



# RESULTS REPORT

RESULTS FOR NINE MONTHS  
JANUARY - SEPTEMBER 2018



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## **DURO FELGUERA**

### **Results Report January - September 2018**

- This document reflects the basic financial information corresponding to the first nine months in the year. The Company has also published audited interim financial statements as of 31 July in order to facilitate the analysis of its financial situation.

#### **1. Main figures and milestones in the period**

- The Company satisfactorily concluded the capital increase and the restructuring of its financial debt, which enabled it to reach equity balance, and significantly improve the situation of treasury, as detailed in the audited financial statements as of 31 July.
- After the capital restructuring, improvement plans were started up, including the renegotiation of projects in the backlog, the re-launching of commercial activity and reinforcements in management. Even though the improved financial situation and the implementation of these actions led to a significant improvement in the EBITDA in the quarter, the year to September was affected by the situation from before the capital increase.
- The EBITDA was minus 56.1 million Euros. This is a consequence, as stated in the audited financial statements as of 31 July, of reduced activity, differences in projects of 30.2 million Euros (the total margin forecast for said projects was 44.9 million Euros), and the extraordinary provisions for 12.8 million Euros (corresponding to the impairment of accounts receivable in India and Termocentro for 7.3 million and the estimated risk in the arbitration for the Digestores de Medellín project in Colombia for 5.5 million Euros).
- The profit mainly reflects revenue for 199.3 million Euros from the financial restructuring, and as stated in the audited financial statements as of 31 July, the revenue of 215 million Euros from the financial restructuring and the expense for losing purchasing power in Argentina (6 million Euros), as a consequence of Argentina being classified as a hyperinflationary economy.



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<b>Main Figures for the Quarter</b>	<b>1<sup>st</sup> Quarter</b>	<b>2<sup>nd</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>
<b>Backlog</b>	1,070,455	953,635	892,711
<b>Sales</b>	97,810	124,409	88,248
<b>EBITDA</b>	-12,645	-35,537	-7,955
<b>Treasury at close</b>	54,768	47,822	123,130
<b>Gross debt at close</b>	339,719	339,915	109,099
<b>Net worth of parent company at close</b>	-173,683	-221,750	110,249

In thousands of Euros

- In the third quarter the EBITDA was minus 8 million Euros, which is significantly better than the minus 24 million booked in the first two quarters.
- The treasury position reached 123.1 million Euros and improved significantly in the third quarter, mainly because of the capital increase.
- The gross debt fell by 230.8 million Euros in the third quarter, mainly because of the debt restructuring.
- The net worth was in positive figures at the end of the third quarter, mainly as a result of the impact of the debt restructuring over the net profit.
- As for litigation, there were no significant differences in comparison to the situation in June.



## 2. P&L Account

P&L Account	Sep-18	Sep-17
<b>Total net sales</b>	<b>310,467</b>	<b>478,830</b>
<b>EBITDA</b>	<b>-56,137</b>	<b>2,887</b>
<b>EBIT</b>	<b>-61,835</b>	<b>1,502</b>
Financial result	199,336	-13,177
Result by equity	-	-140
<b>Profit before tax</b>	<b>137,501</b>	<b>-11,815</b>
Tax on earnings	-1,107	-1,484
<b>FY profit</b>	<b>136,394</b>	<b>-13,299</b>
Minority interests	-12,236	-1,807
<b>Net profit of the parent company</b>	<b>148,630</b>	<b>-11,492</b>

In thousands of Euros

## 3. Order intake, Backlog and Pipeline

	Sep-18	Sep-17
<b>Backlog</b>	892,711	1,305,738*
<b>Order intake</b>	69,199	547,835

In thousands of Euros

\* Net adjustment pro-forma value in backlog in November 2017 for -918 million Euros

Pipeline	Presented	In Preparation	Opportunities <sup>(2)</sup>
<b>Total</b>	<b>2,245</b>	<b>916</b>	<b>3,790</b>

In millions of Euros

(1) Bids being prepared which will be presented in the next 12 months.

(2) Commercial opportunities and bids presented with no confirmed decision deadline



#### 4. Consolidated Balance Sheet

<b>Balance Sheet</b>	<b>Sep-18</b>	<b>Dec-17</b>
Intangible assets	17,105	19,174
Material assets	47,371	76,697
Investment in assets	27,091	27,400
Investment by equity method	4,772	20
Long-term financial investment	5,488	6,003
Assets from deferred tax	41,984	11,032
<b>Non-current assets</b>	<b>143,811</b>	<b>140,326</b>
Non-current assets maintained for sale	4,512	27,395
Stock	16,130	22,196
Commercial debtors, other accounts receivable	422,141	473,724
Other current assets	2,197	4,480
Cash and other equivalent assets	123,130	90,579
<b>Current Assets</b>	<b>568,110</b>	<b>618,374</b>
<b>TOTAL ASSETS</b>	<b>711,921</b>	<b>758,700</b>
Net worth of parent company	110,249	-151,039
Minority interests	-24,056	-13,807
<b>Net Worth</b>	<b>86,193</b>	<b>-164,846</b>
Long-term provisions	1,377	3,393
Long-term debt	101,289	74,256
Other non-current liabilities	48,950	20,382
<b>Non-current liabilities</b>	<b>151,616</b>	<b>98,031</b>
Liabilities related to non-current assets maintained for sale	-	20,861
Short-term provisions	109,971	108,120
Short-term debt	7,810	268,395
Commercial creditors & other accounts payable	346,511	418,168
Other current liabilities	9,820	9,971
<b>Current Liabilities</b>	<b>474,112</b>	<b>825,515</b>



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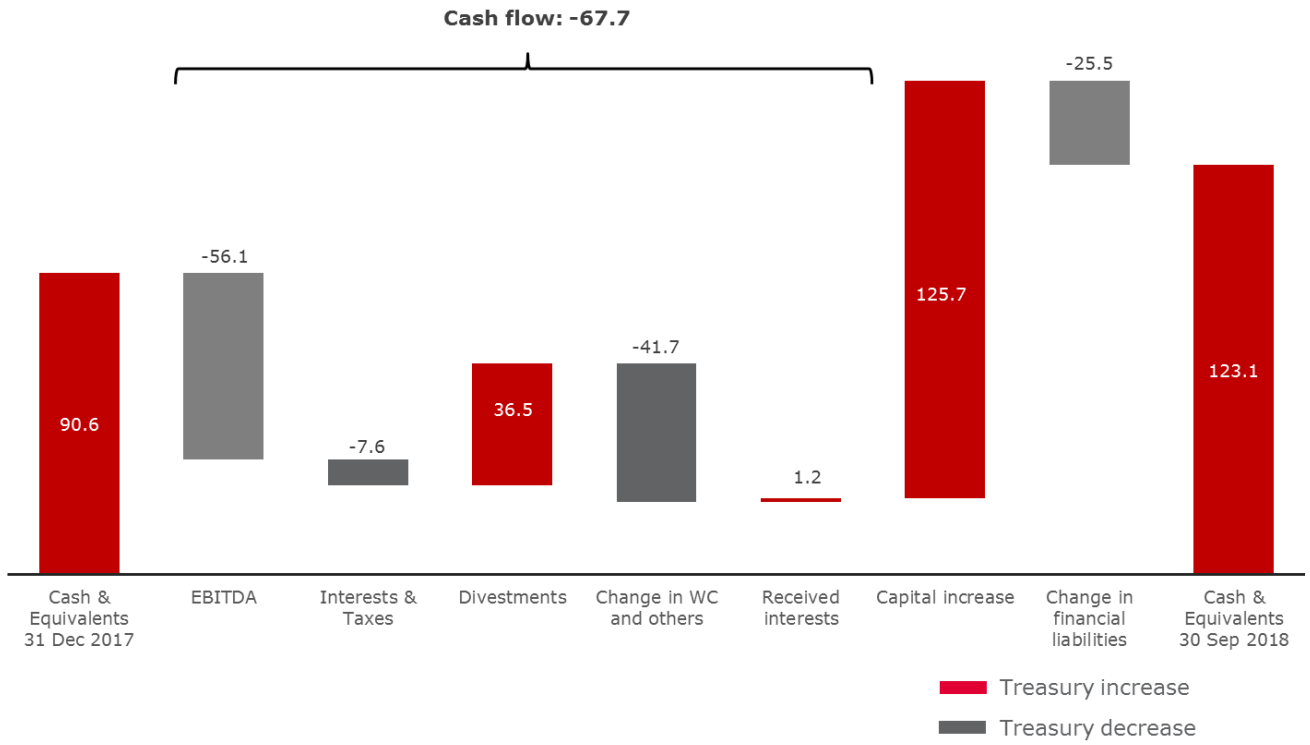
<b>TOTAL NET WORTH AND LIABILITIES</b>	<b>711,921</b>	<b>758,700</b>
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In thousands of Euros



### Treasury position



In millions of Euros



## 5. Significant Deeds in the Period

- On 4 January the Company reported the non-modification of the circumstances concerning disinvestments and the financial debt
- On 16 January the Company reported the subscription of the extension to the standstill agreement with its financial entities
- On 1 February the Company reported the replacement of the physical representative of the board member company Inversiones Somió, S.L.
- On 2 February the Company explained news published in the press
- On 21 February the Company explained news published in the press
- On 27 February the Company informed about the refinancing process with its financial entities
- On 27 February the Company sent further information about the refinancing process with its financial entities
- On 7 March the Company informed about the refinancing process with its financial entities
- On 14 March the Company sent information about the results for the second half of 2017
- On 14 March the Company sent the Annual Corporate Governance Report for FY 2017
- On 14 March the Company sent the Annual Report on Board Member Compensation for FY 2017
- On 14 March the Company reported the results for FY 2017
- On 20 March the Company notified the sentence by the Supreme Court of Western Australia in relation to the Roy Hill case
- On 26 March the Company reported the resignation of various Board Members
- On 31 March the Company reported the appointment of Independent Board Members
- On 16 April the Company reported on the refinancing process with its financial entities
- On 17 April the Company reported the signing of the extension to the standstill agreement with its financial entities
- On 27 April the Company notified the current status of the refinancing process with its main financial entities
- On 5 May the Company reported the proposal for financial restructuring
- On 11 May the Company reported that the Board of Directors had approved the terms and conditions proposed for the refinancing
- On 11 May the Company agreed to call the Annual General Meeting for 2018
- On 11 May the Company reported the accession of further financial entities to the terms and conditions of the refinancing proposed, exceeding 90% of the financial debt.





- On 15 May the Company delivered information about the results of the first quarter of 2018
- On 22 May the Company reported the accession of further financial entities to the terms and conditions of the refinancing proposed, thereby reaching 100% of the financial debt
- On 23 May the Company sent out the call for the Annual General Meeting
- On 24 May the Company reported changes in the composition of the Board of Directors Committees
- On 13 June the Company presented the strategic plan for 2018-2021
- On 14 June the Company reported the signing of a strategic alliance with *Arabian Construction Engineering Company (ACEC)*
- On 15 June the Company reported the Chairman's speech at the Annual General Meeting on 15 June 2018
- On 18 June the Company reported the agreements adopted by the Annual General Meeting held on 15 June 2018
- On 22 June the Company reported the notarization of the Refinancing Agreement
- On 25 June the Company reported the agreements adopted by the Annual General Meeting held on 25 June 2018
- On 27 June the Company reported the judicial acceptance of the refinancing agreement
- On 27 June the Company reported the registration at the Business registry of the capital operations agreed by the Annual General Meeting on 15 June 2018
- On 28 June the Company reported that the National Securities Market Commission (CNMV in Spanish) had registered as of today the ordinary share issue prospectus in its official records
- On 6 July the Company reported the interest of certain investors in taking part in the capital increase
- On 20 July the Company reported the provisional subscription data for the first and second rounds of the capital increase
- On 23 July the Company reported the definitive subscription data for the first and second rounds of the capital increase
- On 23 July the Company reported the capital increase data after the discretionary assignment period
- On 23 July the Company reported changes in the Board of Directors and its commissions
- On 25 July the Company reported the sale of its subsidiary Núcleo de Comunicaciones y Control
- On 27 July the Company reported the registration of the Capital Increase deed at the Business Registry of Asturias
- On 31 July the Company reported that the new shares had been accepted for trading



- On 2 August the Company reported the entire text of the Articles of Association after the amendments approved
- On 2 August the Company reported the sale of its subsidiary DF Rail
- On 30 August the Company reported the appointment by co-optation of the independent board member Mrs. Marta Elorza Trueba
- On 20 September the Company reported changes in the Board of Directors Commissions
- On 27 September the Company reported information about the results of the first half of 2018

## **6. Limited Responsibility**

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