

## INTERVIEW WITH THE CHAIRMAN

For the fourth year running, we are proud to present the ACCIONA Integrated Report, which is drawn up in accordance with the principles proposed by the International Integrated Reporting Council (IIRC). Through this document we aim to provide a transparent, long-term overview of the Company and the way in which it creates value in its area, securing the roots for future growth.



JOSÉ MANUEL ENTRECANALES  
Chairman of ACCIONA

José Manuel Entrecanales, Chairman of ACCIONA, answers some questions about how the Company generates value in the medium and long term.

### What is your opinion of the results booked for 2015?

We see FY 2015 as a turning point, not only for ACCIONA but also in terms of the global climate. It has been a year of consolidation for the Company following the major restructuring operation we underwent during the 2013 to 2014 period. This was mainly due to the regulatory impact on our core business, energy, but it also stemmed from other negative factors with which we have had to cope, like the drastic reduction in tenders for public works held in Spain and the major global economic and financial crisis.

By contrast, 2015 was a relatively stable year, during which we were able to focus on our businesses, strengthening operational improvements and reviving growth following several years during which investment had been limited. From a financial and economic standpoint, I am happy with the results achieved, particularly as regards the contribution made by the energy business and the reduction of the leverage ratio to 4.39 times our

EBITDA, returning to levels that are more "comfortable" for ACCIONA. The Company has also made the most of the beneficial debt markets to improve our corporate finance structure.

With regard to progress made on corporate strategy, I would like to particularly highlight the integration of ACCIONA Windpower with Nordex.

I believe that the Company's image was also strengthened in 2015, thanks to a greater international presence and a consolidated management team, which now puts us in an excellent position to respond to the trends that will define the global scenario in the years to come.

On another note, we should also highlight the importance of the Paris Agreement achieved during the COP21 and which is already in the process of being ratified. This is perhaps the most important milestone of all those potentially able to affect our business on a global scale. The agreement, which is based on commitments made by 196 countries to reduce their emissions, confirms renewable energy and the adoption of carbon price and markets, all promoted by our Company at multiple forums over the last six years, as key not only to fighting global warming but also to

ensuring economic development over the coming decades.

In conclusion, 2015 was a positive year for the Group, which is embarking on a new era of development from a strong financial and competitive position.

### What growth does ACCIONA expect to see in 2016?

With regard to 2016, we are optimistic both in terms of growth and operational improvements in all our businesses, with the exception of generation activity in Spain, which will no doubt be affected by the reduction of wholesale electricity prices. These two trends should result in EBITDA of a similar level to that recorded in 2015.

On the other hand, after two years of reduced activity and selective divestments, we now expect to see a significant increase in net investments, to a volume of approximately 600 million euros, as a result of efforts made during FY 2015 which have allowed us to secure a very strong portfolio of projects as well as the financial capacity to pursue them. We will be adjusting investment levels to match our business performance and solvency ratios, as it is essential that we preserve our good financial position. In any case, this

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investment, together with the new projects that will stem from the COP21 agreements and the global trend towards a low-carbon economy, will secure our growth for the coming years.

In short, 2016 looks to be an important year for ACCIONA due to operational improvements to businesses like Infrastructure, the surge in investments and embarking on new projects, although we will probably have to cope with a situation that forecasts low energy prices in Spain.

We will also continue to work to preserve the strength of our financial structure, increasing our flexibility and reducing costs, thereby allowing us to combine investments with sustained dividend growth.

**One of the year's milestones was the agreement reached with the German company Nordex for the transfer of ACCIONA Windpower. What are the future implications of this operation for ACCIONA?**

The strategic decision to combine the ACCIONA Windpower business with Nordex represents a milestone for both the Company and the wind turbine sector as a whole.

The combination of both businesses gives rise to a new world leader in the wind

power industry, with an estimated volume of 2.8 GW and a presence in more than 30 countries – both in emerging and mature markets – placing us firmly amongst the world's top five major wind turbine manufacturers.

As a result of this operation, ACCIONA has become Nordex's majority shareholder, thus enabling us to continue to benefit, as wind operators and developers, from the advantages of vertical integration with a leading wind turbine manufacturer. Integration with Nordex has also allowed us to value our investment in ACCIONA Windpower and reduce our risk in many aspects.

**In 2014, ACCIONA completed a restructuring of the Infrastructure division. How has this division adapted to a competitive global market with adjusted profit margins?**

Over the last two years, we have reorganised the internal processes and redefined both the business areas and the strategy that we will be applying in the next few years. The Infrastructure division competes with some of the world's most important companies to respond to the demand for infrastructure. Aware of this context – the need, the international reach and the competitiveness – the division was restructured to ensure greater efficiency and, therefore, profitability.

ACCIONA Infrastructure today boasts an integrated range of services that is supported by technical and geographic specialisation and is committed to an exhaustive selection of projects. We are, therefore, optimistic about the future. In 2015, the increase in numbers of new contracts awarded and the growth of the infrastructure portfolio was considerable – 22% and 13% respectively – with important projects in global markets.

**2015 was the year of important global challenges in terms of sustainability, characterised above all by the agreement on climate change reached at the Paris Conference and the Sustainable Development Goals. How will ACCIONA help meet these challenges?**

Sustainability has always been, and remains, at the core of ACCIONA's identity. Our renewable energy and infrastructure projects help improve people's lives and take care of the environment for future generations. We ensure our projects achieve this by incorporating a responsible perspective from start to finish: assessing the environmental, social and reputational risks, minimising negative external factors and reinforcing the positive impact of each and every project.

For this reason ACCIONA was at the forefront of the main international debates that shaped the 2015 sustainability agenda, such as the Sustainable Development Goals and the COP 21 Paris Climate Change Conference.

We know that the best way to achieve our goals is to do so sustainably, generating value not only for the Company but for society as a whole. This is why we have a Sustainability Master Plan in place, that was revised in 2015 to adjust to the challenges and trends of the future, which includes goals and targets through to 2020.

Last, but by no means least, I would like to thank the more than 32,000 people who make up the ACCIONA team. Their talent, experience, ability to adapt and professional approach have been essential in overcoming the major challenges of the last few years. They represent one of our most important competitive advantages and allow us to look to the future with optimism.