

ABENGOA

IV Annual Analyst and Investor Day

October 22nd – 23rd, 2008

BEFESA



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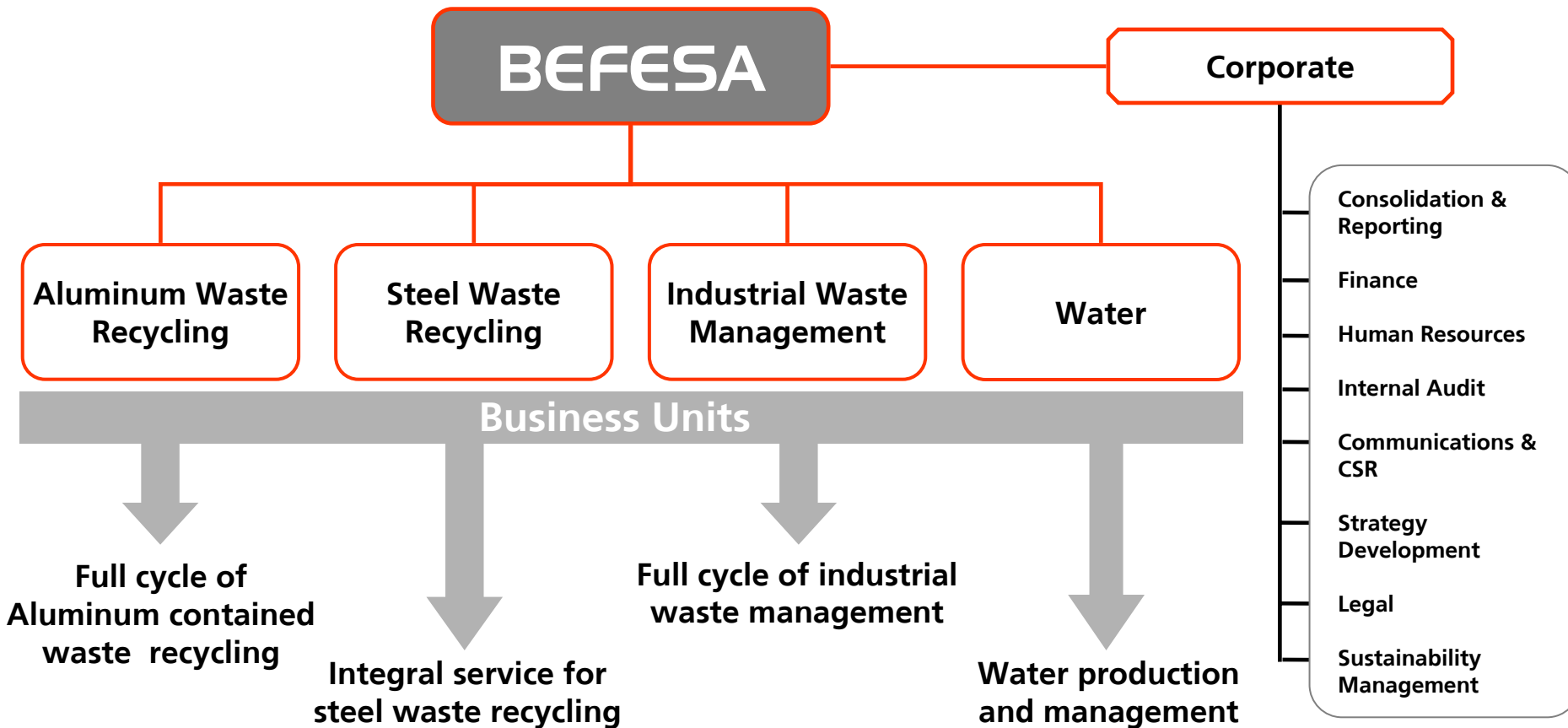
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Business attractiveness

1

About us

Befesa is an **international company** that provides **innovative solutions** for a **sustainable world** in the areas of **industrial waste management** and the generation and management of **water**.

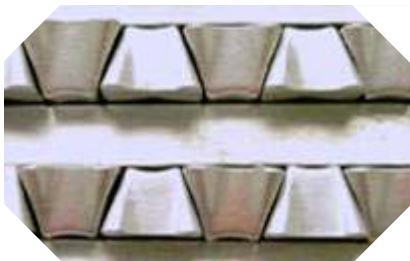


Befesa has been growing in all the dimensions in a sustainable way.

- **Double digit growth** in Sales, EBITDA and Net Income in the last decade.
- Sales of **769,7 M€** in 2007 (+39% vs 2006).
- Presence in **21 countries**.
- More than **2.270 professionals**.
- **2,6 M** tonnes of waste treated every year.
- Capacity to desalinate **1 M** cubic metres of water per day.
- More than **1 M** tonnes of CO₂ emissions avoided.



Integral industrial waste management



Water generation and management

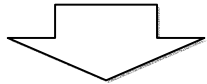


**More than 2.270 employees
in 22 countries**

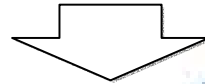


What does the future hold?

Significant increase in the population. 8 billion people within 20 years and potentially 11 billion by 2050.



Increase in waste generated by households and industry



Significant increase in energy demand



In 20 years, some 50% of the population could suffer from water shortages

Abengoa is focusing its growth on the creation of new technologies that contribute to sustainable development – a strategy in which Befesa plays an important role.

Befesa is contributing to creating a sustainable world



Its recycling activities prevent the emission of more than one million tonnes of CO₂ every year (including those emitted by the recycling).



It prevents the extraction of bauxite from which aluminium is obtained, producing more than 150.000 tonnes of secondary aluminium every year from aluminium containing waste.



It treats 650.000 tonnes of steel dust, recovering 120.000 tonnes of zinc, as well as nickel and chrome.

Befesa is contributing to create a sustainable world



It dedicates more than 1,2 million tonnes of waste primarily containing zinc and aluminium to the production of new materials through recycling.



It manages 2,6 million tonnes of industrial waste every year – waste that would have a serious environmental impact without the correct treatment.



It has the capacity to desalinate one million cubic metres of water a day, equivalent to supplying water to some 4,5 million people.

Our mission

To treat and manage industrial waste that requires technological intensive processes as well as to develop activities that integrally cover the whole water cycle.

Our vision

To become a world leading company in the management of industrial waste and in the water sector, contributing to achieve sustainable development through our activities.

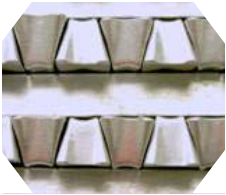
Which defines us as a company

**We recycle industrial waste
and we generate and manage water...
...for a sustainable world**

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Activities overview

Befesa is a leader in most of the business areas it operates.



Aluminum Waste Recycling
National and European leader in Aluminum waste treated and recycled.



Steel Waste Recycling
National and European leader in steel waste treated and recycled.



Industrial Waste Management
National leader in the whole cycle of management of industrial waste.

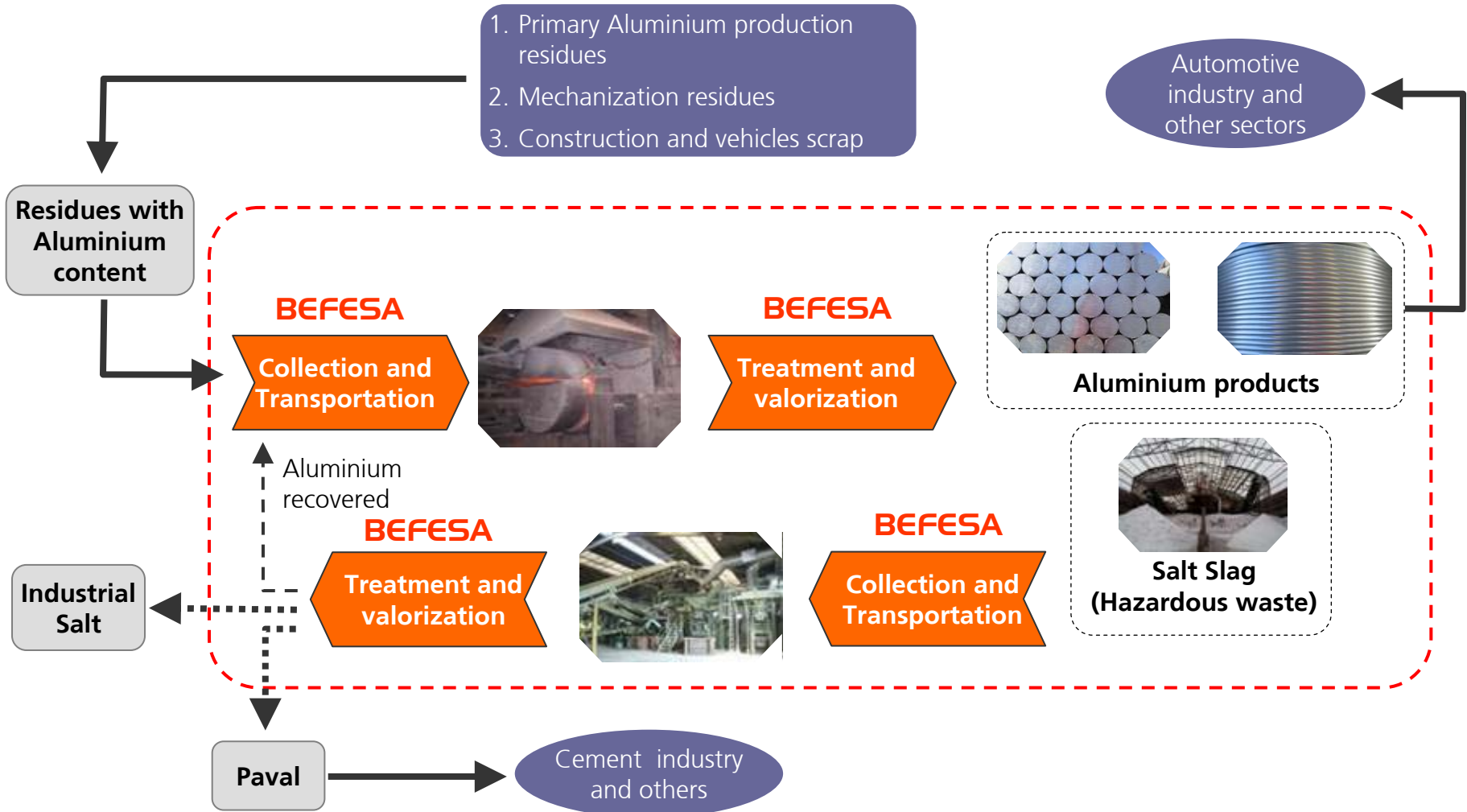


Water
International and national leader in water desalination.
National leader in water transportation.

Befesa

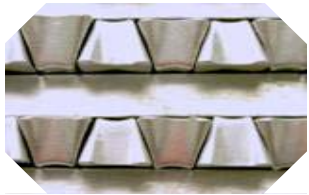
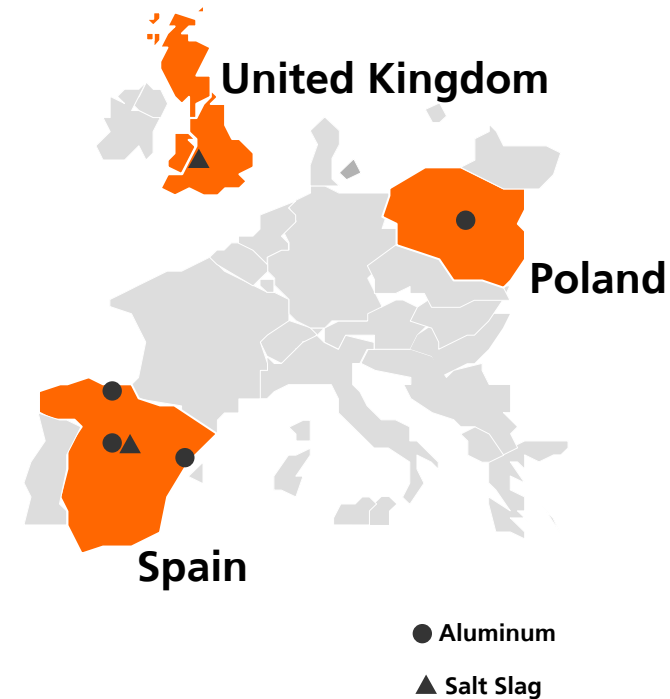
Leader in the development of innovative and technological solutions for sustainable development.

Befesa Aluminum manages the integral cycle of Aluminum waste recycling.

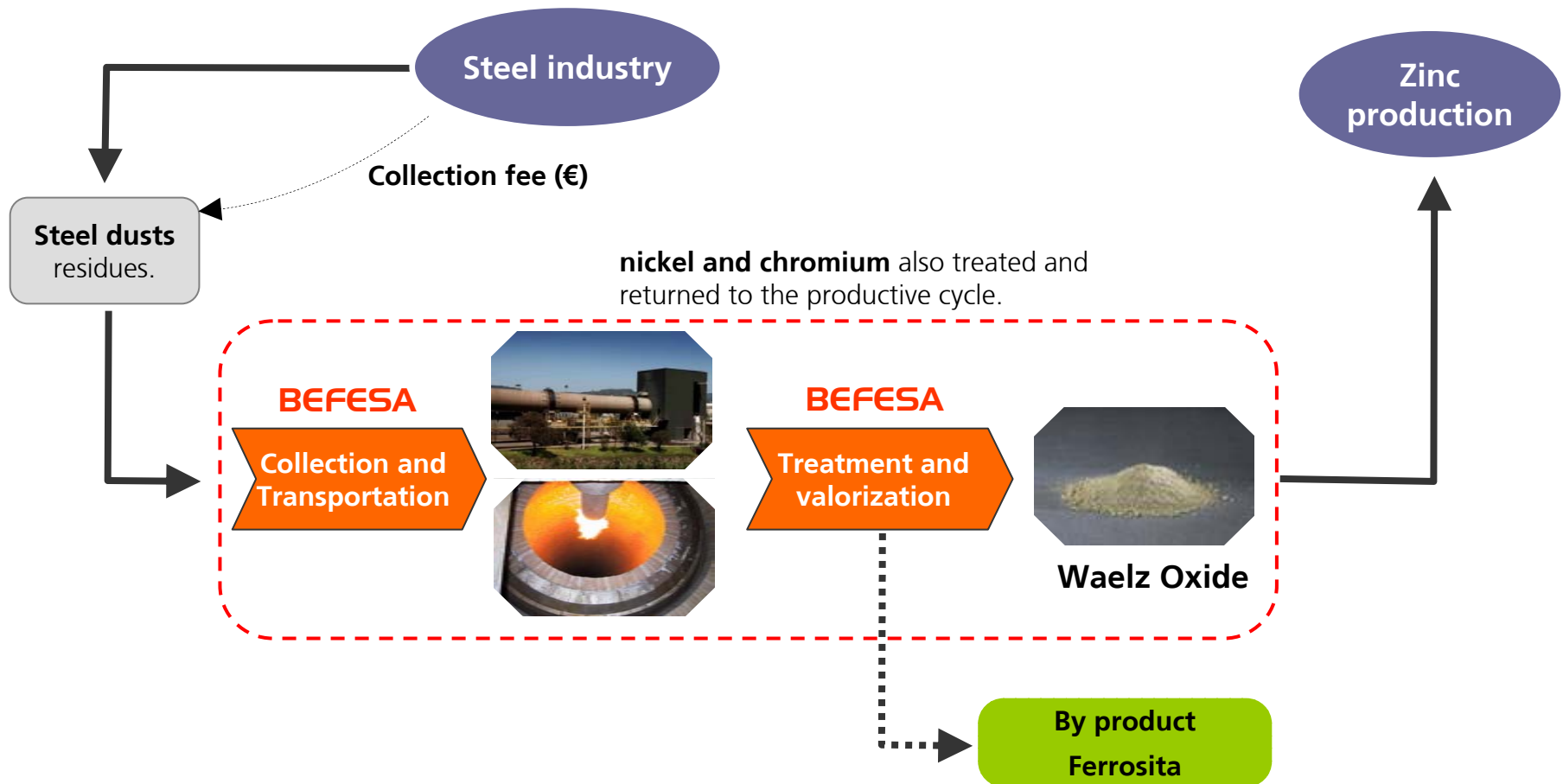


Befesa Aluminum is an European leader in managing the integral cycle of Aluminum waste recycling.

- Sales of **218 M€** in 2007.
- Presence in **Europe: 6 plants in Spain, United Kingdom and Poland.**
- **350** professionals.
- **500.000 tonnes** of waste treated per year.
- **1 M tonnes** equivalent of **CO₂ emissions** avoided.
- Main **clients**: Seat, Renault, Cie Automative, Fagor-Ederlan.
- Befesa owns **60%** of the Aluminum business.

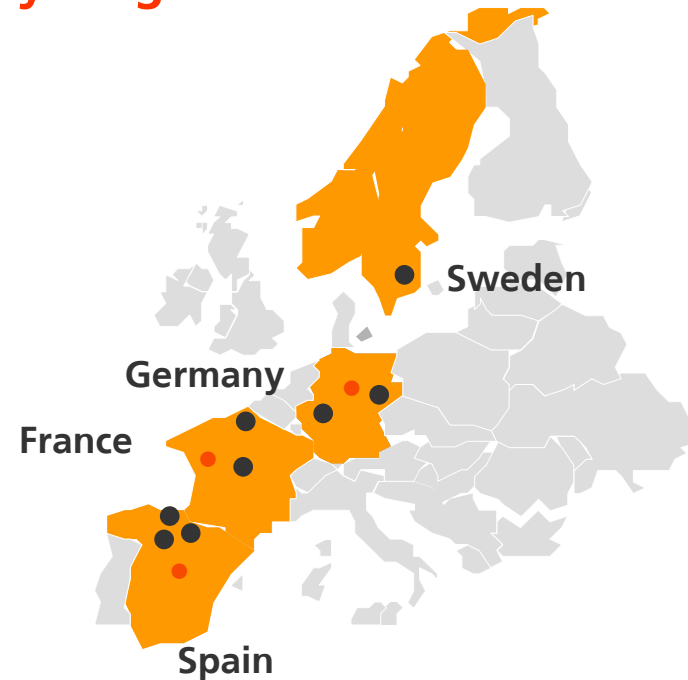


Befesa Steel Waste Recycling provides an integral service for collection, treatment and valorisation of steel dusts.

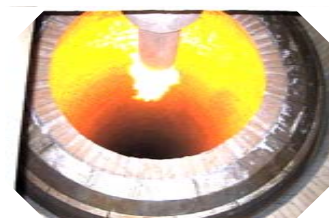


Befesa is the European leader in steel dust recycling.

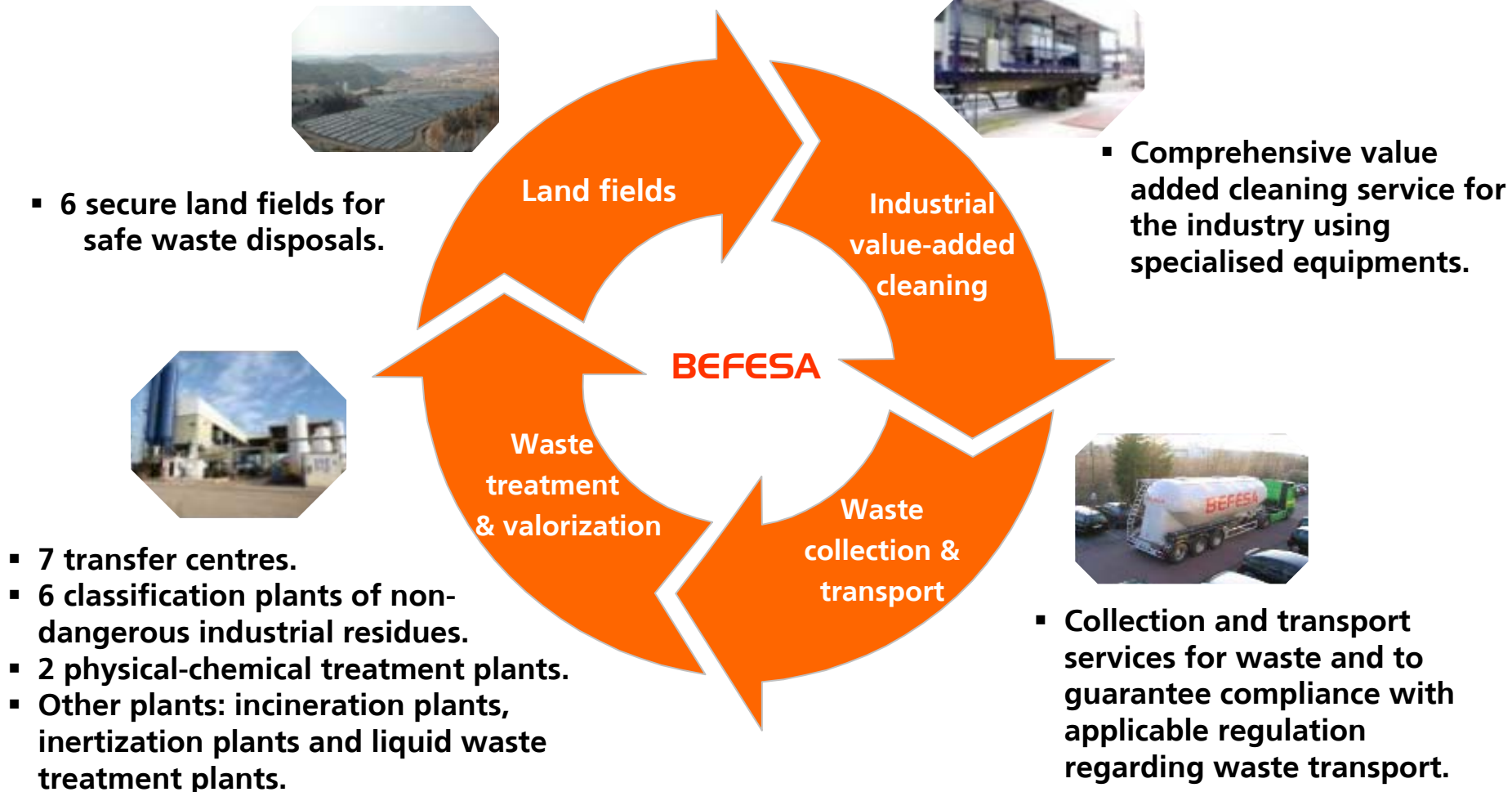
- **252 M€** turnover in 2007 (104% increase to 2006).
- Strong presence in **Europe**: 4 countries with **8 plants**.
- More than **500** employees.
- **663.000** tonnes of steel residues treated per year
- **120.000** tonnes of zinc recovered per year.
- Main clients: **Arcelor Mittal, Acerinox, Thyssen, Boliden, Nystar.**



● Production plant



Befesa Industrial Waste Management is present in the entire cycle of waste treatment.



Befesa Industrial Waste Management provides comprehensive environmental service to the industry.

- Sales of **124 M€** in 2007 (up 18% vs. 2006).
- Services in **Europe** (France, Germany, Italy, Portugal, Spain, Switzerland and the United Kingdom).
- Strong presence in **South America** (Argentina, Chile, Peru and Mexico)
- **915 professionals.**
- **1,3 M** tons of waste processed each year.



Comprehensive industrial waste management



Industrial cleaning

Befesa Water is an international leader in the desalination of water using reverse osmosis technology and an important player in the transportation of water.

Desalination. Seawater desalination. Leader on the home desalination market and one of the most important players on the international market.

Water treatment. Potabilization, Treatment, and Reuse. One of the leading national companies. With facilities that supply or treat water for more than 8.000.000 inhabitants.

Industrial water. Treatment of Process Waters, Service Waters, Wastewaters, Sludge Treatment, Water Reuse and Recycling. National leader. More than 200 significant projects.

Water transportation. Supply, Treatment, Pressurized Pipelines, Irrigation System Upgrading, Hydroelectric Power Plants. National leader. More than 500.000 has. irrigated.



Befesa Water is an international technological company, specialized in water generation and water transportation.

- Sales in 2007: **176 M€**
- More than **440 people**.
- Equivalent desalination capacity of more than **1,3 M m3/day**.
- Constructed **desalination plants** in Spain, Algeria, India, and China (in progress).
- International large-size desalination plants **concessions for 15 to 25 years**.
- Presence in **Europe, Africa, Asia, South America and USA (recent acquisition of NRS)**.

Desalination



Transportation and Distribution



Water generation and treatment



Befesa Water operate its desalination plants under a 25-year concession. The percentage of ownership in the concession varies as shown in the table below.

Desalination Project	Revenues EPC	% Befesa in EPC	Befesa revenues in EPC	Concession revenues	% Befesa	Befesa's revenues from concessions*
Chennai	82,1	100,0%	82,1	712,4	25,00%	178,1
Skikda	62,3	67,0%	41,7	441,4	34,17%	150,8
Tlemcen	167,8	50%	83,9	975,0	25,50%	248,6
Tenés	152,6	100,0%	152,6	780,8	51,00%	398,2
Qingdao	85,2	100,0%	85,2	816	92,25%	752,3
Total	550,0		445,6	3.725,1		1.728,1

Units in M€

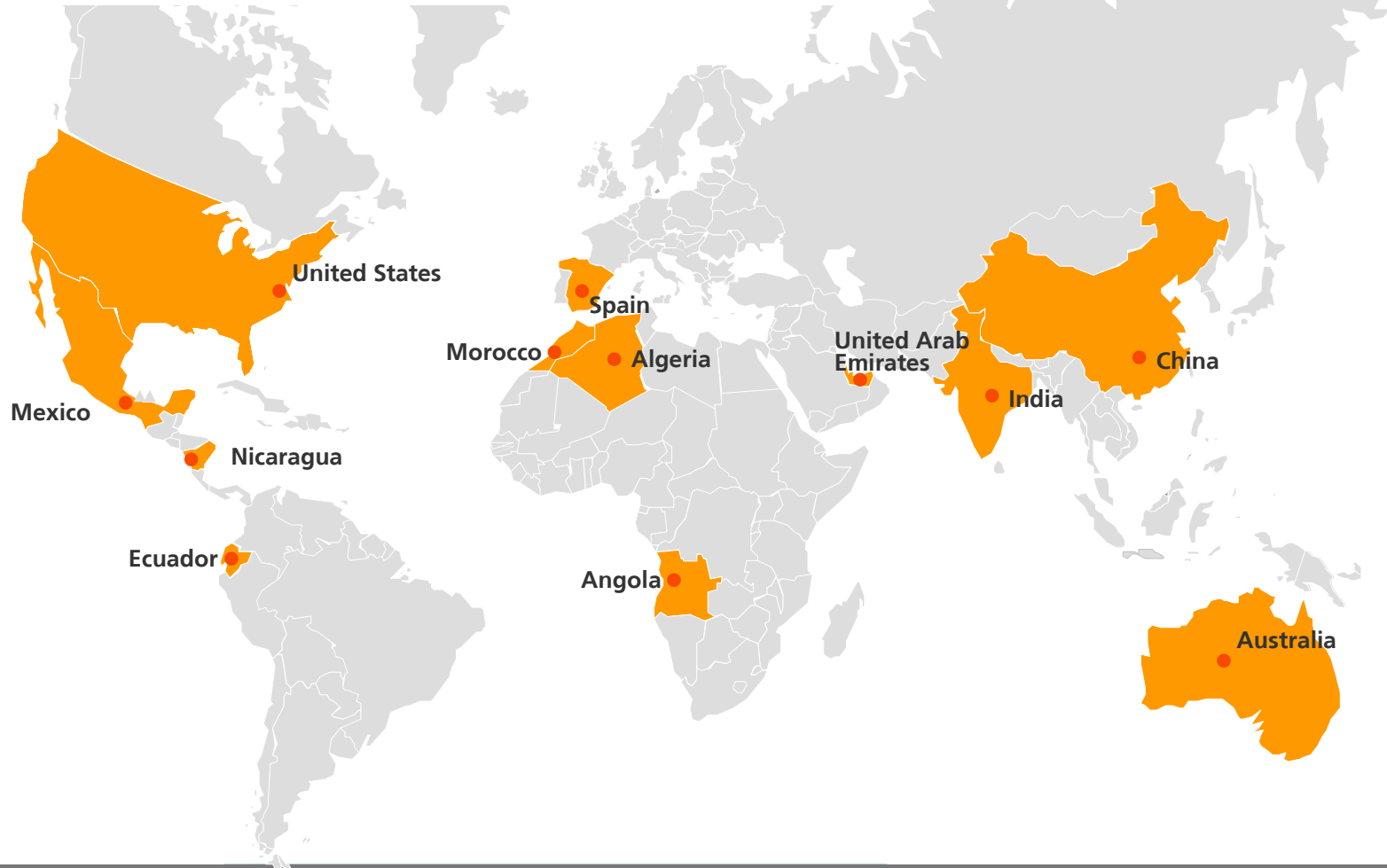
- Befesa Water EPC portfolio forecasted for 2008 year end **508,2 M€**

EPC: Engineering, Purchasing, Construction

* Over a 25 year timeframe



Befesa Water has more than 440 employees in 12 countries



3

Way forward

Befesa Aluminium Waste Recycling

Today

- European leader in Aluminium waste treated.
- One of the European leaders in Aluminium salt slag recycling.

Growth Vector

- Organic growth in Aluminum waste recycling in Central Europe.
- International expansion in salt slag recycling, mainly Europe and USA.
- R&D investment to allow growth in markets and products.
- Expansion through the improvement of technology and new products.

Tomorrow

- Leader in Europe and one of the main players of the world in Aluminum waste recycling.
- World leader in salt slag recycling.

Main growth actions currently undertaking

- New plant expansion project in Poland

Befesa Steel Waste Recycling

Today

- European and home leader in steel dust recycling.

Growth Vector

- Organic growth in Spain, Europe and other geographies driven by available steel dust.
- Growth in new geographies Turkey, USA, China.
- R&D investment to develop new technologies and allow growth.

Tomorrow

- World leader in steel dust recycling.

Main growth actions currently undertaking

- New plant in Southern Spain for steel dust recycling.

Befesa Industrial Waste Management

Today

- National leader by treated waste volume.
- International leader in countries with current presence (Argentina, Chile, Mexico and Peru).

Growth Vector

- Organic growth in Spain in non-dangerous waste treatment.
- Maintain national leading position in dangerous waste treatment.
- Organic growth in South American countries led by the development of new environmental regulations.
- Growth in new South American countries markets with no presence.
- R&D to develop new technologies in waste treatment

Tomorrow

- National leader by treated waste volume.
- South American leader in industrial waste management.

Main growth actions currently undertaking

- New non-dangerous waste plant in Portugal and new vitriphication plant for dangerous waste in Spain.

Befesa Water

Today

- Leader in water desalination in the home and a key player in international markets.
- One of the home leading companies in water transportation.

Growth Vector

- Organic growth in international regions with current presence (China, Australia, USA, India, Argelia, Mexico and others).
- Establish presence in new strategic markets.
- International growth in long term concessions contracts.

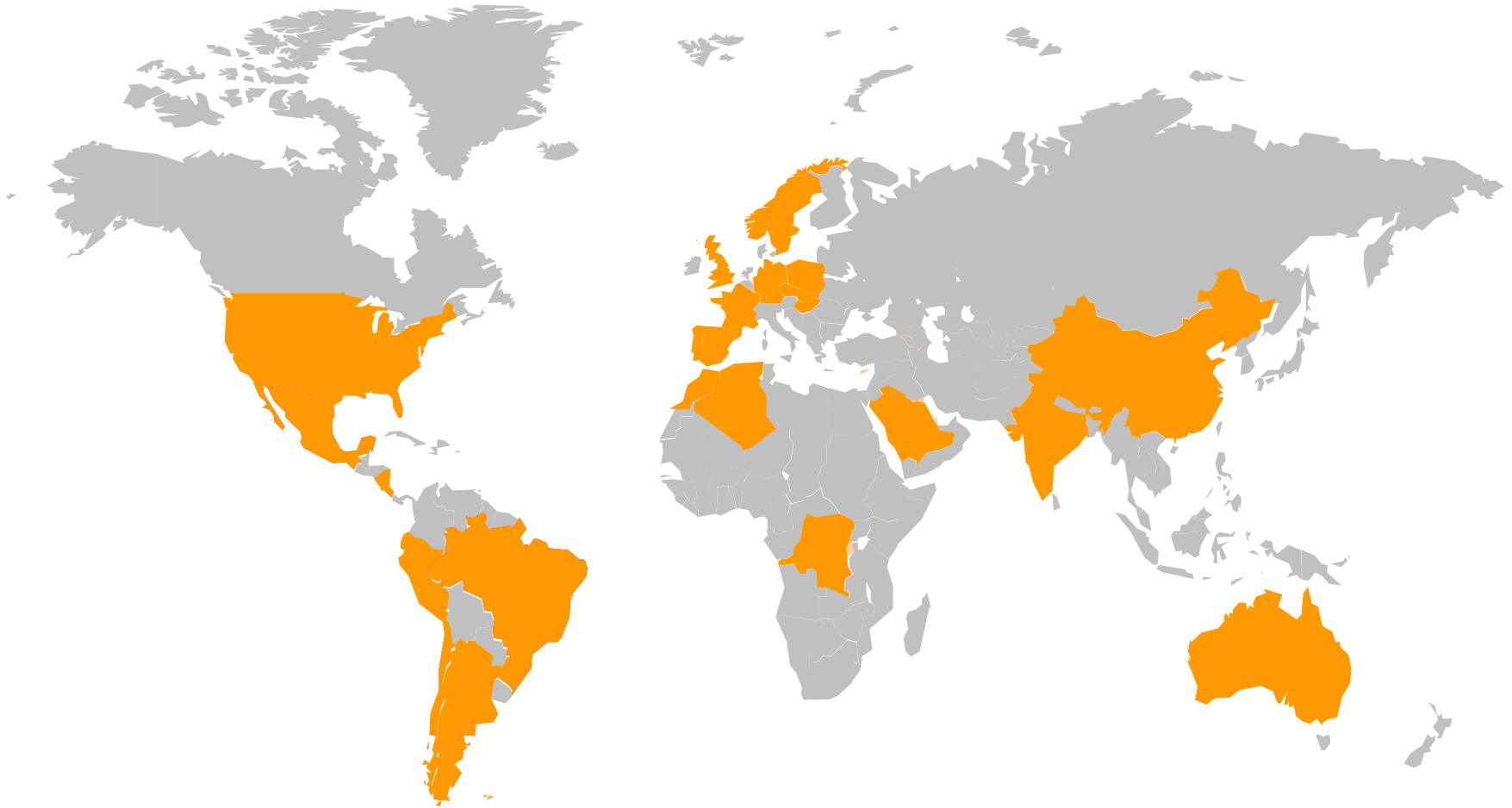
Tomorrow

- One of the world leaders in water desalination.
- National leader and international reference in water transportation.

Main growth actions currently undertaking

- New desalination plant in Quindao (China)

Well positioned to continue international expansion building on current opportunities.



R&D+i strategy aligned with our business strategy.

R&D+i objectives

To be leaders in desalination technology and technologically competitive in waste water treatment and reuse.

- To improve efficiency and reduce operation and investment costs.
- Sustainable desalination.
- Improve purification processes that develop reuse.
- Treatment of purification sludges.
- Sustainability of the integral water cycle.

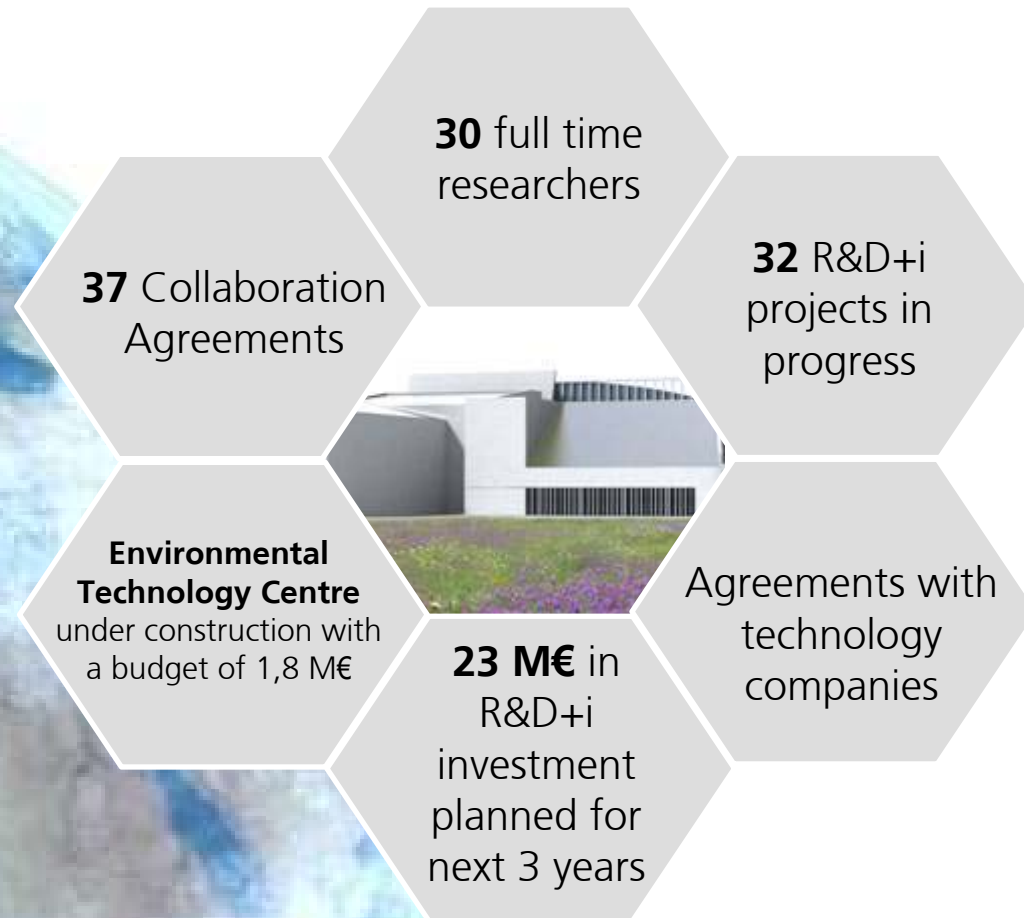
Develop new technologies for industrial waste management.

- Adaptation to legislation and minimisation of disposal sites
- Increase in treatable wastes and increase in recovery, recycling and reuse.

To be leaders and technologically competitive in the aluminium and zinc industry.

- Cost reduction through energy improvements.
- Management of new wastes and recovery.

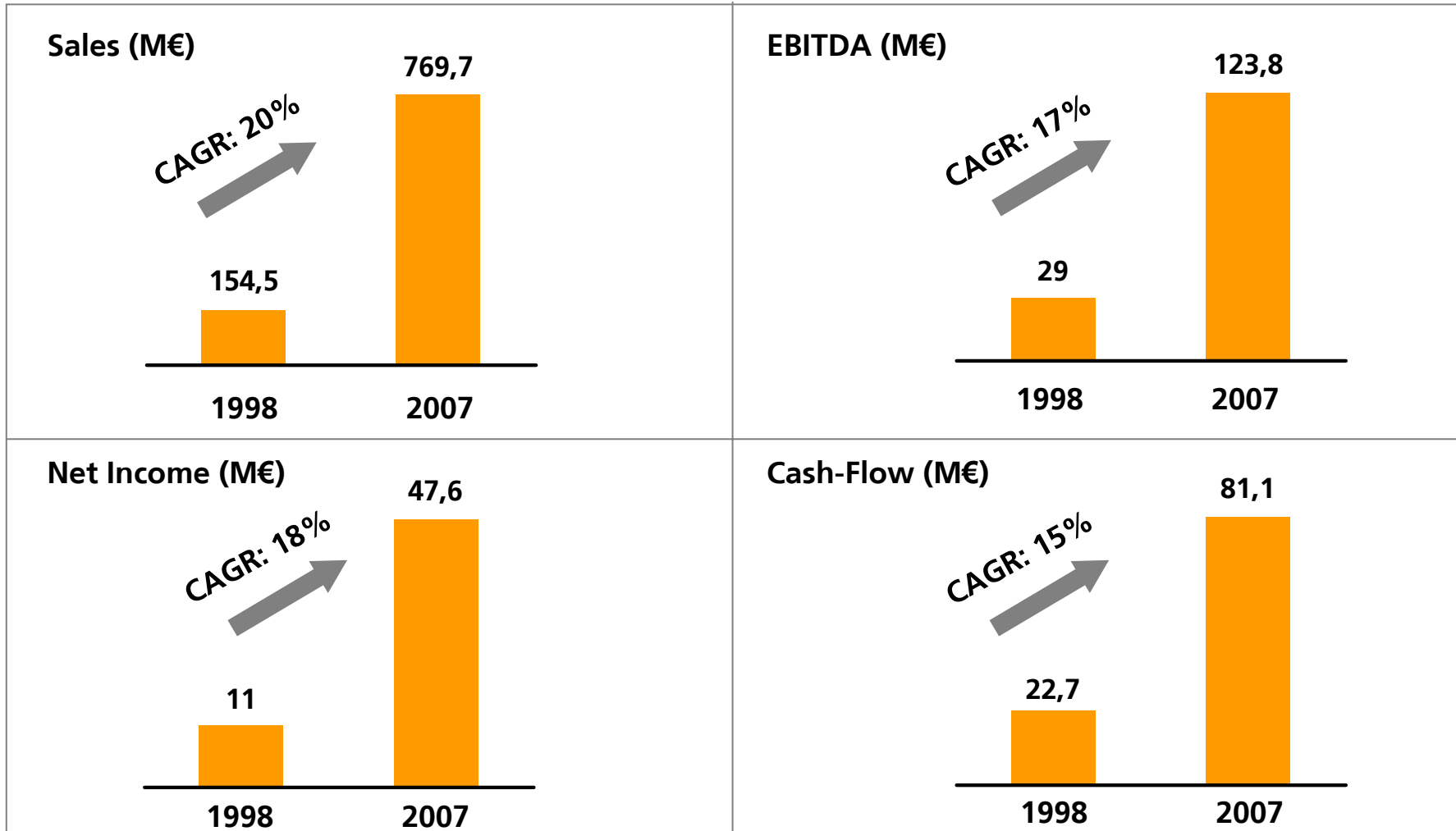
R&D+i in Befesa sets a robust platform to execute the strategy.



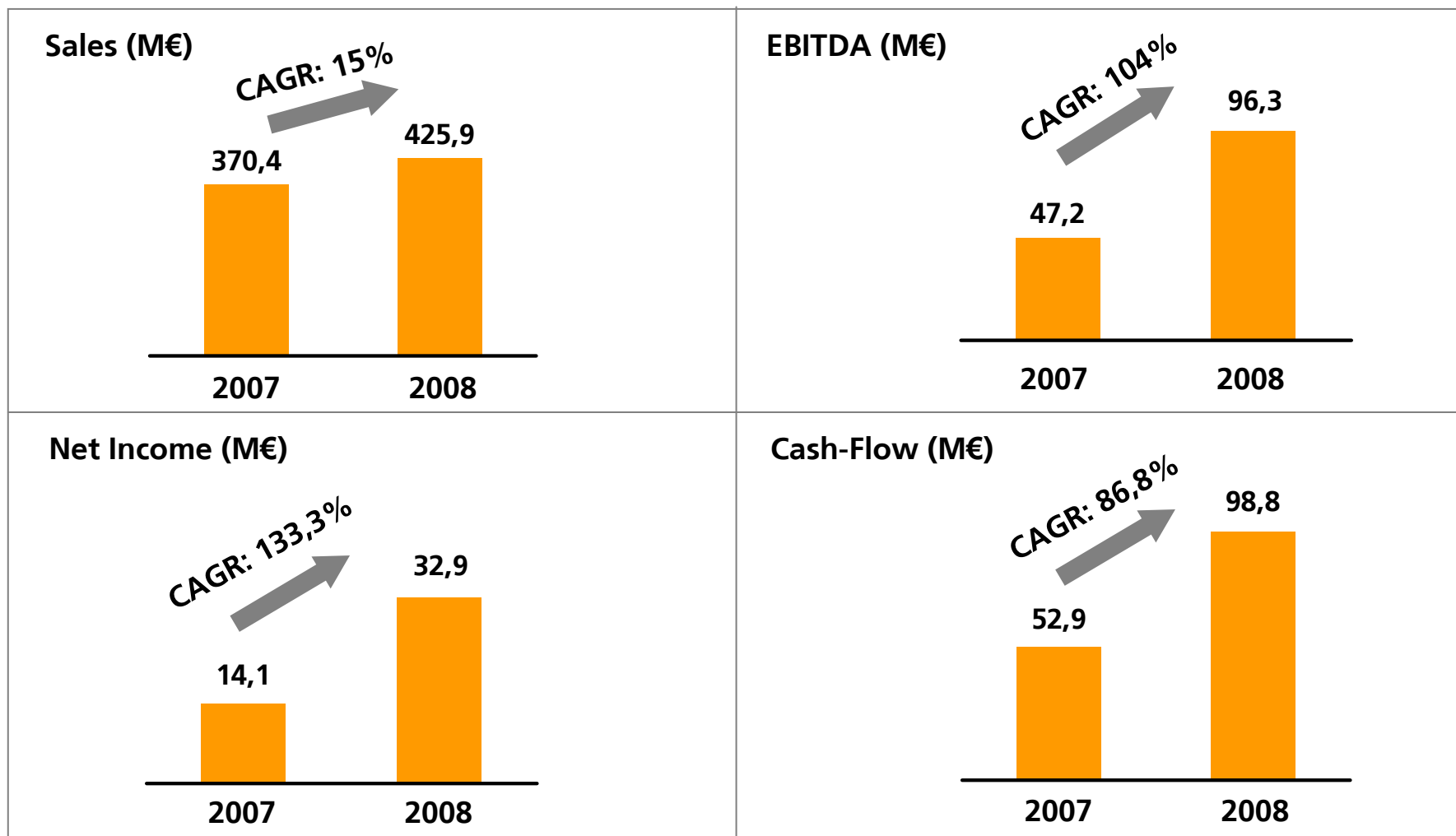
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Business attractiveness

Strong sustained growth over the last decade.



The strong sustained growth continues in the first half of 2008.



Befesa's business attractiveness is based on the following pillars:

1

Double-digit growth in all dimensions over the last decade.

2

A diversified business portfolio that provides financial robustness to maintain growth.

3

An opportunity to grow leveraging our R&D to develop new products and applications.

4

An opportunity to expand our business on to new strategic geographies.

