

## PRESS RELEASE

# Elecnor approves the annual financial statements for 2019 at its General Meeting of Shareholders

- Net profit reached EUR 126.4 million in 2019 and sales EUR 2.453 billion, representing 9% growth
- Elecnor increases the 2019 dividend by 8% compared to 2018
- Elecnor has reduced its corporate financial debt by 33.5% in 2019

**Madrid, 21 May 2020.** Elecnor's General Shareholders' Meeting, held on 20 May in Madrid, approved by a large majority the financial statements corresponding to the 2019 financial year, together with all the points proposed on the agenda.

In his presentation, the Group Chairman, Jaime Real de Asúa, announced that Elecnor will distribute among its shareholders a dividend charged to the 2019 financial year that is 8% higher than the dividend for the previous year.

As Real de Asúa said, "after assessing the effects of COVID-19, we have decided to maintain our commitment to you all. Over the past 5 years, we have increased the dividend by 5.7% per year on average. This is a commitment that we continue to hold resolutely. As you know, generating shareholder value and maintaining it over time are at the core of all our strategies.

The total dividend per share amounts to EUR 0.33187644, of which EUR 0.05732 per share was already distributed as an interim dividend on 11 December 2019. On 29 May, the remaining EUR 0.27455644 will be paid as an extra payment.

## 2019: growth, profitability and financial solvency

Elecnor achieved sales of EUR 2.453 billion in 2019, an improvement of 9% compared to 2018, and a net EBITDA of EUR 265.3 million, an increase of 6.8%. The company closed the year with a net profit of EUR 126.4 million.

In the breakdown of revenues by geographical area, the international market represents 52% of the total figure, with 48% from domestic sales. By segment, the **Infrastructure Business** achieved sales of EUR 2.2795 billion, with an 8.8% increase over the previous year, while the **Concession Business** grew to EUR 190.8 million, up 20.3% compared with 2018.



Particularly noteworthy at the end of 2019 was the corporate operation signed to strengthen **the alliance** that **APG and Elecnor** sealed in 2014. The agreement involves the entry of the Dutch fund into the capital of Celeo Concessions and Investments with a 49% holding. Celeo has a capital investment plan of EUR 400 million to support project equity, which, depending on the leverage obtained, could involve investments in excess of EUR 1.200 billion. The agreement signed with APG envisages that Elecnor Infrastructures will build these projects in turnkey mode.

Elecnor continues its policy of debt containment and supported by the good performance of flows from its operating activities, has reduced its corporate financial debt by 33.5%, which ended the year at EUR 136 million, with a debt/EBIDTA ratio of only 0.92.

Elecnor's performance in the last year, its high level of financial solvency, the strength of its businesses and the commitment of its staff are its best lines of defence to combat the consequences of the great economic and social impact that the health crisis is causing.

## **Sustainability**

Elecnor is aware of the importance of its activities on the inhabitants and the environments of the areas in which it operates. For this reason, the company has made a series of commitments to ensure the well-being of the regions with which our operations bring us into contact. Concerning the people that make up our company, it has firmly committed itself to a number of measures: 1) The promotion of occupational health and safety in our core business; 2) The drive for equality and diversity; 3) A 9.4% expansion of the Elecnor workforce; and 4) A 15.7% increase in the number of women employees.

With regard to company employees, the Chairman, Jaime Real de Asúa, highlighted in his speech: "It would be difficult to find a more capable and committed team of people. I take the greatest pride in assuring you that our staff can overcome any adversity, regardless of its nature. They have shown this during these recent weeks of confinement, especially those of our people who have been on the front line."

With regard to the Good Governance Policy, Real de Asúa stated that: "in accordance with the latest regulatory changes, the Board of Directors has approved the modification of the Internal Code of Conduct, as well as the Communication Policy with shareholders, institutional investors and voting advisors, to promote transparency in the Company's relations with shareholders in general and particularly with institutional investors and asset managers."

## **Forecast for 2020**

The Group is constantly assessing the impact of the health crisis on the 2020 figures. In this regard, it is monitoring all risks that may have an effect in this context, and has taken all necessary measures to continue productive activity while protecting the health and safety of workers.

Elecnor has financing lines available for amounts projected to be sufficient to mitigate liquidity risk in the current situation, and considers that the return on investment will not be compromised by the effects of the pandemic situation.

The company is confident that the core components of the business will not be particularly affected. Firstly, in the Concessions business line, the bulk of assets are in operation and the crisis is not expected to affect the profitability of those being built; secondly, more than half of the business in Spain is considered essential activity; and thirdly, in the international market, where activity continues despite certain difficulties, many of the projects being carried out are of a strategic nature for the countries in which they are being developed.

Elecnor trusts that the situation will stabilise in the coming months, and that the company's strength will enable it to return to a path of growth as soon as possible.

## **Other agreements from the Shareholders' Meeting**

- The Board of Directors was authorised to issue fixed income securities for a 5 year term.
- The Shareholders' Meeting voted for the re-election of Mr Joaquín Gómez de Olea Mendaro as a Proprietary Director within the Group's Board of Directors.
- In turn, KPMG was approved for one year re-election as the auditor of the company and its Group.

## **About Elecnor**

Elecnor is a leading Spanish business group in the infrastructure, renewable energy, services and new technology sectors. With over 60 years of continuous growth and a presence in 55 countries, Elecnor operates in various sectors, including electricity, gas, industrial plants, railways, telecommunications, water, control systems, construction, the environment, installations maintenance and aerospace engineering. Elecnor's strong international vocation has led the company to embark on a continuous expansion process that has opened doors to new markets all over the world, mostly in Europe, North



America, Central America, South America, Africa, Australia and the Middle East. Elecnor is listed on the Continuous Market and has a team of highly qualified professionals and a workforce of 14,855 employees. In 2019, the company reported revenues of EUR 2.453 billion and a consolidated net profit of EUR 126.4 million. For more information, please visit [www.elecnor.com](http://www.elecnor.com)

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