

Press release

Elecnor posts a 4% increase in net profit and 12% growth in EBITDA in 2017

- At 31 December, consolidated net profit stood at EUR 71.2 million, sales totalled EUR 2,316.8 million and EBITDA amounted to EUR 326.5 million
- Net corporate financial debt fell by 18% to 222.7 million, compared with EUR 272 million in 2016

Madrid, 27 February 2018.- Elecnor reported consolidated net profit of **EUR 71.2 million in 2017**, up **4%** from **EUR 68.5** million in 2016.

This increase was largely achieved on the back of strong showings from the Group's Infrastructure and Concessions businesses.

The Infrastructure **business** posted an **18% increase in net profit** to **EUR 62 million**, while sales **advanced by 12%** to **EUR 2,119 million**. This unit encompasses the 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.

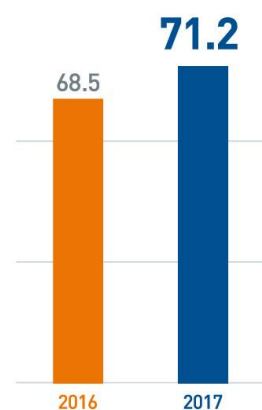
Meanwhile, the **Concessions business**, which includes the operation of services through investment in power transmission systems, wind and solar thermal energy and other strategic assets, **posted 21% growth in net profit** to **EUR 24 million**. Meanwhile, **sales** climbed **10%** to EUR **232 million**.

The Group maintains a consistent cost containment and control policy which is currently bolstered by several digitalisation projects aimed at improving business process efficiency. Several of these projects will get underway in the coming months and returns are expected in the near term.

EBITDA

Normalised **EBITDA** - based on consolidated EBITDA and stripping out the impact of the application of IFRIC 12 relating to Service Concession Arrangements for the transmission lines operated by the Group in Brazil - totalled **EUR 326.5 million**, up **12%** compared with the reported figure in 2016.

NET PROFIT
Figures in millions of euros

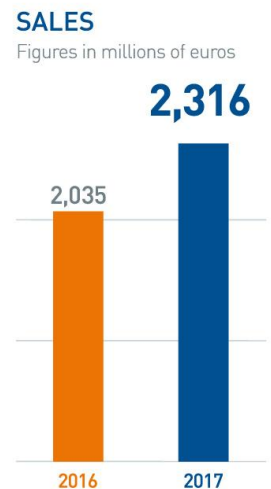


Sales

The Elecnor Group reported sales in 2017 of EUR **2,316.8** million, compared with **EUR 2,035.1** million in 2016, an increase of **14%**.

Among the factors behind this growth was the strong showing of the Infrastructure business in the international market, courtesy of:

- the growth in transmission project construction in Brazil.
- The turnkey construction of the Bungala solar PV plant in Australia, the most ambitious such project to date in that country and the largest carried out by Elecnor with this generation technology.
- The construction of two solar PV plants in Bolivia and Chile. The latter encompasses the engineering, supply, assembly and start-up of the plant and the high-voltage evacuation infrastructure.
- The expansion of the wind farm which is being built in Jordan for the country's Energy Ministry.
- The growth in activity in countries which the Group entered relatively recently, with the US subsidiary Hawkeye performing well, for example.



Sales growth was also posted by the Concessions business. In the Spanish market, the growth in sales was largely due to the higher average pool price. In the international market, the increase was due to higher production and the positive movement in the Brazilian real-euro exchange rate.

The international market accounted for **59%** of total revenue and the domestic market for the remaining **41%**, underlining the Elecnor Group's commitment to international markets as the growth driver in coming years. Elecnor posted growth of **23%** in these markets in 2017.

Backlog

The order backlog at 31 December 2017 stood at EUR **2,161 million**. By markets, international orders accounted for EUR **1,746 million (81% of the total)** of this amount, while domestic orders totalled **EUR 414 million, 19%** of the total.



Net financial debt

Net corporate financial debt in 2017 stood at **EUR 223 million**, compared with **EUR 272 million** in 2016, a decrease of **18%**.

The **Net Financial Debt/EBITDA ratio with recourse + projects div.** was **1.31 at the end of 2017**, below the figure of **2.02** for 2016 and well below the limits set in the financial covenants.

Share price performance

Elecnor's shares ended the year at **EUR 13.29**, up **48%** compared with the end of 2016 and outperforming the Ibex-35, which gained 7.4%, and the Continuous Market (+7.59%). The cash trading volume totalled EUR **109 million**. Market **cap** amounted to EUR **1,156 million**.

The **dividend yield stood at 3.1%**, compared with **3.2%** in 2016.

Employees

In 2017, the Group's workforce totalled **13,144 employees**. Jobs continued to be created in the domestic market thanks to telecommunications maintenance and infrastructure activities. The workforce declined in international markets mainly as a result of projects drawing to a close in Latin America and Angola.

Social responsibility

In the sphere of Corporate Governance, the Group's Board is continuing to ensure that tools are kept up to date so that the very highest ethical standards can be attained. The company fulfils this commitment through the Elecnor Group's Compliance System and it is enshrined in the Group's Code of Ethics.

Elecnor, as a highly competitive company which is constantly growing and international in scope, aspires to be recognised for the quality of its human team, social responsibility, commitment to customer service and technical and financial standing, and for its integrity, profitability and sustainability.

The Group's vision for sustainability finds expression in its actions in the environmental and social spheres, and also in its dealings with its personnel and its respect for human rights and commitment to the fight against corruption and bribery, which are encompassed in the company's management and



strategy. Elecnor has an Integrated Management System to monitor the Environment, Quality, Occupational Health and Safety, Energy Management and R&D&i.

About Elecnor

Elecnor carries out projects involving infrastructure, renewable energies and new technologies. It has 13,144 employees and generates sales in 53 countries. For further information: www.elecnor.com

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