



DOMINION

Mid Term Financial Report 1st Quarter 2020

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2020 Q1 results_

(€m)	Q1 2019	%	Q1 2020
Turnover	285.4	-6%	267.8
Adjusted Turnover ⁽¹⁾	212.6	+6%	224.5
EBITDA ⁽²⁾	20.9	-14%	18.0
% EBITDA on Turnover	9.8%		8.0%
EBITA ⁽²⁾	11.7	-23%	9.0
% EBITA on Turnover	5.5%		4.0%
EBIT ⁽²⁾	10.5	-25%	7.8
% EBIT on Turnover	4.9%		3.5%
Net Income	6.7	-43%	3.9
% Net Income on Turnover	3.2%		1.7%

*The 1Q 2020 consolidated perimeter differs from the Q1 2019 for the following reasons: i) Q1 2019 included 2 months of Bygging India and 1 month of Alterna ii) Q1 2020 does not include 3 months of non-strategic IT activities (1) Adjusted turnover = Annual Accounts Turnover without revenues from sold devices (2) EBITDA: Net Operating Income + Depreciation; EBITA: Net Operating Income + PPA's amortization; EBIT: Net Operating Income

2020 Q1 results_



Covid-19 Effect

1Q 2020 results are affected by the exceptional circumstances arising from the restrictive measures taken in most countries in the world as a consequence of SARS-CoV-2.

In the case of Dominion, the **most widespread effects** cover **18 days** of 1Q 2020.



Sales



Adjusted Turnover growth of **+ 6.3%** in constant currency (FOREX effect -0.7%).

Taking into account comparable perimeters*, **organic growth** is **≈+4%** **despite the effects of SARS-CoV-2**.

Margins



Deterioration in EBITDA, EBITA and Net Earnings **limited to ≈ -3 €m**, thanks to a **rapid reaction** in terms of adjustment measures.

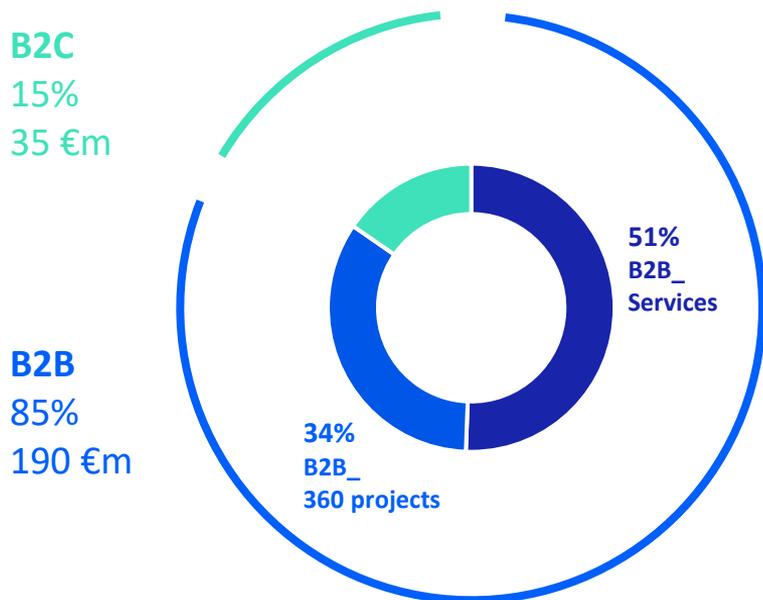
The fall in **operating margins on turnover** is a direct **consequence of the covid-19**: i) a temporary mismatch between the fall in sales and cost optimization and ii) first provisions for the forecasted **restructuring** costs

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A new breakdown to enhance the visibility of our business segments_

	B2B_		B2C_
	B2B Services_	B2B 360 Projects_	B2C_
 Activities	<ul style="list-style-type: none"> • Operations and maintenance outsourcing contracts • Process improvement resulting from service contracts 	<ul style="list-style-type: none"> • Major projects to create new infrastructures 	<ul style="list-style-type: none"> • Provision of personal and household services for end consumers (energy, telecommunications, insurance, etc.)
 Value proposition	<p>"Tier 1 supplier and digital expert capable of end-to-end execution of projects: from project design and management to subsequent O&M"</p>		<p>"Multi-service supplier bringing together a full range of personal and household services in a single omnichannel platform"</p>
 Keys of the business	<ul style="list-style-type: none"> • Recurrent contracts • MC ≈ 10% 	<ul style="list-style-type: none"> • Project backlog • MC ≈ 15% 	<ul style="list-style-type: none"> • Recurrent revenue • Number of clients and their average Lifetime Value

Adjusted Turnover distribution by segment_

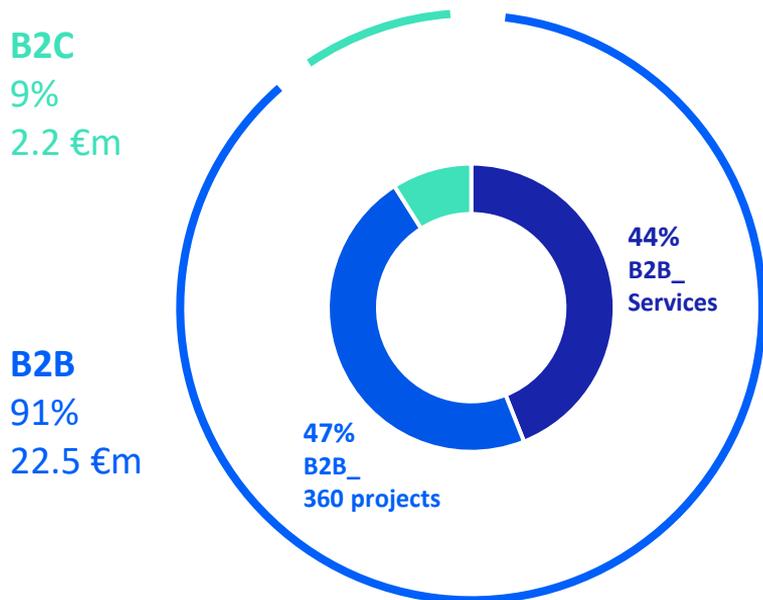


	Q1 2019	%	Q1 2020
B2B_Services	122.7 €m	-7%	113.7 €m
B2B_360 Projects	75.1 €m	+2%	76.3 €m
B2C	14.8 €m	+133%	34.5 €m

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(1) Adjusted turnover = Annual Accounts Turnover without revenues from sold devices

Contribution Margin distribution by segment_



	Q1 2019	%	Q1 2020
B2B_ Services	12.1 €m	-10%	10.8 €m
B2B_ 360 Projects	11.6 €m	+1%	11.7 €m
B2C	3.3 €m	-32%	2.2 €m

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(1) EBITDA: Net Operating Income + Depreciation; EBITA: Net Operating Income + PPA's amortization; EBIT: Net Operating Income

B2B Segment in detail_

B2B_ Services

9,5%

CM/Turnover

Covid-19 effect:

- Temporary cessation of installations and maintenance activities due to the shutdown of some industrial plants.
- Generalized decrease of activity in networks and last mile in Telco.

B2B_ 360 projects

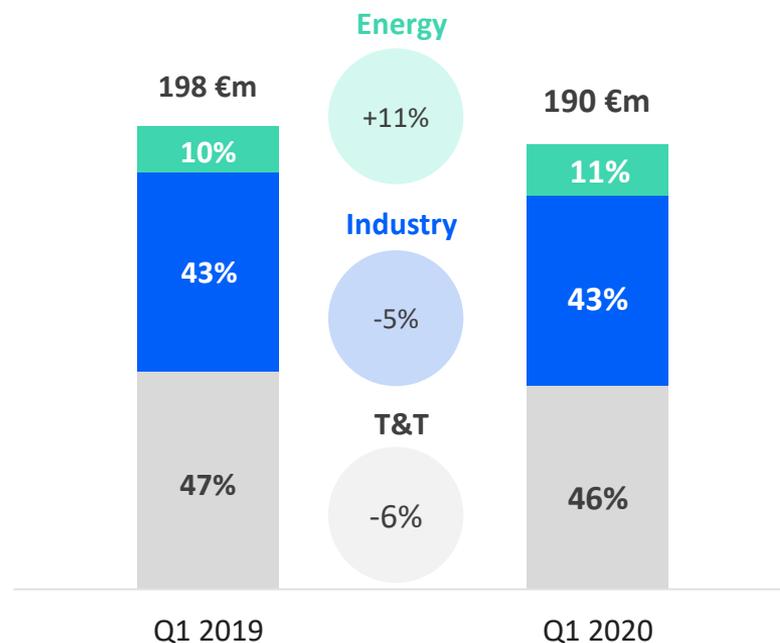
15,4%

CM/ Turnover

Covid-19 effect:

- Very low impact.
- Limited to some mid size projects, mostly in Asia.
- No backlog cancelations.
- Hospital tendering processes in Chile go ahead normally.

Turnover ⁽¹⁾ by activity field



(1) Adjusted turnover = Annual Accounts Turnover without revenues from sold devices

B2C Segment in detail_

B2C_

Covid-19 effect:

- **Stores closed** since 14/03/20.
- Partibilities temporarily banned.
- **Slow down of new client acquisitions**: only through online channels.

Energy



164 K
services

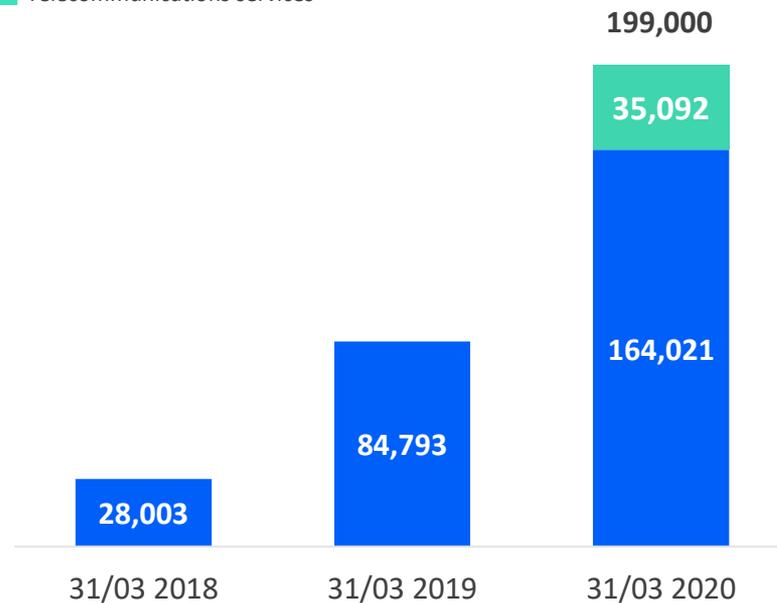
Telco



35 K
services

Nº of services by type of supply

- Energy Services
- Telecommunications services



Prospects for 2020_

Faced with the effects of Covid-19, we have reacted **fast and firmly**

1

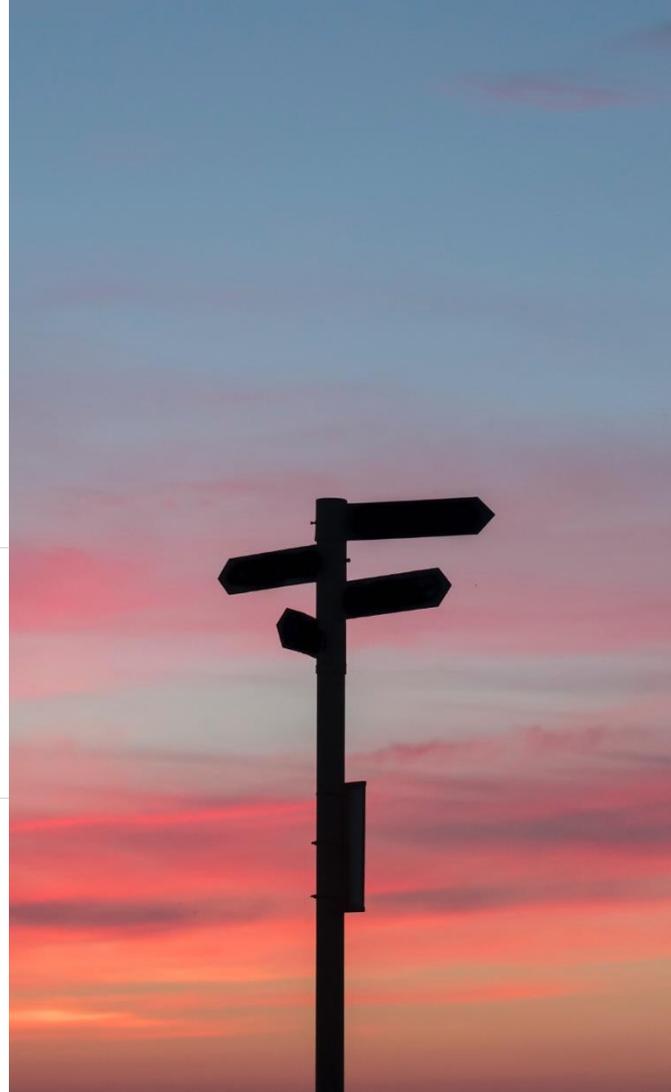
We have a **team experienced** in coping with crisis scenarios

2

Rapid reaction in **B2C and B2B Services**
Very limited impact on **B2B 360 Projects**

3

Measures to contain **Capex and Structural Costs**
Maximising possibilities of **liquidity**



Prospects for 2020_

Our **distinctive model** is our best guarantee of **emerging** from this extraordinary situation **stronger**.



DIVERSIFICATION

Our earnings **do not depend** on the decisions of any single country, client or sector.



FINANCIAL DISCIPLINE

High levels of generation of **operating cash flow** and **low payment commitments** in 2020. Maximising possibilities of **liquidity**.



DECENTRALISATION

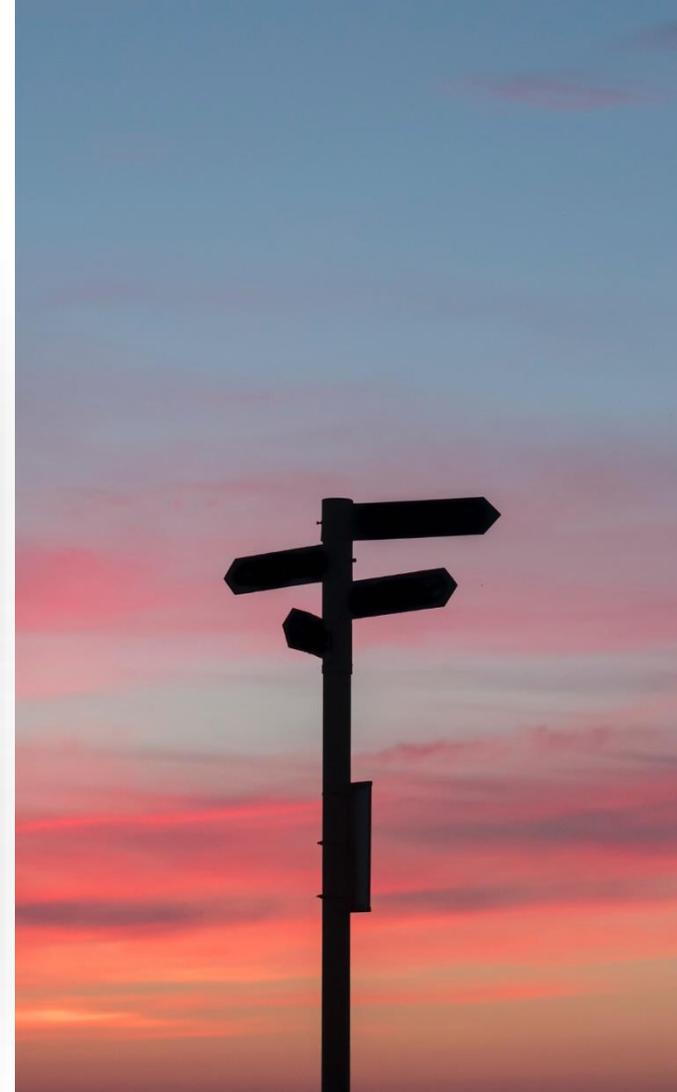
Lean structure and **flexibility** to adapt our cost structure.

Local management to **adapt** to our different realities.



DIGITALISATION

Accustomed to **using online platforms** that avoid the impacts of restrictions on mobility.



Prospects for 2020_

With current visibility, in 2020 we will carry on creating value...



We expect **growth** in sales and **profits**;



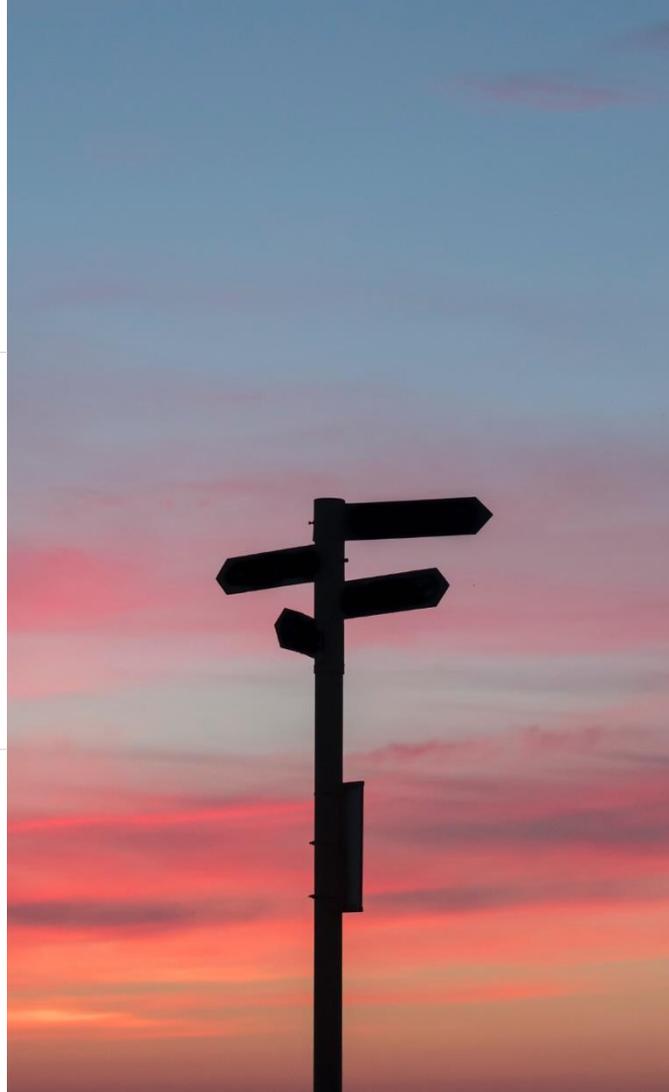
with a **positive generation of operating cash flow***;



maintaining our **5 strategic vectors**.

... and it will be a **pause** on our road to growth, **putting achievement of our Plan back by a year**.

* Operating cash flow: operating profit - Maintenance capex - financial result - taxes



For **20 years** we have helped clients transform to become more efficient.

We apply **technology and innovation** to make this happen.

We are Dominion.



Global headquarters

Ibáñez de Bilbao, 28 8º A y B

48009 BILBAO (ESPAÑA)

Phone: (+34) 944 793 787

[dominion-global.com](https://www.dominion-global.com)

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