

Consolidated Annual Accounts of the Fersa Energías Renovables Group

Annual Accounts 2010

Audit Report

Consolidated Annual Accounts at 31 December 2010

Consolidated Directors' Report at 31 December 2010



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation

AUDITOR'S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the Shareholders of Fersa Energías Renovables, S.A.

We have audited the consolidated annual accounts of Fersa Energías Renovables, S.A. (parent company) and its subsidiaries (the Group), consisting of the consolidated balance sheet at 31 December 2010, the consolidated income statement, the consolidated statement of comprehensive income, the statement of changes in consolidated net equity, the consolidated cash flow statement and related notes to the consolidated annual accounts for the year then ended. As explained in Note 2 to the accompanying annual accounts, the Directors are responsible for the preparation of these Group annual accounts in accordance with the International Financial Reporting Standards as endorsed by the European Union, and other provisions of the financial reporting framework applicable to the Group. Our responsibility is to express an opinion on the consolidated annual accounts taken as a whole, based on the work performed in accordance with the legislation governing the audit practice in Spain, which requires the examination, on a test basis, of evidence supporting the consolidated annual accounts and an evaluation of whether their overall presentation, the accounting principles and criteria applied and the estimates made are in accordance with the applicable financial reporting framework.

In our opinion, the accompanying consolidated annual accounts for 2010 present fairly, in all material respects, the consolidated financial position of Fersa Energías Renovables, S.A. and its subsidiaries at 31 December 2010 and the consolidated results of its operations and the consolidated cash flows for the year then ended, in accordance with the International Financial Reporting Standards as endorsed by the European Union, and other provisions of the applicable financial reporting framework.

The accompanying consolidated Directors' report for 2010 contains the explanations which the Fersa Energías Renovables, S.A.'s Directors consider appropriate regarding the Group's situation, the development of its business and other matters and does not form an integral part of the consolidated annual accounts. We have verified that the accounting information contained in the consolidated Directors' report is in agreement with that of the consolidated annual accounts for 2010. Our work as auditors is limited to checking the consolidated Directors' report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from the accounting records of Fersa Energías Renovables, S.A. and its subsidiaries.

PricewaterhouseCoopers Auditores, S.L.

Original signed in Spanish by
Iñaki Goiriena Basualdu
Audit Partner

25 february 2011

**COL·LEGI
DE CENSORS JURATS
DE COMPTES
DE CATALUNYA**

Membre exercent
**PRICEWATERHOUSECOOPERS
AUDITORES, S.L.**

Any **2011** Núm. **20/11/00086**

CÒPIA GRATUÏTA

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Aquest informe està subjecte a
la taxa aplicable establerta a la
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FERSA ENERGÍAS RENOVABLES GROUP - CONSOLIDATED BALANCE SHEETS
(in Thousand Euros)

ASSETS	Notes	31.12.10	31.12.09	LIABILITIES AND NET EQUITY		Notes	31.12.10	31.12.09
NON-CURRENT ASSETS		702,375	647,305	NET EQUITY		13	342,069	380,530
Intangible assets:				EQUITY			336,982	388,480
Goodwill	5	352,182	392,650	Capital			140,004	140,004
Other intangible assets		75,633	106,256	Share premium account			278,948	280,019
Property, plant and equipment	6	276,549	286,394	Reserves			(25,277)	(21,754)
Investments as per equity accounting	7	336,109	242,525	Less: Shares and holdings in own equity			(8,774)	(10,999)
Non-current financial assets	8	2,265	2,383	Profit for year attributable to the parent company			(47,919)	1,210
Deferred tax assets	19	6,450	6,270	VALUE ADJUSTMENTS			(17,734)	(26,567)
		5,369	3,477	Hedging operations			(5,863)	620
				Translation differences (Note 13)			(11,871)	(27,187)
				NET EQUITY ATTRIBUTED TO THE PARENT COMPANY			319,248	361,913
				MINORITY INTERESTS			22,821	18,617
				NON-CURRENT LIABILITIES			349,729	232,279
ASSETS HELD FOR SALE	10	-	3,208	Non-current provisions	14		1,928	1,210
CURRENT ASSETS		30,907	32,818	Non-current financial liabilities :	15		222,241	104,342
Trade and other receivables:				Bank loans and bonds and other negotiable securities			213,719	99,424
a) Trade receivables for sales and services rendered	11	9,401	11,123	Other non-current financial liabilities			8,522	4,918
b) Other receivables		7,767	3,266	Deferred tax liabilities	19		81,242	84,211
Other current financial assets	8	2,919	1,761	Other non-current liabilities	16		44,318	42,516
Other current assets		299	133	CURRENT LIABILITIES			41,484	70,522
Cash and other cash equivalents	12	18,288	19,801	Current financial liabilities:			31,182	58,354
				Bank loans and bonds and other negotiable securities	15		29,832	57,479
				Other financial liabilities			1,350	875
				Trade and other payables	17		9,313	8,046
				Other creditors			8,933	7,584
				Current tax liabilities			380	462
				Other current liabilities	16		989	4,122
TOTAL ASSETS		733,282	683,331	TOTAL LIABILITIES AND NET EQUITY			733,282	683,331

Notes 1 to 30 are an integral part of the consolidated annual accounts

FERSA ENERGIAS RENOVABLES GROUP - CONSOLIDATED INCOME STATEMENTS
(in Thousand Euros)

	Note	2010	2009
Net turnover	4	30,100	21,415
Supplies		(10)	(185)
Other operating income		700	736
Staff costs	20	(2,611)	(2,379)
Other operating expenses		(9,653)	(6,633)
Own work capitalised	20	1,086	1,154
Amortisation and depreciation	5,6	(12,605)	(10,059)
Impairment of fixed assets	5,6	(54,840)	-
OPERATING PROFIT (LOSS)		(47,833)	4,049
Financial income		311	390
Financial expenses		(8,303)	(6,765)
Exchange differences		(9)	318
Results of disposals of financial instruments		291	-
NET FINANCIAL INCOME (EXPENSE)	21	(7,710)	(6,057)
Profit (loss) from companies consolidated by equity accounting	7	(127)	242
Results of sales of companies consolidated by equity accounting	10	-	1,472
PROFIT (LOSS) BEFORE TAX		(55,670)	(294)
Corporate Income Tax	19	6,013	1,388
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR		(49,657)	1,094
a) Profit (loss) attributed to the parent company		(47,919)	1,210
b) Profit (loss) attributed to minority interest		(1,738)	(116)
PROFIT PER SHARE (Euros per share)		For the year ended 31 December	
		2010	2009
Basic	13	(0.3468)	0.0088
Diluted	13	(0.3468)	0.0088

Notes 1 to 30 are an integral part of the consolidated annual accounts

FERSA ENERGIAS RENOVABLES GROUP - CONSOLIDATED STATEMENTS OF CHANGES IN NET EQUITY

(in Thousand Euros)

	Capital Social	Prima de emisión	Reservas	Acciones Propias	Resultado	Ajustes por cambios de valor	Intereses minoritarios	Total
Balances as at 31-12-08	140,004	284,943	(26,202)	(11,960)	2,294	(27,114)	19,302	381,267
Comprehensive income for the year	-	-	-	-	1,210	547	(116)	1,641
Transactions with shareholders and minority interest								
Dividends	-	(1,920)	-	-	-	-	(126)	(2,046)
Operations with treasury shares	-	-	(709)	961	-	-	-	252
Capital increase	-	-	-	-	-	-	(65)	(65)
Other changes in net equity								
Distribution of results	-	-	2,294	-	(2,294)	-	-	-
Other movements	-	-	(141)	-	-	-	(378)	(519)
Other reclassifications	-	(3,004)	3,004	-	-	-	-	-
Balances as at 31-12-09	140,004	280,019	(21,754)	(10,999)	1,210	(26,567)	18,617	380,530
Comprehensive income for the year	-	-	-	-	(47,919)	8,833	(2,029)	(41,115)
Transactions with shareholders and minority interest								
Dividends	-	(1,071)	(139)	-	-	-	(148)	(1,358)
Divestments (Note 13)	-	-	(1,637)	-	-	-	6,379	4,742
Operations with treasury shares	-	-	(2,499)	2,225	-	-	-	(274)
Other changes in net equity								
Distribution of results	-	-	1,210	-	(1,210)	-	-	-
Other movements	-	-	(458)	-	-	-	2	(456)
Balances as at 31-12-10	140,004	278,948	(25,277)	(8,774)	(47,919)	(17,734)	22,821	342,069

Notes 1 to 30 are an integral part of the consolidated annual accounts

FERSA ENERGIAS RENOVABLES GROUP - CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in Thousand Euros)

	31 December	
	2010	2009
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR	(49,657)	1,094
INCOME AND EXPENSES CHARGED DIRECTLY TO NET EQUITY	6,528	(445)
Cash flow hedges	(11,008)	(4,256)
Valuation of financial instruments	(102)	393
Translation differences	15,733	2,705
Tax effect	1,905	713
RELEASES TO THE INCOME STATEMENT	2,014	992
Cash flow hedges (Note 9)	3,168	1,426
Valuation of financial instruments (Note 10)	(291)	-
Tax effect	(863)	(434)
TOTAL RECOGNISED INCOME/(EXPENSES)	(41,115)	1,641
Attributed to the parent company	(39,086)	1,757
Attributed to minority interest	(2,029)	(116)

Notes 1 to 30 are an integral part of the consolidated annual accounts

FERSA ENERGIAS RENOVABLES GROUP - CONSOLIDATED CASH FLOWS STATEMENTS
(in Thousand Euros)

	Note	2010	2009
CASH FLOW FROM OPERATING ACTIVITIES	22	16,440	12,096
Profit (loss) before tax		(55,670)	(294)
Adjustments to results		75,273	14,439
Amortisation and depreciation		12,605	10,059
Impairment losses		54,840	-
Results of disposals of financial instruments		(291)	-
Interest income		(311)	(390)
Borrowing costs		8,303	6,765
Exchange differences		-	(318)
Profit (loss) from companies consolidated by equity accounting		127	(1,714)
Other adjustments to results		-	37
Changes in working capital		2,128	6,584
Other cash flows from operating activities		(5,291)	(8,633)
Interest paid		(4,834)	(6,960)
Collection of interests		311	-
Collections (payments) of corporate income tax		(462)	(2,043)
Collection of dividends		-	370
Other payments (collections)		(306)	-
CASH FLOW FROM INVESTMENT ACTIVITIES		(97,708)	(23,829)
Payment of investments		(114,418)	(24,122)
Group and associated companies and business units		(4,243)	-
Tangible, intangible assets and real estate investments		(103,072)	(24,305)
Other financial assets		(7,103)	-
Other assets		-	183
Collection on divestment		16,710	293
Group and associated companies and business units		11,744	-
Tangible, intangible assets and real estate investments		24	293
Other financial assets		1,836	-
Non current assets held for sale		3,106	-
CASH FLOW FROM FINANCING ACTIVITIES		79,755	8,432
Payments for equity instruments		(274)	252
Acquisition of treasury shares		(1,109)	(144)
Disposal of treasury shares		835	396
Collections/ (payments) for financial liabilities		81,387	10,226
Issues		131,078	25,033
Returns and amortisation		(49,691)	(14,807)
Payments for dividends and the remuneration of other equity instruments		(1,358)	(2,046)
Capital increase		-	-
Other cash flows from financing activities		-	-
EFFECT OF CHANGES IN EXCHANGE RATES		-	-
INCREASE / (REDUCTION) IN NET CASH AND EQUIVALENTS		(1,513)	(3,301)
NET CASH AND EQUIVALENTS AT THE BEGINNING OF THE PERIOD		19,801	23,102
NET CASH AND EQUIVALENTS AT THE CLOSE OF THE PERIOD		18,288	19,801
BREAKDOWN OF NET CASH AND EQUIVALENTS AT THE CLOSE OF THE PERIOD			
Cash and banks		16,288	13,834
Other financial assets		2,000	5,967
TOTAL NET CASH AND EQUIVALENTS AT THE CLOSE OF THE PERIOD		18,288	19,801

Notes 1 to 30 are an integral part of the consolidated annual accounts

NOTES TO THE CONSOLIDATED ANNUAL ACCOUNTS OF FERSA ENERGÍAS RENOVABLES GROUP 2010

NOTE 1 – GENERAL INFORMATION

Fersa Energías Renovables, S.A., (hereinafter, the parent Company), was incorporated in Barcelona on 10 July 2000 for an indefinite period of time.

Its registered address is calle Travessera de Gracia, nº 30, Barcelona.

It is mainly engaged in all types of activities related to the development of electricity generation from renewable sources, for which purpose it can set-up, acquire and hold shares, bonds, participations and rights in Companies whose corporate objects are the development, construction and exploitation of facilities for the generation of electricity from renewable energy sources.

Additionally, it may acquire, hold, administer and dispose of all types of titles, securities, financial assets, rights, holdings or participations in individual or social companies, on its own behalf, excluding intermediaries and under applicable stock exchange and collective investment institution legislation applicable.

Fersa Energías Renovables, S.A. is a holding company that is the parent company of a group of subsidiary companies, joint ventures and associates that are engaged in the generation of electricity from renewable sources (wind, solar and biogas, etc.), which constitute the FERSA ENERGIAS RENOVABLES GROUP (hereinafter, the Fersa Group or the Group).

The shares of Fersa Energías Renovables, S.A. are listed on the Spanish Stock Exchange. The annual accounts of Fersa Energías Renovables S.A. and the consolidated annual accounts of the Fersa Group as at 31 December 2009 were approved by the General Meeting of Shareholders on 23 June 2010.

The consolidated annual accounts of the Group for the year 2010 were formulated by the Directors of the parent Company on 25 February 2011 and will be submitted for adoption to the General Meeting of Shareholders, and are expected to be approved without modification.

The figures presented in these consolidated annual accounts are stated in Thousand Euros, except the figures referring to profit per share, which are expressed in Euros per share, unless expressly indicated otherwise.

NOTE 2 - BASIS OF PRESENTATION AND ACCOUNTING POLICIES

2.1. Application of International Financial Reporting Standards adopted by the European Union (IFRS-EU)

The consolidated annual accounts of the Fersa Group for 2010 have been prepared in accordance with the provisions of International Financial Reporting Standards adopted by the European Union (IFRS-EU), as per the Regulations (CE) nº 1606/2002 of the European Parliament and the Council.

2.2. Fair view and accounting policies

The consolidated annual accounts present fairly the consolidated equity and consolidated financial position of the Fersa Group at 31 December 2010, and the consolidated results of its operations, the changes in the statement of comprehensive income, changes in consolidated net equity and consolidated cash flows that have

taken place in the Fersa Group in the year then ended. The consolidated annual accounts have been prepared under the historical cost method, modified albeit by the revaluation of the financial instruments which under the standards for financial instruments are recorded at fair value, taking into account the criteria for recording business combinations.

The consolidated annual accounts for 2010 of the Fersa Group have been prepared on the basis of the accounting records of Fersa Energías Renovables, S.A. and the other companies in the Group. Each company prepares its annual accounts under the accounting principles and standards in force in the country in which it carries out its operations, and, accordingly, the adjustments and reclassifications necessary have been introduced during the consolidation process in order to harmonise these principles and criteria and bring them into line with IFRS-EU. Furthermore, the accounting policies have been modified for the consolidated companies, when necessary, in order to ensure their consistency with the accounting policies adopted by the Fersa Group.

The information set out in these annual accounts is the responsibility of the Directors of the Group.

In 2010 the Fersa Group has posted impairment for goodwill, intangible fixed assets and property, plant and equipment totalling Euros 54,840 thousand (Note 5). This impairment arises mainly from the following factors:

- Increase in the discount rates in certain countries, especially in Spain and India, as a result of the increase in the free risk rates. There has been an increase of 152 basis points in Spain and 115 basis points in India at the 2010 year end against the 2009 year end.
- Changes in the price of the farms for which there are no price-setting agreements, especially in Spain. In this case, the existence of an unfavourable current economic conjuncture has led to a reduction in sale prices of energy resources (for the market price component) against those at the date of acquisition of certain farms. Moreover, in relation to the premium, during the entire year there has been a great deal of uncertainty about the impact that the regulatory changes could have in the context of the debate on the remuneration of renewable energies. For the farms that are operating and the pre-assigned farms this uncertainty has disappeared substantially at the end of the year as a result of the coming into force of RD 1565/2010/19 November, RD 1614/2010/7 December and RD 14/2010/23 December, with a final impact that is not very significant on the premiums for wind energy companies (Note 3), but there has been no resolution for the farms that are currently not pre-assigned.
- Decrease in the number of operating hours of certain farms in order to bring them into line with lower production levels that are more in line with reality after having consolidated historic information. For some farms in operation, future production has been revised based on actual production in the last few years. For the farms that are still not operating, the estimates of hours have been revised in order to bring them in to line, as the case may be, with historical wind measurements or actual production of comparable wind farms.
- Toughening of the conditions for obtaining credit from the market and liquidity in general, which has given rise to delays in the start-up of certain projects in the development phase. In this context, and considering other factors, in mid-year a revision was made of the Group strategic plan, which is used as the basis for the preparing of certain projects more in line with the economic and financial situation at this time.

The Fersa Group has negative working capital (current assets less current liabilities) totalling Euros 10,577 thousand at 31 December 2010. This negative working capital is due, in part, to the debts borne by the companies EN Renewable Energy Limited and Eólica Kisielice Sp (generating negative working capital of Euros 4,496 thousand) related to the construction of the wind farm. These companies already have a final financing agreement totalling Euros 62,589 thousand, which will be repaid through greater drawdowns of long-term credit.

The Directors have prepared these consolidated annual accounts under the going concern principle, given the factors that mitigate this situation, such as:

- The projects currently in operation and those that will come on line in 2011 will generate the cash flows necessary to mitigate the negative working capital.
- The Group has begun the procedure for its divestment of certain assets under the new 2010-2014 Strategic Plan. However, there are no assets classified as held for sale at 31 December 2010 as the requirements under IFRS 5 have not been met.
- On 11 November 2010, the Board of Directors of Banco Europeo de Inversiones approved a transaction to finance wind farm projects that the Group is developing in the amount of up to Euros 160 million. This operation is subject to the involvement of commercial banks. The Fersa Group is handling matters for its execution.

2.3. Consolidation principles and standards

a) Consolidation methods

The consolidated companies are listed in the Appendix to these consolidated annual accounts. In its consolidation the Group has applied the full consolidation method to the subsidiary companies, the proportional consolidation method to joint ventures and the equity accounting method to its associates.

Subsidiaries

The subsidiary companies have been fully consolidated, and all their assets, liabilities, income, expenses and cash flows have been integrated in the consolidated annual accounts after making the respective adjustments and derecognitions for intra-group operations. Subsidiary companies are those in which the parent Company controls the majority of the voting rights, or failing that, having the power to direct their financial policies. The Appendix sets out the companies consolidated by this method.

The consolidation process eliminates the transactions, balances and unrealised gains between Group companies. The unrealised losses are eliminated, unless the transactions provide proof of an impairment loss of the asset transferred.

The acquisition method is used to book the acquisition of subsidiaries. The cost of acquisition is the fair value of the assets handed over, the equity instruments issued and the liabilities incurred or assumed on the swap date, the fair value of any additional consideration depending on future events (provided that it is probable and can be reliably valued). The costs directly attributable to the acquisition are booked directly in the income statement.

The results of subsidiary companies acquired or sold during the year are taken to consolidated profit or loss as from the effective date of the operation.

The participation of third parties in net equity and the net income of the group companies are presented under "Minority interest" on the consolidated balance sheet and under "Net income attributable to minority interests" in the consolidated income statement. In the case of acquisition of minority interests, the surplus price paid in relation to the net book value is recognised directly in net equity.

Proportional consolidation method

This method is applied to “joint ventures”, understood as contractual agreements between two or more entities that carry out operations or hold assets so that any strategic decision of a financial nature that affects them requires the unanimous consent of all the venturers. The Appendix also sets out the companies consolidated by this method.

Through this consolidation method, the aggregation of the balances and the subsequent eliminations take place solely in the proportion of the group’s interest to the capital of the joint venture.

The assets and liabilities that are jointly controlled with other venturers are stated on the consolidated balance sheet classified in accordance with their specific nature. Likewise, the income and expenses generated by joint ventures are stated in the consolidated income statement in accordance with their nature.

Equity accounting method

The equity accounting method has been used to consolidate the associates. These are companies in which the Company has a direct or Indirect stake of between 20% and 50% of share capital, or where, if these percentages are not held, the Company has a significant influence on their management. The Appendix also sets out the companies consolidated by equity accounting.

Investments in associates are recorded using equity accounting. The share in the gains or losses after the acquisition of an associate is recognised in the income statement and the share in the equity movements after acquisition is recognised in reserves.

b) Consolidation scope

The Appendix includes the companies in which Fersa Energías Renovables, S.A. has a direct or indirect shareholding, and which have been included in the consolidation scope at 31 December 2010.

Year 2010:

The main variations in the consolidation scope in 2010 have been as follows:

a) Changes in the shareholding or changes in the consolidation method:

Company	31.12.10			31.12.09	
	% shareholding	Consolidation method	Effective date of transaction	% shareholding	Consolidation method
Parc Eòlic Mudefer, S.L. (anteriormente denominada Catalana d'Energies Renovables, S.L.)	84.00%	F.C.	05/02/2010	100.00%	F.C.
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	27.15%	E.A.	05/02/2010	29.67%	E.A.
Aprofitament d'Energies Renovables de L'Ebre, S.L.	20.34%	E.A.	05/02/2010	21.32%	E.A.
CastelWind 03, S.L.	60.48%	F.C.	18/05/2010	67.39%	F.C.
Fersa Panamá, S.A.	93.67%	F.C.	20/07/2010	92.00%	F.C.
Est Wind Power Ösauhing	93.79%	F.C.	11/11/2010	93.12%	F.C.

In January 2010 Fersa Energías Renovables, S.A. allowed the specialist renewable energy fund Green Alliance, F.C.R to take up a stake in its subsidiary Parc Eòlic Mudèfer, S.L. (Mudèfer) (previously named Catalana d'Energies Renovables, S.L.). Through this transaction Green Alliance F.C.R. acquired 16% of Mudèfer and the Fersa Group has reduced its stake to 84%. The transaction has generated income for the Group of Euros 6,045 thousand and also includes 16% of the related subordinated debt. The impact of this sale in 2010 has led to a decrease in equity of Euros 1,317 thousand since this is a transaction with minority interest. Furthermore, and as a result of this transaction, a minority interest has been recognised totalling Euros 5,333 thousand, as this minority interest recorded the 16% in Mudèfer.

On 20 July 2010 Fersa Energías Renovables, S.A. sold its 5% stake in Fersa Panamá, S.A. to Administradora de Inversiones Renovables S.A. (AIRE). Thereafter, on 9 December 2010, Fersa Panamá, S.A. increased share capital. The impact of these operations has led to a decrease in equity of Euros 271 thousand.

In respect of Fersa Panamá, S.A., on 16 November 2010 there were two additional sales of 1% and 5% of share capital, which execution is subject to the completion of the suspension clauses; consequently, at 31 December 2010 these two transactions have not been qualified as sales (Note 30).

The other changes in shareholding as a whole in 2010 have also had an impact, leading to a decrease in equity of Euros 49 thousand.

b) Additions to the consolidation scope:

31.12.10				
Company	Transaction	Effective date of transaction	% shareholding	Consolidation method
Fersar Yenilenebilir enerji üretim Ltd. Sirketi	Constitution	22-mar-10	50.00%	P.C.
Ferrolterra Renovables, S.L.	Constitution	17-jun-10	40.00%	E.A.
Fersa-Aventalia, S.L.	Constitution	20-des-10	80.00%	F.C.

"F.C.- Full Consolidation; P.C.- Proportional Consolidation; E.A.- Equity Accounting".

Year 2009:

The main variations in the consolidation scope in 2009 have been as follows:

a) Changes in the shareholding and changes in the consolidation method:

Company	31.12.09			31.12.08	
	% shareholding	Consolidation method	Effective date of transaction	% shareholding	Consolidation method
OÜ EstWindPower	93.12%	F.C.	04-sep-09	75.00%	F.C.
Sinergia Andaluza, S.L.	75.00%	F.C.	29-des-09	60.00%	F.C.
Parque Eólico Valcaire, S.L.	33.75%	E.A.	29-des-09	27.00%	E.A.
Parque Eólico Altos de Voltoya, S.A. (*)	12.00%	N/A	29-des-09	30.00%	E.A.

"F.C.- Full Consolidation; P.C.- Proportional Consolidation; E.A.- Equity Accounting".

(*) Non-current asset held for sale.

b) Additions to the consolidation scope:

31.12.09				
Company	Transaction	Effective date of transaction	% shareholding	Consolidation method
Fersa Italia S.R.L	Constitution	05-aug-09	100.00%	F.C.
Managment Kisielice Sp	Constitution	06-aug-09	100.00%	F.C.

"F.C.- Full Consolidation".

On the other hand, on 2 November 2009, there was a takeover merger involving Fersa Energías Renovables, S.A. and Energia Renovable Mestral, S.L. (Mestral), fully owned by Fersa Energías Renovables, S.A., through the takeover of the latter by the former, with the transfer on bloc of its equity to Fersa Energías Renovables, S.A., which acquired universal title to all the assets and liabilities of the merged company, Mestral, as per the Merger Project prepared and signed on 3 April 2009 by the Directors of Fersa Energías Renovables, S.A. and Energia Renovable Mestral, S.L.

No significant business combinations were created during 2010 and 2009.

c) Homogenisation of the accounts of the companies in the consolidation scope.

The criteria applied in the homogenisation have been as follows:

- Temporary homogenisation: the accounts of the companies in the consolidation scope are referred to at 31 December 2010 and 2009.
- Homogenisation of measurement: the measurement criteria applied by the subsidiary companies to the assets, liabilities, income and expenses coincide basically with the criteria applied by the parent Company.
- Homogenisation for internal transactions.
- Homogenisation for aggregation: for consolidation purposes, the necessary reclassifications have been made to adapt the structures of the subsidiary companies accounts to that of the parent Company and to IFRS-EU.

2.4. Transactions in foreign currency

The items included in the consolidated annual accounts of each entity in the Fersa Group are stated using the currency of the main economic environment in which the entity operates (functional currency). The consolidated annual accounts are presented in thousand Euros, which is the presentation currency of the Fersa Group.

The transactions in foreign currency are translated into the functional currency using the exchange rates in force on the transaction dates. The gains and losses in foreign currency from the settlement of these transactions and the translation to year end exchange rates of the monetary assets and liabilities denominated in foreign currency are recognised in the consolidated income statement.

The net income and financial position of all the companies in the Fersa Group (none of which are trading in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- The assets and liabilities of each balance sheet presented are translated at the exchange rate at the balance sheet date.
- The income and expenses of each income statement are translated at monthly average exchange rates, unless this measure is does not reasonably reflect the accumulative impact of the exchange rates on the transaction dates, in which case the income and expenses are translated at the date of the transactions.
- All the exchange differences are recognised as separate components in net equity (translation differences).

The adjustments to goodwill and fair value arising from the acquisition of a foreign entity are treated as the assets and liabilities of the foreign entity and translated at the year end exchange rate.

The exchange rates against the Euro of the main currencies of the companies in the Fersa Group at 31 December 2010 and 2009 have been:

	31 December de 2010		31 December de 2009	
	Closing rate	Accumulated average rate	Closing rate	Accumulated average rate
American Dollar	1.3362	1.3299	1.4406	1.3960
Polish Zloty	3.9750	4.0126	4.1045	4.3320
Estonian Crown (*)	15.6466	15.6466	15.6466	15.6466
Indian Rupee	59.7580	60.7798	67.0400	67.3942
Chinese Yuan Renminbi	8.8220	8.9975	9.8350	9.5371

(*) Fixed exchange rate with the Euro.

2.5. Segment reporting

Operating segments are reported in a manner consistent with the internal information reported to Group Management. The operating segments are the components of the Group that involve business activities from which revenue is obtained and expenses are incurred, including ordinary income and expenses from transactions with other components of the same Group. With regards to these segments, the financial information is separated and operating results are reviewed regularly by Management in order to decide what resources must be assigned to the segment and to evaluate its performance.

The Group differentiates between “business segments” and “geographic segments” (Note 4).

2.6 Intangible assets

a) Goodwill

Goodwill represents the surplus, on the acquisition date, of the costs of the business combination over the fair value of the net identifiable assets of the subsidiary, joint venture or associate acquired in the operation. The goodwill related to the acquisitions of subsidiaries or joint ventures are included under intangible assets and that related to acquisitions of associated is included under investments consolidated by equity accounting.

Prior to the coming into force of International Financial Reporting Standards, and as per IFRS 1, goodwill arising from the acquisitions before 1 January 2004 was recorded in the amount recognised as such in the consolidated annual accounts at 31 December 2003 prepared under Spanish accounting principles.

The goodwill is not amortised and is tested for impairment annually, and valued at cost less accumulated impairment losses.

b) Computer software

Licenses for computer software acquired from third parties are capitalised on the basis of the costs incurred to acquire and prepare them for a specific program use. These costs are amortised over their estimated useful lives (4 years).

c) Other intangible assets

Intangible assets are recorded at their cost of acquisition or fair value when acquired through business combinations, less accumulated amortisation, which begins when the asset is made available for use, and less any impairment in value occurs.

These assets arise mainly from measuring at fair value, in business combinations, certain milestones in the development and implementation of a wind farm, such as the finding of ideal sites for the farm, wind measurements, obtaining licenses and authorisation from official bodies for the construction of a wind farm, etc. They include own work capitalised (basically staff costs) under intangible assets when the requirements of IAS 38 are met. These intangible assets are amortised over the useful life of the wind farm, and amortisation begins when they are brought into use.

The net book value of the intangible assets is tested for possible impairment before their amortisation begins and if changes or events indicate that their net book value cannot be recovered.

There are no intangible assets with an indefinite useful life other than goodwill.

2.7 Property, plant and equipment

Property, plant and equipment are recognised at their acquisition price or cost of production minus their accumulated depreciation and accumulated recognised impairment losses. This account also includes own work capitalised (basically staff costs) for property, plant and equipment when the requirements of IAS 16 are met. The provisions for dismantling, under contract, which are recorded upon start up at their current value as property, plant and equipment (with a counter-entry under provisions), form part of the cost and are depreciated over the useful life of the wind farm.

The net financial expenses, and other expenses directly attributable to property, plant and equipment, are included in the acquisition cost until they are brought into use.

The costs of extension, modernisation or improvement of property, plant and equipment are capitalised only when they represent an increase in their capacity, productivity or a lengthening of their useful life, and as long as it is possible to know or estimate the carrying value of the assets that are written off inventories when replaced.

The costs of major repairs are capitalised and depreciated over their estimated useful lives while recurrent maintenance expenses are taken to income statement during the year in which they are incurred.

The depreciation of property, plant and equipment, except for land, which is not depreciated, is calculated on a straight-line basis according to their estimated useful lives, taking into account ordinary wear and tear. The estimated useful lives are as follows:

	Years of estimated useful life
Furniture and other plant	5 - 10
Computer hardware	4
Machinery and plant	20

The residual value and useful life of assets are reviewed, and adjusted, as the case may be, at each balance sheet date.

When the book value of an asset is greater than its estimated recoverable value, it is immediately written down to the recoverable value.

The profit and loss on the sale of property, plant and equipment is calculated by comparing the income obtained from the sale against book value and then taken to the income statement.

2.8 Impairment of non-financial assets

Assets are reviewed for impairment provided that an event or change in circumstances indicate that the amount booked may not be recoverable. Additionally, goodwill is tested annually. Accordingly, the assets and goodwills are allocated to the Cash Generating Units (CGUs); for example, in the Wind segment, each wind farm corresponds to a CGU.

An impairment loss is expensed in the amount of the difference between the net book value of the asset and the recoverable amount. The recoverable amount is the greater of the fair value of an asset less the costs of sale or its value in use. In order to evaluate the impairment, the assets are grouped at the lowest level for which there are separately identifiable cash flows. When evaluating value in use, the estimated future cash flows are calculated at present value. For this purpose, the assets and goodwills are allocated to the Cash Generating Units. Each CGU represents the investment of the Group for each business segment in each country in which it operates.

2.9 Financial assets and liabilities

Financial assets:

a) Loans and receivables:

Loans and receivables are non-derivative financial assets with fixed or determinable collections that are not listed on a stock exchange. They are included in current assets, except when they mature in more than 12 months as from the balance sheet date on which they were classified as non-current assets.

These financial assets are initially stated at their fair value, including the directly attributable transaction costs, and later stated at their amortised cost, recognising the interest accrued based on their effective interest rate, understood as the revaluation rate equalises the book value of the instrument to all its estimated cash flows until maturity.

Provisions required for impairment are recorded at least at the year end if there is objective proof that the outstanding amounts will not be received.

The amount of the value impairment is the difference between the asset's book amount and the present value of estimated future cash flows, discounted at the effective interest rate when initially recognised. The amount of the provision, and the reversal of the provision, are recognised in the income statement.

b) Available-for-sale financial assets:

This account includes debt securities and equity instruments that are not classified in any of the above categories. They include non-current assets unless management plans to sell the investment within the 12 months following the balance sheet date.

Non-derivative financial assets that are carried under this account are recognised initially at their fair value.

The unrealised gains and losses from changes in fair value are recognised in net equity. When sold or impaired, the accumulated adjustments in value adjustment reserve are taken to the income statement.

Provisions are recorded if there is objective proof that their value has been impaired as a result of a reduction or delay in the estimated future cash flows of debt instruments acquired or lack of recoverability of the book value of the asset for investments in equity instruments. The provision is the difference between costs or amortised cost less, as the case may be, any provision previously recognised in the income statement and the fair value at the time the valuation is made.

If there is objective proof of impairment, the Company recognises in the income statement the accumulated losses recognised previously in net equity due to the decrease in fair value.

If the market for a financial assets is not active, the Group establishes fair value using valuation techniques that include the use of recent transactions between interested, duly informed parties, involving substantially similar instruments, discounting methods for estimated future cash flows and models for establishing option prices making maximum use of observable market data and relying as least as possible on subjective considerations of the Group.

Financial assets are written off when all the risks and rewards attaching to ownership of the asset are substantially transferred. Specifically, for accounts receivable, this situation is generally understood to arise if the insolvency and default risks have been transferred.

c) Investments held to maturity:

Financial assets held to maturity are debt instruments with fixed or determinable collections and fixed maturities that are traded on an official market and which Group Management effectively intends, and has the capacity to, hold until they mature. If the Group sells a significant amount of financial assets held to maturity, the whole category would be reclassified as available for sale. These financial assets are included in non-current assets, except for those maturing in less than 12 months as from the balance sheet date, which are classified as current assets.

The valuation criteria for these assets are the same as those used for loans and receivables.

d) Financial assets held for trading and other financial assets at fair value through the income statement:

The assets held for trading that are acquired for sale in the short term or that form part of a portfolio of instruments identified and managed jointly in order to obtain short-term gains, as well as the financial assets assigned by the Group upon initial recognition for inclusion in this account based on more relevant information, qualify as financial assets at fair value through the income statement. The derivatives are also classified as

held for trading provided that they do not constitute a financial guarantee agreement nor have been designated as hedging instruments.

These financial assets are stated initially and in valuations thereafter, at their fair value, and the changes that arise in this value are taken to the income statement for the year. The costs of the transaction directly attributable to the acquisition are recognised in profit and loss for the year.

e) Cash and other cash equivalents:

Cash and other cash equivalents include cash, short-term highly liquid time deposits and other short-term investments with an initial maturity within no more than three months as from the acquisition date.

The financial assets are written-off from the balance sheet when the risks and rewards of ownership of the asset have been substantially transferred. In the specific case of accounts receivable, this occurs in general when the insolvency and default risks have been transferred.

The valuations at fair value made are classified using a prioritisation of fair value reflecting the variables used to make these measurements. This prioritisation has three levels:

- Level 1: Valuations based on the share price of identical instruments in an official market.
- Level 2: Valuations based on variables that can be observed for assets or liabilities.
- Level 3: Valuations based on variables that are not based on observable market information.

The financial assets that qualify as hedges are subject to the measurement requirements of hedge accounting (Note 2.10).

Financial liabilities:

a) Borrowings:

Borrowings are recognised initially at their fair value, net of the costs of the transaction. Any difference between the amount received and the repayment value is recognised in the income statement during the period of repayment of the borrowings using the effective interest rate method.

Borrowings are classified as current liabilities unless they mature in twelve months as from the balance sheet date, or include tacit renewal clauses to be exercised by the Fersa Group.

b) Trade and other payables:

Trade and other payables are short-term financial liabilities stated at fair value and do not accrue explicit interest and are recorded at their nominal value.

2.10 Derivatives and other financial instruments

The financial derivatives are recognised at fair value on the contract date, and are successively recalculated at fair value. The method for recognising the gain or loss depends on whether the derivative is classified as a hedging instrument, and if so, the nature of the asset hedged.

The Fersa Group documents the relationship between the hedging instruments and the assets or liabilities hedged at the beginning of the transaction, as well as the purpose of the risk management and hedging strategy.

A hedge is considered to be highly effective when the changes in the fair value or the cash flows of the assets hedged are offset by the change in the fair value or cash flows of the hedging instrument, with an effectiveness ranging from 80% to 125%.

Types of hedges:

a) Cash flow hedges:

For these derivatives, the effective part of changes in the fair value of the derivatives designated and qualifying as cash flow hedges is recognised in net equity. The gain or loss relating to the non-effective part is recognised immediately in the income statement.

The amounts accumulated in net equity are released to the income statement in the year in which the hedged items affects profit or loss.

b) Hedges of net foreign investments:

Operations of this type are used to hedge the exchange rate risk of investments in subsidiaries and associates, joint ventures and branches, whose activities are based on or carried out in a functional currency other than that of the company that prepares the financial statements. The net foreign investment is made up of, in addition to the holding in net equity, any monetary items payable or receivable, which settlement is not contemplated or likely to occur in the foreseeable future, excluding trade receivables and payables.

The accounting treatment of these hedges is similar to that for cash flow hedges and the account used to carry the variations in the value of the hedging instrument on the consolidated balance sheet is called "Translation differences" under net equity. The accumulated valuation under reserves is transferred to the consolidated income statement as the foreign investment that generated them is sold or in the event that the posting of the hedge is no longer valid, either because the hedging instrument has expired or because it no longer complies with the effectiveness rules. In these cases, the accumulated gains and losses in reserves as a result of the valuation of the hedging instruments are released to the consolidated income statement as the hedged operation materialises (unless the latter gives rise to a non-financial asset or liability, in which case this balance is taken into account when initially posting the asset or liability generated by the hedging operations).

c) Fair value hedge:

The changes in the fair value of the derivatives that are designated and qualify as fair value hedges are posted in the income statement, together with any change in the fair value of the asset or liability hedged that is attributable to the risk hedged.

2.11 Non-current assets held for sale

The Fersa Group classifies all the related assets and liabilities for which active measures have been taken for their sale and if the sale is expected to take place within the next twelve months, as assets held for sale.

These assets are stated at the lower of their book value and their fair value less the costs of sale and are not subject to depreciation, as from the time in which they are classified as non-current assets held for sale.

The non-current assets held for sale are stated on the consolidated balance sheet as follows: the assets in a single account called "Non-current assets held for sale" and the liabilities also in a single account called "Liabilities linked to non-current assets held for sale".

2.12 Treasury shares

In the event of the acquisition of treasury shares of the Parent Company, the consideration paid, including any directly attributable incremental cost, is subtracted from net equity until cancellation, issue of new shares or sale. When these shares are sold or reissued afterwards, any amount received, net of any directly attributable incremental costs of the transaction, is included in net equity.

2.13 Share capital

Share capital is represented by ordinary shares.

The cost of the issue of new shares or options, net of tax, is subtracted from equity.

The dividends from ordinary shares are recognised as less equity when approved.

2.14 Provisions and contingent liabilities

Provisions are recognised when the Fersa Group has a present legal or implicit obligation as a result of past events, which will likely lead to an outflow of funds in order to meet the obligation, and when the amount can be reliably estimated. No provisions are recognised for future operating losses.

Provisions are recorded when the unavoidable costs of meeting the liabilities in a onerous contract for valuable consideration exceed the profits expected to be obtained from them.

The provisions are stated at current value of the amount necessary to settle the liability at the balance sheet date, according to the best estimated available.

When it is expected that part of the disbursement necessary to settle the provision is refundable by a third party, the reimbursement is recognised as a separate asset, provided that its receipt is practically assured.

2.15 Corporate income tax

The corporate income tax accrued includes the expense for the deferred tax and the current tax understood as the amount payable (or refundable) relating to the tax profit for the year.

The deferred tax is recorded by comparing the temporary differences that arise between the taxable income from the assets and liabilities and the accounting profit on the consolidated annual accounts using the tax rates that are expected to be in force when the assets and liabilities are realised. No tax is recorded for the profit of the subsidiaries not distributed when the Fersa Group can control the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

The deferred tax arising from charges or credits made directly in the equity accounts are also recorded as charges or credits to equity.

The deferred tax assets are recognised to the extent that it is probable that there will be future tax profits with which to offset the temporary differences.

2.16 Recognition of income and expenses

Income is recorded at the fair value of the consideration to be received and represents the amounts receivable for goods delivered and services rendered during the Fersa Group's normal course of business, minus returns, price reductions, discounts and value added tax.

The sales of goods are recognised when the products have been delivered to the customer, when the customer has accepted them, even if they have not been invoiced, or as the case may be, the services have been provided and the collection of the respective accounts receivable is reasonably assured. The sales for the year include the estimate of the energy supply that has not yet been invoiced.

Note 3 describes the basic features of the regulations in the electricity sector that are applicable.

The interest income is recognised using the effective interest rate method.

The dividend income is recognised as income on the income statement when the right to receive it has been established.

2.17 Leases

Leases in which the Company substantially holds all the risks and reward of ownership are classified as finance leases. They are recognised at the beginning of the lease at the lower of the fair value of the asset and the present value of the lease payments include, as the case may be, the purchase option. Each lease payment is broken down between the reduction of the debt and the financial charge, so that a constant interest rate is obtained on the outstanding debt. The payment obligation arising from the lease, net of the financial charge, is recognised under liabilities in the consolidated balance sheet. The part of the interest on the financial charge is taken to consolidated income statement during the period of the lease in order to obtain a constant periodical interest rate on the outstanding debt to be paid in each period. The property, plant and equipment acquired under finance leases is depreciated over the useful life of the asset.

Leases in which the lessor retains a major part of the risks and benefits arising from ownership are classified as operating leases. Operating lease payments are charged to the income statement for the year in which they accrue on a straight-line basis over the term of the lease.

2.18 Cash flow statement

The consolidated cash flows statements have been prepared using the Indirect method, and, using the following expressions with the meeting set out below:

- a) Operating activities: activities that make up the ordinary group revenues, and other activities that cannot qualify as investment or financing.
- b) Investment activities: investment, sale or disposal by other means of long-term assets and other investments not included under cash and cash equivalents.
- c) Financing activities: activities that cause changes to the volume and composition of net equity and the liabilities that do not form part of the operating activities.

When it is possible to identify a tax flows in individual operations, such as, for example, Value Added Tax, which give rise to receipts and payments classified as investment and financing activities, these will be classified the same as the transaction to which it refers.

2.19 Profit per share

Basic profit per share is calculated using consolidated profit or loss for the year attributable to the parent Company between the average number of ordinary shares in circulation during this period, excluding the average number of treasury shares held by the Group.

Diluted profit per share is calculated using the consolidated profit or loss for the year attributable to the ordinary shareholders adjusted by the effect attributable to the potential ordinary shares having a dilutive effect and the average number of ordinary shares in circulation during this period, adjusted by the average weighted number of ordinary shares that would be issued if all the potential ordinary shares were converted into ordinary shares of the Company.

2.20 New accounting standards IFRS-EU and interpretations IFRIC

The following new accounting standards (IFRS-EU) and interpretations (IFRIC) have been approved and published and enacted at 1 January 2010 and applied by the Group:

- IFRS 1 (Revised), "First-time Adoption of IFRS"
- IFRS 1 (Amendment), "Additional Exemptions for First-time Adopters".
- IFRS 2 (Amendment), "Group cash- settled share-based payment transactions"
- IFRS 3 (revised), "Business Combinations"
- IFRS 5 (Amendment), "Non-current Assets Held for Sale and Discontinued operations" (and the related amendment of IFRS 1 "First-time Adoption of IFRS")
- IAS 27 (revised), "Consolidated and Separate Financial Statements"
- IAS 39 (Amendment), "Items qualifying as hedges"
- IFRIC 12, "Service Concession Arrangements"
- IFRIC 15, "Arrangements for Construction of Real Estates"
- IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"
- IFRIC 17, "Distribution of Non-Cash Assets to Owners"
- IFRIC 18, "Transfers of Assets from Customers"
- Improvements in International Financial Reporting Standards

The application of these standards, modifications and interpretations has not had a significant impact on the consolidated annual accounts of Fersa Group as at 31 December 2010.

During the year the following IFRS and IFRIC, which have not been adopted in advance, have been published in the Official Gazette of the European Union, coming into force for the periods beginning as from 1 January 2011:

- IFRS 1 (Amendment) "First-time Adoption of IFRS". Limited exemption of the comparisons of IFRS 7.
- IFRS 7 (Amendment), "Financial instruments. Information to be disclosed".
- Disclosures – Transfer of financial assets.
- IAS 24 (Revised) "Transactions with related parties to be disclosed"
- IAS 32 (Amendment), "Financial instruments presentation"
- IFRIC 14 (modification) "Prepayments of a minimum funding requirements".
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments".

Furthermore, IFRS 9 "Financial Instruments" has been adopted, which has still not been adopted by the European Union.

Based on our analysis of the new accounting standards and their interpretations applicable as from 1 January 2011, the Fersa Group does not expect that their application will have a significant effect on its consolidated annual accounts.

2.21 Significant accounting estimates and judgements

The preparation of consolidated financial statements requires the formulation of estimates and judgements. The valuation standards that require a large number of estimates are set out below:

a) Provisions

In general, liabilities are recorded when it is probable that a liability or obligation will give rise to an indemnity or payment. The Fersa Group makes an estimate of the amounts to be settled in the future, including additional amounts relating to corporate income tax, contractual obligations, the settlement of outstanding litigation, and other liabilities. These estimates are subject to the interpretation of current events and circumstances, projections of future events and estimates of their financial effects.

b) Corporate income tax and deferred income tax assets

The calculation of the corporate income tax expense requires interpretations of tax legislation in the jurisdictions in which the Fersa Group operates. The determination of expected outcomes of outstanding disputes and litigation requires the preparation of significant estimates and judgments.

The Fersa Group evaluates the recoverability of the deferred tax assets based on estimates of future taxable income and the capacity to generate sufficient tax profits during the periods in which these deferred taxes are deductible.

c) Revenue recognition

Revenue from energy sales is recognized when the electricity is delivered to the customer on the basis of estimated energy production.

Historically, no material adjustments have been made to the amounts recorded as revenue for the estimate of the energy produced pending invoicing and no adjustments are expected in the future.

d) Business combinations

In the purchase prices allocation process in business combinations, estimates and certain judgements must be made when identifying and measuring certain existing intangible assets. To do so the Fersa Group uses valuation reports of independent third parties.

The goodwill is tested annually for impairment. The estimated recoverable value of the CGU applied to the impairment tests has been determined on the basis of the discounted cash flows in the Group budgets.

e) Fair value of derivatives

The fair value of the financial instruments that are traded on official markets is based on market prices at the balance sheet date. The market quotation price that is used for financial assets is the current buyer price.

The fair value of the financial instruments that are not listed on an official market is determined using valuation techniques. The fair value of interest rate swaps is calculated as the present value of the future estimated cash flows.

f) Useful life of property, plant and equipment and intangible assets

The accounting treatment of investments in property, plant and equipment and intangible assets includes estimates for determining their useful lives for depreciation and amortisation purposes, and for determining the fair value at the acquisition date, for assets acquired in business combinations.

The determination of useful life requires estimates of their degree of use, maintenance as well as expected technological evolution. The assumptions regarding the degree of use, technological framework and future development involve a significant degree of judgement, insofar as the timing and nature of future events are difficult to foresee.

NOTE 3 – REGULATORY FRAMEWORK

We describe below the main features of the regulation to which the business of the Fersa Group is subject in the main countries in which it trades.

Spain

Electricity production from renewable sources is regulated by the so-called Special Regime, a legal framework that regulates and facilitates the development of clean energy in Spain.

RD 661/2007/May 2007, which regulates the production of electricity under the special regime, is the law that is currently in force to determine which technologies and energy sources can avail themselves of the Special Regime, and to establish the economic and administrative relationships between the Government and the renewable energy producers.

This remunerative and legal framework is obligatory for all generation plants availing themselves of the special regime that began operating on 1 January 2008, but is optional for the rest, although there is a transition period until 31 December 2012, as from which time all producers will operate under RD 661/2007. Accordingly, the plants in operation prior to 2008 can remain under the previous regulatory framework, RD 436/2004/March, which establishes the methodology for revising and systematising the economic-legal regime for electricity production under the special regime, which must be abandoned by law at 31 December 2012.

The owners of plants brought into use after 31 December 2007 must choose, for periods of no less than one year, between the following two options:

1. Selling the energy to the grid and receiving a regulated tariff for the first 20 years of the useful life of the project, indexed to inflation.
2. Or selling this energy directly to the electricity market at a market rate that will be the price generated by the organised market or the freely negotiated price, supplemented by a premium capped at the maximum and minimum.

The current regulation of the special regime as per RD 661/2007/May is designed to regulate the tariffs for installed capacity of 20,155 MW.

RD 436/2004/March establishes that the plants that were brought into use prior to 31 December 2007 (except solar energy plants) can choose between:

1. Selling energy to the system and receiving a fixed regulated tariff for the entire life of the project.
2. Or selling this energy directly in the electricity market at a market tariff that will be the price generated by the organised market or the freely negotiated price, supplemented by an uncapped maximum and minimum premium or incentive. This premium was Euros 38.3 / MWh in 2010.

On the other hand, Royal Decree 6/2009/30 April, which adopted certain measures for the energy industry, and the social bond, established the limits for meeting the increase in the tariff deficit.

A supplement or penalty will be imposed on the facilities under the special regime, as per Royal Decree 1565/2010/19 November, which regulates and modifies certain aspects relating to electricity production under said special regime, as the case may be, for reactive energy for maintaining certain power factor values. Moreover, all the special regime facilities or groupings of more than 10 MW must be placed under a Control Centre by 30 June 2011. Finally, the wind facilities and the solar plants or groupings of more than 2 MW must comply with the operating procedure under P.O.12.3 Requirements in response to gaps in the tension of wind farm facilities, adopted under the Ruling of 4 October 2006 of the General Secretariat of Energy.

As from 2011, under Royal Decree 1614/2010/7 December, for land wind technology facilities, the number of equivalent benchmark hours would be 2,589 hours/year when in one calendar year the average number of operating hours annually of all the definitively registered land wind technology facilities, exceeds 2,350 hours/year.

Also, the aforementioned Royal Decree stipulates that for wind technology facilities under Royal Decree 661/2207/25 May, the benchmark premium values are those relating to the date on which the royal decree came into force less 35%.

As from 1 January 2011, as per Royal Decree Law 14/2010/23 December, the transporters and distributors will charge the producers connected to their networks an access toll of EUR 0.5/ MWh in order to evacuate the electricity they upload into networks. Accordingly, the electricity companies will bear the cost of the energy savings and efficiency strategy measures in order to contribute to mitigating the excess costs of the system. And, finally, the hours having the right to a premium for solar energy plants will be limited.

France

In France the electricity facilities must hold authorisations for operations under the following legislation:

- Law n° 2000-108/10 February 2000, on the modernisation and development of the electricity utilities.
- Decree n° 2000-877/7 September of that year on the authorisation for operating electricity facilities.

Once authorisation is obtained, the electricity producers will be subject to the remunerative regime as per Decree of 10 July 2006.

The remuneration of land wind-based electricity production is set for the first 10 years, indexed to inflation on 1 November of each year. In 2010, the tariff applied to the company in the Fersa Group in France was 8.395 Euro cents per kWh until 1 November, and from that date, 8.554 Euro cents per kWh.

India

The wind-energy facilities are governed by the *Electricity Act* of 2003 and applicable across the country. The ministry in charge of setting the government directives that regulate the renewable energy facilities is the Ministry of New and Renewable Energy. At the same time, each State has a competent body in this area. The activity of the Fersa Group in India is channelled through the energy produced in Karnataka State and, accordingly, we think that the regulations of this state are relevant.

In addition to the general provisions of the Electricity Act, the central government and the different state governments offer the following incentives:

- Tax exemption on the Excise Duty, tax payable for the manufacturing of the electricity generator and its parts.
- Tax exemption in some states (including Karnataka) on the VAT and the tax on electricity services (Electricity Duty)
- Reduction of the income tax for 10 consecutive years for all electricity producers.
- Incentives for generation: all facilities starting up after 17 December 2009 have a right to receive an incentive of Rupees 0.50 per unit if the electricity is sold to the state or central government power grid.
- Benefits arising from international standards, such as the (*Clean Development Mechanism, CDM*) under the Kyoto Protocol.

The base tariff for the private wind-farms in Karnataka State is a fixed tariff of Rupees 3.40 per KWh for the first 10 years of commercial operations, and, for the farms that begin operations as from 2010, Rupees 3.70 per KWh for the first 10 years of commercial operations.

Poland

The production of electricity from renewable energy sources is regulated in Poland by the *Polish Energy Act* of 4 March 2005, which stipulates the following:

- Purchase obligation. The distributors are obligated to purchase energy generated by renewable sources connected to the network. The minimum price of acquisition of electricity is determined by the average market price during the preceding calendar year, and is set by the President of the URE before 31 March of each year. The price that the President of the URE announced for 2010 was PLN 197.21 per MWh.
- Certificates of origin. On the other hand, Polish legislation provides for a parallel quota and market mechanism for "Green Certificates": for each MWh generated, the renewable energy producer obtains a "Green Certificate" that can be sold on the spot market or under bilateral agreements. The distributors are obligated to justify (either through own generation or the purchase of "Green Certificates") that a percentage of the energy they sell is from renewable sources. If they do not, they must pay a penalty. This penalty is now PLN 267.95/MWh, which is revised annually in line with the CPI.

In August 2008, the current Green Certificates system was extended by three years, and the renewable energy quotas that the suppliers must meet until 2017 were published, to wit: 5.1% (2007); 7.0% (2008); 8.7% (2009); 10.4% (2010-2011-2012); 10.49% (2013); 11.4% (2014); 11.9% (2015); 12.4% (2016) and 12.9% (2017).

NOTE 4 – SEGMENT REPORTING

a) Primary reporting format: business segments.

The business segments of the Fersa Group are wind, biogas and solar energy. Profit and loss by segment breaks down as follows:

31 December 2010	Wind				Total	Solar	Biogas	TOTAL
	Western Europe	Eastern Europe	Asia	Latin America		Western Europe	Western Europe	
Turnover	24,453	1,198	3,034	-	28,685	853	562	30,100
EBITDA (*)	16,938	27	2,279	(289)	18,955	585	72	19,612
Depreciation charge	(9,780)	(334)	(1,936)	-	(12,050)	(345)	(210)	(12,605)
Impairment of fixed assets	(35,568)	(9,492)	(9,780)	-	(54,840)	-	-	(54,840)
Operating profit (loss)	(28,410)	(9,799)	(9,437)	(289)	(47,935)	240	(138)	(47,833)

Net financial income (expense)		(7,710)
Participation in profit for the year of associates	(127)	(127)
Profit before tax		(55,670)
Corporate Income Tax		6,013
Consolidated Profit (loss) for the year		(49,657)
a) Profit (loss) attributed to the parent company		(47,919)
b) Profit (loss) attributed to minority interest		(1,738)

(*) EBITDA: Operating profit plus depreciation and impairment

31 December 2009	Wind				Total	Solar	Biogas	TOTAL
	Western Europe	Eastern Europe	Asia	Latin America		Western Europe	Western Europe	
Turnover	16,629	408	2,824	-	19,861	873	681	21,415
EBITDA (*)	11,733	(325)	2,146	(293)	13,261	720	127	14,108
Depreciation charge	(7,541)	(217)	(1,747)	-	(9,505)	(344)	(210)	(10,059)
Operating profit (loss)	4,192	(542)	399	(293)	3,756	376	(83)	4,049
Net financial income (expense)								(6,057)
Participation in profit for the year of associates	1,714	-	-	-	-	-	-	1,714
Profit before tax								(294)
Corporate Income Tax								1,388
Consolidated Profit (loss) for the year								1,094
a) Profit (loss) attributed to the parent company								1,210
b) Profit (loss) attributed to minority interest								(116)

(*) EBITDA: Operating profit plus depreciation

b) Secondary reporting format: geographic segments

Given the Fersa Group's presence in various countries, information is grouped by geographic actions. The Fersa Group's registered office, where its main operations are carried-out, is currently in Spain. The main areas of operations cover different geographic groups, including, of special note:

- Western Europe, which includes Spain, France and Italy.
- Eastern Europe, which includes Poland, Estonia, Montenegro, Turkey and Russia.
- Asia, which includes India and China.
- Latin America, which includes Panama.

Net turnover of the Fersa Group by geographic group is set out below:

	2010	2009
Western Europe	25,868	18,183
Eastern Europe	1,198	408
Asia	3,034	2,824
Total	30,100	21,415

The assets and liabilities by segments are as follows:

a) By business segment

	Assets	Investment as per equity accounting	Goodwill	Liabilities
As at 31.12.10				
Wind	614,392	2,265	74,998	55,616
Biogas	320	-	110	624
Solar	7,646	-	525	308
Total	622,358	2,265	75,633	56,548

	Assets	Investment as per equity accounting	Goodwill	Liabilities
As at 31.12.09				
Wind	531,653	2,383	105,602	54,889
Biogas	562	-	129	665
Solar	7,960	-	525	340
Total	540,175	2,383	106,256	55,894

b) By geographic segment

	Assets	Investment as per equity accounting	Goodwill	Liabilities
As at 31.12.10				
Western Europe	344,780	2,265	22,573	49,032
Eastern Europe	140,603	-	24,468	3,146
Asia	134,679	-	12,583	3,286
Latin America	2,296	-	16,009	1,084
Total	622,358	2,265	75,633	56,548

	Assets	Investment as per equity accounting	Goodwill	Liabilities
As at 31.12.09				
Western Europe	314,376	2,383	47,789	54,392
Eastern Europe	115,795	-	26,910	1,007
Asia	108,158	-	16,709	495
Latin America	1,846	-	14,848	-
Total	540,175	2,383	106,256	55,894

The assets by segments consist mainly of property, plant and equipment, intangible assets, trade receivables, and other receivables. They exclude the financial assets, goodwill, deferred tax asset and cash and other cash equivalents. The assets excluded total Euros 108,659 thousand at 31 December 2010 and Euros 137,565 thousand at 31 December 2009.

The liabilities by segments consist mainly of operating liabilities. Excluding the borrowings and deferred tax liabilities. The liabilities excluded total Euros 334,665 thousand at 31 December 2010 and Euros 246,907 thousand at 31 December 2009.

NOTE 5 – INTANGIBLE ASSETS

The movement for the year ended 31 December 2010 and 2009 in the accounts under Intangible assets is as follows:

	Goodwill	Other intangible assets	Total intangible assets
Cost	106,742	289,017	395,759
Accumulated amortisation	-	(1,408)	(1,408)
Net book value as at 31/12/09	106,742	287,609	394,351
Investment	3	53	56
Divestments/ disposals	(59)	-	(59)
Transfers and others	-	(2,352)	(2,352)
Amortisation	-	(209)	(209)
Translation differences	(430)	1,293	863
Net book value as at 31/12/09	106,256	286,394	392,650
Cost	106,256	290,154	396,410
Accumulated amortisation	-	(3,760)	(3,760)
Net book value as at 31/12/09	106,256	286,394	392,650
Investment	90	216	306
Amortisation	-	(2,725)	(2,725)
Impairment	(34,662)	(16,370)	(51,032)
Translation differences	3,949	9,034	12,983
Net book value as at 31/12/10	75,633	276,549	352,182
Cost	110,295	299,404	409,699
Accumulated amortisation	-	(6,485)	(6,485)
Impairment	(34,662)	(16,370)	(51,032)
Net book value as at 31/12/10	75,633	276,549	352,182

The Translation differences basically reflect the impact of the valuation of assets related to the investments in India, Panama and Poland in 2009 and 2010 due to the positive evolution of the Rupee, the Dollar and the Zloty.

At 31 December 2010 there are no fully amortised intangible assets still in use.

We set out below a summary by segments of the allocation of Goodwill:

	As at 31.12.10				As at 31.12.09			
	Wind	Solar	Biogas	Total	Wind	Solar	Biogas	Total
Western Europe	21,938	525	110	22,573	47,135	525	129	47,789
Eastern Europe	24,468	-	-	24,468	26,911	-	-	26,911
Asia	12,583	-	-	12,583	16,708	-	-	16,708
Latin America	16,009	-	-	16,009	14,848	-	-	14,848
Total	74,998	525	110	75,633	105,602	525	129	106,256

Set out below is a summary by segments of the allocation of Other intangible assets:

	As at 31.12.10				As at 31.12.09			
	Wind	Solar	Biogas	Total	Wind	Solar	Biogas	Total
Western Europe	140,000	3	-	140,003	148,396	4	-	148,400
Eastern Europe	80,094	-	-	80,094	83,921	-	-	83,921
Asia	56,452	-	-	56,452	54,073	-	-	54,073
Latin America	-	-	-	-	-	-	-	-
Total	276,546	3	-	276,549	286,390	4	-	286,394

Impairment test:

The Company has made impairment tests using cash flow projections in order to determine recoverable value. The impairment tests were made on 31 December 2010 and 2009, and, as a result, as indicated in Note 2.2, an impairment provision has been recorded of Euros 54,840 thousand at 31 December 2010, which breaks down as follows:

	Thousand euros
Goodwill	34,662
Other intangible assets	16,370
Property, plant and equipment (Note 6)	3,183
Other assets	625
Total	54,840

The breakdown of this impairment provision by geographic segment is as follows:

	Thousand euros
Western Europe	35,568
Eastern Europe	9,492
Asia	9,780
Total	54,840

As a result of this impairment, the amount of Euros 4,875 thousand in deferred tax liabilities (Note 19) has been reversed. Moreover, the impact of this impairment on Minority interest has been Euros 1,820 thousand (Note 13).

The key assumptions used to calculate value in use are as follows:

a) Discount rate: The cost of capital used to determine the discount rate for the main CGUs is as follows:

Discount rate	Spain	France	Poland	India	Panama	China	Estonia
2010	8.82%	6.57%	9.26%	11.25%	7.75%	11.25%	9.26%
2009	7.30%	6.90%	9.40%	10.10%	9.14%	10.10%	9.20%

b) Prices: The sale prices of electricity have been estimated on the basis of past experience and external sources of information. In relation to the wind farms in Spain, the prices have been revised taking into account the changes in the regulatory framework adopted in 2010 (Note 3). For countries in which there are master ("power purchase agreements"), such as India or Poland, the agreed-upon price has been used.

In addition to the assumptions set out above, the Directors have taken into account in the preparation of the calculations of recoverable value other business assumptions that are relevant, such as:

- Productions: In order to determine productions, a series of historical measurements have been used.
- Estimated life of the project
- Start up of new projects: For projects that have not been started up, the forecast start up date has been estimated taking into account the milestones achieved in the process of obtaining the licences required as well as the status of the negotiations for obtaining the financing.
- Investments: For projects in which the investments in property, plant and equipment (wind farms) are still pending, the investments have been estimated using the investment committed in the event of the existence of signed agreements with the suppliers of wind farms, and, failing this, using the best estimate taking into account the progressive decrease in wind farm sale prices due to the increase in competition.
- Cost of debt: For projects governed by signed financial agreements, the cost applied in their financing has been used, and for projects in which there is no signed financing, the cost has been estimated depending on the conditions of each market.
- Operating expenses: For future years, the operating expenses have been estimated on the basis of past experience and by applying an estimated inflation rate.

Sensitivity: As already mentioned, there are certain assumptions whose variations could significantly affect the recoverable value of the assets subject to the impairment testing, which are, to wit, the discount rate and the sale prices of electricity. The sensitivity of the results to reasonably possible changes in these assumptions, on which Management have based their determination of the recoverable amount of the wind farms, is as follows:

	Increase/decrease in percentage	Effect on net income attributed to the parent company
Discount rate	10%	(27,420)
	(10%)(*)	9,542
Electricity sale price	(10%)(*)	9,250
	10%	(34,405)

(*) Given that the impairment of goodwill cannot be reversed, the positive impact on the sensitivity analysis is limited in relation to the negative impact, as a future improvement in the key assumptions would not permit a reversal of the goodwill provision, although it would allow a reversal of the provision for other intangible assets, property, plant and equipment and other assets.

Based on the analysis of the goodwill impairment test in 2009, no need to record impairment was considered necessary.

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

The movement for 2010 and 2009 in the accounts under Property, plant and equipment is as follows:

	Property, plant and equipment in use	Property, plant and equipment under construction	Total property, plant and equipment
Cost	150,152	75,963	226,115
Accumulated depreciation	(11,480)	-	(11,480)
Net book value as at 31/12/09	138,672	75,963	214,635
Investment	187	35,053	35,240
Divestment/ disposals	(53)	(181)	(234)
Transfers and others	1,779	(1,570)	209
Depreciation	(7,707)	-	(7,707)
Translation differences	144	238	382
Net book value as at 31/12/09	133,022	109,503	242,525
Cost	152,209	109,503	261,712
Accumulated depreciation	(19,187)	-	(19,187)
Net book value as at 31/12/09	133,022	109,503	242,525
Investment	327	99,083	99,410
Divestment/ disposals	(24)	-	(24)
Transfers and others	129,615	(129,615)	-
Depreciation	(9,880)	-	(9,880)
Impairment	(1,873)	(1,310)	(3,183)
Translation differences	2,665	4,596	7,261
Net book value as at 31/12/10	253,852	82,257	336,109

Cost	284,792	83,567	368,359
Accumulated depreciation	(29,067)	-	(29,067)
Impairment provision	(1,873)	(1,310)	(3,183)
Net book value as at 31/12/10	253,852	82,257	336,109

The most significant investments in 2010 were in the construction of wind farms in Spain, India and Poland. During the year the group has started up two wind farms in Caseres (Tarragona) with a total of 57.6 MW called Mudèfer and Mudèfer II and another 22MW farm in Poland called Kisielice. During the year significant investments have also been made in the second phase of the Kisielice wind farm, which will in the future account for another 18 MW.

The most significant investments in 2009 relate to the acquisition of wind turbines for the wind farms Mudèfer I and Mudèfer II.

As a result of the impairment test (Note 5), a provision for Property, plant and equipment totalling Euros 3,183 thousand has been recorded.

Financial expenses (interest) capitalised during 2010 total Euros 3,083 thousand (Euros 736 thousand during 2009). This interest relates entirely to the financial costs of borrowed funds for the construction of the farms, until their start up. These financial expenses were deducted from financial expenses in the consolidated income statement.

At 31 December 2010, the Group has commitments for the purchase of fixed assets, mainly wind turbines for wind farms in Spain, Poland, Estonia and India, totalling Euros 119 million (Euros 222 million at 31 December 2009). These commitments are subject to obtaining the respective financing (Project Finance) for the different wind farms.

Translation differences mainly include the impact on the measurements of assets relating to the investments in India, Poland and Panama in 2010 and 2009 due to the evolution of the Rupee, the Zloty and the Dollar.

At 31 December 2010 there is no fully depreciated property, plant and equipment still in use.

On 4 September 2009, Invetem Mediterrànea S.L. took out a mortgage on its property, plant and equipment totalling Euros 906 thousand in favour of the Tax Authorities for the assessment signed in disagreement raised in relation to the Special Hydrocarbons Tax for the years 2001 to 2004. (Note 14).

It is the policy of the Fersa Group to take out all the insurance policies deemed necessary to cover the exposure of its property, plant and equipment as possible.

NOTE 7 – INVESTMENTS AS PER EQUITY ACCOUNTING

The movement in 2010 in the accounts under Investments as per equity accounting is as follows:

Company	Balance 31.12.09	Participation in the results	Changes in consolidation scope	Other	Balance 31.12.10
Berta Energies Renovables, S.L.	1,436	(25)	-	-	1,411
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	491	(65)	(15)	(29)	382
Aprofitament d'Energies Renovables de L'Ebre S.L.	320	(33)	(3)	-	284
Parque Eólico Valcaire S.L.	136	-	-	-	136
Ferrolterra Renovables, S.L.	-	(4)	56	-	52
Total	2,383	(127)	38	(29)	2,265

The movement in 2009 in the investments recorded by equity accounting is as follows:

Company	Balance 31.12.08	Participation in the results	Dividends	Other movements	Disposals	Balance 31.12.09
Parque Eólico Altos del Voltoya, S.A	7,506	321	(592)	(192)	(7,043)	-
Berta Energies Renovables, S.L.	1,452	(16)	-	-	-	1,436
Aprofitament d'Energies Renova- bles de la Terra Alta, S.A.	512	(21)	-	-	-	491
Aprofitament d'Energies Renova- bles de L'Ebre, S.L.	361	(41)	-	-	-	320
Parque Eólico Valcaire, S.L.	137	(1)	-	-	-	136
Total	9,968	242	(592)	(192)	(7,043)	2,383

In January 2010 Fersa Energías Renovables, S.A. sold its 16% stake in Parc Eòlic Mudèfer, S.L. As a result of this sale, the Group has reduced its holding in Aprofitament d'Energies Renovables de la Terra Alta, S.A. and Aprofitament d'Energies Renovables de L'Ebre, S.L. as they are directly owned by Parc Eòlic Mudèfer, S.L. (see more detail in Note 2.3 section b).

At 17 June 2010 Ferrolterra Renovables, S.L. was incorporated with the corporate purposes of development and future operation of wind farms in Galicia. The Fersa Group Energías Renovables, S.A. has a 40% interest in this company.

On 29 December 2009 18% of the shares of Parque Eólico Altos de Voltoya, S.A. were sold. As a result of this transaction the Group lost significant influence, so the remaining 12% of the shareholding has been classified as an available-for-sale asset (Note 10).

The most significant information relating to the associates consolidated as per equity accounting is as follows:

As at 31.12.10	Country	Asset	Liability	Income	Net income	% Shareholding
Ferrolterra Renovables, S.L.	Spain	131	4	-	(10)	40.00%
Berta Energies Renovables, S.L.	Spain	5,413	624	-	(84)	29.09%
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	Spain	22,216	21,406	1	(232)	27.15%
Aprofitament d'Energies Renovables de L'Ebre, S.L.	Spain	26,440	23,114	34	(164)	20.34%
Parque Eólico Valcaire, S.L.	Spain	1,957	1,655	-	-	33.75%
Total		56,157	46,803	35	(490)	

As at 31.12.09	Country	Asset	Liability	Income	Net income	% Shareholding
Parque Eólico Altos del Voltoya, S.A (*)	Spain	39,394	28,937	7,139	1,066	30.00%
Berta Energies Renovables, S.L.	Spain	5,422	549	-	(54)	29.09%
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	Spain	21,436	19,845	39	(71)	29.67%
Aprofitament d'Energies Renovables de L'Ebre, S.L.	Spain	24,546	21,043	-	(192)	21.32%
Parque Eólico Valcaire, S.L.	Spain	1,754	1,451	-	-	33.75%
Total		92,552	71,825	7,178	749	

(*) At 29 December 2009 18% of its shares were sold, at which time it was no longer consolidated by equity accounting and the remaining 12% was then booked as an available-for-sale asset (Note 10).

At 31 December 2010 and 2009 none of the associates are listed companies.

NOTE 8 - FINANCIAL ASSETS

The breakdown of the financial assets is as follows:

As at 31 December 2010	Available-for-sale financial assets	Loans and other receivables	Investments held to maturity	Other financial assets at fair value through profit and loss	Total
Equity instruments	18	-	-	-	18
Other non-current financial assets	-	5,810	-	622	6,432
Non-current financial assets	18	5,810	-	622	6,450
Other current financial assets	-	250	2,669	-	2,919
Current financial assets	-	250	2,669	-	2,919

As at 31 December 2009	Available-for-sale financial assets	Loans and other receivables	Investments held to maturity	Hedging derivatives	Total
Equity instruments	21	-	-	-	21
Derivatives	-	-	-	3,731	3,731
Other non-current financial assets	-	2,518	-	-	2,518
Non-current financial assets	21	2,518	-	3,731	6,270
Other current financial assets	-	1,761	-	-	1,761
Current financial assets	-	1,761	-	-	1,761

No debt securities have been issued, purchased or paid in 2010 or 2009.

There are no financial assets in default at the date of presentation of the consolidated annual accounts of the Fersa Group for 2010.

Available-for-sale financial assets

The movement in available-for-sale financial assets is as follows:

Balance 01.01.09	50
Additions	-
Changes in scope	-
Transfers	-
Disposals	(29)
Balance 31.12.09	21
Additions	-
Changes in scope	-
Transfers	-
Disposals	(3)
Balance 31.12.10	18

At 31 December 2010 none of the companies in the account are listed on a stock exchange.

Loans and other receivables

The breakdown at 31 December 2010 and 2009 is as follows:

	31.12.10	31.12.09
Commercial loans	4,199	806
Deposits and guarantees	196	195
Other loans	716	1,013
Other assets	699	504
Total loans and other non-current items	5,810	2,518
Other loans	250	1,761
Total other current assets	250	1,761

During the year Parc Eòlic Mudèfer, S.L. extended a loan to Aprofitament d'Energies Renovables de la Terra Alta, S.A. totalling Euros 3,032 thousand. This loan accrues interest at a market rate and matures in June 2012.

The non-current commercial loans fall due between 2012 and 2013. The other items do not have a defined due date.

There are no significant differences between the book values and the fair values under Loans and other receivables.

Other financial assets at fair value through profit and loss

As a result of the sale of 5% of Fersa Panamá, S.A. (Note 2.3.b), Fersa Energías Renovables, S.A. is pending receipt of USD 799 thousand (Euros 622 thousand), which is due and payable when the Fersa Group has to make, in turn, certain deferred payments based on the achievement of certain milestones at the wind farms that Fersa Panamá S.A. is developing, the payment of which is considered probable (Note 16).

Investments held to maturity

The investments held to maturity at 31 December 2010 relate to fixed term deposits maturing between February and April 2011. These investments accrue an average interest rate of 1.63%.

Hedging derivatives

Note 9 sets out the breakdown of the derivative financial instruments.

NOTE 9 - DERIVATIVE FINANCIAL INSTRUMENTS

The Group is exposed to fluctuations in interest rates since its borrowings are made at floating interest rates. Therefore, for its loans, the Group has hedges on variations in Euribor pegged interest rates in order to ensure a maximum rate. Furthermore, in 2010 hedges were contracted on the variation in the sale price of energy in Spain in order to cover the risk of volatility in the sale price of electricity.

At 31 December 2010 and 2009, the Fersa Group does not have any derivatives that do not meet the criteria for hedge accounting under IFRS-EU, and, accordingly, the variations in the value of these financial instruments is recorded (net of tax) under net equity.

The fair value of the hedging derivative financial instruments are as follows:

	As at 31.12.10		As at 31.12.09	
	Asset	Liability	Asset	Liability
Derivative hedging financial instruments				
Cash flow hedge				
Non-current	-	-	3,731	-
Current	-	-	-	-
Cash flow interest rate hedge				
Non-current	-	(8,522)	-	(4,918)
Current	-	(914)	-	(551)
Cash flow sale price of electricity hedge				
Non-current	-	-	-	-
Current	-	(192)	-	-
Total	-	(9,628)	3,731	(5,469)

At 31 December 2010 and 2009, the Fersa Group does not have any derivatives that do not meet the criteria for hedge accounting under IFRS-EU, and, accordingly, the variations in the value of these financial instruments is recorded (net of tax) under net equity. The increase in the liability for derivative financial instruments hedges of cash flows on interest rates is due to the negative impact to that the fair value of these instruments has received as a result of the decrease in interest rates and the contracting of new derivatives.

The fair value of the different financial instruments is calculated using the cash flow discount valuation method. The assumptions used in these valuation techniques are based on prices of observable, current market transactions of the same instrument, such as, for example, the interest rate or the price of energy in the futures market (OMIP).

So, the variables on which the valuation of the hedging derivatives is based in this section can be observed in an official market (Level 2).

Cash flow hedges of interest rates

The breakdown of the derivative financial instruments at 31 December 2010 and 2009, their fair value and the breakdown by maturities of the notional values are as follows:

	Fair Value	As at 31.12.10 Notional Value (in Thousand Euros)						Total
		2011	2012	2013	2014	2015	Years beyond	
INTEREST RATE HEDGE:								
Cash flow hedge :								
Financial swaps	(9,436)	8,676	9,761	10,019	10,437	10,968	92,278	142,139

	Fair Value	As at 31.12.09 Notional Value (in Thousand Euros)						Total
		2010	2011	2012	2013	2014	Years beyond	
INTEREST RATE HEDGE:								
Cash flow hedge :								
Financial swaps	(5,469)	7,486	7,779	7,275	7,555	7,875	57,052	95,022

In 2010 Parc Eòlic Mudèfer, S.L., due to the fact that it is exposed to fluctuations in floating interest rates, and according with the project finance, entered into 5 Euribor interest rate variation hedges in order to ensure a maximum rate with the following entities: BBVA, Banc Sabadell, Caja Madrid, La Caixa and Banco Santander. The five "swaps" have in identical structure and will hedge 75% of the nominal amount of the syndicated loan and they mature in 2024.

The amount subtracted from net equity, which has been included in net financial income or expense for 2010 and 2009 totals Euros 3,232 thousand and Euros 1,426 thousand, respectively.

Hedges of the market sale price of energy

The fair value of these derivative financial instruments at 31 December 2010 totals Euros 192 thousand and they mature in 2011. The Group did not hold these derivative financial instruments at 31 December 2009.

The positive impact on the income statement (on net turnover) for 2010 totals Euros 64 thousand.

Hedges of net foreign investments

At 31 December 2010, the Fersa Group uses a debt payable in american dollars to hedge certain net foreign investments for which it also uses debt denominated in non-Euro currency. At the balance sheet date, the total notional amount of the debt in non-Euro currency (debt for the deferred payment of the investment in the subsidiary in Panama) which is used as a net foreign investment hedging instrument (net investment in the Panamanian subsidiary) totals american dollars 14,706 thousand.

Cash flow hedges

The amount of Euros 3,731 thousand at 31 December 2009 related to an insurance agreement on future income of the subsidiaries Eólica del Pino S.L. and Eólica el Pedregoso S.L. maturing in 2026 which was being treated as a financial instrument at fair value through changes in equity.

This year, this right has been restated considering that it relates, bearing in mind its characteristics, to income insurance that can only be posted when and to the extent that the effect of the settlement of this insurance policy, during the life of the wind farms, is recognised. The impact on net equity of the disposal of this financial asset on the consolidated balance sheet in 2010 has been Euros 3,731 thousand, which is not significant for the purposes of these consolidated annual accounts. In 2010 and 2009 no amount was booked in the income statement for this right.

NOTE 10 – ASSETS HELD FOR SALE

The assets held for sale at 31 December 2009 related to the 12% shareholding in Parque Eólico Altos del Voltoya S.A. The measurement at market value of this shareholding has had a positive effect on equity of Euros 393 thousand (Euros 275 thousand net of tax effect). In January 2010 this holding was sold for Euros 3.2 million, which was collected on 19 January 2010, having a positive impact on the Group's income statement for 2010 of Euros 291 thousand.

At 31 December 2010 there are no assets held for sale.

NOTE 11 – TRADE AND OTHER RECEIVABLES

The breakdown of this account is as follows:

	As at 31.12.10	As at 31.12.09
Trade receivables	7,762	3,266
Trade receivables with related companies	5	-
Total trade receivables for sales and services rendered	7,767	3,266

	As at 31.12.10	As at 31.12.09
Other receivables	563	6,119
Public Administration	1,071	1,738
Total other receivables	1,634	7,857
Total trade and other receivables	9,401	11,123

Tax refundable includes the VAT refundable for services related to the certifications received for the wind farms under construction.

Other receivables at 31 December 2009 included an amount of Euros 5,700 thousand relating to the sale price of 18% of Parque Eólico Altos del Voltoya S.A. which was collected on 15 January 2010 (Note 7).

There are no trade payables or other payable falling due in more than 12 months.

A provision is not required for bad debt at 31 December 2010 and 2009. In general, the invoices pending to receipt do not accrue interest, since their average due date is less than 60 days.

There are no financial assets in default at the date of presentation of these consolidated annual accounts of the Fersa Group.

NOTE 12 – CASH AND OTHER CASH EQUIVALENTS

Cash and other cash equivalents include:

	As at 31.12.10	As at 31.12.09
Cash and banks	16,288	13,834
Short-term investments	2,000	5,967
Total	18,288	19,801

There are restrictions on the draw of cash at 31 December 2010 and at 31 December 2009 (Note 15).

NOTE 13 – NET EQUITY

Share capital

The share capital of the parent Company as at 31 December 2010 is represented by 140,003,778 shares, each with a nominal value of Euro 1, which have been fully subscribed and paid. All the shares have the same economic and voting rights.

The Extraordinary General Meeting of Shareholders of the parent Company on 2 May 2007 agreed to increase share capital by Euros 37,755,975 through the issue of 37,755,975 ordinary shares with a par value of Euro 1 each, and a share premium of Euros 3 per share. On 9 July 2007 this capital increase was accounted for after it was inscribed in the Registry of the CNMV (Comisión Nacional del Mercado de Valores), recorded in a public deed and inscribed in the Mercantile Registry.

On 20 February 2008, the Extraordinary General Meeting of Shareholders of the parent Company Fersa Energías Renovables, S.A. agreed to a corporate transaction through which various business groups made contributions to the parent Company consisting of several companies with wind farms in operation and at different stages of administrative process. In consideration thereof, the parent Company made a capital increase with non-cash contributions. This transaction included the wind farms in Spain and abroad, specifically in India, France and Poland, and resulted the incorporation of MW 562.7 and contributions totalling Euros 274,874 thousand.

All of the shares of Fersa Energías Renovables, S.A. are listed on the Spanish Stock Exchange. The share quotation at 31 December 2010 of the company's shares was Euros 1.205 per share (Euros 2.215 at 31 December 2009).

The breakdown of the significant shareholders of the parent Company at 31 December 2010 is as follows:

	As at 31.12.10
Shareholders	%
Grupo Enhol	22.39%
Other shareholders	77.61%
	100.0%

	As at 31.12.09
Shareholders	%
Grupo Enhol	22.39%
Other shareholders	77.61%
	100.0%

Other equity accounts:

a) Share premium account

The share premium account is freely available for distribution. This account can only be affected by resolutions of the General Meeting of Shareholders of the parent Company.

b) Legal Reserve

Companies that report profits are obligated to appropriate 10% of profit for the year to this reserve until it reaches at least 20% of share capital. This reserve, as long as it does not exceed the limit indicated, can only be used to offset losses if there are no other reserves sufficiently available to do so. On the other hand, it can also be used to increase share capital in the part that exceeds 10% of the capital already increased.

c) Treasury shares

In 2010 and by virtue of the authorisation granted by the General Meeting of Shareholders of the Company of 23 June 2010 and in order to facilitate the liquidity of the quotation, the Company made acquisitions of 869,445 treasury shares totalling Euros 1,109 thousand. At 31 December 2010, the Company has 1,951,581 treasury shares totalling Euros 8,774 thousand.

Also, by virtue of the authorisation granted by the General Meeting of Shareholders of the Company of 30 June 2009, the Company had at 31 December 2009 1,716,341 treasury shares totalling Euros 10,999 thousand.

In 2010, the parent Company has sold 634,205 treasury shares for Euros 835 thousand; these sales have generated a decrease in reserves of Euros 2,499 thousand (in 2009, the sales were 168,870 treasury shares with a decrease of Euros 709 thousand).

Fersa Energías Renovables S.A. has pignored 1,403,707 treasury shares at 31 December 2010 to back a guarantee given by a financial entity to his subsidiary Generación Eólica India Limited.

d) Translation differences

This account in the consolidated balance sheets includes the net exchange differences arising from the translation into Euros of the balances of functional currencies of the consolidated companies whose functional currency is not the Euro, as well as the net variation in the value of hedging instruments for net foreign investments.

The movement in the balance of this account during 2010 and 2009 is as follows:

	2010	2009
Opening balance	(27,187)	(29,892)
Variation in hedge of net foreign investments (Note 16)	(748)	-
Variation in exchange differences	16,064	2,705
Closing balance	(11,871)	(27,187)

The following is a breakdown of the translation differences as at 2010 and 2009 by functional currency:

Functional currency	2010	2009
Indian Rupee	(2,616)	(13,624)
Polish Zloty	(8,715)	(12,306)
American Dollar	(728)	(1,236)
Russian Ruble	(13)	-
Chinese Yuan Renminbi	208	(21)
Turkish Lira	(7)	-
Total	(11,871)	(27,187)

The main negative effects are due to the translation into Euros of the items on the balance sheets of the subsidiary companies, their goodwill and intangible assets.

The following is a breakdown of the translation differences by company as at 31 December 2010:

	For translation balance sheet items subsidiaries	Goodwill and intangible net of taxes	Total
Generación Eólica India Limited	(124)	(199)	(323)
EN Renewable Energy Private Limited	(579)	(286)	(865)
En Green Energy Private Limited	(173)	(205)	(378)
En Wind Power Private Limited	(632)	(418)	(1,050)
Eólica Kisielice Sp	(1,075)	(2,480)	(3,555)
Eólica Warblewo Sp	(81)	(1,888)	(1,969)
Eólica Cieplowody Sp	(84)	(2,150)	(2,234)
Eólica Postolin Sp, Z.o.o.	(55)	(902)	(957)
Others	(480)	(60)	(540)
TOTAL	(3,283)	(8,588)	(11,871)

Dividends:

The General Meeting of Shareholders of 23 June 2010 agreed to distribute dividends totalling Euros 1,071 thousand to be charged against the share premium, and Euros 139 thousand to be charged against profit and loss brought forward of the parent Company, and these were paid on 26 July 2010.

The General Meeting of Shareholders of 30 June 2009 agreed to distribute 2008 profits by paying out dividends of Euros 1,920 thousand to be charged against the share premium and these was paid in July 2009.

Profit per share:

Profit per share is calculated by dividing the profit attributable to the equity holders of the parent Company by the average number of ordinary shares circulating during the period:

	Euros	
	As at 31.12.10	As at 31.12.09
Number of shares	140,003,778	140,003,778
Average number of shares	140,003,778	140,003,778
Profit (loss) attributable to the parent company (Euros)	(47,919,026)	1,210,206
Average number of treasury shares	1,820,063	1,767,461
Average number of shares in circulation	138,183,715	138,236,317
Profit per share (Euros per share)		
- Basic	(0.347)	0.0088
- Diluted	(0.347)	0.0088

There are no financial instruments that could dilute the profit per share.

The proposed distribution of net income of Fersa Energías Renovables, S.A. for 2010 that the Board of Directors will propose to the General Meeting of Shareholders for its approval, is as follows:

Basis of distribution	Euros
Profit and loss	(35,596,604)
Total	(35,596,604)

Basis of distribution	Euros
Retained earnings	(35,596,604)
Total	(35,596,604)

Minority interest:

The movement during the year in this account has been as follows:

Balance as at 31.12.2009	18,617
Profit (loss) attributed to minority interest	(1,738)
Effect attributed to profit for the year	82
Effect attributed to impairment provision (Note 5)	(1,820)
Expenses recognized directly in net equity	(291)
Dividends	(148)
Divestments (acquisition of minority interest)	6,379
Other	2
Balance as at 31.12.2010	22,821

NOTE 14 – PROVISIONS AND CONTINGENCIES

	Balance		Balance		Balance
	01.01.09	Additions	31.12.09	Additions	31.12.10
Provision for liabilities	401	-	401	-	401
Provision for dismantling	589	220	809	718	1,527
Totals	990	220	1,210	718	1,928

a) Provision for liabilities

On 21 December 2005 the Regional Customs Unit of the Barcelona Tax Authorities raised a final assessment signed in disagreement against the subsidiary company Invetem Mediterránea, S.L., for the Special Hydrocarbons Tax for the period 2001 to 2004, with a proposed settlement totalling Euros 8,840 thousand, of which Euros 813 relate to late payment interest. In 2006 the subsidiary company filed the respective economic-administrative claim before the Regional Tax and Treasury Court of Catalonia.

On 1 July 2010 the Regional Tax and Treasury Court of Catalonia ruled in favour of Invetem Mediterránea S.L., thus voiding the assessment and settlement impugned. Nevertheless, on 9 August 2010 an appeal was filed against the ruling of this Court.

The Group has an agreement with EMTE, S.A., the company from which the parent Company purchased its holdings in Invetem Mediterránea, S. L. in 2002, whereby if the assessment against Invetem Mediterránea, S.L. were finally settled by the company, EMTE, S.A. would be committed to repurchasing the holding of the parent Company in such a manner that the latter would obtain a 10% rate of return. Accordingly, at 31 December 2010 the Group has recorded a provision totalling Euros 401 thousand to cover this investment in this subsidiary, net of the committed remuneration. Given the nature of this contingency, it is not possible to determine a reasonable payment schedule, but, in any case, the final outcome will not be known for twelve months following the 2010 year end.

b) Dismantling provision

At 31 December 2010, the Group has recorded a provision of Euros 1,527 thousand (Euros 809 thousand in 2009) to cover the costs of dismantling the wind farms that are now in operation.

c) Other contingencies

On 5 March 2010, the Court of First Instance nº2 of Guadix (Granada) handed down a judgement against the subsidiary company Sinergia Andaluza S.L. totalling Euros 104 thousand, arising from the land occupancy agreement on the "Los Cuellos" estate, for the installation of a wind farm there. The company Sinergia Andaluza S.L has announced that it will appeal this judgement. The management of the Fersa Group believes that no provision is required, since the judgement has no foundation, and that the case will conclude without economic consequences.

Furthermore, Sinergia Andaluza has filed several contentious-administrative appeals against judgements handed down by the Ministry of Innovation, Science and Trade of the Government of Andalusia. Fersa Group management considers that a provision is not necessary since no economic consequences are expected.

NOTE 15 – FINANCIAL LIABILITIES

The movement in the accounts under Financial liabilities in 2010 and 2009 is as follows:

	Balance 31.12.09	Increases	Cancellations by payment	Translation differences	Transfers	Balance 31.12.10
Debts with credit entities	99,424	94,651	-	1,656	17,988	213,719
Derivative financial liabilities	4,918	4,518	-	-	(914)	8,522
Total non-current financial liabilities	104,342	99,169	-	1,656	17,074	222,241
Debts with credit entities	57,479	44,478	(54,445)	308	(17,988)	29,832
Derivative financial liabilities	551	192	(551)	-	914	1,106
Other financial liabilities	324	-	(80)	-	-	244
Total current financial liabilities	58,354	44,670	(55,076)	308	(17,074)	31,182

	Balance 31.12.08	Increases	Cancellations by payment	Translation differences	Transfers	Balance 31.12.09
Debts with credit entities	107,631	1,500	-	92	(9,799)	99,424
Derivative financial liabilities	3,150	2,319	-	-	(551)	4,918
Total non-current financial liabilities	110,781	3,819	-	92	(10,350)	104,342
Debts with credit entities	38,352	29,830	(20,512)	10	9,799	57,479
Derivative financial liabilities	380	-	(380)	-	551	551
Other financial liabilities	362	-	(38)	-	-	324
Total current financial liabilities	39,094	29,830	(20,930)	10	10,350	58,354

The book value and the fair value of the non-current financial liabilities is as follows:

	Book Value		Fair Value	
	As at 31.12.10	As at 31.12.09	As at 31.12.10	As at 31.12.09
Debts with credit entities	213,719	99,424	187,623	89,106

The fair value of liabilities bearing fixed interest rates is estimated on the basis of the discounted cash flows over the remaining term of the liability. The discount rates were determined on the market rates available at 31 December 2010 and at 31 December 2009 on the financial liabilities with similar maturities and credit characteristics.

At 31 December 2010, the Fersa Group has credit facilities totalling Euros 16,620 thousand (Euros 26,500 thousand at 31 December 2009), of which Euros 326 thousand have not been drawn down. Of undrawn credit facilities, Euros 208 thousand maturing in 2011 (Euros 6,589 thousand at 31 December 2009).

The following tables describe the gross consolidated financial liabilities by instrument at 31 December 2010 and at 31 December 2009 and their maturities, taking into account the impact of the hedging of the derivatives and the other financial liabilities.

	2011	2012	2013	2014	2015	2016 and years beyond	Total
As at 31 December 2010:							
Comercial banks and other financial liabilities							
Fixed	13,982	13,657	12,105	11,330	11,919	102,561	165,554
Floating	17,200	7,959	7,480	5,447	5,231	44,552	87,869
Total	31,182	21,616	19,585	16,777	17,150	147,113	253,423

	2010	2011	2012	2013	2014	2015 and years beyond	Total
As at 31 December 2009:							
Comercial banks and other financial liabilities							
Fixed	9,814	8,330	7,826	8,106	8,427	56,573	99,076
Floating	48,540	1,767	3,267	1,767	1,767	6,512	63,620
Total	58,354	10,097	11,093	9,873	10,194	63,085	162,696

If we were to exclude the impact of the derivatives on the financial liabilities, all the financial liabilities, both for 2010 and 2009, would accrue interest at a floating rate.

The following tables describe the gross financial liabilities denominated by foreign currency at 31 December 2010 and at 31 December 2009 and their maturities, taking into account the impact of the hedging on the derivatives and the other financial liabilities:

As at 31 December 2010:	2011	2012	2013	2014	2015	2016 and years beyond	Total
Borrowings denominated in Euros	25,957	17,332	15,266	12,276	12,534	115,582	198,947
Borrowings denominated in zloty	1,023	1,157	1,111	1,213	1,328	15,145	20,977
Borrowings denominated in Rupees	4,202	3,127	3,208	3,288	3,288	16,386	33,499
Total	31,182	21,616	19,585	16,777	17,150	147,113	253,423

As at 31 December 2009:	2010	2011	2012	2013	2014	2015 and years beyond	Total
Borrowings denominated in Euros	55,830	8,330	9,326	8,106	8,427	56,573	146,592
Borrowings denominated in Rupees	2,524	1,767	1,767	1,767	1,767	6,512	16,104
Total	58,354	10,097	11,093	9,873	10,194	63,085	162,696

The main features of these loans are as follows:

Geographic segment	Amount drawn down	Average interest rate	Maturity
Western Europe	191,472	5.41%	Between 2011 and 2028
Eastern Europe	21,528	6.68%	2023
Asia	34,480	10.93%	Between 2011 and 2023
Total	247,480		

The companies in the consolidation scope Eólica del Pino S.L., Eólica el Pedregoso S.L., SAS Eoliennes de Beausemblant, Generación Eólica India Limited, EN Renewable Energy Limited, Parque Eólico Hinojal S.L., Parc Eólic Mudèfer S.L., Gestora Fotovoltaica de Castellón S.L. y Eólica Kisielice Sp have bank loans under Project Finance agreements for which they have pledged their treasury shares.

In 2010 Parc Eólic Mudèfer S.L. has drawn down from tranche B of the loan given in July 2009, whereby its borrowings of Euros 26,063 thousand are classified as non-current (taking into account fees for obtaining the financial debt).

EN Renewable Energy Private Limited entered into a financial agreement for the construction of its wind farms totalling Indian Rupees 1,860,000 thousand (equivalent to Euros 31,126 thousand). This loan matures at 30 June 2023.

Eolica Kisielice Sp. Zoo has entered into a financing agreement for the construction of its wind park totalling Zlotys 116,000 thousand (equivalent to Euros 29,182 thousand), accruing interest indexed to the WIBOR. This loan matures on 26 March 2023.

The part drawn down on this loan at 31 December 2010 has been classified as floating financial debt. Once the hedging contract on the variation in interest rates has been obtained, it will be classified as a fixed financial debt.

Moreover, the loans to Eólica del Pino S.L., Eólica el Pedregoso S.L., SAS Eoliennes de Beausemblant, Parque Eólico Hinojal S.L., Parc Eólic Mudèfer S.L. and Gestora Fotovoltaica de Castellón S.L. contain conditions that

limit the payout of dividends and require compliance with certain minimum ratios, such as the Debt Service Coverage Ratio or Leverage Index.

With regards to the loans for financing the wind farms that contain ratio compliance clauses for financing of this type, at 31 December 2010 and 2009, there are no indications of non-compliance with the requirements described in these contracts that could give rise to their early redemption.

Furthermore, these loans require companies to record a Debt Service Fund Reserve (DSFR) through their banks accounts, as an additional guarantee for the bank syndicate. At the year end the following amounts have been appropriated to this reserve:

Company	Thousand Euros	
	2010	2009
Eólica el Pedregoso S.L.	961	949
Eólica del Pino S.L.	5	5
SAS Eoliennes de Beausemblant	740	765
Parque Eólico Hinojal, S.L.	1,856	-
Total	3,562	1,719

Additionally, Fersa Energías Renovables, S.A. has given a guarantee for the financing of the wind farm of Generación Eólica India Limited totalling Euros 1,540 thousand.

NOTE 16 – OTHER LIABILITIES

The following is a breakdown of Other Liabilities as at 31 December 2010 and 2009:

	As at 31.12.10	As at 31.12.09
Long-term deferred payments	40,286	40,198
Other non-current liabilities	4,032	2,318
Other non-current liabilities	44,318	42,516
Short-term deferred payments	967	4,109
Other current liabilities	22	13
Other current liabilities	989	4,122

Other Liabilities includes outstanding payments for the purchase of various wind farms payable when certain milestones are achieved in the farms under development, the disbursement of which is considered probable. As at 31 December 2010, it is estimated that Euros 967 thousand (Euros 4,109 thousand as at 31 December 2009) will be payable next year and that Euros 40,286 thousand (Euros 40,198 thousand as at 31 December 2009) will be paid in the year 2012 and years thereafter.

The breakdown of the deferred payments outstanding per geographic segment and based on the wind farm whose acquisition generated the outstanding payment is as follows:

	As at 31.12.10	As at 31.12.09
Western Europe	16,412	15,951
Eastern Europe	8,560	8,560
Asia	3,686	3,686
Latin America	11,628	12,001
Total long-term deferred payments	40,286	40,198
Western Europe	967	4,109
Total short-term deferred payments	967	4,109

The milestones that determine the final settlements are mainly benchmarked to certain events in the development, construction, financing and start up of the different wind farms. Thus, the most significant milestones are as follows: obtaining licenses and authorisations and connection permits, obtaining the financing, start up of construction and start up of the wind farm.

At 31 December 2010, the payment schedule is expected to be as follows:

	2011	2012	2013	2014 and years beyond	Total
Total deferred payments	967	13,819	4,167	22,300	41,253

These deferred payments do not accrue any interest. In any case, the amounts carried in this account do not taken into account the time value of money since the impact is not significant in the context of the Group consolidated annual accounts. Given that all the deferred payments are subject to the achievement of milestones prior to start up, the time effect of the money in the form of financial expense) would be recorded as part of Property, plant and equipment and intangible assets in accordance with the Group accounting policy on the capitalization of financial costs prior to start up (Note 2.7). Accordingly, although in initial recognition this effect would represent, on the one hand, less consolidated goodwill and/or intangible assets, and on the other hand, less consolidated liabilities, the impact would not be significant for consolidated balance sheet purposes.

At 31 December 2010, long-term deferred payments include an outstanding payment to be made totalling american dollars 15,504 thousand, equivalent to Euros 11,628 thousand (american dollars 17,287 thousand at 31 December 2009, equivalent to Euros 12,001 thousand), for outstanding payments for the purchase of the company Fersa Panamá, S.A.

On 1 January 2010, the Group has designated this deferred liability as a hedge on net foreign investments as per IAS 21 "Effects of changes in exchange rates" and IFRIC 16 "Hedges of a net investment in Foreign Operation" (see Note 2). The impact on translation differences on the net equity of the Group arising from this hedge totals Euros 748 thousand, net of the tax effect (Note 13).

NOTE 17 - TRADE AND OTHER PAYABLES

The breakdown at 31 December 2010 and 2009 is as follows:

	As at 31.12.10	As at 31.12.09
Public Administration	760	130
Other creditors	8,173	7,454
Current tax liabilities	380	462
Other non-current liabilities	9,313	8,046

Most of the accounts payable do not accrue interest and fall due between 30 and 90 days.

The outstanding balance with suppliers for trading operations, which at 31 December 2010 has accumulated a deferral in payment longer than the maximum legal limit permitted under Law 15/2010/5July, which established measures for reducing slow payment in trading operations, is not considered significant within the context of the total outstanding trade payable balance.

NOTE 18 – RISK MANAGEMENT

The Fersa Group is developing appropriate procedures for identifying, analysing, managing and mitigating all risks to which, in light of its activities, it is exposed, of which of special note are:

- Segregation of duties and responsibilities in key areas.
- Compliance with internal standards and legislation in force.
- Application of oversight and control systems.
- Use of hedging instruments for certain risks.
- Reporting transparency policies between the different departments affected by risk.

The Group has taken measures for the main financial risks: market risk (including exchange rate risk) and liquidity risk. The overall group risk management program is centred on the uncertainty of the financial markets and attempts to minimise the potential adverse effects on its financial profitability.

Interest rate risk

The fluctuations in interest rates modify the fair value of the financial assets and liabilities that accrue a fixed interest rate as well as the cash flows from the financial assets and liabilities indexed to a floating interest rate, and, accordingly, they impact both equity and net income, respectively.

The purpose of interest rate risk management is to maintain a balance between floating and fixed rates on debt that in order to reduce the costs of borrowings within the established risk parameters.

The Fersa Group uses financial swaps to management its exposure to interest rate fluctuations.

The structure of its financial debt at 31 December, taking into account the hedges through derivative contracts, is as follows:

	As at 31.12.2010	As at 31.12.2009
Fixed interest rate	165,554	99,076
Floating interest rate	87,869	63,620
Total	253,423	162,696

The floating interest rate is subject mainly to the fluctuations of the European Interbank Offered Rate (EURIBOR). The sensitivity of net income and net equity to the fluctuation in interest rates is as follows:

	Increase/decrease in interest rate	Effect on net income before tax	Effect on net equity
2010	10%	(255)	6,398
	(10%)	255	(6,398)
2009	10%	(165)	18
	(10%)	165	(18)

This effect does not include the impact that would result from interest rate fluctuations on asset impairments, considered in Note 5.

Exchange rate risk

The variations in exchange rates can affect the fair value of debt denominated in non-local or non-functional currencies and the transactions and investments denominated in non-Euro currencies, and, accordingly, the counter-value of net equity contributed and net income.

The various non-Euro currencies with which the Fersa Group has operated in 2010 and 2009 are the Dollar, Rupee and Zloty. The sensitivity of net income and consolidated equity (Reserves for translation differences) of the Fersa Group to a 10% variation (increase or decrease) in the exchange rate against the Euro is as follows:

	Increase/decrease in the exchange rate of the functional currency	Effect on equity
2010	10%	22,439
	(10%)	(22,439)
2009	10%	16,657
	(10%)	(18,182)

Commodity price of electricity risk

The Fersa Group is exposed to the risk of fluctuations in commodity prices given that its sales are linked to the average price of electricity.

The sensitivity of net income to the variation in commodity prices, taking as a reference the sale price of electricity in the daily electricity market, is as follows:

	Increase/decrease in price (electricity sale price)	Effect on net income before tax	Effect on net equity
2010	10%	2,571	2,384
	(10%)	(2,571)	(2,384)
2009	10%	2,034	2,034
	(10%)	(2,034)	(2,034)

Credit risk

At 31 December 2010 and 2009 there are no provisions for bad debts as they are not considered necessary.

At 31 December 2010 and 2009, the Fersa Group had no significant concentrations of credit risk or delays in payment on financial assets.

In order to mitigate the credit risk arising from financial positions, the contracting of derivatives and the placement of treasury surpluses is carried out with highly solvent banks and financial entities.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury Management aims to maintain flexibility in funding by keeping committed credit lines available.

Management follows up the liquidity reserve forecasts of the Company (which includes the availability of credit and cash or cash equivalents) on the basis of the expected cash flows.

At 31 December 2010, available liquidity totals Euros 18,614 thousand, taking into account cash and other cash equivalents (Euros 18,288 thousand, Note 12), and undrawn credit facilities (Euros 326 thousand, Note 15).

At 31 December 2009, available liquidity totalled Euros 24,890 thousand, taking into account cash and other cash equivalents (Euros 19,801 thousand, Note 12), and undrawn credit facilities (Euros 6,589 thousand, Note 15).

Capital management

The purpose of capital risk management is to maintain an appropriate ratio between internal and external financing (financial liability). The leverage index is as follows:

	As at 31.12.10	As at 31.12.09
Long-term financial liabilities (Note 15)	213,719	99,424
Short-term financial liabilities (Note 15)	29,832	57,479
Cash and other cash equivalents (Note 12)	(18,288)	(19,801)
Derivatives (Note 9)	9,436	5,469
Net financial liability:	234,699	142,571
Equity holders of the parent company (Note 13)	319,248	361,913
Minority interest (Note 13)	22,821	18,617
Net equity:	342,069	380,530
Leverage (Net financial liability / (Net financial liability + Net equity))	40.7%	27.3%

NOTE 19 – TAX SITUATION

The reconciliation of the applicable tax rate to the effective tax rate for 2010 and 2009 is as follows:

	2010	%	2009	%
Profit (loss) before tax	(55,670)		(294)	
Theoretical tax	(16,701)	30%	(88)	30%
Impairment of fixed assets	10,399	(18.7%)	-	-
Unrecognized tax credits of subsidiaries	380	(0.7%)	-	-
Tax rates foreign companies	(19)	0.0%	(100)	(34.0%)
Tax differences prior year and others	-	-	(524)	(178.2%)
Effect on net income using equity accounting method	38	(0%)	(242)	(82%)
Deduction for goodwill amortisation	-	-	(403)	(137.1%)
Other	(110)	0.2%	(31)	(10.5%)
Corporate income tax accrued	(6,013)	10.8%	(1,388)	(472.1%)

The adjustment for impairment of fixed assets relates mainly to the impairment of goodwill (Note 5), which is neither tax deductible nor has led to the posting of a deferred tax liability.

At 31 December 2010, the parent Company has tax loss carryforwards (TLC's) available for offset totalling Euros 11,856 thousand (Euros 10,959 thousand at 31 December 2009), maturing in 2023, and a deferred tax asset balance of totalling Euros 6,258 thousand (Euros 6,022 thousand at 31 December 2009).

Most of these credits are not recognised, the breakdown of these unrecognised credits and the nature of their accounting counter-entry at 31 December 2010 is as follows:

	Charged to net income	Charged to net equity	Total
Tax credit loss carryforwards	1,249	2,199	3,448
Deferred tax assets	-	6,258	6,258
	1,249	8,457	9,706

In both cases, the Fersa Group has decided not to recognise these amounts in its consolidated annual accounts, as it considers that they do not meet the requirements under IFRS-EU to be accounted for as assets.

The income tax expense for the year is as follows:

Corporate income tax	As at 31.12.10	As at 31.12.09
Current tax	(49)	(864)
Deferred tax	(5,964)	(524)
Total	(6,013)	(1,388)

The following table reflects the movements during 2010 and 2009 of deferred tax:

	Balance 31.12.09	Increases	Decreases	Translation differences	Balance 31.12.10
Deferred tax assets	3,477	1,908	(16)	-	5,369
Deferred tax liabilities	(84,211)	(91)	5,769	(2,709)	(81,242)
	(80,734)	1,817	5,753	(2,709)	(75,873)

	Balance 31.12.08	Increases	Decreases	Translation differences	Balance 31.12.09
Deferred tax assets	1,090	2,425	(38)	-	3,477
Deferred tax liabilities	(84,140)	(294)	608	(385)	(84,211)
	(83,050)	2,131	570	(385)	(80,734)

The additions deferred tax assets for the years 2009 and 2010 relate, mainly, to the tax of the hedging contracts according to their valuation (Note 9). The disposals of deferred tax liabilities for 2010 include the tax effect of the impairment charge totalling Euros 4,875 thousand (Note 5).

In accordance with current tax legislation, tax returns cannot be considered final until they have been audited by the Tax Authorities or the four-year prescription period has expired.

The consolidated companies that make up the Group are opened to tax inspection for all applicable taxes for the last four years.

As from 1 January 2009 Fersa Energías Renovables, S.A. is subject to Corporate Income Tax under the consolidated tax regime along with the following subsidiaries in Spain:

- Eólica El Pedregoso, S.L.
- Empordavent, S.L.U.
- Sinergia Andaluza, S.L.
- Eólica del Pino, S.L.
- Parc Eòlic Mudèfer, S.L.
- Fercom Eólica, S.L.U.
- La Tossa del Vent, S.L.U.
- Texte, S.L.U.
- Eolener, S.L.U.
- Orta Eólica, S.L.U.
- Electravent, S.L.U.
- Gestora Fotovoltaica de Castellón, S.L.
- Fotovoltaica Fer, S.L.U.
- Weinsberg Ecotec, S.L.U.
- Fotovoltaica Ecotec, S.L.U.
- Joso Fotovoltaica, S.L.U.
- Fotovoltaica Padua, S.L.U.
- Fotovoltaica Vergos, S.L.U.
- Fotovoltaica La Mola, S.L.U.
- Inversions Trautt, S.L.U.
- Fotovoltaica de Castelló, S.L.U.
- Fotovoltaica de les Coves, S.L.U.
- Inversions Vinroma, S.L.U.
- Parque Eólico Hinojal, S.L.U.
- Siljan Port, S.L.
- Fersa Asesoramiento y Gestión, S.L.U.
- Parc Eòlic Coll de Som, S.L.U.
- Parc Eòlic L'Arram, S.L.U.
- Explotación Eólica La Pedrera, S.L.U.
- Fersa-Aventalia, S.L.

This year, the companies Sinergia Andaluza, S.L. and Fersa-Aventalia, S.L. have been added to the tax consolidation regime.

NOTE 20 - STAFF COSTS

The breakdown of staff costs at 31 December 2010 and 2009 is as follows:

	2010	2009
Wages and salaries	2,241	2,063
Social welfare expenses	370	316
Total staff costs	2,611	2,379
Own work capitalised	(1,086)	(1,154)
Total net staff costs	1,525	1,225

The average number of employees breaks down as follows:

	2010	2009
Management	3	4
Technicians	24	27
Line workers	13	8
Total	40	39

In accordance with the provisions of the Gender Equality Act, Organic Law 3/2007/22 March, published in the Official State Gazette of 23 March 2007, the average number of employees of the Fersa Group at the end of 2010 and 2009 broken down by category and gender is as follows:

As at 31.12.10	Men	Women	Total
Management	3	-	3
Technicians	23	12	35
Others	1	6	7
Total	27	18	45

As at 31.12.09	Men	Women	Total
Management	4	-	4
Technicians	19	11	30
Others	2	7	9
Total	25	18	43

NOTE 21 – NET FINANCIAL INCOME (EXPENSE)

The breakdown of this account in the income statement for 2010 and 2009 is as follows:

	2010	2009
Interest	311	390
Exchange gains	6	431
Results of disposals of financial instruments	291	-
Total financial income	608	821
Cost of borrowings	(8,303)	(6,765)
Exchange losses	(15)	(113)
Total financial expenses	(8,318)	(6,878)
Net financial income (loss)	(7,710)	(6,057)

NOTE 22 – CASH FLOWS

Cash flows from operating activities

The breakdown of cash flow from operations in 2010 and 2009 is as follows:

	2010	2009
Profit (loss) before tax	(55,670)	(294)
Adjustments to results	75,273	14,439
Amortisation and depreciation (Notes 5 and 6)	12,605	10,059
Impairment losses (Note 5)	54,840	-
Results of disposals of financial instruments (Note 10)	(291)	-
Interest income	(311)	6,057
Borrowing costs	8,303	-
Net income of companies consolidated by equity accounting (Note 7)	127	(1,714)
Other adjustments to net income	-	37
Changes in working capital (excluding the effects of changes in consolidation scope and translation differences):	2,128	6,584
Trade and other receivables	(4,555)	6,584
Trade and other payables	6,683	-
Other cash flows from operating activities	(5,291)	(8,633)
Interest paid	(4,834)	(6,960)
Collection of interest	311	-
Collections (payments) of corporate income tax	(462)	(2,043)
Collection of dividends	-	370
Other payments (collections)	(306)	-
CASH FLOW FROM OPERATING ACTIVITIES	16,440	12,096

Cash flows from investment activities

Payments for investments in property, plant and equipment, intangible assets and investment property in the consolidated cash flows statement for the year ended 31 December 2009 includes an amount of Euros 1,041 thousand relating to tax outflows (Value Added Tax, VAT) related to a decrease in cash flows from investments, that has been reversed in 2010. This amount relates to the VAT refundable and is recorded under Trade and other receivables at 31 December 2009 (Note 11).

NOTE 23 – JOINT VENTURES

The breakdown of the main economic aggregates relating to the main operations and shareholdings of the Fersa Group in joint ventures (proportionally consolidated, companies, see Appendix I) in 2010 and 2009, after taking into account the shareholding percentage, is as follows:

	2010	2009
Non current assets	12,763	12,802
Current assets	1,624	1,477
Non current liabilities	3,017	2,990
Current liabilities	36	80
Income	52	18
Expenses	105	104

NOTE 24 - RELATED PARTY TRANSACTIONS

Related persons are:

- Significant shareholders in Fersa Energías Renovables, S.A., meaning those who directly or indirectly hold an interest equal to or exceeding 5%, as well as shareholders which, while not being significant, have exercised the power to appoint a member of the Board of Directors.

Based on this definition, the following are considered related entities of Fersa Energías Renovables, S.A.:

Name or registered name of the Board Member	Total of share capital
Grupo Empresarial Enhol, S.L.	22.39%
Grupo Catalana Occidente, S.A.	7.51%
Mytaros B.V.	4.04%
BCN Godia, S.L.	4.55%
Larfon, S.A.U.	2.70%
Comsa - Emte, SL	7.68%
Caja General de Ahorros de Granada	4.06%
Mr. José M ^a Roger Ezpeleta	2.01%
% Total of share capital	54.94%

- The Directors and Senior Management of the Company and their immediate families, “directors” meaning members of the Board of Directors, and “Senior Management” meaning members of the Management Committee. Transactions with the directors and senior management of the Fersa Group are disclosed in Note 25.

The transactions between related companies have been carried out at arm’s length.

The transactions involving services rendered between Group companies have been objective and unbiased and carried out at arm’s length, based on the incremental cost system, under which the estimated cost plus a margin has been allocated to the different Group or related companies. Thus, the costs shared by the parent company and other Group companies are distributed and charged by project and activity, based on parameters of activity and hourly charges (using periodical slips per employee). Detailed definitions of the services and permits to be carried out are prepared, and the average indicators used to calculate the charges are determined.

The loans that the parent Company has extended to the Group companies, associates or multi-group companies accrue financial interest based on a market rate.

The operations in 2010 between Fersa Energías Renovables, S.A. and related parties are as follows:

a) Transactions with significant shareholders:

Transactions with Innovación Verde Inver, S.L.U. (hereinafter Inver)

Inver is a company belonging to the Enhol Group.

Agreements were entered into with Inver for the integrated management of projects of the companies that the Group promotes in Poland (Eólica Kieselice, Sp Z.o.o)

The amount accrued in 2010 for this item totals Euros 369 thousand (Euros 343 thousand in 2009).

On 22 July 2010 an agreement was entered into with Inver to manage the purchase and sale of energy in relation to the excess or shortfall in daily energy production. This agreement has accrued fees of Euros 51 thousand in 2010.

Transactions with Caja General de Ahorros de Granada

Parque Eólico Hinojal, S.L. (fully owned by the Fersa Group) has a current account with the financial entity Caja General de Ahorros de Granada which balance at 31 December 2010 totals Euros 1,878 thousand (Euros 3,028 thousand at 31 December 2009), which has accrued interest in its favour of Euros 12 thousand in 2010 (Euros 17 thousand in 2009). Furthermore, Caja General de Ahorros de Granada, as the agent bank, together with a syndicate of banks, had granted a loan to Parque Eólico Hinojal, S.L.; the amount drawn down exclusively from Caja General de Ahorros de Granada at 31 December 2010 totals Euros 5,923 thousand (Euros 6,352 thousand at 31 December 2009), and interest of Euros 266 thousand has accrued in 2010 (296 thousand in 2009).

Office lease with Real Wind, S.L. (hereinafter Real Wind)

The total amount accrued during 2010 with respect to the rental of the offices of the registered office of the Fersa Group in Barcelona to Real Wind, S.L. (a company fully owned by Jose Maria Roger Ezpeleta, Chairman of the Board of Directors of Fersa Energías Renovables S.A.), totals Euros 182 thousand (Euros 201 thousand during the six-month period ended 30 June 2009). These leases have a term of five years, automatically renewable for periods of one year.

On 18 May 2010, a lease renewal was entered into, by virtue of which the rent was reduced by 10%.

b) Transactions with directors and senior management

Except for the transactions with Real Wind mention in the preceding section, there have been no transactions with directors or senior management.

NOTE 25 – INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Remuneration of the members of the Board of Directors

The Board of Directors, at its meeting of 18 May 2010, unanimously adopted the remuneration system proposed by the Appointments and Remuneration Committee.

Furthermore the General Meeting of Shareholders of 23 June 2010 of Fersa Energías Renovables, S.A., adopted, for consultation purposes, the report put forward by the Appointments and Remuneration Committee effective as from 1 January 2010 and subsequent years.

The Company's remuneration policy is designed to reward dedication, qualifications and responsibility required by the office of Director, without comprising the latter's independence. The remuneration includes the exigency, the dedication, qualifications and responsibility required by this function.

Remuneration is divided into the following basic elements:

- Per diems: The amount varies on the basis of the type of Director and the meetings of the Board of Directors held.
- Sitting on the Board: Consists of annual fixed remuneration for the members of the Board of Directors, which varies on the basis of the type of Director. The remuneration comprises the performance of duties either individually or jointly and the oversight and responsibility required by the function.
- Delegated Committees: Consists of annual fixed remuneration for the members of the Delegated Committees, which varies depending on the type of Director.

Accordingly, during 2010 the total amount accrued to the members of the Board of Directors of Fersa Energías Renovables, S.A. totals Euros 712 thousand (Euros 637 thousand during 2009), comprising the assignment of Per diems, sitting on the Board of Directors and its different Delegated Committees, as well as remuneration relating to labour-related duties or direct responsibilities at different executive levels.

Please note that the members of the Executive Committee have waived their remuneration this year as members of this committee, which could total Euros 80 thousand.

Transactions with Directors

Article 229 of the Spanish Corporate Enterprises Act, adopted by Royal Legislative Decree 1/2010/2July, has imposed on Directors the duty to report to the Board of Directors, and failing that, the other Directors, or, in the case of a sole administrator, the General Meeting of Shareholders, any direct or Indirect conflict of interest they may have with the company. The director affected must abstain from intervening in the resolutions or decisions on the operation to which the conflict refers.

Likewise, the Directors must report the direct or Indirect shareholdings which either they or the persons related to them hold in the capital of a company with the same, analogous or complementary type of activity as that which constitutes the corporate purposes of the company, and likewise report the offices and duties they undertake therein.

Accordingly, we present below the following information provided to the Company by the Directors who during the year have held offices on the Board of Directors of the Company:

Board Member: José M ^a Roger Ezpeleta		
Investee company	Shareholding	Functions
Real Wind, S.L.U.	100% Direct	Sole Administrator
Eólica el Pedregoso, S.L.	On behalf of FERSA, 80%	Chairman
Eólica del Pino, S.L.	On behalf of FERSA, 80%	Chairman
Aprofitament d'energies renovables de la Terra Alta, S.L.	On behalf of FERCOM EÓLICA, 13,94% and On behalf of Parc Eòlic Mudefer, S.L. 15,73%	Director
Gestora Fotovoltaica de Castellón, S.L.	On behalf of FERSA, 76%	Joint Administrator
Fotovoltaica Fer, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Fotovoltaica de Castellón, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Fotovoltaica de les Coves, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Fotovoltaica Ecotec, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Fotovoltaica La Mola, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Fotovoltaica Padua, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Fotovoltaica Vergós, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Joso Fotovoltaica, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Inversions Trautt, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Inversions Vinroma, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Weinsberg Ecotec, S.L.	On behalf of Gestora Fotovoltaica de Castellón, S.L. 100%	Joint Administrator
Invetem Mediterrànea, S.L.	On behalf of FERSA, 70,83%	Director
Sinergia Andaluza, S.L.	On behalf of FERSA 75%	Director
Energías Renovables del Guadiana Menor, S.L.	On behalf of FERSA 50%	Director
Castellwind-03, S.L.	On behalf of FERSA 60,48%	Director
Fersa Panamá, S.A.	On behalf of FERSA 94,45%	Chairman
Siljan Port, S.L.	On behalf of FERSA 80%	Chairman
OÜ Est Wind Power	On behalf of FERSA 93,79%	Director
Generación Eólica India Limited	On behalf of FERSA 99,9%	Director
Parc Eòlic Mudefer, S.L.	On behalf of FERSA 84%	Chairman
EN Renewable Energy Private Limited	On behalf of FERSA 99,9%	Director
EN Wind Power Private Limited	On behalf of FERSA 99,9%	Director

Eolica Postolin S.P. Z o.o.	On behalf of FERSA 100%	Director
Eolica Cieplowody S.P. Z o.o.	On behalf of FERSA 100%	Director
Eolica Kiselice S.P. Z o.o.	On behalf of FERSA 100%	Director
Eolica Warblewo S.P. Z o.o.	On behalf of FERSA 100%	Director
Mangement Kiselice, Sp. z o.o	On behalf of FERSA 100%	Director
Eoliennes de Beausemblant S.A.S.	On behalf of FERSA 80%	Chairman
Fersa Italia, s.r.l.	On behalf of FERSA 100%	Chairman
Shandong Lusa New Energy Co, Ltd.	On behalf of Siljan Port, S.L. 60%	ViceChairman
Fersa Business Consulting Co. Ltd.	On behalf of FERSA 100%	Administrator
Fersa Aventura, S.L.	On behalf of FERSA 80%	Chairman
Ferrolterra Renovables, S.L.	On behalf of FERSA 40%	Director
FERSAR Yenilenebilir Enerji Üretim, Ltd. Sti	On behalf of FERSA 50%	Administrador

Board Member: Energía Inteligente Energena, S.L.U.

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	51% Indirect	-
Eolica Black Sea OOD	60,86% Indirect	-
Eolica Bulgaria EAD	51,73% Indirect	-
Eolica Danubio OOD	60,86% Indirect	-
Eolica Suvorovo AD	51,73% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	76,95% Indirect	-
Energía Renovable del Bío Bío, S.A.	96,29% Indirect	-
Enhol Chile SpA	100% Indirect	-
Eólica Camarico, S.A.	96,55% Indirect	-
Eólica del Norte, S.A.	89% Indirect	-
Eólica Mar Brava, S.A.	87% Indirect	-
Eólica Punta Chome, S.A.	96,55% Indirect	-
Eólica Viento del Hierro, S.A.	89% Indirect	-
Wind Resources America Corp.	100% Indirect	-
Eolica Slovensko, a.s.	70,32% Indirect	-
Navarra Invest, a.s.	70% Indirect	-
Asturiana de Eólica, S.A.	80% Indirect	-
Craquener, S.L.	50% Direct	-
Cyclone Power Group, S.L.U.	100% Indirect	-
Electra de Malvana, S.A.	32% Indirect	-
Energías Alternativas de México, S.L.U.	100% Indirect	-
Energías Renovables de América, S.L.U.	100% Direct	-
Eólica del Ebro, S.A.U.	100% Indirect	-

Eólica del Romeral, S.L.	43,95% Indirect	-
Eólica Erla, S.A.	49% Indirect	-
Eólica La Cantera S.L.	78,01% Indirect	-
Eólica La Foradada, S.L.	78,01% Indirect	-
Eólica Las Eras, S.L.	87,9% Indirect	-
Eólica Navarra, S.L.U.	100% Direct	-
Eólica ValTomás, S.L.	78,01% Indirect	-
Generación Eólica Internacional, S.L.	87,9% Indirect	-
Hidroenhol, S.L.U.	100% Indirect	-
Innovación Verde Inver, S.L.U.	100% Direct	-
Inver Bulgaria EOOD	100% Direct	-
Inveravante Gestión de Inversiones, S.L.	50% Indirect	-
LDV Casares, S.L.	75% Indirect	-
LDV Cerro Cortijo de Guerra, S.L.U.	75% Indirect	-
LDV Cortijo de Guerra, S.L.	75% Indirect	-
LDV Sierra de Arcas, S.L.	49,5% Indirect	-
Luz de Viento, S.L.	75% Indirect	-
New Energy Sources Holding, S.L.	88,31% Indirect	-
Proyectos Eólicos de Galicia, S.L.	55% Indirect	-
Recursos Eólicos de Aragón, S.L.	48% Indirect	-
Sistemas Energéticos La Jimena, S.A.	40% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	40% Indirect	-
Sistemas Energéticos Sierra de Costanazo, S.A.	40% Indirect	-
Sistemas Energéticos Moncayo, S.A.	25% Indirect	-
Sistemas Energéticos Torralba, S.A.	40% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	25% Indirect	-
Termosolar Lebrija, S.L.U.	100% Direct	-
Transformación Energía Sostenible, S.L.	50% Indirect	-
EN Sustainable Energy Pvt. Ltd.	88,31% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	88,31% Indirect	-
Compañía Eólica de Tamaulipas S.A. de C.V.	49,99% Indirect	-
Promotora Eólica México, S.A. de C.V.	70% Indirect	-
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	50% Indirect	-
Perú Energía Renovable, S.A.	93% Indirect	-
Eolica Polska Sp z o.o.	87,9% Indirect	-
Generacja Wiatrowa Polska Sp z o.o.	87,9% Indirect	-
SC Carpatia Energia Eolica SRL	90% Indirect	-

SC Generacion Eolica Dacia SRL	87,9% Indirect	-
Board Member: Grupo Empresarial Enhol, S.L.		
Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	51% Indirect	-
Eólica Black Sea OOD	60,86% Indirect	-
Eólica Bulgaria EAD	51,73% Indirect	-
Eólica Danubio OOD	60,86% Indirect	-
Eólica Suvorovo AD	51,73% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	76,95% Indirect	-
Energía Renovable del Bío Bío, S.A.	96,29% Indirect	-
Enhol Chile SpA	100% Indirect	-
Eólica Camarico, S.A.	96,55% Indirect	-
Eólica del Norte, S.A.	89% Indirect	-
Eólica Mar Brava, S.A.	87% Indirect	-
Eólica Punta Chome, S.A.	96,55% Indirect	-
Eólica Viento del Hierro, S.A.	89% Indirect	-
Wind Resources America Corp.	100% Indirect	-
Eolica Slovensko, a.s.	70,32% Indirect	-
Navarra Invest, a.s.	70% Indirect	-
Asturiana de Eólica, S.A.	80% Indirect	-
Craquener, S.L.	50% Indirect	-
Cyclone Power Group, S.L.U.	100% Indirect	-
Electra de Malvana, S.A.	32% Indirect	-
Energías Alternativas de México, S.L.U.	100% Indirect	-
Energías Renovables de América, S.L.U.	100% Indirect	-
Eólica Cabanillas, S.L.	50% Direct	-
Eólica Caparoso, S.L.	50% Direct	-
Eólica del Ebro, S.A.U.	100% Indirect	-
Eólica del Romeral, S.L.	43,95% Indirect	-
Eólica Erla, S.A.	49% Indirect	-
Eólica La Bandera, S.L.	50% Direct	-
Eólica La Cantera S.L.	78,01% Indirect	-
Eólica La Foradada, S.L.	78,01% Indirect	-
Eólica Las Eras, S.L.	87,9% Indirect	-
Eólica Montes de Cierzo, S.L.	50% Direct	-
Eólica Navarra, S.L.U.	100% Indirect	-
Eólica ValTomás, S.L.	78,01% Indirect	-

Generación Eólica Internacional, S.L.	87,9% Indirect	-
Hidroenhol, S.L.U.	100% Indirect	-
Innovación Verde Inver, S.L.U.	100% Indirect	-
Inver Bulgaria EOOD	100% Indirect	-
Inveravante Gestión de Inversiones, S.L.	50% Indirect	-
LDV Casares, S.L.	75% Indirect	-
LDV Cerro Cortijo de Guerra, S.L.U.	75% Indirect	-
LDV Cortijo de Guerra, S.L.	75% Indirect	-
LDV Sierra de Arcas, S.L.	49,5% Indirect	-
Luz de Viento, S.L.	75% Indirect	-
New Energy Sources Holding, S.L.	88,31% Indirect	-
Proyectos Eólicos de Galicia, S.L.	55% Indirect	-
Recursos Eólicos de Aragón, S.L.	48% Indirect	-
Sistemas Energéticos La Jimena, S.A.	40% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	40% Indirect	-
Sistemas Energéticos Sierra de Costanazo, S.A.	40% Indirect	-
Sistemas Energéticos Moncayo, S.A.	25% Indirect	-
Sistemas Energéticos Torralba, S.A.	40% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	25% Indirect	-
Termosolar Lebrija, S.L.U.	100% Indirect	-
Transformación Energía Sostenible, S.L.	50% Indirect	-
EN Sustainable Energy Pvt. Ltd.	88,31% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	88,31% Indirect	-
Compañía Eólica de Tamaulipas S.A. de C.V.	49,99% Indirect	-
Promotora Eólica México, S.A. de C.V.	70% Indirect	-
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	50% Indirect	-
Perú Energía Renovable, S.A.	93% Indirect	-
Eolica Polska Sp z o.o.	87,9% Indirect	-
Generacja Wiatrowa Polska Sp z o.o.	87,9% Indirect	-
SC Carpatia Energia Eolica SRL	90% Indirect	-
SC Generacion Eolica Dacia SRL	87,9% Indirect	-

Board Member: Grupo Empresarial Enhol, S.L.

Related party: Luis Oliver Gómez (Individual representative of ALGO PROYECTO, S.L. - Director)

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eolica Black Sea OOD	19,06% Indirect	-
Eolica Bulgaria EAD	16,20% Indirect	-

Eólica Danubio OOD	19,06% Indirect	-
Eólica Suvorovo AD	16,20% Indirect	-
Europroject Bulgaria OOD	21,25% Indirect	-
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	Director
Enhol Chile SpA	25% Indirect	-
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	-
Eolica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,5% Indirect	Director
Asturiana de Eólica, S.A.	20% Indirect	Director
Craquener, S.L.	13,19% Indirect	Secretary of the Board of Directors
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	-
Energías Alternativas de México, S.L.U.	25% Indirect	-
Energías Renovables de América, S.L.U.	25% Indirect	-
Energía Inteligente Energena, S.L.U.	25% Indirect	-
Energía Termosolar Enertol, S.L.	12,5% Indirect	-
Eólica Cabanillas, S.L.	12,5% Indirect	Director
Eólica Caparroso, S.L.	12,5% Indirect	Chairman of the Board of Directors
Eólica del Ebro, S.A.U.	25% Indirect	-
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	-
Eólica La Bandera, S.L.	12,5% Indirect	Chairman of the Board of Directors
Eólica La Cantera S.L.	19,5% Indirect	-
Eólica La Foradada, S.L.	19,5% Indirect	-
Eólica Las Eras, SL.	21,97% Indirect	-
Eólica Montes de Cierzo, S.L.	12,5% Indirect	Chairman of the Board of Directors
Eólica Navarra, S.L.U.	25% Indirect	Solidarity Administrator
Eólica ValTomás, S.L.	19,5% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	Joint Administrator

Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of ALGO PROYECTO S.L. (Director)
Hidroenhol, S.L.U.	25% Indirect	-
Innovación Verde Inver, S.L.U.	25% Indirect	-
Inveravante Gestión de Inversiones, S.L.	12,5% Indirect	-
LDV Casares, S.L.	18,75% Indirect	Director
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	Director
LDV Cortijo de Guerra, S.L.	18,75% Indirect	Director
LDV Sierra de Arcas, S.L.	12,37% Indirect	-
Luz de Viento, S.L.	18,75% Indirect	Director
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	Director
Sistemas Energéticos La Jimena, S.A.	10% Indirect	Director
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	Chairman of the Board of Directors
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	Director
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	Director
Sistemas Energéticos Torralba, S.A.	10% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	Director
Termosolar Lebrija, S.L.U.	25% Indirect	Joint Administrator
Transformación Energía Sostenible, S.L.	12,5% Indirect	Joint Administrator
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	Director
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	Director
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	Chairman of the Board of Directors
Promotora Eólica México, S.A. de C.V.	17,5% Indirect	Director
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,5% Indirect	Director
Perú Energía Renovable, S.A.	23,25% Indirect	-
Eolica Polska Sp z o.o.	21,97% Indirect	Director
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,5% Indirect	Sole Administrator
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Grupo Empresarial Enhol, S.L.	Related party: Ernesto Oliver Gómez (Individual representative of DINAL INNOVACIONES, SL – Chief Executive Officer)	
Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eolica Black Sea OOD	19,06% Indirect	-
Eolica Bulgaria EAD	16,20% Indirect	-
Eolica Danubio OOD	19,06% Indirect	-
Eólica Suvorovo AD	16,20% Indirect	-
Europroject Bulgaria OOD	21,25% Indirect	-
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	-
Enhol Chile SpA	25% Indirect	-
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	-
Eolica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,5% Indirect	-
Asturiana de Eólica, S.A.	20% Indirect	-
Craquener, S.L.	13,19% Indirect	Director
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	-
Energías Alternativas de México, S.L.U.	25% Indirect	-
Energías Renovables de América, S.L.U.	25% Indirect	-
Energía Inteligente Energena, S.L.U.	25% Indirect	Joint Administrator
Energía Termosolar Enertol, S.L.	12,5% Indirect	-
Eólica Cabanillas, S.L.	12,5% Indirect	Chairman of the Board of Directors
Eólica Caparroso, S.L.	12,5% Indirect	-
Eólica del Ebro, S.A.U.	25% Indirect	-
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	-
Eólica La Bandera, S.L.	12,5% Indirect	-
Eólica La Cantera S.L.	19,5% Indirect	-
Eólica La Foradada, S.L.	19,5% Indirect	-
Eólica Las Eras, SL.	21,97% Indirect	-

Eólica Montes de Cierzo, S.L.	12,5% Indirect	-
Eólica Navarra, S.L.U.	25% Indirect	-
Eólica ValTomás, S.L.	19,5% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	Joint Administrator
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of DINAL INNOVACIONES S.L. (Chief Executive Officer)
Hidroenhol, S.L.U.	25% Indirect	-
Innovación Verde Inver, S.L.U.	25% Indirect	-
Inveravante Gestión de Inversiones, S.L.	12,5% Indirect	-
LDV Casares, S.L.	18,75% Indirect	Chairman of the Board of Directors
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	-
LDV Cortijo de Guerra, S.L.	18,75% Indirect	Chairman of the Board of Directors
LDV Sierra de Arcas, S.L.	12,37% Indirect	Director
Luz de Viento, S.L.	18,75% Indirect	Chairman of the Board of Directors
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	Chairman of the Board of Directors
Sistemas Energéticos La Jimena, S.A.	10% Indirect	-
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	-
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	-
Sistemas Energéticos Torralba, S.A.	10% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	Director
Termosolar Lebrija, S.L.U.	25% Indirect	-
Transformación Energía Sostenible, S.L.	12,5% Indirect	-
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	-
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	Director
Promotora Eólica México, S.A. de C.V.	17,5% Indirect	-
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,5% Indirect	-
Perú Energía Renovable, S.A.	23,25% Indirect	-
Eolica Polska Sp z o.o.	21,97% Indirect	-
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,5% Indirect	-
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Grupo Empresarial Enhol, S.L.	Related party: Antonio Jesús Oliver Gómez (Individual representative of INNOVACIONES FAOLSAN, SL – CEO)	
Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eólica Black Sea OOD	19,06% Indirect	Joint Administrator
Eólica Bulgaria EAD	16,20% Indirect	Chairman of the Board of Directors
Eólica Danubio OOD	19,06% Indirect	Joint Administrator
Eólica Suvorovo AD	16,20% Indirect	Chairman of the Board of Directors
Europroject Bulgaria OOD	21,25% Indirect	Sole Administrator
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	-
Enhol Chile SpA	25% Indirect	Sole Administrator
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	-
Eólica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,5% Indirect	-
Asturiana de Eólica, S.A.	20% Indirect	-
Craquener, S.L.	13,19% Indirect	-
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	-
Energías Alternativas de México, S.L.U.	25% Indirect	Sole Administrator
Energías Renovables de América, S.L.U.	25% Indirect	Sole Administrator
Energía Inteligente Energena, S.L.U.	25% Indirect	Joint Administrator
Energía Termosolar Enertol, S.L.	12,5% Indirect	Chairman of the Board of Directors
Eólica Cabanillas, S.L.	12,5% Indirect	-
Eólica Caparroso, S.L.	12,5% Indirect	Director
Eólica del Ebro, S.A.U.	25% Indirect	Joint Administrator
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	Joint Administrator
Eólica La Bandera, S.L.	12,5% Indirect	Director
Eólica La Cantera S.L.	19,5% Indirect	-
Eólica La Foradada, S.L.	19,5% Indirect	-

Eólica Las Eras, S.L.	21,97% Indirect	Joint Administrator
Eólica Montes de Cierzo, S.L.	12,5% Indirect	Director
Eólica Navarra, S.L.U.	25% Indirect	Solidarity Administrator
Eólica ValTomás, S.L.	19,5% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	Joint Administrator
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of INNOVACIONES FAOLSAN S.L. (Chief Executive Officer)
Hidroenhol, S.L.U.	25% Indirect	Sole Administrator
Innovación Verde Inver, S.L.U.	25% Indirect	Sole Administrator
Inveravante Gestión de Inversiones, S.L.	12,5% Indirect	-
LDV Casares, S.L.	18,75% Indirect	Secretary of the Board of Directors
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	Secretary of the Board of Directors
LDV Cortijo de Guerra, S.L.	18,75% Indirect	Secretary of the Board of Directors
LDV Sierra de Arcas, S.L.	12,37% Indirect	Secretary of the Board of Directors
Luz de Viento, S.L.	18,75% Indirect	Secretary of the Board of Directors
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	-
Sistemas Energéticos La Jimena, S.A.	10% Indirect	Director
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	Director
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	Director
Sistemas Energéticos Torralba, S.A.	10% Indirect	Chairman of the Board of Directors
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	-
Termosolar Lebrija, S.L.U.	25% Indirect	-
Transformación Energía Sostenible, S.L.	12,5% Indirect	-
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	-
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	-
Promotora Eólica México, S.A. de C.V.	17,5% Indirect	-
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,5% Indirect	-
Perú Energía Renovable, S.A.	23,25% Indirect	-
Eolica Polska Sp z o.o.	21,97% Indirect	-
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,5% Indirect	-
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Grupo Empresarial Enhol, S.L.	Related party: Mariano Oliver Gómez (Individual representative of MEGANIUM INVERSIONES, SL – Director)	
Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eólica Black Sea OOD	19,06% Indirect	-
Eólica Bulgaria EAD	16,20% Indirect	-
Eólica Danubio OOD	19,06% Indirect	-
Eólica Suvorovo AD	16,20% Indirect	-
Europroject Bulgaria OOD	21,25% Indirect	-
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	Director
Enhol Chile SpA	25% Indirect	-
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	ViceChairman and Secretary of the Board of Directors
Eólica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,5% Indirect	Director
Asturiana de Eólica, S.A.	20% Indirect	Chairman of the Board of Directors
Craquener, S.L.	13,19% Indirect	-
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	Director
Energías Alternativas de México, S.L.U.	25% Indirect	-
Energías Renovables de América, S.L.U.	25% Indirect	-
Energía Inteligente Energena, S.L.U.	25% Indirect	Joint Administrator
Energía Termosolar Enertol, S.L.	12,5% Indirect	Director
Eólica Cabanillas, S.L.	12,5% Indirect	-
Eólica Caparoso, S.L.	12,5% Indirect	-
Eólica del Ebro, S.A.U.	25% Indirect	Joint Administrator
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	Joint Administrator
Eólica La Bandera, S.L.	12,5% Indirect	-
Eólica La Cantera S.L.	19,5% Indirect	-
Eólica La Foradada, S.L.	19,5% Indirect	-

Eólica Las Eras, S.L.	21,97% Indirect	-
Eólica Montes de Cierzo, S.L.	12,5% Indirect	-
Eólica Navarra, S.L.U.	25% Indirect	-
Eólica ValTomás, S.L.	19,5% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	-
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of MEGANIUM INVERSIONES, S.L. (Director)
Hidroenhol, S.L.U.	25% Indirect	-
Innovación Verde Inver, S.L.U.	25% Indirect	-
Inveravante Gestión de Inversiones, S.L.	12,5% Indirect	Joint Administrator
LDV Casares, S.L.	18,75% Indirect	-
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	Chairman of the Board of Directors
LDV Cortijo de Guerra, S.L.	18,75% Indirect	-
LDV Sierra de Arcas, S.L.	12,37% Indirect	Chairman of the Board of Directors
Luz de Viento, S.L.	18,75% Indirect	-
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	-
Sistemas Energéticos La Jimena, S.A.	10% Indirect	-
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	-
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	-
Sistemas Energéticos Torralba, S.A.	10% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	-
Termosolar Lebrija, S.L.U.	25% Indirect	-
Transformación Energía Sostenible, S.L.	12,5% Indirect	-
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	Director
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	Director
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	-
Promotora Eólica México, S.A. de C.V.	17,5% Indirect	Director
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,5% Indirect	-
Perú Energía Renovable, S.A.	23,25% Indirect	Director
Eolica Polska Sp z o.o.	21,97% Indirect	Director
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,5% Indirect	-
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Grupo Empresarial Enhol, S.L.		Related party : Joaquín Manuel Dean Ferrer (Secretary Non Director)	
Investee company	Shareholding	Functions	
Aguas Vivas Allipen Tacura, S.A.	-	Director	
Electra de Malvana, S.A.	-	Individual representative of EÓLICA NAVARRA, S.L.U. (Director)	
Energías Renovables del Bío Bío, S.A.	0,3% Indirect	-	
EN Sustainable Energy Pvt. Ltd.	0,27% Indirect	-	
EN Wind Alternative Energy Pvt. Ltd.	0,27% Indirect	-	
Eolica Black Sea OOD	0,69% Indirect	-	
Eolica Camarico, S.A.	0,28% Indirect	Director	
Eolica Danubio OOD	0,69% Indirect	-	
Eólica del Norte, S.A.	-	Director	
Eolica del Romeral, S.L.	0,5% Indirect	-	
Eólica Las Eras, S.L.	1% Indirect	-	
Eólica Mar Brava, S.A.	-	Director	
Eolica Polska Sp. Z o.o.	1% Indirect	-	
Eólica Punta Chome, S.L.	0,28% Indirect	Director	
Eolica Slovensko, a.s.	0,8% Indirect	-	
Eólica Suvorovo AD	0,59% Indirect	-	
Eolica Viento del Hierro, S.A.	-	Director	
Eolica Bulgaria EAD	0,59% Indirect	-	
Generación Eólica Internacional, S.L.	1% Direct	-	
Generacja Wiatrowa Polska Sp. Z o.o.	1% Indirect	-	
Grupo Empresarial Enhol, S.L.	-	-	
Hidroeléctrica Río Turbio, SpA	-	Director	
New Energy Sources Holding, S.L.	0,27% Indirect	-	
EN Generacion Eolica Mediterranea Ltd.	0,27% Indirect	-	
SC Generacion Eolica Dacia SRL	1% Indirect	-	

Board Member: Grupo Empresarial Enhol, S.L.		Related party: Mariano Oliver Gómez (Individual representative of MEGANIUM INVERSIONES, SL – Director)	
Investee company	Shareholding	Functions	
Central Eólica Pampa de Malaspina, S.A.	-	Chairman of the Board of Directors	
Aguas Vivas Allipen Tacura, S.A.	-	Chairman of the Board of Directors	
Asturiana de Eólica, S.A.	-	Director	

Cyclone Power Group, S.L.U.	-	Joint Administrator
Eólica Camarico, S.A.	-	Chairman of the Board of Directors
Eólica del Norte, S.A.	-	Chairman of the Board of Directors
Eólica Mar Brava, S.A.	-	Chairman of the Board of Directors
Eólica Punta Chome, S.A.	-	Chairman of the Board of Directors
Eólica Viento del Hierro, S.A.	-	Chairman of the Board of Directors
Hidroeléctrica Río Turbio, SpA	-	Chairman of the Board of Directors
New Energy Sources Holding, S.L.	-	Joint Administrator
Wind Resources America Corp.	-	ViceChairman of the Board of Directors

Board Member: Energia Inteligente Energena

Related party: Grupo Empresarial Enhol, S.L. (Sole shareholder)

Investee company	Shareholding	Functions
Eólica Cabanillas, S.L.	50% Direct	-
Eólica Montes de Cierzo, S.L.	50% Direct	-
Eólica La Bandera, S.L.	50% Direct	-
Eólica Caparroso, S.L.	50% Direct	-

Board Member: Energia Inteligente Energena

Related party: Luis Oliver Gómez (Joint Administrator)

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eolica Black Sea OOD	19,06% Indirect	-
Eolica Bulgaria EAD	16,20% Indirect	-
Eolica Danubio OOD	19,06% Indirect	-
Eolica Suvorovo AD	16,20% Indirect	-
Europroject Bulgaria OOD	21,25% Indirect	-
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	Director
Enhol Chile SpA	25% Indirect	-
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-

Wind Resources America Corp.	25% Indirect	-
Eólica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,50% Indirect	Director
Asturiana de Eólica, S.A.	20% Indirect	Director
Craquener, S.L.	13,19% Indirect	Secretary of the Board of Directors
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	-
Energías Alternativas de México, S.L.U.	25% Indirect	-
Energías Renovables de América, S.L.U.	25% Indirect	-
Energía Inteligente Energena, S.L.U.	25% Indirect	-
Energía Termosolar Enertol, S.L.	12,50% Indirect	-
Eólica Cabanillas, S.L.	12,50% Indirect	Director
Eólica Caparroso, S.L.	12,50% Indirect	Chairman of the Board of Directors
Eólica del Ebro, S.A.U.	25% Indirect	-
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	-
Eólica La Bandera, S.L.	12,50% Indirect	Chairman of the Board of Directors
Eólica La Cantera S.L.	19,50% Indirect	-
Eólica La Foradada, S.L.	19,50% Indirect	-
Eólica Las Eras, S.L.	21,97% Indirect	-
Eólica Montes de Cierzo, S.L.	12,50% Indirect	Chairman of the Board of Directors
Eólica Navarra, S.L.U.	25% Indirect	Solidarity Administrator
Eólica ValTomás, S.L.	19,50% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	Joint Administrator
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of ALGO PROYECTO S.L. (Director)
Hidroenhol, S.L.U.	25% Indirect	-
Innovación Verde Inver, S.L.U.	25% Indirect	-
Inveravante Gestión de Inversiones, S.L.	12,50% Indirect	-
LDV Casares, S.L.	18,75% Indirect	Director
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	Director
LDV Cortijo de Guerra, S.L.	18,75% Indirect	Director
LDV Sierra de Arcas, S.L.	12,37% Indirect	-
Luz de Viento, S.L.	18,75% Indirect	Director
New Energy Sources Holding, S.L.	22,08% Indirect	-

Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	Director
Sistemas Energéticos La Jimena, S.A.	10% Indirect	Director
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	Chairman of the Board of Directors
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	Director
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	Director
Sistemas Energéticos Torralba, S.A.	10% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	Director
Termosolar Lebrija, S.L.U.	25% Indirect	Joint Administrator
Transformación Energía Sostenible, S.L.	12,50% Indirect	Joint Administrator
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	Director
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	Director
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	Chairman of the Board of Directors
Promotora Eólica México, S.A. de C.V.	17,50% Indirect	Director
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,50% Indirect	Director
Perú Energía Renovable, S.A.	23,25% Indirect	-
Eolica Polska Sp z o.o.	21,97% Indirect	Director
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,50% Indirect	Sole Administrator
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Energía Inteligente Energena **Related party:** Ernesto Oliver Gómez (Joint Administrator)

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eolica Black Sea OOD	19,06% Indirect	-
Eolica Bulgaria EAD	16,20% Indirect	-
Eolica Danubio OOD	19,06% Indirect	-
Eolica Suvorovo AD	16,20% Indirect	-
Europroject Bulgaria OOD	21,25% Indirect	-
Inver Bulgaria EOOD	25% Indirect	-
Agua Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	-
Enhol Chile SpA	25% Indirect	-
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-

Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	-
Eólica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,50% Indirect	-
Asturiana de Eólica, S.A.	20% Indirect	-
Craquener, S.L.	13,19% Indirect	Director
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	-
Energías Alternativas de México, S.L.U.	25% Indirect	-
Energías Renovables de América, S.L.U.	25% Indirect	-
Energía Inteligente Energena, S.L.U.	25% Indirect	Joint Administrator
Energía Termosolar Enertol, S.L.	12,50% Indirect	-
Eólica Cabanillas, S.L.	12,50% Indirect	Chairman of the Board of Directors
Eólica Caparroso, S.L.	12,50% Indirect	-
Eólica del Ebro, S.A.U.	25% Indirect	-
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	-
Eólica La Bandera, S.L.	12,50% Indirect	-
Eólica La Cantera S.L.	19,50% Indirect	-
Eólica La Foradada, S.L.	19,50% Indirect	-
Eólica Las Eras, S.L.	21,97% Indirect	-
Eólica Montes de Cierzo, S.L.	12,50% Indirect	-
Eólica Navarra, S.L.U.	25% Indirect	-
Eólica ValTomás, S.L.	19,50% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	Joint Administrator
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of DINAL INNOVACIONES S.L. (Chief Executive Officer)
Hidroenhol, S.L.U.	25% Indirect	-
Innovación Verde Inver, S.L.U.	25% Indirect	-
Inveravante Gestión de Inversiones, S.L.	12,50% Indirect	-
LDV Casares, S.L.	18,75% Indirect	Chairman of the Board of Directors
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	-
LDV Cortijo de Guerra, S.L.	18,75% Indirect	Chairman of the Board of Directors
LDV Sierra de Arcas, S.L.	12,37% Indirect	Director

Luz de Viento, S.L.	18,75% Indirect	Chairman of the Board of Directors
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	Chairman of the Board of Directors
Sistemas Energéticos La Jimena, S.A.	10% Indirect	-
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	-
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	-
Sistemas Energéticos Torralba, S.A.	10% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	Director
Termosolar Lebrija, S.L.U.	25% Indirect	-
Transformación Energía Sostenible, S.L.	12,50% Indirect	-
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	-
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	Director
Promotora Eólica México, S.A. de C.V.	17,50% Indirect	-
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,50% Indirect	-
Perú Energía Renovable, S.A.	23,25% Indirect	-
Eolica Polska Sp z o.o.	21,97% Indirect	-
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,50% Indirect	-
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Energia Inteligente Energena

Related party: Antonio-Jesús Oliver Gómez (Joint Administrator).

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eolica Black Sea OOD	19,06% Indirect	Joint Administrator
Eolica Bulgaria EAD	16,20% Indirect	Chairman of the Board of Directors
Eolica Danubio OOD	19,06% Indirect	Joint Administrator
Eolica Suvorovo AD	16,20% Indirect	Chairman of the Board of Directors
Europroject Bulgaria OOD	21,25% Indirect	Sole Administrator
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-
Energía Renovable del Bío Bío, S.A.	24,08% Indirect	-
Enhol Chile SpA	25% Indirect	Sole Administrator

Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	-
Eolica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,50% Indirect	-
Asturiana de Eólica, S.A.	20% Indirect	-
Craquener, S.L.	13,19% Indirect	-
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	-
Energías Alternativas de México, S.L.U.	25% Indirect	Sole Administrator
Energías Renovables de América, S.L.U.	25% Indirect	Sole Administrator
Energía Inteligente Energena, S.L.U.	25% Indirect	Joint Administrator
Energía Termosolar Enertol, S.L.	12,50% Indirect	Chairman of the Board of Directors
Eólica Cabanillas, S.L.	12,50% Indirect	-
Eólica Caparroso, S.L.	12,50% Indirect	Director
Eólica del Ebro, S.A.U.	25% Indirect	Joint Administrator
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	Joint Administrator
Eólica La Bandera, S.L.	12,50% Indirect	Director
Eólica La Cantera S.L.	19,50% Indirect	-
Eólica La Foradada, S.L.	19,50% Indirect	-
Eólica Las Eras, S.L.	21,97% Indirect	Joint Administrator
Eólica Montes de Cierzo, S.L.	12,50% Indirect	Director
Eólica Navarra, S.L.U.	25% Indirect	Solidarity Administrator
Eólica ValTomás, S.L.	19,50% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	Joint Administrator
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of INNOVACIONES FAOLSAN S.L. (Chief Executive Officer)
Hidroenhol, S.L.U.	25% Indirect	Sole Administrator
Innovación Verde Inver, S.L.U.	25% Indirect	Sole Administrator
Inveravante Gestión de Inversiones, S.L.	12,50% Indirect	-
LDV Casares, S.L.	18,75% Indirect	Secretary of the Board of Directors
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	Secretary of the Board of Directors

LDV Cortijo de Guerra, S.L.	18,75% Indirect	Secretary of the Board of Directors
LDV Sierra de Arcas, S.L.	12,37% Indirect	Secretary of the Board of Directors
Luz de Viento, S.L.	18,75% Indirect	Secretary of the Board of Directors
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	-
Sistemas Energéticos La Jimena, S.A.	10% Indirect	Director
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	Director
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	Director
Sistemas Energéticos Torralba, S.A.	10% Indirect	Chairman of the Board of Directors
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	-
Termosolar Lebrija, S.L.U.	25% Indirect	-
Transformación Energía Sostenible, S.L.	12,50% Indirect	-
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	-
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	-
Promotora Eólica México, S.A. de C.V.	17,50% Indirect	-
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,50% Indirect	-
Perú Energía Renovable, S.A.	23,25% Indirect	-
Eolica Polska Sp z o.o.	21,97% Indirect	-
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,50% Indirect	-
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Energia Inteligente Energena **Related party:** Mariano Oliver Gómez (Joint Administrator).

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	12,75% Indirect	-
Eolica Black Sea OOD	19,06% Indirect	-
Eolica Bulgaria EAD	16,20% Indirect	-
Eolica Danubio OOD	19,06% Indirect	-
Eólica Suvorovo AD	16,20% Indirect	-
Europroject Bulgaria OOD	21,25% Indirect	-
Inver Bulgaria EOOD	25% Indirect	-
Aguas Vivas Allipén Tacura, S.A.	19,99% Indirect	-

Energía Renovable del Bío Bío, S.A.	24,08% Indirect	Director
Enhol Chile SpA	25% Indirect	-
Eólica Camarico, S.A.	24,14% Indirect	-
Eólica del Norte, S.A.	22,25% Indirect	-
Eólica Mar Brava, S.A.	21,75% Indirect	-
Eólica Punta Chome, S.A.	24,14% Indirect	-
Eólica Viento del Hierro, S.A.	22,25% Indirect	-
Wind Resources America Corp.	25% Indirect	ViceChairman and Secretary of the Board of Directors
Eolica Slovensko, a.s.	17,58% Indirect	-
Navarra Invest, a.s.	17,50% Indirect	Director
Asturiana de Eólica, S.A.	20% Indirect	Chairman of the Board of Directors
Craquener, S.L.	13,19% Indirect	-
Cyclone Power Group, S.L.U.	25% Indirect	-
Electra de Malvana, S.A.	8% Indirect	Director
Energías Alternativas de México, S.L.U.	25% Indirect	-
Energías Renovables de América, S.L.U.	25% Indirect	-
Energía Inteligente Energena, S.L.U.	25% Indirect	Joint Administrator
Energía Termosolar Enertol, S.L.	12,50% Indirect	Director
Eólica Cabanillas, S.L.	12,50% Indirect	-
Eólica Caparoso, S.L.	12,50% Indirect	-
Eólica del Ebro, S.A.U.	25% Indirect	Joint Administrator
Eólica del Romeral, S.L.	10,99% Indirect	-
Eólica Erla, S.A.	12,25% Indirect	Joint Administrator
Eólica La Bandera, S.L.	12,50% Indirect	-
Eólica La Cantera S.L.	19,50% Indirect	-
Eólica La Foradada, S.L.	19,50% Indirect	-
Eólica Las Eras, SL.	21,97% Indirect	-
Eólica Montes de Cierzo, S.L.	12,50% Indirect	-
Eólica Navarra, S.L.U.	25% Indirect	-
Eólica ValTomás, S.L.	19,50% Indirect	-
Generación Eólica Internacional, S.L.	21,98% Indirect	-
Grupo Empresarial Enhol, S.L.	25% Indirect	Individual representative of MEGANIUM INVERSIONES, S.L. (Director)
Hidroenhol, S.L.U.	25% Indirect	-
Innovación Verde Inver, S.L.U.	25% Indirect	-

Inveravante Gestión de Inversiones, S.L.	12,50% Indirect	Joint Administrator
LDV Casares, S.L.	18,75% Indirect	-
LDV Cerro Cortijo de Guerra, S.L.U.	18,75% Indirect	Chairman of the Board of Directors
LDV Cortijo de Guerra, S.L.	18,75% Indirect	-
LDV Sierra de Arcas, S.L.	12,37% Indirect	Chairman of the Board of Directors
Luz de Viento, S.L.	18,75% Indirect	-
New Energy Sources Holding, S.L.	22,08% Indirect	-
Proyectos Eólicos de Galicia, S.L.	13,75% Indirect	-
Recursos Eólicos de Aragón, S.L.	12% Indirect	-
Sistemas Energéticos La Jimena, S.A.	10% Indirect	-
Sistemas Energéticos Moncayo, S.A.	6,25% Indirect	-
Sistemas Energéticos Quiñonería, S.A.	10% Indirect	-
Sistemas Energéticos Sierra de Costanazo, S.A.	10% Indirect	-
Sistemas Energéticos Torralba, S.A.	10% Indirect	-
Tecnología Energía Recuperada de Navarra, S.L.	6,94% Indirect	-
Termosolar Lebrija, S.L.U.	25% Indirect	-
Transformación Energía Sostenible, S.L.	12,50% Indirect	-
EN Sustainable Energy Pvt. Ltd.	22,08% Indirect	Director
EN Wind Alternative Energy Pvt. Ltd.	22,08% Indirect	Director
Compañía Eólica de Tamaulipas S.A. de C.V.	12,49% Indirect	-
Promotora Eólica México, S.A. de C.V.	17,50% Indirect	Director
Proyectos Mexicanos de Energía Renovable del Istmo de Tehuantepec, S.A. de C.V.	12,50% Indirect	-
Perú Energía Renovable, S.A.	23,25% Indirect	Director
Eolica Polska Sp z o.o.	21,97% Indirect	Director
Generacja Wiatrowa Polska Sp z o.o.	21,97% Indirect	-
SC Carpatia Energia Eolica SRL	22,50% Indirect	-
SC Generacion Eolica Dacia SRL	21,97% Indirect	-

Board Member: Energia Inteligente Energena

Related party: Francisco-José Iribarren Fentanes
(Representative)

Investee company	Shareholding	Functions
Energías Renovables del Bío Bío, S.A.	2,88% Indirect	-
EN Sustainable Energy Pvt. Ltd.	2,64% Indirect	-
EN Wind Alternative Energy Pvt. Ltd.	2,64% Indirect	-
Eolica Black Sea OOD	6,65% Indirect	Joint Administrator
Eolica Camarico, S.A.	2,74% Indirect	-
Eolica Danubio OOD	6,65% Indirect	Joint Administrator

Eolica del Romeral, S.L.	4,80% Indirect	-
Eólica Las Eras, S.L.	9,60% Indirect	Joint Administrator
Eólica Polska Sp. Z o.o.	9,60% Indirect	-
Eólica Punta Chome, S.L.	2,74% Indirect	-
Eolica Slovensko, a.s.	7,68% Indirect	Chairman of the Board of Directors
Eolica Suvorovo AD	5,65% Indirect	Chief Executive Officer
Eólica Bulgaria EAD	5,65% Indirect	Chief Executive Officer
Generacion Eolica Dacia SRL	9,60% Indirect	-
Generacja Wiatrowa Polska Sp. Z o.o.	9,60% Indirect	Chairman of the Board of Directors
New Energy Sources Holding, S.L.	2,64% Indirect	-
EN Generacion Eolica Mediterranea Ltd.	2,64% Indirect	-
Termosolar Lebrija, S.L.U.	-	Joint Administrator
SC Generacion Eolica Dacia SRL	9,60% Indirect	Chairman of the Board of Directors

Board Member: Energia Inteligente Energena **Related party:** Hipólito Suárez Gutiérrez (Representative)

Investee company	Shareholding	Functions
Central Eólica Pampa de Malaspina, S.A.	-	Chairman of the Board of Directors
Aguas Vivas Allipen Tacura, S.A.	-	Chairman of the Board of Directors
Asturiana de Eólica, S.A.	-	Director
Cyclone Power Group, S.L.U.	-	Joint Administrator
Eólica Camarico, S.A.	-	Chairman of the Board of Directors
Eólica del Norte, S.A.	-	Chairman of the Board of Directors
Eólica Mar Brava, S.A.	-	Chairman of the Board of Directors
Eólica Punta Chome, S.A.	-	Chairman of the Board of Directors
Eólica Viento del Hierro, S.A.	-	Chairman of the Board of Directors
Hidroeléctrica Río Turbio, SpA	-	Chairman of the Board of Directors
New Energy Sources Holding, S.L.	-	Joint Administrator
Wind Resources America Corp.	-	ViceChairman of the Board of Directors

Board Member: Energia Inteligente Energena **Related party:** Joaquín Manuel Dean Ferrer (Representative)

Investee company	Shareholding	Functions
Aguas Vivas Allipen Tacura, S.A.	-	Director
Electra de Malvana, S.A.	-	Individual representative of EÓLICA NAVARRA, S.L.U. (Director)
Energías Renovables del Bío Bío, S.A.	0,30% Indirect	-
EN Sustainable Energy Pvt. Ltd.	0,27% Indirect	-

EN Wind Alternative Energy Pvt. Ltd.	0,27% Indirect	-
Eolica Black Sea OOD	0,69% Indirect	-
Eólica Camarico, S.A.	0,28% Indirect	Director
Eolica Danubio OOD	0,69% Indirect	-
Eolica del Norte, S.A.	-	Director
Eolica del Romeral, S.L.	0,50% Indirect	-
Eólica Las Eras, S.L.	1% Indirect	-
Eólica Mar Brava, S.A.	-	Director
Eolica Polska Sp. Z o.o.	1% Indirect	-
Eólica Punta Chome, S.L.	0,28% Indirect	Director
Eólica Slovensko, a.s.	0,80% Indirect	-
Eolica Suvorovo AD	0,59% Indirect	-
Eolica Viento del Hierro, S.A.	-	Director
Eolica Bulgaria EAD	0,59% Indirect	-
Generación Eólica Internacional, S.L.	1% Direct	-
Generacja Wiatrowa Polska Sp. Z o.o.	1% Indirect	-
Grupo Empresarial Enhol, S.L.	-	-
Hidroeléctrica Río Turbio, SpA	-	Director
New Energy Sources Holding, S.L.	0,27% Indirect	-
EN Generacion Eolica Mediterranea Ltd.	0,27% Indirect	-
SC Generacion Eolica Dacia SRL	1% Indirect	-

Board Member: Energia Inteligente Energena	Related party: Fernando Erviti Cubillo (Representative)	
Investee company	Shareholding	Functions
Asturiana de Eólica, S.A.	-	Secretary of the Board of Directors
Eolica Slovensko, a.s.	-	Secretary of the Board of Directors

Board Member: Energia Inteligente Energena	Related party: Alejandro Labarga Galindo (Representative)	
Investee company	Shareholding	Functions
Eolica Slovensko, a.s.	-	Director
Generacja Wiatrowa Polska Sp z o.o.	-	Director

Board Member: Energia Inteligente Energena	Related party: Vidal Amatriain Méndez (Individual Representative)	
Investee company	Shareholding	Functions
Aguas Vivas Allipen Tacura, S.A.	-	ViceChairman of the Board of Directors
Asturiana de Eólica, S.A.	-	Director
Cyclone Power Group, S.L.	-	Joint Administrator

Energías Renovables del Bío Bío, S.A.	0,45% Indirect	-
Eolica Black Sea OOD	1,04% Indirect	-
Eolica Camarico, S.A.	0,43% Indirect	ViceChairman of the Board of Directors
Eolica Danubio OOD	1,04% Indirect	-
Eolica del Romeral, S.L.	0,75% Indirect	-
Eólica del Norte, S.A.	-	ViceChairman of the Board of Directors
Eólica Las Eras, S.L.	1,50% Indirect	-
Eólica Mar Brava, S.A.	-	ViceChairman of the Board of Directors
Eolica Polska Sp. Z o.o.	1,50% Indirect	Director
Eólica Punta Chome, S.L.	0,43% Indirect	ViceChairman of the Board of Directors
Eólica Viento del Hierro, S.A.A	-	ViceChairman of the Board of Directors
Eolica Slovensko, a.s.	1,20% Indirect	-
Eolica Suvorovo AD	0,88% Indirect	-
Eolica Bulgaria EAD	0,88% Indirect	-
SC Generacion Eolica Dacia SRL	1,50% Indirect	-
Generación Eólica Internacional, S.L.	1% Direct	-
Generacja Wiatrowa Polska Sp. Z o.o.	1,50% Indirect	-
New Energy Sources Holding, S.L.	0,41% Indirect	Joint Administrator
Hidroeléctrica Río Turbio, SpA	-	ViceChairman of the Board of Directors
Inver Bulgaria EOOD	-	Sole Administrator
Eólica del Norte, S.A.	-	ViceChairman of the Board of Directors
Eólica Mar Brava, S.A.	-	-
Eólica Viento del Hierro, S.A.	-	ViceChairman of the Board of Directors
Hidroeléctrica Río Turbio, SpA	-	ViceChairman of the Board of Directors
Proyectos Eólicos de Galicia, S.L.		Secretary of the Board of Directors
EN Generacion Eolica Eurasia Ltd.	-	Individual representative of CYCLONE POWER GROUP, S.L.U. (Chairman of the Board of Directors)
EN Generacion Eolica Mediterranea Ltd.	0,41% Indirect	Individual representative of NEW ENERGY SOURCES HOLDING, S.L. (Chairman of the Board of Directors)
EN Sustainable Energy Pvt. Ltd.	0,41% Indirect	Director
EN Wind Alternative Energy Pvt. Ltd.	0,41% Indirect	Director

Wind Resources America Corp.	-	Chairman of the Board of Directors and Treasurer
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Board Member: Caja General de Ahorros de Granada, S.A.

Investee company	Shareholding	Functions
Silicio Energía, S.A.	5% Direct	--
Energía Oriental, S.L.	61,18% Indirect	Shareholder
Eólica del Zenete, S.L.	42,99% Direct	Shareholder

Board Member: Comsa Medio Ambiente, S.L.

Investee company	Shareholding	Functions
Tfm Energía Solar Fotovoltaica, S.A.	75,28%	Director
Comsa Emte Energías Renovables, S.L.	100 %	Director
Valoración Energética de Gas de Vertedero, S.L.	50 %	Sole Administrator
SPT Renovables, S.L.U	100 %	Sole Administrator

Board Member: BCN Godia, S.L.

Related party: Liliana Godia

Investee company	Shareholding	Functions
Rotasol Energy, S.L.	39,5 % Indirect	--

Board Member: Ignacio García-Nieto Portabella

Investee company	Shareholding	Functions
Rotasol Energy, S.L.	5% Indirect	Director

Remuneration of the Management Committee

The total remuneration accrued in 2010 to the members of the Management Committee, excluding that of the members who are also members of the Board of Directors, is carried under remuneration of the members of the Board of Directors, totalling Euros 398 thousand in fixed remuneration (Euros 480 thousand in fixed remuneration and Euros 27 thousand in variable remuneration for the same period in year 2009).

Some of the contracts entered into with the members of the Management Committee include indemnity clauses that given the beneficiaries the right to receive an amount equivalent to one year's pay in the event of termination of their labour relationship as a result of unlawful dismissal.

NOTE 26 – AUDITORS FEES

The fees accrued during the year to PricewaterhouseCoopers for auditing total Euros 201 thousand (Euros 215 thousand during the year 2009) and other assurance services total Euros 92 thousand (Euros 88 thousand during the year 2009).

The fees accrued during the year to other companies using the PricewaterhouseCoopers mark for other services rendered to the Group, total Euros 92 thousand, mainly for tax advisory services (Euros 77 thousand during the year 2009).

Furthermore, the fees accrued during the year by other auditing firms for audit services total Euros 6 thousand (Euros 15 thousand in 2009).

NOTE 27 – GUARANTEES WITH THIRD PARTIES

The following companies have given technical guarantees to the General Directorate of Energy Policy and Mines in the following amounts (Thousand Euros) as per the provisions of RD 661/2007:

Company	Thousands euros
Eólica Cijara, S.L	1,300
Sinergia Andaluza S.L. y Energías Renovables Guadiana Menor, S.L.	4,000
Energía Renovable Mestral Eólica, S.L.,	1,000
Castellwind 03, S.L.	2,100
Entreyeltes 1, S.L.	2,320
Total	10,720

Fersa Energías Renovables, S.A. has given guarantees to the following entities that have given technical guarantees to the General Directorate of Energy Policy and Mines as per the provisions of RD 6/2009 in the following amounts:

Company	Thousands euros
P.E. Tajos de Bazán	620
Texte	150
La Tossa del Vent	210
Eolener	687
P.E. L'Arram	400
P.E. Coll de Som	210
Empordavent	1,920
Orta Eólica	1,980
Electravent	442
E.R. Guadiana Menor	1,200
Sinergia Andaluza	3,564
La Pedrera	870
Ferrolterra Renovables, S.L.	1,188
Parc Eòlic Mudefer, S.L.	6
Total	13,447

Fersa Energías Renovables has given guarantees totalling Euros 6,131 thousand to the General Directorate of Energy and Mining Policy for different wind farm tenders in Catalonia. Temporary awards have been announced this year.

Additionally, Fersa Energías Renovables, S.A. has given a guarantee for the financing of the wind farm of Generación Eólica India Limited totalling Euros 2,099 thousand and Euros 2,050 thousand in order to guarantee the credit facility from Axis Bank granted to Generación Eólica India Ltd.

Fersa Energías Renovables, S.A. has given a guarantee to the Ministry of Economy of Montenegro totalling Euros 1,500 thousand relating to the final guarantee for the tendering for a wind farm in that country.

Fersa Energías Renovables has given a guarantee totalling Euros 8,291 thousand for the financing of the infrastructure required for the evacuation of electricity from the Empordavent, S.L. wind farm and the Orta Eólica, S.L. wind farm in order to guarantee the financing agreement that La Caixa and Banc Sabadell have entered into with Aprofitament d'Energies Renovables de la Terra Alta, S.A. and Aprofitament d'Energies Renovables de L'Ebre, S.L.

Electravent, S.L. has given guarantees totalling Euros 12 thousand to the "Department of the Environment and Housing of the Government of Catalonia" and Euros 18 thousand to the "City Council of Portbou" for the temporary occupancy of land in order to undertake archaeological prospecting.

Explotación Eólica la Pedrera, S.L. has given guarantees totalling Euros 1,311 thousand to Energías Renovables de la Región de Murcia, S.L. and totalling Euros 870 thousand to the General Directorate of Energy and Mining Policy.

The commitments, pignorations, pledges and guarantees relating to the financing contracts have been described in Note 15.

The Directors of the Fersa Group estimate that unexpected liabilities at 31 December 2010, if any, that could give rise to the commitments indicated in this Note and in Note 15, would not have a significant impact on these consolidated annual accounts.

At the 2010 year end, the Company has agreed to minimum lease payments with the lessees totalling Euros 61 thousand, in accordance with current agreements in force, expiring in 2011.

NOTE 28 - ENVIRONMENT

Environmental aspects are borne in mind throughout the processing and construction of facilities, and all necessary studies required under the legislation of each country are prepared.

During 2010 and in relation to the facilities being operated, the Group incurred expenses totalling Euros 216 thousand, basically, for wildlife conservation purposes (Euros 189 thousand during 2009).

NOTE 29 – GREENHOUSE GAS EMISSIONS RIGHTS

On 27 August 2004 Royal Decree Law 5/2004, which regulates the regime for trading in greenhouse gas emissions rights, was adopted, the objective of which was to assist in complying with the obligations under the Kyoto Protocol Convention.

The Group has not been assigned CO₂ emissions and has no expenses arising from the consumption of these rights. The management of the Fersa Group does not expect that any penalties or contingencies will arise from compliance with the requirements under Law 1/2005.

NOTE 30 – SUBSEQUENT EVENTS

In February 2011 Fersa Energías Renovables S.A. completed the sale of its 6% stake in Fersa Panamá, S.A. (Note 2.3). The transaction totalled Euros 1,083 thousand and has had a negative effect on Group equity of Euros 91 thousand (Euros 63 thousand net of the tax effect).

APPENDIX OF FERSA GROUP COMPANIES

Fersa Group companies as at 31 december 2010

Company	Shareholding percentatges	Consolidation Method
Eólica El Pedregoso, S.L	80%	F.C.
Invetem Mediterránea, S.L	71%	F.C.
Empordavent, S.L	100%	F.C.
Eólica Del Pino, S.L	80%	F.C.
Parc Eòlic Mudefer, S.L. (previously Catalana d'Energies Renovables, S.L.)	84%	F.C.
Fercom Eólica, S.L.	100%	F.C.
La Tossa del Vent, S.L.	100%	F.C.
Texte, S.L.	100%	F.C.
Eolener, S.L.	100%	F.C.
Orta Eólica, S.L.	100%	F.C.
Electravent, S.L.	100%	F.C.
Gestora Fotovoltaica de Castellón, S.L.	76%	F.C.
Fotovoltaica Fer, S.L.	76%	F.C.
Weinsberg Ecotec, S.L.	76%	F.C.
Fotovoltaica Ecotec, S.L.	76%	F.C.
Joso Fotovoltaica, S.L.	76%	F.C.
Fotovoltaica Padua, S.L.	76%	F.C.
Fotovoltaica Vergos, S.L.	76%	F.C.
Fotovoltaica La Mola, S.L.	76%	F.C.
Inversions Trautt, S.L.	76%	F.C.
Fotovoltaica de Castelló, S.L.	76%	F.C.
Fotovoltaica de les Coves, S.L.	76%	F.C.
Inversions Vinroma, S.L.	76%	F.C.
Parque Eólico Hinojal , S.L	100%	F.C.

Fersa Panamá, S.A.	94%	F.C.
Eólica Postolin Sp	100%	F.C.
OÜ EstWindPower	94%	F.C.
Fersa Asesoramiento y Gestión, S.L. (previously Fergest Biomasa, S.L.)	100%	F.C.
Parc Eòlic Coll De Som, S.L.	100%	F.C.
Parc Eòlic L'Arram, S.L.	100%	F.C.
Explotación Eólica La Pedrera S.L.	100%	F.C.
Sinergia andaluza ,S.L.	75%	F.C.
Generación Eólica India Limited	100%	F.C.
EN Renewable Energy Limited	100%	F.C.
EN Wind Power Private Limited	100%	F.C.
Fersa India Private Limited (previously EN Green Energy Private Limited)	100%	F.C.
Eólica Kisielice SP	100%	F.C.
Eólica Warblewo Sp	100%	F.C.
Eólica Cieplowody Sp	100%	F.C.
Eoliennes De Beausemlant, SAS	80%	F.C.
Castellwind 03 S.L.	60%	F.C.
Fersa Cherkessk Llc	100%	F.C.
Entreyeltes 1, S.L.	51%	F.C.
Morzura Wind Park D.O.O. Podgorica (previously Fersa Montenegro D.O.O)	100%	F.C.
Fersa Italia, S.R.L.	100%	F.C.
Management Kisielice, S.P.z.o.o.	100%	F.C.
Shandong Lusa New Energy Co ltd	48%	P.C.
Fersa Business Consulting (Shangai) Co Ltd	100%	F.C.
Berta Energies Renovables, S.L.	29%	E.A.
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	27%	E.A.
Aprofitament d'Energies Renovables de L'Ebre S.L.	20%	E.A.
Parque Eólico Valcaire S.L.	34%	E.A.
Los Siglos AIE	30%	P.C.
Mestral Conca, S.L.	33%	P.C.
Energía Cijara, S.L.	50%	P.C.
Eólica Cijara, S.L.	50%	P.C.
E. R. Guadiana Menor, S.L.	50%	P.C.
Energía Renovable Mestral Eólica, S.L.	50%	P.C.

Siljan Port, S.L.	80%	P.C.
Fersar Yenilenebilir enerji üretim ltd. Sirketi	50%	P.C.
Ferrolterra Renovables, S.L.	40%	E.A.
Fersa-Aventalia, S.L.	80%	F.C.

F.C.- Full Consolidation; P.C.- Proportional Consolidation; E.A.-Equity Accounting

FERSA ENERGÍAS RENOVABLES GROUP CONSOLIDATED DIRECTORS' REPORT AT 31 DECEMBER 2010

1. SIGNIFICANT EVENTS

In the first half of 2010 Parc Eòlic Mudèfer, S.L. (formerly Catalana d'Energies Renovables, S.L.), 84% owned by Fersa, completed the construction and start up of the wind farms in Caseres (Tarragona), Mudèfer and Mudèfer II, with total power of 57.6 MW. Mudèfer II, 12.6 MW, was completed in February 2010 while Mudèfer, 45 MW, received a Provisional Certificate of Approval in September 2010. Both wind farms are inscribed in the pre-assignment register under Royal Decree Law 6/2009, and, accordingly, they are subject to the economic regime as per Royal Decree 661/2007.

In the last quarter of the year, the second phase of the 22 MW wind farm of Eolica Kisielice Sp. z o.o. (Poland) came on line. This company entered into a financing agreement for the construction of this wind farm totalling Zlotys 116,000 thousand (Euros 29,182 thousand).

On 19 January 2010, Fersa sold its remaining 12% stake in Parque Eólico Altos de Voltoya, S.A. for Euros 3.2 million.

On 5 February 2010, Fersa Energías Renovables S.A. and Green Alliance S.G.E.C.R., S.A. entered into an agreement under which Green Alliance S.G.E.C.R., S.A. is to acquire a 16% stake in Parc Eòlic Mudèfer, S.L. for Euros 6 million.

In March 2010 a financing agreement was executed ("Project Finance") by EN Renewable Energy Ltd., fully owned by the Fersa Group and the government body Indian Renewable Energy Development Agency (IREDA) for Rupees 1,860 million (Euros 31.1 million) to finance the construction and start up of the wind farm in Hanumanhatti (50.4 MW) in the State of Karnataka (India). This wind farm will become the second operating farm of the Group in India, and it is expected that it will be fully operative in the first quarter of 2011, generating a total of 81.6 MW once in operation in India.

In July 2010, the Fersa Group, and the company Montenegrina Celebic, d.o.o executed an agreement with the Government of Montenegro for the construction of the first wind farm in the country with installed power of 46 MW.

In November 2010, Fersa received confirmation from the Board of Directors of Banco Europeo de Inversiones (BEI) for the financing of wind farms totalling up to Euros 160 million. This operation is subject to the intervention of commercial banks. The Fersa Group is carrying out the steps necessary to execute this agreement.

2. OPERATING INFORMATION

Installed capacity at December de 2010 totals 217.3 MW, which is an increase of 53.6%, mainly due to the inclusion of Parc Eòlic Mudèfer S.L. wind farms, the start up of the 22MW second phase of Eolica Kisielice Sp. z o.o., whose farms are operating, and the installation of 8.8MW at the Hanumanhatti wind farm in India, which total capacity when fully installed will be 50.4MW.

For its part, production in 2010 has totalled 353.6 GWh, which represents an increase of 31% in production, due mainly to the start up of the Parc Eòlic Mudèfer, S.L. wind farms and the second phase of Eolica Kisielice Sp. z o.o.in Poland.

3. STRATEGIC AGREEMENTS

In 2010 the Fersa Group reached an agreement with Aventura Energías Renovables to pool their efforts and jointly submit a tender to the Government of Catalonia, and were awarded 153 MW. The Fersa Group holds 80% of the resulting company

4. MAIN FINANCIAL AGGREGATES

Net turnover has totalled Euros 30,100 thousand, 40.6% higher than last year.

This increase in turnover has been basically in the wind farm sector, due to the start of the Mudèfer and Kisielice wind farms.

Operating expenses, excluding amortisation and depreciation, total Euros 12,274 thousand (including staff costs), which is an increase of 33.5% against the same period last year, as a result, amongst others, of the start of the Mudèfer wind farm and the second phase of the Kisielice wind farm.

The amortisation and depreciation have totalled Euros 12,605 thousand, an increase of 25.3% against the same period last year, as a result of the start of the Mudèfer wind farm and the second phase of the Kisielice wind farm.

In 2010, the Fersa Group, has posted an impairment of goodwill, intangible fixed assets and property, plant and equipment totalling Euros 54,840 thousand (Note 5 to the accounts). This impairment has basically arisen from the following factors:

- Increase in the discount rates in certain countries, especially Spain and India, as a result of the increase in the risk free rates. There has been an increase of 152 basis points in Spain and 115 basis points in Indian at the 2010 year end compared to the 2009 year end.
- Changes in the price of the farms for which there are no price-setting agreements, especially in Spain. In this case, the existence of an unfavourable current economic conjuncture has led to a reduction in sale prices of energy resources (for the market price component) against those at the date of acquisition of certain farms. Moreover, in relation to the premium, during the entire year there has been a great deal of uncertainty about the impact that the regulatory changes could have in the context of the debate on the remuneration of renewable energies. For the farms that are operating and the pre-assigned farms this uncertainty has disappeared substantially at the end of the year as a result of the coming into force of RD 1565/2010/19 November, RD 1614/2010/7 December and RD 14/2010/23 December, with a final impact that is not very significant on the premiums for wind energy companies (Note 3), but there has been no resolution for the farms that are currently not pre-assigned.
- Decrease in the number of operating hours of certain farms in order to bring them into line with lower production levels that are more in line with reality after having consolidated historic price information. For some farms in operation, future production has been revised based on actual production in the last few years. For the farms that are still not operating, the estimates of hours have been revised in order to bring them in to line, as the case may be, with historical wind measurements or actual production of comparable wind farms.
- Toughening of the conditions for obtaining credit from the market and liquidity in general, which has given rise to delays in the start-up of certain projects in the development phase. In this context, and considering other factors, in mid-year a revision was made of the Group strategic plan, which is used as the basis for the preparing of certain projects more in line with the economic and financial situation at this time.

The breakdown of impairment by nature is as follows:

	Thousand euros
Goodwill	34,662
Other intangible assets	16,370
Property, plant and equipment	3,183
Other assets	625
Total	54,840
Tax effect	(5,901)
Minority interests	(1,820)
Net impairment attributed to the parent company	47,119

Net financial expense totals Euros 7,710 thousand vs. Euros 6,057 thousand last year.

Net income attributable to the parent Company is a loss of Euros 47,919 thousand, against a profit of Euros 1,210 for the same period last year, basically due to the impairment of assets.

5. MAIN RISKS RELATING TO THE BUSINESS OF THE FERSA GROUP

a) Operational risk:

The Group's activities are exposed to various business risks, such as the wind conditions and other meteorological conditions. The operational risk of the group is subject to technological failures, human error or errors due to external factors.

The Group makes the necessary investments to mitigate these risks and to have appropriate policies on its insurance coverage.

The Group companies are subject to current legislation in each country in relation to tariffs at which they invoice their electricity production. The modification of the legal regulatory framework could affect the results of the business.

The Group is exposed to the risk of fluctuation in the sale price of electricity, given that in many cases (such as Spain) the price is subject to the market price.

In 2010 and in order to hedge the risk of energy sale prices, the Fersa Group has contracted hedges for energy sale prices. (The Group does not have these derivative financial instruments at 31 December 2009).

Please note that the Group's activities are subject to compliance with the environmental legislation in force and accordingly, subject to approval by the authorities and the granting of the respective licenses and authorisations.

b) Financial risk and financial instruments:

The Group is exposed to fluctuations in interest rate curves as its entire debt to financial entities is at a floating rate. Accordingly, the Group takes out interest rate hedge contracts, basically insuring against maximum

interest rates. Due their nature, these contracts meet the hedging requirements under IFRS-EU. Accordingly, the net cash flows exchanged are recorded in the income statement as they accrue. At the year end these contracts are measured individually at fair value and their value is recognised in consolidated net equity.

The Group's activities outside Spain are exposed to exchange rate fluctuation risk of foreign currencies, which could affect the net income of the respective investee companies, their market value and release to results to the parent Company.

See additional information on other financial instruments in Note 9 to the notes to the consolidated annual accounts.

6. ENVIRONMENT

Environmental matters are borne in mind throughout the entire process of obtaining authorisation, building the plants and preparing the studies based on the legislation governing each company.

In 2010 and in relation to the facilities that are in operation, the Group has incurred expenses totalling Euros 216 thousand, basically, for wildlife conservation.

7. STAFF

At December 2010, the average number of employees of the Group reaches 40 workers, which is an increase of one worker compared to the average number of employees at 31 December 2009.

8. TREASURY SHARES

At December 2010 the Company has 1,951,581 treasury shares (Note 13 of the consolidated annual accounts).

9. REPORT OF THE BOARD OF DIRECTORS OF FERSA ENERGIAS RENOVABLES, S.A. ON ADDITIONAL INFORMATION TO BE ADDED TO THE DIRECTORS' REPORT, AS PER ARTICLE 116 B OF THE SECURITIES EXCHANGE ACT, LAW 24/1988

The Board of Directors of Fersa Energías Renovables, S.A., (the "Company") in accordance with article 116 b of the Securities Exchange Act, Law 24/1988, issues this report on the additional information that must be disclosed in the Directors' Report accompanying the individual and consolidated annual accounts of the company for 2010, in other to be submitted to the General Meeting of Shareholders:

- a) The capital structure, including securities that are not traded on a regulated EU market, indicating, as the case may be the different classes of shares and for each class of shares, the rights and obligations they confer and the percentage of the share capital they represent

The share capital of the Company at 31 December 2010 totals Euros one hundred and forty thousand three thousand seven hundred and seventy-eight (Euros 140,003,778), divided into one hundred and forty thousand three thousand seven hundred and seventy-eight ordinary accounting entry shares (140,003,778), numbered corelatively from one (1) to one hundred and forty thousand three thousand seven hundred and seventy-eight (140,003,778), both inclusive, all of the same class and series, with a par value of Euro 1 each, which are fully subscribed and paid, with one vote each.

b) Restrictions on the transfer of shares

The articles of association do not establish any restrictions on the transfer of shares.

Thus, Article 6 of the Articles of Association stipulates that the shares are represented by accounting entries. The shares can be transferred by any means recognized by law, depending on their nature and in accordance with legislation governing the transfer of securities represented by accounting entries.

Notwithstanding the above, and given the fact that Fersa Energías Renovables, S.A. is a listed company, any shareholder that acquires or transfers shares of the Company with voting rights must notify the Company and the Spanish Securities Exchange Commission (*Comisión Nacional del Mercado de Valores*) of the proportion of voting rights that remain in their possession when, as a result of these operations, this proportion reaches, exceeds or falls below the following thresholds of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 60%, 70%, 75%, 80% and 90%, as per article 53 of the Securities Exchange Act, Law 24/1988, Royal Decree 1362/2007/19 October and Circular 2/2007/19 December of the Spanish Securities Exchange Commission. Finally, and also given the fact that the company is listed on a stock exchange, the legislation in force covering Public Takeover Bids of Securities must be respected, in particular, the provisions of the Securities Exchange Act, Law 24/1988, and the Securities Exchange Reform Act, Law 6/2007/12 April, which modified the regime governing public takeover bids and the transparency of issuers, and Royal Decree 1066/2007/27 July on the regime governing public takeover bids.

c) Significant direct or indirect shareholdings

At 31 December 2010, the Company discloses that its significant shareholders are as follows, excluding board members:

Name or company name of shareholder	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
Comsa Emte, S.L.	0	10,755,080	7.682
Co Sociedad de Gestión y Participación, S.A.	0	10,513,302	7.509
Caja de Ahorros y Monte de Piedad de Baleares	6,368,640	0	4.549
Ms Liliána Godia Guardiola	0	6,365,075	4.546
Ms María Dolores Donadeu Castany	0	5,660,378	4.043
Banco de Sabadell, S.A.	0	5,316,570	3.797
Mr Alfonso Libano Daurella	0	3,775,620	2.697
Caja General de Ahorros de Granada	0	5,689,893	4.064

At 31 December 2010, the Company discloses that the members of the Board of Directors who hold voting rights on the shares are as follows:

Name or company name of shareholder	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
Mr José María Roger Ezpeleta	1,000	2,810,727	2.008
Grupo Empresarial Enhol, S.L.	451,318	30,899,073	22.393
Bcn Godia, S.L.	6,365,075	0	4.546
Corporación Caja de Granada, S.L.U.	5,689,893	0	4.064
Comsa Emte Medio Ambiente, S.L.	7,000,189	0	5.000

Energía Inteligente Energena, S.L.U.	0	0	0.000
Mr Enrique Lacalle Coll	500	0	0.000
Mr Esteban Sarroca Punsola	1,200	0	0.001
Grupo Catalana Occidente, S.A.	0	10,513,302	7.509
Mr Ignacio García-Nieto Portabella	200	0	0.000
Larfon, S.A.U.	3,775,620	0	2.697
Mytaros B.V.	5,660,378	0	4.043

d) Restrictions on voting rights

There are no legal or statutory restrictions on voting rights.

e) Side agreements

The Company is not aware of any side agreements of its shareholders that have been reported to it and the Securities Exchange Commission.

f) Regulations on the appointment and replacement of members of the governing bodies and modifications to the articles of association

A. The appointment and replacement of the members of the Board of Directors is governed by the provisions of the Spanish Public Limited Companies Act, as from 1 September 2010 by Royal Legislative Decree 1/2010/2 July, which adopted the Spanish Corporate Enterprises Act, the Articles of Association and the Regulations of the Board of Directors.

In accordance with the statutory and regulatory provisions, the Board will be made up of at least three and a maximum of four Directors.

Thus, article 17 of the Articles of Association states:

“Exercising the office of Director will be subject to the following rules:

a) The office has duration of six years.

b) The Directors whose offices expire can always be re-elected without limitation to the possible number of re-elections.

c) A Director need not be a shareholder in order to be re-elected and retain his mandate. Persons who have a conflict of interest, or subject to a ban or exclusion established by law, to the extent and under the conditions laid down thereunder cannot hold the office of Director.”

For its part, the Regulations of the Board of Directors state:

“Article 10.- Appointment and conflicts of interest:

The General Meeting of Shareholders or, as the case may be, the meeting of the Board of Directors, will have the power to appoint the members of the latter, in accordance with legal provisions and the articles of association.

The Directors shall observe the legally established conflicts of interest.

Article 11.- Removal and re-election of Directors:

The Directors, once their mandate for which they were appointed has expired, as well as under any other legal or statutory provisions, shall be removed from office. They must tender their resignation from the Board and execute it when they are subject to any of the cases of conflict of interest or ban legally established and when the Board resolves that the Director has seriously breached his obligations.”

Thus, article 14 of the Articles of Association, in relation to the valid constitution of the General Meeting of Shareholders establishes the following exception:

“(…) Exceptionally the constitution of the General Meeting of Shareholders shall be valid on second call whatever the amount of share capital is represented thereat when the meeting is to adopt resolutions on the removal of Directors or the exercising of corporate responsibility”.

B. In relation to the modification of the Articles of Association, the rules applicable are governed, without prejudice to the provisions of article 103 and concurring articles of the Spanish Public Limited Companies Act and article 194 and concurring articles of Royal Legislative Decree 1/2010/2 July, which adopted the Spanish Corporate Enterprises Act, to article 14 of the Articles of Association, which states:

“...Notwithstanding the above, in order for the General Meeting of Shareholders to legally adopt the issue of bonds, the increase or decrease in share capital, the conversion, merger or de-merger of the company, and in general, make any modification to these Articles of Association, shareholders present or represented by proxy holding at least 50% of the subscribed share capital with voting rights must be present thereat on first call, while on second call the attendance of 25% of said share capital is required. When shareholders representing less than 50% of subscribed share capital with voting rights are present, the aforementioned resolutions can be adopted by a vote in favour of 2/3 of the capital present or represented by proxy at the General Meeting”.

g) The powers of the members of the Board of Directors and, in particular, those relating to the possibility of issuing or repurchasing shares

A. As set out in the Regulations of the Board of Directors of the Company (article 4), the main mission of the Board is to manage, administer and represent the company during the course of its activity that makes up its corporate purposes, define general strategy and set out the management directives for said purposes, while ensuring the transparency and veracity of the information on the company in its relations with the shareholders and markets in general.

In particular, under article 21 of the Articles of Association, the Board has the following powers:

- a) To organise, regulate, direct and inspect all the services, office and other areas of the company.
- b) To hire, appoint, direct and inspect, control and separate the employees, General Managers, technical personnel, labour and other hires, allocating their remuneration which it deems necessary, determining their respective competencies and powers and working conditions.
- c) To deliberate and resolve the necessity of the business to be undertaken and how.

- d) To administer using the broadest powers; to purchase and sale (in cash or instalments); swap, lease, transfer and, in general, undertaken any action of sale or disposal, receive goods, real estate and moveable property, rights debt claims and public or private securities; mortgage assets or rights, make proposals and cancel mortgages, conditions subsequent or other real guarantees, arrange leases; obtain credits and loans and cancel them, giving real or personnel guarantees, with any lending entity; obtain or renew all types of contracts in the name of the company, and execute in public deed or privately any transaction or business (ordinary or extraordinary), conservation, disposal or rigorous dominion over assets or rights of any type.
- e) To open current accounts and credit facilities, withdraw and transfer funds, set up bank deposits, arrange guarantees, undertake and follow up bank correspondence, confirming or impugning balances and statements and filing claims when necessary, and, in general, undertaking all types of transactions with Government or private banks and in relation to movements in securities, bank funds and other credits.
- f) To acquire, negotiate, transfer or pignorate securities, shares or shareholding stakes, whether they are listed on a stock exchange or not, and execute any stock market operations that are legally authorised.
- g) To issue, accept, guarantee, endorse, intervene, negotiate, discount and oppose due to the lack of acceptance or default of payment, commercial or financial bills of exchange, bank cheques, promissory notes or any other commercial bill.
- h) To reclaim, pay and receive any amounts that are owed to the company by private individuals or public or private bodies, having full powers to receive payment, accept partial payment, sign receipts, grant deferrals and renew obligations, with or without novation, and to sign receipts, final settlements and cancellations.
- i) To promote, sustain, withdraw and waive all types of civil, criminal, administrative, contentious-administrative actions before the Courts and Authorities of any type and jurisdiction, and confer the necessary powers to said purpose.
- j) To execute the statutory provisions and resolutions of the General Meetings of Shareholders.
- k) To grant and revoke powers of all types in the name of the company.
- l) To demand the intervention of a Notary Public and other civil servants: to respond to injunctions; and to file appeals against administrative decisions or registry notifications.

These powers are understood simple for information purposes and not limited thereto, and the Board of Directors, in general, can undertake all actions of administration and dominion.

On the other hand, article 20 of the Articles of Association states:

“The Board of Directors can appoint one or more Chief Executive Officers or an Executive committee in the form and with the powers that can be legally delegated. If these powers are not limited, it is to be understood that the Chief Executive Officer or Officers can exercise all the powers of the Board of Directors, except those that cannot be delegate under law.”

Furthermore, section one of article 7 of the Regulations of the Board states:

“An Executive Committee can be constituted in order to best carry out the duties of the Board.

The composition of the Executive Committee must reasonably reflect the structure of the Board and respect the balance between the different types of Directors.

It will comprise at least 3 and no more than 6 Directors, and will meet at least every 3 months. The appointment of the members will require the vote of at least two thirds of the members of the Board. The Chairman and Secretary of the Executive Committee will be the Chairman and Secretary of the Board.

The powers of the Executive Committee are:

- *To exercise the duties relating to the control of the management of the company.*
- *To study and propose the directives that must define the business strategy and supervise its operation, especially emphasising diversification.*
- *To deliberate and inform, to bring to the attention of the Board, the following matters:*
 - *Company budgets, with a breakdown of the forecasts for each business line.*
 - *Investments and alliances or relevant resolutions.*
 - *Financial operations.*

If it is the opinion of the Chairman or the majority of the members of the Executive Committee, the relevant resolutions can later be submitted to ratification by the Board.”

B. With respect to the possibility of issuing shares, by virtue of resolution five of the General Meeting of Shareholders of 23 June 2010, it was agreed to void the resolution three of the resolutions adopted by the General Meeting of Shareholders of 30 June 2009.

Furthermore, the Board of Directors was granted powers as broad as permitted by law so that, under the provisions of article 153.1.b) of the Spanish Public Limited Companies Act, it can increase share capital once or several times and at any time, within a period of five years as from the date of the General Meeting, by an amount which in no event can exceed half of the company's share capital at the date of authorization.

The increases in capital under this authorisation shall be carried out through the issue and circulation of new shares – with or without a share premium – in consideration for cash contributions. In relation to each increase, the Board of Directors will decide whether the new shares to be issued are ordinary or deprived of vote. Furthermore, the Board of Directors can set, with respect to what is not provided, the terms and conditions of the capital increases and the characteristics of the shares, as well as freely offer the new unsubscribed shares in the period or periods for exercising the rights of preferred subscription. The Board of Directors can also establish that, in the event of an incomplete subscription, the capital will be increased only in the amount actually subscribed and rewrite the articles of association on share capital and the number of shares. Furthermore, with respect to the capital increases carried out under this authorization, the Board of Directors is empowered to fully or partially exclude the preferred subscription right under the terms of article 159.2 of the Spanish Public Limited Companies Act.

The Company will apply, when necessary, to list its shares on the Stock Exchanges of Madrid and Barcelona, under the joint system, and empower the Board of Directors to undertake in this case the process and measures required for said listing with the competent bodies of the various domestic securities exchange markets. The Board of Directors is also authorised to confer upon the Delegated Committee and/or one or several members of the Board or the company's powers of attorney the powers granted by virtue of this resolution.

C. Furthermore, by virtue of the same General Meeting of Shareholders of 23 June 2010 (point six on the agenda), the General Meeting of Shareholders agreed to void the authorization of the Board of Directors for the derivative acquisition of treasury shares that was adopted under Resolution Five of the General Meeting of Shareholders of 30 June 2009.

The Board of Directors was authorised, so that, in accordance with articles 75 and beyond of the Spanish Public Limited Companies Act and other applicable legislation, it would be able to directly or indirectly, and to the extent deemed necessary under the circumstances, undertake the derivative acquisition of treasury shares.

The price or value of the consideration cannot be lower than the par value of the shares or higher than their quotation value on the Stock Exchange.

At no time can the par value of the shares acquired directly or indirectly, once added to those already held by the Company and its subsidiaries, exceed ten percent (10%) of subscribed share capital or the maximum amount that is established by law. The types of acquisition may comprise purchase and sale, swaps or any other type of business for valuable consideration, in accordance with the circumstances.

This authorisation is granted for a period of 5 years.

The authorisation granted to acquire treasury shares can be used fully or partially for their delivery or transfer to directors or workers of the Company or Group companies, directly or as a result of their exercising of the option rights, as part of the remunerative systems indexed to the quotation of the Company's shares adopted in due form.

Finally, the Board of Directors is authorised, to expressly delegate to the members of the Board deemed purposeful, including the Secretary of the Board, powers as broad as required in order to request any authorisations and adopt any resolutions necessary or useful in relation to compliance with current legislation, and the execution and undertaking of the resolution.

- h) **The significant resolutions that have been adopted by the company and which come into force or are modified or will terminate in the event of the change in control of the company as a result of an initial public offering, and its effects, except when its disclosure seriously damages the company. This exception shall not apply if the company is legally obligated to publicize this information**

The Company has not entered into agreements that have come into force, are modified or will terminate in the event of an initial public offering.

- i) **The agreements between the company and its administrative and administrative officers or employees that establish indemnities when the latter resign or are unlawfully dismissed or if the labour relationship terminates as the result of a public offering**

At the 2010 year end the Company has entered into one top management contract containing indemnity clauses.

Accordingly, the contract contemplates that in the event of termination by means of a unilateral decision of the company, the senior manager will have the right to an indemnity equivalent to six months fixed remuneration. Furthermore, in the event that his dismissal is declared unlawful, the company will pay him an indemnity of one year's fixed remuneration.

10. SUBSEQUENT EVENTS

In February 2011 Fersa Energías Renovables S.A. has sold its 6% stake in Fersa Panamá, S.A., (Note 30 of the consolidated annual accounts).

11. CORPORATE GOVERNANCE REPORT

For better insight into the template and its subsequent preparation, please read the instructions on how to fill it out at the end of this report.

A. CAPITAL STRUCTURE

A.1 Complete the following table on the Company's share capital:

Date of last modification	Share capital (euros)	Number of shares	Number of voting rights
20/02/2008	140,003,778.00	140,003,778	140,003,778

Please indicate whether or not there are different types of shares with different rights associated:

NO

A.2 Provide details of the direct and indirect owners of significant stakes in your company at year end, excluding Directors:

Name or company name of shareholder	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
COMSA EMTE, S.L.	0	10,755,059	7.682
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A	0	10,513,302	7.509
CAJA DE AHORROS Y MONTE DE PIEDAD DEBALEARES	6,368,640	0	4.549
Ms LILIANA GODIA GUARDIOLA	0	6,365,075	4.546
CAJA GENERAL DE AHORROS DE GRANADA	0	5,689,893	4.064
Ms MARIA DOLORES DONADEU CASTANY	0	5,660,378	4.043
BANCO DE SABADELL, S.A.	0	5,316,570	3.797
Mr ALFONSO LIBANO DAURELLA	0	3,775,620	2.697

Name or company name of the indirect holder of the stake	Through: name or company name of the direct holder of the stake	Number of direct voting rights	% of total voting rights
COMSA EMTE, S.L.	COMSA EMTE MEDIOAMBIENTE, S.L.	7,000,189	5.000
COMSA EMTE, S.L.	EMTE, S.A.	3,754,891	2.682
CO SOCIEDAD DE GESTIÓN Y PARTICIPACIÓN, S.A.	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS	10,513,302	7.509
Ms LILIANA GODIAGUARDIOLA	BCN GODIA, S.L.	6,365,075	4.546
CAJA GENERAL DE AHORROS DE GRANADA	CORPORACIÓN CAJA GRANADA, S.L.U.	5,689,893	4.064
Ms MARIA DOLORES DONADEU CASTANY	MYTAROS B.V.	5,660,378	4.043
BANCO DE SABADELL, S.A.	EXPLOTACIONES ENERGÉTICAS SINIA XXI, S.L.	5,316,570	3.797
Mr ALFONSO LIBANODAURELLA	LARFON S.A.U.	3,775,620	2.697

Indicate the most significant changes in the shareholder structure occurred during the year:

A.3 Complete the following tables regarding the members of the company's Board of Directors who hold voting rights over the Company shares:

Name or company name of Director	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
Mr JOSE MARIA ROGER EZPELETA	1,000	2,810,727	2.008
GRUPO EMPRESARIAL ENHOL, S.L.	451,318	30,899,073	22.393
BCN GODIA, S.L.	6,365,075	0	4.546
COMSA EMTE MEDIO AMBIENTE, S.L.	7,000,189	0	5.000
CORPORACIÓN CAJA DE GRANADA, S.L.U.	5,689,893	0	4.064
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	0	0	0.000
Mr ENRIQUE LACALLE COLL	500	0	0.000
Mr ESTEBAN SARROCA PUNSOLA	1,200	0	0.001
GRUPO CATALANA OCCIDENTE, S.A.	0	10,513,302	7.509
Mr IGNACIO GARCÍA-NIETO PORTABELLA	200	0	0.000
LARFON S.A.U.	3,775,620	0	2.697
MYTAROS B.V.	5,660,378	0	4.043

Name or company name of the indirect holder of the stake	Through: Name or company name of the direct holder of the stake	Number of direct voting rights	% of total voting rights
Mr JOSE MARIA ROGER EZPELETA	REAL WIND, S.L.	2,810,727	2.008
GRUPO EMPRESARIAL ENHOL, S.L.	GENERACIÓN EÓLICA INTERNACIONAL, S.L.	15,643,344	11.174
GRUPO EMPRESARIAL ENHOL, S.L.	NEW ENERGY SOURCES HOLDING, S.L.	15,255,729	10.897
GRUPO CATALANA OCCIDENTE, S.A.	SEGUROS CATALANA OCCIDENTE S.A. DE SEGUROS Y REASEGUROS, SOCIEDAD UNIPERSONAL	10,513,302	7.509
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	GENERACIÓN EOLICA INTERNACIONAL, S.L.	0	0.000
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	NEW ENERGY SOURCES HOLDING, S.L.	0	0.000
% total voting rights in possession of the Board of Directors			52.262

Fill in the following tables regarding the members of the Company's Board of Directors who own stock options in the Company:

A.4 Indicate, where applicable, the family, commercial, contractual or corporate relations which could exist between the owners of significant stakes, provided they are known by the Company, unless they are irrelevant or arise from normal trading activities:

A.5 Indicate, where applicable, the commercial, contractual or corporate relations which could exist between the holders of significant shares and the company and/or its group, unless they are irrelevant or arise from normal trading activities:

A.6 Specify whether any shareholders' agreements have been notified to the company that affect it in accordance with the provisions set forth in Article 112 of the Securities Market Act. Where applicable, give a brief description and list the shareholders associated with the agreement:

NO

Indicate whether or not the Company is aware of the existence of concerted actions among its shareholders. If so, briefly describe them:

NO

If any modification or cancellation of said agreements or concerted actions has taken place during the year, please make express mention of this.

A.7 Indicate if there is any individual person or legal entity that exercises or who might exercise control of the Company pursuant to Article 4 of the Securities Market Act. Respond where applicable:

NO

A.8 Complete the following tables concerning the Company's treasury stock:

At year end:

Number of direct shares	Number of indirect shares (*)	% of share capital
1,951,581	0	1.394

(*) Through:

Total:	0
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Provide details of the significant changes occurring during the year pursuant to Royal Decree 1362/2007:

Unrealised gains/(Losses) of treasury stock disposed of over the period (in thousand of euros)	- 2,499
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A.9. Give details of the terms and conditions corresponding to the General Meeting of Shareholders' current mandate to the Board of Directors for acquiring or assigning own shares.

On 23 June 2010, the General Meeting of Shareholders of FERSA ENERGÍAS RENOVABLES, S.A. adopted the agreement set out below:

To void the authorisation given to the Board of Directors for the derivative acquisition of treasury shares adopted under Resolution Five of the General Meeting of Shareholders of 30 June 2009.

To authorise the Board of Directors so that, under the provisions of articles 75 and beyond of the Spanish Public Limited Companies Act, and other applicable legislation, it can directly or indirectly, and to the extent it deems necessary depending on the circumstances, acquire treasury shares.

The price or value of the consideration cannot be less than the par value of the shares or greater than their quotation on the stock exchange.

At no time can the par value of the shares acquired directly or indirectly, once added to those already held by the Company and its subsidiaries exceed ten percent (10%) of subscribed share capital or the maximum amount that is established by law. The types of acquisition may comprise purchase and sale, swaps or any other type of business for valuable consideration, in accordance with the circumstances.

This authorisation is granted for a period of 5 years.

The authorisation granted to acquire treasury shares can be used fully or partially for their delivery or transfer to directors or workers of the Company or Group companies, directly or as a result of their exercising of the option rights, as part of the remunerative systems indexed to the quotation of the Company's shares adopted in due form.

Finally, the Board of Directors is authorised, to expressly delegate to the members of the Board deemed purposeful, including the Secretary of the Board, powers as broad as required in order to request any authorisations and adopt any resolutions necessary or useful in relation to compliance with current legislation, and the execution and undertaking of the resolution.

A.10 Indicate, where applicable, the legal and statutory requirements in the Articles of Association regarding the use of voting rights, and legal restrictions on the acquisition or sale of holdings in the share capital. Indicate whether or not there are legal restrictions to exercising voting rights:

NO

Maximum percentage of voting rights that can be exercised by a shareholder in accordance with legal restrictions	0
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Indicate whether or not there are statutory restrictions to exercising voting rights:

NO

Maximum percentage of voting rights that can be exercised by a shareholder in accordance with statutory restrictions	0
--	---

Indicate whether or not there are legal restrictions to the acquisition or assignment of shares in the company's capital:

NO

A.11 Specify whether the General Meeting has agreed to take up measures of neutralisation against a takeover bid by virtue of provisions set forth in Law 6/2007.

NO

If appropriate, explain the measures approved and the terms under which the restrictions would not be enforceable:

B. STRUCTURE OF THE MANAGEMENT OF THE COMPANY

B.1 Board of Directors

B.1.1 Describe the maximum and minimum number of Directors set forth in the Articles of Association:

Maximum number of Directors	12
Minimum number of Directors	3

B.1.2 Complete the following table with the members of the Board:

Name or company name of Director	Representative	Position on Board	Date first appointment	Date last appointment	Election procedure
Mr JOSE MARIA ROGER EZPELETA	--	CHAIRMAN	20/06/2006	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
GRUPO EMPRESARIAL ENHOL, S.L.	HIPÓLITO SUÁREZ GUTIÉRREZ	VICE-CHAIRMAN	20/02/2008	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
BCN GODIA, S.L.	MANUEL TORREBLANCA RAMÍREZ	DIRECTOR	02/05/2007	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
COMSA EMTE MEDIO AMBIENTE, S.L.	JAVIER MARTÍ DURÁN	DIRECTOR	20/02/2008	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
CORPORACIÓN CAJA DE GRANADA, S.L.U.	JESÚS QUERO MOLINA	DIRECTOR	14/12/2010	14/12/2010	COOPTATION
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	VIDAL AMATRIAIN MÉNDEZ	DIRECTOR	20/02/2008	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
Mr ENRIQUE LACALLE COLL	--	DIRECTOR	30/06/2009	30/06/2009	COOPTATION
Mr ESTEBAN SARROCA PUNSOLA	--	DIRECTOR	05/06/2007	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
GRUPO CATALANA OCCIDENTE, S.A.	JORGE ENRICHIZARD	DIRECTOR	10/07/2000	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
Mr IGNACIO GARCÍA NIETO PORTABELLA	--	DIRECTOR	05/06/2007	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
LARFON S.A.U.	ALFONSO LIBANO DAURELLA	DIRECTOR	20/02/2008	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
MYTAROS B.V.	JOSE VICENS TORRADAS	DIRECTOR	15/01/2004	20/02/2008	VOTE OF GENERAL MEETING OF SHAREHOLDERS
Total number of Directors					12

Indicate the replacements occurring in the Board of Directors during the period:

Name or company name of Director	Condition member of the Board at the time of replacement	Replacement date
CAJA GENERAL DE AHORROS DE GRANADA	PROPRIETARY	14/12/2010

B.1.3 Complete the following tables regarding the members of the Board of Directors and their different statuses:

EXECUTIVE DIRECTORS

Name or company name of Director	Committee which proposed appointment	Position in the Company's management structure
Mr JOSE MARIA ROGER EZPELETA	--	CHAIRMAN
GRUPO EMPRESARIAL ENHOL, S.L.	--	VICE-CHAIRMAN
COMSA EMTE MEDIO AMBIENTE, S.L.	--	DIRECTOR
ENERGIA INTELIGENTE ENERGENA, S.L.UNIPERSONAL	--	DIRECTOR
Total number of Executive Directors		4
% total of the Board		33.333

EXTERNAL PROPRIETARY DIRECTORS

Name or company name of Director	Committee which proposed appointment	Name or title of significant shareholder he/she represents or who proposed appointment
BCN GODIA, S.L.	--	BCN GODIA, S.L.
CORPORACIÓN CAJA DE GRANADA, S.L.U.	--	CORPORACIÓN CAJA DE GRANADA, S.L.U.
GRUPO CATALANA OCCIDENTE, S.A.	--	SEGUROS CATALANA OCCIDENTE, S.A. DE SEGUROS Y REASEGUROS
LARFON S.A.U.	--	LARFON S.A.U.
MYTAROS B.V.	--	MYTAROS B.V.
Total number of Proprietary Directors		5
% total of the Board		41.667

EXTERNAL INDEPENDENT DIRECTORS

Name or company name of Director	Profile	
Mr ENRIQUE LACALLE COLL	Graduate in Law and Senior Company Management	
Mr ESTEBAN SARROCA PUNSOLA	Graduate in Economics and Certified Public Account	
Mr IGNACIO GARCÍA-NIETO PORTABELLA	Lawyer-economist, graduate from the University of Deusto	
Total number of Independent Directors		3
% total of the Board		25.000

OTHER EXTERNAL DIRECTORS

Detail the reasons why they cannot be considered as proprietary or independent and their relationships, either with the company or its executives or with its shareholders:

Indicate the changes, if any, in the type of Director during the period:

B.1.4 Where applicable, explain why Proprietary Directors have been appointed at the request of shareholders whose holding in the capital is less than 5%.

Name or company name of shareholder	Explanation
BCN GODIA, S.L.	For strategic and business reasons
CORPORACIÓN CAJA DE GRANADA, S.L.U.	For strategic and business reasons
LARFON S.A.U.	For strategic and business reasons
MYTAROS B.V.	For strategic and business reasons

Please indicate whether formal requests have been denied for attendance at the meetings of the Board solicited by shareholders whose shareholding is equal to or greater than that of other shareholders, at whose instigation they would have been designated board members appointed by a significant shareholder. If any, explain the reasons for the denial.

NO

B.1.5 Indicate whether or not a Director has resigned from his/her post before the conclusion of his/her term of office, whether or not he/she has provided the Board with reasons and through which medium and, if he/she has done so in writing to the entire Board, explain at least the reasons given:

YES

Director's name	Reason for resignation
CAJA GENERAL DE AHORROS DE GRANADA	Strictly professional reasons

B.1.6 Indicate, where applicable, the powers delegated to the Managing Director(s):

Name or company name of Director	Brief outline
COMSA EMTE MEDIO AMBIENTE, S.L.	The members of the Executive Committee, have been granted the power to undertake and carry out whatever is permitted under the corporate purposes of the company, and to exercise any Powers that are not expressly reserved by Law or by the Articles of Association to the Board of Directors.
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	The Executive Officers, whether they act individually or in a Group, in other words, as the Executive Committee, have been granted the power to undertake and carry out whatever is permitted under the corporate purposes of the company, and to exercise any Powers that are not expressly reserved by Law or by the Articles of Association to the Board of Directors.
GRUPO EMPRESARIAL ENHOL, S.L	The members of the Executive Committee, have been granted the power to undertake and carry out whatever is permitted under the corporate purposes of the company, and to exercise any Powers that are not expressly reserved by Law or by the Articles of Association to the Board of Directors.
DON JOSE MARIA ROGER EZPELETA	The Executive Officers, whether they act individually or in a Group, in other words, as the Executive Committee, have been granted the power to undertake and carry out whatever is permitted under the corporate purposes of the company, and to exercise any Powers that are not expressly reserved by Law or by the Articles of Association to the Board of Directors.

B.1.7 Indicate, where applicable, the Board members holding positions of administrators or executives in other companies forming part of the group of the listed company:

Name or company name of Director	Company name of group company	Position
Mr JOSE MARIA ROGER EZPELETA	APROFITAMENT D'ENERGIES RENOVABLES DE LA TERRA ALTA. S.L.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	CASTELLWIND-03. S.L.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	E. N. RENEWABLE ENERGY. LTD.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	E. N. WIND POWER. PVT. LTD.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	ENERGIAS RENOVABLES DEL GUADIANA MENOR. S.L.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	EOLICA CIEPLOWODY. SP.Z.O.O.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	EOLICA KISIELICE. SP.Z.O.O.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	EOLICA POSTOLIN. SP.Z.O.O.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	EOLICA WARBLEWO. SP. Z.O.O.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	EOLIENNES DE BEAUSEMBLANT S.A.S.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	EÓLICA DEL PINO. S.L.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	EÓLICA EL PEDREGOSO. S.L.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	FERROLTERRA RENOVABLES. S.L.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	FERSA AVENTALIA. S.L.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	FERSA BUSINESS CONSULTING CO. LTD.	ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FERSA ITALIA. S.R.L.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	FERSA PANAMA. S.A.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	FERSAR YENILENEBILIR ENERJI URETIMLIMITED SIRKETI	ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA DE CASTELLÓ. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA DE LES COVES. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA ECOTEC. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA FER. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA LA MOLA. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA PADUA. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	FOTOVOLTAICA VERGOS. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	GENERACION EOLICA INDIA. LTD	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	GESTORA FOTOVOLTAICA DE CASTELLON.S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	INVERSIONS TRAUTT. S.L.	JOINT ADMINISTRATOR

Mr JOSE MARIA ROGER EZPELETA	INVERSIONS VINROMA. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	INVETEM MEDITERRÀNEA. S.L.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	JOSO FOTOVOLTAICA. S.L.	JOINT ADMINISTRATOR
Mr JOSE MARIA ROGER EZPELETA	MANAGEMENT KISIELICE. SP. Z O.O.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	OÛ EST WIND POWER	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	PARC EÒLIC MUDEFER. S.L.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	SHANDONG LUSA NEW ENERGY CO. LTD.	VICE-CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	SILJAN PORT. S.L.	CHAIRMAN
Mr JOSE MARIA ROGER EZPELETA	SINERGIA ANDALUZA. S.L.	DIRECTOR
Mr JOSE MARIA ROGER EZPELETA	WEINSBERG ECOTEC. S.L.	JOINT ADMINISTRATOR

B.1.8 Identify, if applicable, the Directors of your company who are members of the Board of Directors of other companies listed on official stock exchanges in Spain other than those of your group, that have been reported to the company:

B.1.9 Indicate and, where applicable, explain whether or not the Company has laid down rules on the number of Boards on which its Directors can sit:

NO

B.1.10 With regard to Recommendation No. 8 of the Unified Code, indicate the general policies and strategies of the company that the plenary Board has reserved the right to approve:

The investment and finance policy	YES
The definition of the structure of the group of companies	YES
The corporate governance policy	YES
The corporate social responsibility policy	YES
Strategic or business plan, as well as the management aims and annual budgets	YES
The remuneration policy and appraisal of senior management performance	YES
Control of risk management policy, as well as periodic monitoring of the internal information control system	NO
The dividend policy, as well as the treasury stock policy, with special focus on their limits.	YES

B.1.11 Fill in the following tables regarding the total remuneration of the Directors earned over the year:

a) In the Company which is the object of this report:

Remuneration concept	Data in thousands of euros
Fixed remuneration	453
Variable remuneration	0
Expenses	19
Established in Articles of Association	240
Stock options and/or other financial instruments	0
Others	0
Total	712
Other benefits	Data in thousands of euros
Advances	0
Credits granted	0
Pension plans and funds: contributions	0
Pension plans and funds: obligations	0
Life insurance premiums	0
Guarantees made by the Company to Directors	0

b) Through company Directors belonging to other Boards of Directors and/or the senior management of group companies:

Remuneration concept	Data in thousands of euros
Fixed remuneration	0
Variable remuneration	0
Expenses	0
Established in Articles of Association	0
Stock options and/or other financial instruments	0
Others	0
Total	0
Other benefits	Data in thousands of euros
Advances	0
Credits granted	0
Pension plans and funds: contributions	0
Pension plans and funds: obligations	0
Life insurance premiums	0
Guarantees made by the Company to Directors	0

c) Total remuneration by type of Director:

d) As a percentage of the profits attributable to the controlling company:

B.1.12 Identify members of senior management who are not also Executive Directors, and indicate the total remuneration they earned during the year:

Name or company name	Position
Mr IGNACIO MORENO HERNANDEZ	GENERAL MANAGER
Mr FRANCESC ROIG MUNILL	DEPUTY GENERAL MANAGER
Mr IÑIGO DEL VALLE GÓMEZ	FINANCE MANAGER
Total remuneration of senior management (in thousands of euros)	398

B.1.13 Indicate if there are guarantee or ironclad clauses, for cases of dismissal or control changes, in favour of members of senior management, including Executive Directors of the Company or its Group. Indicate if these contracts must be notified and/or approved by the bodies of the Company or its Group:

Number of beneficiaries		
	Board of Directors	General Meeting
Body that authorises the clauses	NO	NO
Is the General Meeting informed of the clauses?		NO

B.1.14 Indicate the process for establishing the remuneration of the members of the Board of Directors and the relevant clauses of the Articles of Association in that respect.

Process for establishing payment for the members of the Board of Directors and the statutory clauses

The office of the administrators until the end of the fiscal year is remunerated as per the Articles of Association:

Article 17 b of the Articles of Association:

The annual remuneration of the directors, for their management duties as members of the Board of Directors of the company, are established up to eight percent of liquid profit, which can only be received after reserves and dividends have been appropriated as per legislation in force. The Board of Directors will distribute amongst its members this share, in the form and amount that it deems necessary, which will be disclosed in the notes to the annual accounts as legally laid down.

Subject to agreement of the General Meeting of Shareholders under the terms of the Spanish Public Limited Companies Act, the directors who undertake executive duties shall be entitled to also participate in the incentive plans adopted for the company's executives, which confer remuneration consisting of shares, recognition of share options or remuneration indexed to share value.

The remuneration forecast in the sections above, resulting from membership on the Board of Directors, will be compatible with our professional or labour-related payments of the Directors for any other executive or advisory duties, which, as the case may be, they undertake for the company other than supervision and decision making as Directors, which are subject to the applicable legislation in force.

Furthermore, the Appointments and Remuneration Committee of FERSA issued a report on remuneration policy of the Directors for 2010, effective 1 January 2010, and years following, which was subject to a vote of the General Meeting of Shareholders, under a separate point on the agenda, in accordance with recommendation number 40 of the Unified Code of Good Governance. This report is available on the Company's website at www.fersa.es in the section under Shareholders and Investors.

Indicate whether or not the Board in its plenary session has reserved the right to adopt the following decisions:

At the proposal of the chief executive of the company, the appointment and possible resignation of senior executives, as well as their compensation clauses.	NO
The remuneration of Directors, as well as, in the case of executives, the additional remuneration through their executive duties and other conditions that their contracts must include.	YES

B.1.15 Indicate whether or not the Board of Directors adopts a detailed payments policy and specify the matters on which it pronounces:

YES

Amount of the fixed elements, with a breakdown if applicable of the allowances for participation on the Board and its Committees and an estimate of the annual fixed remuneration to which they are entitled	YES
Variable payment concepts	YES
Main characteristics of the social benefits systems, with an estimate of the equivalent annual cost or amount.	YES
Conditions to be observed in the contracts of those who exercise senior management functions as Executive Directors	YES

B.1.16 Specify whether the Board submits a report on the remuneration policy for Directors to voting at the General Meeting as a separate item of the agenda. Where applicable, explain the aspects of the report regarding the salary policy adopted by the Board for future years, the most significant changes in the said policies with regard to that applied during the year and the global summary of how the remuneration policy was applied during the year. Give details of the role played by the Remuneration Committee and, if external consultancy services have been used, the identity of the external consultants that have provided the service:

YES

Questions covered by the remuneration policy

The Appointments and Remuneration Committee of FERSA issued a report on remuneration policy of the Directors for 2010, effective 1 January 2010, and years following.

The report was subject to a consultative vote of the General Meeting of Shareholders, under a separate point on the agenda, in accordance with recommendation number 40 of the Unified Code of Good Governance.

The most significant aspects of the report are as follows:

The remuneration policy has been adopted by the Committee in accordance with the principles of personal independence and transparency.

The policy and structure of the remuneration of the Directors of FERSA are in line with the provisions of the Act (art. 130 of the Spanish Public Limited Companies Act) and article 17o b of the Articles of Association of the Company, which state:

The annual remuneration of the Directors, for their undertakings as members of the Board of Directors of the company, is set at 8% of net profit, which can only be received after covering reserves and the dividend as determined by law. The Board of Directors will distribute amongst its members this share, in the form and amount it considers opportune, and shall report it in the notes to the annual accounts as per current legislation.

Subject to agreement of the General Meeting of Shareholders in the terms established by the Public Limited Companies Act, the Directors who have executive duties can also participate in incentive plans adopted for company executives, which provide remuneration consisting of shares, recognition of options rights on these shares or remuneration indexed to the value of the shares.

The remuneration set out in the preceding sections, for being a member of the Board of Directors, will be compatible with other professional or labour-related emoluments accrued to the Directors for any other executive or consulting duties which, as the case may be, they undertake for the company other than oversight and decision-making as Directors, which will be subject to the applicable legal regime.

These incentive plans regulated by the aforementioned article 17b of the articles of association are included hereunder.

The remuneration policy of the Company is designed to remunerate dedication, qualification and the responsibility that is required when undertaking the office of Director and does not compromise the independence of the Director.

Remuneration is divided into the following basic elements:

- Per diems:

This amount varies on the basis of the type of Director, and in relation to the meetings of the Board of Directors that are held.

- Sitting on the Board:

Comprises a fixed annual remuneration for the members of the Board of Directors, which varies on the basis of the type of Director.

The remuneration covers the undertaking of duties individually or jointly, as well as oversight and responsibility required by the office.

- Delegated Committees:

Consists of annual fixed remuneration of the members of the Delegated Committees, which varies depending on the type of Director.

The remuneration includes the demands, dedication, qualification and responsibility of the office.

In order to see the amounts of the remuneration of the Directors applicable in 2010 and years following, please see the report, which is available at the Company website at www.fersa.com in the section on Shareholders and Investors.

Role played by the Remuneration Committee

The Appointments and Remuneration Committee was engaged to prepare the remuneration policy report for Directors, without recourse to external consultants.

Have external consultancy services been used?

Identity of the external consultants

B.1.17 Indicate, where applicable, the identity of Board members who are also members of the Boards of Directors, Directors or employees of companies that hold significant stakes in the listed company and/or companies of your group:

Provide details, if appropriate, of the relevant relationships other than those included in the previous heading, of the members of the Board of Directors with the significant shareholders and/or in entities of its Group:

B.1.18 Indicate whether or not there has been any modification to the regulations of the Board during the year:

NO

B.1.19 Indicate the procedures for the appointment, re-election, assessment and removal of Directors. Provide details of the competent bodies, the procedures to be followed and the criteria applicable in each procedure.

Article 10 of the Regulations of the Board of Directors.- Appointment and incompatibilities

The General Meeting of Shareholders or, as the case may be, the Board of Directors, will be competent to appoint its members, in conformity with current applicable legislation and the articles of association.

The Directors shall respect the legally established incompatibilities.

Article 11.- Removal and re-election Directors

The Directors shall be removed from office after the mandate period for which they were appointed has expired, as well in the other cases in conformity with current applicable legislation and the articles of association. They must tender their resignation to the Board and formalise the respective removal whenever they are found to be in situations of incompatibility or legally barred and whenever the Board resolves that the Director has seriously infringed his duties.

B.1.20 Indicate cases in which Directors are compelled to resign.

In conformity with article 11 of the Regulations of the Board of Directors, the Directors of the company must tender their resignation to the Board and formalise their respective removal whenever they are found to be in situations of incompatibility or legally barred and whenever the Board resolves that the Director has seriously infringed his duties.

B.1.21 Explain whether the duties of the chief executive of the Company correspond to the position of Chairman of the Board. If this is the case, indicate the measures which have been taken to limit the risks of accumulation of powers in a single person:

NO

Indicate and, where applicable, explain whether or not rules have been laid down to empower one of the Independent Directors to request the call of a Board meeting or the inclusion of new matters on the agenda to coordinate and report the concerns of the External Directors and direct the assessment by the Board of Directors.

NO

B.1.22 Are reinforced majorities other than those applicable by law required for any type of decision?

NO

Indicate how decisions are taken in the Board of Directors, specifying at least the minimum quorum and the type of majorities for approving decisions:

B.1.23 Indicate if there are specific requirements other than those relating to Directors in order to be appointed as Chairman.

NO

B.1.24 Indicate whether the Chairman has a casting vote:

YES

Matters in which a deciding vote exists

According to article 3 of the Regulations of the Board of Directors, the Chairman shall preside over, as the case may be, the Executive Committee, and represent it, and will have the deciding vote.

In the case of representation, the provisions of article 6 of the Regulations shall prevail.
Article 6.- Constitution, representation and adoption of resolutions.

(...) Representation to attend the meetings of the Board can only be granted to another Director or another shareholder, and must be specific to each meeting. Whosoever represents the Chairman shall preside over the meeting only in the absence of the Vice-Chairman, and shall not have the right to cast the deciding vote. (...)

B.1.25 Indicate whether the Articles of Association or the Board Regulations establish any age limit for Directors:

NO

Age limit for Chairman	Age limit for CEO	Age limit for Directors
0	0	0

B.1.26 Indicate whether the Articles of Association or the Board Regulations establish a limited mandate for Independent Directors:

NO

Maximum number of years of mandate	0
------------------------------------	---

B.1.27 If there are few or no female Directors, explain the reasons or the initiatives adopted to correct this situation.

Explanation of the reasons and the initiatives

We believe that in light of the current structure of the company, we have not found any female candidates. However, we are carrying out systematic actions to include a female Director on the Governing Body of the company.

In particular, indicate whether or not the Appointments and Remuneration Committee has laid down procedures to ensure that the selection processes are not subject to implicit bias that prevents the selection of female Directors and deliberately look for female candidates with the required profile:

NO

B.1.28 Indicate if there are formal processes for delegation of votes in the Board of Directors. If so, describe them briefly.

In conformity with article 19 of the Articles of Association and article 6 of the Regulations of the Board of Directors, the meeting of the Board is validly constituted when the majority of its members are present or represented thereat, and also, without the need for a prior call, when all its members are present and unanimously decide to constitute a meeting of the Board. Written ballots without a meeting shall only be permitted when no Director opposes such a procedure.

The power of representation to attend the meetings of the Board shall only be conferred upon another director or shareholder, and must be made expressly for each meeting. Whosoever represents the Chairman shall preside over the meeting in the absence of the Vice-Chairman, and shall not have the right to cast the deciding vote.

Each Director present or represented shall have the right to vote. The resolutions shall be adopted by absolute majority of the members of the Board of Directors. The resolutions adopted by the Board at each meeting will be transcribed in the Minutes Book and shall be signed by the Chairman and the Secretary.

B.1.29 Indicate the number of meetings that the Board of Directors has held over the year. Also indicate, where applicable, how many times the Board has met without the Chairman being present:

Number of meetings of the Board	6
Number of Board meetings without the Chairman attending	0

Indicate the number of meetings held by the different Board committees over the year:

Number of meetings of the Executive or Delegated Committee	27
Number of meetings of the Audit Committee	8
Number of meetings of the Appointments and Remuneration Committee	2
Number of meetings of the Appointments Committee	0
Number of meetings of the Remuneration Committee	0

B.1.30 Indicate the number of meetings held by the Board of Directors during the year without the attendance of all its members. When calculating the number, representations made without specific instructions shall be considered as non-attendance:

Number of non-attendances of Directors during the year	3
% of non-attendances over the total number of votes during the year	0.042

B.1.31 Indicate if the individual and consolidated Annual Accounts submitted for approval by the Board are certified previously:

NO

Identify, where applicable, the person(s) who has/have certified the Company's individual and consolidated Annual Accounts in order to be drawn up by the Board:

B.1.32 Explain, where applicable, the mechanisms established by the Board of Directors to prevent the individual and consolidated annual accounts it draws up from being submitted to the General Meeting of Shareholders with qualifications in the auditors' report.

The Board of Directors has a single committee, the Audit Committee, whose competency, in conformity with article 20 b of the Articles of Association, and Article 7 of the Regulations of the Board of Directors, is to:

Propose to the Board of Directors for submission to the General Meeting of Shareholders, the appointment of the accounts auditors of the company.

To supervise the internal auditing services should the company have such a body.

To ascertain the process for financial disclosures and the internal control systems relating to the relevant risks that the company faces.

To receive information from the accounts auditors on questions that could put their independence in jeopardy, which are related to the accounts audit, and, in general, on any other issues that are governed by legislation on auditing and the technical auditing standards in force at any time.

B.1.33 Is the Secretary of the Board a Director?

NO

B.1.34 Explain the procedures for appointing and dismissing the Secretary of the Board, indicating whether or not his/her appointment and dismissal have been reported by the Appointments Committee and adopted by the Board in its plenary session.

Appointments and dismissal procedure

In accordance with the provisions of article 16 of the Regulations of the Board of Directors, the latter, upon the proposal of the chairman, shall appoint a Non-member Secretary, Graduate in Law, whose professional activity shall be fully independent.

Furthermore, article 18 of the Articles of Association stipulates the following: The Board of Directors shall be entitled to regulate its own functions and internal organisation. It shall, at least, appoint from amongst its members a Chairman and elect the person to hold the office of Secretary, which can even be held by a non-Director or non-Shareholder. One or several Vice-Chairmen can be appointed.

In relation to the former and current non-Director Secretary of the company, his removal and appointment were not reported by the Appointments and Remuneration Committee given that this Committee had been established thereafter.

Does the Appointments Committee report the appointment?	YES
Does the Appointments Committee report the dismissal?	YES
Does the plenary session of the Board adopt the appointment?	YES
Does the plenary session of the Board adopt the dismissal?	YES

Is the Board Secretary commissioned with the duty of especially supervising the good governance recommendations?

YES

B.1.35 Indicate, where applicable, the mechanisms established by the Company to safeguard the independence of the auditor, financial analysts, investment banks and rating agencies.

The Regulations of the Board of Directors, article 9o stipulates:

Article 9.- Relations with the Auditors

The Board shall establish an objective, professional and ongoing relationship directly or through the Audit Committee with the external Auditor of the company appointed by the General Meeting of Shareholders. In any case, it shall respect the independence of the auditors and ensure that they are given the information they require.

B.1.36 Specify whether the Company has changed external auditor over the year. If appropriate identify the incoming and outgoing auditors:

NO

Outgoing auditor	Incoming auditor

In the case of disagreements with the outgoing auditor, explain the content of the said disagreements:

NO

B.1.37 Indicate if the audit company performs other tasks for the company and/or its group other than auditing activities, and if so, state the amount of the fees received for said activities and the percentage of the fees billed to the company and/or its group:

YES

	Company	Group	Total
Amount of tasks other than auditing activities (in thousands of euros)	84	8	92
Amount of tasks other than auditing/Total amount billed by the audit company (%)	47.720	7.700	32.870

B.1.38 Specify whether the Auditor's report on the Annual Accounts from the previous year includes any reservations or exceptions. Where applicable, indicate the reasons given by the Chairman of the Audit Committee to explain the content and scope of the said reservations or exceptions.

NO

B.1.39 Indicate how many years the current audit company has been auditing, without interruption, the Annual Accounts of the Company and/or its Group. Also indicate the percentage of the number of years audited by the current audit company over the total number of years that the Annual Accounts have been audited:

	Company	Group
Number of years without interruption	3	3
No. of years audited by the current audit company /No. of years the Company has been audited (%)	0.3	0.4

B.1.40 Indicate the holdings of the members of the Board of Directors in the capital of companies which have the same, similar or complementary type of activity that constitutes the business purpose of the Company and of its Group, and of which the Company has been informed. Also indicate the positions or duties that they perform in these companies:

Name or company name of Director	Name of object company	% holding	Position or duties
Mr JOSE MARIA ROGER EZPELETA	REAL WIND, S.L.	100,000	SOLE ADMINISTRATOR
GRUPO EMPRESARIAL ENHOL, S.L.	EN WIND ALTERNATIVE ENERGY PVT. LTD.	88,310	-
GRUPO EMPRESARIAL ENHOL, S.L.	COMPAÑIA EOLICA DE TAMAULIPAS, S.A. DE C.V.	49,990	-
GRUPO EMPRESARIAL ENHOL, S.L.	EN SUSTAINABLE ENERGY, PVT. LTD.	88,310	-
GRUPO EMPRESARIAL ENHOL, S.L.	PROMOTORA EOLICA MEXICO, S.A. DE C.V.	70,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	PROYECTOS MEXICANOS DE ENERGIA RENOVABLE DEL ISTMO DE TEHUANTEPEC, S.A. DE C.V.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SC CARPATIA ENERGIA EOLICA SRL	90,000	-

GRUPO EMPRESARIAL ENHOL, S.L.	GENERACJA WIATROWA POLSKA SP Z O.O.	87,900	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA SUVOROVO AD	51,730	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA BULGARIA EAD	51,730	-
GRUPO EMPRESARIAL ENHOL, S.L.	EUROPROJECT BULGARIA OOD	21,250	-
GRUPO EMPRESARIAL ENHOL, S.L.	INVER BULGARIA EOOD	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	PERU ENERGIA RENOVABLE, S.A.	93,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SC GENERACION EOLICA DACIA	87,900	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA SLOVENSKO, A.S.	70,320	-
GRUPO EMPRESARIAL ENHOL, S.L.	NAVARRA INVEST, A.S.	70,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA POLSKA, SP Z O.O.	87,900	-
GRUPO EMPRESARIAL ENHOL, S.L.	CENTRAL EOLICA PAMPA DE MALASPINA, S.A.	51,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA PUNTA CHOME, S.A.	96,550	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA CAMARICO, S.A.	96,550	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA VIENTO DEL HIERRO, S.A.	89,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	AGUAS VIVAS ALLIPEN TACURA, S.A.	76,950	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA DEL NORTE, S.A.	89,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA MAR BRAVA, S.A.	87,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	ENHOL CHILE, SPA.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	ENERGIA RENOVABLE DEL BÍO BÍO, S.A.	96,290	-
GRUPO EMPRESARIAL ENHOL, S.L.	WIND RESOURCES AMERICA CORP.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	ELECTRA DE MALVANA, S.A.	32,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SISTEMAS ENERGETICOS MONCAYO, S.A.	25,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SISTEMAS ENERGETICOS LA JIMENA, S.A.	40,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SISTEMAS ENERGETICOS SIERRA DE COSTANAZO, S.A.	40,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SISTEMAS ENERGETICOS QUIÑONERIA, S.A.	40,000	-

GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA DEL EBRO, S.A.U.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	SISTEMAS ENERGETICOS TORRALBA, S.A.	40,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	ASTURIANA DE EOLICA, S.A.	80,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	PROYECTOS EOLICOS DE GALICIA, S.L.	55,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA MONTES DE CIERZO, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA NAVARRA, S.L.U.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA CABANILLAS, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA CAPARROSO, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA LA BANDERA, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	GENERACIÓN EÓLICA INTERNACIONAL, S.L.	87,900	-
GRUPO EMPRESARIAL ENHOL, S.L.	TECNOLOGÍA ENERGIA RECUPERADA DE NAVARRA, S.L.	25,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	LDV CASARES, S.L.	75,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	CRAQUENER, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	LDV CORTIJO DE GUERRA, S.L.	75,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	TRANSFORMACIÓN ENERGÍA SOSTENIBLE, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	NEW ENERGY SOURCES HOLDING, S.L.	88,310	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA DEL ROMERAL	43,950	-
GRUPO EMPRESARIAL ENHOL, S.L.	RECURSOS EOLICOS DE ARAGON, S.L.	48,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	INVERAVENTE GESTION DE INVERSIONES, S.L.	50,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	LDV SIERRA DE ARCAS, S.L.	66,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	LDV CERRO CORTIJO DE GUERRA, S.L.U.	75,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	TERMOSOLAR LEBRIJA, S.L.U.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	HIDROENHOL, S.L.U.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	ENERGÍAS RENOVABLES DE AMÉRICA, S.L.U.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	ENERGÍAS ALTERNATIVAS DE MÉXICO, S.L.U.	100,000	-

GRUPO EMPRESARIAL ENHOL, S.L.	LUZ DE VIENTO, S.L.	75,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	CYCLONE POWER GROUP, S.L.U.	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA LA FORADADA, S.L.	78,010	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA VALTOMÁS, S.L.	78,010	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA LA CANTERA	78,010	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA ERLA, S.A.	49,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	INNOVACIÓN VERDE INVER, S.L. UNIPERSONAL	100,000	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA BLACK SEA OOD	60,860	-
GRUPO EMPRESARIAL ENHOL, S.L.	EOLICA DANUBIO OOD	60,860	-
BCN GODIA, S.L.	ROTASOL ENERGY, S.L.	39,500	-
COMSA EMTE MEDIO AMBIENTE, S.L.	TFM ENERGIA SOLAR FOTOVOLTAICA, S.A.	75,280	DIRECTOR
COMSA EMTE MEDIO AMBIENTE, S.L.	SPT RENOVABLE, S.L.U.	100,000	-
COMSA EMTE MEDIO AMBIENTE, S.L.	VALORACIÓN ENERGÉTICA DE GAS DE VERTEDERO, S.L.	50,000	DIRECTOR
COMSA EMTE MEDIO AMBIENTE, S.L.	COMSA EMTE ENERGIAS RENOVABLES, S.L.	100,00	-
CORPORACIÓN CAJA DE GRANADA, S.L.U.	EOLICA DEL ZENETE, S.L.	42,990	-
CORPORACIÓN CAJA DE GRANADA, S.L.U.	ENERGIA ORIENTAL, S.L.	61,180	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	GENERACJA WIATROWA POLSKA SP Z O.O.	87,900	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA SUVOROVO AD	51,730	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA BULGARIA EAD	51,730	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	PERU ENERGIA RENOVABLE, S.A.	93,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SC GENERACION EOLICA DACIA	87,900	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA SLOVENSKO, A.S.	70,320	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	NAVARRA INVEST, A.S.	70,000	-

ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA POLSKA, SP Z O.O.	87,900	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	CENTRAL EOLICA PAMPA DE MALASPINA, S.A.	51,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA PUNTA CHOME, S.A.	96,550	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA CAMARICO, S.A.	96,550	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA VIENTO DEL HIERRO, S.A.	89,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	AGUAS VIVAS ALLIPEN TACURA, S.A.	76,950	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA DEL NORTE, S.A.	89,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA MAR BRAVA, S.A.	87,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ENHOL CHILE, SPA.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ENERGIA RENOVABLE DEL BÍO BÍO, S.A.	96,290	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	WIND RESOURCES AMERICA CORP.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ELECTRA DE MALVANA, S.A.	32,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SISTEMAS ENERGETICOS MONCAYO, S.A.	25,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SISTEMAS ENERGETICOS LA JIMENA, S.A.	40,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SISTEMAS ENERGETICOS SIERRA DE CONSTANZA, S.A.	40,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SISTEMAS ENERGETICOS QUIÑONERIA, S.A.	40,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA DEL EBRO, S.A.U.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SISTEMAS ENERGETICOS TORRALBA, S.A.	40,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ASTURIANA DE EOLICA, S.A.	80,000	-

ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	INVER BULGARIA, E.O.O.D.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	PROYECTO EÓLICOS DE GALICIA, S.L.	55,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EN SUSTAINABLE ENERGY, PVT. LTD.	88,310	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA NAVARRA, S.L.U.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	GENERACIÓN EÓLICA INTERNACIONAL, S.L.	87,900	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	TECNOLOGIA ENERGIA RECUPERADA DE NAVARRA, S.L.	25,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	LDV CASARES, S.L.	75,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	CRAQUENER, S.L.	50,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	LDV CORTIJO DE GUERRA, S.L.	75,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	TRANSFORMACION ENERGIA SOSTENIBLE, S.L.	50,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	NEW ENERGY SOURCES HOLDING, S.L.	88,310	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ENERGIA TERMOSOLAR ENERTOL, S.L.	50,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA DEL ROMERAL	43,950	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA LAS ERAS, S.L.	87,900	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	RECURSOS EOLICOS DE ARAGON, S.L.	48,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	INVERAVENTE GESTION DE INVERSIONES, S.L.	50,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	LDV SIERRA DE ARCAS, S.L.	49,500	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	LDV CERRO CORTIJO DE GUERRA, S.L.U	75,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	TERMOSOLAR LEBRIJA, S.L.U.	100,000	-

ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	HIDROENHOL, S.L.U.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ENERGÍAS RENOVABLES DE AMÉRICA, S.L.U.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	ENERGÍAS ALTERNATIVAS DE MÉXICO, S.L.U.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	LUZ DE VIENTO, S.L.	75,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	CYCLONE POWER GROUP, S.L.U.	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA LA FORADADA, S.L.	78,010	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA VALTOMÁS, S.L.	78,010	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA LA CANTERA	78,010	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA ERLA, S.A.	49,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	INNOVACIÓN VERDE INVER, S.L. UNIPERSONAL	100,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA BLACK SEA OOD	60,860	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EOLICA DANUBIO OOD	60,860	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	COMPAÑIA EOLICA DE TAMAULIPAS, S.A. DE C.V.	49,990	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	PROMOTORA EOLICA MEXICO, S.A. DE C.V.	70,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	PROYECTOS MEXICANOS DE ENERGIA RENOVABLE DEL ISTMO DE TEHUANTEPEC, S.A. DE C.V.	50,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	SC CARPATIA ENERGIA EOLICA SRL	90,000	-
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	EN WIND ALTERNATIVE ENERGY PVT. LTD.	88,310	-
Mr IGNACIO GARCÍA-NIETO PORTABELLA	ROTASOL ENERGY, S.L.	5,000	DIRECTOR

B.1.41 Indicate and, where applicable, provide details of whether there is a procedure whereby Directors can have external assessment:

YES

Details of the procedure

Although it is true that there is no formal procedure regulated by the internal regulations of the Company by virtue of which the directors can avail themselves of external advisory and consulting services, there is, however, an unwritten procedure that is well-known by the members of the Board of Directors.

That is why any member of the Board of Directors can request the hiring of external advisors, the cost to be borne by the Company, in order to exercise his duties, provided that said advice concerns questions of certain importance and complexity that arise in the undertaking of his remit.

The aforementioned procedure consists in asking for the external advice that the director believes necessary, through the Chairman or the Secretary of the Board of Directors or the General Manager of the company, who will submit this request to the Board of Directors or the respective delegated committee for their decision.

Furthermore, this practice has been extended to any member of the delegated committees and executive officers of the company.

B.1.42 Indicate and, where applicable, provide details of whether there is a procedure whereby Directors can have the information necessary to prepare the meetings of the Boards of Directors with sufficient time:

YES

Details of the procedure

According to article 5 of the Regulations of the Board of Directors,

The Board shall meet at least once every 3 months to discuss the issues relating to the operations of the company, and, in any case, the different points of the proposed agenda.

In accordance with the articles of association, the Board shall meet provided that it is called by its Chairman, either on his own initiative or at the behest of two or more Directors.

The Chairman shall set the agenda for the meetings of the Board, although one third of the Directors subject to one day's notice shall be entitled to include points on the agenda that they consider pertinent.

The Chairman shall be entitled to confer upon any Director the power to call a meeting of the Board and set the agenda of the meetings.

The call for each meeting of the Board, which will include the agenda, will be sent to each Director by any written means at least 48 hours in advance of the date indicated for the meeting.

In an emergency, the Chairman shall be entitled to call a meeting of the Board, even by telephone, without having to respect the minimum notice period, although the emergency must be perceived by the majority of the attendees at the beginning of the meeting.

The Board shall meet in ordinary session at its registered office, although it shall also be entitled to hold its meetings in any other place indicated in the call.

Furthermore, it shall be entitled to hold the meetings in different rooms simultaneously, provided that the inter-activity and inter-communication between them in real time is assured.

B.1.43 Indicate and, where applicable, give details of whether or not the Company has laid down rules that oblige the Directors to report and, in cases that damage the Company's credit and reputation, resign:

YES

Explain the rules

According to article 11 of the Regulations of the Board of Directors,

The Directors shall be removed from office after the mandate period for which they were appointed has expired, as well in the other cases in conformity with current applicable legislation and the articles of association. They must tender their resignation to the Board and formalise the respective removal whenever they are found to be in situations of incompatibility or legally barred and whenever the Board resolves that the Director has seriously infringed his duties.

B.1.44 Indicate whether or not any member of the Board of Directors has informed the Company that he/she has been prosecuted or hearings against him/her have been opened for any of the offences laid down in Article 124 of the Spanish Companies Act:

NO

Indicate whether or not the Board of Directors has analysed the case. If the answer is affirmative, give a reasoned explanation of the decision taken as to whether or not the Director remains in his/her post.

NO

Decision taken	Reasoned explanation

B.2 Committees of the Board of Directors

B.2.1 Provide details of all the committees of the Board of Directors and their members:

AUDIT COMMITTEE

Name	Position	Type
Mr ESTEBAN SARROCA PUNSOLA	CHAIRMAN	INDEPENDENT
Mr IGNACIO GARCÍA-NIETO PORTABELLA	BOARD MEMBER	INDEPENDENT
MYTAROS B.V.	BOARD MEMBER	SIGNIFICANT SHARE-HOLDER

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Type
Mr ENRIQUE LACALLE COLL	CHAIRMAN	INDEPENDENT
BCN GODIA, S.L.	BOARD MEMBER	SIGNIFICANT SHARE-HOLDER
Mr ESTEBAN SARROCA PUNSOLA	BOARD MEMBER	INDEPENDENT

EXECUTIVE COMMITTEE

Name	Position	Type
Mr JOSE MARIA ROGER EZPELETA	CHAIRMAN	EXECUTIVE
GRUPO EMPRESARIAL ENHOL, S.L.	VICE-CHAIRMAN	EXECUTIVE
ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL	BOARD MEMBER	EXECUTIVE
COMSA EMTE MEDIO AMBIENTE, S.L.	BOARD MEMBER	EXECUTIVE

B.2.2 Specify whether the Audit Committee is responsible for the following:

Supervising the preparation process and integrity of the financial information related to the Company and, where applicable, the Group, reviewing compliance with the standard requirements, the appropriate definition of the consolidation perimeter and the correct application of the bookkeeping criteria.	YES
Regularly reviewing the internal control and risk management systems so that the main risks can be identified, processed and appropriately publicised.	YES
Ensuring the independence and effectiveness of the internal audit duty; propose the selection, appointment, re-election and dismissal of the person in charge of the internal audit service; forward the budget for this service; receive periodic information on its activities, and verify that senior management considers the conclusions and recommendations in its reports.	YES
Setting up and supervising a mechanism that enables employees to communicate any significant irregularities, especially those related to finance and bookkeeping, and to do so in a confidential manner.	NO
Raising the selection, appointment, re-election and substitution proposals concerning the external auditor to the Board, as well as the terms and conditions of his/her contract.	YES
Likewise receiving information from the external auditor on the audit plan and the results of carrying it out and checking that senior management take its recommendations into account	YES
Guaranteeing the independence of the external auditor.	YES
In the event of groups, to see that the group auditor accepts liability for the audits of the companies that make up the group.	YES

B.2.3 Describe the organisational and operational rules and the responsibilities attributable to each of the Board's committees.

Committee name

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief outline

On 5 June 2007 an appointments and remuneration committee was set up as per the Unified Code of Good Governance, whose regulations pursuant to the same have yet to be formulated by the board of directors

Committee name

EXECUTIVE COMMITTEE

Brief outline

Article 20 of the Articles of Association stipulates that:

The Board of Directors shall be entitled to appoint one or more Chief Executive Officers or an Executive Committee in the form and with the powers that can be legally delegated. If these powers are not limited, it is understood that the Chief Executive Officers shall be entitled to exercise all the powers of the Board of Directors, except those that cannot be delegated by law.

Furthermore, article 7o of the Regulations of the Board of Directors, regarding the Committees of the Board of Directors, stipulates that:

7.1. Executive Committee

An Executive Committee can be constituted in order to improve compliance with the duties of the Board. The composition of the Executive Committee shall reasonably reflect the structure of the Board and respect the balance established between the different types of Directors.

It will be made up of a minimum of 3 and a maximum of 6 Directors, and will meet at least every 3 months. The appointment of its members will require the favourable vote of at least two thirds of the members of the Board. The Chairman and Secretary of the Board shall undertake the duties of Chairman and Secretary of the Committee.

The powers of the Executive Committee are:

- To exercise the duties relating to the control of the management of the company.
- To study and propose the main lines that define the business strategy and supervise their execution, with special emphasis on actions of diversification.
- To deliberate on and inform, in order to bring the following matters to the Board:
 - Budgets of the company, with a breakdown of the forecasts corresponding to each business line.
 - Investments and alliances or relevant resolutions.
 - Financial operations.

In the judgement of the Chairman or the majority of the members of the Executive Committee, the resolutions whose relevance does so advise shall be submitted for ratification thereafter to the Board.

Committee name

AUDIT COMMITTEE

Brief outline

Article 20 b of the Articles of Association of the company stipulates that:

The Board of Directors shall create a permanent Audit Committee, which shall be made up of a minimum of three members and a maximum of five, appointed by the Board of Directors itself from amongst its members with a majority of non-Executive Directors. A Chairman shall be elected from amongst the members of the Audit Committee, who must be a non-Executive Director.

The members of the Audit Committee shall exercise their office for a maximum period of 4 years, and can be re-elected. The office of chairman shall be exercised for a maximum period of 4 years, and in order to be re-elected at least one year must lapse between their removal and their re-election as a member of the Committee.

The powers of the Audit Committee, in any case, shall be as follows:

- To inform the General Meeting of Shareholders on issues that are raised by the shareholders in the areas of their remit.
- To propose to the Board of Directors, to be submitted to the General Meeting of Shareholders, the appointment of the accounts auditors of the company.
- To supervise the internal auditing services, if such a body exists in the company.
- To ascertain the financial reporting process and the internal control systems related to the relevant risks faced by the company.

- To receive information from the auditors on the issues that may put their independence in jeopardy, which are related to the accounts auditing process, and, in general, any other issues that are contemplated in auditing legislation and in the technical auditing standards in force at any time.
- To oversee compliance with the codes of conduct and good governance of the company, and, especially, the legal provisions in force in those areas.

The Audit Committee shall meet at least twice per year, once per semester, and, in any case, as often as deemed necessary by the Chairman or at the behest of one half of its members.

A meeting of the Audit Committee shall be valid when there are at least half plus one of its members present or represented and it shall adopt its resolutions by a majority vote of its members present or represented. In the event of a tie, the Chairman shall cast the deciding ballot.

The Audit Committee shall submit to the approval of the Board of Directors a report of its activities during the fiscal year that shall be submitted to the shareholders and investors thereafter.

The Board of Directors shall be entitled to lay down the above mentioned Regulations as a whole for the Audit Committee, fostering in any case its functional independence.

Furthermore, article 7.2 of the Regulations of the Board of Directors establishes the following:

7.2. Audit Committee

The Board of Directors shall create a permanent Audit Committee that will be made up of a minimum of 3 and a maximum of 5 Directors from amongst its members with a majority of non-Executive Directors. A Chairman shall be elected from amongst the non-Executive Members of this Committee.

The members of the Audit Committee shall exercise their mandate for a maximum period of 4 years and can be re-elected. The office of Chairman shall be undertaken for a maximum of 4 years. Re-election shall require the lapse of at least one year as from the date of removal, without prejudice of re-election as member of the Committee.

The powers of the Audit Committee, in any case, shall be:

To report to the General Meeting of Shareholders on the matters raised thereat which relate to its powers.

To propose to the Board of Directors, for submission to the General Meeting of Shareholders, the appointment of the accounts auditors.

To oversee the internal auditing services should such a body exist in the company.

To ascertain the financial reporting process and the internal control systems related to the relevant risks faced by the company.

To receive information from the accounts auditors on the matters that could put their independence in jeopardy, which are related to the accounting auditing process, and, in general, on any other matters that are laid down under auditing legislation and the technical auditing standards in force at any time.

To oversee compliance with the codes of conduct and good governance of the company, and, especially, the legal provisions regulating such matters.

The Audit Committee shall meet at least twice per year, once per semester, and, in any case, as often as deemed necessary by the Chairman or at the behest of one half of its members.

A meeting of the Audit Committee shall be valid when there are at least half plus one of its members present or represented and it shall adopt its resolutions by a majority vote of its members present or represented. In the event of a tie, the Chairman shall cast the deciding ballot.

The Audit Committee shall submit to the approval of the Board of Directors a report of its activities during the fiscal year that shall be submitted to the shareholders and investors thereafter.

The Board of Directors shall be entitled to lay down the above mentioned Regulations as a whole for the Audit Committee, fostering in any case its functional independence.

B.2.4 Indicate the faculties for advising, consultancy and, if relevant, appointments, for each of the committees:

Committee name

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief outline

See epigraph: B.2.3.

Committee name

EXECUTIVE COMMITTEE

Brief outline

See epigraph: B.2.3.

Committee name

AUDIT COMMITTEE

Brief outline

See epigraph: B.2.3.

B.2.5 Indicate, where applicable, the existence of Committee Regulations, the location at which they are available for consultation, and the modifications that have been made during the financial year. Also indicate whether any annual report on each Committee's activities has been voluntarily drafted.

Committee name

EXECUTIVE COMMITTEE

Brief outline:

As per article 20 of the Articles of Association and article 7.1 of the Regulations of the Board of Directors, the Executive Committee can exercise all the powers of the Board of Directors, except those which under law or the articles of association cannot be delegated, to wit, the duties referring to the control of company management and deliberation or reporting to the Board on investments and relevant alliances or agreements. The Articles of Association and the Regulations of the Board of Directors are posted on the Company's website.

Committee name

AUDIT COMMITTEE

Brief outline:

The composition, organisation and competencies of the committees of the Board are regulated by the Articles of Association and the Regulations of the Board of directors, which are permanently posted on the Company's website (www.fersa.es) and on the website of the CNMV.

B.2.6 Indicate whether the makeup of the Executive Committee reflects the participation in the Board by the various Directors depending on status:

YES

C. RELATED-PARTY TRANSACTIONS

C.1 Indicate whether the plenary Board has reserved the power to approve the operations that the company carries out with Directors, with major shareholders or shareholders represented on the Board, or with individuals related to these, following a favourable report from the Audit Committee or any other Committee commissioned with this duty:

YES

C.2 Detail the significant operations that imply a transferral of resources or obligations between the Company and entities within its Group and the significant shareholders of the Company:

Name or registered name of the significant shareholder	Name or registered name of the group company or entity	Nature of the relationship	Type of operation	Amounts (Thousand Euros)
CAJA GENERAL DE AHORROS DE GRANADA	PARQUE EÓLICO HINOJAL, S.L.	financial (current account)	Services rendered	1,890
CAJA GENERAL DE AHORROS DE GRANADA	PARQUE EÓLICO HINOJAL, S.L.	mercantile	Financing agreements and loans and capital contributions (borrower)	6,189

C.3 Detail the significant operations that imply a transferral of resources or obligations between the Company or entities within its Group and the Administrators or Executives of the Company:

C.4 Detail the important operations carried out by the Company with other companies belonging to the same Group, provided that they are not eliminated in the process of drafting the consolidated financial statements and are not part of the Company's usual trading in terms of its purpose and conditions:

C.5 Indicate whether the members of the Board of Directors have been affected by any conflicts of interest over the year, in accordance with the provisions set forth in Article 127.3 of the Public Limited Companies Act.

NO

C.6 Detail the mechanisms established to detect, determine and resolve possible conflicts of interest between the Company and/or the Group, and its Directors, Executives or significant shareholders.

Article 13 of the Regulations of the Board of Directors stipulate the mechanisms for detecting, determining and, as the case may be, resolving the possible conflicts of interest between the company and/or its group, and its directors, executives or significant shareholders.

Article 13.- Business opportunity and conflict of interest

The administrators shall not be entitled, for their own benefit or that of related parties, undertake investments or any other transactions connected to the assets of the company, of which they have had knowledge stemming from their office, provided that the investment or transaction has been offered to the company or the company has an interest in it and has not waived said investment or transaction without the intervention of the administrator. Neither shall they be entitled to use the name of the company nor invoke their office as company administrators in order to undertake transactions on their own behalf or that of related persons.

Persons related to the administrator comprise the spouse, or a person affectively analogous; the ascendants, descendants and siblings of the administrator or of the latter's spouse; the spouses of the ascendants, descendants and siblings of the administrator; and the companies in which the administrator, personally or through an intermediary, meet the requirements to qualify as such under article 4 of the Securities Exchange Act, Law 24/1998&28 July.

The administrator that is a legal person comprises the persons related to the shareholders, who, in respect of the administrator, meet the requirements for qualifying as such under article 4 of the Spanish Securities Exchange Act; the administrators, *de jure* or *de facto*, the official receivers and the powers of attorney holding the general powers of a legal person administrator; the companies that form part of the same group, as defined by article 4 of the Spanish Securities Exchange Act; and the persons who in respect of the representative of the legal person administrator qualify as persons related to the administrators in conformity with the provisions of the legal provision mentioned above.

Situations of conflict of interest involving the administrators will be reported to the Board of Directors, and they shall abstain from intervening in the transaction to which the conflict refers.

The administrators shall report their interest in the share capital of a company with the identical, analogous or complementary activity as that which constitutes the corporate purposes of the company, as well as the offices and duties they may hold or exercise on their own behalf or as employees in companies with the identical, analogous or complementary activity as that which constitutes the corporate purposes of the company.

C.7 Is more than one Group Company listed on the stock markets in Spain?

NO

Identify the subsidiary companies that are listed in Spain:

D. RISK CONTROL SYSTEMS

D.1 General description of the risk policies of the Company and/or the Group, detailing and assessing the risks covered by the system, together with justification for the adaptation of the system to the profile of each risk type.

At this time there are no express regulations on the risk management and control policies of the Company, nor is there a governing body that is exclusively competent in these policies.

However, in this sense, it is the Board of Directors, as well as the Audit Committee, through external and internal advisors, which exercise the management and control of the risks to which the Company is exposed.

The Fersa Group, in general, considers Risk to be any future event or contingency that could hamper the Company's ability to successfully meet its business objectives.

D.2 Indicate whether or not any of the various types of risk (operative, technological, financial, legal, reputational, fiscal, etc.) that affect the Company and/or its Group have arisen during the year:

NO

If the answer is Yes, indicate the circumstances that caused them and whether or not the established control systems worked.

D.3 Indicate whether there is a committee or governing body that is responsible for establishing and supervising these control devices:

NO

If the answer is Yes, describe its functions.

D.4 Identification and description of the procedures for compliance with the different Regulations affecting the Company and/or its Group.

At this time there is no express regulation within the Company.

E. GENERAL MEETING

E.1 Indicate and, where applicable, give details of whether or not there are differences between the minimums system laid down in the Spanish Companies Act (LSA) and the quorum for constituting the General Meeting of Shareholders.

NO

	% of quorum different to the provisions set forth in Article 102 LSA for general cases	% of quorum different to the provisions set forth in Article 103 LSA for these special cases set forth in article 103
Quorum required for the first call to meeting	0	0
Quorum required for the second call to meeting	0	0

E.2 Indicate and, where applicable, give details of whether or not there are differences between the system laid down in the Spanish Companies Act and the system for adopting corporate agreements:

NO

Describe how the system differs from that of the LSA.

E.3 List the shareholders' rights in relation to General Meetings which differ from those of the LSA.

In conformity with the Law, article 3 of the Regulations of the General Meeting of Shareholders, this meeting shall be called by means of an announcement in the Official Gazette of the Mercantile Registry and in one of the major circulation daily newspapers of the province, at least 15 days prior to the date set, except in the event of mergers or de-mergers, in which case the call shall be made 1 month in advance.

The announcement of the call shall be submitted by the company to the Spanish Securities Exchange Commission (CNMV) and to any other governing bodies of markets on which the company's shares are traded, in accordance with legislation in force in the respective markets.

The announcement of the call shall include the date of the meeting on first call and all the matters to be discussed, indicating, as the case may be, the points on the agenda that have been included at the behest of the legitimate shareholders. Furthermore, the date on which, as the case may be, the General Meeting of Shareholders shall meet on second call may also be included, and at least 24 hours must lapse between the first and second call. If the General Meeting of Shareholders, duly called, is not held on first call, and if the announcement does not include the date of the second call, the latter must be announced in compliance with the same advertising-related requirements as the first call, within the 15 days following the date of the General Meeting of Shareholders not held and subject to 8 days notice prior to the date of the meeting.

The text of the announcement will also be posted on the company's website.

As from the date of the announcement of the call, any shareholder shall be entitled to obtain immediately and free of charge, at the registered office of the company, the annual accounts, the proposed distribution of net income, the directors' report and the auditor's report.

Likewise, such information will be placed at the disposal of the shareholders by being posted on the company's website.

As from the date of the call of the Ordinary and Extraordinary General Meeting of Shareholders, the shareholders shall be entitled to examine at the registered office of the company, the proposed resolutions, the reports and other documentation, the availability of which is required under Law and the Articles of Association. In the event that it is legally required, the shareholders shall be entitled also to request that the complete text of the documents made available to them at said offices or delivered to them free of charge.

Until the seventh day prior to the date set for the General Meeting of Shareholders, the shareholders shall be entitled to request in writing the reports and clarifications that they deem necessary on the matters on the agenda. The administrators must provide said information, unless the Chairman of the Board of Directors considers that this could damage the corporate interests of the company; said exception however shall not apply if the aforementioned request for reports or clarification has been made by at least one fourth of the share capital.

Notwithstanding the above, the shareholders, as from the call for the General Meeting of Shareholders, shall be entitled to make the comments they deem necessary on the points of the proposed agenda. The General Meeting of Shareholders shall not be notified of said comments, without prejudice to the fact that the Board of

Directors can bear them in mind and the right of the shareholder to intervene in said deliberations of the General Meeting of Shareholders in relation to its agenda.

In the same sense, article 7 of the Regulations of the General Meeting of Shareholders sets down the regime for publicising the resolutions, indicating the following:

Article 7.- Publicising the resolutions

Irrespective of the legal and regulatory provisions required in each case, the shareholders shall be entitled to be informed of the resolutions adopted by the General Meeting of Shareholders through the company's website on which their entire text shall be posted.

Furthermore, the resolutions that can be inscribed in registries shall be filed for their inscription in the Mercantile Registry and published in the Official Gazette of said body.

The company shall submit the text of the resolutions adopted to the Spanish Securities Exchange Commission (CNMV) and to the governing bodies of the markets on which its shares are traded, in the manner required by the regulatory regime of each market. The notification shall be made within the shortest time possible, and, in any case, for the purposes to which it has been established.

E.4 Indicate, where applicable, the measures adopted to encourage participation of the shareholders in General Meetings.

The General Meeting of Shareholders shall be called by means of an announcement in the Official Gazette of the Mercantile Registry and in one of the major circulation daily newspapers of the province, in conformity with the provisions of the Law. Furthermore, the announcement of the call shall be submitted by the company to the Spanish Securities Exchange Commission (CNMV) and to any other governing bodies of markets on which the company's shares are traded, in accordance with legislation in force in the respective markets.

The announcement of the call shall include the date of the meeting on first call and all the matters to be discussed, indicating, as the case may be, the points on the agenda that have been included at the behest of the legitimate shareholders. Furthermore, the date on which, as the case may be, the General Meeting of Shareholders shall meet on second call may also be included, and at least 24 hours must lapse between the first and second call. If the General Meeting of Shareholders, duly called, is not held on first call, and if the announcement does not include the date of the second call, the latter must be announced in compliance with the same advertising-related requirements as the first call, within the 15 days following the date of the General Meeting of Shareholders not held and subject to 8 days notice prior to the date of the meeting.

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Notwithstanding the above, the shareholders, as from the call for the General Meeting of Shareholders, shall be entitled to make the comments they deem necessary on the points of the proposed agenda. The General Meeting of Shareholders shall not be notified of said comments, without prejudice to the fact that the Board of Directors can bear them in mind and the right of the shareholder to intervene in said deliberations of the General Meeting of Shareholders in relation to its agenda.

Furthermore, under article 5 of the Regulations of the General Meeting of Shareholders, the Chairman shall call upon the shareholders who wish to intervene in the General Meeting of Shareholders to request information or put forward resolutions in relation to the points on the agenda or make any other representations for the record, subject to prior indication of their particulars and the number of shares they hold, and, as the case may be, those they represent.

The Chairman of the General Meeting of Shareholders and whomsoever he designates shall address the attendees in order to present the reports. Immediately thereafter, the Chairman shall give the floor to the attendees that have asked to intervene, subject to determination of the order in which they shall do so. The shareholders shall be entitled to, in said period of time, ask for the reports and clarifications they deem necessary on the matters on the agenda.

E.5 Indicate whether the position of Chairman of the General Meeting coincides with that of Chairman of the Board of Directors. Indicate, where applicable, the measures adopted to encourage independence and effective operation of the General Meeting:

YES

Details of measures

Through the presence of the Independent Directors in the Board of Directors, and through the Audit Committee, as well as the Appointments and Remuneration Committee.

Based on article 5 of the Regulations of the General Meeting of Shareholders, the Chairman and Secretary of the General Meeting of Shareholders shall be the Chairman and Secretary of the Board of Directors, and, failing that, the persons that the General Meeting of Shareholders elects.

The resolutions must be adopted by the favourable vote of the majority of the share capital with voting rights present or represented at the General Meeting of Shareholders, without prejudice to the reinforced quorum required for constituting the meeting and voting established by Law or under the Articles of Association.

E.6 Indicate, where applicable, the amendments made during the financial year to the General Meeting Regulations.

No modifications have been made to the Regulations of the General Meeting of Shareholders.

E.7 Indicate the attendance data of the General Meetings held during the financial year to which this report refers:

Attendance data					
Date of General Meeting	% physical presence	% represented	% remote voting		Total
			Electronic ballot	Others	
23/06/2010	32.876	35.962	0.000	0.000	68.838

E.8 Indicate briefly any decisions taken in the General Meetings held during the financial year to which this report refers, and the percentage of votes in the case of each decision.

GENERAL MEETING OF SHAREHOLDERS OF FERSA ENERGÍAS RENOVABLES, S.A.

Held on 23 June 2010

One: Examination and adoption, as the case may be, of the Annual Accounts for the year ended 31 December 2009, as well as the examination and adoption, as the case may be, of the Consolidated Annual Accounts for said year of the Fersa Energías Renovables Group.

Vote: Adopted by virtue of the following vote:

Votes in favour: (94,534,390) (99.9997% of the capital present or represented)
 Abstaining: (250) (0.0003% of the capital present or represented)

Two: Adoption, as the case may be, of the management of the Governing Body in 2009 and of the proposed distribution of net income for 2009.

Vote: Adopted by virtue of the following vote:

Votes in favour: (93,827,500) (99.2521% of the capital present or represented)
 Votes against: (706,890) (0.7478% of the capital present or represented)
 Abstaining: (250) (0.0003% of the capital present or represented)

Three: Appointment or ratification of Directors in the event of removal or resignation.

This point on the agenda was not discussed.

Four: Consultative vote on the Report of the Appointments and Remuneration Committee on remuneration policy for 2010, and years following.

Consultative adoption of the Report of the Appointments and Remuneration Committee on remuneration policy for 2010, and years following, which was provided to all the shareholders.

Vote: Adopted by virtue of the following vote:

Votes in favour: (93,684,564) (99.1008% of the capital present or represented)
 Votes against: (844,326) (0.8931% of the capital present or represented)
 Abstaining: (5,750) (0.0061% of the capital present or represented)

Five: Delegation of power to the Board of Directors, under article 153.1.b) of the Public Limited Companies Act, with the possibility of excluding preferred subscription rights, revoking the power approved by the General Meeting of Shareholders of 30 June 2009, under resolution three.

Vote: Adopted by virtue of the following vote:

Votes in favour: (93,789,450) (99.2117% of the capital present or represented)

Votes against: (745,190) (0.7883% of the capital present or represented)

Six: Authorisation given to the Board of Directors, subject to the requirements as per article 75 and following of the Public Limited Companies Act, to acquire treasury shares, voiding the authorisation conferred in resolution five of the General Meeting of Shareholders of 30 June 2009.

Vote: Adopted by virtue of the following vote:

Votes in favour: (94,530,346) (99.9955% of the capital present or represented)

Votes against: (4,294) (0.0045% of the capital present or represented)

Seven: Power given to the Board of Directors, under the general regime on the issue of bonds in accordance with the provisions of article 319 of the Regulations of the Mercantile Register, to issue, in the name of the company on one or several occasions, (i) promissory notes, debentures or bonds, and other similar fixed income securities, and preferred stakes, up to a maximum limit and under the terms and conditions laid down in the report of the directors; and (ii) debentures and/or bonds convertible and/or swappable for shares of the Company or shares of other companies, as well as warrants (options to subscribe new shares or to acquire shares in circulation of the Company or other companies) up to the maximum limit and under the terms and conditions set forth in the directors' report, expressly conferring, in the event of the issue of convertible debentures and/or bonds and warrants on new shares, the power to exclude the right of preferred subscription of shareholders. Establishing the criteria for determining the basis and types of conversion. Power given to the Board of Directors to establish the basis and types of conversion and increase capital in the amount necessary in order to carry out the conversion; and authorisation so that the Company can guarantee, within the limits mentioned above, the new issues of securities of subsidiary companies; under the express power of substitution and for a maximum term of five /5) years.

Votes in favour: (93,817,800) (99.2417% of the capital present or represented)

Votes against: (716,840) (0.7583% of the capital present or represented)

Eight: Power to notarise the resolutions for inscription in the Mercantile Register.

Vote: Adopted by virtue of the following vote:

Votes in favour: (94,534,640) (100.0000% of the capital present or represented)

Nine: Miscellaneous.

There were several interventions with respect to which no request was made for them to be recorded in the Minutes.

E.9 Indicate whether or not there is a statutory restriction to the minimum number of shares required to attend the General Meeting:

NO

Number of shares required to attend the General Meeting

E.10 Indicate and justify the Company's policies with regard to delegation of votes at the General Meeting.

The shareholders shall be entitled to be represented at the General Meeting of Shareholders by another person, by conferring such representation in writing and for each meeting. This power of proxy shall be understood notwithstanding the legal provisions in force regarding cases of familial representation and the conferral of general powers. In any case, said shareholders shall only be entitled to have one representative at the General Meeting of Shareholders.

Representation can always be revoked, and the attendance in person of the person represented at the General Meeting of Shareholders shall constitute revocation of the proxy.

In the event that the administrators of the company themselves, the custodian entities holding the share certificates or the persons responsible for the accounting entries request representation for themselves or for another party, and, in general, provided that the request is publicly filed, the document in which the proxy is presented must contain the agenda or have it appended thereto, along with the request for instructions in order to exercise the voting right.

E.11 Indicate whether the Company is aware of the institutional investors' policy of participating or not in the Company decisions:

NO

E.12 Indicate the address and means of access to corporate governance information on the website.

www.fersa.es

Shareholders and investors

Section: Corporate Governance.

F. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the Company's degree of compliance with the recommendations given in the Unified Code of Good Governance. In the event of failure to comply with any such recommendations, explain the recommendation, standards, practices or criteria in question applied by the Company.

1. The Articles of Association of listed companies should not limit the maximum number of votes that can be issued by the same shareholder or contain other restrictions that prevent the Company from being taken over through the purchase of its shares on the market.

See epigraphs: A.9, B.1.22, B.1.23 and E.1, E.2

Complies

2. When the parent company and the subsidiary are listed, they must both publicly define the following in detail:

- a) The respective areas of activity and possible business relationships between them, as well as those of the dependent listed company with the remaining group companies;
- b) The mechanisms in place to solve possible conflicts of interest that may occur.

See epigraphs: C.4 and C.7

Not applicable

3. Although it is not expressly required in mercantile legislation, they should submit the transactions that involve a modification to the Company's structure for approval by the General Meeting of Shareholders, especially the following:

- a) The transformation of listed companies into holding companies through the creation of subsidiaries or the incorporation of essential activities into dependent enterprises that hitherto had been carried out by the company itself, even though this party holds full domain over the former;
- b) The acquisition or disposal of essential operating assets, when this involves an effective modification of the corporate purpose;
- c) Operations that have the same affect as liquidation of the company.

Complies

4. The detailed proposals of the agreements to be adopted by the General Meeting of Shareholders, including the information referred to in Recommendation 28, should be published with the publication of the announcement of the call to the meeting.

Complies

5. In the General Meeting of Shareholders, the matters that are substantially independent must be voted separately so that shareholders can exercise their voting preferences separately. And the said rule should be applied, in particular:

- a) To the appointment or ratification of Directors, which must be voted on separately;
- b) In the event of amendments to the Articles of Association, to each Article or group of Articles that are substantially independent.

See epigraph: E.8

Complies

6. The companies should allow the division of the vote so that the financial brokers legitimated as shareholders but acting on behalf of different clients can issue their votes in accordance with the instructions given by the said clients.

See epigraph: E.4

Complies

7. The Board should carry out its functions on the basis of a unified purpose and independence, giving the same treatment to all the shareholders and following the Company's interest, understood as maximising the Company's economic value in a sustained manner.

It should also ensure that, in its relations with the stakeholders, the company observes legislation and regulations; fulfils its duties and contracts in good faith; observes the uses and good practices of the sectors and territories in which it operates; and observes the additional principles of social responsibility it has voluntarily accepted.

Complies

8. As the core of its mission, the Board should adopt the Company's strategy and the organisation required for its implementation, as well as supervising and controlling the management's fulfilment of targets and observance of the Company's corporate interest and purpose. Accordingly, in its plenary session, the Board reserves the competency for adopting the following:

a) The general policies and strategies of the company, and more specifically:

- i) The strategic or business plan, as well as the management aims and annual budgets;
- ii) The investment and finance policy;
- iii) The definition of the group companies structure;
- iv) The corporate governance policy;
- v) The corporate social responsibility policy;
- vi) The remuneration policies and assessment of performance of senior management;
- vii) The policy for control and management of risks, as well as periodic monitoring of the internal information and control systems;
- viii) The dividend policy, as well as the treasury stock policy, with special focus on their limits.

See epigraphs: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions:

- i) At the proposal of the chief executive of the company, the appointment and possible resignation of senior executives, as well as their compensation clauses.

See epigraph: B.1.14

- ii) The remuneration of Directors, as well as, in the case of executives, the additional remuneration through their executive duties and other conditions that their contracts must include.

See epigraph: B.1.14

- iii) The financial information that must be published periodically, given its status as a listed company.
- iv) All kinds of investment or operations which, due to the amount or special characteristics, are of a strategic nature, unless approval falls to the General Meeting;
- v) The creation or acquisition of shareholdings in special purpose enterprises or enterprises with registered offices in countries or territories considered as tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could hamper the Group's transparency.

c) The operations that the company carries out with Directors, with major shareholders or shareholders represented on the Board, or with related parties ("related-party transactions").

However, this authorisation by the Board should not be considered necessary for the related-party transactions that meet the following three conditions:

1. They are carried out by virtue of contracts whose terms and conditions are standardised and applied generally to many clients;
2. They are carried out at prices or rates generally established by the person acting as the supplier of the good or service in question;
3. Their amount does not exceed 1% of the Company's annual revenue.

It is recommended that the Board should approve the associated transactions after a favourable report has been issued by the Audit Committee or, where applicable, any other party to which that function has been commissioned; and, besides not exercising or delegating their right to vote, the members of the Board who are affected should leave the meeting room while the Board deliberates and votes on the matter.

It is recommended that it should not be possible to delegate the competencies attributed to the Board here, except for those mentioned in paragraphs b) and c), which may be adopted in emergencies by the Executive Committee and subsequently ratified by the Board in its plenary session.

See epigraphs: C.1 and C.6

Complies partially

In relation to b i) and ii), the Board of Directors reserves the right to adopt the decisions described in the aforementioned points, even if there is no proposal from chief executive.

However, it is the Appointments and Remuneration Committee of the Company, made up of two independent directors and one board member appointed by a significant shareholder, plus the non-member secretary, which is responsible for studying and proposing to the Board of Directors the appointment and eventual removal of the senior managers, their severance clauses and remuneration.

Once the proposal has been tabled by the Appointments and Remuneration Committee, it is the Board of Directors that will finally adopt it, as the case may be.

Thus, article 21 section b) of the Articles of Association, stipulates that the powers of the Board of Directors, amongst others, are as follows:

'To hire, appoint, direct and inspect, control and remove employees, General Managers [...] and assign to them the remuneration considered suitable, determining their respective powers and emoluments and working conditions.'

At the same time, the remuneration systems for the directors is established under the Regulations of the Board, under article 14, and in the Articles of Association, article 17b (both precepts have the same wording). Said text is quoted in section B.1.14 of the IAGC, to which we refer.

With regard to control of risks in the company, there is no express regulation of this control, nor is there a governing body that is exclusively competent for these policies.

- 9) The Board should have the necessary size for effective, participatory operation, which means that it should not have fewer than five or more than fifteen members.

See epigraph: B.1.1

Complies

10. The external Proprietary and Independent Directors should represent a broad majority of the Board and the number of Executive Directors should be the required minimum, taking into account the complexity of the corporate group and the percentage of participation of the Executive Directors in the Company's capital.

See epigraphs: A.2, A.3, B.1.3 and B.1.14

Complies

11. If there is an external Director who cannot be considered as either a proprietary or independent, the Company should explain the said circumstance and his/her association either with the Company or its executives, as well as with its shareholders.

See epigraph: B.1.3

Not applicable

12. Among the external Directors, the ratio between the number of Proprietary Directors and the Independent Directors should reflect the proportion between the Company's share capital represented by the Proprietary Directors and the rest of the share capital.

This criterion of strict proportionality could be reduced as the weight of the Proprietary Directors is greater than that which would correspond to the total percentage of the share capital they represent:

1. In companies with high capitalisation in which the shareholdings legally considered as majority are very few or non-existent, but there are shareholders with stock that has an absolute high value.
2. When these are companies that do not have a plurality of shareholders represented on the Board, and there are no related-parties between the shareholders.

See epigraphs: B.1.3, A.2 and A.3

Complies

13. The number of Independent Directors should represent at least one third of the total number of Directors.

See epigraph: B.1.3

Explain

The number of independent directors of the Board of Directors makes up one quarter of the total number of directors. However, the Company will try to come into line with this recommendation in the near future.

14. The character of each Director must be declared by the Board before the General Meeting of Shareholders, which shall effect or ratify their appointment, an appointment that shall be confirmed or reviewed annually, as appropriate, in the Annual Corporate Governance Report, with prior confirmation by the Appointments Committee. The said report should also explain the reasons why Proprietary Directors have been appointed at the request of shareholders whose holding is less than 5% of the share capital; and reasons should be given for the rejection, where applicable, of formal requests for presence on the Board from shareholders whose holding is equal to or higher than that of others at whose request Proprietary Directors have been appointed.

See epigraphs: B.1.3 and B.1.4

Complies

15. That when the number of female Directors is very low or non-existent, the Board explains the reasons and the initiatives adopted to correct this situation; and that, more specifically, the Appointments Committee ensures that when new seats on the Board are available:
- a) The selection procedures are not affected by an implicit bias that prevents female Directors from being selected;
 - b) The company purposefully seeks women that satisfy the professional profile, including among potential candidates.

See epigraphs: B.1.2, B.1.27 and B.2.3

Explain

We believe that in light of the current structure of the company, we have not found any female candidates. However, we are carrying out systematic actions to include a female Director on the Governing Body of the company.

16. That the Chairman, as the person responsible for the effective performance of the Board, ensures that the Directors receive sufficient information beforehand; stimulates the debate and active participation of Directors during the Board Sessions, safeguarding their right to take their own position and express their own opinion; and organises and coordinates the periodic assessment of the Board together with the chairmen of the relevant Committees as well as, if appropriate, that of the Managing Director or chief executive.

See epigraph: B.1.42

Complies

17. When the Chairman of the Board is also the Company's chief executive, one of the Independent Directors should be empowered to request the call to meeting of the Board or the inclusion of new matters on the agenda; coordinate and echo the concerns of the external Directors; and direct the Board's assessment of its Chairman.

See epigraph: B.1.21

Not applicable

18. The Secretary of the Board should make particularly sure that the Board's actions:

- a) Comply with the content and spirit of the laws and their regulations, including those approved by the regulating bodies;
- b) Are in accordance with the Articles of Association of the company and with the Meeting Rules and Regulations, those of the Board and any others that the company has;
- c) Take into consideration recommendations concerning good governance set forth in this Unified Code which the company has accepted.

And, in order to safeguard the Secretary's independence, impartiality and professionalism, his/her appointment and dismissal must be reported by the Appointments Committee and approved by the Board in its plenary session; and the said appointment and dismissal procedure must be laid down in the Board Regulations.

See epigraph: B.1.34

Complies

19. The Board should meet as regularly as necessary to carry out its functions effectively, following the schedule of dates and business laid down at the beginning of the year, where each Director may propose other business for the agenda not considered initially.

See epigraph: B.1.29

Complies

20. The non-attendance of the Directors should be reduced to essential cases and quantified in the Annual Corporate governance Report. And if representation is essential, it must be designated with instructions.

See epigraphs: B.1.28 and B.1.30

Complies

21. When the Directors or the Secretary express concern for any proposal or, in the case of the Directors, for the Company's progress and the said concern is not resolved by the Board, it should be recorded in the minutes of the meeting at the request of the person expressing the said concern.

Complies

22. In its plenary session, the Board should assess the following once a year:

- a) The quality and effectiveness of the Board's performance;
- b) Based on the report prepared by the Appointments Committee, the performance of the Chairman of the Board and the chief executive of the company;
- c) The operation of its Committees, based on the report prepared by these.

See epigraph: B.1.19

Complies

23. All the Directors should be able to exercise the right to gather the additional information they consider necessary on business that falls within the competency of the Board. And, unless the Articles of Association or the Regulations of the Board lay down otherwise, they should address their requirement to the Chairman or Secretary of the Board.

See epigraph: B.1.42

Complies

24. All the Directors have the right to obtain the advice they need for the fulfilment of their functions from the Company. The Company should lay down the appropriate ways of exercising this right, which, under special circumstances, could include external advisory services on the Company's account.

See epigraph: B.1.41

Complies

25. The Company should establish a guidance programme to provide new Directors with rapid and sufficient knowledge of the Company, as well as its rules on corporate governance. And that they also offer Directors updated awareness programmes whenever circumstances deem such action advisable.

Complies

26. The Company should require the Directors to devote the time and effort necessary for carrying out their function effectively and, consequently:

- a) That the Directors notify the Appointments Committee of the other professional obligations in case these could interfere with the dedication required;
- b) That the companies establish rules on the number of Boards of which their Directors can form part.

See epigraphs: B.1.8, B.1.9 and B.1.17

Complies partially

The Company requires that the directors devote the time and effort necessary to undertake their offices effectively. However, there is no regulation on the number of boards on which the directors may sit.

27. The proposal for the appointment or re-election of Directors raised by the Board to the General Meeting of Shareholders, as well as their provisional appointment by co-optation, should be approved by the Board:

- a) At the proposal of the Appointments Committee, in the event of Independent Directors.
- b) Following a report from the Appointments Committee, in the event of remaining Directors.

See epigraph: B.1.2

Complies

28. The companies should publish the following information about their Directors on their website and keep the said information up-to-date:

- a) Professional and biographical profile;
- b) Other Boards of Directors to which they belong, whether or not these are listed companies;
- c) An indication of the classification of Director to which they belong, specifying, in the event of proprietary Directors, the shareholder they represent or with whom they are linked.
- d) Date of the first appointment as Director of the company, as well as subsequent appointments; and
- e) Company shares and stock options of which they are the holder.

Complies

29. The Independent Directors should not remain as such for a continued term of more than 12 years.

See epigraph: B.1.2

Complies

30. The Proprietary Directors should present their resignation when the shareholder they represent sells all his/her shares in the Company. They should also present their resignation, in the corresponding number, when the said shareholder lowers his/her shares in the Company to a level that requires a reduction in the number of his /her Proprietary Directors.

See epigraphs: A.2, A.3 and B.1.2

Complies

31. That the Board of Directors does not propose the standing down of any Independent Director prior to compliance with the statutory period for which they were appointed, unless there are good reasons observed by the Board following a report from the Appointments Committee. More specifically, justified reason shall be understood to exist when the Director has breached the duties that are inherent to their post or incurs any of the circumstances described in heading 5 of section III of definitions of this Code.

The dismissal of Independent Directors resulting from takeover bids, mergers or other similar corporate transactions that represent a change to the Company's share capital structure could be proposed when the said changes to the structure of the Board are brought about by the criterion of proportionality indicated in Recommendation 12.

See epigraphs: B.1.2, B.1.5 and B.1.26

Complies

32. The Company should establish rules that oblige the Directors to report and, where applicable, resign in cases that can damage the Company's reputation and credit and, in particular, oblige them to inform the Board of the criminal cases in which they appear as an accused party, as well as their subsequent procedural events.

If the Director is tried or a sentence is issued against him/her for the commencement of a hearing for any of the crimes laid down in Article 124 of the Spanish Companies Act, the Board should examine the case

as soon as possible and, in view of the specific circumstances, decide whether or not it is fitting for the Director to continue in his/her post. And, the Board should give a reasoned account of all the events in the Annual Corporate Governance Report.

See epigraphs: B.1.43, B.1.44

Complies

33. All the Directors should clearly express their opposition when they consider that any proposed decision submitted to the Board may be contrary to the Company's interests. And this should apply especially to the Independent Directors and other Directors not affected by the potential conflict of interest in the case of decisions that may damage the shareholders not represented on the Board.

When the Board adopts significant or reiterated decisions on which the Director has formulated serious reservations, the said Director should draw the corresponding conclusions and, if he/she decides to resign, explain the reasons in the letter referred to in the following Recommendation.

The scope of this Recommendation also includes the Secretary of the Board, even though he/she does not have the status of Director.

Complies

34. When, either due to resignation or any other reason, a Director abandons his/her post before the end of his/her mandate, he/she should explain the reasons in a letter sent to all the members of the Board. And, without prejudice to the said resignation being notified as a relevant event, the reason for the resignation should be accounted for in the Annual Corporate Governance Report.

See epigraph: B.1.5

Complies

35. The remuneration policy approved by the Board should indicate at least the following:

- a) Amount of the fixed elements, with a breakdown if applicable of the allowances for participation on the Board and its Committees and an estimate of the annual fixed remuneration to which they are entitled
- b) Variable payment, specifically including:
 - i) Classification of Directors that apply, as well as an explanation of the relative importance of the variable items with regard to the fixed items.
 - ii) Criteria for assessing results on which any rights to payment through shares, stock options or any variable component are based;
 - iii) Fundamental parameters and basis of any annual premium system (bonus) or other benefits not paid in cash; and
 - iv) An estimate of the total amount of variable payments to which the proposed remuneration plan shall lead, in accordance with the degree of compliance with the targets or hypotheses on which it is based.
- c) Key features of the complementary pensions, life-assurance policies and similar, with an estimate of the annual equivalent amount or cost.

- d) Conditions that must be included in the contracts of senior management such as executive Directors:
- i) Duration;
 - ii) Periods of notice; and
 - iii) Any other clauses concerning joining bonuses, as well as compensation or golden parachute clauses through early termination or termination of the contractual relationship between the company and the executive Director.

See epigraph: B.1.15

Complies

36. The remuneration made through shares in the company or companies in the Group, options over shares or instruments referenced to the value of the share, variable remuneration associated with the Company's performance or social security systems should be limited to the Executive Directors.

This Recommendation will not cover the provision of shares when it is conditioned to the Directors maintaining them until their resignation as a Director.

See epigraphs: A.3 and B.1.3

Complies

37. The remuneration of the external Directors must be the amount necessary for compensating the devotion, qualification and responsibility required by the post; but not so high as to compromise their independence.

Complies

38. The remuneration related to the Company's results should take into account the possible exceptions included in the external auditor's report, which may reduce the said results.

Complies

39. In the case of variable remuneration, the remuneration policies should incorporate the necessary technical precautionary measures to ensure that the said remuneration is related to the professional devotion of the beneficiaries and do not result simply from the general evolution of the markets or the Company's activity sector or other similar circumstances.

Not applicable

40. The Board should submit a report on the Directors' remuneration policy to vote at the General Meeting of Shareholders, as a separate, consultative matter on the agenda. The said report should be made available to the shareholders either separately or in any other way the Company considers appropriate.

The said report should focus particularly on the remuneration policy approved by the Board for the present year, as well as, where applicable, the policies anticipated for future years. It shall include all the matters referred to in Recommendation 35, except for circumstances that may suppose the revelation of sensitive commercial information. It shall underline the most significant changes in the said policies with regard to that applied during the past year to which the General Meeting refers. It shall also include an overall summary of how the remuneration policy was applied during the past year.

The Board should also report on the role played by the salaries committee in the preparation of the remuneration policy and, if external consultancy services are used, on the identity of the external consultants providing the service.

See epigraph: B.1.16

Complies

41. The report should give details of the individual remuneration paid to Directors during the year, and include:

- a) The individualised breakdown of payment to each Director, which shall include, if appropriate:
 - i) The attendance allowances and other fixed remuneration as Director;
 - ii) Additional payments as chairman or member of any of the Board's committees;
 - iii) Any payment as profit share or bonuses, and the reason why these were given;
 - iv) Defined contributions to pension schemes in favour of the Director; for the increase of the Director's consolidated rights, when these are contributions to defined payment plans;
 - v) Any agreed or paid compensation in the event of termination of their duties;
 - vi) Remuneration received as Director of other group companies;
 - vii) Payments for the performance of senior management duties carried out by executive Directors;
 - viii) Any other payment item other than the foregoing, regardless of their nature or the group company that pays them, especially when it is considered as a related-party operation or leaving it out would distort the true image of total payments received by the Director.
- b) The individualised breakdown of any shares of stock options given to Directors, or any other instrument pegged to the share value, with a breakdown of:
 - i) Number of shares or options granted over the year and the conditions for the exercise of these;
 - ii) Number of options exercised over the year with an indication of the number of shares affected and the price;
 - iii) Number of options pending exercise at the year-end, an indication of their price, date and other requirements to exercise these;
 - iv) Any modification over the year of the terms for exercising the options already granted.
- c) Information on the ratio, the previous year, between the remuneration obtained by executive Directors and the profits or other performance indicators of the company.

Complies

42. When there is a Delegated or Executive Committee (hereinafter called "Executive Committee"), the participation structure of the various categories of Directors should be similar to that of the Board itself and its Secretary should be the Secretary of the Board.

See epigraphs: B.2.1 and B.2.6

Complies

43. The Board should always be aware of the matters dealt with and the decisions adopted by the Executive Committee and all the members of the Board should receive a copy of the minutes of the sessions of the Executive Committee.

Complies

44. The Board of Directors should constitute not only the Audit Committee required by the Securities Market Act, but also one or two separate committees: the Appointments Committee and the Remuneration Committee.

The rules governing the make-up and operation of the Audit Committee and the Appointments and Remuneration Committee or Committees should be given in the Regulations of the Board and include the following:

- a) That the Board designates the members of these Committees, in accordance with the knowledge, skills and experience of the Directors and the duties of each Committee; deliberate on the proposals and reports; and report on the activity and the work carried out at the first plenary Board meeting following the committee meetings;
- b) That these Committees are made up exclusively of external Directors, with a minimum of three. The above is understood as without prejudice to the attendance of Executive Directors or senior executives when so agreed expressly by the members of the Committee.
- c) Their Chairmen should be Independent Directors.
- d) That outsourced consultancy can be used whenever deemed necessary for the performance of their duties.
- e) That minutes of their meetings be taken, with a copy sent to all Board members.

See epigraphs: B.2.1 and B.2.3

Complies

45. That the supervision of compliance with the internal codes of conduct and the rules of corporate governance are attributed to the Audit Committee, to the Appointments Committee or, if these are separate, to the Compliance or Corporate Governance Committee.

Complies

46. The members of the Audit Committee and, in particular, its Chairman should be appointed on the basis of their know-how and experience in bookkeeping, audits and risk management.

Complies

47. The listed companies should have an internal audit function which, under the supervision of the Audit Committee, should monitor the correct functioning of the internal control and information systems.

Explain

The Company is already carrying out the functions of the internal audit and is studying the internal procedures to be implemented in order to comply with this duty.

48. The person responsible for the internal audit function should present his/her annual work plan to the Audit Committee; he/she should inform it directly of the incidents occurring during its development; and, at the end of each year, submit an activities report.

Explain

Although the internal audit functions are being carried out, the person responsible for this duty has not been appointed at this time.

49. The risk control and management policies should identify at least:
- a) The different kinds of risk (operational, technological, financial, legal, those affecting the corporate reputation, etc.) which are faced by the company and which include - as part of the financial or economic risks - contingent liabilities and other off-balance sheet risks;
 - b) The setting of the risk level that the company believes is acceptable;
 - c) The mechanisms to mitigate the impact of the risks identified, in the event that they materialise;
 - d) Internal control and information systems which shall be used to control and manage the foregoing risks, including the contingent liabilities or off-balance sheet risks.

See epigraph: D

Complies

50. The Audit Committee should be responsible for the following:

1. In relation to the internal control and information systems:

- a) Supervising the preparation and completeness of the financial information concerning the company and, if appropriate, the group, checking due compliance with the governing regulations, the proper delimitation of the consolidation criteria and the correct application of accounting criteria
- b) Periodically checking the internal control systems and risk management, to identify, manage and notify the key risks properly
- c) Ensuring the independence and effectiveness of the internal audit function; proposing the selection, appointment, re-election and dismissal of the person in charge of the internal audit service; forwarding the budget for this service; receiving periodic information on its activities, and verifying that senior management considers the conclusions and recommendations in its reports.
- d) Setting up and supervising a mechanism that enables employees to communicate any irregularities of importance, especially those of a financial and bookkeeping nature, and to do so in a confidential manner.

2. In relation to the external auditor:

- a) Presenting the Board with proposals for selection, appointment, re-election and replacement of the external auditor, as well as their contractual terms.
- b) Receiving regular information from the external auditor on the audit plan and the results of carrying it out, and checking that senior management take its recommendations into account.
- c) Ensuring the independence of the external auditor and, to this end:
 - i) That the company notifies the change of auditor to the CNMV as a relevant event and attaches a declaration on the possible existence of disagreements with the outgoing auditor and, if there are any disagreement, the content thereof.

- ii) That the company and the auditor be seen to respect the current rules governing the provision of services other than audit services, the limits on business concentration of the auditor and, in general, the other norms established to ensure independence of auditors;
 - iii) In the case of the resignation of the external auditor, it should examine the circumstances leading to the said resignation.
- d) In the event of groups, to see that the group auditor accepts liability for the audits of the companies that make up the group.

See epigraphs: B.1.35, B.2.2, B.2.3 and D.3

Complies partially

The Company has not laid down mechanisms that would allow the employees to confidentially and anonymously report, if considered appropriate, any potentially important irregularities, especially financial and accounting irregularities, that come to their attention in the company.

51. The Audit Committee should be able to call any of the Company's employee or manager, and also have them appear without the presence of any other executive.

Complies

52. The Audit Committee should report to the Board before the Board adopts the corresponding decisions on the following matters indicated in Recommendation 8:

- a) The financial information that must be published periodically, given its status as a listed company. The Committee should ensure that the intermediate accounts are prepared under the same bookkeeping criteria as the annual accounts and, accordingly, consider the appropriateness of a limited review by the external auditor.
- b) The creation or acquisition of shareholdings in special purpose enterprises or enterprises with registered offices in countries or territories considered as tax havens, as well as any other transactions or operations of a similar nature which, due to their complexity, could hamper the Group's transparency.
- c) The related-party transactions, unless that preliminary report function has been attributed to another of the supervision and control committees.

See epigraphs: B.2.2 and B.2.3

Complies

53. The Board of Directors should seek to present the accounts to the General Meeting without reservation or exception in the auditors' report and, in whatsoever exceptional case, both the Chairman of the Audit Committee and the auditors should clearly explain to shareholders the content and scope of the said reservations or exceptions.

See epigraph: B.1.38

Complies

54. Most of the members of the Appointments Committee (or the Appointments and Remuneration Committee, if there is only one Committee) should be Independent Directors.

See epigraph: B.2.1

Complies

55. Besides the functions indicated in the above recommendations, the following responsibilities should correspond to the Appointments Committee:

- a) Assessing the skills, knowledge and experience required on the Board, subsequently defining the duties and aptitudes required by the candidates to cover each vacancy, and assessing the time and dedication required to correctly perform their duties.
- b) Properly examining and organising the succession of the Chairman and chief executive and, if appropriate, making proposals to the Board to enable the foregoing succession to occur in an organised and well planned manner.
- c) Reporting the appointments and resignations of senior executives proposed to the Board by the chief executive.
- d) Notifying the Board on the gender diversity issues shown in Recommendation 14 of this Code.

See epigraph: B.2.3

Complies

56. The Appointments Committee should consult the Company's Chairman and chief executive, especially with regard to business concerning the Executive Directors.

And that any Director may request the Appointments Committee to consider potential candidates they consider ideal to cover vacancies.

Complies

57. Besides the functions indicated in the above Recommendations, the following responsibilities should correspond to the Remuneration Committee:

- a) Proposing to the Board of Directors:
 - i) The remuneration policy for Directors and senior executives;
 - ii) Individual remuneration of executive Directors and the other conditions of their contracts.
 - iii) The basic contractual conditions of senior executives.
- b) To ensure that the remuneration policy established by the company is duly observed.

See epigraphs: B.1.14 and B.2.3

Complies

58. The Remuneration Committee should consult the Company's Chairman and chief executive, especially with regard to business concerning the Executive Directors and senior executives.

Complies

G. OTHER INFORMATION OF INTEREST

If you consider that there is any important principle or aspect regarding the corporate governance practices applied by your company, which have not been covered in this report, please explain below.

SECTION A.3.

ENERGIA INTELIGENTE ENERGENA, S.L.U. (hereon, ENERGENA) and GROUP EMPRESARIAL ENHOL, S.L. (hereon, ENHOL GROUP) belong to the same Group of Companies, ENHOL GROUP, which holds all the shares of ENERGENA.

Both companies are members of the Board of Directors of FERSA ENERGÍAS RENOVABLES, S.A. (hereon, FERSA). Consequently, ENERGENA and ENHOL GROUP must disclose their indirect shareholdings in the company to the CNMV, indicating that each one holds a total of 30,899,073 indirect voting rights (their total percentage of voting rights in the company comes to 22.393%). The legal persons holding 30,899,073 shares of FERSA directly are the companies in the same business group, with Generación Eólica Internacional, S.L. holding 15,643,344 directly and Eólica India, S.L. holding 15,255,729 shares directly.

Accordingly, section A.3. of this year's Annual Corporate Governance Report, in relation to the voting rights of ENERGENA, states that the direct and indirect voting rights is 0% of the total voting rights, given that if the number of indirect voting rights of ENERGENA and ENHOL GROUP were stated as per the records of the CNMV in conformity with current legislation on the disclosures of significant shareholdings, the Corporate Governance Report template would have automatically calculated the percentages corresponding to each indirectly share of voting rights by adding up the 22.393% of the voting rights twice. Thus, the results of the % of voting rights of the Board would have been higher than that actually held by the Board of Directors of FERSA. That is why we have adopted the measure described above, in order to ensure the accuracy of the information in the Corporate Governance Report.

SECTION B.1.6

With relation to section B.1.6 please note that the Company, at 31 December 2010, has two delegated bodies, to wit:

1. Two joint Executive Officers comprising: Mr. José M Roger Ezpeleta; and ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL (represented by Mr. Vidal Amatriain Méndez).

The two Executive Officers have the power to carry out whatever is comprised by the corporate purposes and to undertake whatever powers are not expressly reserved under law or the Articles of Association of the Board of Directors.

These duties will be exercised jointly by both Executive Officers who can act by themselves or jointly as the Executive Committee, in the form set out further below.

2. An Executive Committee that will be made up of four (4) Directors, to wit, the two Executive Officers, i.e., Mr. José M Roger Ezpeleta and the company ENERGIA INTELIGENTE ENERGENA, S.L. UNIPERSONAL, represented by Mr. Vidal Amatriain, and the Directors COMSA-EMTE MEDIO AMBIENTE, S.L. represented by Mr. Javier Martí Duran, and GRUPO EMPRESARIAL ENHOL, S.L., represented by Mr. Hipólito Suárez Gutiérrez.

The Executive Committee has the power to carry out whatever is comprised by the corporate purposes and to undertake whatever powers are not expressly reserved under law or the Articles of Association of the Board of Directors.

The Executive Committee will adopt its resolutions by absolute majority of its members, i.e., three vote in favour.

SECTION B.1.11

Due to a computer problem in the IAGC template, it is impossible to save the data input in sections c) and d) of SECTION B.1.11. That is why we are obligated to indicate in this section G.1, the information in sections c) and d) of section B.1.11:

Section c):

	By company	By Group
Executive	490,5	0
Proprietary	91,5	0
Independent	130	0
Other external	0	0
Total	712	0

Section d):

Total remuneration of directors (Thousand Euros)	712
--	-----

Total remuneration of directors/ % profit attributed to the parent company - 0.015

SECTIONS C.2. and C.3

(The Corporate Governance Report template cannot input data from the related operations described above, relating to sections C.2 and C.3, which is why these operations have been included in this section).

1. Innovación Verde Inver, S.L.U. (Inver), company belonging to the Enhol Group:

Contracts were entered into with Inver for the integrated management of projects of the company that the Group Grupo Fersa is rolling out in Poland (Eólica Kisielice, Sp Z.o.o).

The amount accrued in 2010 for this item totals Euros 369 thousand.

On the other hand, on 22 July 2010 an agreement was entered into with Inver for the intra-day management which has accrued a cost to the Fersa Group of Euros 51 thousand.

Breakdown:

Parc Eòlic Mudefer, S.L.: 14,746.58 Euros
Eòlico el Pedregoso, S.L.: 13,753.54 Euros
Eòlica del Pino, S.L.: 6,927.36 Euros
Parque Eòlico Hinojal, S.L.: 15,163.75 Euros

The company Innovación Verde Inver, S.L.U. is not a shareholder of the company. However, it is fully owned by the Director of the company ENERGÍA INTELIGENTE ENERGENA, S.L.U., a company belonging to the group of the significant shareholder Generación Eòlica Internacional, S.L. (ENHOL GROUP). That is why these Management contracts qualify as Related-Party Transactions within the company.

2. Caja General de Ahorros de Granada:

Although this operation has been included in section C.2, given that in this section the difference between the principal and the interest cannot be distinguished, the related operation with this company is described below:

The company Parque Eòlico Hinojal, S.L. (fully owned by the Fersa Group) has a current account at Caja General de Ahorros de Granada (indirect owner of Fersa shares by Corporación Caja de Granada, S.L.U.) with a balance at 31 December 2010 totalling Euros 1,878 thousand (Euros 3,028 thousand at 31 December 2009) and accruing interest in its favour of Euros 12 thousand in 2010 (Euros 17 thousand in 2009). Furthermore, Caja General de Ahorros de Granada, as the upstream bank, together with a bank syndicate, has extended a loan to Parque Eòlico Hinojal, S.L.; the amount draw down exclusively from Caja General de Ahorros de Granada at 31 December 2010 totals Euros 5,923 thousand (Euros 6,352 thousand at 31 December 2009), and has accrued interest of Euros 266 thousand in 2010 (Euros 296 thousand in 2009).

3. Office lease with Real Wind, S.L.:

Furthermore, the amount accrued in 2010, for the lease of the offices where Fersa Energias Renovables, S.A. is located in Barcelona, to Real Wind, S.L. (company fully owned by José M^a Roger Ezpeleta, shareholder and Chairman of the Board of Directors of FERSA Energias Renovables, S.A.) totals Euros 182 thousand (Euros 201 thousand at December 2009).

These leases have a term of five years, extendible automatically for periods of one year.

On 18 May 2010, a lease renewal was entered into, by virtue of which the rent was reduced by 10% for one year, from May 2010 until April 2011 (both inclusive).

Any other information or clarification related to the preceding sections of the report can be included in this section, insofar as they are relevant and not reiterative.

Specifically, please indicate whether the company is subject to legislation other than Spanish in the area of corporate governance, and, as the case may be, include the information that must be disclosed and that differs from that required by this report.

Binding definition of Independent Director:

Indicate whether or not any of the Independent Directors has or has had any relationship with the Company, its significant shareholders or executives which, if sufficiently significant or important, would have meant that

the Director could not be considered as independent in accordance with the definition laid down in section 5 of the Unified Code of Good Governance;

NO

Date and signature:

This Annual Corporate Governance Report has been adopted by the Board of Directors of the Company in its session held on

25/02/2011

Indicate whether or not there have been Directors who voted against or abstained from voting on the adoption of this report.

NO

