

# Cintra Infrastructures SE

*Interim Accounts*

**12 December 2018**

Company registration number: SE000099

THURSDAY



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13/12/2018  
COMPANIES HOUSE

**Cintra Infrastructures SE**  
**Interim Accounts 12 December 2018**

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## **General information**

### **Board of Directors**

Enrique Díaz-Rato Revuelta (appointed on 22 April 2016)

Javier Romero Sullá (appointed on 30 November 2016)

Francisco Jose Clemente Sanchez (appointed on 30 November 2016)

### **Company registration number**

SE0000099

### **Registered address**

The Sherard Building, Edmund Halley Road, Oxford, Oxfordshire, OX44DQ, United Kingdom

### **Main Bankers**

BBVA, Paseo de Recoletos 10, ala sur Pl. Baja, 28001 Madrid, Spain

Banco Santander, Plaza de Canalejas 1, 28014 Madrid, Spain

### **Web**

<http://www.ferrovial.com/en/>

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101, 'Reduced Disclosure Framework'. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the Company and of the profit or loss of the Company for that period.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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For the year ended 12 December 2018

	Note	12/12/2018	30/12/2017
Revenue		550,601,928	24,732,123
Personnel Expenses		(27,250)	(201,116)
Other operating expenses		(596,270)	(3,102,952)
Impairment of investments		-	492,898
Provisions		(2,636,460)	(11,261,976)
Other provisions		(147,442)	4,546,677
<b>Operating profit</b>		<b>547,194,506</b>	<b>15,205,654</b>
Finance Income	20	5,117	5,117
Finance costs		(9,361,427)	(9,723,339)
Exchange Differences		(1,037,161)	(214,543)
Profit on sale of the investments		-	103,523,093
Other gains from derivatives results		(3,401,005)	19,092,911
<b>Financial result</b>		<b>(13,799,573)</b>	<b>112,683,239</b>
<b>Profit before taxation</b>		<b>533,394,933</b>	<b>127,888,893</b>
Tax		(76,775,189)	(13,222,869)
<b>Profit for the financial year attributable to owners of the Company</b>		<b>456,619,744</b>	<b>114,666,024</b>

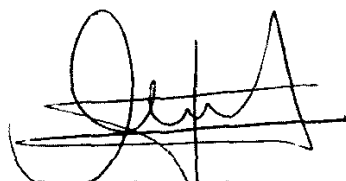
Operating profit is all derived from continuing operations.

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As at 12 December 2018

€	12/Dec/2018	30/Dec/2017
<b>Non-current assets</b>	<b>1,107,745,042</b>	<b>1,007,870,579</b>
Investments in subsidiaries	978,663,674	911,566,514
Investment in associates	68,863,698	68,863,698
Other investments	370	370
Deferred tax assets	31,038,416	27,243,239
Derivative financial instruments	29,176,170	-
Loans to related parties	2,714	196,758
<b>Current assets</b>	<b>585,743,545</b>	<b>155,360,133</b>
Derivative financial instruments	-	7,785,933
Loans to related parties	575,693,632	129,750,380
Trade and other receivables	9,732,970	11,524,107
Current tax assets	-	5,849,095
Cash and bank balances	316,943	450,618
<b>Total assets</b>	<b>1,693,488,587</b>	<b>1,163,230,712</b>
<b>Current liabilities</b>	<b>188,321,985</b>	<b>38,299,956</b>
Short term provisions	75,589,468	-
Trade and other payables	11,415,334	9,533,168
Current tax liabilities	13,519,267	-
Borrowings	66,175,208	28,765,788
Other debts	4,490	1
Derivative financial instruments	21,618,218	-
<b>Net current assets</b>	<b>397,421,559</b>	<b>117,060,177</b>
<b>Total assets less current liabilities</b>	<b>1,505,166,601</b>	<b>1,124,930,756</b>
<b>Non-current liabilities</b>	<b>206,065,546</b>	<b>278,039,885</b>
Borrowings	122,282,211	121,909,260
Long term provisions	17,776,778	91,789,976
Deferred tax liabilities	66,006,556	64,340,649
<b>Total liabilities</b>	<b>394,387,531</b>	<b>316,339,841</b>
<b>Net assets</b>	<b>1,299,101,056</b>	<b>846,890,871</b>
<b>Equity</b>		
Share capital	151,878,486	151,878,486
Share premium account	978,327,457	978,327,457
Retained earnings	168,895,113	(287,724,632)
Cash flow hedge reserve	-	4,409,560
<b>Equity attributable to owners of the Company</b>	<b>1,299,101,056</b>	<b>846,890,871</b>

The interim financial statements of Cintra Infrastructure SE (registered number S000099) were approved by the board of directors and authorised for issue on 12 December 2018. They were signed on its behalf by:

  
**Francisco Clemente Sánchez**  
Director

## Cintra Infrastructures SE Interim Accounts 12 December 2018

As at 12 December 2019

Companies anticipated 12 months cash flow forecast.

	<b>12/12/19</b>
Net Profit attributable to the Parent	(3,348,365)
Adjustments to Profit	21,908,329
Dividends received from subsidiaries	(12,363,000)
Interest on loans with group companies	(13,485,752)
Provision	
Finance result	11,609,648
Tax	36,147,432
Change in receivables, payables and other	
Corporate tax	(89,108,735)
Dividends	12,363,000
<b>Cash flows from operating activities</b>	<b>(58,185,771)</b>
Investments in property, plant and equipment and intangible assets	(71,280,473)
Divestment	-
<b>Cash flows (used in) / from investing activities</b>	<b>(71,280,473)</b>
<b>Cash flows before financing activities</b>	<b>(129,466,244)</b>
Dividend payment	(125,200,687)
Repayment of borrowings	-
Proceeds from borrowings	276,285,149
Other financial payments	-
Derivatives payments	21,618,218
<b>Cash flows from/(used in) financing activities</b>	<b>129,466,244</b>
<b>Change in cash and cash equivalents</b>	<b>-</b>
Cash and cash equivalents at beginning of the period	382,753
Cash and cash equivalents at end of the period	382,753

## Cintra Infrastructures SE Interim Accounts 12 December 2018

### As at 12 December 2019

Companies anticipated working capital over a 12 month period ending on 12 December 2019 shows a positive working capital of 383,007,308 euros.

€	12/12/2019
Non-current assets	1,147,987,099
Current assets	311,334,499
<b>Total assets</b>	<b>1,459,321,598</b>
Current liabilities	113,742,464
<b>Net current assets</b>	<b>197,592,035</b>
<b>Total assets less current liabilities</b>	<b>1,345,579,134</b>
Non-current liabilities	206,065,546
<b>Total liabilities</b>	<b>319,808,010</b>
<b>Net assets</b>	<b>1,139,513,588</b>
<b>Equity</b>	<b>1,139,513,588</b>
Share capital	151,878,486
Share premium account	978,321,457
Retained earnings	9,307,645
<b>Equity attributable to owners of the Company</b>	<b>1,139,513,588</b>
<b>Working capital</b>	<b>197,592,035</b>



## **Cintra Infrastructures SE**

### **Interim Accounts 12 December 2018**

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#### **For the year ended 12 December 2018**

##### **1. General information**

The Company is a private Company limited by shares and was incorporated under the Spanish Law on 8 June 2009 under the Company name of Cintra Infraestructuras, S.A., and was then registered as a European company on 30 July 2015, changing its name to Cintra Infraestructuras, S.E.

On 22 April 2016 the Company was incorporated in the United Kingdom under the Companies Act 2006 as an European Company and is registered in England and Wales. The address of the Company's registered office is shown on page 3.

The Company has tax office address in Spain, at Plaza Manuel Gomez Moreno 2 and N8267093F company tax identification number.

These financial statements are presented in Euros because that is the currency of the primary economic environment in which the Company operates.

The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Ferrovial, S.A. The group accounts of Ferrovial, S.A. are available to the public and can be obtained as set out in note 29.

On 2016 the Company, as a result of his change in the registered office from Spain to the United Kingdom, changed the applying legislation from IFRS to apply Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) issued by the Financial Reporting Council (FRC) incorporating the Amendments to FRS 101 issued by the FRC in July 2015 and the amendments to Company law made by The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2016.

##### **Change in year end reference date**

For the 2017 accounting period the Company changed its year reference date from 31 December 2017 to 30 December 2017. However the Company included all journal entries dated 31 December 2017 in the 2017 Financial Statements. The 2017 accounting period comprises from 30 December 2016 to 30 December 2017 and includes journal entries from 1 January 2017 to 31 December 2017.

##### **2. Significant accounting policies**

###### **Basis of accounting**

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC. Accordingly, in the year ended 31 December 2016 the Company undertook transition from reporting under IFRSs adopted by the European Union to FRS 101 'Reduced Disclosure Framework'. Therefore, the first financial statements been prepared in accordance with FRS 101 were 2016. This transition did not have material effect on the financial statements.

On 22 April 2016, the Company transferred its registered office from Spain to the United Kingdom, and from that date the Companies Act 2016 applies, consequently, the directors decided to change to FRS 101, in line with the Companies Act as they have not changed their accounting standards in the period of five years preceding the first day of this financial year.

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### 2. Significant accounting policies (continued)

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions.

Where relevant, equivalent disclosures have been given in the group accounts of Ferrovial, S.A.

The financial statements have been prepared on the historical cost basis, except for the certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 and measurements that have some similarities to fair value but are not fair value such as value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies adopted are set out below.

#### Going concern

On the basis of the information available to them, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

#### Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

#### Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for at cost less, where appropriate, provisions for impairment.

#### Dividend and interest revenue

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## **2. Significant accounting policies (continued)**

### **Foreign currencies**

The financial statements are presented in euros, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting).

### **Borrowing costs**

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognised in other comprehensive income and released to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalised borrowing costs reflect the hedged interest rate.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **Operating profit**

Operating profit is stated after charging restructuring costs but before investment income and finance costs.

### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

## **2. Significant accounting policies (continued)**

### ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### ***Current tax and deferred tax for the year***

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### ***Financial instruments***

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

### ***Financial assets***

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

## **2. Significant accounting policies (continued)**

### ***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

### ***Financial assets at FVTPL***

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition, it is a part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the income statement.

### ***Loans and receivables***

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

### ***Impairment of financial assets***

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, including redeemable notes classified as AFS, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or

## **2. Significant accounting policies (continued)**

- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

With the exception of AFS equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

### ***Reclassification of financial assets***

Reclassification is only permitted in rare circumstances and where the asset is no longer held for the purpose of selling in the short-term. In all cases, reclassifications of financial assets are limited to debt instruments. Reclassifications are accounted for at the fair value of the financial asset at the date of reclassification.

### ***Derecognition of financial assets***

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

## **2. Significant accounting policies (continued)**

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

### ***Financial liabilities and equity***

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

### ***Financial liabilities***

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

### ***Financial liabilities at FVTPL***

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement.

### ***Other financial liabilities***

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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### 2. Significant accounting policies (continued)

#### ***Derecognition of financial liabilities***

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

#### ***Derivative financial instruments***

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in note 16.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. The Company designates certain derivatives as either hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedges), hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a current asset due after one year or a creditor due after more than one year if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### ***Embedded derivatives***

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

An embedded derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

#### ***Hedge accounting***

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Note 16 sets out details of the fair values of the derivative instruments used for hedging purposes.

Movements in the hedging reserve in equity are detailed in note 24.



## **2. Significant accounting policies (continued)**

### ***Fair value hedges***

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the profit and loss account relating to the hedged item.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

### ***Cash flow hedge***

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the income statement as the recognised hedged item. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the Company revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income at that time is accumulated in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

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#### **3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies for the 12 December 2018 Statements of financial Position, which are described in note 2, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

These judgments and estimates are based on the best information available at 12 December 2018 on the events being analysed. Nevertheless, future events may make it necessary to change these estimates.

#### ***Critical judgements in applying the Company's accounting policies***

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant.

#### **Impairment of investments in subsidiaries**

Determining whether the Company's investments in subsidiaries have been impaired is a key judgement, which requires a key estimations of the investments' values in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the reporting date was 978,663,674 euros with non impairment loss recognised in 2018 (note 8 and 11).

#### **SH-130 legal case**

In relation to SH-130 Concession company claim noted in the Strategic report and after the consideration made by the legal advisors, the Company believes that there are solid arguments to defend the interests of the Ferrovial Group companies, and that it is reasonable to consider that a dismissal of the claim can be achieved. As a result, the Company has not recognised any provision in relation to this matter.

#### ***Key sources of estimation uncertainty***

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### **Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes, such as derivatives, etc. The Company has developed several procedures and IT tools to help the Company to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available.

#### **Impairment of receivables**

The Company has sold during the year 2018 its investment in Cintra Inversora de Autopistas de Cataluña, S.L. (CINCA), a company that has an indirect holding of 76.28% over Autema. In addition, the Company sold within the investment the loan to CINCA. This loan was partially impaired and therefore these provision has been setted off in the sale.

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### 4. Revenues

An analysis of the Company's revenue is as follows:

€	12/12/2018	2017
Services with group companies	-	744,859
Dividends received from subsidiaries	527,252,135	9,193,267
Interest on loans with group companies	2,894,954	8,935,443
Other revenues with group companies	20,454,839	5,858,554
<b>Revenues</b>	<b>550,601,928</b>	<b>24,732,123</b>

During 2018 there had'nt been any revenues for services to group companies, while during 2017 services to group companies were done for the bidding projects of the highway I66 in the US:

€	12/12/2018	2017
Cintra Servicios de Infraestructuras, S.A.	-	744,859
<b>Service to subsidiaries</b>	<b>-</b>	<b>744,859</b>

The detail of the dividends received during 2018 and 2017 is as follows:

€	12/12/2018	2017
FerrovialUS Holding Corp	519,366,197	-
Autoestrada do Algarve - Viadote infante - Sociedade de concessão - , S.A. (Portugal)	-	2,063,995
Vialivre, S.A. (Portugal)	-	240,000
Auto-estradas Norte Litoral, S.A. (Portugal)	4,931,688	5,389,999
Algarve International BvI (Netherlands)	-	1,499,273
Autovía de la Plata, S.A.	2,954,250	-
<b>Dividends received from subsidiaries</b>	<b>527,252,135</b>	<b>9,193,267</b>

Other operating revenues include incomes for the guarantees that the Company contract for guarantying group company projects and are detailed below:

€	12/12/2018	2017
I77 Mobility partners (US)	2,759,197	3,462,679
I66 Mobility partners (US)	16,474,254	-
Scot Roads Partnerships (UK)	-	51,116
Autopista del Sol, S.A (Spain)	206,274	225,419
NTE M.P. SEGMENTS 3 (US)	307,245	1,167,053
Autovía de la plata, S.L. (Spain)	95,160	97,387
Zero Bypass Limited (Slovakia)	580,686	744,599
Serranopark, S.A (Spain)	9,036	9,036
Autopista Alcalá O'Donnell, S.A. (Spain)	22,856	101,145
Cintra Serivios de Infraestructuras, S.A. (Spain)	65	65
Cintra Global, Ltd (Spain)	33	33
Cintra Inversiones, S.L. (Spain)	33	22
<b>Other Revenues Group Companies</b>	<b>20,454,839</b>	<b>5,858,554</b>

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### 4. Revenues (continued)

Interest on loans with group companies, comprises all the finance incomes from loans to group companies;

€	12/12/2018	2017
Austopistade(Sol,S.A.(Spain)	361	139
AutopistaTerrasaManresa,S.A.(Spain)	(8)	1
Cinsac,Ltd	-	94
CintraGlobalLtd(UK)	12	11
CintraInternacional,S.L.(Spain)	-	1
CintraInversiones,S.L.(Spain)	-	46
CintraInversoradeAutopistasdeCataluña,S.A.(Spain)	2,636,466	7,808,457
CintraServiciosdeInfraestructuras,S.A.(Spain)	24,619	11
Ferrofin,S.L.(Spain)	244,803	144
FerrovialAeropuertosInternacional,S.A.(Spain)	-	79
CintraEspaña	2,801	-
<b>TotalGroupCompanies</b>	<b>2,909,055</b>	<b>8,021,928</b>
AutopistaMadridSur,S.A.(Spain)	-	68,579
InversoradeAutopistaMadridSur,S.L.(Spain).	-	845
AutovíadelaAlmanzora,S.A.(Spain)	(14,641)	-
AutopistaAlcaláODonnell(Spain)	541	-
<b>TotalAssociatesCompanies</b>	<b>(14,100)</b>	<b>913,515</b>
<b>Interestonloanswithgroupcompanies</b>	<b>2,894,954</b>	<b>8,935,443</b>

### 5. Other operating expenses

The breakdown of othe roperting expenses for the 2018 and 2017 financial years is as follows:

€	12/12/2018	2017
Group companies' expenses	(556,294)	(2,986,999)
Third parties' expenses	(30,056)	(104,016)
Other taxes	(9,920)	(11,938)
<b>Total operating expenses</b>	<b>(596,270)</b>	<b>(3,102,952)</b>

The detail of the services provided by group companies is as follows:

Companies	12/12/2018	2017
Cintra Servicios de Infraestructuras, S.A. (Spain)	(556,294)	(2,556,976)
Cintra Servicios de Infraestructuras, S.A. Sucursal Portugal (Portugal)	-	(426,152)
Ferrovial, S.A. (Spain)	-	(3,871)
<b>Total group companies</b>	<b>(556,294)</b>	<b>(2,986,999)</b>

The group company expenses for the 2018 are mainly provided by Cintra Servicios de Infraestructuras, S.A. (and also in 2017).

Both, the third party expenses and the group company expenses correspond to legal, technical, financial, administrative and system services received by the Company as support for finalised project bidding, asset management of its investment portfolio and the administration of the Company itself.

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### 6. Finance costs

Finance cost for 2018 and 2017 are as follows:

€	12/12/2018	2017
Interest payable to group companies	(1,048,713)	(4,550,029)
Interest payable on other liabilities	(1,576,271)	(1,727,291)
Interest on guarantees	(6,736,443)	(3,446,020)
<b>Total interest payable</b>	<b>(9,361,427)</b>	<b>(9,723,339)</b>

"Interest payable on other liabilities" comprises the accrued interest from tax inspection deeds.

The interest guarantees contain costs invoiced by other group companies for 4,650,835 euros (and 1,689,822 euros in 2017) costs from third parties of 2,085,607 euros (1,756,198 euros in 2017).

Detail of interest guarantees invoiced by group companies in 2018 and 2017:

€	12/12/2018	2017
Ferrovial, S.A.	4,650,835	1,689,822
<b>Total guarantees interest invoiced by group companies</b>	<b>4,650,835</b>	<b>1,689,822</b>

### 7. Exchange differences

€	12/12/2018	2017
Exchange differences	(1,037,161)	(214,543)
<b>Exchange differences</b>	<b>(1,037,161)</b>	<b>(214,543)</b>

The exchange differences are generated by bank balances, loans and suppliers in foreign currencies.

### 8. Profit on sale of investments

€	12/12/2018	2017
Profit on sale of the investment	-	103,523,093

Profit from sales in 2017 of 103,523,093 euros was made up of the following items:

- Profit from the sale of Norte Litoral, 61,241,454 euros.
- Profit from the sale of Algarve, 41,103,634 euros.
- Profit from the sale of Algarve BV, 1,178,006 euros.

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**9. Other gains and losses from derivatives results**

€	12/12/2018	2017
(Loss) / gains arising on derivatives in a designated fairvalue hedge accounting relationship		(2,358,387)
Gains arising on non-hedge accounting derivatives	(3,401,005)	21,451,298
<b>Other Gains and losses from derivatives</b>	<b>(3,401,005)</b>	<b>19,092,911</b>

**10. Tax**

The Company files consolidated tax returns as part of the consolidated Spanish tax group headed by Ferrovial, S.A.

Corporation tax is calculated at 25% of the estimated taxable for the year.

Analysis of the charge in the year

€	12/12/2018	2017
Current Income tax	(2,194,814)	7,001,860
Deferred income tax	659,115	(14,045,427)
Current tax adjustments of prior years	2,666,307	(8,187,903)
Deferred tax adjustments of prior years	-	2,009,678
Tax-rate change	-	-
Withholding tax other countries	(77,905,796)	(1,077)
<b>Total taxation tax</b>	<b>(76,775,189)</b>	<b>(13,222,869)</b>

The charge for the year can be reconciled to the profit in the income statement as follows:

€	12/12/2018	2017
<b>Profit before taxation</b>	<b>455,490,003</b>	<b>127,888,893</b>
<b>Profit on ordinary activities multiplied by standard rate of corporation tax</b>	<b>(113,872,501)</b>	<b>(31,972,223)</b>
<b>Adjusted for:</b>	<b>-</b>	<b>-</b>
Incomes not taxable in determining taxable profit	112,336,801	28,302,315
Expenses not deductible for tax purposes	2,666,307	(3,373,658)
Adjustments of previous years	-	(6,178,226)
Tax-rate change	-	-
Withholding tax other countries	(77,905,796)	(1,077)
<b>Tax charge</b>	<b>(76,775,189)</b>	<b>(13,222,869)</b>

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### Reconciliation of accounting profit and taxable income/ (tax loss)

The reconciliation between accounting profit / (loss) and taxable income/ (tax loss) is as follows:

€	12/12/2018			2017		
	Increase	Decrease	Total	Increase	Decrease	Total
Accounting profit for the year before tax	-	-	455,490,003	-	-	127,888,893
Permanent differences		(449,347,205)	(449,347,205)	13,493,429	(113,209,259)	(99,715,830)
Temporary differences		2,636,460	2,636,460	10,348,458	(66,528,962)	(56,180,504)
Tax base (taxable profit/(loss))			8,779,258	-	-	(28,007,441)
Current income tax			(2,194,814)	-	-	7,001,860

During 2018 the permanent differences adjustments decreases due to dividends (-449,347,205 euros).

Temporary differences are generated by the movements in the credits provisions (such like the provision increase of the credit to Cintra Inversora de Auopistas de Cataluña, S.A. for the amount of 2,636,460 euros).

In 2014, the Company opted to apply the tax regime established in articles 107 and 108 of Corporate Income Tax Law 27/2014, of 27 November (Ley del Impuesto sobre Sociedades, LIS). The application of said regime affects the taxation of possible dividends and gains obtained by the Company's shareholders. Taxable yet exempt income amounted to 446,392,955 euros at 12 December 2018, (9,193,267 euros in 2017). The information necessary for the application of this regime is detailed below.

€	12/12/2018	2017
Ferrovial US Holding Corp	441,461,268	
Autoestrada do Algarve - Via do Infante - Sociedade concessionária - , S.A. (Portugal)	-	2,063,995
Vialivre, S.A. (Portugal)	-	240,000
Auto-estradas Norte Litoral, S.A. (Portugal)	4,931,688	5,389,999
Algarve international Bv (Netherlands)	-	1,499,273
<b>Dividends received from subsidiaries</b>	<b>446,392,955</b>	<b>9,193,267</b>

As of the date of the interi accounts, 12 December 2018, the Company did not distribute dividends against taxable yet exempt income.

As of the date of the interi accounts, 12 December 2018, no taxes were paid abroad on account of dividend repatriation from an external source.

### Details of deferred taxes during 2018 and 2017

Assets	12/12/2018	2017
Tax credits for deductions	11,521,849	11,521,849
Non-deductible accounting provisions	16,380,805	15,721,690
Forwards	3,135,761	-
<b>Final balance</b>	<b>31,038,415</b>	<b>27,243,539</b>
Liabilities	12/12/2018	2017
Forwards	3,135,761	1,469,854
Mergerwith Laetida, S.L.(accounting provision)	62,870,795	62,870,795
<b>Final balance</b>	<b>66,006,556</b>	<b>64,340,649</b>

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**11. Investments in subsidiaries**

The movement of investments in subsidiaries during 2018 and 2017 are as follows:

€	12/12/2018	2017
<b>Cost</b>		
At 1 January	995,147,331	893,667,005
Additions	67,097,160	214,865,819
Disposals	(6,020)	(113,385,493)
<b>At 30 December</b>	<b>1,062,238,471</b>	<b>995,147,331</b>
<b>Provisions for impairment</b>		
At 1 January	(83,580,817)	(83,580,817)
Written off	-	-
Written back	6,020	-
<b>At 30 December</b>	<b>(83,574,797)</b>	<b>(83,580,817)</b>
<b>Carrying amount</b>		
<b>At 1 January</b>	<b>911,566,514</b>	<b>810,086,188</b>
<b>At 30 December</b>	<b>978,663,674</b>	<b>911,566,514</b>

Below are the transactions with regard to investments:

€	2018%	2017	Additions	Disposals	12/12/2018
Cintra Inversora Autopistas de Cataluña, S.A (Spain)	0%	6,020	-	(6,020)	-
Auto-estrada Norte Litoral, S.A. - Sociedade Concessionaria, S.A (Portugal)	49.00%	-	-	-	-
Autoestrada do Algarve - Via do Infante - Sociedade Concessionaria, S.A. (Portugal)	48.00%	-	-	-	-
Euroscut Açores, S.A. (Portugal)	89.20%	65,035,176	-	-	65,035,176
Via Livre, S.A. (Portugal)	84.04%	4,202	-	-	4,202
Algarve Internacional BV (Netherlands)	48.00%	-	-	-	-
Autostrada Poludnie, S.A. (Poland)	93.68%	19,081,017	-	-	19,081,017
Cintra UK177 Ltd (UK)	100.00%	1,777,251	393,334	-	2,170,585
Ferrovial Holding US Corp (USA)	100.00%	909,205,847	66,703,827	-	975,909,674
<b>Total cost of investments in subsidiaries</b>		<b>995,147,331</b>	<b>67,097,160</b>	<b>(6,020)</b>	<b>1,062,238,471</b>



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### 11. Investment in subsidiaries (continued)

The explanation of the movements during the 2018 financial year is as follows:

- On 31 May, the Company sold its 100% share in Cintra Inversora de Autopistas de Cataluña, S.L. to Cintra Infraestructuras España, S.L for 6,020 euros. The investment was entirely impaired, no results has been recorded for the sale.
- During 2018 several investments have been done in Ferrovial Holding US Corp amounting 66,703,827 euros.
- On 2 October, the Company increased its investment in Cintra Infrastructure Uk 177 Ltd in 393.334 euros.

Below are the details of provisions for the corporate year:

€	% 2018	12/12/2018	2017
Cintra Inversora Autopistas de Cataluña, S.L. (Spain)	100.00%	0	(6,020)
Euroscut Açores, S.A. (Portugal)	89.20%	(65,035,176)	(65,035,176)
Autostrada Poludnie, S.A. (Poland)	93.68%	(18,539,621)	(18,539,621)
<b>Total impairment of investments in subsidiaries</b>		<b>(83,574,797)</b>	<b>(83,580,817)</b>

Below are the details of transactions with regards to portfolio provisions for the corporate year:

### 12. Investment in associates

The movements for investments in associated companies during the 2018 and 2017 corporate year are the following:

€	12/12/2018	2017
<b>Cost</b>		
At 1 January	308,796,051	253,091,936
Additions	-	55,704,115
Disposals	-	-
At 30 December	308,796,051	308,796,051
<b>Provisions for impairment</b>		
At 1 January	(239,932,353)	(240,425,251)
Written off	-	-
Written back	-	492,898
At 30 December	(239,932,353)	(239,932,353)
<b>Carrying amount</b>		
At 1 January	68,863,698	12,666,685
At 30 December	68,863,698	68,863,698

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### 12. Investment in associates (continued)

Transactions from the 2018 corporate year are the following:

	% 2018	2017	Additions	Disposals	12/12/2018
Auto-estrada Norte Litoral, S.A. (Portugal)	49.00%	40,713,213	-	-	40,713,213
Autoestrada do Algarve - Via do Infante - Sociedade Concessionaria, S.A. (Portugal)	48.00%	14,687,168	-	-	14,687,168
Algarve Internacional BV (Netherlands)	48.00%	303,734	-	-	303,734
Autovia de la Plata, S.A. (Benavente Zamora (A66)) (Spain)	23.75%	11,531,253	-	-	11,531,253
Autovia del Almanzora, S.A. (Spain)	20.00%	1,628,330	-	-	1,628,330
Inversora Autopistas de Levante, S.L. (Spain)	51.84%	50,097,881	-	-	50,097,881
Inversora Autopista del Sur, S.L. (Spain)	55.00%	189,834,472	-	-	189,834,472
<b>Total cost of investments in associates</b>		<b>308,796,051</b>	-	-	<b>308,796,051</b>

During 2018 no provisions movement have been done:

€	% 2018	2017	Disposals	12/12/2018
Inversora Autopistas de Levante, S.L. (Spain)	51.84%	(50,097,881)	-	(50,097,881)
Inversora Autopista del Sur, S.L. (Spain)	55.00%	(189,834,472)	-	(189,834,472)
<b>Total Impairments of investments in associates</b>		<b>(239,932,353)</b>	-	<b>(239,932,353)</b>

The Company had during 2018 and 2017 the next commitments not disbursed in associated investments:

	%	2017	Disposals	12/12/2018
Autovia del Almanzora, S.A.	23.75%	(2,586,375)	-	(2,586,375)
<b>Total not disbursed of investments in associates</b>		<b>(2,586,375)</b>	-	<b>(2,586,375)</b>

### 13. Deferred Taxes

The following are the major deferred tax liabilities and assets recognised by the Company and movements thereon during the current and prior reporting period.

Deferred tax assets	2017	Movements	12/12/2018
Deferred asset axfor deductions	11,521,549	301	11,521,850
Impairment provisions non-deductible	15,721,690	659,115	16,380,805
Derivatives (forwards)	-	3,135,761	3,135,761
<b>Total</b>	<b>27,243,239</b>	<b>3,795,177</b>	<b>31,038,416</b>
Deferred tax liabilities	2017	Movements	12/12/2018
Derivatives (forwards)	1,469,854	1,665,907	3,135,761
Deferred tax - Merger with Laetida, S.L.	62,870,795	-	62,870,795
<b>Total</b>	<b>64,340,649</b>	<b>1,665,907</b>	<b>66,006,556</b>

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### 13. Deferred Taxes (continued)

The deferred tax assets mentioned above have been recorded in the accompanying balance sheet as the Directors of the Company consider that, based on the best estimate of the Company's future results, these assets are likely to be recovered.

The main deferred tax asset balances correspond to:

- Deferred tax accounting provision of 16,380,805 euros, mainly due to loan losses to group companies.
- Tax credits for deductions, which have not yet been used by the Company, amounting to 11,521,850 euros.

As regards the balances of deferred tax liabilities, they correspond to:

- Tax provisions integrated into the Company after the merger with Laertida, S.L., for impairment of the investment in Cintra US Holding, which have been applied and which generate the corresponding deferred tax liabilities (62,870,795 euros).

The Company has the following credit taxes for losses and allowances unrecognised, the majority comes from the merger with Laertida in 2015.

#### *Unrecognised deferred tax assets*

	<b>Tax credits for tax losses</b>	<b>Period usable</b>
2008	13,472,542	Do not expire
2009	21,053,404	Do not expire
2010	17,118,457	Do not expire
	<b>51,644,403</b>	

	<b>Tax credits for allowances</b>	<b>Period usable</b>
2005	54,527,413	2020
2006	70,660,230	2021
2007	6,712,663	2022-2025
2008	2,153,761	2023-2026
2009	1,217,437	2024-2027
2010	2,764,469	2025-2028
	<b>138,035,973</b>	

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### 14. Loans to related parties

The summary of debts to group and associated companies over the long and short term for the 2018 and 2017 corporate years is the following:

€	12/12/2018	2017
<b>Loans to related parties (non-current assets)</b>	<b>2,714</b>	<b>196,758</b>
Long-term loans	2,714	196,758
Impairment in long-term loans	-	-
<b>Loans to related parties (current assets)</b>	<b>575,693,632</b>	<b>129,750,380</b>
Short-term loans	585,911,037	185,830,565
Impairment in short-term loans	(19,263,806)	(60,985,288)
Current accounts with group companies	9,046,400	4,805,103
<b>Total debts to group companies</b>	<b>575,696,346</b>	<b>129,947,138</b>

#### a) Loans to group and associated companies

The net final balance of loans as of 12 December 2018 and 2017 is the following:

€	12/12/2018	2017
<b>Long-term loans</b>	<b>2,714</b>	<b>196,758</b>
Autovía del Almanzora, S.A.	-	196,758
Long term loans to employees	2,714	-
<b>Short-term loans</b>	<b>566,647,234</b>	<b>124,945,280</b>
Cintra Inversora de Autopistas Cataluña S.L.	-	124,960,000
Current account Inversora Autopista Madrid Sur, S.A.	(14,720)	(14,720)
Landmile US	441,461,268	-
Ferropin S.L.	125,200,687	-
<b>Total credits</b>	<b>566,649,949</b>	<b>125,142,038</b>

The loan transactions before impairment with group and associated companies as of 12 December 2018 are the following:

	12/12/2018	2017
<b>Long-term loans</b>	<b>2,714</b>	<b>196,758</b>
Autovía del Almanzora, S.A.	-	196,758
Long term loans to employees	2,714	-
<b>Short-term loans</b>	<b>585,911,037</b>	<b>185,830,565</b>
Inversora de Autopista Madrid Levante S.L.	2,751,530	2,751,530
Inversora de Autopistas del Sur S.L. - 1	11,448,272	11,448,272
Inversora de Autopistas del Sur S.L. - 2	3,225,319	3,225,319
Inversora de Autopistas del Sur S.L. - 3	682,721	682,721
Autopista Madrid Sur S.L.	1,141,241	1,141,241
Cintra Inversora de Autopistas Cataluña S.L.	-	166,581,482
Landmile US	441,461,268	-
Ferropin S.L.	125,200,687	-
<b>Total credits</b>	<b>585,913,752</b>	<b>186,027,323</b>

## Cintra Infrastructures SE Interim Accounts 12 December 2018

### 14. Loans to related parties (continued)

For loans that are partially or completely impaired, the impairment at 12 december 2018 are as follows:

	12/12/2018	2017
<b>Short-term loans</b>	<b>(19,263,806)</b>	<b>(60,885,288)</b>
Inversora de Autopista Madrid Levante, S.L.	(2,751,530)	(2,751,530)
Inversora de Autopistas del Sur, S.L. - 1	(11,448,272)	(11,448,272)
Inversora de Autopistas del Sur, S.L. - 2	(3,225,319)	(3,225,319)
Inversora de Autopistas del Sur, S.L. - 3	(682,718)	(682,718)
Autopista Madrid Sur, S.L.	(1,141,247)	(1,141,242)
Cintra Inversora de Autopistas Cataluña S.L.	-	(41,621,487)
Cuenta corriente Inversora Autopista Madrid Sur, S.A.	(14,720)	(14,720)
<b>Total credits</b>	<b>(19,263,806)</b>	<b>(60,885,288)</b>

Interest transactions for the 12/12/2018 corporate year are as follows:

€	12/12/2018	2017
Austopista del Sol, S.A.(Spain)	361	139
Autopista Terrasa Manresa, S.A.(Spain)	(8)	1
Cinsac, Ltd	-	94
Cintra Global Ltd(UK)	12	11
Cintra Internacional, S.L.(Spain)	-	1
Cintra Inversiones, S.L.(Spain)	-	46
Cintra Inversora de Autopistas de Cataluña, S.A.(Spain)	2,636,466	7,808,457
Cintra Servicios de Infraestructuras, S.A.(Spain)	24,619	11
Ferrofin, S.L.(Spain)	244,803	144
Ferrovial Aeropuertos Internacional, S.A.(Spain)	-	79
Cintra España	2,801	-
<b>Total Group Companies</b>	<b>2,909,055</b>	<b>8,021,928</b>
Autopista Madrid Sur, S.A.(Spain)	-	68,579
Inversora de Autopista Madrid Sur, S.L.(Spain)	-	845
Autovía de la Almazora, S.A.(Spain)	(14,641)	-
Autopista Alcalá O'Donnell(Spain)	541	-
<b>Total Associates Companies</b>	<b>(14,100)</b>	<b>913,515</b>
<b>Interest on loans with group companies</b>	<b>2,894,954</b>	<b>8,935,443</b>

(\*) Accruals includes amortised cost

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**14. Loans to related parties (continued)**

**b) Current accounts with group and associated companies**

As of 12 December 2018, and 30 December 2017, this balance is the following:

	12/12/2018	2017
Autopista Terrasa Manresa, S.A. (Spain)	10,212	1,354
Autopista del Sol, S.A. (Spain)	57,579	45,073
Ferrovial Aeropuertos Internacional, S.L. (Spain)	86,808	-
Cintra Servicios Infraestructuras, S.A. (Spain)	7,423,750	3,331,114
Autoestrada do Algarve - Via do Infante - Sociedade Concessionaria (Portugal)	9	9
Auto-estradas Norte Litoral, S.A. (Portugal)	297	297
Eurolink Motorway (Ireland)	7,782	7,782
Skyway Concession Company (USA)	-	27,908
Cintra Texas Corp (USA)	1,727	1,727
Inversora de autopistas de Cataluña, S.L.	1,083,416	-
Cintra Infraestructuras España, S.L.	358,785	-
Cintra Infrastructures UK Ltd	1,553	-
Ferrovial Aeropuertos Internacional, S.L. (Spain)	-	86,812
Ferropin S.A. (Spain)	-	1,295,631
<b>Total Group Companies</b>	<b>9,031,918</b>	<b>4,797,709</b>
Inversora Madrid Sur (Spain)	1,768	1,768
Autopista Madrid Levante S.A. (Spain)	2,719	2,904
Inversora de Autopista Madrid Levante, S.L. (Spain)	5,729	2,719
Autopista Madrid Sur, S.A. (Spain)	4,266	3
<b>Total Associates Companies</b>	<b>14,482</b>	<b>7,394</b>
<b>Total Current Accounts</b>	<b>9,046,400</b>	<b>4,805,103</b>

The current accounts with group and associated companies were bearing interest at market interest rate and had no fixed repayment date.

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**15. Trade and other receivables**

€	12/12/2018	2017
Amounts owed by group companies (Clients)	2,574,696	2,216,340
Other receivables	3,644,171	14,716,819
VAT	3,644,137	3,956,856
Corporate Tax (foreign withholding tax)	-	4,908,866
Others	34	2,003
Prepayments and accrued income	3,514,104	440,042
<b>Included in current assets</b>	<b>9,732,970</b>	<b>11,524,107</b>
<b>Included in non-current assets</b>	<b>-</b>	<b>-</b>
<b>Total trade and other receivables</b>	<b>9,732,970</b>	<b>11,524,107</b>

The VAT receivable is made up of refunds due by the Spanish Tax Authority in relation to the years 2009, 2010, 2011 and 2012.

The Foreign withholdign tax is made up to of the coporate tax payments on accounts for the Portugues sold companies, and has be recovered during 2018.

Below are the details of Group Company Clients for the 12 December 2018 and 2017.

€	12/12/2018	2017
Cintra Servicios de Infraestructuras, S.A. (Spain)	911,256	907,773
Autopista del Sol, S.A. (Spain)	611,412	405,137
Serranopark, S.A. (Spain)	15,819	13,542
Cintra Inversiones, S.L. (Spain)	55	22
Autopista Alcalá O'Donell, S.A. (Spain)	22,856	0
QM&R 40/ East Development CP (Canada)	52,453	52,453
Cintra US Services, LLC (USA)	2,597	2,597
NTE 35 LLC (USA)	26,384	55,661
1-77 Mobility Partners LLC (USA)	701,907	548,914
166 Mobility partners (USA)	0	0
Cintra Global Holding, LTD (UK)	66	33
Zero Bypass Limited (Slovakia)	0	-
Ferrovial, S.A. (Spain)	-87,859	-87,859
Ferrovial Corporación, S.A. (Spain)	7,513	7,513
Ferrovial Aeropuertos, S.A. (Spain)	43,148	43,148
Ferrovial Agromán, S.A. (Spain)	226,288	226,288
Ferrovial Agromán Ireland (Ireland)	1,815	18,15
Cintra Development Australia PTY (Australia)	746	196
<b>Total Group Companies Clients</b>	<b>2,551,924</b>	<b>2,193,568</b>
Scot Roads Partnership Project Ltd (UK)	22,772	22,772
<b>Total Associates Companies Clients</b>	<b>22,772</b>	<b>22,772</b>
<b>Total Companies Clients</b>	<b>2,574,696</b>	<b>2,216,340</b>

This balances are secure, with no special commitments and no bad or doubt debts recognised.

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### 16. Derivative financial instruments

The details of derivatives with respect to the nature of the contract:

€	12/12/2018	2017
<b>Derivatives that are designated and effective as hedging instruments carried at fair value</b>		
Forward foreign currency contracts		(311,378)
<b>Financial assets carried at fair value through profit or loss (FVTPL)</b>		
Held for trading derivatives that are not designated in hedge accounting relationships:		
Assets foreign currency contracts	29,176,170	
Liabilities foreign currency contracts	(21,618,218)	8,097,311
Deliverable Forward		
	<b>7,557,952</b>	<b>7,785,933</b>

### 17. Trade and other payables

€	12/12/2018	2017
Trade payables	36,948	37,567
Amounts owed to group companies (suppliers)	11,378,473	9,470,918
Other taxation and social security	-214	8,626
Other payables	127	16,057
<b>Total</b>	<b>11,415,334</b>	<b>9,533,168</b>

Transactions carried out between group companies are due to services received as support for tendering, support for the management of assets and the costs of providing guarantees for different projects.

Below are the details of group company suppliers for the 12 December 2018 and 2017:

€	12/12/2018	2017
Cintra Servicios de Infraestructuras, S.L. (Spain)	570,219	3,128,834
Autopista Alcaid O'Donnell, S.A. (Spain)	0	620
Cintra Servicios de Infraestructuras, S.A. Sucursal Portugal	0	426,152
Amey Ventures LTD (UK)	9,316	9,316
Ferrovial, S.A. (Spain)	9,895,046	5,030,681
Ferrovial Corporación, S.A. (Spain)	353,596	353,596
Ferrovial Aeropuertos, S.A. (Spain)	19,019	19,019
Ferrovial Agromán, S.A. (Spain)	519,048	519,048
Ferrovial Internacional, S.L.U. (Spain)	11,685	11,685
<b>Total Group Companies</b>	<b>11,377,929</b>	<b>9,498,953</b>
Interval Chile, S.A. (Chile)	542	542
<b>Total Associated</b>	<b>542</b>	<b>542</b>
<b>Exchange rate differences</b>	<b>2</b>	<b>-28,577</b>
<b>Total group and associated companies' suppliers</b>	<b>11,378,473</b>	<b>9,470,918</b>

This balances are secure, with no special commitments and no bad or doubtful debts recognised.



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### 18. Borrowings

This note refers to both the loans received from group and associated companies as well as the current accounts that the Company maintains with group and associated companies.

Company	Balance at 12/12/2018	Balance at 30/12/2017
Cintra Inversiones, S.L., I	116,322,708	115,773,499
Autovía de la plata	5,959,503	6,135,761
<b>Long term borrowings</b>	<b>122,282,211</b>	<b>121,909,260</b>
Cintra Inversiones, S.L.,	270,693	-
Autovía de la plata	41,841	48,307
<b>Current accounts</b>	<b>65,862,673</b>	<b>28,717,481</b>
<b>Short term borrowings</b>	<b>66,175,208</b>	<b>28,765,788</b>
<b>Total Loans EG</b>	<b>188,457,419</b>	<b>150,626,741</b>

#### a) Current accounts with Group and Associated companies

The balance of the current accounts is as follows at 12 December 2018 and 2017:

€	Balance 12/12/2018	Balance 30/12/2017
Autopista Alcalá - O'Donnell (Spain)	-	400
Cintra Infraestructuras España, S.L. (Spain)	-	110,819
Cintra Infraestructuras Internacional, S.L.	444,960	394,692
Cintra Servicios Infraestructuras, S.L. (Spain)	14,429	14,429
Cintra Autopistas Integradas S.A.U. (Spain)	544,331	281,069
Cintra Inversiones, S.L. (Spain)	7,334,926	9,375,886
Cintra Global Ltd (UK)	60,194	193
Cintra Inversora de autopistas de Cataluña, S.L.	4,227,772	-
Autoestrada do Algarve - Via do Infante - Sociedade Concessionaria, S.A. (Portugal)	9	9
Auto-estradas Norte Litoral, S.A. (Portugal)	297	297
Cintra Sucursal Portugal (Portugal)	-	-
Eurolink Motorway (Ireland)	7,782	7,782
Skyway Concession Company (USA)	-	27,908
Cintra US Services LLC (USA)	200	199
Cintra Texas Corp (USA)	1,727	1,726
Ferrovial, S.A. (Spain)	22,116,729	18,501,855
Ferrovial Agromán, S.A. (Spain)	9	214
Ferrofin, S.L.	31,109,308	0
<b>Total Group Companies</b>	<b>65,862,673</b>	<b>28,717,478</b>
Autopista Madrid Sur, S.A. (Spain)	0	3
<b>Total Associated Companies</b>	<b>0</b>	<b>3</b>
<b>Total Current Accounts</b>	<b>65,862,673</b>	<b>28,717,481</b>

## Cintra Infrastructures SE Interim Accounts 12 December 2018

### 19. Provisions

Item	12/12/2018	30/12/2017
Tax provision	2,826,778	76,839,976
Provision for liabilities	14,950,000	14,950,000
<b>Long-term provisions</b>	<b>17,776,778</b>	<b>91,789,976</b>
Tax provision	75,589,468	-
<b>Short-term provisions</b>	<b>75,589,468</b>	-
<b>Total provisions</b>	<b>93,366,246</b>	-

Long term provision includes a tax provision for 2009 to 2016 VAT for amount of 2,826,778 euros (2016: 8,245,401 euros) and, a provision for liabilities of 14,950,000 euros for possible claims of the Autopista Madrid Sur project.

Short term provision includes a tax provision of 75,589,468 euros includes a provision for the Inspection Act on Corporate Income Tax for the years 2003-2005.

### 20. Equity

Fer	12/12/2018	2017
Share Capital	151,878,486	151,878,486
Share Premium Account	978,327,457	978,327,457
Profit and loss reserve	166,923,627	470,083,130
Profit and loss reserve from 2015 Laetida Merger	-	(757,807,762)
Cash flow hedge reserve	-	4,409,560
<b>Total</b>	<b>1,297,129,570</b>	<b>846,890,871</b>

In 2016, the company was incorporated in the United Kingdom under the Companies Act 2006, the Legal reserves accumulated under the Spanish law have been netted with the profit and loss reserve in order to comply with the Companies Act 2006.

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**21. Share capital**

€	Total
<b>Balance at 31 January 2015</b>	<b>130,391,904</b>
Share capital increase	-
<b>Balance at 30 December 2016</b>	<b>130,391,904</b>
Share capital increase	21,486,582
<b>Balance at 30 December 2017</b>	<b>151,878,486</b>
	<b>2018</b>
<b>Authorised:</b>	
In 2017 151,878,486 ordinary shares of 1 € each	151,878,486
<b>Issued and fully paid:</b>	
In 2017 151,878,486 ordinary shares of 1 € each	151,878,486

The Company has one class of ordinary shares which carry no right to fixed income.

The Company is not listed on the Stock Exchange and its sole member is Ferrovial International Ltd.

**22. Share premium account**

€	Total
<b>Balance at 30 December 2017</b>	<b>978,327,457</b>
<b>Balance at 12 December 2018</b>	<b>978,327,457</b>

**23. Retained earnings**

€	Total
Balance at 30 December 2017	287,724,632
Profit for the year 2018	454,648,259
Balance at 12 December 2018	166,923,627

**24. Cash flow hedge reserve**

€	Total
<b>Balance at 30 December 2017</b>	<b>4,409,560</b>
Foreign currency forward contracts	(5,879,413)
Income tax related to gains/(losses) recognised in other comprehensive income	1,469,853
<b>Balance at 12 December 2018</b>	<b>-</b>

The hedging reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instrument is recognised in profit or loss only when the hedged transaction impacts the income statement, or is included as a basis adjustment to the non-financial hedged item, consistent with the applicable accounting policy.

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### 25. Contingent liabilities

The financial risks to which the Company is exposed include those derived from the guarantees and bonds required in order for the Company to undertake its activities.

#### a) Letter of credits

Cintra is secured with third parties to cover potential risks and to guarantee compliance with specific contractual obligations.

Formalisation of the bond can take place, either with its own lines, essentially to guarantee its own portfolio projects, or otherwise to guarantee projects of other companies in the Ferrovial Group, and in some cases, it has underwritten insurance policies.

The Company also has bonds made available corresponding to lines from other companies in the Ferrovial Group.

The bonds at 12 December 2018 and 2017 where the lines are owned by Cintra can be classified by purpose as follows:

Concept	Type	Guarantor	12/12/2018	2017
Operation 407 EAST	T	Santander	-	-
Capital contributions 407 EAST	E	ING	-	-
407 East Operation and Maintenance Contingent Equity	E	BBVA	9,843,773	9,840,178
Aportaciones Deuda Subordinada MB	E	ING	-	-
Construction, conservation y operation M-203	T	Santander	-	6,180,970
Process TS3 Madrid M-203	E	Bankia	-	-
Operation Serranopark	T	Bankia	1,101,955	1,101,955
Equity NTE SG3	E	ING	6,957,884	26,214,717
Equity NTE SG3	E	Deutsche Bank	-	-
Equity NTE SG3	E	BBVA Compass Bank	-	-
Equity I-77	E	BBVA Compass Bank	29,983,642	29,108,225
Act VAT 2011	E	Banco Popular	2,319,218	2,200,967
Contingent Equity Ausol	E	BBVA	34,154,457	34,154,457
Equity D4R7	E	Barclays	-	-
Equity D4R7	E	ING	31,294,463	31,294,463
Fiscal appeal Portuguese treasury	E	Popular	2,275,450	2,275,450
Construction, conservation y operation A-66	T	Popular	3,339,237	3,339,237
Equity I-66	E	ING	110,132,159	103,976,044
Equity I-66	E	Deutsche Bank	38,766,520	36,599,568
Administrative issues	E	BBVA	12,000	136,771
Administrative issues	E	Popular	80,400	80,4
Administrative issues	E	Barclays	40,618	39,114
<b>Total Third parties</b>			<b>270,301,777</b>	<b>286,462,920</b>
Capital Contribution I-66	E	Ferrovial, S.A.	535,232,478	505,314,309
Capital Contribution NTE SG3	E	Ferrovial, S.A.	-	-
Capital Contribution OSars	E	Ferrovial, S.A.	30,232,926	30,465,729
Capital Contribution & contingent capital Blackbird	E	Ferrovial, S.A.	15,790,587	15,784,820
Capital Contribution I-77	E	Ferrovial, S.A.	125,247,667	134,231,189
Tender Offer I-70	T	Ferrovial, S.A.	-	8,318,084
Corporate tax Cintra 2003-2005	E	Ferrovial, S.A. / F.	64,452,927	57,419,039
<b>Total Group Companies</b>			<b>770,956,585</b>	<b>751,533,170</b>
<b>Total</b>			<b>1,041,258,362</b>	<b>1,037,996,090</b>

T: Technical; E: Economic

## Cintra Infrastructures SE Interim Accounts 12 December 2018

### 25. Contingent liabilities (continued)

#### b) Guarantees

Cintra has a series of guarantees corresponding to its investment in projects, the most relevant of which at 12 December 2018 are detailed below:

Project	Purpose	12/12/2018	2017
Auto-Estradas Norte Litoral, S.A.	Limited guarantee to cover expropriation additional costs (I)	544,432	962,234
407 East Extension	Contingent capital to possibly cover a cash deficit for O&M and Renovation	11,381,961	11,377,804
Blackbird	Contingent capital to possibly cover a cash deficit for O&M and Renovation	5,011,514	5,009,318
R4 Madrid Sur	Concession termination guarantee	14,950,000	14,950,000
Serrano Park	Guarantee to anticipated repayment loan under novation loan model	2,309,530	2,309,530
Serranopark	Contingent Capital contribution additional cost building modification	1,862,346	2,800,000
		<b>37,059,783</b>	<b>38,408,886</b>

#### c) SH-130 litigation

On 1 March 2018, the company SH-130 Concession Company, LLC filed a complaint with the United States Bankruptcy Court Western District of Texas against Cintra Infrastructures, SE, Ferrovial Agroman, S.A., Ferrovial, S.A. and other subsidiaries of the Ferrovial group, as well as against the partner in the project related to the SH-130 toll road.

Until 28 June 2017, when it emerged from a voluntary petition for relief under Chapter 11 (submitted on the 2 March 2016) and transferred to its current owners, SH-130 Concession Company LLC was 65 % owned by Cintra TX S6 LLC.

This complaint is based on the fact that part of the payments made by the concession company to the construction company in 2011 and 2012, during the design and construction stage of the toll road, were allegedly made in the creditor's fraud, as, in the plaintiff's view, it was known that (i) the works were being executed incorrectly and therefore their payment did not proceed, and (iii) the concession company was insolvent. Cintra Infrastructures, SE, Ferrovial Agroman, S.A, Ferrovial, S.A. and other companies of the group are also accused of benefitting from such allegedly fraudulent payments being aware of that situation.

The complaint requires the return of these payments, amounting to 329 million dollars.

Likewise, the complaint also accuses Cintra Infrastructures, SE and other companies of the group of causing SH-130 Concession Company, LLC to make such transfers, and doing that, breaching "fiduciary duties" that should be fulfilled according to the commercial legislation of the State of Delaware, and that they aided and abetted to breach them.

On September 18th 2018 SH 130 Concession Company filed an amended complaint by which the claimant added to its initial claim the request of reimbursement of certain sums- in an amount not specified- based on the allegation that Cintra and Cintra US also charged SH 130 substantial management and other fees associated with the project.

Cintra Infrastructures SE and the remaining codefendants filed subsequently motions to dismiss the amended complaint on various grounds and the decision of the Court is expected sometime within the following weeks.

The analysis made to this date by the legal advisors allows concluding that there are solid arguments to defend the interests of Cintra Infrastructures SE and that it is reasonable to consider that a dismissal of the causes of action exercised in the complaint can be achieved.

On 29 May 2018 the Company has sold and transferred its loan in its subsidiary Cintra Inversora de Autopistas de Cataluña, S.L. to Cintra Infraestructuras España, S.L. for an amount of 125.000.000 euros.

Bankruptcies processes of Inversora Autopistas Sur, S.L. (Radial 4) and Inversora de Autopista Madrid Levante, S.L. (AP36), have come to an end at the beginning of 2018 and both motorway concessions have reverted to the Local Administrations.

## **Cintra Infrastructures SE Interim Accounts 12 December 2018**

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### **26. Events after the balance sheet date**

No events after reporting date have occurred.

### **27. Related party transactions**

The main balances for 12 December 2018 and 2017 financial years between the Company and its shareholder and group of companies are detailed under Notes 14, 15, 17 and 18 and the revenue and expenses incurred during the financial year in Note 4 and 5.

### **28. Controlling party**

In the opinion of the directors, the Company's ultimate parent Company and ultimate controlling party is Ferrovial, S.A., a Company incorporated in Spain. The parent undertaking of the largest group, which includes the Company and for which group accounts are prepared, is Ferrovial International Plc, a Company incorporated in Great Britain The Sherard Building, Edmund Halley Road, Oxford, Oxfordshire, OX4 4DQ, United Kingdom. Copies of the group financial statements of Ferrovial International Plc are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The Company's immediate controlling party is Ferrovial International Plc.

### **29. Information on the ultimate parent**

Ferrovial, S.A. registered in Spain is considered to be the ultimate controlling party and the parent of the group, a company registered in Spain which is the only Group in which the Company is consolidated. Copies of its accounts are available from:

General Secretariat  
Ferrovial, S.A.  
Príncipe de Vergara, 135  
28002 Madrid  
Spain