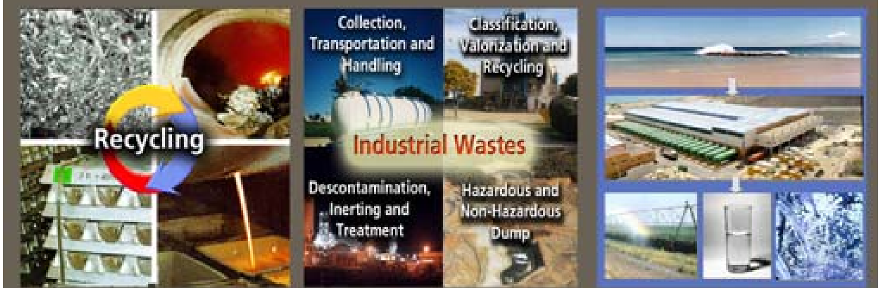
Annual Results 2005

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, providing effective operational and business real-time decision making for traffic, transport, energy and the environment

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

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1. General Description of the Activities

1

In November 2006, Abengoa will celebrate the tenth anniversary of its listing on the Madrid and Barcelona Stock Exchanges. Over this last decade, the growth of the company's results has shown considerable solidity. In this sense, the results have increased an compound annual growth rate (CAGR) of 30%, as a consequence of the new Bioenergy, Solar, Environmental Services, and Information Technology activities, and also of the internationalization of our traditional activities. Over this same period, the Sales abroad have increased at an CAGR of 20.4%.

The keys to this notable increase on results lie in, among others, a succession of well-conceived strategic decisions coherent with the Strategic Plan, among which the following are of note:

2000

- A 300 M € investment to acquire Befesa through a takeover bid.

- 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 M € investment.

2001

- Sale of the wind power activity for 109 M €.

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 M € takeover bid.

- Start-up of the second Bioethanol facility in Spain (Bioetanol Galicia), with a 126 M liters/year production capacity (currently 176 M liters/year), which required a 92.1 M € investment.

- Awarding 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 35.4 M $US, from 2003 to 2006.

2003

- Acquisition of 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.

- 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.

2004

- Commencement of the effective listing of Telvent GIT on the American NASDAQ technological market, which facilitates the continuity of the expansion strategy for the Information Technology activity, while also increasing its potential through the development of R&D&I activities.

- Commencement of the construction of the largest thermoelectric solar energy power plant to use tower and heliostat field technology for an 11 MW output, and the construction of a 1.2 MW two-fold concentration photovoltaic power plant.

- Acquisition of 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.

2005

- Abengoa Bioenergía, through AB Bioenergy France, received authorization from the French Government to produce 40,000 tons per year of bioethanol at a plant to be constructed in the southwest of France. This project will be Europe's first corn-based bioethanol production facility. The end capacity of the project will depend on the Government's resolution in relation to the second round of authorizations, the public tendering for which is scheduled for sometime in the first half-year of 2006.

- Commencement of the construction of the fourth bioethanol facility in Nebraska (US) which will produce 330 million liters per year. To finance the project, a 90 million dollar credit has been obtained in the US financial market, in which sixteen institutional investors are participating.

The facility will be that with the highest capacity in Nebraska and one of the largest in the US.

- Acquisition of the Perth based Australian company Almos Systems, a leading provider of meteorological solutions. With the integration of Almos Systems (now Telvent Australia), access is gained to a full range of leading-edge meteorological systems and high value-add solutions. In addition, the Australian location will be strategic for the development of new business opportunities in the Asia-Pacific region, on of the world's fastest growing areas.

- 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 M €.

- Strategic agreement with GE Energy Financial Services for the sale of an 80% interest in a packet of three transmission lines in Chile, with Abengoa retaining the remaining 20% interest.

Strategic Orientation

As can be appreciated, Abengoa's strategic development has been based on the generation of options for the future by penetrating in new markets and introducing new products in its existing markets. Therefore, the growth strategy is based on the introduction of new activities in the six Operational Fields (Energy, Environment, Transport, Services, Industry and Telecommunications) in which Abengoa operates and where its five Business Units (Industrial Engineering and Construction, Information Technology, Environmental Services, Solar, and Bioenergy) complement one another.

The result of said strategy is that Abengoa now offers a combination of activities that represent a greater diversification in markets and customer portfolio, and which strengthens its capacities as regards what was its original business, engineering.

Evolution 1995 - 2005

	Engineering Company		**Diversified Group with 5 different businesses**	
	1995		2005	
Business	Sales %	EBITDA %	Sales %	EBITDA %
- Solar	-	-	-	-
- Bioenergy	-	-	19	20
- Environmental Services	6	1	20	19
- Information Technology	23	31	18	15
- Industrial Engineering and Construction	71	68	43	46
Geography	%		%	%
USA and Canada	-		13.4	5.0
Latin America	23.7		24.3	29.0
Europe (excluding Spain)	2.9		6.0	6.0
Africa	0.9		2.3	1.0
Asia	2.3		2.3	2.9
Oceania	-		0.2	0.1
Total Abroad	29.8		48.5	44.0
Total Spain	70.2		51.5	56.0
Consolidated Total	100.0		100.0	100.0

The Value of Human Capital

However, a well-conceived strategy is not sufficient to ensure success. One must possess human capital, the persons required to successfully conduct all the strategic planning. That need extends to all members of the company's Workforce, but is especially necessary in those responsible for the design, implementation or adaptation of the company's strategy to the changing circumstances of the business context.

Only when there is capable management staff, trained and experienced in their respective specialties that are motivated and feel bonded to the Company and its future, can the Company feel confident about attaining its business goals.

Fortunately, it can be said that Abengoa now has a management team of these characteristics. It is a management team trained by persons with enormous professional capacity, with in-house experience, and within the same, in the fields of activity or the Operational Sectors in which they work.

If the strengthening of the links between the company and its principal managers has always been of importance, it can now be classified as essential.

Over the next ten years the company must take on ambitious challenges:

- **Development of an Innovation strategy**, focused on results that enables diversification to be increased by creating new products and services and developing new markets, increasing differentiation by improving and adapting existing products and enhancing processes

Main Projects	2004 M €	2004 % / Sales	2005 M €	2005 % / Sales	2006 (F) M €	2006 (F) % / Sales
Enhancement ethanol efficiency (residual starch)	1.0		1.1		1.9	
Biomass convertion to ethanol	3.8		13.5		25.6	
Hydrogen Technology. Fuel Cells	0.6		2.7		3.6	
Enhancement aluminum efficiency	0.6		0.2		0.1	
Vitrification	0.8		0.0		4.0	
Environmental Technology Center	0.0		0.0		0.5	
Desalination	0.0		0.0		1.1	
Electricity, environmental, oil and gas control centers	6.4		6.8		7.1	
Road and rail traffic, and ticketing systems	3.7		3.6		4.0	
Public Administration support systems	1.5		2.1		2.2	
Geographic Information Systems (GIS)	0.0		2.2		2.3	
Solar Energy	0.6		31.7		17.6	
Other Projects	4.3		2.0		4.5	
Total Inversión I+D+i	23.3	1.3%	65.9	3.3%	74.5	3.1%

- **Increment the Investment strategy**, especially in the areas related with Bioenergy (new ethanol facilities in Europe and the United States), solar (with an ambitious construction plan for solar power plants until a global installed output of more than 302 MW is achieved), Desalination (where, in 2005, we have been awarded three desalination plant contracts in Algeria and one in India), High-Voltage Line Concessions (in Latin America and Asia) as well as future Public Building concession contracts both in Spain and abroad, and also in other more mature sectors such as Environmental Services and Information Technology, through the acquisition of other companies in the sectors.

- **Strengthen geographic diversification** by developing the markets where, in principle, the greatest possibilities for expansion exist and in which Abengoa already operates, which are basically the United States, Canada, China, India, Brazil and Europe.

Activity Abroad	2005		2004		1995		CAGR (95-05)
Exportation and Local Company Sales	M €	%	M €	%	M €	%	%
- USA and Canada	270.3	13.4	228.2	13.1	0.0	0.0	-
- Latin America	492.3	24.3	299.1	17.1	121.8	23.7	15.0
- Europe (excluding Spain)	122.2	6.0	123.5	7.1	14.7	2.9	23.6
- Africa	46.3	2.3	33.2	1.9	4.9	0.9	25.3
- Asia	47.3	2.3	27.7	1.6	11.9	2.3	14.8
- Oceania	3.4	0.2	0.3	0.0	0.0	0.0	-
Total Abroad	981.8	48.5	712.0	40.8	153.3	29.8	20.4
Total Spain	1,041.7	51.5	1,034.1	59.2	360.9	70.2	11.2
Consolidated Total	2,023.5	100.0	1,746.1	100.0	514.2	100.0	14.7

With the Company's resources and maximum commitment of its management staff, Abengoa will grow in size, get stronger and, above all, become more profitable.

Current Configuration and Nature of its Business

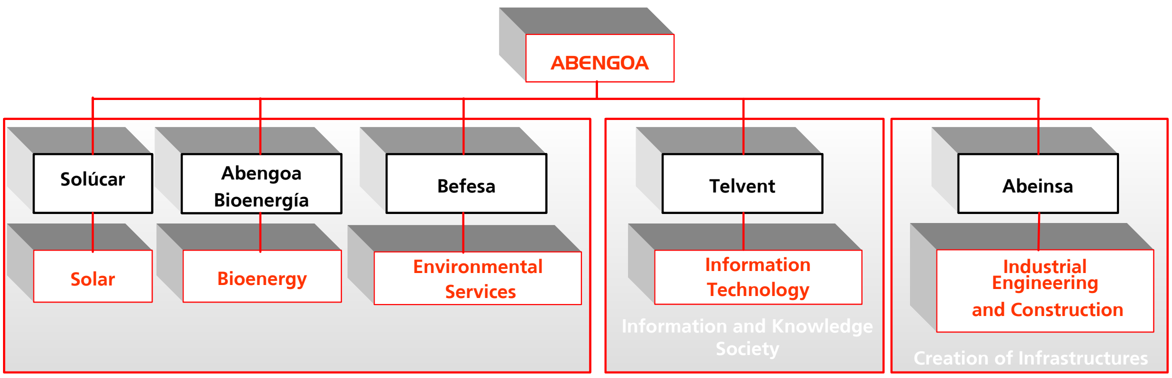
There are two types of products in Abengoa:

- **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.



It provides solutions for

- **Sustainable development:**

✓ Abengoa produces 687 million liters of ecologic gasoline per year which avoids the emission of 1,459,078 tons of CO_2 to the atmosphere, which is equivalent to the annual emissions from a fleet of 600,000 vehicles.

✓ Abengoa produces 2,068.497 MW/h per year of electricity from cogeneration, which means the avoid of the emission of 910,097 tons of CO_2 were this energy to be produced by conventional carbon thermoelectric power plants.

✓ Abengoa has a production plan for 302 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 CO_2 per year.

✓ Abengoa treats more than 1,653,000 tons of industrial wastes, dedicating them to the production of new materials through the recycling of more than 708,000 tons.

✓ Abengoa has increased desalination capacity to 900,000 m^3/day, which will enable supply for a population of 4.5 million.

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

✓ Manage more than half the movements of hydrocarbons in pipelines in North and Latin America.

✓ Transport and distribute more than 140,000 GW/h 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.

- ✓ Provide landing and take-off security and efficiency for more than 100 million passengers a year at more than 100 airports.

- ✓ Manage water distribution for a population of more than 25 million throughout Europe, North America, Latin America and the Middle East.

- ✓ 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.

- **Infrastructure Creation:**

- ✓ 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 4,072 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 2005, Abengoa has installed almost 110,000 new ADSL lines that allow more than 500,000 people to have broadband access to new value-add services.

2. Main Novelties by Business Unit

2

2.1 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 significant milestones as regards contracts signed or projects developed in the sectors in which the Bioenergy Business Unit operates were as follows:

- Abengoa Bioenergy has closed the financing for the construction of a 330 million liter per year capacity bioethanol plant in Ravenna (Nebraska). Abengoa Bioenergy has obtained 90 million dollar financing on the competitive institutional loan market of the United States, known as the B-Loan Market, where seventeen institutional investors have participated in the syndication that was closed last October 28. The construction of the facility has already commenced and is expected to be concluded early in 2007. When this plant is operational, it will be the largest capacity facility of Nebraska and one of the largest in the United States. The Plant will process around 800,000 tons of corn per year and will provide employment for more than 50 people.

- CEPSA and Abengoa Bioenergía have reached an agreement 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 facility is 42 M € and 40 direct jobs will be created.

  The manufacturing process will utilize crude vegetable oils and the biodiesel produced will be 5% blended with automotive gas oil. The annual biodiesel production will be 200,000 tons which will be utilized integrally by CEPSA.

The construction of this facility responds to CEPSA's interest in complying with the recommendations in relation to the incorporation of vegetable origin biofuels that have been issued by both the European Union and the Spanish Administration.

- So far in 2005, Abengoa Bioenergía has been contracted to export a total of 85 million liters of bioethanol to the EU destined for the main oil and chemical industry companies in Europe for ETBE production purposes. This is more than twice last year's figure.

  With these new supply contracts, Abengoa Bioenergía is expanding its activity in Europe while also increasing and diversifying its customer network. It is thus consolidating its presence in the key existing markets and is also proving its capacity to develop and promote the use of bioethanol in new markets.

  In this way, Abengoa Bioenergía is contributing to the attainment of the EU's objectives of pursuing a renewable and sustainable alternative for transportation fuels and to reducing greenhouse effect emissions.

- In May 2005, Abengoa Bioenergía, through AB Bioenergy France, was authorized by the French government to produce 40,000 tons of bioethanol per year at the facility that will be constructed in the southwest region of France. This project will be Europe's first corn-based bioethanol production facility. Last December, AB Bioenergy France presented a new dossier to obtain a new authorization for the production of additional bioethanol at said facility.

- The first biomass to ethanol demonstration production facility is currently being constructed by Abengoa Bioenergía. The construction of the biomass plant commenced in August 2005. It is scheduled to be brought into operation in 2007 and will begin to process 70 tons a day of agricultural wastes, such as wheat straw, to produce more than 5 million liters per year of ethanol fuel. This commercial demonstration of the biomass to ethanol technology is an important milestone for the growth of Abengoa

Bioenergía in the production of ethanol from renewable sources. The end objective is the development of gasoline-competitive production technologies.

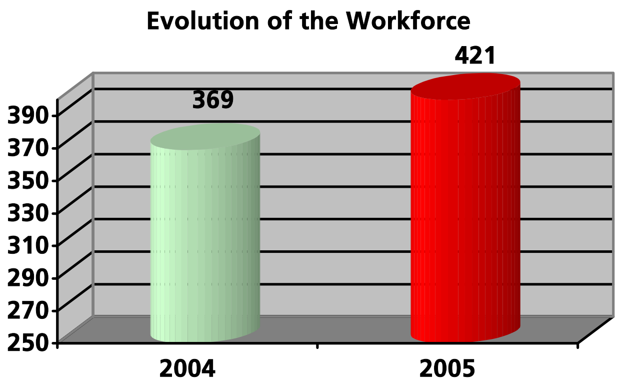
- Abengoa Bioenergy, as part of its research and development strategy, which has positioned it as a leader in technological development among biofuel producers, has presented the I+DEA (Ethanol Research and Development for Automotion) project as part of the Cenit program promoted by the CDTI.

Three clear objectives are being pursued by the project:
1. To develop energy crops for bioethanol production.
2. To develop gasification and catalytic synthesis technology for the production of bioethanol from lignocellulosic biomass.
3. To develop the bioethanol market by introducing bioethanol-diesel and bioethanol-biodiesel-gas oil blends (E-Diesel).

Numerous front-line partners in each of its fields are participating in the project which has a budget of more than 28.2 M € and is headed by Abengoa Bioenergía:

1. Energy Crops: Syngenta, Oryzon, Asaja, Andalusia Energy Agency.
2. Gasification technology: Andalusia Energy Agency, Solutex.
3. E-Diesel: Cepsa, Tussam, Auvasa, Ciudad Real Local Authority.

With this project, Abengoa Bioenergía will advance in the development of the most advanced ethanol production technology, will increase the availability and variety of the raw material for its production and will possess a wider market in which to sell its biofuels.



No. of employees

The average Bioenergy workforce in 2005 was 421 employees.

2.2 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

Environmental Services

The most significant milestones as regards contracts signed or projects developed in the sectors in which the Environmental Services business unit operates in 2005, were as follows:

- **Aluminum Waste Recycling**. - During this year 318,000 tons of aluminum-content wastes were treated. This is an increase of 9.3% on the same period the previous year, and the fact that all the plants have operated satisfactorily is especially noteworthy.

  We would mention that our subsidiary Befesa Salt Slags, based in Whitchurch (Great Britain), has been awarded the quality certificate according to the standard UNE-FN ISO 9001 by the company National Quality Assurance Ltd (NQA).

  In addition, the Aluminum and Salts Recycling Unit of the subsidiary Befesa Alumino Bilbao has been awarded the EMAS European Environment Certificate.

- **Zinc Waste Recycling**. - On July 19, 2005, Befesa Zinc Aser signed Syndicated Equipment Leasing Contracts for 16.3 M € to finance the purchase of a Waelz Furnace that will replace the existing one, which will increase the production capacity by about 50,000 tons (an additional 50%).

  This operation is part of Befesa Zinc Aser's environmental strategy and is a result of the Voluntary Agreements signed by the Basque Government's Land and Environment Development Department and the companies involved in the Ferrous Smelting, Non-Ferrous Smelting and Non-Ferrous Metallurgy sector.

The overall figure for these investments, over a four-year period, has already exceeded 25 M €.

Furthermore, Befesa Zinc Aser, S.A. has signed framework contracts with almost all the steel mills in the Basque Country and its area of influence to provide its steel powder treatment and valorization service. This ensures that Befesa will receive the tonnage required for its Asua-Erandio facilities.

The duration of the signed contracts extends to December 31, 2016, representing an overall sum in excess of 90 M €.

A total of 226,304 tons of wastes have been treated during 2005.

- **Industrial Waste and Cleaning Management**. - During this year, 652,296 tons of industrial wastes have been treated as against 586,082 tons the previous year. That is to say, a 11.3% increase.

  In this period, we would mention the commencement of integral environmental services management contracts with some important customers such as Atlantic Cooper, ENCE, Tioxide, Acerinox, UBE Chemical and Repsol Petróleo.

  On September 1, 2005, a Framework Contract was signed with the Cepsa Group for the integral management of the wastes in the Cepsa Group centers. It is a five-year contract and billing is estimated at approximately 21 M €.

  The contracted services include internal management (consisting of the collection, provisional storage management, preparation for external management and the internal treatment of biological sludge, oily matter, hydrocarbons and slop oils from the F/Q treatment process of the TAR plant in a centrifugation plant), and the transportation, management and external treatment of the hazardous and non-hazardous wastes.

In addition, Befesa has been awarded the contract for the removal and treatment of PCB-contaminated transformers belonging to the Regional Government of Madrid.

On November 7, 2005, an agreement has been signed between Egmasa and Befesa by which the latter has purchased the 50% shareholding Egmasa held in Albega. Simultaneously to the Agreement signing, the assets and elements that comprise the Industrial Wastes Treatment Environmental Platform (Palos de la Frontera, Huelva) that were property of Egmasa were integrated in Albega. Befesa continues with its commitment to improve and modernize the facilities of the Industrial Wastes Disposal and Valorization plant managed by Egmasa. A clear example of this is the modification made to the organic treatment plant to manufacture a new material the end use of which will be as secondary fuel.

- **Environmental Engineering**.- During 2005 the seawater desalination plants at Carboneras (Almeria) and Cartagena (Murcia), with a respective capacity of 120,000 m3/day and 65,000 m3/day, and the 165,000 m3/day capacity brine desalination plant at Atabal for water supply to Malaga city have been brought into operation. The 3 plants were constructed by Befesa.

  In addition, the 7,196 m Alguerri-Balaguer (Lerida) canal, with a transport capacity of 4.5 cubic meters per second to irrigate 7,895 hectares, has been brought into operation.

  On July 31, 2005, Befesa signed, in Algiers, the financing contract with Banque Nationalle d'Algérie (BNA) to develop the Skikda desalination plant construction project. The investment is 110 million dollars and it is the first "Project Finance" modality contract to be executed in Algeria with a local bank. Subsequently, on September 10, the financing contract to develop the Beni Saf desalination plant project was signed in Algiers with Banque Extérieur d'Algérie (BEA). The investment for this project is 160 million dollars and it is also of the "Project Finance" modality.

The company has been awarded some contracts for important works over this period, among which the following are of note:

On August 4, 2005, Befesa CTA was awarded the contract for the construction and 25-year operation of a reverse osmosis seawater desalination plant in Mitjur (Chennai-India). The plant's capacity will be 100,000 m³ per day. The 80-million euro turnkey construction project will be the exclusive responsibility of Befesa. Billing for the 25-year plant maintenance and operation period is estimated at 150 million euro.

The Geida consortium formed by the Spanish groups Abengoa, ACS y Sacyr Vallehermoso, has been awarded the design, construction, financing and 25-year operation project for the Tlemcem-Hounaine seawater desalination plant, in Algeria. The Temclem-Hounaine plant, to be constructed in the proximities of the city of Oran, to the west of the North Africa country, close to the border with Morocco, requires a 180 million dollar investment. The plant's treatment capacity will be 150,000 cubic meters of desalinated seawater per day. The construction works will be completed in the first half of 2008.

The Marismas del Guadalquivir User Community awarded Befesa the 60 million euro contract for the modernization works of its irrigation area in the province of Seville. The modernization will affect 12,836 hectares of irrigation area.

Through the public enterprise Giasa, the Regional Government of Andalusia has awarded Befesa two contracts to construct wastewater purification and treatment works in the province of Cordoba. The overall value of the contracts exceeds 14 M €.

The Ministry of the Environment has awarded Befesa, together with Telvent, the 4.9 million euro contract for the operation and maintenance services of the river Guadalquivir's automatic hydrological information network.

Emasesa, the Seville Municipal Water Supply and Treatment Company, has awarded Befesa Construcción y Tecnología Ambiental the automation, telecommand and telecontrol enhancement and modernization works contract for the La Minilla Hydroelectric Power Plant in the Province of Seville.

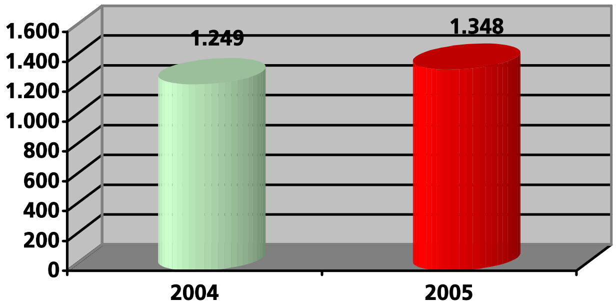
Befesa has been awarded the 10 M € contract to design and execute the drinking water and sewage system works in Ciudad Sandino (Nicaragua). The project contemplates an enlargement of the Ciudad Sandino drinking water supply network through the construction of three capturing wells and their corresponding installations (pumping equipment, electrical installations, disinfection system and auxiliary works). It also includes the piping system from the wells to three new storage reservoirs and the connection to the existing distribution network. The storage capacity of the three reinforced concrete wells will be 3,700, 1,000 and 1,100 cubic meters, respectively.

Befesa has been awarded the contracts to execute to lixiviate treatment plants - wastewater management plants in Asturias and Palencia. The contract value is 2 M €.

The Ministry of the Environment has awarded the joint venture formed by Agua y Gestión, Befesa Construcción y Tecnología Ambiental, and Ayesa, the 2.2 M € maintenance, monitoring and auscultation services contract for 11 dams in the eastern region of Andalusia. The contract period is two years, extendible to four.

Befesa has been awarded the 8.9 M € contract to design and construct the USTW (Urban Sewage Treatment Works) in Meco, the interceptor and the discharge outlet to the river Henares, which will be managed by the Canal de Isabel II. This activity will be executed from 2005 to 2010 for the benefit of 2,500,000 inhabitants. The objective is to ensure the quality of the treated water.

Evolution of the Workforce



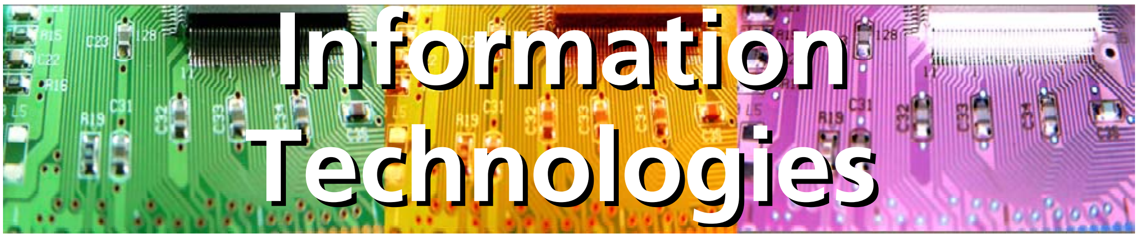
No. of employees

The average Environmental Services workforce in 2005 was 1,348.

2.3 Information Technologies

Telvent, the holding company of Abengoa's businesses in the Information Technology sector, provides high value-added solutions in four industrial sectors (Energy, Traffic, Transport, and the Environment). Its technology allows companies to make real-time business decisions utilizing data control and acquisition systems, as well as leading-edge operational applications that provide companies with secure and efficient information.

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

<u>Oil & Gas</u>

- A contract for the supply and installation of a control and operation system for the natural gas distribution network in Rio de Janeiro (Brazil) for the CEG company, that belong to the Gas Natural (Spanish) group. The scope of the project includes a new operation center that will be based on the OASyS product, developed by Telvent, and encompasses the whole renovation and modernization of the control room, with the final goal of improving the final customer service of CEG and increase the supply reliability.
  Contract Amount: 0.9 M €.
  This project constitutes a new example of "technological alliance relationship" that Telvent keep with Gas Natural, one of the most important companies in their segment at worldwide level, for which control and operation systems have already been supplied for Madrid, Barcelona, Mexico D.F., Monterrey and Bogota.

- Contract to automate the data, metering and control systems for twelve refined petroleum products storage and distribution depots for the company Pemex Refinación of Mexico. The scope includes all the control

systems based on Telvent-developed technology, the civil and installation works within these depots under a turnkey modality.
Contract amount: 19.5 M €.
This project confirms Telvent's leading position for these types of systems in Mexico, given that it holds 39 references for a total of 50 systems that have been put out to tender up until now by the public enterprise that distributes petroleum products in Mexico, Pemex Refinación. The systems not only control and automate the operations of these facilities, but are also fully responsible for the commercial operations performed in order to manage them efficiently.

- Final System Acceptance on the ChevronTexaco OPUS project (USA). The project involved integrating the separate systems into one, central system running on an OASyS 6.3UX platform and controlled from a Houston-based operation center. The liquids portion of the system employs the Liquid Management System (LMS 4), while the new gas system includes all standard GMAS components, in addition to CPM and IMS.
  Contract amount: 7.4 M €.
  This project was executed over the span of three years, and it involves the consolidation of Telvent within the company born after the merger of Chevron with Texaco. The new company, ChevronTexaco, turned to Telvent for help in updating and integrating its legacy SCADA systems, which consisted of two gas and two liquids systems.

- Contract for the upgrade of the SCADA OASyS 5.2 system with Southern California Gas (SoCal), in the USA. This company, a division of Sempra Energy, operates a natural gas transmission and storage facility, as well as a distribution operation.
  Contract amount: 1.4 M €.

- Completion of the DEPA SCADA upgrade project (from OASyS 5.2.2 to OASyS DNA) for DEPA Public Gas Corporation of Greece project in Athens, Greece.
  Contract amount: 1.5 M €.

Electricity

- Contract to upgrade the SCADA systems for the companies Edelnor and Edegel in Peru. In the mid 90s, these two companies, the main electricity companies in Peru, contracted Telvent to supply the Control Systems for their electricity networks. Following several years in operation to their full satisfaction, these customers have now decided to award Telvent a contract to upgrade and expand the hardware and software of the SCADAs based on OASyS technology that is 100% developed at Telvent's Product Center in Calgary.

  Contract amount: 0.7 M €.

  This project enables Telvent to maintain its important position in the Peruvian electricity sector for which it has multiple references and in which it has an excellent image of dependability and quality in relation to the products it supplies for its customers. The new versions of the Telvent SCADAs exploit all the know-how gained over more than twenty years developing real-time control systems and adapting them to new functioning and operational security requirements and to the new versions of operative systems and computerized server characteristics.

- Contract for the supply, installation, operation, support and maintenance of 300,000 domestic meters throughout Sweden for our customer Vattenfall. This contract, under the generic denomination AMRELVA3, includes the entire scope required to offer our customer complete electricity metering management service, which is absolutely critical for a company such as Vattenfall, Europe's fifth largest electricity group.

  Contract amount: 67.0 M €.

  This is Telvent's first contract of great importance in the AMR business which is expected to grow enormously worldwide over forthcoming years. The contract is also very important as it allows Telvent to include a company of the importance of Vattenfall in its customer portfolio. This company has entrusted Telvent with something as important as the management of the electricity metering management of 300,000 of its customers, which is absolutely critical for the management of its business in which Telvent is going to participate directly, at least up until 2013, the year in which the initial operation contract included in this project will expire.

Traffic

- Awarding of a contract for the renovation of the SCADA System of the Oresund bridge that joins Sweden with Denmark. Telvent have contracted with Oresund Bro Konsortie the renewal of the SCADA System that controls the link between Denmark and Sweden through the Strait of Oresund. That SCADA System, based on the OASyS DAN from Telvent, controls, among others, the power supply, ventilation, lighting, CCTV traffic control systems and the automatic event detection system. Telvent shall support it during 10 years.
  Contract Amount: 1.5 M €.

- Inauguration of the Traffic Control Center for the Intervias highway, in Sao Paolo, Brazil. This project allows to control the highway through the Odissey application, with which a network of more than 250 emergency posts, 14 variable-message panels, 15 data stations and 4 weather stations. With this highway, Telvent confirm their leadership in the ITS Segment in Brazil, managing four of the most important highways and control centers of the country.
  Contract Amount: 2.5 M €.

- Awarding of the Madrid-Levante Highway ITS, Ocana-La Roda section of the Madrid-Levante Highway (Spain). The project consists of the execution of the control, signposting, security and surveillance of the awarded highway section, including the supply of equipment, installation and commissioning.
  Contract Amount: 3.4 M €.

- Contract for the Madrid-Levant Toll Highway, participated by Cintra Concesiones de Infraestructuras de Transporte S.A (Spain), the company awarded the concession project; construction, operation and maintenance

of the of the Ocaña-La Roda toll highway and the A-43 toll-free highway, section: N-301-Atalaya del Cañavate. This highway, together with the R-4 (Radial-4), is a further alternative to the existing A-3 for accessing the Levant region of Spain from the country's central area. The total length is 117.3 km, on which toll systems are installed on118 km. The Concessionary has awarded Telvent the contract to supply, install, and commission and subsequently maintain the Traffic Control Systems (ITS) for two years.
Contract amount: 3.4 M €.

- Successful inauguration of the N4-N6 Kinnegad-Kilcock motorway toll system in Ireland, for the concessionaire Eurolink. The installed SmartTOLL system contemplates toll payment in cash, coin machines, credit card and tele-toll, which are complemented with different functionalities that allow real-time monitoring of the lanes where there is no teller, and a powerful video auditing system that allows automatic capturing of license plates and their processing by artificial vision. In addition, Telvent has supplied its own Tele-toll tags and antennae which have been developed under European standard CEN278 and which are compatible with the systems installed in Ireland that comply with the specifications of the GSS work group and the protocol defined in the TIS project.
  Contract amount: 2.5 M €.

- Contract with Aeropuertos Nacionales y Navegación Aérea (AENA) in Spain to provide the Madrid-Barajas airport tunnel network operation and maintenance service and control in the Airport Management Center. In the past, Telvent already executed the installations for various tunnels which will now manage.
  Contract amount: 2.1 M € per year, with a one year extension by mutual agreement between the parties.

- Two-year contract with the General Directorate of Traffic for the maintenance service for the speed regulation and control and SOS post installations in the city of Seville area (Spain).
  Contract amount: 4.2 M €.

- Contract with the State Heritage Department for the supply of 2,603 hand terminals and their associated computerized applications, to be utilized by the Traffic Department. (Project PRIDE, Spain).
  Contract amount: 18.9 M €.

Transport

- Contract with ADIF (Spain). The Tarragona-El Prat de Llobregat line has been included in the Traffic Control Center (CTC) TR-3000 of Barcelona, within the renovation plan for the Barcelona Command Post of ADIF. The system supplied by Telvent shall control the Railroads of the RENFE Network all along Catalunya.
  Contract Amount: 4.0 M €.

- Contracting of the Ticketing and Passenger Information Systems for the Caracas-Cua line (Venezuela). There are four stations on the line (Caracas, Charallave Norte, Charallave Sur and Cua). It is a new infrastructure to allow easier communication between the municipalities of the Valle del Tuy, on the outskirts of Caracas, and the city center. This will enable decongestion of the existing highway and will help to reduce the high indexes of pollution this city suffers as a consequence of its road traffic. The ticketing system is based on contact-free technology by prepaid intelligent card, and tokens for single fares. Caracas station also interchanges with the Metro network.
  Contract amount: 7.6 M €.
  It is the first installation of a ticketing system in Latin America based integrally on contact-free technology and our first contract in the Venezuela transport sector. The country is developing an ambitious plan for railway corridors and mass transport systems, both metros and high-capacity buses.

- Contract with the Adif to incorporate the Automatic Pooled Blocking System (B.A.B.) on the La Sagrera – Masanet section of RENFE’s Barcelona CTC (Spain). The contract is included in the ADIF and Ministry of

Development's plan to modernize railway infrastructures in the Barcelona area, by increasing the capacity of mixed traffic lines (suburban, long-distance, regional and goods trains), enabling the decongestion of others that are going to be greatly affected by the preparation works for the AVE's (high-speed train) arrival to Barcelona.
Contract amount: 0.8 M €.

Enviroment

- Awarding of the maintenance service for the weather observation equipment in airports and air bases of the Instituto Nacional de Meteorologia (Weather National Institute). The maintenance service shall have a 12 month duration and shall include the preventive and corrective maintenance of weather observation equipment installed in 36 airports and 21 air bases in Spain. This maintenance service has been given by Telvent in an ongoing way since 1984.
  Contract Amount: 1.8 M €.

- Awarding of the adaptation of the weather communications management equipment (EGCM) of Amendment 73 of Annex 3 of the OACI for AENA (Spanish Airport Authority). This project started from the need of adapting the Management Equipment of Weather Communications (EGCM), installed at 34 Spanish airports to the Amendment 73 of Annex 3 of the OACI (International Civil Aviation Organization), that become valid last November 2nd. Those EGCM equipment were supplied previously by Telvent. This contract also considers the execution of software and hardware changes to improve the service provided.
  Contract Amount: 0.5 M €.

- A contract with the Instituto Nacional de Meteorologia, in Spain (National Weather Institute) to perform the Low Level Wind Shear Alert System (LLWAS) at the Tenerife Sur airport. During the last month of October, the commissioning of the LLWAS system of the Reina Sofia airport in Tenerife Sur was made. It will allow the detection of wind shear conditions that

could affect the security of take off and landing operations of aircraft. This system is the first to be operating in Europe.
Contract Amount: 0.7 M €.

- Contract with Organismo Operador de Agua Potable, Alcantarillado y Saneamiento de Morelia (OOAPAS), to supply and install a remote monitoring and macro-metering system for sources and stations, up to a control center, under a turnkey contract. The scope includes the supply, installation and commissioning of water flow, pressure, level and quality meters (chlorine, PH, turbidity and temperature) for 143 drinking water network extraction, pumping and distribution stations in the city of Morelia, capital of the State of Michoacán, Mexico. The data from the instruments will be captured by remote Saitel 100 SM units and the information concentrated in a control center through a GPRS communication system. In the control center, a data acquisition system will be implemented on an OASyS DNA platform for remote visualization and monitoring of the signals from each of the points. In accordance with the needs of the OOAPAS, one of the factors that most influences the low efficiency of the drinking water distribution systems, and which therefore makes the providing of a quality, quantity and opportunity service required to meet the demands of a growing population, is, among others, the lack of reliable records on the volumes provided to users and the high operation costs involved to obtain this information. The objective of this system is to be able to control the amount of distributed water and capacity of the existing reservoirs in order to ensure that the operating body has full detailed control of the distribution as well as of the data that enables dimensioning and programming of network expansion.
  Contract amount: 1.1 M €.

- The National Meteorological Institute (Spain) has awarded Telvent four new contracts to supply Meteorological Aid Systems for Palma de Majorca, Madrid and Barcelona airports, and Almagro air base. These contracts are a clear demonstration of our customer's trust in our solutions and confirm our leading position in the Aeronautical Meteorology sector.

Contract amount: 1.0 M €.

- Completion of the installation and commissioning of the National Meteorological Processing Center of Bolivia and also of the first phase of the training associated with the operation and generation of meteorological products for the Senamhi of Bolivia. During the course of last November, works were carried out on the installation and commissioning of the National Processing Center in the Central Offices of the National Meteorological and Hydrology Service of Bolivia in La Paz (Bolivia) as part of the "Modernization and Equipping of the Meteorological and Hydrology Service" project approved in October 2004.
  Contract amount: 4.7 M €.

- Contract to provide the necessary services and equipment to implement the Automation System for the Treated Water Distribution and Geographical Information System (GIS) for the Metropolitan District of Belo Horizonte (RMBH) for Companhia de Saneamento de Águas de Minas Gerais (Copasa), MG-Brasil, incorporating also the West and South Districts. The object of the contract is the full integration of the existing systems and applications together with those to be implemented, and full interoperability of the equipment, software and network protocols, taking into account the new functionalities to be included as well as the expansions foreseen for the future. Given that the RMBH is directly responsible for almost 50% of Copasa's billing, this project is a reference for the entire state from a technological, financial and management point of view. This phase of the project will benefit 4.5 million consumers from a total of 12 million in 607 municipal districts served by Copasa. Telvent will be responsible for implementing and integrating the specialized software for Remote-metering, Remote-control and Remote-monitoring of RMBH's entire treated water distribution network. Data acquisition and treatment software will be installed - SCADA OASyS DNA; Hydraulic Network Modeling and Simulation equipment – MIKE URBAN WD (from DHI Water & Environment); Geographical Information System – GIS (ArcGIS from ESRI and ArcFM from Telvent Miner&Miner); and Maintenance Management software – ROSMIMAN (from Idasa Sistemas).

Contract amount: 3.8 M €.

This project constitutes a reference in the economic, management and techonological arena, for the whole country due to the importance of RMBH and its direct control over 50 percent of COPASA.

- A contract with AENA to perform the supply and installation in operating conditions of automated terminal information system (ATIS) at four airports. The commissioning of the new ATIS system at the Gran Canaria airport was made. It will enable the acquisition and processing in real time of weather and operational information of the airport, and their further broadcast to aircraft. The use of the ATIS system from Telvent shall reduce drastically the load of land-air communications in the VHF band, allowing the air traffic controllers to focus on the management of air traffic. Also, the acceptance tests of the ATIS systems were finalized successfully at the airports of Malaga and Palma de Mallorca. These ATIS systems are encompassed in the equipment renewal AENA project for airports with the highest traffic volume. In this way, the information supplied by the ATIS systems from Telvent enable to perform in a safe manner, more than 50 percent of the landing and take off operations in the Spanish airports.

  Contract Amount: 0.4 M €.

- Contract to upgrade the OASyS system for Las Vegas Valley Water District (LVVWD), USA, to OASyS DNA, and to aggregate OSIsoft's IP technology to the SCADA system. The existing SCADA system connects 151 RTUs and monitors approximately 20,000 points.

  Contract amount: 1.5 M €.

  Telvent's capacity to meet the growth requirements of the LVVWD demonstrates the stability and growth capacity of OASyS. This contract also serves to strengthen the relationship between Telvent and OSIsoft.

- Contract awarded by Aeropuertos Españoles y Navegación Aérea (AENA) and the National Meteorological Institute in Spain to upgrade the Weather

Observation Systems of all the airports and air bases in Spain. Telvent has successfully completed the upgrading of the Weather Observation Systems software at all the airports and air bases in Spain. This upgrading allows the AWOS Systems Telvent has installed in Spain to meet all the recommendations made by the International Civil Aviation Organization (ICAO), included in Amendment 73 to Annex 3.
Contract amount: 0.5 M €.

- Contract with the National Meteorology Institute, Spain, to provide the maintenance service for the meteorological radars and automatic weather observation stations associated with the integrated aeronautical meteorological aid systems. Both for twelve months.
  Contract amount: 0.6 M €.

Others

- Contract with the General Police Department to provide the passport validation system for all border checkpoints in Spain, which will provide the company with one of the most important references at European level in this activity.
  Contract amount: 3.0 M €.

- Widening of the scope of the original deployment contract under the Andalusia Health Service's health card project (DIRAYA). The global objective of the DIRAYA Phase VI project broadening is the supply and installation of Net Points and Active Electronics and the necessary software licenses for the expansion of the Information Treatment Centers (ITCs) at 29 Andalusia Health Service hospitals to attend to the implementation of their Out-Patient Consultation and Emergency Services systems, developed on the citizen Digital Health Record Information System. Among the hospitals and care centers affected by this contract, we would mention the Merced Hospital (Osuna Health District), San Juan de la Cruz Hospital (Eastern Jaen Hospital Area), C. P. E. of Guadix (Northeastern Hospital Area of Granada), Puerta del Mar Hospital (Cadiz – San Fernando Hospital Area), Puerto Real

Hospital, Virgen Macarena Hospital (Northwestern Hospital Area of Seville), Virgen Macarena Polyclinic (Northwestern Hospital Area of Seville), C. P. E San Jeronimo of Seville (Northwester Hospital Area of Seville), El Tomillar Hospital (Southern Hospital Area of Seville), C. P. E. Dos Hermanas (Southern Hospital Area of Seville), C. P. E. Alcalá de Guadaira (Southern Hospital Area of Seville), San Cecilio Hospital (Granada), the Hospital Area of the City of Jaen, and the city of Jerez Hospital.
Contract amount: 1.0 M €.

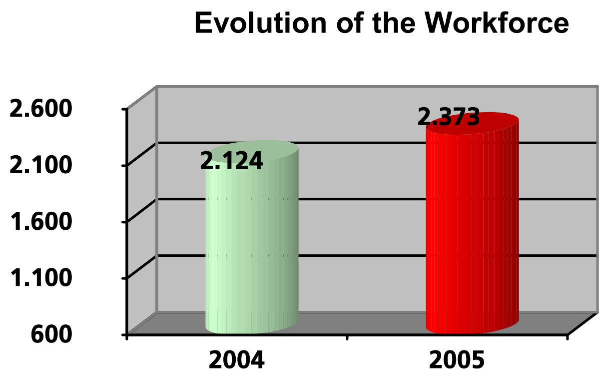
- Contract for the maintenance and back-up services of health-related software for the Spanish Carlos Haya Hospital (Malaga), Inmaculada Hospital (Huercal-Overa, Almeria), Jerez de la Frontera Hospital, Puerto Real University Hospital (Cadiz), University Complex of Torrecárdenas (Almeria), Virgen de las Nieves Hospital (Granada) and Virgen Macarena Hospital (Seville) for the Andalusia Health Service's Patient Information Systems. The object of this contract is the outsourcing of the different services required in the Andalusia Health Service's Hospitals, guaranteeing the maintenance level and degree of back-up required for computerized systems of this importance, and their future evolution and adaptation to the new advances in information technologies.
  Contract amount: 0.6 M €.
  This contract is a continuity of the activity Telvent has been carrying out for more than five years now and which, with this 5-month contract extension, will come to a close in 2005. As of from next year, multi-annual period continuity contracts will be signed.

- Contract for the back-up of data and personnel training services for Baza, Motril and Algeciras hospitals. This contract is an extension of Telvent's continued presence in said hospitals where it has been maintaining the Telvent-installed base applications and hospital programs (HIS) for more than five years. This contract extension covers the last five months of service in 2005, and a large contract is being prepared for the next 4 years.
  Contract amount: 0.7 M €.

- Contract with Ya.com (Spain) for Telvent to house its Triple Play services platform. With this platform, Ya.com will offer its customers advanced VoIP services and high-speed Internet access, television and video on demand, and telephone services. With this agreement Ya.com consolidates its operator position in the Spanish market and expands its business from the providing of internet access services to the providing of a global Telecommunications, Entertainment and Electronic Trade services solution.
  Contract amount: 1.4 M €.
  With the experience accumulated on this project, Telvent positions itself for the multimedia convergence of the ITC market.

- Contract for the outsourcing of the Viajes Marsans infrastructures (Spain): This project enables for the execution of an integral information office for the migration and outsourcing of all its systems on Telvent infrastructures, and for the administration and management thereof.
  Contract amount: 1.3 M €.

- Contract with S21Sec to house Spain's first SOC (Security Operation Center) in Telvent's Data Center and Communications Node in Madrid. The SOC develops an array of constant security auditing services: continuous scanning, vulnerability management, continuous antiphishing services, digital monitoring and antipharming, providing correlation and monitoring services, and also firewall and IDS management. S21sec has been integrated into a world level SOC network which enables threat and risk monitoring, and, should the attack occur, the shutdown of the site or of the attacker's dominion in record time. These services complement Telvent's offer enabling the communications offer for the rest of its customers to be complemented with the most advanced Computer Security and Protection services.
  Contract amount: 0.7 M €.
  These services complement Telvent's offer by enabling the communications offer for other customers to be complemented with the most advanced Computer Security and Protection services.



The average Information Technologies workforce in 2005 was 2,373, an 11.7% increase on the figure for the same period in 2004.

2.4 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

2.4 Industrial Engineering and Construction

The main novelties in relation to contracts awarded, new plants, price evolution, etc., in the Industrial Engineering and Construction business unit were as follows:

- In December 2005, Abener Energía concluded the construction of the combined-cycle enlargement to 230 MW of Hermosillo thermoelectric power plant (Mexico) and the same has been provisionally accepted by the Federal Energy Commission (CFE).

- In July 2005, Instalaciones Inabensa, S.A. finalized the turnkey financing, detailed design, construction, commissioning and operation project for the electricity supply system for the city of San Jose (Costa Rica), and the same has been provisionally accepted by the National Power and Light Company.

- In February 2005, the 60,000 cubic meters capacity oil product storage depot constructed by Instalaciones Inabensa, S.A. in Nouakchott, was delivered to the Government of Mauritania.

- As part of the development activities of Abengoa's Industrial Engineering and Construction Business Unit in North Africa, Inabensa has been awarded the 10.3 M € contract to construct the 225 kV Chichaoua-Agadir line, in Morocco, for Office National de l´Electricite.

- In addition, Inabensa has been awarded the turnkey contract, following an international call for tenders, to construct the 400 kV Hadjerat Ennous – El Afferoun power line in Algeria. The contract value is approximately 10 M €.

- Furthermore, it has been awarded a 19 M € contract to reinforce the national 400 kV power line network in Morocco, and to execute the connection of the 400 kV and 225 kV lines to the Mediouna and Qualili substations.

- In addition, it has been awarded, under a Joint Venture, the construction of 3 courthouse buildings in Barcelona, in the municipal districts of Olot, Cerdanyola and Santa Coloma de Gramanet. The value of the contract is 23.2 M €.

- In June 2005, Inabensa was also awarded the contract, under a joint venture, to construct and manage Tajo Hospital in Aranjuez (Madrid). The contract value is approximately 41.5 M €.

- Under a Joint Venture, Inabensa has been awarded a contract for almost 27 M € to construct the Law Faculty and Work Sciences faculty, in Seville.

- Under a Joint Venture, Inabensa has been awarded the maintenance contract, from 2006 to 2009, for almost 13 M €, for the overhead contact wire of the Madrid-Lleida section of the Madrid-Zaragoza-Barcelona-French Border high-speed railway line.

- Moreover, Inabensa has been awarded, under a Joint Venture with Telvent Tráfico y Transporte, Package No. 3 of Barcelona City Council's public lighting project. The contract value is approximately 7.3 M €.

- The Water and Electricity Board of Abu Dhabi (United Arab Emirates) has awarded the company the contract to develop a PLC (Power Line Communications) Metering pilot project to develop and enhance internal communications and customer network control systems.

- This growth in our strategic areas has resulted in Power Grid Corporation of India Limited awarding Inabensa an 8 M € contract to construct an 80 km overhead 400 kV DC power transmission line.

- In addition, Inabensa continues to execute distribution (for MV and LV lines) and maintenance (HV lines) works for Endesa, in Catalonia and the Balearic Isles, and for Iberdrola, in Levant and the Northern Area, under the pluri-annual contracts signed. The value of the works contracted for 2005 is approximately 19 M €.

- As regards the automobile sector, the activities during the summer months of 2005 will result in Inabensa billing approximately 9 M € for works that are to be carried out in the factories of Citroen, Fasa Renault, and Ford.

- Abener has commenced the construction of a corn to bioethanol production plant in Lacq (France), with a 400,000 tons/year corn capacity to produce 180 million liters of bioethanol.

- In addition, Abener is constructing, for Biocarburantes de Castilla y Leon (BCyL), a Biomass plant for approximately 22.5 M €. It is the first plant anywhere in the world under construction for bioethanol production at industrial scale utilizing biomass (wheat straw). Its annual production capacity will be 5 million liters.

- In 2005, Abengoa, through its telecommunications subsidiary Abentel, continues to execute the global customer loop contract for installation and maintenance works, for Telefónica de España. The contract value in 2005 is approximately 48 M €.

- Hynergreen, Abeinsa's subsidiary dedicated to the development of energy production utilizing hydrogen, is going to develop, together with the Centro de Investigaciones Energéticas Medioambientales y Tecnológicas (Ciemat), a project to produce clean and renewable hydrogen utilizing water and solar thermal energy.

Abengoa México

- Petróleos Mexicanos and Abengoa México have signed the contract for the construction of the Light Crude Oil Heating System in Dos Bocas Storage Depot, in Paraiso, Tabasco.

  As a result of the international call for bids from Pemex Exploración y Producción, Abengoa México, S.A. de C.V. has been selected as the winning bidder and has been awarded the project to procure and construct the Light Crude Oil Heating System at the Dos Bocas maritime terminal on the premises of PEMEX Exploración y Producción, in Paraíso, Tabasco, Mexico; the execution period is 425 natural days and the contract value is equivalent to 21.7 M €. Telvent Mexico is participating on the project as the company responsible for the instrumentation, control and safety systems.

- The company has signed a new contract with the Comisión Federal de Electricidad (CFE) to carry out all the works required to construct and install a 2.96 km-C, 115 kV power transmission line, and two distribution substations (one of which will be a new one and the other an enlargement of an existing one) of 115 and 13.8 kV with an overall capacity of 30 MVA, 1.8 MVAr, and 7 feeders to be located in the state of Quintana Roo, in the United Mexican States. The final figure for the works exceeds 3.5 M U$D and expectations are for an average of 70 jobs to be created during the 14-month works execution period.

- Abengoa México, S.A. de C.V. has been awarded the contract PIF-024/2005 by the Comisión Federal de Electricidad, the objective of which is to carry out all the works required for the construction and installation of a 0.8 km, 230 kV transmission line and nine Transformation Substations with voltages of 230, 161, 115, 34.5 and 13.8 kV, with a total capacity of 300 MVA, 18.0 MVAr, and forty-seven High and Medium Voltage feeders in the States of Baja California, Sinaloa, and Sonora. The overall value of the works is more than 22.3 MU$D and an average of 300 jobs is expected to be created during the 18-month execution period.

Comemsa (Mexico)

- In April, a contract was signed with ABB to supply 3,500 tons for a transmission line project (Altamira V).

- In July, important contracts were signed with Areva T&D and Actividades de Montajes y Servicios ("Cobra" in Mexico). In the case of the former, it is a supply contract for the project 126 SLT Altiplano (1st Phase). The scope is 2,380 tons of transmission lines and, approximately, 800 tons of structures for substations. In addition, some 156 tons of substation structures will be supplied for 122 SE 811 Northwest.

- In the case of Actividades de Montajes y Servicios ("Cobra" in Mexico), a contract was signed to manufacture the high voltage lines structures for Pidiregas 130 SLT 806 Bajío (2nd Phase) – approximately 3,000 tons.

- In August and September, contracts were signed for short lines with Cymi LT Centro or for the supply of parts for the CFE towers that were damaged when hurricane Emily hit the Yucatan Peninsula.

Abengoa Brasil

- Signing of the Electric Energy Transmission Concession Contract: on March 15 2005, the concession contract was signed with Aneel, the National Electric Energy Agency (the electric sector's governing body in Brazil), for the construction and 30.year operation of the Colinas – Ribeiro Gonçalves – Sao João do Piauí – Sobradinho transmission line and Ribeiro Gonçalves substation, in the states of Tocantins, Maranhão, Piauí and Bahia. The contract was awarded to Abengoa Brasil in November 2004 under public bidding in competition with national and foreign consortiums.

This 937 km 500 kV line, requiring an investment of 1,000 million reales (370 million dollars), and annual sales of 107.6 million reales, is one of the main interconnections between the country's North and Northeast regions, on the 500 kV System.

The contract is the largest line investment ever made in Brazil under the concession model created by the government through Aneel, and the largest contract obtained by Abengoa under public bidding.

- November 17, 2005, the Rio de Janeiro Stock Exchange building was the scenario for the public auction for the awarding of seven electric energy transmission concession packages. Abengoa won Package A for the North/South Interconnection System.

  The project includes the construction of three lines at 500 and 230 kV, total length 459 km, plus a new 500 kV substation in Itacaiunas, in the state of Para y Tocantins, in the north of the country. The project investment figure is 270 million dollars.

  This contract brings the number of concession projects in which Abengoa participates to seven, with a total of 3,328 km of 230 and 500 kV lines having been constructed with an overall investment of 1,150 million dollars. Five of these lines are now in operation; one is under construction, leaving just this one that was awarded last November in Rio de Janeiro.

Abengoa Chile

- Commencement of the works on Metro Regional de Valparaiso's (Merval) tunnel lighting project.

- Strategic agreement with GE Energy Financial Services for the sale of an 80% interest in a packet of three transmission lines in Chile, with Abengoa retaining the remaining 20% interest.

Teyma Uruguay

- A 2.3 M US$ contract awarded for "Infrastructure Works for Abiatar (Telefónica) throughout the entire Eastern Region of Uruguay".

- On March 18, 2005, the contract with Los Piques S.A. was signed to construct machine and equipment foundations and access-ways and paving in a new production plant in Tacuarembó. The new plant will produce plywood of different thicknesses. The contract value is 2.3 M US$.

- A contract was signed with the State Board of Health – SBH – to execute the works corresponding to the "Civil work and electromechanical installations to enlarge and renew the Aguas Corrientes Drinking Water Plant, in the province of Canelones".
  This is a drinking water treatment plant that draws from the river Santa Lucia to supply the city of Montevideo, that is to say, for a population of 1.5 million.
  The original installations date back to 1871. The plant's current configuration is the result of a series of expansions and reform works, and current production capacity is 600,000 m^3 per day.

- Teyma has signed with the finnish company Botnia, two contracts corresponding to civil works for the cellulose plant that is being built in Uruguay, for an amount of 18.9 million dollars.

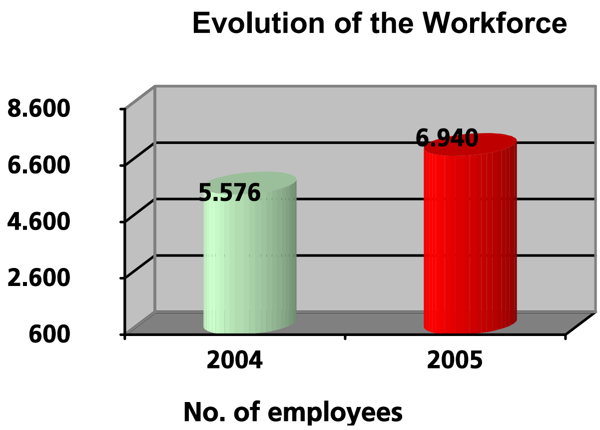
  The first one is the contract includes concrete works for the drying, packing and baling sectors and the total amount is of 10.3 million dollars. The relevant figures are approximately 25.000 cubic meters of concrete and 1.987 tons of iron, in a work term of work of 10 months.

  The second contract includes civil works for the Effluent Treatment Plant and its amount is of 8.6 million dollars. The main packages are the Aeration Basin and Cooling Towers. The duration of the works will be 9 months and include excavations, floor slabs, walls of more than 11 meters high, channels and diverse machinery foundations of teams, understanding more than 18.500 cubic meters of concrete and more than 1.900 tons of iron..

Abengoa Peru

- ARPL Tecnología Industrial S.A., the company contracted by Cementos Lima S.A. to manage the Atocongo-Conchán Subterranean Conveyor Belt Ecological Project, has awarded the ACI Consortium, formed by Abengoa Perú, Corporación de Ingeniería Civil and Incot, the contract to execute the civil works for the construction of the tunnel in which a continuous conveyor belt, between the Atocongo factory and Conchán dock, will be installed; the tunnel is approximately 6.5 km long, runs through an urban area and passes underneath Lima and Maria Reiche Avenues. The contract value is 8 M U$D.

- The company EDEGEL S.A.A., belonging to the Endesa Group, has put Abengoa Peru in charge of the execution of the project entitled "Relocation of 60 kV Lines. 2nd Phase". The contract value is 3.0 M U$D.



The average Industrial Engineering and Construction workforce in 2005 was 6,940, a 24.5% increase on the figure for the same period in 2004.

3. Evolution of the Businesses. Highlights

3

3.1 Bioenergy

Bioenergy	Dic. '05	Dic. '04	Var (%)
Sales	392.7	335.2	17.2
Ebitda	43.8	39.3	11.5
Ebitda/Sales	11.2%	11.7%	

The sales of the Business Unit rose to 392.7 M € as against 335.2 M € in 2004, which is a 17.2% increase, due mainly to the increase in the volume of sales in Europe.

The EBITDA increased 11.5% from 39.3 M € in 2004 to the current figure of 43.8 M €. The increase in Europe is due to a higher volume of sales (new contracts in EU), an improvement in operating costs and a better cereal price scenario. In the USA, the results have been favored by the performance of the grain.

On the other hand, EBITDA/ Sales has decreased from the 11.7% obtained in 2004 to the current 11.2%, which is due mainly to the following circumstances:

- The increase in exportations has a more substantial positive effect on the sales than on the EBITDA, due to the lower margin associated with these types of sales.
- Increase in the price of natural gas in the EU from 11.8 €/MWh in 2004 to 15.6 €/MWh in 2005.

- Increase in the average cost of Wine Alcohol in the EU from 226.3 €/m^3 in 2004, to 315.8 €/m^3 in 2005.
- Increase in the costs in R&D, 8.5 M € in 2005 (2.2% of sales) versus 6.5 M€ in 2004 (1.9% of sales)

Highlights

- The accumulated sales volume of ethanol in 2005 has been 303.5 million liters in Europe and 100.4 million gallons in the USA. In the same period in 2004, some 261.4 million liters and 105.5 million gallons in the USA were sold. The increase in the exported volume is the main factor in Europe while in the USA only ethanol for home market consumption was commercialized.

- In 2005, the price of ethanol in Europe has dropped slightly as against the 2004 prices, with average accumulated prices to date of 0.500 €/liter (as against 0.509 €/liter) having been obtained. In the United States, the price has been around the 1.27 $US/Gallon (as against 1.28 $US/Gallon in 2004). This year, the price of grain has dropped in Europe to 134.5 €/ton (as against 145.5 €/ton), while in the United States a final price of 2.51 $US/Bushel (as against 2.61 $US/Bushel in 2004) has been obtained.

3.2 Environmental Services

Environmental Services	Dic. '05	Dic. '04	Var (%)
Sales	**402.4**	**357.8**	**12.5**
Ebitda	**40.4**	**36.7**	**10.1**
Ebitda/Sales	**10.0%**	**10.3%**	

In the 2005 financial year the sales of the Environmental Services Business Unit have increased on the previous year by 43.8 M €, which is a 12.3% increase. This has been mainly due to the increase in the volume of wastes treated in all areas, together with the increase in the Environmental Engineering activity. The increase in the prices of the metals (aluminum and zinc) has had a significant influence on this increase in sales for the year.

As regards the EBITDA, there has been a 3.7 M € (10.1%) increase as regards 2004. The EBITDA/Sales ratio has remained at around 10%, a percentage similar to that of the 2004 financial year.

The evolution by activity area is as follows:

- **Aluminum Waste Recycling**: The evolution of this Business Unit has been positive and has continued along the lines established in the previous financial year. This is due to the increase in the volume of tons treated, the maintenance margins, and the progressive consolidation of the costs structure implemented in the last financial year. An example of this is to be found in the 4.4% increase in sales in this period on the figure for the same period the previous year. This is due to the higher volume of tons of aluminum sold together with the increase in the price of the metal and the positive performance of the salt slags business.
- **Zinc Waste Recycling**: This Business Unit's evolution has also been positive and sales have increased 7.0% on the previous year. Said increase is a consequence, above all, of the increase in prices.

- **Industrial Waste and Cleaning Management**: In this activity, compared with the same period the previous financial year, an increase can be seen in all the highlights. Sales in this area in 2005 reached 79 M € (a 7.5% increase).

- **Environmental Engineering:** It is the Business Unit with the highest growth in sales compared to the previous year within Befesa. The increase in sales over the previous year has been 38.0%. In addition, the medium term prospects for this activity are attractive as a consequence of the large portfolio of contracted works. An example of the growth objectives marked out is the fact that the contracting portfolio at year-end 2004 was 182 M €, while at year-end 2005 it is 267 M €.

3.3 Information Technologies

Information Technologies	Dic. '05	Dic. '04	Var (%)
Sales	362.6	281.1	29.0
Ebitda	33.3	27.1	22.9
Ebitda/Sales	9.2%	9.6%	

The sales of the Information Technology Business Unit in 2005 were 362.6 M €, a 29.0% increase on previous year's figure of 281.1 M €. The EBITDA is 33.3 M €, which is 9.2% on sales and a 22.9% increase over the same period last year. The decrease in the margin is due, mainly, to the increase in the R&D&I investment which in 2005 was 4.1% on sales (3.9% the previous year), the increase in general expenses as a consequence of the additional costs to be borne as a result of Telvent GIT, S.A. being listed on the NASDAQ, and the increase in commercial expenses originated by the effort the Company is making to develop all the sectors in the different geographical areas in which Telvent develops its activity.

3.4 Industrial Engineering and Construction

Industrial Engineering & Construction	Dic. '05	Dic. '04	Var (%)
Sales	**865.8**	**772.0**	**12.2**
Ebitda	**98.9**	**77.0**	**28.4**
Ebitda/Sales	**11.4**	**10.0**	

The sales of the Industrial Engineering and Construction Business Unit in 2005 increased by 12.2% and reached 865.8 M €. The Ebitda also increased by 21.9 M € on the previous year and went from 77.0 M € in 2004 to 98.9 M € in 2005. Of note also in the positive evolution is the good performance of the cogeneration business due to the increase in the average selling price of energy to the electric pool has been 53.6 €/MWh in 2005, as against 27.9 €/MWh in 2004, and also the construction of high voltage lines in Brazil.

4

4. Consolidated Results and Balance at 31.12.2004 and 31.12.2005

Explanatory Note: The information corresponding to the consolidated results of the Abengoa Group has been prepared to comply with the International Financial Reporting Standards (IFRS), understanding as such those adopted by the European Commission pursuant to the procedure established by the (EC) regulation no. 1,606/2002 of the European Parliament and Council dated July 19, 2002. In Spain, Act 62, dated December 30, 2003, established that the consolidated annual accounts must be prepared in accordance with those Standards in the case of companies which, as of the closing date of their balance sheet, have stock officially listed in a regulated market.

Therefore, pursuant to the said legislation, and to comply with the stipulations of Circular 1, dated April 1, 2005, of the Spanish National Securities Exchange Commission (CNMV), both the financial information corresponding to the current and to the preceding year –in other words, that corresponding to the second half of 2004– have been prepared following the said International Financial Reporting Standards to provide comparable data of both time periods. Thus, the figures of the second half of 2004 will differ from those published originally.

Consolidated profit and loss of Abengoa for the Years ended December 31, 2005 and 2004

- Figures in thousands of euros -

		31/12/2005	31/12/2004
	Net turnover	2.023.515	1.746.052
	Variation in inventories	(817)	25.067
	Other operating income	35.704	19.534
	Materials consumed	(1.162.857)	(1.060.682)
	Personnel expenses	(325.908)	(274.087)
	Depreciation and amortization expense	(52.906)	(52.787)
	Research and development costs	(18.305)	(15.220)
	Other operating expenses	(334.975)	(260.526)
	Other net income/expenses		
I.	**Net Operating Profit**	**163.451**	**127.351**
	Financial income	22.709	3.140
	Financial expenses	(70.409)	(63.713)
	Net Exchange Differences	(1.695)	(6.496)
	Other net financial income/expenses	(9.362)	(11.225)
II.	**Net Financial Loss**	**(58.757)**	**(78.294)**
III.	**Participation in Profits/(Losses) of Associate Companies**	**5.359**	**3.634**
IV.	**Consolidated Profit before Tax**	**110.053**	**52.691**
	Corporate income tax	(31.572)	7.508
V.	**Consolidated Profit after-Tax**	**78.481**	**60.199**
	Profit attributable to minority interests	(12.477)	(7.812)
VI.	**Profit for the Year attributable to the Parent Company**	**66.004**	**52.387**
	Number of ordinary shares in circulation (thousands)	90.470	90.470
VII.	**Earnings per Share for the Year's Result**	**0,73**	**0,58**

The net profit attributable to the Group in the 2005 financial year increased 26.0% compared with the same period in 2004 and reached 66.0 M €.

The earnings before tax has increased 108.9% compared with 2004 and has reached 110.1 M €.

	Dic. '05	Dic. '04	Var (%)
Sales	**2,023.5**	**1,746.1**	**15.9**
Ebitda	**216.4**	**180.1**	**20.1**
% Ebitda/sales	**10.7%**	**10.3%**	
Net Profit before Tax	**110.1**	**52.7**	**108.9**
Net Profit attributable to the Group	**66.0**	**52.4**	**26.0**
Net Cash Flow	**131.4**	**113.0**	**16.3**

Highlights per Business Unit

Sales	Dic. '05	Dic. '04	Var (%)	% Dic.'05	% Dic.'04
Bioenergy	392.7	335.2	17.2	19.4	19.2
Environmental Services	402.4	357.8	12.5	19.9	20.5
Information Technologies	362.6	281.1	29.0	17.9	16.1
Industrial Engineering and Construction	865.8	772.0	12.2	42.8	44.2
Total	2,023.5	1,746.1	15.9	100.0	100.0

Ebitda	Dic. '05	Dic. '04	Var (%)	% Dic.'05	% Dic.'04
Bioenergy	43.8	39.3	11.5	20.2	21.8
Environmental Services	40.4	36.7	10.1	18.7	20.4
Information Technologies	33.3	27.1	22.9	15.4	15.0
Industrial Engineering and Construction	98.9	77.0	28.4	45.7	42.8
Total	216.4	180.1	20.1	100.0	100.0

Ebitda/Sales	Dic. '05	Dic. '04
Bioenergy	11.2%	11.7%
Environmental Services	10.0%	10.3%
Information Technologies	9.2%	9.6%
Industrial Engineering and Construction	11.4%	10.0%
Total	10.7%	10.3%

♦ Net Amount of the Business-Sales Figure

Consolidated sales in 2005 were 2,023.5 M €, an 15.9% increase on the previous year. All of Abengoa's Business Units increased their sales in the first nine months of this financial year.

Sales	Dic. '05	Dic. '04	Var (%)
Bioenergy	**392.7**	**335.2**	**17.2**
Environmental Services	**402.4**	**357.8**	**12.5**
Information Technologies	**362.6**	**281.1**	**29.0**
Industrial Engineering and Construction	**865.8**	**772.0**	**12.2**
Total	**2,023.5**	**1,746.1**	**15.9**

The Bioenergy Business Unit's sales were 392.7 M € as against 335.2 M € the previous year. The Environmental Services Business Unit's sales were 402.4 M € in 2005 compared to 357.8 M € for the same period the previous year - a 12.5% increase. The Industrial Engineering and Construction Business Unit's sales were 865.8 M € as against 772.0 M € the previous year – a 12.2% increase. Finally, the Information Technologies Business Unit's sales were 362.6 M € as against 281.1 M € the previous year.

♦ Ebitda

The EBITDA (earnings before interests, taxes, depreciation and amortization) was 216.4 M €, which is a 36.3 M € (20.1%) increase on the 2004 figure.

Ebitda	Dic. '05	Dic. '04	Var (%)
Bioenergy	**43.8**	**39.3**	**11.5**
Environmental Services	**40.4**	**36.7**	**10.1**
Information Technologies	**33.3**	**27.1**	**22.9**
Industrial Engineering and Construction	**98.9**	**77.0**	**28.4**
Total	**216.4**	**180.1**	**20.1**

The Bioenergy Business Unit's Ebitda were 43.8 M € as against 39.3 M € the previous year - an 11.5% increase. The Environmental Services Business Unit's Ebitda were 40.4 M € in 2005 compared to 36.7 M € for the same period the previous year - a 10.1% increase. The Industrial Engineering and Construction Business Unit's Ebitda were 98.9 M € as against 77.0 M € the previous year – a 28.4% increase. Finally, the Information Technologies Business Unit's Ebitda were 33.3 M € as against 27.1 M € the previous year.

The EBITDA of the companies financed under the non-recourse scheme is 59.0 M € in 2005, which represents 27.3% of the total consolidated EBITDA. In addition, the EBITDA of the other companies has increased 47.8% to 157.4 M € in 2005 (106.5 M € in 2004).

♦ Taxes

	Dic. '05	Dic. '04	Var (%)
EBT	**110.1**	**52.7**	**108.9**
Corporate Taxes	**-31.6**	**7.5**	**-520.5**
External Partners	**-12.5**	**-7.8**	**59.7**
EAT	**66.0**	**52.4**	**26.0**
Tax Rate	**28.7%**	**-14.2**	

Corporate Tax expenses for 2005 were 31.6 M €. Therefore, the tax rate for 2005 is 28.7%.

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

	Dic. '05	Dic. '04	Var (%)
EAT attrib. parent company	**66.0**	**52.4**	**26.0**
% EAT / Sales	**3.3%**	**3.0%**	

The earnings after tax attributable to the parent company are 66.0 M €, which is a 26.0% increase on the 52.4 M € of the previous year.

♦ Net Cash Flow

	Dic. '05	Dic. '04	Var (%)
Net Cash Flow	**131.4**	**113.0**	**16.3**
% Cash Flow / Sales	**6.5%**	**6.5%**	

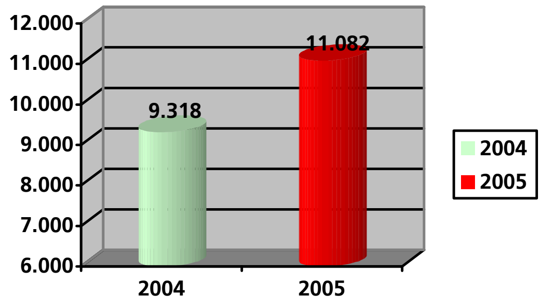
The Net Cash Flow increased 16.3% to 131.4 M € (113.0 M € in 2004).

♦ Evolution of the Main Highlights

	2005	% Var 05-04	2004	1995	C.A.G.R.(*) 95-05
Sales	2,023.5	15.9	1,746.1	514.2	14.7%
Ebitda	216.4	20.1	180.1	43.6	17.4%
Net Profit Attr. To the Group	66.0	26.0	52.4	4.9	29.7%
Net Cash Flow	131.4	16.3	113.0	24.5	18.3%

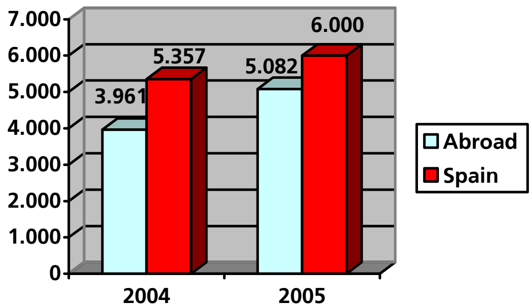
(*) C.A.G.R. = Compound Annual Growth Rate.

♦ Evolution of the average workforce



The average workforce increased by 1.764 employees compared to the same period the previous year.

♦ Origin of the Workforce



As can be seen, the increase in the average workforce is due mainly to the increase in the workforce abroad. This is the result of the higher number of industrial engineering and construction projects in Latin America, with those by Abengoa Peru being of note.

Consolidated Balance Sheets of Abengoa at December 31, 2005 and 2004

- Figures in thousands of euros -

Assets	31/12/2005	31/12/2004
A. Non-Current Assets		
I. Intangible Assets		
Goodwill	303.425	297.293
Other intangible assets	52.371	15.457
Provisions and depreciation	(7.129)	(2.802)
	348.667	**309.948**
II. Tangible Fixed Assets		
Tangible fixed assets	873.924	609.970
Provisions and depreciation	(331.201)	(251.353)
	542.723	**358.617**
III. Fixed Assets in Projects		
Intangible assets	419.359	213.189
Provisions and depreciation	(11.824)	(11.728)
Tangible fixed assets	306.139	357.384
Provisions and depreciation	(31.907)	(68.157)
	681.767	**490.688**
IV. Financial Investments		
Investments in associate companies	50.036	38.211
Financial assets available for sale	30.685	30.239
Financial accounts receivables	53.514	26.951
Deferred tax assets	136.831	119.964
	271.066	**215.365**
Total Non-Current Assets	**1.844.223**	**1.374.618**
B. Current Assets		
I. Inventories	**137.806**	**128.195**
II. Clients and Other Receivables Accounts		
Trade receivables for sales and services	365.823	299.048
Credits and other receivables	159.772	125.616
	525.595	**424.664**
III. Financial Investments		
Financial assets at fair value	122.768	99.786
Financial assets available for sale	2.108	331
Financial accounts receivables	245.494	205.912
Derivative financial instruments	9.364	5.072
	379.734	**311.101**
IV. Cash and Cash Equivalents	**435.366**	**252.145**
Total Current Assets	**1.478.501**	**1.116.105**
Total Assets	**3.322.724**	**2.490.723**

Abengoa's Total Assets in 2005, raised to 3,322.7 M €, representing a 33.4% increase on the 2004 figure, which amounted to 2,490.7 M €.

Consolidated Balance Sheets of Abengoa at December 31, 2005 and 2004

- Figures in thousands of euros -

Equity and Liabilities	31/12/2005	31/12/2004
A. Capital and Reserves		
I. Share Capital	**22.617**	**22.617**
II. Parent Company Reserves	**226.622**	**226.302**
III. Other Reserves	**(20.302)**	**(10.391)**
IV. Translation Differences		
At fully or proportionally consolidated companies	23.539	(26.265)
At companies consolidated by the equity method	3.916	(637)
	27.455	**(26.902)**
V. Retained Earnings	**138.704**	**92.451**
B. Minority Interest	**131.095**	**109.067**
Total Equity	**526.191**	**413.144**
C. Non-Current Liabilities		
I. Long-Term non-Recourse Financing (Project Financing)	**386.365**	**203.939**
II. Loans and Borrowing		
Bank loans	530.002	529.456
Obligations and other loans	134.198	120.345
Obligations under financial leasing	22.701	14.997
	686.901	**664.798**
III. Provisions for Other Liabilities and Expenses	**47.702**	**36.860**
V. Deferred Taxes Liabilities	**49.327**	**69.532**
VI. Employee Benefits	**1.605**	**2.163**
Total Non-Current Liabilities	**1.171.900**	**977.292**
D. Current Liabilities		
I. Short-Term non-Recourse Financing (Project Financing)	**284.475**	**160.838**
II. Loans and Borrowing		
Bank loans	166.699	61.646
Obligations and other loans	28.059	7.775
Obligations under financial leasing	8.462	9.157
	203.220	**78.578**
III. Suppliers and Other Trade Accounts Payables	**1.011.179**	**799.811**
IV. Current Tax Liabilities	**92.455**	**43.126**
V. Derivative Financial Instruments	**30.843**	**17.152**
VI. Provisions for Other Liabilities and Expenses	**2.461**	**782**
Total Current Liabilities	**1.624.633**	**1.100.287**
Total Shareholder's Equity and Liabilities	**3.322.724**	**2.490.723**

♦ Net Debt

	Dic. 05	Dic. 04	Var (%)
L/T Debt with Credit Institutions	(530.0)	(529.5)	0.1%
S/T Debt with Credit Institutions	(166.7)	(61.6)	170.4%
Temporary Financial Investments	379.7	311.1	22.1%
Treasury	435.4	252.1	72.7%
Total Net Debt	**118.4**	**(27.9)**	**n/a**
L/T Non-recourse Financing	(386.4)	(203.9)	89.5%
S/T Non-recourse Financing	(284.5)	(160.8)	76.9%

The Net Debt figure for 2005 is 118.4 M € (net cash position) as against 27.9 M € (net debt position) in 2004.

This improvement in the debt situation has arisen in spite of the large investments made during the financial year, with a gross increase in sections II and III of the assets balance sheet (Tangible Fixed Assets and Fixed Assets in Projects) of 418.9 M €.

♦ Consolidated Cash Flow Statement of Abengoa for the Years ended December 31, 2005 and 2004

Consolidated Cash Flow Statement of Abengoa for the Years ended December 31, 2005 and 2004

- Figures in thousands of euros -

	31/12/2005	31/12/2004
A. Cash Flows of Operating Activities		
I. Cash generated by operations		
Consolidated profit after-tax	78.481	60.199
Adjustments to the profit:		
Amortisations and provisions	46.324	52.787
Taxes	31.572	(7.508)
Profit/loss through sale of tangible assets	6.627	(5.538)
Profit/loss through sale of shares	(8.170)	105
Result in investments available for sale	0	4.205
Results of financial assets at fair value	(17.353)	5.413
Results of secondary financial documents	500	5.267
Shares in profits/losses of associate companies	(5.358)	(3.634)
Other non-monetary items	7.796	(3.893)
	140.419	**107.403**
II. Variations in working capital		
Inventories	(130.123)	25.678
Clients and other collectable accounts	(46.699)	15.931
Suppliers and other payable accounts	275.371	(12.288)
Other circulating assets/liabilities	(43.798)	(126.528)
	54.751	**(97.207)**
Net Cash Flows from Operating Activities	**195.170**	**10.196**
B. CashFlows from Investment Activities		
I. Investments		
Companies in the group, multigroup and associate companies	(6.467)	(6.142)
Tangible fixed assets	(292.473)	(178.415)
Intangible assets	(212.314)	(18.497)
Other assets	(33.187)	(11.945)
Translation difference and perimeter variation effect	0	0
	(544.441)	**(214.999)**
II. Disinvestments		
Companies in the group, multigroup and associate companies	0	0
Tangible fixed assets	26.918	26.739
Intangible assets	41.403	235
Other assets	10.752	0
Translation difference and perimeter variation effect	9.551	65.064
	88.624	**92.038**
Net Cash Flows from Investment Activities	**(455.817)**	**(122.961)**
C. Cash Flows from Finance Activities		
Income from outside resources	628.541	128.214
Repayment from outside resources	(171.689)	(14.709)
Dividends paid	(12.984)	(12.666)
Other finance activities	0	0
Net Cash Flows from Finance Activities	**443.868**	**100.839**
Net Increase/Decrease of Cash and Equivalents	**183.221**	**(11.926)**
Cash or equivalent at the beginning of the year	252.145	264.471
Cash in Banks at the Close of the Year	**435.366**	**252.545**

5. Relevant Events and other communications

5

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 Second Semester of 2005

- **Written communication of 20.07.2005 (number 59675).**

  Syndicated loan operation entered between Abengoa SA and a banking sindicate managing by Societe Generale, BNP Paribas y Citigroup, in an amount of 600 M €.

- **Written communication of 01.09.2005 (number 60610).**

  Information corresponding to the first half of 2005.

- **Written communication of 28.09.2005 (number 61089).**

  Notice of the call for an Extraordinary Shareholders Meeting for the presentation of the Share Purchase Plan for Company Senior Management and authority to be given to the Board of Directors if it were the case to approve, define and execute the Plan. The Shareholders Meeting was held on 16, October 2005 (forth quarter) and approved the referred Plan and the authority to the Board of Directors was given in order to approve, define and execute the Plan.

- **Written communication of 17.10.2005 (number 61434).**

  Notice of the agreements adopted by the General and Extraordinary Shareholders Meeting held on 16 October 2005 related to the authority given to the Board of Directors to approve, define and execute the Share´s Purchase Plan for Company Senior Management.

- **Written communication of 16.11.2005 (number 62202)**

  Information corresponding to the third quarter of 2005.

- **Written communication of 13.12.2005 (number 62644)**

  Notice of the appoinment of Mrs Mercedes Gracia Diéz as independent non executive director, made by the Board of Directors dated 12 December 2005 by the cooptation system and the previous dismissal as director of Mr Miguel Ángel Jiménez-Velasco, Secretary of the Board.

2. Evolution on the Stock Exchange

Share Performance

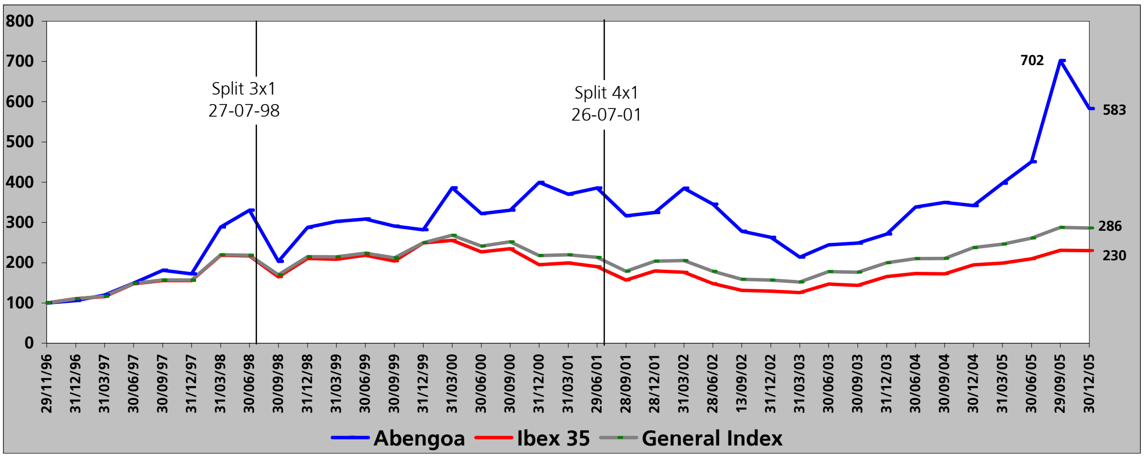
According to the data supplied to Abengoa by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A. (Securities Recording, Clearing and Settlement Management Company) for the last Extraordinary General Meeting held on October 16, 2005, Abengoa, S.A. had 6,661 shareholders.

As on December 31, 2005, the company believes the free float to be 43.95% 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) 57,988,077 shares were traded in 2005. The average volume of daily trading over the year was 226,516 shares. Minimum, maximum and average listed share prices in 2005 were 7.23 euro, 15.20 euro and 10.85 euro, respectively. The last closing price quoted for Abengoa shares in 2005 was 12.41 euro, 70.7% up on that of December 31, 2004, and 483% higher than the share price established for the Public Offering on November 29, 1996.

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 483% which is 5.8 times the initial price. During this same period, the Madrid Stock Exchange has revalorized 186% and the select IBEX 35 has gone up 130%.



♦ Disclaimer

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

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ABENGOA

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