

Results 1st half 2021

SACYR BOOSTS ITS EBITDA BY 16% TO 402 MILLION EUROS AND INCREASES TURNOVER BY 4%

- In the complex global scenario due to the Covid-19 pandemic, Sacyr improved its operating cash flow, turnover and EBITDA, demonstrating the strength of strategy, focusing on concession assets
- Concession assets contributed 82% of EBITDA in the first half, five percentage points higher than in 2020
- Its future revenue backlog grew by 15% in the first half, to 45,091 million euros, thanks to the success achieved in contracting
- Sacyr will not renew derivatives it has contracted on 5% of Repsol, so the company's stake will be reduced from 8% to 3% in the second half of 2021

Madrid, 30 July 2021. Sacyr increased its EBITDA by 16% in the first half of 2021, to total **402 million euros**, thanks to its good business development and the company's strong focus on concessions. Indeed, **concession assets, with limited demand risk, accounted for 82% of this EBITDA**, five percentage points higher than in the same half year of 2020.

Group operating cash flow grew by 29% to 282 million euros.

This growth was achieved in a challenging environment due to the Covid-19 crisis. **Turnover grew by 4% to 2,164 million euros** between January and June, and profitability (margin on EBITDA) climbed to 18.6%, significantly higher than the same value in the first half of 2020 (16.7%).

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Net profit reached 40 million euros, compared to 70 million in the first half of 2020, as extraordinary results were recorded due to the sale of the Guadalmedina highway in the previous year. Discounting this effect, profit grew by 233% (from 12 million to 40 million).

The **future revenue backlog** ended the first half of the year at **45,091 million euros**, 15% higher than at the end of 2020, due to the incorporation of new construction and concession projects. Of this backlog, 80% is concession assets, which contain latent EBITDA of over 22,500 million euros to come to fruition in the future.

Sacyr won significant contracts in its strategic markets between January and June. That was the case for the A3 and A21 highways in Italy; the RSC-287 highway in Rio Grande do Sul (Brazil); the first two construction projects in Canada; and the four new road contracts in Florida and Texas (USA).

Reduction in net recourse debt

Sacyr has set **recourse debt reduction as a strategic line** within its Strategic Plan 2021-2025. During the second quarter of the year, the company **reduced its net recourse debt by 108 million euros** to 883 million at the end of June. The generation of operating cash for activities with recourse prior to investment was 63 million euros, a very significant milestone for this objective in the half year.

The company continues to work on various operations to reduce debt further during the year. Sacyr used two innovative financing instruments linked to sustainability targets in the first half of the year.

The first was green financing of up to 160 million euros (120 million already drawn and 40 million as previously awarded projects come into operation) in Valoriza Servicios Medioambientales services subsidiary. This financing is directly linked to achievement of sustainable agenda-related targets and the fulfilment of green KPIs.

The second novel instrument is the first social bond issued in Latin America linked to an infrastructure project. The bond issue, for US\$209 million, refinanced the Montes de María road (Colombia).

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The group's net debt, mainly associated with projects, stood at 5,679 million at the end of June.

Stake in Repsol

Part of the derivatives Sacyr has contracted to cover its 8% stake in Repsol are set to expire in the second half of 2021. The company will not renew these derivatives, corresponding to 75.4 million shares. This operation will not affect Repsol's share price as it is not a market transaction.

Its stake in the energy company will go from 8% to 3% at the end of the year in this way. This operation will enable Sacyr to simplify the group's balance sheet and concentrate its resources on its strategic plan and its focus on concessions.

Attractive shareholder compensation

Shareholder compensation is one of the main points of the Strategic Plan to 2025. Sacyr has made two scrip dividend payments worth 0.096 euros per share this year, representing a dividend yield of 4.6%, meeting the objective and commitment acquired with the market.

Evolution by business area

Concessions. Sacyr Concesiones achieved turnover of 566 million euros (+1%). The majority of its assets have limited demand risk and remuneration is based primarily on availability criteria.

EBITDA totalled 212 million euros, up 26% due to the entry into operation of several stretches of road and projects such as Tláhuac Hospital in Mexico and the University of Idaho in the USA.

The future revenue backlog, which stands at 35,992 million euros (+16%), includes the award of the A3 Naples-Salerno highway (Italy) and the RSC-287 in Brazil.

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Engineering and infrastructure. Turnover of this division reached 1,283 million euros, 5% higher than the first half of 2020. EBITDA grew 8% to 158 million euros, and EBITDA margin reached 12.3%, compared to 11.9% for the previous year.

This division's backlog reached 6,421 million euros, 14% higher than in December thanks to the company's success in the tenders in which it participated. The first projects awarded in Canada, which is included in the road map set for the 2021-2025 period, the increase in the backlog in the US and Chile and several construction projects and concessions in Italy are noteworthy.

The backlog is 82% international and ensures 30 months of activity. Of the total, 50% corresponds to Sacyr Concesiones projects.

Services. Turnover of this division contracted by 1% to 494 million euros. EBITDA totalled 44 million euros (+8%) and EBITDA margin was 9%, up from 8.3% in the first half of 2020.

The **services backlog stood at 2,678 million euros (+0.4%)**, with the incorporation of new contracts.

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CONSOLIDATED INCOME STATEMENT (Thousand Euros)	1H 2021	1H 2020	% Chg 2021 / 2020
Revenue	2,164,008	2,079,135	4.1%
Other income	153,914	146,300	5.2%
Total operating income	2,317,922	2,225,435	4.2%
External and Operating Expenses	-1,916,089	-1,877,530	2.1%
EBITDA	401,833	347,905	15.5%
Depreciation and amortisation expense	-76,824	-95,093	-19.2%
Trade Provisions and non recurring items	-3,820	-9,980	-61.7%
NET OPERATING PROFIT	321,189	242,832	32.3%
Financial results	-182,633	-158,025	15.6%
Forex results	-55,095	-51,933	6.1%
Results from equity accounted subsidiaries	303,349	-535,906	n.a.
Provisions for financial investments	-1,149	-30,624	-96.2%
Change in value on financial instruments	-270,381	532,319	n.a.
Results from sales of non current assets	10,448	92,465	-88.7%
PROFIT BEFORE TAX	125,728	91,128	38.0%
Corporate Tax	-36,774	-4,993	n.a.
RESULT FROM CONTINUING OPERATIONS	88,954	86,135	3.3%
RESULT FROM COMPANIES WITH DISCONTINUED OPERATIONS	0	0	n.a.
CONSOLIDATED RESULT	88,954	86,135	3.3%
Minorities	-48,682	-16,008	n.a.
NET ATTRIBUTABLE PROFIT	40,272	70,127	-42.6%
Gross margin	18.6%	16.7%	

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