



Results
presentation
First half
2017

July 2017

A large, three-dimensional wall-mounted logo for elecnor. The letters are white and have a slight shadow, giving them a 3D appearance. The logo is mounted on a light-colored wall. The word "elecnor" is written in a lowercase, sans-serif font. The letters are spaced out, with a vertical bar between the two 'e's. The background of the slide is a photograph of this wall-mounted logo, with a blue and orange diagonal graphic overlay on the left side.

Consolidated net profit:

EUR 34.0 million (+ 4.5%)

EBITDA:

EUR 124.7 million (+ 21.9%)

Normalised EBITDA ⁽¹⁾:

EUR 151.4 million (+ 21.6%)

Excluding the impact of the application of IFRIC 12 on concessions in Brazil

Sales:

EUR 1,058.1 million (+ 18.3%)

Domestic market: +1.1%

International market: +33.3%

Order book at end of period:

EUR 2,356 million

Internationalisation:

International market as a proportion of total sales: 60%

International market as a proportion of total backlog: 81%

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Key
performance
indicators



CONSOLIDATED NET PROFIT UP 4.5% TO EUR 34 MILLION

The Elecnor Group **obtained** a consolidated net profit of EUR 34 million **in the first half of 2017**, an **increase of 4.5%** year-on-year. This increase was driven mainly by the Group's Infrastructure business, whose performance was underpinned by:

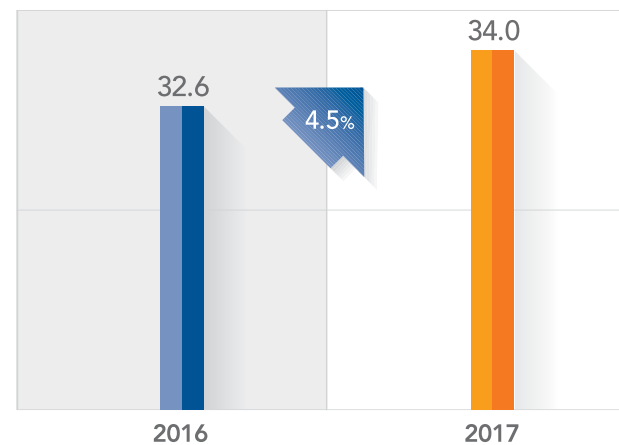
- The strong performance of transmission project construction in Brazil and the year-on-year appreciation of the Brazilian real
- The impact of the start of the construction of a solar PV plant in **Chile**
- The greater contribution of the Group's hydroelectric projects in **Angola**
- The rise in profit in countries which the Group entered relatively recently, with the US subsidiary **Hawkeye performing well, for example**

- The sale of the Barcaldine solar PV plant in Australia in line with the Infrastructure business's BOT (Build-Operate-Transfer) strategy
- The strong performance of results in the **domestic infrastructure** market

Particularly noteworthy within the ordinary activity of the Concessions business is the sale of the development of a wind farm in Bulgana in Australia.

NET PROFIT - 1H

Figures in millions of euros

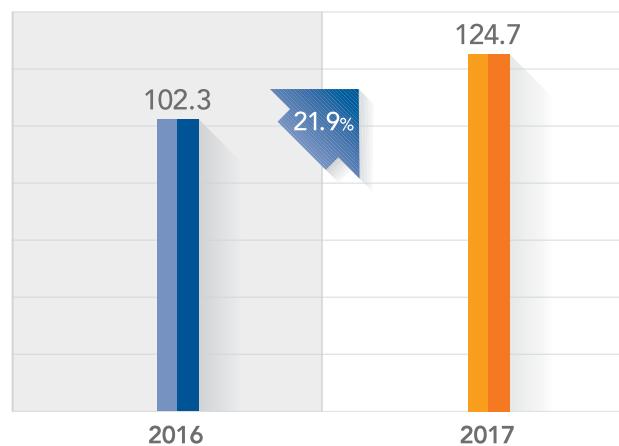


NORMALISED EBITDA GREW BY 21.6% TO EUR 151.4 MILLION

In terms of **normalised EBITDA**, calculated based on consolidated EBITDA and stripping out the impact of the application of IFRIC 12 relating to Service Concession Arrangements to the transmission lines operated by the Group in Brazil, Elecnor posted a figure of **EUR 151.4 million**, up **21.6%** compared with normalised EBITDA in 2016. Based on this interpretation, only income associated with the maintenance services and operation of these transmission lines is recognised as operating income, so to reflect a more analysable figure this EBITDA has been eliminated from the accounts.

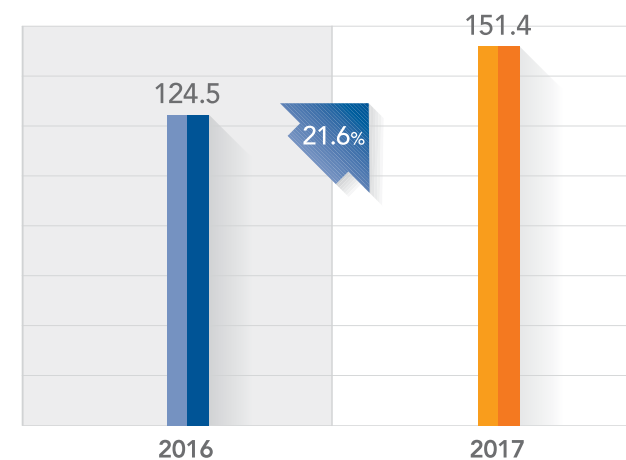
EBITDA - 1H

Figures in millions of euros



NORMALISED EBITDA¹ - 1H

Figures in millions of euros



(1) Excluding the impact of the application of IFRIC 12 on concessions in Brazil

SALES INCREASED BY 18.3%, WITH INTERNATIONAL SALES RISING BY 33%

The Elecnor Group reported sales of **EUR 1,058.1 million** in the first half of 2017, compared with EUR 894 million in the same period last year, marking an **increase of 18.3%**. Among the factors behind this growth was the strong showing of the Infrastructure business in the international market:

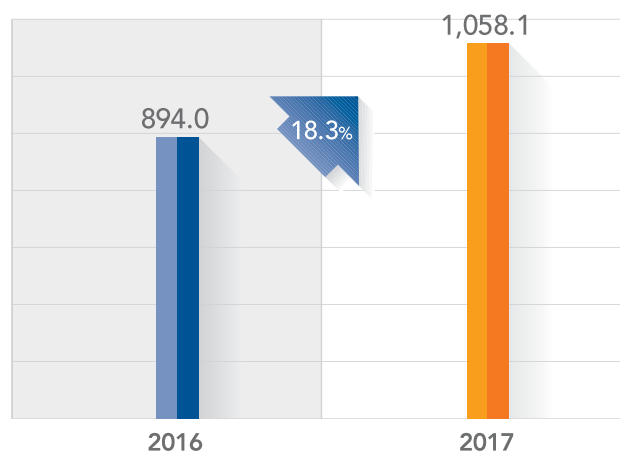
- The development of the Cantareira transmission line in **Brazil** benefitted from the upturn in the average exchange rate of the Brazilian real compared with the same period in 2016
- The construction of two solar PV plants in **Chile** and **Bolivia**
- The combined cycle plant which the Elecnor Group is building for the Comisión Federal de Electricidad in **Mexico**
- The power generation and transmission projects which the Group is undertaking in **Angola**
- The expansion of the wind farm which Elecnor is building for the **Jordanian Energy Ministry**

All in addition to the strong performance of the Group's infrastructure business in the domestic market over the past few years.

By geographical area, the international market accounted for **60%** of total revenue and the domestic

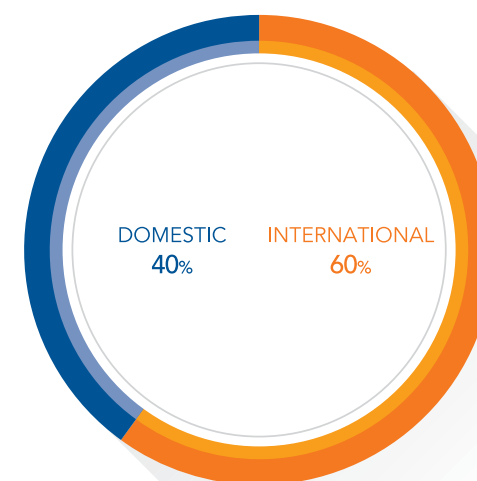
SALES - 1H

Figures in millions of euros



market the remaining **40%**. These figures underscore the Elecnor Group's focus on international markets, where it grew by 33% in the first half, as a driver of growth over the coming years. The Group will seek to achieve this whilst maintaining its leading position in the domestic arena.

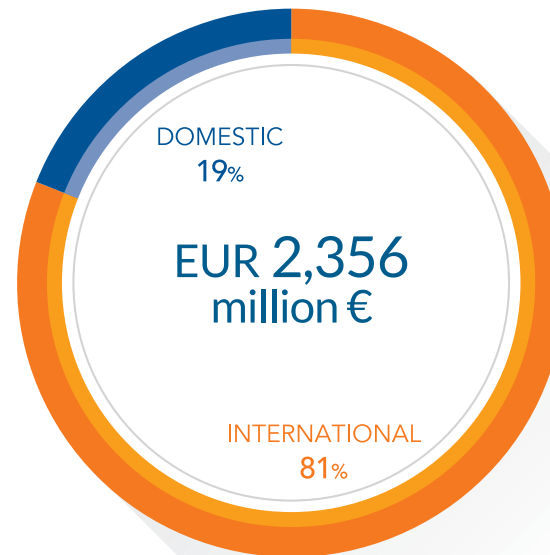
SALES BY MARKET - 1H



THE ORDER BACKLOG STOOD AT EUR 2,356 MILLION, WITH INTERNATIONAL ORDERS ACCOUNTING FOR 81%

At 30 June, the order backlog stood at **EUR 2,356 million**. By markets, international orders accounted for **EUR 1,911 million (81% of the total)** of this amount, while domestic orders totalled **EUR 445 million**, 19% of the total.

ORDER BACKLOG - 1H





Main
corporate
transactions in
the first half





Elecnor renews and increases its commercial paper programme on MARF up to EUR 250 million

Elecnor continues to pursue a strategy aimed at diversifying its sources of short- and medium-term funding that go beyond traditional bank funding by renewing the commercial paper programme on the Alternative Fixed Income Market (MARF) for another year, thus enabling the Group to secure funding for terms of up to 24 months and optimise working capital funding costs. The maximum limit on outstanding issues at any time is EUR 250 million.

Elecnor sells the Barcaldine solar PV farm in Australia

Having completed the promotion, development, construction and start-up phases of the facility at the end of 2016, Elecnor completed the sale of the 25 MW solar PV farm located in Barcaldine in the state of Queensland. This solar plant, which was built within the planned timeframe, is located on a 90 hectare site. The plant's 79,000 photovoltaic panels generate an estimated annual production of 56,000 MWh, sufficient to meet the consumption requirements of around 5,300 households. The sale was concluded for AUD 33.4 million.

The buyer is an Australian investment firm managed by the UK company Foresight. Financing was provided by KDB Infrastructure Investments Asset Management Co. Ltd and Hanwha Energy.

This transaction is in keeping with Elecnor's strategy for securing returns on its infrastructure promotion, development and construction projects.

Elecnor issues project bonds in Chile worth USD 594 million

Elecnor, through its local subsidiary Celeo Redes Operación Chile, has agreed a USD 594 million, 30-year project bond issue with two tranches for its transmission lines in Chile.

1. A USD 379 million international tranche with an annual interest rate of 5.2%, issued and placed in accordance with the regulations of the United States of America and listed on the Irish stock exchange
2. A local tranche in Unidades de Fomento (UF) worth UF 5,410,500 million (approximately USD 214 million) with an annual interest rate of approximately 3%

The funds raised from this placement are project-guaranteed and will be used to refinance (early cancellation of existing financing and new financing) transmission line projects in Chile, while the remainder will be used for other corporate actions undertaken by the issuer or its shareholders.



Key projects
won in the
first half



The largest solar PV plant in Australia

Elecnor secured the turnkey (EPC) contract to build the first phase of the Bungala Solar project, Bungala One: a 137 MWp solar PV plant at a cost of AUD 189 million.

Bungala Solar, situated north of Port Augusta in the state of South Australia, is the biggest PV project developed to date in Australia and will be the largest built by Elecnor using this power generation technology. The complex will have a power capacity of 374 MWp and will be rolled out in three phases. The first two, Bungala One and Bungala Two, will each have installed power of 137 MWp. The remaining 100 MWp are under development.

Elecnor will build the Bungala One plant for the investment consortium comprising Enel Green Power and Dutch Infrastructure.

Solar PV plant in Chile

Elecnor secured the USD 117.2 million contract to build a solar PV plant in Chile. This facility, with installed power of 115 MWp, will be in the municipality of Til Til, north of Santiago, in the Metropolitan Region. The contract for the Til Til project encompasses the engineering, supply, assembly and start-up of the plant and the high-voltage evacuation infrastructure via a GIS substation connected with a high-voltage line.

A new wind farm in the Dominican Republic

Elecnor secured the USD 89.1 million turnkey contract for the Larimar II wind farm in the Dominican Republic. The customer is the Empresa Generadora de Electricidad Haina (EGE Haina) company and the technology partner for the contract is the Danish firm Vestas.

The facility, situated in the municipality of Enriquillo in Barahona province, will have a power capacity of 48.3 MW delivered by 14 wind turbines, each with a nominal capacity of 3.45 MW. Elecnor will be responsible for the engineering, supply, construction and start-up of the new wind farm, which is slated to come on stream in November 2018.



Power interconnection projects in Africa

Working in a consortium, Elecnor will build 11 225/30 kV substations in Gambia, Guinea, Guinea Bissau and Senegal for Organisation de Mise en Valeur du Fleuve de Gambie (OMVG), a company created by the four countries and entrusted with developing and monitoring the project.

The 4 lots awarded are financed by various multilateral bodies including the World Bank (WB), the Islamic Development Bank (IDB), the West African Development Bank (WADB) and the European Investment Bank (EIB). It is a project worth EUR 80 million.



Two biomass plants in Portugal

Elecnor secured the construction contracts for two biomass plants in Portugal, each with a power capacity of 15 MW and which will be powered by forest fuels. The combined value of the two projects is EUR 78 million.

Situated in Viseu and Fundao, the company will be responsible for the design, engineering, supply of equipment, construction, installation and start-up of both plants, the evacuation line for the Fundao facility and the associated substation for the Viseu plant.

When complete, the plants will save 88,400 tonnes of CO₂ emissions annually.

Five substations in Brazil

Elecnor will carry out the EPC contract for five new substations in Brazil for Equatorial Energia, one of the major players in the country's power transmission market.

These substations are part of the two lots obtained in the public auction held at the end of 2016. One involves the upgrade of two 500 kV substations, the two line points, the Barreiras II SS and the Rio Das Éguas SS. Both are in the state of Bahia, one in the municipality of Barreiras and the other in Correntina. The second lot, in the north of the country in the state of Pará and around the metropolitan region of Belem (capital), comprises the Vila Do Conde, Castanhal and Marituba SS.

The two lots are worth EUR 53 million.

Power interconnection in Liberia

The contract obtained comprises lots of 225 kV lines for the power interconnection project linking Ivory Coast, Liberia, Sierra Leone and Guinea for Transco CLSG, a company created by the 4 countries and entrusted with the development and monitoring of the project.

The lot awarded to Elecnor's consortium is financed by the World Bank, amounts to EUR 58 million and consists of 230 km of 225 kV line between Yekepa and Buchanan in Liberia.



Other key
projects
completed in
the first half or
in progress



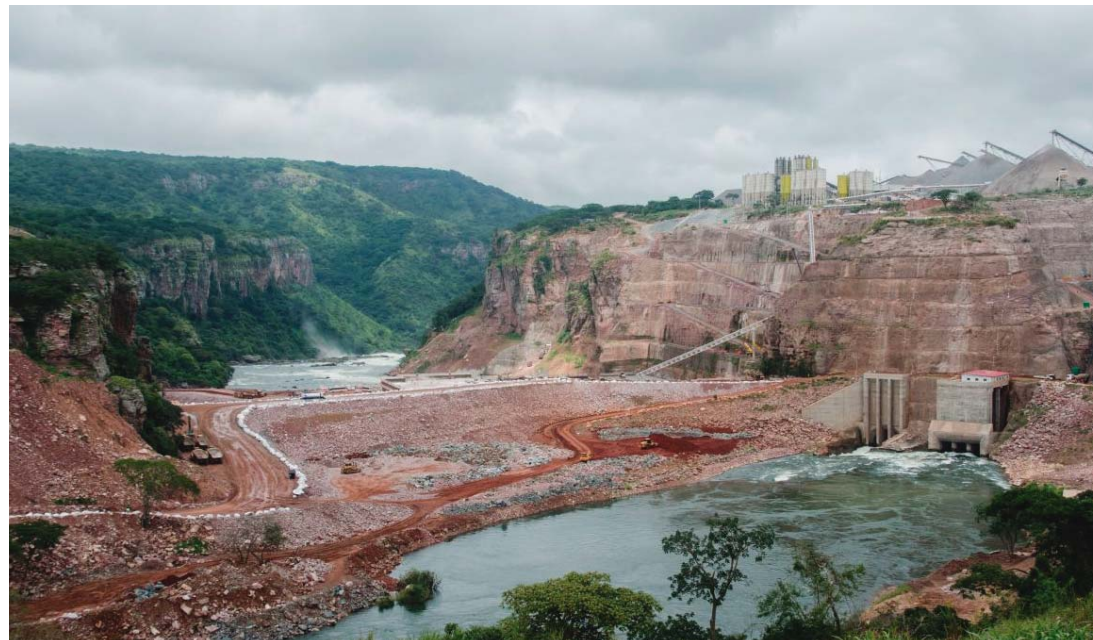


The 86 MW Al Rajef wind farm in Jordan

Located in the Maan region in southern Jordan, the Al Rajef wind farm is a turnkey project for Green Watts Renewable Energy, a subsidiary of Alcazar Energy, which develops renewable energy generation projects across the Middle East. Elecnor is responsible for the entire engineering of the project, construction of the wind farm, the medium-voltage power and communications network and the complete substation, including its start-up. It is a EUR 131 million project carried out in partnership with Gamesa.

Two contracts at the Bellara steel works in Algeria

A consortium including Elecnor is carrying out the Balance of Plant (BOP) works at the steel complex developed by the Algerian Qatari Steel corporation in the Bellara industrial area in north-eastern Algeria. It is also carrying out a second contract in the same steelworks through its subsidiary Hidroambiente involving the development of a water treatment plant. These contracts are worth USD 150 million and USD 4 million respectively.



Laúca hydroelectric plant in Angola

Elecnor is coordinating and carrying out the electro-mechanical assembly work for the 2,073 MW Laúca hydroelectric power plant. This will be the country's largest production plant when it comes on stream. Situated in the Commune of San Pedro de Kilemba in Cambambe, Kwanza Norte province, it is a EUR 144 million project with six 334 MW turbines and one 67 MW turbine. The project is slated for completion in October 2018.



Provision of the customer loop service contract for Telefónica in Spain

In telecommunications, Elecnor continues to work on this contract for Telefónica, performing civil works including excavation, demolition, construction and maintenance of the support infrastructure for Telefónica's cable network; line and cable works, including work on Telefónica's cable networks, with a particular focus on the new FTTH network being built by the operator; and customer service activities, including installation, maintenance and technical support for the various services requested by customers from Telefónica. This is a three-year contract.

A new power concession in Chile

Through its subsidiary Celeo Redes, Elecnor is developing the Nueva Diego de Almagro transmission system in Chile. The project involves the construction, operation and maintenance of the installation, with a projected investment of USD 90 million that will be funded through an equity contribution and non-current debt. The project involves the construction of a new substation (Nueva Diego de Almagro) in the province of Chañaral (Atacama region), a 40 km 220 kV double circuit line to connect the new substation with the Cumbres substation and the installation of an autotransformer bench at the Cumbres substation.

Two solar PV plants in Bolivia

Elecnor, in partnership with the Bolivian company Emias, is working on the EUR 65.4 million contract to build two solar PV plants in southern Bolivia. This is the largest supply and construction contract for a solar PV project awarded in Bolivia to date while the planned plants are also the country's number one clean energy initiative. The Uyuni plant in the Department of Potosí will have installed power of 60 MW and occupy a 200-hectare site. The Yunchará facility, in the Department of Tarija, will have installed power of 5 MW and cover 15 hectares.



Completion and start-up of the San Juan wind farm in Chile

Located in Freirina, Atacama Region, the San Juan de Chañaral de Aceituno wind farm, developed by LAP, has begun successfully operating after work on the facility was completed at the start of the year.

With an installed capacity of 184.8 MW, this is the largest such facility in Chile and possibly in Latin America if considered as a stand-alone project that does not form part of a wind complex.

Elecnor was responsible for the full execution of the Balance of Plant (BOP), the engineering work, supply and construction of the plant's transmission network (85 kilometres of high voltage line), the San Juan electricity substation and the connection to the substation (Punta Colorada) where the network joins the Chilean backbone network. The scope of the BOP included the road network, the foundations of the 56 turbines, the medium voltage collection grid, the control building and a flora and fauna observation point.

The Empalme II combined cycle plant in Mexico

Elecnor, in partnership with Duro Felguera, is building the Empalme II combined cycle plant in the state of Sonora for Mexico's Comisión Federal de Electricidad (CFE). The project involves the design, engineering, construction, testing and start-up of the plant, which will have an approximate capacity of 790 MW and use gas as a fuel. It will have two gas turbines, two heat recovery boilers with three pressure levels and a steam turbine. The open cooling system will employ seawater. The plant will be connected to a 400 kV substation. The project is worth a total of USD 397 million.



About Elecnor

Elecnor is a global company present in 51 countries with two core businesses

Infrastructure: execution of engineering, construction and services projects, with a particular focus on the electricity, power generation, telecommunications and systems, installations, gas, construction, maintenance, environment and water, railway and space industries.

Concessions: operation of services through investment in power transmission systems and wind and solar thermal energy.

