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ABENER

Page 1

**Annual Accounts for Financial Year 2008**



  
**AMAYA ARROYO SAINZ DE MEDRANO**  
INTERPRETE JURADO DE INGLES  
Plaza Ruiz de Alda, 4 - 6ª K  
41013 SEVILLA  
Telf.: 639 37 22 39  
E-mail: trujis@teletel.es

# GENERAL IDENTIFICATION INFORMATION

## IDENTIFICATION OF THE COMPANY

Tax Identity No: **01010 /A-41679788** Legal Status: Plc: 01011 **X** Ltd: 01012  
Other: 01013

Company's Name: **01020 /Abener Energía, S.A.**

Corporate address: **01022 /Avda. de la Buhaira, 2**

Municipality : **01023 /Seville**

Province: **01025 /Seville**

Zip Code: **01024 /41018**

Telephone: **01031 95 493 70 00**

Membership to a group of companies:

Direct parent company	<b>01041 /Abeinsa Ingeniería y Construcción Ind. S.A.</b>	<b>01040/ A-91251355</b>
Group parent company	<b>01061 / Abengoa, S.A</b>	<b>01060/ A-41002288</b>

### ACTIVITY

Main Activity: **02009 / Works Construction, Operation and Maintenance**

(1)

SIC Code: **02001 / 45.2** (1)

### STAFF

Employees (average figure of the accounting year)

	YEAR 2008(2)	YEAR 2007(3)
PERMANENT (4)	<b>04001 142</b>	<b>127</b>
NON PERMANENT (5)	<b>04002 254</b>	<b>178</b>

### PRESENTATION OF ACCOUNTS

	Financial year 2008 (2)			Financial Year___ (3)
	YEAR	MONTH	DAY	
Starting date referred in the accounts	<b>01102</b>	<b>2008</b>	<b>01</b>	<b>01</b>
Closing date referred in the accounts	<b>01101</b>	<b>2008</b>	<b>12</b>	<b>31</b>

Number of pages presented for filing:

<b>01901</b>	<b>84</b>
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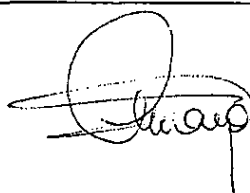
If any of the accounting years has no figures consigned in it, please state the reason: **01903** -----The figures of financial year 2007 are not consigned because these are Initial Annual Accounts (Royal Decree 1514/2007 Temporary Provision no. 4)-----

### UNITS

Mark with a X the unit in which all the documents constituting your annual accounts are drawn up:

Euros	<b>09001  </b>
Thousands of euros	<b>09002   X</b>
Million of euros	<b>09003  </b>

- (1) According to the classes (four digits) of the Standard Industrial Classification 2009 (Clasificación Nacional de Actividades Económicas) approved by Royal Decree 475/2007, dated on 13<sup>th</sup> April (Official Gazette of the Spanish State of 28<sup>th</sup> April 2007).
- (2) Accounting year to which the annual accounts are referred to.
- (3) Prior accounting year.
- (4) For estimating the average number of permanent staff, the following criteria must be taken into account:
- a) If there were not relevant movements of staff during this year, state here the semi-addition of the permanent employees at the beginning and at the end of the year.
- b) If there had been movements, calculate the addition of the staff in each of the months of the year and then divide so between 12.
- c) If there had been temporary reduction of the workforce or in working hours, the staff thereby affected shall be included as permanent staff, but only proportionally to the part of the year or the hours in the year really worked.
- (5) Non permanent average staff can be calculated by adding up the total amount of weeks worked by its non-permanent employees and dividing so between 52 weeks. This operation can also be made (equivalent the previous one):  
no. of people hired x average number of worked weeks



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Telf : 954 93 70 00

**1. Annual Accounts**

- a) Balance Sheet**
- b) Profit and Loss Account**
- c) Statement of changes in shareholder's equity**
- d) Cash flow statement**
- e) Annual Report**

**2. Management Report**

Financial Year 2008

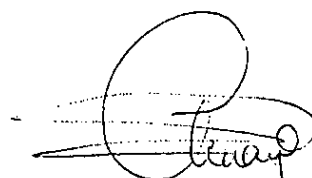


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# ABENER

Page 3

## **Annual Accounts for Financial Year 2008**



**AMAYA ARROYO SAINZ DE MEDRANO**  
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**a) Balance Sheet as at 31<sup>st</sup> December 2008**



**AMAYA ARROYO SAINZ DE MEDRANO**  
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## BALANCE SHEET

B1.1

Tax Identity no. A-41679788 COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)		UNIT (1)	
		Space for Directors' signatures		Euros	09001
				Thousands	09002   X
				Million	09003
ASSETS		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR (3)	
A) NON-CURRENT ASSETS	11000		82,619		
I. Intangible Assets	11100				
1. Development	11110				
2. Concessions	11120				
3. Patent, licenses, trademark and other similar	11130				
4. Goodwill	11140				
5. Computer software	11150				
6. Research	11160				
7. Other intangible assets	11170				
II. Tangible Assets	11200		43		
1. Lands and buildings	11210				
2. Plant and other tangible assets	11220		43		
3. Other plant, tools and furniture	11230				
III. Real Estate Investments	11300				
1. Lands	11310				
2. Buildings	11320				
IV. Long-term Investments in group companies and companies associated.	11400		71,407		
1. Equity Instruments	11410		62,309		
2. Loans to companies	11420		9,098		
3. Securities representing debts	11430				
4. Derivatives	11440				
5. Other financial assets	11450				
6. Other Investments	11460				
V. Long-term financial investments.	11500		137		
1. Equity Instruments	11510		137		
2. Loans to third parties	11520				
3. Securities representing debts	11530				
4. Derivatives	11540				
5. Other financial assets	11550				
6. Other Investments	11560				
VI. Deferred tax assets	11600		11,032		
VI. Non-current trade payable	11700				

(1) Mark with an X the appropriate square, according to how the figures are expressed: euros or thousands of euros. All the documents constituting these annual accounts must be drawn up in the same unit.  
 (2) Financial Year to which annual accounts are referred.  
 (3) Prior Financial Year

  
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## BALANCE SHEET

B1.2

Tax Identity no. A-41679788  
 COMPANY'S NAME  
Abener Energía, S. A.

(three illegible signatures)

Space for Directors' signatures

ASSETS		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR ____ (3)
B) CURRENT ASSETS EXPENSES	12000		905,858	
I. Non-current assets held for sale	12100			
II. Inventories	12200		22,918	
1. Trading inventories	12210			
2. Raw material and supplies	12220			
3. Products under production	12230		389	
a) Long-cycle production	12231			
b) Short-cycle production	12232			
4. Finished products	12240			
c) Long-cycle production	12241			
d) Short-cycle production	12242			
5. By-products, scrap and recovered material	12250			
6. Advances to suppliers	12260		22,529	
III. Trade Debtors and Accounts Receivable	12300		167,256	
1. Trade receivable for sales and services	12310		644	
a) Trade receivable for long-term sales and services	12311			
b) Trade receivable for short-term sales and services	12312		644	
2. Amounts owed by group companies and companies associated	12320		151,716	
3. Other debtors	12330		250	
4. Loans to employees	12340		1,382	
5. Current tax assets	12350			
6. Other public administration receivables	12360		13,264	
7. Called-up share capital	12370			
IV. Short-term investments in group companies and companies associated	12400		662,562	
1. Equity instruments	12410		3	
2. loans to companies	12420		654,145	
3. Securities representing debts	12430			
4. Derivatives	12440		891	
5. Other financial assets	12450		7,523	
6. Other investments	12460			

(1) Financial Year to which annual accounts are referred.  
 (2) Prior Financial Year

  
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## BALANCE SHEET

B1.3

Tax Identity no. A-41679788 COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)		
		Space for Directors' signatures		
<b>ASSETS</b>		<b>NOTES OF ANNUAL REPORT</b>	<b>YEAR 2008(2)</b>	<b>YEAR ____ (3)</b>
V. Short-term financial investments.	12500		50	
1. Equity Instruments	12510			
2. loans to companies	12520			
3. Securities representing debts	12530			
4. Derivatives	12540			
5. Other financial assets	12550		50	
6. Other investments	12560			
VI. Short-term accrual	12600		152	
VII. Cash and other equivalent liquid assets	12700		52,920	
1. Cash	12710		52,920	
2. Other equivalent liquid assets	12720			
<b>TOTAL ASSETS (A+B)</b>	<b>10000</b>		<b>988,477</b>	
(1) Financial Year to which annual accounts are referred. (2) Prior Financial Year				

  
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## BALANCE SHEET

B2.1

Tax Identity no. A-41679788		(three illegible signatures)		
COMPANY'S NAME <b>Abener Energía, S. A.</b>				
		Space for Directors' signatures		
NET ASSETS AND LIABILITIES		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR ____ (3)
A) NET ASSETS	20000		34,079	
A-1) Capital and Reserves	21000		34,324	
I. Capital	21100		32,185	
1. Declared Capital	21110			
2. (Uncalled capital)	21120			
II. Share premium account	21200			
III. Reserves	21300		2,897	
1. Legal and statutory reserves	21310		1,816	
2. Other reserves	21320		1,081	
IV. (Own shares and shares of net equity)	21400			
V. Results of prior financial years	21500		(1,770)	
1. Retained earnings	21510			
2. (Prior years losses)	21520		(1,770)	
V. Other contributions by shareholders	21600			
VII. Result of financial year	21700		10,112	
VIII. (Interim dividend)	21800		(9,100)	
IX. Other Net Worth Instruments	21900			
A-2) Adjustments to reflect change in value	22000		(245)	
I. Financial assets available for sale	22100			
II. Hedging transactions	22200		(245)	
III. Non-current assets and related liabilities, held for sale	22300			
IV. Exchange differences	22400			
V. Other	22500			
A-3) Capital legacy, donations and subsidies received.	23000			
B) NON-CURRENT LIABILITIES	31000		12,524	
I. Long-term provisions	31100		933	
1. Benefits obligations	31110		933	
2. Environmental actions	31120			
3. Restructuring provisions	31130			
4. Other provisions	31140			

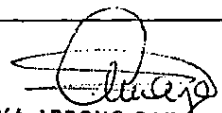
(1) Financial Year to which annual accounts are referred.  
(2) Prior Financial Year

  
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## BALANCE SHEET

82.2

Tax Identity no. A-41679788 COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)		
		Space for Directors' signatures		
NET ASSETS AND LIABILITIES		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR ____ (3)
II. Long-term debts	31200		4,758	
1. Obligations and other marketable securities	31210			
2. Long-term bank debt	31220		4,758	
3. Financial leasing creditors	31230			
4. Derivatives	31240			
5. Other financial liabilities	31250			
III. Long-term Debts with group companies and companies associated	31300			
IV. Deferred tax liabilities	31400		6,833	
V. Long-term accruals	31500			
VI. Non-current trade creditors	31600			
VII. Long-term debts with special characteristics	31700			
C) CURRENT LIABILITIES	32000		941,874	
I. Liabilities related to non-current assets held for sale	32100			
II. Short-term provisions	32200		588	
III. Short-term liabilities	32300		1,192	
1. Obligations and other marketable securities	32310			
2. Bank debts	32320			
3. Financial leasing creditors	32330			
4. Derivatives	32340		(1)	
5. Other financial liabilities	32350		1,193	
IV. Short-term debts with group companies and companies associated	32400		62,449	
V. Trade creditors and other accounts payable	32500		877,645	
1. Suppliers	32510		429,054	
a) Long-term suppliers	32511			
b) Short-term suppliers	32512		429,054	
2. Suppliers, group companies and associated companies	32520		36,563	
3. Other creditors	32530		18,381	
4. Employees. Wages and salaries unliquidated.	32540		1,668	
5. Current tax assets	32550			
6. Other debts with Public Administrations	32560		26,803	
7. Customer advances	32570		365,176	
VI. Short-term accruals	32600			
VII. Short-term debt with special characteristics	32700			
<b>TOTAL NET ASSETS AND LIABILITIES (A+B+C)</b>	<b>30000</b>		<b>988,477</b>	
(1) Financial Year to which annual accounts are referred. (2) Prior Financial Year				

  
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**b) Loss and Profits Account of Financial Year 2008**



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## P1.1

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# LOSS AND PROFITS ACCOUNTS

P1.2

Tax Identity no. A-41679788 COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)		
Space for Directors' signatures				
(DEBIT)/ CREDIT		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR ____ (3)
14. Financial revenue	41400		23,766	
a) Income from equity instruments	41410		387	
a 1) From group companies and associated companies	41411		387	
a 2) From third parties	41412			
b) Income from marketable securities and other financial instruments	41420		23,379	
b 1) In group companies and associated companies	41421		22,905	
b 2) In third parties	41422		474	
c) Allocation of subsidies, donations and financial legacies	41430			
15. Financial expenses	41500		(11,196)	
a) Debts with group companies and companies associated	41510			
b) Debts with third parties	41520		(11,196)	
c) Provisions update	41530			
16. Fair value variations in financial instruments	41600			
a) Trading portfolio and other	41610			
b) Allocation to financial year-end on available-for-sale-financial assets	41620			
17. Exchange losses	41700		(869)	
18. Deterioration and losses on financial instruments disposals	41800			
a) Deterioration and losses	41810			
b) Disposals and other losses	41820			
A.2) FINANCIAL RESULTS (14+15+16+17+18)	49200		11,701	
A.3) PROFITS BEFORE TAXES (A.1+ A.2)	49300		7,028	
19. Taxes on profits	41900		3,084	
A.4) PROFITS FOR THE YEAR FROM CONTINUING OPERATIONS (A.3+19)	49400		10,112	
<b>B) DISCONTINUED OPERATIONS</b>				
20. Profits for the year from discontinued operations, net of tax	42000			
A.5) PROFITS FOR THE YEAR (A.4+20)	49500		10,112	

(1) Financial Year to which annual accounts are referred.

(2) Prior Financial Year

AMAYA ARROYO SAINZ DE MEDRANO

INTERPRETE JURADO DE INGLES

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**c) Statement of changes in Shareholders' Equity of Financial Year 2008**



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**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**A) Statement of recognized income and expenses**

**PN1**

Tax Identity no. <b>A-41679788</b> COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)		
Space for Directors' signatures		NOTES OF ANNUAL REPORT	YEAR <b>2008(2)</b>	YEAR ____ (3)
A) LOSS AND PROFITS ACCOUNT RESULTS		59100	10,112	
INCOME AND EXPENSES ATTRIBUTABLE DIRECTLY TO SHAREHOLDER EQUITY				
I. Financial instruments valuation		50010		
1. Available-for-sale-financial assets		50011		
2. Other income/ expenses		50012		
II. Cash flow hedging		50020	(315)	
III. Subsidies, donations and legacies received		50030		
IV. Actuarial gains and losses and other adjustments		50040		
V. Non-current assets and liabilities related, held for sale		50050		
VI. Currency Translation Differences		50060		
VII. Tax effects		50070	70	
B) Total income and expenses attributable directly to shareholder equity (I+II+III+IV+V+VI+VII)		59200	(245)	
TRANSFER TO THE LOSS AND PROFIT ACCOUNT				
VIII. Financial instruments valuation		50080		
1. Available-for-sale financial assets		50081		
2. Other Income/expenses		50082		
IX. Cash flow hedging		50090		
X. Subsidies, donations and legacies received		50100		
XI. Non-current assets and liabilities related, held for sale		50110		
XII. Currency Translation Differences		50120		
XIII. Tax effects		50130		
C) Total transfers to the loss and profits account (VIII+IX+X+XI+XII+XIII)		59300		
TOTAL RECOGNIZED INCOME AND EXPENSES (A+B+C)		59400	9,867	
(1) Financial Year to which annual accounts are referred. (2) Prior Financial Year				


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**SUMMARIZED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY PNA2.1**  
**B) Summarized statement of changes in shareholders' equity**

Tax Identity no. <b>A-41679788</b>		<i>(three illegible signatures)</i>		
COMPANY'S NAME <b>Abener Energía, S. A.</b>				
Space for Directors' signatures				
		SHARE CAPITAL		SHARE PREMIUM
		DECLARED	(UNCALLED)	
A) ____ (1) FINANCIAL YEAR-END BALANCE	511	01	02	03
I. Adjustments due to changes of criteria of financial year ____ (1) and prior years	512			
II. Adjustments due to mistakes in financial year ____ (1) and prior years	513			
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR ____ (2)	514			
I. Total recognized income and expenses	515			
II. Transactions with shareholders or owners	516			
1. Share capital increases	517			
2. (-) Share capital decreases	518			
3. Other transactions with shareholders or owners	526			
III. Other shareholder equity variations	524			
C) BALANCE, END OF FINANCIAL YEAR 2007 (2)	511	32,185		
I. Adjustments due to changes of criteria in financial year 2007 (2)	512			
II. Adjustments due to mistakes in financial year 2007 (2)	513			
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2008 (3)	514	32,185		
I. Total recognized income and expenses	515			
II. Transaction with shareholders or owners	516			
1. Share capital increases	517			
2. (-) Share capital decreases	518			
3. Other transactions with shareholders or owners	526			
III. Other shareholder equity variations	524			
E) BALANCE, END OF FINANCIAL YEAR 2008 (3)	525	32,185		

(1) Financial Year N-2  
(2) Financial Year prior to the financial year referred to in these annual accounts (N-1)  
(3) Financial year to which annual accounts are referred (N)

  
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**SUMMARIZED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY PNA2.2**  
**B) Summarized statement of changes in shareholders' equity**

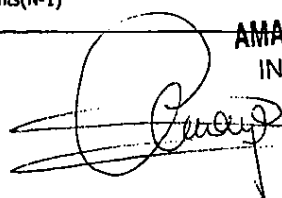
Tax Identity no. <b>A-41679788</b> COMPANY'S NAME <b>Abener Energía, S. A.</b>		<i>(three illegible signatures)</i>  Space for Directors' signatures		
		RESERVES	(OWN SHARES AND PARTICIPATION IN SHAREHOLDER EQUITY)	RESULTS FROM PRIOR YEARS
A) ____ (1) FINANCIAL YEAR-END BALANCE	511	04	05	06
I. Adjustments due to changes of criteria of financial year ____ (1) and prior years	512			
II. Adjustments due to mistakes in financial year ____ (1) and prior years	513			
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR ____ (2)	514			
I. Total recognized income and expenses	515			
II. Transactions with shareholders or owners	516			
1. Share capital increases	517			
2. (-) Share capital decreases	518			
3. Other transactions with shareholders or owners	526			
III. Other shareholder equity variations	524			
C) BALANCE, END OF FINANCIAL YEAR 2007 (2)	511	42		(6,334)
I. Adjustments due to changes of criteria in financial year 2007 (2)	512	(46)		
II. Adjustments due to mistakes in financial year 2007 (2)	513			
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2008 (3)	514	(4)		(6,334)
I. Total recognized income and expenses	515			
II. Transaction with shareholders or owners	516			
1. Share capital increases	517			
2. (-) Share capital decreases	518			
3. Other transactions with shareholders or owners	526			
III. Other shareholder equity variations	524	2,901		4,564
E) BALANCE, END OF FINANCIAL YEAR 2008 (3)	525	2,897		(1,770)
(1) Financial Year N-2 (2) Financial Year prior to the financial year referred to in these annual accounts (N-1) (3) Financial year to which annual accounts are referred (N)				

  
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**SUMMARIZED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY PN2.3**  
**B) Summarized statement of changes in shareholders' equity**

Tax Identity no. <b>A-41679788</b> COMPANY'S NAME <b>Abener Energia, S. A.</b>		(three illegible signatures)		
		Space for Directors' signatures		
		OTHER SHAREHOLDERS' CONTRIBUTIONS	RESULTS FOR FINANCIAL YEAR	(INTERIM DIVIDEND)
A) ____ (1) FINANCIAL YEAR-END BALANCE	511	07	08	09
I. Adjustments due to changes of criteria of financial year ____ (1) and prior years	512			
II. Adjustments due to mistakes in financial year ____ (1) and prior years	513			
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR ____ (2)	514			
I. Total recognized income and expenses	515			
II. Transactions with shareholders or owners	516			
1. Share capital increases	517			
2. (-) Share capital decreases	518			
3. Other transactions with shareholders or owners	526			
III. Other shareholder equity variations	524			
C) BALANCE, END OF FINANCIAL YEAR 2007 (2)	511		17,733	(11,396)
I. Adjustments due to changes of criteria in financial year 2007 (2)	512			
II. Adjustments due to mistakes in financial year 2007 (2)	513			
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2008 (3)	514		17,733	(11,396)
I. Total recognized income and expenses	515		10,112	
II. Transaction with shareholders or owners	516			
1. Share capital increases	517			
2. (-) Share capital decreases	518			
3. Conversion of financial liabilities into shareholder's equity (conversion of obligations, releases of debts)	519			
4. (-) Dividend distribution	520			(9,100)
5. Transactions with own shares or participations (net)	521			
6. Increase (decrease) of shareholders equity resulting from a combination of business.	522			
7. Other transactions with shareholders or owners	523			
III. Other shareholder equity variations	524		(17,733)	
E) BALANCE, END OF FINANCIAL YEAR 2008 (3)	525		10,112	(9,100)

(1) Financial Year N-2  
 (2) Financial Year prior to the financial year referred to in these annual accounts(N-1)  
 (3) Financial year to which annual accounts are referred (N)


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**SUMMARIZED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY PN2.4**  
**B) Summarized statement of changes in shareholders' equity**

Tax Identity no. <b>A-41679788</b> COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)  Space for Directors' signatures		
		OTHER SHAREHOLDERS' EQUITY INSTRUMENTS	ADJUSTMENTS TO REFLECT CHANGE IN VALUE	SUBSIDIES, DONATIONS AND LEGACIES RECEIVED
A) (1) FINANCIAL YEAR-END BALANCE	<b>511</b>	10	11	12
I. Adjustments due to changes of criteria of financial year (1) and prior years	<b>512</b>			
II. Adjustments due to mistakes in financial year (1) and prior years	<b>513</b>			
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR (2)	<b>514</b>			
I. Total recognized income and expenses	<b>515</b>			
II. Transactions with shareholders or owners	<b>516</b>			
1. Share capital increases	<b>517</b>			
2. (-) Share capital decreases	<b>518</b>			
3. Conversion financial liabilities into shareholders equity (conversion of obligations, releases of debts)	<b>519</b>			
4. (-) Dividend distribution	<b>520</b>			
5. Transactions with own shares or participations (net)	<b>521</b>			
6. Increase (decrease) of shareholders equity resulting from a combination of business	<b>522</b>			
7. Other transactions with shareholders or owners	<b>523</b>			
III. Other shareholder equity variations	<b>524</b>			
C) BALANCE, END OF FINANCIAL YEAR 2007 (2)	<b>511</b>			
I. Adjustments due to changes of criteria in financial year 2007 (2)	<b>512</b>			
II. Adjustments due to mistakes in financial year 2007 (2)	<b>513</b>			
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2008 (3)	<b>514</b>			
I. Total recognized income and expenses	<b>515</b>		<b>(245)</b>	
II. Transaction with shareholders or owners	<b>516</b>			
1. Share capital increases	<b>517</b>			
2. (-) Share capital decreases	<b>518</b>			
3. Conversion of financial liabilities into shareholder's equity (conversion of obligations, releases of debts)	<b>519</b>			
4. (-) Dividend distribution	<b>520</b>			
5. Transactions with own shares or participations (net)	<b>521</b>			
6. Increase (decrease) of shareholders equity resulting from a combination of business.	<b>522</b>			
7. Other transactions with shareholders or owners	<b>523</b>			
III. Other shareholder equity variations	<b>524</b>			
E) BALANCE, END OF FINANCIAL YEAR 2008 (3)	<b>525</b>		<b>(245)</b>	

(1) Financial Year N-2

(2) Financial Year prior to the financial year referred to in these annual accounts (N-1)

(3) Financial year to which annual accounts are referred (N)

  
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**SUMMARIZED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY PN2.5**  
**B) Summarized statement of changes in shareholders' equity**

Tax Identity no. <b>A-41679788</b> COMPANY'S NAME <b>Abener Energía, S. A.</b>	(three illegible signatures)  Space for Directors' signatures
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	511	512	TOTAL
A) ____ (1) FINANCIAL YEAR-END BALANCE	511		13
I. Adjustments due to changes of criteria of financial year ____ (1) and prior years	512		
II. Adjustments due to mistakes in financial year ____ (1) and prior years	513		
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR ____ (2)	514		
I. Total recognized income and expenses	515		
II. Transactions with shareholders or owners	516		
1. Share capital increases	517		
2. (-) Share capital decreases	518		
3. Conversion financial liabilities into shareholders equity (conversion of obligations, releases of debts)	519		
4. (-) Dividend distribution	520		
5. Transactions with own shares or participations (net)	521		
6. Increase (decrease) of shareholders equity resulting from a combination of business	522		
7. Other transactions with shareholders or owners	523		
III. Other shareholder equity variations	524		
C) BALANCE, END OF FINANCIAL YEAR 2007 (2)	511		32,230
I. Adjustments due to changes of criteria in financial year 2007 (2)	512		(46)
II. Adjustments due to mistakes in financial year 2007 (2)	513		
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2008 (3)	514		32,184
I. Total recognized income and expenses	515		9,867
II. Transaction with shareholders or owners	516		
1. Share capital increases	517		
2. (-) Share capital decreases	518		
3. Conversion of financial liabilities into shareholder's equity (conversion of obligations, releases of debts)	519		
4. (-) Dividend distribution	520		(9,100)
5. Transactions with own shares or participations (net)	521		
6. Increase (decrease) of shareholders equity resulting from a combination of business.	522		
7. Other transactions with shareholders or owners	523		
III. Other shareholder equity variations	524		1,128
E) BALANCE, END OF FINANCIAL YEAR 2008 (3)	525		34,079

(1) Financial Year N-2  
 (2) Financial Year prior to the financial year referred to in these annual accounts(N-1)  
 (3) Financial year to which annual accounts are referred (N)

  
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# SUMMARIZED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY PN2

## B) Summarized statement of changes in shareholders' equity

AMAYA ARROYO SAINZ DE MEDRANO  
INTERPRETE JURADO DE INGLES

Tax Identity no. A-41679788

COMPANY'S NAME  
Aberer Energía, S.A.

Space for Directors' signatures

(three illegible signatures)

41013 SEVILLA  
Tel.: 639 37 22 39

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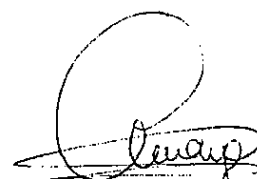
A) (1) FINANCIAL YEAR-END BALANCE	DECLARED	UNPAID	PREMIUM	RESERVES	OWN SHARES AND PARTICIPATION IN SHAREHOLDERS' EQUITY	RESULTS FROM PRIOR YEAR	OTHER SHAREHOLDERS' CONTRIBUTION	RESULTS FOR FINANCIAL YEAR	(INTERIM DIVIDEND)	OTHER SHAREHOLDERS' EQUITY	ADJUSTMENTS TO REFLECT CHANGE IN VALUE	TOTAL RECEIVED	
I. Adjustments due to changes of criteria of financial year (1) and prior years	511	512											
II. Adjustments due to mistakes in financial year (1) and prior years	513												
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR (2)	514												
I. Total recognized income and expenses	515												
II. Transactions with shareholders or owners	516												
1. Share capital increases	517												
2. (-) Share capital decreases	518												
3. Conversion financial liabilities into shareholders equity (conversion of obligations, releases of debts)	519												
4. (-) Dividend distribution	520												
5. Transactions with own shares or participations (net)	521												
6. Increase (decrease) of shareholders equity resulting from a combination of business	522												
7. Other transactions with shareholders or owners	523												
III. Other shareholder equity variations	524												
C) BALANCE, END OF FINANCIAL YEAR 2007 (2)	511	32,185		42		(6,334)		17,733	(11,396)				32,230
I. Adjustments due to changes of criteria in financial year 2007 (2)	512			(46)									(46)
II. Adjustments due to mistakes in financial year 2007 (2)	513												
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2008 (3)	514	32,185		(4)		(6,334)		17,733	(11,396)				32,184
I. Total recognized income and expenses	515							10,112			(245)		9,867
II. Transactions with shareholders or owners	516												
1. Share capital increases	517												
2. (-) Share capital decreases	518												
3. Conversion of financial liabilities into shareholders equity (conversion of obligations, releases of debts)	519												
4. (-) Dividend distribution	520								(9,100)				(9,100)
5. Transactions with own shares or participations (net)	521												
6. Increase (decrease) of shareholders equity resulting from a combination of business	522												
7. Other transactions with shareholders or owners	523												
III. Other shareholder equity variations	524					4,564							1,128
E) BALANCE, END OF FINANCIAL YEAR 2008 (3)	525	32,185		2,897		(1,770)					(245)		34,079

(1) Financial Year N-2

(2) Financial Year prior to the financial year referred to in these annual accounts (N-1)

(3) Financial year to which annual accounts are referred (N)

**d) Cash Flow Statement of Financial Year 2008**

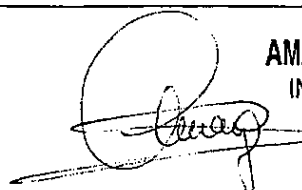


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## CASH FLOW STATEMENT

F1.1

Tax Identity no. <b>A-41679788</b>		(three illegible signatures)		
COMPANY'S NAME <b>Abener Energía, S. A.</b>				
Space for Directors' signatures		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR ____ (3)
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
1. Profits before taxes	61100		7,028	
2. Adjustment to the profit	61200		2,205	
a) Fixed assets depreciation (+)	61201		(4)	
b) Impairment value adjustments (+/-)	61202			
c) Variation in provisions (+/-)	61203		1,913	
d) Allocation of subsidies (-)	61204			
e) Results from retirements and disposals of fixed assets (+/-)	61205			
f) Results from retirements and disposals of financial instruments (+/-)	61206			
g) Financial revenues (-)	61207		(23,766)	
h) Financial expenses (+)	61208		10,327	
i) Currency translation differences (+/-)	61209		869	
j) Fair value variations in financial instruments (+/-)	61210			
k) Other income and expenses (-/+)	61211		(91)	
3. Changes in working capital	61300		5,802	
a) Inventories (+/-)	61301		(20,068)	
b) Debtors and other accounts receivable (+/-)	61302		48,426	
c) Other current assets (+/-)	61303		(343,366)	
d) Creditors and other accounts payable (+/-)	61304		297,320	
e) Other current liabilities (+/-)	61305		23,490	
f) Other non-current assets and liabilities	61306			
4. Other cash flow from operating activities	61400			
a) Interests paid (-)	61401		(10,327)	
b) Dividends receivable(+)	61402		387	
c) Interests receivable(+)	61403		22,897	
d) Charges (payments) for taxes on profits (+/-)	61404			
e) Other accounts payable (receivable) (-/+)	61405			
5. Total cash flow from operating activities (1+2+3+4)	61500		15,035	
(1) Financial Year to which annual accounts are referred. (2) Prior Financial Year				

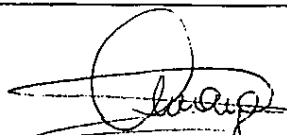


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# CASH FLOW STATEMENT

F1.2

Tax Identity no. <b>A-41679788</b> COMPANY'S NAME <b>Abener Energía, S. A.</b>		(three illegible signatures)		
Space for Directors' signatures		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR__ (3)
B) CASH FLOW FROM INVESTMENT ACTIVITIES				
6. Payment on investments (-)	62100		(19,652)	
a) Group and associate companies	62101		(16,419)	
b) Intangible fixed assets	62102			
c) Tangible fixed assets	62103			
d) Real Estate investments	62104			
e) Other financial assets	62105			
f) Non-current assets held for sale	62106			
g) Business Unit	62107			
h) Other assets	62108		(3,233)	
7. Divestitures receivables (+)	62200		19	
a) Group and associate companies	62201			
b) Intangible fixed assets	62202			
c) Tangible fixed assets	62203			
d) Real Estate investments	62204			
e) Other financial assets	62205			
f) Non-current assets held for sale	62206			
g) Business Unit	62207			
h) Other assets	62208		19	
8. Total cash flow from investment activities (6+7)	62300		(19,633)	
<p>(1) Financial Year to which annual accounts are referred.</p> <p>(2) Prior Financial Year</p>				

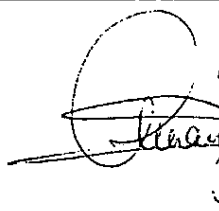
  
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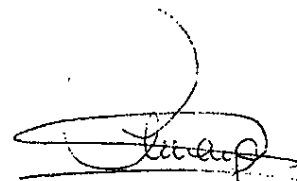
# CASH FLOW STATEMENT

F1.3

Tax Identity no. A-41679788		(three illegible signatures)		
COMPANY'S NAME <b>Abener Energía, S. A.</b>				
Space for Directors' signatures		NOTES OF ANNUAL REPORT	YEAR 2008(2)	YEAR ____ (3)
B) CASH FLOW FROM FINANCE ACTIVITIES				
9. Equity instruments receivable and payable	63100			
a) Issue of shareholder equity instruments (+)	63101			
b) Depreciation of shareholder equity instruments (-)	63102			
c) Acquisition of shareholder equity instruments (-)	63103			
d) Disposal of shareholder equity instruments (+)	63104			
e) Subsidies, donations and legacies received (+)	63105			
10. Liability instruments receivable and payable	63200		4,856	
a) Issue	63201			
1. Obligations and other marketable securities (+)	63202			
2. Debts with credit institutions(+)	63203			
3. Debts with group and associate companies (+)	63204			
4. Debts with special characteristics (+)	63205			
5. Other debts (+)	63206		4,856	
a) Repayment and depreciation of	63207			
1. Obligations and other marketable securities (-)	63208			
2. Debts with credit institutions (-)	63209			
3. Debts with group and associate companies (-)	63210			
4. Debts with special characteristics (-)	63211			
5. Other debts (-)	63212			
11. Dividends payment and other equity instruments compensations	63300		(9,100)	
a) Dividends (-)	63301		(9,100)	
b) Payment of other equity instruments (-)	63302			
12. Cash flows of financing activities (9+10+11)	63400		(4,244)	
<p>(1) Financial Year to which annual accounts are referred.</p> <p>(2) Prior Financial Year</p>				


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**e) Annual Report closed on 31<sup>st</sup> December 2008**



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# ABENER

## **Annual Report Closed on 31<sup>st</sup> December 2008**

### **Note 1.- Activity.**

Abener Energía, S.A. (hereinafter, Abener), was incorporated on 22<sup>nd</sup> July 1994 with the name "Biomásas y Aplicaciones, S.A.". On 11<sup>th</sup> January 1996 its name was changed into "Desarrollos Agroenergéticos, S.A.". On 28th December 1998, its name changed again into "Abener Energía, S.A.". On 11<sup>th</sup> January 2001 it took the name "Abener Energía, Ingeniería y Construcción Industrial, S.A.". On 17<sup>th</sup> December 2003 its current name of "Abener Energía S.A" is adopted.

Abener is registered in the Companies House for Seville, into Folio 117, Volume 2,056 filed in the general section, Page number SE-20734, Registration no. 1 dated on the 2<sup>nd</sup> December 1994, holding Tax Identity no. A-41679788 and with corporate address in Avda. de la Buhaira no. 2 of Seville.

The company's object is described in Section 4º of the Articles of Association. The main company's object is to promote, manage and carry on activities and business such as carrying out researches, reports, projects, works direction and supervision, consultancy and services, design, construction, erection, tests and start-up, operation, maintenance, conservation, supply, delivery, purchase, sale, performance of any kind of works, both public and private works, including real estate, buildings, facilities and equipments, together with supplementary civil or building works and auxiliary manufacture related to such activities.

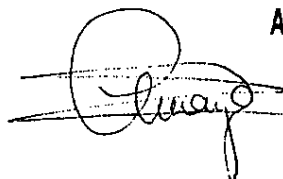
According to the company's object, these activities and complementary ones are carried out both in Spain and abroad, and can be developed both by its own means and by the ownership of shares in other companies with similar objects.

Most of the contracts for the carrying out of the activities last more than one year.

### **Note 2.- Basis of Presentation of the Annual Accounts.**

#### **2.1. True and Fair View.**

The Annual Accounts have been prepared on the basis of the accounting records of the Company and of the corresponding Joint Ventures which have been included into said



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annual accounts (see Note 22), and submitted in accordance with the commercial law in force and with the rules provided under the General Accounting Plan approved by Royal Decree 1514/2007, so as to provide a true and fair view of the Company's net worth, its financial situation and the results of its operations, as well as the truthfulness of cash flows incorporated in the cash flow statement.

The annual accounts have been prepared focused on historical cost, modified in those cases stated by the rules set under the General Accounting Plan where certain assets are valued at their fair value.

The figures included in the documents constituting the Annual Accounts (balance sheet, loss and profit account, statement of changes in shareholder's equities, cash flow statement and annual report) are expressed in thousands of euros.

The company has not drafted the Consolidated Annual Accounts because they do not comply with the conditions set under article 9 of the regulations approved by Royal Decree 1815/1991 of 20<sup>th</sup> December. In this respect, Abener Energía, S.A.'s investments in other companies are controlled in any way by Abener Energía, S.A. and, where appropriate, the dividends obtained thereof, are shown in these Annual Accounts according to the criteria stated in Note 4. For further information, see Note 8 where the most relevant aspects and figures regarding those companies are shown.

## 2.2. Critical Aspects of Uncertainty Assessment and Estimation.

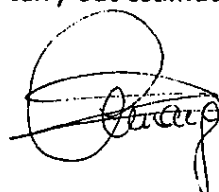
The preparation of annual accounts require that the Company uses certain estimates and assessments regarding the future which are continuously assessed and are based on the historical experience and other factors, including the expectancy of future events deemed fair under the circumstances.

Accounting estimates obtained, by definition, rarely match the corresponding actual results. Then, the estimates and assessments with a significant risk to generate a material adjustment in values of asset and liabilities books within the following financial year are explained.

The investments in affiliated companies are registered at their acquisition cost.

## 2.3. Tax on profits and deferred tax assets.

The calculation of the tax on profits require interpretations of the tax regulations applicable to Abengoa, S.A. Besides, there are several factors, mainly linked but not exclusively to the changes and interpretations of tax laws currently in force, which require the Company's management to carry out estimations. Likewise, the Company



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recovery rate of deferred tax assets based on the existence of future taxable amounts against which assets may be liquidated. (see Note 17).

#### 2.4. Provisions.

Provisions are recognized when it is not likely that a current obligation arising from past events will give rise to an outflow of resources and the amount of the obligation can be estimated in a reliable manner. In order to fulfil the requirements of accounting standards, significant estimates are required. The Management of the Company carries out estimates evaluating all information available and relevant facts, the probability of contingencies occurring and the amount of the liability to be settled in the future (see Note 17).

#### 2.5. Fair value of non-listed financial instruments.

The Company determines the fair value of financial instruments (financial assets and liabilities) not traded in an active market through estimates based on a selection of methods and assumptions mainly based on the market conditions prevailing as of the date of each balance sheet (see Note 9).

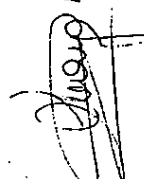
#### 2.6. Impairment of equity investments in Group companies, multi-group companies and affiliates.

The impairment test on the value of investments in group companies, multi-group companies and affiliates is carried out following the accounting policy described in the valuation rules. For non-listed companies, the underlying book value corrected by the tacit capital gains existing as of valuation are considered as recoverable amounts. These calculations require the use of estimates (see Note 8).

#### 2.7. Projects Margin and Degree of Completion.

When the result of a construction contract can be estimated in a reliable manner and it is likely for the contract to be profitable, the income from the contract is recognized during the contract period. When it is likely that the costs of the contract will exceed the total income deriving from such contract, then the expected loss is immediately expensed. In determining the appropriate amount to be recognized in a given period, the method of the percentage of completion is used. The degree of completion is determined by reference to the contract costs incurred as at the date of the balance sheet, as a percentage of the total estimated costs for each contract. The costs incurred during the year with respect to the future activity under a contract (procurement) are excluded from the contract costs to determine the completion percentage. They are recorded as stocks, advanced payments and other assets, depending on their nature.

#### 2.8. Changes in Accounting Standards due to Applying the New general Chart of Accounts.



Until the financial year ending December 31, 2007 inclusive, Annual Accounts have been prepared in accordance with the provisions of applicable commercial law and with the rules of the General Chart of Accounts (GCA) approved by Royal Decree 1643/1990.

Abener Financial Statements as at 31 December 2008 have been the first Financial Statements prepared pursuant to the Rules of the new General Chart of Accounts (NGCA) approved by Royal Decree 1514/2007.

Abener's transition date to the NGCA is January 1, 2008, on which date the Company prepared its opening balance sheet in accordance with the NGCA as of such date.

## 2.9. Matters Due to the Transition to the New Accounting Standards

### 2.9.1. Transition to the New General Chart of Accounts (RD 1514/2007)

In keeping with applicable legislation, the annual accounts as at December 31 2008 are the first annual accounts prepared pursuant to the New General Chart of Accounts approved by Royal Decree 1514/2007 of November 16, which entered into force on January 1, 2008 (hereinafter, the GCA 2007). The annual accounts at December 31 2007 were prepared pursuant to the General Chart of Accounts approved by Royal Decree 1643/1990, of December 20, in force until December 31, 2007 (hereinafter, the GCA 1990).

For the purposes of the obligation established under section 35.6 of the Spanish Commercial Code and for the purposes arising from the application of the consistency principle and the comparability requirement, the annual accounts as at December 31, 2008 are considered to be the Initial annual accounts. The Company has opted not to include any comparative information with financial year 2007 adapted to the GCA 2007, which GCA has therefore been applied for the first time in financial year 2008.

Without prejudice to the above, and pursuant to R.D. 1514/2007, there follow the balance sheet and profit and loss account for financial year 2007, as approved by the General Meeting of Shareholders. Said financial Statements have been prepared pursuant to the rules of R.D. 1643/1990 of December 20 (GCA 1990).

  
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**Balance Sheet of Abener Energía as at 31/12/07**

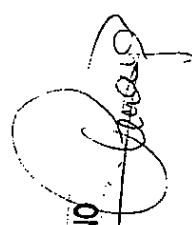
- Figures in Thousands of Euros -

**Assets****A. Fixed Assets**

I.	Intangible Fixed Assets	
	Formation Expenses	91
	Research and Development Expenses	4.695
	Depreciation	(4.695)
		91
II.	Tangible Fixed Assets	
	Other Plants and machinery	6
	Other Facilities, Tools and furniture	125
	Other tangible assets	265
	Provisions and depreciation	(372)
		24
III.	Financial Investments	
	Shareholdings in group companies	79.157
	Loans to Group Companies	1.487
	Loans to Group Companies	124
	Long-term deposits and guarantees	156
	Provisions	(14.004)
		66.920
	<b>Total Fixed Assets</b>	<b>67.035</b>

**B. Deferred Expenses****C. Operating Assets**

II.	Inventories	
	Products under production and work in progress	1.911
	Advances	939
		2.850
III.	Debtors	
	Trade debtors for goods and services provided	852
	Amounts owed by group companies	198.758
	Amounts owed by companies associated	2.546
	Other debtors	253
	Loans to employees	559
	Taxes Refundable	23.297
		226.265
IV.	Short-term investments	
	Loans to group companies	317.961
	Shareholdings in Companies Associated	3
	Short-term deposits and guarantees	6
		317.970
V.	Cash at Bank and in Hand	61.752
VI.	Prepaid expense and accrued income	93
	<b>Total Operating Assets</b>	<b>608.930</b>
	<b>Total Assets</b>	<b>675.965</b>

  
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**Balance Sheet of Abener Energía as at 31/12/07**  
**- Figures in Thousands of Euros -**

**Liabilities**

**A. Capital and Reserves**

I.	Subscribed share capital	32.183
II.	Share premium account	
III.	Revaluation reserve	
IV.	Other Reserves	
	Legal reserve	42
		42
V.	Results over prior years	(6.335)
VI.	Losses and Profits	17.733
VII.	Interim Dividend paid in the Financial Year	(11.396)

Total Capital and Reserves 32.229

B. Provisions for liabilities and charges 373

**C. Long-term Liabilities**

I.	Bank loans	
II.	Other creditors	
III.	Uncalled payable shares	19.359

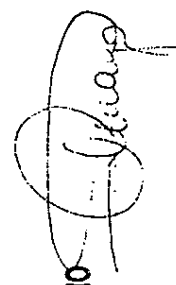
Total Long-term Liabilities 19.359

**D. Short-term Liabilities**

I.	Bank loans	
II.	Amounts owed to group and associate companies	117.164
III.	Trade accounts payable	484.438
IV.	Other non-trade debt	20.528
V.	Trade provisions	1.874

Total Short-term Liabilities 624.004

Total Liabilities 675.965

  
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Loss and Profit Account of Abener Energia S.A. as at 31/12/07  
- Figures in Thousand of Euros -

### Expenses

Reduction in stocks of finished products and work-in-progress	2.145
Supplies	239.430
Staff costs	17.398
Provision for depreciation	56
Other operating expenses	50.364
Total Operating Expenses	309.393
I. Operating Profits	23.937
Financial and Similar Expenses	4.728
Losses on exchange	36
Total Financial Expenses	4.764
II. Net Financial Income	1.033
Total Ordinary Expenses	314.157
III. Profits (Losses) from Ordinary Activities	24.970
Losses from tangible fixed assets	0
Extraordinary Expenses	7
Total Extraordinary Expenses	7
IV. Net Extraordinary Profit	0
Total Expenses	314.164
V. Profit before Taxes	24.963
Corporate Income Tax	(7.230)
VI. Profits after taxes	17.733

### Income

Net turnover	328.186
Other operating income	5.144
Total Operating Income	333.330
Income from shareholdings	
Income from other marketable securities	
Other interests or similar income	5.488
Gain on Exchange	309
Total Financial Income	5.797
I. Net Financial Expense	0
Total Income from Ordinary Activities	339.127
Profit from dealings with own shares and securities	
Extraordinary Income	
Total Extraordinary Income	0
II. Net Extraordinary Loss	(7)
Total Income	339.127

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## 2.9.2. Reconciliation between the GCA 1990 and the GCA 2007.

The Company has chosen January 1, 2008 as its transition date to the New General Chart of Accounts.

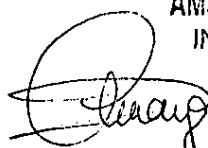
Below, and pursuant to applicable law, is the reconciliation between the Net Equity at January 1, 2008, prepared pursuant to the GCA 1990 and the Net Equity as of like date prepared pursuant to the new accounting standards provided under R.D. 1514/2007:

	Net Equity at 01.01.08
	32,229
Financial leasing	33
Share capital increase expenses	(91)
Derivative entries	(265)
Tax effect	277
Total NGCA Adjustments (Reserves 1 <sup>st</sup> Implementation)	(46)
Equity Amount under NGAC	32,183

The new accounting standards entail important changes with respect to those prevailing as at December 31, 2007, as regards accounting policies, valuation criteria, reporting standards and information to be included in the annual accounts. In particular, the main differences between the accounting standards applied in the previous year and current ones are the following:

- Formation expenses and share capital increase: Under the GCA rules this type of expenses was capitalized and amortized on a straight line basis over a maximum period of five years. Under the NGCA, these are generally recorded as expenses of the year.
- Financial instruments and exchange differences. Financial derivatives kept by Abener correspond to exchange rate hedging transactions carried out to reduce risks associated with said transactions. Pursuant to the NGCA, these transactions are classified as cash flow hedges, so that variations in the value of the hedging instrument are recorded as reserves until such time as the hedging is cancelled, whereupon the amount recorded to said date under such heading is transferred to the profit and loss account. Likewise, pursuant to the GCA, unrealized positive exchange differences must be deferred in the portion exceeding the negative exchange differences recorded against the profit and loss of the period. Under the NGCA, all exchange differences, whether positive or negative, realized or unrealized, are recognized in the profit and loss account.
- Financial lease: Under the NGCA, leases where substantially all risks and benefits are transferred to the lessor are considered financial leases, and must be recognized as a financial asset and liability for the same amount, which is the

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lower value between the fair value of the leased asset and the present value upon lease commencement of the minimum payments agreed.

- Tax effect: Under the GCA, temporary differences reflect the different recording under the tax and accounting points of view, of income and expenses. Pursuant to the NGCA, the concept of temporary difference arises, which is the difference between the book value of an asset or liability and its taxable base, whereby the difference generates the corresponding anticipated or deferred tax.
- Likewise, the temporary difference arising from the tax effect has been calculated of the accounting of consolidated shareholders' equity adjustments upon the first application of the NGCA.
- Having said that, the opening balance sheet at January 1 2008 incorporates other effects without an impact on the shareholders' equity and entailing various reclassifications in assets and liabilities accounts of the balance sheet, such as the non existence of non-recurrent income and expenses.

### Nota 3.- Distribution of Profits.

The Board of Directors shall propose to the General Meeting of Shareholders the following distribution of net profits for financial years, as well as the distribution of profits approved is as follows:

Available for distribution	Amount in 2008
Profits	10,112
<b>Distribution</b>	
To Legal Reserves	1,012
To Dividends	9,100
To net losses of prior financial years	-
Total	10,112

On December 22, the Board of Directors resolved to distribute an interim dividend against the profits of financial year 2008, for an amount of 9,100 thousand Euros, which is recorded as a reduction of shareholders' equity in the liabilities section of the balance sheet.

Below is a table representing the existence of sufficient profits during the period, January 1 to December 22 2008, allowing the distribution of an interim dividend as of said date.



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	Amount
1. Profits before taxes as at 22 December 2008	7,028
2. Voluntary Reserves	1,081
3. Profit tax Estimate	3,084
4. Legal reserve to be provided on net profits	(1,011)
5. Maximum amount available for distribution ( 1+2+3+4)	10,182
Amount proposed for distribution	9,100

The liquidity situation as at 22 December was as follows:

	Amount
Balance of Bank Accounts before payment made	33,652
Liquidity in short-term placements with Abengoa S.A. as at 22/12/2008	476,542
Balance of Bank Accounts as at 31/12/2008	35,347
Gross amount of interim dividend	9,100

#### **Note 4.- Accounting Policies.**

The most significant accounting policies applied for drawing up the Annual Accounts are the following ones:

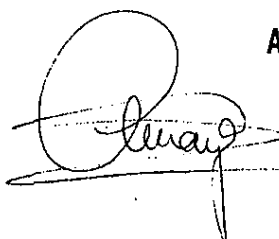
##### **4.1. Intangible Assets.**

The elements included in the Intangible fixed assets are stated at acquisition or production cost. They are amortized by using the straight-line method, according to their estimated useful lives.

Expenses incurred for R+D are considered, generally, to be expenses of the financial year when being incurred and every research and development project is individually detailed.

Expenses incurred in development projects (relating to the design and testing of new or improved products) are recognized as an intangible asset where it is likely that the project will be successful, in view of its technical and commercial feasibility and where costs can be reliably estimated. The remaining development expenses are recognized as an expense in the financial year in which they are incurred, and are not recognized as an asset in a subsequent year. Capitalized development costs having a finite useful life are amortized from the outset of commercial manufacturing of the product, on a straight line basis during the period in which they are expected to generate profits.

Amounts received as grants or subsidiary loans to finance research and development projects are applied to the profit and loss account in accordance with treatments and percentages similar to those under which they are capitalized or classified as operating expenses under prior rules.



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The heading "software" includes amounts paid for the access to ownership or right of use of information technologies software, solely where they are expected to be used throughout several years." They are amortized on a straight-line basis over a five-year period as from the moment when the relevant software starts to be used. Maintenance costs for such software is directly recorded as expenses of the year in which they occur.

#### 4.2. Tangible fixed assets.

Tangible fixed assets are valued at their acquisition cost or production cost minus accumulated depreciation and accumulated losses.

Works carried out by the Company for its Intangible fixed taxes are accounted by their production cost and they are shown as guarantee in the loss and profit account. Interest and exchange rates differences, consequence of foreign financing intended for the acquisition of Intangible fixed assets, are not included into assets as increased value, unless they are produced during the construction and fitting-up and before assets are brought into use, provided that the value rated for each of the assets does not surpass its own market value.

The costs of extending, upgrading or improving tangible fixed assets are incorporated to the asset as a higher value thereof solely where they entail an increase in its production capacity or an extension of its useful life, and provided always that it is possible to determine or estimate the book value of elements written off the inventory due to their replacement.

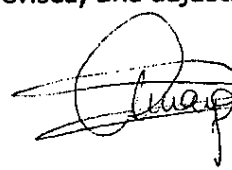
The costs of important repairs is recorded and depreciated through the estimated useful life of the relevant asset, whereas recurrent maintenance costs are charged against the profit and loss account in the year in which they are incurred.

Tangible fixed assets are amortized systematically by using the straight-line method according to the useful lives of the respective assets, taking into account the depreciation suffered in consequence of their operation and quiet enjoyment.

The amortization rates used for estimating the depreciation suffered by the Intangible fixed assets are as follows:

Tangible Fixed Assets	Rate
Machinery	21%
Tools	30%
Furnitures	10%
	25%
Equipment for data processing	25%

The residual value and useful life of assets is revised, and adjusted as necessary, on the date of each balance sheet.

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When the book value of an asset is higher than its estimated recoverable value, the value is reduced immediately to its recoverable value.

Profits and losses from the sale of tangible fixed assets are calculated by comparing the sales proceeds with the book value, and are registered against the profit and loss account.

#### 4.3. Losses due to Impairment of the Value of Non-Financial Assets

As of the end of each financial year, Abener reviews non-current assets to determine whether there are signs of impairment losses. If any signs are identified, the recoverable amount of the asset is calculated with a view to determining the scope of the impairment loss (if there is any). If the asset does not generate cash flows independent from other assets, Abener calculates the recoverable amount of the cash generating unit to which the asset belongs.

In addition, on closing of each financial year, the eventual impairment of intangible assets still not in operation, or having an indefinite useful life, if any, is tested.

The recoverable amount is the higher between the fair value less sale costs and the value in use, this being the present value of estimated future cash flows. To calculate the value in use, the assumptions used include the discount rates, the growth rates and the expected changes in sale prices and in costs. The Directors estimate discount rates before tax gathering the value of money over time and the risks associated with the cash-generating unit. Growth rates and prices and costs variations are based on internal and sectorial estimates and on experience and future expectations, respectively.

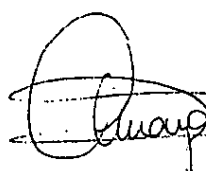
In the event that the recoverable value is lower than the net book value of the asset, the relevant impairment loss is recorded against the heading "Depreciations and Provisions" in the profit and loss account. Impairment losses recognized on an asset in prior years are reversed and credited to the relevant heading when a change occurs on the estimates regarding the recoverable amount, increasing the value of the asset with the limit of the book value that the asset would have had had the relevant impairment value not been recognized previously.

#### 4.4. (Current and Non-current) Financial Assets

Financial investments are classified under the following categories: Loans and accounts receivable; (b) financial investments held until maturity; (c) financial assets held to be traded and other financial assets at fair value, with changes in the profit and loss account; (d) investments in the equity of group companies, multi-group companies and affiliates; and (e) financial assets available for sale. The classification depends on the purpose for which the investments were acquired. Management determines how

investments are to be classified upon their initial recognition and reviews said classification on each year closing date.

- a) Loans and accounts receivable.



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Loans and accounts receivable are non-derivative financial assets of a fixed or determinable amount and which are not traded in an active market. This includes current assets, except where maturity is beyond 12 months as from the date of the balance sheet, in which case they are classified as non-current assets. Loans and accounts receivable are included under the headings "Credits to companies" and "Trade receivables and other accounts receivables" in the balance sheet.

These financial assets are initially valued at their fair value, including the transaction costs that are directly attributable to them, and later at their depreciated cost, recognizing any interest accrued at its effective interest rate, this being the updating rate equalling the book value of the instrument with the whole of estimated cash flows until maturity. The above notwithstanding, credits for trade transactions with maturity not exceeding one year are valued, both upon initial recognition and later, at their nominal value, provide that the effect of not updating flows is not significant.

At least once on year closing, the relevant value adjustments are made for impairment if any objective evidence is available that not all amounts due will be recovered.

The amount of the impairment loss is the difference between the book value of the asset and the present value of estimated future cash flows, discounted at the interest rate prevailing upon their initial recognition. Value corrections, and reversions, if any, are recognized in the profit and loss account.

b) Financial investments held until maturity

This category includes those investments that are intended to be held until their maturity, corresponding to non-derivative financial assets with fixed or determinable amounts and fixed maturities that the Group Management has the positive intention and the capacity to hold until maturity.

c) Financial assets held to be traded and other financial assets at fair value with changes in the profit and loss account.

Financial assets at fair value with changes in the profit and loss account are all those assets being held to be traded, acquired with the purpose of selling them in the short term or forming part of a portfolio of instruments identified and managed together to obtain short-term gains, as well as any financial assets designated by the Company upon their initial recognition to be included in this category given that they result in a more relevant information. Derivatives are also classified as held to trade provided that they are not a financial security agreement or have been designated as hedging instruments.

These financial assets are valued, both upon initial recognition and upon subsequent valuations, according to their fair value, attributing any changes to such value to the profit and loss account for the year. Transaction costs directly attributable to the acquisition are recognized in the profit and loss account.



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- d) Investments in the equity of group companies, multi-group companies and affiliates.

These are recorded at cost minus, where appropriate, the accumulated amount of any value impairments. This notwithstanding, where an investment has been made prior to its classification as a group entity, a multi-group company or an affiliated undertaking, the book value prior to such classification is taken as the cost of the investment. Prior value adjustments, directly recorded against the *shareholders' equity*, are held therein until they are written off.

If any objective evidence is available that the book value is not recoverable, the relevant value adjustments are carried out for the difference between the book value and the recoverable amount, this being the higher between the fair value minus the sale costs and the present value of cash flows arising from the investment. Save where other better evidence of the recoverable amount is available, in estimating the impairment of these investments, the net equity of the subsidiary is considered, adjusted with any tacit gains existing as of the date of valuation. Value corrections and, if appropriate, reversions, are registered against the profit and loss account for the year in which they occur.

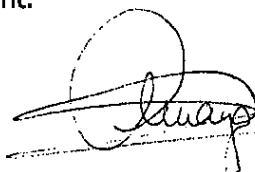
- e) Financial assets available for sale

This category encompasses the values representing debt and equity instruments not belonging to any of the above categories. They are included as non-current assets, save where Management intends to dispose of the investment in the 12 months following the date of the balance sheet.

They are recorded at fair value, registering any changes to the net shareholders' equity until such time as the asset is disposed of or impaired, whereupon the accumulated profits and losses in the net shareholders' equity are transferred to the profit and loss account, provided such fair value can be determined. Otherwise, they are recorded at cost, after first deducting any impairment losses.

In the case of financial assets available for sale, value adjustments are carried out as appropriate, if objective evidence is available that their value has been impaired as a result of a reduction or delay in the future estimated cash flows in the event of debt instruments acquired or due to lack of recoverability of the book value of the asset in the case of investments in equity instruments. The value adjustment is the difference between the cost or depreciated cost minus, where appropriate, any value adjustment previously recognized in the profit and loss account, and the fair value at the time of the relevant valuation. In the case the equity instrument are valued at cost, because their fair value cannot be established, the value adjustment is determined in the same manner as for equity investments in group companies, multi-group companies and affiliates.

If there is objective evidence of the impairment, the Company recognizes in the profit and loss account the accumulated losses previously recognized in the shareholders' equity due to the impairment of the fair value. Impairment losses recognized in the profit and loss account by equity instruments are not reversed through the profit and loss account.



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Fair values of traded investments are based on current purchase prices. If the market for a financial asset is not active (and for any non-traded securities), the fair value is established using valuation techniques including the use of recent arms length transactions referring to other substantially identical instruments, the analysis of discounted cash flows, and pricing models for options improved to reflect the specific circumstances of the issuer.

On the date of each balance sheet, it is examined whether objective evidence exists that a financial asset or a group of financial assets may have suffered impairment loss.

In the case of capital securities classified as available for sale, in order to determine whether the relevant securities have suffered impairment loss, it is considered whether a significant or long reduction has taken place of the fair value of said securities below their cost. If any evidence to such effect is available for financial assets available for sale, the accumulated loss, determined to be the difference between the acquisition cost and the current fair value, minus any impairment loss on such financial asset previously recognized in the profit and loss account, is deleted from the net shareholders' equity and is recognized in the profit and loss account. Impairment losses recognized in the profit and loss account by equity instruments are not reversed through the profit and loss account.

Financial assets are de-registered from the balance sheet when substantially all risks and benefits inherent to the ownership of the relevant asset are transferred. In the specific case of accounts receivable, it is considered that this happens generally where the risks of insolvency and delay have been transferred.

Assets designated as covered are subject to the valuation requirements of hedging accounting (Note 11).

The maximum exposure to credit risk as at the date when the information is filed is the fair value of each category of accounts receivable indicated above. The Company does not hold any security by way of insurance.

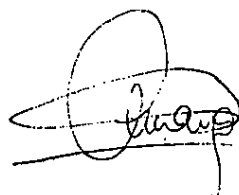
#### 4.5. Financial Derivatives and Accounting Hedging

Financial derivatives are valued, both upon initial recognition and on subsequent valuations, at their fair value. The method to recognize the resulting profit or loss depends on whether the derivative has been designated as a hedging instrument or not, and if so, on the type of hedging provided. The Company designates certain derivatives as:

##### a) Fair value hedging.

Changes to fair value of derivatives designated and qualified as fair value hedging are recorded in the profit and loss account, together with any change in the fair value of the asset or liability converted attributable to the hedged risk.

##### b) Cash flow hedging



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The cash portion of changes in the fair value of derivatives designated and qualified as cash flow hedging is temporarily recorded in the net shareholders' equity. It is subsequently attributed to the profits and loss account on the financial years in which the transaction covered foreseen affects the profit and loss, save where the hedging refers to a foreseen transaction entailing the recognition of a non-financial asset or liability, in which case the amounts registered in the net shareholders' equity are included in the cost of the asset upon acquisition or of the liability upon assumption.

The profit or loss relating to the non-cash portion is immediately recognized in the profit and loss account.

c) Hedging of a net investment in foreign dealings

In transactions involving the hedging of net investment in joint business ventures lacking a separate legal entity and foreign subsidiaries, the changes of value of derivatives attributable to the hedged risk are temporarily recognized in the net shareholders equity, and are attributed to the profit and loss account on the financial years when the net investment in the foreign business is disposed of.

Transactions involving hedging of net investments in foreign businesses by subsidiaries, multi-group companies and affiliates, are treated as hedging of the fair value of the exchange rate component.

Hedging instruments are valued and recorded pursuant to their nature insofar as they are or fail to be, efficient hedging instruments.

In the event of derivatives not qualifying for accounting hedging, profit and loss in the fair value is immediately recognized in the profit and loss account.

4.6. Inventories.

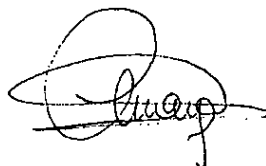
Stocks are stated at the average acquisition cost in addition to all other expenses arising until goods are stocked.

The value of the works in progress include the costs chargeable directly to the work and the part corresponding to costs chargeable indirectly, in so far as such costs correspond with the production time.

Depreciation and/or obsolescence provisions are set aside when deemed necessary.

4.7. Shareholders' Equity

The share capital is represented by ordinary shares. The cost of issue of new shares or options are directly charged against shareholders' equity, as less reserves. In the event of acquisition of the Company's treasury shares, the consideration paid, including any incremental cost directly attributable thereto, is deducted from the shareholders' equity up to its cancellation, new issue or disposal. When these shares are subsequently sold or



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re-issued, any amount received, net of any incremental transaction costs directly attributable thereto, are included in shareholders' equity.

#### 4.8. Grants

Capital grants received as refundable are recorded as a liability until and unless the conditions are met for them to be considered as non-refundable, whereas non-refundable grants are directly recorded as shareholders' equity and are recognized as income on a systematic and rational basis, correlatively with expenses arising from the grant. Non-refundable grants received by the shareholders are directly recorded as shareholders' equity.

Non-refundable grants relating to the acquisition of intangible fixed assets, tangible fixed assets and real estate investments are recorded as income for the year in proportion to the depreciation or amortization of the relevant assets or, as appropriate, when these assets are disposed of, their value adjusted or de-registered from the balance sheet. On its part, non-refundable grants relating to specific expenses are recognized against the profit and loss account on the same year on which they accrue the relevant expenses and those granted to compensate operating deficit of a year, on the year on which they are granted, except where their purpose is to compensate the operating deficit of future years, in which case they are recorded in the relevant future years.

#### 4.9. Financial liabilities

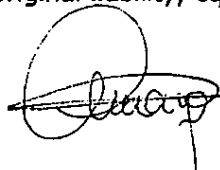
##### a) Debts and accounts payable

This category includes debts for trade transactions and debts for non-trade transactions. These borrowed resources are classified as current liabilities, save where the Company enjoys an unconditional right to defer their settlement for at least 12 months after the date of the balance sheet.

These debts are initially recorded for their fair value adjusted by the transaction costs directly imputable thereto, and thereafter for their depreciated cost following the effective interest rate method. Said effective interest rate is the updated rate equalling the book value of the instrument with the expected future payment *stream expected until maturity of the liability*.

The above notwithstanding, debts for trade transactions with a maturity not exceeding 12 months and not having a contractual interest are valued, both upon initial recognition and subsequently, at their nominal value when the effect of not updating the cash flows is not significant.

In the event of a renegotiation of the existing debts, it is considered that no substantial amendments occur to the financial liability when the lender under the new loan is the same that granted the original loan and the present value of cash flows, including net fees, does not differ in more than 10% from the present value of cash flows pending payment from the original liability, calculated by the method.



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- b) Financial liabilities held to be traded and other financial liabilities at fair value with changes to the profit and loss account.

Financial liabilities at fair value with changes to the profit and loss account are all those liabilities held to be traded and issued with a view to their reacquisition in the short term, or forming part of a portfolio of financial instruments identified and managed together to obtain gains in the short term, as well as financial liabilities designated by the Company upon their initial recognition to be included in this category, due to their resulting in a more relevant information. Derivatives are also classified as held to trade provided that they are not a financial security agreement or have been designated as hedging instruments.

These financial liabilities are valued, both upon initial recognition and upon subsequent valuations, according to their fair value, attributing any changes to such value to the profit and loss account for the year. Transaction costs directly attributable to the issue are recognized in the profit and loss account on the year in which they accrue.

#### 4.10. Current and Deferred Taxes

The expense (income) for taxes on profits is the amount that, under this heading, is accrued in a year and comprises the expense (income) for both current taxes and deferred taxes.

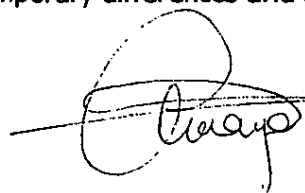
Both expenses (income) for current or deferred taxes are registered against the profit and loss account. This notwithstanding, the tax effect relating to headings registered directly as shareholders' equity is also recognized as shareholders' equity.

Assets and liabilities for current taxes are valued at the amounts expected to be paid to or recovered from the tax authorities pursuant to legislation or regulations applicable or *approved and pending publication as of the date of closing of the financial year.*

Deferred taxes are calculated, following the liability method, on the temporary differences arising between the taxable income of assets and liabilities and their book values. This notwithstanding, if deferred taxes arise from an initial recognition of an asset or liability in a transaction other than a business combination which, at the time of the transaction does not affect the accounting profit and loss nor the taxable income, they are not recognized. Deferred tax is determined by applying the regulation and the interest rate approved or about to be approved on the date of the balance sheet and expected to be applied when the relevant asset for deferred taxes is realized or when the liability for deferred taxes is settled.

Assets for deferred taxes are recognized insofar as it is likely that future tax gains will be available in sufficient amount to offset temporary differences.

Deferred taxes are recognized on the temporary differences arising on investments in subsidiaries, affiliates and joint ventures, except in those cases in which the Company may control the moment of reverting temporary differences and it is likely that these will not revert in a foreseeable future.



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#### 4.11. Employee Benefits

##### a) Stock-based compensation.

The Company operates a remuneration scheme based on stock and which may be settled in shares of Abengoa S.A. On the one hand, the Company recognizes the services of employees in exchange for the granting of an option as an expense upon its being obtained and on the other hand, the corresponding increase of its shareholders' equity. The total amount taken to expense during the accrual period is determined by reference to the fair value of the options granted.

##### b) Profit sharing schemes and bonus

The Company recognizes a liability and an expense in relation to bonus and profit sharing based on a formula that takes into consideration the profit attributable to its shareholders following certain adjustments. The Company recognizes a provision when it is contractually obliged or when consolidated practice in the past has created a tacit obligation.

#### 4.12. Provisions and Contingent Liabilities

Provisions are valued at the present value of disbursements expected to be necessary to settle the obligation using the rate before taxes reflected in the valuations of current market of the temporary value of money and the risks specific to such obligation. Adjustments to the provision due to its updating are recognized as a financial expense as and when they accrue.

Provisions having a maturity equal to or lower than one year, with a significant financial impact, are not discounted.

When it is expected that part of the disbursements necessary to settle the provision will be reimbursed by a third party, the reimbursement is recognized as an independent asset, provided that its collection is all but certain.

On their part, contingent liabilities are deemed to be those potential obligations arising as a consequence of past events, the materialization of which is conditioned on one or more future events occurring, independent from the will of the Company.

#### 4.13. Joint Ventures

According to the provisions set under the mercantile legislation in force, the Annual Accounts of Joint Ventures must be included together with those corresponding to the companies acting as partners therein. The following balance sheets and profit and loss account items of the following Joint Ventures have been included into these Annual Accounts: Ute Hassi R'Mel Construcción, Ute Hassi R'Mel O&M, Ute Abener Inabensa, Ute Abener Inabensa Países Bajos, Ute Abener Inabensa Alemania. Ute EHN has been included in results, due to its low relevance, being this one zero for financial year 2008.

In note 22, the effect of integration of the integrated joint ventures is detailed.



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4.14. Income and Expenses.

Sales and income from services rendered, are recorded without including the amounts corresponding to the taxes levied on these operations.

Taxes levied on sales of goods or other property for resale, excluding the Value Added Tax (VAT), and transport and freight affecting them directly, are entered as highest value of the goods or services purchased.

Discounts subsequent to the issue or receipt of the invoice and originated by quality defects, non-observance of delivery term or other similar reason, and the discounts for trading volume, are entered on a differentiated basis from the amounts of sales or goods purchases and income or expenses from services respectively.

Works results are definitively acknowledged at their conclusion and delivery. However, for those long-cycle works, which last more than one year, advanced results are taken previously to their conclusion and delivery, according to their level of progress, using advanced partial factoring and the distribution of estimated margins that take into account every possible contingency and risk until works are received by the client.

4.15. Leases.

Leases of fixed assets in which the Company is the lessee and retains substantially all the risks and benefits deriving from the ownership of the assets, are recorded as financial leases.

Financial leases are recognized upon commencement of the lease agreement at the lower of the fair value of the leased asset and the present value of the minimum payments to be made for the lease. Each lease payment breaks down between the reduction of the debt and the financial charge, so that a constant interest rate is obtained on the outstanding portion of the debt pending repayment. The payment obligation deriving from the lease, net of the financial charge, is recognized within the long and short term accounts payable. The portion of interest of the financial charge is charged against the profit and loss account during the period in which the lease is in force, so as to obtain a regular interest rate constant on the outstanding portion of the debt pending repayment on each given period. The fixed asset acquired under financial leases is depreciated through the shorter of the useful life of the asset and the lease term.

Leases in which the company is the lessee and does not retain a significant portion of the risks and benefits deriving from ownership of the asset are classified as operating leases. Payments by way of operating leases (net of any incentive received from the lessor) are charged against the profit and loss account following a straight-line method over the lease term.

4.16. Transactions denominated in Foreign Currency.

a) Functional and reporting currency.



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The annual accounts of the Company are submitted in euros, which is the functional and reporting currency of the Company.

b) Transactions and balances.

Foreign currency transactions are converted to the functional currency using the exchange rates prevailing on the dates of the relevant transactions. Profit and loss in foreign currency resulting from the settlement of such transactions and the conversion, at the exchange rates prevailing as of closing of the monetary assets and liabilities denominated in foreign currency are recognized in the profit and loss account, except where they are deferred as shareholders' equity as in the case of qualified cash flows hedging and qualified net investment hedging.

Changes in the fair value of monetary securities denominated in foreign currency and classified as available for sale are analyzed between conversion differences arising from changes in the amortized cost of the security and other changes to the book value of the security. Conversion differences are recognized in the profit and loss of the year and other changes to the book value are recognized as shareholders' equity.

Conversion differences on non-monetary items, such as equity instruments held at fair value with changes to the profit and loss accounts, are recorded as part of the profit or loss in the fair value. Conversion differences on non-monetary items, such as equity instruments classified as financial instruments available for sale, are included in the shareholders' equity.

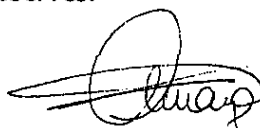
4.17. Transactions with Related Parties

As a general rule, transactions between group companies are recorded upon initial recognition at their fair value. Where appropriate, if the agreed price differs from the fair value, the difference is recorded according to the financial reality of the transaction. Subsequent valuation is made pursuant to the provisions of applicable regulations.

The above notwithstanding, in mergers, de-mergers and contributions in kind to the Company consisting in the contribution of a business, the following criteria are followed:

- a) In transactions between group companies in which the parent Company of the group or of a sub-group takes part with its direct or indirect subsidiary, the elements making up the business being acquired are valued at the amount corresponding to such elements, after first having completed the transaction, in the consolidated annual accounts of the group or sub-group.
- b) In the case of transactions among other companies in the group, equity elements of the business are valued at their book value in the individual annual accounts prior to the transaction.

Any difference arising is recorded as reserves.



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## Nota 5.- Financial risk factors

### Financial risk factors

The activities developed by Abener are exposed to several financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and interest rate risk of cash flows. The risk Management Model in Abener tries to minimize the adverse potential effects on the financial profitability of the group to which Abener belongs (Abengoa, S.A., hereinafter called the Group)

The risk management in Abener is controlled by the Corporate Finance Department of the group pursuant to internal management binding rules in force. This department identifies and assesses the financial risks in joint collaboration with the operating units of the Group. The internal management rules provide written policies for global risk management and for specific areas, such as interest rate risk, credit risk, interest rate risk, liquidity risk, use of hedges and derivatives and investment of liquidity excess.

Both internal management rules and control procedures key for the company are executed in writing and their compliance is supervised by means of internal audit.

#### a) Market risk

The company is exposed to market risk due to variations on foreign exchange rates. All these market risks are originated during the ordinary course of business, given that no speculative operations are carried out. With the purpose of managing the risk arisen from these operations, we use a series of forward purchase/sale contracts, on exchange rates.

The exchange rate risk arises when forward commercial transactions, assets and liabilities recognized are reference in a currency which is not the functional currency of the Company. With the purpose of controlling the exchange rate risk, we use currency purchase/sale term contracts. Said contracts are designated as fair value or cash flows hedges, as appropriate.

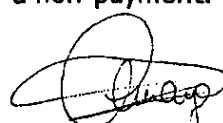
The Corporate Finance Department of the Group, together with the Company, takes part in the design, execution, control and follow-up of hedging operations.

#### b) Credit risk.

Balances of customers' line items and other accounts receivable, current financial investments and cash are the main financial assets of Abener which show the maximum exposure to credit risk, if third counterparties did not comply with the obligations engaged.

As for accounts receivable, most of these accounts correspond to clients of different industries and countries. In most cases, contracts require payments as they reach out the Project development, initial rendering or product delivery.

It is a common practice that the company reserves the right to cancel works in the event of a material breach and in particular a non-payment.



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Additionally to all the aforesaid, the company has the binding commitment of a premier financial institution for the non-recourse purchase of receivable accounts (Factoring). Under these agreements, the company pays a compensation to the bank for the assumption of credit risk as well as an interest for financing. The company assumes in all cases, the validity of the accounts receivable

In the case of Abener, the usual form of collection is through a discount on the confirming document issued by the clients of the group for which the Company operates. In the event of clients external to the group, the policy established by the group and described above is followed.

The financial expense in financial year closed of 2008 derived from said factoring operations has increased to 8,939 thousand euros.

c) Liquidity risk.

The liquidity and financing policy of Abener aims to ensure that the company keeps the availability of funds sufficient to face the company's financial commitments.

Abener intends to count with an appropriate level of debt repayment capacity with regard to its cash flow generation capacity, by means of Abengoa S.A.'s management, who centralizes cash flow excess of companies for their distribution according to the group requirements.

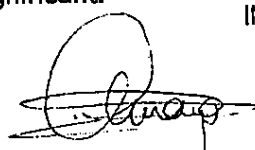
**Note 6.- Intangible Fixed Assets.**

- 6.1. During financial year 2008 there have been no changes in the Intangible Fixed Asset, which is shown below:

Subject	Balance at 01.01.08	Increases	Decreases	Other movements	Balance at 31.12.08
R+D Expenses	4,695	-	-	-	4,695
		-	-	-	
		-	-	-	
		-	-	-	
Total Cost	4,695	-	-	-	4,695
Accum. Amort. R +D expenses	(4,695)	-	-	-	(4,695)
		-	-	-	
		-	-	-	
		-	-	-	
Total Accum. Amortization	(4,695)	-	-	-	(4,695)
Net Intangible Fixed Assets	-	-	-	-	-

- 6.2. Fixed Assets are fully amortized.
- 6.3. The fixed asset not subject to operation is not significant.

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**Note 7.- Tangible Fixed Assets.**

- 7.1. The amounts and changes experienced during financial year 2008, the Tangible Fixed Assets have been constituted by the following:

Subject	Balance at 01.01.08	Increases	Decreases	Other Movements	Balance at 31.12.08
Plant and Machinery.	6	-	-	-	6
Tools and Furniture	187	-	-	-	187
Equipment for processing data	315	-	-	-	315
<b>Total Cost</b>	<b>508</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>508</b>
Accum. Amort. Plant and Machinery	(6)	-	-	-	(6)
Accum. Amort. Tools and Furniture	(124)	(20)	-	-	(144)
Accum. Amort. Equip. Informat Processes	(315)	-	-	-	(315)
<b>Total Accumulated Amortization</b>	<b>(445)</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>(465)</b>
<b>Net Tangible Fixed Assets</b>	<b>63</b>	<b>(20)</b>	<b>-</b>	<b>-</b>	<b>43</b>

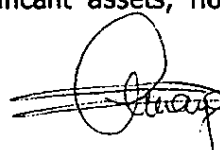
- 7.2. Amongst the Tangible Fixed Assets, the following ones are completely amortized:

Subject	Amount
Equipment for Information Processes	315
Plant and Machinery	6
Tools and Furniture	77
<b>Total</b>	<b>398</b>

- 7.3. Amongst the Tangible Fixed Assets, there are goods purchased from Group Companies, as set out below:

Subject	Book Value	Accum. Amort.
Tools and Furniture	47	(47)
Equipment for information processes	134	(134)
<b>Total</b>	<b>181</b>	<b>(181)</b>

- 7.4. Fixed Assets not liable for operation are not significant.
- 7.5. Company's policy is to sign up all the insurances deed necessary for covering all possible risks that may affect the Tangible Fixed Assets.
- 7.6. Finally, in order to provide a true and fair view as to the Tangible Fixed Assets, the Company indicates that there are no significant assets, nor in a continuous basis, outside the Spanish territory.



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- 7.7. At the date of the closing of the financial year, the group has no firm contracts to purchase Tangible Fixed Assets.
- 7.8. There are no subsidies, donations and legacies which have financed the following tangible assets.
- 7.9. During financial year 2008 there have been no value changes recognized nor reverted due to significant impairment for any individual tangible fixed assets.

#### **Nota 8.- Shareholdings in Group, Multigroup and Associate Companies.**

- 8.1. The changes experienced during financial year 2008 in the Financial Fixed Assets in group, multigroup and associate companies, are shown below:

Cost	Balance at 01.01.08	Increases	Decreases.	Transfers	Balance at 31.12.08
Shareholding in Group Companies	59,798	16,419	-	-	76,217
Share depreciation provision	(14,004)	(492)	-	588	(13,908)
Long-term loans to Group Companies	1,487	7,487	-	-	8,974
Other Financial Investments	124	-	-	-	124
<b>Total</b>	<b>47,405</b>	<b>23,414</b>	<b>-</b>	<b>588</b>	<b>71,407</b>

- 8.2. Shareholdings in group companies during financial year 2008 are as follows:

Name	Domicile	Legal Status	Shareholding Direct Capital%	Indirect Capital %	Right to vote Direct %	Indirect %
Abener Inversiones, S.L.	Seville	Ltd	99.99%	-	99.99%	-
Abener Ghenova Ing., S.L.	Seville	Ltd	50.00%	-	50.00%	-
Abener Energía El Sauz, S.A. CV	Mexico	Ltd	50.00%	-	50.00%	-
C.D. Puerto San Carlos, S.A. CV	Mexico	Plc	98.89%	-	98.89%	-
Abener México, S.A. C.V.	Mexico	Plc	99.80%	-	99.80%	-
Abener France EURL	France	Ltd	100.00%	-	100.00%	-
Energoprojekt Gliwice	Poland	Plc	100.00%	-	100.00%	-
SPPI	Algeria	Plc	51.00%	-	66.00%	-
Abencs	USA	LLC	51.00%	-	51.00%	-
Abener Energie Sarl	Morocco	Ltd	100.00%	-	100.00%	-
Abener Argelia, S.L.	Spain	Ltd	99.00%	-	99.00%	-
Abentey	Brazil	Ltd	50.00%	-	50.00%	-



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The amounts of capital, reserves and results of financial year 2008 and other useful information, as shown in the individual annual accounts of companies, are as follows:

Company	Book Value in Parent Company	Capital	Reserves	Results of finance year	Dividends received
Abener Inversiones, S.L.	22,861	22,680	182	6,369	-
Abener Ghenova Ing, S.L.	1,000	3	-	173	-
Abener Energía El Sauz, S.A. C.V.	6	3	1	471	-
C.D. Puerto San Carlos, S.A. C.V.	12	250	30	(9)	-
Abener México, S.A. C.V.	0	3	1	186	-
Abener France EURL	3	3	-	32	-
Energoprojekt Gliwice	3,936	120	884	74	-
SPPI	20,546	42,522	-	-	-
Abencs	13,937	624	-	4,077	-
Abener Energie Sarl	3	2	-	145	-
Abener Argelia, S.L.	4	3	-	-	-
Abentey	1	0	-	2,903	386
	62,309	-	-	-	386

None of the companies where the company hold shares are quoted on the Stock Exchange.

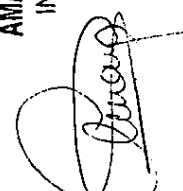
- 8.3. Long-term non-trade credits to Group Companies for the amount of 8,974 are paid according to a percentage of the profit of the company to which the credit is granted. It is assumed that the amount to be recorded does not differ significantly from the amount recorded in these Annual Accounts.
- 8.4. The maturity during the following five years of these loans are shown in the following table:

2009	2010	2011	2012	2013	Subsequent years	Total
-	-	-	-	-	8,974	8,974

#### Note 9.- Analysis of Financial Instruments.

- 9.1. Long-term and short-term financial assets during financial year 2008 are as follows:

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Subject	Long-term Receivables 2008	Long-term Total 2008
Credits and accounts receivable (Note 10)	137	137
<b>Total</b>	<b>137</b>	<b>137</b>

Subject	Short-term Equity Instr. 2008	Short-term Debt. Repr. Val. 2008	Other Short-term 2008	Short-term Total 2008
Credits and accounts receivable (Note 10)	3	828,924	50	828,977
Derived Financial Instruments (Note 11)	-	-	891	891
Cash and Cash Equivalents (Note 13)	-	-	52,920	52,920
<b>Total</b>	<b>3</b>	<b>828,924</b>	<b>53,861</b>	<b>882,788</b>

9.1. Long-term and short-term financial liabilities during financial year 2008 are as follows:

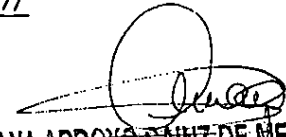
Subjects	Long-term Total 2008
Debts with credit Institutions	4,758
<b>Total</b>	<b>4,758</b>

Subject	Short-term Total 2008
Other Short-term Financial Liabilities	1,192
Trade creditors and other accounts payable	877,645
Short-term debts with Group Companies	62,449
<b>Total</b>	<b>941,286</b>

#### **Note 10.- Credits and Accounts receivable.**

10.1. Credits and accounts receivable during financial year 2008 are detailed below:

Subject	Balance at 31.12.08
Long-term Deposits and Guarantees	137
Short-term Deposits and Guarantees	50
Trade debtors for goods and services	644
Loans to Group and Associate companies	151,716
Other debtors	250
Loans to employees	1,382
Loans to Group Companies	654,148
Other financial Assets, group companies	7,523
Taxes Refundable	13,264
<b>Total</b>	<b>829,114</b>
Non-current	137
<b>Current</b>	<b>828,977</b>

  
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10.2. The market value of these assets does not differ significantly from the book value.

10.3. Loans to group companies to Abengoa S.A., Abener Inversiones S.L., Aprovechamientos Energéticos Furesa S.A., Financiera Soteland y Energoprojekt Gliwice., which reach an amount of 654,148 thousands of euros are paid at the market interest rate.

10.4. During financial years 2008 and 2007 there have been no provisions for losses due to the impairment of loans and accounts receivable.

#### **Note 11.- Derived Financial Instruments.**

11.1. Derived financial instruments as at 31 December 2008 are as follows:

Subject	31.12.08	
	Assets	Liabilities
Foreign Currency term contract- cash flow hedging	891	1
Total	891	1

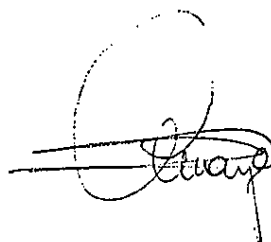
11.2. Non-cash recognized in the profit and loss account due to cash flow hedging has implied a profit amount of 891 million of euros.

11.3. The notional capital amounts of foreign currency term contracts outstanding as at 31 December 2008 reach an amount of 24,803 thousand euros.

11.4. All Derived Financial Instruments expire in financial year 2009.

#### **Note 12.- Inventories.**

12.1. Inventories as at 31 December 2008 are as follows:



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Subject	Amount on 31.12.08
Goods in progress and semifinished products	389
Advances	22,529
Total	22,918

- 12.2. There are no firm contracts of purchase and sale, except for the contracts of projects and works mentioned in Note 25.
- 12.3 There are no futures contracts in relation to inventories.
- 12.4. There are no limitations on the availability of inventories due to factors such as guarantees, pledges, bonds, except for the normal guarantees of projects construction, which are discharged to the extent that the contractual aims are fulfilled.

### **Note 13.- Cash and Cash Equivalents.**

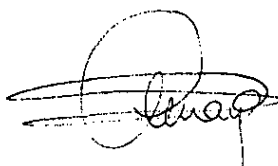
The cash and bank balance at 31 December 2008 totals 52,920 thousand euros, which represent availabilities of liquid cash means and balances in current accounts immediately available in Banks and Credit institutions.

Of the said amount, 46,228 thousand euros correspond to balances of companies located abroad and 6,692 thousand euros to companies located in Spain.

Pledged deposits are shown under this heading, as stated in note 18.

### **Nota 14.- Capital and Reserves.**

- 14.1. The share capital at 31 December 2008 is 32,185 thousand euros, constituted by 1,601,233 ordinary shares, of a sole class and series, all with identical economic and voting rights, with a unit par value of 20.10 euros, fully subscribed and paid in
- 14.2. Shareholders as at 31 December 2008 are as follows:



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Shareholders	% Shares	
Abeinsa Ingeniería y Construcción Industrial, S.A	1,601,232	99.99%
Negocios Industriales y Comerciales, S.A.	1	0.01%
Total	1,601,233	100.00%

- 14.3 The legal reserve has been provided in accordance with article 214 of the Limited Companies Act, which lays down that, in whatsoever case, a figure equal to 10 per 100 of the profits for the year shall be allocated until at least 20% of the share capital is reached.

The legal reserve may not be distributed and if used to offset losses in the event of no other sufficient reserves being available for that purpose, it must be replenished through future profits.

- 14.4 There are no specific circumstances, except for the legal ones, which may restrict the availability of reserves.

#### **Nota 15.- Loans and Accounts payable.**

- 15.1. Loans and accounts payable at 31 December 2008 are as follows:

Subject	Balance at 31.12.08
Long-term debts with Credit Institutions	4,758
Short-term Derivatives and Other Financial Liabilities	1,192
Short-term debts with Group and Associate Companies	62,449
Suppliers	429,054
Suppliers, group companies	36,563
Other creditors	18,381
Trade creditors advances	365,176
Employees	1,668
Taxes Payable	26,803
Total	946,044
Non-current	4,758
Current	941,286

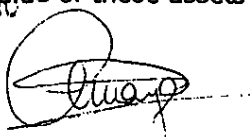
AMAYA ARROYO SAINZ DE MEDRANO The market value of these assets does not differ significantly from the book value.

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15.2. The settlement of Debts with Credit institutions is scheduled as follows:

	2009	2010	2011	2012	2013	Subsequent years	Total
Non-current Debts with Credit Instit.	-	-	-	-	-	4,758	4,758

15.3. The amount of financial expenses with credit institutions accrued and payable is 117 thousand euros.

15.4. The outstanding balances with group companies and their scheduled maturity dates are shown below:

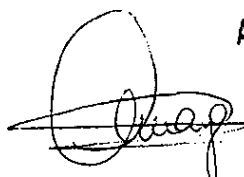
Subject	Balance at 31.12.08
Short-term debts with Group Companies	6,456
Group and associate companies Current Account	55,993
Suppliers, group companies	36,563
Creditors , group companies	17,829
Advance to clients, group companies	361,664
<b>Total</b>	<b>478,505</b>
Non-current	-
Current	478,505

Subject	Loans	Other Accounts Payable	Maturity in 2009
Group Companies	-	478,505	478,505
Associate Companies	-	-	-
Non-current	-	-	-
Current	-	478,505	478,505

15.5 There are no actual guaranteed debts as at 31.12.08

15.6 The discount limit of Abener Energía, S.A. is renewable and can be extended at any time. So a calculation for a certain date does not provide any relevant information.

**Note 16.- Provisions.**



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16.1. The movements under this heading for financial year 2008 have been as follows:

Subject	Balance at 01.01.08	Increases	Decreases	Other Movements	Balance at 31.12.08
México Investment Liability Prov.	-	588	-	-	588
Long-term Staff Benefits. Programme II	373	560	-	-	933
Total	373	1,148	-	-	1,521

The Liabilities provision includes the proportional part of losses of company Abener Mexico

#### Note 17.- Tax Situation.

17.1. For the purposes of the Corporate Income Tax, Abener is part of a group of companies constituted by 262 companies and the Company itself, which pay taxes in financial year 2008 under the Special Scheme for Groups of Companies with number 02/97, of which Abengoa, S.A. is the parent company.

17.2. Debit and credit balances with Public Administrations shown by the Company at the closing of financial year is as follows:

Subject	Debit balances	Credit balances
Public Treasury , Input VAT	12,746	-
Public Treasury, sundry tax receivables	515	-
Public Treasury, Advanced Corporate Income Tax.	11,032	-
Public Treasury, Long-term Deferred Corporate Income Tax	-	6,833
Public Treasury, Output VAT	-	24,327
Public Treasury, sundry amounts payable	-	345
Social Security, Taxes receivable	3	-
Social Security, Taxes payable	-	420
Foreign Public Bodies	-	1,711
Total	24,296	33,636

17.3. The reconciliation of the book result with the Taxable Base is the following one:

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Reconciliation of book result with taxable base	Increases	Decreases	Total
Book result of financial year	10,112	-	10,112
Temporary Differences	1,883	-	1,883
Permanent Differences (*)	-	(9,222)	(9,222)
Corporate Income Tax	-	(3,084)	(3,084)
Adjusted Taxable Base	11,995	(12,306)	(311)

(\*) Permanent adjustment performed to book result of financial year for an amount of 9,222 thousand euros makes reference basically to the exclusion of taxable bases paid for projects abroad.

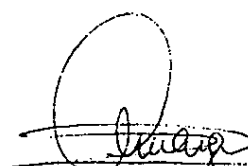
17.4. Corporate income tax expenses are recorded for financial year 2008 as follows:

Subject	Amount at 31.12.08
Current tax	(93)
Adjustments arising from Tax Consolidation (*)	(2,663)
Foreign current tax	1,909
Deferred Tax	(2,237)
Total	(3,084)

(\*) The adjustments arising from Tax Consolidation for prior years for an amount of 2,663 thousand euros make reference basically to the reversion of the Corporate Income Tax provision recorded in year 2007.

17.5. Deferred tax assets and liabilities at 31 December 2008 is as follows:

Deferred Tax Assets	2008
Temporary Differences	894
Other Tax Credits	1,942
Outstanding deductions and credits rights	8,196
Total	11,032
Non-current	11,032
Current	-
Deferred Tax Liabilities	2008
Temporary Differences	6,833
Total	6,833
Non-current	6,833
Current	-



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## 17.6. Deferred tax assets and liabilities movements experienced during financial year 2008:

Deferred tax assets at 01.01.08	10,765
Increase / Decrease against Loss and Profit Account	146
Increase / Decrease posted against net equity	-
Other Movements	121
Deferred Tax Assets at 31.12.08	11,032

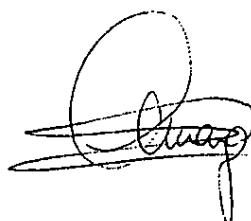
Deferred Tax Liabilities at 01.01.08	2,036
Increase / Decrease against Loss and Profit Account	-
Increase / Decrease posted against net equity	-
Other Movements (*)	4,797
Deferred Tax Liabilities at 31.12.08	6,833

(\*) The amount under the heading Other Movements totalling 4,797 thousand euros in Deferred Tax Liabilities makes reference to the Corporate Income Tax Correction corresponding to financial year 2007, as a consequence of the distribution of eliminations performed during this financial year in the group taxable base on sales with profits activated in the depreciable fixed assets of the purchasing company

- 17.7. The Corporate Income tax amount receivable in Spain, results from the application of the tax rate in force of 30%, once applied the deductions and credits to which the different companies are entitled, which relate mainly to double inter-company and international taxation and to investments made, are likewise applied and for the tax purposes derived from company's Special Scheme of Group of Companies.

Subject	Amount
30% on Taxable Base	(93)
Adjustments arising from tax consolidation	(2,663)
Deductions	(1,672)
Other Temporary Adjustments	(565)
Total	(4,993)

The deductions accounted for financial year 2008 is the following one:



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Deductions	Amount
For Investments Abroad	(1,641)
For Training	(31)
Total	(1,672)

17.8. At the closing of financial year the following amounts have been retained and paid:

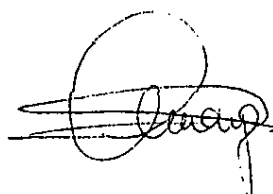
Subject	Amount
For amounts retained	344
For payment on account	33
Total	377

17.9. Prepaid and deferred taxes for inter-company transactions are recorded in general terms, under to the special regime for groups of companies to which the company is subject.

17.10. On the date on which these Annual Accounts were drawn up, the Company is subject to inspection by the Tax Authorities for the following taxes and financial years:

Taxes	Including from
Corporate Income Tax	2005
Value Added Tax	2005
Personal Income Tax- Withholdings	2005
Other taxes	2004

17.11. Pursuant to the provisions set under Resolution of 15 March 2002 of the Spanish Institute of Accounting and Accounting Auditing of Annual Accounts, on certain aspects of valuation standard no. 16 of the General Accounting Plan, an amount of 8,196 thousand euros has been recorded as tax credits arising from outstanding tax allowances and deductions, according to the table below:



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Generation Year	Euros	Last Year
2001	341	2016
2002	262	2017
2004	952	2019
2005	2,488	2020
2006	2,481	2021
2006	110	2016
2007	638	2017
2008	924	2018
	8,196	

- 17.12. Due to various possible interpretations of tax regulations, there could exist certain contingent liabilities. However, in the opinion of the Directors of the Company, the possibility of them becoming realizable is remote, and in any case, the tax liability which may arise from them would not have a significant impact on annual accounts.

**Nota 18.- Guarantees with Third Parties and other Contingent Liabilities.**

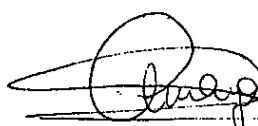
- 18.1. At the closing of the year, the total amount of guarantees with third parties totalled 92,835 thousand euros. Their breakdown shows as follows:

Kind of Guarantee	Group Companies	Associate Companies	Others	Total
Guarantees	61,897	-	11,136	73,033
Counter guarantee	19,802	-	-	19,802
Total	81,699	-	11,136	92,835

Guarantees are used as collateral both in works performed and in biddings. Counterguarantees are granted to secure Group Guarantees.

Likewise, under heading VI. Cash and Cash Equivalents, in balance assets, is included a balance of 585 thousand euros corresponding to pledged deposits to guarantee the compliance of financing obligations contracted by group companies where Abener Energía acts as guarantor.

On 20 July 2005, 29 June 2006, and 24 July 2007, Abener Energía, S.A. signed together with Abengoa, S.A. three long-term credit transactions (syndicated loan) for a total amount of 600,000 thousand euros each in favour of Abengoa, S.A. which is guaranteed by Abener Energía, S.A. The loan expires on 20 July 2012 for the two first ones, and on 20 July 2011 the third one.



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These transactions aim to finance investment and general financing requirements and are structured under loan and credit lines condition, the two first ones, and by a multicurrency credit line, the third one.

Together with these three syndicated financing transactions, Abengoa, S.A. signed in financial year 2007 the corresponding bilateral credits with the Official Credit Institute and with the European Investment Bank, for an amount of 150,000 thousand euros expiring at the end of July 2017 and 109,000 thousand euros expiring at the end of August 2014, respectively, intended to finance investment programs abroad in the first case and R+D+I in the second case. These financing transactions are also guaranteed by Abener Energía, S.A.

Finally, Abener Energía, S.A. acts as guarantor in commitments, basically the payment of quotas of lease payments arisen from Sale and Lease Back transactions on 100% of the assets of the bioethanol plants located in Cork, Colwich and Portales owned by the Company Abengoa Bioenergy Corporation, a company belonging to Abengoa, S.A. The outstanding debt at the closing of financial year 2008 totals 71.6 million dollars.

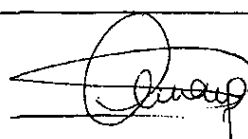
#### **Note 19.- Income and Expenses.**

19.1. The distribution per activity of net turnover is set out as follows:

Activity	Amount	%
Maintenance and Operation	28,707	4.14%
Construction	664,453	95.85%
Total	693,160	100.00%

19.2. The distribution per markets is set out as follows:

Geographical Area	Amount	%
Spain	292,646	42.22%
Total Domestic Market	292,646	42.22%
European Union	139,415	20.11%
O.E.C.D. Countries	91,518	13.20%
Other Countries	169,581	24.46%
Total Foreign Market	400,514	57.78%
Total	693,160	100.00%



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- 19.3. The volume of transactions in foreign currencies, including works performed in the foreign market and exports, is:

Subjects	Total	Percentage per currency					Total
		USD	GBP	CHF	DZD	Other	
Sales	228,743	18 %	-	6 %	9 %	-	33 %
Purchases	66,675	5 %	-	5 %	1 %	1 %	12 %
Services Received	79,100	65 %	-	-	1 %	-	66 %

- 19.4. Other operating expenses are as follows:

Subject	Amount
Income from shared services	9,953
Income from various services	233
Official capital grants	107
Total	10.293

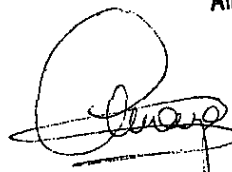
- 19.5. The transactions performed in the financial year with Group and Associate Companies are as follows:

Subject	Group Companies
Net Sales	669,186
Net Purchases	181,924
Interests Received	22,905
Other Services Rendered	9,814
Dividends Received	387
Other Services Received	93,609

- 19.6. Staff expenses of financial year 2008 are as follows:

Wages and similar salaries:	2008
Wages and Salaries	18,040
Social Security charges	3,894
Contributions and grants to pensions	742
Other Welfare Charges and Similar Obligations	81
Provisions	560
Total	23,317

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- 19.7. Financial Income and Expenses at the closing of financial years 2008 and 2007 is as follows:

Financial Income	Amount at 31.12.08
From shareholding in equity instruments:	
- In group and associate companies	387
- In third parties	-
From marketable securities and other financial instruments	
- In group and associate companies	22,905
- In third parties	474
<b>Total</b>	<b>23,766</b>

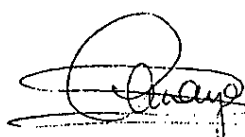
Financial Expense	Amount at 31.12.08
From debts with group companies	-
From debts with third companies	11,196
From provisions update	-
<b>Total</b>	<b>11,196</b>

<b>Net Financial Income</b>	<b>12,570</b>
<b>Exchange Losses</b>	<b>(869)</b>
<b>Financial Result (Profits)</b>	<b>11,701</b>

- 19.8. There has been no disposal of fixed assets during the financial year.
- 19.9. The average staff number of people hired in Abener during financial year 2008 has been, distributed per sex and categories, the following one:

Categories	Average amount 2008		Total
	Male	Female	
High Management	25	6	31
Middle Management	64	12	76
Engineers and Bachelors	145	75	220
Assistants and Professional Staff	24	39	63
Manual workers	9	1	10
<b>Total</b>	<b>267</b>	<b>133</b>	<b>400</b>

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**Note 20.- Contingencies.**

The company has no contingent liabilities for lawsuits arisen from the regular course of business different from those already provided for (Note 16).

**Note 21.- Environmental Information.**

As at the closing of year 2008 Abener estimates that there are no environmental risks requiring additional provisions.

Below is included the information about fixed assets, expenses, income and other related to the Environment.

Subject	Amount
Expenses arisen from environmental management	117
Total	117

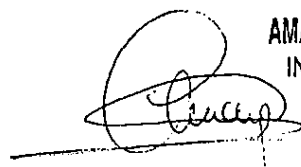
**Note 22.- Joint Ventures.**

Joint Ventures included in these Annual Accounts are the following ones:

Name	Work	% Share	Effect on Sales	Effect on Results
UTE Abener Inabensa Alemania	Bioethanol Plant in Rostock	70%	6,920	436
UTE Abener Inabensa (France)	Bioethanol Plant in Lacq	70%	25,579	2,146
UTE Abener Inabensa Países Bajos	Bioethanol Plant in Rotterdam	70%	88,144	5,561
UTE Abener Hassi R'Mel Construction	Thermosolar Power Plant in Hassi R'Mel	70%	53,426	6,728
UTE Abener Hassi R'Mel O&M	O&M Thermosolar Power Plant in Algeria	70%	-	-
Total			174,069	14,871

**Nota 23.- Other Information.**

23.1. The members of the Board of Directors of the Company have received during financial year 2008 no allowances.

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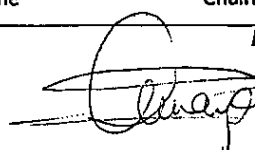
Likewise, there are no advances or credits granted to the group of members of the Board of Directors, and there are not neither obligations acquired with them as guarantees.

- 23.2. From 19 July 2003, the date on which Act 26/2003 came into force amending the Act 24/1998, of 28 July, about the Stock Market and the Consolidated Text of the Corporations Law, in order to enhance the transparency of corporations, the members of the Board of Directors have not held any shares, except for those listed below, in the capital of companies which carry out the same, analogue or complementary kind of activities as the ones constituting the object of the parent company. Likewise, they have not carried out in their own behalf or in behalf other ones the same, analogue or complementary kind of activity as the one constituting the object of the company.

The Directors who are member of other companies, which in view of the descriptions of their corporate objects could carry out analogue or complementary activities to the ones carried out by Abener Energía, S.A.

Mr. Alfonso González Domínguez, Chairman of the Board of Directors, takes part in the following companies, which in view of the descriptions of their corporate objects could carry out analogue or complementary activities to the ones carried out by Abener Energía, S.A.

Investee company	Shareholding	Functions
Abeinsa Ingeniería y Construcción Industrial, S.A.	None	Chairman of the Board
Abencor Suministros, S.A.	None	Chairman of the Board
Abentel Comunicaciones, S.A	None	Chairman of the Board
Abener Inversiones, S.L.	None	Chairman of the Board
Captación Solar, S.A.	None	Chairman of the Board
Centro Tecnológico Palmas Altas, S.A.	None	Boardmember
Centro Industrial y Logístico Torrecuellar, S.A.	None	Chairman of the Board
Cogeneración del Sur, S.A.	None	Boardmember
Hynergreen Technologies, S.A.	None	Chairman of the Board
Instalaciones Inabensa, S.A.	None	Chairman of the Board
Negocios Industriales y Comerciales, S.A.	None	Chairman of the Board
Inabensa Seguridad, S.A.	None	Chairman of the Board
Zeroemissions Carbon Trust, S.A	None	Chairman of the Board
Zeroemissions Technologies, S.A	None	Chairman of the Board



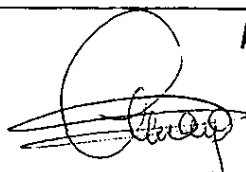
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D. Miguel Ángel Jiménez-Velasco Mazarío, member of the Board of Directors of the Company, takes part in the following companies, which in view of the descriptions of their social objects could carry out by Abener Energía, S.A.

Investee Company	Shareholding	Functions
Abengoa, S.A.	Securities and Shares Derived from the Share Plan of Abengoa	Secretary of the Board and Secretary of the Audit Committee
Sociedad Inversora en Energía y Medio Ambiente, S.A.	None	Secretary and Boardmember
Abengoa Solar, S.A.	None	Boardmember
Ecocarburantes Españoles, S.A.	None	Boardmember
Centro Tecnológico Palmas Altas, S.A.	None	Secretary and Boardmember
Zeroemissions Technologies, S.A.	None	Secretary and Boardmember
Zeroemissions Carbon Trust, S.A.	None	Secretary and Boardmember
Abelinsa Ingeniería y Construcción Industrial, S.A.	None	Secretary and Boardmember

D. Eduardo Duque García, member of the Board of Directors, takes part in the following companies, which in view of the descriptions of their social objects could carry out analogue or complementary activities to the ones carried out by Abener Energía, S.A.

Investee Company	Shareholding	Functions
Servicios Integrales de Mantenimiento y Operación, S.A.	None	Chairman of the Board
Centro Industrial y Logístico Torrecuéllar, S.A.	None	Boardmember
Inabensa Fotovoltaica, S.L.	None	Chairman of the Board
Instalaciones Fotovoltaicas Torrecuéllar 1, S.L.	None	Chairman of the Board
Instalaciones Fotovoltaicas Torrecuéllar 2, S.L.	None	Chairman of the Board
Instalaciones Fotovoltaicas Torrecuéllar 3, S.L.	None	Chairman of the Board
Inabensa Seguridad, S.A.	None	Boardmember
Instalaciones Inabensa, S.A.	None	Director-General



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- 23.3. During financial year 2008 fees have been accrued for an amount of 19 thousand euros related to Financial Auditing work, which include the year closing Audit and the revision of regular information.

Additionally, in financial year 2008, 82 thousand euros have been paid to tax consultancy companies, for other works, mainly for consultancy services and financial auditing in company purchase transactions. None of these amounts correspond to the main auditor.

**Note 24.- Events Subsequent to the Closing of the Financial Year.**

Subsequently to the closing of financial year, no events have occurred which are liable to have a significant effect on the information shown in the Annual Accounts drawn up on the same date, or that must be highlighted for being relevant for the Company.

**Nota 25.- Backlog of Orders.**

The amount of the backlog of orders at 31 December 2008 reaches 1,177,324 thousand euros, which represent the outstanding volume of business.



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# ABENER

Armando Zuluaga Zilbermann, Secretary of the Board of Directors of the Mercantile Company Abener Energía S. A., registered in the Companies House for Seville, into volume 2056, folio 117, page SE-20734, Registration no. 1 dated on 2nd December 1994, with Tax Identification Number A-41-679788 and business and tax address in Avenida de la Buhaira, 2, 41018 Seville.

Certifies that:

The Annual Accounts of the company (balance sheet, profit and loss account, statement of changes in shareholder's equity, cash flow statement, annual report, management report) drawn up by the Board of Directors, in the meeting held on 16th February 2009 and corresponding to Financial Year 2008, which the Board of Directors of the Company submits to the approval of the Ordinary General Meeting of Shareholders, are included in this copy consisting of sixty eight (68) pages, signed by the Chairman and the Secretary of the Board of the Directors.

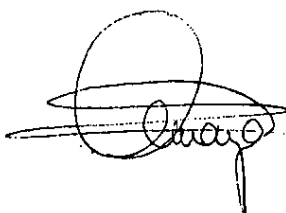
Seville, 16th February 2009

Signed by: The Chairman	The Secretary
Alfonso González Domínguez	Armando Zuluaga Zilbermann

These Annual Accounts corresponding to Financial Year 2008, object of today's formalities, are signed below by the members of the Board of Directors of the Company.

Seville, 16th February 2009

Alfonso González Domínguez	Eduardo Duque García
Miguel Angel Jiménez-Velasco Mazario	



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# ABENER

## Management Report of Financial Year 2008



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# ABENER

## **Management Report of Financial Year 2008**

### **1.- Background**

The object of this Management Report, according to the provisions of section 202 of Royal Decree 1564/1989, dated 22nd December, and of section 46 of the Fourth Directive of the European Communities Council, dated 25th July 1978 (78/660 E.C.C.), is to set forth, on a true and fair basis, the development of the business and situation of the Company.

Likewise, this Report contains information about the development prospects of the Company, the activities carried out with regard to research and development, a reference to the acquisition of own shares, as well as the use of financial instruments.

### **2.- Development of the business and situation of the Company.**

The development of the business and situation of the Company during the year object of this report is stated in the Balance Sheet and in the Loss and Profit Account on December 31st, 2008.

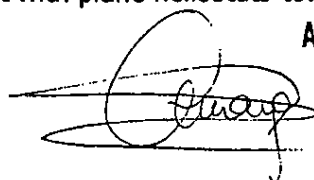
In June 1999, the Division for Energy Development of Abengoa S.A. was integrated into Abener, and as of September of that year, the Company comprises and carries out all the activities concerning the market of energy.

Abener's mission is to provide integrated and innovating solutions within the energy field through the promotion, search of financing, engineering, construction and exploitation of the new energy stations and industrial facilities and the optimization of the existing ones, all herein contributing with the sustainable development.

All the activities will be developed clearly focused on customers, by efficiently managing the projects and continuously improving the procedures, within a common corporative culture, values and identity framework, which encourage concern on the innovation and search of new business opportunities.

Abener has achieved during financial year 2008 the consolidation of its three business areas: Solar, Biofuels and Generation, with the completion of emblematic projects thanks to which Abener is positioned as a world reference company in the construction of thermosolar stations and Biofuel plants.

If the thermosolar plant PS10 meant the first incursion in the market of thermosolar cereal construction and the key for Abener's positioning as the benchmark company. In 2008, the construction of the second thermosolar plant with plane heliostats-tower technology continued



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with an installed power of 20 MW, which provisional acceptance is expected in the first quarter of year 2009.

Other of the innovating solar technologies on which our activity is focused is CCP (Parabolic-Cylinder Collectors). This technology is used in plants Solnova 1, Solnova 3 and Solnova 4, currently under construction, which with a power of 50 MW each, have more than 350 collectors which automatically follow the sun.

ISCC (Integrated Solar Combined Cycle) technology represents the perfect combination of innovation and development. This technology is being currently used in Algeria and Morocco. Projects consist on the construction of two plants, with 150 MW and 470 MW respectively, which constitute a solar field of CCP and a combined cycle. This initiative represents a pioneer experience worldwide.

Abener has also continued being the technological benchmark in Abengoa. For that purpose, Abener has taken part in the construction of the main R+D projects under development by Abengoa Solar: Eureka 5 and the Pilot Project of Salts Storage, known as TES (Thermal Energy Storage).

As for Biofuels, we highlight the role of Abener as European leader in the construction of bioethanol plants, which has been ratified with the satisfactory completion of the first incursion in Europe thanks to the bioethanol Project in Lacq (France), after a solid trajectory in Spain. In this sense, Abener is consolidating its positioning in the European market of bioethanol thanks to the construction of the largest plant in the world to date, with a capacity of 480.000 m3, and which is located in the port of Rotterdam.

We should add to this the satisfactory completion and the experience acquired with the Biomass Plant of BCL in Salamanca, which is the essential link in the acquisition of experiences and technology to be applied in second-generation bioethanol production plants, where the Company is also the pioneer together with Abengoa Bioenergía, since it is part of the Project team which is developing the First Stage of the first commercial Project of this kind and which counts with the support of the Energy Department of the USA

Concurrently to the incursion in Europe, we have consolidated our presence in the largest market of the bioethanol world and the most promising with regard to the development of renewable energies and specially of thermosolar energy: United States.

In this sense, construction of the two projects of Indiana and Illinois has advanced very strongly, which are designed for a production capacity of 88 million gallons (333.000 m3) of ethanol each.

Together with this leap to USA, their presence in Brazil has been confirmed, where two cogeneration stations for the bioethanol plants of Sao Joao and Sao Luiz are under construction.

Finally, the plant of biodiesel which is being executed in San Roque, Cadiz(Spain), with a production capacity of 200,000 tons per year, is at 99% of its construction and its start-up has already commenced.

In brief, 2008 has meant a point of inflection and the growth of Abener, who has doubled the company's project portfolio and staff, and also has come to be implemented successfully in new markets, such as the European, African and North American markets.

  
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The staff has increased 31,14% in 2008 with regard to the previous year. 80% of new hirings is constituted by workers with a first degree and a higher degree.

The activities and products developed by Abener during financial year 2008 are the following ones:

Activities	Products
<ul style="list-style-type: none"> <li>Promotion, Design and Development of Projects</li> <li>Engineering and Construction</li> <li>Operation and Maintenance</li> </ul>	<ul style="list-style-type: none"> <li>Thermal Power Stations/ Repotentiations Cogeneration</li> <li>Biofuel Plants.</li> <li>Solar-Thermal Combination.</li> <li>Operation and Maintenance</li> </ul>

Among the specific actions in year 2008 there must be highlighted the following ones:

Actions in Thermal Stations / Repotentiations / Cogeneration.

Customer / Location	Project	Total Power	Product	Year of the Commissioning
Abengoa Bioenergía Sao Joao Ltda. / Pirasunnunga, Brasil.	Cogeneration Sao Joau	70 Mw	Cogeneration	2010
Abengoa Bioenergía Sao Luiz S.A./ Pirasunnunga, Brasil.	Cogeneration Sao Luiz	87.5 Mw	Cogeneration	2010

Actions in Biofuel Plants (Bioethanol and Biodiesel).

Customer / Location	Project	Total Power	Product	Year of the Commissioning
Abengoa SA. / Babilafuente, Salamanca.	Biomass Plant BCL	5.000 m <sup>3</sup> /year	Plant of Bioethanol from lignocellulosic biomass	2009
Abengoa Bioenergy France / Lacq, France.	Bioethanol France	200.000 m <sup>3</sup> /year	Plant of Bioethanol from cereal and wine alcohol	2008
Abengoa Bioenergy Netherlands / Rotterdam, Netherlands	Bioethanol Rotterdam	480.000 m <sup>3</sup> /year	Plant of Bioethanol from wheat and corn	2010
Abengoa Bioenergy Illinois / Illinois, USA	Bioethanol Illinois	333.000 m <sup>3</sup> /year	Plant of Bioethanol from sorghum and corn	2009
Abengoa Bioenergy Indiana / Indiana, USA.	Bioethanol Indiana	333.000 m <sup>3</sup> /year	Plant of Bioethanol from sorghum and corn	2009
Abengoa Bioenergía San Roque, S.A. / San Roque, Cadiz.	Biodiesel San Roque	200.000 t/year	Plant of Biodiesel from vegetable oils	2008

Actions in Thermo-solar Stations.

Customer / Location	Project	Total Power	Product	Year of the Commissioning
Solar Processes / Sanlúcar La Mayor, Seville	PS20	20 MW	Torre Thermosolar Station	2009
Abengoa Solar New Technology / Sanlúcar La Mayor, Seville.	Eureka 5	9 Mw Thermal	Thermosolar Station	2009
Abengoa Solar New Technology / Sanlúcar La Mayor, Seville.	TES	2.1 Mw Thermal	Salt Storage Pilot Plant	2009



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Solnova Electricidad / Sanlúcar La Mayor, Seville.	Solnova 1	50 MW	CCP Thermosolar Station	2010
Solnova Electricidad Tres / Sanlúcar La Mayor, Seville.	Solnova 3	50 MW	CCP Thermosolar Station	2010
Solnova Electricidad Cuatro / Sanlúcar La Mayor, Seville.	Solnova 4	50 MW	CCP Thermosolar Station	2011
ONE / Ain Beni Mathar, Morocco	Ain Beni Mathar	450 MW – 20MW Solar	Hybrid Thermosolar Station (ISCC)	2010
Neal / Hassi R'Mel, Algeria.	Hybrid Thermosolar Station	130 MW – 25MW Solar	Hybrid Thermosolar Station (ISCC)	2001

During financial year 2002, Abener concluded the implementation of the Systems for Quality Management, according to quality standard: UNE-EN-ISO 9001:2000 and of Environmental Management Systems according to quality standard: UNE-EN-ISO 14001:1996.

In 2008, AENOR carried out the renewal audit according to UNE-EN-ISO 9001:2000 standard with favourable results.

All activities of Abener are certified pursuant to these two standards.

With regard to the Health and Safety at Work, in February 2005, Abener obtained the certification under specification OHSAS 18001: 1999 issued by the Tüv. In November 2007, Abener changed the certifying entity and the system was verified and certified by Aenor.

In January 2009, Aenor has performed the first follow-up audit and adaptation to OHSAS 18001:2007 with a favourable result.

### 3.- Events subsequent to the closing of the financial year.

Subsequent to 31st December 2008 and until the date on which this report is drawn up, there have been no economic-financial events that must be highlighted.

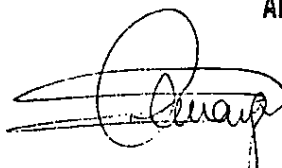
### 4.- Expected development of the Company.

Abener faces up to six very significant challenges as for the action market, and in line with Abengoa's.

Challenge 1.- Configuration of Abener as the technological benchmark of Abengoa in biofuels and thermosolar technology

Abener has gathered a wide experience in technology related to the production of biofuels (bioethanol from cereals and biodiesel) thanks to the execution in the last 6 years of plants developed by Abengoa Bioenergía, and currently has human resources capable of performing the conceptual, basic and detailed design of this kind of plants.

Besides, Abener has taken part in the design and construction of the pilot plant of bioethanol obtained from lignocellulosic biomass executed as part of the Project of Castilla y León (BCL); and is part of the joint team of Abengoa Bioenergía-Abener which is executing the first stage of the project ( conceptual design and basic and



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detail engineerings, together with the detailed budget and planning) of the first commercial plant of second-generation bioethanol.

All the aforesaid gets us into a privileged position for the acquisition of know-how on the design of second-generation bioethanol production plants, in order to apply this subsequently in the construction thereof and the hybridization of current bioethanol plants, which beyond all doubt shall become the development line which shall be followed by bioethanol business in future years.

**Challenge 2.- Configuration of Abener as the technological benchmark of Abengoa in thermosolar energy.**

Abener must be defined as the technological benchmark of Abengoa in thermosolar energy, as this is considered sufficiently mature to be large scale commercially developed.

In this sense, Abener has been able, thanks to the construction of thermosolar plants PS10 and PS20, to acquire the capacities and knowledge required for the design and execution of solar stations with plane heliostat-tower technology.

Currently we are in the process of acquiring the knowledge and capacities specific of the conceptual, basic and detail design in cylinder-parabolic collector stations (ISCC and CSP), both from the point of view of the execution of projects and of the performance of preliminary plans and offers.

For Abener is also essential to leverage the company's participation in the acquisition of knowledge and experiences in thermal storage systems by using molten salts (TES), taking advantage of the pilot project under development and construction in Sanlucar; as well as in the combination of different technologies which is being executed in the project Eureka 5, which is for us basic for the future differentiation of our capacities with regard of competing companies.

**Challenge 3.- Definition of the knowledge and capacities location and development strategy within the different companies constituting its group of companies.**

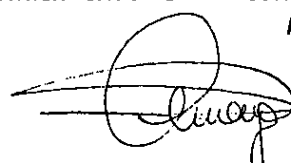
During the last three years, Abener has been getting provided, through acquisition and joint-ventures, of a series of design and execution capacities which were scarce in the market and which was required by the Company in order to be able to response to our growth target.

Abener is currently challenged to fully integrate all these capacities so that they are optimized for the global execution of projects and leverage the ones providing the highest value to the company.

**Challenge 4.- Abener's leadership in the development of Project under the scheme 'integrated product'**

All along the last years, Abener has developed a detailed methodology for the analysis and assessment of risks of this type of projects, which has guaranteed the company an outstanding competitive position.

Besides, Abener has also established a Preliminary Plan and Offers team with conceptual and basic design capacities which enables the company to optimize the



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processes and configurations, so that not only from the point of view of risk, but also from the technological and service point of view, our proposals have been the best in all international tenders we have bid on.

**Challenge 5.- Assimilation and Integration (cultures, languages, organizations)**

Of course, the key of success is to consolidate this huge growth, not only from the point of view of execution and sales, but also from the point of view of different cultures, languages and organizations that are now integrated to achieve a sole common target, while at the same time it becomes visible among them and to the rest of Abengoa.

**Challenge 6.- Overcoming of current crisis and preparation for the future**

The current worldwide crisis means an opportunity for Abener to accomplish and complete all challenges mentioned above, thanks mainly to the company's project portfolio which shall enable us in most cases to overcome year 2009 with no problems at all.

**5.- Information about the acquisition of own shares.**

The Company has fulfilled with all legal provisions for business with own shares and currently does not hold in its portfolio any block of own securities, and neither did during financial year 2008.

The Company has not accepted its own shares as a pledge and neither has any other kind of trade transaction or legal business.

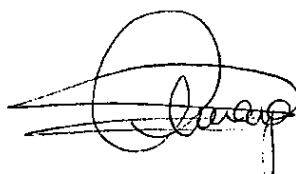
Finally, it is made known that the possible mutual sharings established with shared Companies, have been on a temporary basis and fully fulfilling all the restrictions provided under the Corporations Law.

**6.- Financial instruments use.**

As for contracts in foreign currencies, the company holds the policy of keeping the coverage of open positions (invoiced and pending of invoicing) by means of foreign currency forward contracts. Transactions are recorded and the working margin is booked in accordance with the insured exchange rate. This foreign currency equivalent is kept until contract expiration.

**7.- Research and Development**

The company has capitalized and written off research and development expenses for the amount shown in the annual report. In general, the company amortizes research and development expenses during the year that these are carried out.



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## 8.- Information on Financial Risk

### Financial risk factors

The activities developed by Abener are exposed to several financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and interest rate risk of cash flows. The risk Management Model in Abener tries to minimize the adverse potential effects on the financial profitability of the group to which Abener belongs (Abengoa, S.A., hereinafter called the Group)

The risk management in Abener is controlled by the Corporate Finance Department of the group pursuant to internal management binding rules in force. This department identifies and assesses the financial risks in joint collaboration with the operating units of the Group. The internal management rules provide written policies for global risk management and for specific areas, such as interest rate risk, credit risk, interest rate risk, liquidity risk, use of hedges and derivatives and investment of liquidity excess.

Both internal management rules and control procedures key for the company are executed in writing and their compliance is supervised by means of internal audit.

#### a) Market risk

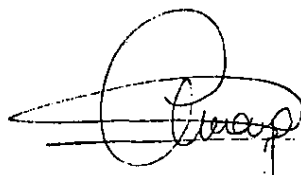
The company is exposed to market risk due to variations on foreign exchange rates. All these market risks are originated during the ordinary course of business, given that no speculative operations are carried out. With the purpose of managing the risk arisen from these operations, we use a series of forward purchase/sale contracts, on exchange rates.

The exchange rate risk arises when forward commercial transactions, assets and liabilities recognized are reference in a currency which is not the functional currency of the Company. With the purpose of controlling the exchange rate risk, we use currency purchase/sale term contracts. Said contracts are designated as fair value or cash flows hedges, as appropriate.

The Corporate Finance Department of the Group, together with the Company, takes part in the design, execution, control and follow-up of hedging operations.

#### b) Credit risk.

Balances of customers' line items and other accounts receivable, current financial investments and cash are the main financial assets of Abener which show the maximum exposure to credit risk, if third counterparties did not comply with the obligations engaged.



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As for accounts receivable, most of these accounts correspond to clients of different industries and countries. In most cases, contracts require payments as they reach out the Project development, initial rendering or product delivery.

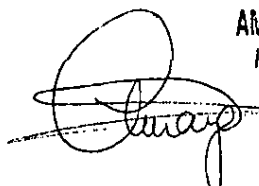
It is a common practice that the company reserves the right to cancel works in the event of a material breach and in particular a non-payment.

Additionally to all the aforesaid, the company has the binding commitment of a premier financial institution for the non-recourse purchase of receivable accounts (Factoring). Under these agreements, the company pays a compensation to the bank for the assumption of credit risk as well as an interest for financing.

In this sense, in Abener, the payment of debts factored are carried out whenever all conditions provided under the Rules set under the Spanish General Accounting Plan are complied with for their removal from the asset accounts of the balance sheet. That is to say, it is analyzed if the transfer of risks and benefits inherent to the ownership of financial assets related has taken place by comparing the company's exposure, before and after the transfer, to the variation in amounts and the schedule of net cash flows of assets transferred. Once the transferor company's exposure to said variation is eliminated or substantially reduced, then we can affirm that the financial asset in question has been transferred.

In general, in Abener it is defined that the most relevant risk in these assets within its activity is the uncollectibility risk, given that, a) it can become quantitatively relevant in the development of works or rendering of services; b) it would not be under the control of the company. Likewise, the risk of default is considered low significant in these contracts and, generally linked to technical problems, that is, linked to the technical risk of the service rendered, and therefore, under the company's control. In any case, and with the purpose of covering the contracts where theoretically the company might be identified, as a risk linked to the financial assets, the possibility of delaying the payment by the customer without arguing any commercial cause, Abener states that not only the de jure insolvency risk (bankruptcy) should be covered, but also the notorious or de facto insolvency (the one generated by the cash management of the customer not generating any "general moratorium" case). Accordingly and if it is concluded from the individualized assessment made of every contract that the relevant risk linked to these contracts has been transferred to the financial institution, these accounts receivable are cancelled from the balance when these accounts are transferred to the financial institution.

As stated above, Abener's policy is to transfer the credit risk linked to the items included in the customers' balance and other receivable accounts by using non-recourse factoring contracts. Accordingly, over the customers' balance and other receivable accounts, should be excluded the potential effect of customers' balances for executed works pending to be certified for which factoring contracts exist, the effect on those other balances of customers which can be factored but which have not been sent yet to the company at the closure of the financial year and those assets which are covered with credit insurance and which are shown in the said balance. According to this policy, Abener minimizes its exposure to risk over the said assets.



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The financial expense in financial year closed of 2008 derived from said factoring operations has increased to 8,939 thousand euros.

c) Liquidity risk.

The liquidity and financing policy of Abener aims to ensure that the company keeps the availability of funds sufficient to face the company's financial commitments.

Abener intends to count with an appropriate level of debt repayment capacity with regard to its cash flow generation capacity, by means of Abengoa S.A.'s management, who centralizes cash flow excess of companies for their distribution according to the group requirements.



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# ABENER

Armando Zuluaga Zilbermann, Secretary of the Board of Directors of the Mercantile Company Abener Energia S. A., registered in the Companies House for Seville, into volume 2056, folio 117, page SE-20734, Registration no. 1 dated on 2nd December 1994, with Tax Identification Number A-41-679788 and business and tax address in Avenida de la Buhaira, 2, 41018 Seville.

Certifies that:

The Management Report drawn up by the Board of Directors, in the meeting held on 16th February 2009 and corresponding to Financial Year 2008, which the Board of Directors of the Company submits to the approval of the Ordinary General Meeting of Shareholders, are included in this copy consisting of nine (9) pages, signed by the Chairman and the Secretary of the Board of the Directors.

Seville, 16th February 2009

Approved by: The Chairman	The Secretary
Alfonso González Domínguez	Armando Zuluaga Zilbermann

This Management Report corresponding to Financial Year 2008, object of today's formalities, are signed below by the members of the Board of Directors of the Company.

Seville, 16th February 2009

Alfonso González Domínguez	Eduardo Duque García
Miguel Ángel Jiménez-Velasco Mazarío	



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(Emblem of Spain)

## DOCUMENT OF ENVIRONMENTAL INFORMATION

Company: Abener Energía, S.A.	
Tax Identity Tax: A-41679788	Financial Year: 2008
Corporate Address: Avda de la Buhaira 2	
Town: Seville	
Province: Seville	

In the event of NEGATIVE answer, mark this box:

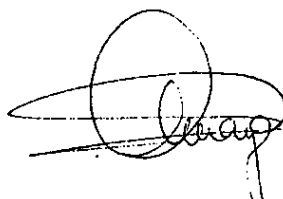
The undersigning Directors of the abovementioned Company declare that in the accounting corresponding to these annual accounts DOES NOT appear any environmental entry that must be included, pursuant to the provisions set under General Accounts Chart.

In the event of POSITIVE answer, mark this box: X

The undersigning Directors of the abovementioned Company declare that in the accounting corresponding to these annual accounts DOES appear some environmental entries that must be included, pursuant to the provisions set under General Accounts Chart.

**Signature and name of the Directors:**

*(three illegible signatures)*



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amaya.arroyo@telefonos.es

# STANDARD DOCUMENT OF INFORMATION ABOUT OWN SHARES

		Tax Identity Number		A-41679788
Company's Name:	Abener Energía, S.A.			
Corporate address:				
Municipality	Seville	Province:	Seville	Financial Year: <span style="border: 1px solid black; padding: 2px;">2008</span>

The company has not performed during this financial year any transaction on own shares.  
 (Note: in this event, it is sufficient to submit this page A1) **X**

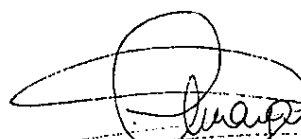
Closing balance of previous financial year	shares.	per 100 of capital share
Closing balance of the financial year:	shares.	per 100 of capital share

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(Illegible text)  
 (three illegible signatures)

*Ms. Amaya Arroyo Sainz de Medrano, appointed official English translator and interpreter, by the Spanish Ministry of Foreign Affairs, certifies that the following translation is a true and legitimate translation into English of a document written in Spanish. In Seville, 28<sup>th</sup> May 2009.*

*D<sup>a</sup> Amaya Arroyo Sainz de Medrano da fe de que la que antecede es traducción fiel y completa al inglés de un texto redactado en español. Sevilla, a 28 de mayo de 2009.*



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*Ms. Amaya Arroyo Sainz de Medrano, appointed official English translator and interpreter, by the Spanish Ministry of Foreign Affairs, certifies that the following translation is a true and legitimate translation into English of a document written in Spanish. In Seville, 28<sup>th</sup> May 2009.*

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**Abener Energía, S.A.**

**Report of the auditors, annual accounts and Management report as at 31st December 2008**



**AMAYA ARROYO SAINZ DE MEDRANO**  
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## **PRICEWATERHOUSECOOPERS**

### **REPORT OF THE AUDITORS OF THE ANNUAL ACCOUNTS**

To the Shareholders of  
Abener Energía, S.A.  
Seville

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We have audited the annual accounts of Abener Energía, S.A., consisting of the balance sheet as at 31<sup>st</sup> December 2008, the profit and loss account and the annual report for the year then ended, the preparation of which is the responsibility of the Directors of the Company. Our responsibility is to express an opinion on the annual accounts taken as a whole, based on the work carried out in accordance with auditing standards generally accepted in Spain, including tests of evidence supporting the accounts and an evaluation of their overall presentation, the accounting methods applied and the estimates made.

The annual accounts of financial year 2008 enclosed hereby are the first accounts drafted by the directors of Abener Energía, S.A. by applying the General Accounting Plan approved by Royal Decree 1514/2007. In this sense, pursuant to Transitory Provision no. 4, section 1 of said Royal Decree, these annual accounts have been considered as initial annual accounts, and therefore there are no comparative figures herein included. In note 2.9 of management report "Matters Due to the Transition to the New Accounting Standards" is included the balance sheet, the profit and loss account included in the annual accounts approved for financial year 2007 which were drafted by applying the General Accounting Plan in force in said financial year together with an explanation of the main differences between the accounting criteria applied in the previous financial years and the current ones, as well as the quantification of the effect generated by this variation of accounting criteria on the shareholder's equity as at 1 January 2008, transition date. On 31 March 2008 we issued our audit report on the annual accounts for year 2007, drafted pursuant to the Spanish legislation in force in said financial year, in which we expressed a favourable opinion.

As stated in Notes 10, 16 and 20.5 of the management report, a significant volume of transactions and balances of the Company proceed from affiliate companies

In our opinion, the accounts for the year 2008 enclosed hereby give, in all material respects, a true and fair view of the net worth and state of affairs of Abener Energía, S.A., as at 31<sup>st</sup> December 2008 and of the results of their operations and the changes in the equity and of cash flow corresponding to financial year finished on said date and contain the necessary and sufficient information for an adequate construing and understanding in accordance with accounting methods and rules generally accepted in Spain applied on a basis consistent with the previous year.

  
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The Management Report for accounting year 2008 hereby enclosed, contains such explanations on the state of affairs of Abener Energía, S.A., the development of the business and other matters as the Directors may consider expedient and does not form part of the accounts. We have checked that the financial information contained in the Management Report agrees with the accounts for 2008. The scope of our work as auditors is limited to checking the Management Report to the extent set out in this paragraph and does not include the verification of information not derived from the Company's accounting records.

PriceWaterhouseCoopers Auditores, S.L.

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Gabriel Lopez  
Auditor partner of Accounts

30<sup>th</sup> March 2009

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