



TECNICAS REUNIDAS

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CEO

Year 2006
Results Presentation

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YEAR 2006 FINANCIAL RESULTS



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BUSINESS HIGHLIGHTS

YEAR 2006 FINANCIAL RESULTS

Management Priorities

Management of Strong Business Growth



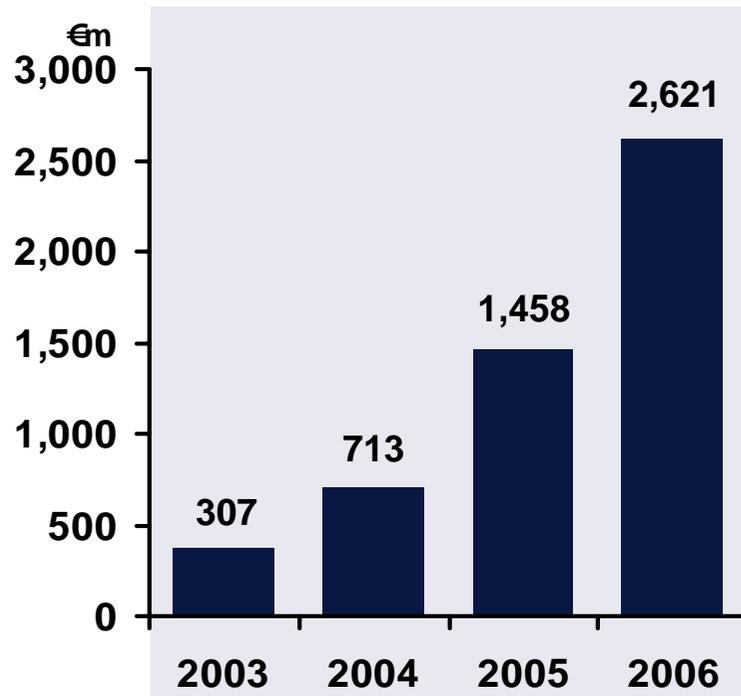
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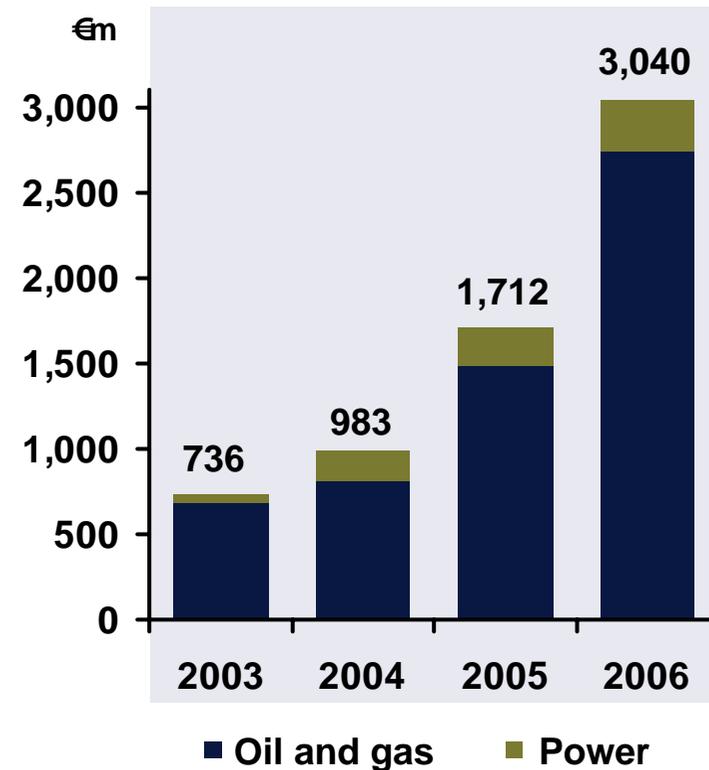
DELIVERY: Execution of Current Backlog

Recent strong awards with improved conditions ensure profitable growth

Awards (1)



Backlog (1)



(1) Does not include data from Infrastructure & Industries business

DELIVERY: End 2006 Backlog



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	Name	Location	Client	Contracted End Date	Total Backlog Size Dec 2006
Refining & Petrochemicals	Rabigh	Saudi Arabia	Saudi Aramco	2008	€2,740M
	Hydrocraker Huelva	Spain	CEPSA	2009	
	Phenol-Cumene Plant	Spain	CEPSA	2006	
	Coker	Chile	ENAP	2008	
	Nitric Acid Plant	Chile	ENAEX	2008	
	HDS – Bio Bio	Chile	ENAP	2008	
	Refining Units	Mexico	PEMEX	2008	
	Dung Quat	Vietnam	Petrovietnam	2009	
	Izmit	Turkey	Tüpras	2006	
	Kirikkale	Turkey	Tüpras	2007	
	Polymer Plant	Spain	General Electric	2007	
	Refining Units	Chile	ENAP	2009	
Hydrocraker Cartagena	Spain	REPSOL	2009		
Upstream & Gas	GC-28	Kuwait	KOC	2007	€300M
	Telemetry	Kuwait	KOC	2007	
	Hawiyah	Saudi Arabia	Saudi Aramco	2008	
	Ju'aymah	Saudi Arabia	Saudi Aramco	2008	
	TFT	Algeria	Total/Repsol/Sonatrach	2008	
	RKF	Algeria	Cepsa/Sonatrach	2008	
	Saih Rawl (Compression)	Oman	PDO	2009	
	Medgaz	Algeria	Medgaz	2009	
Power	Plana del Vent	Spain	Gas Natural	2007	€300M
	As Pontes	Spain	Endesa	2008	
	Barranco de Tirajana	Spain	Endesa	2007	
	Ocaña / Cuenca	Spain	-	2007	
	Escatrón I & II	Spain	Global 3	2008	
	Saih Rawl (Power)	Oman	PDO	2009	

DELIVERY: Rabigh



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DELIVERY: Rabigh



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DELIVERY: Rabigh



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Hydrocracking complex for Repsol in Cartagena



Description

To enhance the production scheme of the Cartagena refinery, allowing the processing of crude oil with a high sulphur content, from its current distillation capacity of 5.5 million t/y to 11 million t/y.

Hydrocracking complex for Repsol in Cartagena

Highlights

- Largest Spanish refining investment over the last ten years
- First OBE+EPC contract in Spain

Key Dates

- OBE start date: 23-10-6
- Estimated EPC start date: Nov-2007
- Expected completion: Oct - 2009

Scope Information

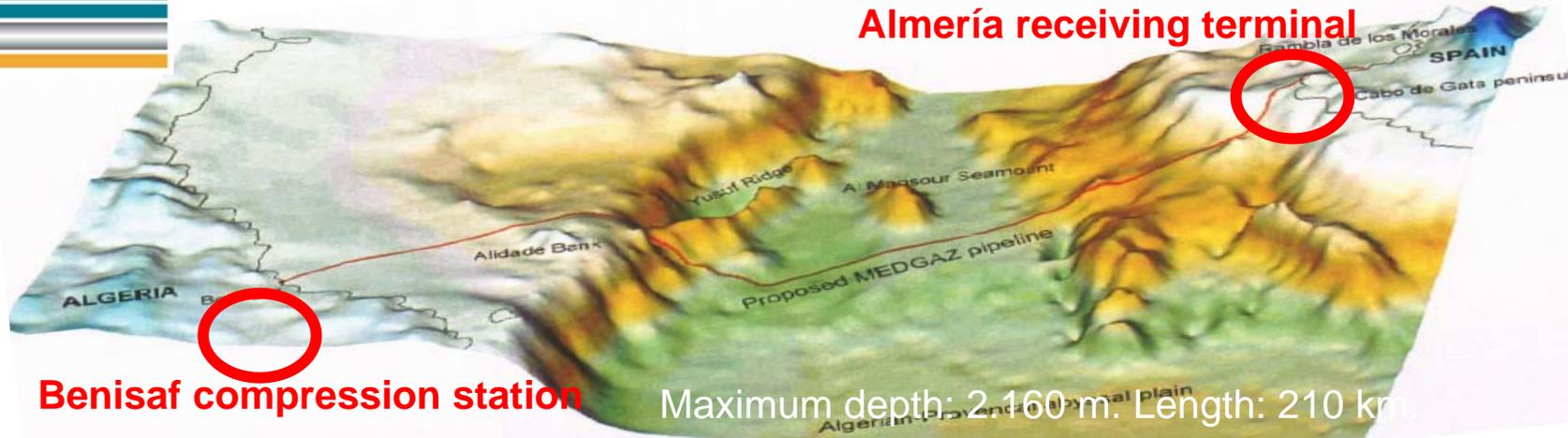
- HYDROCRACKER (2.5 million t/y)
- Four HDS units
- New Topping Unit
- Isomerization unit
- Electric substations
- Satelite racks buildings
- Gas concentration, naphta stabiliser & splitter
- Merox

CUSTOMERS: Key Awards



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MEDGAZ



Highlights

- Additional natural gas supply to Europe
- NG from the Hassi R'Mel field
- Medgaz: 36% Sonatrach, 20% Cepsa, 20% Iberdrola, 12% Endesa, 12%Gaz de France

Scope description

- Beni-Saf: Compression station
- Almeria receiving terminal:
Filtering, heating, regulation and metering

Key Dates

- Start date: January 2007
- Expected completion: October 2009

Technical Information

- Initial capacity of 8 bcm
- Installed power: 230 MW
- Suction / Discharge Pressure: 44/235 bar

CUSTOMERS: Key Awards



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Phenolics plant for Saudi Kayan Petrochemical Company in Al Jubail



Highlights

- TR is the sole contractor
- Part of the new Saudi Kayan world's largest grassroots petrochemicals project

Key Dates

- Start date: 22nd February 2007
- Completion: October 2009

SABIC: A new client for TR

- **SABIC = Saudi Basic Industries Corporation**
- **Petrochemical company in Saudi Arabia (70% state owned and 30% private) founded in 1976**
- **Goal: a 50% increase of its production capacity for 2008**
- **10th petrochemical company in the world and 4th in polyolefins.**



Scope description

- 290,000-t/y cumene unit
- 240,000-t/y bisphenol-A facility
- 220,000-t/y phenol plant
- 71,000-t/y acetone recovery unit

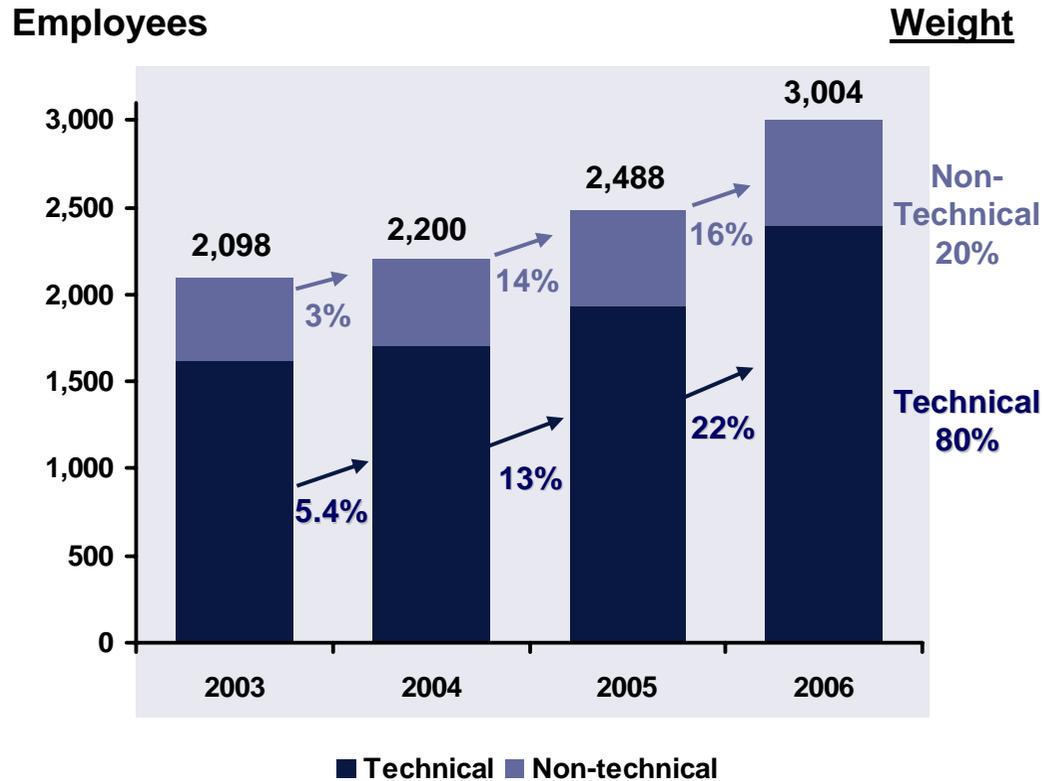
Technical Information

- Cumene and bisphenol technology licence by Badger (Shaw Group)
- Phenol technology licence by Kellogg Brown & Root (KBR)
- Eng. and construction supervision men hours, close to 2.000.000

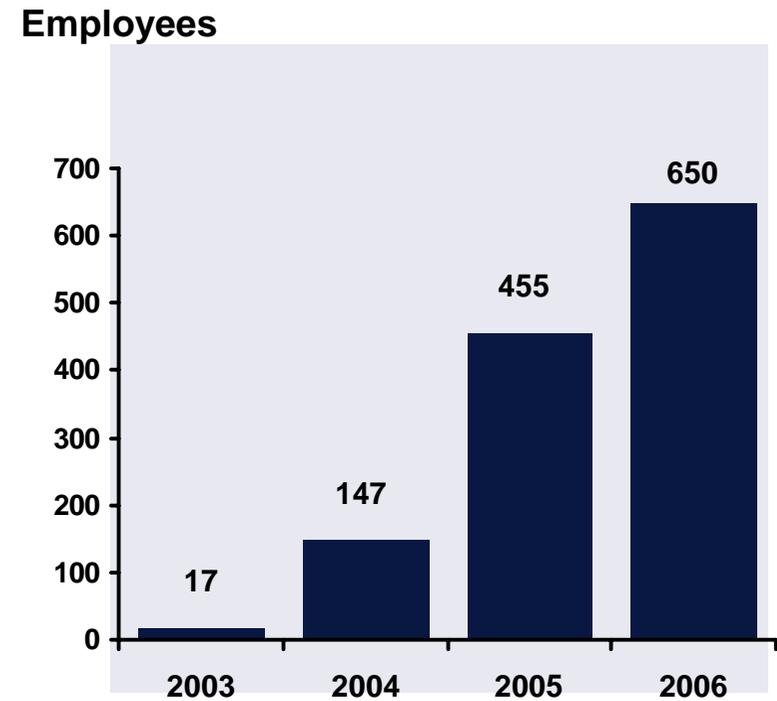


HUMAN RESOURCES

Headquarters and Central Production Center

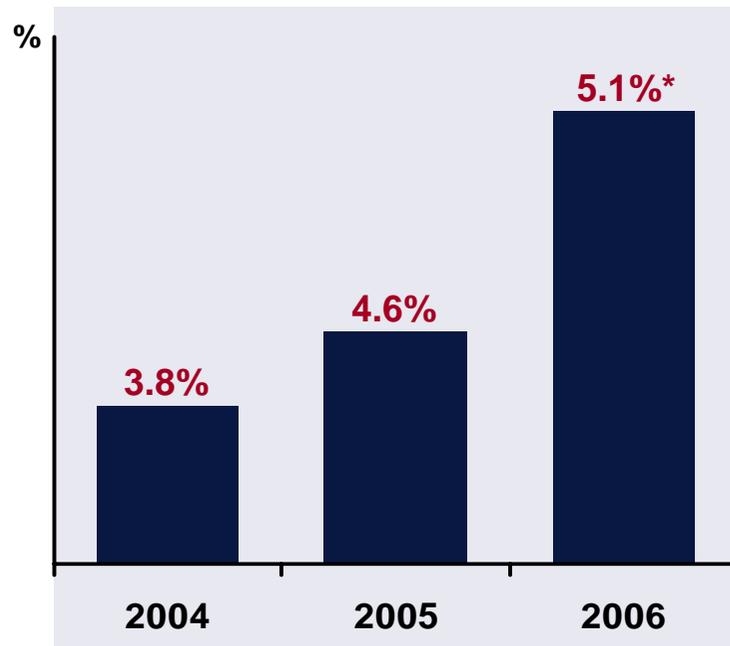


Satellite Engineering Centers



MARGINS: Enhancement and Protection

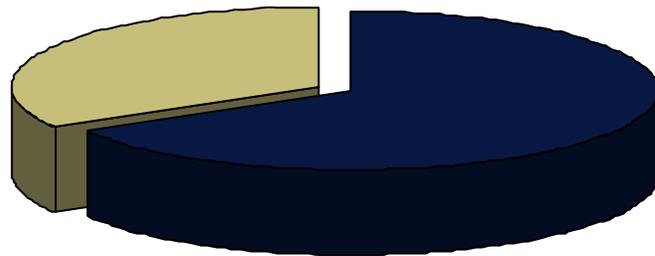
EBITDA MARGIN



* 5.4% excluding IPO costs

- Economies of scale
- Improvement in contracting conditions
- Selective projects

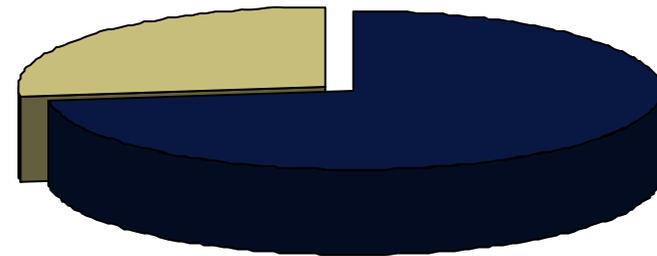
2006 Backlog



■ 2006 ■ REST

- 2/3 of end 2006 backlog awarded in the year 2006

2006 Backlog + Kayan*



■ 2006/07 ■ REST

- 3/4 of backlog awarded in 2006/07
- Approx. 60% awarded in OBE basis

* Kayan Project awarded in February 2007



BUSINESS HIGHLIGHTS

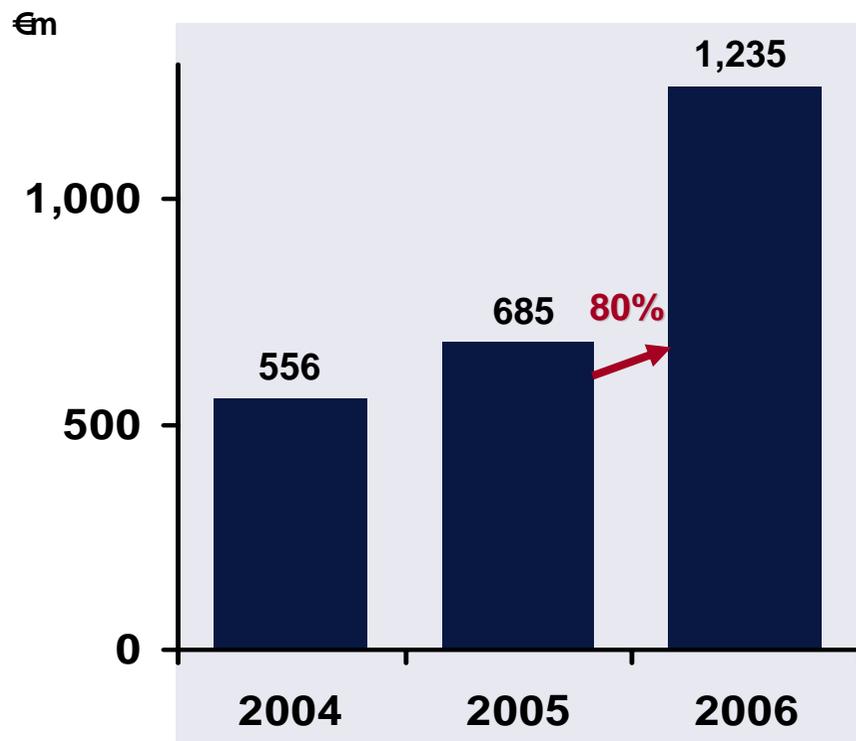
YEAR 2006 FINANCIAL RESULTS

Sales and EBITDA growth

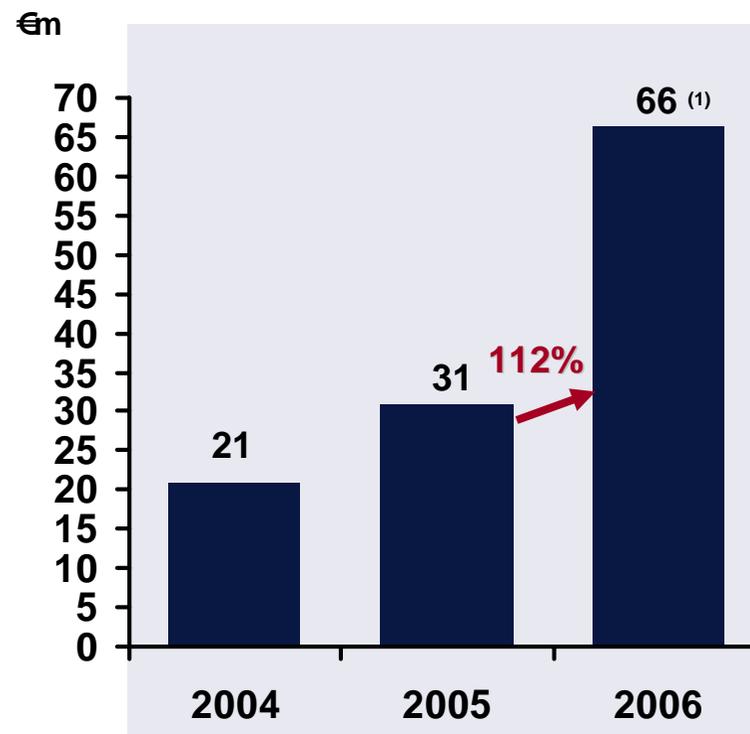


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SALES



ADJUSTED EBITDA



(1) Excluding IPO costs of €2.8 million

Financial Results

Profit and Loss Account



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€million	2006	2005	Var.
Revenues	1,234.5	685.1	80.2%
EBITDA	63.5	31.3	103.0%
<i>Margin</i>	5.1%	4.6%	
EBIT	59.6	28.6	108.5%
<i>Margin</i>	4.8%	4.2%	
Net Financial Results	5.2	6.8	
Profit before Taxes	78.2	36.6	113.7%
Taxes	-6.4	5.0	
Net Income	71.8	41.6	72.5%

Financial Results

Adjusted Profit and Loss Account (IPO costs and sale of assets excluded)



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€million	2006	2005	Var.
Revenues	1,234.5	685.1	80.2%
Adjusted EBITDA ⁽¹⁾	66.3	31.3	112.0%
<i>Margin</i>	5.4%	4.6%	
Adjusted EBIT ⁽¹⁾	62.4	28.6	118.3%
<i>Margin</i>	5.1%	4.2%	
Net Financial Results	5.2	6.8	
Adjusted Profit before Taxes ⁽²⁾	68.1	36.6	86.0%
Adjusted Taxes	-2.4	5	
Adjusted Net Income ⁽²⁾	65.7	41.6	57.9%

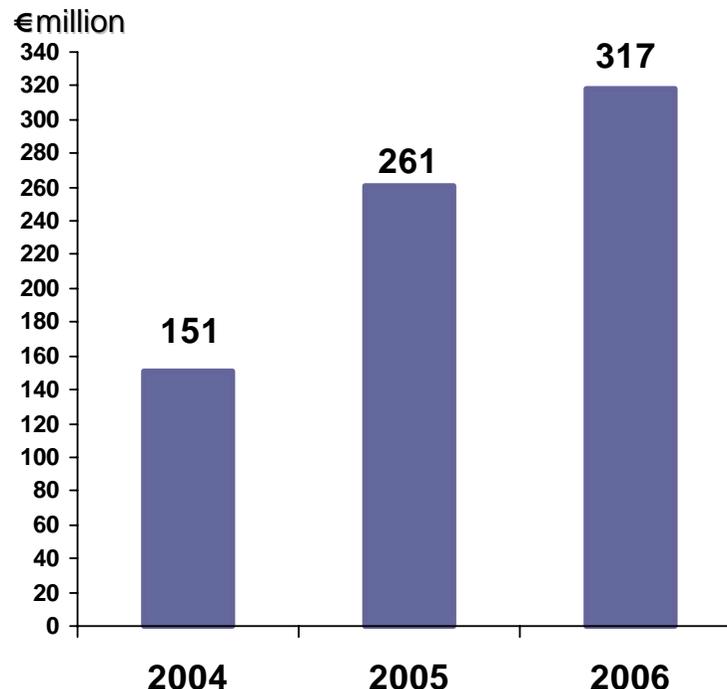
(1) Excluding IPO costs

(2) Excluding IPO cost and the sale of a real state subsidiary

Net Cash Position*



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- **Cash outflow of €72 million in 2006 from distribution of ordinary dividends and reserves.**
- **Dividend policy: 40%- 50% payout**
 - **The company agreed in December the distribution of a pre-tax 2006 interim dividend of €0.3 per share paid in January 2007**

*Net cash calculated as cash and cash equivalents plus assets at fair value less financial debt



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