



**Sacyr**

**Results**

**Second Half 2013**

28 February 2014

## **HIGHLIGHTS**

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- 1. Operating performance**
- 2. Corporate business**
- 3. Share price trend**
- 4. Reduction of financial debt**

## **EBITDA Margin**

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- EBITDA margin: businesses uphold operating margins

## **International Expansion**

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- Penetration of new markets in 2013: Qatar, Peru, Mozambique.
- Consolidation in countries where the Group already operates: Chile, Angola, Brazil, United Kingdom and Cape Verde.
- **53%** backlog and **53%** international revenue.
- Development of Sacyr Industrial.

## **Reduction of Financial Debt**

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- Net financial debt at 31 December 2012: **€8,643Mn**
- Net financial debt at 31 December 2013: **€6,642Mn**

## PANAMA CANAL

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- On 27 February 2014 the GUPC Consortium concluded negotiations with the Panama Canal Authority with a final conceptual agreement to solve the financing problems concerning construction of the Third Set of Locks on the Panama Canal.
- The agreement was reached in accordance with the aim of the GUPC Consortium to produce an integral focus to provide funds for the project through a co-financing agreement to carry out construction pending the outcome of arbitration to allocate final responsibility for additional project costs.
- The agreement is subject to a documentation process, which is now underway and will shortly culminate in signature.
- Sacyr's technical capacity and experience in building infrastructures in many countries furnish a guarantee that this project will be carried out to the highest standards of quality in the timeframe stipulated.

(€ million)

	2013	2012 *	Chg. 13/12
REVENUE	3,065	3,424	-10%
INTERNATIONAL (Revenue)	53%	43%	+10 bp
<hr/>			
NET PROFIT CONTINUING OPERATIONS	- 322	-899	64%
NET PROFIT	- 496	-977	49%

\*Reformulated in consideration of assets held for sale

Revenue dragged down by declining domestic construction market + regulation of renewable energies.

The results for 2013 include a number of one-off accounting impacts with an adverse effect on EBITDA and net profit.

(€ million)	EBITDA	PROFIT AFTER TAX
ACCOUNTING PROFIT	375	-496
Panama Canal	-182	-127
Property business		-168
Regulation of renewable energies	-28	-58
Restructuring of tax credits		-246
<b>BALANCES WITH NO IMPACT</b>	<b>585</b>	<b>103</b>

€ million

	EBITDA Year-end 2013	EBITDA 2013 - no impact	EBITDA 2012
Construction	139	139	115
Services	116	144	179
Concessions	90	90	94
Rental Property	217	217	218
Holdings and adjustments	-187	-5	-18
<b>Total</b>	<b>375</b>	<b>585</b>	<b>586</b>

## **Lower exposure to the property market**

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- Debt cancellation agreements drawn up with banks
- Negotiations undertaken with the SAREB "bad bank"
- Vallehermoso as an asset held for sale

## **Successful rotation of assets for reinvestment**

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- Divestments in the amount of €743Mn
- Pre-tax profits €76Mn



## **Shareholders**

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- Free-float increased from 31% to 58%
- Weighting increase on the IBEX-35 index to 100% as of mid-December 2013

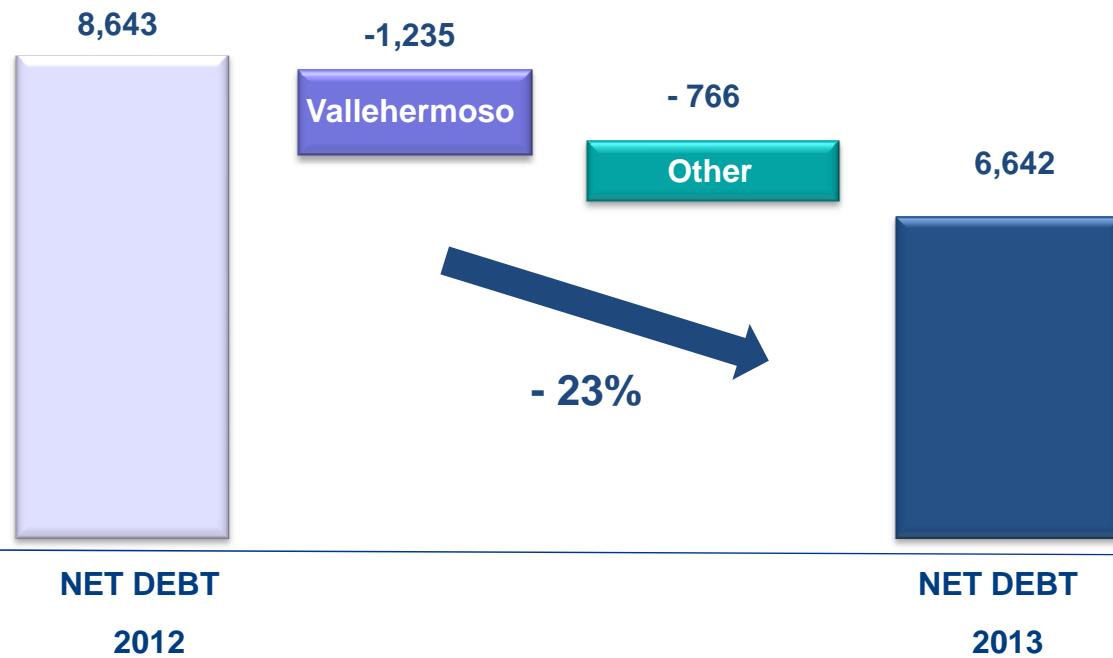
## **Solid share price performance**

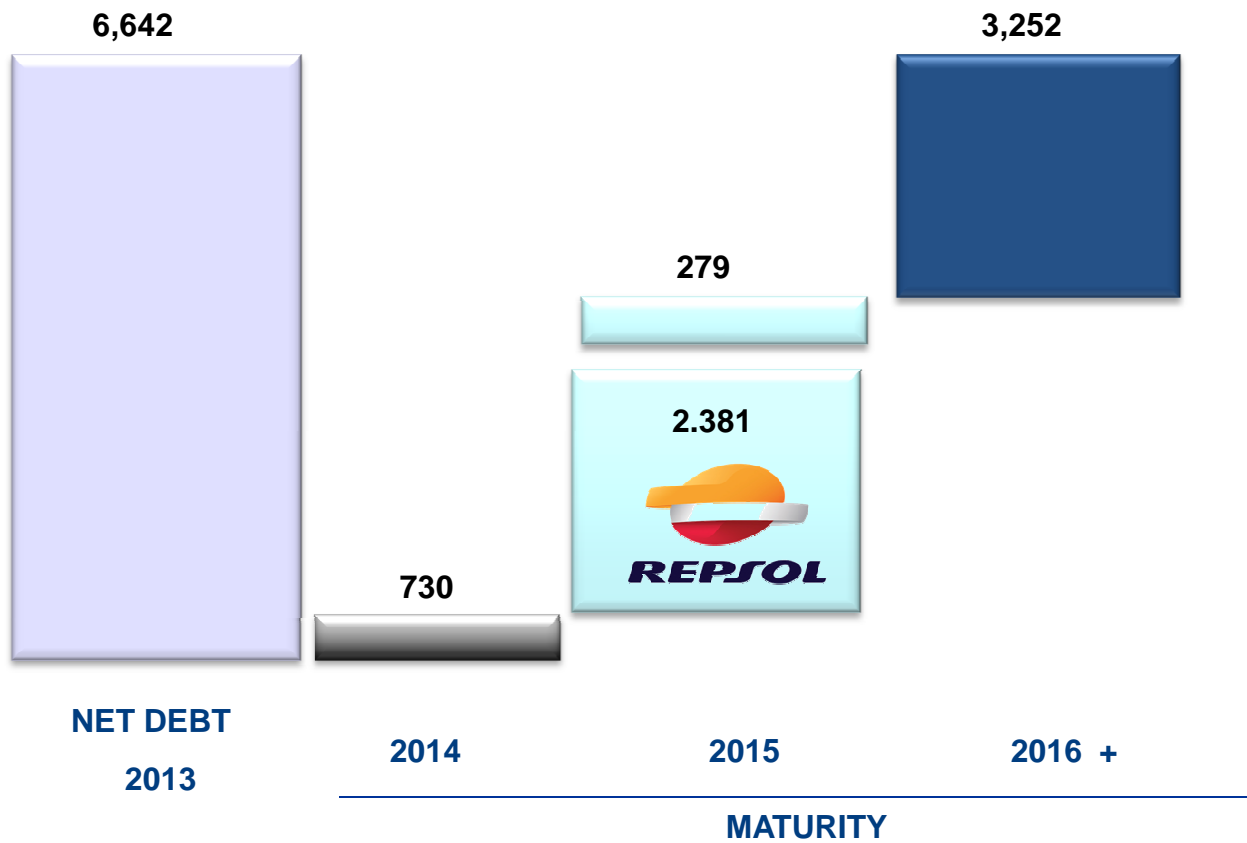
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- 128% increase in 2013
- Returns for shareholders: 5% bonus share issue

23% debt reduction in 2013

€ million





89% of net debt has long-term maturity

Net debt	December 2013	TYPE OF DEBT			Dec 2012
		Structured (1)	Linked to contracts and works	Corporate	
Testa	1,794	1,794			2,279
Sacyr Concesiones	1,098	1,098			1,379
Sacyr + Somague	193	64	129		180
Valoriza	372	242	130		403
<b>Subtotal Businesses</b>	<b>3,456</b>	<b>3,198</b>	<b>259</b>	<b>0</b>	<b>4,241</b>
Repsol YPF	2,426		2,396		2,367
Stake in Itínere	248		248		253
<b>Subtotal Shareholdings</b>	<b>2,674</b>	<b>0</b>	<b>2,644</b>	<b>0</b>	<b>2,619</b>
Corporate	319			319	360
<b>BANK BORROWINGS</b>	<b>6,450</b>	<b>3,198</b>	<b>2,933</b>	<b>319</b>	<b>7,220</b>
Convertible bonds	192				188
Vallehermoso ( Held for sale)					1235
<b>TOTAL NET BORROWINGS</b>	<b>6,642</b>				<b>7,408</b>

## **BUSINESS AREAS**

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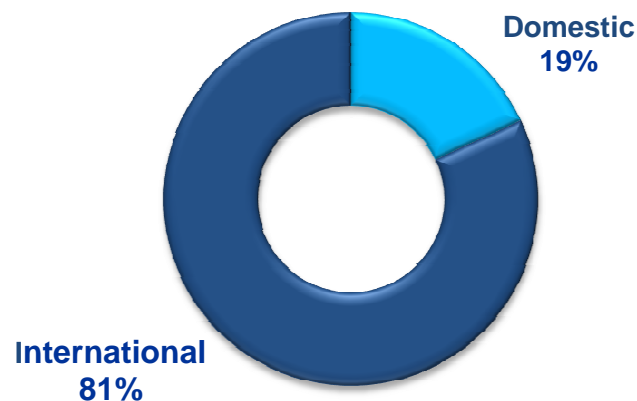
- 1. Construction**
- 2. Industrial / Services**
- 3. Concessions**
- 4. Rental Property**

€ million

	2013	2012	% Chg.
<b>Revenue</b>	<b>1,891</b>	1,976	-4.3%
<i>Spain</i>	703	942	-25.4%
<i>International</i>	1,188	1,034	14.9%
<i>% international</i>	63%	52%	
<b>EBITDA</b>	<b>139</b>	115	20.9%
<i>EBITDA/Revenue</i>	<b>7.3%</b>	5.8%	

- Consolidation of operating margin.
- Growth in international revenues, contributing 63% to total figure (particularly Panama, Angola and Chile).
- Large international component of backlog 81%.
- New markets: contracts in Mozambique, Togo, Qatar, India and Peru.
- Significant reduction in domestic public tenders and slowdown in Portuguese market.

**Backlog = €4,588Mn**



€ million

	2013	2012	% Chg.
<b>REVENUE</b>	<b>1,074</b>	1,123	-4.4%
Water	289	362	-20%
Industrial	213	188	13%
Environment	302	306	-1%
Multi-services	270	267	1%
<b>EBITDA</b>	<b>116</b>	179	-35%
Water	31	51	-38%
Industrial	19	55	-65%
Environment	41	52	-20%
Multi-services	20	21	-5%
Central	5	-	
<b>EBITDA/Revenue</b>	<b>10.8%</b>	<b>15.9%</b>	

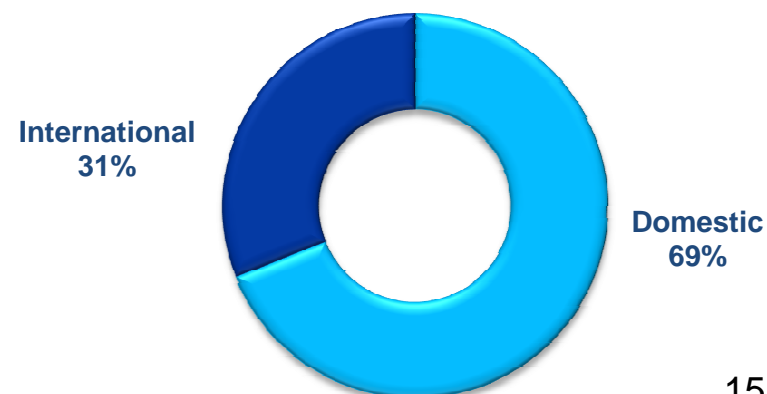
- Organic growth, especially in Sacyr Industrial (Bolivia) with new Oil&Gas projects.

- Major contracts in Water and Environment.

- Impact on EBITDA of new renewable energy legislation and completion of works in Water and Environment.

- Monitoring of working capital, especially in the Environment business.

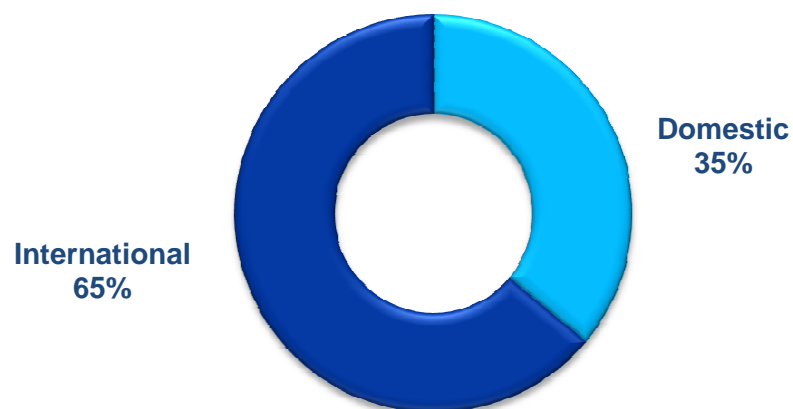
**Backlog €11,474Mn**



€ million

	2013	2012	% Chg.
Revenue	291	267	8.7%
<b>Concession revenue</b>	<b>154</b>	161	<b>- 4.0%</b>
Construction revenue*	136	107	27.9%
<b>EBITDA</b>	<b>90</b>	94	<b>- 4.6%</b>
<i>EBITDA/Revenue</i>	58.2%	58.6%	

**Backlog €20,031Mn**



- 34 concessions, 8 under construction and 26 operational, in 6 countries.
- Higher revenue from concession construction in Chile.
- Changes to concession revenue and EBITDA through divestment.
- Award of the "Longitudinal de la Sierra" motorway project (Peru) for €300Mn approx.
- Divestment: Costa Rica motorways and M 50 Concessions (Ireland) with €9Mn in capital gains.
- Large international component of backlog 65%.

\*Includes construction work carried out by the concessionaire pursuant to IFRIC 12, which has no impact on EBITDA as revenues from the construction matched the related costs.



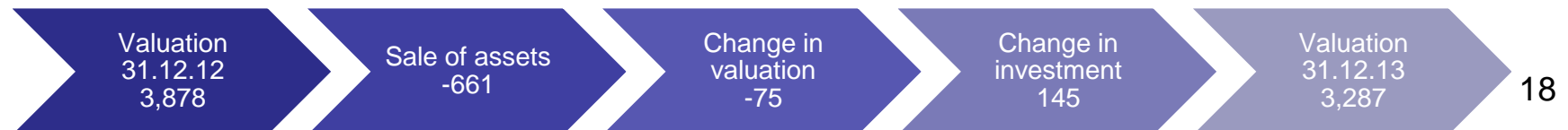
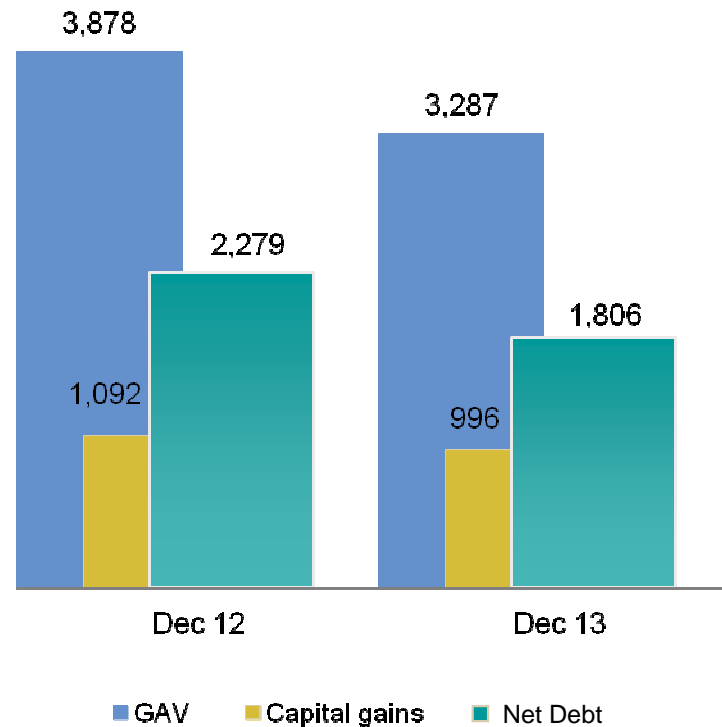
€ million

	2013	2012	% Chg.
Revenue	220	252	-12.7%
<b>EBITDA</b>	<b>217</b>	218	-0.3%
<b>NET PROFIT</b>	<b>78</b>	61	28.3%
Recurring EBITDA (ex-divestments)	172	198	-13%
<i>EBITDA/Revenue</i>	<b>78%</b>	79%	

- Leader of the rental property sector in Spain.
- Stable operating profit.
- Occupancy rate of 97%.
- Lower revenue due to lower GLA.
- Asset rotation: sale of Brickell building (Miami) and Tesfran (Paris).

- Assets appraised at €3,287Mn
- Implicit capital gains of €996Mn
- LTV maintained at 55%

€ million



**Sacyr holds a 9.23% stake in Repsol which is consolidated using the equity method.**

➡ **Repsol reported a post-tax profit of €195Mn at 31 December 2013. Sacyr's share amounts to €18Mn.**

➡ **Sacyr has written down the carrying amount of its stake in Repsol to its fair value, with an impact of €133Mn excluding the tax effect.**

➡ **Debt on the syndicated loan arranged to acquire the stake is met by dividends.**

➡ **Repsol's share price rose 19.5% in 2013.**

## **APPENDICES**

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### **FINANCIAL STATEMENTS**

Income statement

Balance sheet

### **MANAGEMENT INFORMATION**

Maturity schedule 31/12/13

Concession revenue and traffic

Rental income

Discontinued operations: Vallehermoso

# Consolidated income statement

STATEMENT OF INCOME (Thousands of Euros)	DECEMBER		% chg 13/12
	2013	2012	
<b>Turnover</b>	<b>3.065.026</b>	3.423.873	-10,5%
Other Sales	<b>186.309</b>	204.143	-8,7%
<b>Total Income</b>	<b>3.251.335</b>	3.628.016	-10,4%
External and Operating Expenses	<b>-2.875.861</b>	-3.042.200	-5,5%
<b>GROSS OPERATING PROFIT</b>	<b>375.474</b>	585.816	-35,9%
Depreciation	<b>-186.961</b>	-185.274	0,9%
Trade Provisions	<b>-98.409</b>	-369.905	-73,4%
<b>NET OPERATING PROFIT</b>	<b>90.104</b>	30.637	194,1%
Financial results	<b>-341.061</b>	-363.075	-6,1%
Forex results	<b>-9.904</b>	479	n.s.
Results from equity accounted subsidiaries	<b>160.137</b>	-869.090	-118,4%
Provisions for financial investments	<b>-46.270</b>	-36.336	27,3%
Change in value of financial instruments	<b>-7.812</b>	-9.661	-19,1%
Results from sales of non current assets	<b>27.864</b>	37	n.s.
<b>PROFIT BEFORE TAXES</b>	<b>-126.942</b>	-1.247.011	89,8%
Corporate Tax	<b>-194.967</b>	347.834	n.s.
<b>PROFIT FOR CONTINUING ACTIVITIES</b>	<b>-321.909</b>	-899.177	64,2%
<b>RESULTS FOR COMPANIES WITH DISCONTINUOUS ACTIVITIES</b>	<b>-188.874</b>	-77.575	-143,5%
<b>CONSOLIDATE RESULTS</b>	<b>-510.783</b>	-976.752	-47,7%
Minorities	<b>14.852</b>	-784	n.s.
<b>NET ATTRIBUTABLE PROFIT</b>	<b>-495.931</b>	<b>-977.536</b>	49,3%

# Consolidated balance sheet

BALANCE SHEET (Thousands of Euros)	DECEMBER		Chg 1Q 13
	2013	2012	
<b>NON CURRENT ASSETS</b>	<b>8.891.346</b>	<b>9.787.237</b>	<b>-895.891</b>
Intangible Assets	10.192	11.614	-1.422
Real Estate Investments	1.869.197	2.494.075	-624.878
Concessions Investments	1.374.245	1.384.558	-10.313
Fixed Assets	478.772	552.712	-73.940
Financial Assets	5.022.808	5.199.104	-176.297
Other non Current Assets	3	2.045	-2.043
Goodwill	136.129	143.128	-6.999
<b>CURRENT ASSETS</b>	<b>4.251.676</b>	<b>5.174.014</b>	<b>-922.339</b>
Non current assets held for sale	<b>1.084.767</b>	<b>199.668</b>	<b>885.099</b>
Inventories	<b>483.905</b>	<b>1.996.548</b>	<b>-1.512.643</b>
Accounts Receivable	2.056.219	2.124.694	-68.475
Financial Assets	178.854	227.767	-48.913
Cash	447.930	625.337	-177.407
<b>ASSETS = LIABILITIES</b>	<b>13.143.022</b>	<b>14.961.251</b>	<b>-1.818.229</b>
<b>EQUITY</b>	<b>959.241</b>	<b>1.476.156</b>	<b>-516.915</b>
Shareholder's Equity	<b>919.982</b>	<b>1.427.762</b>	<b>-507.780</b>
Minority Interests	<b>39.259</b>	<b>48.394</b>	<b>-9.135</b>
<b>NON CURRENT LIABILITIES</b>	<b>6.654.569</b>	<b>7.723.907</b>	<b>-1.069.338</b>
Financial Debt	<b>5.713.856</b>	<b>6.634.815</b>	<b>-920.959</b>
Financial Instruments at fair value	<b>139.071</b>	<b>216.756</b>	<b>-77.685</b>
Provisions	196.860	198.429	-1.569
Other non current Liabilities	604.783	673.908	-69.125
<b>CURRENT LIABILITIES</b>	<b>5.529.211</b>	<b>5.761.187</b>	<b>-231.976</b>
Liabilities associated with the non current assets held for sale	<b>1.060.378</b>	<b>0</b>	<b>1.060.378</b>
Financial Debt	<b>1.442.286</b>	<b>2.738.783</b>	<b>-1.296.498</b>
Financial Instruments at fair value	<b>24.739</b>	<b>23.077</b>	<b>1.662</b>
Trade Accounts Payable	2.153.234	2.350.925	-197.690
Operating Provisions	273.515	301.047	-27.532
Other current liabilities	575.060	347.355	227.705

NET DEBT (€ million)	DECEMBER 2013	Maturity schedule			
		2014	2015	2016	2017 y +
Testa	1,794	163	92	136	1,403
Sacyr Concesiones	1,098	8	85	152	853
Vallehermoso	0	0	0	0	0
Sacyr + Somague	193	67	22	16	88
Valoriza	372	36	47	53	236
Repsol YPF	2,426	45	2,381	0	0
Participación Itínere	248	117	6	125	0
Corporativa	319	292	27	2	-2
<b>TOTAL</b>	<b>6,450</b>	<b>728</b>	<b>2,660</b>	<b>484</b>	<b>2,578</b>
Obligaciones Convertibles	192	2	0	189	0
<b>NET FINANCIAL DEBT</b>	<b>6,642</b>	<b>730</b>	<b>2,660</b>	<b>674</b>	<b>2,578</b>

	Revenue (Thousand euros)			ADT (Veh/km)		
	1H 2013	1H 2012	Chg (%)	1H 2013	1H 2012	Chg (%)
VIASTUR	6.541	6.445	1,5%	21.293	22.118	-3,7%
AUTOVÍA DEL TURIA	5.578	5.900	-5,5%	34.400	36.088	-4,7%
AUTOVÍA DEL ERESMA	5.706	5.609	1,7%	6.347	6.465	-1,8%
AUTOVÍA DEL ARLANZÓN	11.352	6.572	0,0%	20.409	20.890	-2,3%
AUTOVÍA DE BARBANZA	6.539	4.368	49,7%	11.179	11.585	-3,5%
AUTOVÍA NOROESTE CARM	3.745	4.250	-11,9%	10.207	10.631	-4,0%
PALMA MANACOR	3.552	3.370	5,4%	19.597	19.341	1,3%
NEOPISTAS	1.534	1.504	2,0%			
<b>AUTOPISTAS IN SPAIN</b>	<b>44.547</b>	<b>38.018</b>	<b>17,2%</b>			
HOSPITAL DE COSLADA	14.988	13.913	7,7%			
HOSPITAL DE PARLA	13.156	13.471	-2,3%			
INTERCAMBIADOR DE MONCLOA	6.658	6.746	-1,3%			
INTERCAMBIADOR DE PLAZA ELÍPTICA	3.448	3.263	5,7%			
HOLDING Y OTROS	1.158	1.431	-19,1%			
<b>OTHER CONCESSIONS IN SPAIN</b>	<b>39.408</b>	<b>38.824</b>	<b>1,5%</b>			
<b>SPAIN</b>	<b>83.955</b>	<b>76.842</b>	<b>9,3%</b>			
HOSPITAL BRAGA	9.237	9.488	-2,6%			
HOSPITAL VILAFRANCA	11.890	11.418	4,1%			
HOSPITAL AZORES	3.171	3.224	-1,6%			
ESCALA PARQUE	1.645	1.510	8,9%			
HOLDING Y OTROS	558	1.096	-49,1%			
<b>PORTUGAL</b>	<b>26.501</b>	<b>26.736</b>	<b>-0,9%</b>			
AUTOPISTAS DEL SOL (Costa Rica)	-	12.692	-100,0% (1)		31.873	-100,0%
SYV CONCESIONES COSTA RICA	20	231	-91,2%			
<b>COSTA RICA</b>	<b>20</b>	<b>12.923</b>	<b>-99,8%</b>			
M-50 CONCESSION LTD	4.618	9.880	-53,3% (2)	110.823	108.865	1,8%
N6 CONCESSION LTD	7.029	6.829	2,9%	8.749	8.815	-0,7%
HOLDING Y OTROS	4.209	821	412,7%			
<b>IRELAND</b>	<b>15.856</b>	<b>17.530</b>	<b>-9,5%</b>			
VALLES DEL DESIERTO - VALLENAR CALDERA	15.207	16.954	-10,3%	5.125	4.838	5,9%
VALLES DEL BIO BIO - CONCEPCIÓN CABRERO	3.127	3.887	-19,6%			
RUTAS DEL DESIERTO - ACCESOS A IQUIQUE	1.772	3.053	-42,0%			
SERENA VALLENAR - RUTAS DEL ALGARROBO	3.839	244				
HOLDING Y OTROS	3.967	1.687	n.s.			
<b>CHILE</b>	<b>27.912</b>	<b>25.825</b>	<b>8,1%</b>			
<b>TOTAL INTERNATIONAL</b>	<b>70.289</b>	<b>83.014</b>	<b>-15,3%</b>			
<b>CONCESSIONS REVENUE</b>	<b>154.244</b>	<b>160.607</b>	<b>-4,0%</b>			
CONSTRUCTION REVENUE	136.342	106.605	27,89%			
<b>TOTAL REVENUE</b>	<b>290.586</b>	<b>267.212</b>	<b>8,7%</b>			

(1) Sale 1Q 2013

(2) Sale 3Q 2013



PRODUCT	REVENUE (€ Million)		
	DECEMBER		Chg. 13/12
	2013	2012	
Offices	115.0	123.3	-6.7%
Hotels	29.5	29.6	-0.2%
Shopping centres	26.1	25.6	2.0%
Housing	12.2	13.0	-5.9%
Industrial premises	8.5	8.6	-0.6%
Senior citizens´homes	1.9	1.8	2.0%
Car parks	1.2	1.2	2.6%
Services and other	5.2	5.3	-1.9%
<b>REVENUE LFL</b>	<b>199.8</b>	<b>208.4</b>	<b>-4.1%</b>
Assets sold*	19.9	43.2	
<b>REVENUE</b>	<b>219.7</b>	<b>251.6</b>	<b>-12.7%</b>
<b>Occupancy rate 97%</b>			

\* Sell of Tour Adria (Paris), 1111 Brickell Ave (Miami) in april 2013 y Paseo de Gracia,56 (Barcelona) in february 2012

- Summary of key highlights:

€ million

	2013	2012	% Chg.
Sale of housing units	58	132	-56%
Extraordinary sales	34	-	n.m.
Land sales and revenue	378	53	n.m.
Service revenue	5	6	-12%
<b>TOTAL SALES</b>	<b>475</b>	<b>190</b>	<b>n.m.</b>
Contribution to total revenue	-135	-94	
<i>No. deeds signed (units)</i>	<i>407</i>	<i>509</i>	<i>-20%</i>
<i>Housing stock (units)</i>	<i>321</i>	<i>731</i>	<i>-56%</i>

December 2013	Debt	GAV	Debt 2012	% Chg.
Related to finished goods	147	137	269	- 45%
Related to land	696	962	992	- 30%
Cash and cash equivalents	-23		-26	
<b>TOTAL NET DEBT</b>	<b>820</b>	1,099	<b>1,235</b>	

The Sacyr logo is displayed in a bold, blue, italicized sans-serif font. It is positioned in the upper right quadrant of the page, set against a background of a cable-stayed bridge's pylon and stay cables. The pylon is a tall, slender, grey structure that tapers slightly towards the top, with numerous stay cables radiating outwards to support the bridge deck. The sky is a clear, light blue, and the overall scene is captured from a low angle, looking up at the pylon.

# Sacyr

**NOTE:** The financial information presented in this document has been prepared in accordance with International Financial Reporting Standards. This information is not audited and may be modified in the future.

Vallehermoso is now considered a discontinued operation. The 2012 financial statements have been restated to facilitate comparisons.