

Revenues up 13.5% as traffic increased**Ferrovial reports 454 million euro net profit in 2017, a 21% increase**

- Revenues totaled 12,208 million euro and EBITDA 932 million euro as a result of good performance by the infrastructure assets and Budimex, as well as full-year consolidation of Broadspectrum.
- Highway 407 ETR and the Texas managed lanes reported growth in all line items. EBITDA increased by 12.1% on 407 ETR, 37.4% on LBJ and 32.6% on NTE, all in local currency terms.
- Heathrow Airport and the UK regional airports (AGS) reported significant growth in revenues and EBITDA. EBITDA rose by 4.6% at Heathrow and 10.7% at AGS (Aberdeen, Glasgow and Southampton), in local currency terms in both cases.
- Both Toll Roads and Airports registered traffic growth: 407 ETR (+2.6%), LBJ (+9.3%), NTE (+10.9%), Ausol I (+10.3%), Heathrow (+3.1%) and Glasgow Airport (+5.7%).
- Dividends distributed by the main assets increased to 553 million euro (+16%). 407 ETR increased its dividend by 7% in 2017. Heathrow and AGS increased dividends by 60% and 120%, respectively, on a one-time basis.

**Corporate
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Madrid, 28/02/2018.- Ferrovial, the world-leading infrastructure operator and manager of services for cities, reported 454 million euro in net profit in 2017, 21% more than the 376 million euro reported in the previous year. This result was due to positive performance by the equity-accounted assets, which contributed a larger amount of dividends. Performance was driven by growth in traffic in all cases.

Revenues totaled 12,208 million euro, a 13.5% increase, due to full-year consolidation of Broadspectrum, the Australian company acquired in 2016, and to the contribution by Budimex. International business accounted for 77% of total revenues. EBITDA amounted to 932 million euro.

The company collected 553 million euro in dividends from its assets, a 16% increase on the 477 million euro received in 2016. During the period, Ferrovial sold 3.9% of Budimex for 59 million euro, reducing its stake in the Polish construction company to 55.1%. It also divested 51% of the Norte Litoral toll road and 49% of the Algarve toll road, which provided a total of 162 million euro in revenues. Additionally, the company acquired 6.3% of NTE and 3.6% of LBJ from Dallas Fire & Police Pension Scheme, a former partner in those two concessions, raising its stakes to 62.97% and 54.6%, respectively. The other partners acquired the remainder of those holdings.

In terms of operating performance, traffic increased at all of Ferrovial's infrastructure assets – both Toll Roads and Airports – including notably: 407 ETR (+2.6%), LBJ (+9.3%), NTE (+10.9%), Ausol I (+10.3%), Heathrow (+3.1%) and Glasgow airport (+5.7%).

The backlog stands at over 32,000 million euro, of which Services accounts for 20,918 million euro and Construction for 11,145 million euro; 80% of the backlog is located outside Spain (75% in the case of Services and 88% in the case of Construction). Notable new contracts include the Western Roads Upgrade Project, in Melbourne; the Racibórz Dolny dam, in Poland; the Grand Parkway, in Houston; operation and maintenance of Manchester MetroLink, in the United Kingdom; upgrading

Denver airport; the renewal of the contract for onboard services by Renfe, in Spain; a number of roads in the US and Poland, and railway projects in the latter.

Main funding transactions

Ferrovial ended the year with a net cash position (excluding infrastructure project debt) of 1,341 million euro, compared with 697 million euro at the end of 2016. Consolidated net debt totaled 3,463 million euro, a 19% reduction on last year's 4,266 million euro. The company had a sound financial position at the end of 2017, with enhanced capacity to invest in infrastructure projects.

It issued a 500 million euro perpetual hybrid bond at 2.124% in 2017, as well as a 500 million euro 8-year corporate bond with a 1.375% coupon, one of the lowest in Spain. After covering the bulk of debt maturities for 2018 in the early months of this year, the company does not have any maturities until 2021.

AGS refinanced 793 million pounds in the period, which enabled it to improve its funding structure, extend debt maturities and distribute a dividend to shareholders. 407 ETR also issued senior bonds, maturing in 27, 16 and 5 years.

Growth by the main assets

The company's main assets achieved solid growth in all lines. The LBJ highway in Texas exceeded 100 million dollars in revenues, a 33% increase, while its EBITDA rose by 37.4% to 80 million dollars. NTE, the other managed lanes highway in Texas, attained 93 million dollars in revenues (up 26.8%) while growing EBITDA by 32.6% year-on-year to 75 million dollars.

Canadian highway 407 ETR achieved 12.1% growth in EBITDA in local currency, while revenues increased by 11.7%, boosted by traffic growth and higher tolls. 407 ETR distributed 845 million Canadian dollars to shareholders, 7% more than in 2016, of which Ferrovial received 262 million euro. The highway's Board of Directors declared a dividend to be paid in the first quarter of 2018 which will amount to 226.25 million dollars, 9% more than in the first quarter of 2017.

Heathrow Airport reported 4.6% EBITDA growth in local currency. The airport set another record in passenger numbers, 78 million, with a 2.6% increase in revenues, supported by higher commercial revenues (+7.7%) and despite fees being lower than the previous year. These results enabled HAH to significantly increase the dividend to be distributed in 2017, to 525 million pounds, of which Ferrovial collected 153 million euro.

Business units

Toll Roads experienced traffic growth on all the company's assets. Revenues reached 461 million euro due to the higher contribution from the Texas managed lanes projects, where EBITDA surged by 23.8% in like-for-like terms. The US now accounts for 37.5% of revenues and 42.8% of EBITDA. Traffic also increased on the European assets as a result of improving economic conditions in the countries where the company operates.

In the **Airports** division, good revenues, EBITDA and passenger numbers at HAH, due to operating performance and inflation, were matched by customer satisfaction metrics. Heathrow maintained high levels of customer satisfaction in 2017 and has been the top airport in Europe for thirteen consecutive quarters. The AGS regional airports (Glasgow, Aberdeen and Southampton) achieved 10.7% growth in EBITDA in local currency terms. The number of passengers using those airports

increased by 4.9%. Additionally, they distributed 147 million pounds in dividends, of which Ferrovial collected 84 million euro.

Construction division revenues reached 4,628 million euro (+10.3%), concentrated mainly in the long-standing core markets, such as the US and Poland. The backlog expanded by 22.6% to a record 11,145 million euro. Budimex performed well, increasing revenues by 14.8%, EBITDA by 17.7% and the backlog by +21.7%. Webber expanded revenues by 10.7% and the backlog by 8.1%. International business accounts for 83% of Construction revenues and 88% of its backlog. The division achieved a profit margin of 3.5%, in line with the market but less than in previous years.

Revenues in **Services** increased by 16.3% with respect to 2016, to 7,069 million euro, due to consolidation of Broadspectrum for the full year: the latter contributed 2,206 million euro in revenues and 120 million euro in EBITDA. The Australian company achieved considerable success in its first full year in the Ferrovial group. Performance in Spain was positive, with 7.7% growth in revenues due to the higher contribution from the industrial and infrastructure maintenance businesses. In the United Kingdom, the company was impacted by the depreciation of the pound sterling and by local governments' budget constraints. In 2017, Amey implemented an adjustment plan that enabled it to achieve its target margins. Nevertheless, it is adopting a strict approach to bidding, with the result that its backlog has declined by 17% year-on-year. Revenues from international business in such countries as the US, Chile, Poland and Portugal expanded to 463 million, while the backlog reached 1,533 million euro, due to the addition of Broadspectrum's US business.

Proposal to the Shareholders' Meeting

At its meeting today, the Board of Directors resolved to hold the Annual General Shareholders' Meeting on 4 and 5 April (at first and second call, respectively). The proposals submitted for shareholders' endorsement include the approval of the 2017 annual financial statements.

Also to be submitted for approval at the General Shareholders' Meeting is a shareholder remuneration programme (flexible dividend) in similar terms to the previous four years, to be implemented in the form of two scrip issues. Based on the average closing price of Ferrovial's share between 30 January and 5 February 2018, that was 18.103 euros, which would be equivalent to the payment of a dividend of approximately 0.714 euro per share, similar to the dividend paid in 2017. The Board is also proposing that the Shareholders' Meeting approve a programme to buy back a maximum of 19 million treasury shares, at a cost of at most 275 million euro.

About Ferrovial

Ferrovial is one of the world's leading infrastructure operators and municipal services companies, committed to developing sustainable solutions. The company has 96,000 employees and operates in over 20 countries. Its main business areas are: Services, Toll Roads, Construction and Airports. It is a member of Spain's blue-chip IBEX 35 index and is also included in the Dow Jones Sustainability Index and FTSE4Good; all its operations are conducted in compliance with the principles of the UN Global Compact, which the company adopted in 2002.

KEY FIGURES (million euro)

	2017	2016	Change
Revenues	12,208	10,759	13.5%
EBITDA	932	944	-1.2%
EBIT	638	926	-31.1%
Net income	454	376	20.6%

	2017	2016	Change
Consolidated net debt	-4,804	-4,963	
Net cash position, excluding infrastructure projects	1,341	697	

Construction backlog	11,145	9,088	22.6%
Services backlog	20,918	24,431	-14.4%