

TELVENT

IT for a Sustainable and Secure World



TELVENT

Q1 2008 Earnings Presentation

May 23, 2008



Forward-Looking Statement

This presentation contains forward-looking statements and information relating to Telvent that are based on the beliefs of its management as well as assumptions made and information currently available to Telvent. Such statements reflect the current views of Telvent with respect to future events and are subject to risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of Telvent to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic, political, governmental and business conditions globally and in the countries in which Telvent does business, changes in interest rates, changes in inflation rates, changes in prices, changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. Telvent does not intend, and does not assume any obligations, to update these forward-looking statements.



- Q1 2008 Highlights
- Q1 2008 Financial Analysis
- Q&A



Q1 2008 Highlights

Beginning the year delivering **good results**...

Continued top line growth



- 16.9% increase quarter-over-quarter
- Double digit revenue growth in the last fifteen quarters

Growth in four of our five segments



- More diversified contribution from our business segments

EPS of € 0.25, an increase of 14.5% over the first quarter 2007



- Benefits from more added value solutions
- Start to see some effects of the G&A optimization plan

Outlook: Quarterly Bookings of € 168.8 million



- Strong revenue visibility of over € 700 million
- Pipeline of identified opportunities exceeds € 2.5 billion



Q1 2008 Highlights

Good results and **building for future growth**

Good start, in a challenging environment, to meet our annual guidance ✓

- +60% of total annual revenues already secured
- Normal flow of business in general
- Delays in some opportunities in Transport North America
- Offset by strong momentum in Latin America

Continuous investment in R&D ✓

- Smart Grid Solution Suite and Open Road Tolling Solution
- +100 Meur for 2008-2010 programs to keep building added value solutions

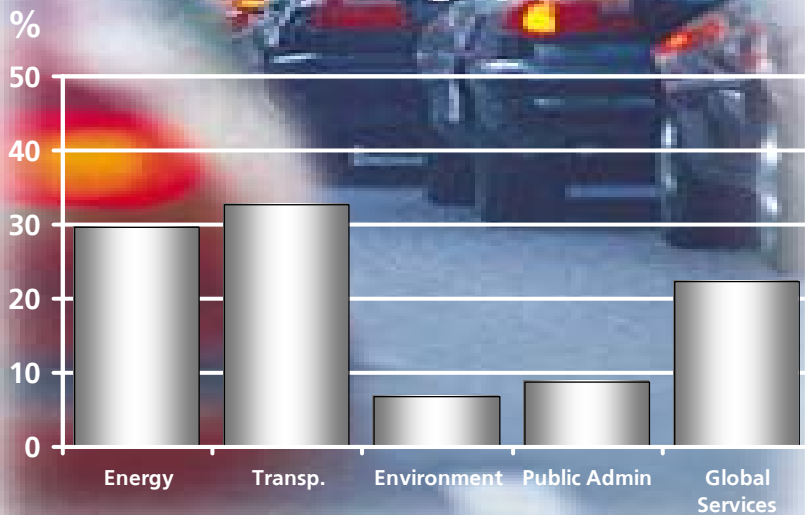
Selected to join The Cleantech Index™ (CTIUS) ✓

- The only equity index that reflects the surging global demand for clean technology



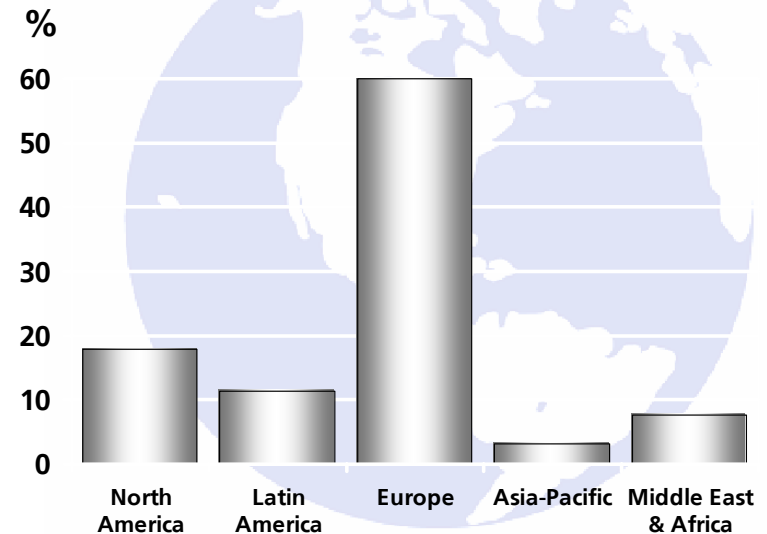
Diversified Revenue

By Segment....



- Energy and Transport accounting for +60% of our revenues
- More diversified business with Global Services gaining weight
- Public Administration almost doubled Q1 2007 revenues

... and by Geography



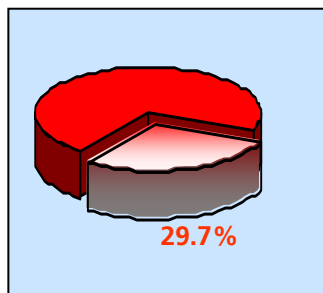
- Important growth in Europe and the Middle East & Africa, boosted by Global Services and Transportation segments
- Continued expansion in the Americas and the Middle East



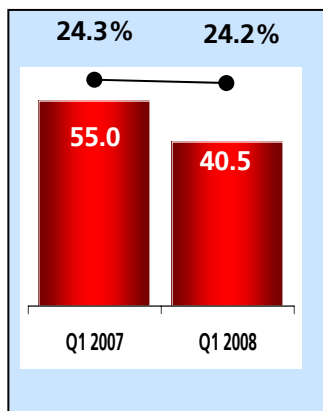
€ in Millions

Energy

Percentage of Total Pro Forma Revenue



Pro forma Revenue and Gross Margin



- Joint Venture Agreement signed between Telvent and DMS Group
- On track with R&D plan on Telvent's Smart Grid Solution Suite
- Recent release of OASyS DNA 7.5 Product
- Promising prospects in Smart Grid Solutions Projects, working at more than 20 different opportunities
- Deployment of the Vattenfall project in good progress:
 - 561,000 meters in operation
 - Roll out planned to conclude in late June 2008
 - Operation service to continue through 2015
 - Smaller contribution from Vattenfall starting Q108, as scheduled
- Continued growth in Oil & Gas in North America, with opportunities being strongest in years
- Significant contract with Sunoco Logistics in the United States to upgrade an OASyS DNA SCADA System
- Significant contract with Abu Dhabi Marine Operating Company (ADMA-OPCO), which involves a comprehensive solution for control at the highest security levels

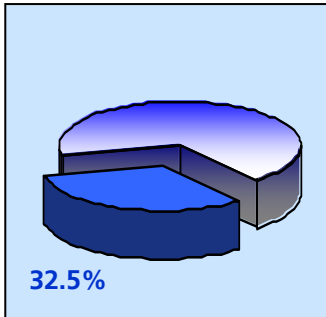


Segment Discussion

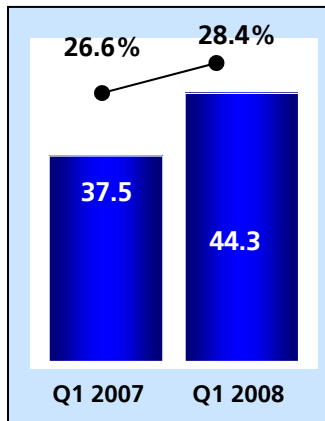
€ in Millions

Transportation

Percentage of Total Pro Forma Revenue



Pro forma Revenue and Gross Margin



- 18.1% growth over Q1 2007, driven by steady organic growth in most of our geographies
- Automatic Traffic Violation Administering and Monitoring (AVTAM) project in Saudi Arabia – performance as planned, ramping up from June on
- Significant organic revenue growth expected for 2008 in segment
- Very strong backlog
- On track with R&D plan on End-to-end Open Road Tolling (ORT) solution and Enforcement Solution
- Significant contract signed with OHL Brazil to supply, install and start-up Telvent's SmartToll system on three federal highways in Brazil
- Contract with Central Texas Regional Mobility (CTRMA) to supply maintenance services over the next five years on the free-flow electronic toll management system for Highway 183-A in Austin, TX
- Contract signed with Meishan City Digital Traffic Development Co. Ltd. in China for the supply and installation of an urban traffic control system in the city of Meishan



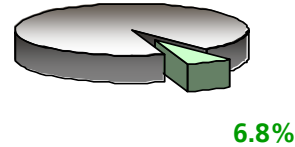
€ in Millions

Segment Discussion

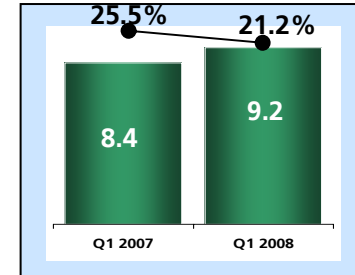
Environment

- Good performance in Europe, Asia and Latin America
- Opportunities in the Middle East & Africa, where we foresee future growth

Percentage of Total Pro Forma Revenue

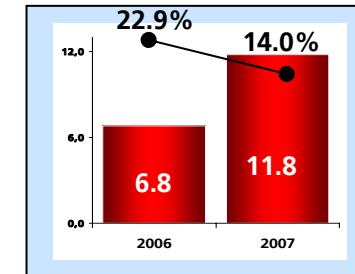
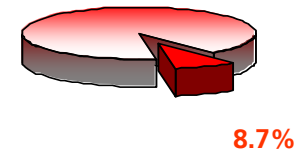


Pro Forma Revenue and Gross Margin



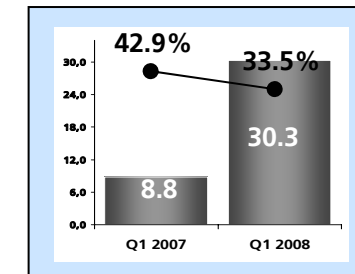
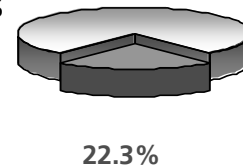
Public Administration

- Consolidating position in central and regional governments in Spain
- Significant organic growth
- Q1 bookings impacted by a slowdown in Spanish Public Admin. due to Presidential Elections



Global Services

- Successful integration of Matchmind in progress
- Extraordinary growth, both organic and non-organic
- Significant Projects: Yoigo, Grupo Suardiaz, Cofares. ...





Telvent-DMS Group Joint Venture

About the **DMS Group**:

Founded by University Professors and "friend investors" ✓

Modern, expert team with 250 power/software engineers ✓

+1,000 engineer years invested in DMS product ✓

DMS Software is licensed for Education and Research at Massachusetts Institute of Technology and Carnegie Mellon University ✓

Utilities worldwide – 30 utilities, 100 million customers. Some examples: ✓

- ✓ EPS (Serbia)
- ✓ ENEL (Italy)
- ✓ EVN (Austria)
- ✓ EDF (France)
- ✓ Steg (Tunisia)



Telvent-DMS Group Joint Venture

Benefits from the **Telvent-DMS Group** Joint Venture:

It will allow Telvent to have direct input in DMS technology research and development plans ✓

Further support to Telvent's Smart Grid initiative, bringing energy efficiency to the electric utility market ✓

With DMS Solution, our Smart Grid Suite will allow customers to: ✓

- ✓ Respond to new distributed and **renewable generation capacity** coming on-line
- ✓ Add "**virtual generation**" to their network
- ✓ Implement effective **demand response** strategies at the consumer level
- ✓ Respond to all requirements of a **modern distribution utility**



- Q1 2008 Highlights
- **Q1 2008 Financial Analysis**
- Q&A



Q1 2008 Highlights

Once again, we started the year **delivering good results...**

Continued top line growth

- Double-digit revenue growth in the last fifteen quarters
- Revenues of € 136.1 million, a 16.9% quarter-over-quarter increase
- Excluding the effect of Vattenfall, organic growth of 15.2%

Improvements made in margins

- Gross Margin improved by **10 bp** quarter-over-quarter
- Operating Margin improved by **60 bp** quarter-over-quarter

Diluted pro forma EPS of € 0.25, an increase of 14.5%

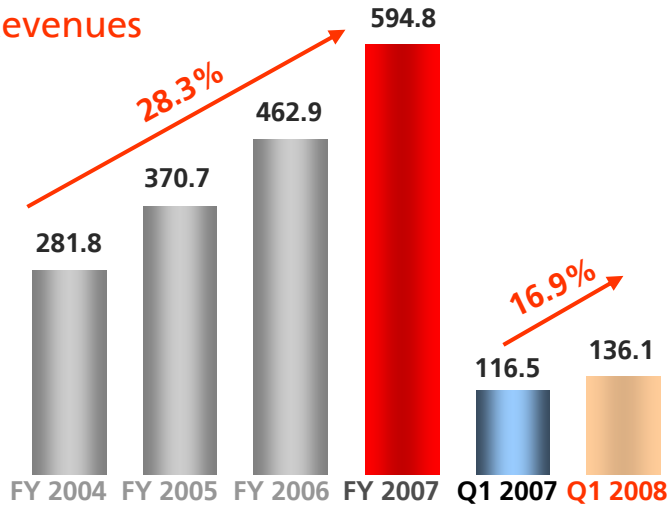
Positive Outlook: Quarterly Bookings of € 168.8 million, driving the Backlog to € 575.1 million

- Plus a soft backlog of €146.3 million

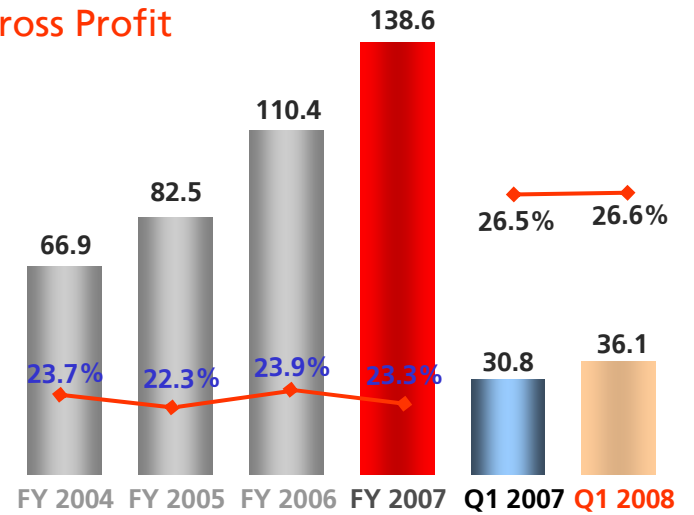


€ in Millions

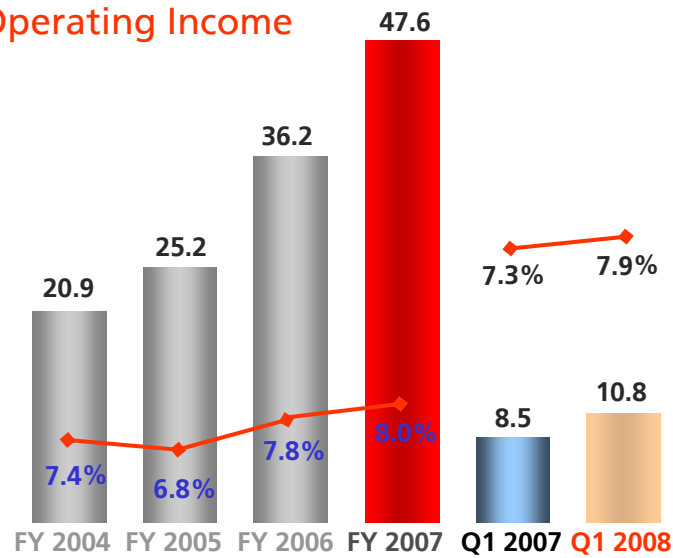
Revenues



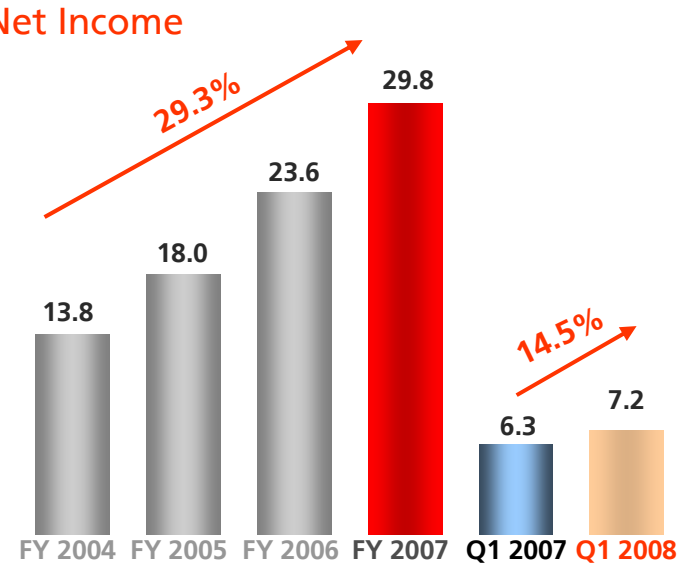
Gross Profit



Operating Income



Net Income



Note 1: Data are pro forma. See copy of Q1 2008 Press Release for reconciliation to GAAP figures.



€ in Millions

Business (Revenue) Growth

	Q1 2007		Q1 2008
GAAP Revenues	121.4	14.3%	138.7
JV's (other partners' portion and companies under equity method)	(4.9)		(2.6)
Acquisitions	-----		(19.4)
Foreign exchange impact	-----		3.5
Revenues (Organic)	116.5	3.2%	120.2
Vattenfall project	(17.2)		(5.8)
Revenues (Organic) w/o the Vattenfall project effect	99.3	15.2%	114.4



Unaudited P&L Account

€ in Millions, except EPS

	US GAAP				Pro Forma			
	Q1 2008		Q1 2007		Q1 2008		Q1 2007	
	% o/R		% o/R		% o/R		% o/R	
Revenues	€ 138.7		€ 121.4		€ 136.1		€ 116.5	
Cost of revenues	102.7	74.0%	90.6	74.7%	100.0	73.4%	85.6	73.5%
Gross profit	36.0	26.0%	30.7	25.3%	36.1	26.6%	30.8	26.5%
General and administrative	14.3	10.3%	12.1	10.0%	13.9	10.2%	11.7	10.0%
Sales and marketing	5.1	3.7%	4.3	3.6%	5.1	3.7%	4.3	3.7%
Research and development	4.5	3.2%	4.6	3.8%	4.5	3.3%	4.6	3.9%
Depreciation and amortization	2.7	2.0%	2.6	2.1%	1.9	1.4%	1.7	1.5%
Total operating expenses	26.6	19.2%	23.6	19.4%	25.3	18.6%	22.3	19.1%
Income from operations	9.4	6.8%	7.2	5.9%	10.8	7.9%	8.5	7.3%
Financial (expense), net	(2.5)	1.8%	(1.8)	1.5%	(2.0)	1.5%	(1.6)	1.4%
Income from companies under equity method	0.2	0.2%	-	-	-	-	-	-
Other income, net	-	-	-	-	-	-	-	-
Total other income (expense)	(2.3)	1.7%	(1.8)	1.5%	(2.0)	1.5%	(1.6)	1.4%
Income before income taxes	7.1	5.1%	5.3	4.4%	8.8	6.5%	6.9	6.0%
Income tax expense (benefit)	0.9	0.7%	0.3	0.2%	1.4	1.0%	0.7	0.6%
Net income before minority interest	6.2	4.4%	5.0	4.2%	7.4	5.4%	6.3	5.4%
Loss/(Profit) attributable to minority interest	(0.3)	0.2%	0.1	0.1%	(0.2)	0.1%	(0.0)	0.0%
Net income	5.9	4.3%	5.1	4.2%	7.2	5.3%	6.3	5.4%
Earnings per share	0.20		0.18		0.25		0.21	
Weighted average number of shares outstanding	29,247,100		29,247,100		29,247,100		29,247,100	



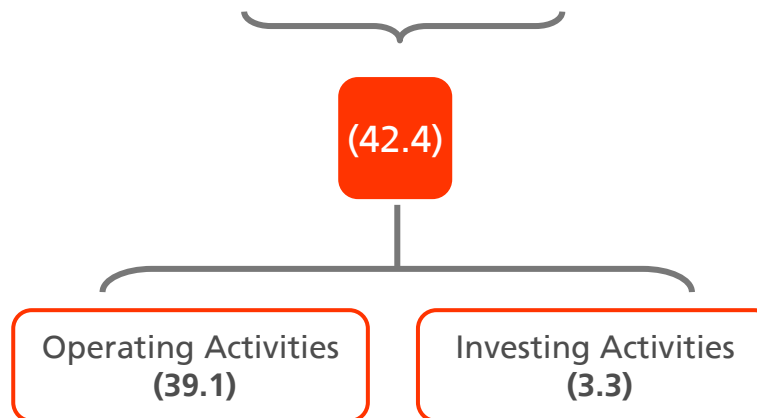
€ in Millions

Net Debt Position

- Net debt position of € 42.9 million at the end of March 2008
- Net debt position of € 0.5 million at the end of year 2007

	As of March 31, 2008	As of December 31, 2007
Cash and cash equivalents	70.8	82.3
Related party net credit line receivable (payable)	(20.6)	22.2
Short-Term Debt	(61.0)	(72.0)
Long-Term Debt	(32.1)	(33.0)
Net (Debt) / Cash	<u>(42.9)</u>	<u>(0.5)</u>

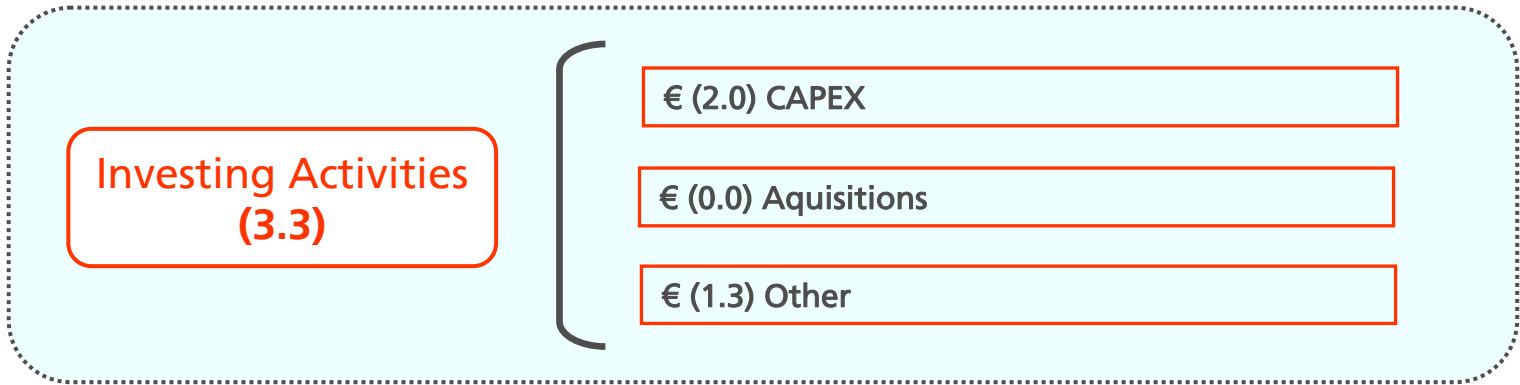
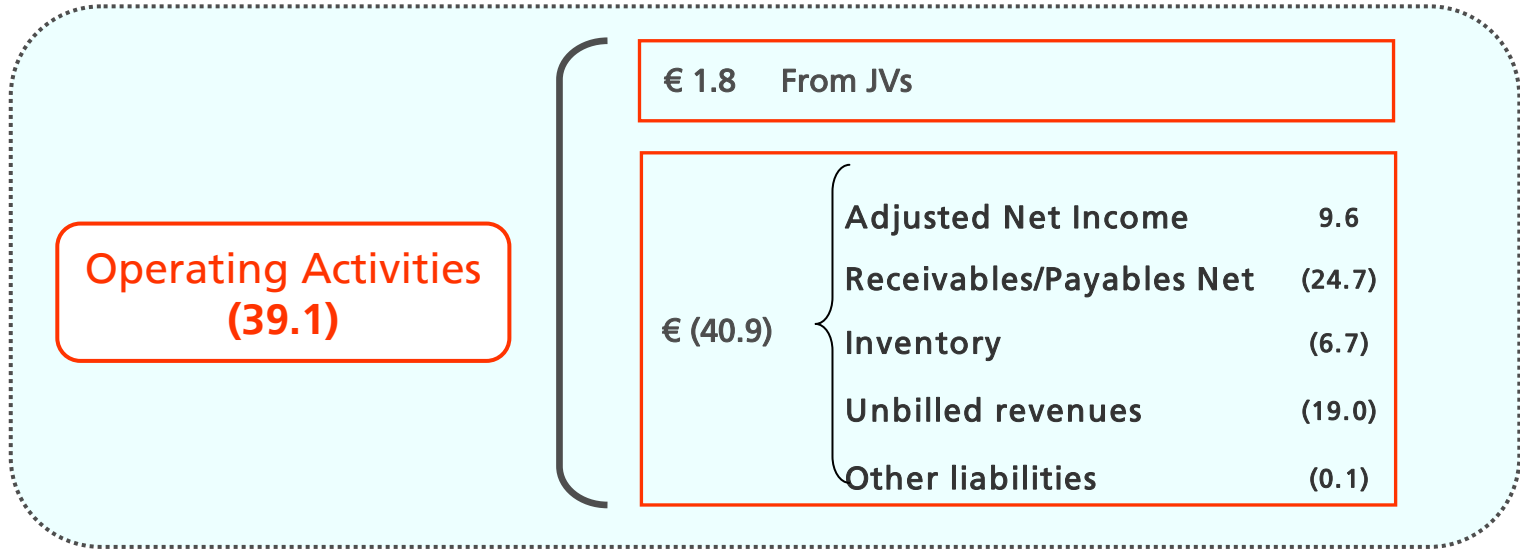
Cash used in the period





€ in Millions

Cash Flow Analysis



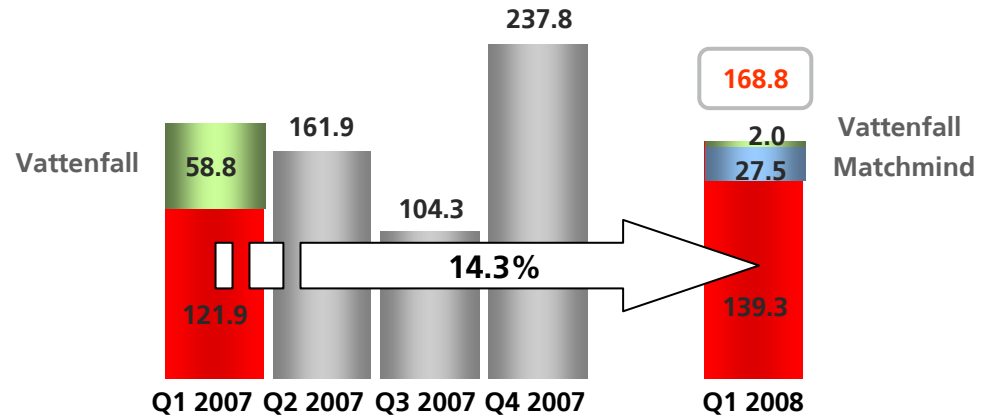


€ in Millions

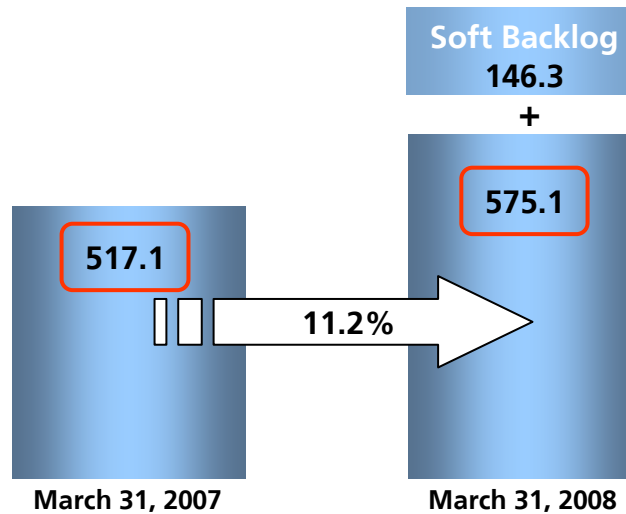
Revenue Visibility and Stability

Strong visibility going forward, based on **Backlog**, **Bookings**, and **Pipeline**

Bookings



Backlog

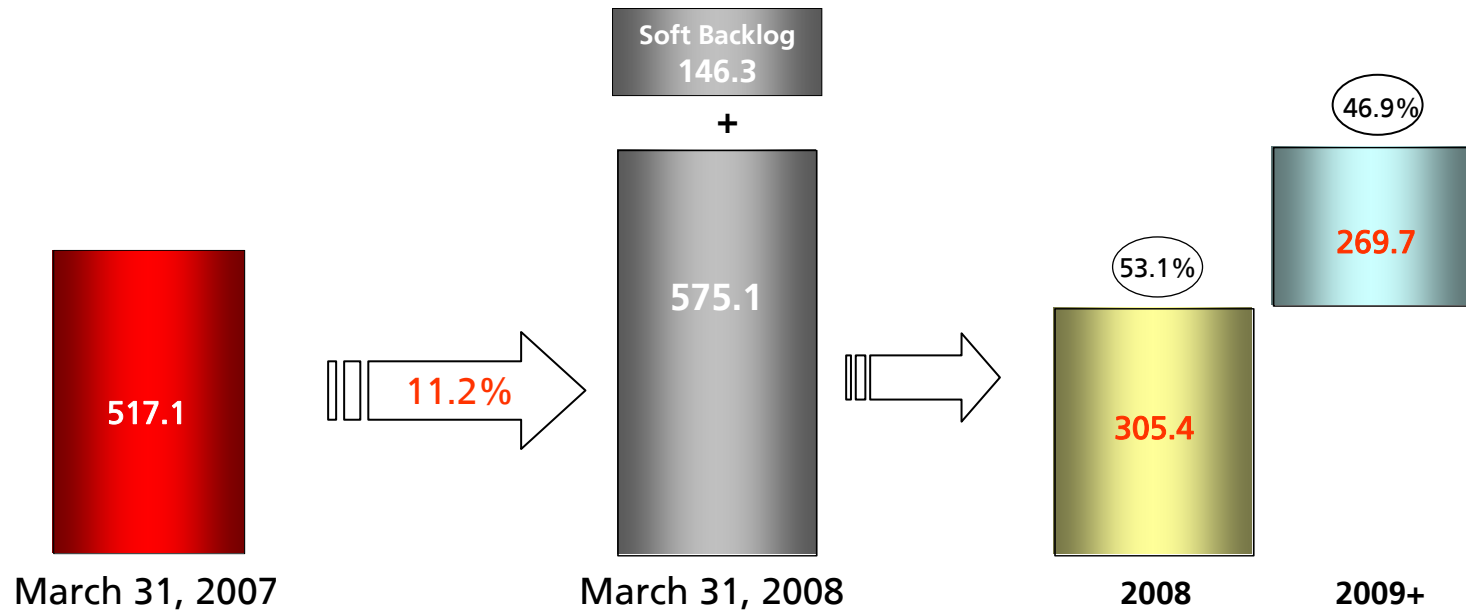




€ in Millions

Backlog Guidance

Revenue Visibility and Stability



Note 2: These financial projections update and replace our previous guidance



FY 2008 Guidance

		FY 2008 Guidance
Revenues (Organic)		12% - 14%
Gross Margin	% (o/R)	23% - 25%
Operating Margin (Pro Forma)	% (o/R)	8% - 9%
Net Income (Pro Forma)	€ Millions	33.5 – 35.0
Pro Forma EPS	€	1.15 – 1.20
Shares Outstanding		29,247,100

Note 2: These financial projections update and replace our previous guidance



Dividend Payment Update

Madrid, May 22, 2008 — Telvent GIT, S.A. (NASDAQ: TLVT), today announced that a cash dividend of **€ 0.34** per share recommended by the Board of Directors was approved at the Ordinary Shareholders Meeting, held on May 22, 2008. The dividend is payable to shareholders of record on June 10, 2008, and will be payable in U.S. dollars on June 24, 2008, at the official exchange rate set by the Spanish “Boletín Oficial del Estado” for May 22, 2008.



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Thank You