

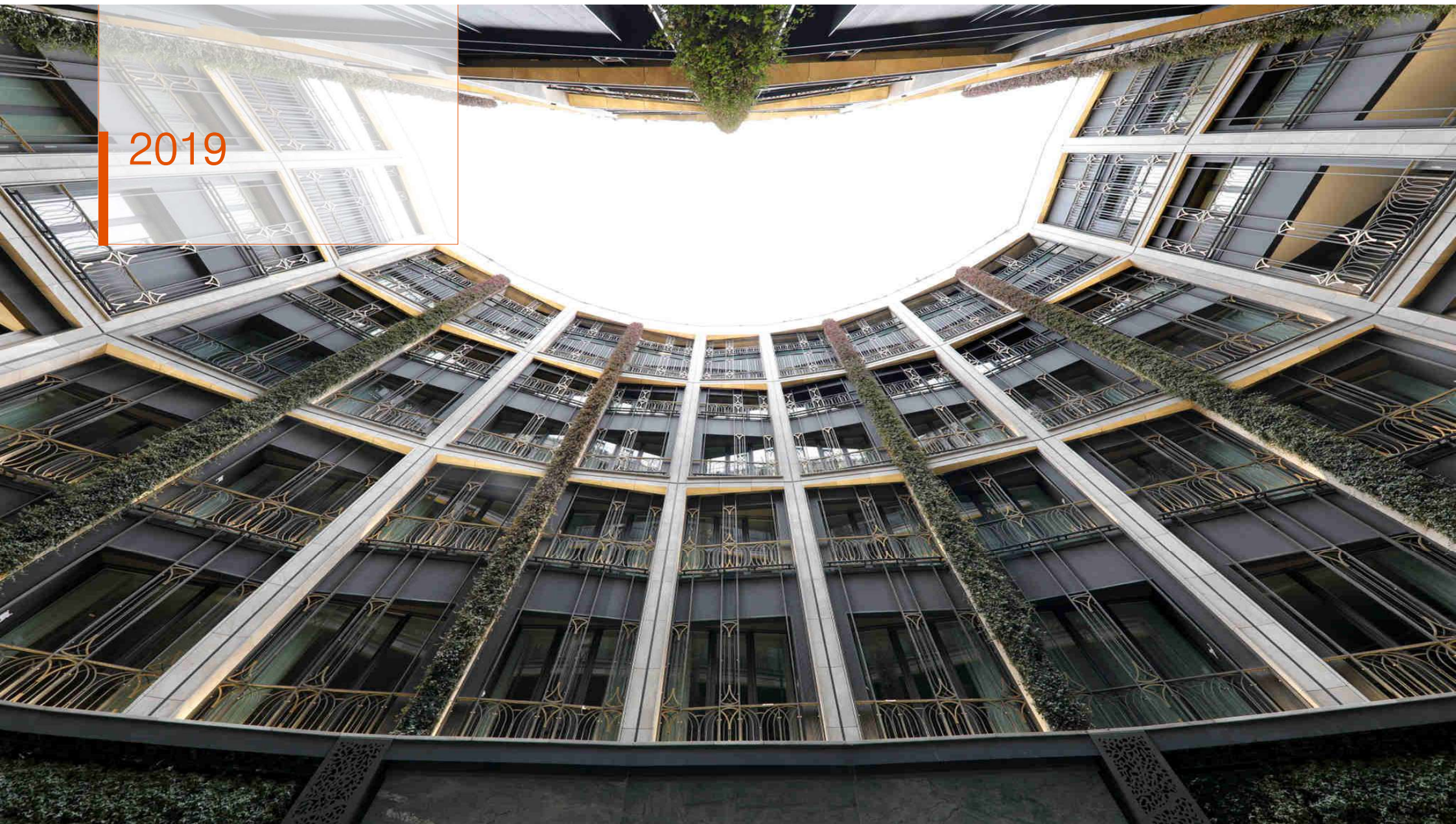
RESULTS 2019

27 February 2020



OHL

2019



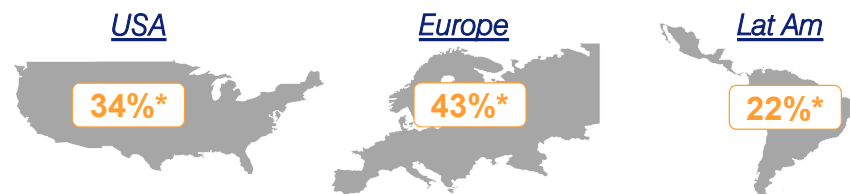
OHL – SUMMARY OF 2019



100+ years
of history

18.782
Employees

Activity focused in the 3 main regions: USA, Europe y Lat Am:



*Total order book by area



RANK 2019	RANK 2018	FIRM	2018 REVENUE \$ MIL.	
			INT'L	TOTAL
1	1	ACS, ACTIVIDADES DE CONSTRUCCION Y SERVICIOS SA, Madrid, Spain†	38,041.0	44,188.2
2	2	HOCHTIEF AKTIENGESSELLSCHAFT, Essen, NRW, Germany†	27,797.0	29,121.0
3	3	CHINA COMMUNICATIONS CONSTRUCTION GROUP LTD., Beijing, China†	22,727.4	83,278.3
4	4	VINCI, Rueil-Malmaison, Hauts-de-Seine, France†	22,207.0	52,139.0
5	5	STRABAG SE, Vienna, Austria†	15,779.0	18,689.0
49	45	OBRASCON HUARTE LAIN SA, Madrid, Spain†	2,491.1	3,424.9

Provider of Infrastructures

Construction



Industrial



Services



Developments



SENDA
(Concession Developments)



INTEGRITY AND DEDICATION

2019 RESULTS



		<u>FY19 GUIDANCE</u>	<u>FY19 ACTUAL</u>
P&L	Sales	2.5-3.0 Bn €	3.0 Bn € ✓
	EBITDA	> 45 Mn €	64.8 Mn € ✓
ORDER BOOK	Total	5.5 – 6.5 Bn €	5.5 Bn € ✓
BALANCE SHEET	Recourse Net Debt	Between -150 and -200 Mn €	-106.5 Mn € ✓
OTHERS	Overhead Costs	< 150 Mn€	145.2 Mn € ✓

The company has **fulfilled the goals proposed for 2019**, and is in a good position to face the normalization of the activity in 2020

HIGHLIGHTS OF 2019

	(Mn€)	2018	1Q 2019	2Q 2019	3Q 2019	2019
P&L	Sales	2,906.9	684.7	1,361.3	2,119.9	2,959.9
	EBITDA	(496.0)	9.1	22.7	40.1	64.8
	EBIT	(561.0)	(1.8)	(3.1)	4.0	2.9
TOTAL ORDER BOOK	Construction	5,459.0	4,715.0	4,951.1	4,630.8	4,844.0
	Industrial	259.9	220.0	197.3	308.4	248.8
	Services	375.7	401.4	388.4	379.2	365.1
	Total	6,094.6	5,336.4	5,536.8	5,318.4	5,457.9
BALANCE SHEET	Recourse net debt	(346.8)	(216.7)	(130.8)	(48.2)	(106.5)
	Total Assets	4,103.4	3,981.2	3,895.3	3,784.3	3,624.3

✓ Stable and positive EBITDA throughout the year, exceeding the objectives of FY19

✓ Return to positive Operating Income

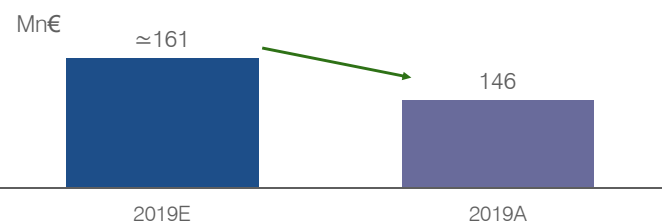
✓ Diversified and balanced order book with focus on profitability

✓ Liquidity net position

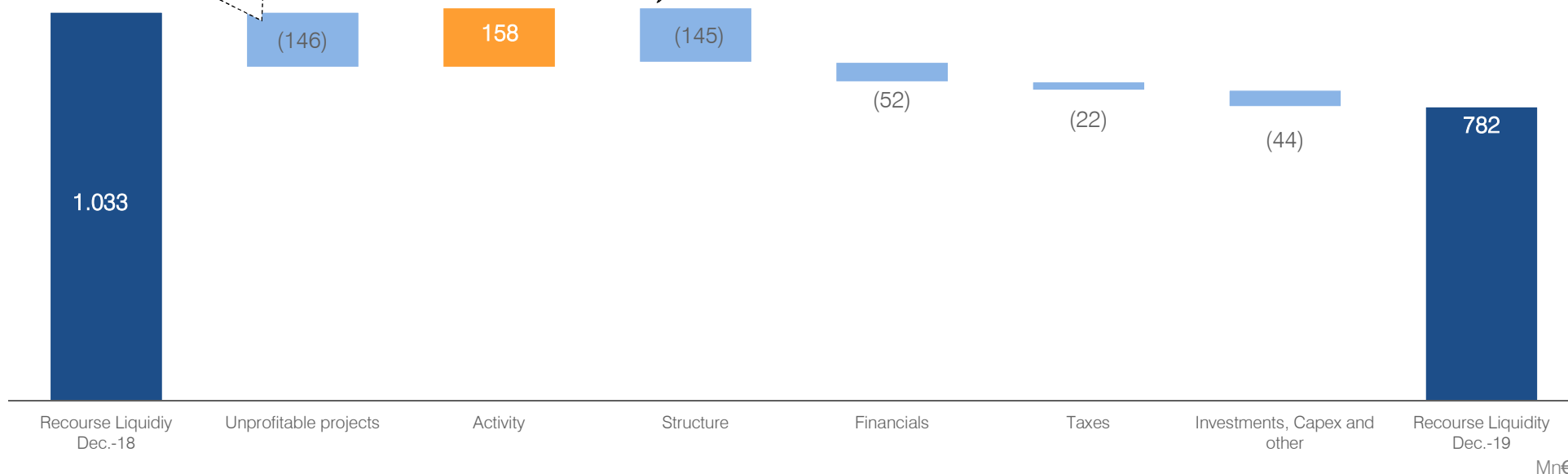
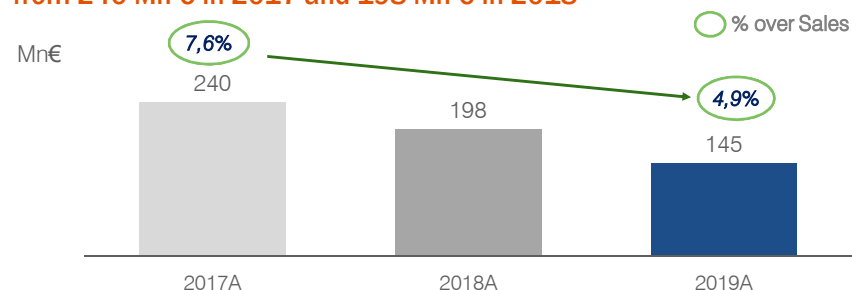
2019: Year of **margin consolidation, reduction and containment** of overhead costs and **cash control management**

EVOLUTION OF THE RECOURSE LIQUIDITY IN 2019

► Management of unprofitable projects:
146 Mn€ consumed out of the 161 Mn€ expected for 2019



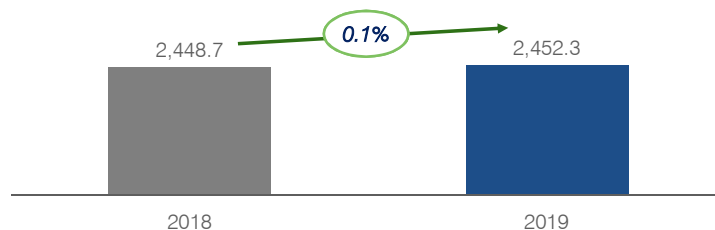
► Management of overhead costs:
Total overhead costs across the Group have been reduced to 145 Mn €, from 240 Mn € in 2017 and 198 Mn € in 2018



RESULTS BY DIVISION

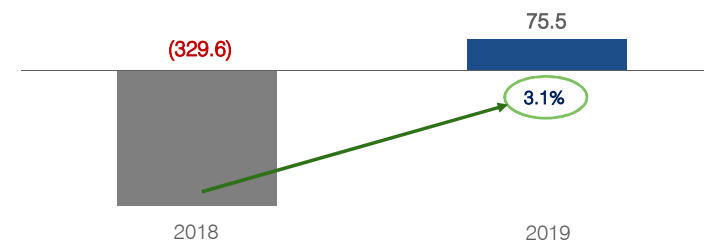
Sales (Mn €)

% Growth

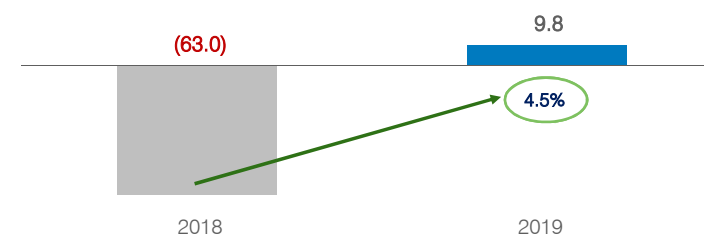
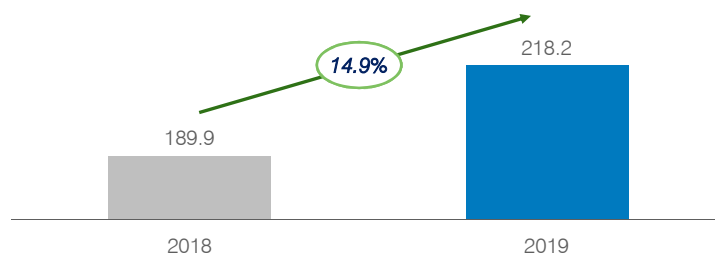


EBITDA (Mn €)

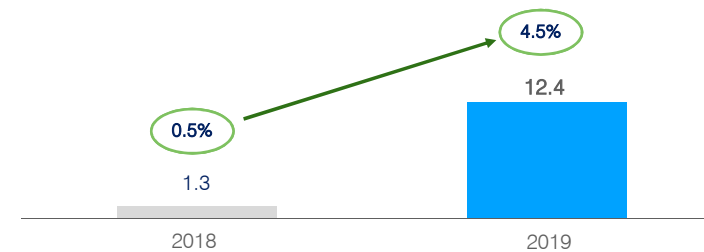
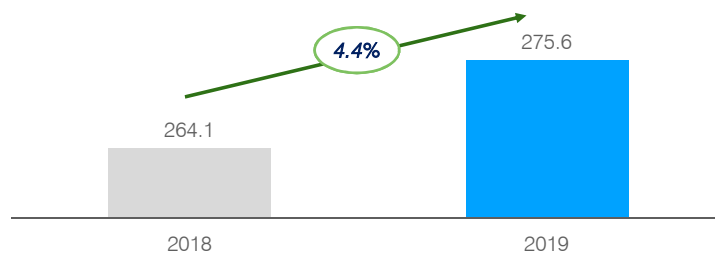
% Margin



INDUSTRIAL

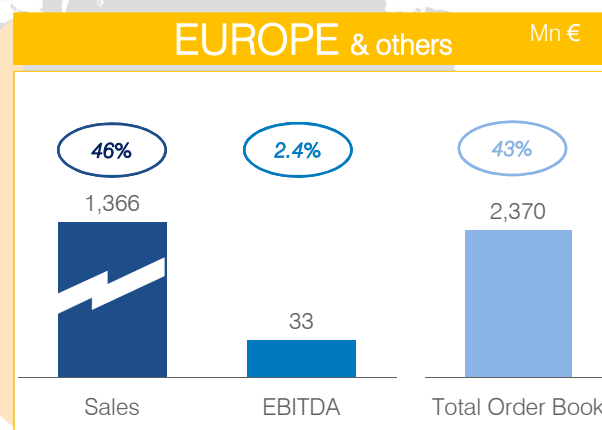
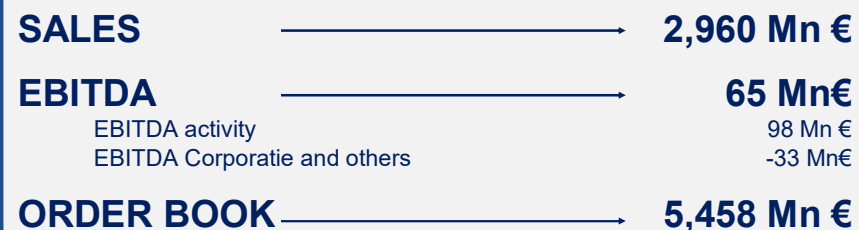
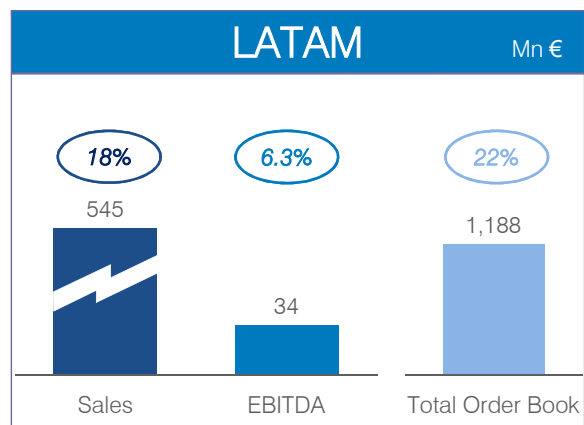
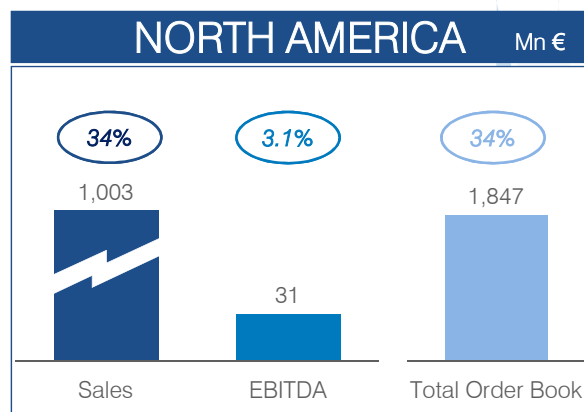


SERVICES



Operational profitability in all the divisions, reinforcing the margins

SALES, EBITDA AND ORDER BOOK OF THE GROUP IN 2019



% over total sales
 % EBITDA margin
 % over total order book

✓ **20.3**
MONTHS OF SALES

✓ **99%**
PROJECTS AWARDED IN THE
3 MAIN AREAS

2019

- ✓ Budget discipline
- ✓ Prioritizing cash flow criteria in management
- ✓ Risk profile for contracting by: area, contract type and contract size
- ✓ Transparent and predictable
- ✓ Commitment to the Code of Ethics

In 2019, the OHL Group has met its objectives for normalizing business

2020 PRIORITIES



CORPORATE GOVERNANCE

- Risk control
 - Review of procedures
- Independence in management
 - Compliance

CONCESSIONAL ACTIVITY

- Concession development and Desarrollos as profitable portfolio providers
 - Investment requirements: minimum equity
 - Asset rotation



FOCUS ON CASH GENERATION

- Close cash control
- Non-core asset monetization
- Positive cash-flow in projects

OVERHEAD COSTS

- Active management of cost reduction and cost control at all levels

ORDER BOOK MANAGEMENT AND RISK CONTROL

- Contract management vs. Project management (maximize cash)
- New awards with gross margins higher than 8%
- Risk control from tender phase

TARGETS FOR 2020

► Guidelines

- **Increase in new projects awarded**
 - Normalization and increase of bonding lines
- **Optimization and improvement of margins at operational level**
 - Overhead costs
 - Boost of the concessional order book
 - Profitable
 - Investment requirements: minimum equity
 - Asset rotation
- **Focus on cash management**
 - Effective management of collections
 - Minimizing the cash impact of unprofitable projects
- **Proactive management of real estate projects**
 - Value crystallization of Proyecto Canalejas
 - Old War Office
- **Leverage reduction**
 - Bond repayment maturing in 2020

► OHL targets in 2020

Sales	2.5-3.0 Bn €
EBITDA	>70 Mn €
Overheads	<140 Mn €
New awards	>3 Bn €

LIQUIDITY LEVERS FOR OHL IN 2020

Canalejas



- First occupancy license under progress
- Four Seasons already accepts bookings on its webpage
- Commercialization started
- 2020: Year of the grand opening

Old War Office



- Agreement with Raffles to run the hotel
- 2019: Construction works started (Not OHL)
- License obtained for residential and hotel use

Claims



- Recovery and monetization of processes under arbitration or claims

Third party debts



- Active management of debt collection



OBRASCÓN HUARTE LAIN, S.A. ("OHL" o la "Compañía"), en cumplimiento de lo establecido en el artículo 228 del Texto Refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, pone en conocimiento de la Comisión Nacional del Mercado de Valores el siguiente

HECHO RELEVANTE

En relación con la noticia aparecida hoy en algunos medios de prensa relativa a una posible venta parcial de su participación en su filial Obrascón Huarte Lain, Desarrollo, S.L.U., la Compañía informa que tiene iniciado un proceso de prospección del mercado para la búsqueda de un posible socio financiero, estando el proceso en su fase inicial y sin que en la actualidad tenga adoptada decisión firme de desinversión en este activo.

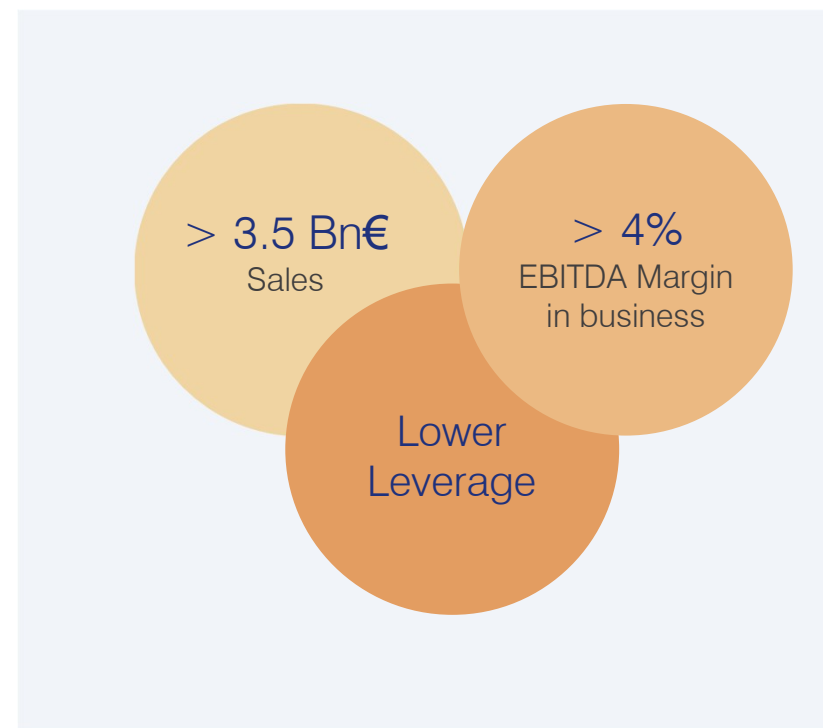
Madrid, a 25 de octubre 2019.

► Main Company levers:

- ✓ More efficient structure focused on business
- ✓ Solid establishment in geographical areas
- ✓ Proven track record and know-how
- ✓ Active management and risk control
- ✓ Independence in management
- ✓ Management team fully aligned with the strategic plan



► Clear target to regain business profitability



SOLID AND INDEPENDENT CORPORATE GOVERNANCE



- ✓ A reference in the sector with Good Governance recommendations
- ✓ Policy of diversity applied in relation to the Board of Directors
- ✓ Majority of non dominical Board Members

► Three organizational units subject to the policies established by the Board of Directors

1 Compliance Department

- Code of Ethics
- Management of the Ethical Channel (complaints and queries) accessible on the web to any stakeholder
- Policy and system of anti-corruption management certified in ISO 37001
- Policy and system of crime prevention management certified at UNE 19601

2 Risk Department

- Risk Control and Management Policy
- Risk Tolerance Levels, Risk Country, Third Parties, Red Lines
- Risk management throughout the Project's lifecycle
- Integration into business processes

3 Internal Audit Department

- Veracity, reliability and integrity of the company's registers and financial/operational reporting
- Regulatory compliance, applicability of internal and external procedures
- Evaluation of the internal control system and suggestion of good practices
- Recommendations to correct any irregularities detected

AENOR

ANTISOBORNO

ISO 37001

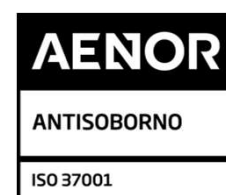
AENOR

PENAL COMPLIANCE

UNE 19601

Strong commitment to **good governance and social, economic & environmental sustainability**

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Any declaration made in this presentation that may differ from previous past figures made in reference to, but not limited to; the operational development, business strategies and future goals, are to be interpreted only as future estimates, and as such, they imply known and unknown risks, uncertainties and other factors that could cause OHL's results, behavior and achievements, or the results and conditions of its activities, to be substantially different to those and to its future estimates.

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