



First half

2020

results

Disclaimer

The information contained in this presentation of results has been prepared by Elecnor, S.A. (hereinafter referred to as “the Company” or “Elecnor”) and includes financial information extracted from the annual financial statements of the Company and its Group for the six-month period ended 30 June 2020, audited by KPMG Auditores, S.L., in addition to statements concerning future forecasts.

Information and statements regarding future forecasts for Elecnor are not historical facts; they are based on numerous assumptions and are subject to risks and uncertainties, many of which are difficult to foresee and are generally outside of Elecnor’s control. Shareholders and investors are therefore advised that these risks could cause actual results and developments to differ significantly from those expressed, implied or projected in the information and future forecasts.

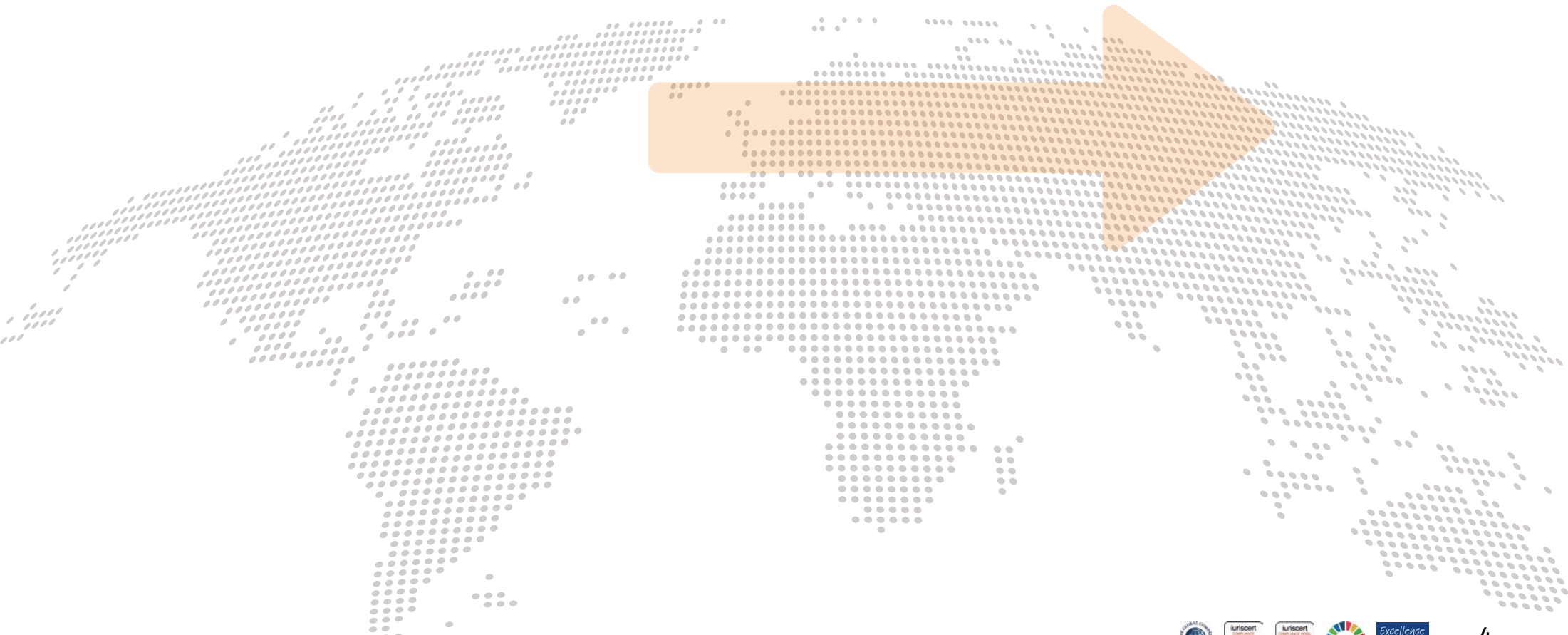
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This document does not constitute an offer or invitation to acquire or subscribe for shares, in accordance with the provisions of Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Spanish Securities Market and its implementing regulations. Furthermore, this document does not constitute an offer for the purchase, sale or exchange, nor a request for an offer to purchase, sell or exchange securities, nor a request for any vote or approval in any other jurisdiction.

Summary

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Key figures in the period



Key figures in the period

Net profit

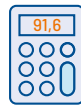
EUR **33.8** million



-9.1%

Ebitda

EUR **91.6** million



-14.2%

Sales

EUR **1,014** million



-7.1%

Backlog

EUR **2,268** million



+2%

Internationalisation



Sales in international market

48%



Portfolio in international market

74%

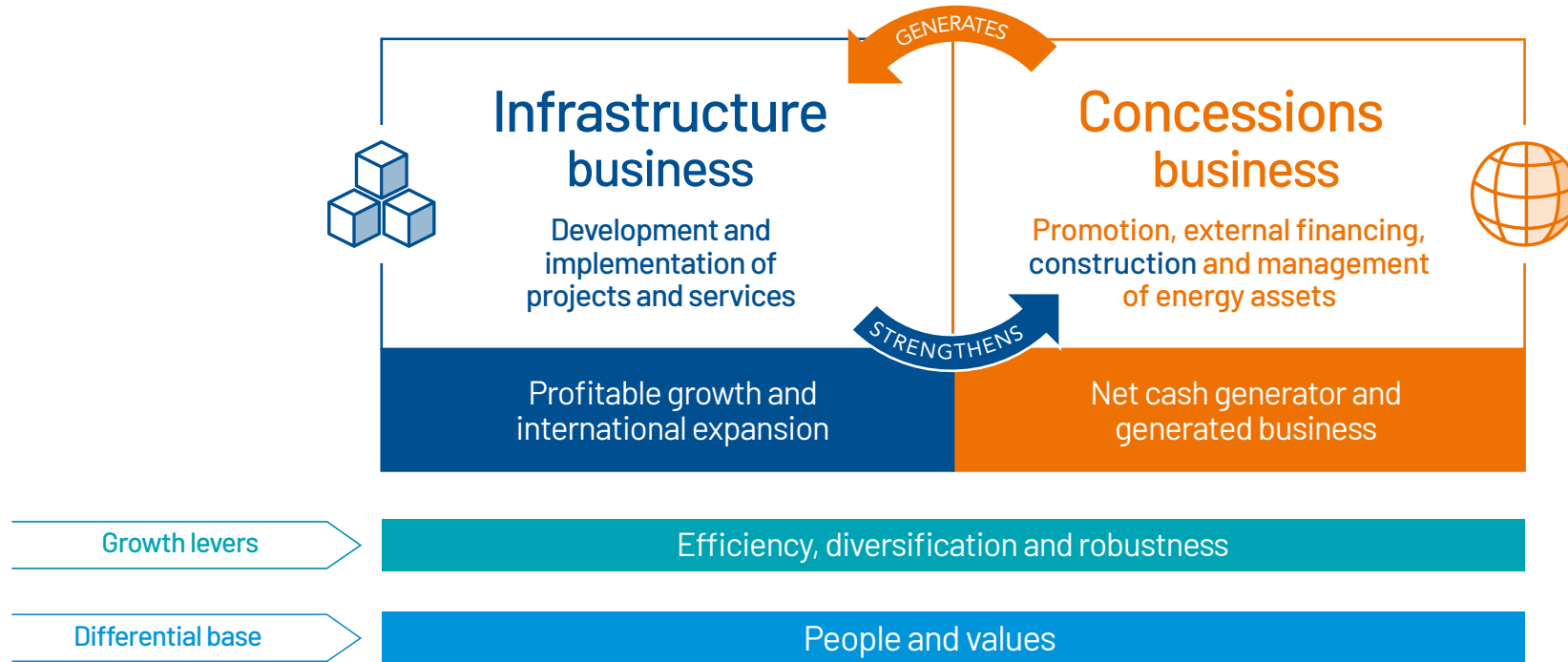
As in the Annual Financial Statements for the 2019 fiscal year, the figures for the first half of 2019 have been restated in order to retroactively reflect the effects that would have occurred if the assets and liabilities of the Celeo Redes subgroup had been consolidated using the equity method since the first agreement with APG (see note 1.f comparing the information in the Half-yearly Financial Report for Financial year of Elecnor, S.A. and Subsidiaries as at 30/06/20).

Business model

Our purpose, our raison d'être

We are drivers of change and progress: we bring infrastructure, energy and services to territories around the world so that they can realise their potential.

GENERATION OF SHARED VALUE AND SUSTAINABILITY



Pandemic management: Committed to our stakeholders

Our priorities

- » Ensure the safety of employees, customers, suppliers and other stakeholders
- » Bolster the Group's financial strength



Essential service providers for all utilities

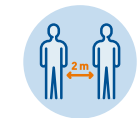
Reorganisation of production activity to ensure that critical infrastructures in the energy, telecommunications, water, gas and transport sectors is maintained

Cost containment and job flexibility

Pandemic management: Committed to our stakeholders

Measures implemented

- » Creation of a COVID-19 **Monitoring Committee**
- » Development of an **Action Plan** to ensure health protection
- » Development of a **Special Contingency Plan** that defines the scope of action of both Elecnor and its employees as essential suppliers to critical system operators
- » Activation of the **Action Procedure for the Occupational Health and Safety Services against exposure to SARS-CoV-2** for a number of vulnerable groups, and particularly at-risk workers
- » Promotion of **remote working** in all areas of the company, especially among at-risk groups
- » Actions aimed to **ensure the Group's liquidity** in the current circumstances



Outlook for the 2020 financial year

The Group trusts that the situation will stabilise in the coming months and that the company's strength will enable it to return to a path of growth as soon as possible, in the hope that the results for the second half of the year surpass those from the first.

» Elecnor has financing lines available for amounts projected to be sufficient to mitigate liquidity risk in the current situation

» It is considered that capital recovery will not be compromised by the effects of the pandemic situation

» Monitoring and controlling credit risk

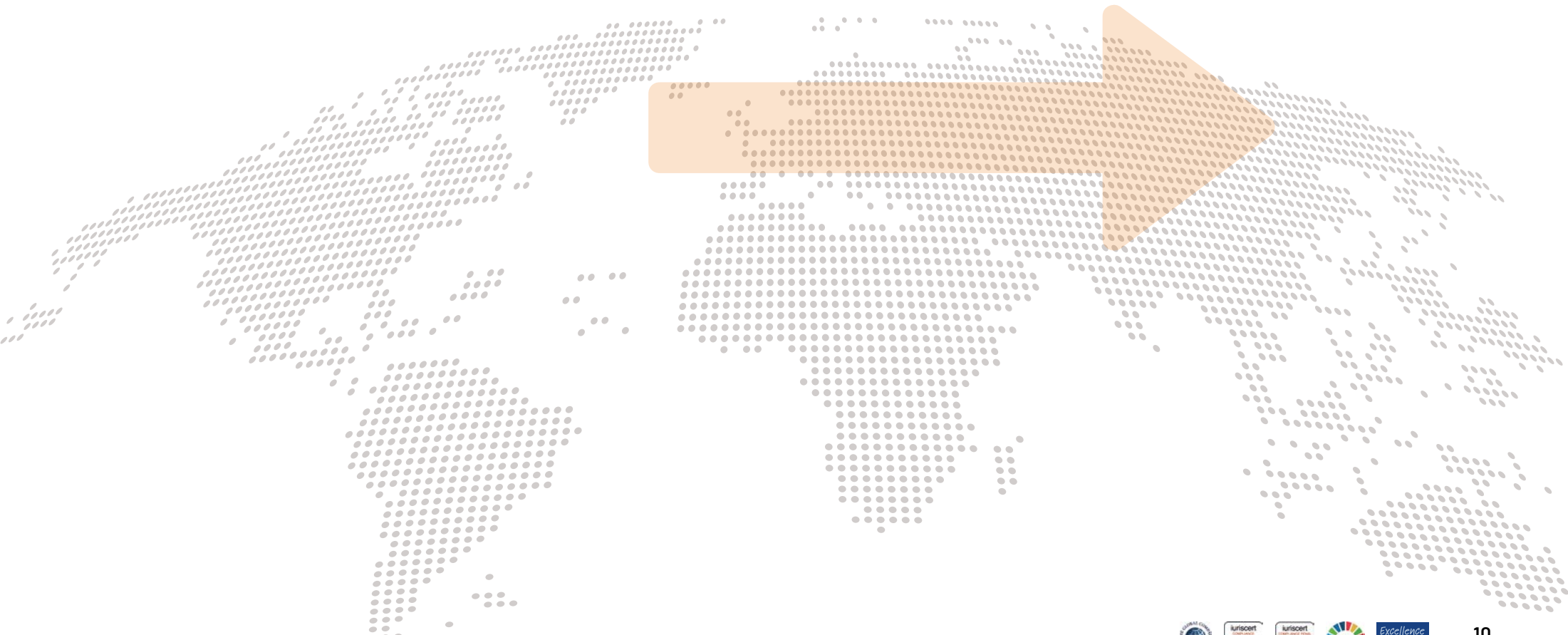
» The company is confident that the core components of the business will not be particularly affected

» In the Concessions Business, the majority of assets are in operation and the crisis is not expected to affect the profitability of those currently being built

» More than half of business in Spain is considered essential activity

» In the international market, many of the projects being carried out are of a strategic nature for the countries in which they are being developed

Evolution of the key figures



Net profit decreases by 9.1% due to the impact of the COVID-19 crisis

Infrastructure

Domestic market

Up until the state of emergency was declared, all activities were showing clear signs of growth, and once the state of emergency had been lifted, subsequent months show a gradual recovery.

Construction in the Galicia and Zaragoza wind farms, and in the Ciudad Real and Cáceres photovoltaic plants remained constant.

International market

Progress made in constructing power transmission lines in Brazil and Chile, and also those of US subsidiaries (Hawkeye and Belco).

In Africa, the contribution of hydroelectric power plant projects in Angola and Cameroon, as well as electrical infrastructure projects in Ghana and Angola, is notable.

In renewables, the construction of the Girasol solar PV plant should be highlighted—which is the largest in the Dominican Republic—as should the Kaleo & Laura plant in Ghana be.

Advances in the biomass cogeneration plant in Ghent, Belgium.

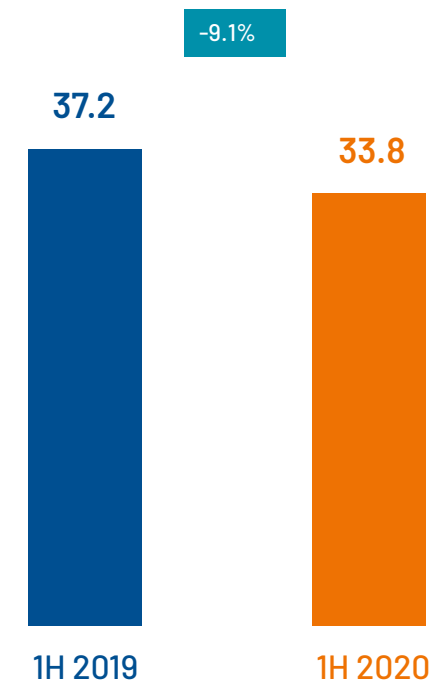
Concessions

The Group operates 5,740 km of power transmission lines in Chile and Brazil, and plays its part in the 1,744 MW of renewable energy in operation or under construction in Spain, Brazil and Canada.

Start-up of the Cofrentes wind farm in Valencia, through Enerfin, the Group's wind power subsidiary.

Net profit

In EUR million



Geographic and businesses diversification

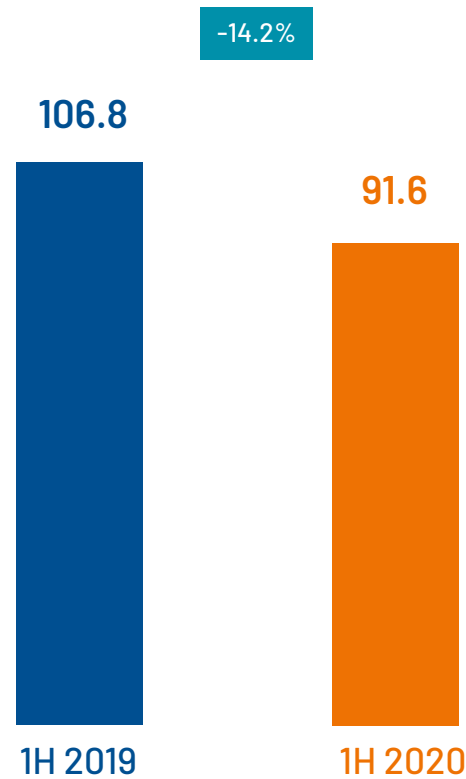
Containment and cost control policies

EBITDA stands at EUR 91.6 million

The reasons for the evolution in the EBITDA are fundamentally consistent with the reasons for the reduction in net profit.

Ebitda

In EUR million

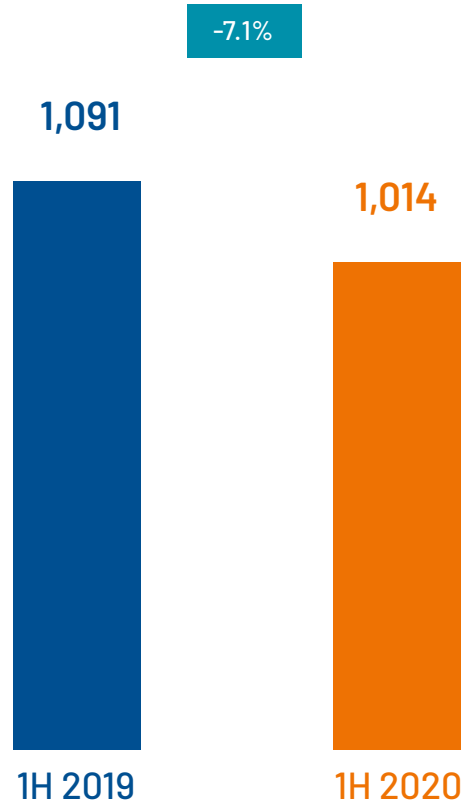


The domestic market accounts for 52% of sales



Sales

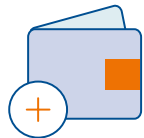
In EUR million



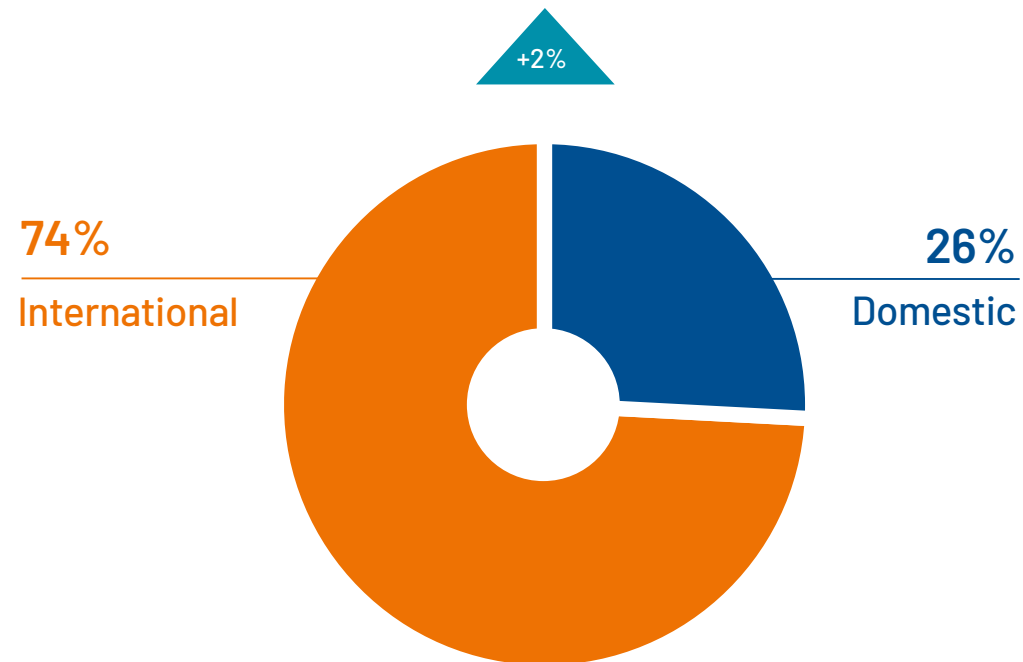
Sales by market



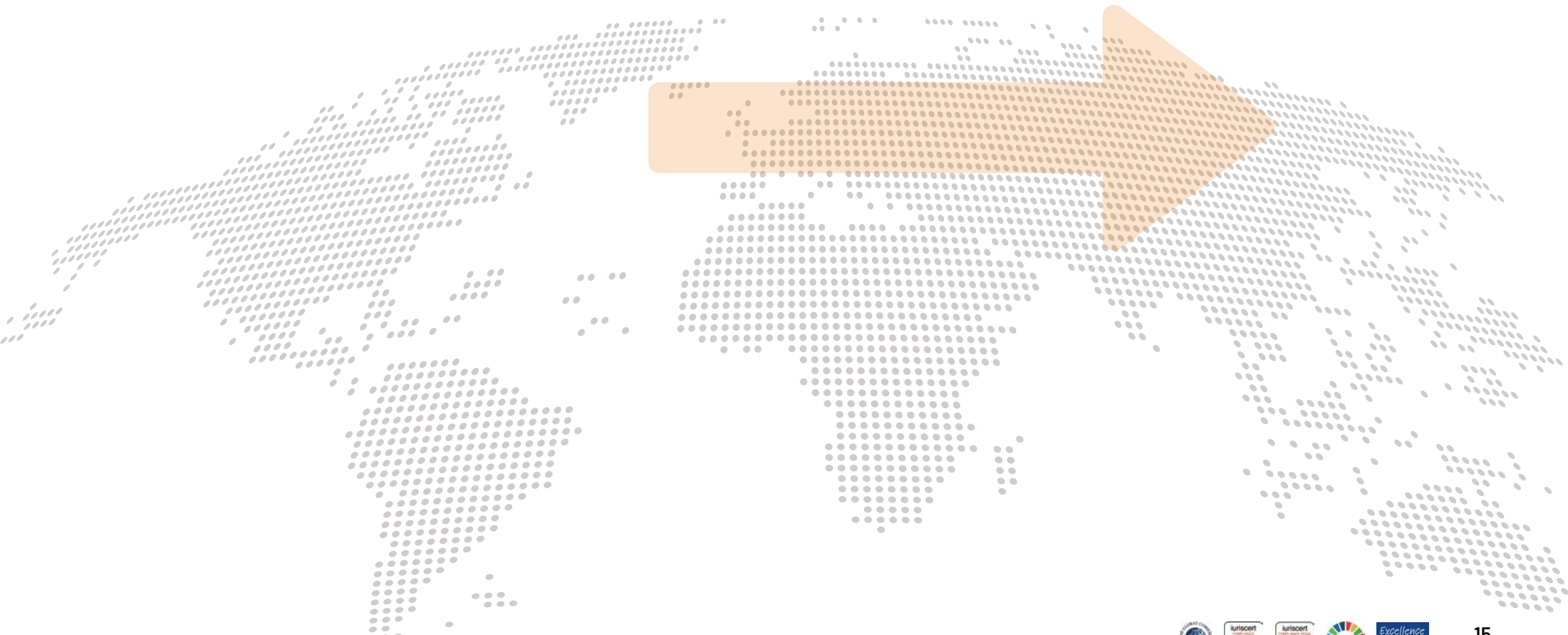
The contract portfolio amounts to EUR 2.268 billion

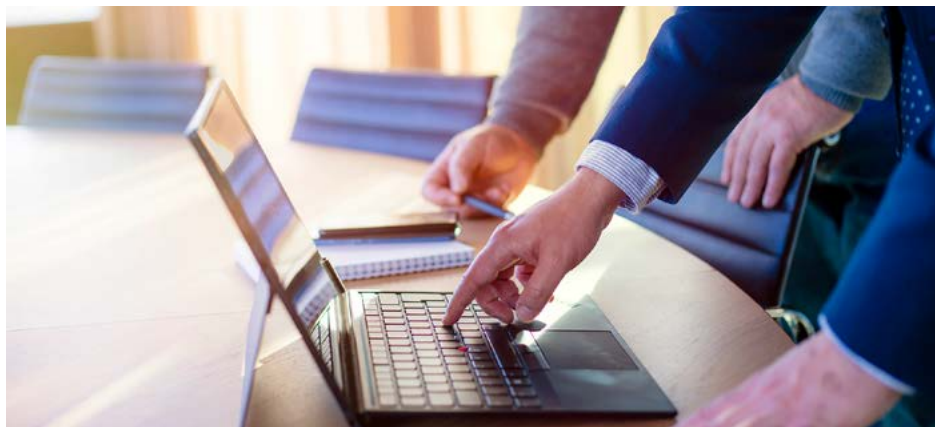


Backlog



Significant financial transactions





Promissory Note Programme in the MARF of up to EUR 300 million to finance new projects

- » Elecnor continues with its strategy of diversifying its short/mid-term funding sources beyond traditional banking.
- » Funding, in both euro and US dollars, with terms of up to 24 months, optimising the costs of cash flow financing.
- » The aim is to continue driving forwards with its plans in both the domestic and international markets.
- » In the current context, Elecnor is one of the main issuers in such market.
- » As of the publication date of the Financial Statements, Elecnor has issued EUR 229 million at very competitive costs.

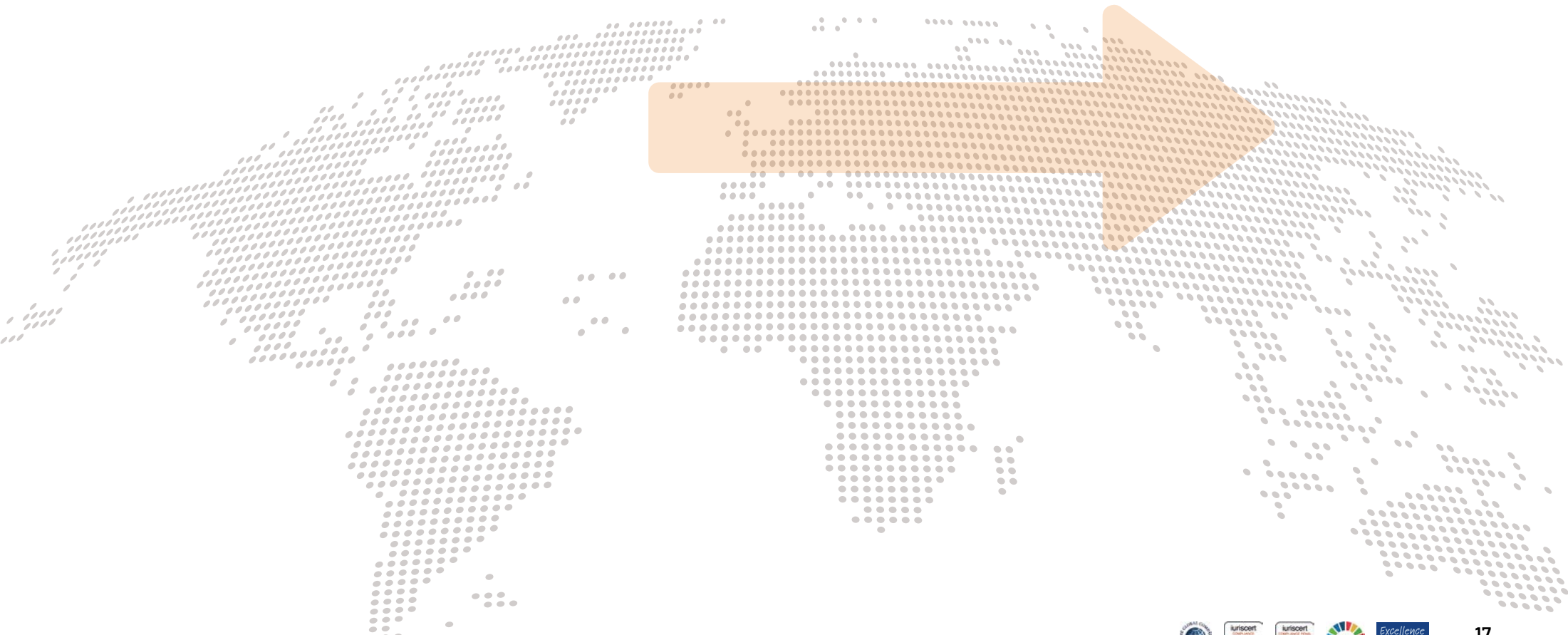


Issuance of the first green guarantee line, worth EUR 70 million

- » Société Générale will act as the issuing bank for the operation.
- » These guarantees will be invested in selected green projects that are environmentally beneficial and socially responsible.
- » Through this operation, Elecnor is stepping up its commitment to the highest standards of sustainability. The Group's activity is focused on actively promoting environmental protection through renewable energy and reducing its carbon footprint.
- » This funding line will contribute to the company's role in driving climate action—Sustainable Development Goal 13 of the United Nations Global Compact—by encouraging the development of sustainable and environmentally friendly projects.



Key projects in the first half



Infrastructure



Provider of essential services to main national operators

Electricity

endesa

enel

IBERDROLA

edp

VIESGO

RED ELÉCTRICA DE ESPAÑA

ufd
Grupo Naturgy

Telecommunications

Telefonica

orange™

vodafone

MÁSMÓVIL

NOKIA

Carreos
Telecom

R

lyntia

HUAWEI

TELXIUS

Gas

nedgia
grupo Gas Natural Fenosa

MadriLeña
RED DE GAS

Redexis gas

nortegas

enagas

Infrastructure



Construction of wind farm in Lanzarote

- » The Arrecife Wind Farm plant will have a maximum power capacity of 9.2 MW.
- » Scope: turnkey contract for the supply, installation, start-up and maintenance of four Enercon E-70 wind turbines during the warranty period, as well as all additional civil infrastructure.
- » Completion in August 2020.

9.2 MW

EUR 11 million



Maintenance of 26,000 Sareb

- » Scope: preventive, corrective and technical-legal maintenance, as well as regular visits to check the condition of the buildings.
- » These buildings, of which 40% are houses and 31% are garages and storage facilities, account for one fifth of Sareb's portfolio.
- » Two year contract.

Infrastructure



Breaking new ground in Finland to build a new power grid

- » The construction of this new infrastructure represents a major technical challenge, as construction will be carried out under extreme conditions.
- » Scope: construction of a 400 kV transmission line in the the so-called 'Forest Line' located in Central Finland. It will double the system's power capacity from the current 220 kV to 400 kV.
- » Estimated completion by September 2022.

 400 kV

 EUR 11.2 million



Consolidation of our presence in Norway with two electrical substations

- » Construction of two electrical substations: Salten y Leirdøla
- » Salten substation's scope: design, supply and assembly of a 420/132 kV voltage. This new substation ensures the energy supply between northern and central Norway.
- » Leirdøla substation's scope: civil works and assembly of the parks, as well as the construction of the control building. With the replacement of the current substation, Leirdøla will have a voltage of 420/132 kV and will cover the electricity demand that is currently not being properly met.
- » Estimated completion by autumn 2022.

 EUR 13.5 million

Infrastructure



Biomass cogeneration plant in Belgium

- » Elecnor's first contract in this European country.
- » The plant will have an electricity-generation capacity of 19.9 MW, using locally sourced nonrecycled demolition wood as feedstock.
- » Scope: geotechnical and topographic studies, engineering, civil works and electrical and mechanical assembly.
- » The project is estimated to take around two years and will have a significant economic impact on the city, as it will create 300 temporary and 35 permanent jobs.



EUR 86 million



Participation in megaproject set to transform energy in Central America

- » Design, supply and construction of a 230-kV electric power transmission system at a new 378 MW natural gas-fired power plant in Sonsonate Department, El Salvador.
- » Scope: 27 miles of 230 kV transmission line with two underground sections stretching 1.2 miles, as well as the construction of 2 new GIS substations and the expansion of an existing one.
- » The plant will transform the energy matrix of El Salvador and Central America as it will be connected to the SIEPAC (Sistema de Interconexión Eléctrica de los Países de América Central) through several substations.



EUR 45 million

Infrastructure



120 MW solar power plant in the Dominican Republic

- » The Girasol solar power plant will be the largest photovoltaic generation plant in the country.
- » Scope: installation of approximately 300,000 solar photovoltaic modules, a 150 MVA substation and a 10 km 138 kV transmission line.
- » The power plant will be built on 220 hectares of land, in a location where solar irradiance is higher than the average in the Dominican Republic.
- » The power produced will be sent to the SENI (Sistema Eléctrico Nacional Interconectado- National Interconnected Electrical System).

 120 MW_p



Increasing renewable energy in Chile with 185 MW from wind power

- » Construction of a new 185 MW wind farm that allows for electrical evacuation.
- » Scope: installation of 44 wind turbines, civil works, medium-voltage network, a 220 kV booster substation and a 220 kV high-voltage line.

 185 MW  EUR 30 million

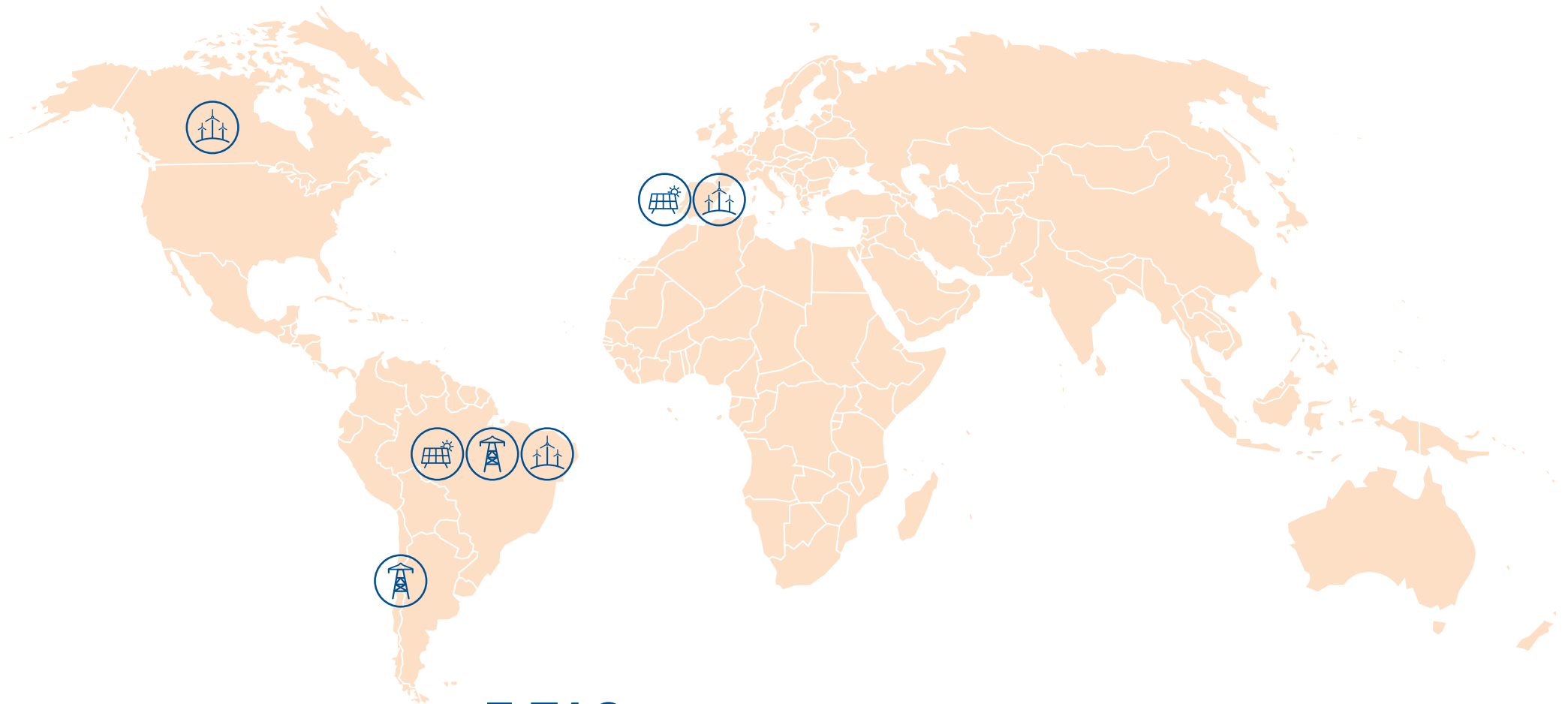


Large-scale water transportation project in Oman

- » The new infrastructure will double the water transportation capacity from desalination plants located in Barka and Sohar to the drinking water network, bolstering the supply in the Al Batinah region, one of the Sultanate's most populous areas.
- » Scope: construction of 144 km of pipeline, five fully equipped pumping stations during the different phases of the project, and five new reservoirs with capacities ranging from 5,000 to 50,000 m³.

 EUR 192 million

Concessions



5,740 km of transmission lines
1,744 MW of operating and construction renewable energy

Concessions



Contract worth EUR 53 million to build a wind farm in the Valencian Community

- » The Cofrentes wind farm is one of the projects awarded under the framework of the Valencian Community Wind Energy Plan, and it is the first wind farm that has been constructed in the Autonomous Community of Valencia in the last eight years.
- » It has been developed and implemented by Enerfín, Elecnor's wind power subsidiary.
- » Elecnor has signed a 10 year fixed price energy trade agreement with Cepsa.

It produces
clean energy for
45,000
household

It will avoid the
emission of
66,000
CO₂ tonnes of CO₂

50 MW



Launch of the São João do Piauí photovoltaic project in Brazil

- » Project consisting of 6 photovoltaic plants with an output of 180 MW.
- » Project awarded to Celeo Redes Brasil by the Agencia Nacional de Energía Eléctrica.
- » In addition to the sale of the energy, the project includes an evacuation substation and a 500 kV connection line.
- » The six plants will be able to meet the consumption needs of 190,000 Brazilian households and occupy more than 460 hectares.



Turnkey project
carried out by
Elecnor

180 MW

EUR 181 million

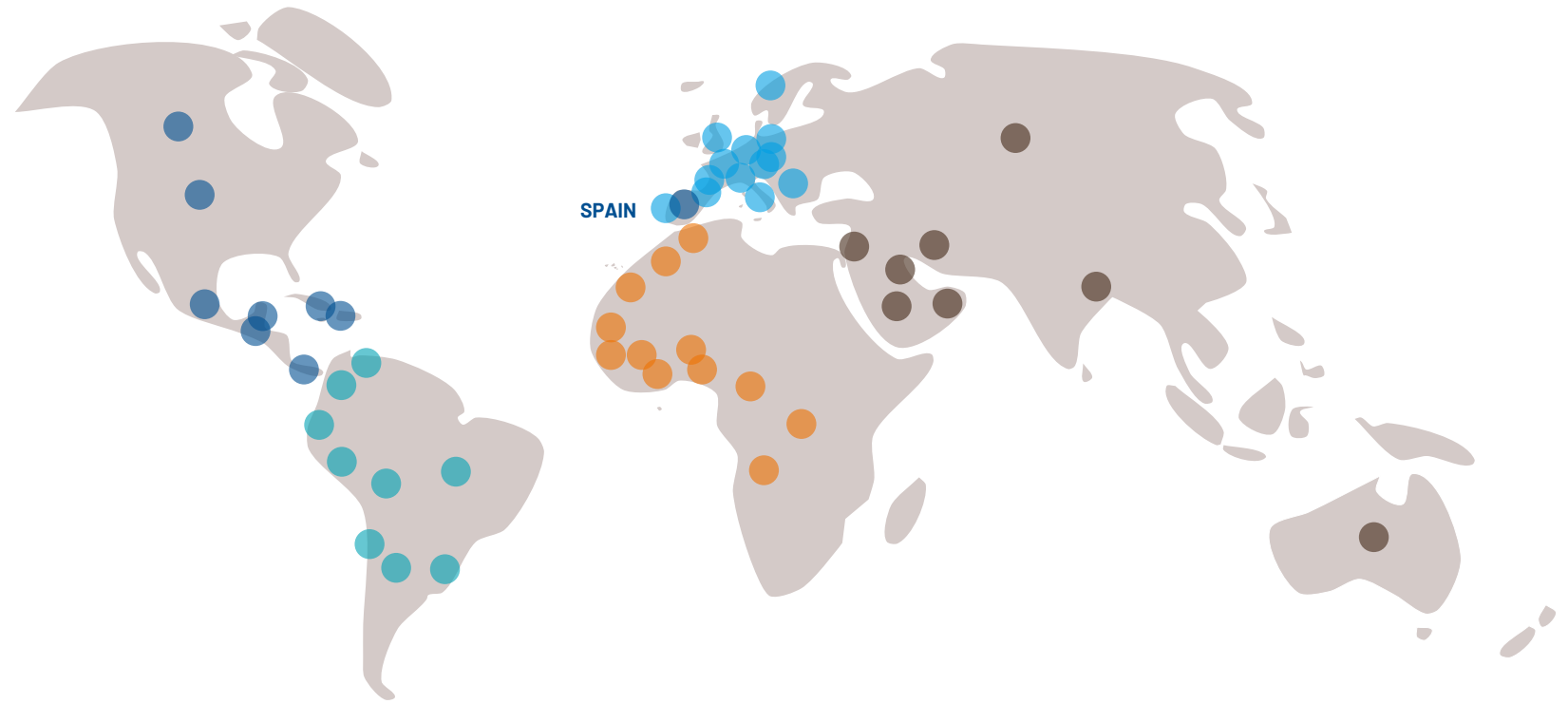
Elecnor is a global company with sales in 55 countries and two core businesses

Infrastructure:

execution of engineering, construction and services projects, with a particular focus on the electricity, power generation, gas, telecommunications and systems, railway, maintenance, facilities, construction, water, environmental and space industries.

Concessions:

promotion, external financing, construction, investment and management of energy assets.



NORTH AND CENTRAL AMERICA

Canada/Dominican Republic/El Salvador/Haiti/Honduras/Jamaica/Mexico/Panama/United States

SOUTH AMERICA

Argentina/Bolivia/Brazil/Chile/Colombia/Ecuador/Peru/Uruguay/Venezuela

AFRICA

Algeria/Angola/Burkina Faso/Cameroon/Gambia/Ghana/Guinea/Guinea-Bissau/Liberia/Mauritania/Morocco/R.D.Congo/Senegal

EUROPE

Austria/Belgium/Finland/France/Germany/Holland/Italy/Luxembourg/Norway/Poland/Portugal/Romania/Switzerland/United Kingdom

ASIA AND OCEANIA

Australia/Bangladesh/Iran/Jordan/Kuwait/Oman/Russia/Saudi Arabia/Vietnam

A sustainable value. ESG Commitment

Creation of the Sustainability Committee to promote a global strategy for the Group's environmental, social and governance actions.



Protecting our environment



Climate Change Strategy

Highest score on "Climate Change Management" as per the international CDP ranking

Certified AENOR Environment CO2 Verified as per ISO 14064-1

Boosting renewable energy and energy efficiency

27.8

REDUCTION IN CARBON FOOTPRINT IN 5 YEARS



People-centered



Prevention of occupational risks at business center

Promoting equality and diversity

Operational excellence

Partnering with ODS

Elecnor Foundation: we invest and develop infrastructure for the progress of society

Dialog with local communities



Good governance



The highest ethical standards

Zero tolerance to bad practices

Information transparency

Approval of a new Policy of Communication and Engagement with Shareholders, Investors and Other Stakeholders

UNE-ISO 37001 ON ANTI-BRIBERY MANAGEMENT SYSTEMS

UNE 19601 ON CRIMINAL COMPLIANCE MANAGEMENT SYSTEMS





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