

ANNUAL REPORT 2012



Annual Report 2012

Contents

04.

KEY
FIGURES

08.

MESSAGE FROM
THE CHAIRMAN

12.

MISSION, VISION
& VALUES

14.

2012
MILESTONES

20.

ORGANIZATIONAL CHART

22.

INTERNATIONAL

26.

ACCIONA 2012

124.

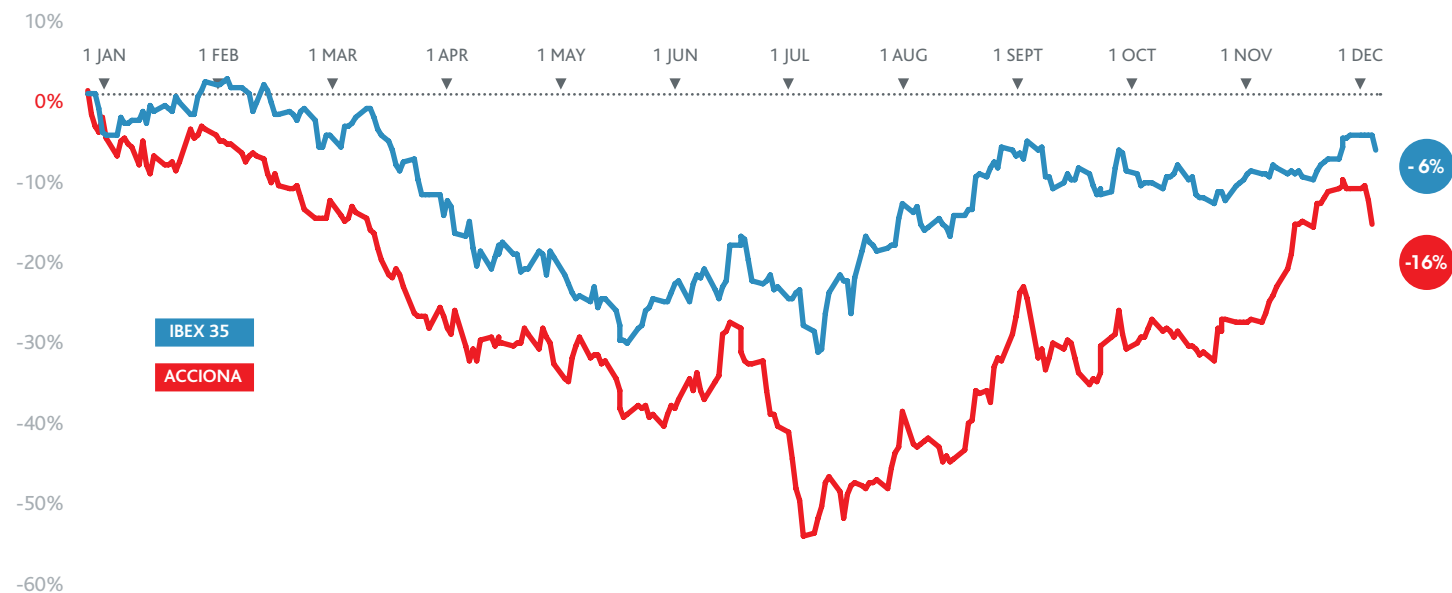
INNOVATION

- ACCIONA Infrastructure
- ACCIONA Energy
- ACCIONA Agua
- ACCIONA Real Estate
- ACCIONA Logistics & Transport Services
- ACCIONA Service
- Other businesses: Bestinver

→ SHARE PERFORMANCE

	2011	2012
Starting price (€)	53.1	66.7
Final price (€)	66.7	56.2
Appreciation (%)	25.6	-15.8
Low in 2012 (€)	51.4	30.5
High in 2012 (€)	80.5	68.1
Market capitalization at 31 December (million euros)	4,241	3,219

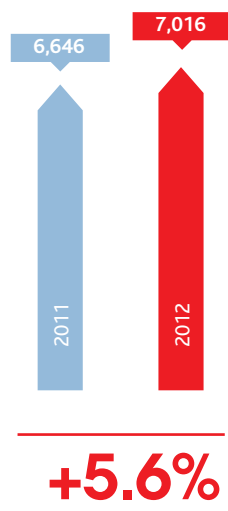
→ ACCIONA SHARE PERFORMANCE VS. IBEX 35 IN 2012



→ **TURNOVER**

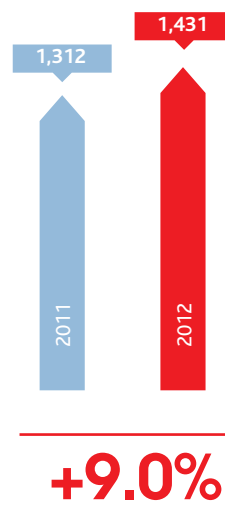
(million euros)

	2011	2012	CHG. 12/11
Infrastructure	3,522	3,326	-5.6%
Real Estate	104	68	-35.0%
Energy	1,650	2,107	27.7%
Urban & Environmental Services	697	815	16.9%
Logistics & Transport Services	714	706	-1.1%
Other Businesses and Financials	135	140	3.2%
Consolidation adjustments	-177	-146	
TURNOVER	6,646	7,016	5.6%

→ **EBITDA**

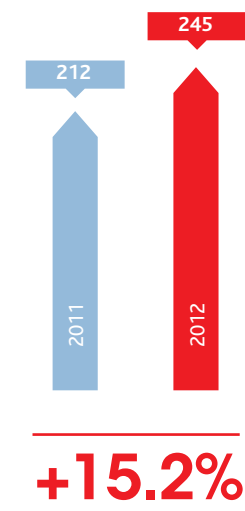
(million euros)

	2011	2012	CHG. 12/11
Infrastructure	215	163	-24.2%
Real Estate	12	1	-89.9%
Energy	956	1,125	17.8%
Urban & Environmental Services	55	54	-0.8%
Logistics & Transport Services	25	36	46.0%
Other Businesses and Financials	55	54	-1.8%
Consolidation adjustments	-5	-3	
EBITDA	1,312	1,431	9.0%

→ **EBT**

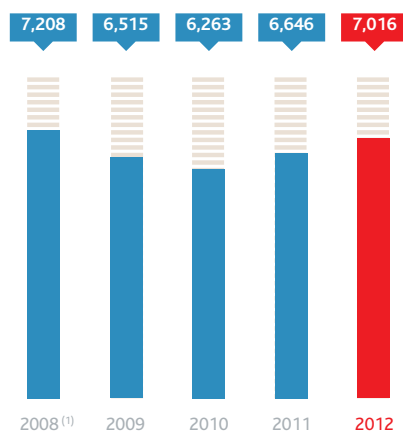
(million euros)

	2011	2012	CHG. 12/11
Infrastructure	123	70	-43.1%
Real Estate	-51	-54	6.6%
Energy	101	166	64.6%
Urban & Environmental Services	18	26	49.1%
Logistics & Transport Services	-34	-18	-47.8%
Other Businesses and Financials	58	55	-4.2%
Consolidation adjustments	-3	-1	
ORDINARY EBT	212	245	15.2%
Extraordinary items	12	1	
EBT	224	246	9.7%



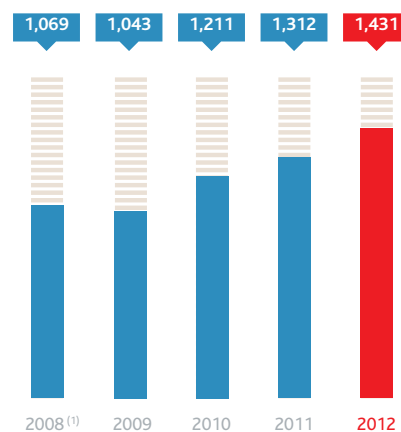
Turnover amounted to
7.016 billion euros
 in 2012, almost 400
 million euros
 more than in 2011

→ **TURNOVER**
 (million euros)



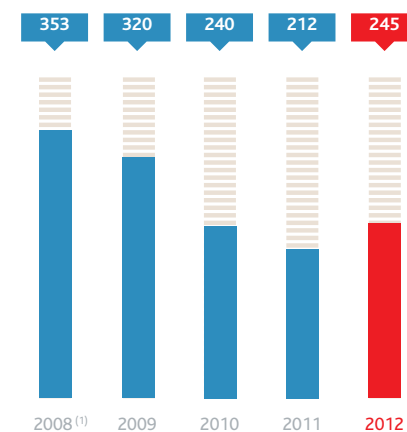
⁽¹⁾ Excluding results from Endesa.

→ **EBITDA**
 (million euros)



⁽¹⁾ Excluding results from Endesa.

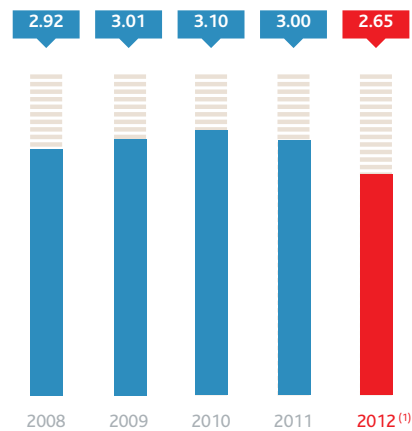
→ **ORDINARY EBT**
 (million euros)



⁽¹⁾ Excluding results from Endesa.

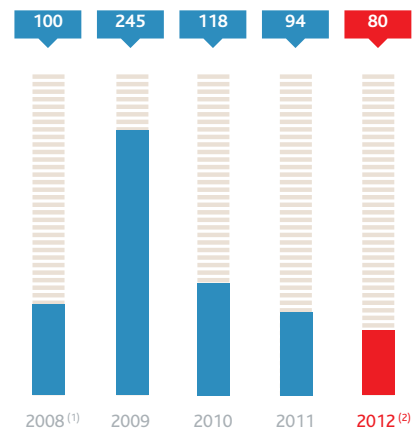
ACCIONA proposed
a dividend payment
of **2.65** euros,
with an implied
dividend yield of 5.4%

→ **DIVIDEND PER SHARE**
(euros)



⁽¹⁾ Pending approval by the Shareholders' Meeting.

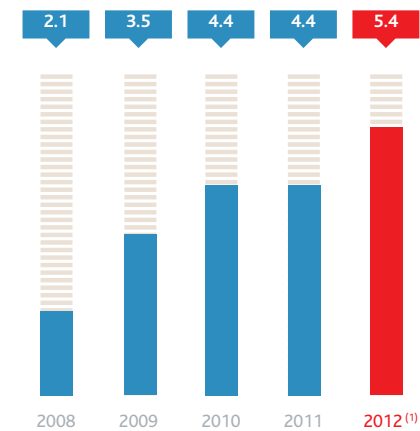
→ **PAYOUTS/ORDINARY INCOME**
(percentage)



⁽¹⁾ Excluding results from Endesa.

⁽²⁾ Pending approval by the Shareholders' Meeting.

→ **DIVIDEND YIELD**
(percentage)



⁽¹⁾ Pending approval by the Shareholders' Meeting.



JOSÉ MANUEL ENTRECANALES
Chairman & CEO of ACCIONA

Message from the Chairman

Dear Shareholder,

During 2012, companies once again had to overcome great obstacles to maintain their level of activity and generate growth and profits. But despite the complicated economic situation, global demand for the services and projects provided by our strategic divisions continues to increase, and worldwide investment in Water, Energy and Infrastructure is expected to exceed 60 billion dollars per year during this decade.

We find ourselves in a paradox: Europe is experiencing one of the worst crises

in recent memory, while much of the world is benefiting from double-digit growth, with expanding middle classes driving inexorable growth in demand for food, commodities, energy, water, and infrastructure of all kinds.

ACCIONA faces a momentous predicament, in that it must adapt to the limitations of the very negative economic situation in Europe but continue to play an important role in the global market for renewable energy, water and infrastructure.

This year we successfully combined prudence, austerity and realism—as

required by the adverse economic context—with the dynamism and creativity required at a time of global growth like the present.

ACCIONA ended the year with turnover of 7.061 billion euros (5.6% more than in 2011), EBITDA of 1.431 billion euro (an improvement of 9.0% year-on-year), and net attributable profit of 189 million euros (6% lower than the previous year due to a decline in extraordinary items in 2012).

As regards the business areas, ACCIONA Energy was the largest contributor to group EBITDA in 2012: 1.125 billion euros,

“2012 was a good example
of how to make
**prudence, austerity
and realism** compatible with
**dynamism,
drive and creativity”**

i.e. 78.5% of the total and an increase of 17.8% year-on-year. In 2012, the division installed 224 MW of renewable energy capacity, mainly wind (174 MW), of which 100 MW were outside Spain. This brings the Group's total installed capacity up to 8,437 MW, strengthening its position as the world's third-largest renewable energy operator (excluding Chinese operators, for which reliable data is not available).

Growth in the international construction business, whose share of the total increased from 41% in 2011 to 52% in 2012, contributed to ACCIONA

Infrastructure reporting 3.326 billion euros in revenues.

ACCIONA Agua and Environment obtained turnover of 815 million euros and EBITDA of 54 million euros. The Agua division's backlog amounted to 11.326 billion euros at 2012 year-end, i.e. 137% more than in 2011.

ACCIONA maintained its selective capital expenditure policy in 2012, having invested 854 million euros, of which 440 million euros correspond to ACCIONA Energy and 343 million euros to Infrastructure, primarily in the concession business.

Net interest-bearing debt amounted to 7.482 billion euros at 2012 year-end, just 7% higher year-on-year despite considerable capital expenditure. The Company maintains a solid financial structure and cash position, including approximately 2.5 billion euros in unused credit lines. In the current situation, it's important to note that we do not have to address any major refinancing in the coming years, and that 67% of our gross interest-bearing debt is without recourse.

We are committed to accountability to our shareholders and stakeholders that goes beyond economic information.

“Our business model responds in a **consistent, structured and committed** way to the major challenges of sustainable development facing society today”

Accordingly, this year we will present our second Sustainability Report for approval by the upcoming Shareholders' Meeting.

Regarding our progress in sustainability, I would highlight: 1) that we have maintained our investment target in R&D and innovation, despite the difficult environment; 2) the completion of pilot social impact analysis projects in Chile, Costa Rica, Brazil and South Africa, with a view to implementing this practice worldwide; 3) the increase in our direct contribution to community action, now accounting for 7.42% of the dividend; and 4) that we avoided 20% more CO₂

emissions than in 2011 and reduced our energy consumption by 1.5%.

All of these sustainability-related actions have been recognized by the leading international monitoring organizations. In 2012, we were included in the Dow Jones Sustainability Index for the sixth year. We are also present in other leading sustainability indices, including FTSE4Good, the Carbon Performance Leadership Index and the Carbon Disclosure Leadership Index, according to the Iberia 125 Climate Change Report 2012, produced by the Carbon Disclosure Project.

Because of the impact on our main business, I should mention that various regulatory changes in 2012 and the first quarter of 2013 impacted Spain's electricity sector, with a particularly adverse effect on renewable energies generally and on ACCIONA in particular.

Overall, these changes in legislation represent a sweeping structural reform that departs from the basic principles on which the renewable energy sector in Spain was built, particularly the expectation of a reasonable return, thereby undermining investor confidence. In response to this regulatory reform,


we have implemented a Plan of Action for 2013-14 which focuses mainly on restoring part of the lost returns and strengthening the group's credit metrics.

Any company with a long-term vision inevitably has new paths to travel and challenges to address. Our business model responds in a consistent, structured and committed way, to the major challenges of sustainable development that society faces today. This commitment is based on a dynamic vision and readiness to react to major opportunities that arise around the world. Our model has enabled us to


successfully overcome difficulties and position ourselves competitively to respond to the notable growth in demand expected for our projects and services in the coming decades, a period which, with reasonable prudence, I view with sincere optimism.

Mission, vision and values

Our **mission** is to be a leader in the creation, development and management of infrastructure, energy and water; contributing actively to social wellbeing, sustainable development and the creation of value for our stakeholder groups



Our **vision** is to meet the challenge of achieving sustainable development in all our business areas, so that the generations of today and the future will have a better life



Our Values

■ HONESTY

We strive for transparency, dialogue and participation in everything we do.

■ LEADERSHIP

We believe that innovation and foresight will allow us to be pioneers and leaders in all aspects of our business activity.

■ EXCELLENCE

ACCIONA aims to set the benchmark in the markets where it operates.

■ ENVIRONMENTAL CONCERN

In 2012, ACCIONA avoided the emission of 13.97 million metric tons of CO₂, an increase of 20% on 2011.

■ SOCIAL RESPONSIBILITY

ACCIONA's commitment to sustainable development is evidenced by its ranking as a sector leader in the Dow Jones Sustainability Index in recent years.

■ LONG-TERM VIEW

Our pledge to sustainability confirms our commitment to finding forward-looking solutions and business models.

■ FINANCIAL STRENGTH

We guarantee the viability and profitability of our businesses, creating a relationship of trust with our shareholders and stakeholders.

■ CUSTOMER FOCUS

Customer satisfaction is one of the fundamental principles of our constant drive for excellence.

■ INNOVATION

One of ACCIONA's strategic pillars.

■ CARE FOR PEOPLE

Our system is based on integration and equal opportunities. We aim to create a work environment that promotes professional development, and respect for our employees' personal lives, as well as their health and safety.

2012 milestones

JANUARY

- ACCIONA was awarded the contract to build, maintain and operate a section of the Almanzora Highway, between Purchena and the Mediterranean Highway (A-7), in Spain. The budget amounts to 104.22 million euro and the execution period is 36 months.
- ACCIONA Windpower signed a contract with NaturEner USA LLC to supply 189 MW for the Rim Rock wind farm in Montana (USA). The contract includes operation and maintenance of the farm for 7 years.
- The ACCIONA Windpowered Antarctica team completed its 3,500 kilometer journey on a wind-powered sled across the South Pole, 100 years after the Amundsen and Scott expeditions.

FEBRUARY

- ACCIONA Energy commissioned the El Chaparro wind farm, a 16 MW facility in Guadalajara (Spain) that will produce clean energy equivalent to the consumption of around 12,000 households.
- ACCIONA Energy President Carmen Becerril met with United Nations Secretary-General Ban Ki-moon at

the World Economic Forum to discuss approaches for strengthening public-private partnerships between the UN and corporations.

- ACCIONA was awarded the contract to build, design, operate and maintain the Bello wastewater treatment plant in Medellín, Colombia. This project is worth a total of 347 million dollars (more than 260 million euros).

MARCH

- ACCIONA inaugurated Latin America's largest wind farm complex, in Mexico, with an installed capacity of 306 MW. The Company created ACCIONA Microenergy Mexico to provide electricity to isolated rural communities not included in any electrification plans.
- ACCIONA Energy commenced construction of the Jelanić wind farm (30 MW), its first in Croatia.
- ACCIONA Trasmediterranea collaborated on R&D and Innovation for the EU-CargoXpress, a sustainable cargo vessel that uses renewable energies and reduces fossil fuel consumption and emissions by over 50%.

APRIL

- ACCIONA began supplying 100% renewable electricity to the Prado Museum, in Madrid. ACCIONA also provides additional services for optimizing the museum's electricity consumption.
- ACCIONA Windpower signed a contract with CPFL Renováveis to supply, install and maintain 120 MW at the Atlantica wind farm, in the state of Rio Grande do Sul, Brazil.

MAY

- ACCIONA Agua received the *Water Deal of the Year* award from Global Water Intelligence. This distinction recognizes the public-private financing model used in the Mundaring drinking water treatment plant in Perth, Australia.
- Through the Corporate Leaders Group on Climate Change (EUCLG), ACCIONA participated in a meeting with the European Commission under its President, José Manuel Durão Barroso.
- ACCIONA Group obtained EBITDA of 328 million euros in the first quarter of 2012, a 6.5% increase with respect to the previous year.

In 2012,
ACCIONA
inaugurated
Latin America's
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farm, in Mexico,
with installed
capacity of
306 MW

ACCIONA obtained the contract to build and commission one of the largest solar thermal plants in Africa

- ACCIONA Energy inaugurated the Golice wind farm (38 MW), the Company's first in Poland, and started construction of its second wind farm there, in Gostyń (33 MW).
- ACCIONA and Aveng were awarded 209 MW of renewable capacity in South Africa. The consortium will build and operate a 135 MW wind farm and a 74 MW solar photovoltaic plant (94 MWp).
- ACCIONA Chairman José Manuel Entrecañales signed a cooperation agreement under which the Company became an official sponsor of celebrations of the artist El Greco, who died 400 years ago.
- Mostostal Warszawa, a leading infrastructure company in Poland owned 50.09% by ACCIONA, appointed Marek Józefiak as executive chairman.
- ACCIONA Chairman José Manuel Entrecañales spoke at a European Commission conference in Brussels on new economic growth strategies in Europe.
- ACCIONA inaugurated its largest wind farm in India, in terms of installed capacity, its third project in the country.

The facility (56.1 MW) produces enough renewable energy to supply 35,000 Indian households.

JUNE

- ACCIONA received the *Women Together* award at United Nations headquarters in recognition of its corporate policy focused on sustainable development.
- For the second consecutive year, ACCIONA was awarded the contract to supply electricity for all of the desalination and drinking water plants and other facilities managed by Spanish state-owned company *Aguas de las Cuencas Mediterráneas* (Acuamed).
- ACCIONA, in consortium with other companies, is to build a solar thermal plant (50 MW) in South Africa's Kalahari Desert region.

JULY

- In the first half of 2012, ACCIONA obtained 80 million euros in net attributable profit and 677 million euros in EBITDA, and turnover expanded by 8.6%.
- ACCIONA sold 100% of *Sociedad*

Concesionaria Universidad Politecnica in Mexico to Macquarie Mexican Infrastructure Fund for 38 million euros. The agreement also stipulates that ACCIONA will continue to operate and maintain the University.

- The Peruvian Ministry of Energy and Mining's Directorate General of Electricity awarded ACCIONA Microenergy Peru the rural electricity concession to develop energy supply in La Lucmilla, Cajamarca. This is the first exclusively photovoltaic rural electricity concession granted by the Peruvian government.

AUGUST

- ACCIONA obtained the water management contract for the town of La Unión in Murcia, Spain. The end-to-end residential water service, which includes drinking water supply and distribution, and sewage treatment, will provide total turnover of 92.8 million euros.

SEPTEMBER

- ACCIONA Windpower landed the contract to supply 30 MW and provide O&M

services for 15 years for a wind farm in Prince Edward Island, Canada.

- ACCIONA was included once again in the Dow Jones Sustainability Index (DJSI World and DJSI Europe) and FTSE4Good. ACCIONA improved its overall score, evidencing its ability to remain at the forefront in sustainability policies.
- ACCIONA Agua signed a contract with the Costa Rican government to design, build, commission and maintain the Los Tajos wastewater treatment plant in the greater San José area.
- The Mexican government's National Water Commission (Conagua) awarded a consortium made up of ACCIONA Agua and Mexican companies the contract to design, build, operate and maintain the first phase of the El Caracol wastewater treatment plant. It is the second facility within the program to modernize wastewater treatment plants in Mexico City.
- ACCIONA obtained the contract to build and commission one of the largest solar thermal plants in Africa, located in the Sahara. The plant, which will have an

installed capacity of 160 MW, will cost more than 500 million euros.

OCTOBER

- Saudi Arabia's Marafiq Power & Water Utility Company for Jubail and Yanbu awarded ACCIONA Agua (in consortium with the Saudi BinLadin Group) the contract to design, build and commission the Al Jubail desalination plant, which will serve the city and industrial complex on the Persian Gulf coast.
- ACCIONA commissioned an industrial-scale photovoltaic plant with battery storage, the first of its kind to operate in Europe.
- ACCIONA reinforced its commitment to providing access to the labor market to people with disabilities by signing a contract to hire 350 in the next four years.
- Public company Abbanoa SpA awarded ACCIONA Agua the contract to design, build and commission the Siniscola drinking water plant in Sardinia (Italy).
- ACCIONA Green Energy Developments was awarded 16 of the 20 contracts to supply electricity to Spain's Adif rail infrastructure

agency in 2013. The ACCIONA subsidiary, specialized in energy management and sales, was awarded more than 94% of supply to the railway administrator in a contract worth 220.5 million euros.

- ACCIONA won the SERES 2012 award for ACCIONA Microenergy Foundation's Electricity in the Home (*Luz en Casa*) project. This award recognizes the project's innovativeness and social commitment, and ACCIONA's focus on making it economically sustainable.

NOVEMBER

- ACCIONA won the tender to supply water to the *Aigües Ter Llobregat* distribution company. The 50-year concession covers water capture and delivery to reservoirs, from which it will be distributed to end customers.
- Mexico's Federal Electricity Commission awarded ACCIONA the contract to design, supply, build and commission the Baja California II power plant (Mexico), worth 80 million euros.
- ACCIONA obtained net profit of 114 million euros in the first nine months of

ACCIONA
Windpower
opened a **wind
turbine generator
manufacturing
plant in Brazil**, the
Company's first
**industrial
initiative** in the
country



the year. Turnover increased by 7.7% to 5.165 billion euros and EBITDA expanded by 11.4% to 1.040 billion euros.

- ACCIONA received the *Innovation in Human Resources* distinction at the *Emprendedores & Empleo* (E&E) awards for the technical training schools within its corporate university. These major national awards acknowledge companies with the strongest commitment to people management.
- ACCIONA joined more than 100 international companies in signing the Carbon Price Communiqué, calling on politicians to establish a clear framework for pricing carbon emissions.
- ACCIONA Agua was awarded the 59 million euro contract for the Oum Azza drinking water treatment plant, to reinforce water supply to the Rabat-Casablanca coastal area in Morocco.

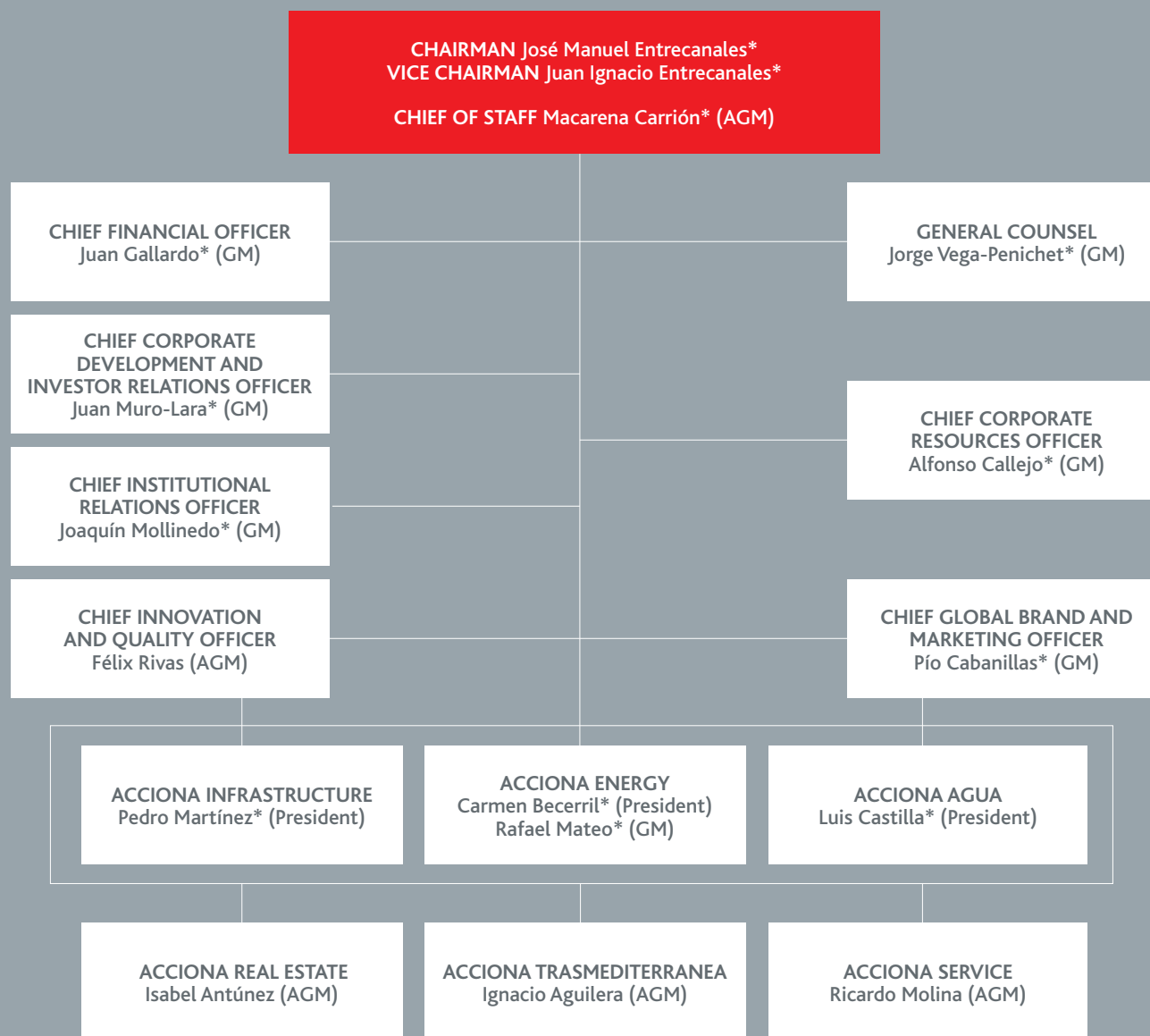
DECEMBER

- ACCIONA was awarded the contract to supply electricity in 2013 to the facilities of Canal de Isabel II, the public sector company which provides end-to-end water management services in the Madrid region. The contract, which represents an estimated consumption of 467 million kWh, will provide turnover of 56 million euros.
- ACCIONA obtained the water management contract in Zafra (Badajoz, Spain), under which it will manage water supply and treatment for the next four years.
- ACCIONA and ACS inaugurated the A-30, one of Canada's largest toll roads. The project, under a 30-year concession, is valued at 1.580 billion Canadian dollars (1.232 billion euros).

Milestones after the close of FY2012

- ACCIONA Agua was awarded the O&M contract (initially for two years) for the Haddah-1 and Arana-1 wastewater treatment plants, in Saudi Arabia's Mecca province. The plants service the provincial capital of the same name and have a combined total capacity of 375,000 m³/day.
- ACCIONA landed a desalination deal, worth more than 200 million dollars, in the United Arab Emirates. The Company is to design, build and operate the extension of the Fujairah desal plant (capacity 137,000 m³/day).
- ACCIONA teamed up with Spain's Ministry of Health, Social Services and Equality in a public information campaign against gender violence.
- ACCIONA Energy commissioned a 30MW wind farm in Jelinak (Croatia). Construction began in March 2012.
- ACCIONA offset the carbon emissions of the commutes and business trips of its employees by planting 3,000 trees. The two-fold aim was to recognize the commitment to sustainability by the Company's professionals and to offset CO₂ emissions.
- ACCIONA Windpower launched a new rotor 125-metre rotor blade for its AW3000 wind turbine generator.
- ACCIONA heads the "makeSense" R&D project—part of the EU's Seventh Framework Programme—an initiative that sets out to reduce the installation costs of sensor networks and facilitates automatic and remote control of buildings and machinery.
- ACCIONA won the contract for two units of the Northern section of the Rodoanel Mario Covas roadway, a major ring road in Sao Paulo, Brazil. The project is worth BRL 1,407 million (around US\$700 million).
- ACCIONA ended FY2012 with 7.016 billion euros in sales, up 5.6% on 2011, and with a 9% increase in EBITDA, up to 1.431 billion euros.
- ACCIONA Windpower inaugurated its first wind power manufacturing plant in Brazil, the Company's first industrial initiative as part of its implementation plan in the country.
- ACCIONA Agua was voted "World's Best Water Company" by Global Water Intelligence (GWI), the leading water industry journal. The award comes in recognition of the Company's merits in 2012 and its contribution towards the development of the international water industry. In addition, the ACCIONA Agua-run Adelaide (Australia) desal plant obtained a Distinction in the "Desalination Plants of the Year" category.
- ACCIONA Chairman & CEO, José Manuel Entrecanales, took up his seat on the Advisory Board of "Sustainable Energy for All", a UN/World Bank-backed initiative aimed at making universal access to electricity a reality by the year 2030 and to ensure that renewable sources make up 30% of the energy mix by the same date.
- ACCIONA was awarded the build contract for Gabon's largest-ever drinking water treatment plant, in a deal worth 50 million euros. The project will be carried out jointly by ACCIONA Agua and ACCIONA Infrastructure and will have an output capacity of 140,000 m³/day.

Organizational chart



* Member of the Executive Committee
GM: General Manager
AGM: Area General Manager

1 January 2013

International

ACCIONA strengthened its global expansion strategy in 2012 with major projects and investments on all continents.

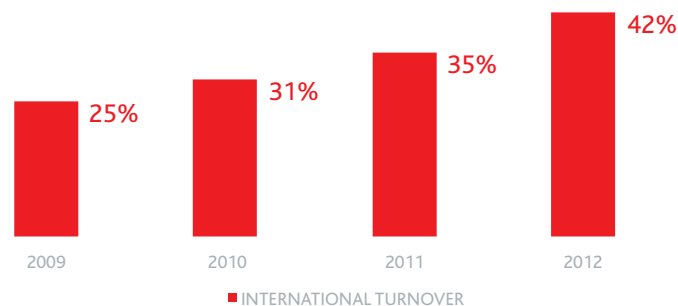
In 2012, as in previous years, the global financial crisis severely affected the European Union, and Spain in particular. The adverse economic conditions vindicated the internationalisation strategy implemented by ACCIONA. The Company's turnover from international activities has grown slowly and steadily in

recent years, due to the implementation of a well-planned long-term expansion strategy which reinforces ACCIONA's position as a global company.

Growth in Latin America halted due to the global financial crisis, but the region has returned to more modest, albeit stable,

growth in 2012, with a positive outlook. ACCIONA strengthened its presence in Latin America with the adjudication of large projects in countries where it already operated, including two sections of the São Paulo bypass in Brazil, a new water treatment plant in Mexico, a hospital in Chile, and several projects for Ecopetrol in Colombia, among others. In line with its expansion plans in Latin America, ACCIONA also obtained contracts in other countries, such as Costa Rica, Ecuador and Panama, where it did not have a presence.

In the Asia-Pacific region, where the effects of the crisis were milder, GDP growth remained stable, generally over



4%. ACCIONA is expanding its presence in India, where it inaugurated its third wind farm in May, and also in Australia, where it commissioned the Adelaide desalination plant and landed new road contracts.

More recently, the US and Canadian economies have stabilised and begun to recover. After Spain, North America is home to ACCIONA's largest investments in renewable energies. In 2012, the Company obtained major contracts to supply wind turbines and inaugurated the A-30 toll road in Montreal, one of the largest in Canada.

The Company has increased its strategic presence in the Middle East and North

Africa in recent years. The region, which has a notable shortage of infrastructure and water resources, is more politically stable than in 2011 and its economies are growing steadily. In 2012, ACCIONA strengthened its presence in Morocco after obtaining water and energy contracts (a drinking water plant in Oum Azza and a solar thermal plant in Ouarzazate). In the Middle East, the Company has established a strong presence with new water contracts in Saudi Arabia and the United Arab Emirates.

In the rest of the African continent, ACCIONA maintains a stable presence in Gabon, and has been awarded several energy

projects —both wind and photovoltaic— in South Africa, a country that is increasing in importance for the Company.

Despite the current economic situation in Europe, ACCIONA has maintained and increased its presence in strategic countries such as Italy, where it obtained two new water contracts, and in Poland, where subsidiary Mostostal Warszawa had a backlog of 1.2 billion euros at 2012 year-end. ACCIONA also expanded its presence in Europe, landing a contract to build Croatia's first wind farm, and also in Sweden.

ACCIONA received several leading international awards in 2012 in recognition

of its commitment to excellence and innovation. ACCIONA also expanded its presence in Europe in new countries such as Croatia, where it built its first wind park, and Sweden.

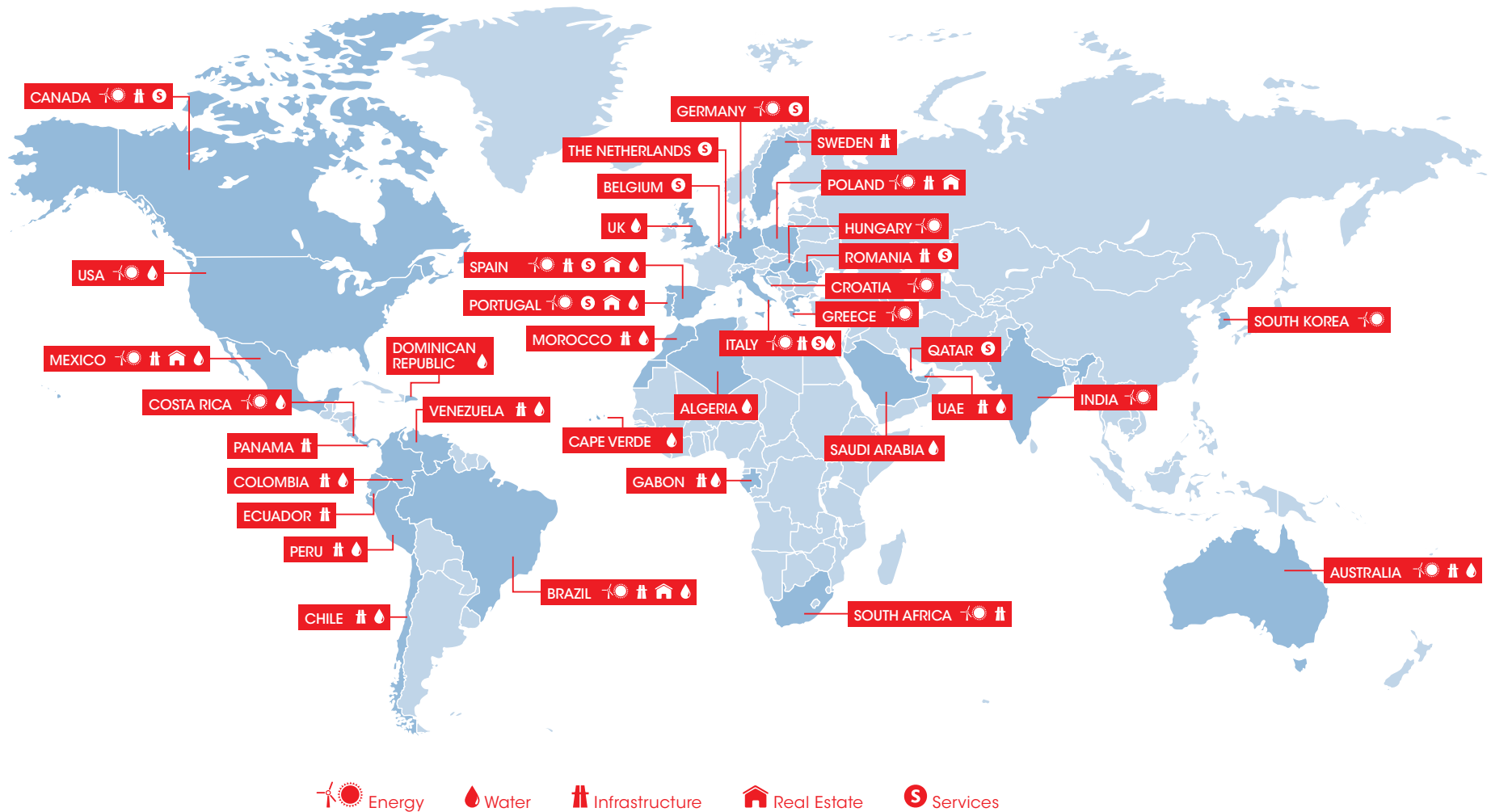
In recognition of ACCIONA's ability to meet its commitment to excellence and innovation, the Company, as in previous years, won a number of internationally acknowledged awards. Particular reference should be made, to the Company's drinking water plant in Mundaring, Australia which was named Water Deal of the Year by Global Water Intelligence. It also received the Lord Mayor Award 2012 for Innovation from Brisbane city council,

which recognizes companies for their ability to innovate and level of international competitiveness. ACCIONA was included for the sixth consecutive year in the Dow Jones Sustainability Index (DJSI), in which it improved its overall score, evidencing its ability to remain to the forefront in sustainability policies.

ACCIONA has
improved its ranking
in the Dow Jones
Sustainability Index,
underlining its
capacity to be on
the **cutting edge** of
sustainability policy



→ Projects awarded, under construction or operational



Leadership, innovation and sustainability

ACCIONA Infrastructure, with over a century's worth of experience, remains at the cutting edge of the sector and maintains its commitment to quality and environmental preservation.

ACCIONA Infrastructure remains at the cutting edge of R&D and Innovation, and ranks among the world's leading construction companies due to its capacity to implement the most advanced, innovative techniques and selectively apply the appropriate technology in each project.

The company, which has more than 100 years of experience in the construction sector, applies a philosophy based on sustainability, quality, technology and experience. To this end, all projects are undertaken having special consideration for environmental, social and economic factors and overall sustainability while focusing on improving construction

processes, innovation and respect for the environment.

ACTIVITIES

ACCIONA Infrastructure undertakes all aspects of construction and offers clients its experience in design, engineering, execution, management and maintenance of all kinds of projects.

The company operates in two main business areas: civil engineering and building. It has specialized units to provide support for construction, among them ACCIONA Engineering, ACCIONA Installation Services, ACCIONA Concessions, metal structure

workshops, machinery services, ACCIONA Infrastructure Maintenance, and other ancillary companies.

ACCIONA Infrastructure uses cutting-edge technology to develop and apply innovative materials and sustainable construction techniques. This is made possible by the intense, ongoing research undertaken by the company, which has placed it at the forefront of innovation and made it a leader in Europe in technology application. It has the largest R&D and Innovation division in terms of funds and projects which are officially approved by European, Ibero-American and Spanish programmes.

ACCIONA Infrastructure participates in many international research initiatives and projects, in cooperation with prestigious institutes and universities.

Arising out of its commitment to society and the environment, ACCIONA Infrastructure organizes annual contests to identify best practices in workplace safety, quality management and the environment, and the implementation in projects of technology produced by R&D and Innovation. A committee of prestigious external independent professionals evaluates the projects and selects the winners.

ACCIONA Infrastructure has developed and participated in some of the most important projects in the world. Moreover, the company has a solid foothold in strategic international markets, such as Brazil, Mexico, Chile, Canada, Australia, Poland, Colombia and Ecuador.

ACCIONA Infrastructure uses innovative **technology** to develop and apply the most advanced **materials** and the most sustainable construction **processes**



ACCIONA
Infrastructure received
some of the **most
prestigious awards**
in 2012 for its projects
in Spain, Australia,
Poland and Mexico

In 2012, ACCIONA Infrastructure received several Spanish and international distinctions:

AWARDS AND RECOGNITIONS

■ JEC COMPOSITES 2012 AWARD

ACCIONA Infrastructure received the Award for Innovation in Composites in the Civil Engineering category, from JEC Composites 2012, in recognition of the Cuenca footbridge. JEC Europe, the largest composites exhibition in Europe, showcases developments in this dynamic industry.

■ LOCAL RAIL AWARDS 2012

The Zaragoza Tramway was distinguished at the International Association of Public

Transport's Local Rail Awards 2012 in the Best Urban Integration Project category.

■ LORD MAYOR'S 2012 AWARD

ACCIONA obtained the Brisbane Lord Mayor's 2012 Award for Business Innovation in Australia, which recognizes companies that stand out for their innovation capacity and competitiveness in national and/or international markets. ACCIONA received the award for creating solutions that reduce costs, minimise environmental impacts and enhance performance in its construction projects. One example is a tunnel for removing rubble between Toowong and the Mount Coot-tha quarry in Brisbane, which avoided 96,000 journeys by trucks on local roads.

■ CONSTRUCTION OF THE YEAR 2012

ACCIONA obtained the Polish Construction of the Year Award 2012 in a number of categories for the following projects: Redzinski Bridge in Wrocław, the Sport Hall in Jastrzerbie-Zdrój, and the Computer Center at the Academy of Mining and Metallurgy (AMH), in Cracow.

■ PROJECT OF THE YEAR 2012 (*Obras magazine*)

The Metepec Hospital in Mexico was chosen as a finalist for Project of the Year in the competition organized by *Obras* magazine, one of Mexico's leading trade journals.

Contracts obtained in Spain in 2012

Railway, underground and other projects

- North-northwest corridor railway bed, Madrid-Galicia high-speed railway. Vilariño–Campobecerros section. Right-hand track.
- Infrastructure maintenance: track and catenary in Renfe Integria facilities (five contracts).
- Repair work following floods on the Lorca–Almendricos–Águilas line.
- Railway bed construction design for the Cantabrian-Mediterranean high-speed corridor. Castejón–Cadreira section. Pamplona, Navarre.
- Maintenance of Valencia Metro line T2.
- Cartagena Port Railway JV (Alicante).

Roads

- Resurfacing and improvement of the road through Arriazu (Navarre).
- Arteixo roundabout (Galicia).
- Construction, upkeep and maintenance of the A-334, Purchena-A-7 section (Almería).
- Retaining wall in Mata highway (Las Palmas).

- Repaving neighbourhoods in Las Palmas.
- Los Llanos de Aridame bypass. Argual–C-832 highway sections, phase 1.
- Las Palmas de Gran Canaria bypass. Phase 4, Tamaraceite–Tenoya–Aruca coast. Gran Canaria Island.
- Paving C-380 highway, from Santa Cruz de La Palma to Puntagorda in the north. Section: Los Sauces–Cruz del Castillo. La Palma island.
- New Icod de los Vinos–Santiago del Teide road. Section: Icod–El Tanque (Tenerife).
- A-6 highway, Zamora-Benavente (Zamora).

Ports and seaworks

- Overhead crane runway girder in Sagunto port (Valencia).
- Paving the bulk terminal (Alicante).
- CPOD in Palma Port (Balearic Islands).
- Dock bollards in Palma port (Balearic Islands).
- Regeneration of beaches in Málaga province.
- Beach and cove design in La Jaquita, Guía de Isora (Santa Cruz de Tenerife)

- Project design and execution of works for the Oceanic Platform of the Canary Islands (PLOCAN) and outfitting scientific equipment to allow the PLOCAN to conduct research and scientific-technological development (Las Palmas).
- Reinforcement of 6,600 sq. metres of embankment at Hondura pier, Santa Cruz de Tenerife port.
- Container base track, Santa Cruz de Tenerife port.
- Adaptation of the gantry at the new container base to Super-Post Panamax cranes in Santa Cruz de Tenerife port.

Airport works

- New wiring centers in the terminal building and regulatory adaptation of the Southern Data Processing Center (DPC). Gran Canaria Airport.

Waterworks

- General infrastructure for irrigation with wastewater treated at La Víbora plant, Málaga.

Civil engineering

- Experimental wind farm and control building for the Barásoain substation (Navarre).
- Vedadillo experimental wind farm (Navarre).

Industrial building

- Olivenza (Badajoz) solar thermal plant maintenance JV. Upkeep and maintenance.
- Supply and installation of sunblinds in the Actur 1 and Ebro 1 buildings, Expo Zaragoza Empresarial business park.
- Refurbishment of floor and wall surfaces and surgical facilities at MAZ Hospital (Zaragoza).
- Repairs to floors and façade in the surgical section of Obispo Polanco Hospital (Teruel).
- Control center for Els Escambrons wind farm (Barcelona).
- Peñas de Dios II wind turbines, wind farms (Valencia).
- Improvement to, and sanitation works at, Sant Rafael racecourse (Balearic Islands).

- Marina Baja desalination plant channelling JV (Alicante).
- Rambla de Biznaga pumping collector (Balearic Islands).

Non-residential building

- New headquarter offices for BBVA (Madrid).
- Works on the public school in Cuarte de Huerva (Zaragoza).
- New San Francisco de Asís parish church (Huesca).
- Works to strengthen the southern foundations of the Royal and Conciliar San Carlos Seminary (Zaragoza).
- Construction of the new Teruel Hospital.
- Execution and expansion of the Teruel prison.
- Conversion of the Expo Zaragoza 2008 fairgrounds into a business, leisure and culture zone (Zaragoza).
- Construction of 1,720 columbaria in Torrero Cemetery (Zaragoza).
- Muel morgue.
- Library installation and space adaptation in the Barcelona Design Center.

- Roof replacement at the new Cacaolat plant in Santa Coloma de Gramenet and civil engineering reforms (Barcelona).
- Works to adapt the first floor of building C at the Fabra i Coats cultural center. Sant Andreu (Barcelona).
- Expansion of Sky Center shopping area in T1 (Barcelona).
- Construction of a new building for the Fine Arts Faculty of La Laguna University (Tenerife).

Residential construction

- Completion of 125 homes in Mérida (Badajoz).
- 57-home building in Parque Venecia residential complex (Zaragoza).
- 41 detached homes in the Miralbueno Complex, in Vistabella Park (Zaragoza).
- Execution of 65 homes in Parque Venecia residential complex (Zaragoza).
- San Francisco de Asís parish house (Huesca).

Site development

- Phase 1 of site development and outfitting for BBVA (Madrid).
- Site development of the Repsol and Burger King area on La Hispanidad Road (Zaragoza).
- Muelle de Energía site development (Barcelona).
- Execution of works for a new street in the southern zone between Badajoz and Álava streets, and site development, Almatret (Lleida).
- Site development of a business incubator (Alicante).
- San Roque neighbourhood JV (Alicante).
- Montport de Andratx industrial park (Balearic Islands).

Refurbishment

- Refurbishment of Vasco de Quiroga school (Madrid).
- Execution design, refurbishment and change in use of 24 homes at Vía Ibérica, 33 (Zaragoza).
- Improvements to pavement in the baggage cart area, Prat de Llobregat (Barcelona).

- Refurbishment of the Church of San Jaime (Valencia).
- Refurbishment of Temple Palace (Valencia).
- Restoration of the Nules landfill (Castellón).
- Completion of the conference and audition rooms in Peña Guarazoca, El Hierro Island (Santa Cruz de Tenerife).

Oil and gas pipelines

- Construction of gas pipelines in several provinces of Andalusia.

Projects executed in 2012

Railway, underground and others

- High-Speed Rail - Atlantic Axis.
Vigo-Das Maceiras section (Pontevedra).
- Madrid-Galicia high-speed railway.
Olmedo-Zamora section. Subsection:
Villaverde de Medina-Villafranca del Duero
(Valladolid).
- International gauge Girona-Figueraes JV
(Cataluña).
- Legorreta JV (Guipúzcoa).
- Antzuola Tunnel JV (Guipúzcoa).
- Lebario JV (Vizcaya).
- Hernialde-Zizurkil JV (Guipúzcoa).
- Design and construction of North-South
Line 1 (Goya-Valdespartera) of the
Zaragoza tramway.
- Railway bed construction design for the
Cantabria-Mediterranean high-speed
railway corridor. Castejón-Cadreita section.
Pamplona region, Navarre.
- Execution of line 1 of the Granada metro,
section 1. Sub-section 2: Méndez-Núñez-
Villarejo (Granada).

Roads and highways

- Upgrade of new section of the A-2
highway, Guadalajara province (Alcolea del
Pinar).
- Lieres junction JV (Asturias).
- Hernani bypass JV (Guipúzcoa).
- Recajo Motorway JV (Logroño).
- Boo de Guarnizo JV (Cantabria).
- Gerediaga-Elorrio Motorway JV (Vizcaya).
- Resurfacing and upgrading of Arruazu road
(Navarre).
- A-8 Motorway, Mondoñedo-Lorenzana.
- Moncelos-Abadín JV.
- Cee-Sardiñeiro JV.
- Baiona-A Guardia Route.
- Upgrading the PM-804 road, Ibiza (Balearic
Islands).
- Bridge over the Clariano River, Ontinyent
(Valencia).
- Widening of the CN-340 JV (Alicante).
- Completion of work on the A-49
motorway, third lane, kilometre point
6,000 to 16,500. Section: Gines-Bormujos
junction and Sanlúcar-Benacazón junction,
and changes (Sevilla).

Airports

- Pavement refurbishment of gates C and H
at Barcelona Airport.
- Valencia terminal JV.

Maritime works

- North Sagunto Pier JV (Valencia).
- Multi-purpose terminal site development
JV (Murcia).
- New container terminal, Phase 1, in Cádiz
port.
- Damage repair at Punta Larga beach after
the February 2012 storm, Candelaria
(Tenerife).
- Reconstruction of the dockhead at the
container dock in Arrecife port, Lanzarote
(Las Palmas).
- Improvements to Benito Pérez Galdós
beach in Puerto de la Cruz (Tenerife).
- Project design and expansion of the Border
Inspection Post to equip Las Palmas port
with import and customs services (3rd
phase): adaptation of former facilities to
current legislation, Las Palmas port.
- Equipping the jetty for smaller vessels in
Los Cristianos port (Santa Cruz de Tenerife).

Waterworks

- Supply pipeline between Entrepeñas and Cifuentes (Guadalajara).
- Sewage pipelines in Las Pedroñeras (Cuenca).
- Caso sewage treatment JV (Asturias).
- Design and execution of the Mularroya dam, diversion dam and water transfer pipelines in La Almunia de Doña Godina, Chodes and Ricla (Zaragoza).
- Palavea Water Supply JV (A Coruña).
- Expansion of drainage and channelling network in Los Barrancos, phase 3. Arrecife, Lanzarote (Las Palmas).
- Equipping the jetty for smaller vessels in Los Cristianos port (Santa Cruz de Tenerife).

Industrial works

- Olivenza Solar Thermal Plant JV, Badajoz. Solar power plants.
- Orellana solar thermal plant, Orellana La Vieja (Badajoz). Solar power plants.
- Azsa basements and connections, Avilés (Asturias).
- Expansion and support in dumping Jarofix (Asturias).
- Work on the north pier in Gijón port (Asturias).
- Adaptation of Bodegas Palacio, Laguardia (Rioja Alavesa).
- Villanueva wind farm (Asturias).
- CISGA Building Phase I (Cantabria).
- La Marina Supply JV (Valencia).

Civil engineering works

- Els Escambrons wind farm, Almatret (Barcelona).
- Lower reservoir, turbine and pumping buildings and ancillary infrastructure in the hydro-wind plant in El Hierro (Tenerife).
- Atapuerca Visitor Center, Ibeas de Juarros (Burgos).

Non-residential construction

- Villar retirement home (Castrillón, Asturias).
- Foundation reinforcement in the area south of the Royal and Conciliar San Carlos Seminary (Zaragoza).
- Barceló Multi-Purpose Center JV (Madrid). Sports complex.
- National Archaeological Museum (MAN) JV, Madrid. Museums.
- New BBVA headquarters (Madrid).
- San Mamés Stadium JV (Vizcaya). Stadiums.
- Uribe-Kosta II Hospital JV (Vizcaya). Hospitals.
- Construction of a new hospital in Teruel.
- Execution and expansion of the Teruel prison.
- Construction of 1,720 columbaria in the Torrero cemetery (Zaragoza).
- Barcelona design center: structure, interior walls, pavements, façades, installations associated with the structure and provisional site planning and section 2 of the perimeter of plot at the southern end of Plaça de les Glòries Catalanes (Barcelona).

- Expansion of the Caldea spa and leisure center, Les Escaldes (Barcelona).
- Control center for the Els Escambrons wind farm, Almatret (Barcelona).
- New offices in Palma port (Balearic Islands).
- Floridablanca Health Center (Murcia).
- Building 3 of Paterna Science Park (Valencia).
- AIMPLAS, Paterna (Valencia).
- Tarongers campus building (Valencia).
- New ITE offices, Paterna (Valencia).
- New public library in Ceuta.
- Expansion and reform of San Juan de Dios Hospital. Phase 2 (Córdoba).
- Construction of a bunkerized control room at the Gibraltar-San Roque refinery (Cádiz).
- 4th Phase of the Museum of Nature and Man in Santa Cruz de Tenerife.
- Building for the research unit at the Canary Island University Hospital, adjoining the Thoracic Hospital (Santa Cruz de Tenerife).

Housing

- La Magdalena-Avilés residential complex (Asturias).
- Refurbishment and change in use of building for 24 homes at Vía Ibérica, 33 (Zaragoza).
- 57-home building. Parque Venecia (Zaragoza).
- Execution of 65-home buildings in Parque Venecia (Zaragoza).
- 41 single-family homes in the Miralbueno Complex, in Vistabella Park (Zaragoza).
- Government-sponsored detached homes JV, Paterna (Valencia).
- Construction of new building with 155 rooms for rent (Córdoba).
- Building with 125 government-sponsored homes for sale/rent, in Santa Clara, Puerto de Santa María (Cádiz).

Residential complexes

- Phase 1 of equipping BBVA building.
- San Juan y Jenaro residential complex (Guipúzcoa).
- Arcosur residential complex (Zaragoza).
- Arcosur golf course (Zaragoza).

- Baggage handling facility at Fuerteventura Airport (Las Palmas).

Refurbishment

- Execution, refurbishment and change of use for 24 homes on Vía Ibérica, 33 (Zaragoza).
- Refurbishment of Pujadas de Velozpe Palace, in Calatayud (Zaragoza).
- Refurbishment of Capitol Cieza Theatre (Murcia).
- Refurbishment and adaptation of La Chanca (site of ethnological interest), phases A and B. La Chanca and adjacent spaces, Conil de la Frontera (Cádiz).

Oil and gas pipelines

- Briviesca-Belorado Gas Pipelines JV (Burgos).
- Segovia-Ávila Gas Pipeline JV.

International

ACCIONA attained a milestone in terms of strengthening its international business, due to notable growth in the construction area in 2012. New international projects accounted for 70% of the division total, i.e. 63% more than last year, with the result that ACCIONA Infrastructure attained one of the Group objectives set out in its strategy.


The international area accounted for more than 50% of the total construction backlog at the end of last year. ACCIONA Infrastructure increased its presence outside Spain by entering three new markets in 2012: Peru, Sweden and Ecuador, where the division opened its own offices at the beginning of the year.

The notable rise in international activity increases exposure to uncertainty; as a result, risk management has become a key component in the division's growth. The active risk management policy in all phases of the business has intensified notably in recent years, becoming a fundamental tool for responding to the current market situation and for seeking solid and profitable growth in international activities.

The markets are increasingly demanding, projects are larger and environments contain more variables; as a result, markets, bids and projects are constantly reevaluated to ensure stable growth and a quality backlog.

Specialization in sectors with a high technological component, where the company provides greater added value, has become the foundation for ACCIONA Infrastructure's solid growth in international markets. This has led to sizeable new contracts in Brazil, Chile, Mexico and Poland, among others. It has also enabled the company to seize new opportunities in markets such as Canada and Australia.

Over 50% of ACCIONA's construction portfolio is outside Spain, leading to greater risk management



Along these lines, of special note is the second adjudication in Brazil for the Açú superport, worth more than 650 million euro, and two mining contracts in Chile which strengthen ACCIONA Infrastructure's presence in the segment. In Mexico, the company landed a contract for a thermal power plant, where ACCIONA Engineering's contribution will provide significant added value.

The company's specialization and technological capacity enabled it to obtain a major project in Poland through Mostostal Warszawa: the construction of an incinerator for more than 500 million euros.

ACCIONA Infrastructure has been shortlisted for industrial projects in **Australia and Canada**.

The division reinforced its presence in strategic markets through productive commercial activity at all subsidiaries, especially in the following countries:

- **Chile**, where the company obtained a contract to relocate the Dr. Exequiel González Cortés Hospital, in the Santiago Metropolitan region.
- **Brazil**, where it was adjudicated two of the six contracts for roads in the Rodoanel Norte in São Paulo. ACCIONA

Infrastructure's backlog in Brazil amounted to 900 million euros at 2012 year-end.

- Following successful adjudications in **Colombia** in 2011 and barely one year after opening a branch in Bogota, the company obtained several contracts there in 2012 worth approximately 90 million euros, doubling its backlog in that country compared with the previous year, for a total value of more than 100 million euros.
- In **Mexico**, the company was awarded five new projects, strengthening ACCIONA Infrastructure's position in road and building construction.

- ACCIONA Infrastructure was awarded its first contract in **Panama**, for the construction of a new hospital in Chiriquí province.
- The Company is making good progress on the Legacy Way project, in Brisbane, **Australia**, where it also signed two road reconstruction contracts.
- Projects in **Canada** were delivered ahead of schedule to their respective concessionaires: the A-30 highway, which opened to traffic in December, and the Fort St. John Hospital, which also received LEED Gold certification.

MOSTOSTAL WARSZAWA CAPITAL GROUP IN 2012

Mostostal Warszawa Capital Group operates in Poland's main construction sectors: industrial, energy and environmental facilities, residential and commercial development, civil engineering and transport infrastructure.

Mostostal Warszawa continued to implement its regionalization strategy in 2012. Sales generated by the offices established in the main cities of **Poland** again accounted for more than 50% of the company's turnover, highlighting the positive effect of the restructuring undertaken in recent years. Most projects were executed for the public

Projects in Canada, including the A-30 highway, were delivered **ahead of schedule** to their respective concessionaires

Future strategy focuses on **profitable and sustainable** segments: industrial, energy and environment



sector, and include the modernization and construction of universities and schools, museums and sports facilities.

The strategy defined for the coming years focuses on the most profitable and sustainable segments: industrial, energy and environmental projects.

The projects executed in 2012 include the completion of two major infrastructure works for close to 1 billion zlotys (250 million euros): the A-2 and A-4 highways, two strategic roads in preparation for Euro 2012 football championship in Poland.

Mostostal Warszawa's excellence in project execution was recognized with several prestigious distinctions in 2012. ACCIONA obtained the Polish Construction of the Year Award 2012 in a number of categories for the following projects: Redzinski Bridge in Wrocław, the Sport Hall in Jastrzerbie-Zdrój, and the Computer Center at the Academy of Mining and Metallurgy (AMH), in Cracow.

Mostostal Warszawa was also adjudicated several major environmental projects in 2012, including the construction of a waste treatment plant in Szczecin for 665 million zlotys (165 million euros) and a waste management plant in Kielce for 275 million zlotys (69 million euros). Additionally, a consortium including Mostostal Warszawa was chosen to build the Jaworzno Power Plant (910 MW) for 5.4 billion zlotys (around 1.3 billion euros).

Mostostal Warszawa Group's backlog totalled 4.8 billion zlotys (1.2 billion euros) at the end of 2012.

ACCIONA Engineering

ACCIONA Engineering became firmly established in 2012 following the merger of its engineering and industrial infrastructure departments with a view to undertaking EPC projects (Engineering Procurement and Construction) and leveraging the synergies between the two departments.

The resulting team at ACCIONA Engineering comprises over 500 professionals grouped in two main departments:

- Industrial infrastructure.
- Engineering.

Both departments are committed to internationalization, ACCIONA Group's main objective. The division performed very well in terms of international order intake, which accounted for 50% of the total in 2012.

The Industrial Infrastructure department had a very successful year, obtaining five EPC contracts (including a 500 million euro agreement for the Ouarzazate Solar Thermal consortium) and securing a good position for future projects.

ACCIONA Engineering
is structured in two
departments: **Engineering**
and **Industrial Infrastructure**



ACCIONA Engineering has an **extensive network of subsidiaries** and branches around the world

The five contracts were as follows:

- Baja California II CCGT Plant (135 MW), in Mexico, for the Federal Electricity Commission.
- Ouarzazate Solar Thermal Plant (160 MW), in Morocco, for ACWA. The company was named Preferred Bidder in 2012.
- Bokpoort Solar Thermal Plant (50 MW), in South Africa, for ACWA. The company was named Preferred Bidder in 2012.
- San Rafael Hydroelectric Plant (24.3 MW) in Mexico, for Generadora Eléctrica

San Rafael. The company obtained Early Notice to Proceed in 2012.

- Almería Solar Platform, in Spain, for CIEMAT (Center for Energy, Environmental and Technological Research).

Major contracts also concluded in 2012, such as the Baja California Sur III Solar Thermal Plant (Mexico) and the solar thermal plants in Morón and Olivenza (Spain).

The Engineering Department entered new markets in 2012 and reinforced its position in those where it already operates. ACCIONA Engineering currently has subsidiaries in Brazil, Gabon, Poland, Canada, Mexico, Saudi

Arabia and Qatar (the latter is in the process of becoming operational). Moreover, it has an extensive network of offices in Honduras, Guatemala, El Salvador, Nicaragua, Colombia, Ecuador, Peru, Bolivia, Romania, Bulgaria (becoming operational) and Egypt.

Brazil and Gabon, where the company has subsidiaries, are ACCIONA Engineering's principal markets outside Spain.

In Brazil, the company completed technical analyses in connection with the Açú superport. Synergies between its subsidiary, ACCIONA Engenharia, and the parent company, led to the following adjudications in 2012, among others:

- Completion of the geotechnical survey (exploration and cone penetration testing, CPTU) with a jack-up for the Açú Superport dyke. Change order no. 2 for LLX Operações Portuárias, S.A.
- 3D hydrodynamic testing to study the stability of the Açú superport's TX2 banked dykes and breakwater, for LLX Operações Portuárias, S.A.
- Structural analysis of bridges over the Paraguay and Paraná rivers for the railway between Corumbá and Manrique, for América Latina Logística, S.A.

- Preliminary analysis for the Quebramar project in Barmin port, for Bahia Mineração.

The following contracts were obtained in Gabon:

- Feasibility study on the hydroelectric potential in Nyanga province, for the Ministry of Energy and Water Resources.
- Supervision of construction of a bridge and railway over the Banio lagoon for the Ministry of Equipment, Infrastructure and Physical Planning.

- Construction design and expansion of the small hydroelectric plants in Iboundju and Malinga for ACCIONA Infraestructuras, S.A.

The branches in El Salvador, Romania and Qatar were also very active.

Contracts obtained in El Salvador include:

- Project to build two viaducts, over José A. Castellanos boulevard and 50 Avenida Norte, as part of the basic engineering analysis of the San Salvador Metropolitan Area's Integrated Transport System (Ministry of Public Works, Transport, Housing and Urban Development).

- Pre-feasibility study for the installation of a biogas power plant on the Acelhuate River, for the Executive Committee of the Lempa River Hydroelectric Plant.

- Supervision of the construction of the Soyapango bus terminal for the Metropolitan Area's Integrated Transport System (SITRAMSS). Ministry of Public Works, Transport, Housing and Urban Development.

The main projects in Romania were as follows:

- Technical assistance for the end-to-end management of solid waste in Arges, Phase 2, for Judetean Arges.

- Technical assistance for designing the viability study for the Galati bypass, for the National Road and Highways Company.
- Modernisation of the Cluj-Napoca municipal tramway line, specifically the Manastur–Piata Garii–Bulevardul section, for the Cluj-Napoca city government.

The main contracts in Qatar in 2012 were as follows:

- Tender design for the Red Line South and Gold Line of the Doha metro, for ACCIONA Infraestructuras, S.A.

- Tender for the Al Wakrah Bypass, the P-15, and the Doha Expressway, for Sacyr Qatar LLC.
- Design of the A1 access road to CP7A and CP7B, for WorleyParsons Qatar.

Many engineering projects were also developed in Mexico, mainly involving the provision of technical assistance in industrial projects, the most important of which included:

- Technical assistance for the design and construction of the San Rafael hydroelectric plant, for the ACCIONA Industrial Engineering Mexico JV.

ACCIONA
Engineering's branches
in **El Salvador, Mexico
and Romania** were
especially active in
2012



The most important adjudications in **Spain** were in **the transport sector**, where the company landed contracts for roads and railways



- Basic and detailed engineering services in connection with the new Baja California II thermal power plant, for TSK.

Other important contracts obtained outside Spain included:

- Scoping report for the environmental impact assessment of the Kozloduy nuclear power plant, for Kozloduy NPP-New Build PLC (Bulgaria).
- Engineering services related to management of Vidin-Calafat Bridge over the Danube River (Addendum 5) for the Ministry of Transport, Information Technology and Communications (Bulgaria).

- Tender design for the expansion of the John Hart hydroelectric power plant, for John Hart Salmon River (Canada).

- Preliminary design of the solar thermal power plant in Chile, for ACCIONA Energy (Chile).

- Environmental impact assessment of the new Palmar Sur Airport, for OACI (Costa Rica).

- Final design of the works to collect and treat wastewater from the rural parishes that discharge into the Guayllabamba and San Pedro rivers, for the Metropolitan Drinking Water and Sanitation Company (Ecuador).

- Draft bid for the California High-Speed Rail, for the Ferrovial-ACCIONA Infrastructure JV (USA).
- Civitavecchia port bypass, for ACCIONA Infraestructuras, S.A. (Italy).
- Execution plan of the Grosseto–Siena section of Route E78 Grosseto–Fano, for ANAS, a government agency responsible for infrastructure construction and maintenance (Italy).
- Consulting on the design as well as supervising the Lukovo Pole renewable energy project. Phase A, for JSC Macedonian Power Plants (Macedonia).

- Analysis to improve water quality in the Pasto Grande reservoir, Carumas district (Moquegua region).
- Tâmega Project. Detailed engineering services for the Tâmega project (hydroelectric power plants: Alto Tâmega, Gouveas and Daivões), for Iberdrola (Portugal).
- Consulting on the technical assessment of Perm Airport, for Bofill Arquitectura S.L. (Russia).
- Detailed services for civil engineering projects as part of the Cumaná thermoelectric power plant, for TSK (Venezuela).

ACCIONA Engineering also completed projects in Australia, Azerbaijan, Bolivia, Chad, Colombia, Guatemala, Honduras, Mozambique, Panama, Poland, South Africa, Sweden and Turkey.

In Spain, the main adjudications were transport related. The following major road contracts were obtained:

- Design of the route as well as construction and functional improvements for road safety and capacity on V-31 road, kilometre points 2,500 to 12,500. Silla–Valencia section, for the Directorate-General of Roads.

- Construction design for sections of the A-66, Benavente-Zamora, for the ACCIONA Infrastructure-Ferrovial JV.

Among the company's railway contracts with Adif, the following are most notable:

- Technical assistance in designing the Sorbas-Lucainena de Torres railway bed, for the Mediterranean Corridor high-speed railway (modified), for Adif.
- Technical assistance in the construction of the high-speed railway access to Spain's east coast. La Encina-Játiva section. Phase 1. Mogente-Alcudia de Crespins subsection (modified), for Adif.

- Design of the railway bed for the Madrid-Basque Country-French border high-speed railway. Burgos-Vitoria section. Miranda de Ebro-Armiñón subsection (modified), for Adif.

ACCIONA Engineering is also an established leader in infrastructure management in Spain. Leading projects in this area include technical assistance in drafting road safety studies and reports, for the Vizcaya provincial government; quality audits of upkeep and operation of Calle 30 in Madrid and related roads;

and project design and management of works for a building to be used by the Social Security in Burgos, for the Social Security

General Treasury. The company will also undertake basic and construction design of the new Huelva station, for Adif.

Major hydroelectric projects include:

- Framework agreement for the compilation and organization of information for planning and managing Nature Network 2000, for the Environment and Water Agency of Andalusia.
- Management of work on the Navarre Canal headwaters, including environmental monitoring and health and safety coordination, for Canal de Navarre.
- Design of water infrastructure projects for Canal de Isabel II.

ACCIONA Concessions

ACCIONA Concessions is one of the world's leading private sector developers, in terms of both the number of projects and revenues. The company manages a portfolio of 24 concessions, in Spain, Canada, Mexico, Chile and Brazil, in transport infrastructure (roads, railways, ports and irrigation) and social services infrastructure (hospitals).

The need to increase and improve infrastructure and services at the disposal of citizens encourages public administrations to use the concession format as an additional tool for long-term collaboration with the private sector. With this collaboration, private enterprise

contributes experience, discipline and management capacity, key factors in developing complex management projects.

In addition to the private sector's experience and discipline, this formula allows for the deferral of the initial investment over the infrastructure's entire lifetime, while also adding budgetary security by passing most of the risks on to the private sector, principally by fixing the price and construction deadline.

To this end, and with a view to promoting private investment, the government

ACCIONA manages
a portfolio of **24**
concessions, in Spain, Canada,
Mexico, Chile and Brazil



The company's experience and management expertise are vital in the development of **complex projects**



engages private operators to execute (build, upgrade and/or refurbish) public works and to operate the infrastructure for a set period of time. Granting infrastructure concessions to the private sector helps overcome some of the traditional stumbling blocks that arise in projects, e.g. insufficient resource

allocation, excessive dependency on the budget, etc.

The company continues to expand outside Spain. It has been shortlisted for several contracts and is analysing investment opportunities in the US, Canada, Chile, Brazil, New Zealand and Australia.

ACCIONA applied for various concessions in Spain during the year, and was awarded the following contracts: the Almanzora Highway, A-334 (Purchena-A7 section), in Andalucía; Gerediaga Highway, N636 (Gerediaga-Elorrio section), in Vizcaya; and La Plata Highway, A-66 (Benavente-

Zamora section), in Castile-Leon. Other concessions for which the company bid were pending resolution at the time this report was written.

ACCIONA Concessions includes ACCIONA Hospital Services, which specializes in hospital concessions, an increasingly popular model in the healthcare industry in recent years. This division aims to be a leader, both nationally and internationally, in the comprehensive management of projects to design, build, finance, operate, and maintain healthcare infrastructure using the concession format; it has bid in several tenders in recent years.

Adjudications

Gerediaga highway

This is a public concession to design, fund and build the Gerediaga-Elorrio section of the N-636 highway in Vizcaya. The project includes upgrading and widening the current road by expanding the lanes and building tunnels and viaducts.

The granting authority is Interbiak, of the Bizkaia provincial government, and the contract has a duration of 30 years (four for construction and commissioning, and 26 for operation). ACCIONA heads the concession company and works with several partners in contract execution (Construcciones Amenábar, Excavaciones Viuda de Sainz, Transitia and the TIIC Infrastructure Fund).

The compensation for the concession company is determined by an annual availability payment subject to deductions based on quality and availability indicators.

La Plata highway

This contract includes the execution,

upkeep and operation of La Plata Highway (A-66), between Benavente and Zamora. The contract, tendered by the Ministry of Infrastructure, has a duration of 30 years and is for the final section (which is not yet a dual carriageway) of La Plata Highway, the goal of which is to connect Gijón with Seville. This is a structuring road (i.e. it contributes to territorial cohesion, driving competitiveness and economic development in the western corridor of the Iberian Peninsula) and is part of the European Union's Trans-European Networks programme (TEN-T). The section under concession is a 49-kilometre stretch of road between the Castrogonzalo junction (A6) and the A-66 junction north of Zamora. The section runs as close to the N630 as possible so as to minimize the environmental impact.

The concession company, comprising the infrastructure fund Meridiam (50%) together with Cintra (25%) and ACCIONA (25%), will execute the works through ACCIONA Infrastructure and Ferrovial Agromán (50:50).

Concessionaire remuneration will consist of a monthly fee for the service, which will be subject to deductions as a function of quality and availability indicators.

Almanzora highway

The 30-year contract includes the execution, upkeep and operation of the Almanzora Highway (A-334, Purchena-A-7 section) in Andalusia, as well as the construction of 41 kilometres of new road and maintenance of another 31 kilometres of existing road. The granting authority is the Andalusia's regional government Public Works Agency.

The concession company comprises infrastructure fund Meridiam (50%), Cintra (23.75%) and ACCIONA (23.75%), as well as local investors.

ASSET ROTATION

In September 2012, ACCIONA sold its stakes in the Potosí University concession (Mexico) to the Australian investment fund Macquarie. The transaction totalled 619 million pesos (38 million euros), which included a cash payment of 393 million pesos (24 million euros) and the transfer of the concession company's debt, which amounted to 226 million pesos (14

million euros) at 31 December 2011; this asset had been booked as available-for-sale.

The agreement also includes a commitment by ACCIONA to continue to provide operation and maintenance services to the University through Operadora de Servicios de Infraestructuras Sociales, S.A. de C.V., which currently operates the university and the Bajío Regional High Specialty Hospital (León, Guanajuato state).

This transaction is in line with the plan to rotate assets under concession, which also includes the sale of mature assets to fund new investments in this business, one of the company's strategic areas.

ACCIONA will remain in the concession business in Mexico, where it holds a 25-year contract for the Bajío Regional High Specialty Hospital (operational since 2007). ACCIONA will also continue to handle operation and maintenance of the University.

Mexico, where ACCIONA currently operates infrastructure, water, and renewable energy projects, is a strategic country in terms of growth.

COMMISSIONING

In 2012, several sections of the Zaragoza tramway became operational, as did the entire A-30 toll road in Canada.

The plan to rotate assets under concession seeks to drive **new capital expenditure** in this business, one of ACCIONA's strategic areas



List of concessions

NATIONAL INFRASTRUCTURE

Tramways and undergrounds

Operational:

- Trambaix (Baix Llobregat tramway, Barcelona).
- Trambesòs (Glòries-Besòs tramway, Barcelona).
- Zaragoza tramway.

Roads

Operational:

- R-2 toll road between Madrid-Guadalajara, and M-50 beltway (subsection A-2 to A-1).
- CM-42 highway between Consuegra and Tomelloso (Ciudad Real).
- Villafranca-El Burgo de Ebro highway (Zaragoza).

Under construction and operational:

- A-2 highway. R-2 section, Soria border-Guadalajara (Guadalajara).

Under construction:

- A-334, Almanzora highway (Almería).

- N-636, Gerediaga highway (Vizcaya).
- A-66, La Plata highway (Zamora).

Ports

Operational:

- Roda de Barà marina (Tarragona).

Irrigation

Operational:

- Canal de Navarre, Aguacanal project.

Healthcare services

Operational:

- Infanta Sofia University Hospital, San Sebastián de los Reyes (Madrid).

Under construction:

- Can Misses Hospital (Ibiza, Balearic Islands).
- Vigo University Hospital (Vigo, Galicia).

INTERNATIONAL INFRASTRUCTURE

Roads, motorways and highways

Operational:

- A30 highway, in Montreal, Quebec (Canada).

Under construction and operational:

- Route 160. Tres Pinos-northern access to Coronel section (Chile).
- Rodovia do Aço, BR-393, Rio de Janeiro (Brazil).

Under construction:

- Southeast Stoney Trail, Alberta (Canada).
- Windsor Essex Parkway, Ontario (Canada).

Hospitals

Operational:

- Bajío Regional High Specialty Hospital, Guanajuato (Mexico).
- Royal Jubilee Hospital, British Columbia (Canada).
- Fort St. John Hospital, British Columbia (Canada).

ACCIONA Instalaciones, S.A.

ACCIONA Instalaciones, S.A., which belongs to the ACCIONA Infrastructure division, is specialized in the design, assembly and maintenance of all types of electro-mechanical installations used in civil and industrial works. The company is staffed by highly-qualified professionals with extensive experience in the sector.

ACCIONA Instalaciones, S.A. works in two main areas:

- Infrastructure.
- Energy.

INFRASTRUCTURE

This area is responsible for activities related to engineering, assembly and maintenance of HVAC installations, low and medium voltage, security and control, data communication and transmission, fire detection and protection, plumbing and eco-efficient solutions in all types of building infrastructure and civil engineering for both public and private clients. The company also designs and executes the ancillary facilities for industrial works, including piping, pumping and regulating fluids, both liquid and gaseous; assembling structures, connections, electric and electro-pneumatic controls, instrumentation and lighting.

The main projects in 2012 were as follows:

- Electrical, HVAC and centralized management installations at Construction Labour Foundation's training center, for ACCIONA Infraestructuras, S.A.
- Low voltage power at the Coslada Social Services Center, for ACCIONA Infraestructuras, S.A.
- Reform of the electrical installation on dock 29, Alvarez de la Campa pier, and Civil Guard Marine Service, Lepanto pier. Adaptation of Barcelona port to Low Voltage Electrotechnical Regulations (REBT).

- Medium voltage services on the B-40 (Barcelona's fourth ring road), for the B-40 Highway JV.
- Electrical and HVAC installations and centralised management of the Vigo University Hospital Complex (CHUVI), for the Novo Hospital de Vigo JV.
- HVAC and ventilation systems for buildings in the Olivenza solar thermal plant, for the Olivenza Solar Thermal JV.
- Actions to legalize Zima Sur workshops and storage facilities, for Aena.

- New wiring centers in the terminal building and regulatory adaptation of the Southern Data Processing Center (DPC) in Gran Canaria airport, for Aena.
- Implementation of new energy saving technologies in municipal facilities, for the La Aldea de San Nicolás city government (Canary Islands).
- Coastal electricity line, for Dragados.
- Project design and execution to expand the Border Inspection Post to equip Las Palmas port with import and customs services (3rd phase), for Las Palmas port.

- Nursing home medium- and low-voltage installations, for Residencia Médica Asistida.

Outside Spain, the company obtained a contract to optimize the telephony network in Peru, Lima (Washington-Magdalena-Rimac exchanges) for Telefónica Peru.

The most noteworthy projects in 2012 include:

- Maintenance of the CARS building at Torrejón Air Base (Madrid).
- Expansion to dock facilities at Rota Naval Base (Cádiz).

- Various installations in the solar thermal plants in Morón (Sevilla), Orellana (Badajoz) and Olivenza (Badajoz).
- HVAC, centralized management and plumbing at Soria prison (Soria).
- Electrical and HVAC systems, Terminal 2, Manises Airport (Valencia).
- Santander port facilities (Santander).
- Refurbishment of Barcelona Hospital (Barcelona).
- Plumbing and electrical installation works at Can Misses Hospital (Ibiza).
- Goya tram depot installations, Zaragoza tramway (Zaragoza).
- Osorio sawmill construction and electrical installations.
- Various actions at Fuerteventura airport (Fuerteventura).
- Electrical and sanitation facilities in Lanzarote (Lanzarote).
- Electrical installations at the Fine Arts building (Tenerife).
- HVAC installation at the terminal building, Tenerife South Airport.

ENERGY

The Energy division covers power production, transmission (overhead and underground), transformation and distribution up to 400 kV.

Moreover, it has the capacity to execute projects ranging from engineering, civil works, electromechanical assembly and control through to testing and commissioning, maintenance of electrical substations, transformers, overhead and underground low, medium and high voltage lines, and communication networks. The main adjudications in 2012 include the following:

- Installation of Bustelo and San Xoan condenser units for ACCIONA Energy.
- Triennial revisions in the Cinca-Esera area, for ACCIONA Energy.
- Medium-voltage network for Barasoain wind farm and Vedadillo wind farm, for ACCIONA Energy.
- Maintenance of Cantabria-Navarre high-voltage hydroelectric plant, for ACCIONA Energy.
- Interior installations for AGC Pedragosa warehouse, for Ediclavis.
- FutureGrid medium voltage telecontrol expert services, for Endesa Distribution.
- New supply in Ara Remunta, for Endesa Distribution.
- Expansion of the electricity network in the Bon Pastor peri-urban area, for Endesa Distribution.
- New power lines and metering center in the Sunborn International building, for Ibinser.

The most notable executions in the year included:

- Medium and low voltage maintenance in zone 2 of the Barcelona metropolitan area

ACCIONA Installation Services is specialized in two main areas: Infrastructure and Energy

ACCIONA Facilities has four certifications which accredit its excellence and commitment to sustainability

- Review and upgrade of the Almeria-Jaen-Granada protections.
- Galicia high voltage maintenance. ACCIONA Energy.
- Construction of 66/MT conventional outdoor substation 6 SL 1 x 20 MVA 66kV (Morón de la Frontera).
- Refurbishment and adaptation of high voltage overhead lines in Castile-Leon, for Adif.
- Port of Gijón substation 2 x 60 MVA., engineering and construction of the 132/MT, substation, GIS technology.

- Sierra de Segura substation 132/25 kV, 1x40MVA.
- Civil engineering and overhead/underground line in the substation of Orellana solar thermal plant.
- Construction of 220 kV/MT conventional outdoor substation 1 SLTrafo 1 x 20 MVA (Olivenza).
- Maintenance of the electrical substations and HT line in the south and northeast zones for renewable energies, for ACCIONA Energy. Total capacity of 3,462 MW.

- Hydroelectric power plant maintenance in Navarre and Aragón.

EXCELLENCE AND SUSTAINABILITY

ACCIONA Instalaciones, S.A. has the following certificates and accreditations:

- Quality Management, certified to UNE-EN-ISO 9001:2008.
- Occupational Risk Prevention Management, certified to OSHAS 18001:2007.
- Environmental Management, certified to UNE-EN-ISO 14001:2004.
- R&D Management, certified to UNE 166002.

Ancillary construction companies

ACCIONA Infrastructure undertakes projects with high technical complexity and works with a group of wholly-owned specialized subsidiaries. This enables ACCIONA to apply their individual experience and expertise to its projects.

FREYSSINET GROUP

The Freyssinet Group is made up of companies which provide a wide range of specialized products and services for the construction sector. These highly-respected companies do business under the Freyssinet, Tierra Armada and Menard brands.

Freyssinet participates in projects requiring the use of stays, prestressing, movement

of large loads, repair and refurbishment of buildings and structures, and design and manufacture of special ancillary elements such as structural supports, dilatation joints for roads, seismic shock absorbers, etc.

Freyssinet projects in 2012 include:

- Bridge connecting the border with the Villahermosa Road and Ciudad del Carmen (Mexico).
- Marrutxipi 78-80 façades, San Sebastián (Guipúzcoa).
- Repair of sluice gate seat at Belgrano-Bahía Blanca port (Argentina).

- Restoration and reinforcement of the remains of the wall in a section of Puerta de la Tostonera trail and a section of the city walls in Talamanca del Jarama, Madrid (Spain).
- Reinforcement of the transept of the Collegiate Church of Santa María la Mayor in Calatayud, Zaragoza (Spain).
- Vitoria-Bilbao-San Sebastián high-speed railway track, San Sebastián. Section: Eskoriatza-Aramayona thrust sections (Spain).

Freyssinet Group, Tierra Armada and Menard are ACCIONA Infrastructure's **main providers of support services** in projects of notable technical complexity



- Conservation of drainage and structural works on the AP68, Bilbao-Zaragoza (Spain).
- IP3 toll road, Coimbra-Viseu section (Portugal).
- Bridge 3 sector 2A, Bogota-Villavicencio (Colombia).
- CEMAFE Ambulatory Medical Center (Argentina).
- Montes del Plata (Uruguay).
- Viaduct on Via Expressa in Salvador (Brazil).

- El Borracho Bridge (Mexico).

TIERRA ARMADA

Tierra Armada works with high-tech precast components such as reinforced earth or buttressed containing walls, arches and caissons, acoustic screens, precast beams, and other turnkey prefabricated structures which greatly facilitate project management.

Its main projects in 2012 include:

- High-speed railway, La Encina junction, phase 1 (Spain).
- Los Morros intersection (Colombia)

- Bridge in Siete Tanques (Venezuela).
- Overpass connecting Argerich and Lorca. Area: 4,700 m² (Argentina).
- Lomas Bayas II project, 17 retaining walls and four main walls (Chile).
- Anglo American, reinforced earth wall, Catalão (Brazil).
- Flyover, El Gallo (Mexico).
- La Calera-Jalisco curved arch (Mexico).
- C820 and C82 viaducts. Santiago de Teide (Spain).

- High-speed railway, La Encina junction, phase 1, girder (Spain).
- SEA LGV Double T Tours-Bordeaux high-speed railway (France).
- Flyover, Antonio Quiroga Boulevard, Sonora (Mexico).

MENARD

Menard applies all kinds of soil treatments and improvements for public and private projects.

Its most noteworthy projects in 2012 were:

- Dynamic compaction for the new German school in Montecarmelo.

- Gravel columns, Alvedro Airport expansion, A Coruña.
- Mortar columns, 101 homes in Alicante.
- Trench drains, Escombreras dock, Cartagena.

GTCEISU CONSTRUCCIÓN, S.A.

This is a leading company in projects related to special foundations, soil improvement and the environment. GTCEISU operates in the area of soil mechanics, providing a range of services which include excavation, drilling and soil treatment.

GTCEISU's main projects in 2012 included:

- Diaphragm walls and pile driving on-site for La Sagrera station (Barcelona), for Sagrera Structure high-speed railway JV.
- Geotechnical stabilization measures on A-7 highway. El Puntalón-Carchuna section. Municipality of Motril, for ACCIONA (Granada).
- Foundation using prefabricated piles for the new Puerto Ribeira market, ACCIONA (A Coruña).
- Diaphragm walls and drainage works for the underpass at the new station on the high-speed railway line on the Spanish east coast. Crevillente-San Isidro section (Alicante), for the Crevillente-San Isidro JV.
- Foundation via on-site pile driving for the Atlantic axis of the high-speed railway, for the North Access to New Vigo Station JV (Pontevedra).
- Foundation using prefabricated piles in the new University Av. Hospital for the Novo Hospital de Vigo JV (Pontevedra).

ACCIONA Infrastructure Maintenance

ACCIONA Mantenimiento de Infraestructuras, S.A. is in the business of building and providing comprehensive infrastructure maintenance services in the area of roads (motorways, highways, streets), water (canals, reservoirs) and the environment, as well as general infrastructure upkeep, primarily for public sector clients.

With central offices in Madrid, the company operates nationwide, in practically every autonomous region. At present, ACCIONA Infrastructure Maintenance is working on 10 contracts in different fields, for which it has a workforce of close to 270 and an extensive pool of machinery and additional resources.

The main contracts awarded to ACCIONA Infrastructure Maintenance in 2012 were related to upkeep and maintenance of the R-2, R-3, R-5 and M-50 roads.

ACCIONA Infrastructure Maintenance operates in **all regions of Spain** and currently has 10 different contracts in execution



Excellent results in Energy

The division's EBITDA expanded by 18% and output by 15%.

IN SHORT

ACCIONA Energy-owned facilities produced a total of 20,379 GWh (millions of kilowatt hours) in 2012, i.e. 15% more than in 2011. The Company installed 225 MW (175 wind and 50 solar thermal), to reach a total of 8,437 MW.

ACCIONA Energy obtained EBITDA of 1.125 billion euros, i.e. an improvement of 18% year-on-year. Turnover increased by 28%, to 2.107 billion euros, and EBT rose by 65%, to 166 million euros.

The perception of these excellent results is affected by the new renewable energy regulations in Spain, which notably reduce

turnover associated with renewable power generation—by 160 to 170 million euros (before taxes) in the case of ACCIONA.

In view of this, the Group implemented a 2013-2014 Action Plan which focuses on reducing costs and capital expenditure, expediting rotation of mature assets, adding minority financial partners, and adjusting Group dividends and Board and committee remuneration; moreover, ACCIONA will also take legal action against the new regulations to defend its interests.

The outlook for 2013 is negatively influenced by the change in the regulatory framework for renewables in Spain



BUSINESS PERFORMANCE

International output increased

The 20,379 GWh generated by ACCIONA in 2012 (up 2,630 GWh year-on-year) reflects the higher number of operational facilities and the larger wind power load factor, which broadly offset the decline in hydro output during the year. Attributable output amounted to 18,133 GWh, i.e. 16% more than in 2011.

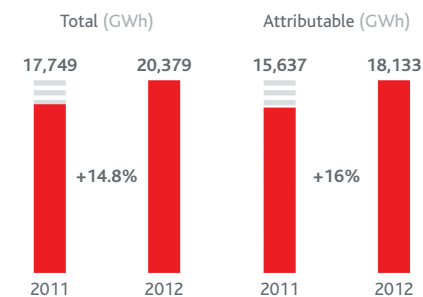
The sharp increase in output in Mexico (+1,134 GWh, to reach twice the 2011 figure) is due to the commissioning of three wind farms. Output also expanded in Spain and the US, and it increased notably in relative terms in Italy due to commissioning of operations at new facilities.

Spain accounted for 64.4% of ACCIONA's output in 2012, Mexico for 10.7% and the US for 10.3%. Other countries that contributed on a smaller scale were Australia (4.8%), Canada (2.6%), Portugal (1.8%), Germany (1.3%) and India (1%), as well as Italy, Greece, Hungary and Poland (less than 1%).

Output expanded by 7.2% in Spain and by 31.6% in the other countries.

In terms of technology, there was notable growth in wind production, which increased by 2,566 GWh. The increase in solar thermal output (+142 GWh) exceeded the decline in hydroelectric output (-106 GWh).

→ ACCIONA Energy - Output

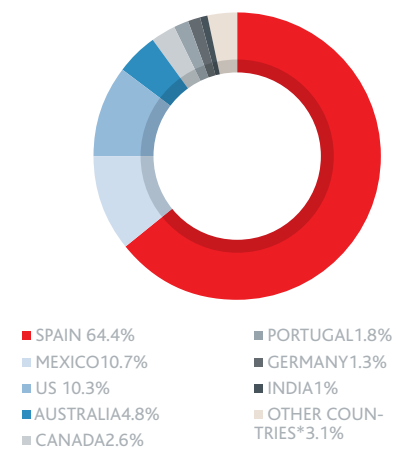


→ Total ACCIONA Energy production, by country (*)

COUNTRIES	2011 (GWh)	2012 (GWh)	DIFFERENCE (%)
Spain	12,234	13,120	+7.2%
Mexico	1,046	2,180	+108.4%
US	1,765	2,089	+18.4%
Australia	914	984	+7.7%
Canada	518	538	+3.9%
Portugal	364	375	+3%
Germany	289	269	-6.9%
India	141	208	+47.5%
South Korea	203	196	-3.4%
Italy	123	188	+52.8%
Greece	107	111	+3.7%
Hungary	45	54	+20%
Poland	0	67	-
TOTAL	17,749	20,379	+14.8%

(*) Total data for the facilities in which ACCIONA owns a stake.

→ Total output in 2012, by country (%)



(*) Includes output in Italy, Greece, Hungary and Poland.

Wind power output: 21% in Spain

Power generation from ACCIONA Energy-owned facilities in Spain (13,210 GWh) accounted for 4.9% of total domestic demand (267,371 GWh), according to REE's *Preliminary 2012 Report on the Spanish Electricity System*. Attributable output (11,527 GWh) accounted for 4.3%.

The Company's special regime power generation (i.e. excluding energy from ordinary regime hydroelectric plants) totalled 11,928 GWh, which accounts for 11.6% of total special regime output in Spain (103,206 GWh).

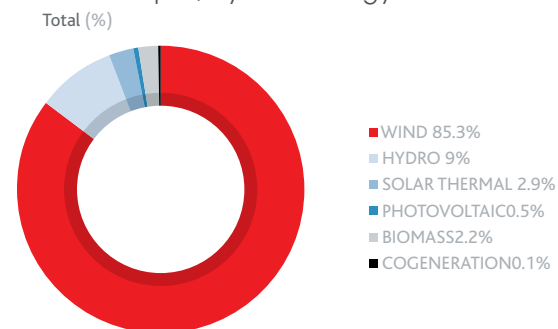
ACCIONA's total wind output in Spain (10,344 GWh) accounted for 21.3% of total domestic wind energy production, while attributable wind output (8,752 GWh) accounted for 18%.

The Company's solar thermal plants produced 466 GWh, i.e. 13.6% of the total in Spain, and its biomass plants generated 450 GWh, i.e. 9.1% of total biomass output in Spain.

→ Total ACCIONA Energy output, by technology

TECHNOLOGY	2011 (GWh)	2012 (GWh)	DIFFERENCE (%)
Wind	14,810	17,376	+17.3%
Hydro	1,934	1,828	-5.5%
Biomass	434	450	+3.8%
Solar thermal	454	596	+31.4%
Photovoltaic	97	101	+4.1%
Cogeneration	20	28	+35.3%
TOTAL	17,749	20,379	+14.8%

→ 2012 output, by technology



8,436 MW in total

ACCIONA installed 225 MW of renewable energy capacity in 2012: 175 MW of wind and 50 MW solar thermal. Of those, 125 MW are in Spain and 100 MW in other countries (Italy, Croatia, and the US). That figure is considerably lower than the 2011 number (701 MW installed).

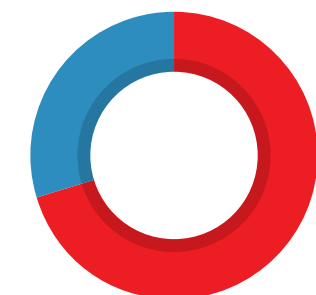
At year-end, the Company owned 8,437 MW, of which 89.5% (7,553 MW) are attributable.

Wind facilities account for 84.1% of ACCIONA Energy-owned capacity, while hydroelectric accounts for 10.8%. Solar thermal plants account for 3.7%, photovoltaic for 0.6%, biomass 0.7% and cogeneration 0.1%.

→ Total ACCIONA Energy facilities at 2012 year-end, by technology

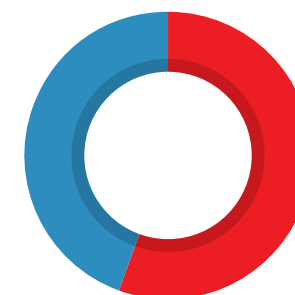
TECHNOLOGY	TOTAL CAPACITY (MW)	ATTRIBUTABLE CAPACITY (MW)
Wind	7,096	6,228
Hydro	912	912
Biomass	57	57
Solar Thermal	314	314
Photovoltaic	49	33
Cogeneration	9	9
TOTAL	8,437	7,553

→ Total installed capacity at 2012-year-end
(in MW and %)



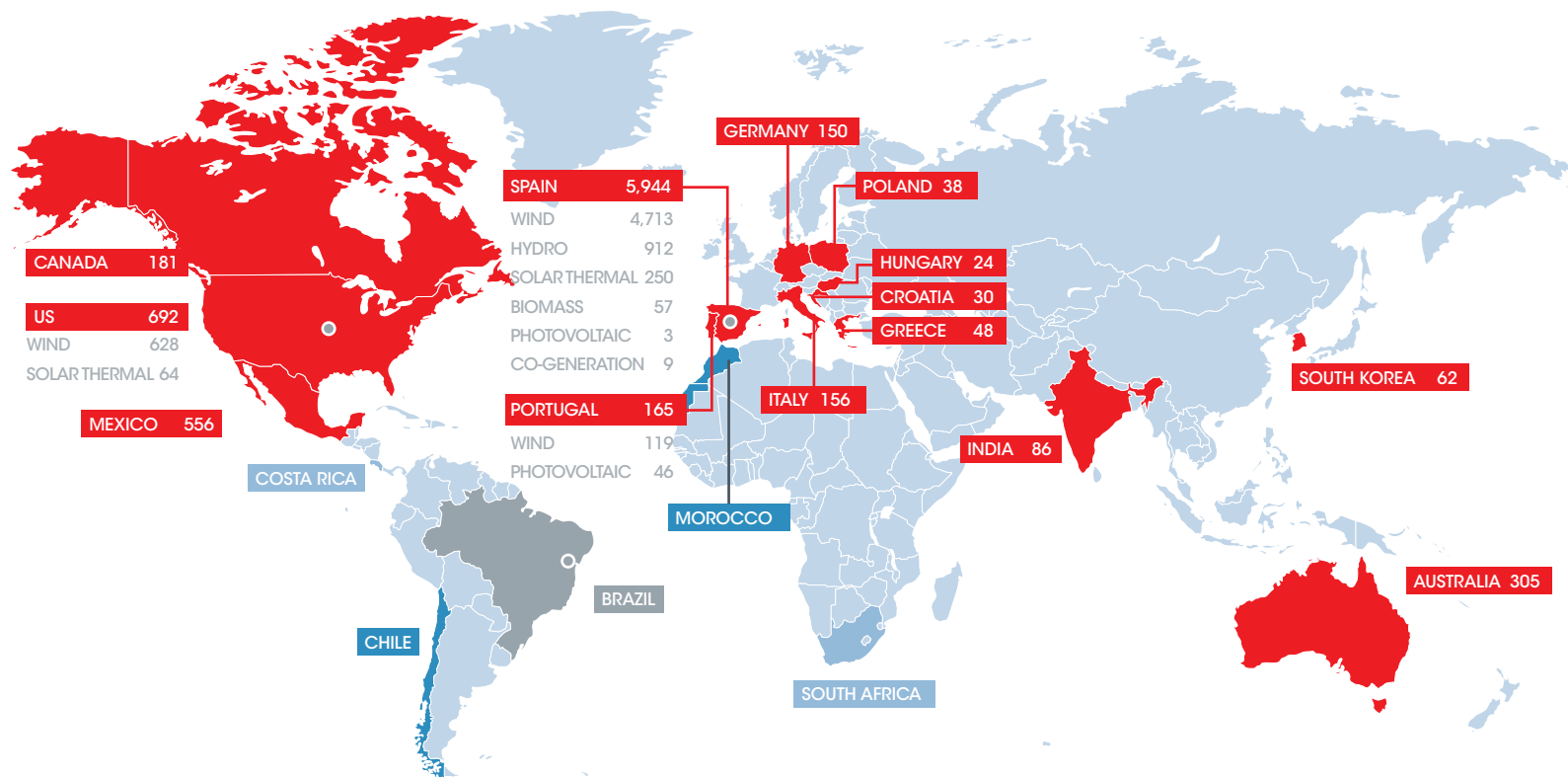
■ SPAIN: 5,944 MW (70.4%)
■ OTHER COUNTRIES: 2,493 MW (29.6%)

→ Total installed capacity in 2012
(in MW and %)



■ SPAIN: 125 MW (55.6%)
■ OTHER COUNTRIES: 100 MW (44.4%)

→ ACCIONA Energy facilities, around the world
(data on 31.12.2012 in MW)



* Where no technology is indicated, the facilities are wind

Total Company-owned MW8,437
Attributable MW7,553

■ OPERATIONAL FACILITIES ■ PROJECTS UNDER CONSTRUCTION OR ADJUDICATED ■ PROJECTS AT AN ADVANCED STAGE OF DEVELOPMENT ● INDUSTRIAL PLANTS

13.7 MILLION METRIC TONS OF CO₂ AVOIDED

Considering the emission factor in all countries where ACCIONA generated electricity in 2012—which varies as a function of the energy mix in each location—the Company avoided 13.7 million metric tons of CO₂ emissions.

The amount of emissions avoided increased by 20% year-on-year, equivalent to the work of 685 million trees in the process of photosynthesis.

→ CO₂ emissions avoided

(million tonnes)



PER CAPITA CONSUMPTION FOR 4 MILLION PEOPLE

ACCIONA'S production of 20,379 GWh in 13 countries is the equivalent to per capita consumption (i.e. a country's total electricity demand divided by the number of inhabitants) by four million people. (International Energy Agency Statistics, 2010).

Wind

OUTPUT EXPANDS BY 17%

ACCIONA's wind output totalled 17,376 GWh in 2012, i.e. an increase of 17.3% compared with 2011. Wind accounted for 85.3% of the Company's power generation.

Wind output totalled 10,344 GWh (up 8.7%) in Spain and 7,032 GWh (+32.9%) in other countries.

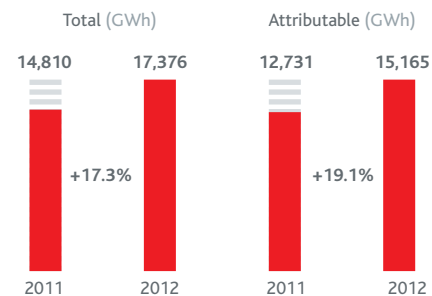
Wind output in Spain accounted for 59.5% of the total due to sharp growth in output in other countries. Mexico accounted for 12.5%, and the US for 11.3%.

As for other countries, Australia accounted for 5.7%, Canada for 3.1%, Portugal 1.6%,

Germany 1.5%, India 1.2%, and Korea 1.1%. Italy, Greece, Poland and Hungary contributed less than 1% of the total.

In attributable terms, ACCIONA produced 15,165 GWh, an increase of 19.1% compared with 2011.

→ ACCIONA Energy wind output



→ Total ACCIONA Energy output, by country

COUNTRIES	2011 (GWh)	2012 (GWh)	DIFFERENCE (%)
Spain	9,518	10,344	+8.7%
Mexico	1,046	2,180	+108.4%
US	1,635	1,959	+19.8%
Australia	914	984	+7.7%
Canada	518	538	+3.9%
Portugal	271	278	+3%
Germany	289	269	-6.9%
South Korea	203	196	-3.4%
Italy	123	188	+52.8%
Greece	107	111	+3.7%
India	141	208	+47.5%
Hungary	45	54	+20%
Poland	-	67	-
TOTAL WIND	14,810	17,376	+17.3%

MORE THAN 7,000 MW OF WIND CAPACITY

ACCIONA had 7,096 MW of Company-owned wind capacity (6,228 MW in attributable terms) in 14 countries at 2012 year-end.

A total of 175 MW were installed in the year, of which 100 MW were outside Spain:

- 64 MW in the Santa Anna wind farm, in Italy.
- 30 MW in the Jelinak wind farm, in Croatia.
- 6 MW in the Pioneer Grove wind farm, in the US.

In Spain, 75 MW were installed:

- 48 MW in the Els Escambrons wind farm (Cataluña).
- 12 MW in the La Castellana wind farm (Andalucía).
- 3 MW in the Peñas de Dios II wind farm (Valencia).
- 9 MW in the Barásoain wind energy testing ground (Navarra).
- 3 MW in the CENER (National Centre for Renewable Energies) wind energy testing ground (Navarra).

Of total wind capacity in Spain at the end of 2010 (4,713 MW), ACCIONA facilities accounted for 66.4%.

The US (628 MW) accounts for 8.8% of the ACCIONA total, Mexico for 8.7%, Australia for 4.3%, Canada for 2.6% and Italy for 2.2%. They are followed by Germany (2.1%), Portugal (1.7%) and India (1.2%), while Korea, Greece, Poland, Croatia and Hungary account for less than 1%.

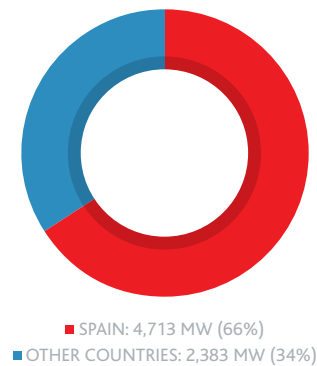
ACCIONA had 30 MW under construction in Spain in four wind farms at the end of the year: 6 MW in the Barásoain wind energy testing ground, 9 MW in the Serra de Vilobí II wind farm, 9 MW in the Vedadillo experimental area and 6 MW in the Villanueva research facility.

NEW COUNTRIES

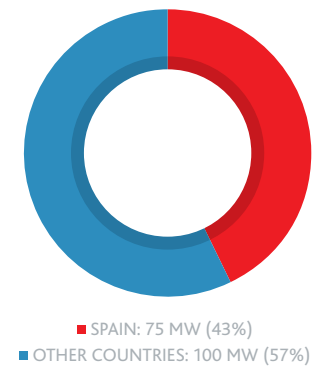
Outside Spain, the Company is building the Gostyn wind farm (33 MW) in Poland, and in March 2013 construction is expected to start on a wind farm (49.5 MW) in Chiripa, Costa Rica.

In the second half of the year, ACCIONA will commence construction on a wind farm in Gouda, South Africa, with 135.2 MW net (138 MW in nominal terms), owned jointly with Aveng. That facility (Western Cape province) was chosen by the South African government in Round 2 of the IPP REBID programme, which aims to promote renewable energies in that country.

→ Total wind capacity at 2012 year-end



→ Wind capacity installed in 2012



Hydroelectric

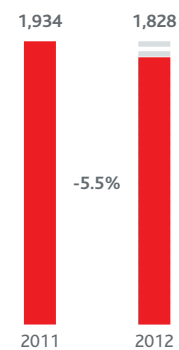
LOWER OUTPUT DUE TO THE DECLINE IN PRECIPITATION

ACCIONA has 912 MW of Company-owned hydroelectric capacity in 80 plants in Spain. Of those, 680 MW are ordinary regime (conventional), and output is sold in the electricity pool, while another 232 MW are special regime facilities.

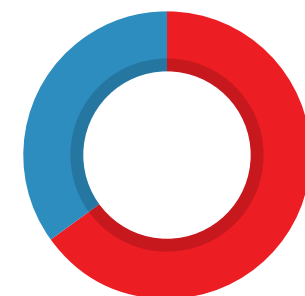
ACCIONA's hydroelectric output totalled 1,828 GWh in 2012, i.e. 5.5% less than in 2011, due to low precipitation in the year. A total of 65% of output (1,192 GWh) is attributable to ordinary regime plants and 35% (635 GWh) to special regime plants.

Hydroelectric output accounted for 9% of ACCIONA's total output and 10% of its attributable output.

→ Hydroelectric output ACCIONA Energy (GWh)



→ Hydroelectric output in 2012 (GWh and %)



■ ORDINARY REGIME: 1,192.4 (65.2%)
 ■ SPECIAL REGIME: 635.3 (34.8%)

Solar thermal

SIX OPERATIONAL PLANTS

ACCIONA Energy connected its sixth solar thermal plant (its fifth in Spain) to the grid in summer of 2012. The Orellana plant (50 MW) is located in Orellana, Badajoz province, Extremadura.

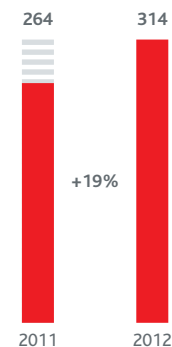
As a result, the Company had 314 MW in operation: 250 MW in Spain (Orellana, Alvarado and Majadas, in Extremadura, and Palma del Río I and II, in Andalucía; Mitsubishi Corporation owns a minority stake in all four) and 64 MW in the USA (Nevada Solar One). ACCIONA was a world leader in terms of solar thermal installation at year-end.

The Company has considerable research into parabolic cylinder technology. It is also working on projects associated with central tower technology.

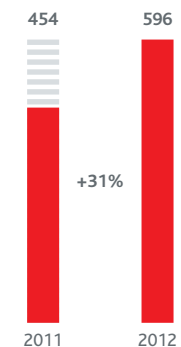
ACCIONA's solar thermal output in 2012 totalled 596 GWh, i.e. 31.4% more than in 2011 due to the year-long operation of plants commissioned in 2011 and output from the Orellana plant during part of the year. The plants in Spain generated 466 GWh (78.2%) and the plant in Nevada 130 GWh (21.8%).

Solar thermal energy accounted for 2.9% of ACCIONA's total output and 3.3% of its attributable output.

→ Solar thermal installations
ACCIONA Energy
(MW)



→ Solar thermal output
ACCIONA Energy
(GWh)



Photovoltaic

CONTRACT IN SOUTH AFRICA

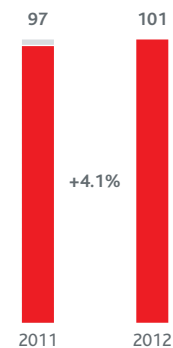
ACCIONA has 49 MWp of wholly-owned capacity, of which 94% is in Portugal, at the Amareleja (Moura) plant (46 MWp). The remaining 6% is in Spain, where the Company has focused on developing plants for clients, which account for an additional 66.8 MWp.

The Company's photovoltaic facilities generated 100.6 GWh in 2012 (4.3% more than in 2011), of which almost 97 GWh was attributable to the Amareleja plant, which is part-owned by Mitsubishi Corporation. Attributable output amounted to 67 GWh.

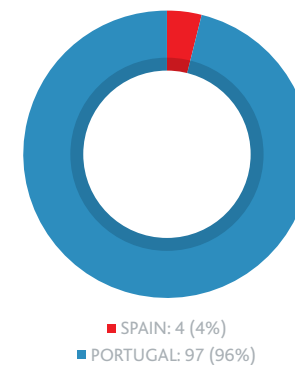
ACCIONA was awarded a contract in South Africa for the Sishen photovoltaic plant (nominal capacity 74 MW, 94MWp) as part of the second round of the IPP REBID programme, which seeks to promote renewable energies in South Africa. The

plant, which is owned in consortium with South African company Aveng, will be in the Northern Cape province near the Kalahari Desert. Construction will commence in the second half of 2013.

→ Photovoltaic output
ACCIONA Energy
(GWh)



→ Photovoltaic output in 2012
(GWh and %)



Biomass

ALMOST 8,000 HOURS OF ANNUAL OUTPUT

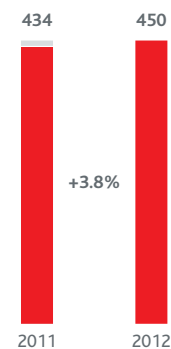
ACCIONA has three operational biomass-fired power plants in Spain: Sangüesa (25 MW), in Navarre; Briviesca (16 MW), in Castilla y León; and Miajadas (16 MW), in Extremadura. The first two burn cereal straw, and the third plant burns a mix of agricultural waste and wood.

The joint output of these plants, which operate uninterruptedly all year long, was 450 GWh, i.e. equivalent to an annual equivalent output of 8,000 hours, up 3.8% year-on-year. This accounted for 2.2% of ACCIONA's total output and around 2.5% of its attributable output.

→ Biomass installations
ACCIONA Energy
(MW)



→ Biomass output
ACCIONA Energy
(GWh)



Wind turbines

MAJOR ORDERS OF AW3000 TURBINES

ACCIONA Windpower, the Group's subsidiary specialised in wind turbine design, production and sales, produced a total of 165 wind turbines (331.5 MW) in 2012, i.e. an increase of 16.3% year-on-year.

Of the total sold, 56 units (168 MW) were AW3000 turbines (3 MW), and 109 units (163.5 MW) were AW 1500 turbines (1.5 MW).

The 56 3 MW turbines were installed in wind farms in Spain (31 units), Brazil (13), Poland

(11) and the US (1). The 109 1.5 MW turbines were installed in the US (70 units), Croatia (20) and Spain (19).

New contracts

ACCIONA Windpower has a contract to supply an additional 120 MW to wind farms in Brazil, Spain and Canada, and has signed contracts to supply 450 MW of AW3000 turbines to new wind farms in Spain, Canada, and South Africa.

In the first few months of 2013, ACCIONA Windpower assembled 33 1.5 MW wind turbines for a wind farm in Costa Rica.

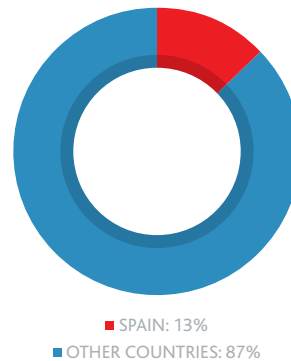
**ACCIONA Windpower
has contracts to
supply hundreds of
MW to customers
in South Africa, Brazil
and Canada**



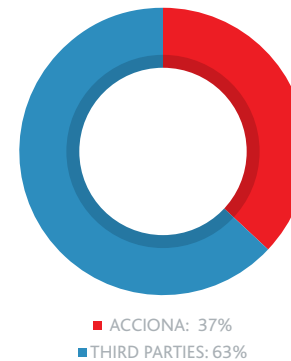
Third parties accounted for 63% of 3 MW wind turbine sales and the Group for 37% at the end of the first quarter of 2013.

ACCIONA Windpower has three wind turbine manufacturing plants: two in Spain (Navarre and Valencia) and one in the US (Iowa). The company also has a plant in Spain for blade manufacturing and one in Brazil for bushing assembly, opened in the first half of 2013.

→ Geographic distribution
AW 3000 turbine orders
(%)



→ Distribution of orders of
AW 3000 turbines, by client
(%)



Energy sales

TRIPLING SALES TO END CUSTOMERS

ACCIONA strengthened sales of renewable energy to large clients in Spain in 2012. Its subsidiary ACCIONA Green supplied 3,287 GWh, i.e. three times last year's figure (1,100 GWh).

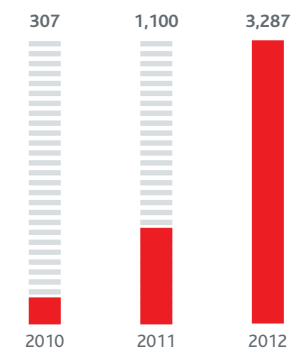
ACCIONA sold renewable energy certified by Spain's National Energy Commission to 20 companies in 2012, including Adif, Acuamed, Aena, Telefónica, Metro de Madrid, Roca, Tetrapak, Grupo Corío and APM Terminals, as well as to desalination companies and ACCIONA offices.

New contract with Adif

ACCIONA signed a new contract with Adif (Spain's railway administration agency) in 2013 to supply around 2.6 billion kWh (94% of the entity's electricity needs) for 207.8 million euros (including VAT). The contract includes all high-speed railway lines and commuter rail systems in the major cities.

ACCIONA Green also manages the sale of energy to Spain's electricity pool from Group-owned and customer-owned facilities, which totalled 6,318 MW at year-end. This year, the Company sold 13,141 GWh in the market.

→ Electricity sales to end customers (GWh)



Events after year-end

REGULATORY CHANGES IN SPAIN

In the first few months of 2013, the Spanish Government and Parliament approved new energy regulations which, combined with those implemented in 2012, had a considerable impact on ACCIONA's bottom line.

Act 15/2012 was approved in late 2012, bringing into force fiscal measures for energy sustainability: a 7% tax on revenues from energy production, a tax on hydroelectric output, and a new remuneration framework for solar thermal energy production. These measures had a total pre-tax impact on the Company of around 100 million euros.

In 2013, Royal Decree Act 2/2013 on urgent measures for the electricity system and

financial sector eliminated the *pool+premium* option for remunerating renewable energy (which had been adopted by the bulk of ACCIONA's output), leaving the choice between a fixed tariff and the pool price with no premium; additionally, the index to update that tariff was revised downward. These measures together reduced the Company's turnover by 60 to 70 million euros.

To palliate the estimated annual loss (160 to 170 million euros before taxes), on 1 March 2013 ACCIONA announced the implementation of a 2013-2014 Action Plan which seeks to reduce costs by around 35 to 40 million euros per year, reduce capital expenditure in Energy in that period by 550

to 630 million euros, and obtain turnover of 500 to 1,000 million euros through the sale of assets from strategic divisions and the addition of minority financial partners in ACCIONA Energy.

All of these measures aim to maintain ACCIONA's leading position in the sector and its capacity for future growth, notwithstanding the legal actions the Company plans to take against the new regulation to defend its interests.

ACCIONA Agua

The Company, an industry leader with operations worldwide, is committed to sustainability and R&D and Innovation, and has obtained a number of patents and awards in this area.

ACCIONA Agua provides comprehensive solutions which contribute to sustainable development in the water sector. Since inception, the Company has contributed to treating, processing, reusing, desalinating and managing water for over 70 million people in 20 countries on five continents, always to the highest standards of quality, innovation and sustainability. ACCIONA Agua has made its mark on over 400 drinking water and wastewater treatment plants and 70 desalination plants. It also operates and maintains a full range of water treatment plants and provides end-to-end water services in over 180 cities.

Innovation and the application of cutting-edge water technologies are among the cornerstones of ACCIONA Agua's business approach. The best example of this commitment is the R&D and Innovation centre in Barcelona, which has a multidisciplinary team of over 30 people. Their activities range from basic research in the laboratory through to pilot plant trials and industrial applications, with the help of powerful modelling software for computational fluid dynamics (CFD), brine dispersion (CORMIX), and structural studies. These efforts have led to the registration of 19 patents related to desalination, biological membrane reactors and reuse technology.

ACCIONA Agua was especially active outside Spain in 2012. A total of 90% of the Design & Construction area's activity took place outside Spain, compared with 60% in 2009. The Operation & Maintenance area's activities abroad accounted for 11% in 2012, compared with 2% in 2009.

■ **Backlog in December 2012:**

11.325 billion euros.

■ **2012 Turnover:**

506 million euros.

■ **Workforce at December 2012:**

2,537 employees.

LINES OF BUSINESS

Desalination (construction and operation)

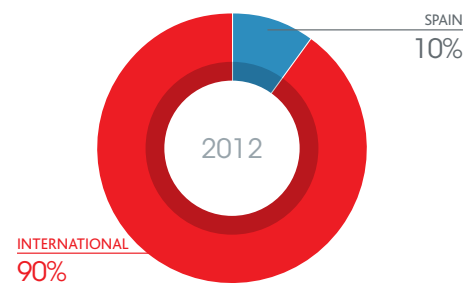
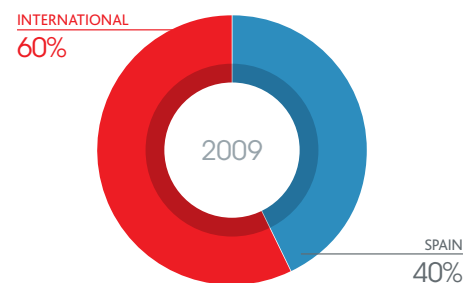
ACCIONA Agua, a world leader in sea and brackish water desalination by reverse osmosis, has built more than 70 desalination plants, which produce more than 1.2 million m³/day to supply over 10.5 million people. ACCIONA Agua also operates the majority of those plants.

The Company's extensive international experience is evidenced by its operations in Spain, the US, Australia, the UK, Italy, Peru, Cape Verde, Algeria, Chile and Venezuela.

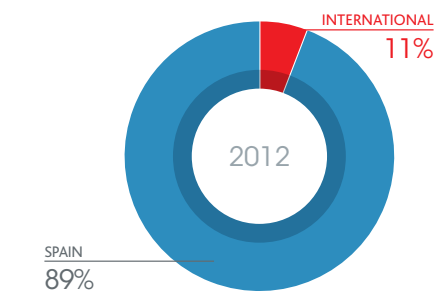
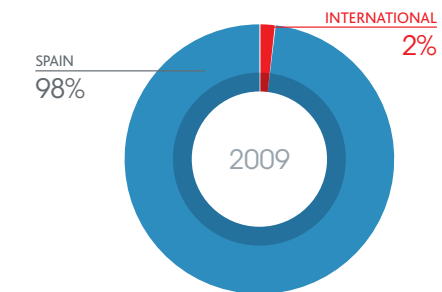
The Adelaide desalination plant, in Australia, will supply water to **ONE MILLION** people.

→ PERFORMANCE OUTSIDE SPAIN


DEVELOPMENT AND CONSTRUCTION



OPERATION AND MAINTENANCE



Adelaide desal
plant will supply
500,000
people



CONTRACTS AWARDED

■ **Al Jubail (Saudi Arabia).** ACCIONA Agua's first contract in Saudi Arabia. The contract includes the design, construction and start-up of a seawater desalination plant with a daily production capacity of 100,000m³, serving Al Jubail and its industrial complex. ACCIONA will execute the project in a joint venture with the Saudi Binladin Group.

■ **Fujairah (United Arab Emirates).** ACCIONA Agua's third major contract in the Middle East. Together with ACCIONA Infrastructure, it was awarded the contract to design, build and operate (for seven years) the extension to the Fujairah desalination plant in the emirate

of Fujairah. The expansion, which will increase daily capacity by 137,000m³ to a total output of 592,000m³, will serve a population of close to 600,000.

MILESTONES

■ **Adelaide desalination plant (Australia).** The plant was completed and delivered to the owner, SA Water, in 2012. ACCIONA Agua will provide operation and maintenance services for the next 20 years as part of the contract. The plant, with a daily flow rate of 300,000m³ and located 52 metres above sea level, will provide drinking water to Adelaide, which has a population of over one million.

Design and construction of plants for drinking water, wastewater and reuse, and plant operation and maintenance

ACCIONA Agua has built 115 drinking water treatment plants with a total capacity of over 82m³/second, supplying more than 29 million people. It has also built over 300 sewage treatment plants with a total capacity of more than 11.4 million m³/day, serving over 52 million people. The Company's main water infrastructure is located in Spain, Portugal, Italy, Puerto Rico, the Dominican Republic, and Morocco.

ACCIONA Agua aims to optimize operation and maintenance processes by minimizing energy consumption, ensuring optimal processing performance, analyzing water

quality, and assuring proper environmental management of sludge, waste and by-products from the treatment processes. The Company aims to minimize operating costs and maximize the useful lives of facilities.

Design and construction contracts

■ **Oum Azza drinking water treatment plant (Morocco).** ACCIONA Agua obtained its first contract in Morocco to design, build and commission a drinking water treatment plant in Oum Azza (near Rabat), with a capacity of 5m³/second.

■ **Torpè drinking water treatment plant in Sardinia (Italy).** This project involves designing, building and commissioning the wastewater treatment plant in Siniscola.

The plant, which will treat surface water from the Maccheronis Dam in Torpè, will experience high variability in the input parameters and will process an average of 420 liters/second.

■ **Bello wastewater treatment plant (Colombia).** ACCIONA Agua obtained its first contract in Colombia to design, build, and commission a wastewater treatment plant in Bello, Medellín. It will also provide operation and maintenance services for one year. The plant will have the capacity to treat 5m³/second, i.e. enough to serve 3.88 million people. One of the Company's main objectives is for the river to exceed the dissolved oxygen threshold that is recognized globally as indicating the

absence of pollution, thereby allowing the riverbanks to be recovered for use in leisure activities and urban and landscape development.

■ **El Caracol wastewater treatment plant (Mexico).** The Company's second wastewater treatment plant in Mexico City. ACCIONA Agua was awarded the contract to design, build, and commission the plant, and operate and maintain it for 23 years.

■ **Los Tajos wastewater treatment plant (Costa Rica).** ACCIONA Agua will build and operate the largest wastewater treatment plant in Costa Rica, its first project in that country. The plant, which will have a daily capacity of 242,784m³, will serve

more than one million people, i.e. 65% of the population of San José, the capital. The Company will be responsible for design, construction, start-up, technology transfer and assistance in operation and maintenance.

■ **Ibarra wastewater treatment plant (Ecuador).** ACCIONA Agua won the contract to design, build, operate and maintain the plant in Ibarra, which will have a daily processing capacity of 43,200m³ and initially benefit more than 197,000 people.

■ **Alcáser wastewater treatment plant (Portugal).** ACCIONA Agua will design, build, commission, operate and maintain

(for 1 year) the Alcáser plant, which will have a daily capacity of 2,600m³ and serve 10,700 people.

INAUGURATIONS

■ **Valmayor drinking water treatment plant (Spain).** Located in Colmenarejo, in the Madrid region. ACCIONA Agua and ACCIONA Infrastructure created a joint venture to expand this plant, increasing drinking water production capacity to 12m³/second (previously 6m³/second), so as to produce up to one million m³/day.

■ **Arrudas wastewater treatment plant (Brazil).** This 2.4 MW biogas cogeneration plant in Belo Horizonte includes a chemical

deodorization unit. This plant was designed and built by ACCIONA Agua in association with COPASA.

ACCIONA Agua obtained notable concessions for water treatment plant operation and maintenance:

■ **Sollano drinking water treatment plant (Bizkaia, Spain).** This is the third time the Company was awarded this contract, which includes operation and maintenance of the plant (1.4m³/second) for a four-year period with the possibility of extending it by another two years.

■ **Ibarra and Berrón pumping stations.**

■ **Wastewater treatment plant at the local dog pound in Bilbao (Spain).**

■ **Mairena de Alcor/El Viso de Alcor wastewater treatment plant (Seville, Spain).** This plant, with a capacity of 9,220m³, serves 41,000 people and was built by the Infilco-Sando joint venture, which had been operating it since 2005.

■ **Abrera group of municipalities (Catalonia, Spain).** A contract from the Abrera group of municipalities (Abrera, Castellbell i El Vilar, Monistrol de Montserrat, Viladecavalls Est, and Viladecavalls Oest i Vacarisses) and the Anoia Nord group to operate sanitation

systems. The contract is for 2 years with a possible 2-year extension.

Integrated water management services

For more than 30 years, ACCIONA Agua has been providing end-to-end water management services, supplying optimal quality water for daily use in a way that is environmentally friendly. End-to-end water management includes all phases of treatment, from raw water capture to purification at a drinking water plant, reservoir maintenance and control, distribution network management, distribution to consumers, ongoing maintenance of sewers, sewage treatment, and direct billing to end users.

Today ACCIONA Agua provides end-to-end water management services to over 180 cities in Spain, serving a population of 7.5 million people. ACCIONA's most significant water management contracts in Spain include:

- Municipal drinking water, sewage and treatment services in Soria.
- End-to-end water management in the Tropical Coast group of municipalities in Granada.
- End-to-end water management as part of a public-private partnership with the Jaén provincial government in more than 36 municipalities, serving over 250,000 people.

ACCIONA Agua's
Los Tajos WWTP will
serve **65% of the**
population
in San José, Costa
Rica's capital

Today, the Company provides end-to-end water management services to more than 180 Spanish towns and cities

- End-to-end water management services in Molina de Segura (Murcia).
- Operation and maintenance of the entire sewer network in Valencia.
- Operation of the sewage networks in 25% of Madrid city.

The Company also achieved another two major milestones in 2012. It started providing end-to-end water management services in Cáceres (the contract was awarded in December 2011 and operations commenced on 1 January 2012). It was also awarded a 50-year concession by ATLL (Aigües Ter-Llobregat) to supply water to 105 municipalities. The Company will provide

comprehensive services, from water capture to distribution to consumers. This concession includes management of four large plants (the Abrera and Cardedeu drinking water plants, to treat water from the rivers Ter and Llobregat, and desalination plants in Prat de Llobregat and La Tordera), several water pumping stations and more than 900 kilometres of pipeline.

La Unión (Murcia). La Unión (Murcia) town hall awarded ACCIONA Agua a 25-year concession by which the Company will supply drinking water and manage the sewage network for a population of 19,000.

Santomera (Murcia). Santomera awarded ACCIONA Agua (in a joint venture with

STV Gestión) a 25-year concession to supply drinking water, maintain sewers and treat wastewater for a population of 15,805.

Valle de la Orotava wastewater treatment plant (Tenerife). ACCIONA Agua treats wastewater from the municipalities of Puerto la Cruz, La Orotava and Los Realejos. The three-year contract may be extended on a yearly basis for at most six years.

Zafra (Badajoz). Zafra (Extremadura) also awarded ACCIONA Agua a contract to supply drinking water and provide wastewater treatment services. The Company will serve approximately 20,000 people, and the four-

year contract can be extended by another four years.

Getafe (Madrid). ACCIONA Agua obtained the contract for the upkeep, maintenance and repair of roads and sewers in Getafe for two years, with a possible two-year extension.

→ **AIGUES TER-LLOBREGAT**
(ATLL, CATALONIA, NORTHEAST SPAIN)



OTHER ACTIVITIES

ACCIONA Agua was very active in 2012 in initiatives related to sustainability, sponsorship, participation in forums and conferences, training and awareness-raising in all areas related to water treatment.

Corporate Social Responsibility

■ **Inauguration of the Climate Change Observatory, in Valencia, Spain:** This centre has a permanent exhibition which focuses on four main concepts: the causes of climate change, latent impacts, signs of climate change and future solutions. It will display research and projects and host discussions and seminars related to sustainability, environmental preservation and eco-efficiency.

■ **World Water Day.** For the third consecutive year, ACCIONA Agua participated in World Water Day by organizing activities in the towns where it operates. Highlights from the event included children's workshops, storytelling, a painting contest and a bicycle route, all organized in Cáceres, Spain.

Social media

For the second year in a row, the Company created an event on **Facebook** commemorating World Water Day, through which users could send all of their questions about water directly to ACCIONA.

■ **Twitter.** Active participation by ACCIONA Agua executives.

■ **LinkedIn.** Creation of an ACCIONA Agua group with information about the annual meeting of executives and department heads, with a view to encouraging executive participation.

New offices

The sales department achieved yet another milestone, opening offices in India and Colombia, which are already working to seek customers and partners there, under the supervision of pre-existing business development executives.

AWARDS

■ The Adelaide desalination plant obtained the Civil Contractor's Federation Excellence Award (CFF) from the Civil Contractor's

Federation in South Australia. The plant competed in the category of projects worth more than 75 million Australian dollars, and the candidacy was submitted by SA Water and AdelaideAqua.

- The Australian Water Association (AWA) gave the Adelaide plant the Infrastructure Innovation Award. The winner is chosen based on the innovative measures implemented, and the contribution to Australia's water industry and to sustainability, among other benefits.
- The Mundaring drinking water plant was named *Water Deal of the Year* by specialized magazine Global Water Intelligence (GWI) in recognition of its contribution

to the advancement of the public-private partnership model in the global water industry. This is the first water treatment PPP in Western Australia, and it is also ACCIONA's first project in that state, further strengthening its presence in that country.

ACCIONA Agua
and its executives are
highly active in the
social networks



ACCIONA Real Estate

Despite the crisis, the Company boosted its presence in Spain and expanded internationally, especially in Mexico.

The economic context in which ACCIONA Real Estate performed its activity during fiscal year 2012 was characterized by macroeconomic tensions.

Main indicators for employment, consumer spending and investment reflected a heightening of the crisis. Only exports exhibited healthy growth, yet they were insufficient to offset the ongoing deterioration in domestic demand, that has exacerbated the recession. GDP is estimated to have declined by 1.4%, and the unemployment rate was close to 26%; public sector jobs were hit especially hard.

Lack of confidence among Spanish households and consumers, whose savings

capacity has steadily diminished, resulted in postponement of major investments such as home purchases.

This situation had an especially adverse impact on the real estate sector: home sales stabilized, amounting to barely 330,000 units in 2012, compared with 349,000 in 2011 and 491,287 in 2010. New home sales slightly exceeded 106,000, compared with 127,000 in 2011.

Restructuring of the Spanish financial system revealed the urgent need for the banks to dispose of real estate assets on their balance sheets. To facilitate this process, the Spanish government created

the SAREB, a company which will manage impaired assets from banks that have received public aid. This should help control real estate risk and provide stability to the banking system.

As regards the rental business, the disappearance of many companies has reduced the occupancy rate of offices, and industrial and logistics buildings, putting downward pressure on rents. As a result, owners' returns have declined notably. This trend will continue, since available office space is at its highest since the 1990s, and gross uptake has declined by 20% with respect to 2011, making it impossible to take up the slack. In this context, the only

new projects to come to market were those with confirmed tenants, i.e. with minimal risks.

Investment in rental assets was also cut drastically in 2012 due to persisting country risk and funding difficulties. Successful deals hinge on finding investors with considerable liquidity or a need to reinvest, although there are also bargain hunters waiting for the market to stabilize in order to buy in.

Despite these difficulties, ACCIONA Real Estate ended the year with turnover of 67.7 million euros, of which 53% corresponds to home sales and 47% to property rentals.

ACCIONA Real
Estate turnover in
2012 amounted to
67,7
million euros



ACCIONA Real Estate strengthened its presence in **Mexico**, an ideal market in which to continue expanding



1. REAL ESTATE DEVELOPMENT

In 2012, ACCIONA Real Estate sold 140 homes: 53 in Spain and the rest mainly in Mexico, and some in Poland and Portugal.

It also delivered 123 homes to customers in 2012, of which 51% were in Spain and 49% in other countries.

1a. Real estate development in Spain

The Company maintained its discount policy (begun in 2009) on all its developments, which enabled it to continue to sell finished homes despite market difficulties.

Transactions increased in November and December 2012, driven by buyer interest in avoiding the VAT hike (from 4% to 10%) and in taking advantage of tax credits for home purchase (which ended at the end of 2012).

Foreign buyers returned to the Spanish property market, buying homes mainly on the east coast. To harness this demand, ACCIONA Real Estate implemented several actions to offer its properties in potential buyers' home markets, mainly China and Russia.

Zoning processes became more complicated in 2012 due to growing intervention by the courts in the planning process. Despite such an adverse economic scenario, the Company continued to monetize land owned by ACCIONA Real Estate. Notably, the General Urban Development Plan for Las Palmas de Gran Canaria was approved, which includes detailed development of Isla Perdida, owned 100% by ACCIONA Real Estate.

1b. International real estate development

The Company was especially active in residential property development in Mexico. ACCIONA Real Estate strengthened its commitment to Mexico through subsidiary Parque Reforma, selling 62 luxury homes and delivering 32 units to customers.

In April, construction commenced on the second phase of the Santa Fe luxury apartments in Mexico City. By year-end, the Company had sold 82% of the 62 homes in the development, with delivery scheduled for early 2014.

In Acapulco, 31 homes were delivered to customers as part of the second phase of the Playamar Tres Cantos project, an extensive beachfront development with views of the Pacific Ocean and more than 21,000

m² of green areas, swimming pools and a clubhouse. This is Parque Reforma's fourth project in Acapulco, where it has already delivered more than 600 homes.

In contrast with the scenario in Spain, Mexico's banking and economic situation favors home sales. Mexico is a mature market with scope for continual expansion, in view of job growth, increased consumer confidence, scarcity of new homes, a preference for high-rise homes, annual home sales volume that is in line with production, and growth in mortgage lending (in terms of the number and size of loans).

The Company continued to reduce its housing stock in Poland, in accordance with its policy of adapting to each country's situation. The number of available homes on Panska Street, in Warsaw's financial district, declined by

18% with respect to the previous year, and the stock in the Wilanów development, near Warsaw's Wilanów Palace, a former royal residence, was reduced by 17%.

ACCIONA Real Estate will continue to operate in Brazil through projects in Penedo (Rio de Janeiro state) and Guarujá (São Paulo state).

As for available land, ACCIONA Real Estate has space to build 124 homes in Santa Fe, Mexico City, and 508 homes in Playamar Tres Cantos, Acapulco. It also has enough land to build 480 homes in Lomas de Vista Hermosa, an upscale development in the vicinity of main schools, universities and services, where demand is high.

The Company also has sites to build around 2,200 homes in Poland as part of the Wilanów and Żoliborz developments.

The company's participation in the EU **Clear-up project** showed its commitment to research, development and innovation



2. PROPERTY RENTALS

The rental business provided 32 million euros in turnover. The Company ended the year with 89,000 m² of office space under lease in Madrid, Barcelona, Sabadell and Zaragoza, and an occupancy rate of almost 90%, i.e. on par with previous years.

As regards home rentals, Compañía Urbanizadora del Coto, S.L. (owned 50% by ACCIONA Real Estate), which has a portfolio of 875 homes in Madrid, ended the year with an average occupancy rate of 89%. ACCIONA Real Estate continued to operate student residences in 2012, with space for close to 1,200 in Albacete, Murcia, Lérida, Castellón and Cádiz under its CAMPUS brand. This market maintained an occupancy rate of over 68%.

In the hotel sector, Sol Meliá Group continued to manage Hotel Condal Mar in Barcelona under its TRYP brand, in association with the US Wyndham Hotel Group.

The Company retained ownership and management of Hotel Club Marítimo, in Sotogrande (San Roque, Cádiz), a 42-room boutique hotel under the Small Luxury Hotels of the World brand.

The five-star Hotel Estrella del Mar in Marbella strengthened its market position. Its 4,000-m² beach club with spa, tropical gardens, gym and restaurant with views of the sea complement the hotel accommodations and establish it as a leading resort hotel in the area.

3. ADVANCING IN R&D AND INNOVATION IN SUSTAINABILITY

ACCIONA Real Estate remains committed to sustainability, and is aware of its sizable impact on the surroundings. With a view to preserving and harnessing resources, the Company applies conservation guidelines to all its day-to-day processes. Involvement in this area is reinforced by active participation in the EU's R&D and Innovation project entitled Clear-up, which seeks to research and apply solutions for building comfortable, environmentally friendly homes.

As regards Parque Reforma's Cumbres de Santa Fe I development (Mexico City), 140 homes were delivered with the Efficiency Certificate (the second-highest of the three existing certification categories), under Mexico City's Sustainable Certification and Environmental Efficiency Program. In the same residential development, the Company is building another 64 homes to the highest standard: Excellence Certification.

ACCIONA Real Estate (AT MARKET PRICES)

According to appraisals by various independent valuers, the gross asset value of real estate assets, developments, investment properties and fixed assets totalled 1.547 billion euros (2012 prices), broken down as follows (million euros):

Inventories	1.054
Investment property	467
Fixed assets	26
TOTAL	1.547

Cumulative capital gains before taxes on those assets amounted to 364 million euros at year-end.

ACCIONA Logistics & Transport Services

The Company worked hard to improve and adapt its offer to customer needs in 2012.

ACCIONA TRASMEDITERRANEA

This ACCIONA division provides sustainable mobility solutions for sea transport.

ACCIONA Trasmediterranea managed its own fleet of 18 ships and 5 chartered ships at different periods throughout the year.

The ships sailed a total of 1,040,161 nautical miles, and transported 2,496,489 passengers, 594,502 vehicles and 5,083,858 linear meters of cargo. The number of passengers fell by 5.6% and vehicles by 4.3% as a result of the decline in activity on the Strait of Gibraltar routes. Transportation of cargo decreased by 5.18% in linear meters, owing mainly to lower cargo levels in the Balearic and Canary

Islands, attributable to the reduction in capacity offered by ACCIONA Trasmediterranea.

The Barcelona ferry terminal handled 1,765 calls (of which 1,009 were by other shipping companies), 746,021 passengers and 208,676 vehicles. ACCIONA Trasmediterranea's Valencia terminal handled 729 calls, of which 193 were cruise ships, and it acted as ship's broker for 53. It also served 631,410 passengers, 461,444 of whom were cruise ship passengers, and 47,687 vehicles.

Milestones in 2012 included the following events:

- Ignacio Aguilera joined ACCIONA Trasmediterranea on 1 March as its General Manager, bringing his extensive experience in consumer goods, finance and tourism.
- The Cruise Ship Unit, which was created in August and reports to the Sales Department, will reinforce the Company's activity in the Valencia port with a view to expanding to other areas. The Cruise Ship Unit served 30% more customers in 2012 due to stopovers of smaller vessels in Valencia.
- On 27 November, the Company extended (until 2017) its agreement with Coplaca to

transport all banana production by sea to mainland Spain and the Balearic Islands. The agreement was signed by Javier González-Palenzuela, General Manager of Coplaca and Chairman of Arc Eurobanan, and Ignacio Aguilera, General Manager of ACCIONA Trasmediterranea.

- During the year, the hulls of four vessels (Santa Cruz de Tenerife, Fortuny, Zurbarán and Juan J. Sister) were painted with very low friction paints. This is expected to reduce the vessels' CO₂ emissions by more than 10,000 metric tons per year and provide average fuel savings of around 5%.

Other events during the year

- On 30 March, the sustainable cargo ship project, which is headed by ACCIONA Trasmediterranea, was presented at a Spanish Maritime Cluster event at the Madrid School of Naval Engineers. The EU-CargoExpress R&D and Innovation project, part of the EU's Seventh Framework Programme, includes twelve partners from five countries representing technical universities and centers, standards bodies, shipping companies, ports and shipyards.
- In cooperation with Air Europa, the Company offered 2,000 plane+ferry tickets between the Canary Islands and mainland Spain between 18 June and 10

September, for passengers to travel by plane and have their car ferried to Cádiz.

- The routes between mainland Spain and the Canary Islands were optimized in May to adapt to cargo demand. The José María Entrecanales vessel began sailing directly between Cádiz, Las Palmas de Gran Canaria and Santa Cruz de Tenerife. ACCIONA Trasmediterranea provides cargo transport to Lanzarote and Fuerteventura on a ferry with weekly sailings from Cádiz.
- The Company's General Manager, Ignacio Aguilera, met with the Málaga Port and Naval authorities on board the Juan J.

In 2012, ACCIONA Trasmediterranea transported **2,496,489 passengers, 594,502 vehicles and 5,083,858 linear meters of cargo**



During "Operation Strait of Gibraltar", 10 vessels were used to boost connections with Ceuta, Melilla, Morocco and Algeria

Sister on 17 May, prior to the start of "Operation Strait of Gibraltar". Mr Aguilera visited the crew working the Algeciras-Ceuta line on 23 May. The Company added connections across the Strait of Gibraltar in summer, using a fleet of 10 ships to travel to Ceuta, Melilla, Morocco and Algeria. It also increased connections to Morocco and Algeria between late October and the first week of November, on the occasion of the Muslim Great Festival.

- The Company operated a daily high-speed ferry between Valencia and Ibiza (San Antonio) between 15 June and mid-September. It teamed up with Avanza to

offer a combined bus+fast ferry service between Madrid, Valencia Port and Ibiza.

- In August, ACCIONA Trasmediterranea and Alsa joined forces to offer a combined road+ferry service, serving the following routes and destinations: the Silver Route to Málaga, the Mediterranean Corridor and Algeciras, Madrid and Zaragoza to Barcelona, and the Balearic Islands, Ceuta, Melilla and Tangier.
- In November, a telematic system developed by Spain's Infrastructure Ministry was implemented at all offices to expedite ticket issuance and boarding by passengers in the Balearic and Canary

Islands, Ceuta and Melilla who are entitled to subsidized fares.

Major events in the Cruise Ship Unit included:

- On 15 April, the unit served the largest cruise ship ever to call at Valencia: Royal Caribbean's Liberty of the Seas, which has capacity for 4,370 passengers.
- In April, the Company began serving Intercruises, a leading cruise operator, as ship's broker.
- September 9 was the busiest day of the cruise season, and ACCIONA

Trasmediterranea's Cruise Ship Unit handled 10,000 passengers on three ships: Queen Mary Two, Adventure of the Seas and Pacific Coast.

In January, ACCIONA Trasmediterranea participated in Fitur, in the Ceuta and Melilla pavilions. During the trade fair, the Company renewed the agreement with Melilla for non-resident Melilla natives and family members of residents, and designed packages for tour operators with ferry service and hotel accommodation in the city.

Also at Fitur, the Company signed an agreement to sell ACCIONA

Trasmediterranea's entire offer on Transhotel's online platform, TOR System Advanced.

The Company participated with Turespaña in the main international tourism fairs: ITB Berlin (March), Cruise Shipping Miami (March), and World Travel Market in London (November).

In addition to special discounts for residents, the Company also rolled out a loyalty campaign, called "La Ruta del Tesoro" (The Treasure Trail), on the Algeciras-Ceuta route. Other activities included a raffle with 10,000 participants, with prizes being presented by Karim Bulaix, President

of Ceuta's Chamber of Commerce. The Company also implemented the "4+1" initiative, rewarding frequent travellers and offering special deals to passengers with vehicles.

It also implemented marketing campaigns in cooperation with various partners, in the areas of distribution (Avasa, Viajes El Corte Inglés, Nautalia, Halcón Viajes, Grupo GEA, Team Group), customer loyalty (La Caixa's "Puntos Estrella" programme) and onboard entertainment (Coca-Cola).

The Company offered new products in the Balearic Islands: low-season Getaways aimed at families and couples, and bachelor

The Company participated in its first tourism fairs: Fitur in Madrid, ITB Berlin, and World Travel Market in London



parties; onboard services such as dining offers; and a new line of products created by Kukuxumusu.

On 8 June, the Company participated in the 7th edition of the Barcelona Bike Show to promote its offer of free bicycle transport on all of its ships and its summer campaign

with 50,000 spots per week for passengers on the Balearic Island lines.

At the end of September, one larger ferry was added on the Barcelona-Mahón (Minorca) route to transport fans and participants in the "Extreme Man 113" triathlon.

On 28 November, a model of the Juan J. Sister was used to show the similarity between the bow of a ship with the beak of a recently-discovered dinosaur fossil, presented by the Teruel-Dinópolis Palaeontology Foundation.

ACCIONA LOGISTICS

ACCIONA Logistics has its own refurbished fleet of 1,434 trailers, 1,182 containers (20', 40' and 45' HCPW), 15 warehouses spanning over 300,000 m², 275,000 m³ of temperature-controlled facilities, and its own dockside space measuring 600,000 m².

On 27 November, the Company extended its agreement to transport Coplaca products until 2017, along with other cooperative operators. The agreement was signed, at the same time as the shipping deal with ACCIONA Trasmediterranea, by Carlos Gómez, Manager of ACCIONA Logistics, and Javier González-Palenzuela, Chairman of Arc Eurobanan.

One of the division's main clients, Europastry, increased its storage activity at the new warehouse in Dos Hermanas (Seville) with facilities for frozen, refrigerated and dry goods. From that platform, ACCIONA Logistics offers logistics and distribution services for Andalusia, the Canary Islands, Ceuta, Melilla and Morocco.

It also added two new clients: Igasa, in the Lluçmajor (Majorca) warehouse, and El Pozo, for transport and distribution in Majorca. The Las Palmas de Gran Canaria warehouse also added new facilities.

The Company renewed the agreement with the Food Bank to prepare and store goods in Lluçmajor.

ACCIONA Logistics
extended major transport and
storage contracts and **added**
new clients



ACCIONA Service

In a complex environment, the Company maintained its level of activity and remains a leader in terms of quality, efficiency and commitment.

ACCIONA Service provides the public and private sector with a complete offer that optimises services organization through rationalising expenditure in most cases. This line of activity represents ACCIONA's commitment to present customers with its facility management approach and help them free up resources, reduce costs, and enhance the efficiency, reliability and quality of work processes.

ACCIONA Service provides its customers with end-to-end solutions that include the design, management and operation of all of their non-core business activities. The Company is a leader in providing these services to industry, especially sectors such

as agri-food, automobiles, hospitality, heavy industry and metallurgy. It also serves large services companies, shopping centres, banks and insurers.

ACCIONA Service provides a complete services proposal, which includes:

- Specialized, technical cleaning services for industry, healthcare and laboratories.
- Ancillary services.
- Technical services and facility maintenance.
- Energy services.

- Environmental services.
- Municipal services.
- Handling.
- Event organisation.
- Foodservice.
- Security services.

ACCIONA FACILITY SERVICES

This company has more than 45 years' experience in services and facility management, and has 2,000 clients, some of which have been using ACCIONA's services for more than a decade. The company has 32 branches in Spain and Portugal with a view to being as close to customers as possible.

ACCIONA Facility Services (AFS) has a strong international presence, in Portugal, Belgium, the Netherlands, Italy, Romania and Canada, and has plans to expand into other countries in 2013, including Qatar, Great Britain, Germany and Mexico. Its service quality and social and environmental commitment are supported by its many certifications: ISO 9001, ISO 14001, SA 8000, ISO 2200 and OHSAS 18001.

In 2012, it provided comprehensive solutions—from design through to management and operation of non-core business activities—to optimise clients' resources and reduce their operating costs. The company expanded and strengthened its presence in several sectors:

- Automotive:
 - Ford. Cleaning the plant in Romania.
- Agri-food:
 - Auchan Group. Cleaning Sabeco supermarkets.
 - Nestlé plants in Spain and Portugal. Cleaning, gardening and package delivery at head offices.
- Pharmaceutical:
 - Roche. Facility and lab cleaning services.

- Novartis Farmacéutica. Facility cleaning services.
- Industrial:
 - ArcelorMittal. Industrial cleaning, Avilés plant.
 - Liberbank. Branch cleaning and maintenance for CCM.
 - Orange. Central office cleaning.
 - Grupo Antolín. Plant cleaning services
 - BBVA. City of Arts maintenance services.

**ACCIONA Facility Services,
which has more than
45 years of experience, has
2,000 loyal customers**

ACCIONA Urban Services obtained 29.3 million euros in turnover in 2012

- Logistics:
 - Barcelona Port. Cruise ship luggage handling.
 - Emtisa. Plant logistics.
- Healthcare and Hospitals:
 - Diaverum. New plant.
- Hotels:
 - Sotogrande Hotel. Comprehensive cleaning services.
- Public sector:
 - Renfe. Passenger train cleaning services, Madrid and Galicia.
 - Barcelona University. Facility cleaning services.

ACCIONA URBAN SERVICES

ACCIONA Urban Services provides end-to-end solutions to the public and private sectors.

In a highly competitive environment, the company is a leader in providing efficient, safe services which contribute to sustainable development of cities and a better quality of life for citizens.

To this end, the company has a strong, multidisciplinary management team, a highly-qualified workforce, and machinery and equipment which is adapted to customers' needs and aligned with the commitment to the environment.

ACCIONA Urban Services is involved in the following activities, among others:

- Municipal waste collection and transport.
- Ecopark and recycling centre management.
- Waste transfer station management.
- Treatment plant management.
- Landfill and composting plant operation.
- Street cleaning.
- Cleaning and maintenance of beaches, coastlines and housing complexes.

- Municipal building cleaning and maintenance.

ACCIONA Urban Services has been providing end-to-end municipal solid waste (MSW) management services for more than 20 years. The company provides services to several public sector clients including: MSW collection, source sorting, street cleaning, urban furniture maintenance, beach cleaning, coast maintenance, cleaning of public buildings, machinery maintenance, ecopark management, treatment and waste transfer plants, etc.

The company had an average workforce of 450 in 2012—reflecting its major presence in Spain. Moreover, at 31 December 2012,

the backlog totalled 74.5 million euros. Total turnover was 29.3 million euros.

Notable projects in the last year include the extension of the waste collection contract with the L'Eliana city government (Valencia) for a five-year period, as well as the adjudication of a contract for building and street cleaning and plant waste collection and transport, for an initial period of four years, with the possibility of two-year extensions.

ACCIONA ENVIRONMENT

ACCIONA Environment is specialised in the design, construction and maintenance of green areas, forest and environmental actions, landscape integration, irrigation and

rural roads. It serves both the public sector (local, regional and central government) and large private corporations.

ACCIONA Environment organises and deploys temporary teams from bases in Valencia, Madrid, Sant Cugat de Vallés (Barcelona), Zaragoza, Valladolid, León, Mérida (Badajoz), Seville and Orense to provide services in all parts of Spain (mainland and islands). Headquarters and central departments are located in Madrid (Management and Human Resources) and Valencia (Administration, Analysis, Hiring, and Landscaping).

ACCIONA Environment has the necessary infrastructure for **rapid intervention** anywhere in Spain

ACCIONA Environment obtained major new contracts in 2012 in the areas of maintenance, environment services and sports pitches, including:

- Cleaning, maintenance and upkeep of green areas at public schools and parks and gardens in Lorca (Murcia).

- Maintenance of green areas in the Sotogrande complex and the Almenara golf course (Cádiz).

- Garden maintenance at Alicante airport, for Aena.

- Felling and pruning trees around Endesa's electricity grid.

EROM, AN O&M SPECIALIST FOR RENEWABLES

EROM was created in 2011 from companies specialised in maintaining renewable energy assets owned by ACCIONA and third parties. It currently has a workforce of 430. In 2012, it provided maintenance services for close to 3,000 MW of

ACCIONA-owned wind farms, helping reduce their maintenance costs and increase energy production.

It also certified the entire system, collaborating with public and private organisations to further reduce the environmental impact by placing nesting boxes on electricity towers.

- In 2012, EROM certified the integrated management system to the ISO 9001, ISO 14001 and OHSAS 18001 standards. This triple certification was accredited by ENAC and reflects the company's strong commitment to achieving the highest certification standards. This recognition applies to all of EROM's activities.

- Collaboration with the Catalonia regional government. In 2012, EROM helped train the Grupo de Actuaciones Especiales (GRAE), Catalonia's elite team of firefighters, which establishes EROM as a go-to company for consulting and training emergency teams in Catalonia.
- Cooperation with the Galicia regional government. From May to September, EROM and the Galicia Academy for Public Safety providing training for dealing with emergencies in wind towers. This strengthened EROM's position in providing this type of service to the Galician government.
- An agreement was signed in 2012 with the Navarre Government Department of Education to provide teachers with practical training in risk prevention. The Company participated in several training sessions.
- Cooperation in installing nesting boxes on electricity towers throughout Spain as part of a company-wide sustainability project at ACCIONA.
- Collaboration with the Employment Ministry, through the National Institute of Safety and Hygiene, to provide advisory services on the risks associated with renewable energies and draft reports on industrial hygiene in connection with electromagnetic fields.

A general analysis of the Company's activity revealed a very high level of customer satisfaction. One hundred percent of customers completed the quality survey, and all of them recommended EROM. The surveys addressed all the Company's areas of activity, including personnel training, Group commitments to workplace safety, environmental preservation efforts, and service quality and response time.

MUSEUMS AND EVENTS: PRODUCCIONES Y DISEÑO

Producciones y Diseño is specialised the planning and assembly of museum exhibitions as well as themed events and shows in all kinds of venues. The Company played an important role in major cultural and corporate events in Spain and other countries in 2012.

Its most noteworthy activities in the last year include:

- Content design and execution for the *Ancient Cypriot Art* permanent exhibition at the Museum of Cycladic Art in Athens (Greece), inaugurated on 15 March.
- Content design and execution for the *Arts of the Book and Calligraphy Collection* permanent exhibition in the Sakıp Sabancı Museum (Turkey), inaugurated on 9 May.
- Project development, execution, technical maintenance and operation of the Russian pavilion at Expo 2012 Yeosu, in South Korea, from 12 May to 12 August.

- Commenced work on the design, supply and installation of interactive panels at the Wu Kingdom Helv Relics Museum, in Wuxi (China). Technical designs and content were delivered, and the company is currently supervising the civil engineering work and the procurement of audiovisual materials. The inauguration is planned for the end of 2013.

- Design, production and operation of the 4D multimedia show (light, sound, music, fireworks and special effects) on the façade of the Santiago de Compostela cathedral from 25 to 31 July 2012.

- The company used the same video-mapping technique for a Christmas audiovisual event

on the façade of Seville City Hall, from 11 December 2013 to 5 January 2013. It was a carbon-neutral event.

- Design, production and operation of a musical fireworks display on the façade of the Virgin del Rocío chapel in Almonte (Huelva), on 15 August, in honour of the Marian Jubilee Year.
- Completion of the design and execution of content and the multimedia installation of the multidisciplinary Climate Change Observatory, in Valencia, inaugurated in June 2012 by the mayor of Valencia, Rita Barberá.
- Completion of the technical development, production, installation and supply of

content for the Russian-Jewish Museum of Tolerance in Moscow, in the former Bakhmetevsky Bus Garage, inaugurated on 8 November with Israeli President Shimon Peres in attendance.

- Design, execution and installation of the *Bartholomeus Schachman 1559-1614: The Art of Travel* permanent exhibition at the ALRIWAQ DOHA exhibition space (Qatar), inaugurated on 14 November.

- Complete technical production, design and execution of the sustainability plan for Music Day, held at Madrid's Matadero arts centre for Music2Day, for which ACCIONA was a sustainable sponsor. It was a carbon-neutral event.

- Design, production and operation of Vodafone's MOVE roadshow in November in six Spanish cities: Seville, Valladolid, Barcelona, Bilbao, Madrid and Valencia. It was a carbon-neutral event.

- Design, production and coordination of several corporate events: presentation to analysts in Madrid (November) for Adveo (Unipapel) and annual conference for Bestinver clients in Madrid and Barcelona.

- Technical and artistic production for the 22nd Ibero-American Summit of Heads of State and Government, in Cádiz (16 and 17 November). The company completed the set design, decoration and furniture assembly at the Conference Centre, the

principal site of the Summit, and provided technical and artistic assistance and set design at the Falla Theatre.

Activities after 2012 year-end:

- Design, execution and installation of content for the permanent exhibition in celebration of the 90th anniversary of Santa Lucía insurance company, inaugurated on 11 January 2013.
- Design, execution and installation of the *Memoirs of an Ambassador* temporary exhibition at the Museum of Islamic Art in Doha (Qatar), inaugurated on 24 January 2013 by the Prime Minister of Qatar.

One of the
Company's objectives
is that the events that
it organizes are CO₂
neutral



Videomapping, interactive panels, 4D technology...
Producciones y Diseño offers cutting-edge services in Spain and other countries

HIJOS DE ANTONIO BARCELÓ

Hijos de Antonio Barceló, S.A. is a wine company comprising several wineries located in Spain's most emblematic and prestigious wine regions. It produces, ages and commercializes quality wines, with a strong position in the Spanish market and an increasingly solid footprint abroad.

Weak consumer spending in 2012 impacted turnover, which ultimately declined by just 1% compared with the previous year.

The company's internationalization (44% of sales come from foreign markets) provided it with more stability in the current situation in Spain. Sales outside Spain were mainly concentrated in Latin America (19% of turnover), Europe (14%), the rest of America (10%) and Asia, Africa and Oceania (the remaining 1%).

Hijos de Antonio Barceló is also committed to enhancing the flexibility of its offer, developing a wide and varied range of wines in the most prestigious denominations of

origin, as well as an extensive selection of wine types and associated brands. The goal is to adapt better to target markets; to achieve this goal, the company has a sound competitive position from which to develop its business lines, which include:

- Wines with Denomination of Origin (D.O.) Ribera del Duero, Rueda and Toro. This strategic line of business represents almost 27% of total turnover. Viña Mayor is the umbrella brand for the three Denomination of Origin wines:
- Viña Mayor D.O. Ribera del Duero, which produces high quality red wines that have made it one of the top 5 wines in this Denomination of Origin.

- Viña Mayor D.O. Rueda, which offers varietal white wines made with the prestigious Verdejo grape.
- Viña Mayor D.O. Toro, offers quality red wines made with the local grape, Tinta de Toro.

- Rioja Qualified Denomination of Origin (DOCa) wines. Bodegas Palacio's Glorioso and Cosme Palacio brands are market leaders and account for 22% of the winery group's turnover. Glorioso received additional support from an advertising campaign in Spain in the last two years.

In 2012, the winery undertook a project to improve and expand the facilities for

receiving grape deliveries and winemaking, which it expected to be completed in 2013.

- Vinos de Castilla y León and quality rosé, by Bodegas Peñascal (Valladolid) Bodegas Peñascal is the undisputed leader in quality rosé wines in Spain, which, together with its line of Castile-Leon wines, account for 25% of turnover.
- The line of dessert and other sweet and aperitif wines, under the Sansón brand, accounts for 26% of turnover.
- The vineyards. The group has vineyards in Finca Caserío de Dueñas (Villaverde de Medina, Valladolid) and Finca Anzil (Toro). Both maintain a policy of vertical

integration, which allows product quality to be controlled, from the vineyard through to bottled wine. Finca Caserío de Dueñas has a 300-hectare vineyard and produces D.O. Rueda and Castilla y León wines. Finca Anzil, in D.O. Toro, has an integrated winery on almost 90 hectares of vineyard, which supply the line of wines under this D.O.

The company's strategy and values can be summarized as follows:

- Develop a wide-ranging portfolio of wines from Spain's most prestigious regions which can adapt to changes in demand for different categories and varieties.

Hijos de Antonio Barceló remains committed to internationalisation, to denominations of origin and to an increasingly flexible offer

- Build leading brands in each market segment.
- Pursue brand expansion in international markets with the highest potential.
- Meet the quality standards demanded by

the market through a vertical integration policy.

- Implement a policy of continuous improvement in quality management in the Company's functional areas.

ACCIONA SECURITY SYSTEMS

ACCIONA Security Systems has more than 25 years of experience in the sale, installation and maintenance of security systems, as well as security consultancy. It is specialised in the following areas:

- Project implementation:
 - CCTV and video surveillance.
 - Access control.

- Fire alarm systems.
- Burglar alarm systems.
- Communication networks.
- Security projects.

- Installation of systems that ensure:
 - Maximum equipment quality.
 - Compliance with deadlines.
 - Commissioning and testing of installed systems.
 - Issuance of installation certificate and warranty period.
 - User training and equipment documentation.
- Preventive and corrective maintenance of all security systems.

The company has been developing its own comprehensive surveillance and security systems (hardware and software) since 1982, complying with the highest standards and ensuring flexibility to adapt to each customer's needs. It has developed notable security systems, including:

- Cofrentes Nuclear Power Plant, Vandellós II.
- Prado Museum.
- Spanish Mint.
- Maremagnum (leisure centre in Barcelona Port).

- Torre Triana (offices for some departments of the Andalucía regional government).

- Meirama Environmental Plant.

ACCIONA Security Systems undertakes project design, installation and maintenance of security systems, fire protection and alarm management. In 2012, the company completed several projects related to safety and fire protection, including:

- Supply and installation of the security and CCTV system for the Soria I prison.

- Supply and installation of a perimeter security system using video analysis at the Orellana solar thermal power plant in Orellana la Vieja (Badajoz), for ACCIONA Energy.

- Supply and installation of a control system for pedestrian and vehicle access at the Orellana solar thermal power plant Orellana la Vieja (Badajoz), for ACCIONA Energy.

- Supply and installation of security and CCTV systems at ACCIONA Infrastructure's La Granja RDI facility in Alcobendas (Madrid).

- Supply and installation of security and CCTV systems at ACCIONA Infrastructure's

San José Artesano RDI facility in Alcobendas (Madrid).

- Security and fire protection installations at the Antena 3 headquarters in Tenerife and a building in Paracuellos del Jarama (Madrid).
- Supply and installation of a fire detection system in the Bienvenida Room at the Las Ventas bullring in Madrid.
- Transfer of the Antena 3 access control at its headquarters in Alcobendas (Madrid).
- Supply and installation of security systems at ACCIONA Infrastructure's new offices in Bilbao.

■ Expansion of security, CCTV and access control installations at the ACCIONA offices in the Albatros building, Alcobendas (Madrid).

- Supply and installation of security systems for assembly warehouse and security gateway for the Orellana solar thermal power plant, in Orellana la Vieja (Badajoz), for ACCIONA Energy.
- Maintenance of the security and fire protection system at ACCIONA Infrastructure's east coast machinery depot.

The following projects were completed in 2012:

- Supply and installation of car park management system, including number plate reading and guidance to empty spaces, in an off-road car park at Palma de Mallorca airport, for Aena.
- Supply and installation of an upgrade to the closed circuit TV system at Palma de Mallorca airport, and integration with the access control and public address system, for Aena.
- Supply and installation of access control systems at the ACCIONA Infrastructure Central Spain region offices in Madrid.

The following maintenance contracts were renewed in 2012:

- Maintenance of security and firefighting systems at ACCIONA Group buildings.
- Maintenance of security systems at SOGEPIMA's TN-9 and TS-19 buildings in Alcobendas (Madrid).
- Security and CCTV system at ING Direct in Alcobendas (Madrid).

ACCIONA AIRPORT SERVICES

ACCIONA Airport Services, an independent business unit of ACCIONA S.A., is a leading provider of ground and passenger handling services at airports.

This business dates from the 1990s, when ACCIONA subsidiary Ineuropa Handling was awarded contracts to provide handling services in the initial phase of liberalisation of the industry in Spain by Aena. In the late 1990s, it obtained concessions to provide handling services at several airports in Germany.

ACCIONA Airport Services is an established brand in ramp handling and operations, passenger handling, reduced mobility assistance, and operation of cargo terminals and telescopic boarding ramps. It serves more than 200 clients from all over the world at four airports in Spain (Palma de Mallorca, Ibiza, Menorca and Las Palmas de Gran Canaria) and four in Germany

(Frankfurt, Berlin Tegel, Berlin Schönefeld and Hamburg). In 2012, it handled more than 206,000 flight operations, serving about 30 million passengers, performed more than 109,000 boarding ramp connections/disconnections and handled 1,305 metric tons of air cargo.

**ACCIONA has
developed specific
security systems for the
Prado Museum
and Spanish Mint**



In 2012, ACCIONA Airport Services attended to **30 million passengers** and managed **1,305 metric tons of cargo**



In 2012, ACCIONA Airport Services recertified its integrated quality and environmental management system under the ISO 9001 and ISO 14001 standards for handling activities, manipulating boarding ramps, and serving passengers with reduced mobility.

Also in 2012, it implemented and certified a workplace risk management system in compliance with the OHSAS 18001 standard; through its safety policy, the company evidences its commitment to workplace health and safety.

During the year, it obtained a European Quality Assistance certificate for Technology Content Innovation and

RDI Implementation for the Airport Management and Operations Control System, which was implemented in 2011.

Also in 2012, the company implemented and audited a Safety Management System that complies with IATA's ISAGO standard. This system, whose primary goal is to establish guidelines for handling companies in order to optimise operational and airport safety, is audited by IATA very two years.

ACCIONA FORWARDING

1. Commercial

1.1 New lines of business

Within the new Customs division, ACCIONA Forwarding, S.A. was authorised to handle customs clearance and exports through a single customs agency for goods presented at any customs post in mainland Spain and the Balearic Islands. The Company was also authorised to print customs documents on plain paper, consequently optimising costs.

A total of 9,200 exports were cleared in Madrid and Barcelona via the Customs division.

1.2 Traffic

Telefónica:

In 2012, ACCIONA Forwarding was awarded the contract to air freight mobile telephony equipment from several sources in China to several destinations in Latin America. The high level of quality attained in the service enabled the Company to be re-certified as a supplier and be invited to participate in the next RFQ.

Perishables:

Continuing with its drive to obtain more traffic in the food business, the Company carried over 500,000 metric tons of fish between Spain and the Canary Islands.

Chinese community:

Commercial relations were strengthened.

A total of 7,600 metric tons of goods were shipped from China to Spain in 20-foot containers for the association of Chinese household goods stores.

Other:

Shipments of rubber by container between Spain and Latin America; a total of 110 20-foot containers, i.e. around 2,200 metric tons, were carried.

2. Authorised economic operator

In 2012, ACCIONA Forwarding obtained AEOF certification (Authorised Economic Operator — Customs Simplifications/ Security and Safety).

This commitment obliged it to adopt a policy on safety for goods and persons and implement safety and security procedures in 2012, as well as reviewing and implementing procedures to obtain and maintain its Authorised Economic Operator (AEO) certificate. The Regional Customs authority performed a number of audits in 2012, all of which were passed successfully, leading finally to AEOF certification.

The fact that ACCIONA Forwarding is an Authorised Economic Operator provides advantages for the company and its clients throughout the EU: fewer physical and documentary checks, priority in controls, international recognition, etc.

3. Installation of a new ERP system

As part of the strategy of unifying and standardising IT systems within the Company, the customs module was installed, thereby integrating all the management modules in the same ERP, alongside the operational modules (air and sea), the accounting and finance module and the commercial module.

The process of developing and integrating IT systems in Latin America commenced in 2012 and is scheduled for completion in 2013.

The ACCIONA Forwarding, S.A. website was created in 2012, thereby fulfilling the standards set by the parent company. The website integrates all the pre-existing sites for Latin America.

ACCIONA INTERPRESS

ACCIONA Interpress expanded rapidly once again in 2012.

A new line of business was implemented in Catalonia, consisting of delivery of print publications and related promotional items to subscribers' homes.

Articles outside our normal range of products that are delivered to the points of sale we normally serve were introduced into our distribution structure.

The result was that the company established itself as the undisputed leader in the sector.

ACCIONA Forwarding
enhanced commercial
relations **with China**: last year
it transported **7,600 metric
tons** of products for distribution
in variety shops in Spain



Performance

Bestinver increased assets under management by 13% in 2012, to 5.916 billion euros. The average return on portfolios under management was 15% with respect to 2011.

Bestinver

Bestinver increased assets under management by 13%, to total 5.916 billion euros at 2012 year-end. The average return on portfolios under management or advice was a positive 15% with respect to 2011.

Average assets in the year exceeded the 2011 figure, with the result that turnover expanded by 3% to 82 million euros. Pre-tax profit increased by 2%, to 58 million euros. The number of investors remained steady at 53,000.

Bestinver operated in a complicated environment for the third consecutive year. The Spanish stock market registered

its third year of losses. The Ibex 35 ended 2012 at 8,556.30 points, a decline of 4.66% with respect to 2011 year-end. However, the situation could have been much worse, considering that the Ibex 35 shed 30% during the year, dipping to a record low of 5,596 points on 24 July, when the Spanish government was forced to seek European aid for its financial sector.

Spain's risk premium, which measures investor confidence in the country by indicating the difference between Spanish and German 10-year bond yields, ended the year at 395.3 basis points after months of instability. In July, Spain's risk premium

Bestinver

Bestinver, S.A. is a wholly-owned subsidiary of ACCIONA which provides asset management services via mutual and pension funds and SICAVs through its subsidiaries Bestinver Gestión, S.A. and Bestinver Pensiones, S.A. It also provides brokerage services through subsidiary Bestinver S.V., S.A., which is a member of the Madrid Stock Exchange.

peaked at 658 basis points, i.e. the highest since the euro area was created, and the yield on Spain's 10Y bond reached 7.51%. During that time, rumours of an imminent European bailout of Spain were reported on the front pages of the world's leading newspapers.

As a result, the leading international rating agencies— Moody's, Standard & Poor's and Fitch—downgraded Spain's credit rating on several occasions and assigned it a negative outlook (i.e. maintaining the threat of additional downgrades). These decisions were justified by the increase in debt assumed by Spain as a result of the bank bailout, the country's limited access to the

financial markets, and the ongoing weakness of the Spanish economy.

Despite volatility all year long, most international markets performed positively in 2012. In Europe, the Euro Stoxx 600 appreciated by 14.37% and the Euro Stoxx 50 by 13.79%. In the US, the Dow Jones ended the year in the black, adding 7.26%, and the S&P500 gained 13.41%, to reach 1,257.60 points. Both positions were very close to their levels prior to the global financial crisis.

In Asia, the Nikkei also improved, adding 22.94% in the year.

In the currency market, the dollar ended the year at around 1.32 against the euro. The US dollar reached its highest in the year at 1.20 in July as a result of the sharp decline in the euro due to heightened tensions over the European debt crisis. European Central Bank President Mario Draghi said that he would do "whatever it takes" to save the euro, leading to a change in trend in July. It wasn't until November that the euro registered an improvement against the dollar, attributable to a reduction in risk in Europe and to the Federal Reserve's monetary policy.

Bestinver's outlook for next year includes sporadic volatility in currency markets, although the factors that might drive oscillations in the dollar-euro exchange rate seem to be relatively stable. Central bank initiatives will play a key role. In 2012, the European Central Bank reduced interest rates by 25 basis points, to 0.75% (a record low). The Fed maintained interest rates at 0.25%, where they have been since 2008. The Fed is expected to continue to give priority to reducing unemployment in 2013; to this end, it will maintain low rates and continue expanding its debt for as long as necessary, which should put downward pressure on the dollar. The ECB may reduce rates to revive lending and economic growth.

Other sources of uncertainty this year include the elections in Italy and Germany, which will be reflected in the markets.

At Bestinver, we are experts in leveraging short-term deficiencies in the market for portfolio rotation, increasing or reducing positions according to the share prices of the companies in portfolio. However, as strong believers in value investing, our primary focus is company valuation, to which the team dedicates 95% of its time.

Bestinver's economic forecast is positive for 2013. It expects growth of around 3% in gross world product, i.e. at the same pace as in the last 20 years, driven by emerging economies. Bestinver views widespread pessimism as an opportunity to invest in companies whose

share prices we believe have fallen without justification, based on fundamentals. The key is patience: waiting for the market to recognise those companies' real value.

This situation has enabled the Company to amass the best portfolio in its history. Bestinver's model portfolio, which is reflected in the Bestinfond mutual fund, obtained a return of 16.52% in 2012, compared with 9.47% by its benchmark (70% MSCI, 20% IGBM, 10% PSI). Since its creation in 1993, this portfolio has generated an annual return of 15.80%, compared with 8.48% by its benchmark.

At the end of 2012, Bestinfond's net asset value was very close to its record high of 2007, just before the crisis began. As a

result of this good performance, some of the investments in portfolio are about to mature, which poses the usual challenge of reinvesting in attractive alternatives. Bestinver experts aim to increase the portfolio's target value by investing in companies with greater quality, albeit sometimes at the expense of a degree of upside potential.

Bestinver received nine awards in 2012 in recognition of its management performance, for a total of 105 distinctions in the last 19 years.

In **2012**, Bestinver received **nine awards** in recognition of its management performance, for a total of **105 distinctions** in the last 19 years



Innovation

R&D and Innovation that is increasingly connected to the businesses.

Changes in domestic and international policies with regard to innovation, together with the adverse economic situation worldwide, made 2012 a complex year. As a result, ACCIONA decided to reorient its activity in this area so that all of its innovative initiatives are directly applicable in its businesses.

This change in strategy does not represent a reduction in the Company's steadfast commitment to, or expenditure on, R&D. ACCIONA increased R&D and Innovation spending to 166.2 million euros in 2012 (93.6 million euros in 2011), with a notable increase in R&D+I applied directly to the businesses and the countries where it operates.

The Company's research centres developed 247 R&D and Innovation projects across 12 areas in an effort to improve ACCIONA's projects and processes. The Company had a team of 348 R&D professionals at the end of 2012.

ACCIONA's inclusion in the R&D Industrial Scorecard, drafted by the European Commission Directorate-General for Research, evidences the Company's commitment to spending in this area. It is among the leading European electricity and construction companies in terms of R&D spending (measured as RDI spending/sales), in the category of companies with turnover in excess of 1 billion euros.

According to 2011 figures, ACCIONA ranks 9th in Spain, 212th in Europe and 711th in the world in terms of total R&D and Innovation spending.

ACCIONA is expected to improve its position in those rankings in the 2012 figures.

ACCIONA's business divisions have received numerous awards for their commitment to innovation, particularly in overseas projects. In 2012, the Company received the Brisbane Lord Mayor's Business Innovation Award for the design and construction of the Legacy Way road tunnel in Australia. This award recognizes companies that stand out for their capacity to innovate and their competitiveness in domestic and/or international markets.

The Water division, which received GWI awards including Water Deal of the Year (Atotonilco) and Best Desalination Plant (Beckton) in 2011, was again a candidate, in February 2013, for Best Desalination Plant, for its facility in Adelaide, Australia.

ACCIONA's ILIS (Innovative Lithium-Ion System) project was also a finalist in Powergrid International's Grid Integration of Renewables Project of the Year Award. The project, which includes a photovoltaic facility with energy storage using batteries, is a pioneer in Europe.

Based on the target in the 2010-2015 Sustainability Master Plan, the Company aims to double its patent portfolio in the

period and has advanced considerably towards that goal, having added 16 new patents. The Company had 94 patents, granted or pending, at the end of 2012.

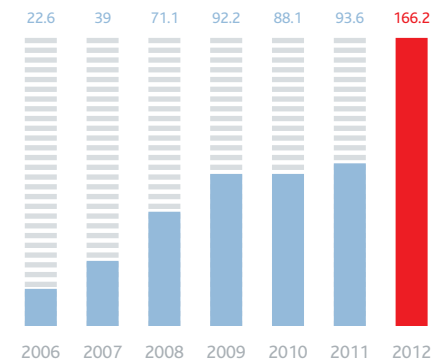
ACCIONA's R&D and Innovation management system is certified to the UNE 166002:2006 standard. This system identifies a common methodology for all businesses certified to that standard. AENOR, the Spanish Association for Standardization and Certification, performed an external audit in November 2012 with positive results.

The R&D and Innovation management system sets innovation targets that are aligned with ACCIONA Group's 2012-2015 Sustainability Master Plan. As a result of the

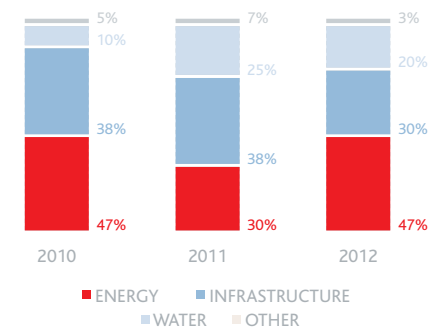
Company's firm commitment to continuous improvement in this area, its Technology and Competition Observatory team received the Analytics Award from the Academy of Competitive Intelligence.

→ R&D INVESTMENT

(million euros)



→ INVESTMENT BY BUSINESS AREA







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