

First Half 2008 Earnings Presentation September, 1st 2008



With the sun ... we produce thermoelectric and photovoltaic electric energy

With biomass ... we produce ecologic biofuels and animal feed



With wastes ... produce new materials through recycling, and we treat and desalinate water

With Information Technology ... we manage business and operational processes in a secure and efficient way



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

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



This presentation contains forward-looking statements and information relating to Abengoa that are based on the beliefs of its management as well as assumptions made and information currently available to Abengoa. Such statements reflect the current views of Abengoa with respect to future events and are subject to 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 that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental and business conditions globally and in the countries in which Abengoa does business, changes in interest rates, changes in inflation rates, changes in prices, changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. Abengoa does not intend, and does not assume any obligations, to update these forward-looking statements.

Agenda

1. H1 2008 Highlights 
2. H1 2008 Detailed Financial Analysis
3. Q&A

Strong growth in Ebitda and Net Income

		<u>YoY %</u>
❑ Sales	1,632.0 M€	+ 17.1%
❑ Operating Cash Flow	312.6 M€	+ 83.6%
❑ Ebitda	278.0 M€	+ 63.3%
❑ Profit before tax	107.8 M€	+ 52.4%
❑ Net Income	71.4 M€	+ 29.9%
❑ Net Income pro-forma ⁽¹⁾	67.4 M€	+ 22.6%
❑ EPS	0.79 €	+ 29.9%
❑ Net Debt Position ⁽²⁾	695.4 M€	

⁽¹⁾ Non including extraordinary profit and changes in consolidation perimeter

⁽²⁾ Excluding Non-Recourse Debt

International Activity

	H1 2008		H1 2007		Var (08-07)
	M€	%	M€	%	%
Total Abroad	1.051,4	62,1%	798,9	57,3%	31,6%
Total Spain	580,6	37,9%	594,8	42,7%	-2,4%
Consolidated Total	1.632,0		1.393,6		17,1%

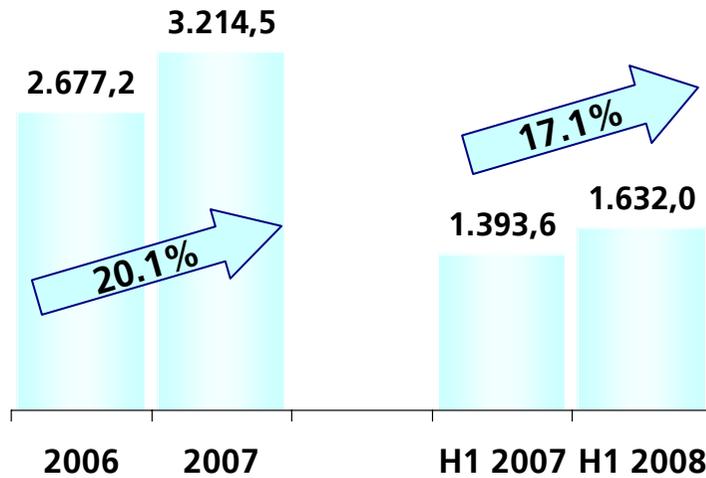
International activity main driver of growth

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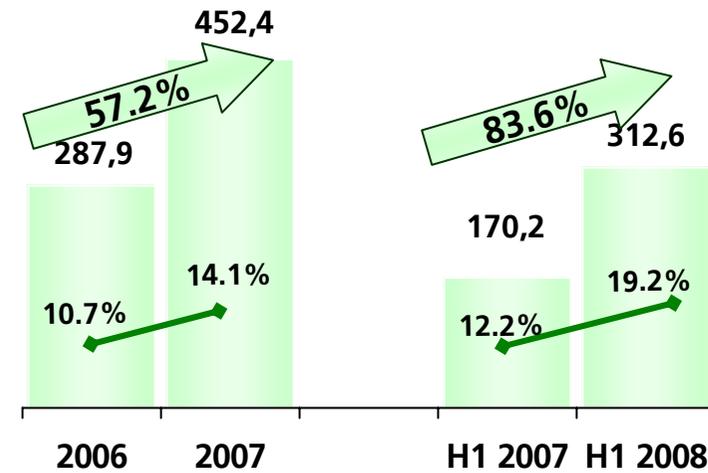
Sales

Sustained Revenue Growth

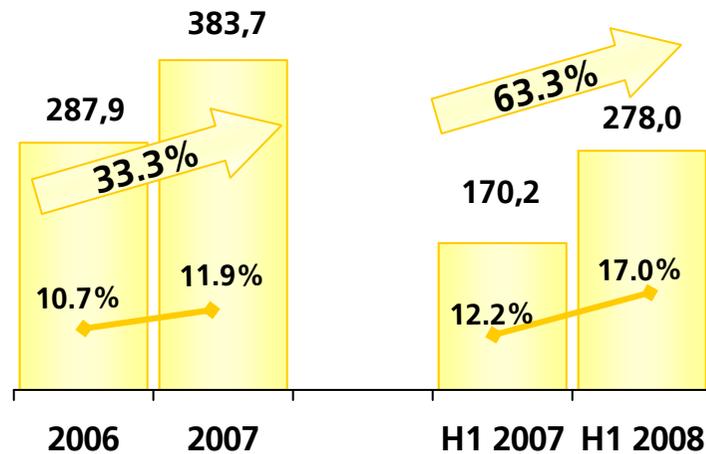


Operating Cash Flow

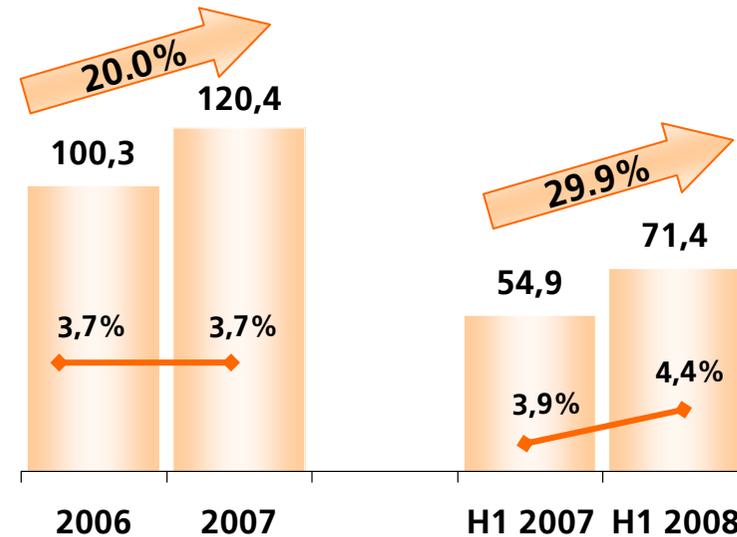
Improved Operating Performance



Ebitda

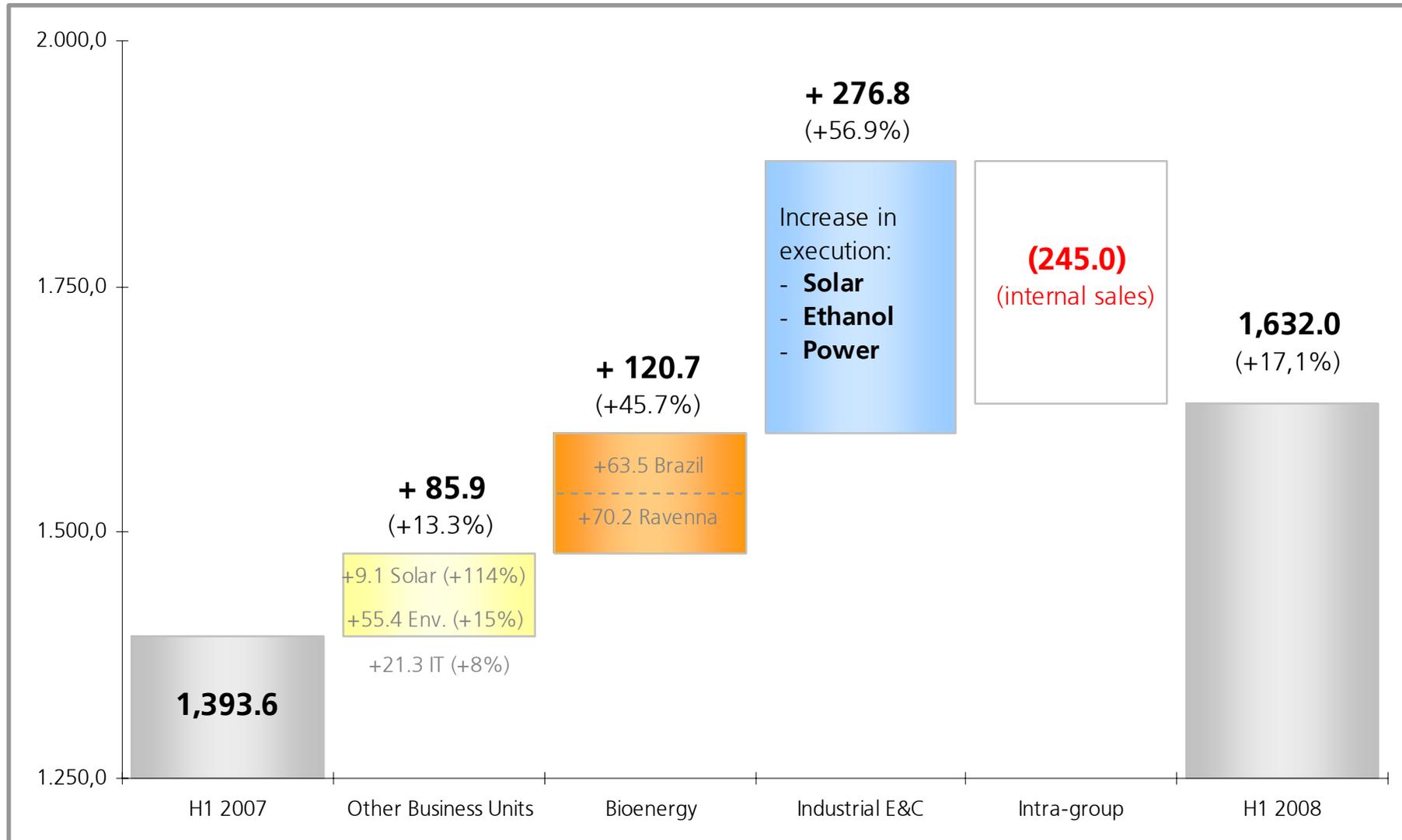


Net Income



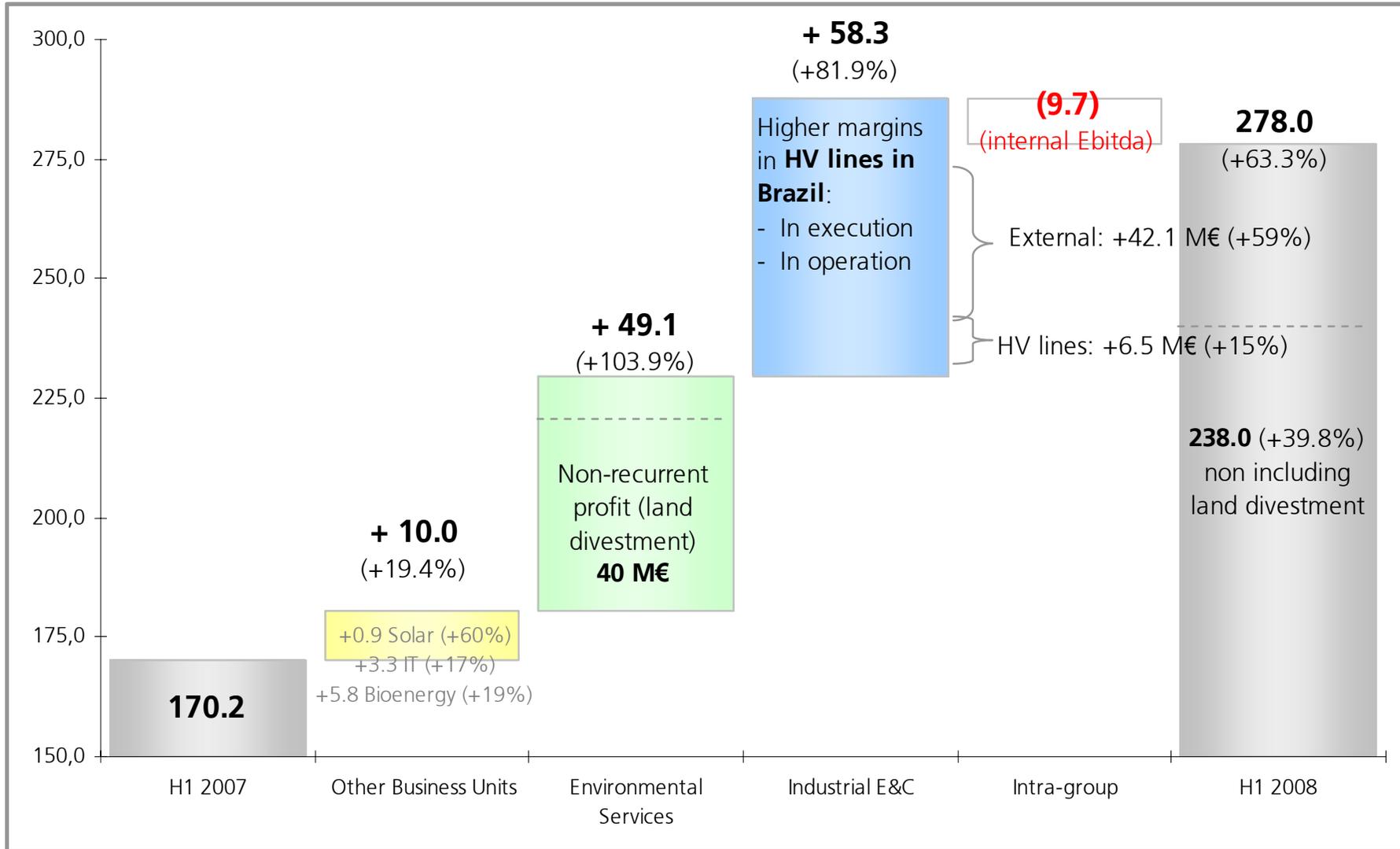
Sales Growth

€ in Millions



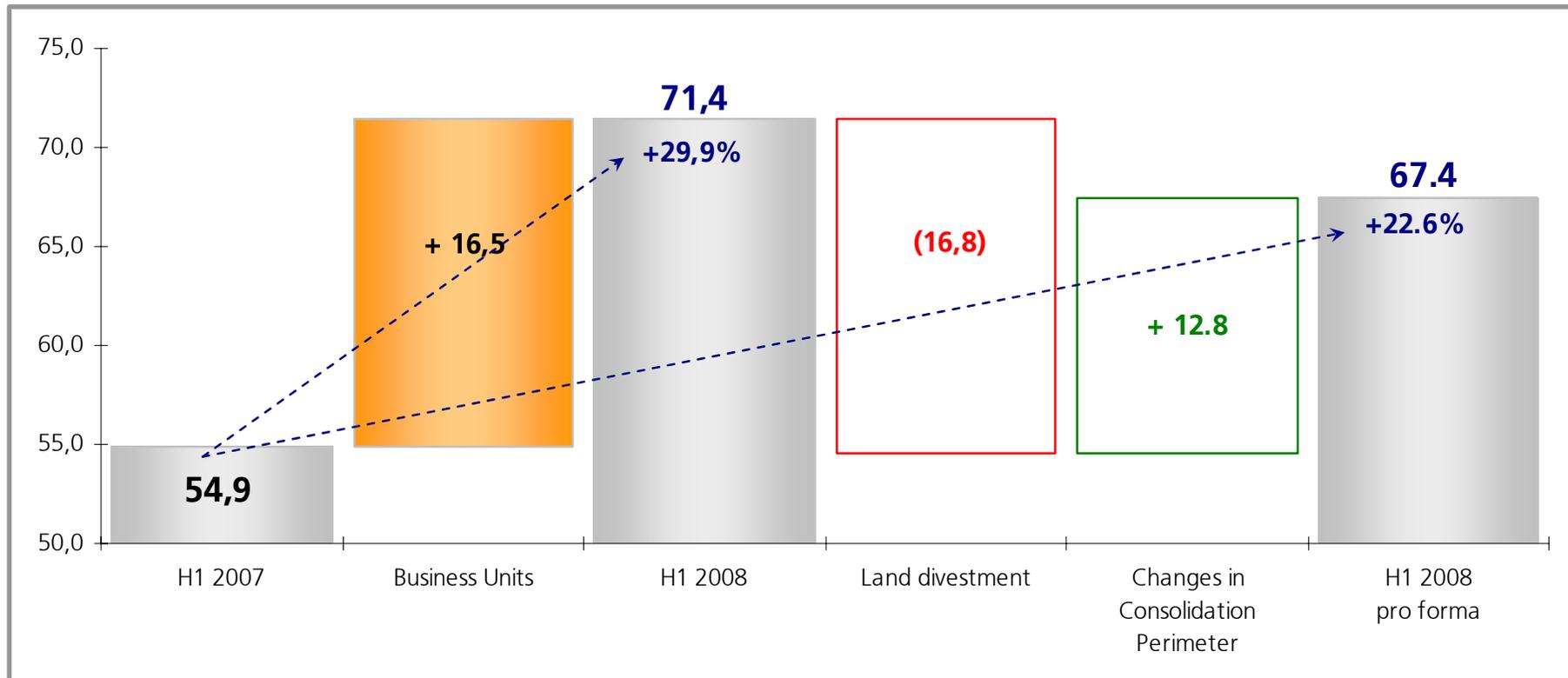
Ebitda Growth

€ in Millions



Net Profit Growth

€ in Millions



P&L Account

€ in Millions, except EPS

	<u>H1 2008</u>	<u>H1 2007</u>	<u>Var (%)</u>
Net turnover	1.632	1.394	17%
Operating Cash Flow *	313	170	84%
Ebitda	278	170	63%
Depreciation and amortization expense	(80)	(44)	81%
Net Operating Profit	198	126	57%
Net Financial Loss	(90)	(55)	63%
Consolidated Profit before Tax	108	71	52%
Corporate income tax	(25)	(8)	216%
Consolidated Profit after-Tax	82	63	32%
Profit attributable to minority interests	(11)	(8)	43%
Profit for the Year attributable to the Parent Company	71	55	30%
Number of ordinary shares in circulation (thousands)	90.470	90.470	
Earnings per Share (€)	0,79	0,61	30%

* Operating Cash Flow: Earnings before interest, tax, depreciation and amortization, adjusted by profit eliminated from intra-group activities. 11

Cash-Flow Statement

€ in Millions

Cash Flow Statement	H1 08	H1 07	Var (%)
Consolidated Profit after-Tax	82	63	32%
Corporate Income Tax	25	8	216%
Depreciation and amortization	80	44	81%
Net Financial Loss	94	59	60%
Participation in (Profits)/Losses of Associate Companies	(4)	(3)	8%
Profit from construction of intra-group fixed assets	35	-	-
Operating Cash Flow	313	170	84%
Cash Generated by Operations	179	115	55%
Variations in working capital	(23)	(351)	-93%
A. Net Cash Flow from Operating Activities	156	(235)	n.a.

❑ **Focus on cash generation: increase of 55% of cash generated by operations**

❑ **Active and disciplined working capital management allows continuous improvement**

- ❑ **Strong increase of our investments:**
 - ✓ **Ethanol: Illinois, Indiana, Rotterdam**
 - ✓ **Transmission: ATE III-VII**
 - ✓ **Desalination: Skikda, Honaine (Algeria)**
 - ✓ **Solar: PS 20, Solnova 1, Solnova 3, Hassi R'Mei (Algeria).**
 - ✓ **Befesa: Alcasa**

Cash Flow Statement	H1 08	H1 07	Var (%)
A. Net Cash Flow from Operating Activities	156	(235)	n.a.
Investments	(711)	(395)	80%
Divestments	83	35	140%
B. Net Cash Flow from Investment Activities	(628)	(360)	75%
C. Net Cash Flow from Finance Activities	(137)	137	n.a.
Net Increase/Decrease of Cash and Equivalents (A+B+C)	(610)	(459)	33%
Cash or equivalent at the beginning of the year	1.698	1.028	65%
Cash in Banks at the Close of the period	1.088	569	91%

- ❑ Intragroup activities fully eliminated at Consolidated P&L...
- ❑ ...but relevant for cash-flow generation perspective
- ❑ Net Profit eliminated is recovered over the life of the project as a lower depreciation charge.
- ❑ Elimination of 245.0 M€ of sales, 9.7 M€ of EBITDA and 6.4 M€ of Net Profit in Engineering for works done to Solar and Bioenergy

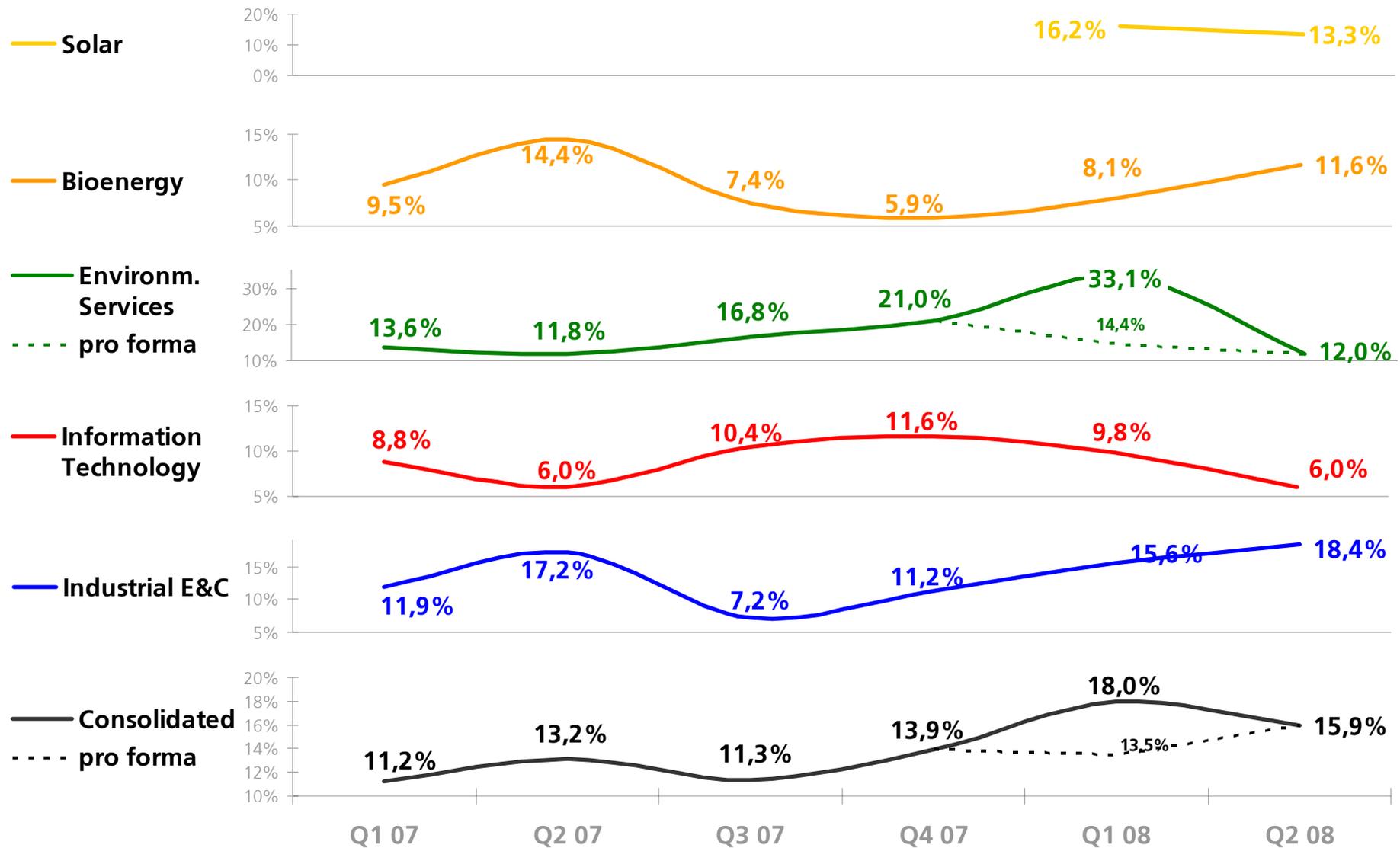
M€	Solar (1)	Bioenergy (2)	Environm. Services	Inform. Technol.	Industrial E&C	Aggregated	Eliminations (3)	Consolidated
Consolidated Sales	17,1	384,8	425,9	286,0	763,2	1.876,9	(245,0)	1.632,0
YoY (%)	114,4%	45,7%	15,0%	8,0%	56,9%	34,7%		17,1%
Operating Cash Flow	12,4	52,0	96,3	22,3	129,6	312,6		312,6
YoY (%)	702,3%	66,6%	103,9%	17,2%	81,9%	83,6%		83,6%
Op. CF / Cons. Sales	72,6%	13,5%	22,6%	7,8%	17,0%	16,7%		19,2%
Ebitda	2,5	37,1	96,3	22,3	129,6	287,7	(9,7)	278,0
YoY (%)	59,6%	18,7%	103,9%	17,2%	81,9%	69,0%		63,3%
Ebitda / Cons. Sales	14,4%	9,6%	22,6%	7,8%	17,0%	15,3%		17,0%

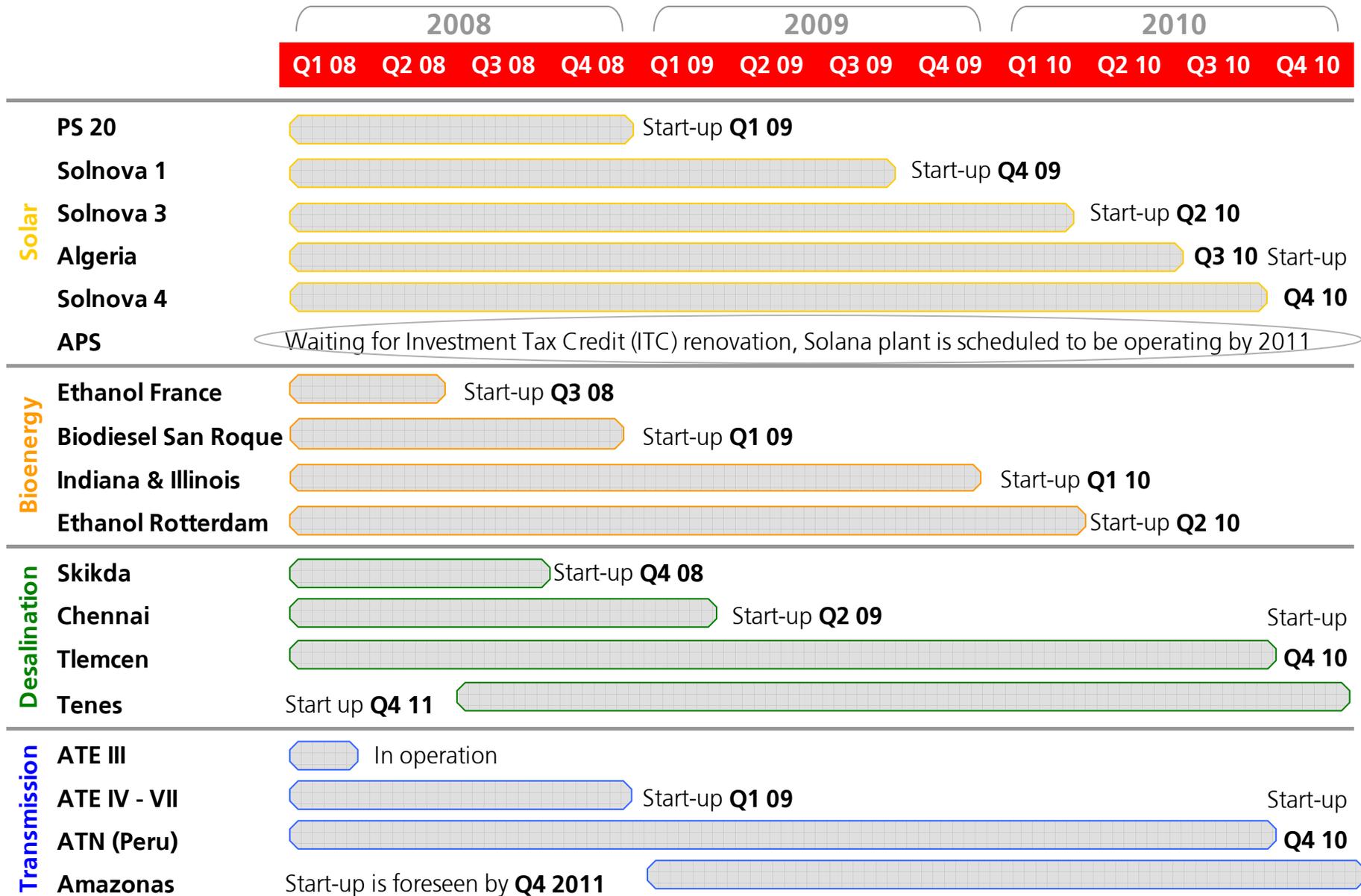
(1) Solar Sales (22.9 M€) and EBITDA (9.9 M€) eliminated within the segment and correspond to development costs, design and technology services

(2) Bioenergy Sales (15.4 M€) and EBITDA (14.9 M€) eliminated within the segment and correspond to development costs, design and technology services

(3) Eliminations in Industrial E&C for works done to Solar and Bioenergy plants

Strong operating performance in all our business





In very difficult market conditions, we...

- ❑ Increase our Sales, Ebitda and Net Profit**
- ❑ Increase results in all our business**
- ❑ We continue obtaining non recourse Financing for our projects (280 M€ for Solar Projects)**

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