

## **FOR THE ATTENTION OF THE SPANISH NATIONAL SECURITIES MARKET COMMISSION**

### **STATEMENT OF OTHER MATERIAL FACTS**

#### **Official posting of earnings for Q1 - 2020 and measures taken related to COVID-19**

Pursuant to the extension of the deadlines for the submission of earnings and corporate financial statements established by Article 41 of Decree-Law 8/2020 dated 17th March on urgent measures to confront the economic and social impact of COVID-19, the company Construcciones y Auxiliar de Ferrocarriles, S. A. (hereinafter, "CAF" or "the Company"), has decided to defer the official posting of the financial results for the first quarter of 2020.

The underlying reason for this reschedule is the lack of sufficient and reliable data to prepare the financial statements with due accuracy as a consequence of the distress caused by the Covid-19 event. This arrangement will prevent any subsequent modifications in the judgement and estimates made.

In the light of the health emergency caused by the Covid-19, CAF has implemented a package of measures geared towards the minimisation of disruption on the scheduled performance of orders in hand this year and, therefore, the pandemic impact on the Company.

Hence, following the mandatory temporary freeze of manufacturing activities at some of the Company's plants, full manufacturing operations have resumed at the main factories as of 20th April 2020. The Company is therefore currently focussed on performance and making up for any delays on orders that were in production when workshops had to halt operations, and will, on this account, honour its contractual obligations from orders in hand. The company has now a backlog in excess of €9bn exclusive of future contract extension options.

All the above has been possible without resort to exceptional disruption of employment, but rather by of the adaptation of working hours calendars. The objective is to make up for uncompleted work throughout this very year and the start of 2021. It follows that delays in project progress sustained during the first half of 2020 are expected to be counterbalanced in the second half of the year, as operations in that term will surely surpass the activity levels for the same half of the previous year.

Besides, CAF deployed teleworking for all but shop floor functions, which enabled us to ensure the continuity of other activities associated with project development such as, but not limited to, Engineering, Purchases and Sales.

Lastly, the financial liquidity of the Company to date does not differ materially from that at the close of 2019, and therefore it is more than adequate to honour contractual obligations and investment plans.