

ABENGOA

Innovative technology solutions for **sustainability**



ABENGOA

First Half 2011 Earnings Presentation

August 30th, 2011

- 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; decreases in government expenditure budgets and reductions in government subsidies; changes to national and international laws and policies that support renewable energy sources; inability to improve competitiveness of our renewable energy services and products; decline in public acceptance of renewable energy sources; legal challenges to regulations, subsidies and incentives that support renewable energy sources and industrial waste recycling; extensive governmental regulation in a number of different jurisdictions, including stringent environmental regulation; our substantial capital expenditure and research and development requirements; management of exposure to credit, interest rate, exchange rate and commodity price risks; the termination or revocation of our operations conducted pursuant to concessions; reliance on third-party contractors and suppliers; acquisitions or investments in joint ventures with third parties; unexpected adjustments and cancellations of our backlog of unfilled orders; inability to obtain new sites and expand existing ones; failure to maintain safe work environments; effects of catastrophes, natural disasters, adverse weather conditions, unexpected geological or other physical conditions, or criminal or terrorist acts at one or more of our plants; insufficient insurance coverage and increases in insurance cost; loss of senior management and key personnel; unauthorized use of our intellectual property and claims of infringement by us of others intellectual property; our substantial indebtedness; our ability to generate cash to service our indebtedness; 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.

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H1 2011 Business Highlights

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Appendix

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H1 2011 Business Highlights

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Appendix

Growth, value and delivery

27 consecutive quarters of Y-o-Y financial growth

- Revenues of €3,143 M*, an increase of 38% Y-o-Y
- EBITDA of €464 M*, an increase of 36% Y-o-Y
- Net income of €102 M, an increase of 11% Y-o-Y

Successful Asset rotation and value creation strategy

- Agreement with Schneider Electric to sell 40% stake in Telvent for €423 M, unlocking value to continue focusing on announced strategy
- Sale of certain transmission lines to CEMIG for €506 M, while creating a strategic vehicle to pursue future investment opportunities in LatAm
- Completion of Befesa delisting

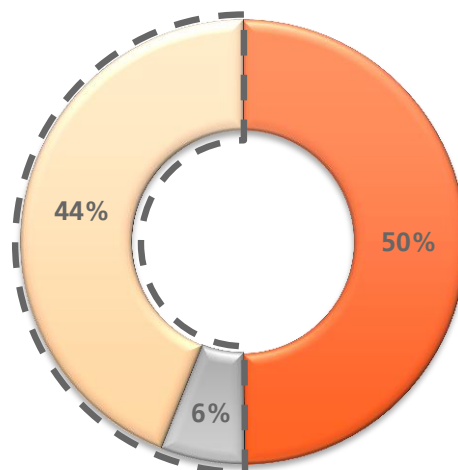
Deliver on our words

- Corporate net debt reduction of €1,227 M and total net debt reduction of €1,409 M expected from impact of above sales
- Capex investment in H1'11 of €1,338 M, in line with announced plan
- Strong operating cash generation of €516 M, significantly improving from March 11

Growth in all segments for both Q2 and H1

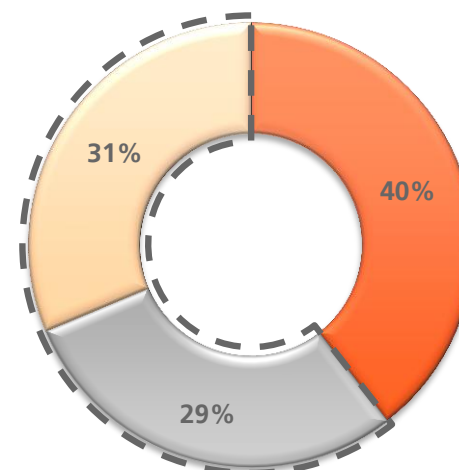
Revenues*





H1 2011



EBITDA*

H1 2011



-  E&C
-  Concession-Type Infrastructures
-  Industrial Production
-  Recurrent Activities

(€M)	H1'10	H1'11	Var%
Engineering & Construction	1,180	1,569	+33%
Concession-type Infrastructure	136	192	+41%
Industrial Production	969	1,382	+43%
Total	2,285	3,143	+38%

(€M)	H1'10	H1'11	Var%
Engineering & Construction	117	183	+57%
Concession-type Infrastructure	92	135	+47%
Industrial Production	132	146	+10%
Total	341	464	+36%

*Figures exclude contribution from Telvent in both periods presented

Successful asset rotation to increase financial flexibility

Agreement with Schneider Electric to sell 40% stake in Telvent at \$40 per share

- €423 M offer in cash
- Reduction of total corporate net debt of approximately €720 M
- Net Gain on transaction in the range of €135 M to €145 M, depending upon FX, final transaction costs and net book value at closing
- Approval obtained from all antitrust regulatory bodies. Settlement expected to occur on September 1, 2011

Sale of Brazilian transmission lines to CEMIG

- €506 M offer in cash
- Reduction of consolidated total net debt of approximately €689 M
- Net gain of €30 M - €35 M
- Closing expected at end of Q3

A true global business



Geographies

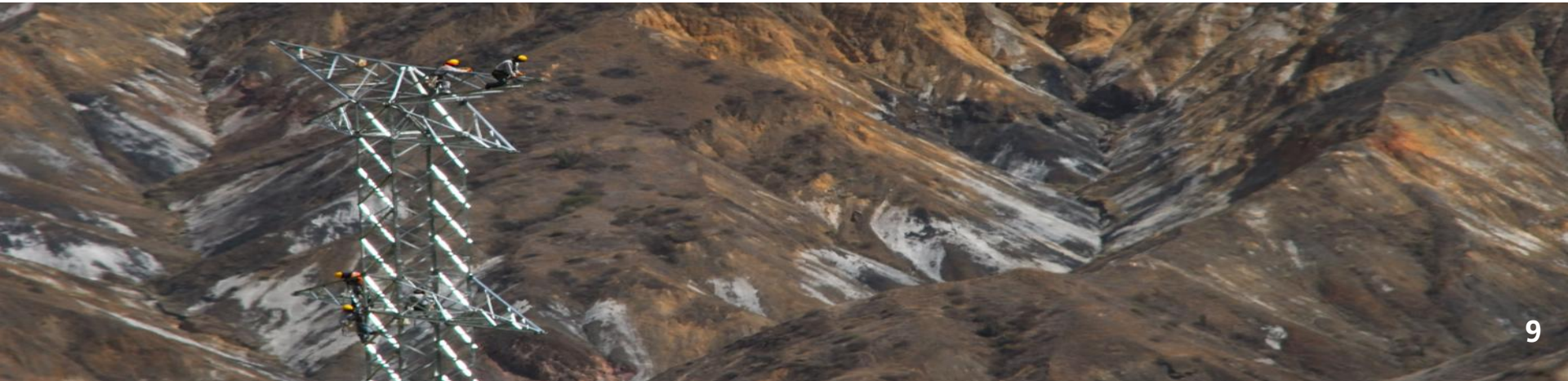


The Americas account for >50% of revenues

Revenue growth and geographic expansion

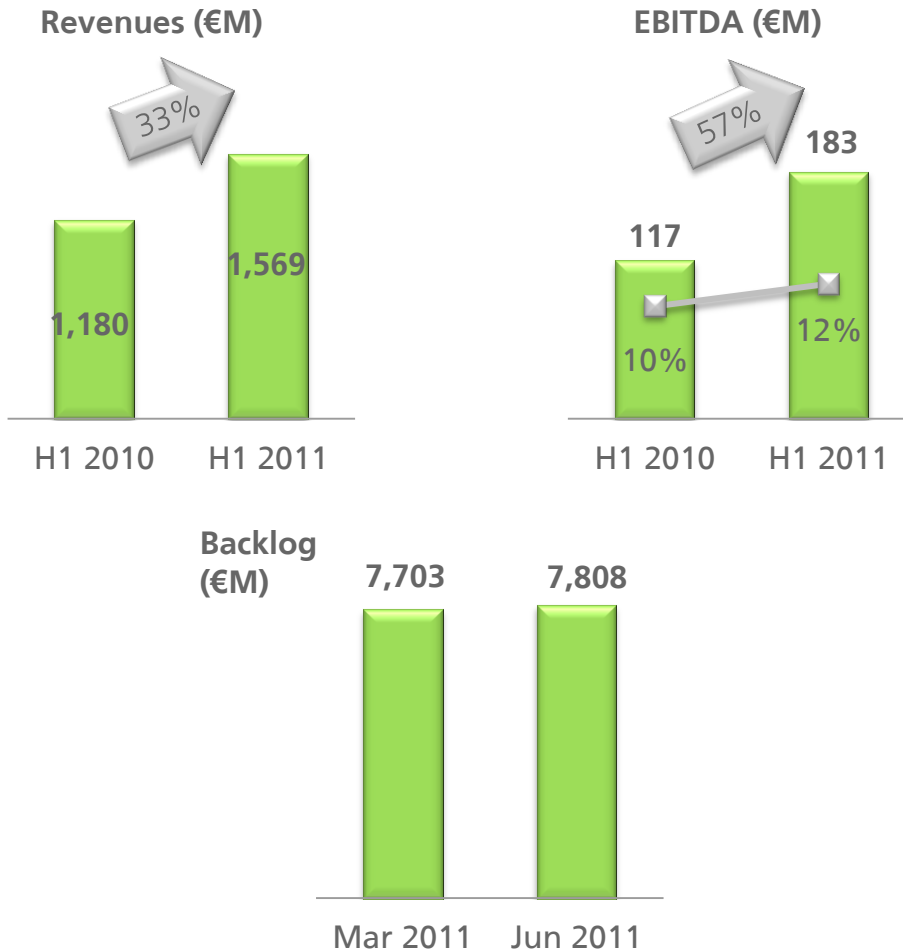
- Significant **revenue increase of 33%**, with **56%** of revenues coming **from external customers**
- **Backlog** at June 30, 2011 of **€7.8 B**
- **Conversion** of backlog in Q3-Q4'11 + revenues achieved in H1 11 imply **>95% visibility** into full year.
- **H1 2011 EBITDA margins of 12%**, compared to 10% posted in the same period of last year
- **Sale of stake in Telvent to Schneider Electric for \$40 per share**
- **Began construction of 2 new CSP plants, Helios 1 and 2 in Spain**
- **Granted construction of CSP projects for third parties in new geographies**
- **Awarded EPC of a 140 km new transmission line in Chile**
- **Awarded the first desalination plant in Ghana**

Note: All figures exclude contribution from Telvent



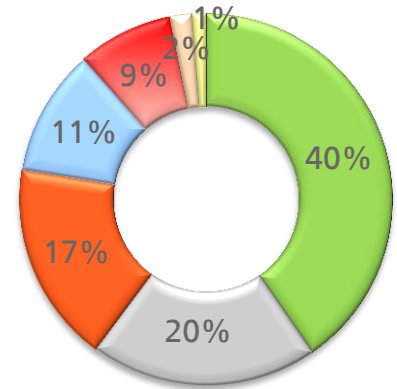
71% of revenues from Americas

Financial figures*

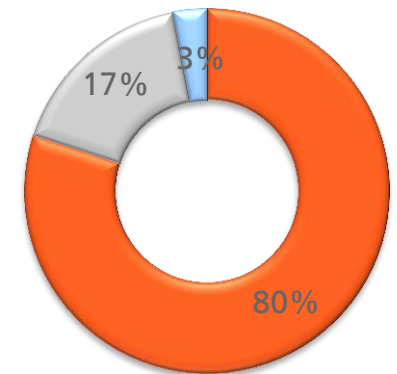


H1 2011 Revenue Breakdown

- Brazil
- Rest of Latin America
- Spain
- US
- Asia & Oceania
- Rest of Europe
- Africa



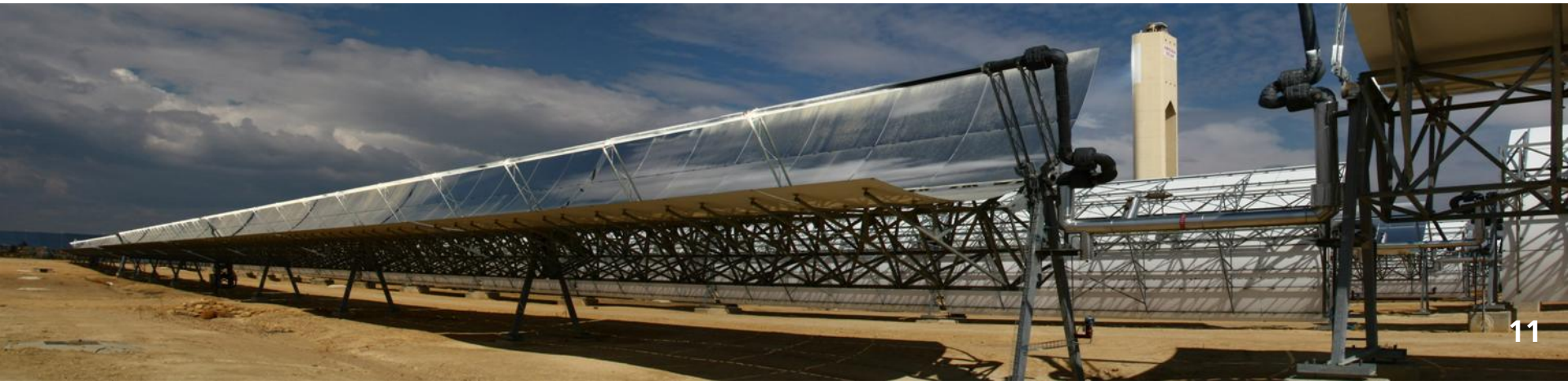
- Power
- Industrial Plants
- Water



* Figures exclude contribution from Telvent in both periods presented

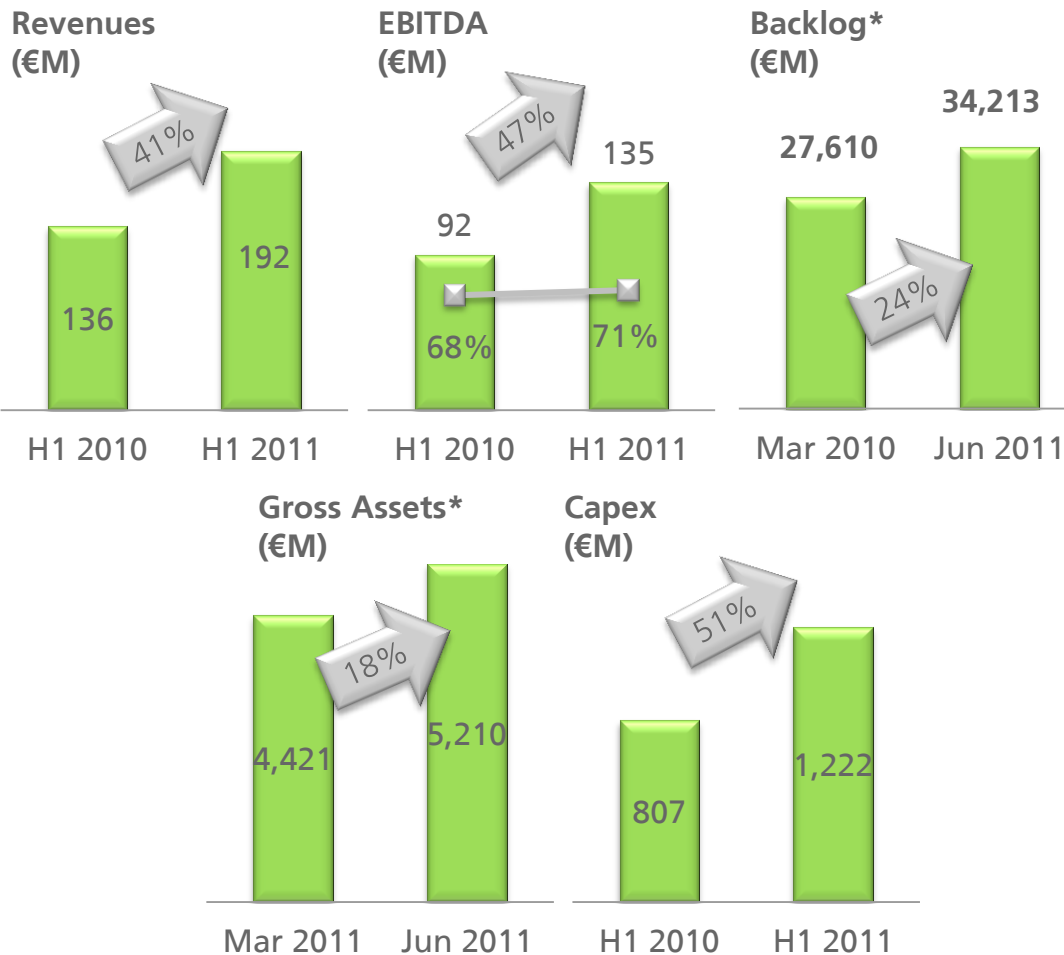
Excellent operational performance of all our plants and transmission lines

- **Revenue increase of 41%**, due to **3 new solar plants in operation** (Solnova 1,3,4)
- **EBITDA margin of 71%** vs 68% in same period of prior year
- **Total investment of €1,222 M** in H1 11: €580 M in Solar, €465 M in Transmission, €40 M in Water and €137 M in Cogeneration
- **159 GWh of solar power produced and 99.7% of availability** on our transmission power lines
- **Announced strategic agreement with CEMIG**, carrying on our planned asset rotation strategy
- **Obtained conditional commitment for US Federal Loan Guarantee for 280 MW Mojave CSP project in California**
- **Financing secured to start construction of Helios 1 & 2, 50 MW CSP plants in Spain**
- **Start up of 150 MW ISCC plant in Algeria**

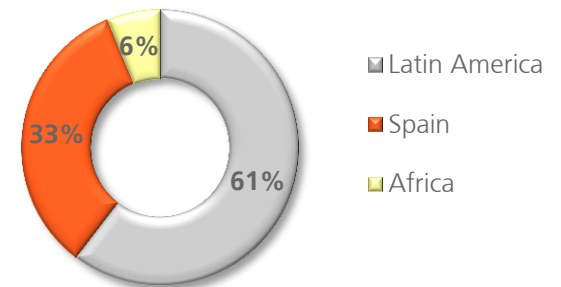
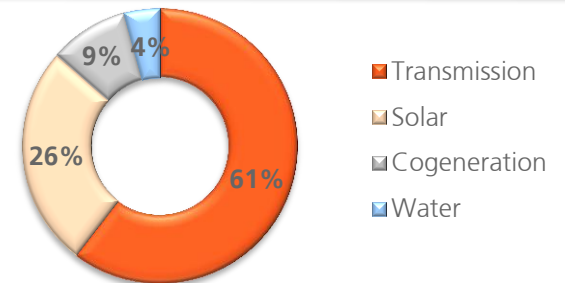


Increased capacity, excellent performance

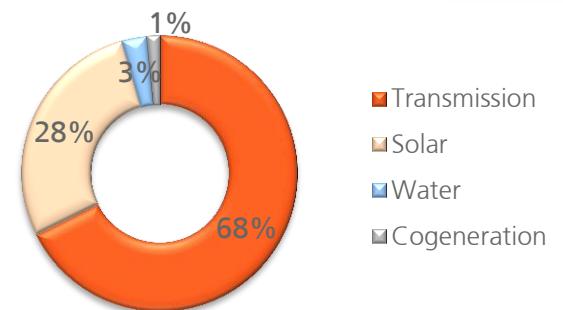
Financial figures



H1 2011 Revenue Breakdown



H1 2011 EBITDA Breakdown



* Figures exclude assets sold to CEMIG

Strong operational performance across all of our plants



Biofuels:

- **Revenues of €987 M**, an **increase of 72% Y-o-Y**, due mainly to increase in ethanol prices and expanded production capacity
- **EBITDA of €67 M** compared to €56 M in H1 2010.
- **Challenging conditions for ethanol crush margins** in H1 2011, with improvements expected through year
- **Obtained conditional commitment for US Federal Loan Guarantee for Hugoton, Kansas, Cellulosic ethanol plant**



Industrial recycling:

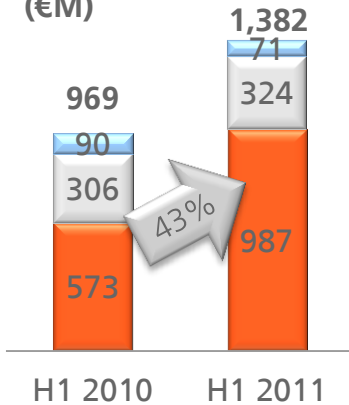
- **Good semester** in both volumes and margins
- **Revenues of €324 M**, increasing from €306 M in H1 2010
- **EBITDA of €59 M**, an **increase of 14%** compared to €52 M in H1 2010 with **margins increased to 18%**
- **Geographic diversification** with contribution from new Turkish plant and announcing future **expansion of capacity in Europe**



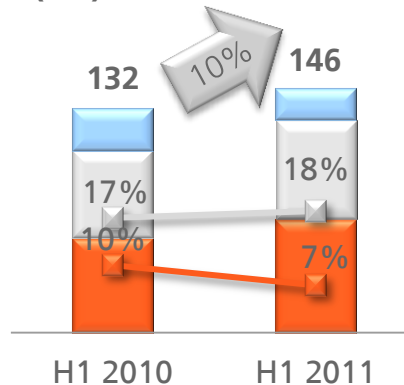
Sustained growth and stable outlook

Financial figures

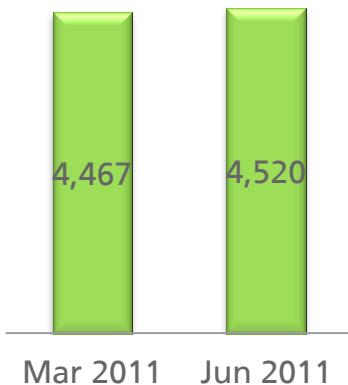
Revenues (€M)



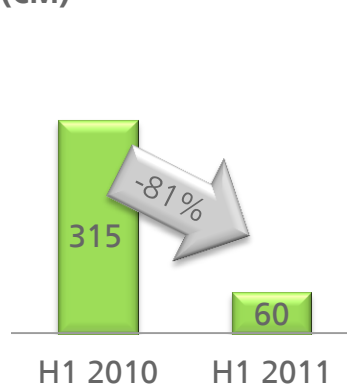
EBITDA (€M)



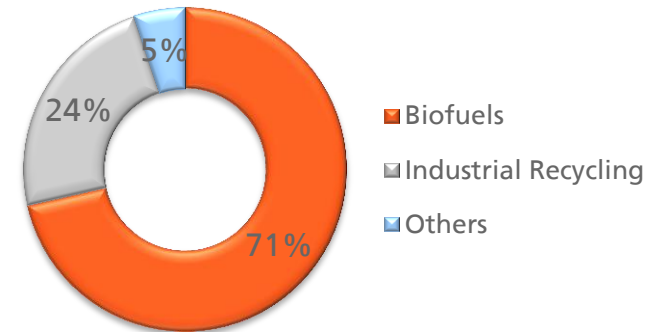
Gross Assets (€M)



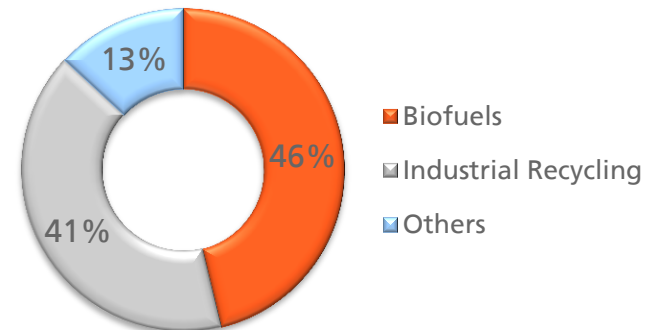
Capex (€M)



H1 2011 Revenue Breakdown



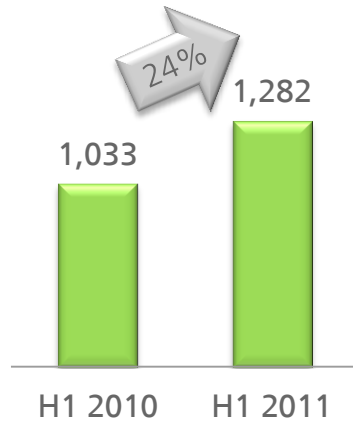
H1 2011 EBITDA Breakdown



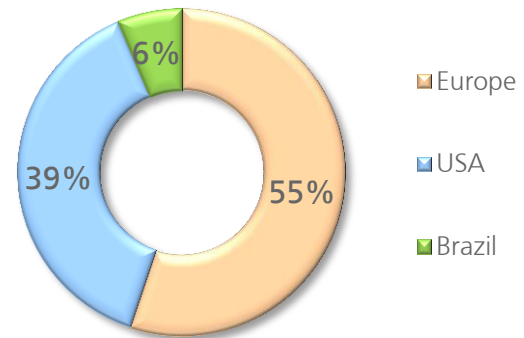
Significant presence in key growing areas



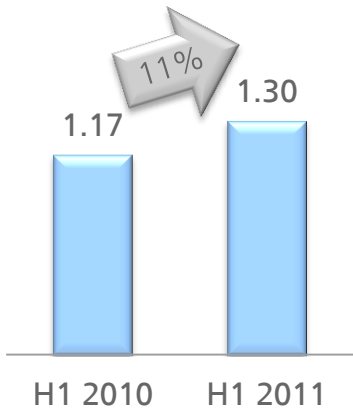
Biofuels production (ML)



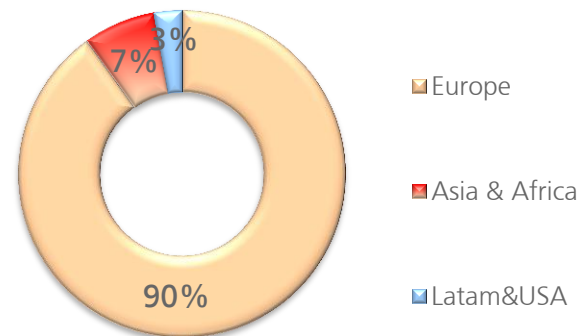
H1 2011 Revenue breakdown (%)



Industrial Waste treated (Mt)



H1 2011 Revenue breakdown (%)



At the forefront in Solar CSP, 2nd generation biofuels and in water treatment



Main Programs

- CSP – Tower
- CSP – Trough
- Thermal Storage

Goals

- Increase efficiency
- Reduce components cost
- Increase dispatchability

Update

- Demonstrated **viability of new superheated steam technology**
- Building a demonstration **molten salt tower plant**
- Concluded performance tests of a **new heliostat**



- Enzymes technology
- Cellulosic Ethanol
- Waste to liquid fuels

- Increase 1st generation yields
- Competitive cellulosic ethanol
- Biofuel production from waste

- C5 sugars **fermentation** technology **validated** at demo scale
- **Corn stover to ethanol demonstrated** in our biomass facility in Salamanca
- Evaluation of a technological pattern to **obtain alcohol, diesel and gasoline from MSW**



- Membrane Filtration
- Desalination
- Water treatment

- Hollow fiber filtration membranes for different water treatment applications
- Reduce reverse osmosis Capex and Opex

- Validation process model and conceptual design of a new and cost effective **remineralisation process** for desalination plants
- Conceptual design of an **advanced oxidation process (AOP)** for drinking water applications

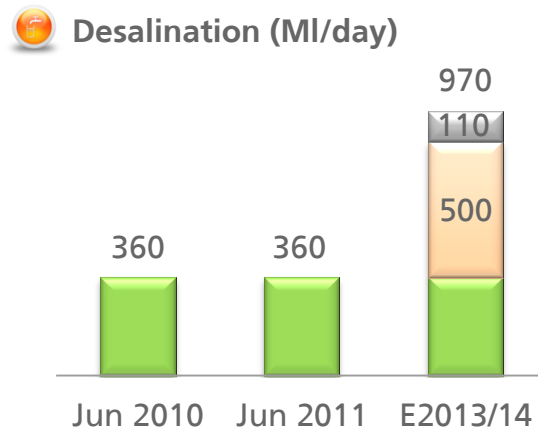
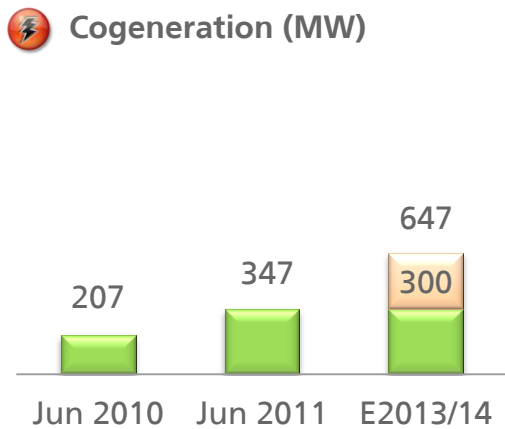
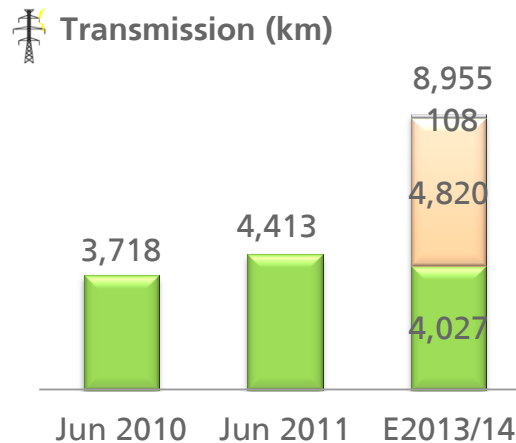
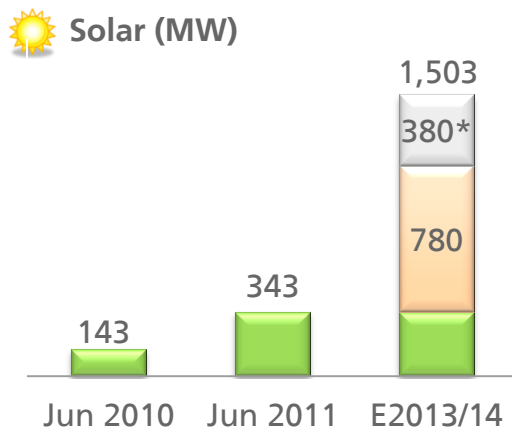
As of Jun. 30 '11



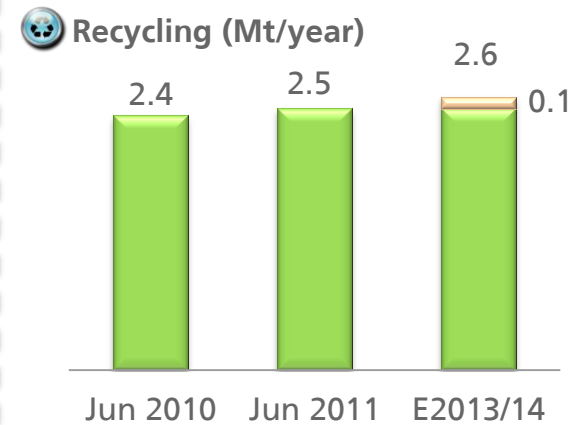
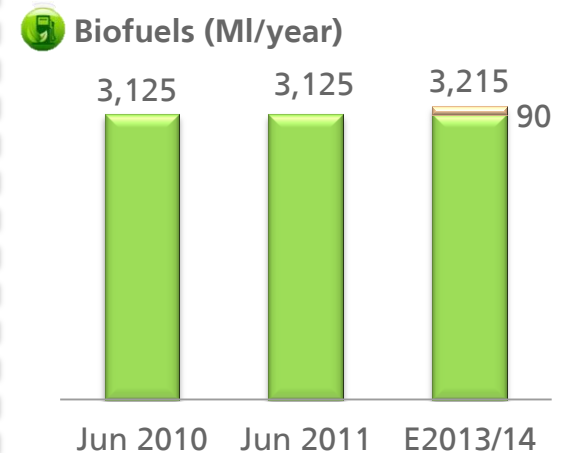
	Location	Capacity	Abengoa (%)	2011	2012	2013	2014	Expected Start Up
SPP1	Hassi R'Mel - Algeria	150 MW	51%					Q2 11
Helioenergy 1	Écija - Spain	50 MW	50%					Q3 11
Helioenergy 2	Écija - Spain	50 MW	50%					Q1 12
Solacor 1	Cordoba - Spain	50 MW	74%					Q2 12
Solacor 2	Cordoba - Spain	50 MW	74%					Q2 12
Solaben 2	Extremadura - Spain	50 MW	70%					Q3 12
Solaben 3	Extremadura - Spain	50 MW	70%					Q4 12
Helios 1	Ciudad Real - Spain	50 MW	100%					Q3 12
Helios 2	Ciudad Real - Spain	50 MW	100%					Q4 12
Solana	Gila Bend - AZ - USA	280 MW	100%					Q3 13
Mojave	Mojave Desert - CA - USA	280 MW	100%					Q2 14
Solaben 1	Extremadura - Spain	50 MW	100%					Q3 13
Solaben 6	Extremadura - Spain	50 MW	100%					Q4 13
Hugoton (US)	Hugoton - KS - USA	90 ML	100%					Q3 13
Tlemcen-Honaine	Honaine - Algeria	200 ML/day	26%					Q4 11
Tenes	Tenes - Algeria	200 ML/day	51%					Q1 13
Qingdao	Qingdao - China	100 ML/day	92%					Q3 12
Cogen. Pemex	Tobasco - Mexico	300 MWe	60%					Q4 12
ATN	Peru	695 km	100%					Q3 11
Manaus	Amazonas - Brazil	586 km	51%					Q4 11
Norte Brasil	Rio Madeira - Brazil	2,375 km	51%					Q1 13
Linha Verde	Premadeira - Brazil	987 km	51%					Q3 11
ATS	Peru	872 km	100%					Q4 13
Lote I	Brazil	108 km	100%					2012
Aser Sur	Extremadura - Spain	110,000 tn	100%					Q3 13

Significant capacity increase when completing capex plan

Concession type infrastructures



Industrial Production



* Pre-construction

In operation

In construction

In development

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Appendix

€M	H1 2010	H1 2011	Var%
Revenues	2,285	3,143	+38%
EBITDA Margin	341 14.9%	464 14.8%	+36%
Net Income EPS €	92 1.02	102 1.13	+11.2%
	Mar 2011	Jun 2011	Var%
E&C Backlog	7,703	7,808	+1.4%
	Jun 2010	Jun 2011	Jun 2011 Proforma
Total Net Debt / Total EBITDA	6.1	6.4	5.7
Net corp. debt/ Corp. EBITDA, per syndicate loan	2.5	2.4	0.6

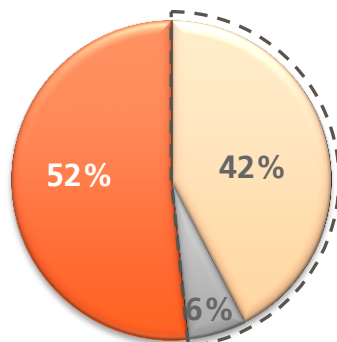
Highlights

- Telvent treated as Discontinued Operations in P/L and 06/30/11 B/S. Assets sold to Cemig treated as Held For Sale in 06/30/11 B/S
- Strong revenue growth driven by all our segments
- EBITDA increase mostly from contribution of E&C and Concessions segment, with stable margins y-o-y
- H1'11 net income includes negative impact of €20 M from mark to market of embedded derivative in convertible bond, net of options purchased for hedging
- Strong backlog at June 30, 2011, providing good visibility into remainder of 2011 revenues
- Important leverage reduction considering impact from asset disposal

Continuing the diversification towards robust business model

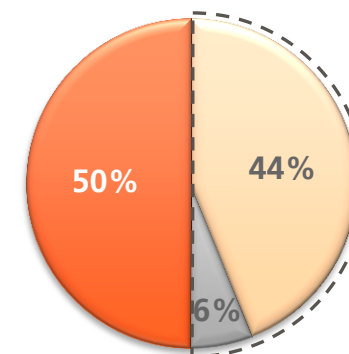
Revenues* (€M)	Q2'10	Q2'11	Var%	H1'10	H1'11	Var%
Engineering & Construction	687	785	+14%	1,180	1,569	+33%
Concession-type Infrastructure	75	107	+43%	136	192	+41%
Industrial Production	522	753	+44%	969	1,382	+43%
Total	1,284	1,645	+28%	2,285	3,143	+37%

H1 2010

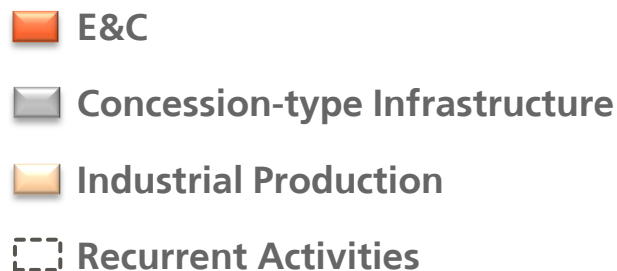


€2,285 M

H1 2011



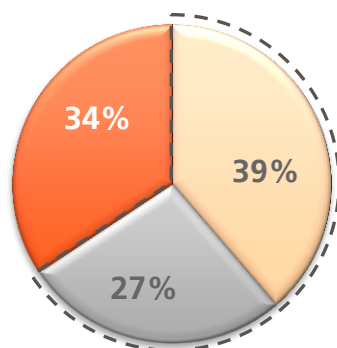
€3,143 M



Great contribution to EBITDA from recurring activities

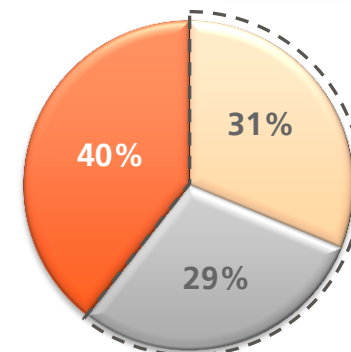
EBITDA* (€M)	Q2'10	Q2'11	Var%	H1'10	H1'11	Var%	Margin H1'10	Margin H1'11
Engineering & Construction	41	88	+115%	117	183	+57%	10%	12%
Concession-type Infrastructure	54	74	+37%	92	135	+47%	68%	71%
Industrial Production	72	72	0%	132	145	+10%	14%	11%
Total	167	234	+40%	341	464	+36%	15%	15%

H1 2010

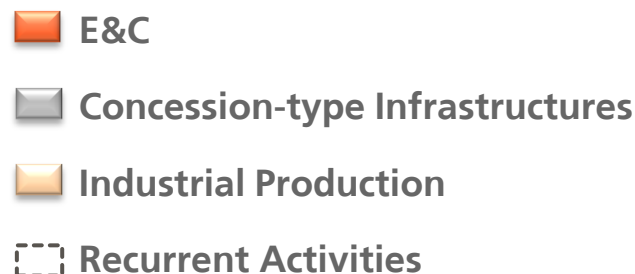


€341 M

H1 2011



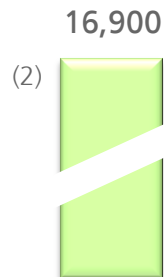
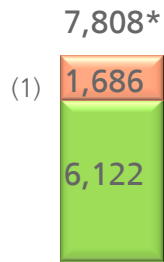
€464 M



EBITDA growth driven by engineering and concessional activities

Backlog (€M)

Jun. 2011



Estimated Backlog Conversion (€M)

Rest of 2011e

2012e

2013e

2014+e

1,503

2,837

1,239

543

129

468

881

32,735

1,300

2,600

2,600

10,400

Asset based, recurring revenues

E&C Order Book

Concession-type

Industrial Production

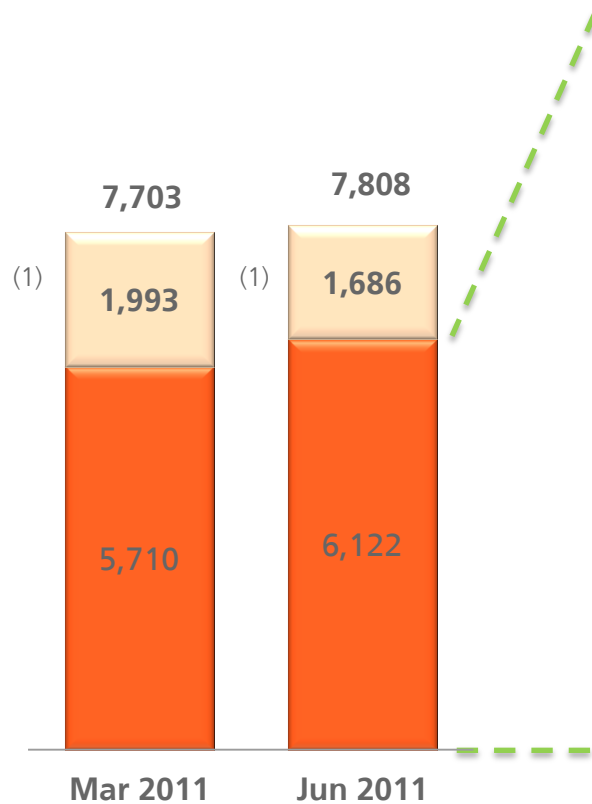
* Excluding Telvent

(1) Revenues to be eliminated in consolidation from internal projects

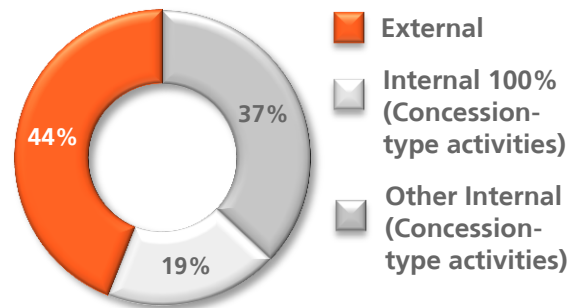
(2) Illustrative calculation according to estimated 12 months of revenues. 2014+e is calculated as 4 years of revenues.

Solid backlog, well diversified, provides revenue visibility

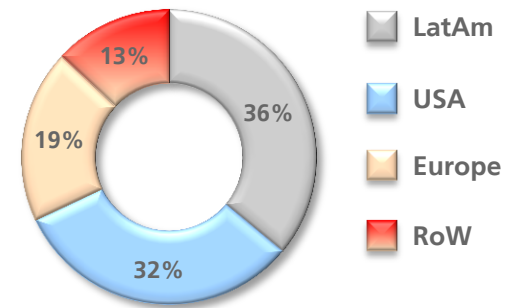
Backlog (€M)



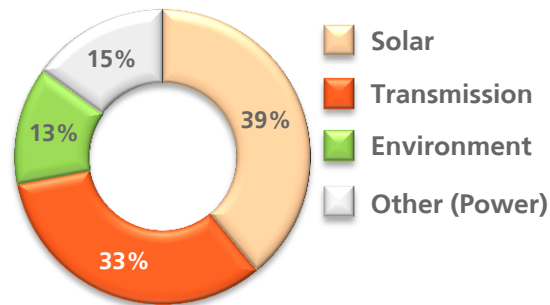
By Internal / External client



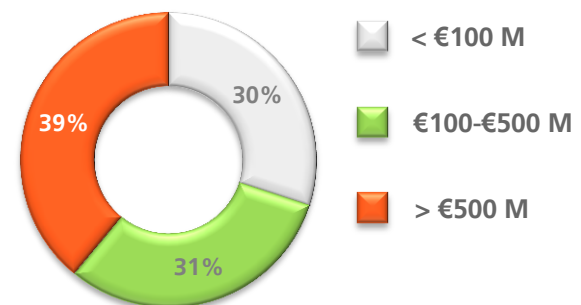
By Geography



By Sector



By Size

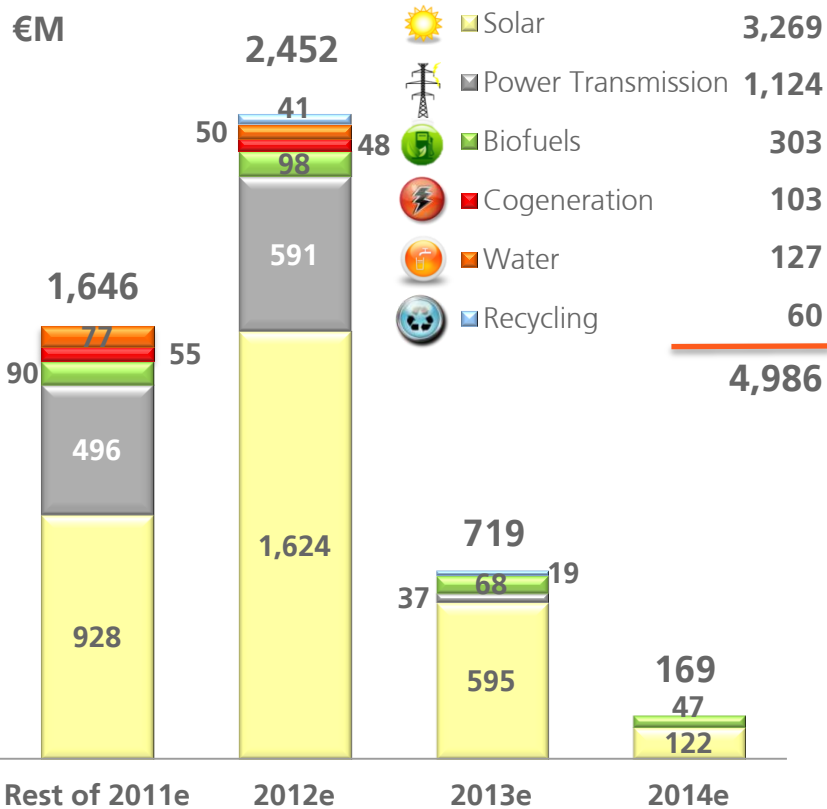


- Backlog at Jun 11 represents 2.6x 2010 E&C revenues
- External backlog represents 1.6x 2010 E&C external revenues
- 55% of backlog from emerging markets

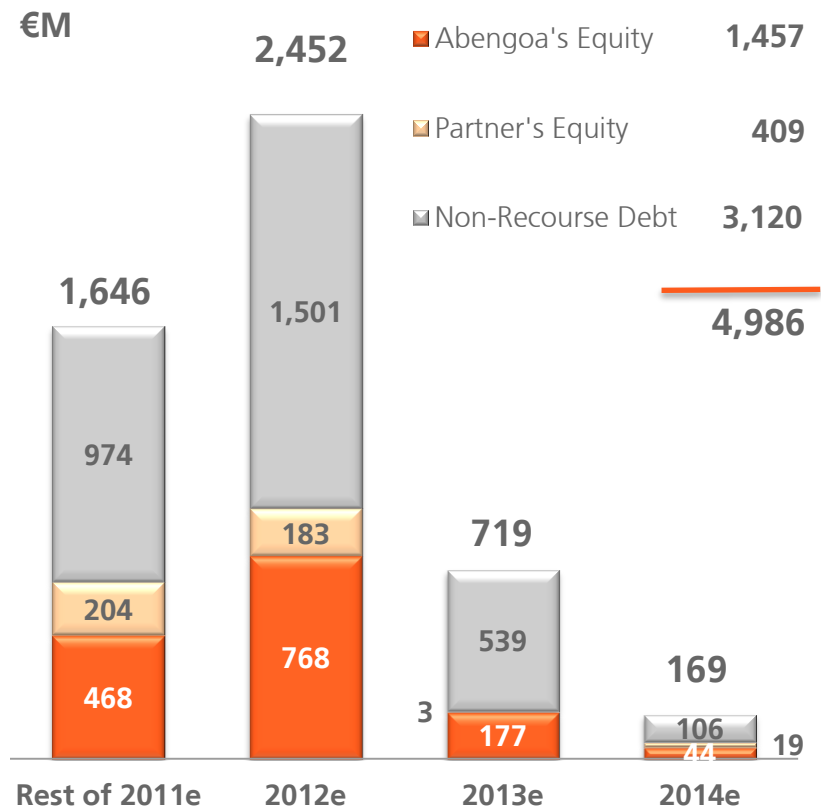
(1) Revenues to be eliminated in consolidation from internal projects

Commitment to invest only when financing is in place

Capex Breakdown by Asset Type



Capex Breakdown by Financing Source



Our €5 B capex plan is identified and committed to be executed during the next three years

Capex plan financing and commitments from partners already secured, with over €3 B of project finance

Improving leverage ratios from announced transactions

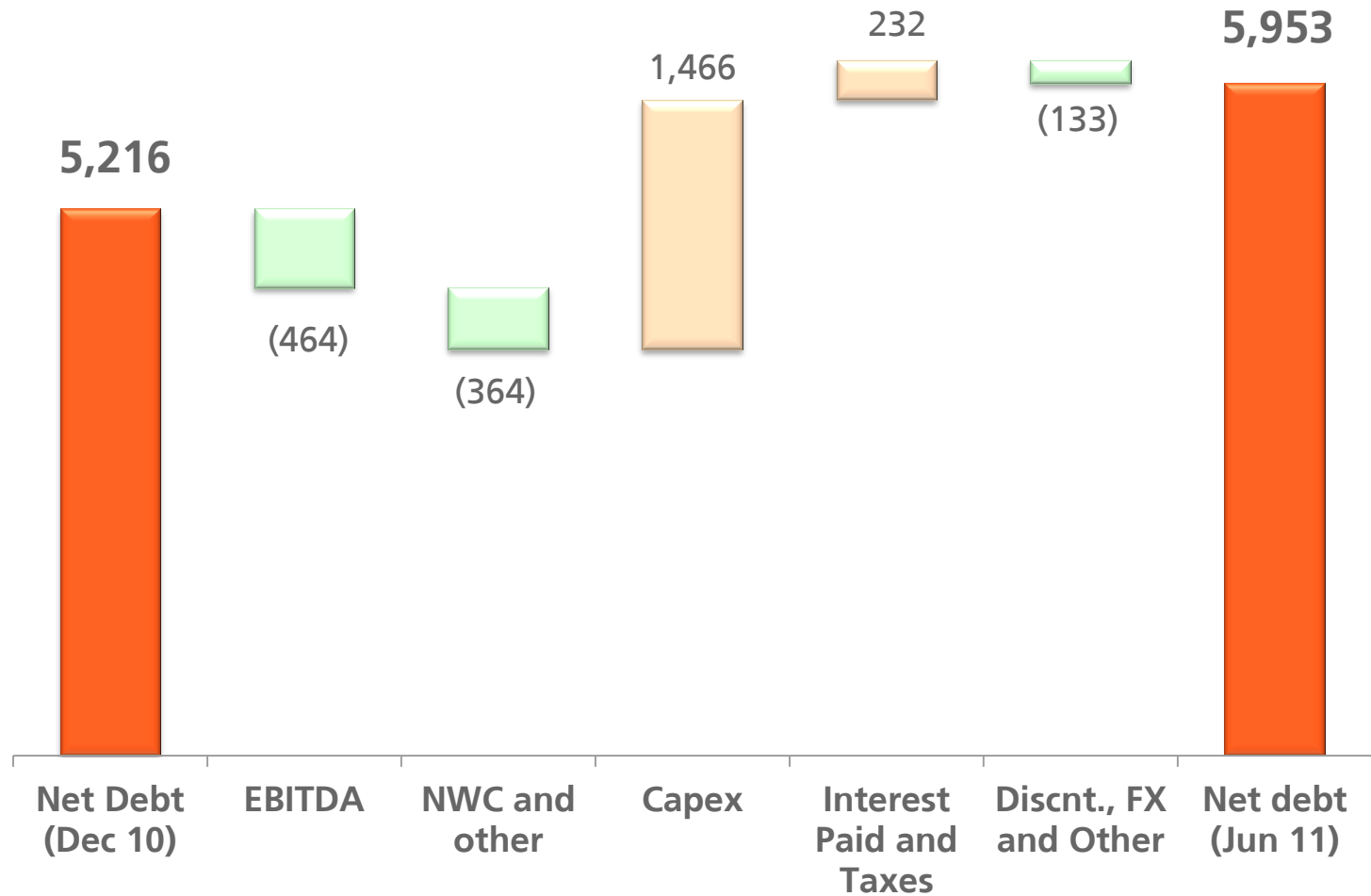
€M	Jun 2010 ⁽¹⁾	Jun 2011	Jun 2011 Proforma
Corporate Debt	4,520	4,951	4,951
Corporate Cash, Equiv. & STFI	(2,015)	(2,340)	(3,269)
Total net corporate debt	2,505	2,611	1,682
N/R Debt	3,430	4,542	4,542
N/R Cash Equiv. & STFI	(791)	(1,201)	(1,201)
Total net N/R debt	2,639	3,341	3,341
Total Net Debt	5,144	5,953	5,023
Total consolidated EBITDA LTM	843	935	874
Total corporate EBITDA LTM	650	569	569
Pre-operational debt⁽²⁾	2,517	2,195	2,195
Total Net Debt / Total EBITDA	6.1	6.4	5.7
Total Net Debt / Total EBITDA (excluding debt from pre-operational activities)	3.1	4.0	3.2
Corporate net debt / Corporate EBITDA	3.9	4.6	3.0
Corporate Net Debt / Corporate EBITDA⁽³⁾ as per covenant calculation	2.5	2.4	0.6

¹⁾ Jun 2010 does not contemplate Telvent and Cemig assets as held for sale

⁽²⁾ Pre-operational Net Debt relates to projects under construction which are not yet generating EBITDA

⁽³⁾ Corp. Net Debt as defined by bank and bond facilities includes N/R cash and equiv. and STFI. Corp. EBITDA as defined by bank and bond facilities excludes R&D costs. For purposes of covenant Telvent and Cemig are not treated as discontinued operations

Significant cash generated from Operating Activities

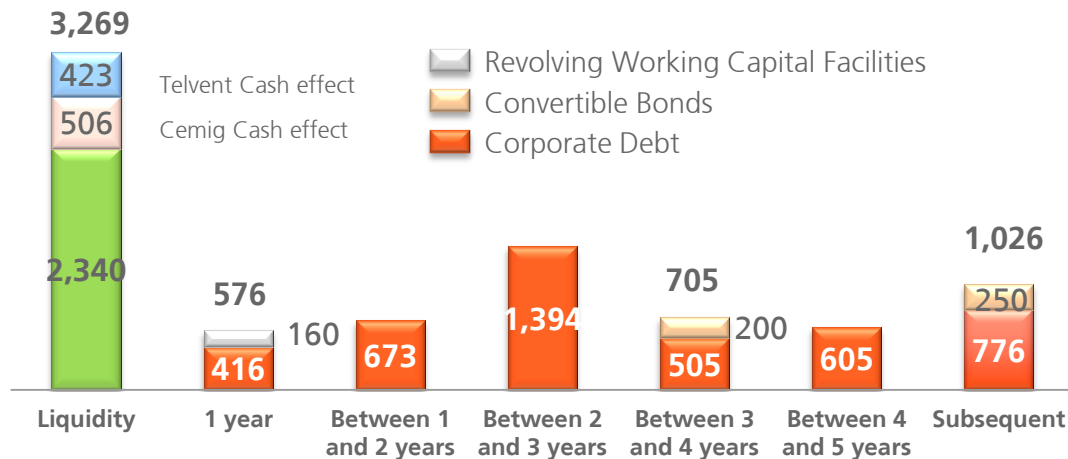


Strong operating cash flow generation

€M	Jun 2010	Jun 2011
Consolidated after-tax profit	91	117
Non-monetary adjustments to profit	205	341
Variation in working capital	63	364
Discontinued activities	47	(98)
Cash generated by operations	406	724
Interests collected/paid	(126)	(181)
Tax collected/paid	(41)	(51)
Discontinued activities	5	24
A. Net Cash Flows from Operating Activities	244	516
Capex/Disposals	(1,082)	(1,336)
Other investments	168	(146)
B. Net Cash Flows from Investing Activities	(914)	(1,482)
C. Net Cash Flows from Financing Activities	1,479	821
Net Increase/Decrease of Cash and Equivalents	809	(145)
Cash and equivalent at the beginning of the year	1,546	2,983
Exchange rate differences on cash and equivalent	71	(31)
Cash and equivalent held for sale and discontinued activities	(88)	(56)
Cash in Banks at the Close of the Period	2,338	2,751

Sound maturity profile and liquidity position

Corporate Debt Maturity June 30, 2011 pro-forma (€M)



Non-Recourse Debt Maturity (€M)



- **Reinforced balance sheet structure and increased liquidity level** to pursue current and new growth opportunities
- **No financing needs at corporate level in 2011**
- Limited interest exposure: **98% covered**
- **Balanced sources of funding:** capital markets and extension of bank debt maturities
- Average cost of corporate debt: **7.4%**
- **N/R Debt** expected to be fully **repaid with project cash flows**
- **Local funding** of concession at **advantageous rates**

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H1 2011 Business Highlights

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H1 2011 Financial Highlights

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Conclusions

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Appendix

Delivering on our commitments

- ✓ Strong H1, achieving revenues and EBITDA growth in all segments
- ✓ Strategic projects added to committed Capex plan
- ✓ Improving corporate leverage and financial flexibility
- ✓ Revised guidance for Revenues to €5,900 M - €6,000 M, excl. Telvent
- ✓ Revised guidance for EBITDA to €950 M - €970 M, excl. Telvent



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H1 2011 Business Highlights

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H1 2011 Financial Highlights

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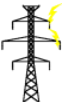



Conclusions

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Appendix

Balanced Asset Portfolio⁽¹⁾

Asset Portfolio (June 2011)

(€M)	Operating (Gross)	Under Construction / Development	Total Gross Assets	Net Assets ⁽²⁾	ABG Equity	Non Recourse Net Debt	Partners
 Transmission	1,090	909	2,000	1,922	776	1,078	68
 CSP	1,285	1,030	2,314	2,259	805	1,377	77
 Cogeneration	200	321	520	491	84	405	2
 Water	93	283	376	366	73	257	36
Concession-type infrastructure	2,668	2,543	5,210	5,038	1,738	3,117	183

We invest in Concession-type Infrastructure projects where we have a technological edge, targeting a shareholder's equity IRR of 10% - 15% (excluding upsides from EPC margin, O&M and asset rotation)

(1) Assets sold to Cemig are treated as held for sale as of June 30, 2011 (not included in table)

(2) Net assets calculated as gross assets less accumulated D&A

Committed (€M)	Capacity	Abengoa (%)	Country	Entry in Operation	Investment	Total Pending Capex	Total			Total Pending Capex	H2 2011		
							ABG Corporate	Partners	Debt		ABG Corporate	Partners	Debt
Solar					5,051	3,268	798	64	2,406	928	185	34	709
Algeria Helioenergy 1 and 2	150 MW	51%	Algeria	Q2 11	318								
Solacor 1 and 2	100 MW	50%	Spain	Q3 11 / Q1 12	561	129	31	31	67	97	24	24	49
Solaben 2 and 3	100 MW	74%	Spain	Q2 12 / Q3 12 / Q4 12	574	141	39	7	95	69	15	3	51
Helios 1 y 2	100 MW	70%	Spain	Q3 12 / Q4 12	580	219	62	26	130	71	17	7	47
Solana	100 MW	100%	Spain	12	555	419	98	0	321	235	10	0	225
Mohave	280 MW	100%	US	Q3 13	1,361	1,303	339	0	965	456	118	0	338
	280 MW	100%	US	Q2 14	1,102	1,058	229	0	828				
Biofuels					378	303	155	75	74	90	56	34	0
Hugoton	90 ML	100%	US	Q3 13	378	303	155	75	74	90	56	34	0
Cogeneration					441	103	25	17	61	55	11	7	37
Cogen. Pemex	300 MW	60%	Mexico	Q4 12	441	103	25	17	61	55	11	7	37
Desalination					490	127	13	9	105	77	5	6	66
Tlenclem	200,000 m ³ /day	26%	Algeria	Q4 11	199	19	1	3	15	19	1	3	15
Tenes	200,000 m ³ /day	51%	Algeria	Q1 13	158	67	7	7	54	28	3	3	23
Quindgao	100,000 m ³ /day	92%	China	Q3 12	133	41	5	0	36	30	2	0	28
Transmission					2,334	1,124	405	244	475	497	210	123	164
ATN	695 Km	100%	Perú	Q3 11	241	23	22	0	1	23	22	0	1
Manaus	586 km	51%	Brasil	Q4 11	667	109	37	36	36	98	34	34	30
Norte Brasil	2,375 km	51%	Brasil	Q1 13	887	666	189	181	296	245	71	68	106
Linha Verde	987 km	51%	Brasil	Q3 11	194	79	28	27	24	57	22	21	13
ATS	872 km	100%	Peru	Q4 13	319	220	115	0	105	69	57	0	12
Greenfield1-Lote I	108 km	100%	Brazil	2012	26	26	14	0	12	4	4	0	0
Recycling					60	60	60	0	0				
Aser Sur	110,000 tn	100%	Europe	Q3 2013	60	60	60	0	0				
				Total Committed	8,755	4,986	1,456	410	3,121	1,647	468	204	975

Committed (€M)	2012				2013				2014			
	Total Pending Capex	ABG Corporate	Partners	Debt	Total Pending Capex	ABG Corporate	Partners	Debt	Total Pending Capex	ABG Corporate	Partners	Debt
Solar	1,624	448	30	1,145	595	124	0	471	122	41	0	81
Algeria												
Helioenergy 1 and 2	32	7	7	18								
Solacor 1 and 2	72	24	4	44								
Solaben 2 and 3	147	45	19	83								
Helios 1 y 2	184	87	0	97								
Solana	560	146	0	415	287	75	0	212				
Mohave	628	139	0	488	308	49	0	259	122	41	0	81
Biofuels	98	77	21	0	68	19	0	49	47	3	19	25
Hugoton	98	77	21	0	68	19	0	49	47	3	19	25
Cogeneration	48	14	10	24								
Cogen. Pemex	48	14	10	24								
Desalination	50	7	4	39								
Tlenclem												
Tenes	39	4	4	31								
Quindgao	12	3	0	8								
Transmission	591	180	119	292	37	15	3	19				
ATN												
Manaus	10	3	2	5								
Norte Brasil	411	115	111	185	10	3	3	5				
Linha Verde	22	6	6	11								
ATS (Perú)	126	47	0	78	26	12	0	14				
Greenfield 1-Lote I	22	10	0	12								
Recycling	41	41	0	0	19	19	0	0				
Aser Sur	41	41	0	0	19	19	0	0				
Total Committed	2,452	768	183	1,501	718	177	3	539	169	44	19	106

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Innovative technology solutions for **sustainability**



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Thank you