Business performance 1Q2024

1. FCC GROUP – EXECUTIVE SUMMARY

KEY FIGURES

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Revenue	2,185.6	2,026.7	7.8%
Gross operating profit (EBITDA)	355.4	332.1	7.0%
EBITDA margin	*16.3%*	*16.4%*	*-0.1 p.p*
Income attributable to the parent company	104.6	96.9	7.9%
	Mar. 24	**Dec. 23**	**Chg. (%)**
Equity	6,219.7	6,145.9	1.2%
Net financial debt	3,555.0	3,100.1	14.7%
Backlog	43,459.1	41,620.8	4.4%

- During the first quarter of 2024, the revenue recognised by the FCC Group increased by 7.8% to 2,185.6 million. This was due to increased activity in most business areas. In particular, the Water sector was boosted by entry into the USA market and the Construction sector made a significant contribution with new contracts in several markets.
- Gross operating profit (EBITDA) increased to €355.4 million in the period, up 7%, driven by increased revenues. The Cement area also made a noteworthy contribution due to the impact of gradually falling energy costs, which was offset by the effect of a provision for waste treatment activity in the Environment segment. All in all, the Group's gross operating margin was 16.3%, very similar to that achieved the previous year.
- In turn, attributable net profit increased by 7.9% to €104.6 million. This growth is closely aligned with that recorded in operating profit, where the impact of higher interest rates on the financial result was offset by a larger contribution from the results of entities under the equity method and a lower tax rate accrued in the period.
- Net financial debt stood at €3,555 million at 31 March, up 14.7% on December 2023. This is largely explained by investments made, particularly in the Environment and Water areas (including the purchase of the US company MDS for €81.4 million), the use of working capital, and the increase in the holding in Realia in the Real Estate area for €92.6 million, which increased the holding in this subsidiary to 76.6% at the end of the period.
- Equity grew by 1.2% to €6,219.7 million, due to the increase in the Group's consolidated result to €144.1 million, of which €39.5 million corresponded to minority shareholders, mainly located in the Environment and Water and, to a lesser extent, Real Estate areas.
- The FCC Group's income portfolio registered at the end of the first three months grew by 4.4%, up to 43,459.1 million euros, compared to the end of the previous year. This increase can be traced to activity in the integral cycle of the Water Area and new contracts in the Environment area.

2. FCC GROUP – KEY FIGURES BY AREA

(million euros)

Area	Mar. 24	Mar. 23	Chg. (%)	% of 24 total	% of 23 total
REVENUE BY BUSINESS AREA					
Environment	957.6	912.4	5.0%	43.8%	45.0%
Water	383.4	335.2	14.4%	17.5%	16.5%
Construction	648.1	564.0	14.9%	29.7%	27.8%
Cement	154.4	149.5	3.3%	7.1%	7.4%
Real Estate	45.0	67.2	-33.1%	2.1%	3.3%
Corporate serv. and others	(2.9)	(1.6)	79.4%	-0.1%	-0.1%
Total	**2,185.6**	**2,026.7**	**7.8%**	**100.0%**	**100.0%**
REVENUE BY GEOGRAPHICAL AREA					
Spain	1,155.5	1,109.0	4.2%	52.9%	54.7%
America	302.1	273.1	10.6%	13.8%	13.5%
Rest of Europe	268.4	207.4	29.4%	12.3%	10.2%
United Kingdom	259.7	251.0	3.5%	11.9%	12.4%
Czech Republic	101.1	99.1	2.0%	4.6%	4.9%
Middle East, Africa and Australia	98.8	87.1	13.4%	4.5%	4.3%
Total	**2,185.6**	**2,026.7**	**7.8%**	**100.0%**	**100.0%**
EBITDA*					
Environment	139.3	135.8	2.6%	39.2%	40.9%
Water	84.4	74.3	13.6%	23.7%	22.4%
Construction	38.9	33.8	15.1%	10.9%	10.2%
Cement	42.8	31.8	34.6%	12.0%	9.6%
Real Estate	29.4	35.0	-16.0%	8.3%	10.5%
Corporate serv. and others	20.6	21.4	-3.8%	5.8%	6.4%
Total	**355.4**	**332.1**	**7.0%**	**100.0%**	**100.0%**

Area	Mar. 24	Dec. 23	Chg. (%)	% of 24 total	% of 23 total
NET FINANCIAL DEBT*					
Corporate					
With recourse	(1,046.8)	(1,233.1)	-15.1%	-29.4%	-39.8%
Without recourse	75.6	74.3	1.7%	2.1%	2.4%
Operating					
Environment	1,445.5	1,424.7	1.5%	40.7%	46.0%
Water	1,845.4	1,665.8	10.8%	51.9%	53.7%
Cement	118.1	131.4	-10.1%	3.3%	4.2%
Real Estate	1,117.2	1,037.0	7.7%	31.4%	33.5%
Total	**3,555.0**	**3,100.1**	**14.7%**	**100.0%**	**100.0%**
BACKLOG*					
Environment	13,986.5	13,328.4	4.9%	32.2%	32.0%
Water	22,457.8	21,730.7	3.3%	51.7%	52.2%
Construction	6,830.8	6,425.9	6.3%	15.7%	15.4%
Real Estate	184.0	135.8	35.5%	0.4%	0.3%
Total	**43,459.1**	**41,620.8**	**4.4%**	**100.0%**	**100.0%**

** See page 13 for a definition of the calculation in accordance with ESMA Guidelines (2015/1415en).*

3. PERFORMANCE BY BUSINESS AREA

3.1. Environment

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Turnover	957.6	912.4	5.0%
EBITDA	139.3	135.8	2.6%
EBITDA Margin	14.5%	14.9%	*-0.4 p.p*

Revenue in the Environmental sector increased by 5% to €957.6 million due to increased contributions from waste collection, street cleaning and waste treatment in Spain, the United States and Central Europe as a whole, which offset lower activity in the United Kingdom.

Breakdown of revenue by geographical area

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Spain	527.7	494.4	6.7%
United Kingdom	180.0	187.2	-3.8%
Central Europe	151.1	141.8	6.6%
United States and other	98.8	89.0	11.0%
Total	**957.6**	**912.4**	**5.0%**

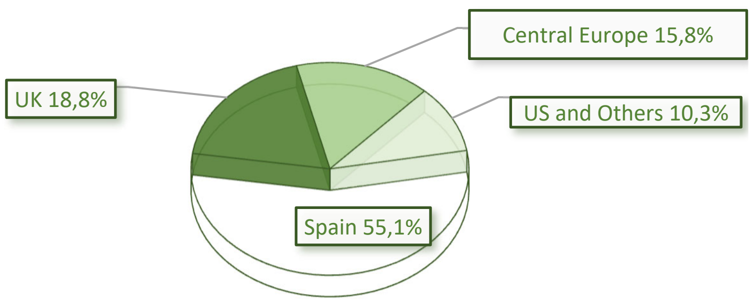
By geographical area, in Spain, revenue increased by 6.7% compared to the first quarter of 2023 to €527.7 million, on account of the strong performance of waste collection, street cleaning and waste treatment. Other services booked similar figures as those seen during the previous period.

In the United Kingdom, revenue fell by 3.8% to €180 million, mainly due to a reduction in the collection of the landfill tax and, to a lesser extent, a lower contribution from recovery activity, offset partially by increased recycling activity.

In central Europe, revenues increased by 6.6%, reaching 151.1 million euros, due to the good performance in all the countries in which the area operates, especially in Poland.

Last but not least, revenue in the United States and other markets increased by 11.0% to €98.8 million, due to the contribution of new contracts for collection and treatment activity, mainly in Florida and California.

Breakdown of revenue by geographical area



Gross operating profit (EBITDA) increased by 2.6% to €139.3 million. This was lower than the growth in revenue due to the effect of a provision of €10.9 million relating to a landfill tax appeal collected on behalf of the public administration in the United Kingdom. In this way, the operating margin stood at 14.5%, although adjusted for the aforementioned non-recurring factor, it would have exceeded that obtained in the same period of the previous year.

Breakdown of backlog by geographical area

(million euros)	**Mar. 24**	**Dec. 23**	**Chg. (%)**
Spain	8,448.1	8,390.6	0.7%
International	5,538.4	4,937.8	12.2%
Total	**13,986.5**	**13,328.4**	**4.9%**

At the end of the first quarter, the backlog registered in the area amounted to €13,986.5 million, 4.9% more than in December 2023. The international area grew by 12.2% due to new tender awards for municipal solid wastes in the Clay and Sarasota counties of Florida in the United States. For its part, Spain remained at the same levels as in December of the previous year.

Operational and contracting milestones

- Last February, Clay County, located in northern Florida, approved the awarding of the municipal solid waste collection service to FCC Environmental Services for a period of 10 years plus two possible extensions of 5 years each. The total amount of the awarded portfolio, including extensions, amounts to 421 million dollars. In March, another county in the state of Florida, this time Sarasota, awarded the new contract for the collection of municipal solid waste in the southern area, for a total of 750 million dollars. This is for an initial period of seven years starting in the first quarter of 2025 with two possible extensions, of seven and six years. These two contracts, together with the St Johns contract awarded in Florida at the end of 2023, will increase the population served in Florida by 780,000, increasing the population served worldwide to nearly 70 million people.

- Highlights in Spain include management of the Badajoz municipal solid waste treatment plant (composting and recovery) for 15 years and an associated backlog amounting to €94.5 million.

3.2. Water

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Turnover	383.4	335.2	14.4%
EBITDA	84.4	74.3	13.6%
EBITDA Margin	22.0%	22.2%	*-0.2 p.p*

Turnover in the year to March increased by 14.4%, to €383.4 million. This was mainly due to an increased contribution from water cycle management activity due to acquisition of the company Municipal District Services (MDS) in the United States, together with a major review of prices for operations in Georgia. The only exception to this growth trend is Technology and Networks activity, which was down 4.8% in the period.

Breakdown of revenue by geographical area

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Spain	212.1	207.5	2.2%
Central and Eastern Europe	59.7	53.6	11.4%
America	47.9	15.5	209.0%
Middle East, Africa and Other	37.6	32.9	14.3%
Rest of Europe (France, Portugal and Italy)	26.1	25.7	1.6%
Total	**383.4**	**335.2**	**14.4%**

By geographical area, revenue in Spain increased by 2.2% to €212.1 million, driven by activity in the Concessions sector, based on increased prices and higher volume of cubic metres invoiced in the non-residential market and, to a lesser extent, the residential market, despite the restrictions on consumption imposed in some areas due to drought, including Catalonia and Andalusia. On the contrary, Technology and Networks activity decreased due to the lower execution of work in the investment plans associated with concession contracts.

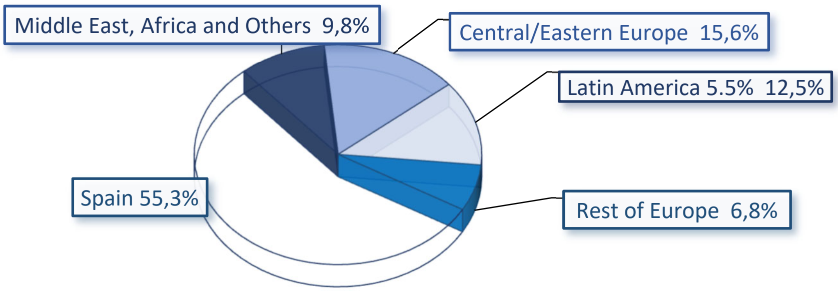
In Central and Eastern Europe, revenue was up by 11.4% at €59.7 million, mainly due to increased activity in management of the integral cycle, supported by two main geographies, the Czech Republic and Georgia. This is despite an unfavorable behavior of the exchange rate of the Czech crown and the Georgian lari in the period (-5.1% and -3.0%, respectively).

Elsewhere in Europe, revenues increased by 1.6% to €26.1 million, due to the increase in concession activity due to new contracts in France, which offset the lower volume of actions in the infrastructures of the integral cycle concession operated in Italy.

Revenue grew significantly in America, to €47.9 million, mainly due to the contribution from the acquisition of Municipal District Services (MDS) in Texas in January. Added to this is the greater contribution of full-cycle concession contracts in Colombia. Likewise, Technology and Networks activity registered an increase, thanks to the execution of investment plans associated with contracts in Colombia and those for hydraulic infrastructure in Mexico.

Revenue increased by 14.3% to €37.6 million in the Middle East, Africa and Others. This growth is motivated by greater activity in Saudi Arabia, highlighting the two regional contracts ("Cluster") and a greater contribution from the Mostaganem plant (increase in rates and appreciation of the Algerian dinar). However, Technology and Networks activity dropped on account of the completion of the construction of the Abu Rawash project in Egypt and its entry into operation.

Breakdown of revenue by geographical area



Gross operating profit (EBITDA) was up by 13.6%, at €84.4 million, due to the increase in both income from tariff revenue and the addition of new contracts, as already mentioned, such as those associated with MDS in the USA and Riohacha in Colombia. In this way, the operating margin stood at 22%, at levels similar to the same period of the previous year.

Breakdown of backlog by geographical area

(million euros)	Mar. 24	Dec. 23	Chg. (%)
Spain	6,809.1	6,860.6	-0.8%
International	15,648.7	14,870.1	5.2%
Total	**22,457.8**	**21,730.7**	**3.3%**

At the end of March, the backlog stood at €22,457.8 million, 3.3% higher than in December 2023. Internationally, the backlog increased by 5.2%, due to increased activity in Georgia and France, together with the addition of the portfolio of revenue associated with MDS in the USA. For its part, in Spain it remained at similar levels to those of the previous year.

Operational and contracting milestones

- In January, FCC Aqualia completed the acquisition of the Texas group Municipal District Services (MDS) based in Houston, which manages the integral cycle of 364,000 people on the outskirts of Houston, with some 140 service contracts with municipal districts. MDS is the second largest full cycle service provider in the Houston area (one of the five largest cities in the USA).

- The presence in Mexico has been reinforced with the start of the first phase of the "Comprehensive Management Improvement" (MIG) project of the drinking water service in Cabo San Lucas, in the state of Baja California Sur. The MIG project is a public-private partnership contract with the Municipal Water System Operator, which provides FCC Aqualia with a backlog of €53 million and involves investment of €32 million for the modernisation, equipping, operation and maintenance of water infrastructure.

3.3. Construction

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Turnover	648.1	564.0	14.9%
EBITDA	38.9	33.8	15.1%
EBITDA Margin	*6.0%*	*6.0%*	*0.0 p.p*

The revenue in this area increased by 14.9% to €648.1 million, due to work commencing on new projects awarded during the last year, including industrial projects for development of renewable energy and gas, and some major international railway and highway infrastructure projects.

Breakdown of revenue by geographical area

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Spain	282.2	249.2	13.2%
Europe	179.2	111.1	61.3%
America	142.9	166.6	-14.2%
Middle East, Africa, Australia and Others	43.8	37.1	18.1%
Total	**648.1**	**564.0**	**14.9%**

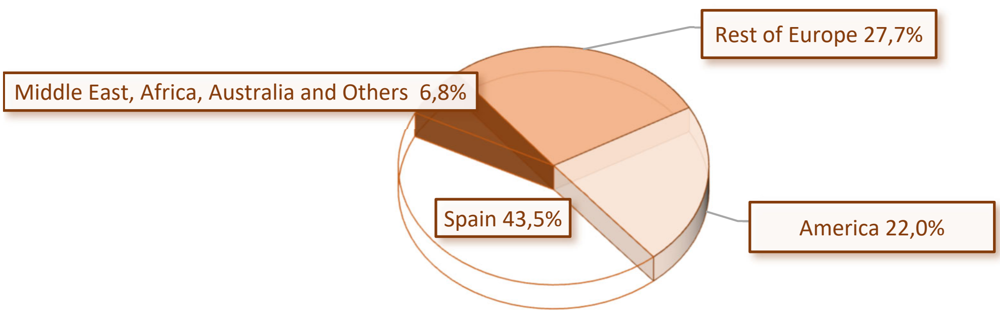
In terms of geographical areas, turnover in Spain increased by 13.2%, to €282.2 million, with good progress in all work in progress, particularly railways and the start-up of new facilities, such as renewable energy generating plants, which offset the lower contribution due to work on Madrid's Santiago Bernabéu Stadium nearing completion.

In the Rest of Europe, turnover increased by 61.3% to €179.2 million, mainly due to progress with the A-465 road in the United Kingdom and the A-9 road in the Netherlands and a bridge in Norway.

In America, turnover was down by 14.2% at €142.9 million compared to the previous year, mainly due to completion of the Maya Train project in Mexico, which has not yet been offset by the increasing contribution of railway works in Toronto in Canada and in the USA.

There was an 18.1% increase in revenue in the Middle East, Africa, Australia and Others to €43.8 million, due to the increased contribution from work on the NEOM railway line in Saudi Arabia, which comfortably exceeds the impact of the completion phase of other projects, such as the Riyadh Metro project.

Breakdown of revenue by geographical area



Gross operating profit reflect the increase in revenue to €38.9 million, with a 15.1% increase compared to the same period in 2023. Its performance is similar to that of revenue, with no appreciable variations in the contribution of ongoing projects. As a result, the operating margin remained stable in the period at 6%, identical to the first three months of the previous year.

Breakdown of backlog by geographical area

(million euros)	**Mar. 24**	**Dec. 23**	**Chg. (%)**
Spain	2,366.0	2,386.1	-0.8%
International	4,464.8	4,039.8	10.5%
Total	**6,830.8**	**6,425.9**	**6.3%**

The revenue backlog at the end of March was €6,830.8 million, 6.3% higher than at year-end 2023. The International sector was up by 10.5%, at €4,464.8 million, with highlights including the contract for the Rubí line of the Porto Metro, the construction of a regasification terminal in Germany for Hanseatic Energy Hub, and the first project-management phase for a planned nuclear reactor in the Netherlands. For its part, Spain remains at similar levels to those of December of the previous year.

Operational and contracting milestones

- The Department of Infrastructure of Ontario (Canada) has awarded FCC Construction the contract to build new tunnels and stations in the Toronto subway network, a project estimated at around 1.3 billion euros. As part of a consortium with Webuild and Aecom, FCC Construction will build 50% of three kilometres of twin tunnels on Pape Avenue, two subway stations (Pape and Cosburn) and a railroad switch, in additions to the exits and emergency services.
- Last January, the Rubí line contract entered the portfolio: Casa da Música – Santo Ovidio, of the Porto Metro (Portugal) for an amount for FCC (60% of the consortium) of 227.7 million euros.
- A consortium formed by FCC Industrial (with a 28% stake), CAF and Revenga has won the Adif tender for installation of signalling and railway traffic management for the Murcia-Almeria section, which is crucial for the development of the Mediterranean Corridor in Spain. This tender is worth €177 million.

3.4. Cement

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Turnover	154.4	149.5	3.3%
EBITDA	42.8	31.8	34.6%
EBITDA Margin	*27.7%*	*21.3%*	*6.4 p.p*

Revenues from the area grew by 3.3% to €154.4 million compared to the previous March, following the increase in prices in both the local market in Spain and, in particular, exports from this market.

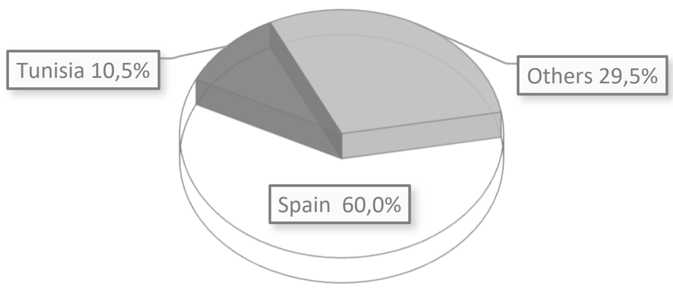
Breakdown of revenue by geographical area			
(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Spain	92.7	92.4	0.3%
Tunisia	16.2	16.8	-3.6%
Miscellaneous (exports)	45.5	40.3	12.9%
Total	**154.4**	**149.5**	**3.3%**

By geographical area, in Spain turnover was practically unchanged on the first quarter in 2023, at €92.7 million, with the decrease in volumes being fully compensated by increases in prices.

In the local market in Tunisia, turnover fell by 3.6% to €16.2 million, due to lower volumes and a slight drop in prices.

Revenue from exports was up by 12.9% at €45.5 million, due to the significant increase in prices of exports from Spain, mainly to the Netherlands, the United Kingdom and France, which offset the reduction in volumes shipped from both Spain and Tunisia.

Revenue Breakdown by Geographic Area



Gross operating earnings increased by 34.6% to €42.8 million. This increase was due to the increase in turnover and a significant fall in the average price of electricity in Spain and fuel prices in both Spain and Tunisia. These factors enabled the operating margin to increase to 27.7%, compared to 21.3% in the first quarter of 2023.

Operational and contracting milestones

- At the facilities of the largest factory in the Area (Morata de Tajuña, Madrid), environmental authorization has been obtained to expand the use of biomass as an alternative fuel in the white Clinker production line. This means extending its use to the entire productive capacity of what is one of the largest cement factories in Europe. As a result, the use of alternative fuels can replace up to 80% of thermal energy, reducing atmospheric CO2 emission by up to an additional 145,000 tonnes.

- The Cementos Portland Valderrivas factory in Alcalá de Guadaíra in Seville received Integrated Environmental Authorisation (IEA) from the regional Sustainability, Environment and Blue Economy Ministry in February. This will enable the use of more ecologically friendly fuels and raw materials with industrial origins in the production process, reducing greenhouse gas emissions substantially. This new permit, with its limits and requirements, becomes a powerful tool for integrated pollution control, for the protection of the environment and people's health. This factory will boost the circular economy and industrial symbiosis, enabling greater development of the economy related to waste management in the area and promoting the preparation of waste that currently cannot be recycled or reused for use as fuel or raw material.

3.5. Real Estate

(million euros)	**Mar. 24**	**Mar. 23**	**Chg. (%)**
Turnover	45.0	67.2	-33.1%
EBITDA	29.4	35.0	-16.0%
EBITDA Margin	*65.4%*	*52.1%*	*13.3 p.p*

The area's income fell by 33.1% in the period, to 45 million euros, due exclusively to the lower volume of deliveries in housing development, with property activity similar to that of the first quarter of the previous year.

The Residential Development activity decreased by 59.7% to 15.5 million euros of income compared to the 38.4 million euros registered in the previous year. This reduction is due to the slower pace of delivery of houses, although this was higher than expected for the first quarter.
In Rental Assets, income reached 29.5 million euros, with an increase of 2.4%. At the end of the period, the occupancy rate was over 92%.

EBITDA decreased by 16% to 29.4 million euros, although the contribution margin increased to 65.4% compared to 52.1% in the first quarter of the previous year. The margin of the area reflects the dominant contribution of Equity activity, which contributed more than 90% of the total during the period, due the performance of housing development for sale.

Operational and contracting milestones

- In March, FCyC, the parent of the Real Estate area, acquired an additional 10.26% of the capital of Realia from the Polygon group at 1.10 euros per share, totalling €92.6 million. After this acquisition, the stake in the listed subsidiary closed last March at 76.6%.

- The marketing of several developments in various areas of Spain began during the period. In Valencia more than 120 homes; 39 in Malaga and 44 in Las Palmas de Gran Canaria. Work has also begun on several developments, such as those in Madrid, with 261 homes in Tres Cantos and 98 in Valdemoro.

Explanatory note

EBITDA

We define EBITDA as earnings from continuing operations before tax, earnings of companies accounted for using the equity method, financial result, depreciation and amortisation charges, impairment, gains or losses on disposals of non-current assets, grants, net changes in provisions and other non-recurring revenues and expenses.

EBITDA Margin

Defined as EBITDA (or gross operating profit) divided by Net Turnover in each case.

BACKLOG

As at any given date, the backlog reflects pending production, that is, amounts under contracts or client orders, net of taxes on production, less any amounts under those contracts or orders that have already been recognised as revenue. We value pending production according to current prices as at the date of calculation. We include in backlog only amounts to which clients are obligated by a signed contract or firm order.

At the Environment division, we recognise the backlog for our waste management contracts only when the relevant contract grants us exclusivity in the geographical area where the plant, landfill or other facility is located.

In our Water business area, we calculate initial backlog on the basis of the same long-term volume estimates that serve as the basis for our contracts with clients and for the tariffs set in those contracts.

In our Construction business area, we recognise the backlog only when we have a signed contract with, or a firm order from, the end client. Once we have included a contract in our backlog, the value of pending production under that contract remains in backlog until fulfilled or cancelled. However, we do adjust the values of orders in the backlog as needed to reflect any price or schedule changes that may be agreed with the client. For example, after the date of calculation, a price may increase or decrease as a result of changes in contractual production due to additional works to be performed. Due to a number of possible factors, we could fail to realise as revenue part or all of our calculated backlog with regard to a given contract or order. Our backlog is subject to adjustments and project cancellations and is, therefore, an uncertain indicator of future earnings.

We do not calculate the Cement area's backlog due to the typically short-term nature of the order cycle.

In the Real Estate area, the real estate portfolio corresponds to the amount of the collection corresponding to the sales of properties pending formalisation at the end of the period in the Development activity. The GAV corresponds to the market value of the real estate assets as determined by independent experts and the occupancy rate at the occupied surface area of the portfolio of rental property assets divided by the portfolio's operating surface area.

GROSS FINANCIAL DEBT

Debts (current and non-current) with credit institutions, debt instruments and loans, financial lease payables and other financial borrowings from third parties, joint ventures and associates on the Liabilities side of the consolidated balance sheet.

NET FINANCIAL DEBT

Net financial debt is defined as total gross financial debt less current financial assets, cash and other cash equivalents.

WORKING CAPITAL

The part of Current Assets financed using long-term funds (Non-Current Liabilities and Net Equity). It is calculated as the sum of Current Assets minus the sum of Current Liabilities.

4. DISCLAIMER

The interim financial information contained in this document was obtained from the consolidated interim financial statements as at 31 March 2024, prepared in accordance with the International Financial Reporting Standards (IFRS) that had been adopted by the European Union at the end of the period, in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002.

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