

## 2016 RESULTS

JANUARY - DECEMBER

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In accordance with Regulation 1606/2002 of the European Parliament and of the Council of 19<sup>th</sup> July 2002, for each financial year starting on or after 1<sup>st</sup> 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 activities that range from construction of wind farms to the generation, distribution and marketing of its different energy sources
- Infrastructure:
  - Construction includes construction, industrial 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 among others
- Other activities includes the businesses of Trasmediterránea, real estate, Bestinver, wineries and other businesses

On July 3<sup>rd</sup> 2016 Guidelines on Alternative Performance Measures (APM) published by ESMA came into force. This requires an explanation in the management report on how financial parameters or performance measures, that do not appear in the financial statements straight away, are calculated. To meet this guideline, the APM's used in this report by ACCIONA Group are listed and defined below including an explanation of why these APM are used:

**EBITDA:** it is defined as operating income before depreciation and amortization, that is, the operating result of the group. It is calculated by taking the following items of the consolidated income statement: “net revenue”, “other revenues”, “change in inventories of finished goods and work in progress”, “cost of goods sold”, “personnel expenses” and “other operating expenses”.

**Net Debt:** it shows the Group’s debt, in net terms, deducting cash and cash equivalents. It is calculated by taking the following items from the consolidated balance sheet: “non-current interest bearing borrowings”, “current interest bearing borrowings”, less “cash and cash equivalents” and “other current financial assets”.

**Non-recourse debt:** it corresponds to debt that does not have corporate guarantees, and therefore its recourse is limited to the debtor’s assets and cash flows.

**Recourse debt:** Debt with a corporate guarantee.

**Financial gearing:** it shows the relation between the Group’s financial debt and its equity. It is calculated dividing “net debt” (calculated as explained above) by “equity”.

**Backlog:** is defined as the pending production, that is to say, contractual amounts or customer orders after having deducted the amounts already accounted for as income in the income statement. It is calculated on the basis of orders and contracts awarded to the Group, deducting the realized portion that is accounted on “net revenue” and adding or subtracting “other variations” that correspond to forex adjustments, modifications to the initial contracts, and other changes to be made to the awarded backlog.

**Net Capex:** it is defined as the net change in the balance of property, plant & equipment, intangible, financial and real estate assets during the period, corrected by:

- Depreciation, amortization and impairment of assets during the period
- Results on non-current assets
- Forex fluctuations

When dealing with changes in the consolidation perimeter, net capex is defined as the net outflow/inflow of used/sourced resources in the purchase/sale of net assets.

Management uses this APMs to take financial or operational decisions as well as in the planning process. They are also used to evaluate the performance of the Group and its subsidiaries.

Management considers these APMs provide useful additional financial information to evaluate the performance of the Group and its subsidiaries as well as for decision-making by the users of the financial information.

### 1. EXECUTIVE SUMMARY

#### Key Highlights

- ACCIONA generated an EBITDA of €1,192 million during FY2016. This represents an increase of 1.5% vs. FY2015. The year has been marked by a strong decline of the power prices in the Spanish market, which were partially compensated by the good performance of the Infrastructure division and Other Activities. ACCIONA has been able to reduce its financial leverage ratio down to 4.31x vs 4.39x in 2015.
- The deconsolidation of wind turbine manufacturer AWP – due to the contribution to Nordex, with ACCIONA's stake accounted via the equity method – in combination with the full consolidation of water concession ATLL - as a result of the increased interest now owned – has had a broadly neutral at the EBITDA level.
- FY 2016 figures include positive extraordinary items amounting to €721 million, mostly representing the capital gain related to the contribution of AWP to Nordex. These positive effects have been partially offset by negative extraordinary items amounting in aggregate to €626 million, of which approximately half are related to non-recurring financial charges arising from the major refinancing transactions, linked to energy assets, which were carried out during the period. The rest correspond to other provisions and impairments.
- The net extraordinary items at the Profit Before Tax level amount to €95 million (€387 million at EBIT level, before the non-recurring financial charges primarily).
- The refinancing transactions related to energy projects will allow ACCIONA to significantly reduce its cost of debt and deepen the transformation of its funding structure. The extraordinary financial charges are mostly linked to unwinding of derivative contracts and therefore are mostly neutral in terms of impact on net debt.
- In terms of capital expenditure, the group has reactivated its investment effort mainly in the Energy division, with gross capex amounting to €916m during the period, which includes non-recurring investments such as the increase in its interest in water concession ATLL. Taking into account divestments of commercial properties within the Real Estate division – amounting to €64 million – and the management of payments linked to the investment activity, net investment cash-flow for the period reached €719 million.
- ACCIONA increased its firm pipeline of energy projects thanks to success in public and private tenders and auctions in Chile, Mexico, and Australia, securing approximately 700 MW (net) to be installed during the next few years. Within Infrastructure, the Construction backlog increased by 21% reaching €8,140m thanks to the award of large value-added contracts such as the extension of the Dubai metro and the Quito metro.

### Income Statement Data

| <i>(Million euro)</i>   | Jan-Dec 15 | Jan-Dec 16 | Chg. (%) |
|-------------------------|------------|------------|----------|
| Revenues                | 6,544      | 5,977      | -8.7%    |
| EBITDA                  | 1,174      | 1,192      | 1.5%     |
| EBIT                    | 627        | 988        | 57.6%    |
| Ordinary EBT            | 330        | 312        | -5.3%    |
| EBT                     | 319        | 408        | 28.0%    |
| Net attributable profit | 207        | 352        | 70.0%    |

### Balance Sheet Data and Capital Expenditure

| <i>(Million euro)</i> | 31-Dec-15 | 31-Dec-16 | Chg. (%) |
|-----------------------|-----------|-----------|----------|
| Equity                | 3,754     | 4,097     | 9.1%     |
| Net debt              | 5,159     | 5,131     | -0.5%    |

| <i>(Million euro)</i> | Jan-Dec 15 | Jan-Dec 16 | Chg. (%) |
|-----------------------|------------|------------|----------|
| Net Capex             | 171        | 852        | n.m      |

### Operating Data

|                                     | 31-Dec-15 | 31-Dec-16 | Chg. (%) |
|-------------------------------------|-----------|-----------|----------|
| Construction backlog (Million euro) | 6,722     | 8,140     | 21.1%    |
| Water backlog (Million euro)        | 3,536     | 10,469    | 196.0%   |
| Total wind installed capacity (MW)  | 7,212     | 7,260     | 0.7%     |
| Total installed capacity (MW)       | 8,619     | 8,913     | 3.4%     |
| Total production (GWh) (Jan-Dec)    | 20,875    | 20,830    | -0.2%    |
| Average workforce                   | 32,147    | 32,835    | 2.1%     |

## 2. CONSOLIDATED INCOME STATEMENT

| (Million Euro)   | Jan-Dec 15<br>(€m) | Jan-Dec 16<br>(€m) | Chg.<br>(€m) | Chg.<br>(%)  |
|--|--------------------|--------------------|--------------|--------------|
| <b>Revenues</b>  | <b>6,544</b>       | <b>5,977</b>       | <b>-566</b>  | <b>-8.7%</b> |
| Other revenues   | 247                | 555                | 307          | 124.2%       |
| Changes in inventories of finished goods and work in progress      | -3                 | 8                  | 11           | n.m.         |
| <b>Total Production Value</b>                                      | <b>6,788</b>       | <b>6,541</b>       | <b>-248</b>  | <b>-3.6%</b> |
| Cost of goods sold   | -1,830             | -1,595             | 235          | -12.8%       |
| Personnel expenses   | -1,254             | -1,288             | -33          | 2.7%         |
| Other expenses   | -2,530             | -2,466             | 63           | -2.5%        |
| <b>EBITDA</b>  | <b>1,174</b>       | <b>1,192</b>       | <b>17</b>    | <b>1.5%</b>  |
| Depreciation and amortisation                                      | -510               | -547               | -37          | 7.3%         |
| Provisions   | -53                | -231               | -178         | n.m.         |
| Impairment of assets value   | -20                | -107               | -87          | n.m.         |
| Results on non current assets                                      | 9                  | 640                | 631          | n.m.         |
| Other gains or losses  | 27                 | 43                 | 15           | 56.4%        |
| <b>EBIT</b>  | <b>627</b>         | <b>988</b>         | <b>361</b>   | <b>57.6%</b> |
| Net financial result   | -389               | -671               | -281         | 72.2%        |
| Exchange differences (net)   | 23                 | 28                 | 5            | 21.6%        |
| Var. provisions financial investments                              | -2                 | -1                 | 1            | -65.8%       |
| Income from associated companies                                   | 60                 | 70                 | 10           | 15.8%        |
| Profit and loss from changes in value of instruments at fair value | 0                  | -6                 | -7           | n.m.         |
| <b>EBT</b>   | <b>319</b>         | <b>408</b>         | <b>89</b>    | <b>28.0%</b> |
| Income tax   | -83                | -34                | 49           | -59.2%       |
| <b>Profit from Continuing Activities</b>                           | <b>236</b>         | <b>374</b>         | <b>138</b>   | <b>58.6%</b> |
| Minority interest  | -28                | -22                | 7            | -23.1%       |
| <b>Attributable Net Profit</b>                                     | <b>207</b>         | <b>352</b>         | <b>145</b>   | <b>69.8%</b> |

In order to facilitate the analysis of financial results for the period, a simplified Profit & Loss account separating ordinary from extraordinary results is provided below:

| (Million Euro)                                | Jan-Dec 15       | Jan-Dec 16       |                       | Change<br>Ordinary<br>(%) |               |
|---|------------------|------------------|-----------------------|---------------------------|---------------|
|   | Ordinary<br>(€m) | Ordinary<br>(€m) | Extraordinary<br>(€m) |                           | Total<br>(€m) |
| <b>Revenues</b>                               | <b>6,544</b>     | <b>5,977</b>     | <b>0</b>              | <b>5,977</b>              | <b>-8.7%</b>  |
| Cost of goods sold, expenses and other income | -5,369           | -4,786           | 0                     | -4,786                    | -10.9%        |
| <b>EBITDA</b>                                 | <b>1,174</b>     | <b>1,192</b>     | <b>0</b>              | <b>1,192</b>              | <b>1.5%</b>   |
| Depreciation and amortisation                 | -510             | -547             | 0                     | -547                      | 7.3%          |
| Provisions, impairments and other             | -37              | -42              | 386                   | 344                       | n.a.          |
| <b>EBIT</b>                                   | <b>627</b>       | <b>601</b>       | <b>387</b>            | <b>988</b>                | <b>-4.1%</b>  |
| Net financial result                          | -389             | -373             | -298                  | -671                      | -4.3%         |
| Income from associated companies              | 60               | 70               | 0                     | 70                        | 15.8%         |
| Other financial results                       | 21               | 13               | 7                     | 20                        | -35.9%        |
| <b>EBT</b>                                    | <b>319</b>       | <b>312</b>       | <b>95</b>             | <b>408</b>                | <b>-2.2%</b>  |
| Income tax                                    | -83              | -117             | 83                    | -34                       | 41.0%         |
| <b>Profit from Continuing Activities</b>      | <b>236</b>       | <b>195</b>       | <b>179</b>            | <b>374</b>                | <b>-17.3%</b> |
| Minority interest                             | -28              | -49              | 27                    | -22                       | 72.3%         |
| <b>Attributable Net Profit</b>                | <b>207</b>       | <b>146</b>       | <b>206</b>            | <b>352</b>                | <b>-29.6%</b> |

## FY 2016 Results (January – December)

### Revenues

| Revenues (Million Euro)   | Jan-Dec 15   | Jan-Dec 16   | Chg.(€m)    | Chg.(%)      |
|---------------------------|--------------|--------------|-------------|--------------|
| Energy                    | 2,719        | 1,796        | -923        | -33.9%       |
| Infrastructure            | 3,306        | 3,611        | 305         | 9.2%         |
| Construction              | 2,171        | 2,267        | 96          | 4.4%         |
| Water                     | 451          | 708          | 258         | 57.2%        |
| Service                   | 716          | 677          | -39         | -5.5%        |
| Consolidation Adjustments | -32          | -41          | -9          | -27.4%       |
| Other Activities          | 613          | 668          | 55          | 8.9%         |
| Consolidation Adjustments | -95          | -98          | -3          | 3.3%         |
| <b>TOTAL Revenues</b>     | <b>6,544</b> | <b>5,977</b> | <b>-566</b> | <b>-8.7%</b> |

Consolidated revenues fell by 8.7% to €5,977 million, mainly due to the combined effect of the following factors:

- The decline in Energy revenues (-33.9%) mainly as a result of the deconsolidation of AWP (wind turbine business) from 1<sup>st</sup> April 2016
- Increase in revenues in most infrastructure lines, Water in particular (+57.2%) due to the full consolidation of the ATLL concession as of 1<sup>st</sup> January 2016
- Revenues from Other Activities increased by 8.9% due to the Real Estate business

### EBITDA

| EBITDA (Million Euro)     | Jan-Dec 15   | % EBITDA    | Jan-Dec 16   | % EBITDA    | Chg.(€m)  | Chg.(%)       |
|---------------------------|--------------|-------------|--------------|-------------|-----------|---------------|
| Energy                    | 897          | 76%         | 740          | 62%         | -157      | -17.5%        |
| Infrastructure            | 167          | 14%         | 321          | 27%         | 153       | 91.8%         |
| Construction              | 102          | 9%          | 174          | 15%         | 72        | 70.5%         |
| Water                     | 35           | 3%          | 119          | 10%         | 84        | 243.6%        |
| Service                   | 31           | 3%          | 28           | 2%          | -3        | -9.0%         |
| Consolidation Adjustments | 0            | n.m.        | 0            | 0%          | 0         | n.m.          |
| Other Activities          | 113          | 10%         | 131          | 11%         | 18        | 16.2%         |
| Consolidation Adjustments | -3           | n.m.        | 0            | n.m.        | 3         | n.m.          |
| <b>TOTAL EBITDA</b>       | <b>1,174</b> | <b>100%</b> | <b>1,192</b> | <b>100%</b> | <b>17</b> | <b>1.5%</b>   |
| <b>Margin (%)</b>         | <b>17.9%</b> |             | <b>19.9%</b> |             |           | <b>+2.0pp</b> |

Note: EBITDA contributions calculated before consolidation adjustments.

EBITDA increased slightly (1.5%) to €1,192 million mainly due to the higher contribution from Infrastructure (91.8%) and Other Activities (16.2%) which have offset the lower contribution of the Energy business (-17.5%)

The EBITDA margin stood at 19.9%, 2.0 percentage points higher than in FY2015.

With respect to the relative contribution of the divisions at the EBITDA level, Energy contributed the most (62%), followed by Infrastructure (27%). Other activities contributed 11% of EBITDA.



### EBIT

EBIT reached €988 million, 57.6% higher than the previous year mainly due to net extraordinary items for a total amount of €387 million, mostly related to the capital gain from the contribution of the AWP business to Nordex, which was partially offset by negative items as described below.

### Earnings Before Tax (EBT)

| EBT (Million Euro)        | Jan-Dec 15  | Jan-Dec 16  | Chg.(€m)   | Chg.(%)       |
|---------------------------|-------------|-------------|------------|---------------|
| Energy                    | 198         | 107         | -91        | -45.8%        |
| Infrastructure            | 90          | 122         | 32         | 35.9%         |
| Construction              | 33          | 69          | 36         | 108.2%        |
| Water                     | 41          | 38          | -3         | -7.4%         |
| Service                   | 16          | 15          | -1         | -3.8%         |
| Other Activities          | 43          | 85          | 43         | 99.1%         |
| Consolidation Adjustments | -1          | -3          | -2         | 130.1%        |
| <b>Ordinary EBT</b>       | <b>330</b>  | <b>312</b>  | <b>-17</b> | <b>-5.3%</b>  |
| Extraordinaries           | -11         | 95          | 106        | n.m.          |
| <b>TOTAL EBT</b>          | <b>319</b>  | <b>408</b>  | <b>89</b>  | <b>28.0%</b>  |
| <b>Margin (%)</b>         | <b>4.9%</b> | <b>6.8%</b> |            | <b>+2.0pp</b> |

Ordinary EBT fell by 5.3% to €312 million mainly due to the lower Energy business contribution which fell by 45.8%. Both Infrastructure and Other Activities improved their EBT.

Nevertheless, total EBT increased by 28.0%. This increase is mainly explained by the net extraordinary results of €95 million registered during the period which include the following effects:

- Positive effects amounting to €721 million on the back of AWP-Nordex merger capital gain (€657 million); the capital gain derived from the acquisition of a 37.05% stake of ATLL from BTG Pactual; the unwinding of a provision due to the favourable court resolution regarding the last penalty imposed by the competition authority CNMC to Trasmediterránea; and the purchase of a debt at a discount.
- Negative effects amounting to €626 million which include the financial costs related to the cancelation/refinancing of the debt associated to certain assets of the Energy division in order to reduce cost of debt and optimize cash and cash equivalents which entail in aggregate a charge of €301 million in the profit and loss account, mostly representing the unwinding of financial derivatives. Other negative effects include the provision of a client receivable due to a project that has been suspended in Brazil and impairment losses in Real Estate (land plots); certain international Energy assets and a construction project in Brazil; and other costs mainly related to legal disputes.

### **Attributable Net Profit**

Attributable net profit amounted to €352 million, 69.8% higher than in FY2015.

### 3. CONSOLIDATED BALANCE SHEET

| (Million Euro)                                    | 31-Dec-15<br>(€m) | 31-Dec-16<br>(€m) | Chg.<br>(€m) | Chg.<br>(%)  |
|---|-------------------|-------------------|--------------|--------------|
| Property, Plant & Equipment and Intangible assets | 8,855             | 9,974             | 1,120        | 12.6%        |
| Financial assets                                  | 569               | 1,340             | 771          | 135.4%       |
| Goodwill  | 79                | 79                | 0            | 0.0%         |
| Other non-current assets                          | 1,382             | 1,291             | -91          | -6.6%        |
| <b>NON-CURRENT ASSETS</b>                         | <b>10,885</b>     | <b>12,684</b>     | <b>1,799</b> | <b>16.5%</b> |
| Inventories                                       | 740               | 783               | 43           | 5.8%         |
| Accounts receivable                               | 1,612             | 1,724             | 111          | 6.9%         |
| Other current assets                              | 236               | 250               | 14           | 6.0%         |
| Other current financial assets                    | 413               | 211               | -202         | -48.8%       |
| Cash and Cash equivalents                         | 1,460             | 1,428             | -32          | -2.2%        |
| Assets held for sale                              | 431               | 327               | -104         | -24.1%       |
| <b>CURRENT ASSETS</b>                             | <b>4,893</b>      | <b>4,723</b>      | <b>-169</b>  | <b>-3.5%</b> |
| <b>TOTAL ASSETS</b>                               | <b>15,778</b>     | <b>17,408</b>     | <b>1,630</b> | <b>10.3%</b> |

|  |               |               |              |              |
|--|---------------|---------------|--------------|--------------|
| Capital  | 57            | 57            | 0            | 0.0%         |
| Reserves   | 3,249         | 3,437         | 188          | 5.8%         |
| Profit attributable to equity holders of the parent        | 207           | 352           | 145          | 69.8%        |
| Own Securities   | -20           | -14           | 6            | -28.8%       |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT</b> | <b>3,493</b>  | <b>3,831</b>  | <b>338</b>   | <b>9.7%</b>  |
| <b>MINORITY INTERESTS</b>                                  | <b>261</b>    | <b>266</b>    | <b>5</b>     | <b>1.9%</b>  |
| <b>EQUITY</b>  | <b>3,754</b>  | <b>4,097</b>  | <b>343</b>   | <b>9.1%</b>  |
| Interest-bearing borrowings                                | 5,895         | 5,602         | -293         | -5.0%        |
| Other non-current liabilities                              | 2,008         | 3,237         | 1,229        | 61.2%        |
| <b>NON-CURRENT LIABILITIES</b>                             | <b>7,903</b>  | <b>8,839</b>  | <b>936</b>   | <b>11.8%</b> |
| Interest-bearing borrowings                                | 1,137         | 1,169         | 31           | 2.8%         |
| Trade payables   | 2,025         | 2,297         | 273          | 13.5%        |
| Other current liabilities                                  | 539           | 819           | 280          | 52.1%        |
| Liabilities associated to assets held for sale             | 420           | 186           | -234         | -55.7%       |
| <b>CURRENT LIABILITIES</b>                                 | <b>4,120</b>  | <b>4,471</b>  | <b>351</b>   | <b>8.5%</b>  |
| <b>TOTAL LIABILITIES AND EQUITY</b>                        | <b>15,778</b> | <b>17,408</b> | <b>1,630</b> | <b>10.3%</b> |

### Attributable Equity

ACCIONA's attributable equity as of 31<sup>st</sup> December 2016 reached €3,831 million, 9.7% higher than as of 31<sup>st</sup> December 2015 due to the net income generated during the period.

### Net Financial Debt

| (Million Euro)                               | 31-Dec-15     |             | 31-Dec-16     |             | Chg.        | Chg.          |
|--|---------------|-------------|---------------|-------------|-------------|---------------|
|  | (€m)          | % Total     | (€m)          | % Total     | (€m)        | (%)           |
| Interest-bearing borrowings without recourse | 4,629         | 66%         | 2,254         | 33%         | -2,376      | -51.3%        |
| Interest-bearing borrowings with recourse    | 2,403         | 34%         | 4,517         | 67%         | 2,114       | 88.0%         |
| <b>Total interest-bearing debt</b>           | <b>7,032</b>  | <b>100%</b> | <b>6,771</b>  | <b>100%</b> | <b>-261</b> | <b>-3.7%</b>  |
| <b>Cash + Cash equivalents</b>               | <b>-1,873</b> |             | <b>-1,640</b> |             | <b>233</b>  | <b>-12.5%</b> |
| <b>Net financial debt</b>                    | <b>5,159</b>  |             | <b>5,131</b>  |             | <b>-28</b>  | <b>-0.5%</b>  |

Net financial debt as of December 2016 amounted to €5,131 million, 0.5% lower than in December 2015. This variation in debt is mainly due to the combination of the following factors:

- The operating cashflow amounted to €780 million
- The vigorous investment activity with an investment net cash outflow of €719m
- The payment of the 2015 dividend during the third quarter of 2016
- The reclassification of the net debt of a transport concession and a real estate asset as a liability associated to assets held for sale for a total amount of €165m, as the group is currently selling the former via a competitive bid process and executed the sale of the latter in January

The mix of Recourse and Non-recourse debt shows the increased weight of Recourse Debt mainly as a result of the refinancing transactions carried out during the year.

Financial gearing has evolved as follows:

| (Million Euro)                  | 31-Dec-15 | 31-Dec-16 |
|---------------------------------|-----------|-----------|
| Net Debt                        | 5,159     | 5,131     |
| Gearing (Net Debt / Equity) (%) | 137%      | 125%      |

### Capital Expenditure

| <i>(Million Euro)</i> | <b>Jan-Dec 15</b> | <b>Jan-Dec 16</b> |
|-----------------------|-------------------|-------------------|
|                       | <b>(€m)</b>       | <b>(€m)</b>       |
| Energy                | 130               | 489               |
| Infrastructure        | 79                | 358               |
| Construction          | 49                | 223               |
| Water                 | 19                | 107               |
| Service               | 11                | 28                |
| Other Activities      | 13                | 69                |
| <b>Gross Capex</b>    | <b>222</b>        | <b>916</b>        |
| Divestments           | -51               | -64               |
| <b>Net Capex</b>      | <b>171</b>        | <b>852</b>        |

Gross capital expenditure across ACCIONA's divisions in FY2016 amounted to €916 million.

Energy represents the greatest share of the investment effort with €489 million – mainly related with the development of new capacity in Chile, USA and India - followed by Construction with €223 million mostly related with the investment in heavy machinery required for International construction projects (Norway, Canada and Ecuador).

It is worth mentioning the acquisition of an additional 37.05% stake in the water concession ATLL for €74 million. Capital Expenditure of the period also reflects the purchase of two vessels for Trasmediterránea.

In terms of divestments, the group sold certain commercial properties belonging to the Real Estate division for €64 million.

As a result, net capital expenditure amounted to €852 million, which represented €719m in terms of net investment cashflow.

## 4. RESULTS BY DIVISION

### 4.1. Energy

| (Million Euro)                    | Jan-Dec 15   | Jan-Dec 16   | Chg. (€m)   | Chg. (%)      |
|-----------------------------------|--------------|--------------|-------------|---------------|
| Generation                        | 1,329        | 1,266        | -63         | -4.7%         |
| <i>Spain</i>                      | 845          | 765          | -80         | -9.4%         |
| <i>International</i>              | 484          | 501          | 17          | 3.5%          |
| Non-Generation                    | 1,743        | 880          | -863        | -49.5%        |
| Consolidation adjustments & Other | -353         | -350         | 2           | -0.7%         |
| <b>Revenues</b>                   | <b>2,719</b> | <b>1,796</b> | <b>-923</b> | <b>-33.9%</b> |
| Generation                        | 848          | 782          | -65         | -7.7%         |
| <i>Spain</i>                      | 489          | 412          | -77         | -15.8%        |
| <i>International</i>              | 359          | 370          | 12          | 3.3%          |
| Non-Generation                    | 93           | 27           | -66         | -71.0%        |
| Consolidation adjustments & Other | -44          | -70          | -26         | 58.1%         |
| <b>EBITDA</b>                     | <b>897</b>   | <b>740</b>   | <b>-157</b> | <b>-17.5%</b> |
| <i>Margin (%)</i>                 | 33.0%        | 41.2%        |             |               |
| <b>EBT</b>                        | <b>198</b>   | <b>107</b>   | <b>-91</b>  | <b>-45.8%</b> |
| <i>Margin (%)</i>                 | 7.3%         | 6.0%         |             |               |

ACCIONA Energy revenues decreased by 33.9% to €1,796 million. EBITDA decreased by 17.5% to €740 million. EBT amounted to €107 million vs. €198 million in FY2015.

These results were mainly driven by the following factors:

- The 7.7% decrease in EBITDA contribution of the Generation activity to €782 million. This was mainly due to the lower EBITDA in Spain, which fell by 15.8% due to the combination of the following factors:
  - The significant drop in electricity prices which fell to €39.67MWh in average in 2016, 21% lower than in FY 2015
  - This effect was partially mitigated by the recognition of a regulatory receivable during 3Q 2016 derived from the banding mechanism – as established in the RD 413/2014 and the Ministerial Order IET 1045/2014 - for an amount of €33 million
  - International wind production increased by 4.4% thanks to new installed capacity in the United States, Chile, South Africa and Poland becoming operational during 2015 and 2016
- Non-Generation EBITDA in FY 2016 decreased by €66 million mainly due to the deconsolidation of AWP

During the last twelve months, consolidated installed capacity increased by 294MW, mainly due to the incorporation of 246MW solar PV in Chile, 93MW wind in USA and 3MW wind in India. The 48MW located in Greece were written off following the negative outcome of a legal dispute with a partner.

## FY 2016 Results (January – December)

In terms of new growth opportunities, ACCIONA increased its firm pipeline of energy projects thanks to the success in public and private tenders and auctions in Chile, Mexico, and Australia, securing approximately 700 MW (net) to be installed during the next few years.

At an operational level, consolidated production amounted to 17,354GWh, 0.9% higher than in FY 2015 due to the higher International wind resource which compensated the lower wind and hydro production in Spain.

### Breakdown of Installed Capacity and Production by Technology

| 31-Dec-16                       | Total        |               | Consolidated |               | Net          |               |
|---------------------------------|--------------|---------------|--------------|---------------|--------------|---------------|
|                                 | Installed MW | Produced GWh  | Installed MW | Produced GWh  | Installed MW | Produced GWh  |
| <b>Spain</b>                    | <b>5,950</b> | <b>12,847</b> | <b>4,673</b> | <b>10,111</b> | <b>5,279</b> | <b>11,393</b> |
| Wind                            | 4,747        | 9,847         | 3,470        | 7,111         | 4,079        | 8,410         |
| Hydro                           | 888          | 2,198         | 888          | 2,198         | 888          | 2,198         |
| Solar Thermoelectric            | 250          | 421           | 250          | 421           | 250          | 421           |
| Solar PV                        | 3            | 4             | 3            | 4             | 3            | 4             |
| Biomass                         | 61           | 376           | 61           | 376           | 59           | 360           |
| <b>International</b>            | <b>2,963</b> | <b>7,983</b>  | <b>2,677</b> | <b>7,243</b>  | <b>1,865</b> | <b>4,757</b>  |
| Wind                            | 2,512        | 7,524         | 2,272        | 6,875         | 1,524        | 4,528         |
| USA                             | 721          | 2,068         | 646          | 1,814         | 467          | 1,236         |
| Mexico                          | 557          | 2,191         | 557          | 2,191         | 361          | 1,424         |
| Australia                       | 303          | 961           | 239          | 805           | 180          | 589           |
| Italy                           | 156          | 272           | 156          | 272           | 104          | 181           |
| South Africa                    | 138          | 316           | 138          | 316           | 47           | 107           |
| Portugal                        | 120          | 299           | 120          | 299           | 75           | 183           |
| Canada                          | 181          | 459           | 103          | 268           | 69           | 178           |
| Poland                          | 101          | 189           | 101          | 189           | 67           | 126           |
| India                           | 89           | 229           | 89           | 229           | 60           | 153           |
| Costa Rica                      | 50           | 254           | 50           | 254           | 32           | 165           |
| Chile                           | 45           | 95            | 45           | 95            | 30           | 63            |
| Croatia                         | 30           | 83            | 30           | 83            | 20           | 56            |
| Greece                          | 0            | 59            | 0            | 59            | 0            | 42            |
| Hungary                         | 24           | 48            | 0            | 0             | 12           | 24            |
| Solar PV                        | 386          | 340           | 341          | 249           | 298          | 150           |
| Chile                           | 246          | 39            | 246          | 39            | 246          | 39            |
| South Africa                    | 94           | 210           | 94           | 210           | 32           | 71            |
| Portugal                        | 46           | 92            | 0            | 0             | 20           | 40            |
| Solar Thermoelectric (USA)      | 64           | 119           | 64           | 119           | 43           | 79            |
| <b>Total Wind</b>               | <b>7,260</b> | <b>17,371</b> | <b>5,742</b> | <b>13,986</b> | <b>5,602</b> | <b>12,937</b> |
| <b>Total other technologies</b> | <b>1,653</b> | <b>3,459</b>  | <b>1,607</b> | <b>3,367</b>  | <b>1,541</b> | <b>3,213</b>  |
| <b>Total Energy</b>             | <b>8,913</b> | <b>20,830</b> | <b>7,349</b> | <b>17,354</b> | <b>7,143</b> | <b>16,150</b> |

Annex 2 shows greater detail on installed capacity and generation output.

## 4.2. Infrastructure

| (Million Euro)            | Jan-Dec 15   | Jan-Dec 16   | Chg. (€m)  | Chg. (%)     |
|---------------------------|--------------|--------------|------------|--------------|
| Construction              | 2,171        | 2,267        | 96         | 4.4%         |
| Water                     | 451          | 708          | 258        | 57.2%        |
| Service                   | 716          | 677          | -39        | -5.5%        |
| Consolidation Adjustments | -32          | -41          | -9         | -27.4%       |
| <b>Revenues</b>           | <b>3,306</b> | <b>3,611</b> | <b>305</b> | <b>9.2%</b>  |
| Construction              | 102          | 174          | 72         | 70.5%        |
| Water                     | 35           | 119          | 84         | 243.6%       |
| Service                   | 31           | 28           | -3         | -9.0%        |
| <b>EBITDA</b>             | <b>167</b>   | <b>321</b>   | <b>153</b> | <b>91.8%</b> |
| <i>Margin (%)</i>         | <i>5.1%</i>  | <i>8.9%</i>  |            |              |
| <b>EBT</b>                | <b>90</b>    | <b>122</b>   | <b>32</b>  | <b>35.9%</b> |
| <i>Margin (%)</i>         | <i>2.7%</i>  | <i>3.4%</i>  |            |              |

ACCIONA Infrastructure revenues amounted to €3,611 representing an increase of 9.2% vs. FY2015. The EBITDA also increased by 91.8% to €321 million.

EBITDA and EBT margins have increased up to 8.9% and 3.4%, respectively.



## A. Construction

| (Million Euro)            | Jan-Dec 15   | Jan-Dec 16   | Chg. (€m) | Chg. (%)      |
|---------------------------|--------------|--------------|-----------|---------------|
| Construction & Industrial | 2,065        | 2,157        | 92        | 4.4%          |
| Concessions               | 106          | 110          | 4         | 3.6%          |
| <b>Revenues</b>           | <b>2,171</b> | <b>2,267</b> | <b>96</b> | <b>4.4%</b>   |
| Construction & Industrial | 54           | 122          | 68        | 126.5%        |
| Margin (%)                | 2.6%         | 5.6%         |           |               |
| Concessions               | 48           | 52           | 4         | 8.2%          |
| Margin (%)                | 45.4%        | 47.4%        |           |               |
| <b>EBITDA</b>             | <b>102</b>   | <b>174</b>   | <b>72</b> | <b>70.5%</b>  |
| Margin (%)                | 4.7%         | 7.7%         |           |               |
| <b>EBT</b>                | <b>33</b>    | <b>69</b>    | <b>36</b> | <b>108.2%</b> |
| Margin (%)                | 1.5%         | 3.0%         |           |               |

Revenues amounted to €2,267 million, 4.4% higher than in FY 2015 mainly due to the increase in international construction.

EBITDA increased by 70.5% to €174 million backed by the good performance of the International construction activity which showed a significant improvement in margins, which offset lower construction activity in Spain.

The concession business EBITDA grew by 8.2% relative to the same period last year.

### Construction & Industrial Backlog

As of 31<sup>st</sup> December 2016, backlog amounted to €8,140 million, 21% higher than in FY2015. The International backlog reached an overall weight of 83% of the total backlog vs. 73% a year ago.

| (Million Euro)              | 31-Dec-15    | 31-Dec-16    | Chg. (%)    | Weight (%)  |
|-----------------------------|--------------|--------------|-------------|-------------|
| <b>Total Spain</b>          | <b>1,783</b> | <b>1,417</b> | <b>-21%</b> | <b>17%</b>  |
| <b>Total International</b>  | <b>4,939</b> | <b>6,723</b> | <b>36%</b>  | <b>83%</b>  |
| Latam                       | 2,031        | 2,710        | 33%         | 33%         |
| EMEA                        | 1,416        | 2,407        | 70%         | 30%         |
| Australia & South East Asia | 987          | 1,146        | 16%         | 14%         |
| Canada                      | 505          | 459          | -9%         | 6%          |
| <b>TOTAL</b>                | <b>6,722</b> | <b>8,140</b> | <b>21%</b>  | <b>100%</b> |

### Concessions

As of 31<sup>st</sup> December 2016 ACCIONA held a portfolio of 24 concessions with a book value of €1,377 million (€494 million "equity" and €883<sup>1</sup> million net debt).

Annex 3 contains detail on the concessions portfolio as of 31<sup>st</sup> December 2016.

<sup>2</sup> This figure includes net debt from concessions held for sale (€151m) and those accounted by the equity method (€564m)

## B. Water

| (Million Euro)    | Jan-Dec 15  | Jan-Dec 16   | Chg. (€m)  | Chg. (%)      |
|-------------------|-------------|--------------|------------|---------------|
| <b>Revenues</b>   | <b>451</b>  | <b>708</b>   | <b>258</b> | <b>57.2%</b>  |
| <b>EBITDA</b>     | <b>35</b>   | <b>119</b>   | <b>84</b>  | <b>243.6%</b> |
| <i>Margin (%)</i> | <i>7.7%</i> | <i>16.8%</i> |            |               |
| <b>EBT</b>        | <b>41</b>   | <b>38</b>    | <b>-3</b>  | <b>-7.4%</b>  |
| <i>Margin (%)</i> | <i>9.1%</i> | <i>5.4%</i>  |            |               |

The Water division increased its turnover by 57.2% and its EBITDA more than tripled, mainly due to the full consolidation of ATLL - the upstream water concession in the Barcelona region – since 1<sup>st</sup> January 2016.

Excluding ATLL's business, revenues were up 24.2% while EBITDA increased by 6.1% thanks to the growth achieved by the international Design and Construction activity, mainly linked to two desalination plants which ACCIONA Agua is building in Qatar.

### Water Backlog

Water Backlog as of December 2016 amounted to €10,469 million, almost tripling the amount in the previous period.

| (Million Euro) | 31-Dec-15    | 31-Dec-16     | Chg. (%)    |
|----------------|--------------|---------------|-------------|
| D&C            | 573          | 555           | -3%         |
| O&M            | 2,963        | 2,117         | -29%        |
| ATLL           | 0            | 7,796         | n.m         |
| <b>TOTAL</b>   | <b>3,536</b> | <b>10,469</b> | <b>196%</b> |

| (Million Euro) | 31-Dec-15    | 31-Dec-16     | Weight (%)  |
|----------------|--------------|---------------|-------------|
| Spain          | 2,147        | 9,141         | 87%         |
| International  | 1,389        | 1,328         | 13%         |
| <b>TOTAL</b>   | <b>3,536</b> | <b>10,469</b> | <b>100%</b> |

Annex 4 shows detail of water concessions regulated by CINIIF12 as of 31<sup>th</sup> December 2016.

## C. Service

| <i>(Million Euro)</i> | Jan-Dec 15 | Jan-Dec 16 | Chg. (€m)  | Chg. (%)     |
|-----------------------|------------|------------|------------|--------------|
| <b>Revenues</b>       | <b>716</b> | <b>677</b> | <b>-39</b> | <b>-5.5%</b> |
| <b>EBITDA</b>         | <b>31</b>  | <b>28</b>  | <b>-3</b>  | <b>-9.0%</b> |
| <i>Margin (%)</i>     | 4.3%       | 4.1%       |            |              |
| <b>EBT</b>            | <b>16</b>  | <b>15</b>  | <b>-1</b>  | <b>-3.8%</b> |
| <i>Margin (%)</i>     | 2.2%       | 2.2%       |            |              |

ACCIONA Service encompasses a series of services: O&M of large scale infrastructures, O&M in the industrial sector and urban services.

The division reported a decrease in revenues of 5.5% to €677 million. Its EBITDA decreased by 9.0% reaching €28 million, mainly due to lower activity in the airport handling and forwarding services.

### 4.3. Other Activities

| (Million Euro)    | Jan-Dec 15   | Jan-Dec 16   | Chg. (€m) | Chg. (%)     |
|-------------------|--------------|--------------|-----------|--------------|
| Trasmediterránea  | 424          | 431          | 7         | 1.6%         |
| Real Estate       | 51           | 105          | 54        | 104.8%       |
| Bestinver         | 91           | 85           | -6        | -6.7%        |
| Winery            | 40           | 41           | 1         | 1.8%         |
| Corp. & other     | 7            | 7            | 0         | -3.7%        |
| <b>Revenues</b>   | <b>613</b>   | <b>668</b>   | <b>55</b> | <b>8.9%</b>  |
| Trasmediterránea  | 41           | 61           | 20        | 48.5%        |
| Real Estate       | 6            | 14           | 8         | 122.1%       |
| Bestinver         | 67           | 59           | -8        | -11.8%       |
| Winery            | 5            | 5            | 0         | 9.6%         |
| Corp. & other     | -6           | -8           | -2        | -88.7%       |
| <b>EBITDA</b>     | <b>113</b>   | <b>131</b>   | <b>18</b> | <b>16.2%</b> |
| <i>Margin (%)</i> | <i>18.4%</i> | <i>19.6%</i> |           |              |
| <b>EBT</b>        | <b>43</b>    | <b>85</b>    | <b>43</b> | <b>99.1%</b> |
| <i>Margin (%)</i> | <i>7.0%</i>  | <i>12.8%</i> |           |              |

During FY2016 the Other Activities division - which includes Trasmediterránea, Real Estate, Bestinver, Wineries and others - reported revenues of €668 million, 8.9% higher than in FY2015.

EBITDA increased by 16.2% to €131 million thanks to the good performance of Trasmediterránea and better contribution from Real Estate, which more than offset the lower result from Bestinver.

#### Trasmediterránea:

Trasmediterránea improved its EBITDA in €20 million thanks to an increase in traffic levels, improved operational efficiency as well as the lower fuel costs.

During this period, the number of passengers, lane metres and vehicles increased by 2.3%, 2.3% and 5.7% respectively.

|                             | Jan-Dec 15 | Jan-Dec 16 | Chg. (%) |
|-----------------------------|------------|------------|----------|
| Passengers served           | 2,451,323  | 2,508,535  | 2.3%     |
| Cargo handled (lane metres) | 5,651,087  | 5,780,966  | 2.3%     |
| Vehicles                    | 544,999    | 575,991    | 5.7%     |

### **Real Estate:**

EBITDA increased by 122.1% due to the delivery of a real estate development property in Mexico.

### **Bestinver:**

Bestinver's assets under management stood at €5,222 million as of 31<sup>st</sup> December 2016. It reported an EBITDA of €59 million.

## 5. ANNEX 1: MATERIAL INFORMATION, DIVIDEND AND SHARE DATA

### 5.1. Significant communications to the stock market

- **17<sup>th</sup> of March 2016: ACCIONA reports new Board of Directors**
  - ACCIONA reports the composition of the new Board of Directors following recent changes in the management of the group
  - The Board of Directors is composed by the following Executive Directors: Mr. José Manuel Entrecanales Domecq and Mr. Juan Ignacio Entrecanales Franco and the following Executives: Mr. Carlos Arilla de Juana, Ms. Arantxa Ezpeleta Puras, Mr. Pio Cabanillas Alonso, Mr. Alfonso Callejo Martínez, Ms. Macarena Carrión López de la Garma, Mr. Luis Castilla Cámara, Mr. Rafael Mateo Alcalá, Mr. Joaquín Mollinedo Chocano, Mr. Juan Muro-Lara Girod and Mr. Jorge Vega-Penichet López
- **4<sup>th</sup> of April 2016: ACCIONA reports the closing of the transaction with Nordex for the contribution of ACCIONA Windpower**
  - ACCIONA announces the transfer to Nordex SE of all the share capital of Corporación ACCIONA Windpower SL (“AWP”) has been concluded, resulting in an Enterprise Value of €785 million. The estimated equity value of AWP based on the December 31st 2015 debt adjustment amounts to €742.8 million. ACCIONA has received as compensation:
    - (i) 16,100,000 new issued shares of Nordex SE representing 16.6% of its corporate capital for a per share value of €26 totaling €418.6 million
    - (ii) A cash payment of €324.2 million
- **7<sup>th</sup> of April 2016: Official announcement and submission of proposal of the Annual General Meeting**
  - On the 7<sup>th</sup> of April 2016, the company informed to the CNMV (Spanish Stock Market Regulator), of the Annual General Meeting announcement for the 9<sup>th</sup> of May 2016 for its first call, or the 10<sup>th</sup> of May 2016 for its second one and submitted the proposal of agreements
- **11<sup>th</sup> of April 2016: ACCIONA reports the closing of the transaction for the acquisition of 13.3% of the share capital of Nordex**
  - ACCIONA announces the closing of the acquisition to Momentum-Capital Vermögensverwaltungsgesellschaft GmbH, and Ventus Venture Fund GmbH & Co. Beteiligungs KG of 12.897.752 Nordex shares representing 13.3% of its corporate capital. ACCIONA currently holds a 29.9% shareholding in the corporate capital of Nordex SE
- **28<sup>th</sup> of April 2016: ACCIONA has informed on the approval of a Shareholders’ Plan addressed to those employees which are Spanish tax residents**

- ACCIONA has agreed the approval of a “shareholders’ plan” which allows to receive part of the monetary remuneration in shares with a limit of €12,000 per year to those employees which are Spanish tax residents. This plan allows the employees, except for the executive directors, the possibility to become shareholders. Shares will be delivered considering the closing stock price at 15<sup>th</sup> of April of each year

- **10<sup>th</sup> of May 2016: Annual General Meeting – Approval of Agreements**

On the 10<sup>th</sup> of May 2016 the Annual General Meeting approved, among others, the following agreements:

- To approve a €2.50 dividend per share (or greater amount fixed by the board and its members with delegated powers in case of treasury shares existence) to be paid on the 1<sup>st</sup> of July 2016
- Modify the bylaws and regulations of the General Shareholders Meeting to adapt them to the amendments of the Corporate Enterprises Act relating to corporate governance
- 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 further power to exclude the preferential right of subscription up to a 20% of the share capital
- 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, as well as other instruments entitling the right to acquire shares or outstanding shares of the company, with further power to exclude the preferential right of subscription up to a 20% of the share capital, with the limit set on €3bn excluding bonds
- Assume informed of the Shares Delivery Plan and Performance Shares 2014-2019 and substitution plan according to the report of the Board of Directors, as well as increase the maximum number of available shares for the Shares Delivery Plan and Performance Shares 2014-2019 in 100,000 shares, without prejudice to subsequent increases, if proposed by the Board and approved by the General Meeting
- Assume informed the amendments to the Board of Directors Regulation have been communicated, in compliance with the Board of Directors
- Approve, for information purposes, the Directors Remuneration Report for the year 2015
- To approve The Sustainability Report 2015

- **12<sup>th</sup> of July 2016: ACCIONA reports the terms of the novation of the Syndicated Loan Agreement that plans to sign**

- ACCIONA announces that the syndicated loan facility of €1,800m signed the 25<sup>th</sup> of March 2015 will be novated
- The loan tranche amount will increase by €400m to €760m. The amount of the credit tranche stays in €1,440m, so the novated syndicated facility will total €2,200m
- The term will be extended to 5 years from the signing of the novation, maturing July 2021
- The margin spread will be reduced
- **12<sup>th</sup> of July 2016: ACCIONA announced the signing of the novation agreement of the Syndicated Loan Facility**

ACCIONA reports the signing of the novation agreement of the bank syndicate loan described in the relevant communication to the stock market

- **7<sup>th</sup> of October 2016: ACCIONA reports new Board of Directors**
  - ACCIONA reports the composition of the new Board of Directors following recent changes in the management of the group
  - The Board of Directors is composed by the following Executive Directors: Mr. José Manuel Entrecanales Domecq and Mr. Juan Ignacio Entrecanales Franco and the following Executives: Mr. Carlos Arilla de Juana, Ms. Arantxa Ezpeleta Puras, Mr. Alfonso Callejo Martínez, Ms. Macarena Carrión López de la Garma, Mr. Luis Castilla Cámara, Mr. Rafael Mateo Alcalá, Mr. Joaquín Mollinedo Chocano, Mr. Juan Muro-Lara Girod and Mr. Jorge Vega-Penichet López
- **17<sup>th</sup> of November 2016: ACCIONA reports the alternatives for its Real Estate division**
  - ACCIONA is not actually considering an IPO of its real estate assets. Regarding its real estate rental assets, the company is analyzing an eventual rotation of these

From 31<sup>st</sup> December 2016, ACCIONA has released the following material information:

- **16<sup>th</sup> of January 2017: ACCIONA informs about the buyback of its remaining convertible bonds up to a maximum of €108.4m**
  - The Company announces its intention to repurchase up to €108.4m in aggregate principal amount of its Bonds, representing the outstanding balance of the Bonds not already held by the Company in treasury
  - The Repurchase period is expected to close as soon as practicable on 19<sup>th</sup> January 2017 after market close, subject to the right of the Company to close or extend, at its sole discretion, the Repurchase at any time
- **19<sup>th</sup> of January 2017: ACCIONA informs about the terms & conditions of the buyback of its remaining convertible bonds**

The definitive terms & conditions of the Repurchase are the following:

- (i) The aggregate principal amount of the Bonds to be repurchased will be €91,600,000



## FY 2016 Results (January – December)

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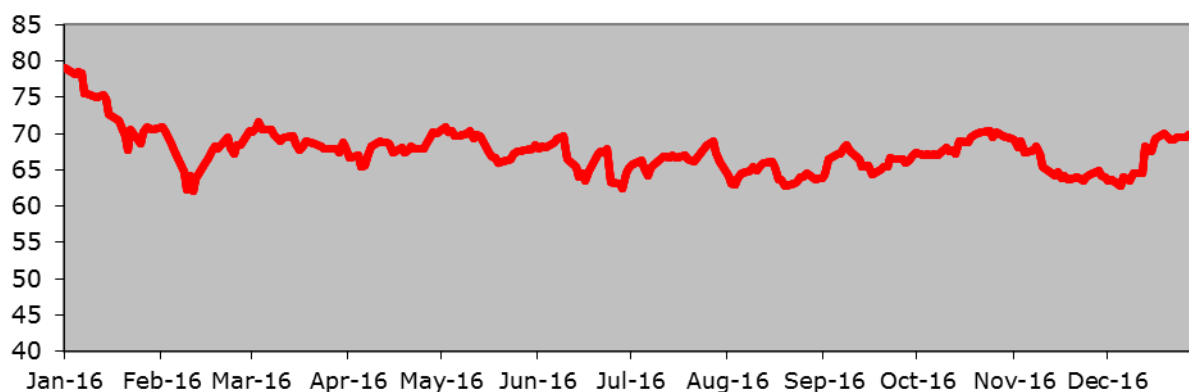
- (ii) The repurchase price per Existing Bond will be 134.80% of its principal amount, which represents an aggregate consideration of approximately €123.48m for the Repurchase as a whole
- (iii) The Company has accepted all offers for repurchase of the Existing Bonds
- (iv) Given that, following completion of the Repurchase, less than 15% in aggregate principal amount of the Bonds originally issued will be outstanding, the Company will be able to exercise its early redemption call in relation to all remaining Bonds at its principal amount plus accrued and unpaid interests, subject to the decision of the Board of Directors of ACCIONA

## 5.2. Dividend

On the 10<sup>th</sup> of May 2016 ACCIONA's AGM approved the payment of a €2.5 gross dividend per share against 2015 results. The dividend was paid on the 1<sup>st</sup> of July 2016.

## 5.3. Share data and share Price performance

### ACCIONA Share Price Evolution (€/share)



### Key Share Data

|  | 31-Dec-16  |
|--|------------|
| Price at 30 <sup>th</sup> December 2016 (€/share)                | 67.27      |
| Price at 1 <sup>st</sup> January 2016 (€/share)                  | 79.08      |
| Low in FY 2016 (11/02/2016)                                      | 61.99      |
| High in FY 2016 (01/01/2016)                                     | 79.08      |
| Average daily trading (shares)                                   | 213,129    |
| Average daily trading (€)  | 14,433,468 |
| Number of shares   | 57,259,550 |
| Market capitalisation 30 <sup>th</sup> December 2016 (€ million) | 4,004      |

### Share Capital Information

As of 30<sup>th</sup> of December 2016 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 31<sup>st</sup> of December 2016 amounted to 233,898 shares which represent a 0.41% of the share capital.

**6. ANNEX 2: MWs and PRODUCTIONS**

| 31-Dec-16                       | Installed capacity (MW) |              |                  |             |              | Production (GWh) |               |                 |               |               |
|---------------------------------|-------------------------|--------------|------------------|-------------|--------------|------------------|---------------|-----------------|---------------|---------------|
|                                 | Total                   | Consolidated | Equity accounted | Minorities  | Net          | Total            | Consolidated  | Equity account. | Minorities    | Net           |
| <b>Spain</b>                    | <b>5,950</b>            | <b>4,673</b> | <b>619</b>       | <b>-13</b>  | <b>5,279</b> | <b>12,847</b>    | <b>10,111</b> | <b>1,322</b>    | <b>-39</b>    | <b>11,393</b> |
| Wind                            | 4,747                   | 3,470        | 619              | -11         | 4,079        | 9,847            | 7,111         | 1,322           | -23           | 8,410         |
| Hydro                           | 888                     | 888          | 0                | 0           | 888          | 2,198            | 2,198         | 0               | 0             | 2,198         |
| Solar Thermoelectric            | 250                     | 250          | 0                | 0           | 250          | 421              | 421           | 0               | 0             | 421           |
| Solar PV                        | 3                       | 3            | 0                | 0           | 3            | 4                | 4             | 0               | 0             | 4             |
| Biomass                         | 61                      | 61           | 0                | -2          | 59           | 376              | 376           | 0               | -16           | 360           |
| <b>International</b>            | <b>2,963</b>            | <b>2,677</b> | <b>78</b>        | <b>-890</b> | <b>1,865</b> | <b>7,983</b>     | <b>7,243</b>  | <b>176</b>      | <b>-2,661</b> | <b>4,757</b>  |
| Wind                            | 2,512                   | 2,272        | 48               | -797        | 1,524        | 7,524            | 6,875         | 116             | -2,463        | 4,528         |
| USA                             | 721                     | 646          | 4                | -184        | 467          | 2,068            | 1,814         | 14              | -592          | 1,236         |
| Mexico                          | 557                     | 557          | 0                | -196        | 361          | 2,191            | 2,191         | 0               | -768          | 1,424         |
| Australia                       | 303                     | 239          | 32               | -90         | 180          | 961              | 805           | 78              | -294          | 589           |
| Italy                           | 156                     | 156          | 0                | -52         | 104          | 272              | 272           | 0               | -91           | 181           |
| South Africa                    | 138                     | 138          | 0                | -91         | 47           | 316              | 316           | 0               | -209          | 107           |
| Portugal                        | 120                     | 120          | 0                | -45         | 75           | 299              | 299           | 0               | -116          | 183           |
| Canada                          | 181                     | 103          | 0                | -34         | 69           | 459              | 268           | 0               | -89           | 178           |
| Poland                          | 101                     | 101          | 0                | -34         | 67           | 189              | 189           | 0               | -63           | 126           |
| India                           | 89                      | 89           | 0                | -29         | 60           | 229              | 229           | 0               | -76           | 153           |
| Costa Rica                      | 50                      | 50           | 0                | -17         | 32           | 254              | 254           | 0               | -89           | 165           |
| Chile                           | 45                      | 45           | 0                | -15         | 30           | 95               | 95            | 0               | -32           | 63            |
| Croatia                         | 30                      | 30           | 0                | -10         | 20           | 83               | 83            | 0               | -28           | 56            |
| Greece                          | 0                       | 0            | 0                | 0           | 0            | 59               | 59            | 0               | -16           | 42            |
| Hungary                         | 24                      | 0            | 12               | 0           | 12           | 48               | 0             | 24              | 0             | 24            |
| Solar PV                        | 386                     | 341          | 30               | -72         | 298          | 340              | 249           | 60              | -158          | 150           |
| Chile                           | 246                     | 246          | 0                | 0           | 246          | 39               | 39            | 0               | 0             | 39            |
| South Africa                    | 94                      | 94           | 0                | -62         | 32           | 210              | 210           | 0               | -138          | 71            |
| Portugal                        | 46                      | 0            | 30               | -10         | 20           | 92               | 0             | 60              | -20           | 40            |
| Solar Thermoelectric (USA)      | 64                      | 64           | 0                | -21         | 43           | 119              | 119           | 0               | -40           | 79            |
| <b>Total Wind</b>               | <b>7,260</b>            | <b>5,742</b> | <b>667</b>       | <b>-807</b> | <b>5,602</b> | <b>17,371</b>    | <b>13,986</b> | <b>1,437</b>    | <b>-2,486</b> | <b>12,937</b> |
| <b>Total other technologies</b> | <b>1,653</b>            | <b>1,607</b> | <b>30</b>        | <b>-96</b>  | <b>1,541</b> | <b>3,459</b>     | <b>3,367</b>  | <b>60</b>       | <b>-214</b>   | <b>3,213</b>  |
| <b>Total Energy</b>             | <b>8,913</b>            | <b>7,349</b> | <b>697</b>       | <b>-903</b> | <b>7,143</b> | <b>20,830</b>    | <b>17,354</b> | <b>1,497</b>    | <b>-2,700</b> | <b>16,150</b> |

## 7. ANNEX 3: DETAIL OF TRANSPORT AND HOSPITAL CONCESSIONS

|                    | Nombre   | Descripción   | Periodo       | País      | ACCIONA      | Estado                   | Metodología contable    | Tipo de activo    |
|--------------------|--|---|---------------|-----------|--------------|--------------------------|-------------------------|-------------------|
| Carreteras         | Chinook roads (SEST)   | Autopista de pago por disponibilidad integrada en la circunvalación de Calgary (25km)   | 2010 - 2043   | Canadá    | 5%           | Operación                | Puesta en equivalencia* | Activo financiero |
|                    | Autovía de los Viñedos   | Construcción, explotación y mantenimiento de la autovía CM-42 entre Consuegra y Tomelloso (74,5km). Peaje en sombra   | 2003 - 2033   | España    | 50%          | Operación                | Puesta en equivalencia  | Activo intangible |
|                    | Ruta 160   | Reforma, conservación y explotación de la Ruta 160, conectando Tres Pinos y el acceso Norte a Coronel (91km). Peaje explícito   | 2008 - 2048   | Chile     | 100%         | Operación                | Integración global      | Activo financiero |
|                    | Infraestructuras y radiales (R-2)  | Construcción y explotación de la autopista de peaje R-2 entre Madrid y Guadalajara (incluye conservación del tramo de la M-50 entre A1 y A2). Peaje explícito   | 2001 - 2039   | España    | 25%          | Operación                | Puesta en equivalencia  | Activo intangible |
|                    | Rodovia do Aço   | Recuperación, explotación y mantenimiento de la carretera BR-393 (200,4km) en el estado de Rio de Janeiro (entre Volta Redonda y Alén). Peaje explícito   | 2008 - 2033   | Brasil    | 100%         | Construcción y Operación | Integración global      | Activo intangible |
|                    | A2 - Tramo 2   | Remodelación, restauración, operación y mantenimiento de 76,5km de la carretera A2 entre el km 62 y el km 139 (provincia Soria-Guadalajara).  | 2007 - 2026   | España    | 100%         | Operación                | Integración global      | Activo intangible |
|                    | Puente del Ebro  | Autopista entre N-II y N-232 (5,4km; 400m sobre el río Ebro). Peaje en sombra   | 2006 - 2036   | España    | 50%          | Operación                | Puesta en equivalencia  | Activo intangible |
|                    | Windsor Essex Parkway  | Diseño, construcción y explotación de una autopista de 11km. Conecta Windsor (Ontario - Canada) y la frontera de EE.UU. (Detroit - Michigan)  | 2010 - 2044   | Canadá    | 33%          | Operación                | Puesta en equivalencia  | Activo financiero |
|                    | Nouvelle Autoroute A-30  | Construcción y explotación de la Autopista 30 en Montreal entre Châteauguay y Vaudreuil-Dorion (74km.). Peaje explícito   | 2008 - 2043   | Canadá    | 5%           | Operación                | Puesta en equivalencia* | Activo financiero |
|                    | Autovía Gerediaga - Elorrio  | Construcción, conservación y explotación de la carretera N-636, tramo Gerediaga - Elorrio y conservación y explotación del tramo ya construido Variante de Elorrio. Pago por disponibilidad   | 2012 - 2042   | España    | 23%          | Operación                | Puesta en equivalencia  | Activo financiero |
|                    | Autovía del Almanzora  | Construcción y explotación de un tramo de autovía de 40,76 km. en la provincia de Almería entre Purchena y la Autovía del Mediterráneo (A-7). Pago por disponibilidad   | 2012 - 2044   | España    | 24%          | Construcción             | Puesta en equivalencia  | Activo financiero |
|                    | Autovía de la Plata  | Ejecución, conservación y explotación de la Autovía de la Plata (A-66) entre Benavente y Zamora. Tramos: A6 (Castrogonzalo) - Santovenia del Esla, Santovenia del Esla - Fontanillas de Castro, Fontanillas de Castro -Zamora. Pago por disponibilidad                            | 2012 - 2042   | España    | 25%          | Operación                | Puesta en equivalencia  | Activo financiero |
|                    | Toowoomba Second Range Crossing (Nexus)  | Diseño, construcción y explotación de autopista de 41 km. para la circunvalación norte de Toowoomba (Queensland), desde Helidon Spa a Athol por Charlton. Pago por disponibilidad. (25 años explotación desde finalización construcción)  | 2015 - 2043   | Australia | 20%          | Construcción             | Puesta en equivalencia  | Activo financiero |
| Puhoi to Warkworth | Financiación, diseño, construcción y mantenimiento de la nueva autopista Pūhoi to Warkworth . El proyecto público Pūhoi to Warkworth se extenderá por la autopista four-lane Northern Motorway (SH1) 18.5km desde el túnel Johnstone's Hill hasta el norte de Warkworth. | 2016 - 2046   | Nueva Zelanda | 10%       | Construcción | Puesta en equivalencia   | Activo financiero       |                   |
| Ferroc.            | Consorcio Traza (Tranvía Zaragoza)   | Construcción y explotación del tranvía que atraviesa la ciudad de Zaragoza de norte a sur (12,8km)  | 2009 - 2044   | España    | 17%          | Operación                | Puesta en equivalencia  | Bifurcado         |
|                    | Sydney Light Rail  | Diseño, construcción, operación y mantenimiento de una línea de tranvía de 12 km, desde Circular Quay via George Street hasta Central Station y atravesando Surry Hills hasta Moore Park, Kensington, Kingsford y Randwick. Incluye la operación de la línea existente Inner West | 2014 - 2034   | Australia | 5%           | Construcción             | Puesta en equivalencia  | Activo financiero |
| Canal              | Canal de Navarra   | Construcción y explotación de la primera fase de la zona regable del Canal de Navarra   | 2006 - 2036   | España    | 45%          | Operación                | Puesta en equivalencia  | Bifurcado         |
| Puerto             | Nova Darsena Esportiva de Bara   | Construcción y explotación del puerto deportivo de Roda de Bara. Ingresos procedentes de cesión y alquiler de amarres, paños y superficies comerciales (191.771m <sup>2</sup> )   | 2005 - 2035   | España    | 50%          | Operación                | Puesta en equivalencia  | N/A               |
| Hospital           | Fort St John   | Diseño, construcción, equipamiento y O&M de un nuevo hospital con 55 camas, incluye UCI y centro de 3ª edad (123 camas)   | 2009 - 2042   | Canadá    | 5%           | Operación                | Puesta en equivalencia* | Activo financiero |
|                    | Hospital de Leon Bajío   | Diseño, construcción, equipamiento y O&M del hospital (184 camas)   | 2005 - 2030   | Méjico    | 100%         | Operación                | Integración global      | Activo financiero |
|                    | Hospital del Norte (Madrid)  | Diseño, construcción, equipamiento y O&M del hospital. Área de 90.000m <sup>2</sup> dividido en 4 bloques (283 camas)   | 2005 - 2035   | España    | 95%          | Operación                | Integración global      | Activo financiero |
|                    | Gran Hospital Can Misses (Ibiza)   | Diseño, construcción, equipamiento y O&M del hospital. Área de 72.000m <sup>2</sup> y un centro de salud (241 camas)  | 2010 - 2045   | España    | 40%          | Operación                | Puesta en equivalencia  | Activo financiero |
|                    | Novo Hospital de Vigo  | Diseño, construcción, equipamiento y O&M de 3 hospitales. Area de 300.000m <sup>2</sup> (175.000m <sup>2</sup> hospital y 125.000m <sup>2</sup> aparcamiento). (2007 camas)   | 2011 - 2035   | España    | 43%          | Operación                | Puesta en equivalencia  | Activo financiero |
|                    | Centro Hospitalario Universitario de Toledo  | Construcción, conservación y explotación del Hospital Universitario de Toledo, con 760 camas  | 2015 - 2045   | España    | 33%          | Construcción             | Puesta en equivalencia  | Activo financiero |

\*Indirect 10% stake held through MAPLE Concessions Canada Inc.

## 8. ANNEX 4: DETAIL OF WATER CONCESSIONS UNDER CINIIF12

| Name                          | Description  | Period      | Country   | ACCIONA | Status                     | Accounting method        | Asset type                         |
|-------------------------------|--|-------------|-----------|---------|----------------------------|--------------------------|------------------------------------|
| EDAR 8B                       | Construction, operation and maintenance of the wastewater treatment plant "08B Zone" of Aragon                                 | 2008 - 2031 | Spain     | 100%    | Operational                | Global integration       | Intangible asset                   |
| EDAR 7B                       | Construction, operation and maintenance of the wastewater treatment plant "07B Zone" of Aragon                                 | 2011 - 2031 | Spain     | 100%    | Operational                | Global integration       | Intangible asset                   |
| IDAM Alicante                 | Construction, operation and maintenance of the sea water desalination plant in Alicante  | 2000 - 2018 | Spain     | 50%     | Operational                | Proportional integration | Financial asset                    |
| IDAM Javea                    | Construction, operation and maintenance of the sea water desalination plant in Javea   | 2001 - 2023 | Spain     | 100%    | Operational                | Global integration       | Financial asset                    |
| IDAM Cartagena                | Construction, operation and maintenance of the sea water desalination plant in Cartagena                                       | 2001 - 2020 | Spain     | 63%     | Operational                | Proportional integration | Financial asset                    |
| IDAM Fouka                    | Construction, operation and maintenance of the sea water desalination plant in Tipaza  | 2008 - 2036 | Argelia   | 26%     | Operational                | Equity method            | Financial asset                    |
| IDAM Ibiza -Portmany          | Reconstruction, works operation and maintenance of the sea water desalination plant in San Antonio Portmany and Ibiza          | 2009 - 2024 | Spain     | 50%     | Operational                | Equity method            | Financial asset                    |
| PTAR Atotonilco               | Construction, operation and maintenance of the wastewater treatment plant in Atotonilco  | 2010 - 2035 | Mexico    | 24%     | Construction               | Equity method            | Financial asset                    |
| WWTP Mundaring                | Construction, operation and maintenance of the wastewater treatment plants in Mundaring  | 2011 - 2048 | Australia | 25%     | Operational                | Equity method            | Financial asset                    |
| PTAR La Chira                 | Construction, operation and maintenance of the wastewater treatment plants in La Chira   | 2011 - 2037 | Peru      | 50%     | Construction / Operational | Equity method            | Financial asset                    |
| IDAM Arucas Moya              | Extension, operation and maintenance of the sea water desalination plant in Arucas / Moya                                      | 2008 - 2024 | Spain     | 100%    | Operational                | Global integration       | Intangible asset                   |
| Red de saneamiento en Andratx | Construction, operation and maintenance of the wastewater treatment plants in Andratx  | 2009 - 2044 | Spain     | 100%    | Construction               | Global integration       | Intangible asset                   |
| PPP Divinópolis               | Construction, operation and maintenance of the wastewater treatment plant in Divinópolis                                       | 2015 - 2041 | Brasil    | 15%     | Construction               | Equity method            | Financial asset / Intangible asset |
| Port City Water               | Design, construction, financing, operation and maintenance of a water treatment plant and storage reservoirs in Saint John     | 2016 - 2048 | Canada    | 40%     | Construction               | Equity method            | Financial asset                    |
| ATLL                          | Upstream water supply service in Ter-Llobregat   | 2013 - 2062 | Spain     | 76%     | Operational                | Global integration       | Intangible asset                   |
| Sercomosa                     | Public-private company whose principal activity is the water supply to Molina de Segura  | 1998 - 2040 | Spain     | 48%     | Operational                | Equity method            | Intangible asset                   |
| Somajasa                      | Public-private company to manage integrated water cycle of public services in some relevant Municipalities of Province of Jaen | 2007 - 2032 | Spain     | 60%     | Operational                | Equity method            | Intangible asset                   |
| Gesba                         | Water supply service in Andratx and Deiá (Mallorca)  | 1994 - 2044 | Spain     | 100%    | Operational                | Global integration       | Intangible asset                   |
| Paguera                       | Water supply service in Calvià (Mallorca)  | 1969 - 2019 | Spain     | 100%    | Operational                | Global integration       | Intangible asset                   |
| Costa Tropical                | Integrated water cycle service in Costa Tropical (Granada)   | 1995 - 2045 | Spain     | 49%     | Operational                | Proportional integration | Intangible asset                   |

## 9. ANNEX 5: SUSTAINABILITY

### 9.1 Sustainability indices



The results of the 2016 annual review confirm that ACCIONA is a component of the Dow Jones Sustainability World Index (DJSI World) for the tenth consecutive year. It has been included in the DJSI Europe, as well. These indexes are composed of those companies deemed most advanced in economic, social and environmental terms.



FTSE4Good

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.

MSCI Global Climate Index

ACCIONA is a constituent of the [MSCI Global Climate Index](#), which includes companies that are leaders in mitigating immediate and long-term factors that contribute to climate change.



ACCIONA has been included in the CDP 2016 Climate A List and CDP 2016 Water A List, comprised of companies that demonstrate leadership through action to combat climate change and sustainable water management practices, respectively. It has also been listed in the CDP Supplier Climate A List.

STOXX Global Climate Change Leaders Index

ACCIONA is currently a component of the STOXX Global Climate Change Leaders Index. This is the first ever index based on CDP's global Climate A List and includes low carbon leaders who are publicly committed to reducing their carbon footprint.

### 9.2 Sustainability events during the period:

- ACCIONA has been **awarded the "RobecoSAM Silver Class 2016"** among companies in the Electric Utilities sector in The Sustainability Yearbook 2016 produced by RobecoSAM. These distinctions are given to companies with best sustainability practices at sector level.
- The Sustainability Committee of the Board of Directors of ACCIONA has approved the Company's new **Sustainability Master Plan to 2020**.
- The Atotonilco Wastewater Treatment plant (Mexico) of ACCIONA Agua has won **the sustainable Infrastructure 360° 2016 Project of the Year Award**, granted by the Inter-American Development Bank (IDB). This award has been given to the Atotonilco plant for its positive impacts on the local environment and surrounding communities.
- For the fifth consecutive year, **the 2016 General Meeting of Shareholders of ACCIONA**, held on May 10th, approved the **Sustainability Report 2015** with the favorable vote of 99.9991% of the capital with voting rights in attendance.

- In June, ACCIONA held its fifth annual **Volunteering Day** during which 600 employees took part in sustainability workshops reaching out to over 13,000 schoolchildren in thirteen countries.
- For the second consecutive year, ACCIONA ranked first in Top 100 Green Utilities published by Energy Intelligence, which evaluates companies based on their CO2 emissions intensity and renewable capacity.

After the 31st of December 2016, ACCIONA highlights the following milestones:

- ACCIONA has been awarded the “RobecoSAM Silver Class 2017” within the Electric Utilities sector in The Sustainability Yearbook 2017 produced by RobecoSAM. These distinctions are given to companies with best sustainability practices at sector level.

## 10. CONTACT

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