



— SUMMARY REPORT —
1ST HALF 2018

Translation into English of the Summary Report for 1S-2018 originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails. Inhouse translation, under its sole responsibility and not deemed official.



INDEX:

1. Main accomplishments
2. Consolidated figures
3. Analysis by activity
4. Financial Statements
5. Contract Backlog
6. Legal disclaimer
7. Contact Information

1. MAIN ACCOMPLISHMENTS DURING THE PERIOD

MAIN AWARDINGS:

- **Reconstruction of a 73-kilometre road in Peru**

Provias Nacional has awarded SANJOSE Constructora the "Improvement of the Checca - Mazocruz Road" works in the Province of El Collao, (Puno region). It is a 73-kilometre-long infrastructure, which includes the construction of four bridges that will be developed at an altitude close to 4,000 metres and deemed of vital importance for the dynamization of the economic zone.

- **Refurbishment and improvement works of the Administrative Complex of San Caetano, in Santiago de Compostela, Headquarters of the Xunta de Galicia**

The Xunta de Galicia has awarded SANJOSE Constructora the refurbishment and improvement works of the thermal coating of the buildings of the Administrative Complex of San Caetano in Santiago de Compostela. This work, which will be co-financed by the European Regional Development Fund (ERDF), is the largest refurbishment work since this building became the Administrative Headquarters of the Xunta de Galicia in 1984.

- **Access to Lloseta from the MA-13 (Stage I) in Palma de Mallorca**

The Consell de Mallorca has awarded SANJOSE Constructora Stage I access to Lloseta from the MA-13 in Palma de Mallorca. The improvement of the connection of the Municipality of Lloseta will also entail works that will improve the safety of existing roads.

- **Pestana Douro Hotel in Gondomar, Porto (Portugal)**

Carlton Palácio - Sociedade de Construção e Exploração Hoteleira has awarded SANJOSE Constructora Portugal the execution works of the new "Pestana Douro Hotel" located on the banks of the Douro River in Gondomar, Oporto.

The new hotel, of 165 rooms, will be the result of the refurbishment, putting in value and conditioning for its new use of an old soap factory of the Portuguese town.

- **Kinda Home store in Oporto (Portugal)**

After carrying out Stage I of the project, consisting of the excavation and peripheral containment of the site, Chocolate - Sociedade Imobiliária has again entrusted SANJOSE Constructora Portugal the execution of the construction works (Stage II) of its new store of 27,323 square meters built on a plot of 9,203 square metres on the Oporto ring road.

- **Residential Hacienda Rosario (Stage II), Seville**

SANJOSE Constructora, which is currently executing Stage I (79 homes) of the Residencial Hacienda Rosario project in east Seville, has also been awarded by Espebe 27, S.L. the construction of the 63 homes that make up Stage II.

- **Residential Building Capitán en Teatinos (Stage II) in Málaga**

Inmobiliaria Osuna, for whom SANJOSE Constructora is currently executing the 55 homes that make up Stage I of the residential building Capitán in Teatinos de Málaga, has again entrusted the company the construction of the 78 homes that make up Stage II of the project.

- **Parque Goya Residencial in Móstoles, Madrid**

Alamedilla 2016 has awarded SANJOSE Constructora the execution of a residential complex of 125 homes, distributed in two buildings of 61 and 64 homes, storage rooms, garages and community pool to be developed in Goya Street 13 in Móstoles, Madrid.

- **Tres Valles Residencial in Tres Cantos, Madrid**

Promociones, Centros y Parques Residenciales, S.A. has awarded SANJOSE Constructora the execution works for a residential development of Tres Valles Residencial that will house 121 housing units, common areas and garages on plot 1.4 of La Charnela, in Tres Cantos.

- **Refurbishment of residential building at 77, Fuencarral Street in Madrid**

Inversiones Lombok has awarded SANJOSE Constructora the refurbishment works of the residential building, located in the central street of Fuencarral, number 77, with structural cataloging including restructuring and general conditioning of the building in order to adapt the conditions of accessibility and evacuation against fires, to improve its habitability and safety, as well as its thermal behaviour and energy efficiency always respecting the current volume of the same and adapting the projected to the property.

- **Residential Aviaccio in El Prat de Llobregat, Barcelona**

Promyva Inmuebles V has awarded to SANJOSE Constructora the execution works of the Residencial Aviaccio complex. This is a set of 42 housing units in social regime, consisting of two blocks of seven heights each, which include storage rooms, car parks, commercial premises and common areas, located in the Nou Eixemple area, in El Prat de Llobregat.

- **Sociocultural and sports centre in Esplugues de Llobregat, Barcelona**

The City Council of Esplugues de Llobregat has awarded SANJOSE Constructora the construction of a socio-cultural and sports centre of more than 5,500 square meters in the area of Can Vidalet neighbourhood in Barcelona.

OTHER MILESTONES:

▪ **The Louvre Abu Dhabi is granted three new awards at the MEED Projects Awards 2018 and the LEED Silver certification**

The Louvre Abu Dhabi Museum, designed by Jean Nouvel and built by SANJOSE, was granted at the MEED 2018 Awards ceremony in Dubai four major awards:

- UAE National Winner 2018.
- National Award of the United Arab Emirates 2018, Leisure and Tourism Project of the Year.
- Leisure and Tourism Project of the Year and MEED Quality Project of the Year.
- MEED Quality Project of the Year.

On the other hand, the Louvre Abu Dhabi has received the LEED Silver energy certification (Leadership in Energy and Environmental Design), a tool for certification of buildings of great international recognition accredited by the North American organization USGBC.

▪ **Three awards for the refurbishment of the residential building located at 37, Avenida da República in Lisbon (Portugal)**

The National Awards for Urban Refurbishment 2018 in Portugal have turned this project, carried out by Construtora Udra, into the winner of its sixth edition, after having been granted three awards:

- Award for the Best Residential Building,
- Award for the Best Intervention in Lisbon, and
- Award for the Best Structural Refurbishment Intervention.

▪ **Patented an innovative fog detection and dissipation system**

GSJ Solutions has designed an "R&D&i Project for a fixed and automatic system for detection and dissipation by mist precipitation using hygrometric agents". The system has been patented for use on motorways and railways, as well as being used in airport infrastructure. It consists of the dissipation of fog by means of a system of automatic diffusion by sprinklers/diffusers of a hygroscopic material, which agglutinates water droplets in the air giving rise to larger ones and which, due to this larger size, precipitate in the form of rain or snow, all housed in a fixed structure along the roadways.

The innovative system has been proposed to the Ministry of Development, within a public tender, to solve the problem existing on the A-8 Cantábrico highway as it passes through Alto do Fiouco, province of Lugo, which is frequently affected by dense and persistent fogs, with very specific characteristics and that seriously affect the visibility along 4 kilometres. This motorway has an average annual traffic intensity of more than 1,600,000 vehicles

2. MAIN CONSOLIDATED FIGURES

Main consolidated figures of Grupo SANJOSE for the first half of year 2018 (1S-2018), having recorded a EUR 12.1 million profit versus the EUR 7.9 million in the same period of previous year, are as follows.

| Thousands of euros | | | |
|----------------------------------|---------------|---------|---------|
| | Grupo SANJOSE | | |
| | Jun. 18 | Jun. 17 | Var.(%) |
| Revenue | 329,878 | 332,041 | -0.7% |
| Operating cash flow (EBITDA) | 20,393 | 20,381 | 0.1% |
| | EBITDA margin | 6.2% | 6.1% |
| Ordinary operating profit (EBIT) | 21,665 | 17,648 | 22.8% |
| | EBIT margin | 6.6% | 5.3% |
| Earnings before tax | 18,352 | 11,869 | 54.6% |
| Income tax | -6,203 | -3,987 | 55.6% |
| Profit/(Loss) for the period | 12,149 | 7,882 | 54.1% |

To be highlighted:

- **EUR 12.1 million net profit for 1S-2018, 54.1% increase with regards to the same period of the previous year.**
- **22.8% increase in the operating profit, with regards to the same period of the previous year.**
- **Construction activity contributes 86% total activity of the Group, and EBITDA of this activity represents 60% total EBITDA of Grupo SANJOSE.**

Revenue:

Net revenue of Grupo SANJOSE for 1S-2018 stands at EUR 329.9 million, recording almost the same level as the same period of the previous year.

One more quarter, the construction business activity of Grupo SANJOSE keeps gaining importance within the Group's revenue; turnover of this line of activity for the first half of year 2018 amounts to EUR 283.6 million and represents 86% total revenue for the period.

At 30 June 2018, backlog amounts to EUR 1,886 million, experimenting a 15.7% increase with regards to 2017-year end. Construction activity represents 63% total backlog of the Group at the end of the first half of 2018.

Revenue of Grupo SANJOSE by type of activity is as follows:

Thousands of euros

| Revenues by activity | Grupo SANJOSE | | | | |
|--------------------------------------|----------------|-------|----------------|-------|--------------|
| | Jun. 18 | | Jun. 17 | | Var.(%) |
| Construction | 283,569 | 86.0% | 291,392 | 87.7% | -2.7% |
| Real estate and property development | 1,624 | 0.5% | 3,472 | 1.0% | -53.2% |
| Energy | 4,710 | 1.4% | 5,939 | 1.8% | -20.7% |
| Concessions and services | 24,687 | 7.5% | 23,591 | 7.1% | 4.6% |
| Adjustment and other | 15,288 | 4.6% | 7,647 | 2.3% | |
| TOTAL | 329,878 | | 332,041 | | -0.7% |

The international market gains significant importance for Group SANJOSE, representing 51% total revenue of the Grupo for the first half of 2018, highlighting also a slow recovery of the domestic market, contributing 49% total revenue of the Group.

Thousands of euros

| Revenues by geography | Grupo SANJOSE | | | | |
|-----------------------|----------------|-----|----------------|-----|--------------|
| | Jun. 18 | | Jun. 17 | | Var.(%) |
| National | 163,053 | 49% | 132,447 | 40% | 23.1% |
| International | 166,825 | 51% | 199,594 | 60% | -16.4% |
| TOTAL | 329,878 | | 332,041 | | -0.7% |

Profit:

EBITDA of Grupo SANJOSE for 1S-2018 amounts to EUR 20.4 million, representing 6.2% on net revenue, recording almost the same volume and margin levels achieved in the 1S-2017.

The Construction line of activity provides in 1S-2018 an EBITDA amounting to EUR 12.2 million.

Also noteworthy was the evolution of the Concessions & Services business line of activity, where EBITDA increased by 79.1% in 1S-2018 with regards to the same period of the previous year.

Translation into English of the summary report of the 1st half of 2018 originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails. In-house translation, under its sole responsibility and not deemed official.

Breakdown of EBITDA by sector for the first half of years 2018 and 2017 is as follows:

| Thousands of euros | | | | | |
|--------------------------------------|---------------|-------|---------------|-------|-------------|
| EBITDA by activity | Grupo SANJOSE | | | | |
| | Jun. 18 | | Jun. 17 | | Var.(%) |
| Construction | 12,223 | 60.0% | 13,216 | 64.9% | -7.5% |
| Real estate and property development | 40 | 0.2% | 1,094 | 5.4% | -96.4% |
| Energy | 1,449 | 7.1% | 1,901 | 9.3% | -23.8% |
| Concessions and services | 1,524 | 7.5% | 851 | 4.1% | 79.1% |
| Adjustment and other | 5,158 | 25.3% | 3,319 | 16.3% | |
| TOTAL | 20,393 | | 20,381 | | 0.1% |

EBIT of Grupo SANJOSE for 1S-2018 amounts to EUR 21.7 million, improving in 22.8% with regards to the same period of the previous year and representing a 6.6% margin on net revenue.

Profit after tax of Grupo SANJOSE for 1S-2018 amounts to EUR 12.1 million.

3. ANALISYS BY SECTOR

3.1 Construction:

This construction line of activity has generated revenues for EUR 283.6 million during 1S-2018, representing a 2.7% decrease compared to the same period of the previous year.

EBITDA for 1S-2018 stands at EUR 12.2 million, representing a 4.3% margin on sales.

At the end of the first half of 2018, project backlog for this line of activity amounts to EUR 1,196 million.

Thousands of euros

| CONSTRUCTION | Grupo SANJOSE | | |
|---|---------------|---------|---------|
| | Jun. 18 | Jun. 17 | Var.(%) |
| Revenue | 283,569 | 291,392 | -2.7% |
| Earnings before interest, taxes, D&A (EBITDA) | 12,223 | 13,216 | -7.5% |
| EBITDA margin | 4.3% | 4.5% | |
| Earnings before interest and taxes (EBIT) | 12,075 | 12,246 | -1.4% |
| EBIT margin | 4.3% | 4.2% | |
| Earnings before tax of continued operations | 9,499 | 4,618 | 105.7% |

Revenue breakdown for this line of activity of Grupo SANJOSE, taking into consideration the main types of business, as well as the geographical distribution, is as follows:

Thousands of euros

| DETAIL OF CONSTRUCTION REVENUES | National | | Internac. | | Total | |
|---------------------------------|----------------|------------|----------------|------------|----------------|-------|
| Civil works | 9,512 | 7.1% | 11,090 | 7.4% | 20,602 | 7.3% |
| Non residential building | 89,441 | 66.8% | 92,893 | 62.0% | 182,335 | 64.2% |
| Residential building | 28,971 | 21.6% | 45,473 | 30.4% | 74,442 | 26.3% |
| Industrial | 5,689 | 4.2% | 74 | 0.0% | 5,763 | 2.0% |
| Others | 264 | 0.2% | 162 | 0.1% | 425 | 0.1% |
| TOTAL | 133,877 | 47% | 149,692 | 53% | 283,569 | |

Construction revenue at international level for 1S-2018 stands at EUR 149.7 million, representing 53% total revenue of this line of activity.

On the other hand, sales at domestic market stand at EUR 133.9 million compared to EUR 109.4 million for the same period of the previous year, recording a 22.7% increase and experiencing a recovery of the activity at domestic level.

Sales at domestic market represent 47% revenue of the Construction line of activity.

3.2 Real estate:

Revenue for 1S-2018 for the real estate activity of Grupo SANJOSE stands at EUR 1.6 million.

As previously stated on former reports, the decrease of the real estate activity of the Group is due to the complete commissioning of the residential development Parques de la Huaca in Peru (3,072 housing units).

In order to mitigate this reduction of activity and relying on the positive performance of the real estate market in Peru, the Group acquired a new plot of land at the end of 2016.

Grupo SANJOSE is currently carrying out the construction works of stage I of the new real estate development "Nuevavista", reaching commercialisation levels of stage I over 50%, so it expects to gradually recover the turnover and profit levels recorded in past quarters in this line of activity.

Thousands of euros

| REAL ESTATE AND PROPERTY DEVELOPMENT | Grupo SANJOSE | | |
|---|---------------|---------|---------|
| | Jun. 18 | Jun. 17 | Var.(%) |
| Revenue | 1,624 | 3,472 | -53.2% |
| Earnings before interest, taxes, D&A (EBITDA) | 40 | 1,094 | -96.4% |
| EBITDA margin | 2.4% | 31.5% | |
| Earnings before interest and taxes (EBIT) | 12 | 1,150 | -99.0% |
| EBIT margin | 0.7% | 33.1% | |
| Earnings before tax of continued operations | 556 | 2,370 | -76.5% |

3.3 Energy:

Net revenue for 1S-2018 stands at EUR 4.7 million.

The EBITDA percentage over total sales for this line of activity for 1S-2018 stands at 30.8%, slightly lower to that for the same period of the previous year, yet the energy lone of activity represents stability and recurrence.

Thousands of euros

| ENERGY | Grupo SANJOSE | | |
|---|---------------|---------|---------|
| | Jun. 18 | Jun. 17 | Var.(%) |
| Revenue | 4,710 | 5,939 | -20.7% |
| Earnings before interest, taxes, D&A (EBITDA) | 1,449 | 1,901 | -23.8% |
| EBITDA margin | 30.8% | 32.0% | |
| Earnings before interest and taxes (EBIT) | 707 | 941 | -24.9% |
| EBIT margin | 15.0% | 15.8% | |
| Earnings before tax of continued operations | 433 | 611 | -29.2% |

Grupo SANJOSE has for this line of activity at 1S-2018 a contracted backlog amounting to EUR 492 million, which are materialised as higher activity of the Group in an average period of approximately 25 years.

3.4 Concessions & Services:

Net turnover for 1S-2018 for concessions & services stands at EUR 24.7 million, recording a 4.6% increase with regards to that of the same period in the previous year.

There was a significant improvement in the EBITDA of this line of activity, reaching EUR 1.5 million, representing an increase of 79.1%,

| Thousands of euros | | | |
|---|----------------------|----------------|----------------|
| CONCESSIONS AND SERVICES | Grupo SANJOSE | | |
| | Jun. 18 | Jun. 17 | Var.(%) |
| Revenue | 24,687 | 23,591 | 4.6% |
| Earnings before interest, taxes, D&A (EBITDA) | 1,524 | 851 | 79.1% |
| EBITDA margin | 6.2% | 3.6% | |
| Earnings before interest and taxes (EBIT) | 1,182 | 757 | 56.2% |
| EBIT margin | 4.8% | 3.2% | |
| Earnings before tax of continued operations | 3,312 | 1,045 | 216.8% |

At 1S-2018, contracted backlog of the Group for this line of activity amounts to EUR 198 million.

4. FINANCIAL STATEMENTS

Consolidated Management Income Statement

Thousands of euros

| | Grupo SANJOSE | | | | |
|--|----------------|---------------|----------------|---------------|---------------|
| | Jun. 18 | | Jun. 17 | | Variac. |
| | Amount | % | Amount | % | |
| Revenue | 329,878 | 100.0% | 332,041 | 100.0% | -0.7% |
| Other operating income | 1,749 | 0.5% | 29 | 0.0% | 5923.0% |
| Change in inventories | 57 | 0.0% | -25 | 0.0% | -- |
| Procurements | -214,251 | -64.9% | -220,366 | -66.4% | -2.8% |
| Staff costs | -53,843 | -16.3% | -53,295 | -16.1% | 1.0% |
| Other operating expenses | -43,196 | -13.1% | -38,003 | -11.4% | 13.7% |
| EBITDA | 20,393 | 6.2% | 20,381 | 6.1% | 0.1% |
| Amortisation charge | -2,450 | -0.7% | -4,042 | -1.2% | -39.4% |
| Impairment on inventories | 58 | 0.0% | 108 | 0.0% | -46.1% |
| Changes in trade provisions and other impairment | 3,664 | 1.1% | 1,201 | 0.4% | 205.1% |
| EBIT | 21,665 | 6.6% | 17,648 | 5.3% | 22.8% |
| Ordinary financial results | -3,681 | -1.1% | -3,175 | -1.0% | 15.9% |
| Foreign exchange results and others | 1,322 | 0.4% | -2,240 | -0.7% | -- |
| NET FINANCIAL RESULT | -2,359 | -0.7% | -5,415 | -1.6% | -56.4% |
| Results on equity method | -954 | -0.3% | -364 | -0.1% | 162.2% |
| PROFIT BEFORE TAX | 18,352 | 5.6% | 11,869 | 3.6% | 54.6% |
| Income tax | -6,203 | -1.9% | -3,987 | -1.2% | 55.6% |
| CONSOLIDATED PROFIT | 12,149 | 3.7% | 7,882 | 2.4% | 54.1% |

- **EBIT:** it improves in 22.8% with regards to the same period of 2017.
- **Financial result:** it improves in 56.4% with regards to the same period of 2017.
- **Profit for the period:** profit for the 1S-2018 amounts to EUR 12.1 million (EUR 7.9 million for the same period of the previous year), recording a 54.1% increase.

During the first half of year 2018, the partial split off of the associate company "Cresca, SA" was materialised, increasing on the consolidated income statement of the Group the operating income and financial result in EUR 3,427 thousand and EUR 6,294 thousand, respectively. Likewise, it should be noted that during the first half of year 2018, the Group recorded an additional impairment due to prudential criteria of certain financial assets in a claim situation, for a total amount of EUR 7,465 thousand.

Consolidated Management Balance Sheet

Thousands of euros

| | Jun. 18 | | Dic. 17 | | Var. |
|--|----------------|---------------|----------------|---------------|---------------|
| | Amount | % | Amount | % | |
| Intangible assets | 18,998 | 2.1% | 19,581 | 2.0% | -3.0% |
| Property, plant and equipment | 67,327 | 7.4% | 45,349 | 4.7% | 48.5% |
| Real state investments | 2,390 | 0.3% | 3,297 | 0.3% | -27.5% |
| Investments in associates and JV | 40,815 | 4.5% | 50,373 | 5.2% | -19.0% |
| Long term financial investments | 81,904 | 9.0% | 123,481 | 12.7% | -33.7% |
| Deferred taxes assets | 34,999 | 3.9% | 35,135 | 3.6% | -0.4% |
| Goodwill on consolidation | 9,984 | 1.1% | 9,984 | 1.0% | 0.0% |
| TOTAL NON-CURRENT ASSETS | 256,417 | 28.2% | 287,200 | 29.8% | -10.7% |
| Inventories | 107,398 | 11.8% | 104,704 | 10.9% | 2.6% |
| Trade and other receivables | 252,299 | 27.8% | 258,412 | 26.8% | -2.4% |
| Other short term financial investments | 76,850 | 8.5% | 91,206 | 9.5% | -15.7% |
| Short-term accruals | 2,380 | 0.3% | 2,720 | 0.3% | -12.5% |
| Cash and cash equivalents | 212,814 | 23.4% | 220,134 | 22.8% | -3.3% |
| TOTAL CURRENT ASSETS | 651,741 | 71.8% | 677,176 | 70.2% | -3.8% |
| TOTAL ASSETS | 908,158 | 100.0% | 964,376 | 100.0% | -5.8% |

Thousands of euros

| | Jun. 18 | | Dic. 17 | | Var. |
|---|----------------|---------------|----------------|---------------|---------------|
| | Amount | % | Amount | % | |
| Equity attributable to shareholders of the parent | 58,329 | 6.4% | 58,645 | 6.1% | -0.5% |
| Minority interest | 23,388 | 2.6% | 20,866 | 2.2% | 12.1% |
| TOTAL EQUITY (*) | 81,717 | 9.0% | 79,511 | 8.2% | 2.8% |
| Long term provisions | 30,962 | 3.4% | 30,313 | 3.1% | 2.1% |
| Long term financial liabilities | 269,113 | 29.5% | 311,625 | 32.3% | -13.6% |
| Long term derivative financial contracts | 469 | 0.1% | 591 | 0.1% | -20.7% |
| Deferred taxes liabilities | 17,943 | 2.0% | 19,541 | 2.0% | -8.2% |
| Long-term accruals | 864 | 0.1% | 904 | 0.1% | -4.4% |
| TOTAL NON CURRENT LIABILITIES | 319,351 | 35.2% | 362,974 | 37.6% | -12.0% |
| Short term provisions | 35,678 | 3.9% | 37,895 | 3.9% | -5.8% |
| Short term financial liabilities | 64,393 | 7.1% | 65,828 | 6.8% | -2.2% |
| Trade accounts and other current payables | 407,019 | 44.8% | 418,168 | 43.5% | -2.7% |
| TOTAL CURRENT LIABILITIES | 507,090 | 55.8% | 521,891 | 54.2% | -2.8% |
| TOTAL EQUITY & LIABILITIES | 908,158 | 100.0% | 964,376 | 100.0% | -5.8% |

(*) **Management Net Equity:** EUR 109.5 million and EUR 107.9 million have been recorded under this item at 30 June 2018 and 31 December 2017, respectively, as shareholder loan of Grupo Empresarial San José, S.A.

Net financial position

Thousands of euros

| NET CASH POSITION | Jun. 18 | | Dic. 17 | | Var. |
|--|----------------|-------------|----------------|-------------|---------------|
| | Amount | % | Amount | % | |
| Other short term financial investments | 76,850 | 26.5% | 91,206 | 29.3% | -15.7% |
| Cash and cash equivalents | 212,814 | 73.5% | 220,134 | 70.7% | -3.3% |
| Total cash | 289,664 | 100% | 311,340 | 100% | -7.0% |
| Long term financial liabilities (*) | 269,113 | 80.6% | 311,625 | 82.4% | -13.6% |
| Long term derivative financial contracts | 469 | 0.1% | 591 | 0.2% | -20.7% |
| Short term financial liabilities | 64,393 | 19.3% | 65,828 | 17.4% | -2.2% |
| Total debt | 333,975 | 100% | 378,044 | 100% | -11.7% |
| TOTAL NCP | 44,311 | | 66,704 | | -33.6% |

Net cash position at 1S-2018 amounts to EUR 44.3 million compared to EUR 66.7 million at 31 December 2017, recording a 33.6% decrease.

Liabilities are reduced by 11.7%, mainly due to the annual regular amortisation of the issuance of bonds of the Group in Chile and the syndicated debt in Spain.

Net cash position at 30 June 2018 includes the funding of other non-recourse projects of Grupo SANJOSE for EUR 108.5 million.

5. PROJECT BACKLOG

Millions of euros

| BACKLOG by segment | Grupo SANJOSE | | | | |
|---------------------------------|---------------|-------------|--------------|-------------|--------------|
| | Jun. 18 | | Dic. 17 | | Var.(%) |
| Construction | 1,196 | 63% | 916 | 56% | 30.6% |
| Civil works | 245 | 13.0% | 176 | 10.9% | 39.3% |
| Non residential building | 651 | 34.4% | 537 | 33.1% | 21.2% |
| Residential building | 290 | 15.4% | 195 | 12.0% | 49.1% |
| Industrial | 10 | 0.5% | 8 | 0.5% | 27.7% |
| Energy | 492 | 26% | 496 | 30% | -0.8% |
| Concessions and services | 198 | 11% | 218 | 13% | -9.1% |
| Maintenance | 15 | 2% | 19 | 1% | -24.0% |
| Concessions | 183 | 10% | 200 | 12% | -8.1% |
| TOTAL BACKLOG | 1,886 | 100% | 1,630 | 100% | 15.7% |

Millions of euros

| BACKLOG by geography | Grupo SANJOSE | | | | |
|----------------------|---------------|------------|--------------|------------|--------------|
| | Jun. 18 | | Dic. 17 | | Var.(%) |
| National | 1,169 | 62% | 909 | 56% | 28.5% |
| International | 717 | 38% | 721 | 44% | -0.5% |
| TOTAL BACKLOG | 1,886 | | 1,630 | | 15.7% |

Millions of euros

| BACKLOG by client | Grupo SANJOSE | | | | |
|-----------------------|---------------|------------|--------------|------------|--------------|
| | Jun. 18 | | Dic. 17 | | Var.(%) |
| Public client | 855 | 45% | 916 | 56% | -6.7% |
| Private client | 1,031 | 55% | 714 | 44% | 44.5% |
| TOTAL BACKLOG | 1,886 | | 1,630 | | 15.7% |

Project backlog for the 1S-2018 amounts to EUR 1,886 million, recording a 15.7% increase with regards to that at 31 December 2017.

The portfolio of the construction area experienced an increase of 30.67%, reaching EUR 1,196 million.

6. LEGAL DISCLAIMER

The present document contains financial information prepared in accordance to International Financial Reporting Standards (IFRS).

Neither the company, nor its advisers nor its representatives, assume responsibility of any kind, due to negligence or any other concept, with respect to damages or losses arising as a result of any use of this document or its contents.

The present document does not represent an offer or an invitation to purchase or subscribe for any share of stock, in accordance with the provisions of Law 24/1998, dated July 28, of the Securities Markets, in the Royal Decree-Law 5/2005, dated March 11th and/or in the Royal Decree 1310/2005, dated November 4th, and its regulations.

This document does not represent either an offer to buy, sell or exchange, or a request to buy, sell or exchange any securities, or a request for voting or approval in any jurisdiction.

This document or any part of it does not constitute a contract, nor can it be used to supplement or interpret any contract or any other commitment.

7. CONTACT INFORMATION

General Manager of Finance and Administration – **Grupo SANJOSE**

Mailing Address: Ronda de Poniente, 11 – 28760 Tres Cantos – Madrid.

Website: www.grupo-sanjose.com

E-mail: accionistas@gruposanjose.biz

ir@gruposansjose.biz