

EARNINGS, FERROVIAL, TRAFFIC

Revenue amounted to €4,807 million, an 8.4% increase

Ferrovial doubled EBITDA in the first nine months

- The Managed Lanes projects in Texas are making a rapid recovery: NTE and NTE 35W ended the period with traffic above 2019 levels
- The company has a sound financial position, with €6,423 million in liquidity and a net cash position, excluding infrastructure projects, of €1,830 million
- Construction reported a 2.4% EBIT margin on 4.9% growth in revenue, in like-for-like terms, while winning major international contracts. The backlog reached a record EUR 12,297 million.
- The company signed an agreement to sell the Environmental Services area to PreZero for €1,133 million. The company also announced the sale of its Infrastructure Services business in Spain to Portobello Capital.
- Ferrovial announced it has bid for up to 24.9% of Indian company IRB Infrastructure Developers.
- The Board of Directors has approved the repurchase of shares for a value of up to 200 million euros in addition to the dividend approved by the Shareholders' Meeting.

Madrid, 28/10/2021. - Ferrovial, the sustainable infrastructure and mobility company, reported €439 million in EBITDA in the first nine months of 2021. That was an 85.9% increase in like-for-like terms on the €231 million reported in the same period of 2020. Revenue increased by 8.4% in like-for-like terms to €4,807 million.

The results were boosted by improved Toll Road traffic and solid performance by Construction, offset by persisting constraints on air traffic. The company reported a net loss of €-100 million in the first nine months of 2021, compared with €-513 million in the same period of 2020.

Ferrovial continues working to preserve its sound finances and generate value through a range of investment options such as the recently-announced bid for 24.9% of Indian company IRB Infrastructure Developers, at a cost of approximately €364 million. Completion of this acquisition is subject to Cintra, IRB and Virendra D. Mhaikar (and his family and holding company), the majority shareholder, reaching a final agreement on the transaction, which must subsequently be approved by IRB's shareholders and cleared by the competent financial and administrative authorities.

The company's liquidity position amounted to €6,423 million while net cash excluding infrastructure projects stood at €1,830 million (including discontinued operations).

Between January and September, Ferrovial collected €76 million in dividends from projects in which it is invested, including €49 million from the Texas Managed Lanes. The Board of Directors of 407 ETR approved a capital distribution of CAD 300 million to be paid in the fourth quarter. The Construction backlog reached a record €12,297 million.

Main events in the period

Milestones in the period include the contract to build the central section of Sydney Metro West in New South Wales, Australia, for AUD 1,960 million (about €1,240 million); expansion of the I-35 in San Antonio (Texas) for USD 1,500 (about €1,273 million); upgrading a section of I-16/I-75 in Macon (Georgia) for USD 229 million (about €192 million); a section of road in Peru worth €100 million; and the Norwich Western Link, in Norfolk (UK), for GBP 107 million (over €125 million).

Divestments in the period include notably the agreement to sell the environmental services business in Spain to PreZero, a Schwarz Group company. The deal is for an enterprise value of €1,133 million, and will provide a capital gain of about €317 million.

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The company also recently announced the agreement to sell its Infrastructure Services business in Spain to Portobello Capital. The deal represents an enterprise value of approximately €186 million and the implied equity value at December 2021 is estimated to be around €186 million. The price will be supplemented by earn-outs of around €50 million, based on compliance with certain requirements following completion of the transaction.

Also in the first nine months of 2021, the company sold Budimex Nieruchomości, the real estate division of its Polish subsidiary Budimex, to CP Developer for approximately €330 million after transaction costs. This deal had a positive impact on Ferrovial's consolidated accounts in the amount of €131 million. Ferrovial also completed the sale of some non-strategic assets, such as Figueras prison (€42 million), URBICSA (€17 million), Nalanda Global (€17 million) and aggregate company SCC (USD 140 million).

As for acquisitions, Ferrovial acquired an additional 5.704% of I-66 in Virginia. Following this deal, worth €159 million, the company now owns 55.704%, a controlling stake that entails recognition by Ferrovial of a capital gain amounting to €1,023 million before tax.

Traffic performance

The Texan toll roads all reported double-digit growth despite the upswing in COVID-19 cases during the summer. Traffic increased by 32.5% on NTE, 29.6% on NTE 35W and 19.2% on LBJ. Both NTE and NTE 35W ended the period with traffic above 2019 levels. Highway 407 in Canada recovered after mobility restrictions were partly eased in late June, and traffic resumed growth, rising by 3.4%. I-77 in North Carolina also achieved solid growth, with traffic up 38.9%, having regained pre-COVID levels by the end of June.

Airport traffic is recovering as international flights resume following the successful vaccination campaigns and the re-opening of borders. Heathrow handled 10.2 million passengers in the first nine months, 46.4% less than the previous year due to the reduction of flights to certain destinations because of the upswing in COVID-19 cases and also border closures.

Business units

Toll Roads reported a 35.4% increase in revenue in like-for-like terms to €383 million, supported by sound performance by the managed lanes in Texas, which registered double-digit growth. The United States accounted for 77.6% of this division's revenue. EBITDA increased by 42.9% in like-for-like terms to €266 million.

In the **Airports** division, the decline in traffic reduced Heathrow's revenue by 26.9% and its adjusted EBITDA by 54.8%. The AGS airports were affected significantly by the decline in traffic, with revenue down 8.7% and EBITDA amounting to €-11 million.

Construction maintained its solid performance, with €107 million in EBIT, up from €25 million in the same period of 2020, and an EBIT margin of 2.4%. The division's backlog reached a record €12,297 million, not counting some recently awarded projects worth €380 million. Revenues increased by 4.9% in like-for-like terms to €4,395 million. International business, notably in Poland and the United States, accounted for 86% of revenue. Budimex performed particularly well, with an EBT margin of 7.2%.

Assets available for sale

Ferrovial continues to advance with the divestment of the Services business. The first milestone in this process came in 2020, with the sale of Broadspectrum; this was followed by the agreement this year to sell the Environmental Services business in Spain and Portugal to PreZero, and the recently-announced sale of its Infrastructure Services business in Spain to Portobello Capital. The division's overall revenue



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amounted to €3,898 million in the period, while EBITDA amounted to €311 million. The Services backlog stands at €11,471 million.

Shareholder remuneration

The Shareholders' Meeting this year approved the Ferrovial Flexible Dividend program in terms similar to those that have applied in the last six years, to be implemented in the form of two scrip issues.

The first scrip issue (equivalent to the 2020 supplementary dividend) took place in June 2021. The Board of Directors has set the terms of the second scrip issue, equivalent to the 2021 interim dividend. Shareholders are entitled to one new share for every 87 existing shares. Ferrovial has undertaken to purchase the subscription rights at a guaranteed fixed price of 0,305 each.

The Board of Directors also approved a share buyback program of up to €200 million.

ESG developments in the period

Sustainability continues to be one of the core values of the company's strategy. Ferrovial has purchased a photovoltaic plant in Seville to supply power to its assets in Spain and Portugal, the goal being to fulfil its 2030 emission reduction target.

Also, in the first nine months of 2021, Ferrovial enhanced its position in the main sustainability indexes, including DJSI, FTSE4Good, CDP, Vigeo, Stoxx, ISS ESG, and GRESB, and it joined the Bloomberg Gender-Equality Index. The AGS regional airports in the UK adopted a sustainability plan, which targets carbon neutrality by the mid-2030s.

About Ferrovial

Ferrovial, a leading global infrastructure operator, is committed to developing sustainable solutions. It is a member of Spain's blue-chip IBEX 35 index and 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.

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	Sep. 2021	Sep. 2020	Chg.***
Revenue	4,807	4,636	8.4%
EBITDA	439	231	85.9%
EBIT*	254	54	222.6%
Net income	-100	-513	n.m.

	Sep. 2021	Dec. 2020	Change
Consolidated net debt**	-2,879	-2,541	-13.3%
Net cash position, excluding infrastructure projects**	1,830	1,991	-8.1%

Construction backlog***	12,297	11,025	10%
Services backlog***	11,471	11,122	0.7%

* EBIT before impairments and fixed asset disposals

** Including discontinued operations

*** In like-for-like terms