FIRST QUARTER 2018 RESULTS

24 April, 2018

Index

- Order Intake
- Backlog
- Consolidated Statement of Profit or Loss
- Outlook

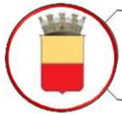
Order Intake

Order intake supported by **extensions** to contracts in the **domestic market** and new contracts won by the **subsidiaries**

(in millions of EUR)

	2015 Q1-Q4	2016 Q1-Q4	2017 Q1-Q4	2018 Q1[1]
Order Intake	902	2,677	1,514	143[2]

The main contracts signed and included in the backlog for the first quarter of 2018 are:


Naples (Italy)


Vitoria – Gasteiz (Spain)


Hybrid/electric buses (Spain)

In addition to the order intake of new units for the city of Vitoria-Gasteiz, the order for the city of Naples is added, which is an extension to the contract for the acquisition of rolling stock signed in 2017.

Moreover, the various projects commissioned from Vectia, a subsidiary dedicated to designing and supplying hybrid and electric buses for the urban environment, reflect the success of the technology developed by CAF Group in recent years.

The order intake contains other contracts related to services, MiiRA and other business areas, as well as adjustments made to projects in progress (capital gains, capital losses and conversion adjustments, mainly).

On 17 April, 2018 the contract for the supply of metro units for the city of Barcelona was also signed.

[1] Order intake obtained as: (Period end backlog – Period start backlog + Period revenues), considering the signature of the contract as criterion for its recognition in the order backlog.

[2] This figure does not include options contemplated in several of the signed projects.

Order Intake

(continued)

Naples (Italy)

The city of Naples has decided to exercise a first option to extend the contract signed with CAF in 2017. These new units will be in addition to the 10 initially included in the base contract and which are currently being manufactured at CAF's facilities.

This project includes:

- The supply of 2 six-car units

Vitoria – Gasteiz (Spain)

The capital of Alava has commissioned CAF to supply new trams, which will be in addition to the 11 units that have been operating in the city since the inauguration of its first tram line in 2008. The trams are based on CAF's URBOS platform, 100% low floor and bi-directional.

This project includes:

- The supply of 3 seven-car trams
- The contract also includes an option for 3 additional units.

Order Intake

(continued)

Hybrid - electric buses (Spain)

Cities such as Vitoria-Gasteiz and Las Palmas, as well as various towns in the province of Barcelona, have commissioned Vectia, a subsidiary of CAF Group, to supply vehicles from its range of hybrid and electric buses. In some cases, the contract is supplemented by the maintenance of the vehicles for several years.

Barcelona (Spain)

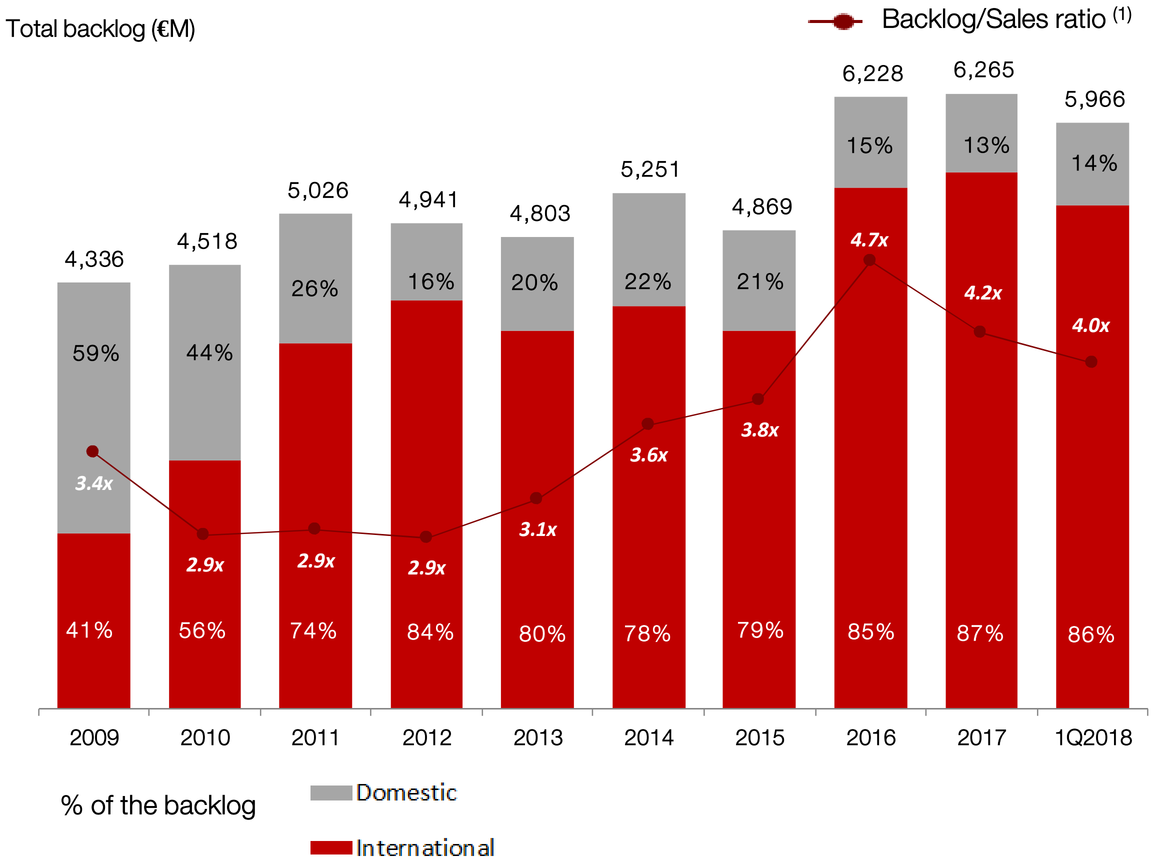
On 17 April, 2018 Transportes Metropolitanos de Barcelona (TMB) signed a contract with CAF to supply train units for the city's metro network. These new units will be in addition to more than 100 previously supplied by CAF and will allow for a 20% increase in capacity during peak hours on working days. This contract has not been included in the backlog figure at the close of the first quarter of 2018.

The project includes:

- The supply of 10 five-car units

Backlog

The extensive backlog **guarantees continuance of the growth cycle** in which the company is immersed



The order backlog at 31 March 2018 reached EUR 5,966 million, equivalent to 4x annual revenue of 2017.

This backlog does not include **firm contracts signed** beyond 31 March 2018 for an amount exceeding EUR 75 million:

- Metro units for the city of Barcelona

[1] Backlog/Sales ratio for each quarter of 2018 is calculated against total annual revenue of 2017.

Consolidated Statement of Profit or Loss

(in thousands of EUR)

	1Q2018	1Q2017	% change
Revenue	439,218	340,022	29%
EBITDA	44,379	43,301	2%
D&A and Impairments	(10,032)	(9,552)	5%
EBIT	34,347	33,749	2%
Financial result	(14,779)	(19,125)	(23%)
Profit before Tax	19,569	14,624	34%
Income Tax	(7,739)	(5,329)	45%
Net Profit after income tax	11,830	9,295	27%
Profit attributable to non-controlling interests	(277)	(269)	0
Profit attributable to the Parent	12,106	9,564	27%

Revenue as of 31 March 2018 amounts to EUR 439,218 thousand, that is, EUR 99,196 thousand (29%) higher compared to the figure for the three months period ended on 31 March 2017. This increase is mainly explained by the greater industrial activity.

The geographical distribution of revenue continues to reflect the strong international presence of CAF Group's activity. In the first quarter of 2018, international business accounted for 90.1% of total revenue.

The main manufacturing projects in progress during the first quarter of 2018 correspond to the commuter and regional segment. Highlights include the projects in the United Kingdom, particularly the Northern and Transpennine franchises, along with the cars for the Caledonian Sleepers franchise. The regional units for the Dutch operator NS and the commuter trains for the line between Mexico City and Toluca have also contributed significantly to revenues in the three months period ended on 31 March 2018.

Consolidated Statement of Profit or Loss

(in thousands of EUR)

	1Q2018	1Q2017	% change
Revenue	439,218	340,022	29%
EBITDA	44,379	43,301	2%
D&A and Impairments	(10,032)	(9,552)	5%
EBIT	34,347	33,749	2%
Financial result	(14,779)	(19,125)	(23%)
Profit before Tax	19,569	14,624	34%
Income Tax	(7,739)	(5,329)	45%
Net Profit after income tax	11,830	9,295	27%
Profit attributable to non-controlling interests	(277)	(269)	0
Profit attributable to the Parent	12,106	9,564	27%

The EBITDA margin as of 31 March 2018 amounted to EUR 44,379 thousand, a figure that represents a year-on-year increase of 2%.

The Financial Result for the three months period totalled a loss of EUR 14,779 thousand, 23% lower than in the same period in 2017, due mainly to the lower financial burden associated with the Brazilian projects.

Profit before Tax as of 31 March 2018 reached a profit of EUR 19,569 thousand, which is 34% higher than the profit for the same period of 2017.

Net Profit after Income Tax as of 31 March 2018 amounted to a profit of EUR 11,830 thousand, an increase of 27% as compared to the profit for the same period of 2017.

Outlook

The Company maintains its outlook:

- Double-digit revenue growth in 2018, underpinned by the high level order intake in recent years.
- Upward trend of profit in the next few years, driven by:
    a) Increased activity, especially in European manufacturing plants
    b) Order intake margin in line with historical margin
    c) Order backlog with lower execution risk
    d) Operational excellence and efficiency programmes:
        - Improvement in the management of manufacturing and industrialisation
        - Optimisation in the performance of suppliers in terms of quality and deliveries
        - Globalisation of purchases and an improvement in their management
        - Efficient inventory management
- Ambition to maintain the current historic order backlog, based on a stable volume of open tenders exceeding EUR 6,000 million.
- 2020 strategic lines in progress with Growth, Efficiency and Digitalisation objectives

Legal notice

The purpose of this information is purely informative.

The information contained in this document has not been verified by independent third parties; in this sense, no express or implied warranty is made as to the impartiality, accuracy, completeness or correctness of the information or the opinions or statements expressed herein.

This document may contain declarations which constitute forward-looking statements. These forward-looking statements should not be taken as a guarantee of future performance or results as are subject to risks and uncertainties, many of which are beyond the control of CAF and could cause actual results which may differ materially from those expressed or implied by the forward-looking statements.

Therefore, on no account should be construed as an advice or recommendation to buy, sell or otherwise deal in CAF shares, or any other securities or investment whatsoever, nor does it aim to offer any kind of financial product or service.

The information and opinions contained in this document are provided as at the date of the document and are subject to verification, completion and change without notice. CAF does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Any decision taken by any third party as a result of the information contained in this document are the sole and exclusive risk and responsibility of that third party, and neither CAF, nor its subsidiaries or representatives shall be responsible for any damage and shall not assume liability of any kind derived from the use of this document or its content.