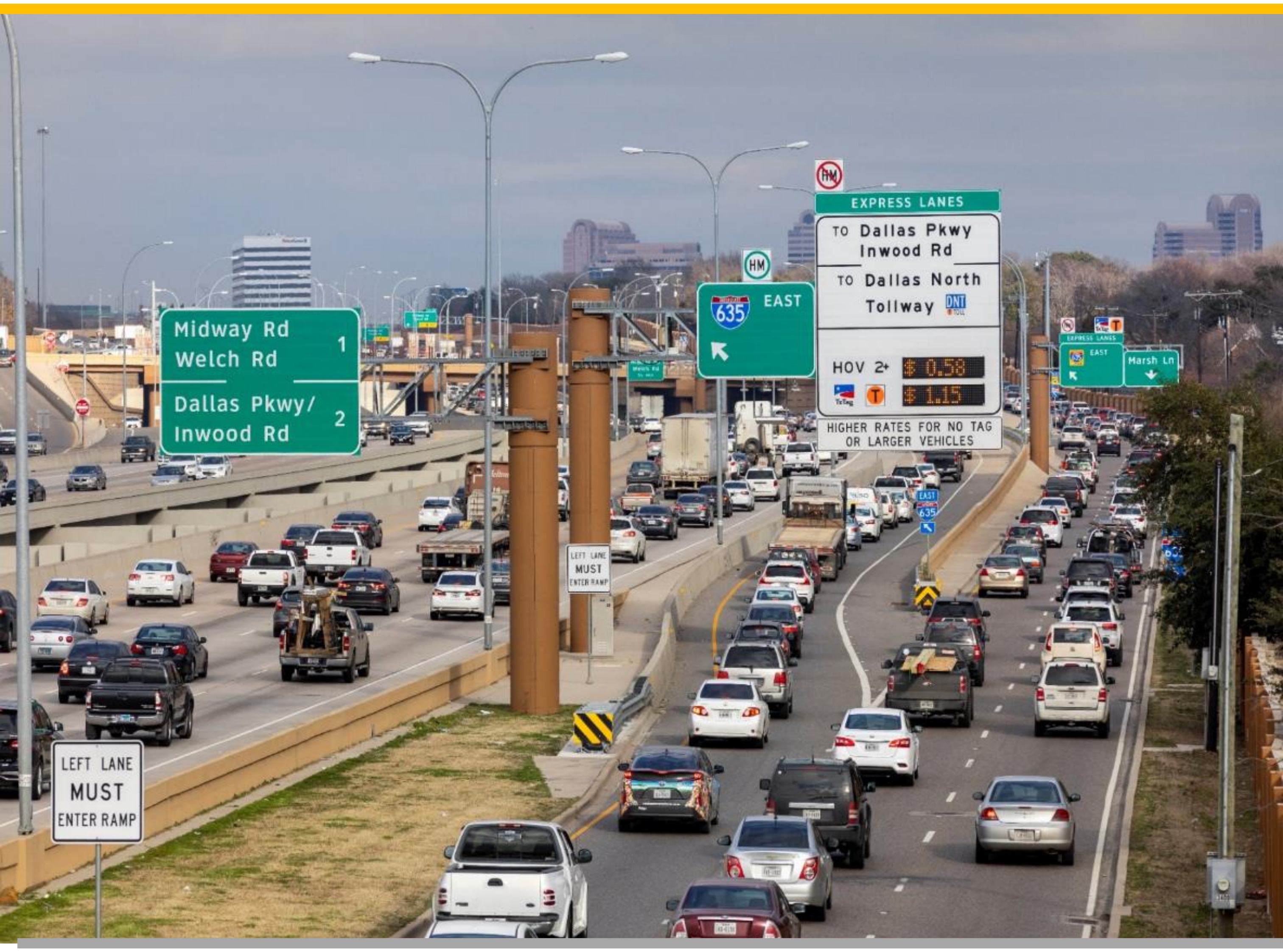
ferrovial



FERROVIAL, S.A. & SUBSIDIARIES

Interim Management Report

January - June 2019

30 July 2019

FERROVIAL RESULTS JANUARY – JUNE 2019

Consolidated results (Services as discontinued activity)

- **Consolidated revenues** stood at EUR2,603mn (-5.3% LfL) on the back of lower Construction revenues (-8.6% LfL), partially offset by higher contribution from Toll Roads.
- **Consolidated EBITDA ex-IFRS 16**: -EUR132mn (vs EUR208mn in 1H 2018) negatively affected by –EUR345mn provision (at 100%) registered in Construction in 1Q 2019, on the back of potential future losses in several US projects.
  - IFRS 16 improved EBITDA figure by EUR16mn due to the reclassification between EBITDA, amortization and financial result with no significant impact at EBIT and Net Income.

EUR482mn net cash ex-infra projects, including the net cash position from discontinued operations. Net infrastructure project stood at EUR4,408mn (vs. EUR4,885mn in Dec. 2018). Net consolidated debt reached EUR3,926mn (vs. EUR3,649mn in Dec. 2018).

Strong operating performance of main infra assets

(EBITDA, local currency):

- **US Managed Lanes** (global consolidation) +45.4% NTE & +23.7% LBJ. NTE 35W grew +39.8% in 2Q vs 1Q 2019
- **ETR 407** (equity consolidated): +7.1%
- **Heathrow SP** +7.0% (+3.9% ex IFRS16) & **Regional UK airports (AGS)** +7.4% (both equity consolidated).

Distribution of funds from the main assets:

- **407 ETR distributed dividends of CAD500mn** in 1H 2019, +10.5% vs. 1H 2018. Dividends distributed to Ferrovial amounted to EUR146mn.
- **Heathrow paid out GBP200mn** compared to GBP228mn in 1H 2018. Dividends distributed to FER amounted to EUR58mn.
- **AGS paid out GBP20mn** in line with GBP23mn in 1H 2018, FER received EUR11mn .
- **Services contributed project dividends of EUR23mn.**

Ausol sale: Ferrovial, through its subsidiary Cintra, reached in June an agreement to sell 65% of Ausol for EUR447mn. Cintra will retain 15% in Ausol, holding a put option, and Meridiam a call option, over such 15%.

Results by division

Toll roads: significant revenue growth on the back of higher contribution from US MLs and improvements in traffic on most toll roads. Traffic at 407 ETR (-1.4%) was impacted by severe weather conditions, one less work day vs 1H 2018 and slower economic growth impacting consumer and industry confidence. Managed Lanes continued to post strong EBITDA growth on the back of robust traffic and toll rate growth. NTE35W contributed EUR27mn to the division's EBITDA.

Airports: in 1H 2019, the number of passengers at Heathrow airport reached a new record of 38.8mn, +1.8% vs. 1H 2018. AGS traffic declined by -7.5% due to lower traffic in all three airports.

Construction: revenue decrease (-8.6% LfL), with negative performance in all 3 areas. 83% from international projects. EBIT -EUR346mn, primarily impacted by the -EUR345mn provision (at 100%) registered in 1Q 2019, on the back of potential future losses in US projects. Order book at EUR11,405mn (+3.2% LfL vs. Dec 2018) does not include pre-awarded contracts for over EUR1,250mn.

Services (discontinued activity): revenues (+10.5% LfL) showed higher performance mainly due to UK excluding Birmingham (+22.7% LfL) & International (+31.1% LfL), while Australia (-3.9% LfL) declined on portfolio streamlining. EBITDA ex-Birmingham reached EUR168mn (+9.4% LfL). Order book (EUR18,500mn) decreased by -5.0% LfL vs Dec 2018 due to the Birmingham exit.

LfL: Like-for-Like

REPORTED P&L

(EUR million)	JUN-19	JUN-18
REVENUES	**2.603**	**2.701**
Construction Provision	**-345**	
EBITDA Ex IFRS 16	**-132**	**208**
EBITDA	**-116**	
Period depreciation	-74	-57
Disposals & impairments	-21	-16
EBIT*	**-211**	**135**
FINANCIAL RESULTS	-101	-98
Equity-accounted affiliates	76	125
EBT	**-236**	**161**
Corporate income tax	50	-9
CONSOLIDATED PROFIT FROM CONTINUING OPERATIONS	**-185**	**152**
NET PROFIT FROM DISCONTINUED OPERATIONS	135	-206
CONSOLIDATED NET INCOME	**-50**	**-53**
Minorities	44	-19
NET INCOME ATTRIBUTED	**-6**	**-72**

**EBIT after impairments and disposals of fixed assets*

CONSOLIDATED EBITDA

(EUR million)	JUN-19	JUN-18	VAR.	LfL
Toll Roads	206	136	51,7%	46,8%
Airports	-8	-7	-15,7%	-22,2%
Construction	-329	75	n.s.	n.s.
Others	0	4	n.a.	n.a.
Total EBITDA Ex IFRS 16	**-132**	**208**	**-163,2%**	**-163,8%**
IFRS 16	16			
Total EBITDA	**-116**			

LfL: Like-for-Like

PROPORTIONAL EBITDA

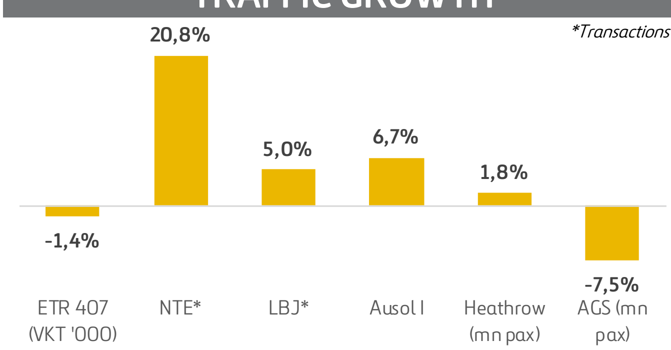
(EURmn)	JUN-19	JUN-18	VAR.	LfL
Toll Roads	343	277	23,6%	19,6%
Airports	278	259	7,3%	4,1%
Construction	-253	57	n.s.	n.s.
Others	-1	2	-131,1%	-194,4%
Total EBITDA	**367**	**596**	**-38,4%**	**-42,5%**

FINANCIAL POSITION

(EUR million)	JUN-19	DEC-18
NCP ex-infrastructures projects	**482**	**1.236**
Toll roads	-3.928	-4.392
Others	-480	-493
NCP infrastructures projects	**-4.408**	**-4.885**
Total Net Cash /(Debt) Position	**-3.926**	**-3.649**

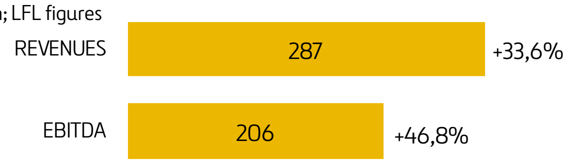
NCP is Net cash position. Includes discontinued activities

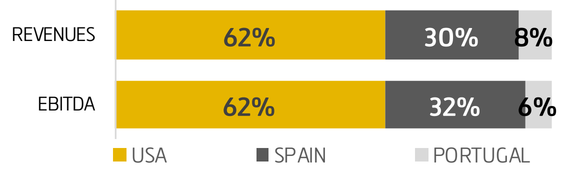
TRAFFIC GROWTH



TOLL ROADS

€mn; LFL figures





Revenues bolstered by higher contribution from US Managed Lanes & traffic growth at most assets. USA accounted for >60% revenues & EBITDA excluding Headquarters.

407 ETR (43.23%, EQUITY ACCOUNTED)

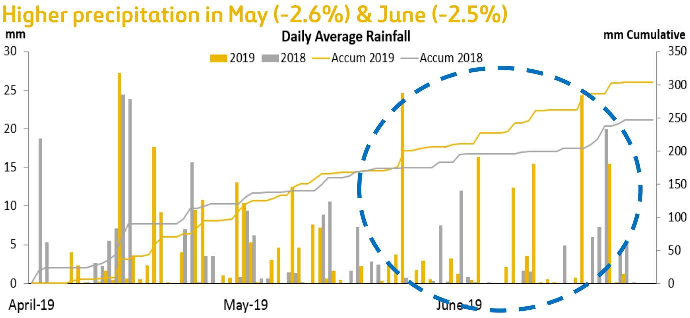
	JUN-19	JUN-18	VAR.
Avg trip length (km)	21,34	21,18	**0,8%**
Traffic/trips (mn)	59,71	61,01	**-2,1%**
VKTs (mn)	1.274	1.292	**-1,4%**
Avg revenue per trip (CAD)	11,64	10,59	**9,9%**

VKT (Vehicle kilometres travelled)

Traffic (kms travelled) -1.4% vs 1H 2018 due to unfavourable weather conditions, one less work day and slower economic growth, impacting consumer and industry confidence. Traffic was mainly impacted by inclement weather in 1Q 2019 resulting in school closures and school bus cancellations impacting workdays traffic (no school closures due to weather in 1H2018), and higher precipitation in 2Q 2019.

Average trip length increased by +0.8% mainly due to longer trips by light vehicles due to construction on alternative routes

Higher precipitation in May (-2.6%) & June (-2.5%)



Extreme weather in 1Q 2019

2019 January: record single day snowfall on a workday (24cm)

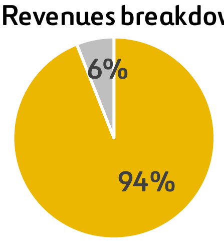
2019 February: 18 mm freezing rain all falling within Workdays

5 major winter school closures, school bus cancellations (none in 2018)

Winter 2019 was severe with a total amount of 33mn tones of salt spread in 1Q 2019 (+25% vs previous 5 years average). Winter operations took place on 66 out of 90 days.

	JUN-19	JUN-18	VAR.
Revenues (CAD mn)	**700**	651	**7,5%**
EBITDA (CAD mn)	**610**	570	**7,1%**
EBITDA margin	**87,2%**	87,5%	

Revenues breakdown

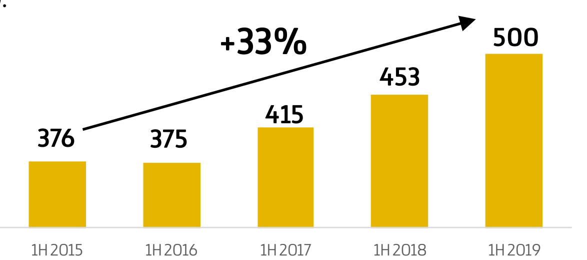


- **Toll revenues** (94% of total): +7.7% to CAD655mn, mainly due to tariff increases effective since February 1st, 2019. Average revenue per trip increased +9.9% vs 1H 2018.
- **Fee revenues** (6% of total) CAD45mn (+4.4%), mainly due to an increase in the annual lease fee rate, coupled with higher volumes of transponders in circulation and higher net interest fee revenue.

OPEX +10.4%, (+1.1% underlying, ex 2018 one off) mainly impacted by a one-time recovery of indirect taxes relating to prior years and higher customer opex due to higher collection, bank charges and billing costs.

EBITDA +7.1%, with an 87.2% EBITDA margin (vs. 87.5% 1H 2018) a result of revenue growth, offset by higher operating expenses. Excluding the aforementioned, one-time recovery, EBITDA performance would be +8.5%, with an 87.2% EBITDA margin vs 86.4% in 1H 2018.

Dividends: 407 ETR distributed dividends of CAD500mn in 1H 2019, +10.5% vs. 1H 2018. The dividends distributed to Ferrovial amounted to EUR146mn in 1H 2019. At the July Board meeting, 3Q 2019 dividend payment was approved in the amount of CAD250mn (+6.9% vs. 3Q 2018).



Net debt at 30 June 2019 was CAD7,764mn (average cost of 4.44%). 63% of the debt matures in more than 15 years' time.
The next maturity dates are CAD15mn in 2019, CAD16mn in 2020 and CAD721mn in 2021.

407 ETR issued two bonds on 6 March 2019:

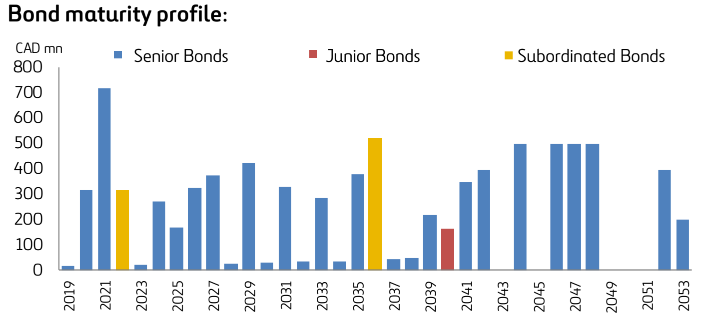
- CAD300mn bond maturing in March 2030 (coupon 3.14%)
- CAD500mn bond maturing in March 2049 (coupon 3.67%)

In addition, 407 ETR announced the early payment of a CAD300mn Senior Medium-Term Notes, Series 10-A2, maturing in June 2020.

407 ETR credit rating:

- **S&P:** "A" (Senior Debt), "A-" (Junior Debt) & "BBB" (Subordinated Debt), with stable outlook, issued on 13 June 2019.
- **DBRS:** "A" (Senior Debt), "A low" (Junior Debt) & "BBB" (Subordinated Debt), with stable outlook, issued on 3 December 2018.

Bond maturity profile:



Ferrovial informed its interest in exercising the right of preferential acquisition (ROFR) for a 5% stake in 407ETR. The execution of the right is currently subject to judicial resolution. If this resolution is finally in favor of Ferrovial, the company should face, during the second half of the year, an investment of approx. CAD1.6 bn.

Find further information on 407 ETR 1H 2019 results in the following link

TOLL ROADS

MANAGED LANES (USA) – USD MN

NTE 1-2 (63.0%, GLOBALLY CONSOLIDATED)

Traffic growth (+20.8%) is largely attributed to the full opening of NTE35W in July 2018, which connects directly into NTE's Segment 1 and the opening of 183 TEXpress (Midtown Express) in October 2018, which connects directly to NTE's Segment 2. Due to the strong growth of the managed lane traffic, rush hour volumes on the managed lanes continue to exceed contractual thresholds at NTE Segment 2, resulting in toll rates exceeding the soft cap several times per week during rush hours.

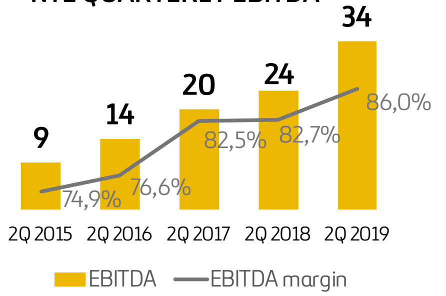
	JUN-19	JUN-18	VAR.
Transactions (mn)	17	14	20,8%
Revenues (USD mn)	74	53	39,9%
EBITDA (USD mn)	64	44	45,4%
EBITDA margin	86,2%	83,0%	

The **average toll rate per transaction** at NTE reached USD4.4 in 1H 2019 vs. USD3.8 in 1H 2018 (+15.7%).

Revenues rose by +39.9% vs 1H 2018, on the back of traffic growth and higher toll rates.

EBITDA reached USD64mn (+45.4% vs. 1H 2018) aided by a strong traffic growth. EBITDA margin of 86.2% (+324 basis points vs. 1H 2018).

NTE QUARTERLY EBITDA



Net debt

As of June 2019, net debt for NTE to USD964mn (USD996mn in December 2018), at an average cost of 5.30%.

Credit Rating

	PAB	TIFIA
Moody's	Baa3	Baa3
FITCH	BBB-	BBB-

LBJ (54.6%, GLOBALLY CONSOLIDATED)

Traffic growth (+5.0%) was supported by the opening of the 183 TEXpress (Midtown Express) in October 2018. 183 TEXpress connects directly to LBJ Segment 1, providing a new and direct connection beween NTE and LBJ managed lanes projects.

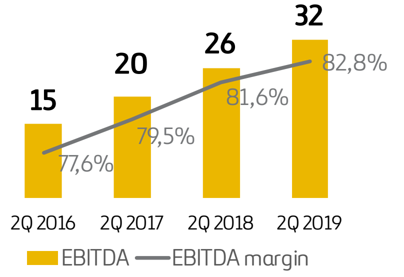
	JUN-19	JUN-18	VAR.
Transactions (mn)	23	22	5,0%
Revenues (USD mn)	72	59	21,4%
EBITDA (USD mn)	60	48	23,7%
EBITDA margin	82,9%	81,4%	

The **average toll rate per transaction** at LBJ reached USD3.1 in 1H 2019 vs. USD2.7 in 1H 2018 (+16.2%).

Revenues reached USD72mn (+21.4% vs. 1H 2018), as a result of both the continued growth in traffic and higher toll rates.

EBITDA reached USD60mn (+23.7% vs. 1H 2018) with an EBITDA margin of 82.9%.

LBJ QUARTERLY EBITDA



Net debt

As of June 2019, net debt for LBJ amounted to USD1,433mn (USD1,448mn in December 2018), at an average cost of 5.26%.

Credit Rating

	PAB	TIFIA
Moody's	Baa3	Baa3
FITCH	BBB-	BBB-

NTE 35W (53.7%, GLOBALLY CONSOLIDATED)

NTE 35W full opening took place on 19 July 2018 (3 months ahead of schedule), with strong traffic performance boosted by a faster traffic recovery from pre-construction levels than NTE and LBJ. The entire project is now 10.2 miles long and composed of two segments, 3A and 3B. NTE 3A is 6.2 miles long and stretches from Downtown Ft. Worth to the I35W/IH-820 interchange, while, NTE 3B continues north of the interchange for an additional 4.0 miles.

Traffic on both the general purpose and the managed lanes at Segments 3A and 3B have continued to grow as drivers return to the highway, exceeding preconstruction levels. Growth in managed lane traffic is a result of both the returning demand to the corridor and an increasing share of that traffic choosing the managed lanes.

Two new direct connectors opened recently. The direct connector from I-30 EB to NTE 3A NB opened in December 2018. Traffic from I-30, one of the main corridors between Dallas and Fort Worth, grew at a fast pace during the first three months of operations and is expected to continue to grow as drivers become familiar with the new managed lane access point. The direct connector near Downtown Ft. Worth opened in late January 2019 and provides direct managed lane access between NTE 3A to and from Downtown Ft. Worth.

Quarterly evolution	2Q 2019	1Q 2019	VAR.
Transactions (mn)	8	7	14,4%
Revenues (USD mn)	22	17	27,4%
EBITDA (USD mn)	18	13	39,8%
EBITDA margin	82,0%	74,5%	

The **average toll rate per transaction** during the first half of 2019 reached USD2.5 in 1H 2019.

Net debt

As of June 2019, net debt for NTE35W was USD748mn, at an average cost of 4.81%.

Credit Rating:

	PAB	TIFIA
Moody's	Baa3	Baa3
FITCH	BBB-	BBB-

TOLL ROADS

OTHER TOLL ROADS

- **Spain**: traffic trended upwards in 1H 2019. February and March 2019 compare with 2018 in which the impact of several storms in Spain affected negatively Autema and Ausol traffic. In 1H 2019, traffic grew by +6.7% in Ausol I and +5.1% in Ausol II.
- **Portugal:** positive traffic growth. Algarve traffic grew by +8.2%, helped by the change in configuration of its main competitor road which has reduced its speed and capacity. On Azores toll road (+4.5%), traffic continues to be supported by the increase in tourism, following the liberalisation of the airline market.
- **Ireland:** positive performance, traffic grew +6.6% on both toll roads (M4 & M3). In 1H 2018, traffic was negatively impacted by snow storms in February and March.

OTHER EVENTS

On June 2019, Ferrovial, through its subsidiary Cintra, reached an sale agreement with the investment fund Meridiam who will acquire 65% of the share capital of Ausol for a total of EUR447mn. Cintra will retain a 15% interest in the share capital of Ausol, holding a put option, and Meridiam a call option, over such 15%.

The transaction will generate capital gains for Ferrovial of an approximate amount of EUR474mn. Ferrovial has excluded from the scope of consolidation the net debt of the asset, amounting to EUR435mn as of 30 June 2019.

The completion of the transaction is subject to the corresponding administrative and funders' approvals been obtained.

ASSETS UNDER DEVELOPMENT

(EUR million)	INVESTED CAPITAL	PENDING COMMITTED CAPITAL	NET DEBT 100%	CINTRA SHARE
Global Consolidation				
Intangible Assets	**-78**	**36**	**-244**	
I-77	-78	36	-244	50%
Equity Consolidated				
Intangible Assets		**670**	**-1.111**	
I-66		670	-1.111	50%
Financial Assets	**-65**	**70**	**-1.145**	
407-East Extension II		11	-330	50%
Ruta del Cacao	-54		-27	42%
Toowoomba	-11		-216	40%
Bratislava		30	-404	35%
OSARs		29	-169	50%

- **407 East Extension Phase II:** in January 2018 Phase 2A was opened, in line with the expected time schedule. The construction works are 91% complete and the objective is to complete Phase 2B in December 2019, and open it to public at the beginning of 2020.
- **I-66 (Virginia, USA):** the project includes the construction of 35 km on the I-66 corridor (between Route 29, close to Gainesville, and the Washington DC ring road, I-495, in Fairfax County). The term for construction runs until 2022, while the concession is granted for 50 years since the completion of the commercial agreement. Design & construction works are 21% complete.
- **OSARs (Melbourne, Australia)**: availability payment project with concession term of 22 and half years, which consists of improvement and maintenance of a network of arterial roads in Melbourne. Design and construction works are 38% complete.
- **Toowoomba**: the partial opening of a 24 km stretch took place on 8 Dec. 2018, full opening expected to take place during 2H 2019.
- **Ruta del Cacao**: The concession involves the construction of 81 km of new road, improvements to 108 km of existing road, the construction of 16 bridges, 2 viaducts and 2 tunnels with a combined length of 6 km. This concession has a 25 years duration. Design and construction works are 31% complete.

TENDERS PENDING

In the USA, FER continues to pay close attention to private initiatives:

- The offer for **I-10 Mobile River Bridge** in Alabama, will be presented in Dec. 2019. This is a design, construction, financing, operation and maintenance contract, with traffic risk for the construction and operation of a cable-stayed bridge over the Mobile River, with an approximate construction investment of USD2.4bn.
- In **Maryland**, Cintra is working on consortium and bidding for the Maryland Congestion Relief Program, whose first project is expected to be tendered in 4Q 2019.
- **Georgia Managed Lanes Program** (Atlanta) is being analysed. GDOT is still analyzing the model to be implemented, but it is estimated that the plan will begin with the prequalification of the "SR-400" project in 2019; a project of c.USD1.8bn construction and a total of 17 miles.

- The current economic and political climate in the USA favours infrastructure development and Cintra is following various projects of interest in States such as Illinois, Virginia and Texas, various of which are Managed Lanes structures.

In other markets, Cintra was named Preferred Bidder of the "Silvertown Tunnel" in London (UK), on May 29, 2019, with an estimated construction investment of GBP1.0bn.

I-77

The northern portion of I-77 Express opened 1st June 2019, including:

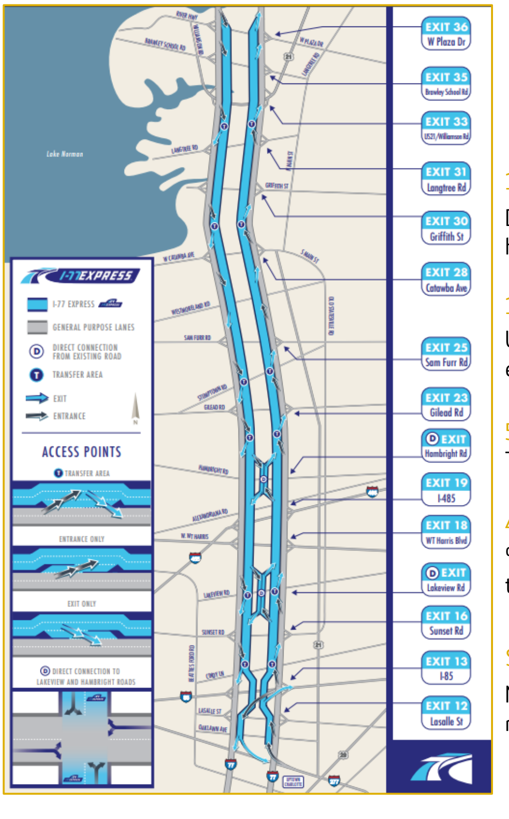
- 15 mi express lanes between Hambright Road in Huntersville & Exit 36 in Mooresville.
- 5 segments in each direction, & numerous entry and exit points

Express lanes opening has improved speeds in the entire corridor. The average speed during the morning peak +18% and during afternoon peak +37% (Peak travel: 6:30-9:00am and 3:00-7:00pm). Highway volumes have quickly recovered pre-construction levels.

Managed Lanes traffic +20% in each of the first 4 weeks of operation.

The toll road is currently using a promotional rate, with an average 25% rate off toll rates until the full opening of the toll road.

Full opening is expected for fall 2019.



182,000
Different vehicles have used I-77

12,500
Unique vehicles every weekday

500,000
Total trips on I-77

40%
% of users with transponder

$3-5/month
Monthly bill for most users

AIRPORTS

Contributed EUR2mn to **FER's equity-accounted** (vs EUR57mn 1H18).

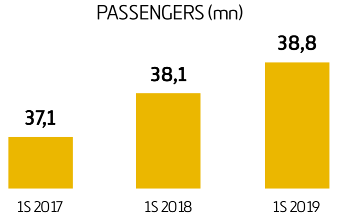
- **HAH**: -EUR2mn in 1H 2019 (EUR56mn in 1H 2018) impacted by negative evolution of derivatives mark to market.
- **AGS:** EUR4mn in 1H 2019 (EUR0.3mn in 1H 2018).

In terms of **distributions to shareholders**:

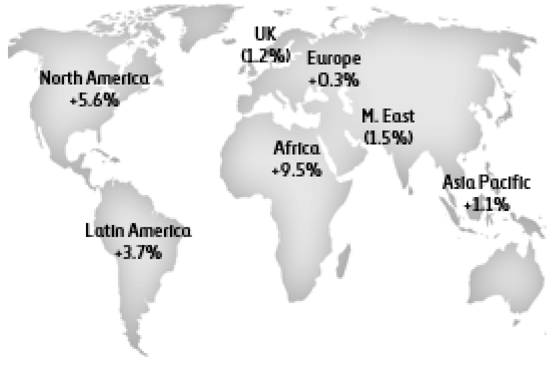
- **HAH:** GBP200mn dividend (GBP228mn in 1H 2018) **EUR58mn to FER.**
- **AGS:** GBP20mn vs GBP23mn in 1H 2018, **EUR11mn to FER.**

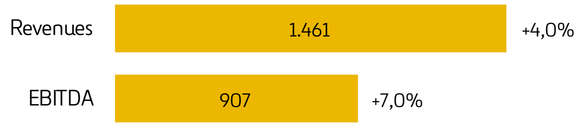
HEATHROW SP (25%,UK) – GBP MN

Record 38.8mn passengers (+1.8%). June was the 32nd month of consecutive record. Aircraft continue to fly fuller with load factors reaching 77.8% (2018: 76.9%). Average number of seats per passenger aircraft broadly in line at 213.0 (2018: 213.3). Movements +0.8% as the airport looks to maximise the use of runway slots within the 480,000 limit.



Million passengers	JUN-19	JUN-18	VAR.
UK	2,3	2,4	-1,2%
Europe	15,9	15,9	0,3%
Intercontinental	20,5	19,8	3,5%
Total	**38,8**	**38,1**	**1,8%**

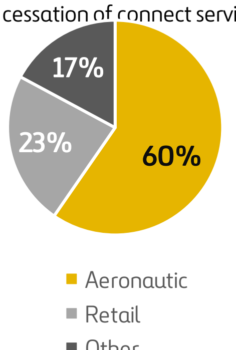




Heathrow Revenues increased by 4.0% in 1H 2019 to GBP1,461mn

- **Aeronautical**: +5.2%, benefiting from record traffic, favourable passenger mix & recovery of prior year yield dilution, though partly offset by further recoverable current year yield dilution as airlines employ cleaner & quieter aircraft as incentivised by the tariff structure and the introduction of the commercial airline deal.
- **Retail**: +3.4% led by retail concessions, catering & other services, reflected strong traffic and a higher % of participating passengers. Catering also benefited from an improved outlet offering whilst other services saw strong performance in our VIP offering due to the Cricket World Cup. Retail revenue per passenger rose +1.5% to £8.75 (2018: £8.62).
- **Other:** +0.8%. Other regulated charges declined due to lower consumption of utilities & fewer bags being processed. Heathrow express declined due to the cessation of connect services.

Contribution to revenues:



Operating costs: Following the adoption of IFRS16, £26m of lease costs are reported below EBITDA. Prior to the adoption of IFRS16 these costs would have been presented within operating costs, in EBITDA.

Operating costs ex-IFRS 16 have increased, primarily driven by increased investment in growth, security, resilience & passenger experience. We spent more on special assistance services, security costs to aid operational resilience and keep our passengers safe while passenger numbers continue to increase and upgrading our drone defence capabilities. Ex-IFRS 16, operating costs have increased +4.1% to £580mn, and +2.3% per passenger.

Adjusted EBITDA +7.0% to £907mn (+3.9% excluding IFRS16) resulting in an Adjusted EBITDA margin of 62.1% (60.4% in 1H 2018).

HAH net debt: The average cost of Heathrow's external debt was 4.90%, including all the interest-rate, exchange-rate and inflation hedges in place (vs. 5.30% in December 2018).

(GBP million)	JUN-19	DEC-18	VAR.
Loan Facility (ADI Finance 2)	75	75	0,2%
Subordinated	1.646	1.599	2,9%
Securitized Group	12.658	12.402	2,1%
Cash & adjustments	-114	-345	-66,9%
Total	**14.264**	**13.731**	**3,9%**

The above table relates to FGP Topco, HAH's parent company.

Regulatory Asset Base (RAB):: At 30 June 2019, the RAB reached £16,420mn (£16,200mn in December 2018).

Heathrow expansion: A significant milestone in the expansion masterplan was completed in 2Q 2019 - a sustainable, affordable & financeable expanded airport at no cost to the taxpayer is Heathrow's commitment. The first aircraft on the third runway is expected by 2026.

Heathrow is confident that the expansion can take place whilst delivering the challenge to keep average passenger charges close to 2016 levels in real terms.

A new consultation was launched in June; the statutory Airport Expansion Consultation, (following 2 previous ones). Feedback from all 3 consultations will be assessed to finalise the masterplan. Heathrow remains on track to submit our development consent order request in mid-2020.

Regulatory period: The CAA's objective for the next regulatory period (H7) is to facilitate affordable & financeable new capacity, driving competition & choice in the best interest of consumers. The CAA launched a consultation ('Economic regulation of capacity expansion at Heathrow: policy update & consultation') in March 2019 and plans to provide additional clarity on regulation in October 2019 when it publishes its next consultation papers.

To better align the next regulatory period ('H7') with the overall expansion timetable, the CAA extended Heathrow's economic license to 31 Dec 2019, and has committed to a further extension to end 2021. The 2020-21 period is iH7 (Interim H7).

Heathrow has signed a Commercial Agreement with a significant number of key carriers representing a majority of passenger traffic regarding aeronautical charges for iH7. The Agreement is built around overlaying rebates onto an extension of the existing RPI-1.5% path and regulatory framework.

AIRPORTS

Sustainable growth: In 1H 2019 Heathrow has progressed against its, **Heathrow 2.0 sustainability strategy**. This period saw an increase in public & political focus on climate change, including the Government's announcement in June of a legally binding target of net-zero emissions by 2050. Heathrow's existing targets are consistent with this objective, and, together with 194 other airports, it supported ACI-Europe's (Airports Council International) commitment in June for the European airport industry to achieve net-zero CO2 emissions by 2050.

- In April, Heathrow was shortlisted as a finalist for the **BITC Responsible Business of the Year 2019 award** which recognizes businesses taking pioneering steps in sustainability.
- In May 2019 Heathrow published its **2018 Sustainability Progress Report**, outlining progress against 10 flagship goals, wider targets & aspirations. A new measure to protect local air quality & reduce congestion was announced. The **world's first airport Ultra Low Emission Zone (ULEZ), in 2022,** will set minimum vehicle emissions standards identical to London Mayor's ULEZ.
- In June Heathrow installed over 300 umbrellas at Terminal 5 in partnership with the ADHD Foundation, part of an initiative to raise **awareness of neuro-developmental disorders**. The installation forms part of a wider education programme with participating local schools. Heathrow also published its 2018 Modern Slavery Statement, detailing the steps taken to operate Heathrow Airport as a place that drives change throughout our supply chain, delivering ethical, sustainable and low-carbon procurement and sourcing.
- Heathrow also became the world's first **Sustainably Sourced Fish Airport** as recognized by Sustain, the alliance for better food and farming. This project was the outcome of an airport-wide initiative, involving all 37 food and beverage and covers 4mn fish meals per year.
- The **Heathrow Centre of Excellence for Sustainability** continues to explore projects that accelerate the arrival of sustainable air travel including a roundtable on sustainable propulsion with Imperial College and other industry experts. The Centre also launched a process for research projects to benefit from available investment of c.£100k through a 'think tank' event that brought together various universities.

2019 Outlook: 2019 forecast in line with June 2019 investor report:

- Expected traffic: 80.9mn passengers
- Adj. EBITDA +4.1%, with robust growth in both aeronautical & retail revenues, excluding a £35mn Brexit contingency allowance.

User satisfaction: In 1H 2019 2018, Heathrow achieved a score of 4.18 out of 5.00 (4.17 in 1H 2018) compared to 3.97 just five years ago. 82.2% of passengers surveyed rated their Heathrow experience 'Excel-lent' or 'Very good' (2018: 82.5%) illustrating the strength and resilience of our operations.

- T5: World's 'Best Airport Terminal' (1st time)
- Best Airport in Western Europe (5th consecutive year)
- Best Airport in the world for Shopping

For more info on Heathrow results, please visit the following link

AGS (50%, UK) – GBP MN

Traffic: Pax fell by -7.5% (6.5mn), due to traffic decrease across the three airports.

Million passengers	JUN-19	JUN-18	VAR.
Glasgow	4,2	4,5	-8,1%
Aberdeen	1,4	1,5	-4,6%
Southampton	0,9	1,0	-9,2%
Total AGS	**6,5**	**7,0**	**-7,5%**

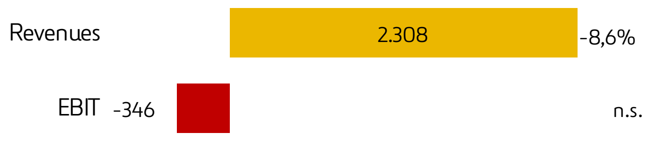
Revenues increased +3.8% on the back of a one-off from the full granting of the construction of a new radar in Glasgow from a third party, which partially offsets the decrease on aeronautical and commercial revenues across the three airports caused by lower traffic.

EBITDA increased by +7.4% vs 1H 2018 impacted by certain one-offs such as the new radar in Glasgow or the past service cost for the closure of the defined benefit pension scheme. These positive effects were partially offset by the exceptional costs of executing the contingency plan for the days of strike during the negotiations with trade unions. In addition to the one-off effects, EBITDA was negatively impacted by the reduction of traffic across the three airports due to:

- Withdrawal of Ryanair base operations from Glasgow (Oct. 2018) partially mitigated by new routes and increased capacity from other airlines including Jet2, Lufthansa and Easyjet.
- Lower domestic passengers in Aberdeen due largely to London and regional route cancellations (Easyjet Gatwick) partially offset by increased helicopter traffic.
- Flybe cancelled flights to EU and UK regional routes in Southampton.

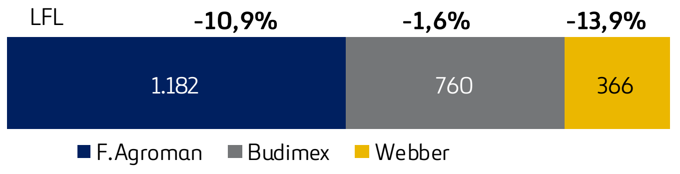
CONSTRUCTION

€mn; % LFL figures



Revenues (-8.6% LfL) with negative performance in the three areas; 83% international: Poland (33%) & North America (28%).

Revenues (EUR2,308mn) & change LfL vs 1H 2018 are as follows:



Construction recorded an EBIT **of -€346mn in 1H 2019,** below the -€332mn for 1Q 2019.

Beyond the €345mn US Construction provision in the 1Q 2019, new **accounting impacts** are linked to a very strict cost recognition:

- We have carried out a number of negative adjustments at F.Agroman level. These adjustments relate to works pending sign-off, insurance claims and compensation events.
- Costs related to central overhead costs distributed to individual projects. These costs cannot be included in the existing provision, as these are not technically related to the projects but to parent company overheads.
- Overhead impact will remain as long as other projects do not absorb the fee or some efficiencies are achieved to reduce the amount.

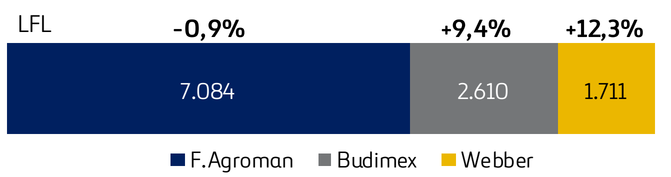
1H 2019 EBIT & EBIT mg & change LfL vs 1H 2018:

JUN-19	EBIT	LfL	EBIT mg
Budimex	**28**	**-32,2%**	**3,7%**
Construction	15	-50,0%	2,2%
Real Estate	12	17,7%	16,9%
Webber	**6**	**-52,8%**	**1,8%**
F. Agroman	**-381**	**n.s.**	**-32,2%**
Total EBIT	**-346**	**n.s.**	**-15,0%**

Since 1Q 2019, Budimex figures include the Polish Real Estate activity.

Order book stood at EUR11,405mn (+3.2% LfL vs. Dec 2018) 78% civil works, very selective criteria maintained in tenders, 88% international. The order book does not include pre-awarded contracts for EUR1,250mn.

1H 2019 Order Book & change LfL vs 2018 are as follows:

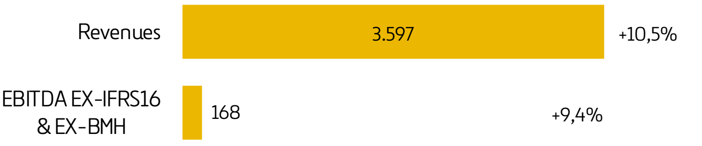


SERVICES

(DISCONTINUED ACTIVITY)

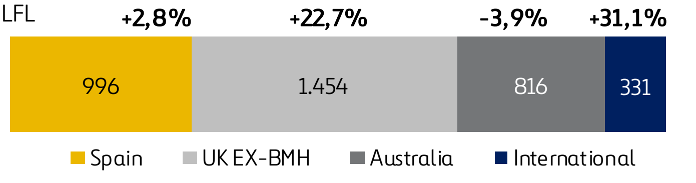
The division has been classified as "held for sale" although, to provide an analysis of the division & its comparison with previous year, the results of the Services activity are also published in this document.

€mn; % LFL figures



Revenues (+10.5% LfL) with higher performance at UK excluding Birmingham (+22.7% LfL) & International (+31.1% LfL), while Broadspectrum (-3.9%) declined on portfolio streamlining.

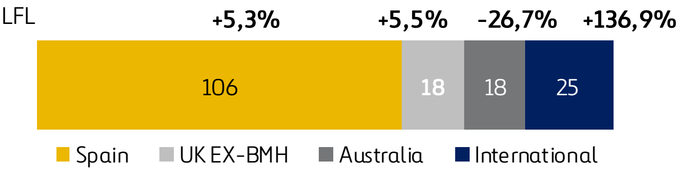
1H 2019 Revenues (EUR3,597mn) & change LfL vs 1H 2018:



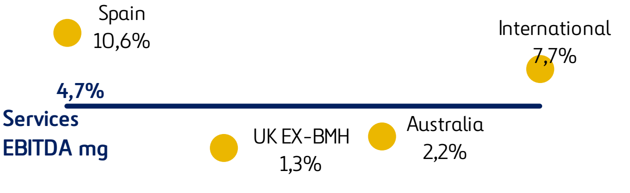
EBITDA ex-BMH & ex-IFRS 16: EUR168mn, +9.4% LfL vs 1H 2018 (4.7% EBITDA margin) excluding Birmingham contract once an agreement has been reached. Spain +5.3% LfL driven by profitability expansion from waste treatment contracts (10.6% EBITDA mg). International +136.9% LfL due to a positive performance from all geographies highlighting North America, Poland and Chile with an increase in margins reaching 7.7% EBITDA mg (4.5% EBITDA mg in 1H 2018).

Birmingham – Amey agreement: Amey has reached an agreement to terminate the Birmingham Highways PFI contract. The agreement will have no impact on Ferrovial P&L. Amey will pay GBP215mn, of which GBP160mn in 2019 and GBP55mn over next 6 years. Amey will continue to provide services until 30 Sep 2019, extendable until 31 Mar 2020.

1H 2019 EBITDA ex-BMH & ex-IFRS 16 & change LfL vs 1H 2018:

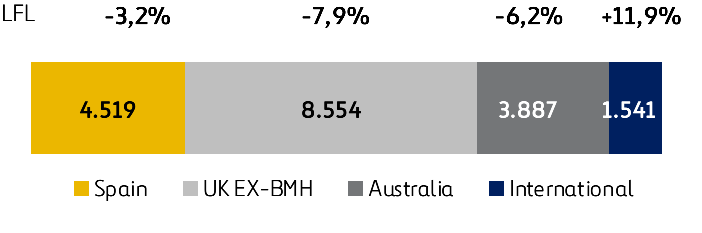


EBITDA margin for 1H 2019 and per division:



The **order book** (EUR18,500mn) decreased by -5.0% LfL vs Dec 2018 due to the Birmingham exit.

1H 2019 Order Book & change LfL vs 2018 are as follows:



BMH: Birmingham

Consolidated P&L

(EUR million)	JUN-19	JUN-18
REVENUES	**2.603**	**2.701**
Construction Provision	**-345**	
EBITDA Ex IFRS 16	**-132**	**208**
EBITDA	**-116**	
Period depreciation	-74	-57
Disposals & impairments	-21	-16
EBIT	**-211**	**135**
Financial Result	-101	-98
Financial Result from infrastructure projects	-129	-111
Financial Result from ex-infrastructure projects	28	13
Equity-accounted affiliates	76	125
EBT	**-236**	**161**
Corporate income tax	50	-9
CONSOLIDATED PROFIT FROM CONTINUING OPERATIONS	**-185**	**152**
NET PROFIT FROM DISCONTINUED OPERATIONS	135	-206
CONSOLIDATED NET INCOME	**-50**	**-53**
Minorities	44	-19
NET INCOME ATTRIBUTED	**-6**	**-72**

REVENUES				
(EUR million)	JUN-19	JUN-18	VAR.	LfL
Toll Roads	287	208	38,1%	33,6%
Airports	9	7	25,5%	18,5%
Construction	2.308	2.483	-7,0%	-8,6%
Others	-1	4	n.a.	n.a.
Total	**2.603**	**2.701**	**-3,6%**	**-5,3%**

EBITDA				
(EUR million)	JUN-19	JUN-18	VAR.	LfL
Toll Roads	206	136	51,7%	46,8%
Airports	-8	-7	-15,7%	-22,2%
Construction	-329	75	n.s.	n.s.
Others	0	4	n.a.	n.a.
Total EBITDA Ex IFRS 16	**-132**	**208**	**-163,2%**	**-163,8%**
IFRS 16	16			
Total EBITDA	**-116**			

EBIT*				
(EUR million)	JUN-19	JUN-18	VAR.	LfL
Toll Roads	167	99	69,2%	59,0%
Airports	-9	-8	-14,1%	-16,8%
Construction	-346	57	n.s.	n.s.
Others	-1	3	n.a.	n.a.
Total	**-190**	**151**	**-225,6%**	**-230,5%**

**EBIT before impairments and disposals of fixed assets*

Revenues stood at EUR2,603mn (-5.3% LfL) on the back of lower Construction revenues (-8.6% LfL), partially offset by higher contribution from Toll Roads.

EBITDA: –EUR132mn excluding the impact of IFRS16 (vs EUR208mn in 1H 2018) negatively affected by –EUR345mn provision (at 100%) registered in Construction division in 1Q 2019 on the back of potential future losses in several US projects.

- IFRS 16 improved EBITDA figure by EUR16mn (-EUR116mn) due to the reclassification between EBITDA, amortization and financial result with no significant impact at EBIT and Net Income.

Depreciation increased by +29% in 1H 2019 (+6.7% LfL), to -EUR74mn.

Impairments & Fixed asset disposals amounted to –EUR21mn at June 2019, including the additional impairment applied to Autema (-EUR21mn). In 1H 2018, this figure rose to -EUR16mn.

Financial Result in 1H 2019 in line with 2018, as a combination of the following impacts:

- **Infrastructure projects**: higher expenses of -EUR129mn compared to -EUR111mn in 1H 2018 on the back of the entry into operation of the NTE 35W, partially offset by higher interest rates with positive impact on gross cash position.
- **Ex-Infrastructure projects**: EUR28mn of financial income in 1H 2019 compared to EUR13mn of financial income in 1H 2018, mainly due to the hedges provided by equity swaps linked to payment plans, with no impact on cash flow. These hedges led to +EUR17mn vs 1H 2018, due to the positive performance of the share price, as compared with its negative performance in 1H 2018, as shown in the following table:

DATE	CLOSING PRICE (€)
31-dec-17	18.93
30-jun-18	**17.58**
31-dec-18	17.70
30-jun-19	**22.51**

Equity Accounted Result at net profit level, equity-accounted consolidated assets contributed EUR76mn after tax (EUR125mn in 1H 2018).

(EUR million)	JUN-19	JUN-18	VAR.
Toll Roads	**75**	**68**	**10,2%**
407 ETR	62	57	8,4%
Others	13	11	19,6%
Airports	**2**	**57**	**-96,6%**
HAH	-2	56	-104,3%
AGS	4	0	n.s.
Construction	**-1**	**0**	**n.s.**
Total	**76**	**125**	**-39,0%**

Taxes: the corporate income tax for 1H 2019 amounted to +EUR50mn (vs –EUR9mn in 1H 2018). Excluding from the 1H 2019 pre-tax profit (-EUR236mn), the profit from equity-accounted companies (pre-tax profit of EUR76mn), and considering the corporate income tax adjusted in 1H 2019 (EUR52mn), the resulting effective corporate income tax rate is 17%.

Net income from Continued Operations stood at –EUR185mn vs 1H 2018 (EUR152mn). This result includes a series of impacts, notable among which were:

- Impact from Construction division provision at net income level: -EUR212mn.
- Fair value adjustments for derivatives: -EUR27mn (+EUR39mn in 1H 2018), primarily impacted by the negative evolution of derivatives mark to market HAH derivatives.
- Impairment at Autema: -EUR16mn (-EUR13mn in 1H 2018).

Net income from Discontinued Operations reached EUR135mn vs –EUR206mn in 1H 2018, with a positive impact in Services Net Income of +EUR119mn 1H 2019 due to IFRS 5. Additionally, the net income of the division in 1H 2018 was affected by the -EUR237mn provision registered in UK for the Birmingham contract.

Accounting Changes

- FER has classified as "discontinued activity" all of its services activities as of Dec 31st, 2018. In accordance with IFRS 5, the reclassification of the Services activity as a discontinued activity has been carried out in the report, also re-expressing the income statement of 2018. In addition, IFRS 5 outlines that an entity shall not amortise non current assets while it is classified as discontinued activity. Positive impact in 1H 2019 Services Net Income of +EUR119mn.
- IFRS 16 (Leases) first application: Reclassification between EBITDA, amortisation and Financial result with no significant impact at EBIT and Net Income level.
- Ausol toll road has been reclassified at the end of 1Q 2019 as "Asset held for sale". This reclassification resulted in the elimination from Ferrovial's scope of consolidation the project's net debt, amounting to EUR435mn. The Relevant Fact published on Ausol transaction included in the debt amount (EUR542mn) a subordinated syndicated loan.

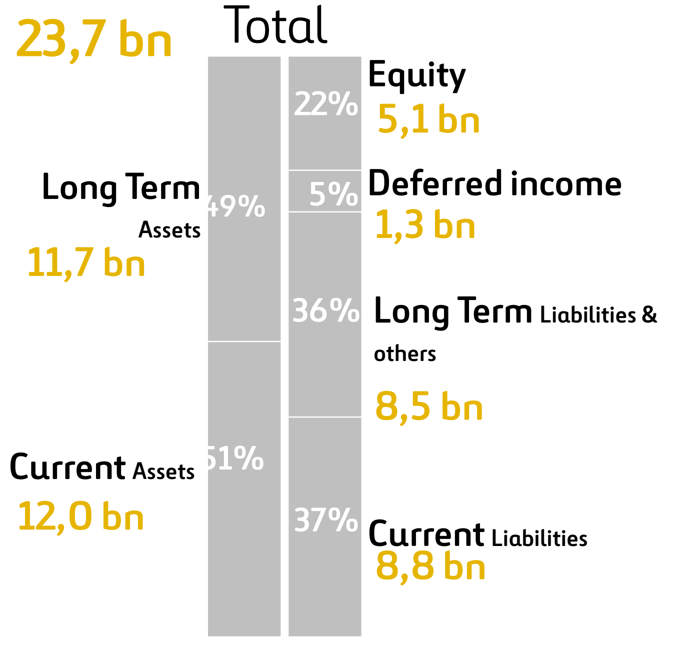
Balance Sheet

CONSOLIDATED BALANCE SHEET

(EUR million)	JUN-19	DEC-18
FIXED AND OTHER NON-CURRENT ASSETS	**11.690**	**12.055**
Consolidation goodwill	**304**	**372**
Intangible assets	**29**	**32**
Investments in infrastructure projects	**6.732**	**7.155**
Property	**8**	**9**
Plant and Equipment	**251**	**251**
Right-of-use assets	**89**	**0**
Equity-consolidated companies	**2.339**	**2.455**
Non-current financial assets	**825**	**754**
Long term investments with associated companies	178	173
Restricted Cash and other non-current assets	537	473
Other receivables	111	108
Deferred taxes	**649**	**664**
Derivative financial instruments at fair value	**464**	**364**
CURRENT ASSETS	**12.040**	**10.758**
Assets classified as held for sale	**6.136**	**4.892**
Inventories	**670**	**594**
Trade & other receivables	**1.342**	**1.090**
Trade receivable for sales and services	1.015	801
Other receivables	327	289
Taxes assets on current profits	**101**	**97**
Cash and other temporary financial investments	**3.759**	**4.005**
Infrastructure project companies	218	239
Restricted Cash	6	9
Other cash and equivalents	212	230
Other companies	3.541	3.766
Derivative financial instruments at fair value	**32**	**80**
TOTAL ASSETS	**23.730**	**22.813**

(EUR million)	JUN-19	DEC-18
EQUITY	**5.135**	**5.363**
Capital & reserves attrib to the Company´s equity holders	4.319	4.530
Minority interest	816	833
Deferred Income	**1.282**	**1.241**
NON-CURRENT LIABILITIES	**8.525**	**8.912**
Pension provisions	**3**	**3**
Other non current provisions	**429**	**459**
Long term lease debts	**64**	**0**
Financial borrowings	**7.022**	**7.419**
Financial borrowings on infrastructure projects	4.935	5.342
Financial borrowings other companies	2.087	2.077
Other borrowings	**21**	**135**
Deferred taxes	**565**	**574**
Derivative financial instruments at fair value	**421**	**321**
CURRENT LIABILITIES	**8.788**	**7.297**
Liabilities classified as held for sale	**4.247**	**3.259**
Short term lease debts	**55**	**0**
Financial borrowings	**982**	**773**
Financial borrowings on infrastructure projects	19	43
Financial borrowings other companies	963	730
Derivative financial instruments at fair value	**83**	**69**
Trade and other payables	**2.712**	**2.700**
Trades and payables	1.272	1.314
Other non comercial liabilities	1.440	1.386
Liabilities from corporate tax	**77**	**65**
Trade provisions	**632**	**431**
TOTAL LIABILITIES & EQUITY	**23.730**	**22.813**

CONSOLIDATED BALANCE SHEET



RECOURSE ND ⇨
NON-RECOURSE ND ⇨

CONSOLIDATED GROSS DEBT*

Gross debt JUN-19	EX-INFRA	INFRA	CONSOLIDATED
Gross debt (EUR mn)	-3.413	-5.286	**-8.700**
% fixed	83,1%	97,8%	**92,4%**
% variable	16,9%	2,2%	**7,6%**
Average rate	1,0%	5,0%	**3,5%**
Average maturity (years)	3	19	**13**

*Including discontinued activities

CONSOLIDATED FINANCIAL POSITION*

(EUR million)	JUN-19	DEC-18
Gross financial debt	**-8.700**	**-8.737**
Gross debt ex-infrastructure	-3.413	-2.992
Gross debt infrastructure	-5.286	-5.745
Gross Cash	**4.774**	**5.088**
Gross cash ex-infrastructure	3.896	4.228
Gross cash infrastructure	878	861
Total net financial position	**-3.926**	**-3.649**
Net cash ex-infrastructure	482	1.236
Net debt infrastructure	-4.408	-4.885
Total net financial position	**-3.926**	**-3.649**

*Including discontinued activities

Ex-infra Net Financial Position & Cash Flow

(including discontinued activities)

EX. INFRA PROJECTS NET (DEBT)

Gross cash	3,9 bn
Gross debt	-3,4 bn
Net cash position	**0,5 bn**

81% Bonds

Inc. discontinued activities

Liquidity

Total cash	Undrawn lines
3,9 bn	0,9 bn
Total liquidity	4,8 bn

EX. INFRA PROJECTS DEBT INFO

Debt maturity

corporate (€mn)

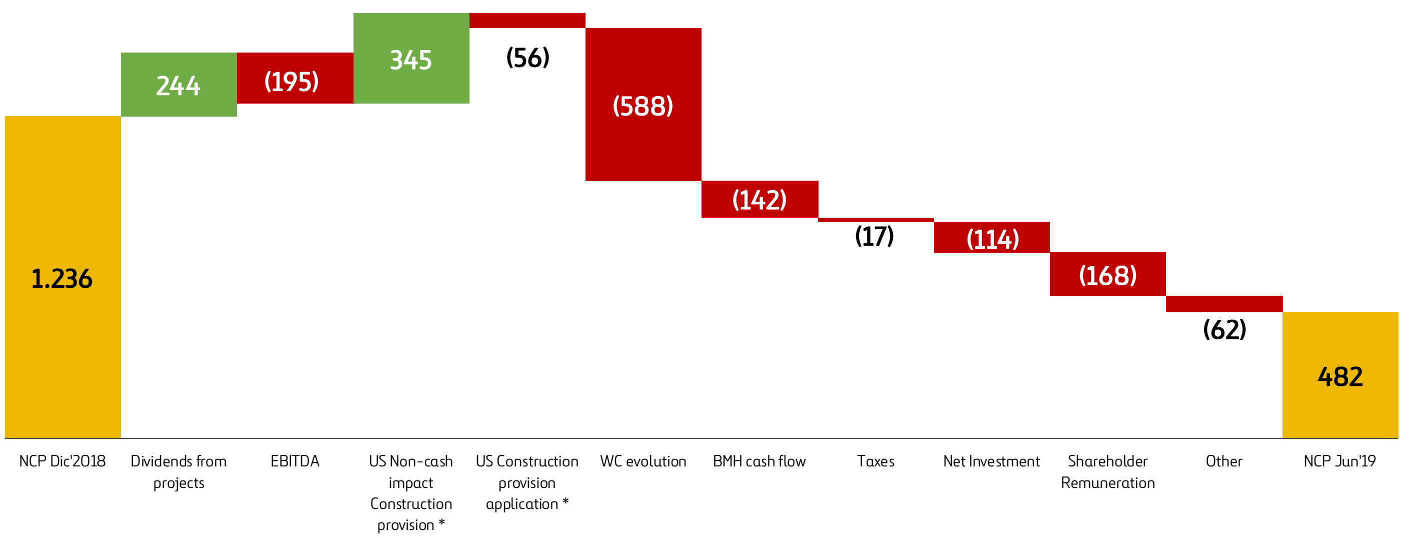
€972mn *	€37mn	€749mn	€1,612mn
2019	2020	2021	>2022

(*) In 2019, ex-infrastructure debt includes ECP issuance (Euro Commercial Paper) which at 30 June 2019 had a carrying amount of EUR951mn, with an average rate of -0.21%.

Rating

Standard & Poor's	BBB / CreditWatch developing
Fitch Ratings	BBB / stable

EX. INFRA PROJECTS – CASH FLOW COMPONENTS



Net cash position (NCP) excluding infra projects stood at EUR482mn in June 2019 vs EUR1,236mn in December 2018. The main drivers of this change in the net cash position:

- **Dividends from projects:** EUR244mn vs EUR307mn in 1H 2018 (-20.5%). Dividends from 1H2018 included EUR81mn from Services projects. In 1H 2019 dividends from toll roads increased by +10%.
- **EBITDA from ex-infra projects** of –EUR195mn which includes EUR170mn from Services.
  - EBITDA figure was negatively impacted by the –EUR345mn non-cash Construction Provision registered in 1Q 2019.
  - Of the abovementioned provision, EUR56mn have already been applied (cash out) in 1H 2019.
- **WC Evolution:** negative evolution mainly impacted by the seasonal WC consumption at Budimex, which stood at –EUR182mn & Amey (ex-Birmingham) at –EUR146mn.
  - Birmingham CF stood at -EUR142mn including the first payment (GBP100mn) related to the settlement agreed with the Council for the termination of the PFI contract (total settlement arises to GBP215mn of which GBP160mn will be paid in 2019 and the remaining GBP55mn over the next 6 years).
- **Net Investment:** investments reached EUR114mn vs EUR87mn in 1H 2018, with no significant divestments (EUR3mn) during the period.
- **Shareholder Remuneration:** -EUR168mn vs –EUR197mn in 1H 2018.
- **Others:** including other minor cash flow movements, such as forex impact (-EUR40mn).

The net cash position at the end of June (EUR482mn) includes the net cash position from Services (EUR55mn).

(*) Related to the provision registered in 1Q 2019 corresponding to the three contracts in USA.

€mn

Consolidated cash flow

JUN-19	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PRROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	-195	287		92
Dividends received	244		-1	242
BMH cash flow	-142			-142
US Construction provision (*)	345			345
US Construction provision application (*)	-56			-56
Working capital variation (account receivables, account payables and others)	-588	-69		-657
Operating flow (before taxes)	**-392**	**218**	**-1**	**-175**
Tax payment	-17	-4		-21
Operating Cash Flow	**-409**	**214**	**-1**	**-196**
Investments	-117	-55	27	-145
Divestments	3			3
Investment cash flow	**-114**	**-55**	**27**	**-142**
Activity cash flow	**-523**	**159**	**25**	**-338**
Interest flow	3	-91		-89
Capital flow from Minorities	4	54	-27	31
Scrip dividend	-102			-102
Treasury share repurchase	-66			-66
Ferrovial shareholder remuneration	-168			-168
Other shareholder remmuneration for subsidiary minorities	-17	-2	1	-17
Forex impact	-40	-26		-66
Variation of Bridge Loans (project financing)				
Changes in the consolidated perimeter	-1	435		434
Other debt movements (non cash)	-12	-52	0	-63
Financing cash Flow	**-231**	**317**	**-25**	**61**
Net Debt from discontinued operations (cash)				
Net debt variation	**-754**	**477**		**-277**
Net debt initial position	**1.236**	**-4.885**		**-3.649**
Net debt final position	**482**	**-4.408**		**-3.926**

JUN-18	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PRROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	-93	216		123
Dividends received	307		-77	229
BMH provision with no cash impact	237			237
BMH cash flow	-39			-39
Working capital variation (account receivables, account payables and others)	-483	-57		-540
Operating flow (before taxes)	**-71**	**159**	**-77**	**11**
Tax payment	2	-2		-1
Tax return from previous exercises				
Operating Cash Flow	**-69**	**156**	**-77**	**10**
Investments	-135	74	35	-27
Divestments	48			48
Investment cash flow	**-87**	**74**	**35**	**22**
Activity cash flow	**-156**	**230**	**-43**	**32**
Interest flow	-23	-95		-118
Capital flow from Minorities	0	66	-35	31
Scrip dividend	-100			-100
Treasury share repurchase	-97			-97
Ferrovial shareholder remuneration	-197			-197
Other shareholder remmuneration for subsidiary minorities	-48	-78	77	-49
Forex impact	-16	-90		-106
Variation of Bridge Loans (project financing)				
Changes in the consolidated perimeter	-5			-5
Other debt movements (non cash)	11	-45		-34
Financing cash Flow	**-278**	**-242**	**43**	**-478**
Net debt variation	**-434**	**-12**		**-446**
Net debt initial position	**1.341**	**-4.804**		**-3.463**
Net debt final position	**906**	**-4.816**		**-3.909**

€mn

Consolidated cash flow

EX-INFRASTRUCTURE PROJECT CASH FLOW

ACTIVITY CASH FLOW*

The ex-infrastructure pre-tax cash flow figures are as follows

JUN-19	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Dividends from Toll Roads	151	-21	131
Dividends from Airports	70	0	70
Construction	-388	-9	-397
Services	-164	-77	-241
Other	-61	-7	-68
Total	**-392**	**-114**	**-506**

JUN-18	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Dividends from Toll Roads	138	-36	102
Dividends from Airports	87	0	87
Construction	-176	-13	-189
Services	-75	-38	-113
Other	-45	0	-45
Total	**-71**	**-87**	**-158**

*Before Corporate Income Tax, charges and operating payments

OPERATING CASH FLOW

At 30 June 2019, operating cash flow from ex-infrastructure project operations totalled –EUR392mn (before tax). This was lower than the –EUR71mn recorded in 2018, due mainly to the performance of the Services and Construction operations cash flows.

Operating cash flow	JUN-19	JUN-18
Dividends from Toll Roads	151	138
Dividends from Airports	70	87
Construction	-388	-176
Services	-164	-75
Other	-61	-45
Operating flow (before taxes)	**-392**	**-71**
Tax payment	-17	2
Total	**-409**	**-69**

The entry "Others" includes the operations cash flow corresponding to Corporate Business, Airports and Toll Roads.

Breakdown of cash flow from Construction and Services

Construction	JUN-19	JUN-18
EBITDA	-317	75
EBITDA from projects	7	7
EBITDA Ex projects	-324	68
Land purchases	-8	-14
US Construction provision (*)	345	
US Construction provision application (*)	-56	
Dividends received	0	1
Working capital variation (account receivables, account payables and others)	-346	-230
Provision variation with no cash impact	-5	4
Changes in factoring	-2	-16
Ex Budimex Working Capital	-157	5
Budimex Working Capital	-182	-223
Operating Cash Flow before Taxes	**-388**	**-176**

(*) Related to the provision registered in 1Q 2019 corresponding to the three contracts in USA.

Services	JUN-19	JUN-18
EBITDA	210	-83
EBITDA from projects	39	39
EBITDA Ex projects	170	-123
BMH provision with no cash impact		237
BMH cash flow	-142	-39
Dividends received	23	81
Working capital variation (account receivables, account payables and others)	-215	-232
Changes in factoring	2	-17
Pensions payments UK	-8	-7
Ex UK Working Capital	-63	-17
UK Working Capital	-146	-190
Operating Cash Flow before Taxes	**-164**	**-75**

The following table shows a breakdown of the Services business

	SPAIN	UK	AUSTRALIA	INTERNATIONAL	TOTAL
EBITDA Ex-infrastructure	82	25	34	29	170
BMH cash flow	0	-142	0	0	-142
Dividends received	0	18	2	2	23
Changes in factoring	3	0	-1	0	2
Pension scheme payments	0	-8	0	0	-8
Working capital	-20	-146	-35	-9	-209
Op. cash flow ex-Taxes	**66**	**-253**	**0**	**23**	**-164**

Breakdown of cash flow from Toll Roads and Airports:

The dividends from Toll Roads operations amounted to EUR151mn in 1H 2019, resulting from dividends and repaid shareholder equity from companies owning toll road infrastructure projects.

Dividends and Capital reimbursements	JUN-19	JUN-18
ETR 407	146	130
Irish toll roads	0	0
Portuguese toll roads	4	3
Greek toll roads	0	0
Spanish toll roads	0	0
Other	1	4
Total	**151**	**138**

Dividends and capital reimbursements from Airports (EUR70mn) were lower than achieved in 1H 2018 (EUR87mn).

Airports	JUN-19	JUN-18
HAH	58	66
AGS	11	13
Others	0	7
Total	**70**	**87**

Consolidated cash flow

EX-INFRASTRUCTURE PROJECT CASH FLOW

INVESTMENT CASH FLOW

JUN-19	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-21	0	-21
Airports	0	0	0
Construction	-12	2	-9
Services	-78	1	-77
Other	-7	0	-7
Total	**-117**	**3**	**-114**

JUN-18	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-36	0	-36
Airports	0	0	0
Construction	-20	7	-13
Services	-79	41	-38
Other	0	0	0
Total	**-135**	**48**	**-87**

The net investment cash flow in 1H 2019 (-EUR114mn) includes:

- **Investments** reached –EUR117mn, below the –EUR135mn in 1H 2018.
- **Divestments** reached EUR3mn in 1H 2019.

FINANCING CASH FLOW

Financing cash flow includes:

- **Shareholder remuneration cash flow:** -EUR168mn for Ferrovial shareholders, which includes the cash payment of the scrip dividend of -EUR102mn and the share buy-back for –EUR66mn. Dividends to minorities in subsidiaries also reached –EUR17mn.
- **Net interest income** for the first half of the year (+EUR3mn).
- **FX impact** (-EUR40mn), mainly due to the exchange rate derivatives performance (-EUR43mn) partially offset by the position held in other currencies, mostly American and Canadian dollars (+EUR3mn).
- **Other non-cash flow related movements (-EUR12mn),** which also includes book debt movements that do not affect cash flow, such as interest that has been accrued and remains unpaid, mainly resulting from interest accrued from corporate bonds.

NET DEBT FROM DISCONTINUED OPERATIONS

The net cash position from discontinued operations stood at EUR55mn external cash at 30 June 2019.

INFRASTRUCTURE PROJECT CASH FLOW

OPERATING CASH FLOW

As regards operating cash flows for companies that own Infrastructure project concessions, these basically include revenues from those companies that are currently in operation, though they also include VAT refunds and payments corresponding to projects currently in the construction phase.

The following table shows a breakdown of operating cash flow operations for infrastructure projects.

(EUR million)	JUN-19	JUN-18
Toll roads	179	130
Other	36	27
Operating cash flow	**214**	**156**

INVESTMENT CASH FLOW

The following table shows a breakdown of the investment cash flows for infrastructure projects, mainly payments made in respect of CapEx investments over the year.

Equity investment in toll roads	JUN-19	JUN-18
LBJ	-1	-3
North Tarrant Express	-1	-1
North Tarrant Express 35W	-19	-100
I-77	-53	-88
Portuguese toll roads	0	0
Spanish toll roads	-4	-1
Others	0	0
Total toll roads	**-78**	**-194**
Others	-10	126
Total projects	**-89**	**-68**
Equity Subsidy	34	142
Total investment cash flow (projects)	**-55**	**74**

FINANCING CASH FLOW

Financing cash flow includes the payment of dividends and the repayment of equity by concession-holding companies to their shareholders, along with the payments for share capital increases received by these companies. In the case of concession holders which are fully integrated within Ferrovial, these amounts represent 100% of the amounts paid out and received by the concession-holding companies, regardless of the percentage share that the Company holds in such concessions. No dividend or Shareholder Equity repayment is included for equity-accounted companies.

The interest cash flow refers to the interest paid by the concession-holding companies, together with other fees and costs closely related to the acquisition of financing. The cash flow for these items relates to interest costs for the period, along with any other item that represents a direct change in the net debt amount for the period.

Interest Cash Flow	JUN-19	JUN-18
Spanish toll roads	-31	-31
US toll roads	-37	-38
Portuguese toll roads	-7	-7
Other toll roads	0	0
Total toll roads	-75	-77
Other	-17	-18
Total	**-91**	**-95**

The financing stream also includes the impact that changes in the interest rate have had on the debt held in foreign currency, which in 1H 2019 was a negative impact in the amount of –EUR25mn, primarily as the result of the appreciation of the US dollar against the euro, a circumstance that had a significant effect on the net debt figure for the American toll roads.

Appendix I – Segmented information

TOLL ROADS – GLOBAL CONSOLIDATION

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Global consolidation	**JUN-19**	**JUN-18**	**VAR.**	**JUN-19**	**JUN-18**	**VAR.**	**JUN-19**	**JUN-18**	**VAR.**	**JUN-19**	**JUN-18**	**JUN-19**	**PARTICIP.**
NTE*	17	14	20,8%	65	44	49,5%	56	36	55,3%	86,2%	83,0%	-848	63,0%
LBJ*	23	22	5,0%	64	49	29,7%	53	40	32,0%	82,9%	81,4%	-1.261	54,6%
NTE 35W*	15		n.a.	35	8	n.a.	27	5	n.s.	78,7%	67,7%	-659	53,7%
I-77 **				10		n.a.	9	-1	n.s.	84,9%		-244	50,1%
TOTAL USA				**174**	**101**	**72,8%**	**145**	**81**	**79,5%**			**-3.013**	
Ausol I	16.569	15.527	6,7%	30	27	9,2%	24	22	9,3%	81,3%	81,2%	-435 ***	80,0%
Ausol II	17.978	17.098	5,1%										80,0%
Autema	19.530	18.831	3,7%	56	53	4,8%	52	50	5,0%	93,4%	93,3%	-632	76,3%
TOTAL SPAIN				**85**	**80**	**6,3%**	**76**	**72**	**6,3%**			**-1.067**	
Azores	10.384	9.942	4,5%	14	14	3,3%	13	12	2,6%	88,7%	89,3%	-287	89,2%
Via Livre				7	7	1,8%	1	1	11,4%	14,5%	13,2%		84,0%
TOTAL PORTUGAL				**21**	**21**	**2,8%**	**14**	**13**	**3,2%**			**-287**	
TOTAL HEADQUARTERS				**6**	**6**	**4,2%**	**-29**	**-30**	**3,0%**				
TOTAL TOLL ROADS				**287**	**208**	**38,1%**	**206**	**136**	**51,7%**	71,7%	65,3%	**-4.366**	

* Traffic in millions of transactions ** Assets under construction.
***The Relevant Fact published on Ausol transaction included in the debt amount (EUR542mn) a subordinated syndicated loan.

TOLL ROADS – EQUITY ACCOUNTED

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Equity accounted	**JUN-19**	**JUN-18**	**VAR.**	**JUN-19**	**JUN-18**	**VAR.**	**JUN-19**	**JUN-18**	**VAR.**	**JUN-19**	**JUN-18**	**JUN-19**	**PARTICIP.**
407 ETR (VKT'000)	1.274	1.292	-1,4%	466	421	10,8%	407	368	10,3%	87,2%	87,5%	-5.220	43,2%
M4	34.691	32.549	6,6%	15	14	6,9%	8	8	-0,1%	53,9%	57,7%	-79	20,0%
M3	41.305	38.761	6,6%	9	11	-11,7%	7	8	-15,3%	70,0%	73,0%	-121	20,0%
A-66 Benavente Zamora				12	12	-0,5%	11	11	-1,8%	89,8%	91,0%	-153	25,0%
Serrano Park				3	3	3,7%	1	2	-71,5%	17,1%	62,2%	-37	50,0%
Algarve	13.732	12.694	8,2%	19	19	-0,8%	17	17	-0,4%	89,6%	89,3%	-94	48,0%
Norte Litoral	25.716	24.515	4,9%	21	21	0,8%	19	19	-0,2%	87,9%	88,9%	-127	49,0%

MAIN TOLL ROADS (P&L)

407 ETR

CAD million	JUN-19	JUN-18	VAR.
Revenues	700	651	7,5%
EBITDA	610	570	7,1%
EBITDA margin	87,2%	87,5%	
EBIT	558	517	7,9%
EBIT margin	79,8%	79,5%	
Financial results	-228	-210	-8,8%
EBT	330	307	7,3%
Corporate income tax	-87	-81	-7,3%
Net Income	242	226	7,3%
Contribution to Ferrovial equity accounted result*	62	57	8,4%

*EUR million

NTE

(USD million)	JUN-19	JUN-18	VAR.
Revenues	74	53	39,9%
EBITDA	64	44	45,4%
EBITDA margin	86,2%	83,0%	
EBIT	52	33	56,6%
EBIT margin	70,5%	63,0%	
Financial results	-30	-31	2,3%
Net Income	22	2	n.s.
Contribution to Ferrovial*	12	1	n.s.

* Contribution to consolidated result - 62.97% stake (EUR mn)

LBJ

(USD million)	JUN-19	JUN-18	VAR.
Revenues	72	59	21,4%
EBITDA	60	48	23,7%
EBITDA margin	82,9%	81,4%	
EBIT	46	36	28,5%
EBIT margin	64,0%	60,5%	
Financial results	-43	-43	0,6%
Net Income	3	-7	145,9%
Contribution to Ferrovial*	2	-3	149,0%

* Contribution to consolidated result - 54.6% stake (EUR mn)

NTE 35W

(USD million)	JUN-19	JUN-18	VAR.
Revenues	39		n.s.
EBITDA	31		n.s.
EBITDA margin	78,7%		n.s.
EBIT	22		n.s.
EBIT margin	55,1%		n.s.
Financial results	-19		n.s.
Net Income	2		n.s.
Contribution to Ferrovial*	1		n.s.

* Contribution to consolidated result - 53,67% stake (EUR mn)

Appendix I – Segmented information

AIRPORTS (P&L)

Heathrow SP & HAH

(GBP million)	Revenues JUN-19	Revenues JUN-18	Revenues VAR.	EBITDA JUN-19	EBITDA JUN-18	EBITDA VAR.	EBITDA margin JUN-19	EBITDA margin JUN-18	EBITDA margin VAR. (bps)
Heathrow SP	1.461	1.405	4,0%	907	848	7,0%	62,1%	60,4%	166
Exceptionals & adjs	0	0	45,7%	1	4	-86,1%	n.a.	n.a.	n.a.
Total HAH	1.461	1.405	3,9%	907	852	6,6%	62,1%	60,6%	153

HAH P&L

GBP million	JUN-19	JUN-18	VAR.	LIKE FOR LIKE
Revenues	1.461	1.405	3,9%	3,9%
EBITDA	907	852	6,6%	3,4%
EBITDA margin %	62,1%	60,6%		
Depreciation & impairments	-414	-374	10,4%	-5,4%
EBIT	494	477	3,5%	1,9%
EBIT margin %	33,8%	34,0%		
Financial results	-486	-226	-114,5%	6,4%
EBT	8	251	-96,7%	28,3%
Corporate income tax	-17	-53	68,4%	-36,5%
Net income	-8	198	-104,2%	25,4%
Contribution to Ferrovial equity accounted result (EUR mn)	-2	56	-104,3%	25,4%

AGS

(GBP million)	JUN-19	JUN-18	VAR.
Total Revenues AGS	105	101	3,8%
Glasgow	64	58	9,7%
Aberdeen	27	28	-1,5%
Southampton	13	15	-9,2%
Total EBITDA AGS	46	42	7,4%
Glasgow	31	27	16,2%
Aberdeen	11	11	-1,3%
Southampton	4	5	-21,6%
Total EBITDA margin	43,5%	42,1%	144,9
Glasgow	48,5%	45,8%	273,2
Aberdeen	39,1%	39,0%	9,3
Southampton	28,6%	33,1%	-450,9

CONSTRUCTION**

CONSTRUCTION	JUN-19	JUN-18	VAR.	LfL
Revenues	2.308	2.483	-7,0%	-8,6%
EBITDA	-329	75	n.s.	n.s.
EBITDA margin	-14,3%	3,0%		
EBIT	-346	57	n.s.	n.s.
EBIT margin	-15,0%	2,3%		
Order book	11.405	10.965	4,0%	3,2%

BUDIMEX	JUN-19	JUN-18	VAR.	LfL
Revenues	760	778	-2,4%	-1,6%
Construction	686	701	-2,1%	-1,3%
Real Estate	74	77	-4,7%	-3,9%
EBITDA	34	46	-25,5%	-24,9%
EBITDA margen	4,5%	5,9%		
EBIT	28	41	-31,7%	-32,2%
Construction	15	30	-48,8%	-50,0%
Real Estate	12	11	16,8%	17,7%
EBIT margen	3,7%	5,2%		
Order book	2.610	2.362	10,5%	9,4%

WEBBER	JUN-19	JUN-18	VAR.	LfL
Revenues	366	399	-8,0%	-13,9%
EBITDA	13	19	-34,2%	-38,9%
EBITDA margin	3,4%	4,8%		
EBIT	6	15	-56,6%	-52,8%
EBIT margin	1,8%	3,7%		
Order book	1.711	1.511	13,2%	12,3%

F.AGROMAN	JUN-19	JUN-18	VAR.	LfL
Revenues	1.182	1.306	-9,5%	-10,9%
EBITDA	-376	9	n.s.	n.s.
EBITDA margin	-31,8%	0,7%		
EBIT	-381	1	n.s.	n.s.
EBIT margin	-32,2%	0,1%		
Order book	7.084	7.092	-0,1%	-0,9%

SERVICES (discontinued activity)**

SERVICES	JUN-19	JUN-18	VAR.	LfL
Revenues	3.597	3.238	11,1%	10,5%
EBITDA	168	-83	n.s.	n.s
EBITDA EX-BMH	168	153	9,2%	9,4%
EBITDA margin	4,7%	-2,6%		
EBITDA margin EX-BMH	4,7%	4,7%		
Order book	18.500	19.411	-4,7%	-5,0%

SPAIN	JUN-19	JUN-18	VAR.	LfL
Revenues	996	968	2,8%	2,8%
EBITDA	106	101	5,3%	5,3%
EBITDA margin	10,6%	10,4%		
Order book	4.519	4.670	-3,2%	-3,2%

UK	JUN-19	JUN-18	VAR.	LfL
Revenues	1.454	1.162	25,2%	22,7%
EBITDA	18	-220	108,3%	n.s.
EBITDA EX-BMH	18	17	6,5%	5,5%
EBITDA margin	1,3%	-18,9%		
EBITDA margin EX-BMH	1,3%	1,5%		
Order book	8.554	9.251	-7,5%	-7,9%

AUSTRALIA	JUN-19	JUN-18	VAR.	LfL
Revenues	816	862	-5,4%	-3,9%
EBITDA	18	25	-27,8%	-26,7%
EBITDA margin	2,2%	2,9%		
Order book	3.887	4.129	-5,9%	-6,2%

INTERNATIONAL	JUN-19	JUN-18	VAR.	LfL
Revenues	331	245	34,7%	31,1%
EBITDA	25	11	132,8%	136,9%
EBITDA margin	7,7%	4,5%		
Order book	1.541	1.361	13,2%	11,9%

*Order book compared with December 2018
** Construction & Services EBITDA excluding IFRS 16

BMH: Birmingham

Appendix II – Exchange rate movements

Exchange rates expressed in units of currency per Euro, with negative variations representing euro depreciation and positive variations euro appreciation.

	EXCHANGE RATE LAST (BALANCE SHEET)	CHANGE 19/18	EXCHANGE RATE MEAN (P&L)	CHANGE 19/18
GBP	0,8948	-0,41%	0,8721	-0,91%
US Dollar	1,1359	-0,81%	1,1299	-6,37%
Canadian Dollar	1,4873	-4,67%	1,5006	-2,99%
Polish Zloty	4,2444	-1,04%	4,2810	0,82%
Australian Dollar	1,6202	-0,35%	1,5967	1,51%

Appendix III – Shareholder Remuneration & Structure

The company held its AGM on 5 April 2019. The AGM approved two capital increases, by means of the issuance of new ordinary shares, with no issue premium, of the same class and series as those at present in circulation, charged to reserves.

The first of the scrip issues (equivalent to the 2018 complementary dividend) took place in May 2019, with the following result:

Scrip Dividend details	MAY-19
Guaranteed set price to purchase rights	0.311
Rights per share	69
% shareholders chose shares as dividends	55.47%
% shareholders chose cash as dividends	44.53%
Number of new shares issued	5,936,542
Number of rights purchase	328,834,402

Share buy-back

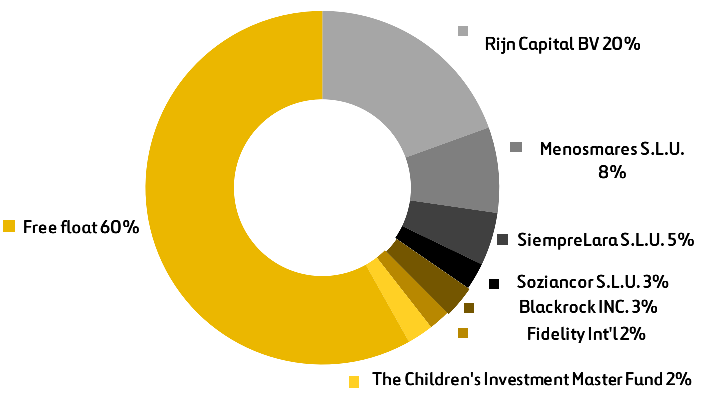
The AGM held on 5 April also approved a share capital reduction through the acquisition and subsequent cancellation of the company's own shares. The aim of the programme is to contribute to the company's shareholder remuneration policy by means of increasing earnings per share.

This share buy-back programme has a ceiling of EUR275mn, or 19 million shares, and a duration from 4 June 2019 to 22 November 2019.

Ferrovial held 10,283,667 own shares at end-June 2019, of which 6,915,588 shares were acquired in 2018 and are due to be amortised over the course of 2019, along with the shares acquired under the share buy-back programme.

Ferrovial's share capital figure as of 30 June 2019 amounted to EUR148,878,476, all fully subscribed and paid up. The share capital comprises 744,392,379 ordinary shares of one single class, each with a par value of twenty-euro cents (EUR0.20).

Shareholder structure (CNMV) as of 30 June 2019:



Appendix IV – Main risks and uncertainties in the different business areas in 2H 2019

Ferrovial is active in a number of countries, each with different regulatory frameworks and socio-economic environments. As a result, Ferrovial is exposed both to the risk that arises from developments in the global economy and to the different risks inherent in the business activities and sectors in which the company operates.

These risks, along with the management systems used to monitor them, are described in detail in both the management report for the 2018 financial year and in the corporate governance report. Financial risk management policy is also analyzed in more detail in Note 5.4 of the consolidated annual accounts for 2018.

1. RISKS AND UNCERTAINTIES IN THE DIFFERENT BUSINESS AREAS

The following sections contain a description of the main risks and uncertainties faced by the company's business activities during the second half of 2019:

CINTRA

The company will continue working in the pipeline for new contracts during the second half of the year in its target regions, focusing primarily on complex greenfield projects, given their high potential for value creation.

Construction works will continue on various projects, such as the I-66 toll road in Virginia (USA), the D4R7 toll road in Slovakia, the Western Roads Upgrade in Melbourne (Australia), and the Colombian toll road, Ruta del Cacao. It is expected that various projects currently under construction will become operational during 2H 2019: the I-77 toll road in North Carolina (USA), the Canadian toll toad 407 East Extension II and the Australian toll road Toowoomba. During the second half of the year the Silvertown project in the UK is expected to reach financial close.

Traffic volumes have performed positively at the majority of concessions, with notable growth on the Texas managed lanes projects, NTE, NTE35W and LBJ toll roads in the US. During the second half of the year, traffic volumes are expected to continue to show consistent growth, in line with the performance of macroeconomic indicators, as forecast by the majority of economic organizations. Regarding the US projects is also worth mentioning that in the second half of 2019, NTE project will be the first to start to pay recurrent dividends to its shareholders.

As regards the 407 ETR, traffic volumes fell by -1.4% (VKT) during the first half of the year, as compared with the same period in 2018. This was primarily due to significantly adverse weather conditions during this period, as well as reduced growth in the corridor. Evolution of traffic of this project will be followed up during the second half of the year.

Additionally, as for 407 ETR , in the second half of the year is expected that the dispute about Ferrovial right of first refusal related to sale of a participation of one of the shareholders in the project will be resolved. Depending on the outcome of the project, Ferrovial will acquire an additional 5% in the equity of the company for an estimated consideration around 1.600 million Canadian dollars.

In June 2019, an agreement was reached to transfer 65% of the toll roads Ausol I and Ausol II, in Malaga, to the French infrastructures fund Meridiam for EUR 447 million. The completion of this deal is subject to the approval of the relevant authorities that it is expected to be obtained in the second half of the year. At that time the deal will generate a capital gains of approximately EUR 474 million for Ferrovial. As a result of this deal, Ferrovial will retain a 15% stake in these concessions, reserving a sale option for itself, and also granting a purchase option for Meridiam. The sale of this stake in Ausol forms part of Ferrovial's asset rotation strategy.

In Autema, in 2015 and 2016, the Catalan Government approved two Decrees that significantly modified its concession arrangement. The company decided to appeal both Decrees at the Catalan High Court, arguing that in publishing these Decrees, the authorities have overstepped their powers with regard to the modification of contacts. On 6 March 2019 the Court gave a judgment dismissing the appeal. Faced with this sentence, Autema has prepared a cassational appeal, which has been granted to proceed by the Catalan High Court and is awaiting confirmation of cassational interest by the Supreme Court.

AIRPORTS

The business currently engaged in by Ferrovial's Airports division is centered on the United Kingdom, through its 25% share in Heathrow Airport (HAH) and its 50% share in Aberdeen, Glasgow and Southampton Airports (AGS). The main issue faced by both projects in the second half of 2019, is the Brexit with the exit date postponed until 31 October 2019. In terms of operations, contingency plans have been agreed by the UK and the European Union, to ensure that flights continue between both. In addition, contingency plans have been developed at Heathrow and AGS to mitigate the potential impact of Brexit on airport operations.

The main uncertainty caused by Brexit with regard to these assets is the potential impact that a possible slowdown in the British economy could have. In the case of Heathrow, this impact can be seen to be partially mitigated by the fact that the asset is at the limit of its capacity and by the importance to the United Kingdom of this asset, which in the past has shown itself to be resilient to periods of economic slowdown. In the short term, an increase in the rate of inflation could also represent a positive factor in the asset's performance, since its revenues are linked to the inflation rate, along with its regulated assets.

Additionally, to the Brexit, in the second half of 2019, HAH will continue to be involved in the 3rd runway process approval and in the definition of regulatory conditions for the next regulatory period (H7).

CONSTRUCTION

Evolution of the construction activity of the group in the second half of 2019 in the main markets will be impacted by the following issues:

USA. Activity is expected to pick up in 2019, thanks to the faster pace of construction at various large projects in the order book, such as I-66 (Virginia) and Grand Parkway (Texas), and the I-10 and SH146 toll roads, which were awarded to Webber in 2018. However, profits will be negative due to the relevant provisions implemented in 1Q 2019 on projects outside of Texas, which were due to the increase in the price of subcontractors following delays in the design process. In the second half of the year management will be focused in the implementation of the mitigation plan for these risks in future.

POLAND Public tendering in Poland will continue to remain upbeat, thanks to the increase in budget and timeframes of the national long-term highway and rail plans, which are supported by 2014-20 European Funds. The new 2021-27 European Union budgetary framework, which is currently under negotiation, points to greater stability in the future in terms of fund allocation for Poland. Revenue growth is expected to decline in 2019 due to greater selectivity in the project tendering process, in order to mitigate yield tensions in the sector, linked to the uplift in staffing and material costs.

In SPAIN, despite the general economic improvement, revenues are expected to decline slightly in 2019, due to insufficient growth and high levels of competition in public tenders, exacerbated by the political uncertainty following the general elections in April, which is only partially offset by the greater activity in private construction work and the favorable tender of public railway construction work. We therefore continue to be in a climate of low activity, with significant tender risks, which means we continue to focus on selective contracts, prioritizing returns over volume.

Appendix IV – Main risks and uncertainties in the different business areas in 2H 2019 (continued)

Finally in relation to UNITED KINGDOM, where exposure for the division is 8% in terms of t revenues and 5% in the the order book as at June 2019. In 2019, progress will be made on other major works such as the Thames Tideway Tunnel, the extension of the Northern Line of the London Underground, works for Heathrow Q6 and preliminary works for the Central Section of HS2. As a result, revenues in 2019 are expected to be higher than last year.

SERVICES

Finally, in relation with the Services divestment, during the second half of the year the company will continue in the execution of the sale process as it was approved by the March 2019 Shareholders General Meeting.

FINANCIAL AND CAPITAL RISK

The main financial and capital risk to which Ferrovial is exposed is described in detail in the consolidated annual accounts for the 2018 financial year.

The following are the main financial and capital risks:

- Interest rate variations
- Exchange rate variations
- Credit and counterparty risk
- Liquidity risk
- Variable income risk
- Inflation risk
- Capital management risk

As regards variation in the exchange rate, it should be noted that the value of the pound sterling, the US dollar and the Australian have strengthened slightly against the EUR during the first half of 2019, closing at 0.8948 GBP/EUR, 1.1359 USD/EUR y 1.62021 AUD/EUR on 30 June, a appreciation of 0.4%, 0.8% and 4.0% respectively as compared with December 2018. The Canadian dollar has also appreciated against the euro more significantly (4.7%). The impact of the appreciation of the euro is already accounted for in the company's shareholders' funds.

As regards exposure to exchange rate risk, it should be mentioned that the company has arranged hedging in the notional amount of USD713mn, CAD2,579mn and GBP432mn and AUD385mn. This will cover an average rate of 1.1385 USD/EUR, 1.5169 CAD/EUR, 0.8860 EUR/GBP and 1.6086 AUD/EUR. The company's strategy in this regard is to guarantee dividends for the next 2-3 years.

Particular mention should be made of the fact that the company is approaching the second half of the year with high levels of liquidity, as shown in the following table:

EUR million	Total Cash (*)	Credit Lines available	Total Liquidity	12 months maturities
Ex-infra project	3,896	901	4,797	1,006
Infra Project	843	60.3	903	48
Total Ferrovial	**4,739**	**962**	**5,700**	**1,055**

(*)The cash entries include some infrastructure projects with cash balances to which access is restricted in both the long and short term, in order to ensure that certain obligations can be met with regard to the repayment of principal or interest on debts, and to allow for the operation and maintenance of the infrastructure item.

Appendix V – Alternative performance measures (APM)

The company presents its results in accordance with generally accepted accounting standards (IFRS). In addition, in the Interim Management Report and Interim Condensed Consolidated Financial Statements released in June, the management provides other financial measures non-IFRS regulated, called APMs (Alternative Performance Measures) according to the directives of European Securities and Markets Authority (ESMA). Management uses those APMs in decision-taking and to evaluate the performance of the company. Bellow there are details of disclosures required by the ESMA on definition, reconciliation, explanation of use, comparisons and coherence of each APM. It is provided more detailed information on the corporate web page: http://www.ferrovial.com/es/accionistas-e-inversores/informacion-financiera/informacion-financiera-trimestral/. Additionally, in the appendix of that document the reconciliation of the Comparable "like for like growth", Order book and proportional results are provided.

EBITDA = GROSS OPERATING RESULT

- **Definition**: operating result before charges for fixed asset and right of use of leases depreciation and amortisation.
- **Reconciliation:** the company presents the calculation of EBITDA in the Consolidated P&L (see the Consolidated Profit and Loss Account in the Interim Management Report and the Interim Condensed Consolidated Financial Statements for June) as: Gross Operating Profit = Total Operating Revenues – Total Operating Expenses (excluding those relative to fixed assets and right of use assets depreciation and amortisation which are reported in a separate line).
- **Explanation of use**: EBITDA provides an analysis of the operating results, excluding depreciation and amortisation, as they are non-cash variables which can vary substantially from company to company depending on accounting policies and the accounting value of the assets. EBITDA is the best approximation to pre-tax operating cash flow and reflects cash generation before working capital variation. Therefore we use EBITDA as a starting point to calculate cash flow, adding the variation in working capital. Finally, it is an APM indicator which is widely used by investors when evaluating businesses (multiples valuation), as well as by rating agencies and creditors to evaluate the level of debt, by comparing EBITDA with net debt.
- **Comparisons**: the company presents comparative figures with previous years. In order to improve the comparison, it is also presented EBITDA ex – IFRS 16 where current EBITDA is adjusted by the operating expense due to leases under the scope of IFRS 16 as it would not have been applied (see further explanation in like-for-like growth).
- **Coherence:** the criteria used to calculate EBITDA is the same as the previous year.

COMPARABLE ("LIKE-FOR-LIKE GROWTH" LfL)

- **Definition**: relative year-on-year variation in comparable terms of the figures for revenues, EBITDA, EBIT and order book. The comparable is calculated by adjusting the present year and the previous one, in accordance with the following rules:
  - Elimination of the exchange-rate effect, calculating the results of both periods at the rate in the current period.
  - Elimination from the EBIT of both periods of the impact of fixed asset impairments and results from company disposals (corresponds with the figure reported in the line "Impairments and disposals of fixed assets").
  - In the case of company disposals and loss of control, the homogenisation of the operating result is undertaken by eliminating the operating results of the sold company when the impact occurred in the previous year, or if it occurred in the year under analysis, considering the same number of months in both periods.
  - Elimination of the restructuring costs, in both periods.
  - In acquisitions of new companies which are considered material, elimination, in the current period, of the operating results derived from those companies, except in the case where this elimination is not possible due to the high level of integration with other reporting units (material companies are those whose revenues represent ≥5% of the reporting unit's revenues before the acquisition).
  - Elimination in both periods of other non-recurrent impacts (mainly related to tax and human resources) considered relevant for a better understanding of the company's underlying results.
  - This year with the adoption of IFRS 16 leases, and for a better comparison of the gross operating profit and operating profit figures with those of the previous year, we have proceeded to undo the adjustments for this concept, reversing the adjustment for financial expense and depreciation of the right of use and recognizing a higher operating expense for leases, as if the new standard would not have been applied in the current period.
  - In addition, for the operating profit figure of the Services division, presented as discontinued operations, in order to improve their comparability with respect to previous year, the depreciation amount of the assets has been adjusted as if they were still operating in normal course of business during the current year.
  - Note: the new contracts in the Toll Roads division coming into operation are not considered acquisitions and thus are not adjusted in the comparable.
- **Reconciliation:** the comparable growth is presented in separate columns on Business Performance of the Interim Management Report and reconciliated in the Appendix to this document.
- **Explanation of use**: Ferrovial uses the comparable to provide a more homogenous measure of the underlying profitability of its businesses, excluding those non-recurrent elements which would induce a misinterpretation of the reported growth, impacts such as exchange-rate movements or changes in the consolidation perimeter which distort the comparability of the information. Additionally, it also allows the Company to present homogenous information, thus ensuring its uniformity, providing a better understanding of the performance of each of its businesses.
- **Comparisons**: the comparable breakdown is only shown for the current period compared with the previous period.
- **Coherence:** the criteria used to calculate the comparable "Like-for-like growth" is the same as the previous year, except for the reversion of the adjustments made for the application of IFRS 16 and the adjustment of the depreciation of assets of discontinued operations, which will only be made during the current period. We consider that this is the best way to present comparable figures for EBITDA and operating profit in order to see the evolution of the business with respect to the previous year. On the one hand, IFRS 16 on leases is the first year of adoption and has been applied retroactively, adjusting the balances at 1 January 2019, without restatement of comparatives. With respect to the second concept, assets classified as held for sale in accordance with IFRS 5 are not depreciated; however, on presenting the result of the Services division, the information is provided as if they were continuous operations for both periods.

FAIR VALUE ADJUSTMENTS

- **Definition**: the adjustments to the Consolidated P&L relative to previous results derived from: changes in the fair value of derivatives and other financial assets and liabilities; asset impairment and the impact of the two above elements in the 'equity-accounted results'.
- **Reconciliation:** a detailed breakdown of the Fair Value Adjustments is included in the Consolidated Profit and Loss Account (see the Consolidated Profit and Loss Account in the Interim Management Report and the Interim Condensed Consolidated Financial Statements for June).

Appendix V – Alternative performance measures (APM)

- **Explanation of use**: The Fair Value Adjustments can be useful for investors and financial analysts when evaluating the underlying profitability of the company, as they can exclude elements that do not generate cash and which can vary substantially from one year to another due to the accounting methodology used to calculate the fair value.
- **Comparisons**: the company presents comparisons with previous years.
- **Coherence:** the criteria used to calculate the Fair Value Adjustments is the same as previous year.

CONSOLIDATED NET DEBT (NCP)

- **Definition:** this is the net balance of Cash and cash equivalents (including short and long-term restricted cash), minus short and long-term financial debt (bank debt and bonds), including the balance related to exchange-rate derivatives that cover both the issue of debt in currency other than the currency used by the issuing company and cash positions that are exposed to exchange rate risk. The lease liability (due to the application of the new IFRS 16 standard) is not part of the Consolidated Net Debt.
- **Reconciliation:** the detailed reconciliation is shown in the Business Performance section of the Interim Management Report.
- **Explanation of use**: this is a financial indicator used by investors, financial analysts, rating agencies, creditors and other parties to determine the company's debt position. In addition, Ferrovial breaks down its net debt into two categories:
  - **Net debt of infrastructure projects.** This is the ring-fenced debt which has no recourse to the shareholder or with recourse limited to the guarantees issued. This is the debt corresponding to infrastructure project companies.
  - **Net debt ex-infrastructure projects**. This is the net debt of Ferrovial's other businesses, including the group holding companies and other companies that are not considered infrastructure projects. The debt included in this calculation is mainly with recourse, and is thus the measure used by investors, financial analysts and rating agencies to assess the company's leverage, financial strength, flexibility and risks.
- **Comparisons**: the company presents comparisons with previous years.
- **Coherence:** the criterion used to calculate the net debt figure is the same as the previous year.

ORDER BOOK

- **Definition**: the income pending execution, which correspond to contracts which the Company has signed up to a certain date, and over which it has certainty on its future execution. The total income from a contract corresponds to the agreed price or rate corresponding to the delivery of goods and/or the rendering of the contemplated services. If the execution of a contract is pending the closure of financing, the income from said contract will not be added to the order book until financing is closed. The order book is calculated by adding the contracts of the actual year to the balance of the contract order book at the end of the previous year, less the income recognized in the current year.
- **Reconciliation:** the order book is presented under Key figures under Services and Construction sections of the Interim Management Report. There is no comparable financial measure in IFRS. However, a breakdown of reconciliation with Construction and Services sales figures is provided in Appendix to this document. This reconciliation is based on the order book value of a specific construction being comprised of its contracting value less the construction work completed, which is the main component of the sales figure. The difference between the construction work completed and the Construction and Services sales figure reported in Ferrovial's Financial Statements is attributable to the fact that consolidation adjustments, charges to JVs, sale of machinery, confirming income and other adjustments are made to the latter. In addition to contracts awarded and the construction work completed, the exchange rate of contracts awarded in foreign currency, rescissions (when a contract is terminated early) or changes to the scope are all aspects that also have an impact on the movement between the original order book (corresponding to the previous year) and the end order book (for the year in question), as shown in the tables at the end of this document. Management believes that the order book is a useful indicator in terms of the future income of the company, as the order book for a specific construction will be comprised of the final sale of said construction less the net construction work undertaken.
- **Explanation of use**: The Management believes that the order book is a useful indicator with respect to the future income of the Company, due to the order book for a specific work will be the final sale of said work less the work executed net at source.
- **Comparisons**: the company presents comparisons with previous years.
- **Coherence:** the criteria used to calculate order book is the same as the previous year.

WORKING CAPITAL VARIATION

- **Definition**: measurement that explains the conciliation between the EBITDA and the operating cash flow before taxes. It is the result of the non-cash-convertible gross income primarily from changes in debt balance and commercial liabilities.
- **Reconciliation**: in Note 7 Cash flow of the Interim Condensed Consolidated Financial Statements, the company provides a reconciliation between the working capital variation on the balance (see description on Section 4.5 Working Capital of the Interim Condensed Consolidated Financial Statements) and the working capital variation reported in the Cash Flow Statement.
- **Explanation of use**: the working capital variation reflects the company's ability to convert EBITDA into cash. It is the result of company activities related with inventory management, collection from customers and payments to suppliers. It is useful for users and investors because it allows a measurement on the efficiency and short-term financial situation of the company.
- **Comparisons**: the company presents comparative reports from previous years.
- **Consistency:** the criteria employed for calculating the working capital variation is the same as the previous year.

PROPORTIONAL RESULTS

- **Definition:** this is the contribution to the consolidated results in the proportion of Ferrovial's ownership in the group subsidiaries, regardless to the applied consolidation method. This information is prepared to EBITDA.
- **Reconciliation:** a reconciliation between total and proportional figures is provided in the website.
- **Explanation of use:** the proportional results can be useful for investors and financial analysts to understand the real weight of business divisions in the operative results of the group, especially keeping in mind the weight of certain assets consolidated under the equity method as 407 ETR from Toronto and the airport of Heathrow. It is an indicator that other competitors with significant subsidiaries in infrastructure projects consolidated under the equity method present.
- **Comparisons**: the company presents comparisons with previous years.
- **Coherence:** the criteria used to calculate proportional results is the same as the previous year.

BOARD APPROVAL

The foregoing pages contain the consolidated interim management report of Ferrovial, S.A. and its subsidiaries for the six-month period ended 30 June 2019, which was approved by the Board of Directors of the Company at its meeting held in Madrid on 30 July 2019 pursuant to Article 119 of the consolidated text of the Spanish Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, and applicable regulations (such as Circular 3/2018 of the CNMV on periodic reporting of security issuers, rule fifth.2.); and which the Directors attending sign below.

____
Mr. Rafael del Pino y Calvo-Sotelo
Chairman

____
Mr. Santiago Bergareche Busquet
Vice-Chairman

____
Mr. Joaquín Ayuso García
Vice-Chairman

____
Mr. Íñigo Meirás Amusco
Chief Executive Officer

____
Ms. María del Pino y Calvo-Sotelo
Director

____
Mr. Santiago Fernández Valbuena
Director

____
Mr. José Fernando Sánchez-Junco Mans
Director

____
Mr. Joaquín del Pino y Calvo-Sotelo
Director

____
Mr. Óscar Fanjul Martín
Director

____
Mr. Philip Bowman
Director

____
Ms. Hanne Birgitte Breinbjerg Sørensen
Director

____
Mr. Bruno Di Leo
Director

The Secretary non Director of the Board of Directors states for the record that the Director Ms. Hanne Birgitte Breinbjerg Sørensen has not signed this document because of her absence due to unavoidable professional commitments, having delegated her proxy to the non Executive Director Mr. Óscar Fanjul Martín. Likewise, I am not aware of the disagreement of Ms. Sørensen with the approval of the consolidated interim management report of Ferrovial, S.A. and its subsidiaries for the first six-month period of 2019.

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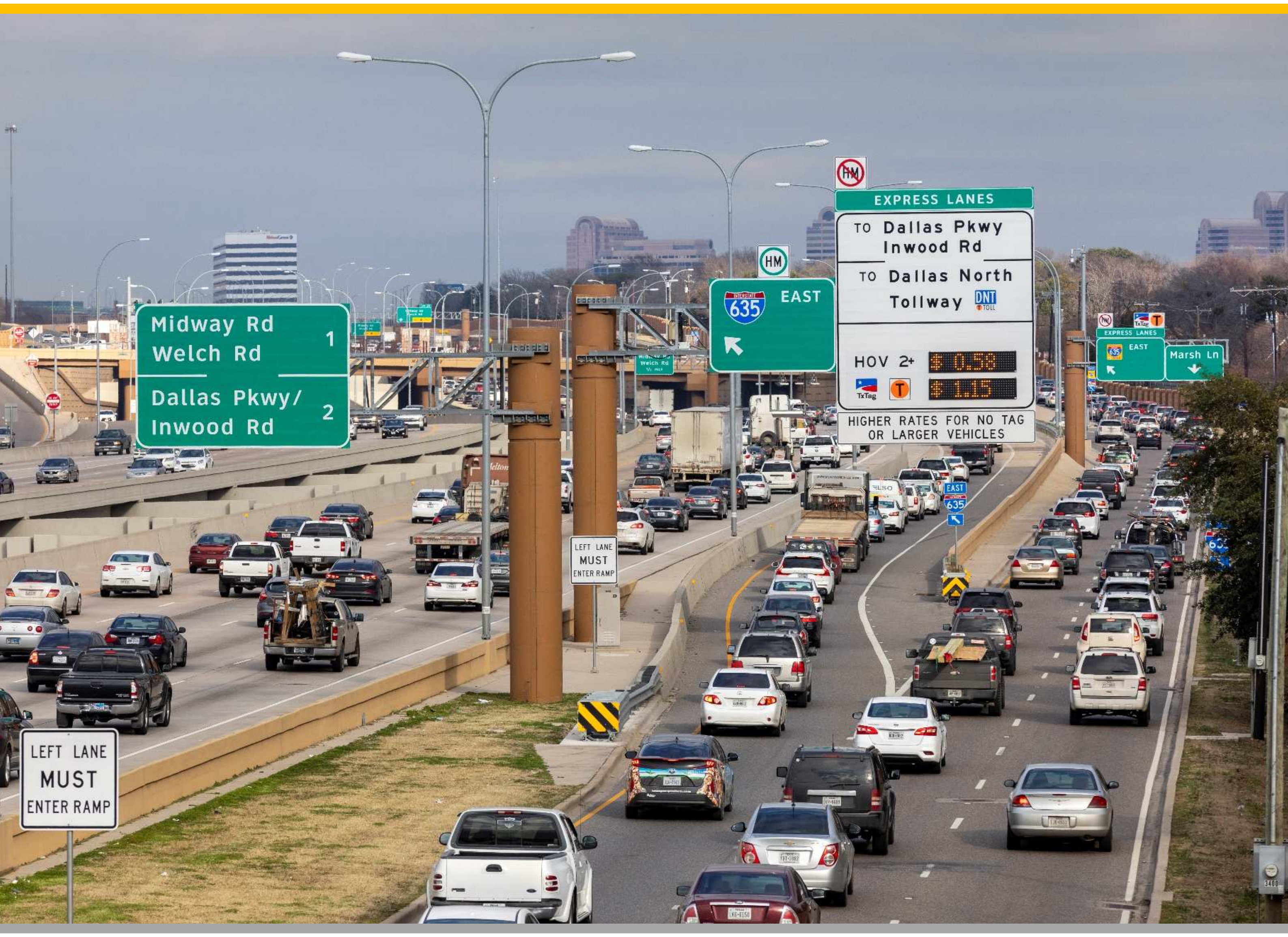
Santiago Ortiz Vaamonde
Secretary and Non-Board Member

ferrovial



FERROVIAL, S.A. & SUBSIDIARIES

Interim Condensed Consolidated Financial Statements

June 2019

30 July 2019

A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2019 AND 31 DECEMBER 2018

ASSETS

(Millions of euros)	NOTE	30.06.2019	31.12.2018
Non-current assets		**11,690**	**12,055**
Goodwill on consolidation	4.2	304	372
Intangible assets		29	32
Right of use on financial leasing assets		89	-
Fixed assets in infrastructure projects	4.3	6,732	7,155
Intangible asset model		5,827	6,280
Assets, receivable model		905	875
Investment property		8	9
Property, plant and equipment		251	251
Investments in associates	4.4	2,339	2,455
Non-current financial assets	8	825	754
Long-term loans to associates		178	173
Restricted cash relating to infrastructure projects and other financial assets	6	537	473
Other receivables		111	108
Deferred taxes	4.7	649	664
Long-term financial derivative instruments at fair value	8.2	464	364
Current assets		**12,040**	**10,758**
Assets classified as held for sale	1.3	6,136	4,892
Inventories		670	594
Current income tax assets		101	97
Short-term trade and other receivables	4.5	1,342	1,090
Trade receivables for sales and services		1,015	801
Other short-term receivables		327	289
Cash and cash equivalents	6	3,759	4,005
Infrastructure project companies		218	239
Restricted cash		6	9
Other cash and cash equivalents		212	230
Ex-infrastructure project companies		3,541	3,766
Short-term financial derivative instruments at fair value	8	32	80
TOTAL ASSETS		**23,730**	**22,813**

LIABILITIES AND EQUITY

(Millions of euros)	NOTE	30.06.2019	31.12.2018
Equity	5	**5,135**	**5,363**
Equity attributable to shareholders		4,319	4,530
Equity attributable to non-controlling interests		816	833
Deferred income		**1,282**	**1,241**
Non-current liabilities		**8,525**	**8,912**
Pension plan deficit		3	3
Long-term provisions	4.6	429	459
Long-term lease liabilities		64	-
Financial borrowings	6	7,022	7,419
Infrastructure project obligations and debts		4,935	5,342
Debt securities and borrowings of ex-infrastructure project companies		2,087	2,077
Other borrowings		21	135
Deferred taxes	4.7	565	574
Derivative financial instruments at fair value	8	421	321
Current liabilities		**8,788**	**7,297**
Liabilities classified as held for sale	1.3	4,247	3,259
Short-term lease liabilities		55	-
Financial borrowings	6	982	773
Debt securities and borrowings of infrastructure project companies		19	43
Bank borrowings ex-infrastructure project companies		963	730
Hedging instruments at fair value	8	83	69
Current income tax liabilities		77	65
Short-term trade and other payables	4.5	2,712	2,700
Trade payables		1,272	1,314
Advance payments from clients		1,127	1,089
Other short-term payables		313	297
Trade provisions	4.6	632	431
TOTAL LIABILITIES AND EQUITY		**23,730**	**22,813**

The accompanying Notes 1 to 17 form an integral part of the interim condensed consolidated financial statements as at 30 June 2019.

B. CONSOLIDATED INCOME STATEMENT FOR THE SIX-MONTH PERIODS ENDED AT 30 JUNE 2019 AND 30 JUNE 2018

		30.06.2019			30.06.2018 (*)		
(Millions of euros)	NOTE	BEFORE FAIR VALUE ADJUSTMENTS	(**) FAIR VALUE ADJUSTMENTS	TOTAL 2019	BEFORE FAIR VALUE ADJUSTMENTS	(*) FAIR VALUE ADJUSTMENTS	TOTAL 2018
Revenues	3	2,603	0	2,603	2,701	0	2,701
Other operating income		1	0	1	1	0	1
Total operating income		**2,605**	**0**	**2,605**	**2,702**	**0**	**2,702**
Materials consumed		420	0	420	434	0	434
Other operating expenses		1,808	0	1,808	1,588	0	1,588
Staff costs	11	493	0	493	472	0	472
Total operating expenses		**2,721**	**0**	**2,721**	**2,494**	**0**	**2,494**
EBITDA		**-116**	**0**	**-116**	**208**	**0**	**208**
Fixed asset depreciation		74	0	74	57	0	57
Operating income before impairment losses and fixed asset disposals		**-190**	**0**	**-190**	**151**	**0**	**151**
Impairment and fixed asset disposals	9.1	0	-21	-21	1	-18	-16
Operating profit/(loss)		**-190**	**-21**	**-211**	**152**	**-18**	**135**
Net financial income/(expense) from financing		-126	0	-126	-108	0	-108
Profit/(loss) on derivatives and other net financial income/(expense)		-3	-1	-3	-2	0	-2
Net financial income/(expense) from infrastructure projects		**-129**	**-1**	**-129**	**-110**	**0**	**-111**
Net financial income/(expense) from financing		13	0	13	2	0	2
Profit/(loss) on derivatives and other net financial income/(expense)		4	11	15	0	11	11
Net financial income/(expense) excl. projects		**17**	**11**	**28**	**2**	**11**	**13**
Net financial income/(expense)	9.2	**-112**	**11**	**-101**	**-109**	**11**	**-98**
Share of profits of equity-accounted companies	4.4	112	-36	76	94	31	125
Pre-tax consolidated profit/(loss)		**-190**	**-46**	**-236**	**138**	**24**	**161**
Corporate income tax	9.3	48	3	50	-12	3	-9
Consolidated profit/(loss) from continuing operations		**-142**	**-43**	**-185**	**126**	**26**	**152**
Net profit/(loss) from discontinued operations	9.4	135	0	135	-202	-3	-206
Consolidated profit/(loss) for the year		**-7**	**-43**	**-50**	**-76**	**23**	**-53**
Profit/(loss) for the year attributed to non-controlling interests		44	0	44	-19	0	-19
Profit/(loss) for the year attributed to the Parent		**37**	**-43**	**-6**	**-95**	**23**	**-72**
Net earnings per share attributed to the Parent Company (Basic /Diluted)				-0.01/-0.01			-0.10/-0.10

(*) Adjusted amounts (see Note 1.3)

(**) Relating to profit/(loss) arising from changes in the fair value of derivatives and other financial assets and liabilities and impairment losses on assets and liabilities (see Note 8)

The accompanying Notes 1 to 17 form an integral part of the interim condensed consolidated financial statements as at 30 June 2019.

C. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIODS ENDED AT 30 JUNE 2019 AND 2018

(Millions of euros)	30.06.2019	30.06.2018
a) Consolidated profit/(loss) for the year	**-50**	**-53**
Attributed to the Parent	-6	-72
Attributed to non-controlling interests	-44	19
b) Other income and expenses recognised directly in equity	**28**	**60**
Fully-consolidated companies	**-11**	**13**
Impact on reserves of hedging instruments	-4	-1
Impact on reserves of defined benefit plans (*)	0	34
Translation differences	-8	-16
Tax effect	1	-4
Companies classified as held for sale	**-9**	**47**
Impact on reserves of hedging instruments	-6	23
Impact on reserves of defined benefit plans (*)	0	67
Translation differences	-6	-28
Tax effect	3	-15
Equity-accounted companies	**48**	**47**
Impact on reserves of hedging instruments	-12	23
Impact on reserves of defined benefit plans (*)	-26	67
Translation differences	78	-28
Tax effect	7	-15
c) Transfers to the income statement	**0**	**0**
Fully-consolidated companies	0	0
Equity-consolidated/Held-for-sale companies	0	0
b+c) Total income and expenses recognised directly in equity	***28***	***60***
a+b+c) TOTAL COMPREHENSIVE INCOME	**-22**	**6**
Attributed to the Parent	-2	-19
Attributed to non-controlling interests	-20	26

(*) The impact on reserves of defined benefit plans is the only item of income and expenses recognised directly in equity that cannot subsequently be reclassified to the income statement (see Note 5).
The accompanying Notes 1 to 17 form an integral part of the interim condensed consolidated financial statements as at 30 June 2019.

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2019 AND 2018

(Millions of euros)	SHARE CAPITAL	SHARE PREMIUM	MERGER PREMIUM	TREASURY SHARES	OTHER EQUITY INSTRUMENTS	MEASUREMENT ADJUSTMENTS	RETAINED EARNINGS AND OTHER RESERVES	ATTRIBUTED TO SHAREHOLDERS	ATTRIBUTED TO NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance at 31.12.2018	**148**	**1,202**	**71**	**-128**	**504**	**-1,261**	**3,993**	**4,530**	**833**	**5,363**
Transition to IFRS 16 (Note 2.2)							-24	-24	0	**-24**
Balance at 01/01/2019	**148**	**1,202**	**71**	**-128**	**504**	**-1,261**	**3,969**	**4,505**	**833**	**5,339**
Consolidated profit/(loss) for the year							-6	-6	-44	**-50**
Income and expenses recognised directly in equity						4		4	24	**28**
Total recognised income and expenses	**0**	**0**	**0**	**0**	**0**	**4**	**-6**	**-2**	**-20**	**-22**
Scrip dividend agreement	1						-103	-102	0	**-102**
Other dividends								0	-21	**-21**
Treasury share transactions			-66	-66			66	-66	0	**-66**
Shareholder remuneration	**1**	**0**	**-66**	**-66**	**0**	**0**	**-37**	**-168**	**-21**	**-190**
Share capital increases/reductions								0	24	**24**
Share-based remuneration scheme							-6	-6	0	**-6**
Perpetual subordinated bonds					-5		-4	-9	0	**-9**
Other changes			0	0			-1	-1	1	**0**
Other transactions	**0**	**0**	**0**	**0**	**-5**	**0**	**-11**	**-16**	**25**	**9**
Balance at 30.06.2019	**149**	**1,202**	**5**	**-194**	**499**	**-1,257**	**3,915**	**4,319**	**816**	**5,135**

(Millions of euros)	SHARE CAPITAL	SHARE PREMIUM	MERGER PREMIUM	TREASURY SHARES	OTHER EQUITY INSTRUMENTS	MEASUREMENT ADJUSTMENTS	RETAINED EARNINGS AND OTHER RESERVES	ATTRIBUTED TO SHAREHOLDERS	ATTRIBUTED TO NON-CONTROLLING INTERESTS	TOTAL EQUITY
Balance at 31.12.2017	**146**	**1,202**	**349**	**-42**	**500**	**-1,277**	**4,624**	**5,503**	**731**	**6,234**
Transition to IFRS 9							-6	-6	0	**-6**
Balance at 01.01.2018	**146**	**1,202**	**349**	**-42**	**500**	**-1,277**	**4,618**	**5,497**	**730**	**6,228**
Consolidated profit/(loss) for the year							-72	-72	19	**-53**
Income and expenses recognised directly in equity						53		53	6	**60**
Total recognised income and expenses	**0**	**0**	**0**	**0**	**0**	**53**	**-72**	**-19**	**26**	**6**
Scrip dividend	1						-107	-106	0	**-106**
Other dividends								0	-51	**-51**
Dealings in treasury shares			-97	-97			97	-97	0	**-97**
Shareholder remuneration	**1**	**0**	**-97**	**-97**	**0**	**0**	**-10**	**-203**	**-51**	**-254**
Share capital increases/reductions								0	30	**30**
Share-based remuneration scheme							2	2	0	**2**
Changes in the consolidation scope							0	0	-3	**-3**
Perpetual subordinated bonds					-1			-1	0	**-1**
Other changes							-2	-2	-2	**-4**
Other transactions	**0**	**0**	**0**	**0**	**-1**	**0**	**-1**	**-2**	**25**	**23**
Balance at 30.06.2018	**148**	**1,202**	**252**	**-139**	**499**	**-1,224**	**4,535**	**5,273**	**731**	**6,004**

The accompanying Notes 1 to 17 form an integral part of the interim condensed consolidated financial statements as at 30 June 2019.

E. CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2019 AND 30 JUNE 2018

(Millions of euros)	NOTE	2019	2018
Net profit/(loss) attributed to the Parent		-6	-72
Adjustments to profit/(loss)		98	195
Non-controlling interests		-44	19
Net profit/(loss) from discontinued operations		-135	206
Tax		-50	9
Profit/(loss) from equity-accounted companies		-76	-125
Net financial income/(expense)		101	98
Fixed asset impairments and disposals		21	16
Amortisations		74	57
Gross operating profit/(loss) (EBITDA) from discontinued operations	*9.4*	208	-86
Gross operating profit (EBITDA) including discontinued operations		**92**	**122**
Income taxes paid		-21	-1
Working capital variation (receivables, payables and other)	4.5 and 7	-451	-341
Dividends and other cash flows from equity-accounted companies	4.4	242	229
Operations cash flow		**-137**	**10**
Investments in property, plant and equipment/intangible assets		-78	-64
Investments in infrastructure projects	4.3	-55	-71
Loans granted to associates/acquisition of companies		-12	-36
Interest received		42	14
Investment of long-term restricted cash		-99	-59
Divestment of infrastructure projects		0	145
Divestment/sale of companies	1	3	48
Investment cash flow		**-199**	**-23**
Cash flows before financing activities		**-336**	**-13**
Capital proceeds from non-controlling interests		31	31
Scrip dividend		-102	-100
Acquisition of treasury shares		-66	-97
Shareholder remuneration	5	-168	-197
Dividends paid to non-controlling shareholders of investees		-17	-48
Other changes in shareholders' funds		-6	-4
Cashflows from shareholders and non-controlling interests		-161	-219
Interest paid		-131	-132
Lease instalments		-59	0
Increase in borrowings		476	704
Decrease in borrowings		-104	-578
Financing cash flow		**22**	**-225**
Effect of exchange rates on cash and cash equivalents		**41**	**22**
Change in cash and cash equivalents due to changes in the consolidation scope		**0**	**-5**
Change in cash and cash equivalents for discontinued operations and assets held for sale		**26**	**0**
Change in cash and cash equivalents	**6**	**-246**	**-221**
Cash and cash equivalents at beginning of the year		4,005	4,601
Cash and cash equivalents at end of year		3,759	4,380

The accompanying Notes 1 to 17 form an integral part of the interim condensed consolidated financial statements as at 30 June 2019.

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2019

1. Company activities and changes in the consolidation scope

1.1 Company activities

The consolidated Ferrovial group (hereinafter "the Group" or "Ferrovial") comprises the parent company, Ferrovial, S.A., and its subsidiaries. Its registered office is in Madrid, at Calle Príncipe de Vergara 135.

Through these companies, Ferrovial engages in the following lines of business, which are its primary reporting segments pursuant to IFRS 8: construction, services, toll roads and airports.

For a more detailed description of the various areas of activity in which the consolidated Group conducts its business operations, please consult the annual accounts as at December 2018 and the website: www.ferrovial.com.

For the purpose of understanding these consolidated financial statements, it should be noted that a significant part of the activity carried out by the Group consists of developing infrastructure projects, mainly in the toll roads and airports areas, but also in the construction and services fields. The modus operandi of these projects is described in the annual accounts as at 31 December 2018.

From an accounting standpoint, most of these arrangements fall within the scope of application of IFRIC 12, "Service concession arrangements".

Accordingly, and in order to help understand the Group's financial performance, these financial statements separately present the impact of projects of this nature on both non-financial fixed assets ("fixed assets in infrastructure projects" includes the property, plant and equipment, intangible assets and investment property assigned to these projects) and non-current financial assets, borrowings and cash flows.

It is also important to highlight that two of the Group's main assets are its 25% stake in Heathrow Airport Holdings (HAH), the company that owns Heathrow Airport in London, and its 43.23% stake in ETR 407, the concession operator of the ETR 407 toll road in Toronto (Canada), which have been equity-accounted since 2011 and 2010, respectively. Detailed information on the two companies is included in Note 4, (investments in associates), and this information is further added to in other notes to the interim condensed consolidated financial statements with data considered to be of interest.

1.2 Changes in the consolidation scope

There have been no significant changes to the consolidation scope during the first six months of 2019.

1.3 Assets and liabilities held for sale and discontinued operations

Services division

As of 31 December 2018 it was decided to reclassify all assets and liabilities linked to the Services Division to discontinued operations, due to the decision to focus the Group's business activity on the infrastructure business.

At the closing date of these financial statements, the divestment process is progressing as planned, following approval at the Annual General Meeting on 5 April 2019.

Impact on financial statements

The reclassification of the Services Division to discontinued operations has had the following impacts on these financial statements:

- The profit/(loss) after tax generated by the Services business is not reported in each line of the income statement, instead it is reported in one line "net profit/(loss) from discontinued operations", both for 2019 and 2018. Note 9.4 includes the disclosures required in connection with profit/(loss) from discontinued operations, including a breakdown of the main lines. In accordance with the requirements of IFRS 15, since January 2019 these assets have stopped being depreciated, the net impact of which amounts to EUR 119 million at June 2019.

- For cash flow purposes, Note 7 includes the portion of cash flows from operating, investing and financing activities related to the discontinued operations, included in the total amount reported in this respect.

- For the purposes of the balance sheet, all assets and liabilities attributed to Services activity have been reclassified as "assets/liabilities held for sale and discontinued operations". This reclassification was made with effect at 31 December 2018.

- Note 10 on "Contingent assets and liabilities and investment commitments", also details the impacts relating to discontinued operations for the Services Division.

Autopista del Sol

In the first half of 2019, an agreement was reached to transfer 65% of the Autopista del Sol toll road to the French infrastructures fund Meridiam for EUR 447 million (approximate capital gain of EUR 474 million), with Ferrovial retaining a 15% interest in respect of which it has reserved an option to sell and has granted an option to buy to Meridiam. At the closing date of these financial statements, this sale is pending authorisation from the competent bodies and the related assets and liabilities have therefore been reclassified to held for sale. As this does not involve a business segment or activity, the results generated by the toll roads are still reported on each of the income statement lines.

The following table details the different types of assets and liabilities that have been reclassified to discontinued operations as at June 2019 and December 2018:

Services division (Millions of euros)	2019.JUN	2018.DEC	Change
Non-current assets	**3,826**	**3,501**	**325**
Goodwill	1,665	1,659	6
Intangible assets	416	413	3
Fixed assets in infrastructure projects	428	427	1
Property, plant and equip-ment	466	422	44
Rights of use	320	0	320
Other non-current assets	530	580	-50
Current assets	**2,352**	**2,165**	**187**
Inventories	57	57	0
Short-term trade and other receivables	1,643	1,552	92
Cash and cash equivalents	471	522	-51
Other current assets	180	35	146
TOTAL assets	**6,178**	**5,666**	**512**
Fair value provision (*)	-777	-774	-3
TOTAL assets classified as discontinued operations	**5,401**	**4,892**	**509**

(*) Fair value provision December 2018 translated at the June 2019 closing exchange rate

Services division ((Millions of euros)	2019.JUN	2018.DEC	Change
Deferred income	**55**	**53**	**2**
Non-current liabilities	**1,452**	**1,196**	**256**
Long-term provisions	281	323	-42
Long-term lease liabilities	173	0	173
Financial borrowings	568	442	126
Other non-current liabilities	430	431	0
Current liabilities	**2,076**	**2,010**	**66**
Short-term lease liabilities	76	0	76
Financial borrowings	87	64	23
Short-term trade and other payables	1,554	1,573	-19
Trade provisions	291	347	-56
Other current liabilities	69	27	42
TOTAL Liabilities classi-fied as discontinued operations	**3,584**	**3,259**	**324**

To have a better understanding of the cash flow, a working capital table related to the evolution of its principal items of discontinued operations is presented as follows:

Millons of euros	2018	Ex-change rate	Changes in the consoli-dation scope	Other	2019
Total inventories	**57**	**0**	**0**	**0**	**57**
Total short-term trade and other receivables	**1,552**	**6**	**0**	**85**	**1,643**
Total short-term trade and other payables	**-1,573**	**-8**	**0**	**27**	**-1,554**
TOTAL	**36**	**-2**	**0**	**112**	**146**

The following table details the different types of assets and liabilities that have been reclassified as held for sale as at June 2019:

Ausol (Millions of euros)	2019.JUN	2018.DEC (*)	Change
Non-current assets	**702**	**729**	**-27**
Goodwill	70	70	0
Fixed assets in infrastructure projects	510	532	-22
Other non-current assets	122	128	-6
Current assets	**33**	**31**	**3**
Cash and cash equivalents	24	25	0
Other current assets	9	6	3
TOTAL Assets classified as held for sale	**735**	**760**	**-24**

Ausol (Millions of euros)	2019.JUN	2018.DEC (*)	Change
Non-current liabilities	**608**	**644**	**-35**
Long-term provisions	23	50	-26
Financial borrowings	475	484	-9
Other non-current liabilities	110	110	0
Current liabilities	**55**	**47**	**8**
Financial borrowings	22	24	-3
Trade provisions	18	13	5
Other current liabilities	15	10	5
TOTAL Liabilities classified as held for sale	**663**	**691**	**-28**

(*) Includes balance sheet information for comparative periods.

2. Summary of the main accounting policies

2.1 Basis of presentation.

The accompanying interim condensed consolidated financial statements of Ferrovial, S.A. for the six-month period ended 30 June 2019 have been prepared in accordance with IAS 34, "interim financial reporting".

As established in IAS 34, the interim financial information is intended only to provide an update on the content of the latest complete annual consolidated annual accounts prepared by the Group, focusing on new activities, events and circumstances occurring during the six-month period, and does not duplicate information previously reported in the consolidated annual accounts for 2018. Consequently, for a proper understanding of the information included in these interim condensed consolidated financial statements, they should be read together with the Group's consolidated annual accounts for the year ended 31 December 2018, which were prepared in accordance with the International Financial Reporting Standards (IFRSs) in force.

2.2 New standards, amendments and interpretations adopted by the European Union mandatorily applicable for the first time in the six-month period ended 30 June 2019.

As commented in the 2018 annual accounts, of the standards adopted for the first time at 1 January 2019, the most relevant impact relates to IFRS 16 Leases. This standard establishes one sole accounting model for lessees, where the amounts in the balance sheet increase by the recognition of right-of-use assets and the liabilities for the future payment obligations relating to leases previously classified as operating leases. Except for low-value leases (assets valued at below €5,000) or short-term leases (term of less than 12 months), the Group considers that a contract contains a lease if it transfers the right to control the use of an identified asset for a period of time, in exchange for a consideration.

The transition method applied is the modified retrospective approach, without restating the information for comparative periods in which IAS 17 was applied. For leases carried under the former standard as operating leases, a lease liability has been recognised for the present value of outstanding payments discounted at the incremental rate, taking into consideration the type of asset, country, term and amount of the lease. The right of use has been valued at 1 January 2019 in the same amount as the liability adjusted for incentives and prepayments. As regards leases related to the real estate business in Poland, the rights of use have been recognised in investment property, if they comply with the definition of investment property. Land leases that form part of its production activity are included in the inventories item. The Group has also availed itself of the following practical solutions permitted by the standard:

- exclusion of the adjustment on first-time adoption for those leases having maturities of less than 12 months at 1 January (calculated in accordance with IFRS 16),
- exclusion of the adjustment on first-time adoption for leases which are accounted for as low-value leases in accordance with IFRS 16, and
- for long-term lease agreements with initial direct costs, these have been excluded from the right-of-use asset calculation.

Leases carried as finance leases under IAS 17 have been reclassified using their carrying amount just before the date of first-time adoption.

During the transition, the Group has recognised right-of-use assets in the amount of EUR 119 million and additional lease liabilities of EUR 119 million. When calculating lease liabilities at 1 January 2019, the Group applied discount rates of between 2% and 6%, depending on the lease term and the country of the company holding the lease. There is also an impact on equity of EUR -24 million related to the equity consolidation of HAH (see Note 4). The right of use assets have been calculated in transition at their carrying amount as if the standard had been applicable since lease inception, for the net depreciation amount.

The detailed breakdown of the financial statements affected by this adjustment at 1 January 2019 is as follows:

(Millions of euros)	Transition to IFRS 16 01/01/2019
Right of use	90
Investment property	2
Investments in associates	-24
Deferred taxes	0
Inventories	27
TOTAL ASSETS	**95**
Equity	**-24**
Long-term lease liabilities	88
Short-term lease liabilities	31
Liabilities	**119**
TOTAL LIABILITIES AND EQUITY	**95**

For the Services Division classified as discontinued operations, the transition adjustment at 1 January 2019 for the rights of use and lease liabilities amounts to EUR 244 million.

Set out below is the reconciliation of operating lease commitments at 31 December 2018 and the liabilities recognised at 1 January 2019 under IFRS 16:

(Millions of euros)	CORPORATE BUSINESS AND AIRPORTS	CONSTRUCTION	TOLL ROADS	TOTAL
Operating lease commitments at 31 December 2018	**11**	**93**	**4**	**108**
Present value of the lease commitments	**10**	**86**	**3**	**99**
Low-value and short-term leases	-2	-2	0	**-4**
Extension and early termination options	12	0	0	**12**
Other changes	-1	13	0	**13**
Lease liabilities at 1 January 2019	**19**	**97**	**3**	**119**

* At 31 December, of the total EUR 389 million for operating lease commitments, EUR 282 million relate to Services.

In 2018, leases were accounted for in accordance with IAS 17. From the viewpoint of both the lessee and the lessor, there were two categories of lease: finance leases and operating leases.

In terms of the presentation, of note is that the lease liabilities do not form part of the net cash position (Note 6) and are presented in the "long- and short-term liability" balance sheet lines, based on their expiry.

2.3 New standards and amendments not applied in the six-month period ended 30 June 2019 that will be applicable in future years.

The new standards, amendments and interpretations that might have an effect on the Group, but that have not yet been approved by the IASB are as follows: Amendments to the references to the conceptual framework; Amendments to IAS 1 and IAS 8 for the Definition of material or with relative importance; Amendment to IFRS 3 Definition of a business. None of these standards are expected to have any significant impact on the company.

2.4 Accounting estimates and judgements.

In the interim condensed consolidated financial statements as at 30 June 2019 estimates were made to measure certain of the assets, liabilities, revenues, expenses and commitments reported in those statements, which match those described in the consolidated annual accounts for the financial year ended 31 December 2018 except for the estimate related to the new standard on leases (IFRS 16): estimation to determine the term of lease agreements when they include cancellation or extension options; assessment of whether the exercise of such options, which affect the value of the right-of-use asset and the lease liability, is reasonably certain.

2.5 Basis of consolidation

The basis of consolidation applied at 30 June 2019 are consistent with those applied in the consolidated annual accounts for the year ended 31 December 2018.

3. Reporting by segment and geographic market.

The Board of Directors of the Parent analyses the performance of the Group mainly from a business perspective. From this perspective, the Board assesses the performance of the construction, toll road, airport and service (as a discontinued operation) divisions. These segments are the same as those used in the consolidated annual accounts for 2018. The "other" column in the accompanying segment income statement includes consolidation adjustments between business division.

The detail of revenue by segment and the comparison with the previous year is as follows:

	30/06/2019			
(Millions of euros)	EXTERNAL REVENUE	INTERSEGMENT REVENUE	TOTAL	CHANGE 19/18
Construction	2,229	79	2,308	-5%
Toll roads	287	1	287	38%
Airports	9	0	9	25%
Other segments	3	70	74	-53%
Adjustments	0	-75	-75	-31%
Total	**2,528**	**75**	**2,603**	**-4%**

	30/06/2018		
(Millions of euros)	EXTERNAL REVENUE	INTERSEGMENT REVENUE	TOTAL
Construction	2,150	286	2,437
Toll roads	207	1	208
Airports	7	0	7
Other segments	83	75	158
Adjustments	0	-109	-109
Total	**2,447**	**254**	**2,701**

The total amount of revenue from client contracts is EUR 2,546 million (30 June 2018: EUR 2,650 million).

The inter-segment revenue that is not eliminated in the Group's consolidated financial statements are those made by the Construction Division to the project companies, as discussed in Note 13.

The income statement by segment for the six-month periods ended 30 June 2019 and 30 June 2018 is detailed in the Appendices.

Geographic areas

Business volume by geographic area breaks down as follows:

(Millions of euros)	2019	2018	Change 19/18
Spain	468	492	-5%
UK	172	164	5%
Australia	55	135	-64%
USA	812	826	-2%
Canada	21	30	-30%
Poland	760	779	-3%
Other	316	274	12%
TOTAL	**2,603**	**2,701**	**-4%**

4. Main changes in the consolidated statement of financial position.

4.1 Exchange rate effect

In the first half of 2019 there was a appreciation in the main currencies in which the Group operates, such as the Canadian dollar (-4.67%), the American dollar (-0.81%), the Polish zloty (-0.41%) and Pound sterling (-1.04%).

CLOSING EXCHANGE RATE	2019	2018	CHANGE 19/18 (*)
Pound sterling	0.8948	0.8984	-0.41%
US dollar	1.1359	1.1452	-0.81%
Canadian dollar	1.4873	1.56013	-4.67%
Australian dollar	1.6202	1.62595	-0.35%
Polish zloty	4.2444	4.2888	-1.04%
Chilean peso	770.65	794.66	-3.02%

AVERAGE EXCHANGE RATE	2019	2018	CHANGE 19/18 (*)
Pound sterling	0.8721	0.8802	-0.91%
US dollar	1.1299	1.20667	-6.37%
Canadian dollar	1.5006	1.54682	-2.99%
Australian dollar	1.5967	1.57296	1.51%
Polish zloty	4.2810	4.24612	0.82%
Chilean peso	763.3750	743.54333	2.67%

(*) A negative change represents an appreciation of the reference currency against the euro and vice versa.

This change has had a positive impact on shareholders' funds attributable to the Parent of EUR 56 million. The main impact arose as a result of the appreciation of the Canadian dollar (EUR 56 million). It should be noted that, as discussed in the annual accounts for 2018, the Company has arranged various hedging instruments (see Note 8.2) the purpose of which is to hedge the foreign currency risk of the dividends that will foreseeably be received in future years and a portion of the cash balances invested in currencies other than the euro.

4.2 Acquisitions and goodwill

a) Main changes in the period:

The changes in "goodwill on consolidation" for June 2019 are as follows:

(Millions of euros)	BALANCES AT 31/12/2018	RECLASS. TO HELD FOR SALE	EXCHANGE RATE	BALANCES AT 31/05/2019
Construction	**202**	**0**	**2**	**204**
Budimex	68	0	1	69
Webber	134	0	1	135
Toll roads	**128**	**-70**	**0**	**58**
Ausol	70	-70	0	0
Autema	58	0	0	58
Airports	**42**	**0**	**0**	**42**
Transchile	42	0	0	42
TOTAL	**372**	**-70**	**2**	**304**

The most significant change during the first half relates to Autopista del Sol and is the result of the sale agreement reached with the French infrastructure fund Meridiam (see Note 1.3) and its consequent reclassification to Assets held for sale.

b) Possible indications of impairment:

The impairment tests on the Group's existing goodwill were not updated since there were no indications that they might have become impaired at the date of preparation of these interim condensed consolidated financial statements.

4.3 Fixed assets in infrastructure projects.

The detail of "fixed assets in infrastructure projects" at 30 June 2019 and 31 December 2018 is as follows:

(Millions of euros)	BALANCE AT 31/12/2018	TOTAL ADDITIONS	TOTAL DISPOSALS	RECLASS. TO HELD FOR SALE	EXCHANGE RATE EFFECT	BALANCE AT 30/06/2019
Spanish toll roads	736	0	-22	-713	0	0
US toll roads	5,581	65	0	0	45	5,692
Other toll roads	386	0	0	0	0	386
Investment in toll roads	**6,703**	**65**	**-22**	**-713**	**45**	**6,079**
Accumulated amortisation	-424	-37	4	203	-1	-255
Net investment in toll roads	**6,279**	**28**	**-18**	**-510**	**44**	**5,824**
Investment in other infrastructure projects	2	3	0	0	0	4
Amortisation of other infrastructure projects	-1	0	0	0	0	-1
Total net investment in other infrastructure projects	**1**	**3**	**0**	**0**	**0**	**3**
Total investment	**6,705**	**68**	**-22**	**-713**	**45**	**6,083**
Total amortisation and provision	**-425**	**-37**	**4**	**203**	**-1**	**-256**
Total net investment	**6,280**	**31**	**-18**	**-510**	**44**	**5,827**

There was a total net change of EUR -453 million in the net investment in assets accounted for using the intangible asset model in the first half of 2019, with the most significant change being the Autopista del Sol being reclassified to held for sale in the amount of EUR -510 million (see Note 1.3), offset by the US toll roads.

- The appreciation of the US dollar (see Note 4.1) in the first six months of the year increased these assets by a total net amount of EUR 44 million.
- There was also an increase in assets of EUR 65 million (excluding the exchange rate effect), primarily at I-77 Mobility Partners LLC for EUR 32 million and at North Tarrant Express Seg. 3 for EUR 33 million.

The assets accounted for using the receivable asset model pursuant to IFRIC 12, amounting to EUR 905 million (31 December 2018: EUR 875), relate mainly to long-term receivables (more than one year) from governments in return for services rendered or investments made under the framework of a concession arrangement. The most significant balance relates to the Terrassa Manresa toll road for EUR 661 million at 30 June 2019 (31 December 2018: EUR 642 million).

There were no material changes in this line item.

The total cash flow impact of the additions to projects accounted for using the intangible and receivable asset models amounted to EUR -55 million (see Note 7), which differs from the additions recognised in the balance sheet, primarily due to the following reasons:

- In projects in which the intangible asset model is applied, due to differences between the accrual basis and cash basis of accounting, as well as the capitalisation of the borrowing costs attributable to projects under construction, which do not generate cash outflows.
- In projects in which the receivable asset model is applied, due to the increases in receivables as a balancing entry to income for services rendered, which do not generate cash outflows either.

4.4 Investments in Associates

The detail of the investments in equity-accounted companies at 30 June 2019 and of the changes therein in the period is shown in the following table. Due to their significance, the investments in 407 ETR (43.23%) and HAH (25%) are presented separately.

2018 (Millions of euros)	HAH (25%)	407 ETR (43.23%)	OTHER	TOTAL
Balance at 31.12.18	**705**	**1,475**	**275**	**2,455**
Transition to IFRS 16	-24	0	0	**-24**
Balance at 01.01.19	**681**	**1,475**	**275**	**2,431**
Share of profit/(loss)	-2	62	17	**76**
Dividends	-58	-144	-15	**-217**
Foreign exchange differences	6	71	2	**78**
Pensions	-19	0	-3	**-21**
Other	10	0	-17	**-8**
Balance at 30.06.19	**617**	**1,463**	**258**	**2,339**

Change: the changes in this item were primarily due to the distribution of dividends of EUR -217 million.

Impact on cash flow: The difference between the dividends of EUR 217 million in the foregoing table and dividends of EUR 242 million disclosed in the consolidated cash flow statement (see Note 7) relate mainly to interest received on and repayments of loans granted to equity-accounted companies and the effect of certain currency hedges related to dividends received.

In view of the importance of the investments in 407 ETR and HAH, below is a detail of the balance sheets and income statements of these two companies, adjusted to bring them in line with Ferrovial's accounting policies, together with comments on the changes therein in the first six months of 2019.

a. Information relating to Heathrow Airport Holding (HAH)

a. Impairment test

The operational performance of this asset in 2019 was positive compared with 2018 and in line with expectations. Based on the above, it was concluded that there were no indications of impairment giving rise to the need to conduct a new impairment test for these half-yearly accounts.

b. Changes in the Balance Sheet 2019-2018

HAH (100%) GBP (MILLION)	Jun. 2019	Dec. 2018	Change 19/18
Non-current assets	**17,373**	**16,766**	**608**
Goodwill	2,753	2,753	0
Fixed assets in infrastructure projects	13,764	13,391	373
Non-current financial assets	50	50	0
Pension plan surplus	0	28	-28
Deferred taxes	0	0	0
Financial derivatives	806	543	263
Other non-current assets	0	0	0
Current assets	**1,142**	**1,084**	**58**
Trade and other receivables	662	419	243
Financial derivatives	0	0	0
Cash and cash equivalents	468	652	-184
Other current assets	12	13	-1
Total assets	**18,515**	**17,849**	**666**

HAH (100%) GBP (MILLION)	Jun. 2019	Dec. 2018	Change 19/18
Equity	**-115**	**212**	**-327**
Non-current liabilities	**17,248**	**16,389**	**858**
Provisions for pensions	71	32	39
Financial borrowings	14,546	14,060	486
Deferred taxes	701	763	-62
Financial derivatives	1,475	1,523	-48
Other non-current liabilities	454	11	443
Current liabilities	**1,383**	**1,248**	**135**
Financial borrowings	854	742	111
Trade payables	402	412	-10
Financial derivatives	66	39	27
Other current liabilities	62	55	7
Total liabilities	**18,515**	**17,849**	**666**

<u>Accounting policies:</u>
The balance analysed in this note includes the impact of the standardisation adjustments with the aim of adapting the accounting criteria for HAH to the accounting criteria applied by Ferrovial Although both companies apply IFRS accounting criteria, the main standardisation adjustment relates to the valuation of investment property, given that in accordance with the alternatives detailed in IAS 40, HAH applies fair value to its valuation, while Ferrovial applies the historical cost alternative. The adjustment to historic equity due to this difference is GBP -766 million.

<u>Equity:</u>
At 30 June 2019, equity amounted to GBP -115 million, (GBP 651 million without considering the standardisation adjustment of the aforementioned investment property valuation), a reduction of GBP 327 million compared to December 2018. In addition to the profit of GBP -8 million for the period, the main noteworthy changes are the dividends paid to shareholders amounting to GBP -200 million, the impact due to pension plans of GBP -65 million and the impact due to the application of the new IFRS 16 accounting standard amounting to GBP -88 million. In the opposite direction, noteworthy is the positive impact of GBP 30 million recognised in reserves relating to effective hedges.

Finally, as regards equity, of particular note is that the 25% of the shareholders' funds that appear in the attached balance sheet do not correspond to the carrying amount of the ownership interest, since the carrying amount also includes the amount of the gain arising from the remeasurement at fair value of the investment retained following the loss of control on the sale of a 5.88% ownership interest of this company in October 2011. The gain was recognised as an addition to goodwill. Therefore, in order to obtain the carrying amount of Ferrovial, it would be necessary to increase the 25% of the shareholders' funds presented above (GBP -29 million) by the amount of the aforementioned gain (GBP 581 million), giving a total of GBP 552 million which, translated at the year-end exchange rate (EUR 1 = GBP 0.89475), equates to an ownership interest of EUR 617 million.

<u>Financial borrowings:</u>

The borrowings of HAH (short and long-term) amounted to GBP 15,400 million at 30 June 2019, an increase of GBP 597 million with respect to December 2018 (GBP 14,802 million). This increase is primarily due to the bond issues for GBP 787 million and bank borrowings for GBP 265 million, as well as the negative impact of exchange rates and fair value of GBP 272 million (of this impact GBP 252 million related to the fair value adjustment of the bonds issued in foreign currency hedging of Cross Currency Swaps), offset by bond depreciation for an amount of GBP -262 million and bank borrowings for GBP -429 million and a reduction in accrued interest payable for an amount of GBP -27 million and bond issue expenses for EUR -7 million.

<u>Derivative financial instruments at fair value</u>

The notional principal amount of HAH's derivatives portfolio at 30 June 2019 totalled GBP 13,561 million, including cross-currency swaps with a notional value of GBP 4,733 million to hedge issues in currencies other than the pound sterling, interest rate swaps (IRSs) with a notional value of GBP 2,309 million to hedge the interest rate risk relating to the borrowings, and index-linked swaps (ILSs) with a notional value of GBP 6,519 million to convert certain debt issues into index-linked debt.

The net change in the value (asset/liability position) of these financial instruments gave rise to a GBP 284 million reduction in liabilities in the financial year. The main impacts relate to:

- Cash settlements (net payments) of GBP +169 million.
- Accrual of financial expenses (financial income/(expense)) of GBP -37 million.

- Fair value adjustments to these instruments (fair value-related result) with a positive impact of GBP 115 million, due to the following concepts:
  - Cross Currency Swaps (GBP 248 million). This effect is offset by the fair value adjustment of the bonds issued in foreign currency hedging of these instruments as discussed above, with a negative impact in P&L for fair value of EUR -252 million.
  - Index Linked Swaps (GBP -97 million),
  - Interest Rate Swaps (GBP -35 million).
- Effect on reserves of GBP 37 million in relation to effective hedges.

c. Changes in the income statement 2019-2018

HAH (100%) GBP (MILLIONS)	June 2019	June 2018	Change 19/18
Operating income	1,461	1,405	55
Operating expenses	-553	-554	1
EBITDA	**907**	**852**	**56**
Depreciation charges	-414	-374	-39
Operating profit/(loss) before impairment and disposals	**494**	**477**	**17**
Impairment and fixed asset disposals	0	0	0
Operating profit/(loss)	**494**	**477**	**17**
Net financial income/(expense)	-486	-226	-259
Pre-tax profit/(loss)	**8**	**251**	**-243**
Income tax	-17	-53	36
Profit/(loss) from continuing operations	**-8**	**198**	**-207**
Profit/(loss) from discontinued operations	0	0	0
Net profit/(loss)	**-8**	**198**	**-207**
Profit/(loss) attributed to Ferrovial (Millions of euros)	**-2**	**56**	**-59**

Particularly noteworthy with respect to the income statement is the net financial income/(expense), which was affected by the fair value adjustments to derivatives and liabilities at fair value (mainly index linked swaps and interest rate swaps), totalling GBP -136 million (EUR -32 million net attributable to Ferrovial). At June 2018, these items totalled GBP 137 million (effect of EUR 32 million on the net profit/(loss) of Ferrovial).

The management report includes detailed disclosures on the changes in HAH's results.

b. Information relating to 407 ETR

a. Impairment test

At 30 June 2019, there was no indication that the carrying amount of the 407 ETR toll road in the Group's consolidated financial statements had become impaired. As indicated in the annual accounts for 2018, there is a very significant buffer between the measurement and the carrying amount of the company.

b. Changes in the Balance Sheet 2019-2018.

407 ETR (100%) CAD MILLION	June 2019	Dec. 2018	Change 19/18
Non-current assets	**4,486**	**4,469**	**17**
Fixed assets in infrastructure projects	3,968	3,978	-10
Non-current financial assets	485	459	26
Deferred taxes	34	33	1
Other non-current assets	0	0	0
Current assets	**1,005**	**791**	**214**
Trade and other receivables	269	242	27
Cash and cash equivalents	736	549	187
Total assets	**5,491**	**5,260**	**231**
Equity	**-4,071**	**-3,813**	**-258**
Non-current liabilities	**9,390**	**8,865**	**525**
Financial borrowings	8,872	8,351	521
Deferred taxes	518	514	5
Current liabilities	**172**	**209**	**-37**
Financial borrowings	113	105	9
Trade and other payables	59	104	-45
Total liabilities	**5,491**	**5,260**	**231**

Below is a description of the main changes in the balance sheet of 407 ETR at 30 June 2019 compared to the previous year:

- Equity: Equity dropped by CAD 258 million compared to the previous year, as a result of a profit for the year of CAD 242 million and a reduction due to the payment of a dividend of CAD 500 million to shareholders.

43.23% of the shareholders' funds of the investee do not correspond to the consolidated carrying amount of the ownership interest, since the latter also includes the amount of the gain arising from the remeasurement at fair value of the investment retained following the disposal of a 10% ownership interest in this company in 2010, which was recognised as an addition to the value of the concession, and the goodwill arising in 2009 as a result of the merger of Ferrovial, S.A. and Cintra Infraestructuras, S.A. Therefore, in order to obtain the consolidated carrying amount at Ferrovial, it is necessary to increase the 43.23% of the shareholders' funds presented above (CAD -1,760 million) by the aforementioned gain and the goodwill (CAD 2,617 million and CAD 1,319 million, respectively) giving a total of CAD 2,177 million which, translated at the closing exchange rate (EUR 1 = CAD -1,4873), amounts to the investment of EUR 1,463 million.

- Financial borrowings: Financial borrowings as a whole increased by CAD 530 million compared to December 2018, primarily due to the two bond issues in March 2019 (Series 19-A1 with a nominal value of CAD 300 million and maturing in 2030 and Series 19-A2 with a nominal value of CAD 500 million maturing in March 2049). This increase is offset by the early redemption of the Series 10-A2 bond in March 2019 (maturity June 2020), which had a nominal value of USD 300 million.

c. Changes in the income statement 2019-2018.

The table below details the income statement for 407 ETR in the period June 2019 and June 2018:

407 ETR (100%) CAD MILLION	June 2019	June 2018	Change 19/18
Operating income	700	651	49
Operating expenses	-89	-81	-8
EBITDA	**610**	**570**	**40**
Depreciation charges	-52	-53	1
Operating profit/(loss)	**558**	**517**	**41**
Net financial income/(expense)	**-228**	**-210**	**-18**
Pre-tax profit/(loss)	**330**	**307**	**22**
Income tax	-87	-81	-6
Net profit/(loss)	**242**	**226**	**16**
Profit/(loss) attributable to Ferrovial (millions of euros)	62	57	5

The management report includes detailed disclosures on the changes in 407ETR's results.

c. *Other associates*

Appendix II to the Consolidated Annual Accounts as at December 2018 includes a list of the investments in equity-accounted companies, indicating their name, the country in which they were incorporated, the business segment to which they belong, the percentage of ownership interest, the aggregate assets and liabilities, net revenue and the profit or loss for the year.

The share of the profits includes most notably the contribution of the Norte-Litoral and Algarve Portuguese toll roads (EUR 8 million).

The dividends received primarily relate to AGS (EUR 8 million) and the Norte Litoral and A66 Benavente Zamora toll roads (EUR 4 million and EUR 3 million respectively).

I-66 toll road

Although at the close of June 2019 the investment in the capital of the I-66 toll road was not material, of note is that there is a commitment to invest an additional EUR 670 million in the next five years.

At 30 June 2019, the main toll road asset is the fixed assets used in infrastructure projects in the amount of EUR 992 million. In terms of liabilities, of particular note is financial borrowings in the amount of EUR 1,121 million.

4.5 Working capital

This note reflects changes in the asset items inventories and short-term trade and other receivables and the liability item short-term trade and other payables. The net balance of these items is called working capital (see section 4 of the consolidated annual accounts as at December 2018).

The following table shows the changes in these items:

Millions of euros	2018	IFRS 16	Exchange rate	Changes in the consolidation scope	Other	2019
Total inventories	**594**	**27**	**6**	**1**	**42**	**670**
Trade receivables for sales and services	528	0	4	5	170	707
Completed work pending certification	273	0	4	0	31	308
Other receivables	289	0	1	1	36	327
Total short-term trade and other receivables	**1,090**	**0**	**9**	**6**	**237**	**1,342**
Trade payables	-1,313	0	-8	-2	51	-1,272
Work certified in advance	-486	0	-2	3	-89	-574
Advance payments from clients	-604	0	-6	0	57	-553
Other short-term payables	-297	0	-1	4	-19	-313
Total short-term trade and other payables	**-2,700**	**0**	**-17**	**5**	**0**	**-2,712**
TOTAL	**-1,016**	**27**	**-3**	**12**	**280**	**-700**

The main changes relate to short-term trade and other receivables, with a total increase of EUR 252 million during 2019 as a result of different effects:

- The exchange rate effect had a positive impact on this line item of EUR 9 million.
- Changes in the consolidation scope had a positive impact of EUR 6 million on these line items.
- The "other" column includes changes arising from trading of the year, with the increase for this concept amounting to EUR 237 million. The main reason for this variation in the semester is explained by the seasonality in collections.

As regards the line item "trade and other payables", although the total change in the year is not material, of note is the increase of EUR 89 million in "Work certified in advance". This change is primarily due to the recognition in the first quarter of the future loss provision in relation to construction contracts in the US, which has lead to a loss of EUR 345 million being recognised. Part of this loss (more specifically EUR 100 million) has been recognised as an adjustment attributed to income, given that in said works, the income is registered based on the measure of progress against costs, and applying said methodology means there is an adjustment of the cost estimate, which implies an adjustment of the historic revenue recognised. The balancing entry of this adjustment in revenue has been recognised in "Work certified in advance" in the same amount of EUR 100 million, with the remainder of the loss (EUR 245 million) being recognised against the account "Provision for budgeted losses".

4.6 Provisions

The provisions recognised by the consolidated Group are intended to cover the risks arising from its various operating activities. They are recognised using the best estimates of the existing risks and uncertainties and their possible evolution.

This note provides a breakdown of all the line items composing "long-term provisions" and "operating provisions" on the liability side of the balance sheet. At 30 June 2019, the changes have been as follows:

(Millions of euros)	Long-term provisions	Short-term provisions	TOTAL
Balance at 31 December 2018	459	431	890
Impact of changes in the consolidation scope and other transfers	-39	-3	-42
Impact of exchange rate	1	3	4
Other changes in the year:	8	201	209
Charges/reversals with an impact on gross operating profit	*2*	*219*	221
Charges/reversals with an impact in other income and expense items	*37*	*0*	37
TOTAL impacts charges/reversals	*39*	*219*	258
Amounts used with an impact on working capital	*-8*	*-18*	*-26*
Other amounts used	*-23*	*0*	*-23*
TOTAL impact of amounts used	*-31*	*-18*	*-49*
Balance at 30 June 2019	429	632	1,061

- The main change in the year in the line item "Recognition/reversal with an impact on EBITDA", arises from the loss recognised in the first quarter of the year relating to construction contracts in the US for EUR 345 million, of which, and as detailed in Note 4.5, EUR 100 million has been recognised as reduced income with a balancing entry in "Works certified in advance" and the remainder (EUR 245 million), as a provision charge as a balancing entry to the account "Provision for budgeted losses" within the Short-term provisions balance.

- Use of provisions in the amount of EUR -49 million with no impact on profit/(loss) and had balance entries on working capital amounted to EUR -26 million (see Note 7).

- In the first quarter of the year, the profit/(loss) of the Services business classified as discontinued operations, recognised a net provision of EUR 59 million, and in addition, the total applied amounted to EUR -276 million against working capital, of which, EUR -242 million relates to costs incurred from the Birmingham contract, the impact of which on cash flow amounts to EUR -115 million (GBP - 100 million), see Note 7.2.

4.7 Deferred taxes

The detail of the changes to deferred tax assets and liabilities at 30 June 2019 is as follows:

Deferred taxes (Millions of euros)	2018	Change	2019
Assets	**664**	**-15**	**649**
Tax losses	177	2	179
Other deferred tax assets	487	-17	470
Liabilities	**574**	**-9**	**565**

There are no significant changes in the total assets and liabilities balance. As regards assets, the reduction of EUR 15 million relates to the reclassification of assets held for sale of the deferred items at Ausol (primarily related to the capitalisation of financial expenses), offset by the recognition of a deferred asset related to provisions for budgeted construction losses, which will be tax deductible, as and when the losses materialise.

4.8 Other non-current assets and liabilities

- Non-current financial assets and financial derivatives: the changes in non-current financial assets and derivative financial instruments at fair value, both assets and liabilities, are explained in Note 8.2.
- Net debt: The changes in cash and cash equivalents and borrowings are explained in Note 6.

5. Equity

Changes in Equity

The detail of the changes in equity in the six-month period ended 30 June 2019 is as follows:

2019 Millions of euros	Attributed to shareholders	Attributed to non-controlling interests	Total equity
Equity at 31/12/2018	**4,530**	**833**	**5,363**
Transition to IFRS 16	-24	0	-24
Equity at 01/01/2019	**4,506**	**833**	**5,339**
Consolidated profit/(loss) for the year	**-6**	**-44**	**-50**
Impact on reserves of hedging instruments	-32	15	-17
Impact on reserves of defined benefit plans (*)	-20	0	-20
Translation differences	56	9	65
Income and expenses recognised directly in equity	**4**	**24**	**28**
Amounts transferred to the income statement	**0**	**0**	**0**
Scrip and other dividends	-102	-21	-123
Treasury share transactions	-66	0	-66
Shareholder remuneration	**-168**	**-21**	**-190**
Share capital increases/reductions	0	24	24
Share-based remuneration schemes	-6	0	-6
Subordinated hybrid bond	-9	0	-9
Other changes	-1	1	0
Other transactions	**-16**	**25**	**8**
Equity at 30.06.19	**4,319**	**816**	**5,135**

(*) Pursuant to the amendments to IAS 1, presentation of financial statements, the impact on reserves of defined benefit plans is the only item of income and expenses recognised directly in equity that cannot subsequently be reclassified to profit or loss.

The reduction in equity in the first half of the year relates to the following effects:

Transition to IFRS 16: As explained in Note 2.2., IFRS 16 came into force on 1 January 2019. The impact of first-time adoption on the parent's reserves was EUR -24 million.

Consolidated profit/(loss) for the period: the consolidated profit/(loss) for the period attributable to the Parent amounted to EUR -6 million.

Income and expenses recognised directly in equity: unlike the detail presented in the main statement of changes in equity, the impacts are shown net of the related tax effect.

Impact on reserves of hedging instruments: the recognition of the fair value changes in derivative financial instruments designated as hedges gave rise to a negative impact of EUR -32 million on the Parent Company shareholders' funds, of which EUR -20 million corresponds to fully consolidated companies, EUR -9 million to equity-accounted companies and EUR -3 million to services classified as discontinued operations.

Impact on reserves of defined benefit plans: this reflects the impact on equity of the actuarial gains and losses arising from adjustments and changes to the Group's defined benefit plan assumptions, which had a net impact in the period of EUR -20 million, relating to the equity-accounted companies (HAH/AGS).

Translation differences: this had a positive impact on shareholders' funds attributable to the Parent of EUR 56 million. The main impact arose as a result of the appreciation of the Canadian dollar (EUR +56 million).

Shareholder remuneration:

Scrip dividend: The impact in this connection relates to the first tranche of the shareholder remuneration scheme approved by the General Shareholders' Meeting of Ferrovial, S.A. held on 5 April 2019. Under this scheme, the shareholders can freely choose to receive newly issued shares of the Company by subscribing a share capital increase with a charge to reserves or an amount in cash through the transfer to the Company (if they have not already done so in the market) of the free allocation rights corresponding to the shares held by them. It should be noted that 55.47% of the shareholders opted to receive shares of the Company, whereas 44.53% availed themselves of the Company's commitment to purchase rights.

Consequently, in the first half of 2019, a share capital increase was carried out for a total amount of 5,936,542 shares with a par value of EUR0.20 per share, representing an increase in share capital of EUR 1.2 million. Also, free allocation rights amounting to EUR 102 million were purchased, representing a price per share of EUR 0.311.

Treasury stock transactions: the changes in treasury shares in the first half of 2019 were as follows:

TRANSACTION PERFORMED/OBJECTIVE	NUMBER OF SHARES ACQUIRED	NUMBER OF SHARES USED FOR OBJECTIVE	TOTAL NUMBER OF SHARES
BALANCE AT 31 DECEMBER 2018			**7,411,668**
Treasury stock for capital reduction	1,573,236		1,573,236
Discretionary and other treasury stock	1,500,960		1,500,960
Treasury stock to cater for remuneration schemes	351,104	-661,633	-310,529
Shares received - scrip dividend	108,332		108,332
BALANCE AT 30 JUNE 2019			**10,283,667**

The Annual General Meeting of Ferrovial, S.A. held on 5 April 2019 approved a treasury share buy-back programme of up to a maximum of 19 million shares for a maximum amount of EUR 275 million, the objective of which is a subsequent share capital reduction through the retirement thereof. Over the course of 1H 2019 3,074,196 shares were acquired at an average price of EUR 21.52 per share, giving rise to a payment totalling EUR 66 million.

In addition, at 30 June 2019, 351,104 treasury shares had been acquired in order to implement various remuneration schemes, and 661,633 shares had been used for this purpose. The remuneration schemes had an impact of EUR -6 million on the Company's equity (see Other transactions section).

The market value of the treasury shares held by Ferrovial at 30 June 2019 (10,283,667 shares) was EUR 231 million.

Other transactions:

Share capital increases: There was an increase of EUR 24 million in the equity attributable to non-controlling interests, primarily relating to the I-77 Mobility Partners LLC and North Tarrant Express Segments 3 toll roads for EUR 18 million and EUR 2 million, respectively and at Sugar Creek Construction LLC for EUR 4 million.

Share-based remuneration schemes**:** this reflects mainly the treasury stock transactions relating to share-based remuneration schemes for management, which had an impact of EUR -6 million on equity, as mentioned in the preceding section.

Subordinated hybrid bond. As described in the consolidated accounts at 31 December 2018, the Group issued perpetual subordinated bonds for a nominal amount of EUR 500 million, the features of which remain unchanged at 30 June 2019. The impact of accrued interest and the coupon payment is reflected in reserves, in a similar manner to dividends, amounting to EUR -9 million at the close of June 2019.

6. Net cash position

In order to present an analysis of the Group's net debt position, the following table contains a breakdown of the net cash position. The net cash position is understood to be the balance of the items included under "cash and cash equivalents", together with the "long-term restricted cash of infrastructure projects", less borrowings (short and long-term bank borrowings and bonds). The net cash position also includes forwards totalling EUR -28 million that hedge the cash held by the Group in Australian dollars and Canadian dollars, as well as cross currency swaps, with a value of EUR -6 million, associated with the borrowings denominated in dollars. The derivatives are accounted for in this way because they are associated in full with the aforementioned borrowings/cash and the related exchange rate effect is netted off therefrom.

The method used to define the Group's net cash position coincides with that used in the preparation of the Consolidated Annual Accounts for 2018.

The net cash position is in turn broken down into that relating to infrastructure projects and to other Group companies.

The following tables show the detail of the net cash position for both June 2019 and December 2019

	30.06.2019							
(Millions of euros)	BANK BORROWINGS /BONDS	CROSS CURRENCY SWAPS	CASH AND CASH EQUIVALENTS	FORWARDS	LONG-TERM RESTRICTED CASH	NET BORROWING POSITION	INTRA-GROUP POSITION	TOTAL
Ex-infrastructure project companies	-3,051	-6	3,541	-28	6	462	-35	427
Infrastructure project companies	-4,954	0	218	0	531	-4,204	35	-4,169
Total net consolidated debt	**-8,004**	**-6**	**3,759**	**-28**	**537**	**-3,742**	**0**	**-3,742**

	31.12.2018							
(Millions of euros)	BANK BORROWINGS /BONDS	CROSS CURRENCY SWAPS	CASH AND CASH EQUIVALENTS	FORWARDS	LONG-TERM RESTRICTED CASH	NET BORROWING POSITION	INTRA-GROUP POSITION	TOTAL
Ex-infrastructure project companies	-2,807	-6	3,766	55	1	1,009	-34	975
Infrastructure project companies	-5,385	0	239	0	472	-4,673	34	-4,640
Total net consolidated debt	**-8,192**	**-6**	**4,005**	**55**	**473**	**-3,664**	**0**	**-3,664**

Breakdown of net debt for discontinued operations and assets held for sale:

	JUNE 2019			DECEMBER 2018			
(Millions of euros)	BANK BORROWINGS /BONDS	CASH AND CASH EQUIVALENTS	NET BORROWING POSITION	BANK BORROWINGS /BONDS	CASH AND CASH EQUIVALENTS	NET BORROWING POSITION	Var.
Ex-infrastructure project companies	-322	377	55	-145	406	261	-206
Infrastructure project companies	-333	94	-239	-361	116	-245	6
Net debt from discontinued operations	**-655**	**471**	**-184**	**-506**	**522**	**16**	**-199**
Ausol toll road	-497	62	-435	-508	65	-443	9
Net debt for discontinued operations and assets held for sale	**-1,151**	**533**	**-618**	**-1,014**	**586**	**-428**	**-191**

The net cash position excluding discontinued operations was reduced by EUR -78 million, falling from EUR -3,664 million in December 2018 to EUR -3,742 million in June 2019 while the net cash position for discontinued operations and asset held for sale was reduced by EUR -191 million. A more detailed analysis of this change is included in Note 7 on cash flow and in the Interim management report that has been formally prepared together with these interim condensed consolidated financial statements.

6.1. Infrastructure projects

a) Cash and cash equivalents and restricted cash

Infrastructure project financing agreements occasionally impose the obligation to arrange certain restricted accounts to cover short-term or long-term obligations relating to the payment of the principal or interest on the borrowings and to infrastructure maintenance and operation.

In this regard, restricted cash at 30 June 2019 amounted to EUR 537 million (December 2018: EUR 481 million), including both long-term and short-term amounts. The most noteworthy changes were as follows:

- The exchange rate effect had a positive impact of EUR 3 million (see Note 4).
- The EUR 95 million increase in restricted cash, mainly at the NTE toll road (EUR 43 million) and the LBJ toll road (EUR 34 million) and at the NTE Segment 3 (EUR 19 million), because of the requirements under the financing agreement (relating to extraordinary maintenance and debt servicing).
- The impact due to changes in the consolidation scope, primarily due to the reclassification of Autopista del Sol to held for sale for EUR -43 million.

"Other cash and cash equivalents" (excluding restricted cash), which decreased by EUR 17 million in this period, and relates to bank accounts and highly liquid investments subject to interest rate risk. Particularly noteworthy is the impact from the reclassification of Autopista del Sol to held for sale for EUR -19 million. The changes therein are analysed in Note 7, Cash flow.

b) Infrastructure project borrowings

Millions of euros	Dec 2018	Net drawdowns	Exchange rate	Changes in consolidation scope	Jun. 2019
Toll roads	4,982	38	28	-497	4,552
Airports	247	-1	2	0	248
Other	155	-2	0	0	154
Total infrastructure project borrowings	**5,385**	**36**	**30**	**-497**	**4,954**

Infrastructure project borrowings decreased by EUR -431 million compared to December 2018, a change that was mainly due to the following reasons:

- Reclassification of Autopista del Sol to held for sale for EUR 497 million.
- The appreciation of the dollar against the euro (see Note 4) increased indebtedness by EUR 30 million (EUR 12 million at the LBJ toll road; EUR 9 million at North Tarrant Express Managed Lanes Mobility Partners; EUR 6 million at NTE Mobility Partners Segments 3 LLC, EUR 2 million at I-77 Mobility Partners and EUR 2 million at Denver Great Hall).
- With regard to net drawdowns (EUR 36 million), noteworthy were toll roads (EUR +38 million), primarily the US toll roads (EUR 10 million at NTE Mobility Partners Segments 3 LLC, EUR 20 million at LBJ Infrastructure Group, EUR 16 million at North Tarrant Express Mobility Partners and EUR 3 million at the I-77), primarily due to the accrual of debt with no impact on cash (payable accrued interest and interest capitalisation).

The following table shows changes to gross borrowings on infrastructure projects, broken down into changes in borrowings with balancing entries in cash flow, exchange rate effects and changes in the consolidation scope, along with changes in debt resulting from the accrual of interest, which do not involve any changes to cash positions during the financial year:

(Millions of euros)	DEC 2018	INCREASE/REDUCTION IN IMPACT ON CASH FLOW	EXCHANGE RATE EFFECT	IMPACT OF CHANGES IN THE CONSOLIDATION SCOPE	CAPITALISED/ACCRUED INTEREST	OTHER	JUN. 2019
Bank borrowings/bonds for projects	5,385	-16	30	-497	52	0	4,954
Gross debt position projects	**5,385**	**-16**	**30**	**-497**	**52**	**0**	**4,954**

At 30 June 2019, all the project companies were achieving the significant covenants in force.

6.2 Other companies

The net cash position excluding infrastructure projects amounted to EUR 427 million, a change of EUR -548 million compared with December 2018.

a) Cash and cash equivalents of other companies

At 30 June 2019 there were certain restricted accounts totalling EUR 54 million (December 2018: EUR 78 million), of which EUR 6 million related to long-term and EUR 48 million to short-term, primarily in the Construction Division, to service debts and operating payments for projects in progress in the US.

b) Breakdown of borrowings of other companies

(Millions of euros)	31/12/2018	Other companies - net change	Exchange rate	30/06/2019
Construction	59	-4	1	55
Corporate and other	2,749	245	2	2,995
Total ex-infrastructure project company borrowings	**2,807**	**241**	**3**	**3,051**
Cross currency swaps	6	0	0	6
Total ex-infrastructure project company borrowings, including CCSs	**2,813**	**241**	**3**	**3,056**

The borrowings of ex-infrastructure project companies amounted to EUR 3,056 million, an increase of EUR 243 million. Excluding the exchange rate effect, the variation is EUR 241 million. The increase in borrowings is primarily due to the issue of Euro commercial papers in the amount EUR 245 million. The company has arranged an issue of Euro commercial papers for a maximum of up to EUR 1,000 million on the Irish Stock Exchange, approximately EUR 950 million having been issued at June 2019, with an average interest rate of -0.212%. Through this programme, Ferrovial is able to issue commercial paper notes maturing between 1 and 364 days as of the issue date so as to diversify funding sources in capital markets and manage cash surpluses more efficiently.

The following table shows changes to gross borrowings on ex-infrastructure projects, broken down into changes in borrowings with balancing entries in cash flow, exchange rate effects and changes in the consolidation scope, along with changes in borrowings resulting from the accrual of interest, which did not involve any changes to cash positions during the financial year:

(Millions of euros)	DEC 2018	INCREASE/REDUCTION IN IMPACT ON CASH FLOW	EXCHANGE RATE EFFECT	IMPACT OF CHANGES IN THE CONSOLIDATION SCOPE	CAPITALISED/ACCRUED INTEREST	OTHER	JUN. 2019
Bank borrowings/ex-project bonds	2,807	248	3	0	-7	0	3,051
Cross currency swaps	6	0	0	0	0	0	6
Gross debt position ex-infrastructure projects	**2,813**	**248**	**3**	**0**	**-7**	**0**	**3,056**

7. Cash flow

7.1. Cash flow statement

The consolidated cash flow statement has been prepared in accordance with IAS 7. This note provides an additional breakdown in this connection. This breakdown is based on internal criteria established by the Company for business purposes, which in certain cases differ from the provisions of IAS 7. The main criteria applied are as follows:

In order to provide a clearer explanation of the cash generated, the Group separates cash flows into "cash flows excluding infrastructure projects", where infrastructure project concession operators are treated as financial assets and the investments in the capital of these companies are therefore included in cash flows from investing activities and the yields from the investments (dividends and capital reimbursements) are included in cash flows from operating activities, and "cash flows of infrastructure projects", consisting of cash flows from the operating and financing activities of infrastructure project concession operators.

- The treatment given to interest received on cash and cash equivalents differs from that in the cash flow statement prepared in accordance with IAS 7, since this interest is included in cash flows from financing activities, as a reduction of the amount of interest paid, under "interest cash flow".

- The cash flows endeavour to present the changes in the net cash position as the net amount of borrowings, cash and cash equivalents and restricted cash. This method also departs from that established in IAS 7, which explains the changes in cash and cash equivalents.

With regard to the treatment of finance leases, as the nature of the payment is also tied to business operations, the related cash flow is included in changes in working capital in cash flows from operating activities, which differs from the treatment afforded in the cash flow statement, where it is included in cash flows from financing activities (EUR -59 million at June 2019).

It should finally be noted that dividends received derive mainly from infrastructure projects and equity-consolidated companies. This includes both dividends and other similar items, mainly interest on subordinated borrowings and participating loans, and repayments of capital, debt and loans.

As outlined in Note 1.3, the cash flow reported in this note includes cash flows from operating activities, investment and financing for discontinued operations and assets held for sale in the main lines.

The change in cash flow is also discussed in the interim management report that was formally prepared together with these interim condensed consolidated financial statements.

		June 2019 (figures in millions of euros)			
Cash flow detail June 2019 (Millions of euros)	**Note:**	**Cash flow excluding infrastructure project companies**	**Cash flow of infrastructure project companies**	**Eliminations**	**Consolidated cash flow**
EBITDA including discontinued operations		-195	287	0	92
Dividends received	4.4	244	0	-1	242
Working capital variation (receivables, payables and other)	4.5/7.2	-440	-69	0	-510
Pre-tax operating cash flows		**-392**	**218**	**-1**	**-175**
Taxes paid in the year		-17	-4	0	-21
Operations cash flow		**-409**	**214**	**-1**	**-196**
Investment		-117	-55	27	-145
Divestment		3	0	0	3
Investment cash flow		**-114**	**-55**	**27**	**-142**
Cash flows from operating activities		**-523**	**159**	**25**	**-338**
Interest cash flows		3	-91	0	-89
Capital proceeds from non-controlling interests		4	54	-27	31
Scrip dividend		*-102*	*0*	*0*	*-102*
Acquisition of treasury shares		*-66*	*0*	*0*	*-66*
Shareholder remuneration	5	-168	0	0	-168
Dividends paid to non-controlling shareholders of investees		-17	-2	1	-17
Other changes in shareholders' funds		-6	0	0	-6
Exchange rate effect		-40	-26	0	-66
Changes in the consolidation scope		-1	0	0	-1
Other changes in borrowings (not giving rise to cash flows)		-6	-52	0	-57
Cash flows from financing activities		**-231**	**-117**	**-25**	**-374**
Var. net debt from discontinued operations		**206**	**-6**	**0**	**199**
Disposal of net debt from assets held for sale		**0**	**435**	**0**	**435**
Change in net cash position		**-548**	**470**	**0**	**-78**
Opening position	6	975	-4,640	0	-3,664
Closing position	6	427	-4,169	0	-3,742

		June 2018 (figures in millions of euros)			
Cash flow detail June 2018 (Millions of euros)	**Note:**	**Cash flow excluding infrastructure project companies**	**Cash flow of infrastructure project companies**	**Eliminations**	**Consolidated cash flow**
EBITDA including discontinued operations		-93	216	0	122
Dividends received	4.4	307	0	-77	229
Birmingham Provision with no impact on cash flow		198	0	0	198
Working capital variation (receivables, payables and other)	4.5	-482	-57	0	-539
Pre-tax operating cash flows		**-71**	**159**	**-77**	**11**
Taxes paid in the year		2	-2	0	-1
Cash flows from operating activities		**-69**	**156**	**-77**	**10**
Investment		-135	-71	35	-171
Divestment		48	145	0	193
Cash flows from investment activities		**-87**	**74**	**35**	**22**
Cash flows from operating activities		**-156**	**230**	**-43**	**32**
Interest cash flows		-23	-95	0	-118
Capital proceeds from non-controlling interests		0	66	-35	31
Scrip dividend		*-100*	*0*	*0*	*-100*
Acquisition of treasury stock		*-97*	*0*	*0*	*-97*
Shareholder remuneration	5	-197	0	0	-197
Dividends paid to non-controlling shareholders of investees		-48	-78	77	-48
Other changes in shareholders' funds		-4	0	0	-4
Exchange rate effect		-16	-90	0	-106
Changes in the consolidation scope		-5	0	0	-5
Other changes in borrowings (not giving rise to cash flows)		15	-45	0	-30
Cash flows from financing activities		**-278**	**-242**	**43**	**-478**
Change in net cash position		**-434**	**-12**	**0**	**-446**
Opening position	6	1,341	-4,804	0	-3,463
Closing position	6	906	-4,816	0	-3,909

Cash flow from discontinued operations and assets held for sale:

The cash flow from discontinued operations in the Services Division is set out below, which is recognised in the reported cash flow line:

	Discontinued operations				Held for sale
2019	**Ex-infrastructure project companies**	**Infrastructure projects**	**Adjustments**	**Consolidated services**	**Ausol**
Cash flows from operating activities	**-175**	**25**	**-1**	**-152**	**22**
Investment	-78	-9	0	-87	-1
Divestment	1	0	0	1	0
Cash flows from operating activities	**-252**	**16**	**-1**	**-238**	**21**
Cash flows from financing activities (non-controlling interests)	-4	-10	0	-14	-10
2018	**Ex-infrastructure project companies**	**Infrastructure projects**	**Adjustments**	**Consolidated services**	**Ausol**
Cash flows from operating activities	**-71**	**16**	**-70**	**-124**	**22**
Investment	-79	-4	0	-82	-5
Divestment	41	145	0	185	0
Cash flows from operating activities	**-109**	**157**	**-70**	**-21**	**17**
Cash flows from financing activities (non-controlling interests)	-4	-11	0	-15	-10

7.2 Changes in working capital:

The variations in working capital (EUR -510 million) are the metric that explain the difference between the Group's gross operating profit and its pre-tax operating cash flow and arose from the difference between the timing of recognition of revenue and expenses for accounting purposes and the date on which the aforementioned revenue and expenses were transformed into cash, due mainly to changes in the balances of trade receivables and payables to suppliers or other items in the statement of financial position. Thus, a reduction in the balance of trade receivables will give rise to an improvement in working capital and a reduction of the balance of payables to suppliers will give rise to a worsening of working capital.

The changes in this item do not exactly coincide with the changes in working capital reported in Note 4.5 for the following reasons:

	Ex-infrastructure project companies	**Infrastructure projects and adjustments**	**TOTAL**
Change in working capital (Note 4.5)	**-247**	**-33**	**-280**
Change in working capital for discontinued operations and assets held for sale	-96	-16	-112
Change in working capital including discontinued operations	**-343**	**-49**	**-391**
Changes in working capital with an impact on other lines in the cash flow statement	-9	-10	-19
Continuing operations	*-5*	*-12*	*-17*
Discontinued operations	*-4*	*2*	*-2*
Changes in provisions with an impact on EBITDA or on working capital	-22	0	-22
Continuing operations	*195*	*0*	*195*
Discontinued operations	*-217*	*0*	*-217*
Changes in other balance sheet items with an impact on operating cash flow	-67	-10	-77
Continuing operations	-25	-15	-40
Discontinued operations	-42	5	-37
Total working capital reported in the cash flow statement (Note 7.1)	**-440**	**-69**	**-510**
Impact of IFRS 16 reported in financing cash flow statement	59	0	59
Continuing operations	17	0	17
Discontinued operations	42	0	42
Total working capital reported in cash and cash equivalents statement	**-381**	**-69**	**-451**

The differences discussed above relate to the following items:

- Changes in working capital with an impact on other lines in the cash flow statement (mainly investment cash flow). The working capital accounts reported in Note 4.5, in particular the payables to suppliers, can relate to transactions that do not affect operating cash flow, such as fixed asset purchases.
- Changes in provisions with an impact on EBITDA or on working capital for EUR -22 million, which relates to:
  - net provision charge of EUR 280 million (EUR 221 million continuing operations; EUR 59 million discontinued operations) with a negative impact on EBITDA, but with no cash impact (see Note 4.6).
  - an allocation of provisions with an impact on working capital of EUR -302 million (EUR -26 million continuing operations; EUR -276 million discontinued operations. See Note 4.6).
- Changes in other statement of financial position items with an impact on operating cash flow. The changes in working capital reported in Note 4.5 reflect only movements in items included under “short-term trade and other receivables”, “short-term trade and other payables” and “inventories”. In certain cases, operating income and expenses relate not only to items shown in working capital (short-term items) but also to certain items recognised as long-term assets and liabilities, such as long-term trade receivables and long-term trade payables, or even to items in equity accounts such as operations relating to share-based remuneration schemes.

8. Non-current financial assets and derivative financial instruments at fair value

The main changes in derivative financial instruments at fair value (in assets and liabilities) and non-current financial assets were as follows:

Millions of euros	30.06.2019	31.12.2018	Change
Non-current financial assets	**825**	**754**	**71**
Long-term loans to associates	178	173	5
Restricted cash and other non-current financial assets	537	473	64
Other receivables	111	108	2
Derivative financial instruments at fair value (net)	**-8**	**54**	**-63**
Derivative financial instruments at fair value (assets)	496	445	51
Derivative financial instruments at fair value (liabilities)	-504	-390	-114

8.1. Non-current financial assets

"Long-term loans to associates" mainly includes the loan granted to AGS amounting to EUR 101 million (31 December 2018: EUR 100 million), as well as other loans to associates amounting to EUR 78 million (2018: EUR 73 million), primarily in the toll road division.

"Restricted cash relating to infrastructure projects and other financial assets" relates primarily to deposits made at toll road concession operators, the use of which is limited to certain purposes established in the concession arrangement, such as payment of future investments or operating expenses and debt servicing. This item forms part of the net cash position.

8.2. Derivative financial instruments at fair value

In general, the Group's position in derivatives and its hedging strategies remained in line with the situation described in detail in the financial statements for the year ended 31 December 2018. Derivatives are recognised at market value at the trade date and at fair value at subsequent dates.

The detail of the asset and liability balances relating to derivative financial instruments at fair value and of the main impacts on reserves and on profit or loss is as follows:

Millions of euros	Notional amounts at 30.06.19	MTM value at 30.06.2019	MTM value at 31.12.2018	Change	Impact on reserves	Impact on P&L - Fair value	Other effects on statement of financial position or P&L
Interest rate derivatives	1,792	-444	-345	-99	-97	1	-3
Index-linked derivatives	55	447	358	90	95	-1	-5
Equity swaps	50	11	-2	13	0	13	0
Corporate exchange rate derivatives	3,584	-16	51	-67	1	-3	-65
Cross currency swaps	500	-6	-6	0	-2	0	2
Other	0	-1	-1	1	-1	0	1
Total	**5,981**	**-8**	**54**	**-63**	**-4**	**10**	**-70**

The net change in the fair value of the Group's financial derivatives amounts to EUR -63 million, its asset position switching from EUR 54 million at December 2018 to a liability position of EUR 8 million at June 2019.

The main changes relate to the following:

- Corporate foreign exchange derivatives (EUR -67 million), the main impacts of which have been caused by cash settlements (EUR 40 million), currency translation differences (EUR -104 million), fair value impact on profit and loss (EUR -3 million), reserves (EUR 1 million) and other (EUR -1 million).
- Interest rate derivatives (EUR -99 million), the main variations being explained by impacts on reserves (EUR -97 million).
- Inflation derivatives (EUR 90 million), relating to the concession operator Autema. The main cause of this change is the impact on reserves (EUR 95 million), primarily due to lower inflation figures than expected in Spain.

9. Disclosures relating to the income statement

9.1 Impairments and disposals of fixed assets

"Impairment and disposals of fixed assets" includes mainly asset impairment and the gains or losses on the sale and disposal of investments in Group companies and associates.

The main impacts recognised in this line item at 30 June 2019 relate to:

- Terrassa Manresa toll road (Autema): in 1H 2019 a provision of EUR -21 million was recognised for the profit/(loss) generated by this company during the first six months of the year, due to the situation of the project (see Note 10.1 on litigation) (effect of EUR -16 million on the net profit/(loss) of Ferrovial).

The main impacts recognised in this line item at 30 June 2018 relate to:

- Terrassa Manresa toll road (Autema): as outlined in the previous section, a provision of EUR -18 million was recognised (effect of EUR -13 million on the net profit/(loss) of Ferrovial).

9.2 Net financial income/(expense)

- *Net financial income/(expense) on financing*

The net financial income/(expense) on the financing of the infrastructure project companies amounted to EUR -126 million (30 June 2018: EUR -108 million), primarily relating to these companies' external borrowing costs. The change in net financial income/(expense) is explained largely by the reduction in financial expenses capitalised due to the completion and entry into use of the NTE segment 3 toll road, in the United States in July 2018. This year, the amount of EUR -17 million is recognised, having accrued over 6 months, as compared with EUR -3 million in June 2018, due to the part accrued following the partial opening of the toll road.

The net financial income/(expense) from financing of the other companies (excluding infrastructure project information) amounted to EUR 13 million (30 June 2018: EUR 2 million), corresponding to external borrowing costs (EUR -23 million) and interest obtained on financial investments and other items for EUR 37 million. The improvement in net financial income/(expense) on financing is due mainly to the increase in cash resources in Canada compared with the previous year (bearing higher interest rates than in Europe).

- *Other net financial income/(expense)*

"Other net financial income/(expense)" for ex-infrastructure project companies includes mainly the result of changes in the fair value of financial instruments with no impact on cash. At 30 June 2019, these changes gave rise to income of EUR 11 million, classified in the fair value adjustments column of the income statement. Also noteworthy in this amount is the positive impact of the equity swaps arranged by the Group to hedge the effect on equity of the share option plans; these swaps had an impact of EUR 13 million in the period (see Note 8) due to the increase in the share price in the first six months of the year.

Disregarding the fair value impact, the remainder of the net financial income/(expense) (EUR 4 million) primarily relates to income from the billing of security deposits to equity-accounted projects (EUR 9 million), bank guarantee costs (EUR -14 million), exchange rate differences (EUR 3 million), late payment interest (EUR 3 million), as well as interest from loans with equity-consolidated companies (EUR 4 million). The change on the previous year is primarily explained by foreign exchange differences, a gain of EUR 3 million having been recognised this year, as compared with a loss of EUR -3 million in the same period of the previous year.

There were no significant changes at the infrastructure project companies with respect to the previous year, with the main component of this line item being the financial accrual from the restatement of provisions (EUR - 2 million).

9.3 Corporate income expense

The corporate income tax expense for the first six months of 2019 has been calculated on the basis of the tax rate that is expected to be applicable to total annual earnings. Accordingly, at 30 June 2019 this gave rise to income of EUR 50 million. However, it should be taken into account that this amount includes EUR -2 million of prior years' adjustments. Excluding this impact, corporate tax income amounts to EUR 52 million.

Also, the pre-tax profit/(loss) (EUR -236 million at 30 June 2019) includes certain impacts, with no tax impact, that have to be excluded when calculating the effective corporate income tax rate, of note are:

- Impact of the results of equity-accounted companies (EUR 76 million) which, in accordance with accounting standards, are presented net of the related tax effect.
- Losses that are generated in construction projects performed outside Spain and do not generate a tax credit (EUR 9 million).
- Various different types of non-deductible expenses, primarily related to Budimex for EUR 16 million.
- Profit/(loss) in infrastructure project companies in the US and Canada, in which other companies have ownership interests and which are fully consolidated (EUR 12 million).

Following adjustment for the main items, the profit/(loss) before tax amounts to EUR -275 million. After applying the aforementioned adjustments, the effective tax rate is 19% (income tax income of EUR 52 million on EUR -275 million of profit/(loss) before tax).

9.4 Profit/(loss) from discontinued operations

As discussed in note 1.3, at 31 December 2018 the Services division was reclassified to discontinued operations, the impact on the income statement of this business area is now reported in one line item "net profit/(loss) from discontinued operations".

The June 2019 results show the same fair value estimate for the group of held-for-sale assets as was used in December 2018 because the businesses performed in line with the forecasts made by the company when the calculation was effected.

In this regard, the recognised impact on Services UK deriving from the agreement reached with Birmingham City Council to terminate the contract on the restoration and subsequent maintenance and replacement of certain infrastructures in the city had no impact on the Division's results, since they were already covered by the fair value provision recognised in December 2018, as mentioned in the Significant Event published by the company on 29 June 2019.

For a better understanding of the profit/(loss) of the Service business and the way in which it has been included in the Group's consolidated profit/(loss), the accompanying table provides a breakdown by line of the profit/(loss) of the discontinued operation:

Services division (Millions of euros)	JUN. 2019	JUN. 2018	Change
Revenues	3,597	3,238	359
EBITDA	**210**	**-83**	**293**
Fixed asset depreciation	149	-99	248
Operating income before impairment losses and fixed asset disposals	**60**	**-183**	**243**
Impairment and fixed asset disposals	0	-1	1
Operating profit/(loss)	**60**	**-184**	**244**
Net financial income/(expense)	**-41**	**-38**	**-3**
Share of profits of equity-consolidated companies	13	10	3
Pre-tax consolidated profit/(loss)	**32**	**-212**	**244**
Income tax	-4	-6	2
Post-tax profit/(loss)	**27**	**-217**	**244**
Profit/(loss) for the year attributed to non-controlling interests	-3	0	-3
Profit/(loss) for the year attributed to the Parent company	**24**	**-218**	**242**
Adjustments from discontinued operations	111	12	99
Profit/(loss) from discontinued operations	**135**	**-206**	**341**

The adjustments related to discontinued operations for 2019 are primarily made of eliminations of asset amortizations (EUR 119 million), in addition of eliminations of internal operations.

10. Contingent assets and liabilities, and investment commitments

As indicated in note 1.3. the breakdowns included in this note also incorporate the information corresponding to the discontinued activities.

10.1. Litigation

The annual accounts for 2018 contain detailed disclosures on the main litigation in which the various Group companies were involved at year-end. The following is an explanation of the main changes in the situation of those lawsuits in the first half of 2019:

a) Litigation relating to the toll road business

- **Terrassa Manresa toll road (Autema)**

On 18 March 2019, the company was notified of the High Court's judgement upholding Autema's contentious-administrative appeal against Decrees 61/2015 and 337/2016 approved by the Government of Catalonia. A cassation appeal has been lodged against this judgement at the Supreme Court so it is not final. Its effects are suspended until the Supreme Court rules whether or not to give the appeal leave to proceed, which is estimated to take between six and nine months as from June 2019.

The company's legal advisors consider that there are strong arguments to uphold the cassation appeal and that the appeal will be subsequently upheld on its merits.

Based on these arguments, the company has decided to continue to treat this asset as a financial asset. However, in the first six months of 2019, a provision of EUR -21 million was recognised for the profit/(loss) generated by this company (effect of EUR -16 million on the net profit/(loss) of Ferrovial (see Note 9)).

- **M-203 toll road**

As previously mentioned in the 2018 annual accounts, the Company entered into negotiations with the Grantor when it received the Order for Termination, to agree on the net investment value (NIV).

In view of the time that had elapsed without the Madrid Regional Government having issued a ruling on the amount relating to NIV, in April 2019 the company submitted a notification to the Regional Government on the grounds of the failure to take the necessary steps. As three months elapsed with no reply, on 15 July 2019 the company lodged a contentious-administrative appeal requesting a precautionary measure whereby the court would force the Regional Government to issue a ruling expeditiously.

In addition, the company is taking steps in connection with the damages payable by the Regional Government due to the early termination of the concession.

- **Radial R4 toll road**

In relation to the lawsuit with the banks financing the R4 motorway regarding a guarantee granted by the former shareholders of the project, in the case of Cintra for a value of EUR 14.95 million (which is fully provisioned for by the company), and which had been resolved in favour of Cintra both in the first instance and by the Madrid Court of Appeal, in 2019 the Supreme Court admitted for processing the extraordinary appeal for procedural infraction filed by the banks, which at the end of 2018 (as outlined in the annual accounts) was pending resolution. The time limit for lodging the notice of opposition is currently open.

- **SH-130 (toll roads)**

In relation to SH-130, the fundamental change during 1H 2019 was the Judge's dismissal of the motions to dismiss that were pending resolution, and which referred to the breach of fiduciary duties and the unjust enrichment action invoked by the claimant in the modification of its lawsuit filed in September 2018. The discovery stage is not yet over and will be followed by the presentation and discussion of the statement of claim, a definitive ruling being expected for the second half of 2020.

An analysis of the current situation would lead to the conclusion that the Ferrovial Group companies have strong arguments to defend their interests in these legal proceedings, and it is reasonable to assume that they could succeed in having the actions brought against them rejected by the Court. Based on the above, Ferrovial has not set aside any provision in relation to this legal proceeding.

b) Litigation relating to the Construction business:

- ***Construction works at the SH-130 toll road in Texas***

As regards the arbitration relating to the alleged construction defects, the main change compared to the situation as at 31 December 2018 has been that the SH130 Concession Company LLC, filed a statement of claim on 1 March 2019 for USD 161 million (which added to the initial USD 130 million, amounts to a total claim of USD 291 million), which consist of the amounts that SH130 alleges it has incurred or will incur to repair the damages claimed for Segments 5 and 6 of the "State Highway 130" (the installation).

Of this amount, 50% (EUR 145 million) would be attributable to the stake held by the Ferrovial Group. The company's legal advisors still believe that construction work at the toll road was carried out in accordance with the terms of the contract and industry best practices, and that, in any case, any liability that may result from this lawsuit could be reduced by certain factors, such as:

- The existence of an insurance policy to the benefit of the construction company.
- Liability for the defects being alleged should rest with the companies that were subcontracted by the construction company, both with regard to design and as regards the work done to lay the road surface.
- It would appear that the Texas Department of Transport and the concession operator have reached an agreement to carry out the work required to repair the defects at a value of USD 60 million, which represents much less than the amount being claimed.

On the basis of the foregoing, it was concluded that, at the close of June 2019, it was not necessary to allocate any additional provision to the USD 10 million currently set aside by the company to cover deferred expenses in relation to guaranteeing the construction work completed as part of this project. The ruling on this complaint is not expected until 2020.

Other than the arbitration process reported in the preceding paragraph in relation to the SH-130 toll road, as of 30 June 2019 there has not been any substantial change from the situation described in the annual accounts for the 2018 financial year as regards litigation involving the construction business, nor have any new legal proceedings been initiated that might represent a significant contingency for the Group.

c) Litigation relating to the Services business:

In relation to the Services business in the UK:

The main current lawsuit for this business division at 31 December 2018 relates to the Amey contract (Services business in the UK) with Birmingham City Council.

In accordance with the structure of this contract, the relationship with Birmingham City Council is conducted through the special purpose vehicle (SPV) Amey Birmingham Highways Limited (ABHL), 33.3% owned by Amey, which acts as the SPV's subcontractor.

Over the past few months, the parties have been negotiating a settlement, having reached an agreement with Amey Birmingham Highways Limited (ABHL) on 29 June 2019. Pursuant to this agreement, Amey is required to pay GBP 215 million to ABHL over a six-year period (GBP 100 million paid on 29 June 2019, two payments of GBP 30 million each at the end of September and December 2019, GBP 10 million each year from 2020 to 2024 and GBP 5 million in 2025) to fully discharge Amey's liability with respect to the Birmingham project and stakeholders. The agreement for services between Amey and ABHL will remain in force, including certain amendments, to 30 September 2019 and may be extended to a date no later than 31 March 2020. In accordance with the said amendments, Amey's liability during this period will be limited to GBP 0.9 million to September 2019 and a further GBP 0.15 million per month should the agreement be extended to March 2020. In addition, Amey will be entitled to offset the amounts not paid by ABHL under the agreement for services against the payments owed by Amey to ABHL under the settlement agreement, subject to certain limits.

Pursuant to the agreement reached, Amey has sold its interest in ABHL for two pounds sterling to the SPV's other two shareholders, retaining the loan granted to that company.

In order to finance the payment of the part contained within the agreement, Ferrovial granted Amey a loan valued at GBP 75 million.

This agreement has no impact on Ferrovial's profit, as it falls into the calculation of the fair value provision recognised in December 2018 in relation to Ferrovial's stake in Amey.

In relation to the Services business in Spain:

a) Litigation relating to the Ruling of the Spanish National Markets and Competition Commission (CNMC) in relation to the Municipal Solid Waste sector.

On 12 June 2019, the CNMC set forth a list of the established facts in which it outlined anti-trust conduct or practices, divided into two blocks:

(i) participation in market-sharing agreements and recommendations in the municipal solid waste sector as a partner of ASELIP (Association of Waste Management and Street Cleaning Companies); and

(ii) bilateral client-sharing agreements with a competitor in the non-hazardous industrial waste sector in Catalonia and Andalusia, and with another competitor in the same industrial waste sector in Andalusia. CESPA and CESPA GR filed claims against this list on 02/07/19.

As reported last year, Ferrovial has filed a contentious-administrative appeal with the National Court on the grounds that the initiation of these new proceedings violates the basic right of Cespa S.A. and Cespa Gestión de Residuos S.A.U. not to be tried twice for the same offence, since proceedings were previously initiated for the same reason and later dismissed by the Courts. The appeal has been concluded and is now pending a date to be set for the voting and handing down of the judgement. The Group has decided not to set aside any provision, given that the Company's legal advisors believe that the arguments set out in the appeal seeking protection for basic rights are robust.

b) Litigation relating to the Ruling of the Spanish National Markets and Competition Commission (CNMC) in relation to the road maintenance sector:

Following a period of investigation into reserved information, on 16 July 2019, the CNMC initiated penalty proceedings against FERROSER INFRAESTRUCTURAS, S.A. and its Parent FERROVIAL, S.A., along with other companies in the sector (ACS, ACCIONA, FCC, OHL, SACYR, ELECNOR, and others), due to potential anti-trust practices during tendering for providing maintenance and operations services for the State Road Network, arranged by the Ministry of Public Works. The CNMC has only announced initiation and has provided access to part of the proceedings. In relation to the investigation period related to the reserved information, the Group has filed a contentious-administrative appeal with the Nation Court seeking protection for basic rights, essentially based on the fact that the Inspection order was very generalised and that the indicators of the investigation were not provided, and this has been admitted for process and has been challenged by the Public Prosecutor. For the same reasons, on 11 January 2019, an appeal was filed with the Madrid High Court, asking for the Court Ruling that authorised the inspection to be revoked.

c) Empresa de Mantenimiento y Explotación M-30, S.A. (Emesa).

As indicated in the 2018 annual accounts, Emesa (a company in which Ferrovial holds a 50% stake), the holder of the maintenance contract for the M-30 toll road and 20% of the capital of the concession company, had filed an appeal against the resolution in which the City Council approved the Report by the Investigation Committee in relation to various aspects relating to these contracts.

On 3 June 2019, a judgement was issued on the appeal, declaring that it was inadmissible due to a lack of legal standing on the part of the appellant (Emesa). Nonetheless, although it was not given leave to proceed, point of law four of the appeal states that the Investigation Committee's rulings are mere recommendations and are not binding on Emesa. In other words, the company could only be affected by any possible rulings that may be issued in the future that contain the said recommendations. In the opinion of the legal advisors, this judgement is positive for the company's interests. On this basis, together with the opinion that there are grounds for arguing that the power supply must be paid for by Madrid Calle 30 and not by Emesa and that, in the event that the concession is bailed out, under the bidding specifications of the contract Emesa's shareholders would recover the value of the participating loans granted to this company and Emesa would recover the value of its stake in Madrid Calle 30, along with the subordinated loan it granted to the said company.

d) Other litigation relating to the Services business:

Other than the litigation mentioned in the previous paragraph, as of 30 June 2019 there had not been any substantial change from the situation described in the 2018 annual accounts as regards litigation in the services business, nor had any new court proceedings been initiated that might represent a significant contingency for Ferrovial.

e) Litigation relating to the Airports business:

Denver Great Hall, LLC, 80% owned by Ferrovial Aeropuertos and concessionaire of the Great Hall remodelling project of the Denver Airport Jeppesen Terminal, has filed a complaint to the grantor, the Denver City Council (which acts in this contract through the Denver Airport). Denver Great Hall, LLC claims, according to the procedures set forth in the concession contract, the costs and extension of time required to execute the work in the new conditions created as a result of differences observed between the characteristics of the contractually anticipated concrete and those actually existing in part of the terminal, as well as the modifications requested by the grantor during the execution of the design and construction of the project. The grantor is analysing the claim, to express his conformity. If an agreement is not reached, an arbitration proceeding may be initiated. The claim does not suspend or affect the execution of the project, which is ongoing.

10.2. Guarantees

a) Bank guarantees and other guarantees provided by insurance companies

At 30 June 2019, the Group companies had given bank guarantees and other guarantees issued by insurance companies for a total of EUR 7,347 million (EUR 7,524 million in December 2018), which break down as follows: i) EUR 3,382 million in bank guarantees (EUR 3,511 million in December 2018), ii) EUR 3,966 million in guarantees issued by bonding agencies and insurance companies (EUR 4,013 million in December 2018). These guarantees are given to clients to cover liability for the proper execution of construction contracts or services involving Group companies. The guarantee would be enforced by the client were a project not executed.

Of the total amount of the guarantees, EUR 853 million (31 December 2018: EUR 873 million) are securing commitments to invest in the capital of infrastructure projects (see Note 10.3 below).

b) Guarantees provided by Group companies for other Group companies

Guarantees are provided among Group companies to cover third-party liability arising from contractual, commercial or financial relationships. In general, these guarantees do not have any impact on the analysis of the Group's consolidated financial statements. However, there are certain guarantees provided by ex-infrastructure project companies to infrastructure project companies which, due to the classification of project borrowings as being without recourse, it is relevant to disclose. It is also important to mention the guarantees provided to companies accounted for using the equity method, whether or not they are infrastructure project companies, to the extent that they could give rise to future additional capital disbursements at these companies if the guaranteed events took place.

The detail of the outstanding guarantees at 30 June 2019 and of the changes therein with respect to 31 December 2018 is as follows:

b.1) Guarantees provided by ex-infrastructure project companies to fully-consolidated infrastructure project companies (contingent capital).
These guarantees totalled EUR 214 million at 30 June 2019 (31 December 2018: EUR 236 million). Of that amount, only EUR 14 million are secured.

b.2) Guarantees provided by ex-infrastructure project companies to equity-accounted infrastructure project companies (contingent capital).
The guarantees in relation to the financing of the infrastructure projects amount to EUR 60 million based on the Ferrovial Group's percentage of ownership (31 December 2018: EUR 59 million).

b.3) Other guarantees provided for equity-accounted companies.
Certain construction and services contracts are performed by equity-accounted companies often created specifically to perform contracts previously awarded to their shareholders. In these cases, the shareholders of those companies provide performance bonds relating to those contracts. The liability secured is similar to that indicated in Note 10.2.a).
Notable in this respect are the guarantees provided by the Services Division – primarily in the UK – in favour of various equity-consolidated companies, which totalled EUR 378 million at 30 June 2019 (31 December 2018: EUR 439 million). It should be noted that the aforementioned amount corresponds to work not yet performed in proportion to Ferrovial's percentage of ownership.

10.3. Commitments

a) Investment commitments

The investment commitments undertaken by the Group in relation to the capital for infrastructure projects amount to EUR 977 million (December 2018: EUR 1,013 million) and the commitments to acquire property, plant and equipment and companies amount to EUR 140 million (December 2018: EUR 181 million). A portion of the infrastructure project commitments are secured by bank guarantees received from third parties amounting to EUR 853 million (see Note 10.2). It should be mentioned that the EUR 977 million include EUR 3 million that also appear in the guarantees referred to in Note 10.2 section b.1) corresponding to the contingent capital of Ausol.

It should be noted that, although it is not included in the aforementioned commitments, in relation to the I-77 toll road, Ferrovial is guaranteeing the investment commitments of another shareholder amounting to EUR 22.2 million. In return for providing this guarantee, if the shareholder fails to make the related disbursements, its ownership interest will be diluted in proportion to the disbursements not made.

Finally, regarding the process of selling a percentage stake in 407 Highway initiated by one of the shareholders of the company, in May 2019, Ferrovial informed the seller of its interest in exercising the preferential right of acquisition for additional 5% interest stake. The operation is currently subject to the resolution of a legal dispute in which is being discussed if Ferrovial meets the right conditions to execute this operation. In case all the requirements and approvals are granted, the company should face a disbursement for an estimated value of CAD 1,600 million.

b) Environmental commitments

There were no changes with respect to the information disclosed in the annual accounts for 2018 on the provisions for probable or certain environmental liability, litigation in progress and indemnities or other outstanding obligations of undetermined amount.

11. Workforce

The detail of the number of employees at 30 June 2019 and 2018, by professional category and gender, is as follows:

CONTINUING OPERATIONS CATEGORY	30/06/2019 MEN	WOMEN	TOTAL	CHANGE 19/18
Executive directors	2	0	**2**	0%
Senior executives	9	2	**11**	-15%
Executives	267	29	**296**	-19%
University and further education college graduates	5,518	2,255	**7,773**	0.2%
Administrative personnel	476	500	**976**	8%
Manual workers and unqualified technicians	7,530	602	**8,132**	-5%
Total	**13,802**	**3,388**	**17,190**	-2%

CONTINUING OPERATIONS CATEGORY	30/06/2018 MEN	WOMEN	TOTAL
Executive directors	2	0	**2**
Senior executives	11	2	**13**
Executives	331	33	**364**
University and further education college graduates	5,576	2,179	**7,755**
Administrative personnel	431	470	**901**
Manual workers and unqualified technicians	8,337	255	**8,592**
Total	**14,688**	**2,939**	**17,627**

DISCONTINUED OPERATIONS CATEGORY	30/06/2019 MEN	WOMEN	TOTAL	CHANGE 19/18
Executive directors	0	0	**0**	0%
Senior executives	0	0	**0**	0%
Executives	190	48	**238**	-2%
University and further education college graduates	5,897	2,461	**8,358**	37%
Administrative personnel	2,796	3,909	**6,705**	-5%
Manual workers and unqualified technicians	40,658	19,438	**60,096**	-5%
Total	**49,541**	**25,856**	**75,397**	-2%

DISCONTINUED OPERATIONS CATEGORY	30/06/2018 MEN	WOMEN	TOTAL
Executive directors	0	0	**0**
Senior executives	0	0	**0**
Executives	198	46	**244**
University and further education college graduates	4,544	1,537	**6,081**
Administrative personnel	3,101	3,944	**7,045**
Manual workers and unqualified technicians	44,412	19,024	**63,436**
Total	**52,255**	**24,551**	**76,806**

The average number of employees, by business division, in the first six months was as follows:

BUSINESS	30/06/2019 MEN	WOMEN	TOTAL	CHANGE 18/17
Construction	13,786	2,606	**16,392**	-1%
Toll roads	396	206	**602**	-3%
Airports	40	21	**61**	13%
Other	237	175	**412**	-2%
Total continuing operations	**14,459**	**3,008**	**17,467**	-1%
Total discontinued operations	50,326	24,873	**75,199**	-3%
Total	**64,785**	**27,881**	**92,666**	-3%

BUSINESS	30/06/2018 MEN	WOMEN	TOTAL
Construction	14,044	2,539	**16,584**
Toll roads	409	209	**618**
Airports	33	21	**54**
Other	238	182	**420**
Total continuing operations	**14,724**	**2,951**	**17,676**
Total discontinued operations	52,852	25,017	**77,869**
Total	**67,576**	**27,968**	**95,543**

12. Comments on seasonality

Ferrovial's business activities are subject to a certain degree of seasonality over the various months of the year, making it impossible to extrapolate figures to a full year on the basis of figures for a six-month period.

In general, activity across nearly all the business areas is slightly greater in the second half of the year than the first, of particular note is:

a. In the case of toll roads, due to holiday periods and weather conditions there is more traffic in July, August and September as well as in December, although in a toll road-by-toll road analysis the cycle varies depending on the type of road and the proportion of industrial vehicles.
b. In construction, weather conditions are also important, since in general they are better in the second half of the year.

Noteworthy in terms of cash flows are the greater cash flows from operating activities generated in the second half of the year, which is due to the fact that, generally speaking, the way public sector customers budgets work, proceeds received in the second half of the year tend to be higher than in the first.

13. Related party transactions

The following table details the main transactions (within the ordinary course of business of the Company and of its Group), performed by the Company (or companies in its group) on an arm's length basis with related parties in the first six months of 2019 and 2018 (if they were considered a related party during a part of the six-month period, the transactions carried out during that period are indicated), in line with the following line items:

a. Transactions between Ferrovial S.A. and significant shareholders

This section includes the transactions performed by the Company with its significant shareholders, their close family members or the entities over which those mentioned above might exercise significant influence.

b. Transactions between Ferrovial S.A. and its directors and executives

This consists of transactions carried out between the Company and its directors and senior management members, their close family members or entities in which one or the other could exercise significant influence.

c. Transactions between subsidiaries of Ferrovial, S.A and its significant shareholders, directors and executives.

This line item includes transactions carried out (i) between subsidiaries of the Company and its significant shareholders, their close family members or the entities in which one or the other could exercise significant influence; and (ii) between the subsidiaries of the Company and its directors, members of senior management, their close family members, or entities in which one or the other can exercise significant influence.

(Thousands of euros)	30/06/2019					30/06/2018				
EXPENSES AND INCOME:	a)	b)	c)	Transaction Profit	Balance Sheet 30/06/2019	a)	b)	c)	Transaction Profit	Balance Sheet 30/06/2018
Financial expenses			896	**896**				364	**364**	
Services received		180	7,601	**7,780**	**-1,032**		146	5,107	**5,253**	**-735**
EXPENSES	**0**	**180**	**8,497**	**8,676**	**-1,032**	**0**	**146**	**5,472**	**5,617**	**-735**
Financial income			33	**33**				40	**40**	
Services rendered			5,090	**5,090**	**1,909**			5,646	**5,646**	**4,445**
INCOME	**0**	**0**	**5,123**	**5,123**	**1,909**	**0**	**0**	**5,686**	**5,686**	**4,445**

(Thousands of euros)	30/06/2019					30/06/2018				
OTHER TRANSACTIONS:	a)	b)	c)	Transaction Profit	Balance Sheet 30/06/2019	a)	b)	c)	Transaction Profit	Balance Sheet 30/06/2018
Financing agreements: loans and capital contributions (borrower)			90,855	**90,855**	**-90,855**			86,570	**86,570**	**-86,570**
Guarantees received		52,260	94,530	**146,790**	**-146,790**		38,350	91,140	**129,490**	**-129,490**
Settlement of derivatives			-781	**-781**				-967	**-967**	

There are also transactions between subsidiaries of the Company which, in all cases forming part of their ordinary businesses as regards purpose and conditions, were not eliminated on consolidation for the following reasons.

As explained in detail in Note 1.2.2 to the consolidated annual accounts for the year ended 31 December 2018, the balances and transactions relating to construction work performed by the construction division for Group infrastructure concession operators are not eliminated on consolidation since, at consolidated level, contracts of this type are classed as construction contracts in which the work – to the extent that it is completed – is deemed to be performed for third parties, as the ultimate owner of the work, from both a financial and a legal viewpoint, is the grantor.

In the first half of 2019, at 30 June 2019 Ferrovial's Construction Division recognised revenue of EUR 75,289,000 relating to the aforementioned construction work (30 June 2018: EUR 254,176,000).

In the first half of 2019 the profit from these transactions attributable to Ferrovial's holdings in the concession operators in question and not eliminated on consolidation, net of taxes and non-controlling interests, was EUR -82,296,000. At 30 June 2018, this amounted to EUR 21,216,000.

14. Remuneration of the Board of Directors

The following is a detail, by item, of the remuneration received by all the Company's directors as members of the Board of Directors of Ferrovial, S.A., and by the senior executives of Ferrovial, deemed to be the persons belonging to the Company's management committee or those who report directly to the Board, the executive committee or the Company's CEOs (except for those who are also executive directors, whose remuneration is included in that received by the Board of Directors):

DIRECTORS:	Amount (thousands of euros)	
Remuneration item:	**June 2019**	**June 2018**
Fixed remuneration	1,328	1,328
Variable remuneration	2,391	4,371
Bylaw-stipulated emoluments:		
– *Fixed Remuneration*	210	210
– *Attendance fees*	532	265
Transactions involving shares and/or other financial instruments	2,194	2,408
TOTAL	**6,655**	**8,582**

SENIOR EXECUTIVES:	Amount (thousands of euros)	
	June 2019	**June 2018**
Total remuneration received by senior executives	**7,661**	**12,914**

The reduction in remuneration paid to the executive directors and senior managers is due mainly to (i) a decrease in variable remuneration because objectives achieved in 2018 were lower than in the previous year; and (ii) the degree of fulfilment of metrics related to long-term incentives.

With regard to the remuneration of directors of Ferrovial, S.A. for their membership of other managing bodies of Group companies and associates, it is noted that one director received EUR 15,000 in this connection.

Also, in order to cover the extraordinary remuneration of certain senior executives (including the CEO), which is subject to the circumstances discussed in Note 6.6.7 to the consolidated financial statements, on an annual basis the Parent company of the Group makes contributions to a group savings insurance plan of which the Company itself is the policy holder and beneficiary, quantified based on a certain percentage of the total monetary remuneration of each Senior Executive member. The contributions made in the first six months of 2019 amounted to EUR 2,077,000.

15. Events after the reporting date

There have been no events after the close of 1H 2019.

16. Appendices

16. Appendix I. Information by segment

Consolidated income statement as at 30 June 2019

(Millions of euros)	CONSTRUCTION	TOLL ROADS	AIRPORTS	SERVICES	OTHER SEGMENTS	ADJUSTMENTS FOR DISCONTINUED OPERATIONS	ADJUSTMENTS	TOTAL
Revenues	2,308	287	9	3,597	71	-3,597	-72	2,603
Other operating income	1	0	0	1	0	-1	0	1
Total operating income	**2,309**	**287**	**9**	**3,598**	**71**	**-3,598**	**-72**	**2,605**
Materials consumed	419	1	0	255	0	-255	0	420
Other operating expenses	1,775	48	13	1,546	46	-1,546	-74	1,808
Staff costs	432	31	4	1,588	26	-1,588	0	493
Total operating expenses	**2,626**	**80**	**17**	**3,388**	**71**	**-3,388**	**-74**	**2,721**
EBITDA	**-317**	**207**	**-8**	**210**	**-1**	**-210**	**2**	**-116**
Fixed asset depreciation	30	40	1	149	3	-149	0	74
Operating income before impairment losses and fixed asset disposals	**-346**	**167**	**-9**	**60**	**-3**	**-60**	**2**	**-190**
Impairment and fixed asset disposals	0	-21	0	0	0	0	0	-21
Operating profit/(loss)	**-346**	**146**	**-9**	**60**	**-3**	**-60**	**2**	**-211**
Net financial income/(expense) from financing	-4	-120	-1	-10	0	10	0	-126
Profit/(loss) on derivatives and other net financial income/(expense)	0	-3	0	0	0	0	0	-3
Net financial income/(expense) from infrastructure projects	-5	-123	-2	-10	0	10	0	-129
Net financial income/(expense) from financing	16	20	0	-22	-5	22	-18	13
Profit/(loss) on derivatives and other net financial income/(expense)	-10	7	8	-9	10	9	0	15
Net financial income/(expense) from other ex-infrastructure project companies	6	27	8	-32	6	32	-19	28
Net financial income/(expense)	**2**	**-96**	**6**	**-41**	**6**	**41**	**-18**	**-101**
Share of profits of equity-accounted companies	-1	75	2	13	0	-13	0	76
Pre-tax consolidated profit/(loss)	**-345**	**125**	**-1**	**32**	**2**	**-32**	**-16**	**-236**
Income tax	28	42	1	-4	-23	4	3	50
Consolidated profit/(loss) from continuing operations	**-318**	**167**	**0**	**27**	**-21**	**-27**	**-13**	**-185**
Net profit/(loss) from discontinued operations	0	0	0	0	0	135	0	135
Consolidated profit/(loss) for the year	**-318**	**167**	**0**	**27**	**-21**	**108**	**-13**	**-50**
Profit/(loss) for the year attributed to non-controlling interests	71	-23	0	-3	0	3	-3	44
Profit/(loss) for the year attributed to the Parent	**-247**	**144**	**0**	**24**	**-21**	**111**	**-16**	**-6**

Consolidated income statement as at 30 June 2018

(Millions of euros)	CONSTRUCTION	TOLL ROADS	AIRPORTS	SERVICES	OTHER SEGMENTS	ADJUSTMENTS FOR DISCONTINUED OPERATIONS	ADJUSTMENTS	TOTAL
Revenues	2,437	208	7	3,238	153	-3,238	-104	2,701
Other operating income	1	0	0	1	0	-1	0	1
Total operating income	**2,437**	**208**	**7**	**3,239**	**154**	**-3,239**	**-104**	**2,702**
Materials consumed	404	1	0	253	60	-253	-31	434
Other operating expenses	1,563	43	10	1,258	48	-1,258	-76	1,588
Staff costs	406	29	4	1,812	34	-1,812	0	472
Total operating expenses	**2,373**	**72**	**14**	**3,323**	**141**	**-3,323**	**-107**	**2,494**
EBITDA	**64**	**136**	**-7**	**-83**	**12**	**83**	**3**	**208**
Fixed asset depreciation	18	37	1	99	1	-99	0	57
Operating income before impairment losses and fixed asset disposals	**47**	**99**	**-8**	**-183**	**11**	**183**	**3**	**151**
Impairment and fixed asset disposals	1	-18	0	-1	0	1	0	-16
Operating profit/(loss)	**48**	**81**	**-8**	**-184**	**11**	**184**	**3**	**135**
Net financial income/(expense) from financing	-5	-103	-1	-11	0	11	0	-108
Profit/(loss) on derivatives and other net financial income/(expense)	0	-2	0	-1	0	1	0	-2
Net financial income/(expense) from infrastructure projects	-5	-105	-1	-12	0	12	0	-111
Net financial income/(expense) from financing	14	13	1	-21	-9	21	-17	2
Profit/(loss) on derivatives and other net financial income/(expense)	-12	12	6	-4	6	4	-1	11
Net financial income/(expense) other companies	2	25	7	-25	-3	25	-17	13
Net financial income/(expense)	**-3**	**-80**	**5**	**-38**	**-3**	**38**	**-17**	**-98**
Share of profits of equity-accounted companies	0	68	57	10	0	-10	0	125
Pre-tax consolidated profit/(loss)	**46**	**69**	**54**	**-212**	**7**	**212**	**-14**	**161**
Income tax	-12	-1	1	-6	0	6	3	-9
Consolidated profit/(loss) from continuing operations	**34**	**68**	**55**	**-217**	**8**	**217**	**-12**	**152**
Net profit/(loss) from discontinued operations	0	0	0	0	0	-206	0	-206
Consolidated profit/(loss) for the year	**34**	**68**	**55**	**-217**	**8**	**12**	**-12**	**-53**
Profit/(loss) for the year attributed to non-controlling interests	-9	-5	0	0	-4	0	0	-19
Profit/(loss) for the year attributed to the Parent Company	**25**	**63**	**55**	**-218**	**4**	**12**	**-12**	**-72**

16. Appendix II. Individual Financial Information Selected

a) Basis of presentation

Accounting legislation applied

The individual financial information selected and provided below has been prepared in accordance with regulatory framework detailed in:

- The Spanish Chart of Accounts approved by Royal Decree 1514/2007 and its subsequent modifications.
- Spanish Securities Market Act, Royal Decree 1362/2007, Royal Decree 878/2015 and the Spanish Stock Market Commission Circular 3 dated 28 June 2018.

This individual financial information selected does not therefore include all of the information that some full interim individual financial statements would require, prepared in line with the generally accepted accounting principles and standards. In particular, the individual financial information selected has been prepared with the content needed to comply with the financial information requirements established in the fourth standard in circular 3/2018, which allows the issuer, when required to prepare interim consolidated financial information, to only complete the relevant individual information for the half-yearly financial information to be sufficiently understood.

The individual financial information selected should therefore be read in conjunction with the Company's annual accounts for the year ended at 31 December 2018 and the interim condensed consolidated financial statements for the six-month period ended at 30 June 2018.

b) Interim Individual Financial Information Selected

b.1. Balance sheet at 30 June 2019 and 31 December 2018

ASSETS	30/06/2019	31/12/2018
NON-CURRENT ASSETS	**8,232**	**8,157**
Long-term investments in Group companies and associates	7,988	7,971
Equity instruments	7,970	7,953
Loans to group companies	17	19
Other non-current assets	1	1
Long-term financial derivatives	54	4
Deferred tax assets	189	181
CURRENT ASSETS	**796**	**1,090**
Financial assets held for sale	268	268
Receivables	123	112
Trade receivables from Group companies and associates	42	41
Other receivables	49	44
Current tax assets	33	27
Short-term investments in group companies and associates	291	657
Short-term financial derivatives	20	14
Short-term accruals	2	2
Cash and cash equivalents	92	37
TOTAL ASSETS	**9,028**	**9,247**

LIABILITIES	30/06/2019	31/12/2018
EQUITY (Note b.5.1)	**4,005**	**4,200**
Shareholders' funds	4,005	4,199
Share capital	149	148
Share premium and merger premium	1,207	1,274
Reserves	2,864	2,896
Legal reserve	29	29
Reserves subject to but exempt from Article 21 and 22 of TRLIS	2,477	2,580
Other reserves	357	286
Shares and own equity interests	-194	-128
Profit/(loss) for the year	-21	10
Adjustments for changes in value	**-1**	**1**
NON-CURRENT LIABILITIES	**3,479**	**3,799**
Long-term provisions	152	148
Long-term payables	300	261
Bank borrowings	245	244
Long-term financial derivatives	55	17
Long-term payables to Group companies and associates	2,985	3,356
Deferred tax liabilities	42	35
CURRENT LIABILITIES	**1,544**	**1,248**
Short-term borrowings	966	708
Obligations and bonds	951	699
Short-term financial derivatives	11	5
Other financial liabilities	4	4
Short-term payables to Group companies and associates	553	508
Trade and other payables	25	32,314
Trade payables	6	7
Other payables	19	25
TOTAL LIABILITIES	**9,028**	**9,247**

b.2. Income Statements for the six-month periods ended 30 June 2019 and 30 June 2018

	30/06/2019	30/06/2018
Revenue (Note b.5.2)	27	26
Dividends	1	3
Provision of services	21	17
Other returns received from subsidiaries	5	6
Staff costs (Note b.5.3)	-14	-19
Other operating expenses	-13	-5
OPERATING PROFIT/(LOSS)	**0**	**2**
Financial income	6	4
Financial expenses	-38	-37
Change to fair value of financial instruments	18	-4
Foreign exchange differences	-8	-2
Impairment and profit/(loss) on disposals of financial instruments	0	0
NET FINANCIAL INCOME/(EXPENSE)	**-22**	**-38**
PROFIT/(LOSS) BEFORE TAX	**-22**	**-36**
Corporate income tax	**2**	**10**
PROFIT/(LOSS) FOR THE YEAR	**-21**	**-26**

b.3. Statement of changes in equity for the six-month periods ended at 30 June 2019 and 30 June 2018

b.3.i) Statement of recognised income and expenses for the six-month periods ended at 30 June 2019 and 30 June 2018

(Millions of euros)	2019	2018
Total profit/(loss) for the year	**-21**	**-26**
Income and expenses attributed to equity	-2	0
On cash flow hedging	-2	0
Tax effect	1	0
Transfer to income statement	**0**	**0**
On cash flow hedging	0	0
Tax effect	0	0
Total recognised income and expenses	**-22**	**-26**

b.3.ii) Statement of changes in equity for the six-month periods ended at 30 June 2019 and 30 June 2018

(Millions of euros)	Share capital	Share/merger premium	Reserves	Treasury shares	Prior-year profit/(loss)	Other shareholder contribution	Profit/(loss) for the year	Adjustments for changes in value	TOTAL
Balance at 01/01/2019	**148**	**1,274**	**2,896**	**-128**	**0**	**0**	**10**	**1**	**4,200**
Total recognised income and expenses							**-21**	**-2**	**-22**
Distribution of profit/(loss)			**10**				**-10**		**0**
Shareholder remuneration	**1**	**-66**	**-37**	**-66**	**0**	**0**	**0**	**0**	**-168**
Scrip dividend agreement	1		-103						-102
Treasury share transactions		-66	66	-66					-66
Share-based remuneration schemes			**-5**						**-5**
Balance at 30/06/2019	**149**	**1,207**	**2,864**	**-194**	**0**	**0**	**-21**	**-1**	**4,005**

(Millions of euros)	Share capital	Share/merger premium	Reserves	Treasury shares	Prior-year profit/(loss)	Other shareholder contribution	Profit/(loss) for the year	Adjustments for changes in value	TOTAL
Balance at 31/12/2017	**146**	**1,551**	**2,693**	**-42**	**0**	**0**	**98**	**1**	**4,448**
Merger impact (Note b.5.1)	**0**	**0**	**404**	**0**	**0**	**0**	**0**	**0**	**404**
Inclusion of FISLU's shareholders' funds	625	5,396	822	0	-61	17	7	0	6,805
Elimination of investment in FISLU's Shareholders' Funds	-625	-5,396	-354	0	61	-17	-7	0	-6,337
Consolidation of shares	0	0	-64	0	0	0	0	0	-64
Balance at 01/01/2018	**146**	**1,551**	**3,097**	**-42**	**0**	**0**	**98**	**1**	**4,852**
Total recognised income and expenses							**-26**	**0**	**-26**
Distribution of profit/(loss)			**98**				**-98**		**0**
Shareholder remuneration	**1**	**-97**	**-10**	**-97**	**0**	**0**	**0**	**0**	**-203**
Scrip dividend agreement	1		-107						-106
Treasury share transactions		-97	97	-97					-97
Share-based remuneration schemes			2						2
Merged balance sheet at 30/06/2018	**148**	**1,454**	**3,186**	**-139**	**0**	**0**	**-26**	**1**	**4,624**

b.4. Cash flow statement for the six-month periods ended at 30 June 2019 and 30 June 2018

(Millions of euros)	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES	**-53**	**-48**
Profit/(loss) before tax	**-22**	**-36**
Profit/(loss) adjustments:	**17**	**32**
Fixed asset/provisions depreciation	0	0
Other adjustments to profit/loss (net)	17	32
Changes in working capital	**-14**	**-4**
Other cash flows from operating activities:	**-34**	**-40**
Interest paid	-33	-40
Interest received	5	1
Income tax recovered (paid) and tax consolidation	-7	0
CASH FLOWS FROM INVESTING ACTIVITIES	**-18**	**-116**
Payments on investments:	**-18**	**-125**
Group companies, associates and business units (Note 6)	-18	-125
Other financial assets	0	0
Collections from divestments:	**0**	**9**
Group companies, associates and business units (Note 6)	0	0
Other financial assets	0	9
CASH FLOWS FROM FINANCING ACTIVITIES	**126**	**161**
Collections and payments on financial liability instruments:	**300**	**364**
Change in Group companies credit accounts	45	-230
Issuance, repayment and depreciation	255	594
Dividends and returns on other equity instruments paid	**-168**	**-197**
Scrip dividend	-102	-100
Acquisition of treasury shares	-66	-97
Collections and (payments) on equity instruments:	**-6**	**-6**
Effect of changes to exchange rates	**0**	**0**
Net increase/decrease in cash and cash equivalents	**55**	**-3**
Cash and cash equivalents at beginning of the year	**37**	**25**
Cash and cash equivalents at end of year	**92**	**22**

b.5. Explanatory notes related to the interim individual financial information selected

b.5.i) Equity and comparable information

The merger between Ferrovial S.A. and Ferrovial Internacional S.L.U. (hereinafter referred to as FISLU) was registered on 19 March 2019, under the terms detailed in Note 2.5 of the Company individual annual accounts at 31 December 2018. Pursuant to paragraph 2.2.2 of the recognition and measurement standard 21 of the Spanish Chart of Accounts, for accounting purposes this merger came into effect on 01 January 2018.

Therefore the balances at 31 December 2018 have been restated in order to reflect the accounting effects of the aforementioned merger, according to the details provided in the aforementioned Note 2.5 of the Company's individual accounts. The statement of changes in equity provides a detailed breakdown of the merger impacts in the Company's shareholders' funds.

b.5.ii) Revenue

In line with the criteria described in consultation report 5 of the ICAC Official Bulletin number 79, the revenue figure includes both services rendered, dividends received, and interest accrued from financing granted to Company investees.

The revenue breakdown by geographic area is as follows:

(Millions of euros)	30/06/2019	30/06/2018
Single market	26	26
Non Euro Zone	1	0
TOTAL	**27**	**26**

b.5.iii) Staff

The average workforce of the company in the periods ended on 30 June 2019 and 30 June 2018 is as follows:

	30/06/2019	30/06/2018
Men	53	56
Women	29	27
TOTAL	**82**	**83**

17. Explanation added for translation to English

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 1.1.1). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Note 1). In the event of a discrepancy, the Spanish-language version prevails.

BOARD APPROVAL

The foregoing pages contain the interim consolidated condensed financial statements of Ferrovial, S.A. and its subsidiaries for the six-month period ended 30 June 2019, which were approved by the Board of Directors of the Company at its meeting held in Madrid on 30 July 2019 pursuant to Article 119 of the consolidated text of the Spanish Securities Market Act, approved by Royal Legislative Decree 4/2015 of 23 October 2015, and applicable regulations (including CNMV Circular 3/2018 on periodic information on issuers of securities, rule 4.2.); and which the directors attending sign below.

Rafael del Pino y Calvo-Sotelo
Chairman

Santiago Bergareche Busquet
Vice-Chairman

Joaquín Ayuso García
Vice-Chairman

Íñigo Meirás Amusco
CEO

María del Pino y Calvo-Sotelo
Director

Santiago Fernández Valbuena
Director

José Fernando Sánchez-Junco Mans
Director

Joaquín del Pino y Calvo-Sotelo
Director

Óscar Fanjul Martín
Director

Philip Bowman
Director

Hanne Birgitte Breinbjerg Sørensen
Director

Bruno Di Leo
Director

Formal note made by the Secretary and Non-Board Member to record that Hanne Birgitte Breinbjerg Sørensen did not sign this document as she was absent due to unavoidable professional commitments. She was represented via a proxy granted to Non-executive Director Óscar Fanjul Martín. I also hereby state that I have no record that Mrs Sørensen objected to the approval of the Ferrovial S.A. and subsidiaries interim condensed consolidated accounts for the first half of the 2019 financial year.

Santiago Ortiz Vaamonde
Secretary and Non-Board Member

ferrovial

English translation for information purposes only. In the event of discrepancies between English and Spanish version, the Spanish version shall prevail.

STATEMENT OF LIABILITY IN CONNECTION WITH THE CONSOLIDATED CONDENSED FINANCIAL STATEMENTS AND THE CONSOLIDATED INTERIM MANAGEMENT REPORT FOR THE PERIOD ENDED 30 JUNE 2019

The members of the Board of Directors of Ferrovial, S.A. state that, to the best of their knowledge, the consolidated condensed financial statements for the period ended 30 June 2019 approved by the Board on 30 July 2019, have been prepared in accordance with the set of applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of Ferrovial, S.A. and of the subsidiaries included within its scope of consolidation, taken as a whole, and that the consolidated interim management report includes a fair review of the information required.

In witness whereof, this statement is given in accordance with article 11.1.b) of Royal Decree 1362/2007, of 19 October.

Madrid, 30 July 2019.

Mr. Rafael del Pino y Calvo-Sotelo Chairman	Mr. Santiago Bergareche Busquet Vice-Chairman
Mr. Joaquín Ayuso García Vice-Chairman	Mr. Íñigo Meirás Amusco Chief Executive Officer
Ms. María del Pino y Calvo-Sotelo Director	Mr. Santiago Fernández Valbuena Director
Mr. José Fernando Sánchez-Junco Mans Director	Mr. Joaquín del Pino y Calvo-Sotelo Director
Mr. Óscar Fanjul Martín Director	Mr. Philip Bowman Director
Ms. Hanne Birgitte Breinbjerg Sørensen Director	Mr. Bruno Di Leo Director

English translation for information purposes only. In the event of discrepancies between English and Spanish version, the Spanish version shall prevail.

The Secretary non Director of the Board of Directors states for the record that the Director Ms. Hanne Birgitte Breinbjerg Sørensen has not signed this document because of her absence due to unavoidable professional commitments, having delegated her proxy to the non Executive Director Mr. Óscar Fanjul Martín. Likewise, I am not aware of the disagreement of Ms. Sørensen with the statement of liability in connection with the consolidated condensed financial statements and the consolidated interim management report of Ferrovial, S.A. and its subsidiaries for the first six-month period of 2019.

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Mr. Santiago Ortiz Vaamonde
Secretary non Director of the Board of Directors

FERROVIAL, S.A.
and Subsidiaries

Interim Condensed Consolidated Financial Statements and Interim Directors' Report for the six-month period ended 30 June 2019, together with Report on Limited Review

Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

Deloitte.

Deloitte, S.L.
Plaza Pablo Ruiz Picasso, 1
Torre Picasso
28020 Madrid
España

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www.deloitte.es

Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Ferrovial, S.A., at the request of the Board of Directors,

Report on the Interim Condensed Consolidated Financial Statements

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements ("the interim financial statements") of Ferrovial, S.A. ("the Parent") and Subsidiaries ("the Group"), which comprise the condensed consolidated statement of financial position as at 30 June 2019, and the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and explanatory notes thereto for the six-month period then ended. The Parent's directors are responsible for preparing these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the audit regulations in force in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2019 are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial statements, pursuant to Article 12 of Royal Decree 1362/2007.

Emphasis of Matter

We draw attention to Note 2 to the accompanying interim financial statements, which indicates that the aforementioned accompanying interim financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2018. Our conclusion is not modified in respect of this matter.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Report on Other Legal and Regulatory Requirements

The accompanying interim consolidated directors' report for the six-month period ended 30 June 2019 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in that period and their effect on the interim financial statements presented, of which it does not form part, and about the information required under Article 15 of Royal Decree 1362/2007. We have checked that the accounting information in the interim consolidated directors' report is consistent with that contained in the interim financial statements for the six-month period ended 30 June 2019. Our work was confined to checking the interim consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Ferrovial, S.A. and Subsidiaries.

Other Matters

This report was prepared at the request of the directors of Ferrovial, S.A. in relation to the publication of the half-yearly financial report required by Article 119 of the Consolidated Spanish Securities Market Law, approved by Legislative Royal Decree 4/2015, of 23 October, and implemented by Royal Decree 1362/2007, of 19 October.

DELOITTE, S.L.

Miguel Laserna Niño
30 July 2019