

# OTHER BUSINESSES

## ACCIONA Inmobiliaria

Development, Property Management and Rentals

ACCIONA Inmobiliaria has more than 20 years' experience in the development and management of real estate projects. It distributes its activity across two business areas: development and promotion of property for sale, with assets in Spain, Poland, Mexico and Brazil; and development, promotion and management

of rental property – an activity carried out by the Company's new subsidiary, ACCIONA Real Estate–, which includes the rental of homes, offices, shopping centres and university apartments.

In 2015 ACCIONA Inmobiliaria has invoiced 51.4 million euros, of which 34% corresponds to the development activity and 66% to activity relating to rental properties. The drop in invoicing with regard to the previous year is due to a lower number of homes delivered throughout the year.

### ACCIONA Inmobiliaria in 2015

€51.4M  
REVENUE  
2014  
€94 M

€6M  
EBITDA  
2014  
€3 M

111  
EMPLOYEES  
2014  
119

€1,271M  
VALUE OF ASSETS  
2014  
€1,529 M

316  
HOUSING STOCK  
2014  
685

71  
DELIVERED HOMES  
2014  
141

1,382  
RENTAL HOMES  
2014  
1,014

122,495 M<sup>2</sup>  
OF TERTIARY ASSETS IN OPERATION  
2014  
119,100 M<sup>2</sup>

 For more information, visit the ACCIONA Inmobiliaria website [<http://www.accionainmobiliaria.es/>].

## ACCIONA Inmobiliaria has a strategy for the future...

ACCIONA Inmobiliaria has a framework of policies that regulates the Group's operations. With the aim of carrying out appropriate control and monitoring of the risks affecting the business, the map of risks is periodically analysed, and market trends are monitored, defining any mitigation actions and appropriate corrective measures.

In Spain, following some years of lower activity as a result of the real estate

crisis, the market is starting to show signs of improvement. The financial outlook favours an increase of trust in the country, attracting the interest of the international capital and contributing to housing demand. This demand has been boosted by the growth of the GDP and optimal credit conditions, with a high offer and low interest rates. Furthermore, a significant boost to investment activity is expected to take place, based on the improvement of macroeconomic prospects. This new

environment positively influences the activity of ACCIONA Inmobiliaria.

During 2015, the purchases of homes went up by 11.2% to more than 354,000 units, according to the data of the Registrars Association, and the prices grew by 6.65%. As regards direct investment in real estate assets, a total of 12,800 million euros was exceeded, up 30% from the previous year.

### Growth objectives of ACCIONA Inmobiliaria

#### SHORT TERM

- Organic growth through the development of new projects that involve doubling the portfolio of rental homes.
- Analysis of alternatives for growth through the incorporation of a partner or through the listing of the Company.

With a view to making progress in complying with its long-term objectives, in 2015 ACCIONA Inmobiliaria segregated

#### MEDIUM TERM

- Non-organic growth by means of the incorporation of new assets, mainly rental homes, via purchase or contribution of potential partners.
- Incorporate rental assets in Poland and Mexico.

the rental business in ACCIONA Real Estate, with rental assets valued at 628 million euros.

#### LONG TERM

- Become the leading Group in rental homes in Spain, and establish a benchmark platform for the affordable and efficient rental homes market, developing best practices and maintaining sustainability standards at all times.

## ... and competitive advantages that make it stand out

Present across the value chain, ACCIONA Inmobiliaria includes the whole process from the management of the land to its subsequent development and the sale of the final product –homes and commercial assets both for sale and for rent–. This last segment offers the Company recurring income and a lower risk profile compared to the cyclical nature of the real estate sector.

Another competitive advantage of ACCIONA Inmobiliaria is its size, which allows it to obtain a high degree of efficiency in the management, contributing to the diversification of the inherent risks of tenants' non-payment.

Furthermore, the underlying assets of the activity, particularly the homes, have a certain degree of liquidity which, even in the lowest moments of the cycle, find demand in the market.

The Company includes in all of its promotions criteria of sustainability and commitment to the development of projects that contribute to the conservation of the environment, and which imply a reduction in costs for their owners. In all of its real estate projects, ACCIONA Inmobiliaria applies the necessary innovations to foster energy savings, the reduction of CO<sub>2</sub> emissions,

rational water consumption and clean construction. ACCIONA Inmobiliaria has committed to certifying all of its new residential developments for rent with the internationally recognised BREEAM seal for sustainable construction.

Likewise, the Company has professionals with significant experience in the domestic and international markets to make the most of opportunities, and with a renewed managerial team in 2014.

# Bestinver

In 2015 the Company increased the objective value of its portfolios

Bestinver maintains its commitment to obtaining the maximum value in the long term. The in-depth knowledge of the businesses of each of the companies in its portfolio has been strengthened in 2015.

Thus, despite the year having been complex and demanding, thanks to the management of the investment team, Bestinver has created a portfolio that will make it possible to continue generating returns in the future.

The managed funds have shown a positive trend: Bestinver and Bestinver Internacional have achieved returns of 12.49% and 12.98% respectively, exceeding MSCI Europe with dividends, which has achieved returns of 8.22%.

The year 2015 has not only allowed Bestinver to improve profit levels, but also to increase the objective value of the portfolios, which involves a greater potential for revaluation for participants in the long term.



*For more information, visit the Bestinver website [http://www.bestinver.com/].*

## Bestinver has a strategy for the future...

Faithful to the Value Investing philosophy, Bestinver invests in transparent and well-managed businesses, with a low market price but with a significant revaluation

potential in the long-term. The selection of the companies is based on the following criteria, which make it possible to establish their real value:

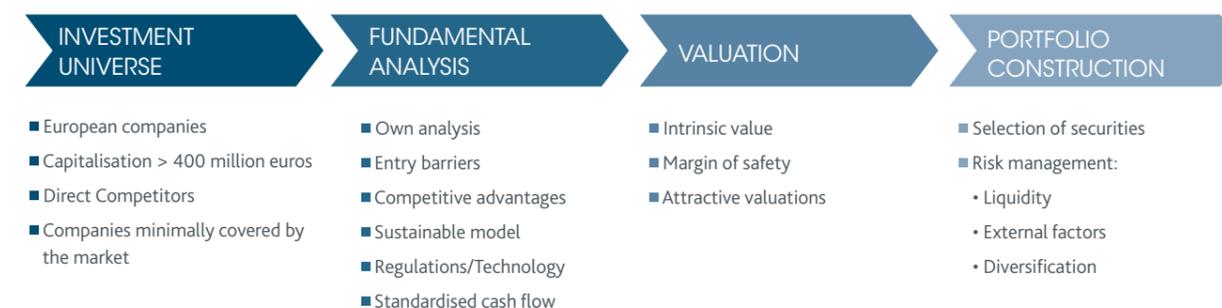
Good Business	Good Management	Good Price
Bestinver invests in companies characterised by being simple businesses, which produce sought-after goods and services and have strong competitive advantages. The good health of the balance sheets is also essential. It seeks minimally leveraged companies with good margins, low debt and high returns on the capital employed.	The managerial teams of the companies selected by Bestinver have extensive experience in long-term management, where common sense and alignment with shareholder interests prevail when assigning the resources and the cash flow generated.	Bestinver uses a valuation model developed internally. The aim is for the purchase price of the company not to ever exceed 70% of the value assigned to it by Bestinver. This affords a wide margin of security in the investment. The difference between the value and the price will be provided by criteria that minimise the risk and make it possible to obtain long term returns.

Bestinver faces 2016 with its continuing, unwavering commitment to seeking the best possible return for its investors.

## ... and competitive advantages that make it stand out

The Company carries out a strict investment selection process and puts all of its capacity and efforts into obtaining attractive returns in the long term, avoiding short-term and speculative operations, and committing to variable income as the best instrument to achieve these returns.

### Investment Process



## Trasmediterranea

The leading Spanish shipping line seeking sustainable profitability

Trasmediterranea is Spain's leading shipping line in the maritime transport of cargo and passengers, and one of the largest companies of its kind in Europe. It offers national connections from mainland Spain to the Balearic Islands, the Canary Islands, Ceuta and Melilla, and international connections to North Africa (Tangiers, Ghazaouet, Nador and Oran). It also offers handling services to cruises in the main ports of the Mediterranean.

The Company operates a total of 17 maritime routes and has at its disposal a

total of 21 vessels, of which 14 are owned and 7 are chartered. It also owns maritime terminals for passengers and cargo, consignment agencies and a logistics and land distribution service that covers the entire value chain, offering a differential service to satisfy the needs of its customers.

In 2015 Trasmediterranea improved its EBITDA by 37.6% to 41 million euros. The growth has been boosted by the improvements in efficiency, the increase in the volumes of cargo, passengers and vehicles, and the reduction in fuel and staff

costs. The net debt volume reached 33 million euros, which represents a 60% drop compared to 2014.

The restructuring plan implemented in 2014, which has continued throughout 2015, has been a key factor in the improvement of business results. Trasmediterranea has become a more competitive company, driven by the processes of management efficiency improvement and the search for sustainable profitability.

## Trasmediterranea has a strategy for the future...

The activity of Trasmediterranea will be favoured by the increase in demand for maritime transport, both of passengers and of goods, that will take place in the coming years as a result of a more favourable financial situation. The increase in traffic will be mainly linked to a greater tourist activity and to a greater internal consumption in the areas of influence, especially in the traffic between the mainland and the Islands.

Trasmediterranea aims to consolidate itself as the leading regular passenger and cargo maritime transport company in the markets where it operates, and to become a benchmark in the sustainable management of maritime assets, acting in a responsible manner towards the environment with which it interacts, anticipating any trends that affect it and seeking continuous improvement.

The Company's strategy in the medium and long term focuses on four lines of action:

- Profitable growth and the improvement of customer satisfaction.
- The efficiency of the assets and processes.
- Innovation.
- The orientation of the entire Organisation towards customer service.

### Trasmediterranea in 2015

<p><b>€424M</b> REVENUE</p> <p><b>2014</b> €417 M</p>	<p><b>€41M</b> EBITDA</p> <p><b>2014</b> €30 M</p>	<p><b>€10M</b> COST SAVINGS</p> <p><b>2014</b> €13 M</p>	<p><b>1,393</b> EMPLOYEES</p> <p><b>2014</b> 1,400</p>
<p><b>1,112,423</b> MILES NAVIGATED</p> <p><b>2014</b> 1,075,631</p>	<p><b>2,451,323</b> PASSENGERS</p> <p><b>2014</b> 2,363,924</p>	<p><b>544,999</b> VEHICLES TRANSPORTED</p> <p><b>2014</b> 542,597</p>	<p><b>5,651,087</b> CARGO HANDLED (LANE METRES)</p> <p><b>2014</b> 5,466,305</p>

## ... and competitive advantages that make it stand out

Trasmediterranea is a benchmark company in the sector, with a quality guarantee and presence across the entire value chain. The Company shows full commitment to environmental sustainability and to society. Energy efficiency is one of its main research areas. Over the last eight years, the business has developed technical and operational improvements geared to reducing the energy consumption of its ships.

With the aim of reducing its carbon footprint and avoiding nitrogen oxide and sulphur emissions into the atmosphere, the Company is applying measures to adapt the engines of its fleet for natural gas consumption. Furthermore, it has taken action to improve consumption based on the application of silane coatings, which optimise operation speeds in each of the routes as a result of the vessels dragging less in the water.

# Hijos de Antonio Barceló

130 years selling quality wines

Hijos de Antonio Barceló (HAB) is one of Spain's 20 leading wine producers, with an accumulated experience of more than 130 years. The Company's activity focuses on the creation, ageing, bottling and selling of quality wines. The Company's turnover from international sales represents 40% of the total sales.

During 2015, the results have continued in line with those of the previous year. The Company has continued investing in strengthening the image of its brands and

has renovated the facilities of Bodegas Palacio and their surroundings.

In terms of operative efficiency, during the year the Company has reviewed the internal procedures to optimise the generation of obsolete products and the bottling ratios. The outsourcing of logistics activities has allowed HAB to variabilise costs and improve the level of customer services.

## Hijos de Antonio Barceló in 2015



## Hijos de Antonio Barceló has a strategy for the future...

The increase in demand of quality wines favours the activity of Hijos de Antonio Barceló. In 2015, there was a significant growth in the consumption of the main brands of HAB compared to the rest of the wines with D.O. – this has grown by 13%, whereas the consumption of wines with D.O. increased by 2.8%–.

HAB is committed to achieving recognition as a leading company for the quality of its wines. To reach this goal, it aims to

develop its premium brands and promote their presence in international markets, thus guaranteeing the sustainability of the business and the improvement of returns for the shareholder.

Hijos de Antonio Barceló has defined a set of initiatives that aim to increase turnover and EBITDA by 20% and 40% respectively in the next five years. These measures include, among others:

- Commercial strategy focused on the growth of selective distribution.
- Investment in communications.
- Digital transformation and strengthening of online sales and promotion.
- Improvement of the efficiency and optimisation of processes.
- Increase of vertical integration with greater control over the vineyards.

## ... and competitive advantages that make it stand out

Hijos de Antonio Barceló is characterised by a vertical and horizontal integration, with presence across the entire wine-producing value chain. The investments in new technologies and innovation in the processes for the creation, ageing and bottling provide the products with a differential value that translates into a wine with a higher quality for end consumers.

As an ACCIONA brand in the wine producing sector, sustainability and responsible business management also

constitute a cornerstone of the activity of Hijos de Antonio Barceló. Aspects such as caring for the soil and protecting the vineyards, putting emphasis on the responsible use of the resources required for production, are essential to guarantee an end product with a higher level of quality.

In 2015, Hijos de Antonio Barceló, as a member of the Executive Committee of the Spanish Wine Federation, and together with a reduced group of bodegas, has led the development of the Wineries

for Climate Protection project in Spain, a certification geared towards the continuous improvement in the reduction of greenhouse gas emissions, the use of renewable energies, energy efficiency, waste reduction and water management. The Company also has certifications for quality management (ISO9001), environmental policies (ISO 14001) and food safety (ISO 22000).