

other businesses

In addition to its main business areas, ACCIONA owns companies which operate in a range of sectors: Bestinver, financial services; Hijos de Antonio Barceló, wine; and General de Producciones y Diseño (GPD), events and exhibition organization.

Bestinver

Bestinver is a financial services firm specialized in asset management via mutual and pension funds and SICAVs. It operates through subsidiaries Bestinver Gestión and Bestinver Pensiones, as well as broker-dealer Bestinver S.V.

In 2009, assets managed by Bestinver rose 69% to 4.044 billion euros, due primarily to the positive yield on the funds and the net inflow of customer assets. However, compared with 2009, revenues declined 27% to 45 million euros, and EBT fell 32% to 32 million euros. The number of investors remained stable at around 44,800.

Bestinver operated against a backdrop of an adverse market situation throughout 2009, caused by the poor state of bank balance sheets due to the impairment of real estate assets; equities were practically the only

source of liquidity. The measures adopted by authorities, although debatable in the long term, stabilized the system; as a result, risk perception gradually declined and investor confidence returned to equities. As a result, 2009 closed with large gains. China played a significant role in the recovery: its imports hit a record high in December, while exports were just 4.4% lower than the 2008 peak. The relative performance of the Bestinver portfolio with respect to the rest of the market confirms the analysis (adopted during times of sharp losses in equities) that the market was not discriminating

but that it would do so sooner or later.

The market may be inefficient in the short term, but it tends to be efficient in the long term. This is the main premise upon which Bestinver's investment strategy is based.

The company's main fund, Bestinfond, had a yield of 60% in 2009, of 1,400% accumulated since 1993, and of 17% on average per year.

Bestinfond remained stable throughout the year, with an international/Spanish equities weighting of 70/30.

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A new approach was applied in 2009: giving priority to better quality companies to increase the portfolio's defensive bias, even sacrificing gains to a certain extent. The fourth quarter marked a return to value creation despite the continued focus on quality as a priority. Following these improvements, it is unlikely that the fund will suffer declines like those of the recent crisis, even if strong pessimism and minimum liquidity in the markets were to return to the scene.

Bestinver has used the crisis to improve notably commercial and administrative management areas that might otherwise have been overwhelmed by the sharp post-crisis increase in assets under management.

Looking to the future, the Company is in an ideal position. The SICAV merger in 2008, Spain's largest to date, ended the year with assets amounting to 152 million euros and 400 investors. In 2009, Bestinver expanded its Shanghai office, which analyzes the situation in China and aims to determine if growth is sustainable; if so, the Asian giant will be a major opportunity in the next two decades.

Bestinver's success in 2009 was recognized once again: it received 18 awards for management excellence. Over the last 16 years, the Company has obtained 75 awards for financial management performance.

Hijos de Antonio Barceló

Hijos de Antonio Barceló, S.A. is a wine company comprising of five wineries located in Spain's most emblematic and prestigious wine regions. It produces, ages and commercializes quality wines, and has a strong position in the Spanish market and a growing footprint abroad.

The extremely adverse economic situation in 2009 led to a sharp decline in wine consumption, especially quality wines. The global situation affected Spanish wine exports, which declined by almost 14%. The most prestigious Designations of Origin, such as Rioja, registered declines throughout the wine range: specifically, crianzas, -6.1%, reservas, -15.8%, and gran reservas -23.5%.

The Company was impacted by the difficult situation and reported an overall decline of 9.2% in sales volume. Export figures, which were on a par with the 2008 figure, evidence the appropriateness of the strategy in recent years, in which expansion abroad has been a fundamental component. Hijos de Antonio Barceló's wide range of distinct wines and brands puts it in an excellent position to weather difficult economic times and begin to grow again. The Company has an appealing and distinctive catalogue of products, with an extensive range of wines and brands. This provides the Company with the flexibility to adapt to the diverse markets it serves. Its five lines of business focus upon the following wineries:

One of Hijos de Antonio Barceló's main focuses has been international expansion, which enabled it to maintain its export business in **2009**

- Bodegas Viña Mayor, in D.O. Ribera del Duero (Valladolid), produces top-flight red wines which are highly profitable and have great growth potential. Their popularity in Spain and abroad has made Bodegas Viña Mayor one of the most prestigious wineries in this region.
- Bodegas Palacio, in D.O.C. Rioja, produces brands such as Cosme Palacio and Glorioso for the quality red wine segment.
- Finca Caserío de Dueñas, in Villaverde de Medina (Valladolid), is home to an impressive vineyard spanning almost 300 hectares, where more than 50 hectares are dedicated to quality whites. This winery produces wines covered in the D.O. Rueda, which are also sold under the Viña Mayor

brand. Despite this business line's relative youth, it has a very promising future.

- This bodega produces wines under the category of Vino de la Tierra de Castilla y León, with brands such as Peñascal Estate and Storks' Tower, which have gained considerable prestige in other countries, such as the US and the UK.
- Bodegas Peñascal, located in Laguna de Duero (Valladolid), is Spain's undisputed leader in quality rosé wines.
- Finca Anzil is one of the Group's most recent ventures; it is located in D.O. Toro and had almost 90 hectares of vineyard. It sells top-of-the-line red wines under the Finca Anzil brand, as well as reds from DO Toro under the Viña Mayor brand.

The Company's strategy and values can be summarized as follows:

- To develop a wide-ranging portfolio of wines from Spain's most prestigious regions which can adapt to changes in demand for different categories and varieties.
- To build brands which are leaders in their market segments, such as Cosme Palacio (Rioja), Viña Mayor (Ribera del Duero, Rueda and Toro) and Peñascal (rosé).
- To continue expanding internationally, selecting the markets with the greatest potential.
- To provide the standards of quality demanded by the market by adopting a policy of vertical integration; this allows for control and optimization from the vineyard through to sales.
- To use cutting-edge technology in developing and launching new products, incorporating modern production and management techniques.

General de Producciones y Diseño (GPD) obtained certification to ISO 9001 and ISO 14001 standards from AENOR for its quality and environmental management systems, respectively

General de Producciones y Diseño (GPD)

GPD is specialized in planning and carrying out museum exhibitions, events and shows in all kinds of venues. The Company's main activities in 2009 were as follows:

- Completion of content for Caja Granada's new "Memory of Andalusia" cultural centre. The centre was inaugurated on 19 May at a ceremony presided over by Their Majesties, the King and Queen of Spain.
- Completion of drafting of the museographic project for the "Navigation Ensemble" located on Cartuja Island (Seville).
- Production and installation of the permanent exhibition at the Toledo Alcázar Spanish Army Museum, commissioned by the Ministry of Culture. It will show more than

7,000 exhibits with graphics, audiovisuals and interactive presentations. The museum is to open at the end of May 2010.

- Completion of themes for the 4,500 m² Kidzania Children's Leisure Park in Lisbon, inaugurated on 1 June 2009.
- Content for the temporary exhibition, "From Byzantium to Istanbul: one port for two continents" at the Grand Palais in Paris, to be inaugurated in Istanbul on 28 May 2010.
- Content for the Saudi Arabia Pavilion at the 2010 World Expo in Shanghai, to start on 1 May 2010.
- The Company also obtained certification to ISO 9001 and ISO 14001 standards from AENOR for its quality and environmental management systems, respectively.