



**Financial report 2009**

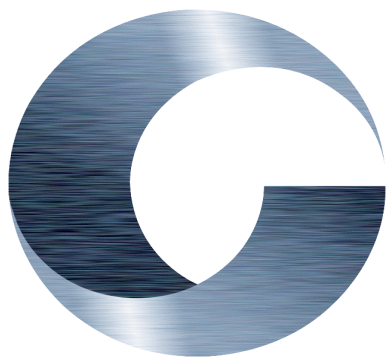
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**CIE Automotive – 31st December 2009 Results**



# CIE Automotive Group Results 2009

(Million euros)	31 Dec. 2008	31 Dec. 2009
<b>Turnover</b>	<b>1.455,3</b>	<b>1.149,0</b>
<b>Adjusted Turnover (*)</b>	<b>1.261,1</b>	<b>1.016,0</b>
<b>EBITDA (**)</b>	<b>180,6</b>	<b>116,4</b>
<b>% on Adjusted Turnover</b>	<b>14,3%</b>	<b>11,5%</b>
<b>EBIT (**)</b>	<b>103,6</b>	<b>52,7</b>
<b>EBT (**)</b>	<b>67,7</b>	<b>26,6</b>
<b>Net Income (**)</b>	<b>53,8</b>	<b>11,1</b>

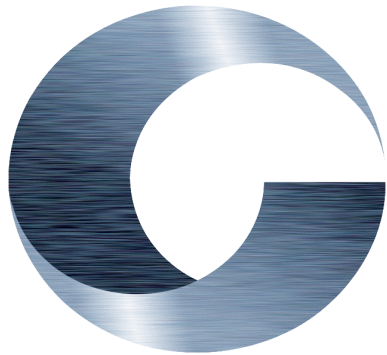
- ❑ *Even with the important downturn of sales caused by the crisis, the company keeps a double digit EBITDA margin and positive results.*
- ❑ *Market and margins recovery keeps in 4Q09.*
- ❑ *Containing investment and improving working capital have allowed to keep the Net Financial Debt at 2008 levels in spite of the strong downturn of EBITDA.*
- ❑ *Results include a restructuring cost of € 22 mill. and a negative result of € 7 mill. associated to discontinued activities. Both effects have been offset by positive non-recurring results, mainly by a net effect of € 14 mill. of exchange differences.*

(\*) Proforma value calculated by deducting turnover of diesel oil used for blending.

(\*\*) EBITDA: Net Operating Income + Amortization, EBIT: Net Operating Income, EBT: Profit before taxes.

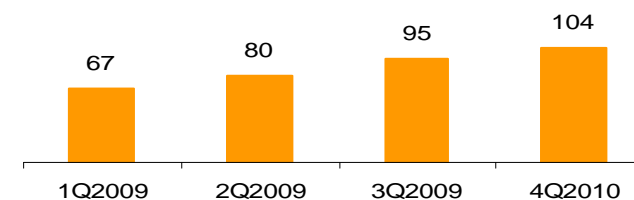
Net Income: Profit attributable to the company's shareholders .

**Automotive: Two consecutive quarters of recovery that show return to normality**

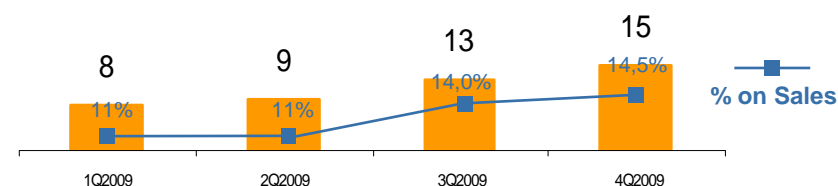


# Automotive Results 2009

Monthly Sales (1) (Mill. €)



Monthly EBITDA (1) (Mill. €)



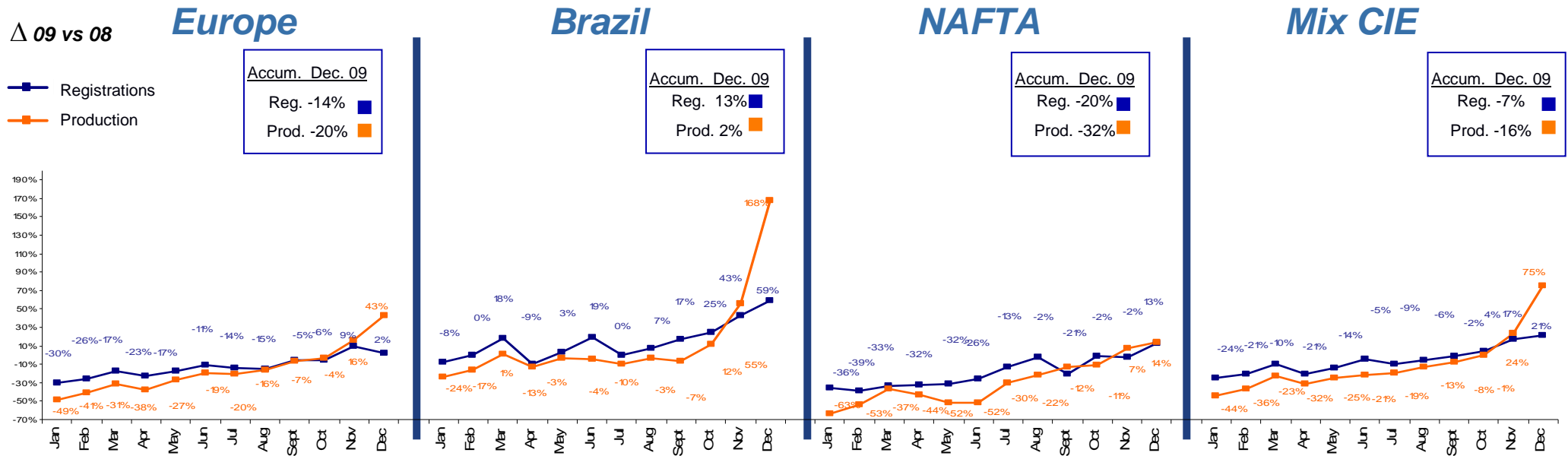
(1) Proforma values. 3Q09 y 4Q09 equivalent to 2,6 and 2,7 months due to August effect, instead of 3 months as 1Q09 y 2Q09. 4Q value removes negative non recurrent effects.

(Million euros)	31 Dec. 2008	31 Dec. 2009
Turnover	1.158,1	969,0
EBITDA (*)	191,3	120,2
% EBITDA on Turnover	16,5%	12,4%
EBIT (*)	116,2	58,5
% EBIT on Turnover	10,0%	6,0%

- ❑ Positive results and double digit EBITDA in spite of annual sales downturn of 16%.
- ❑ Different performance by geographical areas, compensating the emerging countries, particularly Brazil and Eastern Europe, the weakness of other areas, specially Western Europe.
- ❑ A strong reduction in variable and fixed costs has taken place in order to adapt them to the new demand situation.
- ❑ Removing non current effects (€ 6 mill. negative in 4Q09), the recurrent EBITDA of the last quarter is 40,8 mill.€ and the recurrent monthly EBITDA is € 15,1 mill., with a margin of 14,5%.

(\*) EBITDA: Net Operating Income + Amortization, EBIT: Net Operating Income.

# Automotive Market situation in 2009

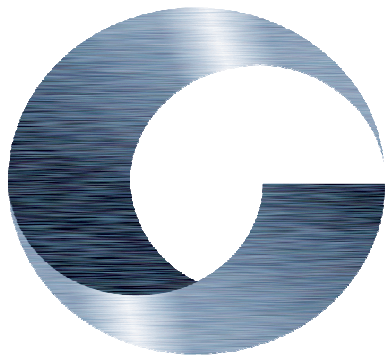


- *During the year, clear improvement of the market, encouraged with incentives in Europe, Brazil and USA (July and August).*
- *The stock reduction effect seems to have stopped in most segments and markets.*
- *Our sales hit the bottom in January/February and since then the trend has been rising.*

Source: CSM December and own elaborated data (Provisional figures updated up to 3 months after the first publication)



## Biofuels





# Biofuels Results 2009

(Million Euros)	31 Dec. 2008	31 Dec. 2009
Turnover	297,2	180,0
Adjusted Turnover (*)	103,1	47,0
EBITDA (**)	(10,7)	(3,8)
EBIT (**)	(12,6)	(5,8)

- ❑ *Current weakness of prices in Europe due to imports and entry of new capacity in the market.*
- ❑ *Biodiesel activities in Spain focused on production from recycled oils and other residues, containing investments in other activities.*
- ❑ *After the significant fixed cost reduction, in 4Q09, as in the past quarter, results near to zero. EBITDA in the period € 0,5 mill.*

(\*) Proforma value calculated by deducting turnover of diesel oil used for blending.

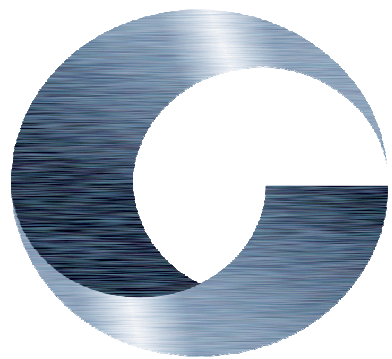
(\*\*) EBITDA: Net Operating Income + Amortization, EBIT: Net Operating Income.

# Biofuels Sector situation

- ❑ The Biofuels sector continues to be a key answer to the energy needs of the future:
  - For the need to reduce the consumption of fossil fuels
  - For the environmental benefits that result from recycling of residues of difficult disposal
- ❑ Due to the high dependence of the volatility of commodities' prices, we have modified our business model giving priority to Biodiesel production from recycled oils and containing the investments on the rest of activities.
- ❑ The first phase of the expansion of Berantevilla is finished, being the plant able to operate with different raw materials: recycled oils, animals fats, oleins and, in general, greasy residues of high acidity.
- ❑ The expected reform of the regulations on the use and production of Biofuels could help the strategy's evolution.



Positioning towards the future



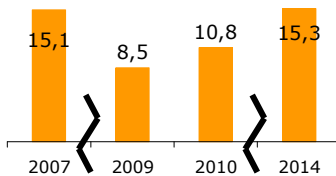
# Automotive Market following years

## EUROPE Mill. units



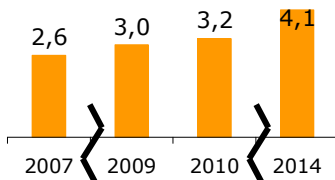
- 2010 production = 2009 (75% of 2007). Decrease of sales due to stop of incentives compensates stock effect.
- Slow recovery: 2014 = 2007.

## NAFTA Mill. units



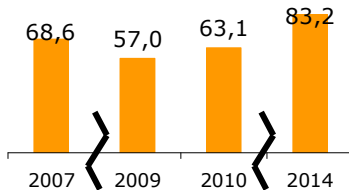
- 2010 production = 122% of 2009 (69 % of 2007).
- Slow recovery 2014 = 2007.
- Market analysts have reviewed 2010 projections on the rise.

## BRAZIL Mill. units



- Production level keeps high with a slight annual increase.

## WORLD Mill. units



- ❑ Very positive expectation in Latam due to growth in emerging markets and the recovery in USA.
- ❑ In Europe, flat market in 2010 with mid-term recovery in East Europe and Russia.

Source: Vehicle production, CSM December 2009

# Future perspectives

Measures taken in 2009 have led to:

- Costs reduction that has meant a significant decrease of the breakeven.
- Financial strengthening with improvement of working capital (specially stock), investment reduction and debt term extension (60 mill.€ E.I.B loan achieved).

## AUTOMOTIVE

In this context, CIE presents 3 action lines: :

- R+D+i focused on low emissions.
- Increase presence in emerging markets (Brazil, Mexico, Eastern Europe, Asia).
- Take advantage of opportunities of companies in the sector in a difficult financial situation.

## BIOFUELS

- Biodiesel activities in Spain focused on production from recycled oils and other residues.
- Containing investments in other activities.

**At this stage of normality, we have recovered the goal of doubling EBITDA over the next four years.**