RESULTS
January – December 2011

CONTENTS:

2011 Annual Accounts audited by Price Waterhouse Coopers

1. HIGHLIGHTS

HIGHLIGHTS *January - December*	Year 2011 € million	Year 2010 € million	Var. %
Net Profit	**135**	**98**	***38.1%***
Margin	*5.2%*	*3.5%*	
Adjusted Net Profit*	**135**	**136**	***-0.6%***
Margin	*5.2%*	*4.9%*	
Net Revenues	**2,613**	**2,771**	***-5.7%***
EBITDA	**160**	**163**	***-2.1%***
Margin	*6.1%*	*5.9%*	
EBIT	**151**	**156**	***-2.7%***
Margin	*5.8%*	*5.6%*	
Net cash position	**740**	**525**	***40.9%***
Backlog	**5,387**	**5,730**	***-6.0%***

*Net profit adjusted by € 39.3 million of extraordinary tax expense

- **2011 Net profit was € 135 million, up 38% compared to 2010. On an adjusted basis, net profit remained almost level to the adjusted net profit of 2010.**
- **The concentration of order intake late in the year, € 1.2 billion of awards in the fourth quarter, led to a 5.7% decrease of sales, compared to 2010.**
- **EBITDA and EBIT margins improved to 6.1% and 5.8% respectively.**
- **2011 Net cash of the Group climbed to € 740 million, 41% higher than at 2010 close.**
- **At the end of 2011, Tecnicas Reunidas' backlog reached € 5,387 million. Awards in the fourth quarter amounted to € 1,212 million. The main new orders booked in the quarter were: the Gran Chaco upstream project for YPFB, in Bolivia; the Dufi CCGT plant for MOL and CEZ, in Hungary; and the Paracas chemical complex for Nitratos del Peru, in Peru.**

2. BACKLOG

	Project	Country	Client	Estimated Delivery
Refining and Petrochemical	Paracas chemical complex*	Peru	Nitratos del Peru	2014
	Yanbu Refinery	Saudi Arabia	Saudi Aramco	2014
	Talara Refinery*	Peru	Petroperu	2014
	Izmit Refinery	Turkey	Tüpras	2014
	Normandy Refinery	France	Total	2013
	Al Jubail Refinery	Saudi Arabia	SATORP	2013
	Khabarovsk	Russia	OC Alliance	2012
	Elefsina	Greece	Hellenic Petroleum	2012
	Crude Distillation Unit Mohammedia	Morocco	Samir	2012
	Alkylation unit	Chile	Enap	2012
	Sines**	Portugal	Galp	-
	Cartagena**	Spain	Repsol	-
Upstream & Gas	Gran Chaco	Bolivia	YPFB	2014
	Shah	United Arab Emirates	ADNOC	2014
	Mejillones LNG tank	Chile	Codelco/GDF Suez	2013
	Zhuhai LNG terminal	China	Guangdong Zhuhai Golden Bay LNG	2013
	Gas compression station	Turkey	Botas	2012
	Margarita field	Bolivia	Repsol/British Gas/Pan American Energy	2012
	SAS	United Arab Emirates	ADCO	2012
Power	Dufi	Hungary	MOL / CEZ	2015
	Manifa	Saudi Arabia	Saudi Aramco	2013
	Moerdijk**	Holland	Essent	-
I & I	Southern Sea Water Desalination Plant stage 2	Australia	Water Corporation	2014

* Project in execution on an open book basis

** Project in mechanical completion or carrying out services for the start up phase of the plant

Backlog as of December, 31st 2011

At the end of December 2011, Tecnicas Reunidas' (TR) backlog closed at € 5,387 million, 6% below the 2010 year-end backlog.

The Oil and Gas division represented 86% of the total backlog while the Power division, together with the Australian desalination plant, accounted for the rest.

At the end of the year, projects that were on an Open Book (OBE) phase stood at 26% of the total backlog.

In the fourth quarter of 2011, TR booked € 1,212 million in new orders. The new projects added to the backlog during this quarter were:

- Gran Chaco Upstream Project: Yacimientos Petrolíferos Fiscales Bolivianos, YPFB, selected TR as the main contractor for the engineering, purchasing of equipment and materials, construction and start-up for a new natural gas liquid separation plant in Gran Chaco, Bolivia. The contract was awarded under a "Lump Sum Turn Key" (LSTK) scheme, with an approximate value of USD 500 million.

  The future pant will process natural gas to produce ethane, LPG, isopentane and natural gasoline.

- Dufi CCGT Project: MOL-CEZ European Power Hungary Ltd. (MCEPH), the joint venture between MOL and CEZ, selected TR as the main contractor for the combined cycle gas turbine power plant (CCGT) in Százhalombatta, Hungary. The contract will be executed on a LSTK basis, with a value of € 455 million.

  The contract includes the project management, engineering, procurement and construction of a combined cycle gas power plant at the Duna refinery of MOL Group in Hungary, with an installed capacity of 860 MW. The plant will be completed in 2015.

- Paracas Chemical Project: Nitratos del Perú (NdP) signed a Letter of Intent with Técnicas Reunidas, in a consortium with Technip Italy, for the execution of the first phase for the development of a new chemical complex of production of ammonia, nitric acid, ammonium nitrate and associated OSBL facilities in Paracas, province of Pisco, Perú. The estimated amount of the project will be USD 1 billion, where TR´s share will be around € 400 million.

  For both, the nitric acid and ammonium nitrate plants, NdP has selected TR´s technology and know-how.

The company has already secured another project to be included in 2012 backlog:

- Incitec Pivot selected TR for a new chemical complex in Newcastle, Australia. The project includes new nitric acid and ammonium nitrate units, selecting TR's own technology and know-how.

In addition, the company was awarded other projects less significant in size but highly valuable as they involve technology development and R&D, or alternately, basic engineering development or FEEDs (Front End Engineer and Design) for complex units:

- Sabic IP awarded TR an "Extended Process Design Package" (EPDP) for a new polycarbonates complex in Tianjin, China to be undertaken by The Sabic and Sinopec JV, Sinopec Sabic Tianjin Petrochemical Co. Ltd (SSTPC). This new complex is analogous to the one developed by TR in Cartagena, Spain, for GE Plastics (now Sabic). The project will involve around 200.000 hours.

- Lucite International and Sabic awarded TR, under separate contracts, the basic engineering package and the FEED for a Methyl Methacrylate and PolyMethyl Methacrylate grass-root polymers plant to be developed in Jubail, in the kingdom of Saudi Arabia.

- CEPSA awarded TR, in a joint venture with the Chinese company Huanqiu Contracting & Engineering Corp, an Engineering, Procurement and Construction Management (EPCm) contract for a petrochemical complex to be built in Caojin, Shanghai, China. The new plant will produce fenolics and acetone from cumene. The contract also includes the design of the storehouse and the offsites and utilities.

- Chongqing Jianfeng Industrial Co awarded TR a license and basic design contract in relation to the use of nitric acid technology, to be implemented in China.

- TR was awarded a license and basic design contract by the Czech company, Chemoprojek, for the use of liquor ammonium nitrate and HD/LD ammonium nitrate technologies for Eurochem, to be implemented in Novomoskov, Russia.

- Chemoprojekt also awarded TR a license and basic design contract for the use of liquor ammonium nitrate technology for Eurochem, to be implemented in Belorechensk, Russia

- During 2011, TR was awarded different R&D projects:

  - INNPRONTA ITACA project: Research of new waste water depuration technologies for the reutilisation of the subproducts and residues.
  - GREENLION European project: Industrial development of environmental efficient processes for electric cars batteries.
  - CERAMPOL European project: Development of intelligent membranes for the waste water treatment.

- Petrochina and PDVSA awarded TR a FEED project in January 2012, for the hydrocraker unit at Jieyang refinery in China.

- YPFB Refinacion S.A. signed with TR in February 2012, a LSTK contract for the engineering, procurement, construction and start up for the revamping of the crude unit at Gualberto Villaroel refinery in Cochabamba, Bolivia.

3. CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT January - December	Year 2011 € million	Year 2010* € million	Var. %
Net Revenues	**2,612.6**	**2,771.4**	**-5.7%**
Other Revenues	3.8	2.6	
Total Income	**2,616.5**	**2,773.9**	**-5.7%**
Raw materials and consumables	-1,781.6	-1,902.5	
Personnel Costs	-351.7	-334.8	
Other operating costs	-323.6	-373.7	
EBITDA	**159.5**	**162.9**	**-2.1%**
Amortisation	-8.2	-7.4	
EBIT	**151.3**	**155.5**	**-2.7%**
Financial Income/ expense	6.7	10.4	
Share in results obtained by associates	-2.8	-2.5	
Profit before tax	**155.2**	**163.5**	**-5.1%**
Income taxes	-19.9	-26.2	
Net Profit	**135.3**	**136.2**	**-0.6%**

* 2010 Net Profit adjusted by €39.3 million of extraordinary tax expense.

3.1 REVENUES

REVENUES BREAKDOWN January - December	Year 2011 € million	%	Year 2010 € million	%	Var. %
Oil and gas	2,285.3	87.5%	2,153.5	77.7%	6.1%
Power	203.3	7.8%	395.1	14.3%	-48.6%
Infrastructure and industries	124.1	4.7%	222.8	8.0%	-44.3%
Net Revenues	**2,612.6**	**100%**	**2,771.4**	**100%**	**-5.7%**

In 2011, net revenues amounted to € 2,613 million, down 5.7% compared to the year before. This reduction in sales was due to the concentration of new orders late in the year.

Oil and Gas: From January to December 2011, revenues grew by 6.1% compared to 2010 revenues, representing 87.5% of total sales. The Refining and Petrochemical unit was the largest contributor to sales.

- Refining and petrochemical. The main contributors to 2011 revenues were the following projects: Jubail for Saudi Aramco (Saudi Arabia), Khabarovsk for OC Alliance (Russia), Yanbu for Saudi Aramco (Saudi Arabia), Sines for Galp Energia (Portugal) and Izmit for Tüpras (Turkey).

- Upstream and natural gas. The projects with higher activity in 2011 were the SAS project for ADCO in Abu Dhabi and the Margarita project for Repsol / BG / PAE in Bolivia.

Power: Revenues in this division went down by 49% from € 395.1 million in 2010 to € 203.3 million in 2011. The fall is due to the completion of major projects in 2010 and to the delay in the award of the Hungary project. The main project in terms of revenue contribution was the Manifa project for Saudi Aramco in Saudi Arabia.

Infrastructure and industries**:** In 2011, revenues in the infrastructure and industries division were € 124.1 million, 44% lower than 2010 revenues. This division was affected by the Spanish economy slowdown and the consequent infrastructure expenditure reduction. The main project contributing to sales in this division was the desalination project in Australia for Water Corporation.

3.2 OPERATING PROFIT

OPERATING MARGINS **January - December**	**Year 2011** **€ million**	**Year 2010** **€ million**	**Var.** **%**
EBITDA	159.5	162.9	-2.1%
Margin	*6.1%*	*5.9%*	
EBIT	151.3	155.5	-2.7%
Margin	*5.8%*	*5.6%*	

EBIT BREAKDOWN **January - December**	**Year 2011** **€ million**	**Year 2010** **€ million**	**Var.** **%**
Operating Profit from divisions	213.0	216.4	-1.6%
Costs not assigned to divisions	-61.8	-60.9	1.5%
Operating profit (EBIT)	**151.3**	**155.5**	**-2.7%**

- In 2011, EBITDA and EBIT amounted to € 159.5 million and € 151.3 million respectively, down 2.1% and 2.7% compared to 2010 figures.

- In terms of operating margins, the company was able to achieve slight improvements benefited from stronger project margins. The EBITDA margin increased from 5.9% in 2010 to 6.1% in 2011 while the EBIT margin grew from 5.6% to 5.8% in the same period.

3.3 NET PROFIT

NET PROFIT January - December	Year 2011 € million	Year 2010* € million	Var. %
Net Profit	**135.3**	**97.9**	**38.1%**
Margin	**5.2%**	**3.5%**	
Adjusted Net Profit	**135.3**	**136.2**	**-0.6%**
Margin	**5.2%**	**4.9%**	

***2010 Net Profit adjusted by extraordinary tax expense.**

Financial Income/Expense January - December	Year 2011 € million	Year 2010** € million
Net financial Income *	6.2	8.4
Gains/losses in transactions in foreign currency	0.5	2.0
Financial Income/Expense	**6.7**	**10.4**

***** Financial income less financial expenditure
** 2010 Net Financial income adjusted by € 3.6 million of related extraordinary financial expense

Net profit in 2011 was € 135.3 million, almost level to the net profit of 2010, adjusted by the extra tax expense. On a non-adjusted basis, 2011 net profit grew by 38% year over year.

- Net financial result decreased from an adjusted financial result of € 10.4 million in 2010, to € 6.7 million in 2011. This decrease was driven by lower return on the cash invested and smaller gains in foreign currency.

- The company paid € 19.9 million in taxes in 2011, which represented an estimated tax rate of 12.8%.

4. CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET December 31, 2011	Year 2011 € million	Year 2010 € million
ASSETS:		
Non-current Assets		
Tangible and intangible assets	82.9	78.9
Investment in associates	7.2	7.5
Deferred tax assets	24.4	24.5
Other non-current assets	6.6	9.1
	121.1	**119.9**
Current assets		
Inventories	20.8	17.6
Trade and other receivables	1,753.9	2,015.0
Other current assets	36.1	41.6
Cash and Financial assets	775.5	586.8
	2,586.3	**2,661.0**
TOTAL ASSETS	**2,707.4**	**2,780.9**
EQUITY AND LIABILITIES:		
Equity	**349.4**	**341.2**
Non-current liabilities	**66.3**	**43.6**
Financial Debt	30.0	27.0
Other non-current liabilities	36.3	16.6
Long term provisions	**18.2**	**18.2**
Current liabilities		
Financial Debt	5.3	34.3
Trade payable	2,144.0	2,241.0
Other current liabilities	124.3	102.6
	2,273.5	**2,377.9**
Total liabilities	**2,358.0**	**2,439.7**
TOTAL EQUITY AND LIABILITIES	**2,707.4**	**2,780.9**

EQUITY December 31, 2011	Year 2011 € million	Year 2010 € million
Shareholders' funds + retained earnings	481.0	420.0
Treasury stock	-73.4	-56.3
Hedging reserve	-31.1	5.8
Interim dividends	-35.8	-35.8
Minority Interest	8.7	7.5
EQUITY	**349.4**	**341.2**

NET CASH POSITION December 31, 2011	**Year 2011 € million**	**Year 2010 € million**
Current assets less cash and financial assets	1,810.8	2,074.2
Current liabilities less financial debt	-2,268.2	-2,343.6
COMMERCIAL WORKING CAPITAL	**-457.4**	**-269.3**
Financial assets	68.0	68.0
Cash and cash equivalents	707.5	518.8
Financial Debt	-35.3	-61.3
NET CASH POSITION	**740.2**	**525.5**
NET CASH + COMMERCIAL WORKING CAPITAL	**282.8**	**256.1**

- In 2011, Equity improved by € 8.2 million compared to 2010, despite increases in treasury stock and negative hedging reserves.

- At December 31st, 2011, the net cash position closed at € 740.2 million, € 214.7 million higher than the net cash position of 2010, due mainly to larger downpayments (especially from the Tüpras project) and cash generated from company operations.

- In July and August the company bought back shares equivalent to 1.03% of total equity.

- In January 2011, the company paid out an interim dividend of € 0.66 per share and in July, the company paid a complementary dividend of € 0.68 per share. Consequently, total dividends paid in 2011 out of 2010 results were € 72.8 million (€ 1.34 per share), the same amount as 2009 dividends. Given the extraordinary nature of the tax expense paid in 2010, the company decided to maintain the same dividend as in 2009 and therefore, the company distributed 70% of net profit, which is a higher percentage than the 50% dividend distribution policy of the company.

  In January 2012, the company paid out an interim dividend of € 0.667 per share, out of 2011 results, which was slightly higher than last year interim dividend.

ANNEX: FILINGS WITH CNMV RELEVANT EVENTS AND OTHER COMMUNICATIONS

In the fourth quarter of 2011, the company filed with the Spanish CNMV the following communications:

- Yacimientos Petrolíferos Fiscales Bolivianos, YPFB, selected TR as main contractor for the engineering, purchasing of equipment and materials, construction and start-up for a new natural gas liquid separation plant in Gran Chaco, Bolivia. The contract was awarded under a LSTK scheme, with an approximate value of USD 500 million.

  The plant's purpose is to separate liquid products from natural gas, with the liquids being mainly destined for export, while LPG being used to cover the deficit between internal demand and domestic production.

  This project is part of YPFB's 2009-2015 investment plan. It will process 27,700,000 m3/day of natural gas to produce 2,030 tons/day of ethane, 2,037 tons/day of LPG, 1,054 barrels/day of Isopentane and 2,087 barrels/day of natural gasoline. The plant will consist of cryogenic dehydration, recompression, fractionation and utilities units, which will be on-line in 2014.

  This award reflects TR's ongoing strong commitment to Bolivia, with the continuation of TR's activity in a country where it was already executing another major natural gas project. In June of 2010, the Caipipendi consortium (Repsol, British Gas y PAE), awarded Técnicas Reunidas the construction of a natural gas treatment plant with an approximate value of USD 200 million.

  Our focus on Bolivia is also shown by the recent opening by TR of a permanent office (TR TEC) in Santa Cruz de la Sierra (Bolivia), demonstrating Técnicas Reunidas' commitment to Bolivian projects, not just for the short term but for the longer term Bolivia's industrial future, as this office will allow TR to better understand the client's needs and wishes for the project, as well as make possible the prospection of future clients. Bolivia possesses great untapped natural resources and TR wishes to contribute to their development, while additionally selecting the highest possible number of Bolivian engineers and specialized personnel for their incorporation into the company.

  TR also welcomes the opportunity to deepen its relationship with an important client, YPFB Corporación, which has placed its confidence on TR for a project of great social and economic importance for the company and for the country. This award also shows TR's competitiveness in dealing with the complex natural gas market of Latin America.

YPFB is the most important Bolivian company, dedicated to the exploration, exploitation, distillation and sale of petroleum and its by-products. YPFB operates as a state-run company and has more than 2,000 employees.

- Tüpras and TR signed the last agreements related to the financing of the Izmit Refinery Upgrade Project. With this signature, the LSTK contract, agreed in July, becomes effective for Técnicas Reunidas. The contract involves the engineering, procurement and construction of the Izmit Residue Upgrading Project (RUP). Its value is USD 2.404 million and it is expected to be completed in 36 months. The construction will start in November 2011, when TR will receive the downpayment. In 2010, TR started the execution on this project under “cost plus” scheme, with the option of conversion to LSTK.

  The purpose of the project is to increase the conversion capacity of the Izmit refinery which will enable it to process heavier and high sulphur content crude oils, to reduce the deficit of gasoil in Turkey and to adapt the refining projects to the EU environmental specifications.

  The project will include the following main units: Hydrocraker (50,300 b/d), vacuum (47,200 b/d), Delayed Coker (51,600 b/d), Hydrogen (160,000 Nm3/h), Sulphur Recovery (2x210 T/d), Amine Regeneration (1,100 m3/d), Sour Water Stripping unit (126 t/h) as well as a Cogeneration unit (120 MW).

  The RUP project has a high technological and environmental content. For instance, the engineering developed by TR promotes an optimized use of energy, the hidrocraking unit will be the one with the highest design pressure in the world, the Hydrogen unit will be the largest designed by TR and one of the largest globally and, the Flare, with 180 meters height, will the second tallest in the world.

  This is one of the largest projects currently entrusted to a single EPC company which shows TR’s international leadership in executing large and complex projects. This complex refining upgrade also reflects Tüpras full confidence on the quality of Spanish engineering.

  The contract reflects TR’s ongoing strong commitment to Turkey where TR has been working since 1990 and has already completed 6 different projects. Currently, in addition to the Izmit project, TR is executing a natural gas project for Botas, the state-owned gas distribution company in Turkey.

This will be also a key project for Spain. TR is designing the full refinery upgrade project in Spain, employing 545 engineers at the peak with more than 2 million man hours of engineering. Also, the project will imply some major purchases of equipment and materials that will be manufactured in Spain, and therefore supporting the Spanish industrial sector.

Tüpras is the leading oil company in Turkey, with a crude oil processing capacity of 28.1 million tons per year throughout its four refineries. The KOÇ Group, owner of Tüpras, is the largest business group in Turkey, with participation in industrial, commercial and financial sectors.

- MOL-CEZ European Power Hungary Ltd. (MCEPH), the joint venture of MOL Group and CEZ has selected Técnicas Reunidas (TR) as Main Contractor for the combined cycle gas turbine power plant (CCGT) in Százhalombatta (Hungary). The contract has been awarded on an EPC Lump Sum Turn Key basis, with a value of 455 million €.

  The contract includes the project management, engineering, procurement and construction of a combined cycle gas power plant at the Duna refinery of MOL Group in Hungary with an installed capacity of 860 MW.

  This power plant will have one of the most modern technologies in the power generation with high efficiency and the lowest marginal cost.

  Together with the Contract signature, MOL has issued to TR a Limited Notice to Proceed covering the activities of the Project in the first months including engineering to be done by TR and the order of the main equipment to suppliers, as it is the case for the gas turbines to Siemens. The construction phase of the plant is subject to the final investment decision of MOL and CEZ and the plant will be completed in 2015.

  TR' presence in Hungary began in 1993 carrying out different engineering studies for several companies. In July of 2008, TR was awarded the Upgrade of a Refinery in Százhalombatta. The project was among the most complex in refining processes.

  TR has also broad experience in power generation sector, having participating in power plants projects totaling more than 40 GW.

  MOL GROUP is one of Central Europe's leading international oil and gas companies with operations in 40 countries in Europe, the Middle East, North Africa and CIS member countries. It employs almost over 32 000 people worldwide.

CEZ is the leading Central European energy utility with more than 9 million customers and generation portfolio over 15 000 MW of installed capacity. CEZ Group ranks among the top 10 largest utility companies in Europe.

- The company reported to the CNMV that the Board of Directors approved on the 19th of December 2011, the distribution of € 0.667 per share, € 35.8 million, as an advanced payment of the dividend out of 2011 results, to be approved in the next Shareholders General Meeting. The interim dividend was paid on the 20th of January of 2012.

- Nitratos del Perú, S.A. (NdP) has signed the Letter of Intent with the consortium Técnicas Reunidas and Technip Italy, for the execution of the first phase of the development of a new chemical complex of production of ammonia, nitric acid, ammonium nitrate and associated OSBL facilities in Paracas, province of Pisco, Perú.

  This phase, that will begin immediately, includes the activities of engineering of the project during its first months and is the first stage of the project for the construction of the complex, which will have a total estimated amount of 1,000 million USD, where TR´s share will be around 400 million euros.

  The contract will be signed once NdP reaches an agreement for the correspondent Investment Agreements with the Government of Perú. The start-up of the complex is initially scheduled for the end of 2014.

  For the nitric acid and ammonium nitrate plants, NdP has selected Espindesa´s technology and know-how, company member of TR´s group of companies.

  The chemical plant in Paracas, first one of its kind in Perú, will provide products to the petrochemical industry, as well as to explosives-sector companies, mainly mining ones. The complex will produce 710,000 tons of ammonia and 350,000 tons of ammonium nitrate per year.

  This project is crucial for Perú, as long as it will allow meeting the Peruvian demand of these products with ammonia domestically produced and making good use of significant natural gas reserves. Socially, the impact on employment in the region will be very positive.

  This is the first project that TR executes for NdP and the second awarded in Peru recently, after the great contract for the redevelopment of the Talara refinery for Petroperú.

  NdP is an entity owned 51% by the Peruvian group Brescia and 49% by the Chilean group Sigdo Koppers.

- In February 2012, Causeway Capital Management reported to the CNMV that it increased its stake from the former 3% of the company's issued share capital to a 5%.