



02

Befesa

To contribute to the creation of a sustainable world... we manage 2.5 Mt of industrial waste, allocating more than 1.2 Mt to the production of new materials through recycling.

Befesa

Company Profile

Befesa is an international company specialized in the integral management of industrial waste and the management and generation of water, and is highly conscious of its social responsibility for contributing to the creation of a sustainable world. Its four activities are:

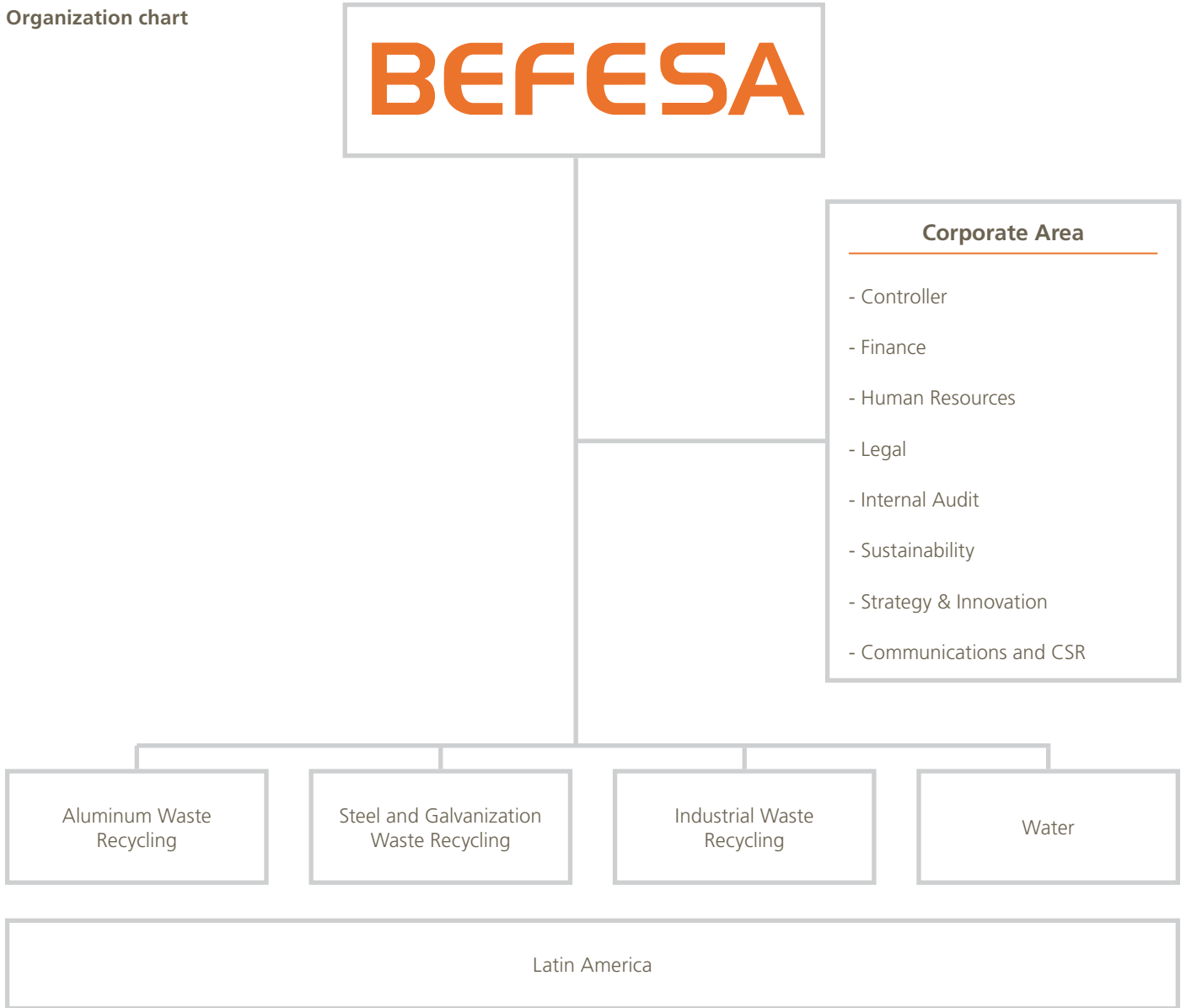
- Aluminum Waste Recycling
- Steel and Galvanization Waste Recycling
- Industrial Waste Management
- Water

Befesa manages 2.5 Mt of waste, dedicating more than 1.2 Mt to the production of new materials through recycling, which spares the emission of more than 1 Mt of CO₂ per year. It has a capacity to desalinate more than 1 Mm³ of water per day, the equivalent of the supply to 5 M people.

The Befesa headquarters are in Erandio, Biscay (Spain), and it is present in 20 countries through subsidiaries, offices of representation, installations and projects.



Organization chart



For a sustainable world...
We recycle industrial waste,
We generate and manage water.

Befesa

Presence in 20 countries



International presence

Geographic area	2008 M€	%	2007 M€	%
Sales Spain	427.3	49	411.3	53
Foreign Sales	446.2	51	358.4	47
Total	873.5	100	769.7	100

Main figures

Financial Data (M€)	2008	2007	Variation (08-07)
Balance Sheet			
Total Assets	1,498.1	1,192.1	25.7%
Equity	434.6	268.5	61.9%
Net Financial Debt	-74.4	-44.6	66.8%
Profit and Loss Account			
Sales	873.5	769.7	13.5%
EBITDA	157.8	123.8	27.4%
EAT	58.7	47.6	23.2%
Net Cash Flow	107.2	81.1	32.2%
Significant Variables			
Margin (% EBITDA/ Sales)	18.1%	16.1%	
Profitability: % EAT on			
- Equity (ROE)	13.5%	17.7%	
- Total Assets (ROA)	3.9%	4.0%	
EBITDA / Staff (k€)	69.7	63.2	10.4%
Sales / Staff (k€)	386.0	392.7	-1.7%

Befesa

Sales per business unit	2008 M€	2007 M€	2006 M€
Aluminum Waste Recycling	252.4	218.1	229.4
Steel and Galvanization Waste Recycling	253.6	251.8	76.3
Industrial Waste Management	136.9	124.3	110.2
Water	230.6	175.5	139.4
Total	873.5	769.7	555.3

Personnel (Average number of employees)					
By business unit	2008	2007	By professional category	2008	2007
Corporate	25	22	Managers	92	91
Aluminum Waste Recycling	338	275	Supervisors	178	145
Steel and Galvanization Waste Recycling	526	506	Engineers and other university graduates	386	288
Industrial Waste Management	728	731	Assistants and Professionals	394	334
Water	501	312	Operatives	1,214	1,111
Latin America	145	123			
Total	2,263	1,969		2,263	1,969

The distribution of the Befesa stockholding structure is 83.34% by Proyectos Inversiones Medioambientales, 14.04% by Abengoa and the rest of the stock is free float.

Stockholding structure	% Share Capital
Proyectos Inversiones Medioambientales	83.444%
Abengoa, S.A.	14.036 %
Total	97.380 %

Mission, vision and values of Befesa

Mission

Befesa Medio Ambiente focuses its activity on the rendering of environmental services to industry and on the construction of environmental infrastructures in the development of its activities of Aluminum Waste Recycling, Steel and Galvanization Waste Recycling, Industrial Waste Management and the Integral Water Cycle.

Vision

Befesa furnishes solutions to the management of industrial waste and the management and generation of water, highly conscious of its social responsibility for contributing to the creation of a sustainable world.

Values

Befesa has developed a series of principles on which its code of ethics is based. By means of all the channels available to it, the awareness and application of those values is encouraged and control and revision mechanisms are established to guarantee their proper monitoring and

updating. Among these values, the follow are worthy of emphasis given their importance:

- Integrity. Honesty in professional performance forms a part of the Befesa identify itself, and should be revealed in all actions of its personnel, both inside and out. Verified integrity turns to credibility before its customers, suppliers, stockholders and other third parties with which Befesa has a relationship, and creates value in of itself for both the person and the entire organization.
- Legality. Compliance with legality is not just an external requirement and an obligation of the organization itself and its personnel. The law provides security in the actions of the company and reduces business risks.
- Professional rigor. The concept of professionalism in Befesa is intimately tied to the aim to serve in the performance of its activity and to the contribution toward the development of the business project. All actions undertaken by Befesa in the exercise of the functions entrusted should be presided over by professional responsibility, and

Befesa

governed by the principles established in its common management systems.

- Confidentiality. Befesa expects the people who work in the company to maintain criteria of discretion and prudence in their communications and relations with third parties. The adequate safeguarding of the information held by the Company requires that all Befesa employees maintain strict control of themselves, appropriately caring for all documents and not

disclosing such information to any person, inside or outside the organization, who is not authorized to know it.

- Quality. Befesa has a commitment with quality in all of its actions, internal as well as external. This is not a task of any isolated group or management and instead requires the participation of the entire organization and its placement into practice on a daily basis.



Risks and future opportunities

The activity of Befesa is the integral management of industrial waste, and the management and generation of water, highly conscious of its social responsibility for contributing to the creation of a sustainable world. These activities are a great opportunity for creating value, not just for stockholders, but for the rest of its stakeholders as well. As the concept of sustainable development has permeated social awareness, those companies that have shown a firm commitment are being rewarded by the market. This tendency is increasingly strong, so that any organizations that deviate from this path are destined to disappear if they are not able to rectify their course.

This year Befesa has created a team in the company that shall be exclusively responsible for designing the strategies to achieve more sustainable economic, social and environmental development.

Recently an inventory of greenhouse gases was begun, in order to determine in full detail the environmental impact of its activities. On the basis of the results obtained in this inventory, Befesa will proceed to establish some quantitative objectives

for the upcoming years, with which the appropriate actions shall be carried out, aimed at minimizing the negative effects linked to such emissions.

The Befesa objectives for the future are increasingly ambitious. On the basis of the emissions inventory, it will be possible to define and implement measures that enable the company to continue progressing in its commitment to create a sustainable world.

The company R&D&i strategy is aimed at the creation of value and the development of new technologies for the sustainable performance of its activities. This means a permanent commitment and is utilized as a vehicle for continuous improvement and consolidation in technological leadership, in waste treatment and in the generation and management of water.

Befesa

Management model

The growth of Befesa is based on five strategic hubs:

1. Development of businesses that provide solutions for the creation of a sustainable world
2. Maintenance of a highly-competitive human team
3. Permanent strategy for the creation of value by means of the generation of new options, defining the current and future businesses according to a structured procedure.
4. Geographic diversification in markets with greater potential
5. Investment effort in research, development and innovation activities

These hubs are supported by a management model characterized by three elements:

1. Corporate social responsibility
2. Management transparency and rigor
3. Promotion of the entrepreneurial spirit



