

1H17

Results Presentation



OHL

- 1 Corporate debt reduction and financial structure simplification**
- 2 Strong performance of the Concession business**
- 3 In Construction, visible cash-flow generation & uplift in profitability in 2Q despite lower production than expected**
- 4 Remarkable new contracting in the Construction division**
- 5 Integration of Industrial into Construction in an advanced stage**
- 6 Implementing formulas to mitigate risks related to Legacy Projects and optimize cash**
- 7 Overhead and structure cost reduction**
- 8 Successful delivery on Asset Rotation**

		1H16	1H17	% YoY
P&L	Turnover	2,076	1,804	(13.1%)
	EBITDA	385	500*	29.8%
	EBIT	270	411	52.1%
	Net Profit	3	2*	(30.0%)
		2016	1H17	% YtD
Recourse Debt	Gross Debt	1,520	1,389	(8.6%)
	Net Debt	748	814	8.7%
		2016	1H17	% YtD
Backlog	Construction	5,881	6,294	7.0%

KEY HIGHLIGHTS

- **Strong EBITDA performance up by +21%** despite the full recognition of **€34.2m cost for the Redundancy Plan. Mexican concessions keep on performing robustly** (Sales & EBITDA from Tolls +17% in local currency)
- **Net Profit in 1H17 would be €2.1m** (similar to 1H16) excluding the one-off impact related to the Redundancy plan
- **Gross recourse debt down €131m YtD** making progress on credit metrics
- **Net Recourse debt reaching 5-year lows at June** backed by asset rotation and better behaviour of the Recourse Activity, led by the **Construction business**
- Solid 1H17 in terms of new contracting: **€1.7bn new awards** reaching a **book-to-bill ratio of 1.3x**

Prioritizing profitability & risk management over growth

Key Highlights

1H17 Revenues

€1,307m

YoY Growth

(16.0%)

1H17 EBITDA

€35m

YoY Growth

(23.2%)

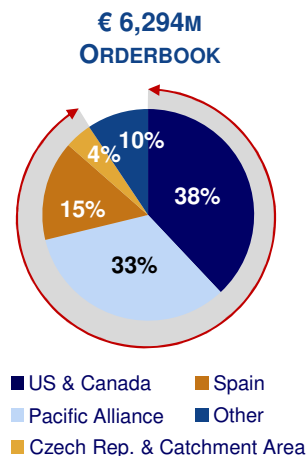
- Uplift in profitability with 2.6% EBITDA margin in 1H17 (vs 1.5% in 1Q17) and despite: i) 16% Sales decline and ii) delays in the start of the works for concessions unrelated to our performance
- Legacy projects performing according to expectations having drained €35m during 1H17 (vs €38m in 1Q17)
- 1H17 has been very successful in terms of new contracting: €1.7bn representing 74% of total awards in FY 2016

New awards in 2017

Country	Project	Amount
USA	I-405	€679m
USA	Canarsie Tunnel rehab.	€312m
S. Arabia	La Mecca – Medina workshop	€43m
USA	O'Hare airport - Deicing facility	€43m
USA	Medical campus center in Florida	€40m
Peru	Quellaveco project	€33m
Largest projects awarded in 1H2017		€1,150m
Rest of projects		€566m
Total new contracting in 1H2017¹		€1,716m

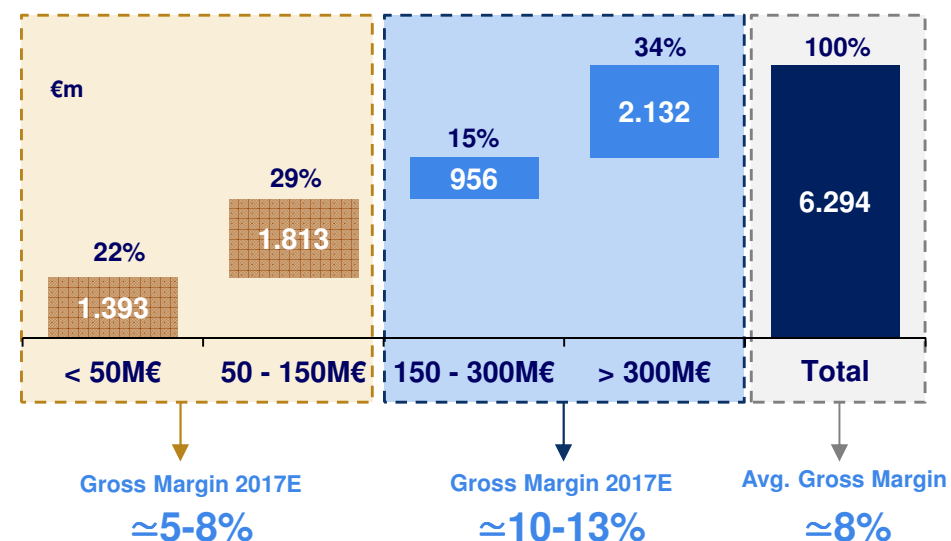
Book to Bill ratio = 1.3x

Well-Balanced and Healthy Orderbook



- 90% in Home Markets
- Gross margin of ~8%
- Orderbook represents 30 months of sales
- 23% are works for own concessions

BACKLOG ACCORDING TO PROJECT SIZE



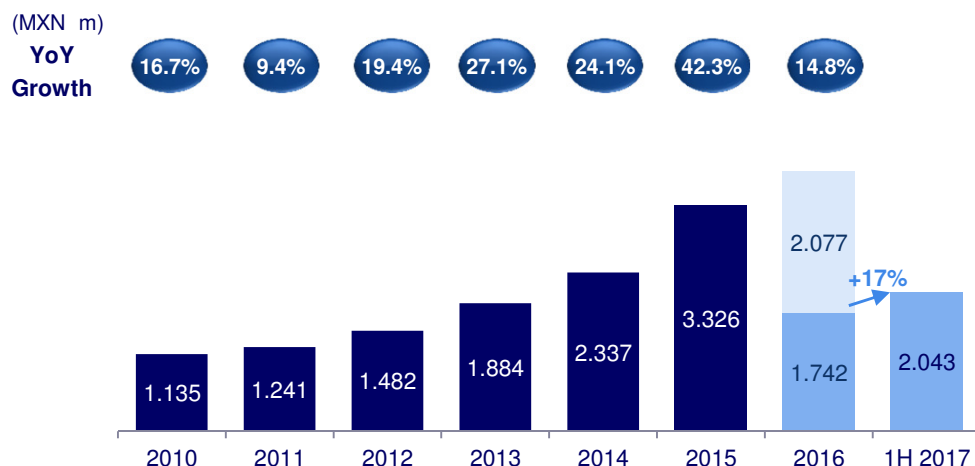
1. Not included in backlog the recent award of the National Forensic Hospital in Ireland for €62m (equity method – IFRIC 11)

Key Highlights

1H17 Revenues	YoY Growth	1H17 EBITDA	YoY Growth
€216m	(1.1%)	€481m	45.5%

- EBITDA growth like-for-like of +80.6% (at constant FX and excluding deconsolidation impact of MLO & A-2) and Toll EBITDA would be +30.2%.
- Robust traffic performance in all the Mexican concessions with both Sales and EBITDA from Tolls growing +17% in local currency
- Resilient traffic behaviour in Mexico: Forecasted GDP +1.9%¹ in 2017 vs traffic growth within 5%-10% range

Continued cash EBITDA component growth at OHL Mexico toll road concessions

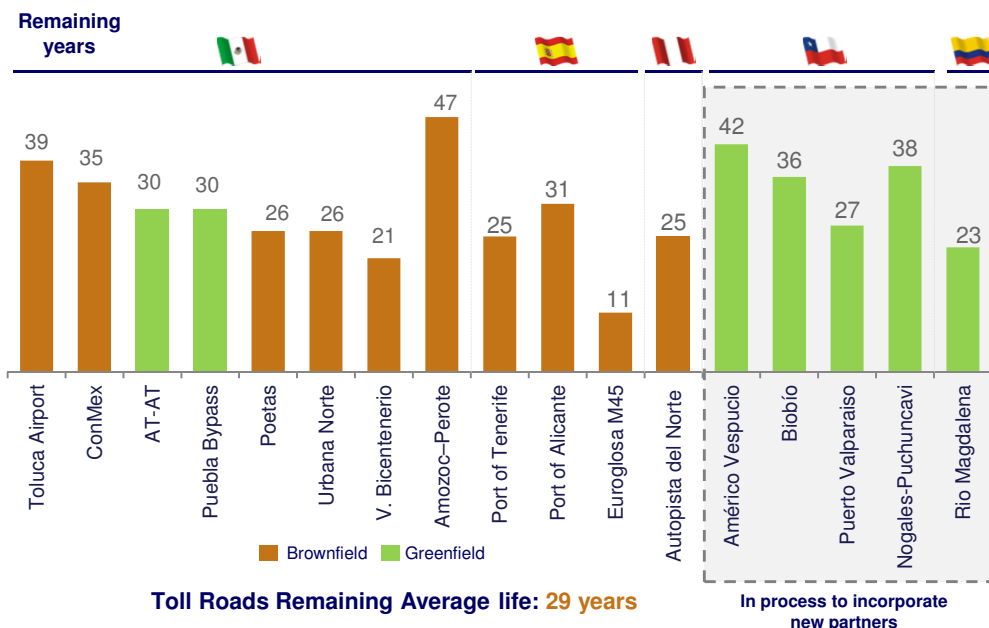


Strong Operating & Traffic Performance

	Sales €m	YoY Growth	EBITDA €m	YoY Growth	Traffic Growth
Mexico	139.0	11.8%	467.7	68.0%	
Amozoc-Perote	16.3	14.8%	9.0	13.9%	5.9%
ConMex	84.7	7.1%	264.8	67.4%	7.5%
Viaducto Bicentenario	18.4	12.2%	75.4	69.4%	7.2%
Urbana Norte	19.6	34.2%	118.5	74.8%	9.8%
Spain	34.8	(2.8%)	20.6	(69.6%)	
Euroglosa M-45	7.7	2.7%	6.3	3.3%	4.9%
Autovía Aragón	14.1	n.a.	11.5	n.a.	-
Port of Alicante	7.6	2.7%	1.5	(11.8%)	0.8%
Port of Tenerife	5.4	(12.5%)	1.3	44.4%	11.5%
Peru	9.3	(38.0%)	6.8	(30.6%)	
Autopista del Norte	9.3	(38.0%)	6.8	(30.6%)	(35.1%)
Chile	14.8	25.4%	7.5	70.5%	
Nogales-Puchuncavi	2.7	n.a.	1.8	n.a.	-
Port of Valparaiso	12.1	2.5%	5.7	29.5%	(7.7%)
Total Concessions	197.9	5.9%	502.6	39.5%	
Headquarters & others	18.5	(42.2%)	(21.8)	(26.8%)	-
TOTAL	216.4	(1.1%)	480.8	45.5%	

- 1H16 EBITDA in Spain includes €39.7m from MLO
- Autopista del Norte (Peru) negatively affected by the heavy floods that hit the country in 1H17

Attractive portfolio of concessions



PROSPECTIVE PROCESS TO ENTER A PARTNER AT OHL CONCESIONES LEVEL

- ✓ OHL will maintain in any case a majority stake in OHL Concesiones
- ✓ New partner would support growth and reinforce the business model
- ✓ Proceeds will be allocated to accelerate recourse net debt reduction plan
- ✓ OHL's future capital contribution needs for new projects will be lowered
- ✓ Sets a market price reference for the Concessions business

Diversified investments

(As of Jun -17)

	# of Investments	Equity Invested (€m)
Spain ¹	3	151.7
Chile	4	119.0
Peru	1	73.2
Colombia	1	77.5
Total	9	421.4

Proven track record crystallizing value through asset rotation

Project	Investment	Years	IRR (%)
Fumisa	€73m	5	↑ Weighted Average IRR ² ~30%
ConMex	€263m	13	
I2000	€66m	9	Average IRR ~24% ↓
Alasa	€47m	10	
OHL Brasil	€132m	11	
Abertis	€1,837m	2	
MLO	€38m	10	
Autovía Aragón	€53m	9	

1 Not including Eje Aeropuerto, Cemonasa, MLO and Autovía Aragón

2 Weighted average IRR on Investment

OHL Industrial

1H 2017 Revenues	YoY Growth	1H 2017 EBITDA	YoY Growth
€129m	(6.5%)	(€20m)	(73.0%)

- Sales and EBITDA affected by the finalisation of Oil&Gas and Power projects
- **Restructuring plan in place under new leadership of Construction:**
 - Gradual abandonment of unprofitable businesses (Oil&Gas & Power)
 - Integration into Construction
 - Collective Redundancy plan

OHL Services

1H 2017 Revenues	YoY Growth	1H 2017 EBITDA	YoY Growth
€109m	18.3%	€1m	(40.0%)

- **Revenues grew +18,3% in 1H17** driven by the Facilities segment in Spain
- Pressure on margins given **strong competition in the sector**
- Focus on **consolidation in Spain**

OHL Developments

1H 2017 Revenues	YoY Growth	1H 2017 EBITDA	YoY Growth
€43m	(40.2%)	€5m	(78.6%)

- **Top-line impacted by the change in the consolidation method of Mayakoba.** Comparable Sales figure similar to 1H16
- **1H17 OHL Developments net book value €357m:** Mayakoba €52m, Old War Office €69m, Canalejas €73m, Mayakoba City & others €163m.
- **Recent disposals** in Mayakoba and Canalejas **have partially crystallized the high value of these landmark projects:**

MAYAKOBA

Proceeds: **€189m¹** Capital gain: **€3m**

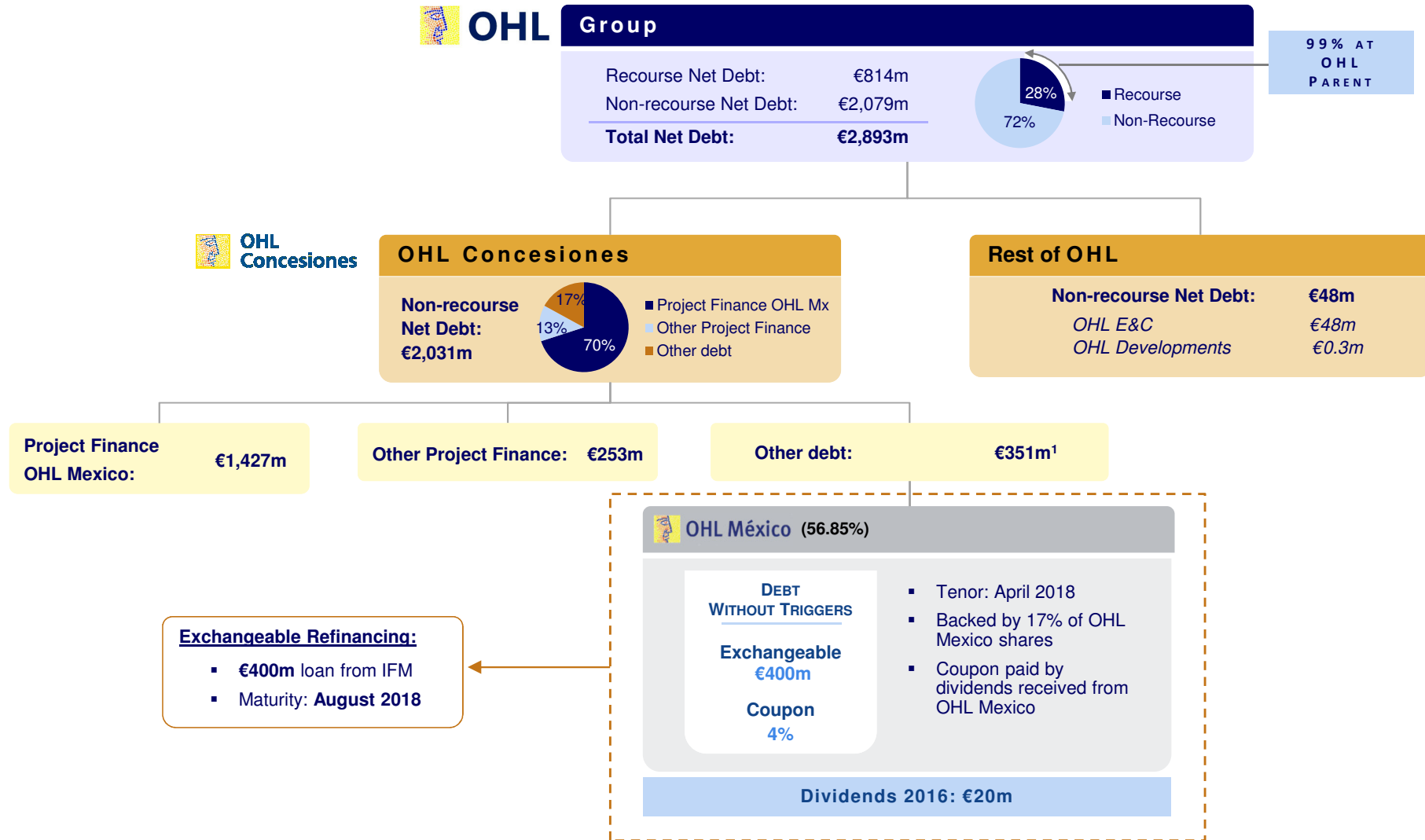
80% sold

51% sold

CANALEJAS

Sold: **17.5%**
 Proceeds: **€78m¹**
 Capital gain: **€32m**

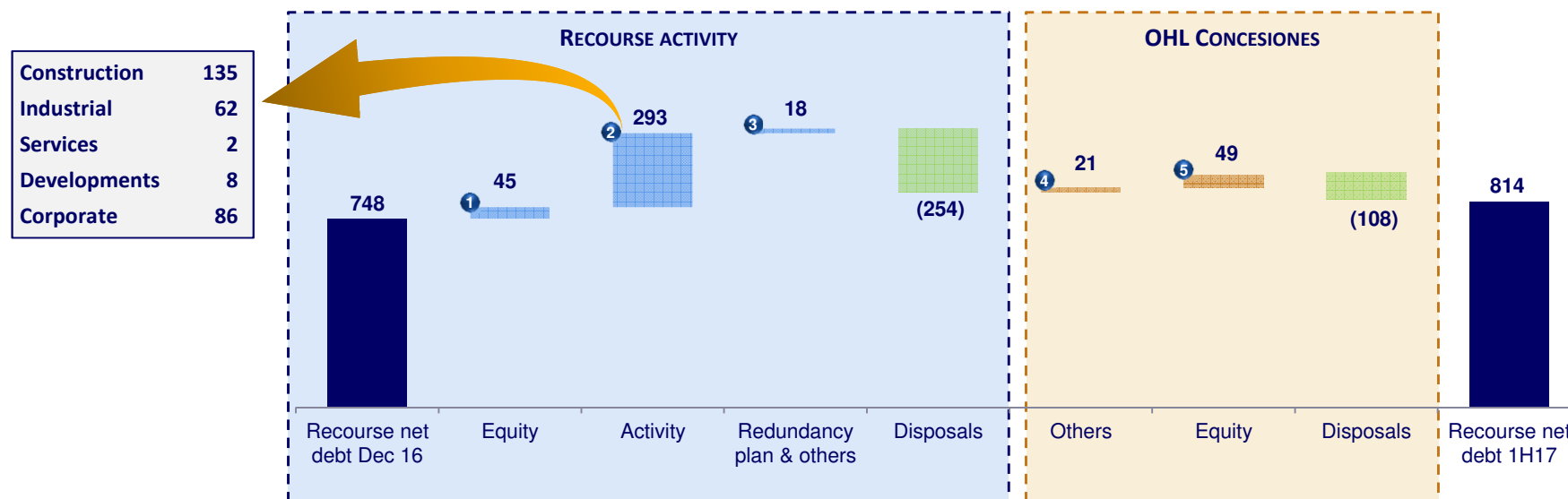
1 €7.9m from Mayakoba and €5.3m from Canalejas pending to be collected according to contractual terms.



Fully committed with our financial policy to guarantee a sustainable capital structure

1 Includes €400m from OHL Mexico exchangeable and €49,3m of net cash

Net Recourse Debt Evolution



RECURSE ACTIVITY

- 1 Equity investment of €26m in OHL Developments and the rest in E&C businesses
- 2 Positive organic FCF generation of Construction activity in 2Q17 of €40m. Legacy Projects are performing as expected, draining €35m during 1H17. Corporate includes €68m of financial costs and €18m of headquarters & others.
- 3 €15.4m cash impact from redundancy plan and €2.5m treasury stock

OHL CONCESIONES

- 4 €16m bank guarantees executed from Mostoles-Navalcarnero concession
 - 5 Equity invested for our concessions excluding Mexico
- Intercompany loan at Jun-17 €635m (vs €603m at Dec-16)

DISPOSALS

Recourse Business disposals €254m:

- Mayakoba €181m¹
- Canalejas €73m¹

OHL Concesiones disposals €108m:

- Abertis €57m
- Autovía Aragón €51m

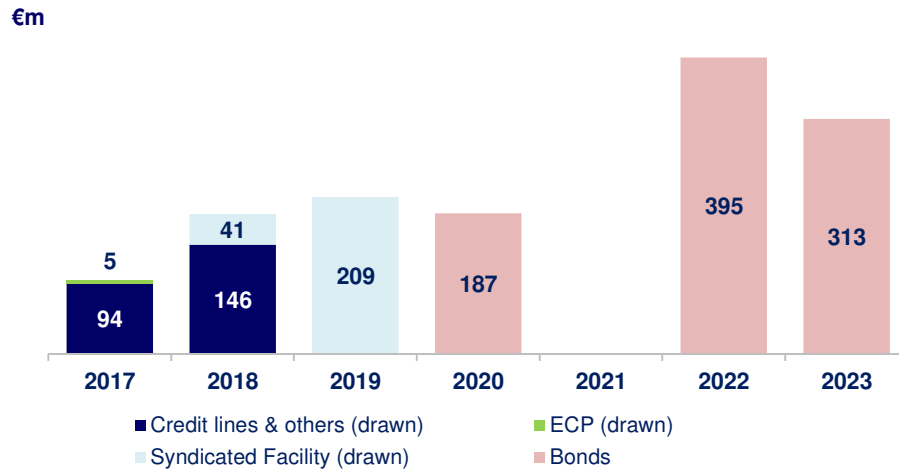
Net proceeds from disposals €362m

1H17 Net Recourse Debt reaching 5-year lows driven by successful asset rotation & visible improvement of the Recourse Activity: €37m outflow in 2Q17 vs €256m in 1Q17

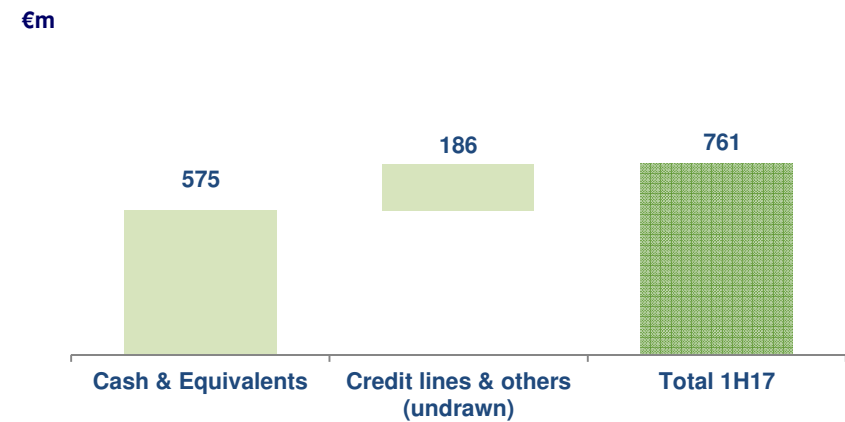
1 €7.9m from Mayakoba and €5.3m from Canalejas pending to be collected according to contractual terms.

Reinforcing our liquidity position through our asset rotation policy

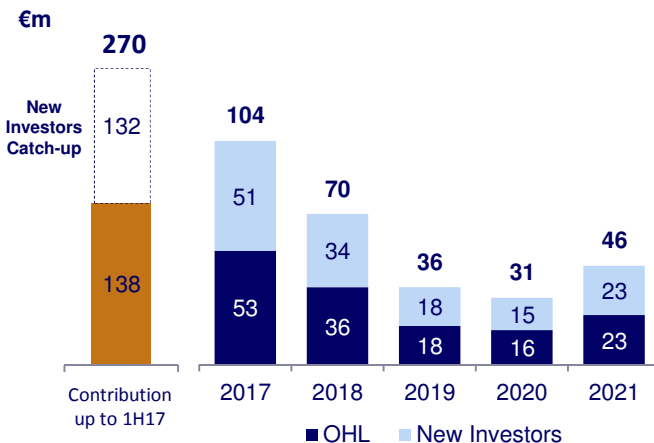
Recourse debt maturity profile



€0.8bn recourse liquidity available



OHL Concesiones estimated equity commitments of c.€146m



- **Sale of minority stake at project level** to minimize equity contributions
- **Expected incorporation in 2017¹**
- **Net proceeds** will be transferred to the recourse perimeter to **reduce leverage**

Asset divestment plan for 1H17 fully executed

Asset	Stake	Net Proceeds	Status	Collection date
abertis	2.50%	€57m	Collected	Jan-17
mayakoba™	80%-51%	€181.4m + €7.9m ²	Collected	Apr-17
Canalejas	17.50%	€72.3m + €5.3m ²	Collected	Apr-17
Autovía Aragón	75%	€51m	Collected	Jun-17
ZPSV OHL GROUP	100%	c. €50m	Analyzing B.O.	Est. 3Q17
OHL Concesiones	49% at project level	c. €132m	NBOs received	Est. 4Q17

€362m proceeds 1H17

€182m targeted 2H17

New partners at project level to minimize equity contributions while providing net proceeds to reduce recourse leverage

1 New investors to contribute c.€132m, corresponding to the value of equity contributions made until 1H17 proportionate by the acquired stake.
 2 Pending collection according to contractual terms.

MAIN ONGOING ACTIONS

CONSTRUCTION

- Personnel restructuring
- Reduction of advisory costs
- Elimination of duplicities & satellite branches

HEADQUARTERS

- Personnel restructuring
- Overheads reduction
- Significant reduction of financial costs
- Cut down discretionary expenditures

INDUSTRIAL

- Personnel restructuring
- Reduction of structure related Design & Analysis depart. & advisory costs
- Subsidiaries rationalization & elimination of duplicities

Redundancy Plan

€m	OHL SA	OHL Ind.	Total
# Staff	335	122	457
Cost	28,6	5,6	34,2
Annual Cost Savings	27,2	11,3	38,4

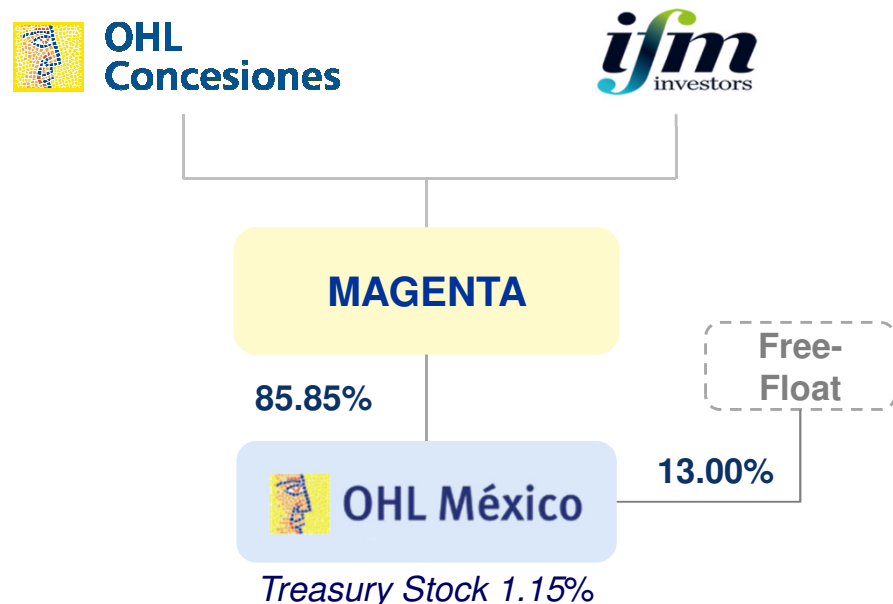
- **58% progress** (# of layoffs) in just 2 months
- **€34.2m cost fully recognized** at EBITDA level
- **€15.4m cash impact** in 1H17

KEY FIGURES

- Global range → **from € 40 to € 50 million**
- Schedule → **From 2H17 onwards**
- Payback → **15 months**

Management team fully committed to reduce costs structure & increase profitability across divisions

Proforma Structure



- % Achieved: **85.85%**
- Price per Share: **27.00 MX peso/share**

NEXT STEPS

- Settlement of the Offer: **August 4, 2017**
- **€400m loan from IFM to OHL Concesiones to repay the Exchangeable Bond**
- **Capital reduction in OHL Concesiones to cancel the Intercompany Loan owed by Parent Company**

- ✓ IFM's interest in the asset proven over time
- ✓ Adds a reliable financial partner while maintaining control
- ✓ Simplification of debt structure at OHL Concesiones

Key Concerns

- | | |
|---|---|
| <p>1 Construction Business Model</p> <p>2 Organic Cash Flow Generation</p> <p>3 Impact from Legacy Projects</p> | <p>4 Corporate Cost structure</p> <p>5 Recourse EBITDA</p> <p>6 Gross Recourse Debt</p> |
|---|---|

Measures Adopted

- ✓ Identified & constrained potential impact from Legacy Projects
- ✓ Asset Rotation
- ✓ Cost reduction of €40m to €50m in the next 1,5 years
- ✓ Strict control & monitoring to improve Cash-Flow generation
- ✓ Gross Recourse Debt repayment

 POSITIVE PERCEPTION ON MAGENTA & THE PROSPECTIVE PROCESS TO ENTER A PARTNER AT OHL CONCESIONES

FitchRatings

2017 – 2018 STRATEGIC PLAN

Rating: B+
Outlook: Negative

*“...successful execution of its strategic plan would be credit positive. The management of the company is taking measures to mitigate legacy operational issues and to alleviate the financial stress.
...Fitch views positively the renewed focus towards strict risk management leading to more stringent bidding criteria in construction activity.”*

April, 2017

MOODY'S

OHL CONCESIONES

Rating: Caa1
Outlook: Negative

Cash tender offer over OHL Mexico minorities. June, 2017
“The agreement represents material progress in terms of the company's strategic plan and is credit positive for OHL because it would allow to manage OHL Mexico much easier and improve OHL's liquidity.”

Seeking new partner at OHL Concesiones level. July, 2017
“The plan itself is credit positive, because proceeds will be used to reduce recourse debt, and thereby also reduce short term liquidity risks.”

- 1 Focus in **Home Markets** and **de-risk** of construction business through risk control mechanisms in place
- 2 **Cash generation** at each project level and obtain **gross margins ~ 8-9%**
- 3 Deliver successfully on the **Legacy projects execution plan** or even try to optimise results
- 4 **Improve profitability**. Focus on **cost reduction** at headquarters/project level and **capex contention** across business units
- 5 **Promote partnerships** and **co-investor formulas** to leverage growth funding
- 6 **Reduce Corporate Leverage** pursuing to reach a zero net level



OHL

Appendix

Income Statement & Cash Flow Statement Overview

Income Statement (€m)

	1H2016	1H2017	YoY
Turnover	2,076	1,804	(13.1%)
EBITDA	385	466	20.9%
<i>Margin %</i>	18.5%	25.8%	
Concessions Cash EBITDA	138	111	(19.6%)
EBIT	270	411	52.1%
<i>Margin %</i>	13.0%	22.8%	
Financial Profit / (Loss)	(62)	(212)	
Equity-accounted affiliates & JVs	(23)	13	
Profit Before Taxes	185	212	14.6%
Corporate Tax	(102)	(102)	
Consolidated Net Income	83	111	32.6%
Minorities	(80)	(143)	
Attributable Net Income	3	(32)	

Cash Flow Statement (€m)

	1H 2016	1H 2017	YoY
EBITDA	385	466	20.9%
Adjustments	(398)	(579)	(45.2%)
Financial results	(285)	(232)	18.5%
Equity accounted results	(23)	13	155.8%
Taxes	(102)	(102)	0.1%
Minorities	(81)	(143)	(77.4%)
Result from the disposal of financial instruments	223	21	(90.8%)
Guaranteed Return Adjustment	(80)	(137)	(70.4%)
Changes in provisions and others	(51)	1	102.2%
Changes in working capital	(215)	(263)	(22.1%)
Cash flow from operating activities	(228)	(375)	(64.5%)
Cash flow from investment activities	725	393	(45.7%)
Minorities	(195)	395	302.5%
Other	920	(2)	(100.2%)
Change in net non-recourse debt	(954)	(83)	(91.3%)
Change in net recourse debt	457	65	(85.7%)
Cash flow from financing activities	(497)	(18)	96.4%

Balance Sheet Overview

Assets (€m)

	2016	1H17	Var
Non-Current Assets	8,589	9,166	6.7%
Intangible Fixed Assets	287	263	(8.3%)
Tangible Fixed Assets in Concessions	6,440	6,775	5.2%
Tangible Fixed Assets	257	237	(7.7%)
Real Estate Investments	67	80	20.2%
Equity-Accounted Investments	514	608	18.3%
Non-Current Financial Assets	403	549	36.3%
Deferred-Tax Assets	622	654	5.1%
Current Assets	4,331	3,604	(16.8%)
Non-Current Assets Held for Sale	492	-	n.a.
Stocks	212	221	4.2%
Trade Debtors and Other Accounts Receivable	2,103	2,186	3.9%
Other Current Financial Assets	664	344	(48.2%)
Other Current Assets	43	62	45.3%
Cash and Cash Equivalents	818	792	(3.1%)
TOTAL ASSETS	12,920	12,771	(1.2%)

Liabilities and Net Shareholders Equity (€m)

	2016	1H17	Var
Net Shareholders' Equity	4,043	4,480	10.8%
Shareholders' Equity	3,028	2,926	(3.4%)
Capital	179	179	-
Issue Premium	1,265	1,265	-
Reserves	2,016	1,513	(24.9%)
Result for the Year Attributed to the Parent Company	(432)	(32.1)	(92.6%)
Valuation Adjustments	(588)	(444)	(24.5%)
Parent Company Shareholders' Equity	2,440	2,481	1.7%
Minority Interests	1,603	1,999	24.7%
Non-Current Liabilities	5,454	5,227	(4.2%)
Subsidies	2	2	(4.8%)
Non-Current Provisions	199	172	(13.5%)
Non-Current Financial Debt ¹	3,777	3,401	(10.0%)
Other Non-Current Financial Liabilities	53	32	(40.2%)
Deferred-Tax Liabilities	1,246	1,424	14.2%
Other Non-Current Liabilities	176	196	11.3%
Current Liabilities	3,424	3,064	(10.5%)
Non-Current Liabilities Held for Sale	220	0	(100.0%)
Current Provisions	298	257	(13.8%)
Current Financial Debt ¹	615	628	2.0%
Other Current Financial Liabilities	7	6	(21.1%)
Trade Creditors and Other Accounts Payable	1,915	1,801	(6.0%)
Other Current Liabilities	368	372	1.2%
TOTAL LIABILITIES AND NET SHAREHOLDERS' EQUITY	12,920	12,771	(1.2%)

Any declaration made in this presentation that may differ from previous past figures made in reference to, but not limited to; the operational development, business strategies and future goals, are to be interpreted only as future estimates, and as such, they imply known and unknown risks, uncertainties and other factors that could cause OHL's results, behavior and achievements, or the results and conditions of its activities, to be substantially different to those and to its future estimates.

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