Profile of Abengoa

Abengoa is a technology company that applies innovative solutions for sustainability in the infrastructure, environment and energy sectors, adding long-term value for its stockholders through the encouragement of entrepreneurship, social responsibility, as well as transparency and efficiency in management.

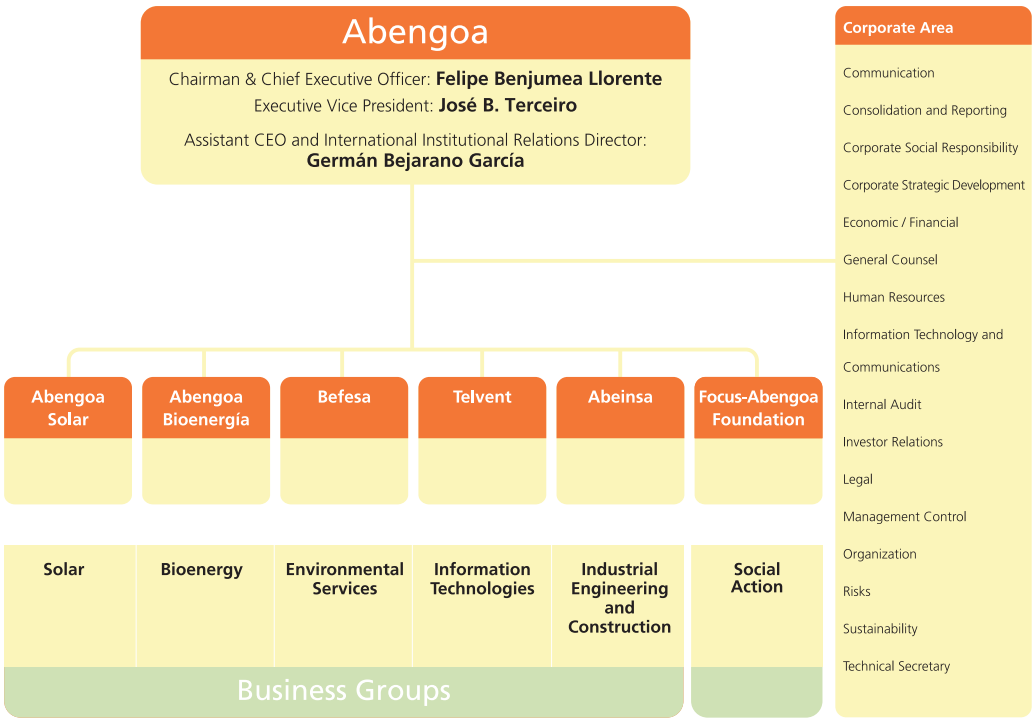
Abengoa focuses its growth on the creation of new technologies that contribute to sustainability:

- Generating energy from renewable resources.
- Recycling industrial waste, and generating and managing water.
- Creating environmental-friendly infrastructures that eliminate emissions.
- Developing information systems that aid in managing existing infrastructures more efficiently.
- Promoting new avenues for development and innovation.

And to achieve this, Abengoa:

- Invests in research, development and innovation (R&D&I).
- Expands those technologies with the greatest potential.
- Develops the necessary talent by attracting and retaining the best people.
- Dedicates human and economic resources to promoting social action policies that contribute to human and social progress through the Focus-Abengoa Foundation.

Abengoa has its headquarters in Seville (Spain) and is present, though its subsidiaries, holding companies, facilities and offices, in over 70 countries around the world. It operates through its five business units: Solar, Bioenergy, Environmental Services, Information Technologies and Industrial Engineering and Construction.



Solar

Abengoa's Solar business unit develops and applies technologies for energy production using the sun as the primary source, with the aim of halting climate change and ensuring sustainability.

Abengoa is committed to the creation of new businesses that help to combat climate change and contribute to sustainable development. Within this context, solar energy has the potential to resolve, at least partially, society's need for new clean and efficient energy sources.

Abengoa currently holds a privileged position in the field of capturing solar energy, as, following over 20 years of investment and development in projects, it has learned how to make the two technologies for electricity generation from solar energy, thermal and photovoltaic, compatible, which has led to in-depth experience in energy capture techniques.

The parent company of this business unit is Abengoa Solar, which focuses its growth on two complementary activities:

- Plant construction and operation: with the knowledge and technology in thermoelectric solar plants (tower and parabolic trough), as well as photovoltaic solar plants, both with and without concentration.
- Research and development of new technologies (R&D&I): participating in new, innovative projects, committed to solar technology and investing in R&D projects geared towards the continuous cost reduction and efficiency improvement forecasted for plants and facilities in their strategic plan.

The Solar business unit is comprised of the following:

- Abengoa Solar Spain, developing, building and operating thermoelectric solar plants in Spain.
- Abengoa Solar PV, developing, building and operating photovoltaic solar plants in Spain.
- Abengoa Solar New Technologies, focusing its activities on research and development of solar technologies.
- Abengoa Solar Inc., its company in the United States, focused on activities for thermosolar power plants and industrial facilities.
- Abengoa Solar, concentrating resources dedicated to the development of new businesses.

Activities and projects

Abengoa Solar, international leaders in solar energy power plants, has as its key project for the coming years the construction and operation in Sanlucar la Mayor (Seville) of what will be Europe's largest solar platform. Work on the platform will be completed in 2013 and, thanks to its 300-megawatt capacity, it will provide clean electricity to 153,000 homes and eliminate 185,000 tons of CO_2 per year, for a total of four million tons over the course of its useful life.

The project, with an investment of 1,200 M€, will take up an area of approximately one thousand hectares and will create jobs for 300 people.

Abengoa Solar is also developing international projects, with the following being prominent among them:

- In Hassi-R'mel, Algeria, the world's first hybrid combined-cycle solar plant is under construction. It will have a power output capacity of 150 MW, 20 of which come from a parabolic trough field with thermal oil. The plant will have an expanse of approximately 180,000 square meters.
- In Ain-Ben-Mathar, Morocco, the world's second combined-cycle hybrid solar plant is going to be built. It will have a power output capacity of 470 MW, of which 20 will come from a parabolic trough collector field with thermal oil.
- In the United States, Abengoa Solar designs, builds and operates parabolic trough plants to produce industrial steam for use in the industrial processes of different industries.

Solar is Abengoa's business unit with the primary objective of generating clean and distributed energy worldwide, thereby also contributing to the economic development of the rural areas in which it operates.

Bioenergy

Abengoa Bioenergy, the parent company of the Bioenergy business unit, is dedicated to the production and development of biofuels for transportation; bioethanol and biodiesel, among others, that utilize biomass (cereals, cellulosic biomass, oleaginous seeds) as a raw material. Biofuels are currently used in the production of ETBE, a gasoline additive for gasoline or gas oil.

Bioethanol production reduces consumption of fossil fuels and the emission of tons of CO_2 into the atmosphere, since cereals, through the chlorophyll they contain, previously set the gas, which in ordinary fuels would be emitted by vehicles. Bioethanol production also gives rise to secondary products that are beneficial from the environmental standpoint, such as distilled grain solubles, compounds with a high protein content used as livestock feed. The main advantages of bioethanol are the following:

- It is a national source of renewable fuel.
- It reduces dependence on oil imports.
- It is a cleaner source of fuel.
- It increases the fuel octane level at a low cost.
- It can be used in almost any vehicle.
- It is easily produced and stored.
- Biofuel greenhouse gas emissions are between 40% and 80% lower than those of fossil fuels.
- Bioethanol is superior to other fuels from an environmental standpoint.

Among its other environmental advantages are the following:

- Reduction in acid rain
- Better city air quality
- Less water contamination
- Less waste

Biodiesel, in particular, is a renewable biofuel that is obtained in the chemical reaction of methanol (or bioethanol) with vegetable oils (rapeseed, sunflower, soy, palm). It does not contain sulfur and, with respect to petroleum-derived diesel, reduces greenhouse gas emissions (CO_2 among others), carbon monoxide (CO), particles (PM) and other contaminating products.

Moreover, biodiesel is completely suitable as a substitution fuel, either totally or partially, for the gas oils in diesel engines, without having to resort to special conversions, adjustments or regulations in the vehicle's engine. It also increases lubricity of the engine and the ignition point, thereby reducing the risk of explosion due to gas emanation.

Due to their biodegradable and non-toxic nature, bioethanol and biodiesel are clean sources of renewable energy that help to reduce environmental pollution. Their use reduces the dependence on fossil fuels and ensures the energy supply. Production creates new opportunities for sustainable rural development within the framework of an agricultural policy more in line with the market, as it encourages the development of energy crops and the creation of agroindustries, contributing to maintaining work levels and income in rural areas.

Activities and projects

Abengoa's Bioenergy business unit bases its growth strategy on four principles:

- Increasing production through the construction of new plants
- Participation in new projects
- Presence in new markets
- Continuous commitment to technological innovation, dedicating significant financial and human resources to R&D&I projects, primarily in areas such as the improvement in process performance, bioethanol production from cellulosic biomass and biomass gasification, and the development of new products based on bioethanol (E-diesel, hydrogen).

Abengoa currently operates six bioethanol plants from cereal grain in Europe and the United States, with a total production capacity of 944 Ml. In 2006 a new production plant was started up in Spain (190 Ml), which will soon incorporate a production unit type based on cellulosic biomass (cereal straw). Today, Abengoa biofuels are commercialized in Germany, Spain, France, Sweden and the United States. This business unit is headquartered in Saint Louis, Missouri (U.S.). Abengoa, the leading bioethanol producer in the European Union, and fifth in the United States, is the only group operating in both markets.

The new biodiesel project is allowing Abengoa to learn about the market of this biofuel and become a reference in the construction and operation of biodiesel plants. Therefore, Abengoa's capabilities in the bioethanol sector are being reinforced, and its position consolidated in the development of a global market of biofuels for transportation. Abengoa Bioenergy has started up construction in Cadiz (Spain) of a biodiesel production plant that will use crude vegetable oils as the raw material.

The primary objective of this business unit is the generation of clean, environmentally-friendly fuels that substantially reduce contaminating emissions and ensure the existence of alternatives to fossil fuels.

Environmental Services

Befesa Medio Ambiente, in addition to being the main company of this business unit, is the leading company in Spain in the treatment of industrial waste and water generation and management.

Befesa focuses its activity on providing environmental services to industry, and in the construction of environmental infrastructures. It is dedicated to zinc recycling, industrial resource management, and environmental engineering (water desalination, purification and impulsion).

Abengoa is committed to business development based on innovation and sustainability. Within this context, the recycling of industrial waste requiring technology-intensive processes, and development of activities that span the entire water cycle are part of Abengoa's commitment to protecting the Environment and our natural resources.

Activities and projects

Befesa bases its strategy for growth on four lines of activity, in which it already holds a position of leadership:

- **Aluminum waste recycling:** This area provides collection and treatment services for wastes with diverse aluminum contents; it manufactures and commercializes aluminum alloys and is dedicated to the design, construction and assembly of equipment related to the recycling of this metal. It also deals with salt slag, a hazardous toxic waste that comes from the process of recycling aluminum waste. Recovery of salt slag is the alternative to dumping and aims to separate metallic aluminum, salt and aluminum oxide in order to be able to reuse them. This activity provides complete closure of the recycling cycle and maximum use of waste containing aluminum.
- **Zinc recycling**: The objective of this area is recycling and recovery of residue dust (steel mill dust) originating in the process of manufacturing and smelting electric-arc furnace steel. The services provided by Befesa companies in the zinc area represent a fundamental link in the recovery cycle of this metal. They prevent the useless loss of tons of this metal and, consequently, decrease dumping and help to contribute to reducing mineral extraction of zinc from nature. Befesa is the only Spanish company to offer integral collection and treatment service for steel dust for its valorization, and the only alternative company to deliver an optimal environmental solution for the treatment of steel dust. This unit also conducts activities in desulphurization applying the cleanest and securest process for making use of residual sulfur and provides solutions for petrochemical plants in dealing with desulphurization waste that is created in their production processes.
- **Industrial waste management** focuses its activity on providing global service to industrial waste producers by following a treatment hierarchy that aims to minimize, reuse, recycle, valorize (energy capture or waste material), as its top priorities, and waste elimination, in compliance with national and European environmental regulations, on the one hand; and on the other, this area offers a wide range of industrial cleaning services that cover practically all industry sectors.

- **Environmental engineering:** Befesa's environmental engineering activities involve the design, construction and operation of infrastructures for the whole water cycle and waste management. The company is one of the world's leaders in the process of desalination, with plants in use or under construction with a production capacity of over 1,000,000 m^3 of desalinated water per day.

In the field of research, development and innovation (R&D&I), Befesa develops policies geared toward the creation of value and the execution of its activities in a sustainable way, without harming future generations.

Abengoa's environmental services reduce energy consumption through its recycling activities, thus eliminating the emission of over 2.5 Mt of CO_2 each year, and through the desalination of 1.1 Mm^3 of water per day to supply water to 4.8 M people.

Information Technologies

Telvent, leader of Abengoa's businesses in information technologies, manages high-value-added solutions in four industrial sectors: energy, transportation, environment and public administration. Its technology helps companies to make decisions in real time using data control and acquisition systems, as well as advanced operational applications, which provide secure and effective information to the company. Telvent, through its innovative technology and proven experience, help ensure secure and efficient management of the operating and business processes of the world's leading companies.

Telvent strives day after day to be a global company, which, through use of the most advanced technologies, contributes to making the formidable challenge of creating a sustainable world for future generations possible.

Activities and projects

With more than 40 years of experience in industrial control and monitoring and process management systems, Telvent is present today in Europe, North America, Latin America, the Asia-Pacific Region, as well as the Middle East and Africa.

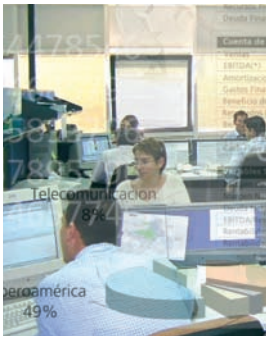
Telvent manages the transmission and distribution of over 140,000 GWh of electricity per year, controls the traffic of more than 170 M drivers daily, and manages over 150 airports around the world. Telvent is the only Spanish company listed on the Nasdaq exchange, with an average annual growth over the past four years of 50% in net profits.

Abengoa manages, through Telvent, real-time information technologies in the Energy, Transportation, Environment and Administration sectors.

In the Energy sector, the company operates in the areas of oil and gas and electricity. In oil and gas, Telvent offers a wide range of software for oil pipeline engineering, refined products and liquids derived from natural gas, as well as advanced applications for managing operation, metering and commercial processes. Telvent's technological applications, used by over 35 pipeline operators, permit functions as diverse as hydrocarbon flow, leak detection or the wide range of metering processes that aid in commercial pipeline use.

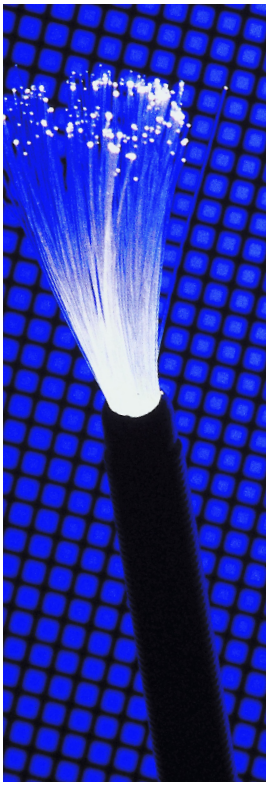
In the **Electric** sector, real-time automation solutions are developed for electric utilities in the areas of generation, transmission, distribution and traction. Telvent is a leader in the Spanish electric market and one of the most important suppliers of control and communications solutions for the electric market in Latin and North America.

In the **Transportation** segment, Telvent develops traffic solutions and real-time services for urban mobility, intercity traffic management, local and regional systems, violation, toll and parking management; in the public transportation segment, it delivers railway, subway and bus payment systems (fare integration), railway, port and maritime traffic and simulation systems. Telvent's activity in the Traffic sector is aimed at minimizing urban traffic congestion and expanding the capabilities of intercity thoroughfares. The products and services include global intelligent traffic systems (ITS) for traffic management, incident detection, intersection control, automated toll systems and management of highways and city access points, as well as violation management.



Telvent's solutions for public transportation help to optimize management and control of public transportation networks. These systems include ticketing management and control systems, railway traffic control and regulation systems, integrated station control centers, remote control of stationary installations, as well as parking control and management systems.

Telvent's activities in the **Environment** segment are carried out in the water and weather business areas. Telvent has developed systems for calculating in real and historical time all useful parameters for water management and flood prediction and alert, remote control irrigation management and water management. Telvent has been delivering technology in the weather observation segment for over 20 years; thus practically all Spanish airports have been equipped or modernized with Telvent's Automated Weather Observation Systems (AWOS).



Telvent offers surface weather observation products and provides teledetection tools for early detection and nowcasting of adverse weather phenomena.

Telvent's activity in the area of **Public Administration** is focused on the development, implementation and maintenance of global technological solutions for serving citizens, civil servants, businesses and institutions through their administrations.

Through its comprehensive range of products and services, Telvent aids Public Administrations in the gradual transition of their traditional procedures toward a model of global digital management. Telvent has turned this model into complete suites of global solutions that respond to the specific needs of local administration and government, as well as the healthcare, security and defense sectors.

Global Services

Telvent offers a wide range of information systems outsourcing services. These services include engineering, project management, installation, operation, system techniques, monitoring, administration, maintenance, security, technical consulting and 24/7 help desk support. Telvent's professional services also offer data centers for critical mission information systems. Telvent has strategic centers for delivering these services in Madrid, Barcelona, Seville and Lisbon.

Abengoa, through its information technologies business unit, reduces emissions through energy efficiency and transportation optimization, and increases security in the operation of critical infrastructures in the exchange of information and in border control.

Engineering and Industrial Construction

Abeinsa is Abengoa's main company in the business area dedicated to engineering, construction and maintenance of electrical, mechanical and instrumentation infrastructures for the energy, industry, transportation and service sectors.

The Industrial Engineering and Construction business unit is organized into five divisions: Energy, Installations, Telecommunications, Marketing and Manufacturing and Latin America. These solutions, focused on sustainability, help create value for its customers, stockholders and employees, ensuring forward-looking international projection and investment profitability.

Within Abengoa's range of solutions for sustainability, Abeinsa consolidates the activities for halting climate change: R&D&I in technologies for reducing and eliminating emissions (greenhouse gases, CO_2 capture and storage), as well as developing emission reduction projects, CO_2 trading and participation in carbon funds.

Activities and projects

Over 60 years of accumulated experience in the creation of infrastructure have led Abeinsa to become a leader in Spain and Latin America, with a wide portfolio of clients from both the private and public sector. This diversification of activities, complementary among themselves, has become an advantage for facing a continuously evolving economic environment, and provides the strength and stability needed to continue with projects for growth, international expansion and collaboration in large international consortiums.

Abeinsa is the second largest international builder of energy infrastructures (Engineering News-Record, ENR), with over 5,000 km of its own power lines in use. And, moreover, it is a leader in hydrogen technology, with groundbreaking R&D projects in the generation of clean energy through fuel cell technology.

- **Energy:** development, construction and operation of conventional power and industrial plants (cogeneration and combined cycle), renewable plants (bioethanol and biomass) and geothermal plants; operation of businesses and activities involving the production of electrical energy through fuel cells.

Noteworthy is the activity carried out in the development, design, engineering, construction, operation and maintenance of power plants, such as conventional plants, combined-cycle plants, cogeneration plants, biomass plants (from forestry or farming), waste incineration plants (urban, farming and livestock) and bioethanol plants.

Abeinsa also contributes to sustainability in the field of solar energy, constructing solar plants intended for energy production and sale.

This division organizes and develops activities and projects related to electricity production through fuel cells based on different technologies, as well as the use of hydrogen.

Work is conducted in research, development and innovation, primarily focused on four major lines of activity: production of clean hydrogen from renewable energy sources; the search for new applications for fuel cells through different technologies (telecommunications installations, residential and transportation applications); development of new reversible, compact and direct fuel cells; and projects for integrating renewable energies in which hydrogen is produced from solar or wind power.

• **Installations:** engineering, construction and maintenance of electrical, mechanical and instrumentation infrastructures for the energy, industry, transportation and service sectors; insulation assembly and passive fire protection.

In the Installations division, activities conducted in the following sectors and products are especially significant:

For the electrical installation sector, activities involve applied engineering, construction and equipment for creating infrastructures, mainly hydroelectric, thermal and combined-cycle plants; substations and transformation centers; airport infrastructures; industrial infrastructures; singular and public buildings; shopping centers and malls; maritime and railway transportation; residential areas, industrial parks, and hospital, teaching and state-of-the-art technology buildings.

Mechanical activities, on the other hand, are focused on the design, supply, manufacture, assembly and testing of mechanical systems associated with hydroelectric plants, thermal plants, combined-cycle plants, cogeneration plants, and gas, chemical and petrochemical industry plants.

With regard to insulation, refractory lining and passive fire protection, the following activities are conducted: thermal and acoustic insulation, supply and installation of refractory materials; fire protection systems and sectorizing smoke curtains.

Finally, in the sector of instrumentation and maintenance, the customer is delivered global service in installations and infrastructures, supplying specialized personnel and equipment.

This business unit has over 60 years of experience in the sector, which has led to its participation in projects involving medium, high and very high voltage line, up to 800 kV, throughout the world. It also has a great deal of experience, dating back to 1944, in the field of railway installations; since then it has installed over 4,000 km of catenary line throughout Spain, and, since 1998, abroad as well.

• **Telecommunications:** network integration and turnkey telecommunications projects. Noteworthy in this division are traditional construction work and external plant maintenance; loop and customer equipment supply, as well as specialization in providing engineering and telecommunications network integration services.

In addition, products and services needed for deployment, installation and use of telecommunications networks are delivered: design and engineering, infrastructure construction, equipment supply, installations and testing, operation and maintenance. In short, it is fully capable of executing turnkey projects.

• **Commercialization and auxiliary manufacturing:** commercialization of products related to the other activities of the business unit, as well as manufacture of auxiliary elements for the energy and telecommunications sectors.

In the area of commercialization, it continues to hold its leading position in the national market as suppliers of electrical material, instrumentation and communications in the chemical, energy, telecommunications and industrial sectors.

Likewise, in the area of auxiliary manufacturing, complex materials and products are made and sold for the energy, industrial, service and telecommunications sectors.

Other activities include design and manufacturing of low and high-voltage electrical cabinets and boards, output and control electronics for remote stations, control boards, protection and electrical boards for auxiliary services for all kinds of industrial, energy and service installations, construction of reticulated steel structures such as towers for electrical lines, communications towers, substations and towers for wind generators; manufacture of thin plate-derived products, such as panels, signals and telephone booths, as well as products for application in external telephone networks.

For over 30 years, Abengoa has maintained its stable presence in the Latin American market, through local companies which conduct all of the business unit's activities: Energy, Installations, Telecommunications, Marketing and Industrial Manufacturing – working autonomously and applying the management rules of the Abengoa group.

Abengoa thus helps to design and build efficient installations and power lines that contribute to lowering energy consumption, and designs and builds renewable energy plants for generating thousands of megawatt hours of clean energy.

Focus-Abengoa Foundation

With solar energy, biomass, waste, information technologies and engineering, Abengoa applies innovative technological solutions for sustainability. And, likewise, through the development of social and cultural policies, Abengoa contributes to economic progress, social equity and conservation of the environment wherever it conducts its activities.

The Focus-Abengoa Foundations is the active instrument through which Abengoa channels its social action. It is a non-profit institution with headquarters in the Hospital de los Venerables in the city of Seville. Among its main objectives is the promotion of culture, addressing primarily the preservation and dissemination of Seville's historical and cultural heritage, social integration, cooperation to preserve our environment heritage, as well as diverse activities linked to technological and social development, with special dedication to people with disabilities, since the academic, special and physical education and social integration of the disabled have been a constant concern in the life of Abengoa.

The Foundation's activities, therefore, are based on three main focuses: assistance, culture and education. Its efforts are translated into specific initiatives linked to company growth, through specific programs which take the economic, social and cultural diversity of each country where Abengoa operates into account. The Focus-Abengoa Foundation manages intangible assets, with an impact that is returned and multiplied in Abengoa's values and business aims.

(*) See Section V, "Abengoa and the communities in which it operates"

International presence

Abengoa, through its five business units, is present in more than 70 countries in Europe, Asia, Africa, North America, South America and Oceania.

America
Puerto Rico, Peru, Mexico, Brazil, Argentina, Uruguay, Chile, Bolivia, Panama, Cuba, Paraguay, Ecuador, the Dominican Republic, Costa Rica, Colombia, Venezuela, Honduras, Nicaragua, USA, Canada

Europe
France, Germany, Sweden, Italy, Austria, Belgium, Turkey, Ireland, Romania, Portugal, Denmark, United Kingdom, Switzerland, Iceland, Luxemburg, Greece, the Czech Republic, Holland, Norway, the Netherlands, Poland, Hungary, Armenia

Africa
Morocco, Algeria, Tunisia, Libya, Mauritania, Senegal, Mozambique, Ghana, Angola, South Africa, Namibia, Tanzania, Nigeria, Qatar

Asia
India, Bahrain, Israel, Thailand, China, Indonesia, Malaysia, Iran, Vietnam, Taiwan, United Arab Emirates, Saudi Arabia, Jordan, Lebanon, Oman, Rusia

Oceania
Australia

Abengoa's international business evolution in 2007, 2006, using 1997 as a reference, is as follows:

Evolution of Abengoa´s activity outside Spain

	2007		2006		1996		CAGR (96-07)
Abroad	**M€**	**%**	**M€**	**%**	**M€**	**%**	**%**
USA and Canada	477.3	14.9	284.7	10.6	0.0	0.0	–
Latin America	634.6	19.8	739.5	27.6	152.4	26.3	13.8
Europe	604.8	18.7	319.0	11.9	16.4	2.8	38.8
Africa	174.1	5.4	104.2	4.0	5.2	0.9	37.5
Asia	97.3	3.0	43.5	1.6	24.4	4.2	13.4
Oceania	8.8	0.3	8.8	0.3	0.0	0.0	–
Abroad Total	**1 996.9**	**62.1**	**1 499.9**	**56.0**	**198.4**	**34.2**	**23.4**
Local Activity	3 214.5	100.0	1 177.4	44.0	380.4	65.8	11.2
Consolidated Total	**3 214.5**	**100.0**	**2 677.3**	**100.0**	**578.8**	**100.0**	**16.9**

New offices opened by business unit during 2007

Abengoa Bioenergy
Dedini.Pirassununga (Brazil)
Dedini.São João da Boa Vista (Brazil)
Abeinsa
Abencs.Sanit Louis, MO (USA)
Abencs India. Mumbai, Maharashtra (India)
ZeroEmissions Technologies.Sevilla (Spain)
Inabensa Taller Sevilla. Sevilla (Spain)
Centro Industrial y Logístico Torrecuellar.Sevilla (Spain)
Inabensa Tianjin.Teda Tianjin (RP China)
Inabensa Saudi Arabia. Dammam (Saudi Arabia)
Nicsa Industrial Supplies. Florida (USA)
Nicsa Fornecimiento de Materiais Elétricos Ltda. Río de Janeiro (Brazil)
Befesa
Befesa CTA Qingdao S.L. Qingdao (RP China)
Befesa CTA China. Beijing (China)
Befesa Steel Services GmbH. Duisburg (Germany)
Befesa Scandust AB. Landskrona (Sweden)
Befesa Valera SAS. Gravelines (France)
Befesa Zinc Freiberg GmbH & Co. KG. Freiberg (Germany)
Befesa Zinc Duisburg GmbH. Duisburg (Germany)
Telvent
Telvent Tráfico y Transporte. Sta. Cruz de Tenerife (Spain)
Telvent Tráfico y Transporte. Bucarest (Romania)
Telvent Farradyne. Burlington-MA (USA)
Telvent Farradyne. Brentwood -TN (USA)
Telvent Farradyne. Troy- MI (USA)
Telvent Farradyne. Gainesville- FL(USA)
Telvent Farradyne. Lenexa- KA (USA)
Telvent Farradyne. Sunset Hills-KA (USA)
Caseta. Austin-TX(USA) (2)
Telvent Energía y Medio Ambiente. Stocholm (Sweden)
Telvent Energía y Medio Ambiente. La Marsa (Tunisia)
Telvent Mexico. Mexico DF (Mexico) (2)
Telvent Almos. Culemborg (Netherlands)
Matchmind. Madrid (Spain) (6)
Matchmind. Barcelona (Spain)
Matchmind. Sevilla (Spain)
Matchmind. A Coruña (Spain) (2)
Matchmind. Avila (Spain) (2)
Matchmind. Segovia (Spain)
Matchmind. Valladolid (Spain)
Matchmind. Valencia (Spain)
Matchmind. Reino Unido
Abengoa Solar
Abengoa Solar. Sevilla (Spain)
Abengoa Solar.Almería (Spain)
Abengoa Solar.Badajoz (Spain)
Abengoa Solar.Denver (USA)

Markets and products
Current structure and nature of the business

Two types of products coexist at Abengoa:

- Integrated products: those of a global scope of responsibility, ranging from active business promotion, with or without capital investment, to the supply of financing formulas, definition and design of technologies for application, turnkey construction and subsequent operational and maintenance service and business management. These products clearly involve recurrence which delivers greater stability for Abengoa's profits (induced business)
- Conventional products: those entailing the sale of a particular good or service and whose investment corresponds to the customer's balance sheet, and in which the company does not take on management responsibility.

Solutions for sustainability

At Abengoa, we deliver solutions that contribute to sustainability:

• By generating energy with renewable sources:

- In the United States, we have an annual bioethanol production capacity of 752 Ml; in Europe, our production capacity is 596 Ml of bioethanol per year; and in Brazil we have the capacity to mill 5.7 Mt of sugar cane each year, equivalent today to 130 Ml of bioethanol and 537,000 t of sugar produced each year. All of this eliminates the emission of 1,936,000t of CO_2 into the atmosphere.
- We have an output capacity of 13 MW of solar-based energy, equivalent to the consumption of 19,000 people, reducing CO_2 emissions by 7,800 t.
- We anticipate that, following the commercial start-up of 400 MW which are currently under construction and development, CO_2 emissions eliminated will total 990,530 t.

• By recycling industrial waste:

- We treat over 2,600,000 t of industrial waste, for production of new materials by recycling more than 1,270,000 t.

• By generating and managing water:

- We have the capacity to desalinate over 1 M m^3 of sea water each day, which allows us to supply water to over 4.5 M people.

• By creating infrastructures that eliminate new investment in assets that generate emissions:

- We produce 1,522,411 MW/h of power annually through co-generation, representing a 410,789 t-reduction in CO_2 emissions if this energy were produced in thermoelectric coal plants.
- In the coming years our biofuel plants will reach annual production of 1,690 ktep, reducing CO_2 emissions into the atmosphere by 3.9 Mt each year.
- We are currently working on the construction of the world's first two ISCC plants, using technology the key of which lies in the perfect integration of a combined cycle with solar energy.
- Our thermosolar plants will generate more than 300,000 MWh and will reduce CO_2 emissions by 240,000 t each year.
- In South America, we operate more than 3,600 km of transmission lines that transport clean and sustainable energy. And we are currently building 922 km in additional lines.

• By creating Information Systems that help to manage existing infrastructures more efficiently:

- We manage over 60% of the hydrocarbon movements in the pipelines in North and Latin America.
- We ensure the proper distribution of over 1,000 Ml of gasoline each month, enough to fill the tanks of over 22 M cars.
- We transport and distribute 140,000 GWh, supplying electricity to more than 80 M people.
- We control motor vehicle traffic in more than 7,000 intersections, which over 195 M people go through each day.
- We manage the train and subway network trips of over 2,500 M passengers.
- We facilitate take-off and landing of over 1,000 M passengers per year in more than 190 airports around the world.
- We provide online and telephone information on traffic conditions to more than 5 M people each month.
- We manage the distribution of water to over 45 M people in Europe, North America, Latin America and the Middle East.
- We monitor and report on the quality of the air which over 20 M people breathe in Europe and Latin America.
- We help more than 30 M European citizens to access and manage their electronic transactions with their public administrations, as well as other organizations and institutions.
- We monitor weather conditions and supply weather forecasts for over 30,000 km of highways in North America and Europe.

Abengoa's Corporate Social Responsibility policy

Abengoa maintains a business model based on sustainability around which its activities and strategies revolve, so that its vision, mission and values reflect its strong commitment to economic and social progress, while contributing to conservation of the environment and respect for Fundamental Rights at the same time.

Abengoa believes that an innovative company, within the text of the market economy, is an efficient and necessary tool in the evolution towards a society of sustainable development.

Through this business model, Abengoa gears its activity toward the following:

- Customer service
- Personal and professional development of its employees
- The creation of long-term value for its stockholders
- Growth of the societies where it conducts its business
- Making the world a better and more sustainable place for future generations.

And to achieve this, Abengoa invests in research, development and innovation, globally expanding technologies with the highest potential, and attracting and developing the necessary talent.

Abengoa strives to maximize the benefits obtained for its stakeholders, for the communities where it operates and for society in general. It seeks to strike a balance with maximum benefits for all through commitment to sustainability, following current legislation and with the highest levels of integrity and transparency. The search for this equilibrium is the driving force of the company. Abengoa believes that in a market economy context, an innovative company is an effective and vital instrument on the road towards a society of sustainable development.

Throughout its history, Abengoa has been developing a set of values which constitute the structure of its ethical code, and which make up part of its business character. Through all its channels, the organization promotes knowledge and the application of these values, establishing control and review mechanisms to ensure that they are abided by and updated accordingly. The most predominant are expressly outlined below.

Integrity: Honesty in professional conduct is part of the Abengoa identity and is manifested in all personnel actions, both internal and external. This proven integrity translates into credibility with clients, suppliers, stockholders and anyone else it interacts with; moreover, it creates value in and of itself, for the individual as well as the entire organization.

Lawfulness: Following the law is not only an external requisite and, thus, is an obligation for the organization and its employees. The law provides security in actions and reduces business risks.

Professional rigor: The concept of professionalism at Abengoa is closely linked to service vocation in the execution of an activity and the implication with the business project developed. All actions must adhere to the notion of professional responsibility, following the principles established in the common management systems.

Confidentiality: Abengoa considers that people that form part of its organization are bound in duty to maintain criteria of discretion and prudence in their communications and relationships with third parties; in other words, proper safeguarding of information possessed by the Company.

Quality: Abengoa is committed to quality in all of its actions, both internal and external. This commitment is not a task for management or a specific group of people: on the contrary, it governs the daily activity of all members of the organization. Abengoa has specific rules of quality which are the result of its knowledge, common sense, rigor, order and responsibility in conducting its activities.

Corporate social responsibility is one of the main pillars of Abengoa's present and future strategy.

The dimensions of this corporate responsibility are the following:

- Legal dimension: strict observance of current legislation in each and every one of the company's actions.
- Economic dimension: generation of sustained value.
- Human dimension: absolute respect and protection of human rights.
- Social dimension: support for the development of the societies in which it operates
- Environmental dimension: respect for and protection of the environment.

Each and every one of the activities undertaken by the company is carried out bearing Abengoa's present model of sustainability in mind, in an attempt to strike a balance with maximum benefits for all through commitment to sustainability, following current legislation and with the highest levels of integrity and transparency.
Furthermore, to clearly manifest this commitment to sustainability, Abengoa supports all types of initiatives involving the protection of rights.

Therefore, in 2002, Abengoa signed the United Nations' Business Leadership Global Compact, the aim of which is to contribute to adopting shared values and principles with a more human side for the world market. Adherence to the Global Compact implies the implementation of ten principles in the strategy and operation of a business, through a process of dialogue and information transparency, as well as training. One of the great challenges facing Abengoa today is the complete integration of these principles which reaffirm the company's commitment to the defense of human and labor rights, protection of the environment and the fight against corruption.

The 10 principles of Global Compact

Principle 1. Companies must support and respect internationally proclaimed basic human right within their area of influence.

Principle 2. Companies must make sure that they are never complicit in human rights.

Principle 3. Companies must support the freedom of association and effectively recognize the right to collective bargaining.

Principle 4. Companies must support the elimination of all forms of forced and compulsory labor.

Principle 5. Companies must support the abolition of child labor.

Principle 6. Companies must support the elimination of discriminatory practices in employment and occupation.

Principle 7. Companies must support a precautionary approach to environmental challenges.

Principle 8. Companies must undertake initiatives to promote environmental responsability.

Principle 9. Companies must encourage the developm,ent and diffusion of environmentally-friendly technologies.

Principle 10. Companies must work against corruption in all of its forms, including extortion and bribery.

In 2007, Abengoa joined "Caring for Climate: the Business Leadership Platform", part of the Global Compact platform. Its aim is to help shape public policy in the struggle for environmental protection.
By endorsing "Caring for Climate: the Business Leadership Platform", the company reasserts its support of both the United Nations as well as all principles of the Global Compact, and once again manifests its deep commitment to respect for the environment. This commitment defines company strategy, which is part of our corporate culture, and which is present in all operational areas of the business units.

In addition to the international agreements and commitments which Abengoa is a part of, its corporate social responsibility policy is based on the following:

- Abengoa's professional Code of Conduct
- Corporate governance structure
- Policy of support to the communities where the company operates
- Abengoa's model of sustainability
- Internal and external auditing of all business units and their actions

Risks and forward-looking opportunities

Abengoa knows that the commitment to sustainability represents a significant opportunity for creating value, not only for stockholders, but for the rest of the organization's stakeholders as well. As the concept of sustainability penetrates deeper into social conscience, those companies with a firm commitment will be compensated by the market. And this tendency is growing, so that organizations that stray from this path will either end up fading away or will no longer be able to alter the course of their path.

Abengoa thus understands that sustainability is not only imperative from an ethical point of view, but rather constitutes an important instrument for creating value. This year a team was set up within the company that will deal exclusively with designing strategies for achieving more sustainable economic, social and environmental development.

Abengoa goes beyond compliance with international standards. An inventory of greenhouse gas emissions was recently started up, with the aim of determining in the most detailed manner possible the environmental impact of the company's activities. Based on the results obtained from this inventory, Abengoa will proceed to establish quantitative goals to be reached in the coming years, in order to adopt pertinent measures in order to minimize the negative effects linked to these emissions. At Abengoa, we strive to be forerunners in sustainability, and we demonstrate this through actions as resolute as the one described below.

One of the most significant goals achieved this year was the company's active entry into the field of emissions management, through ZeroEmissions, an Abengoa subsidiary. This represents a vital area so that both companies and countries meet the objectives for reducing emissions set forth in the Kyoto Protocol. Abengoa has also carried out significant activities in the area of renewable energy and recycling, with systems and infrastructures that have contributed to eliminating the emission into the atmosphere of millions of tons of CO_2.

Abengoa's forward-looking goals are increasingly more ambitious. Through the emissions inventory, it will be possible to define and implement measures to allow the company to continue progressing in its commitment to sustainable development. Furthermore, within its business strategy, two new areas of business were added: CO_2 capture and storage and energy efficiency. These are areas in which Abengoa has been working for years, primarily from an R&D perspective, and they now represent activities which the company seeks to pursue with vigor in order to take them to the commercial phase.

Main Highlights
Financial Data

Profit and Loos Account (M€)	2007	% Variation (07-06)	2006	1996	% CAGR (96-07) (*)
Sales	3,214.5	20.1	2,677.2	578.8	16.9
Gross Cash Flows (**)	452.4	57.2	287.9	53.8	21.4
Net Profit	120.4	20.0	100.3	16.1	20.1
Significant Variables					
Margin (% Gross Cash Flows / Sales)	14.1		10.8	9.3	
Return on Equity (ROE) (%) (***)	17.0		22.5	10.1	
Gross Cash Flows (k€) / Employees	29.2	38.2	21.2	7.2	13.5
Sales (k€) / Employees	207.7	5.6	196.7	77.7	9.3
Data per share:					
- Earning per share (€)	1.33	20.0	1.11	0.18	20.1
- Dividend per share (€)	0.17	6.3	0.16	0.05	11.8

(*) CAGR: Compound Annual Growth Rate
(**) Earnings before interest, tax, depreciation and amortization, adjusted by the works flows done for own fixed assets
(***) Net Earnings / Shareholders' funds

Business Units and Geographies

Evolution 1996 - 2007	Five Business Units		Engineering Company	
	2007		1996	
Business Units	**Sales %**	**Gross Cash Flows. (*) %**	**Sales %**	**Gross Cash Flows. (*) %**
- Solar	0.6	2.1	-	-
- Bioenergy	19.1	17.6	-	-
- Environmental Services	23.9	27.4	8.0	8.0
- Information Technologies	18.6	12.4	24.0	14.0
- Industrial Engineering and Construction	37.8	40.5	68.0	78.0
Geography	**%**	**%**	**%**	**%**
US and Canada	14.9	14.2	-	
Latin America	19.8	20.8	26.3	
Europe (excluding Spain)	18.7	15.4	2.8	
Africa	5.4	3.4	0.9	
Asia	3.0	2.0	4.2	
Oceania	0.3	0.4	-	
Total Abroad	62.1	56.2	34.2	
Total Spain	37.9	43.8	65.8	
Consolidated Total	**100.0**	**100.0**	**100.0**	

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

In addition, within Abengoa's main dimensions, the following provides a series of basic financial data:

Main figures M€	2006	2007
Total assets	5,426.6	8,110.2
Share capital	2,516.0	2,187.6
Net worth	541.1	797.5
Net debt	(153.8)	234.3
Non-recourse financing	1,253.9	1,689.2

* A negative figure means a net cash position

With respect to Abengoa's shareholding structure, its free float capital was 43.96% on discounting the holdings of its majority shareholder, Inversión Corporativa I.C.S.A., and its subsidiary Finarpisa (56.04%).

Shareholding structure	
	% Share Capital
Inversión Corporativa, I.C., S.A.	50.00%
Finarpisa, S.A. (*)	6.04%
Free Float	43.96%

(*) Grupo Inversión Corporativa

Revenues from countries representing at least 5% of Abengoa's total revenue are shown in the table below:

Revenues from countries		
	2006	2007
Spain	44.0%	37.9%
United States	8.8%	13.3%
Canada	4.2%	7.8%
Brazil	14.6%	9.5%
Mexico	6.6%	4.2%

In turn, costs generated by those countries are as follows:

Costs generated by countries

	2006	2007
Spain	44.3%	38.8%
United States	8.7%	12.8%
Canada	4.6%	7.3%
Brazil	12.0%	6.7%
Mexico	7.8%	5.1%

The table below shows products or product ranges in which market share by country exceeds 25%.

Products or range of products in which the national market share per country exceeds 25%	2006	2007
Bioethanol for use as fuel in Spain	100%	94%
DDGS in Spain	100%	82%
Production of secondary aluminum in Spain	40%	40%
Treatment of salt slags in Spain	100%	100%
Treatment of salt slags in United Kingdom	100%	100%
Treatment of sulfur from refining in Spain	38%	38%
Decontamination of equipment with PBC in Spain	50%	50%
Transforming of greenhouse plastics in Spain	40%	45%
Treatment of steel powders in Spain	100%	100%
Treatment of steel powders in France	–	100%
Treatment of steel powders in Germany	–	77%
Treatment of steel powders in Sweden	–	100%
Repowering of power plants in Mexico	75%	75%
Construction of power plants in Mexico	60%	60%
Construction of bioethanol plants in Spain	100%	100%
Construction of oil pipelines in Uruguay	38%	38%
Water works, mains and treatment plants in Uruguay	36%	36%
Mobile telephone infraestructures in Uruguay	65%	65%
LV and MV electricity distribution in Uruguay	29%	29%
Supply of bay work pylons for power transmission lines in Mexico	25%	25%
Supply of connection and protection accessories for telephone exchanges and networks in Brasil	40%	40%
Construction of solar thermal power plants in Spain	23%	45%
Road Traffic control Spain	33%	35%
Substation control in Spain	45%	45%
Oil and gas pipeline control in North America	60%	60%
Oil and gas pipeline control in Latin America	50%	50%
Airport meteorological assistance in Spain	90%	90%
Railway ticketing systems in Spain	40%	40%
Integrated Oil Terminal Control Systems in Mexico	80%	80%
Border Control Systems in Europe	50%	40%
Public Administration electronic signature systems in Spain	50%	66%
Environmental Quality Networks in Spain	30%	30%
Road traffic control in Argentina, Panama and Brazil	30%	30%
511 Traffic Information Systems in United States	30%	30%
Systems issuance electronic ID in Spain	–	32%
Auyomatic weather stations in Australia and Kuwait	–	90%
Automated weather observation systems in Belgium, Netherlands and Malta	–	100%
Meteorological collection and processing network in Sweden and Switzerland	–	100%
Technical space (Data Center) in Spain	–	60%