

**ferrovial**

# Investing for Growth



**FY 2015 Results**

# Disclaimer

This document may contain statements that constitute forward looking statements about the Company. These statements are based on financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations, which refer to estimates regarding, among others, future growth in the different business lines and the global business, market share, financial results and other aspects of the activity and situation relating to the Company.

Such forward looking statements, by its nature, are not guarantees of future performance and involve risks and uncertainties, and other important factors that could cause actual developments or results to differ from those expressed in these forward looking statements.

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# Agenda

- 2015 Highlights
- Business Units
- Financial Results
- Looking Ahead

# 2015 Highlights

## Strong operating growth

- Traffic growth across the board
- New awards in core markets
- €31.5bn record order book

## Balanced cash generation

- €889mn Operating Cash Flow  
42% from infra projects dividends

## Solid financial position

Ex-infra projects

- €1.5bn net cash position

## Shareholder remuneration

- +4.4%

## Corporate transactions

- Broadspectrum bid ongoing
- Toll road asset rotation post de-risking
  - Indiana Toll Road (US)
  - Chicago Skyway (US)
  - M3 & M4 stakes (Ireland)

# 2015 results & order book

€ million

	2015	% var. vs 2014	
Revenue	9,701	+10%	↑
EBITDA	1,027	+4%	↑
Net Income	720	+79%	↑
Construction order book	8,731	+8%	↑
Services order book	22,800	+2%	↑

## Strength & visibility

# Agenda

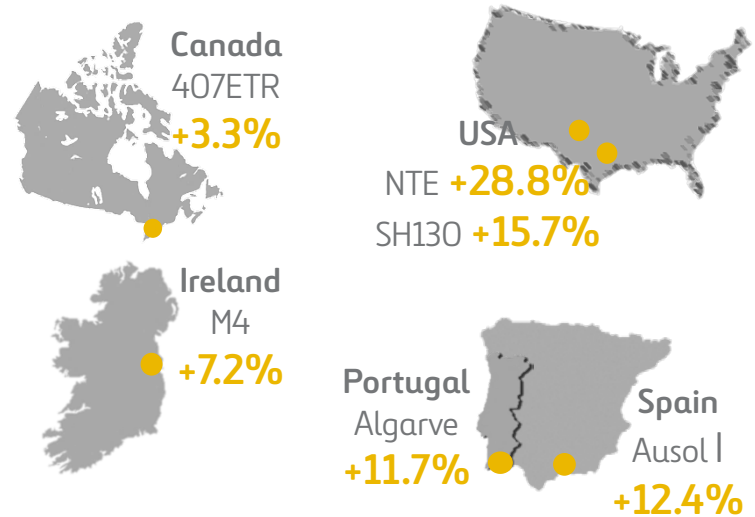
- 2015 Highlights
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# Toll roads

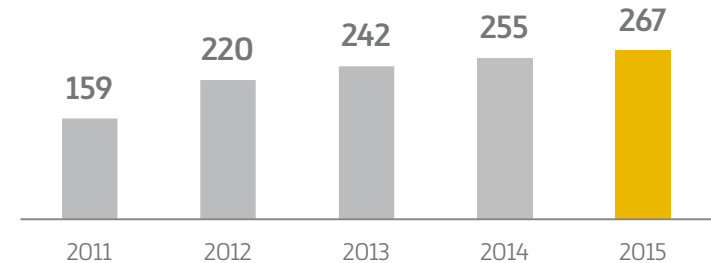
€ million

- **Self-financing** expansion in the toll road business
  - **€267mn** dividends from projects  
ETR €242mn, other assets €25mn
  - **€120mn** invested in equity of new projects
- Significant and steady **traffic growth** in all markets
- Openings:
  - **LBJ**: (Sept. 2015) 3 months ahead of calendar
  - **407ext I**: expected in 2016
- New projects awarded:
  - **Toowoomba** (Australia) & **Ruta del Cacao** (Colombia)
- Financial closing :
  - I-77 (US)
  - 407 East Ext. II (Canada)
  - Toowoomba (Australia)
  - A-66 (Spain)

## TRAFFIC EVOLUTION



## DIVIDENDS FROM PROJECTS



## FY 2015 RESULTS TOLL ROADS

	2015	%
Revenues	513	+18.9%
EBITDA	333	+29,6%

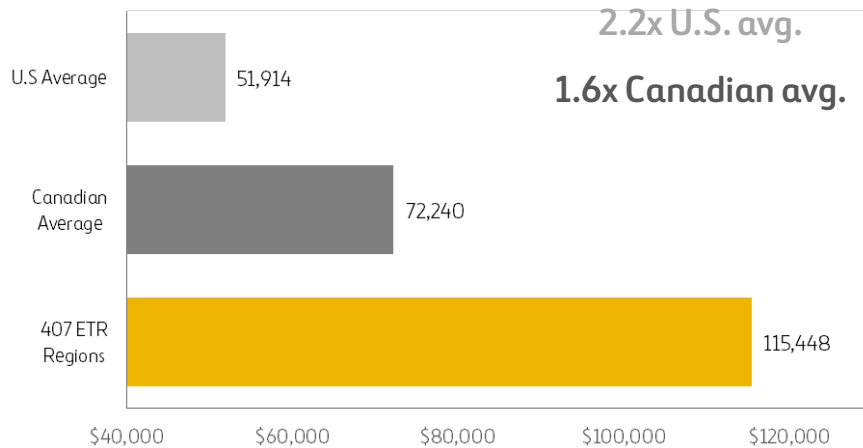
# 407ETR

Equity method, Ferrovial stake 43%

## 407ETR FY 2015 RESULTS (CAD mn)

	2015	%
Revenues	1,002	+12,9%
EBITDA	840	+14,2%

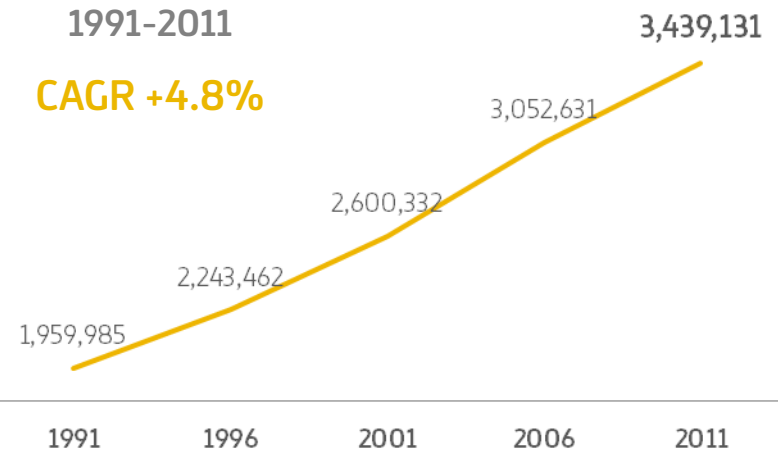
## HOUSEHOLD INCOME



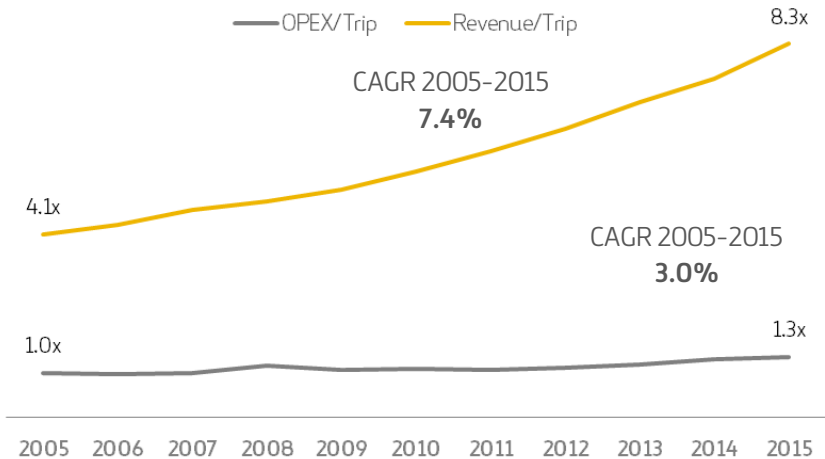
407ETR Regions includes: Durham, Peel, Halton & York

Source: National Household Survey and United States Census Bureau (2011)

## POPULATION GROWTH

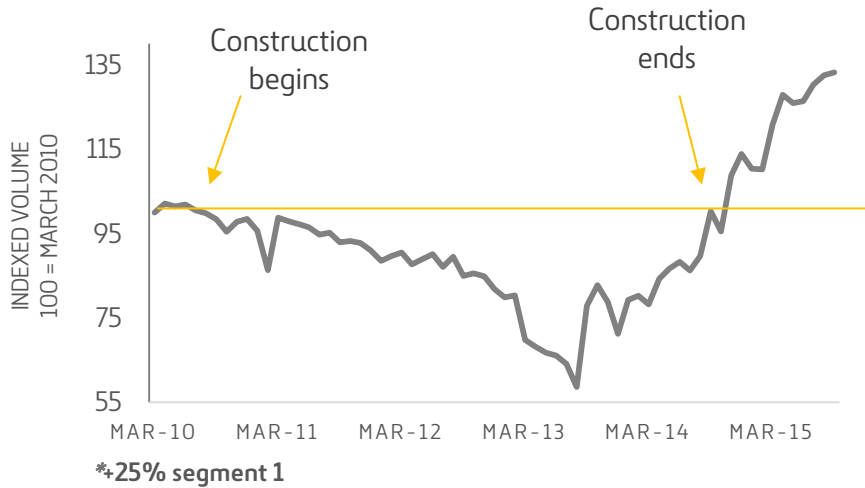


## REVENUE / EXPENSE PER TRIP

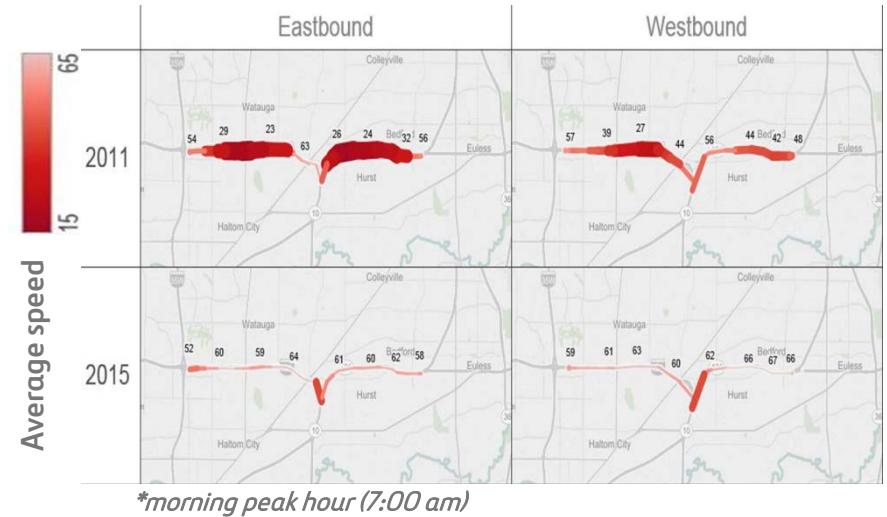




## CORRIDOR TRAFFIC RECOVERY



## DECREASE IN CONGESTION LEVELS

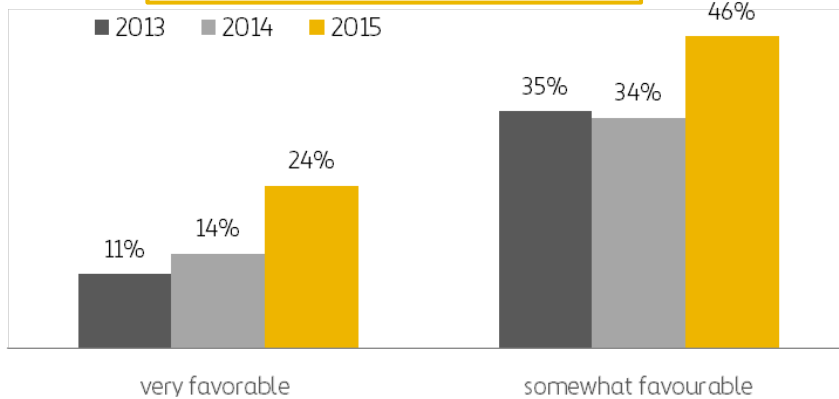


## HIGH APPROVAL RATING

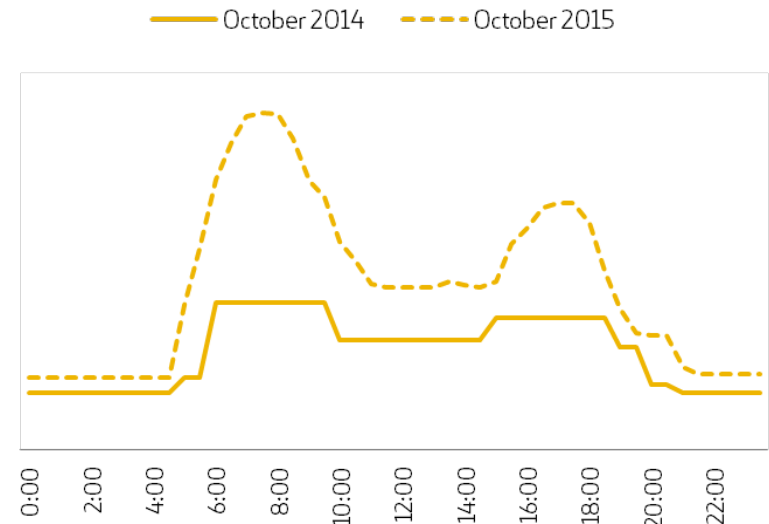
Favourable

2013: 46%

2015: 70%



## TOLL RATES



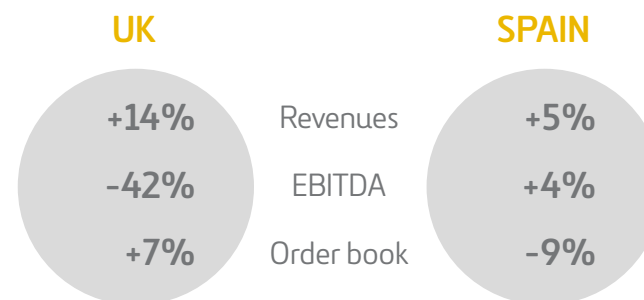
# Services

€ million

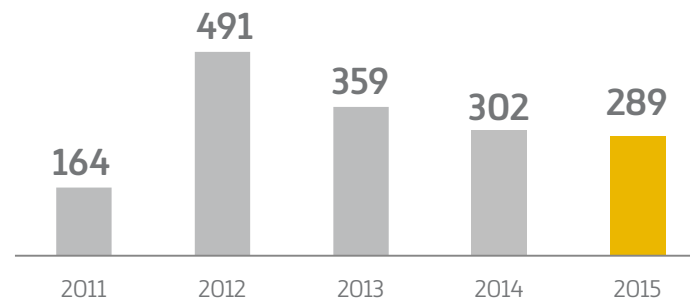
- **€ 289mn operating cash flow (OCF)**
- **All-time high order book**  
€22.800mn (Including JV)
- **Largest division by OCF contribution**
- **Positive evolution in Spain**  
Profitability remains stable with EBITDA margin at 10.7%
- **EBITDA includes -€110mn negative impact** from Birmingham contract.
  - €34mn losses incurred in the year
  - €76mn provision for potential litigation outcome and review of margins going forward.
- **Broadspectrum bid**

	2015	%
Revenues	4,897	+11.3%
EBITDA	312	-19.4%
EBITDA %	6.4%	-240bps
Order book	22,800	+1,9%

## PERFORMANCE BY GEOGRAPHY



## OPERATING CASH FLOW



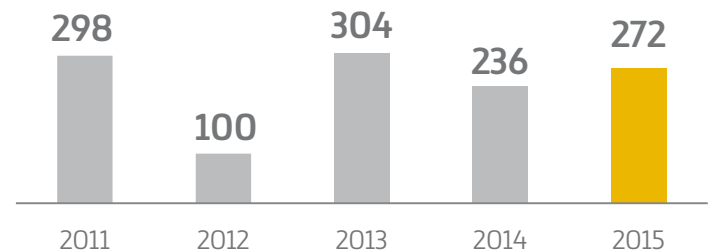
# Construction

€ million

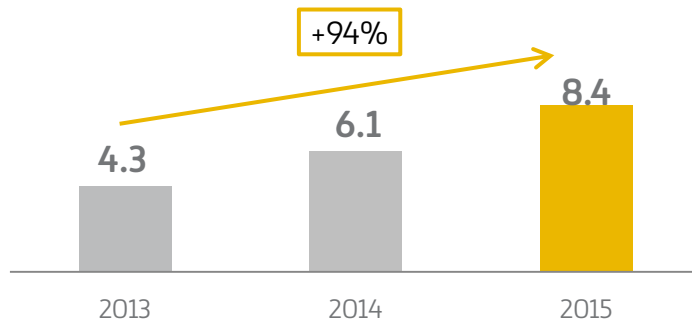
- **€272mn** operation cash flow (OCF)
- **Improved profitability (EBITDA margin 9.2%)**  
Driven by Budimex (Poland) and Webber (US)
- **Strong growth in Budimex**
  - Revenues +6.4%
  - EBITDA+23.5%
  - Order book +38.5%

	2015	%
Revenues	4,287	8.8%
EBITDA	393	+12.8%
EBITDA %	9.2%	+30bps
Order book	8,731	+7.9%

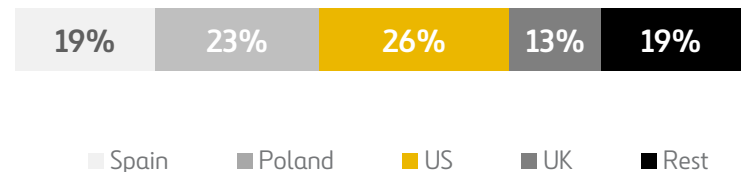
## OPERATING CASH FLOW



## BUDIMEX ORDER BOOK (PLNbn)



## ORDER BOOK BY COUNTRY

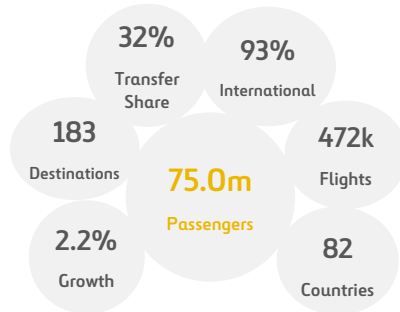


# HAH

(Equity method, FERROVIAL stake 25.0%)

100% GBP million

- **GBP300mn** ordinary dividend to shareholders (GBP270mn in 2014)
- **Record year in passenger number** (75mn of passenger; +2.2% vs. 2014)



- **Improving service quality and user satisfaction**

# AGS

(Equity method, FERROVIAL stake 50.0%):

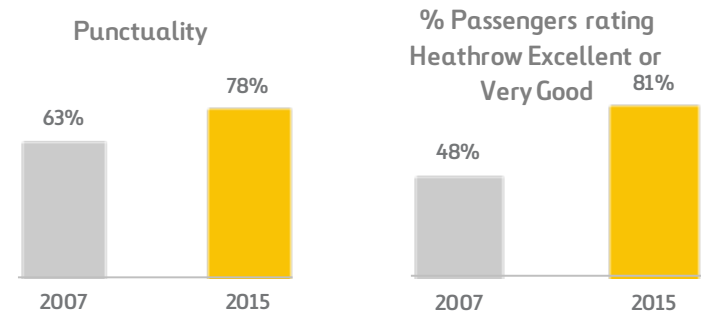
- **Traffic reached 14mn of passengers (+5.1%)**  
Glasgow +13%, the highest growth in its history
- **EBITDA increased by +10.1%** thanks to cost controls
- **GBP60mn** dividend to shareholders

\* Including a positive non-recurring effect on HAH expenses of GBP 237mn, with no cash impact, related to changes of pension plan conditions.

## HAH P&L

	2015	%
Revenues	2,767	+2.8%
EBITDA*	1,845	+19.7%
EBITDA %	66.7%	+950pb
Net debt	13,437	+3.5%

## OPERATING IMPROVEMENT AT HEATHROW



## AIRPORTS TRAFFIC

(PAX million)

	FY'15	%
Heathrow	75.0	+2.2%
Glasgow	8.7	+13.0%
Aberdeen	3.5	-7.0%
Southampton	1.8	-3.0%

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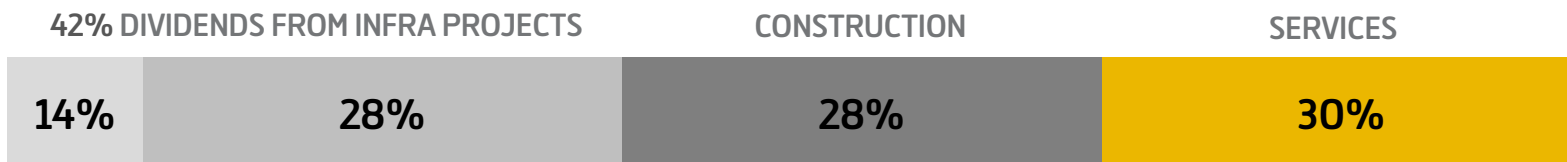
# Strong cash flow generation

€ million

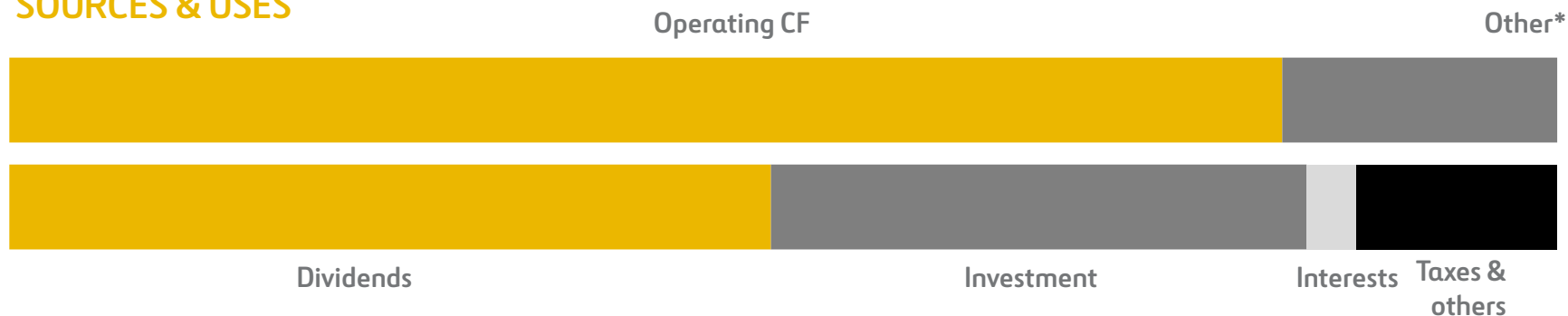
Excluding Infrastructure Projects

<b>OPERATING CASH FLOW</b>	<u>2015</u>
Construction	272
Services	289
Toll Roads (dividends)	267
Airports (dividends)	132
Others	(70)
<b>TOTAL</b>	<b>889</b>

## BALANCED CONTRIBUTION



## SOURCES & USES

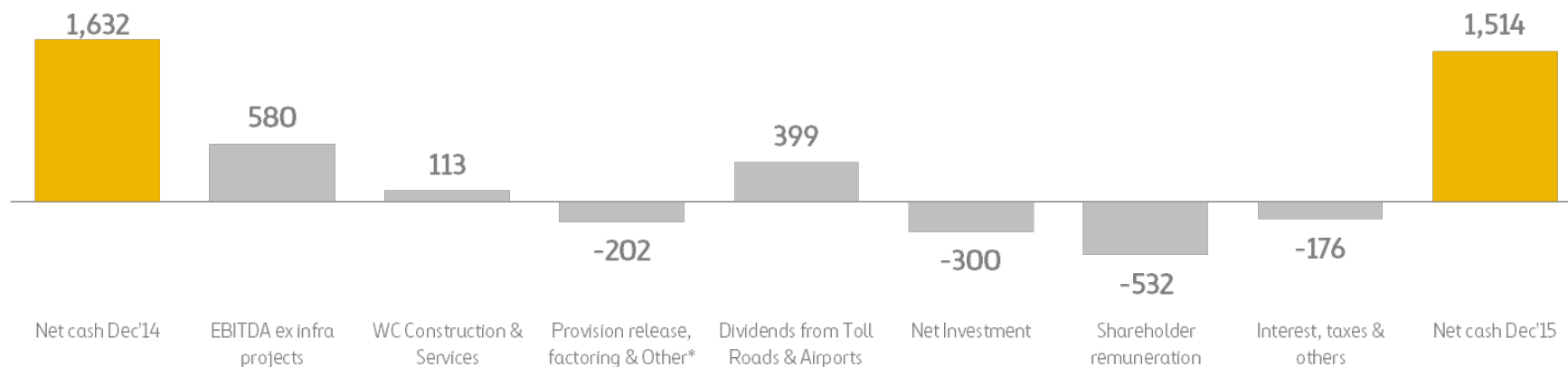


\* Includes Divestments & Financing

# Net debt evolution

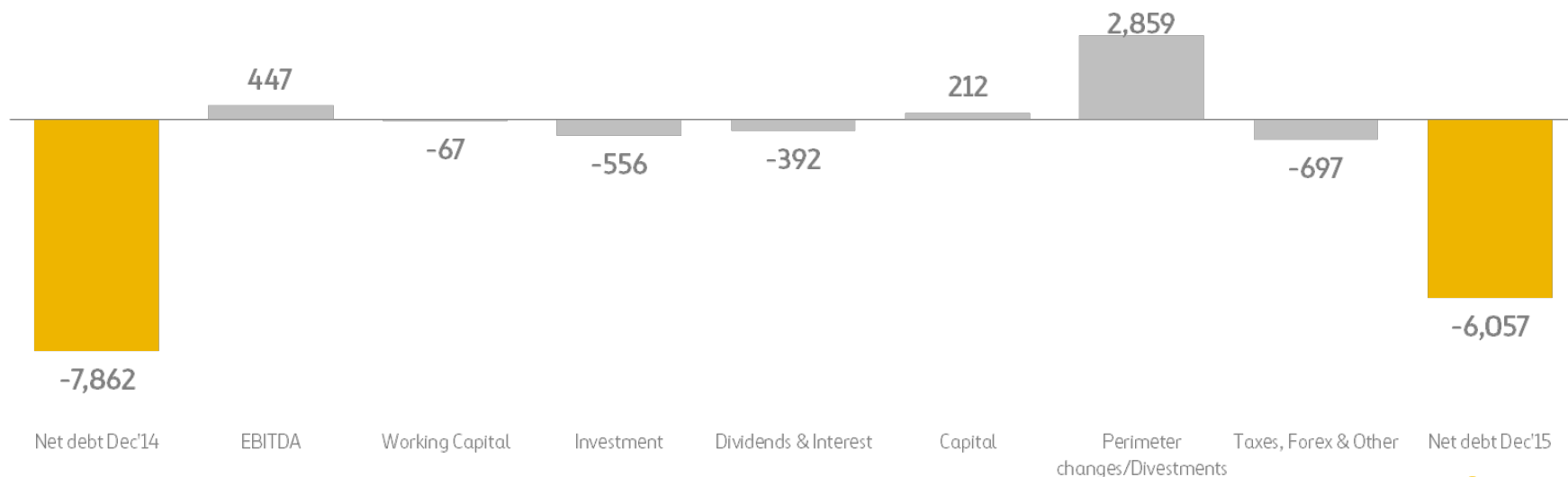
€ million

## EXCLUDING INFRASTRUCTURE PROJECTS



\* Including -€111 provision release, -€118mn factoring, and other WC.

## INFRASTRUCTURE PROJECTS



# 2015 Profit & Loss

€ million

	TOTAL	VAR. %	
<b>Net Revenue</b>	<b>9,701</b>	<b>+10%</b>	<b>IMPAIRMENT &amp; DISPOSALS</b> <ul style="list-style-type: none"> <li>• Capital gain from the sale of ITR</li> <li>• OLR &amp; R4 deconsolidation</li> <li>• Provision registered at Autema</li> </ul>
<b>EBITDA</b>	<b>1,027</b>	<b>+4%</b>	
Impairment & disposals	131		<b>NET FINANCIAL RESULT</b> <ul style="list-style-type: none"> <li>• NTE ^LBJ financial expenses</li> <li>• Derivatives: SH-130</li> </ul>
<b>EBIT</b>	<b>901</b>	<b>+21%</b>	
Net Financial Result	(637)	+69%	<b>TAXES</b> <ul style="list-style-type: none"> <li>• Equity accounted net of taxes</li> <li>• Recognition of tax loss carry forward</li> <li>• Tax payment at cash flow statement €61mn</li> </ul>
Equity accounted	312	+126%	
<b>EBT</b>	<b>577</b>		<b>NET PROFIT</b> <ul style="list-style-type: none"> <li>• Non-recurring effects on HAH <b>(+€138mn)</b></li> <li>• Extraordinary fiscal impacts <b>(+€175mn)</b></li> <li>• OLR &amp; R4 deconsolidation <b>(+€140mn)</b></li> <li>• ITR sale <b>(+€30mn)</b></li> <li>• Fair value adjustments <b>(-€55mn)</b></li> <li>• Provision registered at Autema <b>(-€55mn)</b></li> </ul>
Taxes	54		
Minorities	89		
<b>NET PROFIT</b>	<b>720</b>	<b>+79%</b>	



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# Shareholder remuneration

	2015	2014
Shareholder remuneration	€532mn	€510mn
	+4.4%	

2016 SHAREHOLDER REMUNERATION PROPOSAL		2015
<b>Scrip dividend (€/share)</b>		
First scrip dividend (equivalent to 2015 complementary dividend)*	0.311	0.304
Second scrip dividend (equivalent to 2016 interim dividend)*	0.408	0.398
<b>TOTAL</b>	<b>0.719</b>	<b>0.702</b>
<b>Share buyback</b>	of up to €275mn or up to 19m shares	€265mn 12.5m shares

\* Calculation based on Ferrovial shares closing price of 23rd February 2016: €18.35

# Looking ahead

## Operating CF diversification

International  
74%

## Solid financial position

€1.5bn Net cash

## Highest ever order book

€31.5bn  
(39 months of activity)

# ferrovial

## High quality assets

Strong dividend  
generation

## Attractive shareholder remuneration

Scrip dividend  
Share Buyback

## Active pipeline

US /Australia /Canada  
Monitoring other  
markets

# Q&A Session



# ferrovial

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