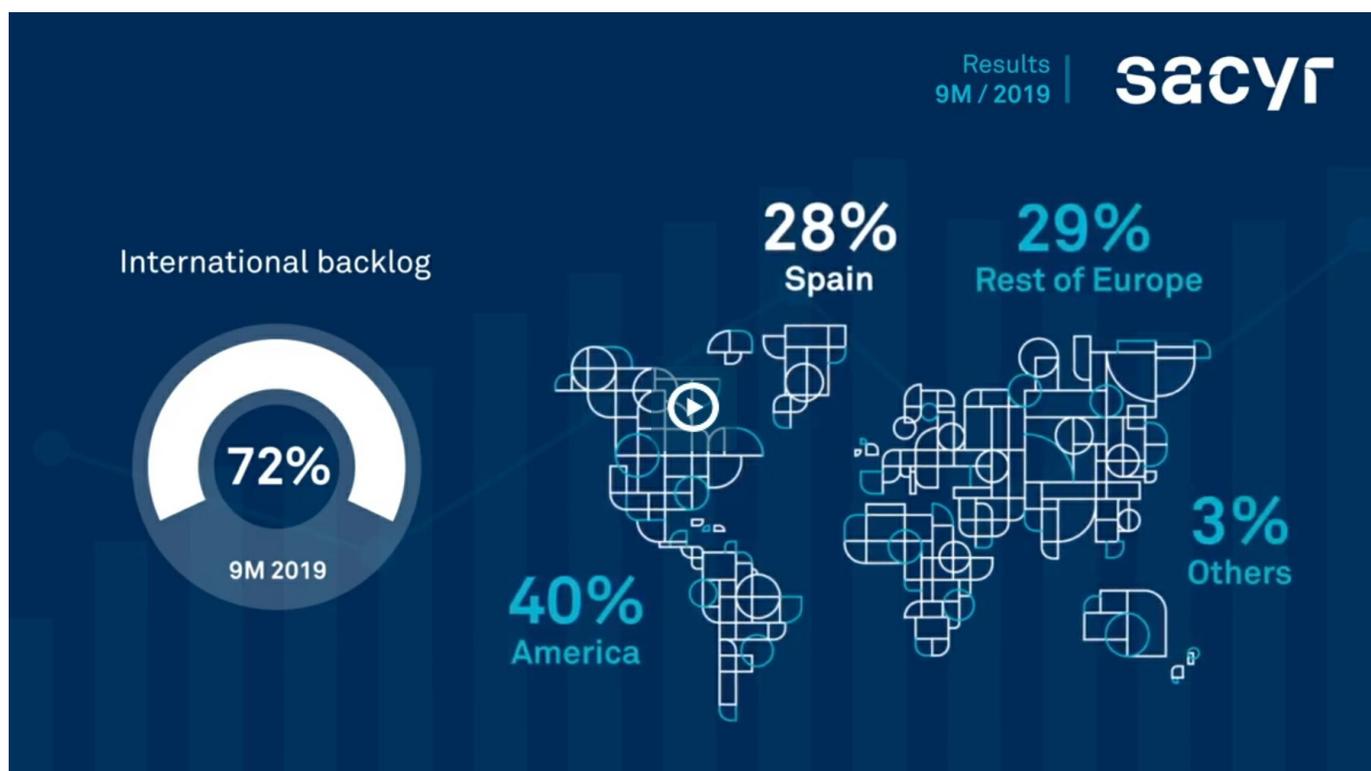


RESULTS OF THE THIRD QUARTER OF 2019

Sacyr increases its EBITDA to €492 million (+32%) and posts a net profit of €122 million (+12%)

- The company increases its concessional profile by providing 77% of the EBITDA of concessional assets with low demand risk.
- Sacyr improves the profitability of its businesses, which is at 16.2%, 240 basis points higher than the previous year.
- The company's future revenue backlog increases 2%, reaching €42,616 million, 72% of which is international.
- The strength of the results and of current business activity have allowed for the resumption of regular dividend distributions. Two scrip dividends have been paid during 2019, which have led to an annual return above 5%.



Sacyr earned an EBITDA of €492 million between January and September 2019, up 32% compared to the same period last year. The net profit stood at €122 million, with a 12% increase with respect to that registered in the first nine months of 2018.

This strong growth validates the success of Sacyr's strategy, which has focused on the concessional profile, profitability, financial discipline and international expansion in key markets.

In the first three quarters of 2019, Sacyr recorded solid growth in its main business areas. The EBITDA of Engineering and Infrastructures grew by 76%, while Services were up by 24% and Concessions increased 20% with respect to the previous year.

Sacyr's focus on the concessional business is reflected in the 2019 accounts: 77% of EBITDA was obtained from concession assets with a low demand risk.

The profitability of the businesses, measured by the EBITDA margin, rose 17% with respect to September 2018, going from 13.8% to 16.2%.

Turnover growth

Sacyr's turnover had exceeded €3,000 million (€3,032 million) by the end of September, recording a 12% increase. 58% of that figure was obtained in international markets.

The double-digit growth is a result of the success in contracting registered by all business areas during the last financial years.

Income backlog

The company's future revenue backlog reached **€42,616 million** by the end of the third quarter, 72% of which is international.

By activities, in Infrastructure, international contracts accounted for 86% of the total, 82% of Concessions, 31% of Services, and 14% in Industrial.

To date in 2019, Sacyr has been awarded major projects in all of its divisions. The most noteworthy of these include the construction and operation of the Los Vilos-La Serena highway, the concession of the Chacalluta de Arica Airport and the construction of the Provincia Cordillera and Sótero del Río hospitals (Chile), the construction and concession of the Central Railway (Uruguay), the tram system extension in Edinburgh (United Kingdom) and the cleaning and waste collection system in Santa Cruz de Tenerife (Spain).

Financial debt

The group's net debt was at €4,634 million at the end of September, versus €4,045 million in last December. This is due to an increase in investment so as to develop the new concessional projects. However, corporate debt with recourse decreased in 2019, falling from €1,138 million to €1,082 million.

The company continued with its **asset rotation strategy**, and in the first nine months of the year sold its stake in Itinere for €202 million, while selling 49% of its stake in seven Chilean assets for €440 million including the debt.

In addition, after the third quarter, another two asset rotation transactions took place: the sales agreement of 47.5% of Guadalcesa for €220 million and nine energy plants (€150 million), both including the debt.

The company has returned to a regular shareholder remuneration policy, and in February and July, it paid scrip dividends for a total of 0.105 euros per share. This quantity implies a return for the shareholder above 5%.

Change by business area

Concessions.-At the end of September, Sacyr Concessions posted a turnover of €701 million, 28% higher than in 2018.

Of the total, €369 million came from concession revenues, which grew by 16%, due to the operational growth of the assets. This growth is explained by the start of the operation of Tepual and Chacalluta Airports (Chile), and an improvement in highway traffic figures.

The remaining €332 million (+45%) come from construction revenues, which are growing strongly due to the execution of projects in Colombia, Mexico, Uruguay and Chile.

EBITDA reached €234 million, up 20%.

The backlog of future revenue was at €27,623 million, with international projects accounting for 82% of this figure.

In 2019, Sacyr has been awarded two important projects in Chile: the Los Vilos-La Serena highway, which contributes €864 million to the backlog, and Chacalluta Airport, with a €203 million backlog.

In Uruguay, a consortium led by Sacyr has been awarded the Central Railroad, which will provide an approximate future income of €2,200 million.

Engineering and Infrastructure.- The turnover of this division reached €1,464 million, with 23% growth compared to the first nine months of 2018.

EBITDA increased 76% to €167.4 million and the EBITDA margin improved to 11.4%, compared to 8% in January-September of last year.

The **backlog of this division** reached €6,857 million, up 11% with respect to December, and represents 42 months of activity. 86% of the backlog is located outside Spain.

A number of outstanding major projects were awarded to us throughout the world in 2019. The following are among the most significant:

- In **Chile**, the construction of the Los Vilos-La Serena highway (€331 million), the Sótero del Río and Provincia Cordillera hospitals (€328 million and €153 million respectively) and the expansion of the Chacalluta Airport (€61 million).
- In **Uruguay**, the construction of the Central Railway (€735 million).
- In the **United Kingdom**, the extension of the Edinburgh Tramway (€120 million).
- In the **USA**, the renovation of a section of the IH35E highway in Texas (€102 million).
- In **Portugal**, the construction of the South International Corridor railroad (€130 million).

In **Spain**, several building projects amounting to €125 million; the construction of the Arejos-Níjar stretch of the AVE of the Mediterranean Corridor (€98 million); construction of the new building joining terminals 1 and 2 of the Tenerife Sur airport (€44 million)

Services .- The turnover of this division grew by 5.9%, to €845 million. EBITDA reached €84.3 million, (+24.5%), on the back of the contribution from all areas: Environment (+28%), Multiservices (+54%) and Water (+7%). The EBITDA margin grew and was up from 8.5% to 10%.

At the end of September, the Services backlog totaled €5,689 million, 31% of which is international. At the end of September, intense sales activity led to the award of important contracts throughout the world. In Spain, the company was awarded the railway cleaning, waste collection and transport for the city of Santa Cruz de Tenerife. The total amount is for €142 million in a period of eight years, renewable for another two.

In this sense, the highway conservation contracts in Peru stand out for a total of €18 million and in Chile for €13 million; cleaning of terminals 1 and 2 of El Prat airport (Barcelona) for €70 million, cleaning of hospitals in Spain for €14 million, operation and maintenance of sewage treatment plants in Navarra and the water management in Biar (Alicante) for €9 million.

Industrial.- The turnover of the Industrial division reached €284 million (-27%) and EBITDA totaled €20.6 million (-25%). These figures are marked by the completion of large projects in the backlog, like Nuevo Mundo and La Pampilla (Peru) and the Sohar desalination plant (Oman).

The Sacyr backlog totaled €2,447 million, 12% of which was international.

Among the contracts awarded by September, the entry of the company into the Peruvian mining sector was particularly noteworthy, with a contract at the Quellaveco copper mine. In addition, Sacyr has signed several contracts for the construction of renewable energies in Chile and Bolivia.

A consortium participated in by Sacyr Industrial has been awarded the construction and installation of two hydroelectric plants in Peru for 102 million euros.



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