- **New awards:** Up to September the company has obtained 1.8 billion euros. Europe and the U.S. lead the new awards.
- **Exhaustive review of the order book.** Following the review, the Profit and Loss Account will make it possible to clearly visualise the rate of return of the company's projects, starting from the next quarter, with a profitable order book which will deliver an average gross margin on levels of 6.5%.
- **Aggressive costs reduction plan.** The company estimates that it will start 2019 with overhead costs below 160 million euros, without relinquishing its target of reducing them to levels of 4% on sales. In 2017, these costs were placed at 240 million, which means that they have decreased by 30%.
- **Recovery**. A gradual recovery of activity is expected, focussing on profit levels and organic cash generation in the recurring business.
- **Sound liquidity position.** Totalling 1 billion euros at the end of September.

14 / 11 / 2018. The new management team, which landed in OHL at the end of last July, is carrying out an in-depth transformation and reorganisation of the company for the purpose of making OHL a sustainable and profitable business. This situation is being reflected in its economic parameters. The company looks forward to a gradual recovery of its activity focussing on profit levels and organic cash generation in its recurring business.

With this objective, the new management has made a review of the projects and of the order book of its main business, at the same time as it has stepped up the implementation of an aggressive overhead costs reduction plan, which will involve an extensive restructuring of human resources and internal processes.

All of this will enable the company to give greater visibility to the capacity for recovery of the construction business and establish a clear roadmap leading to the generation of EBITDA and positive cash flow.

Following the review of the order book, based on strict revenue recognition criteria, the company now has a construction order book which, in the third quarter, was worth 5.2 billion euros, with close to 40% of its projects located in the U.S., 32% in Europe and 25% in Latin America.

It is expected that the projects in the order book will deliver an average gross margin of around 6.5% in the course of their performance, becoming visible as from the next quarter, while maintaining the target of progressively achieving 8%.

The new awards up to September totalled 1.8 billion euros, led by Europe (48%) and the U.S. (29%). Looking towards the coming months, the company expects to secure additional contracts originating from the U.S. and Europe.

Taking into account this scenario, the Profit and Loss Account for the first nine months of the financial year presents a turnover figure of 2 billion euros, declining 14% with respect to the same period in the previous year, affected principally by a slower pace of activity in Construction and Industrial. International operations account for 72% of the sales.

The Attributable Net Result was placed at -1.3 billion euros, affected by significant non-recurring transactions and effects. Following the adjustment process, the adjusted Attributable Net Result stands at -527.2 million. In this respect:

- The result reflects the revision of the final targets of the projects in the Construccion and Industrial order book, avoiding the inclusion of claims and change orders not considered as having a high probability of success. In all those projects that have a final expectation of negative result, by applying percentage of completion, all losses have been assumed at this moment. As a consequence of the criteria adopted, negative gross margins have been recognized in Construction and Industrial divisions in the amount of -286.1 million euros.
- The additional losses of 77 million euros of Phase I of the CHUM Hospital (Canada). Additionally, in anticipation of potential incidents, the company provision another 25 million euros. After having transferred the performance contract for Phase II of the project in its entirety to a local contractor, OHL no longer has any work whatsoever pending performance in this project.
- 550.5 million originating, principally, from an accounting adjustment in relation to the sale of OHL Concesiones, without any impact whatsoever on cash or net assets.
- The unfavourable outcome of the claim filed in the Xacbal Delta Hydropower Plant Project, (-28.8 million euros), and the costs of the Collective Redundancy Procedure and others totalling -32.2 million euros.
- -92.7 million euros as the net result contributed by the Developments business up to 30 September. This amount includes the net losses in the amount of -43.0 million euros associated with the sale of stakes in the Mayakoba hotels and other minor subsidiaries and the expected losses from the sale of Ciudad Mayakoba (-35.8 million euros without including the conversion reserves which will be posted once the sale has taken place).

Following the conclusion, on 12 April 2018, of the transaction for the sale and transfer of 100% of the share capital of OHL Concesiones to the fund, IFM, OHL has significantly reduced its debt, and its liquidity profile has improved substantially.

On completing the transaction, the Group obtained a net amount of 2 billion euros which has enabled it to:

- Reduce the company's gross debt by 54% with respect to the same period in the previous financial year, thereby eliminating practically all of its bank borrowings and maintaining a comfortable long-term debt profile in the amount of 666 million euros in bonds maturing in 2020, 2022 and 2023.
- Distribute on 6 June an interim dividend on 2018 earnings in the amount of 100 million euros (0.348981 euros per share).
- Significantly increase the company's liquidity, totalling 1 million euros at 30 September 2018.

OHL is placed in a comfortable liquidity position totalling 1 billion euros with a net cash situation of 345.1 million euros, which provides the company with the stability necessary for implementing its new Business Plan based on targets achievable on a 2020 horizon, including gross margins of 8%, reduction of overhead costs to levels of 4% and an EBITDA target of 5%, ensuring the sustainability of the business.