

The logo for elecnor, featuring a stylized orange wave above the company name in white lowercase letters.

elecnor

Large orange text '2019' overlaid on a blue semi-transparent background.

2019

White text 'Results' overlaid on a blue semi-transparent background.

Results

Disclaimer

The information contained in this presentation of results has been prepared by Elecnor, S.A. (hereinafter “the Company” or “Elecnor”) and includes financial information extracted from the financial statements of the Company and its Group for the financial year ended 31 December 2019 audited by KPMG Auditores, S.L. as well as statements regarding forecasts.

The information and statements regarding forecasts about Elecnor are not historical facts, since these are based on numerous assumptions and are subject to risks and uncertainties, many of which are difficult to predict and are generally beyond Elecnor’s control. Thus, shareholders and investors are warned that these risks could cause actual results and developments to differ significantly from those conveyed, implied or projected in the information and forecasts.

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Main milestones in 2019

Consolidated net profit

EUR **126.4** million



+54%

EBITDA

EUR **387** million

+52.3%

Net EBITDA of corporate operations

EUR **265** million

+6.8%

Corporate net debt

EUR **136** million

-33.5%

Consolidated net debt

EUR **494** million

-13.4%

Consolidated sales

EUR **2,454** million



+9%

Internationalisation



Sales in international market

52%



Order book international market

75%

In accordance with the recommendations from the Spanish National Securities Market Commission, the comparative figures for 2018 have been restated in the Consolidated Annual Financial Statements for the 2019 financial year to retroactively reflect the effects that would have been derived from the integration of the assets and liabilities of the Celeo Redes subgroup by the equity method since the first agreement with APG.

Key magnitudes

Balance sheet

Assets

EUR **2,979** million

+15.5%

Equity

EUR **738** million

+30.4%

Cash flow statement

Operating activities

EUR **231** million

Investment activities

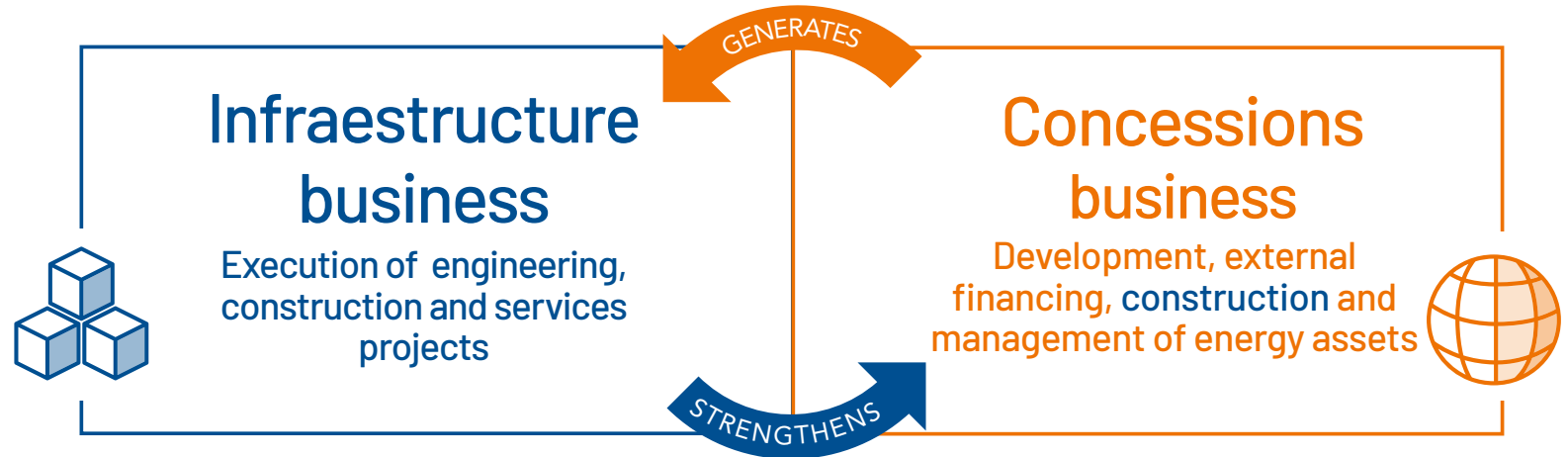
EUR **-79** million

Financing activities

EUR **-120** million

Business model

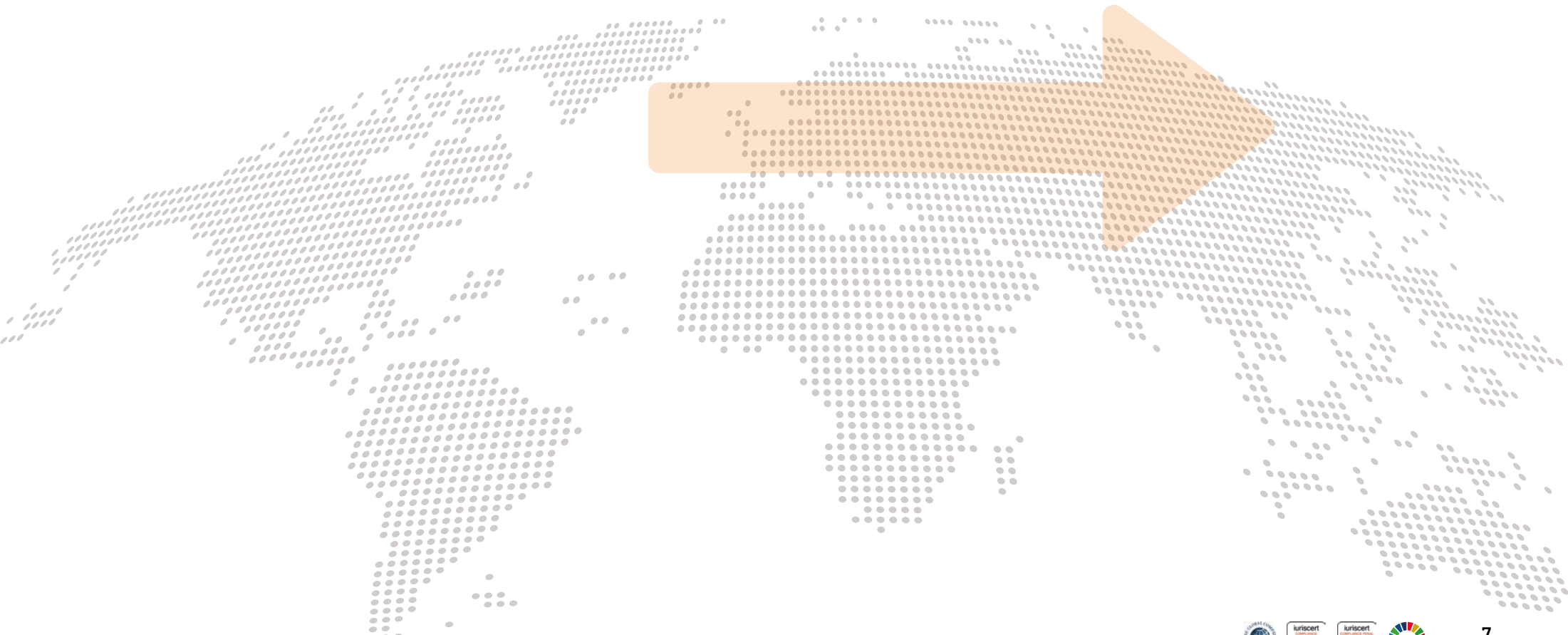
GENERATION OF SHAREHOLDER VALUE AND SUSTAINABILITY



Summary

07 Key figures	24 Main corporate operations	30 Key projects won in the year
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Key figures



Net profit up 54% to EUR 126.4 million



Infrastructure

- The profit is EUR **67** million, up **2.2%**
- The turnover is EUR **2,279** million, up **8.8%**
- EBITDA is EUR **176.7** million, up **3.1%**

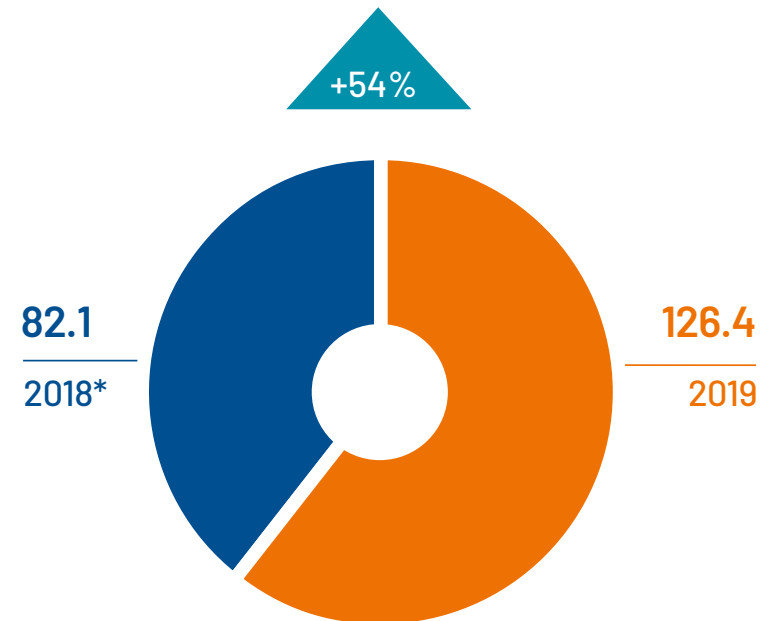


Concessions

- Profit is up **44.4%**, amounting to EUR **36.7** million
- Turnover exceeds EUR **190** million, up **20.3%**
- EBITDA increased to EUR **144.7** million, up **26%**

Net profit

In EUR million

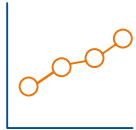


* Restated as defined on page 2

Sustained and organic business growth

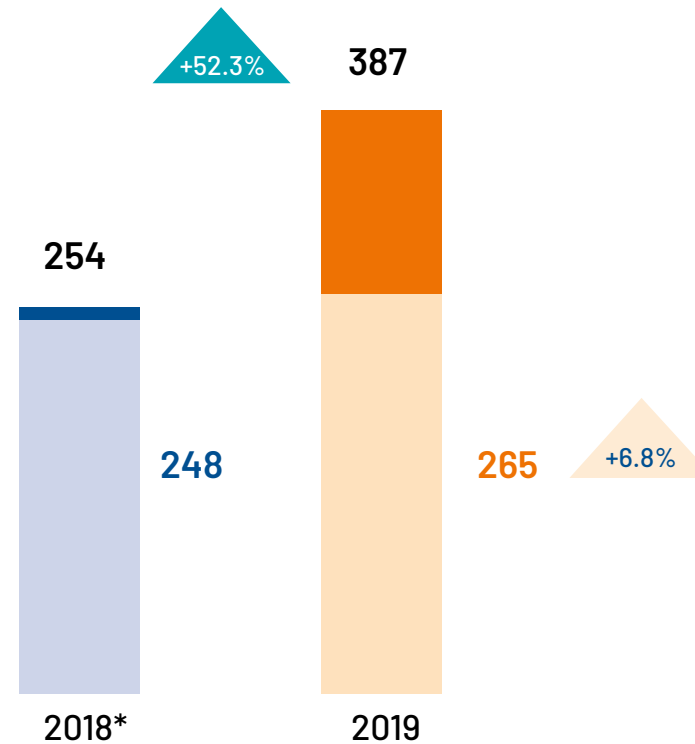
Close the alliance with APG

EBITDA was up by 52.3% to EUR 387 million



EBITDA

In EUR million



■ Net EBITDA of corporate operations

* Restated as defined on page 2

Sales exceeded EUR 2,454 million



Infrastructure

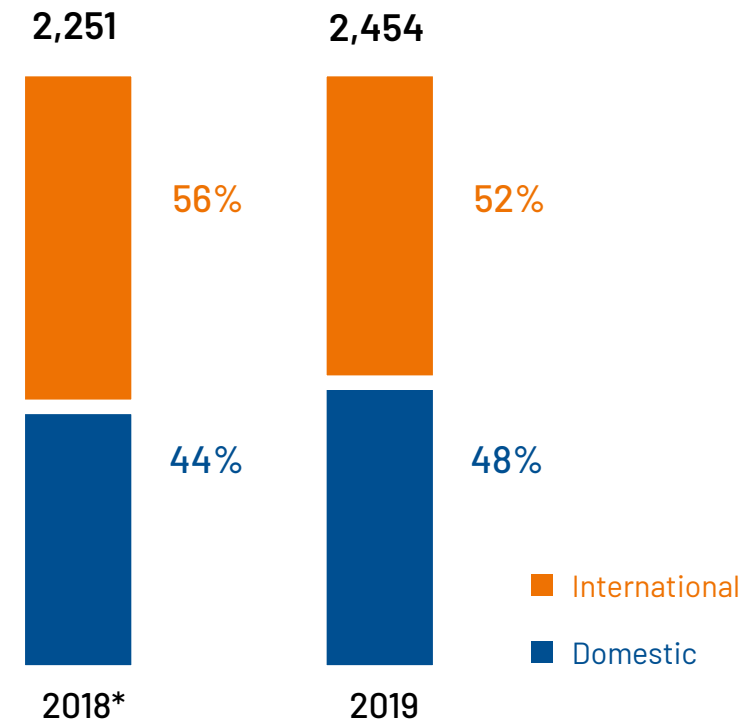
- Leadership position in the **national market** mainly in electricity and telecommunications activities.
- Progress in renewable energy in the **international market**.
- Positive result of transmission construction projects in **Brazil**.
- Growth of operations in **Africa**.
- Increased electrical activity in the **United States**.
- In Europe, telecommunications and electricity are growing in the **United Kingdom** and a railway contract is awarded in **Lithuania**.
- Allocation of water transmission and efficient supply project in **Oman**.

Concessions

- Increase in the electricity production of wind farms in **Spain, Brazil and Canada**.
- Revenues from solar thermal plants in **Spain** that were consolidated in the previous year by the method of participation.

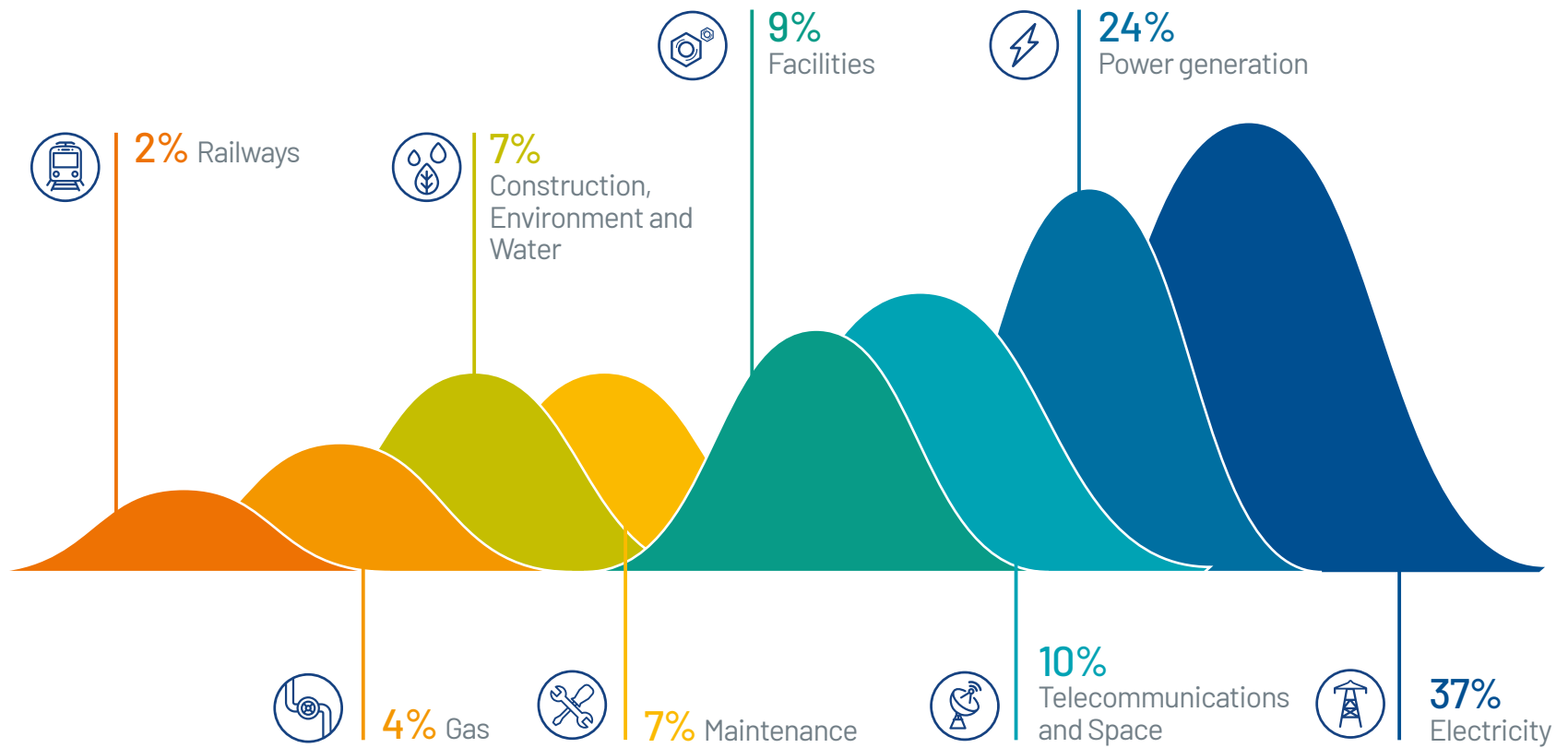
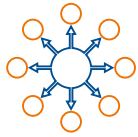
Sales

In EUR million

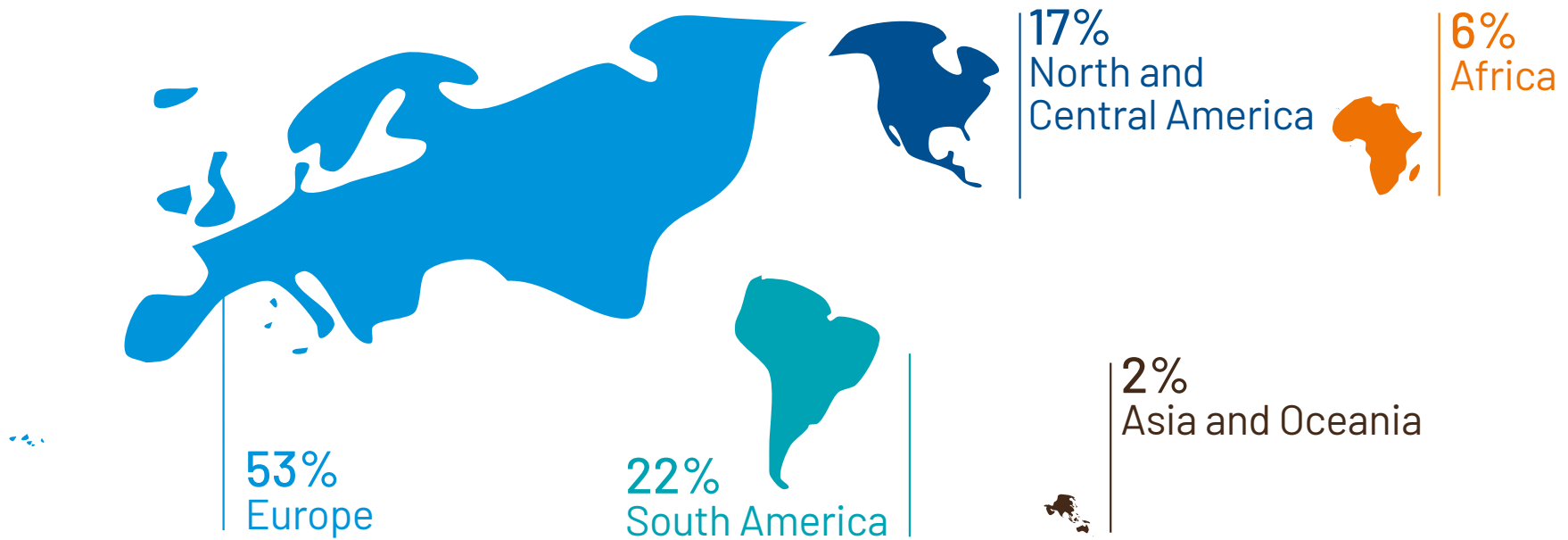


* Restated as defined on page 2

The diversification of activities as a strategic focus to offer a global service



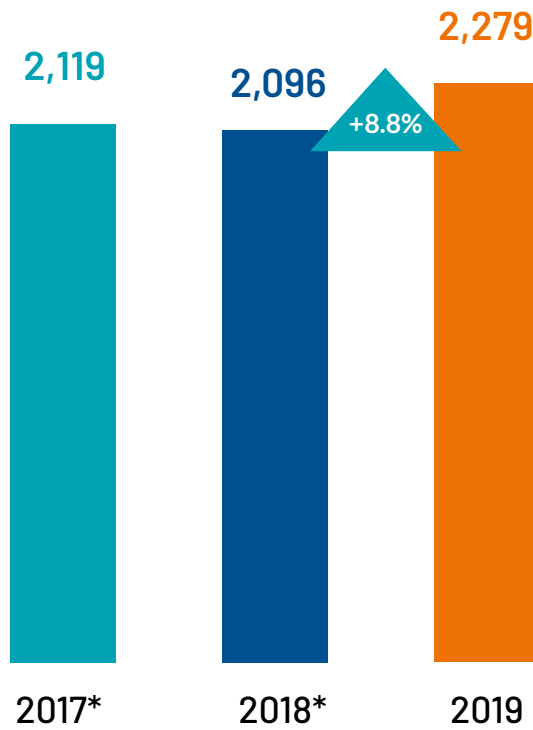
Sales by geographic area



Infrastructure Business

Sales

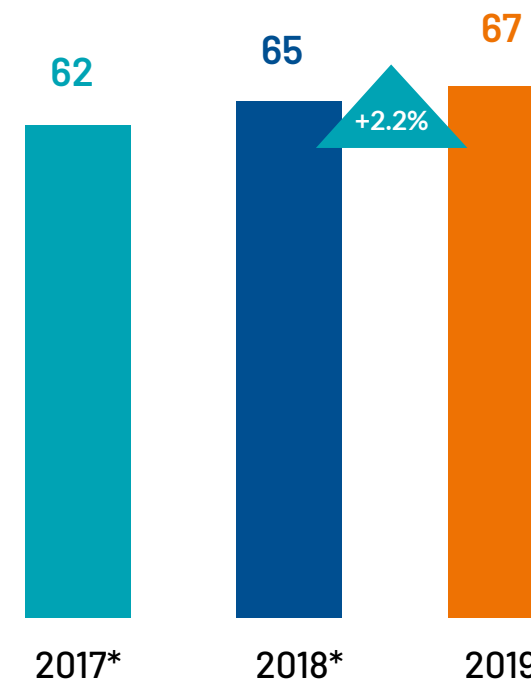
In EUR million



* Restated as defined on page 2

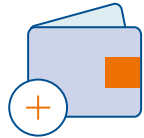
Net profit

In EUR million

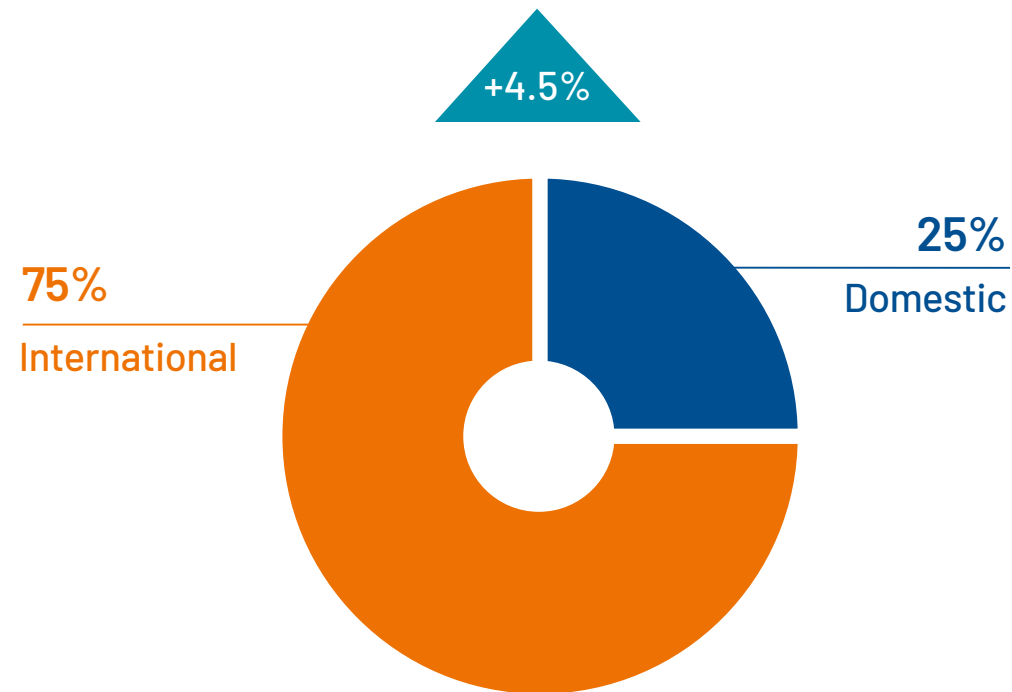


* Restated as defined on page 2

The backlog amounts to EUR 2,223 million



Backlog



Concessions Business. Assets managed

By activities

21% Solar

195 MW of photovoltaic solar power
150 MW of thermosolar power

18% Wind power

1,349 MW of installed wind capacity

6% Gas pipelines

170 km

55% Networks

5,740 km of lines

4,447
EUR million

70%
in operation

30%
under construction

By geographic area

22% Spain

10%
North and Central America

68%
South America

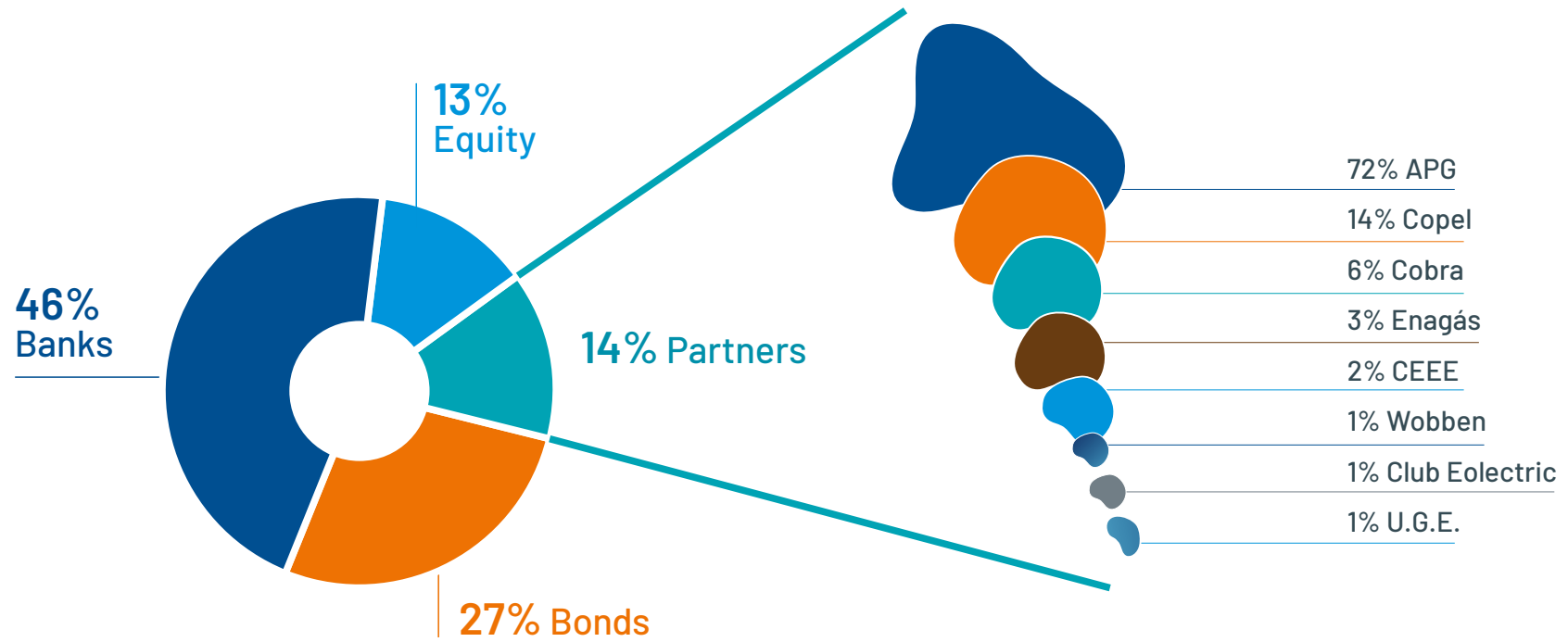
By company

18% Enerfin

82%
Celeo

This information includes the magnitudes of all the projects in which it participates in the Group, regardless of the method of integration into the consolidated annual accounts.

Concessions Business. Source of funds



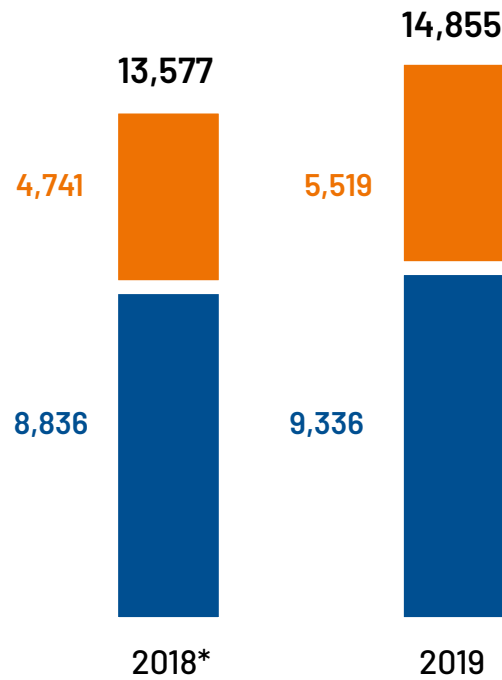
A team of nearly 15,000 people

People are Elecnor's most prized asset, and the company's strategy is based on values such as talent, transparency and teamwork under conditions of the highest safety.

In 2019, employment grew by **9.4%**.



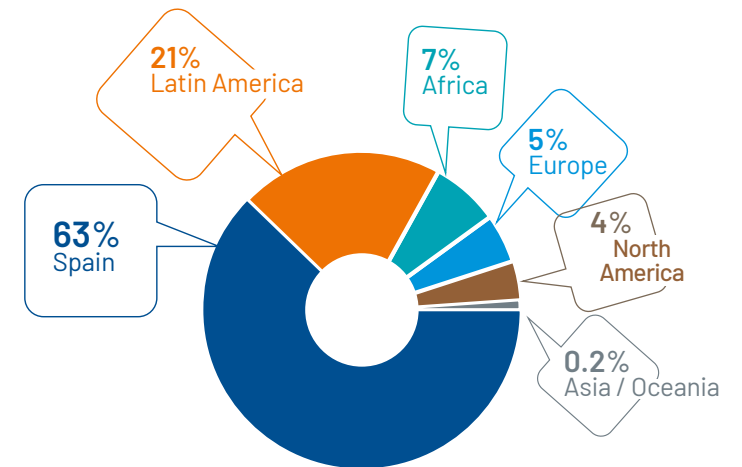
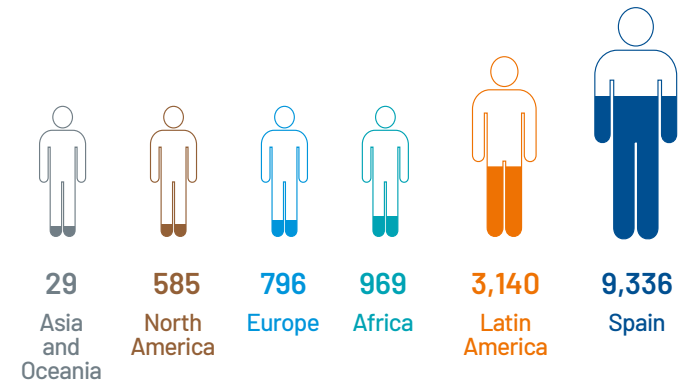
Employees by market



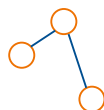
■ Domestic ■ International

* Restated as defined on page 2

Employees by geographic area



Corporate net debt dropped by 33.5%



This reduction is due to the positive evolution of the Group's business in terms of cash generation, its operating activities.

Net Financial Debt

In EUR million

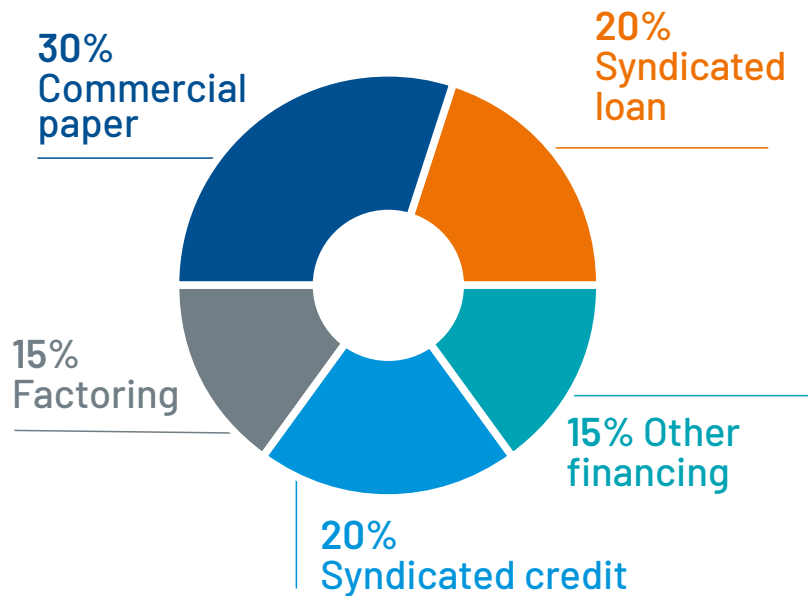
	2018*	2019	
Corporate Net Financial Debt	204	136	-33.5%
Debt/EBITDA with recourse + project div. ratio	0.95	0.92	
Consolidated Net Financial Debt	570	494	-13.4%
Consolidated net financial debt/EBITDA of corporate operations ratio	2.29	1.86	

* Restated as defined on page 2

Financing

Available corporate financing limit

EUR **1,008** million

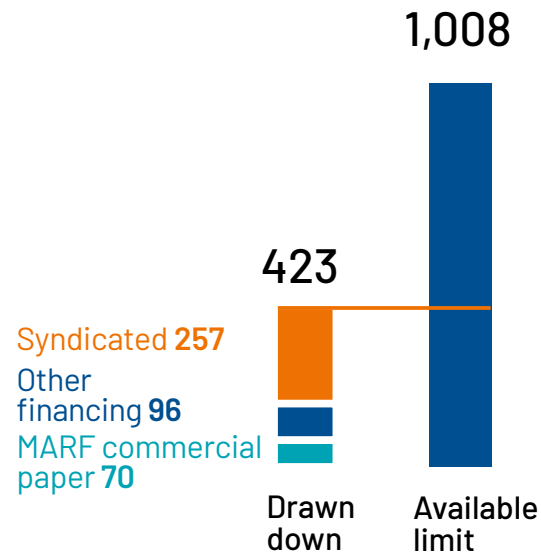
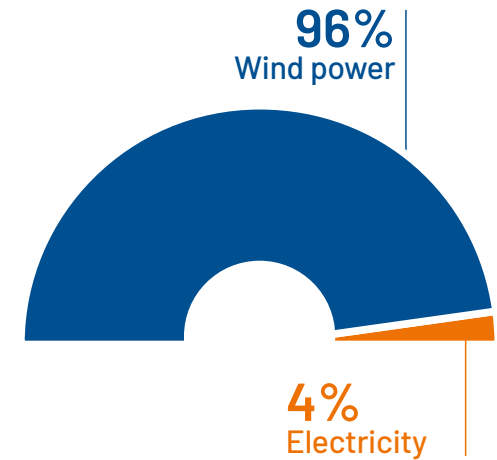


Total cash
336
EUR million

Freely available cash
287
EUR million

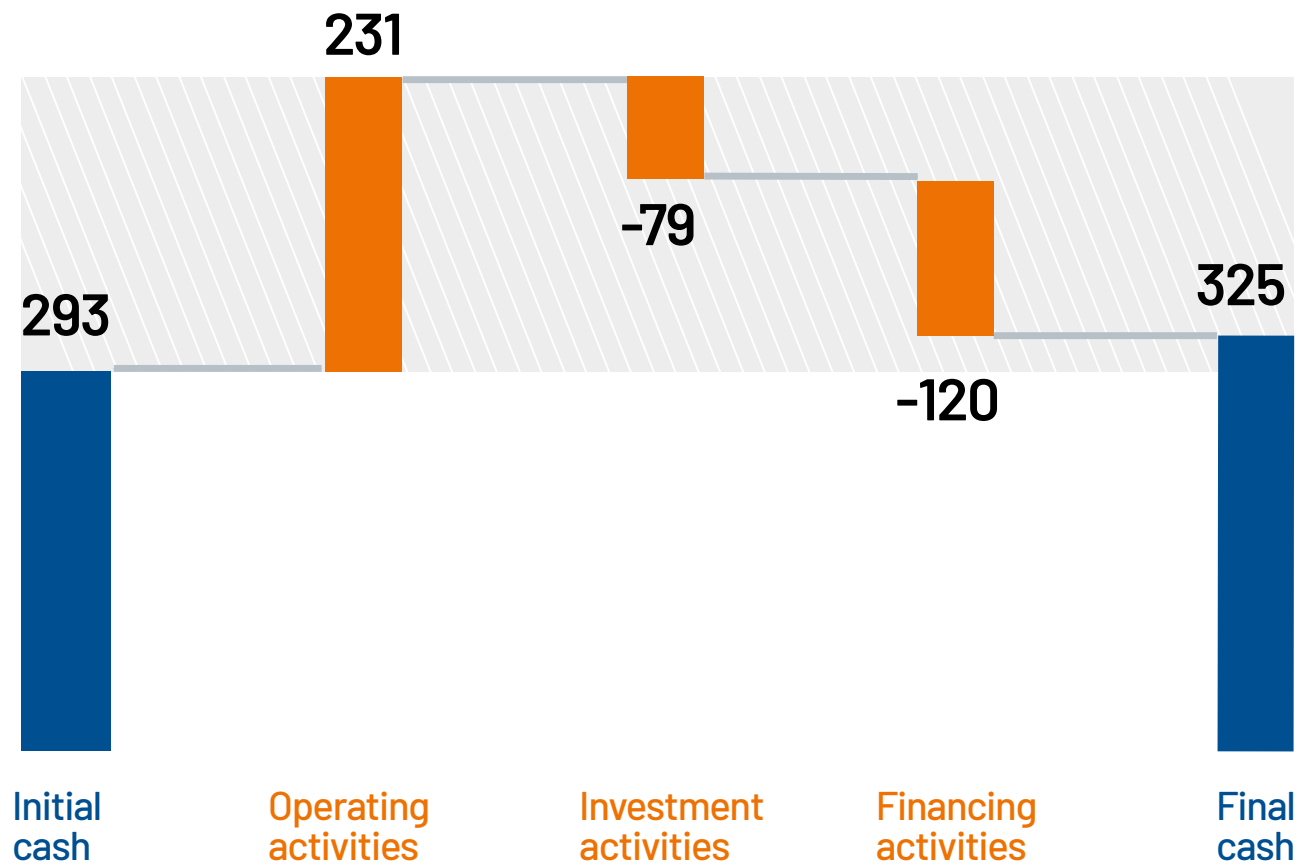
Project Finance

EUR **407** million

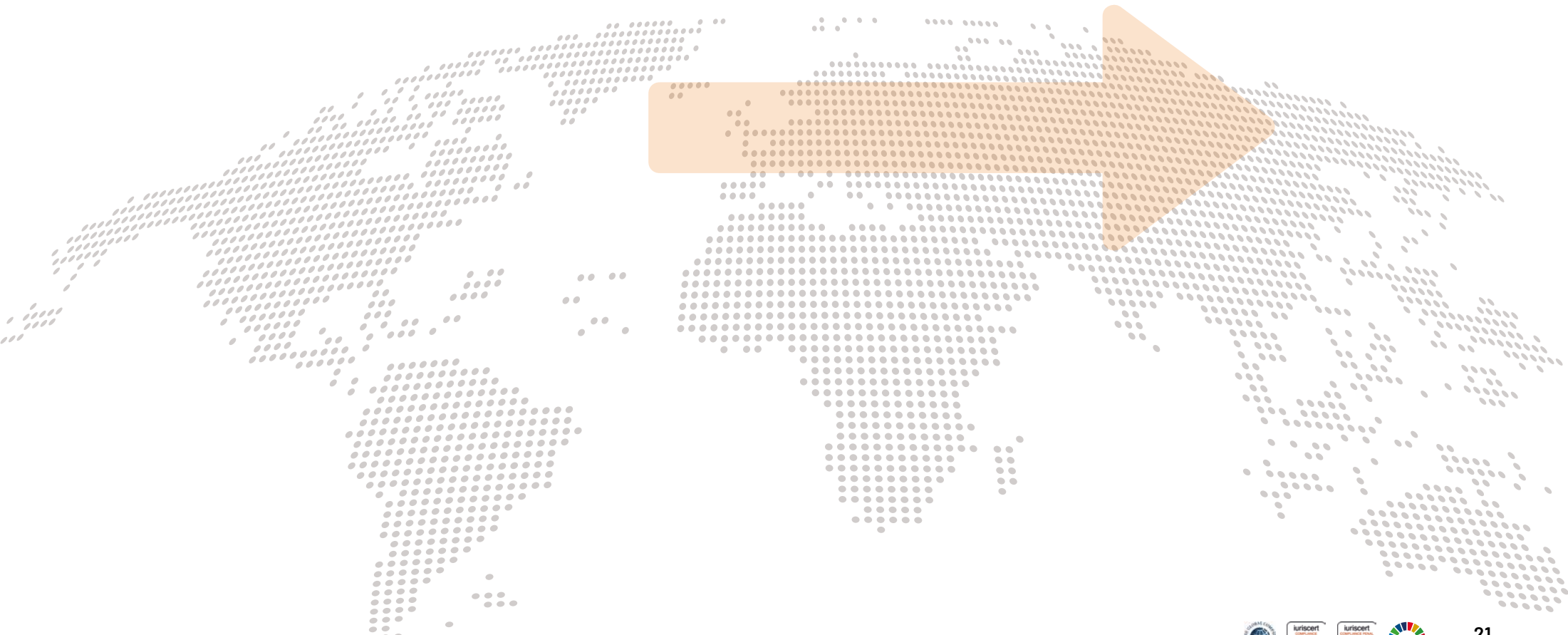


Cash flow statement

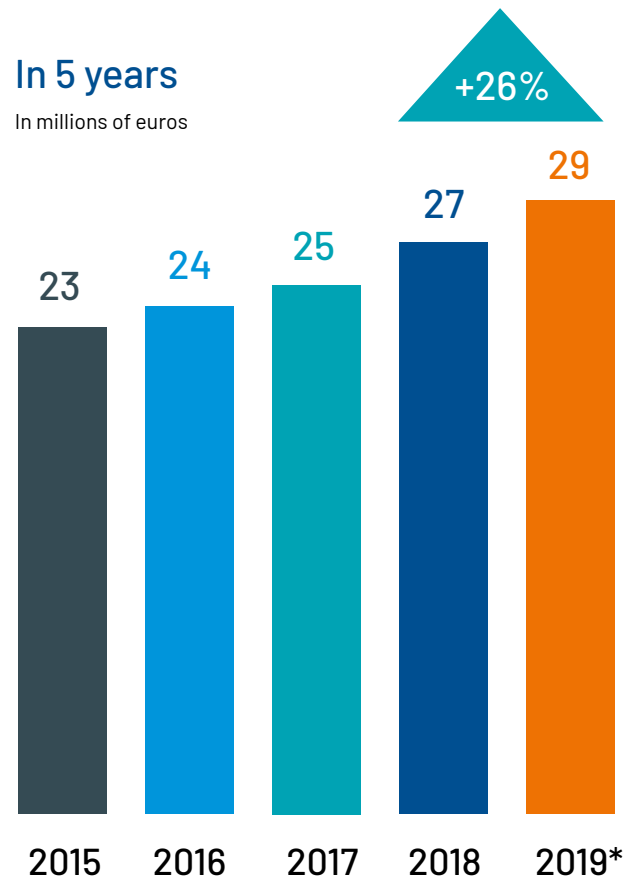
In millions of euros



Shareholder remuneration



Dividend paid



TACC
5.7%

Accumulated dividend

127
EUR million

Average

25
EUR million

Pay-out 2019

22.85%

Dividends always distributed in cash

* Implementation of the 2019 results included in the report of the Board of Directors, pending approval by the General Shareholders' Meeting

Stock market information

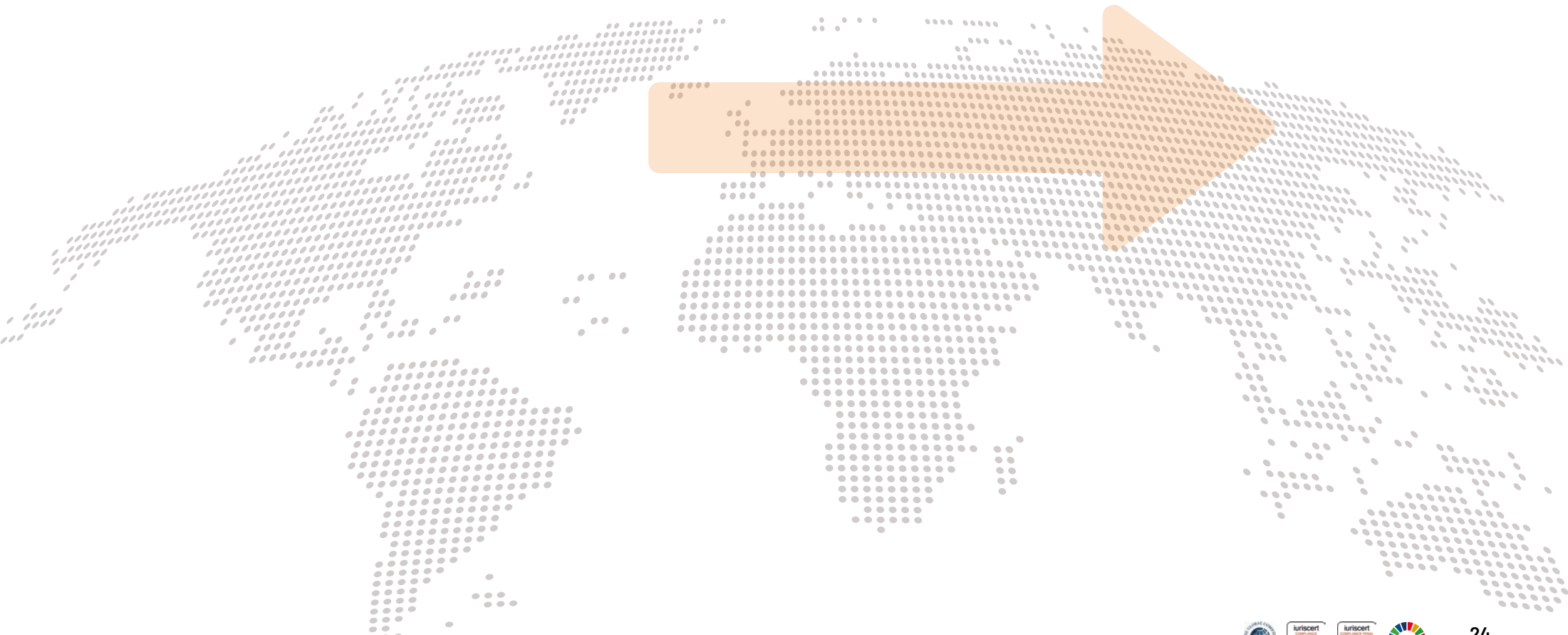
The dividend yield in the 2019 financial year stood at 2.4%, compared to 2.6% in the previous year. This downward variation is due to the fact that the payment of the interim dividend for the 2018 financial year, which would ordinarily be paid in January of the following year, was brought forward to December 2018.

Therefore, three dividends were paid to shareholders during the 2018 financial year (2017 interim dividend, 2017 complementary dividend and 2018 interim dividend) while two dividends were paid in 2019 (2018 complementary dividend and 2019 interim dividend).

	2018	2019
Closing share price (euros)	13.20	10.95
Total volume securities (millions)	4.3	3.3
Total turnover (millions of euros)	53.9	37.7
Number of shares (millions)	87	87
Market cap (millions of euros)	1,148.4	952.6
PER	15.5	7.5
Dividend yield	2.6%	2.4%



Main corporate operations



Expansion of the strategic partnership with APG for the development of new projects



- » This partnership extends the agreement that Elecnor and APG had already signed with respect to Celeo Redes, S.L.
- » It involves the development of, and joint investment in, energy transmission and renewable energy projects (excluding wind energy).
- » Through this agreement, APG acquires a stake in Celeo Concesiones e Inversiones, S.L., a company which until now was 100% owned by the Elecnor Group, with 49% of the shareholding.
- » This involves the contribution of APG's shares in Celeo Redes and a payment of EUR 43 million.
- » As part of this agreement, Elecnor and APG expect to jointly invest EUR 400 million over the next five years.



Certification of the Compliance System according to the UNE 19601 standard

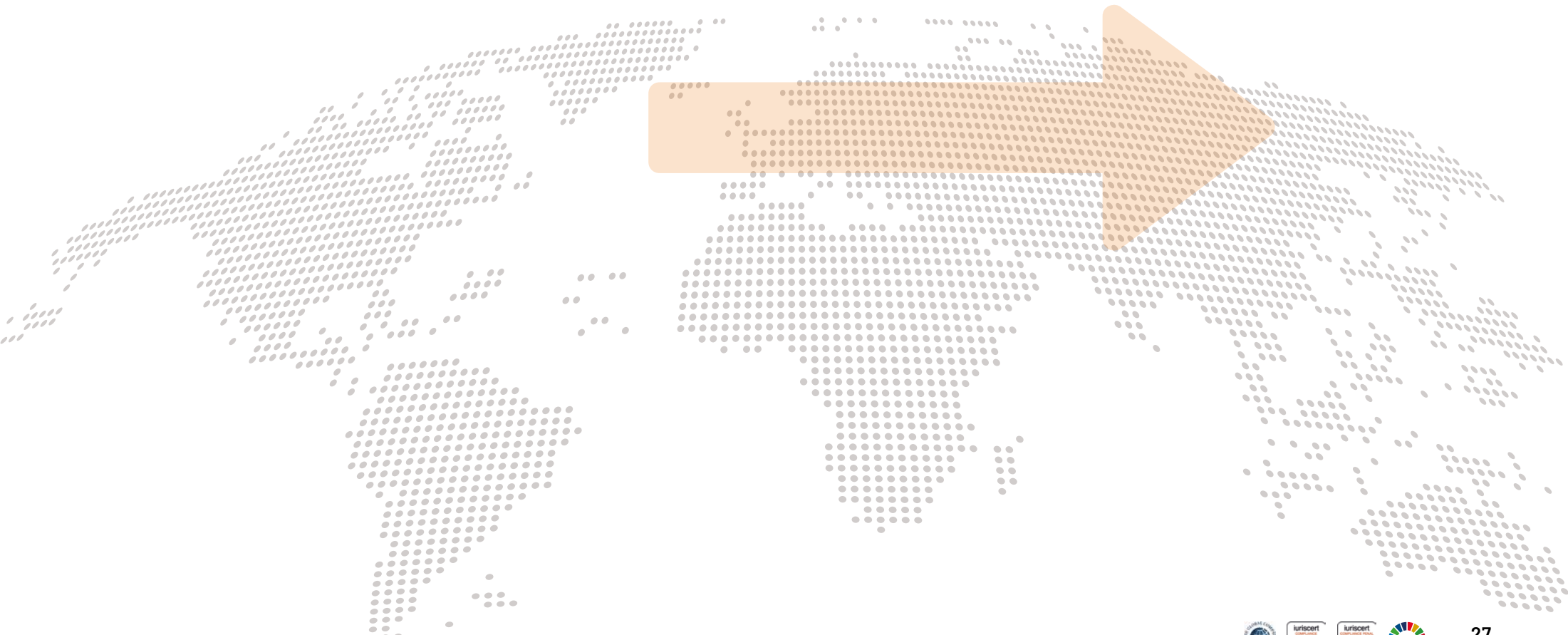
- » Obtention of Certification that the Group's compliance system is aligned with the requirements of the UNE 19601 standard, "Management system for criminal compliance", a national standard based upon the requirements of the UNE-ISO 37001 standard.
- » UNE 19601 is the main reference in Spain for designing and constructing criminal risk prevention systems, and is based on the highest international standards in this field.



Entry into the upstream sector with the acquisition of a 30% stake in Wayra Energy

- » Elecnor has reached a strategic agreement with the international engineering and construction company Vinccler, parent company of Wayra Energy, that will see it break into the Ecuadorian oil and gas industry.
- » Objective: to jointly carry out projects awarded to Wayra Energy by the Ecuadorian government by means of contracts entered into with the Ecuadorian state-owned company Petroamazonas EP.
- » This agreement marks Elecnor's first foray, whether domestic or international, into the upstream sector.

Main financial operations





Issuance of project bonds in Brazil for 565 million Brazilian reais

- » Project awarded to Celeo Redes.
- » Scope: Construction and operation of a transmission line of 230 kV, 240 km long in a double circuit and three substations totaling 900 MVA of transformation capacity.
- » Project managed jointly with APG.



EUR 73 million in bonds for Ventos Do Sul wind farms in Brazil

- » Operation carried out through Enerfín, a wind subsidiary of the Group.
- » Issuance of non-recourse bonds on the Brazilian stock exchange for Ventos do Sul wind farms (150 MW) located in the Brazilian state of Rio Grande do Sul.
- » The funds raised by this issuance will be earmarked for investment in future projects.
- » The wind farm holding company, Ventos do Sul Energía, obtained the highest available credit rating from Fitch Ratings for Brazil (AAA Brazil).
- » The issuance was 3.1 times oversubscribed, owing mainly to the proper management of the operation and maintenance of the farms.



Issuance of bonds in Chile for transmission lines worth USD 365 million

- » Elecnor, through Celeo Redes, has signed a bond issuance for the financing of transmission line projects in Chile, specifically for the Diego Almagro, Casablanca and Mataquito projects.
- » These bonds have been sold as a private placement in accordance with New York legislation, and are fully underwritten by Alliance Global Investors.
- » The bonds will be fully amortised after 30 years.
- » The first debt drawdown was made in December 2019, for an amount of USD 78.7 million



Novation of Syndicated Loan Agreement

- » The agreement was originally signed in 2014 and has already been novated four times; in 2015, 2016, 2017 and 2018.
- » Voluntary early amortisation of EUR 100 million of the loan tranche.
- » The loan has a limit of EUR 400 million, distributed across a loan tranche and credit tranche worth EUR 200 million each.



Multi-currency promissory note programme in the MARF of up to EUR 300 million

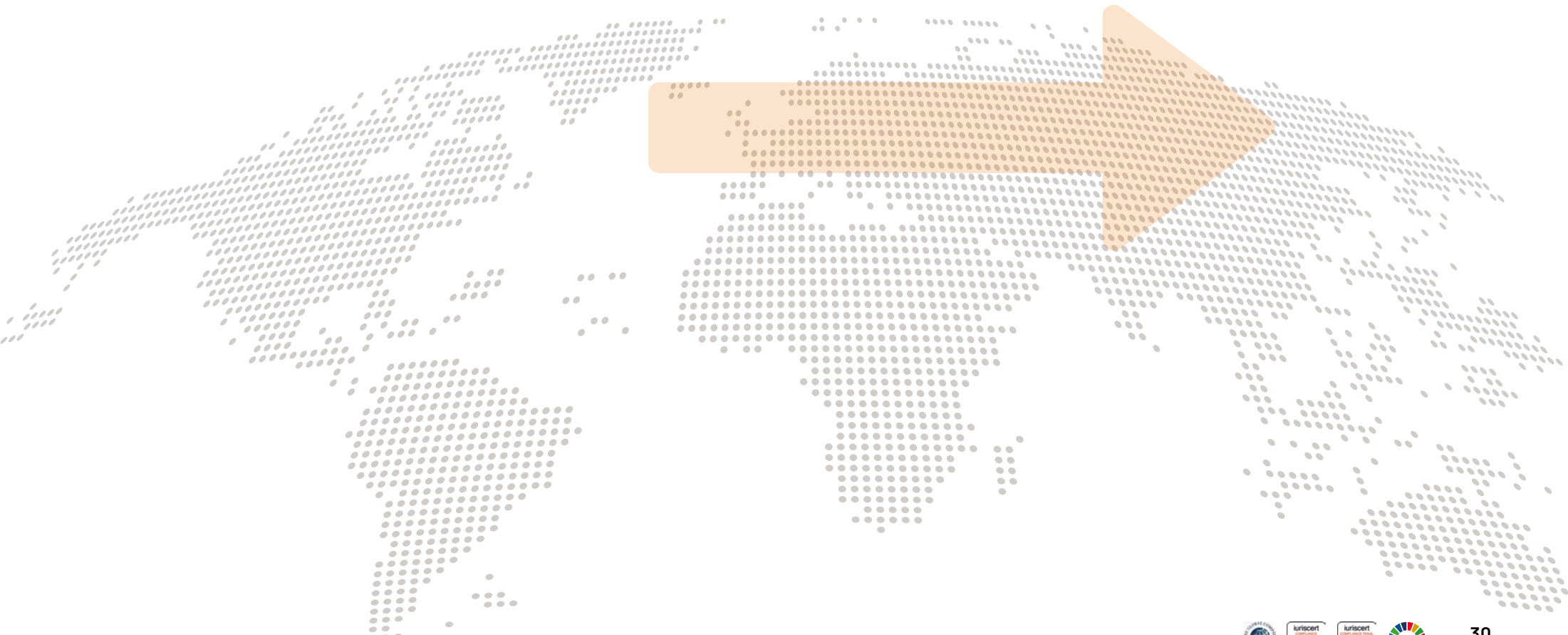
- » Loans in EUR and USD, with terms of up to 24 months, optimising the costs of cash flow financing.
- » The aim is to continue driving projects both in Spain and in international markets.



Financial closure of photovoltaic projects in São João do Piauí

- » Agreed with Banco do Nordeste de Brasil.
- » Worth BRL 404.9 million.
- » Funds will be available from mid-2019 and will be fully amortised by December 2038.

Key projects won in the year



Infrastructure



Framework service contracts with major national operators

Electricity



Telecommunications



Gas



Infrastructure



Improvements in energy efficiency of public lighting in 58 Spanish municipalities, worth EUR 127 million

- » Project CLIME by the FEMP-CLM Federación de Municipios y Provincias de Castilla-La Mancha (Federation of municipalities and provinces in Castilla-La Mancha).
- » Elecnor is an energy service company.
- » Scope: maintenance of 83,398 lights, 1,250 street lighting control centres and 983 buildings.
- » The project represents a saving of 82.36% on street lighting, 61.79% on interior building lighting, and 10.21% on heating and air conditioning.



10 year contract



EUR 127 million



58 municipalities



Six wind farms in Zaragoza, worth EUR 47 million

- » The wind farms, developed by Forestalia, will have a total installed capacity of 231 MW.
- » Scope: studies, civil works and construction for three 132/30 kV substations and two 132 kV transmission lines.



61 wind turbines



231 MW

Infrastructure



Maintenance of 26,000 Sareb buildings

- » Scope: preventive, corrective and technical-legal maintenance, as well as regular visits to check the condition of the buildings.
- » These buildings, of which 40% are houses and 31% are garages and storage facilities, account for one fifth of Sareb's portfolio.
- » Two year contract.

Infrastructure



Expansion of six substations in Mexico

- » Scope: expansion of substations with voltages of 115 kV and 161 kV, with a total capacity of 174 MVar.
- » The project will create around 300 jobs in the states of Guanajuato and Baja California.
- » A project by the Mexican CFE (Comisión Federal de Electricidad – Federal Electricity Commission).


174 MVar


USD 5.7 million


End date: June 2020



New electrical infrastructure in Chile

- » Scope: a new electricity substation in Antofagasta and construction and sectioning of the Mejillones-Antofagasta-Esmeralda-La Portada line.


USD 12 million


28 months



120 MW solar power plant in the Dominican Republic

- » The Girasol solar power plant will be the largest photovoltaic generation plant in the country.
- » Scope: installation of approximately 300,000 solar photovoltaic modules, a 150 MVA substation and a 10 km 138 kV transmission line.
- » The power plant will be built on 220 hectares of land, in a location where solar irradiance is higher than the average in the Dominican Republic.
- » The power produced will be sent to the SENI (*Sistema Eléctrico Nacional Interconectado-National Interconnected Electrical System*).


120 MWp

Infrastructure



Increasing renewable energy in Chile with 185 MW from wind power

- » Construction of a new 185 MW wind farm that allows for electrical evacuation.
- » Scope: installation of 44 wind turbines, civil works, medium-voltage network, a 220 kV booster substation and a 220 kV high-voltage line.



New wind farm in Mexico

- » The San Matías wind project includes the installation of eight 3.8 MW wind turbines which will give installed power totalling 30 MW.
- » Scope: engineering and construction of civil works such as roads, wind turbine platforms and foundations, an underground medium-voltage network, the electromechanical assembly and completion of the wind turbines, a booster substation, a connector substation, a junction with the existing transmission line and a communications line.



Becoming part of the UK's landmark project to establish nationwide fibre optic connectivity

- » Project developed by IQA, the Group's UK subsidiary.
- » The company has reached an agreement with CityFibre, the country's leading alternative broadband operator in order to deploy the fibre optic network.
- » The deal with CityFibre will double IQA's commercial capacity in the UK.



Infrastructure



Contract worth EUR 350 million with the Lithuanian railway network

- » The Vilnius-Klaipeda railway electrification project is one of the Lithuanian national railway network's strategic projects for the coming years.
- » 50-50 consortium with Abengoa.
- » Scope: electrification of more than 730 km of railway lines on the orbital line around Vilnius (34 km) and from Kaišiadorys to Klaipėda (320 km), crossing the country from east to west.
- » The work will also include the construction of eight new traction substations and the modification of two existing ones, the connection of all of these substations to the national electricity grid using 110 kV lines, and the modification and expansion of the signalling, communications and control network for the entire section of the railway being electrified.



Biomass cogeneration plant in Belgium, worth EUR 86 million

- » Elecnor's first contract in this European country.
- » The plant will have an electricity-generation capacity of 19.9 MW, using locally sourced non-recycled demolition wood as feedstock.
- » Scope: geotechnical and topographic studies, engineering, civil works and electrical and mechanical assembly.
- » The project is estimated to take around two years and will have a significant economic impact on the city, as it will create 300 temporary and 35 permanent jobs.



Large-scale water transportation project in Oman, worth EUR 192 million

- » The new infrastructure will double the water transportation capacity from desalination plants located in Barka and Sohar to the drinking water network, bolstering the supply in the Al Batinah region, one of the Sultanate's most populous areas.
- » Scope: construction of 144 km of pipeline, five fully equipped pumping stations during the different phases of the project, and five new reservoirs with capacities ranging from 5,000 to 50,000 m³.

Infrastructure




Cameroon's largest hydroelectric power plant

- » Scope: electromechanical installation of seven 60 MW generator units, an evacuation substation and auxiliary systems (BOP).
- » The Nachtigal hydroelectric power plant is the largest in Cameroon.

 420 MW

 EUR 70 million

 Construction will last 57 months

 USD 45 million

 600 MVA



Two substations in Ghana, worth USD 45 million

- » Scope: design, supply, construction, installation and commissioning of the new 330/34.5 kV outdoor substation and the new 33/11 kV indoor substation.
- » The aim of the project is to increase and improve the quality and reliability of the electricity network in the region around the capital city, Accra.
- » Creation of more than 200 direct jobs.

Concessions



New transmission line in Brazil, worth EUR 254 million

- » Project awarded to Celeo Redes.
- » Scope: construction and operation of a 240 km 230 kV double-circuit transmission line and three substations with a power transformation capacity totalling 900 MVA.
- » Turnkey project carried out by Elecnor.

Completion time:

60 months



Turnkey project by Elecnor



230 kV



256 MW



Growing in Brazil with two new wind farms

- » Enerfín has been awarded the expansion of the São Fernando Wind Farm in Rio Grande do Norte.
- » The two new parks achieved represent an addition to two previous ones that are also being built by the Group's wind subsidiary.
- » The new parks are São Fernando 3, with 23 MW, and São Fernando 4, with 83 MW.
- » With the addition of these two parks, the São Fernando Wind Farm will consist of 4 parks and 256 MW.



Contract worth EUR 53 million to build a wind farm in the Valencian Community

- » This 50 MW wind farm is one of the projects that was awarded under the framework of the Valencian Community Wind Energy Plan, and is the first wind farm to be built in the Autonomous Community of Valencia in the last eight years.
- » It will be developed by Enerfín, Elecnor's wind power subsidiary.
- » Elecnor has signed a 10 year fixed price energy trade agreement with Cepsa.

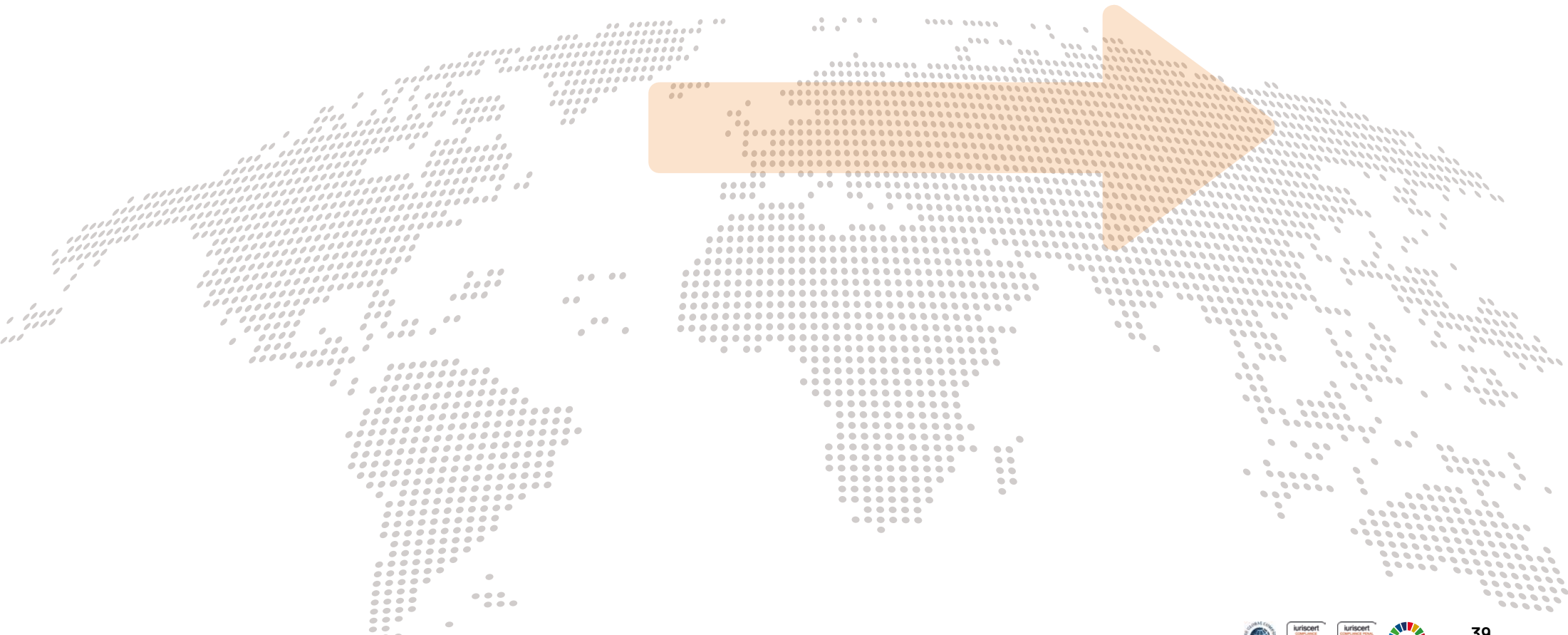


It will produce clean energy for
45,000
households

CO₂

It will avoid the emission of
66,000
toneladas de CO₂

This is elecnor



Elecnor is a global company with sales in 55 countries and two core businesses

Infrastructure:

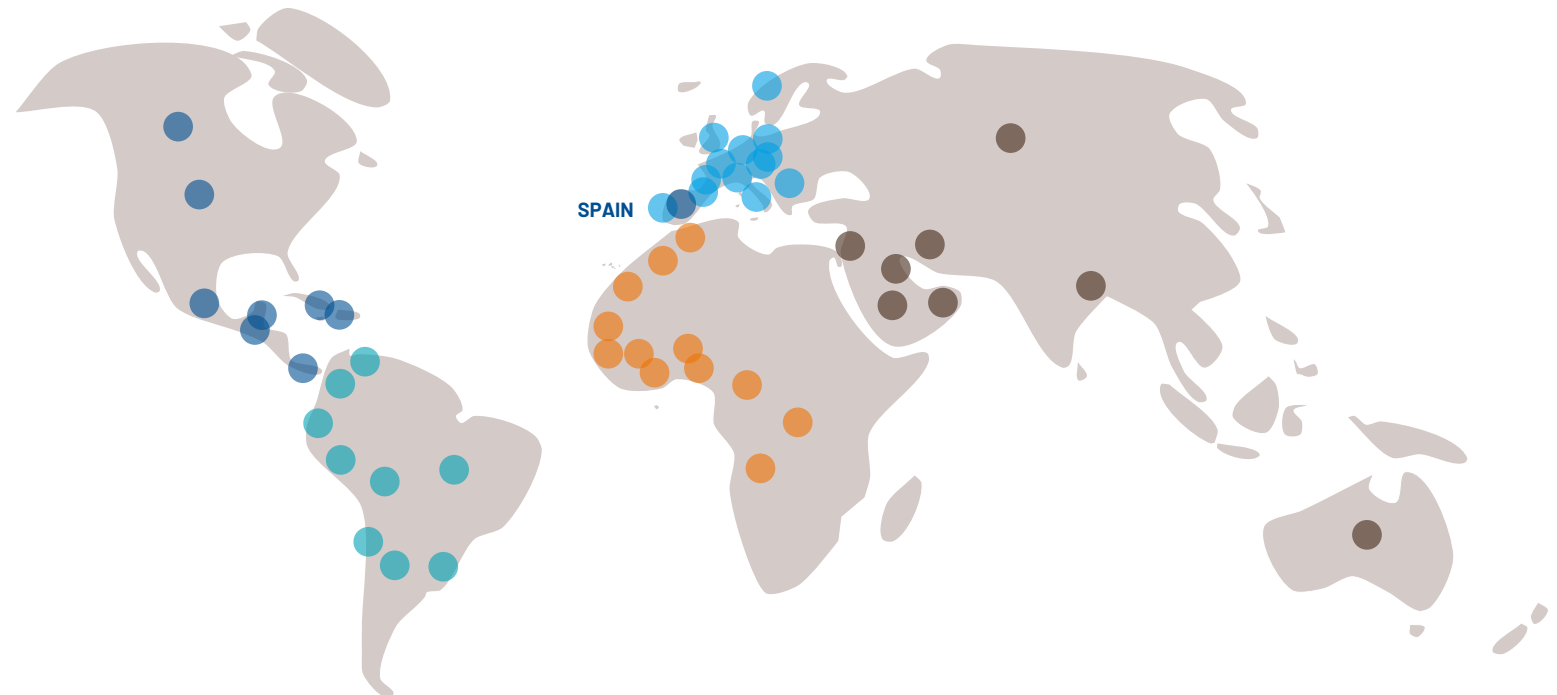
execution of engineering, construction and services projects, with a particular focus on the electricity, power generation, telecommunications and systems, facilities, gas, construction, maintenance, environmental and water, railway and space industries.

Concessions:

operation of services through investment in power transmission systems, wind and solar thermal energy, and other strategic assets.



Operations in 55 countries



NORTH AND CENTRAL AMERICA

Canada/Dominican Republic/El Salvador/Haiti/Honduras/Jamaica/Mexico

SOUTH AMERICA

Argentina/Bolivia/Brazil/Chile/Colombia/Ecuador/Peru/Uruguay/Venezuela

AFRICA

Algeria/Angola/Burkina Faso/Cameroon/Gambia/Ghana/Guinea/Guinea-Bissau/Liberia/Mauritania/

EUROPE

Austria/Belgium/Finland/France/Germany/Holland/Italy/Luxembourg/Norway/Poland/Portugal/Romania/

ASIA AND OCEANIA

Australia/Bangladesh/Iran/Jordan/Kuwait/Oman/Russia/Saudi Arabia/Vietnam



A sustainable value

People-centered

Prevention of occupational risks at business center

Promoting equality and diversity



9.4%

INCREASE IN ELECNR'S TEAM

15.7%

INCREASE IN WOMEN IN EMPLOYMENT

30%

WOMEN IN STRUCTURE

20% INCREASE NEW HIRINGS

Protecting our environment

Climate Change Strategy

Certified AENOR Environment CO₂
Verified as per ISO 14064-1

Highest score on "Climate Change Management"
as per the international CDP ranking



13.6%

DECREASE OF THE RATIO OF EMISSIONS GENERATED PER HOUR OF WORK

27.8%

REDUCTION IN CARBON FOOTPRINT IN 5 YEARS

2019 Results

ecnor



Committed to society

Partnering with ODS

Ecnor Foundation

Corporate volunteering

Dialog with local communities

Operational excellence



Good governance

The highest ethical standards

Zero tolerance to bad practices

Information transparency

Approval of a new Policy of Communication and Engagement with Shareholders, Investors and Other Stakeholders



UNE-ISO 37001
ON ANTI-BRIBERY
MANAGEMENT SYSTEMS

UNE 19601
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