



—SUMMARY REPORT  
1<sup>ST</sup> SEMESTER 2016—



## **CONTENTS:**

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

## 1. MAIN ACCOMPLISHMENTS FOR THE PERIOD

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### ▪ **Mamsha Al Saadiyat in Abu Dhabi**

The Tourism Development and Investment Company - TDIC has awarded the construction of the first stage of the Mamsha Al Saadiyat residential complex to SANJOSE in a 50:50 joint venture with Pivot Engineering & General Contracting for EUR 300 million (AED 1,250 million). The project, with a total built surface amounting to 240,000 sqm, includes 461 luxury homes arranged into 9 buildings and commercial premises.

Grupo SANJOSE adds this remarkable Project to two other projects in the area: the Louvre Abu Dhabi Museum ("Project of the Future 2015" Award by "Identity Design Award", placing the UAE as architectural reference) and the Al Ain Hospital (with a total built surface amounting to 315,000 sqm and 719 beds).

### ▪ **New airport of Navi Mumbai (India)**

City and Industrial Development Corporation of Maharashtra Limited has awarded, in a 50:50 joint venture with GVK Projects & Technical Services Ltd, the earthworks and soil stabilisation of the airport of Navi Mumbai for a total budget of EUR 105 million.

This new project strengthens the presence of the Group within the civil engineering sector of the country, where the Company is currently developing other remarkable transport infrastructure Works, among which highlight the design and refurbishment of the stretch Raebareli Banda- NH-232 in the State of Uttar Pradesh and the design and construction of all the metro stations of Line 1 of Navi Mumbai Metro.

### ▪ **Lighting and sea flooding of the Louvre Abu Dhabi Museum**

Concurring with the start of the month of Ramadan, His Excellency the President of Tourism Development and Investment Company (TDIC), Ali Majed Al Mansouri, held the official act by which the exterior lighting of the Louvre Museum (Abu Dhabi) was completed.

The event consisted of the lighting of 4,500 steel tube lights that illuminate the famous dome of the museum, composed of 4,860 pieces (of which 3,821 are unique in shape and size), with a diameter of 180 meters and 7,000 tons of weight.

Also in June took place another milestone in the construction of this unique building: its integration into the sea. The Chairman of TDIC described it as an "important milestone the removal of the walls, as it allowed the completion of the project designed by Jean Nouvel as a city museum in the sea." About the complex execution process he stated that "it was delicate and the result of months of planning and preparation to ensure that the inflow of seawater was carried out in a controlled manner within strategic places of the museum."

SANJOSE Constructora, in joint venture with Arabtect and Oger Abu Dhabi LLC, is developing this remarkable project valued in AED 2,400 million (almost EUR 600 million).

### ▪ **New headquarters of the Department of the Treasury of Murcia**

SANJOSE Constructora has been awarded the execution Works of the new headquarters of the Department of the Treasury of Murcia. Works include the construction of a new building of 19,106 sqm consisting of basement, ground floor and four top level floors.

- **Completion of the new hospital of Caceres (Stage I)**

The Regional Healthcare Service of Extremadura (SES- *Servicio Extremeño de Salud*) has awarded the completing Works of the Stage I of the new Hospital of Caceres to the JV formed by SANJOSE Constructora and Magenta. The new and modern healthcare complex is arranged into four building with a total built Surface amounting to 77,000 sqm.

- **Jardín Valenciano Secondary School in Melilla**

The Management of Infrastructure and Equipment, under the Ministry of Education, Culture and Sport , has awarded SANJOSE Constructora the construction of the new "Jardin Valenciano" Secondary School in Melilla.

The new educational infrastructure, of 13,000 sqm, will have 24 classrooms for secondary education, six for baccalaureate education and two workshops for vocational training, audiovisual rooms and computer classrooms, laboratories, several spaces for sports, cafeteria, library and a conference room with 150 seats

- **Cais de Santarem 5\* Hotel in Lisbom**

Imocais (Fundo Especial de Investimento Inomiliário Fechado), subsidiary of Grupo Hotusa, has awarded SANJOSE Constructora the construction of the Cais de Santarem 5\* Hotel in Lisbom.

The new hotel has a total built Surface of 11,000 sqm (7 top level floors and a basement) with a total of 91 bedrooms, restaurants, a lounge-bar, museum (important Roman and Phoenician archaeological remains have been found), library, swimming pool, spa, gym, etc.

- **“Latin America Social Infrastructure Deal of the Year 2015” Award for the Hospitals of Chile at the IJGlobal Awards.**

Granted at the ceremony held last 16 March at the Mandarin Oriental Hotel in NYC by the American magazine “IJGlobal” (Euromoney) to Grupo SANJOSE for the issuance of bonds in Chile for the financing of El Carmen Dr. Luis Valentín Ferrada Hospital of Maipu and the Metropolitan Hospital La Florida Dra. Eloísa Díaz Insunza of Chile. This issuance of bonds is a pioneering transaction in Chile for a hospital concession and the first one in the last 8 years for the financing of infrastructure.

Grupo SANJOSE operates the above mentioned hospitals under concession regime, providing all non-medical services of both hospitals, amounting to a total of 766 beds.

- **SANJOSE Constructora will execute in Cape Verde the 5\* White Sands Hotel&Spa**

SANJOSE will build a new resort in Cape Verde, at the Island of Boavista. The 5\* White Sands Hotel & Spa will cover a total built surface of 70,606 sqm in a plot of land of 130,500 sqm.

The complex will include a 5\* hotel with 188 rooms and 4 apartments, 15 villas, 632 housing units, theatre with 250 seats, 5 restaurants, 6 lounge bars, 14 swimming-pools, 76 car park spaces, playground, gym and spa.

SANJOSE Constructora is currently executing other two important 5\* hotels in the country: Llana Beach Resort & Spa in Salt Island and the enlargement of the Riu Touareg in the island of Boavista.

- **SANJOSE will be responsible for the conservation and improvement works of the green spaces of San Sebastian de los Reyes for 55 months for EUR 15.87 million.**

The City Hall of San Sebastian de los Reyes has awarded the JV formed by SANJOSE Constructora and El Ejidillo Viveros Integrales the conservation and improvement of the green spaces, trees, bushes and urban furniture of the city. Total affected surface amounts to 2,600,000 sqm.

Grupo SANJOSE relies on important clients, such as National Heritage, Canal de Isabel II, IFEMA and the City Halls of Madrid, Valladolid and Ferrol.

- **SANJOSE Engineering and Industrial Construction shall execute the electrical mechanical works of the new plant of Campofrío in Burgos.**

Campofrío has awarded SANJOSE Constructora, through its Engineering and Industrial division, the electrical and mechanical works of its new plant in Burgos.

The new factory will involve an important technology step with regards to the previous one and intends to be a European reference within the sector, and shall be a sustainable factory at all levels, seeking to optimise the consumption of water and energy and minimise CO<sub>2</sub> emissions.

The factory shall cover 97,000 m<sup>2</sup>, and is expected to be operative at the end of 2016.

- **Enlargement of the Winery Marqués de Murrieta in La Rioja.**

Mr. Luciano Murrieta produced the first vines of La Rioja in 1852 and was a pioneer in their exportation abroad.

The current owners, who have successfully managed tradition and modernism, have entrusted SANJOSE Constructora the enlargement works of their most ancient and well-known facilities in Finca Igay.

## 2. MAIN CONSOLIDATED FIGURES

Main consolidated figures of Grupo SANJOSE for the first semester of 2016 (1S-2016), having recorded a EUR 5.1 million profit versus the EUR 1.3 million in the same period of previous year, are as follows.

Thousands of euros

	Grupo SANJOSE		
	Jun. 16	Jun. 15	Var.(%)
Revenue	270,356	268,016	0.9%
Operating cash flow (EBITDA)	21,543	29,399	-26.7%
	EBITDA margin	8.0%	11.0%
Ordinary operating profit (EBIT)	16,904	24,941	-32.2%
	EBIT margin	6.3%	9.3%
Earnings before tax	11,379	4,647	144.9%
Income tax	-6,246	-3,367	85.5%
Profit/(Loss) for the period	5,133	1,280	301.1%
<b>Backlog (millions of euros)</b>	<b>2,012</b>	<b>2,024</b>	<b>-0.6%</b>

### To be highlighted:

- **EUR 11.4 million profit before tax, versus EUR 4.6 million in the same period of the previous year**
- **EUR 5.1 million net profit**
- **Fifth straight quarter of profits**

### Revenue:

Net Revenue of Grupo SANJOSE for the first semester of 2016 stands at EUR 270.4 million, experiencing a 0.9% increase compared to the same period of the previous year.

Construction is the main business activity of the Group, representing 85% total revenue and 62% contract backlog of the Group at 30 June 2016.

The real estate division and concessions and services, decrease 19% and 31.8%, respectively due to the delivery of stage IX of the residential development Parques de la Huaca in Lima (Peru) regarding real estate activity, and the non-recurrent increase of activity during the 1Q-2015 as a consequence of the implementation and operation stage of the hospitals under concession regime in Chile, regarding concessions and services.

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

Thousands of euros

Revenues by activity	Grupo SANJOSE				
	Jun. 16		Jun. 15	Var.(%)	
Construction	228,973	84.7%	218,027	81.3%	5.0%
Real estate and property development	11,072	4.1%	13,675	5.1%	-19.0%
Energy	5,276	2.0%	6,312	2.4%	-16.4%
Concessions and services	19,019	7.0%	27,894	10.4%	-31.8%
Adjustment and other	6,016	2.2%	2,108	0.8%	
<b>TOTAL</b>	<b>270,356</b>		<b>268,016</b>		<b>0.9%</b>

Once again, the importance of international markets is clear representing 62% total revenue of Grupo SANJOSE.

In the domestic market, turnover records a 7.9% decrease compared to the same period of the previous year, while the international market records a 7.2% increase in sales.

In total, sales increase 0.9%.

Thousands of euros

Revenues by geography	Grupo SANJOSE				
	Jun. 16		Jun. 15	Var.(%)	
National	103,713	38%	112,583	42%	-7.9%
International	166,643	62%	155,433	58%	7.2%
<b>TOTAL</b>	<b>270,356</b>		<b>268,016</b>		<b>0.9%</b>

#### Profit:

**EBITDA** of Grupo SANJOSE for 1S-206 amounts to EUR 21.5 million, representing 8% on annual revenues.

We should highlight the 6.1% increase in the margin of the construction activity, providing 1S-2016 with a EUR 13.9 million EBITDA. Likewise, we should emphasise the performance of EBITDA of the Concessions and Services division: during 1T-2015 took place the impact of the implementation and operation stage of the hospitals under concession regime in Chile what involved a one-off non-recurrent increase, without impact on the treasury and that leads to a 91.2% decrease of EBIDTA.

The breakdown of EBITDA by type of activity for 1S-2016 is as follows:

Thousands of euros

EBITDA by activity	Grupo SANJOSE		
	Jun. 16	Jun. 15	Var.(%)
Construction	13,928	13,130	6.1%
Real estate and property development	4,128	5,262	-21.6%
Energy	1,397	1,724	-19.0%
Concessions and services	937	10,682	-91.2%
Adjustment and other	1,153	-1,399	-4.8%
<b>TOTAL</b>	<b>21,543</b>	<b>29,399</b>	<b>-26.7%</b>

**EBIT** of Grupo SANJOSE for 1S-2016 amounts to EUR 16.9 million, and resulted in a 6.3% margin on net annual revenues.

**Profit after tax for Grupo SANJOSE for 1S-2016 stands at EUR 5.1 million.**



### 3. ANALYSIS BY SECTOR

#### 3.1 Construction:

This line of activity has generated revenues for EUR 229 million during 1S-2016, representing a 5% increase compared to the same period of the previous year.

EBITDA for the period stands at EUR 13.9 million versus the EUR 13.1 million recorded for the same period of the previous year, and 6.1% on total sales.

At the end of the year, project backlog for this line of activity amounts to EUR 1,246 million, recording a 28.9% annual increase.

Thousands of euros

CONSTRUCTION	Grupo SANJOSE		
	Jun. 16	Jun. 15	Var.(%)
Revenue	228,973	218,027	5.0%
Earnings before interest, taxes, D&A (EBITDA)	13,928	13,130	6.1%
EBITDA margin	6.1%	6.0%	
Earnings before interest and taxes (EBIT)	10,261	11,789	-13.0%
EBIT margin	4.5%	5.4%	
Earnings before tax of continued operations	4,690	12,614	-62.8%
<b>Backlog (millions of euros)</b>	<b>1,246</b>	<b>966</b>	<b>28.9%</b>

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

Thousands of euros

DETAIL OF CONSTRUCTION REVENUES	National		Internac.		Total	
Civil works	9,829	11.9%	16,528	11.3%	26,358	11.5%
Non residential building	60,238	73.2%	119,858	81.8%	180,096	78.7%
Residential building	7,982	9.7%	10,139	6.9%	18,121	7.9%
Industrial	4,398	5.3%	0	0.0%	4,398	1.9%
<b>TOTAL</b>	<b>82,447</b>	<b>36%</b>	<b>146,526</b>	<b>64%</b>	<b>228,973</b>	

Construction revenue at international level for 1S-2016 stands at EUR 146.5 million, recording a 15.9% increase compared to the same period of the previous year, and representing 64% of the total revenue of this line of activity (58% for the same period of 2015).

Sales at domestic level have decreased to EUR 82.4 million compared to EUR 91.6 million in the same period of 2015. Domestic sales represent 36% total sales of this line of activity.

In total, sales in the construction sector increased 5%.

The international strategy is expected to be strengthened due to the international character of the contract backlog and the significant amount of international tenders SANJOSE Constructora is participating in

through its branch offices and subsidiaries in more than twenty countries and the recently awarded projects in Middle East and India.

### **3.2 Real Estate:**

Revenue for 1S-2016 for the real estate and urban development activity (mainly in Peru) of Grupo SANJOSE stands at EUR 11 million.

A 19% decrease on sales is recorded in this line of activity due to the commissioning of stage IX of the residential development Parques de la Huaca in Peru.

EBITDA rises up to EUR 4.1 million, recording similar margin on sales (37.3%) than that of the same period of the previous year.

EBIT increases, representing 39.8% on sales (34.3% in the 1S-2015).

<small>Thousands of euros</small>			
<b>REAL ESTATE AND PROPERTY DEVELOPMENT</b>	<b>Grupo SANJOSE</b>		
	<b>Jun. 16</b>	<b>Jun. 15</b>	<b>Var.(%)</b>
Revenue	11,072	13,675	-19.0%
Earnings before interest, taxes, D&A (EBITDA)	4,128	5,262	-21.6%
EBITDA margin	37.3%	38.5%	
Earnings before interest and taxes (EBIT)	4,410	4,686	-5.9%
EBIT margin	39.8%	34.3%	
Earnings before tax of continued operations	5,665	6,982	-18.9%

### **3.3 Energy:**

Net revenue for 1S-2016 stands at EUR 5.2 million.

The EBITDA percentage over total sales for this line of activity for 1S-2016 stands at 26.5%, similar to that for the same period of the previous year, what represents stability and recurrence.

Net operating profit amounts to EUR 730 thousand, improving 3.6% regarding the same period of the previous year.

<small>Thousands of euros</small>			
<b>ENERGY</b>	<b>Grupo SANJOSE</b>		
	<b>Jun. 16</b>	<b>Jun. 15</b>	<b>Var.(%)</b>
Revenue	5,276	6,312	-16.4%
Earnings before interest, taxes, D&A (EBITDA)	1,397	1,724	-19.0%
EBITDA margin	26.5%	27.3%	
Earnings before interest and taxes (EBIT)	730	705	3.6%
EBIT margin	13.8%	11.2%	
Earnings before tax of continued operations	135	288	-53.2%
<b>Backlog (millions of euros)</b>	<b>502</b>	<b>716</b>	<b>-29.9%</b>

Grupo SANJOSE has for this line of activity contracted revenues amounting to EUR 502 million, which are materialised as higher activity of the group in a period of approximately 20 years.

Backlog reductions compared to 1S-2015 are due to, on the one side, the operation of contracts of Grupo SANJOSE and, on the other side, regularizations recorded on 4Q-2015 as a consequence of periodic revisions performed by the Group of the main business lines of activity, taking into account recent amendments of standards and occupation levels.

### **3.4 Concessions and Services:**

Net revenue for 1S-2016 stands at EUR 19 million, This reduction is due to the implementation and start of the operation stage of the hospitals under concession regime of Chile, what involved in 1Q-2015 a non-recurrent increase of sales and EBITDA for a total of EUR 8.9 million.

North withstanding the aforementioned, profit before tax for 1S-2016 stands at EUR 6 million versus the loss of the same period of 2015, for EUR -10.8 million.

Loss for 1S-2015 is due to due the settlements of derivatives associated to the emission of bonds devoted to finance the hospitals of Chile under concession regime as for the operation stage. As it has already been explained, this loss will be offset throughout the concession term due to the finance savings of the new financing structure with bonds.

At the end of 1S--2016, contracted backlog of the Group for this line of activity amounts to EUR 264 million.

Thousands of euros

<b>CONCESSIONS AND SERVICES</b>	<b>Grupo SANJOSE</b>		
	<b>Jun. 16</b>	<b>Jun. 15</b>	<b>Var.(%)</b>
Revenue	19,019	27,894	-31.8%
Earnings before interest, taxes, D&A (EBITDA)	937	10,682	-91.2%
EBITDA margin	4.9%	38.3%	
Earnings before interest and taxes (EBIT)	510	8,011	-93.6%
EBIT margin	2.7%	28.7%	
Earnings before tax of continued operations	6,070	-10,766	-156.4%
<b>Backlog (millions of euros)</b>	<b>264</b>	<b>342</b>	<b>-22.8%</b>

## 4. FINANCIAL STATEMENTS

### Consolidated Income Statement

Thousands of euros

	Grupo SANJOSE				
	Jun. 16		Jun. 15		Variac.
	Amount	%	Amount	%	
<b>Revenue</b>	<b>270,356</b>	<b>100.0%</b>	<b>268,016</b>	<b>100.0%</b>	<b>0.9%</b>
Other operating income	3,497	1.3%	8,281	3.1%	-57.8%
Change in inventories	-5,105	-1.9%	-1,708	-0.6%	199.0%
Procurements	-168,951	-62.5%	-166,367	-62.1%	1.6%
Staff costs	-44,407	-16.4%	-43,216	-16.1%	2.8%
Other operating expenses	-33,847	-12.5%	-35,608	-13.3%	-4.9%
<b>EBITDA</b>	<b>21,542</b>	<b>8.0%</b>	<b>29,399</b>	<b>11.0%</b>	<b>-26.7%</b>
Amortisation charge	-2,800	-1.0%	-2,823	-1.1%	-0.8%
Impairment on inventories	744	0.3%	414	0.2%	79.7%
Changes in trade provisions and other impairment	-2,581	-1.0%	-2,048	-0.8%	26.0%
<b>EBIT</b>	<b>16,904</b>	<b>6.3%</b>	<b>24,941</b>	<b>9.3%</b>	<b>-32.2%</b>
Ordinary financial results	-4,556	-1.7%	2,182	0.8%	--
Changes in fair value for financial instruments	0	0.0%	-21,256	-7.9%	--
Foreign exchange results and others	-734	-0.3%	-1,555	-0.6%	-52.8%
<b>NET FINANCIAL RESULT</b>	<b>-5,290</b>	<b>-2.0%</b>	<b>-20,630</b>	<b>-7.7%</b>	<b>-74.4%</b>
Results on equity method	-235	-0.1%	336	0.1%	--
<b>PROFIT BEFORE TAX</b>	<b>11,379</b>	<b>4.2%</b>	<b>4,647</b>	<b>1.7%</b>	<b>144.9%</b>
Income tax	-6,246	-2.3%	-3,367	-1.3%	85.5%
<b>PROFIT AFTER TAX CONTINUED OPERATIONS</b>	<b>5,133</b>	<b>1.9%</b>	<b>1,280</b>	<b>0.5%</b>	<b>301.1%</b>
Profit for the year from non-continued operations (net)	0	0.0%	0	0.0%	--
<b>CONSOLIDATED PROFIT</b>	<b>5,133</b>	<b>1.9%</b>	<b>1,280</b>	<b>0.5%</b>	<b>-301.1%</b>

- **Financial result:** a considerable improvement is recorded regarding the same period of the previous year 2015, due to the costs incurred into in 1Q-2015 regarding the financing restructuring in Chile (issuance of bonds), mainly due to the early settlement of derivatives associated to the amortization of bank financing.
- **Profit before tax:** EUR 11.4 million versus the EUR 4.6 million of the same period of the previous year.
- **Profit for the period:** profit for 1S-2016 amounts to EUR 5.1 million (EUR 1.3 million for 1S-2015).

## Management Consolidated Balance Sheet

Thousands of euros

	Jun. 16		Dic. 15		Var.
	Amount	%	Amount	%	
Intangible assets	18,270	2.0%	18,856	1.9%	-3.1%
Property, plant and equipment	46,085	5.0%	45,917	4.7%	0.4%
Real state investments	4,871	0.5%	5,664	0.6%	-14.0%
Investments accounted	57,869	6.3%	57,247	5.8%	1.1%
Long term financial investments	146,850	16.0%	154,331	15.7%	-4.8%
Deferred taxes assets	34,031	3.7%	35,484	3.6%	-4.1%
Goodwill on consolidation	9,984	1.1%	9,984	1.0%	0.0%
<b>TOTAL NON-CURRENT ASSETS</b>	<b>317,960</b>	<b>34.5%</b>	<b>327,483</b>	<b>33.3%</b>	<b>-2.9%</b>
Inventories	92,157	10.0%	92,176	9.4%	0.0%
Trade and other receivables	206,309	22.4%	271,415	27.6%	-24.0%
Other short term financial investments	64,935	7.1%	61,941	6.3%	4.8%
Cash and cash equivalents	238,933	26.0%	231,834	23.5%	3.1%
<b>TOTAL CURRENT ASSETS</b>	<b>602,334</b>	<b>65.5%</b>	<b>657,366</b>	<b>66.7%</b>	<b>-8.4%</b>
<b>TOTAL ASSETS</b>	<b>920,294</b>	<b>100.0%</b>	<b>984,849</b>	<b>100.0%</b>	<b>-6.6%</b>

Thousands of euros

	Jun. 16		Dic. 15		Var.
	Amount	%	Amount	%	
Equity attributable to shareholders of the parent	51,512	5.6%	46,368	4.7%	11.1%
Minority interest	20,494	2.2%	21,680	2.2%	-5.5%
<b>TOTAL EQUITY</b>	<b>72,006</b>	<b>7.8%</b>	<b>68,048</b>	<b>6.9%</b>	<b>5.8%</b>
Long term provisions	18,934	2.1%	19,223	2.0%	-1.5%
Long term financial liabilities	378,409	41.1%	405,944	41.2%	-6.8%
Long term derivative financial contracts	1,103	0.1%	1,196	0.1%	-7.7%
Deferred taxes liabilities	14,290	1.6%	14,460	1.5%	-1.2%
Other long term liabilities	3,987	0.4%	5,178	0.5%	-23.0%
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>416,723</b>	<b>45.3%</b>	<b>446,001</b>	<b>45.3%</b>	<b>-6.6%</b>
Short term provisions	39,300	4.3%	37,471	3.8%	4.9%
Short term financial liabilities	54,174	5.9%	46,996	4.8%	15.3%
Payables to related companies	769	0.1%	1,748	0.2%	-56.0%
Trade accounts and other current payables	337,322	36.7%	384,585	39.1%	-12.3%
<b>TOTAL CURRENT LIABILITIES</b>	<b>431,565</b>	<b>46.9%</b>	<b>470,800</b>	<b>47.8%</b>	<b>-8.3%</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>920,294</b>	<b>100.0%</b>	<b>984,849</b>	<b>100.0%</b>	<b>-6.6%</b>

- **Net Equity:** The EUR 103.4 million shareholder loan of Grupo Empresarial San José, S.A. has been recorded under this item

## Net Cash Position

Thousands of euros

NET CASH POSITION	Jun. 16		Dic. 15		Var.
	Amount	%	Amount	%	
Other short term financial investments	64,935	21.4%	61,941	21.1%	4.8%
Cash and cash equivalents	238,933	78.6%	231,834	78.9%	3.1%
<b>Total cash</b>	<b>303,868</b>	<b>100%</b>	<b>293,775</b>	<b>100%</b>	<b>3.4%</b>
Long term financial liabilities	378,410	87.1%	405,944	89.0%	-6.8%
Long term derivative financial contracts	1,103	0.3%	1,196	0.3%	-7.7%
Short term financial liabilities	54,943	12.6%	48,743	10.7%	12.7%
<b>Total debt</b>	<b>434,456</b>	<b>100%</b>	<b>455,883</b>	<b>100%</b>	<b>-4.7%</b>
<b>TOTAL NCP</b>	<b>130,588</b>		<b>162,107</b>		<b>-19.4%</b>

Net cash position at 1S-2016 amounts to EUR 130.6 million compared to EUR 162.1 million at 31 December 2015, what means a 19.4% reduction.

Assets increase by 3.4% due to a more efficient management of the treasury.

Likewise, liabilities are reduced in 4.7%, due to the maturity and annual settlement of the issuance of bonds that finance the concession of the hospitals in Chile.

Net cash position at 30 June 2016 includes the funding of other non-recourse projects of Grupo SANJOSE for EUR 165.7 million.

## 5. PROJECT BACKLOG

Millions of euros

BACKLOG by segment	Grupo SANJOSE				
	Jun. 16		Dic. 15		Var.(%)
<b>Construction</b>	<b>1,246</b>	<b>62%</b>	<b>1,020</b>	<b>56%</b>	<b>22.2%</b>
Civil works	261	13%	231	13%	13.0%
Non residential building	764	38%	731	40%	4.4%
Residential building	208	10%	53	3%	292.6%
Industrial	13	1%	5	0%	144.4%
<b>Energy</b>	<b>502</b>	<b>25%</b>	<b>553</b>	<b>30%</b>	<b>-9.1%</b>
<b>Concessions and services</b>	<b>264</b>	<b>13%</b>	<b>263</b>	<b>14%</b>	<b>0.4%</b>
Maintenance	40	2%	40	2%	-0.1%
Concessions	224	11%	223	12%	0.0%
<b>TOTAL BACKLOG</b>	<b>2,012</b>	<b>100%</b>	<b>1,835</b>	<b>100%</b>	<b>9.6%</b>

Millions of euros

BACKLOG by geography	Grupo SANJOSE				
	Jun. 16		Dic. 15		Var.(%)
<b>National</b>	<b>882</b>	<b>44%</b>	<b>892</b>	<b>49%</b>	<b>-1.2%</b>
<b>International</b>	<b>1,130</b>	<b>56%</b>	<b>943</b>	<b>51%</b>	<b>19.8%</b>
<b>TOTAL BACKLOG</b>	<b>2,012</b>		<b>1,835</b>		<b>9.6%</b>

Millions of euros

BACKLOG by client	Grupo SANJOSE				
	Jun. 16		Dic. 15		Var.(%)
<b>Public client</b>	<b>1,298</b>	<b>65%</b>	<b>1,180</b>	<b>64%</b>	<b>10.0%</b>
<b>Private client</b>	<b>714</b>	<b>35%</b>	<b>655</b>	<b>36%</b>	<b>9.0%</b>
<b>TOTAL BACKLOG</b>	<b>2,012</b>		<b>1,835</b>		<b>9.6%</b>

Project backlog is stable both in volume and distribution by business lines of activity, geographic area and type of customer, experiencing a 9.6% increase regarding the end of 2015, highlighting that international backlog represents 56% total backlog.

The construction backlog, main business activity of the Group, represents 62% total backlog, recording a 22.2% improvement due to new international contracts awarded in Abu Dhabi and India.

The energy backlog has experienced a slight reduction due to the ordinary performance of contracts during 1S-2016 and the periodic review performed by the Group of the main items of the backlog and the impact of new regulations and occupation rates.

Concessions and Services remains stable.

## Cash Flow Statement

Thousands of Euros		
CASH FLOW	Grupo SANJOSE	
	Jun. 16	Dic. 15
Cash flow from operating activities	21,541	21,156
Working capital	12,400	-19,805
Others adjustments	-6,301	-13,861
<b>Operating cash flow</b>	<b>27,640</b>	<b>-12,510</b>
Divestments / (Investments)	-13,621	1,808
Others adjustments	39,214	33,383
<b>Investment cash flow</b>	<b>25,593</b>	<b>35,191</b>
<b>Free cash flow</b>	<b>53,233</b>	<b>22,681</b>
Capital flow & Minorities	-753	-1,553
Increase / (Decrease) in borrowings	-35,180	-19,106
Net interest	-7,093	-9,076
Others adjustments	-3,108	-14,438
<b>Financing cash flow</b>	<b>-46,134</b>	<b>-44,173</b>
<b>Total cash flow</b>	<b>7,099</b>	<b>-21,492</b>

Cash flows for EUR 27.6 million have been recorded during the 1S-2016.

Leverage is reduced, mainly due to the annual settlement of the issuance of bonds for the financing of the hospitals under concession regime in Chile, as well as the payment of finance costs for the period, recording EUR -46.1 million.

Total cash flow for 1S-2016 amounts to EUR 7.1 million.



## 6. LEGAL DISCLAIMER

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## 7. CONTACT INFORMATION

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