



# 2014 Results Presentation

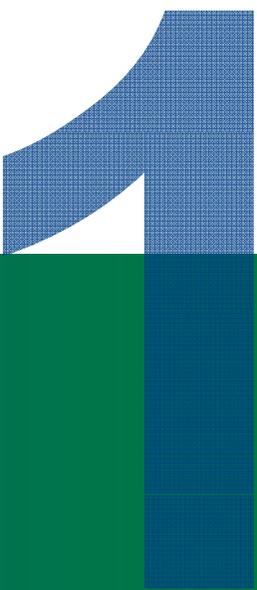
Madrid, March 2<sup>nd</sup> 2015

**Finance Department**  
Investor Relations

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## Restructuring completed

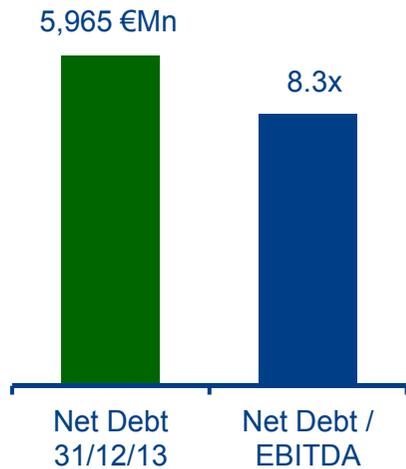
- 1.1 Capital structure enhanced*
- 1.2 Financial profile improved*
- 1.3 Balance sheet cleaning*
- 1.4 Operational improvement on track*
- 1.5 New governance structure*



**Mr. Juan Béjar**  
CEO & 2<sup>nd</sup> Vice chairman

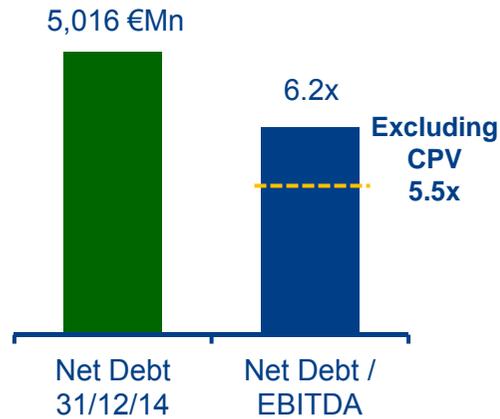
		Amount	Maturity	Features		
20%	Debt redeemed: 1,100 €Mn	Haircut 135 €Mn	FCC syndicated <b>Tranche B:</b> 900 €Mn	2018	<ul style="list-style-type: none"> <li>• Convertible in FCC shares at market price</li> <li>• PIK: 11% - 16%</li> </ul>	
		Capital increase: 1,000 €Mn	CPV: 100 €Mn		2016	<ul style="list-style-type: none"> <li>• Non recourse</li> <li>• Interest rate: Euribor + 4% - 4.5%</li> </ul>
			FCC UK (Environment): 100 €Mn		2018	<ul style="list-style-type: none"> <li>• Non recourse</li> <li>• Interest rate: Libor + 2.2% - 4%</li> </ul>
			Restructuring expenses: 35 €Mn			
80%	Debt refinanced: 4,474 €Mn	Syndicated loan: 3,668 €Mn	FCC syndicated <b>Tranche A:</b> 3,178 €Mn	2018	<ul style="list-style-type: none"> <li>• 5% amortization in 2016 and 2017</li> <li>• Interest rate: EURIBOR + 3% - 4%</li> </ul>	
			FCC new <b>Tranche B:</b> 490 €Mn		2018	<ul style="list-style-type: none"> <li>• Convertible in FCC shares at market price</li> <li>• PIK: 5%</li> </ul>
		Convertible Bond: 450 €Mn		2020	<ul style="list-style-type: none"> <li>• Conversion price: 22.19 €/share (post rights issue)</li> <li>• Coupon: 6.5%</li> </ul>	
		FCC UK (Environment): 356 €Mn		2018	<ul style="list-style-type: none"> <li>• Non recourse</li> <li>• Interest rate: Libor + 2.2% - 4%</li> </ul>	

## 2013 Financial leverage

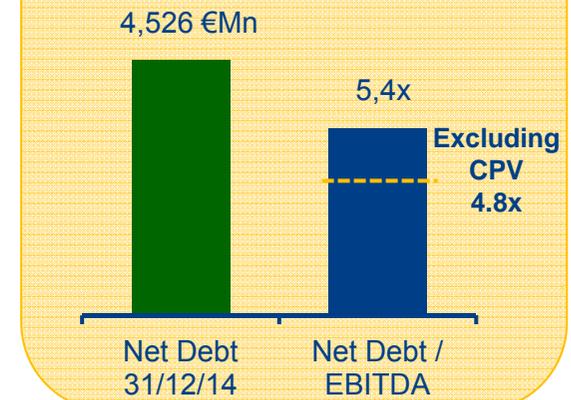


## 2014 Financial leverage

Tranche B considered as debt

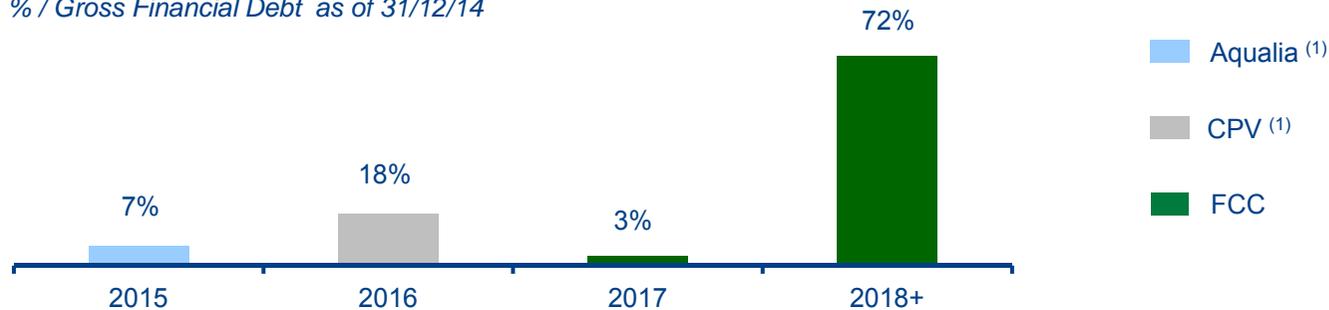


Tranche B considered as equity



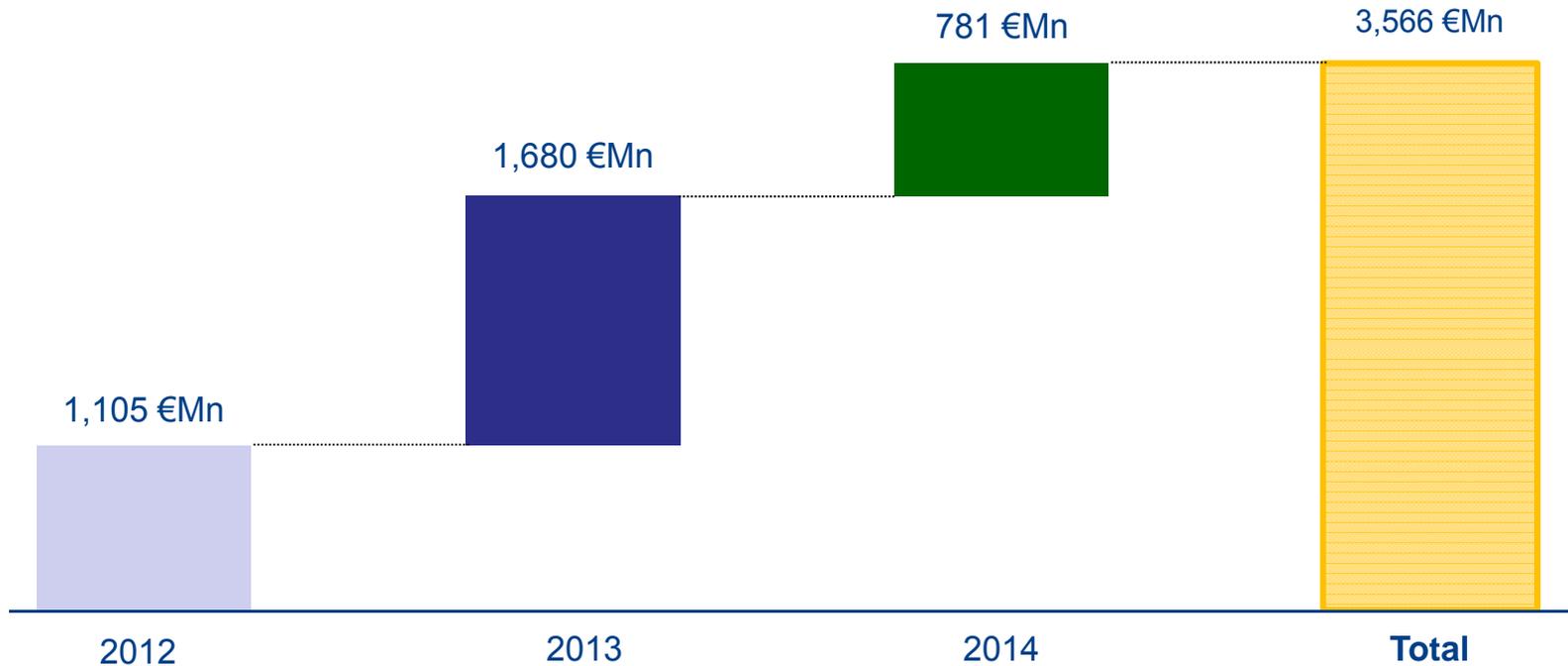
## With no significant short-term debt maturities

% / Gross Financial Debt as of 31/12/14



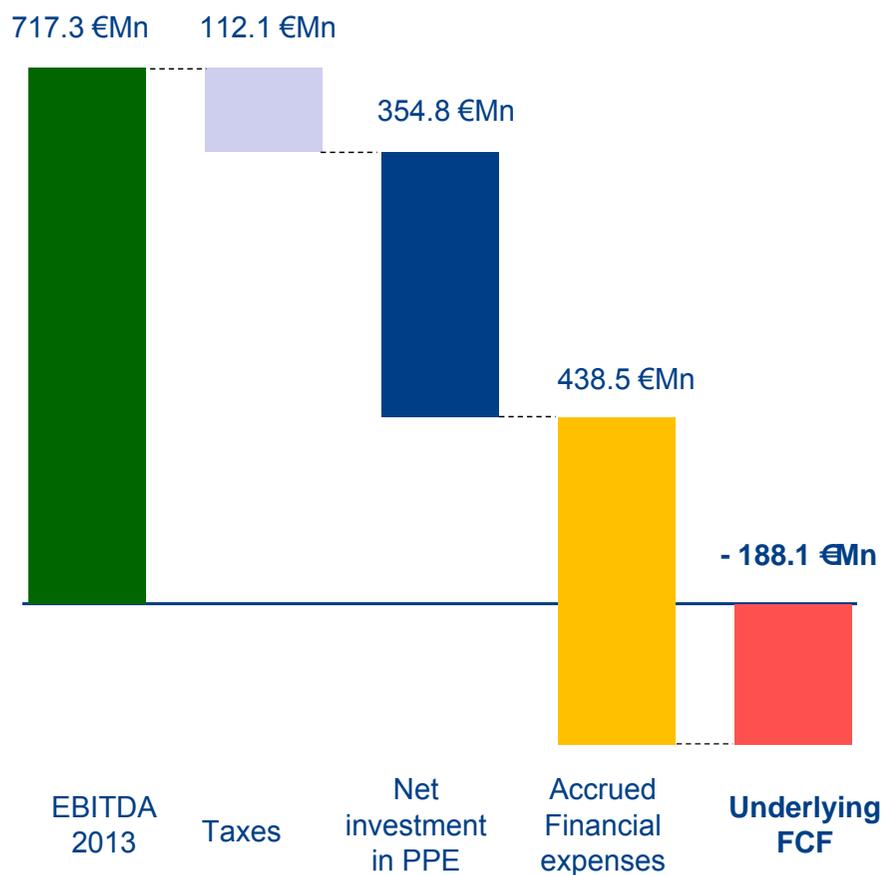
(1) Such subsidiary represents most of the debt with maturity in the corresponding year

## Non-recurrent provisions, impairments and discontinued operations results (2012 – 2014)

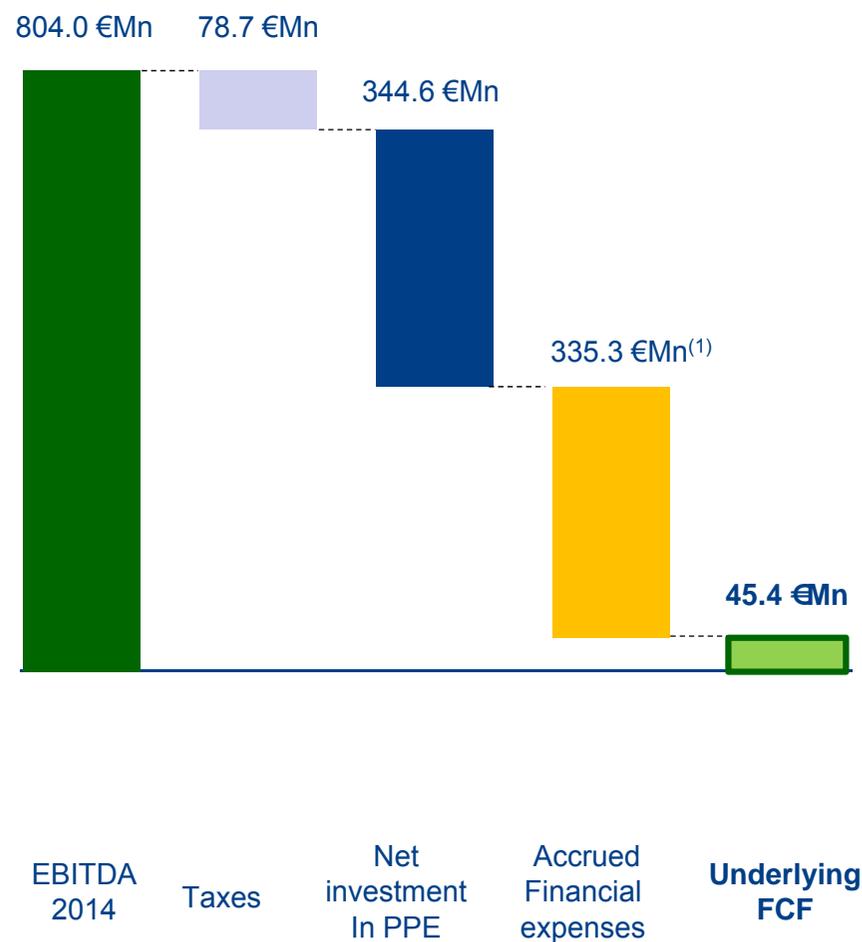


- Balance sheet cleaning completed with 3.5 €Bn adjustments in the last 3 years, equivalent to 25% of FCC Group total assets at 2014 year end
- Groups total Equity has improved in 1 €Bn after December 2014 rights issue

## 2013 underlying cash flow generation



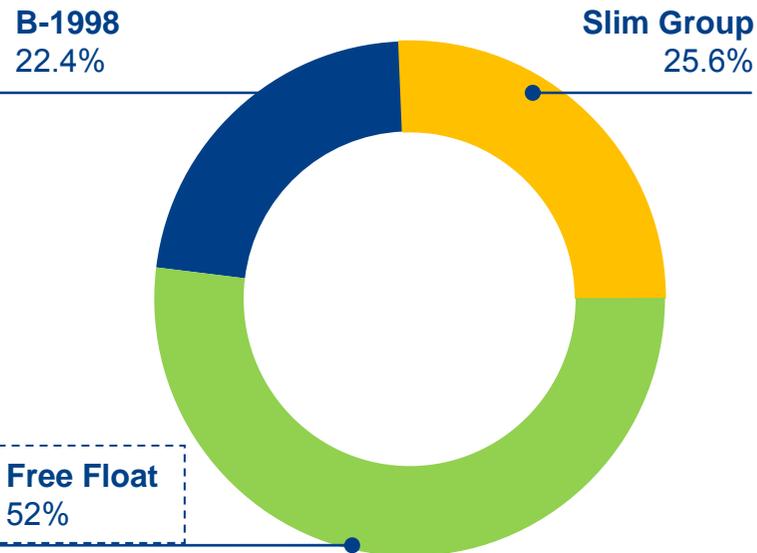
## 2014 underlying cash flow generation



➤ Ongoing recovery of cash flow generation to be prolonged in the future

(1) Excludes 40.5 €Mn PIK from Tranche B

## Shareholder base post capital increase



### Other relevant shareholders:

- William H. Gates: 5.7%<sup>(2)</sup>

## New board composition <sup>(1)</sup>

### 12 Members:

- 4 Appointed by B-1998
- 4 Appointed by Slim Group
- 3 Independent members
  - Proposed by reputable independent consultants
- 1 Executive (CEO)

### Board Commissions:

- Chaired by independent members
- Majority of independent members

(1) Subject to final approval by AGM

(2) As of latest communications to the CNMV (Spanish stock market regulator)



## 2014 Results

*2.1 Key Figures*

*2.2 Non-recurrent provisions and impairments*

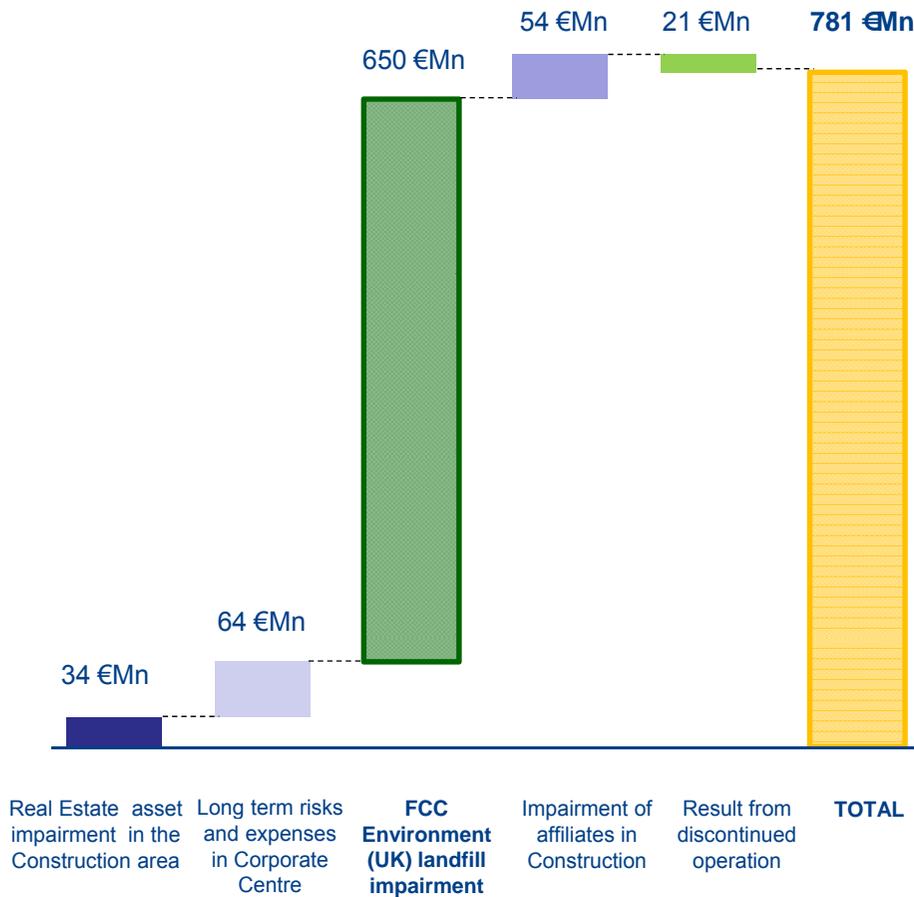
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**Mr. Juan Béjar**  
CEO & 2<sup>nd</sup> Vice chairman

	<b>2014 (€Mn)</b>	<b>Chg./2013 (%)</b>
<b>Revenues</b>	<b>6,334.1</b>	<b>- 6.2%</b>
<b>EBITDA</b>	<b>804.0</b>	<b>+ 12.1%</b>
EBITDA Margin	12.7%	+ 2.1 p.p.
<b>Net Attributable Result</b>	<b>- 724.3</b>	<b>- 51.9%</b>

	<b>2014 (€Mn)</b>	<b>Chg./2013 (%)</b>
<b>Backlog</b>	<b>32,996.5</b>	<b>- 1.1%</b>
<b>Net Debt</b>	<b>5,016.0</b>	<b>- 15.9%</b>

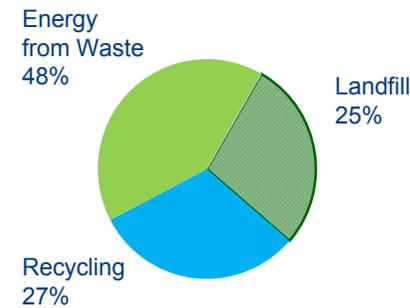
## 2014 non-recurrent provisions & impairments



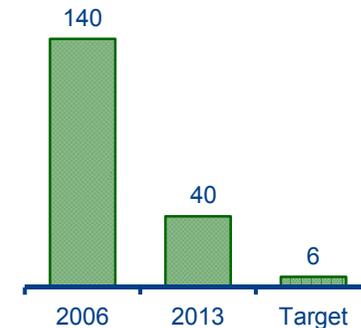
## FCC Environment UK impairment

- Deterioration in the business coming from landfill activities which represented 25% of FCC Environment's EBITDA in 2014
  - Landfill Tax has increased by 281% since 2006 up to £80 / ton

EBITDA breakdown <sup>(1)</sup>



Number of landfills



(1) Adjusted for corporate expenses and other minor activities

## Closure of landfills in order to improve future cash performance



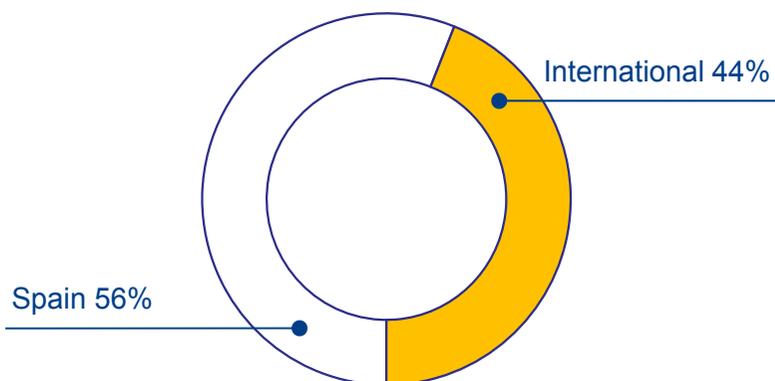
## 2014 Performance

- 3.1 Operating performance*
- 3.2 Business Areas*
- 3.3 Cash flow and net debt reduction*
- 3.4 Debt structure and maturity*

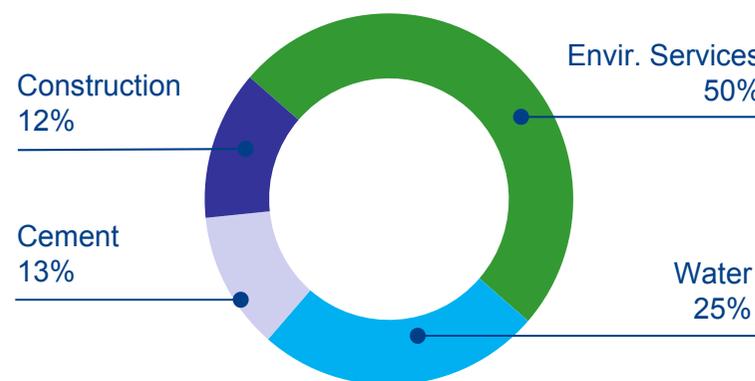
**Mr. Victor Pastor**  
Corporate Finance Manager

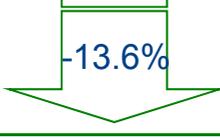
	Revenues 2014 (€Mn)	Chg./2013 (%)	EBITDA 2014 (€Mn)	Chg./2013 (%)
Environmental Services	2,805.0	+ 1.2%	418.3	- 1.5%
Water	954.0	+ 0.9%	208.4	+ 7.6%
Construction	2,076.1	- 20.1%	98.2	+ 4.1%
Cement	542.9	+ 0.4%	104.8	+ 107.9%
Corporate & adjust.	(43.9)	- 57.9%	(25.7)	- 43.8%
<b>Total</b>	<b>6,334.1</b>	<b>- 6.2%</b>	<b>804.0</b>	<b>+ 12.1%</b>

Revenues by region



EBITDA by business areas



	Revenues €Mn	% / Total	% Chg. / 2013
Spain	1,576.9	<b>56%</b>	 +0.3%
United Kingdom	846.0	<b>30%</b>	 +4.5%
Central & Eastern Europe	347.3	<b>12%</b>	 -0.7%
Portugal & Others	34.8	<b>1%</b>	 -13.6%
<b>Total Revenues:</b>	<b>2,805.0</b>	100%	 +1.2%
<b>EBITDA:</b>	<b>418.3</b>	<b>14.9%</b>	 -1.5%

## 2014 Main contracts



Barcelona urban waste collection



Edinburgh & Lothian energy from waste facility



Buckinghamshire energy from waste start up in 2014



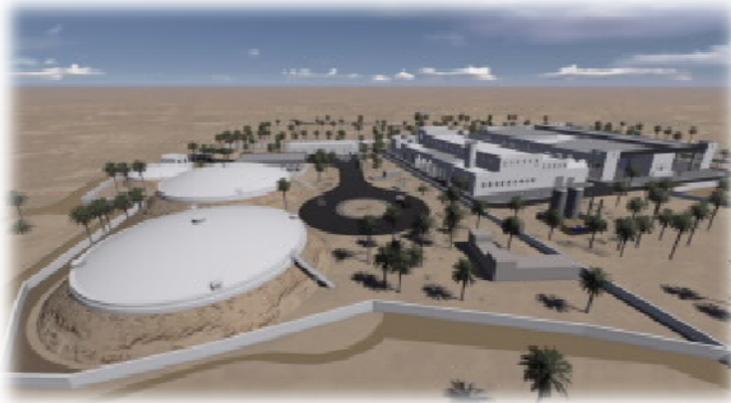
Ponferrada urban waste collection and street cleaning

- Recycling and reduction activities accounts for 25% of Ebitda and 36%\* of capital employed as of Dec. 14

\* Excludes investments in progress and equity accounted for 210 M€

	Revenues €Mn	% / Total	% Chg. / 2013
Spain	772.1	<b>81%</b>	 +3.0%
Eastern Europe	90.0	<b>9%</b>	 -4.6%
Rest of Europe	51.2	<b>5%</b>	 +3.9%
Latin America & Others	40.8	<b>4%</b>	 -21.8%
<b>Total Revenues:</b>	<b>954.0</b>	100%	 +0.9%
<b>EBITDA:</b>	<b>208.4</b>	<b>21.8%</b>	 +7.6%

## 2014 Main contracts



Djerba desalination plant (Tunis)



Water network (Cutzamala - México)

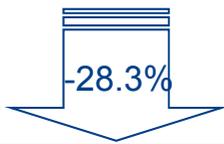


Transmarine pipeline (Uruguay)



Waste water tratment plant (Montenegro)

- Increased presence up to 14 countries in Europe, Lat Am and MENA, with 1.7% rise in backlog at year end

	Revenues €Mn	% / Total	% Chg. / 2013
Spain	1,037.9	<b>50%</b>	 -28.3%
Latin America	640.4	<b>31%</b>	 -27.2%
Europe	190.7	<b>9%</b>	 +13.6%
MENA and other	207.0	<b>10%</b>	 +103%
<b>Total Revenues:</b>	<b>2,076.1</b>	100%	 -20.1%
<b>EBITDA:</b>	<b>98.2</b>	<b>5.2%</b>	 +4.1%

## 2014 Main contracts



Mersey bridge (Liverpool - UK)



Lima metro (Perú)

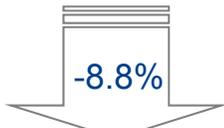
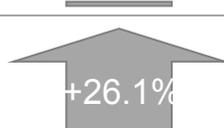
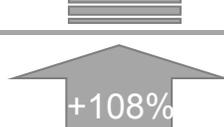


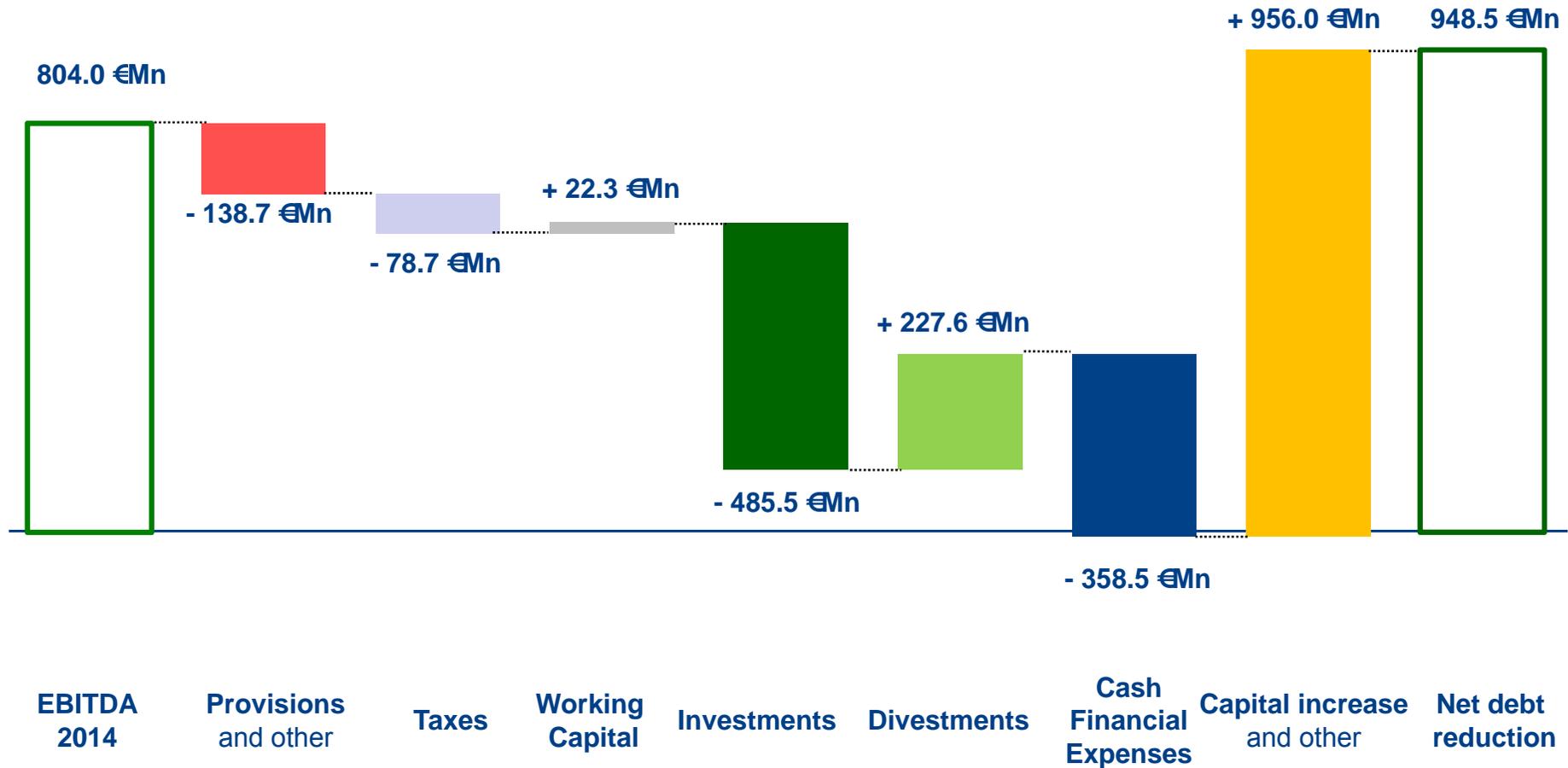
Doha metro (Qatar)



Chucas dam and hydro power plant (Costa Rica)

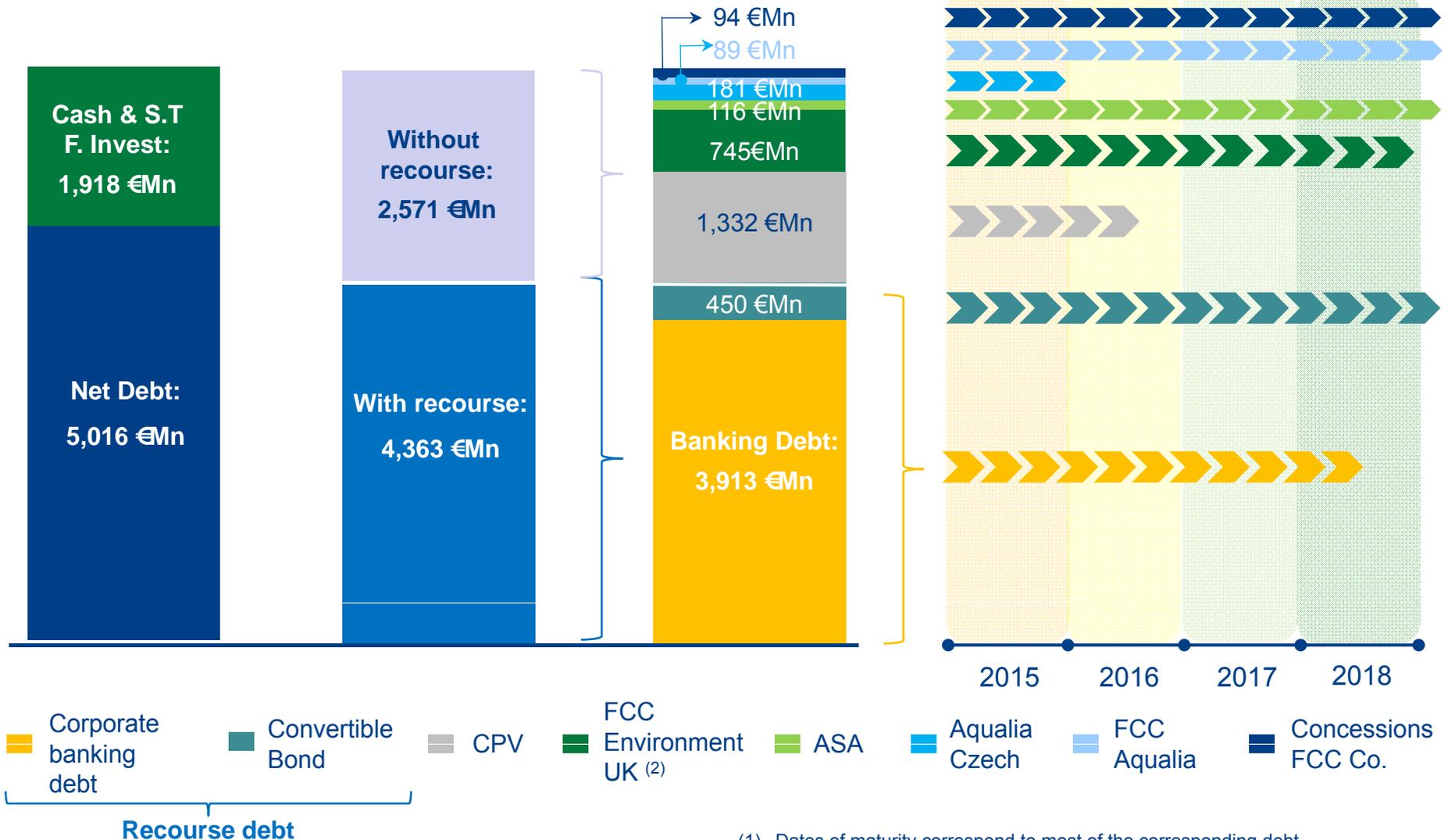
- New contracts focused in highly complex and specialized civil works (metro lines, railways and bridges)

	Revenues €Mn	% / Total	% Chg./ 2013
Spain	196.0	<b>36%</b>	 -8.8%
United States & Canada	180.0	<b>32%</b>	 -0.2%
Tunisia	83.8	<b>16%</b>	 +5.1%
United Kingdom, Algeria & Others	83.1	<b>16%</b>	 +26.1%
<b>Total Revenues:</b>	<b>542.9</b>	100%	 +0.4%
<b>EBITDA:</b>	<b>104.8</b>	<b>19.3%</b>	 +108%



Gross debt breakdown (Dec. 2014): 6,934 €Mn

Maturity (1)



(1) Dates of maturity correspond to most of the corresponding debt

(2) Includes 45 €Mn of several waste treatment project financing in Spain and Portugal



## Strategic Plan

*4.1 Development status*

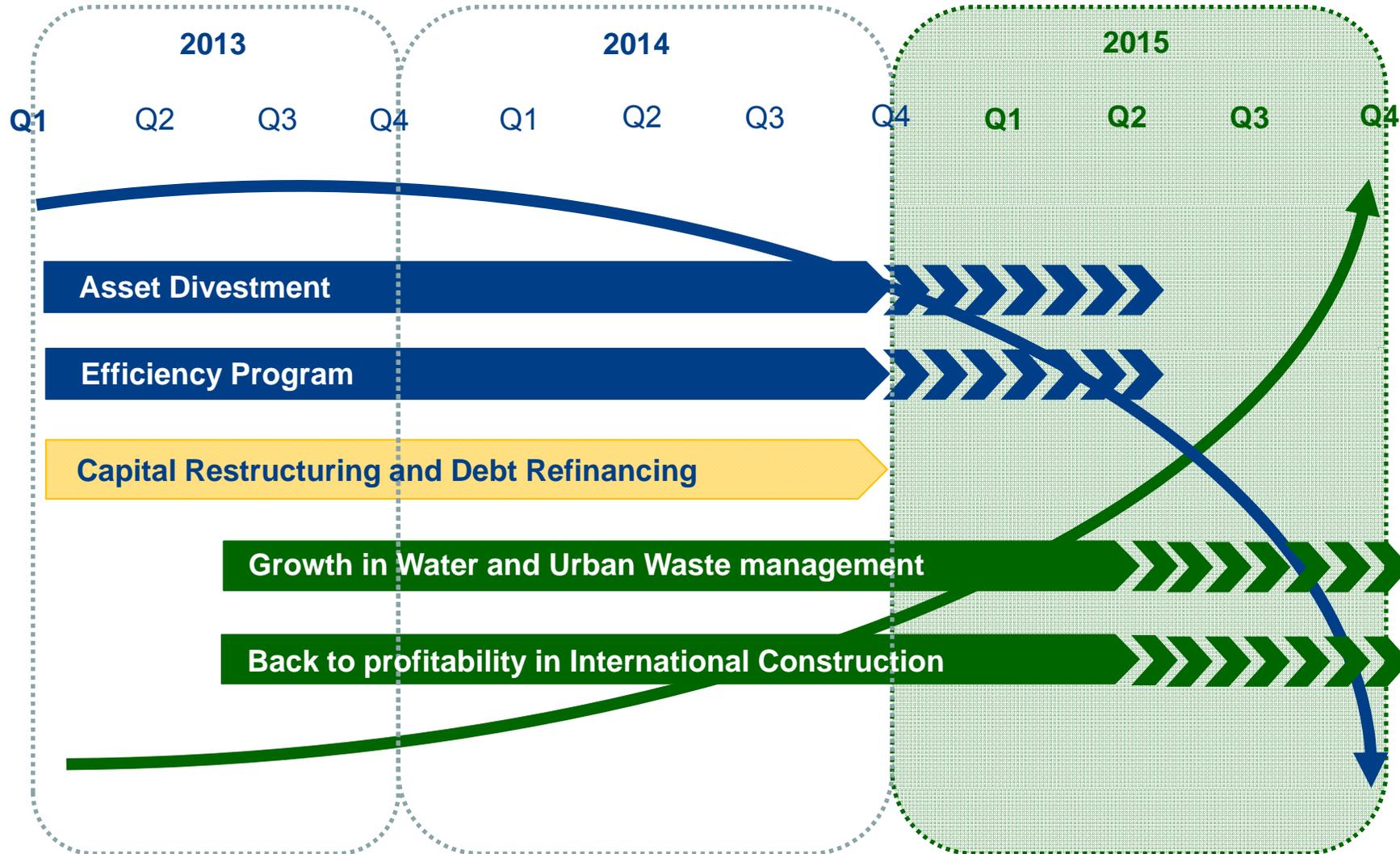
*4.2 Next steps*

# 4

**Mr. Juan Béjar**  
CEO & 2<sup>nd</sup> Vice chairman

## Restructuring Phase

## Growth Phase



## Reinforce our position as a global leader in Environmental Services and Water, while maintaining presence in selected highly profitable Infrastructure Development projects

- Maintain our leader position in Environmental Utilities in our mature markets
- Growth in waste management backed on regulatory requirements (recycling & treatment) in mature and new markets while pursuing global opportunities in EfW
- Drive water expansion based on new opportunities in end to end cycle management with related services and EPC. Special focus on LatAm, MENA and Eastern Europe
- Selective presence in specialized projects in the Construction area with priority on cash generation and return vs. size
- Continue to reduce financial leverage and deliver operational efficiency. Divestment program under review to maximize its return on investment



*We are in this together*

*Thank you*