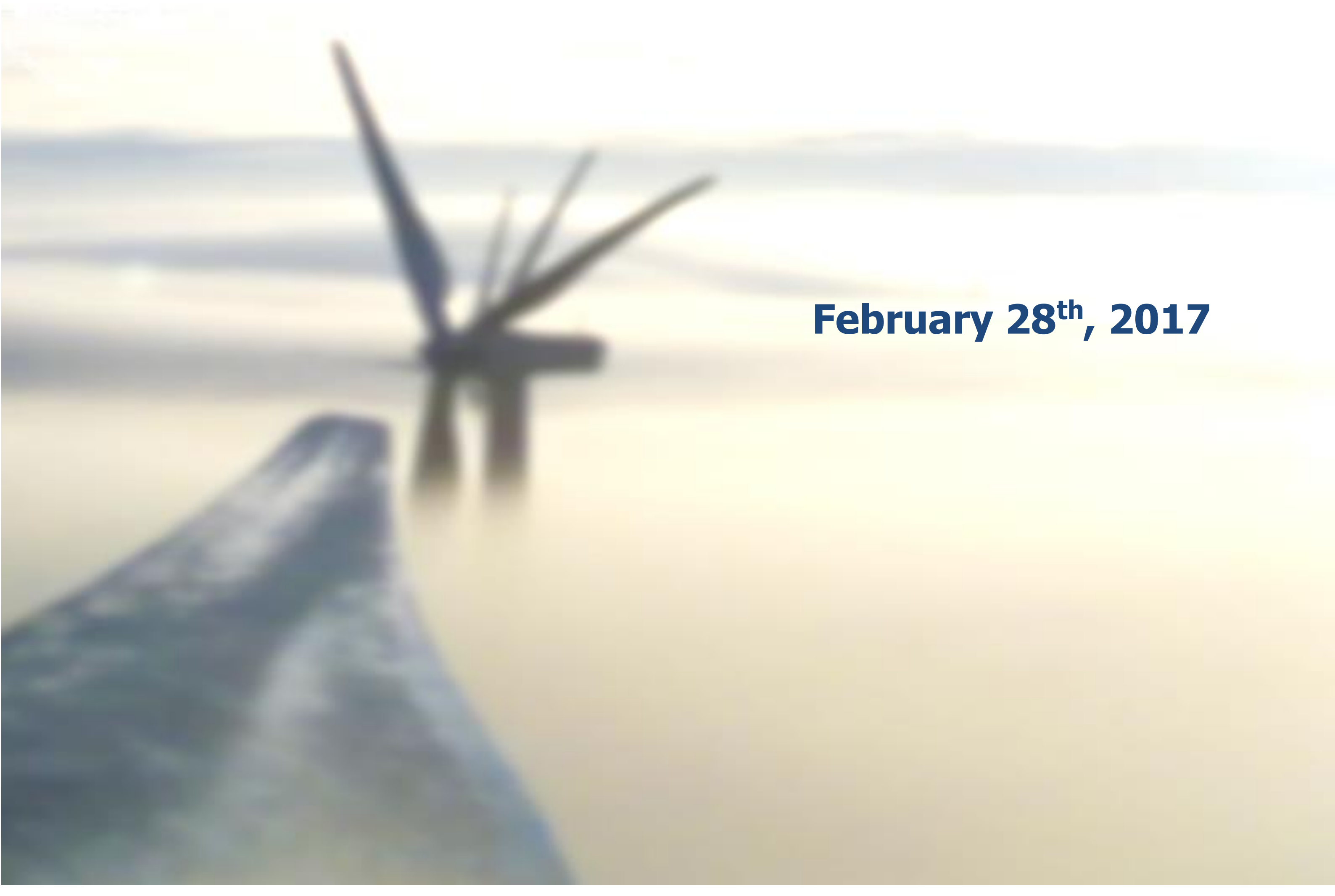
English Version

2016 RESULTS REPORT
(JANUARY – DECEMBER)



February 28th, 2017

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Note: Translation of this report has been based on a document originally written in Spanish. In event of discrepancy, the Spanish language version prevails.

1. Selected consolidated data

The information in this report is based on consolidated figures of Saeta Yield, S.A. and its subsidiaries[1], and is presented according to management criteria[2].

Main figures	*Units*	**2015**	**2016**	*Var.%*
Installed capacity	*MW*	689	789	*+14.5%*
Electricity output	*GWh*	1,367	1,665	*+21.8%*
Average Market price	*€/MWh*	50.3	39.6	*-21.2%*
Total Revenues	*€m*	220.6	279.5	*+26.7%*
EBITDA	*€m*	155.7	199.0	*+27.9%*
Margin on revenues		*70.6%*	*71.2%*	*+0.7 p.p*
Attributable net result	*€m*	16.1	29.9	*+87%*
Dividends paid	*€m*	35.2	59.3	*+68.6%*
Net debt *(Dec15 vs. Dec16)*	*€m*	722.9	1,170.8	*+61.9%*

- In March 2016 Saeta Yield completed successfully its first dropdown with the acquisition of Extresol 2 and Extresol 3.
- Revenues and EBITDA of Saeta Yield in 2016 grew by 27% and 28% respectively, affected positively by the consolidation of Extresol 2 and Extresol 3, the increase in production and the accounting of the collection rights from the deviations in the price, as reflected in the Spanish renewables regulation (for the rest of the document "collection rights"), accrued by Saeta Yield, thanks to the price bands regulatory mechanism. This effect is a consequence of the severe drop of the electricity price in the market.
- In 2016 the company has paid € 59 m of dividends, equivalent to 0.73 euros per share[3].
- Saeta Yield net debt accounts for € 1,171 m, equivalent to a Net Debt to EBITDA[4] ratio of 5.9x. Average cost of the debt accounts for 4.3%.

1 Operational and financial data include the contribution of Extresol 2 and Extresol 3 for 10 days in the period, since March 22, 2016. This footnote applies to all 2016 information in this report.

2 Consult paragraph "Alternative performance indicators" to obtain a detailed description.

3 Based on Saeta Yield, S.A.'s shares currently outstanding: 81,576,928

4 Calculated with the EBITDA of Saeta Yield for 2016 and the Net Debt by the 31st of December, 2016.

2. Significant events

- On March 22, 2016, Saeta Yield completed and made effective the acquisition of 100% of the Concentrated Solar Thermal Plants of Extresol 2 and Extresol 3 from Bow Power, the JV development company of Grupo ACS and Global Infrastructure Partners, for € 118 m.

  Both CSP Plants, of 49.9 MW each of installed capacity, are located in Badajoz, Spain, near Extresol 1, a plant already in the current portfolio of assets of Saeta Yield.

  The expected recurrent annual cash available for distribution (CAFD), before the equity financing, of both plants accounts for € 12.5 m, thus meaning an implicit c. 10.5% cash yield. As a consequence of this dropdown, the expected recurrent CAFD of the Group will reach for € 68.2 m, including the proportional allocation of funding costs of the acquisition. Both plants consolidate since the day of their acquisition.

- The 22nd of March, 2016, Saeta Yield made effective a dividend increase of 7.7% for 2016, up to € 61.4 m per year. This amount will be paid in four quarterly payments, in accordance with the dividend policy of the company, although it is revised by the BoD each period.

- The 27th of July, 2016, the Board of Directors approved the 2016 Stock Options plan for the management team and the President and CEO of Saeta Yield for a total 470,000 shares. This remuneration scheme was approved by the Annual General Meeting held by June 22nd, 2016.

- Saeta Yield has distributed in 2016 the following dividends amounts:

  - The Board of Directors approved the 25th of February, 2016, to distribute € 14.25 m (€ 0.1747 per share) as dividend charged to the share premium. This dividend has been paid the 3rd of March, 2016, and corresponds to the 4Q dividend payment of 2015.

  - On the 11th of May, 2016, the Board of Directors of Saeta Yield approved the 2016 first quarterly payment[5], a distribution of € 14.37 m (€ 0.1762 per share) of the share premium, paid the 1st of June, 2016.

  - The 27th of July, 2016, the Board of Directors of Saeta Yield approved the 2016 second quarterly payment, a distribution of € 15.35 m (€ 0.1882 per share) of the share premium, paid the 29th of August, 2016.

  - The 10th of November, 2016, the Board of Directors of Saeta Yield approved the 2016 third quarterly payment, a distribution of € 15.35 m (€ 0.1882 per share) of the share premium, paid the 30th of November, 2016.

5 The first quarter dividend of 2016 has been prorated accordingly to the contribution of Extresol 2 and Extresol 3 (since March, 22, 2016)

3. Consolidated income statement

Income statement *(€m)*	**2015**	**2016**	*Var.%*	**4Q15**	**4Q16**	*Var.%*
Total revenues	**220.6**	**279.5**	***+26.7%***	**46.2**	**66.1**	***+43.2%***
Staff costs	-2.4	-2.4	*+0.3%*	-0.9	-0.7	*-16.5%*
Other operating expenses	-62.6	-78.1	*+24.8%*	-14.7	-18.0	*+22.5%*
EBITDA	**155.7**	**199.0**	***+27.9%***	**30.7**	**47.5**	***+54.9%***
Depreciation and amortization	-77.2	-97.9	*+26.9%*	-17.7	-26.1	*+47.5%*
Provisions & Impairments	17.7	0.0	*n.a.*	17.7	0.0	*n.a.*
EBIT	**96.1**	**101.1**	***+5.2%***	**30.6**	**21.4**	***-30.2%***
Financial income	0.5	0.1	*-71.3%*	0.1	0.0	*-107.5%*
Financial expense	-75.2	-60.1	*-20.1%*	-12.5	-9.8	*-21.6%*
Fair value variation of financial instruments	0.0	-0.7	*n.a.*	0.0	0.0	*n.a.*
Profit before tax	**21.5**	**40.5**	***n.a.***	**18.3**	**11.6**	***-36.6%***
Income tax	-5.4	-10.5	*n.a.*	-10.3	-2.7	*-73.9%*
Profit attributable to the parent	**16.1**	**29.9**	***+86.5%***	**8.0**	**8.9**	***+11.1%***

3.1. Key operating figures

Saeta Yield has produced 1,665 GWh of electricity, showing a 22% increase compared to 2015.

Main operational figures *Breakdown by technology*	**Wind**			**CSP**		
	2015	**2016**	*Var.*	**2015**	**2016**	*Var.*
Installed capacity (MW)	539	539	*+0.0%*	150	250	*+66.7%*
Electricity output (GWh)	946	1,014	*+7.1%*	421	652	*+54.8%*
Market Price (€ per MWh)	50.3	39.6	*-21.2%*	50.3	39.6	*-21.2%*
Steepness	89.0%	84.9%	*-4.1 p.p*	103.3%	95.8%	*-7.5 p.p*
Achieved Price (€ per MWh)	44.7	33.6	*-24.8%*	51.9	37.9	*-26.9%*

Wind assets achieved a production of 1,014 GWh with an average availability of 98.4%. Output was ahead of last year's figure after a very windy beginning of the year and July and August.

Solar thermal assets achieved a production of 652 GWh, with a performance ratio of 108.1%[6]. In this case the growth experienced is due to the contribution of Extresol 2 and Extresol 3.

Average Spanish wholesale market price had a weak performance in 2016, down to € 39.6 per MWh (vs. € 50.3 per MWh in 2015). The impact in the price is caused by high wind and hydro production, as well as low fossil fuel prices during the early months of 2016.

Due to this low prices scenario, and as a consequence of the band mechanism to protect versus price volatility included in the renewables regulation in Spain[7], Saeta Yield has accounted on its revenues a collection right for the company of € 12 m. This right will be collected during the whole life of the assets.

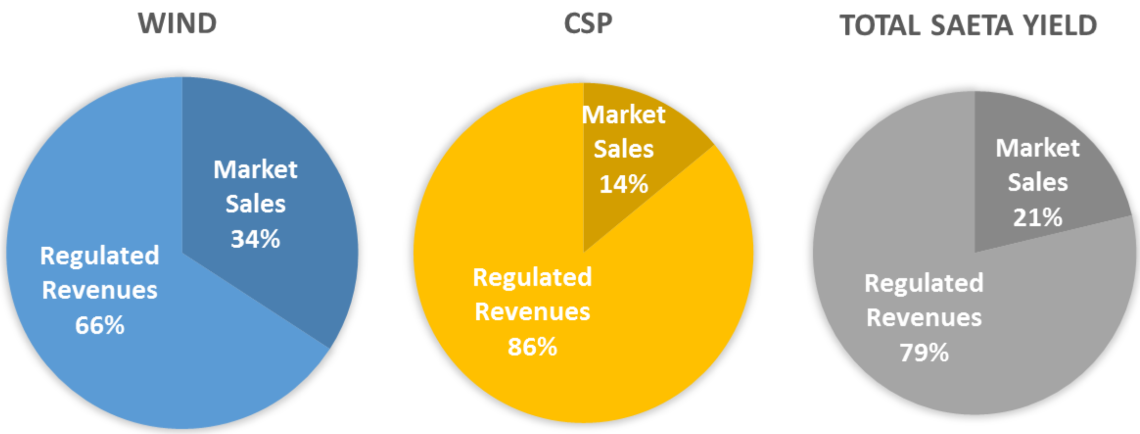
6 The performance ratio measures the real production of the plants vs. the theoretical production based on existing weather conditions.

7 According to the regulation, the maximum exposure to the price risk is 6€/MWh compared to the Price established in the regulation (49.75€/MWh in 2016).

3.2. Revenues

In 2016 Saeta Yield achieved total revenues of € 280 m, a 27% increase compared to the revenues registered the same period last year. This growth comes from the contribution of Extresol 2 and Extresol 3. In terms of revenues[8], wind assets contribute with 36% of revenues and solar thermal assets with 64%.

Revenues & EBITDA *Breakdown by technology. Excl. Holdco*	Wind			CSP		
(€m)	**2015**	**2016**	*Var.*	**2015**	**2016**	*Var.*
Total Revenues	100.8	100.6	*-0.2%*	118.9	178.5	*+50.2%*
% of total, excl. Holding	*46%*	*36%*		*54%*	*64%*	
EBITDA	73.7	72.5	*-1.6%*	81.4	127.1	*+56.2%*
% of total, excl. Holding	*48%*	*36%*		*52%*	*64%*	



3.3. Operating earnings

EBITDA achieved was € 199 m, a figure 28% higher than in the same period of 2015. EBITDA is affected negatively by the low electricity prices, an impact that is partially compensated by the price band protection mechanism already described. Additionally, HoldCo costs are slightly higher this year compared to 2015 due to the M&A activity. These negative effects are more than compensated by the contribution of Extresol 2 and Extresol 3 since the acquisition of the assets on 22nd of March, 2016.

EBIT accounted for € 101 m, and includes € 98 m of asset depreciation, a figure clearly higher than in 2015 due to the consolidation of the new thermal solar plants.

3.4. Financial results

Saeta Yield's financial consolidated result was € -60 m vs. € -75 m in 2015. The significant improvement compared to 2015 mainly comes from the extraordinary negative results after the restructuring of interest rates swap contracts that took place concurrent with the IPO in 2015.

This amounted to a € 26 m extraordinary expense registered in the Income Statement.

Not taking into account those extraordinary effects, the comparable financial expenses increase by € 11 m after the contribution of Extresol 2 and Extresol 3 and the financial expenses of the new financing of Serrezuela.

3.5. Attributable net profit

8 Excluding the Holding contribution and the consolidation adjustments effects

Attributable consolidated net result for 2016 amounted to € 30 m, showing an increase of 87% compared to 2015. Eliminating the extraordinary financial gross expenses effects in 2015, net profit last year would have amounted to € 35 m and in 2016 to € 30 m. The reduction in comparable terms comes mainly from the market price reduction and the increased depreciation and financial expenses.

4. Consolidated balance sheet

Consolidated balance sheet (€m)	31/12/2015	31/12/2016	Var.%
Non-current assets	**1,407.5**	**1,905.6**	***+35.4%***
Intangible assets	0.2	0.2	*+28.3%*
Tangible assets	1,337.8	1,790.9	*+33.9%*
NC fin. assets with Group companies & rel. parties	1.3	1.1	*-11.0%*
Equity method investments	0.0	13.0	*n.a.*
Non-current financial assets	7.1	14.2	*+101.0%*
Deferred tax assets	61.2	86.1	*+40.7%*
Current assets	**244.3**	**343.2**	***+40.5%***
Inventories	0.5	0.3	*-34.4%*
Trade and other receivables	58.0	74.6	*+28.6%*
C fin. assets with Group companies & rel. parties	2.2	0.4	*-83.6%*
Other current financial assets (incl. DSRA)	45.2	73.0	*+61.4%*
Cash and cash equivalents	138.4	194.9	*+40.8%*
TOTAL ASSETS	**1,651.8**	**2,248.8**	***+36.1%***
Equity	**570.5**	**551.5**	***-3.3%***
Share capital	81.6	81.6	*+0.0%*
Share premium	696.4	637.1	*-8.5%*
Reserves	-127.9	-111.8	*-12.6%*
Profit for the period of the Parent	16.1	30.0	*+86.6%*
Adjustments for changes in value – Hedging	-95.6	-85.3	*-10.9%*
Non-current liabilities	**965.2**	**1,525.8**	***+58.1%***
Non-current Project finance	848.2	1,341.8	*+58.2%*
Derivative financial instruments	80.6	120.4	*+49.3%*
Deferred tax liabilities	36.4	63.7	*+75.2%*
Current liabilities	**116.0**	**171.4**	***+47.7%***
Current Project finance	58.3	96.9	*+66.2%*
Derivative financial instruments	22.5	35.5	*+57.7%*
Other financial liabilities with Group companies	0.1	0.2	*+55.4%*
Trade and other payables	35.1	38.9	*+10.7%*
TOTAL EQUITY AND LIABILITIES	**1,651.8**	**2,248.8**	***+36.1%***

4.1. Assets and liquidity

Saeta Yield assets reached € 2,249 m, with a significant contribution from tangible assets, mostly related with the company's generation facilities net valued at € 1,791 m (80% of total assets). After the consolidation of Extresol 2 and Extresol 3 this account increased by 34%.

On the asset side, it is also worth to highlight the cash account of € 195 m together with the holding company revolving credit facility for € 80 m accounts for a total liquidity of the Group of c. € 275 m.

4.2. Net debt

Leverage (€m)	31/12/2015	31/12/2016	Var.%
Gross debt	**906.6**	**1,438.7**	***+58.7%***
Long term project finance	848.2	1,341.8	*+58.2%*
Short term project finance	58.3	96.9	*+66.2%*
Cash and other cash equivalents	**183.6**	**267.9**	***+45.9%***
Cash and cash equivalents	138.4	194.9	*+40.8%*
DSRA	40.8	72.5	*+77.6%*
Other current financial assets	4.4	0.5	*-88.1%*
NET DEBT	**722.9**	**1,170.8**	***+61.9%***
Net Debt /EBITDA	**4.6x**	**5.9x**	

Net debt, defined as gross banking debt minus cash, equivalents and other current financial assets (both including the debt service reserve account and other current financial assets), at the closing of the period reached € 1,171 m (vs. € 723 m at the end of 2015). This variation is the result of the operations of the company, the payment of dividends, the disposal of the full Serrezuela Solar debt during the year, the € 118 m equity investment in Extresol 2 and Extresol 3, as well as the debt consolidation of these subsidiaries from March 22, 2016. The leverage is equivalent to a Net Debt to EBITDA[9] ratio of 5.9x.

It should be noted that Saeta Yield's gross debt is all bank non recourse project finance. The debt's average pending maturity is 14 years[10]. Finally, it should also be highlighted that c. 75% of the projects' outstanding debt is hedged to interest rates through IRS derivative contracts.

Average cost of debt was 4.3%. During the period the Group has increased the interest rate swaps coverage in several projects, extending the term of the contract.

4.3. Equity

Saeta Yield's equity booked at the closing of the period was € 552 m, vs. € 571 m at the end of 2015. The overall reduction was driven by the dividends charged to the share premium distributed in the period.

9 It is worthwhile to highlight that the EBITDA in the period has been negatively affected by the late consolidation of Extresol 2 and 3 the 22nd of March, 2016, which means a partial contribution in the year, coupled by the low electricity market price, that affected the market revenues of the company. Not taking those effects into consideration the ratio would have been lower.

10 Average life of the debt is the remaining life of the debt for each project pondered by the debt on that project.

5. Consolidated cash flow statement

Consolidated cash flow statement (€m)	2016	2016 Extraord. (1)	2016 Operating Assets	2015	2015 Extraord. (2)	2015 Operating Assets
A) CASH FLOW FROM OPERATING ACTIVITIES	**122.8**	**-2.0**	**124.8**	**112.0**	**-14.5**	**126.5**
1. EBITDA	**199.0**	**0.0**	**199.0**	**155.7**	**0.0**	**155.7**
2. Changes in operating working capital	**-6.0**	**0.0**	**-6.0**	**-6.8**	**-14.5**	**7.7**
a) Inventories	0.2	0.0	0.2	0.2	0.0	0.2
b) Trade and other receivables	6.6	0.0	6.6	14.8	0.0	14.8
c) Trade and other payables	-1.0	0.0	-1.0	-19.1	-14.5	-4.6
d) Other current & non current assets and liabilities	-11.8	0.0	-11.8	-2.7	0.0	-2.7
3. Other cash flows from operating activities	**-70.2**	**-2.0**	**-68.2**	**-36.8**	**0.0**	**-36.8**
a) Net Interest collected / (paid)	-65.8	-2.0	-63.8	-43.1	0.0	-43.1
b) Income tax collected / (paid)	-4.4	0.0	-4.4	6.2	0.0	6.2
B) CASH FLOW FROM INVESTING ACTIVITIES	**-99.0**	**-99.2**	**0.2**	**8.9**	**0.0**	**8.9**
5. Acquisitions	-90.9	-90.4	-0.4	-0.7	0.0	-0.7
6. Disposals	-8.1	-8.7	0.6	9.6	0.0	9.6
C) CASH FLOW FROM FINANCING ACTIVITIES	**32.7**	**173.9**	**-141.2**	**-28.4**	**68.2**	**-96.6**
7. Equity instruments proceeds	0.0	0.0	0.0	200.1	200.1	0.0
8. Financial liabilities issuance proceeds	182.2	182.2	0.0	60.4	65.3	-4.9
9. Financial liabilities amortization payments	-90.2	-8.3	-81.9	-253.8	-197.2	-56.6
10. Dividend payments	-59.3	0.0	-59.3	-35.2	0.0	-35.2
D) CASH INCREASE / (DECREASE)	**56.5**	**72.7**	**-16.2**	**92.5**	**53.7**	**38.8**
Cash flow from the operating assets			**43.1**			**74.0**

(1) Related with the acquisition of Extresol 2 and Extresol 3 and the financing of Serrezuela.

(2) Related with the transactions concurrent with the IPO process: share capital issuance, debt repayment, swap restructuring, intragroup accounts settlement and cash contribution

Saeta Yield in the year 2016 generated a cash flow of € 116 m prior to dividend payments, out of which € 43 m is cash flow from the operating assets and € 73 m came from financing activities and acquisitions performed in the period, specifically the € 118 m paid for Extresol 2 and Extresol 3, the € 26 m of cash consolidated from those plants when acquired, and the financing of Serrezuela Solar for €182 m (net of upfront fees).

Analyzing in detail the cash flow from the operating assets (€43), the key variations are:

- Cash flow from operating activities grew compared to 2015 thanks to the larger EBITDA after the acquisition of Extresol 2 and 3, even though both plants have been consolidated since March 22nd, 2016, and most of the 1Q cash contribution (c. € 8m) is not accounted in the CAFD.
- Working capital variation in 2016 includes the positive effect of the 2013 rights collected in Serrezuela and, in the negative side, the accounts receivable increase from the collection right accrued and the debtor balance increase with the CNMC in more than € 11 m due to a lower coverage payment ratio (86.1%) compared to the figure registered by the end of 2015 (91.3%).
- Tax payments in the period (€ 4 m) come mainly from the application of the Royal Decree 2/2016, that establishes the obligation to advance a payment, independently on the final tax settlement of the current year, that will be close to zero, and that will be presented on July 2017. If this is the case, the Public Tax Authority will have to pay back the advanced cash.
- In 2016 the company has paid a higher interest amount after the acquisition of Extresol 2 and Extresol 3 and the financing of Serrezuela compared to the payments of 2015. Also in 2016 the company has repaid back the principal of the debt in an amount of € 82 m, compared to € 57 m in 2015.
- Whilst in 2016 the DSRA disposals have accounted for € 0.6 m of cash inflow, in 2015 Saeta Yield accounted a one-off disposal of € 9.2 m, thanks to the anticipated debt repayments in Extresol 1, Manchasol 2 and Santa Catalina. This was a positive one off in 2015.
- Finally, in 2016 the company has paid € 24 m more in dividends than in the same period of last year.

6. Relevant events after the reporting period

- The 25th of January, 2017, Saeta Yield reached an agreement with Corporación America and Grupo San José to acquire 100% of two operating wind farms, Carapé I and II, for a cash consideration of c. USD 65 million. This agreement is subject to condition precedents being met. The acquisition will be funded with available liquidity and is expected to close in the first semester of 2017.

  The wind farms are located in the Maldonado Department, in Uruguay and have a total capacity of 95 MW consisting of a total of 31 Vestas V112 3.075 MW wind turbines. Both facilities have been operational for over a year and produce energy under a long term power purchase agreement (PPA) with the Administración Nacional de Usinas y Trasmisiones Eléctricas (UTE), the main electricity utility company and the transmission system operator in Uruguay. The average remaining life of these PPAs is 21 years.

  The acquisition will be value accretive and cash yield enhancing from year one. Precise details on cash yield and relevant economic figures will be provided on closing.

- The 28th of February, 2017, the Board of Directors of Saeta Yield approved the 2016 fourth quarterly payment, a distribution of € 15.35 m (€ 0.1882 per share) of the share premium, to be paid the 7th of March, 2017 (ex date 3rd of March).

7. Main risks and uncertainties description

Saeta Yield currently runs its business activity in Spain and, therefore, it is exposed to inherent risks related to the socioeconomic, legal, and regulatory environment of the country.

Saeta Yield monitors and controls such risks in order to avoid them reducing shareholders' profitability, endangering its employees or its corporate reputation or impacting negatively the company as a whole.

In order to accomplish such risk monitoring task, Saeta Yield has defined procedures to identify them in advance so they can be properly handled, by avoiding or minimizing their impact.

Additionally to these risks inherent to its business activity, Saeta Yield is also subject to certain financial risks:

- Interest rates risk is reduced by means of financial derivative instruments which hedge the cost of c. 75% of the outstanding debt.
- Liquidity risks are managed by Saeta Yield by means of:
  - A solid liquidity position of €195 m in December 2016.
  - A three-year €80m revolving credit facility contracted with several financial institutions.
- To conclude, credit risk is considered to be low since the two Saeta Yield's main counterparties nowadays are: (i) the Iberian Electricity Market Operation (OMIE) that has a flawless payment history and; (ii) the Spanish Electricity Tariff, which, once the regulatory reform was concluded, is demonstrating to have solvent and balanced economics.

The risk related to market revenues due to uncertainties in the electricity production derived from renewable technologies dependent on weather conditions - wind resource and solar irradiation – as well as the evolution of the Spanish wholesale market price. Saeta Yield continuously monitors existing alternatives on the market to manage this risk.

Likewise, there is not full certainty with regard to Saeta Yield's strategic objective of increasing its dividend per share based on new assets intended to be acquired to Bow Power – the renewable asset development company created by ACS and GIP – or to third parties.

For the next semester and with regard to the information currently available, Saeta Yield, according to the current available information and its current business situation, expects to face business risks similar to the ones within the previous semester.

In 2017 the prospected evolution of the business will be of a moderate growth in terms of revenues and EBIT, in comparable terms, due to the forecasted higher electricity market price and the maintenance of the operating expenses. In terms of the financial results, the company expects the results to be in line due to the low EURIBOR volatility expected.

The existing debt in the balance sheet by the end of 2016 will decrease thanks to the repayment obligations of the company according to the contracts signed with lenders.

Regarding the acquisition of new assets, the company expects to integrate the new assets Carape I & II in Uruguay, once the acquisition agreement is closed, as well as to continue developing its strategy to acquire energy assets in 2017. In the case of the Uruguayan transaction announced to be closed, Saeta Yield will face the following additional risks: (i) the risks derived from interest rates variation in Uruguayan debt, which are mitigated by interest rates swaps to reduce rates fluctuation, for a 75% of the remaining debt, (ii) a low credit risk as the revenues of the plants in Uruguay are backed by a long term PPA for an average period of 21 years, and a counterparty in Uruguay, UTE, with a highly solvent profile. Finally (iii), Saeta Yield would be exposed, in close to a 10% of its total revenues, to the exchange rate euro / US dollar, as the Uruguayan assets are remunerated in that currency. This risk is mitigated by the fact that most of the expenses and payments on the projects are also denominated in US dollars. For the excess cash account Saeta Yield will analyse the possibility to contract exchange rate swaps.

8. Information on related parties

The related parties' transactions in the period can be summarized as:

- Those related with the operation and maintenance (O&M) as well as with the electricity production control center (CECOVI) that our project companies have contracted with other subsidiaries of ACS Group, holding of Saeta Yield's main shareholder (Cobra Concesiones S.L.).
- The 22nd of March, 2016, Saeta Yield completed and made effective the acquisition of 100% of the Concentrated Solar Thermal Plants of Extresol 2 and Extresol 3 from Bow Power, the JV development company of Grupo ACS and Global Infrastructure Partners, for an equity value of € 118 m.

All the above mentioned contracts and agreements have been executed under market conditions, monitored by the Audit Committee of the Board of Directors.

9. Other corporate matters

The Integrated Report of Saeta Yield, available in the webpage of the company (www.saetayield.com) includes additional details on environmental and human resources policies of the Group and its results.

9.1. Environmental Protection

Saeta Yield Group's activity contributes strongly to the protection of the environment. The energy produced at its plants comes from renewable sources thereby avoiding the emission of greenhouse gases into the atmosphere. This demonstrates the commitment of Saeta Yield to sustainability.

Nevertheless, our activity also has an environmental impact, directly as a result of the alteration of the environment or indirectly by the consumption of materials, energy and water resources. The Group operates in a way that respects the law, adopting the most efficient measures to reduce these negative effects.

Saeta Yield in compliance with the Environmental Impact Statements for each of its plants is ongoing monitoring the environment during and implementing various compensatory measures. Likewise, in his interest in improving the environment and reducing environmental impact, Saeta Yield analyses potential improvements in their production systems: efficiency in energy consumption, reduced water consumption, etc.

9.2. Human Resources

The Saeta Yield Group employed at the end of the period a total of 44 people, of whom 16 are women and 28 are men. In turn, 41 of its employees are university graduates.

9.3. Research and development

Saeta Yield has internal working groups to study possible improvements in its plants, aimed at increasing efficiency in the production and consumption of resources.

10. Alternative performance indicators

Saeta Yield presents its results according to the International Financial Reporting Standards (IFRS), nevertheless, uses some alternative performance indicators to provide with additional and comparable information, to ease the performance evaluation of the company.

In accordance with the ESMA directives, in this paragraph are described those indicators used by Saeta Yield in this document:

Total Revenues	Revenues + Other operating revenues
Other operating expenses	Cost of materials used and other external expenses + Other operating expenses
EBITDA	Operating income + Depreciation and amortization charge + Provisions and Impairments
EBIT	Operating income
Net Debt	Current & Non-current project finance + Cash and cash equivalents + Other current financial assets
EBITDA 15 (pro-forma)	Calculated as the EBITDA of Saeta Yield in 2015 plus the EBITDA of Extresol 2 and Extresol 3 in the same year
Average cost of debt	Weighted average of the interest rate per project according to the total gross debt per project
CAFD (Cash available for distribution)	Net increase / (decrease) in cash and cash equivalents + dividend payments
Extraordinary CAFD	Extract of the cash variation accounts related to the acquisition of Extresol 2 and Extresol 3 and the financing of Serrezuela Solar in 2016, and the transactions concurrent with the IPO in 2015
CAFD Operating assets or Cash Flow Operating assets	Rest of cash variation accounts not included in the previous indicator
Financial results	Financial income - Financial expenses

LEGAL NOTICE

This document has financial information prepared in accordance with the International Financial Reporting Standards (IFRS). The financial statements were based on the individual accounts of Saeta Yield, S.A. and its project companies and they include the necessary adjustments and reclassifications to adapt them to IFRS.

Translation of this report has been based on a document originally written in Spanish. In event of discrepancy, the Spanish language version prevails.

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Saeta Yield, S.A. does not undertake to publicly report on the outcome of any revision it makes of these statements to adapt them to circumstances or facts occurring subsequent to this presentation including, among others, changes in the business of the Saeta Yield, S.A., in its strategy for developing this business or any other possible unforeseen occurrence. The points contained in this disclaimer must be taken fully into account by all persons or entities obliged to take decisions or to draw up or to publish opinions on securities issued by Saeta Yield, S.A. and, in particular, by the analysts and investors reading this document. All the aforesaid persons are invited to consult the public documentation and information that Saeta Yield, S.A. reports to or files with the bodies responsible for supervising the main securities markets and, in particular, with the National Securities Market Commission (CNMV in its Spanish initials).

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