

EARNINGS, FERROVIAL, TRAFFIC

The main infrastructure assets increased earnings, traffic and dividends

Ferrovial reports 59 million euro in profit through September

- The main infrastructure assets continued to evidence strong operating performance, with improvements in earnings, traffic and dividends. EBITDA increased at 407 ETR (+10.8%), Heathrow Airport (+2.1%) and NTE and LBJ in Texas (+23.8% and +27%, respectively), in local currency terms.
- EBITDA amounted to 344 million euro, and would have amounted to 580 million euro but for the provision for the Birmingham contract.
- Traffic continued to increase on the main infrastructures: 407 ETR (+1.8%), Heathrow (+2.5%), LBJ (+6.8%), NTE (+8%) and Ausol I (+7.8%).
- The company collected €429 million in dividends from the assets in which it holds a stake.
- The backlog amounted to 30,783 million euro, of which 19,298 million relate to Services and 11,485 to Construction.

**Corporate
Communications**
newsroom.ferrovial.com
@ferrovial

José Luis Cobas
+34 915 866 314
+34 629 471 839
jl.cobasdelpozo@ferrovial.com

Francisco Campollo
+34 915 869 289
+34 626 163 846
fjcampollo@ferrovial.com

Madrid, 30/10/2018.- Ferrovial, the world-leading infrastructure operator and manager of services for cities, reported 59 million euro in net profit in the first nine months of 2018, which would have been 294 million but for booking a 237 million euro provision for Amey's contract with Birmingham City Council.

EBITDA, which amounted to 344 million euro, was also affected by the provision. But for that effect, EBITDA would have amounted to 580 million euro. The company's main infrastructure assets, including 407 ETR in Toronto, Heathrow airport and the managed lanes in Texas, boosted EBITDA to 1,022 million euro in proportionate consolidation terms, reflecting the holdings in assets recognized by the equity method, which provides a more accurate picture of the company's performance.

Revenues amounted to 9,114 million euro, supported by growth in Construction and Services in Spain and by Toll Roads, a 2.5% increase in like-for-like terms.

The company collected 429 million euro in dividends from the assets in which it holds a stake. Divestments amounted to 141 million euro in the first nine months of 2018 due to the sale of the Services PFIs and of the stake in an alternative energy fund in Australia, contrasting with 167 million euro in the same period of 2017 (which included 3.9% of Budimex and 51% of Norte Litoral and 49% of Algarve in Portugal).

The backlog totals 30,783 million euro, of which Services accounts for 19,298 million euro and Construction for 11,485 million euro; 80% of the backlog is located outside Spain (75% in the case of Services and 90% in the case of Construction). The backlog does not yet include 800 million euro in international construction contracts. Last week saw financial closure of the Ruta del Cacao toll road in Colombia, amounting to 580 million dollars.

Notable events in the period included: the award of a second high-tension line in Chile; the inauguration, three months ahead of schedule, of the NTE35W extension in the Dallas-Fort Worth area; commencement of construction to renovate the international terminal at Denver Airport; and approval by the UK Parliament of Heathrow Airport's expansion.

Order intake included: a rail transport concession in Wales, in consortium with Keolis; and, in the Oil & Gas industry, a maintenance contract from oil services company Schlumberger and oilfield maintenance contracts from Santos in Australia. Construction contracts obtained in the quarter include road building in Chile, the United States and Poland, and the group also obtained services contracts in Australia, New Zealand, the United States and Chile.

Traffic growth and performance by the main assets

Toll road and airport traffic continued to increase in Europe and America, supported by economic performance in those regions: 407 ETR (+1.8%), Heathrow (+2.5%), LBJ (+6.8%), NTE (+8%) and Ausol I (+7.8%). The managed lanes projects in Texas continued to increase their contribution to revenues and EBITDA. The LBJ achieved 75 million dollars in EBITDA (+27%) on 91 million dollars in revenues (+24.7%). The NTE reported 83 million dollars in revenues (+21.0%) and 77 million dollars in EBITDA, a 23.8% increase year-on-year.

The company's main assets reported strong growth in EBITDA: 10.8% at 407 ETR in Canada and 2.1% at Heathrow Airport (in local currency terms in both cases). Traffic performance on 407 ETR increased revenues by 9.9% in local currency terms, while Heathrow attained 60.5 million passengers, resulting in a 2.3% increase in revenues to 2,211 million pounds.

Main funding transactions

The net cash position excluding infrastructure projects stood at 906 million euro, while project debt was 4,782 million euro, from 4,804 million euro at 2017 year-end. In August, the company arranged a liquidity line based on sustainability factors for a total of 900 million euro, to replace a pre-existing 1,250 million euro line, with better funding costs and an extension of maturity to 2023, with an option to extend to 2025.

Taking advantage of the favorable market situation, the company arranged a European Commercial Paper program on the Irish Stock Exchange, for at most 1 billion euro, in the first quarter of 2018. Under this program, Ferrovial can issue commercial paper maturing between 1 and 364 days, enabling it to further diversify its capital market funding sources and manage available liquidity more efficiently.

Business units

Toll Roads experienced traffic growth on most assets. The widespread improvement in the US, Canada, Europe and Spain is continuing. Revenues amounted to 339 million euro, with a higher contribution from the managed lanes in Texas, and EBITDA achieved solid 16% growth in like-for-like terms, after adjusting for the partial divestment of Norte Litoral and Algarve, which are now carried by the equity method. The NTE Extension, inaugurated in July, contributed 13 million euro in EBITDA as well as boosting incoming traffic on the NTE. Ausol I continued to increase traffic, by 7.8% in the period, boosted by tourism and good general economic performance.

The **Airports** division contributed 84 million euro in equity-accounted profit. HAH saw traffic increase in all areas: intercontinental, European, domestic and cargo. User satisfaction stands at 4.12 out of

5. The AGS regional airports achieved 5.8% growth in EBITDA on 2.9% growth in revenues, in local currency terms.

Construction revenues amounted to 3,837 million euro (+15.9% in like-for-like terms), of which 84% was from international business, concentrated mainly in the US and Poland. Budimex increased revenues by 17.8%, while Webber contributed 579 million euro (+4.8% in like-for-like terms). The backlog stands at 11,485 million euro, pending inclusion of over 800 million euro in international projects that are awaiting financial close.

Services revenues amounted to 4,884 million euro, and EBITDA, excluding the impact of the provision for the Birmingham contract, amounted to 242 million euro. Spain performed well, with 3.2% revenue growth feeding into EBITDA. International revenues, from such countries as the US, Poland, Chile and Portugal, increased by 13.1% in like-for-like terms to 369 million euro. Broadspectrum, the Australian subsidiary, achieved 1,274 million euro in revenues in the period, following the conclusion of the immigration-related contracts. Amey maintains its policy of selective bidding and of renegotiating unprofitable contracts in pursuit of better margins; it also increased the volume of consulting and rail work. New facility management contracts with the Ministry of Defence are now operational. It also divested PFIs for a total amount of 75 million euro.

About Ferrovial

Ferrovial is one of the world's leading infrastructure operators and municipal services companies, committed to developing sustainable solutions. The company has 96,000 employees and operates in over 20 countries. Its main business areas are: Toll Roads, Airports, Construction and Services. It is a member of Spain's blue-chip IBEX 35 index and is also included in the Dow Jones Sustainability Index and FTSE4Good; all its operations are conducted in compliance with the principles of the UN Global Compact, which the company adopted in 2002.

KEY FIGURES
(million euro)

	Sep. 2018	Sep. 2017	Change
Revenues	9,114	9,194	-0.9%
EBITDA	344	711	-51.6%
EBIT	102	470	n.m.
Net income	59	387	n.m.

	Sep. 2018	Dec. 2017	Change
Project net debt	-4,782	-4,804	
Net cash position, excluding infrastructure projects	906	1,341	
Construction backlog	11,485	11,145	+3.0%
Services backlog	19,298	19,329	-0.2%

RESULTS IN PROPORTIONATE CONSOLIDATION TERMS
(million euro)

	Sep. 2018	Jun. 2017	Change
Revenues	9,785	10,019	-2.3%
EBITDA	1,022	1,341	-23.8%
EBIT	583	870	-33.0%