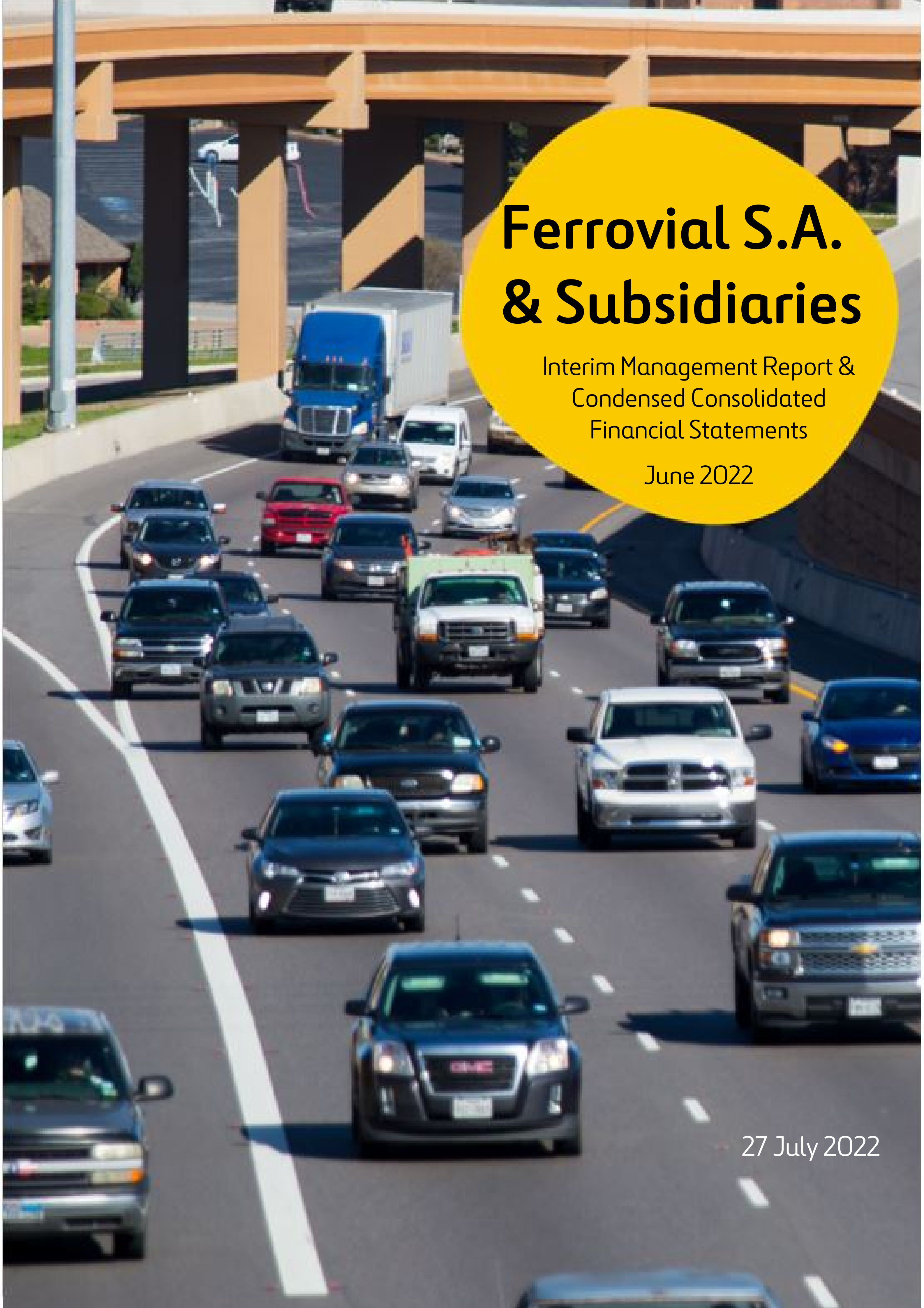
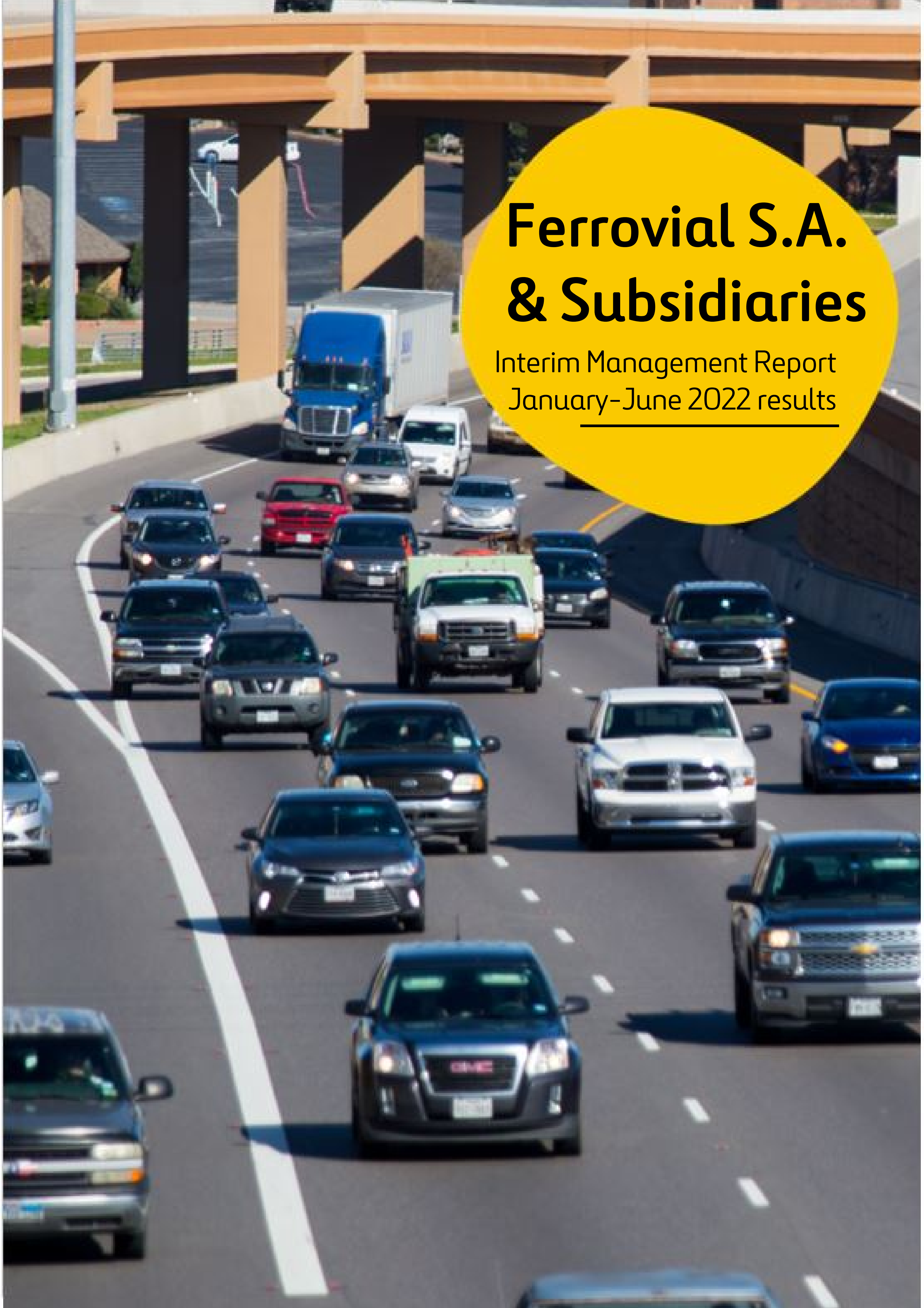


Ferrovial S.A. & Subsidiaries

Interim Management Report & Condensed Consolidated Financial Statements

June 2022

27 July 2022



Ferrovial S.A. & Subsidiaries

Interim Management Report January-June 2022 results

DISCLAIMER

1H 2022 financial information included in this report has been impacted by the COVID-19 outbreak, mainly since the second half of March 2020. Given the uncertainty regarding the speed and extent of the resumption in activity, it is not possible to predict how the health crisis will affect Ferrovial Group's performance in 2022, especially in relation to asset impairment tests, fair value of discontinued activities or provisions for onerous contracts. Ferrovial will continue to closely monitor trading conditions and further evidence on wider economic impacts.

This report may contain forward-looking statements about the Company. These statements are based on financial projections and estimates as well as their underlying assumptions, statements regarding plans, objectives and expectations, which refer to estimates regarding, among others, future growth in the different business lines and the global business, market share, financial results and other aspects related to the activity and situation of the Company. Such forward-looking statements do not represent, by their nature, any guarantees of future performance and are subject to risks and uncertainties, and other important factors that could cause actual developments or results to differ from those expressed in these forward-looking statements. Other than in accordance with its legal or regulatory obligations, the Company does not undertake to update or revise any forward-looking statement to reflect any changes in events, conditions or circumstances on which any statement is based.

Neither this report nor any of the information contained herein constitutes an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities, or any advice or recommendation with respect to such securities.

Ferrovial Results January - June 2022

- **407 ETR traffic showed a steady recovery month over month in 1H 2022,** given the removal of all COVID-19-related restrictions with June traffic standalone at -12.4% vs 2019 (-16% excluding positive calendar impact), the best month since COVID started. Revenues were higher vs 1H 2021 (+50.2%) due to increase in traffic. Avg rev/trip (CAD13.03) +2.0% vs 1H 2021 helped by longer avg trip length (+6.6%).
- **Managed Lanes showed a solid performance despite global macro environment.** NTE, NTE 35W and I-77 traffic performance was above 2019 levels. Higher toll rates & a higher proportion of heavy vehicles (NTE 35W) led to even stronger performance in revenues, reaching a double digit growth in avg revenue per transaction vs 1H 2021 in all MLs. Dividends distribution in the 1H 2022: NTE USD73mn and LBJ USD33mn at 100% (EUR42mn and EUR16mn at FER stake respectively).
- **Airports traffic showed a strong traffic recovery** following the removal of UK travel restrictions since March (Heathrow -32.7% & AGS -38.5% vs 1H 2019). June traffic at Heathrow recovered over 80% of 2019 passenger volumes (-17.3% vs June 2019).
- **Construction EBIT stood at EUR26mn** vs. EUR72mn in 1H 2021, mainly due to the inflation impact on prices of supplies and subcontracts, partially offset by price review formula compensation and strong Budimex performance (5.7% EBIT mg). EBIT margin stood at 0.8% vs. 2.6% in 1H 2021. The order book reached EUR12,043mn (-4.1% LfL), not including pre-awarded contracts of c.EUR1.8bn.
- **Solid financial situation:** high liquidity levels reaching EUR5,937mn and net cash position ex-infrastructure (EUR1,521mn). Quarterly cash consumption driven by shareholder remuneration, I-66 equity injection and cash-out from US construction projects.
- **Recent transactions**:
  - In June, Ferrovial reached the financial close of its investment as equity sponsor in the concessionaire of New Terminal One at JFK Airport.
  - In July, the completion of the 60% acquisition of Dalaman International Airport (Turkey) was achieved, along with the financial close.

REPORTED P&L

(EUR million)	JUN-22	JUN-21
REVENUES	**3,465**	**3,135**
EBITDA	**306**	**263**
Period depreciation	-138	-126
EBIT (ex disposals & impairments)	**168**	**137**
Disposals & impairments	0	16
EBIT	**168**	**153**
FINANCIAL RESULTS	**-118**	**-176**
Equity-accounted affiliates	54	-241
EBT	**104**	**-264**
Corporate income tax	-21	-30
NET PROFIT FROM CONTINUING OPERATIONS	**83**	**-294**
NET PROFIT FROM DISCONTINUED OPERATIONS	**-5**	**198**
CONSOLIDATED NET INCOME	78	-96
Minorities	-28	-88
NET INCOME ATTRIBUTED	**50**	**-184**

REVENUES

(EUR million)	JUN-22	JUN-21	VAR.	LfL
Toll Roads	355	253	40.3%	31.1%
Airports	7	1	n.s.	n.s.
Construction	3,053	2,824	8.1%	4.1%
Others	50	58	-12.8%	-14.9%
Total Revenues	**3,465**	**3,135**	**10.5%**	**6.2%**

EBITDA

(EUR million)	JUN-22	JUN-21	VAR.	LfL
Toll Roads	255	175	45.5%	34.7%
Airports	-19	-11	-65.5%	-65.4%
Construction	78	128	-39.4%	-37.9%
Others	-8	-29	72.1%	72.9%
Total EBITDA	**306**	**263**	**16.3%**	**11.3%**

EBIT*

(EUR million)	JUN-22	JUN-21	VAR.	LfL
Toll Roads	174	110	57.8%	44.4%
Airports	-19	-12	-64.9%	-64.8%
Construction	26	72	-64.5%	-63.1%
Others	-12	-34	63.5%	-0.9%
Total EBIT	**168**	**137**	**22.6%**	**15.5%**

*EBIT before impairments and disposals of fixed assets

PROPORTIONAL EBITDA

(EUR million)	JUN-22	JUN-21	VAR.
Toll Roads	372	251	48.0%
Airports	218	-24	n.s.
Construction	78	125	-37.9%
Others	-1	-5	75.7%
Total EBITDA	**666**	**347**	**92.2%**

Like-for-like figures

NET CASH POSITION

(EUR million)	JUN-22	DEC-21
NCP ex-infrastructures projects	**1,521**	**2,182**
NCP infrastructures projects	**-7,103**	**-6,633**
Toll roads	-6,932	-6,439
Others	-171	-195
Total Net Cash /(Debt) Position	**-5,583**	**-4,451**

NCP: Net cash position. Includes discontinued operations

TRAFFIC PERFORMANCE

	vs 1H 2021	vs 1H 2019
407 ETR (VKT)	57.5%	-25.9%
NTE 35W*	1.7%	10.0%
NTE*	14.4%	4.2%
LBJ*	13.4%	-15.9%
I-77*	35.1%	n.s.
Heathrow	577.5%	-32.7%
AGS	438.6%	-38.5%

*Transactions

CONSOLIDATED RESULTS

- **Revenues** at EUR3,465mn (+6.2% LfL) on the back of higher Construction revenues (+4.1% LfL) and Toll Roads (+31.1% LfL).
- **EBITDA** reached EUR306mn (EUR263mn in 1H 2021) supported by a greater contribution from Toll Roads (+34.7% LfL), particularly US Toll Roads with an EBITDA of EUR226mn (+51.6% vs. 1H 2021).

RESULTS BY DIVISION

Toll roads: revenues increased by +31.1% LfL and EBITDA by +34.7% LfL. EBITDA stood at EUR255mn.

- **Texas Managed Lanes** showed traffic growth in 1H 2022 vs. 1H 2021: NTE +14.4%, LBJ +13.4% & NTE 35W +1.7%. NTE & NTE35W traffic was above pre-pandemic levels (2019), and LBJ traffic is still below, mainly due to higher exposure to work-from-home impact, with more white collar workers within its user's profile. Traffic performance was softened by the global macro environment and the acceleration of NTE3C works (NTE35W), during 2Q2022, and impacted by Omicron spike and severe winter storms during 1Q. All MLs posted double digit average revenue per transaction growth vs. 2021: NTE 35W +25.3%, NTE +21.4% & LBJ +11.7%.
  - **NTE**: reported revenues of USD113mn (+38.6%), helped by higher toll rates. EBITDA reached USD100mn (+40.4%). EBITDA margin of 87.9% (vs 86.8% in 1H 2021).
  - **NTE 35W**: reached revenues of USD80mn (+27.3%), led by more heavy traffic weight and higher toll rates. EBITDA reached USD69mn (+31.1%) with 85.8% EBITDA mg (83.3% in 1H 2021).
  - **LBJ**: revenues at USD76mn (+26.6%). EBITDA at USD62mn (+28.2%) with 81.6% EBITDA mg (80.6% in 1H 2021).
- **I-77 Managed Lanes** traffic above pre-pandemic levels, despite the impact on mobility of the Omicron surge in January and February, the unusually cold weather in February and March. Revenues reached USD26mn (+85.8% vs. 1H 2021). EBITDA stood at USD15mn with 56.9% of EBITDA margin (48.5% in 1H 2021).
- **407 ETR** traffic was impacted at the beginning of the year by the restrictions re-introduced by the providence of Ontario to curb Omicron which were gradually eased and finally removed in March. In 1H 2022, 407 ETR traffic performance showed a steady recovery month over month (+57.5% vs 1H 2021) with June traffic standalone at -12.4% vs 2019 (-16% excluding positive calendar impact), the best month since the pandemic started. Revenues reached CAD573mn increasing by +50.2% given the steady recovery in traffic volumes when restrictions eased. EBITDA reached CAD489mn (+57.6%) with 85.3% EBITDA mg.

Airports: traffic has significantly improved in 1H 2022 vs 1H 2021 (Heathrow +577.5% and AGS +438.6%):

- **Heathrow** revenues increased by +267.8% and adjusted EBITDA returned to profitability reaching GBP744mn, vs -GBP33mn in 1H 2021. Heathrow welcomed 26.1mn passengers in 1H 2022 (3.9mn passengers in 1H 2021). After a slow start of the year, given the travel restrictions in the UK and the Omicron impact, Heathrow saw a surge in demand and a steady build in traffic.
- **AGS** revenues increased by +196.8% vs 1H 2021 driven by higher traffic in all airports. EBITDA increased by +236.1% vs 1H 2021.

Construction: revenues were up by +4.1% LfL. EBIT reached EUR26mn, vs. EUR72mn in 1H 2021 mainly due to the inflation impact on prices of supplies and subcontracts. EBIT margin reached 0.8% in 1H 2022. The order book reached EUR12,043mn (-4.1% LfL), not including pre-awarded contracts of c.EUR1.8bn.

DIVIDENDS FROM PROJECTS

Total dividends received from projects reached EUR86mn in 1H 2022 (vs EUR65mn in 1H 2021); main distributions:

- **407 ETR**: no dividends were paid in 1H 2022 or 1H 2021.
- **Texas Managed Lanes**: EUR58mn were received by Ferrovial from NTE (EUR42mn) and LBJ (EUR16mn) vs. EUR48mn in 1H 2021.
- **Heathrow**: under the current 2020 waiver conditions, dividend payments are not permitted by Heathrow Finance lenders until Net Debt/Regulated Asset Base is below 87.5% at Heathrow Finance.
- **Other toll roads**: EUR8mn in 1H 2022 (EUR5mn in 1H 2021) mainly coming from OSARs (EUR3mn) & EUR2mn from the Irish toll roads.

CORPORATE TRANSACTIONS

INVESTMENTS

- **In February, Ferrovial reached an agreement with YDA Group to acquire 60% of Dalaman International Airport (Turkey) for EUR140mn**. YDA Group will retain a 40% stake. In July, Ferrovial, has achieved financial close and completion of the deal. The airport is located on the Turkish Riviera, the airport handled 5mn pax in 2019, most of them international. The concession agreement lasts until 2042 and fees per passenger are set and collected in euro.
- **In June, Ferrovial entered into an agreement to invest in the capital of New Terminal One (NTO) at JFK International Airport in New York,** the consortium appointed to design, build and operate the NTO (which includes replacing Terminals 1 and 2 and former Terminal 3 of this airport). Ferrovial holds a 49% indirect ownership interest in the project, becoming the consortium's lead sponsor. Ferrovial's investment would amount to USD1.14bn. Upon completion, it will be the largest terminal at JFK Airport. Construction will proceed in phases, with the first phase expected to be completed in 2026. On 10 June, the concession contract (Lease Agreement) with the Port Authority of New York and New Jersey (PANYNJ) and the financing and construction contracts came into force.

DIVESTMENTS

- **Divestment of Infrastructure Services business in Spain for EUR171mn.** In January, Ferrovial completed the sale of infrastructure Services business in Spain to Portobello Capital. The price does not include the earn-outs, valued at EUR50mn, which will be applied after the closing of the transaction based on the fulfillment of certain requirements. Ferrovial has acquired 24.99% of the share capital of the acquiring entity for a price of EUR17mn.

FINANCIAL POSITION

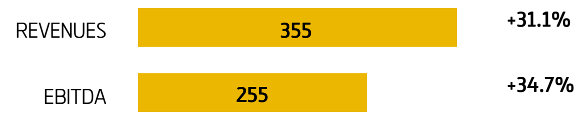
In 1H 2022, the net cash ex-infrastructure projects reached EUR1,521mn (including discontinued operations) vs EUR2,182mn in December 2021. Net debt of infrastructure projects reached EUR7,103mn (EUR6,633mn in December 2021). Net consolidated debt reached EUR5,583mn (EUR4,451mn in December 2021).

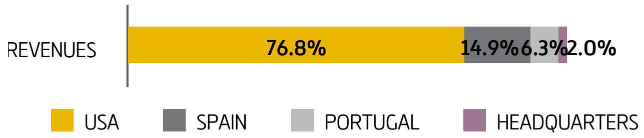
SUSTAINABILITY HIGHLIGHTS

Sustainability remains at the core of our strategy. In 1H 2022:

- Vigeo Eiris recognized Ferrovial as world leader in the Heavy Construction sector
- Ferrovial awarded by S&P with Silver Medal in its Yearbook
- Ferrovial ranked top 50 most sustainable companies worldwide by the Sustainability, Environmental Achievement & Leadership Business Sustainability Awards of 2021.

Toll roads





407 ETR (43.23%, equity-accounted)

COVID-19

As the COVID-19 pandemic enters its third year, traffic levels on 407 ETR continue to be impacted. Traffic volumes gradually increased during 2Q 2022, following the removal of all COVID-19-related restrictions by the government of the Province of Ontario, compared to the same period in 2021 when various provincial restrictions were in effect.

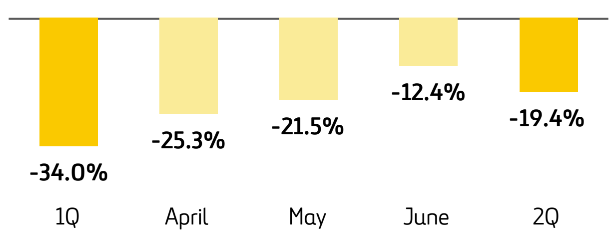
TRAFFIC

	JUN-22	JUN-21	VAR.
Avg trip length (km)	21.70	20.36	6.6%
Traffic/trips (mn)	43.47	29.41	47.8%
VKTs (mn)	943	599	57.5%
Avg Revenue per trip (CAD)	13.03	12.77	2.0%

VKT (Vehicle kilometers travelled)

In 1H 2022, VKTs increased by +57.5% vs 1H 2021, on the back of the easing and removal of all COVID-19 pandemic-related restrictions during 1H 2022 vs 1H 2021 when various provincial restrictions were in place. June traffic standalone stood at -12.4% (-16% excluding a positive calendar effect) vs 2019, the best month since the pandemic started, also showing a material improvement over May (-21.5%) and April (-25.3%).

Monthly and quarterly traffic performance vs 2019



P&L

(CAD million)	JUN-22	JUN-21	VAR.
Revenues	573	381	50.2%
EBITDA	489	310	57.6%
EBITDA margin	85.3%	81.4%	
EBIT	441	263	67.9%
EBIT margin	77.0%	68.9%	

Revenues were up by +50.2% in 1H 2022, reaching CAD573mn.

- **Toll revenues (91% of total)**: +54.2% to CAD525mn, due to higher traffic volumes compared to 1H 2021, resulting from the easing of and removal of all COVID-19 pandemic-related restrictions that were in effect in 1H 2021. Average revenue per trip increased +2.0% vs. 1H 2021.
- **Fee revenues (9% of total):** +16.7% to CAD48mn, on the back of higher traffic.

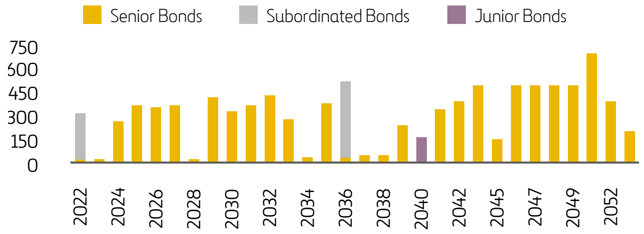
OPEX +17.8%, on the back of higher customer operations costs resulting from a higher provision for lifetime expected credit loss ("Lifetime ECL"), billing costs and bank charges due to higher revenues, higher general and administration expenses, higher highway operations expenses resulting from unfavorable weather conditions and higher system operations expenses due to higher license and support costs.

EBITDA +57.6%, as a result of higher traffic volumes and revenues during 1H 2022.EBITDA margin was 85.3% vs 81.4% in 1H 2021.

Dividends: No dividends were paid to shareholders in 1H 2022 or 1H 2021. At the July Board meeting, a CAD200mn dividend was approved for 3Q 2022.

Net debt at end of June: CAD8,577mn (average cost of 4.11%). 53% of debt matures in more than 15 years' time. Upcoming bond maturity dates are CAD319mn in 2022, CAD21mn in 2023 and CAD271mn in 2024.

407 ETR bond maturity profile



407 ETR credit rating

- **S&P:** "A" (Senior Debt), "A-" (Junior Debt) & "BBB" (Subordinated Debt), with stable outlook, issued on February 24th, 2022.
- **DBRS:** "A" (Senior Debt), "A low" (Junior Debt) and "BBB" (Subordinated Debt), all trends remain negative, issued on June 16th, 2022.

407 ETR Toll Rates

Toll rates remain unchanged since February 2020.

Schedule 22

The COVID-19 pandemic is considered a Force Majeure event under the provisions of the Concession and Ground Lease Agreement, and therefore the 407ETR is not subject to Schedule 22 payments for 2020 and until the end of the Force Majeure event.

The 407ETR and the Province agreed that the Force Majeure event terminates when traffic in 407 ETR and adjacent roads reach pre-pandemic levels (measured as the average of 2017 to 2019), or when there is an increase in toll rates or user charges.

Upon the termination of the Force Majeure event, the 407ETR will be subject to a Schedule 22 payment, if applicable, commencing the subsequent year.

TEXAS MANAGED LANES (USA)

The traffic improved vs.1H 2021 in all MLs. NTE & NTE35W traffic was above pre-pandemic levels (2019), although LBJ traffic is still below, mainly due to higher exposure to work-from-home impact, with more white collar workers within its user's profile.Traffic performance was softened by the global macro environment and the acceleration of NTE3C works (NTE35W), during 2Q2022, and impacted by Omicron spike and severe winter storms during 1Q. All MLs posted double digit avg revenue per transaction growth vs 2021.

NTE 1-2 (63.0%, globally consolidated)

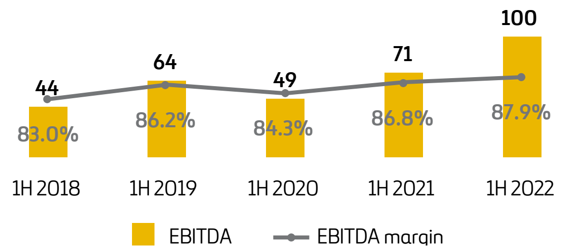
In 1H 2022, traffic increased by +14.4% vs 1H 2021. A strong recovery was seen in March after traffic had been impacted by a surge in COVID-19 cases due to the spread of Omicron variant and severe winter storms during January and February. Nevertheless, NTE registered more mandatory mode events when compared to pre-pandemic levels. Additionally, the midday traffic volumes are performing better than pre-COVID-19 levels.

(USD million)	JUN-22	JUN-21	VAR.
Transactions (mn)	17	15	14.4%
Revenues	113	82	38.6%
EBITDA	100	71	40.4%
EBITDA margin	87.9%	86.8%	
EBIT	80	56	42.8%
EBIT margin	70.8%	68.8%	

The average **revenue per transaction** reached USD6.5 in 1H2022 vs. USD5.4 in 1H2021 (+21.4%) positively impacted by higher toll rates. This led to **Revenues** reaching USD113mn (+38.6% vs. 1H 2021).

EBITDA reached USD100mn (+40.4% vs. 1H 2021). EBITDA margin of 87.9% (86.8% in 1H 2021).

NTE EBITDA EVOLUTION



NTE net debt reached USD1,226mn in June 2022 (USD1,223mn in December 2021), at an average cost of 4.12%.

Dividends: NTE distributed dividends in June of USD73mn (EUR42mn FER's share vs EUR21mn in 1H 2021).

Credit rating

	PAB	Bonds
Moody's	Baa2	Baa2
FITCH	BBB	

LBJ (54.6%, globally consolidated)

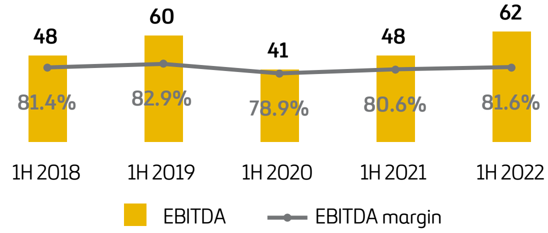
In 1H 2022, traffic increased by +13.4% vs. 1H2021, but is still below 2019 levels. Traffic was primarily impacted by the Omicron, winter storms, and bad weather early in the year, along with the softening of macro economic growth.

(USD million)	JUN-22	JUN-21	VAR.
Transactions (mn)	19	17	13.4%
Revenues	76	60	26.6%
EBITDA	62	48	28.2%
EBITDA margin	81.6%	80.6%	
EBIT	46	36	29.5%
EBIT margin	60.4%	59.1%	

The **average revenue per transaction** reached USD4.0 in 1H 2022 vs. USD3.5 in 1H 2021 (+11.7%) positively impacted by higher toll rates. This, together with higher traffic led to **Revenues** reaching USD76mn (+26.6% vs. 1H 2021).

EBITDA reached USD62mn (+28.2% vs. 1H 2021) with an EBITDA margin of 81.6% (80.6% in 1H 2021).

LBJ EBITDA EVOLUTION



LBJ net debt was USD2,023mn in June 2022 (USD1,998mn in December 2021), at an average cost of 4.03%.

Dividends: LBJ distributed USD33mn dividends in June (EUR16mn FER's share vs EUR27mn in 1H 2021).

Credit rating

	PAB	TIFIA	Bonds
Moody's	Baa2	Baa2	
FITCH	BBB	BBB	BBB

NTE 35W (53.7%, globally consolidated)

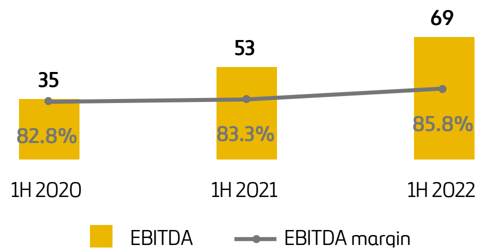
In 1H 2022, NTE35W traffic increased by +1.7% vs 1H 2021, with higher traffic figures than pre-COVID levels given the positive effects of ramp-up & heavy vehicles resilience, partially offset by the severe winter storms in February and the acceleration of NTE3C works in 2Q.

(USD million)	JUN-22	JUN-21	VAR.
Transactions (mn)	17	17	1.7%
Revenues	80	63	27.3%
EBITDA	69	53	31.1%
EBITDA margin	85.8%	83.3%	
EBIT	55	41	34.0%
EBIT margin	67.9%	64.5%	

Average revenue per transaction was USD4.8 in 1H 2022, vs. USD3.8 in 1H 2021 (+25.3%), positively impacted by higher proportion of heavy vehicles (toll multiplier 2x - 5x) and higher toll rates. These, together with traffic increase, led to **Revenues** reaching USD80mn (+27.3% vs. 1H 2021).

EBITDA reached USD69mn (+31.1% vs. 1H 2021) with an EBITDA margin of 85.8% (vs 83.3% in 1H 2021).

NTE 35W EBITDA EVOLUTION



NTE 35W net debt reached USD1,116mn in June 2022 (USD1,055mn in December 2021), at an average cost of 4.84%, including NTE 3C.

Credit rating

	PAB	TIFIA
Moody's	Baa3	Baa3
FITCH	BBB-	BBB-

I-77 (65.1%, globally consolidated)

In 1H 2022, traffic increased by +35.1% vs 1H 2021, above pre-pandemic levels, despite the impact on mobility of the Omicron surge in January and February and unusually cold weather in February and March.

(USD million)	JUN-22	JUN-21	VAR.
Transactions (mn)	16	12	35.1%
Revenues	26	14	85.8%
EBITDA	15	7	118.1%
EBITDA margin	56.9%	48.5%	
EBIT	10	4	141.4%
EBIT margin	39.8%	30.6%	

The **average revenue per transaction** was USD1.6 in 1H 2022 vs. USD1.2 in 1H 2021 (+41.2%).

Revenues reached USD26mn (+85.8% vs. 1H 2021) as a result of the traffic returning quickly as COVID-19 trends improved and higher toll rates.

EBITDA reached USD15mn with an EBITDA margin of 56.9% (48.5% in 1H 2021).

I-77 net debt was USD265mn in June 2022 (USD263mn in December 2021), at an average cost of 3.65%.

Credit rating

	PAB	TIFIA
FITCH	BBB	BBB
DBRS	BBB	BBB

IRB

In 2021, Ferrovial acquired 24.86% of the shares of the Indian listed company IRB Infrastructure Developers Ltd for EUR369mn. IRB is a leading player in the Indian market, where it manages 24 projects and above 2,500 kilometers of toll roads.

Based on Indian legislation, the latest available information corresponds to the closing of IRB's last fiscal year, which runs from April 2021 to March 2022. Consequently, Ferrovial's interim consolidated financial statements only includes the company's last quarter contribution (i.e. January to March 2022, 3 months). IRB's equity contribution to Ferrovial's income statement reached EUR3mn.

In 1H 2022, IRB was able to reach significant milestones within its portfolio of projects under development achieving Appointed Date (greenlight to start construction) for two projects (Pathankot Mandi and Dankuni Palsit) and Financial Close for two other projects (Chittoor Thatchur and Ganga Expressway Group 1). Ganga Expressway Group 1 is a greenfield project with a total investment of Rs 6,538 crore. The project comprises build, operate and transfer (BOT) the six lane greenfield expressway corridor of 129,7 Kms between Meerut and Budaun in Uttar Pradesh.

ASSETS UNDER DEVELOPMENT

(EUR million)	INVESTED CAPITAL	PENDING COMMITTED CAPITAL	NET DEBT 100%	CINTRA SHARE
Global Consolidation				
Intangible Assets	-684	-325	-2,679	
I-66*	-684	-243	-1,614	55.7%
NTE35W**	0	-82	-1065	53.7%
Equity Consolidated				
Financial Assets	-54	-29	-1,025	
Ruta del Cacao	-54	-2	-260	30.0%
Silvertown Tunnel	0	-27	-765	22.5%

*Capital invested & committed includes the acquisition of the additional 5.704% stake (EUR162mn).
** Capital invested & committed refers to Seg. 3C. Net debt 100%: includes all 3 seg.

- **NTE35W Segment 3C (Texas, USA):** The project involves the construction of 2 managed lanes in each direction of c.6.7miles. The toll road is expected to open in September 2023. The concession will end in 2061. Design and construction works are 71% complete as of June 30th, 2022.
- **I-66 (Virginia, USA):** the project includes the construction of 35km on I-66 (between Route 29, close to Gainesville, and Washington DC ring road, I-495, in Fairfax County). The toll road is expected to open by end of 2022, and the concession is for 50 years since commercial agreement closing. Design & construction works are 91% complete as of June 30th, 2022.
- **Ruta del Cacao (Colombia):** 152 km, out of which 81 km are new toll road, construction of 16 bridges, 2 viaducts & 2 tunnels with a combined length of 6km. This is a 25-year concession. Design and construction works 91% complete as of June 30th, 2022.
- **Silvertown tunnel (London, UK)**: an availability payment project with a concession term of 25 years. A 1.4 km twin bore road tunnel which will be built under the River Thames. The works are expected to be completed in 2025. Design and construction works are 63% complete as of June 30th, 2022.

TENDERS PENDING

Ferrovial keeps focused on the USA as main market, and the Group continues to pay close attention to private initiatives:

- Prequalified in two processes: I-10 Calcasieu River (Louisiana, US) and Inglewood Transit Connector (LA, California).
- Actively following several projects in other states (including RFQ of SR400 in Georgia). These projects have different degrees of development and are expected to come to market in the coming months. Some of them include Managed Lanes schemes.

Apart from the US, Cintra is active in other markets of interest such as UK, Chile and Peru.

Airports

HEATHROW (25%, equity-accounted) – UK

Ramp up plan

Rebuilding capacity quickly is very challenging after the significant reductions in resource across the entire aviation supply chain. Arrivals punctuality is very low as a result of delays at other airports and airspace congestion across Europe and this has compounded the challenge of resource constraints for the airport, airlines, ground handlers and government agencies. Heathrow has been able to provide a good level of service for the vast majority of passengers.

Heathrow started recruiting back in November 2021 in anticipation of capacity recovering this summer and by the end of July Heathrow will have as many people working in security as before COVID-19. Heathrow has also reopened and moved 25 airlines to Terminal 4 to provide more space for passengers.

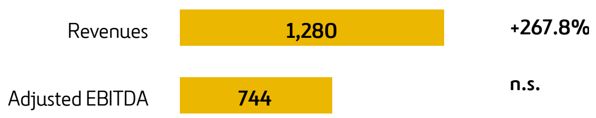
Over the past few weeks, as departing passenger numbers have regularly exceeded 100,000 a day, Heathrow has started to see periods when service drops to a level that is not acceptable: long queue times, delays for passengers requiring assistance, bags not travelling with passengers or arriving late, low punctuality and last-minute cancellations. This showed that demand had started to exceed the capacity of airline ground handlers and Heathrow took swift action to protect consumers by applying a cap on departing passenger numbers, better aligned with their resources. Heathrow's assessment is that the maximum number of daily departing passengers that airlines, airline ground handlers and airport can collectively serve over the summer is 100,000. Airline ground handler performance has been much more stable since the cap came into effect, and Heathrow has seen a marked improvement in punctuality and baggage performance.

Traffic

Million passengers	JUN-22	JUN-21	VAR.
UK	1.6	0.5	243.4%
Europe	11.2	1.5	627.1%
Intercontinental	13.3	1.8	620.3%
Total	**26.1**	**3.9**	**577.5%**

Heathrow welcomed 26.1mn passengers in 1H 2022 (3.9mn passengers in 1H 2021). After a slow start of the year, given the travel restrictions in the UK and the Omicron impact, Heathrow saw a surge in demand and a steady build in traffic. Passenger numbers in June were the highest since the start of the pandemic with almost 6 million passengers. Heathrow has seen unprecedented growth in passenger numbers over 1H 2022, with June at 83% of 2019 levels. Demand continues to be driven by outbound leisure at weekends and school holidays, as people take advantage of the removal of restrictions and utilize travel vouchers from cancelled trips over the past two years. Passenger growth was seen in all regions, with North America and Europe in particular driving the increase in passenger numbers vs. 2021. Two airlines have launched flights from Heathrow, Bamboo Airways and WestJet. Heathrow's cargo tonnage increased by 3.5% vs. 1H 2021. This slight increase was due to an increase in flights offset by airlines shifting focus towards passenger flights, where cargo is carried in the belly hold of planes.

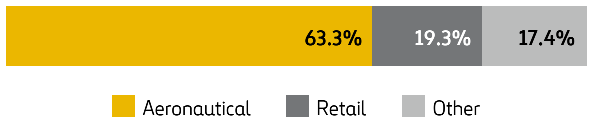
P&L HEATHROW SP



Revenues: +267.8% in 1H 2022 to GBP1,280mn.

- **Aeronautical:** +379.3% vs 1H 2021 predominantly due to higher passenger numbers and an increase in aero charges, set by the CAA's H7 interim tariff. This has been partially offset by adverse mix of passengers and cargo volume. Aeronautical revenue per passenger decreased by -29.3% to £31.07 (2021: £43.92).
- **Retail:** +318.6% vs 1H 2021, driven by higher departing passengers, car parking revenue, premium services and the mix of retail services available in 1H 2022, compared to 1H 2021 when the governmental restrictions on non-essential shops were in place in the first five months. However, the luxury business is showing early signs of the softening Heathrow anticipated as a result of the removal of VAT free shopping. Retail revenue per passenger decreased by -38.2% to £9.47 (2021: £15.33).
- **Other revenues:** +85.8% vs 1H 2021. Other regulated charges increased 91.2% predominantly because of higher passengers. The significant increase in Heathrow Express revenue is distorted by the lower level of services in 2021 due to lockdown.

Contribution to revenues:



Adjusted operating costs (ex-depreciation & amortization and exceptionals): +40.7% to GBP536mn (GBP381mn in 1H 2021). Heathrow is spending more on employment costs following the end of the Government's furlough scheme and incurring costs associated with recruitment and training. The increase in operational and maintenance results from the reopening of operations, compared to last year when Heathrow was operating with only one runway and two terminals. Utilities and other costs have also been impacted by higher energy prices and inflation.

Adjusted EBITDA returned to profitability reaching GBP744mn, compared to -GBP33mn in 1H 2021.

HAH net debt: the average cost of Heathrow's external debt was 5.96%, including all the interest-rate, exchange-rate, accretion and inflation hedges in place (3.79% in December 2021).

(GBP million)	JUN-22	DEC-21	VAR.
Loan Facility (ADI Finance 2)	904	875	3.3%
Subordinated	2,485	2,318	7.2%
Securitized Group	15,459	16,017	-3.5%
Cash & adjustments	-2,642	-2,921	-9.5%
Total	**16,206**	**16,290**	**-0.5%**

The table above relates to FGP Topco, HAH's parent company.

Financial Ratios: At June 30th, 2022, Heathrow SP and Heathrow Finance continue to operate within required financial ratios.

Heathrow holds strong liquidity position of GBP2.6bn, providing sufficient liquidity to meet all forecast cash flow needs well into 2025 under Heathrow's base case cash flow forecast or until at least June 2023 under the most extreme scenario of no revenue.

Regulatory Asset Base (RAB): at June 30th, 2022, the RAB reached GBP18,425mn (GBP17,474mn in December 2021).

Key regulatory developments: In June 2022, the CAA published its Final Proposals for the next 5 year regulatory period to start in 2022, known as H7. The CAA's proposals are not financeable and will restrict investment in the UK's hub airport just when the country's economic recovery needs it most, and if it goes ahead, it will erode passenger service and result in an airport that falls far short of what passengers expect.

Heathrow's previous Revised Business Plan Update 2, submitted to the CAA in December 2021, set out a £43.42 (2020p) or £41.95 (2018p) charge to deliver for passengers in H7, with the potential for the CAA to reduce this to £35.27 (2020p) or £34.07 (2018p) if the CAA implemented tools such as depreciation profiling. This is in contrast to the CAA's latest H7 charge proposal of £24.14 (2020 CPI). The CAA has confirmed in its latest proposals that the interim holding charge of £29.50 (2020 CPI) will remain in place for 2022, implementing a decreasing price profile from this starting point through the H7 period. Heathrow is currently assessing the CAA's latest proposal in more detail and will provide a further evidence-based response to their consultation in early August 2022. The response will include Heathrow's updated forecasts for H7 passenger traffic as set out in June 2022 investor report. Heathrow will request first the CAA correct basic errors in their proposals and continue to reiterate and continue to reiterate key points made in previous submissions in calling for the CAA to recognize the inherent uncertainty when calibrating its price control and the need to set an appropriate WACC for the period which reflects the risk to which Heathrow is exposed. Heathrow will also continue to make the case for an appropriate RAB adjustment following the impact of COVID-19.

Before making a final decision, Heathrow has encouraged the CAA to think again about Heathrow's plan, which has been carefully crafted over the past two years to deliver for passengers and other stakeholders. For less than the equivalent of a 2% increase in ticket prices, Heathrow can give passengers the service they want, drive the sector's recovery and equip the UK with the hub airport it needs to thrive. By pushing irrational cost cuts and erasing fair incentives to invest, the CAA will prioritize airline's profit over passenger's service and perpetuate the broken model airlines have pursued with ground handlers which is resulting in the current problems at airports across the world. There is still time to secure a better outcome for passengers.

The CAA will continue its H7 process through 2022. Subject to CAA timelines, Heathrow currently expects to publish its Final Determination on the H7 settlement in early 4Q 2022 before implementing the H7 license towards the end of the year.

Outlook

The outlook for Heathrow's adjusted EBITDA performance in 2022 remains consistent with the revised guidance published in Heathrow's June Investor Report on June 23rd, 2022.

AGS (50%, equity-accounted) – UK

AGS continues in its path to recovery from the COVID-19 pandemic. The airports have been working on rebuilding capacity ahead of Summer, AGS Airports continue to collaborate with their business partners to ensure global staff shortages are monitored and operational risk minimized, while managing its cost base to recover losses and closely track economic factors. Year to date traffic performance was 38% lower than 2019 levels in 1H 2022, while quarter performance was 31% lower than 2019 levels in 2Q 2022.

Traffic: number of passengers reached 4.0mn passengers (0.7 in 1H 2021) driven by higher traffic in all three airports resulting from milder restrictions in January and February, and the complete removal of restrictions in the UK since March 18th.

Million passengers	JUN-22	JUN-21	VAR.
Glasgow	2.8	0.3	813.1%
Aberdeen	0.9	0.4	133.6%
Southampton	0.3	0.0	514.5%
Total AGS	**4.0**	**0.7**	**438.6%**

Revenues increased by +196.8% to GBP75mn driven mainly by the positive performance in traffic, higher commercial income resulting from the reopening of commercial units, car rental, car parking performance and the introduction of COVID-19 testing facilities from 2Q 2021.

Operating Costs increased by +42% mainly resulting from passenger volumes and the end of the Government´s furlough scheme, as well as COVID-19 testing costs, offset at EBITDA level with the aforementioned COVID-19 testing income.

EBITDA was GBP19mn (+236.1% vs 1H 2021).

(GBP million)	JUN-22	JUN-21	VAR.
Total Revenues AGS	**75**	**25**	**196.8%**
Glasgow	47	10	n.s.
Aberdeen	22	13	74.0%
Southampton	7	3	131.8%
Total EBITDA AGS	**19**	**-14**	**236.1%**
Glasgow	17	-10	269.7%
Aberdeen	5	-1	n.s.
Southampton	-2	-4	36.8%
Total EBITDA margin	**25.8%**	**-56.2%**	**n.s.**
Glasgow	35.6%	-99.3%	n.s.
Aberdeen	24.0%	-4.6%	n.s.
Southampton	-36.6%	-134.1%	n.s.

Financial covenants: AGS negotiated amendments and an extension of its debt facility with unanimous approval from all lenders. Under the aforementioned agreement, AGS's debt will mature in June 2024.

There have been no further injections of the equity commitment in 2022.

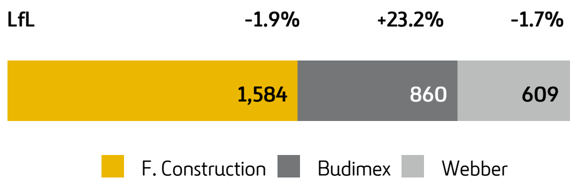
Cash amounted to GBP42mn at June 30th, 2022.

AGS net bank debt stood at GBP714mn at June 30th, 2022.

Construction

Revenues +4.1% LfL, mainly on the back of Budimex activity. International revenues accounted for 83%, focused on North America (39%) and Poland (28%).

1H 2022 revenues (EUR3,053mn) and change LfL vs 1H 2021:



In 1H 2022, Construction **EBIT** stood at EUR26mn vs. EUR72mn in 1H 2021, mainly due to the inflation impact on prices of supplies and subcontracts, partially offset by price review formula compensation in some contracts and strong Budimex performance (5.7% EBIT mg). EBIT mg reached 0.8% vs. 2.6% in 1H 2021.

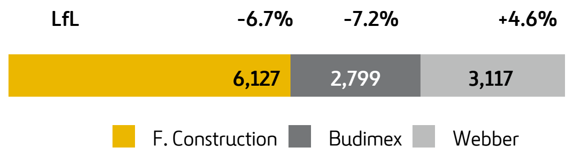
1H 2022 EBIT & EBIT margin & change LfL vs 1H 2021:

JUN-22	EBIT	LfL	EBIT mg
Budimex	49	-15.4%	5.7%
Webber	27	71.8%	4.5%
F. Construction	-51	n.s.	-3.2%
Total EBIT	**26**	**-63.1%**	**0.8%**

Details by subdivision:

- **Budimex:** Revenues increased by +23.2% LfL supported by the Building and Civil Works activities due to a different portfolio of contracts in progress and supported by the good weather. EBIT margin reached 5.7% in 1H 2022 vs 8.3% in 1H 2021, the latter including the one-off impact from the sale of the Real Estate division, excluding this impact the 1H 2021 profitability would have reached 6.1%. EBIT decreased by -15.4% LfL, given the increase in the prices of steel and other materials as well as problems in some supplies.
- **Webber**: For comparable purposes, 1H 2021 figures have been restated including the infrastructure maintenance activity in North America, although this business has been integrated at Webber since January 2022. Revenues decreased by -1.7% LfL, mainly due to the sale of the aggregate recycling activity (July 2021) along with the progressive withdrawal of the Non-Residential Construction activity, partially offset by the increase in the Infrastructure Maintenance Services activity. EBIT margin stood at 4.5% (2.6% in 1H 2021) impacted by the improvement of the final phase of large civil works projects along with the contribution from the Infrastructure Maintenance Services activity
- **Ferrovial Construction:** revenues decreased by -1.9% LfL on the back of the completion of the D4R7 project in Slovakia partially offset by the growth of the Australian market due to the execution of the Sydney Metro project. EBIT stood at -EUR51 mn (-EUR2 mn in 1H 2021). In 1H 2022, Ferrovial Construction has been affected by the cost of internal fees of onerous contracts which cannot be provisioned by accounting rules reaching -EUR18mn. Additionally, Ferrovial Construction has been particularly affected by both price increases in labor, materials & energy, and acceleration costs. Ferrovial maintains a prudent approach when recognizing claims on its financial statements, and estimates that the potential positive impacts of customer claims will have impacts in the future.

1H 2022 Order book & LfL change vs December 2021:



The **order book** stood at EUR12,043mn (-4.1% LfL compared to December 2021). The civil works segment remains the largest segment (68%) and continues to adopt highly selective criteria when participating in tenders, including inflation impacts observed. The international order book accounts for 85% of the total.

The percentage of the construction order book (excluding Webber and Budimex) from projects with Ferrovial reached 17% in 1H 2022 (19% in December 2021).

The order book figure at June 2022 does not include pre-awarded contracts or contracts pending commercial or financial agreement, which amount to EUR1.8bn, mainly from Budimex (EUR940mn), Bypass Coff Harbour award in Australia (EUR450mn) and five contracts at Webber (EUR370mn).

P&L DETAILS

CONSTRUCTION	JUN-22	JUN-21	VAR.	LfL
Revenues	3,053	2,824	8.1%	4.1%
EBITDA	78	128	-39.4%	-37.9%
EBITDA margin	2.5%	4.5%		
EBIT	26	72	-64.5%	-63.1%
EBIT margin	0.8%	2.6%		
Order book*	12,043	12,216	-1.4%	-4.1%

BUDIMEX	JUN-22	JUN-21	VAR.	LfL
Revenues	860	715	20.2%	23.2%
EBITDA	64	75	-14.0%	-11.7%
EBITDA margin	7.5 %	10.5 %		
EBIT	49	59	-17.6%	-15.4%
EBIT margin	5.7 %	8.3 %		
Order book*	2,799	3,092	-9.5%	-7.2%

WEBBER	JUN-22	JUN-21	VAR.	LfL
Revenues	609	561	8.5 %	-1.7%
EBITDA	47	34	34.9 %	20.6%
EBITDA margin	7.6 %	6.1 %		
EBIT	27	15	88.8 %	71.8%
EBIT margin	4.5 %	2.6 %		
Order book*	3,117	2,747	13.5 %	4.6%

F. CONSTRUCTION	JUN-22	JUN-21	VAR.	LfL
Revenues	1,584	1,547	2.4%	-1.9%
EBITDA	-33	19	-277.9%	n.s.
EBITDA margin	-2.1%	1.2%		
EBIT	-51	-2	n.s.	n.s.
EBIT margin	-3.2%	-0.1%		
Order book*	6,127	6,377	-3.9%	-6.7%

EBIT before impairments and disposals of fixed assets
*Construction Order book compared to December 2021

Services (discontinued operations)

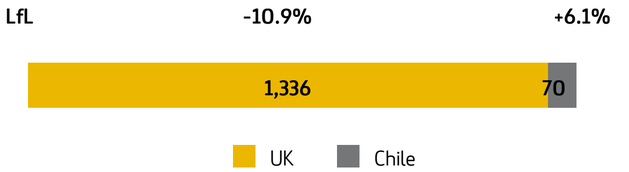
Ferrovial advanced in the Services divestment process during 1H 2022, with the sale of íts Infrastructure Services business in Spain

In January, Ferrovial completed the sale of its Infrastructure Services business in Spain to Portobello Capital for EUR171mn. This price does not include the earn-outs, valued at EUR50mn, which will be applied after the closing of the transaction based on the fulfillment of certain requirements set forth in the share purchase agreement. After the closing of the sale, Ferrovial has acquired 24.99% of the share capital of the acquiring entity for EUR17mn.

In 1H 2022, Ferrovial sold Amey's management services business via a share sale of Amey Ventures Management Services Limited, for GBP5mn.

In line with Ferrovial's commitment to divest Services, the division continues classified as "held for sale" however, in order to provide an analysis of the division, the main figures of the Services results (Amey and Chile) are detailed below.

1H 2022 revenues (EUR1,406mn) by activity & change LfL vs 1H 2021:

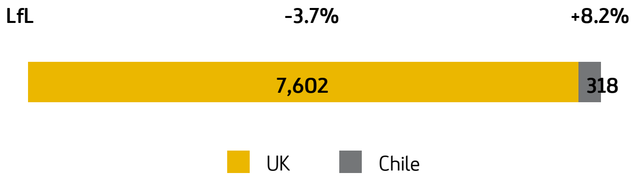


In 1H 2022, revenues decreased by -10.2% LfL. However, EBITDA increased by +1.3% LfL vs 1H 2021, reaching EUR78mn.

In 1H 2022, the performance of the activities pending divestment at June 30th, and accounted as discontinued activities were as follows:

- **UK**: Revenues decreased by -10.9% LfL mainly due to the end of some Utilities contracts and wind down of Defense contracts. However, profitability was positively impacted with EBITDA margin of 5.2% vs 4.9% in 1H 2021.
- **Chile:** Revenues increased by +6.1% LfL on the back of the start of new mining maintenance contracts in the last months of 2021. EBITDA increased by +39.9% LfL on the back of performance improvement, reaching an EBITDA margin of 11.0% vs. 8.4% in 1H 2021.

1H 2022 Order book & LfL change vs December 2021:



The **Services order book** of the activities that remain as discontinued activities reached EUR7,921mn, decreasing by -3.3% LfL vs December 2021 (EUR8,373mn).

P&L DETAILS

SERVICES	JUN-22	JUN-21	VAR.	LfL
Revenues	1,406	1,531	-8.2%	-10.2%
EBITDA	78	77	0.3%	1.3%
EBITDA margin	5.5 %	5.1 %		
Order book*	7,921	8,373	-5.4%	-3.3%

UK	JUN-22	JUN-21	VAR.	LfL
Revenues	1,336	1,463	-8.7%	-10.9%
EBITDA	70	72	-2.4%	-1.5%
EBITDA margin	5.2%	4.9%		
Order book*	7,602	8,079	-5.9%	-3.7%

CHILE	JUN-22	JUN-21	VAR.	LfL
Revenues	70	68	2.2%	6.1%
EBITDA	8	6	34.8%	39.9%
EBITDA margin	11.0%	8.4%		
Order book*	318	294	8.3%	8.2%

* Services Order book compared to December 2021

Consolidated P&L

(EUR million)	JUN-22	JUN-21
REVENUES	**3,465**	**3,135**
EBITDA	**306**	**263**
Period depreciation	-138	-126
EBIT (ex disposals & impairments)	**168**	**137**
Disposals & impairments	0	16
EBIT	**168**	**153**
Financial Result	**-118**	**-176**
Financial Result from infrastructure projects	-175	-154
Financial Result from ex-infrastructure projects	57	-22
Equity-accounted affiliates	**54**	**-241**
EBT	104	-264
Corporate income tax	-21	-30
NET PROFIT FROM CONTINUING OPERATIONS	**83**	**-294**
NET PROFIT FROM DISCONTINUED OPERATIONS	**-5**	**198**
CONSOLIDATED NET INCOME	**78**	**-96**
Minorities	-28	-88
NET INCOME ATTRIBUTED	**50**	**-184**

Revenues at EUR3,465mn (+6.2% LfL) on the back of higher Construction revenues (+4.1% LfL) and Toll Roads (+31.1% LfL).

EBITDA reached EUR306mn (+11.3% LfL vs 1H 2021) supported by a greater contribution from Toll Roads (+34.7% LfL), particularly US Toll Roads with an EBITDA of EUR226mn (+51.6% vs. 1H 2021).

Depreciation: +9.5% in 1H 2022 (+6.5% LfL) to -EUR138mn.

Impairments and fixed asset disposals: nil in 1H 2022 compared to EUR16mn in 1H 2021 related to Ferrovial's stake sale in URBICSA.

Financial result: lower financial expenses mainly on the back of the financial income from ex-infra projects in 1H 2022 vs 1H 2021.

- **Infrastructure projects:** -EUR175mn expenses (-EUR154mn in 1H 2021) mainly driven by the negative performance of Autema's ILS derivative given the increase in inflation (mark to market change ILS).
- **Ex-infrastructure projects:** EUR57mn of financial profit in 1H 2022 (-EUR22mn in 1H 2021), mainly due to the positive impact from the pre-issuance hedging of a bond, expected to be issued by Ferrovial S.A. in 2022. Given that the bond issuance had not taken place, the impact was reclassified in the P&L (EUR62mn).

Equity-accounted result at net profit level, equity-accounted companies contributed EUR54mn after tax (-EUR241mn in 1H 2021).

(EUR million)	JUN-22	JUN-21	VAR.
Toll Roads	**51**	**17**	**208.6%**
407 ETR	46	4	n.s.
IRB	3	0	n.s.
Others	2	13	-85.2%
Airports	**3**	**-255**	**101.0%**
HAH	0	-238	100.0%
AGS	0	-20	100.0%
Others	3	3	0.6%
Construction	**1**	**0**	**244.8%**
Others	**0**	**-2**	**78.9%**
Total	**54**	**-241**	**122.6%**

The main impact at equity accounted affiliates comes from airports business. As mentioned in the Annual Report at December 2021, the considerable losses posted in 2019 and 2020 in the Airports business reduced the investments in Heathrow and AGS to zero, as prior-years losses exceeded the amount of the investment, there being no commitments to inject additional funds (pursuant to IAS 28). Therefore, there is no equity accounted contribution from Heathrow and AGS in 1H 2022.

REVENUES

(EUR million)	JUN-22	JUN-21	VAR.	LfL
Toll Roads	355	253	40.3%	31.1%
Airports	7	1	n.s.	n.s.
Construction	3,053	2,824	8.1%	4.1%
Others	50	58	-12.8%	-14.9%
Total Revenues	**3,465**	**3,135**	**10.5%**	**6.2%**

EBITDA

(EUR million)	JUN-22	JUN-21	VAR.	LfL
Toll Roads	255	175	45.5%	34.7%
Airports	-19	-11	-65.5%	-65.4%
Construction	78	128	-39.4%	-37.9%
Others	-8	-29	72.1%	72.9%
Total EBITDA	**306**	**263**	**16.3%**	**11.3%**

EBIT*

(EUR million)	JUN-22	JUN-21	VAR.	LfL
Toll Roads	174	110	57.8%	44.4%
Airports	-19	-12	-64.9%	-64.8%
Construction	26	72	-64.5%	-63.1%
Others	-12	-34	63.5%	-0.9%
Total EBIT	**168**	**137**	**22.6%**	**15.5%**

*EBIT before impairments and disposals of fixed assets

Tax: the corporate income tax for 1H 2022 was -EUR21mn (vs -EUR30mn in 1H 2021). There are several impacts to be considered when calculating the effective tax rate; among which the material and/or significant ones are:

- Equity-accounted companies' profit must be excluded, as it is already net of tax (EUR54mn).
- Losses and tax credits that, following accounting prudence criteria, do not imply the recognition of the full tax credits for future years (EUR15mn).

Excluding the aforementioned adjustments in the tax result, adjusting for the impact from previous years spending (-EUR5mn), and other adjustments, the resulting effective corporate income tax rate is 26%.

Net income from continuing operations stood at EUR83mn in 1H 2022 (-EUR294mn in 1H 2021).

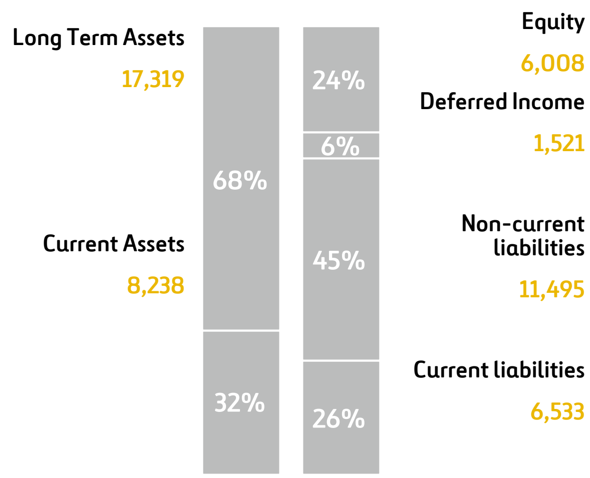
Net income from discontinued operations stood at -EUR5mn from Services activities compared to EUR198mn in 1H 2021, including Services (EUR83mn) and Budimex's real estate business (EUR115mn).

Consolidated Balance Sheet

(EUR million)	JUN-22	DEC-21
FIXED AND OTHER NON-CURRENT ASSETS	**17,319**	**15,794**
Consolidation goodwill	453	420
Intangible assets	135	126
Investments in infrastructure projects	12,436	11,185
Property	0	0
Plant and Equipment	390	348
Right-of-use assets	148	156
Equity-consolidated companies	2,057	1,838
Non-current financial assets	944	879
Long term investments with associated companies	237	227
Restricted Cash and other non-current assets	601	579
Other receivables	106	73
Deferred taxes	543	549
Derivative financial instruments at fair value	213	293
CURRENT ASSETS	**8,238**	**9,102**
Assets classified as held for sale	1,135	1,761
Inventories	446	405
Trade & other receivables	1,495	1,317
Trade receivable for sales and services	1,182	1,045
Other receivables	313	272
Taxes assets on current profits	82	78
Other short term financial assets	0	11
Cash and other temporary financial investments	5,071	5,515
Infrastructure project companies	219	207
Restricted Cash	40	47
Other cash and equivalents	179	160
Other companies	4,852	5,308
Derivative financial instruments at fair value	9	15
TOTAL ASSETS	**25,557**	**24,896**

(EUR million)	JUN-22	DEC-21
EQUITY	**6,008**	**5,839**
Capital & reserves attrib to the Company´s equity holders	4,046	4,048
Minority interest	1,962	1,791
Deferred Income	**1,521**	**1,402**
NON-CURRENT LIABILITIES	**11,495**	**11,078**
Pension provisions	3	3
Other non current provisions	428	421
Long term lease debts	101	108
Financial borrowings	10,067	9,512
Financial borrowings on infrastructure projects	7,919	7,362
Financial borrowings other companies	2,148	2,150
Other borrowings	87	69
Deferred taxes	698	670
Derivative financial instruments at fair value	111	295
CURRENT LIABILITIES	**6,533**	**6,577**
Liabilities classified as held for sale	1,009	1,478
Short term lease debts	50	51
Financial borrowings	1,284	1,074
Financial borrowings on infrastructure projects	45	47
Financial borrowings other companies	1,239	1,027
Derivative financial instruments at fair value	167	110
Trade and other payables	2,974	2,793
Trades and payables	1,641	1,535
Other non commercial liabilities	1,333	1,258
Liabilities from corporate tax	71	69
Trade provisions	978	1,002
TOTAL LIABILITIES & EQUITY	**25,557**	**24,896**

CONSOLIDATED BALANCE SHEET



GROSS CONSOLIDATED DEBT*

Gross debt JUN-22	EX-INFRA	INFRA	CONSOLIDATED
Gross debt (EUR mn)	-3,452	-7,964	-11,416
% fixed	92.3%	97.7%	96.1%
% variable	7.7%	2.3%	3.9%
Average rate	1.0%	4.2%	3.3%
Average maturity (years)	3	24	18

*Includes discontinued operations

CONSOLIDATED FINANCIAL POSITION*

(EUR million)	JUN-22	DEC-21
Gross financial debt	**-11,416**	**-10,711**
Gross debt ex-infrastructure	-3,452	-3,248
Gross debt infrastructure	-7,964	-7,463
Gross Cash	**5,833**	**6,260**
Gross cash ex-infrastructure	4,973	5,430
Gross cash infrastructure	861	830
Total net financial position	**-5,583**	**-4,451**
Net cash ex-infrastructure	1,521	2,182
Net debt infrastructure	-7,103	-6,633
Total net financial position	**-5,583**	**-4,451**

*Includes discontinued operations

Ex-infrastructure Net Financial Position (including discontinued operations)

NET CASH POSITION (EUR)

Gross cash	5.0bn
Gross debt	-3.5bn
Net cash position	1.5bn

DEBT MATURITIES (EUR mn)

975	17	303	2,135
2022*	2023	2024	> 2025

(*) In 2022, ex-infrastructure debt includes outstanding ECP (Euro Commercial Paper), which at June 30th, 2022, had a carrying amount of EUR466mn (-0.24% average rate).

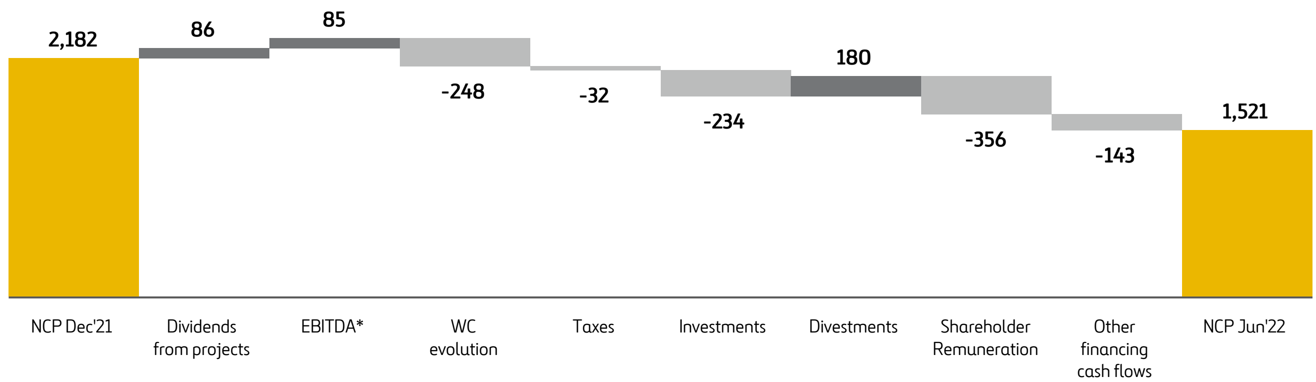
LIQUIDITY (EUR mn)

Total cash	UNDRAWN LINES
4,973	965
TOTAL LIQUIDITY	5,937

RATING

Standard & Poor's	BBB / stable
Fitch Ratings	BBB / stable

CASH FLOW COMPONENTS (including discontinued operations)



* EBITDA excludes contribution from projects but it includes EBITDA from Services.

Net cash position (NCP) excluding infra projects: stood at EUR1,521mn in June 2022 vs EUR2,182mn in December 2021. The main drivers of this change were:

- **Project dividends:** EUR86mn vs. EUR65mn in 1H 2021. Toll Roads dividends reached EUR67mn in 1H 2022 (EUR53mn in 1H 2021), including EUR58mn from Managed Lanes (EUR48mn in 1H 2021), along with EUR3mn from OSARs and EUR2mn from the Irish toll roads. Airports distributed EUR6mn, including EUR3mn from the Doha airport maintenance contract, while no dividends were distributed in 1H 2021. Services dividends reached EUR2mn in 1H 2022 (EUR10mn in 1H 2021).
- **EBITDA:** EUR85mn (vs EUR228mn in 1H 2021), including the EBITDA ex-infra from Toll Roads and Airports which mainly corresponds to the headquarters.
- **Negative Working capital evolution** stood at -EUR248mn in 1H 2022 (-EUR267mn in 1H 2021). Construction working capital stood at -EUR205mn excluding provisions (-EUR237mn in 1H 2021), showing the negative evolution of North America construction activity on the back of projects reaching the end of the construction phase. Partially offset by a higher positive working capital from Services (EUR30mn vs EUR3mn in 1H 2021).
- **Net Investment** reached -EUR53mn in 1H 2022 vs EUR78mn in 1H 2021. Investments reached -EUR234mn in 1H 2022 (-EUR278mn in 1H 2021), most noteworthy of which were the EUR130mn invested in the I-66 Managed Lanes project. **Divestments** stood at EUR180mn in 1H 2022 (EUR356mn in 1H 2021) mostly related to the divestment of the Services division including the divestment of the Infrastructure Services business in Spain (EUR171mn) and some activities of the UK Services business.
- **Shareholder Remuneration:** -EUR356mn in 1H 2022 (-EUR92mn in 1H 2021), including -EUR108mn from the scrip dividend and -EUR248mn from the treasury share repurchase program.
- **Other financing cash flows:** include mostly the deconsolidation of net cash in divested companies

The net cash position at the end of June (EUR1,521mn) includes the net cash from Services (EUR140mn).

Consolidated cash flow*

JUN-22	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	85	294	0	379
Dividends received	86	0	-74	12
Construction provision variation	-33	0	0	-33
Working capital variation (account receivables, account payables and others)	-215	-20	0	-235
Operating flow (before taxes)	**-76**	**274**	**-74**	**123**
Tax payment	-32	-2	0	-34
Operating Cash Flow	**-109**	**272**	**-74**	**89**
Investments	-234	-310	143	-401
Divestments	180	15	0	195
Investment cash flow	**-53**	**-295**	**143**	**-205**
Activity cash flow	**-162**	**-23**	**69**	**-116**
Interest flow	-1	-139	0	-139
Capital flow from Minorities	24	229	-139	114
Ferrovial shareholder remuneration	-356			-356
Scrip dividend	-108			-108
Treasury share repurchase	-248			-248
Other shareholder remuneration for subsidiary minorities	-67	-118	70	-115
Other movements in shareholder's funds	-29	33	0	3
Forex impact	-30	-474	0	-504
Changes in the consolidated perimeter	-36	0	0	-35
Other debt movements (non cash)	-5	21	0	16
Financing cash flow	**-499**	**-447**	**-69**	**-1,015**
Net debt variation	**-661**	**-470**	**0**	**-1,131**
Net debt initial position	**2,182**	**-6,633**	**0**	**-4,451**
Net debt final position	**1,521**	**-7,103**	**0**	**-5,583**

JUN-21	EXINFRASTRUCTURE PROJECTS CASH FLOW	INFRASTRUCTURE PROJECTS CASH FLOW	ADJUSTMENTS	TOTAL CASH FLOW
EBITDA	228	230	0	458
Dividends received	65	0	-50	14
Construction provision variation	-3	0	0	-3
Working capital variation (account receivables, account payables and others)	-264	16	0	-247
Operating flow (before taxes)	**26**	**247**	**-50**	**222**
Tax payment	-17	-1	0	-18
Operating Cash Flow	**9**	**246**	**-50**	**204**
Investments	-278	-92	15	-355
Divestments	356	21	0	377
Investment cash flow	**78**	**-71**	**15**	**22**
Activity cash flow	**86**	**174**	**-35**	**225**
Interest flow	-34	-120	0	-154
Capital flow from Minorities	9	17	-15	11
Ferrovial shareholder remuneration	-92	0	0	-92
Scrip dividend	-12	0	0	-12
Treasury share repurchase	-80	0	0	-80
Other shareholder remuneration for subsidiary minorities	-47	-97	50	-94
Other movements in shareholder's funds	-12	5	0	-7
Forex impact	64	-110	0	-47
Changes in the consolidated perimeter	-110	0	0	-110
Other debt movements (non cash)	4	-5	0	0
Financing cash flow	**-218**	**-310**	**35**	**-494**
Net debt variation	**-132**	**-136**	**-1**	**-268**
Net debt initial position	**1,991**	**-4,532**	**0**	**-2,541**
Net debt final position	**1,859**	**-4,668**	**-1**	**-2,809**

*Includes discontinued operations

EX-INFRASTRUCTURE PROJECT CASH FLOW (INCLUDING DISCONTINUED OPERATIONS)

Activity cash flow*

The ex-infrastructure pre-tax activity cash flow is as follows:

JUN-22	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Toll Roads	67	-132	-65
Airports	6	-13	-8
Construction	-152	-37	-188
Services	100	160	259
Other	-96	-32	-128
Total	**-76**	**-53**	**-130**

JUN-21	OPERATING CF*	NET INVESTM. CF*	ACTIVITY CF*
Toll Roads	53	-150	-97
Airports	0	-41	-41
Construction	-120	342	222
Services	184	-35	149
Other	-92	-38	-130
Total	**26**	**78**	**104**

*Before Corporate Income Tax. Operating cash flow in Toll Roads and Airports refers to dividends.

Operations cash flow

At June 30th, 2022, cash flow from ex-infrastructure project operations totaled -EUR76mn (before tax), below EUR26mn in 1H 2021, impacted by lower contracting contribution, partially offset by higher dividends from Toll Roads and Airports vs 1H 2021.

Operating cash flow	JUN-22	JUN-21
Dividends from Toll Roads	67	53
Dividends from Airports	6	0
Construction	-152	-120
Services	100	184
Other*	-96	-92
Operating flow (before taxes)	**-76**	**26**
Tax payment	-32	-17
Total	**-109**	**9**

*The entry Others includes the operations cash flow relating to Corporate Business, Airports and Toll Roads headquarters, Waste Treatment activity in UK, along with the Energy and Mobility businesses.

Breakdown of cash flow from **Construction and Services:**

Construction	JUN-22	JUN-21
EBITDA	78	128
EBITDA from projects	3	6
EBITDA Ex projects	75	119
Construction provision variation	-33	-3
Dividends received	12	0
Working capital variation (account receivables, account payables and others)	-205	-237
Changes in factoring	0	0
Land purchases	0	0
Working capital	-205	-237
Operating Cash Flow before Taxes	**-152**	**-120**

Services	JUN-22	JUN-21
EBITDA	78	209
EBITDA from projects	0	31
EBITDA Ex projects	78	178
Dividends received	2	10
Working capital variation (account receivables, account payables and others)	30	3
Changes in factoring	0	-1
Pensions payments UK	-10	-5
Operating Cash Flow before Taxes	**100**	**184**

The following table shows a breakdown of the **Services** business:

(EUR million)	UK	CHILE	TOTAL
EBITDA ex-infrastructure	70	8	78
Dividends received	2	0	2
Changes in factoring	0	0	0
Pension scheme payments	-10	0	-10
Working capital	40	-10	30
Op. cash flow ex-Taxes	**102**	**-3**	**100**

Breakdown of cash flow from **Toll Roads and Airports**:

Dividends from Toll Roads amounted to EUR67mn in 1H 2022 (EUR53mn in 1H 2021).

Dividends and Capital reimbursements	JUN-22	JUN-21
407 ETR	0	0
LBJ	16	27
NTE	42	21
Irish toll roads	2	0
Portuguese toll roads	1	2
Australian toll roads	4	1
Spanish toll roads	1	1
Others	0	1
Total	**67**	**53**

Dividends and capital reimbursements from Airports reached EUR6mn in 1H 2022 vs nil in 1H 2021.

Airports	JUN-22	JUN-21
HAH	0	0
AGS	0	0
FMM	3	0
Others	2	0
Total	**6**	**0**

Investment cash flow

JUN-22	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-132	0	-132
Airports	-13	0	-13
Construction	-38	1	-37
Services	-19	179	160
Other	-32	0	-32
Total	**-234**	**180**	**-53**

JUN-21	INVESTMENT	DIVESTMENT	INVESTMENT CF
Toll Roads	-150	0	-150
Airports	-41	0	-41
Construction	-14	356	342
Services	-35	0	-35
Other	-38	0	-38
Total	**-278**	**356**	**78**

The **net investment cash flow** in 1H 2022 (-EUR53mn) includes:

- **Investments** reached -EUR234mn in 1H 2022 (-EUR278mn in 1H 2021), most noteworthy of which were the EUR130mn invested in the I-66 Managed Lanes project.
- **Divestments** reached EUR180mn in 1H 2022 (EUR356mn in 1H 2021) mostly related to the divestment of the Services division including the divestment of the Infrastructure Services business in Spain (EUR171mn) and some activities of the UK business.

Financing cash flow

Financing cash flow includes:

- **Shareholder remuneration cash flow:** -EUR356mn in 1H 2022, (EUR-92mn in 1H 2021), including -EUR108mn from the scrip dividend and EUR-248mn from the treasury share repurchase program.
- **Net interest payments** reached -EUR1mn in 1H 2022.
- **FX impact** stood at -EUR30mn, primarily from the PLN.
- **Changes in the consolidated perimeter** (-EUR36mn).
- **Other non-cash flow** related movements (-EUR5mn) which included the book debt movements that do not affect cash flow, such as interest that has been accrued and remains unpaid, mainly resulting from interest accrued from corporate bonds.

Net position from discontinued operations

The net cash position from discontinued operations stood at EUR140mn of debt at June 30th, 2022.

INFRASTRUCTURE PROJECT CASH FLOW (INCLUDING DISCONTINUED OPERATIONS)

Operations cash flow

As regards cash flows for companies that own infrastructure project concessions, these primarily include revenues from those companies that are currently in operation, though they also include VAT refunds and payments corresponding to projects currently in the construction phase.

The following table shows a breakdown of cash flow operations for infrastructure projects.

(EUR million)	JUN-22	JUN-21
Toll roads	265	202
Other	6	44
Operating cash flow	**272**	**246**

Investment cash flow

The following table shows a breakdown of the investment cash flows for infrastructure projects, mainly payments made in respect of capital expenditure investments over the year.

(EUR million)	JUN-22	JUN-21
LBJ	-1	-1
NTE	-2	-1
NTE 35W	-93	-73
I-77	-10	-2
I-66*	-186	0
Portuguese toll roads	0	-1
Spanish toll roads	-2	-1
Others	0	1
Total toll roads	**-294**	**-78**
Others	-16	-14
Total projects	**-310**	**-92**
Equity Subsidy	15	21
Total investment cash flow (projects)	**-295**	**-71**

I-66 was not globally consolidated in June 2021

Financing cash flow

Financing cash flow includes the payment of dividends and the repayment of equity by concession-holding companies to their shareholders, along with the payments for share capital increases received by these companies. In the case of concession holders which are fully integrated within Ferrovial, these amounts represent 100% of the amounts paid out and received by the concession-holding companies, regardless of the percentage share that the Company holds in such concessions. No dividend or Shareholder Funds' repayment is included for equity-accounted companies.

The interest cash flow refers to the interest paid by the concession-holding companies, together with other fees and costs closely related to the acquisition of financing. The cash flow for these items relates to interest costs for the period, along with any other item that represents a direct change in the net debt amount for the period.

(EUR million)	JUN-22	JUN-21
Spanish toll roads	-22	-25
US toll roads	-103	-78
Portuguese toll roads	-7	-7
Other toll roads	0	0
Total toll roads	**-132**	**-110**
Other	-7	-11
Total	**-139**	**-120**

The financing cash flow also includes the impact that changes in the exchange rate have had on the debt held in foreign currency, which in 1H 2022 was a negative impact of -EUR474mn, primarily as the result of the depreciation of the euro against USD, which has had an impact on the net debt figure for the US toll roads.

Appendix I – Segmented Information

TOLL ROADS – GLOBAL CONSOLIDATION

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Global consolidation	**JUN-22**	**JUN-21**	**VAR.**	**JUN-22**	**JUN-21**	**VAR.**	**JUN-22**	**JUN-21**	**VAR.**	**JUN-22**	**JUN-21**	**JUN-22**	**SHARE**
NTE*	17	15	14.4%	104	68	53.1%	92	59	55.1%	87.9%	86.8 %	-1,169	63.0%
LBJ*	19	17	13.4%	70	50	39.8%	57	40	41.5%	81.6%	80.6 %	-1,930	54.6%
NTE 35W*/**	17	17	1.7%	74	53	40.6%	63	44	44.7%	85.8%	83.3 %	-1,065	53.7%
I-77*	16	12	35.1%	24	12	105.1%	14	6	140.8%	56.9%	48.5 %	-253	65.1%
TOTAL USA				**272**	**183**	**49.2%**	**226**	**149**	**51.6%**			**-4,417**	
Autema	16,794	13,669	22.9%	32	28	13.5%	27	24	12.0%	86.0%	87.2 %	-608	76.3%
Aravia***	37,513	31,943	17.4%	21	17	25.2%	19	14	31.5%	88.6%	84.4 %	-39	100.0%
TOTAL SPAIN				**53**	**45**	**17.9%**	**46**	**39**	**19.2%**			**-647**	
Azores	11,013	9,366	17.6%	15	13	19.2%	14	11	22.7%	89.3%	86.8 %	-260	89.2%
Via Livre				7	6	24.6%	2	1	40.9%	21.2%	18.7 %	7	84.0%
TOTAL PORTUGAL				**22**	**19**	**20.9%**	**15**	**12**	**24.3%**			**-254**	
TOTAL HEADQUARTERS				**7**	**7**	**2.4%**	**-32**	**-24**	**-31.4%**				
TOTAL TOLL ROADS				**355**	**253**	**40.3%**	**255**	**175**	**45.5%**	**71.9%**	**69.4 %**	**-5,318**	

* Traffic in millions of transactions. ** NTE 35W includes contribution from NTE3C (under construction). Net debt 100%: includes all 3 segments. ***ARAVIA ,the contract for the conservation and operation of the section of the A2 highway, has been excluded from the scope of Services sale. In 2021, it was reclassified to continuing operations within Toll Roads.

TOLL ROADS – EQUITY-ACCOUNTED (FIGURES AT 100%)

(EUR million)	TRAFFIC (ADT)			REVENUES			EBITDA			EBITDA MARGIN		NET DEBT 100%	
Equity accounted	**JUN-22**	**JUN-21**	**VAR.**	**JUN-22**	**JUN-21**	**VAR.**	**JUN-22**	**JUN-21**	**VAR.**	**JUN-22**	**JUN-21**	**JUN-22**	**SHARE**
407 ETR (VKT mn)	943	599	57.5%	415	254	62.9%	354	207	70.9%	85.3%	81.4%	-6,357	43.2%
M4	35,064	24,266	44.5%	16	11	47.3%	9	5	66.0%	54.7%	48.5%	-57	20.0%
M3	40,096	30,830	30.1%	9	9	0.0%	5	6	-7.8%	59.6%	64.6%	-54	20.0%
A-66 Benavente Zamora				12	11	7.4%	11	10	7.1%	87.1%	87.3%	-148	25.0%
Serrano Park				3	3	24.1%	2	2	17.8%	67.3%	70.8%	-30	50.0%
Calle 30*				91	76	19.6%	56	46	20.6%	61.7%	61.2%	-187	10.0%
Algarve	14,320	8,865	61.5%	17	15	14.3%	15	13	14.8%	88.0%	87.6%	-50	20.0%
IRB				203			107			52.9%		-1,351	24.9%
Toowoomba				13	12	10.1%	3	2	20.9%	22.3%	20.3%	-235	40.0%
OSARs**				11	21	-46.7%	7	5	27.4%	59.6%	24.9%	-406	50.0%
Zero ByPass (Bratislava)**				-8	17	-148.4%	-12	15	-184.3%	146.2%	84.0%	-822	35.0%

*Calle 30, the maintenance contract of the M-30 road in Madrid, has been excluded from the scope of Services sale. In 2021, it has been reclassified to continuing operations in Toll Roads.
**OSARs and Zero ByPass opened to traffic in 2021, although the project were not 100% completed. OSARs open to traffic in November 2021, but the final acceptance is expected in 2022. Zero ByPass opened to traffic in October 2021, although the Final Occupation Permit is pending and it is expected in 2022.

Appendix II – P&L of Main Infrastructure Assets

407 ETR

(CAD million)	JUN-22	JUN-21	VAR.
Revenues	573	381	50.2%
EBITDA	489	310	57.6%
EBITDA margin	85.3%	81.4%	
EBIT	441	263	67.9%
EBIT margin	77.0%	68.9%	
Financial results	-214	-224	4.5%
EBT	227	39	n.s.
Corporate income tax	-60	-10	n.s.
Net Income	167	28	n.s.
Contribution to Ferrovial equity accounted result (EURmn)	46	4	n.s.

NTE 35W

(USD million)	JUN-22	JUN-21	VAR.
Revenues	80	63	27.3%
EBITDA	69	53	31.1%
EBITDA margin	85.8 %	83.3%	
EBIT	55	41	34.0%
EBIT margin	67.9 %	64.5%	
Financial results	-22	-21	-0.6%
Net Income	33	19	70.7%
Contribution to Ferrovial*	16	9	88.5%

*Globally consolidated asset, contribution to net profit (EURmn). 53.67% stake.

LBJ

(USD million)	JUN-22	JUN-21	VAR.
Revenues	76	60	26.6%
EBITDA	62	48	28.2%
EBITDA margin	81.6 %	80.6%	
EBIT	46	36	29.5%
EBIT margin	60.4 %	59.1%	
Financial results	-40	-35	-14.3%
Net Income	6	0	n.s.
Contribution to Ferrovial*	3	0	n.s.

*Globally consolidated asset, contribution to net profit (EURmn). 54.6% stake

I-77

(USD million)	JUN-22	JUN-21	VAR.
Revenues	26	14	85.8%
EBITDA	15	7	118.1%
EBITDA margin	56.9 %	48.5%	
EBIT	10	4	141.4%
EBIT margin	39.8 %	30.6%	
Financial results	-6	-6	-2.1%
Net Income	5	-1	n.s.
Contribution to Ferrovial*	3	-1	n.s.

*Globally consolidated asset, contribution to net profit (EURmn). 65.10% stake.

NTE

(USD million)	JUN-22	JUN-21	VAR.
Revenues	113	82	38.6%
EBITDA	100	71	40.4%
EBITDA margin	87.9 %	86.8%	
EBIT	80	56	42.8%
EBIT margin	70.8 %	68.8%	
Financial results	-26	-25	-2.4%
Net Income	54	31	75.7%
Contribution to Ferrovial*	32	16	94.0%

*Globally consolidated asset, contribution to net profit (EURmn). 62.97% stake.

HAH

(GBP million)	JUN-22	JUN-21	VAR.
Revenues	1,281	348	267.5%
EBITDA	748	-27	n.s.
EBITDA margin	58.4%	-7.9%	
Depreciation & impairments	-385	-425	-9.6%
EBIT	363	-453	180.2%
EBIT margin	28.3%	-129.9%	
Financial results	-318	-446	28.6%
EBT	45	-899	105.0%
Corporate income tax	-25	9	n.s.
Net income	20	-889	102.2%
Contribution to Ferrovial equity accounted result (EUR mn)	0	-238	100.0%

AGS

(GBP million)	JUN-22	JUN-21	VAR.
Revenues	75	25	196.8%
EBITDA	19	-14	236.1%
EBITDA margin	25.8%	-56.2%	
Depreciation & impairments	-18	-19	-4.8%
EBIT	1	-33	104.1%
EBIT margin	1.8%	-130.8%	
Financial results	-20	-18	-6.2%
EBT	-18	-52	64.8%
Corporate income tax	1	-44	101.5%
Net income	-18	-95	81.7%
Contribution to Ferrovial equity accounted result (EUR mn)	0	-20	100.0%

Heathrow SP & HAH

	Revenues			EBITDA			EBITDA margin		
(GBP million)	JUN-22	JUN-21	VAR.	JUN-22	JUN-21	VAR.	JUN-22	JUN-21	VAR. (bps)
Heathrow SP	**1,280**	**348**	**267.8%**	**744**	**-33**	**n.s.**	**58.1%**	**-9.5%**	**6,768**
Exceptionals & adjs	1	0	n.s.	3	6	-40.9%	448.8%	-9.5%	n.s.
Total HAH	**1,281**	**348**	**267.5%**	**748**	**-27**	**n.s.**	**58.4%**	**-7.9%**	**6,626**

Appendix III – 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 2022/2021	EXCHANGE RATE MEAN (P&L)	CHANGE 2022/2021
GBP	0.8608	0.3%	0.8442	-2.4%
US Dollar	1.0483	-11.5%	1.0878	-9.4%
Canadian Dollar	1.3493	-8.2%	1.3814	-7.8%
Polish Zloty	4.7013	4.0%	4.6514	2.5%
Australian Dollar	1.5166	-4.0%	1.5191	-3.2%

Appendix IV – Shareholder remuneration

SCRIP DIVIDEND

The company held its AGM on April 7th, 2022. 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. The purpose of the program is to offer Ferrovial's shareholders the option, at their choice, of receiving free new shares in Ferrovial, though without altering cash payments to its shareholders, as they can alternatively opt to receive a cash payment by means of selling the free rights received against the shares they already own to Ferrovial (or selling them in the market).

The first of the scrip issues (equivalent to the 2021 complementary dividend) took place in May 2022,with the following result:

Scrip Dividend details	MAY-22
Guaranteed set price to purchase rights	0.278
Rights per share	87
% shareholders chose shares as dividends	47.06 %
% shareholders chose cash as dividends	52.94 %
Number of new shares issued	3,968,559
Number of rights purchase	388,337,800

SHARE BUY-BACK AND AMORTIZATION OF SHARES

On February 24th, 2022, the Board of Directors of Ferrovial resolved to implement a buy-back program of the company's own shares, in accordance with the authorization granted by the AGM held on April 5th, 2017, under item ten of its agenda, along with the authorization of the 2022 AGM (item 13).

The Buy-Back Program will be executed under the following terms:

- Purpose: reduce the share capital of Ferrovial, subject to the prior approval of the AGM.
- Maximum net investment: EUR500mn or 34 million shares, 4.635% of Ferrovial's share capital as of the date thereof.
- Duration: 1st March - 5th December 2022.

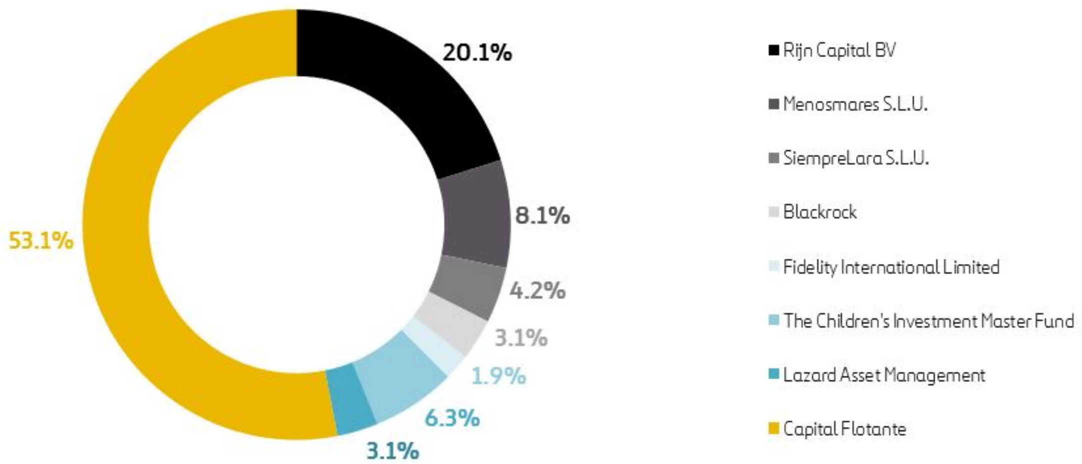
The AGM held on April 7th, 2022 approved a share capital reduction by means of redemption of a maximum of 40,500,783 of Ferrovial's own shares, representing 5.521% of the company's share capital.

Ferrovial held 15,092,811 own shares at end-June 2022, of which 4,331,213 shares were acquired in 2021 and are due to be amortized over the course of 2022, along with the shares acquired under the share buy-back program.

Ferrovial's share capital figure as of June 30th, 2022, was EUR147,514,208 all fully subscribed and paid up. The share capital comprises 737,571,040 ordinary shares of one single class, each with a par value of twenty-euro cents (EUR0.20).

Appendix V – Shareholder Structure

SHAREHOLDER STRUCTURE (CNMV) 30 JUNE 2022



Appendix VI – Events after 1H 222 results closing

Ferrovial, through the Airports Division, has closed the financial aspects to acquire a 60% stake in the company that manages the Dalaman International Airport concession in Turkey. YDA Group, which has operated the asset since 2006 and will retain a 40% ownership interest, has made major improvements to the facilities. The acquisition agreement was completed within the forecast deadlines, fulfilling all conditions, including approval by the local authorities.

The YDA was awarded the concession to operate the airport for the following 26 years in 2014, which was recently extended to 2042. The agreement included the construction of a new international terminal that came into service in 2018. Under the concession agreement, fees per passenger are set and collected in euros, so that the bulk of the airport's revenues are in euros.

Appendix VII – Main risks & uncertainties in the different business areas in 1H 2022

The main risks and uncertainties for the second half of the year are related to the evolution of the conflict in Ukraine and the pandemic situation in the countries where we operate, and how they will affect to Ferrovial's businesses and assets.

Regarding COVID-19, as it has been observed since the beginning of the pandemic, Construction and Services divisions have proven to be resilient even in the worst moments, and so it is expected that these businesses will keep their normal activity in the foreseeable future.

On the other hand, the infrastructure businesses Toll Roads and Airports have continued with a positive trend already started in 2021, being especially significant in airports business as restrictions in the United Kingdom have been completely lifted since March 2022.

Regarding the Ukraine conflict started in February 2022, Ferrovial's direct exposure to the conflict is limited, as its activity is not located in Russia or Ukraine. However, it could be indirectly affected with different impacts depending on the nature of the business, being the most affected business the Construction division, due to the effects derived from the increase in the cost of certain raw materials. Nevertheless, Ferrovial does not expect any material impact related to the conflict.

TOLL ROADS

The business division will continue working in the pipeline for new contracts during the second half of the year in its target regions, focusing primarily on complex greenfield projects, given their high potential for value creation. Ferrovial has been prequalified in two processes: I-10 Calcasieu River (Louisiana, US) and Inglewood Transit Connector (LA, California) and it is working in the RFQ of SR400 in Georgia.

Construction works will continue on various projects, such as the I-66 toll road in Virginia (USA), NTE 35 W Segment 3C (Texas, USA) in North America, Ruta del Cacao in Colombia and The Silvertown Tunnel in UK. It is expected that I-66 toll road in Virginia will become operational during 2H 2022, the concession is granted for 50 years from the closing of the commercial agreement.

US Toll Roads: Managed Lanes in the US showed a solid performance despite global macro environment. NTE, NTE 35W and I-77 traffic performance was above 2019 levels. LBJ traffic is still lagging below 2019 levels.

Dividends from NTE and LBJ were paid to Shareholders in June 2022, amounting to USD63.7 mn in total. Board will continue to monitor the assets performance for any further potential dividend distribution to Shareholders in 2H 2022.

407 ETR: 407 ETR traffic performance continue to be impacted by the pandemic but showed a steady and gradual recovery month over month during 1H 2022. Evolution of traffic of this project will be followed up during the second half of the year. 407 ETR maintained sufficient liquidity to satisfy all of its financial obligations in 2Q 2022.

No dividends were paid to shareholders in 2Q 2022 and CAD200mn dividend was approved for 3Q 2022 by the Board. 407 ETR Board will continue to monitor the asset performance and will review any further potential dividend distribution to Shareholders, as appropriate.

In 2021, Ferrovial acquired 24.86% of the shares of the Indian listed company IRB Infrastructure Developers Ltd for EUR369mn. IRB is a leading player in the Indian market, where it manages 24 projects and above 2,500 kilometers of toll roads.

In 1H 2022, IRB was able to reach important milestones within its portfolio of projects under development achieving Appointed Date (greenlight to start construction) for two projects (Pathankot Mandi and Dankuni Palsit) and Financial Close for two other projects (Chittoor Thatchur and Ganga Expressway Group 1). During the 2H 2022, construction works are expected to commence on Chittoor Thatchur and Ganga Expressway Group 1 and so all the construction backlog will be under execution. Ganga Expressway Group 1 is a greenfield project with a total investment of Rs 6,538 crore that was awarded in December 2021 by the State of Uttar Pradesh. The project comprises build, operate and transfer the six lane greenfield expressway corridor of 129,7 Kms between Meerut and Budaun in Uttar Pradesh.

To facilitate our strategy of achieving sustainable growth, IRB intends to optimize our portfolio assets in order to unlock value to fund the future projects.

On September 2020, Ferrovial reached an agreement, through Cintra, to sell its 49% stake in Norte Litoral and its 48% stake in Via do Infante (Algarve), to DIF Capital Partners. As part of the agreement Cintra will hold a management contract for both assets. Norte Litoral sale was completed in July 2021 but Algarve will be completed in 2H 2022.

In June 2019, an agreement was reached to transfer 65% of the toll roads Ausol I and Ausol II, in Malaga, to the French infrastructures fund Meridiam. As a result of this deal, Ferrovial retained a 15% stake in these concessions, reserving a sale option for itself, and also granting a purchase option for Meridiam. The complete sale is expected in the 2H of 2022.

AIRPORTS DIVISION

The global aviation industry is recovering from the pandemic, and the legacy of COVID continues to pose challenges for the entire sector as it rebuilds capacity. Latest forecasts include the assumption that the second half of 2022 will continue to outperform, in line with what has been seen during Q2 (once travel restrictions were lift).

No significant impact has been observed from war in Ukraine, although a degree of uncertainty remains on future potential impact if the economy continues being put under pressure.

Heathrow Airport: Passenger numbers are higher now than at any time since the start of the pandemic, as travellers set out to enjoy the first summer in three years with no UK-based restrictions. Passenger levels are recovering faster at Heathrow than any other EU hub.

To manage demand, some airlines took action as part of the Government slot amnesty programme, however the level of engagement was insufficient to balance out increasing demand with current capacity levels. Following an assessment, the airport decided that the maximum number of daily departing passengers that airlines, airline ground handlers and the airport can collectively serve over the summer is no more than 100,000. With passenger number set to exceed this level, the airport has taken the responsible action to introduce a daily departing cap, in line with many other airports around the world.

Regulatory challenges remain ahead, with CAA's proposal undermining delivery of key improvements. Recent disruption across the aviation sector has demonstrated why Heathrow needs the level of investment it asked the CAA for. The final proposal from the CAA as it stands will not deliver the service levels that passengers expect at Heathrow, and instead only serves to undermine the delivery of key improvements for passengers, while also raising serious questions about Britain's attractiveness to private investors. Economic regulation should drive affordable private investment in Britain's infrastructure to the benefit of users, not hamper it. There is still time for the CAA to get this right with a plan that puts passengers first.

AGS: AGS Aiports Limited has built back 62% volume on passenger numbers since 2019 in the first 6 months of 2022. Recovery from the COVID-19 pandemic impact has been stronger than anticipated, however, there are concerns over the increasing inflation and interest rates which are being monitored closely on a daily basis and their potential impact analyzed.

AGS airports continue to collaborate with their business partners to ensure global staff shortages are monitored and operational risk minimised. AGS Airports are continuing to manage its cost base to recover losses and are closely tracking economic factors.

Additionally to the Covid recovery, in the second half of 2022, AGS Airports will continue to be involved in the Southampton runway extension process.

JFK: In June 2022 Ferrovial became the main shareholder (49% share) of the company that will build and manage the concession of the new Terminal 1 of JFK Airport (New York). The construction has been initiated in July and is expected to continue through the second half of 2022.

Dalaman Airport: In July 2022, the acquisition of a 60% share in the company that manages the concession of Dalaman International Airport in Turkey was signed. The area is an important holiday spot for both, domestic and international passengers and has been recovering traffic during 2022, as travel restrictions were lifted. The airport has seen a decrease in Russian and Ukrainian passengers, but the impact is limited and partly offset by higher numbers of British and German travelers.

CONSTRUCTION DIVISION

Evolution of the construction activity of the group in the second half of 2022 in the main markets will continue facing the new macro scenario conditions. Management is monitoring closely the situation to mitigate the impacts, initiating negotiations with clients or claims to Public Administration where possible (mainly Spain and Poland). Regarding the main markets:

USA: Activity according to construction pace expectations, where various large projects are closed to end: I-66 (Virginia), I-285 (Georgia), Grand Parkway (Texas) and California High Speed Rail (California). Others such as I-35 NEX still in early stage (mainly design). Webber positive evolution thanks to recurrent orderbook in Texas and stable margin.

Poland: Public tendering in Poland will continue to remain upbeat, thanks to budget and timeframes of the national long-term highway and rail plans. Revenue growth is expected to maintain levels despite of greater selectivity in the project tendering process, to mitigate yield tensions in the sector linked to the uplift in staffing and material costs. However, important awards reached in 2022, some of them pending to recognize in orderbook (23% of total division) such as Gdansk port terminal (245 ME).

Spain: Revenues continue to decline slightly due to lack of Public investment growth and high levels of competition in public tenders, partially offset by the activity in private construction work. We continue to focus on selective contracts, prioritizing returns over volume. However, Iberian orderbook still represents 15% of the total business.

In relation to the other areas, United Kingdom exposure for the division will be 10% in terms of revenues and 8% in the orderbook as of June 2022. In the following months, progress will be focused on major works such as the Thames Tideway Tunnel, Silvertown or High Speed 2 (once the extension of the Northern Line of the London Underground and the Farringdon extension came to an end). Finally, LATAM contracts mainly based on Chile (3% of total orderbook as of June) and Australia starting Sydney Metro works while recent important awards such as Coffs Harbour (450 ME) continue increasing orderbook (5%).

FINANCIAL AND CAPITAL RISK

The main financial and capital risk to which Ferrovial is exposed is described in detail in the consolidated annual accounts for the 2021 financial year. The following are the main financial and capital risks:

- Interest rate variations
- Exchange rate variations
- Credit and counterparty risk
- Liquidity risk
- Variable income risk
- Inflation risk
- Capital management risk

As regards variation in the exchange rate, it should be noted that the value of the US dollar and the Australian have strengthened slightly against the EUR during the first half of 2022, closing at 0.86081 GBP/EUR, 1.0483 USD/EUR and 1.51655 AUD/EUR 1.34929 CAD/EUR on 30 June, implying a depreciation of 2.3% and an appreciation of 7.8%, 3.1% and 6.1% respectively as compared with December 2021. The impact of the appreciation of the euro is already accounted for in the company's shareholders' funds.

As regards exposure to exchange rate risk, it should be mentioned that the company has arranged hedging in the notional amount of USD1,927mn, CAD4,377mn and GBP233mn. This will cover an average rate of 1.0921 USD/EUR, 1.3741CAD/EUR and 0.8645 GBP/EUR. The company's strategy in this regard is to guarantee the value of the company assets.

LIQUIDITY AND GOING CONCERN

Ferrovial faces 2022 with a high liquidity position. In June 2022, ex-infra projects net cash position amounted to EUR 1,521mn. (2,182 million at December 2021).

Even in a stress case scenario although it would entail a very significant deterioration of Ferrovial's cash position, cash resources would continue to be sufficient to meet commitments. Ferrovial's finances are sufficient to guarantee the capacity to continue operating under the going concern principle during 2022 and 2023, with no material uncertainties having been identified to doubt this conclusion.

Appendix VIII – Alternative Performance Measures

The company presents its results in accordance with generally accepted accounting standards (IFRS). In addition, in the Management Report released in June, the management provides other non-IFRS regulated financial measures, called APMs (Alternative Performance Measures) according to the directives of European Securities and Markets Authority (ESMA). Management uses those APMs in decision-taking and to evaluate the performance of the company. Below there are details of disclosures required by the ESMA on definition, reconciliation, explanation of use, comparisons and consistency of each APM. More detailed information is provided on the corporate web page: https://www.ferrovial.com/en/ir-shareholders/financial-information/quarterly-financial-information/. Additionally, on this web page the reconciliation of the comparable "like for like growth", order book and proportional results are provided.

EBITDA = Gross operating result

- **Definition:** operating result before charges for fixed asset and right of use of leases depreciation and amortization.
- **Reconciliation:** the company presents the calculation of EBITDA in the Consolidated P&L as: Gross Operating Profit = Total Operating Revenues – Total Operating Expenses (excluding those relative to fixed assets and right of use 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. Therefore, we use 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, by comparing EBITDA with net debt.
- **Comparisons:** the company presents comparative figures with previous years.
- **Consistency:** the criteria used to calculate EBITDA is the same as the previous year.

COMPARABLE ("LIKE-FOR-LIKE GROWTH" LfL)

- **Definition:** relative year-on-year variation in comparable terms of the figures for revenues, EBITDA, EBIT 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 homogenization 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 number of months in both periods.
  - Elimination of the restructuring costs, in both periods.
  - 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 whose revenues represent ≥5% of the reporting unit's revenues before the acquisition).
  - In the case of changes in the accounting model of a specific contract or asset, when material, the homogenization is undertaking by applying the same accounting model to the previous year operating result.
  - 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.
  - With respect to the Services division businesses that have been divested in the current period, or that are held for sale, which are presented in the Consolidated Profit and Loss Account as discontinued operations, to better explain the business performance, in the Management Report it has been included a separated breakdown of Revenues, EBITDA and Order book, despite being classified as discontinued operations.
  - 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:** the comparable growth is presented in separate columns on Business Performance section of the Management Report and its reconciliation in the Appendix included in the corporate web page.
- **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 growth breakdown is only shown for the current period compared with the previous period.
- **Consistency:** the criterion used to calculate the comparable growth is the same as the previous year.

CONSOLIDATED NET DEBT

- **Definition:** this is the net balance of Cash and cash equivalents (including short and long-term restricted cash), minus short and long-term financial debt (bank debt and bonds), including the balance related 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. The lease liability (due to the application of the IFRS 16 standard) is not part of the Consolidated Net Debt.
- **Reconciliation:** a detailed breakdown of the reconciliation of this figure is given in the section headed Net Debt in the June 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:
  - **Net debt 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 corresponding to infrastructure project companies.
  - **Net debt ex-infrastructure projects.** This is the net debt of Ferrovial's other businesses, including the group holding companies and other companies that are not considered infrastructure projects. 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.
- **Consistency:** the criterion used to calculate the net debt figure is the same as the previous year.

EX INFRASTRUCTURE LIQUIDITY

- **Definition:** is the sum of the cash and cash equivalents ex infrastructure projects and the committed short and long term credit facilities undrawn by the end of the period, corresponding to credits granted by financial entities which may be drawn by the Company within the terms, amount and other conditions agreed in the contract.
- **Reconciliation:** a detailed breakdown of the reconciliation of this figure is given in the June Interim Management 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 liquidity to cope with any commitment.
- **Comparisons:** the company does not present comparisons with previous years as it is not considered relevant information
- **Consistency:** this criterion is established for the first time to explain the liquidity of the Group.

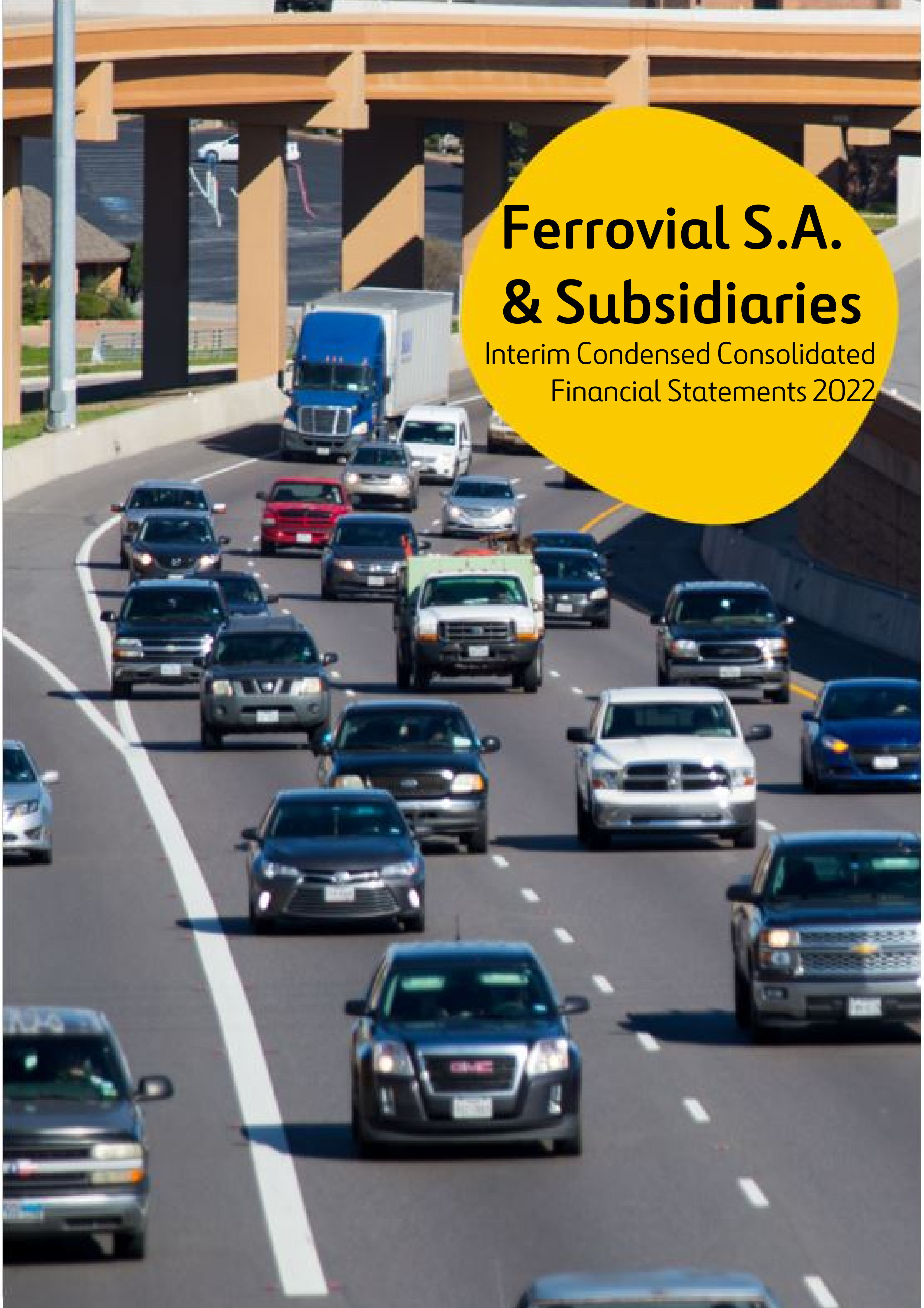
ORDER BOOK

- **Definition:** the income 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 income from a contract corresponds to the agreed price or rate corresponding to the delivery of goods and/or the rendering of the contemplated services. If the execution of a contract is pending the closure of financing, the income from said contract will not be added to the order book until financing is closed. The order book is calculated by adding the contracts of the actual year to the balance of the contract order book at the end of the previous year, less the income recognized in the current year.
- **Reconciliation:** the order book is presented under key figures under Services and Construction sections of the Management Report. There is no comparable financial measure in IFRS. The reconciliation between total figures and the proportional figures is included in the Appendix provided in the web. This reconciliation is based on the order book value of a specific construction being comprised of its contracting value less the construction work completed, which is the main component of the sales figure. The difference between the construction work completed and the Construction sales figure reported in Ferrovial's Financial Statements is attributable to the fact that consolidation adjustments, charges to JVs, sale of machinery, confirming income and other adjustments are made to the latter. In addition to contracts awarded and the construction work completed, the exchange rate of contracts awarded in foreign currency, rescission (when a contract is terminated early) or changes to the scope are all aspects that also have an impact on the movement between the original order book (corresponding to the previous year) and the end order book (for the year in question), as shown in the tables at the end of this document. Management believes that the order book is a useful indicator in terms of the future income of the company, as the order book for a specific construction will be comprised of the final sale of said construction less the net construction work undertaken.
- **Explanation of use:** The Management believes that the order book is a useful indicator with respect to the future income of the Company, due to the order book for a specific work will be the final sale of said work less the work executed net at source.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criteria used to calculate order book is the same as the previous year.

PROPORTIONAL RESULTS

- **Definition:** the Ferrovial proportional results are calculated as described below:
  - **Infrastructure divisions (Toll Roads and Airports):** the proportional results include the infra projects consolidated results in the proportion of Ferrovial's ownership in those projects, regardless to the applied consolidation method.
  - **Rest of divisions:** the proportional results include the figures reported in the consolidated profit and loss account, as the difference of applying the proportional method would not be relevant.

  This information is prepared to EBITDA.
- **Reconciliation:** a reconciliation between total and proportional figures is provided in the web.
- **Explanation of use:** the proportional results can be useful for investors and financial analysts to understand the real weight of business divisions in the operative results of the group, especially keeping in mind the weight of certain assets consolidated under the equity method as 407 ETR from Toronto and the airport of Heathrow. It is an indicator that other competitors with significant subsidiaries in infrastructure projects consolidated under the equity method present.
- **Comparisons:** the company presents comparisons with previous years.
- **Consistency:** the criteria employed for calculating proportional results is the same as the previous year.



Ferrovial S.A. & Subsidiaries

Interim Condensed Consolidated Financial Statements 2022

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 30 JUNE 2022 AND 31 DECEMBER 2021

ASSETS (Millions of euros)	NOTE	30.06.2022	31.12.2021
Non-current assets		**17,319**	**15,794**
Goodwill on consolidation	5.2	453	420
Intangible assets		135	126
Fixed assets in infrastructure projects	5.3	12,436	11,185
Intangible asset model		12,269	11,016
Financial asset model		167	169
Investment property		0	0
Property, plant and equipment		390	348
Right-of-use leased assets		148	156
Investments in associates	5.4	2,057	1,838
Non-current financial assets	8	944	879
Long-term loans to associates		237	227
Restricted cash in infrastructure projects and other financial assets	7	601	579
Other receivables		106	73
Deferred taxes	5.7	543	549
Long-term financial derivatives at fair value	8.2	213	293
Current assets		**8,238**	**9,102**
Assets classified as held for sale	1.3	1,135	1,761
Inventories		446	405
Current income tax assets		82	78
Short-term trade and other receivables	5.5	1,495	1,317
Trade receivables for sales and provision of services		1,182	1,045
Other short-term receivables		313	272
Other short-term financial assets		0	11
Cash and cash equivalents	7	5,071	5,515
Infrastructure project companies		219	207
Restricted cash		40	47
Other cash and cash equivalents		179	160
Ex-infrastructure project companies		4,852	5,308
Short term financial derivatives at fair value	8.2	9	15
TOTAL ASSETS		**25,557**	**24,896**

Notes 1 to 17 form part of the interim condensed consolidated financial statements at 30 June 2022.

LIABILITIES AND EQUITY (Millions of euros)	NOTE	30.06.2022	31.12.2021
Equity	6	**6,008**	**5,839**
Equity attributable to shareholders		4,046	4,048
Equity attributable to non-controlling interests		1,962	1,791
Deferred income		**1,521**	**1,402**
Non-current liabilities		**11,495**	**11,078**
Pension plan deficit		3	3
Long-term provisions	5.6	428	421
Long-term lease liabilities		101	108
Bank borrowings	7	10,067	9,512
Debentures and borrowings of infrastructure project companies		7,919	7,362
Debt securities and borrowings of ex-infrastructure project companies		2,148	2,150
Other payables		87	69
Deferred taxes	5.7	698	670
Financial derivatives at fair value	8.2	111	295
Current liabilities		**6,533**	**6,577**
Liabilities classified as held for sale	1.3	1,009	1,478
Short-term lease liabilities		50	51
Bank borrowings	7	1,284	1,074
Debentures and borrowings of infrastructure project companies		45	47
Bank borrowings of ex-infrastructure project companies		1,239	1,027
Financial derivatives at fair value	8.2	167	110
Current income tax liabilities		71	69
Short-term trade and other payables	5.5	2,974	2,793
Trade payables		1,641	1,535
Advance payments from customers		961	885
Other short-term payables		372	373
Trade provisions	5.6	978	1,002
TOTAL LIABILITIES AND EQUITY		**25,557**	**24,896**

Notes 1 to 17 form part of the interim condensed consolidated financial statements at 30 June 2022.

B. CONSOLIDATED INCOME STATEMENT FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2022 AND 30 JUNE 2021

		30.06.2022			30.06.2021 (***)		
Income statement (millions of euros)	**Note**	**Before fair value adjustments**	**Fair value adjustments (*)**	**Total 2022**	**Before fair value adjustments**	**Fair value adjustments (*)**	**Total 2021**
Revenue	4	3,465	0	3,465	3,135	0	3,135
Other operating income		1	0	1	1	0	1
TOTAL OPERATING INCOME		**3,466**	**0**	**3,466**	**3,136**	**0**	**3,136**
Materials consumed		576	0	576	496	0	496
Other operating expenses		1,912	0	1,912	1,770	0	1,770
Staff costs	11	672	0	672	607	0	607
TOTAL OPERATING EXPENSES		**3,160**	**0**	**3,160**	**2,873**	**0**	**2,873**
EBITDA		**306**	**0**	**306**	**263**	**0**	**263**
Fixed asset depreciation	9.1	138	0	138	126	0	126
Operating profit/(loss) before impairment and disposal of fixed assets		**168**	**0**	**168**	**137**	**0**	**137**
Impairment and disposal of fixed assets (**)	9.2	0	0	0	16	0	16
Operating profit/(loss)		**168**	**0**	**168**	**153**	**0**	**153**
Net financial income/(expense) from financing		-109	0	-109	-105	0	-105
Profit/(loss) on derivatives and other net financial income/(expense)		-8	-58	-66	-3	-47	-49
Net financial income/(expense), infrastructure projects		**-117**	**-58**	**-175**	**-108**	**-47**	**-154**
Net financial income/(expense) from financing		12	0	12	-23	0	-23
Profit/(loss) on derivatives and other net financial income/(expense)		1	44	45	4	-2	1
Net financial income/(expense), ex-infrastructure projects		**13**	**44**	**57**	**-19**	**-2**	**-22**
Net financial income/(expense)	9.3	**-104**	**-14**	**-118**	**-127**	**-49**	**-176**
Share of profits of equity-accounted companies	5.4	46	9	54	-214	-26	-241
Consolidated profit/(loss) before tax		**110**	**-5**	**104**	**-188**	**-75**	**-264**
Corporate income tax	9.4	-25	3	-21	-31	0	-30
Consolidated profit/(loss) from continuing operations		**85**	**-2**	**83**	**-219**	**-75**	**-294**
Profit/(loss) from discontinued operations	9.5	-5	0	-5	197	0	198
Consolidated profit/(loss) for the year		**80**	**-2**	**78**	**-22**	**-75**	**-96**
Profit/(loss) for the year attributed to non-controlling interests		-41	14	-28	-98	11	-88
Profit/(loss) for the year attributed to the parent company		**39**	**12**	**50**	**-120**	**-64**	**-184**
Net earnings per share attributed to the parent company (in euros)			Basic	0.06		Basic	-0.26
			Diluted	0.06		Diluted	-0.26

(*) Relating to gains and losses arising from changes in the fair value of derivatives and other financial assets and liabilities (Note 8.2), asset and liability impairment (Note 9.2) and the impact of the two items on "share of profits of equity-accounted companies" (Note 5.4).

(**) “Impairment and disposals of fixed assets” primarily includes asset impairment and the gains or losses on the purchase, sale and disposal of investments in Group companies and associates. When any such acquisitions or disposals of assets results in a takeover or loss of control, the capital gain relating to the updating of the fair value in respect of the stake maintained is recognised in the column showing fair value adjustments.

(***) Restated figures (Note 3.1)

Notes 1 to 17 form part of the interim condensed consolidated financial statements at 30 June 2022.

C. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2022 AND 2021

	(Millions of euros)	Note	30.06.2022	30.06.2021 (**)
a)	**Total consolidated profit/(loss) for the year**		**78**	**-96**
	Attributed to the parent company		50	-184
	Attributed to non-controlling interests		28	88
b)	**Income and expenses recognised directly in equity**	6	**463**	**172**
	Fully-consolidated companies		317	12
	Impact on hedging reserves	8	174	13
	Impact on defined benefit plan reserves (*)		0	0
	Currency translation differences		183	-1
	Tax effect		-40	0
	Companies classified as held for sale		-7	23
	Impact on hedging reserves		0	6
	Impact on defined benefit plan reserves (*)		0	0
	Currency translation differences		-7	18
	Tax effect		0	-1
	Equity-accounted companies		153	137
	Impact on hedging reserves		80	45
	Impact on defined benefit plan reserves (*)		0	33
	Currency translation differences		91	85
	Tax effect		-18	-26
c)	**Transfers to the income statement**	6	**-40**	**0**
	Fully-consolidated companies		-47	0
	Transfers to income statement		-62	0
	Tax effect		15	0
	Companies classified as held for sale		7	0
	Transfers to the income statement		9	0
	Tax effect		-2	0
	Equity-accounted companies		0	0
	Transfers to income statement		**0**	**0**
	Tax effect		**0**	**0**
a+b+c	**TOTAL COMPREHENSIVE INCOME**		**501**	**76**
	Attributed to the parent company		361	-11
	Attributed to non-controlling interests		140	87

(*) The impact on reserves of defined benefit plans is the only item of income and expense recognised directly in equity that cannot subsequently be reclassified to the income statement (Note 6).

(**) Restated figures (Note 3.1)

Notes 1 to 17 form part of the interim condensed consolidated financial statements at 30 June 2022.

D. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2022 AND 2021

(Millions of euros)	Share capital	Share/Merger premium	Treasury shares	Other equity instruments	Measurement adjustments	Retained earnings and other reserves	Attributed to shareholders	Attributed to non-controlling	Total equity
Balance at 31.12.2021	**147**	**218**	**-124**	**507**	**-1,299**	**4,599**	**4,048**	**1,791**	**5,839**
Consolidated profit/(loss) for the year	0	0	0	0	0	50	50	28	78
Income and expenses recognised directly in equity	0	0	0	0	351	0	351	112	463
Transfers to the income statement	0	0	0	0	-40	0	-40	0	-40
Total recognised income and expenses during the year	**0**	**0**	**0**	**0**	**311**	**50**	**361**	**140**	**501**
Scrip dividend agreement	1	0	0	0	0	-109	-108	0	-108
Other dividends	0	0	0	0	0	0	0	-119	-119
Treasury share transactions	0	-218	-248	0	0	218	-248	0	-248
Shareholder remuneration	**1**	**-218**	**-248**	**0**	**0**	**109**	**-356**	**-119**	**-475**
Share capital increases/reductions	0	0	0	0	0	0	0	151	151
Share-based remuneration schemes	0	0	0	0	0	-1	-1	0	-1
Other movements	0	0	0	0	0	3	3	0	3
Other transactions	**0**	**0**	**0**	**0**	**0**	**2**	**2**	**151**	**153**
Perpetual subordinated bond issues	**0**	**0**	**0**	**-6**	**0**	**-3**	**-9**	**0**	**-9**
Scope changes	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**-1**	**-1**
Balance at 30.06.2022	**148**	**0**	**-372**	**501**	**-988**	**4,757**	**4,046**	**1,962**	**6,008**

(Millions of euros)	Share capital	Share/Merger premium	Treasury shares	Other equity instruments	Measurement adjustments	Retained earnings and other reserves	Attributed to shareholders	Attributed to non-controlling	Total equity
Balance at 31.12.2020 (*)	**147**	**647**	**-13**	**506**	**-1,496**	**3,359**	**3,150**	**640**	**3,790**
Consolidated profit/(loss) for the year	0	0	0	0	0	-184	-184	87	-97
Income and expenses recognised directly in equity	0	0	0	0	173	0	173	0	173
Transfers to the income statement	0	0	0	0	0	0	0	0	0
Total recognised income and expenses during the year	**0**	**0**	**0**	**0**	**173**	**-184**	**-11**	**87**	**76**
Scrip dividend agreement	1	0	0	0	0	-13	-12	0	-12
Other dividends	0	0	0	0	0	0	0	-94	-94
Treasury share transactions	0	-80	-80	0	0	80	-80	0	-80
Shareholder remuneration	**1**	**-80**	**-80**	**0**	**0**	**67**	**-92**	**-94**	**-186**
Share capital increases/reductions	0	0	0	0	0	0	0	9	9
Share-based remuneration schemes	0	0	0	0	0	-10	-10	0	-10
Other movements	0	0	0	0	0	1	1	0	1
Other transactions	**0**	**0**	**0**	**0**	**0**	**-9**	**-9**	**9**	**0**
Perpetual subordinated bond issues	**0**	**0**	**0**	**-5**	**0**	**-4**	**-9**	**0**	**-9**
Consolidation scope changes	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Balance at 30.06.2021 (*)	**148**	**567**	**-93**	**501**	**-1,323**	**3,229**	**3,029**	**642**	**3,671**

(*) Restated figures (Note 3.1)

Notes 1 to 17 form part of the interim condensed consolidated financial statements at 30 June 2022.

E. CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX-MONTH PERIODS ENDED 30 JUNE 2022 AND 30 JUNE 2021

(Millions of euros)	NOTE	2022	2021 (*)
Net profit/(loss) attributable to parent company		50	-184
Adjustments to profit/(loss)		329	642
Non-controlling interests		*28*	*88*
Net profit/(loss) from discontinued operations		*5*	*-198*
Tax		*21*	*30*
Profit/(loss) from equity-accounted companies		*-54*	*241*
Net financial income/(expense)		*118*	*176*
Impairment and disposal of fixed assets		*0*	*-16*
Depreciation/amortisation		*138*	*126*
EBITDA discontinued operations		*73*	*195*
EBITDA including discontinued operations		**379**	**458**
Tax payments		-34	-18
Working capital variation (receivables, payables and other)	5.5	-218	-188
Dividends from infrastructure project companies received	5.4	12	14
Cash flows from operating activities		**139**	**266**
Investments in property, plant and equipment/intangible assets		-34	-48
Investments in infrastructure projects	5.3	-295	-71
Loans granted to associates/acquisition of companies		-56	-215
Interest received	9.3	16	0
Investment of long-term restricted cash		26	89
Divestment of infrastructure projects		0	0
Divestment/sale of companies	1.2	180	356
Cash flows from investing activities		**-163**	**111**
Cash flows before financing activities		**-24**	**377**
Capital cash flows from non-controlling interests	6	114	11
Scrip dividend		*-108*	*-12*
Acquisition of treasury shares		*-248*	*-80*
Shareholder remuneration	6	-356	-92
Dividends paid to non-controlling interests of investees	6	-115	-93
Other movements in shareholder's funds	6	3	-7
Cash flows from financing activities (own funding)		-354	-181
Interest paid	9.3	-156	-155
Lease instalments		-49	-62
Increase in borrowings		228	32
Decrease in borrowings		-36	-1,188
Net change in borrowings, discontinued operations		-1	-28
Cash flows from financing activities		**-368**	**-1,582**
Effect of exchange rates on cash and cash equivalents		**13**	**69**
Change in cash and cash equivalents due to consolidation scope changes		**0**	**-111**
Change in cash and cash equivalents from discontinued operations	7	**-65**	**-41**
Change in cash and cash equivalents	7	**-444**	**-1,288**
Cash and cash equivalents at beginning of the year		5,515	6,483
Cash and cash equivalents at end of the year		5,071	5,195

Notes 1 to 17 form part of the interim condensed consolidated financial statements at 30 June 2022.

(*) Restated figures (Note 3.1)

F. NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2022

1. Activities and consolidation scope changes

1.1 Activities

Ferrovial comprises the parent company, Ferrovial, S.A., incorporated in Spain and its subsidiaries. Its registered office is in Madrid, at Calle Príncipe de Vergara 135.

Through these companies, Ferrovial engages in the following three lines of business, which are its reporting segments pursuant to IFRS 8:

- Construction: Design and build of all manner of public and private works, including most notably the construction of public infrastructure.
- Toll roads: Development, financing and operating of toll roads.
- Airports: Development, financing and operating of airports.

Besides these three business lines, Ferrovial has interests in other businesses such as the development of Energy Infrastructures (transmission lines and renewable energy generation plants), Mobility (through the ownership interest in Zity), Waste Treatment Plants in the UK Services Division and the other Services businesses that are still being divested, as explained in Note 1.3.

For a more detailed description of the various areas of activity in which the consolidated Group conducts its business operations, please consult the Group's website: www.ferrovial.com.

For the purpose of understanding these interim consolidated financial statements, it should be noted that a part of the activity carried out by the Group's business divisions consists of the development of infrastructure projects, primarily in the toll road and airport business lines, but also in the construction and energy fields. The modus operandi for these projects is described in the annual accounts as of 31 December 2021.

These projects are conducted through long-term arrangements with public authorities under which the concession operator, in which the Group generally has an ownership interest together with other shareholders, finances the construction or upgrade of public infrastructure, mainly with borrowings secured by the cash flows from the project and with the shareholders' capital contributions, and subsequently operates and maintains the infrastructure. The investment is recovered by collecting tolls or regulated charges for the use of the infrastructure, or through amounts paid by the authority awarding the contract based on the availability for use of the related asset. In most cases the construction of the infrastructure is subcontracted by the concession operators to the Group's construction division.

From an accounting standpoint, most of these arrangements are within the scope of application of IFRIC 12.

Accordingly, and in order to aid understanding of the Group's financial performance, these consolidated financial statements separately detail the impact of projects of this nature in "fixed assets in infrastructure projects" (distinguishing between those to which the intangible asset model is applied and those to which the financial asset model is applied), in long-term financial assets and, mainly, in the net cash position and the cash flow disclosures, in which the cash flows called "ex-infrastructure projects", which combines the cash flows generated by the construction and other businesses, the dividends from the capital invested in infrastructure projects and investments in or divestments of the share capital of these projects, are presented separately from the cash flows of the infrastructure projects, which include the cash flows generated by the related concession operators.

It is also important to highlight that two of the Group's main assets are its 25% ownership interest in Heathrow Airport Holdings (HAH), the company that owns Heathrow Airport in London (UK), and its 43.23% ownership interest in 407 ETR, the concession operator of the 407 ETR toll road in Toronto (Canada), which are equity-accounted companies since 2011 and 2010, respectively.

Details of these companies are included in note 5.4 on Investments in equity-accounted companies.

Lastly, it should be noted that the Services business carried out by Budimex in Poland is included in the Construction segment.

1.2 Consolidation scope changes

Below is a description of the most significant changes in the consolidation scope in the first six months of 2022:

Airports

<u>Investment in the company holding the concession for the new terminal one at New York's JFK Airport (JFK NTO LLC).</u>

On 10 June, Ferrovial entered into an agreement to invest in the capital of the company JFK NTO LLC, which will remodel, build, finance, operate and maintain the facilities of the new terminal one at New York's John F. Kennedy International Airport.

Ferrovial holds a 49% indirect ownership interest in the project. Other shareholders are Carlyle (indirect holdings of 2%), JLC (direct holdings of 30%) and Ullico (direct holdings of 19%).

Also, on 10 June, the concession contract (Lease Agreement) with the Port Authority of New York and New Jersey (PANYNJ) and the financing and construction contracts came into force.

The forecast investment in the project amounts to USD 9,600 million (construction phases A and B) and will be funded by a capital contribution of USD 2,330 million from the project partners, of which Ferrovial will contribute USD 1,142 million and the remainder will be funded by non-recourse borrowings. The terminal is expected to come into operation in 2026, with the concession contract ending in 2060.

The revenue streams for JFK NTO LLC under the lease agreement are the passengers' fees charged to the airlines and commercial revenues.

The shareholder agreements and the other project contracts have been analysed and the conclusion was drawn that the qualified majorities and minority shareholders' veto rights set out in the shareholder agreements for the approval of most of the important decisions means that they must be taken, de facto, with the support of the other shareholders, entailing a situation of **joint control**. The ownership interest in the project will be consolidated using the **equity method, in accordance with IFRS 11**.

Services

On 31 January 2022, the sale agreement between Ferrovial and Portobello Capital for the infrastructure upkeep and maintenance business in Spain was completed once all the conditions precedent had been fulfilled. The total price of the shares received by Ferrovial was EUR 171 million. The sale agreement states that a Ferrovial subsidiary has acquired 24.86% of the buyer's capital for a price of EUR 17.5 million. In line with the requirements of IFRS 10, the shareholder agreement has been analysed. revealing that Ferrovial has **significant influence** in the said company, which is therefore equity-accounted in Ferrovial's financial statements.

1.3 Assets and liabilities held for sale and discontinued operations

Discontinued operations

Services Division

As explained in Note 1.2, on 31 January 2022 the sale of the infrastructure upkeep and maintenance business in Spain to Portobello Capital was completed.

In addition, the business operated in the UK through the subsidiary Amey, sold the business consisting of providing financial management services to PFI (Private Funding Initiative) investment projects, by selling the shares in Amey Ventures Management Services Limited for GBP 5 million in the first quarter of 2022. In the second quarter of 2022, Amey's business area engaged in energy and water infrastructure maintenance was sold for a total price of GBP 20 million, including a deferred payment of GBP 18 million arranged through a loan to the buyer.

As regards Amey's other business activities and the mining services business in Chile, the company is still actively working on the sale and deems the divestments as highly probable. The assets are able to be sold immediately, and there are advisor mandates in force and conversations are under way with potential investors, the aim being to sell the assets at a price that is reasonable in relation to their current market value.

<u>Measurement of assets at fair value</u>

In line with IFRS 5, the assets and liabilities of each of the units included under discontinued operations must be measured at the lower of its carrying amount or fair value, less costs to sell.

Fair value has been determined taking account of information on the latest indicative offers received, provided it is certain that those offers will materialise.

With respect to the carrying amount, it is important to consider that results for the year do not include fixed asset depreciation charges, as indicated in the following section.

Impact on the presentation of the financial statements

The reclassification of these businesses to discontinued operations has had the following impacts on these financial statements:

- The profit/(loss) after tax generated is not reported on each line of the income statement but on a single line named "Net profit/(loss) from discontinued operations", in both 2022 and 2021 (Note 9.5). Pursuant to IFRS 5, this profit/(loss) does not include depreciation/amortisation charged on the assets. This heading also includes the potential profit/(loss) of impairments due to the fair value adjustment of the assets, as well as the final profit/(loss) created at the moment of sale.
- For the purposes of the balance sheet, all assets and liabilities attributable to these businesses have been reclassified to "Assets/liabilities held for sale and discontinued operations".
- Note 10 on "Contingent assets and liabilities and investment commitments" includes information on discontinued operations.
- The following table provides a breakdown by nature of the assets and liabilities classified as discontinued operations as of June 2022 and December 2021:

Services Division (millions of euros)	JUN. 2022	DEC. 2021	VAR.
Non-current assets	**741**	**1,001**	**-260**
Goodwill	95	117	-22
Intangible assets	60	96	-36
Fixed assets in infrastructure projects	0	66	-66
Property, plant and equipment	31	86	-55
Right of use	189	268	-79
Deferred taxes	108	205	-97
Other non-current assets	257	163	94
Current assets	**364**	**732**	**-368**
Inventories	12	14	-1
Short-term trade and other receivables	145	537	-392
Cash and cash equivalents	163	139	24
Other current assets	43	42	1
TOTAL assets classified as discontinued operations	**1,104**	**1,733**	**-629**

Services Division (millions of euros)	JUN. 2022	DEC. 2021	VAR.
Deferred income	**0**	**0**	**0**
Non-current liabilities	**170**	**338**	**-169**
Long-term provisions	19	26	-6
Long-term lease liabilities	57	94	-37
Bank borrowings	1	52	-51
Deferred taxes	89	148	-59
Other non-current liabilities	**3**	**19**	**-16**
Current liabilities	839	1,140	-300
Short-term lease liabilities	27	45	-18
Bank borrowings	22	27	-5
Short-term trade and other payables	653	880	-227
Trade provisions	59	101	-42
Other current liabilities	78	86	-9
TOTAL liabilities classified as discontinued operations	**1,009**	**1,478**	**-469**

Assets and liabilities held for sale, Toll road business

The net balance of assets and liabilities classified as held for sale as at June 2022 amount to EUR 30 million. This balance mainly comprises 20% of the equity-accounted Portuguese toll road Via do Infante, the sale of which is pending approval from the country's authorities.

The net balance of assets and liabilities held for sale stood at EUR 28 million at December 2021.

Unlike the discontinued operations, results arising from held-for-sale assets are still reported on the corresponding income statement lines.

2. Current economic situation

2.1 Impact of COVID-19

More than two years after the World Health Organization declared the Covid-19 global pandemic, the return to pre-pandemic normality is progressing well in 2022. This has allowed the countries in which Ferrovial operates to raise the restrictions on mobility and on economic activities that were in force since the start of the pandemic, although at an uneven rate depending on the country, and with ups and downs caused by the new variants and successive waves, especially with Omicron at the start of the year. This has permitted a considerable recovery in demand for the activities carried out by Ferrovial and the confirmation of the favourable outlook.

Ferrovial's businesses continued the positive trend already observed in the previous year. In the Airports business, the slow pace of recovery in 2021 picked up speed thanks to the lifting of all restrictions in the United Kingdom as from March 2022, which led to a remarkable increase in air traffic. The Construction and Services activities continue not to have been affected by the pandemic, and traffic on the main toll roads operated by Ferrovial has performed well, in line with pre-pandemic levels.

2.2 Impact of Russia's invasion of Ukraine

On 24 February 2022, Russia began its invasion of Ukraine. The conflict has not reached an end at the issuance date of these Interim Condensed Consolidated Financial Statements and has now lasted for over five months. In this scenario, the European Union, together with the United States and most NATO countries, condemned the attack and approved various economic measures in the form of sanctions on the Russian economy so as to dissuade them from continuing along the path of military strategy and advocate diplomatic channels. The measures taken are affecting the economies of all countries.

The ensuing macroeconomic scenario has caused widespread price rises, essentially relating to energy and commodities. In some cases, there have also been supply issues and difficulties in the distribution chain for certain materials, particularly in the construction industry. In response, interest rates are rising, impacting the banking and financing markets.

Ferrovial's direct exposure to the conflict is limited, as none of the Group's companies have activities in Russia or Ukraine. The Group's businesses closest to the conflict zone are the construction activity of Budimex (in Poland) and the D4R7 concession, the Bratislava ring road (in Slovakia), as both share a border with Ukraine. However, neither has been significantly affected to date.

The indirect impact on Ferrovial's activities varies depending on the nature of the business. Although Ferrovial does not envisage material effects as a result of the conflict, the Construction business is the most vulnerable due to the increasing costs of certain raw materials. The Toll Roads business has been positively impacted due to the rate rise in assets directly linked to inflation and is adversely exposed to the possible impact of rising fuel prices on traffic. Finally, no relevant impact is expected in the Airports business due to the scant exposure to passenger traffic from these regions in the airports managed by Ferrovial, although the effect of inflation on ticket prices could have a certain dissuasive effect.

With the aim of presenting the global impact of the Russian-Ukrainian conflict and in line with ESMA's recommendations, this note provides an explanation of the impact on the interim financial statements, a description of the analysis performed to conclude that the Company can continue to do business under the going concern principle, an analysis of the possible impact of the Russian invasion of Ukraine on the impairment of assets and an assessment of the potential impact on the main financial risks, including an analysis of the risk of breach of covenants included in financing agreements.

2.2.1 Impact on the interim financial statements for 2022 and mitigating measures adopted

The effects of Russia's invasion of Ukraine on Ferrovial's business results are described below:

Construction Division

The Construction business was primarily affected by inflation: rising prices of materials, more expensive energy and an increase in workers' salaries. The conflict has also caused issues in the supply and distribution chain for certain materials, leading to delays and reducing their supply.

This all put pressure on project margins, which varied depending on the geography and the mechanisms in place to mitigate the effects, which are basically two: direct claims to clients, or the use of specific indexation mechanisms to pass costs on to the client (in those contracts that specifically include them). In other types of contract (mainly in the UK) there is no such risk as they are target cost or cost-plus contracts in which the price is calculated based on cost incurred plus an agreed mark-up.

In some countries such as Spain and Poland, price rises are partially offset under the following laws:

- In Spain, RDL 6/2022 of 30 March (on urgent measures under the National Plan to respond to the economic and social consequences of the war in Ukraine) offsetsup to 5% under contracts entered into with the central government (this plan may also be endorsed by regional governments and local corporations), although some public corporations (such as Aena) have yet to adhere to the plan. Also, this mechanism does not apply to energy prices, only to costs of other materials such as steel, bituminous products, aluminium and copper.
- In Poland, the Infrastructure Ministry updated the road price review mechanism, increasing the maximum offset from 5% to 10%, which affects these types of civil works contracts.

At present, the impact on results is hard to quantify and will depend partly on the outcome of negotiations with clients in the coming months. In line with the Group general policy (see Note 1.3.3.4 of the Annual Accounts), revenue relating to claims for compensation of costs is only recognised when recovery is considered highly probable.

Ferrovial has implemented an action plan to mitigate these adverse effects on both projects in progress and those that are in the bidding stage. Among other actions, the plan includes monitoring the supply situation and reporting monthly on material price rises and estimated trends, developing artificial intelligence and data analysis systems to predict prices and making fixed price commitments to avoid volatility.

Toll Roads Division

As mentioned previously, the Toll Roads business is not directly affected by the conflict. In this case, and unlike Construction, inflation has a positive impact since many asset tariffs are linked to the Consumer Price Index.

Conversely, and although the effect is difficult to quantify, rising fuel prices could adversely impact traffic, particularly in a flexible scenario allowing home working. Even so, in an economic recession scenario in which purchasing power declines, demand for assets of this kind could fall. Finally, it should be noted that rising interest rates could also affect the capacity to finance new projects awarded.

Traffic trends on the main toll roads in North America in the second quarter of 2022 (compared with pre-pandemic levels in 2019) are analysed below:

Traffic trends (*)	Apr-22	May-22	Jun-22
407 ETR	-25%	-21%	-12%
NTE	14%	9%	10%
LBJ	-8%	-14%	-13%
NTE 35W	18%	12%	5%

(*) Compared with the same month of 2019.

A positive trend may be observed in the table above in relation to the evolution of the pandemic in the first few months (explained in the following note) and a certain stagnation in the last two months, as indicated previously.

Airports Division

The Airports business was not directly affected by the conflict, as described.

The passenger trend was directly related to the evolution of the pandemic and restrictions during the year, as explained in the following note:

Passenger trends (*)	Apr-22	May-22	Jun-22
Heathrow	-25%	-21%	-17%
Aberdeen	-30%	-31%	-28%
Glasgow	-25%	-23%	-25%
Southampton	-67%	-65%	-64%
TOTAL AGS	-26%	-22%	-17%

(*) Compared with the same month of 2019

At Heathrow, traffic with Russia and Ukraine historically accounted for less than 1% of the total (0.99% in 2019, 0.94% in 2020 and 0.72% in 2021). Therefore, the impact on the financial statements and covenants is immaterial.

Despite this, there is a risk that the airlines may pass on the increases in the price of flights causing demand for travel to fall, in a negative economic scenario in which fuel prices rise considerably. However, such effects are hard to quantify.

Impact on cash flows

The impact of the invasion on Construction business cash flows relates to the adverse trend in short-term working capital (to make large payments), which will progressively recover in the medium term thanks to various recovery mechanisms, particularly claims to be made to clients and specific indexation approaches.

Dividend receipts are not expected to be affected.

2.2.2 Going concern assessment

Ferrovial is confronting 2022 in a position of very high liquidity. In June 2022, the net cash position, excluding infrastructure projects, stood at EUR 1,521 million (EUR 2,182 million at December 2021). It should also be noted that the Group's short-term assets and liabilities, including cash and debt position, show a positive balance at end-June 2022.

As in the prior financial years, in order to conclude as to the Company's capacity to continue as a going concern, the Group has analysed future cash needs, focusing on the financial years 2022 and 2023, also including a pessimistic scenario with a series of stress assumptions regarding the Company's cash flow, most notably:

- Assumption that there will be no additional dividends received from infrastructure projects in 2022 or in 2023.
- A worsening of Construction business cash projections for 2022 and 2023, calculated as a 50% decline in operating cash flows from recurring business before taxes (Spain, Budimex and Webber).
- Delay in sale processes currently under way, until after 2023.

The conclusion drawn from the analysis demonstrates that, although the scenario would entail a deterioration of the Company's cash position, cash resources would continue to be sufficient to meet commitments. Therefore, based on the available information, no material uncertainties have been identified with respect to events or conditions that could raise significant doubts regarding the Group's capacity to continue operating under the going concern principle for 12 months following the date these financial statements were signed.

2.2.3 Impact on asset impairment

As mentioned previously, the businesses have not been significantly affected by the conflict between Russia and Ukraine and we therefore consider there to be no indications of impairment of the Group's assets for this reason.

2.2.4 Impact on financial risks

The increase in interest rates has not had a significant impact on the Company's financial statements, since, as indicated in note 5.4.a of the December 2021 accounts, 97% of the Group's debt is either referenced to a fixed rate or hedged with derivatives. In fact, as subsequently indicated in note 8.2 of these interim consolidated accounts relating to derivatives, the expected increase in future interest rates has had a positive effect on equity due to the increase in the value of these interest rate derivatives.

Regarding the increase in inflation, in addition to the impact indicated at business level, from a financial instruments point of view, of particular note is the negative impact on Autema (Note 8.2), mainly in relation to an expected increase in inflation in Spain.

3.1 Basis of presentation

The accompanying interim condensed consolidated financial statements of Ferrovial, S.A. for the six-month period ended 30 June 2022 have been prepared in accordance with IAS 34 "Interim financial reporting".

In accordance with IAS 34, interim financial information is prepared placing emphasis on new activities, events and circumstances that have arisen during the half year and not duplicating the information previously published in the 2021 consolidated annual accounts. Consequently, for a proper understanding of the information included in these interim condensed consolidated financial statements, they should be read together with the Group's consolidated annual accounts for the year ended 31 December 2021, which were prepared in accordance with International Financial Reporting Standards (IFRS) in force.

Restatement of the comparative financial statements

As explained in the 2021 interim financial statements, the UK waste treatment business and the A2 highway section operation and maintenance contract were reclassified to continuing operations.

In addition, the contract to maintain and operate Madrid Calle 30, the US infrastructure maintenance business and the Spanish energy efficiency services business were reclassified to continuing operations in the second half of 2021.

The information relating to the first half of 2021 on all these activities reclassified to continuing operations was restated both in the consolidated statement of financial position and in the consolidated income statement. This restatement has no impact on the consolidated statement of financial position for the year ended 31 December 2021.

This restatement had the following impact on the June 2021 consolidated income statement:

	JUN. 2021		JUN. 2021
(Millions of euros)	**Reported**	**Adjust**	**Restated**
Operating income	2,965	171	3,136
Total operating expenses	-2,714	-159	-2,873
EBITDA	**251**	**12**	**263**
Fixed asset depreciation	116	10	126
Operating profit/(loss) before fixed asset impairment and disposals	**135**	**2**	**137**
Profit/(loss) from impairment and disposals of fixed assets	17	-1	16
Operating profit/(loss)	**152**	**1**	**153**
Net financial income/(expense)	**-175**	**-1**	**-176**
Share of profits of associates	-245	4	-241
Consolidated profit/(loss) before tax	**-268**	**4**	**-264**
Corporate income tax	-30	0	-30
Profit/(loss) from continuing operations	**-297**	**3**	**-294**
Net profit/(loss) from discontinued operations	208	-10	198
Consolidated profit/(loss) for the year	**-90**	**-6**	**-96**
Profit/(loss) for the year attributed to non-controlling interests	-87	-1	-88
Profit/(loss) for the year attributed to the parent company	**-177**	**-7**	**-184**

3.2 Accounting policies applied. New standards, amendments and interpretations adopted by the European Union and mandatorily applicable for the first time in the six-month period ended 30 June 2022

The same accounting policies have been applied when preparing these interim condensed consolidated financial statements as were applied to the consolidated annual accounts for the financial year ended 31 December 2021, as none of the standards, interpretations or amendments that are applicable for the first time in the current year has had a significant impact on the Group's accounting policies.

The Group will adopt the standards, interpretations and amendments to standards issued by the IASB that are not yet mandatory in the European Union when they come into force, if they are applicable to the Group. Although the Group is currently analysing the impact, based on the preliminary analyses carried out to date first-time adoption is not expected to have a material impact on the consolidated annual accounts.

3.3 Accounting estimates and judgements

In the interim condensed consolidated financial statements as at 30 June 2022 estimates have had to be made to measure certain of the assets, liabilities, revenues, expenses and commitments reported in those statements. The matters for which estimates are made match those explained in the consolidated annual accounts for the year ended 31 December 2021 (Note 2).

3.4 Basis of consolidation

The basis of consolidation applied at 30 June 2022 is consistent with the approach adopted in the consolidated annual accounts for the year ended 31 December 2021.

4. Segment and geographic market reporting

The Ferrovial Board of Directors analyses the performance of the Group mainly from a business perspective, evaluating the performance of the Construction, Toll Roads and Airports businesses. These areas are the same as those used in the 2021 Consolidated Annual Accounts. The “other segments” line reflects the figures for companies not assigned to any business area, the most significant being Ferrovial, S.A., the Group's parent, and some of the latter’s minor subsidiaries. The “adjustments” column contains consolidation adjustments between business divisions.

The segment income statement for the six-month periods ended 30 June 2022 and 30 June 2021 is included in the Appendices.

Set out below is a breakdown of revenue by segment as compared with the previous year:

				30/06/2022
(Millions of euros)	**EXTERNAL REVENUE**	**INTERSEGMENT SALES**	**TOTAL**	**CHANGE 22/21**
Construction	2,548	505	3,053	8.1%
Toll roads	355	0	355	40.3%
Airports	7	0	7	600.0%
Other segments	89	65	154	14.1%
Adjustments	0	-104	-104	33.3%
Total	**2,999**	**466**	**3,465**	**10.5%**

			30/06/2021 (*)
(Millions of euros)	**EXTERNAL REVENUE**	**INTERSEGMENT SALES**	**TOTAL**
Construction	2,309	515	2,824
Toll roads	252	1	253
Airports	1	0	1
Other segments	60	75	135
Adjustments	0	-78	-78
Total	**2,622**	**513**	**3,135**

(*) Restated figures (Note 3.1)

The intersegment revenue that is not eliminated in the Group's consolidated financial statements relates to the Construction division project companies, as explained in Note 13.

Geographic areas

Business volume by geographic area breaks down as follows:

(Millions of euros)	2022	2021	Var. 22/21
Spain	556	515	41
UK	362	308	54
Australia	60	10	50
USA	1,392	1,259	133
Canada	48	40	8
Poland	860	715	145
Other	186	288	-102
TOTAL	**3,465**	**3,135**	**330**

5. Main changes in the consolidated statement of financial position.

5.1 Foreign exchange effect

As may be observed in the following tables, during the first six months of 2022 all the currencies appreciated against the euro, except for the Chilean peso and Polish zloty and the year-end exchange rates in the case of pound sterling and the Polish zloty.

CLOSING EXCHANGE RATE	2022	2021	CHANGE 22/21 (*)
Pound sterling	0.861	0.841	2.32%
US dollar	1.048	1.137	(7.80%)
Canadian dollar	1.349	1.437	(6.12%)
Australian dollar	1.517	1.565	(3.08%)
Polish zloty	4.701	4.587	2.49%
Chilean peso	967.680	968.980	(0.13%)

AVERAGE EXCHANGE RATE	2022	2021	CHANGE 22/21 (*)
Pound sterling	0.844	0.865	(2.45%)
US dollar	1.088	1.201	(9.43%)
Canadian dollar	1.381	1.498	(7.79%)
Australian dollar	1.519	1.569	(3.16%)
Polish zloty	4.651	4.539	2.48%
Chilean peso	902.318	869.608	3.76%

(*) A negative change represents an appreciation of the reference currency against the euro and vice versa.

This change has had a positive impact on shareholders' funds attributable to the Parent of EUR 145 million, due to translation differences (Note 6). The main impact arose as a result of the appreciation of the US dollar in the amount of EUR 126 million.

5.2 Acquisitions and goodwill

a) Main changes during the period:

Movements in goodwill on consolidation at June 2022 are as follows:

(Millions of euros)	BALANCES AT 31/12/2021	ADDITIONS	EXCHANGE RATE	BALANCES AT 30/06/2022
Construction	**127**	**4**	**4**	**134**
Budimex	64	4	-2	66
Webber	45	0	4	48
Cadagua US	6	0	1	6
Ferrovial Services Infrastructure, Inc.	13	0	1	14
Toll roads	**251**	**0**	**21**	**273**
I-66 Express Mobility Partners Hold. LLC	251	0	21	273
Energy	**42**	**0**	**4**	**46**
Transchile (*)	42	0	4	46
TOTAL	**420**	**4**	**29**	**453**

(*) Company managing the power transmission lines in Chile, the activity of which is reported in the Energy Infrastructure and Mobility Division.

The main movement in the first half is explained by the exchange rate.

b) Possible indications of impairment:

The impairment tests on the Group's existing goodwill, which are usually updated in December, were not updated since there were no indications that they might have become impaired at the date of preparation of these interim condensed consolidated financial statements.

5.3 Fixed assets in infrastructure projects

Set out below is a breakdown of fixed assets in infrastructure projects at 30 June 2022 and 31 December 2021:

(Millions of euros)	BALANCE AT 01/01	TOTAL ADDITIONS	FOREIGN EXCHANGE	BALANCE AT 30/06
Spanish toll roads	713	4	–	717
US toll roads	10,527	436	907	11,870
Other toll roads	391	–	–	391
Toll road investment	11,632	439	907	12,978
Accumulated depreciation	-617	-66	-29	-712
Net investment in toll roads	11,014	373	878	12,265
Investment in other infrastructure projects	171	2	-2	170
Depreciation of other infrastructure projects	–	–	–	–
Total net investment in other infrastructure projects	171	2	-2	170
TOTAL INVESTMENT	11,802	441	905	13,148
TOTAL DEPRECIATION AND PROVISION	-617	-66	-29	-712
TOTAL NET INVESTMENT	11,185	375	876	12,436

There was a total net change of EUR 1,251 million in the net investment in assets accounted for using the intangible asset model in the first half of 2022, the most significant changes being:

- Investment in US toll roads increased by EUR 436 million, excluding the foreign exchange effect, relating essentially to I-66 Express Mobility Partners LLC and North Tarrant Express Segment 3.
- The appreciation of the US dollar against the euro (Note 5.1) resulted in a total increase in these assets of EUR 907 million.

Total investment in infrastructure projects also includes assets accounted for using the financial asset model pursuant to IFRIC 12, amounting to EUR 167 million (31 December 2021: EUR 169 million), and relate mainly to long-term receivables (more than twelve months) from public administrations, as balancing items with respect to services rendered or investments made under a concession arrangement. The most significant balance relates to the Waste Treatment business in the UK in the amount of EUR 79 million at 30 June 2022 (31 December 2021: EUR 80 million).

5.4 Investments in equity-accounted companies

Set out below is a breakdown of investments in equity-accounted companies at 30 June 2022 showing movements during the year. Due to their significance, the investments in HAH (25%), 407 ETR (43.23%), AGS (50%), IRB Infrastructure Developers Limited (24.86%) and JFK NTO (48.96%) are presented separately.

As mentioned in the annual accounts at December 2021, the considerable losses posted in 2019 and 2020 in the Airports business reduced the investments in HAH and AGS to zero, as prior-year losses exceeded the amount of the shareholdings, there being no commitments to inject additional funds (pursuant to IAS 28).

(millions of euros)	HAH	407 ETR	AGS	IRB	JFK NTO	OTHER	TOTAL
Balance at 31.12.21	**0**	**1,181**	**0**	**378**	**0**	**280**	**1,838**
Changes in share capital					8	14	23
Share of profit/(loss)	–	46	–	3	–	5	54
Dividends	–	–	–	–		-6	-6
Foreign exchange	–	78	–	9		–	87
Pensions	–	–	–	–		–	0
Derivatives					-3	64	61
Other	–	–	–	-12		13	1
Balance at 30.06.22	**0**	**1,304**	**0**	**377**	**5**	**370**	**2,057**

Trends: movements under this heading are explained essentially by the profit for the period (EUR 54 million), primarily at the ETR407, as well as the positive foreign exchange impact (EUR 87 million; see currency fluctuations against the euro in Note 5.1). Also worthy of note are the capital contributions made to JFK NTO (EUR 8 million) and to Cartera Ceres (EUR 17 million), representing Ferrovial's 24.86% ownership interest in the Spanish infrastructure upkeep and maintenance business that was sold to Portobello Capital in January 2022 (Note 1.2).

There follows a more detailed analysis of the first-half developments in Ferrovial's main equity-accounted infrastructure projects: HAH, 407 ETR, AGS, IRB and JFK NTO.

a. Heathrow Airport Holding (HAH)

Business performance

In the first six months of 2022, Heathrow Airport benefited from the progressive lifting of traffic restrictions applicable at the end of 2021, despite the travel restrictions in the United Kingdom and the impact of the Omicron variant at the start of the year. As a result, Heathrow's passenger numbers have grown considerably in the last four months to reach nearly six million in June 2022 as compared with 2.6 million in January and 4.2 million in March this year.

At the end of June, Heathrow revised its traffic forecasts for 2022 to 54.4 million passengers, a notable improvement versus the forecast for 2022 at December 2021 (45.5 million passengers).

In April 2021, the CAA published its 'Way Forward' document, in response to the Revised Business Plan (RBP) presented by Heathrow. This document establishes the initial value of the RBP, confirming that the following regulatory period (H7) will be five years, which will be based on the single cash model and will bring in a traffic risk allocation mechanism. In June, Heathrow responded to the "Way Forward" document with its updated Revised Business Plan.

In June 2022, the CAA published its final proposal. A final decision is expected at the end of 2022.

Equity Evolution

As mentioned above, the interest recorded in this company remains at zero, due to the fact that the losses generated in previous years as a result of Covid-19 left the equity attributable to Ferrovial at a negative value.

As can be seen in the following table, during 2022 this equity value continues to be negative, having generated a net profit attributable to Ferrovial of EUR 6 million, as a result of the recovery in passenger traffic, which is offset by other negative impacts on equity, mainly derivatives and pension plans.

2022 (millions of euros)	HAH (25%)
Balance at 31.12.2021 without IAS 28	**-176**
Share of profit/(loss)	6
Derivatives	-13
Pensions	-13
Currency translation differences	4
Balance at 30.06.2022 without IAS 28	**-192**
Result not consolidated under IAS 28	240
Other equity effects not consolidated under IAS 28	-48
Balance at 30.06.2022	**0**

The Management Report includes detailed explanations of HAH's operating results trend.

b. Disclosures relating to 407 ETR

Business performance

As mentioned in Note 2, the return to pre-Covid-19 normality is progressing well, allowing 407ETR traffic volume to increase gradually in the second quarter of 2022 after all Covid-19-related restrictions were lifted by the provincial government of Ontario, compared to the same period of 2021 when several restrictions were in force.

Equity Evolution

As shown in the table at the beginning of this note, the value of the interest in this company increased from EUR 1,181 million to EUR 1,304 million, mainly as a result of both the profit generated during the year (EUR 46 million), due to the recovery of the aforementioned traffic (more details on the operating performance of this asset are provided in the management report), and translation differences (EUR 78 million), due to the appreciation of the Canadian dollar against the euro.

c. Disclosures relating to AGS

Business performance

AGS continues to recover from the pandemic and is focusing on improving airport capacity for the summer months, cooperating with commercial partners to tackle the global scarcity of personnel and minimising operational risk, while managing the cost base to recover the losses made to date through permanent monitoring of the world economic situation. First-half traffic was 38% below the same period in the first half of 2019 and the quarterly figures to June were 31% below the levels in the same period in 2019.

Passenger numbers reached 4.0 million (0.7 million in the first half of 2021), driven by increased traffic at all three airports thanks to the relaxation of restrictions in January and February 2022, and the lifting of all restrictions in the United Kingdom as from 18 March.

Equity Evolution

As commented at the start of this note, the integration of the losses in prior years reduced the shareholding value to zero.

2022 (millions of euros)	AGS (50%)
Balance at 31.12.2021 without IAS 28	**-49**
Share of profit/(loss)	-10
Derivatives	6
Pensions	4
Other equity movements	-1
Currency translation differences	11
Balance at 30.06.2022 without IAS 28	**-40**
Result not consolidated under IAS 28	81
Other equity effects not consolidated under IAS 28	-41
Balance at 30.06.2022	**0**

During fiscal year 2022, the negative equity value decreased primarily due to the positive impacts of translation differences, due to the appreciation of the pound against the euro, together with the positive effect of derivatives and pension plans, which has been partially netted with the loss for the year.

Following the refinancing operation closing in June 2021, the Company has reassessed the recoverability of the total shareholder loan of EUR 148 million (GBP 127 million) granted (Note 8.1.1), concluding that it is still recoverable on the basis of projections updated to account for the refinancing agreement.

d. IRB Infrastructure Developers Limited

As mentioned in Note 1.1.4, Ferrovial completed the acquisition of 24.86% of this company on 29 December 2021, through its Dutch subsidiary Cintra INR Investments BV.

As Indian legislation imposes severe restrictions on the disclosure of unpublished price sensitive information (UPSI), the latest information available relates to the close of IRB's last fiscal year, which ran from April 2021 to March 2022. Therefore, when preparing Ferrovial's interim consolidated financial statements, only the figures for the final quarter of the fiscal year were included (i.e. January to March 2022). This approach is consistent with IAS 28, which provides for a maximum three-month lag between the investor's and investee's reporting periods.

The impact reflected in the income statement amounts to EUR 3 million for Ferrovial's ownership interest.

e. JFK NTO LLC

As indicated in Note 1.2 relating to Scope changes, Ferrovial entered into an agreement on 10 June to invest in the capital of the company JFK NTO LLC, which will remodel, build, finance, operate and maintain the facilities of the new terminal one at New York's John F. Kennedy International Airport. Ferrovial will hold a 49% indirect ownership interest in the project.

The shareholders made a commitment to inject equity of USD 2,3330 million. At 30 June, only USD 18.2 million had been disbursed, of which USD 8.9 million relates to Ferrovial.

The preliminary analysis of the NTO concession agreement with the Port Authority of New York and New Jersey revealed that it comes under the scope of IFRIC 12 (concession arrangements) and the intangible asset model, since there are no secured payments. The company is currently analysing, in accordance with IAS 28 paragraph 32, there is any difference between the initial investment made in the company and its fair value and the criteria to be applied in the event of such a difference. In accordance with accounting standards, the company has one year to perform this.

In this case, the entire investment in infrastructure, which will subsequently revert to the Port Authority of New York and New Jersey, including financial costs capitalised during the construction period and payments made to the Port Authority to acquire the right to operate the concession, have been capitalised as an increase in the concession's value, without therefore affecting the income statement and they will be subsequently amortised in line with the pattern of usage (passengers) over the concession term, once the operating period has begun.

In addition, the Company has contracted interest rate swaps (IRS) hedging project debt for a notional amount of USD 5.5 billion, which are classed as effective cash flow accounting hedges. The change in the fair value of these swaps during the year had a negative impact of USD 7.4 million on the company's reserves (EUR 3.3 million net of taxes for Ferrovial's ownership interest).

f. Other investments in equity-accounted companies

Appendix II to the consolidated annual accounts at December 2021 includes a list of ownership interests in equity-accounted companies, including names, countries of incorporation, business segments, percentage shareholdings, aggregate assets and liabilities, revenue and profit/(loss) for the year.

Movements in the values of derivatives hedging the other investments in associates are explained mainly by the companies Riverlinx Limited (SilvertownTunnel in London) and Zero Bypass Ltd (Bratislava Ring Road) changing in the amounts of EUR 34.5 million and EUR 28.3 million, respectively. In order to hedge the interest rate risk, these companies have arranged interest rate hedges on the projects' debt, establishing a fixed interest rate. Interest rate rises in the first six months of the year were the result of a substantial rise in the value of derivatives contracted.

The share of the profit/(loss) for 2022 includes most notably the contribution of the Toll Roads Division (EUR 13 million).

5.5 Working capital

This note addresses trends under the asset headings "Inventories" and "Short-term trade and other receivables" and the liability heading "Short-term trade and other payables". The net balance of these items is referred to as working capital (see section 4 of the consolidated annual accounts at December 2021).

The following table shows the relevant trends:

Millions of euros	2021	Exchange rate	Consolidation scope	Other	2022
Total inventories	**405**	**13**	**0**	**28**	**446**
Trade receivables for sales and services	713	6	13	-49	683
Completed work pending certification	332	0	0	167	499
Other receivables	272	3	0	38	313
Total short-term trade and other receivables	**1,317**	**9**	**13**	**156**	**1,495**
Trade payables	-1,535	-29	-9	-68	-1,641
Progress billing for construction work	-692	-18	0	-5	-715
Advance payments from customers	-193	-6	-10	-37	-246
Other short-term payables	-373	0	0	1	-372
Total short-term trade and other payables	**-2,793**	**-53**	**-19**	**-108**	**-2,974**
TOTAL	**-1,072**	**-30**	**-6**	**76**	**-1,032**

Excluding the exchange rate effect and the scope changes, the change in working capital at June 2022 amounted to EUR 76 million. This change derives mainly from the increase in completed work pending certification in the Construction business.

As indicated in note 4.4. of the 2021 Annual Accounts, the balance of work completed and pending certification at 30 June 2022 relates almost entirely to revenue from contracts signed with customers, as, in line with the Group policy (see Note 1.3.3.4 of the Annual Accounts), revenue from contract changes is only recognized when approved by the customer and revenue from claims for costs compensation when recovery is considered highly probable. In this regard, the company has a significant amount of both, modifications and claims pending recognition.

As regards scope changes, the variation during the year reflects intercompany balances that were being eliminated at the consolidated level and arose during the year following the scope exclusion of the Spanish infrastructure upkeep and maintenance business (Note 1.2).

5.6 Provisions

The provisions recognised by the consolidated Group are intended to cover risks arising in the course of business. They are recognised using best estimates of the risks and uncertainties and of related trends. The consolidated annual accounts at 31 December 2021 contain a detailed description of the different types of provisions set aside by the Group.

This note provides a breakdown of all the line items disclosed separately in provisions on the liabilities side of the balance sheet. Movements were as follows at 30 June 2022:

(Millions of euros)	Long-term provisions	Short-term provisions	TOTAL
Balance at 31 December 2021	**421**	**1,002**	**1,423**
Impact of scope changes and other transfers	-17	-5	-22
Impact of foreign exchange differences	7	-1	6
Other movements during the year:	**16**	**-18**	**-2**
Appropriations/reversals affecting EBITDA (other operating expenses)	3	49	52
Charges/reversals with an impact in other income and expense items	*20*	*5*	25
TOTAL impact of appropriations/reversals	**23**	**53**	**76**
Amounts used with an impact on working capital	*-3*	*-72*	-75
Other amounts used	*-4*	*-1*	*-3*
TOTAL impact of amounts used	**-7**	**-71**	**-78**
Balance at 30 June 2022	**428**	**978**	**1,406**

The main variation in the year in the item relating to Provisions/Reversals with an impact on Gross Operating Profit is due to the net allocation of provisions in Construction, mainly in the Budimex business.

Provisions/reversals with an impact on other income items, amounting to 25 million euro, are mainly due to the provision for "Provisions for IFRIC12 replacement", the movement of which is recorded against amortisations during the accrual period of the obligations until the replacement comes into operation.

Provisions used of EUR -78 million, with no effect on profit or loss, of which EUR -75 million were recognised in working capital, are mainly in the Construction sector.

5.7 Deferred taxes

Set out below is a breakdown of movements in deferred tax assets and liabilities at 30 June 2022:

Deferred taxes (millions of euros)	2021	Var.	2022
Assets	**549**	**-7**	**543**
Tax-loss carryforwards	191	9	200
Derivatives	90	-45	45
Other deferred tax assets	268	30	298
Liabilities	**670**	**28**	**698**
Derivatives	45	-30	15
Other deferred tax liabilities	626	58	684

The main variation in deferred tax assets relates to the fair value of derivatives and therefore of the associated tax. The same situation is arising in the case of deferred tax liabilities where the main changes are due to the valuation by derivatives as well as the exchange rate variation of the 2021 balances.

6. Equity

Set out below is a breakdown of changes in equity during the six-month period ended 30 June 2022 is as follows:

(Millions of euros)	Attributed to shareholders	Attributed to non-controlling interests	Total equity
Equity at 01.01.2022	4,048	1,791	5,839
Consolidated profit/(loss) for the	**50**	**28**	**78**
Impact on hedging reserves	206	-11	195
Impact on defined benefit plan reserves (*)	0	0	0
Currency translation differences	145	123	268
Income and expenses recognised directly in equity	**351**	**112**	**463**
Amounts transferred to the income statement	**-40**	**0**	**-40**
TOTAL RECOGNISED INCOME AND EXPENSES	**361**	**140**	**501**
Scrip dividend/other dividends	-108	-119	-227
Treasury share transactions	-248	0	-248
SHAREHOLDER REMUNERATION	**-356**	**-119**	**-475**
Share capital increases/reductions	0	151	151
Share-based remuneration schemes	-1	0	-1
Hybrid bond	-9	0	-9
Consolidation scope changes	0	-1	-1
Other movements	3	0	3
OTHER TRANSACTIONS	**-7**	**150**	**143**
Equity at 30.06.2022	**4,046**	**1,962**	**6,008**

(*) Pursuant to the amendment to IAS 1 Presentation of financial statements, the impact on reserves of defined benefit plans is the only item of income and expense recognised directly in equity that cannot subsequently be reclassified to profit or loss.

The reduction in the parent company shareholders' funds in the first half of the year relates to the following effects:

Consolidated profit/(loss) for the period: profit/(loss) for the period attributable to the parent company amounted to EUR 50 million.

Income and expenses recognised directly in equity: unlike the detail presented in the main statement of changes in equity, the impacts are shown net of the related tax effect.

Impact on reserves of hedging instruments: the recognition of value changes in derivative financial instruments designated as hedges had a positive impact of EUR 206 million on the parent company's shareholders' funds, of which EUR 144.7 million corresponds to fully-consolidated companies and EUR 61.7 million to equity-accounted companies.

Currency translation differences: The currencies to which Ferrovial is most exposed in terms of equity (mainly the Canadian dollar, US dollar and pound sterling), as detailed in Note 5.1, gave rise to currency translation differences of EUR 145 million attributed to the parent company, primarily US dollar (EUR 126 million) and Canadian dollar (EUR 32 million) .These translation differences are presented net of the effect of foreign currency hedging instruments arranged by the Group (Note 8.2).

Impacts taken to the income statement: This reflects the impact of the reclassification from shareholders' funds to the income statement, under IAS 21, of amounts accumulated in equity in relation to the hedging derivatives related to the divestment of the Spanish Infrastructure Services business, as mentioned in Note 1.2, in the amount of EUR 6 million net of taxes, and the impact accumulated in reserves of the pre-hedge arranged for Ferrovial S.A.'s bond issue planned for 2022, which was classified to the income statement in the amount of EUR -46 million net of taxes, as indicated in Note 8.2, since the issue did not go ahead (positive impact on the income statements).

Shareholder remuneration:

Scrip dividend: The impact of this item relates to the first tranche of the shareholder remuneration scheme approved by the General Shareholders' Meeting of Ferrovial, S.A. on 7 April 2022. Under this scheme, shareholders can freely choose to receive newly issued fully-paid shares in the Company by subscribing for a share capital increase out of reserves or to receive an amount in cash through the transfer to the Company (if they have not already done so in the market) of the free allotment rights pertaining to the shares held. It should be noted that 47.06% of the shareholders opted to receive shares in the Company, whereas 52.94% availed themselves of the Company's commitment to purchase rights.

Consequently, in the first half of 2022, a share capital increase was carried out for a total of 3,968,559 shares with a par value of EUR 0.20 per share, representing a share capital increase of EUR 0.8 million. Also, free allocation rights amounting to EUR 108 million were purchased, representing a price per share of EUR 0.30.

Treasury share purchase/buy-back programme: the Board meeting held on 24 February 2022 approved a treasury share buy-back programme of up to 34 million shares for a maximum amount of EUR 500 million, which was ratified by Ferrovial, S.A.'s Annual General Meeting on 7 April 2022. The General Meeting approved the reduction of Ferrovial, S.A.'s share capital by redeeming (i) the treasury shares held at the resolution date; and (ii) the treasury shares to be acquired under the buy-back programme.

Over the course of H1 2022, 10,026,393 shares were acquired at an average price of EUR 24.73 per share, giving rise to a total disbursement of EUR 248 million.

Share-based remuneration schemes: this mainly reflects the treasury share transactions relating to share-based remuneration schemes for directors. At 30 June 2022, 315,000 treasury shares had been acquired under different remuneration schemes. The total cost of acquisition of these shares was less than EUR 1 million and the total gain on these remuneration schemes recognised in the Company's equity amounts to EUR -1 million.

The market value of the treasury shares held by Ferrovial at 30 June 2022 (15,092,811 shares) was EUR 365 million. Movements in treasury shares during 2022 were as follows:

TRANSACTION PERFORMED/OBJECTIVE	NUMBER OF SHARES PURCHASED	NUMBER OF SHARES APPLIED TO	TOTAL NUMBER OF SHARES
Balance at 31.12.2021			**5,072,018**
Share capital reduction	10,026,393	0	10,026,393
Remuneration schemes	315,000	-320,600	-5,600
Shares received - scrip dividend	0	0	0
Balance at 30.06.2022			**15,092,811**

Other transactions:

Subordinated hybrid bond: As described in the consolidated accounts at 31 December 2021, the Group issued perpetual subordinated bonds for a nominal amount of EUR 500 million, the features of which remain unchanged at 30 June 2022. The impact of accrued interest and the coupon payment is reflected in reserves, in a similar manner to dividends, amounting to EUR -9 million at the end of June 2022.

"Other dividends, non-controlling interests" reflects the dividends corresponding to the non-controlling interests in the Budimex Group (EUR 67 million), to the NTE toll road (EUR 25 million), the LBJ toll road (EUR 14 million) and Autema (EUR 13 million).

Share capital increases, non-controlling interests: Shareholders' funds attributable to non-controlling interests rose by EUR 151 million, relating mainly to the toll road I-66 Mobility Partners LLC and its construction company (FAM Construction LLC) in the amount of EUR 126 million and EUR 22 million, respectively.

7. Net cash position

In order to present an analysis of the Group's net debt position, the following table contains a breakdown of the net cash position. The net cash position is understood to be the balance of the items included under "cash and cash equivalents", together with the long-term restricted cash of infrastructure projects and other short-term financial assets, less financial borrowings (short-term and long-term bank borrowings and debt securities). The net cash position also includes forwards and Cross Currency Swaps (CSS) totalling EUR -45 million that hedge the cash held by the Group in Canadian dollars, as well as the borrowings and cash denominated in US dollars. The derivatives are accounted for in this way because they are associated in full with the aforementioned borrowings/cash and the related exchange rate effect is netted off therefrom.

The net cash position is in turn broken down into infrastructure projects and other Group companies.

The change in the net cash position is explained in the cash flow section of the Interim Management Report at 30 June 2022.

The following tables provide a breakdown of the net cash position at June 2022 and December 2021.

							30/06/2022
Continuing operations (Millions of euros)	BANK BORROWINGS/BONDS	CASH AND EQ & OTHER SHORT-TERM	FORWARDS/CCS	LONG-TERM RESTRICTED CASH	NET BORROWING POSITION	INTRA-GROUP POSITION	TOTAL
Ex-infrastructure	-3,386	4,852	-45	0	1,421	-41	1,380
Infrastructure project companies	-7,964	218	0	601	-7,145	41	-7,104
Total consolidated net debt	**-11,350**	**5,070**	**-45**	**601**	**-5,724**	**0**	**-5,724**

							31/12/2021
Continuing operations (Millions of euros)	BANK BORROWINGS/BONDS	CASH AND EQ & OTHER SHORT-TERM	FORWARDS/CCS	LONG-TERM RESTRICTED CASH	NET BORROWING POSITION	INTRA-GROUP POSITION	TOTAL
Ex-infrastructure	-3,178	5,319	-31	0	2,110	-37	2,073
Infrastructure project companies	-7,409	207	0	579	-6,623	37	-6,586
Total consolidated net debt	**-10,587**	**5,526**	**-31**	**579**	**-4,513**	**0**	**-4,513**

A breakdown of discontinued operations for both periods is also included below:

	30/06/2022			31/12/2021			
Discontinued operations (Millions of euros)	BANK BORROWINGS/BONDS	CASH AND CASH EQUIVAL	NET BORROWING POSITION	BANK BORROWINGS/BONDS	CASH AND CASH EQUIVALENTS	NET BORROWING POSITION	Var.
Ex-infrastructure	-23	163	140	-24	133	109	31
Infrastructure project	0	1	1	-54	7	-47	48
Net debt from discontinued operations	**-23**	**164**	**141**	**-78**	**140**	**62**	**79**

The net cash position ex-infrastructure projects including discontinued operations amounted to EUR 1,521 million at 30 June 2022 compared to EUR 2,182 million at December 2021, a change of EUR -661 million. The net cash position of infrastructure projects including discontinued operations varied by EUR -470 million, changing from EUR -6,633 million in December 2021 to EUR -7,103 million in June 2022. An analysis of the net cash position, including discontinued operations, is provided in the Interim Management Report issued together with these interim condensed consolidated financial statements.

7.1. Infrastructure projects

a) Cash and cash equivalents and restricted cash

Infrastructure project financing agreements occasionally impose the obligation to arrange certain restricted accounts to cover short-term or long-term obligations relating to the payment of the principal or interest on the borrowings and to infrastructure maintenance and operation.

In this regard, restricted cash at 30 June 2022 amounted to EUR 641 million (December 2021: EUR 626 million), including both long-term and short-term amounts. The main movements are described below:

- The exchange rate effect had an impact of EUR 48 million (Note 5.1).
- Decrease of EUR -33 million, relating essentially to the NTE Segment 3 toll road and the LBJ toll road, as a result of the dividend pay-out, after achieving the distribution milestones.

The item “Other cash and cash equivalents” (excluding restricted cash) increased by EUR 18 million in this period and relates to bank accounts and highly liquid investments exposed to interest rate risk. The trend is analysed in the management report.

b) Infrastructure project borrowings

(Millions of euros)	DEC. 2021	NET DRAWDOWNS	EXCHANGE RATE	SCOPE CHANGES	JUN.2022
Toll roads	7,123	18	519	0	7,660
Construction	96	-1	0	0	95
Airports	0	0	0	0	0
Waste Treatment	57	-1	-1	0	55
Energy and mobility infrastructures	133	9	12	0	154
Total infrastructure project borrowings	**7,409**	**25**	**530**	**0**	**7,964**

Infrastructure project borrowings increased by EUR 555 million with respect to December 2021, a change that was mainly due to the following reasons:

- The appreciation of the US dollar against the euro (Note 5.1) increased indebtedness by EUR 530 million (primarily EUR 151 million for the LBJ toll road, EUR 123 million at NTE Mobility Partners Segments 3, EUR 92 million at NTE Managed Lanes Mobility Partners, EUR 24 million at I-77 and EUR 130 million at I-66).
- With regard to net drawdowns (EUR 25 million), noteworthy were toll roads (EUR 18 million), primarily due to interest capitalisation at the I-66 and NTE Mobility Partners Segments 3 toll roads. In Energy Infrastructure and Mobility (EUR 9 million), the change is mainly due to the drawdown of the Centella Transmisión loan.

The following table shows movements in gross infrastructure project borrowings, broken down into variations in borrowings with balancing entries in cash flows, exchange rate effects and scope changes, as well as movements in borrowings due to the accrual of interest, which do not affect period cash positions:

(Millions of euros)	DEC. 2021	INCREASE/REDUCTION IN CASH EFFECT	FOREIGN EXCHANGE EFFECT	IMPACT OF SCOPE CHANGES	CAPITALISED/ ACCRUED INTEREST AND OTHER	JUN. 2022
Bank borrowings /Project bonds	7,409	-4	530	0	29	7,964
Gross borrowing position, projects	**7,409**	**-4**	**530**	**0**	**29**	**7,964**

At 30 June 2022, all the project companies fulfilled significant covenants in force.

7.2 Other companies

The net cash position excluding infrastructure projects and including discontinued activities amounted to EUR 1,521 million in June 2022, a change of EUR -661 million compared with December 2021.

a) Cash and cash equivalents of other companies

At 30 June 2022 there were certain short-term restricted accounts totalling EUR 30 million (December 2021: EUR 72 million), primarily in the Construction Division, for operating motives relating to projects in progress in the US.

The Group’s liquidity position is strong at June 2022, reflecting solid finances to face the current economic situation.

(Millions of euros)	DEC. 2021	JUN.2022	CHANGE
Short-term restricted cash	72	30	-42
Other cash and cash equivalents	5,247	4,822	-425
Total short-term cash and cash equivalents	**5,319**	**4,852**	**-467**
Long-term restricted cash	0	0	0
Cash-related forwards	-22	-43	-21
Total cash and cash equivalents	**5,297**	**4,809**	**-488**

In addition, the Services Division records cash and cash equivalents of EUR 164 million. At ex infrastructure project level, the Group has drawable credit lines, including Services, amounting to EUR 965 million.

The sum of the EUR 4,809 million in cash and cash equivalents plus the cash in Services (EUR 164 million) and the drawable credit lines of EUR 965 million makes a total overall ex infrastructure projects liquidity position of EUR 5,937 million.

b) Breakdown of borrowings of other companies

(Millions of euros)	DEC. 2021	OTHER COMPANIES -	EXCHANGE RATE	JUN.2022
Construction	40	-15	0	25
Corporate and other	3,138	204	19	3,361
Total ex-infrastructure project company	**3,178**	**189**	**19**	**3,386**

The borrowings of ex-infrastructure project companies amounted to EUR 3,386 million, an increase of EUR 189 million. This increase is largely due to the increase in outstanding balance of the Euro Commercial Paper (ECP) programme arranged in 2018 and showing a balance of EUR 466 million at June 2022 (EUR 250 million at December 2021).

The following table shows changes to ex-infrastructure project gross borrowings, broken down into variations in borrowings with balancing entries in cash flows, exchange rate effects and scope changes, as well as changes in borrowings due to the accrual of interest, which do not affect period cash positions:

(Millions of euros)	DEC. 2021	INCREASE/ REDUCTION IN CASH EFFECT	FOREIGN EXCHANGE EFFECT	IMPACT OF SCOPE CHANGES	CAPITALISED/ACCRUED INTEREST AND OTHER	JUNE 2022
Bank borrowings/Ex-project bonds	3,178	196	20	0	-8	3,386
Cross-currency swaps	9	0	-7	0	0	2
Gross borrowing position, ex-projects	**3,186**	**196**	**13**	**0**	**-8**	**3,388**

8. Non-current financial assets and financial derivatives at fair value

The main movements in non-current financial assets and assets and liabilities relating to financial derivatives at fair value are set out below:

Millions of euros	30.06.2022	31.12.2021	Var.
Non-current financial assets	**944**	**879**	**66**
Long-term loans to associates	237	227	10
Restricted cash and other non-current financial assets	601	579	22
Other non-current financial assets	106	73	33
Financial derivatives at fair value (net)	**-56**	**-96**	**40**
Financial derivatives at fair value (assets)	223	309	-86
Financial derivatives at fair value (liabilities)	-279	-405	126

8.1. Non-current financial assets

The item "Long-term loans to associates" essentially includes the loans of EUR 148 million granted to AGS (GBP 127 million) as compared with EUR 146 million at 31 December 2021 (GBP 123 million), not including the provision for expected losses of EUR 11 million (EUR 9 million) but including accrued interest for the year in the amount of EUR 2 million (Note 5.4.c). It also reflects other loans granted to associates in the amount of EUR 101 million (EUR 93 million in 2021), primarily in the Toll Roads Division.

The item "Restricted cash in infrastructure projects and other financial assets" relates primarily to deposits made in toll road concession operators, the use of which is limited to certain purposes under the concession, that is payments of future investments, operating expenditure or debt servicing. This item forms part of the net cash position.

"Other non-current financial assets" primarily relates to interests in investment funds amounting to EUR 33.5 million, and also EUR 20.5 million invested in a fund named Credit Suisse (Lux) Supply Chain Finance Fund, which invested in supplier invoices insured by companies with an investment grade rating (average of AA-). This fund is currently in liquidation. The amount invested is regarded as recoverable within more than one year. This also includes other trade receivables, mainly from various public authorities in connection with long-term contracts, primarily relating to companies in the Construction division amounting to EUR 8.7 million (31 December 2021: EUR 10 million).

8.1.1 Loan granted to AGS

As indicated in Note 8.1, Ferrovial has granted a subordinated loan of EUR 148 million to the company AGS (EUR 137 million, net of the amount of the expected loss provision). The company's other shareholder has granted a loan on the same terms.

Given the impact of the COVID-19 crisis and the conflict between Russia and Ukraine on the global economy, a recoverability analysis of the loan was carried out, including expectations of the asset's future performance, the company's liquidity forecasts for the next twelve months, and the status of the bank borrowings following the agreement on the above-mentioned loan.

On the basis of future projections, the asset's positive liquidity situation following the contingency plans applied in 2020 and 2021, and the current debt position following the amendment and extension of the syndicated loan agreed in June 2021, the conclusion may be drawn that the amounts lent to the company are likely to be recovered.

8.2. Financial derivatives at fair value

In general, the Group's position in derivatives and its hedging strategies remained in line with the situation described in detail in the financial statements for the year ended 31 December 2021. Derivatives are recognised at market value at the arrangement date and at fair value at subsequent dates. Note 2 provides further details of the effects of the coronavirus pandemic on the value of the derivatives portfolio.

A breakdown of assets and liabilities relating to financial derivatives at fair value showing the main impacts on reserves and on profit or loss is as follows:

Millions of euros	Notional amounts at 30/06/2022	Balance at 30/06/2022	Balance at 31/12/2021	Var.	Impact on reserves	Impact on P&L - Fair value	Other effects on the balance sheet or P&L
Index-linked derivatives	**66**	**157**	**299**	**-142**	**-76**	**-58**	**-8**
Cash flow hedges	66	157	299	-142	-76	-58	-8
Interest rate derivatives	**1,530**	**-94**	**-346**	**252**	**188**	**62**	**3**
Cash flow hedges	1,180	-108	-315	207	200	1	8
Fair value hedges	0	0	0	0	5	0	-5
Speculative	350	14	-31	45	-17	62	0
Cross-currency swaps	**250**	**-2**	**-9**	**7**	**0**	**0**	**7**
Cash flow hedges	250	-2	-8	6	0	0	6
Fair value hedges	0	0	-1	1	0	0	1
Foreign exchange derivatives	**5,496**	**-123**	**-54**	**-69**	**2**	**-6**	**-66**
Fair value hedges	3,503	-56	-35	-21	2	-7	-16
Net foreign investment hedges	1,993	-67	-18	-48	0	1	-50
Equity swaps	**65**	**5**	**11**	**-6**	**0**	**-6**	**0**
Speculative	65	5	11	-6	0	-6	0
TOTAL	**7,408**	**-56**	**-98**	**42**	**113**	**-8**	**-63**

The net change in the fair value of the Group's financial derivatives amounts to EUR 42 million, its liabilities position switching from EUR -98 million at December 2021 to a liabilities position of EUR -56 million at the close of June 2022.

The main changes are described below:

- Inflation derivatives (EUR -142 million) relating to the concession operator Autema (of which the Group's shareholding amounts to 76.276%). The main causes of this change are described below:
  - Impact on reserves from the part considered as hedging (EUR -76 million), primarily due to an increase in inflation forecasts in Spain.
  - Impact of EUR -58 million in fair value results for the portion that was discontinued as a hedge in 2019 following the change in the asset's concession regime.
  - Settlements made during the year resulting in collections totalling EUR 13 million.
- Interest rate derivatives (EUR 252 million), the main variations being explained essentially by the expected future increase in interest rates. This is the main reason for the impact on reserves (EUR 188 million), mostly in the Toll Roads Division. The breakage of the pre-hedge contracted for the issue of a new bond that was not finally issued had a positive impact of EUR 62 million on the income statement.
- Foreign exchange derivatives (EUR -69 million), used basically to hedge the volatility of the Group's foreign currency investments, the main impacts of which were caused by the appreciation of currencies against the euro, mainly the US dollar and Canadian dollar (Note 5.1). This effect is explained by settlements entailing a cash outflow of EUR 261 million, partially offset by EUR -332 million of foreign exchange differences and the fair value impact on the income statement of EUR -6 million.

9. Disclosures relating to the income statement

9.1 Operating profit/(loss)

A breakdown of the Group's operating profit/(loss) at 30 June 2022 is as follows:

(Millions of euros)	2022	2021 (*)	Var.
EBITDA	**306**	**263**	**43**
Fixed asset depreciation	138	126	12
Operating profit/(loss) before impairment and disposals	**168**	**137**	**31**

(*) Restated figures (Note 3.1)

EBITDA at 30 June 2022 amounted to EUR 306 million (30 June 2021: EUR 263 million), representing an increase of 16% on the previous year. This improvement is explained primarily by the Toll Roads business, particularly the improved contribution from the US concessions following the significant recovery of traffic since the restrictions were lifted. Conversely, the Construction Division was adversely impacted by rising prices of labour, materials and energy, which were partly offset by an increase in Budimex's figures due mainly to building and civil works projects.

Fixed asset depreciation charges for 2022 totalled EUR 138 million as compared with EUR 126 million in the previous year.

9.2 Impairment and disposals of fixed assets

"Impairment and disposals of fixed assets" primarily includes asset impairment losses and gains or losses on the sale and disposal of shareholdings in Group companies and associates.

No impairment loss on or disposal of fixed assets was recognised at 30 June 2022.

At 30 June 2021, a profit of EUR 16.6 million was recognised on the sale of the Group's ownership interest (22%) in Urbs Iudex Et Causidicus, S.A -URBICSA.

9.3 Net financial income/(expense)

Net financial income/(expense) from financing

Net financial income/(expense) from financing recognised by the infrastructure project companies amounted to EUR -109 million (30 June 2021: EUR -105 million), relating primarily to these companies' borrowing costs. The variation in net financial income/(expense) was largely due to the increase in US toll road borrowings.

As regards the other companies, or ex infrastructure projects information, net financial income/(expense) totalled EUR 12 million (EUR -23 million at 30 June 2021), relating to costs of external borrowings amounting to EUR -16 million (EUR -33 million at 30 June 2021) and to financial income from financial investments made and other items amounting to EUR 28 million (EUR 10 million at 30 June 2021). The improvement compared to the previous year is due to improved cash remuneration, due to higher interest rates and lower debt costs due to the lower bond balance compared to 2021, as a EUR 500 million bond was not renewed in the previous year.

Other net financial income/(expense)

This item relates mainly to changes in the fair value of financial instruments in ex-infrastructure project companies, having no impact on cash. At 30 June 2022, the impact amounts to EUR 44 million (expense of EUR -2 million at 30 June 2021) and is reflected in the fair value adjustments column in the income statement.

This amount mainly includes the positive impact accumulated in reserves of the pre-hedge arranged for Ferrovial S.A.'s bond issue planned for 2022, which was reclassified to the income statement in the amount of EUR 61 million, as indicated in Note 8.2, since the issue did not go ahead. This is in contrast to the negative effect of the equity swaps arranged by the Group to hedge the impact on equity of stock option plans, which totalled EUR -6 million during the period (Note 8) due to the share price fall in the first six months of the year.

Disregarding the fair value impact, the remainder of the net financial income/(expense) of EUR 1 million (30 June 2021: EUR 4 million) essentially relates to bank guarantee and deposit costs (EUR -13 million), exchange rate differences (EUR 3 million), as well as late payment interest (EUR 7 million).

In the infrastructure project companies, the most significant changes on the previous year relate to gains/(losses) on derivatives and other fair value adjustments, particularly the negative impact of the index-linked swap (ILS) showing a fair value of EUR -58 million, associated with the Autema project.

9.4 Corporate income tax expense

Corporate income tax expense for the first six months of 2022 was calculated on the basis of the tax rate that is expected to be applicable to profit/(loss) for the financial year. This gave rise to an expense of EUR 21 million at 30 June 2022. However, it should be noted that this amount includes income of EUR 5 million in prior-year regularisations and the recognition of deferred tax liabilities in relation to possible withholding retention tax on the repatriation of future dividends from Canada (EUR 9 million of expense).

Excluding those impacts, corporate income tax expense for the period totalled EUR 18 million.

In addition, pre-tax profit/(loss) (EUR 104 million at 30 June 2022) includes certain impacts that must be excluded when calculating the effective income tax rate, particularly those described below:

- Impact of the results of equity-accounted companies which, in accordance with accounting standards, are presented net of the related tax effect.
- In accordance with the prudence principle of accounting, the decision was taken not to capitalise tax losses nor all the tax credits, primarily in Spain, in view of the lack of certainty as to short-term recoverability.
- Various different types of non-deductible expenses, primarily in Poland.
- Limit on the deductibility of financial expenses on the Toll Road Division in Portugal.

Having adjusted for the main impacts, profit/(loss) before tax would amount to EUR 67 million. Therefore, the effective tax rate following those adjustments would be 26% (income tax expense of EUR 18 million on the pre-tax profit of EUR 67 million).

9.5 Profit/(loss) from discontinued operations

Profit from discontinued operations for the year relate to the Services Division and amounted to EUR -5 million (EUR 198 million in 2021: EUR 83 million relating to the Services Division and EUR 115 million relating to the Construction Division).

Services Division

As explained in Note 1.3, at 30 June 2022, as in 2021, the business activity of the former Services Division is carried as a discontinued operation, meaning that the impact of this business on the income statement is reported on a single line named "Net profit/(loss) from discontinued operations".

For a better understanding of the results of the Services business and the way in which they have been included in the Group's consolidated results, the accompanying table provides a breakdown by line of profit/(loss) from this discontinued operation:

(Millions of euros)	JUN. 2022	JUN. 2021 (*)	VAR.
Revenue	1,406	2,575	-1,169
Operating profit/(loss)	**52**	**68**	**-16**
Net financial income/(expense)	-3	-15	12
Share of profits of equity-accounted companies	3	5	-2
Consolidated profit/(loss) before tax	51	58	-6
Corporate income tax	-8	-30	23
Profit/(loss) after tax	44	27	16
Profit/(loss) for the year attributed to non-controlling interests	0	-1	1
Profit/(loss) for the year attributed to the parent company	**44**	**26**	**18**
Adjustments to discontinued	-49	57	-105
Profit/(loss) from discontinued operations	**-5**	**83**	**-88**

(*) Restated figures (Note 3.1)

The comparability of the various components of profit/(loss) from discontinued operations in relation to 2021 is affected because the figures for the first half of 2022 include the results of all the businesses sold both at the end of 2021 (the environmental services business in Spain and Portugal and the infrastructure maintenance business relating to the oil and gas extraction industry in the United States) and in the first half of 2022 (Spanish infrastructure upkeep and maintenance business and UK energy and water infrastructure maintenance business).

10. Contingent assets and liabilities and investment commitments

As indicated in Note 1.3., the disclosures included in this Note also include the information relating to discontinued operations.

10.1. Litigation and other contingent liabilities

The 2021 consolidated annual accounts contain detailed disclosures on the main litigation in which the Group companies were involved on that date. There follows an explanation of the main changes in the status of the lawsuits in the first half of 2022:

a) Litigation relating to the toll road business

M-203 toll road

Legal action filed by the concession operator M203 seeking compensation for investments made (net asset value of the investment - NIV) due to the termination of the concession agreement on the grounds of a breach by the Madrid Regional Government (CAM).

In October 2020 M203 was notified of the judgement by the Madrid High Court of Justice (TSJM) upholding the appeal, in which the Madrid Regional Government was ordered to immediately issue the NIV settlement decision.

After submitting various documents requesting the enforcement of the judgement and its immediate implementation, finally, on 23 December 2021, the CAM notified the M203 of a NIV calculation order ("NIV") stating the amounts that it agreed to pay, totalling EUR 73,388,672.44, of which EUR 68,062,634.52 related to the principal (tax base of EUR 56,250,111.17; recognising VAT payable of EUR 11,812,523.35) and EUR 5,326,037.92 relates to late-payment interest to 31 December 2021.

On the same date, 23 December 2021, M203 cancelled the invoices issued in May 2018 (recognised as receivables) in the amount initially claimed when the CAM took possession of the works. New invoices were issued to the CAM (one for the principal plus VAT and the other for the late-payment interest recognised by the CAM). On 29 December 2021, M203 received full payment of the NIV from the CAM in the amount of EUR 73,388,672.44. M203 wrote off the receivable of EUR 3.8 million in the amount of the difference between the principal received (EUR 56.2 million) and the receivable recognised (EUR 60 million), which had already been provisioned.

On 3 March 2022, the contentious-administrative appeal brought by M203 against the NIV Order to claim the difference between the amounts not recognised by the CAM in the sum paid on 29 December 2021 and those calculated by the Company, initially valued at approximately EUR 4 million in principal and EUR 1 million in interest. However, this amount may be supplemented by other amounts deemed to be admissible following the review of the case file, which have been claimed from the CAM. The claim filing period has been interrupted while M203's application to extend the proceeding is resolved.

Radial R4 toll road

With regard to Radial 4, in June 2013 a group of financial institutions from the banking syndicate that was financing the Project filed court proceedings with Madrid Court of First Instance No. 61 against the shareholders of the concession company that had guaranteed the contribution of contingent capital in certain circumstances, namely Cintra Infrastructures, SE – and Sacyr Concesiones, S.L.

In that lawsuit, they sought the enforcement of a guarantee that had been put in place by the shareholders, on the grounds of an alleged breach of certain ratios. This corporate guarantee amounts to a total of EUR 23 million, of which Cintra's share amounts to EUR 14.95 million.

Following the Madrid Provincial Court allowing the banks' appeal after studying the merits of the case, the claiming shareholders lodged a cassation appeal at the Supreme Court which was pending admission in December 2020.

At year-end 2021, both the EUR 14.95 million of the guarantees given and the EUR 4.85 million in default interest accruing since the proceeding began were fully provisioned.

There were no changes to the procedural status of this litigation in 2021 or in 2022 to the date of these financial statements.

OSARS project in Australia

Cintra is a 50% shareholder, together with Plenary, of the Australian entity Netflow Western Roads Upgrade (Netflow), concessionaire of the OSAR Western Roads Upgrade Project in Melbourne.

The shareholders have already paid up the entire share capital, with Cintra's contribution amounting to EUR 26.7 million. The consolidated value of the shareholding in Ferrovial at June 30, 2022 is EUR 50.4 million. There are no bank or corporate guarantees provided by Cintra or Ferrovial.

On February 23, 2022, the construction subcontractor who was in charge of the project works, WBHO Infrastructure Pty Ltd (WBHO), filed for bankruptcy. The works are currently 99.9% complete and the concessionaire is taking the necessary steps to finalise the pending works.

As a result of the aforementioned situation, the concessionaire might be in a contract termination event, although, based on the information available to date, the Group considers that the most likely scenario is that this event will not occur. Should it occur, the concessionaire could claim damages from its subcontractors for damages caused by reasons attributable to them.

b) Litigation relating to the Construction business

Construction business Spain

In 2019, the Spanish National Markets and Competition Commission (CNMC) initiated penalty proceedings against Ferrovial Construcción, S.A. and other construction firms for alleged anti-competitive behaviour.

As outlined by the Competition Directorate (CD), this behaviour ostensibly consists of the exchange of certain information between companies for the purposes and/or with the effect of restricting competition during the course of the competitive tendering processes organised by Public Authorities in Spain for the construction and refurbishment of infrastructure and buildings.

In March 2020, the CD gave notice of a proposed penalty of EUR 48 million and, in July 2020, the CNMC's Competition Court declared the proceedings to have expired and ordered the raising of new proceedings relating to the same events. Ferrovial Construcción appealed the decision at the National High Court. In January 2022, the National High Court gave the appeal leave to proceed and it is currently being processed.

In parallel to the previous appeal, in April 2021, a new list of charges drawn up by the Competition Directorate was received containing the investigation findings and a description of the facts that could constitute an infringement of competition law. In May 2021, a writ of defence allegations was presented stating that the infringements claimed by the directorate had not taken place. In June, notification of the proposed penalty was received (EUR 48 million), which dis not end the penalty proceeding, the CNMC's board having competence to take the final decision.

On 5 July 2022, the Board of the Spanish National Markets and Competition Commission (CNMC) notified the resolution of the proceeding, imposing on Ferrovial Construcción, S.A. a fine of EUR 38.5 million for a very serious infringement of Article 1 of the Competition Law. The company disagrees entirely with the resolution and plans to lodge an appeal to the National High Court and to request a stay of enforcement, which will probably be granted.

The Group considers that the outcome of this lawsuit is unlikely to be unfavourable and therefore no amount has been provisioned in this respect.

c) Tax-related litigation

Ferrovial has recognised provisions for taxes for a total amount of EUR 197.5 million. These provisions relate essentially to ongoing litigation arising from tax assessments raised following tax inspections in Spain for a disputed sum of EUR 330.9 million, the most significant being corporate income tax and VAT for the periods 2002 to 2017.

The most noteworthy lawsuits are as follows:

a. Proceedings relating to the amortization for tax purposes of the financial goodwill arising from the acquisitions of Amey and Swissport. Ferrovial has filed an appeal against the 2014 European Commission Decision ("Third Decision") declaring this tax measure to be State aid. Although we consider that there are well-founded grounds supporting the Group's procedural position, if there is no favourable court ruling, there would be a negative impact of 84.5 million euros on Ferrovial's income statement, corresponding to the Corporate Income Tax for the years 2002-2009 and 2016-2021 (the impact corresponding to the period 2019-2021 is estimated given that there is an inspection in progress). The maximum amount payable would be 43.9 million euros, given that the rest has already been paid.

b. The cassation appeal filed at the Supreme Court against the settlement resolution arising from the tax assessment raised on Ferrovial, S.A. for 2006 corporate income tax. The main matter in dispute is the application of the deduction for export activities relating to the 2006 investment made to acquire the ownership interest in the former BAA (Heathrow). This contingency amounts to EUR 116 million (fully provisioned).

e) Contingent assets

The Joint Venture formed by Ferrovial Construction and Batco carried out the construction of package 5 of the Batinah highway in Oman, now completed. The JV initiated international arbitration process against the Government of the Sultanate of Oman, represented by the Ministry of Transport, Communications and Information Technology. The arbitration pursued claims related to significant delays, disruptions and increased costs as a result of multiple circumstances giving rise to compensation under the terms of the contract.

On July 21, 2022, the JV received a copy of the Tribunal's award recognizing entitlement to the claim filed. Once received, the parties have thirty days to review the award and request a revised decision to correct errors in calculation as well as clerical, typographical and other such errors or omissions. The Tribunal may also make corrections on its own initiative during this time If the Tribunal considers the requests justified, it will render or complete its award within 60 days after the receipt of the request.

In light of the JV's review of the award, which has identified numerous errors, and given that it is not known what errors the counterparty may request, it has been concluded that there is no virtually certain asset in relation to this claim and therefore no positive impact has been recorded in the financial statements as of June 30. If the award is confirmed after the review process described above, it would have a positive impact on Ferrovial's income statement.

10.2. Guarantees

a) Bank guarantees and other guarantees issued by insurance companies

At 30 June 2022, the Group companies had given bank guarantees and other guarantees issued by insurance companies for a total of EUR 8,353 million (EUR 7,099 million in December 2021), which break down as follows: i) EUR 4,050 million in bank guarantees (EUR 3,041 million in December 2021); and ii) EUR 4,303 million in guarantees issued by bonding agencies and insurance companies (EUR 4,058 million in December 2021). These guarantees cover the liability to customers for correct performance in construction or services contracts involving Group companies. So if a project were not executed, the customer would enforce the guarantee.

Of the total amount of the guarantees, EUR 1,513 million (31 December 2021: EUR 498 million) secures commitments to invest in the capital of infrastructure projects, EUR 1,081 million relating to the JFK project (Note 10.3).

b) Guarantees given by Group companies for other Group companies

Guarantees are given among Group companies to cover third-party liability arising from contractual, commercial or financial relationships. In general, these guarantees do not have any impact on the analysis of the Group's consolidated accounts. However, there are certain guarantees provided by ex-infrastructure project companies to infrastructure project companies which, due to the classification of project borrowings as being without recourse, it is relevant to disclose. Guarantees given to equity-accounted companies, whether or not they are infrastructure project companies, must also be disclosed since they could give rise to future additional capital disbursements in these companies, were the secured events to occur.

There follows a breakdown of this type of guarantees outstanding at 30 June 2022 and changes with respect to December 2021:

b.1) Guarantees provided by ex-infrastructure project companies to fully-consolidated infrastructure project companies (contingent capital)

These guarantees totalled EUR 94 million at 30 June 2022 (31 December 2021: EUR 93 million).

The I-66 project is also secured by a bank guarantee given by third parties in the amount of USD 3 million covering potential cost overruns.

b.2) Guarantees provided by ex-infrastructure project companies to equity-accounted infrastructure project companies (contingent capital).

Guarantees securing infrastructure project financing amount to EUR 6 million based on the Ferrovial Group's ownership interest (31 December 2021: EUR 8 million). In addition to these guarantees, there is a bank guarantee issued by third parties in the amount of EUR 1 million for possible cost overruns in the Ausol project.

In addition, the Company has furnished a guarantee of EUR 20 million in relation to the Radial 4 toll road, which was deconsolidated in 2015. This amount had been provisioned in full at 30 June 2022 (Note 10.1 relating to litigation).

b.3) Other guarantees provided for equity-accounted companies

Certain Construction and Services contracts are performed by equity-accounted companies often created specifically to perform contracts previously awarded to their shareholders. In these cases, the shareholders of those companies provide performance bonds relating to those contracts. The liabilities secured are similar to those indicated in Note 10.2.a).

They include guarantees provided in the former Services Division by Amey UK PLC in favour of various equity-accounted companies. These guarantees totalled EUR 336 million at 30 June 2022 (31 December 2021: EUR 369 million), the most significant of which related to the contracts with the British Ministry of Justice and the Manchester tram network. It should be noted that the aforementioned amount relates to the annual amount of contracts not yet performed in proportion to Ferrovial's percentage of ownership.

10.3. Commitments

a) Investment commitments

The investment commitments undertaken by the Group in relation to the capital contribution in infrastructure projects amount to EUR 1,521 million (December 2021: EUR 517 million). The increase in the year is due to the EUR 1,081 million guarantee granted for future capital contributions for the new terminal one project at JFK airport in New York (Note 1.2). This balance also includes EUR 243 million in relation to the I-66 toll-road project (EUR 349 million in December 2021). A part of these commitments is secured by bank guarantees received from third parties amounting to EUR 1,513 million (EUR 1,081 million relating to the JFK project) (Note 10.2).

In addition, commitments were made to invest up to EUR 50 million (EUR 16 million in December 2021) in companies in which Ferrovial holds non-controlling interests that are engaged in innovation projects related primarily to energy and mobility.

b) Environmental commitments

There were no changes with respect to the information disclosed in the annual accounts for 2021 in relation to the provisions for probable or certain environmental liabilities, litigation in progress, indemnities or other outstanding obligations of undetermined amount.

11. Workforce

Set out below is an analysis of the number of employees at 30 June 2022 and 2021 by professional category and gender:

	30/6/2022			
CATEGORY, CONTINUING OPERATIONS	**MEN**	**WOMEN**	**TOTAL**	**VAR. 22/21**
Executive directors	2	0	2	–%
Senior executives	12	1	13	(13%)
Executives	109	17	126	4%
Managers/Professionals/Supervisors	6,125	2,449	8,574	(3%)
Administrative/Support	587	595	1,182	5%
Manual workers	9,852	482	10,334	(4%)
Total	**16,687**	**3,544**	**20,231**	**(3%)**

CATEGORY, CONTINUING OPERATIONS	30/6/2021(*)		
	MEN	**WOMEN**	**TOTAL**
Executive directors	2	0	2
Senior executives	14	1	15
Executives	108	13	121
Managers/Professionals/Supervisors	6,316	2,495	8,811
Administrative/Support	527	598	1,125
Manual workers	10,277	480	10,757
Total	**17,244**	**3,587**	**20,831**

The workforce decreased by -3% (-600 employees) compared to 30 June 2021.

CATEGORY, DISCONTINUED	30/6/2022 MEN	WOMEN	TOTAL	VAR. 22/21
Executive directors	0	0	0	–%
Senior executives	0	0	0	–%
Executives	7	2	9	(59%)
Managers/Professionals /Supervisors	4,927	1,341	6,268	(33%)
Administrative/Support personnel	80	325	405	(48%)
Manual workers	5,638	2,056	7,694	(84%)
Total	**10,652**	**3,724**	**14,376**	**(75%)**

CATEGORY, DISCONTINUED OPERATIONS	30/6/2021(*) MEN	WOMEN	TOTAL
Executive directors	0	0	0
Senior executives	0	0	0
Executives	18	4	22
Managers/Professionals/Supervisors	7,203	2,162	9,365
Administrative/Support	164	609	773
Manual workers	28,264	19,550	47,814
Total	**35,649**	**22,325**	**57,974**

The average headcount by business division in the first six months of the year was as follows:

BUSINESS	30/6/2022 MEN	WOMEN	TOTAL	VAR. 22/21
Construction	16,370	3,175	19,545	2%
Toll roads	331	155	486	8%
Airports	35	15	50	48%
Other	257	180	437	5%
Total continuing operations	**16,993**	**3,525**	**20,518**	**–%**
Total discontinued operations	**11,134**	**3,843**	**14,977**	**(74%)**
Total	**28,127**	**7,368**	**35,495**	**(55%)**

BUSINESS	30/6/2021(*) MEN	WOMEN	TOTAL
Construction	15,966	3,137	19,103
Toll roads	309	142	451
Airports	24	10	34
Services	491	70	561
Other	234	184	418
Total continuing operations	**17,024**	**3,543**	**20,567**
Total discontinued	**35,747**	**22,176**	**57,923**
Total	**52,771**	**25,719**	**78,489**

12. Comments on seasonality

Ferrovial's business activities are subject to a certain degree of seasonality in certain months of the year, making it impossible to extrapolate figures to a full year on the basis of figures for a six-month period.

In general, business in nearly all areas is slightly busier in the second half of the financial year.

The Covid-19 situation evolved very positively in the first half of 2022, allowing a further recovery in our toll road traffic and in passenger numbers, which was particularly significant in the latter case. As regards the Ukraine conflict, as explained in Note 2.2, the Construction business is potentially the most affected, although the mitigating actions implemented should prevent material impacts on Ferrovial's financial statements in the second half of the year.

13. Related-party transactions

The table below shows the commercial transactions effected between the Company (or its Group companies) and related parties on an arm's length basis in the first six months of 2022 and 2021 (if they were related parties for only a part of the six-month period, the transactions carried out during that period are indicated), broken down into three categories:

i. Transactions between Ferrovial, S.A. and its directors or senior executives:

This includes the transactions carried out between Ferrovial, S.A. and its directors and senior executives, their close family members or entities in which one or the other holds control or joint control, or those in which the directors of the Company are executives or directors at the same time or over which they could exercise significant influence (1).

ii. Transactions between subsidiaries of Ferrovial, S.A. and the directors or senior executives of the Company.

This includes the transactions carried out between subsidiaries of the Company and its directors and senior executives, their close family members or entities in which one or the other holds control or joint control, or those in which the directors of the Company are executives or directors at the same time or over which they could exercise significant influence (1).

(1) In relation to these entities, the ordinary transactions, which were completed on standards customer terms and are immaterial, are not included.

Thousands of euros	30/6/2022				30/6/2021			
EXPENSES AND INCOME:	a) Transactions with Ferrovial, S.A.	b) Transactions with subsidiaries	Total expenses and income	Balance at 30/06/2022	a) Transactions with Ferrovial, S.A.	b) Transactions with subsidiaries	Total expenses and income	Balance at 30/06/2021
Financial expenses	0	0	0		0	55	55	
Services received	0	8	8	3	51	1,283	1,334	-28
EXPENSES	**0**	**8**	**8**	**3**	**51**	**1,338**	**1,389**	**-28**
Financial income	0	0	0		0	0	0	
Services rendered		20	20	0		161	161	77
INCOME	**0**	**20**	**20**	**0**	**0**	**161**	**161**	**77**

Thousands of euros			30/6/2022			30/6/2021
OTHER TRANSACTIONS:	a) Transactions with Ferrovial, S.A.	b) Transactions with subsidiaries	Balance at 30/06/2022	a) Transactions with Ferrovial, S.A.	b) Transactions with subsidiaries	Balance at 30/06/2021
Financing agreements: loans and capital contributions	0	0	0	16,980	104,220	121,200
Bank and other guarantees received	0	0	0	17,760	78,750	96,510
Settlement of derivatives	0	0	0	0	-624	0

iii. Transactions between Group companies

Also described are transactions between the subsidiaries and the Company which, in all cases form part of their ordinary businesses as regards purpose and conditions and were not eliminated on consolidation for the following reason.

As explained in detail in Note 1.3.2 to the consolidated annual accounts for the year ended 31 December 2021, balances and transactions relating to construction work performed by the Construction Division for Group infrastructure concession operators are not eliminated on consolidation since, at the consolidated level, contracts of this type are classed as construction contracts in which the work, during execution, is deemed to be performed for third parties, as the ultimate owner of the work, from both a financial and a legal viewpoint, is the awarding entity.

For the first half of 2022, Ferrovial's Construction Division recognised revenue totalling EUR 466,163 thousand for the above-mentioned construction work (30 June 2021: EUR 512,954 thousand), of which EUR 57 million relates to equity-accounted toll roads.

The related profit/(loss) not eliminated on consolidation and attributable to Ferrovial's ownership interest in the concession operators, net of taxes and minority interests, amounted to EUR - 17 million in the first half of 2022, of which EUR -14 million relate to equity-accounted companies, primarily Zero Bypass and the Ruta del Cacao. At 30 June 2021, this amounted to EUR -6 million.

14. Directors' remuneration

The agreements between the Company and the senior managers,
specifically provide for the right to receive the indemnities referred to in
Article 56 of the Spanish Labor Statute in the event of unfair dismissal.
In order to encourage loyalty and continuity, a deferred remuneration
scheme was granted to thirteen senior managers, including one executive director. The scheme consists of extraordinary remuneration
that will only be paid in any of the following circumstances:
• Exit of the senior manager by mutual agreement upon reaching a
certain age.
• Unfair dismissal or exit at the Company's discretion without cause
for dismissal, before the senior manager reaches the age initially agreed, if the amount exceeds the figure stipulated in the Labor Statute.
• Death or disability of the senior manager.

There follows an itemised breakdown of the remuneration received by all the Company's directors as members of the Board of Directors of Ferrovial, S.A. and by Ferrovial's senior executives sitting on the Company's management committee or reporting directly to the Board, the Executive Committee or the Company's CEOs (except for those who are also executive directors, whose remuneration is included in that received by the Board of Directors):

Remuneration item	Amount (thousands of euros)	
BOARD DIRECTORS:	30/6/2022	30/6/2021
Fixed remuneration	1,325	1,300
Variable remuneration	3,557	2,430
Bylaw-stipulated emoluments:	0	0
Fixed allowance	210	210
Per diems	350	339
Transactions involving shares and/or other financial instruments	1,066	490
TOTAL	**6,508**	**4,768**
SENIOR EXECUTIVES:	**30/6/2022**	**30/6/2021**
Total remuneration received by senior executives	7,612	13,920

The increase in the amount of director per diems compared to the first half of 2021 is explained by the number of Board committee members and the number of committee meetings held. The increase in long-term incentives (EUR 1,066 million in 2022 compared to EUR 490 million in 2021) is due to the increase in the level of ratios achieved. Senior executive remuneration decreased in relation to the first half of 2021 due to no senior executives exiting the company during this period.

Also, in order to cover the extraordinary remuneration of certain Senior Executives (including the CEO), which is subject to the circumstances discussed in Note 6.6.6 to the Consolidated Financial Statements, on an annual basis the Company makes contributions to a group savings insurance plan of which the Company itself is the policy holder and beneficiary, quantified based on a certain percentage of the total monetary remuneration of the members of this policy. Contributions made in the first six months of 2022 amounted to EUR 1,921 thousand of which EUR 461 thousand relate to the executive director.

Notes 6.6 and 6.7 to the consolidated annual accounts at 31 December 2021 describe in detail the remuneration of the Board of Directors and senior executives, as well as the functioning of the share-based remuneration schemes.

15. Selected individual financial information

IAS 34 p.14 on Interim Financial Information does not require the individual financial statements of the parent company to be included together with the Consolidated Financial Statements in the interim information prepared by the entity.

In addition, and following the indications of the Spanish Stock Market Commission (CNMV) Circular 3, dated 28 June 2018, in its fourth rule section 2, when the issuer is required to prepare consolidated financial information for the interim period corresponding to the half-yearly financial report being presented, the completion of the individual half-yearly financial report may be satisfied by completing the individual financial information required in Chapter IV of said circular, thus complying with the obligation to present the individual half-yearly financial report.

In line with this provision, all the selected individual financial information of the company Ferrovial S.A. has been duly reported to the CNMV, following the specific statistical forms defined for this purpose, thus fulfilling the reporting obligations relating to said company.

16. Events after the reporting date

Ferrovial, through the Airports Division, has closed the financial aspects to acquire a 60% stake in the company that manages the Dalaman International Airport concession in Turkey. YDA Group, which has operated the asset since 2006 and will retain a 40% ownership interest, has made major improvements to the facilities. The acquisition agreement was completed within the forecast deadlines, fulfilling all conditions, including approval by the local authorities.

The YDA was awarded the concession to operate the airport for the following 26 years in 2014, which was recently extended to 2042. The agreement included the construction of a new international terminal that came into service in 2018. Under the concession agreement, fees per passenger are set and collected in euros, so that the bulk of the airport's revenues are in euros.

17. Appendices

Appendix I. Segment reporting

Consolidated income statement as at 30 June 2022

(Millions of euros)	Construction	Toll roads	Airports	Services	Other segments	Adjustments	Total 2022
Revenue	3,053	355	7	0	154	-104	3,465
Other operating income	1	0	0	0	0	0	1
Total operating income	**3,054**	**355**	**7**	**0**	**154**	**-104**	**3,466**
Materials consumed	559	2	0	0	15	0	576
Other operating expenses	1,838	64	23	0	90	-103	1,912
Staff costs	579	33	3	0	57	0	672
Total operating expenses	**2,976**	**99**	**26**	**0**	**162**	**-103**	**3,160**
EBITDA	**78**	**255**	**-19**	**0**	**-8**	**0**	**306**
Fixed asset depreciation	52	82	0	0	4	0	138
Operating profit/(loss) before impairment and disposal of fixed assets	**26**	**174**	**-19**	**0**	**-12**	**-1**	**168**
Impairment and disposal of fixed assets	0	0	0	0	0	0	0
Operating profit/(loss)	**26**	**174**	**-19**	**0**	**-12**	**-1**	**168**
Net financial income/(expense) from financing	-2	-103	0	0	-4	0	-109
Profit/(loss) on derivatives and other net financial income/(expense)	0	-65	0	0	-1	0	-66
Net financial income/(expense), infrastructure projects	**-2**	**-168**	**0**	**0**	**-5**	**0**	**-175**
Net financial income/(expense) from financing	12	7	0	0	-7	0	12
Profit/(loss) on derivatives and other net financial income/(expense)	-13	-2	5	0	55	0	45
Net financial income/(expense) from other companies	**-1**	**5**	**5**	**0**	**48**	**0**	**57**
Net financial income/(expense)	**-3**	**-163**	**5**	**0**	**43**	**0**	**-118**
Share of profits of equity-accounted companies	0	50	3	0	0	1	54
Consolidated profit/(loss) before tax	**23**	**61**	**-11**	**0**	**31**	**0**	**104**
Corporate income tax	-12	-15	-1	0	6	1	-21
Consolidated profit/(loss) from continuing operations	**11**	**46**	**-12**	**0**	**37**	**1**	**83**
Net profit/(loss) from discontinued operations	0	0	0	-5	0	0	-5
Consolidated profit/(loss) for the year	**11**	**46**	**-12**	**-5**	**37**	**1**	**78**
Profit/(loss) for the year attributed to non-controlling interests	-3	-25	0	0	0	0	-28
Profit/(loss) for the year attributed to the parent company	**8**	**21**	**-12**	**-5**	**37**	**1**	**50**

Consolidated income statement as at 30 June 2021 (*)

(Millions of euros)	Construction	Toll roads	Airports	Services	Other segments	Adjustments	Total 2021 (*)
Revenue	2,824	253	1	0	135	-78	3,135
Other operating income	0	0	0	0	0	1	1
Total operating income	**2,824**	**253**	**1**	**0**	**135**	**-77**	**3,136**
Materials consumed	480	2	0	0	15	-1	496
Other operating expenses	1,682	51	10	0	103	-76	1,770
Staff costs	534	25	2	0	46	0	607
Total operating expenses	**2,696**	**78**	**12**	**0**	**164**	**-77**	**2,873**
EBITDA	**128**	**175**	**-11**	**0**	**-29**	**0**	**263**
Fixed asset depreciation	56	65	0	0	5	0	126
Operating profit/(loss) before impairment and disposal of fixed assets	**72**	**110**	**-12**	**0**	**-34**	**1**	**137**
Impairment and disposal of fixed assets	17	0	0	0	0	-1	16
Operating profit/(loss)	**89**	**110**	**-12**	**0**	**-34**	**0**	**153**
Net financial income/(expense) from financing	-4	-98	0	0	-3	0	-105
Profit/(loss) on derivatives and other net financial income/(expense)	0	-49	0	0	0	0	-49
Net financial income/(expense), infrastructure projects	-4	-147	0	0	-3	0	-154
Net financial income/(expense) from financing	0	5	0	0	-28	0	-23
Profit/(loss) on derivatives and other net financial income/(expense)	-10	0	1	0	10	0	1
Net financial income/(expense) from other companies	-10	5	1	0	-18	0	-22
Net financial income/(expense)	**-14**	**-142**	**1**	**0**	**-21**	**0**	**-176**
Share of profits of equity-accounted companies	0	17	-255	0	-2	-1	-241
Consolidated profit/(loss) before tax	**75**	**-15**	**-266**	**0**	**-57**	**-1**	**-264**
Corporate income tax	-22	-1	0	0	-8	1	-30
Consolidated profit/(loss) from continuing operations	**53**	**-16**	**-266**	**0**	**-65**	**0**	**-294**
Net profit/(loss) from discontinued operations	115	0	0	83	0	0	198
Consolidated profit/(loss) for the year	**168**	**-16**	**-266**	**83**	**-65**	**0**	**-96**
Profit/(loss) for the year attributed to non-controlling interests	-79	-7	0	-1	0	0	-87
Profit/(loss) for the year attributed to the parent company	**89**	**-23**	**-266**	**82**	**-65**	**-1**	**-184**

(*) Restated figures

18. EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 1.1.1). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Translation of consolidated financial statements originally. In the event of a discrepancy, the Spanish-language version prevails.

BOARD APPROVAL

The foregoing pages contain the consolidated condensed financial statements and the consolidated interim management report of Ferrovial, S.A. and its subsidiaries for the six-month period ended 30 June 2022, which were approved by the Board of Directors of the Company at its meeting held in Madrid on 27 July 2022 pursuant to article 119 of the consolidated text of the Spanish Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, and other applicable regulations (such as rules fourth.2 and fifth.2 of the Circular 3/2018 of the CNMV).

Directors who attend the meeting in person sign below.

____
Mr. Rafael del Pino y Calvo-Sotelo
Chairman

____
Mr. Óscar Fanjul Martín
Vice-Chairman

____
Mr. Ignacio Madridejos Fernández
Chief Executive Officer

____
Ms. María del Pino y Calvo-Sotelo
Director

____
Mr. José Fernando Sánchez-Junco Mans
Director

____
Mr. Philip Bowman
Director

____
Ms. Hanne Birgitte Breinbjerg Sørensen
Director

____
Mr. Bruno Di Leo
Director

____
Mr. Juan Hoyos Martínez de Irujo
Director

____
Mr. Gonzalo Urquijo Fernández de Araoz
Director

____
Ms. Hildegard Wortmann
Director

____
Ms. Alicia Reyes Revuelta
Director

The Secretary of the Board of Directors states for the record that the Director Ms. Hildegard Wortmann has not signed this document because she attended the meeting of the Board of Directors held on 27 July 2022 remotely by technical means. This Director voted in favor of the approval of the consolidated condensed financial statements and the consolidated interim management report of Ferrovial, S.A. and its subsidiaries for the first six-month period of 2022.

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Mr. Santiago Ortiz Vaamonde
Secretary of the Board of Directors

Report on Limited Review

FERROVIAL, S.A. and subsidiaries
Interim Condensed Consolidated Financial Statements
and Interim Management Report
for the six months period ended
June 30, 2022

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REPORT ON LIMITED REVIEW OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the Shareholders of FERROVIAL, S.A. at the request of Management:

Report on the Interim Condensed Consolidated Financial Statements

Introduction

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter the interim financial statements) of FERROVIAL, S.A. (hereinafter the parent) and subsidiaries (hereinafter the Group), which comprise the condensed consolidated statement of financial position as of June 30, 2022, and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, the condensed consolidated cash flow statement and the explanatory notes for the six months period then ended. The parent's directors are responsible for the preparation of said Interim financial statements in accordance with the requirements established by IAS 34, "Interim Financial Reporting", adopted by the European Union for the preparation of interim condensed financial reporting in conformity with article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We have performed our limited review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making enquiries, primarily of personnel responsible f or financial and accounting matters and applying analytical and other review procedures. A limited review is substantially less in scope than an audit carried out in accordance with regulations on the auditing of accounts in force in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

During the course of our limited review, which under no circumstances can be considered an audit of accounts, no matter came to our attention which would lead us to conclude that the accompanying interim financial statements for the six months period ended June 30, 2022 have not been prepared, in all material respects, in accordance with the requirements established by International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union in conformity with article 12 of Royal Decree 1362/2007 for the preparation of interim condensed consolidated financial statements.

Emphasis paragraph

We draw attention to the matter described in the accompanying explanatory Note 3 in the interim financial statements, which indicates that the abovementioned accompanying interim financial statements do not include all the information that would be required for complete consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. Therefore, the accompanying interim condensed consolidated financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2021. This matter does not qualify our conclusion.

Report on other legal and regulatory reporting requirements

The accompanying interim consolidated management report for the six months period ended June 30, 2022 contains such explanations as the parent's directors consider necessary regarding significant events which occurred during this period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the abovementioned report agrees with the interim condensed consolidated financial statements for the six months period ended on June 30, 2022. Our work is limited to verifying the interim consolidated management report in accordance with the scope described in this paragraph and does not include the review of information other than that obtained from the accounting records of FERROVIAL, S.A. and its subsidiaries.

Paragraph on other issues

This report has been prepared at the request of Management with regard to the publication of the semi-annual financial report required by article 119 of Royal Legislative Decree 4/2015, of October 23.

ERNST & YOUNG, S.L.

(Signed in the original version)

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Francisco Rahola Carral

July 27, 2022