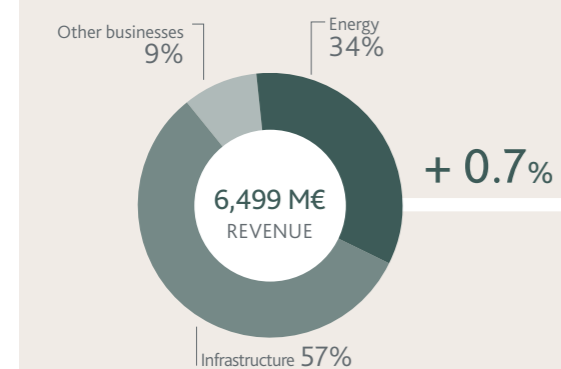


2016 MILESTONES

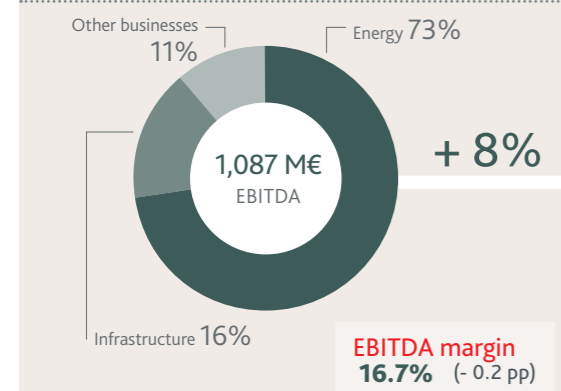
Consolidation of results

2014

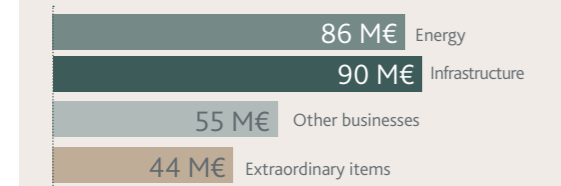
Successful execution of the Action Plan 2013-2014



Note: Includes consolidation adjustments amounting to -120 M€.



233 M€ ORDINARY EBT + 41.5%

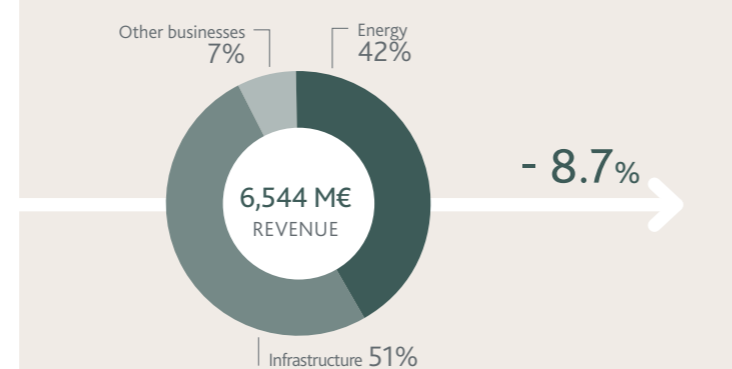


277 M€ TOTAL EBT + 15%

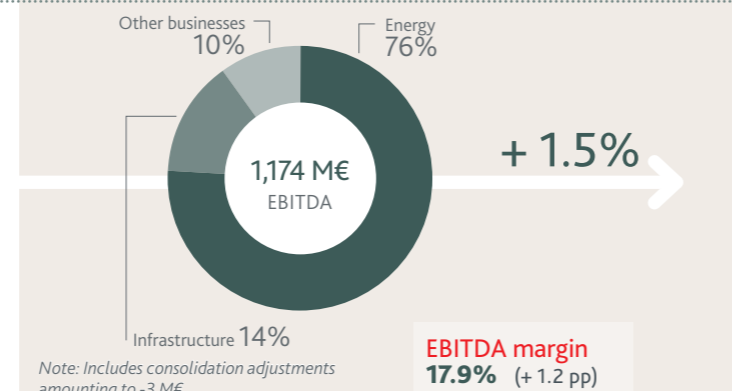
185 M€ ATTRIBUTABLE NET PROFIT + 12.1%

2015

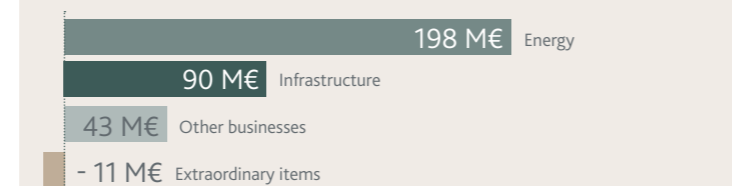
Solid foundations for sustained growth



Note: Includes consolidation adjustments amounting to -95 M€.



330 M€ ORDINARY EBT - 5.3%

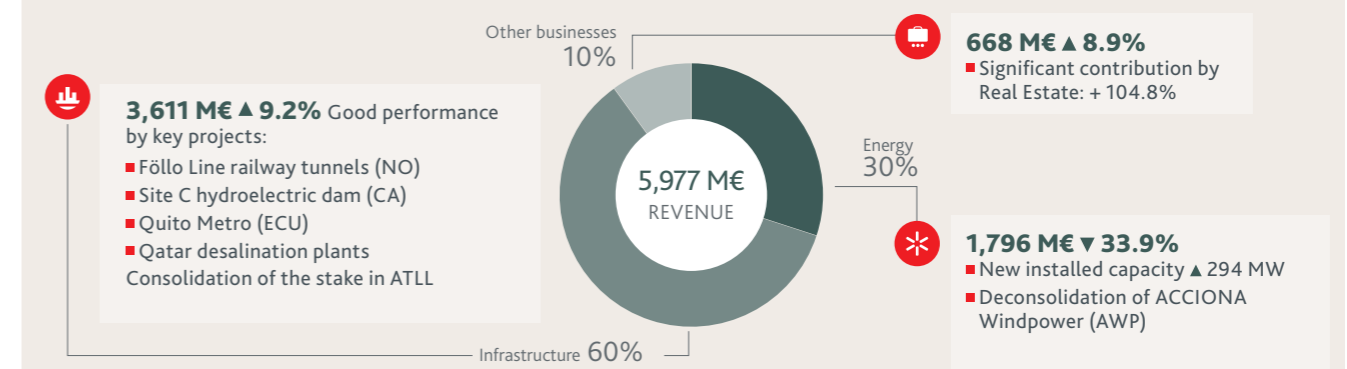


319 M€ TOTAL EBT + 28%

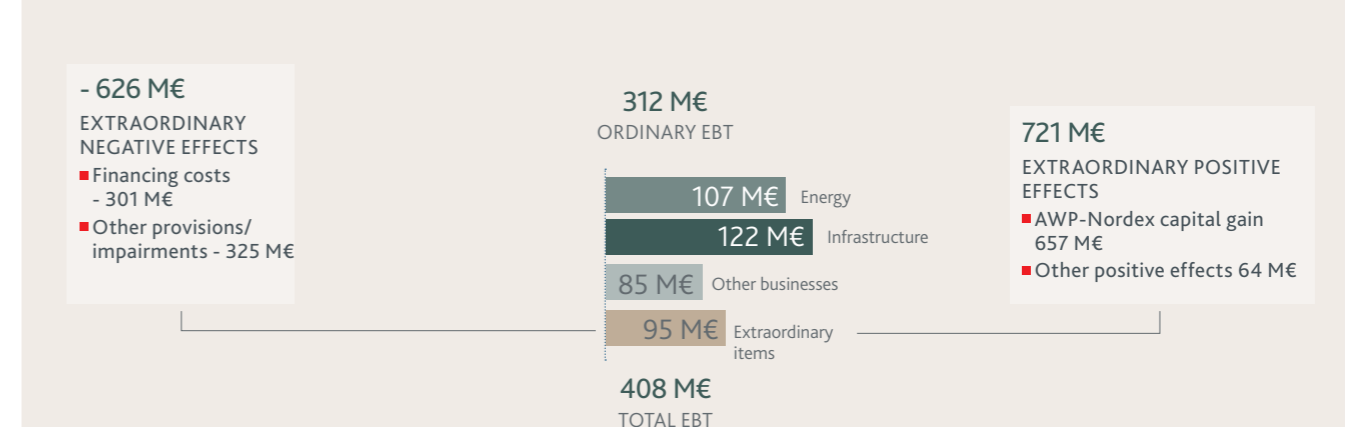
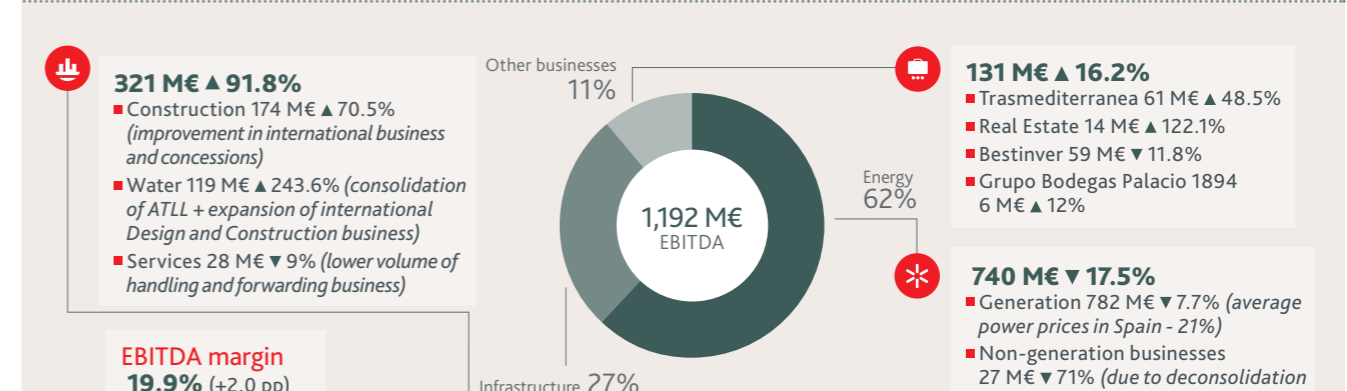
207 M€ ATTRIBUTABLE NET PROFIT + 69.8%

2016

Decisions taken in the past have led to sound results that mark a change in trend supported by investment drive

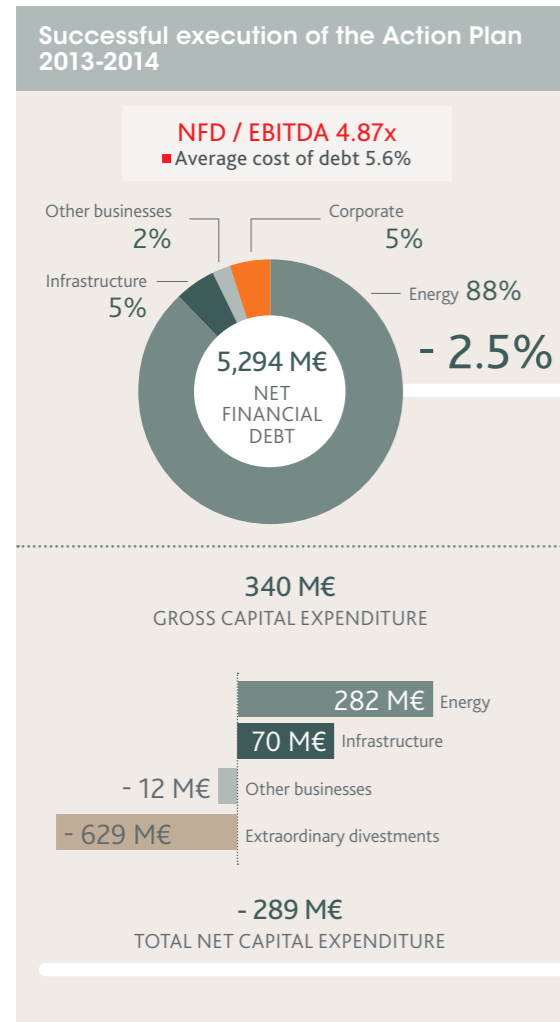


Note: Includes adjustments amounting to -98 M€.

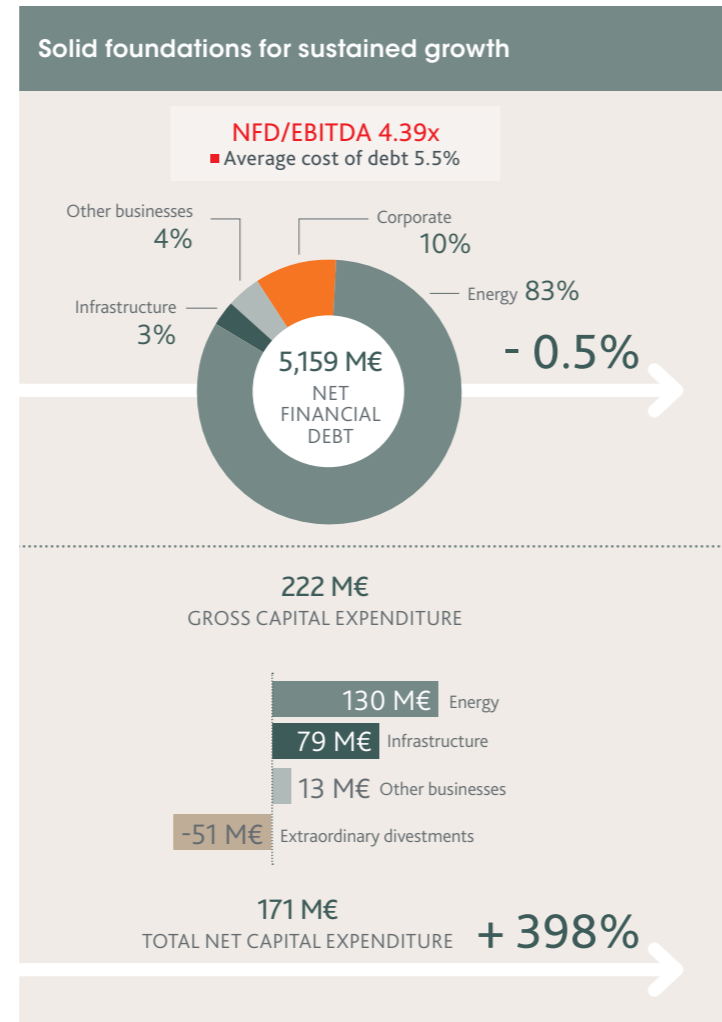


352 M€ ATTRIBUTABLE NET PROFIT

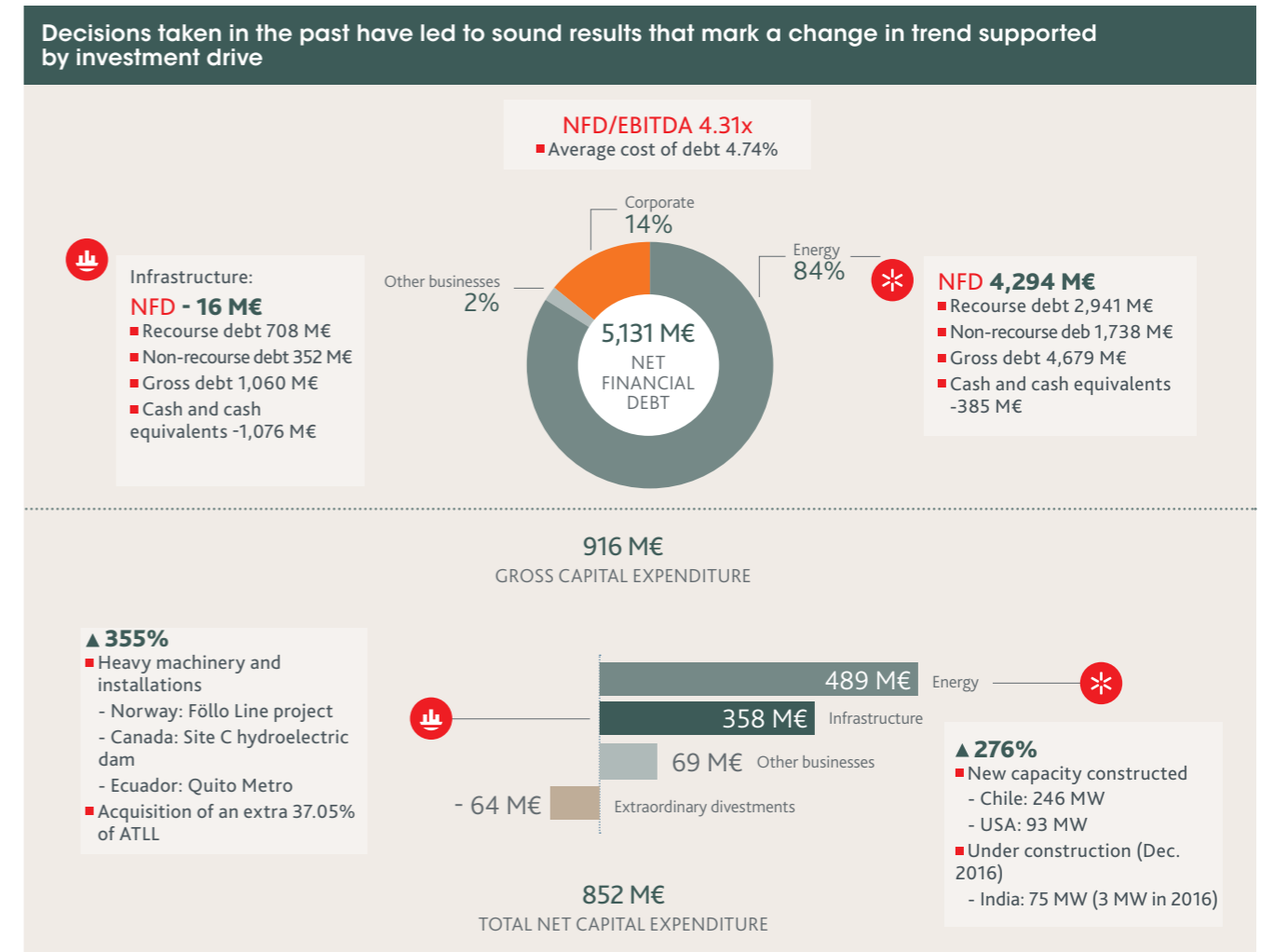
2014



2015



2016



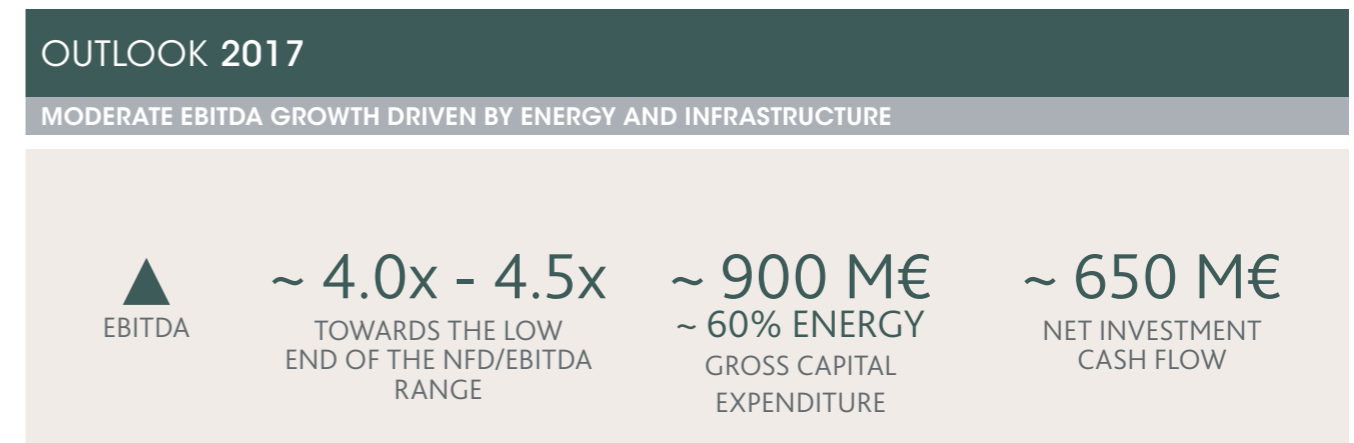
SUSTAINABILITY MASTER PLAN 2020

PROGRESS 2016

SOCIETY	CLIMATE CHANGE	ENVIRONMENT	CORPORATE GOVERNANCE	PEOPLE	VALUE CHAIN	INNOVATION
Social Impact Management in 82 projects in 23 countries (5 more than in 2015)	Carbon-neutral company: net balance of CO ₂ equivalent emissions = 0	Water footprint: net positive contribution of 510 hm ³	Creation of anti-corruption training for managers and executives (60% have completed it)	Reduction in employee accident frequency rate by 4.7% (vs. 2015)	> 10,000 suppliers with risk map	Innovation intensity amounts to 3.2% of revenue, above the European average

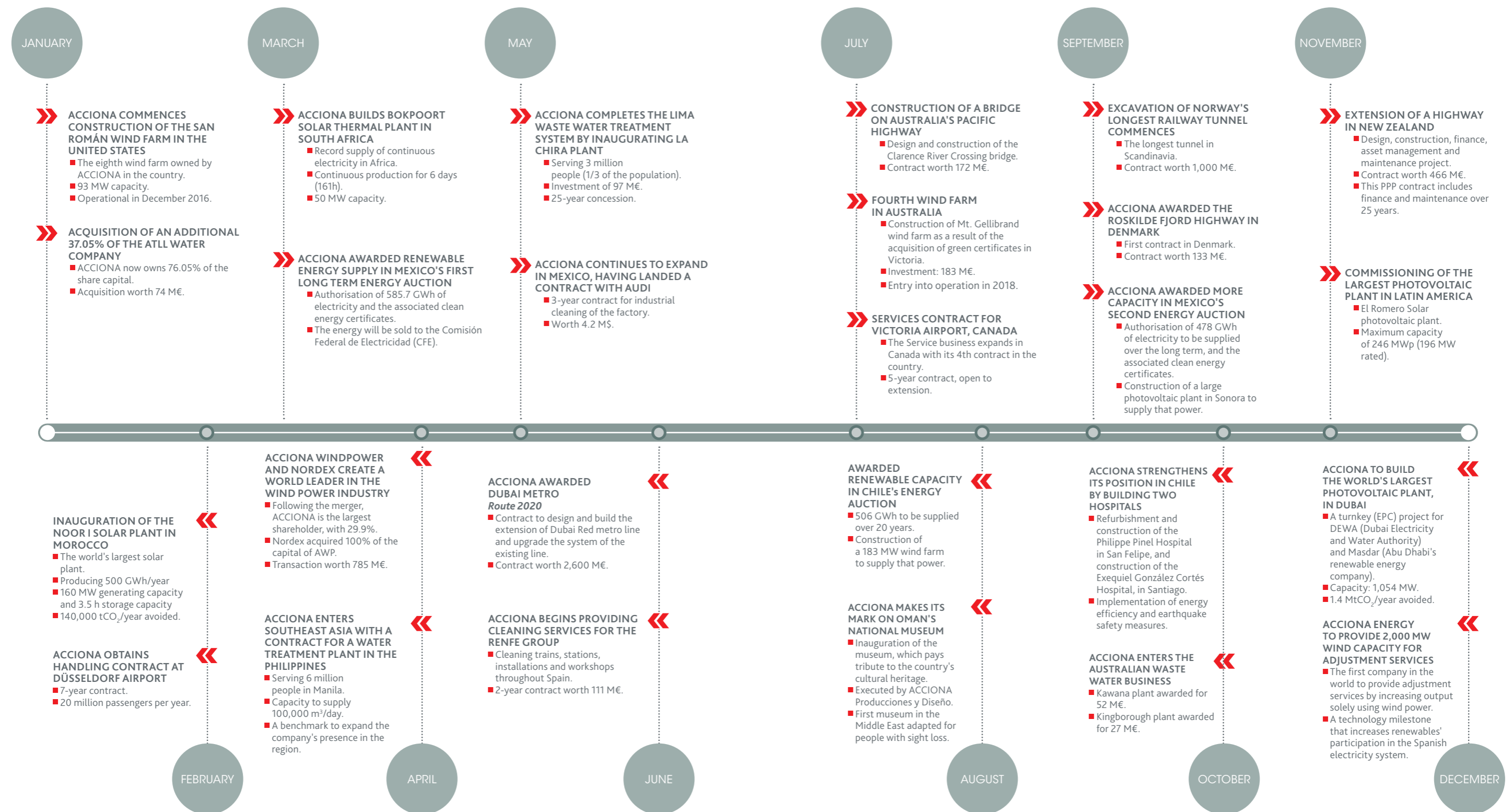
OBJECTIVE 2020

Enhance Social Impact Management of the company's activities	Carbon neutrality: reduce and offset our emissions	Cooperate in managing water sustainably	Progress with fulfilment of goals in the areas of human rights, ethics, corporate governance, risk management and transparency	Reduce the accident frequency rate by 15% with respect to 2015	Mitigate the environmental, social and corporate governance risk in the supply chain	Maintain innovation spending as a percentage of revenue above the European average
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32,835 people contribute to these results every day through their work

Key events in 2016



Share price and shareholder return

Share performance and outlook

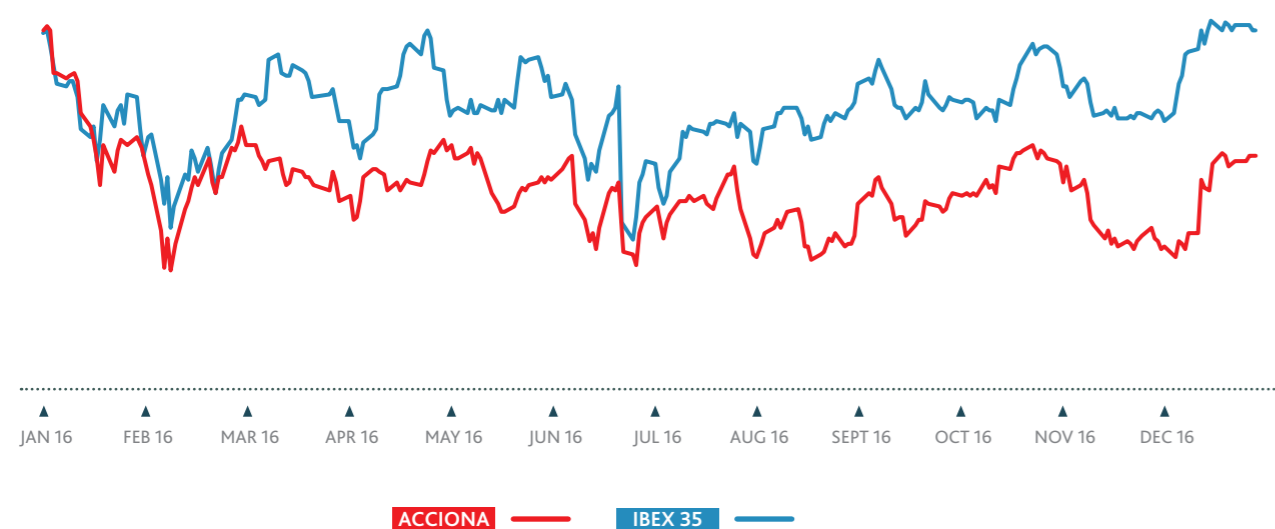
	2015	2016
Share price at year-end (€/share)	79.08	69.93
Share price at beginning of year (€/share)	56.20	79.08
Appreciation (%)	40.7	-11.57
Low in FY (€/share)	54.24 (06/01/15)	61.99 (11/02/16)
High in FY (€/share)	80.19 (30/12/15)	79.08 (01/01/16)
Average daily trading (shares)	246,695	213,129
Average daily trading (€)	17,294,957	14,433,468
Number of shares	57,259,550	57,259,550
Market capitalisation at year-end (M€)	4,528	4,004
Dividend (€/share)	2.5	2.875*

* Proposal made by the Board of Directors to the 2017 General Meeting of Shareholders.

After appreciating by over 40% in 2015 on the back of the successful adaptation to regulatory changes in Spain, good business performance and a significant improvement in the Group's leverage ratio, the share price performed less favourably in 2016, falling by 11.6%. The share price was affected by the sharp fall in wholesale prices in the Spanish electricity market and its impact on the Energy division's EBITDA which, together with considerably higher investment expectations than in 2015, created concern among investors about ACCIONA's ability to further improve its leverage.

However, ACCIONA met its financial commitments to the market in 2016, showing slight growth in EBITDA, despite low electricity prices, and an improved leverage ratio that is now in the middle of the comfort range, resulting in very positive share performance in the first few months of 2017.

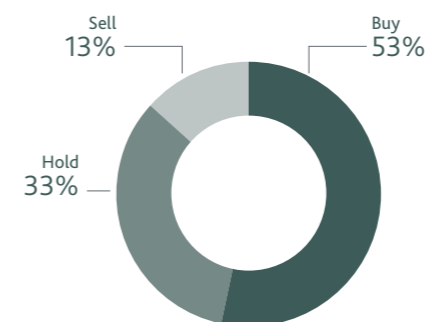
ACCIONA share performance vs. IBEX 35 in 2016



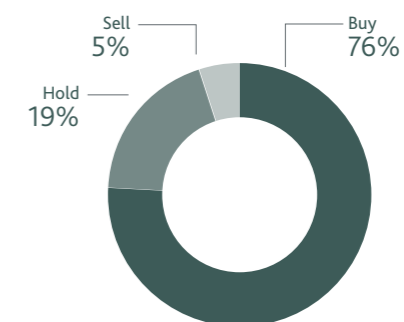
Analysts have a very favourable view of the stock, with 76% of recommendations being buy at December 2016 versus 53% the previous year. The average target price was 83 euros per share.

Analyst recommendations

Recommendations in December 2015



Recommendations in December 2016

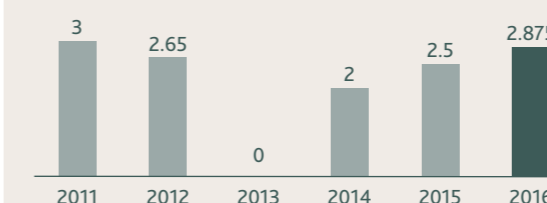


THE DIVIDEND INCREASED BY 15% WITH RESPECT TO THE PREVIOUS YEAR

The Board of Directors of ACCIONA has proposed that the General Shareholders' Meeting approve the payment in 2017 of a dividend of 2.875 euros per share against the previous year's earnings, i.e. 15% more than the dividend paid out in the previous year. This increase reflects the company's good position and outlook:

- 2016 was positive for ACCIONA from a strategic point of view
- It has a strong financial and strategic position
- The portfolio pipeline ensures growth in coming years
- Global megatrends underpin long-term visibility

Dividend (€/share)



A significant increase in investment

ACCIONA drove growth in 2016 by investing more heavily than in previous years in order to take advantage of opportunities in international markets.

In 2016 gross capital expenditure amounted to 916 million euros. This significant increase (from 222 million euros in 2015) was partly financed by the sale of 64 million euros of third-party real estate assets belonging to ACCIONA Inmobiliaria —specifically, 50% of a shopping centre together with an adjoining building and a hotel in Barcelona — resulting in a net capital expenditure

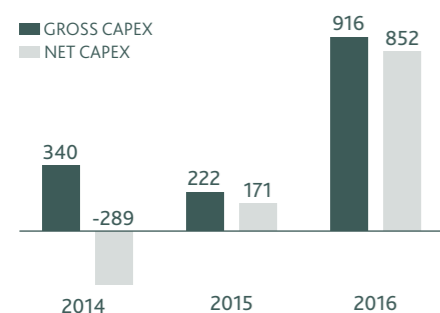
of 852 million euros, i.e. some 719 million euros in terms of net investment cash flow².

These investments were staggered flexibly throughout the year, in line with business performance and with the aim of maintaining a strong balance sheet and keeping debt ratios within their target range.

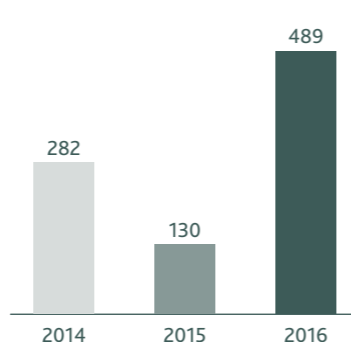
The **bulk of investment, 489 M€**, was made by ACCIONA Energy, particularly in Chile, the United States and India

Capital expenditure (CAPEX) 2014-2016

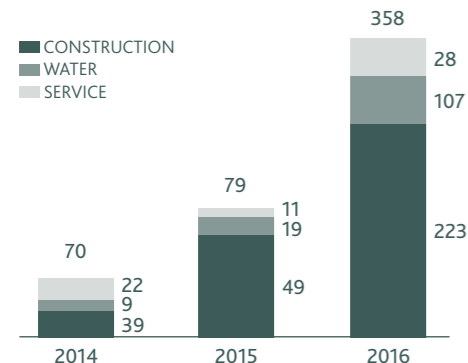
ACCIONA: Gross vs. net CAPEX (M€)



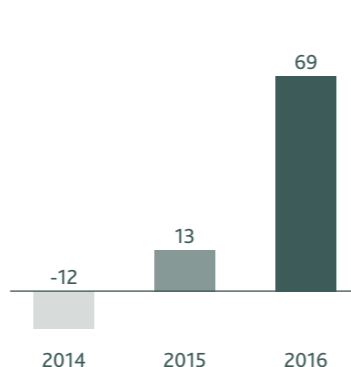
ACCIONA Energy CAPEX (M€)



ACCIONA Infrastructure CAPEX (M€)



Other businesses CAPEX (M€)



By division, the greatest share of the investment effort during the period was made by ACCIONA Energy — 489 million euros, most of which was for new installed capacity in Chile, the United States and India. The Infrastructure division's investment (358 million euros) focused on heavy machinery and facilities in the Construction and Industrial businesses (which account for over 60% of the division's investment) for the execution of the Fóllo Line project in Norway, the Site C hydroelectric dam in Canada and the Quito Metro in Ecuador.

As regards non-recurrent investments, in 2016 the company also acquired a further 37.05% of the ATLL water company for 74 million euros and purchased two ships for Trasmediterranea for a total of 50 million euros, reflecting the recovery of the company's maritime transport business.

In 2017, ACCIONA aims to maintain gross capital expenditure at similar levels to 2016, but with increased divestments.

(2) Net investment cash flow calculated as gross capital expenditure minus divestments and +/- other investment flows (in connection with deferred capex payments).

Current and projected debt

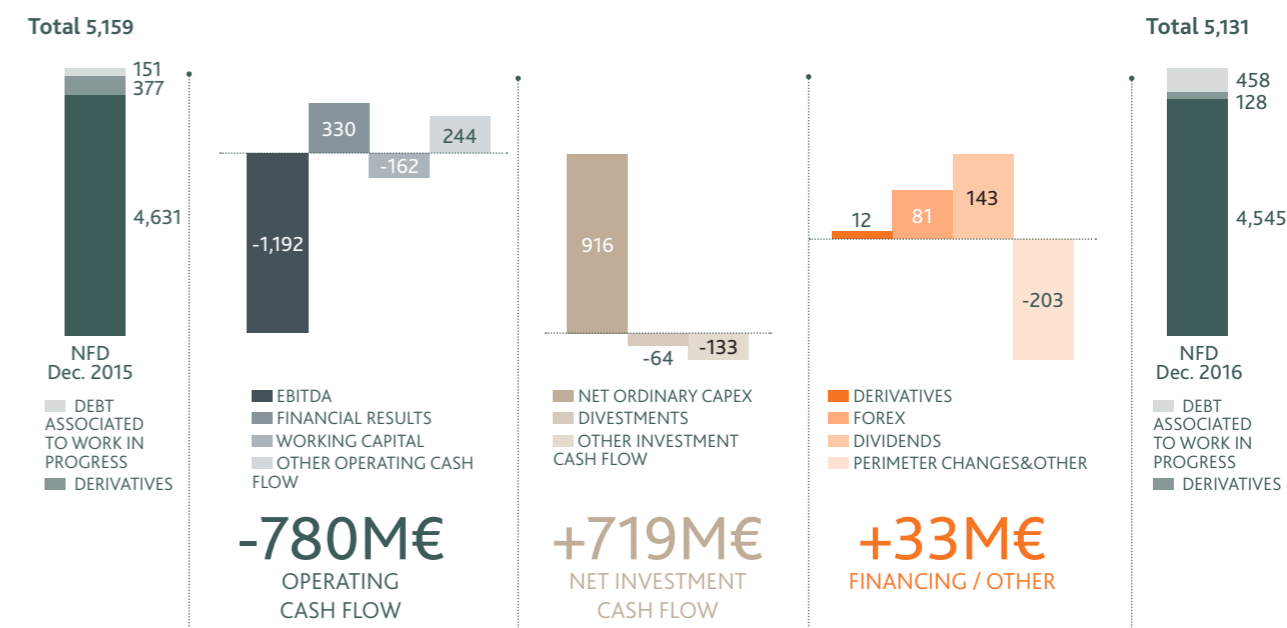
In 2016, net financial debt (NFD) totalled 5,131 million euros, 0.5% less than the previous year, with the net financial debt/EBITDA ratio improving to 4.31x, remaining within the target comfort range³.

The leverage ratio also improved on the previous year to 125% (12 basis points less than in 2015) thanks to the increase in equity. In 2017, ACCIONA aims to further reduce leverage, taking the net financial debt/EBITDA ratio towards the lower end of the 4.0x-4.5x range.

Factors shaping the performance of debt in 2016 included the increase in operating cash flow to 780 million euros and greater investment activity during the period, with a net flow of 719 million euros at the end of the year, and payment of the 2015 dividend in the third quarter of 2016.

Net financial debt amounted to 5,131 M€ in 2016, 0.5% less than in 2015

Net debt reconciliation 2016 (M€)



(3) ACCIONA's targeted comfort range is ~4.0x-4.5x.

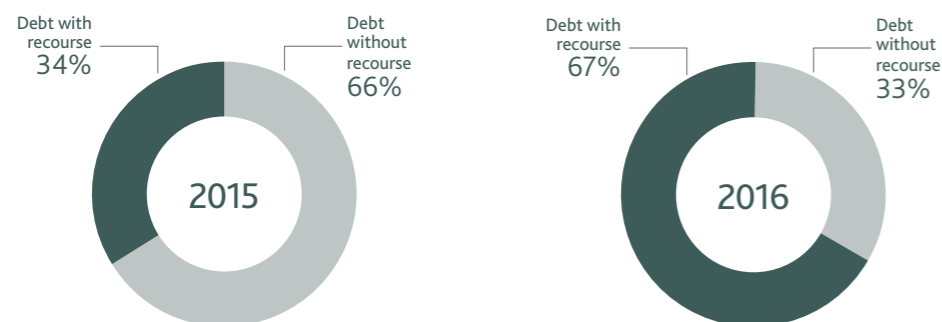
TRANSFORMATION OF THE FINANCING MODEL AND REDUCTION OF THE AVERAGE COST

In 2016, ACCIONA carried out major refinancing operations with the aim of reducing the average cost of debt, optimising cash management and enhancing flexibility.

Specifically, project finance deals associated with solar thermal and wind power assets were refinanced with corporate debt in 2016 in order to decouple the debt from management of the assets and thereby restructure the company's financing model, by increasing the weighting of corporate debt and reducing the share of non-recourse debt.

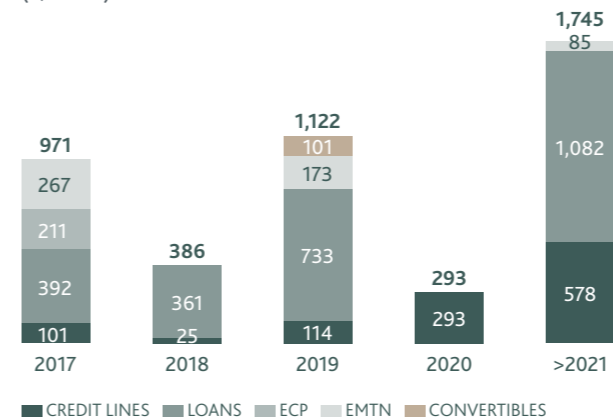
These operations enabled the company to obtain a significant reduction in the cost of debt, by 75 basis points in 2016 to 4.74% — with an estimated saving of 75 million euros from 2017 onwards — while helping to optimise cash management and increase flexibility.

Debt without recourse vs. debt with recourse

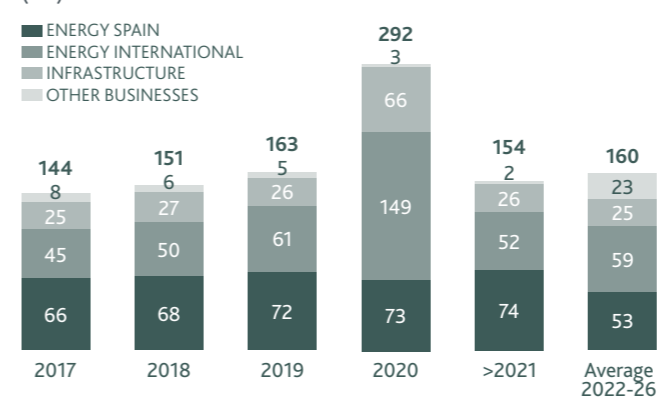


In terms of liquidity, the syndicated loan signed in 2015 for 1,800 million euros was increased to 2,200 million euros and its maturity was extended until 2021.

Maturity profile of debt with recourse (4,517M€)



Repayment of debt without recourse: principal repayments 2017-2026 (M€)



Active debt management and the reduction of financial costs strengthen ACCIONA's balance sheet and protect liquidity, putting the company in a very good position to undertake future investments.

DIVERSIFICATION OF FINANCING SOURCES: NEW OPPORTUNITIES IN THE CAPITAL MARKETS

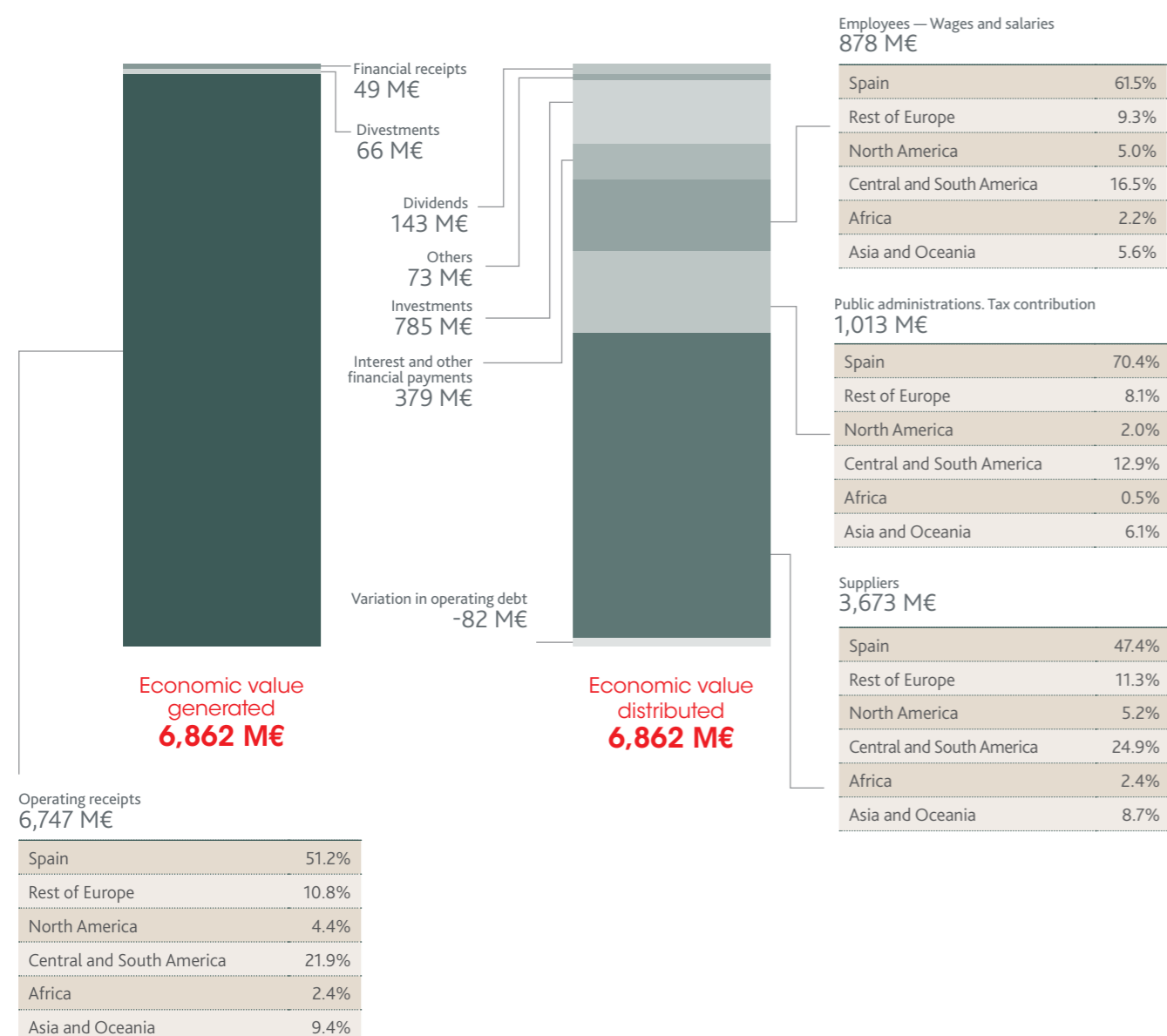
ACCIONA has continued to pro-actively explore new opportunities in capital markets. In 2016, the company made its first incursion into the German market, issuing 150 million euros via a *green schuldschein* (a kind of debt subject to German regulations and associated with green projects, in this case). This new source of liquidity for the company provides it with access to new markets and investors.

Furthermore, in 2017, ACCIONA signed a 100 million euro long-term "green loan" with BBVA to partially fund its photovoltaic and wind energy projects in Chile.

See Annex 2 of this report for further information about how these projects contribute to sustainability.

Social cash flow and tax contribution in 2016

Social cash flow is a way of calculating a company's real impact on, and contribution of value to, society through the cash flows generated by its activity. It takes into account all those items that represent real cash inflows and outflows with an impact on stakeholders*. Consequently, social cash flow represents the economic value generated and distributed by the company.



* The value contribution is measured in terms of both the cash flows generated by the company (from clients, divestments, financial transactions, etc.) and the cash flows it distributes via payments to suppliers, public administrations, shareholders and employees, among others.

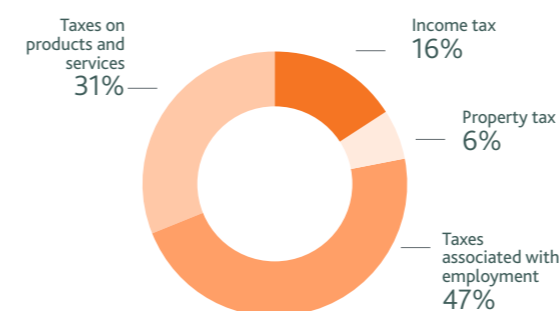
In 2016, the financial and social contribution made by ACCIONA to public administrations through tax payments totalled 1,013 million euros, of which 500 million euros correspond to taxes borne and 513 million euros to taxes collected.

The Group's tax contribution in 2016 represented 2.9 times Attributed After-Tax Earnings and 6.9 times Ordinary Net Profit. This means that, of every 100 euros of ACCIONA's revenue in 2016, 17 euros were used for tax payments, of which 8 euros

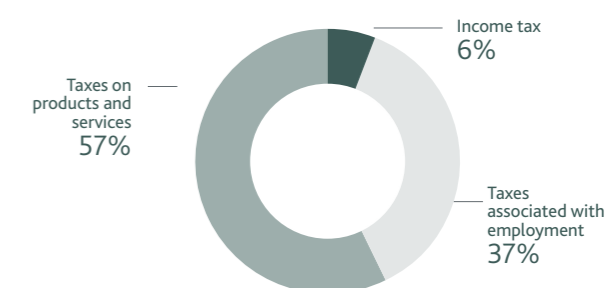
correspond to taxes borne and 9 euros to taxes collected, with Spain, Mexico, Australia, Poland, Chile and Portugal being the main countries.

The tax contribution increased 5.8% with respect to 2015; taxes associated with employment were still the most important item.

Taxes paid in 2016. Breakdown



Taxes collected in 2016. Breakdown



Total tax contribution in 2016. Breakdown by country

Country	Taxes paid (M€)	Taxes collected (M€)	Total (M€)	% of total
Spain	377.7	335.7	713.5	70.4%
Mexico	17.4	45.9	63.3	6.2%
Australia	18.9	36.7	55.5	5.5%
Poland	11.6	21.7	33.4	3.3%
Chile	5.3	20.7	26	2.6%
Portugal	7.1	12	19.1	1.9%
Brazil	14.1	2.7	16.8	1.7%
Germany	7.3	3.8	11.1	1.1%
Colombia	5.1	5.7	10.8	1.1%
USA	6.6	3.3	9.9	1%
Canada	2.9	7	9.9	1%
Italy	7.2	2.7	9.8	1%
Other countries	18.7	15.3	34	3.4%
Total	499.9	513.2	1,013.2	