

## Press release

### 9M 2013 results

## Elecnor posts nine-month net profit of EUR 55 million, with 49% higher international sales

- **33% fall in earnings, severely impacted by regulatory developments in the energy sector**
- **1.6% increase in consolidated revenue**

Madrid, 14 November 2013.- Elecnor reported a **1.6%** year-on-year increase in consolidated revenue in the first nine months of 2013 to **EUR 1.35 billion**.

Sales were up **49%** in the **international market**, but down **29%** in the **domestic market** compared to the same period last year. Revenue from the international market outstripped that from the domestic market in the first quarter this year for the first time, and After the third, this market has increased its lead, representing **58%** of total sales, compared to 40% a year earlier.

The main drivers of this change are:

- The increase in business volume contributed by other subsidiaries operating in various fields of **infrastructure** outside Spain, above all those in the US, Mexico, Venezuela, the UK and Brazil.
- The larger contribution by **overseas wind farm operators**, thanks mainly to the start-up of the new facilities at Elecnor's wind farm complex in Osorio-Palmares (State of Grande do Sul, Brazil).

This easily made up for the continuing **decline in business in the domestic market**, caused mainly by:



- Lower revenue from the concession assets managed by the Group as developer and investor, especially solar thermal and wind power, as a result of **regulatory changes** made in December 2012, and February and July 2013.
- The **overall decline in activity** in the various subsectors of infrastructure.

### **Results: impact of renewable energy and new renewable regulations**

Successive **changes in the regulatory framework** governing renewable energy in Spain, first in December 2012 and then in February and July 2013, caused earnings of renewable power plant operators, especially solar thermal and wind farms, to plunge.

The changes had a severe negative impact on the Elecnor Group's consolidated net profit, which in the first nine months of 2013 amounted to **EUR 55 million**, marking a **33%** decline on the year-ago period. Last year, the company benefited from the final stage of construction of its three solar thermal plants in Spain.

Three other circumstances also affected results:

- The adverse movement in the **Brazilian real-euro** exchange rate, which hurt both revenue and income from companies operating in Brazil.
- **Lower investment** by the Group's main clients, which resulted in lower business volume, fierce price competition and, ultimately, thinner margins.
- Delays in the start of certain **major construction projects** overseas.

### **About Elecnor**

Elecnor develops projects involving infrastructure, renewable energies and new technologies. It has 12,500 employees and is present in over 30 countries. *For more information:* [www.elecnor.com](http://www.elecnor.com)

### **More information:**

Porter Novelli.

Eva Toussaint / Beatriz Crespo

[eva.toussaint@porternovelli.es](mailto:eva.toussaint@porternovelli.es) / [beatriz.crespo@porternovelli.es](mailto:beatriz.crespo@porternovelli.es)

Tel.: 91 702 73 00