Citizen Services

November 2015

Corporate Presentation
Investor Relations

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- This document may contain forward-looking statements regarding intentions, expectations or predictions by the FCC Group and its management as of the date of writing in connection with various aspects such as the growth of the business lines, FCC Group earnings, and other aspects related to its activity and situation.

- By their nature, such forward-looking statements do not constitute guarantees of future performance and are affected by risks, uncertainties and other material aspects that could lead developments and final outcomes to differ materially from those expressed in these statements.

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- This document contains financial information which has been audited and prepared in accordance with International Financial Reporting Standards (IFRS).

Citizen Services

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FCC Group

1.1 Diversified and balanced business model

1.2 Leading position across Business Areas

1.3 Differentiated service offerings

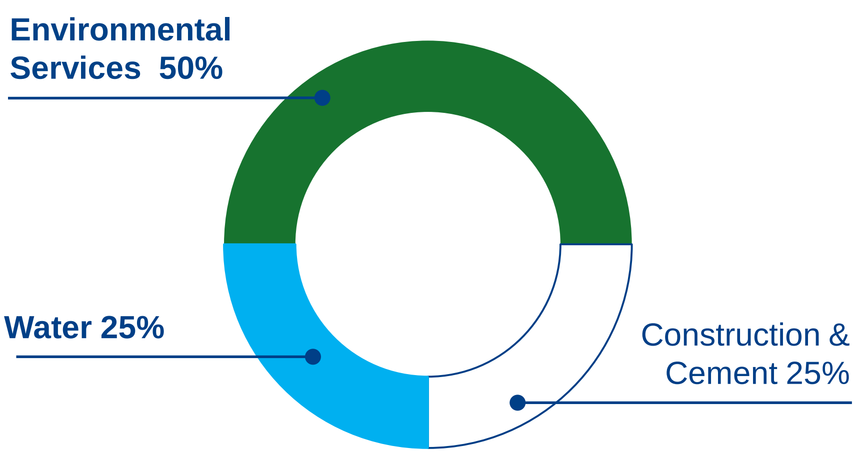
1.4 Strong growth fundamentals

FCC Group

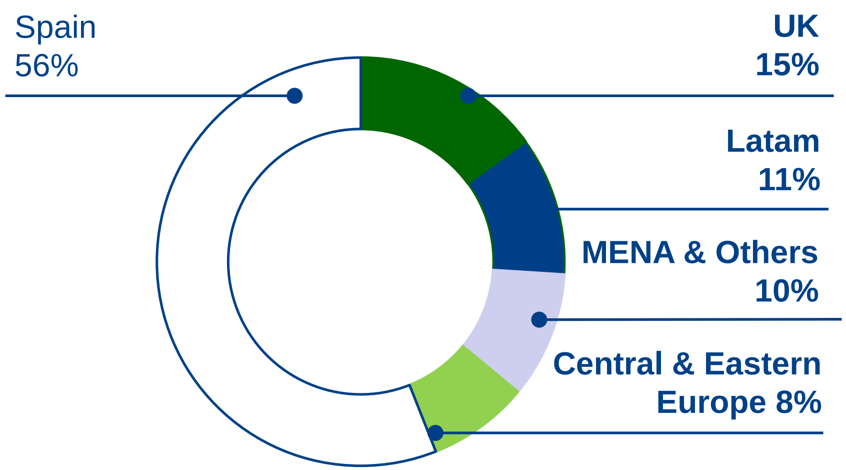
- **Leading Group in Environmental Services, Water and Infrastructure development**
- **€ 6.3 Bn revenues and**
  € 804 Mn EBITDA in 2014
- **Over 57.000 employees**
- **Operating in over 25 countries / 44% of revenues come from international markets**
- **Differentiated service offerings**
- **High income visibility**

Diversified and balanced business model

2014 EBITDA by Business Area



2014 Revenues by Geographic Area



- **Balanced business model combining long-term, recurring activities of Environmental Services and Water with cyclical exposure of the Construction and Cement divisions**
- **Operating in more than 25 countries and increasing exposure to attractive international markets by leveraging Environmental Services and Water platforms and selectively pursuing opportunities in international infrastructure development**
- **Diversified platform of customers with limited client concentration**

Leading position across Business Areas

Long-standing leadership positions across Business Areas with over 100 years of history

Environmental Services:

- #1 in Spain (1)
- Among top 5 providers of waste disposal services in the UK (1)
- #1 in integrated waste management services in Central and Eastern Europe (1)

Water:

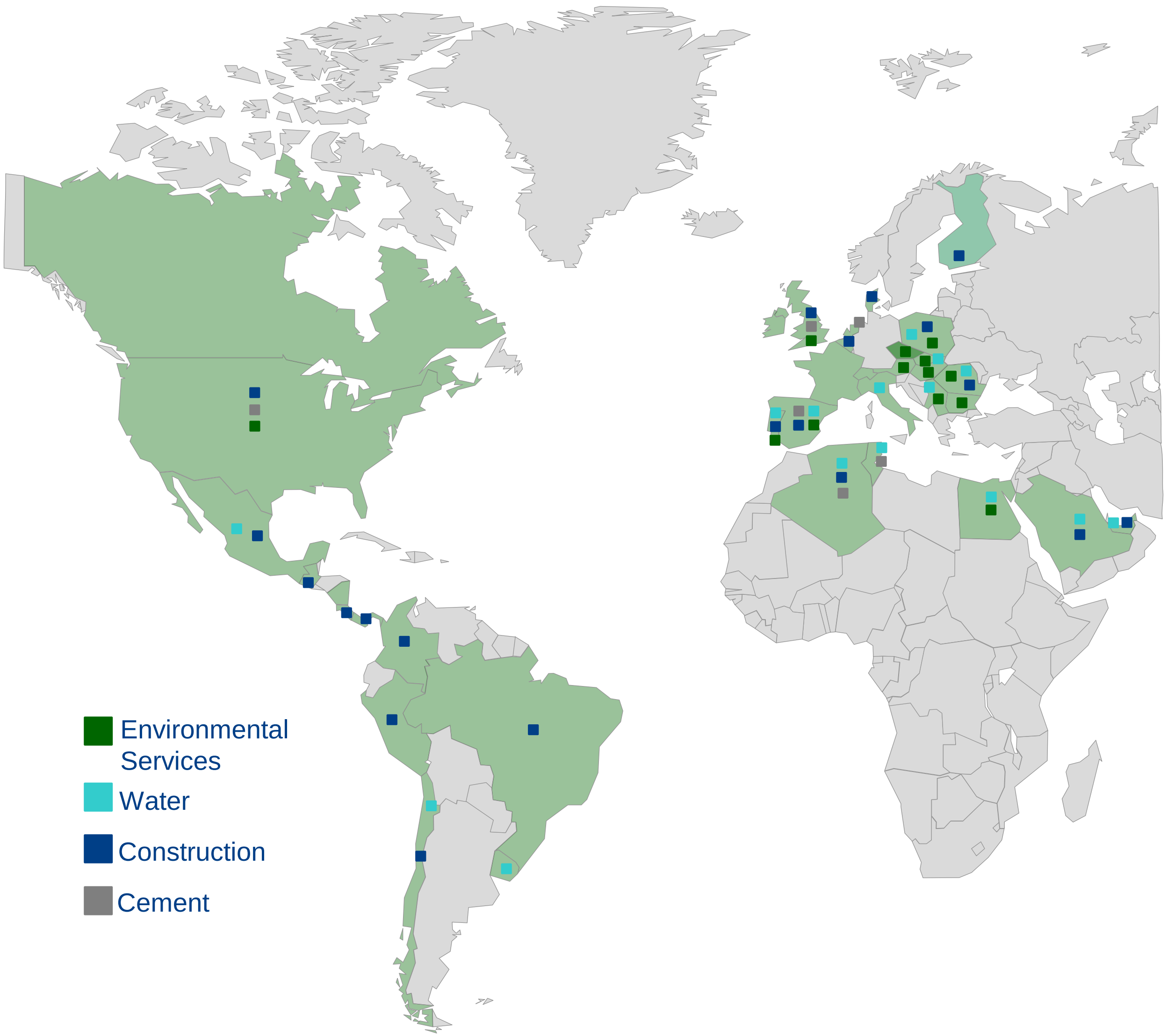
- #2 in Spain (2)
- #3 in Europe (2) (3)
- #6 in the world (2) (3)

Construction:

- #1 in Spain (1) (4)
- Among top 15 construction companies in the world (1) (4)

Cement:

- #1 cement producer in Spain (1)
- Significant presence on the East Coast of the US and in Tunisia



(1) By revenue
(2) By population served
(3) Source: 2013 GWI ranking
(4) Source: The Engineering News Record Report

Differentiated service offerings

First-class technological expertise

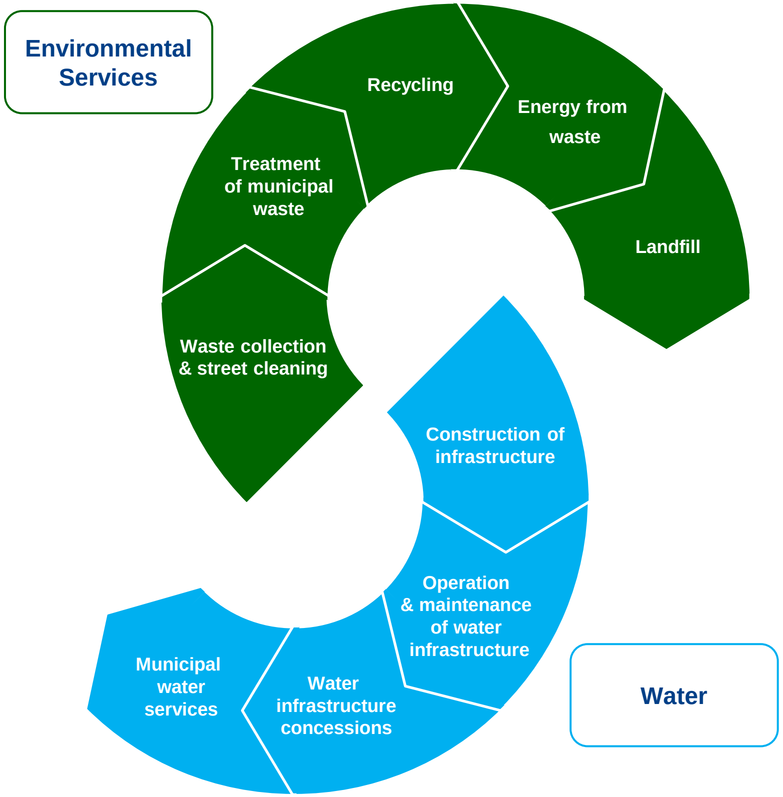
- Proprietary technology for refuse collection and street cleaning

- Specialized technology for integrated waste and water management services

- Innovative processes for high speed rails, tunnelling and undergrounds

- Specialist bridge and ports engineering expertise

Integrated service offerings across the value chain



- **First-class technological expertise, differentiated value-added products and integrated service offerings across all areas of operation**

Strong growth fundamentals

Our incumbent position enhances our ability to benefit from the strong fundamentals of our core business areas

Environmental Services

- Positive long-term outlook due to regulatory developments and environmental considerations
  - EU Waste Framework Directive requires member states to recycle at least 50% of their municipal solid waste by 2020 and 70% by 2030
- New opportunities offered by expected reforms in Spain on recycling, incineration and composting
- Organic international expansion potential, particularly in LatAm, Central Europe and Middle East

Water

- Positive long-term outlook due to regulatory developments and environmental considerations
- Increase in water consumption, both industrial and residential, expected in Spain with economic recovery
- Municipal Concession business has strong growth potential in Eastern Europe and LatAm

Construction

- Increasing levels of infrastructure investment in Spain in sectors such as Telecoms, Electricity or Highways in fast-growing cities
- Continued infrastructure gap in emerging markets providing further upside
- Cyclical business unit with potential to benefit from economic recovery

Cement

- Cement demand recovery in Spain – reached an inflection point, implying potential for future growth
- Ongoing demand recovery in the US market after 2006-2009 consumption decrease
- Stabilization in Tunisia and expectations of higher prices in nearby markets.

Citizen Services

2

Restructuring completed in 2014

2.1 Capital structure enhanced

2.2 New governance structure

2.3 Debt structure and maturity

2.4 Financial profile improved

2.5 Balance sheet cleaning

2.6 Operational improvement on track

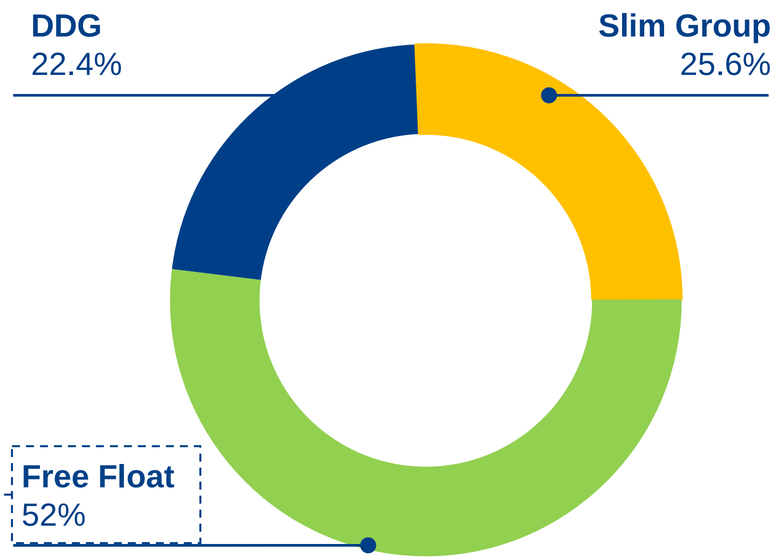
2.7 Next steps

Capital structure enhanced

		Amount	Maturity	Features
20% Debt redeemed: 1,100 €Mn	Haircut 135 €Mn	FCC syndicated **Tranche B**: **900 €Mn**	2018	• Convertible in FCC shares at market price • PIK: 11% - 16%
	Capital increase: 1,000 €Mn	**CPV**: **100 €Mn**	2016	• Non recourse • Interest rate: Euribor + 4% - 4.5%
		FCC UK (Environment): **100 €Mn**	2018	• Non recourse • Interest rate: Libor + 2.2% - 4%
		Restructuring expenses: 35 €Mn		
80% Debt refinanced: 4,474 €Mn	Syndicated loan: 3,668 €Mn	FCC syndicated **Tranche A**: **3,178 €Mn**	2018	• 5% amortization in 2016 and 2017 • Interest rate: EURIBOR + 3% - 4%
		FCC new **Tranche B**: **490 €Mn**	2018	• Convertible in FCC shares at market price • PIK: 5%
	Convertible Bond: 450 €Mn		2020	• Conversion price: 22.19 €/share (post rights issue) • Coupon: 6.5%
	FCC UK (Environment): 356 €Mn		2018	• Non recourse • Interest rate: Libor + 2.2% - 4%

New governance structure

Shareholder base post capital increase



Other relevant shareholders:

- William H. Gates: 5.7%[1]

New board composition

11 Members [2]:

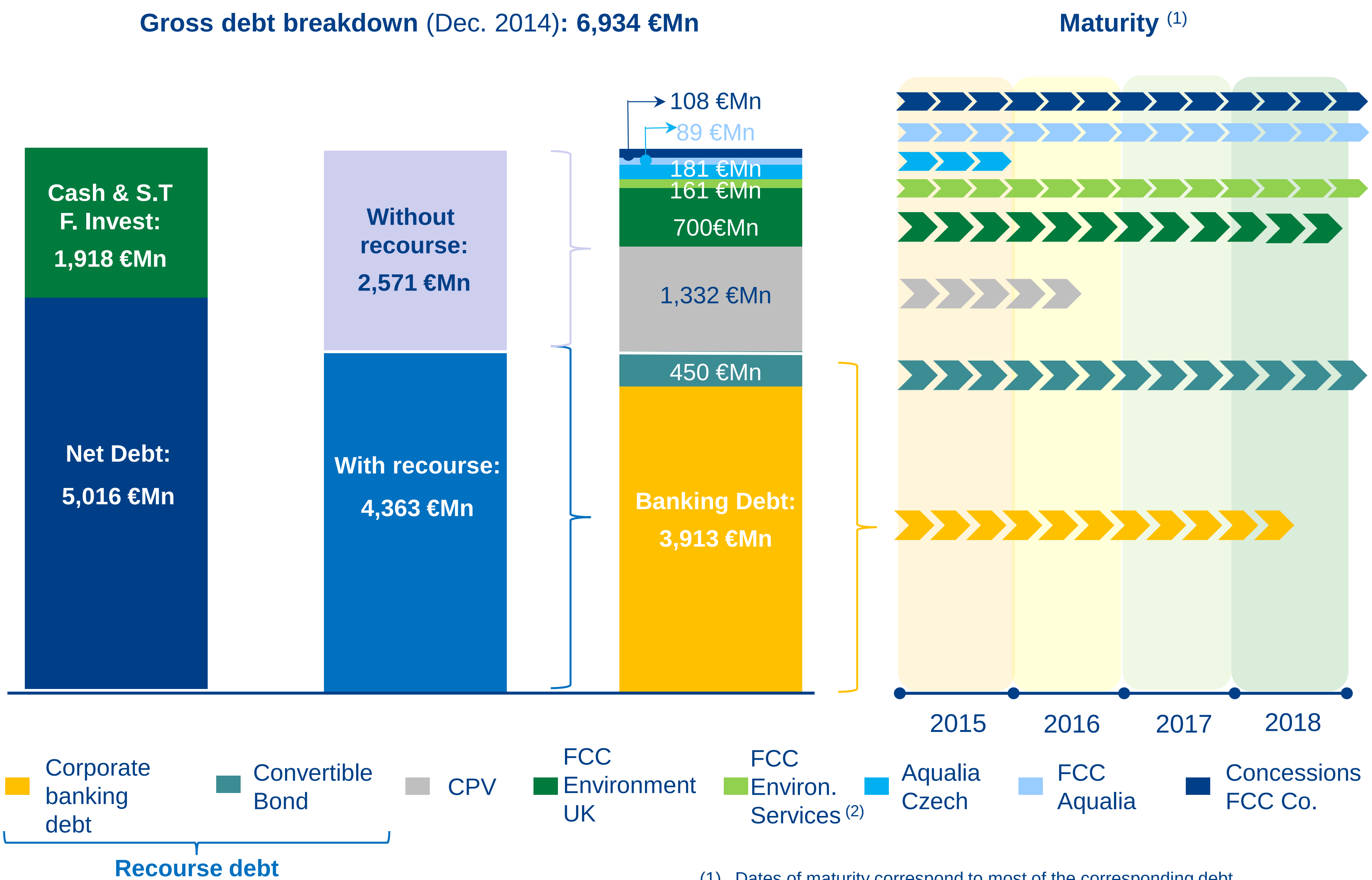
- 4 Appointed by DDG
- 4 Appointed by Slim Group
- 3 Independent members

Audit and Remuneration Board Commissions:

- Chaired by independent members
- Majority of independent members

(1) As of latest communications to the CNMV (Spanish stock market regulator)
(2) New CEO, appointed 18th of August, is not a member of the Board

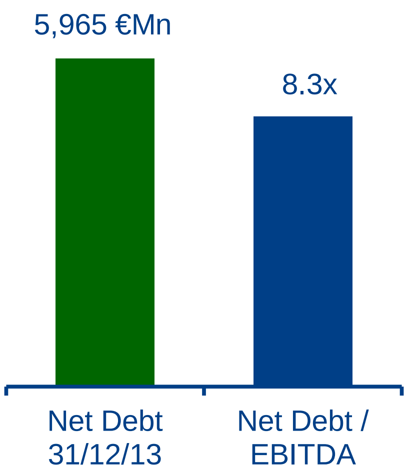
Debt structure and maturity



(1) Dates of maturity correspond to most of the corresponding debt
(2) Includes 116€Mn of ASA (Central Europe)

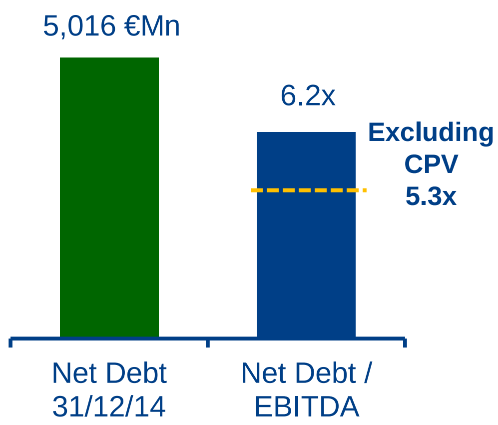
Financial profile improved

2013 Financial leverage

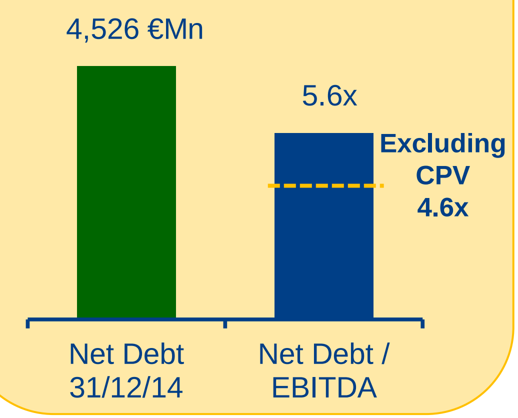


2014 Financial leverage

Tranche B considered as debt

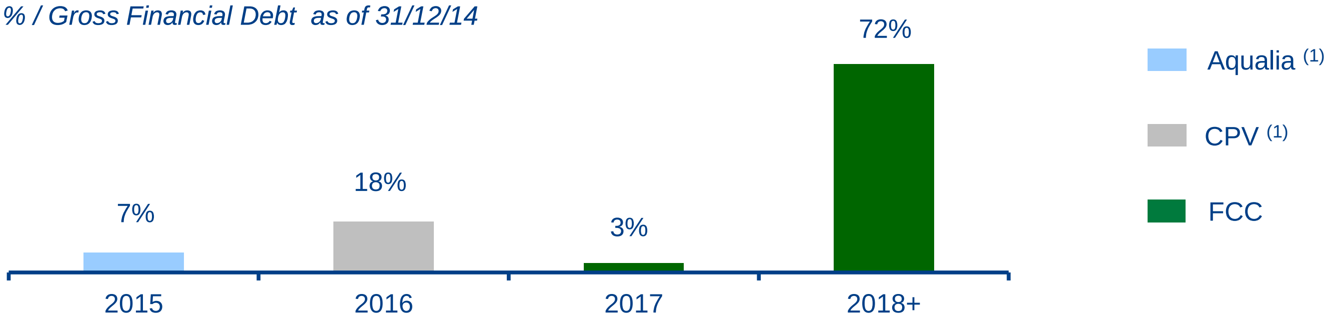


Tranche B considered as equity



With no significant short-term debt maturities

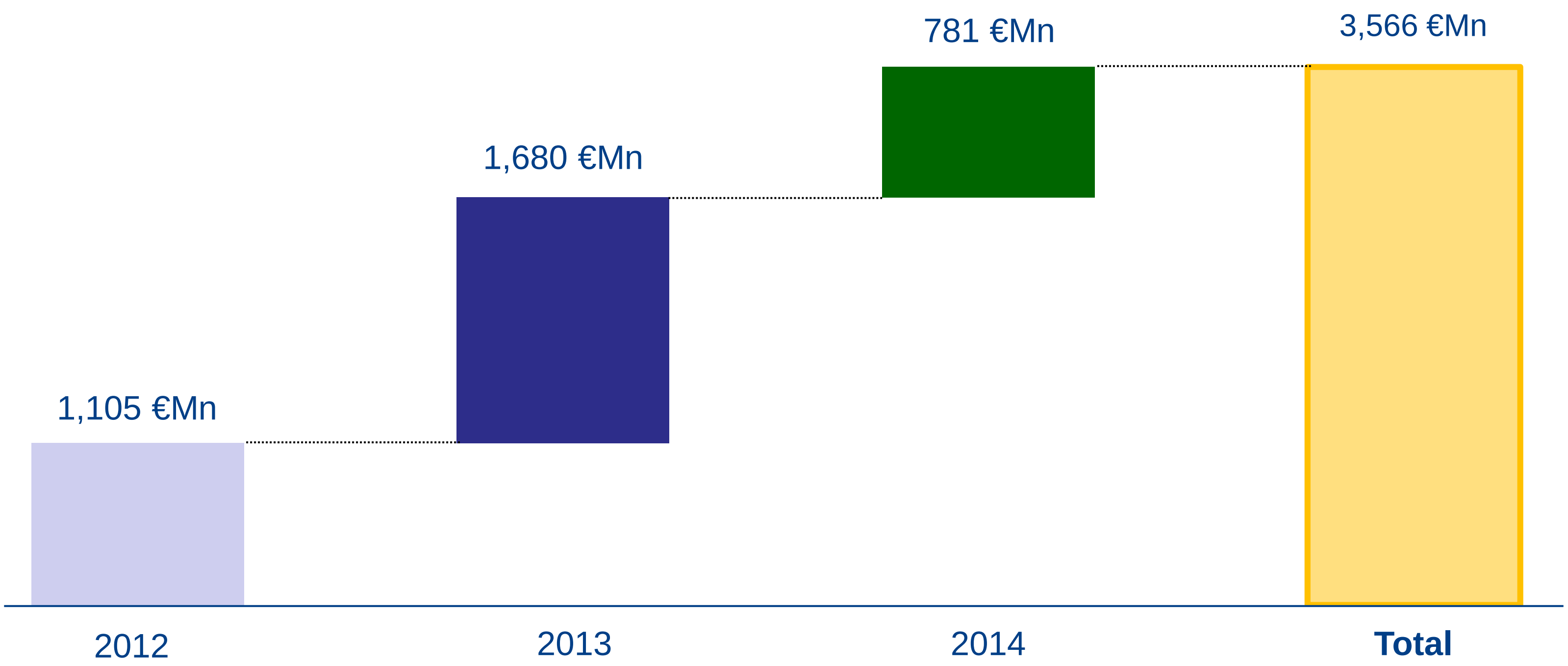
% / Gross Financial Debt as of 31/12/14



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

Balance sheet cleaning

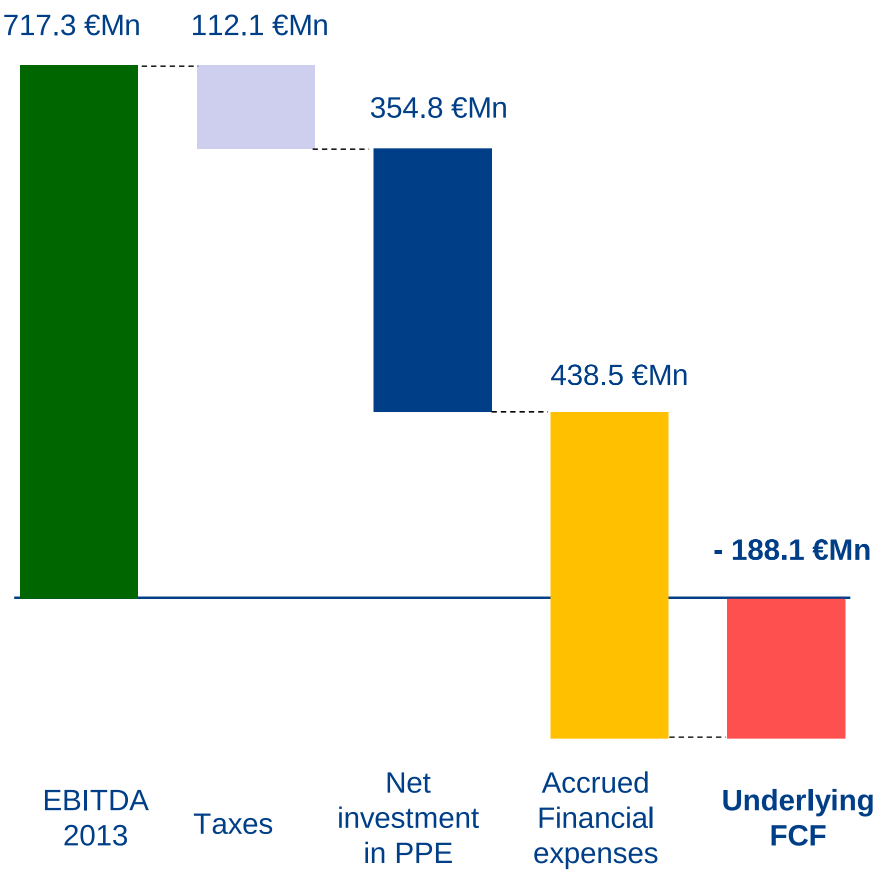
Non-recurrent provisions, impairments and discontinued operations results (2012 – 2014)



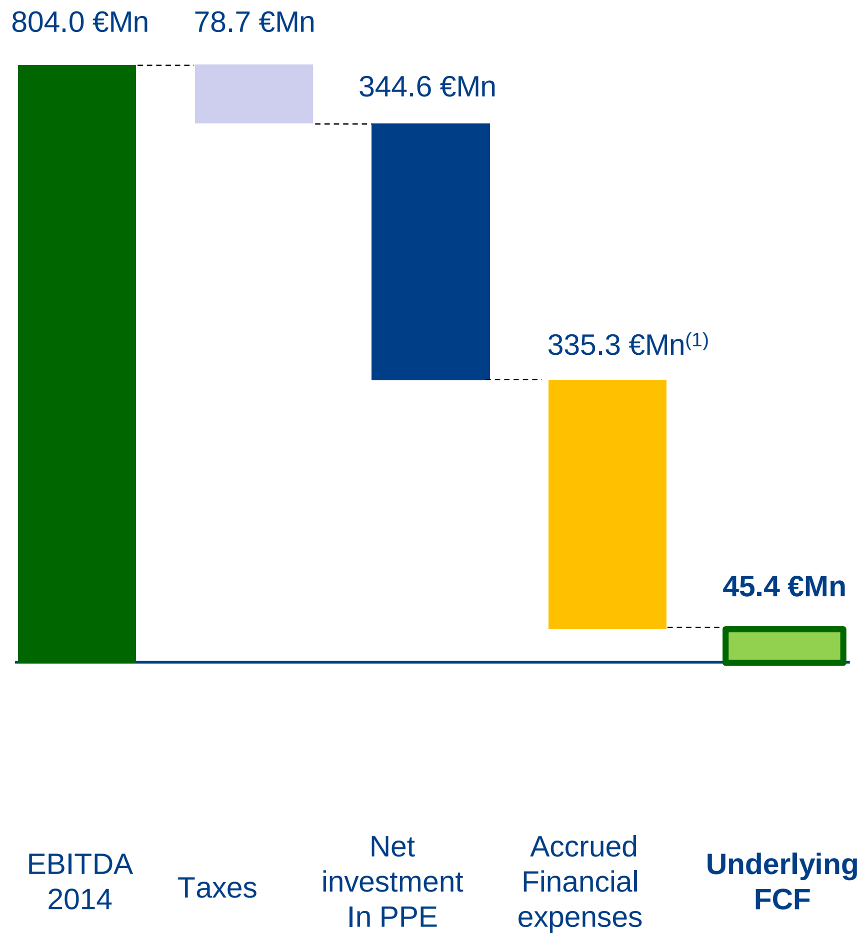
- Balance sheet cleaning completed with 3.5 €Bn adjustments in the last 3 years, equivalent to 25% of FCC Group total assets at 2014 year end
- Groups total Equity has improved in 1 €Bn after December 2014 rights issue

Operational improvement on track

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

Next steps

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

- Maintain 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

- Ongoing improvement on operational efficiency, financial optimization and value enhancement of non yielding assets

Next Steps: Financial optimization

75% of gross debt (Dec. 2014)

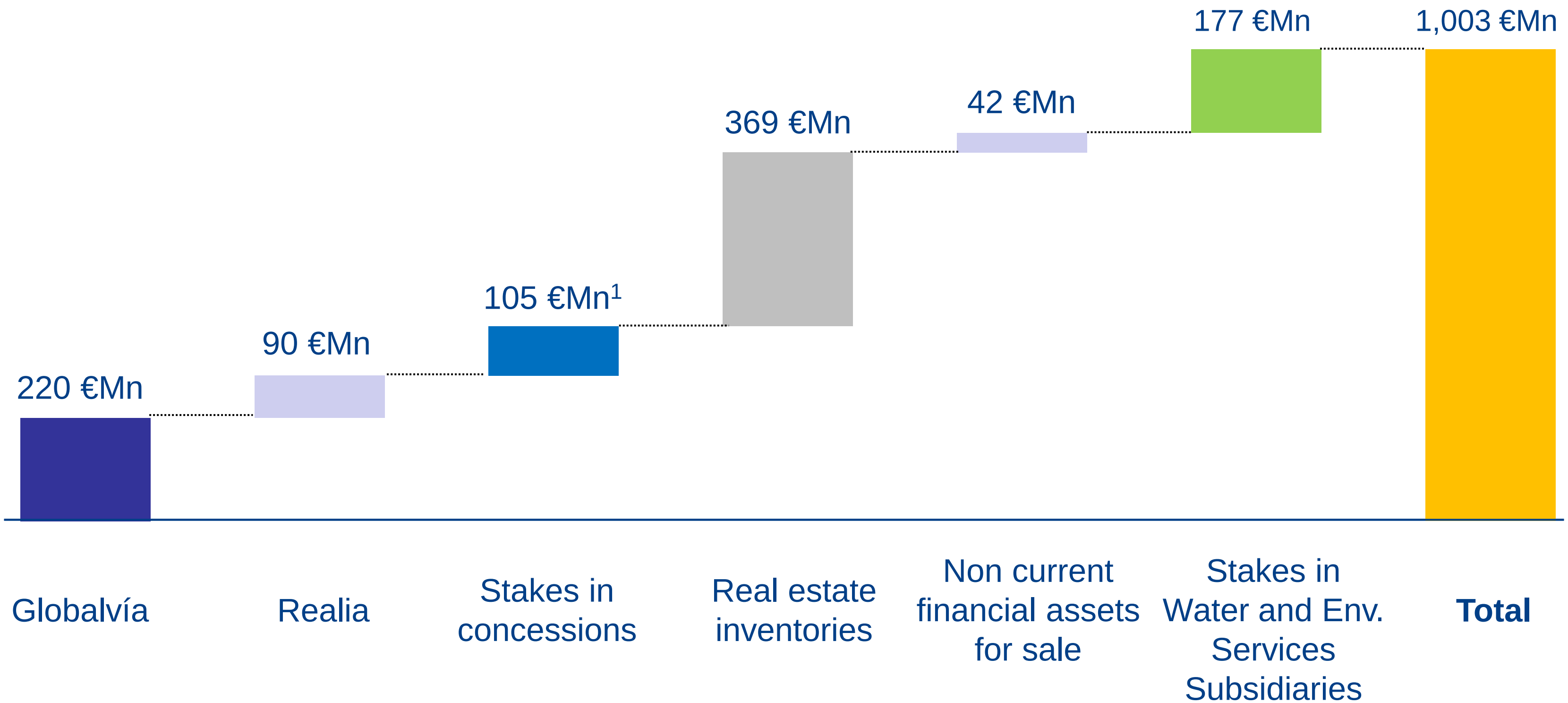
Amount (Dec. 2014)	Maturity	Features
FCC syndicated: **Tranche A** **3,178 €Mn**	2018	• 5% amortization in 2016 y 2017 • Interest rate: Euribor + 3% - 4%
FCC syndicated **Tranche B**: **490 €Mn**	2018	• Convertible in FCC shares at market price • PIK: 5%
CPV syndicated**:** **950 €Mn** [1]	2016	• Non recourse to FCC • Interest rate: Euribor + 4.5%
Giant Cement bond: **383 €Mn**	2018	• Non recourse to CPV • 10% annual coupon + 20% EBITDA at maturity
Aqualia Czech syndicated + bond**: 180 €Mn**	2015	• Non recourse to FCC • Syndicated interest rate: Euribor + 4.25% • Bond coupon: 5%

➢ After strengthening its capital structure during 2014, FCC continues analyzing several options to reduce the financial burden on 75% of gross debt at yearned.

(1) In February 2015 CPV reduced the principal of its syndicated facility in 100 €Mn with proceeds form FCC capital increase

Next Steps: Valuation rise of non yielding assets

Book value of assets non contributing to EBITDA (Sept. 2015)



- FCC still has close to 1,000 €Mn of fixed assets on its balance sheet at September 2015 which do not contribute to EBITDA

(1) Includes equity investment in Conquense Highway and Coatzacoalcos Tunnel (yet under construction)

Citizen Services

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Business Areas

3.1 Environmental Services

3.2 Water

3.3 Construction

3.4 Cement

Environmental Services

2014 Revenues by Business Segment

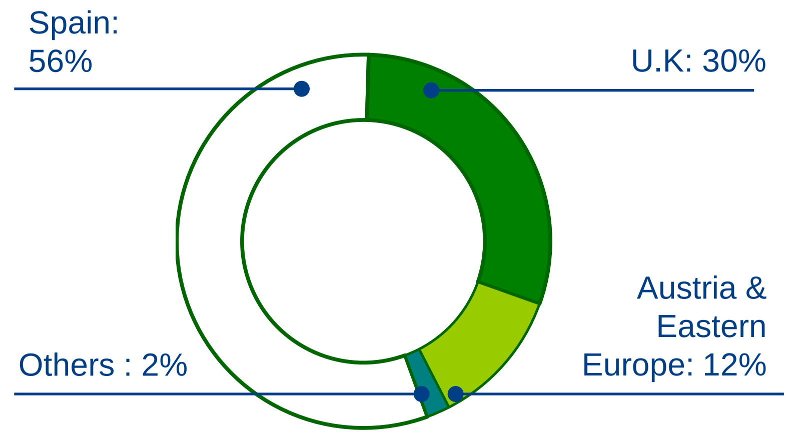
Urban Waste Mgmt: 96%

1st in Spain & in integrated waste management services in Central and Eastern Europe

Industrial Waste: 4%

1st in Spain and Portugal

2014 Revenues by Geographic Area



Strengthening the position of Environmental Services in Spain and repositioning the UK business

Spanish Environmental Services
Strengthening of leadership position

- Reinforcement of leadership with new contracts
- Improvements in efficiency by controlling costs and limiting investments
- Take advantage of new opportunities from more stringent recycling regulation

International Environmental Services
Repositioning Business in UK

- Boosting of the activity of waste treatment and management services in the UK
- Adjustment of landfill portfolio to current demand
- Explore new markets potential (LatAm and selected markets for EfW)

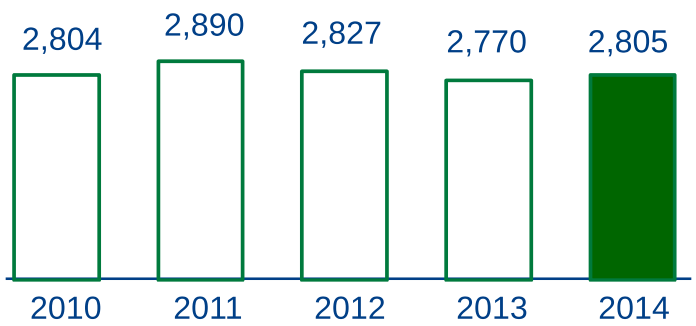
Environmental Services

Key Highlights

- Leadership positions in all our markets
- Activities with stable margins, low risk and long term contracts
- High barriers to entry: references, technology, capex, specialized personnel and management
- Differential know-how and proprietary technological development
- Capability to offer a full range of environmental services

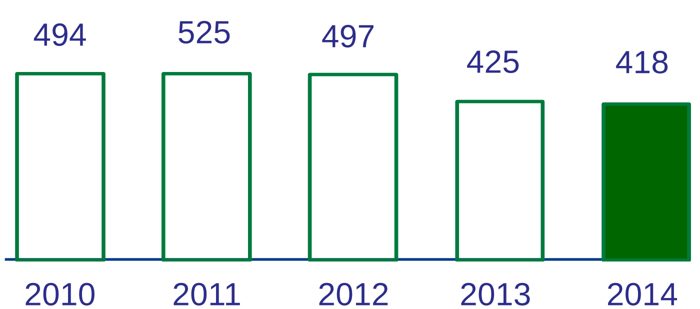
Revenue & EBITDA performance (€Mn) 2010 – 2014

5Y CAGR + 0.5%



5Y CAGR - 1.2%

EBITDA margin	***17.6%***	***18.2%***	***17.6%***	***15.4%***	***14.9%***



Backlog at 31 Dec. 2014

4.2 x Annual Revenues

61% Spain

39% International

Water

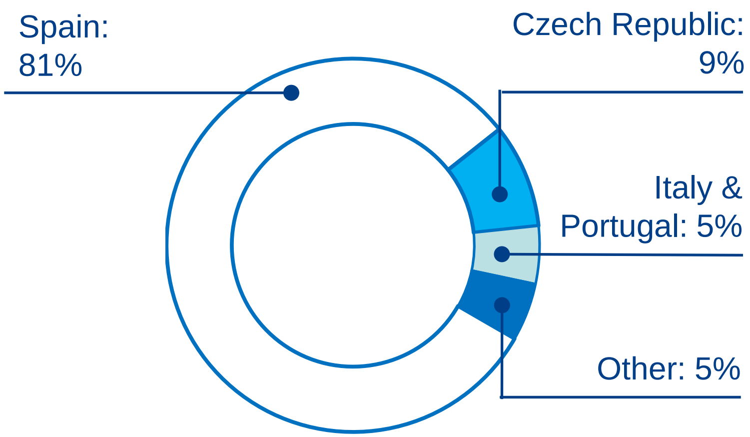
2014 Revenues by Business Segment

Water Mgmt & distribution: 92%

2nd in Spain, 3rd in Czech Republic, and 6th worldwide

Water Infrastructure: 8%

2014 Revenues by Geographic Area



Reinforcement of FCC Water's leadership and its international expansion

Spanish Water
Reinforcing strong market position

- Increase current market share
- Increase of existing services coverage and rising public outsourcing

International Water
Fostering selective growth

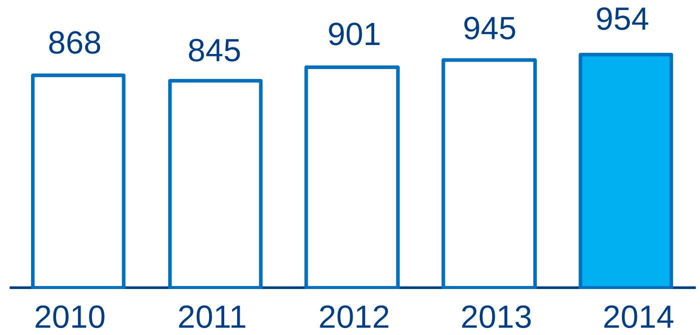
- International expansion through EPC models and the use of proprietary technology in the water cycle management
- Focus on concession business growth (LatAm and Eastern Europe)

Key Highlights

- 2nd player in Water Management & Distribution in Spain, 3rd in Czech Republic and 6th player worldwide
- Strong presence in Spain with 400+ contracts
- Stable and recurrent cash-flow generation
- Comprehensive services across the value chain
- Potential for international growth, particularly in LatAm and MENA

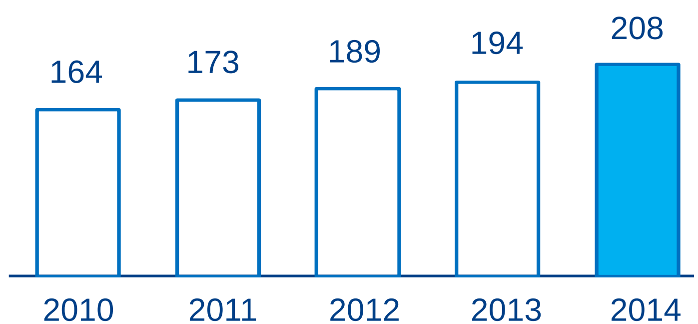
Revenue & EBITDA performance (€Mn) 2010 – 2014

5Y CAGR +1.8%



5Y CAGR +4.6%

EBITDA margin	***18.9%***	***20.5%***	***21.0%***	***20.5%***	***21.8%***



Backlog at 31 Dec. 2014

15.8 x Annual Revenues

70% Spain

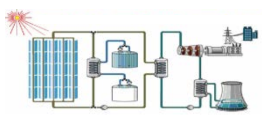
30% International

Construction

2014 Revenues by Business Segment

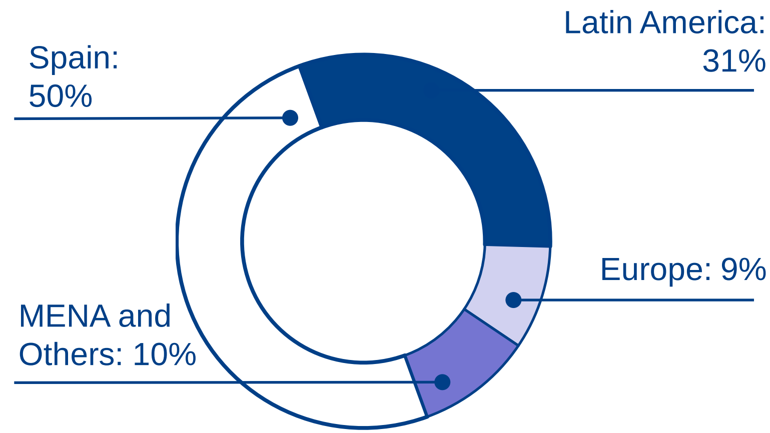
Civil works: 77%

Building: 16**%**



Industrial: 7**%**

2014 Revenues by Geographic Area



Spanish Construction capacity adjustment and bolstering International Construction in selective large projects

Spanish Construction
Capacity adjustment to market situation

- Personnel reduction in progress to adapt to current market conditions
- Downscaling commercial structure and adapting it to the current market situation

International Construction
Profitability boost based on specific geographies

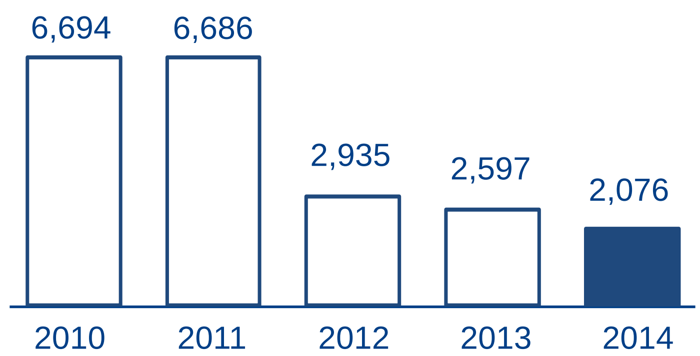
- Selective projects on specific geographies: Latin America ,MENA
- Industrial business growth in certain Latin American geographies

Key Highlights

- Largest construction player in Spain, and among the top 15 worldwide by revenue
- Specialized in highly technical projects
- New control system to focus on profitable and attractive projects
- Well positioned to capture future growth upon economic recovery

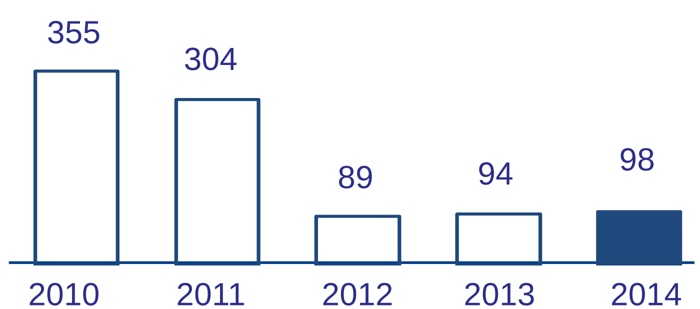
Revenue & EBITDA performance (1) (€Mn) 2010 – 2014

5Y CAGR - 22.0%



5Y CAGR - 24.7%

EBITDA margin	***5.3%***	***4.5%***	***3.0%***	***3.6%***	***4.7%***



Backlog at 31 Dec. 2014

3.0 x Annual Revenues

33% Spain

67% International

(1) Includes Alpine Group until 2011

Cement

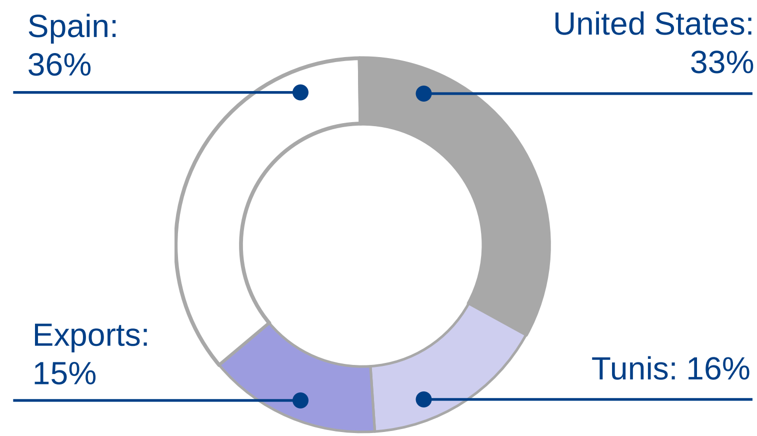
2014 Revenues by Business Segment

Cement: 86%

2nd in Spain and Tunisia, 3rd in US East Coast

Concrete & other: 14%

2014 Revenues by Geographic Area



CPV is implementing an adjustment in its means of production, along with the development of drivers to increase efficiency in both Spain and the U.S.

Spanish Cement
Adjustment of structure and efficiency improvement

- Adjustment of personnel and structure including periodic closure of industrial plants
- Closure of less profitable business lines: Concrete and others

International Cement
Development of comprehensive optimization program

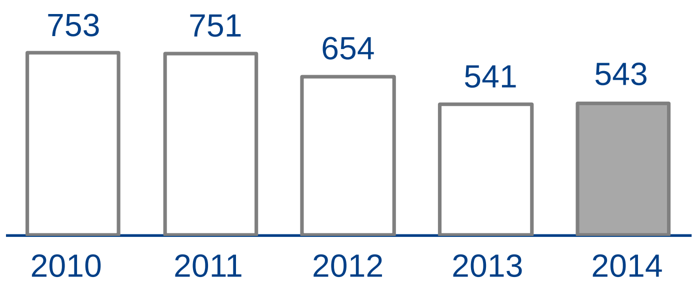
- Variable cost reduction
- Increased plant utilization
- Optimization procurement
- Cancellation of expendable external contracts

Key Highlights

- Largest producer of cement in Spain by revenue
- Fall in demand has bottomed out in Spain with c.10 Mn Tn consumption in 2014 (vs. c. 25 Mn Tn yearly average during the past 20 years)(1)
- Well positioned to capture future growth after the expected economic turnaround. Sustainable demand expected to stabilize at a of c.30 Mn Tn per year(1)
- Room for price increases as prices in Spain much lower than in other EU countries (€62 per ton in Spain vs €90 in the EU)

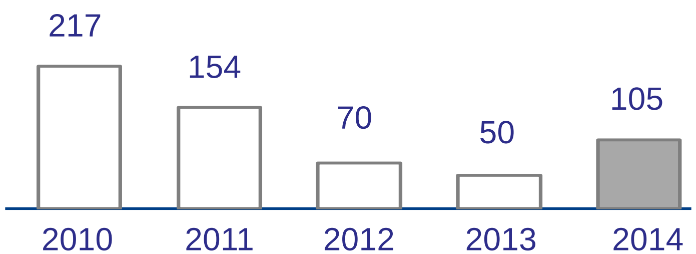
Revenue & EBITDA performance (€Mn) 2010 – 2014

5Y CAGR - 12.1%



5Y CAGR - 18.3%

	2010	2011	2012	2013	2014
EBITDA margin	***28.8%***	***20.5%***	***10.7%***	***9.3%***	***19.3%***



(1) Source: Oficemen – Spanish Cement Making Association

Citizen Services

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9M 2015 Results

4.1 Key figures

4.2 Operating performance

4.3 Cash flow and change in net debt

4.4 Debt structure and maturity

FCC Citizen Services

Key figures

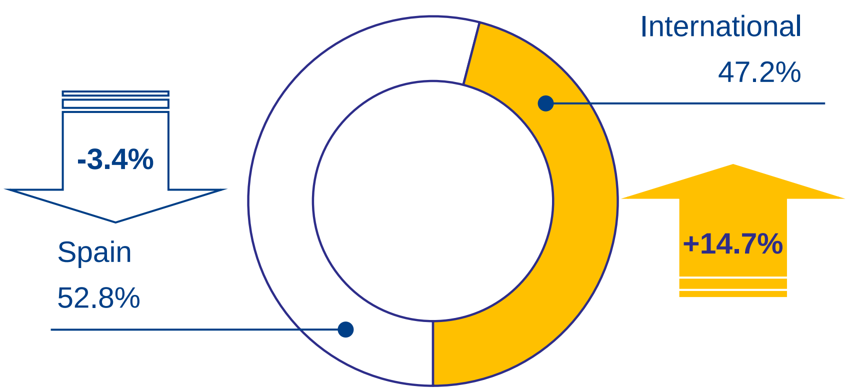
	9M15 (€Mn)	***Chg./9M14*** (%)
Revenues	**4,792.4**	**4.4%**
EBITDA	**593.4**	**2.0%**
EBITDA Margin	12.4%	-0.3 p.p.
Result of continued op.	**67.8**	**n/a**
Net Attributable Profit	**-13.6**	**-98.3%**

	9M15 (€Mn)	***Chg./Dec.14*** (%)
Backlog	**32,731.0**	**-0.8%**
Net Debt	**5,717.5**	**14.0%**

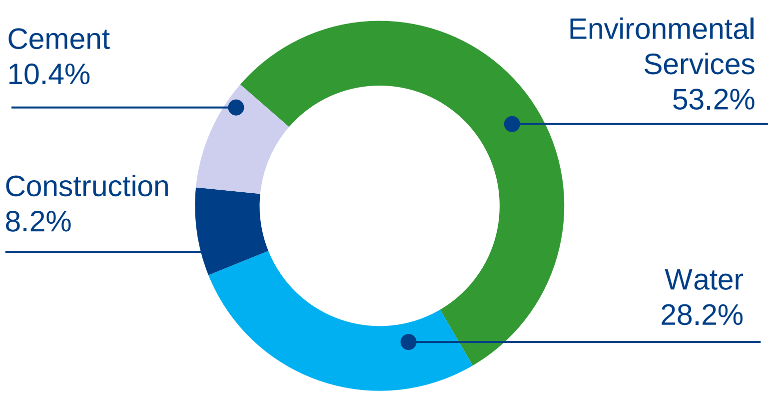
Operating performance

	Revenues 9M15 (€Mn)	Chg./9M14 (%)	EBITDA 9M15 (€Mn)	Chg./9M14 (%)
Environmental Services	2,137.0	+ 3.1%	321.6	+ 4.6%
Water	780.7	+ 10.9%	170.4	+ 11.2%
Construction	1,425.8	- 1.5%	49.4	- 15.8%
Cement	436.2	+ 7.3%	63.2	- 23.5%
Corporate & adjust.	(12.7)	- 132.5%	(11.2)	- 45.4%
Total	**4,792.4**	**+ 4.4%**	**593.4**	**- 2.0%**

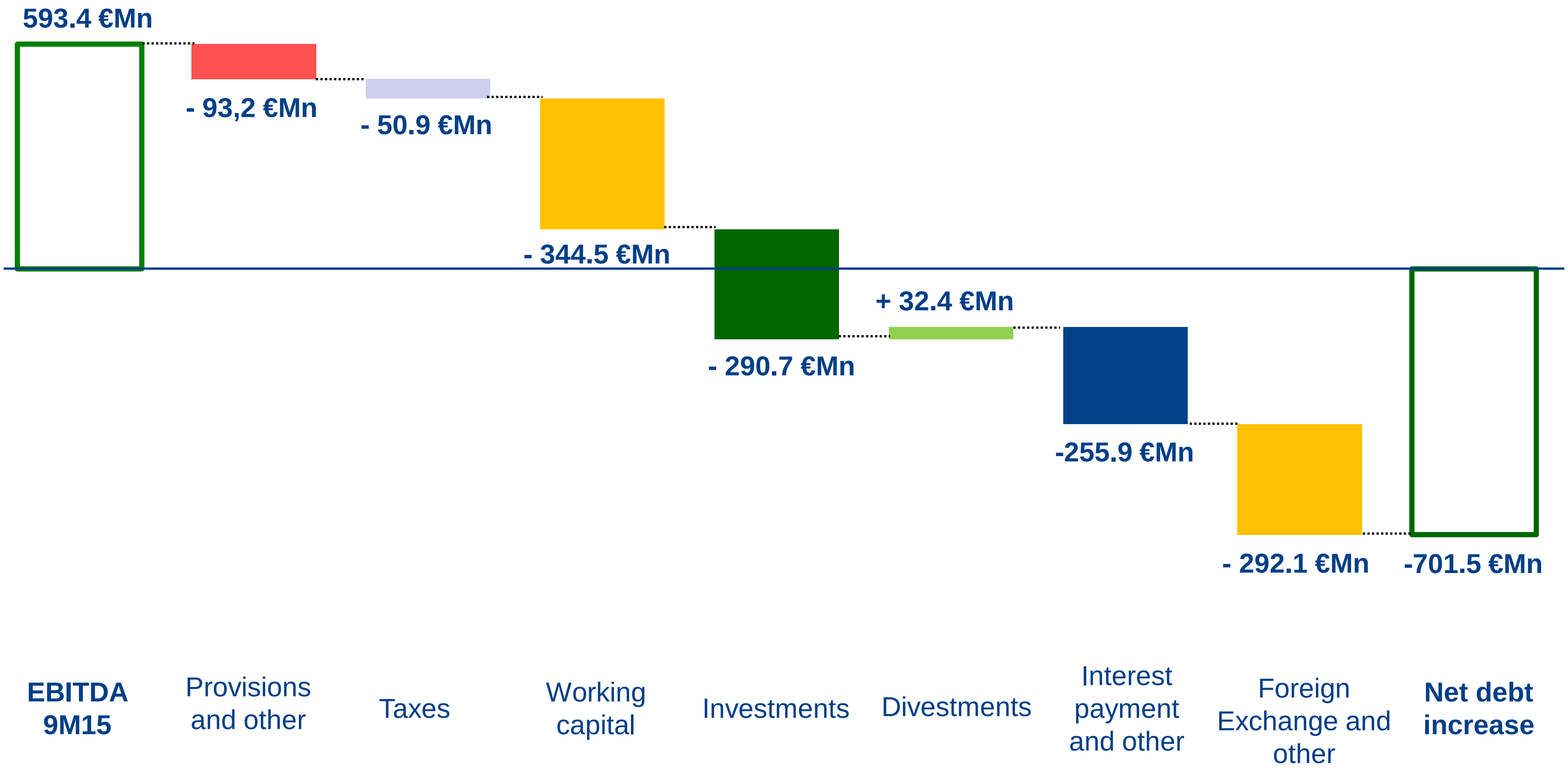
Revenues by region



EBITDA by business areas



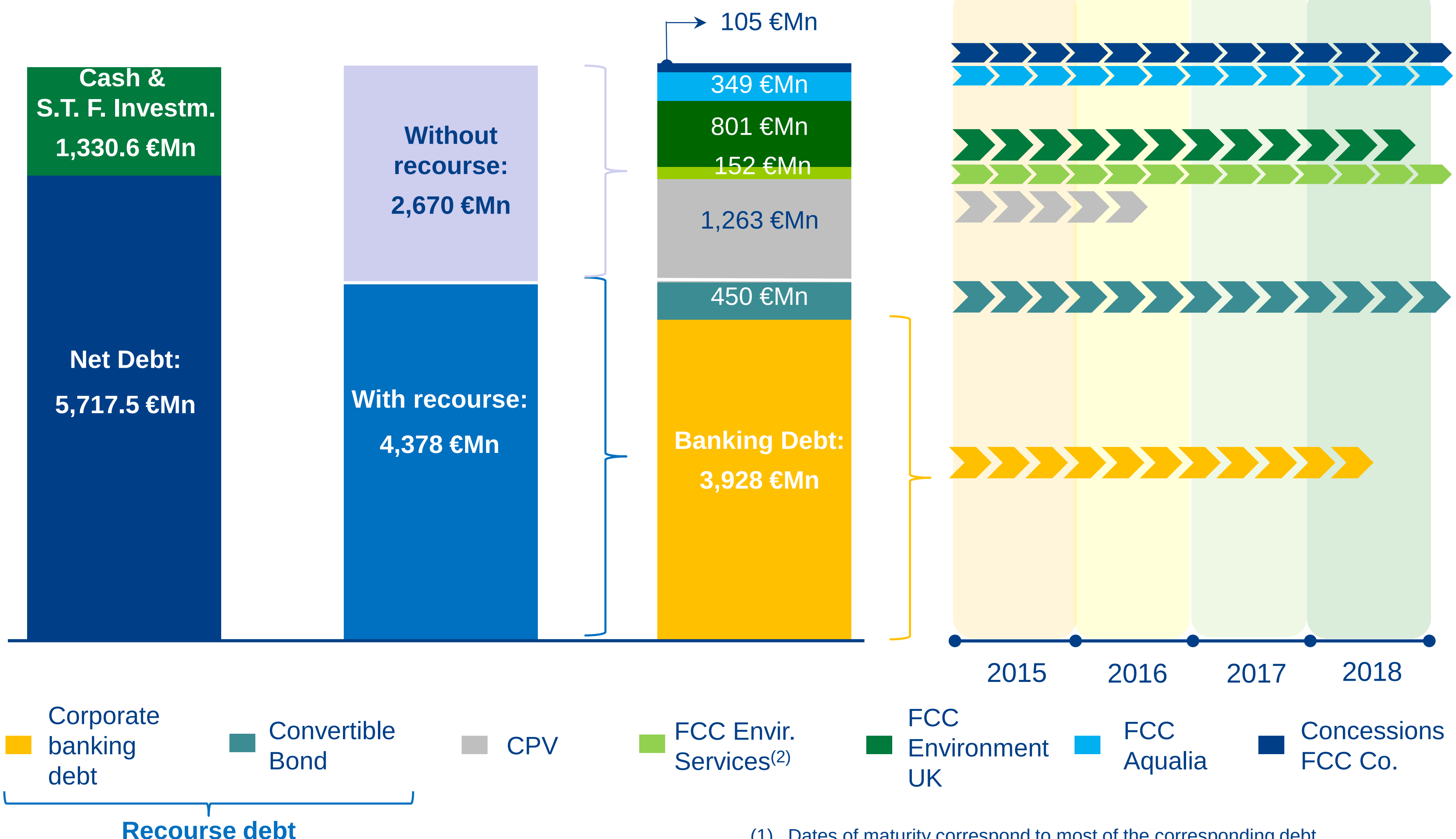
Cash flow and change in net debt



Debt structure and maturity

Gross debt breakdown (Sept. 2015) **: 7,048.1 €Mn**

Maturity[1]



(1) Dates of maturity correspond to most of the corresponding debt
(2) Inlcudes ASA for 107,5 €Mn.

Citizen Services

We are in this together

Thank you