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Security Reference GENERAL VERSION 3.2.2

HALF YEARLY INFORMATION CORRESPONDING TO:
HALF YEAR PERIOD: 1 YEAR: 2004

I. COMPANY IDENTIFICATION

Company Name: Abengoa, S.A.
Company Address: Avda. De la Buhaira, 2 - 41018 Seville
Tax ID Code (CIF): A-41002288

People responsible for this information who represent the company, their roles and identification of their powers or authorisations:

Mr Miguel Ángel Jiménez-Velasco Mazarío.
General Secretary.
Mr Manuel Aguilar García, power of attorney dated 10/02/1997, Registered notary of Seville under number 316.

Signed:

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(mark those included with an X)			
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II. VARIATION IN COMPANIES FORMING PART OF THE CONSOLIDATED GROUP (19)

Companies being incorporated into the consolidation:

Company name	Reason	Holding	Shareholding company
Agua y Gestión de Servicios Ambientales, S.A.	(1)	36,0%	Befesa Medio Ambiente (18,00%), Codesa (18,00%)
Aznalcóllar Solar, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Centro Tecnológico Palmas Altas, S.A.	(2)	100,0%	Abengoa, S.A. (99,99%), Abeinsa (0,01%)
Construcciones y Depuraciones, S.A.	(1)	100,0%	Befesa Construcción y Tecnología Ambiental, S.A.
Copero Solar Huerta Dos, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Copero Solar Huerta Tres, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Copero Solar Huerta Uno, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Copero Solar, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Gestión de Residuos del Cerrato, S.L.	(1)	100,0%	Befesa Gestión de Residuos Industriales, S.L.
ICX Sistemas, S.A.	(1)	100,0%	Telvent GIT, S.A.
Solar Processes, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Solnova Electricidad, S.A.	(2)	100,0%	Solúcar Energía, S.A.(99,99%), Inabensa, S.A. (0,01%)
Telvent Corporation, S.L.	(2)	100,0%	Abengoa, S.A. (99,99%), Siema (0,01%)
Telvent Investment, S.L.	(2)	100,0%	Telvent Corporation, S.L.

Companies being excluded from the consolidation :

Company name	Reason	Holding	Shareholding company
Ecomat Fabricación de Equipos, S.L.	(3)	100,0%	Ecomat, S.L.
NAP de la Américas - Madrid, S.A.	(3)	20,0%	Telvent GIT, S.A.
Sdem-Inabensa, S.A.	(4)	50,0%	Instalaciones Inabensa, S.A.
Teytel S.A.	(3)	100,0%	Teyma Abengoa, S.A.

Reasons

- (1) Acquisition of shareholding.
- (2) Constitution of company.
- (3) Disposal of shareholding.
- (4) Dissolution of company.

III. BASIS OF PRESENTATION AND VALUATION ASSUMPTIONS

(In the drafting of financial or accounting type data or information included in this periodically published data, the valuation rules and principles and accounting criteria specified under prevailing legislation for the drafting of financial or accounting information, must be applied to the drafting of the annual accounts and interim financial statements corresponding to the sector to which the company belongs. If exceptionally, the generally accepted accounting principles and criteria required under the corresponding prevailing legislation are not applied to data and information attached, this fact must be stated and sufficiently justified, explaining the impact that the non-application may have on the equity, financial status and the financial results of the company or its consolidated group. Furthermore, and with a similar scope to the previous point, any modifications that may have occurred to the accounting criteria used in the drafting of the attached information, in relation to the last audited annual accounts, as appropriate, must be stated and explained. If the same accounting principles, criteria and policies used in the last annual accounts have been applied and if they correspond to that specified under prevailing accounting legislation that applies to the company, it must be expressly stated).

<p>.The same accounting principles, criteria and policies used in the last annual accounts have been applied for the preparation of this information, and they correspond to that specified under prevailing accounting legislation that applies to the company.</p>
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IV. INDIVIDUAL COMPANY BALANCE SHEET

Units: Thousands of Euros

ASSETS

		CURRENT YEAR	PREVIOUS YEAR
A)	DUE FROM SHAREHOLDERS FOR UNCALLED CAPITAL	0200	0
		0	0
I.	Start up expenses	0210	661
			1.183
II.	Intangible assets	0220	1.039
			1.074
II.1.	Rights on leased assets	0221	0
			0
II.2.	Other intangible assets	0222	1.039
			1.074
III.	Tangible fixed assets	0230	15.475
			15.672
IV.	Long term financial investments	0240	327.763
			327.467
V.	Long term treasury stock	0250	
			0
VI.	Long term operating receivables	0255	
			0
B)	FIXED AND OTHER NON CURRENT ASSETS (1)	0260	344.938
			345.396
C)	DEFERRED CHARGES (2)	0280	4.537
			5.385
I.	Due from shareholders for capital called	0290	0
			0
II.	Stocks	0300	13.571
			0
III.	Accounts receivable	0310	53.525
			19.655
IV.	Short term financial investments	0320	512.883
			527.345
V.	Short term treasury stock	0330	0
			0
VI.	Cash	0340	52.410
			9.232
VII.	Accrual Accounts	0350	2.800
			3.309
D)	CURRENT ASSETS	0360	635.189
			559.541
	TOTAL ASSETS (A + B + C + D)	0370	984.664
			910.322

LIABILITIES

		CURRENT YEAR	PREVIOUS YEAR
I.	Capital stock	0500	22.617
			22.617
II.	Reserves	0510	226.302
			225.628
III.	Prior year's income (loss)	0520	0
			0
IV.	Profit for the year	0530	4.575
			7.480
V.	Interim dividend paid during the year	0550	0
			0
A)	SHAREHOLDERS' EQUITY	0560	253.494
			255.725
B)	DEFERRED REVENUES (3)	0590	0
			0
C)	PROVISIONS FOR CONTINGENCIES AND EXPENSES	0600	0
			0
I.	Debentures and other marketable securities	0610	0
			0
II.	Payable to credit entities	0615	500.000
			500.000

III. Payable to group and associated companies	0620	90	4.759
IV. Long term operating payables	0625	0	0
V. Other long term accounts payable	0630	129	280
D) LONG TERM DEBT	0640	500.219	505.039
I. Debentures and other marketable securities	0650	0	0
II. Payable to credit entities	0655	18.650	6.548
III. Payable to group and associated companies	0660	158.024	120.548
IV. Trade accounts payable	0665	30.594	2.806
V. Other short term accounts payable	0670	23.683	19.656
VI. Accrual accounts	0680	0	0
E) CURRENT LIABILITIES (4)	0690	230.951	149.558
F) PROVISIONS FOR SHORT TERM EXPENSES AND CONTINGENCIES	0695	0	0
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES (A + B + C + D + E + F)	0700	984.664	910.322

V. INDIVIDUAL COMPANY RESULTS

	CURRENT YEAR		PREVIOUS YEAR	
	Amount	%	Amount	%
Units: Thousands of Euros				
+ Net Revenue (5)	0800	0	0	
+ Other revenue (6)	0810	8.941	9.029	
+/- Variation in stocks, finished products and work in progress	0820	4.250	0	
= TOTAL PRODUCTION VALUE	0830	13.191	9.029	
- Net purchases	0840	-3.448	0	
+/- Variation in goods for resale, raw materials and other consumables.	0850	0	0	
- External and operating expenses (7)	0860	-5.133	-3.842	
= ADJUSTED VALUE ADDED	0870	4.610	5.187	
+/- Other expenses and revenue (8)	0880	0	0	
- Personnel expenses	0890	-2.248	-2.714	
= GROSS OPERATING PROFIT	0900	2.362	2.473	
- Period depreciation and amortisation	0910	-543	-565	
- Provision to the reversion reserves	0915	0	0	
+/- Variation in current asset provisions (9)	0920	0	0	
= NET OPERATING PROFIT	0930	1.819	1.908	
+ Revenues from financial investments	0940	20.103	23.423	
- Interest charges	0950	-12.276	-13.581	
+ Interest and capitalised exchange gains/losses	0960	0	0	
+/- Period depreciation and Financial investment provisions (10)	0970	-4.185	0	
= PROFIT FROM ORDINARY ACTIVITIES	1020	5.461	11.750	
+/- Loss on intangible assets, tangible fixed assets and control portfolio (11)	1021	1.577	-243	
+/- Variation in provisions for intangible assets, tangible fixed assets and control portfolio (12)	1023	0	0	
+/- Profit/loss on transactions with treasury stock and own debentures (13)	1025	0	0	
+/- Prior years' income (loss) (14)	1026	0	0	
-				

+/ Other extraordinary profit (15)

-

= PROFIT BEFORE TAXES

+/ Corporate income tax and other taxes

-

= PROFIT FOR THE YEAR

1030	0		0	
1040	7.038		11.507	
1042	-2.463		-4.027	
1044	4.575		7.480	

IV. CONSOLIDATED GROUP BALANCE SHEET

Units: Thousands of Euro

<i>ASSETS</i>		CURRENT YEAR	PREVIOUS YEAR
A) DUE FROM SHAREHOLDERS FOR UNCALLED CAPITAL	1200	0	0
I. Start up expenses	1210	11.590	16.329
II. Intangible assets	1220	77.035	71.875
II.1 Rights on leased assets	1221	32.306	29.998
II.2 Other intangible assets	1222	44.729	41.877
III. Tangible fixed assets	1230	737.381	638.273
IV. Long term financial investments	1240	140.448	138.013
V. Long term treasury stock of the controlling company	1250	0	0
VI. Long term operating receivables	1255	0	0
B) FIXED AND OTHER NON CURRENT ASSETS (1)	1260	966.454	864.490
C) CONSOLIDATED GOODWILL	1270	311.468	319.130
D) DEFERRED CHARGES (2)	1280	12.627	23.802
I. Due from shareholders for capital called	1290	0	0
II. Stocks	1300	233.191	222.026
III. Accounts receivable	1310	590.918	547.321
IV. Short term financial investments	1320	235.977	174.615
V. Short term treasury stock of the controlling company	1330	0	0
VI. Cash	1340	182.865	151.979
VII. Accrual Accounts	1350	8.604	10.099
E) CURRENT ASSETS	1360	1.251.555	1.106.040
TOTAL ASSETS (A + B + C + D + E)	1370	2.542.104	2.313.462
<i>LIABILITIES</i>		CURRENT YEAR	PREVIOUS YEAR
I. Capital stock	1500	22.617	22.617
II. Controlling company reserves	1510	226.303	225.628
III. Consolidated companies' reserves (16)	1520	125.185	88.188
IV. Translation differences (17)	1530	-50.795	-40.629
V. Profits attributable to controlling company	1540	21.845	21.653
VI. Interim dividend paid during the year	1550	0	0
A) SHAREHOLDERS' EQUITY	1560	345.155	317.457

B) EXTERNAL SHAREHOLDERS	1570	65.905	36.937
C) LOSS FROM CONSOLIDATION	1580	156	0
D) DEFERRED REVENUES (3)	1590	82.880	85.428
E) PROVISIONS FOR CONTINGENCIES AND EXPENSES	1600	48.990	27.509
I. Debentures and other marketable securities	1610	0	0
II. Payable to credit entities	1615	540.731	554.289
III. Long term operating payables	1625	0	0
IV. Other long term accounts payable	1630	272.189	222.221
F) LONG TERM DEBT	1640	812.920	776.510
I. Debentures and other marketable securities	1650	0	0
II. Payable to credit entities	1655	78.265	69.527
III. Trade accounts payable	1665	750.373	726.710
IV. Other short term accounts payable	1670	355.491	266.377
V. Accrual accounts	1680	1.969	7.007
G) CURRENT LIABILITIES (4)	1690	1.186.098	1.069.621
H) PROVISIONS FOR SHORT TERM EXPENSES AND CONTINGENCIES	1695	0	0
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES (A + B + C + D + E + F + G + H)	1700	2.542.104	2.313.462

	Current Year	Previous Year
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BREAKDOWN OF OTHER LONG-TERM LIABILITIES

Financing without Recourse Applied to Projects	166.943	152.676
Others Long-term Liabilities	105.246	69.545
	<u>272.189</u>	<u>222.221</u>

BREAKDOWN OF OTHER SHORT-TERM LIABILITIES

Financing without Recourse Applied to Projects	176.788	130.573
Others Short-term Liabilities	178.703	135.804
	<u>355.491</u>	<u>266.377</u>

BREAKDOWN OF INTANGIBLE FIXED ASSETS

Intangible Fixed Assets Project Finance	9.550	15.397
Other Intangible Fixed Assets	67.485	56.478
	<u>77.035</u>	<u>71.875</u>

BREAKDOWN OF TANGIBLE FIXED ASSETS

Tangible Fixed Assets Project Finance	443.821	323.877
Other Tangible Fixed Assets	293.560	314.396
	<u>737.381</u>	<u>638.273</u>

BREAKDOWN OF LONG-TERM INVESTMENTS

Financial Fixed Assets Project Finance	55.721	60.462
Other Financial Fixed Assets	84.727	77.551
	<u>140.448</u>	<u>138.013</u>

V. CONSOLIDATED GROUP RESULTS

	CURRENT YEAR		PREVIOUS YEAR		
	Amount	%	Amount	%	
Units: Thousands of Euros					
+ Net Revenue (5)	1800	800.608	100,00%	798.989	100,00%
+ Other revenue (6)	1810	24.971	3,12%	25.067	3,14%
+/- Variation in stocks, finished products and work in progress	1820	31.497	3,93%	11.263	1,41%
= TOTAL PRODUCTION VALUE	1830	857.076	107,05%	835.319	104,55%
- Net purchases	1840	-393.784	-49,19%	-393.620	-49,26%
+/- Variation in goods for resale, raw materials and other consumables.	1850	-2.701	-0,34%	-15.030	-1,88%
- External and operating expenses (7)	1860	-232.386	-29,03%	-218.154	-27,30%
= ADJUSTED VALUE ADDED	1870	228.205	28,50%	208.515	26,10%
+/- Other expenses and revenue (8)	1880	0	0,00%	0	0,00%
- Personnel expenses	1890	-137.122	-17,13%	-118.912	-14,88%
= GROSS OPERATING PROFIT	1900	91.083	11,38%	89.603	11,21%
- Period depreciation and amortisation	1910	-34.546	-4,31%	-35.854	-4,49%
- Provision to the reversion reserves	1915	0	0,00%	0	0,00%
+/- Variation in current asset provisions (9)	1920	-18	0,00%	-80	-0,01%
= NET OPERATING PROFIT	1930	56.519	7,06%	53.669	6,72%
+ Revenues from financial investments	1940	23.002	2,87%	27.273	3,41%
- Interest charges	1950	-32.290	-4,03%	-33.112	-4,14%
+ Interest and capitalised exchange gains/losses	1960	0	0,00%	0	0,00%
+/- Period depreciation and Financial investment provisions (10)	1970	-4.201	-0,52%	-7.586	-0,95%
+/- Translation gains/losses (18)	1980	0	0,00%	0	0,00%
+/- Profit from holdings in companies consolidated by equity method	1990	1.844	0,23%	1.229	0,15%
- Consolidated goodwill amortisation	2000	-9.453	-1,18%	-9.472	-1,19%
+ Reversal of consolidation losses	2010	0	0,00%	0	0,00%
= PROFIT ON ORDINARY ACTIVITIES	2020	35.421	4,42%	32.001	4,01%
+/- Loss on intangible assets, tangible fixed assets and control portfolio (11)	2021	241	0,03%	-345	-0,04%
+/- Variation in provisions for intangible assets, tangible fixed assets and control portfolio (12)	2023	-43	-0,01%	-259	-0,03%
+ Profit/loss on transactions with treasury stock and own debentures (13)	2025	0	0,00%	0	0,00%

+/ Prior years' income (loss) (14)	2026	0	0,00%	0	0,00%
-					
+/ Other extraordinary profit (15)	2030	-4.543	-0,57%	802	0,10%
-					
= CONSOLIDATED PROFIT BEFORE TAXES	2040	31.076	3,88%	32.199	4,03%
+/ Corporate income tax	2042	-7.765	-0,97%	-9.602	-1,20%
-					
= CONSOLIDATED PROFIT FOR THE YEAR	2044	23.311	2,91%	22.597	2,83%
+/ Loss attributable to external shareholders	2050	-1.466	-0,18%	-944	-0,12%
-					
= PROFIT FOR THE YEAR ATTRIBUTABLE TO THE CONTROLLING COMPANY	2060	21.845	2,73%	21.653	2,71%

VI. BREAKDOWN OF NET REVENUES BY ACTIVITY

ACTIVITY		INDIVIDUAL		CONSOLIDATED	
		Current yr.	Previous yr.	Current yr.	Previous yr.
Bioenergy	2100	0	0	153.200	159.198
Environmental services	2105	0	0	166.442	188.797
Information technology	2110	0	0	136.848	139.998
Engineering and construction	2115	0	0	344.118	310.996
	2120				
	2125				
	2130				
	2135				
	2140				
Started project pending certification (*)	2145				
Total Net Revenue	2150	0	0	800.608	798.989
Domestic market	2160	0	0	496.377	492.166
Exports: European Union	2170	0	0	32.024	29.681
OECD countries	2173	0	0	168.128	195.430
Other countries	2175	0	0	104.079	81.712

(*) To be completed only by construction companies

VII. AVERAGE NUMBER OF PERSONNEL EMPLOYED DURING THE PERIOD

		INDIVIDUAL		CONSOLIDATED	
		Current yr.	Previous yr.	Current yr.	Previous yr.
TOTAL PERSONNEL EMPLOYED	3000	39	39	8.770	8.714

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VIII. BUSINESS PERFORMANCE

(The information to be included within this section, in addition to complying with that specified in the instructions for the completion of this half-yearly information, must expressly detail the following aspects: variations in revenues and the costs attached to those revenues; breakdown and analysis of the principal transactions that have occurred in obtaining extraordinary results; comments on the most relevant investment and divestment transactions, explaining their effect on the company's working capital and in particular on the funding relating to it; sufficient explanation of the nature and effects of the parties that may have produced a significant variation in revenues or on the company's results, during the current six month period in relation to the corresponding figures reported for the previous six months).

Please find enclosed the document "Business Performance"

IX. DIVIDENDS DISTRIBUTED DURING THE PERIOD:

(All dividends effectively paid since the beginning of the economic year must be stated).

		% Nominal	Euros per share (x,xx)	Amount (thousands of Euros)
1. Ordinary shares	3100	56,0	0,14	12.665.755
2. Preference shares	3110	0,0	0,0	0
3. Non-voting shares	3120	0,0	0,0	0

Additional information on dividend distribution (payment details, supplementary dividends, etc.)

Annex on the following sheet (G-8b)

X. RELEVANT FACTS (*)			YES	NO
1.	Acquisitions or transfers of shareholdings in the capital of listed companies subject to reporting responsibilities specified under article 53 of the Securities Market Act (LMV) (5 for 100 and multiples thereof)	3200		X
2.	Treasury stock acquisitions subject to the reporting responsibilities under additional provision 1 of the Corporations Law (LSA) (1 for 100).	3210		X
3.	Other significant increases or decreases in fixed assets (shareholdings greater than 10% in non-listed companies, relevant significant investments or divestments, etc.).	3220		X
4.	Increases or decreases in the company's capital or of the nominal share value.	3230		X
5.	Loans issued, repaid or cancelled	3240		X
6.	Changes to the directors or the board of directors.	3250	X	
7.	Amendments to company by-laws.	3260	X	
8.	Restructurings, mergers or divisions.	3270		X
9.	Changes to the sector's institutional regulation with significant impact on the economic or financial situation of the company or group.	3280		X
10.	Lawsuits, litigation or disputes that may significantly impact the company or group's equity.	3290		X
11.	Insolvency situations, payment suspensions, etc.	3310		X
12.	Special agreements of restriction, suspension or cancellation, total or partial, of the economic or statutory rights of the company's shares.	3320		X
13.	Strategic agreements with national or international groups (exchange stock offers, etc.).	3330		X

14.	Other important facts.	3340	X	
(*)	For affirmative responses, mark the corresponding box with an "X", attaching an explanatory annex in which the dates on which the data was communicated to the CNMV and the SRBV are specified.			

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Additional information on the distribution of dividends (payment details, supplementary dividends, etc.)

The Shareholders General Meeting held on June 27, 2004, agreed the distribution of dividends corresponding year 2003 against results of the year, in an amount of 0,14 € per share (gross), payment made on July 6, 2004 by Bancoval, S.A.

XI. EXPLANATORY ANNEX - RELEVANT FACTS

A) Relevant facts included in the period

1. Relevant Events Reported to the CNMV

Details of the Relevant Events during the First Six Months of 2004

◆ **Written Communication of 06.02.2004, (number 47393).**

- The Company reported the appointment of Mr. José Luis Méndez López as a company director, through the cooptation procedure, in representation of Corporación Caixa Galicia, S.A.U. Likewise, it notified the fact that the Audit Committee is formed by Mr. José Luis Méndez López (in representation of the aforementioned) as Chairman, and by Mr. José Joaquín Abaurre Llorente and Mr. José B. Terceiro Lomba as members, and the Appointments and Remuneration Committee is formed by Mr. Ignacio de Polanco Moreno as Chairman, and by Mr. José Luis Aya Abaurre and Mr. José B. Terceiro Lomba as members, in accordance with the resolutions adopted by the Board of Directors on the 28th January 2004.

◆ **Written Communication of 09.02.2004 (number 47401).**

- The Company forwarded the Annual Corporate Governance Report for the 2003 financial year, approved by the Board of Directors on January 28th 2004.

◆ **Written Communication of 01.03.2004 (number 47941).**

- The Company forwarded the periodic public information for the Second Six Months of 2003.

◆ **Written Communication of 04.03.2004 (number 15972).**

- Presentation of the Company to Analistas 2004.

◆ **Written Communication of 16.03.2004 (number 16032).**

- The Company reported that the Regional Government of Andalusia had awarded Telvent the multiyear contract for the “Critical Services Back-up and Continuity Center” for the different Andalusian Public Administration Departments, under the Regional Government of Andalusia’s coordination strategy policy for data processing security. Telvent will use the state-of-the-

art technology center in Seville, which has been developed through a collaboration agreement with Xfera Móviles, S.A.

◆ **Written Communication of 04.27.2004 (number 8129).**

- Forwarding of the certified Annual Accounts, the Management Report and the Auditor's Report, individual and consolidated for the 2003 financial year.

◆ **Written Communication of 05.11.2004 (number 39.569)**

-The Company reported on Telvent Git, S.A. having initiated the application procedure for its listing on the North American stock exchange NASDAQ.

◆ **Written Communication of 05.07.2004 (number 49.595)**

-Notification of the appointment of Abengoa, S.A.'s Consolidation and Audit Manager.

◆ **Written Communication of 05.17.04 (number 16.368)**

-The Company forwarded the rectification article published by Cinco Días, in relation to the information it had published on 05.14.2004.

◆ **Written Communication of 06.08.2004 (number 50.462)**

-Notice of the calling of the Ordinary Shareholders' Meeting of Abengoa, S.A. and the resolutions to be submitted thereto.

◆ **Written Communication of 06.30.2004 (number 50.898)**

-Forwarding of the resolutions adopted by the General Shareholders' Meeting of Abengoa, S.A., held on 06.27.2004.

◆ **Written Communication of 06.30.2004 (number 16.570)**

-Details of the resolution passed regarding the distribution of the dividend for the 2003 financial year.

XII. Special Auditors Report.

(This section must only include the information relating to the first six months of the year following its completion and audit, and will apply to those issuing companies that, in accordance with that specified in section thirteen of the Ministerial Order of January 18, 1991, are obliged to present a special report of their accounts' auditors, when the audit report of the annual accounts of the year immediately preceding, would have rejected the report's opinion or would have contained an adverse opinion or an opinion with reservations. This will include and make reference to, the aforementioned special report of the accounts' auditors, attached as an annex to the half-yearly information, as well as a copy of the information or complaints stated or made by the Directors of the company relating to the updated situation of the auditor's reservations included in his audit report of the previous year's annual accounts and that, in accordance with the applicable technical audit regulations, would have served as a basis for the drafting of the aforementioned special report).

**INSTRUCTIONS FOR COMPLETING THE HALF-YEARLY REPORT
(GENERAL)**

- The numerical data requested, except as indicated to the contrary, must be expressed in thousands of Euros, without decimal places, tabulated and rounded.

- Negative values must be shown with a minus sign (-) before the corresponding number.

- The figure from the corresponding period from the previous year must be displayed next to each number expressed, except where indicated to the contrary

- The information to be included under the Business Performance section must allow investors to form an opinion, with knowledge of sufficient cause, about the activity carried out by the company and the results obtained during the period covered by the balance sheet, as well as the financial situation and other essential data relating to the general handling of company affairs.

- Definitions:

(1) The distinct captions that comprise Fixed Assets will be presented net of accumulated depreciation and provisions.

(2) Deferred Charges will comprise debt arrangement expenses (expenses from issuing and modifying fixed income securities and debt arrangement, among which expenses for registration, taxes, origination and other similar items are included), deferred interest expenses from marketable securities (the difference between the redemption amount and the issue price of fixed income securities and similar liabilities) and the deferred interest charges (difference between the redemption amount and the amount received in fixed income securities different to those represented). Companies from the electricity sector will also include under this caption, their own accrual accounts for their sector.

(3) Deferred Revenues will comprise capital subsidies, exchange gains, deferred interest revenues (interest compounded into the nominal for loans provided under normal operations, whose inclusion in the results must be carried out in future years) and other revenues to be recorded in other years.

(4) The part of long term debt that has a maturity of less than 12 months must be restated under the corresponding caption in Current Liabilities.

(5) Net Revenues will comprise amounts from the sale of products and services provided relating to the company's ordinary activities with discounts and other reductions on sales, as well as the VAT and other taxes directly related to the aforementioned Revenue figure, all deducted.

(6) Non-core operating revenue, work carried out by the company on fixed assets (except interest and capitalised exchange gains/losses) and operating subsidies (not including capital subsidies transferred to the period's profit/loss) are all included under the Other Revenue caption.

(7) The following are included under the Operating and External Expenses Caption:

* Work carried out by other companies, external services (leases, repairs, transport, insurance, energy, etc.) taxes (except tax on profits), and other management expenses.

* Provisions for contingencies and operating expenses (significant repairs, etc. excluding provisions for pensions and similar obligations that must be stated under Personnel Expenses).

(8) Other Expenses and Revenues will comprise the profits or losses which relate to non-managerial participants in transactions regulated by articles 239 and 243 of the Código de Comercio (Business code) and in other transactions of similar characteristics.

(9) Variation in the Working Capital Provisions will comprise those provisions carried out during the period, less overstatement and release of provisions destined to make corrections in values for reversible depreciation in stocks, clients and accounts receivable. Likewise it will include loan losses on client and accounts receivable companies.

(10) Provisions for Period Amortisation and Depreciation and Financial Investment will comprise the provisions made during the period, less overstatement and release of provisions destined to make corrections in values for reversible depreciation on transferable securities (except those that correspond to shareholdings in the capital of group or associated companies) and other marketable securities and on short and long term non-trade loans.

(11) Profits or Losses on Intangible Assets, Tangible Fixed Assets and Control Portfolio will comprise profits or losses from disposals of intangible assets or tangible fixed assets and long-term shareholdings in group, multigroup or associated companies, or for the total or partial reduction in stocks as a result of losses from irreversible depreciation in these assets.

(12) Variation in Provisions for Intangible Assets, Tangible Fixed Assets and Control Portfolio will comprise provisions carried out in the period, less overstatement and release of provisions destined to make corrections in values for reversible depreciation on intangible and tangible fixed assets as well as in long-term shareholdings in group or associated companies.

(13) Profits or losses on Transactions with Treasury Stock or Own Debentures will comprise profits or losses arising from the amortisation of debentures or from the disposal of shares and debentures issued by the company.

(14) Prior Years' Income (loss) will comprise the relevant profits or losses corresponding to previous years and that due to their relative importance may not be recorded due to their characteristics.

(15) Other Extraordinary Profits/losses will comprise:

* The amount of capital subsidies transferred to profit or loss for the period.

* Extraordinary revenues and expenses of significant amount, which are not considered recurrent on assessing the company's future results.

(16) Consolidated Companies Reserves will include both those corresponding to companies consolidated by full and proportional consolidation, as well as those corresponding to companies consolidated by the equity method.

(17) and (18) The captions of Translation Differences and Translation Gains/Losses (only used in consolidation) will include the translation gains/losses that arise from the conversion of balances in foreign currencies from consolidated companies (both for full and proportional consolidation and the equity method).

(19) Variation in Companies that comprise the Consolidated Group: This will exclusively include those companies that, in relation to the previous year's closed consolidated annual accounts, would have been actively included or excluded from the consolidation process.