

RESULTS PRESENTATION

FY17

7 February 2018



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1 Strategic Plan 2015-2017

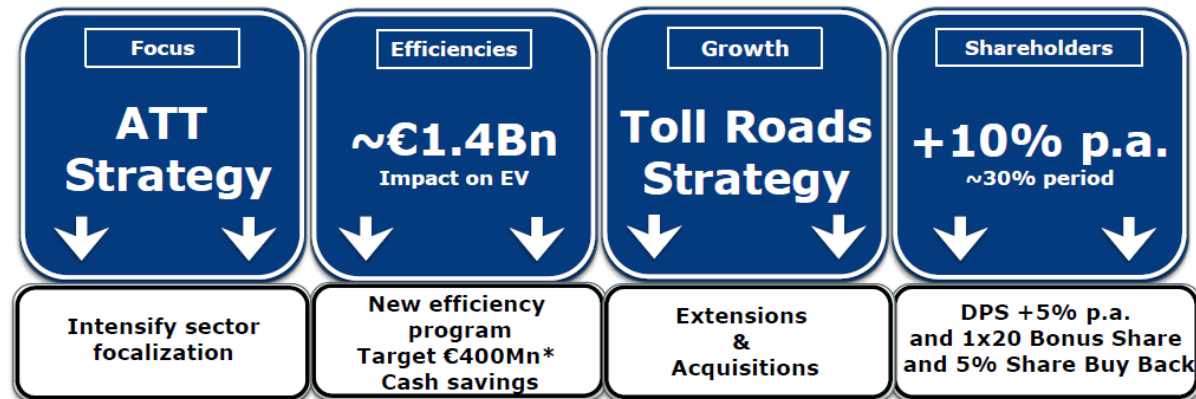
Basic Pillars

Strategic Plan 2015-2017

(announced on 30/10/14)

2015-2017

The road to value



Clear drivers to deliver value



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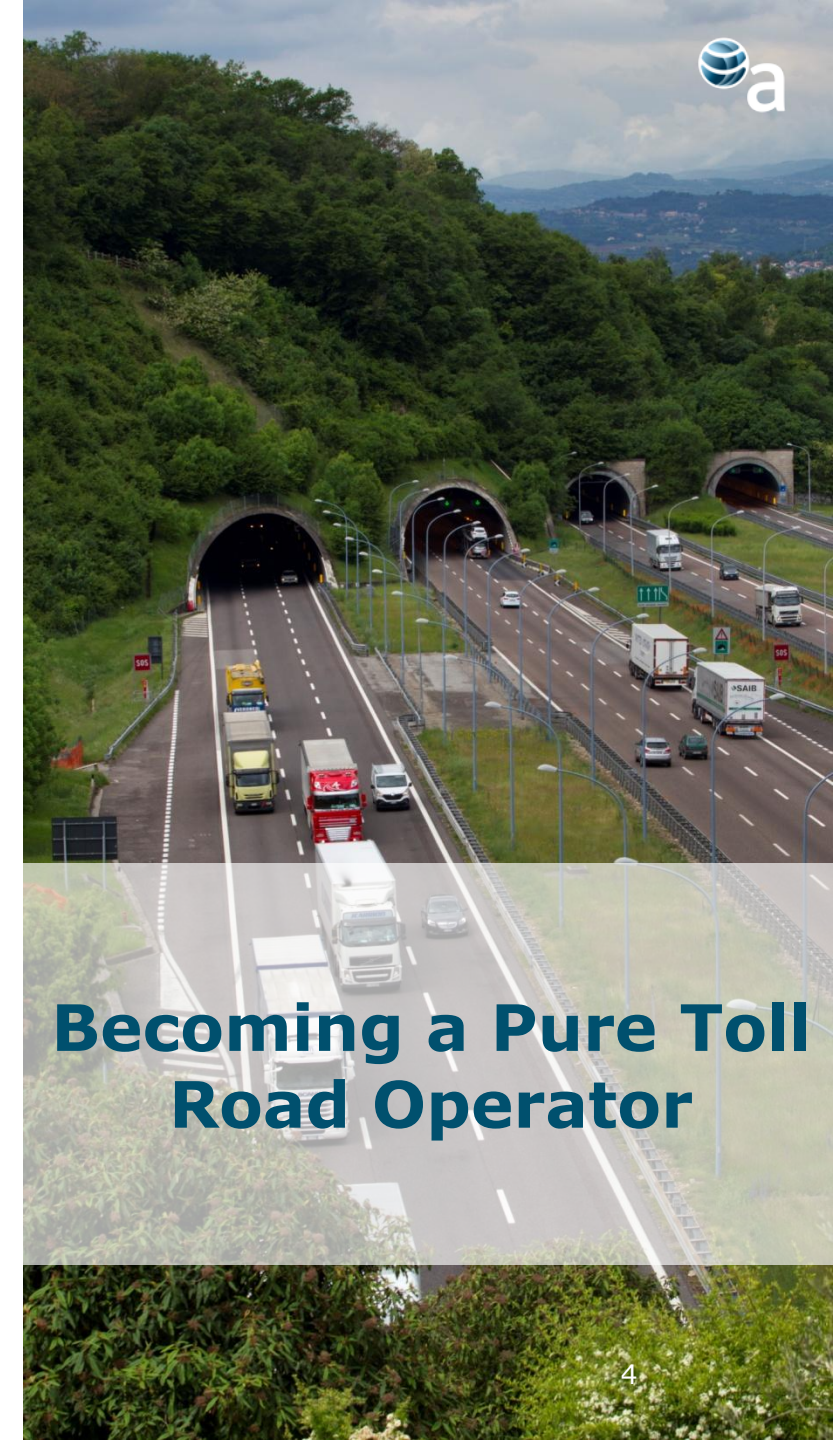
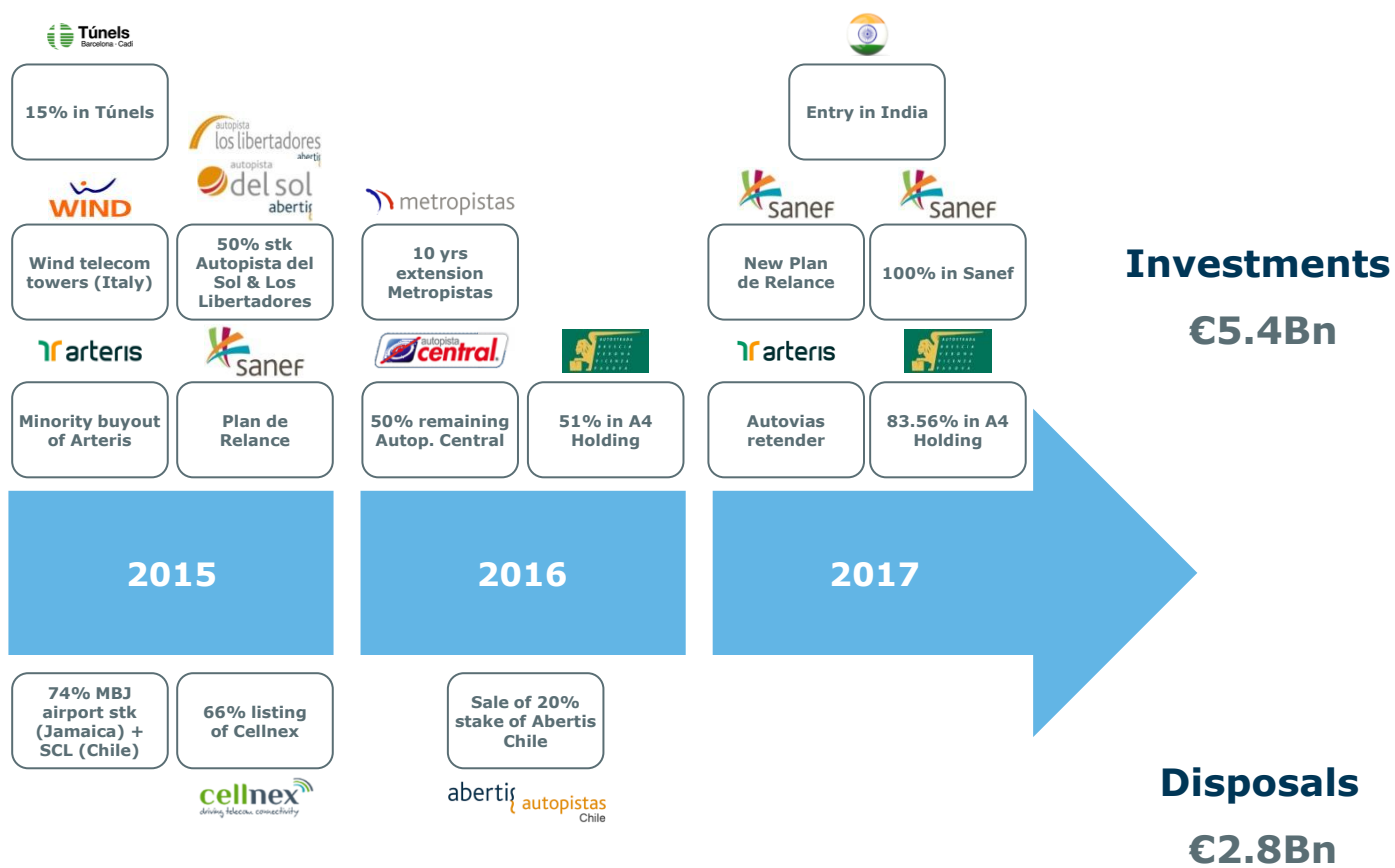


**Our Commitment
Back in 2014...**

* Excluding Cellnex (deconsolidated in May 2015)

1 Strategic Plan 2015-2017

Focus

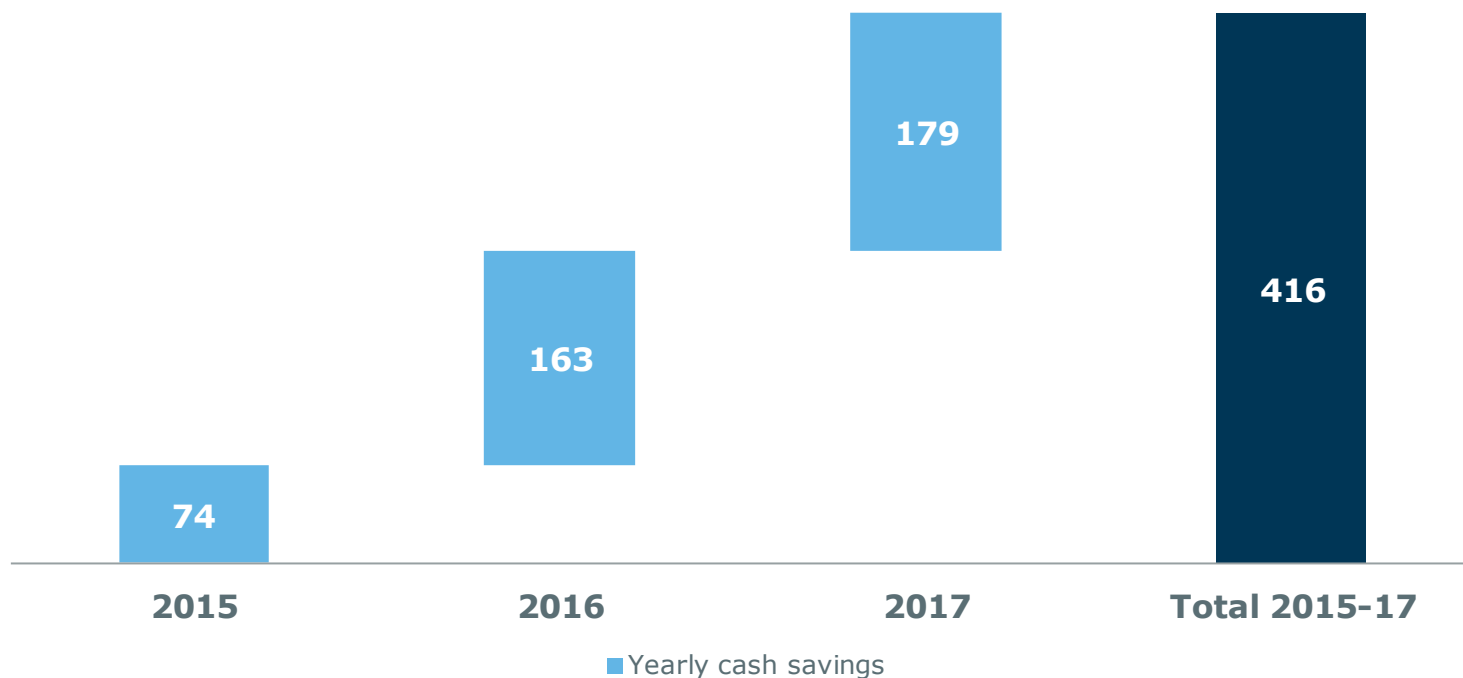


Becoming a Pure Toll Road Operator

1 Strategic Plan 2015-2017

Cash Efficiencies

Cumulative and Yearly Cash Savings
€Mn

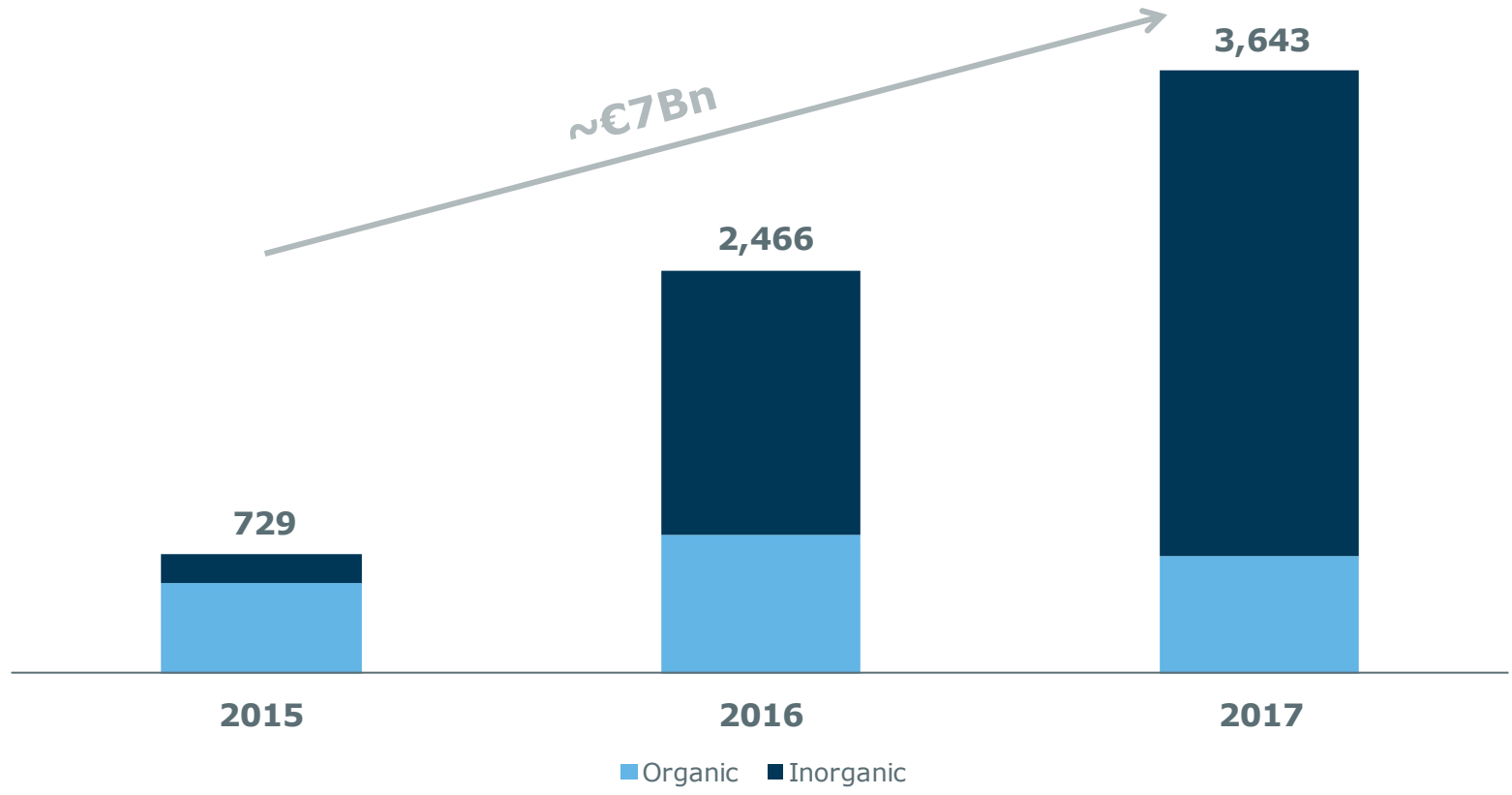


**More than €400Mn
Cumulative Savings**

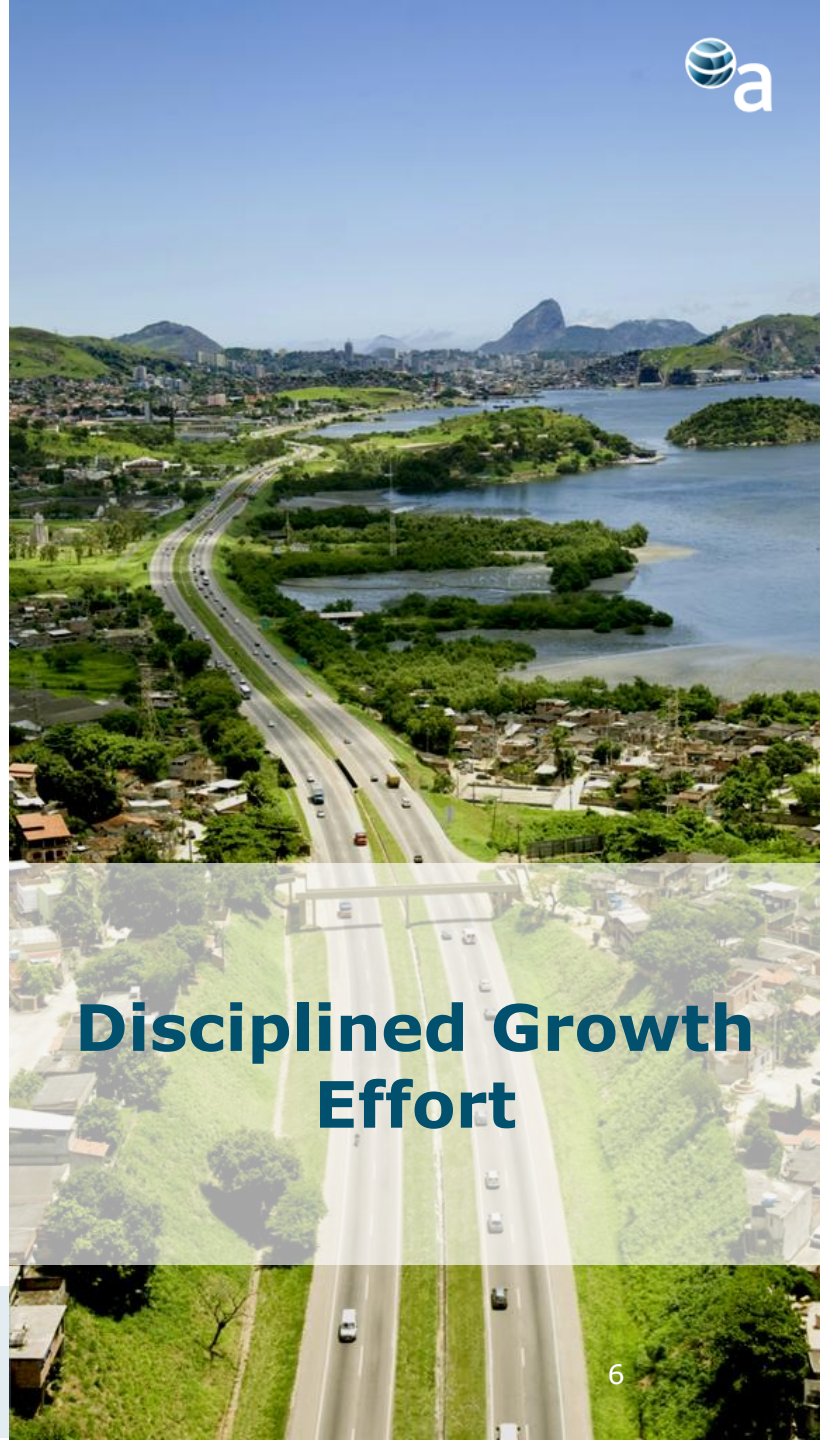
In addition to cumulative savings from the 2011-2014 strategic plan

1 Strategic Plan 2015-2017

Value Accretive Investments



~€7Bn invested in growth in the past three years

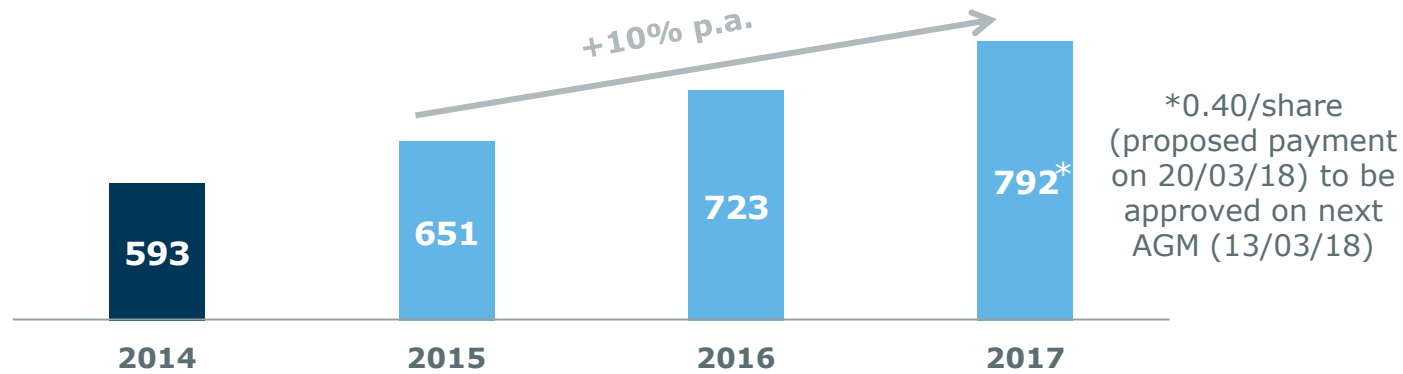


Disciplined Growth Effort

1 Strategic Plan 2015-2017

Shareholders

Annual Dividends (€Mn)



Share Performance



CAGR of ~10% Growth as Committed + 6.5% Share Buy-Back

**Transparent
Shareholder
Remuneration Policy**

1 Strategic Plan 2015-2017

Conclusions



Focus

Disposal of remaining **airport** assets
Cellnex IPO

Hispasat pending **disposal** (reclassified as discontinued operations)

Efficiencies

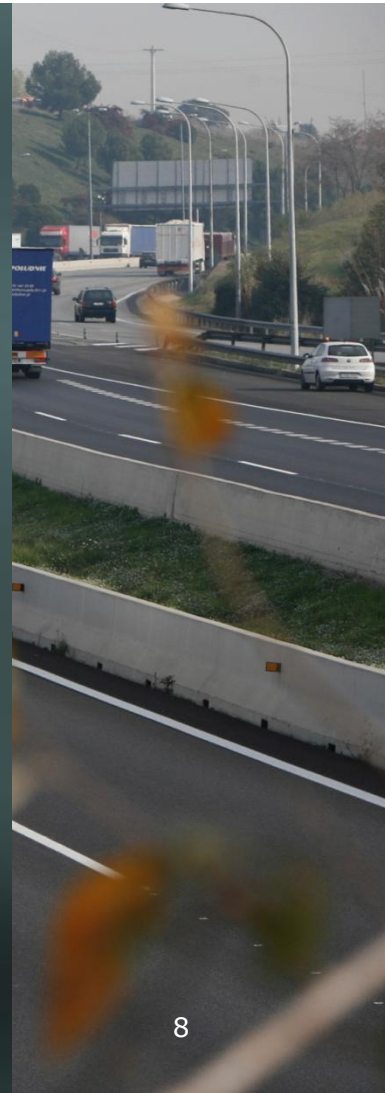
€416Mn total cumulative savings on top of 2011-2014 efficiencies

Growth

- ~€7Bn invested:**
- ~€5Bn in M&A
 - ~€2Bn in expansion capex

Shareholders

- Total €2.2Bn in dividends**
- 10% annual increase



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Introduction



- **Solid results**
 - Good operating environment
 - Focus on efficient operations
 - L-f-L EBITDA margin expansion
- **Successful Investments**
 - Reinforcement in France and Italy
 - New project in Brazil
 - Renegotiations of projects in Chile and Argentina
- **Delivery of 2015-2017 strategic plan**
 - Focus
 - €416Mn in cumulative savings
 - ~€7Bn value accretive investments
 - 10% p.a. shareholders remuneration
- **Tender offers**
 - 2 pending offers from Atlantia and Hochtief

We deliver

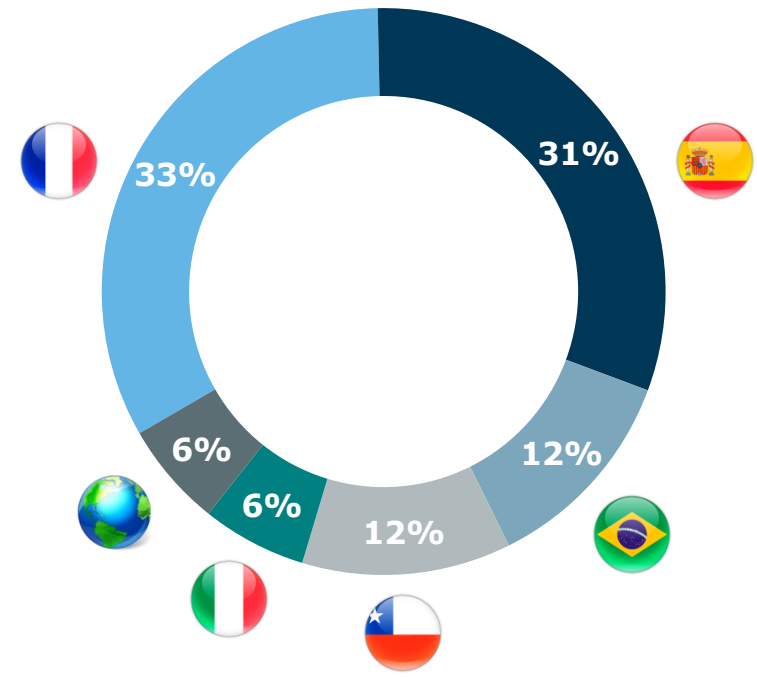
2 FY17 Results Highlights

Financial Highlights (FY17)

- **Triple Double Growth:**
 - + 13% in revenues (€5.3Bn)
 - + 14% in EBITDA (€3.5Bn)
 - + 13% in net income (€897Mn)
- **€2.0Bn Discretionary FCF**
- **€3.6Bn Investments**
- **€15.4Bn Net Debt (4.4x EBITDA)**

EBITDA Breakdown (FY17)

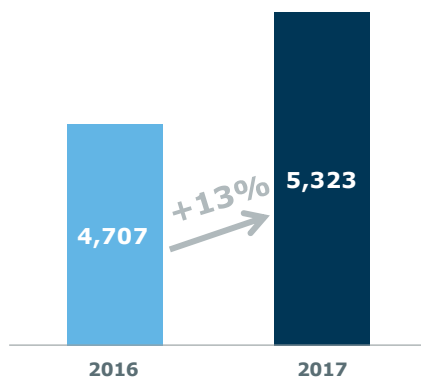
By Market



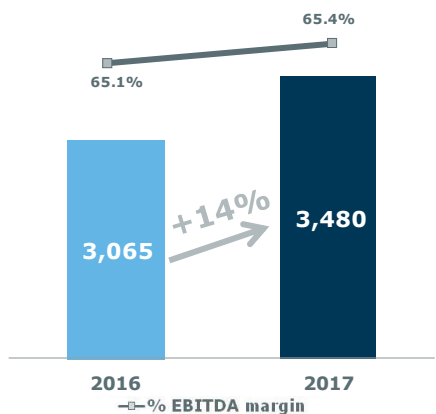
2 FY17 Results

Main Figures

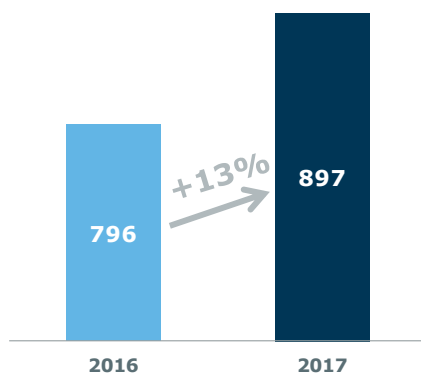
Revenues (€Mn)



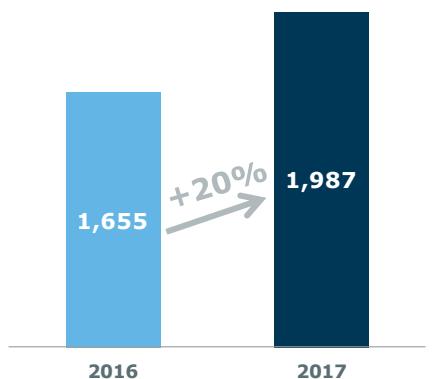
EBITDA (€Mn)



Net Profit (€Mn)



Discretionary Cash Flow (€Mn)



Extraordinary Effects

2016

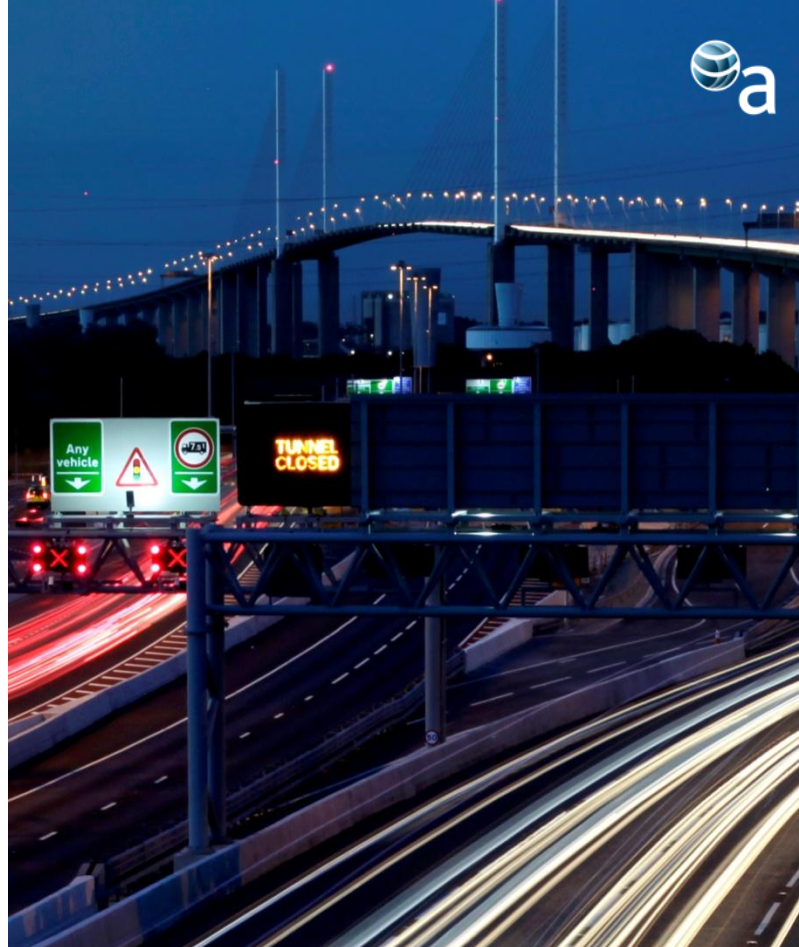
- **Revaluation** of Autopista Central (€293Mn) in 2016

2017

- **New Perimeter:** A4H (Italy), JEPL and TTPL (India)
- Acquisition of minorities stakes (~€157Mn net income impact)
- **FX:** +€32Mn impact in revenues and +€24Mn in EBITDA
- Reclassification of Hispasat (Discontinued operations)

L-f-L Performance

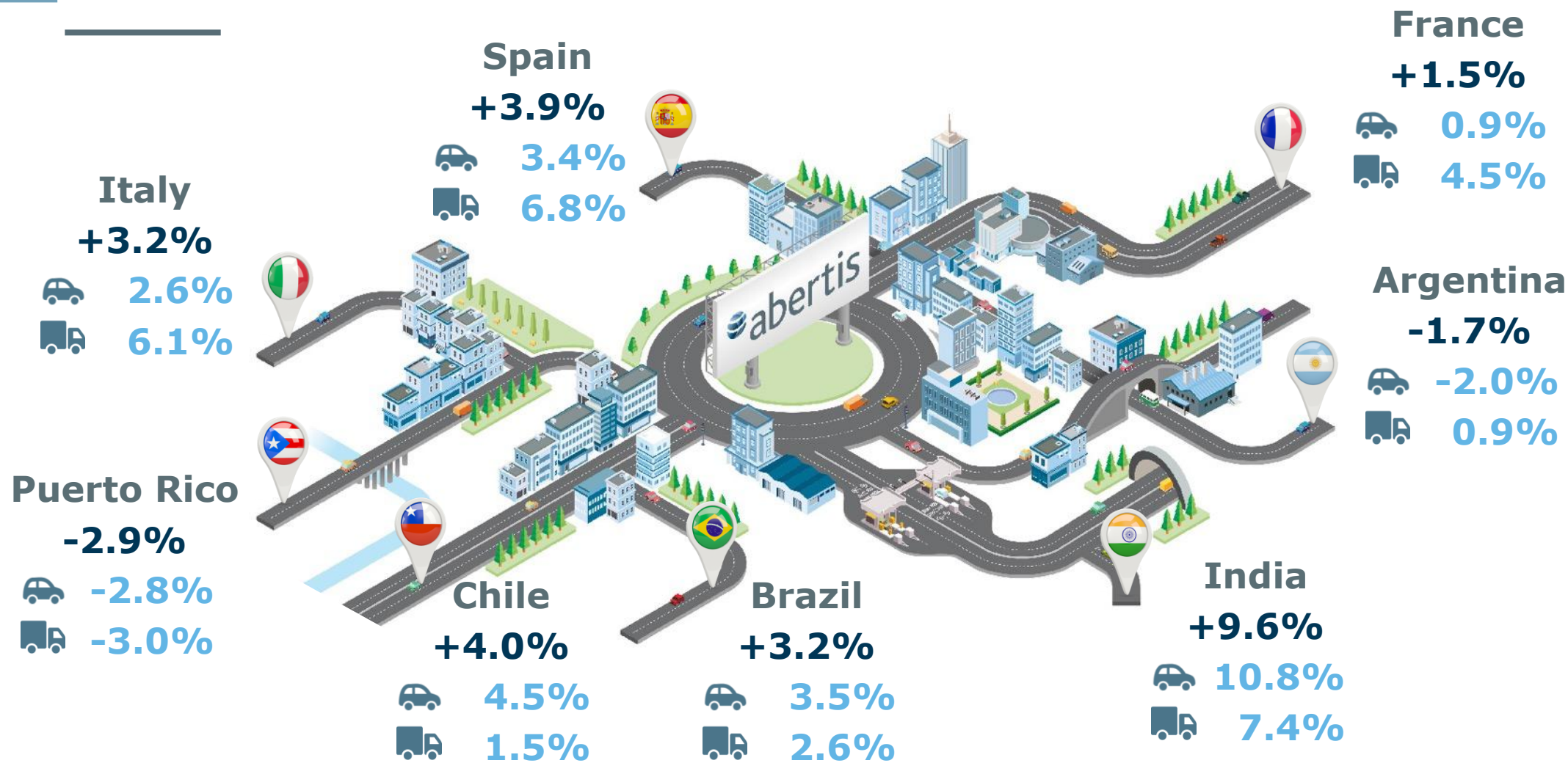
- + 6.3% **Revenues**
- + 7.7% **EBITDA**
- +11.5% **Discretionary cash flow (€1,987Mn)**
- +24% **Net profit (€897Mn)**



**A Solid Performance:
Above Guidance**

2 FY17 Results

Traffic: Main Markets



Traffic Above Expectations

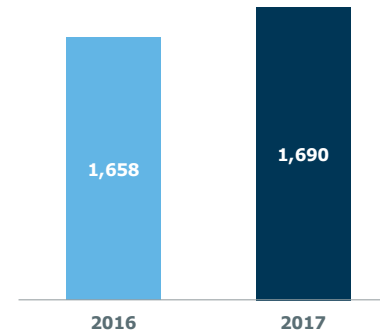
2 FY17 Results

Toll Roads

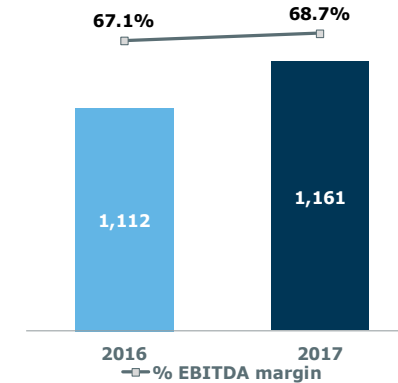
France

- Traffic performance as expected (+1.5%)
- Increase in L-f-L EBITDA margin due to efficiencies (+40bps)
- Stake increase in HIT from 52.55% to 100% (impact of ~€157Mn in Abertis net profit in a full year basis)
- New investments compensated with tariff increases (Plan de Relance)

Revenues (€ Mn)



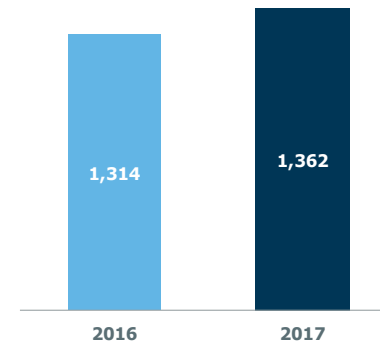
EBITDA (€ Mn)



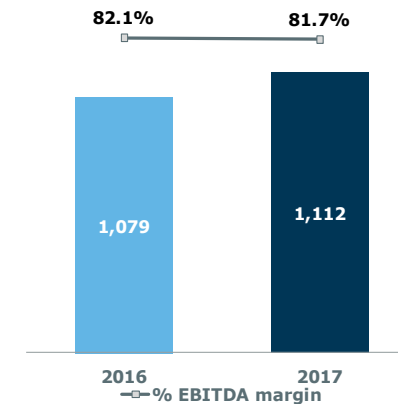
Spain

- Strong traffic above guidance (+3.9%)
- End of tax exemption in Acesa and Invicat (€15Mn impact)
- Increase in L-f-L EBITDA margin due to efficiencies (+60bps)

Revenues (€ Mn)



EBITDA (€ Mn)



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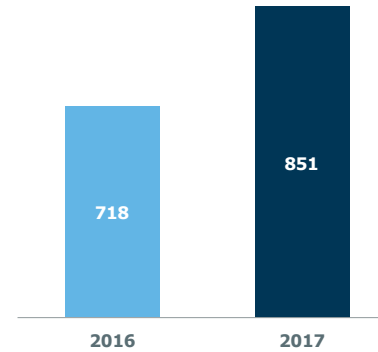
Toll Roads



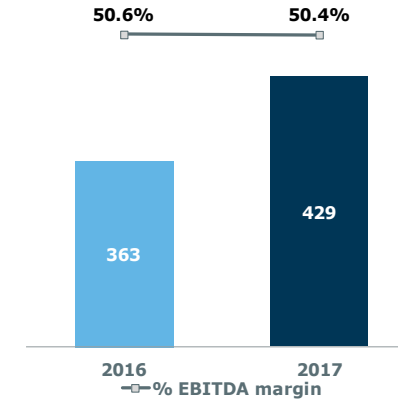
Brazil

- Traffic recovery throughout the year (+3.2%)
- Tariff increases above inflation to compensate investments
- Positive impact from the Brazilian Real appreciation
- ViaPaulista winning bid
- Increase in L-f-L EBITDA margin (+190bps)

Revenues (€ Mn)



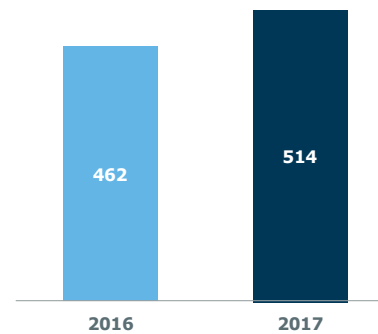
EBITDA (€ Mn)



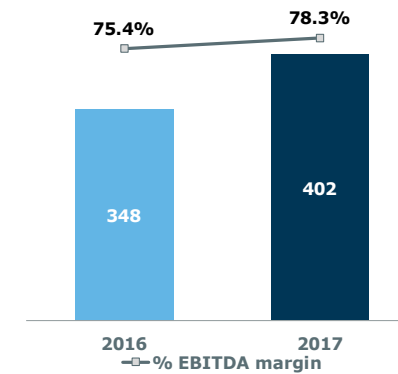
Chile

- Strong traffic above guidance (+4.0%)
- +90bps L-f-L EBITDA margin expansion
- Optimization of portfolio and asset restructuring

Revenues (€ Mn)



EBITDA (€ Mn)



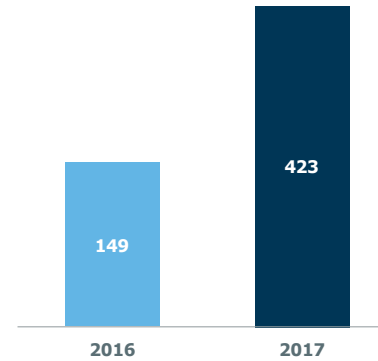
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Toll Roads

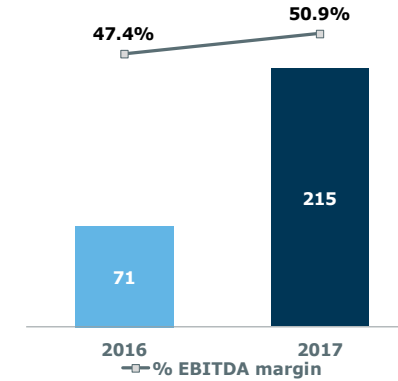
Italy

- Strong traffic growth above guidance (+3.2%)
- Stake increase in A4H from 51.4% to 83.56% (impact in Abertis net profit)
- Disposal of non core assets (Infracom)

Revenues (€ Mn)



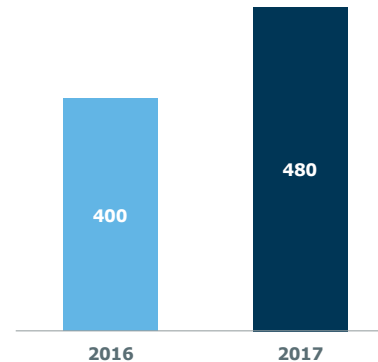
EBITDA (€ Mn)



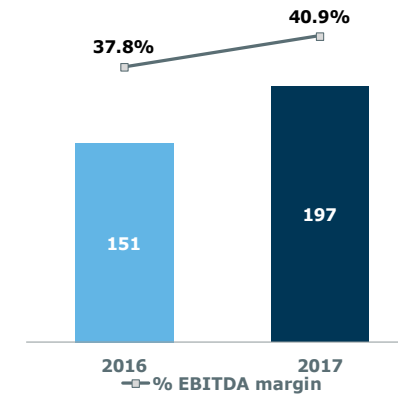
International

- Puerto Rico's traffic impacted by hurricanes (-2.9%)
- Strong tariff increase in Argentina, more than offsetting soft traffic (-1.7%)
- 10 months of Indian assets operations consolidated
- MoU in Argentina (GCO and Ausol) for new investments and rebalances in exchange for contract extensions

Revenues (€ Mn)



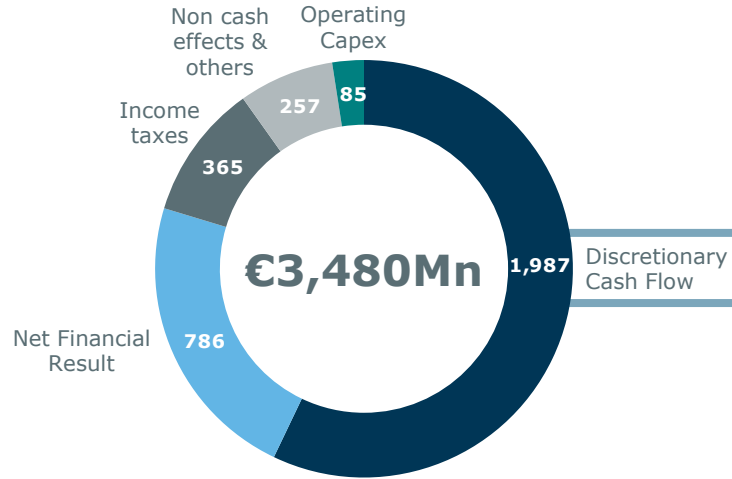
EBITDA (€ Mn)



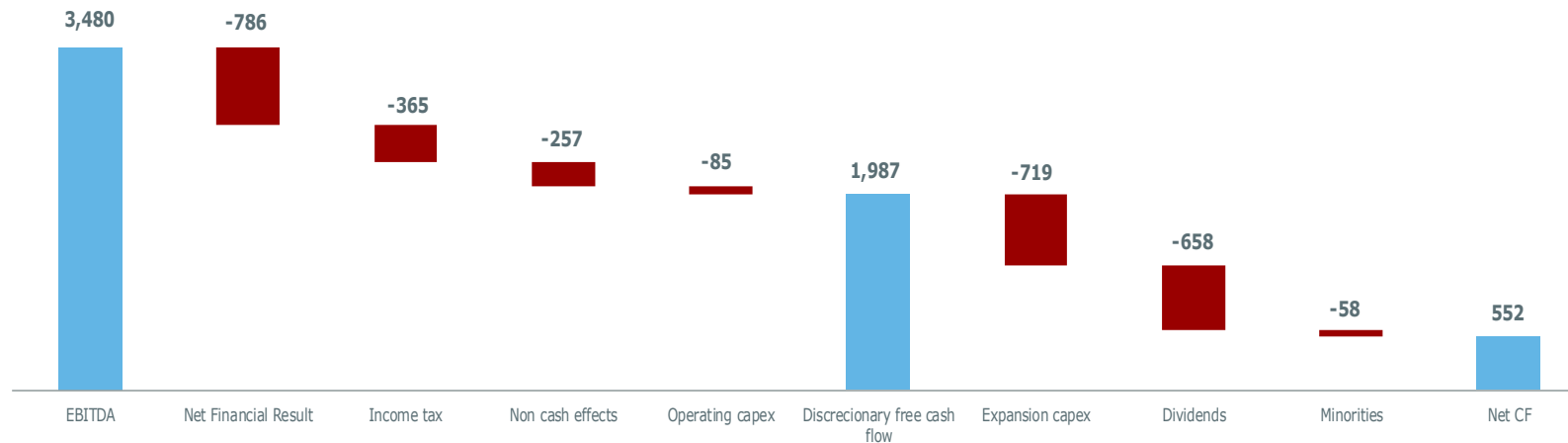
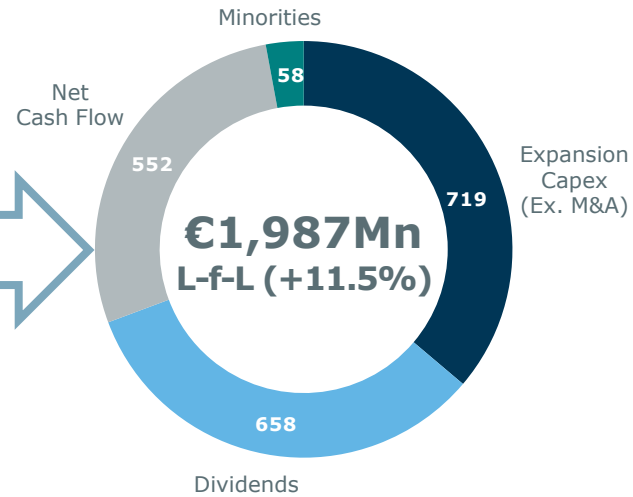
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Cash Flow

EBITDA Allocation (€Mn)



Discretionary Cash Flow (€Mn)

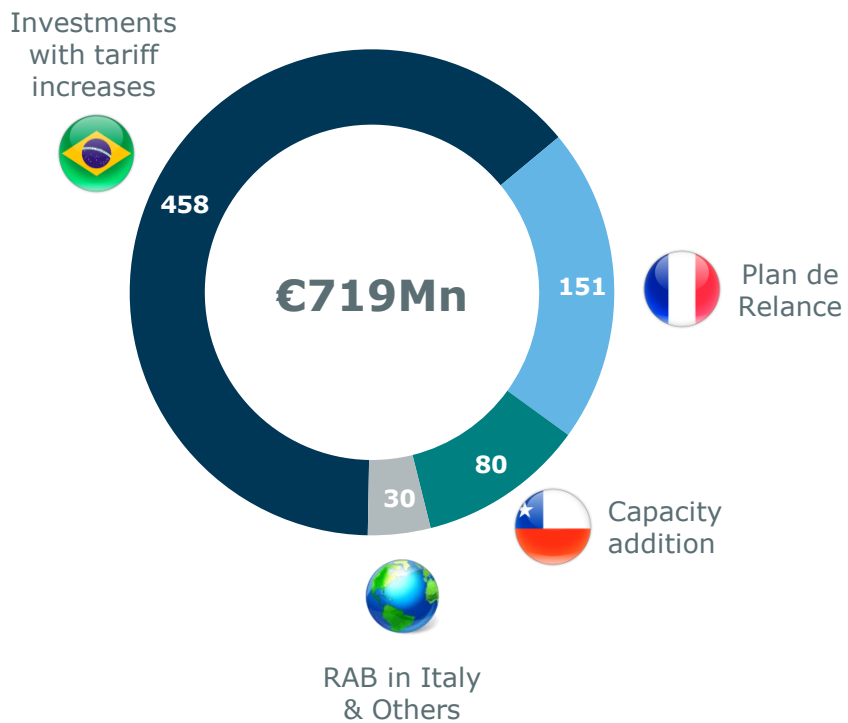


**Growth-Focused
Capital Allocation**

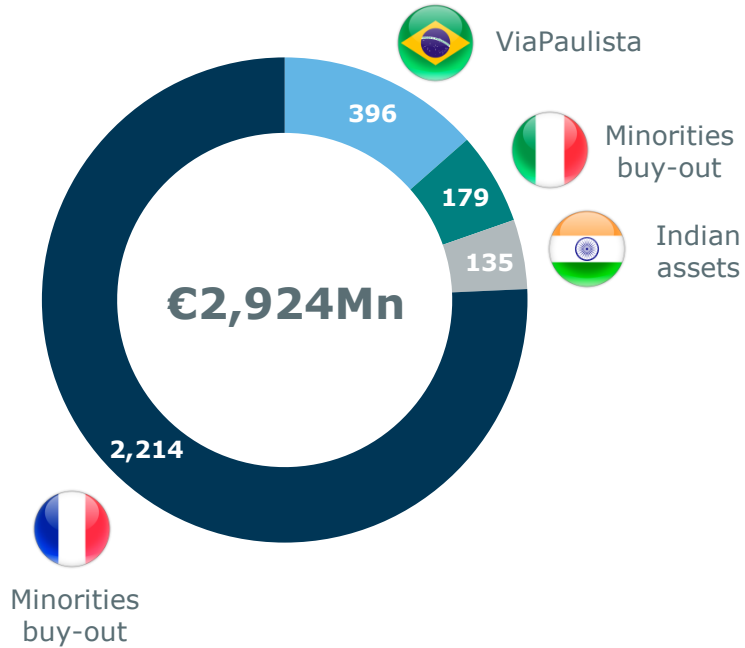
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Value Through Growth

Expansion



Acquisitions



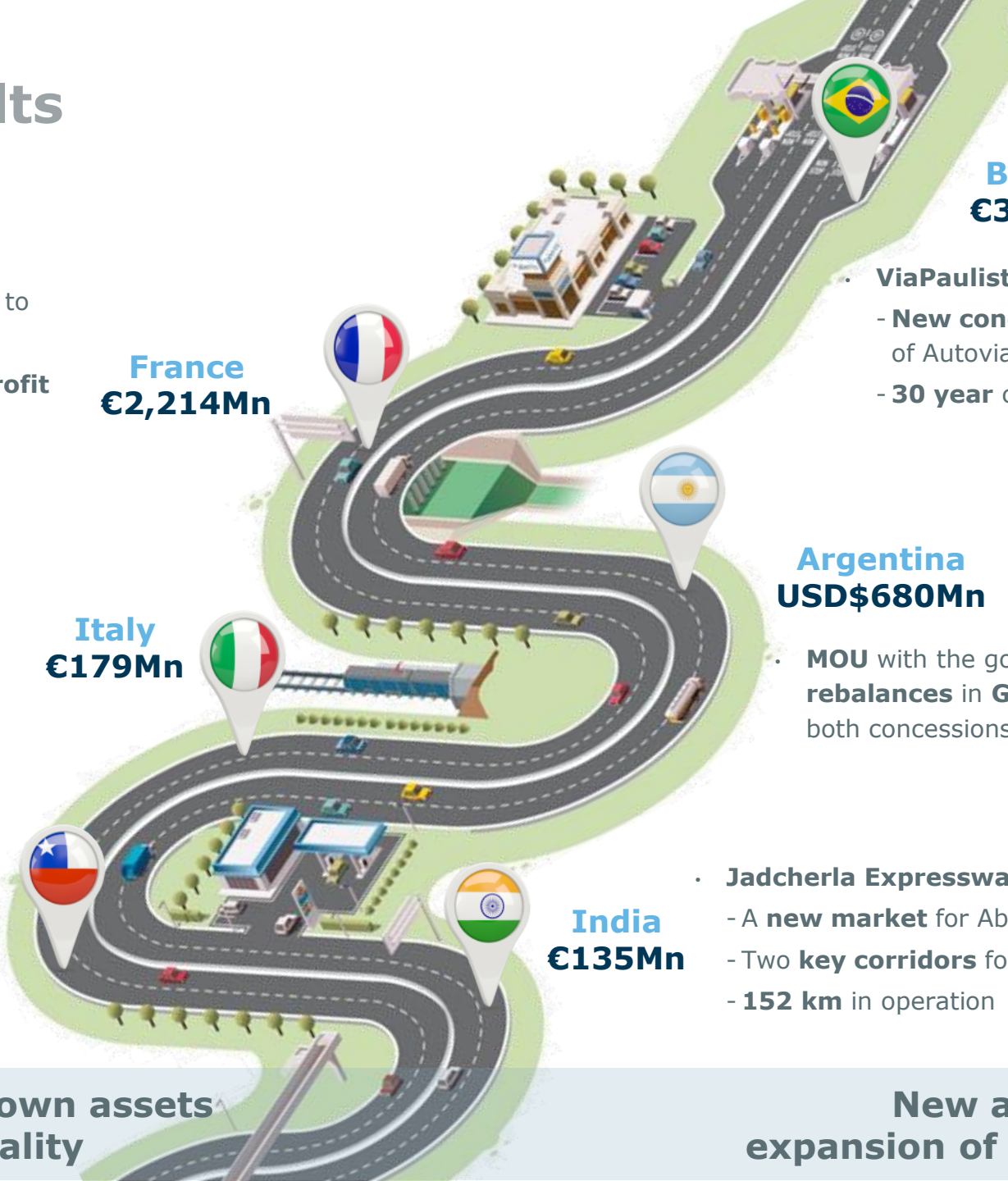
**More than €3.6Bn
(+48%) Invested or
Committed in Growth**

2 FY17 Results Projects

- **Stake increase** in Sanef from 52.55% to **100%** through multiple acquisitions
- Positive impact in Abertis P&L at **net profit** level (€157Mn in 2017)
- Access to full **dividend** stream

- **Stake increase** in A4 Holding from 51.4% to **83.56%** through multiple stake acquisitions
- Positive impact in Abertis P&L at **net profit** level

- MOU for new investments in **Autopista Central Sol & Rutas**
- **Compensation** through term extensions



Brazil
€396Mn

- **ViaPaulista** bid:
 - **New concession** with 720km including the current of Autovias and 403km of additional stretches
 - **30 year** concession expiring in 2047

France
€2,214Mn

Argentina
USD\$680Mn

- **MOU** with the government for **new investments** and **rebalances** in **GCO** and **AUSOL** for the **extension** of both concessions

Italy
€179Mn

India
€135Mn

Chile
~€800Mn
(Total works)

- **Jadcherla Expressways & Trichy Tollway** acquisition
 - A **new market** for Abertis with significant growth potential
 - Two **key corridors** for the country
 - **152 km** in operation

Reinforcement in well known assets with upside optionality

New assets and expansion of existing portfolio

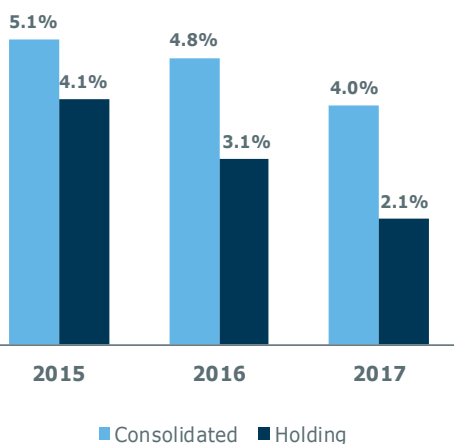
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Debt

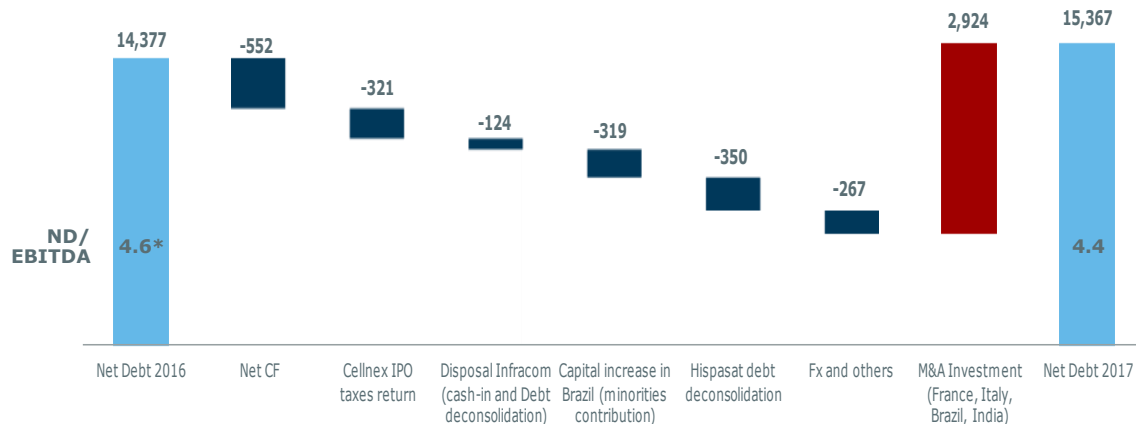
Optimization of Debt Structure

	Amount (€Mn)	Highlights
Holding	2,520	New bank debt for 2.2Bn (average cost 0.65%), liability management of a portfolio of US private placements and Abertis first sustainable loan (2 nd of its kind in history in Spain and 3 rd in Europe)
France	1,940	New revolving credit facility for 800 million, two-tranche bond issuance for 1Bn with coupons of 0.625% and 1.625% (largest bond by a French toll road in 2017), and liability management of high coupon bonds due in 2021
Brazil	565	New bank debt and bond issuance by Arteris (3 rd largest corporate bond issue in Brazil in 2017)
Chile	350	Unprecedented volumes of liability management of monoline wrapped bonds in 3 concessions
Italy	200	Buyback of high coupon bonds due 2020 at attractive terms
Total	5,575	

Average cost of Debt



Net Debt Evolution



*Excluding the impacts from Hispatat in the P&L and balance sheet

Reduced Refinancing Risk and Extension of Average Debt Maturities

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A Success Story



- **Strong 2017**

- Solid results
- Significant investment efforts
- More efficient Balance Sheet

- **Successful Completion of 2015-2017 Strategic Plan**

- Increased focus
- More efficient
- Larger asset base
- Higher shareholder remuneration

We delivered our commitments

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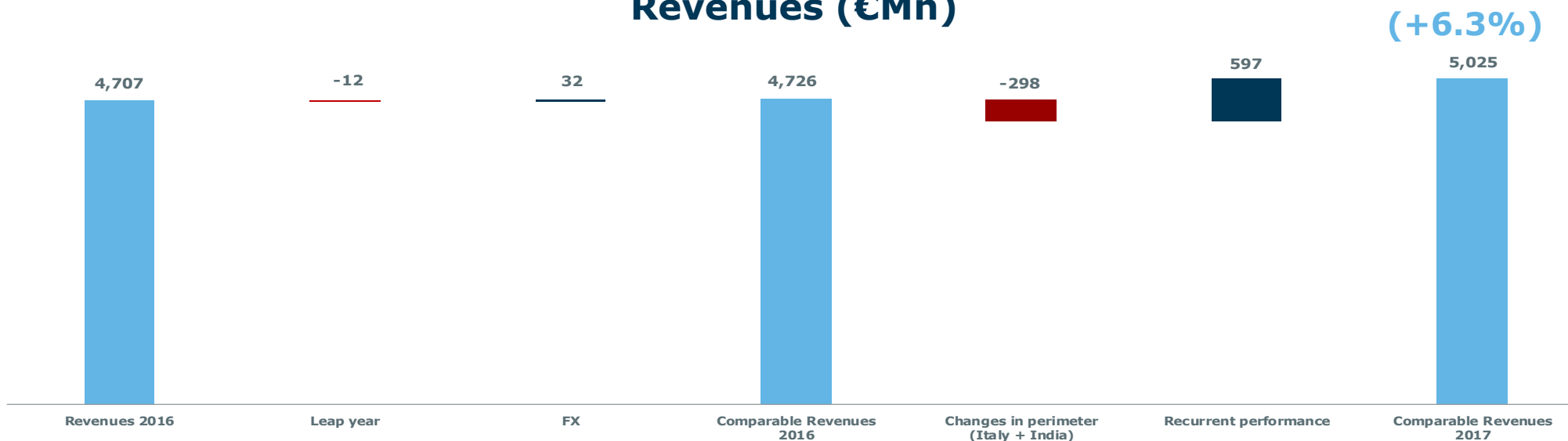
Income Statement

€ Mn	2016	2017	L-f-L
Revenues	4,707	5,323	6.3%
Operating Expenses	-1,642	-1,843	
EBITDA	3,065	3,480	7.7%
Comparable EBITDA	3,082	3,319	
Depreciation	-842	-1,029	
Amortization of revalued assets (PPA)	-351	-392	
EBIT	1,872	2,058	7.9%
Cost of debt	-731	-677	
Other financial results	119	-109	
Share of profit of associates	30	19	
Profit Before Taxes	1,291	1,291	
Income tax	-287	-365	
Minorities	-216	-102	
Discontinued operations (mainly Hispasat)	7	72	
Net Profit	796	897	24%

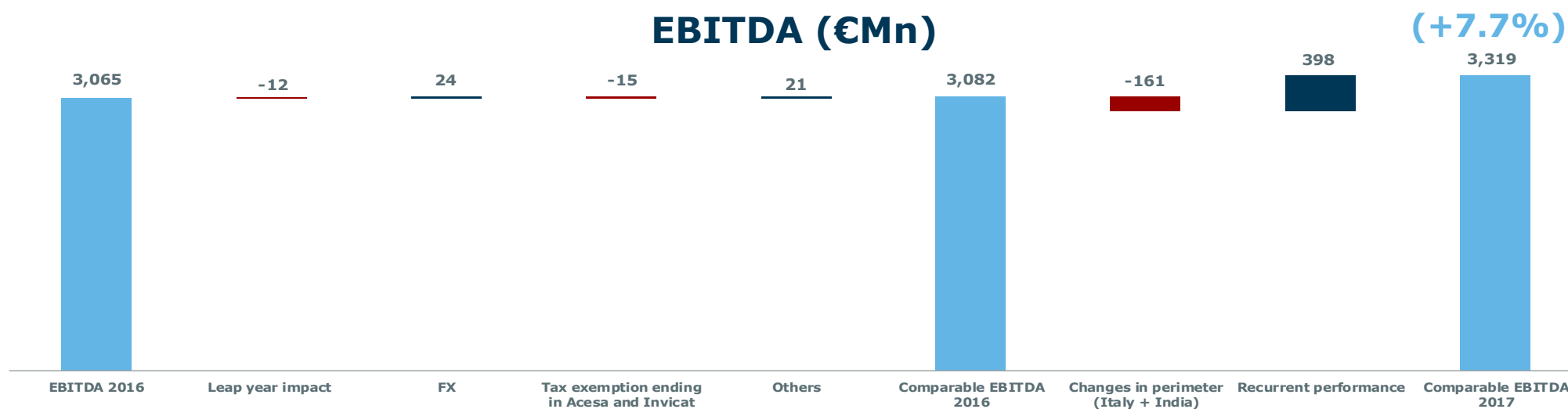
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Revenues & EBITDA

Revenues (€Mn)



EBITDA (€Mn)

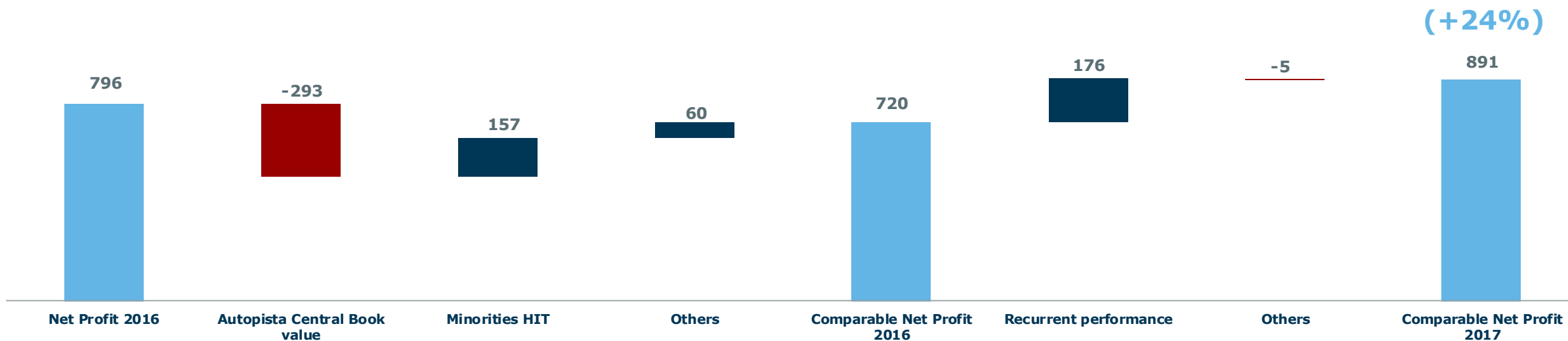


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Net Profit



Net Profit (€Mn)



4 Annex

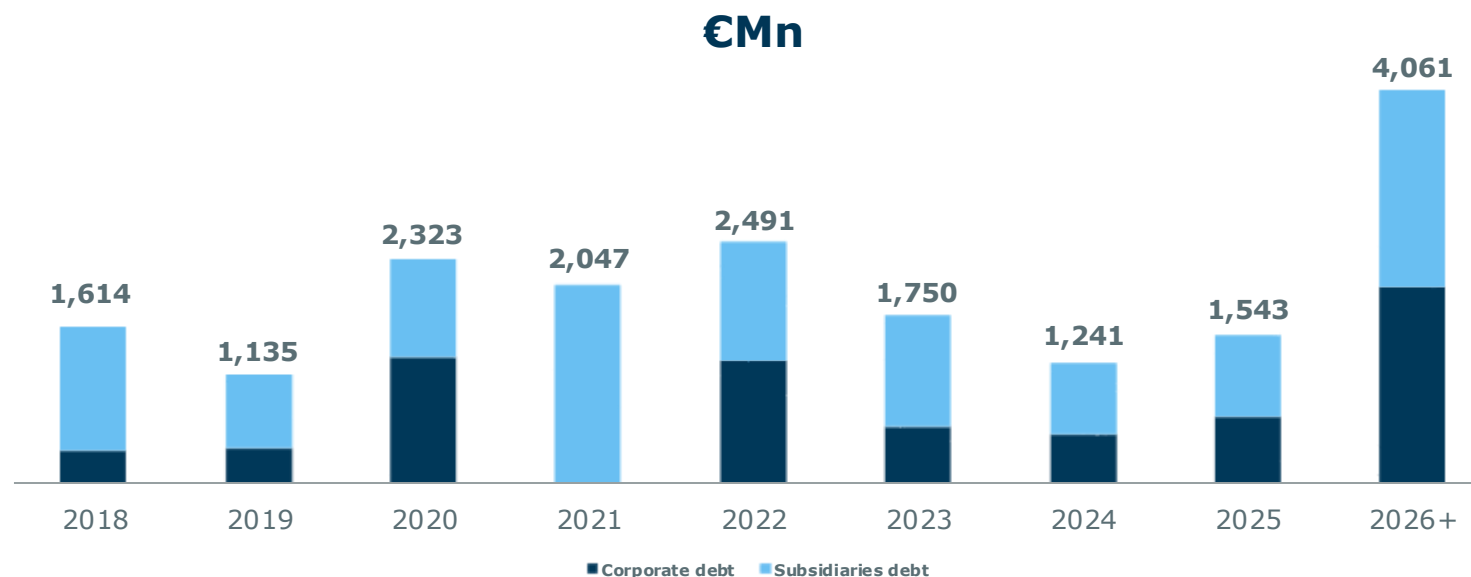
Geographical Debt Distribution

	Toll Roads							Holding	
€ Mn									
Gross debt	529	6,309	492	1,218	1,498	696	0	81	7,003
Net debt	501	4,951	327	677	1,320	672	-3	6	6,916
Average cost of debt	2.7%	3.6%	2.4%	4.9%	10.7%	6.2%	nm	9.6%	2.1%
<i>Fixed rate debt</i>	64%	98%	82%	86%	48%	91%	nm	42%	66%
Average maturity (yr)	4.0	5.3	2.1	4.9	3.8	7.8	nm	3.8	5.8
Cash and equivalents	29	1,358	165	541	177	23	3	75	87
Net Debt/EBITDA	0.5	4.3	1.5	1.7	3.1	7.3	nm	0.1	nm

These figures do not take into account the assignment for the intercompany debt

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Debt Profile



€Mn	2016	2017	€Mn	2016	2017
Gross Debt	16,906	17,825	Avg. Cost	4.8%	4.0%
Net Debt	14,377	15,367	Avg. Maturity	5.9	5.3
Net Debt/EBITDA	4.6x*	4.4x	Non-recourse Debt	66%	61%
Cash – Consolidated	2,529	2,458	Fixed Rates	90%	79%

*Excluding the impacts from Hispasat in the P&L and balance sheet

4 Annex

Cash Flow Statement

CF (€ Mn)	2016	2017	L-f-L (2017 vs. 2016)
EBITDA	3,065	3,480	7.7%
Net Financial Result	-611	-786	
Income tax expense	-287	-365	
Adjust. Non cash effects	-424	-257	
Gross operating cash flow	1,742	2,073	
Operating capex	-87	-85	
Discretionary cash flow	1,655	1,987	11.5%
Dividends	-639	-658	
Payments to minorities	-126	-58	
Free cash flow II	890	1,271	
Expansion capex – organic	-854	-719	
Net Free cash flow	36	552	

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Balance Sheet



BALANCE (€ Mn)	2016	2017	CHG
Non-current assets	26,788	24,203	-9.65%
Current assets	4,348	3,832	-11.87%
Assets held for sale	50	1,796	
Total assets	31,186	29,831	-4.34%
Shareholder's equity	6,901	4,777	-30.78%
Non-current liabilities	20,558	21,205	3.15%
Current liabilities	3,683	3,221	-12.54%
Liabilities held for sale	44	628	
Total equity and liabilities	31,186	29,831	-4.34%

