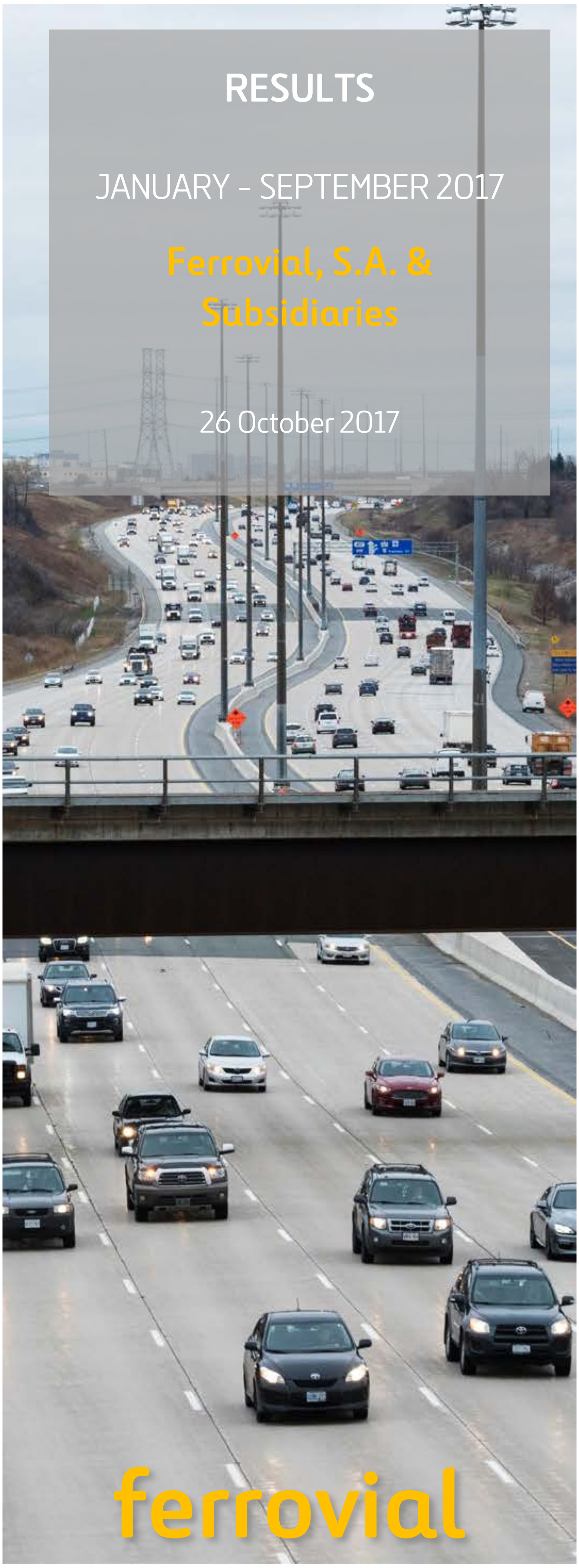

GENERAL OVERVIEW

In the results for the first nine months of 2017, the same trend as in previous quarters has prevailed: positive performance of infrastructure assets (407ETR, HAH and AGS), with solid growth in traffic volumes and greater contribution from dividends (EUR366mn vs. EUR327mn in 9M 2016).

The combined Construction and Services order book is close to EUR30,000mn (including JVs), down -11.2% vs. December 2016, affected by the decline in the Amey order book (-17.3%), where tender monitoring and gaining improved margins are being prioritised.

The consolidated results performed well in 9M 2017, with revenues (+19.5%) and EBITDA (+9.5%) both up, helped by the contribution from Broadspectrum, which has been consolidated since June 2016. In comparable terms, revenues grew +8.6% and EBITDA remained in line with 9M 2016.

MAIN CORPORATE TRANSACTIONS IN 9M 2017:

- In September 2017, Cintra, along with the other Managed Lanes partners (Meridiam and APG) has acquired the Dallas Fire&Police Pension Scheme's stake in NTE (10%) and LBJ (7%). **Cintra acquired 6.3% in NTE and 3.6% in LBJ,** and now holds 62.97% in NTE and 54.6% in LBJ. Cintra paid USD107mn for the stake (NTE: USD65mn and LBJ: USD42mn).
- In June 2016, Cintra agreed the sale of 51% of the Norte Litoral toll road and 49% of the Algarve toll road, in which it would retain a respective 49% and 48% stake. The sale of Norte Litoral was completed on 21 April 2017 (EUR104mn) and Algarve on 26 September 2017 (EUR58mn).
- On 31 March 2017, **1 million shares in Budimex were sold** (3.9% of its share capital), which had no impact on Ferrovial's profit and loss account, as it retains a controlling share (55.1%). The transaction was completed for a cash impact of +EUR59mn (PLN252mn).

MAIN FINANCIAL EVENTS:

- In September, **407ETR issued CAD800mn bonds**:
  - CAD500mn 27 year bonds (maturing in 2044) & a 3.65% coupon
  - CAD300mn 5 year bonds (maturing in 2022) & a 2.47% coupon
  - Announced the early payment of a CAD300mn bond, maturing in November 2017.
- **1Q 2017 saw the completion of the refinancing of AGS**, which has led to the improvement of their financing structure, the extension of deadlines, partial repayment of shareholder debt and an increase in the amounts distributed among shareholders (GBP112mn distributed in 9M 2017).
- In March, Ferrovial **issued EUR500mn of 8 year corporate bonds** with an annual coupon of 1.375%.
- In March, the **407ETR toll road announced a senior bonds issue of CAD250mn**, maturing in 2033 (16 years to maturity) with an annual coupon of 3.43%.

MAIN INFRASTRUCTURE ASSETS:

Robust operational growth from **equity consolidated assets**:
EBITDA in local currency: +12.3% at the 407ETR, +5.7% at Heathrow and +15.0% at AGS.

Greater distribution of funds in the main assets:

- **407ETR distributed dividends of CAD630mn** in 9M2017 (EUR195mn were distributed to Ferrovial). A fourth dividend payment for 2017 was confirmed in October, of **CAD215mn**.

- **Heathrow paid out GBP281mn**, of which EUR79mn corresponded to Ferrovial.
- **AGS paid out GBP112mn** (including GBP75mn in extraordinary dividends after its refinancing). Ferrovial received EUR64mn in 9M 2017.

FINANCIAL POSITION:

The net cash position, excluding infrastructure projects, stood at EUR268mn at end-9M 2017 (EUR697mn at year-end 2016). **Net project debt stood at EUR4,764mn** (vs. EUR4,963mn in December 2016). **Net consolidated debt reached EUR4,495mn** (vs. EUR4,266mn in December 2016).

BUSINESS PERFORMANCE

Toll Roads: Significant improvements in traffic volumes on the main toll roads, helped by the economic recovery though offset in part by the calendar effects (2016 was a leap year). 407ETR, the group's main infrastructure asset, maintained its operating strength, with traffic growth of +2.7%, supported by the opening of the *407Ext I*, which was toll-free up to 1 February 2017. The Managed Lanes in Texas continued to show considerable EBITDA growth (NTE +35.3% & LBJ +40.5%) supported by traffic & tariff growth.

Airports: In the first nine months of 2017, the number of passengers at Heathrow airport reached 59.1 million, +3.1% compared with the same period in 2016, breaking the record monthly figure for the eleventh time in a row. The airport also achieved a daily record, with 259,917 passengers flying on 30 June, the busiest day in the history of the airport. Traffic at AGS rose +5.7% (Glasgow +6.7%, Southampton +8.0%, Aberdeen +1.1%).

Construction: Revenue growth (+11.9%), with positive performance in all areas. However, profitability was down vs. 9M 2016 due to the number of major projects in their initial phases and the lower proportion of toll road concession contracts in the portfolio of projects currently underway. In addition, since 2Q 2017, losses have been recorded in two completed contracts, one in Colombia (due to an unfavourable ruling) and one in the United Kingdom. The order book increased +3.0% (in comparable terms) vs. December 2016 to EUR9,045mn (84% international) excluding contract awards for EUR3,100mn, among which we would particularly note the I-66 managed lane (Virginia, USA) for approximately EUR1,800mn.

Services: Reported revenues (+25.9%) were positively impacted by the integration of Broadspectrum (contributing EUR1,959mn in revenue in 9M 2017, of which EUR1,732mn were obtained in Australia and New Zealand and EUR228mn in America) and adversely affected by the weakness of the pound sterling and budgetary cuts in the United Kingdom. In the United Kingdom, Amey (EBITDA margin 2.6% vs. 1.1% in 9M 2016) has maintained its strategy for monitoring competitive tendering processes and focusing on improving contracts with low rates of return or, where relevant, withdrawing from unprofitable contracts. If current market conditions remain unchanged, the company maintains its view that profitability will continue to recover over the final quarter of the year and that forecasts will be met by the end of the year (an EBITDA margin of between 3% and 4%).

KEY FIGURES

P&L (EUR mn)	Sep-17	Sep-16
REVENUES	**9,194**	**7,697**
EBITDA	**711**	**650**
Period depreciation	**295**	**224**
Disposals & impairments	**54**	**258**
EBIT*	**470**	**684**
FINANCIAL RESULTS	**-228**	**-284**
Equity-accounted affiliates	**222**	**56**
EBT	**464**	**457**
Corporate income tax	**-42**	**-175**
CONSOLIDATED NET INCOME	**422**	**282**
Minorities	**-35**	**-3**
NET INCOME ATTRIBUTED	**387**	**279**

*EBIT after impairments and disposals of fixed assets

Revenues (EUR mn)	sep-17	Var.
Toll Roads	339	-6.3%
Airports	6	119.1%
Construction	3,394	11.9%
Services	5,430	25.9%
Others	26	n.a
Total	**9,194**	**19.5%**

EBITDA (EUR mn)	sep-17	Var.
Toll Roads	239	5.1%
Airports	-11	22.4%
Construction	164	-27.3%
Services	309	48.0%
Others	10	n.a.
Total	**711**	**9.5%**

Operating figures	sep-17	Var.
ETR 407 (VKT´ 000)	2,019,701	2.7%
NTE (ADT)	33,692	10.2%
LBJ (ADT)	34,368	11.0%
Ausol I (ADT)	16,730	9.7%
Ausol II (ADT)	18,283	5.2%
Heathrow (million pax.)	59	3.1%
AGS (million pax.)	12	5.7%
Construction order book*	9,045	-0.5%
Services order book (incl JVs)*	20,706	-15.2%

(EUR mn)	sep-17	dic-16
NCP ex-infrastructures projects	**268**	**697**
Toll roads	-4,244	-4,426
Others	-520	-537
NCP infrastructures projects	**-4,764**	**-4,963**
Total Net Cash Position	**-4,495**	**-4,266**

*Order book compared to December 2016

TOLL ROADS

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	339	361	-6.3%	11.8%
EBITDA	239	228	5.1%	20.6%
EBITDA margin	70.6%	63.0%		
EBIT	184	170	8.2%	19.2%
EBIT margin	54.5%	47.2%		

Revenues at the division grew +11.8% in comparable terms in 9M 2017, bolstered by the higher contribution from the Managed Lanes toll roads in the USA and by traffic growth for the majority of assets. In comparable terms, the division also posted EBITDA growth of +20.6%. The USA accounted for 37.5% of revenues and 43.1% of EBITDA in the period.

The comparable figures strip out the FX effect and the changes to the consolidation perimeter. Notably from the disposals of:

- **Chicago Skyway:** Sale to a consortium of Canadian pension funds of Cintra's 55% stake in this asset, for EUR230mn. The sale was completed in February 2016 (two months' contribution in 2016).
- **Irish Toll Roads:** sale of 46% of M4 and 75% of M3 to the Dutch fund DIF for EUR59mn. Ferrovial retains 20% in each, consolidated using the equity method. The sale was completed in February 2016 (two months' contribution in 2016).
- **Norte Litoral & Algarve:** In June 2016, Ferrovial reached an agreement with the Dutch fund DIF to sell a 51% stake in the Norte Litoral toll road and a 49% stake in the Algarve toll road, both to be consolidated through equity method once the sale is completed.
  - Norte Litoral: the sale was completed in April 2017 (EUR104mn).
  - Algarve: completed on 26 September 2017 (EUR58mn).

ASSETS IN OPERATION

Traffic performance during 9M 2017 was very positive on Ferrovial's main toll road, both from light and heavy traffic.

Canada: traffic on the 407ETR increased by +2.7% in the period (light traffic +2.5% and heavy traffic +6.1%), bolstered by the positive impact of the opening of the 407 East Extension Phase I toll road (open to traffic in June 2016, toll free until February 2017) and stronger economic growth in the Ontario region.

USA: traffic growth was driven by the positive performance of the Managed Lanes toll roads (NTE +10.2% and LBJ +11.0%), which are still in the ramp up phase.

Spain: positive trend driven by economic growth and the upturn in employment. Traffic on Ausol I increased by +9.7% over the period, despite a slight slowdown in 3Q (+8.1%) due to a temporary effect following the dockworker dispute in the Algeciras port (Andalucía) and a slowdown in tourism in the area after reaching an historic record high in summer of 2016.

Portugal: performance has been positive, aided by the economic recovery and, in Azores (+7.0%) due to the increase of tourism on the back of the airline market liberalisation.

Ireland: positive performance based on the employment recovery. From 1 March 2016, following the completion of the sale of stakes in both the M3 and the M4 toll roads in Ireland, these two assets have been consolidated by the equity method

(EUR million)	Traffic (ADT)			Revenues			EBITDA			EBITDA margin		Net Debt 100%	
Global consolidation	sep-17	sep-16	Var.	sep-17	sep-16	Var.	sep-17	sep-16	Var.	sep-17	sep-16	sep-17	Particip.
NTE	33,692	30,580	10.2%	61	49	25.6%	50	37	34.2%	81.9%	76.7%	-874	63.0%
LBJ	34,368	30,939	11.0%	65	49	32.7%	52	38	39.3%	80.4%	76.6%	-1,239	54.6%
NTE35W*				1	0	n.a.	0.3	0	188.3%	35.3%		-568	53.7%
I-77 *						n.a.	0	0	n.a.			-196	50.1%
TOTAL USA				**127**	**98**	**30.1%**	**103**	**75**	**37.6%**			**-2,877**	
Ausol I	16,730	15,254	9.7%	50	46	8.1%	43	39	9.3%	85.7%	84.7%	-467	80.0%
Ausol II	18,283	17,371	5.2%										
Autema	17,770	16,486	7.8%	74	72	2.5%	67	66	2.9%	91.2%	90.8%	-590	76.3%
TOTAL SPAIN				**124**	**118**	**4.7%**	**110**	**105**	**5.3%**			**-1,057**	
Azores	9,979	9,327	7.0%	20	19	7.4%	17	16	10.0%	86.3%	84.3%	-311	89.2%
Algarve**	15,591	13,483	15.6%	27	29	-6.2%	24	26	-4.9%	89.0%	87.7%		48.0%
Norte Litoral**	25,518	24,209	5.4%	14	34	-58.7%	12	30	-58.1%	89.2%	88.1%		49.0%
Via Livre				10	10	3.5%	1	2	-5.9%	13.7%	15.1%	3	84.0%
TOTAL PORTUGAL				**72**	**92**	**-21.6%**	**56**	**73**	**-23.4%**			**-309**	
DECONSOLIDATED TOLL ROADS IN 2016					**41**			**12**					
TOTAL HEADQUARTERS				**16**	**12**	**29.8%**	**-29**	**-36**	**20.0%**				
TOTAL CINTRA				**339**	**361**	**-6.3%**	**239**	**228**	**4.9%**			**-4,243**	

* Assets under construction. ** Algarve contribution to 26/09/2017 and Norte Litoral to 21/04/2017, when they then began to be consolidated by the equity method.

*** Deconsolidated toll roads in 2016 (SH-130, Chicago Skyway and Irish Toll Roads, M3 & M4)

(EUR million)	Traffic (ADT)			Revenues			EBITDA			EBITDA margin		Net Debt 100%	
Equity accounted	sep-17	sep-16	Var.	sep-17	sep-16	Var.	sep-17	sep-16	Var.	sep-17	sep-16	sep-17	Particip.
407 ETR (VKT'000)	2,019,701	1,966,126	2.7%	643	571	12.6%	560	498	12.6%	87.1%	87.2%	-4,673	43.2%
M4	32,374	30,504	6.1%	21	20	6.5%	13	13	3.0%	62.7%	64.8%	-98	20.0%
M3	37,120	33,979	9.2%	17	17	2.6%	12	13	-4.3%	71.3%	76.4%	-157	20.0%
A-66 Benavente Zamora				18	17	1.9%	16	16	1.2%	91.6%	92.3%	-163	25.0%
Central Greece	13,026	12,157	7.1%	16	8	110.2%	11	3	270.9%	70.8%	40.1%	-348	21.4%
Ionian Roads	17,891	24,933	-28.2%	63	51	24.7%	35	35	0.8%	55.8%	69.1%	-42	21.4%
Serrano Park				4	4	2.9%	2	2	1.3%	60.8%	61.7%	-44	50.0%

407ETR

Profit and Loss Account

CAD million	sep-17	sep-16	Var.
Revenues	940	837	12.3%
EBITDA	819	730	12.3%
EBITDA margin	87.1%	87.2%	
EBIT	741	650	13.9%
EBIT margin	78.8%	77.6%	
Financial results	-257	-276	6.7%
EBT	484	374	29.2%
Corporate income tax	-128	-99	-29.1%
Net Income	**355**	**275**	29.2%
Contribution to Ferrovial equity accounted result (EUR mn)	**95**	**72**	33.1%

Note: following Ferrovial's disposal of 10% in 2010, the toll road switched to being accounted for by the equity method, in line with the percentage stake controlled by Ferrovial (43.23%).

Revenues at 407ETR increased by +12.3% in local currency in 9M 2017.

- **Toll revenues** (93% of the total): grew by +12.4% to CAD875mn, mainly due to the tariff increases applied since February 2017 and the improvement in traffic.
- **Fee revenues** (6.4% of the total): reached CAD60mn (+19.7%), mainly due to starting to manage the 407 East Ext Phase I toll road, coupled with an increase in the number of transponders and higher tariffs.

Average revenues per journey rose +11.1% (CAD9.92 vs. CAD8.93 in the same period in 2016).

The toll road also recorded an **increase in EBITDA of +12.3%** in 9M 2017, with an EBITDA margin of 87.1%, in line with the same period in 2016 (87.2%).

Financial result: -CAD257mn, CAD19mn fewer expenses vs. 9M 2016 (+6.7%). Main components:

- **Interest expenses: -CAD270mn**. CAD9mn higher than in September 2016, largely due to the increase in debt, after the recent issuance of CAD800mn senior bonds in September 2017 and CAD250mn in March 2017.
- **Non-cash financial income linked to inflation: +CAD2mn** vs-CAD24mn expenses in 9M 2016 (+CAD25mn improvement), due mainly to the positive impact of falling inflation over the first nine months of 2017, combined with the positive impact resulting from the increase in the discount rate.
- **Other financial income: +CAD10mn** (vs. +CAD8mn in 9M 2016) due to greater returns on investment and higher average cash balance.

407ETR contributed EUR95mn to Ferrovial's equity-accounted results (+33.1% vs. 9M 2016), after the annual amortization of the goodwill following the sale of 10% in 2010, which is being written down over the life of the asset on the basis of the traffic forecast.

Dividends 407ETR

In the first nine months of 2017, 407ETR distributed dividends of CAD630mn, **+8.1% vs. 9M 2016**. Of these, EUR195mn were distributed to Ferrovial (EUR179mn in 9M 2016). At the October Board meeting, the 4Q 2017 dividend payment was approved in the amount of CAD215mn (**+3.6% vs. 4Q 2016**).

(CAD million)	2017	2016	2015	2014	2013	2012
1Q	207,5	187,5	188	175	100	87,5
2Q	207,5	187,5	188	175	130	87,5
3Q	215,0	207,5	188	175	200	87,5
4Q	215,0	207,5	188	205	250	337,5
Total	**845**	**790**	**750**	**730**	**680**	**600**

407ETR Traffic

Traffic (kilometers travelled) rose +2.7%, with an increase in the number of journeys (+0.9%) and an increase in the average distance travelled (+1.9%). Traffic was affected by economic growth in the area and the opening of the 407 East Extension Phase I toll road since 20 June 2016, and which was toll-free until February 2017.

407ETR net debt

The net debt figure for 407ETR at 30 September 2017 was CAD6,786mn (average cost of 4.45%). In September, 407ETR issued CAD800mn bonds and announced the early payment of a CAD300mn bond, maturing in November 2017.

40% of the debt matures in more than 20 years' time. The next maturity dates will occur this year (CAD309mn), 2018 (CAD14mn) and 2019 (CAD15mn).

407ETR credit rating

- S&P: In S&P ratings issued on 31 May 2017, the company remained at "A" (Senior Debt), "A-" (Junior Debt) and "BBB" (Subordinated Debt), with a stable outlook.
- DBRS: In DBRS ratings issued on 4 November 2016, the company remained at "A" (Senior Debt), "A low" (Junior Debt) and "BBB" (Subordinated Debt), with a stable outlook.

407ETR Tariffs

In 2017, tariffs were increased on 1 February and a new tariff structure was announced, involving different tariffs depending on the direction of travel (in addition to the segments based on area, day and time of travel which already was taking place). This change means that a straight comparison cannot be made with the tariffs applied in 2016.

Tariffs applied from 1 February for light vehicles (in CAD cents/km):

CAD (¢/km)	Zone 1	Zone 2	Zone 3
Eastbound			
AM Peak Period: *Mon-Fri: 6am-7am, 9am-10am*	35.97	35.97	34.65
AM Peak Hours: *Mon-Fri: 7am-9am*	42.42	42.42	39.42
PM Peak Period: *Mon-Fri: 2:30pm-4pm, 6pm-7pm*	35.95	37.32	37.32
PM Peak Hours: *Mon-Fri: 4pm-6pm*	40.85	44.74	44.74
Westbound			
AM Peak Period: *Mon-Fri: 6am-7am, 9am-10am*	34.65	35.97	35.97
AM Peak Hours: *Mon-Fri: 7am-9am*	39.42	40.92	42.42
PM Peak Period: *Mon-Fri: 2:30pm-4pm, 6pm-7pm*	37.32	37.32	35.95
PM Peak Hours: *Mon-Fri: 4pm-6pm*	44.74	42.40	40.85
Midday Rate			
Weekdays 10am-2:30pm	30.88	30.88	30.88
Weekend & public holidays 11am-7pm	28.29	28.29	28.29
Off Peak Rate			
Weekdays 7pm-6am, Weekend & public holidays 7pm-11am	22.48	22.48	22.48

For more information, please check the 407ETR MD&A report here

NTE

NTE Profit & loss account

(USD million)	sep-17	sep-16	Var.
Revenues	69	54	26.7%
EBITDA	**56**	**41**	**35.3%**
EBITDA margin	81.9%	76.7%	
EBIT	**42**	**30**	**42.1%**
EBIT margin	61.8%	55.1%	
Financial results	-46	-45	-1.8%
Net Income	-4	-16	74.6%

During the first nine months of 2017, **revenue rose by +26.7% compared to the same period the year before**, on the back of traffic growth and higher tariffs.

EBITDA reached USD56mn (+35.3% vs. 9M 2016). The EBITDA margin rose 500bps to 81.9% during 9M 2017, as a result of the growth in revenues and operational cost management.

NTE Quarterly Traffic and EBITDA

In terms of traffic: **in 3Q 2017, NTE recorded 6.8 million transactions, +10.1% more than in 3Q 2016** (6.2 million transactions). Traffic continues to increase its market share of traffic on the corridor, maintaining a high percentage of new customers every month. In addition to seasonal effects, during 3Q 2017, NTE continued to be affected by the construction of various projects for the future network of Managed Lanes, and it is expected that once these projects have been completed (end of 2018), this will have a positive effect on NTE, due to the increased demand created by the newly available capacity on the toll roads that connect with NTE. A ramp was also added in 2Q 2017, in order to improve access to the managed lane, which has added additional traffic to NTE.

EBITDA was very positive, with growth of +29.1% if we compare 3Q 2017 with 3Q 2016, helped by strongly performing revenues and by controls on operational costs, with measures such as the bringing of toll road equipment maintenance in-house from the end of 2016.

Quarterly results	3Q'17	3Q'16	Var.
Transactions (millions)	6.8	6.2	10.1%
EBITDA (USD mn)	19.6	15.2	29.1%

The average toll rate per transaction in 3Q 2017 at NTE reached USD3.5 vs. USD3.1 in 3Q 2016 (+11.4%).

NTE net debt

As of 30 September 2017, net debt for the toll road amounted to USD1,031mn (USD1,032mn in December 2016), at an average cost of 5.34%.

NTE credit rating

The rating agencies have assigned the following ratings to NTE's debt:

	PAB	TIFIA
Moody's	Baa3	
FITCH	BBB-	BBB-

LBJ

LBJ Profit and Loss Account

(USD million)	sep-17	sep-16	Var.
Revenues	73	55	33.8%
EBITDA	**59**	**42**	**40.5%**
EBITDA margin	80.4%	76.6%	
EBIT	**41**	**29**	**44.1%**
EBIT margin	56.1%	52.1%	
Financial results	-64	-63	-1.7%
Net Income	-23	-35	33%

During 9M 2017, the toll road generated **revenues of USD73mn (up +33.8% compared with the same period in 2016)** as a result of both the continued growth in traffic during the ramp-up phase and higher tariffs.

EBITDA reached USD59mn (+40.5%), mainly driven by the strong traffic growth. The EBITDA margin reached 80.4%, aided by the significant growth in revenues.

LBJ Quarterly Traffic and EBITDA

In terms of traffic, a total of 10.7 million transactions took place during 3Q 2017, +6.0% in comparison with the 3Q 2016 (10.1 million transactions), which equates to the highest value since the opening in September 2015. Traffic along the corridor continues to grow and is now reaching levels that are well above those recorded prior to the project's construction. Traffic during 1H 2017 was affected by the final phases of construction of the IH-35E corridor. Works for the new Managed Lanes at IH-35E (which connect with LBJ) were completed at the end of 2Q 2017, which is sending additional traffic to the LBJ corridor. In addition, despite seasonal effects, which were more keenly felt over the summer, traffic on the LBJ corridor continued to grow at above average rates for the region, as expected during the ramp-up stage.

EBITDA in 3Q 2017 reached USD20.4mn, a significant increase compared to 3Q 2016 (+25.5%):

Quarterly results	3Q'17	3Q'16	Var.
Transactions (millions)	10.7	10.1	6.0%
EBITDA (USD mn)	20.4	16.2	25.5%

The average toll rate per transaction at LBJ reached USD2.40 in 3Q 2017 vs. USD2.0 in 3Q 2016 (+16.2%).

LBJ net debt

As of 30 September 2017, net debt for the toll road amounted to USD1,462mn (USD1,449mn in December 2016), at an average debt cost of 5.43%.

LBJ credit rating

The rating agencies have given the following credit ratings to LBJ's debt:

	PAB	TIFIA
Moody's	Baa3	
FITCH	BBB-	BBB-

FINANCIAL ASSETS

Under the terms of IFRIC 12, concession contracts are classified as intangible and financial assets. **Intangible assets** (where the operator assumes the traffic risk) are those for which remuneration is earned from charging the corresponding rates depending on level of use. **Financial assets** (no traffic risk for the concession holder) are those in which payment consists of an unconditional contractual right to receive cash or other financial assets, either because the body awarding the concession guarantees the payment of specific sums, or because it guarantees the recovery of any shortfall between the sums received from users of the public service and the aforementioned specific sums.

The financial assets in operation are: Autema, 407 East Ext Phase I, Algarve, A66, Norte Litoral and Eurolink M3 (all except Autema are equity-accounted).

ASSETS UNDER DEVELOPMENT

(EUR million)	Invested Capital	Pending committed capital	Net Debt 100%	Share
Global Consolidation				
Intangible Assets	**-160**	**142**	**-764**	
NTE 35W	-159	32	-568	54%
I-77	-1	110	-196	50%
Equity Consolidated				
Financial Assets	**-50**	**64**	**-358**	
407-East Extension II		9	-300	50%
Ruta del Cacao	-39	14	46	40%
Toowoomba	-11		53	40%
Bratislava		40	-157	35%

NTE 35W: financing was closed in September 2013. Work is proceeding on schedule (96% completed at September 2017), with the full opening scheduled for the second half of 2018.

I-77: Construction work began in November 2015. In September 2017 the design and construction works were 38% complete, with the toll road expected to open at the end of 2018.

407 East Extension Phase II: At end-September 2017, construction works were 63% complete.

I-66: In October 2016, Cintra won the "Transform I-66 Project" (Virginia, USA), whose commercial negotiations were completed on 8 December 2016 and includes the construction of 35 km along the I-66 corridor (between Route 29, close to Gainesville, and the Washington DC ring road, the I-495, in Fairfax County).
The term allocated for construction of the project runs until 2022, while the concession is granted for 50 years. With the financing still pending completion (forecast for 4Q 2017), the committed capital for this project is estimated at EUR700mn (for Cintra's stake).

TENDERS PENDING

Bilateral negotiations are being held with the Texas Department of Transportation (TxDOT) in the USA in relation to **"Segment 3C of the North Tarrant Express Project"** (Texas, USA). This consists of the northward extension of segment 3B, with the reconstruction of the existing general purpose lanes and the addition of two new Managed Lanes in each direction.

The **Maryland Department of Transport (MDOT)** in September issued an RFI (request for information) for the I-495/I-95 (Capital Beltway) and I-270 Congestion Relief Improvements. MDOT is considering a design, build, finance, operate and/or maintain procurement structure for both projects, which would take the form of Managed Lanes. These projects fit perfectly into Cintra's strategy, since these are High Complexity Concessions in which Cintra has historically been very competitive.

In Canada, Cintra has been pre-qualified for the **"Hurontario LTR"** (Ontario) project, which consists of 20 kilometres of light railway under an availability payment system.

In Australia, Cintra has been pre-qualified for the "**Outer Suburban Arterial Roads (OSAR Western Package)"** project, which consists of the improvement and maintenance of the toll road and inter-city motorway network in several areas of the outskirts of Melbourne under an availability payment contract with a concession term of between 20 & 25 years.

In addition, as regards its activities in other markets, Cintra has been pre-qualified for the "**Silvertown Tunnel**" project in London (United Kingdom), with an estimated investment of EUR1,150mn.

PROJECT DIVESTMENTS

Norte Litoral & Algarve Toll Roads

In June 2016, Ferrovial, through its toll roads subsidiary Cintra, reached an agreement with the Dutch infrastructure fund DIF to sell 51% of the Norte Litoral and 49% of the Algarve toll roads. After this transaction, Ferrovial will continue to hold 49% of the Norte Litoral and 48% of the Algarve, as well as its position as the principal industrial partner in both assets.

On 21 April 2017, the sale of a 51% stake in Norte Litoral was approved, for which EUR104mn was received. On 26 September 2017, the sale of the stake in Algarve was also approved, for which EUR58mn was received.

OTHER EVENTS

Acquisition of the Dallas Fire&Police Pension Scheme stake

In September 2017, Cintra, along with the other Managed Lanes partners (Meridiam and APG) has acquired the Dallas Fire&Police Pension Scheme's stake in NTE (10%) and LBJ (7%). **Cintra acquired 6.3% in NTE and 3.6% in LBJ**, and now holds 62.97% in NTE and 54.6% in LBJ. Cintra paid USD107mn for the stake (NTE: USD65mn and LBJ: USD42mn).

Autema

In July 2015, the official journal of the regional government of Catalonia (*Diario Oficial de la Generalitat de Cataluña*) published Decree 161/2015, which unilaterally approved changes to the administrative concession for the Tarrasa-Manresa toll road. The new tariffs (discounts) included in this Decree were first applied in January 2016. In October 2016, the concession holder Autopista Tarrasa-Manresa filed a legal challenge to this Decree with the Catalan High Court (TSJC).

A further Decree was published in the official journal of the regional government of Catalonia on 30 December 2016 (337/2016). This was once again unilateral, and basically amended and extended the discounts contained in the earlier Decree. The concession holder, Autopista Tarrasa-Manresa, also filed a legal challenge to this decree on 20 July 2017.

Both of these legal actions have been adjoined in one single action by the TSJC. At the end of July 2017 the TSJC gave the Generalitat 20 days to respond to the legal challenge, but it has still not responded.

AIRPORTS

The Airports division contributed EUR98mn to Ferrovial's equity-accounted results during 9M 2017 (as compared with -EUR43mn in 9M 2016).

- **HAH**: EUR96mn in 9M 2017 vs. -EUR56mn in 9M 2016 was due mainly to the positive mark to market performance of the hedging instruments in 2017, as compared with the negative impact seen in 2016, as a result of an uptick in the expected inflation figure and the cut in interest rates.
- **AGS:** Contributed EUR1mn to Ferrovial's 9M 2017 equity-accounted results (vs. EUR13mn in 9M 2016), mainly due to the positive one-off (with no cash impact in 2016) from the change in the pension plan conditions (EUR8mn) and the 200bps decrease in tax rate to 17% (EUR6mn).

In terms of distributions to shareholders:

- **Heathrow paid out GBP281mn (100%)**, of which EUR79mn were for Ferrovial.
- **AGS distributed GBP112mn (100%) among its shareholders**, of which GBP75mn resulted from an extraordinary distribution following the refinancing carried out in 1Q 2017, which led to optimisation of the financing structure, the extension of maturity terms and the partial repayment of shareholder debt. **Ferrovial received EUR64mn in 9M 2017.**

CORPORATE TRANSACTIONS

On 25 August, Great Hall Partners, consortium led by Ferrovial Airports, signed the contract for remodeling and commercial operation of the main terminal at Denver International Airport, with an investment of USD650mn and a 34 year concession. For more information, please click on this link.

HEATHROW

Heathrow Traffic

In 9M 2017, Heathrow registered 59.1 million passengers (+3.1%). In 3Q (+1.7%) in September it broke the record for the eleventh month running. The airport also achieved a daily record, with 259,917 passengers flying on 30 June, the busiest day in the history of the airport. Occupancy levels increased compared with 9M 2016 (78.5% vs. 76.2%), as did the average number of seats per plane (212 seats per plane, compared to 211.3 in 2016).

The traffic increase pushed the 2017 forecast up to 76.7 million passengers (published in the June Investor report) compared with the previously forecast 75 million.

Traffic performance by destination

Million passengers	sep-17	sep-16	Var.
UK	3.6	3.5	3.0%
Europe	24.7	24.1	2.6%
Long Haul	30.7	29.7	3.5%
Total	**59.1**	**57.3**	**3.1%**

Intercontinental traffic has been the main driver for growth in traffic (+3.5%), with more flights and greater occupancy. Traffic was particularly robust on the Middle East routes (+10.5%), due to larger aircraft and more flights, and to the Asia Pacific region (+4.0%), introduced as a result of higher occupancy levels on existing routes to Malaysia and new and more services to Thailand, Philippines and Vietnam. In North America (+1.0%) higher load factors played an important role. Latin American traffic rose by +4.1%, due to more flights and higher occupancy levels on the planes.

In **Europe** (+2.6%) there was a notable increase on routes to Belgium, Portugal, Denmark, Italy, Turkey and Russia. Domestic traffic grew by +3.0%, including the new Flybe services to Scotland.

More than 30% (in terms of value) of non-EU exports from the United Kingdom currently pass through Heathrow. In 9M 2017, cargo volumes at Heathrow increased by +10.5%, making it one of the strongest quarters in the last 5 years, with notable increases in North America and the Middle East.

Heathrow SP Revenue

Revenue grew by +3.2%, thanks to the strong performance of retail revenue (+9.6%), coupled with the increase in aeronautical revenues (+0.9%) and in other revenues (+3.5%).

REVENUE BREAKDOWN

(GBP million)	sep-17	sep-16	Var.
Aeronautic	1,288	1,276	0.9%
Retail	492	449	9.6%
Others	381	368	3.5%
TOTAL	**2,161**	**2,093**	**3.2%**

Average **aeronautical revenue** per passenger decreased -2.1% to GBP21.81 (GBP22.26 in 2016), but was compensated for by the increase in traffic (+3.1%), which generated revenues by GBP38mn.

Retail revenue grew by +9.6%, helped by higher traffic, and particularly in the World Duty Free stores (+11.1%) and specialist stores (+18.1%), due to the depreciation of sterling after the referendum to leave the EU at the end of June 2016, although this trend has subsided slightly now. The remodelling of the luxury goods stores at T4, which was completed at the end of 2016, also contributed to this growth. Restaurant income also registered strong growth, due to the increase in traffic and the refurbishment of restaurants in T5.

Net retail revenues per passenger reached GBP8.33 (+6.4% vs.9M 2016).

Heathrow SP EBITDA

Heathrow SP's EBITDA increased by +5.7% in 9M 2017 vs. sales growth of +3.2%. The EBITDA margin reached 62.3%, compared to 60.9% in 2016. Amortization fell by -5% versus 2016.

User satisfaction

Customer satisfaction remained at record highs in 3Q 2017, with the airport achieving a scoring of 4.14 out of 5 according to Airport Service Quality (ASQ), 81% of the passengers surveyed classified their experience in the airport as "excellent" or "very good". Heathrow has ranked first out of European airports in this service quality survey for the past thirteen consecutive quarters.

In 2017, Heathrow has been nominated "Best Airport in Western Europe" for the third time running by Skytrax World Airport Awards. The award, voted by passengers all around the world, recognised Heathrow as the "Best Airport for Shopping" for the eighth year in a row.

Heathrow also improved its punctuality and luggage management, reducing the number of suitcases lost to 10 in 1,000 (14 in 2016).

Regulatory aspects

Regulatory period: On 21 December 2016, the CAA confirmed the extension of the current regulatory period (Q6) until 31 Dec 2019, continuing with the annual maximum tariff increase per passenger of RPI -1.5%.

In June 2017, the CAA proposed a potential extension until at least December 2020. The length of the new extension and the tariffs that will apply will be decided in 2018, once the National Policy Statement (NPS) has been approved.

Regulatory Asset Base (RAB): At 30 September 2017, the RAB reached GBP15,630mn (GBP15,237mn in December 2016).

Expansion: On 25 October 2016, the British Government announced its decision to select the building of a third runway at Heathrow Airport to increase airport capacity in the Southeast of England. The expansion requires parliamentary approval of the NPS and subsequent approval of the Development Consent Order by the Secretary of State, both expected between 1H 2018 and the end of 2020.

HAH

GBP million	sep-17	sep-16	Var.	Like-for-Like
Revenues	**2,161**	**2,094**	**3.2%**	**3.2%**
EBITDA	**1,348**	**1,275**	**5.8%**	**5.8%**
EBITDA margin %	62.4%	60.9%		
Depreciation	527	554	4.9%	4.9%
EBIT	**821**	**720**	**14.0%**	**14.0%**
EBIT margin %	38.0%	34.4%		
Impairments & disposals		-7	n.a	n.a.
Financial results	-390	-968	59.7%	-10.3%
EBT	431	-254	269.3%	26.1%
Corporate income tax	-95	72	-231.1%	-25.3%
Net income	336	-182	284.5%	26.5%
Contribution to Ferrovial equity accounted result (EUR mn)	**96**	**-56**	**270.9%**	**26.5%**

HAH net debt

At 30 September2017, the average cost of Heathrow's external debt was 5.6%, including all the interest-rate, exchange-rate and inflation hedges in place (5.11% in December 2016).

(GBP million)	sep-17	sep-16	Var.
Loan Facility (ADI Finance 2)	0	306	-100.0%
Subordinated	1,037	1,098	-5.6%
Securitized Group	13,063	12,923	1.1%
Cash & adjustments	-49	-20	144.9%
Total	**14,051**	**14,307**	**-1.8%**

The net debt figure relates to FGP Topco, HAH's parent company.

For further information, please see the note on HAH's results.

UK REGIONAL AIRPORTS (AGS)

AGS Traffic

Million Passengers	Traffic		
	sep-17	sep-16	Var.
Glasgow	7.7	7.2	6.7%
Aberdeen	2.4	2.3	1.1%
Southampton	1.6	1.5	8.0%
Total AGS	**11.6**	**11.0**	**5.7%**

Traffic at AGS rose +5.7% (Glasgow +6.7%, Southampton +8.0%, Aberdeen +1.1%).

Traffic at **Glasgow reached 7.7 million passengers** (+6.7%). Domestic traffic remained in line with the previous year, with fewer routes to London and more regional routes with Flybe and Loganair. International traffic grew (+12.9%) via European traffic with new Ryanair routes to Lisbon, Valencia, Palanga and Zadar, Jet2's new service to Dubrovnik and more capacity to the Canary Islands, Alicante, Cyprus and Malaga. Long-distance traffic volumes demonstrate the strength of Emirates and the new Delta service to New York.

The number of passengers at **Aberdeen reached 2.4 million (+1.1%)**. Domestic traffic volumes grew (+3.0%), mainly due to the London Heathrow route operated by Flybe. International traffic volumes increased (+2.1%) thanks to new Ryanair routesto Alicante, Malaga and Faro, the new Wizz services to Warsaw and Air Baltic's new route to Riga. This increase was partially offset by the reduction in return flights to international airports (Paris CDG and Amsterdam) and lower Scandinavian passenger numbers.

Traffic at **Southampton reached 1.6 million** (+8.0%) with an increase in domestic traffic (+3.7%) and more Flybe flights to Manchester, Glasgow and Edinburgh, partly compensating for the fewer schedules to Guernsey in 1Q; and international growth (+14.5%) due to the new routes to Amsterdam, Munich, Malaga and Cork.

AGS Revenue and EBITDA

The airports posted EBITDA growth of +15% in 9M 2017, on traffic growth of +5.7% and sales growth of +7.2%, coupled with a -1.6% drop in expenses driven by greater cost control.

AGS net bank debt

At 30 September 2017, the regional airports' net bank debt stood at GBP628mn.

AGS RESULTS

	Revenues			EBITDA			EBITDA margin		
(GBP million)	sep-17	sep-16	Var.	sep-17	sep-16	Var.	sep-17	sep-16	Var. (pbs)
Glasgow	93.0	84.4	10.2%	45.4	39.2	15.9%	48.9%	46.4%	240.7
Aberdeen	41.8	42.5	-1.7%	16.7	15.9	5.0%	39.9%	37.3%	256.3
Southampton	24.3	21.5	13.1%	9.4	7.1	32.6%	38.7%	33.0%	567.3
Total AGS	**159.0**	**148.3**	**7.2%**	**71.5**	**62.1**	**15.0%**	**44.9%**	**41.9%**	**305.8**

CONSTRUCTION

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	3,394	3,033	11.9%	11.9%
EBITDA	164	226	-27.3%	-27.7%
EBITDA margin	4.8%	7.4%		
EBIT	135	205	-34.2%	-34.5%
EBIT margin	4.0%	6.7%		
Order book*	9,045	9,088	-0.5%	3.0%

*Order book compared with December 2016

Revenues increased by +11.9% in comparable terms, with positive performance in all areas. International turnover was responsible for 83% of the division's revenues, very much focused on the company's traditional strategic markets: Poland (31% of revenues) and North America (29%).

Profitability declined compared to 9M 2016 (EBITDA margin 4.8% vs. 7.4%), due to large projects in their preliminary stages and a lower proportion of toll road concession contracts in the portfolio of projects currently in course. In addition, losses were incurred in 2017 as the result of an unfavourable ruling on a project carried out in Colombia in 2012/2013 and losses from an already completed contract in the UK.

BUDIMEX

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	1,035	953	8.6%	6.3%
EBITDA	93	70	32.9%	29.8%
EBITDA margin	8.9%	7.3%		
EBIT	87	65	32.4%	29.3%
EBIT margin	8.4%	6.9%		
Order book*	2,152	2,027	6.2%	3.9%

*Order book compared with December 2016

We highlight the sale of 3.9% of Budimex in 2017, and while this did not impact on Ferrovial's profit and loss account, which retained its controlling share (55.1%), it did have an impact on cash flow, +EUR59mn.

The same positive trend as previous years continues to be displayed. Despite adverse weather conditions, revenues in comparable terms increased by +6.3% as a result of the faster completion of Industrial projects and Residential and Non-Residential Construction. Profitability increased (+29.8% in EBITDA), primarily due to final payment on the infrastructure projects that have been completed.

The order book remains very strong (EUR2,152mn) +3.9% vs. December 2016. In September 2017, contracting reached more than EUR1,100mn, of which approximately 53% relate to the signing of Civil Works contracts awarded under the 2014-2020 New Highway Plan. We would highlight the award of the Lagiewnicka Highway in Krakow (EUR154mn), and rail works for approximately EUR250mn. Budimex also has contracts that are currently pending signing or have been signed since 30 September 2017 worth a total of more than +EUR460mn.

WEBBER

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	586	524	11.9%	16.5%
EBITDA	25	41	-40.3%	-41.3%
EBITDA margin	4.2%	7.9%		
EBIT	18	35	-49.9%	-50.9%
EBIT margin	3.0%	6.7%		
Order book*	1,371	1,084	26.5%	41.6%

*Order book compared with December 2016

Revenues were up +16.5% in comparable terms, thanks to the incorporation of Pepper Lawson, a company that specialises in water projects and non-residential construction and which was acquired in March 2016 (and whose revenues in 9M 2017 totalled EUR127mn vs. EUR65mn in 9M 2016). The fall in the EBITDA margin to 4.2% was due to the lower proportion of toll road concession contracts in the portfolio of projects currently in course.

The value of contracting so far this year has been extraordinarily high, close to EUR970mn (more than double the amount contracted for the whole of 2016), which has led to a growth in the order book of +41.6% in comparable terms.

FERROVIAL AGROMAN

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	1,773	1,557	13.9%	14.0%
EBITDA	47	115	-59.1%	-58.7%
EBITDA margin	2.6%	7.4%		
EBIT	30	104	-70.8%	-70.4%
EBIT margin	1.7%	6.7%		
Order book*	5,522	5,977	-7.6%	-3.9%

*Order book compared with December 2016

Turnover increased (+14.0%), driven by the award of new projects, though profitability decreased (EBITDA margin 2.6%) during 9M 2017, mainly as the result of losses resulting from an unfavourable ruling on a project carried out in Colombia in 2012/2013 and losses incurred in an already completed contract in the United Kingdom, due to tight completion deadlines and failure to reach an agreement with the client on the implementation of alternative technical solutions. In addition, profitability was affected by the fact that several projects were executed in the initial stages, with lesser levels of complexity.

ORDER BOOK

(EUR million)	sep-17	dic-16	Var.
Civil work	6,930	7,088	-2.2%
Residential work	430	344	25.0%
Non-residential work	859	873	-1.6%
Industrial	826	783	5.5%
Total	9,045	9,088	-0.5%

*Order book compared with December 2016

The order book decreased by -0.5% on December 2016 (+3.0% LfL). The civil works segment remains the largest segment (at 77%), and very selective criteria are maintained when participating in tenders. The international order book amounted to EUR7,585mn, far greater than the domestic order book (EUR1,460mn), and represented 84% of the total.

The order book figure for September 2017 does not include pre-awarded contracts or contracts for which commercial or financial agreement has not been finalised. These amount to a total value of EUR3,100mn, of which we would note the I-66 Managed Lane in Virginia, which accounts for approximately EUR1,800mn, as well as Denver Airport for EUR550mn.

SERVICES

In 9M 2017, Services revenue reached EUR5,430mn (+25.9% compared to 2016). This growth was largely due to the contribution from Broadspectrum, acquired in May 2016. With the incorporation of Broadspectrum, Ferrovial Services not only accesses the Australian market, but also the North American market and strengthens mining activity in Chile. With the aim of optimising opportunities in the different geographical territories, the American business was separated from Broadspectrum's other activities from January 2017 and included under International Services.

In 9M 2017, Broadspectrum contributed a combined revenue of EUR1,959mn. As a result of the aforementioned organisational changes, its business is not reported jointly in this report. However, from the aforementioned figure, EUR1,732mn corresponds to revenues obtained in Australia and New Zealand and EUR228mn to revenues obtained in America, which will be incorporated into Ferrovial International Services.

Excluding the contribution from Broadspectrum, growth in revenues in comparable terms, i.e. excluding exchange rate effects and the incorporation of Broadspectrum, is +4.1%. The main contributors to this growth are Ferrovial Services Spain (+8.8%) and Ferrovial Services International (+11%). The UK remains in line with growth of 0.5%.

The division's EBITDA grew by +7.8% in comparable terms, driven by the improvement in the UK, which is reaping the rewards for the restructuring carried out in mid-2016.

In September, the order book reached EUR20,706mn, -13% vs. December 2016 in comparable terms. This performance was due to various factors, which will be commented on in their respective sections.

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	5,430	4,314	25.9%	4.1%
EBITDA	309	209	48.0%	7.8%
EBITDA margin	5.7%	4.8%		
EBIT	102	66	54.3%	13.2%
EBIT margin	1.9%	1.5%		
Order book*	18,954	22,205	-14.6%	-12.4%
JVs order book*	1,751	2,226	-21.3%	-18.7%
Global order book+JVs*	20,706	24,431	-15.2%	-13.0%

*Order book compared with December 2016

SPAIN

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	1,410	1,296	8.8%	8.8%
EBITDA	143	136	5.8%	4.6%
EBITDA margin	10.2%	10.5%		
EBIT	75	70	6.9%	4.6%
EBIT margin	5.3%	5.4%		
Order book*	5,008	5,450	-8.1%	-8.1%
JVs order book*	271	291	-6.8%	-6.8%
Global order book+JVs*	5,280	5,741	-8.0%	-8.0%

*Order book compared with December 2016

Revenues in Spain grew by +8.8%, as compared with September 2016. The main reason for this growth is the expansion of both industrial activity and consumption, driven by the improvement in macroeconomic conditions in Spain. In addition, the incorporation of several acquisitions in the industrial maintenance sector, account for +3.3% of this figure. These activities usually offer lower returns than the average. The EBITDA margin stood at 10.2% compared to 10.5% in 2016. This drop is due to an increase in industrial activity in which profitability is below to the current level.

The order book volume stood at EUR5,280mn in September 2017 (-8.0% compared with December 2016). The reduced size of the order book is directly related to the slowdown in competitive tendering processes, both in terms of the opportunities that are available in the marketplace and as regards the award of contracts already bid for. As a consequence, a number of contracts have been deferred in the expectation that they will be tendered. In these cases, turnover levels are maintained, but the size of the order book is reduced as when one contract expires it is not renewed with a contract of equivalent value. Success rates in the available markets remain stable.

UNITED KINGDOM

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	1,949	2,092	-6.8%	0.5%
EBITDA	50	24	111.0%	27.5%
EBITDA margin	2.6%	1.1%		
EBIT	24	-7	n.s.	115.4%
EBIT margin	1.2%	-0.3%		
Order book*	8,725	10,636	-18.0%	-15.4%
JVs order book*	1,115	1,262	-11.7%	-8.9%
Global order book+JVs*	9,840	11,898	-17.3%	-14.7%

*Order book compared with December 2016

The business climate in the United Kingdom continued to be affected by the budgetary restrictions imposed on public sector clients, which has had an impact on the number of opportunities that come on to the market. In turn, from a commercial point of view, the company continues to apply a strict selection policy regarding the opportunities for which bids are to be submitted. As a consequence, revenues are in line with the previous year (+0.5% in comparable terms).

The company continues to focus on improving contracts with low rates of return, or withdrawing from unprofitable contracts where relevant, and on implementing the restructuring plan started in 2016. As a result margins have continued to gradually recover and EBITDA now stands at 2.6%. If current market conditions continue, we expect to see ongoing improvement in margins in the last quarter of the year.

Negotiations with the Birmingham City Council have moved forward and both parties have signed a preliminary agreement in July. Both sides have until the end of the year to reach a final agreement. To date, legal costs amounting to €6mn have been incurred, and these have been charged against the allowance provision created in December 2015. The result from the Birmingham contract at September stands at -EUR5mn.

In September, the order book stood at EUR9,840mn (-14.7% LfL compared with December 2016). The trend in this area was marked by the stricter project selection process mentioned above, and by consumption in the business portfolio for utilities that will be offered for tender in 2019 and 2020, coinciding with the clients' regulatory periods. The most important contracts awarded this year are the waste collection contract in Surrey (EUR131mn, 10 years) and the contract to maintain the Manchester light railway (EUR181mn, 7 years). The latter of these two amounts corresponds to Amey's 40% stake in the joint venture that will perform the contract.

BROADSPECTRUM (AUSTRALIA AND NEW ZEALAND)

(EUR million)	Broadspectrum sep-17	Intangible Amortiza-tion	Broadspectrum post intangible amortization
Revenues	1,732		**1,732**
EBITDA	103		**103**
EBITDA margin	6.0%		**6.0%**
EBIT	69	-63	**5**
EBIT margin	4.0%		**0.3%**
Order book*	3,744		**3,744**
JVs order book*	278		**278**
Global order book+JVs*	4,022		**4,022**

*Order book compared with December 2016

Broadspectrum's business in Australia and New Zealand is reported in this unit.

The company continues to work on exiting the immigration contracts and plans have been put in place to leave these contracts effectively on 31 October of this year. At the same time, actions are being implemented to improve profitability and adjust costs, in line with the contents of the acquisition plan.

The order book, which at December 2016 (excluding America) stood at EUR4,869mn, stood at EUR4,022mn in September (-14.9% in comparable terms). Tender activity is increasing, in line with the growth strategy. The company has identified opportunities worth EUR19,900mn. EUR5,800mn of offers are being studied and there are currently EUR3,200mn in the various stages of tendering. It should be pointed out that the large size of contracts and commercial practices in Australia means that projects take longer to mature than in other markets.

Notable among the contracts awarded this year are a contract to install optical fibre for our client Chorus in New Zealand (EUR169mn, 8 years), a contract to maintain a liquefied gas plant for our client Impex in Australia (EUR143mn, 5 years), and a renewed contract to maintain public schools in New South Wales (EUR101mn, 1 year). Award of the PPP for refurbishment and maintenance in Melbourne (Osas West) remains pending, with a portfolio worth an estimated AUD704mn.

INTERNATIONAL SERVICES

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Revenues	339	98	245.4%	11.0%
EBITDA	12	10	23.6%	-26.7%
EBITDA margin	3.5%	9.8%		
EBIT	-3	3	-182.4%	-146.2%
EBIT margin	-0.8%	3.2%		
Order book*	1,476	530	178.4%	0.3%
JVs order book*	88	145	n.s.	n.s.
Global order book+JVs*	1,564	675	131.7%	-12.7%

*Order book compared with December 2016

The Ferrovial International Services division has included Broadspectrum's business activity in America (North North America and Chile) since January 2017. The revenue contribution to September stood at EUR181mn in North America and EUR47mn Chile. The EBITDA margin for the business activity of both, at the date of publication, is 2%.

As regards other countries, revenues and business developments as compared with 2016 are as follows: Poland +EUR41mn (+38.2%), Chile +EUR47mn (-3.4%) and Portugal +EUR23mn (+6.6%). In combination, and in comparable terms, revenues were up by +11% on 2016, while the EBITDA was EUR2.6mn lower than 2016, due to winter maintenance costs relating to the highway contracts in Poland in the first quarter of the year and due to losses of EUR1mn in Chile due to a maintenance contract that has now finished.

The order book stood at EUR1,564mn (-12.7% LfL compared with 2016). The decline was primarily due to the sale of the Gateway JV in Canada (EUR188mn). Notable among the contracts awarded this year are the incorporation of the Trans Formers order book (EUR67.5mn), a waste management company acquired in Poland in June and the tunnel maintenance contract in Washington DC (EUR22mn, 5 years).

BALANCE SHEET

	sep-17	dic-16
FIXED AND OTHER NON-CURRENT ASSETS	**15,217**	**15,679**
Consolidation goodwill	**2,108**	**2,155**
Intangible assets	**444**	**544**
Investments in infrastructure projects	**6,927**	**7,145**
Property	**6**	**6**
Plant and Equipment	**694**	**731**
Equity-consolidated companies	**2,862**	**2,874**
Non-current financial assets	**748**	**735**
Long term investments with associated companies	343	374
Restricted Cash and other non-current assets	283	249
Other receivables	122	112
Deferred taxes	**1,117**	**1,057**
Derivative financial instruments at fair value	**311**	**432**
CURRENT ASSETS	**7,300**	**7,745**
Assets classified as held for sale	**0**	**624**
Inventories	**573**	**516**
Trade & other receivables	**3,008**	**2,822**
Trade receivable for sales and services	2,373	2,193
Other receivables	635	629
Taxes assets on current profits	**69**	**186**
Cash and other temporary financial investments	**3,614**	**3,578**
Infrastructure project companies	338	277
Restricted Cash	57	62
Other cash and equivalents	281	215
Other companies	3,275	3,301
Derivative financial instruments at fair value	**36**	**18**
TOTAL ASSETS	**22,516**	**23,423**

	sep-17	dic-16
EQUITY	**5,893**	**6,314**
Capital & reserves attrib to the Company´s equity holders	5,184	5,597
Minority interest	709	717
Deferred Income	**1,028**	**1,118**
NON-CURRENT LIABILITIES	**10,441**	**10,421**
Pension provisions	**137**	**174**
Other non current provisions	**759**	**757**
Financial borrowings	**7,984**	**7,874**
Financial borrowings on infrastructure projects	5,153	5,310
Financial borrowings other companies	2,831	2,564
Other borrowings	**201**	**200**
Deferred taxes	**965**	**979**
Derivative financial instruments at fair value	**394**	**436**
CURRENT LIABILITIES	**5,155**	**5,570**
Liabilities classified as held for sale	**0**	**440**
Financial borrowings	**389**	**302**
Financial borrowings on infrastructure projects	249	200
Financial borrowings other companies	139	102
Derivative financial instruments at fair value	**81**	**69**
Trade and other payables	**3,840**	**3,895**
Trades and payables	2,274	2,299
Other non comercial liabilities	1,566	1,596
Liabilities from corporate tax	**112**	**150**
Trade provisions	**734**	**715**
TOTAL LIABILITIES & EQUITY	**22,516**	**23,423**

As already mentioned in the consolidated annual accounts for 2016, the company has decided to bring the application of IFRS rule 15 (Revenue from Contracts with Customers) forward to the 2017 financial year. Application of this rule has had a negative impact on the company's reserves to the value of -EUR259mn. For more details on the plan for the application of this rule and its expected impact, please see Note 2.2 of the interim consolidated accounts published in July 2017.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

(EUR million)	Before Fair value Adjustments	Fair value Adjustments	sep-17	Before Fair value Adjustments	Fair value Adjustments	sep-16
Revenues	9,194		**9,194**	7,697		**7,697**
Other income	4		4	4		4
Total income	9,198		9,198	7,701		7,701
COGS	8,487		8,487	7,051		7,051
EBITDA	711		**711**	650		**650**
EBITDA margin	7.7%		7.7%	8.4%		8.4%
Period depreciation	295		295	224		224
EBIT (ex disposals & impairments)	416		**416**	425		**425**
EBIT (ex disposals & impairments) margin	4.5%		4.5%	5.5%		5.5%
Disposals & impairments	47	7	54	279	-21	258
EBIT	462	7	**470**	705	-21	**684**
EBIT margin	5.0%		5.1%	9.2%		8.9%
FINANCIAL RESULTS	-264	36	**-228**	-274	-9	**-284**
Financial result from financings of infrastructures projects	-194		-194	-238		-238
Derivatives, other fair value adjustments & other financial result	-5		-5	-6	-9	-15
Financial result from ex infra projects	-24		-24	-34		-34
Derivatives, other fair value adjustments & other ex infra projects	-41	36	-5	3	0	3
Equity-accounted affiliates	167	55	222	164	-107	56
EBT	365	98	**464**	594	-138	**457**
Corporate income tax	-45	3	-42	-183	8	-175
NET INCOME FROM CONTINUED OPERATIONS	320	102	**422**	411	-130	**282**
Net income from discontinued operations						
CONSOLIDATED NET INCOME	320	102	**422**	411	-130	**282**
Minorities	-34	0	-35	-4	1	-3
NET INCOME ATTRIBUTED	286	101	**387**	407	-128	**279**

REVENUES

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Toll Roads	339	361	-6.3%	11.8%
Airports	6	3	119.1%	-65.9%
Construction	3,394	3,033	11.9%	11.9%
Services	5,430	4,314	25.9%	4.1%
Others	26	-15	n.a	n.a
Total	**9,194**	**7,697**	**19.5%**	**8.6%**

EBITDA

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Toll Roads	239	228	5.1%	20.6%
Airports	-11	-14	22.4%	-5.8%
Construction	164	226	-27.3%	-27.7%
Services	309	209	48.0%	7.8%
Others	10	1	n.a.	n.a.
Total	**711**	**650**	**9.5%**	**0.0%**

DEPRECIATION

Depreciation increased +31.8% (or +13.1% LfL) to EUR295mn.

EBIT (before impairments and disposals of fixed assets)

(EUR million)	sep-17	sep-16	Var.	Like-for-Like
Toll Roads	184	170	8.2%	19.2%
Airports	-12	-14	11.9%	-5.8%
Construction	135	205	-34.2%	-34.5%
Services	102	66	54.3%	13.2%
Others	7	-1	n.a.	n.a.
Total	**416**	**425**	**-2.3%**	**-5.2%**

For the purposes of analysis, all comments regarding EBIT are before impairments and fixed asset disposals.

DISPOSALS & IMPAIRMENTS

Impairments and disposals of fixed assets amounted to +EUR54mn at end-September 2017, accounted for by the additional impairment applied to Autema (-EUR27mn) and the capital gains on the sale of Norte Litoral (+EUR48mn) and Algarve (+EUR42mn). This figure stood at +EUR258mn for the same period in 2016, as it was affected by the capital gains relating to the divestments in Chicago Skyway and Irish toll roads.

FINANCIAL RESULTS

(EUR million)	sep-17	sep-16	Var.
Infrastructure projects	-194	-238	18.2%
Ex infra projects	-24	-34	28.9%
Net financial result (financing)	**-218**	**-271**	**19.6%**
Infrastructure projects	-5	-15	66.3%
Ex infra projects	-5	3	-242.1%
Derivatives, other fair value adj & other financial result	**-10**	**-12**	**17.8%**
Financial Result	**-228**	**-284**	**19.5%**

Financial expenses in 9M 2017 were less than the corresponding period in 2016, as a combination of the following impacts:

- **Financing result:** EUR53mn drop in expenses to -EUR218mn. The change compared with 9M 2016 was primarily due to changes in the consolidation perimeter in the infrastructure projects:
  Deconsolidated assets in 2016:
  - Deconsolidation of Chicago Skyway (2 months' contribution in 2016, which generated EUR20mn in costs).
  - Deconsolidation of the SH-130 toll road (deconsolidated at the close of 2016, contributed EUR12mn in costs in 9M 2016).
  - Deconsolidation of debt in Irish toll roads (2 months' global consolidation in 2016, generating EUR3mn in costs).

  Deconsolidated assets in 2017:
  - Deconsolidation of debt in Norte Litoral (4 months' global consolidation in 2017 vs. 9 months contribution to September 2016, generating EUR4mn in financial expenses).

- **Result from derivatives and others:** EUR2mn drop in financial expenses to -EUR10mn in 9M 2017 vs. –EUR12mn in financial expenses in 9M 2016, comprised of:
  - As regards infrastructure projects, EUR10mn less in financial expenses due mainly to the extraordinary negative impact caused in 9M 2016 by the removal of the Ausol derivative, due to the refinancing carried out in respect of this asset.
  - In the non-project-related category, -EUR5mn in costs, mainly resulting from financial restructuring processes, among which the cancellation of Broadspectrum high bond yield stands out (8.375% annual interest cost). After the restructuring process, the average cost of debt of Broadspectrum stays below 6%.

EQUITY-ACCOUNTED RESULTS

(EUR million)	sep-17	sep-16	Var.
Toll Roads	106	79	35.2%
Airports	98	-43	-8.9%
Construction	-1	0	-167.5%
Services	19	21	-8.9%
Total	**222**	**56**	**n.s.**

At net profit level, equity-accounted consolidated assets contributed EUR222mn after tax (against EUR56mn in the same period of 2016).

This improvement was due to the recovery of Heathrow's contribution (+EUR96mn as compared with -EUR56mn in 9M 2016 due to the negative impact of the fair value of the hedging instruments last year) and the positive performance of Toll Roads (net profit at 407ETR rose by +29.2%). AGS's contribution decreased compared to 9M 2016 (EUR1mn vs. EUR13mn in 9M 2016), mainly due to the positive one-off with no cash impact in 2016 from the change in the pension plan conditions (EUR8mn) and the 200bps decrease in tax rate to 17% (EUR6mn) .

TAXES

Company tax for the first nine months of the year amounted to -EUR42mn compared with -EUR175mn at the close of 9M 2016, the latter having been impacted principally by the capital gains obtained from the divestment of Chicago and the Irish toll roads.

There are also a series of impacts that one must take into consideration when calculating the effective corporation tax rate; the most relevant being:

- Impact of the results of companies accounted for using the equity method which, pursuant to accounting legislation, are presented net of the related tax effect, in the amount of EUR222mn.
- Capital gain from the sale of Portuguese toll roads, of which EUR91mn does not generate any cost with regard to Company Tax.
- Losses at companies in the USA, consolidated by global integration, where the tax credit is exclusively recognised as the percentage stake when paying tax under a fiscal transparency regime, which generates an adjustment of –EUR12mn, corresponding to tax credits assigned to the remaining partners).

Following adjustment for these three items, the pre-tax result would amount to EUR163mn. The effective tax rate after the aforementioned adjustments would therefore stand at 26%.

NET RESULT

Net profit stood at EUR387mn at end-September 2017 (EUR279mn at September 2016).
Net profit for 9M 2017 includes a series of extraordinary impacts:

- Fair value adjustments for derivatives: +EUR75mn (this item resulted in a negative impact of –EUR113mn in 9M 2017), mainly impacted by the HAH derivatives as previously mentioned.
- Capital gain after tax on the sale of Norte Litoral and Algarve: +EUR98mn (+EUR129mn was earned during the same period in 2016 from the sale of the Chicago and Irish toll roads).
- Impairment at Autema: -EUR20mn (-EUR18mn in 9M 2016).

NET DEBT AND CORPORATE CREDIT RATING

NET DEBT

The net cash position, excluding infrastructure projects, stood at EUR268mn at 30 September 2017 vs. EUR697mn in December 2016.

The main drivers of this change in the net cash position ex-infrastructure projects included the following:

- **Dividends received from projects (+EUR366mn)**: this figure is a +11.7% increase compared to the dividends received in 9M 2016 (EUR327mn). Notable was the contribution of EUR143mn made by Airports (as compared with EUR92mn in 9M 2016), affected mainly by the extraordinary dividend paid out by AGS following its refinancing (AGS's total contribution amounted to EUR64mn, of which EUR44mn was an extraordinary amount).
- **Cash flow from divestments amounting to +EUR233mn**, of which EUR59mn equates to the sale of a stake in Budimex (sale of 1 million shares equivalent to a holding of 3.9%) and EUR104mn obtained after the sale of 51% of Norte Litoral and EUR58mn for the sale of 49% of Algarve.
- **Working capital consumption EUR200mn higher than in 9M 2016**.
- **Total investments in the amount of -EUR288mn.**
- **Ferrovial shareholder remuneration amounting to -EUR313mn.** In addition, the payment to minorities in subsidiaries amounted to -EUR47mn.

Net project debt stood at EUR4,764mn (EUR4,963mn in December 2016). This net debt includes EUR764mn that relates to toll roads under construction (NTE 35W and I-77).

The Group's **consolidated net debt** at 30 September 2017 stood at EUR4,495mn (compared with EUR4,266mn in December 2016).

(EUR million)	sep-17	dic-16
NCP ex-infrastructures projects	**268**	**697**
Toll roads	-4,244	-4,426
Others	-520	-537
NCP infrastructures projects	**-4,764**	-4,963
Total Net Cash Position	**-4,495**	**-4,266**

(EUR million)	sep-17	dic-16
Gross financial debt	**-8,385**	**-8,093**
Gross debt ex-infrastructure	-2,983	-2,584
Gross debt infrastructure	-5,402	-5,510
Gross Cash	**3,890**	**3,827**
Gross cash ex-infrastructure	3,268	3,301
Gross cash infrastructure	622	526
Total net financial position	**-4,495**	**-4,266**

CORPORATE CREDIT RATING

Agency	Rating	Outlook
S&P	BBB	Stable
Fitch Ratings	BBB	Stable

EX-PROJECT DEBT MATURITIES

Year	Corporate debt maturity
2017	7
2018	537
2019	76
2020	5
2021 - 2030	2.272
2031 - 2040	7
2041 - 2050	8

SHAREHOLDER REMUNERATION

2016 - 2017 DIVIDEND

The company held its AGM on 5 April 2017. 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.

These increases form part of the shareholder remuneration system known as the "Ferrovial Scrip Dividend", which the company introduced in 2014, and which will replace the traditional complementary dividend payment for 2016 and the 2017 interim dividend.

The purpose of this programme is to offer to all the company's shareholders the option, at their choice, of receiving free new shares in the Company, though without altering the company's policy of paying its shareholders in cash, as they can alternatively opt to receive a cash payment by means of selling the free rights that they receive against the shares they already own to the company (or selling them in the market).

The first of the scrip issues of this year (equivalent to the 2016 complementary dividend) took place in May 2017, with the following result:

Scrip Dividend Details	May-17
Guaranteed set price to purchase rights	0.315
Number of rights to receive per new share	61
% of shareholders that chose shares as dividend	58.05%
% of shareholders chose cash as dividend	41.95%
Number of new shares issued	6,971,168
Number of rights purchased	307,307,195

At the Board Meeting on 24 October 2017, the terms of the **second scrip issue were fixed** (equivalent to the 2017 dividend on account). Subsequently, and by means of filing a Significant Event, Ferrovial announced the fixed price at which it guarantees to buy the rights (EUR0.404 per right), the number of free rights required to receive one new share (45 rights) and the timetable for the transaction.

SHARE BUY-BACK AND CANCELLATION

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 was to contribute to the company's shareholder remuneration policy by means of increasing earnings per share.

The above-mentioned share buy-back programme has a ceiling of EUR275mn, or 19 million shares. On the back of said agreement, in the first nine months of 2017 the number of shares bought-back reached 11,540,565.

In addition to the above plan to buy back the company's own shares, at end-September 2017, Ferrovial held 2,406,950 shares (acquired in 2016), and these are due to be amortized over the course of 2017.

Ferrovial's share capital figure as of 30 September 2017 amounted to EUR147,903,928.40, all fully subscribed and paid up. The share capital comprises 739,519,642 ordinary shares of one single class, each with a par value of twenty euro cents (EUR0.20).

SHAREHOLDER STRUCTURE

Significant holdings in the share capital of Ferrovial S.A., as detailed by the Spanish Stock Market Commission (CNMV):

- **Rijn Capital BV,** (a company controlled by Rafael del Pino y Calvo-Sotelo): 20.1%
- **Menosmares, S.L.U.,** (a company controlled by María del Pino y Calvo-Sotelo): 8.1%
- **Siemprelara S.L.U.,** (a company controlled by Leopoldo del Pino y Calvo-Sotelo): 5.0%
- **Soziancor, S.L.U.,** (company controlled by Joaquin del Pino y Calvo-Sotelo): 2.6%.

On 22 March 2017, Blackrock notified the CNMV that it had changed its stake in Ferrovial S.A, which at the time of this report's publication stands at 3.104%.

APPENDIX I: 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 17/16	Exchange-rate Mean (P&L)	Change 17/16
GBP	0.8812	1.80%	0.8727	7.93%
US Dollar	1.1803	5.12%	1.1237	0.84%
Canadian Dollar	1.4735	0.06%	1.4626	-0.26%
Polish Zloty	4.3119	0.33%	4.2583	-2.14%
Australian Dollar	1.5054	2.74%	1.4604	-2.55%

APPENDIX II: SIGNIFICANT EVENTS 9M 2017

- ✓ **Ferrovial successfully completes a bond issue worth EUR500mn, maturing on 31 March 2025.** (22 March 2017)

  Ferrovial Emisiones, S.A., a subsidiary of Ferrovial, has successfully completed the pricing of a EUR500mn bond issue maturing on 31 March 2025, guaranteed by Ferrovial. The bonds will give a coupon of 1.375% per year, payable on an annual basis. The price has been fixed at 99.295% of the nominal value of the bonds. The close and payment of the issuance was on 29 March 2017, pending the normal pre-conditions for this type of issuance.

  Ferrovial expects to receive net proceeds of approximately EUR494mn, to be applied to general corporate needs.

- ✓ **Ferrovial communicates the resolutions of the 2017 AGM.** (05 April 2017)
- ✓ **Ferrovial agrees a scrip issue charged to reserves as a means of implementing the Ferrovial Flexible Dividend system of shareholder remuneration.** (04 May 2017)

  At the same time, Ferrovial agreed to carry out a buy-back programme to reduce the company's capital by means of the cancellation of treasury stock, with the purpose of supporting the company's shareholder remuneration policy by means of increasing earnings per share.

- ✓ **Ferrovial held an Investor Day in London to provide information on Cintra (highway division), publishing a presentation of its plans for the company for the investors and analysts who attended the event.** (25 May 2017)
- ✓ **Ferrovial announced the closure of the period for trading the free rights assigned corresponding to the scrip issue for the purposes of implementing the Ferrovial Flexible Dividend shareholder remuneration system.** (26 May 2017)

  At the end of this period on 23 May 2017, the holders of 58.05% of the rights (total of 425,241,256 rights) opted to receive new Ferrovial shares. The definitive number of ordinary shares with nominal value of EUR0.20/share issued in the capital increase thus amounts to 6,971,168. The holders of 41.95% of the rights have sold their rights to Ferrovial, which acquired a total of 307,307,195 rights (EUR96,801,766.43). The capital increase was closed on 26 May 2017.

APPENDIX III: EVENTS AFTER 9M 2017 CLOSE

The concession holder of the SH-130 toll road (USA), segments 5 and 6, has filed an arbitration claim against the company owned by Ferrovial Agroman (50%), and against the participants as joint guarantors. The arbitration claim relates to the contract for the design and construction of the SH-130 toll road signed in 2007, where construction works were completed in 2012. The concession holder claims that there were failings and defects during the construction, that it values at no less than USD130mn in total. The arbitration proceedings will be heard in accordance with International Chamber of Commerce rules.

The construction company has stated on numerous occasions to the concession holder that it is not responsible for damage suffered by the toll road and that the failings are due to reasons beyond their control.

APPENDIX IV: ALTERNATIVE PERFORMANCE MEASURES

The company presents its results in accordance with generally accepted accounting standards (IFRS). In addition, in the Financial Report released in September, the Management provides other financial measures that are not regulated under the IFRS, known as APMs (Alternative Performance Measures), in accordance with the Guidelines issued by the European Securities and Markets Authority (ESMA). The Management uses these APMs when taking decisions and evaluating the company's performance. The following are the breakdowns required by the ESMA for each APM in respect of their definition and reconciliation, an explanation of their use and their comparison and consistency. More detailed information is provided on the corporate web page: http://www.ferrovial.com/es/accionistas-e-inversores/informacion-financiera/informacion-financiera-trimestral/

EBITDA = GROSS OPERATING RESULT

- ✓ **Definition**: operating result before charges for fixed asset depreciation.
- ✓ **Reconciliation:** the company presents its EBITDA figure in its Consolidated Profit and Loss Account (see the Consolidated Profit and Loss Account in the Interim Management Report and the Financial Report for September) as: Gross operating profit = Total Operating Revenues – Total Operating Expenses (excluding those relative to fixed assets depreciation and amortization which are reported in a separate line).
- ✓ **Explanation of use**: EBITDA provides an analysis of the operating results excluding depreciation and amortization, 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. One uses 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, comparing EBITDA with net debt.
- ✓ **Comparisons**: the company presents comparisons with previous years.
- ✓ **Coherence:** the criteria used to calculate EBITDA is the same as the previous year.

COMPARABLE ("LIKE-FOR-LIKE GROWTH")

- ✓ **Definition**: relative year-on-year variation in comparable terms of the figures for revenues, EBITDA/EBIT, operating income 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 amount of months in both periods.
- Elimination in both periods of restructuring costs.
- 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 where 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.
- 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:** comparable growth is set out in separate columns in the section headed Business Performance, under the heading Principal Amounts of the September Financial Report.

✓ **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 is the same as the previous year.

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 Adjustments for Fair Value is included in the Consolidated Profit and Loss Account (see the Consolidated Profit and Loss Account in the September Financial Report).

✓ **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 last year.

NET CONSOLIDATED DEBT

✓ **Definition:** this is the net total of Cash and cash equivalents (including cash that is restricted in the short and medium term), minus short- and long-term financial debts (bank borrowing and bonds), including the balance relating 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.

✓ **Reconciliation:** a detailed breakdown of the reconciliation of this figure is given in the section headed Net Debt and Corporate Rating in the September Financial 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:

- Debt Net 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 that corresponds to companies classified as Project companies.
- Net debt ex-Projects. This is the net debt from all other business areas, including holding companies in the Group and all the other businesses not classified as Project companies. 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 criteria used to calculate the net debt is the same as last year.

ORDER BOOK

✓ **Definition**: the revenues 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 revenues of a contract correspond to the price agreed or fee which correspond to the goods delivery and/or provision of services which have been agreed. If the implementation of a contract has its financing still pending, the revenues of said contract will not be added to the order book until the financing has been completed. The order book is calculated by adding the contracts of the current year to the balance of the contract order book of the previous year, then eliminating the revenues which have already been recognised in the current year.

✓ **Reconciliation:** the order book is entered under Principal amounts in the Services and Construction Section in the Financial Report for September. There is no comparable measure in IFRS. Hence we do not provide a reconciliation of the order book with the financial statements.

- ✓ **Explanation of use**: Management believes the order book is a useful indicator with respect to the Company's future revenues.
- ✓ **Comparisons**: the company presents comparisons with previous years.
- ✓ **Coherence:** the criteria used to calculate the order book is the same as last year.