

H1 2014
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In accordance with Regulation 1606/2002 of the European Parliament and of the Council of 19th July 2002, for each financial year starting on or after 1st January 2005, companies governed by the law of a Member State must prepare their consolidated accounts in conformity with the International Financial Reporting Standards (IFRS) adopted by the European Union if their securities are admitted to trading on a regulated market.

The ACCIONA Group's consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) approved by the European Parliament to date. The financial statements were based on the individual accounts of ACCIONA, S.A. and its Group companies and they include the necessary adjustments and reclassifications to adapt them to IFRS.

ACCIONA reports in accordance with its corporate structure, which comprises three divisions:

- Energy comprises commercial and industrial activities that range from the manufacturing of turbines, construction of wind farms to the generation, distribution and marketing of its different energy sources.
- Infrastructure, Water and Service:
 - Infrastructure includes construction and engineering activities as well as mainly transport and hospital concession activities.
 - Water includes the construction of desalination, water and wastewater treatment plants, as well as integral water services management from bulk water abstraction all the way to discharging treated wastewater to the environment. ACCIONA Agua also operates water concessions across the entire water cycle.
 - Services include the activities of facility services, airport handling, waste management and logistic services amongst others.
- Other activities this division includes the businesses of Trasmediterranea, real estate, Bestinver, wineries and other businesses.

1. EXECUTIVE SUMMARY

Income Statement Data

<i>(Million euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (%)
Revenues	3,083	3,005	-2.5%
EBITDA	564	472	-16.3%
EBIT	214	254	18.2%
Ordinary EBT	54	54	-0.2%
EBT	54	89	64.9%
Net attributable profit	48	68	42.9%

Balance Sheet Data and Capital Expenditure

<i>(Million euro)</i>	31-Dec-13	30-Jun-14	Chg. (%)
Equity	3,396	3,469	2.1%
Net debt	6,040	5,848	-3.2%

<i>(Million euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (%)
Ordinary capital expenditure	203	190	-6.4%

Operating Data

	30-Jun-13	30-Jun-14	Chg. (%)
Infrastructure backlog (Million euro)	6,287	5,528	-12.1%
Water backlog (Million euro)	10,225	9,756	-4.6%
Total wind installed capacity (MW)	7,159	7,006	-2.1%
Total installed capacity (MW)	8,500	8,370	-1.5%
Total production (GWh) (Jan-Jun)	11,741	11,485	-2.2%
Average workforce	32,061	32,339	0.9%

Key highlights of H1 2014

- IFRS 11 implementation:** IFRS 11 – Joint Arrangements - came to force on 1st January, replacing IAS 31 which had been effective until that date. IFRS 11 has implications on some ACCIONA Group companies which were formerly consolidated under the proportional method and are now consolidated by the equity method. This new accounting rule requires that the 2013 financial statements are re-expressed on a like-for-like basis in order for the information to be consistent between reporting periods. Therefore, all the references and figures of 2013 have been restated under the new methodology.
- Accounting useful life of wind assets extended:** ACCIONA Group has extended the useful life of its wind assets from 20 to 25 years. The analysis has been based on both internal and external sources. As a result, the line “Depreciation and amortization” in the consolidated income statement reflects the impact of this change since January 1st 2014, resulting in €61 million lower depreciation charges in the H1 2014. This accounting change affects all wind assets whether national or international.

- **Strategic alliance with KKR:** On 24th of June, ACCIONA announced that prestigious firm KKR will become the company's partner in the international energy business, in which KKR will have a one-third stake.
 - ACCIONA Energía Internacional encompasses all the group international capacity which amounts to 2.3GW of wind, photovoltaic and solar thermal installed capacity, distributed among 14 countries among which the USA, Mexico, Australia, Italy, Portugal, Canada, South Africa, India and Poland stand out.
 - The transaction will bring an estimated net capital inflow of €417 million which could increase by €50 million if the potential listing of a YieldCo is completed.
 - In terms of timing, the closing is expected to take place in the last quarter of 2014, when the conditions precedent are met and the required restructuring is completed.
- **Divestments:**
 - The sale of the German renewable portfolio to Swisspower Renewables, agreed in December 2013, was completed in January. The portfolio consisted of 18 wind parks with an attributable capacity of 150.3MW and weighted average life of 8 years. The transaction amounted to €157 million including net financial debt of €85 million. The capital gain amounts to €28 million. The debt associated to this asset was deconsolidated as of December 2013 (debt of assets held for sale).
 - Additionally, the sale to Globalvía of 11.78% and 12.88% of the shares owned by ACCIONA in the companies which manage the two tram lines which run in the city of Barcelona, *Tramvia Metropolità* and *Tramvia Metropolità del Besós*, was carried out in June. The total annual number of passenger in both lines exceeds 24 million. The total amount of the deal was €16 million and the capital gain was €8 million.
- **First convertible bond issue:** ACCIONA issued on the 16th January 2014 a convertible bond for a total amount of €342 million, with a fixed annual coupon of 3%. The bond is convertible into existing or new shares and the conversion price was set at €63.02 per share.
- **Royal Decree 413/2014:** On 10th of June 2014, the official gazette BOE published Royal Decree 413/2014 containing the regulation of electricity generation from renewable, cogeneration and waste sources. Subsequently, on 29th June, IET Order 1045/2014 was published. This order contains the new parameters for the remuneration of all renewable installations, existing and future. The new regulatory model defines the remuneration of these assets to be applied from 9th July 2013, in accordance with RD-L 9/2013. Neither the structure of the remuneration model, nor the final parameters, represent significant differences from those contained in the drafts published in February as part of the CNMC public consultation process. RD-L 9/2013 came into force in July 2013, and for this reason the results of the energy division for the first half of 2013 were not affected by such regulatory changes.

2. CONSOLIDATED INCOME STATEMENT

(Million Euro)	Jan-Jun 13 (€m)	Jan-Jun 14 (€m)	Chg. (€m)	Chg. (%)
Revenues	3,083	3,005	-78	-2.5%
Other revenues	156	153	-2	-1.6%
Changes in inventories of finished goods and work in progress	1	-22	-24	n.m.
Total Production Value	3,240	3,136	-104	-3.2%
Cost of goods sold	-666	-753	-87	13.1%
Personnel expenses	-666	-625	41	-6.2%
Other expenses	-1,344	-1,285	58	-4.3%
EBITDA	564	472	-92	-16.3%
Depreciation and amortisation	-351	-256	95	-27.1%
Impairment of assets value	1	-3	-3	n.m.
Results on non current assets	0	39	38	n.m.
Other gains or losses	0	1	2	n.m.
EBIT	214	254	39	18.2%
Net financial result	-202	-192	10	-4.9%
Exchange differences (net)	-1	8	9	n.m.
Var. provisions financial investments	0	-1	-1	n.m.
Income from associated companies	42	21	-21	-50.2%
Variation in fair value of financial instruments	1	0	-1	n.m.
EBT	54	89	35	64.9%
Income tax	-15	-15	0	-1.0%
Profit from Continuing Activities	39	75	35	89.6%
Minority interest	8	-6	-15	n.m.
Attributable Net Profit	48	68	20	42.9%

Revenues

Revenues (Million Euro)	Jan-Jun 13	Jan-Jun 14	Chg.(€m)	Chg.(%)
Energy	1,047	980	-66	-6.3%
Infrastructure, Water, Service	1,814	1,735	-79	-4.4%
Infrastructure	1,303	1,186	-117	-9.0%
Water	222	214	-8	-3.7%
Service	289	335	47	16.1%
Other Activities	279	339	60	21.6%
Consolidation Adjustments	-56	-49	7	-12.3%
TOTAL Revenues	3,083	3,005	-78	-2.5%

Consolidated revenues decreased by 2.5% to €3,005 million, mainly due to the combined effect of the following factors:

- Lower revenues in the Energy division (-6.3%) as a result of the regulatory changes in Spain in force since the second half of 2013 (RD-L 9/2013).
- Decreasing Infrastructure revenues (-9.0%) due to the lower levels of construction activity.
- Growth in Services revenues (+16.1%) due to the good performance of *Facility Services* and Other Activities (+21.6%).

EBITDA

EBITDA (Million Euro)	Jan-Jun 13	% EBITDA	Jan-Jun 14	% EBITDA	Chg.(€m)	Chg.(%)
Energy	468	83%	363	77%	-104	-22.3%
Infrastructure, Water, Service	75	13%	66	14%	-10	-12.7%
Infrastructure	56	10%	45	10%	-11	-19.3%
Water	12	2%	11	2%	-1	-9.7%
Service	7	1%	9	2%	2	36.4%
Other Activities	21	4%	42	9%	20	96.4%
Consolidation Adjustments	0	n.m.	1	n.m.	1	n.m.
TOTAL EBITDA	564	100%	472	100%	-92	-16.3%
Margin (%)	18.3%		15.7%			-2.6pp

Note: EBITDA contributions calculated before consolidation adjustments.

H1 2014 EBITDA fell by 16.3% to €472 million mainly due to the performance of the Energy and the Infrastructure divisions.

It is worth stressing that the negative impact of the RD-L 9/2013 on EBITDA was of -€121 million. Otherwise the EBITDA of the group would have increased by 5%.

The EBITDA margin stood at 15.7%, lower than in H1 2013 (18.3%), mainly because of the lower margins in the Energy and Infrastructure divisions.

With respect to the relative EBITDA contribution of the divisions: Energy contributed the most (77%), followed by Infrastructure (10%). Other Activities contributed 13% of EBITDA.

EBIT

EBIT reached €254 million (vs. €214 million in H1 2013).

This is mainly explained by:

- The lower depreciation charges resulting from the combined effect of the change of criteria for the life of the wind assets - increased from 20 to 25 years - with a positive impact of €61 million, and to the lower asset base subject to depreciation due to the assets impairments implemented as of December 2013.
- The results on non-current assets (€39 million) obtained by the sale of the renewable assets in Germany and the tram concessions in Barcelona.

EBT

EBT (Million Euro)	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Energy	58	18	-40	-69.3%
Infrastructure, Water, Service	17	27	10	58.8%
Infrastructure	11	20	9	86.1%
Water	8	7	-2	-18.4%
Service	-2	0	2	n.m.
Other Activities	-22	7	29	n.m.
Consolidation Adjustments	1	2	1	n.m.
Ordinary EBT	54	54	0	-0.2%
Extraordinaries	0	35	35	n.m.
TOTAL EBT	54	89	35	64.9%
<i>Margin (%)</i>	<i>1.8%</i>	<i>3.0%</i>		<i>+1.2pp</i>

EBT amounted to €89 million, a 64.9% higher than the same period last year.

EBT would have been €216 million higher if it weren't for the energy reforms introduced in Spain since late 2012.

Attributable Net Profit

Attributable net profit amounted to €68 million vs. €48 million in H1 2013.

3. CONSOLIDATED BALANCE SHEET

(Million Euro)	31-Dec-13	30-Jun-14	Chg.	Chg.
	(€m)	(€m)	(€m)	(%)
Property, Plant & Equipment and Intangible assets	8,589	8,584	-5	-0.1%
Financial assets	713	676	-37	-5.2%
Goodwill	79	79	0	0.0%
Other non-current assets	1,386	1,440	54	3.9%
NON-CURRENT ASSETS	10,768	10,779	11	0.1%
Inventories	1,020	1,055	35	3.4%
Accounts receivable	1,787	1,932	146	8.1%
Other current assets	265	288	23	8.6%
Current financial assets	334	370	36	10.8%
Cash and Cash equivalents	1,164	1,161	-2	-0.2%
Assets held for sale	353	197	-156	-44.3%
CURRENT ASSETS	4,922	5,004	81	1.6%
TOTAL ASSETS	15,690	15,783	93	0.6%

Capital	57	57	0	0.0%
Reserves	5,152	3,178	-1,974	-38.3%
Profit attributable to equity holders of the parent	-1,972	68	2,041	n.m.
Own Securities	-6	-3	3	-51.7%
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	3,230	3,300	70	2.2%
MINORITY INTERESTS	166	169	2	1.4%
EQUITY	3,396	3,469	73	2.1%
Interest-bearing borrowings	5,572	5,742	170	3.1%
Other non-current liabilities	1,773	1,785	12	0.7%
NON-CURRENT LIABILITIES	7,345	7,527	182	2.5%
Interest-bearing borrowings	1,965	1,638	-327	-16.7%
Trade payables	2,156	2,436	280	13.0%
Other current liabilities	648	645	-3	-0.4%
Liabilities associated to assets held for sale	180	68	-112	-62.0%
CURRENT LIABILITIES	4,949	4,787	-162	-3.3%
TOTAL LIABILITIES AND EQUITY	15,690	15,783	93	0.6%

Attributable Equity

ACCIONA's attributable equity as of 30th June 2014 amounted to €3,300 million, slightly higher than in December 2013.

Net Financial Debt

(Million Euro)	31-Dec-13		30-Jun-14		Chg. (€m)	Chg. (%)
	(€m)	% Total	(€m)	% Total		
Interest-bearing borrowings without recourse	4,763	63%	4,780	65%	17	0.4%
Interest-bearing borrowings with recourse	2,774	37%	2,600	35%	-174	-6.3%
Total interest-bearing debt	7,537	100%	7,380	100%	-157	-2.1%
Cash + Cash equivalents	-1,497		-1,531		-34	2.3%
Net financial debt	6,040		5,848		-191	-3.2%

Net financial debt fell from €6,040 million as of 31st December 2013 to €5,848 million as of 30th June 2014. Such decrease was mainly due to cash generation of €318 million from operating activities which have more than offset the net negative cash flow from capex and financing activities.

Financial gearing has evolved as follows:

(Million Euro)	30-Jun-13	31-Dec-13	30-Jun-14
Net Debt	6,670	6,040	5,848
Gearing (Net Debt / Equity) (%)	123%	178%	169%

In January 2014 ACCIONA announced its first convertible bond issue, amounting €342 million with a fixed annual coupon of 3%. The conversion price was set at €63.02 per share and the bonds are convertible into existing or newly issued shares.

In January 2013 ACCIONA formalized the Euro Commercial Paper Programme (ECP) and in November renewed it for another twelve months and for maximum amount of €500 million.

Furthermore, in April there has been an issue of simple bonds, through private placement, amounting to €63 million, and maturing in 2024. The nominal value of each bond is €100.000 and bearing a coupon of 5.55% per annum payable annually.

Capital Expenditure

(Million Euro)	Jan-Jun 13	Jan-Jun 14
	(€m)	(€m)
Energy	93	188
Infrastructure, Water, Service	110	21
Infrastructures	95	10
Water	12	5
Service	4	6
Other Activities	0	-18
Ordinary Net Capex	203	190
Extraordinary divestments	0	-83
Total Net Capex	203	108

Net ordinary capital expenditure across ACCIONA's divisions amounted to €190 million during the period slightly lower than it was a year ago as a result of the company's investment reduction plan. Energy represents the biggest share of the investment effort.

4. RESULTS BY DIVISION

4.1. Energy

(Million Euro)	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Generation	799	645	-155	-19.3%
Industrial, development and others	247	335	88	35.7%
Revenues	1,047	980	-66	-6.3%
Generation	543	407	-136	-25.1%
Industrial, development and others	-75	-44	32	-41.9%
EBITDA	468	363	-104	-22.3%
<i>Margin (%)</i>	<i>44.7%</i>	<i>37.0%</i>		
EBT	58	18	-40	-69.3%
<i>Margin (%)</i>	<i>5.5%</i>	<i>1.8%</i>		

ACCIONA Energy revenues decreased by 6.3% to €980 million. The EBITDA margin decreased by 7.7 percentage points to 37.0% vs. 44.7% in H1 2013. EBT amounted to €18 million, a 69.3% lower than in the same period last year. The results are mainly driven by the following factors:

- The severe impact of the successive regulatory changes in Spain. RD-L 9/2013 in force since 14th July 2013 has impacted the EBITDA of the division by -€121 million. Otherwise, EBITDA would have increased by 5%. At EBT level the impact amounts to -€152 million.
- The cumulative impact of the entire reform on EBT since the outset (changes affecting ACCIONA's financials both in 2013 and 2014) reaches -€216 million for this six-month period.
- The net reduction of the wind installed capacity by 151MW due to the combined effect of:
 - The sale of 62MW in Korea in the last quarter of 2013 and, 150MW in Germany in Q1 2014.
 - The installation of 59MW of new wind capacity (50MW in Costa Rica and 9MW in Chile). Out of these, 42MW correspond to H2 2013.
- Excluding these two impacts, at an operational level, the division presents a performance in line with last year with similar attributable productions (9,325GWh vs. 9,395GWh).
- It is worth highlighting the significant improvement of “industrial activity and development” with a net improvement of €25 million relative to the same period last year, boosted by the good performance of ACCIONA Windpower which installed 241MW vs. 104MW in H1 2013.

EBITDA from the industrial activity and development

(Million Euro)	Jan-Jun 13	Jan-Jun 14	Chg. (€m)
Biofuels & others	-1	0	+1
Windpower	-27	-5	+23
Development and construction	-18	-17	+2
Total EBITDA Industrial & development	-47	-22	+25

Breakdown of Installed Capacity and Production by Technology

30-Jun-14	Total		Attributable		
	Installed MW	Produced GWh	Installed MW	Produced GWh	
Wind Spain	4,743	5,734	3,466	3,997	
Wind International	2,263	3,516	2,021	3,136	
USA	628	1,200	553	1,045	
Mexico	557	963	557	963	
Australia	305	459	239	374	
Canada	181	276	103	162	
Italy	156	130	156	130	
Portugal	120	173	120	173	
India	86	95	86	95	
Poland	71	81	71	81	
Costa Rica	50	0	50	0	
Greece	48	68	48	68	
Croatia	30	45	30	45	
Hungary	24	26	0	0	
Chile	9	0	9	0	
Total Wind	7,006	9,250	5,486	7,133	
Hydro special regime	248	492	248	492	
Conventional Hydro	681	1,240	681	1,240	
Biomass	61	194	61	194	
Solar PV	51	44	6	1	
Solar Thermoelectric	314	263	314	263	
Cogeneration	9	1	9	1	
Total other technologies	1,364	2,235	1,318	2,192	
Total Energy	8,370	11,485	6,804	9,325	MW & GWh - EBITDA
Total Spain	5,995	7,860	4,717	6,123	
Total International	2,375	3,625	2,087	3,202	

	Equity accounted		
	Installed MW	Produced GWh	
Wind Spain	619	842	
Wind International	48	63	
Australia	33	43	
Hungary	11	12	
USA	4	8	
Solar PV	30	28	
Total equity accounted	697	933	MW & GWh - Equity acc.
Total Spain	619	842	
Total International	78	92	

The application of new accounting rule IFRS 11 results in a change in the consolidation method of 682MW, which are now consolidated under the equity method whereas previously consolidated proportionally. Together with the 15MW that ACCIONA already consolidated by the equity method, the Group now accounts for 697MW via the equity method.

4.2. Infrastructure, Water and Services

<i>(Million Euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Infrastructure	1,303	1,186	-117	-9.0%
Water	222	214	-8	-3.7%
Service	289	335	47	16.1%
Cifra de Negocios	1,814	1,735	-79	-4.4%
Infrastructure	56	45	-11	-19.3%
Water	12	11	-1	-9.7%
Service	7	9	2	36.4%
EBITDA	75	66	-10	-12.7%
<i>Margen (%)</i>	<i>4.1%</i>	<i>3.8%</i>		
BAI	17	27	10	58.8%
<i>Margen (%)</i>	<i>0.9%</i>	<i>1.6%</i>		

ACCIONA has brought together its operations of Infrastructure, Water and Services under a single division. This new structure brings the following benefits:

- Common and integrated international structure to support Infrastructure, Water and Service business development.
- A single and more comprehensive global offer to clients.
- Additional business opportunities from synergies among business units.
- More efficient international organizational structure to support the business.
- Focus on accountability and risk control through specialization, technical excellence and consistent execution.

A. Infrastructure

<i>(Million Euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Construction & Engineering	1,255	1,138	-117	-9.3%
Concessions	48	48	0	-0.2%
Revenues	1,303	1,186	-117	-9.0%
Construction & Engineering	38	25	-12	-32.8%
Concessions	18	20	2	8.3%
EBITDA	56	45	-11	-19.3%
<i>Margin (%)</i>	<i>4.3%</i>	<i>3.8%</i>		
EBT	11	20	9	86.1%
<i>Margin (%)</i>	<i>0.8%</i>	<i>1.7%</i>		

Revenues amounted to €1,186 million, 9.0% lower than in H1 2013 mainly due to a decrease in the levels of activity of the construction businesses.

EBITDA amounted to €45 million with a margin of 3.8%. The decrease in EBITDA contribution is mainly due to the decrease in the construction volumes both national and international.

With respect to the concession business, its revenues remained at similar levels but nevertheless its EBITDA grew by 8.3% to €20 million as consequence of a better operating performance of the business.

The sale of the Canadian concession Royal Jubilee Hospital during the third quarter of 2013 has no effect on the comparability of the quarterly EBITDA results as this concession was accounted by equity method and therefore it did not contribute EBITDA in either of the two semesters.

Construction Backlog

As of 30th of June 2014 the construction backlog amounted to €5,528 million, 2.7% lower than in December 2013. The international backlog reached an overall weight of 58% out of the total backlog vs. 54% six months ago.

During H1 2014 new works contracted amounted to €989 million, out of which 83% came from international markets. It is worth mentioning two big projects in Mexico, namely the power plant of Baja California V and the General Hospital of Nogales as well as the Warreel Creek Nambruca Highway in Australia.

(Million Euro)	30-Jun-13	30-Jun-14	Chg. (%)	Weight (%)
Civil works (Spain)	2,247	1,623	-28%	29%
Civil works (International)	2,581	2,670	3%	48%
Total Civil Works	4,828	4,293	-11%	78%
Non Residential (Spain)	606	418	-31%	8%
Non Residential (International)	349	320	-8%	6%
Non Residential	955	738	-23%	13%
Residential (Spain)	35	45	29%	1%
Residential (International)	36	17	-53%	0%
Total Residential	71	62	-13%	1%
ANA Development (Spain)	0	0	0%	0%
ANA Development (International)	35	12	-67%	0%
Total ANA Development	36	12	-66%	0%
Other*	397	423	7%	8%
TOTAL	6,287	5,528	-12%	100%
Total Spain	3,120	2,307	-26%	42%
Total International	3,167	3,221	2%	58%

* Other includes: Construction auxiliary, Engineering and Other.

Concessions

As of 30th June ACCIONA held a portfolio of 20 concessions with a book value of €1,776 million (€429 million equity and €1,347¹ million net debt).

The sale to Globalvía of 11.78% and 12.88% of the shares owned by ACCIONA in the companies which manage the two tram lines which run in the city of Barcelona, *Tramvia Metropolitá* and *Tramvia Metropolitá del Besós*, was carried out in June.

The sale of the Canadian concession Royal Jubilee Hospital was completed in August 2013.

As a result of the new accounting rules, six concessions are now accounted via the equity method.

Annex 2 contains the details on the concessions portfolio as of 30th June 2014.

¹ It includes the debts of the current concessions held for sale (€21 million) as well as the debt of the concessions accounted by the equity method (€936 million).

B. Water

<i>(Million Euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Revenues	222	214	-8	-3.7%
EBITDA	12	11	-1.2	-9.7%
<i>Margin (%)</i>	<i>5.6%</i>	<i>5.2%</i>		
EBT	8	7	-2	-18.4%
<i>Margin (%)</i>	<i>3.7%</i>	<i>3.2%</i>		

The Water division has shown a negative performance during H1 2014 with revenues decreasing by 3.7% to €214 million mainly due to the reduction of the design & construction activity.

EBITDA amounted to €11 million, 9.7% lower than the same period last year.

Water Backlog

Water backlog as of June 2014 stood at €9,756 million, 5% less than twelve months ago.

<i>(Million Euro)</i>	30-Jun-13	30-Jun-14	Chg. (%)
D&C	539	351	-35%
O&M	9,686	9,405	-3%
TOTAL	10,225	9,756	-5%

<i>(Million Euro)</i>	30-Jun-13	30-Jun-14	Weight (%)
Spain	8,971	8,882	91%
International	1,254	874	9%
TOTAL	10,225	9,756	100%

C. Service

<i>(Million Euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Revenues	289	335	47	16.1%
EBITDA	7	9	2	36.4%
<i>Margin (%)</i>	<i>2.3%</i>	<i>2.7%</i>		
EBT	-2	0	2	n.m.
<i>Margin (%)</i>	<i>-0.7%</i>	<i>0.1%</i>		

ACCIONA Service encompasses a series of services: airport handling services, facility services, logistic services, waste management and others.

The division reported an increase in revenues of 16.1% reaching €335 million as a result of higher volumes of facility service activity. The EBITDA level has also reported positive, reaching €9.2 million, a 36.4% higher vs. H1 2013.

4.3. Other Activities

<i>(Million Euro)</i>	Jan-Jun 13	Jan-Jun 14	Chg. (€m)	Chg. (%)
Trasmediterranea	186	185	-1	-0.4%
Real Estate	30	65	35	n.m.
Bestinver	46	70	24	51.2%
Winery	14	16	2	16.1%
Corp. & other	3	3	0.2	5.4%
Revenues	279	339	60	21.6%
Trasmediterranea	-7	-5	2	-26.6%
Real Estate	0	5	6	n.m.
Bestinver	31	44	12	39.4%
Winery	0.2	0.5	0.3	150.1%
Corp. & other	-3	-3	0.3	-11.0%
EBITDA	21	42	20	96.4%
<i>Margin (%)</i>	<i>7.6%</i>	<i>12.3%</i>		
EBT	-22	7	29	n.m.
<i>Margin (%)</i>	<i>-7.7%</i>	<i>2.1%</i>		

During H1 2014 this division - which includes Trasmediterranea, real estate, Bestinver, wineries and others – reported revenues of €339 million, 21.6% higher than in 2013. This is mainly due to the good performance of Real Estate and Bestinver.

Its EBITDA also increased to €42 million, 96.4% above H1 2013 levels, boosted by the improving performance of Bestinver and the real estate business.

Trasmediterranea:

Trasmediterranea improved its EBITDA in €2 million.

During H1, the number of passengers and vehicles decreased by 13.4% and 17.4% respectively. The lane metres increased by 5.9%.

The increase in EBITDA of €2 million vs. June 2013 is explained by the increase of the average prices reported in passengers and vehicles.

	Jan-Jun 13	Jan-Jun 14	Chg. (%)
Passengers served	1,037,598	898,085	-13.4
Cargo handled (lane metres)	2,636,874	2,793,524	5.9
Vehicles	237,710	196,388	-17.4

Real Estate:

Real Estate EBITDA reached €5 million relative to a neutral contribution in H1 2013 as a result of the international development activity (Mexico in particular).

	30-Jun-13	30-Jun-14	Chg. (%)
Housing stock	843	724	-14.1

The decrease in stock is due mainly to the sale of properties, as well as to the sale of the company Retiro Inmuebles that took place in 2013.

Of the 724 units, 144 are international units.

Bestinver:

Bestinver's assets under management reached €10,198 million as of 30th June 2014, an increase of 14.2% with respect to December 2013.

Bestinver reported an EBITDA of €44 million (+39.4%) vs. H1 2013.

ANNEX 1: MATERIAL INFORMATION, DIVIDEND AND SHARE DATA

5.1. Significant communications to the stock market

- **16th of January 2014: ACCIONA informs of the issue of the convertible bonds into shares**
 - The Company has approved the definitive terms and conditions of the Issue set out below:
 - The initial size of the Issue is €325 million, which may be increased up to an aggregate principal amount of €50 million.
 - It will accrue a fixed annual coupon of 3% payable semi-annually, commencing on the 30th July 2014.
 - The initial conversion price has been set at €63.02 per ordinary share, which represents a premium of approximately 32.5% over the volume-weighted average price on the Spanish Automated Quotation System of the Issuer's ordinary shares during the period between launch and the Joint Bookrunners of the final terms of the Issue.
 - The convertible Bonds will mature on the fifth anniversary of the Closing Date, when they will be redeemed at par at maturity unless previously converted, redeemed or purchased and cancelled.
- **23rd of January 2014: ACCIONA informs on the closing of the sale of the share capital of ACCIONA Energie Windparks Deutschland GmbH, ACCIONA Energie Deutschland GmbH and Volksmarsdorfer Windparkbetriebs GmbH, owners of 18 operating wind farms located in Lower Saxony and Brandenburg (Germany).**
 - ACCIONA Energía Internacional S.A. has entered into a sale and purchase agreement with two companies of the Swissspower Renewables AG's Group over the totality of the share capital of ACCIONA Energie Windparks Deutschland GmbH, ACCIONA Energie Deutschland GmbH and Volksmarsdorfer Windarkbetriebs GmnH owners of 18 operating wind farms located in Lower Saxony and Branderburg (Germany), with a total attributable capacity of 150.3 MW and a weighted average life of 8 years.
 - The transaction's consideration amounts to €157 million. The net debt with financial institutions of the companies amounts to €85 million.
 - The capital gain from the transaction is approximately €27 million.
- **27th of January 2014: ACCIONA informs that has partially exercised the over-allotment option granted to the joint bookrunners on behalf of the Managers of the Issue, in relation with the Convertible bonds Issuance.**
 - It is reported that the managers of the Issue, have partially exercised, in the amount of €17 million, the over allotment option granted by the Company to increase the size of the Issue by up €50 million.

- Consequently, the final size of the Issue is €342 million.
- The number of ordinary shares to be delivered upon conversion of all the Convertible Bonds, taking into account the initial conversion price (€63.02) and the final size of the Issue (€342 million), would amount to approximately 5,427 million shares, representing approximately 9.48% of the currently issued and outstanding share capital of the Company.
- **7th of April 2014: General Meeting of Bondholders announcement call**
 - General Meeting of Bondholders has been called to be held at the Syndicate of Bondholders' address, located in Alcobendas (Madrid) Avenida de Europa, n°18, on April 24, 2014, at 11.00 hours on first call.
- **11th April 2014: issue of bearer senior unsecured notes, by means of a private placement, for an amount of €75 million.**
 - The Company notifies the issue of bearer senior unsecured notes, by means of a private placement, for an amount of €75 million due 2024.
 - The nominal amount of each note is €100,000 and shall bear a coupon of 5.55% per year payable annually.
 - It is expected that the closing and payment of the Issue will take place on 29 April 2014, subject to the fulfillment of the usual conditions precedent for this type of issues.
- **28th April 2014: issue of bearer senior unsecured notes, by means of a private placement, for an amount of €75 million.**
 - On the 28th April de 2014 the General Meeting of Bondholders adopted the following resolutions:
 - To approve the management made as of today by Structured Finance Management (Spain) Ltd., in its capacity as Interim Commissioner of the Syndicate of Owners of Obligations.
 - To ratify the position of Commissioner of the Syndicate of Owners of Structured Finance Management Obligations (Spain), SL.
 - Ratify the full content of Regulation Guild Holders Obligations.
- **19th of May 2014: Official announcement and submission of proposal of the Annual General Meeting.**
 - On the 19th of May 2014, the company informed to the CNMV (Spanish Stock Market Regulator), of the Annual General Meeting announcement for the 23rd of June 2014 for its first call, or the 24th of June 2014 for its second one and submitted the proposal of agreements.
- **24th of June 2014: Annual General Meeting – Approval of Agreements.**

The 24th of June 2014 the Annual General Meeting adopted the following agreements:

- To acknowledge the resignations submitted by Ms. Miriam Gonzalez Durantez and Ms. Consuelo Crespo Bofill as non-independent board members.
 - To appoint Mr. Jerónimo Marcos Gerard Rivero, as independent board member and Ms. Carmen Becerril Martínez, as non-independent board member.
 - To approve the acquisition of shares and buying option rights to the top management of ACCIONA, S.A., and its group, including the executive directors of ACCIONA S.A., and the extension and modification of the current plan to deliver shares up to 2020.
 - To authorize the board of directors for a period of five years to increase the share capital on one or more occasions, through monetary contributions and up to a maximum current amount of €28,629,775, equivalent to half of the capital, in the terms and conditions that the board decides in each case, with the further power to fully or partially exclude the preferential right of subscription.
 - To authorize the board of directors for a five year term to issue bonds and other fixed income securities, either simple and/or convertible or exchangeable for shares of the company, or of another company, as well as other instruments entitling the right to acquire newly issued shares of the company, or of another company, with the power to fully or partially exclude the preferential right of subscription when legally existing, with the limit set of €3,000 million excluding bonds, which have a separate limit of €1,000 million.
 - To approve the individual annual accounts of ACCIONA and the group consolidated accounts corresponding to 2013.
 - To approve the Sustainability Report 2013.
- **24th of June 2014: ACCIONA announces the agreement reached by ACCIONA and KKR for the transmission of one third of the shares of ACCIONA Energía Internacional.**

ACCIONA Energía has reached an agreement with KKR whereby KKR buys through its infrastructure global fund a minority stake (one-third) in ACCIONA Energy International.

- The agreement states that ACCIONA Energía will operate ACCIONA Energy International's assets for 20 years under a management agreement. ACCIONA Energía will also give ACCIONA Energy International a Right of First Offer on future renewable energy projects it develops within ACCIONA Energy International's operational territory.
- The partnership intends to promote a future IPO on some of the renewable assets ("YieldCo").
- The price of the transaction amounts up to €417 million that can increase in €50 million based on an additional purchase price subject to the outcome of YieldCo's public offering.

- The investment gives an implied enterprise value to ACCIONA Energy International of €2,563 million, including €1.250 million in equity, excluding €50 million of additional payment and €1,313 million in net debt.
- **2nd of July 2014: ACCIONA announces the issuance of a formalized bond program of debt securities (EMTN).**
 - ACCIONA has formalized a bond program for a maximum amount of €1,000 million.
 - The securities issued under the program will, among others, have the following features:
 - They may be issued in euros or any other currency to be agreed at the time of issuance, which will be issued in series, and may have different maturity dates, subject to the legal requirements established for issuance in different currencies.
 - Securities may be issued at par, under par or at a premium.
 - May bear interest at a fixed rate, variable or a combination of both, among others.
 - They are subject to English law and under the jurisdiction of the English courts.

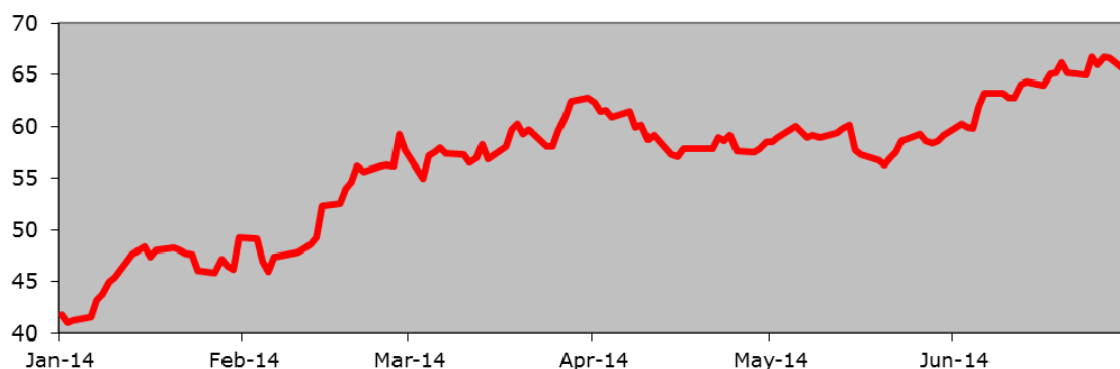
5.2. Dividend

On the 12th of December 2013 the board of directors of ACCIONA resolved to not distribute any amount of interim dividend against 2013 results.

Furthermore, in the Annual General Meeting that took place the 24th of June, no complementary dividend was approved since there was no proposed agreement in the agenda.

5.3. Share data and share price performance

ACCIONA Share Price Evolution (€/share)



Key Share Data

	30-Jun-14
Price at 30 th June 2014 (€/share)	65.32
Price at 1 st January 2014 (€/share)	41.77
Low in H1 14 (02/01/2014)	41.05
High in H1 14 (24/06/2014)	66.76
Average daily trading (shares)	301,885
Average daily trading (€)	16,440,806
Number of shares	57,259,550
Market capitalisation 30 th June 2014 (€ million)	3,740

Share Capital Information

As of the 30th of June 2014 the share capital of ACCIONA amounted to €57,259,550 divided into 57,259,550 shares of €1 of nominal value each.

The group's treasury shares as of the 30th of June 2014 amounted to 70,852 shares which represent a 0.12% of the share capital.

6. ANNEX 2: DETAIL OF CONCESSIONS

	Name	Description	Period	Country	ACCIONA	Status	Accounting method	Asset type
Road	Chinook roads (SEST)	Pay for availability road integrated in the Calgary ring motorway (25km)	2010 - 2043	Canada	50%	Operational	Equity method	Financial asset
	Autovia de los Viñedos	Construction, operation and maintenance of road CM-42 between Consuegra & Tomelloso (74.5km). Shadow toll	2003 - 2033	Spain	50%	Operational	Equity method	Intangible asset
	Ruta 160	Reform, maintenance and operation of a 91km toll road between Coronel and Tres Pinos. Explicit toll	2008 - 2048	Chile	100%	Construction & Operational	Global integration	Financial asset
	Infraestructuras y radiales (R-2)	Construction and operation of 87km toll road motorway R-2 connecting Madrid-Guadalajara (includes maintenance of part of M-50 connecting A1 and A2). Explicit toll	2001 - 2039	Spain	25%	Operational	Equity method	Intangible asset
	Rodovia do Aço	Recovery, operation and maintenance of BR-393 (200.4km) road in the Rio de Janeiro state (between Volta Redonda & Alén). Explicit toll	2008 - 2033	Brazil	100%	Construction & Operational	Global integration	Intangible asset
	A2 - Section 2	Remodeling, restoration, operation and maintenance of a 76.5km stretch of an existing road between km 62 (A-2) and km 139 (border of province of Soria-Guadalajara). Shadow toll	2007 - 2026	Spain	100%	Operational	Global integration	Intangible asset
	Puente del Ebro	Toll expressway connecting N-II & N-232 (5.4km: 400m above the Ebro river). Shadow toll	2006 - 2036	Spain	50%	Operational	Equity method	Intangible asset
	Windsor Essex Parkway	Design, construction and operation of 11km highway connecting Windsor (Ontario - Canada) and U.S. Border (Detroit - Michigan)	2010 - 2044	Canada	33%	Construction	Equity method	Financial asset
	Nouvelle Autoroute A-30	Construction and operation of toll road-Highway 30 in Montreal, between Châteauguay and Vaudreuil-Dorion (74km). Explicit toll	2008 - 2043	Canada	50%	Operational	Equity method	Financial asset
	Autovia Gerediaga - Elorrio	Construction, conservation and operation of N-636 road, Gerediaga-Elorrio stretch, and conservation and operation of Variante de Elorrio already built. Pay for availability	2012 - 2042	Spain	23%	Construction	Equity method	Financial asset
	Autovia del Almanzora	Construction and operation of the 40.76km road in Almería connecting Purchena and the Autovia del Mediterráneo (A-7). Availability payment	2012 - 2044	Spain	24%	Construction	Equity method	Financial asset
Autovia de la Plata	Construction, conservation and operation of Autovia de la Plata (A-66) road, between Benavente and Zamora. Stretches: A6 (Castrogonzalo) - Santovenia del Esla, Santovenia del Esla - Fontanillas de Castro, Fontanillas de Castro -Zamora. Pay for availability	2012 - 2042	Spain	25%	Construction	Equity method	Financial asset	
Rail	Consorcio Traza (Tranvía Zaragoza)	Construction & operation of the streetcar that crosses the city (12.80km)	2009 - 2044	Spain	17%	Operational	Equity method	Both methods
Canal	Canal de Navarra	Construction & operation of the 1 st phase of the Canal de Navarra irrigation area	2006 - 2036	Spain	35%	Operational	Equity method	Both methods
Port	Nova Darsena Esportiva de Bara	Construction & operation of the Roda de Bara marina. Revenues from moorings, shops & parkings (191,771m ³)	2005 - 2035	Spain	50%	Operational	Equity method	N/A
Hospital	Fort St John	DBFOM for a new 55-bed hospital (plus 123 nursing home patients)	2009 - 2042	Canada	50%	Operational	Equity method	Financial asset
	Hospital de Leon Bajío	Design, construction, equipment and O&M of the hospital occupying an area of 25,000m ² (184 beds)	2005 - 2030	Mexico	100%	Operational	Global integration	Financial asset
	Hospital del Norte (Madrid)	DBFOM of the hospital with an area of 90,000m ² divided in 4 blocks (283 beds)	2005 - 2035	Spain	95%	Operational	Global integration	Financial asset
	Gran Hospital Can Misses (Ibiza)	DBFOM of the hospital with an area of 72,000m ² & a health center (241 beds)	2010 - 2045	Spain	40%	Construction & Operational	Equity method	Financial asset
	Novo Hospital de Vigo	DBFOM of 3 hospitals with an area of 300,000m ² (175,000m ² hospital y 125,000m ² car park). (2007 beds)	2011 - 2033	Spain	43%	Construction	Equity method	Financial asset

7. ANNEX 3: SUSTAINABILITY

7.1. Sustainability indices



The results of the 2013 annual review confirm that ACCIONA is a component of the Dow Jones Sustainability Indexes (DJSI World) for the seventh consecutive year. These indexes are composed of those companies deemed most advanced in economic, social and environmental terms. ACCIONA has been assessed in the Electric Utilities industry.



Following a new half-year assessment, ACCIONA continues to rank on the FTSE4Good Index Series. Companies in the FTSE4Good Index Series have met stringent social and environmental criteria, and are positioned to capitalise on the benefits of responsible business practice.



Following an annual assessment, ACCIONA has been selected for the STOXX Global ESG Leaders Index, STOXX Global ESG Environmental Leaders Index, STOXX Global ESG Governance Leaders Index and STOXX Global ESG Social Leaders.



ACCIONA has been listed in the Climate Performance Leadership Index (CPLI) and the Climate Disclosure Leadership Index (CDLI), according to the Iberia 125 Climate Change Report 2013, published by CDP. It has also been included in the Supplier Climate Performance Leadership Index.

7.2. Sustainability events during the period:

- ACCIONA, ranking 62nd, is the only Spanish company in the "**Global 100 Most Sustainable Corporations in the World 2014**" ranking, published by Corporate Knights.
- Since the beginning of 2014, ACCIONA has been a **member to the Steering Committee of the Global Compact LEAD** initiative.
- ACCIONA has endorsed **the Trillion Tonne Communiqué**, coordinated by The Prince of Wales's Corporate Leaders Group, which calls on governments to set a timeline for achieving net zero emissions before the end of the century; design a credible strategy for transforming the energy system; create a plan to manage reliance on fossil fuels, especially coal.
- In June, the chairman of ACCIONA, José Manuel Entrecanales, participated in the first forum of the **UN "Sustainable Energy for All" initiative**, co-chairing **the Renewable Energy Committee of the Advisory Council** of the initiative along with the Director-General of the International Renewable Energy Agency (IRENA).
- In June, ACCIONA held its **third annual Volunteering Day** during which more than 300 employees took part in Sustainability Workshops reaching out to over 6,500 schoolchildren aged between 7 and 11 in eleven countries.

- For the third consecutive year, **the General Meeting of Shareholders of ACCIONA**, held on June 24th, approved the **Sustainability Report 2013** with the favorable vote of 99.95% of the capital with voting rights in attendance.

8. CONTACT

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