

**A LA COMISION NACIONAL DEL MERCADO DE VALORES**

**Reduction in Share Capital**

Under the authorization given at the SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. Annual Shareholders Meeting held on 30th June 2010, the Board of Directors announces it has reduced the company's Share Capital through the cancellation of own shares. The deed of the reduction in Share Capital has been registered in the Madrid Mercantile Exchange, dated 14th September 2010.

Therefore, 1,440,635 own shares of SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. have been cancelled and the company's Share Capital has been reduced by Euro 14,406.35. The Article 5º of the company's by-laws "Estatutos Sociales", related to Share Capital, also changes to reflect the new Share Capital, now at Euro 997,060.32 and including 99,706,032 ordinary shares of a single series, fully paid and with a face value of Euro 0.01 per share.

The reduction in Share Capital has been done against Voluntary Reserves and does not generate any payment to the shareholders as the shares cancelled were owned by the company with the intention to be cancelled.

Madrid, September 17<sup>th</sup>, 2010