ABENGOA

V Analyst & Investor Day

Innovative Solutions for Sustainability

Day 2

July 13th & 14th 2010, Sevilla

With the sun … we produce thermoelectric and photovoltaic energy

With biomass … we produce ecological biofuels, renewable energy, sugar, and animal feed

With waste … we produce new materials through recycling, and we treat and desalinate water

With information technologies … we manage operational and business processes in a secure and efficient manner

With engineering … we build and operate conventional and renewable electrical power plants, power transmission systems, and industrial infrastructures

With the development of social and cultural policies … we contribute to economic progress, social equity, and conservation of the environment in the communities where Abengoa is present

Disclaimer

The information contained in this document has been provided by Abengoa, S.A. ("Abengoa") . The information and any opinions or statements made in this document have not been verified by independent third parties, therefore, no representation or warranty, expressed or implied, is made by Abengoa as to the accuracy or completeness of any such information, opinions or statements and nothing contained in this document is, or shall be relied upon as, a promise or representation by Abengoa. Accordingly, none of Abengoa nor any of their respective directors, partners, employees or advisers nor any other person, shall be liable for any direct, indirect or consequential loss or damage suffered by any person as a result of relying on any statement in or omission from this document and any such liability is expressly disclaimed.

In particular, this document may contain statements, estimates, targets and projections provided by Abengoa that constitute forward-looking statements. Such statements, estimates, targets and projections reflect significant assumptions and subjective judgments by Abengoa's management team concerning anticipated results. These assumptions and judgments may or may not prove to be correct and there can be no assurance that any estimates, targets or projections are attainable or will be realised and, in any event, are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of Abengoa to be materially different from any future results, performance or achievements of Abengoa that may be expressed or implied by such forward-looking statements. Abengoa does not assume responsibility for the accuracy of any of such forward-looking statements, targets, estimates and projections.

This document is not a prospectus for any securities . This document does not disclose all the risks and other significant issues related to Abengoa.

This document is provided for information purposes only and does not constitute, nor must it be interpreted as, an offer to sell or exchange or acquire, or an invitation for offers to buy securities issued by any of the companies mentioned herein or a request for any vote or approval in any jurisdiction.

Information in this document about the price at which securities issued by Abengoa have been bought or sold in the past or about the yield on securities issued by Abengoa cannot be relied upon as a guide to future performance.

Event Agenda (II)

Day 2: Wednesday July 14th

08:00	**Pick-up at the Fontecruz Hotel**
08:30 – 09:00	**Reception and welcome to the Befesa R&D Centre (Seville)**
09:00 – 10:00	**Befesa highlights and overview** (Javier Molina – President & CEO of Befesa)
10:00 – 11:00	**Recycling business** (Asier Zarraonandía - General Manager of Steel Waste Recycling)
11:15 – 11:45	**Coffee break**
11:15 – 12:15	**Water business** (Guillermo Bravo - General Manager of Water)
12:15 – 12:45	**Finance overview** (Ignacio García - CFO)
12:45 – 13:00	**Summary** (Javier Molina – President & CEO of Befesa)
13:00 – 13:45	**Q & A´s**
13:45 – 14:00	**R&D Centre tour**
14:00 – 15:00	**Lunch**
15:00 – 15:30	**Transfer to Hotel, Santa Justa rail station and airport**
15:00	**Optional: Guided visit to the Solar Platform**

1. Befesa Highlights and Overview

Overview of Activities

BEFESA

Industrial Waste Recycling *(71% of 2009 EBITDA)*

2009 Sales €423m | EBITDA margin 16%

Steel Dust Recycling (87% of Recycling EBITDA 2009)
European Leader

Other Recycling (13% of Recycling EBITDA 2009)

Aluminium / Salt Slag Recycling
European Leader

Industrial Waste Management
Domestic Leader

Unique Business Model

Water *(29% of 2009 EBITDA)*

2009 Sales €298m | EBITDA margin 9%

EPC (84% of Water EBITDA 2009)
Leading Global Company

Concessions (16% of Water EBITDA 2009)
International Company

Visible Profitable Growth

Note: EBITDA defined as operating profit + depreciation, amortisation and provisions
EBITDA based on recurrent figures

Historical Milestones & Major Achievements

1993

- The company Berzelius Felguera, Befesa, was established in 1993 by several companies (the most relevant shareholder was Metall Capital, S.A. (a Spanish subsidiary of Metallgesellschaft group)). Berzelius Umwelt Service (BUS), Duro Felguera, and Indumetal, joined soon and pooled their environmental assets in Spain into "Befesa"

1997

- The Company changes its name to Befesa Medio Ambiente

1998

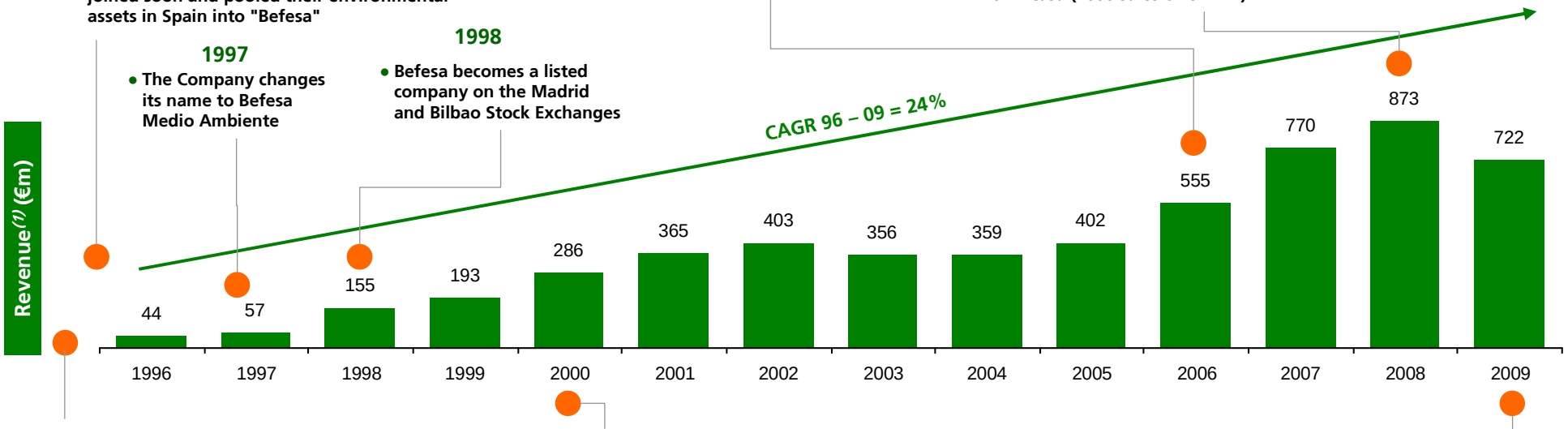
- Befesa becomes a listed company on the Madrid and Bilbao Stock Exchanges

2006

- Steel Dust Recycling leader in Europe: Acquisition of BUS (2006 sales of €189m)

2008

- US market entry: Acquisition of 51% of NRS, water engineering company, based in Texas
- Desalination plants in China, India and Algeria under construction/development
- Integration of the Aluminium Waste Recycling business with Alcasa (2006 sales of €117m)



'40s

- Water infrastructure and environmental services activities carried out by Abengoa

2000

- Abengoa acquires Befesa to develop its Environmental Services Business

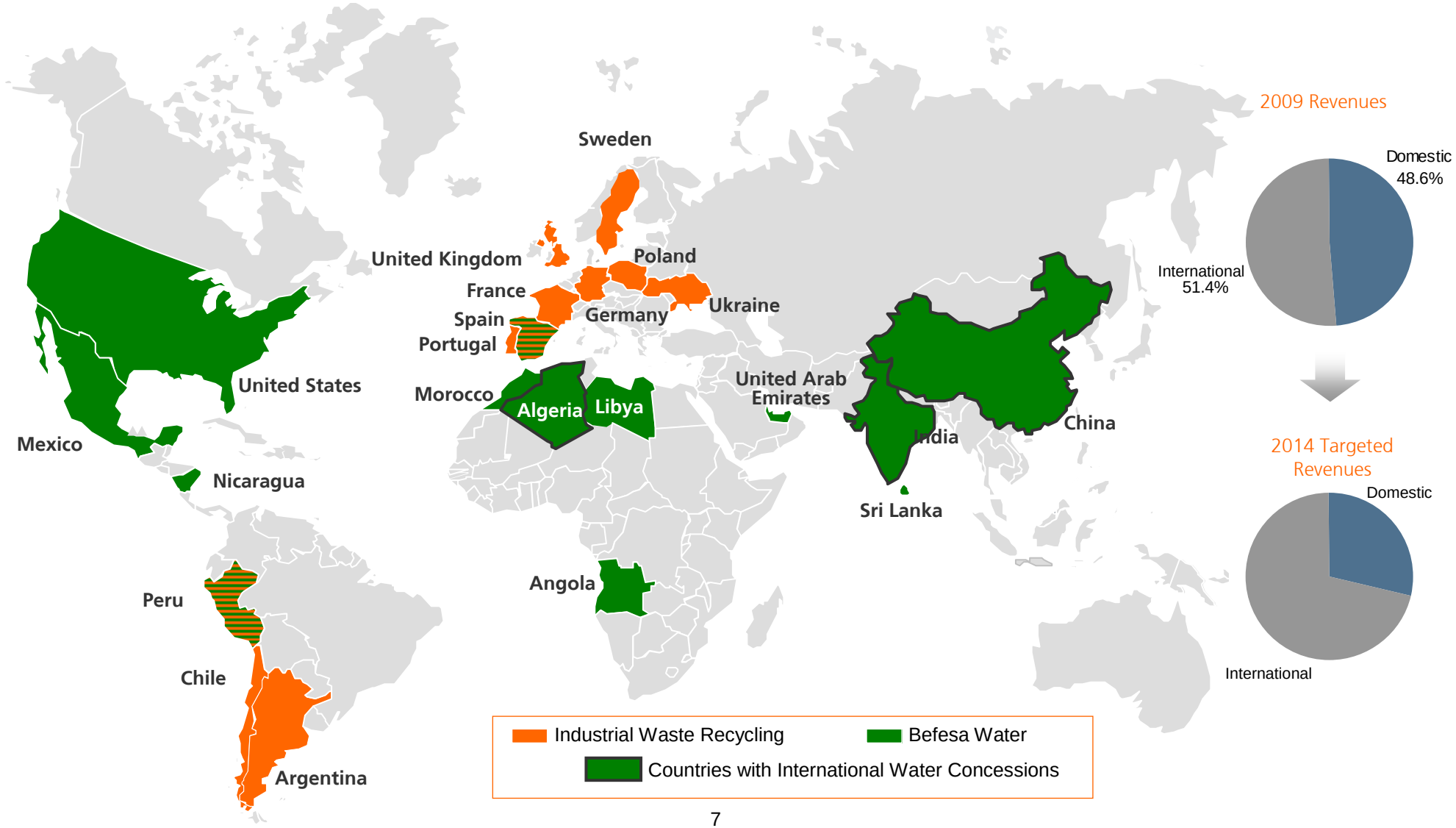
2009

- Completion of desalination plants in India and Algeria
- New R&D Centre in Seville
- European leader in salt slag recycling: acquisition of plants in Germany (2007 sales of €40m)

(1) Transition to IFRSs from Spanish GAAP as at 1st January 2004

Global Reach

Befesa employs more than 2,800 employees in 22 countries worldwide through subsidiaries, representative offices, installations and projects. We have significantly internationalized our activities over the past years.



R&D Strategy & Milestones

Key Objectives

Recycling

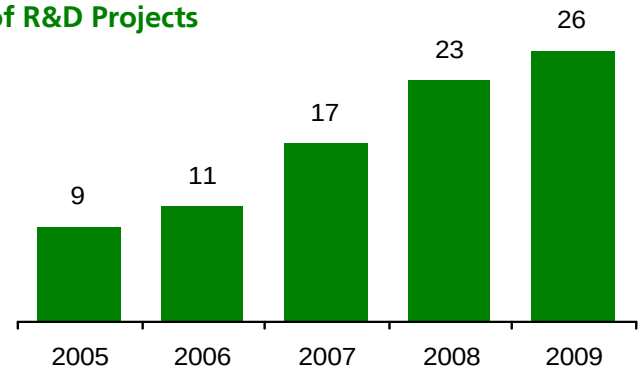
- Increase production capacity
- Efficiency improvement and cost reduction

Water

- Reduce costs to guarantee a competitive price per m^3
- Generate appropriate knowledge in residual urban water to increase market share

Significant Track - record

Number of R&D Projects



Annual Investment in R&D	€0.3m	€1.8m	€1.9m	€5.1m	€6.9m

Source: Company.
(1) Strategic National Consortiums for Technical Research

Recent Developments

Seville R&D Centre

- R&D centre in Seville inaugurated in 2009
- 70 full-time researchers
- + 3,000 sqm
- Latest available technology in laboratories, experimental areas, offices and workshop areas

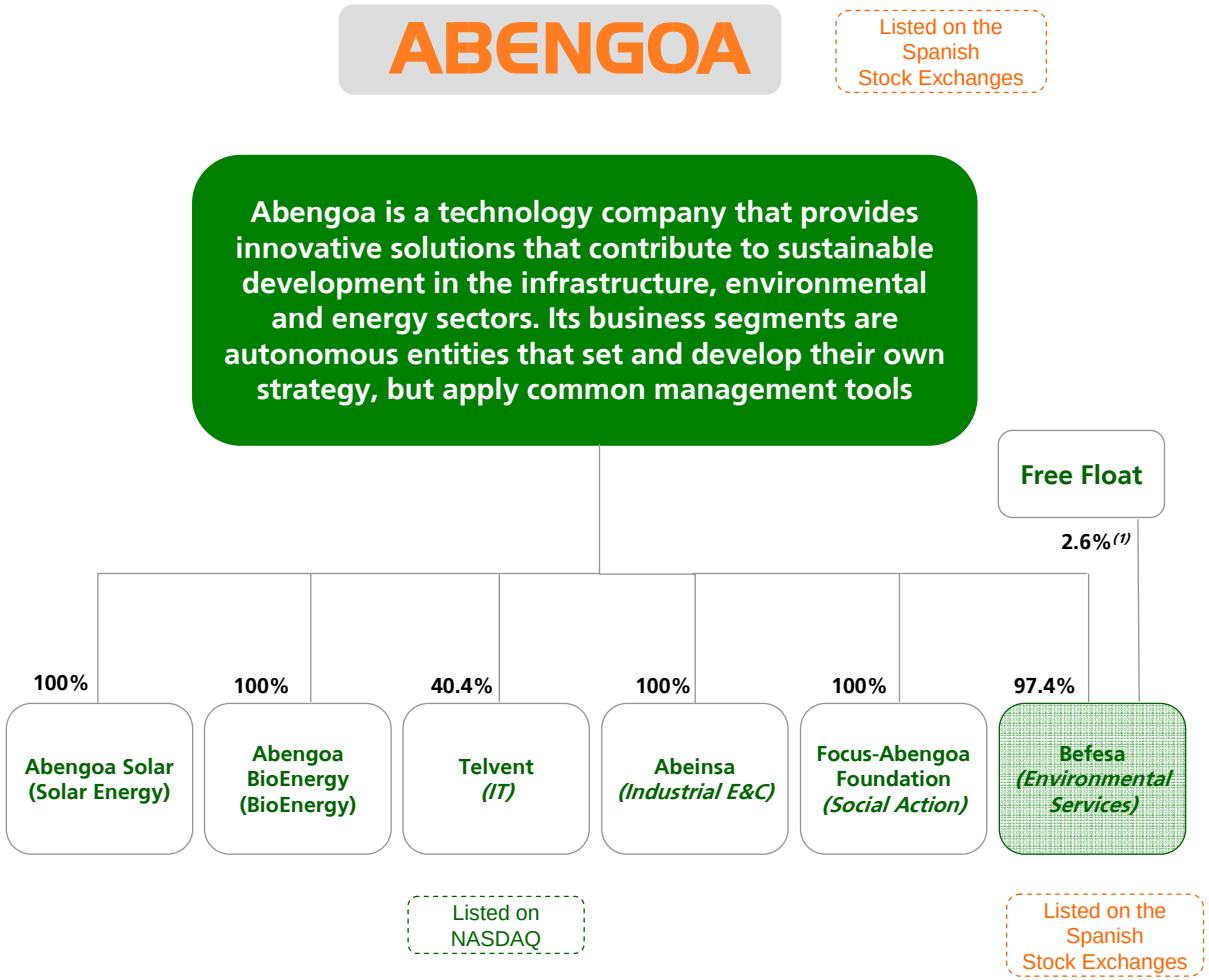
CENIT-E Grant Program

- TEcoAgua R&D project led by Befesa Water approved within the 5th CENIT-E[(1)] program
- Main objective: develop sustainable technologies to generate alternative water resources
- Total budget of €28m

R&D is key for Befesa to stay on the cutting edge of water treatment and waste recycling

Befesa is a Part of the Abengoa Group

Befesa acts as the head of Abengoa's Environmental Services Division. The Company is listed on the Mercado Continuo (Madrid and Bilbao Stock Exchanges) with a free-float of 2.6%.



Being Part of Abengoa Group Supports Befesa Business Activities

- Solid reputation of Abengoa Group
  - Access to markets where Abengoa is present
  - Access to public authorities
- Guidance of corporate culture
- Access to financing
- Abengoa's internal procedures of risk management & control (NOC[2])

(1) The Board of Directors holds 0.1% of Befesa
(2) Normas de Obligado Cumplimiento (mandatory rules)

Main Business Strengths

For a Sustainable World…

…We Recycle Industrial Waste…

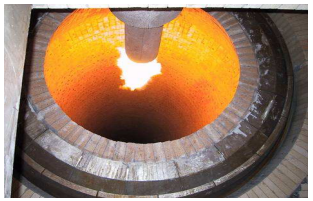
1. European Leader in Niche Recycling Markets
2. Strong Barriers to Entry Support Competitive Positioning and Profitability
3. Business Model with Price and Demand Visibility
4. Strongly Positioned for Cyclical Recovery

… And We Design, Construct and Manage Water

5. Sizeable Market with Significant Expected Growth
6. Presence in the Highest Growth Water Markets
7. Secured Backlog and Tangible Pipeline Provide Visible Growth
8. World Class Execution Capabilities Across All Markets

9. Led by a Highly Experienced and Disciplined Management Team

1 European Leader in Niche Recycling Markets



>60% market share in European steel dust recycling

European Competition
- Harz-Metal (Germany)
- Pontenossa (Italy)

>60% market share in European aluminium salt slag recycling

European Competition
- K&S (Germany)
- RVA (France)
- Alustockach (Germany)

- Our niche industry is supported by increasing environmental restrictions
  - EU regulation forces steel players to recycle steel dust whenever there is a recycling alternative to landfill
  - Environmental restrictions to opening new recycling plants
- Our markets are concentrated with limited local competition
  - Markets are non-core for industrial conglomerates

2

Strong Barriers to Entry Support Competitive Positioning and Profitability

Market Barriers to Entry

- Local community resistance to constructing new recycling plants
- Initial financial investment required
- Critical mass required in order to extract full value from processes
- Existing footprint of major competitors already covering the European market needs
- Operating permits difficult and time-consuming to obtain

Befesa's Leading Position is Well Protected

Strategically Located Plants

- Plants distributed to service main Western European markets (Spain, France, Germany and Central Europe)
- Facilities close to industrial centres and customers

Leading-Edge Know-How

- Best available technology
- Cost efficient processes
- Significant investment in R&D
- Skilled labour force (17% engineers)

Long-Term Contracts with Established Top Industrial Players

- Limited room for new entrants in the industry
- Ensures multi-year volume and predictability in cash flows

Existing barriers of entry together with Befesa's market leadership result in attractive EBITDA margins (16% - 19%) and cash flow generation

3 Business Model with Price and Demand Visibility

Visibility of Business Model

Price

- Long-term relationship with clients for steel dust collection fees
- Rolling hedging policy to reduce zinc price volatility for sales to smelters

Demand

- Global and diversified blue-chip client base
- Critical service provided for clients promotes customer loyalty

→

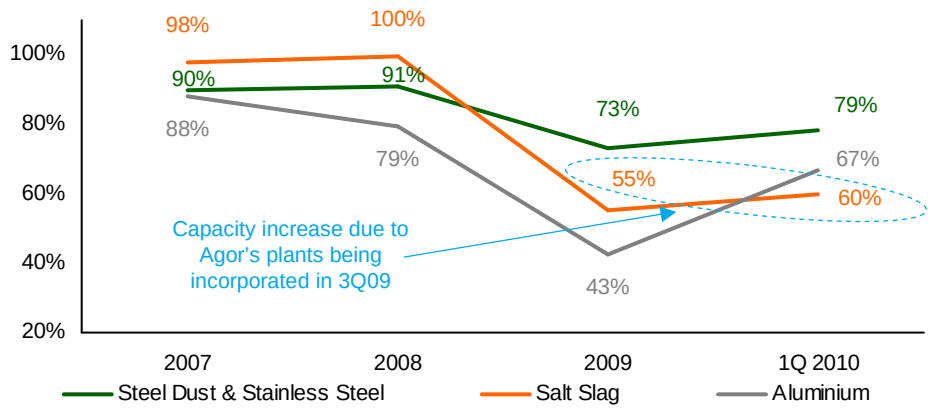
- Price visibility / low commodity exposure
- Captive demand driven by attractive value proposition

4 Strongly Positioned for Cyclical Recovery

Positioned to capture expected recovery of industrial activity

Existing production capacity to reap the benefits of expected economic upturn in current geographies

Utilisation of Befesa's Plants

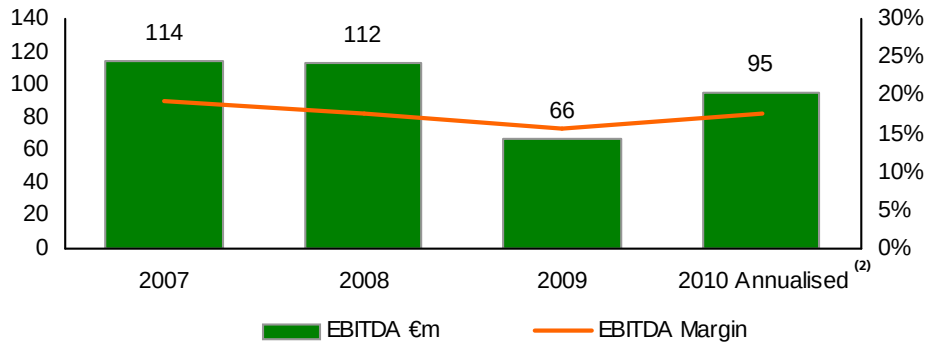


Capacity (thousands of tons)

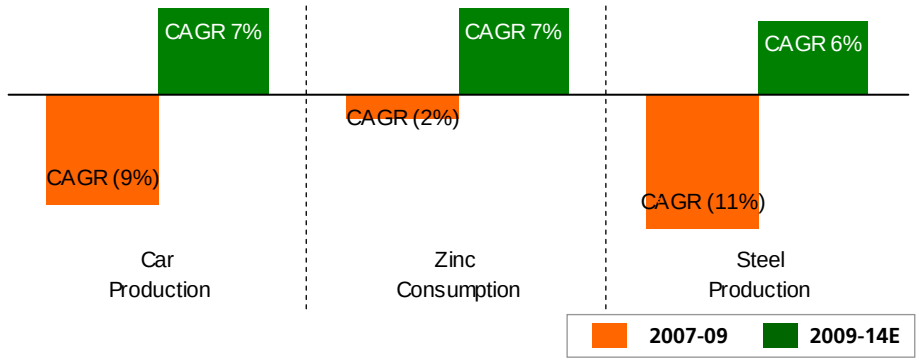
	2007	2008	2009	2010
Steel Dust & Stainless Steel	661	684	684	684
Salt Slag	230	230	430	630
Aluminium	105	160	160	160

New plant under construction (Befesa Zinc Sur) to be operating by 2012 and with 100,000 tons of recycling capacity

Recycling EBITDA Performance [1] (€m)



Expected Recovery of Industrial Activity 2009-2014E



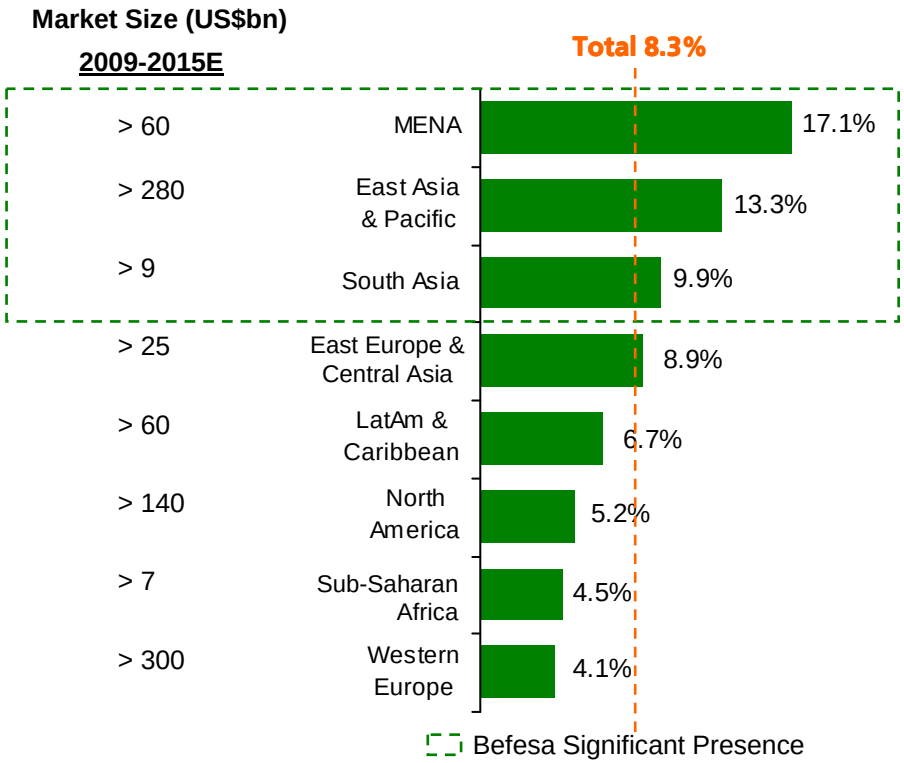
Source: JD Power, AME Mineral Economics, Brook Hunt.

Note: First quarter figures have not been audited
(1) Based on recurrent figures
(2) Annualised calculated as 4x 1Q2010 EBITDA

5 6 Presence in the Highest Growth Water Markets

Geographies

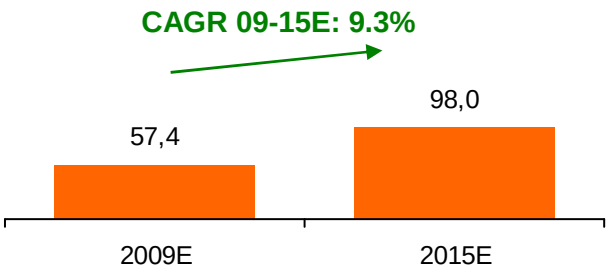
Growth by Geography in the Period[1]



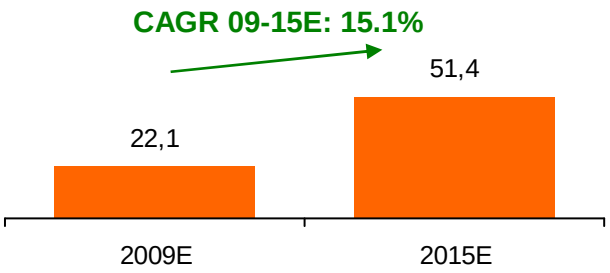
Presence in the world's fastest growing geographies

Products

Desalination Capacity (M m³/day)



Reuse Capacity (M m³/day)



Presence in the products which are expected to have the highest growth

Source: Global Water Intelligence – Global Water Market 2008
(1) Based on Private Water Markets (Part of the total water business open to international private enterprise)

7 Secured Backlog and Tangible Pipeline Provide Visible Growth

Existing EPC Backlog Helps Secure Business through 2011

- **EPC business already secured until 2011 based on already awarded contracts. Current backlog of €656m[(1)]**
  - Fully contracted revenues for the rest of 2010 - **€**262m (already executed **€**49m during Q1 2010)
  - Fully contracted revenues for 2011 - **€**394m
- **Further backlog for execution in 2011 will continue being contracted throughout 2010**

Existing Water Concessions

- Apart from the existing water concessions in Spain, Befesa already has a portfolio of 5 international concessions signed and in construction/operation, which will generate significant value as the assets become fully operational
  - Portfolio to deliver strong profits and secured cash flow as the concession assets come on line
  - The nature of the contracts results in operational risks being minimal once constructed

Tangible Pipeline

- Befesa's strong pipeline will drive future growth of the backlog of EPC and Concessions
  - Befesa has pre-screened around 55 projects with an estimated total value of around **€**9bn

(1) Backlog based on FX rate calculated as of 31st March 2010

8 World Class Execution Capabilities Across All Markets

Track Record and Know-How

- Long successful history in EPC & O&M markets, both in Spain (since the '40s with Abengoa) and abroad
- Ongoing investment (R&D) to optimize efficiency of construction and operation of plants with the most competitive technology (reverse osmosis)
  - Among the top 4 players specialized in reverse osmosis technology globally, with around 375 engineers specialised in water desalination, waste water treatment and water pipelines

Project Finance

- Experience in procuring non-recourse debt for international projects

Risk Mitigation Culture

- Internally developed mechanisms to rapidly identify and manage key risks in EPC projects and water concessions

9 Highly Experienced and Disciplined Management Team

An Experienced Senior Management Team…

Javier Molina Montes Chief Executive Officer	• Joined Abengoa as CEO of Environmental Services in 1994, became CEO of Befesa in 2000 • 21 years in industry, 3 years in finance
Ignacio García Hernández Chief Financial Officer	• Joined Abengoa in 1996, moved to Befesa in 2000 • 14 years in industry
Asier Zarraonandia General Manager of Befesa Steel Waste Recycling	• Joined Befesa in 2001 • 9 years in industry, 10 years in finance
Federico Barredo Ardanza General Manager of Aluminium Waste Recycling	• Joined Befesa in 1990 • 20 years in industry
Santiago Ortiz General Manager of Industrial Waste Management	• Joined Befesa in 1996 • 25 years in industry
Guillermo Bravo General Manager of Water	• Joined Befesa in 2004 • 21 years in industry

…Focused on Delivering

- **Successful international expansion since 2006**
- **Presence in 22 countries worldwide**
- **Integrated 3 acquisitions (BUS, Alcasa and Agor)**
- **Local management**
- **Access to local industry and public sector**
- **Management focused on maximising shareholder returns**
- **Disciplined capital allocation policies**
- **Cost control culture**

2. Business Overview – Recycling

Overview of Business Segments

Steel Dust Recycling

2009 Sales of €196m
2007-2009 Average Sales of €234m
2009 EBITDA of €58m[2]
2007-2009 Average EBITDA of €73m[2]

Sales 2009

EBITDA 2009

- Collection and treatment of waste from steel production (mini-mills)
- Sale of Waelz oxide to zinc producers

Other Recycling[1]

2009 Sales of €228m
2007-2009 Average Sales of €320m
2009 EBITDA of €8m[2]
2007-2009 Average EBITDA of €24m[2]

Sales 2009

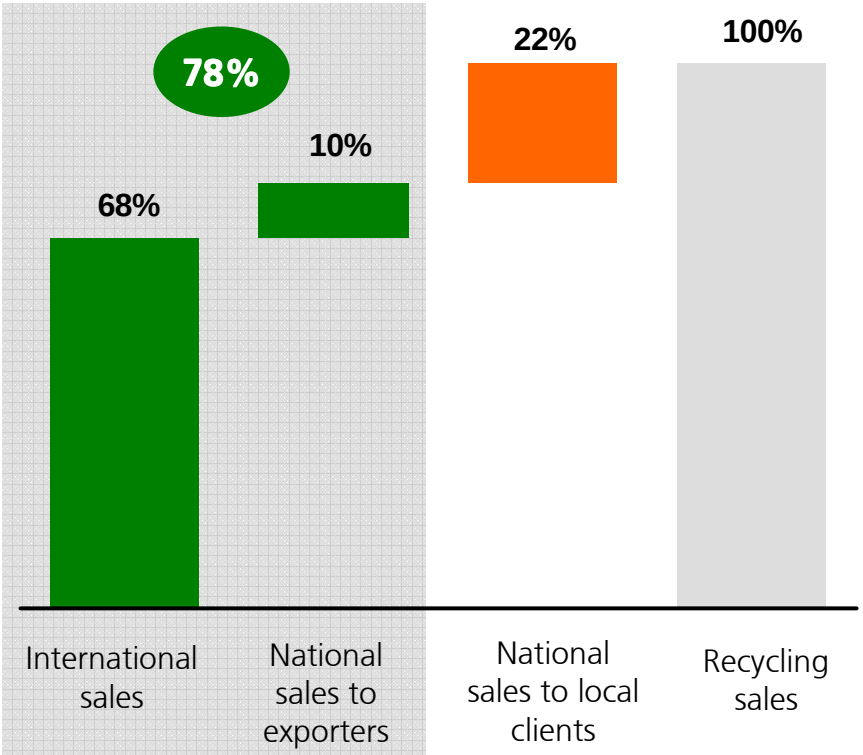
EBITDA 2009

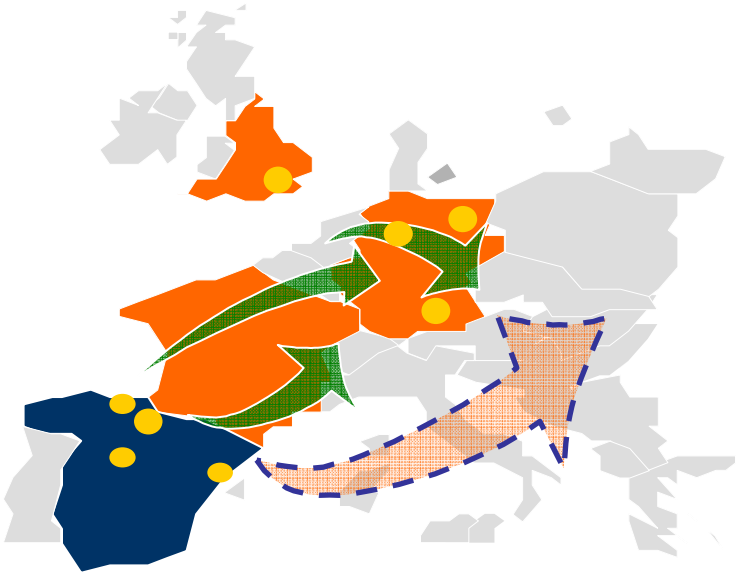
- Recycling of salt slags, a hazardous by-product of secondary aluminium production
- Recycling of aluminium waste and scrap, and the production of secondary aluminium alloys
- Management of hazardous and non-hazardous industrial waste

Source: Company filings and Company estimates
(1) Other Recycling includes Aluminium, Salt Slags and Industrial Waste Management
(2) EBITDA figures based on recurrent figures

Recycling Depends on the European Market

2009 Sales dependent on international markets





International sales and sales to large international clients represent 78% of all the sales in the recycling segment

A. Steel Dust Recycling – Market, Business Overview and Strategy

What is Steel Dust?

Scrap

Mini Mill

Finished Steel

Steel Dust

Steel Dust is a hazardous waste produced in the steel production process

Befesa's Steel Dust Recycling Business Model

Befesa Provides an Integral Service for Collection, Treatment and Recycling of Steel Dust

- Collection / Service fee
- **~20% of Steel Dust Revenues**

- Sale of Waelz oxide to Zinc Producers
- **~80% of Steel Dust Revenues**

Products

Recycling Process

Clients

Befesa's Steel Dust Recycling Revenues Sources

Befesa Steel Dust Recycling has Two Main Revenue Streams

Collection Fee

- Stable revenue source
- Price comparable to sending steel dust to landfill, but enforced by regulation
- 50 - 60 € / tonne[1]
- Long-term relationships with steel producers (mini-mills)
- Volumes related to mini-mill steel production

Waelz Oxide Sale

- Price moves in line with the zinc market price
- Befesa uses a strict hedging policy to mitigate price fluctuations
- Recurring annual or long-term contracts with zinc producers

(1) Gross amount including transport costs

Steel Dust Market Drivers: Environmental Pressure

Steel Waste Recycling Market is Growing due to Increased Regulation

- Steel waste recycling market on a worldwide level continues to grow as authorities continue to step up regulatory pressure
- Environmental pressure strongest in Europe

Landfill No Longer an Option for Disposal of Industrial Waste in European Union

- Proportion of dust sent to landfill has been decreasing significantly
- European Union legislation has practically removed landfills as a viable alternative to recycling

Emerging Markets Currently Lag Behind in Terms of Regulatory Pressure

- Scope for growth in the recycling industry as emerging market producers look for ways to compete economically with their developed market peers (move away from landfill)

Recycling is a Growing Steel Dust Treatment Technology

Steel Dust Treatment Alternatives

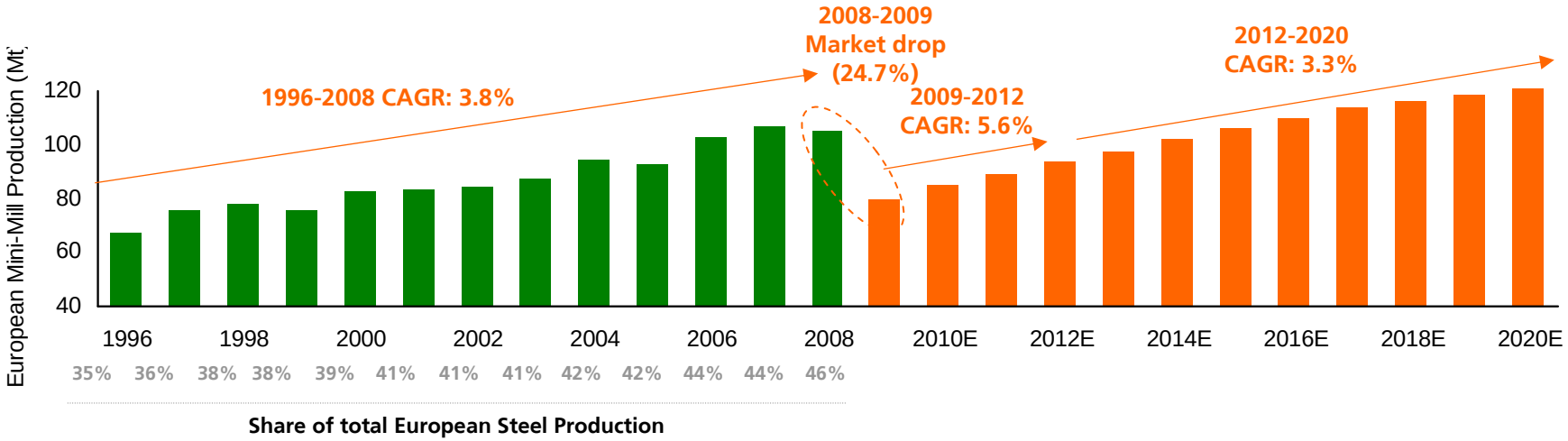
	Landfill	Recycling
Description	• In Western Europe, steel dust can only be disposed of in landfills if the heavy metal content is below a certain threshold and if the waste is properly prepared in advance	• Extractive processes for zinc recovery and removal of heavy metals
Applicable Costs	• Storage of dust • Transport • Waste preparation • Dumping fees	• Storage of dust • Transport • Processing
Major Players	• Hazardous waste deposit sites	BEFESA, Harz-Metall, Pontenossa
Relevance Today	✓	✓✓✓
Trend	↓	↑

EU regulation requires recycling whenever it is an economically viable alternative

Mini-Mill Production Expected to Fuel Future Recycling Growth

Demand for Steel Dust Recycling is Supported by Increasing Steel Production by Mini-Mills

Mini-Mill Production is an Increasing Share of the Total European Steel Production – Expected to Grow at 5%+ Rates



Why Steel Producers Favour Production in Mini Mill vs. Large Steel Facilities?

- Traditionally a secondary method of steel production, many of the world's largest steel producers now use mini-mills exclusively
- A typical mini-mill obtains most of its iron from *recycled scrap steel,* which is melted in an electric arc furnace (EAF)
- Use of recycled steel (iron ore is used in traditional blast furnaces) makes mini-mill production *more environmentally friendly*
- Since EAFs can be easily started and stopped on a regular basis, *production can be varied according to demand*

Lower Cost, Availability of Scrap Steel, and Flexibility of Production Makes Mini-Mill Steel Easier and Cheaper to Produce

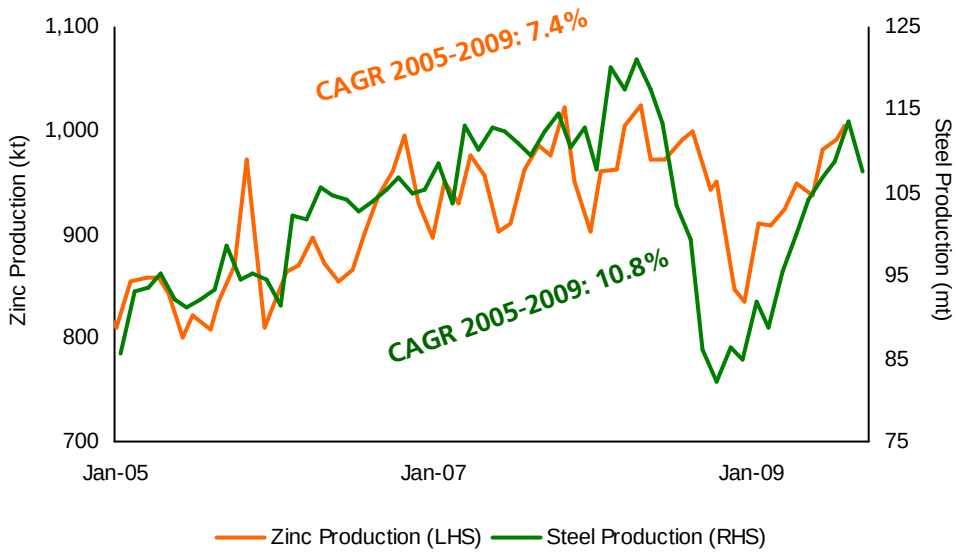
Source: AME Mineral Economics.

Positive Long-Term Outlook for Steel / Zinc Demand

The Outlook for Zinc will be Driven by a Rebound in Steel Production over the Next 12 Months

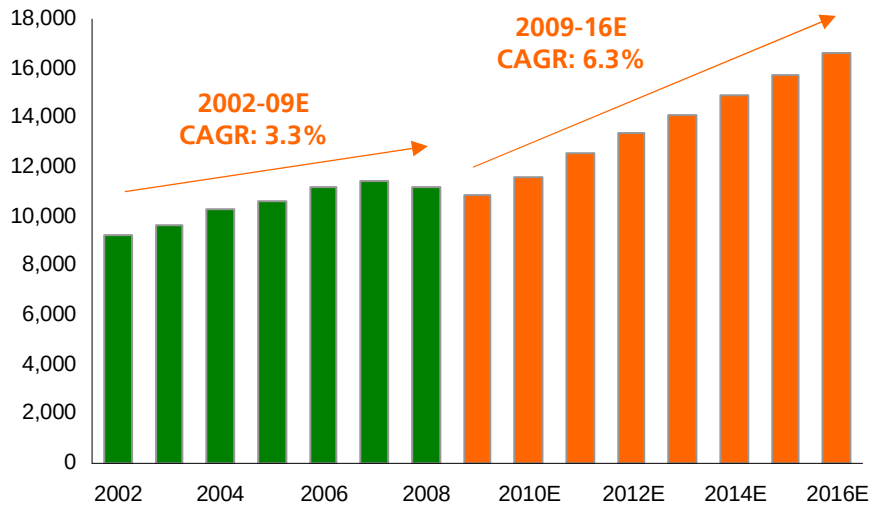
- Zinc demand is linked to steel demand (galvanized steel accounts for 55-60% of the demand for zinc)
- Volumes are cyclical and are currently recovering and expected to grow significantly in the next years
- Long-term zinc demand remains strong, as the developing world including China sees a likely exponential increase in later cycle galvanised steel capacity and output

Global Zinc Production vs. Steel Production(1)



Source: World Bureau of Metal Statistics
(1) Monthly data

Global Zinc Consumption (Kt)



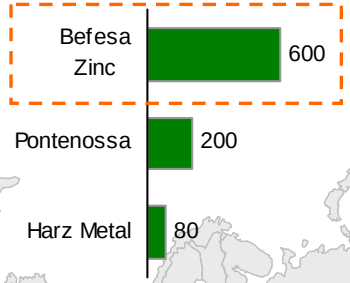
Source: Brook Hunt.

Industry Structure / Competitive Landscape

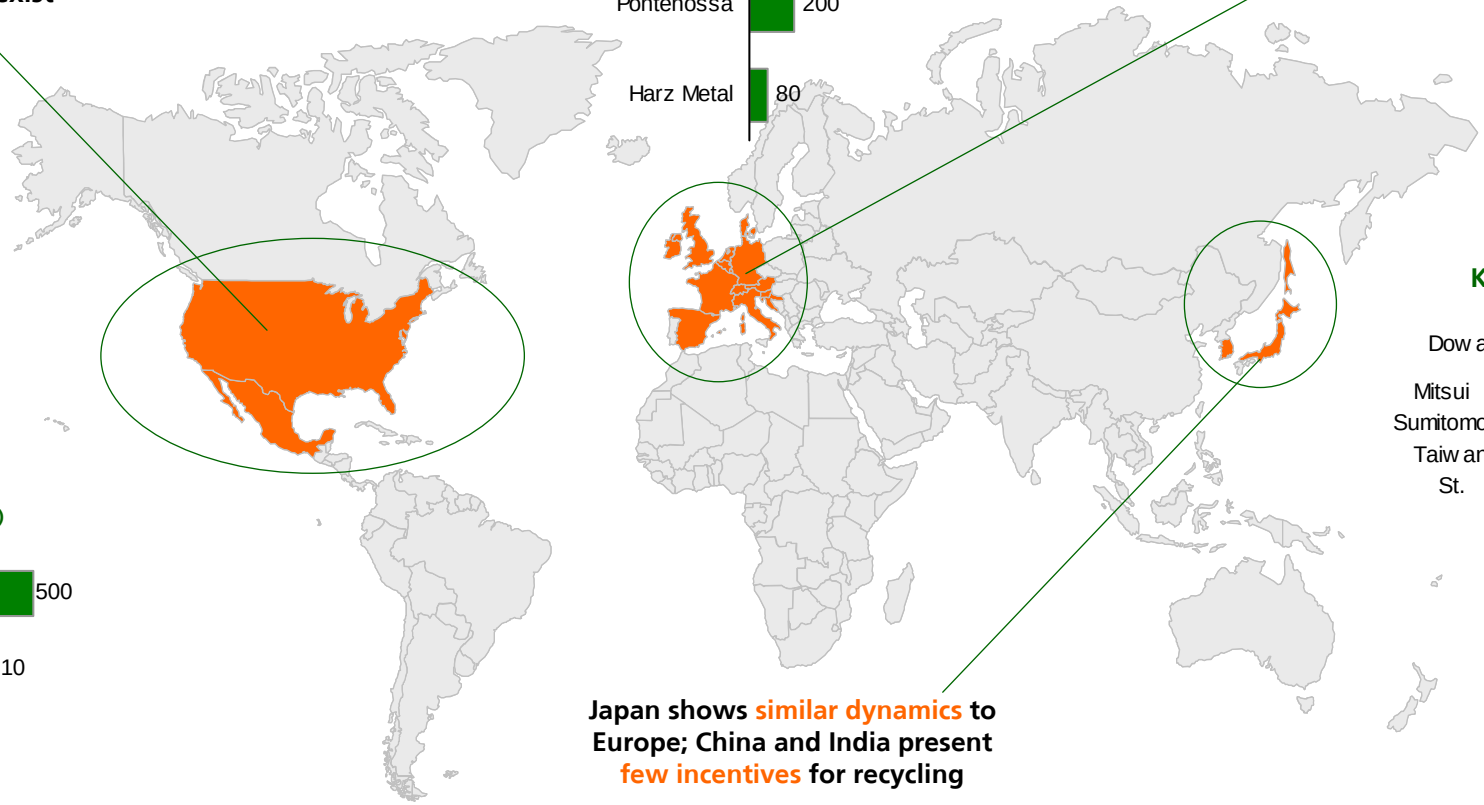
The Steel Dust Industry is Globally Fragmented with Activity Concentrated in Regional Clusters

North American steel makers had a landfill culture in the past, but are shifting towards recycling; few large recyclers exist

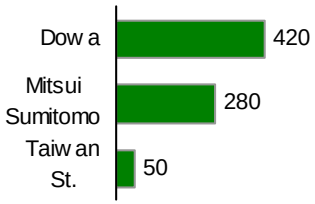
Key players(*)



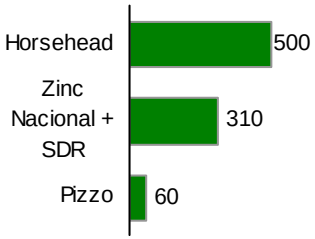
Europe is a mature market in which potential entrants face barriers to entry (covered capacity, permits, long-term contracts)



Key players(*)



Key players(*)



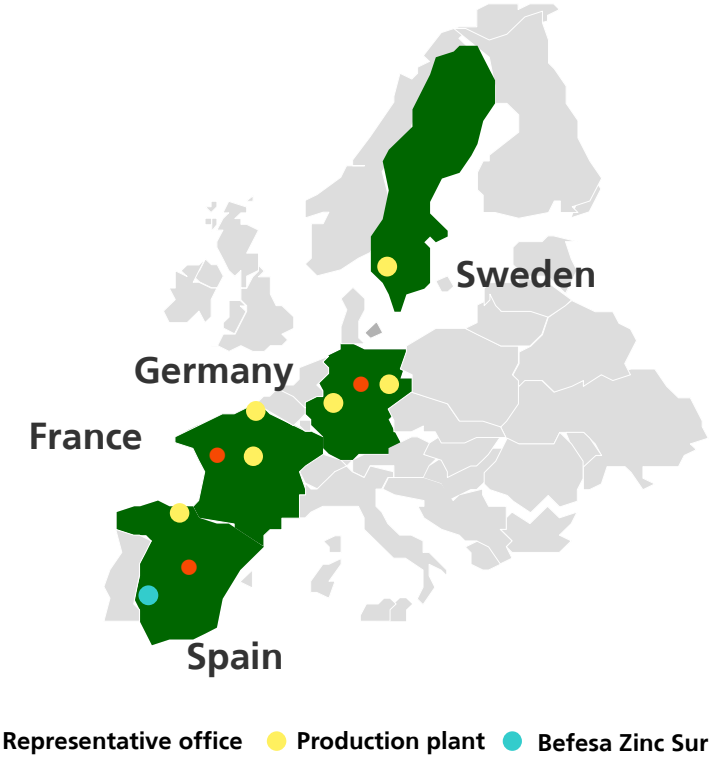
Japan shows similar dynamics to Europe; China and India present few incentives for recycling

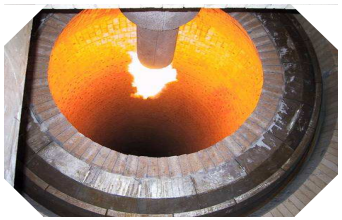
(*) Thousands of Tonnes of Steel Dust Processed, based on 2008 data

Befesa's Steel Dust Recycling Geographical Footprint

Key Highlights

- European leader
- Strong presence in Europe: 4 key countries with 8 plants[(1)] covering most of Europe
- Located in close proximity to major clients
- More than 500 employees
- 152,266 tons of Waelz oxide sold in 2009, which contained 101,007 tons of zinc
- Capacity to process 684,000 tons of steel residue per year

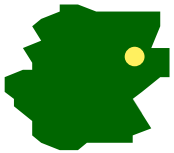
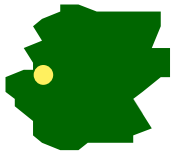




Note: Steel residue include steel dust and stainless steel
(1) Two of them are only for Galvanization (Befesa Zinc Amorebieta and Befesa Zinc Sondika) with capacity to process 21,500 tons

Overview of Key Befesa Steel Dust Facilities

Befesa's Recycling Facilities are Located Within Close Proximity to Major European Steel Producers

	Zinc Freiberg	Zinc Duisburg	Scandust
Location			
	Freiberg, Germany	**Duisburg, Germany**	**Landskrona, Sweden**
Employees	87	47	72
Capacity (tons)	200,000	95,000	64,000
Main Clients	Steel makers: treatment fee Zinc smelters: sale of WOX	Steel makers: treatment fee Zinc smelters: sale of WOX	Stainless steel makers: tolling fee

Overview of Key Befesa Steel Dust Facilities (Cont'd)

Befesa's Recycling Facilities are Located Within Close Proximity to Major European Steel Producers

	Zinc Aser	Recytech[1]	Valera
Location			
	Bilbao, Spain	**Fouquières-lez-lens, France**	**Gravelines, France**
Employees	63	44	80
Capacity (tons)	160,000	110,000	110,000
Main Clients	Steel makers: treatment fee Zinc smelters: sale of WOX	Steel makers: treatment fee Zinc smelters: sale of WOX	Stainless steel makers: tolling fee

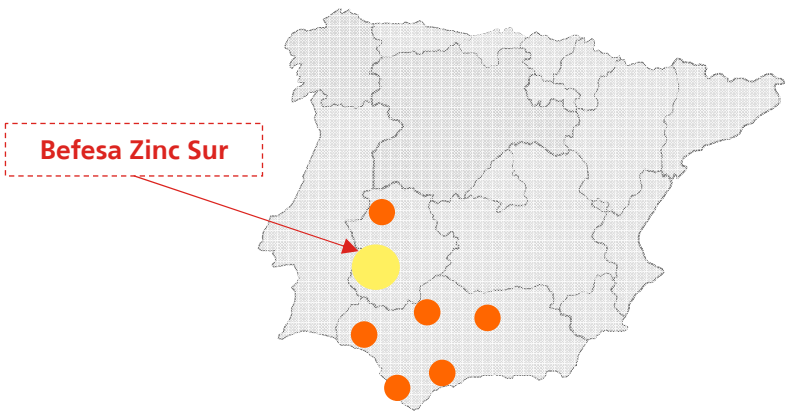
(1) Befesa has a 50% stake in the Recytech facility

Befesa Zinc Sur

Key Features

Name	Befesa Zinc Sur
Location	Extremadura (Spain)
Start of Operations	Scheduled for 2012
Legal Authorisations Obtained	• Local authorisations obtained • Pending environmental approvals
Capacity (tons)	100,000
Main Clients	• Arcelor Mittal • Grupo Riva • Grupo Balboa • Gupo Megasa

Strategic Location



Steel Dust Producers

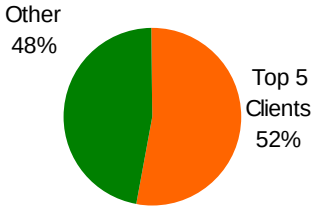
Befesa Zinc Sur will absorve the current uncovered demand of steel dust recycling services in the south western area of the peninsula. This demand represents approx. 120,000 tons per year

Long-Term Contracts to Provide Critical Services to Global Clients

Overview of Clients

Established client base

Share of 2009 Revenues



We recycle waste for the most prominent international steel manufacturers…

ArcelorMittal, THYSSEN, ACERINOX, ASTURIANA DE ZINC

…and provide Waelz oxide to the world's largest zinc producers

BOLIDEN, NYSTAR, Korea Zinc Company

Overview of Contracts

Contracts with Steel Producers

Collection contracts:

- Typically long-term contracts to provide steel producers comfort on future collection of steel dust
- Annual contracts are usually renewable on a yearly basis
- Collection fee is not linked to the zinc price

Contracts with Zinc Producers

Waelz oxide contracts:

- Annual contracts
- Price is determined through a mechanism linking the WOX price to the LME zinc price for each delivery

Critical Service Provided

- Collection of hazardous waste is critical for our clients due to environmental regulation
  - It represents a small relative cost to steel manufacturers but it is a critical internal process
- Befesa provides a stable secured process of collection with predictable service fees independent of commodity costs

Secure Long-Term Pricing Policy

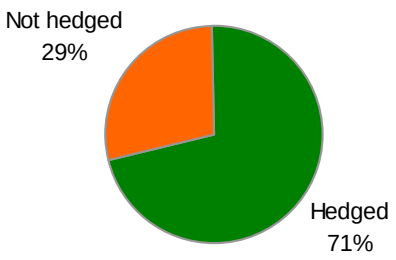
Befesa has hedged c.71% of volume for 5 years since the acquisition of BUS in 2006, and currently employs market hedges on the LME until 2012

Overview of Hedging Policy

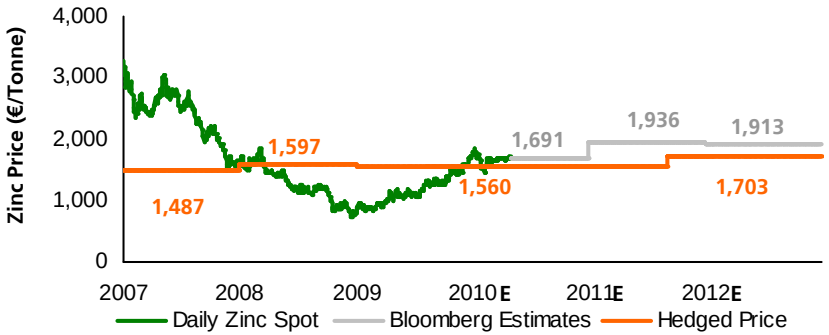
- **Befesa's recycling activities expose it to changes in the fair value of certain commodities (mainly zinc)**
- **To hedge sales transactions of Waelz oxide containing zinc, Befesa uses zinc futures in accordance with its risk management policy**
- **The purpose of these transactions is to reduce the effect of changes in zinc prices on the future cash flows from sales of products containing this metal**

Current Zinc Hedging Contracts

Zinc Contained in WO: Production (Tonnes) Hedged vs. Not Hedged (2009)



Hedged Prices vs. Zinc Prices: Stability of Prices

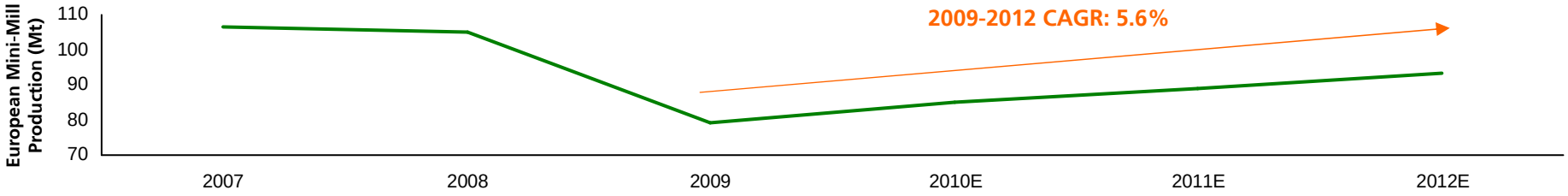


Source: Company, Factset, Bloomberg Consensus Estimates as at 28 April 2010.

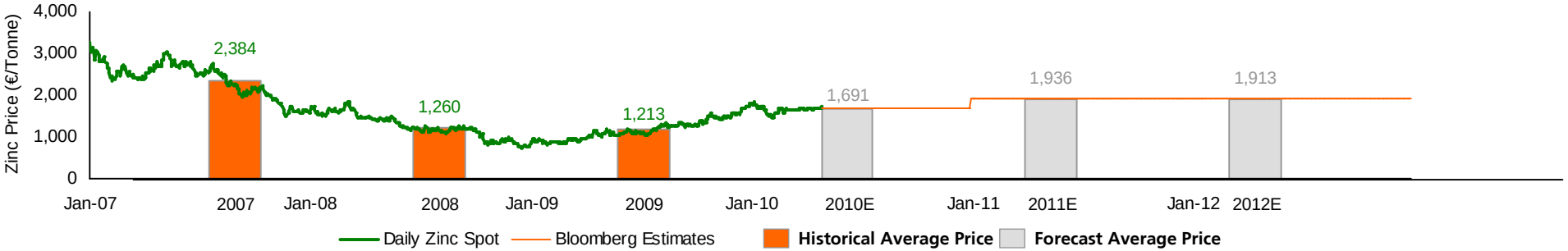
As a result of existing hedging contracts and collection fees, Befesa's recycling activities have visibility of near term revenues

Profitability Growth Underpinned by Near-Term Recovery in Fundamentals

Recovery in Mini-Mill Production Volumes…



… Together with Expected Rise in Zinc Prices…



Note: Exchange rate $/€ calculated on a daily basis.

…Added to Capacity Increase of 100,000 tons from New Plant (Befesa Sur)…

…Will all drive Substantial Near-Term Growth and Improved Operating Performance of Befesa Recycling

Source: Factset, Bloomberg Consensus Estimates as at 01 March 2010, AME Mineral Economics.

Steel Dust Recycling Strategy For The Future

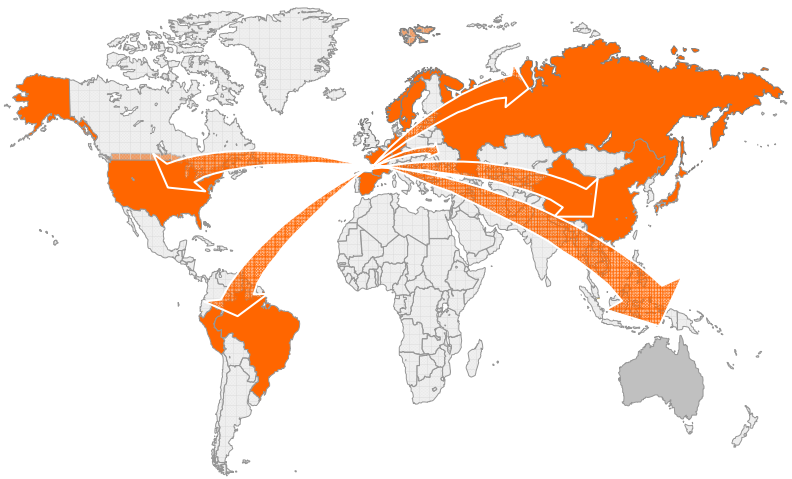
Key Strategic Focus: Reinforce market leadership in Europe, open a new plant in Spain and opportunistically expand operations in Eastern Europe, US and Asia

Strategic Objectives in Current Markets

1. Maintain and reinforce current market leadership leveraging on existing footprint, client relationship and attractive business model
2. Revenue growth above market peers
3. Opening of a new plan in the South of Spain (2012)
4. Slight margin improvement from current levels through increasing efficiency
5. Maintain existing downside margin protection

Opportunistic Geographic Expansion

- Identify markets in which regulatory pressure will favour the activity replicating Befesa's business model



Expand steel dust business in Eastern Europe

Expand steel dust business in US, Turkey and Asia

Our Activity is Already Recovering from Recent Lows

Steel Volumes

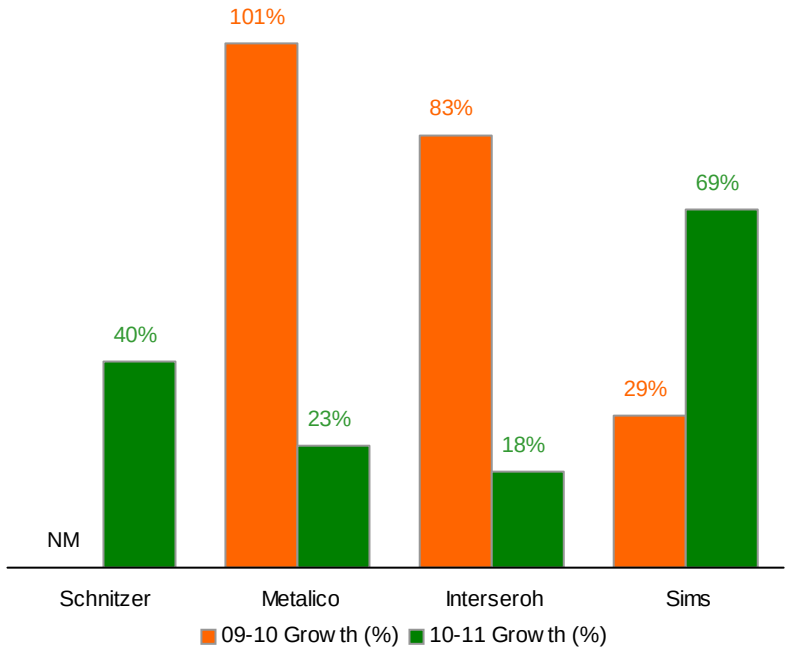
Peak	• 3Q 08	• 169,935 tons
Trough	• 1Q 09	• 105,659 tons
Actual	• 1Q 10	• 134,235 tons
Recovery from Trough	• Linear recovery since 1Q 09	

Recyclers: Market Expects Significant Recovery

FYE EBITDA Growth (%)

FYE EBITDA (€m)

	Schnitzer	Metalico	Interseroh	Sims
2009A	€2.3m	€20m	€42m	€180m
2010E	€139m	€41m	€76m	€232m
2011E	€194m	€50m	€90m	€392m



Source: Company information, Factset Consensus Estimates. Exchange rates of US$ to €: 0.7519 and AUD$ to €: 0.6930. Data not calendarised – Actual Year Ends (Sims - 30 June 2009), (Schnitzer – 31 August 2009), (Interseroh - 31 December 2009), (Metalico – 31 December 2009)

- Metalico consensus consists of: Canaccord Adams (23 April 2010), Morgan Joseph (17 March 2010), DA Davidson (11 March 2010), Hudson Securities (11 March 2010)
- Sims consensus consists of: Deutsche Bank (7 April 2010), DA Davidson (5 March 2010), Canaccord Adams (26 February 2010), Credit Suisse (18 Feb 2010), EL&C Baillieu (18 Feb 2010), RBS (date NA), RBS (date NA)
- Schnitzer consensus consists of: Canaccord Adams (14 April 2010), Longbow Research (13 April 2010), DA Davidson (8 April 2010), CJS Securities (8 April 2010), Davenport & Co (08 April 2010), UBS (date NA)
- Interseroh consensus consists of: Equinet (ESN) (23 March 2010) and other brokers that Factset does not detail

Note: First quarter figures have not been audited

B. Other Recycling – Market, Business Overview and Strategy

Other Recycling – Aluminium and Salt Slag Recycling

Aluminium Scrap

Secondary Aluminium Production / Recycling

Aluminium Products

Salt Slag
Hazardous Waste

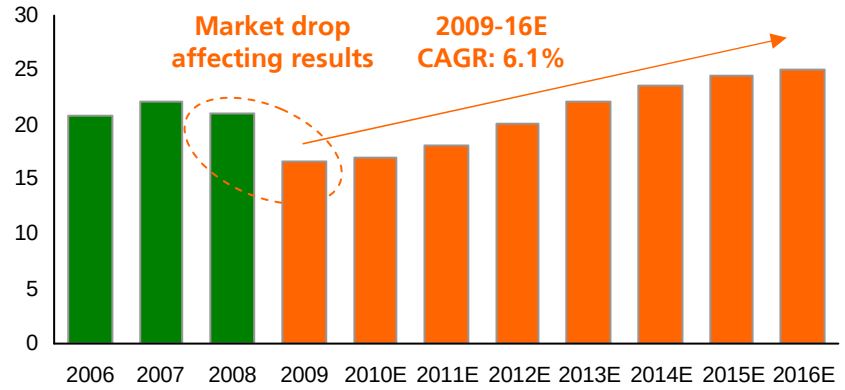
Befesa is present in secondary aluminium production / recycling as well as salt slag recycling focused in the European Market

Other Recycling - European Auto Growth Drives Aluminium Recycling Recovery

The Automotive Industry is the Primary Driver of Secondary Aluminium Production / Recycling and Salt Slag Recycling

- The automotive industry is the major source of demand for secondary aluminium
- Salt slag is a hazardous waste that is produced as a by-product of secondary aluminium production
  - Befesa is the European leader in salt slag recycling

European Light Vehicle Production (Unit m's)



Source: JD Power.

Additional Drivers Impacting the Aluminium and Salt Slag Recycling Markets

- Legal framework
  - Environmental legislation prefers aluminium salt slag to be recycled
- Proximity to customers (transportation costs are a significant expense)
- Price of aluminium

Aluminium and Salt Slag Volumes

Peak	Aluminium	2Q 08	38,054 tons
	Salt Slag	1Q 10	93,878 tons
Trough	Aluminium	3Q 09	15,359 tons
	Salt Slag	2Q 09	41,705 tons
Actual	Aluminium	1Q 10	26,636 tons
	Salt Slag	1Q 10	93, 878 tons
Recovery from Trough	Strong recovery since 3Q 09		

Note: Light Vehicle Production excludes trucks and buses

Note: First quarter figures have not been audited

Other Recycling - Befesa is a Market Leader in Aluminium and Salt Slag Recycling

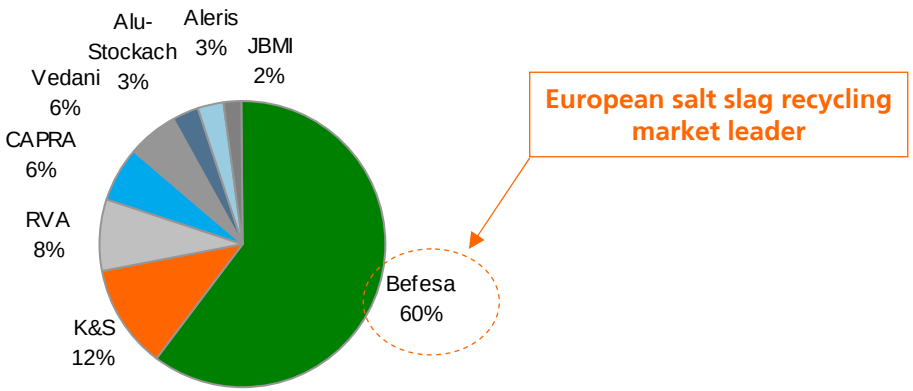
Aluminium Waste Recycling

European leader in salt slag recycling (60% market share)

Largest aluminium recycler in Spain & leading player in Europe

While aluminium recycling landscape is fragmented, salt slag recycling is highly concentrated with high barriers to entry

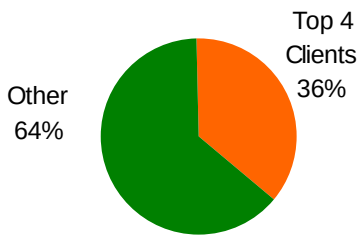
Aluminium Salt Slag Recycling European Market Share in 2008



Other Recycling - Aluminium Plants Close to Established Clients

Diversified Client Portfolio with Key Contracts

Client Base by Revenue in 2009

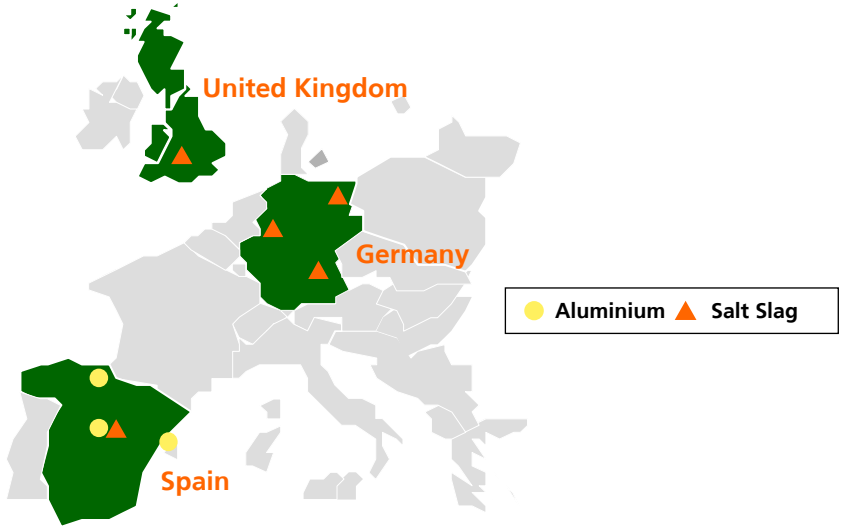


60% domestic clients, 40% international

...With Blue-Chip Global Industrial Companies

SEAT
CIE Automotive
ALCOA
FAGOR
Fagor Ederlan
Ferroli

Geographical Footprint



- **350 professionals**
- **186,000 t of waste treated in 2009**

Plant	Country	Capacity
Hannover	Germany	130,000t (salt slag)
Lünen	Germany	170,000t (salt slag)
Toging	Germany	100,000t (salt slag)
Whitchurch	UK	80,000t (salt slag)
Valladolid	Spain	150,000t (salt slag)
Bilbao	Spain	55,000t (aluminium)
Valladolid	Spain	50,000t (aluminium)
Franqueses del Vallés	Spain	55,000t (aluminium)

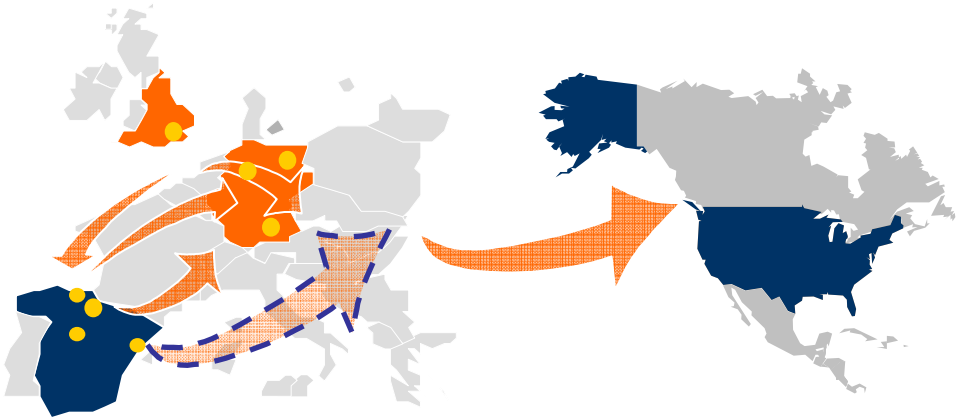
Other Recycling - Aluminium Strategy

Key Strategic Focus: Consolidation in Western Europe and Expansion into Eastern Europe and the United States

Strategic Objectives

1. Maintain European market leadership in salt slag and expand to US based on regulatory changes
2. Growth in line with the market
3. Progressively in the next 2 years put in operations all plants acquired from Agor
4. Significant continuous increase in margin due to operating leverage

Opportunistic Geographic Expansion



Expand towards Eastern Europe together with auto manufacturers

Consolidate European salt slag market

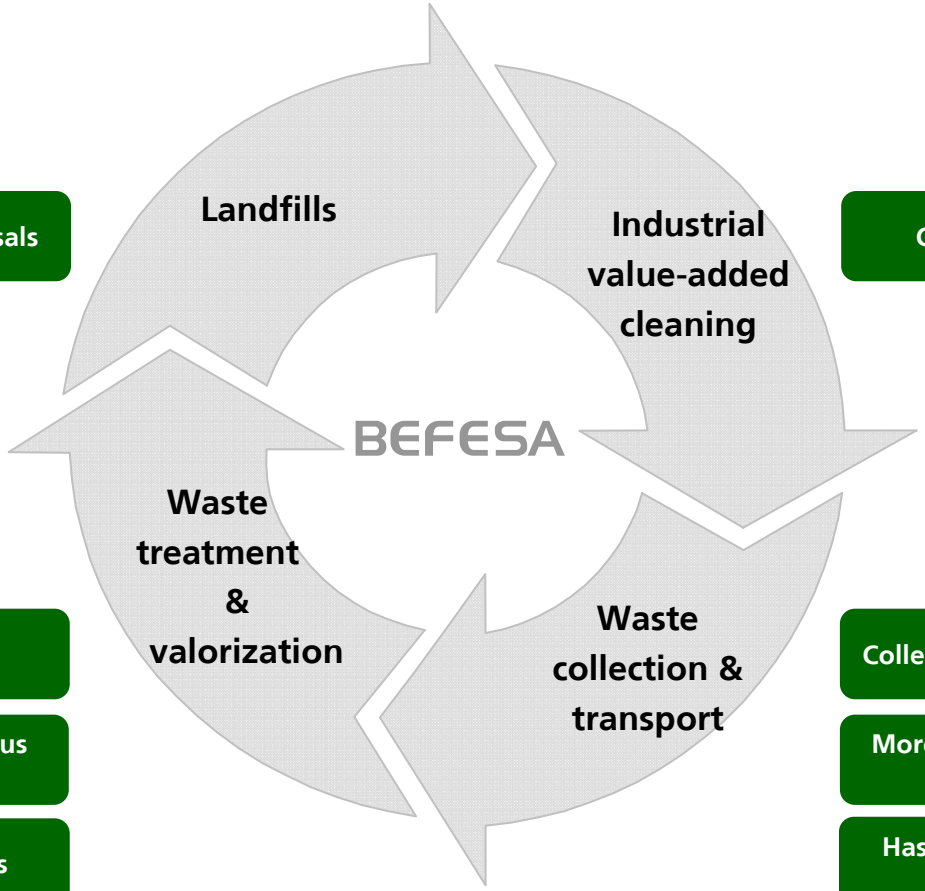
Expand salt slag business into US (~1m Tn per year) and Canada to take advantage of expected change in legislation

Other Recycling – Industrial Waste Management

Befesa owns scarce industrial waste management assets.

6 secure landfills for safe waste disposals

Comprehensive industrial cleaning



7 transfer centres

6 classification plants of non-dangerous industrial residues

2 physical-chemical treatment plants

Other incineration plants, inertisation plants and liquid waste treatment plants

Collection and transport services for waste

More than 15 centres located throughout Spain

Has managed 852,222 tons of industrial waste in 2009

Other Recycling - Industrial Waste Management is Set to Rebound

Befesa's Industrial Waste Management Activities are Well-Positioned to Benefit from the Recovery in Industrial Activity

- The provision of waste management services is directly dependent on the level of industrial activity
- Befesa is well-positioned to benefit from the expected recovery in industrial production
  - Centres and offices distributed throughout Spain and Latin America – close to core customers
  - Present throughout the entire industrial waste management cycle
  - Spain industrial production index expected to grow 9% from 2009 to 2014E[(1)]

Long-Term Growth Driven by Increasing Legislative and Environmental Pressure Worldwide

- Companies need to be responsible with their industrial waste management and specifically their hazardous waste
  - More than ever, there are consequences for companies that do not take waste management seriously
- Global trend towards increased regulation in this area
- Environmental protection acts reward companies who effectively manage waste and work with environmental agencies

(1) Source EIU

Other Recycling - Industrial Waste Management Positioned to Grow

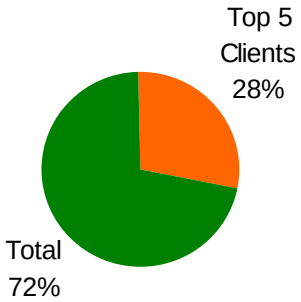
Industrial Waste Management

- Leader in the Iberian Peninsula
- Provides a full cycle service to industrial clients
- Synergies with other recycling products
- Competitive universe is fragmented and broad
- Comprises small and medium-sized companies with a strong local presence, as well as the environmental divisions of large industrial companies generally associated with the construction sector
- … And expected cost savings of c. €5m per year beginning in 2010

Other Recycling - Industrial Waste Management Long-Term Contracts with Blue-Chip Clients

Long-Term Contracts with Established Clients…

Client Base by 2009 Revenues



Long term contracts

Specific solutions for each customer and sector

…Representing Key Domestic and International Players

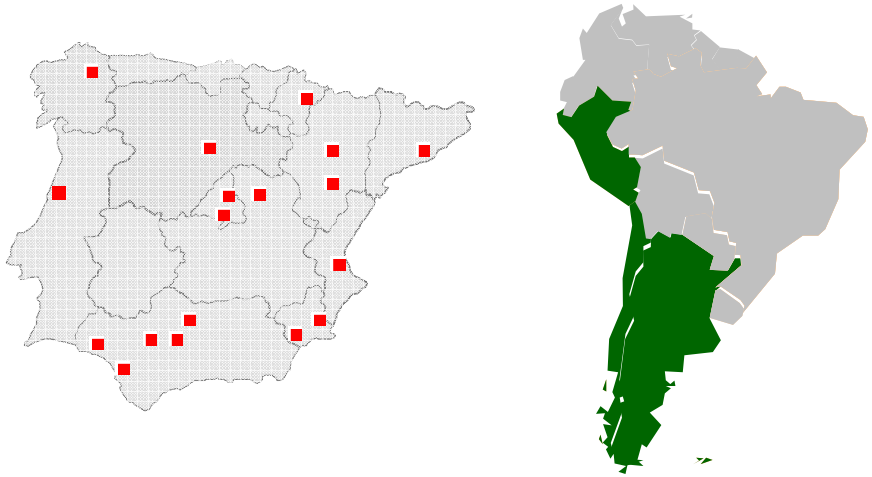
edp

REPSOL

Petronor

CEPSA

Geographical Footprint



- **Strong presence in Spain and South America (Argentina, Chile, Peru and Mexico)**
  - 2 new hazardous waste treatment plants in Madrid and Murcia (Spain) scheduled to be operating by 2012
  - 2 new non-hazardous waste treatment plants in Castilla y León (Spain) and Portugal schedule to be operating by 2011
- **603 professionals**
- **852,222 tons of waste processed in 2009**

Source: Company filings, company website

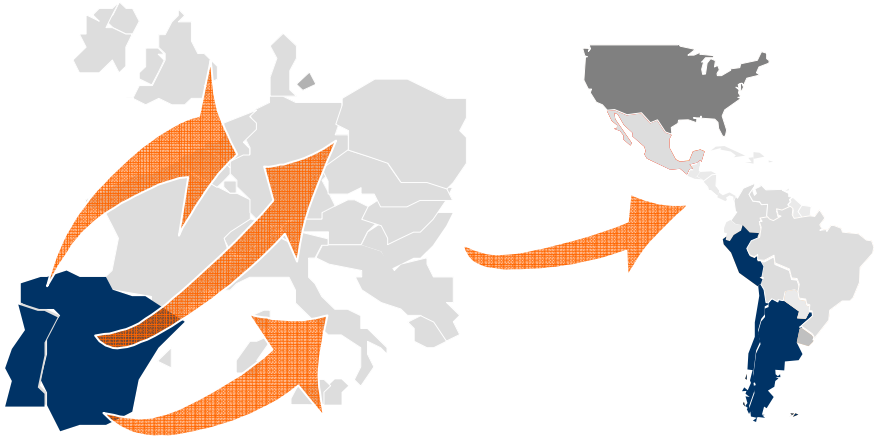
Other Recycling - Industrial Waste Management Strategy

Key Strategic Focus: Consolidate Position in Spanish Hazardous Waste Market and Further Expansion in Europe and Latin America

Strategic Objectives in Current Markets

1. Maintain growth above the market driven by growth in hazardous and non-hazardous waste in Spain, Portugal and Italy
2. Improve efficiency through cost-control / cutting measures taken place in 2009 already
3. Achieve double-digit margins in line with certain specialised European hazardous and non-hazardous waste players within the next 5 years

Opportunistic Geographic Expansion

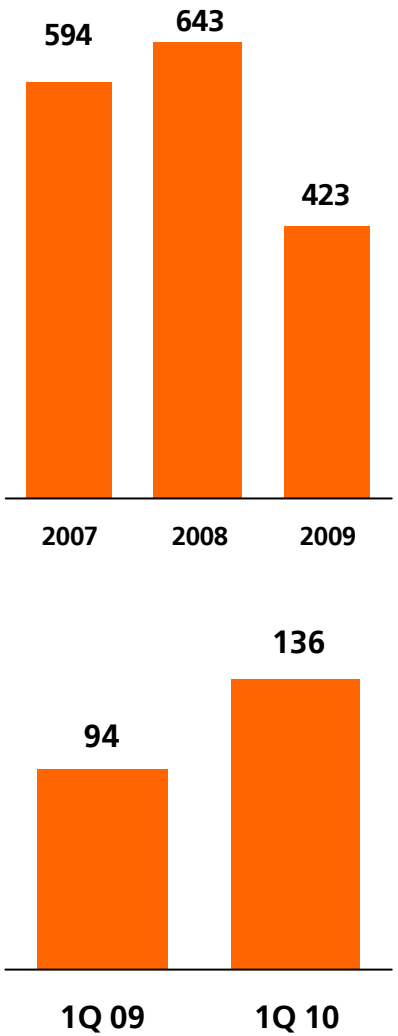


- Expansion into new EU markets in industrial cleaning
- Expansion into Latin America, as the market develops driven by increased environmental regulation
- Penetrate new territories such as US (non-hazardous waste)

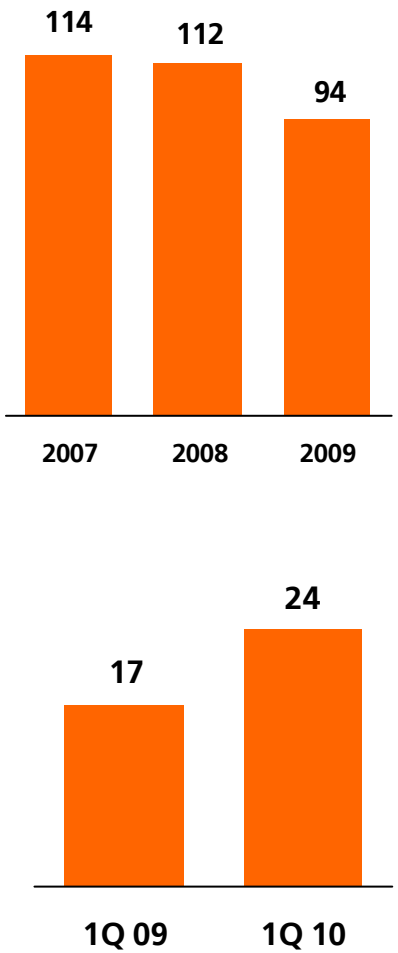
C. Recycling – Financial Information

Recycling Key Financials

Revenue (€m)



EBITDA (€m)



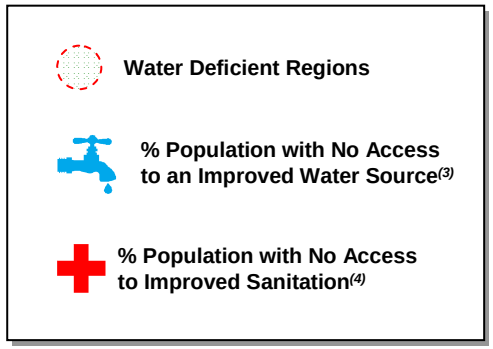
3. Business Overview – Water

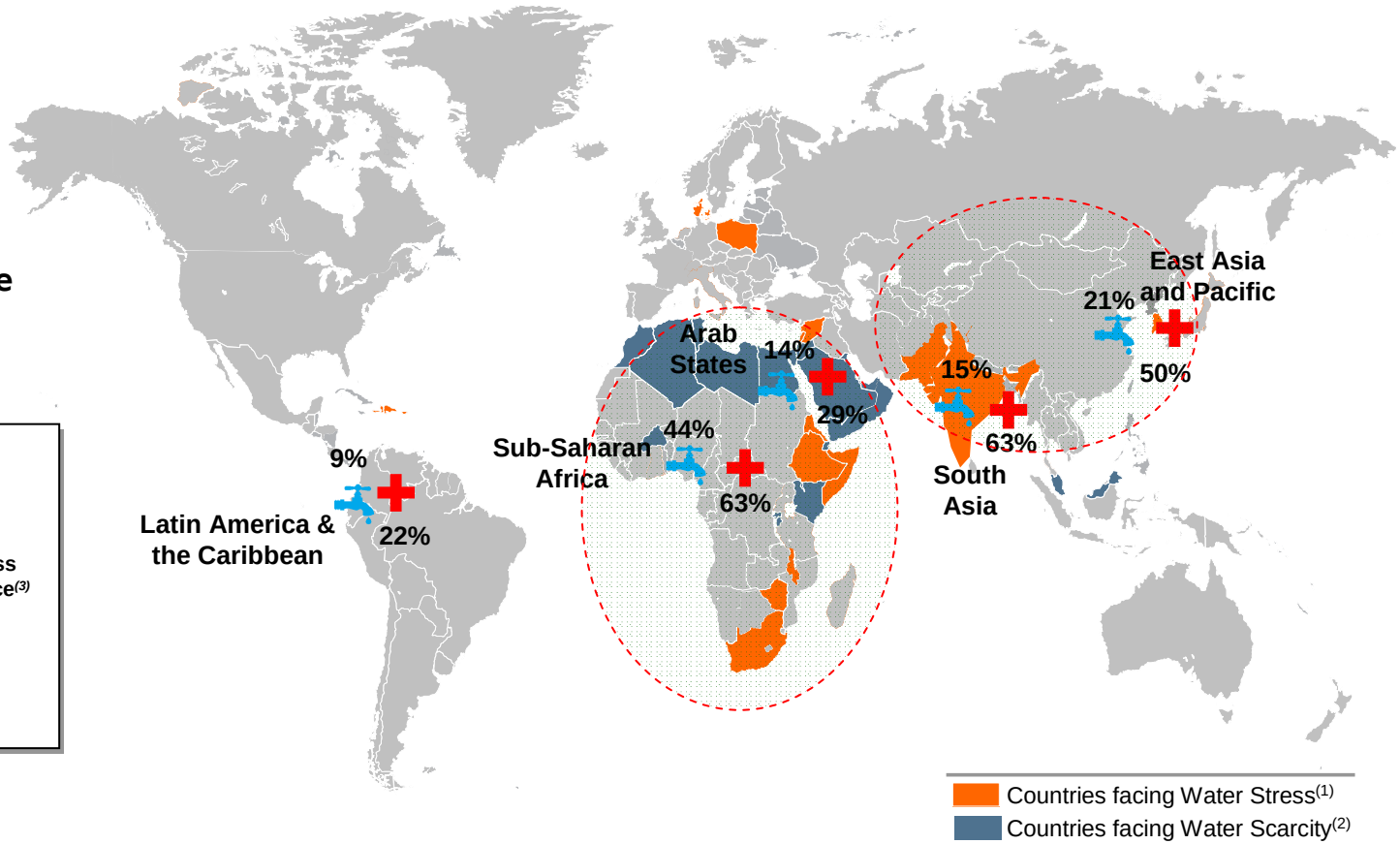
A. Water – Market, Business Overview and Strategy

Water is a Scarce Resource in Large Regions of the World

Governments across the world are concerned about water scarcity and are promoting increased investment in water infrastructure

- **A third of the world's population lacks access to sufficient quantities of safe water to meet their basic needs**
- **Africa and Asia have the highest need for water**





Source: UNESCO – Water in a Changing World, Human Development Report (2006). FAO, Nations unies, World Resources Institute (WRI)

(1) Water Stress – Per capita water availability of less than 1,700 m^3 per year

(2) Water Scarcity – Per capita water availability of less than 1,000 m^3 per year

(3) Improved Water Source: For international reporting purposes people are classified as enjoying access to water if they have available at least 20 litres a day of clean water from an improved source less than 1 kilometre from their home. In-house connections, standpipes, pumps and protected wells are all defined as improved sources of water

(4) Improved Sanitation: Improved sanitation means pit latrines, with pourflush latrines and septic tank latrines as plausible options

Water Scarcity is in the Spotlight

The Economist

Search | The Economist

Water, water everywhere?

Aug 21st 2006

From Economist.com

IS THE world running out of water? A group of scientists, economists and development experts who have been studying the question for the past five years think they have the answer....

BBC | Home | News | Sport | Radio | TV | Weather | Languages

BBC NEWS | Watch One-Minute World News

News Front Page

Africa
Americas
Asia-Pacific

Last Updated: Tuesday, 19 October 2004, 17:20 GMT 18:20 UK

E-mail this to a friend | Printable version

Water scarcity: A looming crisis?

As part of *Planet Under Pressure*, a BBC News Online series looking at some of the biggest environmental problems facing humanity, Alex Kirby explores fears of an impending global water crisis.

EL MUNDO.es

Líder mundial en español | Martes 13/04/2010. Actualizado 12:52h.

CUMBRE | Unión por el Mediterráneo

Unos 290 millones de personas del Mediterráneo tendrán problemas de agua en 2025

Representantes de 43 países participan en la cumbre. | AFP

Political Support

Social Impact

Media Awareness

Growing and Protected Market

A Sizeable Market Opportunity with High Expected Growth

Befesa Water has identified a portfolio of geographies with attractive opportunities that balance market size and growth potential.

US
Total Investments 09-15E: US$690bn
CAGR(1): 4.1%

Algeria
Total Investments 09-15E: US$13bn
CAGR(1): 12.1%

Spain
Total Investments 09-15E: US$54bn
CAGR(1): 9.9%

Romania
Total Investments 09-15E: US$6bn
CAGR(1): 16.0%

Turkey
Total Investments 09-15E: US$19bn
CAGR(1): 8.4%

Total Water Market
Total Investments 09-15E: US$3,044bn
CAGR(1): 4.8%

Mexico
Total Investments 09-15E: US$26bn
CAGR(1): 8.1%

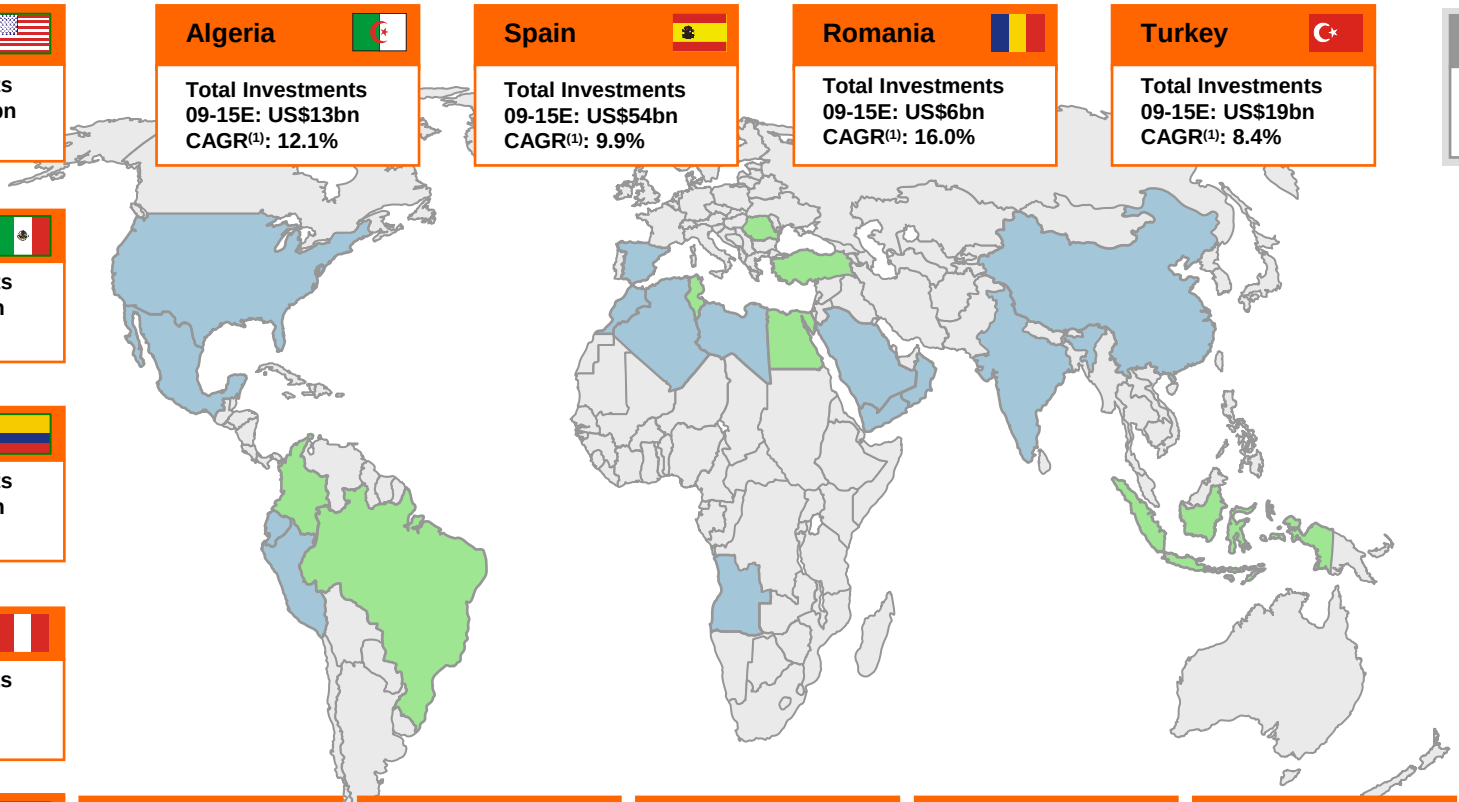
Egypt
Total Investments 09-15E: US$15bn
CAGR(1): 11.5%

Colombia
Total Investments 09-15E: US$13bn
CAGR(1): 5.3%

China
Total Investments 09-15E: US$395bn
CAGR(1): 10.5%

Peru
Total Investments 09-15E:US$5bn
CAGR(1): 7.1%

India
Total Investments 09-15E: US$31bn
CAGR(1): 11.9%



Brazil
Total Investments 09-15E: US$95bn
CAGR(1): 5.9%

Morocco
Total Investments 09-15E: US$6bn
CAGR(1): 5.4%

Tunisia
Total Investments 09-15E: US$4bn
CAGR(1) 6.6%

Libya
Total Investments 09-15E: US$10bn
CAGR(1): 9.9%

UAE
Total Investments 09-15E:US$22bn
CAGR(1): 8.4%

Saudi Arabia
Total Investments 09-15E: US$37bn
CAGR(1): 15.8%

Indonesia
Total Investments 09-15E: US$7bn
CAGR(1): 6.8%

Countries where Befesa has Current & Contracted Backlog Projects

Target Markets

Source: Global Water Intelligence – Global Water market 2008
Note: Based on Total Water Market
(1) CAGR: Growth on investments between 2009 and 2015 based on Total Water Markets

Limited Competition to Cope with Demand Requirements

Top water companies' aggregate backlog is expected to grow but still represents only a minor portion of expected investments.

Total Water Market Size by Region 2009-2015E[1]

	Western Europe	East Asia & Pacific	North America	MENA	LatAm & Caribbean	East Europe & Central Asia	South Asia	Sub-Saharan Africa	Total
Total Market:	>US$700bn	>US$1,000bn	>US$750bn	>US$150bn	>US$175bn	>US$130bn	>US$40bn	>US$25bn	**>US$3,000bn**
Private Market[2]:	>US$300bn	>US$280bn	> US$140bn	> US$60bn	> US$60bn	> US$25bn	> US$9bn	> US$7bn	**> US$900bn**

Main Players in the Water EPC Market
(For infrastructure projects, such as desalinations)

VEOLIA WATER
Degrémont Suez
GE
FISIA ITALIMPIANTI
DOOSAN
BEFESA
Hyflux
epure 伊普国际 EPURE INTERNATIONAL LTD.
CONSOLIDATED WATER
TETRA TECH
acciona Agua
OHL Inima
ACS
SyV Sacyr Vallehermoso
Aquatech

Befesa has already established a global geographic presence in water infrastructure projects

Source: Global Water Intelligence – Global Water Market 2008
(1) Total investment expected to be executed between 2009 and 2015
(2) Part of the Total Water Market open to international private enterprise

Attractive Business Model with Presence in EPC & Concessions

Two Complementary Business Segments

Water EPC ← EPC Contract with Befesa — **Water Concessions**

- Engineering and construction activities for water infrastructure projects
- Low capital intensive activities
- Strict risk management policies
- Large team of technicians with a significant track record in the industry
- Local commercial teams

- Equity investment in water concessions
- Project finance
- Majority shareholding or minority with other local and international partners
- EPC for concession is always contracted with Befesa

Integrated Business Model with Strong Focus on Desalination & Reuse

Infrastructure Project Diversification

- Seawater
- Brackish water

- Drinking water treatment plants
- Wastewater Treatment

- Irrigation Systems / Hydraulic Works / Water Transportation / Hydroelectric Plants

Industry Value Chain

EPC | O&M / Concessions

	Bidding	Engineering & Procurement	Construction	Operation
Desalination Plants	✓	✓	✓	✓
Water Treatment & Reuse	✓	✓	✓	✓
Hydraulic Infrastructure	✓	✓	✓	✓

✓ Capability of Befesa Water

Key focus areas

Virtuous Cycle of Project Origination and Execution Leading to Profitable Growth

- Track Record: Long experience in Spain (70 years) transferred internationally. Long successful history in EPC & O&M market, both in Spain and abroad
- R&D: Strong track-record and ongoing investment (R&D) to optimize efficiency of construction and operation of plants with the most competitive technology, i.e. reverse osmosis
- Project Finance: Experienced procurement of project debt

- Internally developed mechanisms to rapidly identify and manage key risks in EPC contracts/projects and/or water concessions

- Identification and monitoring of key growth markets globally
- Local presence: Creation of local offices network in identified geographies

- Existing EPC backlog provides visibility for 2010 and 2011 revenues
- Contracted recurring and growing cash flows from existing water concessions
- Current large and tangible pipeline already provides high visibility of upcoming backlog and future additions to concession portfolio
- Visibility on margin improvement

Track Record of 70 Years of Experience and Strong Growth

Desalination

Strong growth in installed desalination capacity since 2000
6 desalination plants built since 2000 and further 4 under construction, surpassing 1.2m m³/day

More than 8m people are supplied with water treated by Befesa's desalination plants

Water Treatment & Reuse

More than 750,000m³ of wastewater treated each day

More than 1m m³ of drinking water produced each day

Hydraulic Infrastructure

Befesa pumping stations have a total installed power of more than 734MW, and are used to irrigate 260,000ha of land

More than 500,000ha of irrigated land with modern infrastructure

Water Sales (€m)

Know-how and track record provides continued ability to grow

Source: Befesa

Domestic & International Leadership

One of the key players on the international market

- Among top 4 players specialized in Reverse Osmosis Technology in terms of capacity
- 6th largest company in the world in terms of desalination capacity according to GWI(1)
- 5th largest company in the world in terms of desalination capacity according to Fortune Magazine from 2005-08(2)

One of the key players on the domestic market

- One of the top domestic players in wastewater and drinking water treatment in terms of installed m3/day, being the pioneer in sewage water treatment

Market Recognition: Global Water Intelligence Awards

- "2006 Developer of the Year"
- "2006 Desalination Deal of the Year. Beni Saf, Algeria"
- "2006 Desalination Plant of the Year. New Cartagena Canal, Spain"
- "2009 Desalination Company of the Year"
- "2009 Desalination Deal of the Year. Qingdao, China"

Top 20 Desalination Plant Suppliers 2000-2008(1)

			Reverse Osmosis Focus(3)
1	Veolia Environment	5,420,072m^3/d	✓
2	Fisia Italimpianti	3,025,344m^3/d	
3	Doosan	2,852,305m^3/d	
4	GE Water	2,471,987m^3/d	✓
5	Suez Environnement	1,528,710m^3/d	✓
6	**Befesa Agua**	**1,387,624m^3/d**	✓
7	ACS (Cobra/Tedagua/Drace)	1,312,347m^3/d	✓
8	Hyflux	1,121,508m^3/d	✓
9	Acciona Agua	1,111,516m^3/d	✓
10	IDE	1,001,730m^3/d	✓
11	Sadyt	832,800m^3/d	✓
12	Cadagua	730,724rn^3/d	
13	Nomura Micro Science	495,712m^3/d	
14	Aqualia	488,450m^3/d	
15	Kurita Water Industries	427,138m^3/d	
16	John Holland	405,000m^3/d	
17	Wabag	369,140m^3/d	
18	Wetico	337,496m^3/d	
19	ITT	311,639m^3/d	
20	Aqualyng	270,375m^3/d	

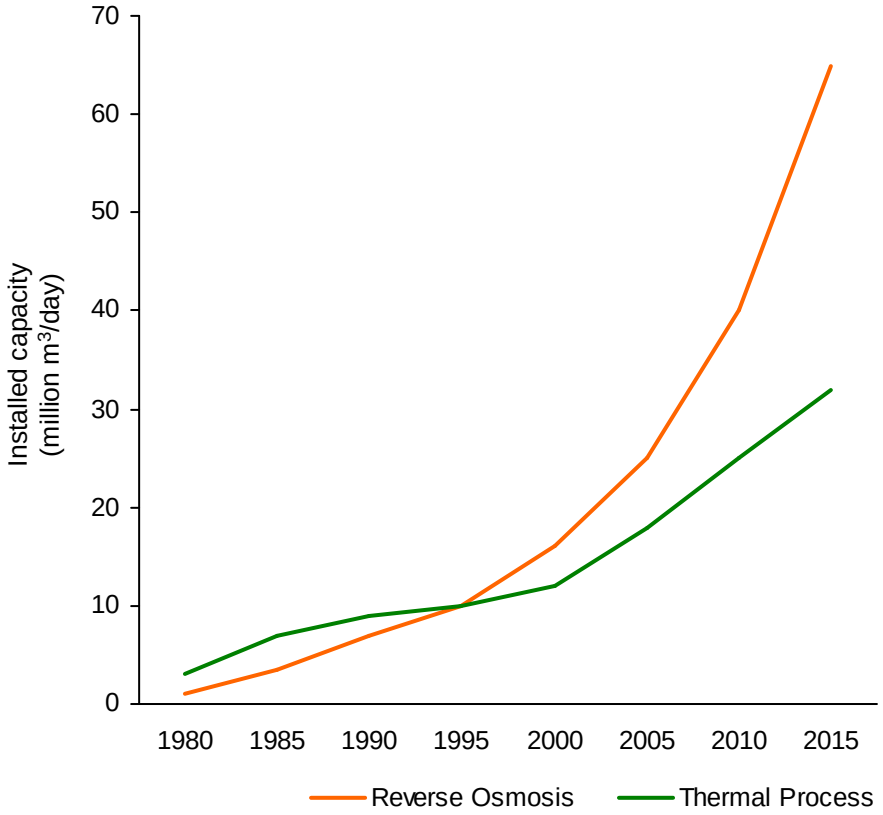
(1) Source: GWI DesalData/IDA
(2) Source: Fortune Magazine, 12 October 2009
(3) Source: Befesa

Specialist in Reverse Osmosis Desalination Plants

Future of water generation is reverse osmosis (RO) – ongoing Befesa's R&D investments to optimise application of RO technology in desalination plants

Trends Changing in Desalination Technology

World RO Capex (2005 – 2015): USD 17bn



Technical Advantages

Versatility

- For the treatment of all types of water: brackish water, sea water
- Adaptable to all sizes of installations and any sources of energy: steam, electricity
- Suitable for most geographic areas

Flexibility

- Plant sizing according to present needs, with the possibility of increasing production capacity to meet future demand
- Operating cost is proportional to flow variations

Costs

- RO has become less capital intensive, more efficient and less exposed to fossil fuel price increase (less energy intensive technology)

Reverse osmosis is the most competitive technology and even more efficient in the context of rising energy costs

Source: Suez Information Meeting, February 2007

Project Finance Expertise / Capabilities

Water projects' initial investment largely financed through non-recourse project finance

Strong track record

- As of today, more than €550m of non-recourse project debt raised to finance projects
- Banks: Variety of banks including domestic and international banks as well as local development banks
- In a variety of regions/countries such as Spain, Algeria, India and China
- Low dependency of commercial project finance market

Highlights

- First foreign company "project-financed" by local banks in Algeria, India and China
- 5 international concessions have now reached "project-finance" close, at a weighted average gearing of 78% and tenor of 16 years
- Lowest cost of debt achieved in Algeria (fixed interest of 3.75%)
- "Teaching" banks in the low risk profile of these concessions

Mitigation of operational risks

- Long term take-or-pay contracts from local municipalities
- Currency hedging where appropriate, or contracts in international currencies (€ or $)
- Fixed O&M and EPC contracts
- Opex pass through items (e.g. power costs)
- "Country-risk" insurance policies to cover invested equity in concessions during their whole life period when possible
- Insurance policies to cover lost profits in case of breakdown
- FX risk mitigated in the Algerian concessions: revenues are collected in US$ and potential FX rate fluctuations between invoice date and collection day are limited to 2.5%

Overview of Selected Projects

Domestic Market

Carboneras (Spain) EPC

Description

- Location: Spain
- Capacity/Size: 120,000 m3/day
- Contract signed: April 2000
- Completion: May 2005
- Infrastructure: Desalination

Value of contract(1): > €121m

Highlights

- 1st desalination plant in Spain and Europe in terms of capacity
- 1st desalination plant worldwide to combine demand of cities and rural areas
- Capacity to supply 500,000 inhabitants
- High level of technology (lower costs)
- > 20 people involved

Atabal (Spain) EPC

Description

- Location: Spain
- Capacity/Size: 165,000 m3/day
- Contract signed: July 2001
- Completion: October 2005
- Infrastructure: Brackish Water

Value of contract(1): > €63m

Highlights

- High level of technology (lower costs)
- Low cost pure water
- > 15 people involved

International Market

Skikda (Algeria) BOOT

Description

- Location: Algeria
- Capacity/Size: 100,000 m3/day
- Contract signed: July 2005
- Completion: May 2009
- Infrastructure: Desalination

Value of contract(1): > $108m

Highlights

- "2006 Desalination Deal of the Year". Beni Saf, Argelia
- Among world's largest RO plants in terms of capacity
- Among Algeria's largest desalination plants in terms of capacity
- 45 people involved

Qingdao (China) BOOT

Description

- Location: China
- Capacity/Size: 100,000 m3/day
- Contract signed: July 2009
- Expect. Completion: April 2012
- Infrastructure: Desalination

Value of contract(1): > €102m

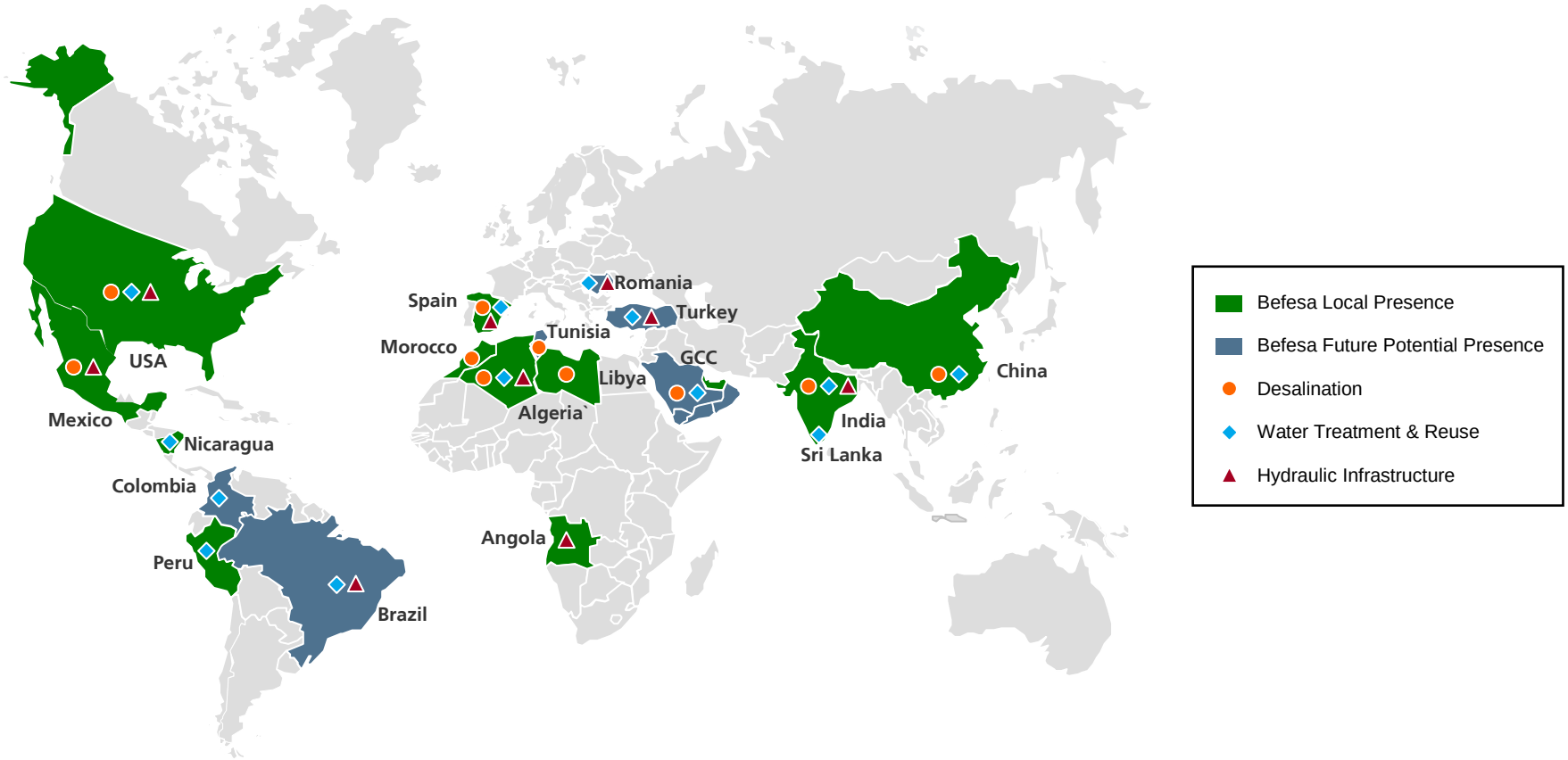
Highlights

- Nominated for "2009 Desalination Deal of the Year. Qingdao, China"
- Design, supply of equipment, engineering, construction and commissioning of desalination plant of sea water at Licang district
- Own concession through the society Qingdao BCTA Desalination Co.
- 45-50 people when fully operational

(1) Refers to the 100% of the EPC contract (including the partner's stake)

Local Presence in Identified Markets

Highly geographically diversified business mix with 15 dedicated local offices



Expanded from base in Spain to achieving growing presence in China, India, USA, North Africa and LatAm

Well Integrated Global and Local Teams

A well-connected and talented global and local presence generates and supports our ambitious growth targets

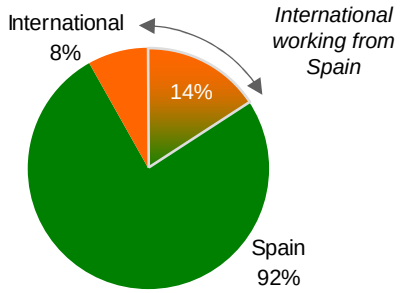
Investment in Resources Across All Markets

Geography	Employees		
	2007	2009	CAGR 2007-2009
Spain	307	384	12%
International Projects	*46*	*131*	*69%*
North America	-	32	n.a.
LatAm	3	23	177%
Africa	6	26	108%
Asia	19	57	73%
Total	**335**	**522**	**25%**

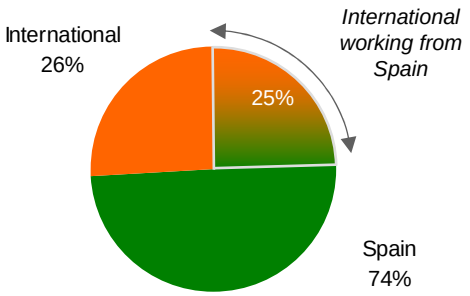
Evolution of Employees Geographic Distribution

2007

Evolution of Employees by Geography

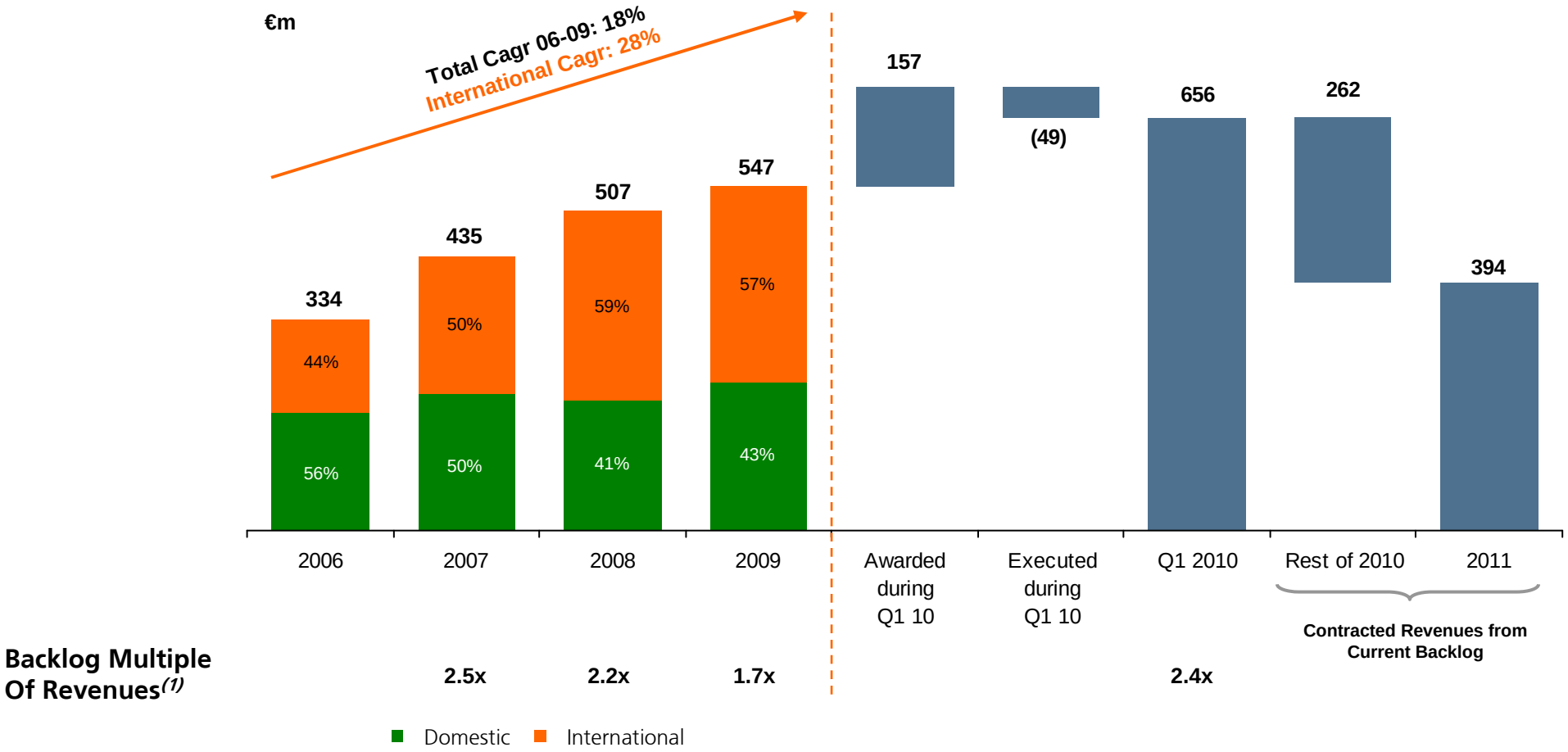


2009



Note: Employee figures refer to the average number of employees for the year in Befesa Water

EPC Backlog Provides Visibility of Revenues



Sizeable revenues expected to be recognized in 2010 and 2011

Note: International is O&M, EPC Concessions and EPC International; Domestic is EPC Spain and Minority Stakes. Backlog calculated using FX rate as of the last day of the period referred
(1) Calculated as backlog (year n)/sales(year n). Current ratio calculated with 2009 sales figure

Secured EPC Backlog

	Location	Number of Projects	Type	Size	Awarded[1] (€m)	Already Executed (€m)	Current Backlog (€m)
Main Projects in Spain	Vizcaya	1	Desulphuration	n.a.	71	(10)	61
	Navarra	1	Irrigated Land	23,611ha	27	(20)	7
	A Coruña	1	Hydraulic	n.a.	18	(7)	11
	Cáceres	1	Hydraulic	n.a.	17	(3)	14
	Toledo	1	Water Treatment	20,000m^3/day	17	(9)	8
	Murcia	1	Water Treatment	520,000m^3/day	15	(1)	14
	Sevilla	1	Hydraulic	n.a.	13	-	13
	Total	**7**			**180**	**(50)**	**129**
Main International Projects	Tenes (Algeria)	1	Desalination	200,000m^3/day	145	(41)	104
	Honaine (Algeria)	1	Desalination	200,000m^3/day	82	(71)	11
	Quingdao (China)	1	Desalination	100,000m^3/day	73	(6)	67
	Xangongo (Angola)	1	Water Treatment	24,500m^3/day	45	(6)	39
	Arequipa (Peru)	1	Water Treatment	130,000m^3/day	28	-	28
	Ratnapura (Sri Lanka)	1	Water Treatment	13,000m^3/day	26	-	26
	Total	**6**			**399**	**(124)**	**275**
Other Projects	Projects in Spain	67	-	-	485	(251)	234
	Projects International	10	-	-	95	(77)	18
Total		**90**			**€1,159m**	**€503m**	**€656m**

(1) Awarded amount attributable to Befesa. Status as of 31st March 2010

Contracted Water Concessions Provide Recurring Cash Flows

Befesa's current water desalination portfolio anticipated to become fully operational in 2012, the portfolio will deliver an incremental c. €100m of revenue in its first full year of operations.

2009 → 2010 → 2011 → 2012

c. 700,000 m³ per day of gross operating capacity in 2012

Location	Algeria	India	Algeria	Algeria	China
Expected Commissioning Date	Q4 2009	Q2 2010	Q1 2011	Q4 2011	Q2 2012
Plant	Skikda	Chennai	Honaine	Tenes	Qingdao
m³/day	100,000	100,000	200,000	200,000	100,000
Total Investment (€m)	101	108	215	171	135
Total Equity (€m)(1)	20	32	43	34	45
Non-Recourse Debt % of Total Investment	80%	70%	80%	80%	67%
Befesa Net Ownership	34%	25%	26%	51%	92%
Befesa Total Equity Committed (€m)(2)	6.8	8.1	11.2	17.4	40.9
Befesa Equity Invested (€m)(3)	4.7	7.1	9.2	8.9	8.4
Consolidation Method	Full	Equity Accounted	Proportionally (50%)	Full	Full
Expected Annual Revenues (€m)	19	-(5)	37	30	22
Expected Total Revenues (€m)(4)	483	-(5)	927	753	552

Total

700,000 m³/day

€84.5m

€38.2m

Revenues – Total Concession Period

€2.7bn

Note: FX Rate as at 31st March 2010: 1.34$/€. Apart from the international concessions, Befesa operates 4 concessions in Spain (Iniciativas Hidroeléctricas, Canal de Navarra, IDAM Cartagena and Canal de Aragón y Cataluña)

(1) Includes contributions from other shareholders
(2) Includes amount already invested
(3) €m as of 31 December 2009
(4) Revenues during the concession period in real terms, assuming full capacity utilization throughout the concession period
(5) Chennai revenues are not consolidated

Tangible Pipeline of Possible Projects Provides Opportunities for Further Growth

- **Befesa has a proven track-record of capturing new backlog on a yearly basis**
- **Recurrent backlog at domestic level estimated larger than €200m**
- **International backlog growing at 28% since 2006**

	Market Size in 09-2015E[1]	Target Befesa's Projects[5]	Number & Types of Projects	EPC vs. Concessions	Stage
Libya	US$10bn	€1.0bn	4 Desalination Plants 3 Signed MoU	4 EPC and Concessions	MOU signed (3) Tendered (1)
North Africa[2]	US$39bn	€1.0bn	3 Desalination Plants 2 Product Water Pipeline 1 Wastewater Treatment Plant 1 Underground Water Treatment	7 EPC (4 Concessions)	Pre-qualified (3) Tendered (1) Proposals (1) Identified (2)
China	US$395bn	€1.2bn	13 Desalination Plants	13 EPC (11 Concessions)	Tendered (1) Identified (12)
India	US$31bn	€0.9bn	4 Desalination Plants 1 Water Treatment Plants	5 EPC (4 Concession)	Tendered (2) Pre-qualified (1) Identified (2)
Gulf Region[3]	US$82bn	€2.1bn	1 Desalination Plant + Pipework 2 Desalination Plants	3 EPC (3 Concession)	Identified (3)
USA	US$690bn	€0.4bn	2 Brackish Water Plants 1 Pumping Station 1 Water Plant 1 Pipeline Expansion of 1 Wastewater Treatment Plant	6 EPC	Identified (6)
LatAm	US$177bn	€1.5bn	1 Treatment & Marine Outfall 2 Waterpipes 4 Desalination Plants 1 Hydro-power Plant	8 EPC (6 Concessions)	MOU signed (1) Tendered (1) Pre-qualified (2) Identified (4)
Other[4]	US$825bn	€0.8bn	2 Desalination Plants 5 Water Supply Projects	7 EPC and Concessions	Tendered (1) Pre-qualified (1) Identified (5)

Befesa has pre-screened around 55 projects with an estimated total value of around €9bn
Three of the projects have a MOA already signed and more than 21 are in a very advanced stage

Note: See appendix for details of project type and status
(1) Source: Global Water Intelligence – Global Water Market 2008. Based on Total Water Market figures
(2) Includes Algeria, Morocco, Egypt and Tunisia
(3) Includes Saudi Arabia, Kuwait, Qatar, United Arab Emirates, Oman, Bahrain, Jordan and Yemen
(4) Includes Sub-Saharan African, South Asia, East Asia & Pacific excluding China and East Europe & Central Asia
(5) 100% of value of the project without accounting for the share attributed for potential partners

Risk Mitigation Culture

Befesa implements internal procedures to assess and manage the inherent risk undertaken in each project.

- Befesa has internal procedures to determine certain projects as critical, which require a higher degree of control & monitoring
- Main conditions to classify a project as critical:
  - Initial contracting size: Befesa Construcción (>€10m)
  - International locations
- Reporting requirements:
  - Monthly monitoring meeting with all responsible parties of Critical Projects in Befesa
  - Individual meetings with the Project Manager and, in some situations, with the CEO
- Efficient cash management through a conservative working capital policy: during the EPC project development, cash-in expected to be always higher than payments/ cash-out

Activities	Bidding Process			Execution		
	Risk Identification	Price Structure Approval	Final Contract Agreement	Risk Monitoring	Deviation Analysis	Corrective Actions
Activities Description	• Identify and evaluate technical risks (Offers and Engineering & Production Dept.) • Review draft of the client contract draft and develop a report (Offers Dept.)	• Review technical tender and report (Offers Dept.) • Adjust risks and contingencies considering commercial risks (Strategy Committee)	• Send tender and commented draft of the client contract • Receive second draft of the contract from client • Process contract with Offers Dept. recommendations (Strategy Committee)	• Monitor risks defined in the contract (Project Team) • Identify new risks on an ad hoc basis (Project Team) • Update Befesa's Strategy Committee regularly on project evolution, including risk (Project Manager) – Monthly and quarterly reporting needed	• Analyse likelihood and impact of risks, following standard criteria (Project Team) • Issues to be addressed – Timing & Planning deviations – Economic deviations affecting contracting margin: budget vs. real – Future needs of human resources	• Identify and analyse reasons behind the risk (Project Team) • Evaluate possible alternatives (Project Team) • Estimate impact in cost of alternatives (Project Team)

Befesa Water: Strategy

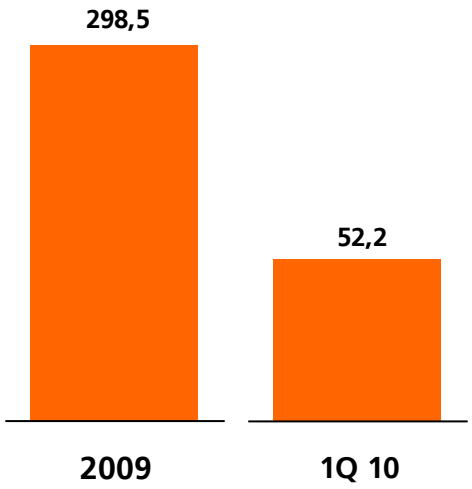
1. Strengthen and monetise growth of backlog in countries where Befesa is already present
2. Project execution excellence across all markets
3. Continue with a significant investment in R&D to reduce costs and develop sustainable solutions
4. Capture new concessions where returns are attractive and which will provide stable cash flows for the future
5. Expand both EPC and concessions selectively into identified attractive geographies

B. Water – Financial Information

Key Financials – Water

Revenue (€m)

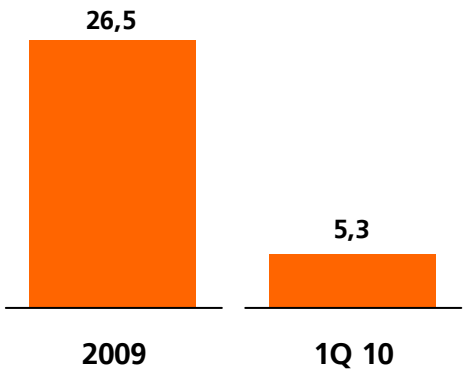
CAGR 07 – 09 : 30%



EPC	288,6	48,8
Concessions	9,9	3,4

EBITDA (€m)

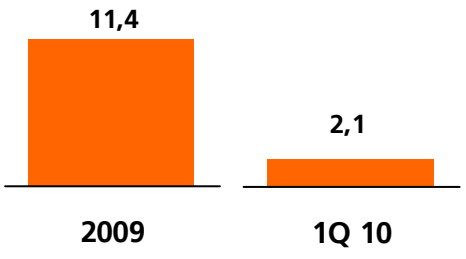
CAGR 07 – 09 : 42%



22,3	5,0
4,2	0,3

Net Income (€m)

CAGR 07 – 09 :



11,2	3,1
0,3	(1,0)

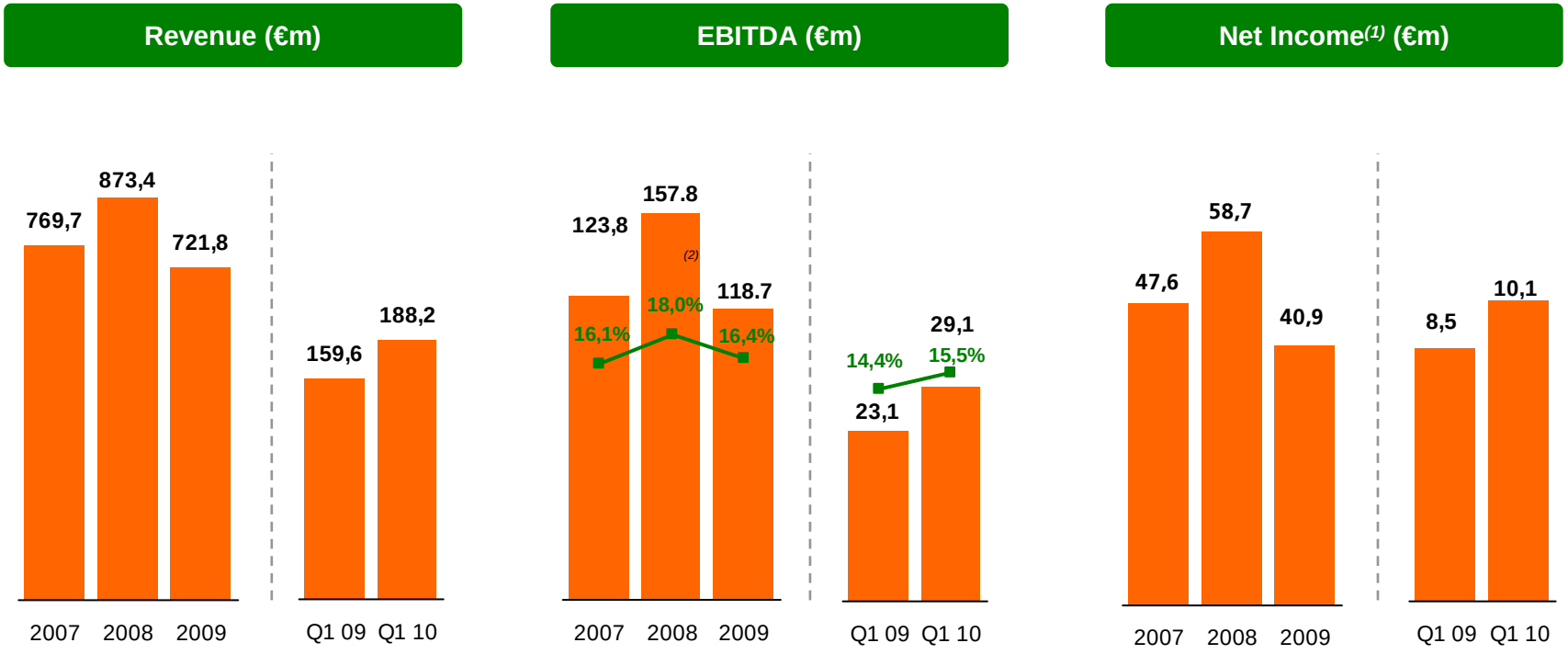
4. Consolidated Financial Information

Financial Highlights

Financing "Golden" Rules		• Non-recourse debt financing • Active and frequent monitoring of the working capital • Strict risk management policies (FX, Commodities, etc.)
Financing per Activity	**Industrial Waste Recycling**	• Use of non-recourse debt in past acquisitions: BUS, Alcasa, Agor • Cash flow generation is expected to finance maintenance capex and deleverage
	Water	• Use of project finance structures to develop the growing concession business • No need of financing to develop the EPC business • Margin on EPC business finances partially equity contribution of concessions • Financing provided by variety of banks including local development banks
Sound Capital Structure		• 2.5x[(1)] Net Debt / reported EBITDA (ex – Water Concessions) • 90.3% Non Recourse Debt
Well balanced portfolio businesses		• Double digit Ebitda margin 2007/2009 (Resilient business) • Diversification by activity and geography • Superior growth in water. (2007-2009)CAGR of 30% in revenues and 42% EBITDA. • 2009 Ebitda Margin in steel of 30%

(1) Net Debt and EBITDA as of 31 December 2009

Key Financials – Consolidated



	'07-'08	'08-'09	Q1 09-Q1 10	'07-'08	'08-'09	Q1 09-Q1 10	'07-'08	'08-'09	Q1 09-Q1 10
YoY Growth	13.5%	(17.4%)	17.9%	27.4%	(24.7%)	26.0%	23.2%	(30.4%)	18.4%

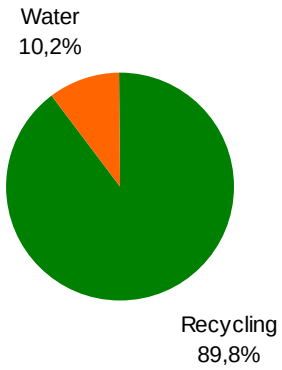
EBITDA Margin

Note: First quarter figures have not been audited
(1) Net Income attributed to the parent company

Key Financials – Breakdown by Business and Geography

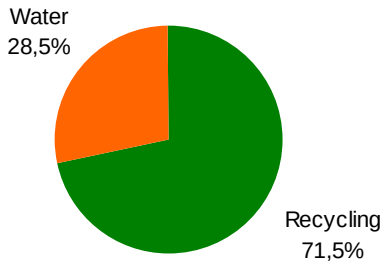
EBITDA by Business

2007



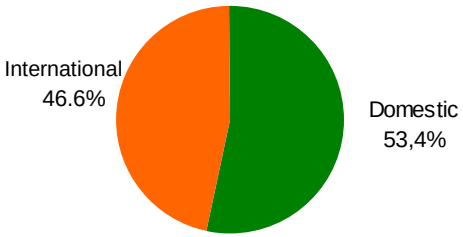
EBITDA '07(1): €123.8m

2009

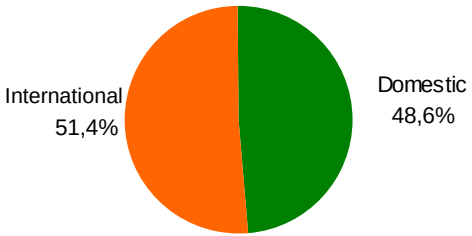


EBITDA '09(1): €118.7m

Sales by Geography



Sales '07: €769.7m

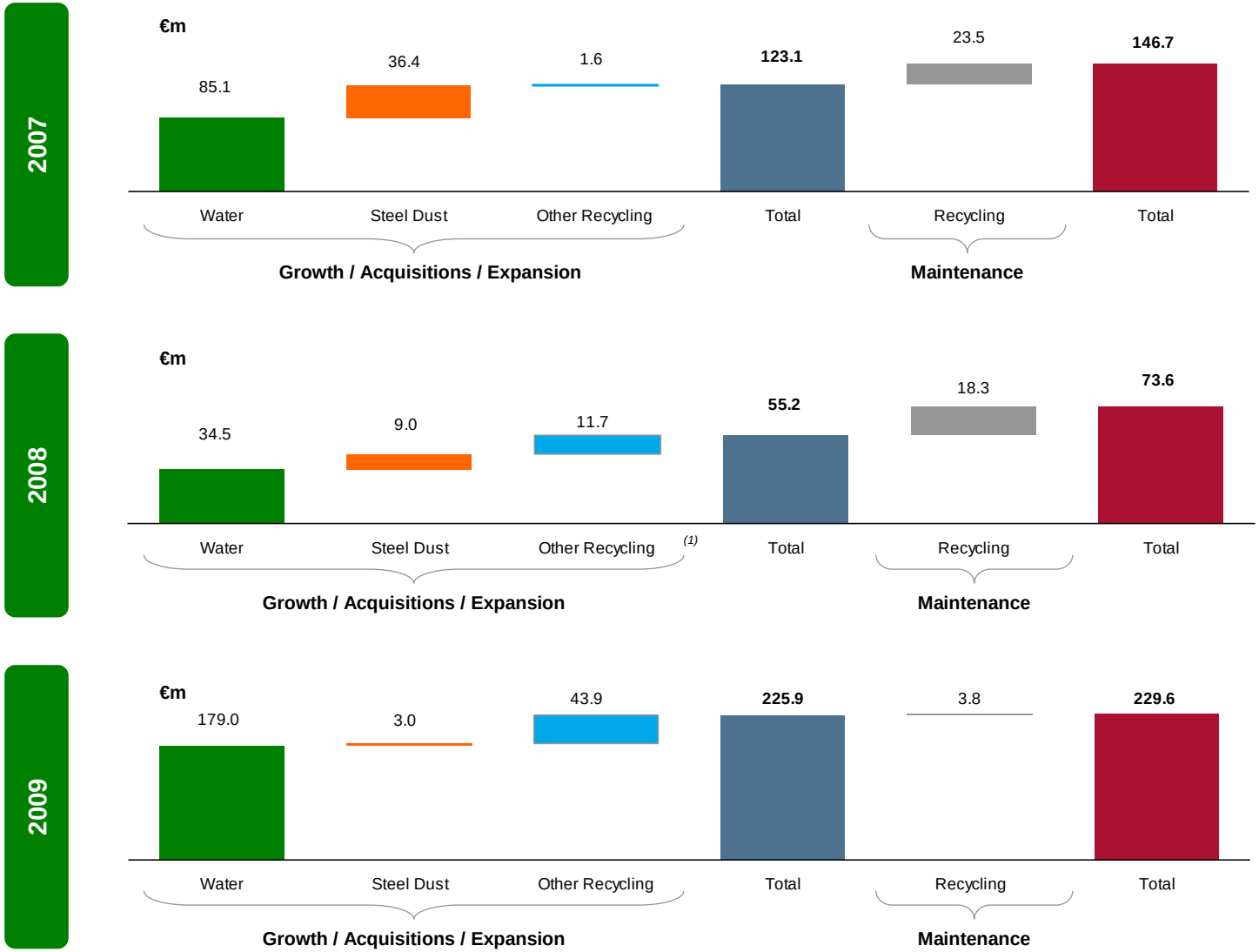


Sales '09: €721.8m

- Increasing contribution by water business and international to the total EBITDA
- Expected continuing expansion of international business especially once accounting for concessions which are invested and in ramp-up phase

Note: EBITDA breakdown based on recurrent figures
(1) Corporate adjustments not included in the EBITDA breakdown calculation

Capex



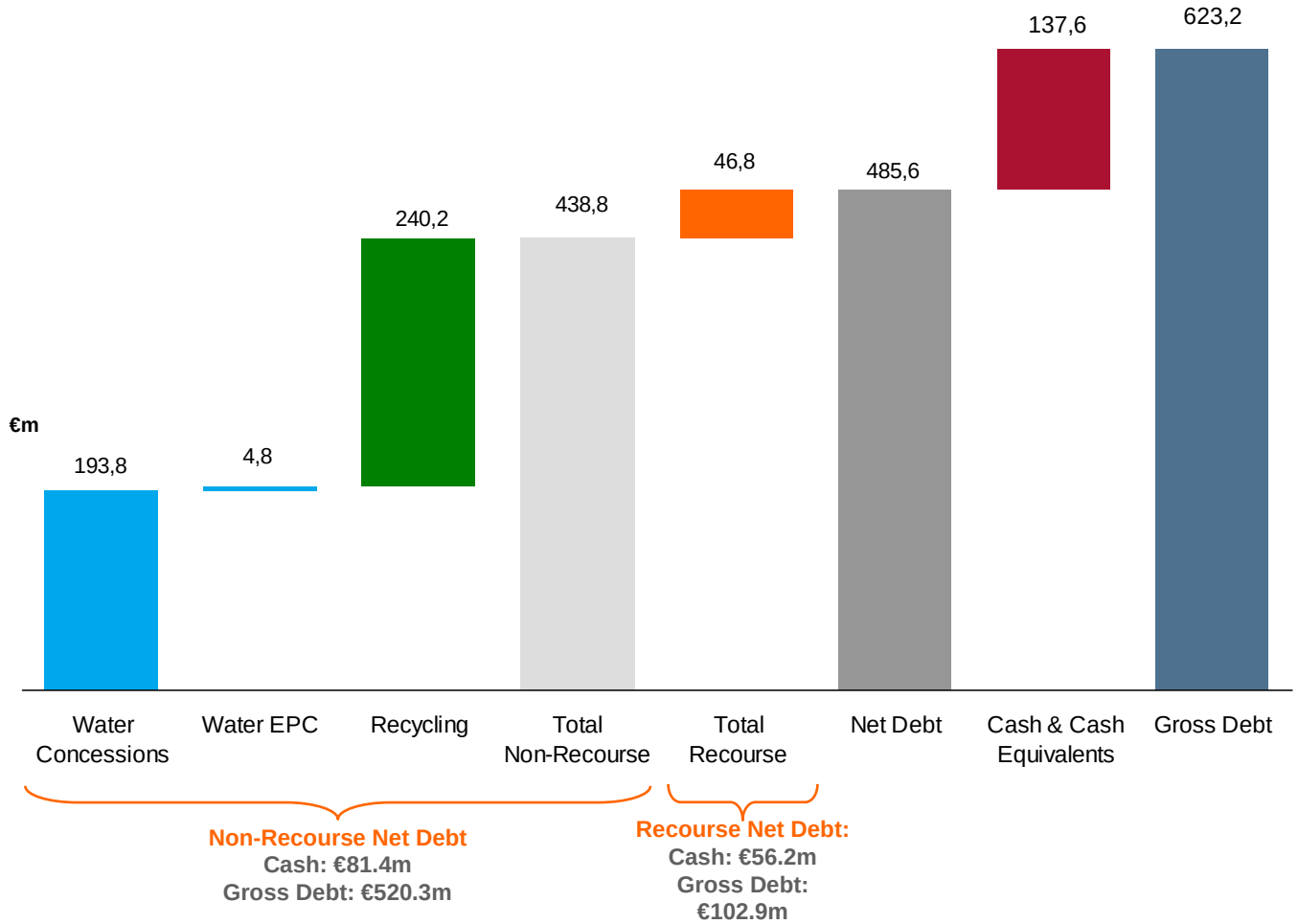
- Contribution of Capex from the Water division has increased over the last three years, reflecting Befesa's strategy to base its future growth on this business
- Existing capacity in the Recycling business will be able to deal with the expected growth in volume. Therefore, no expansion Capex for this division is required

(1) Adjusted by the Alcasa merger for which Befesa recorded an investment amount of €66m

Net Debt as of 31 December 2009

Befesa is mainly financed through non-recourse debt.

Recourse & Non-Recourse Net Debt by Business

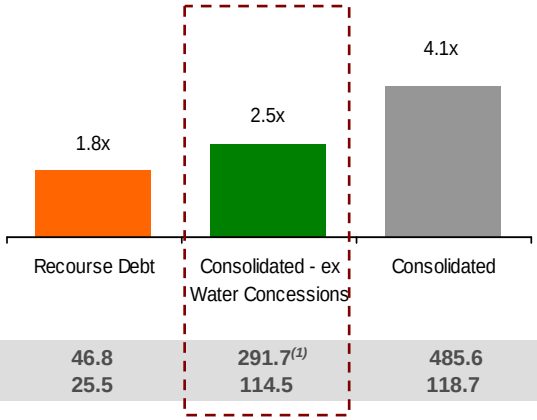


- Non-recourse debt is being mainly used to finance the water concessions and the past acquisitions in the recycling business (BUS, Agor)
- Recourse debt at corporate level funded mainly through a credit line from Abengoa

2009 Net Debt / EBITDA

Net Debt/Ebitda

Reported EBITDA



	Recourse Debt	Consolidated - ex Water Concessions	Consolidated
Net Debt (€m)	46.8	291.7[1]	485.6
EBITDA 09 (€m)	25.5	114.5	118.7

- Leverage ratio excluding pre-operational businesses (water concessions) is more representative
  - The water concession business has only generated €4.2m of EBITDA as most of concessions are in construction, but being financed by €194m

Maturity Average Period Non-Recourse Gross Debt

Recycling

3Q 2014

Water

3Q 2023

Water	Maturity
Quingdao	2027
Chennai	2019
Skikda	2020
Honaine	2024
Tenes	2025

Recycling	Maturity
B. Zinc	2014
Aluminum	2015
B. Salzchlacke	2019

(1) Total net debt adjusted for pre-operational net debt

Main Financing Facilities

Acquisition of BUS Group

- Non-recourse 7-year syndicated loan of €335.5m signed in October 2006
- 33 financial institutions participating
- Current gross debt outstanding: €229.9m (net debt €180m)
- Covenants:

	2006	2007	2008	2009+
Net Debt/EBITDA	<3.7x	<3.6x	<2.5x	<2.3x
Interest Cover Ratio	>4.5x	>4.5x	>5.0x	>5.0x
Debt Service Cover Ratio[1]	>1.05x	>1.05x	>1.05x	>1.05x

Acquisition of Alcasa

- 7-year syndicated loan of €40m in 2008
- Current debt outstanding (Dec-09): €38.3m (net debt of €29.1m)

Acquisition of Agor Group

- Non-recourse loan of €23.9m signed in Q2 2009
- Current debt outstanding (Dec-09): €23.9m (net debt €19.5m)

Water Concessions

	Total Investment	Incurred Debt – Dec 09	Expected Debt at Completion	Maturity	Interest Rate
Quingdao	c. €135m	-	€94m (67%)	18 years	Variable
Chennai	c. €108m	-	€74m (70%)	12 years	Fixed[2]: 10%
Skikda	c. $136m	€74.9m	$106m (80%)	17 years	Fixed: 3.75%
Honaine	c. $291m	€60.3m	$233m (80%)	17 years	Fixed: 3.75%
Tenes	c. $231m	€73.6m	$185m (80%)	17 years	Fixed: 3.75%

Abengoa Credit Line

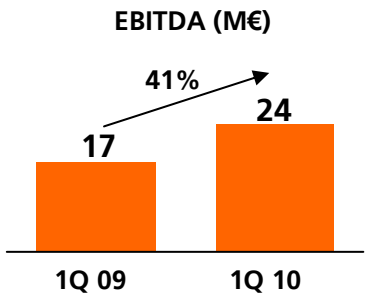
- Current credit agreement entered with Abengoa in 2009 to provide long-term financing support to Befesa's activities
  - Maximum limit of €160m automatically renewable each year
- Interest rate of 8.35%

(1) Defined as unconsolidated EBITDA times the aggregate gross finance charges
(2) 3 years fixed. Afterwards variable

Summary

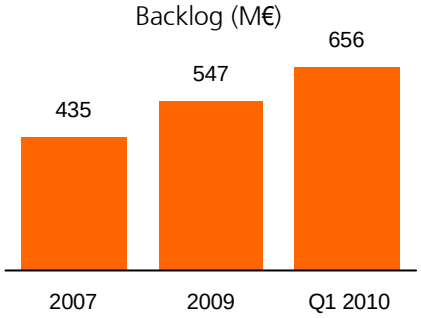
Review of 2010 first quarter results

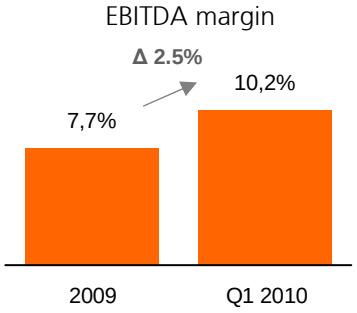
Recycling: Strong results achieved in Q1 in industrial waste recycling shows significant recovery



- Significant recovery in volume treated: steel dust and salt slag
- Margins have benefited from the volume increase and the operating leverage / fixed costs effect in the recycling business

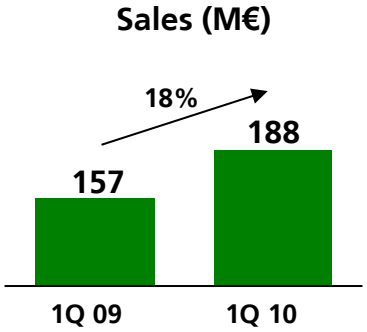
Water: solid backlog and EPC margin improvement

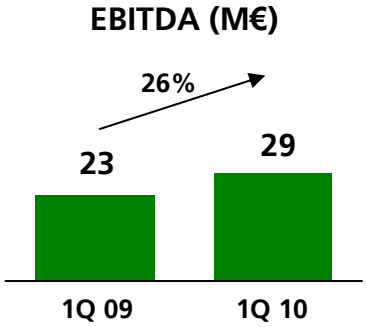


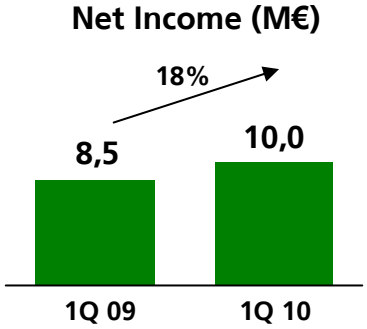


- The solid backlog contracted
- Margin improvement based on:
  - Cost structure stabilization
  - Higher level of contracting in the international scene
  - Higher proportion of EPC projects coming from own projects (concession)

Double digit growth in consolidated figures comparing 1Q 09 vs. 1Q 10







Positive outlook for 2010 both in recycling and water

Recycling

- Expected economic upturn based on the positive market recovery observed in Q1 2010 after a difficult 2009
- Market conditions have further improved in Q2 2010, and we expect to benefit from that recovery
- Volumes treated during Q2 and plants utilization achieved, reflect strong recovery

Water

- Good execution progress in Q2 in line with 2010 budget
- Good progress in backlog order during Q2
- Further EPC margin improvement expected derived primarily from more international EPC projects
- Secured backlog assure execution for rest of 2010 and 2011
- Tangible pipeline in EPC and concessions

Befesa enjoy a privileged position in both industrial waste recycling and water, in order to grow and become a worldwide reference

European leader in niche markets

Unique service oriented business model

Growth opportunities in new geographies as environmental regulation evolves

Secured EPC Backlog (€656m)

Existing Concession Portfolio (€2.7bn)

Tangible Pipeline (EPC and concessions) (€9bn)

Expected Margin Improvement in EPC

Q&A

Contact in Befesa

For further information please contact:

Contact Person

Rafael Pérez

Director of Corporate Development

Tel: (+34) 95 493 7111

E-mail: rafael.perez@befesa.abengoa.com

Appendix

Track Record in EPC

Befesa has a strong track record in EPC (ex – Concessions), having successfully managed both domestic and international projects.

2002 | 2004 | 2006 | 2008 | 2010

Desalination Plants

Awarding Date	1999	2000	2000	2002	2007	2009
Plant	Almeria	Cartagena	Carboneras	Atabal	Bajo Almanzora	DepurBaix
Location	Spain	Spain	Spain	Spain	Spain	Spain
Contract	EPC + OEM 15 Years	EPC, Finance + OEM	EPC	EPC	EPC + OEM 15 Years	EPC
M^3/day	50,000	65,000	120,000	165,000	60,000	60,000
EPC Budget (€m)(1)	30.4	36.9	68.5	39.5	73.0	13.0

Water Treatment & Reuse

Awarding Date	2005	2006	2006	2007	2007	2008	2008	2009
Plant	Potabilización Ciudad Sandino	EDAR Meco, Madrid	Potabilizadora El Conquero	EDAR Mocejón	Abt. agua potable Xangongo	Potabilizadora El Cenajo	EDAR Jerez	Potabilizadora Arequipa
Location	Nicaragua	Spain	Spain	Spain	Angola	Spain	Spain	Peru
M^3/day	6,054	13,500	90,000	20,000	24,500	520,000	70,000	130,000
EPC Budget (€m)(1)	10.4	8	14	13.3	68	28	9.4	25

Hydraulic Infrastructure

Awarding Date	2003	2004	2005	2006	2006	2007	2007	2008	2008	2009
Plant	Sahechores	Jucar Vinalopo conducción	Estación Bombeo Jorf	Regadios de Marismas	Regadios de Navarra	Regadios Xerta Xenia	Abt. a Caceres	Colectores Rio Sar	San Juan del Sur	Canal del Viar
Product	Hydroelectric Plant	Hydraulic Works	Hydraulic Works	Irrigation	Irrigation	Irrigation	Hydraulic Works	Hydraulic Works	Hydraulic Works	Hydraulic Works
Location	Spain	Spain	Marruecos	Spain	spain	Spain	Spain	Spain	Nicaragua	Spain
Capacity / Surface / Volume / Power	21,200 kva	10,000 l/s		12,800 Ha	23,611 Ha	16,500 Ha	1,5 m^3/s			
EPC Budget (€m)(1)	10.4	41.4	10	44.8	25	19	34	18	23	14

Befesa Water's international diversification ready to capture growth by leveraging its undisputed leadership in the Spanish home market

(1) Befesa's stake

Long Track Record and Know-how: Project Finance Expertise / Capabilities

Plant	Skikda	Chennai	Honaine	Tenes	Qingdao
Financing (Signed Contracts)					
• *Amount*	c. $109m	c. €74m	c. $233m	c. $185m	c. €95m
• *Period*	17 years (2.5 years of interest-only payments)	12 years (2 years of interest-only payments)	17 years (2.5 years of interest-only payments)	17 years (2.5 years of interest-only payments)	18 years (3 years of interest-only payments)
• *Interest Rate*	Fixed: 3.75%	3yr Fixed: 10%, then variable	Fixed: 3.75%	Fixed: 3.75%	Variable (People's Bank of China Interest rate)
• *Syndicate*	Local bank syndicate. Lead: BNA	Canara Bank, Indian Overseas Bank; United Bank of India; DEG	Local bank syndicate. Lead: CPA	Local bank syndicate. Lead: CPA	Lead: ABC Rest:Export Import Bank of China, China Construction Bank; China Merchants Bank
• *Leverage*	80/20	70/30	80/20	80/20	70/30

Pipeline Opportunities

Location	Project	Size	Type	Type of Contract	Potential Partnership	Status	Total Estimated Investment Amount (€m)
Libya	Musrata	500,000 m^3	Desalination Plant	BOOT for 25 years	General Desalination Company of Libya	MOU Signed	c. €950m
	Sirt	100,000 m^3	Desalination Plant	BOOT for 25 years	General Desalination Company of Libya	MOU Signed	
	West Tripoli	200,000 m^3	Desalination Plant	BOOT for 25 years	General Desalination Company of Libya	MOU Signed	
	Tobruk	100,000 m^3	Desalination Plant	EPC	General Desalination Company of Libya	Tendered	
North Africa	Djerba Tunisia	50,000 m^3	Desalination Plant	BOT for 25 years	Princess Group, Instrata Capital	Tendered	c. €1.0bn
	Agadir	100,000 m^3	Desalination Plant	20-25 years	N/A	Pre-qualified	
	Moroco	100,000 m^3	Desalination Plant	20-25 years	N/A	Pre-qualified	
	Tenes	200 MLD	Product Water Pipeline	EPC	N/A	Identified	
	Mactaá	500 MLD	Product Water Pipeline	EPC	N/A	Proposal	
	Chott El Gharbi	500 MLD	Underground water treatment	EPC	N/A	Identified	
	Egypt	150,000m^3	Wastewater Treatment Plant	BOT for 18 years	AAW, Siac	Pre-qualified	
China	Baosteel	200,000m^3	Desalination Plant	EPC	N/A	Tendered	c. €1.2bn
	Teda	100,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Ansteel	12,300m^3	Desalination Plant	EPC	N/A	Identified	
	Yantai	50,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Weihai	50,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Qingdao II	100,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Yelow Island	100,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Rizhao	100,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Laoshan	20,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Shougang	50,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Fenui	120,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Huadian	150,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
	Lingang	100,000m^3	Desalination Plant	BOT for 20-25 years	N/A	Identified	
India	Khrishnapatnam Port	100,000m^3	Desalination Plant	EPC + 20 years	Hyflux, Veolia	Tendered	c. €0.9bn
	Agra Water	144,000m^3	Water Treatment Plant	EPC + 10 years	CC&CL	Tendered	
	Kutch Desalination	200,000m^3	Desalination Plant	EPC + concession	N/A	Pre-qualified	
	Mumbai	10,000m^3	Desalination Plant	EPC	N/A	Identified	
	Other	400,000m^3	Desalination Plant	20-25 years	N/A	Identified	

Befesa Water has pre-screened around 55 projects with an estimated total value of around €9bn

Note: **Pre-qualified:** Projects in which, after a prequalification competitive bidding stage, a short list of companies, included Befesa, have been invited to participate in the process. An intense dialogue with the client is normally taking place to define the final technical and economical feasibility of the project and the competition is restricted to the shortlisted companies.
Tendered: Projects in which a public bidding process is underway. Befesa has submitted an economic/technical proposal and is waiting for final resolution/adjustments from the client.
Proposals: Projects in which the client is considering a public bidding process. Befesa has already identified the opportunity, has set up local teams to work on the situation, has developed preliminary feasibility studies and is preparing an economic/technical proposal for the project.
Identified: Projects in very early stages of development but where certain evidences exist that a public bidding process may be initiated. Befesa begins preliminary studies and analysis and commercial local teams start working on the situation.

Pipeline Opportunities

Location	Project	Size	Type	Type of Contract	Potential Partnership	Status	Total Estimated Investment Amount (€m)
Gulf Region	Jordan	500,000m^3	Desalination Plant + Pipework	BOT for 20-25 years	N/A	Identified	c. €2.1bn
	Al Goubrah	120,000m^3	Desalination Plant	BOT for 18 years	N/A	Identified	
	Other	500,000m^3	Desalination, Wastewater	between 20-25 years	N/A	Identified	
USA	San Antonio	100,000m^3	Brackish Water Plant	EPC or D+B	NRS	Identified	c. €0.4bn
	Brownsville	50,000m^3	Brackish Water Plant	EPC or D+B	NRS	Identified	
	Brownsville	-	Pumping Station	D+B	NRS	Identified	
	West Basin	100,000m^3	Water Plan	D+B	NRS	Identified	
	Amarillo Water	-	Pipeline	Build	NRS	Identified	
	Robindale	-	-	Build	NRS	Identified	
Latin America	Lima Sur	100,000 m^3		20 years	Biwater, Marubeni	Tendered	c. €1.5bn
	La Chira	6.1 m^3/s	Treatment & marine outfall	BOT for 20-25 years	Abengoa Peru, EPM	Pre-qualified	
	Acueducto Falcón Matamoros	-	Water pipe	20-25 years	Abengoa Mexico, Sumitomo	Identified	
	Acueducto Zapotillo	-	Water pipe	20-25 years	Abengoa Mexico, Sumitomo	Identified	
	Trinidad & Tobago	300,000 m^3	4 Desalination Plants	BOT for 20-25 years	Biwater, Marubeni	Pre-qualified	
	Bello	5.0 m^3/s		EPC	N/A	Identified	
	Salitre	4.0 m^3/s		EPC	N/A	Idenfied	
	Panama	28 MW	Hydroopower Plant	BOT		MOU signed	
Africa Sub-Saharan	Plant Ghana	60,000 m^3	Desalination Plant	20-25 years	N/A	Tendered	c. €0.2bn
	Swakopmund	80,000 m^3	Desalination Plant	20-25 years	Veolia, Degremont	Pre-qualified	
Rest of Asia	Klungkun	-	Water Supply Project	BOT for 20-25 years	N/A	Identified	c. €0.6bn
	Bandung	-	Water Supply Project	BOT for 20-25 years	N/A	Identified	
	Bandar Lampung	-	Water Supply Project	BOT for 20-25 years	N/A	Identified	
	Jakarta	-	Water Supply Project	BOT for 20-25 years	N/A	Identified	
	Vinacomin	-	Water Supply Project	BOT for 20-25 years	N/A	Identified	

Befesa Water has pre-screened around 55 projects with an estimated total value of around €9bn

Note: **Pre-qualified:** Projects in which, after a prequalification competitive bidding stage, a short list of companies, included Befesa, have been invited to participate in the process. An intense dialogue with the client is normally taking place to define the final technical and economical feasibility of the project and the competition is restricted to the shortlisted companies.
Tendered: Projects in which a public bidding process is underway. Befesa has submitted an economic/technical proposal and is waiting for final resolution/adjustments from the client.
Proposals: Projects in which the client is considering a public bidding process. Befesa has already identified the opportunity, has set up local teams to work on the situation, has developed preliminary feasibility studies and is preparing an economic/technical proposal for the project.
Identified: Projects in very early stages of development but where certain evidences exist that a public bidding process may be initiated. Befesa begins preliminary studies and analysis and commercial local teams start working on the situation.

Quarterly Figures

Recycling

€m	Q1 09	Q1 10
Revenue	**93.8**	**136.0**
% Growth	*n.a.*	*45.0%*
EBITDA	**16.5**	**23.7**
% Growth	*n.a.*	*43.3%*
% Margin	*17.6%*	*17.4%*
EBIT	**9.1**	**16.1**
% Growth	*n.a.*	*76.3%*
% Margin	*9.7%*	*11.8%*
Net Income[1]	**6.0**	**9.1**
% Growth	*n.a.*	*51.3%*

Water - Concessions

€m	Q1 09	Q1 10
Revenue	**0.5**	**3.4**
% Growth	*n.a.*	*627.3%*
EBITDA	**(0.6)**	**0.3**
% Growth	*n.a.*	*(157.2%)*
% Margin	*n.m.*	*9.7%*
EBIT	**(0.6)**	**(0.7)**
% Growth	*n.a.*	*9.7%*
% Margin	*n.m.*	*(19.5%)*
Net Income[1]	**(0.3)**	**(1.0)**
% Growth	*n.a.*	*202.2%*

Water - EPC

€m	Q1 09	Q1 10
Revenue	**65.3**	**48.8**
% Growth	*n.a.*	*(25.3%)*
EBITDA	**6.9**	**5.0**
% Growth	*n.a.*	*(28.5%)*
% Margin	*10.6%*	*10.2%*
EBIT	**6.4**	**4.9**
% Growth	*n.a.*	*(23.3%)*
% Margin	*9.9%*	*10.1%*
Net Income[1]	**4.4**	**3.1**
% Growth	*n.a.*	*(30.5%)*

Consolidated

€m	Q1 09	Q1 10
Revenue	**159.6**	**188.2**
% Growth	*n.a.*	*17.9%*
EBITDA	**23.1**	**29.1**
% Growth	*n.a.*	*26.1%*
% Margin	*14.4%*	*15.5%*
EBIT	**15.1**	**20.4**
% Growth	*n.a.*	*35.2%*
% Margin	*9.5%*	*10.9%*
Net Income[1]	**8.5**	**10.1**
% Growth	*n.a.*	*18.4%*

Note: Unaudited figures
(1) Net Income attributed to the parent company

Consolidated Income Statement

Consolidated Income Statement

€m	2007	2008	2009
Revenue	**769.7**	**873.4**	**721.8**
% Growth	*n.a.*	*13.5%*	*(17.4%)*
EBITDA	**123.8**	**157.9**	**118.7**
% Growth	*n.a.*	*27.6%*	*(24.8%)*
% Margin	*16.1%*	*18.1%*	*16.4%*
EBIT	**97.2**	**115.1**	**84.0**
% Growth	*n.a.*	*18.4%*	*(27.1%)*
% Margin	*12.6%*	*13.2%*	*11.6%*
PBT	**63.6**	**83.5**	**53.6**
% Growth	*n.a.*	*31.3%*	*(35.8%)*
Taxes	(15.6)	(20.8)	(13.4)
Net Profit	**48.0**	**62.7**	**40.2**
% Growth	*n.a.*	*30.7%*	*(35.9%)*
Minority Interests	(0.4)	(4.0)	0.6
Attributable Net Profit	**47.6**	**58.7**	**40.9**

Note:Extracted from the Audited Consolidated Accounts

Consolidated Balance Sheet as of 31 December

€m	2007	2008	2009
Intangible assets	361.0	393.0	488.3
PP&E in use	248.3	250.1	292.4
PP&E in the course of construction	77.6	103.1	176.7
Investments in Associates	9.7	11.0	11.7
Non-current financial assets	35.1	130.8	63.0
Deferred tax assets	58.2	68.1	92.4
Total non-current assets	**789.9**	**956.1**	**1,124.5**
Inventories	43.9	52.1	42.6
Trade and other receivables	177.8	214.0	192.4
Trade receivables from related companies	13.6	14.9	17.3
Tax receivables	25.0	38.9	35.1
Other receivables	14.5	19.6	20.0
Other current financial assets	73.9	101.7	37.9
Cash and cash equivalents	53.6	100.9	102.0
Total current assets	**402.2**	**541.9**	**447.5**
Total Assets	**1,192.1**	**1,498.1**	**1,572.0**
Shareholders' Equity	**268.5**	**434.6**	**375.8**
Long-term provisions	26.6	44.7	46.5
Long-term without recourse financing	330.9	344.1	459.9
Bank borrowings	7.4	9.2	11.4
Non-current obligations under finance leases	1.6	1.9	1.9
Other non-current liabilities	63.9	98.4	138.7
Total non current liabilities	**430.4**	**498.4**	**658.5**
Short-term without recourse financing	44.0	44.5	49.0
Bank borrowings	18.6	12.3	19.3
Current obligations under finance leases	0.6	0.6	0.6
Trade payables, related companies	12.3	15.8	17.6
Trade and other payables	375.2	423.6	377.5
Short-term provisions	1.5	0.7	1.9
Tax payables	22.1	48.7	36.5
Other current liabilities	18.9	18.8	35.2
Total current liabilities	**493.2**	**565.1**	**537.6**
Total Equity and Liabilities	**1,192.1**	**1,498.1**	**1,572.0**

Note:Extracted from the Audited Consolidated Accounts

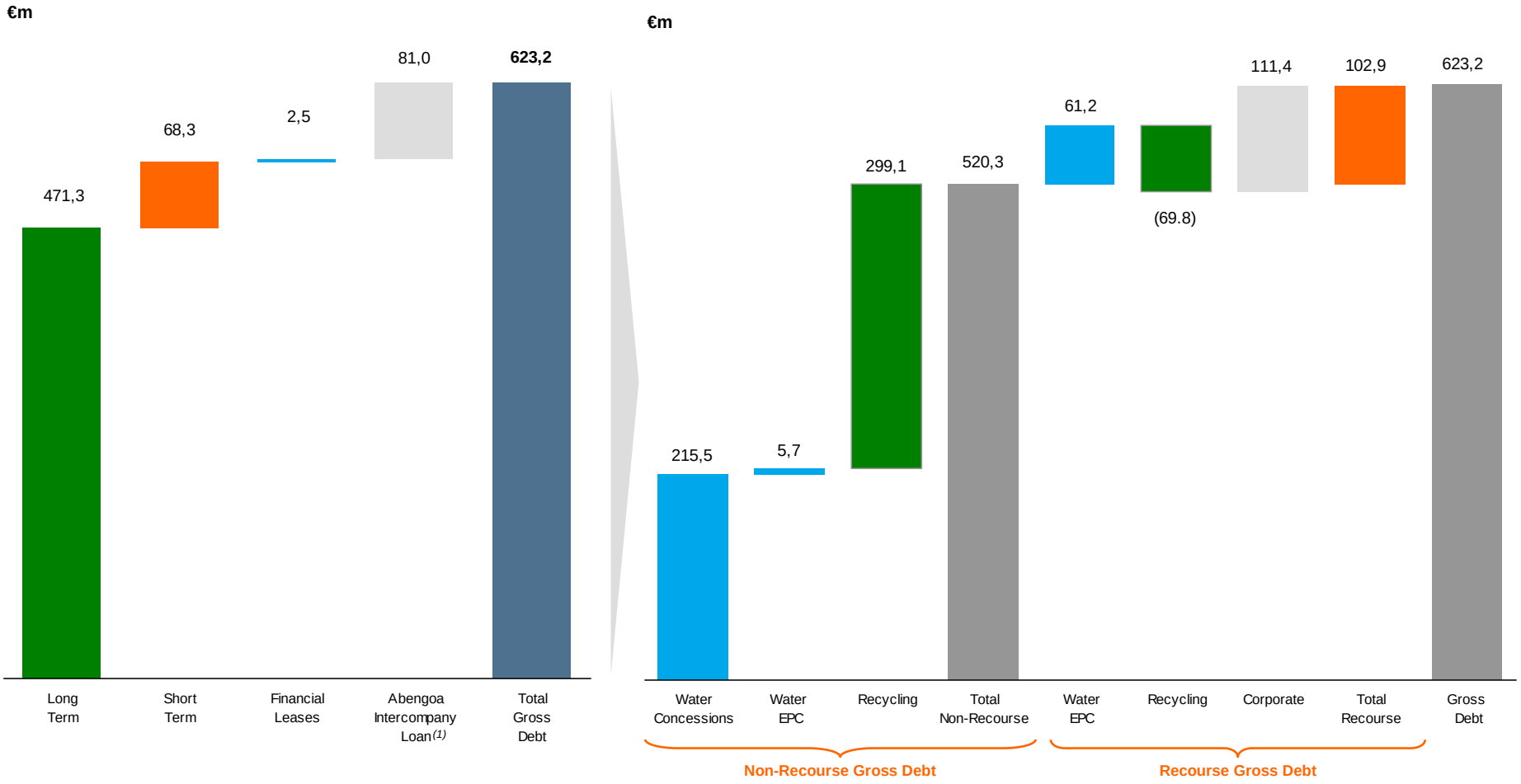
Consolidated Cash Flow Statement

€m	2007	2008	2009
PBT	63.3	79.5	54.3
Minority Interests	0.4	4.0	(0.6)
Depreciation and amortisation	33.2	36.7	34.7
Changes in allowances for financial assets	0.6	0.4	2.3
Results of associates	(0.9)	(1.2)	(0.7)
Income tax	(17.8)	-	-
Changes in long-term provisions	5.9	16.3	2.3
Transfer of hedges to income	36.8	(31.8)	-
Negative consolidation differences	-	-	(28.0)
Gains on fixed assets disposals	(2.3)	(28.5)	7.4
Gains on disposal of investments in associates	(1.1)	-	-
Valuation adjustments for derivatives, net	(8.1)	-	-
Net Financial Expenses / (Income)	-	-	29.6
Provisions for contingencies and expenses used	(0.3)	(1.2)	-
Change in working capital	(104.9)	(9.8)	12.3
Net change in deferred taxes/Income tax paid	38.4	(2.6)	-
Interests Paid	-	-	(23.4)
Tax Paid	-	-	(1.1)
Operating Cash Flow	**43.0**	**61.8**	**89.2**
Investments in fixed assets	(123.8)	(91.4)	(199.7)
Investments in equity instruments and other non-current financial assets	(17.5)	(14.5)	(20.7)
Proceeds from disposals of fixed assets	11.7	50.2	-
Proceeds from disposal of investments accounted for using the equity method	8.3	0.0	-
Capital Subsidies	-	-	2.2
Interests Received	-	-	4.5
Investing Cash Flow	**(121.2)**	**(55.7)**	**(213.7)**
Increase in Debt / (Debt Repayment)	66.8	42.0	120.5
Other	(3.3)	(0.9)	5.2
Financing Cash Flow	**63.6**	**41.1**	**125.7**

Note:Extracted from the Audited Consolidated Accounts

Gross Debt as of 2009

Befesa is mainly financed through non-recourse debt at subsidiary level.

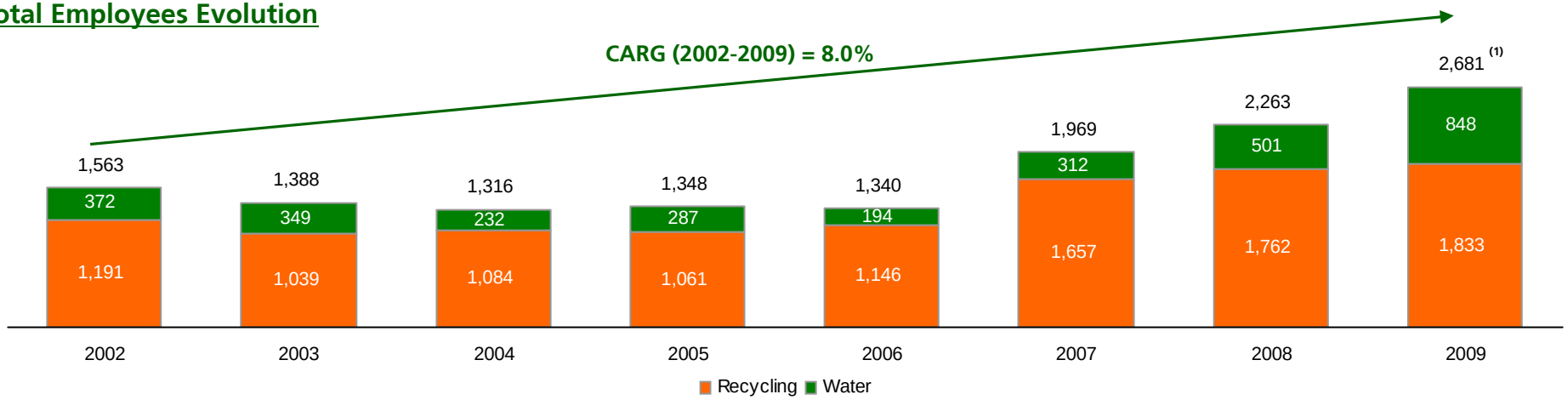


Note: Water Concessions' net debt of €193.8m; Water EPC net cash of €3.0m; Recycling net debt of €184.0m; Corporate net debt of €110.8m
(1) Abengoa Intercompany Loan distributed among Water EPC (€45.1m), Recycling (€(68.5)m) and Corporate (€104.4m)

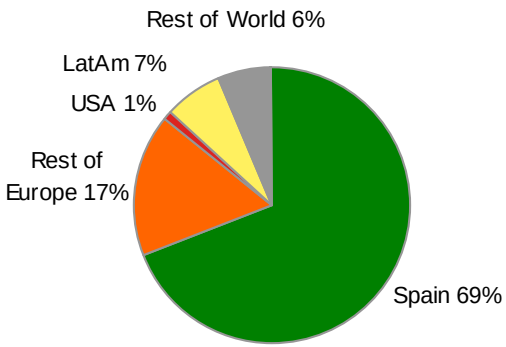
Employment Figures

Human resources have almost doubled in the last 8 years. Befesa accounted by the end of 2009 more than 2,800 employees.

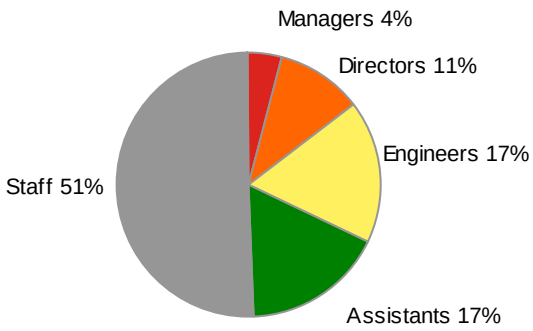
Total Employees Evolution



Split by Geography as of 2009

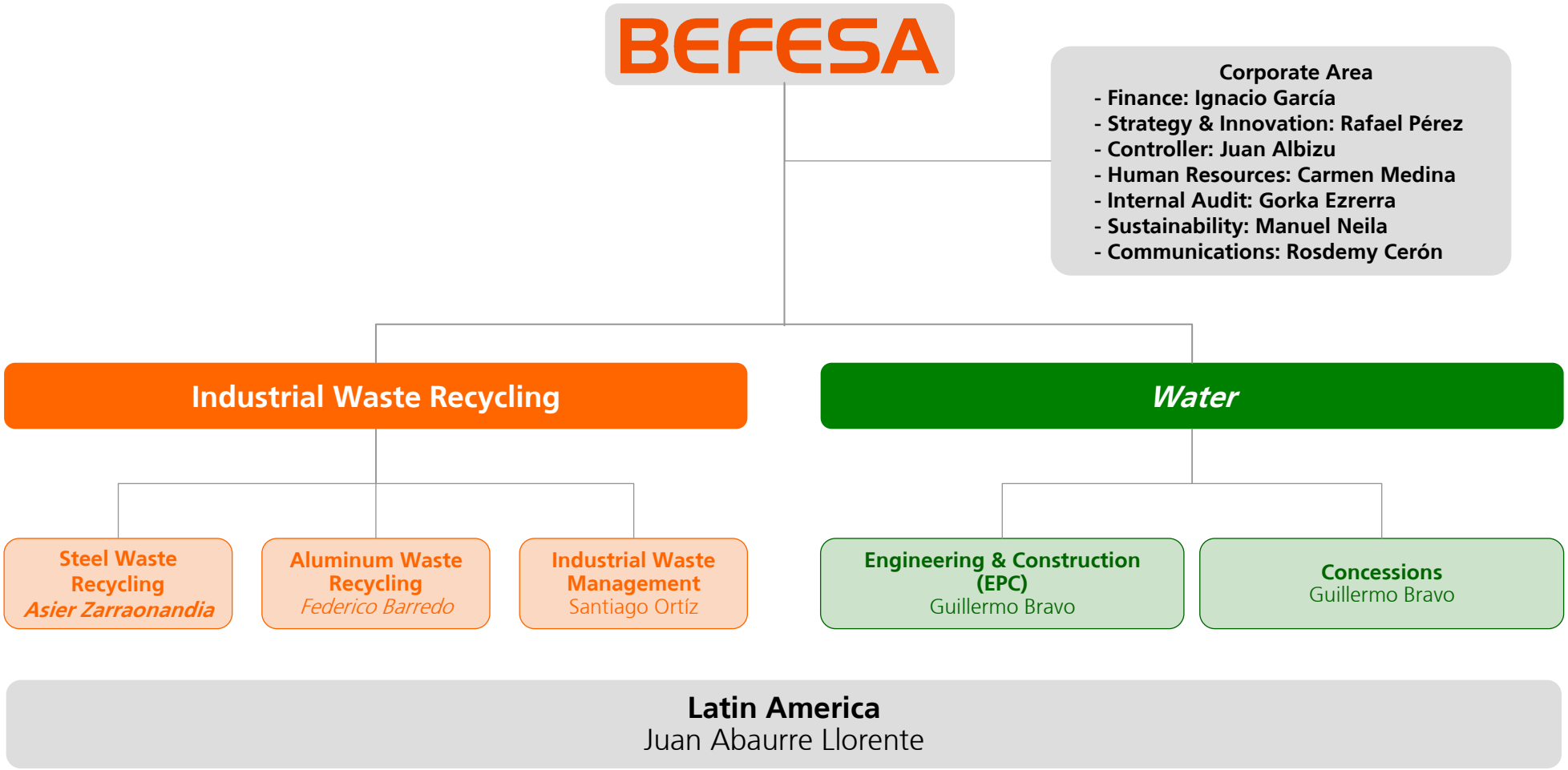


Split by Category as of 2009



Allocation and Type of Employment as of 2009

	Fixed	Site	Temporary	Total
Corporate	24	9	8	41
Aluminium and Salt ISlag Recycling	349	6	69	424
Steel Dust Recycling	492	16	16	524
Industrial Waste Management	494	230	32	756
Water	316	286	323	925
Latam	24	0	139	163
Total	1699	547	587	2833

(1) Total 2009 figures does not include temporary workers (UTEs)

Organisational Structure