade Accounts Payable	2,007,745	275,147	160,021	168,310	-17,442	2,593,781
Operating Provisions	68,570	12,500	21,698	4,625	4,376	111,768
Other current liabilities	531,047	127,651	184,217	34,236	-190,170	686,981

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 2017						
(Thousands of Euros)	Sacyr Eng & Infrastructures	Sacyr Concessions	Sacyr Services	Sacyr Industrial	Holding & adjustments	TOTAL
NON CURRENT ASSETS	1,304,452	3,397,139	798,911	188,215	2,409,315	8,098,032
Intangible Assets	638	82	13,411	1,572	1,485	17,188
Concessions Investments	48,828	1,073,928	247,298	0	0	1,370,054
Fixed Assets	127,378	2,496	155,344	98,861	3,521	387,600
Financial Assets	135,245	392,548	107,886	19,952	2,404,310	3,059,941
Receivables for concession assets	992,364	1,688,862	173,509	0	0	2,854,735
Other non Current Assets	0	239,223	2,492	0	0	241,714
Goodwill	0	0	98,971	67,829	0	166,801
CURRENT ASSETS	3,969,527	1,054,859	445,836	425,446	-417,444	5,478,224
Non current assets held for sale	0	282,760	0	0	172,232	454,992
Inventories	159,927	288	18,292	18,108	3,322	199,937
Receivables for concession assets	265	256,093	3,920	0	0	260,278
Accounts Receivable	1,749,613	190,846	314,714	246,425	-167,934	2,333,664
Financial Assets	444,445	6,572	53,966	54,104	-445,726	113,361
Cash	1,615,277	318,300	54,945	106,809	20,662	2,115,992
ASSETS = LIABILITIES	5,273,979	4,451,998	1,244,746	613,661	1,991,871	13,576,256
EQUITY	428,814	968,118	293,156	135,464	178,867	2,004,419
Shareholder's Equity	408,323	685,108	283,971	91,629	183,106	1,652,138
Minority Interests	20,490	283,009	9,185	43,835	-4,239	352,281
NON CURRENT LIABILITIES	2,335,900	2,759,044	584,083	129,593	1,444,635	7,253,254
Financial Debt	1,800,895	2,133,586	302,592	105,359	386,735	4,729,167
Financial Instruments at fair value	0	124,815	13,670	559	53,756	192,800
Provisions	347,197	66,518	109,647	11,133	-239,613	294,882
Other non current Liabilities	187,808	434,124	158,175	12,542	-245,494	547,154
Other hedged debt	0	0	0	0	1,489,252	1,489,252
CURRENT LIABILITIES	2,509,266	724,837	367,507	348,604	368,370	4,318,583
Liabilities associated with the non current assets held for sale	0	0	0	0	176,965	176,965
Financial Debt	172,887	297,913	78,361	39,922	332,122	921,205
Financial instruments at fair value	0	25,347	1,351	429	0	27,127
Trade Accounts Payable	1,829,433	261,105	128,681	251,473	-9,736	2,460,956
Operating Provisions	80,650	14,285	20,552	6,864	376	122,726
Other current liabilities	426,295	126,187	138,563	49,916	-131,357	609,604

SACYR INGENIERÍA E INFRAESTRUCTURAS

(Thousands of euros)	1H 2018	1H 2017	% Chg.
Revenue	803,843	631,533	27.3%
EBITDA	61,149	21,512	184.2%
EBITDA margin	7.6%	3.4%	

Sacyr Engineering and Infrastructures revenue reached €804 million in the first half of 2018, representing year-on-year growth of 27%, thanks to a more than 60% increase in revenue from international projects.

Particularly notable is the business's large international component, which at 30 June 2018 generated 88% of the revenue outside Spain, compared to 77% in the same period of the previous year.

The Engineering and Infrastructures business continued to recover a higher rate of revenue generation (a recovery that started in the last quarter of the previous year), thanks to the pace of execution of projects in backlog and the contribution of the Pedemontana-Veneta motorway in Italy. All this brought EBITDA at 30 June 2018 to €61 million, which represents growth of 184% compared to the first half of the previous year, bringing the EBITDA margin to 7.6%.

Procurement and backlog

The Engineering and Infrastructures backlog totals €5,859 million, which covers 43 months of activity at current rates of revenue generation. International activities account for 89% of the total backlog.

During this first half, Sacyr won its first infrastructure projects in the United States, thus meeting one of the targets of its 2015-2020 strategic programme. Sacyr will carry out three

projects in the US, two for the Florida Department Of Transportation (FDOT) and a third in the village of Palmetto Bay.

- Reconstruction, remodelling and widening of more than 12 kilometres of highway at the intersection of I-75 and SR70 to the west of Florida for a total of €70 million. The work will include building two new bridges to carry I-75 over SR70 and the demolition of the existing bridges. The project will improve the highway's capacity and safety.
- Widening of an 11 kilometre stretch of SR82 between Alabama Road South and Homestead South to form a divided highway, for €36 million. The widening will improve the highway's capacity and safety.
- Design and construction of three new streets and extension and improvement of two existing streets in the suburban village of Palmetto Bay in Miami-Dade County, for €9 million.

Notable projects awarded in the first half of 2018, apart from the ones in the United States, include:

- Construction of the new A6 motorway between Dungiven and Drumahoe in Northern Ireland (United Kingdom), for a total of €161 million. Awarded by the Department for Infrastructure of the Government of Northern Ireland, the contract includes designing and building the 26-kilometre highway. The road is part of the North East Transport Corridor, a strategic link between Belfast and the north-east of the country.
- Design and construction of the new Alto Hospicio Hospital in Iquique, in the Tarapacá region, for a total of €95 million. With 235 beds, 3 integrated delivery rooms, 49 cubicles, seismic isolation, energy efficiency and a heliport, the hospital will serve more than 108,000 inhabitants and will house the health care services of the communes of Tamarugal Province.

The Alto Hospicio Hospital, the construction work for which will last approximately 40 months, will be the third hospital to be built by Sacyr in Chile, after the Antofagasta Hospital, which came into operation in 2017 and is managed by Sacyr Concesiones, and the bi-provincial Quillota-Petorca Hospital, currently under construction.

- Rehabilitation and upgrade of various urban areas in Bogotá (Columbia), with a total budget of €38 million. The first project was awarded by the Urban Development Institute (IDU) and involves regenerating 71,555 square metres of the Zona Rosa district of Bogotá. The second is in the La Sabana district and involves designing and developing a pedestrian network to reorganise mobility in the area. The third urban project entails rehabilitating and upgrading Avenida Boyacá, building a divided highway with three lanes in each direction.
- Construction of the new El Tepual Airport in the city of Puerto Montt, Chile, for €33 million. The project includes expanding and upgrading the passenger terminal, building 152 parking spaces, expanding vehicle access to the airport and enlarging the aircraft apron, among other work. These improvements are intended to double the airport's current capacity to allow it to handle three million passengers, increasing the terminal surface area from 9,900 m² to 16,000 m² and adding an additional boarding bridge to the existing five.
- Construction of the El Callao Sports Centre, redevelopment of Miguel Grau Coliseum in El Callao and construction of the National University of San Marcos Stadium for the 2019 Pan American Games, with a total budget of €44 million.
- Construction of the new San Sebastián Metro (Guipúzcoa, Spain), for a total of €53 million.
- Construction of two metro tunnels at Plaça de las Glòries, Lot 4, in Barcelona, with a total budget of €24 million.
- Expansion and refurbishment of the Quiron University Hospital in Madrid, for a total amount of €18 million.

After the close, Sacyr has won a number of projects, most notably:

- Construction of Phase 1 of the East Line of the subway in Fortaleza, Brazil.
- Construction of the new San Alejandro Hospital in San Andrés de Cholula, state of Puebla (Mexico).
- Construction of the new Villarrica City Hospital in the Araucanía region (Chile).

- Extension of the Langosteira A2-A3 dock and improvements to the draft in the new port facilities in Punta Langosteira, La Coruña (Spain).

Significant events

- Opening of the new 5.5-km stretch of the São Paulo Metro (Brazil), with four new stations. The project is the first high-capacity monorail transport system in Brazil and connects the eastern and south-eastern regions of the entire São Paulo metro network.

This expansion will link with Line 2 - Green and will provide access to 351 km of lines across 23 municipalities, under a single tariff. On completion, the system will serve approximately 400,000 users a day.

- Opening of the Mutu-Ya-Kevela High School in Luanda (Angola), following a full refurbishment by Engineering and Infrastructures. The project entailed a full refurbishment of the building, preserving its original features dating from 1936-1942. It is classified as a national monument. The main work included creating new access points to the building, structural improvements and improvements to the building layout, and adaptation of classrooms to current requirements, with more sports facilities. Wall mosaics, doors, flooring, interior patios, gardens, etc. were also refurbished. Furthermore, all electrical, water and ventilation systems were fully refurbished.

SACYR CONCESIONES

(Thousands of euros)	1H 2018	1H 2017	% Chg.
Revenue	325,754	260,480	25.1%
Construction revenue	125,780	86,782	44.9%
Concession revenue	199,974	173,698	15.1%
EBITDA	128,498	111,671	15.1%
EBITDA margin	64.3%	64.3%	

- Revenue from the Concessions business totalled €326 million at 30 June 2018, up 25% compared to the same period of the previous year, thanks to the good performance of both concession and construction revenue.
- The start of work on various projects in backlog and major progress in projects already under way brought a 45% increase in construction revenue in the first half of 2018 compared to the same period of the previous year. The increase is attributable mainly to the Vial Sierra Norte (Peru), Rutas del Litoral (Uruguay), Rutas del Este (Paraguay), Pirámides-Tulancingo and Tláhuac Hospital (Mexico) and Cúcuta-Pamplona, Rumichaca Pasto and Montes de María (Colombia) concessions.
- Concession revenue grew 15% during the first half of the year to reach €200 million. This revenue increase is explained mainly by the opening of the Antofagasta Hospital (October 2017) and healthy traffic figures.
- At 30 June 2018, EBITDA reached €128 million, up 15% compared to the same period of the previous year, when EBITDA was €112 million.

REVENUES BREAKDOWN

€ Thousands	1H 2018	1H 2017	Var. (%)
AUTOVÍA DEL TURIA	6,912	6,748	2.4%
AUTOVÍA NOROESTE C.A.R.M.	3,158	3,548	-11.0%
VIASTUR	3,697	3,642	1.5%
PALMA MANACOR	5,564	5,317	4.6%
AUTOVÍA DEL BARBANZA	5,935	5,755	3.1%
AUTOVÍA DEL ERESMA	3,432	3,469	-1.1%
AUTOVÍA DEL ARLANZÓN	16,831	17,008	-1.0%
INTERCAMBIADOR DE MONCLOA	6,393	5,866	9.0%
INTERCAMBIADOR DE PLAZA ELÍPTICA	3,382	3,172	6.6%
AUTOPISTA DE GUADALMEDINA	6,888	6,510	5.8%
HOSPITAL DE PARLA	6,718	6,766	-0.7%
HOSPITAL DE COSLADA	6,843	7,293	-6.2%
HOLDINGS	1,264	1,573	-19.6%
SPAIN	77,019	76,665	0.5%
SACYR CONCESSIONS - IRLANDA	643	631	2.0%
IRELAND	643	631	2.0%
HOLDINGS	444	446	-0.6%
PORTUGAL	444	446	-0.6%
HOLDINGS	775	814	-4.7%
RUTAS DEL DESIERTO - ACCESOS A IQUIQUE	9,620	10,552	-8.8%
VALLES DEL BIO BIO - CONCEPCIÓN CABRERO	18,372	17,941	2.4%
VALLES DEL DESIERTO - VALLENAR CALDERA	10,397	11,612	-10.5%
RUTA 43 - LIMARI	2,818	1,515	86.0%
HOSPITAL ANTOFAGASTA	19,848	10,873	82.6%
SERENA VALLENAR - RUTAS DEL ALGARROBO	14,247	15,320	-7.0%
AEROPUERTO DEL SUR S.A. (EL TEPUAL)	131	-	n/a
CHILE	76,207	68,626	11.0%
CONVIAL SIERRA NORTE	11,674	6,321	84.7%
PERU	11,674	6,321	84.7%
HOLDINGS	391	427	-8.3%
MONTES DE MARÍA	8,975	10,276	-12.7%
RUMICHACA	14,170	10,267	38.0%
PAMPLONA-CÚCUTA	5,851	-	n/a
COLOMBIA	29,388	20,969	40.1%
HOLDINGS	21	11	97.2%
RUTAS DEL LITORAL	1,335	18	7460.3%
URUGUAY	1,355	28	4706.6%
RUTAS DEL ESTE	2,126	11	18500.7%
PARAGUAY	2,126	11	18500.7%
HOSPITAL TLAHUAC	148	-	n/a
HOLDINGS	104	-	n/a
AUTOVIA PIRÁMIDES TULANCINGO PACHUCA	866	-	n/a
MEXICO	1,117	-	n/a
TOTAL WITHOUT CONSTRUCTION REVENUES	199,974	173,698	15.1%
CONSTRUCTION REVENUES	125,780	86,782	44.9%
TOTAL	325,754	260,480	25.1%

Traffic figures

Traffic figures rose in Spain and abroad. In the international business, the Valles del Bio-Bio motorway in Chile saw traffic increase 8% and the N6 Galway-Ballinasloe motorway handled 16% more vehicles. In Spain, meanwhile, traffic on the Malaga-Las Pedrizas motorway went up 4%.

The following table shows traffic data:

ACCUMULATED ADT			
	1H 2018	1H 2017	Var.
SHADOW TOLL HIGHWAY SPAIN			
- AUTOVIA DEL NOROESTE	12.571	12.364	1,7%
- Ma-15 PALMA-MANACOR	25.008	24.321	2,8%
- AS-II OVIEDO-GIJÓN (VIASTUR)	23.529	23.831	-1,3%
- AUTURSA CV-35	39.444	39.162	0,7%
- ERESMA	7.769	7.960	-2,4%
- BARBANZA	12.897	12.892	0,0%
- ARLANZON	19.948	20.196	-1,2%
TOLL HIGHWAY SPAIN			
- AP-46 MÁLAGA - LAS PEDRIZAS	11.937	11.447	4,3%
TOLL HIGHWAY OTHER COUNTRIES			
- N6 GALWAY-BALLINASLOE	12.736	11.001	15,8%
- VALLES DEL DESIERTO	4.960	4.900	1,2%
- RUTAS DEL DESIERTO	6.841	6.602	3,6%
- RUTAS DEL ALGARROBO	4.581	4.502	1,8%
- VALLES DEL BIO-BIO	7.463	6.885	8,4%
- MONTES DE MARÍA	2.990	3.123	-4,3%
- UNIÓN VIAL DEL SUR	6.207	5.939	4,5%
- DESARROLLO VIAL AL MAR	7.341	7.162	2,5%

Procurement and backlog

At 30 June 2018, Sacyr Concesiones' backlog totalled €27,429 million, 82% of which consisted of international projects.

In the first half of 2018, Sacyr Concesiones was awarded its first airport concession in Chile. The project entails expanding, financing, building and managing for six months the El Tepual Airport in Puerto Montt, with future concession revenues totalling €58 million.

Significant events

- **Sacyr closes the financing for the Pirámides-Tulancingo-Pachuca motorway and the Tláhuac Hospital in Mexico.**

Sacyr Concesiones has closed the financing for its first two concession projects in Mexico, strengthening the company's position in the country. The concessions assets financed are:

- The Pirámides-Tulancingo-Pachuca motorway, for a total of €75 million.
 - Tláhuac Hospital, for €88 million.
- **Entry into service of the new highway between La Serena and Ovalle (Limarí Highway) in Chile.**

After the close, Sacyr Concesiones brought its fifth concession toll road, the new highway between La Serena and Ovalle (Limarí Highway), in the Coquimbo region in the north of Chile, into service. The total investment exceeds €180 million and the concession period is 30 years. The new 86 kilometre long highway will improve road connections in the area, cutting travel times by 25% to 30%.

SACYR SERVICIOS

At 30 June 2018, the revenue of Sacyr Servicios reached €528 million, which represents growth of 14%, thanks to strong performance in its three areas of activity. This growth reflects the solid upward trend of the Group's services activity.

Revenue by business line is as follows:

- There was significant revenue growth of 16% in Multiservices as a result of the contribution from major contracts awarded in prior quarters, such as the Antofagasta Hospital operation and maintenance service agreement and facilities management service agreements.
- Environment revenue increased by 10%, thanks to urban waste collection contracts, among others.
- In 2018 the Water division posted first half revenue of €64 million, which is 18% higher than in the same period of the previous year thanks to the contracts won in prior months and a general improvement in contracts.

(Thousands of Euros)	1H 2018	1H 2017	% Chg.
REVENUE	528,364	463,185	14.1%
Environment	212,054	191,955	
Multiservices	250,416	215,240	
Water	64,024	54,268	
Central	1,870	1,722	
EBITDA	43,564	38,715	12.5%
Environment	22,997	22,700	
Multiservices	7,724	6,349	
Water	11,082	9,941	
Central	1,761	(275)	
EBITDA Margin	8.2%	8.4%	

EBITDA stood at €44 million at 30 June 2018, which represents growth of 13%. EBITDA has grown across all the Group's areas. The EBITDA margin was 8.2%.

Procurement and backlog

Sacyr Servicios' backlog totalled €6,097 million. 29% of this backlog is international. Sacyr Servicios is continuing with its major sales drive in Spain and abroad.

Some of the most noteworthy contracts won are as follows:

Environmental Services:

- Waste collection, street cleaning, gardening and waste transport contract for Special Service Area 5 in Bogotá, Colombia, with a total budget of €170 million and a concession period of eight years.
- Street cleaning and waste collection service in the Autonomous City of Melilla for €53 million over a period of four years, extendable for a further two years.
- Street cleaning and waste collection service in the city of Lérida, for €28 million over a period of six years.

Multiservices:

- Home-care services in the Community of Madrid, for €56 million over two years.
- Cleaning services at Madrid Metro stations (Lot 3), for €34 million over four years.
- Home-care service in the provinces of Valladolid and Ávila, amounting to €30 million over a three- and two-year period, respectively.
- Cleaning and maintenance service for Lines 2 and 6 of the Santiago de Chile Metro, with a total budget of €30 million over a term of 42 months, extendable for a further 12 months.

- Cleaning services at the Valencia Regional Government's Health Department, for €15 million over two years.
- Management and conservation of two road corridors in Peru for €14 million over a period of 3 years.
- Conservation and maintenance of the AP-66 for €10 million over a period of three years.
- Management of the Nuevo Versalles residential and day care home in Fuenlabrada, Madrid, amounting to €9 million over a three-year period.
- Overall mixed road upkeep services for the roads in Ranco Province, north sector, stage II, Los Ríos region (Chile), for €8 million over a period of four years.

Water:

- Water management (drinking water supply, sewage and wastewater purification) for the Sotogrande and Pueblo Nuevo de Guadiaro National Tourist Interest Centre in Cádiz, for a total of €400 million over a period of 35 years. The project will serve a population of 5,000 inhabitants, rising to more than 25,000 in the summer.
- Contract to improve and maintain the Canal de Isabel II wastewater treatment plant in Madrid for €2 million.

SACYR INDUSTRIAL

(Thousands of euros)	1H 2018	1H 2017	% Chg.
Revenue	260,039	259,356	0.3%
Oil and gas	75,505	104,838	
Electricity infrastructure	25,638	14,263	
Environment and mining	32,749	32,371	
Water	59,537	43,301	
Power generation plants	65,888	63,744	
Central	722	839	
EBITDA	17,963	17,175	4.6%
EBITDA margin	6.9%	6.6%	

The revenue of Sacyr Industrial for the first half of the year amounted to €260 million, compared to €259 million for the first half of the previous year.

EPC contracts

- Oil & Gas generated revenue of €76 million, down slightly compared to the same period of the previous year because of the completion of the Nuevo Mundo project.
- The Electricity Infrastructure division, meanwhile, posted revenue of €26 million, an increase of 80% compared to the same period of the previous year, thanks to a higher rate of revenue generation from the contracts in Chile.
- Environment and Mining posted revenue of €33 million in the first half of the year, compared to €32 million in same period of the previous year. This improvement is attributable to the contributions from the Cementera de Potosí (Bolivia) and Melbourne MSW treatment plant (Australia) projects.

- The Water business revenue stood at €60 million, compared to €43 million in the first half of 2017, an increase of 37%. This growth is the result of higher revenue from contracts such as the Sohar desalination plant in Oman, the Adelaide water treatment plant in Australia and projects in Spain, including the Ibiza water treatment plant and the Tenerife desalination plant.

Power generation plants

- The revenue of the power generation plants for the first half of the year amounted to €66 million, compared to €64 million in the first half of the previous year. The growth is attributable to increased sales by the biomass plants and new contracts (solar PV in Picón), despite the lower pool price in the first half of 2018 compared to the first half of 2017.

The average electricity pool price in the first half of 2018 was €50.2/MWh, compared to €51.2/MWh in the same period of the previous year.

The increase in revenue was accompanied by a 5% growth in EBITDA, which at 30 June 2018 reached €18 million, giving an EBITDA margin of 6.9%.

Procurement and backlog

At 30 June 2018, the Industrial division's backlog stood at €2,737 million. The division has pushed ahead with its international expansion, winning the following noteworthy projects:

- Construction of a fuel storage and distribution depot in the town of Mollendo, Arequipa (Peru), with a total budget of €31 million.
- Design and construction of a farm water treatment plant in Adelaide (Australia), for a total of €85 million.
- Construction of three solar PV plants (Picón I, II and III) in Ciudad Real for a total of €46 million.

VI. Stock market performance

SACYR	JUNE		% Chg. 18/17
	2018	2017	
Share price at the close (euros / share)	2.35	2.32	1.12%
High	2.72	2.80	-2.86%
Low	2.09	2.18	-4.13%
Market capitalisation at the closing price (Thousands of euros)*	1,275,656	1,261,519	1.12%
Average trading volume (Thousands of euros)	867,214	1,234,168	-29.73%
Average daily trading volume (No. of shares)	2,798,044	3,952,983	-29.22%
Liquidity (%)	100	100	
Number of shares (thousands)	543,758	517,431	5.09%
Nominal value per share	1 EURO	1 EURO	

* Adjusted in 2017 for the capital increases in July 2017 and February 2018

VII. 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 (APMs) – used by management in decision-making and in evaluating the Group's financial performance, cash flows and financial position.

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

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

Alternative Performance Measures

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

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

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

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

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

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

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

Backlog: Value of 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 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 year-end share price.

Like-for-like basis: On occasions, certain figures are corrected to permit a year-on-year comparison, for example, by eliminating non-recurring impairment, significant changes in the consolidation scope that could distort 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