

Q1 2017
JANUARY - MARCH

CONTENTS

1. EXECUTIVE SUMMARY
2. CONSOLIDATED INCOME STATEMENT
3. CONSOLIDATED BALANCE SHEET AND CASH FLOW
4. RESULTS BY DIVISION
 - 4.1. Energy
 - 4.2. Infrastructure
 - 4.3. Other Activities
5. ANNEX 1: MATERIAL INFORMATION, DIVIDENDS AND SHARE DATA
 - 5.1. Significant communications to the stock market
 - 5.2. Dividend
 - 5.3. Share data and share price performance
6. ANNEX 2: MWs AND PRODUCTIONS
7. ANNEX 3: TRANSPORT AND HOSPITAL CONCESSIONS
8. ANNEX 4: WATER CONCESSIONS
9. ANNEX 5: SUSTAINABILITY
 - 9.1. Sustainability indexes
 - 9.2. Sustainability events during the period
10. CONTACT

In accordance with Regulation 1606/2002 of the European Parliament and of the Council of 19th July 2002, for each financial year starting on or after 1st January 2005, companies governed by the law of a Member State must prepare their consolidated accounts in conformity with the International Financial Reporting Standards (IFRS) adopted by the European Union if their securities are admitted to trading on a regulated market.

The ACCIONA Group's consolidated financial statements are presented in accordance with the International Financial Reporting Standards (IFRS) approved by the European Parliament to date. The financial statements were based on the individual accounts of ACCIONA, S.A. and its Group companies and they include the necessary adjustments and reclassifications to adapt them to IFRS.

ACCIONA reports in accordance with its corporate structure, which comprises three divisions:

- Energy includes the electric business encompassing the promotion of renewable generation plants, its construction, its O&M and the sale of the energy produced. All the electricity generated by Acciona Energía is renewable.
- Infrastructure:
 - Construction includes construction, industrial and engineering activities as well as mainly transport and hospital concession activities
 - Water includes the construction of desalination, water and wastewater treatment plants, as well as integral water services management from bulk water abstraction all the way to discharging treated wastewater to the environment. ACCIONA Agua also operates water concessions across the entire water cycle
 - Services include the activities of facility services, airport handling, waste management and logistic services among others
- Other activities includes the businesses of Trasmediterránea, real estate, Bestinver, wineries and other businesses

On July 3rd 2016 Guidelines on Alternative Performance Measures (APM) published by ESMA came into force. This requires an explanation in the management report on how financial parameters or performance measures, that do not appear in the financial statements straight away, are calculated. To meet this guideline, the APM's used in this report by ACCIONA Group are listed and defined below including an explanation of why these APM are used:

EBITDA: it is defined as operating income before depreciation and amortization, that is, the operating result of the group. It is calculated by taking the following items of the consolidated income statement: “net revenue”, “other revenues”, “change in inventories of finished goods and work in progress”, “cost of goods sold”, “personnel expenses” and “other operating expenses”.

Net Debt: it shows the Group’s debt, in net terms, deducting cash and cash equivalents. It is calculated by taking the following items from the consolidated balance sheet: “non-current interest bearing borrowings”, “current interest bearing borrowings”, less “cash and cash equivalents” and “other current financial assets”.

Non-recourse debt: it corresponds to debt that does not have corporate guarantees, and therefore its recourse is limited to the debtor’s assets and cash flows.

Recourse debt: Debt with a corporate guarantee.

Financial gearing: it shows the relation between the Group’s financial debt and its equity. It is calculated dividing “net debt” (calculated as explained above) by “equity”.

Backlog: is defined as the pending production, that is to say, contractual amounts or customer orders after having deducted the amounts already accounted for as income in the income statement. It is calculated on the basis of orders and contracts awarded to the Group, deducting the realized portion that is accounted on “net revenue” and adding or subtracting “other variations” that correspond to forex adjustments, modifications to the initial contracts, and other changes to be made to the awarded backlog.

Net Capex: it is defined as the net change in the balance of property, plant & equipment, intangible, financial and real estate assets during the period, corrected by:

- Depreciation, amortization and impairment of assets during the period
- Results on non-current assets
- Forex fluctuations

When dealing with changes in the consolidation perimeter, net capex is defined as the net outflow/inflow of used/sourced resources in the purchase/sale of net assets.

Management uses this APMs to take financial or operational decisions as well as in the planning process. They are also used to evaluate the performance of the Group and its subsidiaries.

Management considers these APMs provide useful additional financial information to evaluate the performance of the Group and its subsidiaries as well as for decision-making by the users of the financial information.

1. EXECUTIVE SUMMARY

Key Highlights

- ACCIONA generated EBITDA of €301 million during Q1 2017. This represents an increase of 8.5% vs. Q1 2016. This quarter has been characterized by a higher contribution from Infrastructure (+€33 million) that has more than offset the slight decrease in the Energy division (-€4 million) and the lower contribution from Other Activities (-€5 million).
- Even though the Generation business improved its results, the Energy division as a whole saw a decline in EBITDA of 2.1% relatively to Q1 2016 mainly due to the lower contribution from the non-generation activities in the division (exit of ACCIONA Windpower from the consolidation perimeter in Q2 2016, and lower contribution from the EPC activity).
- The Generation business in Spain increased its EBITDA thanks to the higher regulated income following the recent periodic review and the higher level of wholesale electricity prices. These positive drivers were significantly mitigated by the regulatory banding mechanism, forward sales, and lower production.
- International Generation business also suffered from lower generation volumes which led to declining EBITDA, although this was more than compensated by a higher contribution coming from the Generation business in Spain.
- The EBITDA of Infrastructure division increased across all its business lines, especially international Construction, that grew in both volumes and margins.
- In terms of Capital Expenditure, in Q1 2017 the group invested €272 million which compares with the €299 million invested in Q1 2016. The Infrastructure division capex includes the Geotech acquisition (€139 million). Net Investment Cashflow increased by €27 million to €319 million relative to Q1 2016.
- Debt increased to €5,498 million. This is mainly explained by higher working capital and capital expenditure during the quarter.
- On the other hand, financial expenses have decreased significantly, which evidences the consolidation of the Group's new funding model.
- In Q1 2017, the Infrastructure division was awarded new projects such as the construction of a new terminal for the International airport in Mexico City.

Q1 2017 Results (January – March)

Income Statement Data

<i>(Million euro)</i>	Jan-Mar 16	Jan-Mar 17	Chg. (%)
Revenues	1,418	1,634	15.2%
EBITDA	277	301	8.5%
EBIT	170	146	-14.2%
Ordinary EBT	45	98	116.5%
EBT	71	98	37.0%
Net attributable profit	49	60	20.8%

Balance Sheet Data and Capital Expenditure

<i>(Million euro)</i>	31-Dec-16	31-Mar-17	Chg. (%)
Equity	4,097	4,181	2.0%
Net debt	5,131	5,498	7.1%

<i>(Million euro)</i>	Jan-Mar 16	Jan-Mar 17	Chg. (%)
Gross Capex	299	272	-9.0%
Net Capex	299	260	-13.1%
Net Investment Cashflow	292	319	9.2%

Operating Data

	31-Mar-16	31-Mar-17	Chg. (%)
Construction backlog (Million euro)	6,535	8,001	22.4%
Water backlog (Million euro)	10,752	10,577	-1.6%
Total wind installed capacity (MW)	7,212	7,308	1.3%
Total installed capacity (MW)	8,637	8,961	3.7%
Total production (GWh) (Jan-March)	6,252	5,655	-9.5%
Average workforce	31,766	34,692	9.2%

Q1 2017 Results (January – March)

2. CONSOLIDATED INCOME STATEMENT

(Million Euro)	Jan-Mar 16 (€m)	Jan-Mar 17 (€m)	Chg. (€m)	Chg. (%)
Revenues	1,418	1,634	216	15.2%
Other revenues	131	100	-31	-23.7%
Changes in inventories of finished goods and work in progress	-2	1	3	n.m.
Total Production Value	1,547	1,735	188	12.2%
Cost of goods sold	-427	-420	7	-1.6%
Personnel expenses	-319	-352	-32	10.1%
Other expenses	-523	-662	-139	26.6%
EBITDA	277	301	24	8.5%
Depreciation and amortisation	-131	-150	-19	14.8%
Provisions	-18	-5	13	-74.5%
Impairment of assets value	-1	-1	0	11.1%
Results on non current assets	0	1	1	173.8%
Other gains or losses	42	-1	-42	-101.6%
EBIT	170	146	-24	-14.2%
Net financial result	-110	-81	29	-26.4%
Exchange differences (net)	2	9	7	399.9%
Var. provisions financial investments	0	0	0	-100.0%
Income from associated companies	9	21	12	140.4%
Profit and loss from changes in value of instruments at fair value	0	3	3	n.m.
EBT	71	98	26	37.0%
Income tax	-11	-26	-15	135.6%
Profit from Continuing Activities	60	72	11	19.0%
Minority interest	-11	-12	-1	10.6%
Attributable Net Profit	49	60	10	20.8%

Q1 2017 Results (January – March)

Revenues

Revenues (Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg.(€m)	Chg.(%)
Energy	573	463	-109	-19.1%
Infrastructure	738	1,066	329	44.6%
Construction	427	728	301	70.4%
Water	163	176	12	7.5%
Service	158	172	13	8.5%
Consolidation Adjustments	-11	-9	3	22.9%
Other Activities	128	128	0	0.3%
Consolidation Adjustments	-20	-24	-4	18.9%
TOTAL Revenues	1,418	1,634	216	15.2%

Consolidated revenues increased by 15.2% to €1,634 million, mainly due to the combined effect of the following factors:

- The decline in Energy revenues (-19.1%) mainly as a result of the deconsolidation of AWP (wind turbine business) from 1st April 2016 which more than offset higher revenues coming from Generation.
- Increase in revenues in all Infrastructure business lines, particularly in Construction (+70.4%).
- Revenues from Other Activities remain flat (+0.3%).

EBITDA

EBITDA (Million Euro)	Jan-Mar 16	% EBITDA	Jan-Mar 17	% EBITDA	Chg.(€m)	Chg.(%)
Energy	213	77%	208	69%	-4	-2.1%
Infrastructure	53	19%	86	29%	33	62.7%
Construction	23	8%	50	16%	27	117.6%
Water	28	10%	32	11%	5	17.4%
Service	3	1%	4	1%	2	59.9%
Consolidation Adjustments	0	n.m.	0	0%	0	n.m.
Other Activities	12	4%	7	2%	-5	-40.9%
TOTAL EBITDA	277	100%	301	100%	24	8.5%
Margin (%)	19.6%		18.4%			-1.1pp

Note: EBITDA contributions calculated before consolidation adjustments.

EBITDA increased by 8.5% to €301 million. This was mainly due to the higher contribution of Infrastructure (62.7%) which comfortably compensated for the slight decrease in the Energy division (-2.1%) and the lower contribution from Other Activities (-40.9%).

EBIT

EBIT amounted to €146 million, 14.2% lower than in Q1 2016. This was mainly due to the accounting of Other Profit and Losses in Q1 2016 for a total amount of almost €42 million (ATLL capital gain and reversion of a Trasmediterránea-related provision).

Earnings Before Tax (EBT)

EBT (Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg.(€m)	Chg.(%)
Energy	38	70	32	83.0%
Infrastructure	13	22	8	62.2%
Construction	8	13	5	61.0%
Water	5	9	4	84.9%
Service	0	0	-1	-135.5%
Other Activities	-6	7	13	206.5%
Ordinary EBT	45	98	53	116.5%
Extraordinaries	26	0	-26	n.m.
TOTAL EBT	71	98	26	37.0%
Margin (%)	5.0%	6.0%		+1.0pp

Ordinary EBT increased by 116.5% to €98 million boosted not only by the increase EBITDA but also by lower financial expenses and the increase of the contribution from assets accounted under the equity method (which mainly correspond to the Energy division).

Since there were no extraordinary results in Q12017, the total EBT and ordinary EBT are equivalent, with an increase of 37.0% vs. Q1 2016

Attributable Net Profit

Attributable net profit amounted to €60 million, 20.8% higher than in Q1 2016.

3. CONSOLIDATED BALANCE SHEET AND CASH FLOW

(Million Euro)	31-Dec-16	31-Mar-17	Chg.	Chg.
	(€m)	(€m)	(€m)	(%)
Property, Plant & Equipment and Intangible assets	9,974	9,994	19	0.2%
Financial assets	1,340	1,361	21	1.6%
Goodwill	79	225	145	183.3%
Other non-current assets	1,291	1,348	57	4.4%
NON-CURRENT ASSETS	12,684	12,927	243	1.9%
Inventories	783	780	-2	-0.3%
Accounts receivable	1,724	1,900	176	10.2%
Other current assets	250	305	55	21.9%
Other current financial assets	211	197	-14	-6.9%
Cash and Cash equivalents	1,428	1,345	-83	-5.8%
Assets held for sale	327	299	-29	-8.8%
CURRENT ASSETS	4,723	4,825	102	2.2%
TOTAL ASSETS	17,408	17,752	345	2.0%

Capital	57	57	0	0.0%
Reserves	3,437	3,772	336	9.8%
Profit attributable to equity holders of the parent	352	60	-292	-83.1%
Own Securities	-14	-11	4	-25.1%
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	3,831	3,878	47	1.2%
MINORITY INTERESTS	266	303	37	14.0%
EQUITY	4,097	4,181	84	2.0%
Interest-bearing borrowings	5,602	5,599	-4	-0.1%
Other non-current liabilities	3,237	3,332	95	2.9%
NON-CURRENT LIABILITIES	8,839	8,931	91	1.0%
Interest-bearing borrowings	1,169	1,441	272	23.3%
Trade payables	2,297	2,217	-81	-3.5%
Other current liabilities	819	807	-12	-1.4%
Liabilities associated to assets held for sale	186	176	-10	-5.5%
CURRENT LIABILITIES	4,471	4,640	169	3.8%
TOTAL LIABILITIES AND EQUITY	17,408	17,752	345	2.0%

Q1 2017 Results (January – March)

(Million Euro)	Jan-Mar 16 (€m)	Jan-Mar 17 (€m)	Chg. (€m)
EBITDA	277	301	24
Financial Results	-99	-60	39
Working Capital	-148	-238	-90
Other operating cashflow	14	-19	-33
Operating cashflow	44	-16	-60
Gross ordinary Capex	-299	-272	27
Divestment	0	12	5
Other investment cashflow	7	-59	233
Net investment cashflow	-292	-319	-27
Treasury shares	-1	-1	0
Derivatives	-40	0	40
Forex	28	9	-19
Dividends	0	0	0
Perimeter changes & other includ. Convertible bond	24	-40	-64
Financing/Others cashflow	11	-32	-43
Change in net debt Decr. / (Incr.)	-237	-367	-130

Attributable Equity

ACCIONA's attributable equity as of 31st March 2017 reached €3,878 million, 1.2% higher than a year ago.

Cash flow - Net Financial Debt variation

(Million Euro)	31-Dec-16		31-Mar-17		Chg. (€m)	Chg. (%)
	(€m)	% Total	(€m)	% Total		
Project Debt	2,254	33%	2,270	32%	16	0.7%
Corporate Debt	4,517	67%	4,770	68%	253	5.6%
Total interest-bearing debt	6,771	100%	7,039	100%	268	4.0%
Cash + Cash equivalents	-1,640		-1,542		98	-6.0%
Net financial debt	5,131		5,498		366	7.1%

Net financial debt as of March 2017 totalled €5,498 million, 7.1% above December 2016 levels. This variation in debt is mainly due to the combination of the following factors:

- The operating cashflow amounted to -€16 million, mainly due to the negative contribution from working capital, as was the case in the same period 2016. As a positive factor, it is worth noting the reduction in financial expenses fell to €60 million (-39.4% vs Q12016)
- The intense investment activity of the period, with a Net Investment Cashflow of -€319 million, reflecting mainly the investments in the Infrastructures division (mainly Geotech's acquisition) and Energy

Financial gearing has evolved as follows:

(Million Euro)	31-Dec-16	31-Mar-17
Net Debt	5,131	5,498
Gearing (Net Debt / Equity) (%)	125%	131%

Capital Expenditure

(Million Euro)	Jan-Mar 16	Jan-Mar 17
	(€m)	(€m)
Energy	135	95
Infrastructure	111	176
Construction	23	169
Water	80	5
Service	7	1
Other Activities	53	2
Gross Capex	299	272
Divestments	0	-12
Net Capex	299	260

Q1 2017 Results (January – March)

Gross capital expenditure across ACCIONA's divisions in Q1 2017 amounted to €272 million.

Infrastructure represents the highest investment figure with €176 million – mainly related to the acquisition of Geotech (€139 million). This was followed by Energy with €95 million, mainly related to the completion of the El Romero PV facility in Chile and the ongoing construction of new capacity in India.

In terms of divestments, the group sold a commercial property belonging to the Real Estate division for €12 million. This asset was classified in FY 2016 Balance Sheet as an asset held for sale.

As a result, net capital expenditure increased to €260 million. In terms of cash outflows, the Net Investment Cashflow amounted to €319 million.

4. RESULTS BY DIVISION

4.1. Energy

(Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg. (€m)	Chg. (%)
Generation	335	361	26	7.7%
<i>Spain</i>	197	220	23	11.8%
<i>International</i>	138	141	3	1.8%
Non-Generation	328	147	-181	-55.1%
Consolidation adjustments & Other	-91	-45	46	-50.7%
Revenues	573	463	-109	-19.1%
Generation	214	226	12	5.6%
<i>Spain</i>	105	124	20	18.7%
<i>International</i>	109	102	-8	-6.9%
Non-Generation	10	-9	-19	-195.5%
Consolidation adjustments & Other	-11	-9	2	-21.2%
EBITDA	213	208	-4	-2.1%
<i>Margin (%)</i>	37.1%	44.9%		
EBT	38	70	32	83.0%
<i>Margin (%)</i>	6.6%	15.0%		

ACCIONA Energy revenues decreased by 19.1% to €463 million. EBITDA fell by 2.1% to €208 million. EBT amounted €70 million vs. €38 million in Q1 2016.

Generation EBITDA increased by 5.6% to €226 million, thanks to the higher contribution from the Spanish business, more than offsetting the decline in International Generation which saw lower production levels.

The Generation business in Spain increased its EBITDA thanks to higher regulated income following the recent periodic review, as well as the higher level of power prices (€55.6/MWh vs €30.7/MWh in Q1 2016). However, these factors were significantly mitigated by the regulatory band mechanism, forward sales, and the lower production.

EBITDA contribution coming from Non Generation activities decreased by €19 million mainly due to AWP deconsolidation (contributed €7 million in Q1 2016) and the reduction in the EPC business.

In Q1 2017, consolidated installed capacity increased by 323MW vs. Q1 2016, mainly due to the commissioning of 228MW solar PV in Chile, 51MW wind in India, 93MW wind in EEUU. The 48MW located in Greece were written off in H1 2016.

At an operational level, consolidated production amounted up to 4,609GWh, 8.5% lower than in Q1 2016 due to lower wind output in both Spain and International which was not compensated by the increase in solar photovoltaic production.

Q1 2017 Results (January – March)

Breakdown of Installed Capacity and Production by Technology

31-Mar-17	Total		Consolidated		Net	
	Installed MW	Produced GWh	Installed MW	Produced GWh	Installed MW	Produced GWh
Spain	5,950	3,586	4,673	2,746	5,278	3,143
Wind	4,747	2,967	3,470	2,127	4,079	2,528
Hydro	888	481	888	481	888	481
Solar Thermoelectric	250	44	250	44	250	44
Solar PV	3	1	3	1	3	1
Biomass	61	94	61	94	59	90
International	3,011	2,069	2,725	1,864	1,913	1,270
Wind	2,560	1,902	2,320	1,714	1,572	1,154
USA	721	468	646	395	467	300
Mexico	557	594	557	594	361	386
Australia	303	232	239	191	180	141
Italy	156	72	156	72	104	48
South Africa	138	93	138	93	47	32
India	137	38	137	38	108	26
Portugal	120	83	120	83	75	52
Canada	181	143	103	82	69	55
Poland	101	44	101	44	67	29
Costa Rica	50	76	50	76	32	49
Chile	45	22	45	22	30	15
Croatia	30	23	30	23	20	15
Greece	0	0	0	0	0	0
Hungary	24	14	0	0	12	7
Solar PV	386	150	341	132	298	104
Chile	246	78	246	78	246	78
South Africa	94	54	94	54	32	18
Portugal	46	18	0	0	20	8
Solar Thermoelectric (USA)	64	17	64	17	43	12
Total Wind	7,308	4,868	5,790	3,840	5,650	3,682
Total other technologies	1,653	787	1,607	769	1,541	731
Total Energy	8,961	5,655	7,397	4,610	7,191	4,413

Annex 2 shows greater detail on installed capacity and generation output.

4.2. Infrastructure

(Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg. (€m)	Chg. (%)
Construction	427	728	301	70.4%
Water	163	176	12	7.5%
Service	158	172	13	8.5%
Consolidation Adjustments	-11	-9	3	22.9%
Revenues	738	1,066	329	44.6%
Construction	23	50	27	117.6%
Water	28	32	5	17.4%
Service	3	4	2	59.9%
EBITDA	53	86	33	62.7%
<i>Margin (%)</i>	7.2%	8.1%		
EBT	13	22	8	62.2%
<i>Margin (%)</i>	1.8%	2.0%		

ACCIONA Infrastructure revenues amounted to €1,066 million representing an increase of 44.6% vs. Q1 2016. The EBITDA also increased by 62.7% totalling €86 million.

Regarding EBITDA and EBT margins, these increased to 8.1% and 2.0% respectively.

A. Construction

(Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg. (€m)	Chg. (%)
Construction & Industrial	402	693	291	72.5%
Concessions	25	34	9	36.9%
Revenues	427	728	301	70.4%
Construction & Industrial	11	36	25	216.3%
Margin (%)	2.8%	5.2%		
Concessions	12	14	2	20.7%
Margin (%)	46.2%	40.7%		
EBITDA	23	50	27	117.6%
Margin (%)	5.4%	6.8%		
EBT	8	13	5	61.0%
Margin (%)	1.9%	1.8%		

Revenues amounted to €728million, 70.4% higher than in Q1 2016.

EBITDA increased by 117.6% reaching €50 million backed by the good performance of the International construction activity which had a significant improvement in volumes and margins, with higher-margin capital intensive projects.

The concession business EBITDA grew by 20.7% relative to the same period of the previous year.

Construction & Industrial Backlog

As of 31st March 2017, backlog amounted to €8,001 million, 22% higher than in Q1 2016. The International backlog reached an overall weight of 82% vs. 75% a year ago.

(Million Euro)	31-Mar-16	31-Mar-17	Chg. (%)	Weight (%)
Total Spain	1,625	1,423	-12%	18%
Total International	4,910	6,577	34%	82%
Latam	2,086	2,634	26%	33%
EMEA (Spain not incl.)	1,350	2,232	65%	28%
Australia & South East Asia	956	1,139	19%	14%
North America	518	572	10%	7%
TOTAL	6,535	8,001	22%	100%

Concessions

As of 31st March 2016 ACCIONA held a portfolio of 23 concessions with a book value of €1,399 million (€495 million “equity” and €904¹ million net debt).

Annex 3 contains detail on the concessions portfolio as of 31st March 2017.

² This figure includes net debt from concessions held for sale (€154m) and those accounted by the equity method (€584m)

B. Water

<i>(Million Euro)</i>	Jan-Mar 16	Jan-Mar 17	Chg. (€m)	Chg. (%)
Revenues	163	176	12	7.5%
EBITDA	28	32	5	17.4%
<i>Margin (%)</i>	16.9%	18.5%		
EBT	5	9	4	84.9%
<i>Margin (%)</i>	2.9%	5.0%		

The Water division increased its turnover by 7.5% and it's EBITDA by 17.4% vs. Q1 2016.

Excluding ATLL's business, revenues improved by 12.0% while EBITDA increased by 65.2% thanks to the growth achieved by the O&M activities.

Water Backlog

Water Backlog as of March 2017 stood at €10,577 million decreasing by 1.6% compared with Q1 2016.

<i>(Million Euro)</i>	31-Mar-16	31-Mar-17	Chg. (%)
D&C	559	703	25.7%
O&M	2,131	2,114	-0.8%
ATLL	8,061	7,760	-3.7%
TOTAL	10,752	10,577	-1.6%

<i>(Million Euro)</i>	31-Mar-16	31-Mar-17	Weight (%)
Spain	9,511	9,099	86%
International	1,241	1,478	14%
TOTAL	10,752	10,577	100%

Annex 4 shows detail of water concessions regulated by CINIIF12 as of 31st March 2017

C. Services

(Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg. (€m)	Chg. (%)
Revenues	158	172	13	8.5%
EBITDA	3	4	2	59.9%
<i>Margin (%)</i>	<i>1.6%</i>	<i>2.4%</i>		
EBT	0	0	-1	-135.5%
<i>Margin (%)</i>	<i>0.3%</i>	<i>-0.1%</i>		

The division reported an increase in revenues of 8.5% to €172 million. Its EBITDA increased by 59.9% reaching €4 million, mainly due to higher turnover in the APD activity and Urban Services.

4.3. Other Activities

(Million Euro)	Jan-Mar 16	Jan-Mar 17	Chg. (€m)	Chg. (%)
Trasmediterránea	88	86	-2	-2.7%
Real Estate	11	13	1	10.8%
Bestinver	19	22	3	13.6%
Winery	7	6	-1	-15.7%
Corp. & other	2	2	0	2.1%
Revenues	128	128	0	0.3%
Trasmediterránea	2	-6	-7	n.m
Real Estate	-3	-2	1	41.7%
Bestinver	14	16	2	12.6%
Winery	0	0	0	n.m
Corp. & other	-1	-2	0	-88.7%
EBITDA	12	7	-5	-40.9%
<i>Margin (%)</i>	9.6%	5.6%		
EBT	-6	7	13	n.m
<i>Margin (%)</i>	-4.9%	5.2%		

The Other Activities division, which includes Trasmediterránea, Real Estate, Bestinver, Wineries and others, reported revenues for Q1 2017 of €128 million, in line with the same period last year (+0.3%).

EBITDA decreased to €7 million (-40.9%), mainly explained by Trasmediterránea results and despite the increase in contribution of Bestinver.

Trasmediterránea:

Trasmediterránea EBITDA fell to -€6 million, due to the decrease in traffic levels and vehicles during Q1 2017 (mainly due to the Easter holidays that took place in Q2 2017 as opposed to Q1 during last year), as well as the higher fuel costs as a result of higher oil prices.

	Jan-Mar 16	Jan-Mar 17	Chg. (%)
Passengers served	429,544	373,355	-13.1%
Cargo handled (lane metres)	1,353,778	1,390,860	2.7%
Vehicles	90,731	84,098	-7.3%

Real Estate:

Real Estate turnover and EBITDA slightly improved but without significant changes.

Bestinver:

Bestinver's assets under management stood at €5,674 million as of 31st March 2017. It reported an improved EBITDA of €16 million (+12.6%) as a result of a higher average of assets under management relative to Q1 2016.

5. ANNEX 1: MATERIAL INFORMATION, DIVIDEND AND SHARE DATA

5.1. Significant communications to the stock market

- **16th of January 2017: ACCIONA informs about the buyback of its remaining convertible bonds up to a maximum of €108.4m**
 - The Company announces its intention to repurchase up to €108.4m in aggregate principal amount of its Bonds, representing the outstanding balance of the Bonds not already held by the Company in treasury
 - The Repurchase period is expected to close as soon as practicable on 19th January 2017 after market close, subject to the right of the Company to close or extend, at its sole discretion, the Repurchase at any time
- **19th of January 2017: ACCIONA informs about the terms & conditions of the buyback of its remaining convertible bonds**

The definitive terms & conditions of the Repurchase are the following:

- (i) The aggregate principal amount of the Bonds to be repurchased will be €91,600,000
 - (ii) The repurchase price per Existing Bond will be 134.80% of its principal amount, which represents an aggregate consideration of approximately €123.48m for the Repurchase as a whole
 - (iii) The Company has accepted all offers for repurchase of the Existing Bonds
 - (iv) Given that, following completion of the Repurchase, less than 15% in aggregate principal amount of the Bonds originally issued will be outstanding, the Company will be able to exercise its early redemption call in relation to all remaining Bonds at its principal amount plus accrued and unpaid interests, subject to the decision of the Board of Directors of ACCIONA
- **8th of January 2017: ACCIONA Construction Australia-Geotech Group Transaction**
 - ACCIONA Construcción S.A has indirectly acquired through ACCIONA Geotech Holding Pty Ltd the 82.4% of Geotech Holdings Pty Ltd, parent company of the Australian construction group Geotech for a cash consideration of AUD197m (subject to potential working capital, net debt and capex adjustments) and the assignment to ACCIONA Australia of three projects currently under tender. The transaction values Geotech at AUD262m (Enterprise Value) and the undertaking that ACCIONA Australia will be the bidding vehicle for future civil construction projects in Australia and Nueva Zealand
 - **6th of April 2017: Official announcement and submission of proposal of the Annual General Meeting**

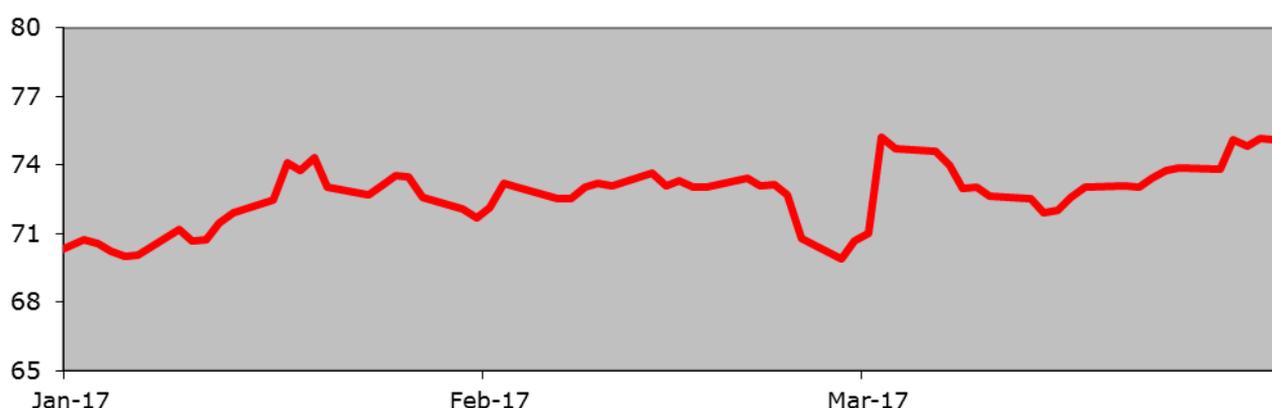
- On the 6th of April 2016, the company informed to the CNMV (Spanish Stock Market Regulator), of the Annual General Meeting announcement for the 17th of May 2016 for its first call, or the 18th of May 2017 for its second one and submitted the proposal of agreements

5.2. Dividend

On the 28th of February 2017 the Board of Directors of ACCIONA proposed the distribution of a dividend of €164.6m (€2.875 per share) against results of 2016 fiscal year.

5.3. Share data and share Price performance

ACCIONA Share Price Evolution (€/share)



Key Share Data

	31-Mar-17
Price at 31 st March 2017 (€/share)	75.13
Price at 30 th December 2016 (€/share)	69.93
Low in Q1 2017 (27/02/2017)	69.90
High in Q1 2017 (02/03/2017)	75.21
Average daily trading (shares)	166,631
Average daily trading (€)	12,149,811
Number of shares	57,259,550
Market capitalisation 31 st March 2017 (€ million)	4,302

Share Capital Information

As of 31st of March 2017 the share capital of ACCIONA amounted to €57,259,550 divided into 57,259,550 shares of €1 of nominal value each.

The group's treasury shares as of 31st of March 2017 amounted to 169,982 shares which represent a 0.30% of the share capital.

6. ANNEX 2: MWs and PRODUCTIONS

31-Mar-17	Installed capacity (MW)					Production (GWh)				
	Total	Consolidated	Equity accounted	Minorities	Net	Total	Consolidated	Equity account.	Minorities	Net
Spain	5,950	4,673	619	-14	5,278	3,586	2,746	408	-11	3,143
Wind	4,747	3,470	619	-11	4,079	2,967	2,127	408	-7	2,528
Hydro	888	888	0	0	888	481	481	0	0	481
Solar Thermoelectric	250	250	0	0	250	44	44	0	0	44
Solar PV	3	3	0	0	3	1	1	0	0	1
Biomass	61	61	0	-2	59	94	94	0	-4	90
International	3,011	2,725	78	-890	1,913	2,069	1,864	43	-636	1,270
Wind	2,560	2,320	48	-797	1,572	1,902	1,714	31	-591	1,154
USA	721	646	4	-184	467	468	395	4	-99	300
Mexico	557	557	0	-196	361	594	594	0	-208	386
Australia	303	239	32	-90	180	232	191	20	-71	141
Italy	156	156	0	-52	104	72	72	0	-24	48
South Africa	138	138	0	-91	47	93	93	0	-61	32
India	137	137	0	-29	108	38	38	0	-13	26
Portugal	120	120	0	-45	75	83	83	0	-31	52
Canada	181	103	0	-34	69	143	82	0	-27	55
Poland	101	101	0	-34	67	44	44	0	-15	29
Costa Rica	50	50	0	-17	32	76	76	0	-27	49
Chile	45	45	0	-15	30	22	22	0	-7	15
Croatia	30	30	0	-10	20	23	23	0	-8	15
Greece	0	0	0	0	0	0	0	0	0	0
Hungary	24	0	12	0	12	14	0	7	0	7
Solar PV	386	341	30	-72	298	150	132	12	-40	104
Chile	246	246	0	0	246	78	78	0	0	78
South Africa	94	94	0	-62	32	54	54	0	-36	18
Portugal	46	0	30	-10	20	18	0	12	-4	8
Solar Thermoelectric (USA)	64	64	0	-21	43	17	17	0	-6	12
Total Wind	7,308	5,790	667	-807	5,650	4,868	3,840	439	-598	3,682
Total other technologies	1,653	1,607	30	-96	1,541	787	769	12	-50	731
Total Energy	8,961	7,397	697	-904	7,191	5,655	4,610	451	-647	4,413

7. ANNEX 3: DETAIL OF TRANSPORT AND HOSPITAL CONCESSIONS

	Name	Description	Period	Country	ACCIONA	Status	Accounting method	Asset type
Road	Chinook roads (SEST)	Pay for availability road integrated in the Calgary ring motorway (25km)	2010 - 2043	Canada	5%	Operational	Equity method*	Financial asset
	Autovía de los Viñedos	Construction, operation and maintenance of road CM-42 between Consuegra & Tomelloso (74.5km). Shadow toll	2003 - 2033	Spain	50%	Operational	Equity method	Intangible asset
	Ruta 160	Reform, maintenance and operation of a 91km toll road between Coronel and Tres Pinos. Explicit toll	2008 - 2048	Chile	100%	Operational	Global integration	Financial asset
	Infraestructuras y radiales (R-2)	Construction and operation of 87km toll road motorway R-2 connecting Madrid-Guadalajara (includes maintenance of part of M-50 connecting A1 and A2). Explicit toll	2001 - 2039	Spain	25%	Operational	Equity method	Intangible asset
	Rodovia do Aço	Recovery, operation and maintenance of BR-393 (200.4km) road in the Rio de Janeiro state (between Volta Redonda & Alén). Explicit toll	2008 - 2033	Brazil	100%	Construction & Operational	Global integration	Intangible asset
	A2 - Section 2	Remodeling, restoration, operation and maintenance of a 76.5km stretch of an existing road between km 62 (A-2) and km 139 (border of province of Soria-Guadalajara). Shadow toll	2007 - 2026	Spain	100%	Operational	Global integration	Intangible asset
	Puente del Ebro	Toll expressway connecting N-II & N-232 (5.4km; 400m above the Ebro river). Shadow toll	2006 - 2036	Spain	50%	Operational	Equity method	Intangible asset
	Windsor Essex Parkway	Design, construction and operation of 11km highway connecting Windsor (Ontario - Canada) and U.S. Border (Detroit - Michigan)	2010 - 2044	Canada	33%	Operational	Equity method	Financial asset
	Nouvelle Autoroute A-30	Construction and operation of toll road-Highway 30 in Montreal, between Châteauguay and Vaudreuil-Dorion (74km). Explicit toll	2008 - 2043	Canada	5%	Operational	Equity method*	Financial asset
	Autovía Gerediaga - Elorrio	Construction, conservation and operation of N-636 road, Gerediaga-Elorrio stretch, and conservation and operation of Variante de Elorrio already built. Pay for availability	2012 - 2042	Spain	23%	Operational	Equity method	Financial asset
	Autovía de la Plata	Construction, conservation and operation of Autovía de la Plata (A-66) road, between Benavente and Zamora. Stretches: A6 (Castrogonzalo) - Santovenia del Esla, Santovenia del Esla - Fontanillas de Castro, Fontanillas de Castro - Zamora. Pay for availability	2012 - 2042	Spain	25%	Operational	Equity method	Financial asset
	Toowoomba Second Range Crossing (Nexus)	Design, construction and operation of 41km of the north ring road in Toowoomba (Queensland), from Helidon Spa to Athol, through Charlton. Availability payment (25 year operation from construction end)	2015 - 2043	Australia	20%	Construction	Equity method	Financial asset
Pūhōi to Warkworth	Finance, design, construct and maintain the new Pūhōi to Warkworth motorway. The Pūhōi to Warkworth project will extend the four-lane Northern Motorway (SH1) 18.5km from the Johnstone's Hill tunnels to just north of Warkworth.	2016 - 2046	New Zealand	10%	Construction	Equity method	Financial asset	
Rail	Consorcio Traza (Tranvía Zaragoza)	Construction & operation of the streetcar that crosses the city (12.8km)	2009 - 2044	Spain	17%	Operational	Equity method	Both methods
	Sydney Light Rail	Design, construction and O&M of 12km rail line from Circular Quay via George Street to Central Station crossing Surry Hills to Moore Park, Kensington, Kingsford and Randwick. It includes operation of Inner West line	2014 - 2034	Australia	5%	Construction	Equity method	Financial asset
Canal	Canal de Navarra	Construction & operation of the 1 st phase of the Canal de Navarra irrigation area	2006 - 2036	Spain	45%	Operational	Equity method	Both methods
Port	Nova Darsena Esportiva de Bara	Construction & operation of the Roda de Bara marina. Revenues from moorings, shops & parkings (191,771m ²)	2005 - 2035	Spain	50%	Operational	Equity method	N/A
Hospital	Fort St John	DBFOM for a new 55-bed hospital (plus 123 nursing home patients)	2009 - 2042	Canada	5%	Operational	Equity method*	Financial asset
	Hospital de Leon Bajío	Design, construction, equipment and O&M of the hospital occupying an area of 25,000m ² (184 beds)	2005 - 2030	Mexico	100%	Operational	Global integration	Financial asset
	Hospital del Norte (Madrid)	DBFOM of the hospital with an area of 90,000m ² divided in 4 blocks (283 beds)	2005 - 2035	Spain	95%	Operational	Global integration	Financial asset
	Gran Hospital Can Misses (Ibiza)	DBFOM of the hospital with an area of 72,000m ² & a health center (241 beds)	2010 - 2045	Spain	40%	Operational	Equity method	Financial asset
	Novo Hospital de Vigo	DBFOM of 3 hospitals with an area of 300,000m ² (175,000m ² hospital y 125,000m ² car park). (2007 beds)	2011 - 2035	Spain	43%	Operational	Equity method	Financial asset
	Centro Hospitalario Universitario de Toledo	Construction and operation of Hospital Universitario de Toledo, with 760 beds	2015 - 2045	Spain	33%	Construction	Equity method	Financial asset

*Indirect 10% stake held through MAPLE Concessions Canada Inc.

8. ANNEX 4: DETAIL OF WATER CONCESSIONS UNDER CINIIF12

Name	Description	Period	Country	ACCIONA	Status	Accounting method	Asset type
EDAR 8B	Construction, operation and maintenance of the wastewater treatment plant "08B Zone" of Aragon	2008 - 2031	Spain	100%	Operational	Global integration	Intangible asset
EDAR 7B	Construction, operation and maintenance of the wastewater treatment plant "07B Zone" of Aragon	2011 - 2031	Spain	100%	Operational	Global integration	Intangible asset
IDAM Alicante	Construction, operation and maintenance of the sea water desalination plant in Alicante	2000 - 2018	Spain	50%	Operational	Proportional integration	Financial asset
IDAM Javea	Construction, operation and maintenance of the sea water desalination plant in Javea	2001 - 2023	Spain	100%	Operational	Global integration	Financial asset
IDAM Cartagena	Construction, operation and maintenance of the sea water desalination plant in Cartagena	2001 - 2020	Spain	63%	Operational	Proportional integration	Financial asset
IDAM Fouka	Construction, operation and maintenance of the sea water desalination plant in Tipaza	2008 - 2036	Argelia	26%	Operational	Equity method	Financial asset
IDAM Ibiza -Portmany	Reconstruction, works operation and maintenance of the sea water desalination plant in San Antonio Portmany and Ibiza	2009 - 2024	Spain	50%	Operational	Equity method	Financial asset
PTAR Atotonilco	Construction, operation and maintenance of the wastewater treatment plant in Atotonilco	2010 - 2035	Mexico	24%	Construction	Equity method	Financial asset
WWTP Mundaring	Construction, operation and maintenance of the wastewater treatment plants in Mundaring	2011 - 2048	Australia	25%	Operational	Equity method	Financial asset
PTAR La Chira	Construction, operation and maintenance of the wastewater treatment plants in La Chira	2011 - 2037	Peru	50%	Operational	Equity method	Financial asset
IDAM Arucas Moya	Extension, operation and maintenance of the sea water desalination plant in Arucas / Moya	2008 - 2024	Spain	100%	Operational	Global integration	Intangible asset
Red de saneamiento en Andratx	Construction, operation and maintenance of the wastewater treatment plants in Andratx	2009 - 2044	Spain	100%	Construction	Global integration	Intangible asset
PPP Divinópolis	Construction, operation and maintenance of the wastewater treatment plant in Divinópolis	2015 - 2041	Brasil	15%	Construction	Equity method	Financial asset / Intangible asset
Port City Water	Design, construction, financing, operation and maintenance of a water treatment plant and storage reservoirs in Saint John	2016 - 2048	Canada	40%	Construction	Equity method	Financial asset
ATLL	Upstream water supply service in Ter-Llobregat	2013 - 2062	Spain	76%	Operational	Global integration	Intangible asset
Sercomosa	Public-private company whose principal activity is the water supply to Molina de Segura	1998 - 2040	Spain	48%	Operational	Equity method	Intangible asset
Somajasa	Public-private company to manage integrated water cycle of public services in some relevant Municipalities of Province of Jaen	2007 - 2032	Spain	60%	Operational	Equity method	Intangible asset
Gesba	Water supply service in Andratx and Deià (Mallorca)	1994 - 2044	Spain	100%	Operational	Global integration	Intangible asset
Paguera	Water supply service in Calvià (Mallorca)	1969 - 2019	Spain	100%	Operational	Global integration	Intangible asset
Costa Tropical	Integrated water cycle service in Costa Tropical (Granada)	1995 - 2045	Spain	49%	Operational	Proportional integration	Intangible asset

9. ANNEX 5: SUSTAINABILITY

9.1. Sustainability indices



The results of the 2016 annual review confirm that ACCIONA is a component of the Dow Jones Sustainability World Index (DJSI World) for the tenth consecutive year. It has been included in the DJSI Europe, as well. These indexes are composed of those companies deemed most advanced in economic, social and environmental terms.



Following a new half-year assessment, ACCIONA continues to rank on the FTSE4Good Index Series. Companies in the FTSE4Good Index Series have met stringent social and environmental criteria, and are positioned to capitalise on the benefits of responsible business practice.



ACCIONA is a constituent of the [MSCI Global Climate Index](#), which includes companies that are leaders in mitigating immediate and long-term factors that contribute to climate change.



ACCIONA has been included in the CDP 2016 Climate A List and CDP 2016 Water A List, comprised of companies that demonstrate leadership through action to combat climate change and sustainable water management practices, respectively. It has also been listed in the CDP Supplier Climate A List.



ACCIONA is currently a component of the STOXX Global Climate Change Leaders Index. This is the first ever index based on CDP's global Climate A List and includes low carbon leaders who are publicly committed to reducing their carbon footprint.

9.2. Sustainability events during the period:

- ACCIONA has been **awarded the "RobecoSAM Silver Class 2017"** within the Electric Utilities sector in The Sustainability Yearbook 2017 produced by RobecoSAM. These distinctions are given to companies with best sustainability practices at sector level.
- ACCIONA is a **carbon neutral company**. It has offset those 2016 CO₂ emissions that have not been reduced, through the cancellation of certified carbon credits (CERs, Certified Emission Reductions), emitted by the United Nations Framework Convention on Climate Change (UNFCCC).

10. CONTACT

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