TECNICAS REUNIDAS

RESULTS
January – March 2012

CONTENTS:

1. HIGHLIGHTS

HIGHLIGHTS *January - March*	1Q 12 € million	1Q 11 € million	Var. %	Year 2011 € million
Net Profit	32	31	*5.1%*	135
Margin	*5.2%*	*4.5%*		*5.2%*
Net Revenues	624	686	*-9.0%*	2,613
EBITDA	37	41	*-8.9%*	157
Margin	*6.0%*	*6.0%*		*6.0%*
EBIT	35	39	*-9.7%*	151
Margin	*5.7%*	*5.7%*		*5.8%*
Net cash position	636	549	*15.8%*	740
Backlog	4,889(1)	5,379	*-9.1%*	5,387

(1) 1Q 12 Backlog does not include the recent award in Canada of approx. CAD 800 million.

- **Net profit in the first quarter of 2012 was € 32 million, 5% higher than net profit of 1Q 2011, favoured by a higher financial result and a lower estimated tax rate.**

- **Tecnicas Reunidas' backlog was € 4,889 million at the end of the first quarter of 2012. The backlog year to date (YTD) including the recent award in Canada reached € 5,509(2) million. The main new order booked in the first quarter was the Margarita II upstream project for Repsol in Bolivia and in May, the company announced the award of a CAD 800 million Upgrader Project in Canada.**

- **Despite the strong backlog YTD, 1Q 2012 revenues decreased by 9%, as 2011 awards took place at the end of the year.**

- **EBITDA and EBIT margins remained unchanged, at 6.0% and 5.7% respectively.**

- **At the end of March, the Company held a net cash position of € 636 million, 16% higher than the first quarter of 2011 level.**

(2) YTD Backlog was calculated as 1Q 2012 backlog plus the award in Canada.

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	Margarita field II	Bolivia	Repsol/British Gas/Pan American Energy	2015
	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 March, 31st 2012

Tecnicas Reunidas' (TR) backlog stood at € 4,889 million at the end of March 2012, a 9% decrease compared to the 1Q 2011 backlog. The recent award in Canada led to a backlog YTD of € 5,509 million.

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

At the end of the quarter, the projects on an Open Book (OBE) phase represented 28% of the Backlog.

1Q 2012 awards

In the first quarter of 2012, TR added to the backlog the Margarita II upstream project. Repsol YPF E & P Bolivia SA signed a contract with TR to execute the engineering, procurement and construction of the second phase of a gas treatment plant in “Campo Margarita”, located in Caipipendi area, Southern Bolivia.

The project was awarded as a lump sum turnkey (LSTK) contract including the design and detailed engineering, the procurement of all equipment and materials, the construction and commissioning assistance of the premises of the second gas processing train with a capacity 6 million standard cubic meters per day, which will allow the central processing plant to have a capacity of 15 million standard cubic meters per day. This plant will be designed and constructed using modular technology. Additionally, TR will supply and install a turbine generator to guarantee the self-sufficiency of the future plant.

TR was awarded in 2010 the phase I of “Campo Margarita”, which is currently facing completion. The investment value for this second phase is about $ 100 million and will be finished in approximately 18 months.

In addition, the company was awarded some basic engineering or FEEDs (Front End Engineer and Design) for complex units:

- In January, Incitec Pivot selected TR for a new chemical complex in Newcastle, Australia. The project involves the design, procurement and construction of new nitric acid and ammonium nitrate units, employing TR’s own technology and know-how. The company expects this project, on the FEED stage, to be converted to an OBE contract by the second half of the year.

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

2Q 2012 awards

The 8th of May, the company announced a new project in Canada that will be included in the 2Q 2012 backlog:

- The Técnicas Reunidas Canadian subsidiary has recently received a notice of award from an Alberta oil sands operator to execute the engineering, procurement and construction of bitumen upgrading facilities, located at north of Fort McMurray, Alberta, Canada. The project has been assigned as a turnkey contract.

  This plant will be designed and constructed using modular technology to reduce to a minimum the need to work on the construction site.

  The project is valued above CAD 800 million and will be completed in approximate 48 months up to commissioning.

3. CONSOLIDATED INCOME STATEMENT

CONSOLIDATED INCOME STATEMENT January - March	1Q 12 € million	1Q 11 € million	Var. %	Year 2011 € million
Net Revenues	**624.2**	**686.3**	**-9.0%**	**2,612.6**
Other Revenues	1.1	0.7		3.8
Total Income	**625.4**	**686.9**	**-9.0%**	**2,616.5**
Raw materials and consumables	-380.7	-450.4		-1,781.6
Personnel Costs	-91.8	-87.7		-351.7
Other operating costs	-115.4	-107.8		-323.6
EBITDA	**37.5**	**41.1**	**-8.9%**	**159.5**
Amortisation	-2.1	-1.9		-8.2
EBIT	**35.4**	**39.2**	**-9.7%**	**151.3**
Financial Income/ expense	1.1	-3.9		6.7
Share in results obtained by associates	0.1	0.5		-2.8
Profit before tax	**36.6**	**35.8**	**2.3%**	**155.2**
Income taxes	-4.3	-5.1		-19.9
Net Profit	**32.3**	**30.7**	**5.1%**	**135.3**

3.1 REVENUES

REVENUES BREAKDOWN January - March	1Q 12 € million	%	1Q 11 € million	%	Var. %	Year 2011 € million
Oil and gas	524.7	84.1%	605.5	88.2%	-13.3%	2,285.3
Power	41.3	6.6%	51.1	7.4%	-19.1%	203.3
Infrastructure and industries	58.2	9.3%	29.7	4.3%	96.0%	124.1
Net Revenues	**624.2**	**100%**	**686.3**	**100%**	**-9.0%**	**2,612.6**

In the first quarter of 2012, net revenues amounted to € 624.2 million, a 9% decrease compared to the same quarter of 2011. This sales decrease was affected by the concentration of 2011 new orders late in the year.

Oil and Gas: From January to March 2012, sales on this division declined by 13.3% compared to 1Q 2011 sales and represented 84.1% of total revenues. The Refining and Petrochemical division was the largest contributor to sales.

- Refining and petrochemical. The projects with the highest contribution to sales were: Jubail for Saudi Aramco (Saudi Arabia), Khabarovsk for OC Alliance (Russia), Yanbu for Saudi Aramco (Saudi Arabia) and Izmit for Tüpras (Turkey).

- Upstream and natural gas. The largest contribution came from the following projects: the Shah project and SAS project both for ADCO in Abu Dhabi.

Power: revenues in this division dropped by 19.1% from € 51.1 million in 1Q 2011 to € 41.3 million in 1Q 2012. This reduction is highly impacted by the delay in the award and start up of the Hungarian project.

Infrastructure and industries: In the first quarter of 2012, infrastructure and industries revenues reached € 58.2 million, 96% higher than 1Q 2011 revenues due to the contribution of the desalination project in Australia for Water Corporation.

3.2 OPERATING PROFIT

OPERATING MARGINS January - March	1Q 12 € million	1Q 11 € million	Var. %	Year 2011 € million
EBITDA	37.5	41.1	-8.9%	159.5
Margin	*6.0%*	*6.0%*		*6.1%*
EBIT	35.4	39.2	-9.7%	151.3
Margin	*5.7%*	*5.7%*		*5.8%*

EBIT BREAKDOWN January - March	1Q 12 € million	1Q 11 € million	Var. %	Year 2011 € million
Operating Profit from divisions	51.0	53.8	-5.2%	213.0
Costs not assigned to divisions	-15.6	-14.6	7.1%	-61.8
Operating profit (EBIT)	**35.4**	**39.2**	**-9.7%**	**151.3**

- In the first three months of 2012, EBITDA and EBIT amounted to € 37.5 million and € 35.4 million respectively, smaller than 1Q 2011 figures due to the reduction of sales. However, the company maintained its operating margins in the levels of the first quarter of 2011, at 6.0% and 5.7% respectively.

3.3 NET PROFIT

NET PROFIT January - March	1Q 12 € million	1Q 11 € million	Var. %	Year 2011 € million
Net Profit	**32.3**	**30.7**	**5.1%**	**135.3**
Margin	**5.2%**	**4.5%**		**5.2%**

Financial Income/Expense January - March	1Q 12 € million	1Q 11 € million	Year 2011 € million
Net financial Income *	2.3	2.1	6.2
Gains/losses in transactions in foreign currency	-1.1	-6.0	0.5
Financial Income/Expense	**1.1**	**-3.9**	**6.7**

***** Financial income less financial expenditure

In the first quarter of 2012, net profit amounted to € 32.3 million, 5.1% higher than the net profit of 1Q 2011, benefited from:

- Net financial result shift from a negative figure of € 3.9 million in 1Q 2011, to a positive of € 1.1 million in 1Q 2012. This improvement was driven by smaller losses in transactions in foreign currency.

- In the first three months of 2012, the company paid € 4.3 million in taxes, which represented an estimated tax rate of 11.8%, slightly lower than in 1Q 2011.

4. CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET March 31, 2012	1Q 12 € million	1Q 11 € million	Year 2011 € million
ASSETS:			
Non-current Assets			
Tangible and intangible assets	85.4	81.0	82.9
Investment in associates	6.6	8.8	7.2
Deferred tax assets	33.6	24.6	24.4
Other non-current assets	6.5	17.2	6.6
	132.1	**131.6**	**121.1**
Current assets			
Inventories	20.8	19.0	20.8
Trade and other receivables	1,824.2	2,070.6	1,753.9
Other current assets	51.8	55.0	36.1
Cash and Financial assets	669.6	667.9	775.5
	2,566.5	**2,812.6**	**2,586.3**
TOTAL ASSETS	**2,698.6**	**2,944.2**	**2,707.4**
EQUITY AND LIABILITIES:			
Equity	**356.5**	**353.8**	**349.4**
Non-current liabilities	**50.1**	**45.2**	**66.3**
Financial Debt	29.2	31.5	30.0
Other non-current liabilities	20.9	13.7	36.3
Long term provisions	**18.5**	**22.6**	**18.2**
Current liabilities			
Financial Debt	4.8	87.5	5.3
Trade payable	2,166.3	2,301.6	2,144.0
Other current liabilities	102.4	133.5	124.3
	2,273.5	**2,522.6**	**2,273.5**
Total liabilities	**2,342.0**	**2,590.4**	**2,358.0**
TOTAL EQUITY AND LIABILITIES	**2,698.6**	**2,944.2**	**2,707.4**

EQUITY March 31, 2012	1Q 12 € million	1Q 11 € million	Year 2011 € million
Shareholders' funds + retained earnings	430.4	385.5	481.0
Treasury stock	-73.4	-56.3	-73.4
Hedging reserve	-11.5	23.2	-31.1
Interim dividends	0.0	0.0	-35.8
Minority Interest	11.0	1.3	8.7
EQUITY	**356.5**	**353.8**	**349.4**

NET CASH POSITION March 31, 2012	1Q 12 € million	1Q 11 € million	Year 2011 € million
Current assets less cash and financial assets	1,896.8	2,144.7	1,810.8
Current liabilities less financial debt	-2,268.7	-2,435.1	-2,268.2
COMMERCIAL WORKING CAPITAL	**-371.9**	**-290.4**	**-457.4**
Financial assets	55.4	73.8	68.0
Cash and cash equivalents	614.2	594.1	707.5
Financial Debt	-34.0	-119.0	-35.3
NET CASH POSITION	**635.6**	**548.9**	**740.2**
NET CASH + COMMERCIAL WORKING CAPITAL	**263.8**	**258.4**	**282.8**

- In 1Q 2012, equity increased by € 2.7 million compared to the same quarter the year before, despite the increase of treasury stock, the payment of dividends and the evolution of the hedging reserve.

- As of March 31st, 2012, the net cash position ended at € 635.6 million, € 86.7 million higher than the 1Q 2011, but lower than the cash position at the end of 2011, because of the large downpayment received during the 4Q 2011.

- In December 2011, the Board of Directors approved an interim dividend of € 0.667 per share, out of 2011 results and paid on the 20th of January 2012. In February, the company announced a complementary dividend of € 0.688 per share, out of 2011 results, to be paid in July 2012. Consequently, total dividends to be paid in 2012, out of 2011 results, will be € 72.8 million (€ 1.355 per share, slightly higher than last year dividend).

ANNEX: FILINGS WITH CNMV RELEVANT EVENTS AND OTHER COMMUNICATIONS

In the first quarter of 2012, the company filed with the Spanish CNMV the following communications:

- Técnicas Reunidas (TR) signed a contract with Repsol YPF E & P Bolivia SA to execute the engineering, procurement and construction of the second phase of a gas treatment plant in “Campo Margarita” located in Caipipendi area, southern Bolivia.

  The total project´s investment for Campo Margarita, which Repsol is conducting along with British Gas (37.5%) and PAE (25%), amounts to $ 661 million. This investment is supported by Bolivian oil company Yacimientos Petrolíferos Fiscales Bolivianos (YPFB).

  The project was awarded as a turnkey contract including the design and detailed engineering, the procurement of all equipment and materials, the construction and the commissioning assistance of the premises of the second gas processing train with a capacity 6 million standard cubic meters per day, which will allow the central processing plant to have a capacity of 15 million standard cubic meters per day. The investment of this project will be about $ 100 million and will be completed in approximately 18 months.

  This plant will be designed and constructed using modular technology to reduce to a minimum the need to work on the construction site which has a difficult access, reducing as well the execution period. Additionally, TR will supply and install a turbine generator to guarantee electricity self-sufficiency of the new plant.

  This is a crucial project for Bolivia that will guarantee the supply of gas to the domestic market and for export, primarily to the Argentine market.

- In February, the company reported to the CNMV that the Board of Directors resolved to propose at the Shareholders Annual General Meeting a complementary dividend of 0.688 Euros per share, out of 2011 results. Total dividends of 2012 out of 2011 results would be € 72.8 million (€ 1.355 per share, slightly higher than last year dividend).

- The company also filed with the CNMV the following information regarding changes in the corporate governance bodies:
    - Appointment of Mr. Pedro Luis Uriarte Santamarina as a new member of the Audit and Control Committee;
    - Appointment of Mr. Antonio de Hoyos González as a new member of the Appointments and Remuneration Commission; and
    - Removal of Mr. Antonio de Hoyos González as a member of the Audit and Control Committee.

Also, since the end of the third quarter, the company filed in May with the Spanish CNMV the following communication:

- The Técnicas Reunidas Canadian subsidiary has recently received a notice of award from an Alberta oil sands operator to execute the engineering, procurement and construction of bitumen upgrading facilities, located at north of Fort McMurray, Alberta, Canada.

  The Técnicas Reunidas project is valued above CAD 800 million and will be completed in approximate 48 months up to commissioning.

  The project has been assigned as a turnkey contract including design and detailed engineering, procurement of all equipment and materials, construction and commissioning assistance. We anticipate that a final contract will be executed in due course.

  This plant will be designed and constructed using modular technology to reduce to a minimum the need to work on the construction site which has extreme cold weather conditions and also reducing the execution time.

  Canada has the third largest crude oil reserves in the world and more than 95% of those reserves are located in the Province of Alberta.

  Técnicas Reunidas established this market as a key objective. With this project, Técnicas Reunidas grants its entrance in a market with great investment in the near future and continues succeeding in its expansion worldwide.