

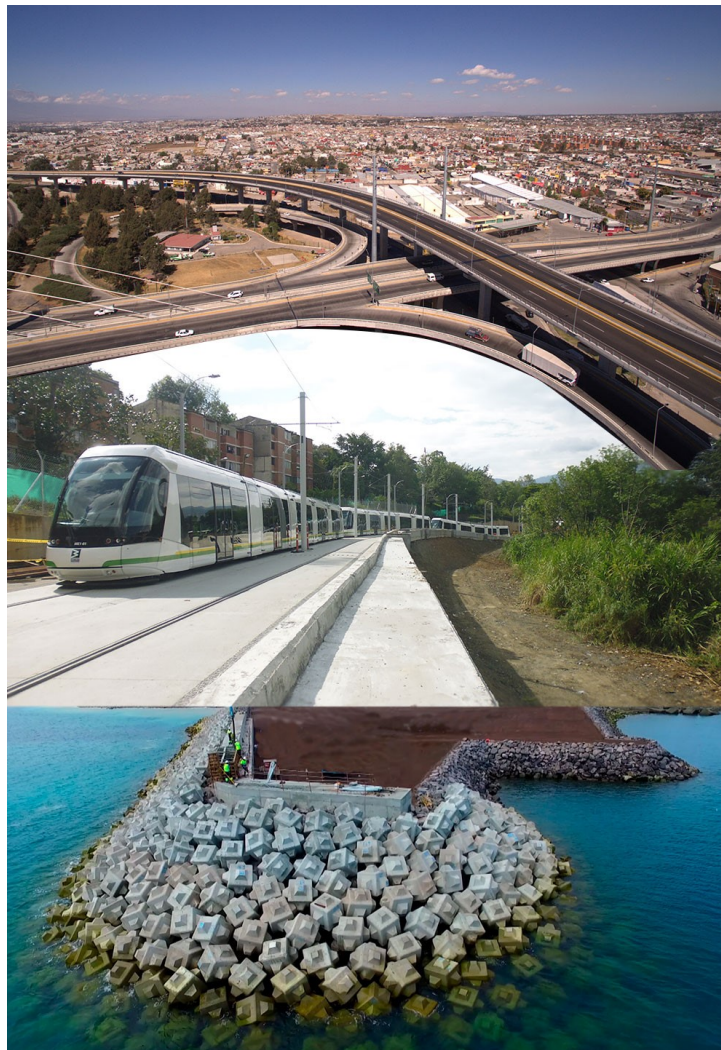


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# Results Report

## 1Q17

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11 May 2017

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## 1. GROUP PERFORMANCE

**On the operating level**, the Profit and Loss Account for the first quarter of 2017 presents Sales totalling 886.8 million euros and an EBITDA figure of 324.0 million euros, signifying +22.7% growth with respect to the same period in the previous year, despite the devaluation of the currencies in which the Group operates against the euro. If the effect of the exchange rate is excluded, the growth figure would be +31.0%.

The key figures of the Profit and Loss Account are shown on the following table:

	1Q17	1Q16	Var. (%)
<b>Sales</b>	886.8	956.7	-7.3%
<b>EBITDA</b>	324.0	264.1	22.7%
<b>Attributable net profit</b>	8.3	24.8	-66.5%
<b>Recurrent attributable net profit</b>	19.9	4.0	397.5%

Euros Mn

Again the excellent performance of the Concessions Division stands out, where Sales grew +11.0% and EBITDA +43.3%. In comparable terms, that is, at a constant exchange rate and excluding the effect of the change in the consolidation method of Metro Liger Oeste, Sales grew +13.5% and EBITDA 66.8%. The good performance of the concessions in Mexico is particularly significant, where Sales and EBITDA from Tolls grew +14.3% and 14.5% respectively in local currency. Apparently, Net Attributable Profit decrease from 24.8 million euros in March 2016 to 8.3 million euros in March 2017, in recurrent terms (excluding the sale of assets) stood at 19.9 million euros compared to 4.0 million euros in the first quarter 2016.

Several aspects stand out in the **financial sphere**:

- **Rotation of assets.**

- Sale of 2.5% of Abertis

The sale of the remaining 2.5% stake in Abertis took place on 23 January 2017, obtaining net funds in the amount of 329.8 million euros which were used for i) the repayment of the collar financing in the amount of 272.9 million euros and ii) reducing gross recourse debt with the remaining amount. This last sale has not delivered significant capital gains additional to those obtained in 2016, as it enhanced the value of the residual stake which has since been sold in January 2017.

- Partial sale of Mayakoba assets.

The contract of sale, dated 21 December 2016, extends to a percentage of up to 80% in the Fairmont and Rosewood (minimum ensured of 51%) and 51% in the Banyan Tree, Andaz and Golf. The purchase and sale transaction was concluded on 24 April for 51% of such assets at the price of 138.3 million euros, with the payment of 131.5 million on that date and with 6.8 million euros pending collection, subject to the completion of certain milestones. The estimated capital gain in this transaction, including the enhancement of the value of the stake not sold, amounts to 16.5 million euros and will be posted in April 2017.

In addition to the foregoing, the increase in the sale of up to 80% of the more mature assets (Rosewood and Fairmont) would mean an inflow of additional cash in the amount of 51.6 million, a development which is expected to take place during the first half of 2017.

- Sale of a 17.5% stake in Canalejas

On 9 February 2017, OHL signed a contract for the sale of 17.5% of Canalejas at the price of 78.8 million euros. The conclusion of the transaction took place on the 7th of April with the payment of the amount of 73.5 million euros. The remaining amount will be paid in an instalment of 1.8 million at the close of accounts for 2017 and the final 3.5 million at the start of the operation of the project. The estimated capital gain from this transaction totals 29.0 million euros and will be recognised in April 2017.

- **Sustainable financial structure.**

- **Reduction** in the last 15 months of the **Gross share-backed debt of OHL Concesiones** by 77%, 400 million euros at March 2017 vs. 1.7 billion euros at the end of 2015. It should be recalled that by the close of accounts for 2016, the borrowings with trigger risk had been eliminated completely.

Debt backed by OHL Concesiones	12/31/2015	12/31/2016	03/31/2017
Collar Financing (backed by 2.50% Abertis)	272.9	272.9	-
Margin Loan (backed by 11.43% Abertis)	874.9	-	-
Exchangeable Bond (backed by 16.99% OHL México)	400.0	400.0	400.0
Margin Loan (backed by 29.96% OHL México)	184.9	-	-
<b>Total</b>	<b>1,732.7</b>	<b>672.9</b>	<b>400.0</b>

Euro Mn

- **Comfortable schedule for the equity contribution commitments** for the **new concessions** awarded

As advanced in the presentation of the 2016 results, i) the removal from the schedule of the La Molina Angamos concession, and ii) the incorporation of a partner/partners with a 49% interest by the end of 2017, alleviated to a large extent the schedule of commitments for the contribution of equity by OHL Concesiones. This incorporation, as shown on the graph, would reduce these contributions by approximately half and would signify a cash inflow of around 125 million euros, corresponding to the proportionate part of the equity already contributed in 1Q 2017 to these projects. In addition, the delay in obtaining environmental approvals and other administrative impediments have led to a delay in the timetable of equity contributions.

- **Financial flexibility** thanks to an **Available Recourse Liquidity position** of 646.6 million euros at the close of accounts at the end of March 2017, with both long- and short-term instruments. The following developments have taken place in this scope during the year:

- i) Conclusion of an **agreement with the Group's principal reference financial institutions**.

The signature of a new Syndicated Multi-Product Financing Agreement took place on 30 March 2017, for a total aggregate amount of 747 million euros, for the issue of guarantees (465 million euros) and confirming (92 million euros), which also includes a revolving credit line of 190 million euros. At the end of March, the credit lines available solely included 39 million euros originating from this financing.

The combination of this new financing package enables the OHL Group to meet the cash requirements derived from its Business Plan and, together

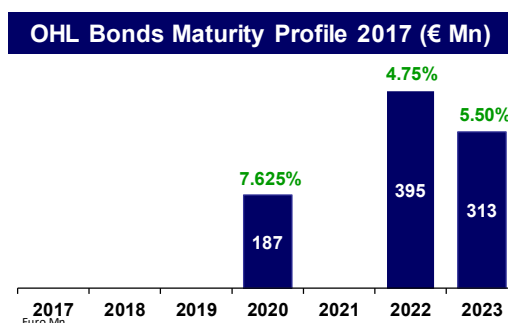
with the debt reduction measures planned for 2017, significantly strengthens the Company's liquidity profile.

ii) Renewal of the **Euro Commercial Paper Programme**.

The renewal of this programme was signed on 3 May 2017, enabling the Group to finance itself in the short term on the Capital Market, being able to maintain a maximum amount in circulation of up to 500 million euros.

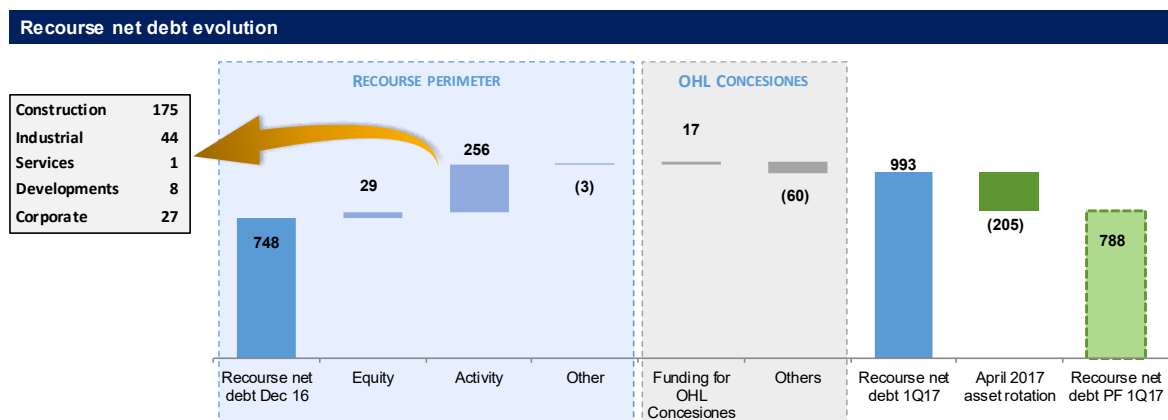
• **Comfortable Eurobond maturity profile.**

The OHL Group has an outstanding Eurobond balance of 894.5 million euros with a comfortable maturity profile:



• **Trend in Net Recourse Debt**

The trend in recourse debt in the first quarter of 2017 is as follows:



As can be observed, in the quarter there were no significant impacts derived from equity investments, whereby the increase in borrowings is explained basically by the trend in the business activity. In this regard, the impact on cash flow of the legacy projects is seasonal and totals 38.0 million euros.

Had the divestitures collected subsequent to the close of accounts for the quarter (sale of 17.5% of Canalejas and 51% of the Mayakoba assets) been included, the pro-forma net recourse debt would be placed at 788.2 million euros.

• **Treasury Stock plan.**

The treasury stock plan which commenced on 2 August 2016 for a maximum of 3.0% of the capital or of 45.0 million euros finalised on 2 February, with the purchase of a total of 8,849,190 shares, representing 2.96% of the capital, at a total cost of 24.7 million euros.

The purchases made in the 2017 financial year affect 646,228 shares, representing 0.21% of the capital, at a total cost of 2.2 million euros.

- **Value of OHL México.**

Finally, mention must be made of the **substantial value** represented by the OHL México **listed shares**, a liquid asset with a market value at the end of March of approximately 1.3 billion euros, or 900.7 million euros after deducting the debt associated, representing **1.3x** the amount of the **Net Recourse Debt** at the close of accounts at the end of March 2017 in gross terms, 0.9x excluding the debt backed by OHL México shares (400 million euros of the exchangeable bond).

In terms of **strategy** for the future, following the in-depth analysis of the status of the legacy projects for neutralising their impact in the future on the Profit and Loss Account and to curtail the impact on cash flow, made at the close of accounts for 2016, the company held an **Investor Day** on 5 April 2017, at which it reviewed the strategy for each of its business activities and its projections are set in the framework of the following parameters:

- Search for a profitable and sustainable business model with low investment needs
- Commitment to placing recourse gearing at a maximum of 1x recourse EBITDA at the end of 2017
- Prioritise profitability and risk control vs. growth

Likewise, key aspects were addressed, such as the **cost reduction** plan already underway which would extend to both personnel as well as other structural costs, oriented towards a total cost savings of between 40 and 50 million euros. In this regard, as was reported through a Significant Event on 4 May 2017, the Workers' Assemblies of OHL S.A. and OHL Industrial ratified the agreement reached with the Negotiating Panel of each company which involves the elimination of 457 positions (335 in OHL S.A. and 122 in OHL Industrial), a process which will be carried out over the next few months and in accordance with the economic terms & conditions agreed.

The estimated total cost for the OHL Group of this collective redundancy procedure, which will be registered in April 2017, will amount to 34.2 million euros (28.6 million euros OHL S.A. and 5.6 million euros OHL Industrial), depending on the final figure of the number of employees who join the plan on a voluntary basis.

<u>LAYOFF PROCEDURE</u>	OHL SA	OHL Ind.	Total
# Staff	335	122	457
Cost €m	28,6	5,6	34,2
Est. Annual Cost Savings €m	27,2	11,3	38,4

## 2. HIGHLIGHTS

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>886.8</b>	<b>956.7</b>	<b>-7.3%</b>
<b>EBITDA</b>	<b>324.0</b>	<b>264.1</b>	<b>22.7%</b>
% o/ Sales	36.5%	27.6%	
<b>EBIT</b>	<b>301.2</b>	<b>228.5</b>	<b>31.8%</b>
% o/ Sales	34.0%	23.9%	
<b>Attributable net profit</b>	<b>8.3</b>	<b>24.8</b>	<b>-66.5%</b>
% o/ Sales	0.9%	2.6%	

Euros Mn

Sales and EBITDA Breakdown	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>886.8</b>	<b>956.7</b>	<b>-7.3%</b>
Concessions	112.8	101.6	11.0%
% o/ Total	12.7%	10.6%	
Engineering & Construction	733.2	814.7	-10.0%
% o/ Total	82.7%	85.2%	
Developments	40.8	40.4	1.0%
% o/ Total	4.6%	4.2%	
<b>EBITDA</b>	<b>324.0</b>	<b>264.1</b>	<b>22.7%</b>
Concessions	317.9	221.9	43.3%
% o/ Total	98.1%	84.0%	
Engineering & Construction	-3.3	32.1	-110.3%
% o/ Total	-1.0%	12.2%	
Developments	9.4	10.1	-6.9%
% o/ Total	2.9%	3.8%	

Euros Mn

Net Debt	1Q17	2016	Var. (%)
Recourse net debt	993.2	748.4	32.7%
Non-recourse net debt	2,339.2	2,162.5	8.2%
<b>Total net debt</b>	<b>3,332.4</b>	<b>2,910.9</b>	<b>14.5%</b>

Mn Euros

Order book	1Q17	2016	Var. (%)
Short-term	7,286.3	6,674.9	9.2%
Long-term	66,251.8	75,674.8	-12.5%

Euros Mn

Human Resources	1Q17	2016	Var. (%)
Permanent staff	15,977	15,920	0.4%
Temporary staff	8,884	8,331	6.6%
<b>Total</b>	<b>24,861</b>	<b>24,251</b>	<b>2.5%</b>

Other Magnitudes	1Q17	2016
Recourse EBITDA (LTM)	172,1*	204.2

Euros Mn

\* Calculated in accordance with contractual terms including €50m dividivends from OHL Concesiones and excluding EUR520m of non-recurring losses related to *Legacy* projects.



### 3. PERFORMANCE BY DIVISION

#### OHL CONCESIONES

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>112.8</b>	<b>101.6</b>	<b>11.0%</b>
<b>EBITDA</b>	<b>317.9</b>	<b>221.9</b>	<b>43.3%</b>
% o/ Sales	281.8%	218.4%	
<b>EBIT</b>	<b>309.6</b>	<b>212.6</b>	<b>45.7%</b>
% o/ Sales	274.5%	209.2%	

Euros M n

The figures of this Division have been heavily affected by the trend in currencies, principally the Mexican peso, which has undergone a devaluation of 6.5%. The comparable Sales and EBITDA (that is, without the variation in the exchange rate and without the effect of the change in the consolidation method of Metro Ligero Oeste) present growth figures of +13.5% and +66.8%, respectively.

The performance of Sales and EBITDA of Concessions compared to the previous period is shown below:

Sales	1Q17	1Q16	Var. (%)
Toll revenues	103.5	95.3	8.6%
Proper construction activity	1.5	2.0	-25.0%
IFRIC-12	7.8	4.3	81.4%
<b>TOTAL Sales</b>	<b>112.8</b>	<b>101.6</b>	<b>11.0%</b>

Euros M n

EBITDA	1Q17	1Q16	Var. (%)
EBITDA from Tolls	55.6	79.6	-30.2%
EBITDA from Guaranteed IRR	262.3	142.3	84.3%
<b>TOTAL EBITDA</b>	<b>317.9</b>	<b>221.9</b>	<b>43.3%</b>

Euros M n

The comparable Sales and EBITDA from Tolls (at a constant exchange rate and without the change in the consolidation method of Metro Ligero Oeste) grew +11.5% and -3.2%, respectively.

The key developments which have influenced the performance of Sales and EBITDA are as follows:

- The Revenues from Tolls increased 8.6%, 11.5% at constant exchange rates, with respect to the same period in the previous year.
- The trend in traffic flows and toll rates of the concessions are shown on the table set out below:



	Traffic performance			Tariffs update	
	From 01/01/17 to 03/31/17	From 01/01/16 to 03/31/16	Var. (%)	% Update <sup>(6)</sup>	Last update
<b>Mexico</b>					
Amozoc-Perote <sup>(1)</sup>	37,412	36,283	3.1%	9.30%	January 2017
Concesionaria Mexiquense <sup>(1)</sup>	338,362	322,935	4.8%	3.30%	February 2017
Viaducto Bicentenario <sup>(2)</sup>	33,496	31,536	6.2%	3.30%	February 2017
Autopista Urbana Norte <sup>(2)</sup>	56,885	51,372	10.7%	5,65% <sup>(6)</sup>	April 2017
<b>Spain</b>					
Euroglosa M-45 <sup>(2)</sup>	91,710	84,805	8.1%	2.90%	March 2017
Autovía de Aragón <sup>(2)</sup>	110,622	106,098	4.3%	1.70%	January 2017
Puerto de Alicante (T.M.S.) <sup>(3)</sup>	20,251	20,194	0.3%	-	-
Terminal de Contenedores de Tenerife <sup>(3)</sup>	24,310	21,462	13.3%	-	-
<b>Chile</b>					
Nuevo camino Nogales-Puchuncaví <sup>(1)</sup>	7,899	-	-	4.00%	January 2017
Terminal Cerros de Valparaíso <sup>(4)</sup>	136,206	162,367	-16.1%	1.07%	January 2015
<b>Peru</b>					
Autopista del Norte <sup>(1)</sup>	62,586	44,583	40.4%	1.80%	March 2017

(1) Average Equivalent Paying Traffic.

(2) Average Daily Intensity (ADI): total km travelled by all of the users of the motorway, divided by the total km in operation. This measurement represents the number of road users who would have travelled the total km in operation of the motorway.

(3) Accrued number of T.E.U. movements.

(4) Average tons of general cargo.

(5) Average increase in the rates applied at each toll plaza, resulting from the rate adjustment provisions established in each concession agreement.

(6) Average increase from the updating of rates for off-peak and peak hours.

- The appreciation/depreciation of the average exchange rate at March 2017 of the euro against the Latin American currencies, compared to March 2016:

	1Q17	1Q16	Var. (%)
Mexican Peso	21.09	19.80	6.5%
Chilean Peso	696.86	764.92	-8.9%
Peruvian Sol	3.49	3.80	-8.2%

As a consequence of these factors, the performance of Sales and EBITDA of the principal concession companies grouped by country is as follows:

Main Figures	Sales			EBITDA		
	1Q17	1Q16	Var. (%)	1Q17	1Q16	Var. (%)
<b>Mexico</b>	<b>67.2</b>	<b>62.6</b>	<b>7.3%</b>	<b>309.4</b>	<b>186.2</b>	<b>66.2%</b>
Amozoc-Perote	7.7	7.2	6.9%	4.1	4.0	2.5%
Concesionaria Mexiquense <sup>(1)</sup>	40.9	39.7	3.0%	180.0	107.6	67.3%
Viaducto Bicentenario <sup>(1)</sup>	9.1	8.4	8.3%	49.6	30.4	63.2%
Autopista Urbana Norte <sup>(1)</sup>	9.5	7.3	30.1%	75.7	44.2	71.3%
<b>Spain</b>	<b>18.6</b>	<b>17.5</b>	<b>6.3%</b>	<b>11.0</b>	<b>16.8</b>	<b>-34.5%</b>
Euroglosa M-45	3.7	3.6	2.8%	2.9	2.9	0.0%
Autovía de Aragón	8.3	7.7	7.8%	6.7	12.4	-46.0%
Puerto de Alicante (T.M.S.)	3.9	3.8	2.6%	0.8	1.0	-20.0%
Terminal de Contenedores de Tenerife	2.7	2.4	12.5%	0.6	0.5	20.0%
<b>Chile</b>	<b>8.5</b>	<b>7.6</b>	<b>11.8%</b>	<b>4.5</b>	<b>3.7</b>	<b>21.6%</b>
Nogales-Puchuncaví	1.7	0.0	n.a.	1.3	0.0	n.a.
Terminal Cerros de Valparaíso	6.8	7.6	-10.5%	3.2	3.7	-13.5%
<b>Peru</b>	<b>9.2</b>	<b>7.6</b>	<b>21.1%</b>	<b>4.8</b>	<b>5.9</b>	<b>-18.6%</b>
Autopista del Norte	9.2	7.6	21.1%	4.8	5.9	-18.6%
<b>Total Concessions</b>	<b>103.5</b>	<b>95.3</b>	<b>8.6%</b>	<b>329.7</b>	<b>212.6</b>	<b>55.1%</b>
Headquarters and others	9.3	6.3	47.6%	-11.8	9.3	n.a.
<b>Total</b>	<b>112.8</b>	<b>101.6</b>	<b>11.0%</b>	<b>317.9</b>	<b>221.9</b>	<b>43.3%</b>

Euros Mn

(1) Includes the EBITDA of the adjustment for guaranteed returns in accordance with the concession agreements, which is posted as Other Operating Revenues and is not included in Turnover, the same as the rest of the financial asset concession companies. The breakdown at 31 March 2017 is as follows: Concesionaria Mexiquense 149.0 million euros, Viaducto Bicentenario 43.5 million euros and Autopista Urbana Norte 69.8 million euros.

The growth in tolls in Mexico in local currency is particularly significant, with +14.3% in Sales and +14.5% in EBITDA.

The heading "Central and Others" includes the sales and costs referring to the construction activity carried out by the concession companies themselves, exclusive of "intergroup" transactions, as a consequence of the application of IFRIC 12. In line with the principle of prudence, the OHL Group has equated the sales figure of the construction work performed by the concession companies themselves to the costs of such construction activity, therefore not affecting EBITDA for those years.

OHL Concesiones manages a direct order book of 18 principal concessions including: 14 toll motorway concessions (with a total of 1,070 kilometres), 1 airport and 3 ports.

The long-term order book at 31 March 2017 totalled 66.0 billion euros.

## Mexico

- As a follow-up to the Significant Event dated 4 October 2016, informing the investment public that the Company had reached an agreement with IFM Global Infrastructure Fund ("IFM"), for increasing its stake in Organización de Proyectos de Infraestructura ("OPI") by 24.01%, through its subsidiary Woodside Spain, S.L.U. ("IFM Woodside") (the "Transaction"), on 12 April 2017, the Company signed a number of agreements with IFM Woodside through which they agreed to implement the Transaction in two successive phases.

The first phase of the Transaction consisted of the purchase by IFM Woodside of shares representing 14% of OPI's share capital. The price paid was 5.2 billion Pesos. In this way, IFM increased its indirect stake in OPI from 24.99% to 38.99%, while OHL México maintained control of the company with 61.01%.

The second phase of the Transaction will consist of an increase in IFM Woodside's stake in the share capital of OPI by up to an additional 10.01% in order to reach up to the 49% originally agreed in October of last year. This second phase is subject to fulfilment of a number of conditions and the obtaining of the relevant approvals, a process which is expected to conclude in the second half of 2017. Once this second phase has been completed, IFM will have increased its indirect stake in OPI from 38.99% up to 49%, while OHL México will maintain control of the company with a stake of at least 51%.

This agreement is consistent with OHL México's strategy of rotating mature assets and reinforcing the financial capacity of the Company.

## Spain

- In June and July 2016, two sales were concluded with respect to 28.0% of Metro Ligero Oeste, and a net capital gain totalling 41.0 million euros was recognised, together with the value enhancement of the rest of the stake (23.3%).
- Cercanías Móstoles-Navalcarnero was notified on 14 July 2016 of the ruling of Business Court No. 1 of Madrid, declaring voluntary insolvency proceedings. The Community of Madrid, through the Department of Transport, Housing and Infrastructure, applied a penalty of 34.1 million euros on account of a breach of the Concession Agreement, in its opinion. This penalty has been duly appealed on solid grounds by the concession company. Nevertheless, based on the principle of prudence, the Group has made a provision for this amount, which it expects to recover in the future.
- On 16 March 2017, Business Court no. 1 of Madrid decreed the commencement of the winding-up stage in the insolvency proceedings of Cercanías Móstoles-Navalcarnero. The commencement of the winding-up stage brings about, among other effects, the suspension of the powers of the management body for the management and disposition of assets of the company, its dissolution, the liquidation of all of its assets and rights, the termination of the concession agreement and the creation of the payment obligation with respect to the Government Pecuniary Liability (RPA) by the Community of Madrid.

## Abertis

- On 23 January 2017, the remaining 2.5% stake in Abertis was sold, obtaining net proceeds of 329.8 million euros which were used for i) the repayment of the collar financing in the amount of 272.9 million euros and ii) reducing gross recourse debt with the rest of the funds obtained.

## **OHL ENGINEERING & CONSTRUCTION**

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>733.2</b>	<b>814.7</b>	<b>-10.0%</b>
<b>EBITDA</b>	<b>-3.3</b>	<b>32.1</b>	<b>-110.3%</b>
% o/ Sales	-0.5%	3.9%	
<b>EBIT</b>	<b>-15.3</b>	<b>8.5</b>	<b>-280.0%</b>
% o/ Sales	-2.1%	1.0%	

Euros Mn

The Engineering & Construction Division accounts for 82.7% of the Group's Sales, contributing Sales worth 733.2 million euros and declining 10.0% with respect to the same period in the previous financial year.

By segment of activity, the trend in the business is as follows:

## **CONSTRUCTION**

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>623.6</b>	<b>706.6</b>	<b>-11.7%</b>
<b>EBITDA</b>	<b>9.4</b>	<b>36.9</b>	<b>-74.5%</b>
% o/ Sales	1.5%	5.2%	
<b>EBIT</b>	<b>-1.0</b>	<b>14.0</b>	<b>-107.1%</b>
% o/ Sales	-0.2%	2.0%	

Euros Mn

Construction, with Sales totalling 623.6 million euros, accounts for 85.1% of the Sales of Engineering & Construction and 70.3 % of the Group's total Sales.

The activity of this segment has declined -11.7% in comparison to the same period in the previous year, due principally to the Middle East and Africa, Latin America and Asia Pacific, where projects were gradually coming to an end and/or had finalised in 2016 (i.e. Mecca Medina, Doha Metro and others).

EBITDA is placed at 9.4 million euros or 1.5% on Sales and has been affected by the project mix and the delay in the start of the works for concessions.

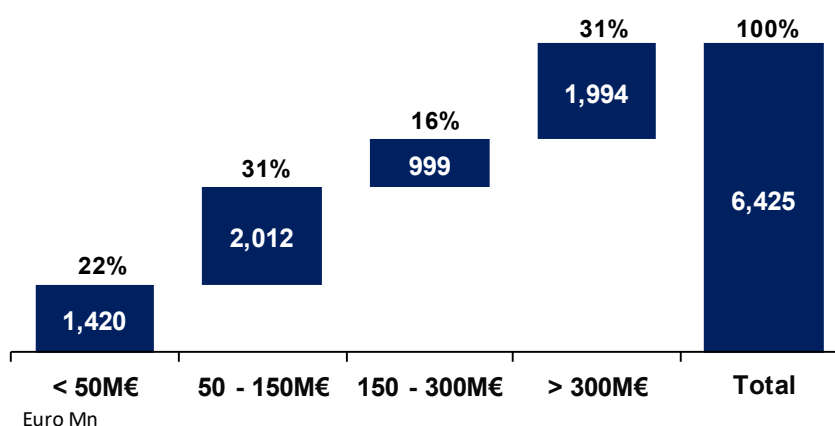
The cash degenerated due to the *Legacy* projects in this period amounted to -38.0 million euros.

The short-term order book at 31 March 2017, worth 6.4 billion euros, represents 28.7 months of sales, which guarantees greater future growth for this activity. The order book presents a balanced profile both in terms of geographical location as well as project size, with 89.9% originating from the Home Markets (where the U.S. and Canada stand out with 35.4%, and the Pacific Alliance with 35.5%) and with only 31.0% of projects of a size in excess of 300 million euros (47.7% of which are projects for our own concessions).

The geographical distribution of the Construction short-term order book is as follows:

	03/31/2017
<b>Home Markets</b>	<b>89.9%</b>
Pacific Alliance	35.5%
USA & Canada	35.4%
Spain	15.0%
Czech Rep. and catchment area	4.0%
<b>Other</b>	<b>10.1%</b>

The order book, according to project size, is distributed as follows:



Of the total Construction order book, 23.3% refers to projects to be performed for our own concessions, among which the following stand out: Río Magdalena (Colombia), Américo Vespucio Oriente (Chile), Atizapán-Atlacomulco (Mexico), the Port of Valparaíso (Chile), Evitamiento de Chimbote (Peru) and Camino Nogales-Puchuncaví (Chile). The start-up of projects of this kind will contribute to improving the Division's margins.

The 10 most significant contracts in the order book<sup>1</sup> at 03/31/2017 are the following:

	Country	03/31/2017
Project I-405	USA	675.0
Autopista Río Magdalena*	Colombia	328.4
Autopista Vespucio Oriente*	Chile	322.8
Autopista Atizapán-atlacomulco*	Mexico	294.2
Hospital de Curicó	Chile	224.7
Puerto de Valparaíso*	Chile	175.2
LAV Oslo-Ski (Follo Line Project)	Norway	172.3
Rehabilitación túnel Queens Midtown	USA	148.6
Tren ligero Guadalajara	Mexico	117.5
Evitamiento Chimbote*	Peru	117.0
<b>10 largest projects in backlog</b>		<b>2,575.6</b>

Euro Mn

\* Works for OHL Concesiones

<sup>1</sup> FF.CC. Marmaray Project (391,3 million euros) not included due to a c. 75% subcontract agreement

The contracting up to March 2017 totalled 1.2 billion euros (*book to bill* of x1.9), 75.5% of which are projects located in the U.S.

The following stand out among the new awards up to March 2017:

	Country	03/31/2017
Project I-405	USA	675.0
Florida Medical Campus Center	USA	39.8
Proyecto Quellaveco	Peru	33.4
<b>Total principal main awards</b>		<b>748.2</b>
Other		415.3
<b>Total main awards</b>		<b>1,163.5</b>

Mn Euros

## INDUSTRIAL

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>58.2</b>	<b>63.3</b>	<b>-8.1%</b>
<b>EBITDA</b>	<b>-12.8</b>	<b>-4.8</b>	<b>-166.7%</b>
% o/ Sales	-22.0%	-7.6%	
<b>EBIT</b>	<b>-13.7</b>	<b>-5.4</b>	<b>-153.7%</b>
% o/ Sales	-23.5%	-8.5%	

Euros Mn

The Industrial business obtained sales worth 58.2 million euros, signifying a reduction of 8.1% with respect to the same period in the previous year. This decline is due principally to: (i) the gradual finalisation of projects and (ii) the pending start of the new projects in the order book. In this quarter, the adverse effect of the exchange rates (basically that of the Mexican peso) is not highly significant.

Since the foregoing figures have been consolidated under IFRS by the equity method, these figures do not include the 50% participation OHL Industrial has in the Joint Venture performing the construction of the Empalme I Combined Cycle plant in Mexico for the CFE (awarded in April 2015). This project, as of March 2017 is in its completion phase, for which reason its comparison to the same period in the previous year is irrelevant.

EBITDA performance has been negative, affected -in addition to the above- by a number of fixed structural expenses which the Division has been unable to absorb. In this context, it should be recalled that there is a restructuring plan to reduce the size of the division to one third approximately which includes i) the gradual abandonment of the unprofitable businesses, Oil & Gas and Power, and the integration of Mining & Cement into Construction and ii) a Collective Redundancy Plan.

The Industrial order book at 31 March 2017 was placed at 491.8 million euros, equivalent to 24.7 months of sales (21.5 months of sales at 31/12/2016) and includes the award of the construction of a cement manufacturing plant in Colombia worth 218.4 million euros.

## SERVICES

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>51.4</b>	<b>44.8</b>	<b>14.7%</b>
<b>EBITDA</b>	<b>0.1</b>	<b>0.0</b>	<b>n.a.</b>
% o/ Sales	0.2%	0.0%	
<b>EBIT</b>	<b>-0.6</b>	<b>-0.1</b>	<b>-500.0%</b>
% o/ Sales	-1.2%	-0.2%	

Euros Mn

The Sales obtained by this Division totalled 51.4 million euros, increasing +14.7% thanks principally to the positive performance of the Facilities segment (cleaning, maintenance and energy efficiency) on the domestic level.

The Services business (which is the smallest of the three areas comprising the Engineering & Construction segment), obtained an EBITDA margin of 0.2%, similar to the figure for the same period in the previous year. It is a low margin due to the competition in the domestic sector, very mature and affected by the scant market opportunities.

## OHL DESARROLLOS

Main Figures	1Q17	1Q16	Var. (%)
<b>Sales</b>	<b>40.8</b>	<b>40.4</b>	<b>1.0%</b>
<b>EBITDA</b>	<b>9.4</b>	<b>10.1</b>	<b>-6.9%</b>
% o/ Sales	23.0%	25.0%	
<b>EBIT</b>	<b>6.9</b>	<b>7.5</b>	<b>-8.0%</b>
% o/ Sales	16.9%	18.6%	

Euros Mn

The Developments Division, with Sales worth 40.8 million euros, grew 1.0% with respect to the same period in the previous financial year, up +7.4% at a constant exchange rate. The good performance of the Sales of the Mayakobá hotels, with an occupancy rate of 62.5%, and of the reference currency, the U.S. dollar, continues.

The EBITDA figure, which totals 10.3 million euros at a constant exchange rate, was placed on levels similar to those of the same period in the previous financial year, thanks to slight improvements in the EBITDA of the hotel business and a stepped-up pace in real estate sales both in Mayakobá as well as in Ciudad Mayakobá.

It is important to highlight the signature of a contract in December 2016 with RLH Properties S.A.B. de C.V. for the sale of between 51% and 80% of the stake held by the Group in the principal hotel subsidiaries in Mayakoba, as well as in the Golf Course. The conclusion of the sale of 51% of the stake in the companies owning the Rosewood, Fairmont, Banyan Tree and Andaz Hotels in Mayakobá and the "El Camaleón" golf course took place on 24 April 2017.

The transaction has generated a cash flow of 138.3 million euros and an estimated capital gain (including the enhancement of the stake not sold) of 16.5 million euros. Of the total price, 131.5 million euros have already been paid, with 6.8 million pending collection, subject to the attainment of certain milestones.



In addition, the transaction includes the possibility of increasing the percentage sold up to 80% with respect to the assets with a higher degree of maturity (Rosewood and Fairmont), which would deliver additional cash estimated at 51.6 million euros, a development which is expected to take place during the first half of 2017.

Likewise, the settlement of the 17.5% stake sale in Canalejas concluded on 7 April 2017 at the price of 78.8 million euros. The amount of 73.5 million euros was collected at that time, with the remainder deferred to the end of 2017 and to the commencement of the operation of the project. The estimated capital gain is 29.0 million, and the transaction will be posted in the month of April 2017.

For this reason, the Group had classified all of the assets and liabilities of these subsidiaries at the close of accounts for the year as Held for Sale.

All of the foregoing will signify a change in the key figures of this Division in the next few months, as the majority of its assets will go on to be recognised by the equity method, since the Group will lose control over them through this transaction.

#### 4. FINANCIAL STATEMENTS (figures audited)

##### CONSOLIDATED PROFIT AND LOSS ACCOUNT

	1Q17	1Q16	Var. (%)
<b>Turnover</b>	<b>886.8</b>	<b>956.7</b>	<b>-7.3%</b>
Other operating revenues	304.1	209.1	45.4%
<b>Total Operating Revenues</b>	<b>1,190.9</b>	<b>1,165.8</b>	<b>2.2%</b>
% o/ Sales	134.3%	121.9%	
Operating expenses	-644.7	-686.4	-6.1%
Personnel expenses	-222.2	-215.3	3.2%
<b>EBITDA</b>	<b>324.0</b>	<b>264.1</b>	<b>22.7%</b>
% o/ Sales	36.5%	27.6%	
Amortisation	-29.4	-32.6	-9.8%
Changes in provisions	6.6	-3.0	-320.0%
<b>EBIT</b>	<b>301.2</b>	<b>228.5</b>	<b>31.8%</b>
% o/ Sales	34.0%	23.9%	
Financial revenues	15.2	16.8	-9.5%
Financial expenses	-119.5	-118.7	0.7%
Change in the fair value of financial instruments	-21.0	-62.2	-66.2%
Exchange differences	-10.6	-28.2	-62.4%
Deterioration and result from disposals of financial instruments	0.0	84.3	n.a.
<b>Financial profit / (loss)</b>	<b>-135.9</b>	<b>-108.0</b>	<b>25.8%</b>
Equity accounted entities	8.7	21.5	-59.5%
<b>Profit / (loss) on continuing activities before taxes</b>	<b>174.0</b>	<b>142.0</b>	<b>22.5%</b>
% o/ Sales	19.6%	14.8%	
Corporate tax	-81.1	-63.4	27.9%
<b>Profit / (loss) on continuing activities in the year</b>	<b>92.9</b>	<b>78.6</b>	<b>18.2%</b>
% o/ Sales	10.5%	8.2%	
Result after taxes on discontinued operations	0.0	0.0	n.a.
<b>Profit / (loss) for the year</b>	<b>92.9</b>	<b>78.6</b>	<b>18.2%</b>
% o/ Sales	10.5%	8.2%	
Minority interests	-84.6	-53.8	57.2%
<b>Result attributed to the parent company</b>	<b>8.3</b>	<b>24.8</b>	<b>-66.5%</b>
% o/ Sales	0.9%	2.6%	

Euros M n

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

The **turnover** of the Group in the first three months of the 2017 financial year totalled 886.8 million euros, down 7.3% with respect to the figure obtained during the same period in 2016, due principally to the Engineering & Construction Division.

The turnover of the Concessions business, which amounted to 112.8 million euros, increased 11.0% despite the 6.5% devaluation of the average exchange rate of the Mexican peso against the euro. If the exchange rates prevailing in the previous period are applied, Sales would have undergone an increase of 13.5%.

The Engineering & Construction Division obtained turnover of 733.2 million euros, declining 10.0%, and accounts for 82.7% of the total turnover of the Group

The most significant business line is Construction which, with 623.6 million euros in sales, represents 70.3% of the Group total, declining 11.7% with respect to the same period in the previous year. The downturn in the activity in the Middle East and Africa, Latin America and Asia Pacific explains this change.

The Developments Division, with a much lower relative weight, 4.6% of the total, has experienced 0.9% growth in its turnover in relation to the figure for the first quarter of the 2016 financial year.

In this period, international sales accounted for 77.3% of turnover, in comparison to 80.4% in the first quarter of the 2016 financial year.

In the distribution of sales by geographical area, the U.S. and Canada represent 33.1% of the total, Spain 22.7%, Mexico 18.3% and Central and Eastern Europe 5.6%.

Under the heading of **other operating revenues**, totalling 304.1 million euros, the Group includes mainly the revenues relating to the financial asset concessions and particularly those referring to the Mexican concession companies with a Guaranteed Returns clause.

The total operating revenues amounted to 1.2 billion euros, up 2.2% in relation to the figure for the first quarter of the 2016 financial year. Without the effect of the exchange rate, the increase would have been 1.4%.

The **gross operating profit (EBITDA)** was placed at 324.0 million euros, representing 36.5% on turnover, and has undergone an increase of 22.7% over the first quarter of the 2016 financial year, despite the devaluation of the currencies in which the Group operates against the euro, principally the Mexican peso. Excluding the effect of the exchange rate, EBITDA has increased by 31.0%.

The EBITDA figure for Concessions, 317.9 million euros, is up 43.3% with respect to the result in the first quarter of 2016, due to the concession companies with Guaranteed Returns, affected favourably by the performance of inflation.

The Engineering & Construction Division obtained a result in terms of EBITDA of -3.3 million euros.

The EBITDA obtained by the Construction Division totalled 9.4 million euros, representing 1.5% on turnover, and dropped 74.5% due to the decline in the contribution of Latin America and the Middle East and Africa.

The Developments Division obtained an EBITDA figure of 9.4 million euros, that is, 23.1% on turnover.

International operations account for practically the entire EBITDA figure of the Group, which is generated primarily in Mexico.

The **net operating profit (EBIT)** totalled 301.2 million euros, that is, 34.0% on turnover and represents an increase of 31.8% with respect to the figure for the first quarter of the 2016 financial year. Without the effect of the exchange rate, the increase would be 41.5%.

The net amount of **financial revenues and expenses** in the period totalled -104.3 million euros, a figure similar to that registered in March 2016

The result with respect to financial expenses stands out under this heading, amounting to -119.5 million euros.

The amount of the **change in the fair value of financial instruments** totalled -21.0 million euros, signifying an improvement with respect to the -62.2 million euros of the first quarter of the 2016 financial year.

This is due to the sale concluded in the previous year of the concession companies of the Construction business, for which 62.6 million euros were entered as losses stemming from the valuation of the derivatives associated with those assets. This transaction had negative effects on this heading, while the heading of "Adjustments for changes in value" on the Balance Sheet improved by the same amount, and Shareholders Equity remained unchanged.

The **exchange rate differences** amounted to -10.6 million euros, improving with respect to the -28.2 million euros registered in the first quarter of 2016, due mainly to the effect of the Canadian dollar, the Turkish lira and the U.S. dollar.

The amount of the **impairment and result from the disposal of financial instruments** for this period is zero, as no divestitures were made in the quarter.

In the first quarter of the 2016 financial year, this heading totalled 84.3 million euros, which included the positive result in the amount of 83.3 million euros obtained in the sale of the concession companies belonging to Construction (Superficialia Los Bermejales, S.A., Concessió Estacions Aeroport L-9, S.A. and Phunciona Gestión Hospitalaria, S.A.).

The **result of companies valued by the equity method** totalled 8.7 million euros, where Vía Rápida Poetas, S.A. de C.V. stands out, although the heading has declined with respect to the same period in the previous year in the absence of results from Abertis, after having sold the total stake held by the Group.

The **profit before taxes** reached 174.0 million euros, that is, 19.6% on turnover, increasing 22.5% with respect to the first quarter of 2016. If the effect of the exchange rate is excluded, the increase would be placed at 35.0%.

The **tax on profits** amounted to -81.1 million euros, in comparison to -63.4 million euros in the first quarter of the 2016 financial year.

The effective tax rate (eliminating the results from the assets accounted for by the equity method and other items) is 28.5%, similar to the rate in March 2016.

The **result attributed to minority interests** totalled -84.6 million euros, which is higher than the figure for the same period in the previous year, due to the improved results of the Mexican concession companies.

The **result attributed to the Parent Company** amounted to 8.3 million euros, or 0.9% on turnover. If the effect of the exchange rate is not taken into account, this figure would have been as high as 15.4 million euros, 1.7% on turnover.

## CONSOLIDATED BALANCE SHEET

	03/31/2017	12/31/2016	Var. (%)
<b>Non-current assets</b>	<b>9,357.5</b>	<b>8,589.0</b>	<b>8.9%</b>
Intangible fixed assets	279.9	287.0	-2.5%
Tangible fixed assets in concessions	6,984.2	6,439.6	8.5%
Tangible fixed assets	253.4	257.0	-1.4%
Real estate investments	75.5	66.8	13.0%
Equity-accounted investments	546.6	513.6	6.4%
Non-current financial assets	546.7	402.9	35.7%
Deferred-tax assets	671.2	622.1	7.9%
<b>Current assets</b>	<b>3,859.9</b>	<b>4,331.3</b>	<b>-10.9%</b>
Non-current assets held for sale	519.4	492.0	5.6%
Stocks	232.9	211.9	9.9%
Trade debtors and other accounts receivable	2,132.7	2,103.2	1.4%
Other current financial assets	376.5	663.5	-43.3%
Other current assets	60.8	42.8	42.1%
Cash and cash equivalents	537.6	817.9	-34.3%
<b>Total assets</b>	<b>13,217.4</b>	<b>12,920.3</b>	<b>2.3%</b>
<b>Net shareholders' equity</b>	<b>4,480.5</b>	<b>4,042.9</b>	<b>10.8%</b>
<b>Shareholder's equity</b>	<b>3,022.5</b>	<b>3,027.9</b>	<b>-0.2%</b>
Capital	179.3	179.3	0.0%
Issue premium	1,265.3	1,265.3	0.0%
Reserves	1,569.6	2,015.6	-22.1%
Result for the year attributed to the parent company	8.3	-432.3	-101.9%
<b>Valuation adjustments</b>	<b>-374.2</b>	<b>-588.2</b>	<b>-36.4%</b>
<b>Parent company shareholders' equity</b>	<b>2,648.3</b>	<b>2,439.7</b>	<b>8.6%</b>
<b>Minority interests</b>	<b>1,832.2</b>	<b>1,603.2</b>	<b>14.3%</b>
<b>Non-current liabilities</b>	<b>5,713.0</b>	<b>5,453.9</b>	<b>4.8%</b>
Subsidies	2.0	2.1	-4.8%
Non-current provisions	171.5	199.4	-14.0%
Non-current financial debt (*)	3,856.5	3,777.1	2.1%
Other non-current financial liabilities	48.2	53.0	-9.1%
Deferred-tax liabilities	1,438.7	1,246.3	15.4%
Other non-current liabilities	196.1	176.0	11.4%
<b>Current liabilities</b>	<b>3,023.9</b>	<b>3,423.5</b>	<b>-11.7%</b>
Non-current liabilities held for sale	226.6	220.0	3.0%
Current provisions	250.6	298.2	-16.0%
Current financial debt (*)	390.0	615.2	-36.6%
Other current financial liabilities	5.3	7.1	-25.4%
Trade creditors and other accounts payable	1,756.0	1,915.4	-8.3%
Other current liabilities	395.4	367.6	7.6%
<b>Total liabilities and net shareholders' equity</b>	<b>13,217.4</b>	<b>12,920.3</b>	<b>2.3%</b>

\* Includes Bank debt + Bonds  
Euros Mn

The principal headings of the consolidated balance sheet at 31 March 2017 and the changes therein with respect to 31 December 2016 are as follows:

**Fixed assets in concession projects:** this heading takes in all of the Group's concession assets, both those under the intangible asset model as well as those under the financial asset model.

The balance at 31 March 2017 totalled 7.0 billion euros, increasing by 544.6 million euros with respect to the figure at 31 December 2016, due principally to the net effect of:

- A net increase of 270.8 million euros undergone by the Mexican concessionaires with Guaranteed Returns (Autopista Urbana Norte, S.A. de C.V., Concesionaria Mexiquense, S.A. de C.V. and Viaducto Bicentenario, S.A. de C.V.).
- An increase in the amount of 452.9 million euros from the 8.0% revaluation of the final exchange rate of the Mexican peso against the euro.
- A decrease of 266.0 million euros on account of the departure of Cercanías Móviles Navacarnero, S.A., as a consequence of the start of the winding-up stage of this company subject to insolvency proceedings.
- A net increase of the rest of the concessions in the amount of 86.9 million euros.

Of the total balance, 6.0 billion euros refer to Mexican concession companies under the financial asset model, that is, 85.7% of the total.

**Investments accounted for by applying the equity method:** the balance of this heading at 31 March 2017 totalled 546.7 million euros, increasing by 33.0 million euros with respect to 31 December 2016.

**Non-current assets and liabilities held for sale:** at 31 March 2017 and at 31 December 2016, these headings referred to the assets and liabilities of the Mayakoba hotel companies and golf course, in Riviera Maya (Mexico), which were in a process of divestiture which has materialised in April 2017.

**Trade debtors and other accounts receivable:** the balance of this heading totalled 2.1 billion euros, accounting for 16.1% of the total assets.

Works certified for progress payments still outstanding and works pending certification represented 72.3% of the total of this balance and amounted to 1.5 billion euros (4.9 months of sales), in comparison to 1.5 billion in the 2016 financial year (4.7 months of sales).

This heading has declined by 39.6 million euros (53.3 million euros at 31 December 2016), on account of client receivables assignments without the possibility of recourse (non-recourse factoring) in the event of default in payment by such clients, which is the reason why this balance has been reduced.

**Parent Company shareholders' equity:** totalled 2.6 billion euros, representing 20.0% of the total assets and increasing by 208.6 million euros with respect to the figure at 31 December 2016, due to the net effect of:

- An increase stemming from the attributable result for 2017, which totals 8.3 million euros.
- An increase in reserves of 198.9 million euros, brought about by the conversion of financial statements in foreign currency, principally those of the Mexican companies.
- An increase in reserves of 15.0 million euros as a result of the impact of the valuation of financial instruments, taken to the Profit and Loss Account.

- A decrease of 2.2 million euros in bought-back shares. At 31 March 2017, the treasury stock was made up by 12,608,029 shares, worth 48.4 million euros.
- A decrease in the amount of 11.4 million euros from other changes in reserves.

**Minority interests:** were placed at 1.8 billion euros, increasing by 229.0 million euros with respect to 31 December 2016, due to the net effect of:

- An increase of 84.6 million euros from the result of the period, attributed to minority interests.
- An increase of 150.1 million euros brought about by the conversion of financial statements in foreign currency.
- A decrease of 2.8 million euros as a result of the impact of the valuation of financial instruments.
- A decrease of 2.9 million euros from other movements.

**Banks and bond issues:** the comparison of the borrowings at 31 March 2017 with the figure at 31 December 2016 is as follows:

Gross debt <sup>(1)</sup>	03/31/2017	%	12/31/2016	%	Var. (%)
Recourse debt	1,450.1	34.1%	1,519.9	34.6%	-4.6%
Non-recourse debt	2,796.4	65.9%	2,872.4	65.4%	-2.6%
<b>Total</b>	<b>4,246.5</b>		<b>4,392.3</b>		<b>-3.3%</b>

Euro M n

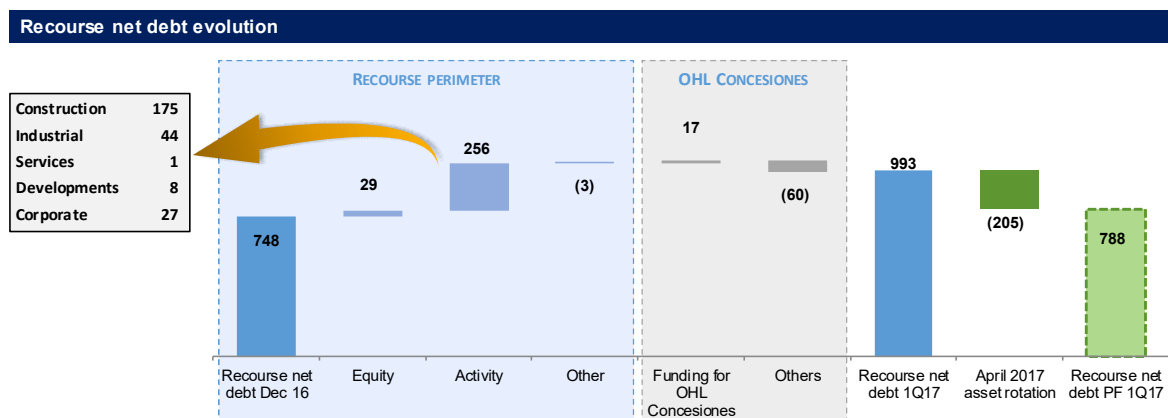
(1) The gross borrowings group together the non-current and current debt items, which include both bank debt and bonds.

Net debt <sup>(2)</sup>	03/31/2017	%	12/31/2016	%	Var. (%)
Recourse net debt	993.2	29.8%	748.4	25.7%	32.7%
Non-recourse net debt	2,339.2	70.2%	2,162.5	74.3%	8.2%
<b>Total</b>	<b>3,332.4</b>		<b>2,910.9</b>		<b>14.5%</b>

Euro M n

(2) The net borrowings are comprised by the gross borrowings minus other financial assets and cash and cash equivalents.

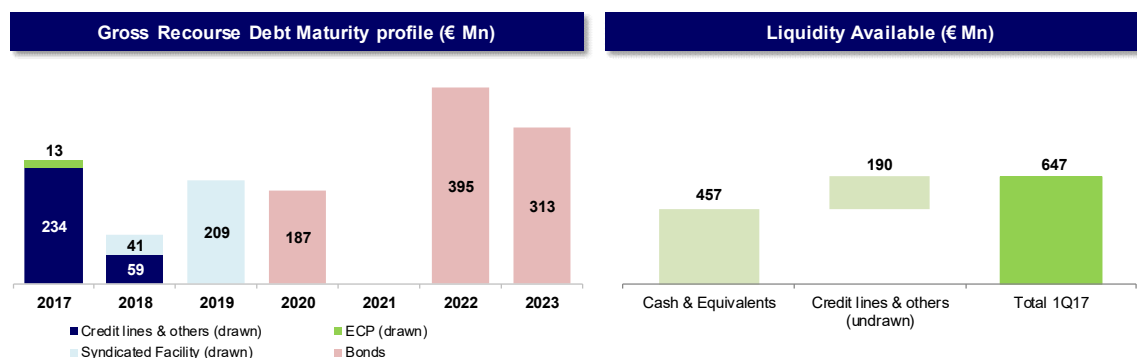
The gross recourse borrowings at 31 March 2017 totalled 1.5 billion euros. The trend in the net recourse debt in the first quarter of 2017 is as follows:





If the divestitures made in April 2017 through the conclusion of the sales of a 17.5% stake in the capital of Canalejas and of 51.0% of the Mayakobá assets are included, giving rise to an inflow of funds in the amount of 205.0 million euros, the pro-forma net recourse debt would have been 788.2 million euros.

Details of the maturity dates of the Group's bonds, together with the available liquidity, are shown below:



The situation of the recourse liquidity at 31 March 2017 and at 31 December 2016 is shown below:

Recourse liquidity	1Q17	12/31/2016
Bonds	894.5	894.5
Euro Commercial Paper	13.3	9.4
Syndicated Facility	250.0	250.0
Credit lines and others	482.0	491.5
<b>Availability with recourse</b>	<b>1,639.8</b>	<b>1,645.4</b>
<b>Gross recourse debt</b>	<b>1,450.1</b>	<b>1,519.9</b>
Financing with Recourse available	189.7	125.5
Cash and IFT	456.9	771.5
<b>Recourse liquidity available</b>	<b>646.6</b>	<b>897.0</b>

Euro Mn

The Group's recourse availability totals 1.6 billion euros.

The Group's recourse liquidity, measured as the cash and cash equivalents plus the available recourse financing, totals 646.6 million euros.

With respect to the total gross borrowings, 90.8% is long-term, while the remaining 9.2% is short-term.

The gross non-recourse financial debt totals 2.8 billion euros, 65.8% of the total gross borrowings, and has decreased by 76.0 million euros, principally due to:

- The repayment of a loan backed by a 2.5% stake in Abertis Infraestructuras, S.A. in the amount of 272.9 million euros.
- An increase in the amount of 150.7 million euros brought about by the 8.0% revaluation of the final exchange rate of the Mexican peso against the euro
- The net decrease of the rest in the amount of 46.2 million euros.

The gross non-recourse borrowings totalled 2.8 billion euros (2.3 billion euros in net non-recourse debt), the details of which are set out below:

Endeudamiento neto sin recurso	03/31/2017		12/31/2016	
	Gross	Net	Gross	Net
<b>Mexico</b>				
Concesionaria Mexiquense / OPI	1,062.9	891.8	939.3	803.4
Amozoc-Perote	94.6	55.0	84.5	53.7
Viaducto Bicentenario	280.3	271.2	256.0	249.7
Autopista Urbana Norte	286.0	274.6	262.9	253.4
Atizapán-Atlaconulco	-	-34.3	-	-26.3
<b>Spain</b>				
Euroglosa M-45 / Euroconcesiones	108.3	97.9	106.8	105.5
Autovía de Aragón - Tramo 1	96.5	43.6	95.4	48.1
Terminal de Contenedores de Tenerife	29.0	25.3	28.5	25.1
Puerto de Alicante	57.1	55.5	56.6	55.7
<b>Chile</b>				
Puerto de Valparaíso	-	-6.9	-	-5.4
Puente Industrial	-	-	-	-0.1
Nogales - Puchuncaví	-	-6.2	-	-6.4
<b>Peru</b>				
Autopista del Norte	115.4	93.3	118.2	98.2
<b>Colombia</b>				
Autopista Río Magdalena	39.0	13.7	37.9	14.5
<b>Total Main Concessions</b>	<b>2,169.1</b>	<b>1,774.5</b>	<b>1,986.1</b>	<b>1,669.1</b>
Non-recourse financing backed by the 2,5% stake in Abertis	-	-	272.9	272.9
Non-recourse financing backed by the 16,99% stake in OHL Mexico	400.0	400.0	400.0	400.0
Others	180.7	121.4	171.6	-221.1
<b>Total OHL Concesiones</b>	<b>2,749.8</b>	<b>2,295.9</b>	<b>2,830.6</b>	<b>2,120.9</b>
<b>OHL Engineering &amp; Construction</b>	46.1	43.7	41.8	41.6
<b>OHL Developments</b>	0.5	-0.4	-	-
<b>Total Non-recourse net debt</b>	<b>2,796.4</b>	<b>2,339.2</b>	<b>2,872.4</b>	<b>2,162.5</b>

Euro M n

An important note is that, at 31 December 2016, the financing in the amount of 272.9 million euros was included in the Non-recourse financing backed by the stake in Abertis, and the 2.5% stake valued at 329.2 million euros posted in "Others" was included as IFT.

The sale of this stake was concluded on 23 January, and the loan was repaid.

## CASH-FLOW

An additional breakdown is made in this section in line with the internal criteria determined by the Group for the purpose of analysing the performance of its business. In some instances, these criteria differ from the standards established in IAS 7.

	1Q17	1Q16
<b>EBITDA</b>	<b>324.0</b>	<b>264.1</b>
<b>Adjustments</b>	<b>-387.1</b>	<b>-264.1</b>
Financial results	-135.9	-108.0
Equity accounted results	8.7	21.5
Taxes	-81.1	-63.4
Minorities	-84.6	-53.8
Guaranteed Return Adjustment	-100.9	-57.4
Changes in provisions and others	6.7	-3.0
<b>Cash flow in operating activities</b>	<b>-63.1</b>	<b>0.0</b>
<b>Changes in current capital</b>	<b>-249.6</b>	<b>-356.5</b>
Trade and other receivables	-29.5	-46.3
Trade creditors and other payables	-159.4	-268.8
Other changes in working capital	-60.7	-41.4
<b>Cash flows from operating activities</b>	<b>-312.7</b>	<b>-356.5</b>
<b>Cash flow in investment activities</b>	<b>-108.7</b>	<b>139.8</b>
Minority interest	229.0	-26.8
Other	-337.7	166.6
<b>Change in net non-recourse debt</b>	<b>176.7</b>	<b>-155.5</b>
<b>Change in net recourse debt</b>	<b>244.8</b>	<b>372.2</b>
<b>Cash flow of financing activities</b>	<b>421.5</b>	<b>216.7</b>

Euro M n

The **gross operating profit** totalled 324.0 million euros, undergoing an increase of 22.7 % with respect to the first quarter of the 2016 financial year.

The **adjustments to the result** totalled -387.1 million euros, due principally to effect of the financial results, the tax on profits, the minority interests and the guaranteed returns adjustment.

The **funds originating from operations** are placed at -63.1 million euros.

The **changes in the working capital** totalled -249.6 million euros, in comparison to -365.5 million for the same period in the previous year.

These changes are responsible for the negative **cash flow of the operating activities**, which stands at -312.7 million euros (-356.6 million euros in March 2016).

The **cash flow of the investment activities** consists of the changes in the net assets and in the non-current assets and liabilities and totalled -108.7 million euros, on account of the increase in investment, due principally to the revaluation of the final exchange rate of the Mexican peso, offset partially by higher minority interests.

The **cash flow of the financing activities** in this period totalled 421.5 million euros, signifying greater non-recourse indebtedness to the Group to the extent of 176.7 million euros and higher net recourse borrowing in the amount of 244.8 million euros.

## 5. ORDER BOOK

At 31 March 2017, the Group's order book was worth 73.5 billion euros, decreasing by 8.8 billion euros, that is, 10.7% with respect to the figure at 31 December 2016, due to the net effect of:

- The increase in the short-term order book in the amount of 611.5 million euros, thanks to the positive performance of contracting which, in the year, has totalled 1.5 billion euros (*book to bill* x1.7), driven by the Construction Division in North America.
- The 9.4 billion euro decrease in the long-term order book, as a result of the new estimates of future revenues from the Mexican concession companies, affected by inflation.

Of the total order book 9.9% refers to short-terms contracts, while the remaining 90.1% are long-term.

The short-term order book is worth 7.3 billion euros, representing approximately 23.1 months of sales and increasing 9.2 % over the figure at 31 December 2016. Engineering & Construction accounts for the entire short-term order book and, within this division, Construction is responsible for 88.2%.

The long-term order book stands at 66.3 billion euros, and Concessions accounts for 99.7%.

	03/31/2017	%	12/31/2016	%	Var. (%)
<b>Short-term</b>	<b>7,286.3</b>		<b>6,674.9</b>		<b>9.2%</b>
Construction	6,424.6	88.2%	5,880.9	88.1%	9.2%
Industrial	491.8	6.7%	437.3	6.6%	12.5%
Services	369.9	5.1%	356.7	5.3%	3.7%
<b>Long-term</b>	<b>66,251.8</b>		<b>75,674.8</b>		<b>-12.5%</b>
Concessions	66,026.3	99.7%	75,449.4	99.7%	-12.5%
Construction	225.5	0.3%	225.4	0.3%	0.0%
<b>Total</b>	<b>73,538.1</b>		<b>82,349.7</b>		<b>-10.7%</b>

Euro Mn

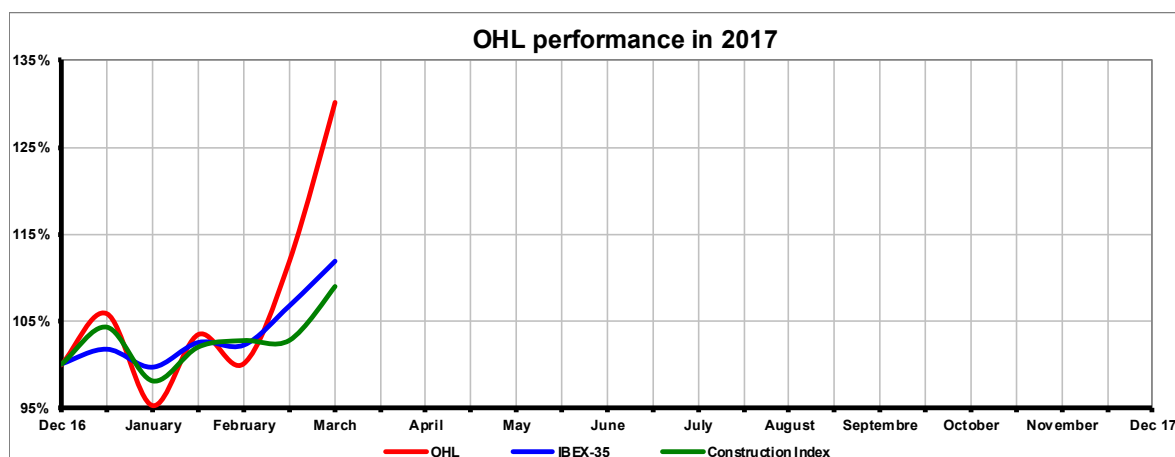
## 6. SHARE PRICE PERFORMANCE

The share capital at 31 March 2017 totalled 179,255,398.80 euros, represented by 298,758,998 ordinary shares with a face value of 0.60 euros each, all belonging to a single class and series, listed at 4.29 euros per share which signifies a share price appreciation of +30.3% in the year.

During the first quarter of 2017, a total of 160,069,505 shares (53.6% of the total tradable shares) were traded on stock exchanges, with a daily average of 2,462,608 securities.

OHL held treasury stock at 31/03/2017 consisting of 12,608,029 shares, equivalent to 4.220% of the company's current capital.

	03/31/2017
Closing price	4.29
OHL YtD performance	30.3%
Number of shares	298,758,998
Market capitalization (Euro Mn)	1,282.3
Ibex 35 YtD performance	11.9%
Construction Index YtD performance	9.0%



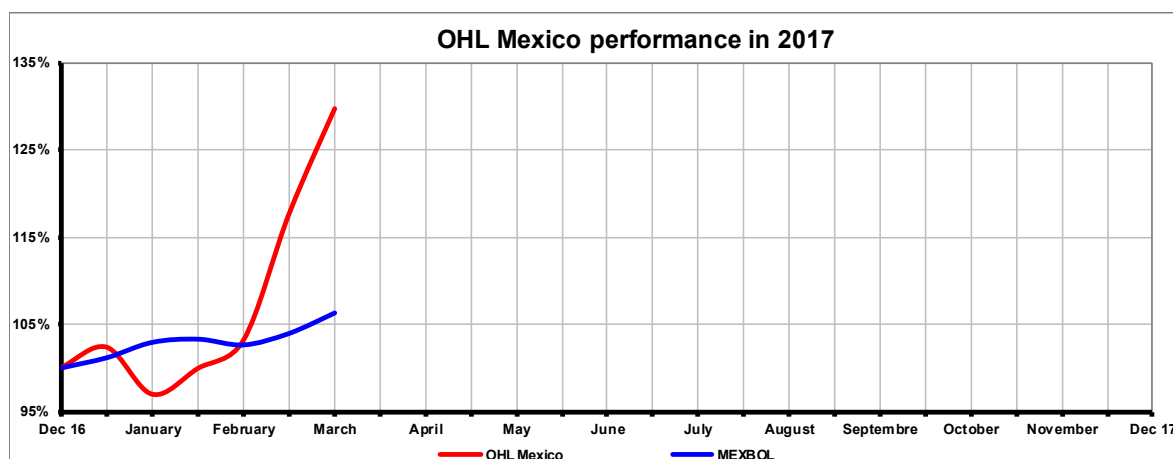
The most significant details of the bonds issued by OHL and its subsidiary OHL Investment S.A. (subsidiary of OHL Concesiones) are shown below:

Issuer	Maturity	Coupon	Amount	Price	YtM
OHL S.A.	March 2020	7.625%	187	99.598%	7.778%
OHL S.A.	March 2022	4.750%	395	85.866%	8.291%
OHL S.A.	March 2023	5.500%	313	86.053%	8.539%
OHL Investment	March 2018	4.000%	400	98.446%	5.530%

Euro Mn

Within the Concessions Division, the OHL Group has its subsidiary OHL México S.A. de C.V., which is listed in Mexico and whose key figures are as follows:

	03/31/2017
Closing price (Mexican Pesos)	26.44
YtD performance	29.7%
Number of shares	1,732,185,269
Market capitalization (Mexican Pesos Mn)	45,799.0
56,85% stake value (Euro Mn)*	1,300.7
*Exchange rate EUR/MXN 20,0175	





## 7. APPENDICES

### PRINCIPAL SIGNIFICANT EVENTS

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- **23 January 2017: sale of the 2.5% stake in the capital of Abertis Infraestructuras, S.A.**

OHL Emisiones, S.A.U., a subsidiary of the OHL Group, sold its 2.5% stake in Abertis Infraestructuras, S.A. (Abertis), at the price of 13.59 euros per share.

The net funds obtained, which total 331.9 million euros, will be used for (i) the sooner repayment of the non-recourse financing backed by the 2.5% of this stake, in the amount of 272,9 million euros, also removing the existing collar, and (ii) reducing the Group's gross recourse borrowings.

- **3 February 2017: Finalisation of the Treasury Stock Plan**

The Treasury Stock Plan finalised on 2 February 2017. During the period of the Plan, OHL bought back 8,849.190 shares, which represent 2.962% of the share capital.

- **16 March 2017: winding-up stage of Cercanías Móstoles Navalcarnero S.A. (CEMONASA)**

Business Court no. 1 of Madrid decreed the commencement of the winding-up stage in the insolvency proceedings of CEMONASA, a company 100%-owned by OHL, which involves the suspension of the powers of the management body for the management and disposition of assets of the company, its dissolution, the liquidation of all of its assets and rights, the termination of the concession agreement and the creation of the payment obligation with respect to the Government Pecuniary Liability (RPA) by the Community of Madrid).

- **30 March 2017: Signature of a new Syndicated Multi-Product Financing Agreement**

A new Syndicated Multi-Product Financing Agreement was signed with 7 banks on 31 March 2017 in a total aggregate amount of up to 746.6 million euros. This includes: a line of guarantees of up to 464.6 million euros, a line of *confirming* of up to 92 million euros and a revolving credit line of up to 190 million euros. The duration of the agreement is 18 months.

- **7 April 2017: sale of 17.5 % of the capital of Centro Canalejas Madrid S.L.**

OHL Desarrollos S.L., a subsidiary of the OHL Group, sold 17.5% of its stake in Centro Canalejas Madrid S.L. (Canalejas), on 9 February, at the price of 78.8 million euros.

Following the completion of the suspensive conditions, the conclusion of this transaction took place on 7 April 2017, with the payment of the amount of 73.5 million euros and an additional payment of 5.3 million euros pending (1.8 million in December 2017 and 3.5 million euros at the start-up of the Project).

- **25 April 2017: sale of 51% of Mayakobá**

On 24 April 2017, the transaction was concluded for the sale through which OHL Desarrollos S.L. transferred to RLH Properties, S.A.B. de C.V. 51% of the stake in the companies owning the Rosewood, Fairmont, Banyan Tree and Andaz Hotels in Mayakoba and the "El Camaleón" golf course.

This transaction has generated 138.3 million euros in cash and an estimated capital gain (including the value enhancement of the stake not sold) of 16.5 million euros.

Of this price, 131.5 million euros have already been paid, with 6.8 million pending collection, subject to the attainment of certain milestones.

In addition, the transaction includes the possibility of increasing the percentage sold up to 80% of the assets with a higher degree of maturity (Rosewood and Fairmont), which would deliver additional cash estimated at 51.6 million euros, a development which is expected to take place during the first half of 2017.

- **3 May 2017: annual renewal of the Euro Commercial Paper Programme**

The Euro Commercial Paper (ECP) Programme was renewed on the Irish Stock Exchange (ISE), enabling the issuance of short-term notes maturing between 1 and 364 days, with a maximum amount in circulation of up to 500 million euros.

- **4 May 2017: collective redundancy procedure in OHL S.A. and OHL Industrial S.L.U.**

On 4 May 2017, the Workers' Assembly of each company ratified the agreement reached between OHL and OHL Industrial and the representatives of the employees, in relation to the collective redundancy procedure.

This agreement involves the elimination of 457 positions (335 in OHL and 122 in OHL Industrial), a process which will be carried out over the next few months and with the economic terms & conditions agreed.

The estimated total cost for the OHL Group of this collective redundancy procedure will amount to 34.2 million euros (28.6 million euros OHL and 5.6 million euros OHL Industrial), depending on the final figure of the number of employees who join the plan on a voluntary basis.

## ALTERNATIVE PERFORMANCE MEASURES

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The OHL Group presents its results in accordance with the International Financial Reporting Standards (IFRS), and also uses certain Alternative Performance Measures (APM), which facilitate a better understanding and comparability of the financial information and, in order to comply with the guidelines of the European Securities and Markets Authority (ESMA), we are defining the following terms below:

**Gross operating profit (EBITDA):** is the Operating Profit prior to the allocation for depreciation and changes in provisions disaffected –as the case may be- of extraordinary / non-recurring gains or losses that have no impact on the cash-flow.

**Recourse gross operating profit (recourse EBITDA):** is calculated as the Total gross operating profit (EBITDA) (including the financial revenues from interest and excluding the extraordinary non-recurring losses), minus the Gross operating profit (EBITDA) from project companies and including dividends –if any- paid to the Parent by the project companies.

**Project companies:** are those companies which do not have recourse to OHL S.A.

**Net operating profit (EBIT):** is calculated by taking the following items from the consolidated profit and loss account: Net turnover, other operating revenues, Operating expenses, Personnel expenses, Allocation for depreciation and Changes in provisions.

**Gross borrowings:** group together items of Non-current financial debt and Current financial debt on the liabilities side of the consolidated balance sheet, including bank debt and bond issues.

**Net borrowings:** are made up by the Gross borrowings minus other current assets and Cash and cash equivalents on the assets side of the consolidated balance sheet.

**Non-recourse borrowings (gross or net):** is the debt (gross or net) of the project companies.

**Recourse borrowings (gross or net):** are made up by the Total borrowings (gross or net) minus the Non-recourse borrowings (gross or net).

**Order book:** the revenues pending performance of the contracts awarded, both in the short and the long term. These contracts are included in the order book once they have been formalised.

- **Short-term order book:** represents the estimated amount of the revenues of Construction, Industrial and Services, pending performance, and also includes the revenues expected on the basis of changes in the contracts or additional work units estimated in relation to the percentage of completion of the projects.
- **Long-term order book:** represents the estimated future revenues of the concessions, during the concession period, in accordance with the financial plan of each concession and includes assumptions of changes in the exchange rate between the euro and other currencies, inflation, prices, toll rates and traffic flows.

**Market capitalisation:** number of shares at the close of accounts for the period multiplied by the listed price at the end of the period.

**Earnings per Share (EPS):** is the Profit attributed to the Parent Company divided by the average number of shares in the period.

**P/E Ratio:** listed price at the end of the period divided by the Earnings per Share of the last twelve months.

**Comparable:** Occasionally, certain figures are adjusted to render them comparable between years, for example by eliminating extraordinary impairments, significant additions to or departures from the scope which could distort the comparison between years of figures such as sales, exchange rate effects, among others. The adjustments made are explained in the relevant heading in each case.

***Any statements appearing in this document, other than those which refer to historical data, including, on a non-restrictive basis, statements with respect to operational development, business strategy and future targets, are estimates for the future and, as such, involve known and unknown risks, uncertainties and other factors which may cause the results of the OHL Group, its actions and successes, or the outcomes and conditions of its activity, to be substantially different from such information and from the Group's estimates for the future.***

***This document, including the estimates for the future it contains, is provided with effects as from this day and date, and OHL expressly declines any obligation or commitment to provide any update or revision of the information contained herein, of any change in its expectations or any modification of the facts, conditions and circumstances on which these estimates with respect to the future have been based.***

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# Results Report 1Q17

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Obrascón Huarte Lain, S.A.

Torre Espacio

Paseo de la Castellana, 259 D

28046 Madrid

[www.ohl.es](http://www.ohl.es)

Investor Relations Department

Tel.: 91 348 41 57

