

AGM 18

Annual General Meeting



- 01 ● **Economic Environment**
- 02 ● **Global Group**
- 03 ● **Year 2017 in GSJ**
- 04 ● **Business Lines**
- 05 ● **Economic & Financial Information**
- 06 ● **Corporate Social Responsibility**



Carlos Cisternas Hospital, Calama (Chile)

- 01 ● **ECONOMIC ENVIRONMENT**
- 02 ● Global Group
- 03 ● Year 2017 in GSJ
- 04 ● Business Lines
- 05 ● Economic & Financial Information
- 06 ● Corporate Social Responsibility



Alisios Shopping Centre in Tamaraceite,
Las Palmas de Gran Canaria

ECONOMIC ENVIRONMENT

Macroeconomic Data

World economy grew 3.8% in 2017, the greatest growth rate since 2011.

Year 2017 has been characterised by:

- Economic protectionism, mainly led by the USA.
- Progressive recovery of prices of raw materials.
- Expansive fiscal policies.
- Greater volatility in financial markets.
- Beginning of the normalisation stage of monetary policies of Central Banks.
- Global growth supported by the recovery of investment and trade.

ECONOMIC ENVIRONMENT

Macroeconomic Data

According to the latest WEO economic report published by the IMF, the GDP growth (%) of 2017, together with the estimate for 2018 and 2019, in those countries where Grupo SANJOSE currently maintains a continuous activity, is as follows:

Countries	2017	2018 ^E	2019 ^E
Spain	3.1	2.8	2.2
Portugal	2.7	2.4	1.8
Malta	6.6	5.7	4.6
United Arab Emirates	0.5	2.0	3.0
India	6.7	7.4	7.8
Mexico	2.0	2.3	3.0
Peru	2.5	3.7	4.0
Chile	1.5	3.4	3.3
Argentina	2.9	2.0	3.2
Paraguay	4.3	4.5	4.1
Cape Verde	4.0	4.3	4.0

Source: IFM

ECONOMIC ENVIRONMENT

Macroeconomic Data - Spain

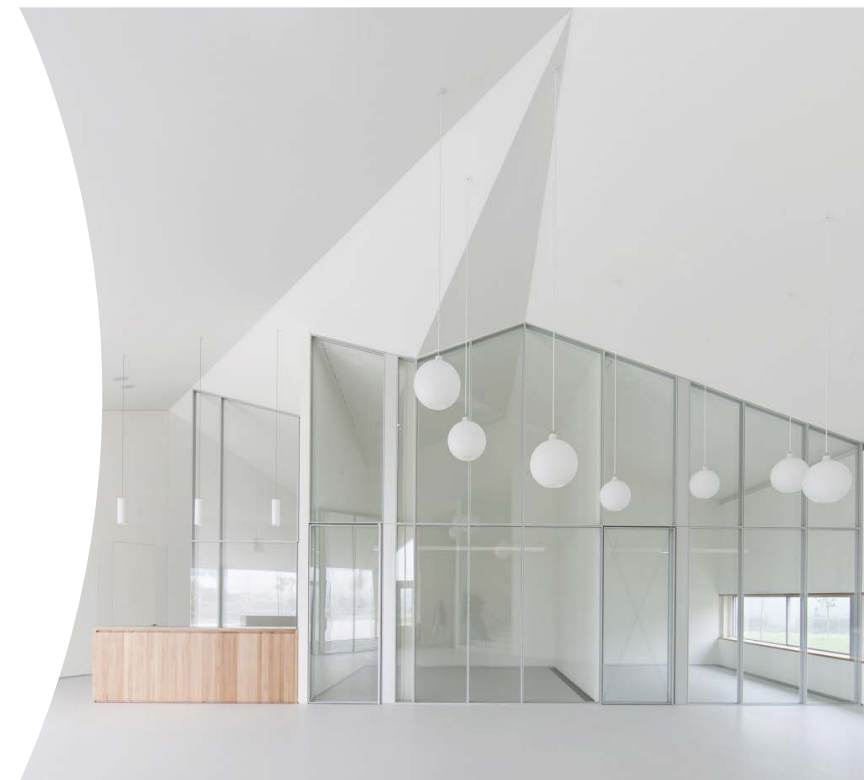
Macroeconomic forecasts for spanish economy			
(%) annual	2017	2018 ^E	2019 ^E
Real GDP	3.1	2.9	2.4
Final Consumption	2.2	2.3	2.0
Household	2.4	2.5	2.0
Public Sector	1.6	1.5	2.0
GFCF	5.0	4.6	3.7
Capital goods	6.1	4.1	3.4
Construction	4.6	5.2	4.2
Housing	8.3	8.9	6.9
Other Construction	1.5	1.4	1.6
Domestic demand (1)	2.8	2.7	2.3
Exports	5.0	4.5	3.5
Imports	4.7	4.4	3.6
External demand (1)	0.3	0.2	0.1
CPI (annual average)	2.0	1.7	1.4
Employment	2.6	2.4	2.0
Unemployment rate	17.2	15.5	14.1
EDP Public balance (% GDP)	-3.1	-2.6	-2.0
EDP Public debt (% GDP)	98.4	97.6	96.4
Current account (% GDP)	1.8	1.6	1.4

(1) Contribution to GDP growth

- According to estimations carried out by AFI, GDP will grow 2.9% in 2018 and 2.4% in 2019, slightly more optimistic than IMF's estimations.
- Increase in exports and investment and a moderate consumption rate during 2017.
- According to the LFS, the unemployment rate (LFS) will stand at 15.5% in 2018 and 14.1% in 2019.

- 01 ● Economic Environment
- 02 ● **GLOBAL GROUP**

- 03 ● Year 2017 in GSJ
- 04 ● Business Lines
- 05 ● Economic & Financial Information
- 06 ● Corporate Social Responsibility



Headquarters of Norvento, Lugo

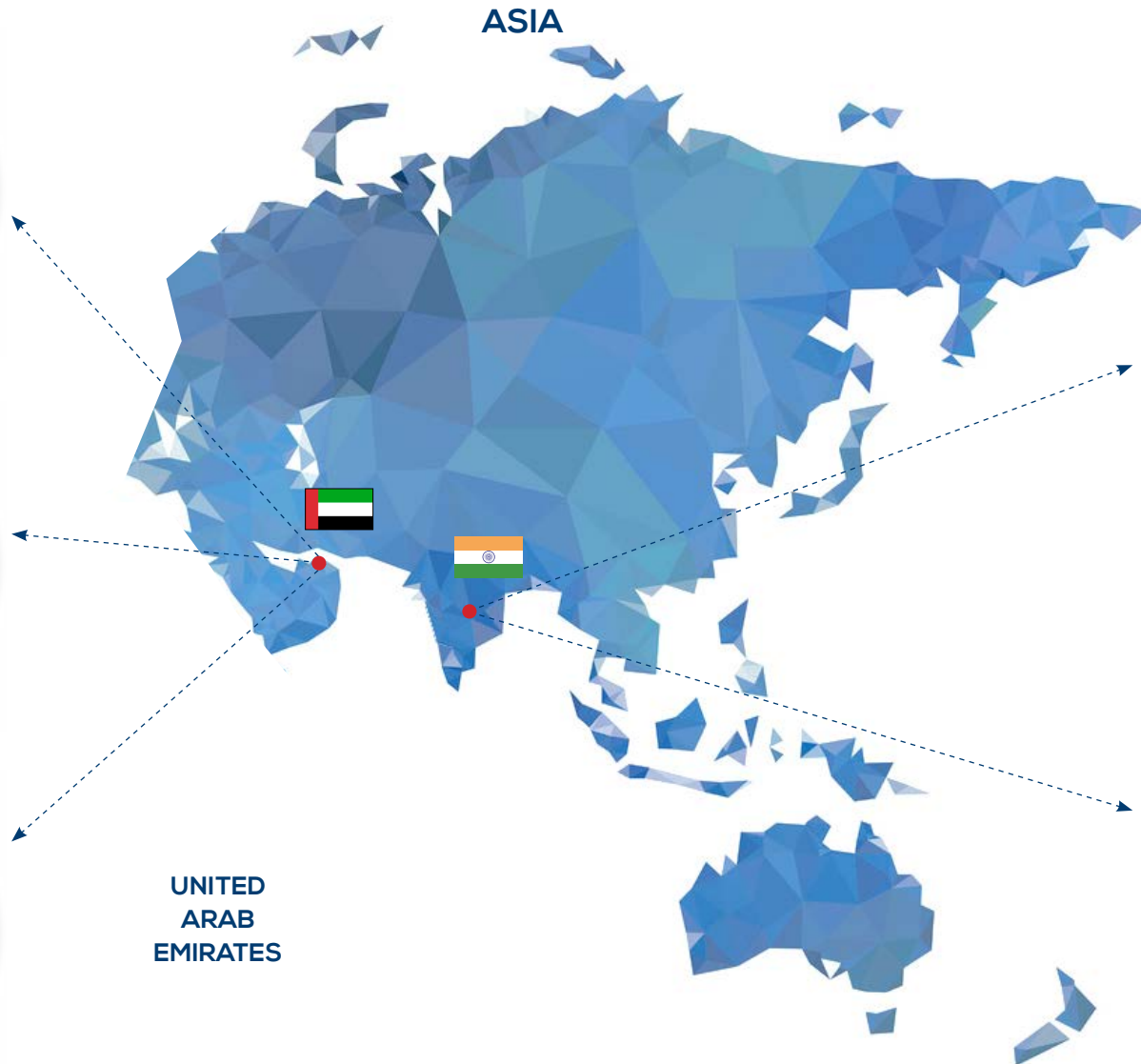
GLOBAL GROUP

Countries with ongoing projects



GLOBAL GROUP

Countries with ongoing projects



INDIA



UNITED
ARAB
EMIRATES

GLOBAL GROUP

Countries with ongoing projects



GLOBAL GROUP

Business Lines



Building
Civil Works
Engineering & Industrial Construction

Energy Efficiency
Renewable Energy

Hospitals
Buildings & Installations
Energy Plants
Conservation of parks & gardens
Infrastructure

Architecture
Civil Engineering / Infrastructure
Real Estate Management
R&D&I Technology
Sustainable Development



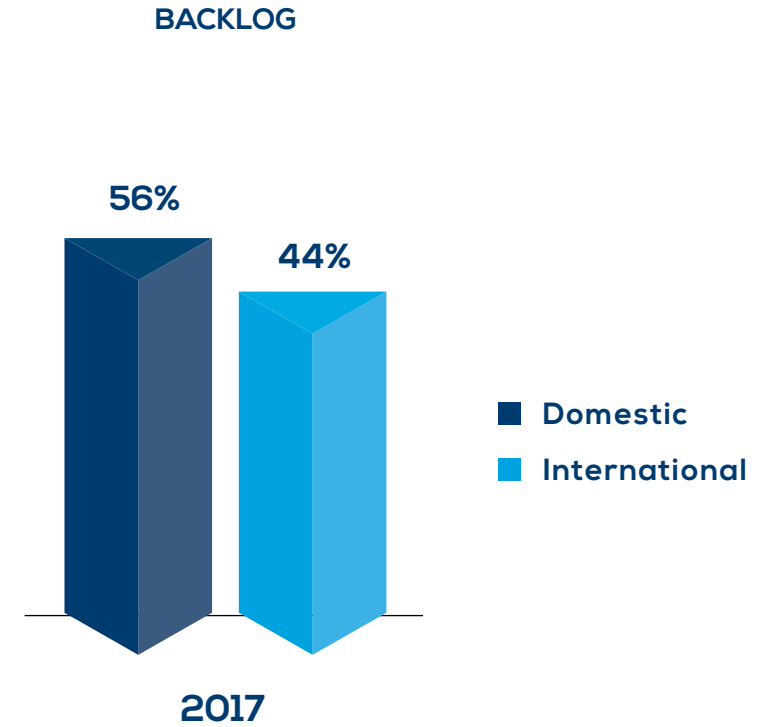
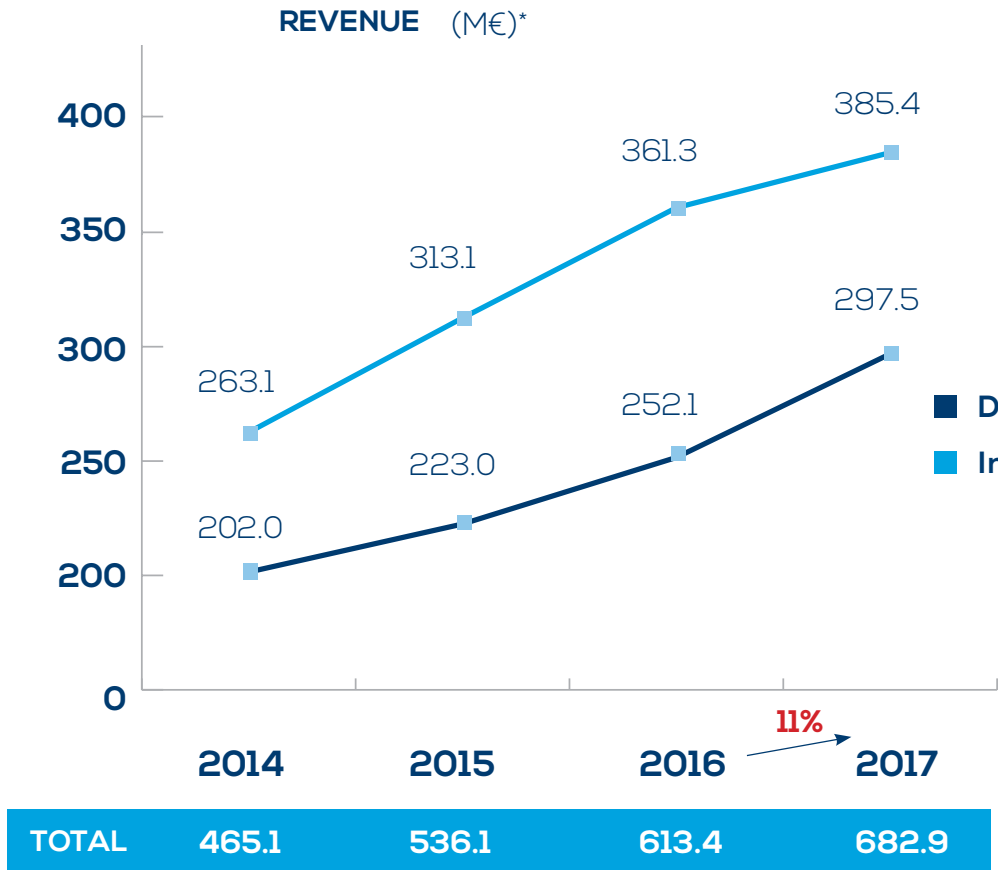
GLOBAL GROUP

Atractions & Strengths



GLOBAL GROUP

Business Development



- The internationalisation strategy carried out in recent years has resulted in a revenue growth of more than 10%
- Diversified backlog and revenue mix.

- 01 • Economic Environment
- 02 • Global Group
- 03 • **YEAR 2017 IN GSJ**

- 04 • Business Lines
- 05 • Economic & Financial Information
- 06 • Corporate Social Responsibility



Mamsha Al Saadiyat Residential Complex, Abu Dhabi
(United Arab Emirates)

YEAR 2017 IN GSJ

Main consolidated figures:

SALES

682.9 M€

($\Delta=11.3\%$)

NFP

(Net Financial Position)

66.7 M€

($\nabla=31.3\%$)

EBITDA

(Earnings Before Interest,
Taxes, Depreciation &
Amortization)

46.3 M€

($\Delta=0,7\%$)

BACKLOG

1,630 M€

PBT

(Profit Before Taxes)

22.4 M€

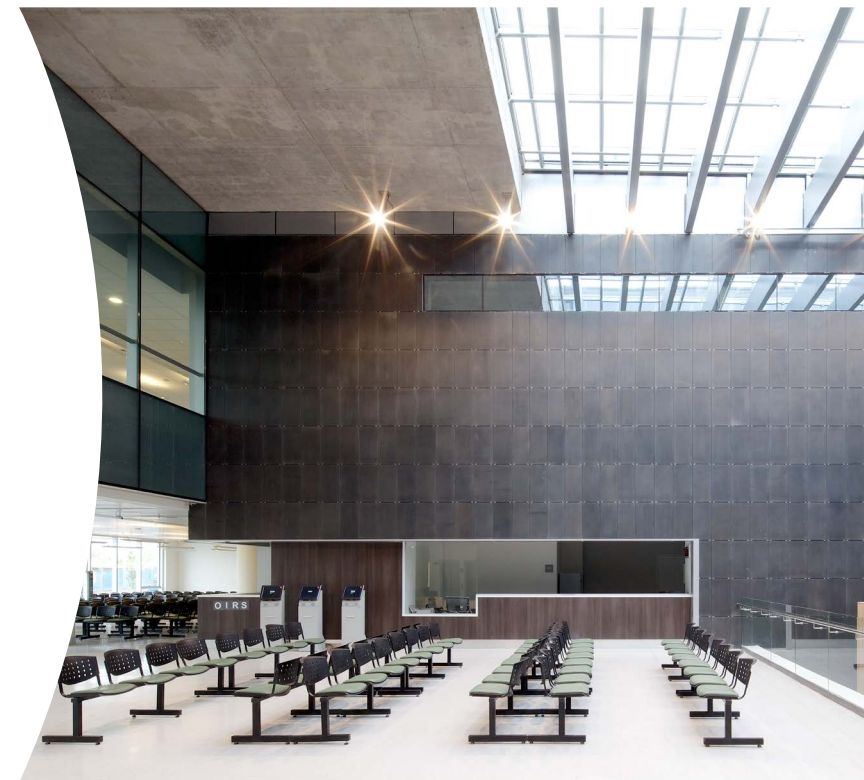
($\Delta=13.6\%$)

DOMESTIC
BACKLOG

909 M€

- 01 ● Economic Environment
- 02 ● Global Group
- 03 ● Year 2017 in GSJ
- 04 ● **BUSINESS LINES**

- 05 ● Economic & Financial Information
- 06 ● Corporate Social Responsibility



La Florida Dra. Eloísa Díaz Insunza
Metropolitan Clinical Hospital, Santiago de Chile

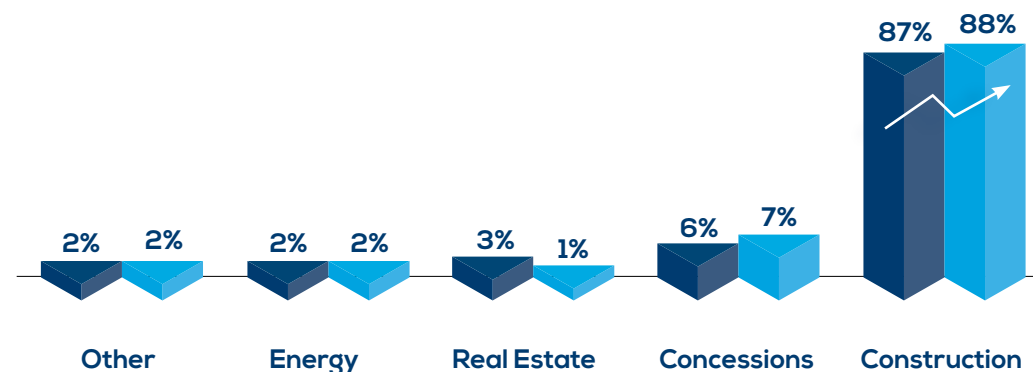
BUSINESS LINES

Contribution by business line of activity

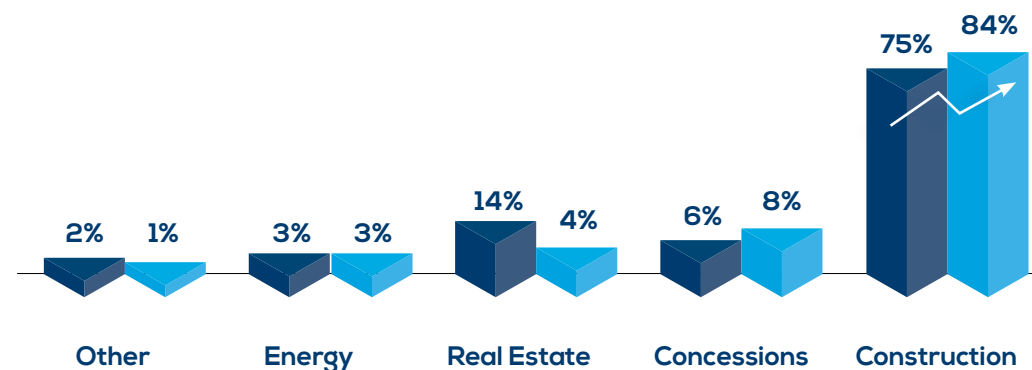
- Revenue contribution by business line of activity remains relatively stable with respect to last year.
- Construction: it remains the main activity of the Group, and contributes 88% of total turnover.
- 84% of total EBITDA of the Group is provided by the Construction line of activity.

REVENUE*

■ 2016 ■ 2017



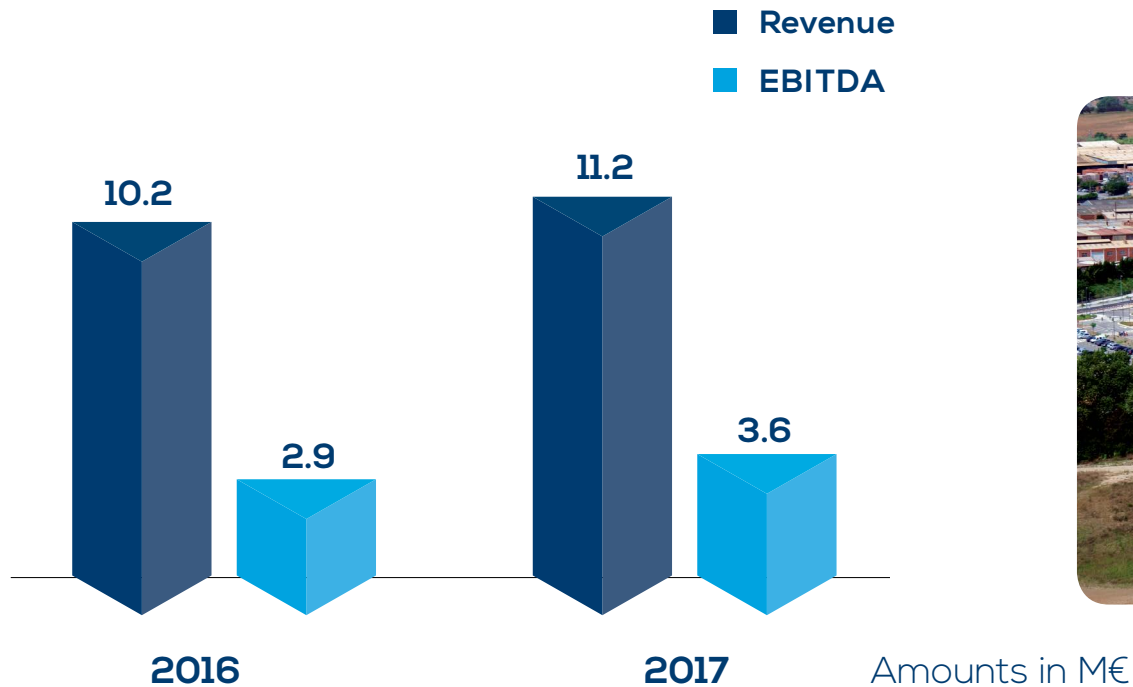
EBITDA*



* Adjusted by sale among segments

BUSINESS LINES

Energy



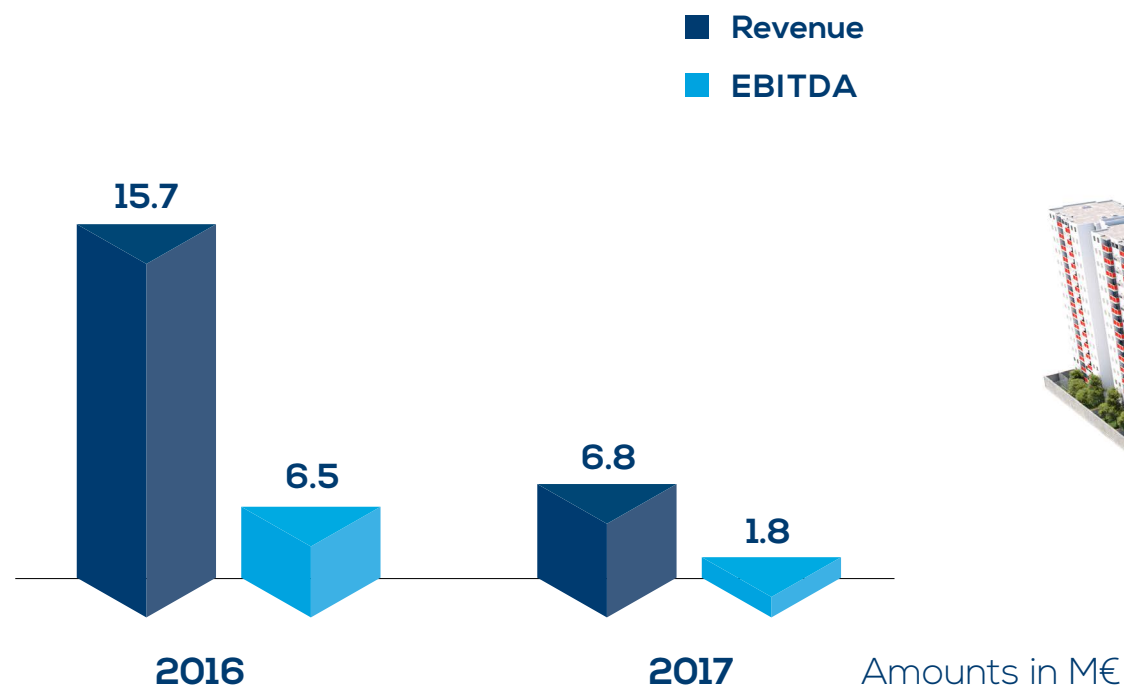
Parc de l'Alba Science and Technology Park of Cerdanyola del Vallés, Barcelona



- Recurrent and stable line of activity, maintaining both revenue and EBITDA levels with respect to the previous year.
- The EBITDA margin stands at 32% (28.3% in 2016).
- Contracted backlog at the end of the year amounts to € 496 million, representing 30% total backlog of the Group.

BUSINESS LINES

Real Estate



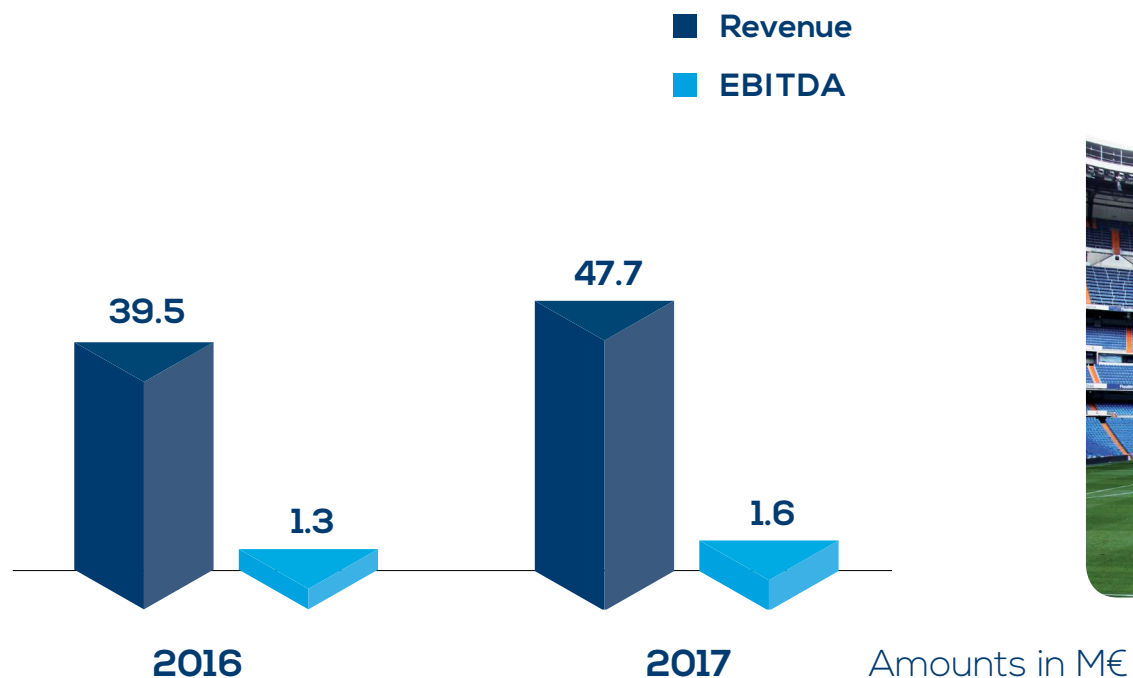
Condominium Nuevavista, Lima (Peru)



- Decrease in income due to lower delivery of housing units in 2017 in Peru, a country that generates almost all revenue for this line of activity.
- Progressive recovery of revenue and profit is expected with the development of the new Nuevavista project (1,104 housing units, construction and commercialisation in 2018).

BUSINESS LINES

Concessions and Services



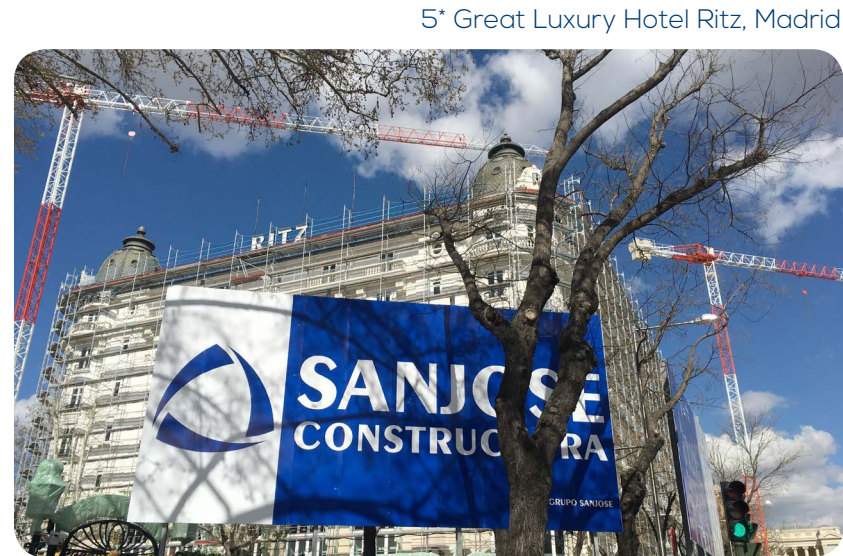
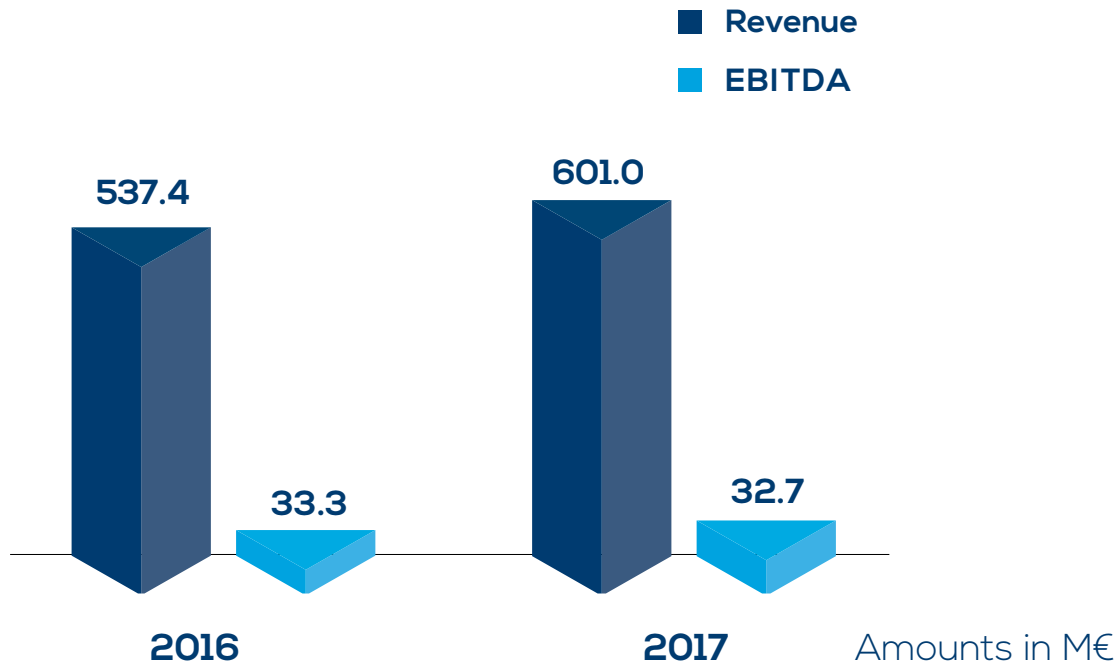
Santiago Bernabeu Stadium
Maintenance of the Property of Real Madrid



- Stable and recurrent business line, both in sales and EBITDA.
- The EBITDA margin stands at 3.4% .
- Profit before tax in 2017 for this line of activity amounted to € 8.7 M.

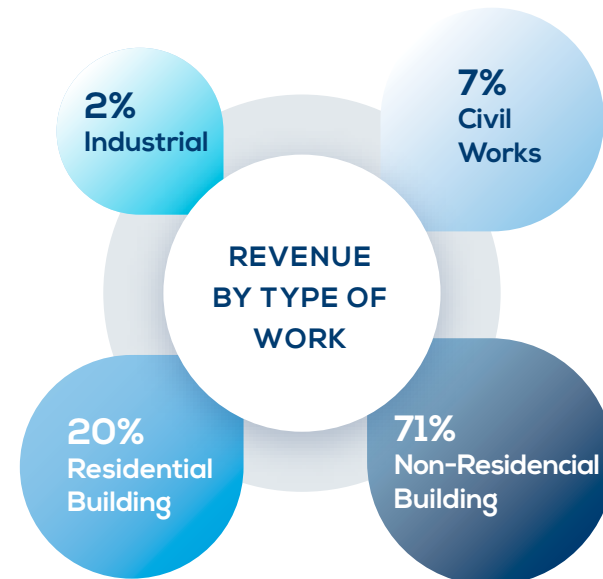
BUSINESS LINES

Construction



5* Great Luxury Hotel Ritz, Madrid

- There has been an increase in revenue, both at international and domestic markets (7.6% and 18.5% respectively).
- Non-residential construction continues to dominate, contributing more than 70% of the construction business.



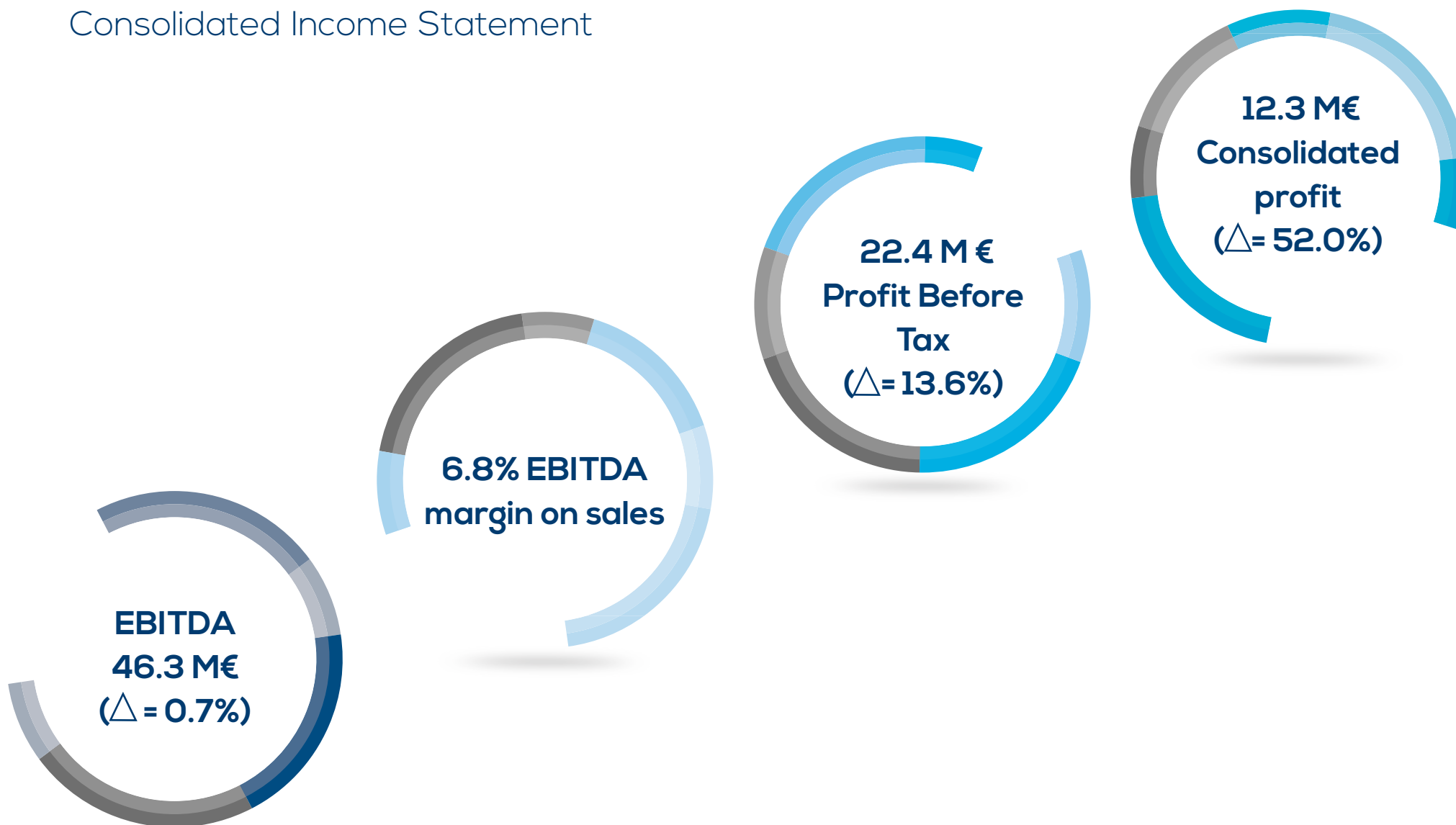
- 01 • Economic Environment
- 02 • Global Group
- 03 • Year 2017 in GSJ
- 04 • Business Lines
- 05 • **ECONOMIC & FINANCIAL INFORMATION**
- 06 • Corporate Social Responsibility



Stretch Raebarely - National Highway NH-232, State of Uttar Pradesh (India)

ECONOMIC & FINANCIAL INFORMATION

Consolidated Income Statement



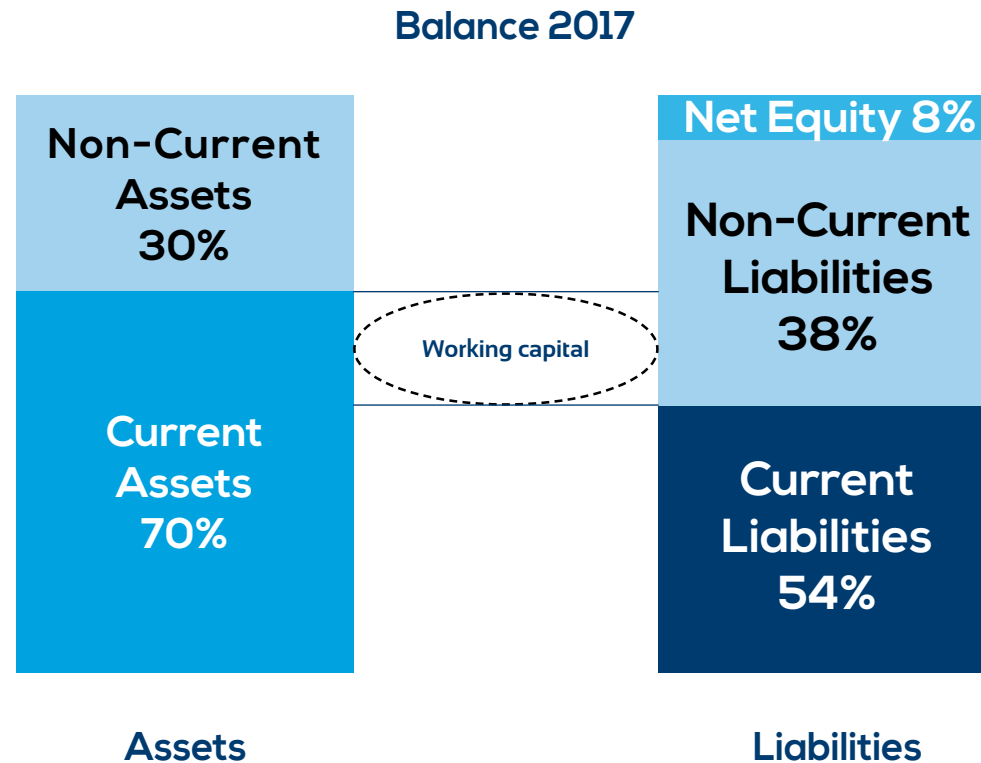
ECONOMIC & FINANCIAL INFORMATION

Consolidated Management Income Statement

	2016		2017		VARIATION
	M€	%	M€	%	
Net Revenue	613.4	100.0%	682.9	100.0%	11.3%
Other operating income	9.8	1.6%	9.4	1.4%	-3.5%
Gross operating expense	-577.2	-94.1%	-646.0	-94.6%	11.9%
EBITDA	45.9	7.5%	46.3	6.8%	0.8%
Amortisation charge	-5.8	-0.9%	-6.8	-1.0%	16.2%
Impairment of inventories	0.9	0.1%	-2.1	-0.3%	n.a.
Changes in trade provisions and other	-15.9	-2.6%	-6.4	-0.9%	-60.0%
EBIT	25.1	4.1%	31.1	4.6%	24.0%
Net finance expense	-6.2	-1.0%	-6.2	-0.9%	-1.2%
Translation differences and other	-0.1	0.0%	-2.3	-0.3%	-
Results on equity method	1.0	0.2%	-0.2	0.2%	n.a.
Profit Before Tax (PBT)	19.7	3.2%	22.4	3.3%	13.6%
Income tax	-11.6	-1.9%	-10.1	-1.5%	-13.0%
Profit for the year	8.1	1.3%	12.3	1.8%	52.0%

ECONOMIC & FINANCIAL INFORMATION

Balanced balance structure



Positive working capital amounting to € 155.3M

ECONOMIC & FINANCIAL INFORMATION

Consolidated Balance Sheet

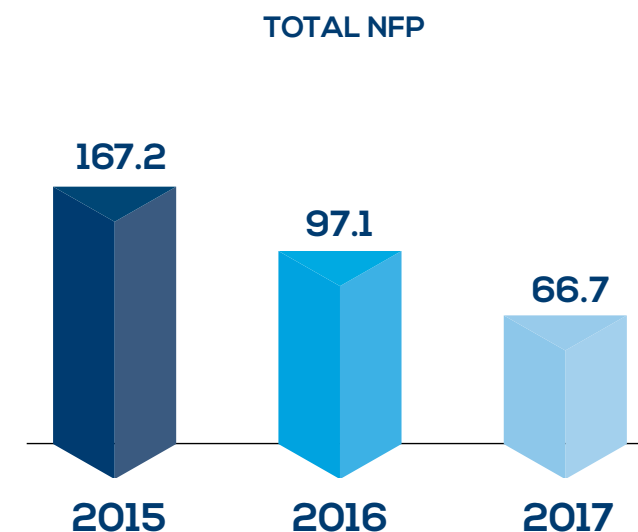
ASSETS	2016		2017		VARIATION
	M€	%	M€	%	
Intangible assets	20.6	2.0%	19.6	2.0%	-4.7%
Property, plant and equipment	45.9	4.5%	45.3	4.7%	-1.2%
Real estate investments	4.7	0.5%	3.3	0.3%	-30.0%
Others non-current assets	246.9	24.1%	219.0	22.7%	-11.3%
Total Non-Current Assets	318.1	31.1%	287.2	29.8%	-9.7%
Non-current assets held for sale	4.2	0.4%	0.0	0.0%	n.a.
Inventories	104.1	10.2%	104.8	10.9%	0.6%
Trade receivables	237.3	23.2%	258.4	26.8%	8.9%
Shorts-term deferrals	5.3	0.5%	2.7	0.3%	-48.7%
Cash and other equivalents	353.6	34.6%	311.3	32.3%	-12.0%
Total Current Assets	704.5	68.9%	677.2	70.2%	-3.9%
TOTAL ASSETS	1,022.6	100.0%	964.4	100.0%	-5.7%
LIABILITIES					
Total Net Equity (*)	82.0	8.0%	79.5	8.2%	-3.1%
Non-current financial liabilities	380.2	37.2%	308.0	31.9%	-19.0%
Derivative financial instruments	0.9	0.1%	0.6	0.1%	-34.7%
Other non-current liabilities	48.9	4.8%	54.4	5.6%	11.1%
Total Non-Current Liabilities	430.0	42.0%	363.0	37.6%	-15.6%
Current bank borrowings	63.7	6.2%	65.8	6.8%	3.3%
Trade payables	395.7	38.7%	406.6	42.2%	2.7%
Other current liabilities	45.0	4.4%	43.7	4.5%	-2.8%
Short-term deferrals	6.2	0.6%	5.8	0.6%	-7.2%
Total Current Liabilities	510.6	49.9%	521.9	54.1%	2.2%
TOTAL LIABILITIES	1,022.6	100.0%	964.4	100.0%	-5.7%

(*) **Net Equity** includes € 107.8 million corresponding to the participative loan of Grupo Empresarial San José, S.A.

ECONOMIC & FINANCIAL INFORMATION

Net Financial Position

	2016		2017		VARIATION
	M€	%	M€	%	
Cash and cash equivalents	353.7	100.0%	311.3	100.0%	-12.0%
Total Asset Positions	353.7	100.0%	311.3	100.0%	-12.0%
Non-current financial debt	383.6	85.1%	311.6	82.4%	-18.8%
Long-term financial derivative liabilities	0.9	0.2%	0.6	0.2%	-34.7%
Current financial debt	66.3	14.7%	65.8	17.4%	-0.7%
Total Liability Positions	450.8	100.0%	378.0	100.0%	-16.1%
TOTAL NET FINANCIAL POSITION	97.1		66.7		-31.3%



- At 2017-year end, NFP stands at € 66.7 M, representing a 31.3% decrease with regards to the end of 2016.
- Early repayment of the syndicated loan of CSJ (€ 29.4 M amortised during the year) according to the given schedule took place.

ECONOMIC & FINANCIAL INFORMATION

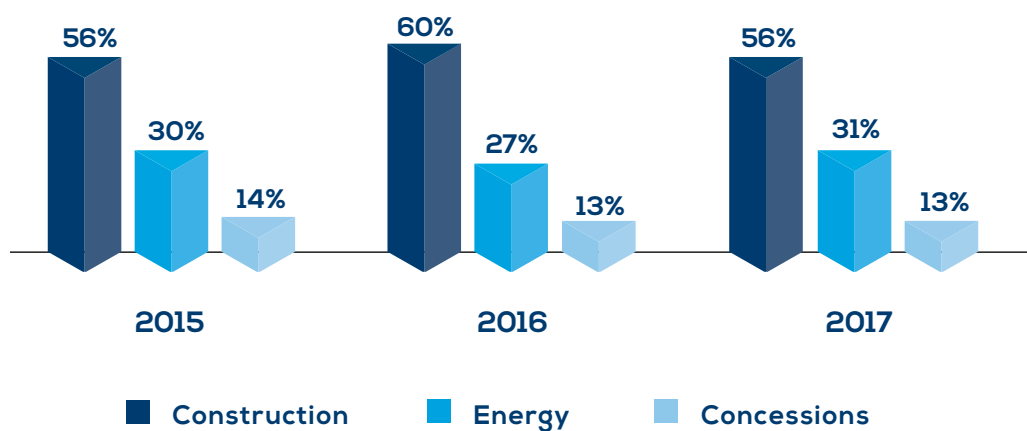
Consolidated management cash flow statements

Data in thousands of Euros	2016	2017
Cash flow from operating activities	47,678	49,874
Working capital	39,041	-18,156
Others	-10,896	-8,206
Net operating cash flow	75,823	23,512
Divestments / (Investments)	-10,219	-1,867
Current financial investments	6,324	36,200
Investment cash flow	-3,895	34,333
Free cash flow	71,928	57,845
Collection / (Payments) from treasury shares	-801	-1,030
Increase / (Decrease) in borrowings	-44,060	-67,565
Finance Income / (Expense)	-4,666	-6,410
Others	-2,396	-14,544
Financing cash flow	-51,923	-89,550
Total cash flow	20,005	-31,705

A significant reduction of leverage ratio of the Group is recorded during year 2017.

ECONOMIC & FINANCIAL INFORMATION

Backlog of the Group



BACKLOG BY SEGMENT	2017	
	M€	%
Construction	916	56%
Civil Work	176	11%
Non-Residential Building	537	33%
Residential Building	195	12%
Industrial	8	0%
Concessions and Services	218	13%
Maintenance	18	1%
Concessions and Services	200	12%
Energy	496	30%
Total Backlog	1,630	100%
Domestic	909	56%
International	721	44%
Public Clients	916	56%
Private Clients	714	44%

- Construction backlog continues to be the main activity of the Group (56%).

ECONOMIC & FINANCIAL INFORMATION

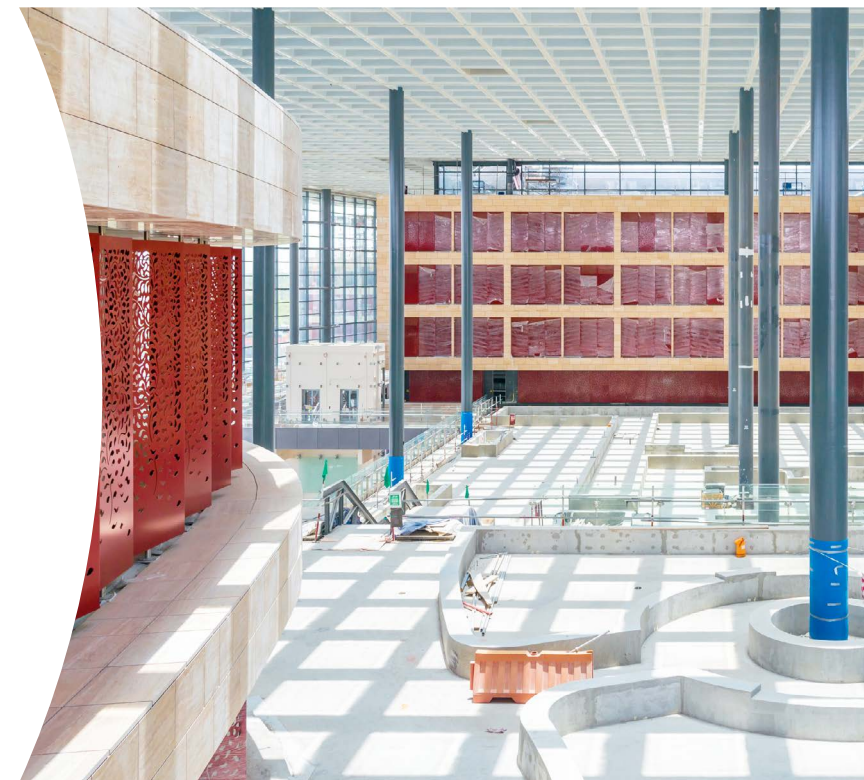
GSJ 's Share

	2016	2017	2018 at 15/06
Capitalisation (thousands of Euros)	210,034	230,843	263,356
Number of shares (x 1,000)	65,026	65,026	65,026
Price at the end of the period (Euros)	3.23	3.55	4.05
Maximun price of the period (Euros)	4.95	4.70	4.37
Minimum price of the period (Euros)	0.7	2.58	3.24
Volume (thousands of shares)	119,561	92,077	13,595
Cash (thousands of Euros)	306,897	333,066	51,537

Source: Madrid Stock Market

Market capitalisation over € 263 M.

- 01 • Economic Environment
- 02 • Global Group
- 03 • Year 2017 in GSJ
- 04 • Business Lines
- 05 • Economic & Financial Information
- 06 • **CORPORATE SOCIAL RESPONSIBILITY**



Al Ain Hospital, Abu Dhabi (United Arab Emirates)

CORPORATE SOCIAL RESPONSIBILITY



All this would not be possible without our human team, the men and women integrating Grupo SANJOSE, our best asset.

**TEAM
SANJOSE**
2,878

AGM 18

Annual General Meeting



LEGAL DISCLAIMER

Legal disclaimer This document contains forward-looking statements regarding the intentions, forecasts or expectations of Grupo SANJOSE or its management at the date of its execution, relating to the activity and situation of the Group.

These forward-looking statements or forecasts do not constitute by their own nature, guarantees of future compliance, being conditioned by risks, uncertainties and other relevant external factors, arising from results other than those highlighted in this document.

This document, including future estimates, is provided solely and exclusively for the event taking place today.

Grupo SANJOSE expressly declines any obligation or commitment to provide any update or review on the information contained herein, any changes in its forecasts or expectations or any modification of the facts, conditions or terms which these estimates have been based on.

This document contains financial information prepared in accordance with International Financial Reporting Standards (IFRS). Non-audited information, subject to potential changes in the future.

Neither the company nor any of its advisors or representatives assume responsibility of any kind, whether due to negligence or for any other reason, with respect to damages or losses arising from the use of this document or the contents herein.

Further, this document does not constitute an offer to buy, sell or exchange or request a purchase offer, sale or exchange of securities, nor a request for vote or approval in any jurisdiction.

Neither this document nor any part of the same constitute a document of a contractual nature, nor can it be used to integrate or interpret any contract or any other agreement.

This document does not constitute an offer or invitation to acquire or subscribe shares, pursuant to provisions under Act 24/1998 as of 28 July, on Securities Market, under Royal Decree-Law 5/2005, as of 11 March and / or Royal Decree 1310/2005, as of 4 November, and regulations.