



3Q 2016

Results Presentation

November 15th, 2016

1 Solid results based on:

Improved operating efficiency

EBIT € 1,119mn L-f-L (+50 bp)

Reduction of financial expenses

Net fin. expenses € 248mn (-38%)

Good opWC performance in 3Q

3Q WC inflow of € 380mn

Net FFO € 56mn
vs € (119)mn 9M15

2 Urbaser sale agreement supports further degearing

Prof ND/EBITDA ratio 0.8x

3 Robust order intake underpinning future growth

Backlog € 62.1bn (+9%)

Key financials 9M16⁽¹⁾



Like for Like*

Sales € 23,371 mn -7.0% **-5.3%**

Slowdown of activity in Australia due to projects termination

EBITDA € 1,513 mn -6.3% **-2.2%**

but sales keep on recovering in 3Q (+14% vs 1Q and +8% vs Q2)

EBIT € 1,119 mn +0.8% **+6.6%**

Improved operating margins, particularly in HOCHTIEF

Net Profit € 570 mn -0.7% **+2.4%**

Positive impact in 2015 of exceptional non-cash items

Backlog € 62.1 bn +9.1% **+7.3%**

Growth across regions and activities

* Adjusted by renewables and FX impact

⁽¹⁾ According to IFRS 5, after the sale agreement reached in September, Urbaser's P&L has been reclassified as discontinued operations with restatement of the comparable period

Net Profit 9M16

€ mn	9M15	9M16	Variation
Construction	152	220	+44.7%
Industrial Services ex renewables	245	240	-2.0%
Renewables contribution	6	0	
Environment	55	56	+1.7%
Corporation	115	53	
Net Profit	574	570	-0.7%



Outstanding performance in HOT with improved margins, despite sales slowdown in Australia

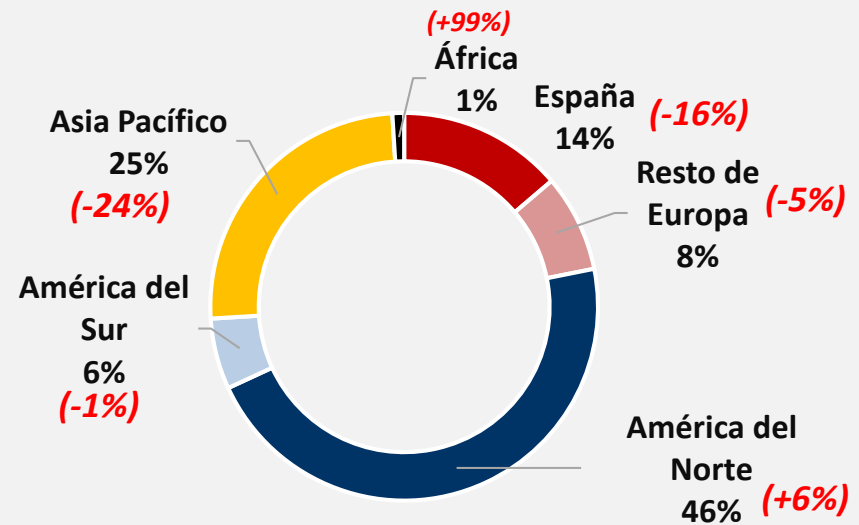
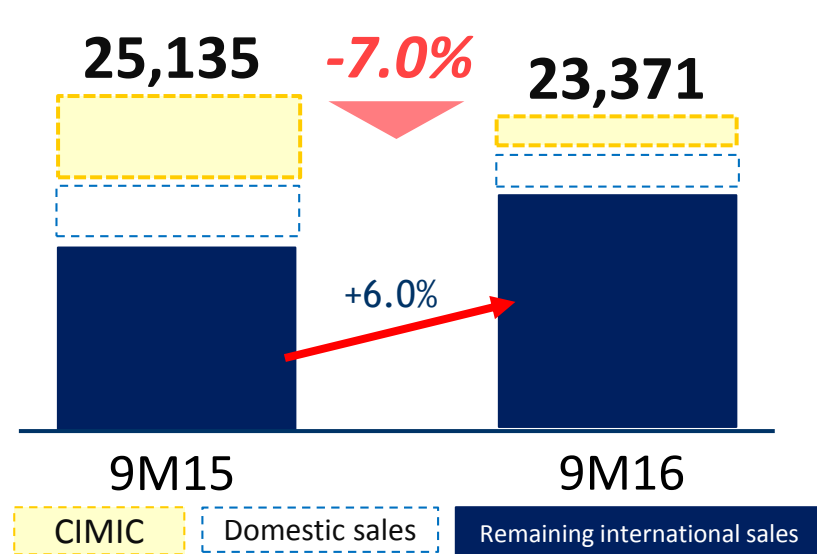
Strong impact of de-gearing process on financial expenses



Corporation Net Income in 2015 includes exceptional non-cash profits from IBE shares which have been sold out in 2016

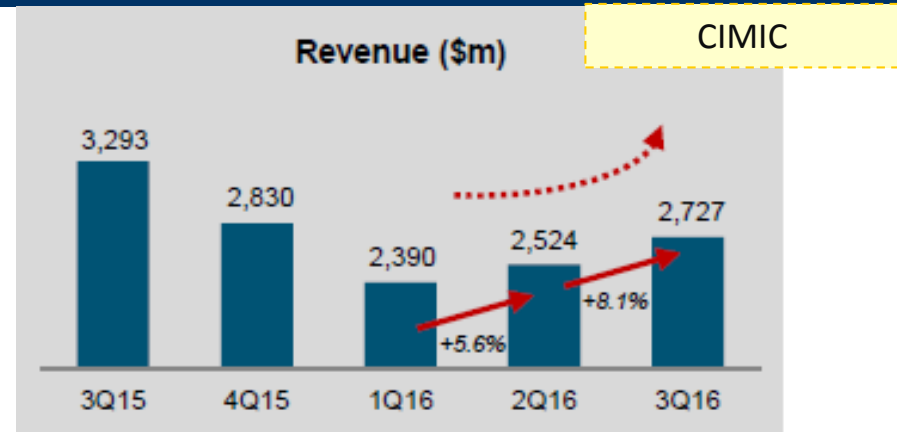
Sales stabilizing despite temporary headwinds

Sales affected mainly by activity lags in Australia and domestic activity slowdown...



- Activity lags in CIMIC affecting top line
 - Sales reduction in domestic market offset by international activity increase
- € 624 mn in Spain vs € 847 mn international ex CIM

... but recovering QoQ



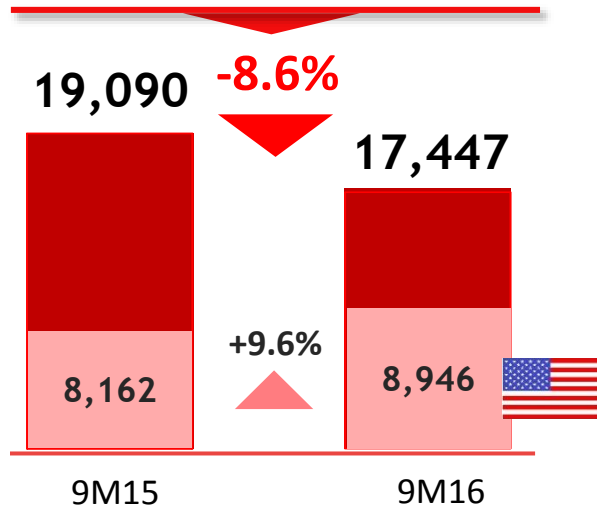
Figures in €mn

Like for like variations

Sales stabilizing despite temporary headwinds

SALES breakdown by activity (€mn)

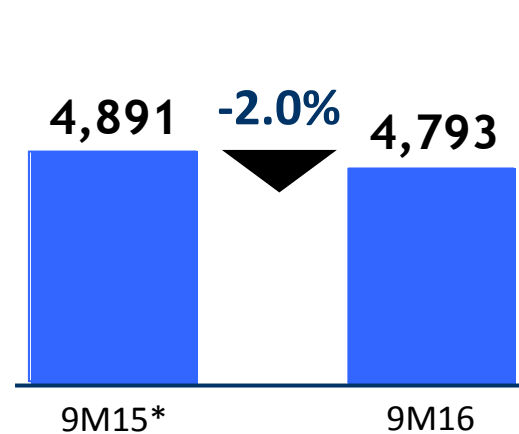
CONSTRUCTION



- Affected by CIMIC top line decrease, Europe unrecovery and FX headwinds
- Rest of areas growing

INDUSTRIAL SERVICES

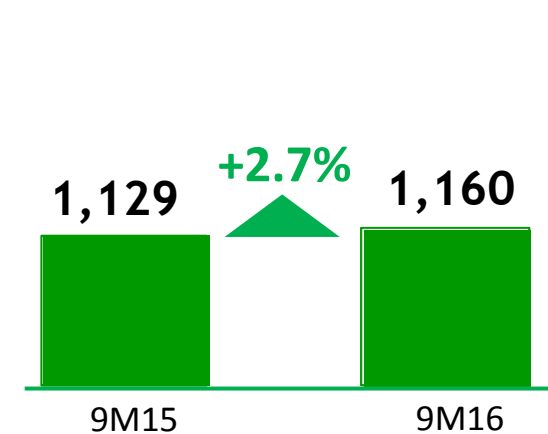
* Ex renewables



- Affected by:
 - MXN depreciation and MEX slowdown
 - Spain slowdown

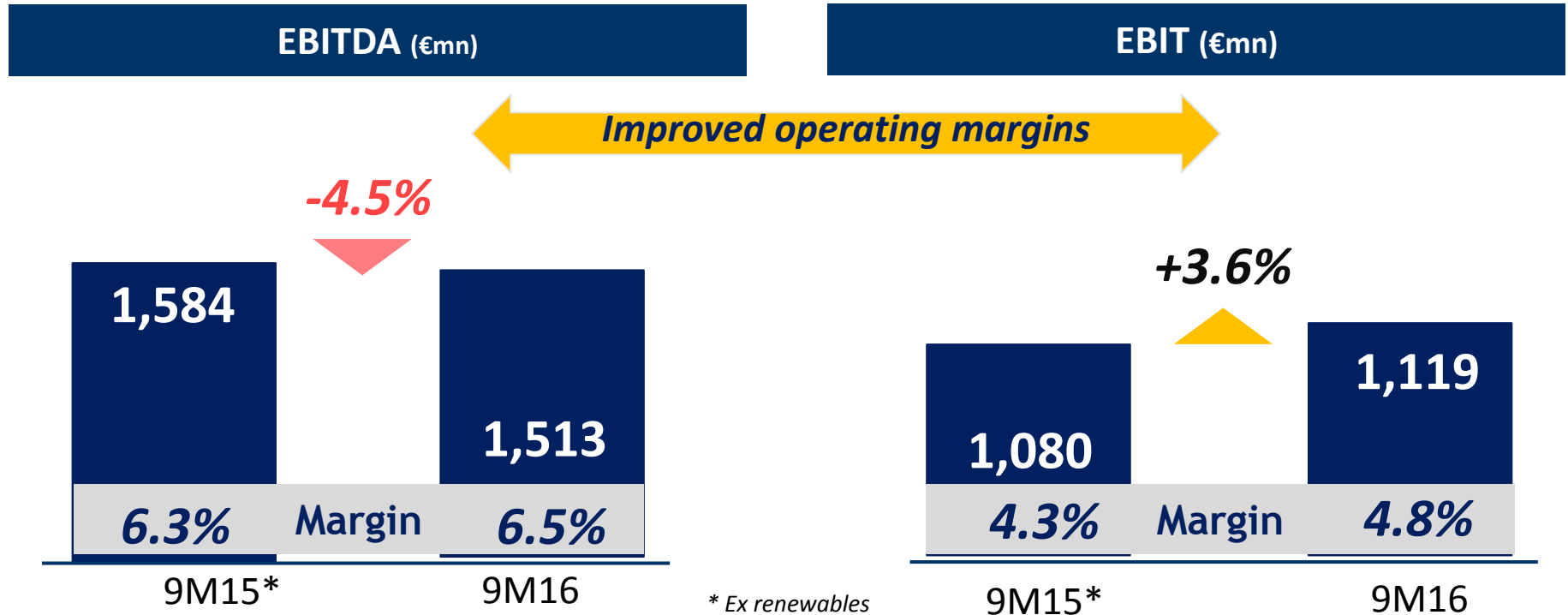
ENVIRONMENT*

* Clece and SPL



- Positive performance based on steady recovery of domestic economy

Improved operating efficiency



Impacted by FX headwinds and topline temporary lags



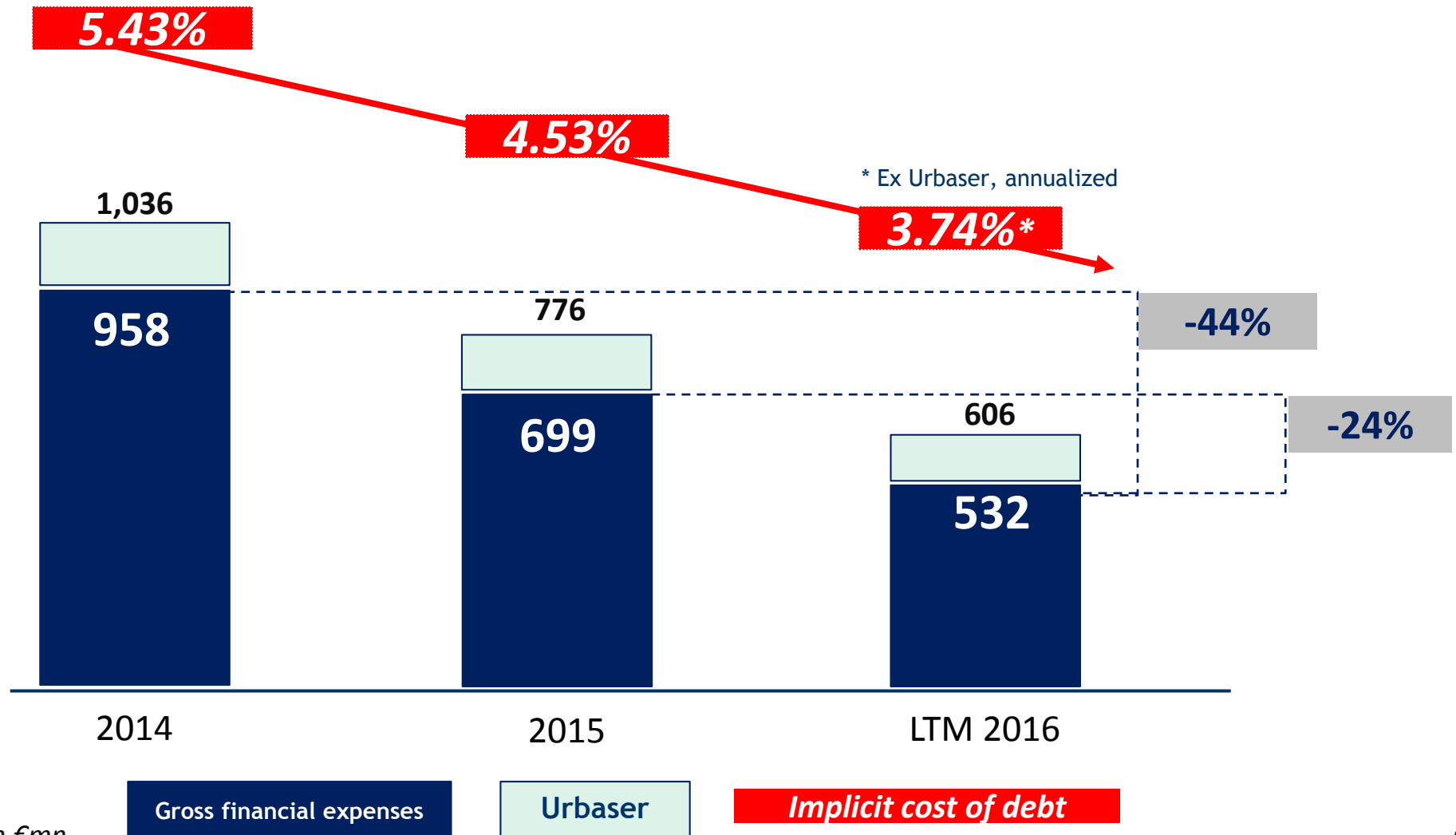
Positive impact of transformation process in HOCHTIEF...

Figures in €mn
Like for like variations and margins

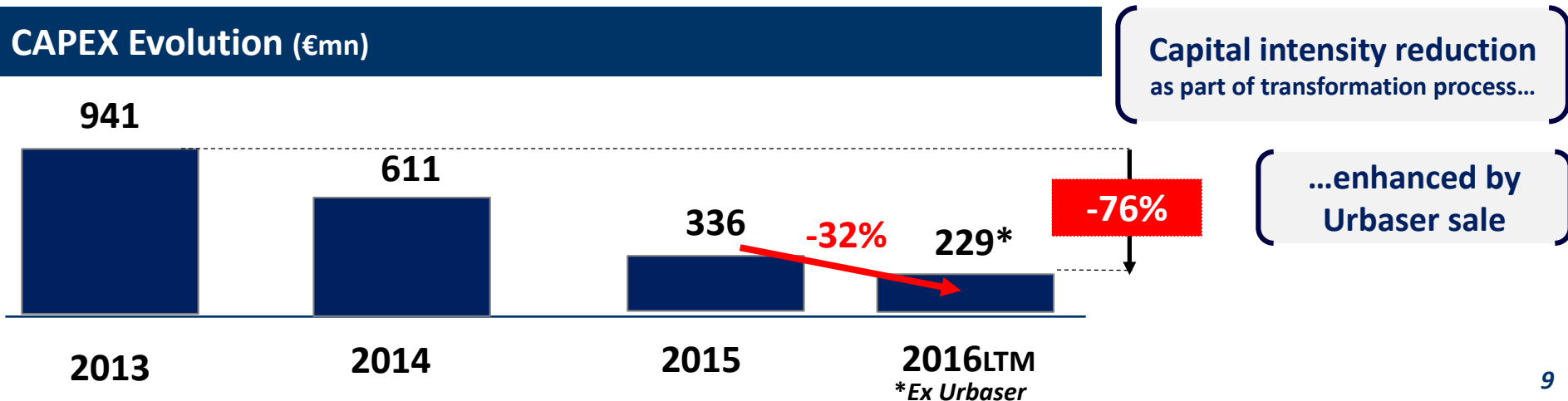
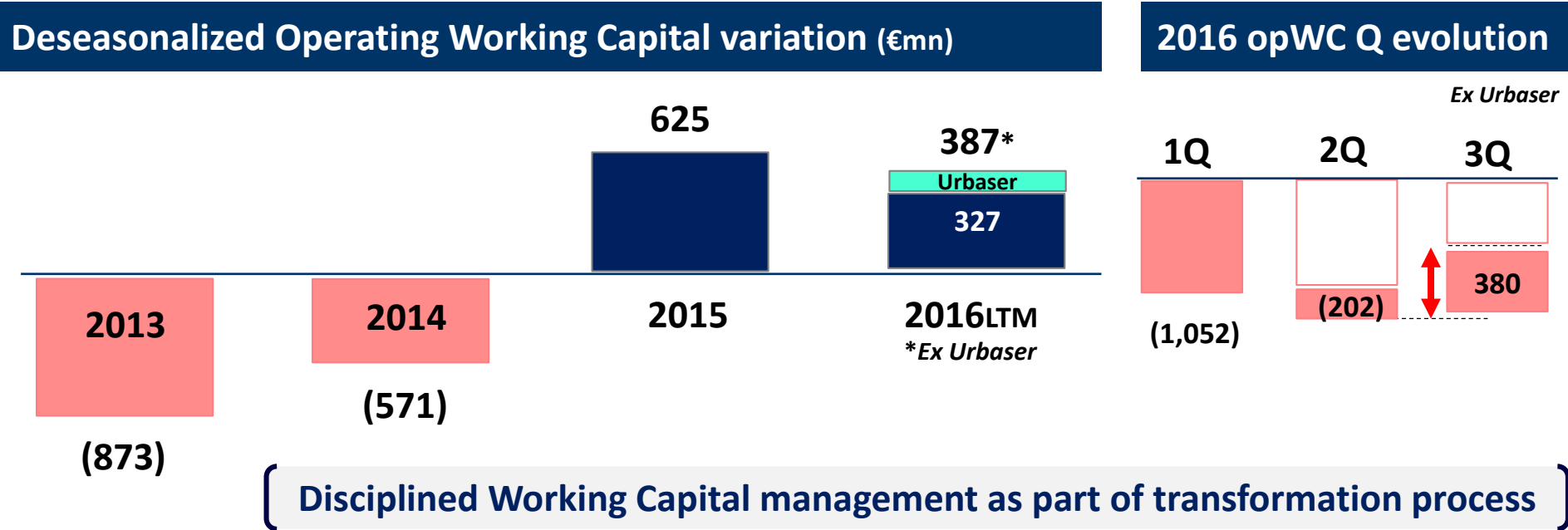
...reducing overheads and capital intensity

De-gearing process continues paying off

...enables drastic reduction in financial expenses and implicit cost of debt



WC under control & disciplined CAPEX



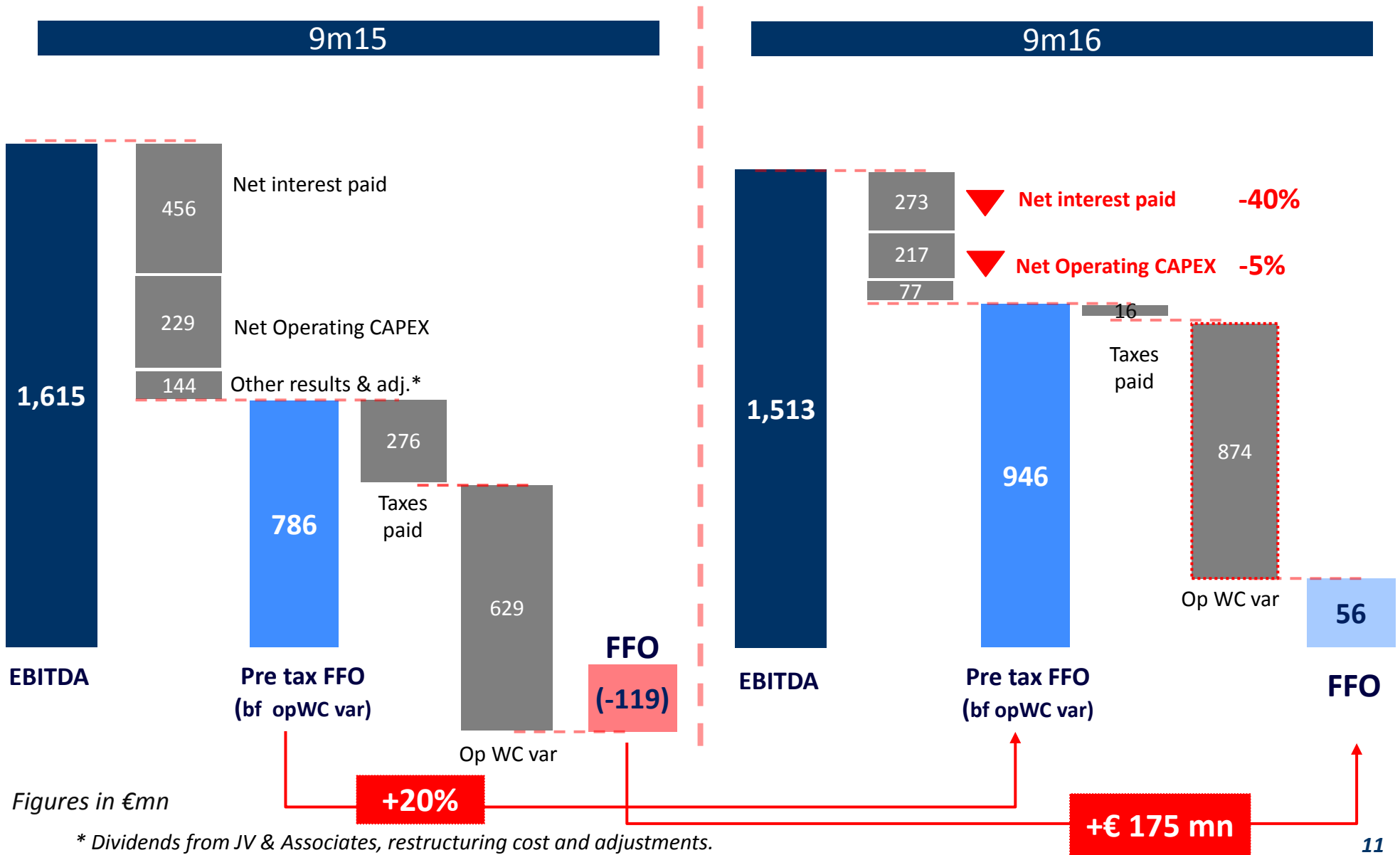
Net Investments 9M16



Net Investments 9M16 € 89 mn (ex. Urb)

9M16	Net Regular Capex		Net Project/Financial inv.		Total Net inv.
Construction	€ 174 mn	€ 85 mn CIMIC contract mining	€ 384 mn	€ 284 mn CIM treasury stock acquisition	€ 559 mn
Industrial Services	€ 30 mn		€ (47) mn		€ (17)mn
Environment (ex Urb)	€ 13 mn		€ 6 mn		€ 19 mn
Business activities	€ 217 mn		€ 343 mn		€ 560 mn
Corporation			€ (470) mn	IBE disposal	€ (470) mn
Net Regular Capex € 217 mn (ex.Urb)			Financial/Project Net Investments € (128) mn		
Urbaser					€ 80 mn

Positive trend in FFO generation



Successful agreement to sell Urbaser

Key transaction figures

Enterprise Value

Value range
€ 2,212 – 2,463 mn

(-) Net Debt FY15 **€ 730 mn**

(-) Factoring FY15 **€ 180 mn**

(-) Minorities & value adj. **€ 138 mn**

Equity Price

€ 1,164 – 1,399 mn

PE ratio

23.2 – 27.9 x

EV/EBITDA ratio

8.3 – 9.2 x

Company profile

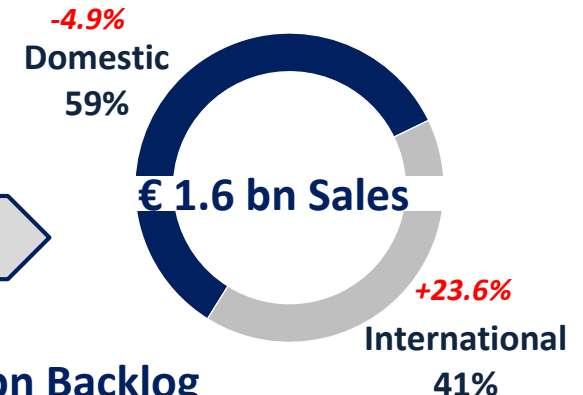
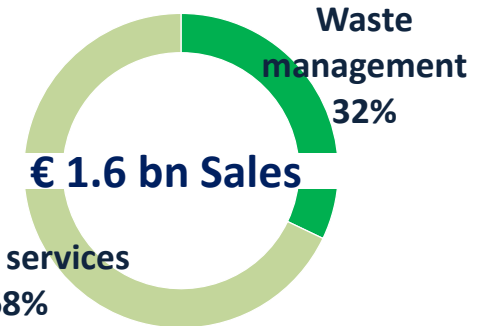
Sales FY15 **€ 1,634 mn**



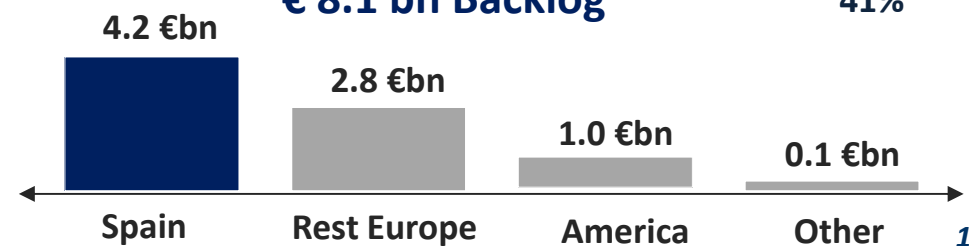
EBITDA FY15 **€ 268 mn**



Net Profit FY15 **€ 50 mn**



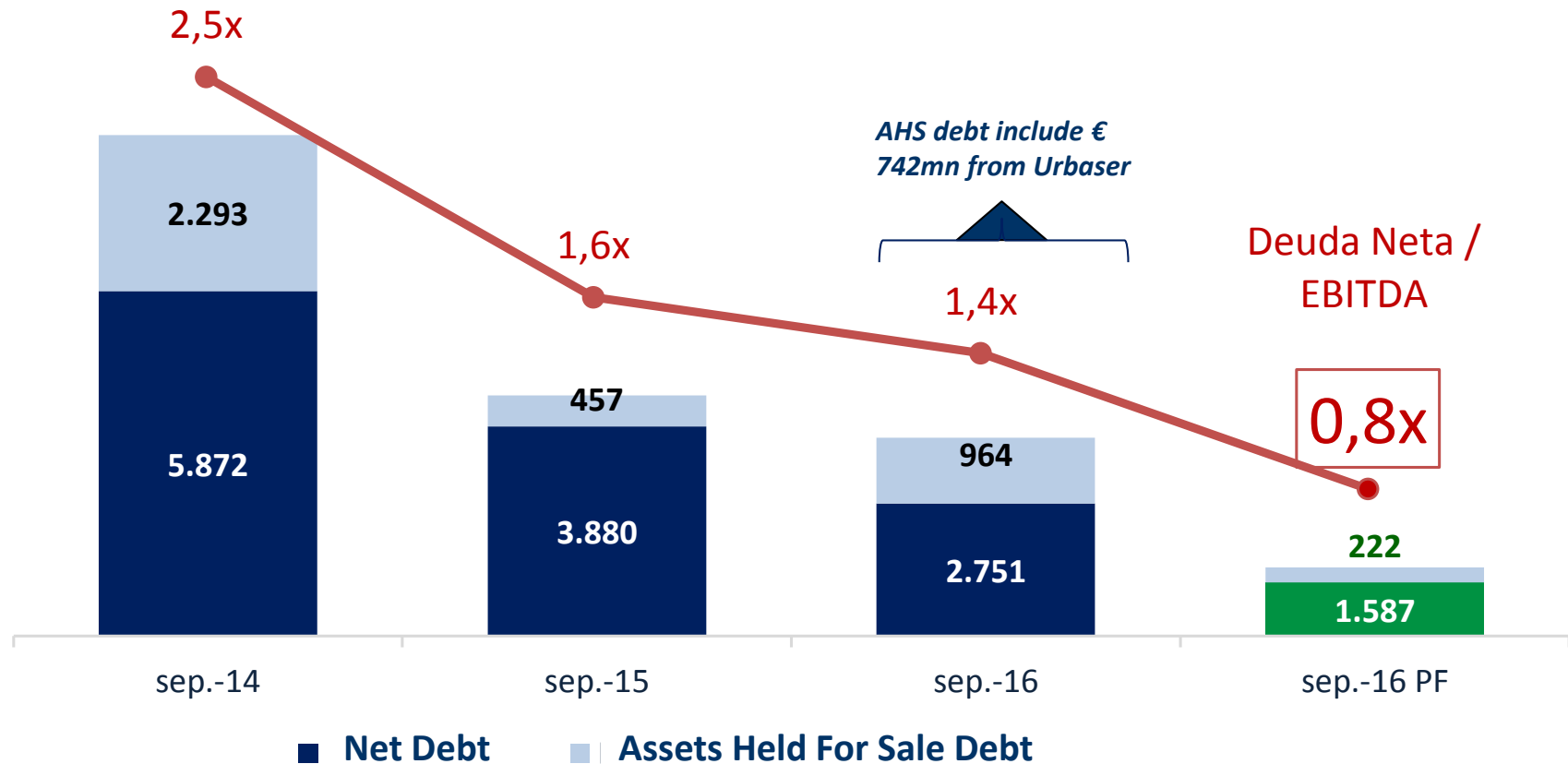
€ 8.1 bn Backlog



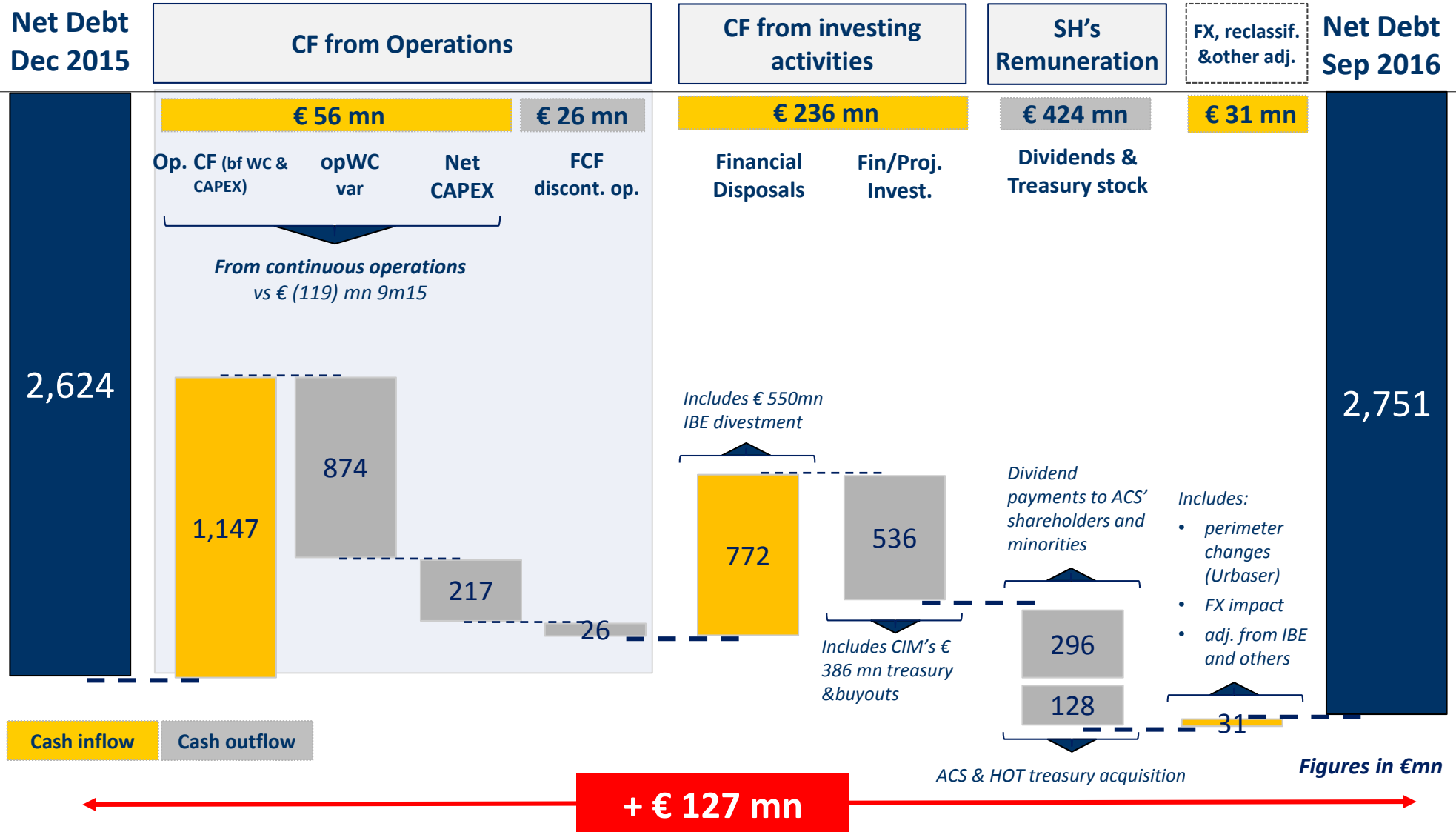
De-gearing process continues paying off

Total indebtedness of the Group slashed...

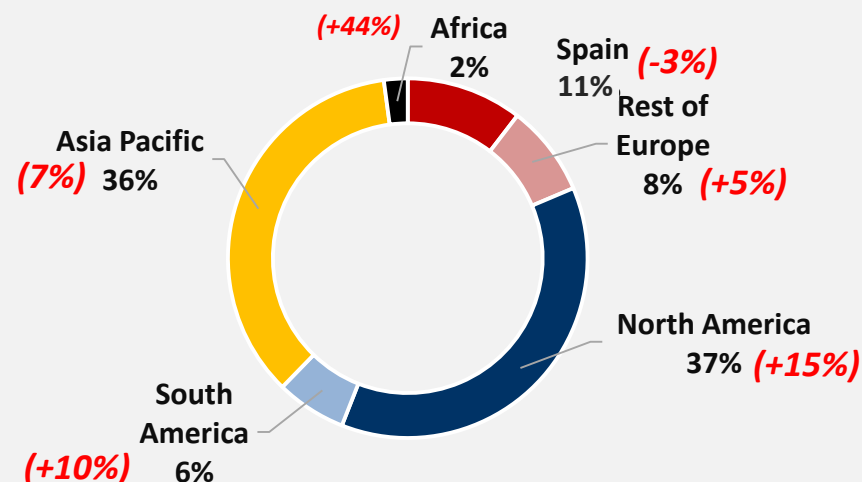
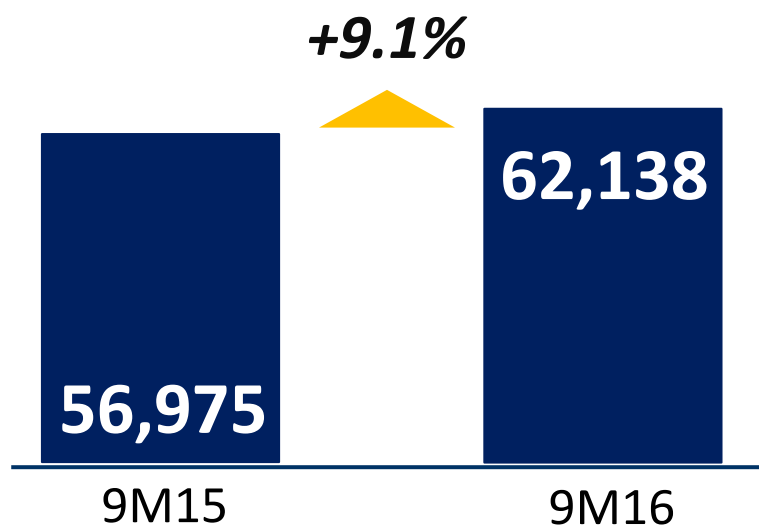
Further reduction underpinned by Urbaser deconsolidation



9m Net Debt evolution



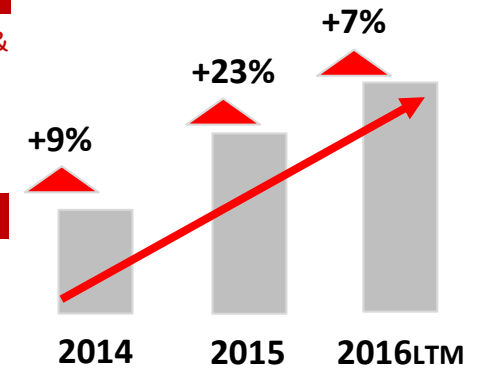
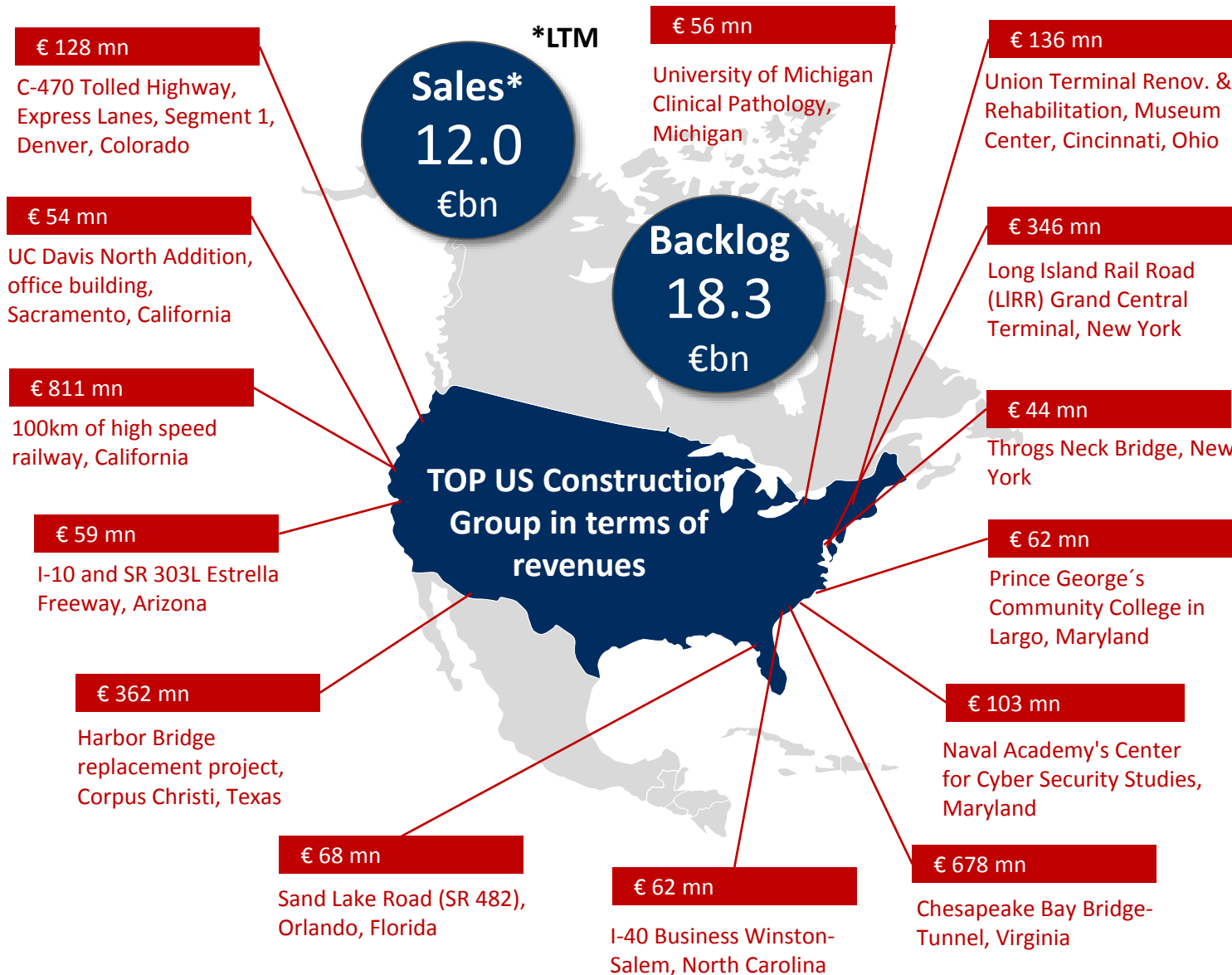
BACKLOG (€mn) and breakdown by geographies



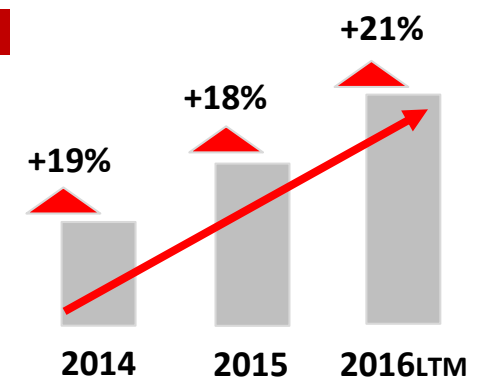
- Outstanding performance of the international commercial activity, particularly in America
- Positive impact of AUD ex. rate

- Strong backlog position reassuring future top line growth
- Yet activity lags remain, thus expecting to take off by late 2017

Leading position in USA



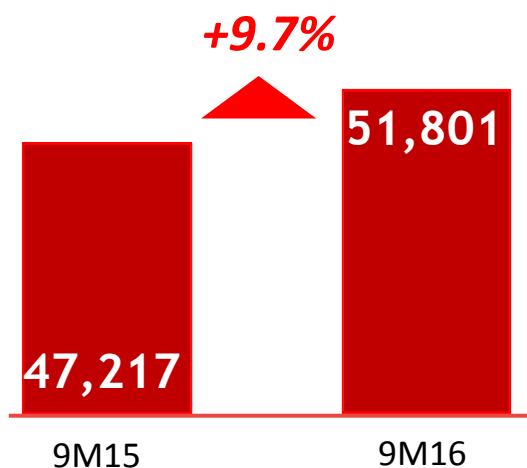
YoY Sales growth (%)



YoY Backlog growth (%)

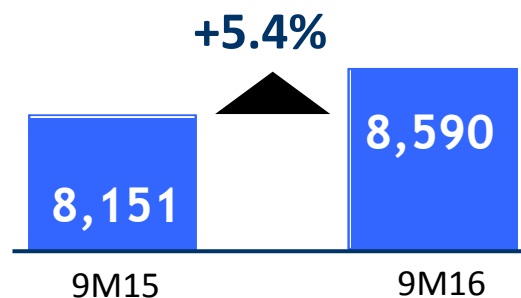
BACKLOG breakdown by activity (€mn)

CONSTRUCTION



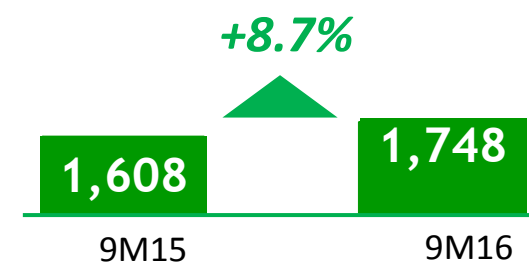
- Solid growth in North America & Asia Pacific
- Backlog recovery in Europe
- Positive impact of AUD

INDUSTRIAL SERVICES



- Despite MXN negative impact
- Double digit growth in Asia Pacific
- New awards of EPC projects

ENVIRONMENT



- Increasing domestic and international backlog

Like for like variations

Transformation and de-gearing processes paying off
supported by the sale agreement of Urbaser

Increased FFO from continuous operations vs 9M15
underpinned by good operating performance and reduction of
financial expenses

Robust and diversified backlog
especially in USA and Australia

On track to achieve 2016 goals

