

**1H17 RESULTS****Abertis' net profit totalled €415 million in the first half, up 19% like-for-like****The company invested near €3,000Mn for growth**


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- Traffic growth in the Group's main markets and the inclusion of new businesses in the consolidation scope drove Abertis' key indicators in 1H17:
    - Revenue: €2,698Mn (+20%)
    - EBITDA: €1,757Mn (+17%)
    - Traffic: Spain (+5.9%), Chile (+4.8%), Italy (+3.9%), Brazil (+2.0%) and France (+1.9%).
  - The company invested near €3,000Mn in international growth:
    - Acquisition of 100% of Sanef (France): €2,200Mn
    - Growth in A4 Holding (Italy): €215Mn
    - Tender offer in Brazil: €420Mn
    - Acquisition of two toll roads in India: €133Mn
  - Future commitments: Abertis has entered into public-private partnership agreements entailing a future total additional investment commitment of €1,897Mn to upgrade road networks in France, Brazil and Argentina.
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**Barcelona, 26 July 2017**

Abertis reported considerable improvement in its key indicators in the first half of 2017: revenue rose by 20% to €2,698Mn and EBITDA by 17% to €1,757Mn, underpinned by overall improvement in traffic, the addition of new assets in the consolidation scope this year (in Italy and India). Net profit for the first six months of the year totalled €415Mn, up 19% like-for-like from 1H16, boosted also by the stake increase in its subsidiaries Sanef (France) and A4 Holding (Italy).

Consolidated figures in this period were boosted by the positive exchange rate trends in America, especially in key markets for the Group such as Brazil, Chile and the United States.



### **Near €3,000Mn earmarked for growth**

The first six months of this year were marked by the Group's intensive investment activity, bolstering its footprint in France, Brazil, Italy and India. Regarding growth opportunities, Abertis entered into a number of agreements for a total amount of €2,820Mn, figure that far exceeds the investment for the whole of 2016.

In April, the Group secured a 100% stake in subsidiary Holding d'Infrastructures de Transport (HIT), which controls 100% of Sanef, after acquiring shares from minority shareholders. Abertis has spent over €2,200Mn on HIT, reinforcing operations in the Group's main market.

Also during the period, Abertis raised its interest in its Italian subsidiary, A4 Holding. The Group has signed agreements to acquire a number of minority interests, achieving a 90% stake in the concessionaire for the A4 and A31 toll roads, both of which had showed increasing traffic (+3.9% in H1) since their inclusion in the Group.

In Brazil, through Arteris, Abertis won the 30-year Rodovias dos Calçados concession (until 2047) worth nearly €420Mn. The contract covers the 317 kilometres currently managed by Autovías (Arteris), as well as 403 kilometres that, until then, were under direct management of the São Paulo state government.

The new concession also entails an investment commitment for the Group of BRL 5Bn (approximately €1.5Bn), earmarked for an increase of the road capacity.

Regarding other public-private partnerships, in June, Abertis reached a deal with the Argentine government for new investments in the road network of Grupo Concesionario del Oeste (GCO) in exchange for an extension of the concession term. This extension includes additional investment of \$250Mn to upgrade the current road network, which will be fully financed by future concession revenues thanks to the extension of the current contract, which ends in 2018, until the end of 2030.

These transactions give Abertis a more balanced global portfolio, with growth in economies with stable frameworks for concessions and a clear commitment to public-private partnerships in the toll road sector. Without prejudice of the passivity duty due to the Atlantia's takeover offer, the company keeps on working on a business-as-usual basis, and it is in conditions to take advantage of all the opportunities that may arise.

### **Income statement**

Revenue between January and June 2017 totalled €2,6981Mn, up 20% year-on-year, thanks to the increase in traffic, the inclusion in the consolidation scope of the A4 and A31 toll roads in Italy and of the two concessions in India, along with the euro's positive exchange rate trend vis-à-vis the US dollar, Brazilian real and Chilean peso.

EBITDA totalled €1,757Mn in the period (+17% like-for-like) thanks, among other factors, to the strong performance of operating margins. Abertis' net profit totalled €415Mn, up 19% in like-for-like terms.

### **Traffic and safety**

Traffic on Abertis' network grew in all European markets, with notable increases in Spain (+5.9%), Italy (+3.9%) and France (+1.9%). In Latin America, marked increases were posted in Chile (+4.8%) and Brazil (+2%). Traffic also grew in India (+2.8%).

Indicators for road safety, a top priority for the Group, improved further. Especially in Spain, where the number of deaths by accident fell by 62% year-on-year. Significant advances were also seen in Chile, Puerto Rico and Argentina. The Group also managed to reduce almost 30% the accident rate of workers in the period.

### **Balance sheet management**

Abertis' consolidated net debt at 30 June 2017 stood at €15,984Mn, compared with €14,377Mn at 31 December 2016. This increase was the result of the inclusion of new assets in the consolidation scope.

Debt at fixed rate is near 80%, and the average maturity stands in 6 years.

Two-thirds of total debt is secured by the company's own projects (i.e. non-recourse). Meanwhile, the cost of corporate debt decreased to 2.1% this year.

### **Investments**

Total investment in the first half was €2,820Mn, of which €2,214 went to the acquisition of Sanef minority interests.

Regarding investment in growth, the largest amounts were spent on toll roads in Brazil (€260Mn), Chile (€42Mn) and France (€35Mn). In all, Abertis invested €387Mn in expansion capex in the period.



## Appendix 1 – Income statement and balance sheet

INCOME STATEMENT	January-June 2017		(€Mn)
	June 2017	June 2016	Change
<b>Total revenues</b>	<b>2,698</b>	<b>2,243</b>	<b>20%</b>
Operating expenses	-942	-741	
<b>EBITDA</b>	<b>1,757</b>	<b>1,502</b>	<b>17%</b>
<b>EBITDA L-F-L</b>			<b>8%</b>
Depreciation	-737	-606	
<b>Operating profit (EBIT)</b>	<b>1,020</b>	<b>896</b>	
Carry-over effect A. Central	0	293	
Financial result	-369	-447	
Equity method result	10	21	
Income tax expense	-185	-165	
Discontinued operations (Bolivia)	17	0	
Non-controlling interests	-77	-88	
<b>Net profit</b>	<b>415</b>	<b>510</b>	
<b>Net profit L-F-L</b>			<b>19%</b>

BALANCE SHEET	January-June 2017		(€Mn)
	June 2017	Dec. 2016	
Property, plant and equipment and intangible assets	21,838	22,506	
Financial assets	4,324	4,281	
Current assets	1,377	1,819	
Liquid assets	1,873	2,529	
Assets held for sale	10	50	
<b>Total assets</b>	<b>29,421</b>	<b>31,186</b>	
Shareholders' equity	4,618	6,901	
Non-current financial debt	16,658	15,210	
Non-current liabilities	5,185	5,348	
Current financial debt	1,199	1,695	
Current liabilities	1,756	1,988	
Liabilities held for sale	5	44	
<b>Total equity and liabilities</b>	<b>29,421</b>	<b>31,186</b>	

## Appendix 2 - Relevant facts in the period

### January

- Abertis increases its controlling interest in its French subsidiary Sanef to 63.07%. The transaction enabled Abertis to increase its shareholding in HIT from 52.55% to 63.07%, and entails a cash outflow of €491Mn for Abertis.
- Sanef reaches agreement with the French government to invest €147Mn in its network. Abertis' subsidiary in France reached agreement with the French government to implement a new investment plan for the upgrade of its network under which Sanef will invest €147Mn in various projects in exchange for an increase in tolls.

### February

- Abertis underscores its commitment to the Italian market with the acquisition of an additional 8.53% of its subsidiary A4 Holding. Following this transaction, Abertis controls around 60% of A4 Holding, which manages the A-4 Brescia-Padova and A-31 toll roads.

### March

- Abertis' net profit totals €796Mn, up 13% in like-for-like terms. The Group's results in 2016 surpassed forecasts.
- Abertis reaches agreement with AXA to acquire 9.65% of HIT for €450Mn. The transaction, which followed the acquisition of 10.52% of HIT from CDC, increased Abertis' controlling interest in HIT from 63.07% to 72.72%.
- Abertis completes the €128Mn acquisition of two toll roads in India. Abertis reached agreement with the MSIPL and SMIT funds, controlled by Macquarie and State Bank of India, to acquire two of India's most important toll roads, the NH-44 and the NH-45, for an amount of €128Mn.
- Abertis' Board of Directors appoints António Viana-Baptista as a new independent director. Following his appointment, the Board has 9 independent directors, 60% of the total.
- Abertis controls approximately 90% of its French subsidiary. Abertis signed an agreement to acquire part of Predica's shareholding in HIT, of between 15% and 17%, depending on the exercise of pre-emptive acquisition rights by the other shareholders.

### April

- 2017 General Shareholders' Meeting. Abertis held its General Shareholders' Meeting, during which it reviewed its performance in 2016 and announced the payment of a second dividend for the year.

- Significant event in relation to Atlantia. Abertis announced that Atlantia has expressed an interest in exploring a possible corporate transaction without the terms having been agreed to date.
- Abertis secures 100% ownership of its French subsidiary. The company reaches two agreements with FFP Invest and CNP to acquire respective 5.1% stakes in HIT, for €238Mn each.
- Arteris wins the 30-year Rodovias dos Calçados concession. Abertis' subsidiary in Brazil, Arteria, won the tender for management of Rodovias dos Calçados until 2047.

## May

- Abertis raises its interest in its Italian subsidiary to over 85% after the acquisition of an additional stake. The Group reached an agreement with minority shareholders to acquire an additional 22.52% stake in Italian subsidiary, A4 Holding. Abertis will pay €1225Mn.
- Abertis acknowledges Atlantia's offer. Acknowledged the terms and conditions of the voluntary and unsolicited tender offer made to all Abertis' shareholders.

## June

- Abertis agrees new investments in GCO's network in exchange for an extension of its concession contract. Grupo Concesionario del Oeste (GCO), an Abertis company in Argentina, and the National Road Agency, under the Transportation Ministry of Argentina, have entered into an agreement that recognise the pending rebalancing and an additional US\$250Mn investment plan.

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