

ACCIONA

PIONEERS IN
DEVELOPMENT
AND
SUSTAINABILITY

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ACCIONA, profitability, development and sustainability

ACCIONA is a leader in providing sustainable solutions for infrastructure and renewable energy projects across the world. Its offer covers the whole value chain, from design and construction to operation and maintenance. With a presence in more than 30 countries, the Group develops its business activities based on the desire to contribute to economic and social development in the communities in which it operates.

ACCIONA executes its sustainability strategy through a Sustainability Master Plan, a road map containing all the initiatives of the Company in this field. The aim of ACCIONA is to lead the transition towards a low-carbon economy, bringing quality criteria and innovation processes to all projects in order to optimize the efficient use of resources and respect the environment, with the ambition and determination to become a carbon-neutral company from 2016 onwards.

This commitment has been ratified by the inclusion of ACCIONA in the world's top sustainability indexes, such as the Dow Jones Sustainability World Index, FTSE4Good, the 2015 MSCI Global Climate Index, 2015 CDP Climate A List, 2015 CDP 125 Iberia Climate Disclosure Leadership Index and The Supplier Climate A List, among others.

ACCIONA's mission, vision and values



Mission

To be a leader in the creation, development and management of infrastructure, energy, water and services, contributing actively to social well-being, sustainable development and the creation of value for our stakeholders.



Vision

To meet the challenge of delivering sustainable development in all our business areas, so that generations of today and tomorrow will have a better life



Values

Honesty +6,800 EMPLOYEES GIVEN TRAINING ON THE CODE OF CONDUCT IN 2015	Leadership LEADER IN THE TOP 100 GREEN UTILITIES OF ENERGY INTELLIGENCE	Excellence AWARD "PROJECT OF THE YEAR 2015" OF INFRASTRUCTURE PARTNERSHIPS AUSTRALIA BY LEGACY WAY	
Environmental concern COMMITTED TO BEING CARBON NEUTRAL IN 2016	Social responsibility SOCIAL IMPACT MANAGEMENT METHODOLOGY IN 47 PROJECTS IN 18 COUNTRIES IN 2015	Long-term focus +30 YEARS USEFUL LIFE OF WIND ASSETS AND 30 YEARS APPROXIMATE AVERAGE DURATION OF CONCESSION CONTRACTS	
Financial stability €4,528 M MARKET CAPITALISATION (AT 31/12/2015)	Customer orientation 98% ON THE 2015 GLOBAL CUSTOMER SATISFACTION INDEX	Innovation €180.4 M DOCUMENTED FIGURE IN RDI IN 2015	Caring for people 0 FATAL ACCIDENTS RELATED TO PRODUCTION ACTIVITY IN THE LAST 4 YEARS

Company activities



ACCIONA Energy

ACCIONA Energy is the largest world operator dedicated to the production of electricity exclusively from renewable sources. It uses wind, solar, hydraulic and biomass energy assets, with wind and photovoltaic solar power as the key future areas of growth for its activities. It is one of the largest developers and operators in the world, with experience in over 20 countries.

€2,719_M

REVENUE
2014: €2,200 M

€897_M

EBITDA
2014: €788 M

3,045*

EMPLOYEES
2014: 2,802
**Includes ACCIONA Windpower*



ACCIONA Infrastructure

ACCIONA Infrastructure has vast experience in developing and implementing large-scale projects, focusing on the following business lines:

- **Construction** is one of the most global companies in the Civil Works sector.
- **Concessions** is a leader in the private promotion of infrastructure worldwide, both in terms of number of projects as well as turnover.
- **Water** boasts vast experience in managing the entire water cycle, which encompasses all of the stages involved in treating it.
- **Industrial** is specialised in highly technological turnkey or EPC (Engineering,

Procurement & Construction) projects.

- **Services** manages the operation and maintenance of assets in infrastructure, the industrial sector and cities.

€3,336_M

REVENUE
2014: €3,727 M

€167_M

EBITDA
2014: €173 M

27,406

EMPLOYEES
2014: 28,999

KEY INDICATORS 2015

Other businesses



MARITIME TRANSPORT

Through **Trasmediterranea**, ACCIONA has the largest Spanish shipping company and one of the leading European companies in the maritime transport of passengers and cargo.

€424_M

REVENUE
2014: €417 M

€41_M

EBITDA
2014: €30 M

1,393

EMPLOYEES
2014: 1,400



REAL ESTATE

ACCIONA Real Estate focuses on the promotion and management of real estate complexes through two business areas: development and promotion for sale; and asset development, promotion and management to rent.

€51_M

REVENUE
2014: €94 M

€6_M

EBITDA
2014: €3 M

111

EMPLOYEES
2014: 119



FINANCIAL

Bestinver provides financial asset management services using investment funds, pension funds and SICAVs. It also offers stock market brokerage services.

€91_M

REVENUE
2014: €135 M

€67_M

EBITDA
2014: €96 M

65

EMPLOYEES
2014: 58



WINERIES

ACCIONA is also involved in wine production, owning one of Spain's centuries-old wineries, **GRUPO BODEGAS PALACIO**, which is active in five of the most prestigious wine-growing areas of Spain.

€40_M

REVENUE
2014: €40 M

€5_M

EBITDA
2014: €5 M

207

EMPLOYEES
2014: 200

KEY INDICATORS 2015

ACCIONA in figures

Sales figures

(million euros)

	2014	2015	Var. (%)
Energy	2,200	2,719	23.6%
Infrastructure	3,727	3,336	-10.5%
Construction	2,626	2,170	-17.4%
Water	409	451	10.0%
Services	691	716	3.5%
Other activities	692	613	-11.4%
Consolidation adjustments	-120	-125	3.5%
TOTAL revenue	6,499	6,544	0.7%

EBITDA

(million euros)

	2014	2015	Var. (%)
Energy	788	897	13.8%
Infrastructure	173	167	-3.5%
Construction	118	102	-13.8%
Water	35	35	0.2%
Services	21	31	49.9%
Other businesses	126	113	-10.2%
Consolidation adjustments	0	-3	N/A
TOTAL EBITDA	1,087	1,174	8.0%

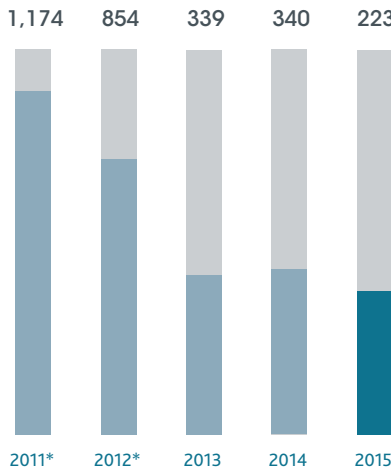
EBT

(million euros)

	2014	2015	Var. (%)
Energy	86	198	129.5%
Infrastructure	90	90	-0.1%
Construction	55	33	-39.5%
Water	28	41	47.3%
Services	7	16	117.0%
Other activities	55	43	-21.5%
Consolidation adjustments	2	-1	-154.3%
TOTAL ordinary EBT	233	330	41.5%
Extraordinary	44	-11	N/A
TOTAL EBT	277	319	15.0%

→ Ordinary net investment

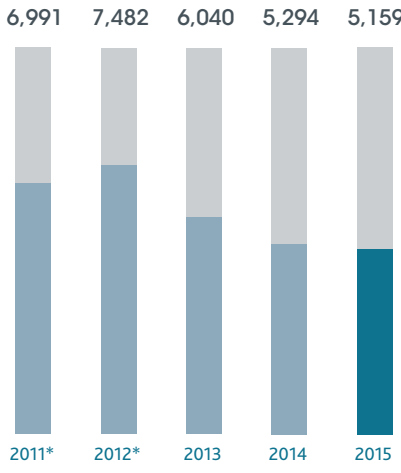
(million euros)



(*) The amounts of 2011-2012 have not been restated in accordance with the new IFRS principles in effect since 1/01/2014.

→ Net financial debt

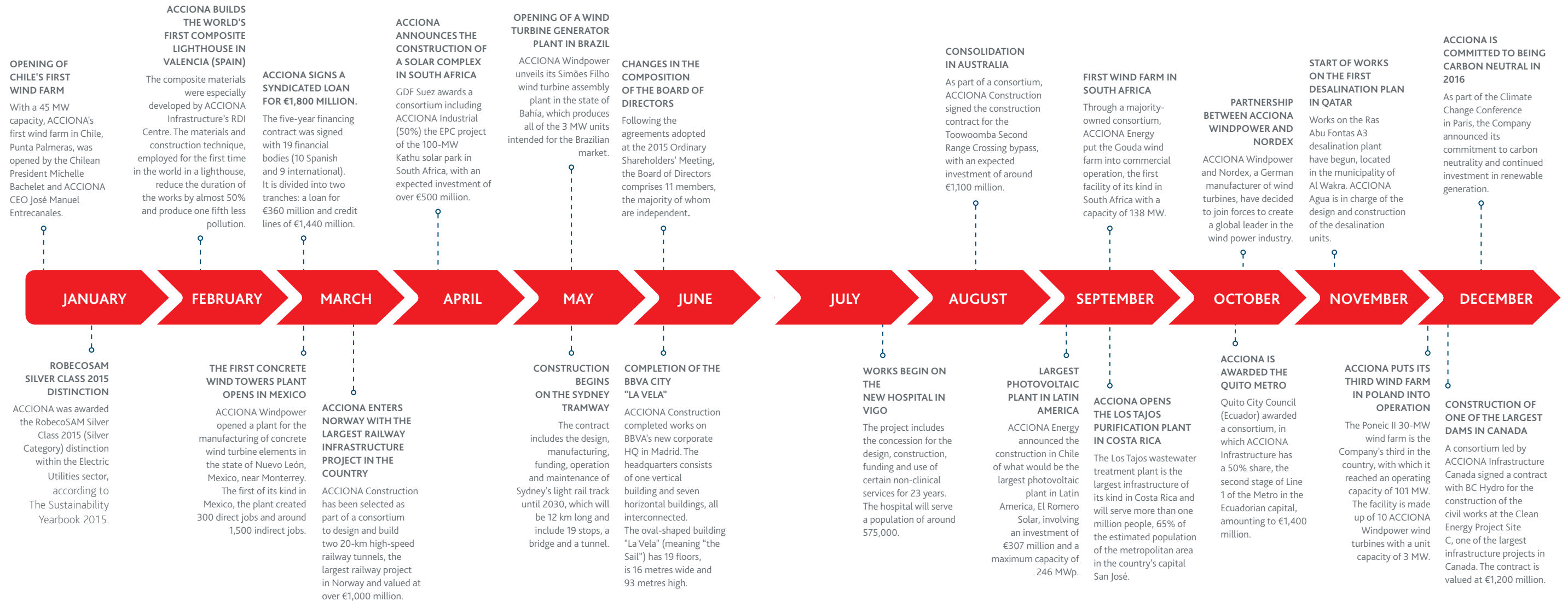
(million euros)



(*) The amounts of 2011-2012 have not been restated in accordance with the new IFRS principles in effect since 1/01/2014.

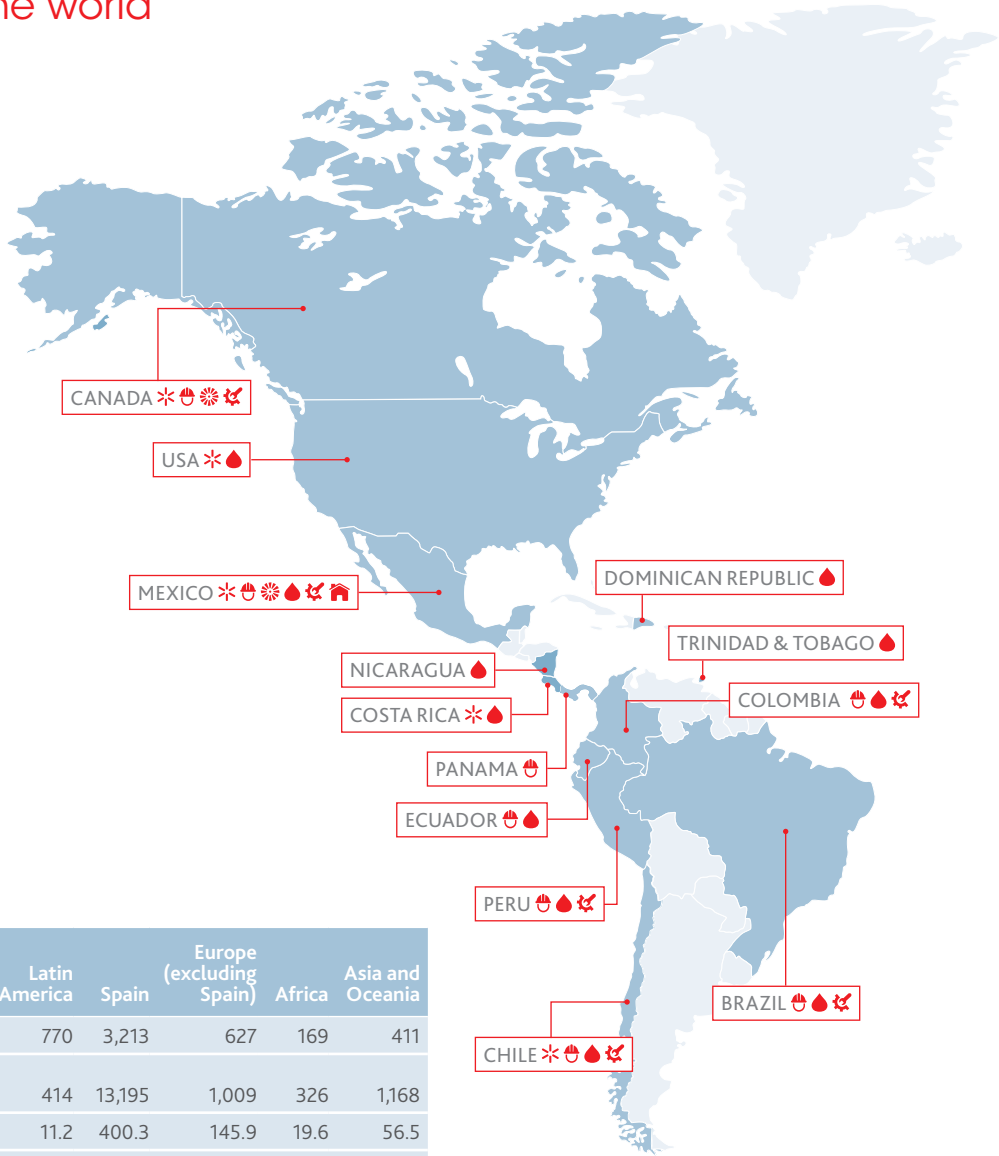
Sales in 2015 stood at €6,544 million, **EBITDA increased by 8%** to €1,174 million and **net financial debt fell by 2.5%**, to €5,159 million

Highlights in 2015



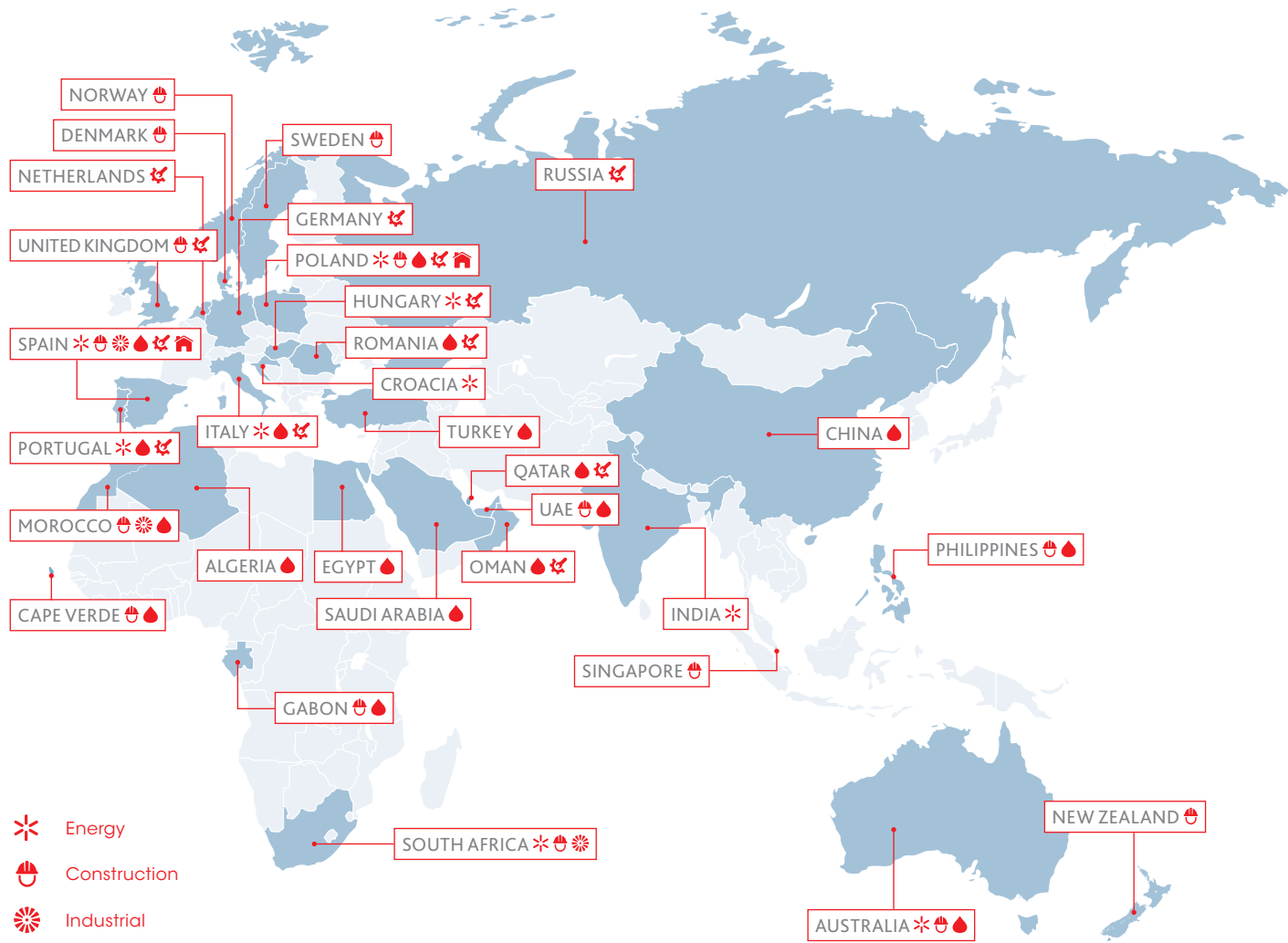
ACCIONA around the world

ACCIONA has committed to the internationalisation of its activities, becoming a benchmark company on a global level.



Key indicators 2015

	USA, Canada and Mexico	Latin America	Spain	Europe (excluding Spain)	Africa	Asia and Oceania
Revenue (€M)	1,353	770	3,213	627	169	411
Energy produced (total GWh)	4,763	414	13,195	1,009	326	1,168
Water managed (hm³)	0.8	11.2	400.3	145.9	19.6	56.5
RDI figure (€M)	37.7	17.9	97.8	15.5	10.4	1.1
Average equivalent headcount	1,974	4,423	20,784	4,099	227	291



- * Energy
- Construction
- Industrial
- Water
- Service
- Real Estate

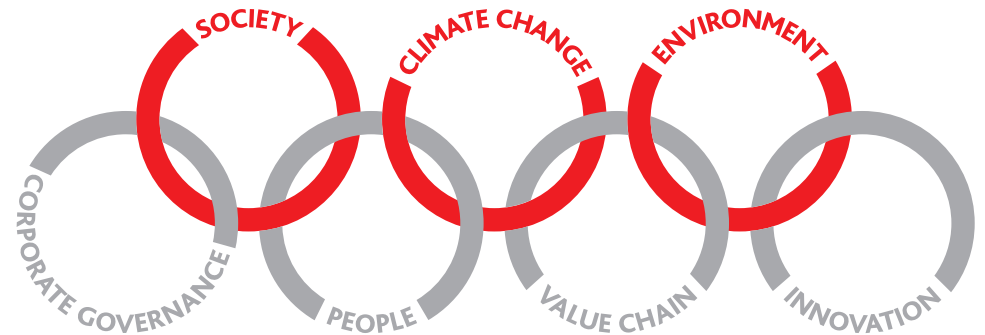
ACCIONA acts: Sustainability Master Plan

New strategy for 2020: Sustainability Master Plan

ACCIONA plays its part in the economic, social and environmental transformations that surround it. ACCIONA's sustainability strategy is developed through the Sustainability Master Plan, a road map that brings together all of the Company's

initiatives in this field. When drawing up the SMP 2020, ACCIONA carried out an assessment of the achievements and difficulties experienced over the five years of implementation of the previous SMP.

The new Plan is structured by strategic and operative objectives, applied across the organisation, with specifications for different business areas that aim to bring sustainability closer to the specific nature of each line.



2015 Sustainability Master Plan

Six years ago, ACCIONA planned and structured its initiatives in a medium- and long-term roadmap that has helped it to differentiate itself, become more competitive, contribute to sustainable development and consolidate its leadership in sustainable practices.

The SMP 2010-2015 hinged on nine lines of action with a strategic focus on generating unique competitive capabilities. Its approach to being a leader in sustainable solutions required internal resources and organisation around sustainability to be aligned and that this concept

be transferred and translated across all of the Company's activities.

Sustainability governance

Since 2009, ACCIONA has had a Sustainability Committee within its Board of Directors, responsible for approving the objectives of

the Sustainability Master Plan and monitoring the progress of these practices. Likewise, the General Directorate of Sustainability and

various business divisions have continued to work together through the Sustainability Committees (Business Committees).

Presentation of the Sustainability Master Plan 2010-2015

At the close of the 2015 financial year ACCIONA completed its 2010-2015 Sustainability Master Plan, and this demonstrated

comprehensive compliance with the goals set and very significant achievements both from a quantitative and qualitative point of view.



INNOVATION

Firm commitment to innovation accredited in the period 2010-2015

€876 M

Savings for improvements in operational innovation processes verified by an independent company

€86.8 M



ENVIRONMENT

Between 2010 and 2015 we have avoided

85.7 million T CO₂

We have reduced by 43.1% our direct and indirect CO₂ emissions (scopes 1 and 2) compared to 2010.

We have measured the greenhouse gas emissions linked to the activity of our 28,000 suppliers



SOCIETY

Methodology for managing social impact when implementing

47 projects | 18 in countries (in 2015)

Through the ACCIONA Microenergy Foundation we facilitate access to basic electricity services to over 30,000 beneficiaries in Peru and Mexico

Over 2,400 participants in different volunteer initiatives (ACCIONA's Volunteer Day and the Donamos (Let's Donate!) Campaign, among others)



PEOPLE

Significant improvement of the occupational accident frequency rate compared to 2011

31.57%

Percentage of variable remuneration linked to the compliance of sustainability goals

97% of executives | 90% of managers of structure and part of the technical and support staff



VALUE CHAIN

2011 saw the approval of the Ethical Principles for Suppliers, Contractors and Partners

Inclusion of ethics clauses in bids, orders and contracts

Self-evaluation questionnaires sent to 14,001 suppliers

2,584 trained in sustainability 6 courses available



GOOD GOVERNANCE

New programme for the prevention of crime and anti-corruption

Creation of the General Directorate of Compliance

Approval of the Policies Book reflecting the commitments and principles of action applicable to the Company firms



STAKEHOLDERS

Client consultations in various business areas

DERSA
TetraPak
CEMEX
Danone
SEDAPAL (Peru)
AYA (Costa Rica)
Enbridge (Canada)
Ministry of the Environment (Gabon)
EDPR
Jernbaneverket - JBV (Norway)
Manaba Mineração (Brazil)
ONED (Morocco)
Aguas do Algarve (Portugal)
Michelin (Spain)

Since 2010 ACCIONA carried out 5 materiality analyses



DISSEMINATION AND LEADERSHIP

WBCSD ACCIONA's CEO is re-elected for a third term as a member of the Executive Committee

Sustainable Energy for All ACCIONA's CEO is a member of the Advisory Board

Participation in the creation of the CEO Climate Leadership Group as part of the World Economic Forum 2015

Presence in Steering Committees of the Global Compact LEAD and Caring for Climate

Prince of Wales's Corporate Leaders Group Green Growth Platform and GECV



ACCOUNTABILITY

Since 2012 the Sustainability Report is subject to the approval of the Shareholders' Meeting.

We have been preparing the Integrated Report Since 2013

Present in the following sustainability indices

Dow Jones Sustainability World Index (for the ninth year in a row) Change in sector in 2013 – El Utilities
FTSE4Good
CDP Climate A List 2015; CDP 125 Iberia Climate Disclosure Leadership Index 2015; the Supplier Climate A list
MSCI Global Climate Index 2015

ACCIONA ENERGY

ACCIONA Energy is the largest world operator dedicated to the production of electricity exclusively from renewable sources. Thanks to its long-term business model, its experience throughout the value chain and its excellence in all phases of the same, the Company has positioned itself as leader in promotion, construction, operation and maintenance of renewable assets. It focuses on wind and solar photovoltaic power,

although it also owns and operates other technologies such as solar thermoelectric, hydroelectric and biomass power.

The Company develops property projects and also shares its experience in the sector by serving third parties through wind and photovoltaic EPC contracts, and by providing a wide range of services both in operation and maintenance (O&M) as well as in energy sales.

Through ACCIONA Windpower (AWP), a subsidiary integrated into Nordex since April 2016, the Company has gained significant experience in the design, manufacture and marketing of wind turbines.

Global Results 2015

8,619 ^{MW}	20,875 ^{GWh}	€2,719 ^M	€897 ^M	€198 ^M	€130 ^M
INSTALLED CAPACITY	PRODUCED	REVENUE	EBITDA	EBT	ORDINARY NET INVESTMENT
2014	2014	2014	2014	2014	2014
8,502 MW	21,450 GWh	€2,200 M	€788 M	€86 M	€282 M

With over 20 years of experience in the sector and a global reach, ACCIONA Energy's strategy is based on excellence in its operations, the search for new business opportunities and growth in the markets with greater potential and profitability. The need for a secure, cost-competitive and environmentally friendly power supply that fosters local

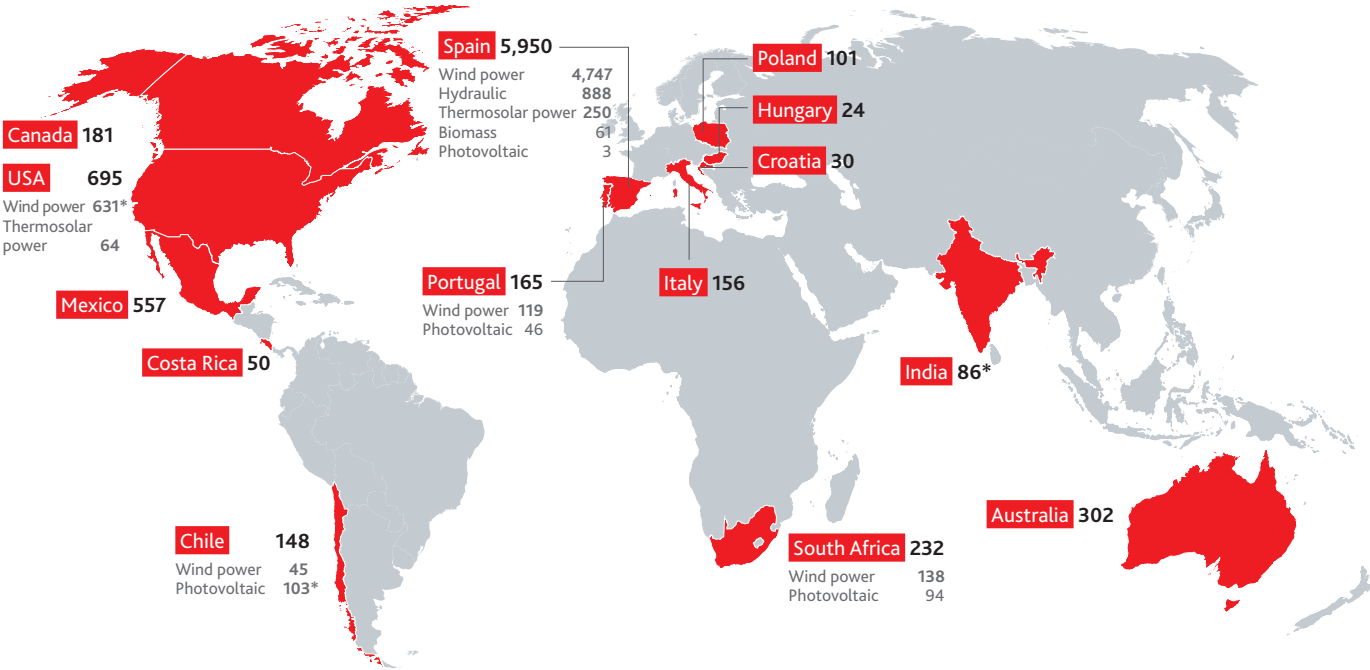
development and power transition towards more sustainable models offers ACCIONA Energy enormous business opportunities.

The experience accumulated over 20 years in the sector and in more than 20 countries makes ACCIONA an expert in the renewable energy sector.

The know-how accumulated thanks to more than 2,690 employees allows the Company to have a broad and successful development portfolio, as well as to execute and operate the projects under the highest standards of excellence.

Implementation of ACCIONA Energy by country

Total data in MW at 30/06/2016



* Under construction, 143 MWp photovoltaic systems in Chile, 90 MW wind turbines in the USA and 78 MW in India.

Total MW owned **8,676**
* Where not otherwise specified, the technology in the country is wind power

Assets 2015

Wind power

7,212 ^{MW}	17,421 ^{GWh}	€1,124 ^M
TOTAL POWER	PRODUCED	SALES
2014	2014	2014
7,087 MW	17,482 GWh	€967.3 M

Solar (PV and STE)

457 ^{MW}	849 ^{GWh}	€234 ^M
TOTAL POWER	PRODUCED	SALES
2014	2014	2014
457 MW	629 GWh	€194 M

Hydro and biomass

950 ^{MW}	2,605 ^{GWh}	€187 ^M
TOTAL POWER	PRODUCED	SALES
2014	2014	2014
950 MW	3,338 GWh	€197 M

ACCIONA Windpower

931 ^{MW}	315	€950 ^M
INSTALLED POWER EQUIVALENTS	ASSEMBLED NACELLES	SALES
2014	2014	2014
762 MW	281	€705 M

Shared value 2015

15.7 ^{Mt CO₂}	2.2 ^{Mt CO₂}
AVOIDED	REGISTERED UNDER CDM AND VCS PROJECTS
2014	2014
16.1 Mt CO ₂	2.2 Mt CO ₂

6 ^M	€63.14 ^M
HOUSEHOLD (CONSUMPTION EQUIVALENT TO THE PRODUCTION)	INNOVATION
2014	2014
6 M	€60.1 M

8,601	100%
ENVIRONMENTAL TRAINING HOURS	CUSTOMER SATISFACTION
2014	2014
5,711	92%

2,694	78%
EMPLOYEES	LOCAL SUPPLIERS
2014	2014
2,375	88%

Integration with Nordex to create a global leader

ACCIONA Windpower, the ACCIONA subsidiary dedicated to the design, manufacture and sale of wind turbines, was integrated into the company Nordex in 2016 to create an industry leader. This was the result of an agreement in which Nordex (Nx) acquired 100% of the share capital of ACCIONA Windpower (AWP) and

ACCIONA took over 29.9% of the German company.

AWP has sold 7,170 MW in 3-MW and 1.5-MW wind turbines over the years.

The merger of Nordex and ACCIONA Windpower created a world leader in the wind power industry, with capacity and potential to be among the five

largest manufacturers of *onshore* wind turbines in the world. The companies participating in the operation provide strong synergies in international projection and technologies.

Leadership

AWP and Nx combine to become the fifth largest manufacturer of onshore wind turbines (2017).

Complementarity

Complementary scale, geography and product platforms (presence in around 30 countries).

Value creation

Synergies worth approx. €95 m p.a. from 2019E, driving profitability.

Strategic shareholder

Nx backed by ACCIONA (29.9% stake), with a vision for sustainable, long-term value creation.



Flagship projects

Gouda wind farm in South Africa



- First wind farm facility of the Company in South Africa, in which ACCIONA holds 51%.
- Total installed capacity of 138 MW, composed of 46 3-MW turbines of ACCIONA Windpower technology.
- The average production of the facility will be around 423 GWh a year. It will cover the demand of 200,000 homes and will prevent the emission of 406,000 t CO₂.

Ventika wind farm – Ventika II in Mexico



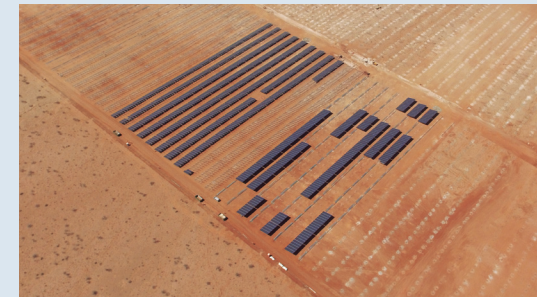
- Largest EPC contract carried out by ACCIONA Energy, built in a record time of 18 months and ahead of the deadlines set.
- Entering into operation in 2016. It totals 252 MW of power, provided by 84 3-MW generators of ACCIONA Windpower technology.
- Recognised by the CEMEX Award for the Development of Industrial Works and the Special Award for Innovation in Processes and Constructive Techniques.

100% renewable power for the Google 'data centre' in Chile



- Agreement to provide 100% renewable energy for the electricity consumption of Google's data processing centre in Quilicura, Chile.
- Starting in 2017, it will provide up to 80 MW of clean solar power to the Central Interconnected System from which the data centre feeds.
- This contract is the result of an international bidding process, in which the most prestigious companies in the sector took part.

El Romero Solar Photovoltaic power plant in Chile



- Initiated construction of what will become the largest photovoltaic power plant in Latin America and one of the 10 largest facilities in the world to date.
- A maximum power of 246 MWp. An estimated investment of >€300 million.
- Annual production of about 505 GWh of clean energy, equivalent to the demand of 245,000 Chilean households, avoiding the emission of 485,000 t CO₂.

Commissioning of the Poniec II wind farm in Poland



- The company's third wind farm in Poland, with 30 MW of power, in which 100 MW are surpassed and are already installed in the country.
- Annual production of 82 GWh of electricity, equivalent to the consumption of more than 40,000 Polish households, and the prevention of 79,000 t of CO₂ emissions a year.
- The farm has 10 3-MW turbines of ACCIONA Windpower technology, and its construction was completed in 11 months.

ACCIONA INFRASTRUCTURE

The Infrastructure division of ACCIONA has inherited a long history of commitment to innovation and progress. Its global nature is evidenced threefold: by rolling out its operations to over 30 countries across five continents; by always seeking to achieve sustainability and respect for the environment; and, above all, by ensuring integrated solutions are offered in each of its various business lines:

ACCIONA Construction is specialised in three broad areas: Bridges, Roads and Special Structures; Railways and Tunnels; and Ports and Hydraulic Works. In each of these areas it can take on all aspects of the work, from design and engineering to the subsequent implementation.

ACCIONA Concessions develops and manages social and transportation infrastructure in Europe, America and Oceania. It is a leader in the private promotion of infrastructure worldwide, both in terms of number of projects as well as turnover.

ACCIONA Agua boasts vast experience in managing the entire water cycle, which encompasses all of the stages involved in treating it. The constant search for the most advanced technology has enabled ACCIONA to be a world leader in water desalination via the reverse osmosis process.

ACCIONA Industrial is specialised in industrial EPC or highly technological turnkey projects. It operates in four business lines: Thermal Power Generation, Oil & Gas, Hydroelectric and Photovoltaic Generation, and Transmission and Substation Networks. The management

and leadership capacity of these projects includes all of its stages: basic and detailed engineering, purchases, construction, assembly, commissioning, operation and maintenance.

ACCIONA Service has earned the trust of 2,000 customers in 20 countries, both in the public and private sectors. Its 50 years' experience and more than 15,000 specialists enable the Company to offer integrated solutions adapted to every need: airport services, renewable energy operation and maintenance, facility services, energy efficiency, logistics and transportation services, urban and environmental services, social and health care services, *smart city services*, and events and museums.

Global results 2015

€11,018 _M	€3,336 _M	
PORTFOLIO	REVENUE	
2014	2014	
€9,768 M	€3,727 M	
€167 _M	€90 _M	€80 _M
EBITDA	EBT	ORDINARY NET INVESTMENT
2014	2014	2014
€173 M	€90 M	€70 M

Shared value 2015

27,406	92%
EMPLOYEES	SUPPLIERS AND LOCAL CONTRACTORS
2014	2014
28,999	93%
€114 _M	100%
INNOVATION	CUSTOMER SATISFACTION INDEX
2014	2014
€107.4 M	85.9%

Assets 2015

Construction*

€2,170_M

SALES

2014

€2,516 M

€6,722_M

PORTFOLIO

2014

€5,538 M

73%

INTERNATIONAL PORTFOLIO

2014

64%

Industrial

€100_M

SALES

2014

€113.2 M

€427_M

PORTFOLIO

2014

€102.7 M

€453_M

NEW CONTRACTS AWARDED

2014

€47 M

Water**

€451_M

SALES

2014

€409 M

€3,536_M

PORTFOLIO

2014

€3,198 M

60%

INTERNATIONAL INCOME

2014

57%

C Concessions

€106_M

SALES

2014

€110 M

€1,332_M

BOOK VALUE

2014

€1,390 M

23

OPERATIONAL CONCESSIONS

2014

22

S Services

€716_M

SALES

2014

€691 M

€759_M

PORTFOLIO

2014

€877 M

40%

PUBLIC CLIENTS

60%

PRIVATE CLIENTS

(*) In 2015 and 2014 Construction accounts still covered the Industrial area.
(**) The Water portfolio does not include ATLL.

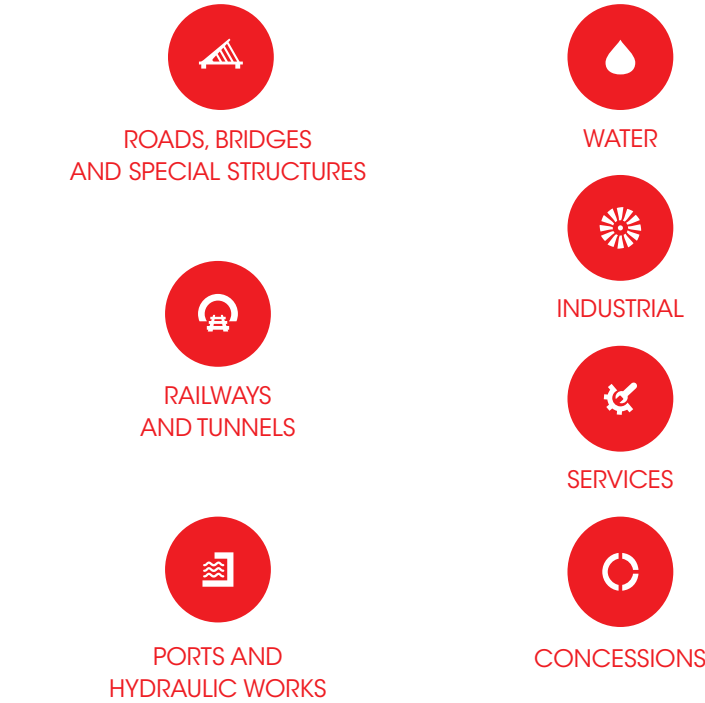
ACCIONA Infrastructure has specialised business units that coordinate with regional development units and local teams to select and implement projects, thereby bringing added value to the Company.

The division is specialised in developing public-private partnership (PPP) projects that involve designing, financing, constructing and managing infrastructure. These financing models become significant in consolidated markets with favourable regulatory frameworks, such as Australia, the north of Europe, Canada and Latin America.

ACCIONA Infrastructure is committed to remaining the leading company in private initiative contract models, which are becoming increasingly important and favour the proactive designing of infrastructure crucial for collaborating with local authorities.

Digital transformation

The division carries out actions that favour the implementation of new technological tools as well as new systems and procedures. An example of this is the application of *big data*, the use of BIM technology (*Building Information Modelling*) or the digitalisation of workspaces. To coordinate this transition



process, the division created a new Digital Transformation Unit.

Big data, for example, facilitates the decision-making process thanks to the availability of detailed, real-time information, which translates into an increase in operational efficiency,

reduced costs and fewer risks. The division has begun to implement this kind of data analysis in tunnel monitoring systems and in the management of the entire water cycle.

Project selection

The division stands out for its selectiveness when choosing new projects. ACCIONA Infrastructure concentrates on those opportunities that afford stability and involve significant added value. Applying a selective bidding policy saves significant costs for the division, while also guaranteeing high added value in all of its projects.

Geographical specialisation

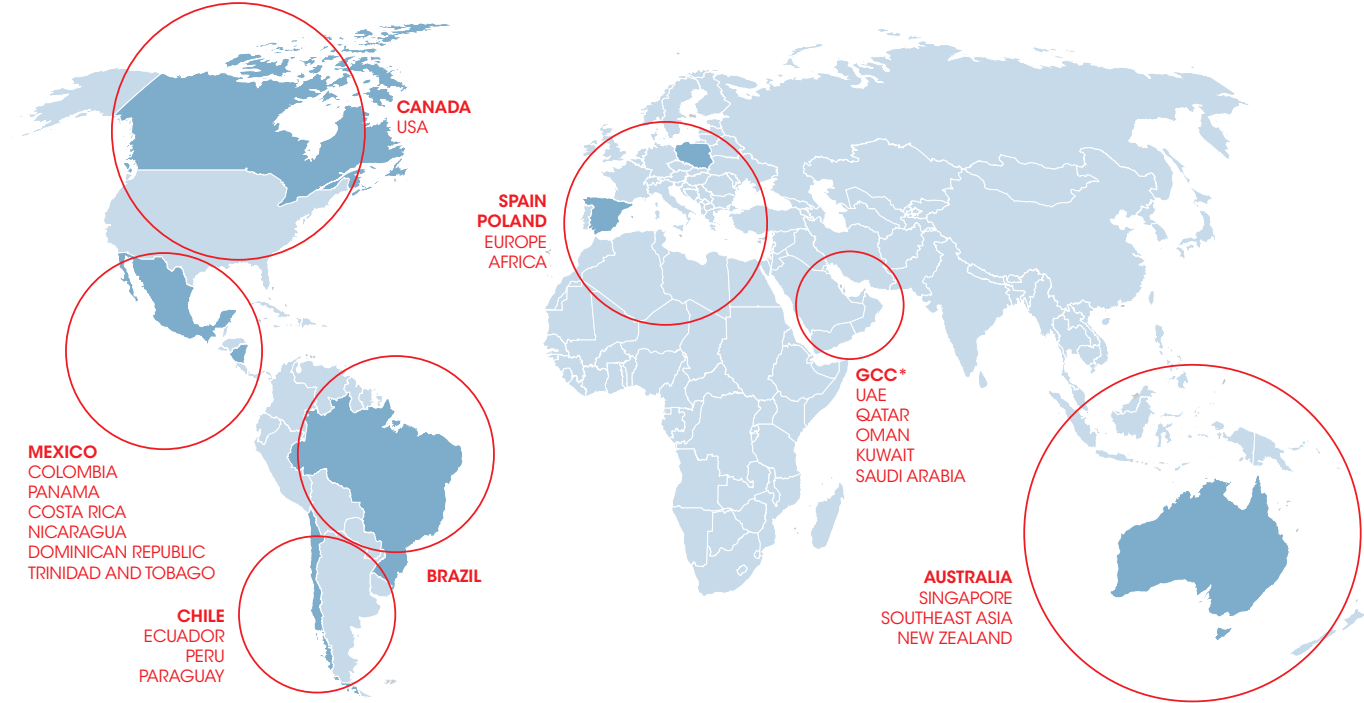
With the aim of boosting its international expansion, the division selects those countries and regions that have the most potential for growth and that offer solid and cost-effective development of the division's operations.

One of ACCIONA Infrastructure's unique characteristics is the existence of "platform" countries, which cater

for central services that support other countries in the region.

This structure enables resources to be streamlined and optimised, and ensures that the knowledge and skills of central teams cater for the markets in which the division is present.

Regions and platform countries

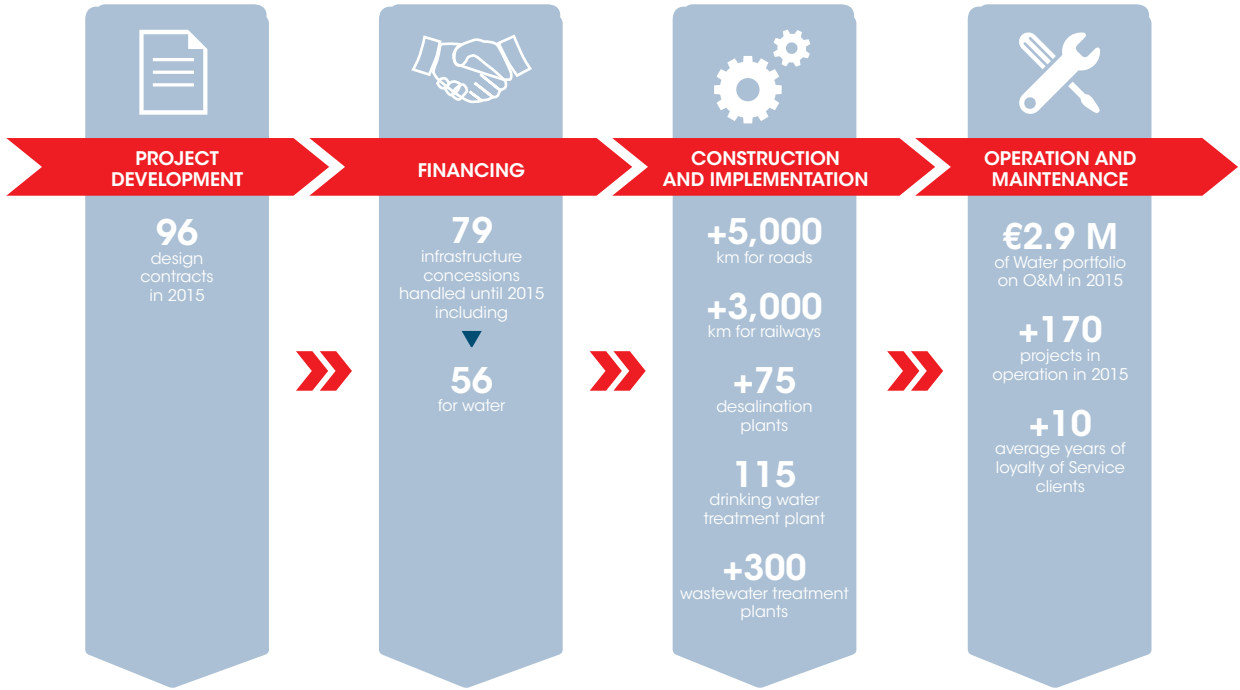


(*) Gulf Cooperation Council.

Present throughout the value chain

ACCIONA Infrastructure is present throughout the entire value chain: from engineering and design through to implementation and subsequent operation and maintenance. This broad range of activities ensures a comprehensive vision for each project.

The division adapts its business model to the customer's needs, according to the requirements of each activity, using the most advanced techniques and incorporating the most appropriate technology.



ACCIONA Construction

ACCIONA Construction is a global industry leader and is at the forefront of RDI, with a clear commitment to sustainability. It develops solutions by serving all aspects of construction: from engineering and design to the implementation of works and their subsequent maintenance.

- Over 1,700 km of roads in the last 10 years and over 600 bridges.
- Over 1,200 km of high-speed lines and more than 600 km of tunnels.
- Over 30 ports and 50 dams.

To achieve excellence in all stages of its activity, ACCIONA Construction has the support of various specialist business units (SBUs):

- Roads, Bridges and Special Structures SBU.
- Ports and Hydraulic Works SBU.
- Railways and Tunnels SBU.
- Engineering.

ACCIONA Concessions

ACCIONA Concessions is one of the main global infrastructure operators in terms of number of projects and turnover.

It is responsible for the private promotion, design, construction, financing, management, operation and maintenance of infrastructure in the social infrastructure (universities and hospitals) and transportation infrastructure (roads, railways, ports and irrigation systems) sectors.

It currently manages 25 transportation and social infrastructure projects across Spain, Canada, Mexico, Chile, Australia, New Zealand and Brazil.

It boasts a team of around 900 professionals based in Madrid and regional teams for Latin America, Canada, Asia-Pacific and Europe.

ACCIONA Construction operates throughout the entire value chain: from engineering and design through to implementation and subsequent operation and maintenance.

ACCIONA Agua

ACCIONA Agua is a leader in the management of the entire water cycle, focused on serving residents in activities that range from capture, supply of drinking water and desalination to purification and return to the environment.

Owing to its design innovation and the construction and operation of water treatment, purification and desalination plants, the Company

is a benchmark in global solutions that contribute to sustainable development in the water sector.

The Company currently meets the supply needs of a total population of over 90 million.

In 2015 it had an order backlog worth €9,400 million and revenue of €451 million.

Activities carried out in 2015 include:

- The awarding of two large desalination plants in Qatar.
- The beginning of the launch of the Atotonilco purification plant, the largest wastewater purification plant in the world.
- Commencement of operations at the Fujairah desalination plant.

Global leader in desalination by reverse osmosis.

+75

DESALINATION PLANTS
BUILT

2.7

MILLION M³ OF
DRINKING WATER PER DAY

13.4

MILLION PEOPLE
SERVICED

The Fujairah SWRO in the United Arab Emirates has a capacity of 137,000 m³/d and serves a population of 500,000

ACCIONA Service

ACCIONA Service manages the operation and maintenance of assets in infrastructure, the industrial sector and cities.

With over 15,000 employees in 16 countries, it comprises 10 activities:

- Facility services
- Airport services
- Renewable energy operation and maintenance
- Environment and urban services
- Energy efficiency
- Forwarding
- Rail services

- Healthcare services
- Smart city services
- Events and museums

From over 50 years' experience and its 2,000 clients, both in the public and private sectors, it is one of the preferred service partners of major companies.

Highlighted projects

■ **Renfe**

Cleaning the fleet of trains, stations, offices, warehouses and logistics centres in Spain.

■ **Madrid's Historic Parks**

Conservation and maintenance of Madrid's emblematic and special protection parks.

■ **Düsseldorf Airport**

Provision of aircraft ground handling services.

■ **Audi factory in Mexico**

Technical and industrial cleaning services for its factory in the State of Puebla, Mexico.

■ **USW Madrid**

Collection of urban solid waste in Madrid.

■ **National Museum of Oman**

Technical development and museum project implementation.

ACCIONA Industrial

ACCIONA Industrial is specialised in highly technological turnkey or EPC projects. It operates in four business lines: Thermal Power Generation, Oil and Gas, Hydroelectric and Photovoltaic Generation, and Transmission and Substation Networks. The management and leadership capacity of these projects includes all stages: basic and detailed engineering, purchases, construction,

assembly, launch, operation and maintenance.

In 2015 it defined the strategic plan of the area, highlighting as its objectives the entry into and development of the following businesses: power transmission and distribution (T&D), converting waste into energy (W2E), biomass plants and projects for the regasification and storage of liquefied natural gas (LNG).

Milestones reached in 2016 include:

- Completion of the San Rafael hydroelectric plant (Mexico) and the Bokpoort solar thermal power plant (South Africa).
- Commencement of construction on the 100-MW Kathu solar park.
- Awarding of the first power line associated with the Empalme II combined cycle plant (Mexico).

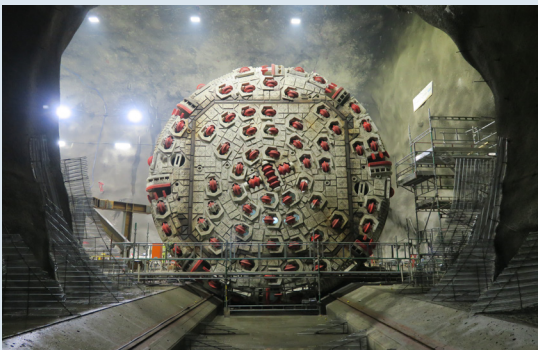
Flagship projects

Desalination plants of Qatar



- Design, construction and maintenance of two desalination plants for the Electricity and Water Company of Qatar.
- Ras Abu Fontas A3 (Al Wakra), with a capacity of 164,000 m³ per day and Umm Al Houl (15 km from Doha) that will produce 284,000 m³ per day.
- The first project in the country to use large-scale reverse osmosis technology.

Follo Line Tunnels



- Design and construction of two 18-km twin tunnels under the Follo Line Project.
- This is the longest railway project in Scandinavia, where high-speed trains travel at 250 km/h.
- It is the second and largest of the four EPC (turnkey) contracts included in the Follo Line Project, the biggest infrastructure project in Norway to date.
- It will link the cities of Oslo and Ski, forming the central axis of intercity development towards the south of the Norwegian capital.

Empalme electric power grid in Mexico



- Awarded by the Federal Electricity Commission (CFE) in the state of Sonora.
- Construction of the power line that will supply the Empalme II Combined Cycle Plant.
- There are three power lines of 400 KV and 114 km and four substations with voltages of 400 KV and 230 KV. 1,750 MVA with 14 feeder lines of 400 KV.

Construction of the Clean Energy Project Site C civil works in Canada.



- Contract with electricity company BC Hydro for the construction of one of the largest dams in Canada.
- This project is ACCIONA's largest to date in the country.
- Over its eight years, the works will employ over 8,000 people.

INNOVATION

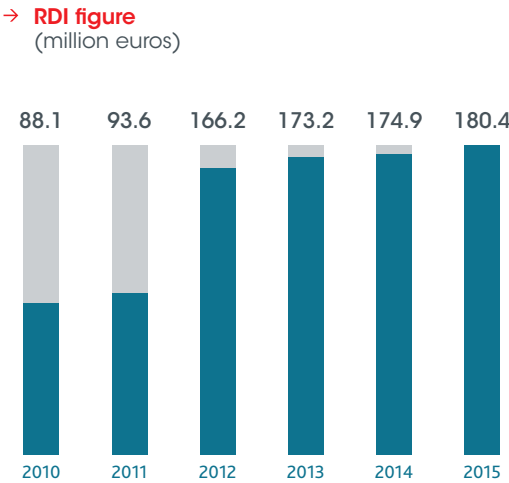
Innovation as a tool for excellence

ACCIONA challenges its innovative capacity with the aim of creating value in products and services.

Innovation at ACCIONA is the main tool that guarantees sustainability, competitive advantages and efficiency improvements across all business units. ACCIONA's innovation focuses on the aim of creating value in products and services through technological differentiation, anticipating its clients' needs and requirements.

ACCIONA maintains its commitment to advanced technologies. Having understood the progress being made in the fields of the *Internet of Things* (IoT), mobility, Big Data, *Advanced Analytics* and digitisation, the businesses have developed initiatives that put ACCIONA at the vanguard of innovation. Furthermore, certain strategic agreements with world renowned universities and technological centres have been renewed and extended.

In 2015 the Group's efforts in innovation increased, having reached ACCIONA's



highest figure in its history. €180.4 M, across 141 projects. A total of 45.8% of the Group's total innovation is now generated outside of its borders.

In February 2014, the European Investment Bank (EIB) granted ACCIONA a loan for €120 M to finance its four-year programme 2013-2016 totalling €240 M. In 2015 the first two annual payments were justified, amounting to €246.4 M, which exceeds 50% of the biannual amount to be confirmed.

ACCIONA maintains its top ranking in terms of Innovation. The *2015 EU Industrial R&D Investment Scoreboard*, developed by the European Commission's *Economics of Industrial Research and Innovation* (IRI), ranks ACCIONA as the fifth leading Spanish company and 144th company in Europe for its efforts towards RDI.

Thanks to ACCIONA's continued commitment to innovation, PwC's strategy consulting company Strategy& ranks it 468th on its global innovation scale from a selection of 1,000 companies with the greatest RDI figure. Only eight of these companies are Spanish and ACCIONA is number five. This ranking is several times higher than the average in comparable European sectors.

ACCIONA collaborates with entrepreneurs, *start-ups* and suppliers, making it easier for their innovations to reach the market thanks to the Group's purchasing policy. Carried out in recent years, this initiative received the *Comprendedor Award* by the Fundación Empresa y Sociedad.

180.4
€M
BIGGEST INNOVATION
FIGURE OF
ACCIONA

+45.8%
TOTAL
INTERNATIONAL
INVESTMENT

OTHER BUSINESSES

Bestinver

Bestinver, S.A. is wholly owned by ACCIONA. Through its subsidiaries, Bestinver Gestión, S.A. and Bestinver Pensiones, S.A., it develops asset management services via investment funds, pension funds and SICAVs. The third subsidiary, Bestinver S.V., S.A., is a

member of the Madrid Stock Exchange and offers stock market brokerage services.

True to the *Value Investing* philosophy, Bestinver invests in transparent and well-managed businesses with a low

market price but with significant long-term optimisation potential. Company selection is based on the following criteria that allow for the real value to be determined:

Good business

Bestinver invests in companies characterised as simple businesses that produce desired goods and services and that have strong competitive advantages. It is also important to have healthy balance sheets. Companies are sought that are minimally leveraged, with good margins, little debt and a high return on the capital injected.

Good management

The management teams of the companies selected by Bestinver have extensive experience in management with a long-term vocation, where common sense and alignment with shareholder interests prevails when it comes to allocating resources and cash generated.

Good price

Bestinver uses an assessment model developed internally. The idea behind it is that the company's acquisition price should never exceed 70% of the value that Bestinver gives it. This provides a broad safety margin for investment. The discrepancy between value and price will come from criteria that minimise risks and facilitate the achievement of long-term profitability.

Bestinver in 2015

12.98% PROFITABILITY OF BESTINVER INTERNACIONAL IN THE YEAR 2014 1.55%	12.49% PROFITABILITY OF BESTINFOND IN THE YEAR 2014 0.71%	9.97% PROFITABILITY OF BESTINVER INTERNACIONAL IN THE YEAR 2014 -4.02%	+€5,000M ASSETS UNDER MANAGEMENT 2014 €6,472 M
€91M REVENUE 2014 €135 M	€67M EBITDA 2014 €96 M	42,476 CUSTOMERS 2014 43,435	65 EMPLOYEES 2014 58

Trasmediterranea

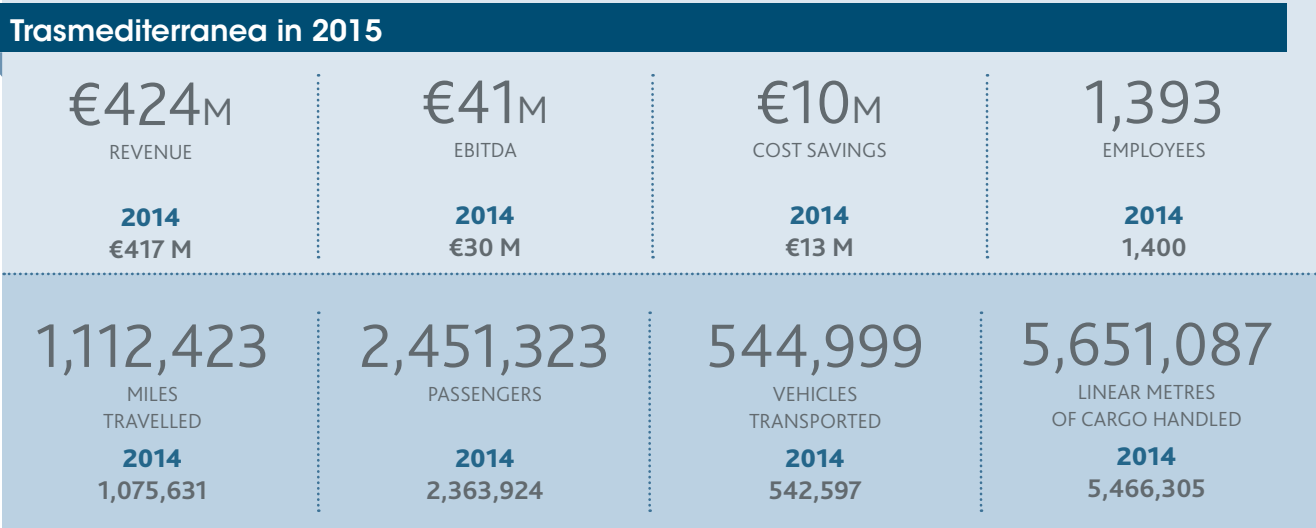
The leading Spanish shipping company in search of sustainable returns

Trasmediterranea is the leading shipping company in the Spanish maritime transport sector for cargo and passengers, and one of the largest in Europe. It offers domestic connections from the Peninsula with the Balearic Islands, the Canary Islands, Ceuta and Melilla, and international connections with North Africa (Tangier, Ghazaouet, Nador and Oran). It also provides *handling* services to cruises at the main ports of the Mediterranean.

The Company operates a total of 17 shipping lines and boasts 21 vessels, 14 of which are owned and 7 of which are chartered. It also owns maritime terminals for passengers and cargo, consignment agencies and land logistics and distribution services covering the entire value chain, offering a unique service to meet the needs of its customers.

In 2015, Trasmediterranea improved its EBITDA by 37.6%, reaching €41 million. Growth was driven by efficiency improvements, increased volumes of cargo, passengers and vehicles, and reduced fuel and personnel costs. The volume of net debt stood at €33 million, representing a reduction of 60% compared to 2014.

The restructuring plan implemented in 2014, which continued into 2015, was key in improving the results of the business. Trasmediterranea has become one of the most competitive companies, driven by the processes for improving efficiencies in management and the search for sustainable returns.



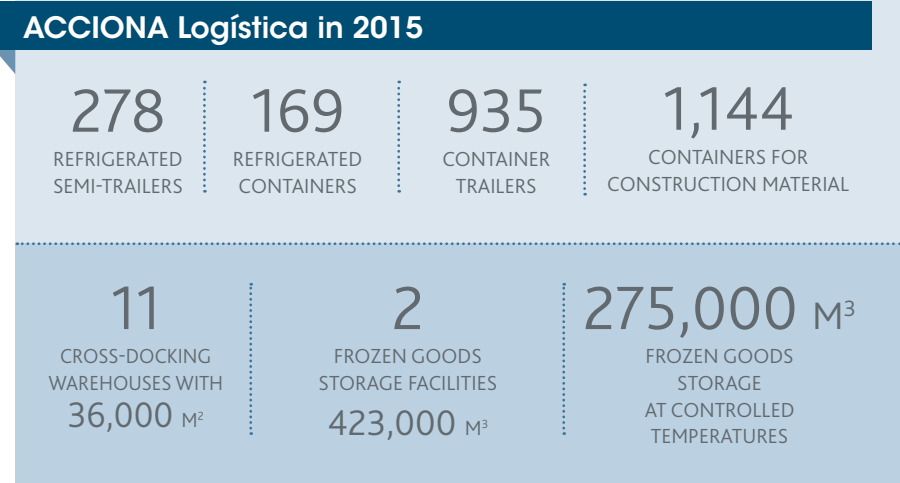
ACCIONA Logística

ACCIONA Logística's main focus is the service of land transportation and goods logistics, integrating itself into the multi-modal and comprehensive logistics of goods value chains alongside Trasmediterranea.

HIGHLIGHTS OF THE YEAR:

New business lines were started in 2015, including:

- Freight of refrigerated fruit and meat between Spain and Algeria.
- Weekly land groupage between Barcelona, Seville and Casablanca (Morocco) as a complementary activity of full and fragmented cargo at controlled temperatures to the Canary Islands, Balearic Islands, Ceuta and Melilla.
- Full refrigerated loads from Morocco.
- Transport by road of construction material, particularly between Spain and North Africa.
- In addition, a mobile app has been developed and launched to confirm collections and deliveries of fragmented goods online. This application, along with the GPS and thermographs installed in the refrigerated semi-trailers and warehouses, allows for the complete traceability of the temperature and position of food products throughout the logistics chain.



ACCIONA Real Estate

Promotion, asset management and rentals

ACCIONA Real Estate has over 20 years' experience in the promotion and management of real estate complexes. It distributes its activities across two business areas: development and promotion for sale, which has assets in Spain, Poland, Mexico and Brazil; and development, promotion and management of assets to rent (carried out by the new subsidiary of the Company), including the rental of homes, offices, hotels, shopping centres and university flats.

Present across the value chain, ACCIONA Real Estate covers everything from land management through to the subsequent development and marketing of the end product: homes and commercial assets both for buying and renting. This last segment offers the Company recurring revenues and a lower risk profile given the cyclical nature of the real estate market.

In 2015, the buying and selling of properties increased by 11.2%, reaching over 354,000 units according to data from the Association of Property Registrars, and prices rose by 6.65%. Direct investment in property assets exceeded €12,800 million, which is 30% more than the previous year.

PROGRESS IN SUSTAINABILITY AND RDI

ACCIONA Real Estate remains committed to sustainability and also understands the high impact that its activities have on the environment. As such, in order to protect it and tap into resources, the Company transfers the fundamental guidelines to all of its procedures for the daily management of its activities.

Internationally, this year ACCIONA Real Estate completed the Parque Reforma development in Cumbres de Santa Fe II B in Mexico City, with the certificate of "Efficient" (the second highest of the three existing certification categories) according to Mexico City's Sustainable Certification and Environmental Efficiency Programme. This programme aims to contribute to the conservation and preservation of natural resources for the benefit of society and to improve the quality of life of inhabitants.

New developments are still being built with the intention of reaching the highest standard ("Excellent" certification) in the capital's Sustainable Certification and Environmental Efficiency Programme.

ACCIONA Real Estate in 2015

€51.4M REVENUE 2014 €94 M	€6M EBITDA 2014 €3 M	111 EMPLOYEES 2014 119	€1,271M ASSET VALUE 2014 €1,529 M
316 HOUSING INVENTORY 2014 685	71 HOMES DELIVERED 2014 141	1,382 HOMES TO RENT 2014 1,014	122,495M ² OF TERTIARY ASSETS IN USE 2014 119,100 M ²

ACCIONA Real Estate at market prices (million euros)

Assessment by several independent appraisers, the market value of real estate assets (GAV), promotions, investment properties and fixed assets amounted to €1,271 million (at 2015 prices), broken down as follows:	Inventory	536
	Investment property	708
	Fixed assets	27
	Total	1,271
The accumulated capital gains before tax of said assets at year-end amounted to €76 million.		

GRUPO BODEGAS PALACIO

Founded in 1876, GRUPO BODEGAS PALACIO is one of the 20 main wine-growing groups in Spain. Its activity includes the production, ageing, bottling and marketing of quality wines, serving both the domestic and international markets.

The internationalisation of the business, with 40% of sales in foreign markets, and its presence among the leading Designation of Origin labels in Spain, put the Company in a diversified position with a wide reach. Foreign sales concentrated in the Americas constituted 24% of turnover, and this figure was 15% in Europe.

WINERIES AND THEIR BRANDS

To assist in its wine producing process, the Company has wineries in five of the most prestigious wine producing areas in the country, developing different business lines, some of which include:

- Wines bearing the labels D.O. Ribera del Duero, D.O. Rueda and D.O. Toro. They account for 30% of total sales of the Group's wineries and are primarily sold under the brand *Viña Mayor*, which encompasses wines of the three aforementioned designations of origin.
- Wines bearing the label D.O.Ca. Rioja, *Glorioso* and *Cosme Palacio* are the Bodegas Palacio's leading brands, which represent 27% of the sales thanks to 11% growth this year.

- Quality rosé wines produced at Bodegas Peñascal (Valladolid). The Peñascal brand is still the leader in Spanish rosé wines, representing 18% of sales.
- Finally, the business lines comprising *Quinados* wines, other sweet wines and wines from Castilla y León account for the remaining 25% of sales.

The Company combines tradition and innovation in the production of its wines, and its sustainability policy includes certifications for quality (ISO 9001), the environment (ISO 14001) and food safety (ISO 22000). Furthermore, as a sign of its commitment to respecting the environment in the area of wine production, its Ribera del Duero vineyard complies with the *ecological vineyard* regulation in Spain, is a member of the *Wineries for Climate*

Protection project and actively participates in actions to promote sustainability.

During the 2015 financial year, the major focus on our core brands (which grew by 13% compared to 2.8% market growth) and optimisation processes led to a change in the mix and improved unit profitability. This translated into increases in EBT and EBITDA of 15% and 4% respectively. Highlights in 2015 were the following:

- GRUPO BODEGAS PALACIO was placed 16th (the 4th Spanish company) in the ranking of the *Top 100 Wineries of the World*.
- Continuity of the commitment to boost brand image with advertising inserts in various media and events.

- Drive and renovation of the image of our brand *Cosme Palacio* and a score of 95 points in the *Guía Peñín* wine guide for the *Cosme Palacio 1894* red wine 2012.
- Refurbishment of the facilities and surrounding area of Bodegas Palacio.
- Optimisation of logistical and operational processes that will allow them to be more competitive.

GRUPO BODEGAS PALACIO was placed 16th (the 4th Spanish company) in the ranking of the *Top 100 Wineries of the World*





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