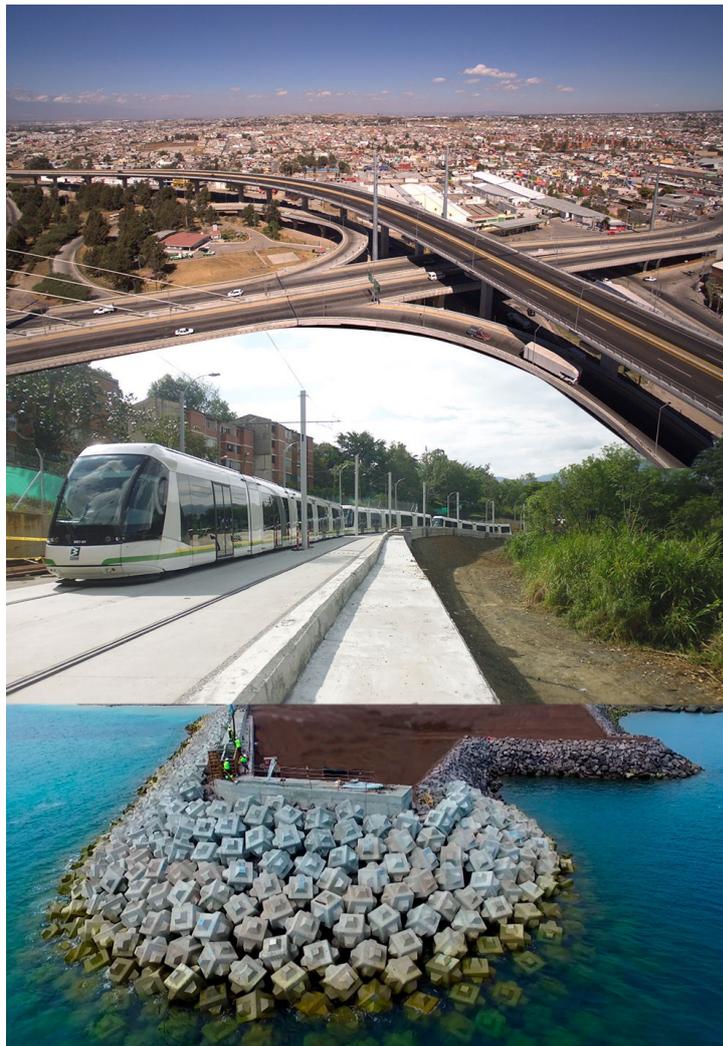




Results Report

1H17



28 July 2017

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1. GROUP PERFORMANCE

On the operating level, the Profit and Loss Account for the first half of 2017 presents Sales totaling 1.8 billion euros and an EBITDA figure of 466.0 million euros signifying +20.9% growth with respect to the same period in the previous year, despite the devaluation of the currencies in which the Group operates against the euro. If the effect of the exchange rate is excluded, the growth figure would be +27.2%.

The key figures of the Profit and Loss Account are shown on the following table:

	1H17	1H16	Var. (%)
Sales	1,803.6	2,076.0	-13.1%
EBITDA	466.0	385.4	20.9%
Attributable net profit	-32.1	3.0	n.a.

Euros Mn

It is important to mention that the 1H17 EBITDA and Attributable Net Profit have been affected by the estimated total cost of the Collective Redundancy Procedure initiated in OHL, S.A. and OHL Industrial, which totals 34.2 million euros (which have been posted in full in 2Q2017). Consequently, if the extraordinary effect of that Collective Redundancy Procedure is excluded, the EBITDA figure would be placed at +500.2 million euros (+29.8% with respect to June 2016) and the Attributable Net Profit at 2.1 million euros.

Again the excellent performance of the Concessions Division stands out, presenting Sales of 216.4 million euros and an EBITDA figure of 480.8 million euros. The figures of this Division have been affected by exchange rate movements, principally with respect to the Mexican peso, which has experienced a devaluation of 4.6%. Sales and EBITDA In comparable terms, that is, at a constant exchange rate and excluding the effect of the change in the consolidation method of Metro LigerOeste and of Autovía de Aragón following the sale of a percentage of the stake held) grew +2.2% and +80.6% respectively. The good performance of the concessions in Mexico deserves particular mention, where Sales and EBITDA from Tolls grew +17.0% and +17.3%, respectively, in local currency.

Two significant transactions were undertaken during the second quarter of 2017:

- On 14 June, a **Takeover Bid** was launched on the total free float of **OHL México** (that is, 41.99%) at the price of 27 Mexican pesos per share subject to a minimum level of acceptance set initially at 95%, which has later been lowered to 85%. The transaction is being carried out in conjunction with IFM Global Infrastructure Fund (IFM) through the special purpose vehicle, Magenta Infraestructura, 100%-owned by OHL Concesiones.

This transaction is neutral in terms of cash flow for the OHL Group, since the agreements reached with IFM for its launch include:

- i) The contribution by IFM to Magenta of the funds necessary for the purchase of the shares, through a capital increase, and,
- ii) The granting of a loan by IFM to OHL Concesiones in the amount of 400 million euros which will be used by the latter for the full repayment of the bond issue exchangeable for OHL México shares in the same amount, maturing in April 2018. In any case, the agreements also make provision for OHL Concesiones to maintain its position as controlling shareholder in Magenta.

Finally, on 27 July, the success of the Bid was notified, upon reaching 85.85% of acceptance of the capital and having met all of the terms thereof. Likewise, in accordance with the Applicable Provisions, the registration and settlement dates were announced for the 1st and 4th of August, respectively.

This is a positive transaction and a significant reinforcement for the history of OHL México in several spheres, since it:

- Reinforces the already existing alliance with IFM by incorporating it into OHL México as a strategic partner, thereby expanding its scope from the level of an asset (which commenced in April 2015 with its entry into ConMex) to the level of company/country.
 - Establishes a new price reference for OHL México substantially higher than that which it had in the market before launching the transaction.
 - As IFM is an investment fund fully committed to the United Nations Socially Responsible Investment Principles (to which it has been a party since 2008), and as it had already fully experienced, as a partner of ConMex, the entire defamation campaign suffered by OHL México over the last few years, this transaction signifies a very important and visible backing of OHL México on the reputational level.
- On 22 June, an announcement was made of the launch of a **market prospecting process** for assessing the possibility of incorporating a **minority partner** into **OHL Concesiones** to support its growth and reinforce its successful business model, with OHL retaining, in any case, its majority and control.

The resources from the transaction would be used for accelerating the Recourse Debt reduction plan.

The incorporation of a partner would also make it possible to:

- reduce the needs for future contributions of capital by OHL to the new concession projects.
- increase the capacity of OHL Concesiones for bidding on new projects.
- increase the capacity of OHL Concesiones for undertaking projects on a larger scale.

In addition, this transaction would enable a significant crystallisation of value, establishing a market value reference for the OHL Group's concession assets which is not fully reflected within the current price of the share.

It is estimated that the process could be concluded by the end of this financial year.

In terms of the progress in the **asset rotation** process, the following developments have taken place during the second quarter of 2017: (i) the sale of a 51% of the assets in Mayakoba (up to 80% in the most mature ones Rosewood and Fairmont), (ii) the sale of 75% of Autovía de Aragón and (iii) the sale of a 17.5% of Canalejas. Consequently, the current situation would stand as follows:

Asset	Stake	Net Proceeds	Status	Collection date
 abertis	2,50%	€57m	Collected	Jan-17
 mayakoba	80%-51%	€181.4m + €7.9m*	Collected	Apr-17
Canalejas	17,50%	€72.3m + €5,3m*	Collected	Apr-17
Autovía Aragón	75%	c. €51m	Collected	Jun-17

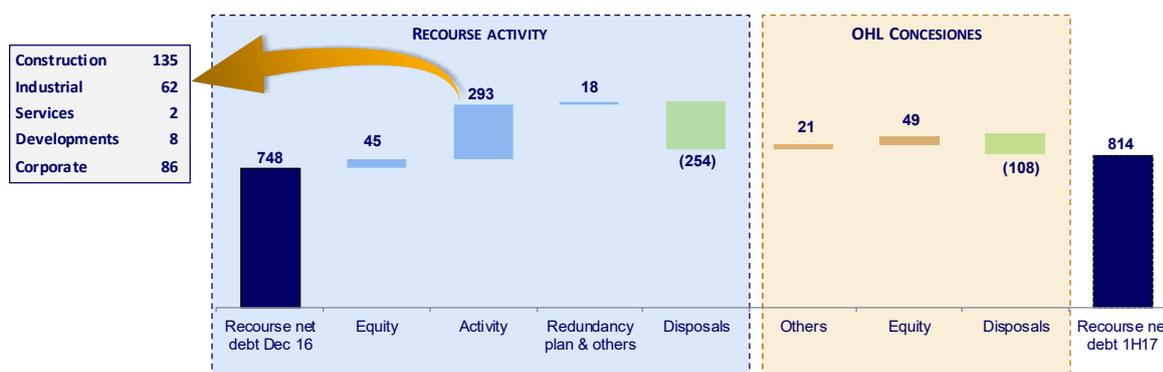
* Pending collection according to contractual terms

Furthermore, both the process for the sale of ZPSV, as well as the possible incorporation of minority partners on the asset level in the new concessions in Chile, Peru and Colombia (which could signify the inflow of up to 132 million euros, taking into account the capital already contributed by OHL Concesiones up to June 2017) continue to move ahead.

Asset	Stake	Net Proceeds	Status	Expected Collection date
 ZPSV OHL GROUP	100%	c. €50m	Analyzing Binding Offer	3Q 2017
 OHL Concesiones	49% at project level	c. €132m	NBOs received	4Q 2017

Several aspects stand out in the **financial sphere**:

- The **positive trend in the Net Recourse Debt** in the first half of 2017:



A significant development is that the Recourse Activity in 2Q17 consumed only -37 million euros compared to -256 million euros in 1Q17, with considerable improvement in the performance of the working capital. Likewise, mention should be made of the positive contribution to the progress in the Recourse Debt situation by asset rotation, which has contributed funds in the amount of 362 million euros.

At 30 June 2017, the intercompany loan balance of OHL Matriz with OHL Concesiones totalled 635.2 million euros, compared to 602.9 million euros at 31 December 2016.

- Financial flexibility** thanks to an **Available Recourse Liquidity position** of 760.6 million euros at the close of accounts at the end of June 2017, including both long- and short-term instruments.

An important aspect in this context is the **backing** received by the OHL Group from its **principal reference financial institutions** with the signature on 30 March 2017 of a new **Syndicated Multi-Product Financing Agreement** for a total aggregate amount of 747 million euros, for the issue of guarantees (465 million euros) and confirming (92 million euros), which also includes a revolving credit line of 190 million euros. Later, on 28 June 2017, approval was given for the issuance, against that line, of letters of credit in a total aggregate amount of 62 million euros for the successful renewal of the Bonding Programme that hedges the entire construction business in the U.S.

The combination of this new financing package and the capacities already in place enables the OHL Group to meet the cash requirements derived from its Business Plan and, together with the debt reduction measures planned for 2017, significantly strengthens the Company's liquidity profile.

- **Comfortable schedule for the equity contribution commitments for the new concessions awarded**

The OHL Group is working to facilitate the incorporation of minority partners into the new concessions awarded in Chile, Peru and Colombia, which would reduce almost by half the future commitments to the contribution of equity by OHL Concesiones and could signify a cash inflow of up to 132 million euros (corresponding to the proportionate part of the equity already contributed up to 30 June 2017 to these projects).

In the month of May, the representatives of the workers of OHL, S.A. and of OHL Industrial finally approved the terms of the Collective Redundancy Procedure proposed, which involves the elimination of a total of 457 positions with an estimated total cost of 34.2 million euros (see table below), which has been posted in full in 2Q17. It has been calculated that, once completed, this Procedure will enable cost savings totalling 38.4 million euros per year.

<u>LAYOFF PROCEDURE</u>	OHL SA	OHL Ind.	Total
# Staff	335	122	457
Cost€m	28,6	5,6	34,2
Est. Annual Cost Savings €m	27,2	11,3	38,4

At 30 June 2017, 58% of the planned redundancies had already been concluded, involving an outflow of cash in the amount of 15.4 million euros.

2. HIGHLIGHTS

Main Figures	1H17	1H16	Var. (%)
Sales	1,803.6	2,076.0	-13.1%
EBITDA	466.0	385.4	20.9%
% o/ Sales	25.8%	18.6%	
EBIT	411.2	270.3	52.1%
% o/ Sales	22.8%	13.0%	
Attributable net profit	-32.1	3.0	n.a.
% o/ Sales	-1.8%	0.1%	

Euros Mn

Sales and EBITDA Breakdown	1H17	1H16	Var. (%)
Sales	1,803.6	2,076.0	-13.1%
Concessions	216.4	218.9	-1.1%
% o/ Total	12.0%	10.5%	
Engineering & Construction	1,544.0	1,784.9	-13.5%
% o/ Total	85.6%	86.0%	
Developments	43.2	72.2	-40.2%
% o/ Total	2.4%	3.5%	
EBITDA	466.0	385.4	20.9%
Concessions	480.8	330.5	45.5%
% o/ Total	103.2%	85.8%	
Engineering & Construction	14.9	33.9	-56.0%
% o/ Total	3.2%	8.8%	
Developments	4.5	21.0	-78.6%
% o/ Total	1.0%	5.4%	
<i>Redundancy plan cost</i>	-34.2	-	

Euros Mn

Net Debt	1H17	2016	Var. (%)
Recourse net debt	813.5	748.4	8.7%
Non-recourse net debt	2,079.4	2,162.5	-3.8%
Total net debt	2,892.9	2,910.9	-0.6%

Mn Euros

Order book	1H17	2016	Var. (%)
Short-term	7,090.3	6,674.9	6.2%
Long-term	63,733.1	75,674.8	-15.8%

Euros Mn

Human Resources	1H17	2016	Var. (%)
Permanent staff	14,805	15,920	-7.0%
Temporary staff	8,334	8,331	0.0%
Total	23,139	24,251	-4.6%

Other Magnitudes	1H17	2016
Recourse EBITDA (LTM)	177.2	204.2

Euros Mn

* Calculated in accordance with contractual terms including €250m dividividends from OHL Concesiones and excluding EUR520m of non-recurring losses related to Legacy projects.

3. PERFORMANCE BY DIVISION

OHL CONCESIONES

Main Figures	1H17	1H16	Var. (%)
Sales	216.4	218.9	-1.1%
EBITDA	480.8	330.5	45.5%
% o/ Sales	222.2%	151.0%	
EBIT	464.9	311.5	49.2%
% o/ Sales	214.8%	142.3%	

Euros Mn

The figures of this Division have been affected by the trend in currencies, principally the Mexican peso, which has undergone a devaluation of 4.6%. Sales and EBITDA in comparable terms (that is, at a constant exchange rate and without the effect of the change in the consolidation method of Metro Liger Oeste and of Autovía de Aragón) grew +2.2% and +80.6%, respectively.

The performance of Sales and EBITDA of Concessions compared to the previous period is shown below:

Sales	1H17	1H16	Var. (%)
Toll revenues	197.9	186.9	5.9%
Proper construction activity	3.1	2.4	29.2%
IFRIC-12	15.4	29.6	-48.0%
TOTAL Sales	216.4	218.9	-1.1%

Euros Mn

EBITDA	1H17	1H16	Var. (%)
EBITDA from Tolls	110.7	138.2	-19.9%
EBITDA from Guaranteed IRR	370.1	192.3	92.5%
TOTAL EBITDA	480.8	330.5	45.5%

Euros Mn

The Sales and EBITDA from Tolls in comparable terms (at a constant exchange rate and excluding the effect of the change in the consolidation method of Metro Liger Oeste and of Autovía de Aragón) grew +10.7% and +30.2%, respectively.

The key developments which have influenced the performance of Sales and EBITDA are as follows:

- The Revenues from Tolls increased 5.9% (8.7% at constant exchange rates) with respect to the same period in the previous year.
- The trend in traffic flows and toll rates of the concessions are shown on the table set out below:

	Traffic performance			Tariffs update	
	From 01/01/17 to 06/30/17	From 01/01/16 to 06/30/16	Var. (%)	% Update ⁽⁶⁾	Last update
Mexico					
Amozoc-Perote ⁽¹⁾	38,557	36,414	5.9%	9.30%	January 2017
Concesionaria Mexiquense ⁽¹⁾	345,416	321,200	7.5%	3.30%	February 2017
Viaducto Bicentenario ⁽²⁾	33,224	30,998	7.2%	3.30%	February 2017
Autopista Urbana Norte ⁽²⁾	56,154	51,164	9.8%	5,65% ⁽⁶⁾	April 2017
Spain					
Euroglosa M-45 ⁽²⁾	92,752	88,421	4.9%	2.90%	March 2017
Puerto de Alicante (T.M.S.) ⁽³⁾	40,073	39,736	0.8%	-	-
Terminal de Contenedores de Tenerife ⁽³⁾	49,011	43,950	11.5%	-	-
Chile					
Nuevo camino Nogales-Puchuncaví ⁽¹⁾	6,363	-	-	4.00%	January 2017
Terminal Cerros de Valparaiso ⁽⁴⁾	123,600	133,862	-7.7%	1.07%	January 2015
Peru					
Autopista del Norte ⁽¹⁾	27,920	43,004	-35.1%	1.80%	March 2017

(1) Average Equivalent Paying Traffic.

(2) Average Daily Intensity (ADI): total km travelled by all of the users of the motorway, divided by the total km in operation. This measurement represents the number of road users who would have travelled the total km in operation of the motorway.

(3) Accrued number of T.E.U. movements.

(4) Average tons of general cargo.

(5) Average increase in the rates applied at each toll plaza, resulting from the rate adjustment provisions established in each concession agreement.

(6) Average increase from the updating of rates for off-peak and peak hours.

- The appreciation/depreciation of the average exchange rate in June 2017 of the euro against the Latin American currencies, compared to June 2016:

	1H17	1H16	Var. (%)
Mexican Peso	20.94	20.01	4.6%
Chilean Peso	720.98	759.30	-5.0%
Peruvian Sol	3.56	3.76	-5.3%

As a consequence of these factors, the performance of Sales and EBITDA of the principal concession companies grouped by country is as follows:

Main Figures	Sales			EBITDA		
	1H17	1H16	Var. (%)	1H17	1H16	Var. (%)
Mexico	139.0	124.3	11.8%	467.7	278.4	68.0%
Amozoc-Perote	16.3	14.2	14.8%	9.0	7.9	13.9%
Concesionaria Mexiquense ⁽¹⁾	84.7	79.1	7.1%	264.8	158.2	67.4%
Viaducto Bicentenario ⁽¹⁾	18.4	16.4	12.2%	75.4	44.5	69.4%
Autopista Urbana Norte ⁽¹⁾	19.6	14.6	34.2%	118.5	67.8	74.8%
Spain	34.8	35.8	-2.8%	20.6	67.7	-69.6%
Euroglosa M-45	7.7	7.5	2.7%	6.3	6.1	3.3%
Autovía de Aragón	14.1	16.1	n.a.	11.5	19.3	n.a.
Puerto de Alicante (T.M.S.)	7.6	7.4	2.7%	1.5	1.7	-11.8%
Terminal de Contenedores de Tenerife	5.4	4.8	12.5%	1.3	0.9	44.4%
Metro Ligero Oeste ⁽³⁾	-	-	-	-	39.7	n.a.
Chile	14.8	11.8	25.4%	7.5	4.4	70.5%
Nogales-Puchuncaví	2.7	-	n.a.	1.8	-	n.a.
Terminal Cerros de Valparaiso	12.1	11.8	2.5%	5.7	4.4	29.5%
Peru	9.3	15.0	-38.0%	6.8	9.8	-30.6%
Autopista del Norte	9.3	15.0	-38.0%	6.8	9.8	-30.6%
Total Concessions	197.9	186.9	5.9%	502.6	360.3	39.5%
Headquarters and others	18.5	32.0	-42.2%	-21.8	-29.8	-26.8%
Total	216.4	218.9	-1.1%	480.8	330.5	45.5%

Euros Mn

(1) Includes the EBITDA of the adjustment for guaranteed returns in accordance with the concession agreements, which is posted as Other Operating Revenues and is not included in Turnover, the same as the rest of the financial asset concession companies. The breakdown at 30 June 2017 is as follows: Concesionaria Mexiquense 200.2 million euros, Viaducto Bicentenario 63.9 million euros and Autopista Urbana Norte 106.0 million euros.

(2) Sales and EBITDA up to May are included in 1H2017, due to the sale of a 75.0% stake in June 2017.

(3) EBITDA up to May is included in 1H2016, due to the sale of a 14.0% stake and the change in recognition going on to be included under the heading of Accounted for by the equity method.

The growth in tolls in Mexico in local currency is particularly significant, with +17.0% in Sales and +17.3% in EBITDA.

The heading "Central and Others" includes the sales and costs referring to the construction activity carried out by the concession companies themselves, exclusive of "intergroup" transactions, as a consequence of the application of IFRIC 12. In line with the principle of prudence, the OHL Group has equated the sales figure of the construction work performed by the concession companies themselves to the costs of such construction activity, therefore not affecting EBITDA for those years.

OHL Concesiones manages a direct order book of 17 principal concessions including: 13 toll motorway concessions (with a total of 1,014 kilometres), 1 airport and 3 ports.

The long-term order book at 30 June 2017 totalled 63.5 billion euros.

Mexico

- Further to the Significant Event of 4 October 2016, in which the investment public was informed that the Company had reached an agreement with IFM for increasing its stake in Organización de Proyectos de Infraestructura ("OPI") by 24.01%, through its subsidiary Woodside Spain, S.L.U. ("IFM Woodside") (the "Transaction"), the Company signed a number of agreements with IFM Woodside on 12 April 2017, through which they agreed to implement the Transaction in two successive phases.

The first phase of the Transaction consisted of the purchase by IFM Woodside of shares representing 14% of OPI's share capital. The price paid was 5.2 billion pesos. In this way, IFM increased its indirect stake in OPI from 24.99% to 38.99%, while OHL México maintained control of the company with 61.01%.

The second phase of the Transaction will consist of an increase in IFM Woodside's stake in the share capital of OPI by an additional 10.01% in order to reach the 49% originally agreed in October of last year. This second phase is subject to fulfilment of a number of conditions and the obtaining of the relevant approvals. Once this second phase has been completed, IFM will have increased its indirect stake in OPI from 38.99% to 49%, while OHL México will maintain control of the company with a stake of 51.0%.

This agreement is consistent with OHL México's strategy of rotating mature assets for reinforcing the Company's financial capacity.

Spain

- In June and July 2016, two sales were concluded with respect to 28.0% of Metro Ligero Oeste, posting a total net capital gain, including the value enhancement of the rest of the stake (that is, 23.3%), of 41 million euros.
- Cercanías Móstoles-Navalcarnero was notified on 14 July 2016 of the ruling of Business Court No. 1 of Madrid, declaring voluntary insolvency proceedings. The Community of Madrid, through the Department of Transport, Housing and Infrastructure, applied a penalty of 34.1 million euros on account of -in its opinion- a breach of the Concession Agreement. This penalty has been duly appealed on solid grounds by the concession company. Nevertheless, based on the principle of prudence, the Group has made a provision for this amount, which it expects to recover in the future.

On 16 March 2017, Business Court no. 1 of Madrid decreed the commencement of the winding-up stage in the insolvency proceedings of Cercanías Móstoles-Navalcarnero. The commencement of the winding-up stage brings about, among other effects, the suspension of the powers of the management body for the management and disposition of assets of the company, its dissolution, the liquidation of all of its assets and rights, the termination of the concession agreement and the creation of the payment obligation with respect to the Government Pecuniary Liability (RPA) by the Community of Madrid.

On 20 June 2017, the Department of Economy, Employment and Finance of the Community of Madrid enforced the sureties provided by OHL S.A. to guarantee the concession agreement of Cercanías Móstoles-Navalcarnero in the amount of 15.9 million euros.

Later, on 21 July 2017, the Community of Madrid notified the administrative decision declaring the termination of the concession agreement.

- In June 2017, 75% of Autovía de Aragón was sold and, as a result, a total net capital gain was posted, including the value enhancement of the rest of the stake (that is, 20.0%), in the amount of 17.6 million euros. Starting from June 2017, the method of consolidation has been changed from Global Integration to Equity Method, for which reason the Sales and EBITDA figures are included only up to May 2017.

Peru

- As a consequence of the climate phenomenon known as the "El Niño Costero" this past March 2017, heavy rains occurred in Peru causing overflows and flooding that affected our concession, the Red Vial 4 Toll Motorway.

Since the middle of March, the Ministry of Transport instructed the concession company, Autopista del Norte, to suspend the collection of tolls throughout the motorway due to the considerable damage caused by the floods.

The concession company has an insurance policy covering both the damage to the infrastructure (material damage) as well as the loss of revenues (loss of profit) derived from the event itself. The relevant claim is being processed at the present time with the insurance company for the recovery of the amounts of compensation to be collected for the loss.

Abertis

- On 23 January 2017, the remaining 2.5% stake in Abertis was sold, obtaining net proceeds of 329.8 million euros which were used for i) the repayment of the collar financing in the amount of 272.9 million euros and ii) reducing gross recourse debt with the rest of the funds obtained.

This last sale has not delivered significant capital gains additional to those obtained in 2016, since the value of the residual stake sold in January 2017 had been enhanced.

Magenta

- On 14 June 2017, a Takeover Bid was launched on the total free float of **OHL México** (that is, 41.99%) at the price of 27 Mexican pesos per share with a minimum level of acceptance set initially at 95% and later lowered to 85%. The transaction is being carried out in conjunction with IFM through the special purpose vehicle, Magenta Infraestructura, 100%-owned by OHL Concesiones.

Finally, on 27 July, the success of the Bid was notified, upon reaching 85.85% of acceptance of the capital and having met all of the terms thereof. Likewise, in accordance with the Applicable Provisions, the registration and settlement dates were announced for the 1st and 4th of August, respectively.

This transaction is neutral in terms of cash flow for the OHL Group, since the agreements reached with IFM for its launch include: i) The contribution by IFM to Magenta of the funds necessary for the purchase of the shares, through a capital increase, and ii) the granting of a loan by IFM to OHL Concesiones in the amount of 400 million euros which will be used by the latter for the full repayment of the bond issue exchangeable for OHL México shares in the same amount, maturing in April 2018. In any case, the agreements also make provision for OHL Concesiones to maintain its position as controlling shareholder in Magenta.

OHL INGENIERÍA Y CONSTRUCCIÓN

Main Figures	1H17	1H16	Var. (%)
Sales	1,544.0	1,784.9	-13.5%
EBITDA	14.9	33.9	-56.0%
% o/ Sales	1.0%	1.9%	
EBIT	-21.1	-57.0	-63.0%
% o/ Sales	-1.4%	-3.2%	

Euros Mn

The Engineering & Construction Division accounts for 85.6% of the Group's Sales, contributing Sales worth 1.5 billion euros and showing a 13.5% decline with respect to the same period in the previous financial year.

By segment of activity, the trend in the business is as follows:

CONSTRUCCIÓN

Main Figures	1H17	1H16	Var. (%)
Sales	1,306.7	1,555.4	-16.0%
EBITDA	34.5	44.9	-23.2%
% o/ Sales	2.6%	2.9%	
EBIT	2.0	-42.5	104.7%
% o/ Sales	0.2%	-2.7%	

Euros Mn

Construction, with Sales totalling 1.3 billion euros, accounts for 84.6% of the Sales of Engineering & Construction and 72.4 % of the total Sales of the Group.

The volume of activity of this segment has declined -16.0% in comparison to the same period in the previous year and is concentrated primarily in the Middle East and Africa, North America, Latin America and Spain, due to significant projects which have been gradually finalising between the two periods (i.e. Mecca-Medina, Doha Metro and others). The delay in the start of the work on new concessions also contributes to this outcome, together with the as yet highly initial status of major projects (such as the I-405 and others in the United States) which will contribute greater activity in the near future.

EBITDA was placed at 34.5 million euros and, although it has improved with respect to the first quarter in terms of margin on sales (2.6% compared to 1.5%), it is still affected by the project mix, the delay in the start of construction work for the new concessions and the greater weight of overhead costs in a sales figure 16% lower than the figure for 1H16.

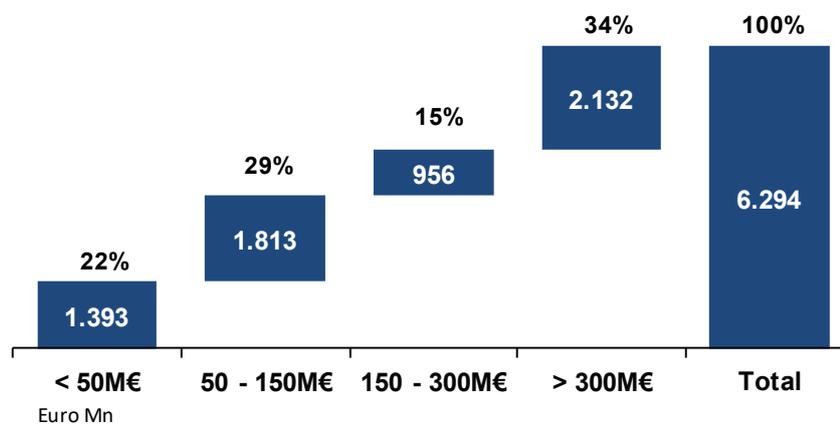
The cash consumed by the Legacy projects in the first six months of 2017 totalled -35.3 million euros.

The short-term order book at 30 June 2017 totalled 6.3 billion euros, equivalent to 30 months of sales, which guarantees greater future growth for this activity. The order book presents a balanced profile both in terms of geographical location as well as project size, with 90.6% originating from the Home Markets (where the U.S. and Canada stand out with 38.0%, and the Pacific Alliance with 33.2%) and with 33.9% of projects of a size in excess of 300 million euros (43.2% of which are projects for our own concessions).

The geographical distribution of the Construction short-term order book is as follows:

	06/30/2017
Home Markets	90.6%
Pacific Alliance	33.2%
USA & Canada	38.0%
Spain	15.2%
Czech Rep. and catchment area	4.2%
Other	9.4%

The order book, according to project size, is distributed as follows:



Of the total Construction order book, 23.3% refers to projects to be performed for our own concessions, among which the following stand out: Río Magdalena (Colombia), Américo Vespucio Oriente (Chile), Atizapán-Atlacomulco (Mexico), the Port of Valparaíso (Chile), Evitamiento de Chimbote (Peru) and Camino Nogales-Puchuncaví (Chile). The start-up of projects of this kind will contribute to improving the Division's margins.

The 10 most significant contracts in the order book¹ at 30 June 2017 are:

	Country	06/30/2017
Project I-405	USA	666.7
Autopista Vespucio Oriente*	Chile	322.8
Autopista Río Magdalena*	Colombia	319.4
New York Canarsie tunnel rehabilitation	USA	312.1
Autopista Atizapán-atlacomulco*	Mexico	278.2
Hospital de Curicó	Chile	213.9
Puerto de Valparaiso*	Chile	175.1
LAV Oslo-Ski (Follo Line Project)	Norway	156.7
Evitamiento Chimbote*	Peru	116.9
Rehabilitación túnel Queens Midtown	USA	115.3
10 largest projects in backlog		2,677.1

Euro Mn

* Works for OHL Concesiones

¹ FF.CC. Mamaray Project (372.0 million euros) not included due to a c. 75% subcontract agreement

The contracting in the first six months of 2017 totalled 1.7 billion euros, with 74.9% of the projects located in the United States, compared to the 2.3 billion euros contracted for the entire 2016 financial year. The *book to bill* ratio was placed at 1.3x.

The following stand out among the new awards up to June 2017:

	Country	1H17
Project I-405	USA	679.0
New York Canarsie tunnel rehabilitation	USA	312.1
Taller de Meca	Saudi Arabia	43.3
Illinois O'Hare International Airport	USA	42.8
Florida Medical Campus Center	USA	39.8
Proyecto Quellaveco	Peru	33.4
Total principal main awards		1,150.4
Other		565.5
Total main awards		1,715.9

Mn Euros

INDUSTRIAL

Main Figures	1H17	1H16	Var. (%)
Sales	128.6	137.6	-6.5%
EBITDA	-19.9	-11.5	-73.0%
% o/ Sales	-15.5%	-8.4%	
EBIT	-21.7	-14.4	-50.7%
% o/ Sales	-16.9%	-10.5%	

Euros Mn

The Industrial business obtained sales worth 128.6 million euros, signifying a reduction of 6.5% with respect to the same period in the previous year. This decline is due principally to the gradual finalisation of projects included in business segments (Oil & Gas and Power) which are scheduled to be abandoned due to their lack of profitability.

EBITDA performance has been negative, affected by the situation described above, in addition to a number of fixed structural expenses which are in the process of being reduced.

At the present time, a comprehensive restructuring process of the Industrial business is underway, which is based on: (i) the orderly departure of all of those activities which are not profitable/sustainable (basically, Oil & Gas and Power) and (ii) the resizing/adjustment of their cost structure (which includes the Collective Redundancy Procedure, currently in progress) to adapt it to what is strictly necessary for providing support to the businesses which are still active. This restructuring process is being led by the Construction business (where the Industrial activity to be continued in the future will be located), and it is expected that it will reduce its size to somewhat less than one third.

The Industrial order book at 30 June 2017 was placed at 423.9 million euros and includes the construction of a cement manufacturing plant in Colombia worth 218.4 million euros.

SERVICIOS

Main Figures	1H17	1H16	Var. (%)
Sales	108.7	91.9	18.3%
EBITDA	0.3	0.5	-40.0%
% o/ Sales	0.3%	0.5%	
EBIT	-1.4	-0.1	n.a.
% o/ Sales	-1.3%	-0.1%	

Euros Mn

The Sales obtained by this Division totalled 108.7 million euros, increasing +18.3% thanks principally to the positive performance of the Facility Management segment (cleaning, maintenance and energy efficiency) on the domestic level.

The Services business obtained an EBITDA margin of 0.3%, similar to the figure obtained during the same period in the previous year, which reflects the highly competitive environment of a very mature sector.

OHL DESARROLLOS

Main Figures	1H17	1H16	Var. (%)
Sales	43.2	72.2	-40.2%
EBITDA	4.5	21.0	-78.6%
% o/ Sales	10.4%	29.1%	
EBIT	1.6	15.8	-89.9%
% o/ Sales	3.7%	21.9%	

Euros Mn

The figures obtained by this Division have undergone a significant change in scale following the asset rotation transactions in Mayakobá and Canalejas, as a result of which the majority of its assets have gone on to be accounted for by the equity method, upon losing the control of such assets. In this way, Sales in the amount of 43.2 million euros have been posted which in comparable terms, by adjusting the recent transactions, would be similar to those obtained during the same period in 2016.

EBITDA totalled 4.5 million euros, compared to 21.0 million in the same period of the previous year, which included the EBITDA generated by the Mayakobá companies involved in the divestiture process. In comparable terms this figure is lower by 10.0 million euros, as a consequence of the fact that significant real estate sales were posted in 2016.

The positive performance of the real estate sales in Ciudad Mayakobá is a highlight of the period.

In the context of the partial rotation of assets in Mayakobá and Canalejas during the last few months -the reason why all of the assets and liabilities of these subsidiaries were classified at the close of accounts for 2016 as Held for Sale- the following aspects stand out:

- **Mayakobá**

On 21 December 2016, OHL Desarrollos signed a contract with RLH Properties S.A.B. de C.V. for the partial sale of the stake held by the Group in its principal hotel subsidiaries in Mayakobá. The contract of sale included a percentage of up to 80% in the case of Fairmont and Rosewood (a guaranteed minimum of 51%) and 51% in Banyan Tree, Andaz and Golf. On 24 April 2017, the purchase and sale transaction was concluded for 51% of the aforementioned assets, while on 18 May 2017, the sale was increased up to 80% in the case of the more mature assets (Fairmont and Rosewood).

The cash inflow at the end of June 2017 amounted to 181.4 million euros, with 7.9 million euros pending payment, subject to the attainment of certain milestones.

The capital gain obtained in this transaction, including the value enhancement of the stake not sold, amounted to 2.7 million euros and was posted in April 2017.

- **Canalejas**

On 9 February 2017, OHL signed a contract through which it sold 17.5% of Canalejas at the price of 78.8 million euros.

The conclusion of the transaction took place on 7 April 2017 with the payment of the amount of 72.3 million euros. Of the amount still outstanding, 1.8 million will be paid at the close of accounts for 2017 and 3.5 million upon commencement of the operation of the project.

The capital gain obtained in this transaction totalled 31.6 million euros and was posted in April 2017.

4. FINANCIAL STATEMENTS (figures unaudited)

CONSOLIDATED PROFIT AND LOSS ACCOUNT

	1H17	1H16	Var. (%)
Turnover	1,803.6	2,076.0	-13.1%
Other operating revenues	463.2	317.7	45.8%
Total Operating Revenues	2,266.8	2,393.7	-5.3%
% o/ Sales	125.7%	115.3%	
Operating expenses	-1,317.4	-1,553.0	-15.2%
Personnel expenses	-483.4	-455.3	6.2%
EBITDA	466.0	385.4	20.9%
% o/ Sales	25.8%	18.6%	
Amortisation	-56.0	-64.1	-12.6%
Changes in provisions	1.2	-51.0	-102.4%
EBIT	411.2	270.3	52.1%
% o/ Sales	22.8%	13.0%	
Financial revenues	35.7	26.9	32.6%
Financial expenses	-200.4	-203.9	-1.7%
Change in the fair value of financial instruments	-35.0	-97.8	-64.2%
Exchange differences	-32.6	-10.0	226.0%
Deterioration and result from disposals of financial instruments	20.5	223.1	n.a.
Financial profit / (loss)	-211.8	-61.7	243.3%
Equity accounted entities	13.0	-23.3	-155.7%
Profit / (loss) on continuing activities before taxes	212.4	185.3	14.6%
% o/ Sales	11.8%	8.9%	
Corporate tax	-101.7	-101.8	-0.1%
Profit / (loss) on continuing activities in the year	110.7	83.5	32.6%
% o/ Sales	6.1%	4.0%	
Result after taxes on discontinued operations	-	-	-
Profit / (loss) for the year	110.7	83.5	32.6%
% o/ Sales	6.1%	4.0%	
Minority interests	-142.8	-80.5	77.4%
Result attributed to the parent company	-32.1	3.0	n.a.
% o/ Sales	-1.8%	0.1%	

Euros Mn

CONSOLIDATED PROFIT AND LOSS ACCOUNT

The **turnover** of the Group in the first six months of the 2017 financial year totalled 1.8 billion euros, down 13.1% with respect to the figure obtained during the same period in 2016, due principally to the decline in activity in the Construction Division.

The turnover of the Concessions business, which amounted to 216.4 million euros, experienced a slight decline of -1.1%. An important factor was the 4.6% devaluation of the average exchange rate of the Mexican peso against the euro. Excluding this effect, and by applying the exchange rates prevailing in the previous period, Sales would have increased 1.1%.

The Engineering & Construction Division obtained turnover of 1.5 billion euros, declining 13.5%, and accounts for 85.6% of the total turnover of the Group.

The most significant business line is Construction which, with 1.3 billion euros in sales, represents 72.4% of the Group total, declining 16.0% with respect to the figure for the first half of the 2016 financial year.

The Developments Division, with a much lower relative weight, 2.4% of the total, has experienced a 40.2% decline in its turnover in relation to the figure for the same period in the previous year, principally due to the sale in April and May 2017 of the Mayakobá hotel subsidiaries and the golf course. In comparable terms (excluding the effect of the sales of the Mayakobá companies), the turnover figure would be similar between periods.

At June 2017, international sales accounted for 77.2% of turnover, in comparison to 80.6% in the first half of the 2016 financial year.

In the distribution of sales by geographical area, the U.S. and Canada represent 32.4% of the total, Spain 22.8%, Mexico 16.1% and Central and Eastern Europe 6.2%.

Under the heading of **other operating revenues**, totalling 463.2 million euros in the first half of the 2017 financial year, the Group includes mainly the revenues relating to the financial asset concessions and particularly those referring to the Mexican concession companies with a Guaranteed Returns clause.

The **total operating revenues** amounted to 2.3 billion euros, down 5.3% in relation to the figure for the first half of the 2016 financial year.

The **gross operating profit (EBITDA)** was placed at 466.0 million euros, representing 25.8% on turnover, and has undergone an increase of 20.9% over the first half of the 2016 financial year, despite the devaluation of the currencies in which the Group operates against the euro, principally the Mexican peso. Excluding the effect of the exchange rate, EBITDA would have totalled 490.3 million euros, which would have signified an increase of 27.2%.

The agreement between OHL, S.A. and OHL Industrial S.L. and the representatives of their workers was ratified in May 2017, signifying the elimination of 457 positions. The expenses estimated in relation to this Collective Redundancy Procedure, in the amount of -34.2 million euros, have diminished the EBITDA figure.

In comparable terms (excluding the effect of the Collective Redundancy Procedure), the gross operating profit (EBITDA) is placed at 500.2 million euros, that is, 27.7% of turnover and increasing 29.8% with respect to June 2016.

The EBITDA figure for Concessions totalled 480.8 million euros, up 45.5% with respect to the result in the first half of the 2016 financial year, due to the concession companies with Guaranteed Returns, affected favourably by the performance of inflation. The Guaranteed Returns contributed 370.1 million euros, while the Cash EBITDA totalled 110.7 million euros (that is, 23.0 % of the total).

The comparable EBITDA from Concesiones (at a constant exchange rate and excluding the effect of the change in the consolidation method of Metro Ligerero Oeste, S.A. and Autovía de Aragón Tramo-1, S.A.) grew 80.6% with respect to the first half of 2016.

The Engineering & Construction Division obtained a result of 14.9 million euros in terms of EBITDA.

The EBITDA obtained by the Construction Division totalled 34.5 million euros, representing 2.6% on turnover, similar to the profitability registered during the same period in the previous year, that is, 2.9% on turnover, showing a decline in absolute values due to the downturn in activity in this period.

The Developments Division obtained an EBITDA figure of 4.5 million euros, that is, 10.4% on turnover.

International operations account for practically the entire EBITDA figure of the Group, which is generated primarily in Mexico.

The **net operating profit (EBIT)** totalled 411.2 million euros, that is, 22.8% on turnover, and represents an increase of 52.1% with respect to the figure for the first half of the 2016 financial year.

By excluding the effect of the Collective Redundancy Procedure, EBIT would be placed at 445.4 million euros, that is, 24.7% on turnover with an increase of 64.8% with respect to June 2016.

The net amount of **financial revenues and expenses** in the period totalled -164.7 million euros, compared to -177.0 million euros in the first half of the 2016 financial year.

The result with respect to financial expenses stands out under this heading, amounting to -200.4 million euros, and is broken down as follows:

	06/30/2017	06/30/2016
Financial expenses in concessions	133.7	100.0
Financial expenses in others	66.7	103.9
TOTAL	200.4	203.9

Euros Mn

The financial expenses of the concession companies in the first six months of the 2017 financial year increased considerably with respect to the same period in 2016 due to the loans in Mexican Investment Units (UDIs), whose cost is referenced to inflation, which has been higher than that of the first six months of 2016.

The considerable reduction in the financial expenses of the rest of the companies stands out and is due to lower borrowings.

Principal divestitures of stakes in companies

The most significant divestitures of stakes in companies, carried out in the first half of 2017, are set out below:

- The remaining 2.5% of Abertis S.A. was sold on 23 January 2017.
- A 17.5% stake in Centro Canalejas Madrid, S.A. was sold on 7 April 2017.
- On 28 April, 51% of the Mayakobá hotel companies and the golf course were sold, and on 18 May 2017, an additional 29% of two of the hotel companies (Fairmont and Rosewood) was sold.
- A 75.0% stake in Autovía de Aragón-Tramo 1, S.A. was sold on 14 June 2017.

The following tables show details of the impact on each of the headings of the Profit and Loss Account for the 2017 and 2016 financial years, respectively:

June 2017	Abertis	Canalejas	Mayakobá	Autovía Aragón	Total
Sale price	329.8	78.8	186.9	50.9	646.4
P&L impact					
Exchange differences	-	-	38.3	-	38.3
Change in the fair value of financial instruments	-11.6	-1.8	0.8	-10.0	-22.7
Equity accounted entities	-	-	-11.6	5.8	-5.8
Deterioration and result from disposals of fin. Instr	-	33.4	-24.7	21.8	30.5
Total P&L impacts	-11.6	31.6	2.7	17.6	40.3

Euros Mn

June 2016	Abertis	Construction concessions	Metro Liger Oeste	Total
Sale price	814.6	142.0	51.0	1,007.6
P&L impact				
Exchange differences	-	-	-	0.0
Change in the fair value of financial instruments	-	-77.9	-24.9	-102.8
Equity accounted entities	-	-	49.6	49.6
Deterioration and result from disposals of fin. Instr	114.7	90.9	16.6	222.2
Total P&L impacts	114.7	13.0	41.3	169.0

Euros Mn

The amount of the **change in the fair value of financial instruments** totalled -35.0 million euros, signifying an improvement with respect to the -97.8 million euro figure in the first half of the 2016 financial year.

Losses in the amount of -22.7 million euros were included in the first half of 2017, due to the sales of: (i) Abertis Infraestructuras; (ii) Centro Canalejas Madrid, S.A.; (iii) the Mayakobá hotel companies and golf course; and (iv) Autovía de Aragón-Tramo 1, S.A., on account of the valuation of the derivatives associated with such assets, which was included as Shareholders Equity. The aforementioned transaction affected this heading negatively in the amount of 22.7 million euros, while the heading of "Adjustments for changes in value" on the Balance Sheet improved by the same amount, and Shareholders Equity remained unchanged.

In the first half of 2016, and for this same reason, the amount of -102.8 million euros was posted as a consequence of the sale of the concession companies belonging to the Construction business and of Metro Liger Oeste, S.A.

The **exchange rate differences** amounted to -32.6 million euros, a negative outcome in comparison to the -10.0 million euros posted in the first half of 2016, stemming from the transactions made in Mexican pesos, Qatar riyals, Canadian dollars and U.S. dollars, principally.

The amount of the **impairment and result from the disposal of financial instruments** totalled 20.5 million euros and mainly includes the 30.5 million euros of the principal divestitures referred to previously and impairment in the amount of -10.0 million euros stemming from the Banco Popular, S.A. shares owned by the Group.

The first half of the 2016 financial year included: (i) the proceeds from the sale of the 7% stake in Abertis in the amount of € 114.7 MM, (ii) the proceeds from the sale of the concession companies belonging to the Construction Division in the amount of € 90.9 MM and (iii) the proceeds from the sale of 14% of Metro Liger Oeste in the amount of € 16.6 MM.

The **result of companies valued by the equity method** totalled 13.0 million euros, increasing by 36.3 million euros, principally due to the fact that in June 2016 the following amounts were included: (i) the CHUM loss in the amount of € -102.2 MM, (ii) the result from Abertis in the amount of € 37.5 MM and (iii) Metro Liger Oeste, S.A. in the amount of € 49.6 MM.

The **profit before taxes** reached 212.4 million euros, that is, 11.8% on turnover, increasing 14.6% with respect to the first half of 2016.

The **tax on profits** amounted to -101.7 million euros, compared to -101.8 million euros in the first half of the 2016 financial year.

The effective tax rate applicable is 27.6%, compared to 27.7% in the first half of the 2016 financial year.

For the purpose of the calculation of the tax rate, the results from the application of the equity method and other items without a tax effect were eliminated, and the fact that the Group does not recognise tax credits if their recovery is not assured must be taken into account.

The **result attributed to minority interests** totalled -142.8 million euros and increased with respect to the first half of 2016 thanks to the good performance of the Mexican concession companies.

The **result attributed to the Parent Company** amounted to -32.1 million euros, which is practically zero if we exclude the impact of the Collective Redundancy Procedure, that is, -34.2 million euros, and other impairments of financial assets.

CONSOLIDATED BALANCE SHEET

	06/30/2017	12/31/2016	Var. (%)
Non-current assets	9,166.1	8,589.0	6.7%
Intangible fixed assets	263.1	287.0	-8.3%
Tangible fixed assets in concessions	6,774.9	6,439.6	5.2%
Tangible fixed assets	237.2	257.0	-7.7%
Real estate investments	80.3	66.8	20.2%
Equity-accounted investments	607.8	513.6	18.3%
Non-current financial assets	549.0	402.9	36.3%
Deferred-tax assets	653.8	622.1	5.1%
Current assets	3,604.5	4,331.3	-16.8%
Non-current assets held for sale	0.0	492.0	n.a.
Stocks	220.9	211.9	4.2%
Trade debtors and other accounts receivable	2,185.6	2,103.2	3.9%
Other current financial assets	343.5	663.5	-48.2%
Other current assets	62.2	42.8	45.3%
Cash and cash equivalents	792.3	817.9	-3.1%
Total assets	12,770.6	12,920.3	-1.2%
Net shareholders' equity	4,480.3	4,042.9	10.8%
Shareholder's equity	2,925.5	3,027.9	-3.4%
Capital	179.3	179.3	0.0%
Issue premium	1,265.3	1,265.3	0.0%
Reserves	1,513.0	2,015.6	-24.9%
Result for the year attributed to the parent company	-32.1	-432.3	-92.6%
Valuation adjustments	-444.1	-588.2	-24.5%
Parent company shareholders' equity	2,481.4	2,439.7	1.7%
Minority interests	1,998.9	1,603.2	24.7%
Non-current liabilities	5,226.6	5,453.9	-4.2%
Subsidies	2.0	2.1	-4.8%
Non-current provisions	172.4	199.4	-13.5%
Non-current financial debt (*)	3,401.0	3,777.1	-10.0%
Other non-current financial liabilities	31.7	53.0	-40.2%
Deferred-tax liabilities	1,423.7	1,246.3	14.2%
Other non-current liabilities	195.8	176.0	11.3%
Current liabilities	3,063.7	3,423.5	-10.5%
Non-current liabilities held for sale	0.0	220.0	-100.0%
Current provisions	257.0	298.2	-13.8%
Current financial debt (*)	627.7	615.2	2.0%
Other current financial liabilities	5.6	7.1	-21.1%
Trade creditors and other accounts payable	1,801.4	1,915.4	-6.0%
Other current liabilities	372.0	367.6	1.2%
Total liabilities and net shareholders' equity	12,770.6	12,920.3	-1.2%

* Includes Bank debt + Bonds

Euros Mn

The principal headings of the consolidated balance sheet at 30 June 2017 and the changes therein with respect to 31 December 2016 are as follows:

Fixed assets in concession projects: this heading takes in all of the Group's concession assets, both those under the intangible asset model as well as those under the financial asset model.

The balance totalled 6.8 billion euros, increasing by 335.3 million euros with respect to the figure at 31 December 2016, due principally to the net effect of:

- A net increase of 370.1 million euros undergone by the Mexican concessionaires with Guaranteed Returns (Autopista Urbana Norte, S.A. de C.V., Concesionaria Mexiquense, S.A. de C.V. and Viaducto Bicentenario, S.A. de C.V.).
- An increase in the amount of 325.9 million euros from the 8.0% revaluation of the final exchange rate of the Mexican peso against the euro.
- A 266.0 million euro decrease as a result of the departure of Cercanías Móstoles Navalcarnero, S.A., a company which, on commencing its winding-up phase, is no longer consolidated by global integration and has gone on to be classified under the heading of Non-current financial assets in the amount of 185.8 million euros, referring to the stake and a participation loan.
- A decrease in the amount of 147.1 million euros as a result of the sale of 75% of Autovía de Aragón Tramo-1, S.A.
- A net increase of the rest of the concessions in the amount of 52.4 million euros.

Of the total balance, 5.8 billion euros refer to Mexican concession companies under the financial asset model, that is, 85.5% of the total.

Likewise, 59.9% of the total balance, 3.4 million euros, is made up by the amount posted as Guaranteed Returns.

Investments accounted for by applying the equity method: the balance of this heading totalled 607.8 million euros, increasing by 94.2 million euros with respect to 31 December 2016, caused principally by: (i) the transfer of the stakes not sold in the Mayakobá hotel companies and golf course and in Autovía de Aragón Tramo-1, S.A. which represent 68.6 million euros, (ii) the profit for the first six months of 2017, or 13.0 million euros, and (iii) the major investments and others in the amount of 12.6 million euros.

Non-current assets and liabilities held for sale: at 31 December 2016, these headings referred to the assets and liabilities of the Mayakobá hotel companies and golf course, in Riviera Maya (Mexico), which were involved in a process of divestiture which has materialised in the months of April and May 2017.

Trade debtors and other accounts receivable: at 30 June 2017 the balance of this heading totalled 2.2 billion euros, accounting for 17.1% of the total assets.

Works certified for progress payments still outstanding and works pending certification represented 72.6% of the total of this balance and amounted to 1.6 billion euros, affected by the seasonality of the period.

This heading has declined by 36.4 million euros (53.3 million euros at 31 December 2016), on account of client receivables assignments without the possibility of recourse in the event of default in payment by such clients, which is the reason why this balance has been reduced.

Parent Company shareholders' equity: totalled 2.5 billion euros, representing 19.4% of the total assets and increasing by 41.8 million euros with respect to the figure at 31 December 2016, due to the net effect of:

- A decrease due to the attributable result of the first six months of the 2017 financial year, amounting to 32.1 million euros.
- An increase in reserves of 111.3 million euros, brought about by the conversion of financial statements in foreign currency, principally those of the Mexican companies.
- An increase in reserves of 32.7 million euros as a result of the impact of the valuation of financial instruments, taken to the Profit and Loss Account.
- A decrease of 1.8 million euros in bought-back shares. At 30 June 2017, the treasury stock was made up by 12,530,709 shares, worth 48.0 million euros.
- A decrease in the amount of 68.3 million euros from other changes in reserves, stemming from changes in the scope.

Minority interests: at 30 June 2017 were placed at 2 billion euros, increasing by 395.7 million euros with respect to the figure at 31 December 2016, due to the net effect of:

- An increase of 142.8 million euros from the result of the first six months of the 2017 financial year attributed to minority interests.
- An increase of 74.3 million euros brought about by the conversion of financial statements in foreign currency.
- A decrease of 4.0 million euros as a result of the impact of the valuation of financial instruments.
- An increase of 227.1 million euros as a consequence of the sale of the 14% stake in ConMex.
- A decrease of 31.0 million euros on account of the Mayakobá hotel companies which are now consolidated by the equity method.
- A decrease of 13.5 million euros due to other changes in the scope.

Banks and bond issues: the comparison of the borrowings at 30 June 2017 with the figure at 31 December 2016 is as follows:

Gross debt ⁽¹⁾	06/30/2017	%	12/31/2016	%	Var. (%)
Recourse debt	1,388.7	34.5%	1,519.9	34.6%	-8.6%
Non-recourse debt	2,640.0	65.5%	2,872.4	65.4%	-8.1%
Total	4,028.7		4,392.3		-8.3%

Euro M n

(1) The gross borrowings group together the non-current and current debt items, which include both bank debt and bonds.

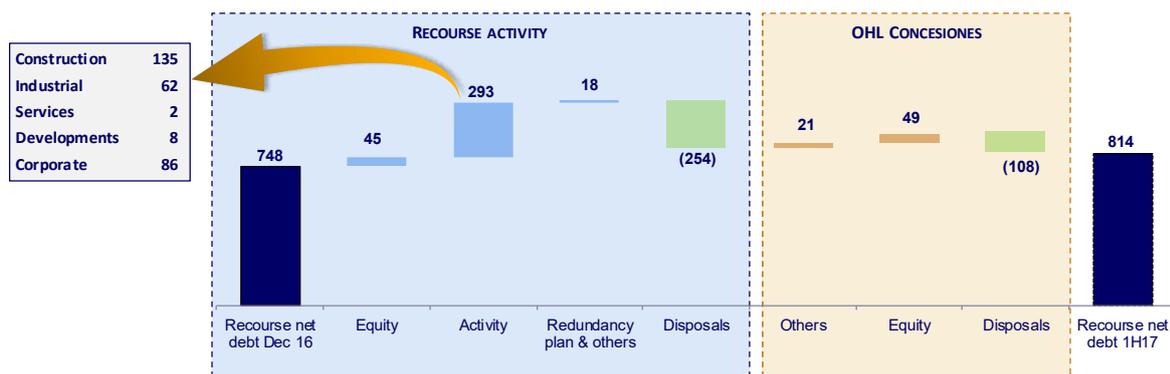
Net debt ⁽²⁾	06/30/2017	%	12/31/2016	%	Var. (%)
Recourse net debt	813.5	28.1%	748.4	25.7%	8.7%
Non-recourse net debt	2,079.4	71.9%	2,162.5	74.3%	-3.8%
Total	2,892.9		2,910.9		-0.6%

Euro M n

(2) The net borrowings are comprised by the gross borrowings minus other financial assets and cash and cash equivalents.

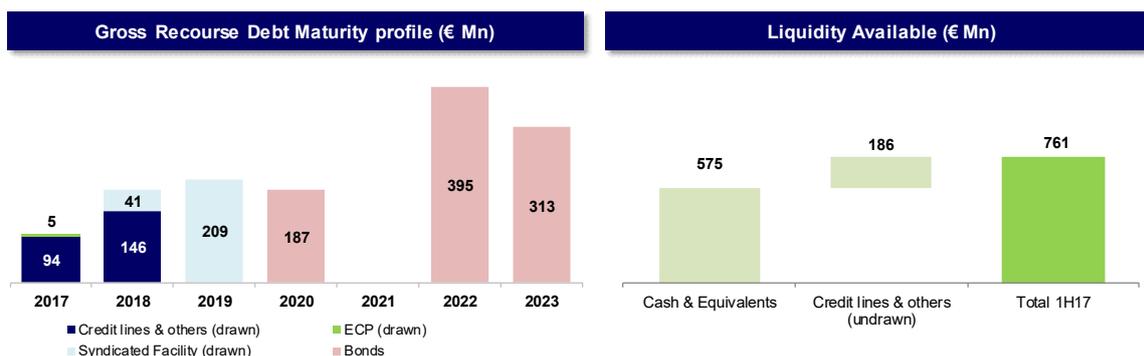
The gross recourse borrowings at 30 June 2017 totalled 1.4 billion euros.

The trend in the net recourse debt in the first half of 2017 is as follows.



An important note is that the Recourse Activity in 2Q17 consumed only -37 million euros compared to -256 million euros in 1Q17, showing considerable improvement in the performance of the working capital. Likewise, mention should be made of the positive contribution to the progress in the Recourse Debt situation by asset rotation, which has contributed funds in the amount of 362 million euros.

Details of the maturity dates of the Group's bonds, together with the available liquidity, are shown below:



The situation of the recourse liquidity at 30 June 2017 and at 31 December 2016 is shown below:

Recourse liquidity	1H17	12/31/2016
Bonds	894.5	894.5
Euro Commercial Paper	4.8	9.4
Syndicated Facility	250.0	250.0
Credit lines and others	425.6	491.5
Availability with recourse	1,574.9	1,645.4
Gross recourse debt	1,388.7	1,519.9
Financing with Recourse available	186.2	125.5
Cash and IFT	575.2	771.5
Recourse liquidity available	761.4	897.0

Euro Mn

(*) Includes 54.7 million euros from the revolving credit line of the syndicated multi-product financing.

The Group's recourse availability totals 1.6 billion euros.

The Group's recourse liquidity, measured as the cash and cash equivalents plus the available recourse financing, totals 761.4 million euros.

With respect to the total gross borrowings, 84.4% is long-term, while the remaining 15.6% is short-term.

The gross non-recourse financial debt totals 2.6 billion euros, 65.5% of the total gross borrowings, and has decreased by 232.5 million euros, principally due to:

- i. The repayment of a loan backed by a 2.5% stake in Abertis Infraestructuras, S.A. in the amount of 272.9 million euros.
- ii. A decrease of 95.4 million euros from the sale of the 75% stake in Autovía de Aragón Tramo-1, S.A.
- iii. An increase in the amount of 97.3 million euros brought about by the 5.5% revaluation of the final exchange rate of the Mexican peso against the euro.
- iv. The net increase of the rest in the amount of 38.5 million euros.

The gross non-recourse borrowings totalled 2.6 billion euros (2.1 billion euros in net non-recourse debt), the details of which are set out below:

Non-recourse net debt	06/30/2017		12/31/2016	
	Gross	Net	Gross	Net
Mexico				
Concesionaria Mexiquense / OPI	1,040.1	878.5	939.3	803.4
Amozoc-Perote	90.8	50.8	84.5	53.7
Viaducto Bicentenario	274.4	264.0	256.0	249.7
Autopista Urbana Norte	277.6	267.2	262.9	253.4
Atizapán-Atlaconulco	-	-33.8	-	-26.3
Spain				
Euroglosa M-45 / Euroconcesiones	105.8	95.5	106.8	105.5
Autovía de Aragón - Tramo 1 ⁽¹⁾	-	-	95.4	48.1
Terminal de Contenedores de Tenerife	27.6	24.0	28.5	25.1
Puerto de Alicante	56.5	55.8	56.6	55.7
Chile				
Puerto de Valparaiso	-	-8.8	-	-5.4
Puente Industrial	-	-1.0	-	-0.1
Nogales - Puchuncaví	-	-5.0	-	-6.4
Peru				
Autopista del Norte	107.5	82.2	118.2	98.2
Colombia				
Autopista Río Magdalena	34.6	10.7	37.9	14.5
Total Main Concessions	2,014.9	1,680.1	1,986.1	1,669.1
Non-recourse financing backed by the 2,5% stake in Abertis ⁽²⁾	-	-	272.9	272.9
Non-recourse financing backed by the 16,99% stake in OHL Mexico	400.0	400.0	400.0	400.0
Others	175.3	-49.3	171.6	-221.1
Total OHL Concesiones	2,590.2	2,030.8	2,830.6	2,120.9
Concessions of OHL Engineering & Construction	48.6	48.3	41.8	41.6
OHL Developments	1.2	0.3	-	-
Total Non-recourse net debt	2,640.0	2,079.4	2,872.4	2,162.5

Euro Mn

(1) A 75.0% stake in Autovía de Aragón-Tramo 1 S.A. was sold on 14 June 2017.

(2) An important note is that, at 31 December 2016, the financing in the amount of 272.9 million euros was included in the Non-recourse financing backed by the stake in Abertis, and the 2.5% stake valued at 329.2 million euros posted in "Others" was included as IFT. The sale of this stake took place on 23 January 2017, together with the repayment of the loan.

CASH-FLOW

An additional breakdown is made in this section in line with the internal criteria determined by the Group for the purpose of analysing the performance of its business. In some instances, these criteria differ from the standards established in IAS 7.

	1H17	1H16
EBITDA	466.0	385.4
Adjustments	-578.6	-398.4
Financial results	-232.2	-284.8
Equity accounted results	13.0	-23.3
Deterioration and result from disposals of financial instruments	20.5	223.1
Taxes	-101.7	-101.8
Minorities	-142.8	-80.5
Guaranteed Return Adjustment	-136.5	-80.1
Changes in provisions and others	1.1	-51.0
Cash flow in operating activities	-112.6	-13.0
Changes in current capital	-262.8	-215.2
Trade and other receivables	-82.3	-128.6
Trade creditors and other payables	-114.0	-156.3
Other changes in working capital	-66.5	69.7
Cash flows from operating activities	-375.4	-228.2
Cash flow in investment activities	393.5	725.1
Minority interest	395.4	-195.3
Other	-1.9	920.4
Change in net non-recourse debt	-83.1	-953.6
Change in net recourse debt	65.1	456.7
Cash flow of financing activities	-18.0	-496.9

Euro Mn

The gross operating profit totalled 466.0 million euros, undergoing an increase of 20.9% with respect to the first half of the 2016 financial year.

The adjustments to the result totalled -578.6 million euros, due principally to effect of the financial results, impairment and the result from the sale of financial instruments, the tax on profits, the minority interests and the guaranteed returns adjustment

The funds originating from operations are placed at -112.6 million euros.

The changes in the working capital presented a negative performance to the extent of 262.8 million euros. These changes are responsible for the negative **cash flow of the operating activities**, placed at -375.4 million euros.

If we de-link the cash flow of the operating activities from the results obtained from the disposal of financial instruments, this figure would be placed at -395.9 million euros in comparison to -451.3 million euros in June 2016, evidencing an improvement in the cash generation of the operating activities, in relation to the same period in the previous year.

The **cash flow of the investment activities** consists principally of the minority interests, the changes in the net assets and the non-current assets and liabilities and totalled 393.5 million euros.

The **cash flow of the financing activities** in this period totalled -18.0 million euros, signifying greater non-recourse indebtedness to the Group to the extent of -83.1 million euros and higher net recourse borrowings in the amount of 65.1 million euros.

It is important to highlight the change in trend occurring in the second quarter of 2017, which has improved the net recourse borrowings by 179.7 million euros, due to lower consumption by the operating activities and the significant divestitures made.

5. ORDER BOOK

At 30 June 2017, the Group's order book was worth 70.8 billion euros, decreasing by 11.5 billion euros, that is, -14.0% with respect to the figure at 31 December 2016, due to the net effect of:

- An increase in the short-term order book in the amount of 415.4 million euros, thanks to the positive performance of contracting which, in the year, has totalled 2.2 billion euros (*book-to-bil* 1.23x), driven by the Construction Division.
- A 2.9 billion euro increase from the impact of the revaluation of currencies against the euro, principally the Mexican peso.
- A 14.5 billion euro decrease in the long-term order book, as a result of the new estimates of future revenues from the Mexican concession companies, affected by inflation.
- A decrease of 333.5 million euros stemming from the departure of Autovía de Aragón Tramo-1, S.A.

Of the total order book 10.0% refers to short-term contracts, while the remaining 90.0% are long-term.

The short-term order book is worth 7.1 billion euros, representing approximately 24.5 months of sales and increasing 6.2 % over the figure at 31 December 2016, driven mainly by the contracting obtained in the area of North America in the Construction Division.

Engineering & Construction accounts for the entire short-term order book and, within this division, Construction is responsible for 88.8%.

The long-term order book stands at 63.7 billion euros, declining by 11.9 billion euros, that is, -15.8% with respect to the figure at 31 December 2016.

	06/30/2017	%	12/31/2016	%	Var. (%)
Short-term	7,090.3		6,674.9		6.2%
Construction	6,294.1	88.8%	5,880.9	88.1%	7.0%
Industrial	423.9	6.0%	437.3	6.6%	-3.1%
Services	372.3	5.3%	356.7	5.3%	4.4%
Long-term	63,733.1		75,674.8		-15.8%
Concessions	63,510.9	99.7%	75,449.4	99.7%	-15.8%
Construction	222.2	0.3%	225.4	0.3%	-1.4%
Total	70,823.4		82,349.7		-14.0%

Euro Mn

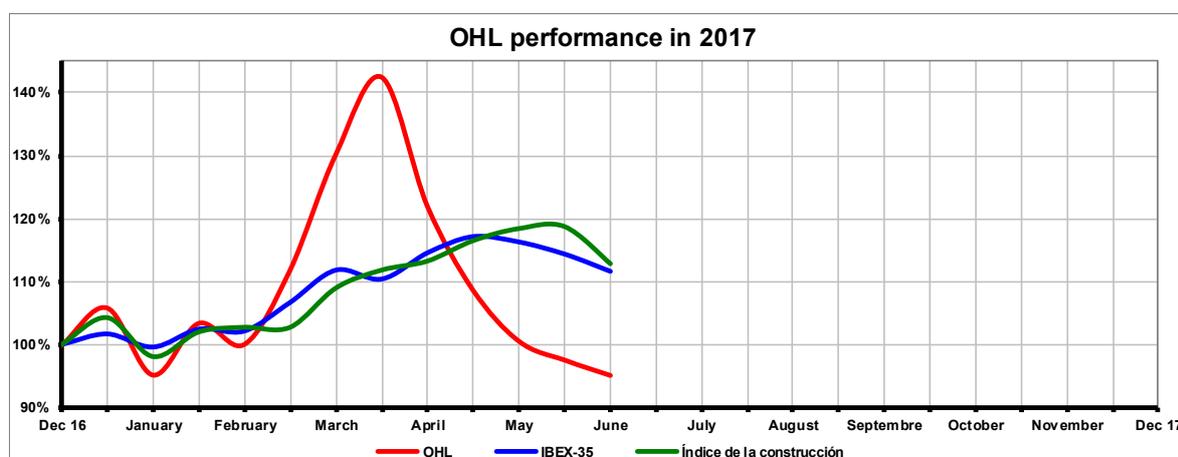
6. SHARE PRICE PERFORMANCE

The share capital at 30 June 2017 totalled 179,255,398.80 euros, represented by 298,758,998 ordinary shares with a face value of 0.60 euros each, all belonging to a single class and series, listed at 3.14 euros per share, which signifies a share price depreciation of -4.7% in the year.

During the first half of 2017, a total of 371,627,860 shares (124.4% of the total tradable shares), were traded on stock exchanges, with a daily average of 2,926,204 securities.

OHL held treasury stock at 30 June 2017 consisting of 12,530,709 shares, equivalent to 4.194% of the company's current capital.

	06/30/2017
Closing price	3.14
OHL YtD performance	-4.7%
Number of shares	298,758,998
Market capitalization (Euro Mn)	937.8
Ibex 35 YtD performance	11.7%
Construction Index YtD performance	12.9%



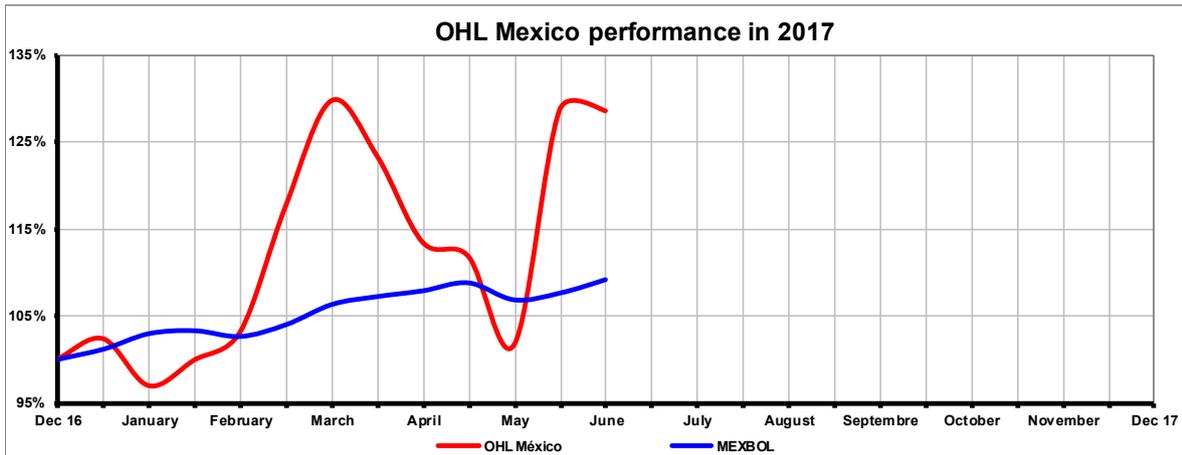
The most significant details of the bonds issued by OHL and its subsidiary OHL Investment S.A. (subsidiary of OHL Concesiones) are shown below:

Issuer	Maturity	Coupon	Amount	Price	YtM
OHL S.A.	March 2020	7.625%	187	98.817%	8.114%
OHL S.A.	March 2022	4.750%	395	86.629%	8.236%
OHL S.A.	March 2023	5.500%	313	86.497%	8.539%
OHL Investment	March 2018	4.000%	400	99.558%	4.556%

Within the Concessions Division, the OHL Group has its subsidiary OHL México S.A. de C.V., which is listed in Mexico and whose key figures are as follows:

	06/30/2017
Closing price (Mexican Pesos)	26.20
YtD performance	28.5%
Number of shares	1,732,185,269
Market capitalization (Mexican Pesos Mn)	45,383.3
56,85% stake value (Euro Mn)*	1,253.4

*Exchange rate EUR/MXN 20,0175



7. APPENDICES

PRINCIPAL SIGNIFICANT EVENTS

- **23 January 2017: sale of the 2.5% stake in the capital of Abertis Infraestructuras, S.A.**

OHL Emisiones, S.A.U., a subsidiary of the OHL Group, sold its 2.5% stake in Abertis Infraestructuras, S.A. (Abertis), at the price of 13.59 euros per share.

The net funds obtained, which total 331.9 million euros, will be used for (i) the sooner repayment of the non-recourse financing backed by the 2.5% of this stake, in the amount of 272,9 million euros, also removing the existing collar, and (ii) reducing the Group's gross recourse borrowings.

- **3 February 2017: Finalisation of the Treasury Stock Plan**

The Treasury Stock Plan finalised on 2 February 2017. During the period of the Plan, OHL bought back 8,849.190 shares, which represent 2.962% of the share capital.

- **16 March 2017: winding-up stage of Cercanías Móstoles Navalcarnero S.A. (CEMONASA)**

Business Court no. 1 of Madrid decreed the commencement of the winding-up stage in the insolvency proceedings of CEMONASA, a company 100%-owned by OHL, which involves the suspension of the powers of the management body for the management and disposition of assets of the company, its dissolution, the liquidation of all of its assets and rights, the termination of the concession agreement and the creation of the payment obligation with respect to the Government Pecuniary Liability (RPA) by the Community of Madrid).

- **31 March 2017: Signature of a new Syndicated Multi-Product Financing Agreement**

A new Syndicated Multi-Product Financing Agreement was signed with 7 banks on 31 March 2017 in a total aggregate amount of up to 746.6 million euros. This includes: a line of guarantees of up to 464.6 million euros, a line of confirming of up to 92 million euros and a revolving credit line of up to 190 million euros. The duration of the agreement is 18 months.

- **7 April 2017: sale of 17.5 % of the capital of Centro Canalejas Madrid S.L.**

OHL Desarrollos S.L., a subsidiary of the OHL Group, sold 17.5% of its stake in Centro Canalejas Madrid S.L. (Canalejas), on 9 February, at the price of 78.8 million euros.

Following the completion of the suspensive conditions, the conclusion of this transaction took place on 7 April 2017, with the payment of the amount of 73.5 million euros and an additional payment of 5.3 million euros pending (1.8 million in December 2017 and 3.5 million euros at the start-up of the Project).

- **25 April 2017: sale of stake in Mayakobá**

On 24 April 2017, the transaction was concluded for the sale through which OHL Desarrollos S.L. transferred to RLH Properties, S.A.B. de C.V. 51% of the stake in the companies owning the Rosewood, Fairmont, Banyan Tree and Andaz Hotels in Mayakoba and the "El Camaleón" golf course.

This transaction has generated 138.3 million euros in cash and an estimated capital gain (including the value enhancement of the stake not sold) of 16.5 million euros.

Of this price, 131.5 million euros have already been paid, with 6.8 million pending collection, subject to the attainment of certain milestones.

In addition, the transfer of an additional 29% of the companies owning the Rosewood Mayakobá and Fairmont Mayakobá hotels was completed on 19 May 2017. On that date OHL Desarrollos received the payment of 54.6 million U.S. dollars (49 million euros), while the amount of an additional 1.2 U.S. dollars (1.1 million euros) remained outstanding. This amount will be gradually paid as certain milestones relating to the financing of the Fairmont project are attained.

- **3 May 2017: annual renewal of the Euro Commercial Paper Programme**

The Euro Commercial Paper (ECP) Programme was renewed on the Irish Stock Exchange (ISE), enabling the issuance of short-term notes maturing between 1 and 364 days, with a maximum amount in circulation of up to 500 million euros.

- **4 May 2017: collective redundancy procedure in OHL S.A. and OHL Industrial S.L.U.**

On 4 May 2017, the Workers' Assembly of each company ratified the agreement reached between OHL and OHL Industrial and the representatives of the employees, in relation to the collective redundancy procedure.

This agreement involves the elimination of 457 positions (335 in OHL and 122 in OHL Industrial), a process which will be carried out over the next few months and with the economic terms & conditions agreed.

The estimated total cost for the OHL Group of this collective redundancy procedure will amount to 34.2 million euros (28.6 million euros OHL and 5.6 million euros OHL Industrial), depending on the final figure of the number of employees who join the plan on a voluntary basis.

- **2 June 2017: 51.124% Grupo Villar Mir (GVM) stake in OHL S.A.**

OHL announced that it has been informed by Grupo Villar Mir, S.A.U. that the latter has acquired all of the OHL shares owned by Tyrus Capital Event S.à r.l. on that date, following the exercise of the purchase option contained in the agreement signed between GVM and Tyrus Capital Event S.à r.l. on 12 October 2015, arriving at a direct and indirect stake in OHL S.A. of 51.124%.

- **14 June / 10 July / 27 July 2017: launch of a Takeover Bid in cash on the total number of the listed shares of OHL México, S.A.B. de C.V.**

Magenta Infraestructuras, S.L., a company 100%-owned by OHL Concesiones, S.A., has obtained the approval of Mexico's CNBV for launching, together with IFM Global Infrastructure Fund (IFM GIF), a takeover bid for the total number of the shares which today are not owned by the OHL Group (41.99% of its Capital) at the price of 27.00 Mexican pesos per share (Bid Price).

The Board of Directors of OHL México unanimously approved the Bid Price, which it considers fair.

The acceptance period started on 15 June and ended on 19 July and is conditioned to Magenta's obtaining of at least 95% of OHL México's capital, including the 56.86% already owned by the OHL Group.

The agreements reached with IFM GIF include:

- i. That IFM will contribute to Magenta the total amount of the funds necessary for the cash payment of the Takeover Bid, through a capital increase.
- ii. The shareholders' agreement between OHL Concesiones (controlling shareholder) and IFM GIF, for the operation of Magenta.
- iii. The 400 million euro loan which IFM will grant to OHL Concesiones upon settling the Bid, which will be used for the full repayment by the latter of the bond issue exchangeable for OHL México shares in the same amount, which matures in April 2018.

Later, on 10 July, the CNBV approved the modification of the acceptance period to enable it to start on 15 June and end on 26 July, together with a change in the minimum percentage to 85% of the capital of OHL México.

Finally, on 27 July, the success of the Bid was notified, upon reaching 85.85% of acceptance of the capital and having met all of the terms thereof. Likewise, in accordance with the Applicable Provisions, the registration and settlement dates were announced for the 1st and 4th of August, respectively.

- **22 June 2017: market prospecting for the possible incorporation of a minority partner into OHL Concesiones**

OHL has set in motion a market prospecting process for assessing the possibility of incorporating a minority partner into its 100%-owned subsidiary, OHL Concesiones, S.A.

The potential transaction would materialise through the incorporation of an institutional investor which would support the growth and reinforce the business model which OHL Concesiones has been applying with considerable success. OHL will in any case maintain the majority and the control of OHL Concesiones. The resources from the transaction will be used by OHL to accelerate the recourse debt reduction plan, also making it possible to reduce the needs for future contributions of capital by OHL to the new concession projects of OHL Concesiones.

- **3 July / 10 July 2017: signature of a new liquidity agreement**

OHL announced that, on 30 June 2017, it terminated the Liquidity Agreement signed on 22 October 2012 with Santander Investment Bolsa, Sociedad de Valores, S.A.U. Likewise, it announced that it had signed a liquidity agreement on 6 July 2017 for the sole purpose of favouring the liquidity of its transactions and the regularity of the listed price of its shares and for adapting to the new regulation.

It is noted that the aforementioned Agreement conforms to the Liquidity Agreement model included in Circular Note 1/2017, of 26 April, of the National Securities Market Commission, on Liquidity Agreements, to the effects and purposes of their acceptance as market practice.

ALTERNATIVE PERFORMANCE MEASURES

The OHL Group presents its results in accordance with the International Financial Reporting Standards (IFRS), and also uses certain Alternative Performance Measures (APM), which facilitate a better understanding and comparability of the financial information and, in order to comply with the guidelines of the European Securities and Markets Authority (ESMA), we are defining the following terms below:

Gross operating profit (EBITDA): is the Operating Profit prior to the allocation for depreciation and changes in provisions disaffected –as the case may be- of extraordinary / non-recurring gains or losses that have no impact on the cash-flow.

Recourse gross operating profit (recourse EBITDA): is calculated as the Total gross operating profit (EBITDA) (including the financial revenues from interest and excluding the extraordinary non-recurring losses), minus the Gross operating profit (EBITDA) from project companies and including dividends –if any- paid to the Parent by the project companies.

Project companies: are those companies which do not have recourse to OHL S.A.

Net operating profit (EBIT): is calculated by taking the following items from the consolidated profit and loss account: Net turnover, Other operating revenues, Operating expenses, Personnel expenses, Allocation for depreciation and Changes in provisions.

Gross borrowings: group together items of Non-current financial debt and Current financial debt on the liabilities side of the consolidated balance sheet, including bank debt and bond issues.

Net borrowings: are made up by the Gross borrowings minus Other current assets and Cash and cash equivalents on the assets side of the consolidated balance sheet.

Non-recourse borrowings (gross or net): is the debt (gross or net) of the project companies.

Recourse borrowings (gross or net): are made up by the Total borrowings (gross or net) minus the Non-recourse borrowings (gross or net).

Order book: the revenues pending performance of the contracts awarded, both in the short and the long term. These contracts are included in the order book once they have been formalised.

- **Short-term order book:** represents the estimated amount of the revenues of Construction, Industrial and Services, pending performance, and also includes the revenues expected on the basis of changes in the contracts or additional work units estimated in relation to the percentage of completion of the projects.
- **Long-term order book:** represents the estimated future revenues of the concessions, during the concession period, in accordance with the financial plan of each concession and includes assumptions of changes in the exchange rate between the euro and other currencies, inflation, prices, toll rates and traffic flows.

Market capitalisation: number of shares at the close of accounts for the period multiplied by the listed price at the end of the period.

Earnings per Share (EPS): is the Profit attributed to the Parent Company divided by the average number of shares in the period.

P/E Ratio: listed price at the end of the period divided by the Earnings per Share of the last twelve months.

Comparable: Occasionally, certain figures are adjusted to render them comparable between years, for example by eliminating extraordinary impairments, significant additions to or departures from the scope which could distort the comparison between years of figures such as sales, exchange rate effects, among others. The adjustments made are explained in the relevant heading in each case.

Any statements appearing in this document, other than those which refer to historical data, including, on a non-restrictive basis, statements with respect to operational development, business strategy and future targets, are estimates for the future and, as such, involve known and unknown risks, uncertainties and other factors which may cause the results of the OHL Group, its actions and successes, or the outcomes and conditions of its activity, to be substantially different from such information and from the Group's estimates for the future.

This document, including the estimates for the future it contains, is provided with effects as from this day and date, and OHL expressly declines any obligation or commitment to provide any update or revision of the information contained herein, of any change in its expectations or any modification of the facts, conditions and circumstances on which these estimates with respect to the future have been based.

Results Report 1H17

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