

Merger balance sheet of Ferrovial International SE

Balance sheet of Ferrovial International SE pertaining to financial year ended on 31 December 2022 (before appropriation of profit)

(Euros)

ASSETS	Notes	December 31, 2022	December 31, 2021
Fixed assets		8,032,969,808	6,827,071,658
Financial fixed assets	3	8,003,288,027	6,827,071,658
Long term receivables from group companies	4	11,266,605	0
Deferred tax asset	14	18,415,176	0
Current assets		379,695,431	17,206,762
Receivables	5	277,139,525	15,898,979
Dividend to be received		216,972,035	0
Short term receivables from group companies		10,373,961	2,711,389
Group Companies debt		46,811,660	11,304,517
Group Companies trade receivables		2,981,285	1,883,073
Other receivables		584	0
Cash	6	102,555,906	1,307,783
TOTAL ASSETS		8,412,665,239	6,844,278,420
EQUITY AND LIABILITIES			
Shareholder's Equity	7	8,164,136,587	6,761,634,191
Share capital		742,877,070	742,877,070
Share premium		7,884,268,870	6,413,868,157
Other reserves		-395,111,036	-406,656,673
Interim dividend		-1,295,636,729	0
Profit of the year		1,227,738,412	11,545,637
Long term Liabilities	8	0	3,025,923
Group companies loan		0	3,025,923
Current Liabilities	9	248,528,652	79,618,306
Dividend pending to be paid		212,544,871	
Deferred income		0	2,711,389
Group companies debt		34,195,327	75,631,175
Group companies trade payables		1,542,394	479,666
Accrued expenses		56,731	0
Current income tax liabilities		129,069	418,110
Others		60,260	377,966
TOTAL EQUITY AND LIABILITIES		8,412,665,239	6,844,278,420

Notes to the company balance sheet as of 31 December 2022¹

3. Financial Fixed assets

The financial fixed assets of the Company consist of investments in group companies. The movements can be broken down as follows:

	2022	2021
Opening Balance	6,827,071,658	5,944,362,807
Contributions	1,471,561,959	870,433,118
Impairments	-30,808,321	12,275,733
Other movements	(264,537,269)	0
Closing Balance	8,003,288,027	6,827,071,658

Euros	Balance at 1 January 2022	Contributions	Impairments	Other movements	December 31, 2022
Ferrovial Services International SE	58,796,338		(7,100,216)		51,696,122
Acadia Servicios de Medioambiente SL	203,616,189		(3,600)	(203,612,589)	–
Ferrovial Construction International SE	237,416,159				237,416,159
Cintra Global SE	2,873,004,942	369,325,017			3,242,329,959
Cintra Infrastructures SE	2,074,315,001	946,902,374			3,021,217,375
Ferrovial Transco International BV	81,301,082	2,145,935	(23,704,505)		59,742,511
Ferrovial Airports International SE	1,219,281,364	153,188,633			1,372,469,997
Ferrovial Netherlands B.V.	2,100,001				2,100,001
Ferrovial Ventures Ltd.	7,050,000				7,050,000
Ferrovial Servicios S.A.U.	60,924,680			(60,924,680)	–
Ferrovial Ventures Netherlands BV	9,265,903				9,265,903
Total	6,827,071,658	1,471,561,959	(30,808,321)	(264,537,269)	8,003,288,027

The movements recorded in the period ended on December 31, 2022, are explained as follows:

- Contributions to the subsidiary Cintra Infrastructures SE were made for a total amount of USD 976,010,868, which is equivalent to EUR 946,902,374. This enables to finance projects in the US.
- Contribution to Ferrovial Airports International SE for a total amount of EUR 153,188,633, of which EUR 21,570,405 (GBP 18,006,327) went to AGS and EUR 131,618,228 to new airport project in Turkey.
- Contribution to Cintra Global SE for a total amount of EUR 369,325,017, related to the acquisition to IRB in India.
- Contribution to Ferrovial Transco International BV for a total amount of EUR 2,145,935, to enable the latter to increase capital to its Spanish subsidiary.
- The impairments recorded for both Ferrovial Transco International BV and Ferrovial Services International SE are related to negative results and decrease in the value of their subsidiaries which drop the value below its carrying value on the balance sheet.
- The impairment and other movements recorded for Acadia Servicios de Medioambiente SL arises after the distribution made in 2022 by this subsidiary to the Company, consisting of results generated and return on investment for EUR 203,612,589, resulting in an impairment for the remaining share capital of this subsidiary of EUR 3,600.

¹ The numbering of the following notes matches the numbering of the notes referred to in the balance sheet of Ferrovial International SE as included in its individual financial statements pertaining to financial year ended on 31 December 2022 and, therefore, said numbering is not correlative. As note 5 contains a reference to note 12, the latter is also included for the sake of clarity.

– On 31 January 2022, the sale agreement between Ferrovial and Portobello Capital for the infrastructure upkeep and maintenance business in Spain was completed once all the conditions precedent were fulfilled. The total price of the shares initially received by the Company was EUR 171 million together with other earn-outs, transaction costs and other price adjustment agreed. The book value of EUR 60,924,680 was written off and a positive impact of EUR 162,281,928 was recognized in the income statement.

The movements recorded in the period ended on December 31, 2021, can be break down as follows:

Euros	Balance at 1 January 2021	Contributions	Impairments	Other movements	December 31, 2021
Ferrovial Services International SE	71,804,544	5,000,000	13,401,334	(31,409,540)	58,796,338
Acadia Servicios de Medioambiente SL	–			203,616,189	203,616,189
Ferrovial Construction International SE	237,416,159				237,416,159
Cintra Global SE	2,873,004,942				2,873,004,942
Cintra Infrastructures SE	1,177,472,343	865,433,118		31,409,540	2,074,315,001
Ferrovial Transco International BV	83,116,887		(1,815,805)		81,301,082
Ferrovial Airports International SE	1,219,281,364				1,219,281,364
Ferrovial Netherlands B.V.	2,100,001				2,100,001
Ferrovial Ventures Ltd.	7,050,000				7,050,000
Ferrovial Servicios S.A.U.	264,540,869			(203,616,189)	60,924,680
Ferrovial Ventures Netherlands BV	8,575,697		690,205		9,265,903
Total	5,944,362,807	870,433,118	12,275,733	–	6,827,071,658

The Company made the following contributions which were recorded for the period ended 31 December 2021 and are explained as follows:

- Ferrovial Services International SE: contribution made in cash in November 2021 for EUR 5,000,000, to enable the latter the distribution of the subsidiary Servicios Delaware.
- Cintra Infrastructures SE: the capital contributions were made in cash in several tranches for a total amount of EUR 865,433,118 (equal to USD 1.013.503.902) to enable the latter to increase the financial capability of certain US subsidiaries. The contributions were made upon receipt from its sole shareholder Ferrovial S.A. by way of a share premium contribution in the same amount.

The impairment recorded for Ferrovial Transco International BV related to negative results which drop the value below its carrying value on the balance sheet. Whereas the impairment for Ferrovial Services International SE and Ferrovial Ventures Netherlands BV was written off. These were consistently recognized in the income statement for the period under review.

Additionally, other movements for the year under review are explained as follows as part of the Ferrovial's reorganization due to the Services divestment process:

- A contribution in kind was made consisting of the Ferrovial Services International SE's subsidiary, Servicios Delaware, which was contributed to Cintra Infrastructures SE with value of EUR 31,409,540 EUR, equal to the book value.
- Pursuant to a notarial deed, Ferrovial Servicios S.A.U. was split and Acadia Servicios de Medioambiente SL was incorporated.

The Company's investments in group companies comprise the following:

Name	Ownership	Country	Activity	Registered address
Ferrovial Services International SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Construction International SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Cintra Global SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Cintra Infrastructures SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Transco International BV	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Airports International SE	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam
Ferrovial Netherlands B.V.	100%	The Netherlands	Holding	Kingsfordweg 151, Amsterdam

Ferrovial Ventures Netherlands B.V.	100%	The Netherlands	Financing	Kingsfordweg 151, Amsterdam
Ferrovial Ventures Ltd.	100%	United Kingdom	Financing	389 Chiswick High Road, London
Acadia Servicios de Medioambiente SLU	100%	Spain	Services	Príncipe de Vergara 135, Madrid

4. Long term receivables from group companies

The amount of EUR 11,266,605 is due from Grupo Serveo after Ferrovial Servicios S.A.U. disposal and it is mainly related to the earn-outs resulting from the transaction.

5. Receivables

The receivables can be broken down as follows:

Euros	2022	2021
Dividend pending to be received	216,972,035	
Short term receivables from group companies	10,373,961	2,711,389
Group companies debt	46,811,660	11,304,517
Group Companies trade receivables	2,981,285	1,883,073
Other receivables	584	–
Total receivables	277,139,525	15,898,979

5.1 Dividend pending to be received

In November 2022 Cintra Infrastructures SE declared a dividend amounted to USD 225,000,000 (EUR 216,972,035). This dividend was declared in cash, pending to be wire transferred at December 31, 2022.

At the date of preparation of these financial statements and as explained in the post balance sheet events, the amount of USD 191.250 million was paid, being the pending amount USD 33.750 million.

5.2 Short term receivables from group companies

Includes the following:

Euros	2022	2021
Ferrovial Airports FMM BV	10,373,961	2,711,389
Total	10,373,961	2,711,389

These receivables become due within twelve months.

5.3 Short term debt due from group companies

The short-term debt due from group companies relates to current accounts which accrue an interest rate similar to those of the market:

Euros	2022	2021
Ferrovial S.A.	–	6,456,078
Ferrovial Netherlands BV	27,122,934	–
Hubco Netherlands BV	–	3,008,288
Ferrofin S.L.	695,668	744,826
Ferrovial Corporación S.A.	–	11,523
Ferrovial Construcción S.A.	–	2,306
Ferrovial Transco International BV	–	76,780
Cintra Infrastructures SE	18,705,367	–
Ferrovial Services International SE	30,921	555,295
Ferrovial Airports FMM B.V.	–	249,826
Ferrovial Ventures Netherlands B.V.	–	190,963
Cintra INR Investments B.V.	256,769	8,632
Total short term debt due from group companies	46,811,660	11,304,517

These receivables become due within twelve months.

The financial income associated to receivables is specified in the following table:

Euros	2022	2021
Ferrofin S.L.	709,264	–
Ferrovial Netherlands BV	11,762	–
Total financial income	721,025	–

This income is related to the dividends received in kind through loans, explained in [note 12](#).

5.4 Group Companies trade receivables

The short-term trade receivables details are shown in the following table:

Euros	2022	2021
Ferrovial Power Infrastructure Chile, SpA	308,586	209,307
Webber LLC	281,350	115,493
Ferrovial Airports International SE	20,101	20,101
FAM Construction, LLC	86,648	86,648
North Perimeter Contractors	4,791	9,231
Ferrovial Construction Texas	102,221	69,521
Ferrovial Construction West, LLC	15,887	7,635
Webber Commercial Constructors	69,236	23,533
Ferrovial Construcción S.A.	84,192	69,639
Ferrovial Construction UK	11,081	11,081
Ferrovial Services Canada Ltd.	2,662	29,756
Servicios (Delaware) Inc	3,002	3,002
Ferrovial Aeropuertos España S.A.	29,368	29,368
Car Sharing Mobility Services	101	–
Ferrovial Airports US Terminal One	1,898,534	–
Centella Transmisión, S.A	48,785	
Acadia Servicios de Medioambiente SLU	9,751	
Bluebonnet Contractors LLC	832	
Ferrovial Corporación SA	416	
Cadagua US LLC	10	
Ferrovial Construction Canada	135	
Ferrovial Construction US Corp	–	36,446
Cintra Global SE	–	88,977
Cintra Infrastructures SE	–	3,787
Ferrovial Holding US Corp	–	974,748
Ferrovial Services U.S., Inc.	–	32,711
Others	3,597	62,090
Total Group Companies trade receivables	2,981,285	1,883,073

These receivables become due within twelve months.

6. Cash

All Cash are at the Company's free disposal.

Euros	2022	2021
Total cash	102,555,906	1,307,783

7. Shareholder's equity

Share capital paid called up

The Company has an issued and outstanding share capital of EUR 742,877,070 divided in ordinary shares with a nominal value of EUR 1 each. The shares are all held by Ferroviaal, S.A. and fully paid up.

Movements in the equity accounts are as follows:

(Euros)	Issued and paid-up capital	Share Premium	Other reserve	Result of the year	Total
Opening balance 2021	742,877,070	5,549,634,842	-800,723,111	394,066,438	5,885,855,239
Result appropriation			394,066,438	-394,066,438	0
Ferroviaal Servicios S.A.U.		864,233,315			864,233,315
Result of the year				11,545,637	11,545,637
Closing balance 2021	742,877,070	6,413,868,157	-406,656,673	11,545,637	6,761,634,191
Result appropriation			11,545,637	-11,545,637	0
Shareholder contribution		1,470,400,713			1,470,400,713
Interim dividend			-1,295,636,729		-1,295,636,729
Result of the year				1,227,738,412	1,227,738,412
Closing balance 2022	742,877,070	7,884,268,870	-1,690,747,765	1,227,738,412	8,164,136,587

During the year under review there have been no changes as to the Company's issued and outstanding share capital; the same goes for the previous year.

In 2022, the Company's sole shareholder Ferroviaal, S.A. made several share premium contributions (agiotasting) into the Company, in an aggregate amount of EUR 1,470,400,713 (EUR 864,233,315 in 2021), which amount has been applied by the Company to increase the financial capability of subsidiaries, as explained in note [3](#).

The Company made an interim distribution on shares (tussentijdse uitkering) to its sole shareholder Ferroviaal, S.A. at the expense of the Company's freely distributable reserves on December 16, 2022 for a total amount of EUR 1,295,636,729, as further detailed below:

- i. a distribution of USD 225,000,000 in cash, equivalent to EUR 212,544,871;
- ii. a distribution in kind with a value of 47,708,761.57, consisting of a receivable from Ferroviaal Netherlands BV (FNBV) under an intra-group credit agreement of 29 June 2022 between Ferroviaal Construction International SE as lender and FNBV as borrower;
- iii. a distribution in kind with a value of EUR 1,010,194,916.93, (including unpaid interests which accrued until this date) consisting of a receivable from Ferrofin S.L. (FSL) under an intra-group loan agreement of 1 December 2021 between (originally) Acadia Servicios de Medioambiente, S.L.U. as lender and FSL as borrower; and
- iv. a distribution in kind with a value of EUR 25,188,179.80, consisting of a receivable from FSL as borrower and Acadia Servicios de Medioambiente, S.L.U. as lender under an intra-group current account agreement of 28 February 2018.

Proposal result appropriation

The board of directors proposes to add the result for the year to the other reserve.

8. Long-term liabilities

Long term borrowings amounting EUR 3,025,923 are mainly related to a debt due to Ferrofin S.L. (entity fully owned by Ferroviaal S.A), which was paid at the date of preparation of this annual accounts.

9. Current liabilities

The remaining term of the current liabilities is less than one year. The total current liabilities and payables to group companies are specified as follows:

Euros	2022	2021
Dividend pending to be paid	212,544,871	0
Deferred income	0	2,711,389
Group companies' debt	34,195,327	75,631,175
Group Companies trade payables	1,542,394	479,666
Current income tax	56,731	418,110
Accrued expenses	129,069	107,498
Others	60,260	270,468
Total current liabilities	248,528,652	79,618,306

Deferred income, group companies' debt and group companies' trade payables are detail in the next paragraphs.

The amount in others mainly related to VAT payable and suppliers.

9.1 Dividend pending to be paid

The dividend pending to be paid is related to the dividend declared in cash on December 16, 2022 to the sole shareholder Ferrovial S.A., pending to be wired transferred as at December 31, 2022, for USD 225,000,000 equivalent to EUR 212,544,871.

At the date of preparation of these financial statements and as included in post balance sheet events, the amount of USD 191.250 million was paid, being the pending amount USD 33.750 million.

9.2 Deferred income

The deferred income in 2021 included the short debt from the indirect subsidiary Ferrovial Airports FMM BV ('FAFBV') for EUR 2,711,389, pending to be paid.

9.3 Group companies' debt

The group companies' debt comprises the following:

Euros	2022	2021
Ferrofin SL	0	51,890,639
Short-term loan Ferrofin SL	0	51,890,639
Ferrovial Netherlands BV	0	15,763,673
Ferrovial S.A.	93,823	0
Ferrovial Airports International SE	619,600	803,032
Hubco Netherlands BV	3,023,729	
Ferrovial Airports Turkey BV	278,954	
Ferrovial Airports FMM B.V.	29,323	
Ferrovial Ventures Netherlands B.V.	398,174	
407 Toronto Highway BV	27,344,679	3,658,839
Cintra Infrastructures SE	0	991,819
Cintra Global SE	1,866,049	2,458,002
Ferrovial Construction International SE	21,536	16,307
Ferrovial Transco International BV	69,113	
Ferrovial Services Netherlands BV	59,077	48,454
Thalia Waste Treatment BV	15,172	271
Cintra Latam Highways BV	118,371	139
Group Companies - Current accounts	33,937,599	23,740,536
Cartera Ceres	257,728	
Total Group Companies debt	34,195,327	75,631,175

The short-term loan from Ferrofin SL amounting EUR 51,890,639 in 2021, was related to the credit facility signed on December 20, 2017, between the Company and Ferrofin S.L. (entity fully owned by Ferrovial S.A), for a maximum amount of EUR 100,000,000, which was totally paid in 2022. The accrued interest rate was 0.48%.

The amount due to Cartera Ceres, is related to unrecoverable taxes to be assumed by the Company related Ferrovial Services SAU disposal.

The financial expense associated to receivables is specified in the following table:

Euros	2022	2021
Ferrovial S.A.	-214	-1,917
Ferrofin S.L.	-23,933	-246,973
Ferrovial Netherlands BV	-3,941	-16,686
Ferrovial Corporacion S.A.	0	-6
Ferrovial Airports International SE	0	-2,060
Total Interest expense on loans from group companies	-28,088	-267,642

9.4 Group companies' trade payables

The group companies' trade payables comprises the following:

Euros	2022	2021
Ferrovial S.A.	1,542,394	428,893
Ferrovial Corporación S.A.	0	45,872
Total Group Companies debt	1,542,394	479,666

The cost payable to Ferrovial S.A. are related to services provided in regard the Ferrovial Servicios SAU disposal.

The result on impairment and disposal of fixed assets is commented in [note 3](#).

12. Result on participation in subsidiaries

The result on participation in subsidiaries were as follow:

(Euros)	2022	2021
Cintra Infrastructures SE	216,972,035	
Ferrovial Construction International SE	47,697,000	
Acadia Servicios de Medioambiente	831,061,244	
Result on participations in subsidiaries	1,095,730,279	0

Certain FISE's subsidiaries declared an interim dividend to its sole shareholder in 2022, as explained below:

- Cintra Infrastructures SE: EUR 216,972,035 on the basis of an Interim distribution on shares in the amount of USD 225,000,000 at the expense of the Company's freely distributable reserves.
- Ferrovial Construction International SE: EUR 47,697,000 on the basis of an interim distribution on shares in kind at the expense of the Company's freely distributable reserves, consisting of a receivable from Ferrovial Netherlands BV (FNBV) in the aggregate amount of EUR 47,697,000 under the intra-group credit agreement entered into on 29 June 2022 between the Company as lender and FNBV as borrower, as amended, restated or supplemented from time to time;
- Acadia Servicios de Medioambiente SLU: EUR 1,034,673,833 on the basis of (i) a loan agreement between Acadia Servicios de Medioambiente SLU, as lender, and Ferrofin, S.L., as borrower, dated December 1, 2021, with an amount of principal and interest accrued and not paid as of November 22, 2022, of EUR 1,009,486,073; and (ii) balance for the amount of EUR 25,187,760, of the current account between the Acadia Servicios de Medioambiente SLU and Ferrofin, S.L. Additionally, this amount is offset by the consideration of the return on investment for EUR 203,612,589, according to the book value which was written off (see note 3).

14. Tax

The Company is tax resident of The Netherlands as of 15 December 2018. Since then, the Company is subject to Corporate Income Tax in The Netherlands on a consolidation tax regime. The Company is the head of Ferroviol's Dutch Fiscal Unity. The fiscal unity is currently in dispute with the Dutch tax authorities with respect to a group restructuring abroad. In case the group cease to exist, and the Company becomes a stand-alone taxpayer, this would not impact the current tax balances.

The tax burden differs from nominal tax rate due to the result on participation subsidiaries of non-current assets which are tax exempted. In the Netherlands, the rate of 15.0% is used for the first EUR 395,000 in 2022, and 15.0% for the first EUR 245,000 in 2021. The rate of 25.8% is used for the rest of the taxable result before taxes for 2022 and 25.0% for 2021.

The result for corporate income tax is detailed as follows:

(Euros)	2022	2021
Result before Corporate Income Tax	1,227,774,088	11,489,319
Corporate income tax for the year	-35,676	172,103
Deferred taxes		64,312
Adjustment for previous years		-180,097
Corporate income tax	-35,676	56,318
Net Result after Taxation	1,227,738,412	11,545,637

The calculation for corporate income tax is as follows:

(Euros)	2022	2021
Result before Corporate Income Tax	1,227,774,088	11,489,319
Less: participation exemption	-1,064,921,958	-12,275,733
Less: Disposals of fixed assets	-162,281,928	0
Non deductible interests	-333,561	0
Taxable amount	236,641	-786,414

(Euros)	Taxable amount	2022
15.0% Applicable rate (395,000€)	236,641	-35,676
Corporate income tax 2022	236,641	-35,676

(Euros)	Taxable amount	2021
15.0% Applicable rate (245,000€)	-245,000	36,750
25% Applicable rate	-541,414	135,353
Corporate income tax 2021	-786,414	172,103

The deferred tax asset recognized for EUR 18,415,176 in 2022 is related to the recognition of the tax loss generated by the fiscal unity. As the Company is the head of the fiscal unity it must recognize the tax credits related to Net Operating Losses (NOLs) for the whole fiscal unity.