STATE OF ILLINOIS
FORMS A

A vendor responding to a solicitation by the State of Illinois must return the information requested within this section with their bid or offer if they are not registered in the Illinois Procurement Gateway (IPG) and do not have an approved, unexpired IPG Registration Number. Failure to do so may render their bid or offer non-responsive and result in disqualification.

Please read this entire Forms A and provide the requested information as applicable and per the instructions. All forms and signature areas contained in this Forms A must be completed in full and submitted along with the bid in an Invitation for Bid; and completed in full and submitted along with the technical response and price proposal, which combined will constitute the Offer, in a Request for Proposal.

Vendor Name: Judlau Contracting, Inc.	Phone: 718-554-2320
Street Address: 26-15 Ulmer Street	Email: cesar.pereira@ohlna.com
City, State Zip: College Point, NY 11354	Vendor Contact: Cesar Pereira

In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not discriminate in employment, contracts, or any other activity.

The State of Illinois encourages prospective vendors to consider hiring qualified veterans and Illinois residents discharged from any Illinois adult correctional center, in appropriate circumstances.

OUTLINE

FORMS A

Complete this section if you are <u>not</u> using an IPG (Illinois Procurement Gateway) Registration #

	Part
Business and Directory Information	1.
Illinois Department of Human Rights Public Contracts Number	2.
Authorized to Transact Business or Conduct Affairs in Illinois	3.
Standard Certifications	4.
State Board of Elections	5.
Disclosure of Business Operations in Iran	6.
Financial Disclosures and Conflicts of Interest	7.
Taxpayer Identification Number	8.

STATE OF ILLINOIS
BUSINESS AND DIRECTORY INFORMATION

1.1. Name of Business (official name and DBA)

Judlau Contracting, Inc.

1.2. Business Headquarters (address, phone and fax)

26-15 Ulmer Street College Point, NY 11354

718-554-2320

718-661-3761

1.3. If a Division or Subsidiary of another organization provide the name and address of the parent

OHL USA, Inc.

1.4. Billing Address

26-15 Ulmer Street College Point, NY 11354

Click here to enter text.

1.5. Name of Chief Executive Officer

Ashok R. Patel

1.6. Company Web Site Address

www.judlau.com

1.7. Type of Organization (sole proprietor, corporation, etc.--should be same as on Taxpayer ID form below)

Corporation

1.8. Length of time in business

39 years

1.9. Annual Sales for Offeror's most recently completed fiscal year

$ 541,155,109

1.10. Show number of full-time employees, on average, during the most recent fiscal year

233 – Judlau Contracting, Inc. (excluding Union/Field type employees)

1.11. Is your company at least 51% owned and controlled by individuals in one of the following categories? If "Yes," please check the category that applies:

1.11.1. Minority (30 ILCS 575/2(A)(1) & (3)) ☐ Yes

1.11.2. Women (30 ILCS 575/2(A)(2) & (4)) ☐ Yes

1.11.3. Person with Disability (30 ILCS 575/2(A)(2.05) & (2.1)) ☐ Yes

1.11.4. Disadvantaged (49 CFR 26) ☐ Yes

1.11.5. Veteran (30 ILCS 500/45-57) ☐ Yes

STATE OF ILLINOIS

ILLINOIS DEPARTMENT OF HUMAN RIGHTS PUBLIC CONTRACT NUMBER

2.1. If Offeror employed fifteen or more full-time employees at the time of submission of their response to this solicitation or any time during the previous 365-day period leading up to submission, it must have a current IDHR Public Contract Number or have proof of having submitted a completed application for one **prior** to contract award or prior to bid opening for construction or construction-related services. 775 ILCS 5/2-101. If the Agency cannot confirm compliance, it will not be able to consider a Vendor's bid or offer. Please complete the appropriate sections below:

Name of Company (and DBA): Judlau Contracting, Inc.

☐ (check if applicable) The number is not required as the company has not met or exceeded the number of employees that makes registration necessary under the requirements of the Human Rights Act described above.

IDHR Public Contracts Number: 136582-00 Expiration Date: 12/05/2023.

2.2. If number has not yet been issued, provide the date a completed application for the number was submitted to IDHR: Click here to enter text..

2.3. Upon expiration and until their Contractor Identification Number is renewed, companies will not be eligible to be awarded contracts by the State of Illinois or other jurisdictions that require a current IDHR number as a condition of contract eligibility. 44 ILL. ADM. CODE 750.210(a).

2.4. Numbers issued by the Department of Human Rights (or its predecessor agency, the Illinois Fair Employment Practices Commission) prior to July 1, 1998 are no longer valid. This affects numbers below 89999-00-0. Valid numbers begin with 900000-00-0.

2.5. If Offeror's organization holds an expired number, it must re-register with the Department of Human Rights.

2.6. Offeror may obtain an application form by:

2.6.1. Telephone: Call the IDHR Public Contracts Unit at (312) 814-2431 between Monday and Friday, 8:30 AM - 5:00 PM, CST. (TDD (312) 263-1579).

2.6.2. Internet: You may download the form from the Department of Human Rights' website at *https://www.illinois.gov/dhr/PublicContracts/Pages/default.aspx* .

2.6.3. Mail: Write to the Department of Human Rights, Public Contracts Unit, 100 West Randolph Street, Suite 10-100, Chicago, IL 60601.

STATE OF ILLINOIS
AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN ILLINOIS

3. A person, other than an individual acting as a sole proprietor, must be a duly constituted legal entity prior to submitting a bid, offer, or proposal. The legal entity must be authorized to transact business or conduct affairs in Illinois prior to execution of the contract. 30 ILCS 500/20-43.

   These requirements do not apply to construction contracts that are subject to the requirements of 30 ILCS 500/30-20 and 30 ILCS 500/33-10. The prequalification requirements of Sections 30-20 and 33-10 shall include the requirement that the bidder be registered with the Illinois Secretary of State.

   Prior to execution of the contract, the State may request evidence from a vendor that certifies it is authorized to transact business or conduct affairs in Illinois. Failure to produce evidence in a timely manner may be considered grounds for determining the Vendor non-responsive or not responsible. For information on registering to transact business or conduct affairs in Illinois, please visit the Illinois Secretary of State's Department of Business Services at their website at (http://cyberdriveillinois.com/departments/business_services/home.html) or your home county clerk.

EVIDENCE OF BEING AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN ILLINOIS IS THE SECRETARY OF STATE'S CERTIFICATE OF GOOD STANDING

File Number 776-383-1

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

XYZ CONSULTING, INC. INCORPORATED IN GEORGIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON JANUARY [illegible], 2011, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES AND AS OF THIS DATE IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS.

In Testimony Whereof, *I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this* 7TH *day of* JUNE *A.D.* 2011.

Jesse White

STATE OF ILLINOIS
STANDARD CERTIFICATIONS

Vendor acknowledges and agrees that compliance with this subsection in its entirety for the term of the contract and any renewals is a material requirement and condition of this contract. By executing this contract Vendor certifies compliance with this subsection in its entirety, and is under a continuing obligation to remain in compliance and report any non-compliance.

This subsection, in its entirety, applies to subcontractors used on this contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Certification form provided by the State.

If this contract extends over multiple fiscal years, including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this contract remains in effect.

If the Parties determine that any certification in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

4.1. As part of each certification, Vendor acknowledges and agrees that should Vendor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

- the contract may be void by operation of law,
- the State may void the contract, and
- the Vendor and it subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

4.2. Vendor certifies it and its employees will comply with applicable provisions of the United States Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act, and applicable rules in performance of this contract.

4.3. Vendor, if an individual, sole proprietor, partner or an individual as member of a LLC, certifies he/she is not in default on an educational loan. 5 ILCS 385/3.

4.4. Vendor, if an individual, sole proprietor, partner or an individual as member of a LLC, certifies it he/she has not received (i) an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code or (ii) an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code. 30 ILCS 105/15a; 40 ILCS 5/14-108.3; 40 ILCS 5/16-133.

4.5. Vendor certifies that it is a legal entity authorized to do business in Illinois prior to submission of a bid, offer, or proposal. 30 ILCS 500/1-15.80, 20-43.

4.6. To the extent there was a current Vendor providing the services covered by this contract and the employees of that Vendor who provided those services are covered by a collective bargaining agreement, Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit who perform substantially similar work to the work that will be performed pursuant to this contract. This does not apply to heating, air conditioning, plumbing and electrical service contracts. 30 ILCS 500/25-80.

4.7. Vendor certifies it has neither been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor made an admission of guilt of such conduct that is a matter of record. 30 ILCS 500/50-5.

4.8. If Vendor has been convicted of a felony, Vendor certifies at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business. 30 ILCS 500/50-10.

4.9. If Vendor or any officer, director, partner, or other managerial agent of Vendor has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Vendor certifies at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the contract void if this certification is false. 30 ILCS 500/50-10.5.

4.10. Vendor certifies it is not barred from having a contract with the State based upon violating the prohibitions related to either submitting/writing specifications or providing assistance to an employee of the State of Illinois by reviewing, drafting, directing, or preparing any invitation for bids, a request for proposal, or request of information, or similar assistance (except as part of a public request for such information). 30 ILCS 500/50-10.5(e), *amended* by Pub. Act No. 97-0895 (August 3, 2012).

4.11. Vendor certifies that it and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the contract void if this certification is false or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt. 30 ILCS 500/50-11, 50-60.

4.12. Vendor certifies that it and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act and acknowledges that failure to comply may result in the contract being declared void. 30 ILCS 500/50-12.

4.13. Vendor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five years, and is therefore not barred from being awarded a contract. 30 ILCS 500/50-14.

4.14. Vendor certifies it has neither paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract. 30 ILCS 500/50-25.

4.15. Vendor certifies it is not in violation of the "Revolving Door" provisions of the Illinois Procurement Code. 30 ILCS 500/50-30.

4.16. Vendor certifies that it has not retained a person or entity to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement. 30 ILCS 500/50-38.

4.17. Vendor certifies that if it has hired a person required to register under the Lobbyist Registration Act to assist in obtaining any State contract, that none of the lobbyist's costs, fees, compensation, reimbursements, or other remuneration were billed to the State. 30 ILCS 500/50-38.

4.18. Vendor certifies it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers, or employees of the State. 30 ILCS 500/50-40, 50-45, 50-50.

4.19. Vendor certifies steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring Agency grants an exception. 30 ILCS 565.

4.20. Drug Free Workplace

4.20.1. If Vendor employs 25 or more employees and this contract is worth more than $5,000, Vendor certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act.

4.20.2. If Vendor is an individual and this contract is worth more than $5000, Vendor certifies it shall not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the contract. 30 ILCS 580.

4.21. Vendor certifies that neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the United States. Department of Commerce. 30 ILCS 582.

4.22. Vendor certifies it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States. 720 ILCS 5/33 E-3, E-4.

4.23. Vendor certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, which include providing equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies. 775 ILCS 5/2-105.

4.24. Vendor certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club." 775 ILCS 25/2.

4.25. Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor or indentured labor under penal sanction. 30 ILCS 583.

4.26. Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12. 30 ILCS 584.

4.27. Vendor certifies that any violation of the Lead Poisoning Prevention Act, as it applies to owners of residential buildings, has been mitigated. 410 ILCS 45.

4.28. Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

4.29. Vendor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at (www.dhs.state.il.us/iitaa) 30 ILCS 587.

4.30. Vendor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code. 30 ILCS 500/20-160 and 50-37. Vendor will not make a political contribution that will violate these requirements.

In accordance with section 20-160 of the Illinois Procurement Code, Vendor certifies as applicable:

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☒ Vendor has registered with the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

4.31. Vendor certifies that if it is awarded a contract through the use of the preference required by the Procurement of Domestic Products Act, then it shall provide products pursuant to the contract or a subcontract that are manufactured in the United States. 30 ILCS 517.

4.32. For contracts other than construction contracts subject to the requirements of 30 ILCS 500/30-20 and 30 ILCS 500/33-10, a person (other than an individual acting as a sole proprietor) must be a duly constituted legal entity to qualify as a bidder or offeror prior to submitting a bid, offer, or proposal. 30 ILCS 500/20-43. Vendor certifies that it is a legal entity as of the date for submitting this bid, offer, or proposal.

4.33. Vendor certifies that, for the duration of this contract it will:

- post its employment vacancies in Illinois and border states on the Department of Employment Security's IllinoisJobLink.com website or its successor system; or
- will provide an online link to these employment vacancies so that this link is accessible through the IllinoisJobLink.com website it successor system; or
- is exempt from 20 ILCS 1005/1005-47 because the contract is for construction-related services as that term is defined in section 1-15.20 of the Procurement Code; or the contract is for construction and vendor is a party to a contract with a bona fide labor organization and performs construction. (20 ILCS 1005/1005-47).

5. Section 50-37 of the Illinois Procurement Code prohibits political contributions of certain vendors, bidders and offerors. Additionally, section 9-35 of the Illinois Election Code governs provisions relating to reporting and making contributions to state officeholders, declared candidates for State offices and covered political organizations that promote the candidacy of an officeholder or declared candidate for office. The State may declare any resultant contract void if these Acts are violated.

Generally, if a vendor, bidder, or offeror is an entity doing business for profit (i.e. sole proprietorship, partnership, corporation, limited liability company or partnership, or otherwise) and has contracts with State agencies that annually total more than $50,000 or whose aggregate pending bids or proposals and current State contracts that total more than $50,000, the vendor, bidder, or offeror is prohibited from making political contributions and must register with the State Board of Elections. 30 ILCS 500/20-160.

EVIDENCE OF REGISTRATION WITH THE STATE BOARD OF ELECTIONS IS THE CERTIFICATE OF REGISTRATION

Certificate of Registration

STATE BOARD OF ELECTIONS

Registration No. 138

ABC Corporation

123 Main Street

Anywhere, IL USA 62707

Information for this business last updated on Wednesday, October 13, 2010

STATE OF ILLINOIS
DISCLOSURE OF BUSINESS OPERATIONS WITH IRAN

6. In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 of the Illinois Procurement Code, will include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

- more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

- the company has, on or after August 5, 1996, made an investment of $20 million or more, or any combination of investments of at least $10 million each that in the aggregate equals or exceeds $20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid or offer that does not include this disclosure may be given a period after the bid or offer is submitted to cure non-disclosure. A chief procurement officer may consider the disclosure when evaluating the bid or offer or awarding the contract.

☒ There are no business operations that must be disclosed to comply with the above cited law.

☐ The following business operations are disclosed to comply with the above cited law:

Click here to enter text.

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

TO: Eleanor Curcuro
State Purchasing Officer

DATE: August II, 2020

FROM: Eric Occomy , Chief of Contract Services EO
EO

SUBJECT: Contract No. I-20-4534

Judlau Contracting, Inc.
Affirmative Response on Forms A Disclosures - Step 7, Question 4

In the Forms A disclosures submitted for Judlau Contracting, Inc., the following question was answered Yes: Within the previous ten years, have you had any adverse civil judgments and administrative findings? An explanation was included in Judlau's disclosures.

By copy of this memo, Engineering confirms our review of the information disclosed and that the Tollway has no issue with this information and recommends proceeding with the contract.

EO:dh

STATE OF ILLINOIS
FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

The Financial Disclosures and Conflicts of Interest form ("form") must be accurately completed and submitted by the vendor, parent entity(ies), and subcontractors. There are **nine** steps to this form and each must be completed as instructed in the step heading and within the step. A bid or offer that does not include this form shall be considered non-responsive. The Agency will consider this form when evaluating the bid or offer or awarding the contract.

The requirement of disclosure of financial interests and conflicts of interest is a continuing obligation. If circumstances change and the disclosure is no longer accurate, then disclosing entities must provide an updated form.

Separate forms are required for the vendor, parent entity(ies), and subcontractors.

This disclosure is submitted for:

☒ Vendor

☐ Vendor's Parent Entity(ies) (100% ownership)

☐ Subcontractor(s) >$50,000 (annual value)

☐ Subcontractor's Parent Entity(ies) (100% ownership) > $50,000 (annual value)

Project Name	Beam Fabrication, I-294 over UPRR Bridges 287 and 288
Illinois Procurement Bulletin Number	Click here to enter text.
Contract Number	I-20-4534
Vendor Name	Judlau Contracting, Inc.
Doing Business As (DBA)	OHL North America
Disclosing Entity	Judlau Contracting, Inc.
Disclosing Entity's Parent Entity	OHL USA, Inc.
Subcontractor	NONE
Instrument of Ownership or Beneficial Interest	Corporate Stock (C-Corporation, S-Corporation, Professional Corporation, Service Corporation) ☒ If you selected Other, please describe: Click here to enter text.

STEP 1
SUPPORTING DOCUMENTATION SUBMITTAL

(All vendors complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

You must select one of the six options below and select the documentation you are submitting. You must provide the documentation that the applicable section requires with this form.

☐ Option 1 – Publicly Traded Entities

1.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

1.B. ☐ Attach a copy of the Federal 10-K or provide a web address of an electronic copy of the Federal 10-K, and skip to Step 3.

☐ Option 2 – Privately Held Entities with more than 100 Shareholders

2.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share Veterans 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

2.B. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership share in excess of 5% and attach the information Federal 10-K reporting companies are required to report under 17 CFR 229.401.

☒ Option 3 – All other Privately Held Entities, not including Sole Proprietorships

3.A. ☒ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

☐ Option 4 – Foreign Entities

4.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

4.B. ☐ Attach a copy of the Securities Exchange Commission Form 20-F or 40-F and skip to Step 3.

☐ Option 5 – Not-for-Profit Entities

☐ Complete Step 2, Option B.

☐ Option 6 – Sole Proprietorships

☐ Skip to Step 3.

STEP 2
DISCLOSURE OF FINANCIAL INTEREST OR BOARD OF DIRECTORS

(All vendors, except sole proprietorships, must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Complete **either** Option A (for all entities other than not-for-profits) or Option B (for not-for-profits). Additional rows may be inserted into the tables or an attachment may be provided if needed.

OPTION A – Ownership Share and Distributive Income

Ownership Share – If you selected Option 1.A., 2.A., 2.B., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of ownership if said percentage exceeds 5%, or the dollar value of their ownership if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – X

Name	Address	Percentage of Ownership	$ Value of Ownership
OHL USA, Inc.	26-15 Ulmer St., College Point, NY 11354	100%	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Distributive Income – If you selected Option 1.A., 2.A., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of the disclosing vendor's total distributive income if said percentage exceeds 5% of the total distributive income of the disclosing entity, or the dollar value of their distributive income if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – Y

Name	Address	% of Distributive Income	$ Value of Distributive Income
OHL USA, Inc.	26-15 Ulmer St., College Point, NY 11354	100%	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please certify that the following statements are true.

I have disclosed all individuals or entities that hold an ownership interest of greater than 5% or greater than $106,447.20.

☒ Yes ☐ No

I have disclosed all individuals or entities that were entitled to receive distributive income in an amount greater than $106,447.20 or greater than 5% of the total distributive income of the disclosing entity.

☒ Yes ☐ No

OPTION B – Disclosure of Board of Directors (Not-for-Profits)

If you selected Option 5 in Step 1, list members of your board of directors. Please include an attachment if necessary.

TABLE – Z	
Name	**Address**
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

STEP 3
DISCLOSURE OF LOBBYIST OR AGENT

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

☐ Yes ☒ No. Is your company represented by or do you employ a lobbyist required to register under the Lobbyist Registration Act (lobbyist must be registered pursuant to the Act with the Secretary of State) or other agent who is not identified through Step 2, Option A above and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer? If yes, please identify each lobbyist and agent, including the name and address below.

If you have a lobbyist that does not meet the criteria, then you do not have to disclose the lobbyist's information.

Name	Address	Relationship to Disclosing Entity
Click here to enter text.	Click here to enter text.	Click here to enter text.

Describe all costs/fees/compensation/reimbursements related to the assistance provided by each representative lobbyist or other agent to obtain this Agency contract: Click here to enter text.

STEP 4
PROHIBITED CONFLICTS OF INTEREST

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 4 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above. Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you hold or are you the spouse or minor child who holds an elective office in the State of Illinois or hold a seat in the General Assembly? ☐ Yes ☐ No
2. Have you, your spouse, or minor child been appointed to or employed in any offices or agencies of State government and receive compensation for such employment in excess of 60% ($106,447.20) of the salary of the Governor? ☐ Yes ☐ No
3. Are you or are you the spouse or minor child of an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority? ☐ Yes ☐ No
4. Have you, your spouse, or an immediate family member who lives in your residence currently or who lived in your residence within the last 12 months been appointed as a member of a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor? ☐ Yes ☐ No
5. If you answered yes to any question in 1-4 above, please answer the following: Do you, your spouse, or minor child receive from the vendor more than 7.5% of the vendor's total distributable income or an amount of distributable income in excess of the salary of the Governor ($177,412.00)? ☐ Yes ☐ No
6. If you answered yes to any question in 1-4 above, please answer the following: Is there a combined interest of self with spouse or minor child more than 15% in the aggregate of the vendor's distributable income or an amount of distributable income in excess of two times the salary of the Governor ($354,824.00)? ☐ Yes ☐ No

STEP 5
POTENTIAL CONFLICTS OF INTEREST RELATING TO PERSONAL RELATIONSHIPS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 5 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above.

Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you currently have, or in the previous 3 years have you had State employment, including contractual employment of services? ☐ Yes ☐ No
2. Has your spouse, father, mother, son, or daughter, had State employment, including contractual employment for services, in the previous 2 years? ☐ Yes ☐ No

3. Do you hold currently or have you held in the previous 3 years elective office of the State of Illinois, the government of the United States, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois? ☐ Yes ☐ No

4. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding elective office currently or in the previous 2 years? ☐ Yes ☐ No

5. Do you hold or have you held in the previous 3 years any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office? ☐ Yes ☐ No

6. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding appointive office currently or in the previous 2 years? ☐ Yes ☐ No

7. Do you currently have or in the previous 3 years had employment as or by any registered lobbyist of the State government? ☐ Yes ☐ No

8. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) that is or was a registered lobbyist? ☐ Yes ☐ No

9. Do you currently have or in the previous 3 years had compensated employment by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No

10. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) who is or was a compensated employee of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No

STEP 6
EXPLANATION OF AFFIRMATIVE RESPONSES

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you answered "Yes" in Step 4 or Step 5, please provide on an additional page a detailed explanation that includes, but is not limited to the name, salary, State agency or university, and position title of each individual.

STEP 7
POTENTIAL CONFLICTS OF INTEREST
RELATING TO DEBARMENT & LEGAL PROCEEDINGS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This step must be completed for each person disclosed in Step 2, Option A, Step 3, and for each entity and sole proprietor disclosed in Step 1.

Please provide the name of the person or entity for which responses are provided: **OHL USA, Inc. ; Judlau Contracting, Inc.**

1. Within the previous ten years, have you had debarment from contracting with any governmental entity? ☐ Yes ☒ No
2. Within the previous ten years, have you had any professional licensure discipline? ☐ Yes ☒ No
3. Within the previous ten years, have you had any bankruptcies? ☐ Yes ☒ No
4. Within the previous ten years, have you had any adverse civil judgments and administrative findings? ☒ Yes ☐ No
5. Within the previous ten years, have you had any criminal felony convictions? ☐ Yes ☒ No

If you answered "Yes", please provide a detailed explanation that includes, but is not limited to the name, State agency or university, and position title of each individual. Please see attached

STEP 8
DISCLOSURE OF CURRENT AND PENDING CONTRACTS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you selected Option 1, 2, 3, 4, or 6 in Step 1, do you have any contracts, pending contracts, bids, proposals, subcontracts, leases or other ongoing procurement relat+ionships with units of State of Illinois government?

☒ Yes ☐ No.

If "Yes", please specify below. Additional rows may be inserted into the table or an attachment may be provided if needed.

FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

Agency/University	Project Title	Status	Value	Contract Reference/P.O./Illinois Procurement Bulletin #
Illinois Tollway	Road & Bridge Recon. Elgin O'Hare Western Access Tollway Elgin Expressway (IL RTE 390) @ I-290 Interchange Mile Post 12.0 to Milepost 12.9	Awarded Project	$63,973,528.97	Contract # I-13-4607 Bulletin# 22033507
IDOT	Will County Section 536-R-1	Awarded Project	$57,095,577	Contract 60L71
IDOT	Cook County Section 2010-081-R	Awarded Project	$47,244,971.22	Contract 60L72
Illinois Tollway	Inside Roadway and Bridge Reconstruction, Jane Addams Memorial Tollway (I-90) from MP 73.3 (Oakton Street) to MP 76.5 (Mannheim Road) WB and from MP 73.3 (Oakton Street) to MP 76.5 (Mannheim Road) EB	Awarded Project	$58,504,152.93	Contract # I-15-4237 Bulletin # 22036788
Illinois Tollway	SB Roadway Widening Veterans Memorial Tollway (I-355)	Awarded Project	$6,695,100.86	Contract # I-13-5663 Bulletin # 22037664
MWRD	Streambank Stabilization on Oak Lawn Creek, Calumet-Sag Channel Watershed, Oak Lawn, Illinois	Awarded Project	$3,035,000.00	Contract # 10-237-3F
City of Chicago	Central Deicing Facility-Mass Grading	Awarded Project	$45,774,781.28	Contract # 56322 Specification# 287910
METRA	Up North Line 11 Bridges Addison to Balmoral	Awarded Project	$17,235,000.00	Contract # R39226
IDOT	IDOT 19 WM Relocation and Retaining Wall 90-94 by UIC	Awarded Project	$19,378,919.74	Contract # 62A74
IDOT	IDOT Item 104 – Fox River Pedestrian Bridge Aurora, IL	Awarded Project	$14,271,674.33	Contract #61E18
Illinois Tollway	RR-17-4687 I-490 Advanced Earthwork and Retaining Walls Ramp G5 Pavement Repairs	Awarded Project	$7,061,001.39	Contract RR-17-4687
IDOT	IDOT Item 117 – I-55 at Weber Road Interchange Reconstruction	Awarded Project	$47,970,125.23	Contract 60X10
Illinois Tollway	I-18-4391 Roadway Rehabilitation and Widening Tri-State Tollway (I-294) Mile Post 19.1 to Mile Post 19.7	Awarded Project	$12,206,238.24	Contract I-18-4391
Illinois Tollway	I-17-4683 IL390 Roadway and Bridge Construction IL 83 to York Road	Awarded Project	$38,317,884.22	Contract I-17-4683
IDOT	IDOT Item 3 Jane Byrne Interchange Bridge Reconstruction	Awarded Project	$ 37,587,819.09	Contract 60X79
Illinois Tollway	I-18-4446 I-294 Retaining Wall Construction, Grading and Shoulder Rehabilitation	Awarded Project	$12,387,495.41	Contract I-18-4446
Illinois Tollway	I-19-4464 I-294 at I-57 Interchange	Awarded Project	$64,352,559.20	Contract I-19-4464
Illinois Tollway	I-19-4705 EOWA I-490 Interchange Construction I-90 Higgins Creek to Mount Prospect Road	Awarded Project	$83,353,068.93	Contract I-19-4705
Illinois Tollway	I-18-4507 I-294 Shoulder Rehab, Retaining Wall and Noisewall Construction	Awarded Project	$9,233,181.12	Contract I-18-4507
Illinois Tollway	I-490 South of Grand Ave to Wolf, Ramps S1 and S2	Pending Award	$151,574,098.56	Contract I-17-4339

Please explain the procurement relationship: Vendor

STEP 9
SIGN THE DISCLOSURE

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This disclosure is signed, and made under penalty of perjury for all for-profit entities, by an authorized officer or employee on behalf of the bidder or offeror pursuant to Sections 50-13 and 50-35 of the Illinois Procurement Code. This disclosure information is submitted on behalf of:

Name of Disclosing Entity: Judlau Contracting, Inc.

Signature: [redacted] Date: 6/24/2020

Printed Name: Cesar Pereira

Title: General Counsel, Vice President, and Secretary

Phone Number: 718-554-2320

Email Address: cesar.pereira@ohlna.com

Inspection Detail

Quick Link Reference

1192215.015 | 1138010.015 | 1094457.015 | 1091998.015 | 406862.015

Case Status: CLOSED

Inspection: 1192215.015 - Judlau Contracting Inc.

Inspection Information - Office: Manhattan

Nr: 1192215.015 Report ID: 0215000 Open Date: 10/25/2016

Judlau Contracting Inc.
37 7th Ave.
New York, NY 10011
SIC:
NAICS: 237110/Water and Sewer Line and Related Structures Construction
Mailing: 26-15 Ulmer St., Flushing, NY 11354

Union Status: Union

Inspection Type:	Planned		
Scope:	Partial	Advanced Notice:	N
Ownership:	Private		
Safety/Health:	Safety	Close Conference:	10/25/2016
Emphasis:	N:Trench, P:Trench	Close Case:	04/07/2017

Case Status: CLOSED

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations	1					1
Current Violations				1		1
Initial Penalty	$9,800	$0	$0	$0	$0	$9,800
Current Penalty	$0	$0	$0	$0	$0	$0
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
1.	**01001**	Other	19260651 C02	12/17/2016		$0	$9,800	$0		I - Informal Settlement

Case Status: CLOSED

[redacted] Contracting, Inc.

Inspection Information - Office: Chicago North

Nr: 1138010.015 Report ID: 0524200 Open Date: 04/05/2016

Judlau Contracting, Inc.
I-90 & Touhy Ave.
Des Plaines, IL 60018
Union Status: Union
SIC:
NAICS: 237310/ Highway, Street, and Bridge Construction
Mailing: 1011 Warrenville Rd.#195, Lisle, IL 60532

Inspection Type:	Unprog Rel		
Scope:	Partial	Advanced Notice:	N
Ownership:	Private		
Safety/Health:	Safety	Close Conference:	09/30/2016
		Close Case:	03/06/2019

Case Status: CLOSED

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations	1					1
Current Violations	1					1
Initial Penalty	$12,471	$0	$0	$0	$0	$12,471
Current Penalty	$10,000	$0	$0	$0	$0	$10,000
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
1.	**01001**	Serious	19260020 B02	10/03/2016	10/07/2016	$10,000	$12,471	$0	10/25/2016	F - Formal Settlement

Case Status: CLOSED

Inspection: 1094457.015 - Judlau Contracting Inc.

Inspection Information - Office: Bridgeport

Nr: 1094457.015 Report ID: 0111500 Open Date: 09/18/2015

Judlau Contracting Inc.
210 North Cherry Streetparker Street
Wallingford, CT 06492
Union Status: Union
SIC:
NAICS: 237990/Other Heavy and Civil Engineering Construction
Mailing: 99 Colony Street, Meriden, CT 06450

Inspection Type:	Referral			
Scope:	Partial	Advanced Notice:	N	
Ownership:	Private			
Safety/Health:	Safety	Close Conference:	09/18/2015	
Emphasis:	N:Trench	Close Case:	12/14/2015	
Related Activity:	Type	ID	Safety	Health
	Referral	1023232	Yes	

Case Status: CLOSED

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations				1		1
Current Violations				1		1
Initial Penalty	$0	$0	$0	$0	$0	$0

Current Penalty	$0	$0	$0	$0	$0	$0
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
1.	**01001**	Other	19260054 D	10/16/2015		$0	$0	$0		Z - Issued

Case Status: CLOSED

Inspection: 1091998.015 - Judlau Contracting Inc

Inspection Information - Office: Manhattan

Nr: 1091998.015 Report ID: 0215000 Open Date: 07/27/2015

Judlau Contracting Inc
2nd Ave Tunnel Const Proj, 2nd Ave At 68th St
New York, NY 10065
Union Status: Union
SIC:
NAICS: 238110/Poured Concrete Foundation and Structure Contractors
Mailing: 2615 Ulmer St, Flushing, NY 11354

Inspection Type:	Unprog Rel		
Scope:	Complete	Advanced Notice:	N
Ownership:	Private		
Safety/Health:	Safety	Close Conference:	07/27/2015
Emphasis:	L:Fall	Close Case:	03/16/2016

Case Status: CLOSED

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations	2					2
Current Violations				1		1
Initial Penalty	$6,300	$0	$0	$0	$0	$6,300
Current Penalty	$0	$0	$0	$2,800	$0	$2,800
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

	#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
	1.	**01001**	Other	19260501 B04 II	01/22/2016	01/28/2016	$2,800	$2,800	$0		I - Informal Settlement
Deleted	2.	**01002**	Serious	19260502 B13	01/22/2016	01/28/2016	$0	$3,500	$0		I - Informal Settlement

Case Status: CLOSED

Inspection: 406862.015 - Judlau Contracting Inc.

Inspection Information - Office: Manhattan

Nr: 406862.015 Report ID: 0215000 Open Date: 04/21/2012

Judlau Contracting Inc.
West Broadway And Chambers Street
New York, NY 10012
Union Status: NonUnion
SIC:
NAICS: 237310/ Highway, Street, and Bridge Construction
Mailing: 26-15 Ulmer St, Flushing, NY 11354

Inspection Type: Unprog Rel

Scope:	Complete	Advanced Notice:	N	
Ownership:	Private			
Safety/Health:	Safety	Close Conference:	04/21/2012	
Emphasis:	L:Localtarg	Close Case:	07/26/2013	
Related Activity:	Type	ID	Safety	Health
	Referral	327940	Yes	

Case Status: CLOSED

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations	1					1
Current Violations				1		1
Initial Penalty	$4,000	$0	$0	$0	$0	$4,000
Current Penalty	$0	$0	$0	$2,500	$0	$2,500
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
1.	**01001**	Other	19260251 F02	06/01/2012		$2,500	$4,000	$0		I - Informal Settlement

Inspection Detail

Quick Link Reference

1387834.015 | 1177059.015 | 1120912.015

Case Status: OPEN

Note: The following inspection has not been indicated as closed. Please be aware that the information shown may change, e.g. violations may be added or deleted. For open cases, in which a citation has been issued, the citation information may not be available for 5 days following receipt by the employer for Federal inspections or for 30 days following receipt by the employer for State inspections.

Inspection: 1387834.015 - Ohl Usa

Inspection Information - Office: Ca Santa Ana District Office

Nr: 1387834.015 Report ID: 0950631 Open Date: 03/18/2019

Ohl Usa
526 S. State College Blvd.
Anaheim, CA 92806
SIC:
NAICS: 541330/Engineering Services
Mailing: 1920 Main Street, Suite 310, Irvine, CA 92614

Union Status: Union

Inspection Type:	Complaint			
Scope:	Partial	Advanced Notice:	N	
Ownership:	Private			
Safety/Health:	Safety	Close Conference:	06/10/2019	
		Close Case:		
Related Activity:	Type	ID	Safety	Health
	Complaint	1436685	Yes	

Case Status: OPEN

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations				2		2
Current Violations				2		2
Initial Penalty	$0	$0	$0	$935	$0	$935
Current Penalty	$0	$0	$0	$675	$0	$675
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
1.	**01001**	Other	341(C)(2)(B)	06/10/2019	06/24/2019	$225	$375	$0	07/17/2019	-

2.	**01002**	Other	1513(C)	06/10/2019		$450	$560	$0	07/17/2019	-

Case Status: CLOSED

Inspection: 1177059.015 - Ohl Usa Inc

Inspection Information - Office: Ca Fresno

Nr: 1177059.015 Report ID: 0950625 Open Date: 09/07/2016

Ohl Usa Inc
300 Owens Lake
Lone Pine, CA 93545
SIC:

Union Status: Union

NAICS: 236220/Commercial and Institutional Building Construction
Mailing: 1920 Main Street, #310, Irvine, CA 92614

Inspection Type:	Unprog Rel		
Scope:	Complete	Advanced Notice:	N
Ownership:	Private		
Safety/Health:	Health	Close Conference:	12/20/2016
		Close Case:	06/08/2017

Case Status: CLOSED

Violation Summary

	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations				3		3
Current Violations				3		3
Initial Penalty	$0	$0	$0	$2,385	$0	$2,385
Current Penalty	$0	$0	$0	$1,535	$0	$1,535
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
1.	**01001**	Other	1527(A)	12/22/2016	01/17/2017	$675	$1,125	$0		I - Informal Settlement
2.	**01002**	Other	3203(B)(2)	12/22/2016	01/17/2017	$300	$325	$0		I - Informal Settlement
3.	**01003**	Other	3395(I)	12/22/2016	01/17/2017	$560	$935	$0		I - Informal Settlement

Case Status: CLOSED

Inspection: 1120912.015 - Ohl Usa, Inc.

Inspection Information - Office: Houston North

Nr: 1120912.015 Report ID: 0626600 Open Date: 01/27/2016

Ohl Usa, Inc.
12500 Nw Freeway Hwy 290
Houston, TX 77092
SIC:

Union Status: NonUnion

NAICS: 237310/ Highway, Street, and Bridge Construction
Mailing: 4020 South Industrial Drive Suite 260 , Austin, TX 78744

Inspection Type:	Fat/Cat			
Scope:	Partial	Advanced Notice:	N	
Ownership:	Private			
Safety/Health:	Safety	Close Conference:	01/27/2016	
Emphasis:	L:Workzone	Close Case:	11/07/2016	
Related Activity:	Type	ID	Safety	Health

Accident	1057701

Case Status: CLOSED

Violation Summary						
	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations	2					2
Current Violations				1		1
Initial Penalty	$14,000	$0	$0	$0	$0	$14,000
Current Penalty	$0	$0	$0	$7,000	$0	$7,000
FTA Amount	$0	$0	$0	$0	$0	$0

Violation Items

	#	ID	Type	Standard	Issuance	Abate	Curr$	Init$	Fta$	Contest	LastEvent
Deleted	1.	**01001**	Serious	19260602 A09 II	03/07/2016	03/31/2016	$0	$7,000	$0		I - Informal Settlement
	2.	**02001**	Other	19260021 B02	07/07/2016	09/16/2016	$7,000	$7,000	$0		I - Informal Settlement

Accident Investigation Summary

Summary Nr: 82587.015	Event: 01/26/2016	Employee Is Struck And Killed By A Dump Truck

At 12:30 p.m. on January 26, 2016, four employees were walking and surveying a highway lane widening project. One of the employees knelt down to write on a notepad. A dump truck which was backing into the area to unload sand, backed over the kneeling employee. The employee was killed by his injuries.

Keywords: dump truck, run over

	Inspection			Degree	Nature	Occupation
1	1120912.015			Fatality	Other	Civil Engineer

Additional Disclosures

Neither Judlau Contracting, Inc. nor any Affiliate or any current officer, director or employee of either the firm or any Affiliate, have been indicted or convicted of bid or other contract related crimes or violations within the past ten (10) years. Nonetheless, Obrascon Huarte Lain, S.A. ("**OHL S.A.**"), Judlau Contracting, Inc.'s ultimate, but not direct, parent company makes the following statements:

1. On October 4th 2018 the governmental body called National Commission on Markets and Competition (official name in Spanish "Comisión Nacional de los Mercados y de la Competencia" or "CNMC") has notified OHL S.A. together with other seven Spanish construction companies (Acciona Construcción, Corsán-Corvian, Dragados, FCC Construcción, Ferrovial Agromán and Sacyr Construcción), the beginning of a sanction administrative proceeding for alleged restrictive competition practices (Ref: 611/17).

   In accordance with the resolution opening the above mentioned sanction proceeding, the anticompetitive practices consisted on agreements and exchange of information between the above mentioned companies with the objective of restricting the competition in relation with the request for proposals (tenders) of the different Public Administrations in Spain.

   The beginning of this administrative proceeding, which is not a judicial one, does not prejudice the final outcome of the initiated investigation. The CNMC has up to 18 months to issue a resolution on the sanction proceeding.

   After the notification of the administrative resolution, a contentious administrative appeal ("Recurso Contencioso Administrativo" in Spanish) may be filed against the same before the Courts of Justice. OHL S.A. considers that it has always complied with the Law at all times.

2. OHL S.A., Judlau Contracting, Inc.'s ultimate, but not direct, parent company makes the following and attached statement about former OHL S.A. Chairman Juan Miguel Villar Mir and former OHL S.A. Board Member Javier Lopez Madrid:

   Mr Juan Miguel Villar Mir resigned as member and chairman of the board of the OHL S.A. on June 23, 2016. While he served as chairman of the board of OHL S.A., he had no authority to act on behalf of the company at any moment. He was not an officer, employee and had no capacity to act on behalf of OHL.

   Mr. Javier Lopez Madrid resigned as a member of the board of OHL S.A. on May 9, 2017. While he served as a board member, he had no capacity to act on behalf of the company. He was not an officer or employee of the company.

   Attached please find additional statements concerning OHL S.A.

OHL voluntarily provides new information for the ongoing investigation of the *Audiencia Nacional* ("*Operación Lezo*")

- The Group has carried out a voluntary internal investigation amidst which it has identified two wire transfers in favor of the company Lauryn Group Inc. which were carried out during November 2007. There is no indication that these can be related to any illegal or illicit actions of any kind.
- The internal investigation has not identified any wire transfers ordered by Mr. Javier López Madrid, external proprietary director of the OHL Group since 2002, who has never held executive or representative duties in the Group.

Madrid, May 5 2017.- OHL, voluntarily and following the mandate issued by the Audit and Control Commission of its Board of Directors ("ACC"), and through the Internal Audit Directorate ("IAD") and the Compliance Directorate ("CD"), has voluntarily set forth an internal investigation within the parameters of the judicial requirement issued by the *Guardia Civil* on April 20 amidst the proceedings of *operación Lezo*, a criminal proceeding instructed by the judge of the National Court (*Audiencia Nacional*) Eloy Velasco.

Such investigation has focused on:

1. Determining if any of the OHL Group companies have carried out any wire transfer, in any location, which may correspond to that for an amount of 1.4 Mill € that, according to the media, and as it may be inferred by the information required by the judicial commission present at OHL's offices on April 20, allegedly was carried out by one of the companies of the OHL Group in favor of a Swiss bank account whose holder was a company named Lauryn Group Inc.

2. Determining if there are any indications or suspicions of irregularities in the proceeding for the bidding, awarding and execution of the administrative concession "*Cercanías Móstoles-Navalcarnero*" ("CEMONASA")

3. Determining if Mr. Javier López Madrid, External proprietary director since 2002 and who has never held executive or representative duties in the OHL Group, has had at any given time, the power or the capacity to order or instruct any Group employees to carry out payments of any kind, including wire transfers.

The initiative to further complete the official investigation and to voluntary supply any information in our possession demonstrates the corporate commitment for zero tolerance against corruption, the strict enforcement of our Corporate Code of Governance and the maximum transparency and collaboration with the judiciary that presides all of the actions of this Company.

More information on OHL

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Tel.: (+34) 91 702 25 82	Tel.: (+34) 91 702 10 10
[redacted]	[redacted]

The Company considers that, at this time, it is important to highlight that ever since the Group was incorporated in 1911 (including Obrascón Huarte Lain, S.A. and all of its national and international subsidiaries) and until this date, no employees or executives of OHL have been ever convicted for corruption whether in Spain or any other country.

Analysis of the identified transfers

By means of a computerized system ("ERP") two wire transfers have been identified, none of which corresponds with the allegedly carried out wire transfer, but which are indeed in favor of Lauryn Group Inc, a company incorporated in Panama and to a bank account held in the Anglo Irish Bank in Switzerland. These two transfers amount to a total of 2.5 million US Dollars and took place in November 2007.

Said transfers have been duly considered in OHL's accounting registries and have pertaining supporting invoices, which apparently correspond to regular transactions within the ordinary course of business of our companies. There are no indications that these might be related with any illegal or illicit actions of any kind.

All of the persons who directly or indirectly held executive duties for these transactions at the time of the transfers have long ceased to work for the Group either because of retirement, voluntary leave or redundancy.

Regardless of the fact that these conclusions are preliminary, since the investigation by the IAD and the DC is still ongoing, (by internal and external means) in order to clarify the facts to the maximum extent possible, OHL has provided the judicial authorities with these findings as soon as it has had knowledge of their existence.

No irregularities in the contracts for the *Cercanías Móstoles-Navalcarnero* (CEMONASA) concession

According to the conclusions of the preliminary internal analysis, there appears to be no indication or suspicion of any irregularity in the proceedings for the bidding, awarding and execution of CEMONASA and it may be concluded, under the current state of the works, that the awarding of the concession and all ensuing actions regarding such have been carried out with total transparency and under the rule of Law. Said internal preliminary analysis, states that there have been no irregularities and it further verifies that this contract has resulted in a ruinous project for OHL which has led to the biggest loss for the Group in a single Project in its whole history, with a total invested amount pending recovery for 259 million €. The concession managing company, CEMONASA, filed for insolvency proceedings months ago and is currently under liquidation.

Regarding this contract, the Autonomous Region of Madrid ("ARM") has requested the enforcement of the provided bank guarantees, in an action that the OHL Group deems unfair and which is currently challenged before the courts, alongside the considerable penalties imposed by the ARM. For this purpose, on 3 December 2016, OHL initiated legal actions against the ARM before the Madrid Superior Court of Justice (*Tribunal Superior de Justicia de Madrid*) claiming the reimbursement of the investments made as well as for the damages suffered.

From all of the above, it can be inferred that the ARM has always acted according to the law, with maximum transparency and rigor and without any beneficial treatment in favor of OHL.

More information on OHL

Begoña Moreno	Mar Yuste
Email: bmoreno@tinkle.es	Email: myuste@tinkle.es
Tel.: (+34) 91 702 25 82	Tel.: (+34) 91 702 10 10

[redacted]

Mr. Javier López Madrid has never held executive or representative duties in the OHL Group

Mr. Javier López Madrid has never had the power or capacity to order, authorize or mandate any employees of the OHL Group to carry out payments of any kind, including wire transfers within the dates in which the wire transfer allegedly took place. Furthermore, he has never held executive or representative duties in the OHL Group.

As of today, Mr. Javier López Madrid is under investigation (*investigado*) in these proceedings and has not been formally charged with any crime. Neither OHL nor any of its employees have been charged with any crimes as well.

More information on OHL

Begoña Moreno	Mar Yuste
Email: bmoreno@tinkle.es	Email: myuste@tinkle.es
Tel.: (+34) 91 702 25 82	Tel.: (+34) 91 702 10 10

[redacted]

STEP 7, NUMBER 4:

In April 2012, Judlau Contracting, Inc. and its joint venture partner Dragados USA, Inc. executed a settlement of a civil false claims complaint filed by the US Attorney's Office for the Southern District of New York. The allegations in the complaint arose from a compliance audit performed by the joint venture that uncovered certain issues with DBE credits that the joint venture had taken on a project for the Metropolitan Transportation Authority. The joint venture self-reported the issues uncovered by the audit to the MTA. A copy of the Stipulation and Order of Dismissal is enclosed.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
---X

UNITED STATES OF AMERICA,

Plaintiff,

v.

DRAGADOS/JUDLAU, A JOINT VENTURE, JUDLAU CONTRACTING, INC., and DRAGADOS USA, INC,

Defendants.

---X

12 Civ. 2563 (LTS)

<u>STIPULATION AND ORDER OF DISMISSAL</u>

WHEREAS, the United States of America ("United States") commenced this action by filing a complaint in this Court (the "Complaint") against Judlau Contracting, Inc. ("Judlau"), Dragados USA, Inc. ("Dragados"), and Dragados/Judlau, a Joint Venture (the "Joint Venture") (collectively, "Defendants"), under the False Claims Act and common law arising from Defendants' violation of United States Department of Transportation's ("DOT") regulations designed to require the participation of disadvantaged business enterprises ("DBEs") in DOT funded and/or subsidized contracts (the "DBE regulations");

WHEREAS, the DBE regulations are intended to provide opportunities for businesses owned by socially and economically disadvantaged individuals, such as minorities and/or women, possessing the required skills, to perform work on construction projects funded, at least in part, by the federal government;

WHEREAS, the United States contends that it has certain civil claims against the Defendants under the False Claims Act, codified at 31 U.S.C. §§ 3729-3733, and the common law, as specified below, for engaging in the following conduct (collectively the "Covered Conduct"): Defendants engaged in fraudulent conduct designed to avoid their obligation to use DBEs to perform work on the federally-funded project of constructing a tunnel connecting the Long Island Railroad to Grand Central Station (the "East Side Access Project") through deceit and subterfuge by pretending to subcontract work to DBEs, while in fact arranging for the work to be performed by non-DBE subcontractors. The complaint further alleges that Defendants falsely certified that the requisite amount of work was being performed by DBE entities when they knew it was not, and knowingly, or with reckless disregard of the truth, presented and/or caused to be presented false or fraudulent claims for payment to the Metropolitan Transportation Authority ("MTA"), a recipient of federal funds;

WHEREAS, the United States seeks damages and civil penalties against Defendants under the False Claims Act, 31 U.S.C. §§ 3729-33, and common law;

WHEREAS, Defendants reported issues regarding compliance with the DBE Regulations to the MTA in 2009.

WHEREAS, the parties desire to reach a full and final settlement and compromise of the claims that the United States asserts against Defendants by entering into this stipulation of settlement (the "Stipulation");

NOW, THEREFORE, it is hereby ORDERED as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. § 1331.

2. Defendants shall pay $6,500,000 to the United States (the "United States Settlement Amount") by electronic funds transfer, pursuant to written instructions to be provided by the United States Attorney's Office, Southern District of New York, within fifteen (15) days of the entry of this Stipulation by the court.

3. Defendants shall pay $1,000,000 to the MTA's Office of the Inspector General ("MTA OIG") (the "Investigative Costs Amount") by electronic funds transfer, pursuant to written instructions to be provided by MTA OIG, to cover the investigative costs incurred in this matter

within fifteen (15) days of the entry of this Stipulation by the court.

4. The Joint Venture admits, acknowledges, and accepts responsibility for the fact that, between 2006 and 2008, monthly requisition forms and progress reports were submitted to the MTA by representatives of the Joint Venture acting on its behalf that represented that certain DBEs were performing certain work and being paid a certain amount under the East Side Access Contract when, in fact, payment was made to certain DBEs for participation as DBEs in instances and under circumstances where these firms did not qualify for consideration as DBEs for which the Joint Venture could claim credit, in violation of the Contract and the DBE Regulations.

5. Subject to the exceptions in paragraphs 7, in consideration of the obligations of the Defendants set forth in this Stipulation, upon payment in full of the Settlement Amount, and subject to Paragraph 14 below (concerning bankruptcy proceedings commenced within 91 days of the Effective date of this Stipulation) the United States agrees to release the Defendants and all of their current and former employees, related entities, representatives, officers and directors, from any civil monetary claim arising from the Covered Conduct that the United States has or may have against the Defendants under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Civil Monetary Penalties Law, 42 U.S.C. § 1320a-7a; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; and the common law theories of payment by mistake, unjust enrichment, and fraud.

6. Subject to the exceptions in paragraph 7, in consideration of the obligations of the Defendants set forth in this Stipulation, upon payment in full of the Investigative Costs Amount, and subject to Paragraph 14 below (concerning bankruptcy proceedings commenced within 91 days of the Effective date of this Stipulation), MTA OIG agrees to release the Defendants and all of their current and former employees, related entities, representatives, officers and directors, from the obligation to reimburse MTA OIG for investigative costs stemming from the Covered Conduct.

7. Notwithstanding any term of this Stipulation and Order, including the releases

provided in paragraphs 5 and 6, any and all of the following are specifically reserved and excluded from the scope and terms of this Stipulation and Order:

a. Any civil, criminal or administrative liability arising under Title 26, U.S. Code (Internal Revenue Code);

b. Any civil, criminal or administrative liability arising under New York State Tax Law;

c. Any criminal liability;

d. Any administrative liability;

e. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;

f. Any liability based upon such obligations as are created by this Stipulation; and

g. Any liability to the United States of any person or entity, including but not limited to any joint tortfeasor, who or that is not released by the terms of this Stipulation.

8. The Defendants shall be in default of this Stipulation if they fail to make the payments set forth in paragraphs 2 and 3. The United States will provide written notice of the default, to be sent by first-class mail to the undersigned attorneys for each of the Defendants. In the event of default, the Settlement Amount and the Investigative Costs Amount shall be immediately due and payable, and interest shall accrue at the rate of 5% per annum compounded daily on the remaining unpaid principal balance, beginning seven (7) business days after delivery of the notice of default. If the Settlement Amount and Investigative Costs Amount, with all accrued interest, are not paid in full within seven (7) business days after delivery of the notice of default, the United States may, at its option: (a) seek specific performance of the Stipulation; (b) offset the remaining

unpaid balance of the Settlement Amount from any amounts due and owing the Defendants by any department, agency or agent of the United States at the time of default; (c) reinstate this lawsuit; or (d) exercise any other rights granted by law, or under the terms of this Stipulation, or recognizable at common law or in equity. The Defendants shall not contest any offset imposed or any collection action undertaken by the United States pursuant to this paragraph, either administratively or in any State or Federal court. In addition, the Defendants shall pay the United States all reasonable costs of collection and enforcement under this paragraph, including attorney's fees and expenses. In the event that the United States opts to rescind this Stipulation pursuant to this paragraph, the Defendants shall not plead, argue or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel or similar theories, to any civil or administrative claims which relate to the Covered Conduct, except to the extent those defenses were available on date of the filing of the complaint in this action.

9. The Defendants waive and will not assert any defenses they may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the United States Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the United States Constitution, this Stipulation bars a remedy sought in such criminal prosecution or administrative action. Nothing in this paragraph or any other provision of the Stipulation constitutes an agreement by the United States or MTA OIG concerning the characterization of the Settlement Amount or the Investigative Costs Amount for purposes of the Internal Revenue Code, Title 26 of the United States Code or New York State Tax Law.

10. The Defendants agree that this Stipulation is not punitive in purpose or effect.

11. The Defendants fully and finally release the United States, its agencies, departments, employees, servants, and agents from any claims (including attorneys' fees, costs,

and expenses of every kind and however denominated) which the Defendants have asserted, could have asserted, or may assert in the future against the United States, its agencies, departments, employees, servants, and agents related to the Covered Conduct, and the United States' investigation and prosecution thereof, and this Stipulation.

12. This Stipulation is intended to be for the benefit of the parties only. The parties do not release any claims against any other person or entity, except as provided in this Stipulation. Until the Settlement Amount and Investigative Costs Amount are fully satisfied, the Defendants shall maintain custody of, or make arrangements to have maintained, all documents and records of the Defendants related to the Covered Conduct.

13. The Defendants expressly warrant that they have reviewed their financial situation and that they currently are solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I), and will not become insolvent following their payments of the U.S. Settlement Amount and the Investigative Costs Amount to the United States and the MTA OIG respectively hereunder. Further, the parties expressly warrant that, in evaluating whether to execute this Stipulation, such parties (i) have intended that the mutual promises, covenants and obligations set forth herein constitute a contemporaneous exchange for new value given to the Defendants, within the meaning of 11 U.S.C. § 547(c)(1); and (ii) have concluded that these mutual promises, covenants and obligations do, in fact, constitute such a contemporaneous exchange. Further, the parties warrant that the mutual promises, covenants, and obligations set forth herein are intended and do, in fact, represent a reasonable equivalent exchange of value which is not intended to hinder, delay or defraud any entity to which the Defendants were or became indebted to on or after the date of these transfers, all within the meaning of 11 U.S.C. § 548(a)(1).

14. If, within 91 days of the effective date of this Stipulation or within 91 days of any

payment under this Stipulation, the Defendants commence, or a third party commences, any case, proceeding, or other action under any law relating to bankruptcy, insolvency, reorganization or relief of debtors: (i) seeking to have any order for relief of the Defendants' debts; (ii) seeking to adjudicate any of the Defendants as bankrupt or insolvent; or (iii) seeking appointment of a receiver, trustee, custodian or other similar official for either of the Defendants or for all or any substantial part of their assets, then:

a. Defendants' obligations under this Stipulation shall not be avoided pursuant to 11 U.S.C. § 547, and the Defendants shall not argue or otherwise take the position in any such case, proceeding or other action that: (i) the Defendants' obligations under this Stipulation may be avoided under 11 U.S.C. § 547; (ii) the Defendants were insolvent at the time this Stipulation was entered into, or became insolvent as a result of the payments made to the United States and/or MTA OIG hereunder; or (iii) the mutual promises, covenants and obligations set forth in this Stipulation do not constitute a contemporaneous exchange for new value given to the Defendants.

b. In the event that the Defendants' obligations hereunder are avoided for any reason, including, but not limited to, through the exercise of a trustee's avoidance powers under the Bankruptcy Code, the United States and/or MTA OIG, at their sole option, may rescind its agreement to this Stipulation, and bring any civil and/or administrative claim, action or proceeding against the Defendants for the claims that would otherwise be covered by the releases provided in paragraphs 5 and 6, above. The Defendants: (i) shall not contend that any such claims, actions or proceedings brought by the United States are subject to an automatic stay pursuant to 11 U.S.C. § 362(a) as a result of the action, case or proceeding described in the first clause of this paragraph; (ii) the Defendants shall not plead, argue or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel or similar theories, to any such civil or administrative claims, actions or proceedings which are brought by the United States or the State within thirty (30) calendar days of written notification to the Defendants that the releases herein have been rescinded pursuant to this paragraph, except to the extent such defenses were available on the date the complaint was filed in this action; (iii) the Defendants shall not contest the validity of a claim filed by the United States against the Defendants in the amount of $6,500,000 and the United States may pursue its claims in the case, action or proceeding referenced in the first clause of this paragraph, as well as any other case, action, or proceeding; and (iv) the Defendants shall not contest the validity of a claim filed by the MTA OIG against the Defendants in the amount of $1,000,000 million and MTA OIG may pursue its claims in the case, action or proceeding referenced in the first clause of this paragraph, as well as any other case, action, or proceeding.

c. The Defendants' agreements in this paragraph are provided in exchange for valuable consideration provided in this Stipulation.

15. Except as expressly provided to the contrary in this Stipulation, the United States, MTA OIG and Defendants shall each bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Stipulation.

16. This Stipulation is governed by the laws of New York State without regard to choice of law or conflict of laws principles. The parties agree that the exclusive jurisdiction and venue for any dispute arising between and among the parties under this Stipulation as it relates to this action, will be the United States District Court for the Southern District of New York. The

parties waive any objection that any of them may now have or hereafter may have to this venue, whether concerning this Stipulation or for any related suit, action or proceeding, and irrevocably consent to the jurisdiction of this Court and agree to accept and acknowledge service in any such suit, action or proceeding.

17. For purposes of construction, this Stipulation shall be deemed to have been drafted by all parties to this Stipulation and shall not, therefore, be construed against any party for that reason in any subsequent dispute.

18. Any failure by the United States or the MTA OIG to insist upon the strict performance of any of the provisions of this Stipulation shall not be deemed a waiver of any of the provisions hereof, and the United States and the MTA OIG, notwithstanding that failure, shall have the right thereafter to insist upon strict performance of any and all of the provisions of this Stipulation.

19. If any part of this Stipulation shall for any reason be found or held invalid or unenforceable by any court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of this Stipulation, which shall survive and be construed as if such invalid unenforceable part had not been contained herein.

20. This Stipulation constitutes the complete agreement between the parties. This Stipulation may not be amended, changed, modified or waived except in writing signed by all parties or their authorized representatives.

21. The individuals signing the Stipulation on behalf of the Defendants represent and warrant that they are authorized, respectively, by the Defendants to execute this Stipulation. The undersigned signatories for the United States and the MTA OIG represent that they are signing this Stipulation in their official capacities and that they are authorized to execute this Stipulation.

22. This Stipulation may be executed in counterparts, each of which constitutes an

original and all of which constitute one and the same agreement. Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Stipulation.

23. This Stipulation is binding on the Defendants' successors, transferees, heirs, and assigns.

24. None of the Defendants waives any right to pursue any potential legal remedies against each other that may exist as a result of the conduct alleged in this complaint.

25. The Complaint is hereby dismissed, without prejudice to reinstatement in accordance with Paragraph 8 of this Stipulation.

26. Any notices pursuant to this Stipulation shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery, express courier, or facsimile transmission followed by postage prepaid mail, and shall be addressed as follows:

IF TO THE UNITED STATES:
Lara K. Eshkenazi
Assistant United States Attorney
United States Attorney's Office
Southern District of New York
86 Chambers Street, 3rd Floor
New York, New York 10007
Facsimile: (212) 637-2730

IF TO THE MTA OIG:
Office of the Inspector General
Metropolitan Transportation Authority
Two Penn Plaza, 5th Floor
New York, New York 10121
Facsimile: (212) 878-0105

IF TO DEFENDANTS DRAGADOS AND THE JOINT VENTURE:
Thomas J. Curran
Peckar & Abramson, P.C.
41 Madison Avenue, 20th Floor
New York, NY 10010
Facsimile: (212) 382-3456

IF TO DEFENDANTS JUDLAU:
Mark Rosen
McElroy, Deutsch, Mulvaney &Carpenter, LLP
88 Pine Street, 24th Floor
New York, NY 10005
Facsimile: (212) 483-9129

The Defendants represent that this Stipulation and Order is freely and voluntarily entered into without any degree of duress or compulsion whatsoever and upon due deliberation with the advice of counsel.

Dated: New York, New York
April 3, 2012

BARRY KLUGER
Inspector General
[redacted]
Chief, Construction Fraud Unit
Office of the Inspector General
MTA
Two Penn Plaza, 5th Floor
New York, NY 10121
Telephone: (212) 878-0099
Facsimile: (212) 878-0105
Email: cbrock@mtaig.org

Dated: New York, New York
April 4, 2012

PREET BHARARA
United States Attorney for the
Southern District of New York

By: [redacted]
[redacted] ESHKENAZI
MARA E. TRAGER
ELLEN M. LONDON
Assistant United States Attorneys
86 Chambers Street, 3rd Floor
New York, New York 10007
Telephone: (212) 637-2758/2799/2737
Facsimile: (212) 637-2730
Email: lara.eshkenazi@usdoj.gov
mara.trager@usdoj.gov
ellen.london@usdoj.gov

Dated: New York, NY
April __, 2012

PECKAR & ABRAMSON
Attorneys for Defendant
Dragados USA, Inc. and
Dragados/Judlau, a Joint Venture

By: ____________________
THOMAS J. CURRAN
Peckar & Abramson, P.C.
41 Madison Avenue, 20th Fl.
New York, NY 10010
Telephone: (212) 382-0909
Facsimile: (212) 382-3456
Email: tcurran@pecklaw.com

Dated: New York, NY
April __, 2012

McELROY, DEUTSCH, MULVANEY
& CARPENTER
Attorneys for Defendant
Judlau Contracting, Inc.

By: ____________________
MARK A. ROSEN
McElroy, Deutsch, Mulvaney & Carpenter
88 Pine Street, 24th Fl.
New York, NY 10010
Telephone: (212) 483-9490
Facsimile: (212) 483-9129
Email: mrosen@mdmc-law.com

SO ORDERED:

____
UNITED STATES DISTRICT COURT JUDGE

The Defendants represent that this Stipulation and Order is freely and voluntarily entered into without any degree of duress or compulsion whatsoever and upon due deliberation with the advice of counsel.

Dated: New York, New York
April __, 2012

BARRY KLUGER
Inspector General
Metropolitan Transit Authority

By: ______________________
C. CLIFFORD BROCK
Chief, Construction Fraud Unit
Office of the Inspector General
MTA
Two Penn Plaza, 5th Floor
New York, NY 10121
Telephone: (212) 878-0099
Facsimile: (212) 878-0105
Email: cbrock@mtaig.org

Dated: New York, New York
April __, 2012

PREET BHARARA
United States Attorney for the
Southern District of New York

By: ______________________
LARA K. ESHKENAZI
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mara.trager@usdoj.gov
ellen.london@usdoj.gov

Dated: New York, NY
April 4, 2012

PECKAR & ABRAMSON
Attorneys for Defendant
Dragados USA, Inc. and
[redacted]
THOMAS J. [redacted]
Peckar & Abramson, P.C.
41 Madison Avenue, 20th Fl.
New York, NY 10010
Telephone: (212) 382-0909
Facsimile: (212) 382-3456
Email: tcurran@pecklaw.com

Dated: New York, NY
April 5, 2012

McELROY, DEUTSCH, MULVANEY
& CARPENTER
Attorneys for Defendant
Judlau Contracting, Inc.
[redacted]
By: ______________________
MARK A. ROSEN
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88 Pine Street, 24th Fl.
New York, NY 10010
Telephone: (212) 483-9490
Facsimile: (212) 483-9129
Email: mrosen@mdmc-law.com

SO ORDERED:

____
UNITED STATES DISTRICT COURT JUDGE

ECB Violations since 5/29/2010

Judlau Contracting, Inc.				
Violations Number	**Violation Date**	**Amount**	**Status**	**Violation Issued By**
187097222	1/6/2015	$750	Paid	Environmental Control Board (ECB)
187024705	2/24/2015	$530	Paid	Environmental Control Board (ECB)
187024714	2/24/2015	$80	Paid	Environmental Control Board (ECB)
187542769	3/2/2015	$3,000	Paid	Environmental Control Board (ECB)
187594312	4/27/2015	$150	Paid	Environmental Control Board (ECB)
187594321	4/27/2015	$1,200	Paid	Environmental Control Board (ECB)
187594330	4/27/2015	$750	Paid	Environmental Control Board (ECB)
187594368	4/27/2015	$750	Paid	Environmental Control Board (ECB)
187594377	4/27/2015	$450	Paid	Environmental Control Board (ECB)
187668975	5/18/2015	$450	Paid	Environmental Control Board (ECB)
187668984	5/18/2015	$250	Paid	Environmental Control Board (ECB)
187389346	6/16/2015	$1,200	Paid	Environmental Control Board (ECB)
700065823	7/12/2015	$1,261	Paid	Environmental Control Board (ECB)
187721160	7/13/2015	$250	Paid	Environmental Control Board (ECB)
700067940	7/15/2015	$280	Paid	Environmental Control Board (ECB)
187698318	8/3/2015	$750	Paid	Environmental Control Board (ECB)
187089257	9/1/2015	$1,200	Paid	Environmental Control Board (ECB)
187388740	9/22/2015	$1,230	Paid	Environmental Control Board (ECB)
187389272	9/25/2015	$1,200	Paid	Environmental Control Board (ECB)
00273015Y	9/28/2015	$1,400	Paid	Environmental Control Board (ECB)
00274103Z	9/29/2015	$1,315	Paid	Environmental Control Board (ECB)
189213833	10/30/2015	$12,000	Paid	Environmental Control Board (ECB)
700269855	11/6/2015	$1,200	Paid	Environmental Control Board (ECB)
189223082	11/7/2015	$1,200	Paid	Environmental Control Board (ECB)
700269828	11/7/2015	$1,200	Paid	Environmental Control Board (ECB)
189215236	11/13/2015	$1,200	Paid	Environmental Control Board (ECB)
700302855	11/24/2015	$1,200	Paid	Environmental Control Board (ECB)
700302864	11/24/2015	$1,800	Paid	Environmental Control Board (ECB)
700302873	11/24/2015	$1,800	Paid	Environmental Control Board (ECB)
188557600	11/30/2015	$1,200	Paid	Environmental Control Board (ECB)
700321454	12/1/2015	$750	Won	Environmental Control Board (ECB)
700337276	12/8/2015	$2,250	Paid	Environmental Control Board (ECB)
189223110	12/13/2015	$1,800	Paid	Environmental Control Board (ECB)
189224301	12/23/2015	$1,200	Paid	Environmental Control Board (ECB)
700372467	12/24/2015	$150	Paid	Environmental Control Board (ECB)
700372476	12/24/2015	$1,200	Paid	Environmental Control Board (ECB)
189224357	12/31/2015	$1,800	Paid	Environmental Control Board (ECB)
700386390	1/5/2016	$150	Paid	Environmental Control Board (ECB)
700387775	1/5/2016	$1,500	Paid	Environmental Control Board (ECB)

700383238	1/6/2016	$750	Paid	Environmental Control Board (ECB)
700383247	1/6/2016	$1,800	Paid	Environmental Control Board (ECB)
700386940	1/7/2016	$1,000	Paid	Environmental Control Board (ECB)
191058048	1/26/2016	$1,200	Paid	Environmental Control Board (ECB)
700417383	2/2/2016	$1,200	Paid	Environmental Control Board (ECB)
011472804h	2/4/2016	$300	Paid	Environmental Control Board (ECB)
700422241	2/8/2016	$1,200	Paid	Environmental Control Board (ECB)
700455499	3/8/2016	$1,800	Won	Environmental Control Board (ECB)
191015258	3/29/2016	$1,800	Paid	Environmental Control Board (ECB)
19101888	3/30/2016	$750	Paid	Environmental Control Board (ECB)
191067030	3/30/2016	$750	Paid	Environmental Control Board (ECB)
700497079	4/5/2016	$1,200	Paid	Environmental Control Board (ECB)
700497088	4/5/2016	$750	Paid	Environmental Control Board (ECB)
700497097	4/5/2016	$1,200	Paid	Environmental Control Board (ECB)
700543150	4/28/2016	$750	Paid	Environmental Control Board (ECB)
20164860041-01	5/4/2016	$40	Paid	Environmental Control Board (ECB)
191640965	5/5/2016	$1,230	Paid	Environmental Control Board (ECB)
191641863	5/9/2016	$1,830	Paid	Environmental Control Board (ECB)
191018888	5/10/2016	$750	Paid	Environmental Control Board (ECB)
700561831	5/17/2016	$1,200	Paid	Environmental Control Board (ECB)
700581970	5/17/2016	$1,200	Paid	Environmental Control Board (ECB)
191646777	5/25/2016	$250	Paid	Environmental Control Board (ECB)
700586976	5/27/2016	$750	Paid	Environmental Control Board (ECB)
191642698	5/31/2016	$1,800	Paid	Environmental Control Board (ECB)
191642707	5/31/2016	$750	Paid	Environmental Control Board (ECB)
700584271	5/31/2016	$1,200	Paid	Environmental Control Board (ECB)
191649260	6/1/2016	$250	Paid	Environmental Control Board (ECB)
191646520	6/4/2016	$1,200	Paid	Environmental Control Board (ECB)
191648582	6/4/2016	$1,200	Paid	Environmental Control Board (ECB)
700592760	6/6/2016	$1,200	Paid	Environmental Control Board (ECB)
191648591	6/15/2016	$1,200	Paid	Environmental Control Board (ECB)
191251134	6/17/2016	$1,500	Won	Environmental Control Board (ECB)
191251776	6/17/2016	$250	Paid	Environmental Control Board (ECB)
700610350	6/20/2016	$1,200	Paid	Environmental Control Board (ECB)
191646941	6/21/2016	$250	Paid	Environmental Control Board (ECB)
191646950	6/21/2016	$250	Paid	Environmental Control Board (ECB)
191649408	6/21/2016	$250	Paid	Environmental Control Board (ECB)
700610296	6/21/2016	$1,200	Paid	Environmental Control Board (ECB)
700617565	6/28/2016	$1,500	Paid	Environmental Control Board (ECB)
700618876	6/28/2016	$1,200	Paid	Environmental Control Board (ECB)
700620333	6/30/2016	$1,830	Paid	Environmental Control Board (ECB)
700620342	6/30/2016	$1,530	Paid	Environmental Control Board (ECB)

191252811	7/3/2016	$750	Paid	Environmental Control Board (ECB)
700642279	7/8/2016	$450	Paid	Environmental Control Board (ECB)
700642288	7/9/2016	$1,200	Paid	Environmental Control Board (ECB)
191251381	7/12/2016	$750	Paid	Environmental Control Board (ECB)
191251390	7/12/2016	$150	Paid	Environmental Control Board (ECB)
700647824	7/18/2016	$750	Paid	Environmental Control Board (ECB)
191256093	7/19/2016	$250	Paid	Environmental Control Board (ECB)
191254250	7/20/2016	$1,500	Paid	Environmental Control Board (ECB)
191256010	7/20/2016	$1,500	Paid	Environmental Control Board (ECB)
191254746	7/25/2016	$1,200	Paid	Environmental Control Board (ECB)
191254755	7/25/2016	$800	Won	Environmental Control Board (ECB)
191256533	7/25/2016	$1,200	Won	Environmental Control Board (ECB)
191256551	7/25/2016	$1,530	Paid	Environmental Control Board (ECB)
191256084	7/29/2016	$250	Paid	Environmental Control Board (ECB)
191256378	7/30/2016	$1,200	Paid	Environmental Control Board (ECB)
191256387	7/30/2016	$100	Paid	Environmental Control Board (ECB)
189330763	8/19/2016	$500	Paid	Environmental Control Board (ECB)
191259357	8/21/2016	$100	Paid	Environmental Control Board (ECB)
191259366	8/22/2016	$250	Paid	Environmental Control Board (ECB)
700700670	8/23/2016	$1,000	Paid	Environmental Control Board (ECB)
191650122	8/25/2016	$1,260	Paid	Environmental Control Board (ECB)
191267039	9/7/2016	$1,200	Paid	Environmental Control Board (ECB)
191267048	9/7/2016	$1,200	Paid	Environmental Control Board (ECB)
700718435	9/11/2016	$1,200	Paid	Environmental Control Board (ECB)
191267120	9/12/2016	$1,200	Paid	Environmental Control Board (ECB)
191650618	9/22/2016	$1,230	Paid	Environmental Control Board (ECB)
700729518	9/22/2016	$250	Paid	Environmental Control Board (ECB)
700758549	10/12/2016	$250	Paid	Environmental Control Board (ECB)
700754423	10/17/2016	$1,200	Paid	Environmental Control Board (ECB)
700754551	10/17/2016	$1,200	Paid	Environmental Control Board (ECB)
700754560	10/17/2016	$1,200	Paid	Environmental Control Board (ECB)
700754589	10/17/2016	$1,200	Paid	Environmental Control Board (ECB)
700763260	10/17/2016	$1,500	Paid	Environmental Control Board (ECB)
700763279	10/17/2016	$1,200	Paid	Environmental Control Board (ECB)
700763288	10/17/2016	$1,500	Paid	Environmental Control Board (ECB)
191453030	10/29/2016	$1,230	Paid	Environmental Control Board (ECB)
91453296	11/3/2016	$3,600	Paid	Environmental Control Board (ECB)
700749486	11/7/2016	$250	Paid	Environmental Control Board (ECB)
191454111	11/18/2016	$1,200	Paid	Environmental Control Board (ECB)
700822660	11/23/2016	$1,200	Paid	Environmental Control Board (ECB)
191441728	11/25/2016	$750	Paid	Environmental Control Board (ECB)
191441737	11/25/2016	$1,800	Paid	Environmental Control Board (ECB)

191454194	11/28/2016	$1,200	Paid	Environmental Control Board (ECB)
191445082	12/1/2016	$1,800	Paid	Environmental Control Board (ECB)
191445770	12/6/2016	$1,800	Paid	Environmental Control Board (ECB)
191453296	1/3/2017	$200	Paid	Environmental Control Board (ECB)
700794968	1/30/2017		Paid	Environmental Control Board (ECB)
700794986	1/30/2017		Paid	Environmental Control Board (ECB)
191445789	2/7/2017	$750	Paid	Environmental Control Board (ECB)
191455074	2/7/2017		Paid	Environmental Control Board (ECB)
191455193	2/7/2017		Paid	Environmental Control Board (ECB)
700817792	2/13/2017	$1,500	Paid	Environmental Control Board (ECB)
700817839	2/13/2017	$1,200	Paid	Environmental Control Board (ECB)
700817857	2/13/2017	$1,200	Paid	Environmental Control Board (ECB)
700817866	2/13/2017	$1,200	Paid	Environmental Control Board (ECB)
191449199	2/14/2017	$750	Paid	Environmental Control Board (ECB)
191454991	2/14/2017	$1,200	Paid	Environmental Control Board (ECB)
191455029	2/14/2017	$1,200	Paid	Environmental Control Board (ECB)
191440930	2/28/2017	$1,200	Paid	Environmental Control Board (ECB)
191440949	2/28/2017	$750	Paid	Environmental Control Board (ECB)
191444799	2/28/2017	$1,200	Paid	Environmental Control Board (ECB)
191444808	2/28/2017	$1,200	Paid	Environmental Control Board (ECB)
700861453	3/6/2017	$1,200	Paid	Environmental Control Board (ECB)
700866789	3/6/2017	$1,200	Paid	Environmental Control Board (ECB)
191447493	3/7/2017	$1,800	Paid	Environmental Control Board (ECB)
191447502	3/7/2017	$750	Paid	Environmental Control Board (ECB)
191449051	3/7/2017	$750	Paid	Environmental Control Board (ECB)
191449060	3/7/2017	$1,800	Paid	Environmental Control Board (ECB)
191454937	3/7/2017	$1,200	Paid	Environmental Control Board (ECB)
700868960	3/7/2017	$750	Paid	Environmental Control Board (ECB)
191455770	3/8/2017		Paid	Environmental Control Board (ECB)
700888660	3/27/2017	$1,800	Won	Environmental Control Board (ECB)
700868080	4/3/2017	$150	Paid	Environmental Control Board (ECB)
700868090	4/3/2017	$750	Paid	Environmental Control Board (ECB)
700868154	4/3/2017	$100	Paid	Environmental Control Board (ECB)
700899183	4/3/2017	$1,500	Paid	Environmental Control Board (ECB)
191423760	4/4/2017	$1,200	Paid	Environmental Control Board (ECB)
191540306	4/4/2017	$1,200	Paid	Environmental Control Board (ECB)
191453240	4/11/2017	$1,200	Paid	Environmental Control Board (ECB)
191453250	4/11/2017	$750	Paid	Environmental Control Board (ECB)
700860023	4/13/2017		Won	Environmental Control Board (ECB)
191449666	4/14/2017	$1,800	Paid	Environmental Control Board (ECB)
191422496	4/18/2017	$500	Paid	Environmental Control Board (ECB)
191427556	5/23/2017	$1,200	Paid	Environmental Control Board (ECB)

191427610	6/6/2017	$1,200	Paid	Environmental Control Board (ECB)
191429527	6/6/2017	$1,200	Paid	Environmental Control Board (ECB)
191455909	6/13/2017	$1,800	Paid	Environmental Control Board (ECB)
191455918	6/13/2017	$800	Paid	Environmental Control Board (ECB)
191427996	6/20/2017	$1,200	Paid	Environmental Control Board (ECB)
701003656	7/10/2017		Paid	Environmental Control Board (ECB)
191420360	7/11/2017		Won	Environmental Control Board (ECB)
191542827	7/11/2017	$1,200	Paid	Environmental Control Board (ECB)
196162479	7/25/2017	$1,200	Paid	Environmental Control Board (ECB)
701117551	8/3/2017	$1,500	Paid	Environmental Control Board (ECB)
701112070	8/5/2017	$1,500	Paid	Environmental Control Board (ECB)
701132704	8/5/2017	$1,200	Paid	Environmental Control Board (ECB)
196164192	8/10/2017	$750	Paid	Environmental Control Board (ECB)
196164201	8/10/2017	$250	Paid	Environmental Control Board (ECB)
196165530	8/13/2017	$750	Paid	Environmental Control Board (ECB)
196165540	8/13/2017	$250	Paid	Environmental Control Board (ECB)
70111254	8/14/2017	$1,230	Paid	Environmental Control Board (ECB)
701111254	8/14/2017	$1,230	Paid	Environmental Control Board (ECB)
701112161	8/14/2017	$250	Paid	Environmental Control Board (ECB)
701112180	8/14/2017	$250	Paid	Environmental Control Board (ECB)
191548345	8/15/2017		Paid	Environmental Control Board (ECB)
701117259	8/16/2017	$250	Paid	Environmental Control Board (ECB)
196167510	8/17/2017	$750	Paid	Environmental Control Board (ECB)
196167520	8/17/2017	$250	Paid	Environmental Control Board (ECB)
196167649	8/23/2017	$750	Paid	Environmental Control Board (ECB)
196167658	8/23/2017	$1,200	Paid	Environmental Control Board (ECB)
196167667	8/23/2017	$250	Paid	Environmental Control Board (ECB)
700992344	8/28/2017		Paid	Environmental Control Board (ECB)
700992600	8/28/2017		Paid	Environmental Control Board (ECB)
700995900	8/28/2017		Paid	Environmental Control Board (ECB)
196166731	9/5/2017	$250	Paid	Environmental Control Board (ECB)
196155814	9/12/2017	$1,200	Paid	Environmental Control Board (ECB)
196155823	9/12/2017	$1,200	Paid	Environmental Control Board (ECB)
196155832	9/12/2017	$250	Paid	Environmental Control Board (ECB)
196157180	9/12/2017	$500	Paid	Environmental Control Board (ECB)
196158610	9/19/2017	$1,200	Paid	Environmental Control Board (ECB)
196158629	9/19/2017	$750	Paid	Environmental Control Board (ECB)
196158638	9/19/2017	$1,200	Paid	Environmental Control Board (ECB)
196161020	9/19/2017	$1,800	Paid	Environmental Control Board (ECB)
196161030	9/19/2017	$1,500	Paid	Environmental Control Board (ECB)
196161049	9/19/2017	$750	Paid	Environmental Control Board (ECB)
196170004	9/28/2017	$280	Paid	Environmental Control Board (ECB)

201992946	10/3/2017	$1,200	Paid	Environmental Control Board (ECB)
701202141	10/19/2017	$750	Paid	Environmental Control Board (ECB)
701220576	10/28/2017	$1,500	Paid	Environmental Control Board (ECB)
701240751	11/3/2017	$750	Paid	Environmental Control Board (ECB)
701264677	11/8/2017	$750	Paid	Environmental Control Board (ECB)
701267280	11/21/2017	$1,500	Paid	Environmental Control Board (ECB)
196169216	11/27/2017	$250	Paid	Environmental Control Board (ECB)
196169225	11/27/2017	$1,200	Paid	Environmental Control Board (ECB)
196169234	11/27/2017	$1,800	Paid	Environmental Control Board (ECB)
196169243	11/27/2017	$1,800	Paid	Environmental Control Board (ECB)
201996090	11/27/2017	$1,200	Paid	Environmental Control Board (ECB)
201996127	11/27/2017	$250	Paid	Environmental Control Board (ECB)
701281076	11/29/2017	$1,500	Paid	Environmental Control Board (ECB)
701281112	11/29/2017	$750	Paid	Environmental Control Board (ECB)
162042358	12/6/2017	$1,200	Paid	Environmental Control Board (ECB)
701309649	12/20/2017	$750	Paid	Environmental Control Board (ECB)
201996659	12/21/2017	$500	Paid	Environmental Control Board (ECB)
201998711	12/21/2017	$1,200	Paid	Environmental Control Board (ECB)
201998749	12/22/2017	$1,200	Paid	Environmental Control Board (ECB)
201998758	12/22/2017	$1,500	Paid	Environmental Control Board (ECB)
701340063	1/19/2018	$1,200	Paid	Environmental Control Board (ECB)
701348560	1/29/2018	$750	Paid	Environmental Control Board (ECB)
701400765	2/9/2018	$1,200	Paid	Environmental Control Board (ECB)
196570386	2/13/2018	$1,200	Paid	Environmental Control Board (ECB)
196570395	2/13/2018	$800	Paid	Environmental Control Board (ECB)
196563190	2/20/2018	$250	Paid	Environmental Control Board (ECB)
196563209	2/20/2018	$750	Paid	Environmental Control Board (ECB)
203120143	4/22/2018	$1,200	Paid	Environmental Control Board (ECB)
701443041	4/24/2018	$1,200	Won	Environmental Control Board (ECB)
701447075	5/2/2018	$1,200	Paid	Environmental Control Board (ECB)
203143968	5/10/2018	$1,200	Paid	Environmental Control Board (ECB)
701460578	5/14/2018	$1,200	Won	Environmental Control Board (ECB)
701489059	6/7/2018	$1,200	Paid	Environmental Control Board (ECB)
203124965	6/9/2018	$1,200	Paid	Environmental Control Board (ECB)
196580396	6/20/2018	$1,200	Paid	Environmental Control Board (ECB)
203125120	6/20/2018	$1,200	Paid	Environmental Control Board (ECB)
203125130	6/20/2018	$1,200	Paid	Environmental Control Board (ECB)
196580423	6/21/2018	$1,200	Paid	Environmental Control Board (ECB)
196581377	6/21/2018	$1,200	Paid	Environmental Control Board (ECB)
196581386	6/21/2018	$750	Paid	Environmental Control Board (ECB)
196582266	6/23/2018	$1,800	Paid	Environmental Control Board (ECB)
196582275	6/23/2018	$750	Paid	Environmental Control Board (ECB)

196582284	6/23/2018	$1,800	Paid	Environmental Control Board (ECB)
203128449	6/23/2018	$1,800	Paid	Environmental Control Board (ECB)
203128458	6/23/2018	$750	Paid	Environmental Control Board (ECB)
196582569	7/1/2018	$750	Paid	Environmental Control Board (ECB)
196582852	7/1/2018	$750	Paid	Environmental Control Board (ECB)
196582587	7/1/2018	$1,800	Paid	Environmental Control Board (ECB)
196582605	7/1/2018	$1,800	Paid	Environmental Control Board (ECB)
196582843	7/1/2018	$1,800	Paid	Environmental Control Board (ECB)
196582596	7/1/2018	$750	Paid	Environmental Control Board (ECB)
701540539	7/5/2018	$1,500	Paid	Environmental Control Board (ECB)
196585786	7/15/2018	$1,200	Paid	Environmental Control Board (ECB)
196585795	7/15/2018	$1,200	Paid	Environmental Control Board (ECB)
196585804	7/15/2018	$750	Paid	Environmental Control Board (ECB)
196586107	7/19/2018	$1,200	Paid	Environmental Control Board (ECB)
196586116	7/19/2018	$1,200	Paid	Environmental Control Board (ECB)
196586556	7/19/2018	$1,200	Paid	Environmental Control Board (ECB)
196585190	7/22/2018	$1,200	Paid	Environmental Control Board (ECB)
701567570	7/22/2018	$780	Paid	Environmental Control Board (ECB)
196587270	7/22/2018	$1,200	Paid	Environmental Control Board (ECB)
196587280	7/22/2018	$1,200	Paid	Environmental Control Board (ECB)
196587986	8/1/2018	$1,200	Paid	Environmental Control Board (ECB)
206001016	8/1/2018	$1,200	Paid	Environmental Control Board (ECB)
206000879	8/4/2018	$1,200	Paid	Environmental Control Board (ECB)
206000888	8/4/2018	$750	Paid	Environmental Control Board (ECB)
206000897	8/4/2018	$1,200	Paid	Environmental Control Board (ECB)
206001117	8/4/2018	$750	Paid	Environmental Control Board (ECB)
206000374	8/7/2018	$250	Paid	Environmental Control Board (ECB)
206004801	8/9/2018	$1,200	Paid	Environmental Control Board (ECB)
206000677	8/10/2018	$750	Paid	Environmental Control Board (ECB)
206000686	8/10/2018	$500	Paid	Environmental Control Board (ECB)
206000219	8/11/2018	$1,200	Paid	Environmental Control Board (ECB)
206002776	8/11/2018	$1,200	Paid	Environmental Control Board (ECB)
206002785	8/11/2018	$1,200	Paid	Environmental Control Board (ECB)
206003023	8/16/2018	$1,200	Paid	Environmental Control Board (ECB)
701606281	8/17/2018	$1,200	Paid	Environmental Control Board (ECB)
206001373	8/18/2018	$1,200	Paid	Environmental Control Board (ECB)
206004792	8/18/2018	$1,200	Paid	Environmental Control Board (ECB)
206004810	8/18/2018	$750	Paid	Environmental Control Board (ECB)
206004426	8/25/2018	$1,800	Paid	Environmental Control Board (ECB)
206005746	9/1/2018	$1,200	Paid	Environmental Control Board (ECB)
206005755	9/1/2018	$750	Paid	Environmental Control Board (ECB)
206006424	9/1/2018	$1,200	Paid	Environmental Control Board (ECB)

206006460	9/1/2018	$1,200	Paid	Environmental Control Board (ECB)
206001685	9/3/2018	$750	Paid	Environmental Control Board (ECB)
701641124	9/5/2018	$1,200	Paid	Environmental Control Board (ECB)
701641133	9/5/2018	$1,200	Paid	Environmental Control Board (ECB)
206005480	9/5/2018	$750	Paid	Environmental Control Board (ECB)
206008276	9/6/2018	$1,800	Paid	Environmental Control Board (ECB)
206008285	9/6/2018	$750	Paid	Environmental Control Board (ECB)
206008294	9/6/2018	$1,200	Paid	Environmental Control Board (ECB)
206008303	9/6/2018	$1,200	Paid	Environmental Control Board (ECB)
206008523	9/6/2018	$1,800	Paid	Environmental Control Board (ECB)
205970299	9/11/2018	$1,200	Paid	Environmental Control Board (ECB)
206008377	9/11/2018	$1,200	Paid	Environmental Control Board (ECB)
206008633	9/11/2018	$1,200	Paid	Environmental Control Board (ECB)
205970830	9/15/2018	$1,200	Paid	Environmental Control Board (ECB)
205970858	9/15/2018	$750	Paid	Environmental Control Board (ECB)
205971298	9/18/2018	$750	Paid	Environmental Control Board (ECB)
205971316	9/18/2018	$750	Paid	Environmental Control Board (ECB)
205971307	9/18/2018	$1,200	Paid	Environmental Control Board (ECB)
206001759	9/18/2018	$750	Paid	Environmental Control Board (ECB)
205971325	9/19/2018	$1,200	Paid	Environmental Control Board (ECB)
205972324	9/20/2018	$750	Paid	Environmental Control Board (ECB)
205975267	9/20/2018	$500	Paid	Environmental Control Board (ECB)
205971343	9/21/2018	$750	Paid	Environmental Control Board (ECB)
205971527	9/23/2018	$1,200	Paid	Environmental Control Board (ECB)
205971536	9/23/2018	$1,200	Paid	Environmental Control Board (ECB)
205975110	9/23/2018	$1,200	Paid	Environmental Control Board (ECB)
205975120	9/23/2018	$250	Paid	Environmental Control Board (ECB)
205975139	9/23/2018	$750	Paid	Environmental Control Board (ECB)
205975148	9/23/2018	$750	Paid	Environmental Control Board (ECB)
701681916	9/29/2018	$750	Paid	Environmental Control Board (ECB)
205971691	10/3/2018	$1,200	paid	Environmental Control Board (ECB)
205971700	10/3/2018	$1,500	paid	Environmental Control Board (ECB)
205971710	10/3/2018	$750	paid	Environmental Control Board (ECB)
205971729	10/3/2018	$3,600	Paid	Environmental Control Board (ECB)
206002125	10/7/2018	$2,410	paid	Environmental Control Board (ECB)
701692788	10/9/2018	$1,200	Paid	Environmental Control Board (ECB)
205972609	10/10/2018	$750	paid	Environmental Control Board (ECB)
205973819	10/10/2018	$250	Paid	Environmental Control Board (ECB)
701697554	10/10/2018	$1,200	Paid	Environmental Control Board (ECB)
701697545	10/10/2018	$1,200	Paid	Environmental Control Board (ECB)
701699213	10/11/2018	$1,200	Paid	Environmental Control Board (ECB)
701699204	10/11/2018	$1,200	Paid	Environmental Control Board (ECB)

205972232	10/12/2018	$250	Paid	Environmental Control Board (ECB)
205973049	10/13/2018	$1,200	Paid	Environmental Control Board (ECB)
205973058	10/13/2018	$750	Paid	Environmental Control Board (ECB)
205973067	10/13/2018	$750	Paid	Environmental Control Board (ECB)
205973076	10/13/2018	$250	Paid	Environmental Control Board (ECB)
205973709	10/13/2018	$1,200	Paid	Environmental Control Board (ECB)
205973718	10/13/2018	$1,200	Paid	Environmental Control Board (ECB)
205973727	10/13/2018	$750	Paid	Environmental Control Board (ECB)
701699534	10/13/2018	$1,200	Paid	Environmental Control Board (ECB)
701699252	10/13/2018	$1,200	Paid	Environmental Control Board (ECB)
701702513	10/14/2018	$1,200	Paid	Environmental Control Board (ECB)
701702504	10/14/2018	$1,230	paid	Environmental Control Board (ECB)
205972443	10/15/2018	$750	Paid	Environmental Control Board (ECB)
205972910	10/15/2018	$1,200	Paid	Environmental Control Board (ECB)
205975469	10/15/2018	$1,200	Paid	Environmental Control Board (ECB)
701702440	10/15/2018	$1,200	Paid	Environmental Control Board (ECB)
701702430	10/15/2018	$1,200	Paid	Environmental Control Board (ECB)
205976825	10/19/2018	$1,800	Paid	Environmental Control Board (ECB)
205976870	10/22/2018	$1,200	Paid	Environmental Control Board (ECB)
205977045	10/22/2018	$1,200	Paid	Environmental Control Board (ECB)
205977054	10/22/2018	$750	Paid	Environmental Control Board (ECB)
205976880	10/22/2018	$750	Paid	Environmental Control Board (ECB)
205976899	10/22/2018	$750	paid	Environmental Control Board (ECB)
206009540	10/22/2018	$750	paid	Environmental Control Board (ECB)
206009522	10/22/2018	$1,200	paid	Environmental Control Board (ECB)
205976908	10/22/2018	$1,200	paid	Environmental Control Board (ECB)
205973772	10/22/2018	$250	paid	Environmental Control Board (ECB)
206002107	10/22/2018	$750	paid	Environmental Control Board (ECB)
205973763	10/22/2018	$1,200	paid	Environmental Control Board (ECB)
205977063	10/22/2018	$250	Paid	Environmental Control Board (ECB)
701715448	10/23/2018	$250	paid	Environmental Control Board (ECB)
205976650	10/27/2018	$750	Paid	Environmental Control Board (ECB)
205977860	10/31/2018	$750	Paid	Environmental Control Board (ECB)
20499307	10/31/2018	$276	Paid	Environmental Control Board (ECB)
205977860	10/31/2018	$1,528.47	paid	Environmental Control Board (ECB)
205977870	11/1/2018	$250	Paid	Environmental Control Board (ECB)
205976733	11/1/2018	$250	Paid	Environmental Control Board (ECB)
205978365	11/6/2018	$750	Paid	Environmental Control Board (ECB)
205978338	11/6/2018	$750	Paid	Environmental Control Board (ECB)
205978329	11/6/2018	$1,200	Paid	Environmental Control Board (ECB)
205973221	11/6/2018	$750	Paid	Environmental Control Board (ECB)
205973222	11/6/2018	$750	Paid	Environmental Control Board (ECB)

205973213	11/6/2018	$1,200	Paid	Environmental Control Board (ECB)
205978163	11/7/2018	$750	Paid	Environmental Control Board (ECB)
205978154	11/7/2018	$1,200	Paid	Environmental Control Board (ECB)
205999274	11/12/2018	$250	Paid	Environmental Control Board (ECB)
205999283	11/12/2018	$250	Paid	Environmental Control Board (ECB)
205998311	11/18/2018	$750	Paid	Environmental Control Board (ECB)
205998302	11/18/2018	$250	Paid	Environmental Control Board (ECB)
205998385	11/19/2018	$250	Paid	Environmental Control Board (ECB)
205998641	11/23/2018	$1,200	Paid	Environmental Control Board (ECB)
207736816	11/25/2018	$250	Paid	Environmental Control Board (ECB)
207736807	11/25/2018	$1,200	Paid	Environmental Control Board (ECB)
207736798	11/25/2018	$1,200	Paid	Environmental Control Board (ECB)
207736789	11/25/2018	$1,200	Paid	Environmental Control Board (ECB)
207736917	12/1/2018	$1,200	Paid	Environmental Control Board (ECB)
207736926	12/1/2018	$750	Paid	Environmental Control Board (ECB)
207736935	12/1/2018	$250	Paid	Environmental Control Board (ECB)
207736944	12/1/2018	$1,200	Paid	Environmental Control Board (ECB)
207736953	12/1/2018	$750	Paid	Environmental Control Board (ECB)
207736962	12/1/2018	$750	Paid	Environmental Control Board (ECB)
207737027	12/1/2018	$1,200	Paid	Environmental Control Board (ECB)
207737036	12/1/2018	$750	Paid	Environmental Control Board (ECB)
207737045	12/1/2018	$750	Paid	Environmental Control Board (ECB)
205998248	12/5/2018	$750	Paid	Environmental Control Board (ECB)
205998257	12/5/2018	$250	Paid	Environmental Control Board (ECB)
205998852	12/5/2018	$250	Paid	Environmental Control Board (ECB)
205999999	12/5/2018	$1,800	Paid	Environmental Control Board (ECB)
205998908	12/6/2018	$1,200	Paid	Environmental Control Board (ECB)
207730849	12/6/2018	$500	Paid	Environmental Control Board (ECB)
207730858	12/6/2018	$1,800	Paid	Environmental Control Board (ECB)
207730867	12/6/2018	$750	Paid	Environmental Control Board (ECB)
207733058	12/7/2018	$1,200	Paid	Environmental Control Board (ECB)
207733269	12/7/2018	$1,200	Paid	Environmental Control Board (ECB)
205999449	12/8/2018	$1,500	Paid	Environmental Control Board (ECB)
206009679	12/8/2018	$1,200	Paid	Environmental Control Board (ECB)
206009688	12/8/2018	$750	Paid	Environmental Control Board (ECB)
206009697	12/8/2018	$750	Paid	Environmental Control Board (ECB)
206009706	12/8/2018	$500	Paid	Environmental Control Board (ECB)
206009715	12/8/2018	$250	Paid	Environmental Control Board (ECB)
206009724	12/8/2018	$250	Paid	Environmental Control Board (ECB)
207733076	12/8/2018	$750	Paid	Environmental Control Board (ECB)
207732847	12/9/2018	$1,200	Paid	Environmental Control Board (ECB)
207732856	12/9/2018	$750	Paid	Environmental Control Board (ECB)

207732865	12/9/2018	$750	Paid	Environmental Control Board (ECB)
207732874	12/9/2018	$250	Paid	Environmental Control Board (ECB)
207734762	12/9/2018	$750	Paid	Environmental Control Board (ECB)
207734771	12/9/2018	$100	Paid	Environmental Control Board (ECB)
207736504	12/9/2018	$1,200	Paid	Environmental Control Board (ECB)
207730674	12/10/2018	$750	Paid	Environmental Control Board (ECB)
207730683	12/10/2018	$250	Paid	Environmental Control Board (ECB)
207730665	12/10/2018	$1,800	Paid	Environmental Control Board (ECB)
207733800	12/10/2018	$1,800	Paid	Environmental Control Board (ECB)
207733819	12/10/2018	$750	Paid	Environmental Control Board (ECB)
207730692	12/11/2018	$250	Paid	Environmental Control Board (ECB)
207730701	12/11/2018	$750	Paid	Environmental Control Board (ECB)
207732993	12/11/2018	$750	Paid	Environmental Control Board (ECB)
207733195	12/13/2018	$280	Paid	Environmental Control Board (ECB)
207733864	12/13/2018	$1,830	Paid	Environmental Control Board (ECB)
207733873	12/13/2018	$780	Paid	Environmental Control Board (ECB)
207733882	12/13/2018	$280	Paid	Environmental Control Board (ECB)
207733891	12/13/2018	$780	Paid	Environmental Control Board (ECB)
207733900	12/13/2018	$780	Paid	Environmental Control Board (ECB)
207733956	12/13/2018	$780	Paid	Environmental Control Board (ECB)
207734928	12/14/2018	$1,200	Paid	Environmental Control Board (ECB)
207730977	12/15/2018	$780	Paid	Environmental Control Board (ECB)
207730986	12/15/2018	$780	Paid	Environmental Control Board (ECB)
207730995	12/15/2018	$780	Paid	Environmental Control Board (ECB)
207731004	12/15/2018	$1,830	Paid	Environmental Control Board (ECB)
207733186	12/15/2018	$780	Paid	Environmental Control Board (ECB)
207733204	12/15/2018	$530	Paid	Environmental Control Board (ECB)
207733222	12/15/2018	$780	Paid	Environmental Control Board (ECB)
207734057	12/15/2018	$780	Paid	Environmental Control Board (ECB)
207734066	12/15/2018	$280	Paid	Environmental Control Board (ECB)
207734075	12/15/2018	$1,230	Paid	Environmental Control Board (ECB)
207734093	12/15/2018	$1,230	Paid	Environmental Control Board (ECB)
207737512	12/17/2018	$1,230	Paid	Environmental Control Board (ECB)
207737521	12/17/2018	$280	Paid	Environmental Control Board (ECB)
207733983	12/17/2018	$1,230	Paid	Environmental Control Board (ECB)
207733992	12/17/2018	$780	Paid	Environmental Control Board (ECB)
207734084	12/17/2018	$280	Paid	Environmental Control Board (ECB)
207734102	12/17/2018	$1,230	Paid	Environmental Control Board (ECB)
207734111	12/17/2018	$1,230	Paid	Environmental Control Board (ECB)
207734120	12/17/2018	$780	Paid	Environmental Control Board (ECB)
207734130	12/17/2018	$780	Paid	Environmental Control Board (ECB)
207734149	12/17/2018	$780	Paid	Environmental Control Board (ECB)

701798846	12/17/2018	$750	paid	Environmental Control Board (ECB)
207737559	12/18/2018	$1,230	Paid	Environmental Control Board (ECB)
207737568	12/18/2018	$1,230	Paid	Environmental Control Board (ECB)
207737577	12/18/2018	$1,230	Paid	Environmental Control Board (ECB)
207737595	12/18/2018	$280	Paid	Environmental Control Board (ECB)
207737604	12/18/2018	$780	Paid	Environmental Control Board (ECB)
207737622	12/18/2018	$780	Paid	Environmental Control Board (ECB)
207737631	12/18/2018	$1,230	Paid	Environmental Control Board (ECB)
207737640	12/18/2018	$780	Paid	Environmental Control Board (ECB)
207738264	12/18/2018	$1,830	Paid	Environmental Control Board (ECB)
207738273	12/18/2018	$780	Paid	Environmental Control Board (ECB)
207738282	12/18/2018	$780	Paid	Environmental Control Board (ECB)
207738291	12/18/2018	$280	Paid	Environmental Control Board (ECB)
207737586	12/18/2018	$780	Paid	Environmental Control Board (ECB)
701805877	12/19/2018	$750	paid	Environmental Control Board (ECB)
207737669	12/20/2018	$750	Paid	Environmental Control Board (ECB)
701815410	1/3/2019	$1,528.47	paid	Environmental Control Board (ECB)
207738109	1/5/2019	$750	Paid	Environmental Control Board (ECB)
207743544	1/5/2019	$750	Paid	Environmental Control Board (ECB)
701824806	1/6/2019	$1,200	paid	Environmental Control Board (ECB)
207738145	1/7/2019	$250	Paid	Environmental Control Board (ECB)
207738136	1/7/2019	$750	Paid	Environmental Control Board (ECB)
701826685	1/16/2019	$750	paid	Environmental Control Board (ECB)
701825026	1/16/2019	$750	paid	Environmental Control Board (ECB)
701824907	1/16/2019	$750	paid	Environmental Control Board (ECB)
207748961	1/22/2019	$750	paid	Environmental Control Board (ECB)
207748943	1/22/2019	$1,800	paid	Environmental Control Board (ECB)
207748952	1/22/2019	$750	paid	Environmental Control Board (ECB)
207748970	1/22/2019	$150	paid	Environmental Control Board (ECB)
701835952	1/29/2019	$250	paid	Environmental Control Board (ECB)
701842617	2/1/2019	$250	paid	Environmental Control Board (ECB)
207754526	2/2/2019	$1,530	paid	Environmental Control Board (ECB)
207750896	2/7/2019	$750	paid	Environmental Control Board (ECB)
196585721	2/14/2019	$3,600	paid	Environmental Control Board (ECB)
207749190	2/17/2019	$2,427.22	paid	Environmental Control Board (ECB)
701860244	2/21/2019	$2,250	paid	Environmental Control Board (ECB)
207754571	2/23/2019	$2,250	paid	Environmental Control Board (ECB)
207754562	2/23/2019	$350	paid	Environmental Control Board (ECB)
207756020	2/26/2019	$750	paid	Environmental Control Board (ECB)
207756048	2/26/2019	$1,200	paid	Environmental Control Board (ECB)
207756039	2/26/2019	$750	paid	Environmental Control Board (ECB)
701883151	3/29/2019	$1,230	paid	Environmental Control Board (ECB)

207739245	3/29/2019	$3,600	paid	Environmental Control Board (ECB)
701883142	3/29/2019	$1,230	Paid	Environmental Control Board (ECB)
701882913	3/31/2019	$1,230	paid	Environmental Control Board (ECB)
205981124	4/3/2019	$750	Paid	Environmental Control Board (ECB)
0207724083	4/9/2019	$250	paid	Environmental Control Board (ECB)
7019249234	5/22/2019	$1,200	paid	Environmental Control Board (ECB)
701967265	6/5/2019	$750	paid	Environmental Control Board (ECB)
701968062	6/5/2019	$750	paid	Environmental Control Board (ECB)
701967274	6/5/2019	$750	paid	Environmental Control Board (ECB)
701968053	6/5/2019	$750	paid	Environmental Control Board (ECB)
701977459	6/7/2019	$3,600	paid	Environmental Control Board (ECB)
701991254	6/19/2019	$780	paid	Environmental Control Board (ECB)
702007067	6/29/2019	$780	paid	Environmental Control Board (ECB)
702005417	7/1/2019	$780	paid	Environmental Control Board (ECB)
702024896	7/13/2019	$780	paid	Environmental Control Board (ECB)
702024914	7/13/2019	$780	paid	Environmental Control Board (ECB)
702030973	7/16/2019	$1,800	paid	Environmental Control Board (ECB)
702030982	7/16/2019	$1,800	paid	Environmental Control Board (ECB)
209471130	7/23/2019	$3,600	paid	Environmental Control Board (ECB)
209473853	8/5/2019	$750	paid	Environmental Control Board (ECB)
702059005	8/9/2019	$750	paid	Environmental Control Board (ECB)
702087459	8/22/2019	$750	paid	Environmental Control Board (ECB)
702103674	8/31/2019	$750	paid	Environmental Control Board (ECB)
702121292	9/12/2019	$1,500	paid	Environmental Control Board (ECB)
702122970	9/12/2019	$1,500	paid	Environmental Control Board (ECB)
209343292	9/24/2019	$1,200	paid	Environmental Control Board (ECB)
209343449	9/25/2019	$1,200	paid	Environmental Control Board (ECB)
209344713	10/7/2019	$750	paid	Environmental Control Board (ECB)
00286235Z	10/18/2019	$2,800	paid	Environmental Control Board (ECB)
000664868Y	10/18/2019	$350	paid	Environmental Control Board (ECB)
702192435	10/24/2019	$280	paid	Environmental Control Board (ECB)
702192426	10/24/2019	$750	won	Environmental Control Board (ECB)
702192444	10/24/2019	$750	won	Environmental Control Board (ECB)
000664806Z	11/8/2019	$440	paid	Environmental Control Board (ECB)
702264366	12/4/2019	$250	paid	Environmental Control Board (ECB)

STATE OF ILLINOIS
FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

The Financial Disclosures and Conflicts of Interest form ("form") must be accurately completed and submitted by the vendor, parent entity(ies), and subcontractors. There are **nine** steps to this form and each must be completed as instructed in the step heading and within the step. A bid or offer that does not include this form shall be considered non-responsive. The Agency will consider this form when evaluating the bid or offer or awarding the contract.

The requirement of disclosure of financial interests and conflicts of interest is a continuing obligation. If circumstances change and the disclosure is no longer accurate, then disclosing entities must provide an updated form.

Separate forms are required for the vendor, parent entity(ies), and subcontractors.

This disclosure is submitted for:

☐ Vendor

☒ Vendor's Parent Entity(ies) (100% ownership) **OHL USA, Inc. owns 100% of Vendor.**

☐ Subcontractor(s) >$50,000 (annual value)

☐ Subcontractor's Parent Entity(ies) (100% ownership) > $50,000 (annual value)

Project Name	Beam Fabrication, I-294 over UPRR Bridges 287 and 288
Illinois Procurement Bulletin Number	Click here to enter text.
Contract Number	I-20-4534
Vendor Name	Judlau Contracting, Inc.
Doing Business As (DBA)	OHL North America
Disclosing Entity	OHL USA, Inc.
Disclosing Entity's Parent Entity	Obrascon Huarte Lain Construccion Internacional, S.L.
Subcontractor	NONE
Instrument of Ownership or Beneficial Interest	Corporate Stock (C-Corporation, S-Corporation, Professional Corporation, Service Corporation) ☒ If you selected Other, please describe: Click here to enter text.

FINANCIAL DISCLOSURES AND CONFLICTS OF INTERESTS

STEP 1
SUPPORTING DOCUMENTATION SUBMITTAL

(All vendors complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

You must select one of the six options below and select the documentation you are submitting. You must provide the documentation that the applicable section requires with this form.

☐ Option 1 – Publicly Traded Entities

1.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

1.B. ☐ Attach a copy of the Federal 10-K or provide a web address of an electronic copy of the Federal 10-K, and skip to Step 3.

☐ Option 2 – Privately Held Entities with more than 100 Shareholders

2.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

2.B. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership share in excess of 5% and attach the information Federal 10-K reporting companies are required to report under 17 CFR 229.401.

☒ Option 3 – All other Privately Held Entities, not including Sole Proprietorships

3.A. ☒ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

☐ Option 4 – Foreign Entities

4.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

4.B. ☐ Attach a copy of the Securities Exchange Commission Form 20-F or 40-F and skip to Step 3.

☐ Option 5 – Not-for-Profit Entities

☐ Complete Step 2, Option B.

☐ Option 6 – Sole Proprietorships

☐ Skip to Step 3.

STEP 2
DISCLOSURE OF FINANCIAL INTEREST OR BOARD OF DIRECTORS

(All vendors, except sole proprietorships, must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Complete **either** Option A (for all entities other than not-for-profits) or Option B (for not-for-profits). Additional rows may be inserted into the tables or an attachment may be provided if needed.

OPTION A – Ownership Share and Distributive Income

Ownership Share – If you selected Option 1.A., 2.A., 2.B., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of ownership if said percentage exceeds 5%, or the dollar value of their ownership if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – X

Name	Address	Percentage of Ownership	$ Value of Ownership
Obrascon Huarte Lain Construccion Internacional, S.L.	Paseo de la Castellana 259-D, Torre Espacio Madrid, Spain 28046	100%	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Distributive Income – If you selected Option 1.A., 2.A., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of the disclosing vendor's total distributive income if said percentage exceeds 5% of the total distributive income of the disclosing entity, or the dollar value of their distributive income if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – Y

Name	Address	% of Distributive Income	$ Value of Distributive Income
Obrascon Huarte Lain Construccion Internacional, S.L.	Paseo de la Castellana 259-D, Torre Espacio Madrid, Spain 28046	100%	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please certify that the following statements are true.

I have disclosed all individuals or entities that hold an ownership interest of greater than 5% or greater than $106,447.20.

☒ Yes ☐ No

I have disclosed all individuals or entities that were entitled to receive distributive income in an amount greater than $106,447.20 or greater than 5% of the total distributive income of the disclosing entity.

☒ Yes ☐ No

OPTION B – Disclosure of Board of Directors (Not-for-Profits)

If you selected Option 5 in Step 1, list members of your board of directors. Please include an attachment if necessary.

TABLE – Z	
Name	**Address**
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

STEP 3
DISCLOSURE OF LOBBYIST OR AGENT

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

☐ Yes ☒ No. Is your company represented by or do you employ a lobbyist required to register under the Lobbyist Registration Act (lobbyist must be registered pursuant to the Act with the Secretary of State) or other agent who is not identified through Step 2, Option A above and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer? If yes, please identify each lobbyist and agent, including the name and address below.

If you have a lobbyist that does not meet the criteria, then you do not have to disclose the lobbyist's information.

Name	Address	Relationship to Disclosing Entity
Click here to enter text.	Click here to enter text.	Click here to enter text.

Describe all costs/fees/compensation/reimbursements related to the assistance provided by each representative lobbyist or other agent to obtain this Agency contract: Click here to enter text.

STEP 4
PROHIBITED CONFLICTS OF INTEREST

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 4 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above. Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you hold or are you the spouse or minor child who holds an elective office in the State of Illinois or hold a seat in the General Assembly? ☐ Yes ☐ No
2. Have you, your spouse, or minor child been appointed to or employed in any offices or agencies of State government and receive compensation for such employment in excess of 60% ($106,447.20) of the salary of the Governor? ☐ Yes ☐ No
3. Are you or are you the spouse or minor child of an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority? ☐ Yes ☐ No
4. Have you, your spouse, or an immediate family member who lives in your residence currently or who lived in your residence within the last 12 months been appointed as a member of a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor? ☐ Yes ☐ No
5. If you answered yes to any question in 1-4 above, please answer the following: Do you, your spouse, or minor child receive from the vendor more than 7.5% of the vendor's total distributable income or an amount of distributable income in excess of the salary of the Governor ($177,412.00)? ☐ Yes ☐ No
6. If you answered yes to any question in 1-4 above, please answer the following: Is there a combined interest of self with spouse or minor child more than 15% in the aggregate of the vendor's distributable income or an amount of distributable income in excess of two times the salary of the Governor ($354,824.00)? ☐ Yes ☐ No

STEP 5
POTENTIAL CONFLICTS OF INTEREST RELATING TO PERSONAL RELATIONSHIPS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 5 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above.

Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you currently have, or in the previous 3 years have you had State employment, including contractual employment of services? ☐ Yes ☐ No
2. Has your spouse, father, mother, son, or daughter, had State employment, including contractual employment for services, in the previous 2 years? ☐ Yes ☐ No

3. Do you hold currently or have you held in the previous 3 years elective office of the State of Illinois, the government of the United States, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois? ☐ Yes ☐ No
4. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding elective office currently or in the previous 2 years? ☐ Yes ☐ No
5. Do you hold or have you held in the previous 3 years any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office? ☐ Yes ☐ No
6. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding appointive office currently or in the previous 2 years? ☐ Yes ☐ No
7. Do you currently have or in the previous 3 years had employment as or by any registered lobbyist of the State government? ☐ Yes ☐ No
8. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) that is or was a registered lobbyist? ☐ Yes ☐ No
9. Do you currently have or in the previous 3 years had compensated employment by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No
10. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) who is or was a compensated employee of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No

STEP 6
EXPLANATION OF AFFIRMATIVE RESPONSES

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you answered "Yes" in Step 4 or Step 5, please provide on an additional page a detailed explanation that includes, but is not limited to the name, salary, State agency or university, and position title of each individual.

STEP 7
POTENTIAL CONFLICTS OF INTEREST
RELATING TO DEBARMENT & LEGAL PROCEEDINGS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This step must be completed for each person disclosed in Step 2, Option A, Step 3, and for each entity and sole proprietor disclosed in Step 1.

Please provide the name of the person or entity for which responses are provided: **Obrascon Huarte Lain Construccion Internacional, S.L.; OHL USA, Inc.**

1. Within the previous ten years, have you had debarment from contracting with any governmental entity? ☐ Yes ☒ No
2. Within the previous ten years, have you had any professional licensure discipline? ☐ Yes ☒ No
3. Within the previous ten years, have you had any bankruptcies? ☐ Yes ☒ No
4. Within the previous ten years, have you had any adverse civil judgments and administrative findings? ☒ Yes ☐ No
5. Within the previous ten years, have you had any criminal felony convictions? ☐ Yes ☒ No

If you answered "Yes", please provide a detailed explanation that includes, but is not limited to the name, State agency or university, and position title of each individual. Please see attached

STEP 8
DISCLOSURE OF CURRENT AND PENDING CONTRACTS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you selected Option 1, 2, 3, 4, or 6 in Step 1, do you have any contracts, pending contracts, bids, proposals, subcontracts, leases or other ongoing procurement relat+ionships with units of State of Illinois government?

☐ Yes ☒ No.

If "Yes", please specify below. Additional rows may be inserted into the table or an attachment may be provided if needed.

Agency	Project Title	Status	Value	Contract Reference/P.O./Illinois Procurement Bulletin #

Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please explain the procurement relationship: Click here to enter text.

STEP 9
SIGN THE DISCLOSURE

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This disclosure is signed, and made under penalty of perjury for all for-profit entities, by an authorized officer or employee on behalf of the bidder or offeror pursuant to Sections 50-13 and 50-35 of the Illinois Procurement Code. This disclosure information is submitted on behalf of:

Name of Disclosing Entity: OHL USA, Inc.

Signature: [redacted]   Date: 6/24/2020

Printed Name: Cesar F. Pereira

Title: Secretary

Phone Number: (718)554-2320

Email Address: cesar.pereira@ohlna.com

STATE OF ILLINOIS
FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

The Financial Disclosures and Conflicts of Interest form ("form") must be accurately completed and submitted by the vendor, parent entity(ies), and subcontractors. There are **nine** steps to this form and each must be completed as instructed in the step heading and within the step. A bid or offer that does not include this form shall be considered non-responsive. The Agency will consider this form when evaluating the bid or offer or awarding the contract.

The requirement of disclosure of financial interests and conflicts of interest is a continuing obligation. If circumstances change and the disclosure is no longer accurate, then disclosing entities must provide an updated form.

Separate forms are required for the vendor, parent entity(ies), and subcontractors.

This disclosure is submitted for:

☐ Vendor

☒ Vendor's Parent Entity(ies) (100% ownership) **Obrascon Huarte Lain Construccion Internacional, S.L., Inc. owns 100% of OHL USA, Inc., which in turn owns 100% of Vendor.**

☐ Subcontractor(s) >$50,000 (annual value)

☐ Subcontractor's Parent Entity(ies) (100% ownership) > $50,000 (annual value)

Project Name	Beam Fabrication, I-294 over UPRR Bridges 287 and 288
Illinois Procurement Bulletin Number	Click here to enter text.
Contract Number	I-20-4534
Vendor Name	Judlau Contracting, Inc.
Doing Business As (DBA)	OHL North America
Disclosing Entity	Obrascon Huarte Lain Construccion Internacional, S.L.
Disclosing Entity's Parent Entity	Obrascon Huarte Lain, S.A.
Subcontractor	NONE
Instrument of Ownership or Beneficial Interest	Other ☒ If you selected Other, please describe: Foreign Company

FINANCIAL DISCLOSURES AND CONFLICTS OF INTERESTS

STEP 1
SUPPORTING DOCUMENTATION SUBMITTAL

(All vendors complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

You must select one of the six options below and select the documentation you are submitting. You must provide the documentation that the applicable section requires with this form.

☐ Option 1 – Publicly Traded Entities

1.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

1.B. ☐ Attach a copy of the Federal 10-K or provide a web address of an electronic copy of the Federal 10-K, and skip to Step 3.

☐ Option 2 – Privately Held Entities with more than 100 Shareholders

2.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

2.B. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership share in excess of 5% and attach the information Federal 10-K reporting companies are required to report under 17 CFR 229.401.

☐ Option 3 – All other Privately Held Entities, not including Sole Proprietorships

3.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

☒ Option 4 – Foreign Entities

4.A. ☒ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

4.B. ☐ Attach a copy of the Securities Exchange Commission Form 20-F or 40-F and skip to Step 3.

☐ Option 5 – Not-for-Profit Entities

☐ Complete Step 2, Option B.

☐ Option 6 – Sole Proprietorships

☐ Skip to Step 3.

STEP 2
DISCLOSURE OF FINANCIAL INTEREST OR BOARD OF DIRECTORS

(All vendors, except sole proprietorships, must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Complete **either** Option A (for all entities other than not-for-profits) or Option B (for not-for-profits). Additional rows may be inserted into the tables or an attachment may be provided if needed.

OPTION A – Ownership Share and Distributive Income

Ownership Share – If you selected Option 1.A., 2.A., 2.B., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of ownership if said percentage exceeds 5%, or the dollar value of their ownership if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – X

Name	Address	Percentage of Ownership	$ Value of Ownership
Obrascon Huarte Lain, S.A.	Paseo de la Castellana 259-D, Torre Espacio Madrid, Spain 28046	100%	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Distributive Income – If you selected Option 1.A., 2.A., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of the disclosing vendor's total distributive income if said percentage exceeds 5% of the total distributive income of the disclosing entity, or the dollar value of their distributive income if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – Y

Name	Address	% of Distributive Income	$ Value of Distributive Income
Obrascon Huarte Lain, S.A.	Paseo de la Castellana 259-D, Torre Espacio Madrid, Spain 28046	100%	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please certify that the following statements are true.

I have disclosed all individuals or entities that hold an ownership interest of greater than 5% or greater than $106,447.20.

☒ Yes ☐ No

I have disclosed all individuals or entities that were entitled to receive distributive income in an amount greater than $106,447.20 or greater than 5% of the total distributive income of the disclosing entity.

☒ Yes ☐ No

OPTION B – Disclosure of Board of Directors (Not-for-Profits)

If you selected Option 5 in Step 1, list members of your board of directors. Please include an attachment if necessary.

TABLE – Z	
Name	**Address**
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

STEP 3
DISCLOSURE OF LOBBYIST OR AGENT

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

☐ Yes ☒ No. Is your company represented by or do you employ a lobbyist required to register under the Lobbyist Registration Act (lobbyist must be registered pursuant to the Act with the Secretary of State) or other agent who is not identified through Step 2, Option A above and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer? If yes, please identify each lobbyist and agent, including the name and address below.

If you have a lobbyist that does not meet the criteria, then you do not have to disclose the lobbyist's information.

Name	Address	Relationship to Disclosing Entity
Click here to enter text.	Click here to enter text.	Click here to enter text.

Describe all costs/fees/compensation/reimbursements related to the assistance provided by each representative lobbyist or other agent to obtain this Agency contract: Click here to enter text.

STEP 4
PROHIBITED CONFLICTS OF INTEREST

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 4 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above. Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you hold or are you the spouse or minor child who holds an elective office in the State of Illinois or hold a seat in the General Assembly? ☐ Yes ☐ No
2. Have you, your spouse, or minor child been appointed to or employed in any offices or agencies of State government and receive compensation for such employment in excess of 60% ($106,447.20) of the salary of the Governor? ☐ Yes ☐ No
3. Are you or are you the spouse or minor child of an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority? ☐ Yes ☐ No
4. Have you, your spouse, or an immediate family member who lives in your residence currently or who lived in your residence within the last 12 months been appointed as a member of a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor? ☐ Yes ☐ No
5. If you answered yes to any question in 1-4 above, please answer the following: Do you, your spouse, or minor child receive from the vendor more than 7.5% of the vendor's total distributable income or an amount of distributable income in excess of the salary of the Governor ($177,412.00)? ☐ Yes ☐ No
6. If you answered yes to any question in 1-4 above, please answer the following: Is there a combined interest of self with spouse or minor child more than 15% in the aggregate of the vendor's distributable income or an amount of distributable income in excess of two times the salary of the Governor ($354,824.00)? ☐ Yes ☐ No

STEP 5
POTENTIAL CONFLICTS OF INTEREST RELATING TO PERSONAL RELATIONSHIPS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 5 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above.

Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you currently have, or in the previous 3 years have you had State employment, including contractual employment of services? ☐ Yes ☐ No
2. Has your spouse, father, mother, son, or daughter, had State employment, including contractual employment for services, in the previous 2 years? ☐ Yes ☐ No

3. Do you hold currently or have you held in the previous 3 years elective office of the State of Illinois, the government of the United States, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois? ☐ Yes ☐ No
4. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding elective office currently or in the previous 2 years? ☐ Yes ☐ No
5. Do you hold or have you held in the previous 3 years any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office? ☐ Yes ☐ No
6. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding appointive office currently or in the previous 2 years? ☐ Yes ☐ No
7. Do you currently have or in the previous 3 years had employment as or by any registered lobbyist of the State government? ☐ Yes ☐ No
8. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) that is or was a registered lobbyist? ☐ Yes ☐ No
9. Do you currently have or in the previous 3 years had compensated employment by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No
10. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) who is or was a compensated employee of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No

STEP 6
EXPLANATION OF AFFIRMATIVE RESPONSES

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you answered "Yes" in Step 4 or Step 5, please provide on an additional page a detailed explanation that includes, but is not limited to the name, salary, State agency or university, and position title of each individual.

STEP 7
POTENTIAL CONFLICTS OF INTEREST
RELATING TO DEBARMENT & LEGAL PROCEEDINGS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This step must be completed for each person disclosed in Step 2, Option A, Step 3, and for each entity and sole proprietor disclosed in Step 1.

Please provide the name of the person or entity for which responses are provided: **Obrascon Huarte Lain, S.A.; Obrascon Huarte Lain Construccion Internacional, S.L.**

1. Within the previous ten years, have you had debarment from contracting with any governmental entity? ☐ Yes ☒ No
2. Within the previous ten years, have you had any professional licensure discipline? ☐ Yes ☒ No
3. Within the previous ten years, have you had any bankruptcies? ☐ Yes ☒ No
4. Within the previous ten years, have you had any adverse civil judgments and administrative findings? ☐ Yes ☒ No
5. Within the previous ten years, have you had any criminal felony convictions? ☐ Yes ☒ No

If you answered "Yes", please provide a detailed explanation that includes, but is not limited to the name, State agency or university, and position title of each individual. Please see attached

STEP 8
DISCLOSURE OF CURRENT AND PENDING CONTRACTS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you selected Option 1, 2, 3, 4, or 6 in Step 1, do you have any contracts, pending contracts, bids, proposals, subcontracts, leases or other ongoing procurement relat+ionships with units of State of Illinois government?

☐ Yes ☒ No.

If "Yes", please specify below. Additional rows may be inserted into the table or an attachment may be provided if needed.

Agency	Project Title	Status	Value	Contract Reference/P.O./Illinois Procurement Bulletin #

Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please explain the procurement relationship: Click here to enter text.

STEP 9
SIGN THE DISCLOSURE

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This disclosure is signed, and made under penalty of perjury for all for-profit entities, by an authorized officer or employee on behalf of the bidder or offeror pursuant to Sections 50-13 and 50-35 of the Illinois Procurement Code. This disclosure information is submitted on behalf of:

Name of Disclosing Entity: Obrascon Huarte Lain Construccion Internacional, S.L.

Signature: [redacted] Date: 06/22/2020

Printed Name: Enrique Gil Cerezo

Title: Estimating and Tendering Director

Phone Number: +34 913 48 43 99

Email Address: gile@ohl.es

STATE OF ILLINOIS
FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

The Financial Disclosures and Conflicts of Interest form ("form") must be accurately completed and submitted by the vendor, parent entity(ies), and subcontractors. There are **nine** steps to this form and each must be completed as instructed in the step heading and within the step. A bid or offer that does not include this form shall be considered non-responsive. The Agency will consider this form when evaluating the bid or offer or awarding the contract.

The requirement of disclosure of financial interests and conflicts of interest is a continuing obligation. If circumstances change and the disclosure is no longer accurate, then disclosing entities must provide an updated form.

Separate forms are required for the vendor, parent entity(ies), and subcontractors.

This disclosure is submitted for:

☐ Vendor

☒ Vendor's Parent Entity(ies) (100% ownership) **Obrascon Huarte Lain, S.A. owns 100% of Obrascon Huarte Lain Construccion Internacional, S.L., Inc. which in turn owns 100% of OHL USA, Inc., which in turn owns 100% of Vendor.**

☐ Subcontractor(s) >$50,000 (annual value)

☐ Subcontractor's Parent Entity(ies) (100% ownership) > $50,000 (annual value)

Project Name	Beam Fabrication, I-294 over UPRR Bridges 287 and 288
Illinois Procurement Bulletin Number	Click here to enter text.
Contract Number	I-20-4534
Vendor Name	Judlau Contracting, Inc.
Doing Business As (DBA)	OHL North America
Disclosing Entity	Obrascon Huarte Lain, S.A.
Disclosing Entity's Parent Entity	N/A
Subcontractor	NONE
Instrument of Ownership or Beneficial Interest	Other ☒ If you selected Other, please describe: Publicly Traded Foreign Company

FINANCIAL DISCLOSURES AND CONFLICTS OF INTERESTS

STEP 1
SUPPORTING DOCUMENTATION SUBMITTAL

(All vendors complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

You must select one of the six options below and select the documentation you are submitting. You must provide the documentation that the applicable section requires with this form.

☐ Option 1 – Publicly Traded Entities

1.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

1.B. ☐ Attach a copy of the Federal 10-K or provide a web address of an electronic copy of the Federal 10-K, and skip to Step 3.

☐ Option 2 – Privately Held Entities with more than 100 Shareholders

2.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

2.B. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership share in excess of 5% and attach the information Federal 10-K reporting companies are required to report under 17 CFR 229.401.

☐ Option 3 – All other Privately Held Entities, not including Sole Proprietorships

3.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

☒ Option 4 – Foreign Entities

4.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

4.B. ☒ Attach a copy of the Securities Exchange Commission Form 20-F or 40-F and skip to Step 3.

☐ Option 5 – Not-for-Profit Entities

☐ Complete Step 2, Option B.

☐ Option 6 – Sole Proprietorships

☐ Skip to Step 3.

STEP 2
DISCLOSURE OF FINANCIAL INTEREST OR BOARD OF DIRECTORS

(All vendors, except sole proprietorships, must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Complete **either** Option A (for all entities other than not-for-profits) or Option B (for not-for-profits). Additional rows may be inserted into the tables or an attachment may be provided if needed.

OPTION A – Ownership Share and Distributive Income

Ownership Share – If you selected Option 1.A., 2.A., 2.B., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of ownership if said percentage exceeds 5%, or the dollar value of their ownership if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – X			
Name	**Address**	**Percentage of Ownership**	**$ Value of Ownership**
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Distributive Income – If you selected Option 1.A., 2.A., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of the disclosing vendor's total distributive income if said percentage exceeds 5% of the total distributive income of the disclosing entity, or the dollar value of their distributive income if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – Y			
Name	**Address**	**% of Distributive Income**	**$ Value of Distributive Income**
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please certify that the following statements are true.

I have disclosed all individuals or entities that hold an ownership interest of greater than 5% or greater than $106,447.20.

☐ Yes ☐ No

I have disclosed all individuals or entities that were entitled to receive distributive income in an amount greater than $106,447.20 or greater than 5% of the total distributive income of the disclosing entity.

☐ Yes ☐ No

OPTION B – Disclosure of Board of Directors (Not-for-Profits)

If you selected Option 5 in Step 1, list members of your board of directors. Please include an attachment if necessary.

TABLE – Z	
Name	**Address**
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.

STEP 3
DISCLOSURE OF LOBBYIST OR AGENT

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

☐ Yes ☒ No. Is your company represented by or do you employ a lobbyist required to register under the Lobbyist Registration Act (lobbyist must be registered pursuant to the Act with the Secretary of State) or other agent who is not identified through Step 2, Option A above and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer? If yes, please identify each lobbyist and agent, including the name and address below.

If you have a lobbyist that does not meet the criteria, then you do not have to disclose the lobbyist's information.

Name	**Address**	**Relationship to Disclosing Entity**
Click here to enter text.	Click here to enter text.	Click here to enter text.

Describe all costs/fees/compensation/reimbursements related to the assistance provided by each representative lobbyist or other agent to obtain this Agency contract: Click here to enter text.

STEP 4
PROHIBITED CONFLICTS OF INTEREST

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 4 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above. Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you hold or are you the spouse or minor child who holds an elective office in the State of Illinois or hold a seat in the General Assembly? ☐ Yes ☐ No
2. Have you, your spouse, or minor child been appointed to or employed in any offices or agencies of State government and receive compensation for such employment in excess of 60% ($106,447.20) of the salary of the Governor? ☐ Yes ☐ No
3. Are you or are you the spouse or minor child of an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority? ☐ Yes ☐ No
4. Have you, your spouse, or an immediate family member who lives in your residence currently or who lived in your residence within the last 12 months been appointed as a member of a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor? ☐ Yes ☐ No
5. If you answered yes to any question in 1-4 above, please answer the following: Do you, your spouse, or minor child receive from the vendor more than 7.5% of the vendor's total distributable income or an amount of distributable income in excess of the salary of the Governor ($177,412.00)? ☐ Yes ☐ No
6. If you answered yes to any question in 1-4 above, please answer the following: Is there a combined interest of self with spouse or minor child more than 15% in the aggregate of the vendor's distributable income or an amount of distributable income in excess of two times the salary of the Governor ($354,824.00)? ☐ Yes ☐ No

STEP 5
POTENTIAL CONFLICTS OF INTEREST RELATING TO PERSONAL RELATIONSHIPS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 5 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above.

Please provide the name of the person for which responses are provided: Click here to enter text.

1. Do you currently have, or in the previous 3 years have you had State employment, including contractual employment of services? ☐ Yes ☐ No
2. Has your spouse, father, mother, son, or daughter, had State employment, including contractual employment for services, in the previous 2 years? ☐ Yes ☐ No

3. Do you hold currently or have you held in the previous 3 years elective office of the State of Illinois, the government of the United States, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois? ☐ Yes ☐ No
4. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding elective office currently or in the previous 2 years? ☐ Yes ☐ No
5. Do you hold or have you held in the previous 3 years any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office? ☐ Yes ☐ No
6. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding appointive office currently or in the previous 2 years? ☐ Yes ☐ No
7. Do you currently have or in the previous 3 years had employment as or by any registered lobbyist of the State government? ☐ Yes ☐ No
8. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) that is or was a registered lobbyist? ☐ Yes ☐ No
9. Do you currently have or in the previous 3 years had compensated employment by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No
10. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) who is or was a compensated employee of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☐ No

STEP 6
EXPLANATION OF AFFIRMATIVE RESPONSES

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you answered "Yes" in Step 4 or Step 5, please provide on an additional page a detailed explanation that includes, but is not limited to the name, salary, State agency or university, and position title of each individual.

STEP 7
POTENTIAL CONFLICTS OF INTEREST
RELATING TO DEBARMENT & LEGAL PROCEEDINGS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This step must be completed for each person disclosed in Step 2, Option A, Step 3, and for each entity and sole proprietor disclosed in Step 1.

Please provide the name of the person or entity for which responses are provided: **Obrascon Huarte Lain, S.A.**

1. Within the previous ten years, have you had debarment from contracting with any governmental entity? ☐ Yes ☒ No
2. Within the previous ten years, have you had any professional licensure discipline? ☐ Yes ☒ No
3. Within the previous ten years, have you had any bankruptcies? ☐ Yes ☒ No
4. Within the previous ten years, have you had any adverse civil judgments and administrative findings? ☒ Yes ☐ No
5. Within the previous ten years, have you had any criminal felony convictions? ☐ Yes ☒ No

If you answered "Yes", please provide a detailed explanation that includes, but is not limited to the name, State agency or university, and position title of each individual. Please see attached

STEP 8
DISCLOSURE OF CURRENT AND PENDING CONTRACTS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you selected Option 1, 2, 3, 4, or 6 in Step 1, do you have any contracts, pending contracts, bids, proposals, subcontracts, leases or other ongoing procurement relat+ionships with units of State of Illinois government?

☐ Yes ☒ No.

If "Yes", please specify below. Additional rows may be inserted into the table or an attachment may be provided if needed.

Agency	Project Title	Status	Value	Contract Reference/P.O./Illinois Procurement Bulletin #
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

Please explain the procurement relationship: Click here to enter text.

STEP 9
SIGN THE DISCLOSURE

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This disclosure is signed, and made under penalty of perjury for all for-profit entities, by an authorized officer or employee on behalf of the bidder or offeror pursuant to Sections 50-13 and 50-35 of the Illinois Procurement Code. This disclosure information is submitted on behalf of:

Name of Disclosing Entity: Obrascon Huarte Lain, S.A.

Signature [redacted] Date: 06/22/2020

Printed Name: Enrique Gil Cerezo

Title: Estimating and Tendering Director

Phone Number: +34 913 48 43 99

Email Address: gile@ohl.es

State of Illinois Chief Procurement Office

Financial Disclosures and Conflicts of Interest

STEP 7 - Q4 POTENTIAL CONFLICTS OF INTEREST RELATING TO DEBARMENT & LEGAL PROCEEDINGS

4. Within the previous ten years, have you had any adverse civil judgments and administrative findings?

As with most construction companies, there may be, within the previous ten years, minor adverse civil judgments and administrative findings against Obrascón Huarte Lain, S.A. (the "**Disclosing Entity**") in the ordinary course of its operations, none of which prevent the company from being able to comply with its contractual obligations or undertake new projects.

As a listed company on the secondary market of the Madrid and Barcelona Stock Exchanges (Spain), the Disclosing Entity's equity and financial position results from the *Consolidated Financial Statements and Consolidated Director's Report together with Independent Auditor's Report for Obrascon Huarte Lain, S.A. and Subsidiaries* (the "**Group**") for the year ended 31 December 2018, audited by Deloitte, S.L. on April 1, 2019 and prepared in accordance with the International Financial Reporting Standards as adopted by the European Union and the other provisions of the regulatory financing reporting framework applicable to the Group. Additionally, please see enclosed the *Interim Condensed Consolidated Financial Statements and Interim Director's Report for the six-month period ended 30 June 2019* audited by Deloitte, S.L. on July 29, 2019.

The Consolidated Financial Statements state the most salient lawsuits arising from the ordinary course of its operations at the end of 2018 and the interim report gives updated information for the first half of 2019. In addition to this litigation, the Disclosing Entity is involved in other minor lawsuits arising from the ordinary course of its operations, none of which are for a significant individual amount. Consolidated Financial Statements of the Disclosing Entity and its subsidiaries are available on the Disclosing Entity's website (www.ohl.es) and are hereby attached for your convenience.

Recognition of revenue from long-term contracts and amounts to be billed for work performed

Description	Procedures applied in the audit
The Group uses the percentage of completion method to recognise revenue from long-term construction contracts. This revenue recognition method was a key matter in our audit, since it affects the valuation of the amounts to be billed for work performed (ABWP), which at 31 December 2017 totalled EUR 1,039 million, and a very significant amount of total consolidated revenue, and requires Group management to make significant estimates relating mainly to the expected outcome of the contract, the amount of costs yet to be incurred, the measurement of the work completed in the period, and the probability of recovering the amounts of claims and modifications to the initial contract which, although not approved by the end customer, the Group considers it is likely to be entitled to receive, taking into account the status of the negotiations and the requirements of the applicable regulatory framework in this regard. These judgements and estimates are made by the persons in charge of performing the construction work, are subsequently reviewed at the various levels of the organisation, and are submitted to controls designed to ensure the consistency and reasonableness of the criteria applied. In this connection, the construction project budgets, contract modifications and claims or damage caused affecting the judgements and estimates must be very closely monitored. As indicated in Note 3.9, these judgements and estimates include most notably those associated with the Hospital de Sidra project, which has amounts to be billed for work performed, in dispute, of EUR 346 million.	Our audit procedures included a detailed analysis of a selection of projects, based on qualitative and quantitative factors, in order to evaluate the reasonableness of the assumptions and hypotheses used by the Group. For this purpose, we held meetings with technical personnel of the Group and involved our internal infrastructure project specialists in order to evaluate, for certain significant projects, both the reasonableness of the assumptions and hypotheses used in updating the estimated costs, and the consistency of the stage of completion in relation to the actual units of work completed. We also reviewed the estimates made by the Group in 2016 with respect to the actual data for the contracts in 2017. As regards the amounts to be billed for work performed, we analysed whether the recognition of revenue from work in progress that has not been approved by the end customer is appropriate in light of the applicable framework. To this end, and in order to obtain evidence about the recoverability of the collection rights arising from contract modifications and claims, we evaluated the evidence provided by management, including, inter alia, legal opinions and correspondence with customers. With respect to a selection of contracts based on qualitative and quantitative factors, we analysed the reasonableness of the most significant positions. Lastly, we verified that the notes to the accompanying consolidated financial statements include the related disclosures required by the financial reporting framework. In this regard, the disclosures in Notes 2.6.15, 3.9 and 4.6.2.5 to the consolidated financial statements in connection with this matter are in conformity with those required by the applicable accounting regulations.

Obrascón Huarte Lain, S.A. and Subsidiaries

Consolidated Financial Statements for the year ended 31 December 2017 and Consolidated Directors' Report, together with Independent Auditor's Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

Deloitte.

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Torre Picasso
28020 Madrid
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Tel: +34 915 14 50 00
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www.deloitte.es

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Obrascón Huarte Lain, S.A.,

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Obrascón Huarte Lain, S.A. (the Parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2017, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of the Group as at 31 December 2017, and its consolidated results and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the consolidated financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

As indicated in Notes 3.17 and 4.2.1 to the accompanying consolidated financial statements, in March 2017 the Group formalised a multi-product finance facility in order to cater for the future needs arising from its business plan. The availability of this facility, which matures in 2018, is tied to compliance with a plan that included significant divestments that the Group had to perform prior to 2017 year-end. In the course of 2017 the initial agreement was novated in order to adapt the cash requirements to the Group's various activities. Also, after year-end, certain waivers were obtained from the banks with respect to the requirement to achieve financial ratios associated with the syndicated and multi-product financing arrangements. These waivers are tied to the obligation to repay both financing agreements once the divestment in progress has been formalised.

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª.
C.I.F.: B-79104469. Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

In this context, as indicated in Note 1.3 to the accompanying consolidated financial statements, in November the Group entered into an agreement to sell all the share capital of OHL Concesiones, S.A.U. (the parent of the Group's Concessions Division), for approximately EUR 2,200 million, which included certain conditions precedent that had not yet been fulfilled at the date of this auditor's report. The directors of the Parent of the OHL Group prepared these consolidated financial statements in accordance with the going concern basis of accounting, on the assumption that the Group's financial capacity and, consequently, the continuity of its operations will be guaranteed by the inflow of the funds arising from the aforementioned divestment.

Accordingly, at the present date, a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern and to realise its assets and settle its liabilities for the amounts and with the classification reflected in the accompanying consolidated financial statements, which depends on the fulfilment of the conditions precedent required for the effectiveness of the sale agreement mentioned above. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Recognition and measurement of concession infrastructure recognised as discontinued operations

Description	Procedures applied in the audit
As a result of the agreement for the sale of all the share capital of OHL Concesiones, S.A.U., at 2017 year-end the Group recognised non-current assets classified as held for sale and discontinued operations, amounting to EUR 8,023 million, and liabilities associated with non-current assets classified as held for sale and discontinued operations, amounting to EUR 4,142 million, in the consolidated balance sheet. The Group also recognised the Concessions Division's net profit for the year in a single line item, as profit for the year from discontinued operations, in the consolidated statement of profit or loss, and it adjusted, for comparison purposes and in accordance with accounting legislation, the consolidated statement of profit or loss for the previous year. Similarly, the cash flows for 2017 and 2016 associated with the discontinued operation are presented separately. The classification of non-current assets and associated liabilities as held for sale and discontinued operations is a key matter in our audit, since it requires the directors to make judgements as to whether the requirements established by accounting regulations have been met, in particular those relating to the probability that the divestment will take place in the short term and the estimate of the recoverable amount of the assets.	Our audit procedures included, among others, the obtainment and analysis of the evidence supporting the classification of these assets, checking the supporting records for the divestment decisions taken at the appropriate level of management, as well as the review of the agreement for the sale of all the share capital of OHL Concesiones, S.A.U. in order to adequately understand the conditions precedent included therein, the periods considered and their situation at the date of the audit opinion. Also, we analysed the reasonableness of the estimates made by the directors in terms of the valuation of the division, reviewing whether its carrying amount is consistent with the price agreed between the parties to the sale agreement. Lastly, we evaluated whether the disclosures included in Notes 1.3 and 3.8 to the accompanying consolidated financial statements in connection with this matter are in conformity with those required by the applicable accounting regulations.

Non-current financial assets involved in insolvency proceedings

Description	Procedures applied in the audit
As indicated in Note 3.6 to the accompanying consolidated financial statements, at 2017 year-end, the Group recognised under "Non-Current Financial Assets - Investment Securities" and "Non-Current Financial Assets - Other Receivables", the equity interests in and the loans and guarantees granted to Eje Aeropuerto, S.A. and Cercanías Móstoles Navalcarnero, S.A. ("Cemonasa"), amounting to EUR 59.9 million and EUR 160.3 million, respectively. Both of these companies are in liquidation and the concession arrangements constituting their core business activities have been terminated. The Group tests these assets for impairment each year in order to estimate their recoverable amount. The Parent's directors consider that in a base-case resolution scenario, which is inferior to that requested by the liquidator of Eje Aeropuerto, the net investment recognised and the balances receivable associated with the construction of the infrastructure will be recovered. Also, in the case of Cemonasa, they consider that the concession arrangement supports the right to recover the net investment and the loans held at the end of 2017. This is a key matter for our audit, since the Parent's directors' assessment of possible impairment is a complex process that includes a significant level of estimates, judgements and assumptions, including most notably the interpretation of the legal framework of the concession arrangements and the right to request an early termination value from the Spanish State, aspects which are supplemented by expert reports and third-party legal opinions that support the conclusions reached by the Group.	Our audit procedures included, among others, an analysis of the concession arrangements of the companies in liquidation and of the judgements made by the directors based on the opinion of their legal advisers. For this purpose, we obtained the legal analyses of the lawyers and legal advisers used by the Group, and the third-party expert reports available. We analysed the reasonableness of the conclusions reached by the Group's directors considering the various factors on which those conclusions were based. In addition, we analysed and concluded upon the suitability of the accounting treatment applied by the Group, including the disclosures made in relation to these matters, which are contained in Notes 3.6 and 4.6.2.5 to the accompanying consolidated financial statements for 2017, including the description of the existing uncertainty resulting from the insolvency and liquidation of the investments, the recoverability of which will depend on the final resolution of the aforementioned liquidation proceedings.

Other Information: Consolidated Directors' Report

The other information comprises only the consolidated directors' report for 2017, the preparation of which is the responsibility of the Parent's directors and which does not form part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated directors' report. Our responsibility relating to the information contained in the consolidated directors' report is defined in the audit regulations in force, which establish two distinct levels of review:

a) A specific level that applies to the consolidated non-financial information statement, as well as to certain information included in the Corporate Governance Report, as defined in Article 35.2.b) of Spanish Audit Law 22/2015, which consists solely of checking that the aforementioned information has been provided in the consolidated directors' report and, if this is not the case, reporting this fact.

b) A general level applicable to the other information included in the consolidated directors' report, which consists of evaluating and reporting on whether the aforementioned information is consistent with the consolidated financial statements, based on the knowledge of the Group obtained in the audit of those consolidated financial statements and excluding any information other than that obtained as evidence during the audit, as well as evaluating and reporting on whether the content and presentation of the consolidated directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described in the preceding paragraphs, we have checked that the specific information described in section a) above has been provided and that the other information in the consolidated directors' report is consistent with that contained in the consolidated financial statements for 2017 and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Directors and of the Audit Committee of the Parent for the Consolidated Financial Statements

The Parent's directors are responsible for preparing the accompanying consolidated financial statements so that they present fairly the Group's consolidated equity, consolidated financial position and consolidated results in accordance with EU-IFRSs and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent's directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit committee is responsible for overseeing the process involved in the preparation and presentation of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in Appendix I to this auditor's report. This description, which is on pages 8 and 9, forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

Additional Report to the Parent's Audit Committee

The opinion expressed in this report is consistent with the content of our additional report to the Parent's audit committee dated 26 February 2018.

Engagement Period

The Annual General Meeting held on 9 May 2017 appointed us as auditors for a period of one year from the year ended 31 December 2016, i.e. for 2017.

Previously, we were designated pursuant to a resolution of the General Meeting for the period of one year and have been auditing the consolidated financial statements uninterruptedly since the year ended 31 December 1990, taking into account the content of Article 17.8 of Regulation (EU) No 537/2014 on specific requirements regarding statutory audit of public-interest entities.

DELOITTE, S.L.
[redacted]
Ignacio Alcaraz Elorrieta
Registered in ROAC under no. 20687

28 February 2018

Appendix I to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's directors.

- Conclude on the appropriateness of the use by the Parent's directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent's audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Parent's audit committee with a statement that we have complied with relevant ethical requirements, including those regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the related safeguards.

From the matters communicated with the Parent's audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OBRASCÓN HUARTE LAIN, S.A.
AND SUBSIDIARIES

Consolidated financial statements and directors' report
for the year ended 31 December 2017

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Thousands of euros

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Consolidated balance sheets as at 31 December 2017 and 2016

ASSETS	Notes	31/12/17	31/12/16
NON-CURRENT ASSETS			
Intangible assets	3.1.		
Intangible assets		449,460	486,162
Accumulated amortisation		(218,012)	(211,648)
		231,448	274,514
Concession infrastructure	3.2.		
Intangible asset model		12,356	1,199,054
Financial asset model		54,417	5,240,580
		66,773	6,439,634
Property, plant and equipment	3.3.		
Land and buildings		118,518	130,332
Machinery		383,177	437,571
Other fixtures, tools and furniture		97,749	118,587
Advances and property, plant and equipment in the course of construction		13,261	8,237
Other items of property, plant and equipment		61,648	74,135
Accumulated depreciation and impairment losses		(462,294)	(507,851)
		212,059	267,011
Investment property	3.4.	73,264	66,837
Goodwill	3.5.	12,515	12,515
Non-current financial assets	3.6.		
Investment securities		209,113	113,864
Other receivables		450,037	378,300
Deposits and guarantees given		123,798	157,039
Impairment losses		(281,957)	(246,372)
		500,991	402,831
Investments accounted for using the equity method	3.7.	303,127	613,611
Deferred tax assets	3.21.	265,056	622,114
TOTAL NON-CURRENT ASSETS		1,665,253	8,589,067
CURRENT ASSETS			
Non-current assets classified as held for sale and discontinued operations	3.8.	8,023,690	491,963
Inventories			
Embodiment items, fungibles and replacement parts for machinery		57,029	63,971
Auxiliary shop projects and site installations		29,340	32,105
Advances to suppliers and subcontractors		68,278	117,804
Write-downs		(2,243)	(1,993)
		152,404	211,887
Trade and other receivables	3.9.		
Trade receivables for sales and services		1,710,407	1,808,382
Receivable from associates		172,183	254,050
Employee receivables		1,855	2,435
Tax receivables	3.21.	89,850	204,366
Sundry accounts receivable		68,230	142,253
Write-downs		(305,930)	(329,268)
		1,736,178	2,080,218
Current financial assets	3.6.		
Investment securities		46,660	396,168
Other receivables		100,762	271,412
Deposits and guarantees given		8,106	12,950
Write-downs		(13,409)	(17,082)
		140,119	663,448
Current income tax assets		17,330	23,089
Other current assets		39,404	42,802
Cash and cash equivalents	3.10.	434,210	817,872
TOTAL CURRENT ASSETS		10,543,232	4,331,279
TOTAL ASSETS		12,208,485	12,920,346

Note: the accompanying Notes 1 to 6 are an integral part of the consolidated balance sheet as at 31 December 2017

Thousands of euros

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Consolidated balance sheets as at 31 December 2017 and 2016

EQUITY AND LIABILITIES	Notes	31/12/17	31/12/16
EQUITY			
Share capital	3.11.	179,255	179,255
Share premium	3.12.	1,265,300	1,265,300
Treasury shares	3.13.	(48,638)	(48,145)
Reserves	3.14.	(691,193)	(173,645)
Reserves of consolidated companies	3.14.	2,225,326	2,235,397
Valuation adjustments	3.15.	(751,309)	(588,135)
Consolidated loss for the year attributable to the Parent	3.22.	(12,076)	(432,338)
TOTAL EQUITY ATTRIBUTABLE TO THE PARENT		2,168,665	2,439,689
Non-controlling interests	3.16.	2,016,563	1,603,204
TOTAL EQUITY		4,183,228	4,042,893
NON-CURRENT LIABILITIES			
Debt instruments and other marketable securities	3.17.		
Corporate bond issues		883,385	1,473,418
Bond issues of concession operators		-	539,994
		883,385	2,013,412
Bank borrowings	3.17.		
Mortgage and other loans		10,171	659,813
Loans of concession operators		-	1,103,840
		10,171	1,763,653
Other financial liabilities	3.18.	4,433	63,043
Deferred tax liabilities	3.21.	139,493	1,246,334
Provisions	3.19.	50,122	199,352
Deferred income		20,651	12,199
Other non-current liabilities	3.20.	15,867	165,913
TOTAL NON-CURRENT LIABILITIES		1,124,122	5,453,906
CURRENT LIABILITIES			
Liabilities associated with non-current assets classified as held for sale and discontinued operations	3.8.	4,141,724	220,006
Debt instruments and other marketable securities	3.17.		
Corporate bond issues		21,341	31,332
Bond issues of concession operators		-	6,637
		21,341	37,969
Bank borrowings	3.17.		
Mortgage and other loans		606,111	499,660
Loans of concession operators		52,058	66,282
Unmatured accrued interest payable		1,168	4,618
Unmatured accrued interest payable of concession operators		1	6,672
		659,338	577,232
Other financial liabilities	3.18.	4,767	7,055
Trade and other payables			
Customer advances	3.9.	477,757	461,614
Accounts payable for purchases and services		1,106,619	1,405,193
Notes payable		10,954	19,256
		1,595,330	1,886,063
Provisions	3.19.	225,374	298,230
Current income tax liabilities		19,570	29,357
Other current liabilities	3.20.		
Payable to associates		88,998	97,511
Remuneration payable		30,283	25,940
Tax payables	3.21.	88,762	137,106
Other non-trade payables		22,717	101,841
Guarantees and deposits received		2,810	1,489
Other		321	3,746
		233,891	367,633
TOTAL CURRENT LIABILITIES		6,901,136	3,423,547
TOTAL EQUITY AND LIABILITIES		12,208,486	12,920,346

Note: the accompanying Notes 1 to 6 are an integral part of the consolidated balance sheet as at 31 December 2017.

Thousands of euros

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Consolidated statements of profit or loss for the years ended 31 December 2017 and 2016

	Notes	2017	2016 (*)
Revenue	3.22.	3,216,351	3,342,369
Other operating income		166,842	181,483
Total operating income		**3,383,193**	**3,523,852**
Procurements		(2,118,250)	(2,800,073)
Staff costs	3.22.	(839,321)	(654,777)
Other operating expenses	3.22.	(482,161)	(645,313)
Depreciation and amortisation charge		(73,395)	(100,270)
Changes in provisions and allowances		(2,803)	(29,436)
LOSS FROM OPERATIONS		**(132,737)**	**(706,017)**
Finance income	3.22.	35,531	24,709
Finance costs	3.22.	(86,452)	(93,072)
Net exchange differences		(26,780)	8,418
Net gains (losses) on remeasurement of financial instruments at fair value	3.22.	32,552	(73,937)
Result of companies accounted for using the equity method		(45,452)	(148,885)
Impairment and gains or losses on disposals of financial instruments	3.22.	(1,477)	99,115
LOSS BEFORE TAX		**(224,815)**	**(889,669)**
Income tax	3.21.	7,288	32,055
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		**(217,527)**	**(857,614)**
Profit for the year from discontinued operations, net of tax	3.8.	497,583	622,298
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR		**280,056**	**(235,316)**
Loss from continuing operations attributable to non-controlling interests	3.16.	381	3,467
Profit from discontinued operations attributable to non-controlling interests	3.16.	(292,513)	(200,489)
CONSOLIDATED LOSS FOR THE YEAR ATTRIBUTABLE TO THE PARENT	3.22.	**(12,076)**	**(432,338)**
Earnings / (loss) per share:			
Basic	1.8.	(0.04)	(1.47)
Diluted	1.8.	(0.04)	(1.47)
Earnings / (loss) per share from discontinued operations:			
Basic	1.8.	0.72	1.44
Diluted	1.8.	0.72	1.44

(*) Restated

Note: the accompanying Notes 1 to 6 are an integral part of the consolidated statement of profit or loss for the year ended 31 December 2017.

Thousands of euros

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Consolidated statements of comprehensive income for the years ended 31 December 2017 and 2016

	2017	2016 (*)
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR	**280,056**	**(235,316)**
INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**(424,873)**	**(451,511)**
Revaluation of financial instruments	(6,326)	(15,929)
Cash flow hedges	10,467	55,556
Translation differences	(426,400)	(485,813)
Companies accounted for using the equity method	(1,550)	9,205
Tax effect	(1,064)	(14,530)
TRANSFERS TO PROFIT OR LOSS	**29,885**	**106,850**
Revaluation of financial instruments	22,255	-
Cash flow hedges	18,706	35,778
Translation differences	(8,175)	(3,837)
Companies accounted for using the equity method	4,235	84,373
Tax effect	(7,136)	(9,464)
TOTAL COMPREHENSIVE INCOME	**(114,932)**	**(579,977)**
Attributable to the Parent	(175,250)	(573,492)
Attributable to non-controlling interests	60,318	(6,485)

(*) Restated

Note: the accompanying Notes 1 to 6 are an integral part of the consolidated statement of comprehensive income for the year ended 31 December 2017.

Thousands of euros

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Consolidated statements of changes in equity for the years ended 31 December 2017 and 2016

	Equity attributable to the Parent							
	Share capital	Share premium and reserves	Treasury shares	Consolidated profit (loss) for the year attributable to the Parent	Valuation adjustments	Total equity attributable to the Parent	Non-controlling interests	Total equity
Ending balance at 31 December 2015	179,255	3,262,958	(3,908)	55,632	(446,981)	3,046,956	1,764,718	4,811,674
Total comprehensive income	-	-	-	(432,338)	(141,154)	(573,492)	(6,485)	(579,977)
Transactions with shareholders or owners	-	(14,367)	(42,237)	-	-	(56,604)	-	(56,604)
Capital increases	-	(231)	-	-	-	(231)	-	(231)
Dividends paid	-	(13,719)	-	-	-	(13,719)	-	(13,719)
Treasury share transactions	-	(417)	(42,237)	-	-	(42,654)	-	(42,654)
Other changes in equity	-	78,461	-	(55,632)	-	22,829	(155,029)	(132,200)
Transfers between equity items	-	55,632	-	(55,632)	-	-	-	-
Other changes	-	22,829	-	-	-	22,829	(155,029)	(132,200)
Ending balance at 31 December 2016	179,255	3,327,052	(46,145)	(432,338)	(588,135)	2,439,689	1,603,204	4,042,893
Total comprehensive income	-	-	-	(12,076)	(163,174)	(175,250)	60,318	(114,932)
Transactions with shareholders or owners	-	279	(2,493)	-	-	(2,214)	-	(2,214)
Capital increases	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Treasury share transactions	-	279	(2,493)	-	-	(2,214)	-	(2,214)
Other changes in equity	-	(527,898)	-	432,338	-	(95,560)	353,041	257,481
Transfers between equity items	-	(432,338)	-	432,338	-	-	-	-
Other changes	-	(95,560)	-	-	-	(95,560)	353,041	257,481
Ending balance at 31 December 2017	179,255	2,799,433	(48,638)	(12,076)	(751,309)	2,166,665	2,016,563	4,183,228

Note: the accompanying Notes 1 to 6 are an integral part of the consolidated statement of changes in equity for the year ended 31 December 2017.

Thousands of euros

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 6). In the event of a discrepancy, the Spanish-language version prevails.

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Consolidated statements of cash flows
for the years ended 31 December 2017 and 2016

	2017	2016 (*)
A) CASH FLOWS FROM OPERATING ACTIVITIES	**(158,343)**	**(384,303)**
Loss before tax	(224,815)	(889,869)
Adjustments for:	168,276	313,358
Depreciation and amortisation charge	73,395	100,270
Other adjustments to loss	94,881	213,088
Changes in working capital	(185,851)	173,498
Other cash flows from operating activities	84,047	18,510
Dividends received	458	137
Income tax recovered (paid)	(38,936)	(41,735)
Other amounts received (paid) relating to operating activities	122,525	60,108
B) CASH FLOWS FROM INVESTING ACTIVITIES	**41,819**	**83,069**
Payments due to investment	(189,787)	(437,367)
Group companies, associates and business units	(30,711)	(89,552)
Property, plant and equipment, intangible assets and investment property	(96,273)	(48,945)
Other financial assets	(62,803)	(298,870)
Proceeds from disposal	279,379	179,326
Group companies, associates and business units	248,675	142,680
Property, plant and equipment, intangible assets and investment property	30,704	36,646
Other financial assets		-
Other cash flows from investing activities	(48,073)	341,110
Interest received	35,527	24,710
Other amounts received (paid) relating to investing activities	(83,600)	316,400
C) CASH FLOWS FROM FINANCING ACTIVITIES	**(58,464)**	**158,803**
Proceeds and (payments) relating to equity instruments	(2,212)	(42,655)
Issue		
Acquisition	(63,937)	(155,566)
Disposal	61,725	112,911
Proceeds and (payments) relating to financial liability instruments	31,274	312,743
Issue	408,162	663,516
Repayment	(376,888)	(350,773)
Dividends and returns on other equity instruments paid	-	(13,719)
Other cash flows from financing activities	(87,526)	(97,566)
Interest paid	(86,021)	(93,715)
Other amounts received (paid) relating to financing activities	(1,505)	(3,851)
D) EFFECT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENT	**(21,293)**	**4,894**
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	**(196,581)**	**(137,737)**
F) CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	**630,791**	**768,528**
G) CASH AND CASH EQUIVALENTS AT END OF YEAR (E+F)	**434,210**	**630,791**

COMPONENTS OF CASH AND CASH EQUIVALENTS AT END OF YEAR		
Cash on hand and at banks	410,139	609,524
Other financial assets	24,071	21,267
TOTAL CASH AND CASH EQUIVALENTS AT END OF YEAR	**434,210**	**630,791**

(*) Restated

Note: the accompanying Notes 1 to 6 are an integral part of the consolidated statement of cash flows for the year ended 31 December 2017.

CASH FLOWS FROM DISCONTINUED OPERATIONS

A) Cash flows from operating activities	364,264	144,000
B) Cash flows from investing activities	456,424	1,099,822
C) Cash flows from financing activities	(462,960)	(1,379,223)
D) Net cash flows from discontinued operations (A+B+C)	**357,728**	**(135,401)**

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OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1.- GENERAL INFORMATION

1.1.- Company name and registered office

Obrascón Huarte Lain, S.A., formerly Sociedad General de Obras y Construcciones Obrascón, S.A., (the Parent), was incorporated on 15 May 1911 and has its registered office in Madrid, at Paseo de la Castellana, 259 D.

1.2- Business activities

The main business activities carried on by the companies composing the Obrascón Huarte Lain Group are as follows:

Concessions

Operation of administrative infrastructure concessions, relating mainly to transport, car parks, ports and airports.

This business activity was classified as a discontinued operation in 2017 (see Note 1.3).

Engineering and Construction

Construction

Construction of all manner of civil engineering works and building construction for public- and private-sector customers, both in Spain and abroad.

Industrial

Industrial engineering, particularly complete industrial plants and systems, including the design, construction, maintenance and operation thereof and any other activity related to oil and gas, energy, solids engineering and fire safety systems.

Services

Servicing of properties and infrastructure maintenance for all types of properties, housing and offices.

Development

Development and operation of top quality mixed-use hotel-related real estate projects.

1.3.- Discontinued operation

On 16 October 2017, OHL and IFM Investors entered into an agreement for the acquisition by IFM Investors of all the share capital of OHL Concesiones, S.A.U., the main terms and conditions of which are as follows:

- The sale price was set at EUR 2,775 million, which will be paid by IFM Investors on completion of the transaction, subject to the customary adjustments for this type of transaction (net debt, exchange rate and cash contributed to each project).

  The OHL Group estimates that, after these adjustments, the amount to be paid by IFM Investors will be EUR 2,235 million.

- Cercanías Móstoles Navalcarnero and Autopista Eje Aeropuerto, companies in liquidation, were excluded from the scope of the transaction and, as a result, they will be transferred to OHL, S.A. at the net cost at which they were recognised by OHL Concesiones, S.A.U. Therefore, OHL, S.A. will be entitled to receive all the compensation arising from the liquidation processes.

On 30 November 2017, the corresponding agreement was signed with IFM Investors (through its subsidiary Global Infraico, S.L.U.), pursuant to which the acquisition will take effect.

This agreement also includes certain customary indemnity clauses whereby OHL is responsible for meeting any liabilities and obligations arising from events prior to the agreement that may be settled in the future.

As provided for in Article 160 f) of the Spanish Limited Liability Companies Law, an Extraordinary General Meeting was called for 9 January 2018, at which the transaction was approved.

The transaction is conditional upon, among other factors, the obtainment of the required authorisation from the competent Mexican authorities, the obtainment of a waiver from certain financial creditors, and the approval and launch of a tender offer by IFM Investors or a subsidiary for the share capital of OHL México, S.A.B. de C.V. not owned by IFM Investors at the transaction completion date.

On the basis of the foregoing, and pursuant to IFRS 5, in 2017 the assets and liabilities of the discontinued Concessions line of business were recognised under "Non-Current Assets Classified as Held for Sale and Discontinued Operations" and "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations".

The discontinuation of the Concessions line of business meant that:

- In the consolidated balance sheet as at 31 December 2017 all OHL Concesiones, S.A.U.'s assets were presented as a single line item under "Non-Current Assets Classified as Held for Sale and Discontinued Operations" and all its liabilities as a single line item under "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations".

- In the consolidated statements of profit or loss for 2017 and 2016, the profit net of tax and before non-controlling interests was presented as a single line item under "Profit for the Year from Discontinued Operations Net of Tax".

- The consolidated statements of cash flows for 2017 and 2016 were obtained after adjusting the 2016 and 2015 balances in line with 2017.

The balance sheet of the Concessions business for 2017, broken down by the main items, and a detail of the items in its statements of profit or loss for 2017 and 2016 that make up "Profit for the Year from Discontinued Operations Net of Tax" are shown in Note 3.8.

Also, the disclosures on "Employees" and "Backlog" do not include data for the discontinued Concessions line of business and, therefore, the information relating to 2016 was restated.

1.4.- Loss for the year, changes in equity attributable to the Parent and changes in cash flows

Loss for the year

The consolidated loss for 2017 attributable to the Parent amounted to EUR (12,076) thousand, representing -0.4% of revenue.

	Thousands of euros		
	2017	2016 (*)	% change
Revenue	3,216,351	3,342,369	-3.8
EBITDA(**)	**(56,539)**	**(576,311)**	**90.2**
EBIT	**(132,737)**	**(706,017)**	**81.2**
Financial and other results	(92,078)	(183,652)	49.9
Loss before tax	**(224,815)**	**(889,669)**	**74.7**
Income tax	7,288	32,055	-77.3
Loss for the year from continuing operations	**(217,527)**	**(857,614)**	**74.6**
Profit for the year from discontinued operations	497,583	622,298	-20.0
Profit attributable to non-controlling interests	(292,132)	(197,022)	48.3
Loss attributable to the Parent	**(12,076)**	**(432,338)**	**97.2**

(*) Restated.

(**) EBITDA is calculated as profit from operations plus the depreciation and amortisation charge plus the change in provisions and allowances.

Changes in equity attributable to the Parent

The changes in the equity attributable to the Parent in 2017 and 2016 were as follows:

	Thousands of euros
Balance at 1 January 2016	3,046,956
2016 loss attributable to the Parent	(432,338)
Valuation adjustments relating to hedges	146,370
Translation differences	(272,513)
Adjustments due to changes in available-for-sale financial assets	(15,011)
Dividend paid out of 2015 profit	(13,719)
Treasury shares	(42,237)
Treasury share transactions	(418)
Other changes	22,830
Capital increase	(231)
Balance at 31 December 2016	2,439,689
2017 loss attributable to the Parent	(12,076)
Valuation adjustments relating to hedges	22,539
Translation differences	(200,724)
Adjustments due to changes in available-for-sale financial assets	15,011
Treasury shares	(2,493)
Treasury share transactions	279
Other changes	(95,560)
Balance at 31 December 2017	2,166,665

Changes in cash flows

The cash flows in 2017 compared with those of 2016, classified on the basis of whether they arose from operating, investing or financing activities, are summarised as follows:

Cash flows	Thousands of euros		
	2017	2016 (*)	Difference
Operating activities	(158,343)	(384,303)	225,960
Investing activities	41,519	83,069	(41,550)
Financing activities	(58,464)	158,803	(217,267)
Effect of exchange rate changes on cash and cash equivalents	(21,293)	4,694	(25,987)
Net increase (decrease) in cash and cash equivalents	**(196,581)**	**(137,737)**	**(58,844)**
Cash and cash equivalents at beginning of year	**630,791**	**768,528**	**(137,737)**
Cash and cash equivalents at end of year	**434,210**	**630,791**	**(196,581)**

(*) Restated.

1.5.- Proposed allocation of loss and dividend

The allocation of the loss for 2017 that the directors of Obrascón Huarte Lain, S.A. will propose for approval by the shareholders at the Annual General Meeting is as follows:

	Thousands of euros
2017 loss	(61,780)
Allocation:	
To prior years' losses	(61,780)

1.6.- Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing the consolidated profit or loss for the year attributable to the Parent by the weighted average number of ordinary shares outstanding during the year, excluding the average number of treasury shares held in the year.

Diluted earnings per share

Diluted earnings per share are calculated in a similar way to basic earnings per share; however, the weighted average number of shares outstanding is increased by share options, warrants and convertible debt.

In 2017 and 2016 there were no differences between the basic earnings per share and diluted earnings per share.

	Thousands of euros	
	2017	2016
Weighted average number of shares outstanding	286,194,034	293,341,703
Consolidated loss for the year attributable to the Parent	(12,076)	(432,338)
Basic loss per share = diluted loss per share	(0.04)	(1.47)
Profit for the year from discontinued operations	205,070	421,809
Basic earnings per share = diluted earnings per share from discontinued operations	0.72	1.44

2.- BASIS OF PRESENTATION AND BASIS OF CONSOLIDATION

2.1.- Basis of presentation

The consolidated financial statements for 2017 of the Obrascón Huarte Lain Group were formally prepared:

- By the Parent's directors, at the Board of Directors Meeting held on 28 February 2018.
- In accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.
- Taking into account all the mandatory accounting principles and policies and measurement bases with a significant effect on the consolidated financial statements. The most significant accounting principles and policies and measurement bases applied in the preparation of the Group's 2017 consolidated financial statements are summarised in Note 2.6.
- So that they present fairly the Group's consolidated equity and consolidated financial position as at 31 December 2017, and the consolidated results of its operations, the consolidated comprehensive income, the changes in consolidated equity and the consolidated cash flows in 2017.
- On the basis of the accounting records kept by the Parent and by the other Group companies.

However, since the accounting principles and policies and measurement bases used in preparing the Group's consolidated financial statements for 2017 differ in many cases from those used by the Group companies (local standards), the required adjustments and reclassifications were made on consolidation to unify the accounting principles and policies and measurement bases used and to make them compliant with IFRSs.

The Group's consolidated financial statements for 2016 were approved by the shareholders at the Annual General Meeting of the Parent held on 9 May 2017.

The 2017 consolidated financial statements of the Group and the 2017 financial statements of the Parent and of the Group companies have not yet been approved by their shareholders at the respective Annual General Meetings. However, the Parent's Board of Directors considers that they will be approved without any changes.

2.2.- International Financial Reporting Standards (IFRSs)

The accounting policies and methods used in preparing these consolidated financial statements are the same as those used in the consolidated financial statements for 2016, except for the following standards and interpretations which came into force in 2017:

Entry into force of new accounting standards

In 2017 the following standards came into force:

New standards, amendments and interpretations: Approved for use in the European Union		Obligatory application in annual reporting periods beginning on or after
Amendments to IAS 7, Disclosure Initiative	Introduce additional disclosure requirements relating to the reconciliation of the changes in financial liabilities to the cash flows from financing activities	1 January 2017
Amendments to IAS 12, Recognition of Deferred Tax Assets for Unrealised Losses	Clarification of the principles established in relation to the recognition of deferred tax assets for unrealised losses	

Neither of these standards affected the consolidated financial statements for 2017.

Standards and Interpretations Issued but not yet in force

At the date of preparation of these consolidated financial statements, the following standards and interpretations had been published by the IASB but had not yet come into force, either because their effective date is subsequent to the date of the consolidated financial statements or because they had not yet been adopted by the European Union:

New standards, amendments and interpretations: Approved for use in the European Union		Obligatory application in annual reporting periods beginning on or after
IFRS 15, Revenue from Contracts with Customers and the related clarifications	New revenue recognition standard (supersedes IAS 18, IFRIC 15, IFRIC 18 and SIC 31).	1 January 2018
IFRS 9, Financial Instruments	Replaces the requirements in IAS 39 relating to the classification, measurement, recognition and derecognition of financial assets and financial liabilities, hedge accounting and impairment	
Amendments to IFRS 4, Insurance Contracts	Provide entities within the scope of IFRS 4 with the option of applying IFRS 9 (overlay approach) or the temporary exemption therefrom	
Improvements to IFRSs, 2014-2016 cycle	Minor amendments to a series of standards	
IFRS 16, Leases	Supersedes IAS 17 and the related interpretations. The main development of the new standard is that it introduces a single lessee accounting model in which all leases will be recognised in the balance sheet	1 January 2019

New standards, amendments and interpretations: Not yet approved for use in the European Union		Obligatory application in annual reporting periods beginning on or after
Amendments to IFRS 2, Classification and Measurement of Share-based Payment Transactions	Limited amendments that clarify specific issues such as the effects of vesting conditions on cash-settled share-based payments, the classification of share-based payment transactions with a net settlement feature and certain issues relating to modifications of the type of share-based payment arrangement	1 January 2018
Amendments to IAS 40, Reclassification of Investment Property	The amendments clarify that transfers to, or from, investment property will only be possible when there is evidence of a change in use	
IFRIC 22, Foreign Currency Transactions and Advance Consideration	This interpretation establishes "the date of the transaction" for the purpose of determining the exchange rate to use in transactions with advance consideration in a foreign currency	
IFRIC 23, Uncertainty Over Income Tax Treatments	This interpretation clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over whether the relevant taxation authority will accept a tax treatment used by an entity	1 January 2019
Amendments to IFRS 9, Prepayment Features with Negative Compensation	Permit the measurement at amortised cost of certain financial instruments with prepayment features, which may be put back to the issuer before maturity for an amount lower than the unpaid amounts of principal and interest on the principal amount outstanding	
Amendments to IAS 28, Long-term Interests in Associates and Joint Ventures	Clarify that IFRS 9 should be applied to long-term interests in an associate or joint venture to which the equity method is not applied	
Amendments to IAS 19, Plan Amendments, Curtailments and Settlements	In accordance with the proposed amendments, when a change in a defined benefit plan occurs (due to an amendment, curtailment or settlement) the entity shall use updated assumptions when determining the service cost and the net interest for the period after the change in the plan	
IFRS 17, Insurance Contracts	Will supersede IFRS 4. It establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued to ensure that entities provide relevant and reliable information that gives a basis for users of the information to assess the effect that insurance contracts have on the financial statements	1 January 2021
Amendments to IFRS 10 and IAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Highly significant clarification in relation to the gain or loss resulting from such transactions involving a business or assets.	No set date

Following the Group's assessment, set forth below is the possible impact on the consolidated financial statements of the entry into force on 1 January 2018 of the following International Financial Reporting Standards.

<u>IFRS 15, Revenue from Contracts with Customers</u>

The Group carries on its construction and engineering activities in geographical locations that are subject to varying legal and contractual frameworks. Accordingly, the Group has performed an exhaustive analysis, in coordination with each of its business divisions, aimed at assessing the impacts of the new standard on the Group's financial statements. In order to determine the impact, certain judgements and estimates were taken into consideration, relating mainly to the probability of customers approving changes in the scope of contracts and accepting claims.

The contractual terms and the way in which the Group manages its construction contracts give rise mainly to projects that are subject to a single performance obligation. Although revenue from contracts will continue to be recognised over time, the new standard includes new requirements relating to variable consideration and the accounting for claims and changes such as contract modifications, all of which requires the use of a higher probability threshold in revenue recognition. Currently, revenue is recognised when it is probable that the construction work performed will give rise to revenue, whereas under the new standard revenue will be recognised when it is highly probable that a significant reversal in the amount of revenue recognised will not occur as a result of such modifications. In this connection, based on the assessment performed, at 1 January 2018 an adjustment will be recognised to the opening balance of reserves attributable to the shareholders of OHL, currently estimated at around EUR 455,000 thousand, relating to both trade receivables and other financial assets.

This impact is due mainly to certain projects that are involved in court and arbitration proceedings, of whose future success the Group remains firmly convinced, although it is not possible to obtain formal evidence that would guarantee a high probability that the relevant decisions will be in the Group's favour.

Bid costs and costs of obtaining contracts

Currently, in accordance with IAS 11, Construction Contracts, the costs incurred during the tender process are capitalised to "Inventories", provided that it is considered probable that the contract will be won. In accordance with the new standard, these costs may only be capitalised if they are expected to be recovered and they would not have been incurred had the contract not been obtained, or if they are inherent to the delivery of a project. Therefore, the impact of the new standard is not significant for the Group.

Tax effect

Adjustments made in conformity with the new standard are susceptible to the recognition of the related tax effect, although the Group, in accordance with the accounting principle of prudence, will not recognise the associated tax assets.

IFRS 9, Financial Instruments

This standard supersedes IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 contains revised guidelines on the classification and measurement of financial instruments, including a new expected credit loss-based model for the calculation of impairment of financial assets, as well as new general requirements relating to hedge accounting. Also, the standard carries forward unchanged the guidance in IAS 39 for the recognition and derecognition of financial instruments.

In this connection, in the Group's current environment, with the Concessions division in the process of being divested (a division with respect to which a significant impact might have been identified), an assessment was made of the repercussions of the new standard on classification and measurement, concluding that it will foreseeably not have a significant impact either on the classification or measurement of the Group's financial assets and liabilities or on its hedge accounting. However, the Group is currently assessing the standard's impact in relation to the recognition of future losses in terms of customers and trade receivables, and it considers that this impact will not be significant.

IFRS 16, Leases

The possible impact of applying this standard, which will not occur until 1 January 2019, is currently being analysed, and the Group considers that it will not be significant.

All the accounting principles or measurement bases with a material effect on the consolidated financial statements were applied in preparing them.

2.3.- Functional currency

These consolidated financial statements are presented in euros since this is the currency of the primary economic environment in which the Group operates. Foreign operations are accounted for in accordance with the policies established in Note 2.6.11.

2.4.- Responsibility for the information and use of estimates

The information in these consolidated financial statements is the responsibility of the Parent's directors.

In the consolidated financial statements for 2017 estimates were occasionally made by the senior executives of the Group and of the Group companies, later ratified by their directors, in order to quantify certain of the assets, liabilities, income and expenses reported herein. These estimates relate basically to the following:

- The impairment losses on certain assets (see Notes 2.6.6., 3.2., 3.5. and 3.22.).
- The useful life of the intangible assets and property, plant and equipment (see Notes 2.6.1. and 2.6.3.).
- The recognition of construction contract revenue and costs (see Notes 2.6.15., 3.9. and 3.22).
- The amount of certain provisions (see Notes 2.6.14. and 3.19.).
- The fair value of the assets acquired in business combinations and goodwill (see Note 3.5.).
- The fair value of certain unquoted assets.
- The assessment of possible contingencies relating to employment and tax risks (see Notes 3.19. and 3.21.).
- Financial risk management (see Note 4.2.1.).

Although these estimates were made on the basis of the best information available at 31 December 2017, events that take place in the future might make it necessary to change these estimates in coming years. Changes in accounting estimates would be applied, pursuant to IAS 8, by recognising the effects of the change in estimates in the related consolidated statements of profit or loss.

As required by IAS 1, the information relating to 2016 is presented, for comparison purposes, with the information relating to 2017 and, accordingly, it does not constitute the Group's complete consolidated financial statements for 2017.

2.5.- Basis of consolidation

Subsidiaries

Subsidiaries are defined as companies over which the Parent has the capacity to exercise control; control is presumed to exist when the Parent has exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of those returns.

Pursuant to IFRS 10, Consolidated Financial Statements, the Parent controls an investee if and only if it has all of the following:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect the amount of its returns.

The financial statements of the subsidiaries are fully consolidated with those of the Parent, and the interest of non-controlling shareholders, if any, is recognised under "Non-Controlling Interests" in the consolidated balance sheet and "Profit or Loss Attributable to Non-Controlling Interests" in the consolidated statement of profit or loss.

Additionally, the results on intra-Group transactions are eliminated and are deferred until they are realised vis-à-vis non-Group third parties, with the exception of those relating to construction work performed for concession operators which, in accordance with IFRIC 12, are identified as results outside the Group and, accordingly, are recognised by reference to the stage of completion.

Joint operations

A joint operation is a contractual arrangement whereby two or more entities that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The financial statements of the joint operations are proportionately consolidated (see Note 3.7.).

The assets and liabilities assigned by the Group to joint operations are recognised in the consolidated balance sheet classified according to their specific nature. Similarly, the Group's share of the income and expenses of joint operations is recognised in the consolidated statement of profit or loss on the basis of the nature of the related items.

Joint ventures

A joint venture is an arrangement whereby two or more entities that have joint control of the arrangement do not have rights to the assets, or obligations for the liabilities, but rather have rights to the net assets relating to the arrangement.

In the consolidated financial statements, joint ventures are accounted for using the equity method.

Associates

Associates are companies over which the Parent is in a position to exercise significant influence, but not control or joint control with other shareholders.

In the consolidated financial statements, investments in associates are accounted for using the equity method.

Scope of consolidation

The most significant companies included in the scope of consolidation at 31 December 2017 are detailed in Appendix I.

The activities, registered offices and equity of, and the net cost of the investments in, the most significant companies composing the consolidated Group are shown in Appendices II and III.

Changes in the scope of consolidation

The changes in the scope of consolidation in 2017 were as follows:

Inclusions	No. of companies
Full consolidation	6
Equity method	24
Total inclusions	30

Exclusions	
Full consolidation	22
Equity method	2
Total exclusions	24

The most significant changes were the following:

- The transfer from full consolidation to equity-method accounting of: Lagunas de Mayakoba, S.A. de C.V., Operadora Mayakoba, S.A. de C.V., Operadora Hotelera del Corredor de Mayakoba, S.A. de C.V., Servicios Hoteleros del Corredor de Mayakoba, S.A. de C.V., Islas de Mayakoba, S.A. de C.V., Islas de Mayakoba Servicios, S.A. de C.V., Desarrollos RBK en la Riviera, S.A. de C.V., Aqua Mayakoba, S.A. de C.V., Lote 3 Servicios, S.A. de C.V., Mayakoba Thai, S.A. de C.V., Controladora Hoyo 1, S.A. de C.V., Hotel Hoyo Uno, S. de R.L.

de C.V., HH1 Servicios, S. de R.L. de C.V., Golf de Mayakoba, S.A. de C.V. and Golf Mayakoba Servicios, S.A. de C.V. At 31 December 2016, these companies were in the process of being divested, and were classified as held for sale, and in 2017, following the sale of majority ownership interests therein, they started to be accounted for using the equity method (see Note 3.7).

- The exclusion of Cercanías Móstoles Navalcarnero, S.A. from the scope of consolidation following this company's entry into liquidation and the removal of OHL's representatives from the managing body of this concession operator (see Note 3.6). This change did not have an effect on equity for the Group.

All of the inclusions in the scope of consolidation relate to companies incorporated by the Group and, therefore, did not have an impact on the consolidated financial statements.

The detail of the companies included in or excluded from the scope of consolidation and of the reasons therefor is disclosed in Appendix IV.

2.6.- Accounting principles and policies and measurement bases applied

The accounting principles and policies and measurement bases applied in preparing the Group's consolidated financial statements for 2017 were as follows:

2.6.1. Intangible assets

Intangible assets are recognised initially at acquisition or production cost.

They are subsequently measured at acquisition or production cost less any accumulated amortisation and any accumulated impairment losses.

"Intangible Assets" includes the costs arising from the installation and acquisition of computer software, which is amortised on a straight-line basis over a maximum period of five years.

It also includes development expenditure, which is capitalised if it meets the requirements of identifiability, reliability in the measurement of cost and high probability that the assets created will generate economic benefits. This expenditure is amortised on a straight-line basis over the useful life of the asset.

Expenditure on research activities is recognised as an expense in the year in which it is incurred.

Also, under IFRS 3, all the assets of a business combination, including intangible assets, regardless of whether they had been previously recognised in the acquiree's balance sheet, are measured at fair value, provided that they meet certain identifiability and separability criteria. In this regard, this heading includes the amount relating to the measurement of the backlog and the customer portfolio of the acquirees at the date of acquisition, taking as a reference the projected margins after taxes, projected expenditure and the term of the contracts. The amount relating to the backlog will be amortised over the residual term of the contracts and that relating to the customer portfolio will be amortised over the estimated average useful life thereof.

At the end of each reporting period an analysis is conducted to ascertain whether the goodwill allocated to the US companies has become impaired, using cash flow projections, which at 2017-year end were discounted at a rate of 8.4%.

2.6.2. Concession infrastructure

Concession infrastructure includes investments made by the Group companies that are infrastructure concession operators, which are recognised in accordance with IFRIC 12, Service Concession Arrangements.

IFRIC 12 relates to the accounting of private sector operators involved in providing infrastructure assets and services to the public sector. This interpretation establishes that in concession arrangements, the operator must not recognise the infrastructure assets as property, plant and equipment but must instead classify the assets as intangible assets or financial assets.

2.6.2.1. Concession infrastructure classified as an intangible asset

An intangible asset arises when the operator provides construction or upgrade services and receives a right to operate the infrastructure for a specified period of time after the construction has been completed, in which the operator's future cash flows have not been specified, since they may vary on the basis of the extent that the asset is used, for which reason they are considered to be contingent. In these cases, the demand risk is borne by the concession operator and, accordingly, the concession is classified as an intangible asset.

The intangible asset is measured at the fair value of the service provided, equal to the total payments made for its construction, including the construction costs incurred up to entry into service, such as studies and designs, compulsory purchases, costs of restoration of constructions, facilities and other similar items.

The intangible asset also includes borrowing costs incurred prior to the entry into service of the concession.

The concession infrastructure recognised as an intangible asset is amortised on the basis of the pattern of consumption (traffic) of these concession assets during the term of the concession only.

The contractual obligations to restore the infrastructure to a specified level of serviceability, pursuant to the terms and conditions of the licences or services, before it is handed over to the grantor in a specified condition at the end of the period of the concession arrangement, are covered by the recognition of provisions for major maintenance work. These provisions are recognised under "Long-Term Provisions" on the liability side of the consolidated balance sheet.

The grants financing the infrastructure are recognised as "Non-Current Liabilities - Other Financial Liabilities" until the conditions attaching to them have been fulfilled. At that time they are deducted from the cost of the infrastructure.

2.6.2.2. Concession infrastructure classified as a financial asset

<u>Arrangements under the financial asset model</u>

These are assets recognised by the concession operators, which represent the rights to operate administrative concessions and the unconditional contractual right to receive cash or another financial asset associated with certain concession arrangements where the demand risk is borne by the concession grantor.

The financial asset arises when an operator constructs or upgrades infrastructure and has an unconditional contractual right to receive a specified amount of cash or another financial asset over the term of the arrangement. This asset is subsequently measured at amortised cost, based on the best estimates of the flows to be received over the term of the concession, and the accrued interest, calculated using the effective interest rate method, on the expected cash inflows and outflows of the concession is recognised as "Other Operating Income" in the consolidated statement of profit or loss, since it is considered that these cash flows relate to the operating activities of the concessions.

All actions taken in relation to the concession infrastructure, such as maintenance and replacements, give rise to revenue from services which is recognised under "Other Operating Income" in the consolidated statement of profit or loss.

The operating expenses incurred by the companies are accounted for on an accrual basis in the consolidated statement of profit or loss, giving rise to the recognition of revenue from services under "Other Operating Income".

The value of the financial asset is increased by the construction services and the effective interest rate, and reduced by the associated net proceeds.

If there are significant changes in the estimates which are indicative of a material change in the effective interest rate applicable to the concession arrangement, the Group assesses the carrying amount of the financial asset and adjusts it prospectively, recognising the corresponding impairment loss if the net present value of the cash flows to be received over the concession term is lower than the carrying amount of the financial asset.

Arrangements with a guaranteed minimum revenue clause

In the case of certain Mexican concessions in which the Group holds interests, the concession arrangements grant the operator an unconditional right to recover, as appropriate, either the equity invested or the total investment made, plus an annual guaranteed internal rate of return (IRR), expressed in real terms and net of tax ("guaranteed minimum revenue"), which would give rise to an unconditional right to receive cash if, at the end of the concession term, the guaranteed minimum revenue had not been obtained.

The difference between the actual revenue, net of tax, obtained from operating these concessions and the guaranteed minimum revenue is also recognised as a financial asset, with a balancing entry under "Other Operating Income" in the consolidated statement of profit or loss.

2.6.3. Property, plant and equipment

Property, plant and equipment are recognised at acquisition cost (revalued, where appropriate, in accordance with the applicable legislation prior to the date of transition to IFRSs, including Royal Decree-Law 7/1996) less any accumulated depreciation and any recognised impairment losses.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

Repairs that do not lead to a lengthening of the useful life of the assets and maintenance costs are charged to the consolidated statement of profit or loss for the year in which they are incurred.

The Group capitalises interest during the non-current asset construction period as indicated in Note 2.6.18.

Group work on non-current assets is recognised at accumulated cost (external costs plus in-house costs, determined on the basis of in-house consumption of warehouse materials and manufacturing costs allocated using hourly absorption rates similar to those used for inventory measurement).

Depreciation is calculated, using the straight-line method, on the basis of the acquisition cost of the assets less their residual value; the land on which the buildings and other structures stand has an indefinite useful life and, therefore, is not depreciated.

The period property, plant and equipment depreciation charge is recognised in the consolidated statement of profit or loss at rates based on the following years of estimated useful life of the various assets:

	Years of useful life
Buildings	25-50
Machinery	6-16
Other fixtures, tools and furniture	10
Other items of property, plant and equipment	3-5

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets of the same nature.

At the end of each reporting period, the consolidated companies assess whether there is any internal or external indication that the carrying amounts of their property, plant and equipment items exceed their recoverable amounts, i.e. the higher of the net amount which could be obtained if they were sold and the present value of the cash flows. If any such indication exists, the carrying amount of the assets is reduced to the recoverable amount and the future depreciation charges in the consolidated statement of profit or loss are adjusted in proportion to the adjusted carrying amounts and new useful lives.

Similarly, when there are indications that the value of the assets has recovered, the consolidated companies recognise the reversal of the impairment losses recognised in prior periods and adjust the depreciation charges in future consolidated statements of profit or loss up to a maximum of the original cost of the related asset.

2.6.4. Investment property

"Investment Property" in the accompanying consolidated balance sheet reflects the values of the land, buildings and other structures held either to earn rentals or for capital appreciation.

Land is measured at acquisition cost increased by site clearance and preparation costs. Construction projects are measured at the cost of the related progress billings plus contract costs, such as site management, levies, architects' fees, etc. They are depreciated on a straight-line basis over their useful lives, which are the same as those used for similar items of property, plant and equipment.

Borrowing costs attributable to these investments are capitalised during the construction period until the properties are ready for sale and are treated as an addition to the value of the investment. Interest income obtained from the short-term investment of cash surpluses is deducted from the cost of the investment.

Revenue and gains or losses are recognised when the assets are sold and the sale to the buyer has been executed in a public deed, which is when the rights and obligations inherent thereto are transferred. Rental income is allocated to the consolidated statement of profit or loss on an accrual basis.

In leases, expenses are recognised on an accrual basis and all maintenance, management and impairment costs relating to the leased assets are charged to income.

At the end of each reporting period, the Group analyses whether the carrying amount of investment property exceeds fair value and, if so, it makes the appropriate valuation adjustment in the consolidated statement of profit or loss by recognising an impairment loss to reduce the carrying amount to fair value.

2.6.5. Goodwill

Any excess of the costs of acquisition of an investment in a company over its underlying carrying amount is allocated to certain assets and liabilities on consolidation.

This excess is allocated as follows:

1. If it is attributable to specific assets and liabilities of the company acquired, increasing the value of the assets acquired or reducing the value of the liabilities acquired.
2. If it is attributable to specific intangible assets, recognising it explicitly in the consolidated balance sheet.
3. Any remaining amount is recognised as goodwill on the asset side of the consolidated balance sheet.

At the end of each reporting period an analysis is conducted to ascertain whether this goodwill has suffered impairment and, if so, it is adjusted to its fair value with a charge to the consolidated statement of profit or loss.

These impairment losses recognised for goodwill are not reversed in subsequent periods.

2.6.6. Impairment of non-current assets

At the end of each reporting period, the consolidated companies assess whether there is any internal or external indication that the carrying amounts of their assets exceed their recoverable amounts, i.e. the higher of the net amount which could be obtained if they were sold and the present value of the cash flows. If any such indication exists, the carrying amount of the assets is reduced to the recoverable amount and the future depreciation and amortisation charges in the consolidated statement of profit or loss are adjusted in proportion to the adjusted carrying amounts and new useful lives.

The indications of impairment considered for these purposes are, inter alia, the operating losses or negative cash flows during the period if they are combined with a track record or projections of losses, decline in value and depreciation/amortisation taken to profit or loss, which, in percentage terms, in relation to revenue, are substantially higher than those from previous years, effects of obsolescence, reduction in the demand for the services provided, competition and other economic and legal factors.

The impairment, where applicable, is recognised where the carrying amount exceeds the recoverable amount, calculated as the present value of the cash flows.

Similarly, when there are indications that the value of the assets has recovered, the consolidated companies recognise the reversal of the impairment losses recognised in prior periods and adjust the depreciation and amortisation charges in future consolidated statements of profit or loss up to a maximum of the original cost of the related asset.

The following criteria are applied for each non-current asset:

Concession infrastructure

The present value of the expected future cash flows is estimated using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks associated with the asset, both during the use of the asset and from the possible disposal of the asset at the end of its useful life.

The main variables taken into consideration are as follows:

Revenue

Revenue to be earned over the concession term is estimated on the basis of the combination of various elements:

- Firstly, a traffic study is conducted based on actual verification of the traffic, with a distinction made between categories of vehicles (cars, lorries, etc.). These studies are either conducted internally (by specialist Group staff) or through specialist external companies.

- The second phase consists of applying the estimated annual percentage of growth over the term of the concession to the traffic study. To this end, a forecast of expected growth in gross domestic product (GDP) for each country, estimated by non-Group sources, is commonly used.

- The third phase consists of applying the rates for each vehicle type and updating them over the term of the concession. For this purpose, the agreed-upon rates in the concession arrangement are initially applied and for subsequent years the consumer price index (CPI) for each country is generally used. In certain cases, an additional percentage is applied depending on whether covenants exist that are conditional upon the achievement of certain volumes of traffic, the opening of new sections, etc.

Costs

- Internal studies are conducted to determine/estimate the operating, maintenance and repair costs to be incurred over the term of the concession.

The period used for discounting the cash flows is the number of years of remaining life of each concession.

For those concession operators with a guaranteed minimum revenue clause, investment recovery relies mainly on the guaranteed minimum revenue clause which is included in the concession arrangement.

When, due to the particular circumstances of a concession, the concession grantor is requested to restore the economic feasibility of the concession, the Group considers the value of the cash flows discounted over the concession term on the basis of the economic and financial model, as well as the minimum recoverable amount calculated as the contractual amount that would be received by the Group in the event of liquidation or termination.

When annulment of the concession arrangement has been requested, with the reimbursement of the amounts claimed from the public sector entity, the Group considers that the solution lies in the restoration of the economic feasibility of the concession or the early termination of the concession arrangement and, accordingly, used the early termination value, the formula for which is contractually defined in the administrative specifications of each concession.

Investment property

At the end of each reporting period, analyses are conducted to determine whether the carrying amount of investment property exceeds fair value and, if this is the case, the appropriate valuation adjustment is made in the consolidated statement of profit or loss by recognising an impairment loss to reduce the carrying amount to fair value.

Appraisals are commissioned from external valuers or the latest appraisals made are used as a reference to determine market value.

An impairment loss is recognised if the carrying amount exceeds the recoverable amount.

When an impairment loss subsequently reverses, income is recorded up to the amount of the impairment loss previously recognised.

Goodwill

The cash flow projections used to calculate goodwill were based on the following assumptions:

- The maintenance over time of a short-term backlog measured in months of sales.
- Projected cash flows for three years.
- Annual growth rate of approximately 2% for the coming years.
- Discount rate of approximately 8% in Spain, since substantially all of the goodwill is allocated to Spanish companies.

The impairment, where applicable, is recognised where the carrying amount exceeds the recoverable amount, calculated as the present value of the cash flows.

2.6.7. Financial assets

These are assets representing collection rights for the Group as a result of investments or loans. These rights are classified as current or non-current on the basis of whether they are due to be settled within less than or more than twelve months, respectively, and consist of:

Investment securities

These are financial assets represented by securities that can be classified as:

- Held-to-maturity investments: securities with fixed or determinable payments and fixed maturity. The Group has the positive intention to hold these securities from the date of purchase to the date of maturity.

  These securities are recognised at acquisition cost, including transaction costs.

Any deficiency of the acquisition cost below the fair value of these assets at the end of the reporting period is taken to profit or loss.

- Available-for-sale financial assets: investments in financial assets from which the Group does not expect to obtain a significant gain.

  If the fair value of these investments exceeds their carrying amounts, the value of the asset is increased and the increase is recognised in equity. On disposal, this amount is transferred to the consolidated statement of profit or loss.

  In the event of impairment, the amount credited to equity is reduced and, if the amount of the impairment loss exceeds the amount previously credited to equity, the excess is charged to the consolidated statement of profit or loss.

Other receivables

These are loans and receivables originated in exchange for supplying cash, goods or services directly to a debtor. They are measured at the principal amount plus the accrued interest receivable.

Deposits and guarantees given

These are cash amounts securing project bids or contracts of another kind. These amounts are restricted as to their use while the specific terms and conditions of each project bid or contract continue to exist. Deposits and guarantees expiring within twelve months are classified as current items and those expiring within more than twelve months are classified as non-current items.

2.6.8. Transfers of financial assets and derecognition of financial assets and liabilities

The accounting treatment of the transfers of financial assets depends on the extent to which the risks and rewards associated with the transferred assets are contractually transferred to third parties.

Financial assets are only derecognised when they are realised or when the Group transfers substantially all the risks and rewards of ownership and control thereover to third parties.

Financial liabilities are only derecognised when the obligations giving rise to them cease to exist.

2.6.9. Non-current assets and liabilities classified as held for sale

In accordance with IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations, assets and liabilities are classified as non-current assets and liabilities held for sale when their carrying amount is expected to be recovered basically through a sale transaction rather than through continuing use.

The asset must be available for immediate sale, subject only to terms that are usual and customary for sales of such assets and liabilities, and its sale must be highly probable. The sale is considered highly probable when there is a commitment to a plan to sell the asset and an active programme to locate a buyer and complete the plan has been initiated. Also, the sale must be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are not depreciated, but rather are measured at the lower of consolidated carrying amount and fair value less costs to sell.

2.6.10. Inventories

"Inventories" in the consolidated balance sheet includes the assets that the consolidated companies:

- Hold for sale in the ordinary course of their business.
- Have in the process of production, construction or development for such sale; or
- Expect to consume in the production process or in the provision of services.

All inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less all the costs required to complete the production of inventories and to sell them.

Goods and work in progress are measured at production cost, which includes the cost of materials, direct labour and production costs and the interest incurred during the construction period.

2.6.11. Foreign currency

The items included in the financial statements of each of the Group companies are measured in their respective functional currencies.

The consolidated financial statements are presented in euros, which is the Parent's functional and presentation currency.

In the separate financial statements of the Group companies, foreign currency balances and transactions are translated as follows:

- Transactions performed during the year in currencies other than the functional currency are translated at the exchange rates prevailing at the date of the transaction.
- Monetary asset and liability balances denominated in currencies other than the functional currency (cash and items with no loss of value when converted to cash) are translated at the year-end exchange rates.
- Non-monetary asset and liability balances denominated in currencies other than the functional currency are translated at the historical exchange rates.

Exchange gains and losses are recognised in the consolidated statement of profit or loss.

On consolidation, the balances of the financial statements of the consolidated companies whose functional currency is not the euro are translated to euros as follows:

- Assets and liabilities are translated at the exchange rates prevailing at the reporting date.
- Income and expense items are translated at the average exchange rates for the period.
- Equity is translated at the historical exchange rates.

Any exchange differences arising from the consolidation of companies with a functional currency other than the euro are classified in the consolidated balance sheet as translation differences under "Equity - Valuation Adjustments".

The Group does not have any investments in currencies that are identified as hyper-inflationary.

2.6.12. Bank borrowings, debt instruments and other marketable securities

Bank borrowings, debt instruments and other marketable securities are measured at the amount received, net of direct issue costs, plus the accrued interest payable at year-end. Borrowing costs are recognised on an accrual basis in the consolidated statement of profit or loss by modifying the nominal rate, taking into account issue discounts, fees and expenses. This method is equivalent to using the effective interest rate, which is the rate that exactly matches the net value of the income received to the present value of future disbursements.

Debts due to be settled within twelve months of the consolidated balance sheet date are classified as current items and those due to be settled within more than twelve months as non-current items.

2.6.13. Derivative financial instruments and hedges

In order to mitigate the economic effects of exchange rate and interest rate fluctuations to which the Group is exposed as a result of its business activities, the Group uses derivative financial instruments, such as currency forwards, interest rate swaps and interest rate options.

The currency forwards and interest rate swaps are future exchange commitments, on the basis of which the Group and banks agree to exchange interest payments or currencies in the future. In the case of an interest rate derivative, the commitment is to pay a fixed interest rate in exchange for receiving a floating interest rate. In the case of a foreign currency derivative, the commitment is to pay or receive a given amount of euros in exchange for a given amount in another currency. In the case of the equity swap tied to the Group's share price, the commitment is to pay or receive the result of the change in the share price with respect to a reference price and to pay a floating interest rate. The Group acquires the right to receive interest on the interest rate options arranged if the interest rate exceeds the reference level initially established with the banks, in exchange for paying a given amount to these banks at the beginning of the transaction.

When the Group arranges a derivative, it does not do so with the intention of settling it early or trading with it. The Group does not use derivatives for speculative purposes, but rather to mitigate the economic effects that may arise from its foreign trade and financing activities due to exchange and interest rate fluctuations.

Derivatives are recognised at their market value (fair value) under "Other Financial Assets" or "Other Financial Liabilities" in the consolidated balance sheet.

Fair value is the net amount that the Group would have to pay or receive if the derivative were settled at the measurement date, and is equal to the difference between the present value of the future collections and payments agreed on by the Group and the related banks under the terms of the derivative arranged. The fair value of the options arranged is the same as the amount which the Group would receive in the event of settling them and is determined using a widely accepted pricing model (the Black-Scholes model).

IFRS 13, Fair Value Measurement has changed the definition of fair value and confirms that own credit risk must be taken into account when measuring fair value. Since 1 January 2013, this adjustment to the measurement of derivatives has been recognised in profit or loss, except when the derivatives qualify as effective hedges, in which case they are recognised in reserves.

The recognition of the fair value of derivatives as other financial assets or liabilities gives rise to a change in equity if the derivative qualifies for hedge accounting. The change in equity arises directly through "Equity - Valuation Adjustments" and indirectly through "Net Gains (Losses) on Remeasurement of Financial Instruments at Fair Value" or "Result of Companies Accounted for Using the Equity Method", as appropriate, in the consolidated statement of profit or loss.

The fair value of a derivative changes during its term. Changes in fair value arise: as a result of the passage of time; as a result of changes in interest rate curves; in the case of foreign currency derivatives, as a result of changes in exchange rates; in the case of equity swaps, as a result of changes in the share price; and in the case of interest rate options, as a result of changes in the volatility of interest rates.

Only certain derivatives can be considered to qualify for hedge accounting.

The requirements that must be met for a derivative to be considered as a hedge are as follows:

- The underlying in relation to which the derivative is arranged to mitigate the economic effects that might arise therefrom as a result of fluctuations in exchange rates and interest rates must initially be identified.
- When the derivative is arranged, the reason for which it was arranged must be appropriately documented and the hedged risk must be identified.
- It must be demonstrated that the hedge is effective from the date of the arrangement of the derivative to the date of its settlement, i.e. that it meets the objective initially defined. In order to assess this, the effectiveness of the hedge is tested.

When the derivative does not qualify for hedge accounting, or the Group voluntarily decides not to apply hedge accounting, changes in fair value are recognised in the consolidated statement of profit or loss.

For derivatives that qualify for hedge accounting, under the relevant standards changes in fair value are recognised directly in equity or indirectly through profit or loss on the basis of the type of hedged risk concerned.

Cash flow hedges

A derivative arranged to hedge against exposure to future variability in the expected cash flows in a foreign currency transaction as a result of exchange rate fluctuations can be considered to be a cash flow hedge. The same is true of a derivative arranged to hedge against exposure to future variability in the expected cash flows in floating-rate financing as a result of interest rate fluctuations.

The portion of the gain or loss on a hedging instrument whose purpose is to act as a cash flow hedge of an underlying and which is determined to be an effective hedge is recognised under "Equity - Valuation Adjustments", and the ineffective portion of the gain or loss is recognised in the consolidated statement of profit or loss. The changes in the time value of the options are recognised directly in the consolidated statement of profit or loss.

The cumulative balance of "Equity - Valuation Adjustments" is transferred to profit or loss when, and to the extent that, the gains or losses on the hedged risk of the underlying also start to be reflected in profit or loss.

Hedges of net investments in foreign operations

When a derivative or another hedging instrument is used to hedge against exchange rate fluctuations that affect the carrying amount of net investments in foreign operations, it can be considered to be a hedge of a net investment in a foreign operation.

The gains or losses on this type of derivative or hedging instrument are recognised in the consolidated statement of profit or loss in a similar fashion to those on cash flow hedges. The only difference is that the accumulated amounts under "Equity - Valuation Adjustments" are not recognised in the consolidated statement of profit or loss until the investment is sold.

Fair value hedges

Fair value hedges arise when a derivative is arranged to convert financing at a fixed interest rate into financing at a floating interest rate in order to tie a portion of the financing to interest rate changes and, therefore, to the performance of the market.

Fair value hedges also arise when a derivative is arranged to hedge the possible future changes in the equivalent euro value of firm commitments to collect or pay certain amounts in foreign currency due to exchange rate fluctuations.

When the purpose of the hedging derivative is to act as a fair value hedge, gains or losses on the derivative and its underlying are recognised through profit or loss.

2.6.14. Provisions

The Group's consolidated financial statements include all the material provisions with respect to which it is considered that it is probable that the obligation covered by them will have to be settled. Contingent liabilities are not recognised in the consolidated financial statements, but rather are disclosed, as required by IAS 37 (see Note 4.6.2.).

Provisions are classified as short-term or long-term provisions based on the estimated period of time in which the obligations covered by them will have to be settled.

The most significant provisions are:

Provisions for taxes

These provisions reflect the estimate of tax debts whose payment is uncertain as to its exact amount or timing, since this depends on whether or not certain conditions are met.

Provisions for litigation and third-party liability

These provisions are recognised in order to cater for the possible adverse economic effects that might arise from the litigation and claims against the Group arising from the ordinary course of its operations (see Note 4.6.2.).

Provision for construction work completion

This provision is intended to cover the expenses arising from the completion of a project until its definitive settlement. The estimated costs in this connection are accrued over the construction period on the basis of production volumes.

Provision for management and other fees

This provision relates to the amount incurred in connection with project management and inspection fees, laboratory, layout and other fees payable at the consolidated balance sheet date. The amounts of these fees are established in the related project specifications and in current legislation. The estimated costs in this connection are accrued over the construction period on the basis of production volumes.

Other operating provisions

"Other Operating Provisions", which correspond primarily to the Group's construction companies, includes deferrals of expenses and costs and losses on construction projects. These amounts considered individually are of scant significance and correspond to numerous contracts.

Provisions for major maintenance, retirement or refurbishment of non-current assets

In accordance with IFRIC 12, provisions are recognised for the estimated expenditure required to carry out maintenance work spanning more than one year (mainly at concession operators) with a charge to the consolidated statement of profit or loss for each of the periods remaining until the work has been completed.

2.6.15. Revenue recognition

Following is a detail of the main revenue recognition methods used for each of the segments in which the Group operates.

2.6.15.1. Concessions

Intangible asset model

Revenue is recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting collections and payments are made.

Revenue from services concessions is recognised on an accrual basis, regardless of whether or not a portion of the arrangement has been collected in advance.

In accordance with IFRIC 12, the concession operators recognise sales relating to construction performed by parties outside the Group. In relation to infrastructure construction, the concession operators subcontract work to related parties or independent construction companies. The construction subcontracting arrangements do not exempt the concession operator from the obligations acquired by it in relation to the concession and therefore, it is responsible for the performance, completion and quality of the construction work. The concession operator does not recognise any margin in its statement of profit or loss on the performance of the aforementioned construction work.

Financial asset model

Arrangements under the financial asset model

Interest income relating to concessions to which the financial asset model applies is recognised as "Other Operating Income", since it is considered that this income relates to the operating activities of the concessions.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable effective interest rate, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's carrying amount.

Operation and maintenance revenue is recognised on an accrual basis by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

Arrangements with a guaranteed minimum revenue clause

Toll revenue is recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting collections and payments are made.

Additionally, the Group recognises under "Other Operating Income" the collection rights recognised in the year relating to the guaranteed minimum revenue yet to be collected under the terms of the concession arrangement. This revenue is recognised because it relates to a service already provided and can be measured reliably, all the associated costs have been incurred and the economic benefits associated with the transaction will flow to the Group.

These rights are recognised and documented as follows:

- In the case of Concesionaria Mexiquense, S.A. de C.V. (Conmex) and Viaducto Bicentenario, S.A. de C.V., the right is calculated, externally reviewed, certified and periodically recognised by the Government of the State of Mexico, through the Mexican System of Highways, Airports, Related and Auxiliary Services (SAASCAEM), by means of a procedure that is documented as "total investment yet to be recovered", and is approved and signed by SAASCAEM itself and the legal representatives of the concession operators.

  The Group considers that, based on these concession arrangements and the applicable legislation, the "total investment yet to be recovered", certified and recognised by SAASCAEM, is approximately equal to the adjusted carrying amount of the concession. In the case of Autopista Urbana Norte, S.A. de C.V. and Controladora Via Rápida Poetas, S.A.P.I. de C.V. (associate), the Group follows a similar procedure to the foregoing but, in this case, with the Subsecretariat of Financial Planning of the Secretariat of Finance of the Government of Mexico City as the competent body.

Based on estimated annual returns calculated by the public sector entities for each concession operator, it is estimated that the guaranteed minimum revenue recognised will be recovered, in the most likely scenario, through the collection of tolls over the normal concession term.

2.6.15.2. Engineering and construction

Since the recognition of revenue from all engineering and construction contracts is subject to judgements and estimates, the Group relies on the project execution managers and each Division's organisational leaders in recognising such revenue, and has established internal controls to ensure the reasonableness of the criteria applied.

2.6.15.2.1. Construction

Revenue is calculated in accordance with IAS 11, Construction Contracts, using the percentage of completion method, whereby, in construction contracts from which a final profit is expected, the profit is calculated by applying to the expected profit the percentage resulting from comparison of the actual costs incurred with the projected total costs to be incurred. An expected loss on a construction contract is recognised as an expense immediately.

In accordance with standard practice, the estimates used to calculate the stage of completion include the possible effect of the margin of certain variations, change orders, addenda and settlements which are being processed, and which at the time of calculation the Group considers to be reasonably realisable.

Variations in construction contract work correspond to instructions received from the customer relating normally to additional work or changes to the original units of work and which are provided for in the contract in force. Claims relate to amounts which the Group expects to collect from the customer for construction work performed and arise for various reasons; the measurement of the related revenue is initially estimated on the basis of the terms of the construction contract entered into, although the determination of the final amount depends on the negotiations with the customer.

Additionally, as indicated in paragraph 14 (a) of IAS 11, variations are included in contract revenue only when it is probable that the customer will approve the variation, since negotiations have begun and are amicable, and, in addition, there are favourable technical and legal reports that make it possible to measure the fair value of the amounts to be recovered in the negotiations.

If litigation is initiated in relation to the claims, no additional revenue is recognised until the claims are settled. In these situations, and as general practice, once the relevant proceedings are identified as relating to claims, the Group adjusts the recoverable amount of the claim and recognises, if appropriate, the necessary provisions.

In any case, the recognition of revenue from the aforementioned claims involves a series of common estimates, including those relating to:

- the status of the negotiations with each customer and their credit position.
- the technical assessment of the work performed and of the conformity thereof with the contract with the customer, performed by the project managers and taking into account, if appropriate, any expert reports on the project.
- assessments made by the Group's internal and external legal advisers to estimate the feasibility and chances of success of the claim filed, based on the knowledge of the project and the stage of the claim proceedings; the status is updated on the basis of any new milestone or change.
- in-depth knowledge of the terms established in the contract entered into with the customer.

"Trade Receivables for Sales and Services – Trade Receivables for Amounts to Be Billed for Work or Services Performed" on the asset side of the consolidated balance sheet represents the difference between the amount of the completed work recognised, including the adjustment to the margin recognised by application of the percentage of completion method, and the amount of billed completed work up to the reporting date.

If the amount of production from inception is lower than the amount billed, the difference is recognised under "Customer Advances" on the liability side of the consolidated balance sheet.

Any late-payment interest which, pursuant to the contracts, might accrue due to delays in the collection of progress billings or invoices is recognised when it is probable that it will be received and when its amount can be measured reliably, and is recognised as finance income.

2.6.15.2.2. Industrial

Revenue from turnkey (EPC) contracts and in fixed-price service contracts is recognised based on the percentage of completion method, in accordance with IAS 11.

Revenue from administration and operation and maintenance (O&M) contracts is recognised on an accrual basis based on the service provided.

2.6.15.2.3. Services

In the business of servicing properties and infrastructure maintenance of all types of housing and offices, revenue is recognised by reference to the stage of completion of the transaction, provided the outcome of the transaction can be estimated reliably.

Revenue in the case of infrastructure and urban equipment services is determined by measuring the completed units at the contract price, per the main contract with the owners or per approved addenda or amendments thereto. If such addenda or amendments have not been contractually approved, because they are currently being drawn up, the related revenue will only be recognised if technical approval has been secured.

2.6.15.2.4. Development

Revenue in the hotel complex business is recognised on an accrual basis based on the service provided.

If real estate products are sold, revenue is recognised when the properties are handed over and when the ownership thereof has been transferred.

Land sales are recognised when the risks and rewards of ownership are transferred, which usually occurs when the deed of sale is executed.

2.6.16. Leases

Leases are classified as finance or operating leases.

Finance leases are deemed to be those in which the risks and rewards relating to the leased asset are transferred to the lessee, which, habitually but not necessarily, has the option to purchase the asset at the end of the lease on the terms and conditions agreed on when the transaction was arranged. In leases of this nature:

- When the consolidated companies act as the lessor of an asset, the aggregate present values of the lease payments receivable from the lessee plus, where appropriate, the price of exercising the purchase option are recognised as accounts receivable (financial assets).
- When the consolidated companies act as the lessee, they present the cost of the leased assets in the consolidated balance sheet, based on the nature of the leased asset, and, simultaneously, recognise a liability for the same amount.

The assets are measured at the lower of fair value, i.e. at the price that would be set by two parties in an arm's length transaction, and the discounted present value of the amounts payable to the lessor plus the price of exercising the purchase option.

These assets are depreciated on the basis of their nature using similar criteria to those applied to the items of property, plant and equipment.

Operating leases are contracts that convey the right to use an asset but which do not transfer the risks and rewards incidental to ownership, and they are accounted for on the basis of the contractual nature of each transaction. Income and expenses from these transactions are allocated to profit or loss on an accrual basis.

2.6.17. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale are added directly to the cost of those assets, until such time as the assets are ready for their intended use or sale.

Pursuant to IAS 23, investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs.

All other borrowing costs are recognised in the consolidated statement of profit or loss in the year in which they are incurred.

2.6.18. Income tax

The Group companies' income tax expense is calculated on the basis of accounting profit before tax, increased or decreased, as appropriate, by the permanent differences from taxable profit, net of tax relief and tax credits, excluding tax withholdings and prepayments made during the year.

Deferred tax assets and liabilities are the taxes expected to be recoverable or payable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax bases. They are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

At 31 December 2017, most of the Spanish Group companies were being taxed under the consolidated tax regime and, accordingly, the income tax expense recognised in the consolidated statement of profit or loss relates to the sum of the tax expense of the consolidated tax group companies and that of the companies not forming part of the consolidated tax group, which are mainly the foreign companies.

2.6.19. Consolidated statement of cash flows

Cash flows are inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.

The consolidated statement of cash flows is prepared using the indirect method, i.e. on the basis of the changes in the consolidated statement of profit or loss and consolidated balance sheet, and is presented with comparable figures for two consecutive periods.

This statement reflects changes in consolidated cash flows in the year, classifying them as:

- Cash flows from operating activities: the principal revenue-producing activities of the Group companies and other activities that are not investing or financing activities. Interest received and paid, gains or losses on the disposal of non-current assets, adjustments to profits generated by companies accounted for using the equity method and, in general, any results that do not generate cash flows are transferred out of "Cash Flows from Operating Activities" through "Other Adjustments to Loss".

Dividends received may be classified as cash flows from operating activities or investing activities. The Group chose to classify them as cash flows from operating activities.

- Cash flows from investing activities: those arising from the acquisition and disposal of non-current assets.

  Interest received may be classified as cash flows from operating activities or investing activities. The Group chose to classify it as cash flows from investing activities.

  Cash flows from financing activities: those arising from changes in borrowings, payment of the dividend, interest paid and changes in non-controlling interests.

  Interest paid may be classified as cash flows from operating activities or financing activities. The Group elected to classify interest paid as cash flows from financing activities.

2.6.20. Trade and other payables

The Group has entered into reverse factoring arrangements with various banks in order to facilitate early payment to its suppliers, under which suppliers may exercise their collection rights vis-à-vis the Group companies and obtain the amount billed less the finance costs of discounting and the fees charged by those banks.

These arrangements do not change the principal terms and conditions of payment to suppliers, such as the term or amount and, accordingly, the related amounts continue to be classified as trade payables.

At 31 December 2017, the reverse factoring balance under "Trade and Other Payables" was EUR 142,715 thousand (31 December 2016: EUR 163,293 thousand).

2.6.21. Termination and post-employment benefits

The termination benefits that have to be paid to employees pursuant to the legislation applicable to each Group company are charged to the consolidated statement of profit or loss in the year in which they are paid.

If the Group were to establish a collective redundancy procedure, provisions for the related costs would be recognised in the consolidated statement of profit or loss when the detailed formal plan for the restructuring were established and communicated to the parties concerned.

On 4 May 2017, OHL, S.A., OHL Industrial, S.L. and the workers' representatives ratified a collective redundancy procedure involving the termination of 457 jobs (335 at OHL, S.A. and 122 at OHL Industrial, S.L.), to be implemented by 31 December 2017 and 31 December 2018, respectively (see Note 3.22).

The Group does not have any post-employment benefit obligations in the form of pension plans or other benefits.

3.- NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3.1.- Intangible assets

The changes in "Intangible Assets" in the consolidated balance sheets in 2017 and 2016 were as follows:

	Thousands of euros
Cost	
Balances at 1 January 2016	**468,986**
Additions and disposals due to changes in the scope of consolidation	-
Additions	8,168
Disposals	(828)
Transfers and other	(27)
Exchange differences	9,863
Balances at 31 December 2016	**486,162**
Additions and disposals due to changes in the scope of consolidation	(188)
Additions	14,315
Disposals	(5,266)
Transfers and other	(8,500)
Exchange differences	(37,083)
Balances at 31 December 2017	**449,460**
Accumulated amortisation	
Balances at 1 January 2016	**178,955**
Additions and disposals due to changes in the scope of consolidation	-
Additions	30,245
Disposals	(409)
Transfers and other	3
Exchange differences	2,854
Balances at 31 December 2016	**211,648**
Additions and disposals due to changes in the scope of consolidation	(167)
Additions	27,327
Disposals	(1,947)
Transfers and other	(6,310)
Exchange differences	(12,539)
Balances at 31 December 2017	**218,012**
Net balances at 31 December 2016	**274,514**
Net balances at 31 December 2017	**231,448**

"Intangible Assets" includes mainly the values assigned on consolidation to the customer portfolio and backlog of the acquirees, which at 31 December 2017 amounted to EUR 204,012 thousand (net)

No indications of impairment on the customer portfolio or backlog of the acquirees had been identified and no impairment losses had been recognised at 31 December 2017 or 2016.

Intangible assets with a gross cost of EUR 43,393 thousand had been fully amortised and were still in use at 31 December 2017 (31 December 2016: EUR 35,791 thousand).

3.2.- Concession infrastructure

Concession arrangements are arrangements between the concession grantor, which is generally a public sector entity, and the Group companies to provide services to the public through the operation of certain assets required for the provision of the service.

The concession right generally entails a monopoly on the provision of the service granted for a specified period of time, after which, in general, the concession assets required to provide the service have to be handed over to the concession grantor.

Revenue from performing the service may be received directly from the users or, sometimes, through the concession grantor itself. The prices for providing the service are usually regulated by the grantor.

These projects are generally financed with long-term borrowings without recourse to the shareholder, secured mainly by the cash flows generated by the concession operator companies and their assets, accounts and contractual rights. Since cash flows constitute the main security for the repayment of the borrowings, there are restrictions on the use of the funds by the shareholders until certain conditions have been met, which is assessed each year.

Concession infrastructure is accounted for using either the intangible asset model or the financial asset model.

Intangible asset model

An intangible asset arises when the operator provides construction or upgrade services and receives a right to operate the infrastructure for a specified period of time after the construction has been completed, in which the operator's future cash flows have not been specified, since they may vary on the basis of the extent that the asset is used, for which reason they are considered to be contingent. In these cases the demand risk is borne by the concession operator and, accordingly, the concession is considered to be an intangible asset.

Financial asset model

In arrangements accounted for using the financial asset model, the assets recognised by the various concession operators represent the rights to operate administrative concessions and the unconditional contractual right to receive cash or another financial asset associated with certain concession arrangements where the demand risk is borne by the concession grantor.

The concession operators Autopista Urbana Norte, S.A. de C.V., Concesionaria Mexiquense, S.A. de C.V. and Viaducto Bicentenario, S.A. de C.V. hold concessions with guaranteed minimum revenue whereby the concession operator has an unconditional right to recover, as the case may be, either the equity invested or the total investment made, plus an annual guaranteed internal rate of return (IRR), expressed in real terms and net of tax ("guaranteed minimum revenue"), which would give rise to an unconditional right to receive cash if, at the end of the concession term, the guaranteed minimum revenue had not been obtained. These concessions were reclassified to discontinued operations (see Note 3.8) following the agreement entered into with IFM Investors for the sale of all the shares of OHL Concesiones, S.A.U. (see Note 1.3).

The changes in "Concession Infrastructure" in the consolidated balance sheets in 2017 and 2016 were as follows:

	Thousands of euros		
Cost	Intangible asset model	Financial asset model	Total
Balances at 1 January 2016	1,328,897	5,357,600	6,686,497
Additions and disposals due to changes in the scope of consolidation	-	-	-
Additions	84,026	575,512	659,538
Disposals	(7,399)	-	(7,399)
Transfers and other	(1,635)	(1,464)	(3,099)
Exchange differences	(5,874)	(691,068)	(696,942)
Balances at 31 December 2016	1,398,015	5,240,580	6,638,595
Additions and disposals due to changes in the scope of consolidation	(484,658)	-	(484,658)
Additions	27,286	778,882	806,168
Disposals	(401)	-	(401)
Transfers and other	(883,102)	(5,550,261)	(6,433,363)
Exchange differences	(42,023)	(414,784)	(456,807)
Balances at 31 December 2017	15,117	54,417	69,534
Accumulated amortisation			
Balances at 1 January 2016	170,932	-	170,932
Additions and disposals due to changes in the scope of consolidation	-	-	-
Additions	29,571	-	29,571
Disposals	-	-	-
Transfers and other	908	-	908
Exchange differences	(2,448)	-	(2,448)
Balances at 31 December 2016	198,961		198,961
Additions and disposals due to changes in the scope of consolidation	(71,459)	-	(71,459)
Additions	14,425	-	14,425
Disposals	-	-	-
Transfers and other	(136,673)	-	(136,673)
Exchange differences	(2,493)		(2,493)
Balances at 31 December 2017	2,761	-	2,761
Impairment losses			
Balance at 1 January 2016	-	-	-
Balance at 31 December 2016	-		-
Balance at 31 December 2017	-	-	-
Net balances at 31 December 2016	1,199,054	5,240,580	6,439,634
Net balances at 31 December 2017	12,356	54,417	66,773

The additions and disposals due to changes in the scope of consolidation relate mainly to Autovia de Aragón Tramo 1, S.A., which is currently accounted for using the equity method, and Cercanías Móstoles Navalcarnero, S.A., which was deconsolidated.

Substantially all the transfers relate to the transfer of the concession infrastructure of OHL Concesiones, S.A.U. to "Assets Classified as Held for Sale and Discontinued Operations".

The Group's fully consolidated concession operators at 31 December 2017 were as follows:

Operator	Description of concession	Country	%	Total projected investment (thousands of euros)	Remaining period (in years)
Marina Urola, S.A.	Marina	Spain	51.00	2,801	10
Sociedad Concesionaria Aguas de Navarra, S.A.	Navarra canal	Spain	65.00	89,475	27
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	Law courts	Chile	100.00	35	8

Under the concession arrangements, the concession operators are obliged to make investments totalling EUR 35,093 thousand, which must be made within a five-year period.

At 31 December 2017, "Concession Infrastructure" included EUR 1,100 thousand relating to borrowing costs capitalised during the construction period (31 December 2016: EUR 86,737 thousand).

The detail of the changes in borrowing costs capitalised at 31 December 2017 and 2016 is as follows:

	Thousands of euros
Balances at 1 January 2016	77,639
Additions and disposals due to changes in the scope of consolidation	9,472
Exchange differences	(374)
Balances at 31 December 2016	86,737
Additions and disposals due to changes in the scope of consolidation	(42,844)
Additions	608
Transfers	(43,401)
Balances at 31 December 2017	1,100

The breakdown, by company, of the carrying amount of "Concession Infrastructure" at 31 December 2017 is as follows:

	Thousands of euros
Intangible asset model	
Sociedad Concesionaria Aguas de Navarra, S.A (1)	11,836
Marina Urola, S.A.	480
Other	38
Total intangible asset model	12,356
Financial asset model	
Sociedad Concesionaria Aguas de Navarra, S.A (1)	54,382
Sociedad Concesionaria Centro de Justicia Santiago, S.A	35
Total financial asset model	54,417
Total	66,773

(1) Under construction.

The breakdown, by company, of the carrying amount of "Concession Infrastructure" at 31 December 2016 is as follows:

	Thousands of euros
Intangible asset model	
Autopista del Norte, S.A.C	290,420
Autovía de Aragón-Tramo 1, S.A.	147,182
Cercanías Móstoles Navalcarnero, S.A	266,017
Concesionaria AT - AT, S.A. de C.V	97,042
Euroglosa 45 Concesionaria de la Comunidad de Madrid, S.A.	48,396
Grupo Autopistas Nacionales, S.A	66,462
Sociedad Concesionaria Nuevo Camino Nogales - Puchuncavi, S.A	463
Terminal Cerros de Valparaiso, S.A.	59,472
Terminal de Contenedores de Tenerife, S.A.	105,569
Terminales Marítimas del Sureste, S.A	117,390
Other	641
Total intangible asset model	1,199,054
Financial asset model	
Autopista Río Magdalena, S.A.S.	51,229
Autopista Urbana Norte, S.A. de C.V	1,136,687
Concesionaria Mexiquense, S.A. de C.V	2,897,225
Sociedad Concesionaria Aguas de Navarra, S.A	52,589
Sociedad Concesionaria Centro de Justicia Santiago, S.A	36
Sociedad Concesionaria Puente Industrial, S.A	21,665
Viaducto Bicentenario, S.A. de C.V	1,081,149
Total financial asset model	5,240,580
Total	6,439,634

The breakdown, by country, of the carrying amount of "Concession Infrastructure" at 31 December 2017 is as follows:

Country and company	Thousands of euros		
	Intangible asset model	Financial asset model	Total
Chile			
Sociedad Concesionaria Centro de Justicia de Santiago, S.A	-	35	35
Total Chile	-	35	35
Spain			
Sociedad Concesionaria Aguas de Navarra, S.A. (1)	11,838	54,382	66,220
Marina Urola, S.A.	480	-	480
Other	38	-	38
Total Spain	12,356	54,417	66,738
Total	12,356	54,417	65,773

(1) Under construction.

The breakdown, by country, of the carrying amount of "Concession Infrastructure" at 31 December 2016 is as follows:

Country and company	Thousands of euros		
	Intangible asset model	Financial asset model	Total
Chile			
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	-	36	36
Sociedad Concesionaria Nuevo Camino Nogales - Puchuncaví, S.A. (2)	463	-	463
Sociedad Concesionaria Puente Industrial, S.A. (2)	-	21,665	21,665
Terminal Cerros de Valparaíso, S.A. (2)	59,472	-	59,472
Total Chile	59,935	21,701	81,636
Colombia			
Autopista Río Magdalena, S.A.S. (2)	-	51,229	51,229
Total Colombia	-	51,229	51,229
Spain			
Autovía de Aragón - Tramo 1, S.A.	147,182	-	147,182
Cercanías Móstoles Navalcarnero, S.A. (3)	266,017	-	266,017
Euroglosa 45 Concesionaria de la Comunidad de Madrid, S.A.	48,396	-	48,396
Sociedad Concesionaria Aguas de Navarra, S.A. (3)	-	52,589	52,589
Terminal de Contenedores de Tenerife, S.A.	105,569	-	105,569
Terminales Marítimas del Sureste, S.A.	117,390	-	117,390
Other	641	-	641
Total Spain	685,195	52,589	737,784
Mexico			
Autopista Urbana Norte, S.A. de C.V. (1)	-	1,136,687	1,136,687
Concesionaria AT - AT, S.A. de C.V. (2)	97,042	-	97,042
Concesionaria Mexiquense, S.A. de C.V. (1)	-	2,897,225	2,897,225
Grupo Autopistas Nacionales, S.A.	66,462	-	66,462
Viaducto Bicentenario, S.A. de C.V. (1)	-	1,081,149	1,081,149
Total Mexico	163,504	5,115,061	5,278,565
Peru			
Autopista del Norte, S.A.C.	290,420	-	290,420
Total Peru	290,420	-	290,420
Total	1,199,054	5,240,580	6,439,634

(1) Concessions with guaranteed minimum revenue.
(2) Under construction.
(3) Involved in insolvency proceedings at 31 December 2016

Impairment losses on concession infrastructure

Although substantially all of the concession infrastructure has been transferred to "Assets Classified as Held for Sale" (see Notes 1.3 and 3.8), at the end of each reporting period or whenever there are indications of impairment, the Group tests the assets for impairment to determine whether their recoverable amount has been reduced to below their carrying amount.

Recoverable amount is the higher of fair value and value in use.

Also, sensitivity analyses were performed in various growth scenarios, particularly in relation to toll revenue, operating margins and the discount rates applied.

The Parent's directors consider that the tests are sensitive to their key assumptions, but that these indicators are within a reasonable degree of sensitivity, which meant that no impairment losses were identified in 2017.

Generally, in order to calculate any possible impairment, the projected cash flows to be generated by the concessions are discounted. The main variables used for each concession are: the remaining term of each concession, forecast growth in traffic, CPI growth and the tax rates of each country.

The financial information on the companies for 2017 does not differ significantly from that considered in the projections and tests of 2016.

Based on the current information of the models, there are no indications of impairment and the investment will be recovered.

3.3.- Property, plant and equipment

The changes in "Property, Plant and Equipment" in the consolidated balance sheets in 2017 and 2016 were as follows:

Cost	Land and buildings	Machinery	Other fixtures, tools and furniture	Advances and property, plant and equipment in the course of construction	Other items of property, plant and equipment	Total
	Thousands of euros					
Balances at 1 January 2016	462,115	479,202	150,508	44,733	106,462	1,243,020
Additions and disposals due to changes in the scope of consolidation	46,257	-	25	569	66	46,917
Additions	7,335	13,436	14,412	39,074	7,764	82,021
Disposals	(38,636)	(44,642)	(14,454)	(4,380)	(10,970)	(113,082)
Transfers and other	(354,771)	(20,631)	(36,755)	(68,634)	(29,452)	(510,243)
Exchange differences	8,032	10,206	2,851	(5,125)	265	16,229
Balances at 31 December 2016	130,332	437,571	116,587	6,237	74,135	764,862
Additions and disposals due to changes in the scope of consolidation	-	-	-	-	-	-
Additions	1,315	14,768	5,096	17,333	10,417	48,929
Disposals	(4,061)	(43,406)	(6,966)	(4,330)	(5,168)	(63,931)
Transfers and other	(5,113)	(6,688)	(8,926)	(5,832)	(12,785)	(39,344)
Exchange differences	(3,955)	(19,068)	(8,042)	(147)	(4,951)	(36,163)
Balances at 31 December 2017	118,518	383,177	97,749	13,261	61,648	674,353
Accumulated depreciation						
Balances at 1 January 2016	111,914	326,724	110,293	-	58,060	606,991
Additions and disposals due to changes in the scope of consolidation	-	-	-	-	10	10
Additions	7,924	47,698	10,721	-	8,744	75,087
Disposals	(10,107)	(38,398)	(13,295)	-	(5,056)	(66,854)
Transfers and other	(75,768)	(8,739)	(18,568)	-	(15,426)	(118,501)
Exchange differences	1,895	6,419	1,845	-	959	11,118
Balances at 31 December 2016	35,858	333,706	90,996	-	47,291	507,851
Additions and disposals due to changes in the scope of consolidation	-	-	-	-	-	-
Additions	2,785	27,980	7,454	-	8,430	46,649
Disposals	(873)	(40,013)	(6,223)	-	(4,305)	(51,414)
Transfers and other	(1,493)	(7,048)	(5,548)	-	(5,441)	(19,530)
Exchange differences	429	(12,181)	(6,537)	-	(2,973)	(21,262)
Balances at 31 December 2017	36,706	302,444	80,142	-	43,002	462,294
Net balances at 31 December 2016	94,474	103,865	25,591	6,237	26,844	257,011
Net balances at 31 December 2017	81,812	80,733	17,607	13,261	18,646	212,059

The net balance at 31 December 2017 in the table above includes most notably the following items:

- Items of property, plant and equipment with a carrying amount of EUR 396 thousand (31 December 2016: EUR 402 thousand) mortgaged as security for loans against which EUR 161 thousand had been drawn down (31 December 2016: EUR 185 thousand) (see Note 3.17.1.).

At 31 December 2017 and 2016, there were no material amounts relating to items of property, plant and equipment that were temporarily idle or retired from active use.

The Group takes out the insurance policies required to cover the possible risks to which its property, plant and equipment are subject.

Property, plant and equipment with a gross cost of EUR 217,484 thousand had been fully depreciated and were still in use at 31 December 2017 (31 December 2016: EUR 198,895 thousand).

At 31 December 2017, no amount was recognised under "Property, Plant and Equipment" relating to borrowing costs capitalised during the construction period (31 December 2016: EUR 2,204 thousand).

The detail of the changes in borrowing costs capitalised at 31 December 2017 and 2016 is as follows:

	Thousands of euros
Balances at 1 January 2016	13,790
Additions	446
Transfers	(12,180)
Exchange differences	148
Balances at 31 December 2016	2,204
Disposals	(2,204)
Balances at 31 December 2017	-

3.4.- Investment property

The changes in "Investment Property" in the consolidated balance sheets in 2017 and 2016 were as follows:

	Thousands of euros
Balances at 1 January 2016	61,921
Additions and disposals due to changes in the scope of consolidation	10,739
Additions	7,243
Disposals	(3,401)
Exchange differences	(7,342)
Transfers	(2,323)
Balances at 31 December 2016	66,837
Additions	30,138
Disposals	(18,673)
Exchange differences	(4,458)
Transfers	(560)
Balances at 31 December 2017	73,284

At 31 December 2017, certain items of investment property with a carrying amount of EUR 3,218 thousand (31 December 2016: EUR 175 thousand) had been mortgaged as security for loans against which EUR 5,212 thousand had been drawn down (31 December 2016: EUR 119 thousand) (see Note 3.17.1.).

At 31 December 2017, the main investment property was the Mayakoba tourism development in the Riviera Maya area of Mexico, amounting to EUR 61,994 thousand (31 December 2016: EUR 56,789 thousand).

The tourism development in Mayakoba includes land awaiting development, and the relevant "Investment Property" line item includes only the land awaiting development, including most notably one plot of land with beach access which has licences to develop up to a maximum of 10,000 housing units.

The fair value of the Group's investment property at 31 December 2017, calculated mainly by reference to third-party appraisals and in-house estimates, amounted to EUR 106,665 thousand (31 December 2016: EUR 103,457 thousand).

3.5.- Goodwill

The detail, by company, of "Goodwill" in the consolidated balance sheets as at 31 December 2017 and 2016 is as follows:

Companies giving rise to goodwill	Thousands of euros	
	2017	2016
Agrupación Guinovart Obras y Servicios Hispania, S.A.	2,492	2,492
Avalora Tecnologías de la Información, S.A.	4,916	4,916
Construcciones Adolfo Sobrino, S.A.	3,408	3,408
Constructora Mayaluum, S.A. de C.V.	350	350
Constructora TP, S.A.C.	849	849
EyM Instalaciones, S.A.	99	99
OHL Servicios - Ingesan, S.A.U.	399	399
Total	12,515	12,515

In 2017 the Group analysed the recoverability of this goodwill based on the estimates and projections available by applying the discounted cash flow method. In this connection, it was concluded that there was no indication of impairment.

3.6.- Financial assets

Investment securities

The detail of "Investment Securities" at 31 December 2017 and 2016 is as follows:

	Thousands of euros			
	2017		2016	
	Non current	Current	Non-current	Current
Held-to-maturity securities	1,143	46,657	1,443	56,988
Available-for-sale securities	207,970	3	112,421	339,180
Subtotal	209,113	46,660	113,864	396,168
Impairment losses	(148,049)	-	(112,549)	(3,673)
Total	61,064	46,660	1,315	392,495

The amounts of investment securities classified as current relate in full to securities maturing at over three months and at under twelve months.

"Impairment Losses" includes the estimated impairment losses that had to be recognised to write down the carrying amount of the investment securities to their fair value.

At 31 December 2017, "Investment Securities" included:

1) "Available-for-Sale Securities" amounting to EUR 108,480 thousand relating to the ownership interests in Aeropistas, S.L. and Autopista Eje Aeropuerto Concesionaria Española, S.A. These ownership interests have been written down in full.

2) "Available-for-Sale Securities" amounting to EUR 95,549 thousand relating to the ownership interest in Cercanías Móstoles Navalcarnero, S.A. This ownership interest has been partially written down -EUR (35,638) thousand-, and, therefore, the carrying amount of the ownership interest totals EUR 59,911 thousand, which the Group considers it will recover based on the measurement set forth below in this note.

Other receivables and deposits and guarantees given

The detail is as follows:

	Thousands of euros			
	2017		2016	
	Non-current	Current	Non-current	Current
Other receivables	450,037	100,762	378,300	271,412
Deposits and guarantees given	123,798	6,106	157,039	12,950
Impairment losses and write-downs	(133,908)	(13,409)	(133,823)	(13,409)
Total, net	439,927	93,459	401,516	270,953

If the loans granted to other companies pose any collection risk an impairment loss is recognised.

All the initial amounts are increased by accrued interest receivable.

At 31 December 2017, "Other Receivables" and "Deposits and Guarantees Given" included:

1) EUR 97,596 thousand (31 December 2016: EUR 111,835 thousand) (QAR 432.0 million) corresponding to guarantees unduly enforced by Qatar Foundation arising from the lawsuit with this customer in connection with the contract for the design and construction of the Sidra Medical Research Centre (Doha, Qatar), which the Group considers, based on the opinion of its legal advisers, to be recoverable in full.

2) EUR 15,869 thousand relating to guarantees of Cercanías Móstoles Navalcarnero, S.A. unduly enforced by the Autonomous Community Government of Madrid, which the Group considers, based on the opinion of its legal advisers, to be recoverable in full (see Note 4.6.2.5).

3) A participating loan of EUR 148,241 thousand relating to Aeropistas, S.L. and Autopista Eje Aeropuerto Concesionaria Española, S.A. An impairment loss of EUR (129,654) thousand was recognised on this loan and, therefore, it has a carrying amount of EUR 18,587 thousand (see Note 4.6.2.5).

4) EUR 125,879 thousand classified as loans and receivables relating to a participating loan of Cercanías Móstoles Navalcarnero, S.A., which previously was fully consolidated and is now recognised under this heading since it is in liquidation (see Note 4.6.2.5).

5) EUR 79,676 thousand relating to an account receivable from Grupo Villar Mir, S.A.U. as a result of the rescission of the agreement to purchase all of the share capital of Pacadar, S.A. The refund of the price paid is secured by the pledge of all the shares of Pacadar, S.A., and bears annual interest of 5.0% (see Note 4.4).

6) An impairment loss of EUR 9,999 thousand recognised on the Banco Popular, S.A. shares in 2017.

7) Loans to associates amounting to EUR 67,580 thousand (31 December 2016: EUR 102,121 thousand).

Impairment of Cercanías Móstoles Navalcarnero, S.A.

In view of the fact that Cercanías Móstoles Navalcarnero, S.A. is in liquidation, the Group considered the minimum recoverable amount to be the early termination value, which is estimated to exceed the carrying amount.

To calculate the early termination value, the provisions of Legislative Royal Decree 2/2000 were taken into account, which establish that in the event of termination of the concession arrangement the grantor must pay the concession operator the amounts invested for:

i. The compulsory purchase of land

ii. The construction work

iii. The acquisition of assets necessary to operate the concession.

In addition to the foregoing, the particular administrative specifications of this concession arrangement provide for the payment, in any event, and regardless of the ground for termination of the arrangement, of all the investments made to perform the arrangement, including those relating to construction work and installation projects, repair and major repair work, initially unforeseen construction work, and the investments to acquire and replace rolling stock, based in all cases on the level of amortisation taken.

The Group considers that the costs and amounts recognised are consistent with the foregoing items and, consequently, considers them to be recoverable.

The foregoing supports the total carrying amount of EUR 185,790 million recognised by the Group (an ownership interest of EUR 59,911 thousand and a participating loan of EUR 125,879 thousand), as upheld by studies conducted by independent legal and technical experts. In this regard, although there is uncertainty regarding when the liquidation will be resolved, and the ultimate amount to which the Group will be entitled, the directors consider that the latter will be higher than the carrying amount recognised at 2017 year-end.

3.7.- Joint arrangements

3.7.1. Investments accounted for using the equity method

The investments accounted for using the equity method at 31 December 2017 and 2016 were as follows:

Companies	Thousands of euros	
	2017	2016
Joint ventures		
Altos de Ciudad de Mayakoba, S.A. de C.V.	1,359	-
Consorcio Conpax OHL Valko, S.A.	2,494	346
Constructora Libramiento Elevado de Puebla, S.A. de C.V.	-	8,467
Controladora Vía Rápida Poetas, S.A.P.I. de C.V.	-	90,470
Coordinadora Vía Rápida Poniente, S.A.P.I. de C.V.	-	754
FHP Villas Lote 2, S.A. de C.V.	1,741	1,238
Fideicomiso Desarrollo OV CIB/2185	2,133	2,568
Health Montreal Collective CJV, L.P.	60,372	-
Libramiento Elevado de Puebla, S.A. de C.V.	-	44,096
Nova Dársena Esportiva de Bara, S.A.	14,369	14,461
Novaterra Caribe, S.A.P.I. de C.V.	4,445	2,354
OHL Construction Canada and FCC Canada Limited Partnership	-	7,244
OHL FCC North Tunnels Canada, Inc.	8,494	9,013
Proyecto CCC Empalme I, S.A.P.I. de C.V.	2,011	6,513
Rhatigan OHL Limited	1,066	-
Sociedad Concesionaria Vespucio Oriente, S.A.	-	25,780
Other	836	806
Associates		
Administradora Mexiquense del Aeropuerto Internacional de Toluca, S.A. de C.V.	-	43,209
Alse Park, S.L.	4,831	5,638
Arenales Solar PS, S.L.	19,400	16,546
Desarrollos RBK en la Riviera, S.A. de C.V.	2,460	-
E.M.V. Alcalá de Henares, S.A.	1,975	1,975
Golf de Mayakoba, S.A. de C.V.	5,535	-
Health Montreal Collective Limited Partnership	7,039	6,874
Hotel Hoyo Uno, S. de R.L. de C.V.	5,455	-
Islas de Mayakoba, S.A. de C.V.	16,072	-
Mayakoba Thai, S.A. de C.V.	13,214	-
Metro Ligero Oeste, S.A.	-	84,879
Nuevo Hospital de Toledo, S.A.	915	2,040
Operadora Hotelera del Corredor de Mayakoba, S.A. de C.V.	8,705	-
Proyecto Canalejas Group, S.L.	46,221	79,590
57 Whitehall Holdings S.A.R.L.	69,808	57,113
Other	2,177	1,535
Total	303,127	513,611

The changes in "Investments Accounted for Using the Equity Method" in the consolidated balance sheets in 2017 and 2016 were as follows:

	Thousands of euros	
	2017	2016
Beginning balance	513,611	1,668,246
Increases	140,511	280,545
Share of loss for the year from continuing operations	(45,452)	(35,255)
Share of profit for the year from discontinued operations	36,517	-
Decreases	(56,743)	(27,240)
Additions and disposals due to changes in the scope of consolidation	73,303	(1,372,685)
Transfers to non-current assets classified as held for sale	(358,620)	-
Ending balance	303,127	513,611

The additions and disposals due to changes in the scope of consolidation in 2017 relate mainly to companies that in 2016 were classified as held for sale and which in 2017 were accounted for using the equity method.

Appendices I, II and III include a list of the main investments accounted for using the equity method, showing the name, registered office, percentage of ownership and equity of the related companies and the net cost of the investment.

Following are the main aggregates of the joint ventures at 31 December 2017, in proportion to the percentage of ownership:

	Thousands of euros
Loss for the year from continuing operations	(28,761)
Profit after tax from discontinued operations	27,324
Total comprehensive income	(1,437)

Following are the main aggregates at 31 December 2017 of the other associates, in proportion to the percentage of ownership:

	Thousands of euros
Loss for the year from continuing operations	(16,691)
Profit after tax from discontinued operations	9,193
Other comprehensive income	2,685
Total comprehensive income	(4,813)

3.7.2 Joint operations

The Group undertakes certain of its business activities by participating in contracts that are executed jointly with other non-Group venturers, mainly through unincorporated temporary joint ventures ("UTEs") and other similar entities, which are proportionately consolidated in the Group's consolidated financial statements.

Following are the main aggregates at 31 December 2017 of the joint operations, in proportion to the percentage of ownership, which the Group considers not to be material taken individually:

	Thousands of euros
Non-current assets	120,431
Current assets	952,417
Non-current liabilities	4,383
Current liabilities	1,023,987
Revenue	676,204
Profit from operations	60,181
Profit before tax	63,987

There is no individual joint operation that is material with respect to the Group's assets, liabilities and results.

3.8.- Non-current assets and liabilities classified as held for sale and discontinued operations

As indicated in Note 1.3, "Discontinued Operations", in 2017 OHL Concesiones, S.A.U.'s operations were discontinued.

The discontinuation of the Concessions line of business meant that:

- In the consolidated balance sheet as at 31 December 2017 all OHL Concesiones, S.A.U.'s assets were presented as a single line item under "Non-Current Assets Classified as Held for Sale and Discontinued Operations" and all its liabilities as a single line item under "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations".

- In the consolidated statements of profit or loss for 2017 and 2016, the profit net of tax and before non-controlling interests was presented as a single line item under "Profit for the Year from Discontinued Operations Net of Tax".

- The consolidated statements of cash flows for 2017 and 2016 were obtained after adjusting the 2016 and 2015 balances in line with 2017.

Set forth below is an illustration of the effect in 2017, by balance sheet heading, of the classification of these investments as held for sale, followed by a detail, by heading, of the statements of profit or loss and of cash flows of the discontinued Concessions line of business.

ASSETS	Thousands of euros 31/12/17
Non-current assets	
Concession infrastructure	6,295,778
Property, plant and equipment of companies accounted for using the equity method	358,620
Deferred tax assets	318,862
Other non-current assets	62,801
Total non-current assets	**7,036,061**
Current assets	
Non-current assets classified as held for sale and discontinued operations	**(8,023,690)**
Inventories	37,054
Trade and other receivables	201,811
Current financial assets	215,656
Other current assets	25,718
Cash and cash equivalents	507,290
Total current assets	**(7,036,061)**
Total assets	-
LIABILITIES	**31/12/17**
Non-current liabilities	
Bank borrowings	1,881,064
Deferred tax liabilities	1,181,569
Long-term provisions	134,063
Other non-current liabilities	173,255
Total non-current liabilities	**3,369,951**
Current liabilities	
Liabilities associated with non-current assets classified as held for sale and discontinued operations	**(4,141,724)**
Bank borrowings and other financial liabilities	494,375
Trade and other payables	78,051
Other current liabilities	199,347
Total current liabilities	**(3,369,951)**
Total liabilities	-

STATEMENT OF PROFIT OR LOSS	Thousands of euros 2017	2016
Revenue	439,963	520,260
Other operating income	838,599	594,691
TOTAL INCOME	**1,278,562**	**1,114,951**
Procurements	(62,474)	(144,780)
Staff costs	(61,305)	(72,521)
Other operating expenses	(170,537)	(98,469)
Depreciation and amortisation charge	(26,539)	(37,150)
Changes in provisions and allowances	13	(34,075)
PROFIT FROM OPERATIONS	**957,720**	**727,956**
Finance income	43,883	30,812
Finance costs	(313,476)	(369,214)
Exchange differences	(23,155)	(6,747)
Net gains (losses) on remeasurement of financial instruments at fair value	(29,404)	49,718
Results of companies accounted for using the equity method	36,517	113,630
Net gains on disposals of financial instruments	21,778	265,226
PROFIT BEFORE TAX	**693,863**	**811,381**
Income tax	(196,280)	(189,083)
PROFIT FOR THE YEAR FROM DISCONTINUED OPERATIONS, NET OF TAX	**497,583**	**622,298**

CASH FLOWS FROM THE DISCONTINUED OPERATIONS	Thousands of euros 2017	2016
Cash flows from operating activities	364,284	122,710
Cash flows from investing activities	456,424	1,099,822
Cash flows from financing activities	(462,980)	(1,357,933)
CASH FLOWS FROM DISCONTINUED OPERATIONS, NET OF TAX	**357,728**	**(135,401)**

In accordance with IFRS 5, in 2016 "Non-Current Assets Classified as Held for Sale" and "Liabilities Associated with Non-Current Assets Classified as Held for Sale" included the assets and liabilities of: Lagunas de Mayakoba, S.A. de C.V., Operadora Mayakoba, S.A. de C.V., Operadora Hotelera del Corredor de Mayakoba, S.A. de C.V., Servicios Hoteleros del Corredor de Mayakoba, S.A. de C.V., Islas de Mayakoba, S.A. de C.V., Islas de Mayakoba Servicios, S.A. de C.V., Desarrollos RBK en la Riviera, S.A. de C.V., Aqua Mayakoba, S.A. de C.V., Lote 3 Servicios, S.A. de C.V., Mayakoba Thai, S.A. de C.V., Controladora Hoyo 1, S.A. de C.V., Hotel Hoyo Uno, S. de R.L. de C.V., HH1 Servicios, S. de R.L. de C.V., Golf de Mayakoba, S.A. de C.V. and Golf Mayakoba Servicios, S.A. de C.V., which were in the process of being divested and which were sold in 2017 (see Note 3.22.)

ASSETS	Thousands of euros
Non-current assets	
Property, plant and equipment	384,998
Investment property	13,318
Non-current financial assets	1,332
Deferred tax assets	32,961
Total non-current assets	432,609
Current assets	
Non-current assets classified as held for sale and discontinued operations	**(491,963)**
Inventories	2,334
Trade and other receivables	20,808
Current financial assets	30,768
Other current assets	1,244
Cash and cash equivalents	4,200
Total current assets	(432,609)
Total assets	-
LIABILITIES	
Non-current liabilities	
Bank borrowings	149,884
Other financial liabilities	1,416
Deferred tax liabilities	8,918
Deferred income	3
Total non-current liabilities	160,221
Current liabilities	
Liabilities associated with non-current assets classified as held for sale and discontinued operations	**(220,008)**
Bank borrowings	14,594
Other financial liabilities	30
Trade and other payables	31,369
Provisions	1,426
Other current liabilities	12,366
Total current liabilities	(160,221)
Total liabilities	-

3.9.- Trade and other receivables

Trade receivables for sales and services

The detail of "Trade Receivables for Sales and Services" at 31 December 2017 and 2016 is as follows:

	Thousands of euros	
	2017	2016
Trade receivables for sales and services		
Amounts to be billed for work or services performed	1,039,355	1,031,550
Progress billings receivable	528,268	631,841
Retentions	140,001	134,705
Trade notes receivable	2,783	8,286
Subtotal	1,710,407	1,806,382
Customer advances	(477,757)	(461,614)
Total net of advances	1,232,650	1,344,768
Write-downs and provisions	(299,625)	(313,085)
Total, net	933,025	1,031,683

At 31 December 2017, the balance of "Trade Receivables for Sales and Services" had been reduced by EUR 40,638 thousand (31 December 2016: EUR 53,108 thousand) relating to the accounts receivable from customers factored to banks. Since these factoring arrangements are without recourse in the event of non-payment, they are treated as a reduction of trade receivables.

The detail of "Trade Receivables for Sales and Services" by type of customer is as follows:

	Thousands of euros	
	2017	2016
Spain	391,275	391,293
Public sector	159,705	162,516
Central government	31,939	42,383
Autonomous community governments	41,266	52,647
Local governments	38,429	35,455
Other agencies	48,071	32,051
Private sector	231,570	228,777
Abroad	1,319,132	1,415,089
Total	1,710,407	1,806,382

At 31 December 2017, 55.2 % (EUR 727,900 thousand) of the balance of "Trade Receivables for Sales and Services - Abroad" related to the public sector and 44.8% (EUR 591,232 thousand) to the private sector.

Of the balance of "Progress Billings Receivable" and "Trade Notes Receivable", totalling EUR 531,051 thousand, 62.3% (EUR 330,953 thousand) relate to the public sector and 37.7% (EUR 200,098 thousand) to the private sector.

The detail of the aging of this balance is as follows:

	Thousands of euros		
	Type of customer		
	Public sector	Private sector	Total
0 to 90 days	259,849	76,394	336,243
91 to 180 days	20,710	9,411	30,121
181 to 360 days	20,561	3,684	24,245
More than 360 days	29,833	110,609	140,442
Total	330,953	200,098	531,051

The Group includes under "Trade Receivables for Sales and Services - Amounts to Be Billed for Work or Services Performed" the amount of claims under negotiation with customers or in dispute (either in court or in arbitration) that it expects will probably be obtained, as indicated in Note 2.6.15.2.1. All the amounts recognised as a result of court claims or requests for arbitration relate mainly to projects that have already been completed.

The Group has lodged claims with customers totalling approximately EUR 739,800 thousand (2016: EUR 693,100 thousand).

The change in claims compared with 2016 is due mainly to the inclusion of the claim relating to the **"Design & Build Package 5 - Major Stations - Doha Metro Project"** contract, as well as the reduced amount of the **"Algiers Southern Bypass"** claim, as a result of the agreement concluded with the customer.

Additionally, and as a result of a reassessment of the situation of all the claims filed, assessing the status of the negotiations with customers and the probability of success of the claims at short term, together with other circumstances, the Group performed new estimates of the revenue from the projects, significantly reducing the amount of the claims recognised with respect to those in the consolidated financial statements for 2016.

Based on the foregoing, the Group recognised under "Trade Receivables for Sales and Services" EUR 402,000 thousand relating to these claims (2016: EUR 425,200 thousand), of which EUR 346,600 thousand were in dispute (either in court or in arbitration), representing 86.2% of the total amount (2016: EUR 355,600 thousand, representing 83.6% of the total amount).

However, since the Group fully retains the legitimate right to collect all of the related amounts, it will continue to take all the actions required to recover them.

No income was recognised in relation to claims in dispute (either in court or in arbitration) in 2017.

The changes in the related provisions in 2017 and 2016 were as follows.

	Thousands of euros	
	2017	2016
Balance at 1 January	(313,085)	(432,806)
Provisions recognised	(9,607)	(65,825)
Provisions used	4,920	36,528
Provisions reversed	18,483	146,644
Exchange differences	(721)	(4)
Changes in the scope of consolidation	(246)	-
Transfers to "Non-Current Assets Classified as Held for Sale and Discontinued Operations"	631	2,378
Balance at 31 December	(299,625)	(313,085)

Of the total provisions at 31 December 2017, EUR 204,680 thousand covered possible losses arising from the disputed claims recognised and the remaining EUR 94,945 thousand related to doubtful debts associated with other receivables.

In order to determine the amount of the provisions for possible losses arising from claims recognised, estimates are made which take the following into account for each project on a case-by-case basis:

- The status of the negotiations with each customer.
- The technical assessment of the work performed and of the conformity thereof with the contract with the customer, performed by the project managers and taking into account, if appropriate, any expert reports.
- Assessments made by the Group's internal and external legal advisers to estimate the feasibility and chances of success of the claim filed, based on the knowledge of the project and the related stage of completion; the status is updated on the basis of any new milestone or change.

For other provisions, mainly for doubtful debts, estimates are made considering any failure to meet payment obligations under the contracts and the probability of default, which are analysed for each contract and customer. At each reporting date the information is updated to determine the recoverable amount.

Other supplementary information on construction contracts and other contracts under which the related revenue and costs are recognised by reference to the stage of completion

Contract revenue associated with construction contracts and certain services contracts is recognised by reference to the stage of completion pursuant to IAS 11 (see Note 2.6.15.2.1.).

As indicated in that Note, the difference between the revenue recognised and the amounts actually billed to the customer is analysed systematically on a contract-by-contract basis. If the amount billed is lower than the revenue recognised, the difference is recognised as an asset under "Trade Receivables for Sales and Services - Amounts to Be Billed for Work Performed", whereas if the amount of revenue recognised is lower than the amount billed, a liability is recognised under "Trade and Other Payables - Customer Advances - Amounts Billed in Advance for Construction Work".

Also, in certain construction contracts advances are agreed upon that are paid by the customer when work commences on the contract, the balance of which is offset against the various progress billings as the contract work is performed. This balance is recognised under "Trade and Other Payables" on the liability side of the consolidated balance sheet.

Also, in certain contracts the customer retains a portion of the price to be paid in each progress billing to guarantee the fulfilment of certain obligations under the contract. These retentions are not reimbursed until the contract is definitively settled. These balances are recognised under "Trade and Other Receivables" on the asset side of the consolidated balance sheet.

The detail of the amounts recognised in this connection at 31 December 2017 and 2016 is as follows:

	Thousands of euros			
	2017	2016	Difference	Change %
Amounts to be billed for work performed	1,029,516	1,024,678	4,838	0.5
Customer advances	(469,283)	(442,570)	(26,713)	6.0
Construction contracts, net	560,233	582,108	(21,875)	-3.8
Retentions	140,001	134,705	5,296	3.9
Net amount after advances and retentions	700,234	716,813	(16,579)	-2.3

Other receivables

The detail of the related accounts receivable at 31 December 2017 and 2016 is as follows:

	Thousands of euros					
	2017			2016		
	Gross balance	Write-downs	Net balance	Gross balance	Write-downs	Net balance
Receivable from associates	172.163	(993)	171,170	254,050	(1,195)	252,855
Employee receivables	1,655	-	1,655	2,435	-	2,435
Tax receivables (Note 3.21.)	89,650	-	89,650	204,366	-	204,366
Sundry accounts receivable	68,230	(5,312)	62,918	142,253	(14,988)	127,265
Total	331,698	(6,305)	325,393	603,104	(16,183)	586,921

The balances receivable from associates relate mainly to transactions associated with the Group's normal business activities, which are performed on an arm's length basis.

The net balance of "Sundry Accounts Receivable" at 31 December 2017 and 2016 is broken down as follows:

	Thousands of euros	
	2017	2016
Provision of services, leases and sale of machinery and materials	62,918	85,335
Amounts receivable for compulsory purchases	-	41,930
Total	62,918	127,265

3.10.- Cash and cash equivalents

"Cash and Cash Equivalents" relates to the Group's fully liquid assets and includes cash on hand and at banks and short-term bank deposits with an original maturity of three months or less. These balances are not restricted as to their use and are not subject to a risk of changes in value.

Most of the balances relate to short-term deposits.

3.11.- Share capital

The changes in the share capital of the Parent in 2017 and 2016 were as follows:

	Number of shares	Par value (Thousands of euros)
Number of shares and par value of share capital at 31 December 2016	298,758,998	179,255
Number of shares and par value of share capital at 31 December 2017	298,758,998	179,255

The share capital of OHL, S.A. amounts to EUR 179,255,398.80, divided into 298,758,998 shares of EUR 0.60 par value each, all of the same class and series. The shares are listed on the Madrid and Barcelona Stock Exchanges and are traded on the Spanish Stock Market Interconnection System.

The detail of the companies with a direct or indirect ownership interest of 3% or more in the share capital of the Parent at 31 December 2017 is as follows:

Company	% of ownership
Inmobiliaria Espacio, S.A	51 124
Société Générale S A	4.285
Deutsche Bank, A G	4.243
Hengistbury Investment Partners LLP	3.687
Hengistbury Master Fund Limited	3.391
Santander Asset Management, S.A SGIIC	3.022

The shareholders at the Extraordinary General Meeting held on 9 January 2018 resolved to reduce the Parent's share capital by EUR 7,326,425.40 by retiring 12,210,709 treasury shares of EUR 0.60 par value each, representing a total of 4.087% of the share capital. Consequently, following the capital reduction the share capital will amount to EUR 171,928,973.40, represented by 286,548,289 shares of EUR 0.60 par value each.

The public deed for the capital reduction approved by the shareholders at the Extraordinary General Meeting was formally registered at the Madrid Mercantile Registry on 6 February 2018.

The capital reduction will be charged to unrestricted reserves and will not give rise to a reimbursement of shareholder contributions. The Company will recognise a reserve for an amount equal to the par value of the retired shares, use of which will be subject to the same requirements as those for the capital reduction, as provided for in the Spanish Limited Liability Companies Law, and, consequently, the Parent's creditors will not be entitled to object to the capital reduction.

3.12.- Share premium

	Thousands of euros
Balance at 1 January 2016	1,265,300
Balance at 31 December 2016	1,265,300
Balance at 31 December 2017	1,265,300

The Consolidated Spanish Limited Liability Companies Law expressly permits the use of the share premium account balance to increase the capital of the entities at which it is recognised and does not establish any specific restrictions as to its use.

3 13.- Treasury shares

The changes in "Treasury Shares" in 2017 and 2016 were as follows:

	No. of shares	Thousands of euros
Balance at 1 January 2016	256,926	3,906
Purchases	35,103,311	155,568
Sales	(23,398,436)	(113,329)
Balance at 31 December 2016	11,961,801	46,145
Purchases	16,100,595	63,937
Sales	(15,530,457)	(61,444)
Balance at 31 December 2017	12,531,939	48,638

3.14.- Reserves

The detail of the reserves in the consolidated balance sheets in 2017 and 2016 is as follows:

	Thousands of euros	
	2017	2016
Restricted reserves of the Parent		
Legal reserve	11,969	11,969
Reserve for retired capital	3,856	3,856
Subtotal	15,825	15,825
Voluntary and consolidation reserves		
Attributable to the Parent	(707,018)	(189,470)
Attributable to the consolidated companies	2,225,326	2,235,397
Subtotal	1,518,308	2,045,927
Total	1,534,133	2,061,752

Legal reserve

Under the Consolidated Spanish Limited Liability Companies Law, a minimum of 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

Reserve for retired capital

The balance of "Reserve for Retired Capital" amounted to EUR 3,856 thousand at 31 December 2017 (31 December 2016: EUR 3,856 thousand), as a result of the capital reductions performed in 2009 amounting to EUR 2,625 thousand and in 2006 amounting to EUR 1,231 thousand, through the retirement of treasury shares, and pursuant to current legislation safeguarding the guarantee provided by equity vis-à-vis third parties.

This reserve is restricted as to its use and may only be used if the same requirements as those stipulated for capital reductions are met, i.e. the shareholders at the Annual General Meeting must decide on its use.

Limitations on the distribution of dividends

Until the balance of development expenditure has been fully amortised, no dividends may be distributed unless the unrestricted reserves are at least equal to the amount of the unamortised balance of this heading. Consequently, at the end of 2017 EUR 6,181 thousand of the Parent's "Share Premium" and "Other Reserves" were restricted.

Reserves of consolidated companies

The detail, by company, of the balances of "Reserves of Consolidated Companies" in the consolidated balance sheets as at 31 December 2017 and 2016 is as follows:

Companies	Thousands of euros	
	2017	2016
Autopista del Norte, S.A.C. (*)	43,859	32,954
Autopista Urbana Norte, S.A. de C.V. (*)	246,227	189,770
Community Asphalt Corp	(42,737)	(30,539)
Concesionaria Mexiquense, S.A. de C.V. (*)	405,871	533,924
Constructora de Proyectos Viales de México, S.A. de C.V.	153,434	146,157
Controladora Vía Rápida Poetas, S.A. de C.V. (*)	74,714	56,441
Health Montreal Collective CJV, L.P.	(159,860)	(12,276)
Huaribe, S.A. de C.V.	(26,387)	(27,524)
Judlau Contracting, Inc.	19,193	18,076
Latina México, S.A. de C.V. (*)	3,053	53,057
Magenta Infraestructura, S.L. (*)	19,180	-
Obrascón Huarte Lain Construcción Internacional, S.L.	(155,151)	(19,119)
Obrascón Huarte Lain, Desarrollos, S.L.	(84,915)	(59,258)
OHL Andina, S.A.	20,991	18,716
OHL Arabia, LLC	29,953	49,719
OHL Central Europe, a.s.	48,315	(29,719)
OHL Concesiones, S.A. (*)	424,351	670,979
OHL Construction Canadá and FCC Canada Limited Partnership	(61,747)	(59,967)
OHL Emisiones, S.A.U. (*)	390,259	154,183
OHL Finance, S.á r.l.	244,699	28
OHL Industrial, S.L.	944	(61,469)
OHL Investments, S.A. (*)	(342,904)	(343,710)
OHL México, S.A.B. de C.V. (*)	1,016,153	864,901
OHL USA, Inc.	(103,976)	(44,190)
OHL ZS, a.s.	(19,134)	31,874
OHLDM, S.A. de C.V.	(24,437)	7
Operadora Hotelera del Corredor Mayakoba, S.A. de C.V.	-	(33,599)
Organización de Proyectos de Infraestructura, S.A.P.I. de C.V. (*)	(18,011)	(20,629)
Terminales Marítimas del Sureste, S.A. (*)	(26,971)	(23,480)
Viaducto Bicentenario, S.A. de C.V. (*)	222,177	183,852
ZPSV, a.s.	(70,246)	4,650
Other	(1,551)	(12,412)
Total	2,225,326	2,235,397

(*) Companies included in the discontinued line of business

3.15.- Valuation adjustments

Valuation adjustments relating to hedges

The valuation adjustments relating to hedges include the amount of the changes in the fair value of financial derivatives, net of the related tax effect.

The changes in "Valuation Adjustments Relating to Hedges" in 2017 and 2016 were as follows:

	Thousands of euros	
	2017	2016
Beginning balance	(43,207)	(189,577)
Net change in the year at fully consolidated companies	19,854	52,792
Net change in the year at companies accounted for using the equity method	2,685	93,578
Ending balance	(20,668)	(43,207)

Valuation adjustments relating to available-for-sale financial assets

The changes in "Valuation Adjustments Relating to Available-for-Sale Financial Assets" in 2017 and 2016 were as follows:

	Thousands of euros	
	2017	2016
Beginning balance	(15,011)	-
Valuation adjustments relating to available-for-sale financial assets / reclassification to profit or loss	15,011	(15,011)
Ending balance		(15,011)

Translation differences

The detail, by country and company, of "Translation Differences" at 31 December 2017 and 2016 is as follows:

Country	Thousands of euros	
	2017	2016
Saudi Arabia	4,411	11,477
Argentina	(1,931)	(1,996)
Canada	8,773	(4,151)
Colombia	(13,397)	(4,058)
Mexico	(726,426)	(577,388)
Chile	273	7,718
Peru	(2,415)	9,886
United Kingdom	(7,055)	(4,952)
Czech Republic	4,098	5,533
US	1,528	29,143
Other countries	1,502	(1,129)
Total	(730,641)	(529,917)

3.16.- Non-controlling interests

The balance of "Non-Controlling Interests" in the consolidated balance sheet reflects the interest of non-controlling shareholders in the fully consolidated companies. The balance relating to non-controlling interests in the consolidated statement of profit or loss reflects the share of non-controlling shareholders in the profit or loss for the year.

The detail of "Non-Controlling Interests" in the consolidated balance sheets as at 31 December 2017 and 2016 is as follows:

Companies	Thousands of euros	
	2017	2016
Autopista Urbana Norte, S.A. de C.V. (*)	166,201	130,872
Autovías Concesionadas OHL, S.A. de C.V. (*)	(2,025)	(4,990)
Community Asphalt Corp	-	5,352
Concesionaria AT - AT, S.A. de C.V. (*)	(21,236)	(12,731)
Concesionaria Mexiquense, S.A. de C.V. (*)	889,880	627,673
Grupo Autopistas Nacionales, S.A. (*)	6,579	4,665
Hotel Hoyo Uno, S. de R.L. de C.V.	-	15,603
Latina México, S.A. de C.V. (*)	2,138	34,700
Magenta Infraestructuras, S.L.U. (*)	815,248	-
Mayakoba Thai, S.A. de C.V.	-	4,786
OHL Industrial and Partners LLC	(5,596)	(3,101)
OHL México, S.A.B. de C.V. (*)	(40,442)	672,923
OHL Toluca, S.A. de C.V. (*)	(47,016)	(47,013)
OPCEM, S.A.P.I. de C.V. (*)	3,123	2,513
Operadora Concesionaria Mexiquense, S.A. de C.V. (*)	6,602	5,139
Operadora Mayakoba, S.A. de C.V.	-	6,492
Organización de Proyectos de Infraestructura, S.A.P.I. de C.V. (*)	117,900	55,542
Sociedad Concesionaria Aguas de Navarra, S.A.	3,154	2,513
Viaducto Bicentenario, S.A. de C.V. (*)	111,729	98,047
Other	8,324	2,219
Total	2,016,563	1,603,204

(*) Companies included in the discontinued line of business

The main change in 2017 corresponds to the sale of 24.01% of Organización de Proyectos de Infraestructura, S.A.P.I. de C.V.

The detail of the share of non-controlling interests in the profit or loss for 2017 and 2016 is as follows:

Companies	Thousands of euros	
	2017	2016
Autopista Urbana Norte, S.A. de C.V.	64,215	44,393
Concesionaria Mexiquense, S.A. de C.V.	194,930	130,008
Grupo Autopistas Nacionales, S.A.	3,424	1,793
Hotel Hoyo Uno, S. de R.L. de C.V.	(152)	2,100
Magenta Infraestructuras, S.L.U.	(5,677)	-
Metro Ligero Oeste, S.A.	-	11,290
OHL Industrial and Partners LLC	(3,032)	(2,501)
OHL México, S.A.B. de C.V.	1,806	(11,808)
Operadora Concesionaria Mexiquense, S.A. de C.V.	2,816	1,580
Organización de Proyectos de Infraestructura, S.A.P.I. de C.V.	(17,312)	(12,170)
Viaducto Bicentenario, S.A. de C.V.	41,654	29,085
Other	9,460	3,252
Total	292,132	197,022

The profit for 2017 attributable to the non-controlling interests of discontinued operations amounts to EUR 292,513 thousand.

The detail of the percentages of ownership and the company name of the non-controlling shareholders at 31 December 2017 of the fully consolidated Group companies is as follows.

Company	% Non-controlling interests	Company name
Autopista Urbana Norte, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Autovías Concesionadas OHL, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.	50.00%	Senermex Ingeniería y Sistemas, S.A. de C.V.
Concesionaria AT - AT, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Concesionaria Mexiquense, S.A. de C.V.	63.29%	Woodside Spain, S.L. (through Organización de Proyectos de Infraestructuras, S.A.P.I. de C.V.)
	7.72%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Consorcio Aura - OHL, S.A.	35.00%	Aura Ingeniería, S.A.
Construcciones Amozoc Perote, S.A. de C.V.	30.82%	Invex Infraestructura, S.A.P.I. de C.V.
	29.85%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Estación Rebombeo Degollado, S.A.P.I. de C.V.	50.00%	Construcciones Industriales Tapia, S.A. de C.V.
Grupo Autopistas Nacionales, S.A.	30.82%	Invex Infraestructura, S.A.P.I. de C.V.
	29.85%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Hidrógeno Cadereyta, S.A.P.I. de C.V.	40.70%	KT Kinetics Technology, SPA
	5.40%	Construcciones Industriales Tapia, S.A. de C.V.
Hidro Parsifal, S.A. de C.V.	9.98%	José Federico Ramos Elorduy Wolfslindseder
	5.05%	María de Lourdes Bernarda Ramos Elorduy
	5.05%	Grupo HI, S.A. de C.V.
	0.13%	Mexichen Fluor, S.A. de C.V.
	0.13%	Mexichen Soluciones Integrales, S.A. de C.V.
Latina Mexico, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Magenta Infraestructuras, S.A.	41.27%	Woodside Spain, S.L.
Marina Urola, S.A.	47.34%	Servicios Náuticos Astilleros Elkano, S.L.
	1.66%	Marinas del Mediterráneo, S.L.
OHL Industrial and Partners, LLC	30.00%	Faisal Hamid Ahmed Ghazali
OHL México, S.A.B. de C.V.	28.01%	Woodside Spain, S.L. (through Magenta Infraestructuras, S.L.)
	15.14%	Mexican Stock Exchange
OHL Toluca, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A. de C.V.)
OHL ZS, a.s.	1.06%	Other
OHL ZS d.o.o. Banja Luka	1.06%	Other (through OHL ZS, a.s.)
OHL ZS MO, S.R.L.	1.06%	Other (through OHL ZS, a.s.)
OHL ZS Polska, S.Z o.o.	1.06%	Other (through OHL ZS, a.s.)
OPCEM, S.A.P.I. de C.V.	49.00%	Woodside Spain, S.L.
	14.29%	Woodside Spain, S.L. (through OHL México, S.A.B. de C.V.)
	7.72%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)

Companies	% Non-controlling interests	Company name
Operadora Concesionaria Mexiquense, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Organización de Proyectos de Infraestructura, S.A.P.I. de C.V.	49.00%	Woodside Spain, S.L.
	14.29%	Woodside Spain, S.L. (through OHL México, S.A.B. de C.V.)
	7.72%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Seconmex Administración, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
Sociedad Concesionaria Aguas de Navarra, S.A.	35.00%	Sociedad General de Aguas de Barcelona, S.A.
Tomi Remont, a.s.	1.06%	Other (through OHL ZS, a.s.)
Viaducto Bicentenario, S.A. de C.V.	43.15%	Mexican Stock Exchange (through OHL México, S.A.B. de C.V.)
ZPSV, a.s.	3.25%	Other
ZPSV Caña, a.s.	41.06%	ZSR Bratislava
	1.92%	Other (through ZPSV, a.s.)
ZPSV Eood, a.s.	3.25%	Other (through ZPSV, a.s.)
ZS Bratislava, a.s.	1.06%	Other (through OHL ZS, a.s.)

3.17.- Bank borrowings and debt instruments and other marketable securities

At 31 December 2017, the bank borrowings and debt instruments and other marketable securities amounted to EUR 1,574,235 thousand.

The related maturities are as follows:

	Thousands of euros						
	2018	2019	2020	2021	2022	Subsequent years	Total
Bank borrowings	**659,338**	**3,431**	**1,485**	**45**	**5,155**	**55**	**669,509**
Corporate bond issues	14,646	-	185,983	-	389,660	307,742	898,031
Other marketable securities	6,695	-	-	-	-	-	6,695
Total debt instruments and other marketable securities	**21,341**	**-**	**185,983**	**-**	**389,660**	**307,742**	**904,726**
Total bank borrowings and debt instruments and other marketable securities	**680,679**	**3,431**	**187,468**	**45**	**394,815**	**307,797**	**1,574,235**

3.17.1- Bank borrowings

The detail of the bank borrowings at 31 December 2017, by maturity, is as follows:

	Thousands of euros						
	2018	2019	2020	2021	2022	Subsequent years	Total
Mortgage loans	37	39	42	45	5,155	55	5,373
Progress billing and note discounting facilities	3,438	-	-	-	-	-	3,438
Loans and credit facilities	602,636	3,392	1,443	-	-	-	607,471
Total mortgage and other loans	**606,111**	**3,431**	**1,485**	**45**	**5,155**	**55**	**616,282**
Loans of concession operators	52,058	-	-	-	-	-	52,058
Total loans	**658,169**	**3,431**	**1,485**	**45**	**5,155**	**55**	**668,340**
Unmatured accrued interest payable	1,168	-	-	-	-	-	1 168
Unmatured accrued interest payable of concession operators	1	-	-	-	-	-	1
Total unmatured accrued interest payable	**1,169**	-	-	-	-	-	**1,169**
Total	659,338	3,431	1,485	45	5,155	55	669,509

At 31 December 2017, the bank borrowings hedged by interest rate derivatives represented 6.6% of the total (31 December 2016: 31.9%).

- Mortgage loans

  At 31 December 2017, certain items of property, plant and equipment amounting to EUR 396 thousand (31 December 2016: EUR 402 thousand) had been mortgaged for loans totalling EUR 161 thousand (31 December 2016: EUR 185 thousand) (see Note 3.3.).

  At 31 December 2017, certain items of investment property amounting to EUR 3,218 thousand (31 December 2016: EUR 175 thousand) had been mortgaged for loans totalling EUR 5,212 thousand (31 December 2016: EUR 119 thousand) (see Note 3.4.).

  These loans bear interest at market rates.

- Progress billing and note discounting facilities

	Thousands of euros	
	2017	2016
Limit	28 445	23,399
Amount drawn down	3,438	3,865
Undrawn balance	25 007	19,534

The average interest rate on the amounts drawn down was 3.20% in 2017 (2016: 1.85%).

- Loans, credit facilities and loans of concession operators

	Thousands of euros	
	2017	2016
Limit	855,798	2,618,760
Amount drawn down	665,800	2,377,088
Undrawn balance	189,998	241,672

The average interest rate on the amounts drawn down was 2.81% in 2017 (2016: 5.63%).

The most noteworthy loan transactions were as follows:

1) Syndicated loan

   In June 2015 a long-term syndicated loan of EUR 250,000 thousand was arranged.

   At 31 December 2017 and 2016, this loan had been drawn down in full and classified as current, with EUR 41,000 thousand maturing on 28 July 2018 and EUR 209,000 thousand on 28 July 2019.

   In relation to this syndicated loan, there is an obligation to achieve a series of financial ratios at the end of each year, which at 31 December 2017 were not being achieved. Accordingly, the Parent transferred the loan to current liabilities and requested a wavier which the banks authorised subsequent to year-end, on the condition that the loan be repaid when the sale of all of the shares of OHL Concesiones is completed.

2) Multi-product syndicated financing

   On 30 March 2017, the OHL Group signed a multi-product syndicated financing agreement, secured by the shares of OHL Concesiones, S.A. and Obrascón Huarte Lain, Desarrollos, S.L., which was novated on 29 November 2017, and includes a revolving credit line of EUR 190,000 thousand.

   EUR 190,000 thousand had been drawn down against that line of credit at 31 December 2017.

   This credit line is subject to an obligation to achieve a series of financial ratios at the end of each year, which at 31 December 2017 were not being achieved. The Parent requested a wavier which the banks authorised subsequent to year-end, on the condition that the loan be repaid in full when the sale of all of the shares of OHL Concesiones is completed.

3) Loans of concession operators

   At 31 December 2017, "Loans of Concession Operators" totalled EUR 52,058 thousand and related to the loan of Sociedad Concesionaria Aguas de Navarra, S.A., which bears interest of 3.35% and is classified at short term due to the failure to comply with the clauses of the loan agreement.

3.17.2- Debt instruments and other marketable securities

The detail of "Debt Instruments and Other Marketable Securities" in the consolidated balance sheets as at 31 December 2017 and 2016 is as follows:

	Thousands of euros	
	2017	2016
Corporate bond issues (long-term)	883,385	1,473,418
Corporate bond issues (short-term)	14,646	21,884
Commercial paper issue (short-term)	6,695	9,448
Bond issues of concession operators (long-term)	-	539,994
Bond issues of concession operators (short-term)	-	6,637
Total	904,726	2,051,381

The detail of the corporate bonds, other marketable securities and bonds of concession operators, by maturity, is as follows:

	Thousands of euros						
	2018	2019	2020	2021	2022	Subsequent years	Total
Corporate bond issues	14,646	-	185 983	-	389,660	307,742	898 031
Other marketable securities	6 695	-	-	-	-	-	6 695
Total	21,341	-	185,983	-	389,660	307,742	904,726

Corporate bond issues

	Issuer	Thousands of euros		Year of final maturity	Issue currency	Market price (31/12/17)
		2017	2016			
2012	Obrascón Huarte Lain, S A	190,144	189 695	2020	Euro	101 9%
2014	Obrascón Huarte Lain, S A	395,126	394 127	2022	Euro	101.3%
2015	Obrascón Huarte Lain, S A	312,761	311 950	2023	Euro	102.8%
2013	OHL Investments, S.A. (*)	-	401,867	2018	Euro	-
2015	Organización de Proyectos de Infraestructuras, S.A.P.I., de C V (**)	-	197,663	2035	Mexican investment units (UDIs)	-
Total		898,031	1,495,302			

(*) Redeemed in September 2017.
(**) Classified in 2017 under "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations" (see Note 1.3).

"Corporate Bond Issues" includes the principal and the accrued interest payable at 31 December 2017 of the three long-term bond issues carried out by the Parent in Europe.
EUR 898,031 thousand had been recognised in this connection at 31 December 2017 (31 December 2016: EUR 1,495,302 thousand).

"Debt Instruments and Other Marketable Securities" includes the principal and the accrued interest payable at 31 December 2017 of the following long-term bond issues carried out in Europe:

- Issue launched in March 2012 for an initial nominal amount of EUR 300,000 thousand, maturing in 2020.

  The annual interest rate is 7.625%, payable half-yearly.

  In November 2015 EUR 37,583 thousand of this bond issue were repurchased early and the balance at 31 December 2015 was EUR 265,463 thousand.

  In March 2016 bonds totalling EUR 32,058 thousand were redeemed early.

  In August 2016 bonds totalling EUR 13,780 thousand were redeemed early.

  In September 2016 bonds totalling EUR 9,500 thousand were repurchased.

  In October 2016 bonds totalling EUR 20,000 thousand were repurchased.

  At 31 December 2017, the balance of this issue was EUR 190,144 thousand (31 December 2016: EUR 189,919 thousand).

- Issue launched in March 2014 for an initial nominal amount of EUR 400,000 thousand, maturing in March 2022.

  The annual interest rate is 4.75%, payable half-yearly.

  In September 2016 bonds totalling EUR 5,500 thousand were repurchased.

  At 31 December 2017, the balance of this issue was EUR 395,126 thousand (31 December 2016: EUR 394,127 thousand).

- In March 2015 an issue of nonconvertible bonds maturing in March 2023 amounting to EUR 325,000 thousand was launched.

  The annual interest rate is 5.50%, payable half-yearly.

  In November 2015 bonds totalling EUR 8,137 thousand were redeemed early.

  In September 2016 bonds totalling EUR 4,000 thousand were repurchased.

  At 31 December 2017, the balance of this issue was EUR 312,761 thousand (31 December 2016: EUR 311,950 thousand).

The average interest rate on the bond issues was 5.61% in 2017 (2016: 5.79%).

In relation to these corporate bond issues, there is an obligation to achieve certain financial ratios at the end of each year, which were being achieved in full at 31 December 2017.

The bond issue contract clauses classify the sale by OHL, S.A. to IFM of all of OHL Concesiones as a change in control and, accordingly, when this transaction is completed a put event will be triggered for the bond holders, enabling them to, at their discretion, redeem the outstanding bond issues at 101% of their nominal amount. It is the Group's intention, at that point in time, to launch an offer to repurchase those issues, the terms and conditions and scope of which will be determined in due course.

Other marketable securities

The Parent has a commercial paper issue facility of up to EUR 500,000 thousand (2016: EUR 500,000 thousand), the balance of which totalled EUR 6,695 thousand at 31 December 2017 (31 December 2016: EUR 9,448 thousand). The average interest rate on the commercial paper issues was 1.62% in 2017 (2016: 1.62%).

3.18.- Other financial liabilities

Obligations under finance leases

The detail of the Group's obligations under finance leases at 31 December 2017 and 2016 is as follows:

	Thousands of euros	
	2017	2016
Under non-current liabilities	4,019	2,970
Under current liabilities	2,933	5,877
Total	6,952	8,847

The Group leases certain of its fixtures and equipment under finance leases. The average lease term is 47 months. In the year ended 31 December 2017, the average effective interest rate on the lease obligations was 2.21% (2016: 4.24%). Interest rates are set at the inception of the lease. All the lease payments are fixed in amount. The unaccrued interest on the leases amounts to EUR 191 thousand (2016: EUR 235 thousand).

Information on operating leases

Operating leases are leases in which substantially all the risks and rewards incidental to ownership are not transferred.

The Group's main operating leases relate to the lease of offices at its head office and the other operating centres of its subsidiaries.

The future non-cancellable minimum payments under leases are as follows:

	Thousands of euros
Within one year	14,828
Between one and five years	21,851
After five years	223
Total	36,902

Notable among the operating leases are those relating to the Group's head office and the offices at its other operating centres.

Derivative financial instruments

The Group uses derivative financial instruments, such as currency forwards, interest rate swaps and interest rate options in order to mitigate the economic effects of exchange rate and interest rate fluctuations to which it is exposed as a result of its business activities.

It is not permitted at the Group to arrange derivatives for speculative purposes.

No collection risks are expected to arise in relation to the amounts that the banks have undertaken to pay to the Group in the future on the basis of the derivatives arranged, since the banks with which they were arranged are highly solvent.

The derivatives arranged by the Group are basically measured by discounting the future cash flows. Interest rate options are measured using a widely accepted pricing model (Black-Scholes). In all cases, they are measured in accordance with the contractual and market conditions prevailing at the date of measurement, including credit risk in accordance with IFRS 13.

The fair value of the derivatives is determined directly or indirectly using the information available in the various markets (foreign currency, fixed income and equity securities, interbank and other organised markets).

The inputs used to measure the derivatives arranged can be classified into three categories based on the degree to which their fair value is directly observable in the market:

> Level 1: the derivatives arranged whose characteristics are identical to those of instruments listed on an active market.
>
> Level 2: the derivatives arranged whose characteristics are not identical to those of instruments listed on an active market but whose fair value can be inferred from prices listed on one or several active markets.
>
> Level 3: the derivatives arranged which cannot be classified in Levels 1 or 2.

All the inputs used to measure the derivatives arranged by the Group are Level 2.

The main criteria relating to derivatives are described in Note 2.6.13. Set forth below is a description of how the fair values of the derivatives arranged by the Group were accounted for at 31 December 2017 as other financial assets or liabilities and of their impact, net of taxes, on equity.

Foreign currency derivatives

The Group arranges currency forwards in order to avoid the economic impact that exchange rate fluctuations might have on payment obligations and collection rights in foreign currencies.

Following is a detail of the outstanding currency forwards at 31 December 2017, indicating, on the one hand, the nominal amounts in euros of the forwards, i.e. the amounts that the Group and the banks have agreed to exchange in euros in exchange for paying or receiving certain amounts in foreign currencies, classified by maturity, and, on the other, the fair values of the currency forwards, grouped together as other financial assets or liabilities, and their impact, net of taxes, on equity. Also indicated is the range of exchange rates and the nominal amounts in foreign currency arranged.

The detail of the currency forwards arranged at 31 December 2017 is as follows:

	Thousands of euros						Foreign currency/ euro	Nominal amount in foreign currency
	Nominal amount	Maturity		Fair values included in:				
		Within three months	After three months	Other financial assets	Other financial liabilities	Impact on profit or loss	Range of exchange rates	
Derivatives not considered as hedges for accounting purposes at the Group's discretion								
Future US dollar purchases against euros	49,001	49,001	-	-	(221)	(166)	1.1952-1.1965	58,598
Future US dollar sales against euros	11,044	11,044	-	-	(48)	(36)	1.2095	13,358
Future Norwegian krone purchases against euros	2,520	2,520	-	21	-	16	9.9215	25,000,000
Future Mexican peso sales against euros	801,088	801,088	-	38,351	-	28,763	22.0525-23.1955	18,468,618
Future Peruvian sol sales against euros	416,000	416,000	-	1,411	-	1,058	3.8986-3.9315	1,631,838
Future Czech koruna purchases against euros	3,323	3,323	-	6				
Total	1,282,976	1,282,976	-	39,789	(269)	29,639		

The column "Impact on Profit or Loss" includes the gains or losses net of tax attributable to the Group and to non-controlling interests corresponding to the measurement of the foreign currency derivatives outstanding at 31 December of each year, the changes in which are recognised in the consolidated statement of profit or loss since they do not qualify for hedge accounting.

The detail of the currency forwards arranged at 31 December 2016 is as follows:

	Thousands of euros						Foreign currency/ euro	Nominal amount in foreign currency
	Nominal amount	Maturity		Fair values included in:				
		Within three months	After three months	Other financial assets	Other financial liabilities	Impact on profit or loss	Range of exchange rates	
Derivatives not considered as hedges for accounting purposes at the Group's discretion								
Future US dollar purchases against euros	18,051	18,051	-	12	(145)	(100)	1.047-1.1702	18,899
Future US dollar sales against euros	65,410	64,933	477	227	(668)	(329)	1.0446-1.127	69,505
Future Mexican peso purchases against US dollars	461	461	-	-	(5)	(4)	21.682	10,000
Future Norwegian krone purchases against euros	2,203	2,203	-	-	(2)	(1)	9.0774	20,000
Future Mexican peso sales against euros	17,089	1,094	15,995	1,450	(1)	1,013	19.7925-22.54	348,122
Future Norwegian krone sales against euros	6,775	6,775	-	65	-	49	9.0034	61,000
Future Turkish lira purchases against euros	389	389	-	-	(22)	(16)	3.5037-3.5357	1,370,846
Future Saudi riyal purchases against euros	4,962	4,962	-	93	-	70	4.0305	20,000
Total	115,340	98,868	16,472	1,847	(843)	682		

The changes in foreign currency derivatives in 2017 and 2016 were as follows:

	Thousands of euros		
	Balance sheet		Statement of profit or loss
Total - 2015		(4,414)	(4,781)
Changes in value in 2016		5,418	5,418
Fair value at 31/12/16		1,004	-
In other financial assets	1,847		-
In other financial liabilities	(843)		-
2016 derecognitions/cancellations		-	(2,720)
Total - 2016		1,004	2,698
Changes in value in 2017		39,612	39,612
Fair value at 31/12/17		39,520	-
In other financial assets	39,789		-
In other financial liabilities	(269)		-
2017 derecognitions/cancellations		-	(5,648)
Total - 2017		39,520	33,964

The impact recognised in profit or loss as a result of the recognition of foreign currency derivatives, amounting to EUR 33,964 thousand in 2017 (31 December 2016: EUR 2,698 thousand), is included under "Net Gains (Losses) on Remeasurement of Financial Instruments at Fair Value" in the consolidated statement of profit or loss, the detail being as follows:

	Thousands of euros	
	2017	2016
Changes in value	39,812	5,418
Derecognitions and cancellations	(5,848)	(2,720)
Total	33,964	2,698

Interest rate derivatives

The Group arranges interest rate swaps and interest rate options to mitigate the variability of borrowing costs.

In the financing of concession projects, the use of interest rate derivatives normally forms part of the requirements imposed by the financing banks. The purpose of these derivatives is to limit the possible impact that future changes in interest rates could have on the borrowing costs of the projects if the financing continued to bear interest at floating rates.

The following table shows in thousands of euros the notional amounts of the interest rate derivatives of the fully consolidated companies at 31 December 2017, which are the amounts on the basis of which the interest will be settled, grouped together by settlement currency and classified based on their final expiry date, together with the fair values of the derivatives, grouped together as other financial assets or other financial liabilities, and their impact, net of taxes, on equity. Also indicated is the range of interest rates.

Thousands of euros									
		Final expiry date of the derivatives				Fair values included in			
Settlement currency	Notional amount	Within one year	One to five years	Five to ten years	After ten years	Other financial assets	Other financial liabilities	Impact on equity	Range of annual interest rates
Derivatives considered for accounting purposes to be cash flow hedges									
Euro	70,730	-	-	70,730	-	-	(1,565)	(1,127)	1.32%
Czech koruna	19,454	-	-	19,454	-	-	(414)	(335)	2.14%
Subtotal	90,184	-	-	90,184	-	-	(1,979)	(1,462)	

In 2017 EUR (389) thousand were recognised under "Net Gains (Losses) on Remeasurement of Financial Instruments at Fair Value" in the consolidated statement of profit or loss, with a net impact on equity of EUR (280) thousand, since one of the derivatives was considered to be ineffective.

The detail of the expiry dates of the notional amounts of the fully consolidated companies at 31 December 2017, by settlement currency, is as follows:

Settlement currency	Thousands of euros						
	2018	2019	2020	2021	2022	Subsequent years	Total
Euro	-	1,197	1,494	1,701	1,893	64,445	70,730
Czech koruna	2,460	2,683	2,683	2,683	2,683	6,262	19,454
Total	2,460	3,880	4,177	4,384	4,576	70,707	90,184

Following is a detail of the years in which the derivatives considered for accounting purposes to be cash flow hedges are expected to affect the profit or loss for the year.

Settlement currency	Thousands of euros			
	Within one year	One to five years	After five years	Total
Euro	(1,193)	(2,500)	2,846	(847)
Czech koruna	(164)	(159)	(12)	(335)
Total	(1,357)	(2,659)	2,834	(1,182)

The detail of the interest rate derivatives of the fully consolidated companies arranged at 31 December 2016 is as follows:

Settlement currency	Thousands of euros								
	Notional amount	Final expiry date of the derivatives				Fair values included in		Impact on equity	Range of annual interest rates
		Within one year	One to five years	Five to ten years	After ten years	Other financial assets	Other financial liabilities		
Derivatives considered for accounting purposes to be cash flow hedges									
Euro	285,460	-	80,606	141,860	63,014	-	(45,014)	(33,928)	0.339-6.2 %
Mexican peso	396,527	-	47,248	349,281	-	14,629	-	10,240	4.45-11.75 %
Chilean peso	5,220	5,220	-	-	-	-	(335)	(255)	5.45%
US dollar	52,755	-	-	52,755	-	-	(3,659)	(2,580)	2.47-3.865 %
Czech koruna	20,920	-	-	20,920	-	-	(1,400)	(1,134)	2.14%
Subtotal	760,902	5,220	127,852	564,816	63,014	14,629	(50,408)	(27,657)	
Derivatives not qualifying for hedge accounting									
Mexican peso	47,246	-	47,246	-	-	841	-	(500)	9.00%
Subtotal	47,246	-	47,246	-	-	841	-	(500)	
Total	808,148	5,220	175,098	564,816	63,014	15,470	(50,408)	(28,157)	

The column "Impact on Equity" shows the valuation of the derivatives of the fully consolidated companies outstanding at 31 December 2017 and 2016. This column shows the gains or losses and valuation adjustments attributable to the OHL Group and the impact on non-controlling interests.

In addition, at 31 December 2017 there were interest rate derivatives the value of which is recognised under "Non-Current Assets Classified as Held for Sale" for EUR 14,538 thousand and under "Liabilities Associated with Non-Current Assets Classified as Held for Sale" for EUR (21,249) thousand, and whose impact on equity at 31 December 2017 was EUR (6,949) thousand (see Note 3.8.).

In the case of interest rate derivatives arranged by companies in which the Group holds ownership interests of 50% or less, the amount recognised under "Investments Accounted for Using the Equity Method" in the consolidated balance sheet and the impact on equity at 31 December 2017 amounted to EUR (8,950) thousand (31 December 2016: EUR (11,635) thousand). The negative impact on equity is limited, in the case of the investees less than 50% owned by the Group, to the value of the Group's ownership interest.

The following table summarises the impact on equity arising from the changes in the interest rate derivatives of the fully consolidated companies:

	Thousands of euros
Accumulated impact on equity at 1 January 2016	(116,990)
Income and expense recognised directly in equity in 2016	40,108
Transfers to the consolidated statement of profit or loss in 2016	26,314
Accumulated impact on equity at 31 December 2016	(50,568)
Income and expense recognised directly in equity in 2017	7,821
Transfers to the consolidated statement of profit or loss in 2017	14,070
Accumulated impact on equity at 31 December 2017	(28,677)

The impact on the profit or loss attributable to the Parent in the consolidated statement of profit or loss relates mainly to the amounts transferred from equity, since all the interest rate derivatives (except for the interest rate options) were accounted for as cash flow hedges and, consequently, the related changes in value are recognised in equity under "Valuation Adjustments".

The impact of the interest rate options that do not qualify for hedge accounting on the profit or loss attributable to the Parent in the consolidated statement of profit or loss is direct and does not need to be recognised first under "Valuation Adjustments" in the consolidated balance sheet.

At 31 December 2017, the impact recognised in the consolidated statement of profit or loss as a result of the recognition of the interest rate options, for a gross amount of EUR (561) thousand (2016: EUR 570 thousand), was included under "Profit for the Year from Discontinued Operations, Net of Taxes".

The breakdown of "Net Gains (Losses) on Remeasurement of Financial Instruments at Fair Value" in the case of the interest rate derivatives of the fully consolidated companies is as follows:

	Thousands of euros
Changes in value in 2016	-
Derecognitions and cancellations in 2016	(5,795)
Total - 2016	(5,795)
Changes in value in 2017	-
Derecognitions and cancellations in 2017	(389)
Total - 2017	(389)

Sensitivity analysis

A sensitivity analysis involves the measurement of the effect that interest rates, exchange rates and/or share prices other than those existing on the market at the measurement date would have had.

The sensitivity analysis of exchange rates focused on the foreign currency derivatives of the fully consolidated companies outstanding at the date of the analysis, simulating a 10% increase in the value of the foreign currencies vis-à-vis the euro with respect to the rates in force at 31 December 2017 and 2016. The result of this analysis is as follows:

	Thousands of euros			
	2017		2016	
	Fair value	Impact on equity	Fair value	Impact on equity
Mexican peso	106,354	74,448	2,796	1,957
US dollar	(4,651)	(3,255)	3,782	2,647
Peruvian sol	38,715	29,423	-	-
Norwegian krone	(210)	(147)	473	355
Saudi riyal	-	-	(367)	(275)
Turkish lira	-	-	(64)	(48)
Total	140,208	100,469	6,620	4,636

If the sensitivity analysis were performed simulating a 10% decrease in the value of the foreign currencies vis-à-vis the euro with respect to the rates in force at 31 December 2017 and 2016, the impact would be as follows:

	Thousands of euros			
	2017		2016	
	Fair value	Impact on equity	Fair value	Impact on equity
Mexican peso	(43,879)	(30,715)	(206)	(144)
US dollar	5,184	3,636	(5,897)	(4,128)
Peruvian sol	(43,790)	(33,280)	-	-
Norwegian krone	303	212	(437)	(328)
Saudi riyal	-	-	654	491
Turkish lira	-	-	21	16
Total	(87,172)	(60,147)	(5,865)	(4,093)

The table below shows the difference in the fair value of the interest rate derivatives and equity of the fully consolidated companies with respect to the data presented had interest rates been 0.20% higher or lower than those prevailing in the market at 31 December 2017 and 2016.

	Thousands of euros			
	2017		2016	
	Fair value	Impact on equity	Fair value	Impact on equity
Euro	1,295	933	1,411	1,016
Czech koruna	151	122	195	158
Total	1,446	1,055	1,606	1,174

3.19.- Provisions

Long-term provisions

The changes in "Long-Term Provisions" in 2017 were as follows

	Balance at 31 December 2016	Charge for the year	Amounts used	Exchange differences and interest cost	Transfers (*)	Balance at 31 December 2017
Provisions for the major maintenance, retirement or refurbishment of non-current assets	121,495	31,645	(18,172)	(4,131)	(130,837)	-
Provisions for taxes	9,312	351	-	-	-	9,663
Provisions for litigation and third-party liability	63,888	6,632	(29,341)	(965)	-	40,214
Other provisions	4,657	1,542	(2,517)	(210)	(3,227)	245
Total	199,352	40,170	(50,030)	(5,306)	(134,064)	50,122

(*) The transfers relate to long-term provisions of the companies in the discontinued Concessions business line

The provisions for the major maintenance, retirement or refurbishment of non-current assets correspond to the concession operators and, in accordance with IFRIC 12, they cover contractual obligations to restore the infrastructure to a specified level of serviceability, pursuant to the terms and conditions of the licences or services, before it is handed over to the grantor in a specified condition at the end of the service arrangement. Accordingly, provisions are set up for major maintenance work on the stretches of road, based on the estimates of the cost thereof, on a straight-line basis from when the last maintenance work was carried out. These provisions were transferred to "Liabilities Associated with Assets Classified as Held for Sale" since they corresponded in full to companies in the discontinued Concessions business line (see Note 1.3).

The provisions for litigation and third-party liability arise due to the obligations of an indeterminate amount, in respect of lawsuits and/or arbitral proceedings in progress and indemnity payments.

The detail of the projected schedule of the outflows of economic benefits relating to the long-term provisions at 31 December 2017 is as follows:

	Thousands of euros					
	2019	2020	2021	2022	Subsequent years	Total
Provisions for taxes	8,063	1,600	-	-	-	9,663
Provisions for litigation and third-party liability	22,316	3,740	1,305	3,166	9 687	40,214
Other provisions	245	-	-	-	-	245
Total	30,624	5,340	1,305	3,166	9,687	50,122

Both the provisions and the schedule are reviewed at the end of each reporting period, as required by IAS 37.59, with particular attention paid to the provisions for litigation and third-party liability in relation to which both the related risks and uncertainties are analysed.

Short-term provisions

The detail of "Short-Term Provisions" at 31 December 2017 is as follows:

	Thousands of euros						
	Balance at 31 December 2016	Additions and disposals due to changes in the scope of consolidation and reclassifications	Charge for the year	Amounts used	Exchange differences and interest cost	Transfers to liabilities associated with non-current assets classified as held for sale	Balance at 31 December 2017
Provisions for the major maintenance, retirement or refurbishment of non-current assets	3,345	-	3 311	(2,827)	(2)	(3,827)	-
Provisions for project completion	57,116	-	33,470	(32,965)	(41)	(3,131)	54,449
Provisions for management and other fees	54,041		4,514	(2,705)	(5,226)	-	50,624
Provisions for other transactions	183,728	(34,084)	101,717	(117,276)	(3,257)	(10,527)	120,301
Total	298,230	(34,084)	143,012	(155,773)	(8,526)	(17,485)	275,374

"Provisions for Other Transactions", which correspond primarily to the Group's construction companies, includes deferrals of expenses and costs and losses on construction projects. These amounts considered individually are of scant significance and correspond to numerous contracts.

3.20.- Other liabilities

The detail of "Other Non-Current Liabilities" and "Other Current Liabilities" in the consolidated balance sheets as at 31 December 2017 and 2016 is as follows:

	Thousands of euros			
	2017		2016	
	Non-current	Current	Non-current	Current
Payable to associates	-	88,998	-	97,511
Remuneration payable	-	30,283	-	25,940
Tax payables (Note 3.21.)	-	88,762	-	137,106
Other non-trade payables	15,853	22,717	165,905	101,841
Guarantees and deposits received	14	2,610	8	1,489
Other	-	321	-	3,746
Total	15,867	233,691	165,913	367,633

The detail of "Other Non-Trade Payables" at 31 December 2017 and 2016 is as follows:

	Thousands of euros			
	2017		2016	
	Non-current	Current	Non-current	Current
Payable for property, plant and equipment purchases	4,752	8,826	24,831	17,180
Payable for financial instrument purchases	1,500	-	8,677	64,000
Other	9,601	13,891	132,397	20,661
Total	15,853	22,717	165,905	101,841

The main change in the current payables for financial instrument purchases relates to the transfer to "Liabilities Associated with Non-Current Assets Classified as Held for Sale" of the balances relating to the companies in the discontinued Concessions business line.

3.21.- Tax matters

Consolidated tax group

The Group files consolidated tax returns in both Spain and the US for all the companies that meet the related requirements. All the other companies file individual tax returns.

Accounting for taxes

The income tax expense of the consolidated Group is obtained by aggregating the income tax expense of the consolidated tax groups and of the companies that file individual income tax returns.

The tax bases are calculated on the basis of the profit or loss for the year adjusted by temporary differences, permanent differences and prior years' tax losses.

The tax effect of temporary differences between transactions recognised in the accounting records and reported in the income tax return using different criteria gives rise to deferred tax assets and liabilities that will be recoverable or payable in the future.

Tax losses, if recognised, also give rise to deferred tax assets that will reduce the expense for subsequent years.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the assets are realised or the liabilities are settled.

Deferred tax assets are only recognised when there are no doubts that there will be sufficient taxable profits in the future against which to charge these temporary differences.

When the closing is performed for tax purposes each year, the deferred tax balances are reviewed in order to ascertain whether they still exist and the appropriate adjustments are made so as to adapt the balances to the new situation.

Reconciliation of the accounting loss to the tax loss

The reconciliation of the consolidated accounting loss for the year to the tax loss for income tax purposes is as follows:

	Thousands of euros	
	2017	2016
Consolidated loss for the year from continuing operations before tax	**(224,815)**	**(889,669)**
Profit for the year from discontinued operations	693,863	811,361
Permanent differences	169,687	(313,915)
Temporary differences	(697,534)	(584,152)
Offset of prior years' tax losses	(211,668)	(44,347)
Tax loss	(270,467)	(1,020,702)

The reconciliation of the accounting loss from continuing operations to the income tax benefit for 2017 is as follows:

	2017
Consolidated loss for the year from continuing operations before tax	**(224,815)**
Result of companies accounted for using the equity method, net of tax	45,452
Other permanent differences	5,095
Unrecognised tax losses offset in the year	(5,565)
Tax losses not recognised in the year as tax assets	180,774
Base for calculating period income tax expense	**941**
Current income tax benefit	(1,066)
Tax credits and tax relief	-
Prior years' adjustments and other adjustments	(6,222)
Income tax benefit relating to continuing operations	(7,288)

The permanent differences relate mainly to the result of companies accounted for using the equity method -EUR 45,452 thousand- and the remainder -EUR 5,095 thousand- relate to:

- Expenses not considered to be deductible for tax purposes such as fines and donations or finance costs exceeding 30% of profit from operations.

- Profits or losses obtained abroad by branches and unincorporated temporary joint ventures (UTEs).
- The recognition and use of provisions.
- Tax withholdings paid abroad.
- The elimination of dividends and impairment losses on investments.

Income tax and tax rate

Income tax is calculated using the tax rates in force in each country in which the Group operates: The main rates are:

Country	2017	2016
Spain	25.0%	25.0%
Saudi Arabia	20.0%	20.0%
Australia	30.0%	30.0%
Algeria	23.0%	23.0%
Argentina	35.0%	35.0%
Bulgaria	10.0%	10.0%
Canada	26.5%	26.5%
Chile	25.5%	24.0%
Colombia	34.0%	34.0%
US	38.6%	38.6%
Jordan	14.0%	14.0%
Kuwait	15.0%	15.0%
Mexico	30.0%	30.0%
Peru	29.5%	28.0%
Poland	19.0%	19.0%
Qatar	10.0%	10.0%
Czech Republic	19.0%	19.0%
Slovakia	21.0%	22.0%
Turkey	20.0%	20.0%
Vietnam	20.0%	20.0%

The income tax benefit of EUR 7,288 thousand comprises:

- EUR 14,884 thousand relating to the tax income recognised by the companies forming part of the Spanish tax group; the amount recognised in 2017 includes the amount corresponding to their branches abroad.
- EUR (37,351) thousand relating to the expense recognised by the Spanish and foreign companies that do not form part of the Spanish tax group.
- EUR 29,755 thousand relating to the income arising from consolidation adjustments, due mainly to the sale of investments without the loss of control.

In addition to the income tax benefit for 2017, EUR (2,240) thousand were recognised directly in equity, relating to the change in value of derivative financial instruments.

Deferred taxes and tax losses

The changes in deferred tax assets were as follows:

	Thousands of euros
Balance at 1 January 2016	624,062
Increases	83,503
Decreases	(52,490)
Transfers (*)	(32,961)
Balance at 31 December 2016	622,114
Increases	36,275
Decreases	(74,470)
Transfers (*)	(318,863)
Balance at 31 December 2017	265,056

(*) Corresponds to transfers to "Non-Current Assets Classified as Held for Sale and Discontinued Operations"

The detail of the changes in deferred tax assets is as follows:

	Thousands of euros 2017						
	Balance at 31/12/16	Changes in the scope of consolidation	Charge/credit to profit or loss	Charge/credit to equity – Hedging instruments	Exchange rate effect	Transfers and other	Balance at 31/12/17
Tax assets	**403,822**	**(2,896)**	**6,375**	**-**	**(31,870)**	**(239,462)**	**135,969**
Tax loss carryforwards	400,527	(2,896)	6,375	-	(31,870)	(239,462)	132,674
Tax credits	3,295	-	-	-	-	-	3,295
Temporary differences	**218,292**	**(6,135)**	**18,377**	**(2,347)**	**(8,383)**	**(88,717)**	**129,087**
Total deferred tax assets	622,114	(11,031)	24,752	(2,347)	(40,253)	(328,179)	265,056

	Thousands of euros 2016						
	Balance at 31/12/15	Changes in the scope of consolidation	Charge/credit to profit or loss	Charge/credit to equity – Hedging instruments	Exchange rate effect	Transfers and other	Balance at 31/12/16
Tax assets	**396,224**	**9,041**	**56,240**	**-**	**(31,906)**	**(25,777)**	**403,822**
Tax loss carryforwards	393,574	9,041	55,595	-	(31,906)	(25,777)	400,527
Tax credits	2.650	-	645	-	-	-	3,295
Temporary differences	**227,838**	**319**	**21,952**	**(14,932)**	**(9,701)**	**(7,184)**	**218,292**
Total deferred tax assets	624,062	9,360	78,192	(14,932)	(41,607)	(32,961)	622,114

The deductible temporary differences recognised at 2017 year-end, amounting to EUR 129,087 thousand, are due mainly to:

- The recognition and use of provisions, amounting to EUR 35,236 thousand.
- The difference in the timing of recognition of revenue relating to customer advances, amounting to EUR 23,348 thousand.

- The difference in the timing of recognition of construction costs, amounting to EUR 27,201 thousand.

In 2017 the Parent evaluated the recoverability of the deferred tax assets recognised within the Spanish tax group. In particular, the key hypotheses used for testing the recoverability of the tax assets assume the generation of margins in accordance with the current situation of the industry in Spain, in a financing environment similar to that currently prevailing. Based on the foregoing, no risk of recoverability of the Spanish tax group's tax assets was identified.

Also, for the other deferred tax assets a recoverability analysis was conducted based on the maintenance of the current key assumptions of the businesses, and no risk of recoverability within the expiry periods was identified.

The changes in deferred tax liabilities in 2017 and 2016 were as follows:

	Thousands of euros
Balance at 1 January 2016	1,211,376
Increases	83,137
Decreases	(39,261)
Transfers (*)	(8,918)
Balance at 31 December 2016	1,246,334
Increases	173,137
Decreases	(98,409)
Transfers (*)	(1,181,569)
Balance at 31 December 2017	139,493

(*) Corresponds to transfers to "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations"

The detail of the changes in deferred tax liabilities is as follows:

	Thousands of euros						
	2017						
	Balance at 31/12/16	Changes in the scope of consolidation	Charge/credit to equity Hedging instruments	Charge/credit to profit or loss	Exchange rate effect	Transfers and other	Balance at 31/12/17
Temporary differences	1,246,334	(14)	(107)	180,013	(101,423)	(1,185,310)	139,493
Total deferred tax liabilities	1,246,334	(14)	(107)	180,013	(101,423)	(1,185,310)	139,493

	Thousands of euros						
	2016						
	Balance at 31/12/15	Changes in the scope of consolidation	Charge/credit to equity Hedging instruments	Charge/credit to profit or loss	Exchange rate effect	Transfers and other	Balance at 31/12/16
Temporary differences	1,211,376	7,656	-	166,177	(129,957)	(8,918)	1,246,334
Total deferred tax liabilities	1,211,376	7,656	-	166,177	(129,957)	(8,918)	1,246,334

The taxable temporary differences recognised at 2017 year-end, amounting to EUR 139,493 thousand, relate mainly to:

- The adjustments made on consolidation of the financial statements, including most notably the allocations made to the assets and liabilities of the acquirees, increasing the value of the acquired assets by EUR 49,404 thousand on performance of the business combinations.
- The recognition and use of provisions, amounting to EUR 5,448 thousand.
- The difference in the timing of the depreciation and amortisation of non-current assets, amounting to EUR 15,667 thousand.
- The difference in the timing of recognition of revenue relating to "Trade Receivables for Amounts to be Billed for Work Performed", amounting to EUR 29,070 thousand.

The change in the US tax rate planned for 2018 did not have a significant effect on deferred taxes at 31 December 2017.

The Group companies' tax losses available for offset in future tax returns amount to EUR 1,580,438 thousand, the detail of which, by last year for offset, is as follows:

Year	Thousands of euros
2018	17,756
2019	19,947
2020	28,903
2021	51,942
2022	54,157
2023	38,743
2024	7,112
2025	16,076
2026	13,865
2027	308,488
2028	482
2029	-
2030	919
2031	901
2032	52
Unlimited	1,021,098
Total	1,580,438

In addition to these tax losses, at 31 December 2017 there were EUR 1,267,242 thousand of tax losses relating to companies belonging to the discontinued operations of the Concessions business line.

The Group companies have unused double taxation tax credits amounting to EUR 8,649 thousand, and tax credits for investment (reinvestment, R&D+i and other) amounting to EUR 26,550 thousand.

In addition to these tax credits, at 31 December 2017 there were EUR 23,141 thousand of tax credits relating to companies belonging to the discontinued operations of the Concessions business line.

Years open for review by the tax authorities

In general, the Group companies have all the tax returns filed in recent years for the taxes applicable to them open for review by the tax authorities.

On 5 July 2016, the Spanish tax authorities commenced general tax audits for 2011 to 2013 at the Parent and at OHL Concesiones, S.A. Since then these companies have furnished all the information requested of them, but no proposed regularisation had been formalised at the end of the year.

These audits are at a very preliminary stage, and all the required documentation has been produced.

Both the aforementioned audits and the tax audits of the years open for review that might be conducted by the tax authorities could give rise to certain contingent tax liabilities that cannot be objectively quantified. However, the Parent's directors consider that those liabilities would not be material.

Tax receivables and payables

The detail of "Tax Receivables" and "Tax Payables" at 31 December 2017 and 2016 is as follows:

	Thousands of euros			
	Current assets		Current liabilities	
	2017	2016	2017	2016
VAT	64,277	160,909	36,288	78,179
Other taxes	24,687	42,598	41 175	46,674
Social security taxes	686	859	11,299	12,253
Total	89,650	204,366	88,762	137,106

3.22.- Income and expenses

Revenue

The Group's revenue in 2017 amounted to EUR 3,216,351 thousand (2016: EUR 3,342,369 thousand). The detail, by business activity, geographical market and type of customer, is as follows:

Business activity	Thousands of euros		
	2017	2016	% change
Engineering and Construction	3,168,168	3,211,610	-1.4
Construction	2,660,695	2,773,571	-4.1
Industrial	269,788	243,629	10 7
Services	237,685	194,410	22.3
Development	48,183	130,759	-63.2
Total revenue	3,216,351	3,342,369	-3.8

Business activity, geographical market and customer	Thousands of euros					
	2017					
	Spain		Abroad		Total	
	Public sector	Private sector	Public sector	Private sector	Public sector	Private sector
Engineering and Construction	418,452	306,796	1,916,118	528,802	2,334,570	833,598
Construction	217,365	182,217	1,890,117	370,996	2,107,482	553,213
Industrial	1,058	89,856	25,314	153,560	26,372	243,416
Services	200,029	34,723	687	2,246	200,716	36,969
Development	-	3,946	-	44,237	-	48,183
Total revenue	418,452	310,742	1,916,118	571,039	2,334,570	881,781

Business activity, geographical market and customer	Thousands of euros 2016					
	Spain		Abroad		Total	
	Public sector	Private sector	Public sector	Private sector	Public sector	Private sector
Engineering and Construction	386,656	323,621	2,081,229	420,104	2,467,885	743,725
Construction	223,088	229.835	1,988,647	332,001	2,211,735	561,836
Industrial	1,312	61,963	92 493	87,861	93,805	149,824
Services	162,256	31,823	89	242	162,345	32,065
Development	-	3,781	-	126,978	-	130,759
Total revenue	386,656	327,402	2,081,229	547,082	2,467,885	874,484

Geographical market	Thousands of euros	
	2017	2016
US and Canada	1,116,528	1,304,156
Mexico	266,176	422,059
Chile	149,776	132,388
Peru	113,833	66,852
Colombia	93,786	63,189
Spain	729,193	720,795
Central and Eastern Europe	270,212	283,286
Other countries	476,847	349,644
Total revenue	3,215,351	3,342,369

Staff costs

The staff costs in 2017 amounted to EUR 839,321 thousand (2016: EUR 854,777 thousand).

"Staff Costs" includes EUR 32,172 thousand that correspond to the collective redundancy procedure, which gave rise to the termination of 381 job positions (see Note 2.6.21) at 31 December 2017. The collective redundancy procedure of OHL Industrial, S.L., which expires on 31 December 2018, has yet to be concluded.

Other operating expenses

The detail of "Other Operating Expenses" in the consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2017	2016
Outside services	376,965	304,251
Taxes other than income tax	18,799	25,531
Other current operating expenses	86,397	315,531
Total	482,161	645,313

Finance income

The detail of "Finance Income" in the consolidated statement of profit or loss is as follows.

	Thousands of euros	
	2017	2016
Interest income from other companies	35,527	24,705
Income from equity investments	4	4
Total	35,531	24,709

Finance costs

The detail of "Finance Costs" in the consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2017	2016
On the financing of current transactions	86,317	92,471
On finance leases and deferred price non-current asset purchases	135	601
Total	86,452	93,072

<u>Main disposals of investments in companies</u>

The most significant disposals of ownership interests in companies in 2017 were:

- The sale of 17.5% of Centro Canalejas Madrid, S.A. on 7 April 2017.
- The sale of 51% of the Mayakoba hotel companies and golf course on 24 April 2017 and the sale of a further 29% of two of the hotel companies (Fairmont and Rosewood) on 18 May 2017.

The following table details the amount recognised in each of the relevant headings in the consolidated statement of profit or loss as a result of these transactions in 2017.

	Centro Canalejas Madrid, S.A.	Mayakoba hotel companies and golf course	TOTAL
Sale price	78,750	186,973	265,723
<u>Impact on profit or loss</u>			
Exchange differences	-	38,255	38,255
Net gains (losses) on remeasurement of financial instruments at fair value	(1,799)	776	(1 023)
Result of companies accounted for using the equity method (remeasured)	-	(11,627)	(11 627)
Impairment and gains or losses on disposals of financial instruments	33,429	(24,660)	8,769
Total impact on profit or loss	31,630	2,744	34,374

The following table details the amount recognised in each of the relevant headings in the consolidated statement of profit or loss as a result of the main transactions in 2016.

	Construction concession operators	TOTAL
Sale price	142,000	142,000
Impact on profit or loss		
Net losses on remeasurement of financial instruments at fair value	(77,930)	(77,930)
Impairment and gains or losses on disposals of financial instruments	90,912	90,912
Total impact on profit or loss	12,982	12,982

Net gains (losses) on remeasurement of financial instruments at fair value

The detail of "Net Gains (Losses) on Remeasurement of Financial Instruments at Fair Value" in the consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2017	2016
Sale of hotel companies and golf course in Mayakoba	776	-
Sale of Centro Canalejas Madrid, S.A.	(1,799)	-
Interest rate derivatives	(389)	(5,795)
Treasury share derivatives	-	1,295
Derivatives associated with construction concession operators sold and previously accounted for using the equity method	-	(72,135)
Foreign currency derivatives	33,964	2,698
Total	32,552	(73,937)

Impairment and gains or losses on disposals of financial instruments

The detail of "Impairment and Gains or Losses on Disposals of Financial Instruments" in the consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2017	2016
Sale of hotel companies and golf course in Mayakoba	(24,660)	-
Sale of Centro Canalejas Madrid, S.A.	33,429	-
Impairment of Banco Popular, S.A. shares	(9,999)	-
Sale of the construction concession operators	-	90,911
Other	(247)	8,204
Total	(1,477)	99,115

Transactions and balances in currencies other than the euro

The detail of the transactions performed by the Group companies in 2017 in currencies other than the euro, by currency and for the main operating income and expense items, translated to euros at the average exchange rates, is as follows:

	Thousands of euros			
Currency	Sales	Other income	Procurements	Other operating expenses
Czech koruna	177,117	417	170,256	20,542
Algerian dinar	21,510	788	6,486	7,268
Kuwaiti dinar	22,230	387	-	7,325
Canadian dollar	9,315	662	-	8,017
US dollar	1,283,205	15,889	927,532	93,572
Chilean peso	149,165	6,902	101,106	31,985
Colombian peso	89,727	3,407	56,498	16,280
Mexican peso	185,871	52,021	128,219	55,322
Saudi riyal	40,862	10,226	24,942	34,916
Qatari riyal	-	-	-	4,051
Peruvian sol	43,772	1,518	20,262	12,468
Polish zloty	13,545	937	3,705	1,345
Other currencies	189,245	5,709	201,115	26,338
Total	2,225,564	98,863	1,640,119	319,429

The detail of the balances receivable in currencies other than the euro at 31 December 2017 and 2016, by currency and for the main asset items in the consolidated balance sheets, translated to euros at the year-end exchange rates, is as follows:

Currency	Thousands of euros		
	2017		
	Non-current financial assets	Current financial assets	Trade and other receivables
Czech koruna	1,738	-	52,522
Algerian dinar	-	-	70,987
Kuwaiti dinar	70	-	35,187
Canadian dollar	321,334	99	12,822
US dollar	5,434	39,005	367,542
Chilean peso	54 498	-	120,452
Colombian peso	-	2	15,605
Mexican peso	25,186	-	118,085
Saudi riyal	2,211	33,352	80,138
Qatari riyal	100,038	-	360,570
Peruvian sol	-	13	25,680
Polish zloty	-	-	2,149
Other currencies	1,449	160	72,953
Total	511,958	72,631	1,334,692

Currency	Thousands of euros		
	2016		
	Non-current financial assets	Current financial assets	Trade and other receivables
Czech koruna	9,641	-	36,373
Algerian dinar	-	-	51,460
Kuwaiti dinar	-	-	45,642
Canadian dollar	30,170	105	20,649
US dollar	1 861	44,502	382,315
Chilean peso	21 701	5 808	137,504
Colombian peso	51 229	1	18,234
Mexican peso	5,190 680	180,892	187,922
Saudi riyal	2 686	26,825	107,518
Qatari riyal	137 365	-	483,633
Peruvian sol	96	13,379	44,915
Polish zloty	-	-	4,155
Other currencies	182	818	70,763
Total	5,445,611	272,328	1,591,283

The detail of the balances payable in currencies other than the euro at 31 December 2017 and 2016, by currency and for the main liability items in the consolidated balance sheets, translated to euros at the year-end exchange rates, is as follows:

Currency	Thousands of euros				
	2017				
	Bank borrowings	Debt instruments and other marketable securities	Other financial liabilities	Trade and other payables	Other current and non-current liabilities
Czech koruna	783	-	1,256	33,328	11,200
Algerian dinar	-	-	-	12,481	8,168
Kuwaiti dinar	-	-	-	73,408	-
Canadian dollar	-	-	-	6,131	870
US dollar	2,512	-	-	404,143	32,633
Chilean peso	55,140	-	1,574	83,503	5,160
Colombian peso	-	-	-	58,407	984
Mexican peso	5,107	-	-	90,079	15,682
Saudi riyal	-	-	-	36,040	1,430
Qatari riyal	-	-	-	51,629	28
Peruvian sol	-	-	-	29,708	2,141
Polish zloty	-	-	-	2,021	43
Other currencies	1	-	-	97,062	24,050
Total	63,543	-	2,830	977,940	102,387

Currency	Thousands of euros				
	2016				
	Bank borrowings	Debt instruments and other marketable securities	Other financial liabilities	Trade and other payables	Other current and non-current liabilities
Czech koruna	5,551	-	2,645	40,345	14,630
Algerian dinar	-	-	-	15,841	5,146
Kuwaiti dinar	-	-	-	91,042	-
Canadian dollar	-	-	-	7,791	160
US dollar	118,404	-	120	469,995	29,839
Chilean peso	59,290	-	4,653	73,411	26,748
Colombian peso	37,920	-	-	65,124	4,034
Mexican peso	798,396	744,294	-	193,804	102,965
Saudi riyal	-	-	-	41,593	1,858
Qatari riyal	18,293	-	-	65,616	390
Peruvian sol	2,205	-	3,659	51,567	1,623
Polish zloty	-	-	4	5,286	128
Other currencies	-	-	-	137,275	5,449
Total	1,040,060	744,294	11,081	1,258,690	192,972

Consolidated loss attributable to the Parent

The detail of the contribution of each subsidiary to the consolidated loss attributable to the Parent for 2017 and 2016 is as follows:

Companies	Thousands of euros	
	2017	2016
Obrascón Huarte Lain, S.A.	(127,918)	(497,740)
Abertis Infraestructuras, S.A.	-	47,187
Autopista Urbana Norte, S.A. de C.V.	84,604	58,487
Cercanías Móstoles Navalcarnero, S.A.	-	(34,240)
Concesionaria Mexiquense, S.A. de C.V.	112,049	96,845
Controladora Vía Rápida Poetas, S.A.P.I. de C.V.	24,748	16,253
Health Montreal Collective CJV, L.P.	(2,481)	(149,383)
Metro Ligero Oeste, S.A.	-	49,568
Obrascón Huarte Lain Construcción Internacional, S.L.	(14,500)	(12,940)
Obrascón Huarte Lain, Desarrollos, S.L.	(20,762)	(11,562)
OHL Arabia, LLC	(8,261)	(9,178)
OHL Concesiones, S.A.	(30,498)	(85,578)
OHL Construction Canada and FCC Canada Limited Partnership	(26,741)	(1,780)
OHL Construction Canada, Inc.	(28,998)	(8,069)
OHL Emisiones, S.A.U.	(18,537)	274,385
OHL Industrial, S.L.	(29,475)	(50,253)
OHL USA, Inc.	(6,879)	(66,864)
OHL ZS, a.s.	(17,692)	(43,527)
OHLDM, S.A. de C.V.	41,390	-
Viaducto Bicentenario, S.A. de C.V.	54,878	38,320
Other	2,997	(42,069)
Total	(12,076)	(432,338)

3.23.- Consolidated statement of cash flows

The consolidated statement of cash flows was prepared in accordance with IAS 7.

One of the most noteworthy aspects is that it is unaffected by changes in the exchange rates against the euro of the currencies with which the Group operates.

Also, the pertinent classifications have been made in order to properly show the changes due to inclusions in and exclusions from the scope of consolidation.

The following aspects are worthy of mention in relation to each of the main sections of the consolidated statement of cash flows:

Cash flows from operating activities

"Cash Flows from Operating Activities" amounted to EUR (158,343) thousand in 2017, and it should be noted that:

The consolidated loss before tax for 2017 amounted to EUR (224,815) thousand.

The detail of "Other Adjustments to Loss" is as follows:

	Thousands of euros	
	2017	2016
Changes in provisions and allowances	2,803	29,436
Financial loss	46,626	34,757
Result of companies accounted for using the equity method	45,452	148,895
Total	94,881	213,088

The changes in working capital amounting to EUR (185,851) thousand relate mainly to the changes in "Trade and Other Payables".

Cash flows from investing activities

"Cash Flows from Investing Activities" amounted to EUR 41,519 thousand in 2017.

Payments due to investment amounted to EUR (189,787) thousand.

Notable among the proceeds from disposal, which amounted to EUR 279,379 thousand, are those from the partial sale of the hotel companies and golf course in Mayakoba.

Cash flows from financing activities

"Cash Flows from Financing Activities", amounting to EUR (58,464) thousand in 2017, include most notably:

Following the aforementioned transactions, and taking into consideration the impact of exchange rates, cash and cash equivalents at the end of the year amounted to EUR 434,210 thousand.

4.- OTHER DISCLOSURES

4.1.- Segment reporting

An operating segment is defined in the relevant IFRS as one having a segment manager who is directly accountable to and maintains regular contact with the chief operating decision maker to discuss operating activities, financial results, forecasts, or plans for the segment. The IFRS also states that if those characteristics apply to more than one set of components of an organisation but there is only one set for which segment managers are held responsible, that set of components constitutes the operating segments.

The Group considers that the segmentation that best represents it is that based on the various business areas in which it operates, the detail being as follows:

- Concessions (discontinued operation (see Note 1.3.))
- Engineering and Construction
  Construction
  Industrial
  Services
- Development

Basic information about these segments in 2017 and 2016 is presented below.

	Thousands of euros						
	2017						
	Concessions	Engineering and Construction				Development	Total Group
		Construction	Industrial	Services	Total Engineering and Construction		
Revenue	-	2,660,695	269,788	237,685	3,168,168	48,183	3,216,351
Inter-segment revenue	-	85,157	2,682	-	87,839	-	87,839
EBITDA	-	54,896	(40,530)	3,644	18,010	1,980	(56,539)
As a percentage of revenue	-	1.1%	-15.0%	1.5%	0.6%	4.1%	-1.8%
Depreciation and amortisation charge	-	(65,767)	(4,062)	(2,742)	(72,571)	(3,627)	(76,198)
EBIT	-	(10,871)	(44,592)	902	(54,561)	(1,647)	(132,737)
As a percentage of revenue	-	-0.4%	-16.5%	0.4%	-1.7%	-3.4%	-4.1%
Concession infrastructure	-	66,294	-	-	66,773	-	66,773
Current assets	-	2,252,143	286,227	78,715	2,416,881	51,387	10,543,232
Current liabilities	-	2,646,722	342,856	74,159	2,853,292	239,152	6,901,135
Total assets	-	3,093,694	323,026	89,673	3,442,845	454,461	12,208,485
Total liabilities	-	2,828,671	350,700	77,312	3,941,807	274,759	8,025,257
Cash flows from operating activities (*)	-	(11,341)	(104,752)	8,479	(217,951)	(10,359)	(228,310)
Changes in net borrowings(*)	108,224	79,546	98,351	(3,485)	272,216	(170,543)	209,897
Cash flows from investing activities (*)	(108,224)	(68,205)	6,401	(4,994)	(54,265)	180,902	18,413

(*) Calculated using internal criteria, which in certain cases differ from those in IAS 7.
The Concessions business was discontinued in 2017 and does not contribute the profit and loss and balance sheet figures which appear in this table

	Thousands of euros 2016						
	Concessions	Engineering and Construction				Development	Total Group
		Construction	Industrial	Services	Total Engineering and Construction		
Revenue	-	2,773,571	243,629	194,410	3,211,610	130,759	3,342,369
Inter-segment revenue	-	58,409	4,911	-	63,320	-	63,320
EBITDA	-	(43,739)	(43,288)	2,513	(84,513)	28,402	(576,311)
As a percentage of revenue	-	-1.6%	-17.8%	1.3%	-2.6%	21.7%	-17.2%
Depreciation and amortisation charge	-	(98,102)	(18,585)	(654)	(117,340)	(12,366)	(129,706)
EBIT	-	(141,841)	(61,872)	1,859	(201,854)	16,037	(706,017)
As a percentage of revenue	-	-5.1%	-25.4%	1.0%	-6.3%	12.3%	-21.1%
Concession infrastructure	-	52,664	-	-	53,266	-	6,439,634
Current assets	-	2,460,651	266,524	75,399	2,768,375	519,357	4,331,279
Current liabilities	-	2,858,856	362,147	66,914	2,851,927	634,037	3,423,547
Total assets	-	3,395,189	311,388	79,787	3,881,851	889,006	12,920,346
Total liabilities	-	3,161,273	382,890	67,248	4,252,385	669,677	8,877,453
Cash flows from operating activities (*)	-	(102,655)	(29,802)	(6,943)	(315,697)	(5,792)	(183,411)
Changes in net borrowings(*)	(322,422)	248,052	24,451	5,355	577,654	38,230	299,494
Cash flows from investing activities (*)	322,422	(145,397)	5,351	1,588	(261,957)	(32,438)	(116,083)

(*) Calculated using internal criteria, which in certain cases differ from those in IAS 7
The Concessions business was discontinued in 2017, and the related figures for 2016 were restated. Accordingly, it does not contribute the profit and loss and balance sheet figures which appear in this table.

The secondary segments -the geographical areas in which the Group companies operate on a lasting basis, since they have local structures- are the US and Canada, Mexico, Chile, Peru, Colombia, Spain and Central and Eastern Europe. The Group is also present in other countries, which are not currently considered to be local markets and are grouped together under "Other Countries".

	Thousands of euros								
	2017								
	US and Canada	Mexico	Chile	Peru	Colombia	Spain	Central and Eastern Europe	Other countries	Total Group
Revenue	1,116,528	266,176	149,776	113,833	93,786	729,193	270,212	476,847	3,216,351
EBITDA	33,977	43,084	(35,084)	11,886	5,167	(121,969)	(1,730)	8,130	(56,539)
As a percentage of revenue	3.0%	16.2%	-23.4%	10.4%	5.5%	-16.7%	-0.6%	1.7%	-1.8%
EBIT	4,319	37,349	(37,428)	7,129	3,694	(137,171)	(12,119)	1,490	(132,737)
As a percentage of revenue	0.4%	14.0%	-25.0%	6.3%	3.9%	-18.8%	-4.5%	0.3%	-4.1%
Profit (Loss) after tax (attributable to the Parent)	(61,768)	314,160	(19,663)	22,937	5,738	(188,860)	(12,121)	(72,499)	(12,076)
As a percentage of revenue	-5.5%	118.0%	-13.1%	20.1%	6.1%	-25.9%	-4.5%	-15.2%	-0.4%
Concession infrastructure	-	-	35	-	-	66,738	-	-	66,773
Year-end headcount	2,196	1,055	2,128	2,446	482	10,144	2,006	1,009	21,464
Short-term backlog	2,079,173	387,963	999,455	224,297	374,011	1,407,092	214,665	549,594	6,236,250
Long-term backlog	-	-	87,615	-	-	136,872	-	-	224,487
Total backlog	2,079,173	387,963	1,087,070	224,297	374,011	1,543,964	214,665	549,594	6,460,737

	Thousands of euros 2016								
	US and Canada	Mexico	Chile	Peru	Colombia	Spain	Central and Eastern Europe	Other countries	Total Group
Revenue	1,304,156	422,059	132,388	66,852	63,189	720,795	283,286	349,644	3,342,369
EBITDA	(39,932)	43,612	(49,684)	(3,178)	6,937	(127,822)	(27,142)	(379,102)	(576,311)
As a percentage of revenue	-3.1%	10.3%	-37.5%	-4.8%	11.0%	-17.7%	-9.6%	-108.4%	-17.2%
EBIT	(88,002)	31,189	(74,917)	(4,553)	8,221	208,667	(137,510)	(649,112)	(706,017)
As a percentage of revenue	-6.7%	7.4%	-56.6%	-6.8%	13.0%	28.9%	-48.5%	-185.6%	-21.1%
Profit (Loss) after tax (attributable to the Parent)	(227,388)	223,982	(58,932)	11,180	(788)	333,732	(128,081)	(586,043)	(432,338)
As a percentage of revenue	-17.4%	53.1%	-44.5%	16.7%	-1.2%	46.3%	-45.2%	-167.6%	-12.9%
Concession infrastructure	-	5,278,565	81,636	290,420	51,229	737,784	-	-	6,439,634
Year-end headcount	2,374	3,079	2,623	1,516	311	8,657	2,263	1,217	22,040
Short-term backlog	1,691,379	600,045	1,125,205	247,583	624,435	1,400,922	190,906	794,421	6,674,896
Long-term backlog	-	-	88,524	-	-	136,872	-	-	225,396
Total backlog	1,691,379	600,045	1,213,729	247,583	624,435	1,537,794	190,906	794,421	6,900,292

[redacted]

4.2.- Risk management policy

Risk management, as a strategic objective of the OHL Group, focuses on the implementation and maintenance of a reliable risk management system to be used as a management tool at all decision-making levels.

This system develops and implements a common set of processes, risk categories, and management tools and techniques in order to:

- Identify and manage risks at Group and divisional level.
- Implement integrated reporting, enabling the identification and follow-up of key risks.
- Align levels of risk tolerance with Group aims.
- Improve risk-related information and communications.
- Improve risk-response decisions.
- Integrate risk management into the decision-making process.
- Reduce the Group's vulnerability to adverse events.
- Establish and maintain a culture of raising risk awareness.
- Increase the confidence and assurance of the Board of Directors and of stakeholders that material risks are being managed and communicated on a timely basis.

The framework of the OHL Group's risk management process represents how the Group manages risk. The OHL Group manages risk on the basis of the following principles:

- Risk management is included in the main business processes such as planning or operational processes to ensure consistent risk analysis in decision-making.
- The OHL Group analyses and defines its ability to reduce, accept, share or avoid risks. This definition is aligned with and supports the Group's strategic and operational objectives and its declaration on risk tolerance.
- All the OHL Group's risks are identified, prioritised and evaluated, based on risk assessments and potential exposure, by appropriate personnel in the organisation.
- Each functional area and division is responsible for adopting and following the OHL Group Risk Management System. The risks identified are analysed in all divisions and are added together to ensure the adoption of a coordinated response to the most common risks within the Group.
- Each functional area and division carries out periodic reviews of its risk listing in order to update the status of existing risks and to identify emerging risks.
- Each functional area and division supports a culture of transparency, awareness-raising and open dialogue on risk. The OHL Group's Risk Management programme supports and helps facilitate regular debates on risk, corporate risk awareness and communication, and ongoing training on risk management.
- It is the responsibility of each division to proactively disseminate information on significant current or potential risks in a timely manner, and to ensure that risk management information is provided to the corresponding division management, the corporate risk management function or others as deemed appropriate.
- The OHL Group provides the necessary tools and resources to facilitate risk reporting, monitoring and measurement.

The OHL Group's risk management policy is reviewed annually to ensure that it remains in line with the interests of the Group and its stakeholders.

The OHL Group's Audit, Compliance and Corporate Social Responsibility Committee has the ultimate responsibility for ensuring that the commitments included in the risk management policy are up to date and fulfilled on an ongoing basis.

4.2.1 Financial risk management

Financial risks affect mainly the obtainment of the necessary financing when required and at a reasonable cost and the maximisation of the available financial resources. The most significant financial risks are as follows:

- Interest rate risk.
- Foreign currency risk.
- Credit risk.
- Liquidity risk.
- Risk relating to financial instruments associated with the Parent's shares.

Interest rate risk

Interest rate fluctuations change the future flows from assets and liabilities tied to floating interest rates.

This interest rate risk is particularly important in relation to the financing of infrastructure projects and other projects in which project profitability depends on possible changes in interest rates because it is directly linked to project cash flows.

The Group finances its operations using fixed- or floating-rate financial products and, based on estimates of the trend in interest rates and of debt structure targets, it either performs hedging transactions by arranging derivatives to mitigate these risks, also conducting a sensitivity analysis in this connection, or it arranges fixed-rate financing.

Of the Group's total gross debt at 31 December 2017, 3.1% had been hedged while 58.9% was bearing interest at a fixed rate.

The sensitivity of the Group's profit or loss to an increase of 0.5% in interest rates, excluding the debt hedged with hedging instruments and the debt bearing a fixed rate of interest, would have an impact of EUR 2,232 thousand on the profit or loss attributable to the Parent.

Foreign currency risk

Foreign currency risk management is centralised at the Group and various hedging mechanisms are applied to minimise the impact of the changes in value of foreign currencies against the euro.

The foreign currency risks relate basically to:

- Debt denominated in foreign currencies.
- Payments to be made in international markets for the acquisition of procurements or non-current assets.
- Collections arising on projects tied to currencies other than the functional currency of the Parent or of the subsidiaries.
- Investments in foreign subsidiaries.

[redacted]

The Group arranges foreign currency derivatives and currency forwards to hedge significant future transactions and cash flows, in keeping with the acceptable risk limits.

Also, the net assets relating to net investments in foreign operations with a functional currency other than the euro are exposed to the risk of exchange rate fluctuations on the translation of the financial statements of these foreign operations on consolidation.

In October 2017 Obrascón Huarte Lain, S.A. announced that it had entered into an agreement to sell its Concessions division to IFM Investors. The amount receivable for the sale is affected, among other adjustments, by fluctuations in the EUR/MXN and EUR/PEN exchange rates. In this connection, a series of currency forwards were arranged in December 2017. These derivatives do not qualify for hedge accounting and the impact of changes therein is recognised in profit or loss.

EUR (730,641) thousand were recognised in this connection under "Valuation Adjustments - Translation Differences" in the consolidated balance sheet as at 31 December 2017 (31 December 2016: EUR (529,917) thousand).

Non-current assets denominated in currencies other than the euro are financed in that same currency with a view to creating a natural hedge.

The sensitivity analysis of the foreign currency risk of financial instruments for the main currencies in which the Group operates simulated a 10% increase in the foreign currency/euro exchange rate with respect to the rates applicable at 31 December 2017 and 2016, the possible impact of which was as follows:

Currency	Thousands of euros				
	2017				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	41	693	734	18	752
Algerian dinar	3,842	-	3,842	-	3,842
Kuwaiti dinar	(2,862)	-	(2,862)	-	(2,862)
Canadian dollar	-	32,726	32,726	-	32,726
US dollar	2,078	(5,500)	(3,422)	-	(3,422)
Chilean peso	3,001	(1,044)	1,957	-	1,957
Colombian peso	339	(4,828)	(4,489)	-	(4,489)
Mexican peso	(81)	3,347	3,266	-	3,266
Saudi Arabian riyal	-	7,823	7,823	-	7,823
Qatari riyal	30,672	-	30,672	-	30,672
Peruvian sol	(1,620)	1,544	(76)	-	(76)
Total	35,410	34,761	70,171	18	70,189

Currency	Thousands of euros				
	2016				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	-	4,463	4,463	138	4,601
Algerian dinar	3,859	-	3,859	-	3,859
Kuwaiti dinar	3,423	-	3,423	-	3,423
Canadian dollar	-	5,092	5,092	-	5,092
US dollar	7,869	32,376	40,245	-	40,245
Chilean peso	7,290	6,781	14,071	-	14,071
Colombian peso	769	5,921	6,690	-	6,690
Mexican peso	340	315,799	316,139	239,697	555,836
Saudi Arabian riyal	-	13,703	13,703	-	13,703
Qatari riyal	46,590	-	46,590	-	46,590
Peruvian sol	1,430	3,932	5,362	-	5,362
Total	71,570	388,067	459,637	239,835	699,472

If a sensitivity analysis were performed using the assumption of a 10% decrease in the foreign currency/euro exchange rate with respect to the rates applicable at 31 December 2017 and 2016, the impact would be as follows:

Currency	Thousands of euros				
	2017				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	(40)	(631)	(671)	(16)	(687)
Algerian dinar	(3,493)	-	(3,493)	-	(3,493)
Kuwaiti dinar	2,601	-	2,601	-	2,601
Canadian dollar	-	(29,751)	(29,751)	-	(29,751)
US dollar	(1,888)	5,000	3,112	-	3,112
Chilean peso	(2,729)	949	(1,780)	-	(1,780)
Colombian peso	(308)	4,389	4,081	-	4,081
Mexican peso	73	(3,042)	(2,969)	-	(2,969)
Saudi Arabian riyal	-	(7,112)	(7,112)	-	(7,112)
Qatari riyal	(27,883)	-	(27,883)	-	(27,883)
Peruvian sol	1,473	(1,403)	70	-	70
Total	(32,194)	(31,601)	(63,795)	(16)	(63,811)

[redacted]

Currency	Thousands of euros 2016				
	Profit or loss	Translation differences	Attributable equity	Non controlling interests	Total equity
Czech koruna	-	(4,058)	(4,058)	(125)	(4,183)
Algerian dinar	(3,508)	-	(3,508)	-	(3,508)
Kuwaiti dinar	(3,112)	-	(3,112)	-	(3,112)
Canadian dollar	-	(4,629)	(4,629)	-	(4,629)
US dollar	(7,153)	(29,432)	(36,585)	-	(36,585)
Chilean peso	(6,627)	(6,165)	(12,792)	-	(12,792)
Colombian peso	(699)	(5,383)	(6,082)	-	(6,082)
Mexican peso	(309)	(287,090)	(287,399)	(217,906)	(505,305)
Saudi Arabian riyal	-	(12,457)	(12,457)	-	(12,457)
Qatari riyal	(42,355)	-	(42,355)	-	(42,355)
Peruvian sol	(1,300)	(3,575)	(4,875)	-	(4,875)
Total	(55,063)	(352,789)	(417,852)	(218,031)	(635,883)

Credit risk

Credit risk is the probability that a counterparty to a contract does not meet its contractual obligations, giving rise to a loss.

The Group has adopted a policy of trading only with solvent third parties and obtaining sufficient guarantees to mitigate the risk of incurring losses in the event of non-compliance. The Group obtains information on its counterparty through independent company valuation agencies, other public sources of financial information or its own relationships with customers and third parties.

At 31 December 2017, the net balances of the Group's financial assets exposed to credit risk are:

	Thousands of euros
Non-current financial assets	500,991
Trade and other receivables	1,738,175
Current financial assets	100,330
Current hedging instruments	39,789
Cash and cash equivalents	434,210

Non-current financial assets

Non-current financial assets include loans to associates totalling EUR 67,580 thousand. The Group is aware of the solvency of its associates and does not expect any losses to arise in relation to these financial assets. No write-downs were recognised on these financial assets in 2017.

Non-current hedging instruments

The credit risk of hedging instruments with a positive fair value is limited by the Group, since derivatives are arranged with highly solvent counterparties with high credit ratings and no counterparty accounts for a significant percentage of the total credit risk.

[redacted]

Trade and other receivables

Trade and other receivables includes the balances of "Trade Receivables for Sales and Services" totalling EUR 1,710,407 thousand, of which 51.9% relate to public-sector customers in relation to which the Group does not expect any losses to arise. In certain cases, the Group is entitled to demand interest. The remaining 48.1% relate to private-sector customers which, in general, have a high level of solvency.

Customers are assessed prior to entering into contracts. This assessment includes a solvency study. Over the course of the contract term, changes in debt are monitored on a constant basis and the recoverable amounts are reviewed, and write-downs are recognised whenever necessary.

Liquidity risk

This risk is managed by maintaining adequate levels of cash and marketable securities as well as by arranging and maintaining sufficient financing lines to cover all financing needs and to maintain at all times adequate levels of financial flexibility for the Group's activity.

In order to improve this liquidity position, the Group takes measures in relation to:

- Ongoing management of working capital and, particularly, of "Trade and Other Receivables".
- Optimisation of the financial position of all its companies through ongoing monitoring of cash projections.
- Management of the arrangement of financing lines in capital markets.

The Group presents the repayment schedule at 31 December 2017, of which EUR 680,679 thousand mature in 2018 (see Note 3.17.).

The Group's liquidity position at 31 December 2017 comprises the following:

- Current financial assets amounting to EUR 140,119 thousand.
- Cash and cash equivalents amounting to EUR 434,210 thousand.
- Drawable credit lines and discount facilities amounting to EUR 215,005 thousand.

In 2016 there were four reductions in the Group's credit rating by rating agencies, three levels in the case of Moody's and one level in the case of Fitch, ultimately leaving it at Caa1 and B+ (in both cases with a negative outlook), respectively.

In order to avoid a potential adverse impact on its liquidity profile, the OHL Group initiated a process of dialogue and joint negotiation with its eight main relationship entities (the "Group of Entities"), with a twofold objective: (i) to ensure the maintenance of their support for the Group by signing a formal standstill agreement to maintain the terms and conditions, drawability and limits of the existing financing from that Group of Entities; and (ii) to negotiate a new financing package that would allow the OHL Group to ensure the coverage of its future working capital needs arising from the implementation of its Business Plan.

The renewal of the multi-product syndicated financing agreement (novated on 29 November 2017) was formalised on 30 March 2017 for an aggregate amount of EUR 684 million, for the issue of guarantees (EUR 402 million) and reverse factoring (EUR 92 million), which also includes a revolving credit line of EUR 190 million.

All maturing at 18 months, thereby extending the standstill period until that date, and secured by the shares of OHL Concesiones and OHL Desarrollos.

[redacted]

This financing package, together with the debt reduction measures implemented in 2017 aimed at carrying out a divestment plan and taking decisive actions to generate cash flows/control projects, strengthened the Group's liquidity profile at 31 December 2017.

Note should also be made of the agreement entered into on 30 November 2017 by OHL and IFM Investors for the sale of all the Group's ownership interest in OHL Concesiones. This transaction should be completed in the first quarter of 2018 and will represent a significant cash inflow for the Group, which will substantially reduce its gross recourse borrowings and improve its available recourse liquidity.

4.2.2. - Capital management

The objective of the Group's capital management is to maintain an optimum financial structure that enables it to reduce the cost of capital but also guarantees the capacity to continue managing recurring operations and undertaking new projects focused on growth and the creation of value.

In order to achieve this target, the Group considered it necessary to strengthen its financial structure to undertake investments in new concession operators and also to reduce its net financial debt. Accordingly, on 30 October 2015, it increased capital by a par value of EUR 119,410 thousand, through the issue of 199,018,056 new shares of EUR 0.60 par value and a share premium of EUR 4.42 each, of the same class and series as the existing shares.

The total amount of the capital increase, i.e. par value plus share premium, excluding expenses, was EUR 999,070 thousand.

In addition to obtaining funds from its shareholders, the main sources used by the Group to finance its growth and operations are as follows:

- Cash flows generated by the Group that are not related to project finance, including dividends arising from projects.

- Project finance, which is always long term and with recourse only to the cash flows generated and the project assets being financed and always in the same currency as the revenue from the related project.

- Short-term corporate finance, with recourse mainly to the Parent, used to cover the possible seasonality of business during the year.

- Long-term corporate finance, with recourse mainly to the Parent, always of a moderate amount with respect to equity and in proportion to the cash generated.

The capital structure is controlled through the leverage ratio (calculated as the ratio of net financial debt to equity).

[redacted]

These ratios at 31 December 2017 and 2016 are as follows:

	Thousands of euros				
	2017	%	2016	%	Change %
Equity	4,183,330		4,042,893		3.5
Total financial debt					
Non-current	893.556	56.8	3.777,065	86 0	-76 3
Current	680.679	43.2	615,201	14 0	10.6
Total gross financial debt	1,574,235	100.0	4,392,266	100.0	-64.2
Total net financial debt	999,906		2,910,946		-65.7
Total net financial debt including that of discontinued operations	2,243,332		2,910,946		-1.5%
Total net debt including discontinued operations/Equity	0.54		0.72		

Total net financial debt decreased in 2017 due mainly to the discontinuation of the Concessions business (see Note 1.3.).

4.3.- Number of employees

The average number of employees in 2017 and 2016, by professional category, was as follows:

Professional category	Average number of employees	
	2017	2016
Management and university graduates	481	594
Further education college graduates	1 799	1,821
Non-graduate line personnel	2 918	2,925
Clerical staff	1.379	1,631
Other employees	14.991	15,179
Total	21,568	22,150
Permanent employees	12,971	13,945
Temporary employees	8.597	8,205
Total	21,568	22,150

The average number of employees at the Group with a disability equal to or greater than 33% in 2017 was 521 (2016: 393).

Of the average number of employees in 2017, 7,997 were women and 13,571 were men.

4.4.- Related party transactions

Related party transactions are deemed to be transactions with parties outside the Group but with which there are strong ties as defined in Ministry of Economy and Finance Order EHA/3050/2004, of 15 September, and in Spanish National Securities Market Commission (CNMV) Circular 1/2005, of 1 April.

The following transactions were performed with related companies in 2017 and 2016:

[redacted]

Income and expenses	Thousands of euros 2017	% of total	2016	% of total
Revenue	33,139	1.03	27,148	0.81
Other operating income	1,359	0.81	1,251	0.69
Finance income	5,382	15.15	3,538	14.32
Procurements	4,588	0.22	9,916	0.38
Other operating expenses	5,409	1.12	6,474	1.00
Other transactions				
Acquisitions of intangible assets	711	-	819	-
Acquisitions of property, plant and equipment	-	-	29	-
Acquisitions of financial assets	8,470	-	49,282	-
Financing agreements: loans granted	-	-	180,209	-
Financing agreements: repayment of loans granted	926	-	103,000	-
Dividends paid	1	-	5,003	-

The following transactions were performed with the related companies of the discontinued Concessions business in 2017 and 2016:

Income and expenses	Thousands of euros 2017	% of total	2016	% of total
Revenue	-	-	669	2.17
Procurements	-	-	417	0.29
Other operating expenses	551	0.32	593	0.60
Finance costs	-	-	-	-
Other transactions				
Acquisitions of intangible assets	-	-	90	-
Financing agreements: loans granted	-	-	30,000	-
Financing agreements: repayment of loans granted	-	-	63,000	-
Financing agreements: advances to suppliers	-	-	20,553	-

[redacted]

The detail of the related party transactions in 2017 is as follows:

Employer identification number	Related company		Group company	Thousands of euros
[redacted]	ADP-Fertilizantes, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	10
[redacted]	Agralia Fertilizantes, S.L.	Revenue	Avalora Tecnologías de la Información, S.A.	1
[redacted]	Centro Canalejas Madrid, S.L.U.	Revenue	Obrascon Huarte Lain, Desarrollos, S.L.	1,920
[redacted]	Centro Canalejas Madrid, S.L.U.	Revenue	Obrascon Huarte Lain, S.A.	22,593
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	50
[redacted]	Espacio Arpada Desarrollos, S.L.	Revenue	Obrascon Huarte Lain, S.A.	33
[redacted]	Espacio Caleido, S.A.	Revenue	Obrascon Huarte Lain, S.A.	4,896
[redacted]	Espacio Information Technology, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	166
[redacted]	Ferroatlántica, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	60
[redacted]	FerroPem, SAS	Revenue	Avalora Tecnologías de la Información, S.A.	2
[redacted]	Fertiberia, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	97
[redacted]	Fertiberia, S.A.	Revenue	Chemtrol Proyectos y Sistemas, S.L.	4
[redacted]	Fertiberia, S.A.	Revenue	Comercial de Materiales de Incendio, S.L.	28
[redacted]	Fertiberia, S.A.	Revenue	OHL Industrial Mining & Cement, S.A.	4
[redacted]	Fertiberia, S.A.	Revenue	S.A. Trabajos y Obras	260
[redacted]	Grupo Villar Mir, S.A.U.	Revenue	Obrascon Huarte Lain, Desarrollos, S.L.	1,000
[redacted]	Inmobiliaria Colonial, S.A.	Revenue	Obrascon Huarte Lain, S.A.	1,203

[redacted]

Employer identification number	Related company		Group company	Thousands of euros
[redacted]	Inmobiliaria Colonial, S.A.	Revenue	OHL Servicios - Ingesan, S.A.U.	125
	Inmobiliaria Espacio, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	47
	Inmobiliaria Espacio, S.A.	Revenue	OHL Servicios - Ingesan, S.A.U.	2
	Intergal Española, S.A	Revenue	Avalora Tecnologías de la Información, S.A.	2
	Padacar, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	6
	Padacar, S.A.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	84
	Promociones y Propiedades Inmobiliaria Espacio, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	10
	Promociones y Propiedades Inmobiliaria Espacio, S.L.U.	Revenue	Obrascon Huarte Lain, S.A.	104
	Torre Espacio Gestión, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	35
	Torre Espacio Gestión, S.L.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	360
	Torre Espacio Restauración, S.L.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	7
	Villar Mir Energía, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	3
	Villar Mir Energía, S.L.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	27
	Centro Canalejas Madrid, S.L.U.	Other operating income	Obrascon Huarte Lain, S.A.	42
	Espacio Information Technology, S.A.U.	Other operating income	Obrascon Huarte Lain, S.A.	69
	Espacio-OHLD Proyectos Singulares, S.L.	Other operating income	Obrascon Huarte Lain, S.A.	1
	Fertiberia, S.A.	Other operating income	Obrascon Huarte Lain, S.A.	1
	Ferroatlántica, S.A.U.	Other operating income	Obrascon Huarte Lain, S.A.	5

[redacted]

Employer identification number	Related company		Group company	Thousands of euros
[redacted]	Grupo Villar Mir, S.A.U.	Other operating income	Obrascon Huarte Lain, S.A.	1,218
[redacted]	Inmobiliaria Espacio, S.A.	Other operating income	Obrascon Huarte Lain, S.A.	6
[redacted]	Proyecto Canalejas Group, S.L.	Other operating income	Obrascon Huarte Lain, Desarrollos, S.L.	8
[redacted]	Torre Espacio Gestión, S.L.U.	Other operating income	Obrascon Huarte Lain, S.A.	9
[redacted]	Alse Park, S.L.	Finance income	Obrascon Huarte Lain, Desarrollos, S.L.	41
[redacted]	Centro Canalejas Madrid, S.L.U.	Finance income	Obrascon Huarte Lain, Desarrollos, S.L.	986
[redacted]	Grupo Villar Mir, S.A.U.	Finance income	Obrascon Huarte Lain, S.A.	4,158
[redacted]	Inmobiliaria Espacio, S.A.	Finance income	Avalora Tecnologías de la Información, S.A.	110
[redacted]	Pacadar, S.A.U.	Finance income	Obrascon Huarte Lain, S.A.	87
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Procurements	Avalora Tecnologías de la Información, S.A.	1
[redacted]	Espacio Information Technology, S.A.U.	Procurements	Avalora Tecnologías de la Información, S.A.	2,708
[redacted]	Pacadar, S.A.U.	Procurements	Obrascon Huarte Lain, S.A.	394
[redacted]	Padacar, S.A.U.	Procurements	Construcciones Adolfo Sobrino, S.A.	1,465
[redacted]	Alse Park, S.L.	Other operating expenses	Obrascon Huarte Lain, S.A.	29
[redacted]	Alse Park, S.L.	Other operating expenses	OHL Servicios - Ingesan, S.A.U.	2
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Agrupación Guinovart Obras y Servicios Hispania, S.A.	10
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Asfaltos y Construcciones Elsan, S.A.	13

[redacted]

Employer identification number	Related company		Group company	Thousands of euros
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Construcciones Adolfo Sobrino, S.A.	3
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	356
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Agrupación Guinovart Obras y Servicios Hispania, S.A.	107
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Asfaltos y Construcciones Elsan, S.A.	87
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Catalana de Seguretat i Comunicacions, S.L.	15
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Chemtrol Proyectos y Sistemas, S.L.	14
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Construcciones Adolfo Sobrino, S.A.	28
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Constructora de Proyectos Viales de México, S.A. de C.V.	161
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	EyM Instalaciones, S.A.	45
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Obrascon Huarte Lain, Desarrollos, S.L.	10
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	2,973
[redacted]	Espacio Information Technology, S.A.U	Other operating expenses	OHL Arabia, LLC	26
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	OHLDM, S.A. de C.V.	14
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Industrial Mining & Cement, S.A.	4
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Industrial, S.L.	29
[redacted]	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Servicios - Ingesan, S.A.U.	20
[redacted]	Espacio Information Technology, S.A.U	Other operating expenses	S.A. Trabajos y Obras	60
[redacted]	Fertiberia, S.A.	Other operating expenses	S.A. Trabajos y Obras	1

[redacted]

Employer identification number	Related company		Group company	Thousands of euros
[redacted]	Promociones y Propiedades Inmobiliarias Espacio, S.L.U.	Other operating expenses	Obrascon Huarte Lain, Desarrollos, S.L.	1,200
	Promociones y Propiedades Inmobiliarias Espacio, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	135
	Torre Espacio Gestión, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	36
	Torre Espacio Gestión, S.L.U.	Other operating expenses	S.A. Trabajos y Obras	1
	Torre Espacio Restauración, S.L.U.	Other operating expenses	Obrascon Huarte Lain, Desarrollos, S.L.	1
	Torre Espacio Restauración, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	28
	Centro Canalejas Madrid, S.L.U.	Sales of property, plant and equipment	Obrascon Huarte Lain, S.A.	1
	Espacio Information Technology, S.A.U.	Acquisitions of intangible assets	Obrascon Huarte Lain, S.A.	711
	Grupo Villar Mir, S.A.U.	Acquisitions of financial assets	Obrascon Huarte Lain, Desarrollos, S.L.	8,470
	Alse Park, S.L.	Financing agreement: repayment of loan granted	Obrascon Huarte Lain, Desarrollos, S.L.	926
	Centro Canalejas Madrid, S.L.U.	Guarantees for construction work	Obrascon Huarte Lain, S.A.	4,387
	Centro Canalejas Madrid, S.L.U.	Financial guarantees	Obrascon Huarte Lain, S.A.	21,395

The detail of the transactions performed in 2017 by companies belonging to the discontinued Concessions business is as follows:

Employer identification number	Related company		Group company	Thousands of euros
[redacted]	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Terminales Marítimas del Sureste, S.A.	250
	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Concesiones, S.A.	295
	Torre Espacio Gestión, S.L.U.	Other operating expenses	OHL Concesiones, S.A.	2
	Torre Espacio Restauración, S.L.U.	Other operating expenses	OHL Concesiones, S.A.	4

These transactions, which are performed under a contractual relationship, were carried out on an arm's length basis.

[redacted]

At 31 December 2017 and 2016, the balances with related companies were as follows:

	Thousands of euros			
	2017	% of total	2016	% of total
Non-current assets				
Other receivables	101,524	22.56	98,578	25.53
Current assets				
Advances to suppliers and subcontractors	-	-	37,087	31.48
Trade receivables for sales and services	10,744	0.63	5,266	0.29
Sundry accounts receivable	1,613	2.36	490	0.34
Investment securities	-	-	6,326	1.60
Other receivables	7,000	6.95	7,909	2.91
Non-current liabilities				
Other non-current liabilities	1,500	9.45	-	-
Current liabilities				
Customer advances	4,587	0.96	5,280	1.14
Accounts payable for purchases and services	841	0.08	696	0.06
Notes payable	-	-	2,118	11.00
Other non-trade payables	212	0.93	199	0.20

The balances with related companies associated with discontinued operations at 31 December 2017 are as follows:

	Thousands of euros	
	2017	% of total discontinued operations
Non-current assets		
Advances to suppliers and subcontractors	34,110	95.67
Current liabilities		
Accounts payable for purchases and services	7	0.01

In addition, at 31 December 2017 the Group had provided guarantees for related entities amounting to EUR 57,570 thousand.

4.5 Backlog

At 31 December 2017, the Group's backlog amounted to EUR 6,460,737 thousand (31 December 2016: EUR 6,900,292 thousand).

The breakdown of the Group's backlog, by activity and geographical market, is as follows:

Business activity	Thousands of euros					
	2017			2016		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Construction	5,568,294	224,487	5,792,781	5,880,909	225,396	6,106,305
Industrial	312,107	-	312,107	437,256	-	437,256
Services	355,849	-	355,849	356,731	-	356,731
Total backlog	6,236,250	224,487	6,460,737	6,674,896	225,396	6,900,292

The long-term backlog includes an estimate of the future net sales of Construction concession operators over the entire term of the concession based on the economic and financial plan of each concession.

Of the total short-term backlog at 31 December 2017, EUR 4,976,279 thousand related to public sector customers and EUR 1,259,971 thousand to private sector customers (2016: EUR 4,514,772 thousand and EUR 2,385,520 thousand, respectively).

Geographical market	Thousands of euros					
	2017			2016		
	Short-term	Long-term	Total	Short-term	Long-term	Total
US and Canada	2,079,173	-	2,079,173	1,691,379	-	1,691,379
Mexico	387,963	-	387,963	600,045	-	600,045
Chile	999,455	87,615	1,087,070	1,125,205	88,524	1,213,729
Peru	224,297	-	224,297	247,583	-	247,583
Colombia	374,011	-	374,011	624,435	-	624,435
Spain	1,407,092	136,872	1,543,964	1,400,922	136,872	1,537,794
Central and Eastern Europe	214,666	-	214,666	190,906	-	190,906
Other countries	549,593	-	549,593	794,421	-	794,421
Total backlog	6,236,250	224,487	6,460,737	6,674,896	225,396	6,900,292

At 31 December 2017, the backlog abroad represented 76.1% of the total backlog (31 December 2016: 77.7%).

4.6.- Contingent assets and contingent liabilities

4.6.1.- Contingent assets

There were no material contingent assets at 31 December 2017.

4.6.2.- Contingent liabilities and guarantees

4.6.2.1.- Guarantees provided to third parties

The contingent liabilities include the normal liability of construction companies for the performance and completion of the project contracts held by the Group companies and those arranged by the UTEs in which they have interests. The subsidiaries in Spain also have a secondary liability for the obligations of their subcontractors to the social security system with respect to their site employees. No losses are expected to be incurred by the Group in this connection.

At 31 December 2017, the Group companies had provided EUR 3,672,965 thousand of guarantees to third parties (31 December 2016: EUR 3,922,822 thousand), of which, in accordance with standard practice in the industry, EUR 3,550,465 thousand (31 December 2016: EUR 3,759,089 thousand) related to completion bonds deposited with public authorities and private sector customers to guarantee proper performance of the project contracts, and the remainder to provisional guarantees for project bids.

Of the total EUR 3,762,965 thousand of guarantees to third parties, EUR 348,846 thousand relate to companies belonging to the discontinued Concessions business. Also, of the total EUR 3,550,867 thousand of guarantees deposited with public authorities and private sector customers to guarantee proper performance of the project contracts, EUR 288,718 thousand relate to companies belonging to the discontinued Concessions business.