

ACCIONA Agua, an industry leader

ACCIONA Agua designs, builds and operates plants for treating drinking water and wastewater, tertiary treatment of wastewater for reuse, and reverse osmosis desalination. It also manages the end-to-end water cycle for cities.

ACCIONA Agua provides comprehensive solutions which contribute to sustainable development in the water industry. 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 placed its name on over 400 drinking water and wastewater treatment plants and over 70 desalination plants. It operates and maintains a full range of water treatment plants and provides end-to-end water services in over 180 cities (including water capture and distribution in 105 towns in Catalonia).

Innovation and the application of cutting-edge water technologies are among the cornerstones of ACCIONA Agua's business approach. To this end, it has an **R&D and Innovation center in Barcelona** with a multidisciplinary team of over 30 highly-qualified, experienced people specialized in R&D applied to water and membrane technology. This extends from basic research in the laboratories through to analysis in pilot plants and industrial applications. ACCIONA Agua has more

than 19 patents related to desalination, biological membrane reactors, and reuse technologies.

The company has been recognized for seven consecutive years with various awards from **Global Water Intelligence** magazine, one of the sector's most prestigious publications, for the quality of its projects and its commitment to the environment and its professionals. Most recently, ACCIONA Agua was named Company of the Year for 2013.

In 2013, the company mainly executed projects outside Spain, when 91% of Design & Construction activity was international, compared with 77% in 2011. The Operation & Maintenance area's international activities accounted for 10% in 2013, compared with 5% in 2011.

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 2.2 million m³/day to supply over 10.5 million people. ACCIONA Agua also operates the majority of those plants.

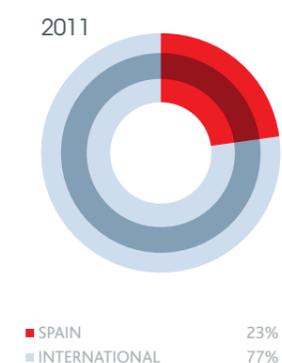
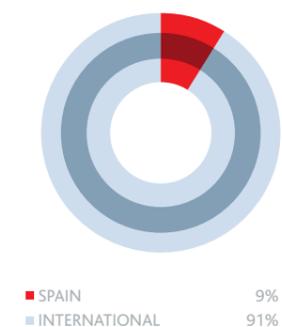
The company's extensive international experience is evidenced by its operations in Spain, the US, Australia, the UK, Italy, Peru, Algeria, Chile, Venezuela, UAE and Saudi Arabia.

CONTRACTS OBTAINED IN 2013

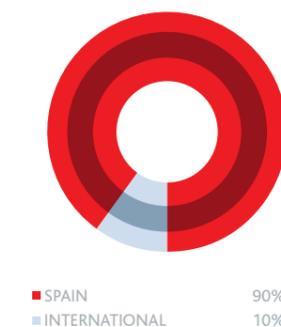
Fujairah (United Arab Emirates)

This is ACCIONA Agua's third-largest contract in the Middle East. ACCIONA Agua, together with ACCIONA Infrastructure, 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 will increase capacity by 137,000 m³/day to a total output of 592,000 m³/day and serve a population of close to 600,000.

→ Design & Construction 2013



→ Operation & Maintenance 2013



... in business terms...

10,730
M€ BACKLOG IN DECEMBER 2013

585
M€ IN TURNOVER IN 2013

2,806
WORKFORCE IN DECEMBER 2013

Design and construction of plants for drinking water, wastewater and reuse, and plant Operation & Maintenance

ACCIONA Agua has built 115 drinking water treatment plants with a total capacity of over 7 million m³/day, supplying more than 26 million people. It has also built over 300 sewage treatment plants with a total capacity of more than 11.8 million m³/day, serving over 53 million people. The company's main water infrastructure is located in Spain, Portugal, Italy, Puerto Rico, the Dominican Republic, Morocco, Australia and Egypt.

ACCIONA Agua aims to optimize **Operation & Maintenance** processes by minimizing energy consumption, ensuring optimal process performance, controlling water quality, and assuring proper environmental management of sludge, waste and by-products from the treatment processes. The company seeks to minimize operating costs and maximize the useful lives of facilities.

The company obtained the following contracts recently in the water treatment plant **Design & Construction** segment (sewage, drinking water, and tertiary treatment for reuse).

CONSTRUCTION CONTRACTS

NTOUM DRINKING WATER TREATMENT PLANT (GABON)

ACCIONA Agua obtained its first contract in Gabon, to design and build a drinking water treatment plant, which will have a capacity of 140,000 m³/day. This will increase the supply capacity in the capital, Libreville, and its surrounding areas, serving an estimated one million people.

MONTE DA ROCHA DRINKING WATER TREATMENT PLANT (PORTUGAL)

ACCIONA Agua was awarded the contract to expand the Monte da Rocha drinking water treatment plant in Alentejo, Portugal, after which the plant will produce 6,400 m³/day, serving around 35,000 people.

GABAL AL ASFAR WASTEWATER TREATMENT PLANT (EGYPT)

The company has been chosen to expand, design, build, commission, operate and maintain the plant for two years. It will have a capacity of 500,000 m³/day and will meet the needs of eastern Cairo, serving around 2 million people.

ACCIONA Agua obtained notable plant operation and maintenance concessions in 2013:

■ La China wastewater treatment plant (Spain)

The contract includes operation and maintenance of the plant for 4 years. It has capacity to treat 3.75 m³/second (324,000 m³/day) serving around 2 million people in the following districts of Madrid: Chamartín, Tetuán, Moncloa-Aravaca, Chamberí, Centro, Arganzuela, Retiro, Ciudad Lineal, Salamanca, Moratalaz and Puente de Vallecas.

■ Arroyo Culebro wastewater treatment plant (Spain)

ACCIONA Agua renewed its contract for four years for the Arroyo Culebro Cuenca Baja wastewater treatment plant, which it has been operating since it completed construction. It is one of the most modern plants in Madrid, treating 2 m³/second (172,800 m³/day, for 1,350,000 people), and uses a biological process to remove nutrients (nitrogen and phosphorus).

■ Hadda-1 and Arana-1 wastewater treatment plants (Saudi Arabia)

The company was awarded the contract to operate and maintain the Hadda-1 and Arana-1 wastewater treatment plants, in Mecca, Saudi Arabia, for two years with a possible extension. Together, the plants have a capacity of 375,000 m³/day.

■ Martos drinking water plant (Spain)

ACCIONA Agua won the contract to operate and maintain the Martos drinking water treatment plant and the water mains supplying Víboras

and Quiebrajano reservoirs in Jaén, guaranteeing water supply to over 200,000 people in 17 towns in Jaén province.

INAUGURATIONS

Notable inaugurations in 2013 include:

■ Oria Medio wastewater treatment plant (Spain). Aduna, Gipuzkoa.

The company designed, built, equipped, assembled and commissioned the plant, which has a capacity of 28,080 m³/day, rising to 128,000 m³/day during rainy weather, and serves 115,317 people.

■ **Alfamen wastewater treatment plant (Spain). Zaragoza.** Part of the Depur7B set of plants. This project is part of the Aragonese Water Institute's **Sanitation and Sewage Treatment Plan**. This is the final plant in the Depur7B group to become operational.

...progress ACCIONA Agua has made for society...

115

DRINKING WATER TREATMENT PLANTS BUILT, WITH A TOTAL CAPACITY OF OVER 7 MILLION M³/DAY, SUPPLYING OVER 26 MILLION PEOPLE

MORE THAN 300 TREATMENT PLANTS BUILT, WITH A TOTAL CAPACITY OF MORE THAN

11.8

MILLION M³/DAY OF WATER, SERVING A POPULATION OF MORE THAN 53 MILLION PEOPLE

MORE THAN

70

DESALINATION PLANTS, PRODUCING A TOTAL OF OVER 2.2 MILLION M³ OF DRINKING WATER PER DAY, SUPPLYING MORE THAN 10.5 MILLION PEOPLE

ACCIONA Agua provides end-to-end water management services in over 180 cities in Spain

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, 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 over 7 million people. ACCIONA's most significant water management contracts in Spain include end-to-end water management for the Tropical Coast

of Granada Group of Municipalities, renewed at the end of 2013; end-to-end water management as part of a public-private partnership with the Jaén Provincial Government in more than 35 municipalities, serving over 250,000 people; end-to-end municipal water management services in Molina de Segura (Murcia); and operation and maintenance of the entire sewer network in Valencia. ACCIONA Agua operates sewage networks in 25% of Madrid city.

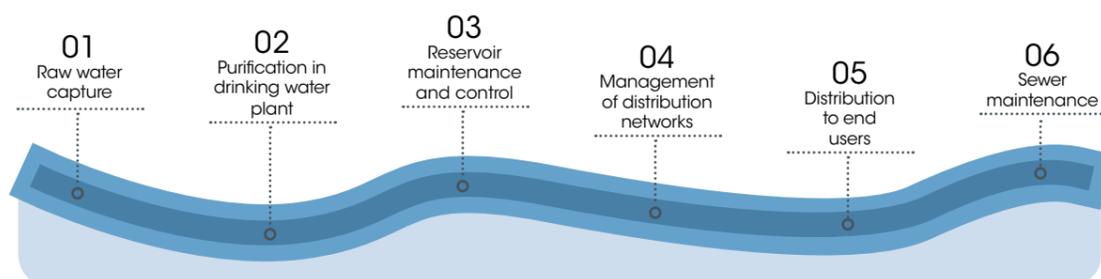
NEW CONTRACTS

Noteworthy new contracts in 2013 include:

■ Almodóvar del Campo (Spain)

ACCIONA Agua was awarded a 20-year end-to-end water management contract by the town, which includes supply, sewers, wastewater treatment and customer management services.

→ END-TO-END WATER CYCLE



■ Yuncos (Spain)

Yuncos (Toledo) awarded ACCIONA Agua a contract to provide municipal drinking water supply, sewage and wastewater treatment, and customer management for 25 years. The company will serve 10,000 people and will also upgrade infrastructure and improve technology.

■ Villafranca de los Barros (Spain)

In Extremadura, ACCIONA Agua obtained a 25-year concession, under which it will serve 13,000 people.

■ Moraleja (Spain)

The company landed a 23-year contract to supply water to Moraleja (Cáceres, Extremadura), where 7,000 people will benefit from its services.

■ Canal Isabel II

One of the milestones of 2013 was the CYII contract to operate Madrid's sewer network for four years.

R&D AND INNOVATION

■ Smart4Cáceres:

The *SmartWaterCáceres* project is part of *SmartWater4Europe*, an EU research project that brings together 21 participants, including water utilities, technology companies, universities and research centers. ACCIONA's Service, Automation and Control, and R&D and Innovation departments are executing

the project, which is being rolled out in the historic quarter and central part of the city of Cáceres. It includes a drinking water supply management system which allows for water quality, water consumption and network status to be monitored remotely in real time.

As a result, Cáceres, which belongs to RECI (Spanish Network of Smart Cities), is a pioneer in incorporating Smart City technologies into its water supply system.

ACCIONA Agua will use a single software platform that integrates several technologies, including remote meter readers, Geographic Information Systems, remote control information, a large number of water quality monitoring sensors and a mathematical model for predicting supply system performance. These, in turn, will enable ACCIONA Agua to develop an advanced business management strategy.

The management system will be governed by the Business Intelligence platform, which allows for the detection of faults, jams or leaks as they happen, reducing the time required to locate and repair them. Until now, leaks could only be detected using conventional sound probes. These innovations are expected to

generate significant environmental benefits. The early detection of leaks, in particular, will significantly reduce the volume of drinking water that is "lost" or wasted.

■ OFREA Project, LIFE+

The OFREA project aims to increase the amount of wastewater available for reuse in areas where the high salinity of treated water is a limiting factor, such as in coastal areas. ACCIONA Agua will research new desalination processes applicable to wastewater treatment and will work to reduce energy costs and analyze the suitability of output water for reuse, depending on the final purpose.

The OFREA project was chosen by the European Union as part of its LIFE+ programme, which aims to develop R&D and innovation projects with the greatest scope for impact on the environment.

The project will be executed over three years and will be implemented in cooperation with Murcia's Sanitation and Wastewater Treatment Agency (ESAMUR).

OTHER ACTIVITIES

ACCIONA Agua has been very active in initiatives related to sustainability, sponsorship, participation in fora and conferences, training and awareness-raising in all areas related to water treatment.

Corporate Social Responsibility

■ World Water Day

For the fourth consecutive year, ACCIONA Agua participated in World Water Day (22 March) by organizing activities in the towns where it operates. Highlights include children's workshops, storytelling, a bicycle route, and tree planting in Cáceres and Soria (Spain).

■ Water Stories

On the occasion of World Water Day, the company distributed a collection of stories about water to schools in Spain. A total of 14,000 copies were distributed.

■ **For the second consecutive year, and on the occasion of World Environment Day, ACCIONA Water** organized several fun water-themed activities in cities, including the 2nd Annual Painting Contest for kids, storytelling, face-painting, workshops on how to save water, and games involving the water cycle.

■ Carrera del Agua

ACCIONA Agua, together with other members of the ATVM consortium, which is building the Atotonilco wastewater treatment plant, sponsored the Water Race in Mexico City, in which 5,000 runners participated. The race was organized to support victims of tropical storm Manuel in September 2013.

Social Media

■ 4th Facebook event on World Water Day

This event allows people all over the world to send ACCIONA questions about water treatment.

■ Twitter

Active participation by ACCIONA Agua executives. ACCIONA Agua has three social media ambassadors in the company.

■ 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.

... creating real value...

ACCIONA AGUA (hm ³)	2013	2012
Desalinated water	99 hm ³	121 hm ³
Municipal water	133 hm ³	51 hm ³
Treated wastewater	431 hm ³	396 hm ³
TOTAL	663 hm³	568 hm³

...recognition of a job well done...

Water Company of the Year

With this award, *Global Water Intelligence (GWI)* magazine recognized the company's achievements during the previous year and its contribution to the international development of the water industry. Moreover, the Adelaide plant—operated by ACCIONA Agua—obtained a distinction in the desalination plant of the year category.

Premios CINCO DIAS

2013 Business Innovation Award in the field of new technologies for the first energy self-sufficient water treatment plant system which combines reused organic industrial waste and sewage sludge. The jury considered the project to be innovative in that it combines economic savings with a positive environmental impact.

Several awards for the Adelaide desalination plant

The desalination plant in Adelaide obtained several awards in 2013, including:

- Water Industry Alliance Smart Water Award
- Australian Project of the Year
- Awards for Excellence – Technological Innovation
- IMPA Project Excellence Award in the Mega-sized project category
- 2013 GPM Global Sustainability Project of the Year Award

2013 Award of the year for the Atotonilco wastewater treatment plant

World Finance magazine recognized the Aguas Tratadas del Valle de México Consortium (ATVM) with the 2013 award for the Atotonilco wastewater treatment plant. This award recognizes the plant's capacity and scope: until now, only 5% of the country's water was treated; going forward, 60% will be treated. This will mitigate problems related to health, crop irrigation and economic growth.