



H1 2016 January-June Results presentation

29th July 2016

2 | Disclaimer



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H1 2016 Results Report includes the list and definition of the Alternative Performance Measures (APMs) used both in this presentation and the Results Report, according to the guidelines published by the European Securities and Markets Authority (ESMA)

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	(€m)		% Chg. vs H1 2015
Revenues	2,764		-16.3%
EBITDA	525		-8.4%
<i>Ordinary EBIT</i>	<i>252</i>		<i>-20.0%</i>
Total EBIT	868		175.4%
<i>Ordinary EBT</i>	<i>87</i>		<i>-43.2%</i>
Total EBT	587		283.4%
Ordinary capex	527	vs.	98 (H1 2015)
NFD	5,452		5.7% (Dec. 2015)

5 | H1 2016 key figures



Breakdown of €500m extraordinary effects at EBT

Positive effects

+€710m

- Capital gain associated to AWP-Nordex deal → +€657m
- Other positive effects → €53m
 - Capital gain associated to the acquisition of a 37% of ATLL to BTG Pactual
 - Unwinding of a provision due to final ruling on Trasmediterranea's CNMC fine
 - Debt acquisition at a discount

Negative effects

-€210m

- Financial costs related to the cancelation of project finance structures of certain renewable assets → -€122m (mainly due to the unwinding of financial hedges / derivatives)
- Other provisions / losses → -€88m
 - Loss related to the resolution of a legal dispute with a renewable developer in Greece
 - Provision of a client receivable due to the suspension of a work in Brazil
 - Other costs mainly related to legal disputes

6 | Group: Capex by division

Capex breakdown

(€m)	Capex	
	Jan-Jun 15	Jan-Jun 16
Energy	65	284
Infrastructure	30	183
Construction	11	82
Water	13	87
Service	6	14
Other Activities	3	60
Net ordinary capex	98	527
Extraordinary divestments	-51	0
Total net capex	47	527

Diagram illustrating the relationship between Net ordinary capex and Total net capex:

Net ordinary capex (98) is multiplied by 5 (x5) to reach Total net capex (527).

Key highlights

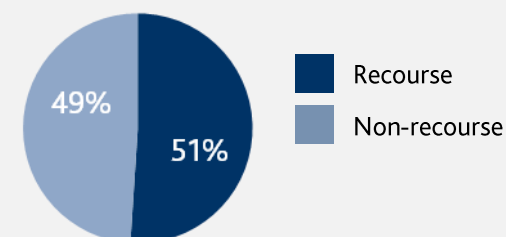
- Strong H1 capex due to the significant investment in the Energy division during the period...
 - Capacity installed in H1 2016: 103MW of PV in Chile and 3MW of wind in US
 - Under construction @ June 2016 → 312MW
 - Remaining 144MWp of SPV plant in Chile
 - 90MW windfarm in US
 - 78MW windfarm in India
- ...and one-off acquisitions / investments:
 - Acquisition of 37% of ATLL from BTG Pactual for €74m
 - Acquisition of two vessels by Trasmediterránea for €50m
 - Purchase of heavy machinery for Site C hydroelectric dam in Canada, the Föllo Line rail tunnels in Norway and the Quito Metro in Ecuador for €76m

7 | Group: Debt breakdown by division and nature

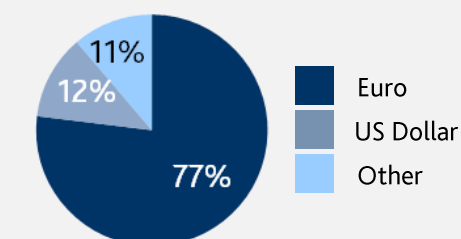
31-Dec-15		30-Jun-16				
(€m)	Net debt	Recourse debt	Non-recourse debt	Gross debt	Cash + C. Equiv.	Net debt
Energy	4,295	1,965	2,845	4,810	-470	4,340
Infrastructure	162	725	502	1,227	-880	348
Construction	136	532	380	912	-663	249
Water	17	154	115	269	-200	70
Services	9	40	6	46	-17	29
Other businesses	210	47	256	303	-71	232
Corporate	492	1,017	0	1,017	-486	531
Total	5,159	3,755	3,603	7,358	-1,906	5,452
Average cost of debt	5.49%					5.03%

Average cost of debt down 46bps

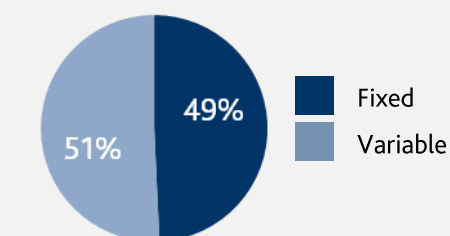
Gross debt - Nature



Gross debt - Currency



Gross debt - Interest rate

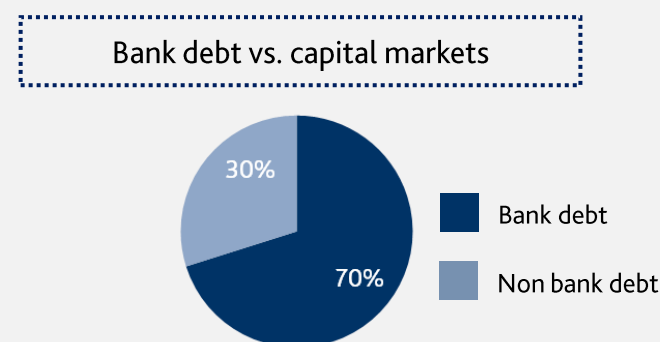
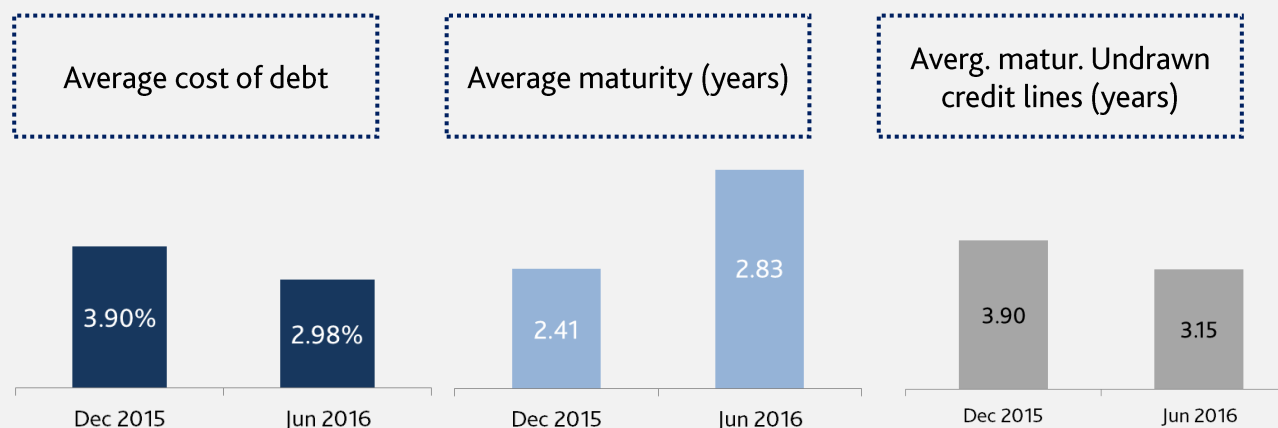


8 | Group: Recourse debt & liquidity



Debt with recourse: €3,755m

Debt with recourse (€m)	30-Jun-16
Bank debt	2,633
Commercial paper programme	297
Bonds	281
Convertible bond	318
Other (ECAs, Supranationals)	226
Capital markets	1,122
Total debt with recourse	3,755
Liquidity (€m)	30-Jun-16
Cash	1,906
Available committed credit lines	1,274
Total liquidity	3,180

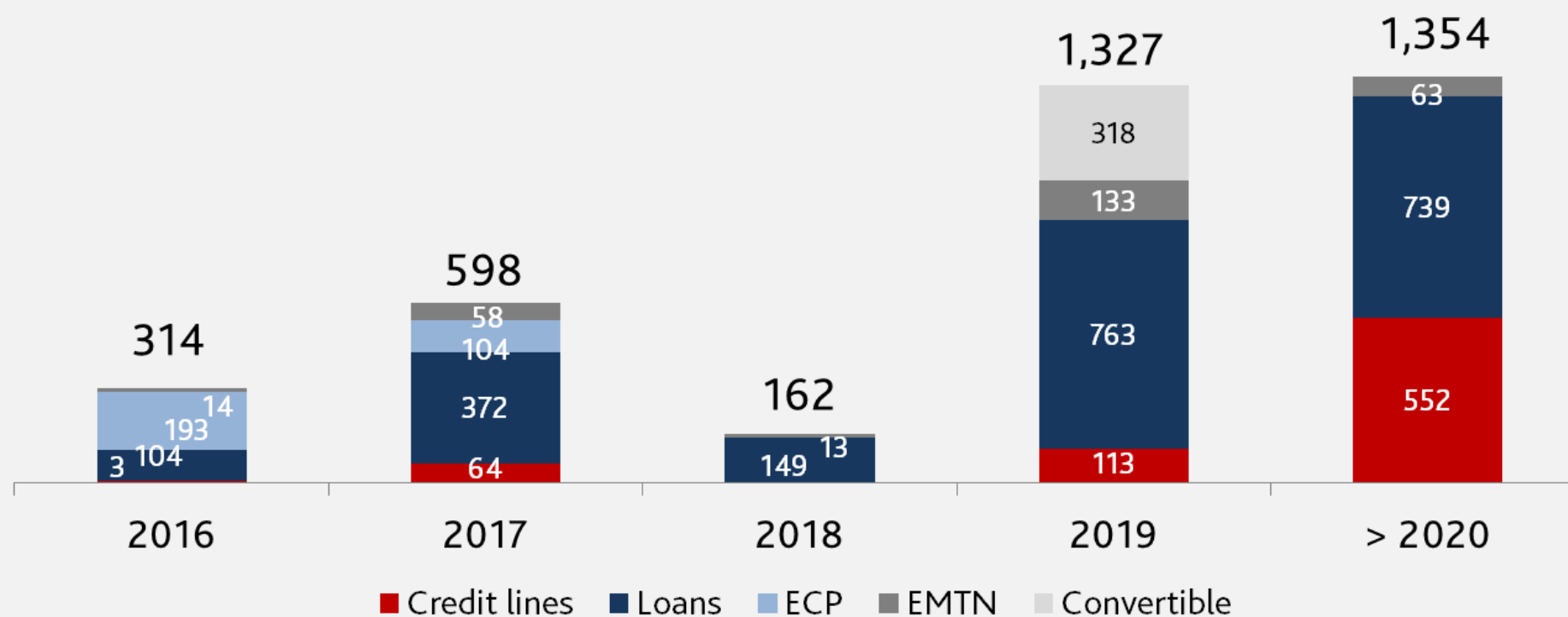


Tactically tapping banking market given its strong liquidity, whilst maintaining diversified corporate debt mix

9 | Group: Recourse debt & liquidity



Maturity profile of debt with recourse (€3,755m)



10 | Group: Refinancing transactions

ACCIONA has conducted three key refinancing transactions aiming to reduce the average cost of debt and increase flexibility

- ✓ Estimated annualized financial cost savings of ~€50m from 2017
- ✓ Extraordinary derivatives breakage costs accounted in H1 2016
- ✓ Undrawn credit lines maturity extended → from 3.4 years as of March 2016 to 4.1 years as of July 2016

€1.8bn syndicated facility increased to €2.2bn. Matur. Extnd (signed in Jul'16)

- €1.8bn 5-year syndicated facility signed in March 2015 increased to €2.2bn. New maturity July 2021
- The facility was divided in two tranches: A) Loan of €360m; B) Credit lines of €1,440m
 - Tranche A now increased by €400m to €760m

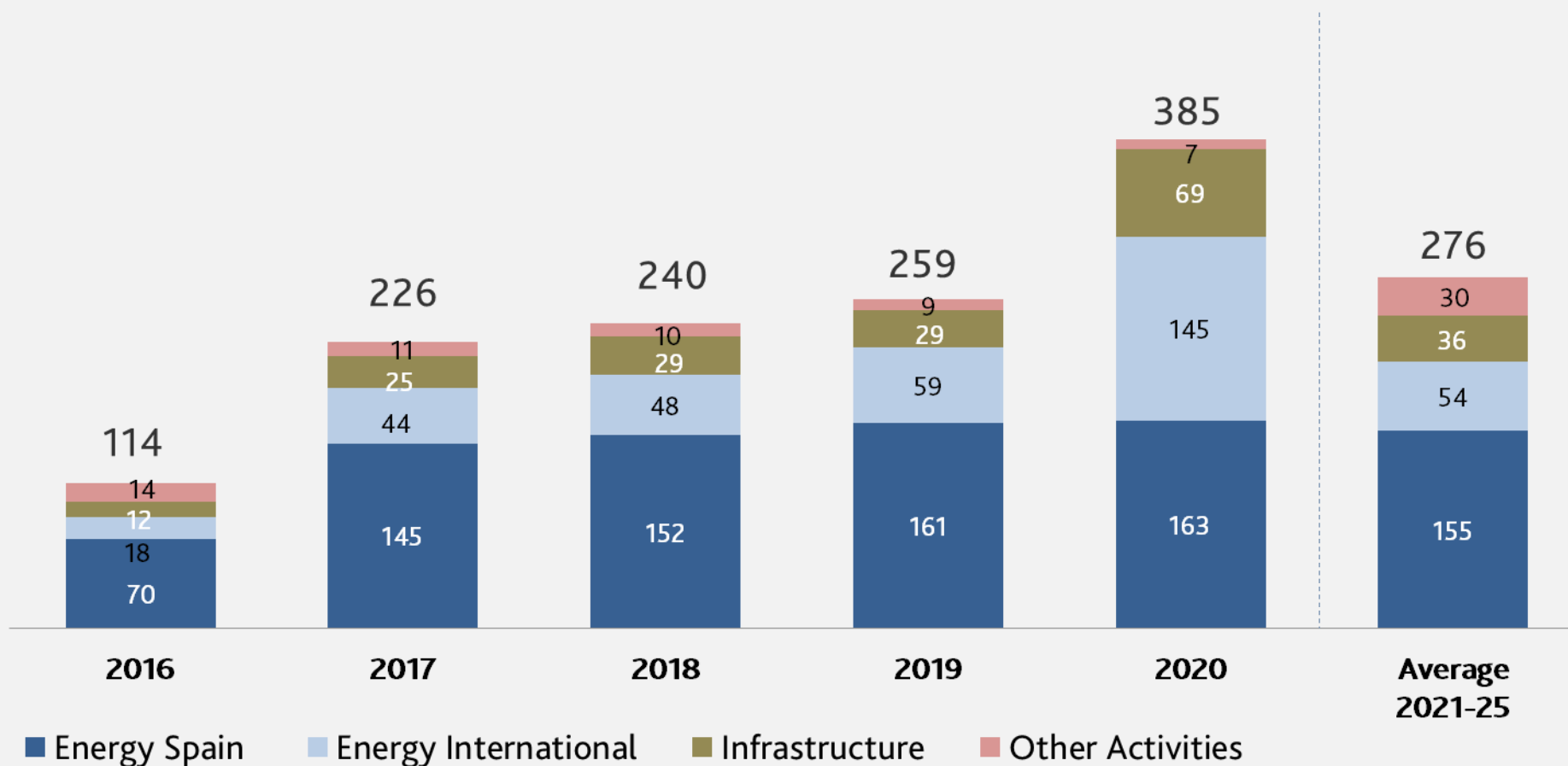
Refinancing of PF structures with corporate debt

- Refinancing of a Project Finance structure with gross debt of €475m related to **three CSP plants in Spain** (150MW) with €400m of corporate debt
- Refinancing of four PF structures totaling gross debt of US\$635m related to **four wind projects in Mexico, Chile and US** with a 5-year syndicated loan facility (corporate debt) of US\$550m
- Average interest cost reduced by ~400bps
- Cash optimization

11 | Group: Non-recourse debt amortization schedule

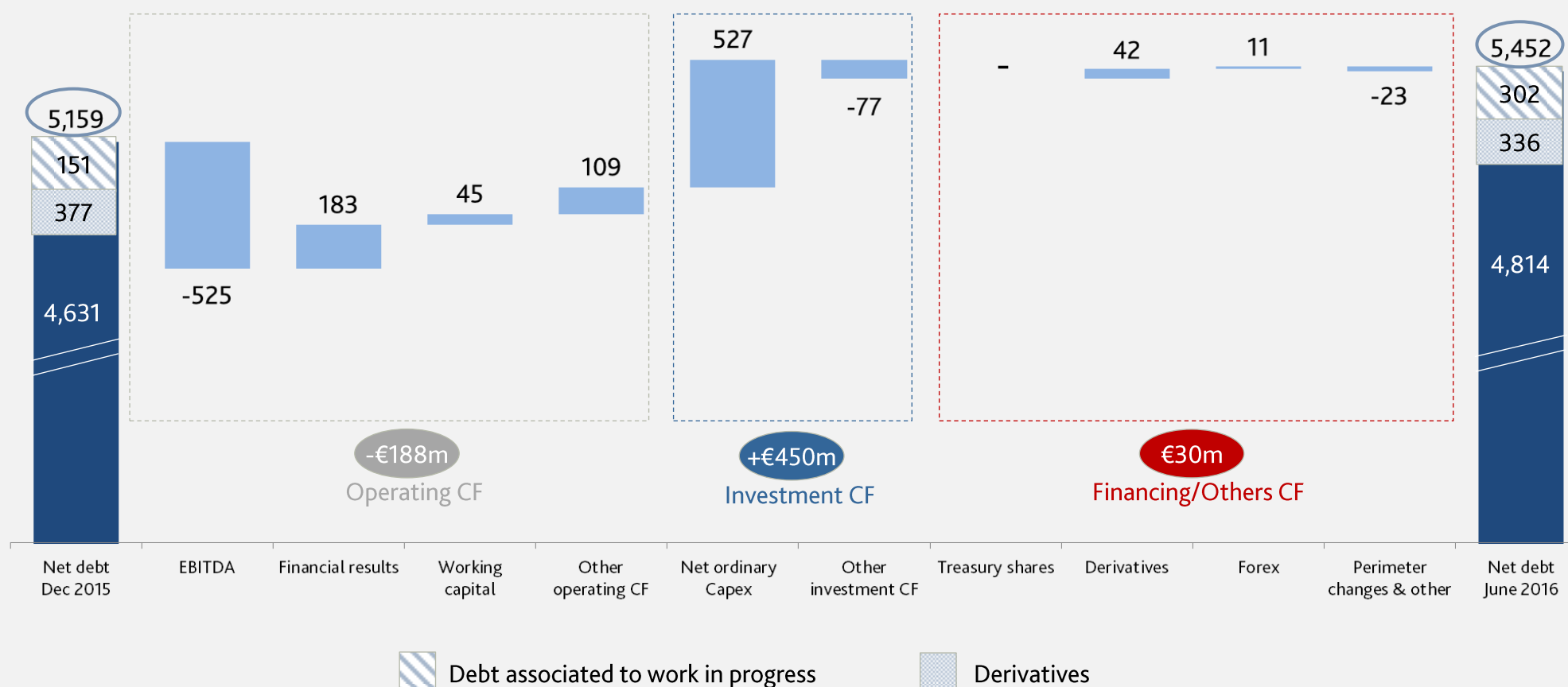


Principal repayment schedule 2016-2025 (€m)



12 | Group: Net debt evolution

Net debt reconciliation H1 2016 (€m)



13 | Energy: Key figures

Key figures

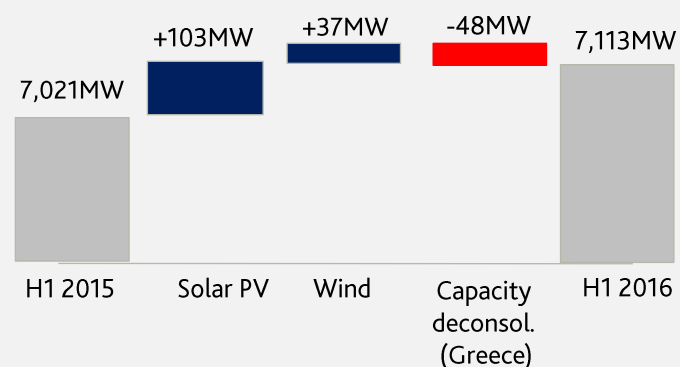
(Million Euro)	Jan-Jun 15	Jan-Jun 16	Chg.	Chg. (%)
Revenues	1,460	952	-508	-34.8%
EBITDA	472	368	-103	-21.9%
Margin (%)	32.3%	38.7%		

- AWP deconsolidated as of 1st April 2016

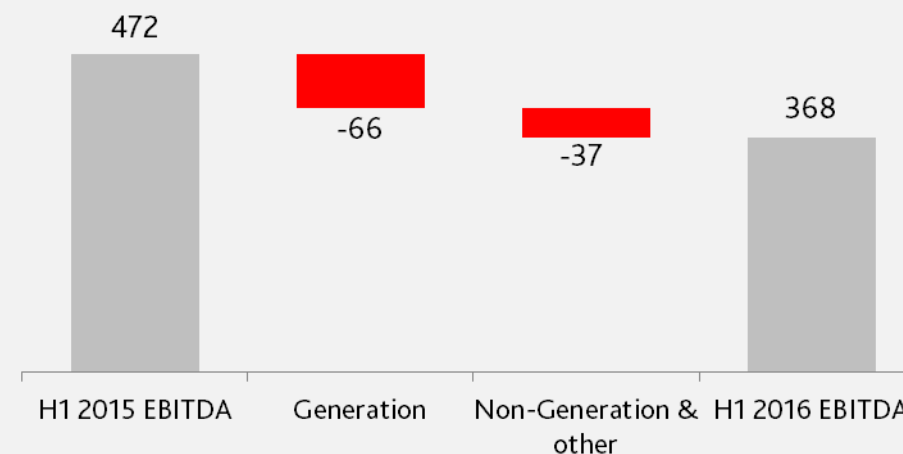
Capacity

- 140MW added in the LTM takes consolidated capacity to over 7.1GW

Consolidated capacity variation



EBITDA evolution (€m)



Production

- Spain: Higher wind and hydro LF compensated lower Solar production
- International: New capacity production offset by lower LF in Mexico and Costa Rica

Consolidated TWh	Jan-Jun 16	Chg. (%) vs. Jan-Jun 15
Wind Spain	4.18	1.9%
Wind International	3.41	0.9%
Hydro	1.42	12.0%
Solar and other	0.49	-14.3%
TOTAL	9.50	1.9%

14 | Energy: H1 2016 installations and WIP



Under construction MW

Technology	Country	Asset name	Project MW	Installed in H1 2016	Remaining under construct. MW	Expected COD	Details
Solar PV	Chile	Romero Solar	247*	103	144	H1 2017	Biggest PV plant in Latin America 247MWp PV plant of which over 200MW are expected to be installed in 2016. Will contribute to cover part of the 600GWh renewable supply contract from Jan 2018 onward and the supply contract signed with Google
Wind	USA (Texas)	San Roman	93	3	90	Q4 2016	12 year financial hedge + Production Tax Credit (PTC) + Tax Equity investor
Wind	India	Bannur	78	-	78	Q1 2017	78MW windfarm of which ~15MW expected to be installed in 2016 Feed-in tariff + GBI (Generation Based Incentive)
Total			418	106	312		

* Peak capacity

15 | Construction: Key figures and backlog

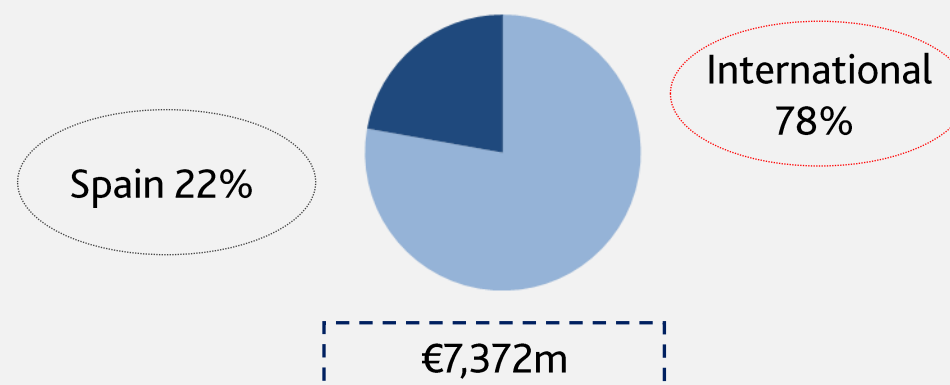
Key figures

(Million Euro)	Jan-Jun 15	Jan-Jun 16	Chg.	Chg. (%)
Revenues	1,085	925	-161	-14.8%
EBITDA	46	51	5	10.7%
Margin (%)	4.2%	5.5%		

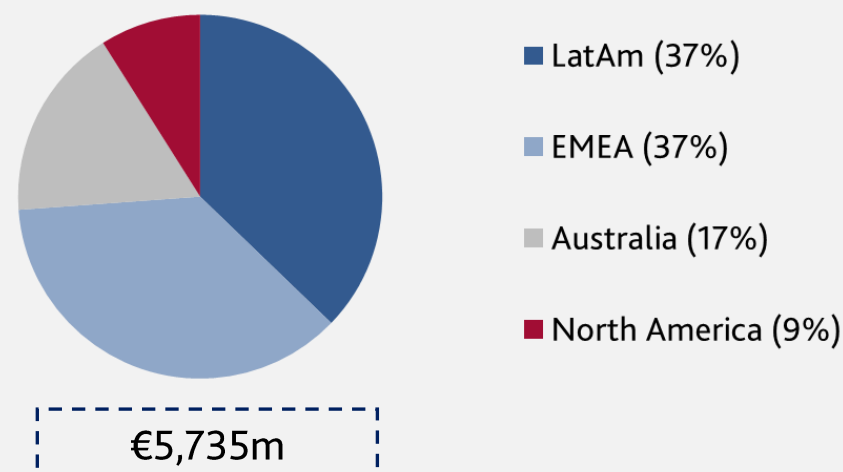
Key highlights

- Revenues down 15% due to lower activity in Spain
- EBITDA up 11% to €51m vs H1 2015 backed by good performance of International construction due to margin improvement and industrial, which more than offset lower Spanish construction activity
- Concessions: Revenues & EBITDA up 3% and 10% respectively vs H1 2015
- Backlog increase to €7.4bn (+9.7% vs Dec. 2015)
 - ACCIONA's consortium awarded the extension of Dubai's metro network to the Expo 2020 fairgrounds → €2.6bn (100%)

Construction backlog H1 2016 (€m)



International backlog H1 2016 by region

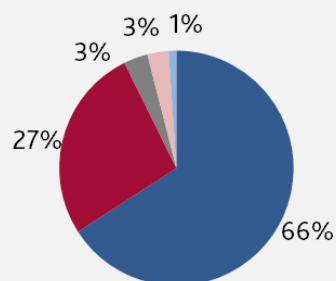


16 | Infrastructure: Concessions



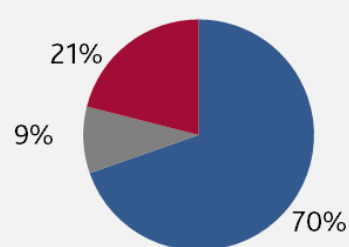
							
	Road	Rail	Canal	Port	Hospital	Water	TOTAL
# of concessions	13	2	1	1	6	56	79
Proportional EBITDA H1 2016 (€m)	33	1	1	0	12	62	106
Consolidated EBITDA H1 2016 (€m)	21	0	0	0	6	51	75
Average life (yrs)	33	30	30	30	26	n.m.	n.m.
Average consumed life (yrs)	9	5	10	11	8	n.m.	n.m.
Invested capital ¹ (€m)	959	51	80	18	278	521	1,927

By degree of construction



Spain Latam Canada Australia Africa

By region



Operating Under construction Mix

	Equity	Net debt
Infrastruc.	466	940 ²
Water	228	293 ³
Total	694	1,232

Invested capital
(€1,927m)

Note: For construction concessions EBITDA and invested capital include -€3m and €20m from holdings respectively. Lives are weighted by BV excluding holdings

¹ Invested capital: Capital contributed by banks, shareholders and others finance providers

² Debt figure includes net debt from concessions accounted by the equity method (€608m)

³ Debt figure includes net debt from water concessions accounted by the equity method (€133m)

17 | Water and Service

Water: key figures

(Million Euro)	Jan-Jun 15	Jan-Jun 16	Chg.	Chg. (%)
Revenues	187	331	144	77.2%
EBITDA	13	56	43	343.7%
<i>Margin (%)</i>	6.8%	16.9%		

Key highlights

- Full consolidation of ATLL water concession from 1st Jan. 2016 continues to boost results in H1
- Strong water performance also ex ATLL: Revenues up 38% & EBITDA up 21% backed by two desalination plants in Qatar
- Water backlog stands at €10.7bn → D&C: €0.5bn; O&M: €10.2bn of which ATLL €8.0bn

Service: key figures

(Million Euro)	Jan-Jun 15	Jan-Jun 16	Chg.	Chg. (%)
Revenues	352	327	-25	-7.0%
EBITDA	11	11	0	-0.3%
<i>Margin (%)</i>	3.0%	3.2%		

Key highlights

- ACCIONA Service includes: facility services, airport handling, waste management, logistic services and other
- Revenues amounted to €327m
- EBITDA in line with H1 2015
- During H1 2016 ACCIONA Airport Services was granted a 7-year handling license at Düsseldorf Airport as from 1st April 2016 → no contribution to H1 2016 results

18 | Other activities

Other activities: key figures

(Million Euro)	Jan-Jun 15	Jan-Jun 16	Chg.	Chg. (%)
Revenues	278	288	10	3.6%
EBITDA	32	40	8	25.8%
<i>Margin (%)</i>	<i>11.5%</i>	<i>13.9%</i>		

Other activities: EBITDA breakdown

(Million Euro)	Jan-Jun 15	Jan-Jun 16	Chg.	Chg. (%)
Trasmediterránea	2	14	12	n.m.
Real Estate	0	0	0	n.m.
Bestinver	31	29	-3	-8.1%
Corp. & other	-1	-3	-1	n.m.
EBITDA	32	40	8	25.8%

Key figures

Trasmediterránea:

- EBITDA improves by €12m reaching €14m in H1 2016 vs €2m in H1 2015 due to:
 - Higher passengers, vehicles and lane meters volumes
 - Lower fuel costs in the period
 - Improvement in fleet efficiency

Bestinver:

- AUM stood at €4,857m as of June 2016
- Bestinver reported EBITDA of €29m in line with H1 2015

Positive performance of all businesses except Energy which was affected by low pool prices in Spain

EBT growth on the back of AWP-Nordex merger capital gain

Strong H1 capex due to Energy investment in the new capacity under construction and one-off acquisitions in the period

FY 2016 outlook maintained despite weaker than expected pool prices YTD

Appendix

21 | Energy: Equity-accounted generation capacity



Detail of capacity accounted under the equity method

	H1 2016 (proportional figures)				
30-Jun-16	MW	GWh	EBITDA	NFD	Average COD
Wind Spain	619	811	20	231	2005
Wind International	48	58	3	8	2005
Australia	32	38	1	5	2005
Hungary	12	13	1	3	2006
USA	4	7	0	0	2003
Solar PV	30	28	10	81	2008
Total equity accounted	697	897	32	320	2005

Note: Average COD weighted per MW

22 | Energy: Wind drivers by country



Wind prices (€/MWh) and Load factors (%)

		H1 2016		H1 2015		Chg. (%)
		Av. price (€/MWh)	LF (%)	Av. price (€/MWh)	LF (%)	Av. price (€/MWh)
	Spain Average	49.6*	28.2%	61.1	28.1%	-18.7%
	<i>Spain - Regulated</i>	60.7*		71.0		
	<i>Spain - Not regulated</i>	27.1		41.8		
	Canada	55.0	29.9%	60.1	32.2%	-8.4%
	USA**	29.1	38.7%	26.8	36.3%	8.9%
	India	52.4	25.1%	54.8	23.9%	-4.5%
	Mexico	66.9	40.0%	64.4	48.9%	3.9%
	Costa Rica	103.7	65.9%	100.8	80.2%	2.8%
	Australia	75.0	34.7%	77.0	35.9%	-2.6%
	Greece	84.5	33.4%	84.5	24.8%	0.0%
	Poland	78.4	23.3%	94.3	27.2%	-16.9%
	Croatia	105.2	36.7%	104.9	35.8%	0.3%
	Portugal	106.9	33.2%	106.1	29.2%	0.7%
	Italy	134.7	22.8%	144.1	20.3%	-6.5%
	Chile	98.7	19.1%	94.5	23.4%	4.4%
	South Africa	64.1	30.2%	n.m.	n.m.	n.m.

Note: Prices for consolidated MWs

* Prices include regulatory incentive and any adjustments due to the application of the banding mechanism

**303MW located in the US additionally receive a "normalized" PTC of \$23/MWh



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