

The ACS logo consists of the letters 'ACS' in a bold, yellow, sans-serif font. To the right of the letters is a white square containing a stylized yellow and white geometric design.

ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS



# 3Q 2022

## RESULTS PRESENTATION

November 11<sup>th</sup>, 2022

# 3Q 22 Key figures

Figures in € million

		9M22 reported	YoY Var.	YoY adjusted var. <sup>(1)</sup>
<b>SALES</b>		<b>24,526</b>	<b>+20.4%</b>	<b>+10.6 %</b>
<b>BACKLOG</b>		<b>70,417</b>	<b>+13.6%</b>	<b>+2.2 %</b>
<b>EBITDA</b>		<b>1,263</b>	<b>+8.4%</b>	<b>+5.5%</b>
<b>EBIT</b>		<b>839</b>	<b>+8.2%</b>	<b>+9.5%</b>
<b>NET PROFIT</b>	<b>OPERATING ACTIVITIES</b>	<b>421</b>	<b>+25.5%</b>	<b>n.a</b>
	<b>REPORTED</b>	<b>480</b>	<b>+106.9%<sup>(2)</sup></b>	<b>+103.2 % <sup>(2)</sup></b>
<b>NET DEBT</b>		<b>(288)</b>	<b>+3,285</b>	<b>n.a</b>

- 3Q sales + 29.5% YoY backed by outperformance of core regions + USD appreciation.
- Solid Backlog supported by strong LTM order intake (+6.9% YoY) and positive FX impact
- Net Profit growth supported by:
  - ✓ Positive performance of operating activities including contribution from Abertis
  - ✓ Minorities buyout in CIMIC
- Solid financial position after sale of Industrial Services enables strategic transactions:
  - ✓ CIMIC takeover bid
  - ✓ Additional stake in HOT and
  - Acquisition of the SH288
- Net cash reduction YTD due to WC seasonal variation.

(1) Ex FX effect and, in operating results, adjusted by asset disposal in the last twelve months (Ventia and Energy assets)

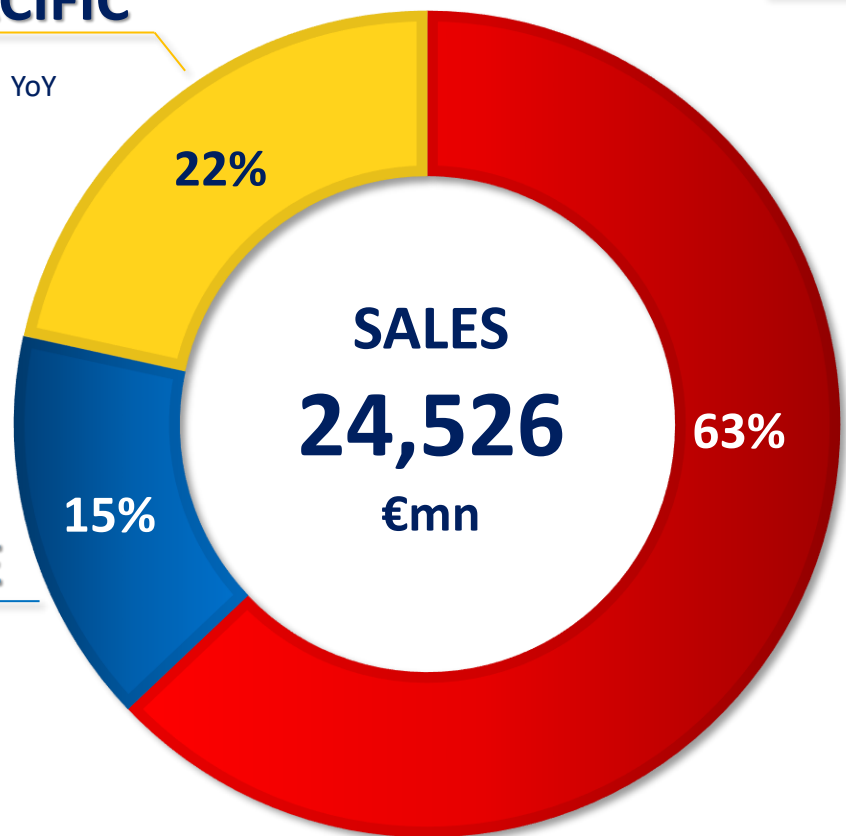
(2) Proforma comparison eliminating Industrial Services activity contribution in the comparable period

# Geographical diversification

**+24.9% YoY** **AMERICA** **+19.3% YoY**

**ASIA PACIFIC**

**+18.1% YoY**

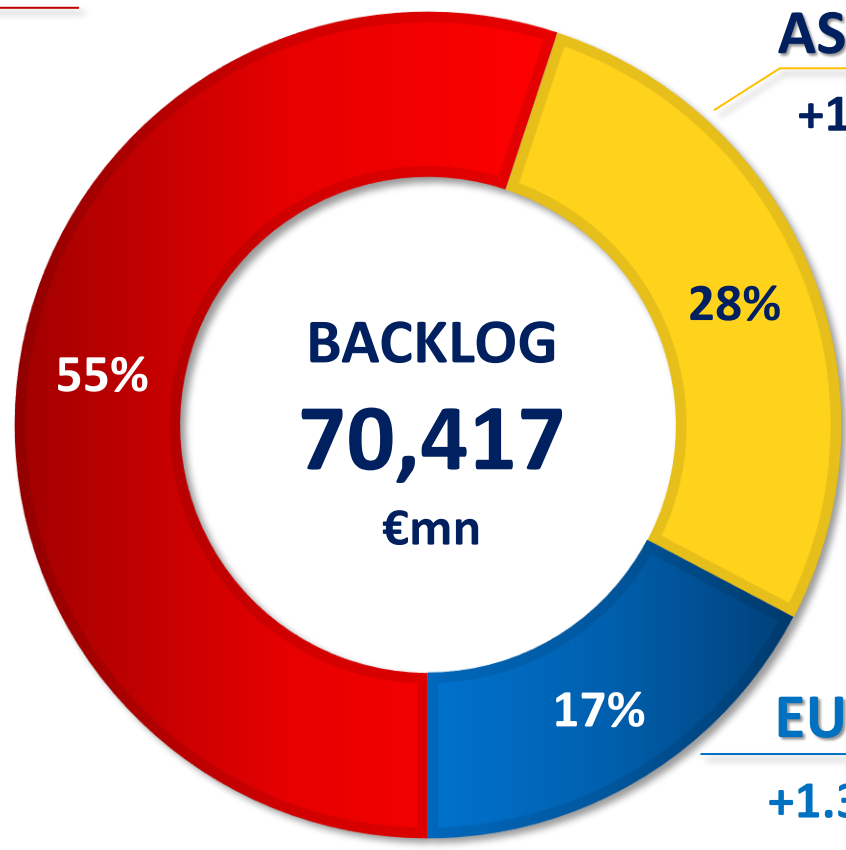


**EUROPE**

**+7.9% YoY**

**ASIA PACIFIC**

**+11.3% YoY \***



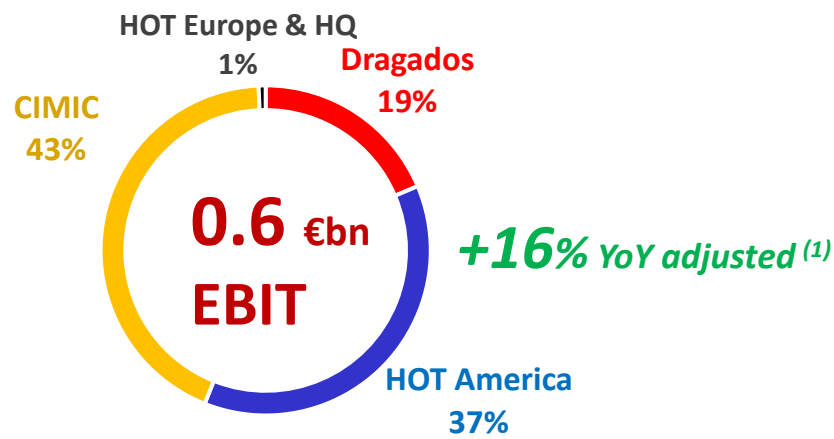
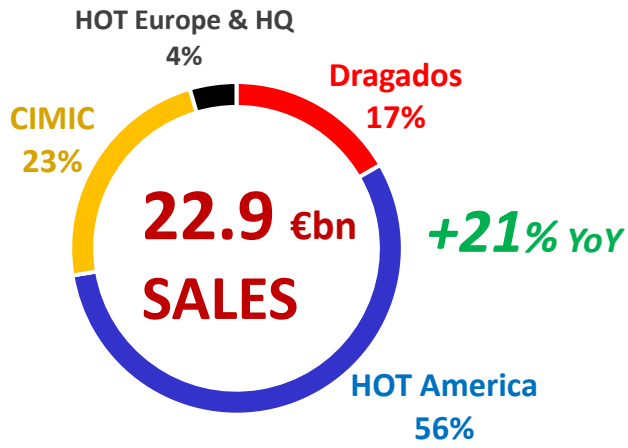
**EUROPE**

**+1.3% YoY**

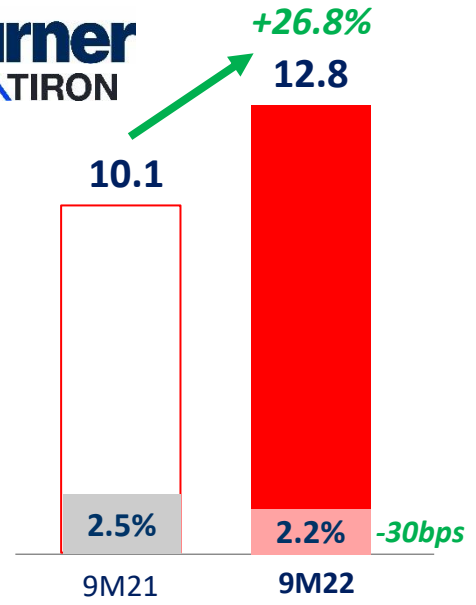
\* Restated for Ventia's proportional backlog in Q3 21 after its reclassification as financial investment in Q1 22

# Construction: operating performance

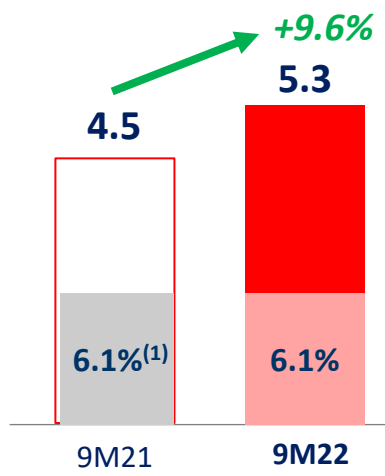
## Operating figures: Sales (in €bn) and EBIT margin (%)



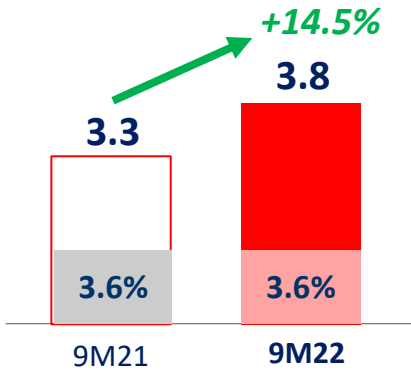
**Turner**  
FLATIRON



**CIMIC**



**DRAGADOS**

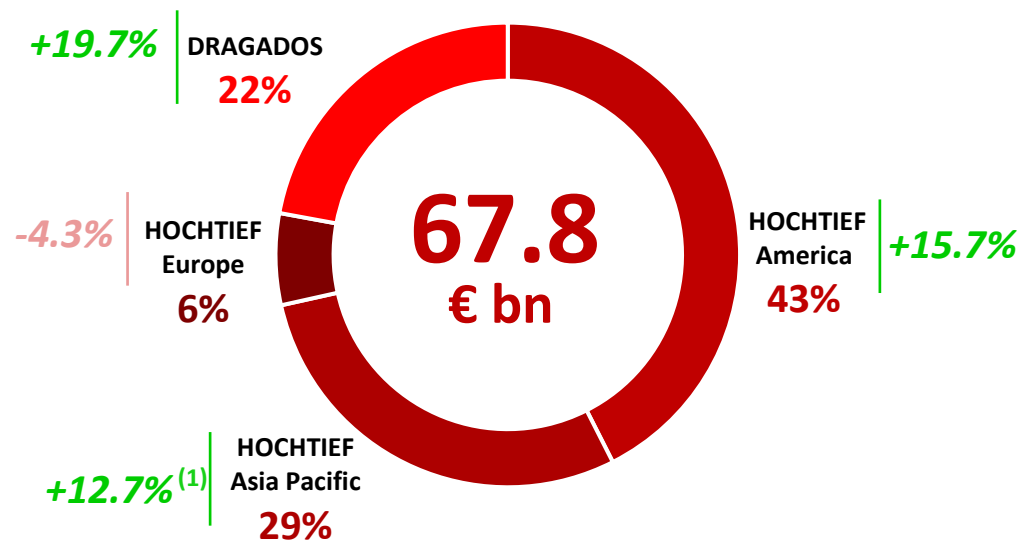


- Double digit sales growth across core regions with production above pre-pandemic levels
- Positive FX impact due to USD strength (+10.8% vs 3Q 21)
- Mild variations in Net operating margin due to business mix

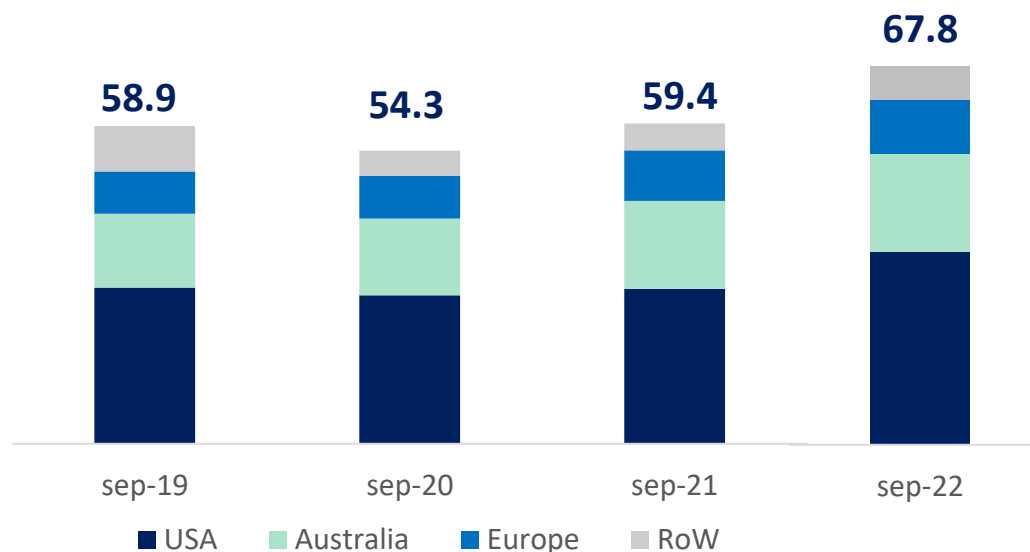
(1) Excluding non recurring items in Hochtief

# Construction: backlog

## Backlog breakdown



## Backlog evolution by key markets (1)



- Backlog at record highs supported by strong order intake in the last 12 months amounting to 34.8 €bn (+6.9% YoY)
- Positive FX impact from USD and AUD. Adjusted by FX backlog grew by 2.2%
- Stimulus plans from Governments as key driver of demand for infrastructure investment

(1) Eliminating Ventia's and Thiess' backlog in the prior years

# 9M 22 largest awards



Construction of a 16.2-mile light rail transit line that extends from Bethesda to New Carrollton, in Maryland

Civil Works & Building  
**1,303 €Mn**

★ Widening and improvement of the IH35 freeway in Travis County, Texas

Civil Works  
**663 €Mn**

★ Engineering, procurement and construction (EPC) contract to deliver services for Artemis Gold at the Blackwater Gold project in British Columbia, Canada

Services  
**358 €Mn**

Contract for the Orinda Water Treatment Plant Disinfection and Chemical Systems Safety Improvements Project in Orinda, California

Civil Works & Building  
**267 €Mn**



Contract for widening the riverbed of the Svrakta River to prevent flooding in Brno, Czech Republic

Civil Works  
**378 €Mn**

Expansion of line 11 of Metro de Madrid by adding 5 stations along 7 km between Plaza Elíptica and Conde de Casal, Madrid

Civil Works  
**213 €Mn**

Design and construction of 18.1 km of the S19 highway between Radzyn and Podlaski, Poland

Building  
**129 €Mn**

Intake works, construction of wells and conduction of the hydraulic circuit in the Chira and Soria dams, in Gran Canaria, Spain

Building  
**124 €Mn**



Civil Works: shafts, galleries and tunnels of two sections of line 7 Metro de Santiago, Chile

Civil Works  
**153 €Mn**

Contract to provide mining, rehabilitation and port management services in Central Kalimantan, Indonesia

Mining Services  
**850 €Mn**

Provision of mining services for eight years for the Olive Downs Project in Queensland

Mining Services  
**750 €Mn**

Contract to deliver the surface civil and alignment works for the Sydney Metro – Western Sydney Airport rail link between Orchard Hills and the new Western Sydney Airport Station

Civil Works  
**395 €Mn**

Development of the tunneling works for the Western Harbour Tunnel - Southern Tunneling Works as a modification of the Rozelle Interchange contract in Sydney

Civil Works  
**350 €Mn**

Contract to deliver mining and maintenance services and asset management service for the Iron Bridge Project in Western Australia

Mining Services  
**350 €Mn**

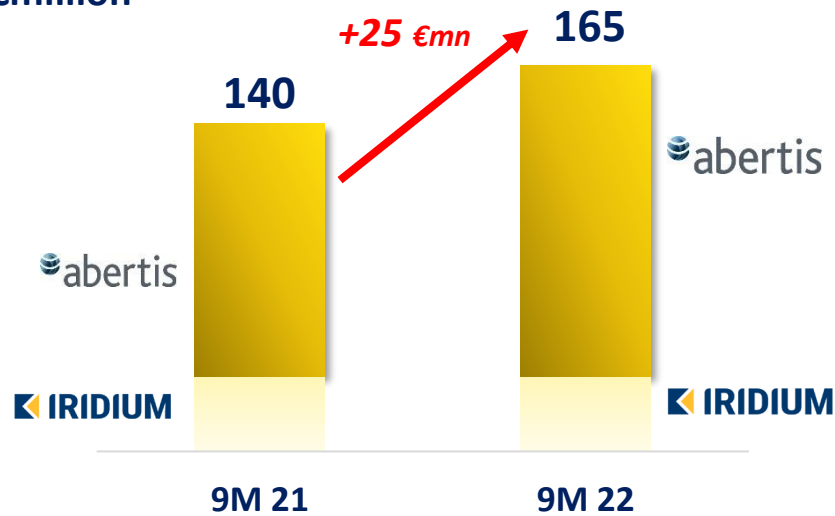
Design, engineering, procurement and construction contracts in the renewables and utilities sectors in Queensland and South Australia

Engineering  
**296 €Mn**

# By activities - Concessions

## EBITDA evolution

€million



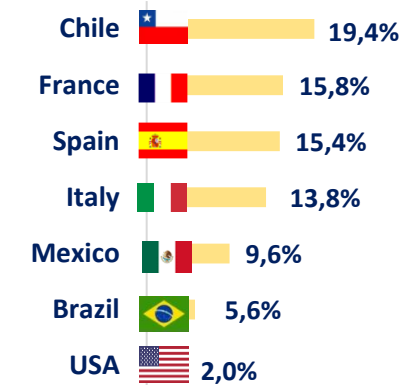
## Abertis – Key figures



€ Million

	9M21	9M22	Var.
Revenues	3,651	3,800	+4.1%
EBITDA	2,530	2,615	+3.3%
Net Profit pre PPA	516	506	-2.0%
Contribution to Grupo ACS Net Profit	87	113	+29.5%

## Traffic evolution 3Q 22 vs 3Q 21



## Iridium – Evolution



- Higher contribution from Iridium raising **Net Profit to € 33 mn** from €20 mn in 9M 21
- **Cash collection in Q1 22 from asset rotation** amounting to 88 €mn (sale of 75% stake in Windsor Essex in Ontario, Canada)

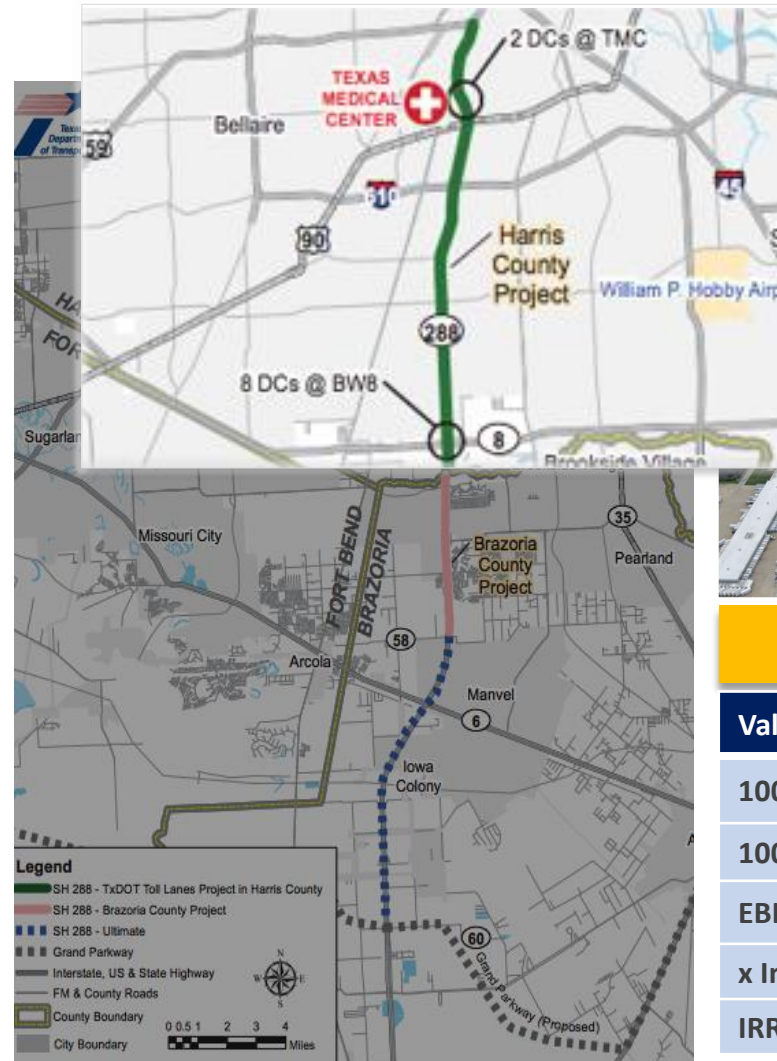
- **Average daily traffic performance of 11.9% yoy (+4.1% vs. 2019)**, above 2021 levels in all geographies, although slower in European countries.
- **Positive operating performance** driven principally by traffic recovery, offsetting the impact of the loss of perimeter (Acesa, Invicat and Sol).
- **Cost of debt impacted by the increase in the CPI and inflation** linked debt rates in certain countries such as Chile, Brazil and Mexico, however in Holding and France (70% of total debt) remains stable.
- € 1.1 bn cash collection from **CAPEX compensation** from the AP-7
- **Dividend payment (100%)** in April amounting to **602 €mn**

# Reinforcement of concessions with SH288 new acquisition

**SH-288 Toll lanes within Harris County** involving 4 new toll managed lanes that **extend 10.3 miles, one of the longest concession tenors in North America**

The Project was **awarded in 2015** by TxDOT to the ACS led consortium under a public-private partnership (**P3**) agreement for **52 years**. The managed lanes **opened to traffic in November 2020** and have been operating successfully since then.

- ✓ **Acquisition of 44.65% of the shares** in with approximately 46 years remaining for a negotiated value as of June 2022 (\$858 M), with a ticking fee of 7.5% over time until Closing. In October, an additional 12.2% stake has been agreed to be acquired to one of the remaining shareholders.
- ✓ **Total stake from both transactions reaching 78% with full asset consolidation.** ACS already owned 21.62% of the Project (BV of 79 \$mn as of June 22) with a ROFO agreement, thus having deep knowledge of the asset.
- ✓ **Total negotiated price for the 56% stake amounting to around 1.1 €bn** Subject to authority (TxDOT) and TIFIA consents. Closing is expected if no delays on the consent process by 2022 year-end.



## Key Transaction Figures

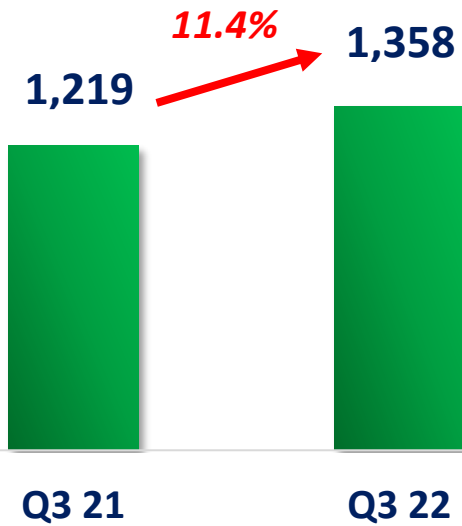
Valuation Date	Dec 2022
100% Equity Stake	1,995
100% EV (Enterprise Value)	2,543
EBITDA x - Avg '22-'27	28.0x
x Initial Equity contribution	5.4x
IRR (Internal Rate of Return)	8.3%



# By activities - Services

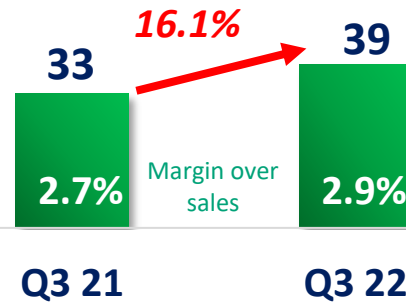
## Operating figures

### SALES €million



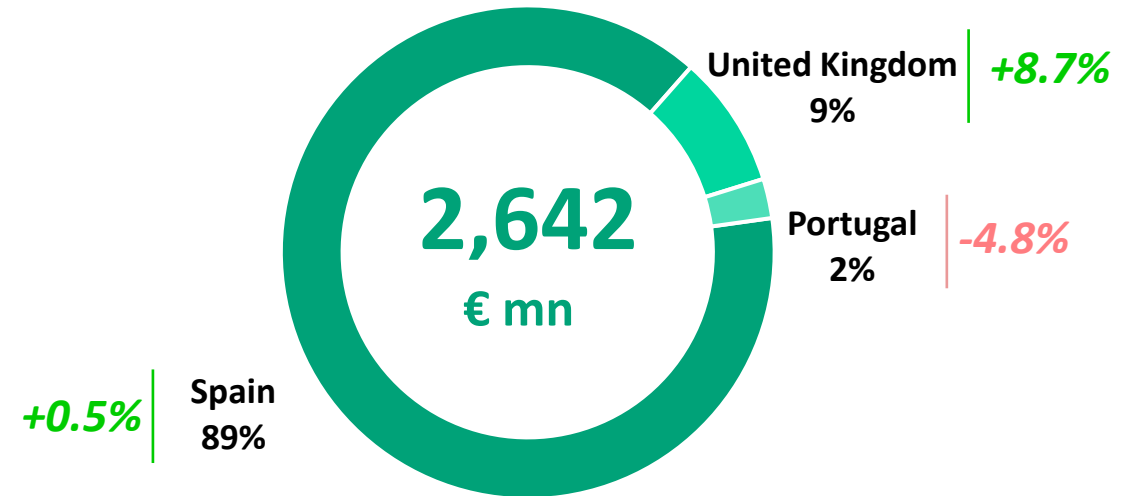
- Sales increase both domestic (8.8%) and international (40%)

### EBIT €million



- Operating margins recovered to pre pandemic levels

## Backlog breakdown



- Positive backlog evolution growing by 1.1% overall
- Recent acquisitions and organic growth boosting UK market performance (+8.7%)

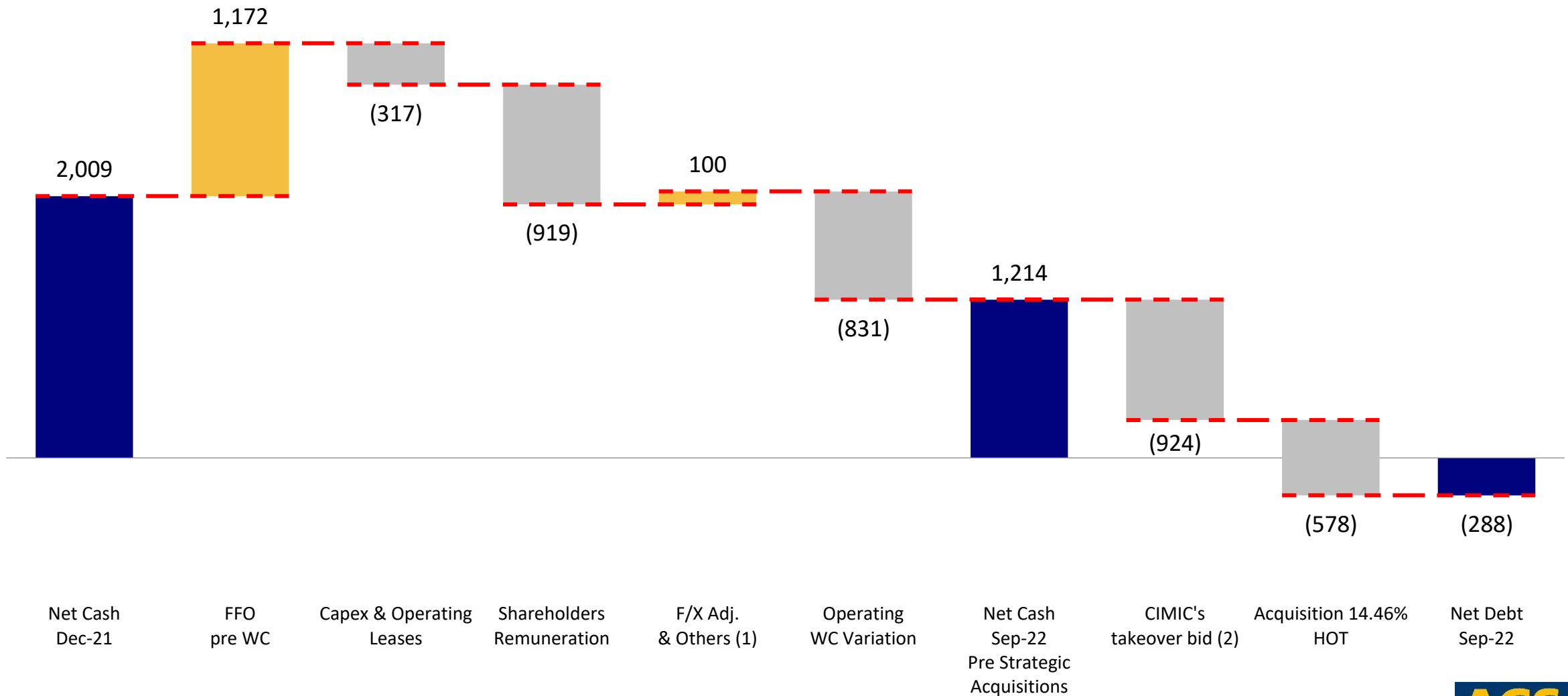
# Net Profit by activities

Figures in € Million

	9M21	9M22	YoY Var.
<b>Construction</b>	<b>209</b>	<b>255</b>	<b>+22.1%</b>
Hochtief (ex ABE)	131	177	+35.1%
Dragados	87	90	+3.6%
<b>Concessions</b>	<b>107</b>	<b>145</b>	<b>+36.1%</b>
Iridium	20	33	+65.7%
Abertis	87	113	+29.5%
<b>Services (Clece)</b>	<b>20</b>	<b>22</b>	<b>+5.5%</b>
<b>Net Profit from operating activities</b>	<b>336</b>	<b>421</b>	<b>+25.5%</b>
Corporate <sup>(1)</sup> and others <sup>(2)</sup>	(104)	59	
<b>Proforma<sup>(3)</sup> Net Profit</b>	<b>232</b>	<b>480</b>	<b>+106.9%</b>

(1) Positive impact in 9M 22 from financial instruments related to ACS shares (25 €mn) and IS earn-out revaluation (65 €mn) while negative impact of 74 €mn from financial instruments related to ACS shares in 2021 | (2) It includes net profit from Energy and Real Estate activities | (3) Not including the contribution from Industrial services activities sold to VINCI in 2021

# YTD Net debt evolution



(1) Positive FX effect partially offset by payments for CCGP Ichtyis and Alto Maipó projects (from HOCHTIEF)

(2) Amount net from HOT's capital increase subscribed by minorities (€ 61 mn)

# Conclusions: Delivering commitments

1

Strong operating performance  
with resilient cash flow generation

839 €mn 9M EBIT  
1 €bn LTM FCF generation

2

Solid financial position after strategic transactions  
despite seasonal effect of WC

288 €mn Net Debt  
0.2X EBITDA

3

Revenues visibility supported by a strong and quality backlog  
in core regions

70.4 €bn backlog

4

Investment in development  
and operation of infrastructure  
concession assets

Simplification of the  
Group's organizational  
structure

Stronger ESG commitments  
and improvements in  
Corporate Governance

- ✓ Acquisition of new transport concessions: SH288 managed lane in Texas



- ✓ Joint Venture with Vinci to develop Cobra's renewable energy Project pipeline

- ✓ Takeover bid and delisting of



- ✓ Acquisition of Atlantia's stake (14,5%) in



- ✓ Changes in the Board increasing Independence

- ✓ Approvement of a new Sustainability plan for 2025 aligned with international programs and commitments



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