

GEOTECNIA 7, S.A

ANNUAL REPORT

2009

Num IA-5410

Date the 24th May 2010

PERFORMANCE :

Audit. Report on Abridged Annual
Accounts for the fiscal year 2009

ENTITY :

GEOTECNIA-7, S.A.U.

DOMICILE :

Polígono Malpica, Santa Isabel Calle
E Parcela 59-61, Nave 9
50057-Zaragoza

ENTRUSTED BY :

The Management by delegation of the
Directors

ADDRESSED TO :

The Shareholders

DOCUMENTS AUDITED :

Abridged Annual Accounts for the fiscal
year 2009

PERFORMED BY THE AUDITING
FIRM :

B. Tahoces Acebo
Nº 5625 of R.O.A.C.
Active Member of the Institute of
Auditors of Spain which is a member of
the FEE, IFAC and IASB

BERNARDO TAHOCES ACEBO
Auditor-Censor Jurado de Cuentas
Nº 5.625 del ROAC
C/ Alcalá, 161
28009-Madrid

AUDIT REPORT OF ABRIDGED ANNUAL ACCOUNTS

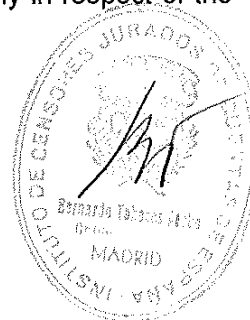
To the Shareholders of:

GEOTECNIA-7, S.A.U.

I have audited the Abridged Annual Accounts of GEOTECNIA-7, S.A.U. that include the Balance Sheet as of 31st December 2009, the Profit and Loss Account, the Statement of Changes in the Net Worth and the Abridged Notes of the fiscal year then ended which is the responsibility of the Directors of the Company. This audit is performed by voluntary decision of the Directors since it is not legally obligatory due to the limited size of this company

My responsibility is to express an opinion on the cited Abridged Annual Accounts as a whole based on the work performed and conducted in accordance with the generally accepted auditing rules which require the examination by selected tests of the evidence to justify the transactions in the Annual Accounts and the evaluation of the presentation of the accounting principles used and of the estimates made.

The Directors of this company in keeping with the commercial regulations present of the purposes of comparison for each item in the Abridged Balance, Profit and Loss Account, Changes in Net Worth and the Notes, the amounts of the present fiscal year and those of the preceding year. My opinion is provided only in respect of the Abridged Annual Accounts of fiscal year 2009.



IN MY OPINION, the enclosed Abridged Annual Accounts of 2009 fiscal year express in all significant aspects a fair view of the Shareholders and of the financial position of GEOTECNIA-7, S.A.U. as of the 31st December 2009 and of the result of the operations, and the changes in the Net Worth and of the Abridged Notes corresponding to the 2009 fiscal year then ended and include the necessary and sufficient information for its interpretation and understanding in conformity with generally accepted accounting principles applicable in Spain.

Madrid, 24th May 2010



Bernardo Tahoces Acebo

Geotecnia 7, S.A.U
Summarized Annual Accounts for the
Period Ending
31st December 2009, together with
the Independent Auditor's Report

GEOTECNIA 7, S.A.U

SUMMARIZED BALANCE SHEET AT DECEMBER 31ST 2009 AND 2008

(Euros)

ASSETS		Report Notes	Period 2009	Period 2008	PASIVO		Report Notes	Period 2009	Period 2008
ACTIVO NO CORRIENTE		Note 5	125,897	163,118	NET EQUITY		Note 9	18,748	78,785
Tangible fixed assets			125,897	163,118	STOCKHOLDERS' EQUITY			18,748	78,785
Technical installations and other tangible fixed assets			125,897	163,118	Capital			15,028	15,028
					Registered capital			60,110	60,110
					(non required capital)			(45,083)	(45,083)
					Reserves			63,757	53,450
					Legal and statutory			6,376	5,345
					Other reserves			57,382	48,105
					Result of the period			(60,037)	10,307
CURRENT ASSETS					NON-CURRENT LIABILITIES			25,144	63,652
Stocks		Note 4.4	288,909	437,910	Long-term debts		Note 6	17,431	46,024
Down payments to suppliers			535	12,245	Creditors from financial leasing			17,431	46,024
Trade debts and other accounts receivable		Note 7	113,387	399,261	Liabilities due to deferred tax		Note 11	8,713	17,627
Customers due to sales and provision of services			-	3,560	CURRENT LIABILITIES			370,914	458,692
Customers, Group companies and associates		Note 14	100,618	253,311	Short-term debts			24,870	62,479
Personnel			712	-	Creditors from financial leasing			24,870	62,479
Other debtors			-	127,950	Short-term debts with Group companies and associates		Note 14	256,315	231,608
Other credits with Public Administrations		Note 11	12,059	14,440	Trade creditors and other accounts payable		Note 10	89,729	164,506
Short-term investments in Group companies and associates		Note 14	159,942	-	Suppliers			46,854	66,295
Other financial assets			159,942	-	Suppliers, Group companies and associates		Note 14	39,497	80,243
Short-term periodifications			1,266	-	Personnel			-	2,047
Cash and other equivalent liquid assets			14,779	26,405	Current tax liabilities		Note 11	-	5,465
Treasury			14,779	26,405	Other debts with Public Administrations		Note 11	-	10,457
TOTAL ASSETS			415,806	601,029	TOTAL NET EQUITY AND LIABILITIES			415,806	601,029

Notes 1 to 15 of the present Report are an integral part of the balance sheet as at December 31st 2009

GEOTECNIA 7, S.A.U

SUMMARIZED PROFIT AND LOSS ACCOUNTS FOR ACCOUNTING PERIOD ENDED

DECEMBER 31ST 2009 AND 2008

(Euros)

	Notas de la Memoria	Period 2009	Period 2008
CONTINUING OPERATIONS			
Net amount of the annual turnover	Note 12	286,414	315,139
Rendering of services		285,414	315,139
Stocks	Note 12	(154,134)	(98,382)
Consumption of raw and other consumable materials		(47,576)	(49,783)
Work carried out by other companies		(106,558)	(48,599)
Staff expenses	Note 12	(87,698)	(97,866)
Salaries and others		(66,382)	(79,019)
Fringe benefits		(21,316)	(18,847)
Other operating expenses	Note 12	(71,633)	(46,322)
External services		(71,322)	(46,322)
Taxes		(311)	-
Amortizement of fixed assets	Note 5	(37,222)	(37,222)
OPERATIONS RESULT		(65,271)	35,347
Financial expenses		(4,591)	(8,504)
Due to debts with Group companies and associates		(3,601)	(8,504)
Due to debts with third parties		(990)	-
FINANCIAL RESULT		(4,591)	(8,504)
RESULT BEFORE TAXES		(69,862)	26,843
Tax on profits	Note 11	9,825	(16,536)
PERIOD RESULT FROM CONTINUING OPERATIONS		(60,037)	10,307
PERIOD RESULT		(60,037)	10,307

Notes 1 to 15 of the present Report are an integral part of the profit and loss account for the period 2009

GEOTECNIA 7, S.A.U

STATEMENT OF CHANGE IN THE NET WORTH OF THE PERIOD 2009 AND 2008

A) STATEMENT OF ASSIGNED INCOME AND EXPENDITURE

(Euros)

	Report Notes	Period 2009	Period 2008
RESULT OF THE PROFIT AND LOSS ACCOUNT (I)		(60,037)	10,307
TOTAL INCOME AND EXPENDITURE ASSIGNED DIRECTLY TO NET WORTH (II)		(60,037)	10,307
TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT (III)		(60,037)	10,307
TOTAL ASSIGNED INCOME AND EXPENDITURE (I+II+III)		(60,037)	10,307

Notes 1 to 15 of the present Report are an integral part of the statement of assigned income and expenditure for the period 2009

GEOTECNIA 7, S.A.U

STATEMENT OF CHANGE IN THE NET WORTH OF 2009 AND 2008 PERIODS

B) STATEMENT OF CHANGES IN TOTAL NET WORTH

(Euros)

	Capital	Reserves	Period Result	TOTAL
BALANCE AT CLOSING OF PERIOD 2007				
non called capital	60,110	13,175	40,275	113,560
Application of 2007 result	(45,083)			
Result of 2008 period (profit)	-	40,275	(40,275)	-
FINAL BALANCE OF 2008 PERIOD	-	-	10,307	10,307
Application of 2008 result	15,028	53,450	10,307	123,867
Result of 2009 period (loss)	-	10,307	(10,307)	-
FINAL BALANCE FOR 2009 PERIOD	15,028	63,757	(60,037)	18,748

Notes 1 to 15 of the present Report are an integral part of the statement changes in total net worth for the period 2009

Geotecnia 7, S.A.U.

Summary Report of the
Annual period ending
December 31st 2009

1. Constitution and activity

Constitution

Geotecnia 7, S.A.U. (henceforth, the Company), was formed as a public company (Sociedad Anónima Unipersonal) on July 19th 1990, not having modified its Company name ever since. Its head office is in Polígono Industrial Malpica – Santa Isabel, calle E, parcelas 59-60-61 nave 9 – 50057 Zaragoza.

Corporate objective

The Company's objective is:

- a. Consultancy as well as technical projects and reports related to public works; building; land regulation and urban planning; industry; mining; agriculture and environment.
- b. Analysis, trials and technical control of projects, materials, works and installations, as well as building work quality control.
- c. Studies, reports and other technical projects of cartography, geotechnology, ecology, hydrology and environment.
- d. Construction management of all sorts of installations, buildings, infrastructures and, in general, of all kinds of real property.

The activities conforming the company's objective may be carried out totally or partially directly by the company or indirectly through the holding of shares in other companies of identical or similar object.

The activities for which the Law demands special requirements not met by the present company are excluded. If the Law requires a professional qualification for such activities, they shall be carried out by means of a person who holds the required qualification.

The company is integrated in the Elsamex Group, Elsamex S.A. being the dominant firm, with head office in calle San Severo, 18 Madrid, whose ultimate dominant firm is "Infrastructure Leasing & Financial Services Limited (IL&FS)" , with head office in Bombay (India) Bandra – Kurla Complex. The Elsamex Group presents consolidated and audited annual accounts in Spain, which are deposited in Madrid Commercial Registry.

2. Presentation principles for the summarized annual accounts

2.1 True picture

The summarized annual accounts attached have been obtained from the Company's accounts registers and are presented in accordance with the R.D. 1514/2007 by which the General Accountancy Plan is approved, showing the true picture of the equity, the financial situation, the Company's balance sheet and the cash flows during the corresponding period. These summarized annual accounts, prepared by the Directors, will be submitted to the approval in the General Ordinary Shareholders' Meeting, and are expected to be approved without any amendments.

In compliance with article 175 of the Public Companies Legislation (Ley de Sociedades Anónimas), modified by Law 16/2007, in force since the 1st of January 2008, the Company draws up summarized annual accounts.

In accordance with the current Commercial Law, the Company is not obliged to have its summarized annual accounts audited; however, with the sole objective of improving the transparency of the financial information, the Administration Body has decided to submit the present summarized annual accounts for the 2009 period to the verification of an external auditor. The accounts will later be submitted to the approval in the General Ordinary Shareholder's Meeting, and are expected to be approved without any amendments.

The summarized annual accounts of period 2008 were approved in the General Ordinary Shareholder's Meeting held on June 30th 2009.

2.2 Non-obligatory accounting principles

Non-obligatory accounting principles have not been applied. Additionally, the Directors have prepared the present summarized annual accounts taking into consideration all the obligatory accounting principles and standards of application that have a significant effect on the said accounts. No obligatory accounting principle has been left non-applied.

2.3 Critical aspects of valuation and estimation of uncertainty

In order to evaluate some of the assets, liabilities, income, expenditure and commitments of the present summarized annual accounts, estimations made by the Company's Administrators have been used. Basically, these estimations refer to the useful life of the tangible assets, degradation of customer invoices and the calculation of the supplies through creditor invoices pending receipt.

In spite of these estimations having been done on the basis of the best information available at the closing of the 2009 accounting period, it is possible that future events may require them to be amended (upwards or downwards) in the next periods, which, if necessary, would be done prospectively.

The Company has had losses that have translated in an important reduction of its funds and the existence of a significant negative working capital, elements that raise questions about the following of the accounting principle of working company and, therefore, the ability of the Company to encash its assets and liquidate its liabilities for the sums and according to the classification shown in the Balance Sheet attached, which has been prepared assuming that such activity will continue. There are several elements that tend to reduce or eliminate the doubt over the capacity of the Company to continue working as such, basically the financial support of the shareholders and the possibility of reducing the expenses without diminishing the operational capacity of the Company, as is inferred both from the budget of the 2010 period and the business plan approved by the Company's Administrators. This business plan is based on specific hypothesis and market tendencies that basically include: a market commercial expansion plan based on specific market niches; search of customers outside of the Group; direction of building work in all sorts of markets; drafting technical work in the fields of cartography, geotechnology, ecology, hydrology and natural environment; all of them focusing on obtaining enough income to reach a positive result in the 2010 period, as well as the generating of positive cash flows in the same period.

2.4 Comparison of information

For comparison purposes, the information contained in this report relating to the 2009 accounting period is presented together with the information of the 2008 accounting period.

2.5 Grouping of entries

Specific items from the summarized balance sheet, summarized profit and loss account and statement of changes in the net assets are presented in a grouped format in order to facilitate comprehension and, insofar as it is significant, the information has been broken down in the corresponding notes in the report. There are no asset items entered in two or more entries.

2.6 Changes in accounting principles

During the 2009 accounting period no changes in accounting principles have arisen with respect to the principles applied in the 2008 accounting period.

2.7 Correction of errors

In the preparation of the summarized annual accounts attached no significant error has been detected that might presuppose the re-expression of the amounts included in the summarized annual accounts of the 2008 accounting period.

3. Application of results

The proposal for the application of the results of the period prepared by the Company's Directors to be submitted to the approval in the General Shareholders' Meeting is applying the loss of the period to negative results of previous periods.

4. Standards for recording and evaluation

The main recording and evaluation standards used by the Company in the preparation of its summarized annual accounts, in accordance with those set out by the General Accounting Plan, were the following:

4.1 Tangible fixed assets

The assets grouped under this heading are valued by their acquisition price or production cost. It is later evaluated to its reduced cost by the corresponding accrued amortization and losses through impairment, should there be any.

Whenever there are loss of value indices, the Company proceeds to estimate by means of the "Impairment test" the possible existence of losses of value that reduce the redeemable value of the said assets to an amount smaller than their book value.

The Company amortizes the tangible fixed assets following the linear method, applying annual amortization percentages calculated considering the estimated years of useful life of the respective assets, as shown in the following chart:

	Percentage
Machinery	15
Information processing equipment	25
Transport elements	15

The expenses for preserving and maintaining the different items comprising the tangible fixed assets are allocated to the profit and loss account of the period in which they are incurred. However, the amounts invested in improvements that contribute to increase the capacity or efficiency or to lengthen the useful life of the said assets are entered as a greater cost of the said items.

4.2 Leasings

Leases are classified as financial leases provided that it may be inferred from its conditions that the risks and benefits inherent to the ownership of the asset subject to the contract are substantially transferred to the lessee. Any other lease is classified as an operating lease.

When the company is the lessee – Financial lease

In the financial lease operations in which the Company acts as lessee, the cost of the leased assets is presented in the balance sheet according to the nature of the item subject of the contract and, simultaneously, as a liability for the same amount. The said amount will be the smaller figure between the reasonable value of the leased property and the current value at the beginning of the lease of the minimum amounts agreed, including the purchase option, when there are no reasonable doubts over its exercise. The outgoings of a contingent nature, the cost of services and the taxes reboundable by the lessor will not be included in its calculation. The total financial charge of the contract is allocated in the summarized profit and loss account for the period in which it is accrued, applying the effective interest rate method. Outgoings of a contingent nature are included as an expense for the period in which they are incurred.

The assets entered by means of this sort of operation are amortized through similar principles to those applied to the whole of the tangible assets, in accordance with their nature.

When the company is the lessee – Operating lease

The expenses deriving from operating lease agreements are charged to the profit and loss account for the period in which they accrue.

Any collection or payment made on contracting an operating lease will be treated as an advance collection or payment that will be allocated to the results throughout the leasing period, as the profits of the leased asset are transferred or received.

4.3 Financial instruments

4.3.1 Financial assets.

Classification-

The Company's financial assets are classified in loans and items receivable and correspond with financial assets originating in the sale of goods or in the provision of services through the company's trading operations, or those that not having a commercial origin, are not equity instruments or derivatives, corresponding to a fix or determinable amount not negotiated in an active market.

Initial valuation -

The financial assets are initially entered at the reasonable value of the consideration delivered plus the transaction costs that may be directly attributable.

Subsequent valuation -

Loans and items receivable are valued by their amortized cost.

At least at the closing of the period, the Company carries out an impairment test for the financial assets that are not entered at reasonable value. It is considered that there is objective evidence of impairment if the redeemable value of the financial asset is less than its book value. When this occurs, the entry of this impairment is made in the profit and loss account.

The Company discharges the financial assets when they expire or the rights over the cash flow of the corresponding financial asset have been assigned, causing a substantial transfer of the risks and benefits inherent to their ownership.

On the contrary, in assignments of financial assets where the risks and benefits inherent to their ownership may be substantially retained, the Company does not discharge the financial assets, and enters a financial liability for an amount equal to the consideration received.

4.3.2 Financial liabilities

Financial liabilities are those debits and items payable held by the Company which have originated in the purchase of goods and services due to trading operations, and those that, without having a commercial origin, cannot be considered as derived financial instruments.

The debits and payable entries are initially evaluated at the reasonable value of the consideration received, adjusted by the directly attributable transaction costs. Subsequently, the said liabilities are valued in accordance with their amortized cost.

The Company discharges the financial liabilities when the obligations that have generated them are extinguished.

4.3.3 Equity instruments

An equity instrument represents a residual sharing in the Company Equity, once all its liabilities have been deducted.

The capital instruments issued by the Company are entered in the net equity as the amount received, net of costs of issue.

4.4 Stock

This heading comprises the advances paid to suppliers in exchange for services to be rendered.

4.5 Corporate tax

The expenditure or income due to tax on profits comprises the part relating to the expenditure or income due to the current tax and the part corresponding to the expenditure or income of the deferred tax.

The current tax is the amount the Company satisfies as a consequence of the fiscal liquidations of tax on profits relating to an accounting period. The deductions and other tax advantages in the tax quota, excluding retentions and down payments, as well as the compensable fiscal losses of previous periods applied effectively in the present period, bring about a lower amount of current tax.

The expenditure or income due to deferred tax generates the entry and cancellation of assets and liabilities of such deferred tax. These include temporary discrepancies, identified as those amounts that are anticipated to be payable or recoverable, derived from the differences between the book assets and liabilities and their fiscal value, as well as the negative tax bases pending compensation and the credits for tax deductions not fiscally applied. These amounts are entered by applying to the temporary difference or credit the rate of levy at which it is expected to recover or liquidate them.

Liabilities for deferred taxes are included for all temporary taxable discrepancies, except those derived from the initial entry of goodwill or other assets or liabilities in an operation which does not affect either the fiscal result or the accounting result and is not a combination of businesses, as well as those related to investments in dependent companies, associated and partners businesses in which the Company can control the reversion time, without being probable that they will revert in the foreseeable future.

Regarding the assets and liabilities due to deferred taxes, they are only entered insofar as it is considered probable that the Company will have future fiscal gains against which they can be offset.

The assets and liabilities due to deferred taxes originated from operations with direct charges or payments into equity accounts are also accountable with a contra-entry in net equity.

4.6 Environment

Assets of environmental nature are those used in a long-term basis in the Company's activity. Their main aim is to minimize environmental impact as well as protect and improve the environment, including the reduction or elimination of future pollution.

Considering its nature, the Company's activity does not have a significant environmental impact.

4.7 Revenue and expenditure

Revenue and expenditure are allocated in accordance with the amount accrued principle, i.e. when the actual flow of goods and services they represent takes place, independently of the time in which the cash or financial flow derived from them takes place. The said revenue and expenditure are valued by the reasonable value of the consideration received or given, once the discounts and taxes, incorporated interests or similar items have been deducted.

In order to adjust the revenue in the period in which it is accrued, the Company adopts the principle of provisioning those projects in progress at the closing of the period in accordance with their degree of development, independently of the date of issue on the invoice.

4.8 Provisions and contingencies

When preparing the summarized annual accounts, the Company Directors differentiate between:

- a) Provisions: credit balances that cover current obligations derived from past events, the cancellation of which is likely to cause an outflow of resources, although they are undetermined with regards to their amount and/or time of cancellation.
- b) Contingent liabilities: possible obligations arising as a consequence of past events, the future materialization of which is conditioned on the occurrence or not of one or more future events independent of the Company's will and not reasonably calculable.

The summarized annual accounts assemble all the provisions with respect to which it is deemed that the probability of having to meet the obligation is higher than the reverse. The contingent liabilities are not included in the summarized annual accounts, but are shown in the report notes, insofar as they are not considered remote.

The provisions are evaluated by the current value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into consideration the information available about this event and its consequences, and entering any updating adjustments of these provisions as a financial expense once accrued.

The compensation receivable from a third party at the time the obligation is settled, provided there are no doubts as to whether this reimbursement will be made, is entered as an asset, unless there is a legal link that

has caused part of the risk to be externalised and under which the Company is not obliged to respond. In this situation, the compensation will be taken into account in order to estimate the provision amount to be reflected.

4.9 Dismissal compensations

In compliance with prevailing legislation, the Company is obliged to pay compensations to those employees with whom, under specific conditions, it terminates its employment relation. Therefore, the dismissal compensations that may be reasonably quantified are entered as an expense in the period in which the termination decision is taken. In the summarized annual accounts attached there is no provision entered under this heading, since situations of this nature are not expected.

4.10 Principles used in transactions between related parties

One party is considered to be linked to another when one of them or a group acting together exercises or has the power to exercise directly or indirectly or in accordance with agreements between shareholders or participants control over another, or has significant influence over the other when taking financial and operational decisions.

In any case, they will be considered as related parties:

- a) The companies with the consideration of group Company, associate or multi-group, in accordance with article 42 of the Commercial Code (Código de Comercio).
- b) Individuals who, directly or indirectly, have any participation in the voting rights of the Company, or in its dominant entity, enabling them to exercise a significant influence over one or the other. This includes close relatives of the aforementioned individuals.
- c) The key staff of the Company or its dominant entity, i.e., the individuals with authority and responsibility over the planning, management and control of the Company's activity, either directly or indirectly, which includes the directors and managers, as well as the close relatives of the aforementioned individuals.
- d) Any company under a significant influence by the people mentioned in b) and c).
- e) Any company that may share a board member or manager with the Company, unless this person exercise not a significant influence in the financial and operational policies of such companies.
- f) The close relatives of the Company administration's agent, whenever this person is a legal entity.
- g) The pension plans for the employees of the Company or any other company related to it.

For the purposes of this principle, close relatives will be those who could exercise influence in, or be influenced by, this person in his/her decisions relating to the Company. Amongst them:

- a) The spouse or person with an analogous relationship;
- b) The ascendants, descendants and siblings and their respective spouses or individuals with an analogous relationship;
- c) The spouse's ascendants, descendants and siblings or individuals with an analogous relationship;
- d) Individuals under his/her charge or under the spouse's charge, or under the charge of any individuals with an analogous relationship.

The Company carries out all its operations with entities linked to market values. In addition, the transfer prices are adequately supported, and the Company Directors consider that there are no significant risks related to

this aspect that could derive in important future liabilities. The Company is currently preparing the documentation required in article 16 of the Revised Corporate Tax Act and its Regulations (Texto Refundido de la Ley del Impuesto sobre Sociedades y de su Reglamento) in order to withstand the transfer prices applied in the transactions between linked entities.

5. Tangible fixed assets

The movements under this balance sheet heading during the accounting periods of 2009 and 2008, as well as its most significant information have been the following:

Period 2009

	Euros			
	31-12-08	Additions	Adjustments and transfers	31-12-09
Cost:				
Machinery	8,000	-	190,159	198,159
Inform. process. equip.	237,677	-	(237,677)	-
Transport items	-	-	47,518	47,518
	245,677	-	-	245,677
Amortizements:				
Machinery	(3,000)	(1,200)	(92,660)	(96,860)
Inform. process. equip.	(79,559)	(36,022)	115,580	-
Transport items	-	-	(22,920)	(22,920)
	(82,559)	(37,222)	-	(119,780)
Net value	163,118	(37,222)	-	125,897

Period 2008

	Euros		
	31-12-07	Additions	31-12-08
Cost:			
Machinery	8,000	-	8,000
Inform. process. equip.	237,677	-	237,677
	245,677	-	245,677
Amortizements:			
Machinery	(1,800)	(1,200)	(3,000)
Inform. process. equip.	(43,537)	(36,022)	(79,559)
	(45,337)	(37,222)	(82,559)
Net value	200,340	(37,222)	163,118

The Company's policy is to formalize insurances policies in order to cover the risks its tangible fixed assets are subject to. The Company's Administrators consider the coverage of such risks at 31st December 2009 and 2008 to be appropriate.

At the closing of tax year 2009 and 2008 the Company did not have elements of tangible fixed assets completely amortized which were still in use.

As it is shown in Note 67, at the closing of tax years 2009 and 2008 the Company had several financial leasing operations contracted against its tangible fixed assets.

6. Leasing

Financial leasing

At the closing of periods 2009 and 2008 the Company, as a financial lessee, has the following leased assets:

Period 2009

	Assets valued at their reasonable value	Assets valued by the current value of the minimum payments	Total
Tangible fixed assets	237,677	-	237,677
Total	237,677	-	237,677

Period 2008

	Assets valued at their reasonable value	Assets valued by the current value of the minimum payments	Total
Tangible fixed assets	237,677	-	237,677
Total	237,677	-	237,677

At the close of periods 2009 and 2008 the Company has contracted with the lessors the following minimum leasing quotas (including, if appropriate, options to purchase), in accordance with the contracts currently in force, and not taking into account repercussion of common expenses, future increases due to the CPI or future updates in income agreed under contract:

Financial leasing Minimum quotas	2009		2008	
	Nominal value	Current value	Nominal value	Current value
Less than 1 year	25,426	24,870	66,758	62,479
Between 1 and 5 years	18,436	17,431	47,862	46,024
Less than 5 years	-	-	-	-
Total	43,862	42,301	114,620	108,503

There are no contingent quotas.

Operating leases

At the closing of periods 2009 and 2008 the Company has contracted the following minimum leasing quotas with the lessors, in accordance with the current contracts in force, and not taking into consideration the repercussion of common expenses, future increases due to the CPI or future updates in income agreed under contract:

Operating leases Minimum quotas	2009 Nominal value	2008 Nominal value
Less than 1 year	800	3,234
Between 1 and 5 years	-	800
Total	800	4,034

7. Short-term financial assets

Credits and items receivable

The breakdown of this summarized balance sheet heading at December 31st 2009 and 2008 is as follows:

	Euros	
	2009	2008
Customers due to sales and provisions of services:	-	3,560
Customers, Group businesses current accounts (Note 14):	260,558	253,311
Other debtors	-	127,950
Personnel:	712	-
Total	261,270	384,821

8. Information about the nature and level of risk of financial instruments

The management of the financial risks of the Company is centralized in Financial Management, which has established the necessary mechanisms to control exposure to variations in the interest rates, as well as credit and liquidity risks. The main financial risks that affect the Company are:

a) Credit risk:

In general, the Company holds its treasury and equivalent liquid assets in financial bodies with a high credit level.

b) Liquidity risk:

In order to guarantee the liquidity and capacity to fulfil all the payment commitments deriving from its activity, the Company relies on the Treasury to show its balance.

c) Market risk:

Both the Treasury and the short-term financial investments of the Company are exposed to the interest rate risk, which could have an adverse effect on the financial results and on the cash flows. That is the reason why the Company follows the policy of investing in financial assets that are virtually un-exposed to interest rate risks.

9. Stockholders' equity

9.1 Share capital

At the closing of period 2009 the Company's capital amounts to 60,110 Euros, represented by 1,000 nominative shares of 60,11 Euros of nominal value each, all of them of the same kind, totally subscribed and paid in a 25% according to the following detail:

	% Participation
Centro de Investigación Elide Sanchez Marcos, S.A.	100%
	100%

The shares are not quoted in the Stock Exchange.

9.2 Legal reserve

In accordance with the Revised Corporations Act, a figure equal to 10% of the period's profit must be destined to the legal reserve until this sum reaches, at least, 20% of the share capital. The legal reserve can only be used to increase the capital in the part of its balance that exceeds 10% of the capital already increased. Except for the aforementioned purpose, and with the maximum limit of 20% of the share capital, this reserve may only be assigned to the compensation of losses provided there are no other sufficient reserves available for such purpose.

At closing of 2009 period this reserve was constituted at its legal limit.

9.3 Voluntary reserves

These are freely disposal reserves.

10. Financial liabilities

At the closing of periods 2009 and 2008 the financial liabilities of the Company break down as follows:

Debits and items payable

The breakdown of this balance sheet heading at December 31st 2009 and 2008 is as follows:	Euros	
	2009	2008
NON-CURRENT LIABILITIES:		
Creditors due to financial leasing (Note 6)	17,431	46,024
Total non-current liabilities	17,431	46,024
CURRENT LIABILITIES:		
Short-term debts:		
Creditors due to financial leasing (Nota 6)	24,870	62,479
	24,870	62,479
Debts with Group companies (Nota 14):	256,315	231,608
Trade creditors and other accounts payable:		
Suppliers	46,854	66,295
Suppliers, Group companies (Note 14)	39,497	80,243
Personnel	-	2,047
	86,351	148,585
Total current liabilities	367,536	442,672

11 Public Administrations and fiscal situation

The makeup of this balance sheet heading at December 31st 2009 and 2008 is as follows:

	Euros			
	2009		2008	
	Debtors' Balances	Creditors' Balances	Debtors' Balances	Creditors' Balances
Public Treasury, debtor due to VAT	8,995	-	14,440	-
Public Treasury, creditor due to VAT	-	-	-	5,622
Public Treasury, retentions and down payments	3,064	-	-	-
Public Treasury, creditor due to Corporate tax	-	-	-	(85)
Public Treasury, creditor due to IRPF	-	1,715	-	2,602
Current taxes liabilities	-	-	-	5,465
Social Security institutions, Creditors	-	1,663	-	2,318
Short-term balances with Public Administrations	12,059	3,378	14,440	15,922

At closing of 2009 period the due date of the negative tax bases registered in the balance sheet attached is as follows:

	Amount	Due date
Year 2009	(60,037)	Year 2024
	(60,037)	

In accordance with prevailing legislation, the fiscal losses of a period may be offset against the profits of the tax periods that end in the immediate 15 successive years. However, the final amount to be offset by these fiscal losses can be amended as a consequence of the verification of the said periods.

At closing of period 2009 the Company has no inspection in course. The Directors consider the aforementioned tax obligations have been satisfactorily settled, and thus, in the event of fiscal inspection and presupposing the arousal of discrepancies in the usual prevailing interpretation due to the fiscal treatment given to the operations, future resultant liabilities, should they materialise, would not significantly affect these summarized annual accounts.

12 Revenue and expenditure

a) Net amount of the turnover

The distribution of the net amount of the turnover of periods 2009 and 2008 is done by activities categories. The geographical market refers to the Spanish territory. The distribution is as follows:

Split	Euros	
	2009	2008
Provision of services to third parties	-	12,806
Provision of services to group businesses (Note 14)	343,364	246,383
Valued	(57,950)	68,756
	285,414	315,139

b) Provisions

The breakdown of this section of the profit and loss account for the accounting period ending on December 31st 2009 and 2008 is as follows:

	Euros	
	2009	2008
Purchase of other provisions	47,576	49,783
Works carried out by other businesses	516	1,842
Works carried out Group business (Note 14)	106,042	46,757
	154,134	98,382

Regarding its origin, the detail of the purchases made by the Company during periods 2009 and 2008 is as follows:

	2009		2008	
	National	Intra-communitary	National	Intra-communitary
Purchases	154,134	-	98,382	-

c) Personnel expenditure

The breakdown of the "Personnel expenditure" entry in the profit and loss account at December 31st 2009 and 2008 is as follows:

	Euros	
	2009	2008
Wages, salaries and equivalent	66,382	79,019
Social security payable by the Company	21,316	18,847
Total	87,698	97,866

The average number of people employed during periods 2009 and 2008, broken down into categories, is as follows:

Categories	2009	2008
Technical personnel	2	3
Total	2	3

In compliance with Art. 200.9 of the Corporation Law, distribution by sex of the Company's personnel is shown, broken down into categories, for the accounting periods 2009 and 2008:

Categories	2009		2008	
	Men	Women	Men	Women
Technical personnel	2	-	3	-
Total	2	-	3	-

d) Other operating expenses

The detail for this section of the attached profit and loss account for accounting periods 2009 and 2008 is as follows:

	Euros	
	2009	2008
Leases and royalties	15,558	17,949
Repairs and maintenance	-	565
Independent professional services	961	79
Transport	-	904
Insurance premiums	4,221	5,580
Bank services and similar	1,577	1,366
Advertising	527	-
Supplies	245	169
Other services	48,233	19,398
Other taxes	311	312
	71,633	46,322

13 Environmental aspects

Given the activities of the Company, it has no responsibilities, expenses, assets or provisions or contingencies of an environmental nature that could be significant in relation to the equity, financial situation and results. For this reason, they are not included in the specific breakdowns of the present report.

The Company's Directors consider that there are no contingencies related to the protection and improvement of the environment, and thus, do not consider necessary to enter any resource to the provision of risks and expenses of an environmental nature as at December 31st 2009 and 2008 in the summarized annual accounts.

14 Operations with related parties

The detail of the balances and transactions during exercises 2009 and 2008 between the Company and the companies of Elsamex Group is as follows:

2009	Euros					
	Accounts receivable		Accounts payable		Income	Expenditure
	For provision of services	Credits	For provision of services	Loans	Services provided	Services received
Control 7, S.A.	100,616	-	39,323	216,715	227,463	105,573
Elsamex, S.A.	-	-	174	34,600	-	469
Centro de Investigación Elpidio Sánchez Marcos, S.A.	-	159,942	-	-	115,901	-
Atenea Seguridad y Medio Ambiente, S.A.	-	-	-	5,000	-	-
TOTAL	100,616	159,942	39,497	256,315	343,364	106,042

2008	Euros				
	Accounts receivable	Accounts payable		Income	Expenditure
	For provision of services	For provision of services	Loans	Services provided	Services received
Control 7, S.A.	212,568	79,011	178,777	211,260	46,033
Elsamex, S.A.	-	1,231	32,831	-	946
Centro de Investigación Elpidio Sánchez Marcos, S.A.	40,743	-	15,000	35,123	-
Atenea Seguridad y Medio Ambiente, S.A.	-	-	5,000	-	-
TOTAL	253,311	80,242	231,608	246,383	46,979

The nature of the transactions between the different companies of the Elsamex Group is the following:

- Rendering of services (subcontracting): specific Companies of the Elsamex Group provide supplementary services to Geotecnia 7, S.A. in order for the second to develop its activity.
- Financial operations: there are monetary transactions between the entities of the Elsamex Group that occur insofar as the companies require liquidity. These intragroup transactions accrue interests.
- Administration, financial and human resource services: Elsamex S.A., from its central offices in Madrid, provides administrative, legal and fiscal services to the rest of the Group entities.

The method for setting the transfer pricing policy is different in accordance with the type of transaction made:

a) For transactions consisting in rendering of services (subcontracting) between the different entities of the Group, the "resale price" method is used, that is, to subtract the usual margin in identical or similar operations with independent individuals or entities from the sale price of the item, or, failing this, the margin that independent individuals or entities apply to comparable operations, applying, if required, the necessary corrections to obtain the equivalence and consider the particularities of the operation.

b) For financial transactions and administration services between the different Group entities the "comparable free price" method is used, that is, to compare the price of the goods or service in an operation between connected individuals or entities with the price of identical goods or services, or goods or services of similar nature in an operation between independent individuals or entities in comparable circumstances, applying, if required, the necessary corrections to obtain the equivalence and consider the particularities of the operation.

The whole of the live balances existing between the connected entities at December 31st 2009 and 2008 are liquid, past due date and demandable.

The Company is currently completing all the documentation required by fiscal regulations (art. 16 of the Regulations for Corporation Tax) in order to describe the different services provided and received and to withstand the transfer prices applied in the transactions carried out between the different Elsamex Group entities.

15. Subsequent facts

After the closing of the period, and up to the date of preparation of the present summarized annual accounts, no significant subsequent facts worthy of mention have taken place.

Declaration of Submission of Annual Accounts

In compliance with the rules of the Corporations Act, the Board of Directors of Proyectos Geotecnia 7, S.A. , on xxx of xxx 2010 drew up the Summarized Annual Accounts of period 2009, which shall be submitted for approval in the General Shareholders' Meeting.

D. Ramón Tomás Raz

D. Luis Budia Marigil

D. Ignacio Chueca García
