



# OHL

# Results 2019

27 February 2020



[www.ohl.es](http://www.ohl.es)

Investor Relations Team

(+34) 91 348 41 57

[relacion.accionistas@ohl.es](mailto:relacion.accionistas@ohl.es)



# CONTENTS

---

<b>1. HIGHLIGHTS .....</b>	<b>3</b>
<b>2. PERFORMANCE BY DIVISION .....</b>	<b>5</b>
<b>3. CONSOLIDATED FINANCIAL STATEMENTS.....</b>	<b>9</b>
<b>4. ORDER BOOK .....</b>	<b>16</b>
<b>5. SHARE PRICE PERFORMANCE .....</b>	<b>17</b>
<b>6. APPENDICES .....</b>	<b>18</b>

## 1. HIGHLIGHTS

Main Figures	2019	2018	Var. (%)
<b>Sales</b>	<b>2.959,9</b>	<b>2.906,9</b>	<b>1,8%</b>
<b>EBITDA</b>	<b>64,8</b>	<b>-496,0</b>	<b>n.a.</b>
% o/ Sales	2,2%	-17,1%	
<b>EBIT</b>	<b>2,9</b>	<b>-561,0</b>	<b>n.a.</b>
% o/ Sales	0,1%	-19,3%	
<b>Attributable net profit</b>	<b>-127,8</b>	<b>-1.577,3</b>	<b>-91,9%</b>
% o/ Sales	-4,3%	-54,3%	
Sales and EBITDA breakdown	2019	2018	Var. (%)
<b>Sales</b>	<b>2.959,9</b>	<b>2.906,9</b>	<b>1,8%</b>
Construction	2.452,3	2.448,7	0,1%
Industrial	218,2	189,9	14,9%
Services	275,6	264,1	4,4%
Others	13,8	4,2	n.s.
<b>EBITDA</b>	<b>64,8</b>	<b>-496,0</b>	<b>n.a.</b>
Construction	75,5	-329,6	n.a.
% Construction EBITDA margin	3,1%	-13,5%	16,5%
Industrial	9,8	-63,0	n.a.
% Industrial EBITDA margin	4,5%	-33,2%	37,7%
Services	12,4	1,3	n.a.
% Services EBITDA margin	4,5%	0,5%	4,0%
Corporate and others	-32,9	-104,7	-68,6%
Liquidity and Net Debt	2019	2018	Var. (%)
<b>Total liquidity</b>	<b>784,5</b>	<b>1.037,0</b>	<b>-24,3%</b>
Recourse liquidity	781,6	1.033,3	-24,4%
<b>Net debt</b>	<b>-55,4</b>	<b>-296,0</b>	<b>-81,3%</b>
Recourse net debt	-106,5	-346,8	-69,3%
Non-recourse net debt	51,1	50,8	0,6%
Order book	2019	2018	Var. (%)
Short-term	4.999,6	5.876,4	-14,9%
Long-term	458,3	218,2	110,0%
<b>Total</b>	<b>5.458</b>	<b>6.095</b>	<b>-10,4%</b>
Human Resources	2019	2018	Var. (%)
Permanent staff	12.548	12.167	3,1%
Temporary staff	6.234	6.206	0,5%
<b>Total</b>	<b>18.782</b>	<b>18.373</b>	<b>2,2%</b>

Euro Mn / Human Resources: headcount

OHL has closed 2019 with **Sales that continue the trend from 2018, reinforcing the gross margins from the previous quarters and the year's EBITDA growth.**

**Sales** for the year reached 2,959.9 million euros and **EBITDA amounted to 64.8 million euros** (2.2% margin over sales), **with all the Group's business divisions contributing positively.** Operating profit (EBIT) totalled 2.9 million euros, which is in contrast to the heavy losses posted in the previous year.

The **Result attributed to the Parent Company** amounted to -127.8 million euros, due mainly to the impairment loss on the shareholding in the Old War Office project.

The **total order book** stood at 5,457.9 million euros at 31 December 2019. Projects awarded for the year amounted to 2,667.7 million euros: 76% awarded wholly to OHL and 64% to public sector clients. A total of 99.0% of the order book is accounted for by the Group's three main regions (33.8% USA, 43.8% Europe and 21.8% Lat Am)

In terms of recourse liquidity, OHL closed the year with a **liquidity position of 781.6 million euros**, which means a **net recourse debt of -106.5 million euros.**

Looking at the year's activity cash consumption, it has been reduced by 198.9 million euros in 2019 (from 429.0 million euros to 230.1 million euros):

Activity cash consumption	2018	9M19	4Q19	2019	YoY Var.
<b>Total consumption</b>	<b>429.0</b>	320.1	(90.0)	<b>230.1*</b>	<b>(198.9)</b>

\*230.1 million euros cash consumption in 2019, includes: non profitable projects totalling (146Mn €)

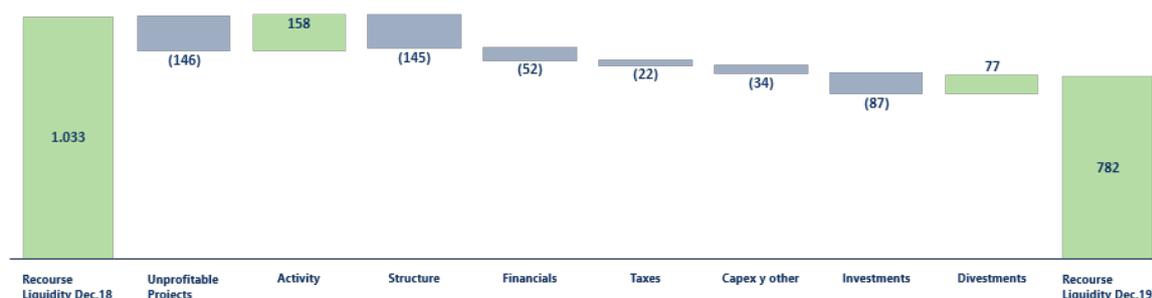
Mn Euros

The year's reduction in consumption is mainly due to:

- An **improvement of around 180 million euros in cash generated by projects**, where there has been a visible improvement in the management of cash flow in projects.
- A **reduction in overheads across the OHL Group**, totalling 53 million euros. This cut places the entire Group's total overhead costs at 145.2 million euros, having reduced them from 240 million euros in 2017 and 198 million euros in 2018.

As regards **investments and divestments** during the period 2019, 87.4 million euros were invested, mainly in the OHL Desarrollos division projects, while 77.3 million euros were collected from the Ciudad Mayakoba **divestment** (with around 24 million euros outstanding).

The following chart shows the trend in recourse liquidity:



## 2. PERFORMANCE BY DIVISION

### OHL GROUP

Main Figures	2019	2018	Var. (%)
<b>Sales</b>	<b>2,959.9</b>	<b>2,906.9</b>	<b>1.8%</b>
<b>EBITDA</b>	<b>64.8</b>	<b>-496.0</b>	<b>n.a.</b>
% o/ Sales	2.2%	-17.1%	
<b>EBIT</b>	<b>2.9</b>	<b>-561.0</b>	<b>n.a.</b>
% o/ Sales	0.1%	-19.3%	

Euro Mn

In 2019, the OHL Group posted sales of 2,959.9 million euros, entailing a 1.8% rise on 2018 sales.

EBITDA reached 64.8 million euros, 2.2% of sales, improving from the previous year and confirming the recovery observed in the previous quarters.

The projects awarded for the year totalled 2,667.7 million euros, bringing the short-term order book to 4,999.6 million euros, which represents 20.3 months of sales. The total order book, including short and long term contracts, stands at 5,457.9 million euros.

The main contracts in the order book at 31 December 2019 are as follows:

	Country	2019
Project I-405	USA	468.2
Autopista Vespucio Oriente	Chile	300.7
NY TN-49 Replacement of roadway Deck	USA	196.5
Mantos Blancos	Chile	121.4
Sudomerice-Votice Railway Modernization	Czech Rep.	116.6
Motorway D1 Hubová -Ivachová	Slovakia	115.2
LAV Oslo-Ski (Folloline Project)	Norway	108.8
LAV Vitoria-Bilbao	Spain	76.6
<b>Largest projects in backlog</b>		<b>1,503.9</b>

Euro Mn

Trends are shown below according to division:

### **CONSTRUCTION**

Main Figures	2019	2018	Var. (%)
<b>Sales</b>	<b>2,452.3</b>	<b>2,448.7</b>	<b>0.1%</b>
<b>EBITDA</b>	<b>75.5</b>	<b>-329.6</b>	<b>n.a.</b>
% o/ Sales	3.1%	-13.5%	
<b>EBIT</b>	<b>34.1</b>	<b>-373.4</b>	<b>n.a.</b>
% o/ Sales	1.4%	-15.2%	

Euro Mn

Sales amounted to 2,452.3 million euros (82.9% of total sales), which is similar to the figure for 2018. The growth in business in the USA and Europe offset a decline in Latin America, mainly in Mexico and Colombia.

**EBITDA reached 75.5 million euros**, entailing a margin of 3.1% over sales. Profitability exceeded the level reported in the previous three quarters, exceeding the Group's objectives for 2019.

The order book stands at 4,385.7 million euros, providing 21.5 months of sales, with a book-to-bill ratio of 0.9x. Projects awarded for the year amounted to 2,117.5 million euros, of which 45.2% relates to Europe, 33.1% to the USA, 20.6% to Lat Am and the remaining 1.1% to the other areas in which the Group operates.

The main new awards during the period are as follows:

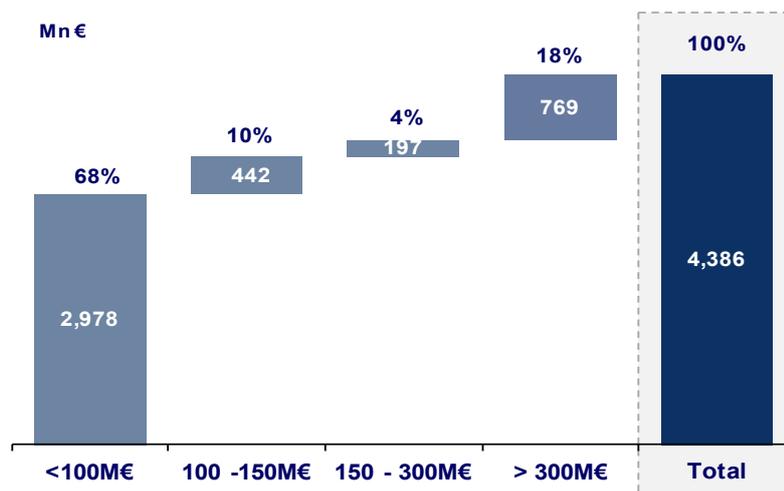
	Country	2019
Valencia Water Reclamation Plant Advanced	USA	76.0
Caltrans 05-1f Monterey	USA	67.6
Terceras pistas Autopista del Sol	Chile	65.3
PPP Social Housing	Ireland	65.0
Electrification and capacity Railway Olomouc	Czech Rep.	49.4
Túnel híbrido y ampliacion plataforma	Chile	43.7
Florida Ardie R. Copas State Nursing	USA	43.2
<b>Total main awards</b>		<b>410.2</b>
Other		1,707.3
<b>Total awards</b>		<b>2,117.5</b>

Euro Mn

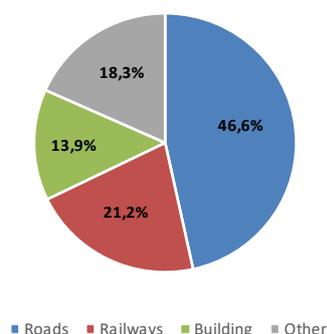
The geographical distribution of the short-term order book is shown below:

	12/31/2019
<b>Main regions</b>	<b>97.5%</b>
USA	42.1%
Europe	35.6%
Latin America	19.8%
<b>Other</b>	<b>2.5%</b>

The order book is distributed as follows by project size:



As regards project type, 46.6% relates to Roads, 21.2% to Railways, 13.9% to Building and the remaining 18.3% to other activities.



## INDUSTRIAL

Main Figures	2019	2018	Var. (%)
<b>Sales</b>	<b>218.2</b>	<b>189.9</b>	<b>14.9%</b>
<b>EBITDA</b>	<b>9.8</b>	<b>-63.0</b>	<b>n.a.</b>
% o/ Sales	4.5%	-33.2%	
<b>EBIT</b>	<b>8.3</b>	<b>-67.6</b>	<b>n.a.</b>
% o/ Sales	3.8%	-35.6%	

Euro Mn

The Industrial Division posted sales of 218.2 million euros, 14.9% up on the 2018 figure due mainly to the growth in Renewables and Mining & Cement activities.

**EBITDA stands at 9.8 million euros, 4.5% over sales**, having improved considerably with respect to 2018. Of particular interest are the margins achieved in Renewables, Mining & Cement, O&M (Operation and Maintenance) and Firefighting.

The order book reached 248.8 million euros, representing 13.7 months of sales, which is similar to the 2018 figure thanks to the considerable awards obtained in Mining & Cement projects. The order book breaks down as follows: Mining 50.5%, EPC 30.7% and Operation, Maintenance and Firefighting and Other 18.8%.

## SERVICES

Main Figures	2019	2018	Var. (%)
<b>Sales</b>	<b>275.6</b>	<b>264.1</b>	<b>4.4%</b>
<b>EBITDA</b>	<b>12.4</b>	<b>1.3</b>	<b>n.s.</b>
% o/ Sales	4.5%	0.5%	
<b>EBIT</b>	<b>7.7</b>	<b>-2.5</b>	<b>n.a.</b>
% o/ Sales	2.8%	-0.9%	

Euro Mn

Sales amounted to 275.6 million euros, having grown 4.4% on the same period of the previous year, driven by home services, maintenance, energy efficiency and urban services.

**EBITDA ended the year at 12.4 million euros (4.5% of Sales)**, which is an improvement on the returns for the previous three quarters. Profitability stems from larger margins in urban services and cleaning in new contracts, improvements in some existing contracts and maintaining overheads.

As of 31 December 2019, the order book reached 365.1 million euros, which represents 15.9 months of sales, with awards in 2019 having totalled 265.0 million euros in new projects (92.4% in Spain). Of the total order book, 81.3% relates to public sector clients and the remaining 18.7% to private sector clients.

## **OTHER**

The Group has two smaller business lines: Infrastructure Development Division and Desarrollos that have closed 2019 with an EBITDA of -5.5 million euros.

### 3. CONSOLIDATED FINANCIAL STATEMENTS (unaudited figures)

#### PROFIT AND LOSS ACCOUNT

	2019	2018	Var. (%)
<b>Turnover</b>	<b>2,959.9</b>	<b>2,906.9</b>	<b>1.8%</b>
Other operating revenues	86.2	100.9	-14.6%
<b>Total Operating Revenues</b>	<b>3,046.1</b>	<b>3,007.8</b>	<b>1.3%</b>
% of Sales	102.9%	103.5%	
Operating expenses	-2,223.8	-2,689.5	-17.3%
Personnel expenses	-757.5	-814.3	-7.0%
<b>EBITDA</b>	<b>64.8</b>	<b>-496.0</b>	<b>n.a.</b>
% of Sales	2.2%	-17.1%	
Amortisation	-68.3	-61.5	11.1%
Changes in provisions	6.4	-3.5	-282.9%
<b>EBIT</b>	<b>2.9</b>	<b>-561.0</b>	<b>n.a.</b>
% of Sales	0.1%	-19.3%	
Financial revenues & expenses	-35.9	-61.0	-41.1%
Change in the fair value of financial instruments	2.3	-89.4	n.a.
Exchange differences	2.2	-5.9	n.a.
Deterioration and result from disposals of financial instruments	-71.0	-141.9	-50.0%
<b>Financial profit / (loss)</b>	<b>-102.4</b>	<b>-298.2</b>	<b>-65.7%</b>
Equity accounted entities	-7.0	-110.4	-93.7%
<b>Profit / (loss) on continuing activities before taxes</b>	<b>-106.5</b>	<b>-969.6</b>	<b>-89.0%</b>
% of Sales	-3.6%	-33.4%	
Corporate tax	-21.8	16.0	n.a.
<b>Profit / (loss) on continuing activities in the year</b>	<b>-128.3</b>	<b>-953.6</b>	<b>-86.5%</b>
% of Sales	-4.3%	-32.8%	
<b>Result after taxes on discontinued operations</b>	<b>0.0</b>	<b>-550.3</b>	<b>n.s.</b>
<b>Profit / (loss) for the year</b>	<b>-128.3</b>	<b>-1,503.9</b>	<b>-91.5%</b>
% of Sales	-4.3%	-51.7%	
Minority interests	0.5	-1.8	n.a.
Minority interests of discontinued operations	0.0	-71.6	n.s.
<b>Result attributed to the parent company</b>	<b>-127.8</b>	<b>-1,577.3</b>	<b>-91.9%</b>
% of Sales	-4.3%	-54.3%	

Euro Mn

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

The Group's **turnover** for 2019 totalled 2,959.9 million euros, which is similar to 2018.

Of the total turnover, 72.1% was obtained abroad, compared with 72.7% in the same period of the previous year.

Looking at distribution of sales by geographic area, USA and Canada account for 33.9% of the total, Europe 41.0%, Latin America 18.4% and other areas 6.2%.

**Total operating income** amounts to 3,046.1 million euros, which is similar to 2018.

**Gross operating profit (EBITDA)** reached 64.8 million euros or 2.2% of sales, having improved considerably on the same period of the previous year, when considerable losses were posted on projects.

**Operating profit (EBIT)** amounted to 2.9 million euros or 0.1% of Sales.

**Net financial revenues and expenses** totalled -35.9 million euros, which is 25.1 million euros above the -61.0 million euros recognised in 2018. This variation is due mainly to the considerable reduction in debt in 2018.

The **change in fair value of financial instruments** amounts to 2.3 million euros, compared with the loss of -89.4 million euros in 2018, which was due mainly to the foreign exchange hedge contracted for the OHL Concesiones divestment.

**Exchange differences** totalled 2.2 million euros as compared with -5.9 million euros in the previous year, which is explained mainly by the positive effect of Canadian dollar transactions this year.

**Impairment and results of financial instrument disposals** amounted to -71.0 million euros, relating mainly to the write-off of the stake in the Old War Office project in the amount of -47.6 million euros, due to the contrast of the value at market value. Additionally, an adjustment on the sale price of Canalejas project by -13.0 million euros has been included due to a delay in the project handover.

**Corporate tax** amounted to -21.8 million euros, at a tax rate of around 21%. The Group does not recognise tax credits unless their recovery is certain.

**Results attributed to the Parent Company** totalled -127.8 million euros.

## CONSOLIDATED BALANCE SHEET

BALANCE SHEET	12/31/2019	12/31/2018	Var. (%)
<b>Total non-current assets</b>	<b>1,304.3</b>	<b>1,311.2</b>	<b>-0.5%</b>
Intangible fixed assets	196.2	216.2	-9.3%
Tangible fixed assets in concessions	72.8	72.2	0.8%
Tangible fixed assets	186.4	147.4	26.5%
Real estate investments	10.2	10.5	-2.9%
Equity-accounted investments	301.4	293.4	2.7%
Non-current financial assets	332.3	309.0	7.5%
Deferred-tax assets	205.0	262.5	-21.9%
<b>Total current assets</b>	<b>2,320.0</b>	<b>2,792.2</b>	<b>-16.9%</b>
Non-current assets held for sale & discontinued operations	0.0	142.5	n.a.
Stocks	107.2	136.9	-21.7%
Trade debtors and other accounts receivable	1,272.2	1,322.4	-3.8%
Other current financial assets	229.0	222.5	2.9%
Other current assets	156.2	153.5	1.8%
Cash and cash equivalents	555.4	814.4	-31.8%
<b>Total assets</b>	<b>3,624.3</b>	<b>4,103.4</b>	<b>-11.7%</b>
<b>Net shareholders' equity</b>	<b>638.0</b>	<b>785.7</b>	<b>-18.8%</b>
<b>Shareholder's equity</b>	<b>684.9</b>	<b>812.2</b>	<b>-15.7%</b>
Capital	171.9	171.9	0.0%
Issue premium	1,265.3	1,265.3	0.0%
Reserves	-624.6	1,052.2	-159.4%
Result for the year attributed to the parent company	-127.8	-1,577.3	n.s.
Interim dividend	0.0	-99.9	n.a.
<b>Valuation adjustments</b>	<b>-42.7</b>	<b>-25.4</b>	<b>68.3%</b>
<b>Parent company shareholders' equity</b>	<b>642.1</b>	<b>786.8</b>	<b>-18.4%</b>
<b>Minority interests</b>	<b>-4.1</b>	<b>-1.1</b>	<b>272.7%</b>
<b>Total non-current liabilities</b>	<b>797.5</b>	<b>888.8</b>	<b>-10.3%</b>
Subsidies	0.8	1.3	-38.5%
Non-current provisions	65.5	60.4	8.4%
Non-current financial debt (*)	588.0	661.0	-11.0%
Other non-current financial liabilities	31.5	2.4	n.s.
Deferred-tax liabilities	95.1	149.0	-36.2%
Other non-current liabilities	16.6	14.7	12.9%
<b>Total current liabilities</b>	<b>2,188.8</b>	<b>2,428.9</b>	<b>-9.9%</b>
Non-current liabilities held for sale & discontinued operations	0.0	63.5	-100.0%
Current provisions	202.0	202.5	-0.2%
Current financial debt (*)	141.1	80.0	76.4%
Other current financial liabilities	26.3	6.0	338.3%
Trade creditors and other accounts payable	1,562.0	1,827.0	-14.5%
Other current liabilities	257.4	249.9	3.0%
<b>Total liabilities and net shareholders' equity</b>	<b>3,624.3</b>	<b>4,103.4</b>	<b>-11.7%</b>

\* Includes Bank debt + Bonds

Mn Euros

### **Application of IFRS 16 – “Leases”**

The balance sheet impact was an increase in right-of-use assets and in financial liabilities in respect of future payment obligations under leases carried to date as operating leases. The standard was adopted by applying the permitted exceptions to the recognition of short-term leases (less than 12 months) and low-value leases, most of which relate to office, machinery and vehicle lease commitments.

In the first application the Group recognized an increase in tangible fixed assets and new financial liabilities totalling 49.9 million euros. By the second half of 2019, the Group finished the identification and categorization of operational leasing contracts across all areas and activities. Discount rate used is close to 5%.

### **Balance sheet movements**

The main consolidated balance sheet headings as of 31 December 2019 and related movements with respect to 31 December 2018 are as follows:

**Tangible fixed assets in concession projects:** this heading covers all the Group's concession assets. The balance amounted to 72.8 million euros, relating mainly to Sociedad Concesionaria Aguas de Navarra, S.A.

**Equity-accounted investments:** the balance in this heading totalled 301.4 million euros, the main investments being: i) Proyecto Canalejas Group, S.L., 50.0%-owned by the Group at a carrying amount of 155.8 million euros; ii) 51 Whitehall Holdings, S.A.R.L., 49.0%-owned by the OHL Group (Old War Office project) and carried at 104.0 million euros following the year-end value adjustment.

**Non-current assets and liabilities held for sale:** in 2018, due to the discontinuance of the Desarrollos activity, assets and liabilities were recognised at 142.5 and 63.5 million euros, respectively. Following the sale, no balances are recognised at the year end.

**Trade and other receivables:** at 31 December 2019, the balance in this heading totalled 1,272.2 million euros, representing 35.1% of total assets.

Works certified with payments still outstanding amounted to 552.7 million euros or 2.2 months of sales as compared with 561.4 million euros or 2.3 months of sales in 2018.

Executed work pending certification totalled 399.6 million euros or 1.6 months of sales as compared with 463.8 million euros or 1.9 months of sales at 31 December 2018.

This improvement in the trade debtors and other accounts receivable is a consequence of a careful management of the total current assets implemented in 2019.

**“Other current financial assets”** amounted to 229.0 million euros and include a restricted deposit of 140.0 million euros securing the Syndicated Multiproduct Financing guarantee facility.

**Other current assets:** at 31 December 2018, the balance stood at 156.2 million euros, the most significant items being two loans - one to Grupo Villar Mir, S.A.U. to the amount of 83.9 million euros and the other to Pacadar, S.A. for 35.2 million euros.

In June 2019, a transactional agreement was reached with Grupo Villar Mir, S.A.U. and Pacadar, S.A. following negotiations held to secure the full recovery of the loans granted. The loan maturity dates were extended to 2020 and the financial terms and guarantees were improved in the OHL Group's favour, including a pledge of 100% of the shares in Pacadar, S.A.

These balances stood at 125.7 million euros at 31 December 2019.

**Parent Company shareholders' equity:** amounts to 642.1 million euros, representing 17.9% of total liabilities, having fallen by -144.7 million euros with respect to 31 December 2018 due to the net effect of:

- Decrease of -127.8 million euros in attributable results in 2019.
- Reduction of -11.2 million euros in value adjustments due to the translation of financial statements denominated in foreign currency.
- Decline of -6.1 million euros in the value of financial instruments.
- Decrease of -0.1 million euros due to the increase in treasury stock shares held.

At 31 December 2019, treasury stock shares consisted of 515,037 shares at a value of 0.5 million euros.

- Increase of 0.5 million euros due to other movements.

**Minority interests:** -4.1 million euros, no significant variation having been recognised during the year.

**Financial debt:** the figures for the current and prior years are compared below:

Gross debt <sup>(1)</sup>	12/31/2019	%	12/31/2018	%	Var. (%)
Recourse debt	675.1	92.6%	686.5	92.6%	-1.7%
Non-recourse debt	54.0	7.4%	54.5	7.4%	-0.9%
<b>Total</b>	<b>729.1</b>		<b>741.0</b>		<b>-1.6%</b>

Euro Mn

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

Net debt <sup>(2)</sup>	12/31/2019	%	12/31/2018	%	Var. (%)
Recourse net debt	-106.5	n.a.	-346.8	117.2%	-69.3%
Non-recourse net debt	51.1	n.s.	50.8	n.a.	0.6%
<b>Total</b>	<b>-55.4</b>		<b>-296.0</b>		<b>-81.3%</b>

Euro Mn

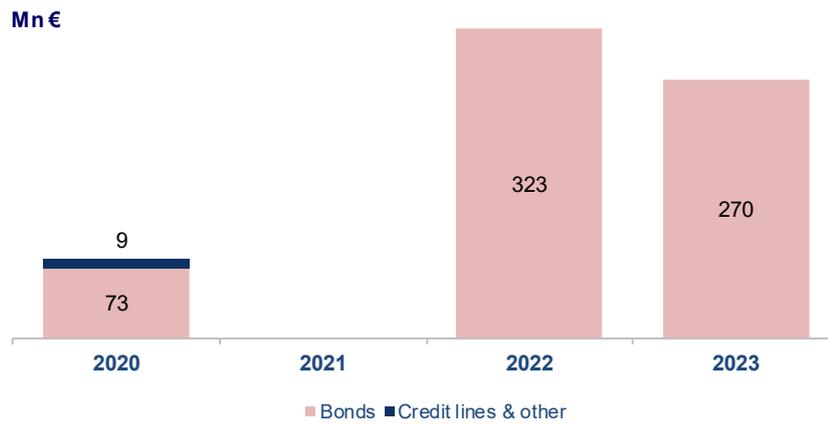
(2) The net borrowings are comprised by the gross borrowings minus other financial assets and cash and cash equivalents.

At 31 December 2019, gross recourse debt totalled 675.1 million euros, having declined by -11.4 million euros with respect to 31 December 2018. The outstanding balance of bonds was 666.2 million euros, of which 73.3 million euros matures in March 2020, explaining the short-term classification.

Gross non-recourse debt amounted to 54.0 million euros, accounting for 7.4% of total gross debt.

Of the total gross financial debt, 80.7% is long term and the remaining 19.3% is short term.

The Group's Gross Recourse Debt breaks down as follows:



Total net debt stands at -55.4 million euros, having risen by 240.6 million euros with respect to 31 December 2018.

The total recourse liquidity amount to 781.6 million euros and includes a deposit of 140.0 million euros securing the Syndicated Multiproduct Financing guarantee line.

## CASH FLOW

Although the criteria applied differ in some cases from those stipulated in IAS 7, this section includes a cash flow analysis that allows business trends to be analysed:

	2019	2018
<b>EBITDA</b>	<b>64.8</b>	<b>-496.0</b>
<b>Adjustments</b>	<b>-124.3</b>	<b>-300.3</b>
Financial results	-102.4	-298.2
Equity accounted results	-7.0	-110.4
Taxes	-21.8	16.0
Changes in provisions and others	6.9	92.3
<b>Cash-flow from operations</b>	<b>-59.5</b>	<b>-796.3</b>
<b>Changes in current capital</b>	<b>-159.1</b>	<b>159.8</b>
Trade and other receivables	50.2	431.1
Trade creditors and other payables	-265.0	212.1
Other changes in working capital	55.7	-483.4
<b>Cash-flows from operating activities</b>	<b>-218.6</b>	<b>-636.5</b>
<b>Cash-flow from investment activities</b>	<b>-22.0</b>	<b>1,927.8</b>
Minority interest	-3.0	-3.4
Other	-19.0	1,804.8
Discontinued operations	0.0	126.4
<b>Change in net non-recourse debt</b>	<b>0.3</b>	<b>-1.0</b>
<b>Change in net recourse debt</b>	<b>240.3</b>	<b>-1,290.3</b>
<b>Cash-flow from financing activities</b>	<b>240.6</b>	<b>-1,291.3</b>

Mn Euros

**Adjustments to results** are negative to the amount of -124.3 million euros, but less so than the -300.3 million euros recognised in 2018, due mainly to the foreign exchange hedges contracted for the sale of OHL Concesiones and the asset impairment loss arising from the enforcement of the Sidra Hospital (Qatar) guarantees and others.

**Cash Flow from operations** are negative to the amount of -59.9 million euros as compared with -796.3 million euros in 2018, thanks to the EBITDA contribution of 64.8 million euros. **Cash flows from operating activities**, though negative to the amount of -218.6 million euros in 2019, reflect a significant change of trend with respect to 2018, which reached -636.5 million euros meaning there was 66% reduction on the previous year.

**Changes in working capital** amounted to -159.1 million euros, due mainly to payments made in unprofitable projects. However, the Group's continues with its careful management of working capital and the situation has continued to improve since the beginning of 2019 compared with the previous year.

**Cash flows from investing activities** for 2019 total -22.0 million euros and include disbursements made on investments in the Canalejas and Toledo Hospital projects, which are partly offset by amounts collected from the sale of Mayakoba. Data from 2018 reflect the major divestments of OHL Concesiones, ZPSV and Mayakoba.

**Cash flows from financing activities** amounted to 240.6 million euros, which mainly correspond to the recourse net debt.

#### 4. ORDER BOOK

At 31 December 2019, the Group's order book stood at 5,457.9 million euros, which is -10.4% down on the figure at 31 December 2018. Of the total order book, 91.6% relates to short-term contracts and the remaining 8.4% to long-term projects.

The short-term order book amounted to 4,999.6 million euros representing 20.3 months of sales. Of the total short-term order book, 87.7% relates to the Construction business.

The long-term order book totalled 458.3 million euros, having risen on the previous year due to the update of the Aguas de Navarra concession.

	12/31/2019	%	12/31/2018	%	Var. (%)
<b>Short-term</b>	<b>4.999,6</b>		<b>5.876,4</b>		<b>-14,9%</b>
Construction	4.385,7	87,7%	5.240,8	89,2%	-16,3%
Industrial	248,8	5,0%	259,9	4,4%	-4,3%
Services	365,1	7,3%	375,7	6,4%	-2,8%
<b>Long-term</b>	<b>458,3</b>		<b>218,2</b>		<b>110,0%</b>
Concessions of Construction	458,3	100,0%	218,2	100,0%	110,0%
<b>Total</b>	<b>5.457,9</b>		<b>6.094,6</b>		<b>-10,4%</b>

Euro Mn

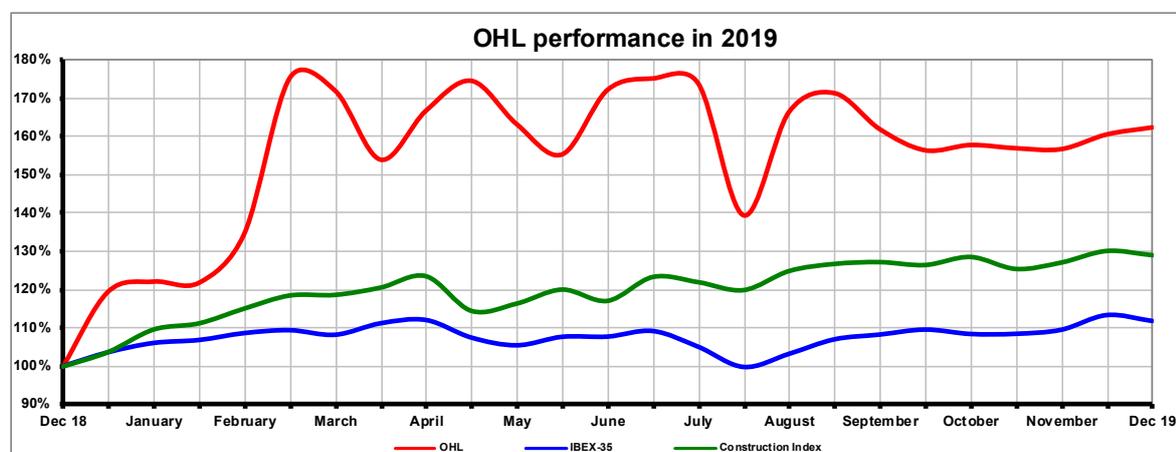
## 5. SHARE PRICE PERFORMANCE

At 31 December 2019, share capital stood at 171,928,973.40 euros, consisting of 286,548,289 ordinary shares with a face value of 0.60 euros each, all in the same class and series. The share price of 1.060 euros per share reflects a rise of 62.6% during the year.

A total of 725,660,233 shares were traded during 2019 (253.2% of total listed shares), with a daily average of 2,845,726 shares.

OHL held 515,037 in treasury stock at 31 December 2019, equivalent to 0.180% of current share capital.

	12/31/2019
Closing price	1.06
OHL YtD performance	62.6%
Number of shares	286,548,289
Market capitalization (Euro Mn)	303.7
Ibex 35 YtD performance	11.8%
Construction Index YtD performance	29.1%



The most relevant data on bonds issued by OHL are as follows:

Issuer	Maturity	Coupon	Amount	Price	YtM
OHL S.A.	March 2020	7.625%	73 Mn €	100.009%	7.408%
OHL S.A.	March 2022	4.750%	323 Mn €	70.018%	22.830%
OHL S.A.	March 2023	5.500%	270 Mn €	69.638%	18.483%

## 6. APPENDICES

### **MAIN SIGNIFICANT EVENTS / INSIDE INFORMATION / OTHER RELEVANT INFORMATION**

---

- 14 March 2019: the Villar Mir Group reports on its stake in OHL
- 9 April 2019: contractual termination: Río Magdalena Toll Road (Colombia) and AT-AT Toll Road (Mexico) by Aleática
- 17 June 2019: Transactional Agreement reached with the Villar Mir Group and Pacadar
- 17 June 2019: Transactional Agreement reached with Aleática in the AT-AT project to end arbitration proceedings
- 3 October 2019: Notice of partial termination in ongoing arbitration proceedings between Qatar Foundation and the joint venture incorporated to build the Sidra Hospital
- 10 October 2019: Fitch Ratings downgrade
- 22 October 2019: Conversations held with Amodio family and Villar Mir Group
- 25 October 2019: Possible new shareholder in OHL Desarrollos

### **MAIN SIGNIFICANT EVENTS / INSIDE INFORMATION / OTHER RELEVANT INFORMATION POST 2019**

- 4 February 2020: Potential merge study with Grupo Caabsa
- 4 February 2020: Corporate Operations status update

### **ALTERNATIVE PERFORMANCE MEASURES**

---

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

**Gross operating profit (EBITDA):** is the Operating Profit prior to the allocation for depreciation and changes in provisions.

**Recourse gross operating profit (recourse EBITDA):** is calculated as the Total gross operating profit (EBITDA), including the financial revenues from interest, excluding certain losses from Other Expenses, in some cases without any effect on cash (e.g. losses on account of re-estimates of final targets in projects, collective redundancy procedures and others), minus the Gross operating profit (EBITDA) of project companies, and includes dividends paid to the Parent Company by the project companies.

**Project companies:** are those companies whose debt does not have recourse to the Parent Company, OHL S.A.

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

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

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

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

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

**Order book:** the Revenues pending performance of the contracts awarded, both short-term as well as long-term. These contracts are included in the order book once they have been formalised.

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

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

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

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

The foregoing financial indicators and Alternative Performance Measures (APM), the use of which facilitates a better understanding of the financial information, are calculated by applying the principles of coherence and homogeneity, thereby enabling the comparability between periods.

## **LEGAL NOTICE**

***Any statement that may appear in this document other than those referring to historical data, including, but not restricted to, operational development, business strategy and future objectives, are forward-looking estimates and as such imply known and unknown risks, uncertainties and other factors that could mean that the OHL Group's results, actions and achievements, or its business results and conditions, are substantially different from the historical data and forward-looking estimates.***

***This document, including the forward-looking estimates contained in it, is furnished with effect on today's date and OHL expressly declines any obligation or commitment to provide any update or review of the information contained herein, any change to its expectations or any modification of the facts, conditions and circumstances on which its forward-looking estimates have been based.***



**OHL**