

ABENGOA

Acquisition of B.U.S by Befesa



October 27th 2006

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1. Preliminary

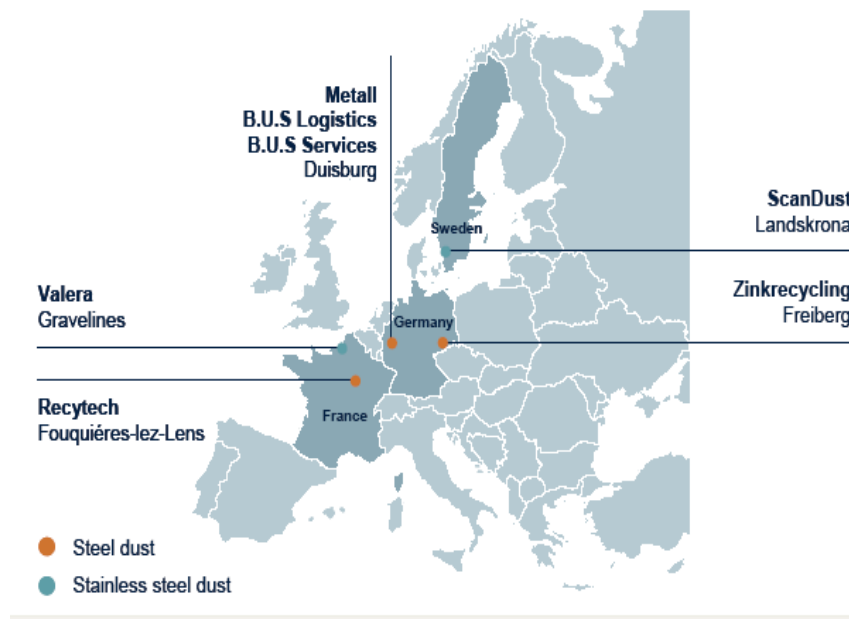
- 1998: Abengoa initiates the process of BUS acquisition to expand its environmental activities
- 1999: Abengoa launches a takeover bid on 100% of BUS shares, that was not accepted by majority shareholders
- June 2000: Abengoa acquires 51% of Befesa from BUS and reaches 92% through a subsequent tender offer.
- Steel Dust treatment services, remains as BUS' only activity
- October 06: Befesa signs a share purchase agreement for 100% of BUS Group for an Enterprise Value of 330M €
- The transaction is only subject to the approval of German Competition Authority



Befesa becomes European Leader of Steel Dust Recycling

2. The Company.

European leader in the recycling of dust generated by steel production through Electric Arc Furnaces (EAF) and in production of stainless steel. It has plants in Germany (2), France (2), and Sweden, employs 335 people.



2 business lines: Steel Dust and Stainless Steel Dust

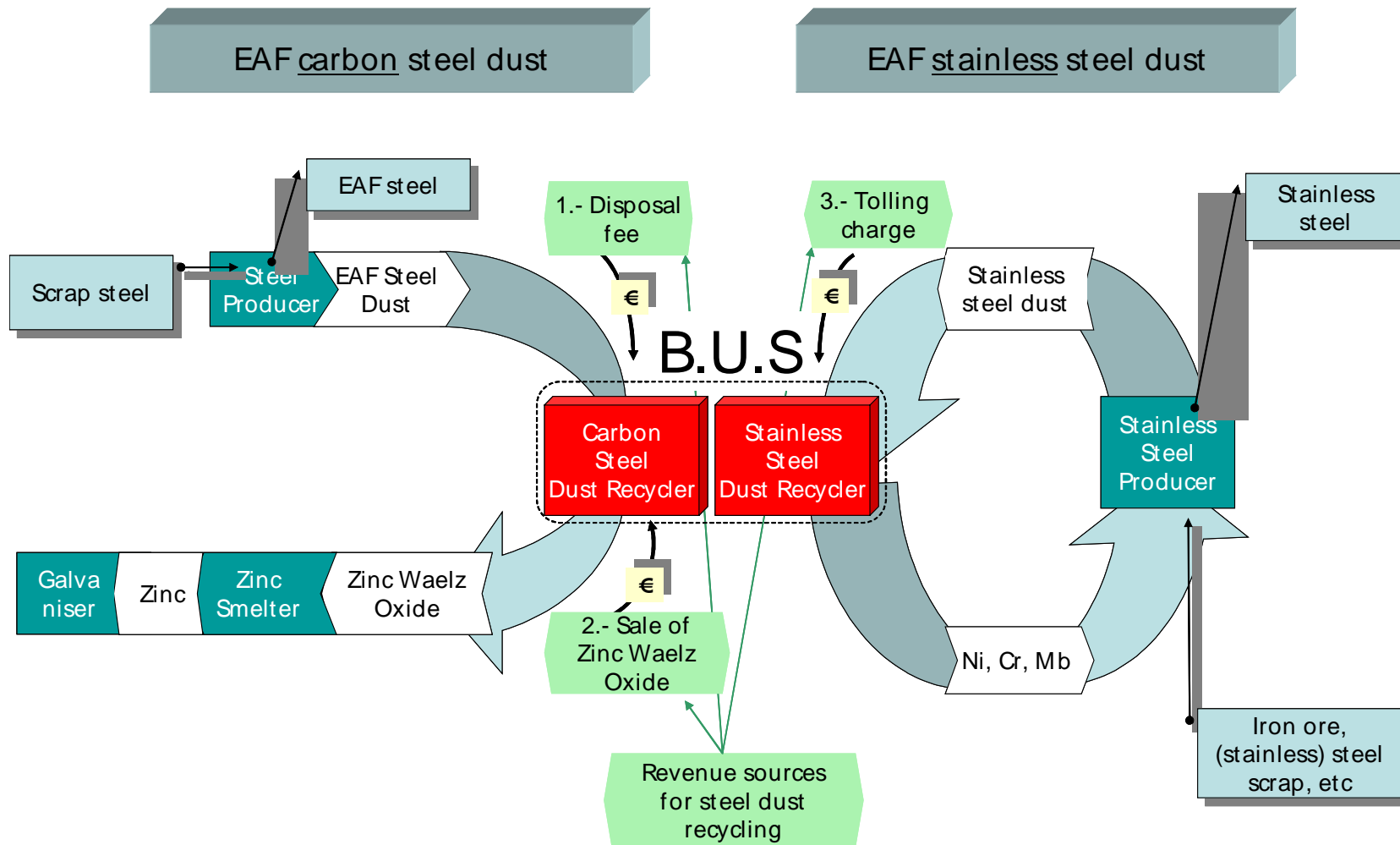
A) Steel Dust, two sources of income:

- Treatment Fee
- WOX Sales contained in recycled dust

B) Stainless Steel Dust: Dedicated to the through put

Italy, Germany, Spain and France are the main producers of Steel wit EAF

Material and recycling revenue flows in steel dust recycling



		BUS	Befesa	BUS+Befes a
Nominal Capacity	Steel Dust	450 Kt	105 kt	555 kt
	Stainless SD	125 Kt	-	125 Kt
Production of Ox. Waelz	Óx. Waelz	134 Kt	40 kt	174 kt
	Equivalent Zinc	60 Kt	22 kt	82 kt

BUS Group AB	2005	2006E
Sales	125,4	201,0
EBITDA	24,3	55,0
Ebitda/Sales	19,4%	27,4%
Net Profit	13,1	26,0

Source: BUS information and results in August 2006

Note: Numbers in million euros

3. Strategic Analysis.

Steel Dust Recycling creates significant value for steel manufacturers

- Steel manufacturers usually prefer dust recycling over landfill because it is financially attractive
- Regulation forces steel producer to treat. Landfill is becoming an unfeasible viable option for treatment

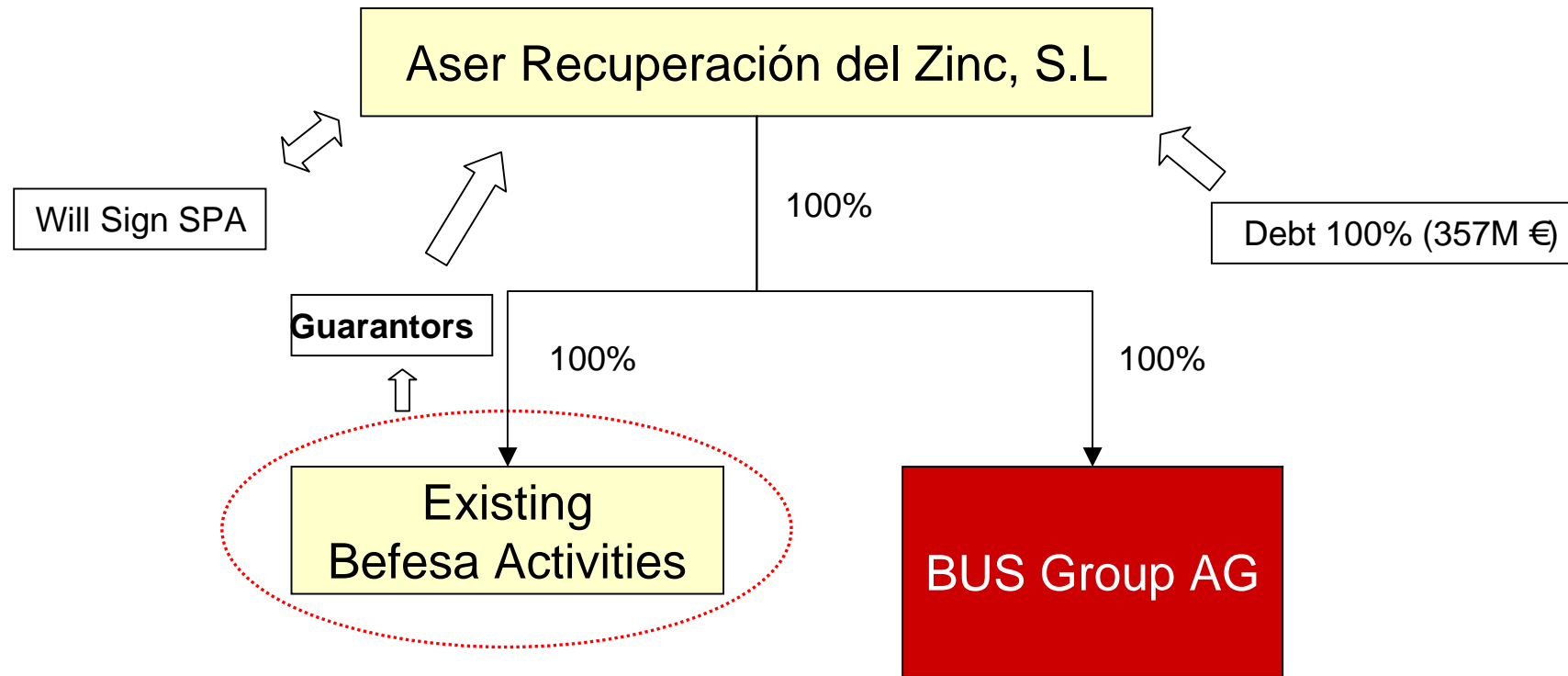
Further opportunities for Befesa

- European Leadership in the segment
- Cost reduction opportunities
- Technology development
- Eastern EU market opportunities

4. Financing.

- Non-Recourse Financing by Barclays
- Amount: 357M €, includes transaction costs, repayment of existing debt and 20M € working capital facilities
- Befesa contributes its existing steel dust activities and a limited equity cash contribution (15M €)
- Amortization: 7 years with Cash-sweep and 35% “bullet” at maturity
- Cost: Euribor + 0,95-1,65% according to a Net Debt/EBITDA Grid

Structure



5. Value Creation.

Hypothesis

- EAF steel production stable for the valuation horizon
- 1.598 €/Ton zinc price for 1st years, 1.100 €/Ton for the long term (zinc spot 3.000€ Tm)
- No growth for other incomes
- 3% inflation on electricity and gas costs
- No synergies considered
- No major expansion considered
- Capex: 4M € year
- 6,5% Financing Cost
- 31% Tax rate

Financial Metrics

EV/Ebitda 06: 6,0x

EV: 330M €

Pay Back: 7 years

Numbers in Million Euros

BUS Pro-forma 2006

Sales: 201,0

Ebitda: 55,0

Amortization: 8,0

Net Interest Expenses: 19,4*

PBT: 27,6

Net Income: 19,0

* : Includes all financing costs of the acquisition

Value Creation, EPS Increase

Befesa

$$\frac{19,0M \text{ €}}{27,1M \text{ Shares}} = 0,70 \text{ €/Share}$$

Abengoa

$$\frac{18,6M \text{ €}^{**}}{90,4M \text{ Shares}} = 0,20 \text{ €/Share}$$

** : 19'6 X 98% (% of Abengoa in Befesa)

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