



Environmental Services

Mr. Javier Polanco

Investor's day - October 4th, 2005

The business

Organisation

Activities

Key economic aspects of the business

Key financial figures

Differentiating factors from competitors

Development strategy

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Environmental services

- Urban cleaning
- Solid and liquid waste collection
- Treatment and recycling of solid and liquid waste
- Water management, supply and purification
- Urban gardening





- Egypt
- Mexico
- Colombia
- Venezuela
- Chile
- Argentina
- China

- Spain
- Portugal
- France
- England
- Italy
- Greece
- Morocco

The business

Organisation

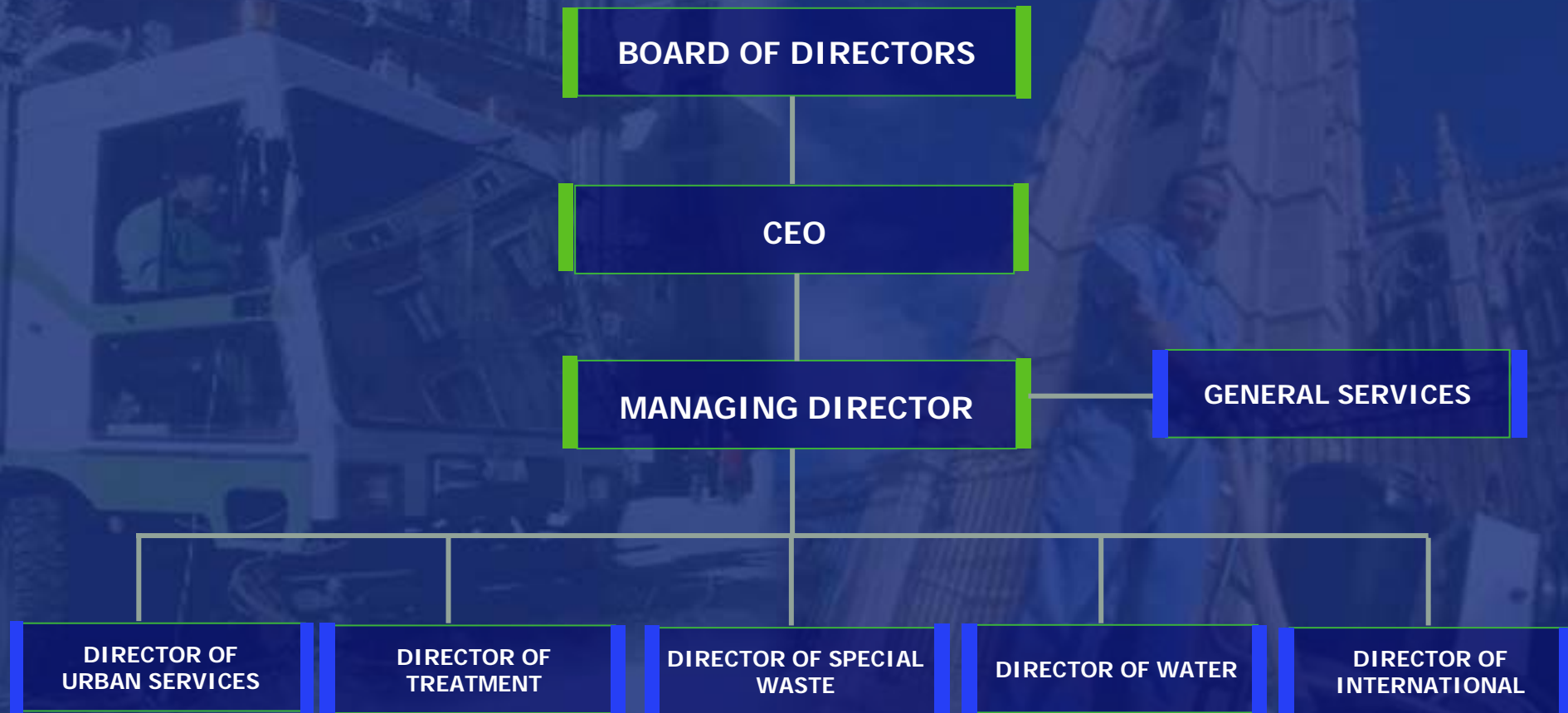
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5 independent business areas



URBAN SERVICES

Street cleaning, urban waste collection and urban gardening



TREATMENT

Urban waste treatment, the construction and operation of treatment plants



SPECIAL WASTE

Collection and treatment of special, sanitary and toxic waste

WATER

Water supply and purification

INTERNATIONAL

- Independent technical, operational and commercial management
- Staff committed exclusively to each particular area
- Separate economic targets
- Common administrative and general services

Street cleaning, urban waste collection and urban gardening



- Madrid
- Barcelona
- León
- Santiago
- Santa Cruz
- Málaga
- Cádiz
- Orense
- Santander
- Jaén
- Arrecife
- Santiago de Chile
- Caracas
- Acapulco
- Rabat
- Casablanca
- El Cairo
- Cascais
- Valencia (Venezuela)
- Mérida (Venezuela)
- Puebla
- Aveiro
- Figueira
- Buenos Aires

Co-leaders in Spain

Leaders in Latin America, Portugal and Morocco

Urban waste treatment, the construction and operation of treatment plants



- Madrid
- Barcelona
- Coruña
- Zaragoza
- León
- Ávila
- Málaga
- Tenerife
- Gran Canaria
- Mercia (UK)
- Santiago (Chile)
- Marseille (France)
- Valence (France)
- Hermosillo (Mexico)
- Calais (France)
- Tampico (Mexico)
- Manizales (Colombia)
- Tondela (Portugal)

Leader in Europe

Collection treatment of sanitary and toxic waste



- Sanitary Waste management in 14 Spanish Provinces and France
- Toxic Waste management in 5 Provinces
- Worldwide Manufacturing of Sanitary Waste Containers

Leader in Spain in sanitary waste

World leader in the manufacturing of sanitary waste containers

Supply and purification



Supply

- Provincia de Sevilla consortium (HUESNA)
- Aguas del Ferrol
- Aguas de Buenos Aires (AGBA)
- Aguas de Misiones (SAMSA)
- Sincelejo (Colombia)

Purification

- Seville
- Burgos
- Las Palmas
- Bullas (Murcia)
- Navalморal
- Totana

Medium size in the market in the development phase

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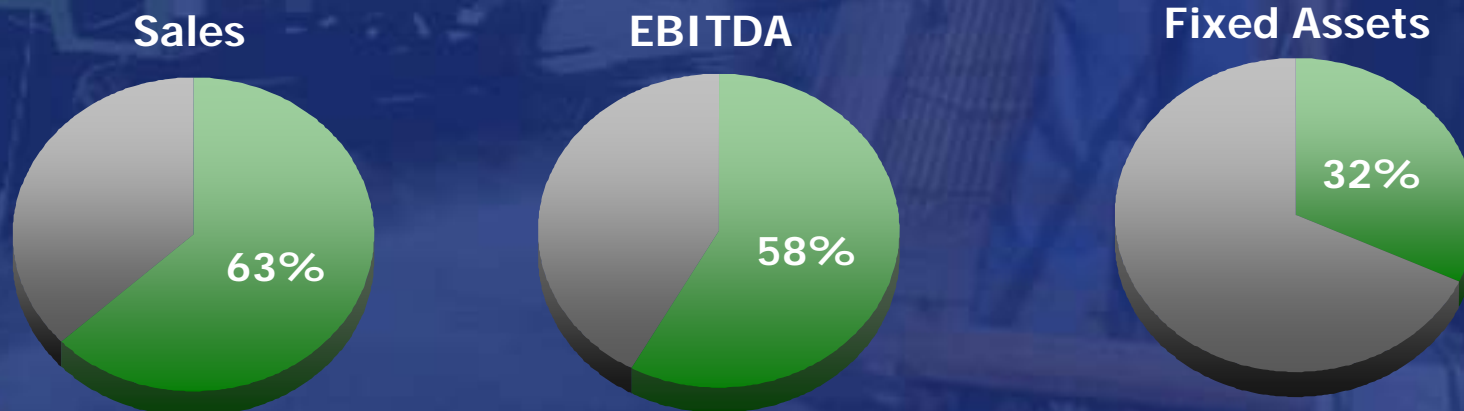
Urban Services

Street cleaning, waste collection and urban gardening

- Long contracts: 8-10 years
- Limited stable margin
- Low risk
- Average investment: 80% of 1st year turnover
- High entrance barriers: Experience, technology, personnel management
- Average growth potential: the market is growing through demand



Weight of Urban services in Urbaser

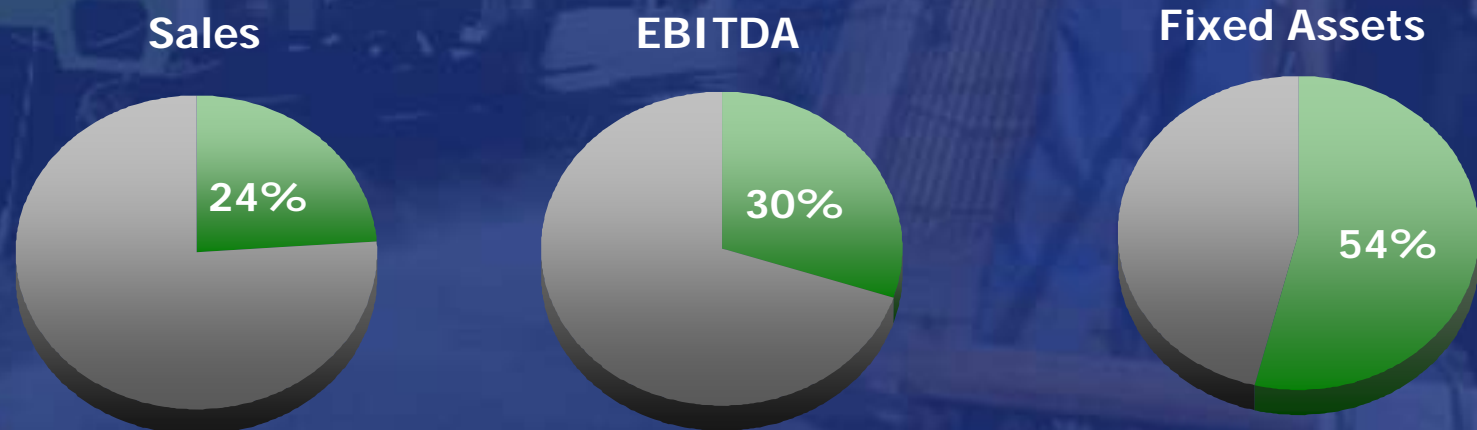


Urban Waste Treatment

- Very long contracts: 10-30 years
- Growing margin
- Medium technology risk
- High investment
- Very high entrance barriers: Technology, capacity, finances, experience
- High growth potential: the market is changing due to regulation



Weight of Urban Waste Treatment in Urbaser



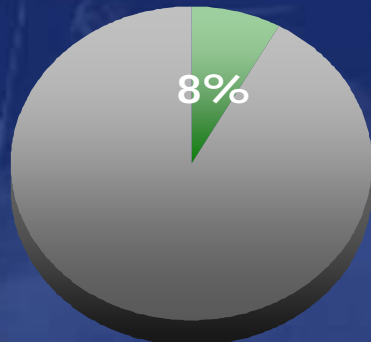
Sanitary and Toxic Waste

- Short recurring contracts
- High margin
- High risk
- Medium investment
- Very high barriers: Installations, licenses
- Limited growth

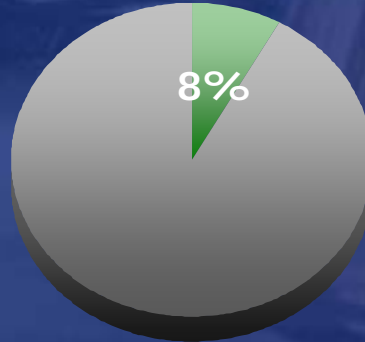


Weight of Sanitary and Toxic Waste in Urbaser

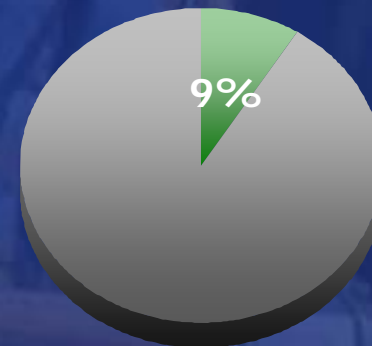
Sales



EBITDA



Fixed Assets



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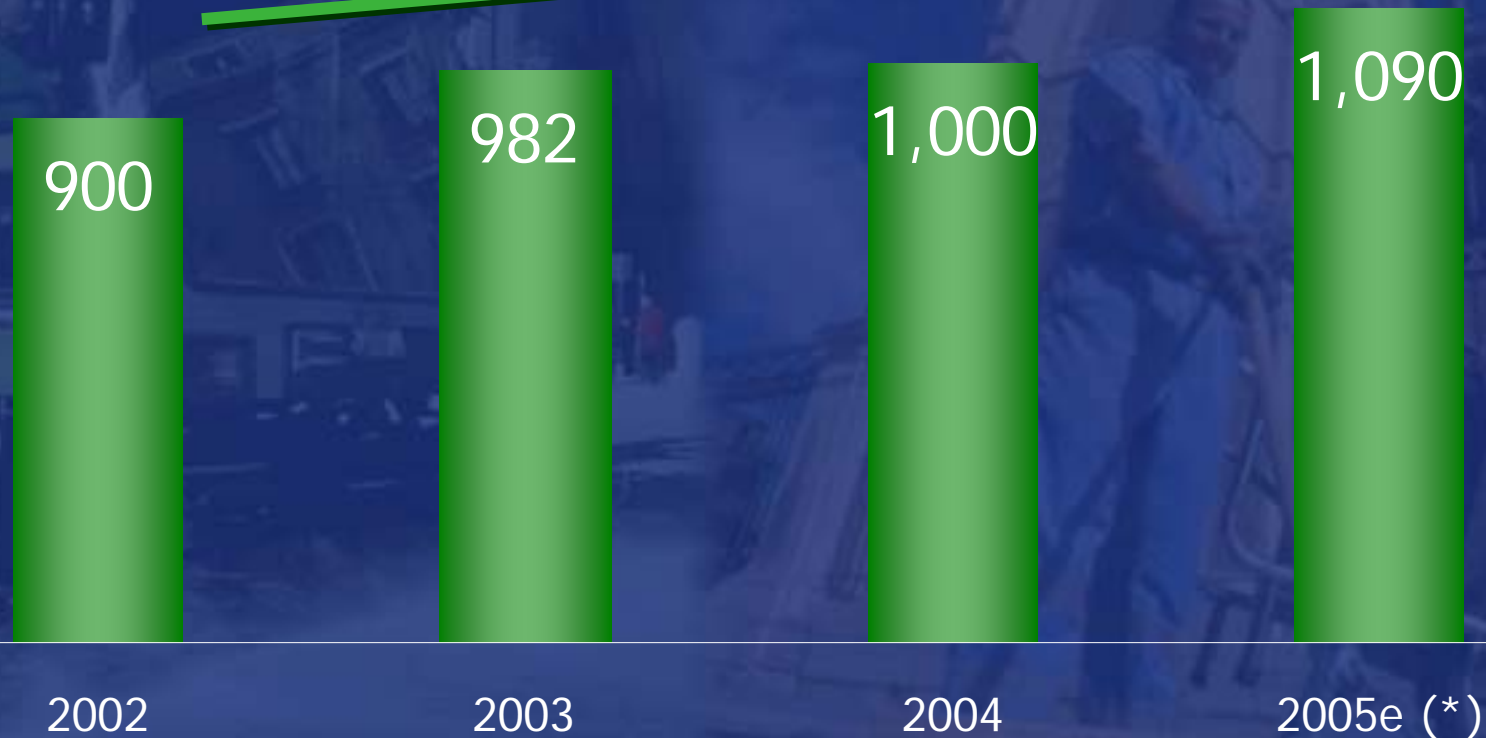
Differentiating factors from competitors

Development strategy

Turnover

(€ Mn)

CAGR 05e/02: + 6.6%



EBITDA

(€ Mn)

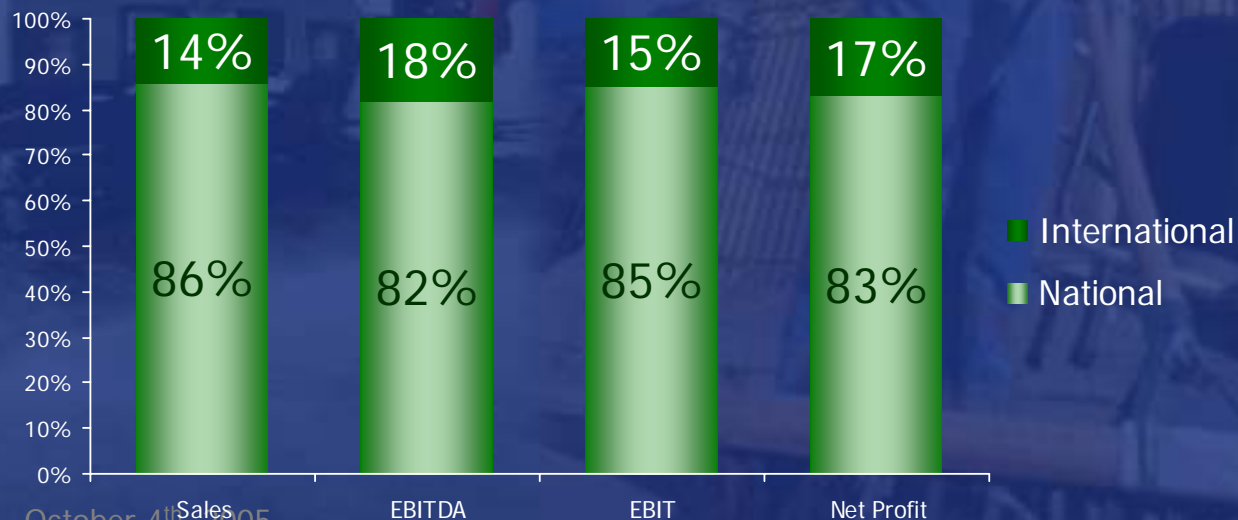
CAGR 05e/02: + 12.6%



P&L Account

(Millions of Euros)	Jun 2004	Jun 2005	Ch. Jun05/jun04
Turnover	498.7	524.2	5.1%
EBITDA	86.0	90.7	5.4%
EBIT	44.0	50.9	14.0%
Net Profit	20.7	25.0	20.8%

Geographical weighting

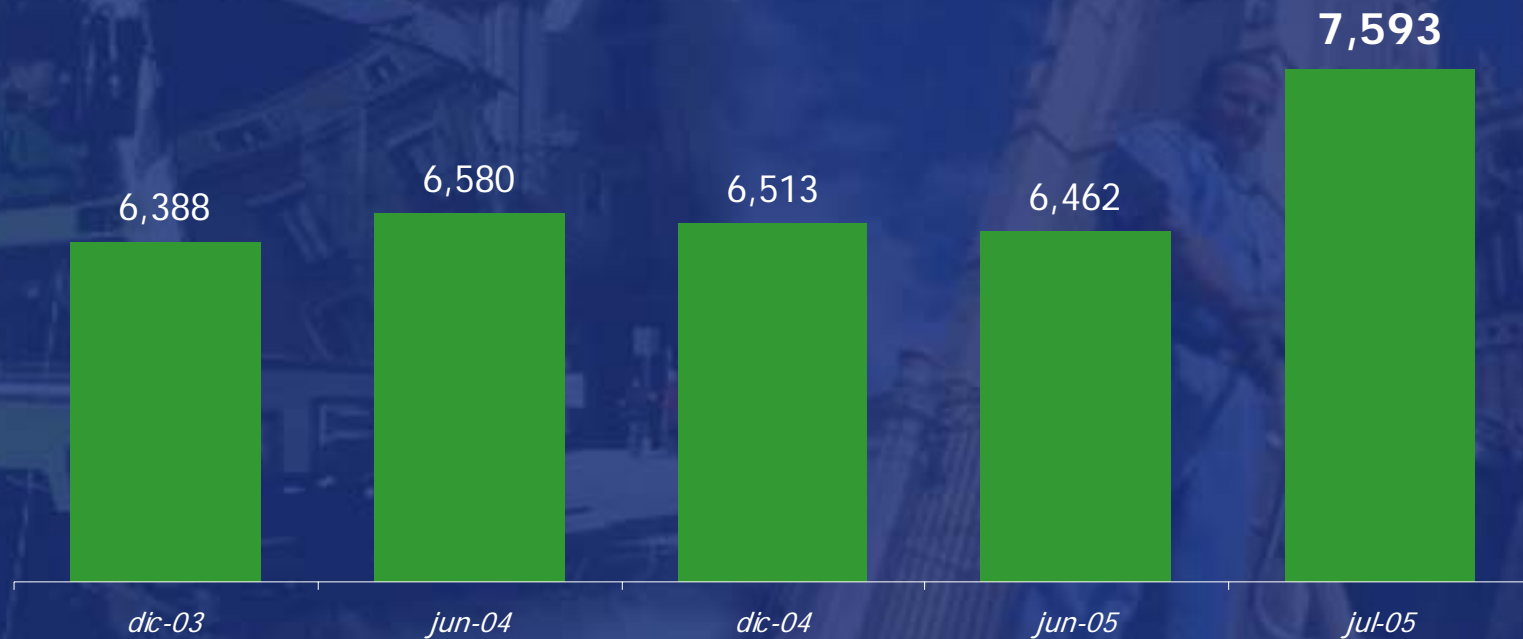


Balance

(Millions of Euros)	Jun 2005
Fixed assets	889.5
Tangible and intangible assets	802.5
Financial assets	87.1
Goodwill	77.5
Working capital	239.9
Total Assets	1,206.9
Net worth	375.8
Shareholders equity	353.9
External funds	21.9
Other long term liabilities	127.1
Long term financing	890.2
Project financing	134.3
Bank financing	755.9
Short term financing	(186.1)
Project financing	14.1
Short term debt	66.2
Other non-current financial assets (FA)	(232.9)
Cash and other liquid means	(33.5)
Total Liabilities	1,206.9

Urbaser Group Order Book

(€ Mn)



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Technical and Organisational

- Competitive and patented in-house technologies
- Complete environmental service offer
- Specialised professional organisation
- Proven capacity for organic growth
- Capacity to integrate new technologies
- Global presence, in Europe, America and North Africa
- Simplicity of international development: Leadership in countries

Economic

- **Leading portfolio**
 - 7 years of turnover
 - Cash flow guaranteed with investment already made
- **Leader in treatment plants concessions portfolio**
- Business guaranteed for 20-30 years
 - Initial investment financed with Project
 - Business growth through time in individual contracts through technical and regulatory change
 - The initial business plan is always surpassed
 - Dominant position thanks to exclusivity
- **Transparent business results due to the operating independence of the parent company**

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Development strategy

To invest in exclusive technological developments

To maintain the leading position in Spain through technical and organisational distinction

To increase international presence in Urbaser's competitive sectors: France, Italy, UK, Greece, Eastern Europe, United States

To look for waste company acquisition opportunities in Europe and USA

To sustain moderate growth in water (specific opportunities in supply and purification)

To promote new energy business with waste

The ACS logo consists of the letters 'ACS' in a bold, yellow, sans-serif font, set against a dark blue rectangular background.

ACS

SERVICIOS Y CONCESIONES



Environmental Services

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