



TECNICAS REUNIDAS

**Juan Lladó**  
**CEO**

**Year 2010**  
**Results Presentation**

*1<sup>st</sup> of March 2011*

## 2010: BUILDING A STRONGER TR

- **SUCCESSFUL DELIVERY OF MAJOR PROJECTS**
- **RECORD LEVEL OF AWARDS AND BACKLOG**
- **POSITIVE OPERATING RESULTS AND PROJECT EXECUTION**
- **BUILD UP OF NEW BUSINESS OPPORTUNITIES**

# SUCCESSFUL DELIVERY OF MAJOR PROJECTS

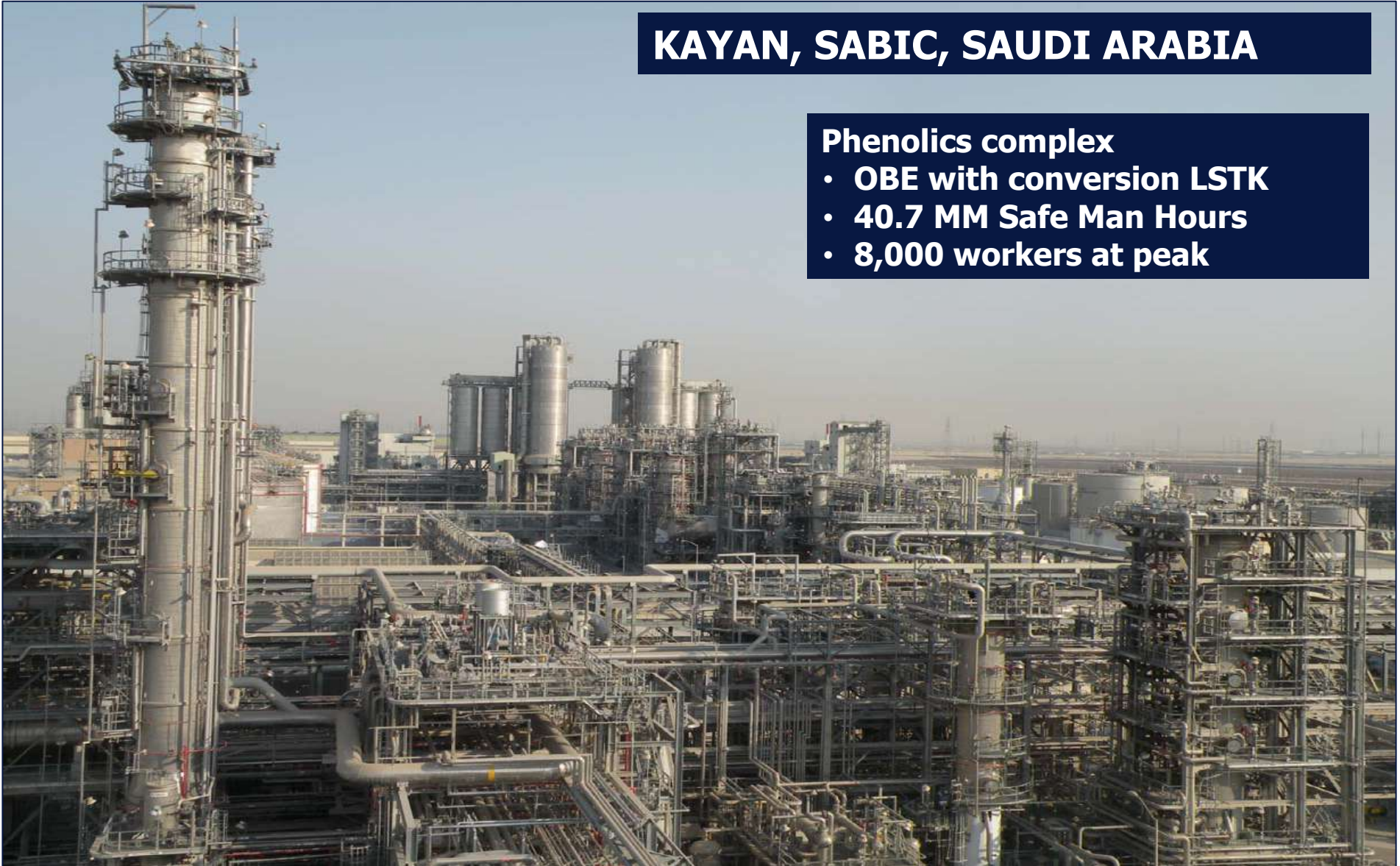


TECNICAS REUNIDAS

## KAYAN, SABIC, SAUDI ARABIA

### Phenolics complex

- OBE with conversion LSTK
- 40.7 MM Safe Man Hours
- 8,000 workers at peak



# SUCCESSFUL DELIVERY OF MAJOR PROJECTS



TECNICAS REUNIDAS

## BOROUGE, ADNOC, UAE



**Utilities, offsites and external interconnecting project**

- **OBE with conversion to LSTK**
- **36 MM safe man hours**
- **7,400 workers at peak**

## 2010: BUILDING A STRONGER TR

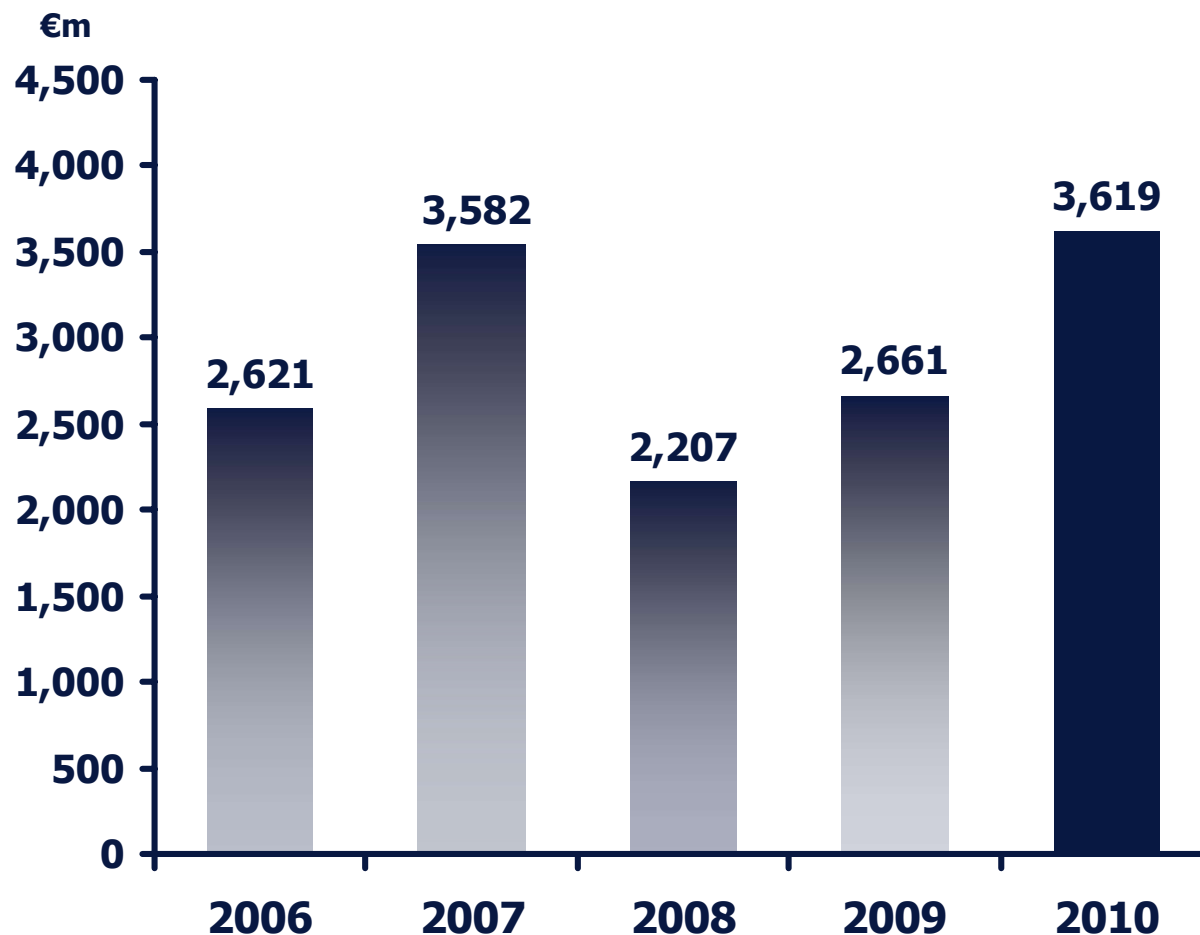
- **SUCCESSFUL DELIVERY OF MAJOR PROJECTS**
- **RECORD LEVEL OF AWARDS AND BACKLOG**
- **POSITIVE OPERATING RESULTS AND PROJECT EXECUTION**
- **BUILD UP OF NEW BUSINESS OPPORTUNITIES**

# RECORD LEVELS OF AWARDS AND BACKLOG



TECNICAS REUNIDAS

## Awards



## 2010 Major Awards

**IZMIT**

**TALARA**

**SHAH**

**MARGARITA**

**YANBU**

**ZHUHAI LNG**

**MEJILLONES**

# MAJOR 2010 AWARDS



TECNICAS REUNIDAS



## Izmit Refinery, Turkey

- Increase distillation capacity and construction of new conversion units
- Estimated investment value: \$ 1,500 million



## Talara Refinery, Peru

- Revamping and construction of new process units (distillation, conversion) to increase production of mid distillates
- Estimated investment value: \$ 1,300 million



## SHAH, Abu Dhabi

- Package 1: pipelines, central processing facilities, well pads and receiver station
- Contract value: €463 million

## Margarita, Bolivia

- Processing facilities for the Margarita gas field
- Total investment: \$ 500 million



# MAJOR 2010 AWARDS



TECNICAS REUNIDAS

## Yanbu Refinery, Saudi Arabia

أرامكو السعودية  
Saudi Aramco



- Package 1: Delayed coker unit and mercaptan removal unit
- Contract value: \$ 770 million

## Zhuhai LNG, China



- Three LNG tanks and a LNG terminal
- Contract value: \$ 140 million

## Mejillones Tank, Chile

SVZ



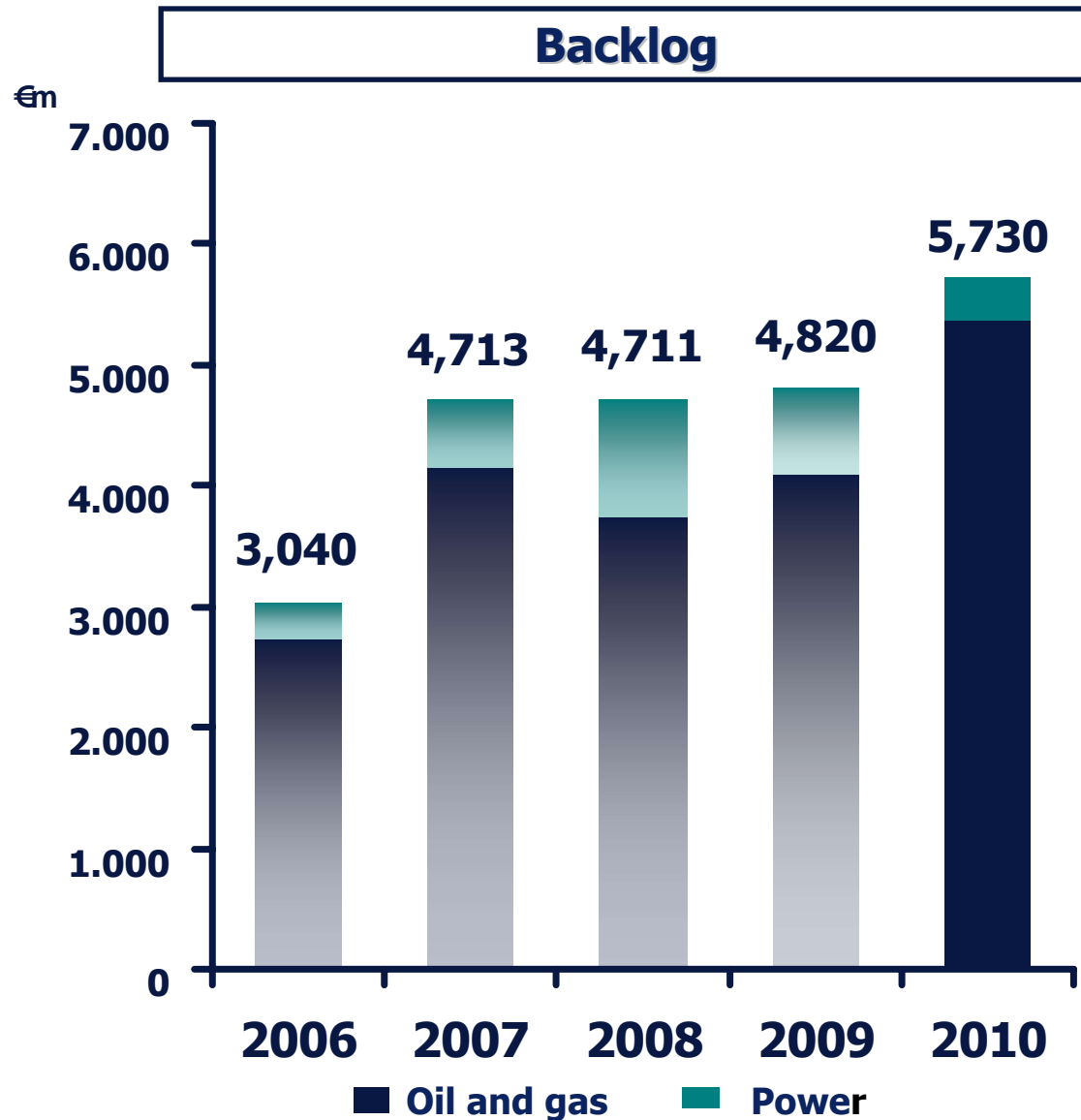
- LNG storage tank
- Contract value: \$ 140 million



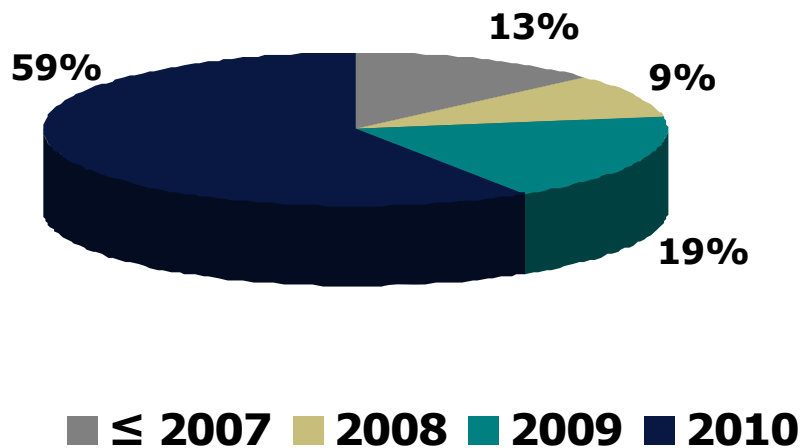
# RECORD LEVELS OF AWARDS AND BACKLOG



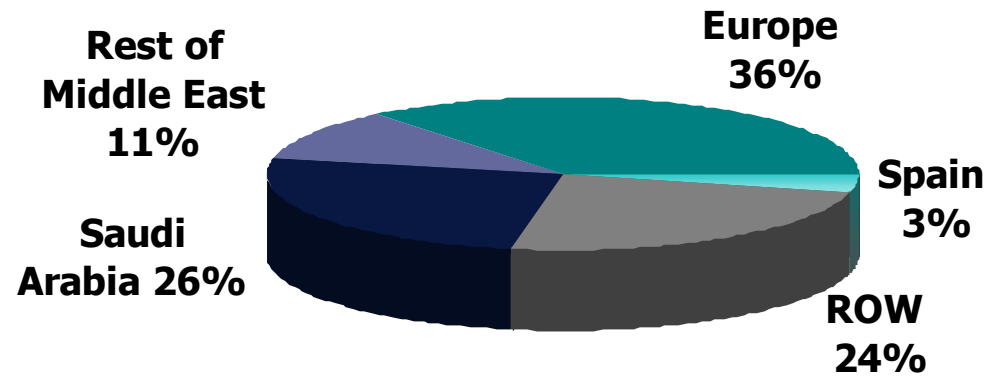
TECNICAS REUNIDAS



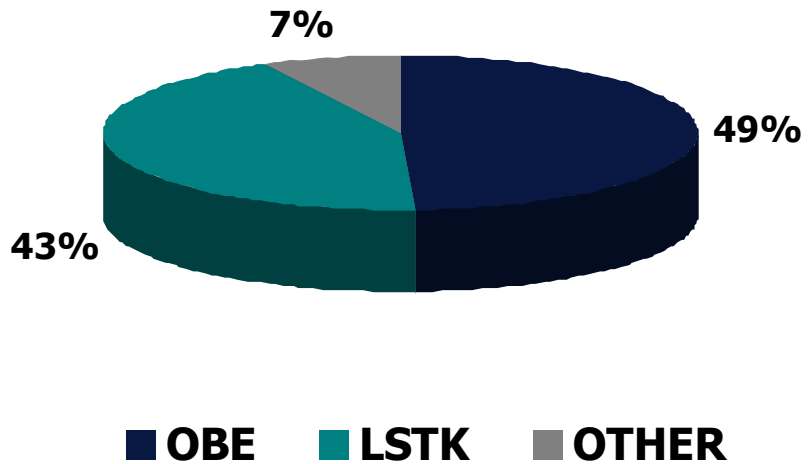
## BY AWARD DATE



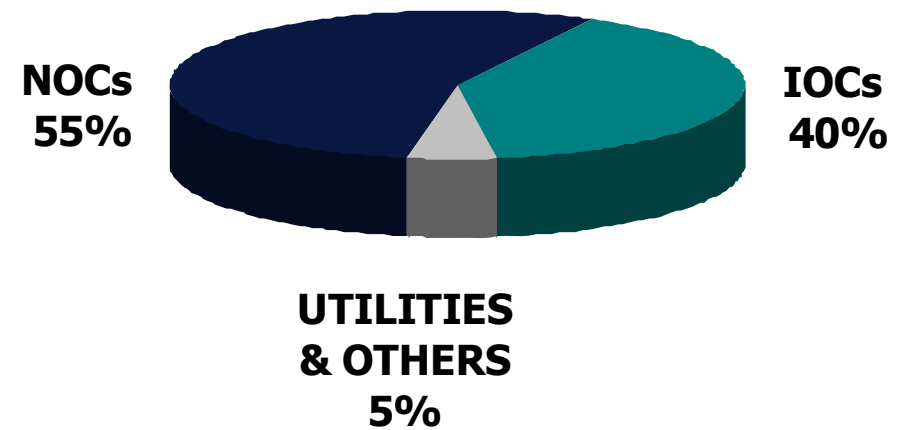
## BY GEOGRAPHY



## BY CONTRACT TYPE



## BY CLIENT





## 2010: BUILDING A STRONGER TR

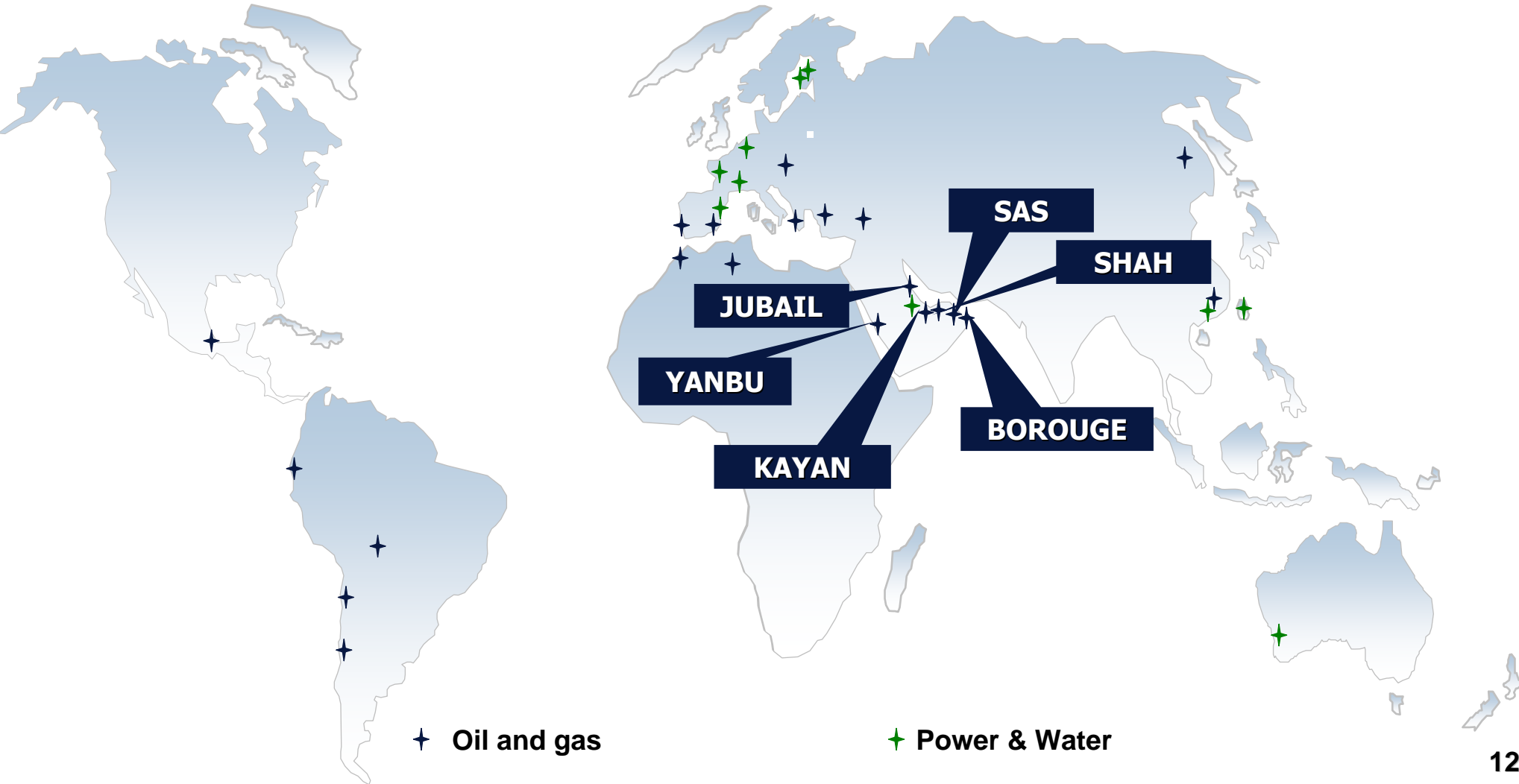
- **SUCCESSFUL DELIVERY OF MAJOR PROJECTS**
- **RECORD LEVEL OF AWARDS AND BACKLOG**
- **POSITIVE OPERATING RESULTS AND PROJECT EXECUTION**
- **BUILD UP OF NEW BUSINESS OPPORTUNITIES**

# SOLID TRACK RECORD OF BACKLOG EXECUTION



TECNICAS REUNIDAS

## EXCELLENCE IN EXECUTION IN OIL & GAS PROJECTS AROUND THE WORLD

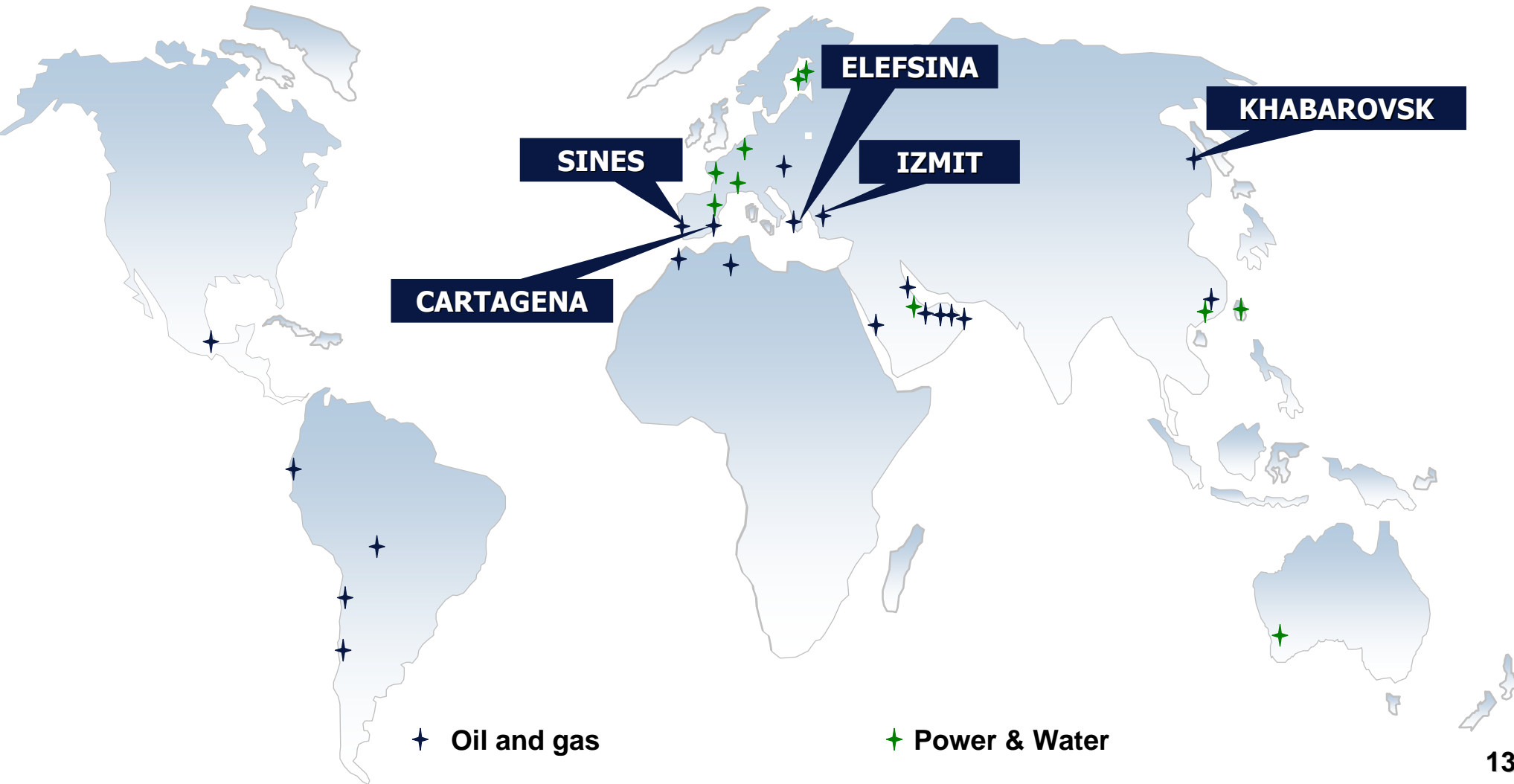


# SOLID TRACK RECORD OF BACKLOG EXECUTION



TECNICAS REUNIDAS

## EXCELLENCE IN EXECUTION IN OIL & GAS PROJECTS AROUND THE WORLD

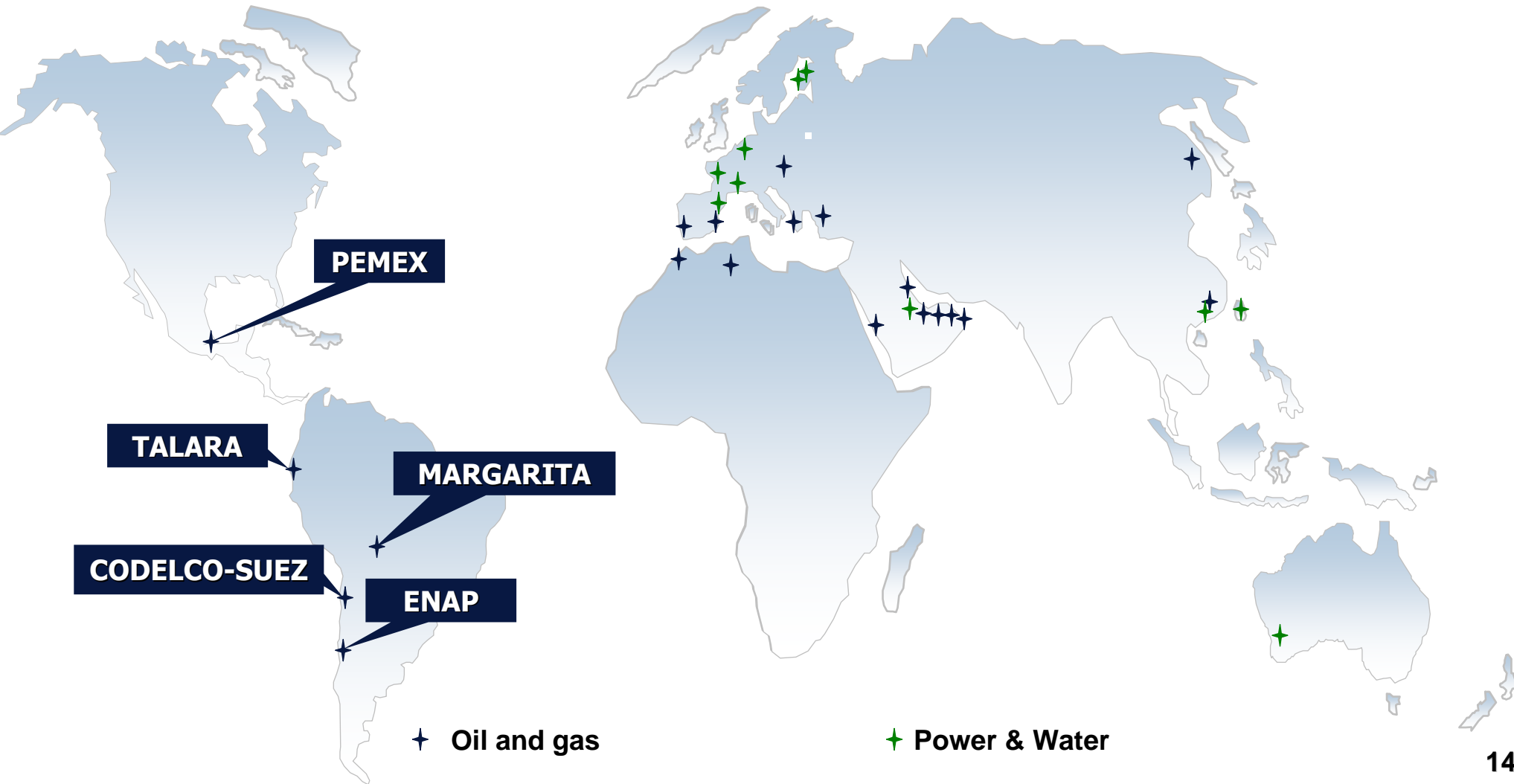


# SOLID TRACK RECORD OF BACKLOG EXECUTION



TECNICAS REUNIDAS

## EXCELLENCE IN EXECUTION IN OIL & GAS PROJECTS AROUND THE WORLD

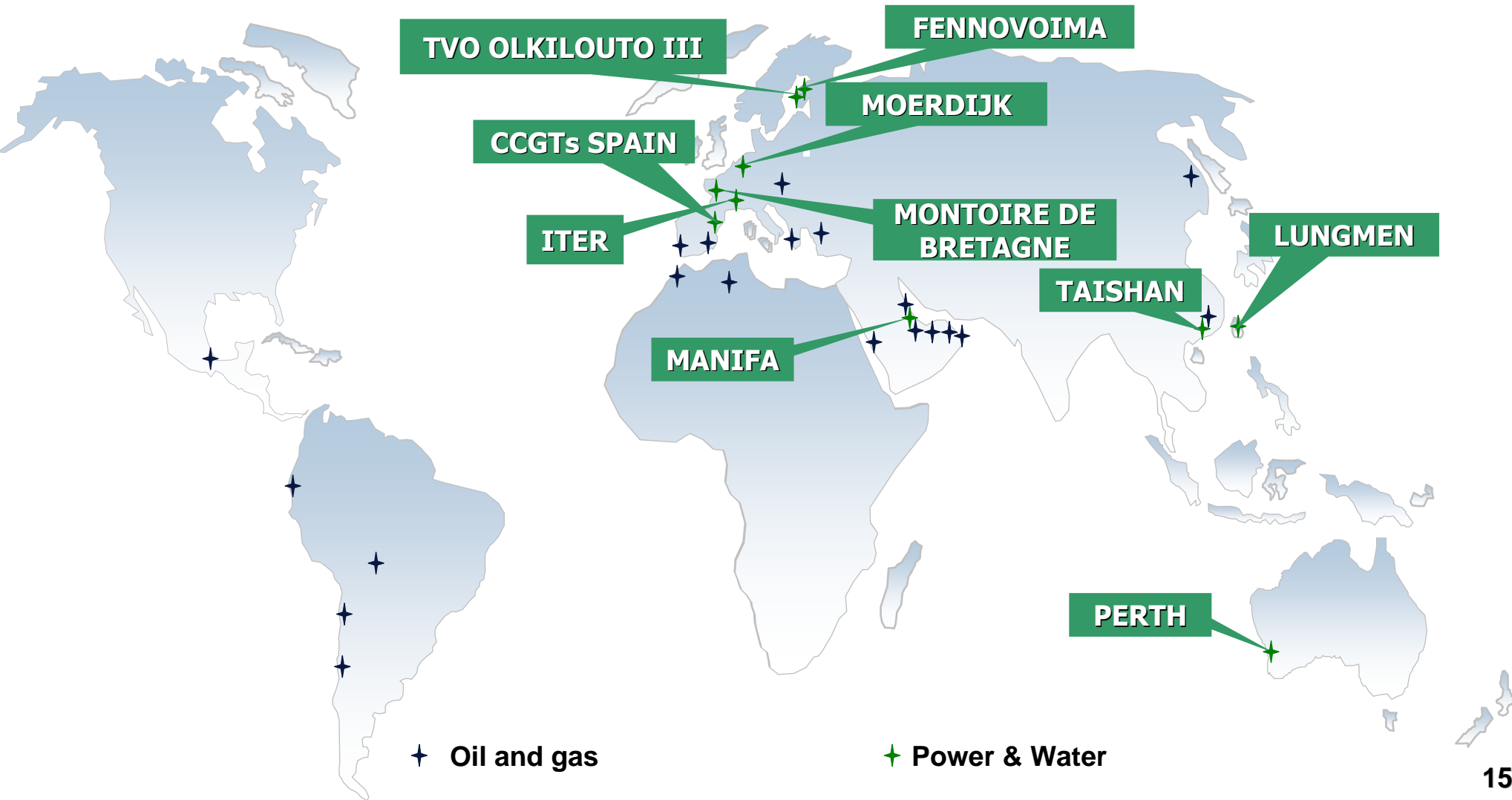


# SOLID TRACK RECORD OF BACKLOG EXECUTION



TECNICAS REUNIDAS

## EXCELLENCE IN EXECUTION IN POWER AND WATER PROJECTS AROUND THE WORLD



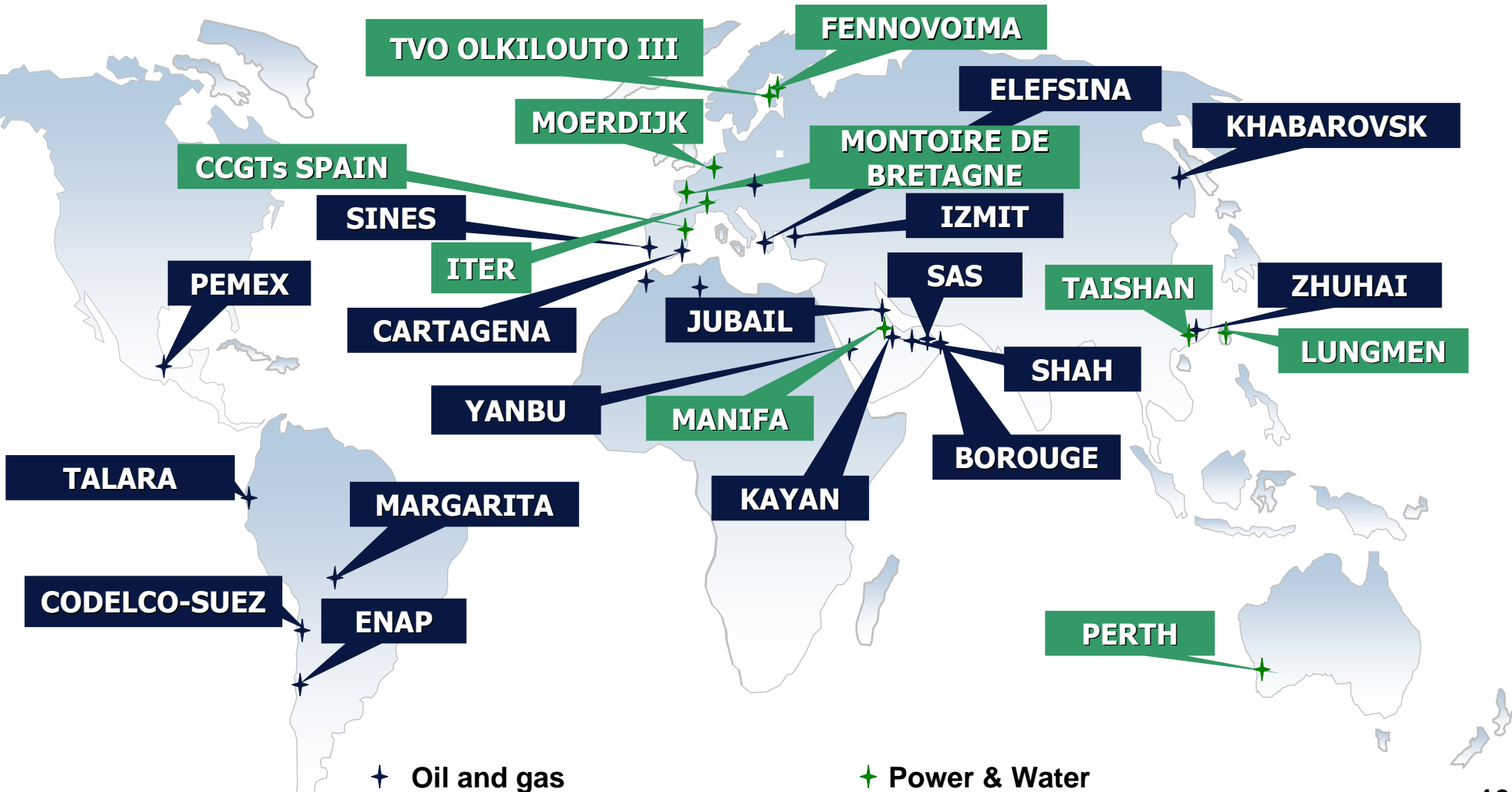


# SOLID TRACK RECORD OF BACKLOG EXECUTION



TECNICAS REUNIDAS

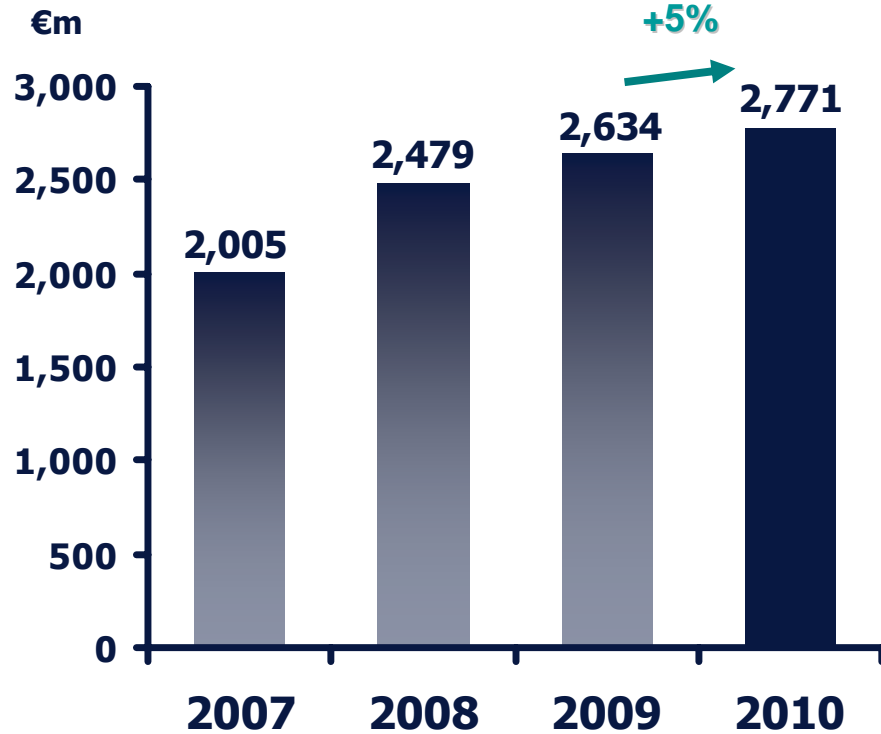
## EXCELLENCE IN EXECUTION OF LARGE AND COMPLEX PROJECTS AROUND THE WORLD



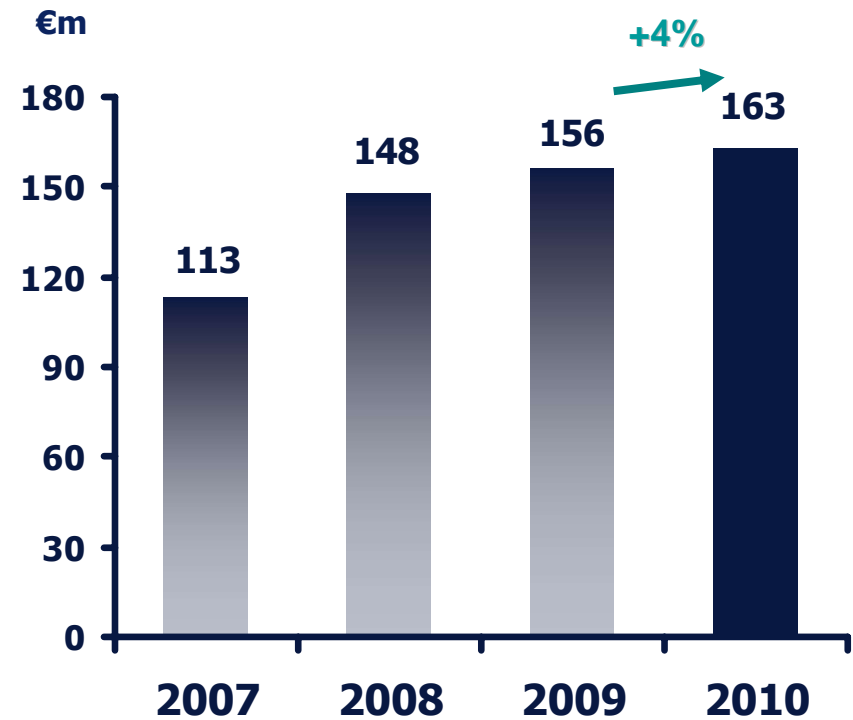


# SALES AND EBITDA GROWTH

## SALES



## EBITDA



# FINANCIAL RESULTS

## Profit and Loss Account



TECNICAS REUNIDAS

€ million	2010	2009	Var.
Revenues	2,771.4	2,634.3	5.2%
EBITDA <i>Margin</i>	162.9 5.9%	155.9 5.9%	4.5%
EBIT <i>Margin</i>	155.5 5.6%	149.0 5.7%	4.4%
Ordinary Net Financial Results	10.4	12.8	
Adjusted Profit Before Taxes*	163.5	160.8	1.7%
Ordinary Taxes	-26,2	-15.4	
Adjusted Net Income*	136.2	141.3	-3.6%
Extraordinary Tax Expense	-39.3	-	
Accounting Net Income	97.9	145.4	-32.6%

\*Adjusted for: extraordinary tax expense of € 39.3 million in 2010 (of which € 3.6 million are delayed interest, € 2.5 million net of tax); and for tax recalculation in 2009

# SETTLEMENT OF TAX ASSESSMENT



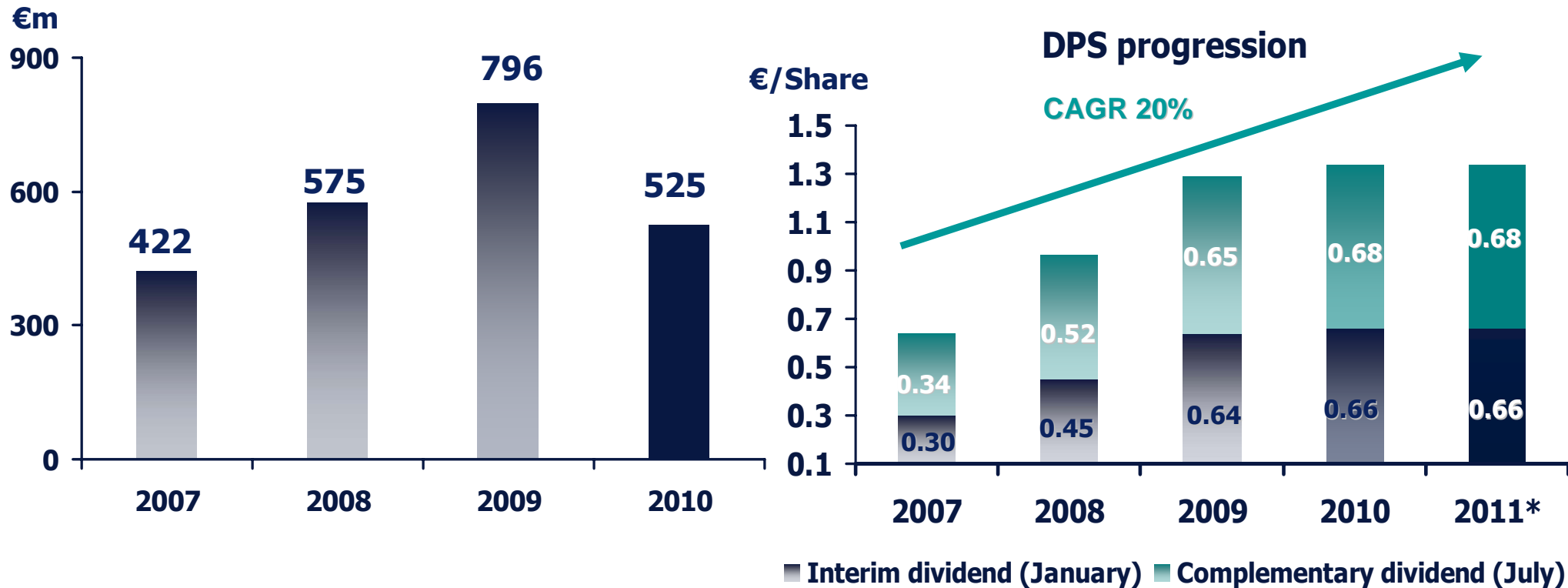
TECNICAS REUNIDAS

<b>CONCEPT</b>	<b>AMOUNT € MILLION</b>	<b>ACCOUNTING TREATMENT</b>
<b>2004 – 2007 Assessments</b>	<b>22.6</b>	<b>2010 Tax Expense</b>
<b>Delayed interests</b>	<b>3.6</b>	<b>2010 Financial Expense</b>
<b>2008 – 2009 Corporate tax increase</b>	<b>13.1</b>	<b>2010 Tax Expense</b>
<b>TOTAL</b>	<b>39.3</b>	

- **Agreement with Tax Agency to increase transfer prices for resources assigned to JV's (UTEs) operating abroad**
- **Accounting of the tax assessments depends on its interpretation: as an error (initial criterion applied in the 9M 2010 results) or as a change of estimates (final criterion applied in the 2010 Audited Annual Accounts).**
- **This change in accounting treatment does not have any cash or equity effects**

# NET CASH POSITION AND DIVIDENDS

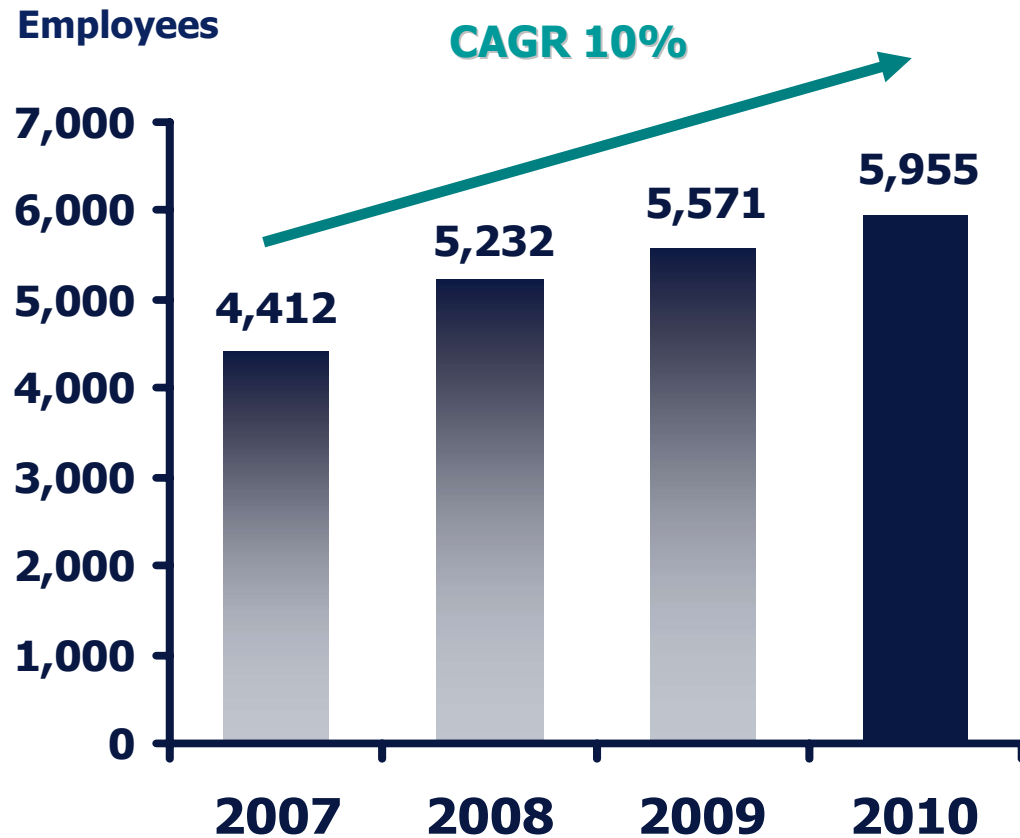
- **2010 Net cash position: € 525 million**
- **2010 Dividend: € 1.34 per share**



\* Pending on approval in AGM

# HUMAN RESOURCES

## Headquarters Spain + TR Abroad



**Employment growth in 2010:**

- 7% overall
- 7% in graduates



## 2010: BUILDING A STRONGER TR

- **SUCCESSFUL DELIVERY OF MAJOR PROJECTS**
- **RECORD LEVEL OF AWARDS AND BACKLOG**
- **POSITIVE OPERATING RESULTS AND PROJECT EXECUTION**
- **BUILD UP OF NEW BUSINESS OPPORTUNITIES**

## ➤ Geographical expansion:

### ■ Getting closer to new major potential clients in:

- Latin America
- Russia
- Eastern Europe
- Asia

## ➤ Product expansion:

- Refining: new conversion units (e.g. flexicoker)
- Chemicals: nitric acid
- Power outside Spain
- Nuclear



- Company continues to actively seek strong growth
- Profitability and risk control as our core business principles



- **Positive order intake outlook: currently negotiating potential awards for more than 70% of 2010 sales.**
- **Healthy and increased backlog together with solid execution expected to provide in 2011:**
  - **Higher sales**
  - **Stable margins**
  - **Growing profits and dividends**
- **Positive economic environment worldwide for energy investments**

# Disclaimer



TECNICAS REUNIDAS

**This document has been prepared by Tecnicas Reunidas S.A. (the Company) solely for use at presentations held in connection with the announcement of the Company's results for the year 2010.**

**This document contains forward-looking statements of the Company and/or its management. These forward-looking statements such as statements relating to the Company's or management's intent belief or current expectations of the future growth in the Company's business and capital expenditure in the oil and gas industry in general are subject to risks and variables that are beyond the Company's control and that could materially and adversely affect the outcome and financial effects of the facts expressed implied or projected herein.**

**The Company is under no obligation to update or keep current the information contained in this presentation including any looking forward-statements or to correct any inaccuracies that may later become apparent.**

**No representation or warranty express or implied is made as to and no reliance should be placed on the fairness accuracy completeness or correctness of the information or opinions contained herein. None of the Company or any of its affiliates advisors or representatives shall have any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection with this document.**

**This document is only provided for information purposes and does not constitute nor may it be interpreted as an offer to sell or exchange or acquire or solicitation for offers to purchase any share in the Company. Any decision to buy or invest in shares in relation to a specific issue must be made on the basis of the information contained in the relevant prospectus filed by the Company in relation to such specific issue.**



**TECNICAS REUNIDAS**

