TECNICAS REUNIDAS

NINE MONTH RESULTS
January - September 2007
(Unaudited figures)

CONTENTS:

1. HIGHLIGHTS

HIGHLIGHTS *January - September*	9M 07 € million	9M 06 € million	Var. %	Year 2006* € million
Backlog	**4,437**	**2,651**	***67%***	**3,040**
Net Revenues	**1,406**	**806**	***74%***	**1,235**
EBITDA	**78**	**43**	***82%***	**67**
Margin	***5.6%***	***5.3%***		***5.4%***
EBIT	**75**	**41**	***83%***	**63**
Margin	***5.3%***	***5.1%***		***5.1%***
Net Profit	**77**	**44**	***74%***	**65**
Net cash position	**256**	**239**	***7%***	**318**

* Adjusted figures

- **Net Profit climbed to € 77 million in the first nine months of 2007, with an increase of 74%, compared to the same period of 2006.**
- **Backlog increased to € 4,437 million, with a growth of 67% compared to September 2006. The most relevant awards in the third quarter were the Sines Project for Galp in Portugal and four combined cycles (CCGT's) in Spain and France.**
- **In the first nine months of 2007, revenues grew by 74%, compared to the same period of 2006, driven by growth in oil and gas division.**
- **EBITDA and EBIT grew 82% and 83% respectively over the period, as a consequence of the significant increase in sales and margin expansion. EBITDA margin increased from 5.3% in the first nine months of 2006 to 5.6% in the first nine months of 2007.**
- **Net cash at the end of September 2007 stood at € 256 million that compares to € 239 million for the same date in 2006.**

2. BACKLOG

	Project	Country	Client	Estimated Completion
Refining and Petrochemical	Sines*	Portugal	Galp	2011
	Hydrocraker Complex -Cartagena*	Spain	Repsol	2010
	Borouge Project*	United Arabs Emirates	ADNOC/ Borealis	2010
	Dung Quat	Vietnam	Petrovietnam	2009
	Refining Units	Chile	Enap	2009
	Phenolics Plant- Kayan*	Saudi Arabia	Sabic	2009
	Hydrocraker - Huelva	Spain	Cepsa	2008
	Rabigh	Saudi Arabia	Saudi Aramco	2008
	Nitric Acid Plant	Chile	Enaex	2008
	HDS—Bio Bio	Chile	Enap	2008
	Refining Units	Mexico	Pemex	2008
	Coker	Chile	Enap	2008
	Kirikkale	Turkey	Tüpras	2007
	Polymer Plant	Spain	General Electric	2007
	Guanxi Refinery	China	PetroChina	2007
Upstream & Gas	Medgaz	Algeria	Medgaz	2009
	Saih Rawl (compression plant)	Oman	PDO	2009
	Ju'aymah	Saudi Arabia	Saudi Aramco	2008
	Hawiyah	Saudi Arabia	Saudi Aramco	2008
	TFT	Algeria	Total/Repsol/Sonatrach	2008
	RKF	Algeria	Cepsa/Sonatrach	2008
	Telemetry	Kuwait	KOC	2008
	GC-28	Kuwait	KOC	2008
Power	Extremadura	Spain	Green Fuel	2010
	Montoir de Bretagne	France	Gaz de France	2010
	Granadilla II	Spain	Endesa	2010
	Puerto de Barcelona	Spain	Gas Natural	2010
	San Adrian de Besos	Spain	Endesa	2010
	Saih Rawl (power plant)	Oman	PDO	2009
	As Pontes	Spain	Endesa	2008
	Escatron I & II	Spain	Global 3	2008
	Barranco de Tirajana	Spain	Endesa	2007
	Cuenca	Spain	—	2007

* Project in execution on an open book

Backlog as of September, 30th

At the end of September 2007, the backlog of the company amounted to € 4,437 million, of which 85% corresponded to the oil and gas division and 15% to the power division. Infrastructure and industries contracts are not included in the backlog calculation. From December 2006, the backlog grew by 46%.

The most relevant contracts added to the backlog during the first nine months were the phenolics plant for SABIC in Saudi Arabia, the Borouge project for ADNOC in Abu Dhabi, the Sines Project for Galp in Portugal and four combined cycles (CCGT's) in the power division. The Galp project and the four combined cycles (CCGT's) have been included in the backlog of the third quarter of 2007:

- The Sines project involves the execution of a refinery enlargement for Galp at Sines, with a significant conversion increase. Galp Energy is the main oil company in Portugal and Sines is the largest refinery in the country. The project includes a hydrocracker and new units of hydrogen, LPG, acid waters and several improvements in the crude, vacuum, visbreaker, FCC and sulphur recovery units, together with auxiliary services and the off sites facilities.

- In the power division, TR was awarded four combined cycle (CCGT's) projects in a Joint Venture with General Electric with an aggregate value for TR of about € 500 million. The project details are as follows:

    - Gaz de France awarded to TR a CCGT of 400 MW in Montoir de Bretagne, France.
    - Gas Natural awarded a CCGT of 800 MW to TR to be built in the Barcelona harbour.
    - A 800 MW CCGT in San Adrián de Besós, Barcelona, for Endesa.
    - A 230 MW CCGT in Granadilla, Canary Islands, for Endesa.

At the end of September 2007, the backlog includes four projects signed on an open book basis that are expected to convert to lump sum contracts in the future: the Cartagena Project in Spain, the Kayan project in Saudi Arabia, the Borouge Project in Abu Dhabi and the Sines Project in Portugal. The current backlog includes € 2,950 million, as the company estimate of the aggregate value of these four projects.

New projects after September

Since the end of the third quarter, the company has been awarded two additional projects in oil and gas, which will be booked in the fourth quarter of 2007.

- TR signed a letter of award for a new hydrocracking complex at the Khabarovsk refinery in the Russian Federation by Oil Company Alliance (OC Alliance). The contract is expected to be signed in the fourth quarter. The project includes the engineering, supply and construction of all the process units: hydrocracking, hydrotreatment, hydrogen, amine regeneration, acid water and sulphur recovery, as well as the auxiliary systems of the complex.

- TR signed with LNG Mejillones, a Joint Venture formed by Suez and Codelco, the contract for the construction of a Liquefied Natural Gas regasification terminal in Mejillones, in the north of Chile. The project was converted into a "turnkey" contract, which includes the engineering, equipment and material supply, as well as the construction of the regasification plant, whose capacity is 235,000 Nm3/hour. The total estimated investment is $ 300 million. The plant will provide natural gas to be used mostly by the mining sector. Project execution is expected to last two years. This contract is the continuation of a former contract signed in February, which covered the Front End Engineering and Design (FEED), the purchase of the main equipment and the investment estimate.

3. CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT January - September	9M 07 € million	9M 06 [1] € million	Var. %	Year 2006[1] € million
Net Revenues	**1,405.8**	**806.3**	**74.3%**	**1,234.5**
Other Revenues	4.8	2.2		2.4
Total Income	**1,410.6**	**808.5**	**74.5%**	**1,236.9**
Raw materials and consumables	-996.4	-487.2	**104.5%**	-780.9
Personnel Costs	-153.8	-119.4	**28.8%**	-165.9
Other operating costs	-182.1	-159.0	**14.5%**	-223.5
EBITDA	**78.3**	**42.9**	**82.5%**	**66.6**
Amortisation	-3.4	-2.0		-3.9
EBIT	**75.0**	**40.9**	**83.4%**	**62.7**
Financial Income/ expense	4.5	3.4		5.2
Share in results obtained by associates	0.3	0.3		0.5
Profit before tax	**79.8**	**44.6**	**79.1%**	**68.4**
Income tax	-3.3	-0.7		-2.9
Net Profit	**76.6**	**43.9**	**74.4%**	**65.4**

[1] Adjusted audited 2006 accounts excluding IPO costs and the profit from the sale of subsidiary

3.1 REVENUES

REVENUES BREAKDOWN January - September	9M 07 € million	%	9M 06 € million	%	Var. %
Oil and gas	1,200.2	85%	613.4	76%	95.7%
Power	143.2	10%	129.9	16%	10.2%
Infrastructure and industry	62.4	4%	63.0	8%	-1.0%
Net Revenues	**1,405.8**	**100%**	**806.3**	**100%**	**74.3%**

Tecnicas Reunidas net revenues grew by 74.3%, reaching € 1,405.8 million in the first nine months of 2007, with strong performance in all business units:

<u>Oil and Gas</u>: Revenues from January to September 2007 increased by 95.7% compared to the same period the year before, representing 85.4% of total sales. The refining and petrochemical subdivision continued to be the major contributor to absolute sales growth although upstream and gas is growing at the same pace than the refining and petrochemical subdivision.

- <u>Refining and petrochemical.</u> The major contributors to revenues in the first nine months of 2007 were the Rabigh project for Saudi Aramco (Saudi Arabia), and the projects in Mexico, Chile and Vietnam. The Cartagena Project for Repsol, the Kayan Project and the Borouge Project, all negotiated on an OBE basis, are in their initial phase, and therefore under a cost reimbursable service contract, with little contribution to sales.

- <u>Upstream and natural gas.</u> In the first nine months of 2007, growth in this subdivision was enhanced by the Saih Rawl Project for PDO, Oman. Also, the Juaymah and Hawiyah projects in Saudi Arabia, the two projects in Kuwait and the Medgaz project contributed significantly to sales.

Power: Revenues from this division increased by 10.2%, from € 129.9 million in the first nine months of 2006 to € 143.2 million for the same period in 2007. Growth was mainly driven by the power plant of the Saih Rawl Project in Oman, as well as the two CCGT projects for Endesa, Barranco de Tirajana and As Pontes together with the Escatron Project in Spain.

Infrastructure and industry**:** Revenues in the infrastructure and industry division decreased by 1.0%, reaching € 62.4 million in September 2007, as a result of a series of new projects starting this year. The major projects contributing to the revenues in the year are the fibre plant for Excel, a copper mine project in Seville, the Santiago Airport and some water reservoirs projects in Spain.

3.2 OPERATING PROFIT

OPERATING MARGINS January - September	9M 07 € million	9M 06 € million	Var. %	Year 2006 € million
EBITDA	78.3	42.9	82.5%	66.6
Margin	*5.6%*	*5.3%*		*5.4%*
EBIT	75.0	40.9	83.4%	62.7
Margin	*5.3%*	*5.1%*		*5.1%*

EBIT BREAKDOWN January - September	9M 07 € million	9M 06 € million	Var. %	Year 2006 € million
Operating Profit from divisions	101.6	61.4	65.5%	92.1
Costs not assigned to divisions	-26.6	-20.5	29.7%	-29.4
Operating profit (EBIT)	**75.0**	**40.9**	**83.4%**	**62.7**

EBITDA reached € 78.3 million in the first nine months of 2007, up 82.5% and EBIT reached € 75.0 million for the same period, up 83.4%. This substantial growth stemmed from an improvement in margins plus the effect of the fast growing sales.

With respect to operating margins, their improvement continues to be led by economies of scale in general expenses (costs not assigned to divisions) and better contractual terms in the recently awarded projects.

3.3 NET PROFIT

NET PROFIT January - September	9M 07 € million	9M 06 € million	Var. %	Year 2006 € million
Net Profit	**76.6**	**43.9**	**74.4%**	**65.4**
Margin	**5.4%**	**5.4%**		**5.3%**

In the first nine months of 2007, Net Profit climbed to € 76.6 million and grew by 74.4%, compared to the same period in 2006, in adjusted terms. Net Margin reached 5.4%, similar to the level of the first nine months 2006.

Financial Income/ Expense

Financial Income/Expense January - September	9M 07 € million	9M 06 € million	Year 2006 € million
Net financial Income *	5.8	5.7	10.7
Gains/losses in transactions in foreing currency	-1.3	-2.3	-5.5
Financial Income/Expense	**4.5**	**3.4**	**5.2**

***** From net cash and other investments less financial expenditure

Financial results increased from an income of € 3.4 million as of September 2006 to an income of € 4.5 million as of September 2007, due to a smaller impact of the "losses in transactions in foreign currency" because of the progressive adaptation of the company hedging policy to IFRS requirements.

Income Tax

Tecnicas Reunidas recognised a tax expense of € 3.3 million in the first nine months of 2007; similar to the level of the first half, due to the lower contribution to sales of Spanish operations.

4. CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET	Sep-07 € million	Sep-06 € million	Dec-06 € million
ASSETS:			
Non-current Assets			
Tangible and intangible assets	41.8	22.7	34.6
Investment in associates	6.7	6.5	6.0
Deferred tax assets	18.1	19.5	18.4
Other non-current assets	6.1	4.0	4.6
	72.8	**52.7**	**63.6**
Current assets			
Inventories	15.9	9.6	17.9
Trade and other receivables	1,141.3	625.7	718.4
Other current assets	22.5	5.1	12.4
Cash and Financial assets	313.7	311.1	368.1
	1,493.4	**951.4**	**1,116.9**
TOTAL ASSETS	**1,566.2**	**1,004.2**	**1,180.5**
EQUITY AND LIABILITIES:			
Equity	**228.6**	**142.6**	**162.2**
Non-current liabilities	**22.9**	**9.3**	**34.5**
Financial Debt	11.2	0.0	2.0
Other non-current liabilities	11.7	9.3	32.5
Long term porvisions	**22.8**	**40.2**	**23.1**
Current liabilities			
Financial Debt	46.8	72.5	48.3
Accounts payable	1,212.2	689.6	883.3
Other current liabilities	33.0	50.0	52.2
	1,292.0	**812.1**	**983.8**
Total liabilities	**1,337.6**	**861.6**	**1,018.3**
TOTAL EQUITY AND LIABILITIES	**1,566.2**	**1,004.2**	**1,180.5**

EQUITY	Sep-07 € million	Sep-06 € million	Dec-06 € million
Shareholders' funds + retained profit	205.0	142.8	167.2
Hedging reserve	18.1	-2.3	9.1
Interim dividends	0.0	0.0	-16.8
Minorty Interest	5.5	2.0	2.6
EQUITY	**228.6**	**142.6**	**162.2**

NET CASH POSITION	Sep-07 € million	Sep-06 € million	Dec-06 € million
Current assets less cash and financial assets	1,179.7	640.3	748.7
Current liabilities less financial debt	-1,245.2	-739.6	-935.5
COMMERCIAL WORKING CAPITAL	**-65.5**	**-99.2**	**-186.8**
Financial assets	18.5	40.6	21.6
Cash and cash equivalents	295.3	270.6	346.6
Financial Debt	-58.0	-72.5	-50.3
NET CASH POSITION	**255.8**	**238.6**	**317.8**
NET CASH + COMMERCIAL WORKING CAPITAL	**190.3**	**139.3**	**131.0**

- Net cash stood at € 255.8 million at the end of September, similar to the cash position achieved in June 2007.

- In January 2007, the company paid out a 2006 interim dividend of € 0.30 per share. The complementary dividend of € 0.34 per share was paid in July 2007. Therefore, the total dividend against 2006 results amounted to € 0.64 for an aggregate of € 35.8 million, which represents about 50% of 2006 net profit.

- Equity grew by € 66.4 million from December 2006 to September 2007. This increase came from the net profit generated by the operations, which outweighed the distribution of the complementary dividend.

5. RELEVANT EVENTS AND OTHER COMMUNICATIONS

In the third quarter of 2007, the company filed with the Spanish CNMV the communications on the Sines Project in Portugal and the Khabarovsk refinery in he Russian Federation.

- TR was awarded by Galp the Sines refinery enlargement. The project includes the execution of a hydrocracker and new units of hydrogen, LPG, acid waters and several improvements in the crude, vacuum distillation, visbreaker, FCC and sulphur recovery units together with the auxiliary services and off sites. The project was awarded under the OBE model. The first phase, scheduled to last 16-22 months, will include the detailed engineering and the purchase of main equipment, as well as drawing up a comprehensive estimate of the investment involved, pursuant to a cost – reimbursable services contract. The second phase will take place from the sixteenth month onwards, when the contract is expected to convert into a turnkey project. The engineering works started during September.

- TR signed a letter of award with Oil Company Alliance (OC Alliance) for the execution of a new hydrocracking complex at the Khabarovsk refinery in the Russian Federation. The construction of this complex will increase total production capacity of the refinery from 3.2 to 3.5 million tons per year and annual production capacity of diesel and low sulphur kerosene by 1.6 million tons. The total customer's investment is initially valued at $ 800 million. The project includes the engineering, supply and construction of all process units: hydrocracking, hydrotreatment, hydrogen, amine regeneration, acid water and sulphur recovery, as well as the auxiliary systems of the complex. The project works started in October and it is forecast to beginning at the start of 2011.

- The company reported to the CNMV the appointment of Mr. Javier Alarcó Canosa as a Director, in replacement of Mr. Francisco Esteve Romero. Mr. Alarcó has also been designated as a member of the Audit Committee.