

ferrovial

1H 2018 Results

26 July 2018



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1H 2018 Highlights

Excellent growth from our infrastructure assets

- Better performance than expected (2017 CMD)
- Traffic increased across the board
- Double digit EBITDA growth in main assets
- Higher dividends from 407ETR, LHR

Construction & Services in line with expectations

- Construction EBIT margin 1.9%
- Services impacted by Amey (BHM provision) & Australia (end of immigration contracts)



Proportional reporting

(€ mn)

Proportional EBITDA would've reached €787mn
excluding the impact of BHM provision

68% contribution from Infrastructure assets

REPORTED VS PROPORTIONAL

| | REPORTED | PROPORTIONAL |
|---------------|------------|--------------|
| Revenues | 5,935 | 6,432 |
| % Ch | -2.1% | -3.0% |
| EBITDA | 122 | 550 |
| % Ch | -73.9% | -36.5% |
| EBIT | -34 | 269 |
| % Ch | -112.5% | -51.6% |

PROPORTIONAL EBITDA

| | 1H 2018 | 1H 2017 | % CH | % CH LFL |
|---------------------|------------|------------|---------------|---------------|
| Toll Roads | 277 | 280 | -1.1% | 7.8% |
| Airports | 259 | 259 | 0.0% | 2.5% |
| Construction | 52 | 81 | -35.5% | -35.3% |
| Birmingham | -237 | -4 | n.s. | n.s. |
| Services ex-BHM | 191 | 248 | -23.0% | -20.3% |
| Others | 7 | 2 | n.s. | n.s. |
| Total | 550 | 865 | -36.5% | -33.6% |
| Total ex-BHM | 787 | 870 | -9.6% | -5.4% |



Toll roads

(€ mn)

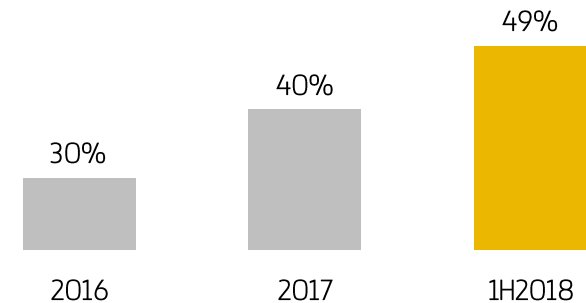
Speeding up

- Solid financial results LFL
- Growing contribution from USA
- Higher dividends from toll roads (€138mn)
 - FER received €130mn from 407ETR (+9% LfL 100% CADmn)
 - Rest of toll roads contributed €7.3mn to FER
- Opening of NTE35W Managed Lane (July 2018)
 - Corridor has had fastest traffic recovery from pre-construction levels
 - Improves NTE1-2 connectivity

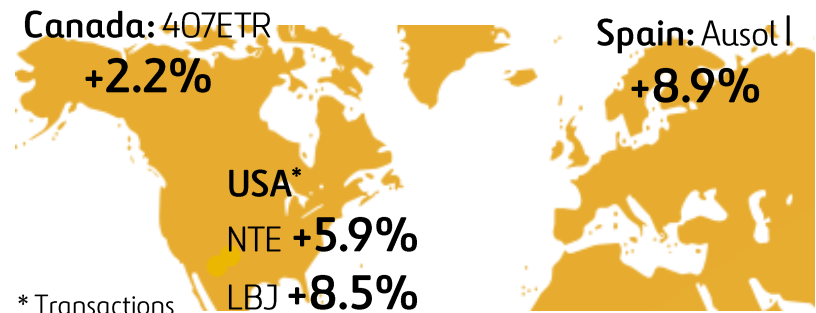
TOLL ROADS RESULTS

| | 1H 2018 | % CH LFL* |
|----------|---------|-----------|
| Revenues | 208 | +14.8% |
| EBITDA | 136 | +11.4% |

USA CONTRIB. TO CONSOLIDATED EBITDA**



TRAFFIC EVOLUTION



* %LFL: change vs 1H 2017 excluding perimeter & FX changes.

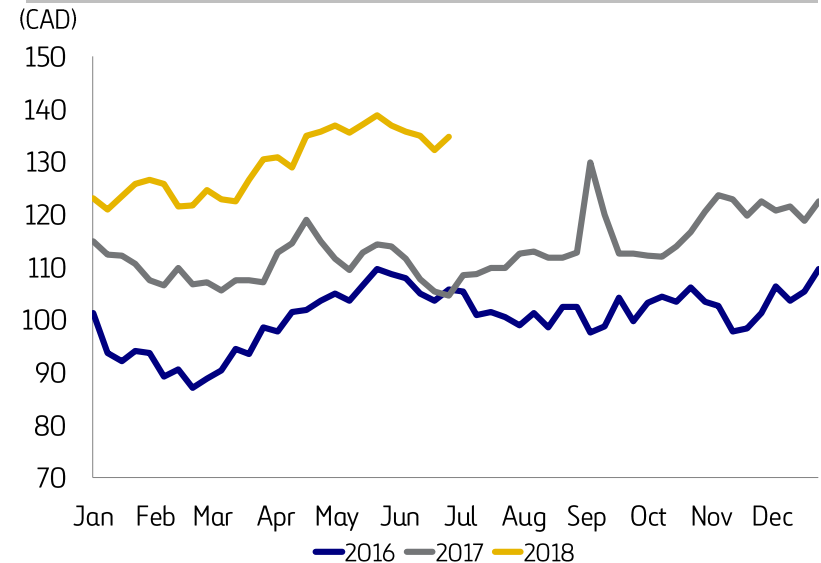
** Excluding Headquarters

Solid performance despite 20% higher oil prices

1H 2018 RESULTS

| | 1H 2018 | % CH |
|--------------------|-----------|--------|
| Revenues | 651 | +10.0% |
| EBITDA | 570 | +11.4% |
| EBITDA mg | 87.5% | |
| Traffic (VKTs'000) | 1,292,106 | +2.2% |
| Dividends | 453 | +9.0% |

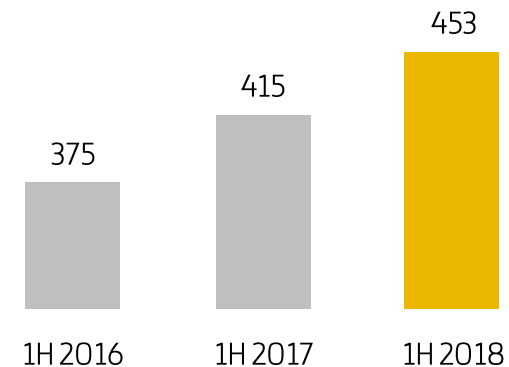
TORONTO GAS PRICES



STRONG ECONOMIC GROWTH

- GDP +2.5% (G.Toronto & Hamilton area)
- Total population +1.7%
- 1.6% unemployment
- Personal Disposable Income +5.8%
- Retail sales +3.5%
- Inflation +2.4%

DIVIDENDS



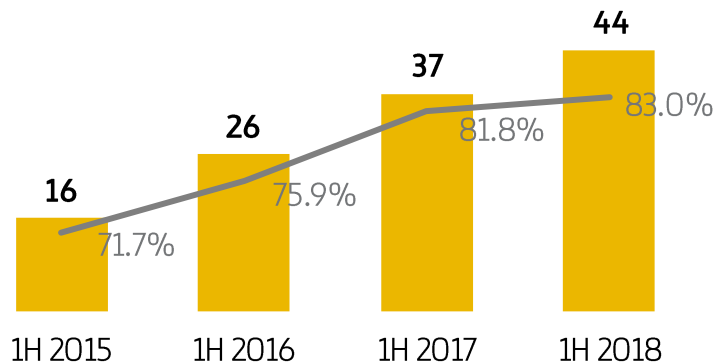
Managed Lanes

(USD mn)
Global Consolidation
Texas, USA

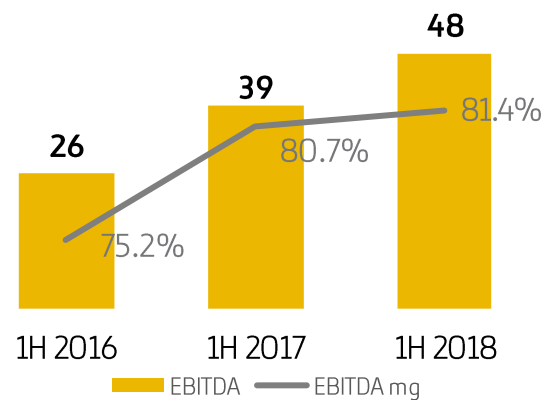
Outstanding performance continues

+18.0% REVENUES +24.2%
+19.8% EBITDA +25.5%
+5.9% TRAFFIC * +8.5%

NTE



LBJ



* Transactions



Managed Lanes

Macroeconomic indicators to support future growth

EMPLOYMENT

+3.6%

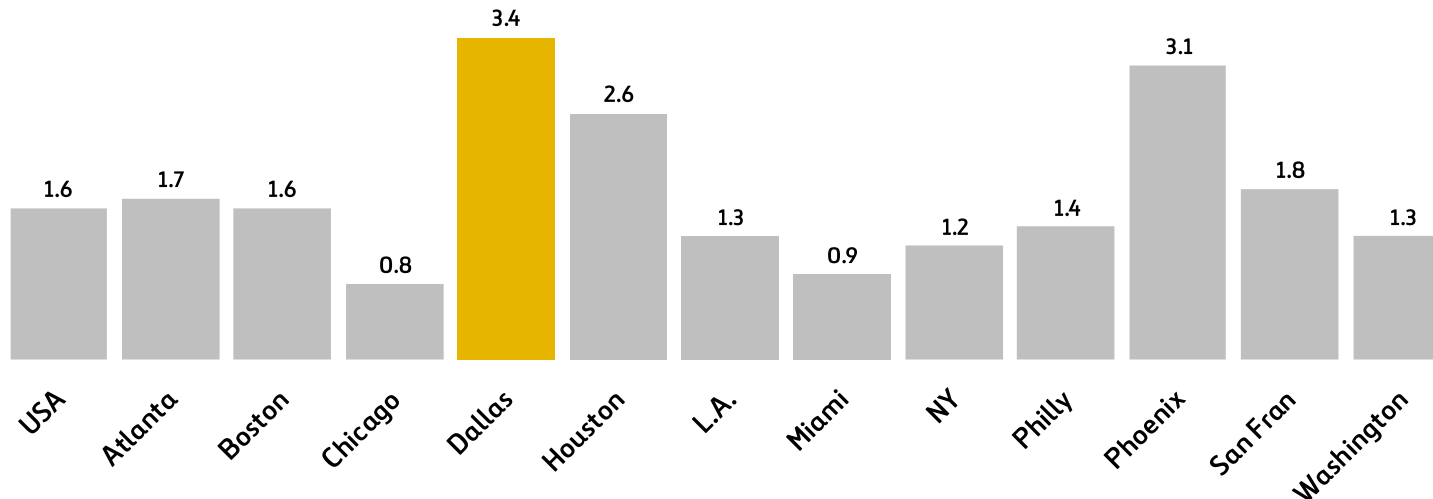
DFW payrolls 2018/2017

POPULATION

+1.6%

DFW 2018/2017
(1.7x USA average)

TOTAL NONFARM EMPLOYMENT (YOY%) - USA & 12 LARGEST METROPOLITAN AREAS



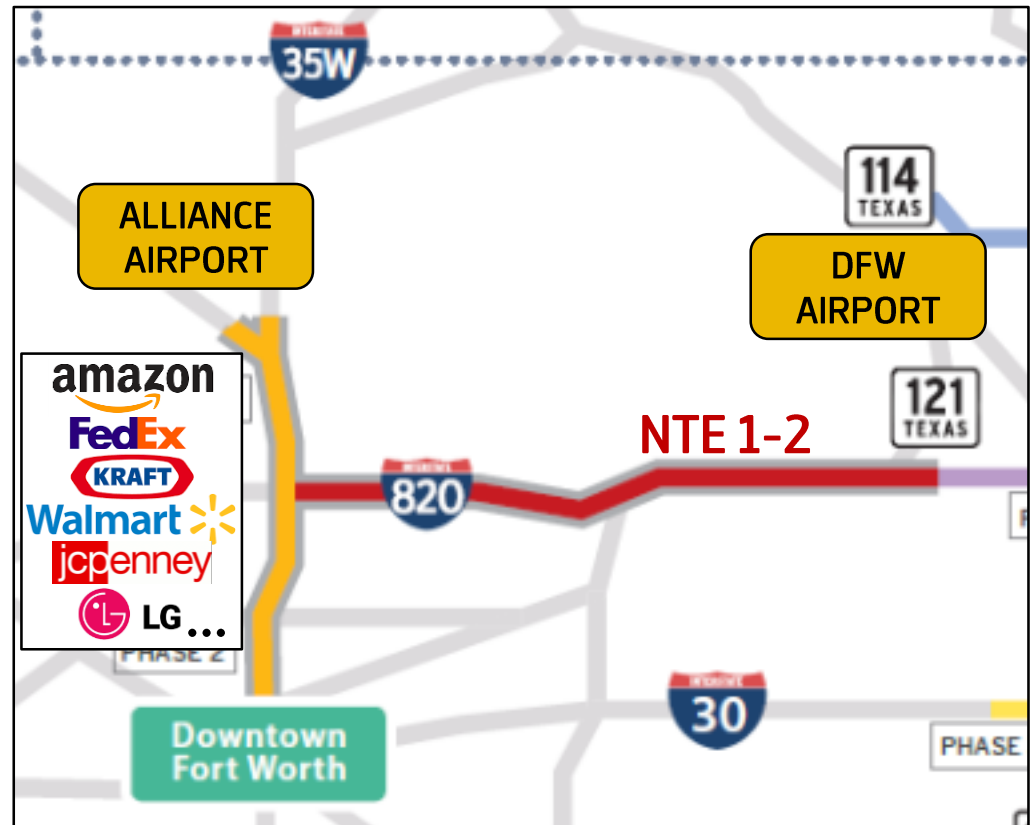
U.S. Bureau of Labor Statistics



Managed Lanes fully opened July 19th 2018

Area to support strong growth:

- Alliance Airport recently expanded
- Logistic centres (Amazon, FedEx, Kraft, Walmart, JC Penney, LG.. Etc)
- Alliance residential and commercial real estate development



- Ferrovial stake: 53.67%
- Length 10.2 miles
- Concession period remaining: until 2061 (43Y)
- Total investment: \$1.3bn

Airports

(GBP mn)
Equity Method
UK

Strong services standard with outstanding traffic figures

HEATHROW

(FER stake 25%)

All-time high traffic: 38.1mn +2.5%
Revenues: +2.3% Adj EBITDA: +1.6%
 Lower aero revenue per passenger
 incentivizes cleaner & quieter aircraft
 Yield dilution recoverable in 2Y

AIRPORTS TRAFFIC

(Passenger mn)

| | 1H 2018 | % CH LfL |
|------------------|---------|----------|
| Heathrow | 38.1 | +2.5% |
| Intercontinental | 19.8 | +2.5% |
| Short haul | 18.3 | +2.6% |

HEATHROW TRAFFIC BY AREA

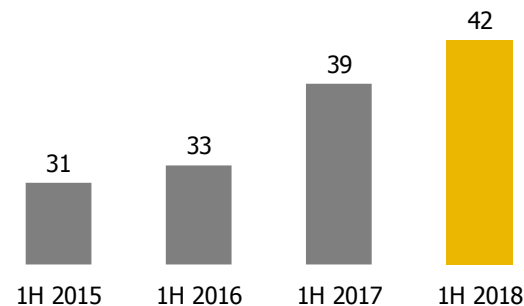
| Europe | N.America | AsiaPac | RoW | M.East UK |
|--------|-----------|---------|-----|-----------|
| 42% | 22% | 14% | 9% | 6% 6% |

AGS

(FER stake 50%)

EBITDA +8.7% despite adverse
 weather affecting traffic (-0.8%) & on
 the back of favourable retail yield

AGS EBITDA



Heathrow

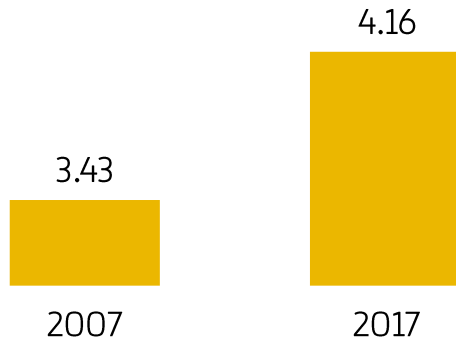
Equity method, 25% stake

UK

\$13.8bn invested* to improve passenger experience

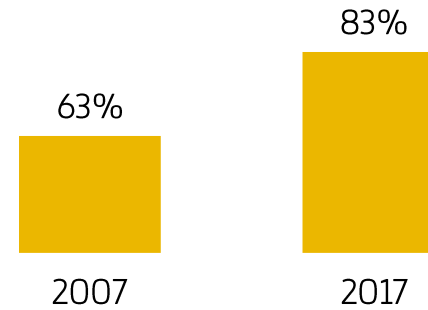
OVERALL SCORE

ASQ score (out of 5)



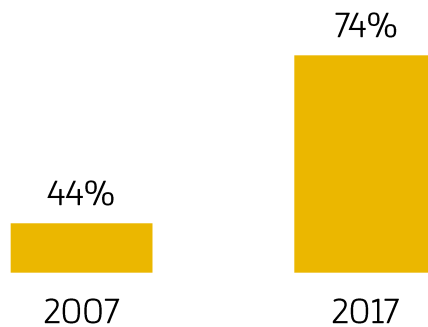
PUNCTUALITY

Departing 15 mins of schedule



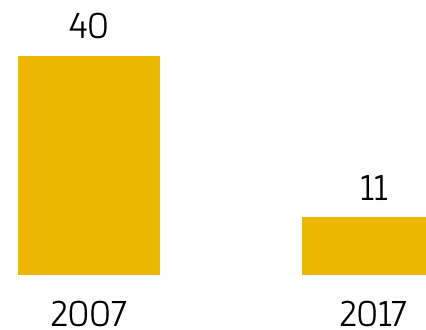
SECURITY

Security as Great/Excellent



BAGGAGE

Baggage Misconnect (per 1000 bags)



* Amount invested since 2006 to 2017



Heathrow

RUNWAY 3 process on track

3,500m new runway NW of Airport

740,000 Total flight movement capacity

130mn passengers per year

Up to 180,000 jobs to be created across UK

Up to \$285mn in economic benefits to be generated across the UK



Construction

(€ mn)

Performance in line with expectations
tighter margins in Poland

| RESULTS | | | | EBITDA BY AREA | | |
|------------|---------|--------|----------|----------------|-----|-----|
| | 1H 2018 | % Ch | % CH LFL | | | |
| Revenues | 2,437 | +12.3% | +16.6% | 54% | 30% | 16% |
| EBITDA | 64 | -37.5% | -37.2% | | | |
| EBITDA mg | 2.6% | | | | | |
| EBIT | 47 | -46.4% | -46.5% | | | |
| EBIT mg | 1.9% | | | | | |
| Order book | 11,090 | -0.5% | -0.7% | | | |

■ Budimex ■ Webber ■ F. Agroman

Year end forecast EBIT margin of 3%
based on provision releases, mainly expected in 4Q

Services

(€ mn)

Performance on its way to expected 2018 guidance

EBITDA mg 4.7% ex-BHM provision

UK: 1.5% EBITDA mg ex BHM

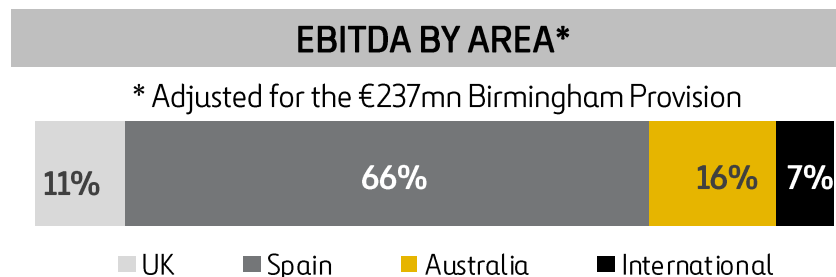
- Ex one-offs, EBITDA mg 3.1%

Australia EBITDA mg 2.9%*

Spain: EBITDA mg 10.4%.

Non core business disposals and dividends underway

| RESULTS | | | |
|------------------|---------|---------|----------|
| | 1H 2018 | % CH | % CH LFL |
| Revenues | 3,238 | -11.4% | -7.8% |
| EBITDA | -83 | -139.3% | -140.6% |
| EBITDA mg | -2.6% | | |
| EBITDA ex-BHM | 153 | -29.1% | -26.7% |
| EBITDA mg ex-BHM | 4.7% | | |
| Order book | 19,084 | -1.3% | +0.3% |



* RPC (Regional processing centres) contracts ended October 2017

CF & Net debt evolution

(€ mn)

Net cash, ex-infra: €906mn 30 June 2018
vs. €1,341mn Dec 2017

Main drivers of this change included :

- **Dividends & capital reimbursements from projects: +€307mn** (vs +€259mn 1H 2017)
 - €130mn from 407 ETR
 - €87mn from Airports
 - €81mn from Services
- **Larger investments: -€135mn** (vs -€126mn 1H 2017)
- **Fewer divestments: +€48mn** (vs +€167mn 1H 2017, 3.9% Budimex, 51% of Norte Litoral)
- **Higher shareholder remuneration -€197mn** (vs -€129mn 1H 2017)
- **Working capital at -€482mn** (vs -€529mn 1H 2017)

Delivering today ...

- **Strong performance from Infrastructure assets**
 - Assets performed better than expected in 2017 CMD
 - Growing dividends from Infrastructure
 - RW3 approval
 - Full opening of NTE35W
- **Construction & Services expected to improve margins at year-end**

... looking forward

Mitigating risks in contracting

Capital allocation focused on infra projects, mainly in the US

NTE & LBJ to pay dividends in 2019 - 2020



Q&A



Construction & Services results

(EURmn)

SERVICES

| | 1H 2018 | 1H 2017 | % CH LFL |
|---------------|---------|---------|----------|
| Revenues | 3,238 | 3,654 | -7.8% |
| EBITDA | -83 | 212 | -140.6% |
| EBITDA margin | -2.6% | 5.8% | |
| Order book* | 19,084 | 19,329 | 0.3% |

SPAIN

| | | | |
|---------------|-------|-------|-------|
| Revenues | 968 | 933 | 3.8% |
| EBITDA | 101 | 98 | 3.2% |
| EBITDA margin | 10.4% | 10.5% | |
| Order book* | 4,945 | 4,992 | -0.9% |

UK

| | | | |
|---------------|--------|-------|--------|
| Revenues | 1,162 | 1,329 | -10.4% |
| EBITDA | -220 | 31 | n.s. |
| EBITDA margin | -18.9% | 2.4% | |
| Order book* | 9,347 | 8,895 | 4.6% |

AUSTRALIA

| | | | |
|---------------|-------|-------|--------|
| Revenues | 862 | 1,164 | -19.3% |
| EBITDA | 25 | 77 | -64.9% |
| EBITDA margin | 2.9% | 6.6% | |
| Order book* | 3,505 | 3,981 | -9.6% |

INT'L

| | | | |
|---------------|-------|-------|-------|
| Revenues | 245 | 229 | 14.2% |
| EBITDA | 11 | 7 | 59.5% |
| EBITDA margin | 4.5% | 3.0% | |
| Order book* | 1,287 | 1,460 | 5.1% |

CONSTRUCTION

| | 1H 2018 | 1H 2017 | % CH LFL |
|-------------|---------|---------|----------|
| Revenues | 2,437 | 2,169 | 16.6% |
| EBIT | 47 | 87 | -46.5% |
| EBIT margin | 1.9% | 4.0% | |
| Order book* | 11,090 | 11,145 | -0.7% |

F. AGROMAN

| | | | |
|-------------|-------|-------|--------|
| Revenues | 1,306 | 1,168 | 16.3% |
| EBIT | 2 | 25 | -90.5% |
| EBIT margin | 0.2% | 2.1% | |
| Order book* | 7,288 | 7,507 | -4.3% |

BUDIMEX

| | | | |
|-------------|-------|-------|--------|
| Revenues | 732 | 624 | 17.2% |
| EBIT | 29 | 51 | -42.3% |
| EBIT margin | 4.0% | 8.2% | |
| Order book* | 2,464 | 2,467 | 4.7% |

WEBBER

| | | | |
|-------------|-------|-------|-------|
| Revenues | 399 | 377 | 16.7% |
| EBIT | 15 | 12 | 42.5% |
| EBIT margin | 3.7% | 3.1% | |
| Order book* | 1,338 | 1,171 | 11.0% |



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