

ABENGOA



With the sun... we produce thermoelectric and photovoltaic electric energy



With biomass... we produce ecologic fuels and animal feed



With wastes... we produce new materials by recycling, and we also treat and desalt water to achieve a sustainable globe



With Information Technology... we transform data into knowledge... we provide effective operational and business real-time decision making for traffic, transport, energy and environment



With engineering... we construct and operate conventional and renewable energy power plants, power transmission systems and industrial infrastructures

Presentation of Results

1st Six Months 2007

Your Partner in Resources and Technical Solutions

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1. Our Commitment



In Abengoa, we believe that the globe requires **Solutions** that allow our development to be more sustainable. Scientists tell us that **Climate Change** is a reality and from Abengoa, we believe the time has come to pursue and put these solutions into practice.

More than ten years ago, Abengoa decided to focus its growth on the creation of new technologies that contribute to **Sustainable Development** by:

- Generating **Energy** from renewable resources.
- Recycling Industrial **Wastes** and **Water** production and management.
- Creating **Infrastructures** that prevent new investments in assets that generate emissions.
- Creating **Information Systems** that assist in ensuring more efficient management of existing infrastructures.
- Establishing **New Horizons** for development and innovation.

To this end, we invest in Research, Development and Innovation, **R&D&I, Globally** extend the technologies with the greatest potential, and attract and develop the necessary **Talent**.

Moreover, through the **Focus-Abengoa Foundation**, we dedicate human and economic resources to promoting social action policies that contribute to social and human progress.

By doing this, we create **Long-Term Value** for our shareholders, contribute to the development of society in the areas in which we conduct our activities, and help to make the globe a better and more sustainable place for future generations.

2. Evolution of the Businesses. Highlights

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2.1 Solar

Solar	jun-07	jun-06	Var (%)
Sales	8,0	n.a.	n.a.
Operating Cash Flow	1,5	n.a.	n.a.
Operating Cash Flow/Sales	19,4%	n.a.	

The Sales of the Solar Business Unit in the first half 2007 correspond to:

- Forwarding of solar energy to the grid. Value € 0.6 million from sales from the 11 MW solar thermal and 1.2 MW photovoltaic plants that is part of the Sanlúcar la Mayor (Seville) solar platform.
- The solar promotions of the Business Unit as part of its development activity, for € 5.5 million.
- The sale of solar technology for solar thermal projects, for € 2.0 million.

As part of the analysis of the Cash Flows from Operating Activities generated by the Business Unit, we would indicate that they are affected by the investments that are being made in the development of new businesses, the promotion of new plants and on research, development and innovation.

These investments will enable the generation of Cash Flows in the future, from the solar platform currently under construction and from the development of future solar thermal and photovoltaic platforms, in Spain and abroad.

Noteworthy in this sense is the progress in solar thermal promotion activities (Spain, USA and international), where we have 300 MW under promotion, of which 81 MW are already in operation or construction.

At June 30, 2007	Operation	Construction	Promotion	Total
(amounts in MW)				
Spain	11	70	219	300

In photovoltaic, we have 15 MW under promotion and a further 2.2 MW under construction and operation.

At June 30, 2007	Operation	Construction	Promotion	Total
(amounts in MW)				
Spain	1.2	1.0	15.0	17.2

As regards R&D&I activities, Abengoa Solar has more than 40 people dedicated to enhancing solar technologies in the short and medium term, with a very ambitious investment program.

	2005	2006	1st H 2007
(figures in Millions of euro)			
Investment	31.8	17.4	3.1

Since 2005, Abengoa Solar has invested 52.3 million euro in R&D working in collaboration with several prestigious Universities and Research Centers from different countries.

2.2 Bioenergy

Bioenergy	jun-07	jun-06	Var (%)
Sales	264,1	214,5	23,1%
Operating Cash Flow	31,2	26,0	20,1%
Operating Cash Flow/Sales	11,8%	12,1%	

The Sales of the Bioenergy Business Unit rose to 264.1 million euro as against the 214.5 million euro in 2006. This is a 23.1 percent increase. Bioethanol sales are responsible for 71.9% of said increase, mainly due to the higher sales price of bioethanol in Europe and the United States.

The Gross Cash Flows from Operating Activities has risen about 20.1%, and went from the 26.0 million euro figure of 2006 to the current 31.2 million euro. The increase is obtained basically by the net between a better bioethanol price performance and the increase in operating costs as a consequence of the rise in the price of grain in the European Union and the United States.

The Operating Cash Flows margin on Sales remain at levels higher than those of business operation, once the costs associated with the Unit's focus on technological innovation and organic development of new production capacity are isolated.

Highlights

- ◆ The accumulated ethanol sales volume to June 2007 is 165.5 million liters in the EU and 52.5 million gallons in the US. Over the same period in 2006, 165.1 million liters were sold in the EU (being of note the start-up of the BCL facility, with 7.3 million liters) and 52.2 million gallons in the US.
- ◆ In 2007, the price of bioethanol in the EU has risen compared to the 2006 prices. The accumulated average price to-date has been 0.599 €/liter (as against 0.574 €/liter). In the United States, the price has also increased, 2.18 US\$/gal (as against 1.71 US\$/gal in 2005). In this period, the price of grain in the EU has been slightly higher than last year, 162.1 €/ton (as against 141.0 €/ton in 2006). The same has occurred in the United States where the price has been 3.30 US\$/b (as against 2.29 US\$/b in 2006). Also of note is the effect of the decreases in the cost of natural gas in the EU, from 22.1 €/MWh in 2006 to 20.3 €/MWh in 2007, and in the United States from 9.96 US\$/mmbtu in 2006 to 9.08 US\$/mmbtu.

2.3 Environmental Services

Environmental Services	jun-07	jun-06	Var (%)
Sales	370,4	218,0	69,9%
Operating Cash Flow	47,2	22,1	114,0%
Operating Cash Flow/Sales	12,8%	10,1%	

In the first half of 2007, the Sales of the Environmental Services Business Unit (370.4 million euro) have increased on those for the previous year by 152.4 million euro, which is a 69.9% increase. The incorporation of BUS, whose sales over this period amounted to € 86.0 million, into the Group is the main reason for this notable increase. If BUS's sales are not taken into account the growth experienced was € 66.4 million, a 30.5% increase on last year. This improvement is a result of the higher volume of wastes treated in all the Group's areas, especially as regards the Recycling of Steel and Galvanization and Industrial Wastes Management activities, and of the increase in the works executed by the Environmental Engineering Unit.

As regards Cash Flows from Operating Activities, there has been a € 25.1 million increase (114.0%) compared to the first six months of 2006. € 22.6 million corresponds to the Cash Flow generated by BUS. If BUS is not taken into consideration, the improvement in Cash Flows is 11.5%, due mainly to the positive evolution demonstrated in the aforementioned business areas. The Cash Flow on Sales ratio has increased notably to 12.8% as a consequence of the modification to the «mix» of the Group's sales.

2.4 Information Technologies

Information Technologies	jun-07	jun-06	Var (%)
Sales	264,7	189,9	39,4%
Operating Cash Flow	19,0	16,2	17,0%
Operating Cash Flow/Sales	7,2%	8,5%	

The Sales of the Information Technologies Business Unit for the first semester of 2007 reached 264.7 million euro, which is a 39.4% increase on the previous year's figure of 189.9 M€. The basis of this significant increase lies in the organic growth of the Business Unit (around 29 points) and the rest, around 10%, in the new business derived from our recent acquisitions.

By verticals:

- ◆ Energy, with an increase of more than 33%, with the project in Sweden (Vattenfall) being noteworthy.
- ◆ The important evolution of the Transport vertical, more than 50%.

The evolution of the Cash Flows has been of major relevance. They reached 19.0 million euro, which is 7.2% on sales and a 17.0% increase on 2006. The drop in margin is mainly due to the increase of general expenses, caused by the new acquisitions, and the higher investment in R&D (7.2 M€ in H1 2006, 9.7 M€ in H1 2007).

2.5 Industrial Engineering and Construction

Industrial E&C	jun-07	jun-06	Var (%)
Sales	486.4	467.5	4.1%
Operating Cash Flows	71.2	56.6	26.0%
Operating Cash Flows/Sales	14.6%	12.1%	

The Sales of the Industrial Engineering and Construction Business Unit in the first half of 2007 have increased on those of the previous year by 4.1%, and the figure has reached 486.4 million euro. The Gross Cash Flows from Operating Activities has also increased on the previous year by 14.6 million euro, and has gone from 56.6 million euro in the first six months of 2006 to 71.2 million euro in 2007.

Of note in this positive evolution is the contribution from the construction of high-voltage lines in Brazil, and the bringing into operation of the new ATE II line.

3. Details of the Profit and Loss Account

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The consolidated sales to June 2007 were 1,393.6 M €, which is a 27.9% increase. The Operating Cash Flows increased 40.9% with the good evolution of the Environmental Services Business Unit, with a 114.0% increase on the same period last year, being of special note.

The profit attributable to the parent company at June 30, 2007 increased 18.6% on the same period in 2006 and reached 54.9 M€.

	jun-07	jun-06	Var (%)
Sales	1,393.6	1,089.9	27.9%
Operating Cash Flows	170.2	120.9	40.9%
% Operating Cash Flows/Sales	12.2%	11.1%	
Net Profit Before Tax	70.7	63.6	11.3%
Net Profit Attributable	54.9	46.3	18.6%

◆ Highlights per Business Unit

Sales	jun-07	jun-06	Var (%)	% 2007	% 2006
Solar	8.0	n.a.	n.a.	0.6	n.a.
Bioenergy	264.1	214.5	23.1	18.9	19.7
Environmental Services	370.4	218.0	69.9	26.6	20.0
Information Technologies	264.7	189.9	39.4	19.0	17.4
Industrial Engineering and Construction	486.4	467.5	4.1	34.9	42.9
Total	1,393.6	1,089.9	27.9	100.0	100.0

Operating Cash Flow	jun-07	jun-06	Var (%)	% 2007	% 2006
Solar	1,5	n.a.	n.a.	0,9	n.a.
Bioenergy	31,2	26,0	20,1	18,4	21,5
Environmental Services	47,2	22,1	114,0	27,7	18,3
Information Technologies	19,0	16,2	17,0	11,2	13,4
Industrial Engineering and Construction	71,2	56,6	26,0	41,8	46,8
Total	170,2	120,9	40,9	100,0	100,0

Operating Cash Flow / Sales	jun-07	jun-06
Solar	19,4%	n.a.
Bioenergy	11,8%	12,1%
Environmental Services	12,8%	10,1%
Information Technologies	7,2%	8,5%
Industrial Engineering and Construction	14,6%	12,1%
Total	12,2%	11,1%

◆ Net Amount of the Business-Sales Figure

Abengoa's consolidated Sales to June 2007 were 1,393.6 M €, a 27.9% increase on the previous year. All of Abengoa's Business Units increased their sales in this financial year.

Sales	jun-07	jun-06	Var (%)
Solar	8.0	n.a.	n.a.
Bioenergy	264.1	214.5	23.1
Environmental Services	370.4	218.0	69.9
Information Technologies	264.7	189.9	39.4
Industrial Engineering and Construction	486.4	467.5	4.1
Total	1,393.6	1,089.9	27.9

The Solar Business Unit's Sales were 8.0 M € to June 30, 2007. The Bioenergy Business Unit's sales were 264.1 M € as against 214.5 M € the previous year, which is a 23.1% increase on the last year. The Environmental Services Business Unit's sales were 370.4 M € in 2007 compared to 218.0 M € for the same period the previous year, with a 69.9% increase. The Information Technologies Business Unit's sales were 264.7 M € as against 189.9 M € the previous year (a 39.4% increase). Finally, the Industrial Engineering and Construction Business Unit's sales were 486.4 M €, a 4.1% increase on the 467.5 million euro achieved in the same period the previous year.

◆ Gross Cash Flows from Operating Activities

The Gross Cash Flows from Operating Activities figure was 170.2 M €, which is a 40.9% increase on the 2006 figure.

Gross Cash Flows from Operating Activities	jun-07	jun-06	Var (%)
Solar	1.5	n.a.	n.a.
Bioenergy	31.2	26.0	20.1
Environmental Services	47.2	22.1	114.0
Information Technologies	19.0	16.2	17.0
Industrial Engineering and Construction	71.2	56.6	26.0
Total	170.2	120.9	40.9

The Solar Business Unit's Operating Cash Flows are 1.5 M € in this first semester. The Bioenergy Business Unit's Operating Cash Flows were 31.2 M € in this financial year as against the 26.0 M € registered in 2006. This is a 20.1% increase. The Environmental Services Business Unit's Operating

Cash Flows reached 47.2 M € to the end of June 2007 as against the 22.1 M € to the end of June 2006. This is a 114.0% increase. The Information Technologies Business Unit's Operating Cash Flows were 19.0 M € as against the 16.2 M € the previous year, a 17.0% increase. Finally, the Industrial Engineering and Construction Business Unit's Operating Cash Flows were 71.2 M € as against the 56.6 M € the previous year. This is a 26.0% increase.

◆ Taxes

	jun-07	jun-06	Var (%)
EBT	70.7	63.6	11.3
Corporate Taxes	(8.0)	(10.1)	(20.3)
External Partners	(7.8)	(7.2)	7.9
EAT	54.9	46.3	18.6
Tax Rate	11.3%	15.8%	

The earnings before tax were 70.7 million euro, which is a 11.3 percent increase on the 63.6 million euro in 2006.

Company tax expenses in the first six months of 2007 rose to 8.0 million euro. Thus, the tax rate for the period is 11.3%, due mainly to the fiscal deductions originated by the efforts being made in, and dedication to R&D&I activities, to the contribution from results in other countries to Abengoa's earnings, and to taxation in Spain under the special fiscal consolidation regime.

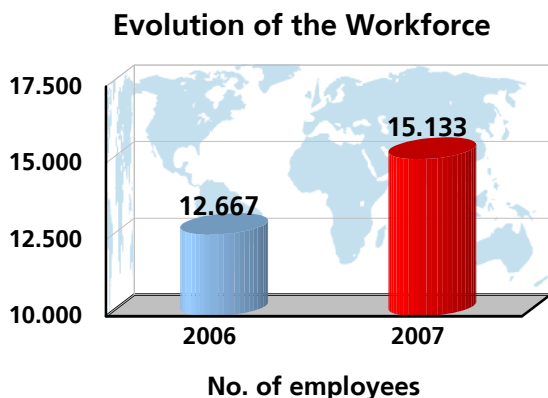
◆ Earnings After Tax Attributable to the Parent Company (Net Result)

	jun-07	jun-06	Var (%)
EAT attrib. parent Co.	54.9	46.3	18.6
% EAT / Sales	3.9%	4.2%	

The earnings attributable to the parent company were 54.9 million euro, which is a 18.6 percent increase on the 46.3 million euro achieved the previous year.

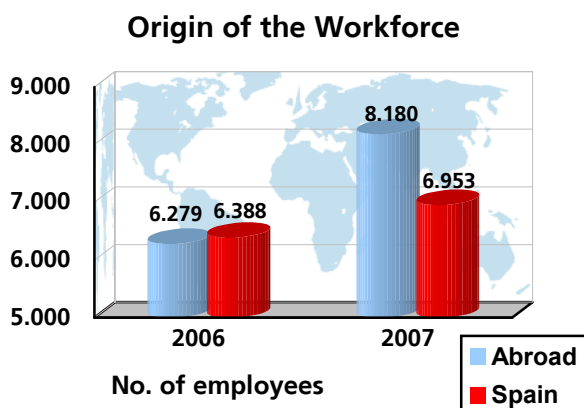
For the purposes of enabling comparison of homogenous figures, the effect the acquisition of BUS has had on the profit after tax in the first half of 2007 (4.9 million euro) and the impact of the financial result derived from the participations in officially listed shares (negative by 1.7 million euro in the first six months of 2007 and positive by 5.1 million euro in the first semester of 2006) must be isolated. If both effects are eliminated, the result after tax attributable to the parent company would have experienced a 25.6 percent growth.

◆ **Evolution of the Average Workforce**



The average workforce has increased by 2,466 (19.5%) compared to the number employed in the first six months of 2006.

◆ **Origin of the Workforce**



The increase in the workforce numbers has mainly occurred abroad.

◆ Consolidated Balance Sheets at June 30, 2006 and 2005

	Jun '07	Jun '06
A. Non-Current Assets	3.030,3	1.952,6
B. Current Assets	2.543,6	1.578,4
Total Assets	5.573,9	3.531,1
A. Capital and Reserves	503,3	396,1
B. Minority Interest	148,6	132,1
C. Non-Current Liabilities	2.486,9	1.192,3
D. Current Liabilities	2.435,1	1.810,6
Total Shareholder's Equity and Liabilities	5.573,9	3.531,1

Abengoa's total Assets in 2007 came to 5,573.9 M € which is a 57.9% increase on the figure for 2006, which was 3.531,1 M €.

◆ Net Debt Position

	June '07	June '06	Var (%)
Bank Loans	1455,9	723,1	101,3
Financial Investments	-672,0	-234,4	186,7
Cash and Cash Equivalents	-569,3	-389,2	46,3
Net Recourse Debt	214,6	99,5	115,6

4. General Description of the Activities

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« Utilizing solar energy, biomass, wastes, information technologies, and engineering, Abengoa applies technological and innovative solutions for sustainable development »

The rational use of natural resources and our concern for ensuring that future generations may be able to use them as we ourselves have done is Abengoa's roadmap for the future. Moreover, as far as Abengoa is concerned, what is known nowadays as sustainable development does not exclusively mean preservation of the environment. Abengoa goes beyond that vision and raises its commitment to the social and human side of things.

In Abengoa, we have come to understand that our traditional engineering activity is nothing more than a valuable tool by which we can build a more sustainable world. In addition, over the past decade Abengoa's strategic plan has been much more intense and this is clearly demonstrated by the fact that we have undertaken an array of activities, among which the following are of note:

Solar

- In 2006, construction was completed on the world's largest tower and heliostat field technology 11 MW solar thermal power plant, and on a 1.2 MW double concentration photovoltaic power plant. These plants are located in the municipal district of Sanlúcar la Mayor (Seville, Spain) and are part of a future platform of solar thermal and photovoltaic power plants that will eventually produce more than 300 MW.

Abengoa is the leader on the home market in electricity generation from solar energy, with a development plan for more than 300 MW over the next few years.

« With the sun... we produce thermoelectric and photovoltaic electric energy »

Bioenergy

- In 2000, start-up of the first bioethanol facility in Spain with an initial production capacity of 100 M liters/year currently 150 M liters/year), which required a € 93.8 million investment.
- In 2002, acquisition of High Plains Corporation (now Abengoa Bioenergy Corporation), the fifth largest bioethanol producer in the United States (current production capacity of 108 M gal/year), by means of a 100 million euro takeover bid. Start-up of the second bioethanol facility in Spain (Bioethanol Galicia), with a 126 M liters/year production capacity (currently 176 M liters/year), which required a € 92.1 million investment.
- Also in 2002, Abengoa was awarded by the United States Department of Energy (DOE) of an R&D&I project to enhance ethanol production process technology, utilizing biomass to improve the economy of process and increase energy yield from ethanol production and, thereby, reduce the production cost thereof and make it more competitive with gasoline. The total investment, co-funded by the DOE, is US\$ 35.4 million, from 2003 to 2006.
- In 2003, commencement of the construction of the third bioethanol facility in Spain, in Babilafuente, which produce 200 M liters/year of bioethanol for direct blending in gasoline. The raw material will be grain, wine alcohol and biomass, the latter in a bioethanol production facility that will be the first of its kind worldwide.

- In 2005, commencement of the construction of the fourth bioethanol facility in Nebraska (US) which will produce 330 million liters per year. Agreement with Cepsa for the construction of a biodiesel production plant on the lands of Cepsa's «Gibraltar» Refinery, in San Roque (Cadiz). The foreseen investment for the plant is € 42 million.
- In 2006, work commenced on the construction, in Lacq (France) of a 250 million liter/year capacity ethanol production plant. It will be Europe's first corn-based ethanol production facility, something that is very common in the US.

Abengoa is Europe's largest bioethanol producer and fifth in the US.

« With biomass... we produce ecologic fuels and animal feed »

Environmental Services

- In 2000, a € 300 million investment to acquire Befesa, through a takeover bid.
- During the last quarter of 2006, Befesa acquired the company B.U.S., Europe's largest industrial waste recycler.
- Abengoa has increased desalination capacity to more than 1,000,000 m³/day, which will enable supply for a population of 4.8 million.

Abengoa is international leader in industrial waste treatment and environmental engineering.

« With wastes... we produce new materials by recycling, and we also treat and desalt water to achieve a sustainable globe »

Information Technologies

- The technologies developed by Telvent allow high-performing companies to make real-time business decisions utilizing data acquisition and control systems and advanced operational applications that provide secure actionable information delivery to the enterprise in four industry segments considered essential for sustainable development: Energy, Traffic, Transport and the Environment.
- In 2003, Telvent acquired Metso Corporation's Network Management Solutions Division, now called Telvent Canada and Telvent USA, which put Telvent in a leading position at international level in the Real-Time Control and Information Systems market for the oil, gas, and electricity sectors, and for the water sector.
- In 2004, in order to facilitate the continuity of the expansion strategy for the Information Technology activity, while also increasing its potential through the development of R&D&I activities, Telvent GIT commenced its effective listing on the American NASDAQ technological market. In the same year, the North American Company Miner & Miner Consulting Engineers Incorporated (M&M), one of the world leaders in the development and implementation of Geographic Information Systems (GIS) software, was acquired.
- In 2005, the Perth based Australian company Almos Systems (now Telvent Australia), a leading provider of meteorological solutions, was acquired.
- In 2006, work continued under the strategy adopted several years ago with the acquisition of Blue Shield, PB Farradyne, and Maexbic.

Abengoa is international leader in the energy, traffic, transport and environment sectors.

« With Information Technology... we transform data into knowledge, providing effective operational and business real-time decision making for traffic, transport, energy and environment »

Industrial Engineering and Construction

- In Abengoa, we have come to understand that our traditional engineering activity is nothing more than a valuable tool by which we can build a more sustainable world. Many of the engineering products we develop are focused on sectors related with renewable energies, biofuels, industrial waste management and desalination.
- We are putting our trust in improving energy efficiency through cogeneration power plants. Abengoa produces more than 2,000,000 MWh per year by this method.
- In 2006, with the aim of strengthening our sustainable energy project execution capacity, the Poland based company Energoprojekt Gliwice, dedicated to engineering and consultancy services in the energy and industry sectors was acquired.

Abengoa is the leader in Industrial Engineering and Construction projects in Spain and Latin America.

« With engineering... we construct and operate conventional and renewable energy power plants, power transmission systems and industrial infrastructures »

New Horizons

In Abengoa, we are convinced that the innovative company, within a context of change and global competition, is an efficient and essential instrument for enabling progress towards a sustainable development society. The constant generation of new development and innovation horizons is one of our main strategic pillars.

- Hydrogen Technologies: with a clear perception of the need to search for new clean energy sources, in Abengoa we promote the development of hydrogen and fuel cell technologies by means of the

design, development and construction of energy systems based on the production and storage of this gas as an energy vector.

- ZeroEmissions Technologies: a new company established by Abengoa to agglutinate the activities focused on the fight against climate change. The activities developed are as follows:

1. R&D&I focused on developing alternative solutions that enable the elimination of high-capacity greenhouse effect gases. Their total elimination would mean the meeting of the most demanding reduction goals laid down internationally.
2. R&D&I in CO₂ sequestration and capture technologies as the first step towards the horizon of new CO₂ free generation plants. In this respect, Abengoa is participating in different national and international platforms and projects that are the first of their kind in this material.
3. CDM/JI Projects (Clean Development Mechanisms and Joint Implementation). By means of these two mechanisms developed in the Kyoto Protocol, countries that need to reduce emissions can achieve attainment of reduction commitments utilizing projects executed in other countries.
4. Participation in Carbon Funds: as a further step towards the attaining of Sustainable Development, Abengoa has decided to support diverse initiatives developed by Multilateral Institutions, different countries and important European companies. Abengoa has already committed itself to participating in the Spanish Carbon Fund (World Bank) and the Multilateral Carbon Credit Fund (EIB-EBRD).

Evolution 1996 - 2006

Business	Engineering Company		5 Business Unit	
	1996		2006	
	Sales %	Gross Cash Flows ^(*) %	Sales %	Gross Cash Flows ^(*) %
- Solar	-	-	-	-
- Bioenergy	-	-	18	17
- Environmental Services	8	8	21	20
- Information Technologies	24	14	17	15
- Industrial Engineering and Construction	68	78	44	48
Geography	%		%	%
USA and Canada	-		10.6	11.3
Latin America	26.3		27.6	24.4
Europe (excluding Spain)	2.8		11.9	9.0
Africa	0.9		4.0	3.0
Asia	4.2		1.6	1.4
Oceania	-		0.3	0.5
Total Abroad	34.2		56.0	49.6
Total Spain	65.8		44.0	50.4
Consolidated Total	100.0		100.0	100.0

(*) Gross Cash Flows from Operating Activities: Earnings before interest, tax, depreciation and amortization, adjusted by the works flows done for own fixed assets.

Development towards a sustainable world

Abengoa’s strategic development is based on the generation of future options that are necessary to attain a sustainable world. This is achieved basically by:

- **The strengthening of the geographic diversification of existing products** by reinforcing the markets in which, a priori, the best possibilities for expansion exist and in which Abengoa is already operating, with these being basically the United States, Canada, China, India, Brazil, Mexico, Northern Africa, and Europe.

Activity Abroad							
Exportation and Local Company Sales	2006		2005		1996		CAGR (96-06)
	M €	%	M €	%	M €	%	%
- USA and Canada	284.7	10.6	270.3	13.4	0.0	0.0	-
- Latin America	739.5	27.6	492.3	24.3	152.4	26.3	17.1
- Europe (excluding Spain)	319.0	11.9	122.2	6.0	16.4	2.8	34.6
- Africa	104.3	4.0	46.3	2.3	5.2	0.9	34.8
- Asia	43.5	1.6	47.3	2.3	24.4	4.2	5.9
- Oceania	8.8	0.3	3.4	0.2	0.0	0.0	-
Total Abroad	1,499.8	56.0	981.8	48.5	198.4	34.2	22.4
Total Spain	1,177.4	44.0	1,041.7	51.5	380.4	65.8	12.0
Consolidated Total	2,677.2	100.0	2,023.5	100.0	578.8	100.0	16.5

- **The introduction of new products that help combat climate change** by means of an investment plan, especially in the sectors related to

Bioenergy (new ethanol production plants in Europe and the United States), Solar (with a solar power plant construction program that will eventually reach a total installed output of more than 300 MW), Desalination (with desalination plants under construction in Algeria, India and Spain), High Voltage Line Concession Contracts (in Latin America and Asia) as well as future concession contracts for Public Buildings in Spain and abroad, and also in other more mature sectors such as Environmental Services (with the recent acquisition of Europe's largest industrial waste recycling company) and Information Technologies.

Main Projects	2005		2006		2007 (F)	
	M €	% / Sales	M €	% / Sales	M €	% / Sales
Solar Energy	31.7		17.4		15.7	
Biomass conversion to ethanol	13.5		26.2		18.0	
Enhancement ethanol efficiency (residual starch)	1.1		1.6		1.1	
Hydrogen Technology. Fuel Cells	2.7		2.1		6.6	
Electricity, environmental, oil and gas control centers	6.8		7.6		8.8	
Road and rail traffic, and ticketing systems	3.6		5.6		4.5	
Public Administration support systems	2.1		2.2		2.4	
Geographic Information Systems (GIS)	2.2		2.3		2.9	
Vitrification	0.0		0.4		0.1	
Environmental Technology Center	0.0		0.0		0.8	
Desalination	0.0		1.0		1.6	
Enhancement aluminum efficiency	0.2		0.1		0.1	
Other Projects	2.0		2.0		6.9	
Total Investment R&D&I	65.9	3.3%	68.5	2.6%	69.5	2.4%

- **The intensification of R&D&I activities**, focused on results that allow diversification to be increased by creating new products and services and developing new markets by increasing differentiation, improving and adapting existing products and enhancing processes.
- **The commitment to social and human progress** while at the same time contributing to environmental preservation is, in Abengoa, one of the essential pillars on which Corporate Social Responsibility is based. Through the Focus-Abengoa Foundation the company's social activity policies are brought into practice. This is done in a non-profit making manner with objectives being of general interest, focused on assistance, educational, cultural, scientific, research and technological development work. In 2006, Abengoa allocated € 5.8 million to these activities that strengthen the company's commitment to society and sustainable development.

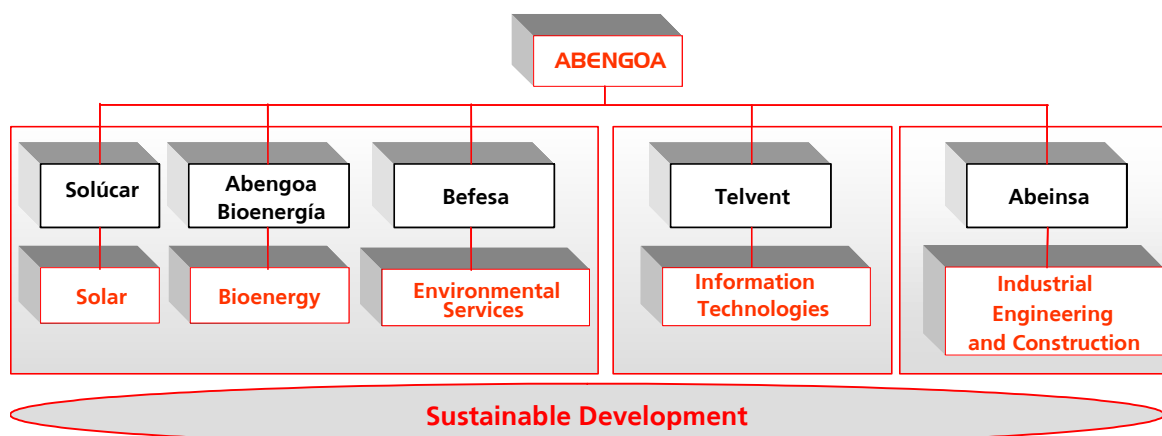
As a result of said strategy and as a consequence of the investment plan underway, Abengoa offers a combination of activities that represent greater diversification in markets and customer portfolio, while also consolidating its capacities as regards its original Engineering business.

Current Organization and Nature of its Business

There are two types of products in Abengoa:

- **Integrated Product**, in which the responsibility is global, including from the active promotion of the business, with or without investment in the capital, to the providing of financing solutions, the defining and design of the technologies to be applied, the «turnkey» construction and subsequently the Business Operation, Maintenance and Management Service. With these products there is a clear recurrence that endows more stability on Abengoa's financial statements (business induced).
- **Conventional Product**, in which a specific item or service is sold and the investment in which goes against the customer's balance sheet and, in addition, in which we are not responsible for the management thereof.

Abengoa is a technological company that applies innovative solutions for sustainable development in the infrastructures, environment and energy sectors.



It is present in more than 70 countries, where it operates with its five Business Units: Solar, Bioenergy, Environmental Services, Information Technology, and Industrial Engineering and Construction.

Abengoa provides solutions for:

- **Sustainable development:**

- ✓ Abengoa produces 783 million liters of ethanol per year, which avoids the emission of 1,691,486 tons of CO₂ to the atmosphere, which is equivalent to the annual emissions from a fleet of 700,000 vehicles.
- ✓ Abengoa produces 2,000,122 MWh per year of electricity from cogeneration, which means the avoid of the emission of 983,963 tons of CO₂ were this energy to be produced by conventional carbon thermoelectric power plants.
- ✓ Abengoa has a production plan for more than 300 MW of electric energy using the sun, equivalent to the annual consumption by a population of 500,000, which will prevent the emission of 742,900 tons of CO₂ per year.
- ✓ Abengoa treats more than 2,563,140 tons of industrial wastes, dedicating them to the production of new materials through the recycling of more than 1,297,000 tons.
- ✓ Abengoa has increased desalination capacity to more than one million cubic meters per day, which will enable supply for a population of 4.8 million.

- **The Information and Knowledge Society:** Our solutions:

- ✓ Manage more than 60% of the movements of hydrocarbons in pipelines in North and Latin America.

- ✓ Transport and distribute more than 140,000 GWh that provide electricity for a population of more than 80 million.
- ✓ Control vehicle traffic at more than 6,000 intersections that are used by more than 170 million people per day.
- ✓ Manage the displacements of more than 2,500 million passengers per year on train and metro networks.
- ✓ On a yearly basis, provide real-time traffic information on the state of roads and traveling times in response to 405,000 telephone enquiries and 5,000,000 monthly website visits.
- ✓ Provide landing and take-off security and efficiency for more than 700 million passengers a year at more than 150 airports.
- ✓ Manage water distribution for a population of more than 30 million throughout Europe, North America, Latin America and the Middle East.
- ✓ Monitor and report on the quality of the air inhaled by more than 20 million people in Europe and Latin America.
- ✓ For more than 30 million European citizens, facilitate access and e-business management with their public administrations and with other organizations and institutions.
- ✓ Reduce the patient waiting list by 15% in more than 250 health centers managed by more than 40,000 Health professionals.
- ✓ Verify the integrity and veracity of the passports of more than 18 million passengers per year.
- ✓ Enable 13 million users at more than 4,000 universities and research centers throughout Europe to exchange information.

- ✓ Provide the technological infrastructure from which news is distributed 24 hours a day to more than 400 million Spanish-speaking inhabitants worldwide.
- ✓ Ensure the correct distribution of more than 1,000 million liters of gasoline per month, sufficient to fill the fuel tanks of more than 22 million cars.
- **Creation of Infrastructures:**
 - ✓ Abengoa has constructed energy generation plants that, with a global installed rating of more than 5,000 MW, supply electric energy for a population of more than 4 million on four continents.
 - ✓ Abengoa possesses 4,406 km of high-voltage lines under concession contracts in Latin America, with a capacity of almost 9,300 MW, equivalent to the annual needs of a population of 10 million.
 - ✓ In Spain, in 2006, Abengoa has installed almost 140,000 new ADSL lines that allow more than 600,000 people to have broadband access to new value-add services.
 - ✓ In 2006, Abengoa conducted maintenance works, in Spain, on approximately 2,275,000 telephone lines (voice, data and video) with 24-hour SLA, providing coverage to some 5 million subscribers (11% of the population).

5. Main Novelties by Business Unit

5



Abengoa Solar's objective is the development and sale of technology, and the design, promotion, financial closing, construction and operation of electric energy generation plants that utilize the sun as the primary energy source. The company possesses the know-how and technology for solar thermal plants: central receiver, parabolic trough and parabolic dish systems, and for solar photovoltaic plants, with and without concentration.



With the sun... we produce thermoelectric and photovoltaic electric energy



The main milestones in the Solar Business Unit, in the first six months of 2007, were as follows:

- ◆ The president of the Regional Government of Andalusia, Manuel Chaves, and the chairmen of Abengoa, Felipe and Javier Benjumea, inaugurated on March 30, the Solar Platform that Abengoa Solar is constructing in the municipality of Sanlúcar la Mayor (Seville). The 300 MW Solúcar Solar Platform will be completed by the year 2013 and, utilizing a wide range of solar technologies will produce sufficient energy to cover the consumption of some 180,000 homes, equivalent to the needs of the city of Seville. The project requires a 1,200 million euro investment.

The Solúcar Solar Platform is a clear reflection of Abengoa's trust in the energy of the future, its respect for the environment, natural resources and the fight against climate change: this project will prevent the emission of more than 600,000 tons of CO₂ into the atmosphere per year.

The first two power plants to be brought into operation at the Solúcar Solar Platform are: PS10, the world's first tower technology solar thermoelectric power plant constructed for commercial operation; and Sevilla PV, the largest low concentration system photovoltaic plant.

The 11 megawatt **PS10** solar power plant generates 24.3 GWh per year of clean energy and comprises 624 heliostats, each of a 120 square meter surface area and a 115 meter tower. The heliostats move automatically by means of a mechanism programmed in function of the solar calendar. The solar radiation is reflected onto a receiver located on the upper section of the tower and the same harnesses the energy it receives to produce steam

that is turbined to produce sufficient electric energy to supply some 6,000 homes. This power plant alone will prevent the emission of 18,000 tons of CO₂ per year.

The **Sevilla PV** plant comprises 154 silicon plate heliostats that produce electricity from solar radiation. This 1.2 MW photovoltaic facility will prevent the emission to the atmosphere of 1,800 tons of CO₂ per year.

The remaining Solúcar Solar Platform power plants will be stagger-constructed over the next six years to convert the Platform into a diverse technology macro-project that will include tower thermoelectric, parabolic-trough collector, Stirling dish, and low and high concentration photovoltaic plants.

The PS20 tower technology solar thermoelectric 20 MW plant, similar to the PS10 plant and a parabolic-trough collector demonstration plant are currently under construction. The latter's technology is to be utilized in the 50 MW Solnova 1 plant, on which construction has commenced along the second quarter of 2007, and the 50 MW Solnova 3 plant, the construction of which will commence during the course of the second half of the year.

Abengoa's Solúcar Solar Platform will contribute enormously to the economic development of the municipalities of the Aljarafe district as it will enable the creation of more than 1,000 jobs associated with the Platform's manufacturing and construction phase, as well as a further 300 service and maintenance jobs for the array of power plants.

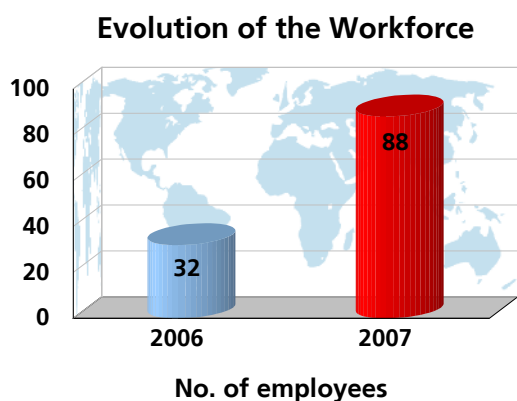
- ◆ Opening of Abengoa Solar's office in the USA in Denver (Colorado) with the aim being the development of solar projects in said country.
- ◆ Opening of Abengoa Solar's office in Almeria (Spain).
- ◆ In February, construction works commenced on the Rioglass Solar parabolic trough mirror manufacturing plant in which Abengoa Solar participates as

a minority partner. The factory will supply the mirrors for Abengoa Solar’s parabolic trough plants.

The Rioglass Solar Abengoa project will occupy a 47,500 square meter site. To be precise, the plant is to be a production unit for manufacturing parabolic trough mirrors that are used by solar radiation (solar thermal energy) electric energy generating modules. The mirrors will be manufactured from rectangular glass sheet which will be precision-curved. The precision of the curve is critical to ensure maximum concentration of the solar radiation onto the receiver tube.

- ◆ Works commenced on the 50 MW Solnova 1 solar thermoelectric parabolic trough collector technology power plant. The plant is part of the Solúcar Solar Platform (Seville).

- ◆ Signing of two solar technology sales contracts for the hybrid power plant projects in Algeria and Morocco, comprising the construction of two combined cycle power plants of 150 and 479 MW output, respectively, with a field of thermal oil parabolic trough collectors at each plant that will produce 20 MW.



The average workforce of the Solar Business Unit in the first half of 2007 was 88, nearly three times on the figure for the same period in 2006.



5.2 Bioenergy

Abengoa Bioenergía is its holding company. The Business Unit is dedicated to the production and development of biofuels for transport, bioethanol and biodiesel, among others that utilize biomass (cereals, cellulosic biomass, and oleaginous seeds) as the raw material. The biofuels are utilized for ETBE production (gasoline additive), or for direct blending in gasoline or gas oil. Given that they are renewable energy sources, biofuels reduce CO₂ emissions and contribute to the security and diversification of the energy supply while reducing the dependency on fossil fuels utilized in the transport sector and helping towards compliance with the Kyoto Protocol.



With biomass... we produce ecologic fuels and animal feed



The most important milestones as regards contracts signed or projects developed in the sectors in which Abengoa Bioenergy operates were as follows:

- ◆ On April 10th, Abengoa Bioenergía was granted the Prince Felipe Award for Business Excellence in the category of Renewable Energies and Energy Efficiency, for pioneering value added in non-food agricultural surplus for the production of bioethanol for fuel, and through this generating a commercial activity on a national and international level.

These awards give recognition to those Spanish companies that achieve business excellence and have proven to be outstanding in their trajectories. Abengoa Bioenergy is one of the principal world-wide manufacturers of bioethanol and a leader in investigation, being present in Europe and the United States.

Amongst its objectives is to achieve leadership in technology and capacity of ethanol production world-wide, to provide an alternative sustainable energy source for the transport sector. With its activities, not only does it strengthen the energy sector, but it looks for the improvement of the environment and in addition contributes to the creation of new opportunities for sustainable rural development.

- ◆ The European Council has approved a 10% biofuels usage target in petrol and diesel by the year 2020.

To meet this objective by 2020, it considers the following to be necessary: modification of the Directive on Fuel Quality, adaptation of new vehicles at low cost to allow the use of higher percentage blends, to make second generation biofuels available, and to provide information so that both

exporting countries and local producers can confidently invest in the opportunities being created in a growing European market.

The conclusions of the proposal process, following a Communication to the Council and Parliament on the progress of biofuels, confirm biofuels as an alternative to fossil fuels and value tax exemption positively as a means to foster biofuel use.

- ◆ Abengoa Bioenergy Trading Europe (ABTEU) is an Abengoa Bioenergy subsidiary headquartered in Rotterdam, Netherlands, Europe's most important bioethanol logistics center. Abengoa Bioenergy Trading Europe leads the marketing and supply of bioethanol in the EU by bringing added value by maximizing efficiencies and concentrating procurement, logistics, and marketing efforts, creating a unique brand to the market.

The services provided by ABTEU include the marketing of a pool of bioethanol coming from European producers and sourcing of bioethanol from third countries; supplying and pricing management; sourcing of raw alcohol to be processed into bioethanol in Europe; and managing the control and coordination of the logistics, including freights and storage and handling of bioethanol.

ABTEU controls key logistic infrastructure in Europe (storage, RTC, freights) in order to execute with the maximum reliability and flexibility the supply of bioethanol, and explores new business opportunities to develop the expansion of E85 within the European Union.

In 2007, ABTEU has executed service level agreements with leading European production facilities from Europe and is getting term contracts to be incorporated into the pool for more than 250 Ml of bioethanol to be supplied into Germany, France, Sweden, Netherlands and Belgium to the most relevant offtakers in Europe, including Lyondell, Total, Petrofina, BP Oil, Shell, and Sabc.

Likewise, Abengoa Bioenergy Trading has closed bioethanol supply contracts with major chains of hypermarkets in France, Carfuel (Group Carrefour), SCA Pétrole et Dérivés (hypermarket Intermarché), Distridyn (hypermarkets Casino and Cora), Petrovex (Group Auchan) and Siplec (hypermarket E. Leclerc), with whom Abengoa Bioenergy Trading is developing a commercial relationship, based on their commitment towards the development of biofuels in France, especially the direct blending of bioethanol in petrol.

- ◆ Implementation of the Renewable Fuels Standard (RFS) of the Energy Policy Act of 2005. This standard applies to the implementation of the Renewable Identification Number («RIN») credit trading program, through which the minimum requirements for usage of renewable fuels established by the RFS are enforced.

The RFS provisions encourage the use of renewable fuels, with cellulose and waste-derived bioethanol being granted extra credits per gallon (2.5 credits per gallon). Bioethanol will continue to grow into a more significant percentage of the motor fuels market. Recognizing that trend, the bioethanol industry has increased the construction of new production plants and intensified the development of new technologies.

The U.S. Environmental Protection Agency (EPA) increased the «Major Source» emission threshold for bioethanol plants from 100 to 250 tons per year. The rule will not allow existing facilities to emit more emissions than are currently permitted. However, it will allow the industry to build larger and more efficient plants without long administrative delays.

The U.S. Supreme Court ruled that the EPA has not only the authority, but also the obligation to regulate tailpipe emissions of greenhouse gases. This ruling is likely to lead to increased incentives to use bioethanol in motor fuels and the manufacturing of more flex fuel vehicles (including E85 flex fuel vehicles).

These new rulings represent a complementary fit with the goals and strategies of Abengoa Bioenergy pursuant to the development objectives established by U.S. President Bush.

- ◆ For the second consecutive year, the railway company BNSF has awarded Abengoa Bioenergy Corporation a prize for its Safe Transportation Record. The prizes are awarded to companies that ship a minimum of 500 tank cars per year, loaded with hazardous material, which are successfully delivered to their destinations without the occurrence of any leakage, and also in recognition of the companies that have successfully implemented the Product Stewardship Ethics in accordance with the responsibility initiative of the American Chemistry Council.
- ◆ On May 22nd, 2007 the Focus-Abengoa Foundation together with F.O. Licht, inaugurated the «World Biofuels 2007» conference at its Hospital de los Venerables headquarters. The opening was attended by Javier Benjumea, Chairman of the Focus-Abengoa Foundation and Abengoa; Javier Salgado, Chairman of Abengoa Bioenergy; and Christoph Berg, assistant manager of F.O. Licht.

This series of conferences, which took place Seville for important representatives from different national and international institutions as well as representatives from the automotive sector and the oil industry, and members of environmental protection organisations and the International Energy Agency, examined the technologies and the raw materials that are paving the way for a second generation of biofuels. The conference discussed the technologies that are capable of converting biomass into biofuels.

The sixth World Biofuels Conference forms part of the activities of the Environment and Sustainable Development Forum that has been created by Abengoa through the Focus-Abengoa Foundation with the principal objective of acting as a valid instrument for reflection and action at the

highest level to promote understanding and the creation of public opinion in this area.

- ◆ Abengoa Bioenergy France (ABF) has closed the € 158.2 million financing for its bioethanol facility in Lacq, Southwest France, with UniCredit Group (HVB) as Sole Mandated Lead Arranger y Bookrunner, and Rabobank as Senior Lead Arranger and Underwriter.

Abengoa Bioenergy holds a 64 percent stake in ABF and the remaining shares are held by OCEOL (a holding of corn producing cooperatives: Maisadour, Ets Lacadée, Lur Berri Holding, Euralis Holding and Vivadour, among others).

This plant is Abengoa Bioenergy's first production facility outside Spain in Europe. Its installed bioethanol production capacity, from corn, will be 200 million liters, and a further 50 million liters will be produced from wine alcohol.

The UniCredit Group (HVB) as Sole Mandated Lead Arranger and Bookrunner financing has fully guaranteed the different loan lines. Rabobank International joined the negotiation subsequently as Senior Lead Arranger and Underwriter.

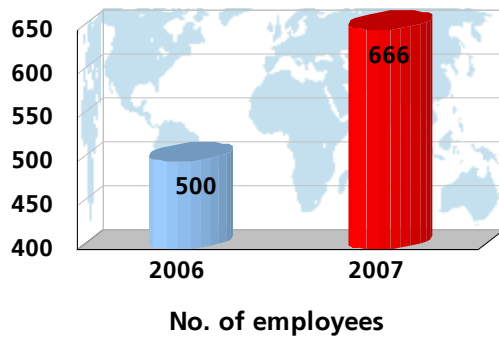
On February 23, 2007 the wine alcohol plant in Lacq (France) commenced operations. ABF will produce 40,000 tons/year of bioethanol from wine alcohol purchased in the EC.

ABF will process 500,000 tons/year of corn to produce 160,000 tons/year of bioethanol and 150,000 tons/year of DDGS (Dried Distillers Grains with Solubles).

The additional bioethanol production will allow ABF to meet its commitment for de-taxation on 60,000 tons/year from 2008 to 2013. Early in 2009, its production capacity will increase to 200,000 tons/year (250

million liters) of bioethanol, 120,000 tons of which will be marketed under the French de-taxation program.

Evolution of the Workforce



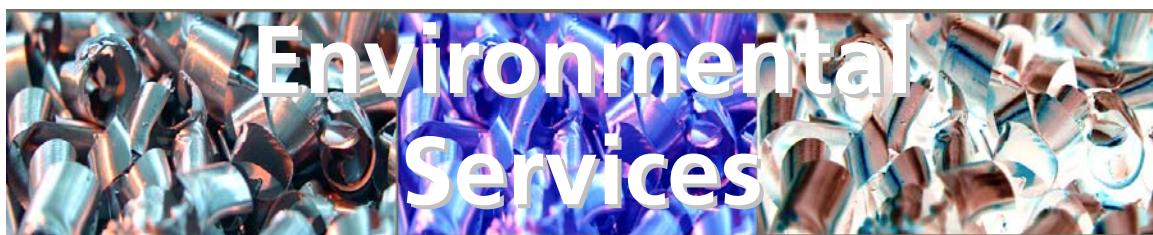
The average workforce of the Bioenergy Business Unit in the first half of 2007 was 666, a 33.2% increase on the same period of 2006 figure.

5.3 Environmental Services

Befesa Medio Ambiente, the holding company of Abengoa's Environmental Services Business Unit, focuses its activity on providing environmental services for industry and on the construction of environmental infrastructures, while conducting aluminum waste recycling, zinc recycling, industrial waste management and environmental engineering activities.



With wastes... we produce new materials by recycling, and we also treat and desalt water to achieve a sustainable globe

A graphic featuring the text "Environmental Services" in a large, white, sans-serif font. The text is centered over a background of numerous small, metallic, reflective objects that resemble crumpled aluminum or steel pieces, creating a textured, shimmering effect with blue and silver tones.

The most important milestones in the sectors in which the Environmental Services Business Unit operates, during the first semester of 2007, were as follows:

- ◆ **Aluminum Waste Recycling.**- During the first six months of this year 153,000 tons of aluminum-content wastes were treated. This is an increase of 1.3% on the previous year, and the fact that all the plants have operated satisfactorily is especially noteworthy.
- ◆ **Zinc Waste Recycling.**- During the course of the year's first semester, a total of 321,000 tons of steel and galvanization waste have been treated. This represents a 444% increase on the 59,000 tons treated in 2006. This is due to the incorporation of BUS, a company that has treated 238,000 tons. If BUS were not taken into account, the increase in waste treatment in the quarter would have been 41.0%.

Of note is the fact that the integration of BUS into the Group is going ahead satisfactorily and the generated synergies are being exploited at all times.

- ◆ **Industrial Waste and Cleaning Management.**- During 2007 560,000 tons of industrial wastes have been treated, which is in excess of the volume treated over the same period in 2006, 509,000 tons.

Befesa presented the environmental statements for Nerva and Palos de la Frontera industrial waste centers, validated by the Spanish Association for Standardization and Certification (AENOR), in recognition of the environmental management systems the company has implemented at these facilities and their compliance with the requirements of the European Regulation 761/2001 (EMAS). The statements, which were submitted

during the course of last year– correspond to the 2005 trading year and represent a commitment to information transparency, given that the elaboration of these declarations is voluntary.

Following the audit carried out by DaimlerChrysler Argentina, Befesa Argentina has been given the classification of «Environmental Excellence» for its environmental management. DaimlerChrysler awards these classifications to its suppliers to demonstrate that they appropriately maintain their operations and document management in accordance with the requirements and parameters of ISO standard 14001:2004.

- ◆ **Water.**- In the first half of 2007, important contracts have been obtained, of note among which are:

Aguas de Castilla-La Mancha, the public entity owned by the regional government of Castilla-La Mancha, has awarded Befesa two contracts to construct water treatment plants valued at more than € 25 million. The first project, the Mocejón plant, will have the capacity to treat waste from 100,000 inhabitants. Befesa will also construct another thirteen treatment plants in Albacete province, scheduled under the «Castilla-La Mancha Treatment and Sewerage Plan».

Befesa in joint venture with Ocide, have been awarded to construct the water treatment plant El Campello in Alicante, on the part of the Entidad Publica de Saneamiento de Aguas Residuales de la Comunidad Valenciana, the Valencian water authority which is responsible for operating the sewerage and water treatment facilities as well as managing the works on these facilities for the regional government of Valencia, the invest exceeds €12.7 million. The water treatment plant will handle waste water from the residential areas in the northern part of El Campello town.

The Ministry of Environment, through the Directorate General for Water, has awarded Befesa, in joint venture with the company Construcciones Sanchez Dominguez (Sando), the water supply enhancement project for

the city of Cáceres, from Portaje reservoir. The investment is more than €40.4 million and the aim of the project is to meet the supply needs of 150,000 inhabitants of Cáceres and 13 other municipalities in the province. The works comprise the construction of 3 pumping stations and more than 65 kilometers of mains with diameters between 1,000 and 1,200 millimeters, designed to transport a maximum flow of 1,500 meters per second.

Aigües Ter Llobregat, the public company of the Catalan regional government responsible for supplying drinking water to more than 100 towns and cities, including Barcelona, accounting for nearly four and a half million inhabitants, has awarded Befesa the contract to construct the Fonsanta pumping station and a section of the piping that will connect to the Trinitat distribution station. This project, which will be financed with EU cohesion funds and is included in the actions of Spain's national water plan, will require an investment of more than €20 million.

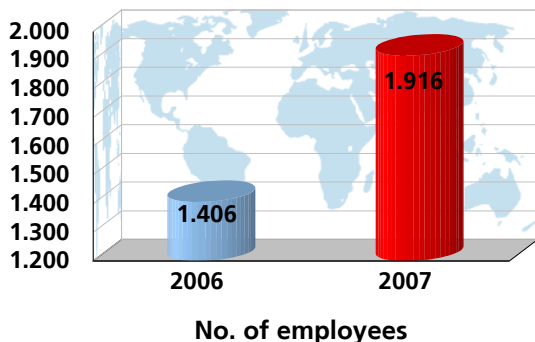
Befesa, together with its Indian partner IVRCL Infrastructures & Projects, have completed the financing arrangements, under the DBOOT («*Design, Build, Own, Operate and Transfer*») modality, for the design, construction and operation of Minjur seawater desalination plant to supply the city of Chennai in the State of Tamil Nadu (India). The capacity of the plant, for which the contract was awarded in August 2005, will be 100,000 m³/day and it is scheduled to commence water production during the third quarter of 2008. Befesa will be exclusively responsible for the turnkey construction of the plant and the operation thereof over twenty-five years. The investment for the development of Minjur plant is €91 million, of which 77 percent will be non-recourse financed to the shareholders of the consortium by a syndicate of local banks lead by Canara Bank. Estimates are for earnings of more than €600 million from the sale of water to the consortium from Minjur plant over its 25 operational years.

The Spanish Groups, Abengoa, ACS and Sacyr Vallehermoso, operating under the Geida consortium, signed the financing contract with Credit

Populaire d'Algerie (CPA) to develop the construction project for the third seawater desalination plant they are to build and operate in Algeria. The investment required to develop the Tlemcem Honaine plant, to be built in the vicinity of the city of Oran, in the western region of the North Africa country and very close to the border with Morocco, is \$230 million. It is the third finance project to be arranged in Algeria with a local bank. The construction works will be completed in the final quarter of 2009.

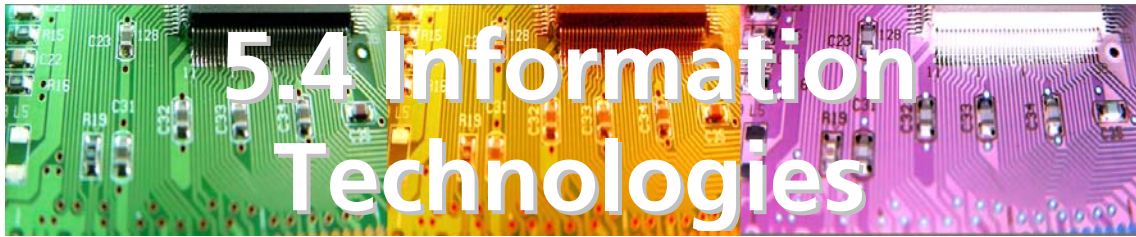
Back in 2005, the GEIDA consortium formed by the companies Befesa (from Abengoa), Cobra Tedagua (from ACS) and Sadyt (from Sacyr Vallehermoso), was awarded the construction and twenty-five year operation concession contract for the Tlemcem Honaine desalination plant that will, through the utilization of a reverse osmosis system, produce 200,000 cubic meters of drinking water a day and supply a population of 750,000.

Evolution of the Workforce



The average workforce of the Environmental Services Business Unit in the first six months of 2007 was 1,916, a 36.3% increase on the previous year figure.

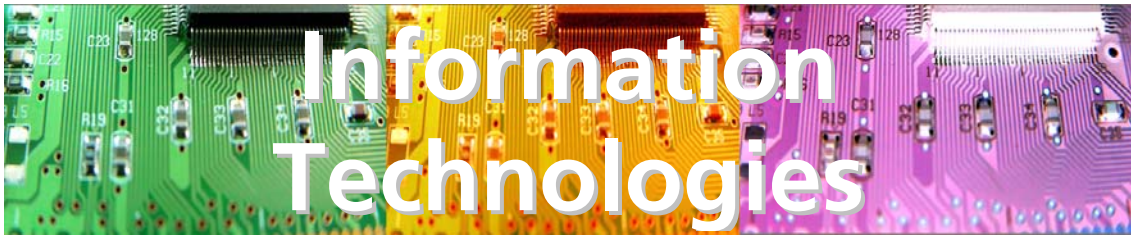
5.4 Information Technologies



Telvent, Abengoa's holding company in the Information Technologies business sector, works towards the attainment of sustainability and safety through high value-added products and integrated solutions in the Energy, Transport, Environment and Public Administration sectors, and in Global IT Services.



With Information Technology... we transform data into knowledge, providing effective operational and business real-time decision making for traffic, transport, energy and environment



The following information highlights the most important contract awards and project milestones categorized according to the selected industry sectors in which Telvent operates:

Energy

Oil & Gas

- ◆ Contract with Snam Rete Gas, in Italy, in a consortium with HP Italy, to upgrade their existing SCADA system to OASyS DNA. The system manages the transmission of approximately 96% of all Natural Gas in Italy. Given the size of the pipeline network, this will be a highly distributed implementation.

Contract value: 4.0 M €.

This award means that OASyS will be used to control virtually 100% of the Natural Gas transmission in the country, consolidating our market penetration in Mediterranean Europe. In addition, a natural gas energy corridor from Central Asia via Turkey, Greece and Italy into Western Europe is being created. Telvent's OASyS systems are installed and operating on the gas transmission pipelines in all three of these countries.

- ◆ Contract with Colonial Pipeline Company in the United States. Telvent completed Site Acceptance Testing for Gate 1 of 6 on the Colonial Pipeline OASyS DNA Upgrade Project. Based in Alpharetta, Ga., Colonial Pipeline delivers a daily average of 100 million gallons of gasoline, home heating oil, aviation fuel and other refined petroleum products to communities and businesses throughout the South and Eastern United States.

Contract value: 2.1 M €.

Colonial Pipeline is one of the largest carrier of refined oil products in North America, delivering more than 2M bbls from the Gulf Coast to the Eastern Seaboard daily. Due to this, they are a very high-profile player in the industry and closely watched by other oil pipeline companies. Hence, their decision to stay with Telvent and upgrade from OASyS 5.2.2 to DNA was a very important endorsement for the direction of our OASyS product.

- ◆ Contract with Abengoa Bioenergy France in Lacq, France, for the automatization of the loading process for their truck tanks and railroad. The project will involve interfacing an OASyS DNA system with the following systems and components: Baan System for accounting, Alma flow computers, Gesnet Systems for truck scales, documents for public finance.

Contract value: 0.2 M €.

This project represents another reference in Oil & Gas tank farm installations. It can help Telvent to win future projects for the implementation of loading facilities and tank farm systems in Europe, since most of our current references of this nature are in Mexico.

Electricity

- ◆ Contract with Red Eléctrica de España (REE) in Spain consisting of an order for the PIA project for the supply of equipment and integrated control systems for different substations of the electricity transmission network REE operates throughout Spain.

Contract value: 2.2 M €.

This contract reaffirms our leading position in the substation control system sector and consolidates our relationship with REE, a strategic client in the electricity sector.

- ◆ Contract with Electra Noroeste in Panama for the supply, installation, operation, support and testing of a distribution management system

consisting of SCADA/DMS/OMS modules for 100,000 residential meters. This contract is an extension of the initial contract, generically entitled Amrelva3.

Contract value: 2.1 M €.

This contract continues to strengthen our leading position in the electrical power distribution market in Latin America, while at the same time consolidating Telvent Electric Suite as a portfolio of open and modular solutions for the management of electricity sector processes.

- ◆ Contract with Elecnor, in Spain, to supply, install, support and test the Control System for the Abdalajis Tunnel on the Córdoba-Málaga High-Speed Railway Line. The system will be integrated into the line's remote control, which is also being done by Telvent.

Contract value: 0.5 M €.

This contract continues to strengthen our position as the leader in Remote Energy Control Systems on Spain's High-Speed Lines, while at the same time consolidating our relations with Adif, an entity under the Ministry of Development in charge of building and managing Spain's railway network.

Telecommunications

- ◆ Contract with Pemex Exploración y Producción in Mexico to supply intercom system services for emergency response and prevention on the equipment of the Drilling and Well Maintenance Department of the North Division (Poza Rica-Altamira, Veracruz, and Reynosa).

Contract value: 2.5 M €.

This contract is Telvent's second reference with Petróleos Mexicanos (PEMEX) in the managed services business.

- ◆ Contract with El Corte Inglés, in Spain, to supply and implement the supervision systems in five shopping centers. The project consists of the

design, supply, and implementation of a local control system to supervise the different subsystems in the technical area of the installation (energy, HVAC, water quality, industrial cooling, gas detection).

Contract value: 0.6 M €.

This contract confirms the business expectations with such an important client.

- ◆ Contract with El Corte Inglés, in Spain, to supply and implement Phase One of the National Shopping Center Supervision and Maintenance Center. The project consists of the design and deployment of phase one for a SCADA based on Telvent's OASyS DNA platform to supervise and monitor the technical area subsystems of all of the El Corte Inglés shopping centers.
Contract value: 0.4 M €.

An important contract that gives the OASyS platform an important reference in the area of infrastructure sustainability, security, and supervision.

- ◆ Contract with Metro de Caracas in Venezuela to supply the fiber-optic network for Line 2 of the metro in that city. Includes the engineering, equipment supply, and commissioning of the aforementioned communications network.
Contract value: 0.4 M €.

An important contract that, in addition to expanding our references in this type of installation, introduces us to a client that is significant for the future development of activities in Venezuela.

- ◆ Contract with Telvent Tráfico y Transporte in Spain to supply telecommunications equipment for different areas and technologies. Includes the supply and consulting services associated with the design of networks with this equipment.
Contract value: 0.4 M €.

- ◆ Contract with the Bursa Water and Sewerage Administration (BUSKI) in Turkey for the supply of the UHF radio communication network included in the control system for management of the water supply network contracted with Telvent Environment. It includes the engineering, supply of equipment and commissioning of said communication network.
Contract value: 0.2 M €.

These supplies and services allow us to give continuity to the strategic access networks solution based on UHF digital technology, as well as to strengthen our partnership with Trio, a radio equipment manufacturer.

Transport

- ◆ Contract with the Municipal Secretary of Transport of the City of Sao Paolo (Brazil) to revitalize the 3-CTA 3 traffic control center. The contract includes the supply of spares, the recovery of the traffic control center's field installations and 36-month maintenance service. This traffic center was supplied by Telvent 12 years ago and will now be upgraded and recovered to offer the citizens of Sao Paolo a high level of service in traffic management via a real-time system.
Contract value: 5.0 M €.

Once again, Telvent puts its technology at the service of Brazil's largest city by managing the dense traffic of this magnificent and dynamic city in which there are more than 5 million cars. This contract consolidates Telvent's presence in the urban traffic sector in Brazil

- ◆ Contract with CNCCC International Tendering Company for the city of Bayannaouer Public Security Bureau (China) for the supply, installation, start-up, testing, commissioning, operator training courses and one-year guarantee for the Itaca – Telvent's Real Time Adaptive Traffic Control System. The system will control 24 intersections integrating a more than 100-camera CCTV System, a number plate reading system with 60 measuring points, infrared photo at 90 locations and a GPS System for

monitoring and dispatching 90 on-board units. The systems will be integrated in a GIS platform. The installation will be supported by a call center. The aim of this project is to provide the city with the most advanced thoroughfare control systems that will enable lightening of the traffic congestion problem the city is suffering due to the fast and non-stop growth of its vehicle pool.

Contract value: 4.9 M €.

This contract confirms the increase in Telvent's share of the traffic market in China via the implementation of its Traffic Control Systems in the country's different provinces.

- ◆ Contract with the ports of Ensenada, Vallarta and Guaymas (APIs) in Mexico to supply maritime traffic control systems. The wide range of functionalities of the systems implemented by Telvent to date (5 systems actually installed in Mexico) is expanded with these 3 new port traffic management contracts. Among other functions, these systems will supervise, detect and coordinate port entries and departures via sensors and radars that will identify the sea-going vessels, both pleasure and merchant, while also detecting their velocity and direction. The port authorities will thereby be able to monitor and analyze possible risks of collision and running aground and, thus, anticipate and assist vessels in the port and its vicinity. These systems will also record all the information considered of value to the ports in relation to events, climatology, hydrology, position and movements of vessels, and will then distribute it to other users via the Internet/Intranet and generate the corresponding reports.

Contract value: 3.1 M €.

The strategic importance of this contract makes Telvent the leader in this activity in Mexico where there will now be 8 ports managed with Telvent solutions.

- ◆ Contract (extension) with New York State Department of Transportation to continue to provide operation services for the New York City Joint Traffic Operations Center up until the spring of 2008.
Contract value: 3.3 M €.

- ◆ Contract (extension) with the Tennessee Department of Transportation (United States) for the installation of our MIST® technology platform that is being utilized for state interurban traffic management. This extension includes system integration and configuration services.
Contract value: 1.4 M €.

- ◆ Contract with Madrid City Council (Spain) for the development of a tool to integrate traffic management of M30 Street in the City of Madrid. The contract includes the defining of the technical framework for the implementation of the tool, development and implementation of the integrated traffic management system for the urban road network affected by the tunnels of the new M30 Street and the integration, in said system, of microscopic simulation systems capable of operating in Real Time while coordinated with the existing information and regulation systems.
Contract value: 1.2 M €.

This contract puts Telvent at the technological forefront in on-line simulation systems for traffic management.

- ◆ Contract (extension) with Maryland University, under the program framework of which management services and administrative and technical support are provided for the "I-95 Corridor Coalition". The Coalition is formed by the different transportation agencies along the Eastern Coast of the US for the coordination of incident management, information for drivers, intermodal fleet and freight flows and electronic payment methods in the area extending from the State of Maine to that of Florida.
Contract value: 1.1 M €.

- ◆ Contract with BHTRANS, in Brazil, for the maintenance of the real-time traffic control system of the city of Belo-Horizonte. The contract comprises the provision of corrective and preventive maintenance services for the control system supplied 5 years ago by Telvent. It includes maintenance over 20 months of the traffic control center, 264 traffic-light regulators, 7 area centers, 25 CCTV cameras and 10 variable information panels.
Contract value: 1.2 M €.

With this project, Telvent consolidates its presence in Belo-Horizonte, capital of the Province of Minas Gerais and a city with a population of more than 2.4 million.

- ◆ Different contracts, in Spain, with Ogensa, L'Hospitalet 2000 and SIMA, InterParking Hispania, Cintra Aparcamientos, Acciona Infraestructuras, the Port Authority of Melilla, Siglo Foundation for the Arts in Castile and Leon, and the Ortiz Group, for the supply and installation of the «Web.Park» parking management and control system for different parking areas throughout Andalusia, Asturias, Catalonia, Castile and Leon, Valencia Autonomous Region, Galicia, Madrid, and Melilla.
Contract value: 1.1 M €.

These projects confirm Telvent as the leading provider of parking management and control solutions and are also proof of the great way in which our «Web.Park» parking management and control system via the Web has been accepted in the market.

- ◆ Contract with Metro de Madrid, In Spain, for the supply and installation of the automatic ticket vending system for Metro de Madrid's Goya and Plaza Eliptica stations. The contract comprises the supply and installation of 14 Automatic Ticket Vending Machines and 4 "credit only" Automatic Ticket Vending Machines.
Contract value: 1.0 M €.

The contract is proof of the renewal of Metro de Madrid's confidence in Telvent as a provider of global solutions for Ticketing Systems.

- ◆ Contract with the Highway Concessionaire, in Brazil, for the supply and roll-out of the new 16-lane toll plaza (of which 4 are automatic) and the upgrading of another 4 existing plazas with a total of 36 lanes. Telvent's SmartTOLL toll system will be implemented.

Contract value: 0.9 M €.

Telvent hereby adds another important reference to its vast experience in the road and toll sector in Brazil.

Environment

- ◆ Contract with Kahramaa, the Qatar water and electricity company, in Qatar, to provide the advisory service for its drinking water transportation and distribution network for four years. To be precise, the services and systems to be provided by Telvent aim at optimizing management of the existing distribution network. To this end, the company will sectorize and study Qatar's existing water network, supply equipment required for leak detection, model the network, and design, create and provide related training for leak detection throughout the four-year contract.

Contract value: 5.9 M €.

This contract strengthens our references in the water sector in the Middle East, one of our strategic markets, while we contribute, together with Kahramaa, to the attainment of a fundamental objective of Telvent: more efficient management of natural resources in pro of a sustainable world.

- ◆ Contract with the Australian Bureau of Meteorology, in Australia, for the project entitled "New generation of automatic meteorological stations network". The purpose of this project is to replace the 650 Automatic Meteorological Stations of Australia's national meteorological observation network, including 50 sea-level monitoring stations for the Australia

Tsunami Warning System. The project is based on Telvent's state-of-the-art Telmet 320 product. The flexibility and scalability of the system as regards modularity of input/output options, high processing power, low consumption, large variety of connectivity options, and possibilities of design customization make Telmet 320 the most suitable system for monitoring all meteorological applications.

Contract value: 3.3 M €.

The information generated by the new national synoptic and climatologic observation network will allow the BoM to enhance meteorological predictions in the territory, and measure and control the effects of climate change in Australia.

This contract is of great strategic importance as, in addition to it being a several year contract with a prestigious customer who is a technological reference for all Asia, we thereby contribute to measuring and controlling the effects of climate change.

- ◆ Contract with the National Institute of Meteorology (NIM), in Spain, for the supply and installation of Aeronautical Meteorology Equipment for San Javier Air Base (Murcia). The objective of the project is the implementation of a meteorological-aeronautical assistance system at San Javier Air Base for both existing and future runways, providing it with new functions that allow the generation of semi-automatic METAR, connection to the GPV of the Valencia Autonomous Region's Meteorology Center and remote presentations and filing of data.

Contract value: 0.6 M €.

The new equipment and the new meteorology data acquisition, processing, presentation and diffusion system to be installed in the Meteorology Office, Control Tower and other airport premises, incorporate the latest technology advances while complying with all the recommendations of the WWO and the ICAO, while providing pilots with decisive information for aircraft landing and takeoff procedures.

This contract further strengthens Telvent's leadership as a provider of meteorology solutions that help air navigation. The company has more than 150 Integrated Meteorological-Aeronautical Systems installed at airports and military bases worldwide.

- ◆ Contract with the CEDEX (Public Works Studies and Experimentation Center), in Spain, for upgrading and documentation works for the hydrological prevision models and operation of the reservoirs of the CEDEX's Hydrographic Studies Center. This is a 24-month contract for the upgrading of the hydrological models that are distributed to all the Hydrographic Confederations. The scope covers, basically, the assignment of personnel for upgrading and documentation works, assistance with their utilization, elaboration of manuals, etc.

Contract value: 0.2 M €.

This is our first time to provide this type of Technical Assistance which will provide us with the opportunity of collaborating with a highly prestigious body in the hydrological market (the CEDEX) and, thereby, gain indirect access to potential new customers.

Public Administration

- ◆ Contract with Red.es, in Spain, for the supply of personalization systems for electronic NID, that is to say, the equipment and software that allows laser recording of personal information of citizens on their National ID cards. The contract includes technical assistance for installation in the issuing centers and six years of maintenance services. The new electronic NID greatly increases security, as regards the physical identification of the holder as it is virtually impossible to falsify, and in the execution of telematic transactions as it incorporates digital certificates on a cryptographic chip that allow authentication of citizens and electronic signature.

Contract value: 20.8 M €.

The reference gained with this project allows us to move on to new international projects on which similar systems are implemented, and it also makes Telvent the only company with a reference for a deployment of these characteristics at world level. Also of note is the fact that these projects strengthen our position in the DGPGC and make us one of the major providers of systems for the Ministry of the Interior of the Kingdom of Spain

- ◆ Contract with the SESPAS, in the Dominican Republic, for the implementation of the Digital Health Strategy, a Single Data and Affiliation System in the healthcare sector. The scope of this contract covers only the implementation of the so-called Phase 1, that is to say, the Establishment of Healthcare Management Systems, the Establishment of the Electronic Clinical History System and the Implementation of the Electronic Prescription System in the Primary Assistance Healthcare Centers and in the Basic Specialties Hospitals of the Santa Domingo Healthcare Region (healthcare attention levels 1 and 2).

Contract value: 12.6 M €.

With this new project, Telvent consolidates a reference point in healthcare matters in the Dominican Republic while meeting the international standards of organized and scientific medicine and the comfort and medical care requirements of an ever more demanding population. It also strengthens its position in the Latin American market where it is now directing three projects of this type in this region

- ◆ Contract with the Directorate General of State Patrimony, in Spain, for the supply of electronic NID personalization systems, that is to say, the equipment and software that allow laser recording of the personal information of citizens on their National ID Card. It includes technical support for the installation of the systems in the issuing centers and six years of maintenance services.

Contract value: 6.7 M €.

This contract is Telvent's first major reference in the Security Documents Issuing System business.

- ◆ Services contract with the Department of Innovation, Science and Business of the Regional Government of Andalusia, in Spain, for the outsourcing of the Backup Center services for its most critical applications. The objective of the project is to provide the Andalusia Administration with a Centralized Backup Center where all its critical applications are available, with their updated data, so that, in the event of a contingency in any primary center, the impact on the users would be minimal. The end beneficiaries of the project are the Computerized Services of all the Departments of the Regional Government of Andalusia, as well as some of its Autonomous Bodies.

Contract value: 0.9 M €.

- ◆ Contract with the Health Service of Cantabria, in Spain, for the development and implementation of the corporate radiology information system (RIS) in all its centers. The Health Service of Cantabria is currently inviting tenders for different corporate projects focused on securing the Digital Health History of its citizens.

Contract value: 0.3 M €.

Following the awarding to Telvent of the Corporate System for organizing Patient Appointments with External Consultancies, this is the second time the Health Service of Cantabria has put its trust in our solutions and positions the Company as a technology partner of reference for undertaking ambitious projects that are at the defining stage.

Global Services

- ◆ Contract with the Spanish Institute for Foreign Trade (ICEX), in Spain, for management of its infrastructures.

Contract value: 5.9 M €.

This very important project represents the opportunity of collaborating in the development of the Spanish presence in international markets with the help of the ICEX while, at the same time, consolidating Telvent's capacity for implementation and adaptation of technology to the needs of the public sector.

- ◆ Contract with the Metropolitan Telecommunications Network of Seville (Hispalnet), in Spain, for secure access to the IP services of the Metropolitan Telecommunications Network of Seville.

Contract value: 2.2 M €.

This project represents the implementation of flexible, reliable and high-availability technology solutions that will allow the management of these high value-added services demanded by Hispalnet.

- ◆ Contract with BT Spain for the General Integration of Systems, in Spain, for the expansion of resources in Telvent.

Contract value: 1.1 M €.

Telvent thereby facilitates BT's expansion of resources to provide greater availability to its customers from Telvent's data centers.

- ◆ Contract with Telefónica, in Spain, to house its communications nodes.

Contract value: 0.3 M €.

This contract demonstrates the confidence one of the leading companies of the telecommunications sector, namely Telefónica, has in Telvent for housing its communication systems.

- ◆ Contract with Aon y Carvajal, in Spain, for the outsourcing of its information systems technology platform.

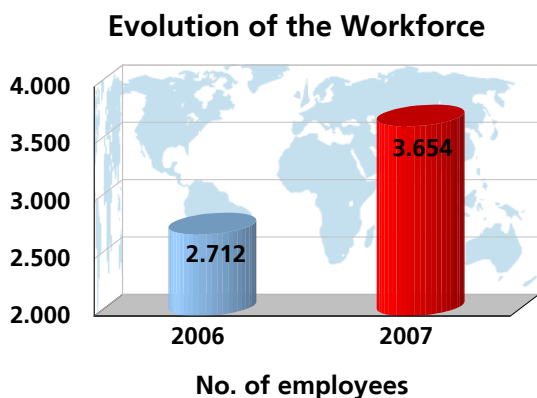
Contract value: 0.2 M €.

With this contract, Telvent extends its presence in the Insurance Coverage sector.

- ◆ Contract with Distribuidora Internacional de Alimentación, in Spain, to house its servers in three different Data Processing Centers (DPCs) forming a loop.

Contract value: 0.2 M €.

An important reference as the customer is a foodstuffs distribution company belonging to the Carrefour Group, the sector’s leader in Spain and one of the leaders at European level.



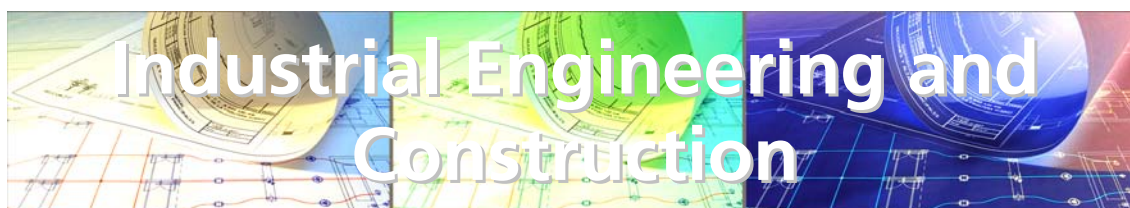
The average workforce of the Information Technologies Business Unit in the first half of 2007 was 3,654, a 34.7% increase on the previous year figure.

5.5 Industrial Engineering and Construction

Abeinsa is Abengoa's holding company for this Business Unit, whose activity focuses on engineering, construction and maintenance of electric, mechanical and instrumentation infrastructures for the energy, industry, transport and services sectors: Promotion, construction and operation of industrial and conventional (cogeneration and combined cycle) power plants, and renewable energy (bioethanol, biodiesel, biomass, wind, solar and geothermal) power plants. Turnkey telecommunication networks and projects.



With engineering... we construct and operate conventional and renewable energy power plants, power transmission systems and industrial infrastructures



The main novelties in the Industrial Engineering and Construction Business Unit in the first half 2007, as regards new projects, contracts, new plants, upgrading of internal processes that ensure quality of service, etc., were as follows:

- ◆ Abeinsa, throughout Zero Emissions Carbon Trust, has confirmed its participation by the signing of the adherence agreement in Tranche Two of the World Bank's BioCarbon Fund with US\$ 3 million. In this way, it becomes the first private company at a European level that will benefit from the acquisition of carbon credits.

With this operation, Abengoa rises as the only industrial and technological company at a European level to participate in this initiative, created to make easier, to different countries and companies, the observance of the aims marked by the Kyoto protocol. This will mean a sustainable development of those countries that receive investments throughout the conservation of ecosystems, meaning actions strongly attached to strategies of mitigation in the consequences of Climate Change.

These initiatives minimize the risk of Abengoa in the profitability of its investment, bound to discharge limitations as opposed to the price variations in the markets of carbon discharges.

- ◆ Zeroemissions Technologies continues to consolidate relationships with different institutions and companies in the sector while, at the same time, also strengthening the synergies that exist between the carbon markets and the rest of the activities developed by Abengoa.

Thus, it is now a member of the IETA (International Emissions Trading Association), the mission of which is to promote attainment of the objectives established in the United Nations Framework Convention on

Climate Change and, thereby, climate protection. As an IETA member, Zeroemissions will contribute their professional, business and know-how to the national and international dialogue that is developing the key elements of the greenhouse gas market.

Moreover, Zeroemissions has taken a 10 million euro stake in the Spanish Company Carbon Fund, FC2E, and has thereby become a member of its General Board of Investors and chairs its Advisory Committee.

With this new investment, Abengoa consolidates, through Zeroemissions, its commitment to solutions for the fight against Climate Change by investing in one of the mechanisms proposed by the United Nations in the Kyoto Protocol.

- ◆ Zeroemissions has taken part as a founder member to constitute the Spanish Association of CO₂, being elected to represent technological companies in their board of directors, (as well as taking part as Secretaryship).

Zeroemissions shares with the participants of this new forum, the support to the development and the establishment of CO₂ Capture and Storage technologies in Spain, as an option to greenhouse gas emission reductions.

This Association wants to «contribute to the improvement of energy efficiency and development of capture, transport, store and CO₂ usage technologies, and its implementation in the industry, so Spain can fulfill its obligations of emission reduction».

- ◆ On March 13, Telefónica de España's Purchasing Board authorized the award, to Abentel Telecomunicaciones, of the works to be executed under the Customer Loop Global Contract from May 1, 2007 to April 30, 2012. This new distribution of the works as a consequence of the percentage awarded of the new contract means continuity of the activity the company has been conducting under the previous contract that finalized on April 30.

- ◆ Abener Energía has signed a contract with the Moroccan public company ONE (Office Nationale de l'Electricité) to construct a 470 MW power plant in Ain-Ben-Mathar, close to the border with Algeria.

This contract will require a € 469.0 million investment and is the largest this subsidiary has ever been awarded.

The plant will comprise a 450 MW integrated combined cycle that will utilize natural gas as fuel, and a solar thermal power plant that will concentrate solar radiation at temperature to generate steam that will power a turbine to produce the other 20 MW.

- ◆ Abener Energía, S.A. has signed in Algeria the contract to construct the first solar-combined cycle Hybrid Plant in the world.

This plant will be composed by a solar field of parabolic cylinder technology of 20 MW and will provide complementary thermal energy to a combined cycle of 130 MW. The reflecting surface of the solar field will extend over 180.000 m². The novelty of this project will be the electrical use of the heat generated in the same steam turbine that exploits the residual heat of the gas turbine. This configuration is doubly effective. On the one hand, it minimizes the investment associated to the solar field thanks to the common elements with the combined cycle. On the other one, it reduces the discharges of CO₂ associated to a conventional plant.

- ◆ Abener Energia, S.A. has agreed with MECS, Inc. to the creation of a joint venture operating under the service mark of Abencs. The joint venture will be focused on executing engineering and construction of biofuels and other alternative energy plants. Abencs will be staffed with detailed engineering, procurement and construction teams transferred from the MECS organization in Saint Louis (USA) and Mumbai (India). Abener will hold a 51 percent share in Abencs.

The addition of Abencs to Abener reinforces Abener's capacity for engineering and construction of biofuel and thermo-solar plants and strengthens its presence in the USA, India and China. These are all strategic markets offering exciting growth opportunities.

- ◆ In the middle of February, Instalaciones Inabensa, S.A. was awarded the Security Installations of the Penitentiary Center of Albocàsser in Castellon, in a bid announced by SIEP, Sociedad Estatal Infraestructuras y Equipamientos Penitenciarios (State Society of Penitentiary Infrastructures and Equipments). The amount exceeds € 8 million.

Specifically for SIEP, Inabensa has been taken part in different works for the last years during the construction of the Penitentiary Centers of Pontevedra, Cordoba, Leon and Palencia.

- ◆ Instalaciones Inabensa, S.A. has been awarded the Security Installations of the Penitentiary Center of Moron de la Frontera in Seville, the last part of a lot made by four large «type centers» which construction started two years ago. The contract includes the execution of special and security installations of the whole penitentiary complex which is constituted by more than 25 buildings.
- ◆ At the beginning of March, Inabensa was awarded the contract for the Renovation and Adaptation to Regulation of the Central Plant of Installations for the Old Military Hospital Vigil de Quiñones of Seville in a tender called by the Servicio Andaluz de Salud (Andalusian Health Service) of the Andalusia Government. This is part of the actions planned for the complete remodeling of the hospital.

The amount exceeds € 8 million and the execution period is 15 months.

- ◆ Likewise, Inabensa has been awarded the contract to supply several equipments for the New International Exhibition Center of Beijing (China). The global work where it is focused this project is kept within the

important urban and building activities that are carrying out because of the celebration of the Olympic Games 2008 in this city.

This center is trying to become a world referent in congress and trade fair field. The construction surface in the first stage of this project will be 300,000 m² and it is predicted some extensions that will increase the surface until 1,000,000 m².

This contract, the final amount of which will be € 11.8 million, means for Instalaciones Inabensa S.A. an important landmark for its consolidation in the Chinese market after the recent opening of a subsidiary in this country.

- ◆ Inabensa establishes itself in China with a Subsidiary: Inabensa Tianjin. Inabensa's subsidiary has a 2,000 m² workshop in the TEDA (Tianjin Economic-Technological Development Area), where it will manufacture electric and electronic boards.

The objective is to make Inabensa a reference company in China with a stable presence to undertake not only the manufacturing of ancillary equipment, but also to expand its field of activity to activity areas in the transport and distribution, electric energy, railways and communication sectors, as it is already doing in the other geographical areas.

- ◆ Under a JV (Joint Venture), Instalaciones Inabensa's subsidiary Inabensa Maroc has been awarded the € 13.4 million deployment contract for 45% of the CDMA network (260 telecommunication sites) for the third and most recent operator.

Abengoa Chile

- ◆ Abengoa Chile has been awarded by Mining Company Doña Inés de Collahuasi, by an amount closer to US\$ 12.8 million, the contract to build and to put in service the necessary electrical facilities to feed the new water

wells in the north sector of the Coposa Salar, approximately 4.500 meters above sea level.

Abengoa Peru

- ◆ Abengoa Peru has signed the contract with Sedapal to execute the Elaboration of the Technical File and Execute the Works for the «Drinking Water and Wastewater System Expansion and Enhancement» project for Quabrada de Manchay, in the Pachacamac District, in Lima Province.

The execution period is 510 days; total contract value is US\$ 37.5 million; and it is the largest water treatment project currently in progress in Peru.

Abengoa México

- ◆ As a result of the public bid called by Pemex Exploración y Producción, Abengoa México, S.A. de C.V. has been selected as the winning bidder, awarding the project relative to the construction of the dehydration system lines of the Mayan crude for the oil transfer and his dehydration in electrostatic vessels of the Oil Terminal Dos Bocas; which execution term is of 300 days, with a total amount contract of € 5 million.

With this new contract Abengoa México reinforce his presence with this client and confirm the quality as a reliable supplier in accordance with the recently acknowledge granted by Pemex Exploración y Producción.

Comemsa

- ◆ Comemsa, subsidiary dedicated to the fabrication of metallic latticework structures for power transmission and distribution lines, has been awarded for the supply of 13,000 towers for a voltage of 230 kV, corresponding to the electric interconnection system for the Countries of Central America (Siepac).

- ◆ Likewise, Comemsa has signed a contract with the American company Southern California Edison (SCE), to supply electric towers for the «Rancho Vista» power transmission line.

Comemsa will supply four types of electric towers, two 250 kV towers and two more than 500 kV towers.

Teyma Abengoa

- ◆ Teyma Abengoa, Abengoa's subsidiary in Argentina, signed the contract construction of a 132 kV's line of High-Tension with the secretary Energy office of The Nation, pertaining to the Ministry of Federal Planning, Public Investment and Services the contract corresponding to the construction of the «Central Guemes – Salta Norte Line» located at Salta, Argentina.

Teyma Uruguay

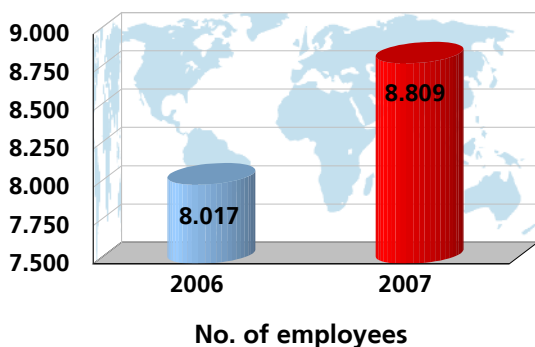
- ◆ Teyma Uruguay, has been commended with all the civil works for the biggest Treatment Plant in the country, belonging to the manufacturing plant of cellulose that the Finnish company Botnia is building in Uruguay.

The method used by the plant for the treatment of the waste waters, will be the biological treatment for activated sludge with an annual discharge on the average of 73.000 m³/d. In the first phase of the process the solids of great size are separate by means of grills. Then, the waters are clarified and equalized in big basins. As it advances, the temperature of the waters is reduced in refrigeration towers. After adding certain nutritious to the processed water, it is introduced in the biological reactor. Finally the liquids arrive to their last stage that is the secondary decanter.

Together with the works of civil work that the company is executing in the Drying Machine, Packing, and Storage and in the Chemical Plant sectors, they make Teyma the main contractor of civil works in the global project of the cellulose plant.

- ◆ Also of note in the civil construction line of activity in the first quarter was the inauguration of the Pasteur Institute in Montevideo, an international biomedicine research and researcher training center constructed by Teyma Uruguay.
- ◆ Likewise, Teyma Uruguay increases the capacity of the Potabilización and Pumping Plant that Supplies Montevideo City. The Water Potability Plant of Aguas Corrientes supplies to the city of Montevideo and its metropolitan area with a capacity of 600.000 m³/day assisting a population of 1.700.000 inhabitants.

Evolution of the Workforce



In the first half of 2007, the average workforce of the Industrial Engineering and Construction Business Unit in 2006 was 8,809, a 9.9% increase on the 2006 figure.

6. Relevant Events and other communications

6

Description of the events such as:

1. Relevant events reported to the CNMV
2. Stock Exchange Evolution

1. Relevant events reported to the CNMV

Details of the Relevant Events corresponding to the First Half of 2007

◆ **Written communication of 29.01.2007 (Ref. 76.063)**

Notification of the dismissing of penal proceedings, that had been brought against four directors and two executives of the Company.

◆ **Written communication of 27.02.2007 (Ref. 77.387)**

Remission of the Annual Report of Abengoa corresponding to the 2006 financial year. The Report includes, the consolidated Annual Accounts and the Corporate Government's Report.

◆ **Written communication of 27.02.2007**

Remission of the periodical public information, corresponding to the first Half-Year 2006.

◆ **Written communication of 12.03.2007**

Remission relative the New Market information.

◆ **Written communication of 12.03.2007 (Ref. 77.998)**

Remission of the notice of the 2006 Ordinary General Shareholders' Meeting, including Notice and Agenda and agreements proposal so as individual and consolidated Annual Accounts certified and Report of Auditors corresponding to the year 2006.

◆ **Written communication of 16.03.2007 (Ref. 78.186)**

Communication of the ruling of the Central Criminal Section of the National High Court to undervalue the appeal interposed by the Prosecutor's Office against the dismissing of penal proceedings (HR ref. 76.063) and confirming the dismissing of the penal case, considering the ruling firm and not appealable.

◆ **Written communication of 19.03.2007**

The Company requires to confirm the statement made by the President of the CNMV related to the dismissing of penal proceedings, that had been brought against four administrators and two executives of the Company.

◆ **Written communication of 16.04.2007**

Resolutions adopted by the General Ordinary Meeting of Shareholders held on 15 April 2007 following notification of March, 12.(approval of the annual Accounts, Board's management, distribution of the year results, designation of directors, appointment of auditors, modification of By Laws and authoritations to the Board of Directors).

◆ **Written communication of 15.05.2007**

Quarterly Financial Information regarding the first quarter of 2.007.

◆ **Written communication of 22.06.2007**

Previously Notification for the payment of the dividend of the financial year 2006.

◆ **Written communication of 26.06.2007 (Ref. 81.596)**

Notification of the incorporation of Mr. Miguel Martín Fernández to the Audit Committee, approved by the Board of Directors and proposed by the Appointments and Retribution Commission.

Details of the Relevant Events after the period considered

◆ **Written communication of 06.08.2007**

Notification of the acquisition of Dedini Agro in Brazil.

2. Evolution on the Stock Exchange

Share Performance

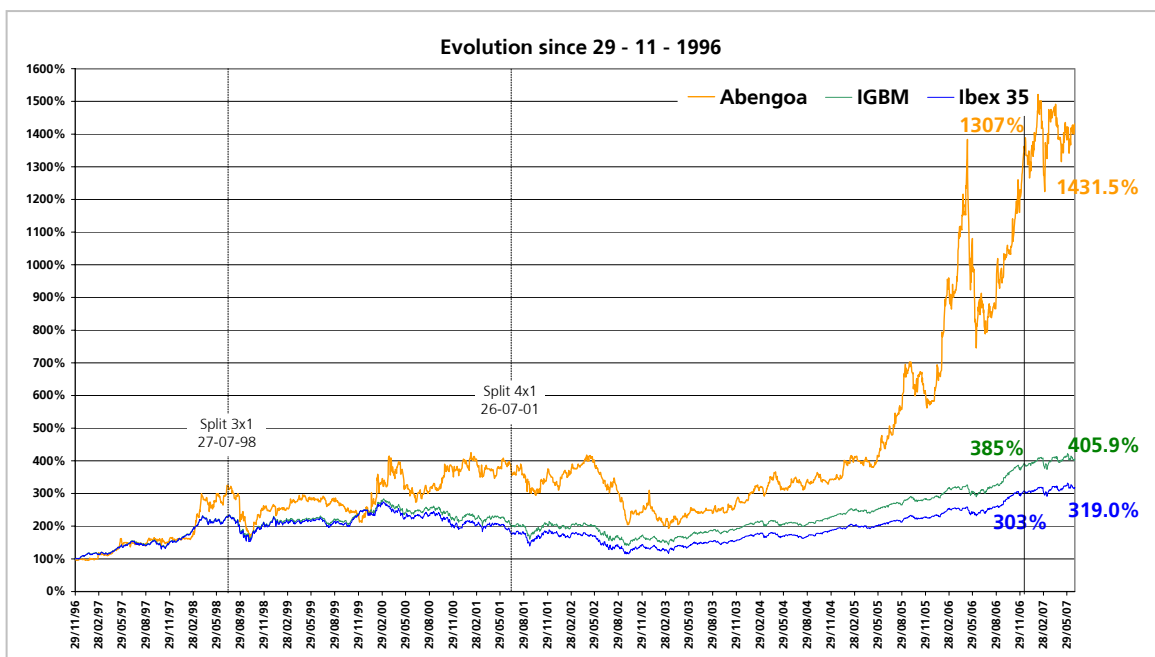
According to the data supplied to Abengoa by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Securities Recording, Clearing and Settlement Management Company) for the last Ordinary General Meeting held on April 15, 2007, Abengoa, S.A. had 10,192 shareholders.

As on June 30, 2007, the company believes the free float to be 43.96% if the shareholding of Inversión Corporativa I.C.S.A. and its subsidiary Finarpisa (56.04%) is deducted.

According to the figures supplied to the company by Sociedad Rectora de la Bolsa de Valores de Madrid (Governing Body of the Madrid Stock Exchange) 60,202,643 shares were traded in the first six months of 2007. The average volume of daily trading over this period was 477,798 shares. Minimum, maximum and average listed share prices in 2007 were 25.42 euro, 32.46 euro and 29.52 euro, respectively. The final listed price of Abengoa's shares in this period was 30.47 euro/share, which is a 9.6% increase on the closing price for the previous year (€ 27.81) and a 60.6% increase on the closing price on June 30, 2006 (€ 18.97).

Evolution since its Initial Public Offering in 1996

As a historical reference, since Abengoa’s Initial Public Offering on November 29, 1996, the company’s shares have revalorized 1,431.5% which is 15.3 times the initial price. During this same period, the Madrid Stock Exchange has revalorized 405.9% and the select IBEX 35 has gone up 319.0%.



◆ Disclaimer

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Please do not hesitate in contacting our Head of Investors Relations for any consultation you may wish to make.

Avda. Buhaira 2
41018 Sevilla (España)
Tf. 0034 954937111
E-mail: [jcyjimenez@abengoa.com](mailto:jcjimenez@abengoa.com)

ABENGOA

Juan Carlos Jiménez Lora
Investor Relations Director