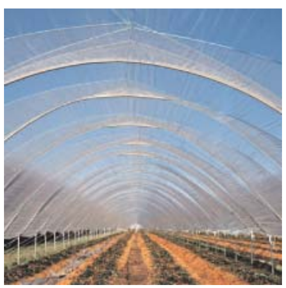
Reconciliation of the 1H 2004 Consolidated Financial Statements to the International Financial Reporting Standards (IFRS)



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* Reconciliation of the 1H 2004 Consolidated Financial Statements to the International Financial Reporting Standards (IFRS)

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Relevant Notes

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This financial information has been prepared on the basis of the International Financial Reporting Standards (IFRS) and the interpretations made thereof by the Standing Interpretations Committee (SIC)...

Relevant Notes

* The EBRO PULEVA Group consolidated accounts adaptation to the IFRS has not entailed any material impact.

* The net impact on Shareholders' Equity at 30.06.04 is a reduction of less than 1%, with a 4% increase in Net Profit.

* Some IFRS include options for applying accounting principles. The EBRO PULEVA Group has decided to apply the options that give continuity to the principles of the previously applied standards (e.g. not applying the "fair value“ option to tangible and intangible fixed assets and investment properties).

* The annual accounts balance sheet will be set out following the principle of distinguishing current and non-current items.

...and the International Financial Reporting Interpretations Committee (IFRIC-IASB), effective for the year ending 31 December 2005.
In this respect, the following comments should be taken into account:

Relevant Notes

* **The profit and loss account of the annual accounts will be set out following the principle of distribution by nature of the expenses and the requirements of the IFRS.**

* **In the different interim financial statements, the profit and loss account will continue including the EBITDA, EBIT and Operating Profit before other non-recurring income and expenses.**

* **The Official Accounts of the First Half of 2004 under the GAP included 6 months of our Chilean business activities. We present these figures in the first column. However, since the IFRS requires businesses sold to be presented as "Profit/Loss on Discontinued Operations", in order to facilitate the reconciliation between GAP and IFRS, we include the column equivalent to "Chile consolidated by the Equity Method", that we are normally disclosing.**

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Financial Year 2004
First Half

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- The financial information is prepared internally by the company and has not been audited. - The Standards that have now been issued and approved by the European Union are subject to... *

Consolidated Balance Sheet – Assets - Financial Year 2004 to 30 June

EUR Mio.	GAP Consol Total	GAP Chile Adjustment	GAP less Chile 1H04	IFRS 1H04	Absolute Variation	NOTE
Start Up Costs	1		1,0		-1,0	
Intangible Assets	74,0	-19,9	54,1	45,5	-8,6	**A**
Fixed Assets & Inv. Prop.	837,0	-139,6	697,4	697,6	0,2	
Financial Assets	40,4	-9,3	31,1	29,4	-1,7	
Deferred Taxes	88,1	-0,4	87,7	93,9	6,2	**B**
Goodwill	78,3	-2,2	76,1	77,4	1,3	**C**
Cost to Dist. Sev. Years	5,1	-0,5	4,6	0,1	-4,5	**D**
Own Shares	1,1		1,1		-1,1	**E**
Operating Assets	935,0	-178,9	756,1	758,8	2,7	
Total Assets	***2.060,0***	***-350,8***	***1.709,2***	***1.702,7***	***-6,5***	

A - Reduced by elimination of R&D and other restructuring costs.

B - Corresponds to the tax effect associated with the adjustments between the GAP and the IFRS.

C - Increased, basically, due to not writing off Goodwill in 2004 with IFRS.

D - Reduced by transfer to minor debt of the Deferred Charges from commitment fees on Loans (0.4) and reduced by write-down of expenses pending, attributable to the effects of changes in the actuarial variables of the pension plans (4.1).

* Reconciliation of the 1H 2004 Consolidated Financial Statements to the International Financial Reporting Standards (IFRS)

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...the interpretations made from time to time by the IFRIC. Moreover, the IASB could issue new standards, which might be applicable to financial years commencing as from 1 January 2005. The IFRS have so far been submitted to considerable review... *

Consolidated Balance Sheet – Liabilities – Financial Year 2004 to 30 June

EUR Mio.	GAP Consol Total	GAP Chile Adjustment	GAP less Chile 1H04	IFRS 1H04	Absolute Variation	NOTE
Shareholders Equity	933,5		933,5	924,8	-8,7	E
External Interest	175,5	-147,8	27,7	27,5	-0,2	
Income to Dist. Sev. Years	20,4		20,4	20,6	0,2	
Provisions	142,5	-32,1	110,4	108,5	-1,9	F
Financial Debt	388,2	-103,1	285,1	289,1	4,0	G
Deferred Taxes	25,9	-6,7	19,2	19,1	-0,1	
Other L.T. Liabilities				3,7	3,7	G
Other S.T. Liabilities	374,0	-61,1	312,9	309,4	-3,5	F y G
Total Liabilities	***2.060,0***	***-350,8***	***1.709,2***	***1.702,7***	***-6,5***	

...and are being applied within the European Union and a large number of countries simultaneously for the first time. Consequently, there is not yet a significant body that could be called on to resolve any technicalities that might arise when... *

Consolidated Balance Sheet – Liabilities – Financial Year 2004 to 30 June

E - Reduced by: elimination of the R&D costs net of tax effect (4.1), elimination of the Deferred Expenses from the Pension fund net of tax effect (2.7), Start up Expenses (0.6), Own Shares (1.1) and reduction for several Others (0.2).

F - Provisions are reduced by short term transfer of payments for restructuring and there is an increase in Other Short Term Liabilities.

G - Financial Debt is reduced by transfer to Other Long Term Liabilities of the Fixed Asset Suppliers Debt (3.7) and commitment fees on loans (0.4), and increased by the transfer of the debt corresponding to the outsourcing of the Pension Fund and Others (7.0) that was previously registered with the GAP as Other Short-Term Debts, and increases by the provision of the value of financial instruments (1.1).

...applying these standards to facts not specifically contemplated in the IFRS. - The possible changes deriving from the situation mentioned above could affect some of the decisions and interpretations made now by the... *

Profit and Loss Account – Financial Year 2004 First Semester

EUR Mio.	GAP Consol Total	GAP Chile Adjustment	GAP less Chile 1H04	IFRS 1H04	Absolute Variation	NOTE
Turnover	1.000,8	-155,7	845,1	846,0	0,9	
Consume	-646,4	109,5	-536,9	-537,2	-0,3	
Net Operating Costs	-224,1	29,0	-195,1	-201,7	-6,6	H
EBITDA	130,3	-17,2	113,1	107,1	-6,0	
Amortisation	-29,1	5,0	-24,1	-22,6	1,5	
Operationg Provisions	-1,5	0,3	-1,2		1,2	
EBIT	99,7	-11,9	87,8	84,5	-3,3	
Fixed Assets Divestments	35,7		35,7	36,7	1,0	
Reestructuration	-5,4		-5,4		5,4	H*
Provisions				-6,2	-6,2	I*
Other Extraordinary	29,3	13,8	-15,5		15,5	I
OPERATING RESULTS	185,0	1,9	128,3	115,0	-13,3	
Financial Results	-10,5	4,5	-6,0	-13,5	-7,5	J
Goodwill	-8,1	3,3	-4,8	-4,3	0,5	
Equity Method Results	0,4	-1,8	-1,4	0,1	1,5	K
Earnings Before Taxes	82,5	7,9	90,4	97,3	6,9	
Taxes	-20,5	-4,3	-24,8	-25,8	-1,0	K*
Discontinued Operations				-2,4	-2,4	K
Consolidated Results	62,0	3,6	65,6	69,1	3,5	
Minority Interest	2,1	-3,6	-1,5	-1,8	-0,3	
Profit Att. Parent Co.	***64,1***	***0,0***	***64,1***	***67,3***	3,2	

**Only afected by part of the Note*

Profit and Loss Account – Financial Year 2004 First Half

H - Increase by inclusion of Restructuring Expenses (5.4) (previously recorded as an extraordinary item), reduced by inclusion of the Capital Grants (2.0) (previously recorded as an Extraordinary item) and increase by transfer of Lease Income to Turnover (0.9), increase by transfer of Provisions for Stocks (1.2) and increase for Other Adjustments (1.1).

I - Reclassification to Funding Provisions for Legal Disputes (5.7), to Financial Expenses (7,0), to Operative Income for Grants (2.0), to Discontinued Operations (3.5) and Other Adjustments (1.3).

J - Reclassification from Other Extraordinary Expenses (7.0) (Provisions for Financial Assets (3.0), financial adjustments of Provisions for Legal Disputes (2.8) and Other Adjustments (1.2)) and Provision for Derivatives (0.5).

K - Corresponds to the effects of the deconsolidation of the investment in Chile.

LN

Legal Note

...to this information before it is published as comparative financial information in the Annual Report 2005 of the Ebro Puleva Group.

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DISCLAIMER

This financial information has been prepared on the basis of the International Financial Reporting Standards (IFRS) and the interpretations made thereof by the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC-IASB), effective for the year ending 31 December 2005.

In this respect, the following comments should be taken into account:

- The financial information is prepared internally by the company and has not been audited.

- The Standards that have now been issued and approved by the European Union are subject to the interpretations made from time to time by the IFRIC. Moreover, the IASB could issue new standards, which might be applicable to financial years commencing as from 1 January 2005.

- The IFRS have so far been submitted to considerable review and are being applied within the European Union and a large number of countries simultaneously for the first time. Consequently, there is not yet a significant body that could be called on to resolve any technicalities that might arise when applying these standards to facts not specifically contemplated in the IFRS.

- The possible changes deriving from the situation mentioned above could affect some of the decisions and interpretations made now by the Ebro Pubeva Group when preparing the information set out in this document.

- Consequently, we cannot rule out the possibility that changes may have to be made to this information before it is published as comparative financial information in the Annual Report 2005 of the Ebro Puleva Group.