



1H 2016Results Presentation

July 29th, 2016

Results Highlights



Sales stabilization despite market headwinds

Sales slowdown in Australia but recovering

Improved operating efficiency

EBIT € 897mn L-f-L (+60 bp)

De-gearing process paying off

Net financial expenses € 190mn (-38%)

Positive trend in LTM Operating CF

Net FFO € 1.3bn (+21%)

Robust order intake underpinning future growth

Backlog € 69.6bn (+3%)

Key financials 1H16



			Like for Like*		
Sales	€ 16,387 mn	-8.2%	-5.3%	Slowdown of activity in Australia due to projects termination	
EBITDA	€ 1,225 mn	-6.9%	-0.3%	but starting to recover in 2Q (+6% with respect to 1Q)	
EBIT	€ 897 mn	-0.9%	+7.8%	Improved operating margins, particularly in HOCHTIEF	
Net Profit	€ 388 mn	-4,7%	+0,2%	Positive impact in 2015 of exceptional non-cash items	
Backlog	€ 69.6 bn	+3.3%	+6.1%	Growth despite negative impact of forex	

^{*} Adjusted by renewables and forex impact

Net Profit 1H16



€ mn	6M15	6M16	Variation
Construction	124	157	+26,1%
Industrial Services ex renewables	202	200	-1.0%
Renewables contribution	6	0	
Environment	47	49	+3.2%
Corporation	27	(17)	
Net Profit	407	388	-4.7%



2015 Net Income includes exceptional non-cash profits in Corporation

Forex negative impact across activities due to MXN and AUD depreciation

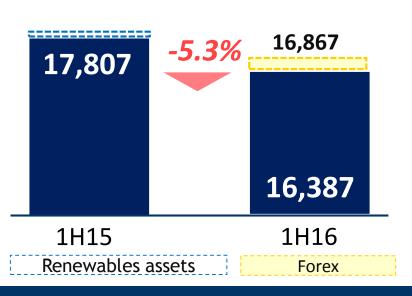


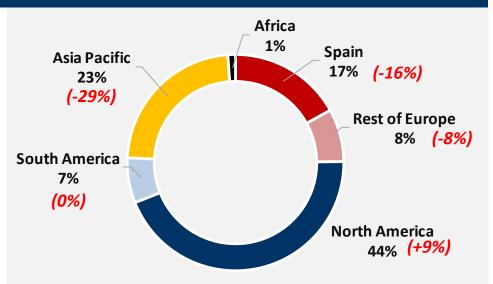
Strong impact of de-gearing process on financial expenses

1. Sales stabilizing despite market headwinds



Sales affected by currency negative impact and sales slowdown in Australia...

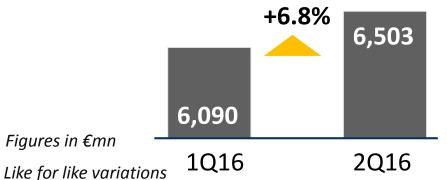




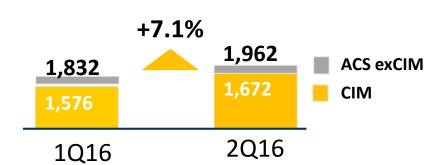
... but recovering in 2Q across regions

Figures in €mn

REST OF REGIONS +6.8%



ASIA PACIFIC



1. Sales stabilizing despite market headwinds



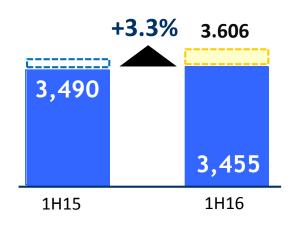
SALES breakdown by activity (€mn)

CONSTRUCTION

-9.1% 11.597 12,756 11,344 1H15 1H16

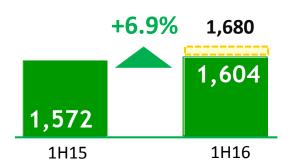
- Affected by CIMIC top line decrease & AUD depreciation
- **Rest of areas growing**

INDUSTRIAL SERVICES



- Positive performance ex renewables
- Affected by MXN depreciation vs EUR and project termination in Spain

ENVIRONMENT

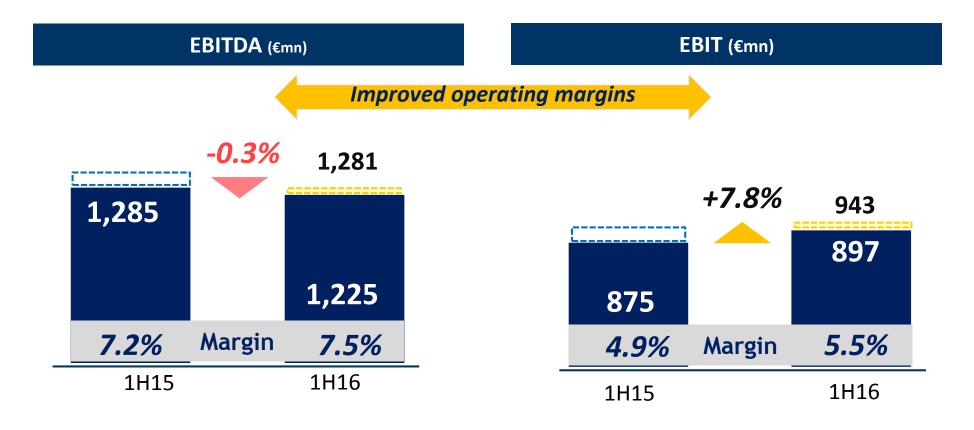


- **Positive performances** across the areas of activity
- **Growth in Spain, France** and UK

Like for like variations Renewables assets

2. Improved operating efficiency





Positive impact of transformation process in HOCHTIEF...

...reducing overheads and capital intensity

Figures in €mn Like for like variations and margins

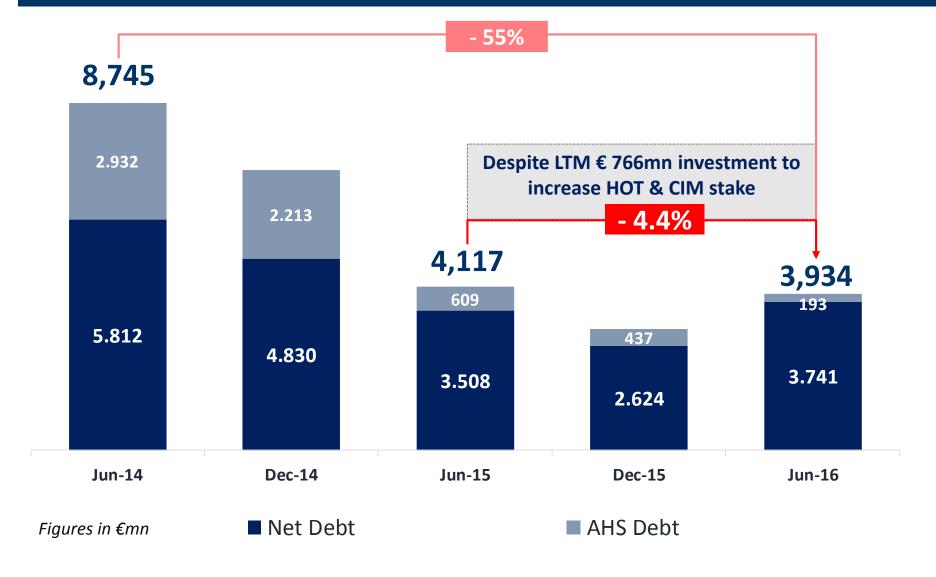
Forex

Renewables assets

3. De-gearing process paying off



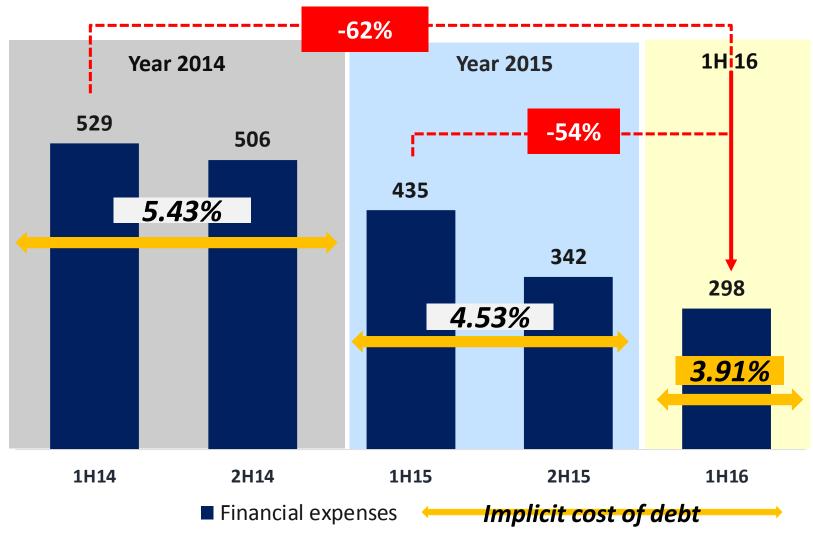
Total indebtedness slashed with significant reduction in Assets Held for Sale debt...



3. De-gearing process paying off

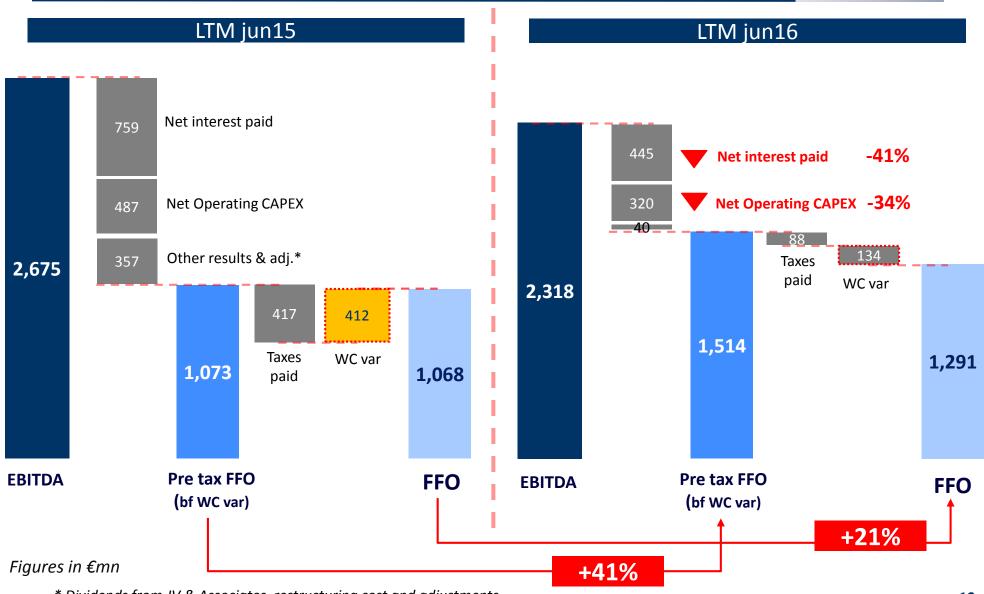


....enables drastic reduction in financial expenses and implicit cost of debt



4. Positive trend in FFO generation



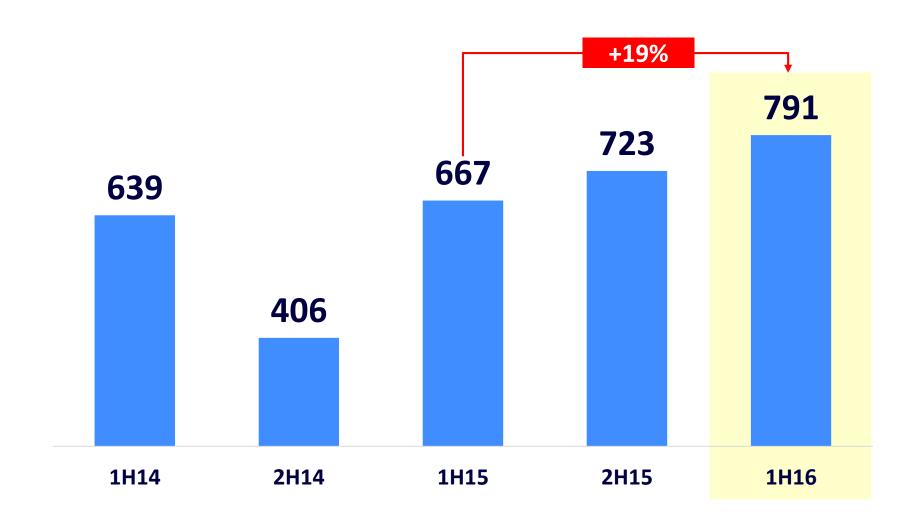


^{*} Dividends from JV & Associates, restructuring cost and adjustments.

4. Improved FFO Trend



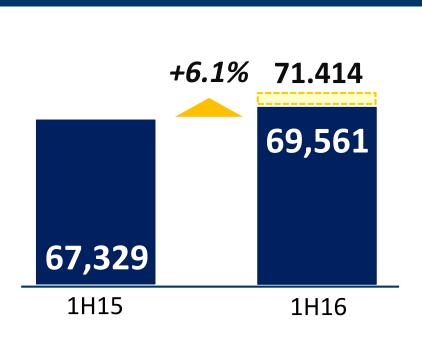
Half year Pre tax FFO (bf WC var) increasing trend

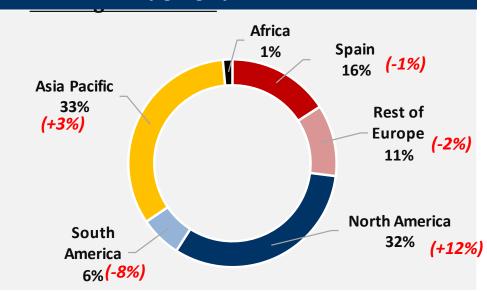


5. Robust order intake



BACKLOG (€mn) and breakdown by geographies





 Significant forex impact, particularly from AUD and MXN depreciation

Forex

Solid growth in North America & Asia Pacific regions

Like for like variations 12

5. Robust order intake

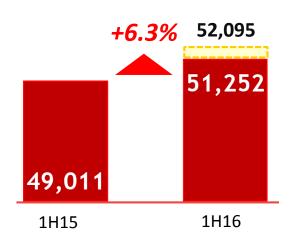


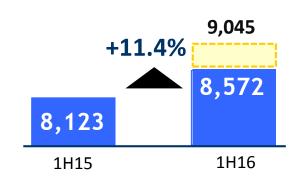
BACKLOG breakdown by activity (€mn)

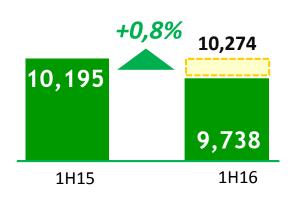
CONSTRUCTION

INDUSTRIAL SERVICES

ENVIRONMENT







- Solid growth in North America & Asia Pacific
- Stability in Europe

- Double digit growth in Asia Pacific
- New awards of EPC projects

 Negative forex impact from Latam currencies



Resilient 2Q16 top line results

despite negative FX impact and Australian slowdown

Transformation and de-gearing processes paying off through operating and financial improvements

Robust and diversified backlog which guarantees ST future growth

On track to achieve 2016 goals

