

CAF

PRESS REPORT

2009



CAF

CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A.
AND DEPENDENT COMPANIES THAT MAKE UP THE CAF GROUP

CAF CAF'S TECHNOLOGY, QUALITY AND SERVICE ARE FULLY
ACKNOWLEDGED AT INTERNATIONAL LEVEL



MAIN LINES

HIGH SPEED TRAINS

- High Speed Trains and Variable Gauge Trains S-120 (RENFE)
- High Speed Trains for the Madrid-Seville Line
- Shuttle Trains S-104 (RENFE)
- High-speed trains for Turkey

INTERCITY TRAINS

- Tilting System ADR Trains
- Diesel trains for Algeria
- Intercity, Push-Pull Service
- Trains for Saudi Arabia
- Sardinia diesel trains
- Northern Ireland trains

PASSENGER CARS

- Saloons and Luxury Lounge
- Sleeping Cars and Couchettes
- Restaurant and Cafeteria Cars



CITY/SUBURBANS

REGIONAL TRAINS

- Red Nacional de Ferrocarriles Españoles (RENFE)
- Eusko Trenbideak-Ferrocarriles Vascos (ET/FV)
- Ferrocarriles Españoles de Vía Estrecha (FEVE)
- Ferrocarrils de la Generalitat de Catalunya (FGC)
- Companhia Paulista de trenes Metropolitanos (Brazil)
- Secretaría de Comunicaciones y Transportes (Mexico)
- Serveis Ferroviaris de Mallorca (SFM)
- Caminhos de Ferro Portugueses
- Finnish Railways (VR Ltd)
- Heathrow Airport Express
- Hong-Kong Airport Express
- Irish Rail
- Izban (Turkey)
- Northern Ireland Railways
- Northern Spirit
- Delhi airport

SUBWAY TRAINS

- Algiers
- Barcelona
- Bilbao
- Brussels
- Istanbul
- Hong Kong
- Madrid
- Malaga
- Medellín
- Mexico
- New Delhi
- Palma (Mallorca)
- Rome
- Santiago de Chile
- São Paulo
- Seville
- Washington

ARTICULATED LIGHT RAILWAY

- Amsterdam
- Buenos Aires
- Monterrey
- Pittsburgh
- Sacramento
- Valencia

STREETCARS

- Antalya
- Belgrade
- Bilbao
- Edinburgh
- Houston
- Lisbon
- Seville
- Valencia
- Vélez-Málaga
- Vitoria
- Zaragoza
- Cádiz-Chiclana

COMMERCIAL ACTIVITY

The backlog at year-end amounted to EUR 4,336 million, an increase of 4.8% with respect to 2008. Major commercial activity opened up new international markets and consolidated those in which the Group was already present.



The high commercial activity in recent years continued in 2009 with the backlog reaching a new high of EUR 4,336 million at year-end, up 4.8% on 2008. This figure was achieved as a result of contracts of EUR 1,457 million in 2009.

The contract with the largest volume in 2009 was entered into with EuskoTren for the manufacture and supply of 30 electrical units. On the Spanish market, agreements were entered into with RENFE to adapt 75 trains to the Royal Decree regulating the basic conditions of accessibility and non-discrimination for access to and use of modes of transport for disabled people. Agreements were also entered into with Ferrocarrils de la Generalitat de Catalunya to manufacture units of its new 113 series, with Ferrocarriles de la Junta de Andalucía to supply tram train units for the operation to connect the towns of Chiclana, San Fernando and Cadiz, and with the Tranvía de Zaragoza consortium.

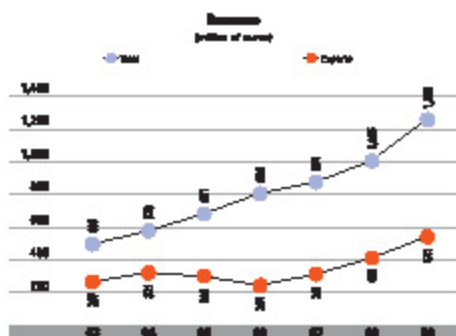
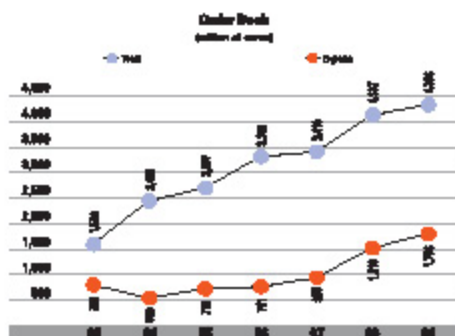
Special mention should be made of the agreement relating to the railway material for the service between Chiclana, San Fernando and Cadiz since it will be the first train-tram in Spain

converging railway lines with both city and intercity routes on its commercial service.

Also noteworthy is CAF's leadership position in the TRAZA consortium, which will construct and operate the Zaragoza tramway over the next 35 years. The trams that will enter into service in the city will be manufactured in our Zaragoza plant but with the specific feature of no overhead lines over part of the track.

Tramways without overhead lines are an innovation for our company, as were the recent developments of traction converters, successfully operating in various rail authorities, the rapid charge accumulator devices (ACRI) and the BITRAC platform of dual diesel electric and electric locomotives, for which the certification process of the first unit began successfully in 2009.

In the export market, contracts of a higher value were arranged in countries where operations had already been carried out in the past, thereby reaffirming the trust deposited



* Classified data 2009
2004, 2005, 2006, 2007, 2008, 2009 unclassified data, B/E



in our company by the different contracting authorities and the quality of our trains.

This was the case with the Turkish authorities who arranged an order for 30 trains for the Istanbul underground in 2008, with Northern Ireland Railways (NIR), who acquired 20 new diesel units, with the city of Houston in the US that purchased 29 additional trams to those previously agreed upon, with the six units to be added to the order by the Brussels underground or with the eight new trains to be operated by CPTM in Sao Paulo.

Other agreements involving smaller amounts, although equally important because they represent the opening up of new markets for the company, were arranged in India to supply

eight trains for Delhi airport, in Colombia to supply 12 trains for the Medellin underground and in Belgrade, the Serbian capital, to supply 30 trams.

In addition to the agreements entered into for new trains, the maintenance business continued to gain strength as in prior years and currently accounts for 37% of the backlog, with double the growth in business compared to the company taken as a whole. The rolling stock and train lease service lines of business are also gaining strength.

INDUSTRIAL ACTIVITY

Delivery of high-speed trains for RENFE and Turkey. Underground trains for Santiago de Chile, Mexico, Sao Paulo, Algiers, Rome and Bilbao. Diesel- and electric-traction, commuter and middle-distance trains for RENFE and Algeria. Tramways for Vitoria and Antalya (Turkey) and line locomotives.



In 2009, delivery of the last train signalled the conclusion of the agreement for 17 train units with diesel traction for Algeria, and deliveries were made of the last 7 tram units for Vitoria, the last 8 tram units for Antalya (Turkey), the last 8 four-carriage trains for the Bilbao underground, the last 11 train units for the Algiers underground, the last 22 CIVIA III trains for RENFE, the three 213 series trains for FGC and two RCP trailer cars for the Rome underground, the latter agreements having been entered into under the contract extension of 9 more train units.

In 2009, deliveries were also made of 16 high-speed trains (AVR) for RENFE, 6 high-speed variable-gauge (AVGL) trains for RENFE, 10 high-speed trains for TCDD (Turkish railways), 23 diesel traction trains for RENFE, 11 trains for the Chilean underground, the first mixed-traction locomotive for the private operator Fesur, four trains for the Mexican underground, 39 medium-distance and electric traction trains for RENFE and 4 trains for the Rome underground. Particularly noteworthy is the delivery of the first train for the Sao Paulo

underground and the first train for Companhia Paulista de Trens Metropolitanos (CPTM) for the same city.

With respect to other projects, mention must be made of the advanced stage of the manufacture of the first trains for Izmir (Turkey) and New Delhi (India), as well as the trailer cars for the Bilbao underground, the first trams for Edinburgh (Scotland), or the first 9000 series trains for the Madrid underground.

In the Engineering area, design activities had already commenced on the new projects entered into for the Saudi Arabian railways, the new trains for Mallorca and Euskotren, as well as the trams for Houston and the new trains for the Northern Ireland railways. Work is also in progress on the Zaragoza, Malaga and Belgrade trams and on the new trains for the Medellin underground (Colombia).

The most important manufacturing projects in 2009 were as follows:





NO. OF VEHICLES	
Diesel train unit (M1+R+M2) for Algeria	3
Antalya tramcar unit (A+B+C+D+E) (Turkey)	40
RCP trailer cars for the Rome underground	2
Train unit (M1+R1+N1+N1+R1+N2+N1+R2+M2) for the Chilean metro	99
Train unit (RCB+M1B+M2B+M2A+M1A+RCA) for the Algiers underground	66
Line A of Mexican underground (M+R+N+N+PR+M+N+N+R)	36
Train for the Sao Paulo underground (MA1+MB1+MB2+MB1+MB1+MA2)	6
Commuter train for Companhia Paulista de Trens Metropolitanos (CPTM) (2m1+2R1+2R2+2M2)	8
High-speed train for Turkey (TCF+TCB+MIF1A+MIF1B+MIF2+TMIFC)	12
Train (2RCP+2M1+2M2) for the Rome Underground	24
Train (MC+R+MC) for FGC S/213	9
AVR high-speed train (MC1+M11+M12+MC2) for RENFE	64
Bilbao underground S/600 train (M1+N1+N2+M2) for CTB	32
Trailer cars for the Bilbao underground	2
CMA III commuter train units (A1+A2+A3+A4+A5) for RENFE	110
Variable gauge (AWGL) trains (MCT+MIP+MIT+MCP) for RENFE	24
Middle-distance diesel train unit (M1+R+M2) for RENFE	69
Middle-distance electric train unit for RENFE (A1+A2+A3+A4+A59)	195
Vitoria tram unit (A+B+C+D+E) for EUSKOTREN	35
Line locomotive for FESUR (M)	1
TOTAL	837
BOGIES	
With welded steel chassis (power car + trailer)	1,615
ROLLING STOCK	
Conventionally assembled axles (power car + trailer)	5,177
Variable gauge assembled axles (power car + trailer)	593
Loose axle bodies	9,406
Wheels	46,145
Crane wheels	42
Brackets	1,214
Couplers	1,380
Diminishers	241
Rings	141
Other supplementary materials manufactured:	
Steel	35,407 tonnes
The repairs carried out included:	
TRD resetting (M1+M2) (RENFE)	4
Servicing of train S/200 (Euskotren) (A+B+C+D)	8
Servicing of S/550 bogies for the Bilbao underground	40

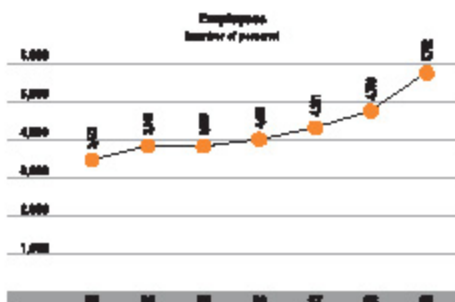
HUMAN RESOURCES

The Group's workforce grew considerably in 2009. The level of accidents was reduced with respect to 2008 in all indicators.



	Permanent	Total	Annual Average
31-12-08	4,550	5,108	4,758
31-12-09	5,684	6,429	5,762

The Group's labour force grew considerably in 2009, most significantly at the subsidiaries and in the international sphere. The Group's capacity was adapted to international requirements and the efforts to hire highly qualified technicians continued.



The requirements detected were integrated into the General Training Plan in an orderly fashion through the graduate evaluation process. This made it possible to manage graduate development in a more structured manner, setting specific points for improvement for each person.

The one-on-one mentoring process was strengthened, thereby consolidating the training model and increasing the efficiency of the executive development initiatives.

All forms of occupational accidents were down on 2008. Priority was given to initiatives associated with the reduction in accidents.



ENVIRONMENTAL ACTIVITY

The Environmental Management System has been implemented at all CAF's manufacturing plants and has been certified under the ISO 14001 Standard. The audits for the renewal of the ISO 14001:2004 certificate at the Beasain, Irun and Zaragoza plants had a positive outcome.

CAF S.A. is aware that industrial activity affects the environment and therefore its general company policy includes the environmental policy, under which the protection of the environment is assumed as one of the organisation's objectives, also ensuring that the systems, equipment and railway material it produces are of the highest standard, not only insofar as safety and efficiency are concerned but also as regards respect for the environment.

In the manufacturing plants of CAF S.A., the Environmental Management System certified under the ISO 14001 standard is in place and encompasses organisational structure, the planning of environmental protection activities, as well as the responsibilities, environmental objectives and resources required to implement, review and keep the environmental policy updated.

In November, the audit was performed for the renewal of the ISO 14001:2004 certificate relating to the environmental management system for the Beasain, Irun and Zaragoza plants, the outcome of which was satisfactory.

These activities are carried out with a view to taking the necessary and economically feasible steps aimed at monitoring and, as the case may be, minimising significant environmental factors, such as atmospheric emissions, waste generation and energy consumption, in order to conserve natural resources, logically aligned with the environmental benefits related to the manufacture of rail means of transport that are rated highly from the standpoint of their environmental impact.

In this connection it is noteworthy that, in compliance with the Kyoto Protocol, greenhouse gas emissions were significantly lower than the levels for 2008 and were also considerably below the rights that had been allocated.



