



Annual General Meeting

7 MAY 2019



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Highlights 2018

Services and solutions

Results 2018

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Strategic Plan 2019-2022

Why a new Plan?

Our 4-year Plan

Highlights of 2018



We have completed the Strategic Plan 2016-2020 ahead of schedule.



We have exceeded €1,000 M in book turnover



We have incorporated new capabilities and markets



We have consolidated future activities: Energy and Smart House

Highlights
2018

Services and Solutions



Highlights in Solutions



Power Transmission Lines

360° capacities

- Where: **Lauca – Luanda (Angola)**
- Task: design, build and start up a 400 KV power line 200 km long, with all the associated elements
- **Turnkey project**



Renewable Energies

360° capacities

- Where: **Argentina and Dominican Republic**
- Status of projects in 2018:
 - Under construction: 18MW biomass plant in Argentina and 67MW PV farm in the Dominican Republic



New Markets – Asia

Capacities in High Structures

- Where: **Indonesia, Vietnam, China**
- Task: design and build structures for thermal power plants and lining for reactors
- **Specialized engineering project**

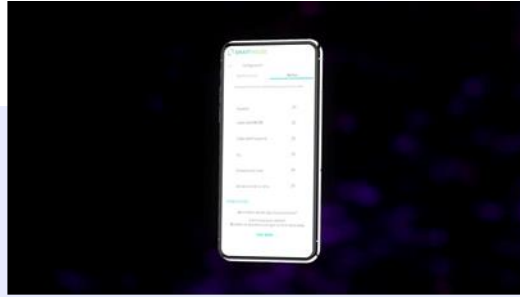
Highlights in Service



Industrial Services

One-Stop-Shop model

- Acquisition of capacity in **Environmental Services** to complement multi-technical capacity: heat and electromechanical services + IT + Environmental Services
- Entry into new markets: **Colombia** and **Ecuador**



Smart House

Integration of personal and household services (B2C)

- 5 lines of activity: telecoms, energy, insurance, fintech and other household services
- Telecoms and Energy services operational in 2018
- **70,000 new clients** in Energy in 2018



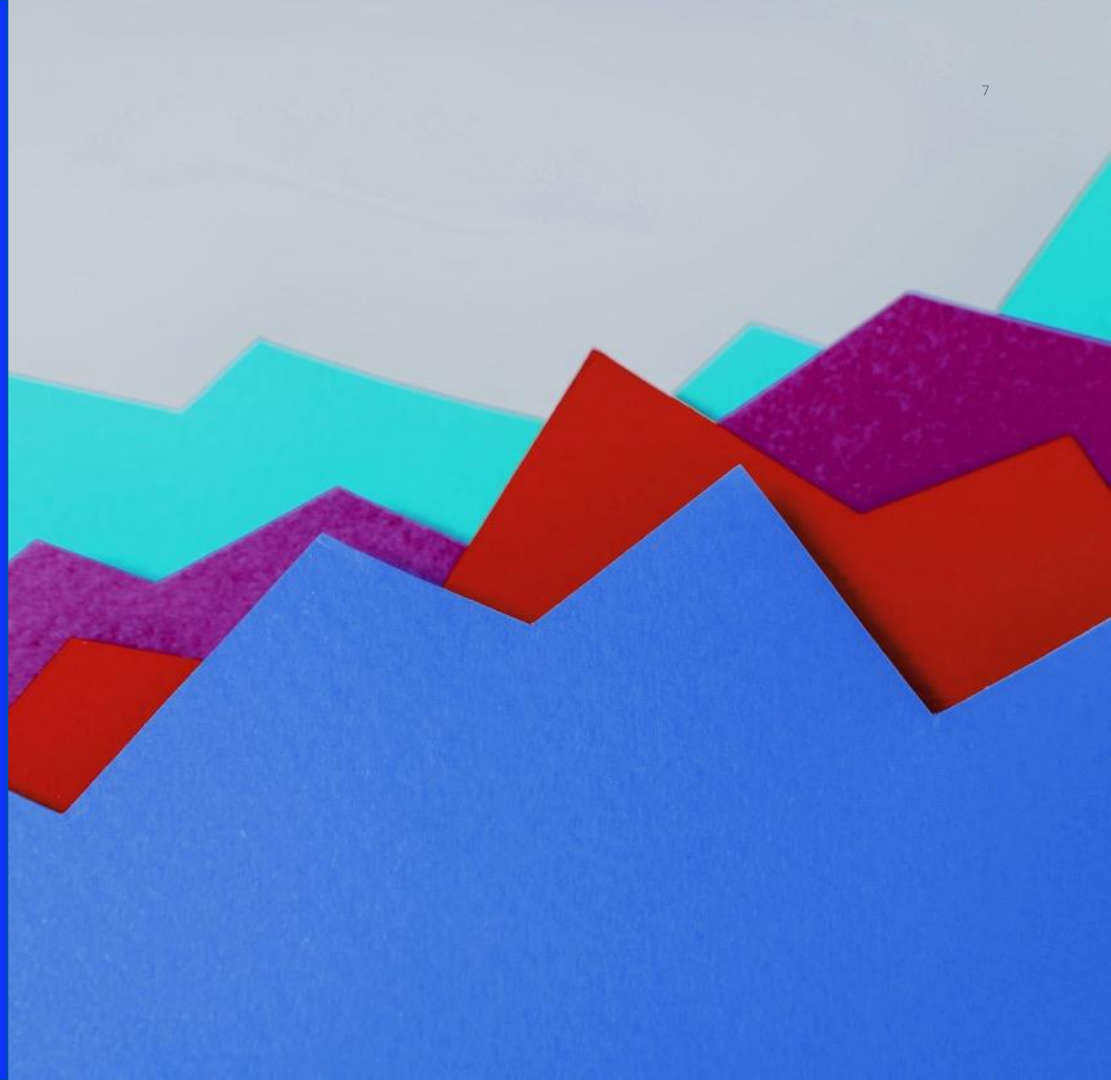
Services to Utilities

O&M in power grids

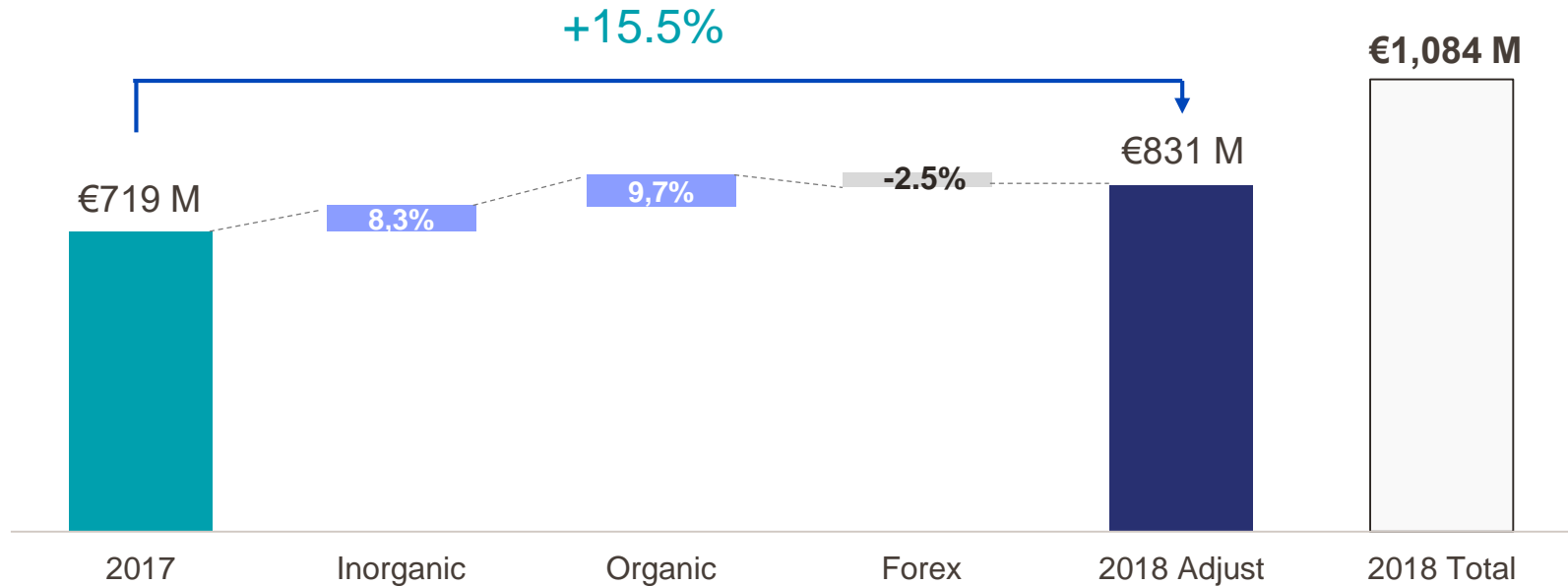
- **New capabilities:** Deployment and maintenance of medium- and high-voltage grids
- **Long-term contracts** with international utilities
- Positioning in O&M of electric charging points

Highlights
2018

Results

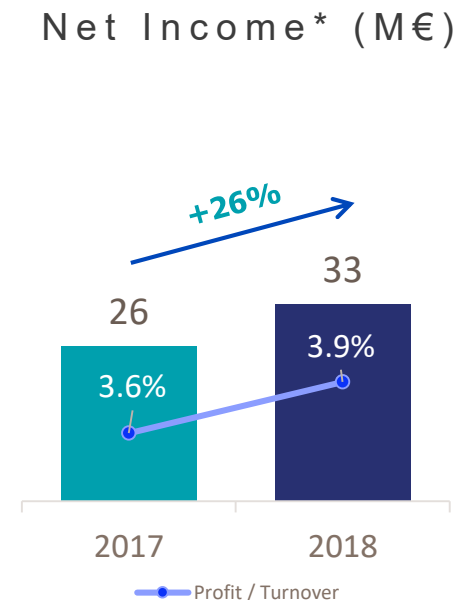
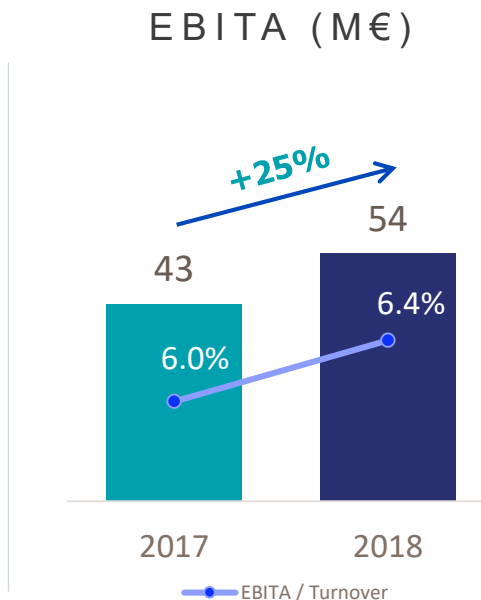
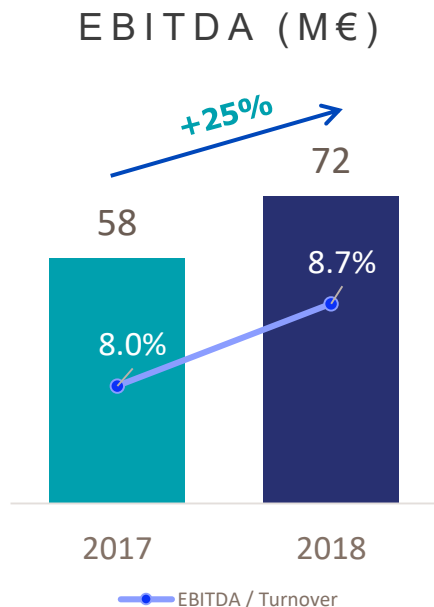


Turnover



- **10% organic growth in turnover, well above the 7% target**

EBITDA, EBITA and Net Income

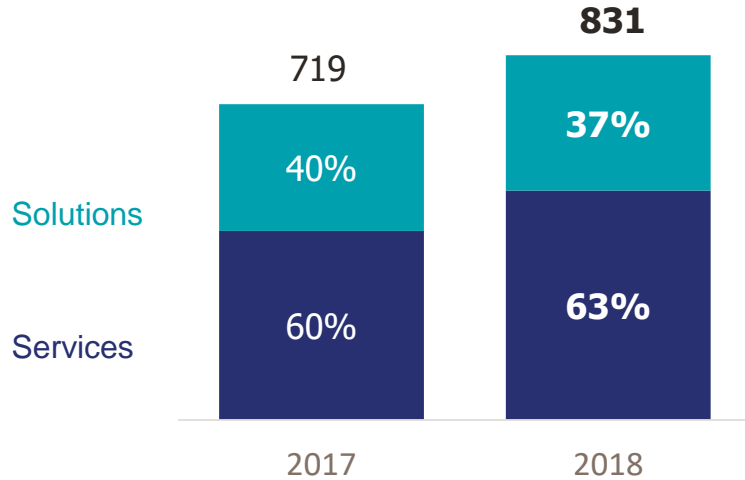


- **Robust growth and improved margins over turnover.**

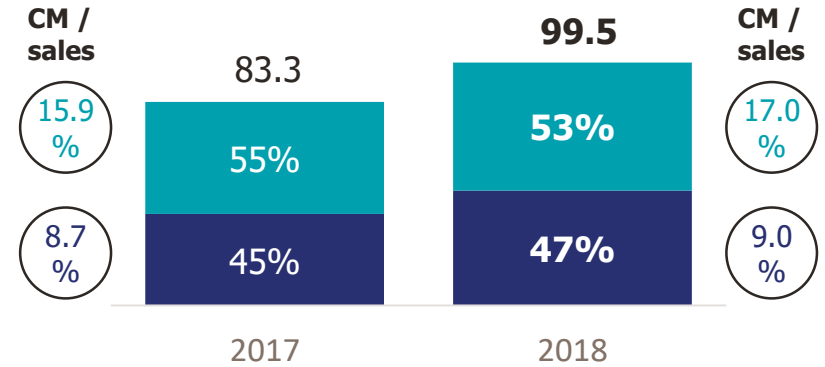
(*) Excluding activities interrupted (provision of €5M for the discontinuation of T&T activities in Brazil)

Breakdown by segments: Services and Solutions

Weight in Turnover (M€)



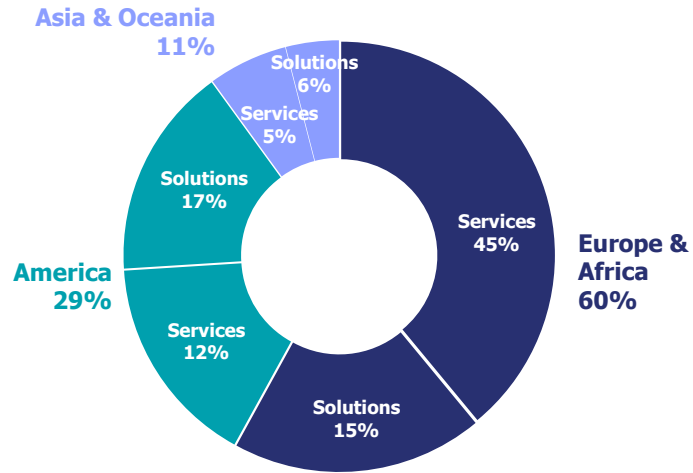
Weight in Contribution Margin (M€)



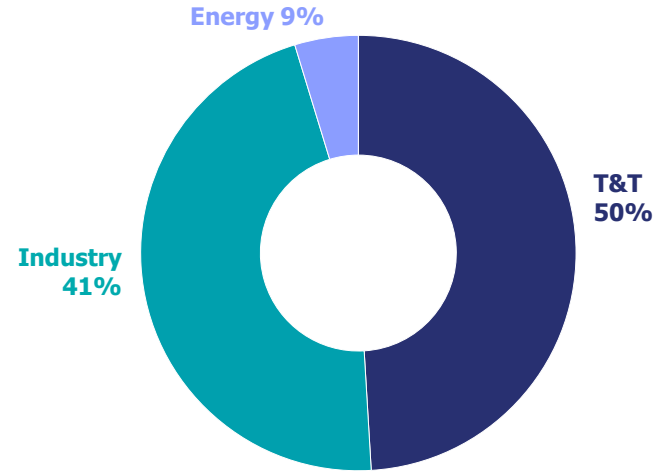
- **Balanced contribution** of each segment in terms of **Contribution Margin**

Breakdown by geographical area / field of activity

Turnover per geographical area



Turnover per field of activity



Balance sheet and generation of cashflow

(€M)	2016	2017
Fixed assets	387.8	407.9
Net working capital	(161.4)	(179.1)
Total net assets	226.4	228.8
Net Equity	294.3	317.8
Net financial debt ⁽¹⁾	(102,1)	(105.7)
Others	34.2	16.7
Total Net Equity and Liabilities	226.4	228.8

NET FINANCIAL DEBT

(€106M)

CONVERSION OF EBITDA INTO OPERATIONAL FREE CASH FLOW

66%

THE CHALLENGE OF RONA

24%



Strategic Plan
2019-2022

Why a new
Plan?



Reasons for a new Strategic Plan



Compliance ahead of Schedule of the Guidance established in 2016

Strategic Objectives	2015	2016	2017	2018	Guidance at 2020
Turnover	525 M€	612 M€	818 M€ in CCAA	1.084 M€ in CCAA	€1,000 M
EBITA	5.8%	5.8%	6.0%	6.4%	≈ 8%
RONA	22%	20%	24%	24%	> 20%
Cash Conversion	N.A.	N.A.	64%	66%	>60% EBITDA
DFN / EBITDA	23 M€ 0.6x	-122 M€ N.A	-102 M€ N.A	-106 M€ N.A	<2x



Reasons for a new Strategic Plan

- ✔ **Guidance established in 2016 completed ahead of schedule**
- + **Variation in the perimeter and the characteristics of the activity:**
Incorporation of new fields of activity and geographical areas, with different business characteristics and ratios.
- + **Need to incorporate new variables of the business environment:**
Speeding up of digitalization, level of maturity of clients, price pressure, sectoral consolidation sectorial and M&A opportunities due to the situation of the market and our competitors

NEW Strategic Plan 2019-2022

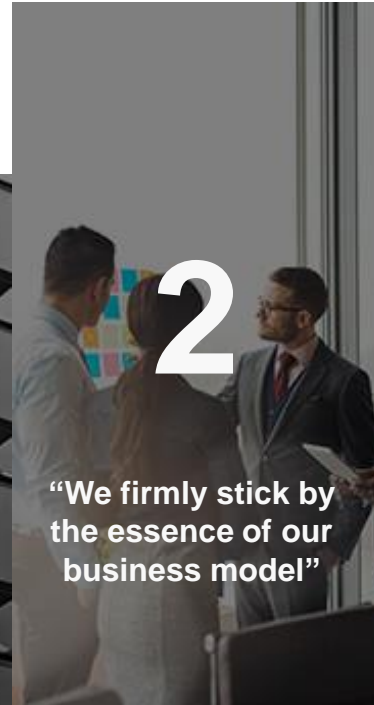


Strategic Plan
2019-2022

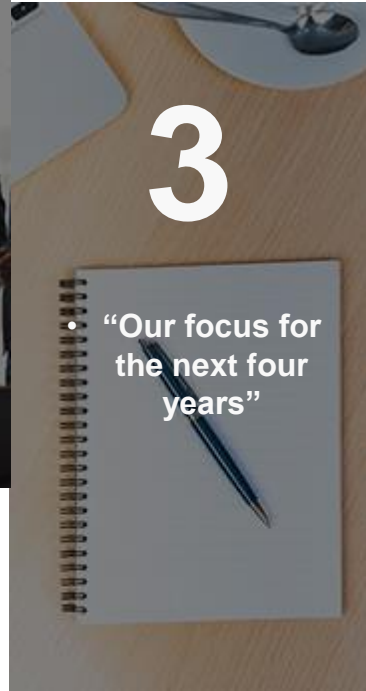
Our 4-year Plan



“Disruption defines
our context”



“We firmly stick by
the essence of our
business model”



“Our focus for
the next four
years”

1

**“Disruption defines our
context”**

Disruption is a challenge and could be scary, but it is irreversible and is reaching all sectors.

3 TECHNOLOGIES

“3 accelerators are driving the transformation”



+ Data and connectivity



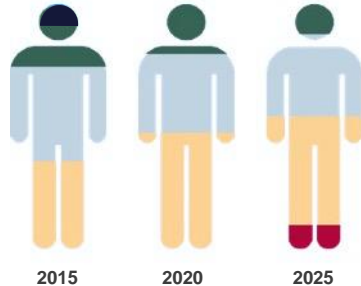
+ Computing



+ Algorithmia

DEMOGRAPHIC CHANGES

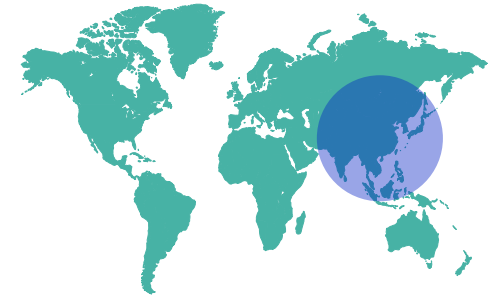
“Millennials will be the majority in 2025”



Source: U.S. Census Bureau

GEOESTRATEGIC CHANGES

“Asia is taking center stage”



We are experiencing a revolution in business models

modelos de negocio

2

**“We firmly stick by the
essence of our business
model”**



THIS IS DOMINION

“We are a **Service** company (leveraged in Solutions]. They are our core. We seek their **recurrence**”.



THIS IS DOMINION

“We understand **technology** as
a **tool** to improve processes”.

*“Technology is not a value in itself. The value lies in defining different
business models that technology makes possible”*

GEORGE WESTERMAN. MIT

WE FIRMLY STICK WITH THE ESSENCE OF OUR MODEL



THIS IS DOMINION

“We have a **cross-cutting vision**. The important thing is the how, not the what”.

WE FIRMLY STICK WITH THE ESSENCE OF OUR MODEL



THIS IS DOMINION

“We have equipped ourselves with a **flexible organization** that is able to work in a disruptive context”.

WE FIRMLY STICK WITH THE ESSENCE OF OUR MODEL



THIS IS DOMINION

“We have a **unique management model**, that is continuously evolving”.



DIGITALIZATION

“More and better platforms to undertake our internal processes and those of our clients”



DIVERSIFICATION

“New markets and leverage in existing ones to ensure profitable growth”



DECENTRALIZATION

“A new organisational structure that offsets the handicaps of the model, creating shared units and cross-selling mechanisms”



FINANCIAL DISCIPLINE

“New objectives, maintaining our discipline and control parameters for risks”

3

**“Our focus for the next four
years”**

The company we want to be in 2022

“We are going to **double our net income...**

... consolidating ourselves as a **great platform** of **B2B2C services**, backed by a **Solutions area...**

... under the common denominator of **digitalization and financial discipline.**”



In 2019-2022 we will deploy all Dominion's potential



DIFFERENTIAL VALUE PROPOSITIONS



B2C services: **Smart House**



Servicios B2B: **Tier 1 proposition**



Solutions: **360° vision**

POSITIONING



Optimize our position in the **value chain**

DIVERSIFICATION



Geographical
Sectorial

DIGITALIZATION



In-depth use of **digital tools**

ORGANIZATION



Adapt and evolve **the organization**

Guidance 2019 - 2022

Net income x2

TURNOVER
CAGR >5%

EBITA
CAGR >10%

FINANCIAL DISCIPLINE

FREE CASH FLOW
CONVERSION
>75% EBITA

RONA
> 20%

Commitment based on organic growth.

M&A as an accelerator.

Distribution of 1/3 of net income as a DIVIDEND

Lean central structure:

≈3% on sales (<50% of growth in sales)

Control of CAPEX and WC:

Capex ≈ Amortization. / WC stable

NFD / EBITDA <2x

ESG and Stakeholders relations

EVALUATE



Materiality analysis.
Verification.
Certification.

ACT



ENVIRONMENTAL

Positive impact.



SOCIAL

HR and PRL **focus**.



GOVERNANCE

Integrity and transparency based culture.
Regulatory requirements.



PEOPLE

Select and grow a Top 100 of **outstanding individuals**.



SHAREHOLDERS

Take a **qualitative leap** in the **diversification** of our shareholding.



COMMUNITY

Become a **benchmark** in support for **Innovative Education**.



CLIENTS AND SUPPLIERS

Transmit the **“Dominion stamp”** as a complement to differential offers.

1

Disruption is **the
new context**

2

We have a **model ready**
to work in this world

3

It now time to **develop all
our potential**

Materialization

Double income in four years

“A vision and strategy aren't enough. The long-term key to success is execution. Each day. Every day.”

RICHARD M. KOVACEVICH



Thank you very much



DOMINION

