



## COMISIÓN NACIONAL DEL MERCADO DE VALORES

Madrid, 8 de marzo de 2017

Muy Sres. nuestros:

Dear Sirs,

En cumplimiento de lo dispuesto en el Art. 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, ACCIONA, S.A. (en adelante, la "Sociedad") comunica lo siguiente:

Pursuant to the provisions of Art. 228 of the consolidated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, ACCIONA, S.A. (the "Company") reports the following:

### INFORMACIÓN RELEVANTE

### MATERIAL INFORMATION

Como consecuencia de diversas operaciones firmadas hoy Acciona Construcción S.A ha adquirido de forma indirecta a través de Acciona Geotech Holding Pty Ltd (en adelante Acciona Australia) el 82,4% de la sociedad Geotech Holdings Pty Ltd, cabecera del grupo constructor australiano Geotech (en adelante, Geotech) por un importe de 197 millones de AUD (sujeto a posibles ajustes de circulante, deuda neta e inversión) y la cesión a favor de Acciona Australia de tres proyectos que se encuentran actualmente en fase de licitación (sujeta a las aprobaciones de terceros que sean necesarias).

As a result of several transactions executed today, Acciona Construcción S.A has indirectly acquired -through Acciona Geotech Holding Pty Ltd (hereinafter referred to as Acciona Australia)- 82,4% of Geotech Holdings Pty Ltd, parent company of the Australian construction group Geotech (hereinafter referred to as Geotech) for a cash consideration of 197 million AUD (subject to potential working capital, net debt and capex adjustments) and the assignment to Acciona Australia of three projects currently under tender (subject to obtaining any third party approvals that may be required).

La operación supone un valor de empresa de Geotech de 262 millones de AUD y el compromiso de que Acciona Australia sea el vehículo de licitación de proyectos futuros de obra civil en Australia y Nueva Zelanda (tal y como se ha definido en los contratos de la transacción).

The transaction values Geotech at 262 million AUD (Enterprise Value) and the undertaking that Acciona Australia will be the bidding vehicle for future civil construction projects in Australia and Nueva Zealand (as defined the transaction documents).

Se adjunta presentación relativa a la operación que podrá ser seguida en la multiconferencia prevista en el día de hoy a las 10:00AM y cuyos datos de acceso se relacionan a continuación.

Please find attached a presentation of the transaction that can be followed in the conference call scheduled today at 10:00AM. Please find below the details to access the event.

**Multiconferencia / Conference call:**

	Desde España y RdM / From Spain and RoW	Desde RU / From UK
Para escuchar la multiconferencia / To listen to the conference call	<b>+34 917900878</b>	<b>+44 (0) 2077509908</b>

Atentamente / Yours faithfully

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Jorge Vega-Penichet López  
Secretario del Consejo  
Company Secretary



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# Geotech Group Transaction

8<sup>th</sup> March 2017

**ACCIONA has acquired Geotech Group**, a successful privately-owned construction specialist in Australia. The transaction values Geotech at AU\$262m<sup>1</sup> (EV) (€188m)

As part of the transaction, Geotech and ACCIONA's construction pipeline in Australia<sup>2</sup> are merging to create ACCIONA Geotech, the group's platform for growth in the region

The transaction significantly strengthens ACCIONA's construction business in Australia, a key strategic market that is poised for strong growth

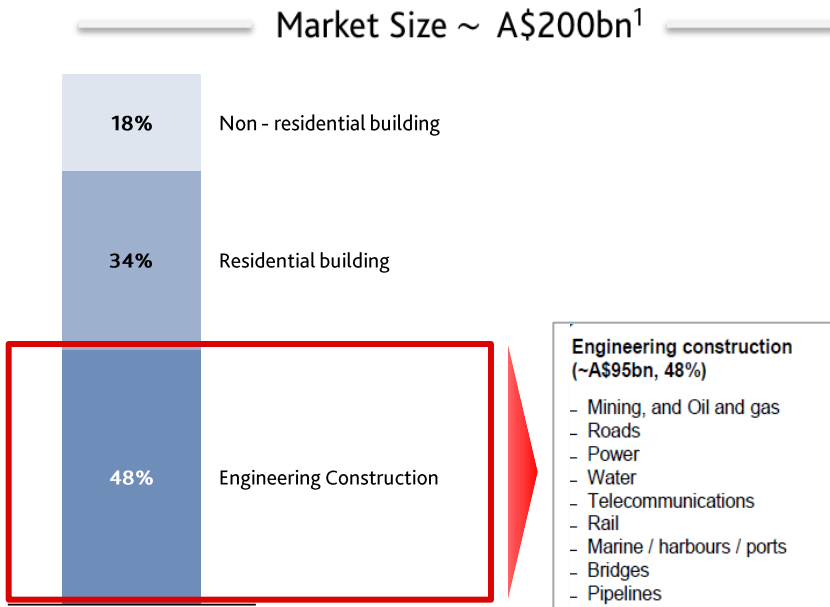
Geotech's key management shareholders will retain a significant stake in ACCIONA Geotech and will hold leading management roles in the new organization

The integration of Geotech means a step-change in ACCIONA's Australian growth plans

<sup>1</sup> EV on a debt free and cash free basis

<sup>2</sup> Existing contracted backlog of ACCIONA Construction Australia and New Zealand as of closing is excluded from the transaction perimeter

## Sizeable market



## Sound Infrastructure Business Drivers

- Renewed government **focus on infrastructure** and **AU\$125bn<sup>2</sup>** is to be invested into new projects over the next decade
- Australian **population to grow 26%** by 2030
  - Sydney & Melbourne representing 40% of this growth
- **Public transport to rise by 89%** across all capital cities<sup>3</sup>

## Competitive dynamics

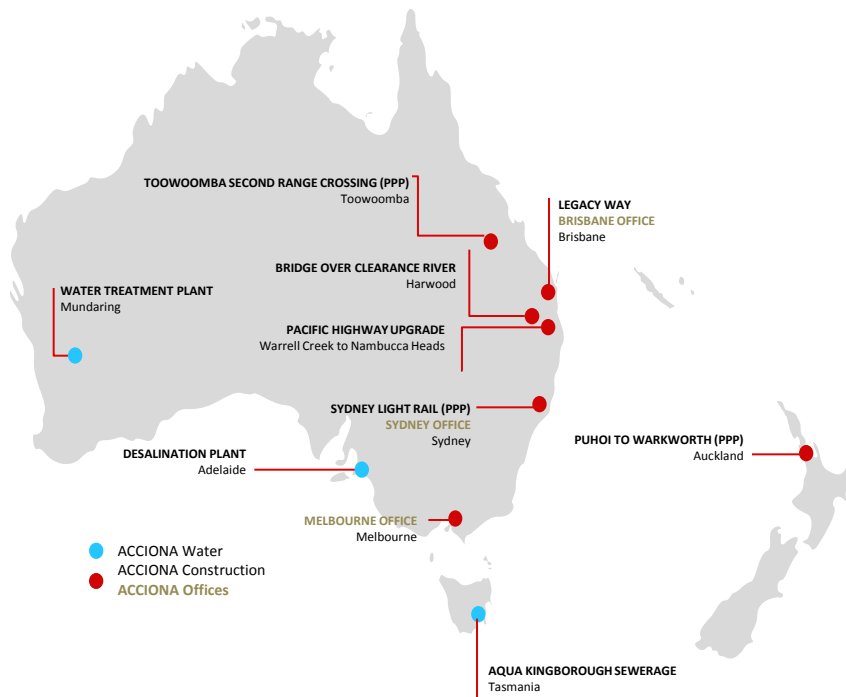
- **Increasing scale of projects** and Government pipeline
  - Influencing the competitive playing field with the **growing presence of International contractors**
- Market consolidation in recent years to **build local scalable capabilities** in order to attend major project pipeline
- Increase **push for local content**, barriers to entry still exist to operate without local presence

<sup>1</sup> Average annual work delivered (both for Public and Private Sector). Source: ABS – July 2016

<sup>2</sup> Over AU\$125bn from 2015-2020. Source: Australian Government

<sup>3</sup> Estimated growth 2011 – 2031. Source: Infrastructure Australia – Feb 2016

## Key projects in Australia



## Main highlights

- Australia is one of ACCIONA Infrastructure's most successful markets
- Relevant positioning in large-scale, complex projects that require sizeable players with specialist capabilities
- Construction backlog stands at AU\$1.4bn and 2016 revenues at AU\$465m
- Currently working on tenders for projects valued at over AU\$10bn

### Australia: key strategic growth market for ACCIONA Infraestructure

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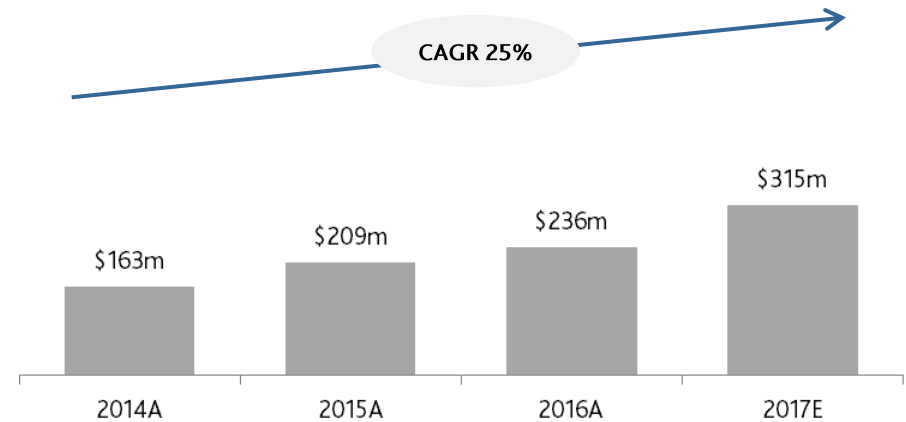
Stronger strategic  
positioning &  
acceleration of  
growth plans

- **Enhanced offering** – access to mid-size project market (AU\$60-200m) and high-margin recurring business
- **Scale** – ability to scale up significantly in the Australian and New Zealand market, becoming a local Tier I contractor
- **Strategic positioning in high-growth rail sector** – rail as core competency of Geotech
- **Increased competitiveness** – improved Self-Performance capabilities /contractor-subcontractor integration
- **Local presence / global reach** – combination of strong local footprint and global experience, reputation and capabilities
- **Management systems excellence** – strong track-record, consistent profitability

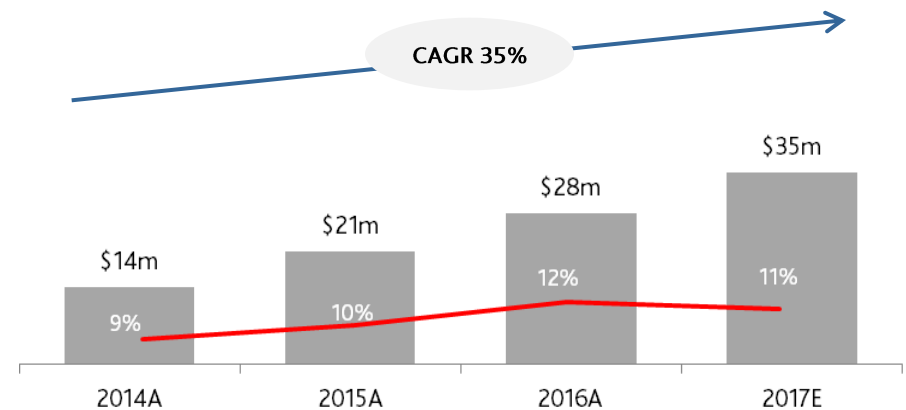
## Geotech

- Established in 1972, by Gerry Noonan, the Geotech Group is a leading provider of technically complex construction services in Australia
- Specific strengths in heavy & light rail infrastructure and ground engineering
- Focus primarily as a specialist subcontractor
- Acquired in FY2000 by Bede & Andre Noonan, and Darren Loidl, taking the company's revenues from AU\$5m in 2000 to AU\$315m in 2017E<sup>1</sup>
- Very successful track-record of profitable growth
- Management & governance structures consistent with the standards of a listed company
- Headquartered in Melbourne with offices also in Sydney and Brisbane

## Revenue<sup>1</sup> (AU\$m)



## EBITDA (AU\$m) and EBITDA margin (%)<sup>1</sup>



<sup>1</sup>Geotech financial year ends in June  
Source: Geotech



## 7 | Transaction structure



ACCIONA incorporates a new Australian acquisition vehicle - ACCIONA Geotech

ACCIONA assigns to Acciona Geotech three projects under tender<sup>1</sup> and undertakes that Acciona Geotech will be its sole vehicle for all future civil construction projects in Australia and New Zealand

Following a series of transactions, ACCIONA holds an 82.4% stake in ACCIONA Geotech. The cash consideration amounts to AU\$197m<sup>2</sup>

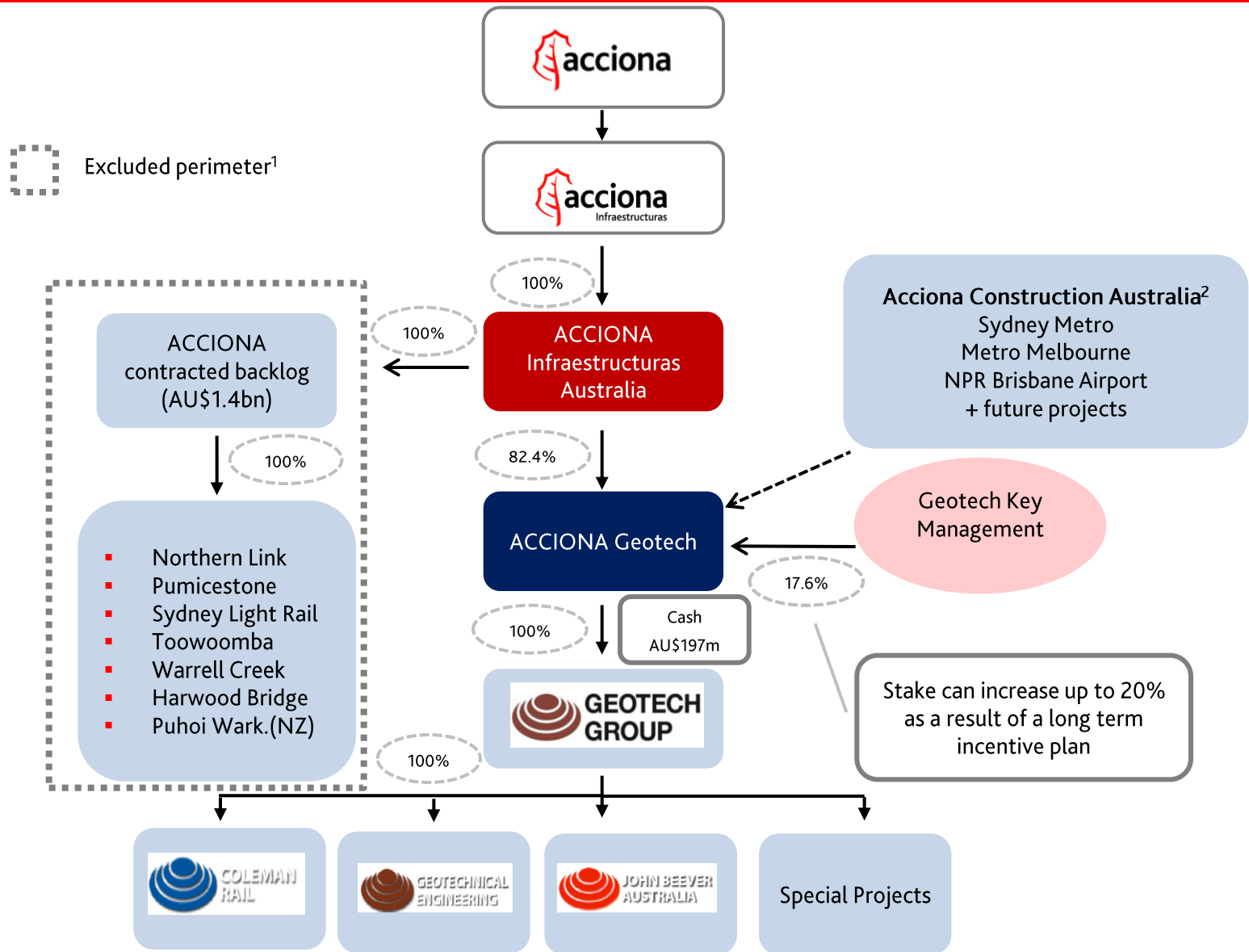
The remaining stake in ACCIONA Geotech is held by key management shareholders – Bede Noonan, Andre Noonan and Darren Loidl

Key management shareholders' 17.6% stake can increase up to 20% as a result of a long term incentive plan based on the future performance of ACCIONA Geotech

<sup>1</sup> Sydney Metro, Metro Melbourne, NPR Brisbane – Brisbane Airport runway

<sup>2</sup> Final consideration subject to customary balance sheet adjustments

# 8 | ACCIONA Geotech - simplified structure



<sup>1</sup> Existing contracted backlog of ACCIONA Construction Australia and New Zealand as of closing is excluded from the transaction perimeter

<sup>2</sup> These contracts are contributed through the "Special Projects" vehicle

The acquisition of Geotech is a **major step in accelerating ACCIONA's ambition of becoming a Tier I player in the Australian construction market**

**Geotech brings along a profitable and distinct construction specialist in Australia that will strengthen ACCIONA's local footprint, product offering and self-performance capabilities**

**Geotech's management team and their full commitment to the development of ACCIONA's construction activities in Australia is a key part of the transaction**

**Management team remain significant shareholders of ACCIONA Geotech and will retain key leadership roles**

**Geotech transaction consideration is included in the €900m gross capex guidance for 2017**

# Appendix

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	FY2015A AU\$ 000'	FY2016A AU\$ 000'	FY2017E AU\$ 000'
Revenues	209,283	236,450	314,916
EBITDA	20,792	28,285	35,435
<i>EBITDA margin</i>	9.9%	12.0%	11.3%
EBIT	18,610	25,952	32,512
<i>EBIT margin</i>	8.9%	11.0%	10.3%



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## Geotech Group Transaction

Juan Muro-Lara  
Chief Corporate Development &  
IR Officer

8<sup>th</sup> March 2017