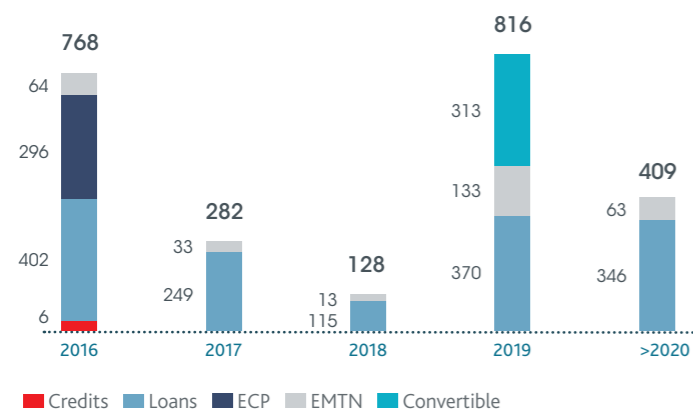


Group: Recourse debt and liquidity (€M)

Recourse debt maturity profile (€2.403 BN)



■ Credits ■ Loans ■ ECP ■ EMTN ■ Convertible

Undrawn credit lines cover all corporate maturities for the next three years.

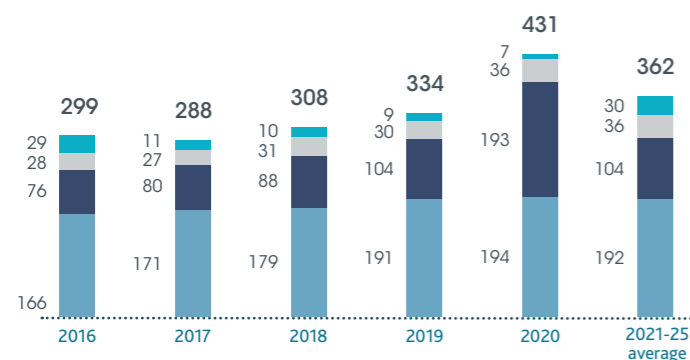
The five-year syndicated line of credit signed in March 2015 for 1.8 billion euros has strengthened ACCIONA's liquidity profile, enabling it to cover corporate debt maturities up to 2019, including the convertible bond issue that occurred in 2014.

In terms of non-recourse debt, the company is not currently facing any profile refinancing situation, although opportunities for reducing interest expenses are constantly being reviewed. It is estimated that company projects currently

have the resources needed to deal with the due dates in its repayment schedule for the next few years.

Group: Non-recourse debt repayment schedule

2016-2025 principal repayments (€M)



■ A.Energy Spain ■ A.Energy International ■ Infrastructure ■ Other activities

Repayment schedule for the period up to December 2025. Accrued interest and derivative market as of 31 December 2015, not including the repayment schedule.

OUR STRATEGY FOR THE NEW CONTEXT

An environment with global challenges

In an environment showing signs of recovery, there are also certain closely related global challenges that create uncertainty and may slow down economic growth in some economies and sectors:

- **Drop in energy prices.** Petroleum, coal and gas prices have suffered a sharp decline in recent months, reaching levels not seen in a decade. The drop in the price of crude oil, driven by uncertainty in the worldwide economy and the market glut, has been particularly notable. Given the situation, the International Energy Agency (IEA) is not optimistic, and is not predicting any possible increase in oil prices over the short term.
- **Drop in the price of raw materials.** The price of raw materials has reached its lowest level of the last 16 years. This drop is being brought about by the economic slowdown in China, the principal importer of raw materials, and by the strengthening of the dollar against other currencies.
- **Economic slowdown in China and other developing nations.** Credit-based measures to deal with concerns of a possible slowdown of the economy in China and devaluation of the yuan are affecting the stability of financial markets and causing fear of a new worldwide economic crisis. In the case of Latin America, several countries are also experiencing this slowdown. The cause of this, amongst other factors, is the downswing in the Chinese market and the drop of crude oil and raw material prices.
- **Fear of a new crisis in the financial sector.** As a result of the above, the slowdown of the global economy and the dependence of financial institutions on the oil & gas sector is creating uncertainty about the short-term future of the financial sector.

Consolidation of our growth strategy

For ACCIONA, 2015 has been a year of consolidation of changes, as once the challenges of the regulatory reform and the effect of the economic crisis were overcome, the company learned how to seize the opportunity to put in place operational improvements in its business, strengthen its long-term growth capacity and consolidate its profile as a financially sound business.

ACCIONA faces 2016 with optimism and targeting growth in its strategic Energy and Infrastructure divisions. Nevertheless, despite the positive results for 2015, the company is prudent in a context that confronts global challenges. ACCIONA will maintain a strategy centred on focused, sustained growth in confronting and taking advantage of the opportunities ahead, supported by the following mainstays:

1. MAINTAINING A STRONG BALANCE SHEET AND ACHIEVING A SATISFACTORY BALANCE BETWEEN LEVERAGE, INVESTMENT AND SHAREHOLDER COMPENSATION

The Action Plan successfully executed during 2013 and 2014 enabled the company to strengthen its financial fundamentals to deal with a new stage in its growth. It managed to continue strengthening its credit profile improvement process in 2015 with a significant reduction in leverage ratio. Reduction of finance costs and flexibility of debt structure and liquidity sources continue to be priorities for the group, and financial year 2015 has been positive in these areas.

ACCIONA is currently a well-capitalised company with a balanced, flexible debt structure and the potential to continue strengthening its balance sheet, making all this compatible with resuming investment activity and distributing adequate, sustainable dividends.

2. INTERNATIONALISATION AS THE KEY TO GROWTH

Internationalisation is a basic lever in ACCIONA's growth strategy, as the greater part of its investments and portfolio growth will come from markets outside of Spain. The company is constantly and responsibly searching for opportunities in international markets to promote expansion, concentrating on those areas where ACCIONA can bring a high differential value to its customers and in which the risks are fully identified and defined. ACCIONA seeks to consolidate its presence and build up its critical mass in markets where it already has a presence, while at the same time analysing new markets for their potential for specific high profit projects or to establish a scalable, long-term presence.

Profound organisational and procedural changes in Infrastructure, particularly in the Construction area, enable the company to be optimistic about the quality of its project portfolio and its capacity to implement it with good results.

In Energy, the increase is exclusively focused on international markets, particularly on those with good market design, critical mass potential, high energy demand and abundant renewable resources. In many of these markets, renewable energy is fully competitive and can provide a fundamental contribution to satisfying increasing energy demand.

ACCIONA's geographic diversification is a competitive advantage, strengthening it and making it more resistant to adverse developments in a given country.

The company expects to expand in 2016 in markets in Mexico, Chile, India, the United States, Southeast Asia, the Middle East and Sub-Saharan Africa. Energy tenders in Chile and Mexico are an important strategic priority for the 2016 financial year.

3. EXHAUSTIVE AND PROACTIVE SELECTION OF OPPORTUNITIES

ACCIONA is focusing on opportunities in which it can bring more added value and make a difference compared to its competition. To this end, it selectively identifies the projects that it chooses through a detailed analysis enabling it to focus on strategic and profitable opportunities with greater chance of success.

Risk identification and management is a fundamental part of the business opportunity selection process, so that growth can not only ensure adequate adjusted profitability but also ensure the long-term sustainability of the activity.

Selection of projects in the Energy Division is clearly geared towards wind and solar photovoltaic technologies, which are the most mature and competitive and have the most potential for large-scale implementation. In the Infrastructure division, focusing clearly on the type of opportunities that are a strategic match enables us to dedicate time and resources to a smaller number of tenders with a higher need for specialisation, and so achieving a higher number of awards.

4. SEARCHING FOR NEW PARTNERSHIPS

Through working together with new partners, the company develops compatible technological and geographical relationships as well as generating synergies, reducing market costs, strengthening R&D&I, reducing its cost base and capital intensity and expanding its customer base and knowledge transfer, all the time pursuing sustained growth.

The strategic alliance with the German manufacturer Nordex, which has acquired ACCIONA Windpower with a combination of stock and cash, will lead to the creation of a worldwide leader in the wind power industry, with the capacity to be one of the five major onshore turbine manufacturers in the world.

5. TALENT MANAGEMENT WITH A DIFFERENCE

Human capital is a priority for ACCIONA. The Company is firmly committed to developing talent, equal opportunities and to being the best company to work for. ACCIONA demands and retains highly specialised personnel with technical, business and management skills that bring high value to the company. The presence of so much talent enables us to distribute tasks efficiently, meet our objectives and be more competitive. This is why we so much effort into attracting and retaining the best talent needed to compete in the global market and meet the strategic objectives that we pursue.

In order to manage its human capital effectively and implement the strategy in each division, the company uses an evaluation process annually. This process enables it to identify the company's talent requirements and to plan ahead accordingly.

In the same way, the variable salary scale of the company is linked to business objectives. The standards applied are defined for each division and related to tangible and intangible aspects: financial and business results and individual objectives, including those related to sustainability.

6. SUSTAINABILITY AS A PREREQUISITE

Sustainability is one of ACCIONA's foundations. Commitment to sustainable development enables the company to minimise the negative and maximise the positive impacts of its activities, as well as mitigate non-financial risks and contribute to better capitalisation on opportunities. In order to do this, ACCIONA maintains a constant dialogue with its stakeholders, with a strong commitment to the long term.

The sustainability strategy of the Company is developed in the Sustainability Master Plan (SMP), a road map incorporating all of ACCIONA's objectives in this area. The Sustainability Committee of the Board of Directors is the entity responsible for the supervision and approval of the objectives in the Master Plan.

ACCIONA completed the implementation of the 2015 SMP during 2015 with a very positive report, and defined its new sustainability strategy with a time horizon of 2020. With ambitious targets for climate change, society, the environment, people, the value chain, corporate governance and innovation, the 2020 SMP seeks to make ACCIONA the most sustainable business in the world in terms of investments, services offered, and of course corporate practice. One commitment in the 2020 SMP is to become a carbon-neutral company in 2016.

Trends creating opportunities for ACCIONA

ACCIONA believes it is necessary to analyse and track the major trends affecting its markets in the future. This approach enables the company to plan its

response in advance and adapt its business model to opportunities in the energy and infrastructure sectors.

Increasing urbanisation and the need for infrastructures	Data supporting the trend	Opportunity for ACCIONA
<p>There will be a sharp increase in the world's population in the coming years, especially in Asia and Africa.</p> <p>Combined with the urbanisation process and the increase of the middle class in emerging markets, this increase will lead to a significant expansion in demand for infrastructure and services.</p> <p>While in developing countries the problem will focus on the lack of infrastructure, developed countries will present opportunities for operation and maintenance activities.</p> <p>As cities in developing countries expand, it is likely that the construction of infrastructures will fail to keep up with the growth rate or the expectations of the populations.</p>	<p>The world population will reach 8.5 billion in 2030, 9.7 billion in 2050 and 11.2 billion in 2100².</p> <p>Average annual population growth rate will be 0.9%³.</p> <p>60% of the population will be urban in 2025. It is estimated that 66% of the world population will live in cities by 2050⁴.</p> <p>\$57 trillion will be needed to respond to the infrastructure gap by 2030. 40-50% of the infrastructure expenses will be in emerging countries⁵.</p>	<ul style="list-style-type: none"> ■ Rapid economic and urban growth leads to an opportunity for development of civil infrastructures and services in those areas where the Company has extensive experience: public transportation, hospital infrastructure, waste treatment, water management, etc. ■ The increase in energy demand will favour the expansion of energy infrastructures, and specifically low carbon technologies.

ACCIONA's response

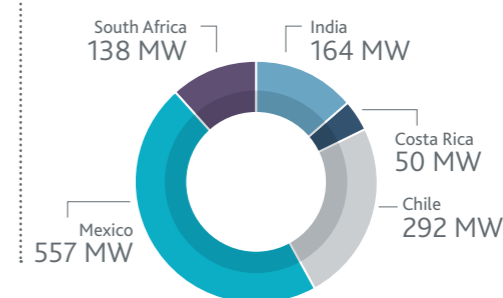
INFRASTRUCTURE

Major urban mobility projects for 2014-2015:

- Follo Line: two railway tunnels (Norway)
- Quito Metro (Ecuador)
- Toowoomba Second Range Crossing PPP Project (Australia)
- Sydney Tramway (Australia)
- Legacy Way Tunnel in Brisbane (Australia)
- Inter-station Tunnels sections 1 and 2, Line 3 Santiago Metro (Chile)
- Mario Covas-Rodoanel Beltway Ring Road (Brazil)

ENERGY

MW installed and under construction in emerging countries in terms of energy



90% of the new installed capacity of ACCIONA Energy from 2014 to 2015 is in emerging countries in terms of energy.

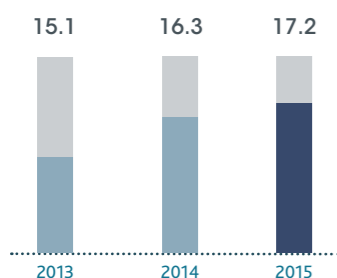
(2) United Nations. 2015. World Population Prospects. The 2015 Revision.
 (3) International Energy Agency. 2014. World Energy Outlook 2015.
 (4) United Nations. 2014. World Urbanization Prospects. The 2014 Revision.
 (5) McKinsey Global Institute. 2013. Infrastructure productivity: How to save \$1 trillion a year.

Climate change	Data supporting the trend	Opportunity for ACCIONA
<p>In terms of impact, the failure to prevent, mitigate and adapt to the effects of climate changes is the most important risk that must be faced.</p> <p>The agreement reached at the COP21 in Paris is a milestone in the global struggle to contain climate change.</p> <p>The 196 countries in attendance defined their road maps (INDCs⁶) to limit temperature increases to an average no greater than 2°C by the end of the century.</p> <p>However, despite best efforts, this objective would not be achieved in the current scenario. Commitments and greater participation by all participants - public, private and civil society - must be strengthened.</p>	<p>It is estimated that an investment of at least \$5.6 billion in renewables until 2030 is required to meet the objectives of COP21⁷.</p> <p>The commitments adopted would lead to a temperature increase of 2.7°C - 3.5°C⁸.</p> <p>Temperature increases greater than 2°C would lead to economic losses between 0.2% - 2% of income worldwide⁹.</p> <p>The United States and the European Union have set emission reduction objectives of 28% (by 2025 based on 2005) and 40% (by 2030 based on 1990)¹⁰ respectively.</p>	<ul style="list-style-type: none"> ■ ACCIONA is a renewable pure player capable of offering a comprehensive solution for an energy model involving decarbonisation of the economy. ■ Wind power and solar photovoltaic technologies, keys to ACCIONA's future strategy, are the most competitive ones and present the greatest growth potential.

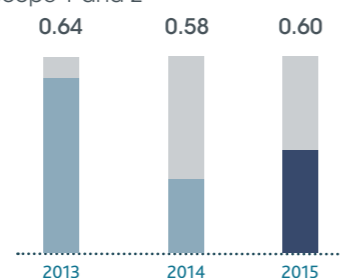
Availability of water resources and increasing global energy demand	Data supporting the trend	Opportunity for ACCIONA
<p>Population growth and the consolidation of the middle class in emerging countries will lead to a major increase in global demand for energy and water.</p> <p>Pressure is constantly growing on the availability of water resources. The development of energy solutions to replace conventional, high water-consuming sources will be absolutely necessary to ensure the availability of water resources while guaranteeing secure electricity supply.</p>	<p>The estimated increase in world energy demand by 2040 is 1/3¹¹. Approximately 90% of all electricity requires water for its production, and an increase of 70% in electricity demand is expected by 2035.</p> <p>World demand for water in terms of extraction will increase by 55% by 2050¹².</p> <p>More than 40% of the world population will be living in areas with severe water problems by 2050¹³.</p> <p>Wind and photovoltaic generation of electricity requires practically no water consumption, while for example in Europe nuclear energy requires 2.7m³/MWh, coal 1.9m³/MWh and gas 0.7m³/MWh¹⁴.</p>	<ul style="list-style-type: none"> ■ The business vision of ACCIONA, combining sustainable management of water resources with generation of electricity based on sources that require no water consumption, places the company in a position with extensive opportunities on a worldwide scale. ■ Thanks to its horizontal integration in the sector and its pioneering innovation activity in various forms of desalination, purification and drinking water-treatment technology, ACCIONA is one of the leading players in the water business.

ACCIONA's response

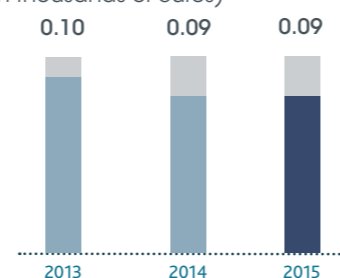
Emissions avoided
(millions of tonnes of CO₂)



Emissions generated
(millions of tonnes of CO₂)
Scope 1 and 2



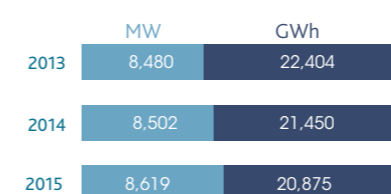
Emissions ratio
(Tonnes CO₂/revenues in thousands of euros)



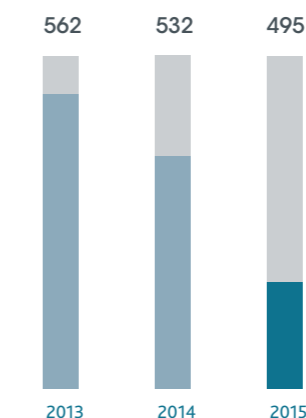
(6) Intended Nationally Determined Contributions
 (7) International Energy Agency. 2015. Energy and Climate Change. World Energy Outlook Special Briefing for COP21.
 (8) KPMG International. 2015. The COP21 Paris Agreement: A clear signal to business.
 (9) Intergovernmental Panel on Climate Change. 2014. Climate Change 2014: Impacts, Adaptation, and Vulnerability.
 (10) International Energy Agency. 2015. Energy and Climate Change. World Energy Outlook Special Report.

ACCIONA's response

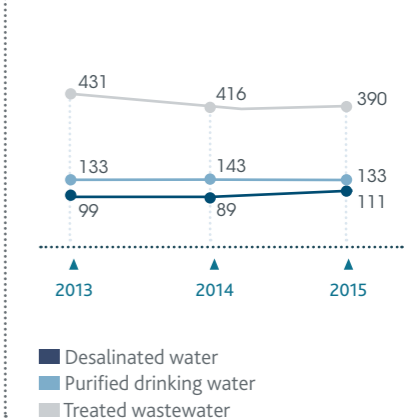
Evolution of installed energy capacity (MW) and total renewable energy production (GWh)



Water footprint: net positive contribution
(hm³)



Evolution of volume of water managed
(hm³)



(11) International Energy Agency. 2015. World Energy Outlook 2015.
 (12) World Economic Forum. 2016. The Global Risks Report 2016. 11th Edition.
 (13) UN - Water. 2014. UN Annual Conference - Water: "Water and Energy".
 (14) EWEA 2014 Saving water with wind energy.

New financing models	Data supporting the trend	Opportunity for ACCIONA
<p>Investment in infrastructure has been affected by the increase in public debt. The financial crisis and the increase in public debt in the last few years has brought about adjustments in the governmental budgets that hamper their capacity to execute infrastructure projects.</p> <p>In a future with greater levels of debt, new financing formulas appear. Joint public and private partnerships (PPPs) will contribute to obtaining higher levels of productivity thanks to the financial capacity of the private sector and higher technical specialisation to optimise costs throughout the entire value chain.</p> <p>An increase in the global interest of pension funds and infrastructure investment is evident¹⁵, along with an increase in green bonds and the use of Clean Development Mechanisms and carbon credits.</p>	<p>Public debt in 2013 was almost double what it was in 2007 in developed countries. If this trend continues, public debt levels will reach 98% of the world GDP by 2035¹⁶.</p> <p>It is estimated that participation by private initiative in infrastructure financing amounts to 20% of global investments, the equivalent of \$180 billion.</p> <p>\$41.8 billion were invested in green bonds in 2015¹⁷.</p>	<ul style="list-style-type: none"> ■ Diversification of sources of financing may enable the company to reduce and optimise its debt structure, minimising its dependence on banks. ■ The creation of favourable environments in countries like Mexico, Colombia and Brazil is a boost to the development of public private partnerships.

ACCIONA's response

Recourse debt (€m 31-Dec-2015)

Bank debt	952
Commercial paper programme	296
Bonds	306
Convertible bond	313
Other (ECAs, Supranational)	536
Total non-bank debt	1,451
Total recourse debt	2,403

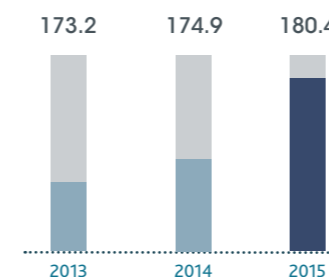
- ACCIONA is strategically diversifying the financing of investment projects, giving priority to local funds in the countries where the company has a presence.
- Over recent years, we have financed projects in collaboration with multilateral entities such as the IFC (World Bank), the IDB; the EIB, CAF and the EBRD; local development banks, such as Banobras, NAFIN, Bancomext, COFIDES and BNDES; and bilateral entities such as the ICO, DEG, Proparco and KfW.
- New financing contract for 2015, using syndicated credit:
 - 1,800 million euros over 5 years.
 - Signed with 19 financial institutions: 10 Spanish and 9 international.

(15) BBVA Research. 2015. *Investment in infrastructure in Latin America: Pension funds, capital markets and funding arrangements.*
 (16) KPMG International. 2014. *Future State 2030: The global megatrends shaping governments.*
 (17) Climate Bonds Initiative. 2016. *2015 Green Bond Market Roundup.*

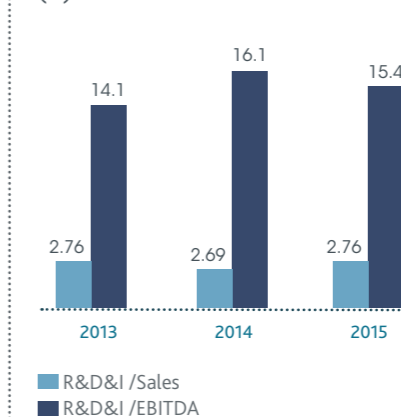
The Fourth Industrial Revolution	Data supporting the trend	Opportunity for ACCIONA
<p>Innovation and technology are already the ultimate expression of our society. The digital revolution is transforming society, the economy and ways of doing business. The so-called "fourth industrial revolution" is creating a new form of technological interaction with societies.</p> <p>Given the complexity of this new scenario and its emerging nature, many aspects of this new revolution are seen as of yet unknown, and in some cases as a threat.</p> <p>The speed at which consumption and production patterns and new forms of work evolve raises challenges requiring a critical response.</p>	<p>It is estimated that the world GDP is increasing annually by between \$250 and \$450 billion when data flow freely¹⁸.</p> <p>The Internet of Things may have an economic impact of up to \$6.6 billion by 2025¹⁹.</p> <p>Five million jobs will disappear in the fifteen major economies in the world in the next five years. This will affect 48% of women and 52% of men²⁰.</p> <p>40% of the skills that will be in demand among workers are not part of the basic skill sets required today¹⁹.</p>	<p>This offers a clear opportunity to improve competitiveness and create new business models, especially:</p> <ul style="list-style-type: none"> ■ The transformation of processes, products and services that respond to new market requirements. ■ New comprehensive tools for integral management of the company and its projects that will lead to time and cost reductions. ■ The development of secure, reliable and durable systems will lead to new critical infrastructure management models. ■ Massive data capture and subsequent analysis will enable early discernment of infrastructure needs.

ACCIONA's response

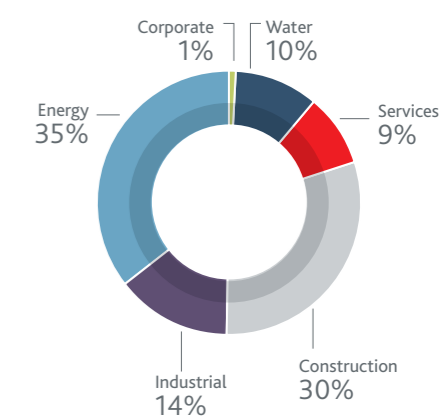
Total certified figure for innovation (million euros)



Evolution of innovation intensity (%)



2015 innovation figure by business line



(18) McKinsey Global Institute. 2014. *Global flows in a digital age: How trade, finance, people, and data connect the world economy.*
 (19) McKinsey Global Institute. 2013. *Disruptive technologies: Advances that will transform life, business, and the global economy.*
 (20) World Economic Forum. 2016. *The Future of Jobs: Employment, Skills and Workforce Strategy for the Fourth Industrial Revolution.*