

Ladies and gentlemen, shareholders,

I am delighted to be here with you once again to give you the most concrete and objective vision as possible of ACCIONA's position and its future prospects.

However, let us first take a look at the environment in which we operate and the global factors which, in my opinion, have a direct or indirect impact on our business, our principles and our objectives.

On the positive side, we live in a world in which global wealth has reached levels that until now have been previously unknown; in which, over the last thirty years, more than a billion people have managed to escape poverty; in which the middle classes are growing in many regions of the world and in which access to education, health, hygiene and people's life expectancy is accelerating.

In fact, yesterday the Save the Children annual report was published, according to which, in 2000, almost one billion children had to give up their childhood due to war, work, pregnancy, etc., while to date that same figure had been reduced to less than 700 million, albeit mainly in India and China. This is without a doubt an important step forward.

But it is also a world in which this same increase in global wealth is conducive to demographic growth which, along with the rapid advances of the technological and digital revolution, contributes to widening the wealth gap – real or perceived -, to creating greater uncertainty amongst young people and to increasing social tensions, protectionism, populism and nationalism. And all this is happening in parallel with a potentially catastrophic trend that is climate change.

Fortunately, we are in Europe, almost certainly the region that is best placed to lead the necessary transformations that will allow us to overcome these great challenges. As indicated in an initial analysis of the recent European Parliament election results, as well as the less than expected progress of the radical and Eurosceptic options and the clear majority reached by the Europeanist and ideologically centred alternatives, a movement of generalised awareness of sustainability, the environment and climate change is consolidating and is beginning (it's about time!) to become a cross-cutting element throughout the European political arch.

All of this strengthens my conviction that the European political system and, consequently, its capacity for global leadership, remains solid and that, despite the enormous challenges we face, we are living in the best moment in history and, possibly, in the most balanced region in the world at a political, social, institutional and even, dare I say, economic level. That is precisely why we have a hopeful future and a special responsibility for global leadership.

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Nevertheless, there is no doubt that there are reasons for concern, such as the loss of cultural values, demographic pressure, the concentration of the population in large cities, cyber security or the ageing of the population in the more developed regions. But they are all minor risks if we compare them with climate change and its devastating capacity to reverse the positive trend in the evolution of the world during the last decades.

Undoubtedly, active multilateralism - good examples of which include the Paris Climate Agreements or the Sustainable Development Objectives, the ODS, - is essential in order to collectively tackle this global challenge; but this does not prevent society, social and economic agents from insisting by all the means at our disposal on promoting the implementation of national or global policies and regulatory measures, which are essential in order to move in that direction at the necessary speed.

That is why we are continually active in our attempts to make the population aware of the seriousness of the global warming problem. Along these lines, I invite you to see an excerpt from our latest social media campaign that has been an unprecedented success, with more than 6 million views in less than three weeks. If someone hasn't seen the full version yet, I encourage them to do so and contribute to sharing it and spreading the word.

#### Video on Climate Change Law

It's true that the active role of private companies in social and sometimes political debates is often discussed. In my opinion, companies are co-responsible - together with political figures and many other social and economic agents - for seeking solutions to the great challenges facing our society and, provided that our messages are aligned with the interests of our shareholders, employees and the company itself, I believe that by making ourselves heard, we are only fulfilling our obligation as active subjects in the community. For this, we have the support of important ambassadors who are committed to our objectives and who contribute to increasing our visibility and our message.

#### ACCIONA ambassadors' video

Nevertheless, beyond this type of considerations, the truth is that companies channel most of the private global investment and professional effort of many people, consequently, we have both the obligation and the need to form criteria and assume positions in all matters that affect our environment's sustainability and our own sustainability.

For example, according to a recent World Bank study, it is estimated that compliance with 72% of the 17 SDG's is linked to infrastructure development and that the average annual investment needed to meet that agenda, in infrastructure alone, is \$3.8 trillion by 2040. To put these figures into context, ACCIONA invests around one billion dollars annually; therefore, in order to reach the levels of global investment required to comply with the SDG's, there would have to be 3,800 "Accionas" investing in infrastructure at that rate, annually and uninterruptedly, over the next 21 years. Unfortunately, we are very far from this reality and, therefore, it is in society's own interest that the business world becomes aware of the great challenges of our time and provides the necessary means to overcome them... while we still have time!

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ACCIONA's proven capacity to develop infrastructures in the various fields of the sustainable agenda is a very scarce ability in the market, to the extent that we could say we are one of the few companies in a new sector that transcends the classic sector classifications with labels that limit the reality and relevance of our impact; we belong to a sector that responds to the need to contribute to the transformation and progress of society, in line with the goals of the United Nations Agenda 2030.

I would say that even within this small group of sustainable infrastructure developers to which ACCIONA belongs, our company represents a special case in that it builds and operates

everything it invests and invests in much of what it builds and operates, be it energy, social, transport, housing, water, waste treatment or any of our other technical capabilities.

After almost one hundred years of history, ACCIONA has demonstrated and continues to demonstrate unbeatable skills in developing opportunities linked to social needs.

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Undoubtedly, this was our purpose in the Company's early years when we undertook the concession for the Medina del Campo-Zamora-Orense-Vigo railway line; or when, at the beginning of the last century, we faced the construction of the San Telmo Bridge in Seville; or when, decades later, we developed the large industry steel projects on the Cantabrian coast... And, hundreds of projects with which we have gradually contributed to solving the industrial and social needs of our country and of the many others where we have worked or continue to work.

We are not a renewable energy company with construction business inherited from the past. Nor are we a construction company with a large portfolio of green generation assets. We are a unique company with the capacity to originate, design, build and operate complex and critical infrastructure assets for the progress of the economy and society and on which the rest of the Sustainable Development Goals are based.

Ladies and gentlemen, ACCIONA continues to do today what it has always done, only by adapting to the challenges of our time, with today's technical capabilities and with the international projection that is essential to be effective on a global scale.

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And, of course, ACCIONA is a company and, as such, it is subject to the same conditions as any other company: it has risk profiles to manage, returns to offer its shareholders, debt to serve, regulators to comply with, professionals to attract, employees to keep motivated and customers to satisfy.

And for that, it is essential to manage a stable and predictable business and grow with a portfolio of projects that have a balanced risk and profitability profile. Thus, our mix of activities is simple if explained in terms of three risk categories.

On the one hand, approximately 75% of our operating profit is associated with long-term and highly predictable physical assets such as our renewable energy generation facilities or our social, water or transport concessions. Due to their strategic importance and capital intensity characteristics, we allocate more than 90% of our annual investment to these types of assets.

On the other hand, we have civil engineering projects which, although they use little capital, are by nature riskier. This part, although it only represents 15% of our operating result, is key in our capacity to originate investment opportunities, in our territorial implementation, and in the cost control of our investment activity.

Additionally, it gives us a differential advantage over most global institutional investors in infrastructure in that it allows us to access a much more active type of project - that of "Green Field" projects - with higher margins and fewer competitors.

And, in terms of risk profile, the services business is between the two, it is more recurrent and more predictable than the civil engineering "Green Field" business, although somewhat less than that based on long-term physical assets. Let us say it is an intermediate risk profile. This category only represents around 10% of our operating profit, but it gives us the technical capacity and know-how to directly manage our own asset portfolio.

With this combination of activities, ACCIONA complements a predictable and recurring cash generating asset base with the management capacity of its associated services and the development and construction of new investment opportunities for our own portfolio or that of our clients. Believe me, there are very few companies, institutional investors or infrastructure funds in the world that have the capabilities that Acciona has.

Moreover, as a small example of this, we would like to give you the opportunity to take a virtual tour around some of our emblematic projects around the world, where you will be able to understand the complexity and magnitude of the infrastructures we develop. In order to do so, we are going to make use of the latest generation of Virtual Reality technology, something that, by the way, Acciona already uses as a normal working tool.

You have glasses at your disposal, placed on your seats, with which I hope you enjoy this 360-degree virtual reality experience. You may follow the projection on the screens if you prefer or if you have any technical problem or if you get dizzy. I recommend that when you have your glasses on, look around to enjoy the experience to the fullest.

#### ACCIONA 3D Video

And, we try to do all of this under the most demanding social and environmental criteria. Thus, this year we have elevated our own Social Impact Management Methodology to the status of a corporate standard, according to which we rigorously and thoroughly analyse the social impact of our actions in the same way as we do with the risk and economic profitability of any investment. Additionally, we have reduced water consumption by 39% in places of water stress, reduced our own waste and increased the resources circularity percentage that we use to 29%, a percentage more than three times higher than the world average of 9%.

We share all these initiatives with the communities where we develop our projects.

Moreover, as you know, since 2016 we have been CO2 neutral, thirty years before the best expectations for the world that aspires to achieve the same around 2050. In addition, during 2018, our electricity generation avoided the emission of 14.7 million tons of CO2 into the atmosphere, equivalent to the annual emissions of 3 million people.

But beyond the Company's contribution to these social and environmental challenges, allow me to highlight ACCIONA's direct tax contribution, which in 2018 amounted to 1,154 million euros. This contribution, equivalent to 3.5 times our net profit and almost 7 times the dividends paid to our shareholders, was 62% effective in Spain and the rest in the other countries in which we operate. Without a doubt, a significant and solidary tax contribution.

Our Sustainability Master Plan 2016-2020, the main objective of which is to enhance the contribution of all our activities to the SDG's, is entering its final phase and the preparatory phase of the new plan. We hope that all of these initiatives, together with the sustainable nature of our businesses, will enable us to continue to be at the forefront of the transformation of business activity and that, eventually, all of the sustainability indices and rankings to which we

belong will cease to make sense because the vast majority of the world's companies qualify for them.

With respect to last year's results, 2018 is consistent with the continuous improvement of recent years and, furthermore, very important steps have been taken that bring us closer to the company we want to be. In particular, the sale of Trasmediterránea and our stake in Testa Residencial fully focus us on our business of developing and operating sustainable infrastructures, somehow closing a cycle of transformation and strategic refocusing. Today we have a coherent perimeter of activities with which we feel comfortable.

The sale of the solar thermal business in Spain and the growth of new renewable investments outside our borders have balanced our energy business and improved our average profitability. It also allows us to focus on assets where we can add value through management, such as extending the useful life of our generation assets through state-of-the-art predictive maintenance systems.

During 2018 we have also managed to reach prudent and stable levels of leverage, meaning that debt is a variable to be watched over rather than a worrying factor for the market.

From the point of view of future growth, activity in Energy accelerates with 1,000MW of renewables under construction and a portfolio of projects under development of another 7,500MW, 50% diversified between photovoltaics and wind power, most of which are in Mexico, Australia, Chile, the United States and Spain.

With reference to Spain, it is worth mentioning the improvement in the regulatory outlook with regard to the volatility of the periodic review of the remuneration of regulated assets and the Integrated National Energy and Climate Plan, which aims to transform the Spanish energy model with an enormous investment effort that Acciona will contribute to.

In this sense, today in Spain we have 1,600 MW of projects with grid connection rights and the objective of increasing to 2,000 MW over the next 18 months.

In the civil, social and water infrastructure business, during 2018 we were able to maintain high levels of activity, margins, and contracting new projects in all our areas of specialization.

Special mention should be made regarding the construction of the Sydney light rail, which, after overcoming numerous technical and contractual obstacles, is very close to an agreement with the New South Wales government that would put an end to our differences.

It is also worth mentioning the extraordinary volume of contracts awarded in the Water business, especially in the Middle East, which only confirms our global leadership in desalination and the enormous business opportunity arising from the growing need for drinking water in large urban centres around the world.

By 2019 we have set ourselves ambitious targets in terms of results, growth and investment, and although the year has begun somewhat slower than expected operationally, we believe that we will be able to achieve the targets set for the year.

In summary, 2018 has been a good year and we hope that 2019 and futures will maintain the same trend and therefore the Board of Directors proposes to this Meeting a dividend attributable to fiscal year 2018 of €3.5 per share, 17% higher than the previous year.

Once the crisis and regulatory changes have been overcome, debt has been reduced and costs and business areas have been rationalized, institutional investors are beginning to focus on the less obvious, to understand the atypical and complementary nature of our model and, with it, to revise their future expectations for ACCIONA upwards and, in short, the share price. Hence, since January 2018, the shares have generated a shareholder return of 46%, the second best of the IBEX in the period.

Ladies and gentlemen, once again I had the opportunity to share the results, perspectives and objectives of Acciona with you. All of this makes this company a source of pride and satisfaction for shareholders and professionals of past and present generations and, I hope, future generations as well. And while looking back you can see the long road travelled, looking forward you can see how much remains to be done. On behalf of all of us, I would like to thank you for your support and your trust, but I would also like to ask you to continue trusting Acciona because the challenge is worthwhile and we are a key instrument to overcoming it.

Thank you