Citizen Services

2014
Results Presentation

Madrid, March 2nd 2015

Finance Department
Investor Relations

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Restructuring completed

1.1 Capital structure enhanced

1.2 Financial profile improved

1.3 Balance sheet cleaning

1.4 Operational improvement on track

1.5 New governance structure

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Mr. Juan Béjar
CEO & 2nd Vice chairman

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%

Financial profile improved

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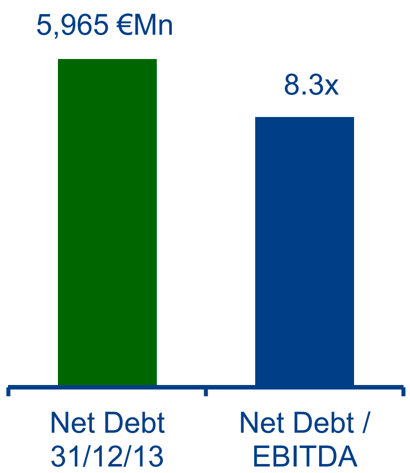
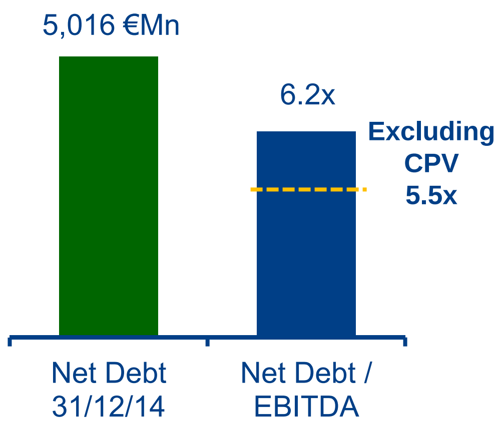
2013 Financial leverage

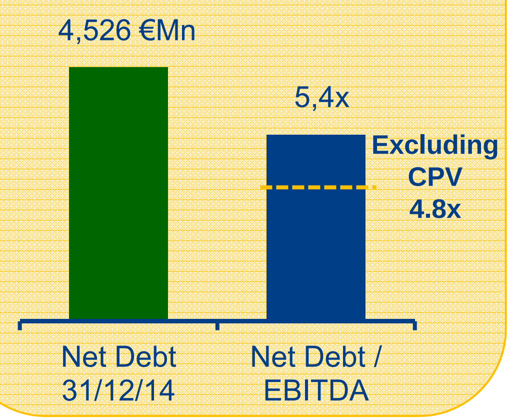


2014 Financial leverage

Tranche B considered as debt

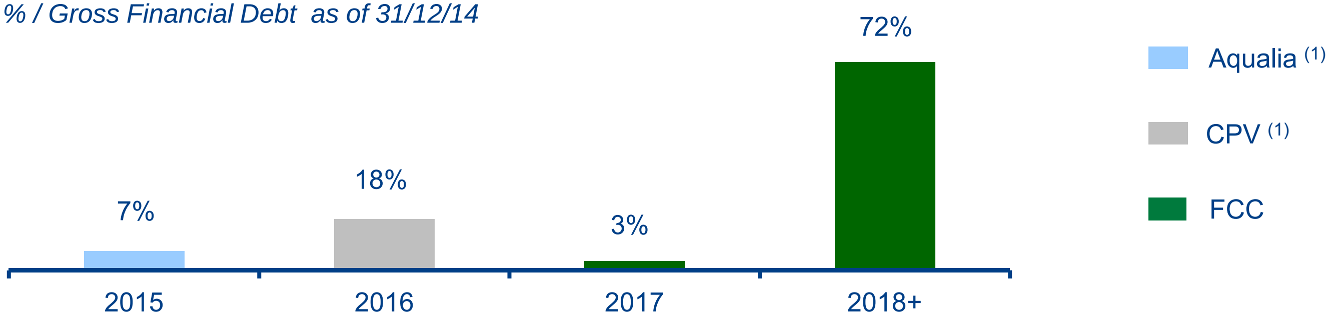


Tranche B considered as equity



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

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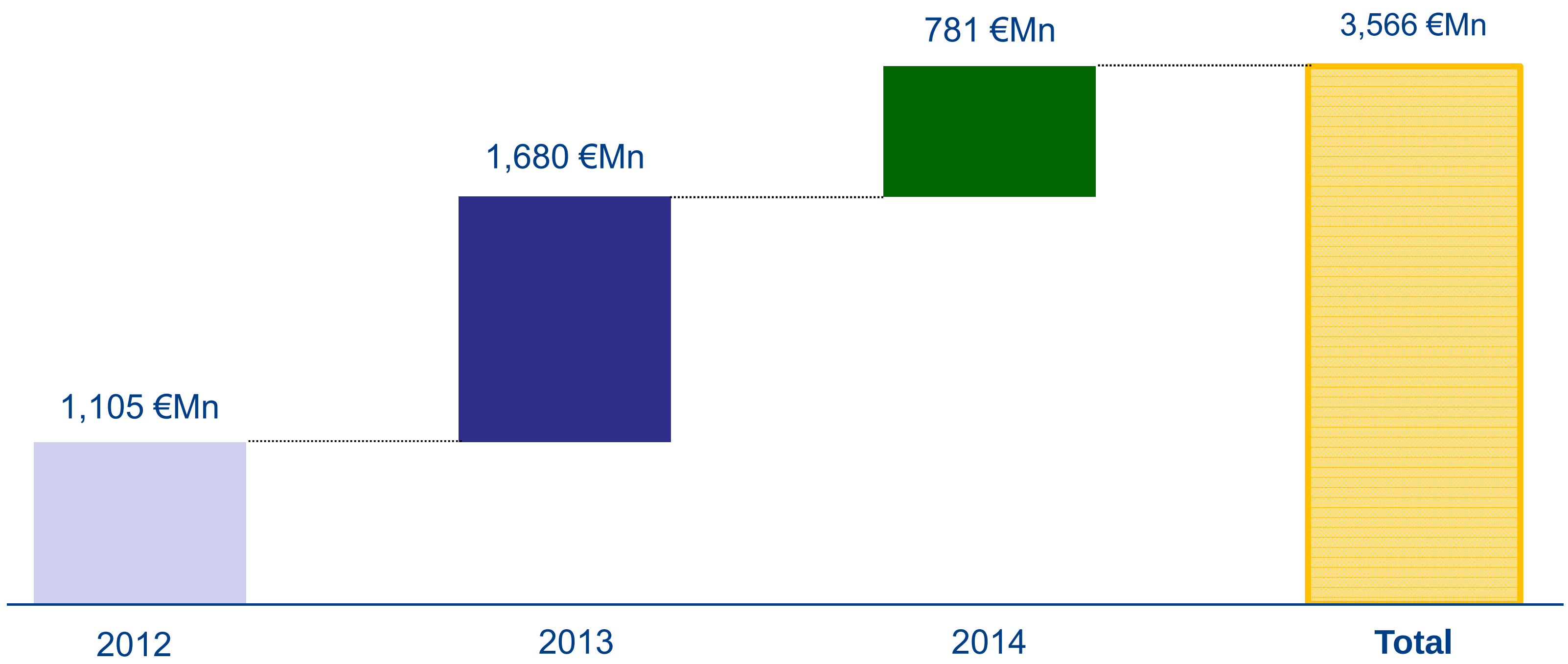
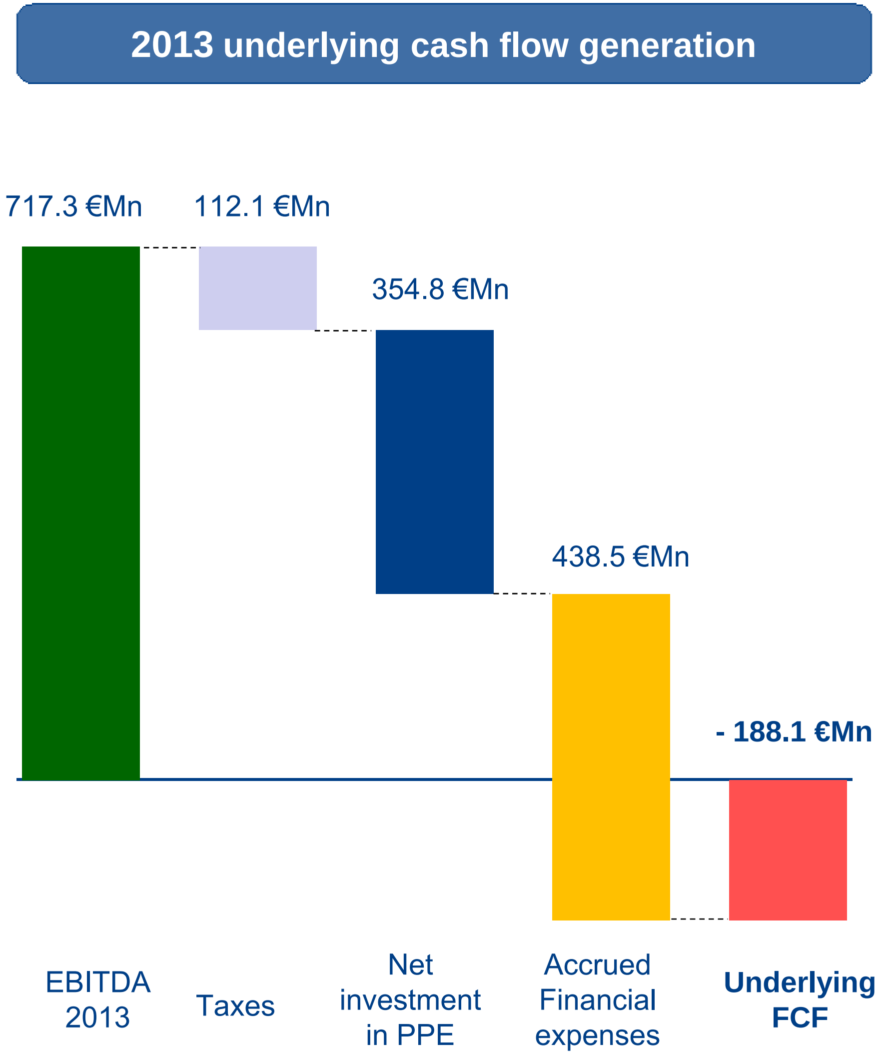
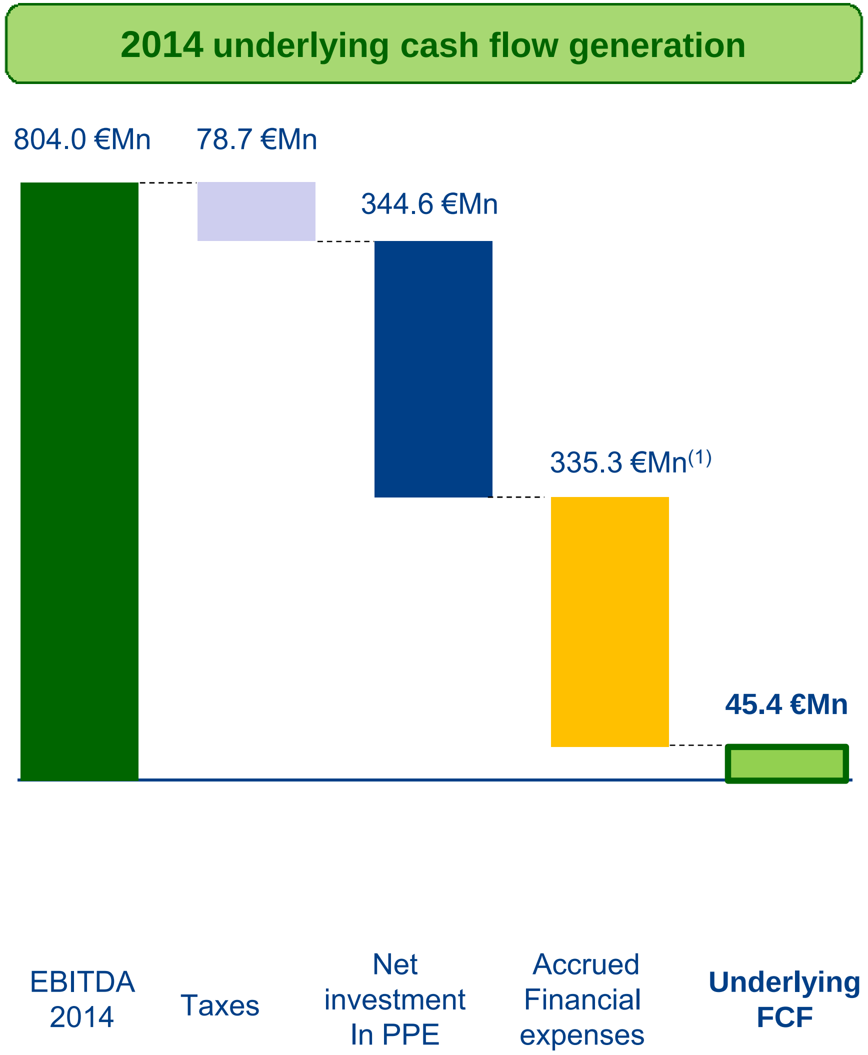
Non-recurrent provisions, impairments and discontinued operations results (2012 – 2014)



- 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



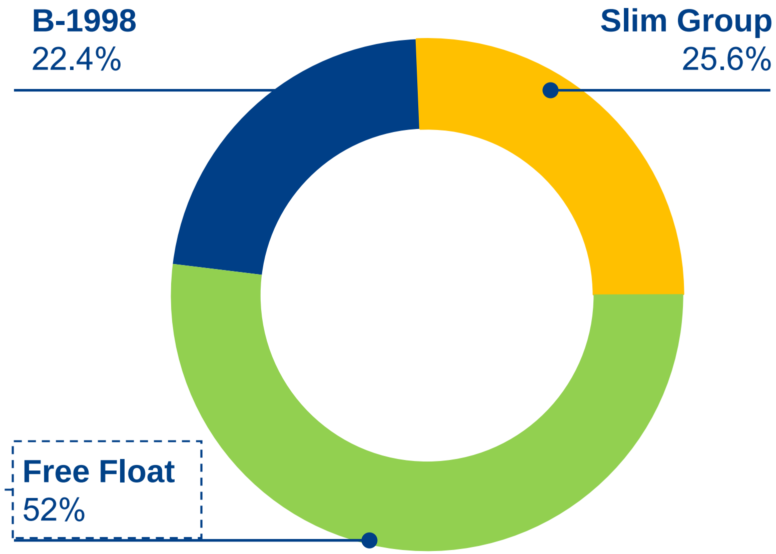


- Ongoing recovery of cash flow generation to be prolonged in the future

(1) Excludes 40.5 €Mn PIK from Tranche B

New governance structure

Shareholder base post capital increase



Other relevant shareholders:

- William H. Gates: 5.7%(2)

New board composition (1)

12 Members:

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

Board Commissions:

- Chaired by independent members
- Majority of independent members

(1) Subject to final approval by AGM
(2) As of latest communications to the CNMV (Spanish stock market regulator)

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2014 Results

2.1 Key Figures

2.2 Non-recurrent provisions and impairments

Mr. Juan Béjar
CEO & 2nd Vice chairman

Key figures

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

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

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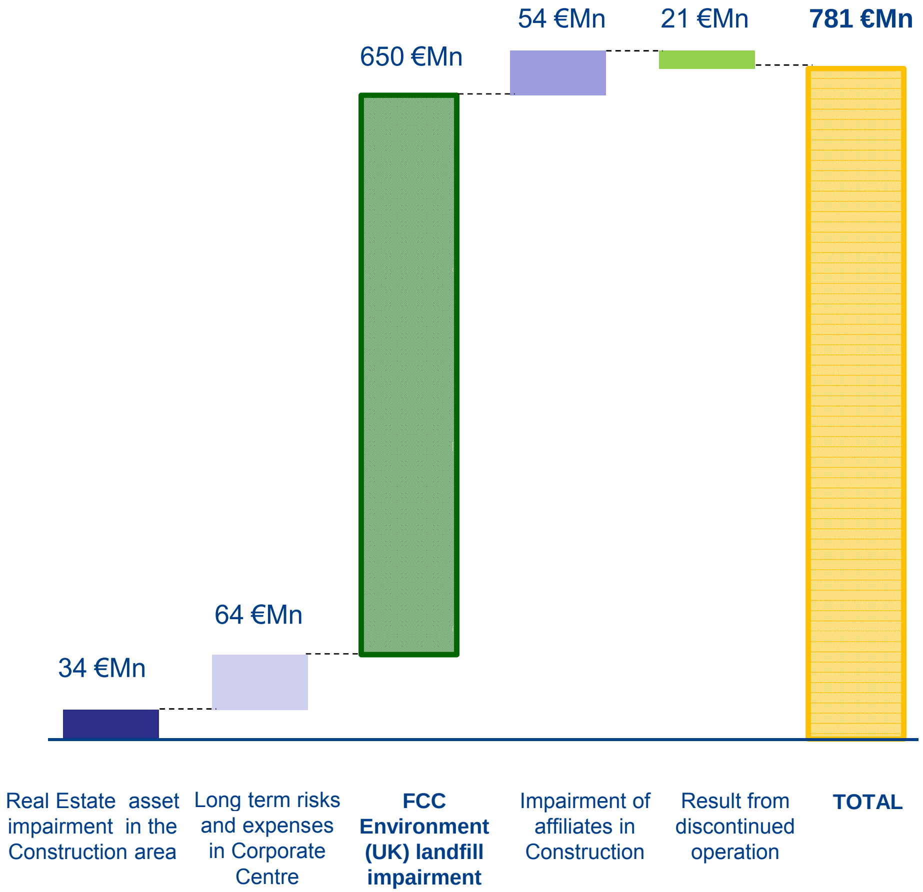
Non-recurrent provisions and impairments

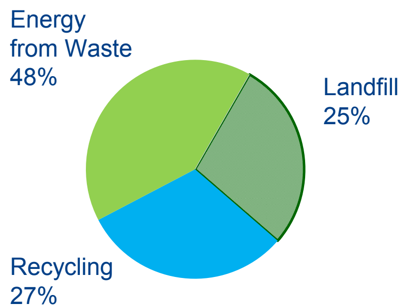
2014 non-recurrent provisions & impairments



FCC Environment UK impairment

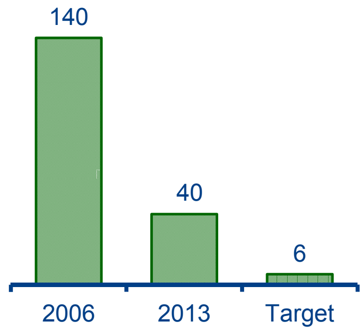
- Deterioration in the business coming from landfill activities which represented 25% of FCC Environment's EBITDA in 2014
  - Landfill Tax has increased by 281% since 2006 up to £80 / ton

EBITDA breakdown (1)



(1) Adjusted for corporate expenses and other minor activities

Number of landfills



Closure of landfills in order to improve future cash performance

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2014 Performance

3.1 Operating performance

3.2 Business Areas

3.3 Cash flow and net debt reduction

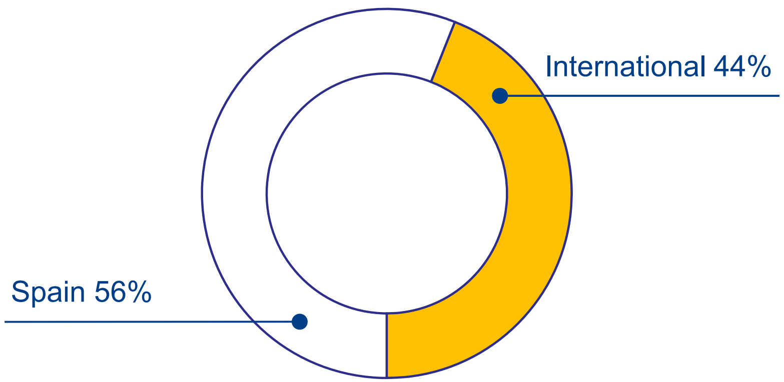
3.4 Debt structure and maturity

Mr. Victor Pastor
Corporate Finance Manager

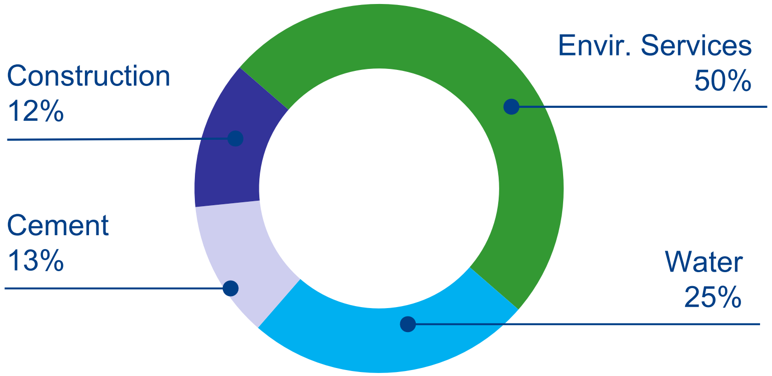
Operating performance

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

Revenues by region



EBITDA by business areas



Environmental Services

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

Environmental Services

2014 Main contracts

Barcelona urban waste collection

Edinburgh & Lothian energy from waste facility

Buckinghamshire energy from waste start up in 2014

Ponferrada urban waste collection and street cleaning

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

* Excludes investments in progress and equity accounted for 210 Mn€

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Water

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

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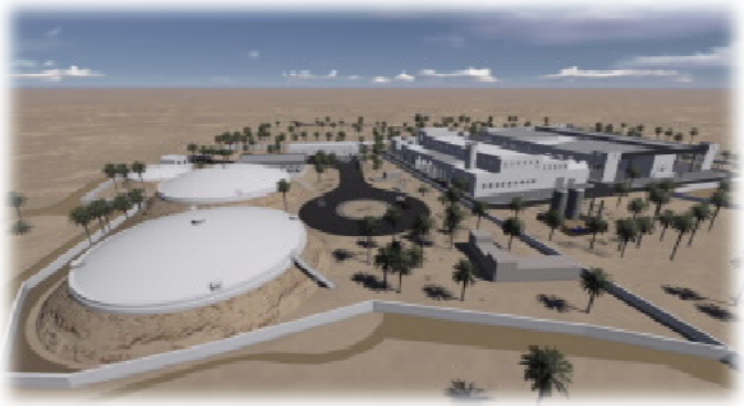
Water

2014 Main contracts



Djerba desalination plant (Tunis)

Water network (Cutzamala - México)

Transmarine pipeline (Uruguay)

Waste water tratment plant (Montenegro)

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

Construction

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

Construction

2014 Main contracts

Mersey bridge (Liverpool - UK)

Lima metro (Perú)

Doha metro (Qatar)

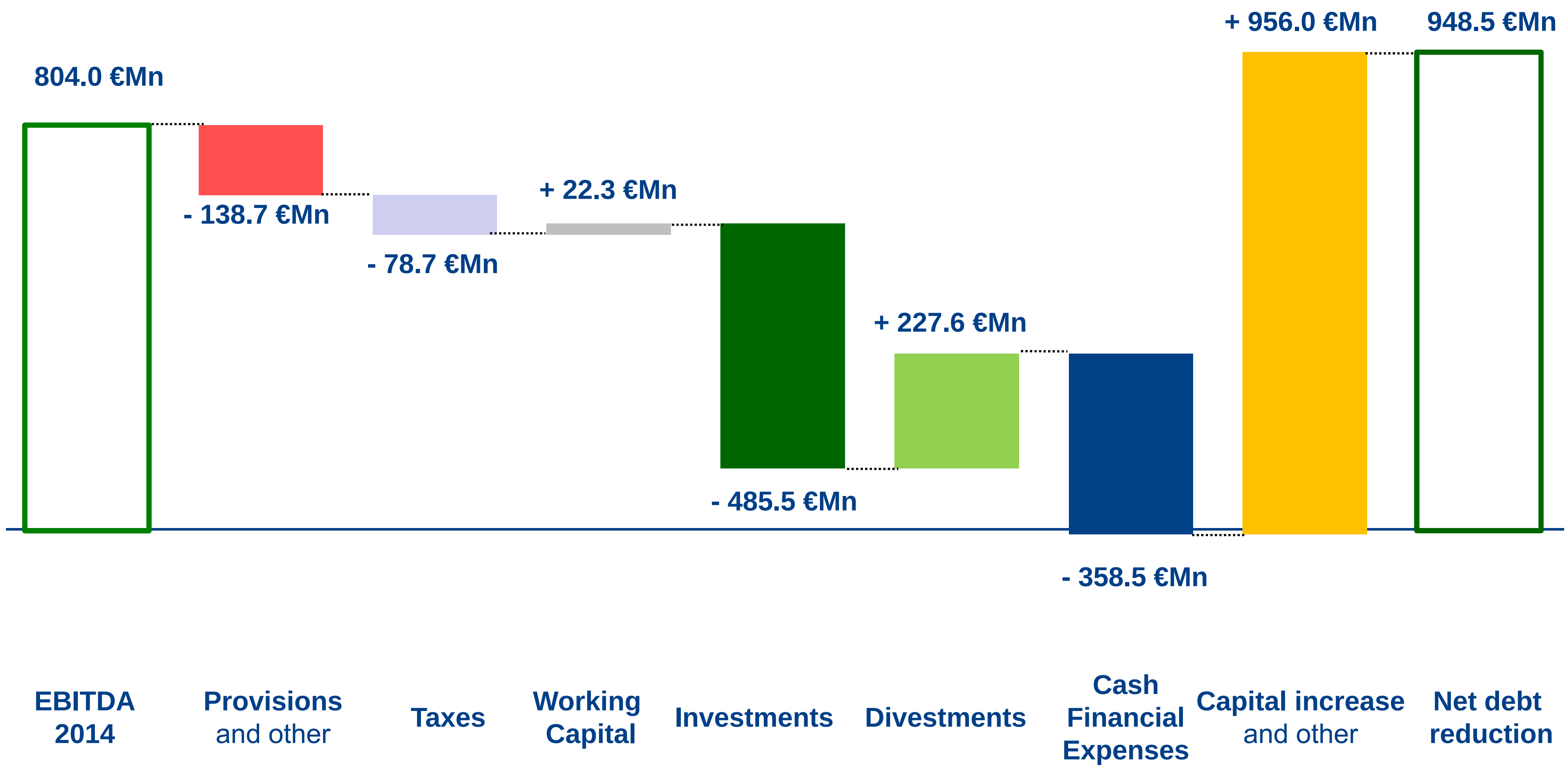
Chucas dam and hydro power plant (Costa Rica)

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

Cement

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

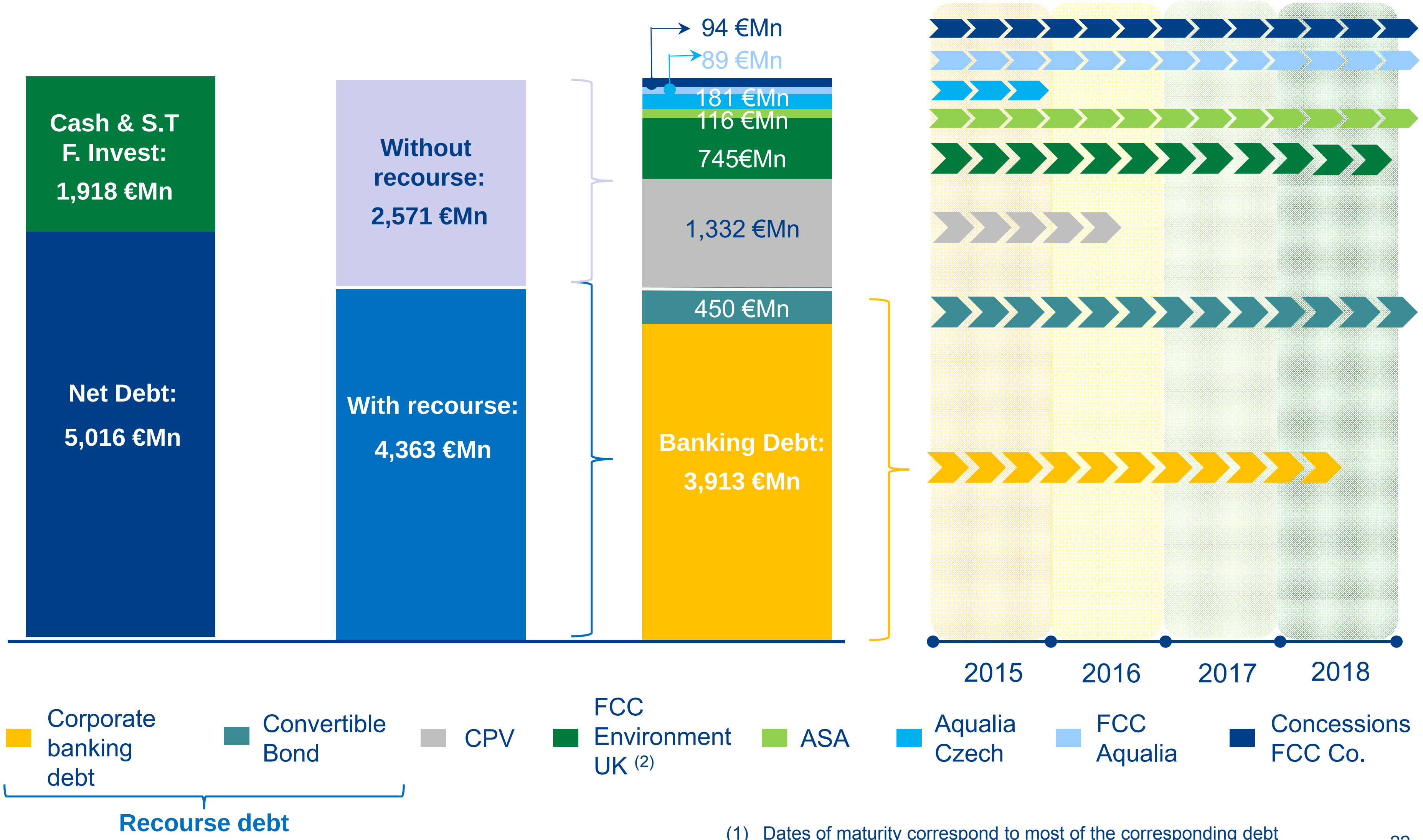
Cash flow and net debt reduction



Debt structure and maturity

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

Maturity (1)



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

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

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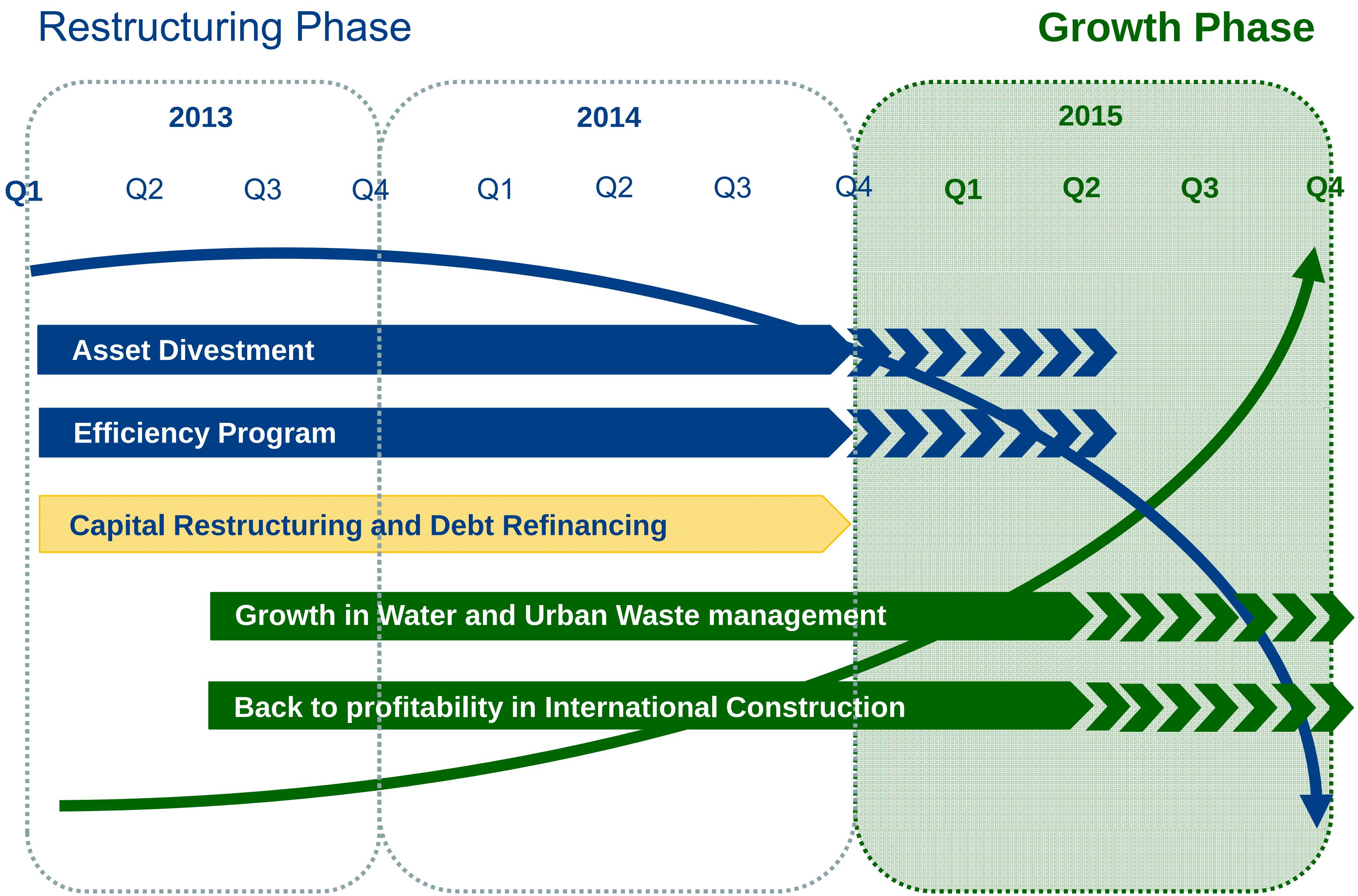
Strategic Plan

4.1 Development status

4.2 Next steps

Mr. Juan Béjar
CEO & 2nd Vice chairman

Development status



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 our leader position in Environmental Utilities in our mature markets

- Growth in waste management backed on regulatory requirements (recycling & treatment) in mature and new markets while pursuing global opportunities in EfW

- Drive water expansion based on new opportunities in end to end cycle management with related services and EPC. Special focus on LatAm, MENA and Eastern Europe

- Selective presence in specialized projects in the Construction area with priority on cash generation and return vs. size

- Continue to reduce financial leverage and deliver operational efficiency. Divestment program under review to maximize its return on investment

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We are in this together

Thank you