Anexos 103

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Telvent GIT, S.A.:

Madrid, Spain

We have audited the accompanying consolidated balance sheets of Telvent GIT, S.A. and subsidiaries (the "Company") as of December 31, 2009 and 2008, and the related consolidated statements of operations, cash flows, and equity for each of the three years in the period ended December 2009. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Telvent GIT, S.A. and subsidiaries as of December 31, 2009 and 2008, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States of America), the Company's internal control over financial reporting as of December 31, 2009, based on the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 16, 2010 expresses an unqualified opinion on the Company's internal control over financial reporting.

Deloitte, S.L.

Madrid, Spain

March 16, 2010

Valgrande, 6
28108 Alcobendas
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TELVENT

Management's Annual Report on Internal Control over Financial Reporting

Telvent's management, under the supervision of its Chief Executive Officer and Chief Accounting Officer, is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Our internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision of our Chief Executive Officer and Chief Accounting Officer, our management assessed the design and effectiveness of the Company's internal control over financial reporting as of December 31, 2009.

In making its assessment, management used the criteria set forth in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this assessment, our management has concluded that the Company's internal control over financial reporting was effective as of December 31, 2009.

The Company's independent registered public accounting firm, Deloitte, S.L., has also audited the effectiveness of the Company's internal control over financial reporting as of December 31, 2009. Deloitte, S.L.'s report on the effectiveness of the Company's internal control over financial reporting as of December 31, 2009 is included in this Annual Report.

March 16, 2010

Manuel Sánchez
Chief Executive Officer

Bárbara Zubiría
Chief Accounting Officer

Deloitte.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Telvent GIT, S.A.:

Madrid, Spain

We have audited the internal control over financial reporting of Telvent GIT, S.A. and subsidiaries (the "Company") as of December 31, 2009, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Annual Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on the criteria established in *Internal Control - Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States of America), the consolidated financial statements as of and for the year ended December 31, 2009, of the Company and our report dated March 16, 2010, expresses an unqualified opinion on those financial statements.

Deloitte, S.L.

Madrid, Spain

March 16, 2010

Consolidated Balance Sheets
(In thousands of Euros, except share amounts)

	As of December 31, 2009	As of December 31, 2008
Assets:		
Current assets:		
Cash and cash equivalents	€ 92,893	€ 67,723
Restricted cash	—	18,085
Other short-term investments	758	589
Derivative contracts	2,622	8,046
Accounts receivable (net of allowances of € 1,122 as of December 31, 2009 and € 2,386 as of December 31, 2008)	66,450	150,598
Unbilled revenues	320,919	218,271
Due from related parties	8,762	18,322
Inventory	20,432	19,562
Other taxes receivable	18,974	18,565
Deferred tax assets	4,137	5,885
Other current assets	5,694	5,573
Total current assets	**€ 541,641**	**€ 531,219**
Deposits and other investments	7,476	7,595
Investments carried under the equity method	6,472	6,596
Property, plant and equipment, net	81,549	73,861
Long-term receivables and other assets	10,732	10,939
Deferred tax assets	41,166	26,726
Other intangible assets, net	184,359	48,444
Goodwill	234,404	345,345
Derivative contracts long-term	831	498
Total assets	**€ 1,108,630**	**€ 1,051,223**
Liabilities and shareholders' equity:		
Accounts payable	€ 264,368	€ 294,947
Billings in excess of costs and estimated earnings	61,989	45,253
Accrued and other liabilities	15,951	17,160
Income and other taxes payable	24,526	27,770
Deferred tax liabilities	4,554	2,422
Due to related parties	63,915	29,105
Current portion of long-term debt	17,621	27,532
Short-term debt	97,335	56,728
Short-term leasing obligations	8,822	8,041
Derivative contracts	4,788	8,694
Total current liabilities	**€ 563,869**	**€ 517,652**
Long-term debt less current portion	171,202	193,495
Long-term leasing obligations	13,043	18,599
Derivative contracts long-term	1,430	4,877
Other long-term liabilities	29,516	37,745
Deferred tax liabilities	48,226	5,238
Unearned income	1,360	1,233
Total liabilities	**€ 828,646**	**€ 778,839**
Commitments and contingencies (Note 20)	—	—
Redeemable non-controlling interest	**—**	**20,020**
Equity:		
Non-controlling interest	208	97
Shareholders' equity:		
Common stock, € 3.00505 nominal value, 34,094,159 shares authorized, issued, same class and series	102,455	102,455
Treasury Stock, at cost, 370,962 shares	(4,707)	—
Additional paid-in capital	94,481	89,463
Accumulated other comprehensive income (loss)	(24,967)	(25,363)
Retained earnings	112,514	85,712
Total shareholder's equity	**€ 279,776**	**€ 252,267**
Total equity	**€ 279,984**	**€ 252,364**
Total liabilities and equity	**€ 1,108,630**	**€ 1,051,223**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Operations
(In thousands of Euros, except share and per share amounts)

	Year Ended December 31, 2009	2008	2007
Revenues	€ 791,053	€ 724,613	€ 624,317
Cost of revenues	526,889	538,641	485,612
Gross profit	**€ 264,164**	**€ 185,972**	**€ 138,705**
General and administrative	117,583	67,430	53,900
Sales and marketing	25,261	21,677	13,668
Research and development	14,079	19,067	19,106
Depreciation and amortization	29,981	14,561	10,623
Total operating expenses	**€ 186,904**	**€ 122,735**	**€ 97,297**
Income from operations	**€ 77,260**	**€ 63,237**	**€ 41,408**
Interest expense	(31,327)	(18,160)	(12,386)
Interest income	307	28	88
Other financial income (expense), net	(6,877)	(5,212)	2,416
Income from companies carried under the equity method	(71)	270	324
Other income (expense), net	(1,128)	(1,919)	(2,025)
Total other income (expense)	**€ (39,096)**	**€ (24,993)**	**€ (11,583)**
Income before income taxes	**€ 38,164**	**€ 38,244**	**€ 29,825**
Income tax expense (benefit)	(1,087)	6,890	4,680
Net income	**€ 39,251**	**€ 31,354**	**€ 25,145**
Loss/(profit) attributable to non-controlling interests	(175)	(1,144)	(268)
Net income attributable to the parent company	**€ 39,076**	**€ 30,210**	**€ 24,877**
Earnings per share			
Basic and diluted net income attributable to the parent company per share	€ 1.15	€ 1.00	€ 0.85
Weighted average number of shares outstanding			
Basic	33,985,411	30,096,995	29,247,100
Diluted	34,094,159	30,096,995	29,247,100

The consolidated statements of operations include the following income (expense) items arising from transactions with related parties. Cost of revenues include costs generated with related parties, and not all costs incurred to generate related party revenues.

	Year Ended December 31, 2009	2008	2007
Revenues	€ 54,495	€ 33,010	€ 28,461
Cost of revenues	(5,476)	(10,427)	(14,335)
General and administrative	(8,725)	(5,997)	(6,811)
Financial (expense), net	(5,004)	(3,552)	(2,415)

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Cash Flows
(In thousands of Euros)

	Year Ended December 31,		
	2009	2008	2007
Cash flows from operating activities:			
Net income attributable to the parent company	€ 39,076	€ 30,210	€ 24,877
Less: (loss)/profit attributable to non-controlling interest	€ 175	€ 1,144	€ 268
Net income	€ 39,251	€ 31,354	€ 25,145
Adjustments to reconcile net income attributable to the parent company to net cash provided by operating activities::			
Depreciation and amortization	32,065	14,923	10,902
Income/loss from investment carried under the equity method	71	(270)	—
Net foreign exchange (gains) losses	9,265	(2,993)	1,324
Allowance for doubtful accounts	1,406	2,324	(411)
Interest accrued but not paid	4,223	2,048	—
Deferred income taxes	(16,952)	(2,797)	(4,848)
Non-controlling interests	175	1,144	268
Stock and extraordinary variable compensation plans	2,509	1,808	1,735
Change in operating assets and liabilities, net of amounts acquired:			
Accounts and other long-term receivable	41,211	(11,231)	693
Other tax receivable	(7,265)	—	—
Inventory	629	4,930	(3,102)
Unbilled revenues	(94,495)	(27,627)	(89,534)
Related parties trade receivables and other assets	(14,020)	8,950	18,642
Other assets	(31)	—	—
Billing in excess of costs and estimated earnings	15,334	(13,681)	9,626
Accounts payable, accrued and other liabilities, related parties trade payable	9,175	34,465	46,556
Due to temporary joint ventures	(1,338)	935	(2,817)
Net cash provided by (used in) operating activities	**€ 21,038**	**€ 43,138**	**€ 13,911**
Cash flows from investing activities:			
Restricted cash - guaranteed deposit of long term investments and commercial transactions	18,147	(9,662)	(545)
Due from related parties	17,416	17,661	(11,632)
Purchase of property, plant & equipment	(9,835)	(7,478)	(2,948)
Investment in intangible assets	(16,404)	(1,890)	—
Acquisition of subsidiaries, and non-controlling interests net of cash	(29,652)	(147,920)	(32,414)
Disposal/(Acquisition) of investments	(1,000)	(4,211)	(5,281)
Net cash provided by (used in) investing activities	**€ (21,328)**	**€ (153,500)**	**€ (52,820)**
Cash flows from financing activities:			
Proceeds from long-term debt	25,000	57,512	371
Proceeds from sale and lease-back transaction	—	—	25,315
Repayment of long-term debt	(52,655)	(1,635)	(4,284)
Proceeds from short-term debt	40,978	4,701	40,134
Repayment of short-term debt	(8,912)	(22,815)	(15,737)
Dividends paid to company shareholders	(12,274)	(9,951)	(8,774)
Dividends paid to non-controlling interest	(1,283)	(1,231)	—
Proceeds from issuance of common stock, net	—	78,510	—
Proceeds (repayments) of government loans	(102)	(467)	(844)
Purchase of Treasury Stock	(4,707)	—	—
Due to related parties	38,553	348	7,770
Net cash provided by (used in) financing activities	**€ 24,598**	**€ 104,972**	**€ 43,951**
Net (decrease) increase in cash and cash equivalents	**€ 24,308**	**€ (5,390)**	**€ 5,042**
Net effect of foreign exchange in cash and cash equivalents	862	(642)	(519)
Cash and cash equivalents at the beginning of period	60,792	68,409	60,997
Joint venture cash and cash equivalents at the beginning of period	6,931	5,346	8,235
Cash and cash equivalents at the end of period	€ 92,893	€ 67,723	€ 73,755
Supplemental disclosure of cash information:			
Cash paid for the period:			
Income taxes	€ 12,359	€ 7,275	€ 5,853
Interest	€ 23,936	€ 17,547	€ 12,068
Non-cash transactions:			
Capital leases (Note 20)	€ 4,189	€ 4,295	€ 2,780

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Sharholders' Equity
(In thousands of Euros, except share amounts)

	Ordinary Shares		Treasury Stock	Additional Paid-in capital	Retained Earnings	Accumulated Other Comprehensive Income / (Loss)	Non-Controlling Interest	Total Equity
	Shares	Amount						
Balance, December 31, 2006	**29,247,100**	**€ 87,889**	**€ —**	**€ 40,338**	**€ 50,636**	**€ (2,142)**	**€ 794**	**€ 177,515**
Comprehensive income:								
Net Income attributable to parent company	—	—	—	—	24,877	—	—	24,877
Foreign currency translation adjustment	—	—	—	—	—	(3,439)	—	(3,439)
Derivatives qualifying as hedges	—	—	—	—	—	287	—	287
Total comprehensive income								**21,725**
Cumulative effect adjustment FIN-48	—	—	—	—	(1,286)	—	—	(1,286)
Amortization of formula based stock compensation plan	—	—	—	1,506	—	—	—	1,506
Parent Company stock purchase plan	—	—	—	228	—	—	—	228
Loss attributable to non-controlling interest	—	—	—	—	—	—	(46)	(46)
Net change in non-controlling interest	—	—	—	—	—	—	(703)	(703)
Adjustment effect SFAS 160 & EITF D98	—	—	—	(16,123)		—	—	(16,123)
Dividends paid	—	—	—	—	(8,774)	—	—	(8,774)
Balance, December 31, 2007	**29,247,100**	**€ 87,889**	**€ —**	**€ 25,949**	**€ 65,453**	**€ (5,294)**	**€ 45**	**€ 174,042**
Capital Increase	4,847,059	14,566	—	63,944	—	—	—	78,510
Comprehensive income:								
Net Income attributable to parent company	—	—	—	—	30,210	—	—	30,210
Foreign currency translation adjustment	—	—	—	—	—	(17,468)	—	(17,468)
Derivatives qualifying as hedges	—	—	—	—	—	(2,601)	—	(2,601)
Total comprehensive income								**10,141**
Parent Company stock purchase plan expense	—	—	—	236	—	—	—	236
Loss attributable to non-controlling interest	—	—	—	—	—	—	(57)	(57)
Net change in non-controlling interest	—	—	—	—	—	—	109	109
Adjustment effect SFAS 160 & EITF D98	—	—	—	(666)	—	—	—	(666)
Dividends paid	—	—	—	—	(9,951)	—	—	(9,951)
Balance, December 31, 2008	**34,094,159**	**€ 102,455**	**€ —**	**€ 89,463**	**€ 85,712**	**€ (25,363)**	**€ 97**	**€ 252,364**
Comprehensive income:							—	
Net Income attributable to parent company	—	—	—	—	39,076	—	—	39,076
Foreign currency translation adjustment	—	—	—	—	—	(1,789)	1	(1,788)
Derivatives qualifying as hedges	—	—	—	—	—	2,185	—	2,185
Total comprehensive income								**39,473**
Purchase of Treasury Stock	—	—	(4,707)	—	—	—	—	(4,707)
Parent Company stock purchase plan expense	—	—	—	236	—	—	—	236
Change in extraordinary variable compensation plan	—	—	—	4,782	—	—	—	4,782
Net change in non-controlling interest	—	—	—	—	—	—	(65)	(65)
Income attributable to non-controlling interest	—	—	—	—	—	—	175	175
Dividends paid	—	—	—	—	(12,274)	—	—	(12,274)
Balance, December 31, 2009	**34,094,159**	**€ 102,455**	**€ (4,707)**	**€ 94,481**	**€ 112,514**	**€ (24,967)**	**€ 208**	**€ 279,984**

The accompanying notes are an integral part of these consolidated financial statements.

Notes to Consolidated Financial Statements
(In thousands, except share and per share amounts)

1. Description of Business

Telvent Desarrollos, S.A. was incorporated on April 4, 2000 and is registered in the Madrid Registry of Companies, Volume 15,370, Folio 164, Sheet No. M-257879, 1st entry, C.I.F. No. A-82631623. Its corporate headquarters are located in Madrid, Spain. At a general shareholders' meeting held on January 19, 2001, Telvent Desarrollos, S.A. changed its name to Telvent Sistemas y Redes, S.A. and at a general shareholders' meeting held on January 23, 2003, Telvent Sistemas y Redes, S.A. changed its name to Telvent GIT, S.A. ("Telvent" or "the Company") which remains its legal and commercial name. The largest shareholder of Telvent is Abengoa, S.A., which currently holds, indirectly, 40% of the Company's outstanding shares.

Telvent is an information technology company for a sustainable and secure world that specializes in high value-added real time, services and solutions to customers in targeted industrial sectors (Energy, Transportation, Environment and Agriculture), as well as Global Services, primarily in Europe, North America, Latin America (including Mexico), the Asia-Pacific region, the Middle-East and Africa. These services and solutions include systems integration, consulting services, design and engineering services, maintenance services, real-time business-to-business information services and software that enable Telent's customers to more efficiently manage their operations, business processes and customer services.

Within these financial statements, "Abengoa" refers to Abengoa, S.A. and its subsidiaries, but excluding Telvent and its subsidiaries. The "Abengoa Group" refers to Abengoa, S.A. and its subsidiaries, including Telvent and its subsidiaries.

2. Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements of Telvent, together with its subsidiaries, include the accounts of all majority-owned domestic and foreign subsidiaries and variable interest entities that are required to be consolidated. All intercompany profits, transactions and balances have been eliminated upon consolidation. Investments in joint ventures and other entities over which the Company does not have control, but does have the ability to exercise significant influence over the operating and financial policies, are carried under the equity method. Non-marketable equity investments in which the Company does not exercise control or have significant influence over the operating and financial policies are accounted for using the cost method subject to other-than-temporary impairment.

These consolidated financial statements reflect the retrospective adoption of ASC 810-10-65 (adoption of SFAS 160, "Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB 51"). As required by ASC 810-10, the presentation of non-controlling interests, previously referred to as minority interest, has been changed retrospectively and is now reflected as a component of total equity on the Consolidated Balance Sheets. Earnings per share continue to be based on earnings attributable to the Company.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments, including deposits, money market funds, and commercial paper with maturities of three months or less when purchased, to be cash equivalents.

At December 31, 2008, there were deposits amounting to € 18,085, which constituted a counter-guarantee of certain obligations assumed by the Company during the normal course of business. These deposits were restricted for use until the cash was received by the third party, in the first quarter of 2009, and thereby released the Company's obligation. The cash was received from third parties during the first quarter of 2009, and the Company have thus been released from the restriction. At December 31, 2009, there were no deposits or cash equivalents restricted for use.

As of December 31, 2009, the Company had cash equivalents amounting to € 2,289, with original maturity dates of three months or less.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is used to provide for impairment of receivables on the consolidated balance sheets. The balance represents an estimate of probable but unconfirmed losses in the collection of accounts receivable balances. A specific receivable is reviewed for impairment when, based on current information and events, it is deemed probable that contractual amounts will not be fully collected. Factors considered in assessing recoverability include a customer's extended delinquency and filing for bankruptcy. An impairment allowance is recorded based on the difference between the carrying value of the receivable and the expected amount of collection.

Financial Instruments

Derivatives

All derivative instruments are recognized in the financial statements and are measured at fair value regardless of the purpose or intent for holding them. The fair value of the Company's forward contracts is calculated based on quoted prices in active markets. The fair value of the Company's interest rate caps and swaps are determined using inputs other than quoted prices in active markets (i.e. rates of 3 to 12 months both EURIBOR and LIBOR). The Company, as part of its foreign currency risk management program, has entered into numerous forward exchange contracts to protect against fluctuations in foreign currency exchange rates on projects and anticipated future transactions. The Company generally hedges its currency risk on a project-specific basis only when revenues and/or costs are denominated in currencies that differ from the functional currency of the contracting entity. In addition, the Company has entered into interest rate caps and swaps in order to manage interest rate risk on certain long-term variable rate financing arrangements.

The Company applies hedge accounting based on ASC 815 issued on accounting for derivative instrument and hedging activities (pre-codification SFAS 133). As a result, these transactions have been designated as cash flow hedges and are recorded at fair value within the balance sheet, with the effective portion of changes in fair value recorded temporarily in equity (other comprehensive income). The effective portion of the gain or loss on the hedging instrument recognized in equity (other comprehensive income), is subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Any ineffective portion of the hedged transaction is recorded in earnings as it occurs.

Additionally, the Company enters into certain long-term binding contracts that are denominated in a currency that is neither the functional nor local currency of either party. This feature is analogous to an embedded derivative that is bifurcated from the underlying host contract at the execution of the contract and, similar to freestanding derivatives, is recorded at fair value within the balance sheet, with related gains and losses recorded in earnings.

Factoring of Trade Receivables

The Company has entered into several accounts receivable factoring arrangements that provide for the accelerated receipt of approximately € 304,343 and € 323,200 of cash for the years ended December 31, 2009 and 2008, respectively on available trade accounts receivable. The factoring arrangements balance as of December 31, 2009 was € 139,118. Under the factoring agreements, the Company sells, on a revolving and non-recourse basis, certain of its trade accounts receivable ("Pooled Receivables") to various financial institutions. These transactions are accounted for as sales because the Company has relinquished control of the Pooled Receivables and the Company does not maintain any continuing involvement with the sold assets. Accordingly, Pooled Receivables sold under these facilities are excluded from receivables in the accompanying consolidated balance sheets. The Company incurs commissions of approximately 0.15% to 0.30% of the Pooled Receivables balance. The commission and interest expense are recorded as a charge to earnings in the period in which they are incurred, as the commission and interest expense is in effect a loss on the sale of the asset. The total amount of factoring-related financial expense for the years ended December 31, 2009, 2008 and 2007 was € 3,301, € 5,114 and € 4,898, respectively.

In addition, the Company has entered into some accounts receivable factoring arrangements where it is not relinquishing control of the pooled receivables and therefore these transactions are not accounted for as sales. The cash received is classified within short-term debt in the accompanying consolidated balance sheets.

(In thousands, except share and per share amounts)

Inventory

Inventory is valued at the lower of cost or net realizable value and is determined using the average cost method. Inventory consists of raw materials and work-in-progress, which includes the cost of direct labor, materials and overhead costs related to projects.

Property, Plant and Equipment

Property, plant and equipment are recorded at historical cost and depreciated using the straight-line method over the following estimated useful lives:

Buildings and surface rights	20-40 years
Integral equipment	3-20 years
Furniture and fixtures	7-10 years
Computer equipment	3-5 years
Vehicles	5-12 years
Other	3-7 years

Repairs and maintenance are expensed as incurred, while improvements that increase the economic life of the asset are capitalized and amortized accordingly. Gains or losses upon sale or retirement of property, plant and equipment are included in the consolidated statements of operations and the related cost and accumulated depreciation are removed from the consolidated balance sheets.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price of identifiable tangible and intangible net assets over the fair value of these net assets as of the date of acquisition. The Company applies the provisions of ASC 350 (pre-codification SFAS 142), Goodwill and Other Intangible Assets, which require that goodwill, and certain other intangible assets deemed to have an indefinite useful life, not be amortized, but instead be assessed annually for impairment using fair value measurement techniques.

Other intangible assets represents the cost of developed software and the fair value of intangible assets identified in acquisitions.

The Company capitalizes the costs of computer software developed or obtained for internal use in accordance with ASC 350-40 (pre-codification SOP 98-1), Accounting for the Costs of Computer Software Developed or Obtained for Internal Use, and depreciates such software over its useful life using the straight line method, which ranges from two to five years. Software developed to be incorporated into a bundled service solution to be sold, including enhancements that extend or significantly improve the marketability of the original software product, is recorded in accordance with ASC 985-20 (pre-codification SFAS 86), Accounting for the Costs of Computer Software to Be Sold, Leased, or Otherwise Marketed. Under ASC 985-20, costs incurred in creating computer software are charged to expense until technological feasibility has been established and are capitalized thereafter. Capitalized costs are amortized based on current and anticipated future revenue for each software service or solution, with an annual minimum equal to the straight-line amortization.

Other intangible assets identified in acquisitions are recorded at fair value at the date of acquisition and are amortized using the straight-line method over the following estimated useful lives:

Purchased software technology	5-10 years
Customer contracts backlog	1-5 years
Customer relationships	2-15 years
Favorable leases	5-9 years
Trade names	5 years
In-process research and development	Immediately

Other intangible assets also include brand names and trade names arising from the purchase of Telvent Miner & Miner, Inc. (“Telvent Miner & Miner”), Telvent Farradyne, Inc. (“Telvent Farradyne”), Matchmind Holding, S.L. (“Matchmind”) and Telvent DTN Holding Company, Inc. (“Telvent DTN”). These assets are not amortized, as they are deemed to have an indefinite useful life.

The Company has recorded intangibles for acquired customer relationships due to the fact that the Company historically has experienced a high incidence of repeat business for system sales and ongoing service support. The Company has identified both contractual and noncontractual customer relationships (as distinct from contractual backlog) in its oil & gas, water, electric utilities, remote terminal units ("RTU") parts, repair businesses, and in its global services, weather, agriculture and transportation segments. The customer contract backlog intangible is amortized over the period of the related contracts, ranging normally from one to five years. The customer relationship intangible is amortized generally over a period from two to fifteen years depending on the related acquisition, and expected net cash inflows. The Company uses straight-line amortization for customer relationships because of relatively consistent expected cash flows over the useful life. In-process research and development acquired in a business combination is fully amortized immediately after the acquisition.

Maintenance costs related to software technology are expensed in the period in which they are incurred.

Valuation of Long-Lived Assets

The Company reviews the carrying value of its long-lived assets, including property, plant and equipment, and finite life intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable. To the extent the estimated undiscounted future cash inflows attributable to the asset, less estimated undiscounted future cash outflows, are less than the carrying amount, an impairment loss is recognized in an amount equal to the difference between the carrying value of such assets and fair value. Assets, for which there is a committed disposition plan, whether through sale or abandonment, are reported at the lower of carrying value or fair value less costs to sell.

Revenues

Revenues consist primarily of three types of revenues streams: services and solutions (projects), managed services and information and electronic communication services.

- Services and Solutions (Projects)

Telvent is an engineering company providing real-time IT solutions and systems integration services for its clients, generally under long-term fixed-price contracts. As an example, Telvent designs, implements, builds and installs supervisory control and data acquisition (SCADA) systems comprised of computer software, hardware and electronic instrumentation to enable our customers to remotely monitor and control infrastructure of various kinds, including pipelines, electricity and water transmission and distribution facilities, freeways and toll roads. A typical project contract of the Company across all its business segments involves supplying a SCADA system consisting of computer hardware and software, engineering services for the design, configuration, installation, commissioning and testing of the system, documentation, including manuals, and training at Telvent facilities. Telvent tailors the SCADA systems to the specific requirements of each customer on a project-by-project basis. Our systems gather real-time operational data at the field level (whether it be at a gas pipeline, an electric grid, a road, a river basin, etc.) through the use of remote terminal units, or other field devices, and process that data through the SCADA system located at the customer's control center. Our project contracts often also include the development of specific applications for customers to help them make smarter operational business decisions (outage management applications, leak detection systems, etc.). These contracts generally range from one to two years in length. Income for these contracts is recognized following the percentage-of completion method, measured by the cost-to-cost method in accordance with ASC 605-35 (pre-codification SOP 81-1), Accounting for Performance of Construction-Type and Certain Services and Solutions-Type Contracts. The revenue earned in a period is based on total actual costs incurred plus estimated costs to completion.

Billings in excess of recognized revenues are recorded in "Billings in excess of costs and estimated earnings" in the Company's consolidated balance sheets. When billings are less than recognized revenues, the differences are recorded in "Unbilled revenues" in the Company's consolidated balance sheets.

Contract costs include all direct material and labor costs and those indirect costs related to contract performance, such as indirect labor, supplies, tools, repairs, and depreciation costs. Selling costs directly attributable to a specific project are capitalized if it is expected that such costs will be recovered. General and administrative costs are charged to expense as they are incurred. In the event that a loss is anticipated on a contract, it is immediately recognized in income. Changes in job performance, job conditions, estimated profitability, or job scope may result in revisions to costs and income and are recognized in the period in which the revisions are determined.

Additionally, part of Telvent's services and solutions revenue is derived from the sale of software, support contracts and services. Such revenue is recognized in accordance with ASC 985-605 (pre-codification SOP 97-2), Software Revenue Recognition and ASC 605-35 (pre-codification SOP 81-1). For software sales with no significant post-shipment obligations and no uncertainty about customer acceptance, revenue is recognized on delivery of software to the customer. Revenues on software sales with significant post-shipment obligations, including the elaboration, modification, or customization of software, are recognized by the percentage-of-completion method, with progress to completion measured on the basis of completion of milestones, labor costs incurred currently versus the total estimated labor cost of performing the contract over its term, or other factors appropriate to the individual contract of sale.

- Managed Services

Managed services contracts include leasing arrangements, maintenance, monthly and hourly fixed-rate contracts. The Company recognizes revenue earned on the leasing, maintenance, and monthly fixed-rate contracts on a straight-line basis over the term of the contract. For contract arrangements where there is a fixed-rate per hour charge, the income is recorded based on time incurred to date.

- Information and Electronic Communication Services

The Company also provides business-to-business information and communication services focused on the agriculture, energy and environment (weather business) markets. The Company delivers on-demand market information, commodity cash prices, industry news and in-depth analysis, and location-specific weather via satellite and over the Internet.

In order for its customers to receive these information and communication services, the Company provides its subscribers with equipment and/or access through the Internet. The Company charges a recurring subscription fee and, in many instances, a one-time service initiation fee. The subscriptions are generally contracted for an initial period of between one and three years and are generally billed quarterly in advance. Payments received in advance of the service period are deferred and recognized as the services are provided. Professional services and equipment sales are recognized upon customer acceptance. Service initiation fees are deferred and recognized in income over the term of the contract. Communication services are generally billed monthly in arrears based on the number and length of the messages delivered to subscribers, but is recognized in revenue as the services are provided. Advertising revenues are recognized in the period or periods that the advertisement is served. Amounts received from customers that have not yet been earned are classified as "Billings in excess of costs and estimated earnings" in the Company's consolidated balance sheets.

Cost of Revenues

"Cost of revenues" on the consolidated statements of operations includes distribution costs, equipment hardware costs, direct labor, materials and the applicable share of overhead expense directly related to the execution of services and delivery of projects.

General and Administrative

"General and administrative" expense on the consolidated statements of operations include compensation; employee benefits; office expenses; travel; other expenses for executive, finance, internal audit, legal, operations, business development; and other corporate and support-functions personnel. General and administrative also include fees for professional services, occupancy costs and recruiting of personnel.

Advertising

Advertising costs are expensed as incurred. Advertising expenses amounted to approximately € 6,094, € 3,165 and € 3,431 in 2009, 2008 and 2007, respectively.

Notes to Consolidated Financial Statements
(In thousands, except share and per share amounts)

Research and Development

Expenditures on research and development are expensed as incurred, except for software development costs capitalized in accordance with ASC 350-40 and ASC 985-20, as explained above. The types of cost included in research and development expense include salaries, software, contractor fees, supplies and administrative expenses related to research and development activities. Grants received for investments in research and development are netted against the related expense.

The Company receives funds under capital grants from government agencies and other third parties, primarily for the purposes of research and development projects. Amounts received from such parties have been included in unearned income in the balance sheet and are amortized into income during the period in which the services are performed and the cost is incurred.

Earnings Per Share

A basic earnings per share measure is computed using the weighted average number of ordinary shares outstanding during the period. As described in Note 23, as of December 31, 2009 treasury shares of the Company are held in connection with the Extraordinary Variable Compensation Plan, which was amended in order to allow participants to receive certain of their plan awards in the form of the Company's shares rather than in cash. These shares are treated as issued, but not outstanding. Diluted earnings per share measure is computed using the total weighted average number of ordinary shares during the period, including the treasury shares. As of December 31, 2008 and 2007 there were no instruments outstanding that would have a dilutive impact on the earnings per share calculation.

The weighted average number of shares outstanding is calculated using the average number of days for each year.

Foreign Currency Translation

The functional currency of the Company's wholly-owned subsidiaries is the local currency in which they operate; accordingly, their financial statements are translated into the Euro using the exchange rate at each balance sheet date for assets and liabilities and a weighted average exchange rate for revenues, expenses, gains and losses within the consolidated statements of operations. Shareholders' equity accounts are translated at historical exchange rates. Translation adjustments related to the balance sheet are included in accumulated other comprehensive income as a separate component of shareholders' equity.

Foreign currency transactions undertaken by the Company and its domestic subsidiaries are accounted for at the exchange rates prevailing on the applicable transaction dates. Assets and liabilities denominated in foreign currencies are translated to Euros using period-end exchange rates. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of operations.

Other Comprehensive Income (Loss)

Other comprehensive income (loss), which is reported in the accompanying consolidated statements of shareholders' equity, consists of net income (loss) and other gains and losses affecting equity that are excluded from net income. For the years ended December 31 2009, 2008 and 2007 "other comprehensive income (loss)" consists of the cumulative currency translation adjustment and unrealized gains and losses on the effective portion of cash flow hedges, net of tax.

Segments

Segments are identified by reference to the Company's internal organization structure and the factors that management uses to make operating decisions and assess performance. The Company changed its internal reporting structure effective November 1, 2008, and, from such date, has five reportable segments consisting of the following: Energy, Transportation, Environment, Agriculture and Global Services. The Public Administration segment, which was reported separately in prior reporting periods, was incorporated into the Global Services segment. The Company assesses each segment's performance based on net revenues and gross profit or contribution margin. Prior period segment information was restated to conform to current presentation.

Start-Up Activities

The Company expenses the costs of start-up activities, including organization costs, as incurred.

Stock Compensation Plan

As a result of the adoption of ASC 718 (pre-codification SFAS No. 123R), Share-Based Payment, on January 1, 2006, the Company designated its formula-based stock purchase plan as an equity award plan and started to record as an expense the fair value of the shares purchased by the Company's employees under the plan. As the shares sold under the incentive plan consisted of unvested stock, the fair value applied was the estimated market value on the grant date, as previously calculated for the pro-forma disclosures required by ASC 718 (pre-codification SFAS No. 123R). The Company chose the modified prospective application transition method allowed by ASC 718-10 (pre-codification SFAS No. 123R). Amounts previously classified under the "deferred stock compensation" caption of the consolidated statements of shareholders' equity were reclassified to "additional paid-in capital".

The Company also applies ASC 718 (pre-codification SFAS No. 123R) to account for the share acquisition plan established by Abengoa in 2006 related to its shares. The plan is for members of the senior management of Abengoa and its subsidiaries, including members of the senior management of Telvent and its subsidiaries. This plan has been accounted for as an equity award plan under ASC 718 (pre-codification SFAS No. 123R), and is being treated similar to a stock option plan. A valuation of the plan was performed at the grant date (January 23, 2006), and the corresponding compensation cost is being recognized over the requisite service period of five years and six months (cliff vesting).

Finally, as explained in Note 23, on November 19, 2009 the Extraordinary Shareholder's Meeting ratified the decision taken by the Board of Directors on June 25, 2009, to amend the Company's Extraordinary Compensation Plan ("the Plan") in order to allow eligible participants to receive certain of their plan awards in the form of the Company's ordinary shares rather than in cash. At the election of Plan participants, who had to accept and agree to the amendment at the grant date of June 25, 2009, the amount vested during the first three years of the Plan will be converted, upon termination of the Plan, into such number of shares as is determined by dividing the amount of the original vested cash award by U.S. $18.50, the price paid by the Company for such shares on September 15, 2009. As a result of this amendment, the amount vested at December 31, 2009, and for which participants elected to receive shares instead of cash, has been accounted for as an equity award plan under ASC 718 (pre-codification SFAS No. 123R). Up to the date of the amendment, the Company had been recording a provision for such plan based on the vested amounts at each date. Upon amendment of the Plan, the provision recorded for that portion of the plan which will no longer be paid in cash has been reclassified to Additional Paid in Capital in the accompanying balance sheets. In addition, a valuation of the award was performed at the grant date according to the fair value of the shares on that date, and any difference with the amount previously provisioned for was recorded as additional compensation expense against Additional Paid in Capital. Any portion of the Plan expected to be settled in cash remains as a provision within "Other long term obligations" in the accompanying consolidated balance sheets. Finally, the cash award to be vested during the last two years of the Plan will be recorded as compensation expense, against other long term liabilities, according to its vesting period.

Income Taxes

The Company files its income tax as part of a consolidated tax group with some of its subsidiaries. Following the rules for tax consolidation in Spain, Spanish subsidiaries in which more than a 75% interest is owned by the Company can be consolidated for tax purposes. The remaining companies file taxes on a stand-alone basis.

Income taxes are accounted for using the asset/liability method. At each balance sheet date, a current tax asset or liability is recorded, representing income taxes currently refundable or payable. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial statement and income tax purposes, as determined under enacted tax laws and rates. The income tax provision is the result of the change in these current and deferred tax accounts from period to period, plus or minus tax payments made or refunds received during the year.

Deferred tax assets and liabilities are measured in each jurisdiction at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted by the balance sheet date.

The Company records tax loss carry-forwards as deferred tax assets. In addition the Company's temporary differences include allowances for research and development activities, employee training and export activities. A valuation allowance is recorded against deferred tax assets when it is more likely than not that such assets will not be recovered in future periods.

During the year ended December 31, 2007, the Company adopted the provisions of Accounting Standard Codification ("ASC") Interpretation No ASC 740-10 (pre-codification FIN 48), Accounting for Uncertainty in Income Taxes — an interpretation of ASC 740-10 (pre-codification FASB 109), which clarifies the accounting for and disclosure of uncertainty in tax positions. Additionally, ASC 740-10 (pre-codification FIN 48) provides guidance on the recognition, measurement, derecognition, classification and disclosure of tax positions and on the accounting for related interest and penalties. ASC 740-10 (pre-codification FIN 48) supersedes ASC 450-10 and ASC 450-20 (pre-codification SFAS No. 5), Accounting for Contingencies, as it relates to income tax liabilities and changes the standard of recognition that a tax contingency is required to meet before being recognized in the financial statements. The determination of the Company's provision for income taxes requires significant judgment, the use of estimates, and the interpretation and application of complex tax laws. Significant judgment is required in assessing the timing and amounts of deductible and taxable items. The Company establishes reserves when, despite its belief that its tax return positions are fully supportable, the Company believes that certain positions may be challenged and that they may not succeed. Upon adoption of ASC 740-10 (pre-codification FIN 48) in 2007, the Company recorded, as a cumulative effect on retained earnings, reserves for uncertain tax positions and related accrued interest and penalties, if any. The Company adjusts these reserves in light of changing facts and circumstances. The provision for income taxes includes the impact of these reserve changes. The Company does not anticipate a significant change to the total amount of these reserves within the next twelve months.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation.

3. Recent Accounting Pronouncements

Accounting Standards Codification

In June 2009, the FASB issued ASC 105-10 (pre-codification SFAS 168), The FASB Accounting Standards CodificationTM and the Hierarchy of Generally Accepted Accounting Principles - a replacement of FASB Statement No. 162. This Standard establishes the FASB Accounting Standards Codification ("Codification") as the single source of authoritative U.S. GAAP, superseding all previously issued authoritative guidance. All references to pre-Codification GAAP in Telvent's financial statements are replaced with the new Codification topic number and corresponding descriptive title, except for ASC 860-10 & 810-10 (pre-codification SFAS 166 & 167) below, which will remain authoritative until such time that each is integrated into the new Codification.

Accounting Standards issued but not yet adopted

In September 2009, the FASB issued ASC 860-10 (pre-codification SFAS 166), Accounting for Transfers of Financial Assets, which amends the de-recognition guidance in Statement 140 (ASC 860). ASC 860-10 reflects the Board's response to issues entities have encountered when applying Statement 140. In addition, SFAS No 166. addresses the concerns expressed by the SEC, members of Congress, and financial statement users about the accounting and disclosures required by Statement 140 in the wake of the sub-prime mortgage crisis and the deterioration in the global credit markets. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2009. The Company does not expect the adoption of this Statement to have any effect on its financial position, results of operations or cash flows.

In September 2009, the FASB issued ASC 810-10 (pre-codification SFAS 167, Amendments to FIN 46-R). This Statement amends to require an enterprise to perform an analysis to determine whether the enterprise's variable interest or interests give it a controlling financial interest in a variable interest entity. This analysis identifies the primary beneficiary of a variable interest entity as the enterprise that has both of the following characteristics: (a) the power to direct the activities of a variable interest entity that most significantly impact the entity's economic performance; and (b) the obligation to absorb losses of the entity that potentially could be significant to the variable interest entity or the right to receive benefits from the entity that potentially could be significant to the variable interest entity. Additionally, an enterprise is required to assess whether it has an implicit financial responsibility to ensure that a variable interest entity operates as designed when determining whether it has the power to direct the activities of the variable interest entity that has the most significant impact on the entity's economic performance. This Statement also amends to require additional disclosures about an enterprise's involvement in variable interest entities, which will enhance the information provided to users of financial statements. This Statement is effective for financial statements issued for fiscal years beginning after November 15, 2009. The Company currently is assessing what effect, if any, the adoption of this Statement will have on its financial position, results of operations, or cash flows.

(In thousands, except share and per share amounts)

In September 2009, the FASB issued Accounting Standards Update ("ASU") 2009-13, ***Multiple-Deliverable Revenue Arrangements*** ("ASU 2009-13"), which amends the revenue guidance under ASC Topic 605, which describes the accounting for multiple element arrangements. ASU 2009-13 addresses how to determine whether an arrangement involving multiple deliverables contains more than one unit of accounting and how arrangement consideration shall be measured and allocated to the separate units of accounting in the arrangement. ASU 2009-13 is effective prospectively, for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010, with earlier adoption permitted. The Company does not expect the adoption of this Statement to have any material effect on its financial position, results of operations or cash flows.

In January 2010, the FASB issued ASC 810-10, Accounting and reporting guidance for non-controlling interests and changes in ownership interests of a subsidiary. An entity is required to deconsolidate a subsidiary when the entity ceases to have a controlling financial interest in the subsidiary. Upon deconsolidation of a subsidiary, an entity recognizes a gain or loss on the transaction and measures any retained investment in the subsidiary at fair value. This Statement is effective for financial statements issued for fiscal years beginning after December 15, 2009. The Company does not expect the adoption of this Statement to have any material effect on its financial position, results of operations or cash flows.

4. Accounts Receivable

Accounts receivable consist of:

	As of December 31,	
	2009	2008
Trade accounts receivable	€ 63,735	€ 149,659
Payroll advances	3,837	3,325
Allowances for doubtful accounts	(1,122)	(2,386)
	€ 66,450	€ 150,598

The following analysis details the changes in the Company’s allowances for doubtful accounts during the years ended December 31, 2009, 2008, and 2007:

	Year Ended December 31,		
	2009	2008	2007
Balance at beginning of the year	€ 2,386	€ 639	€ 2,719
Net increase (decrease) in allowances during the year	1,406	2,324	(411)
Write-offs during the year	(2,869)	(125)	(1,635)
Foreign currency translation differences	199	(452)	(34)
Balance at the end of the year	€ 1,122	€ 2,386	€ 639

During the year ended December 31, 2008, the Company’s subsidiary Telvent Brasil recorded an allowance for doubtful accounts for an amount of € 1,919 in connection with a project with the local government of the city of Salvador de Bahia, as it considered probable, due to specific circumstances, that contractual amounts would not be fully collected. During the year ended December 31, 2009, such amounts were fully written off.

5. Other Short-Term Investments

The following is a summary of the Company’s “Other short-term investments” in the Company’s consolidated balance sheets as of December 31, 2009 and 2008:

	As of December 31,	
	2009	2008
Investment funds and other investments	€ 15	€ 14
Short-term guarantee deposits	743	575
	€ 758	€ 589

(In thousands, except share and per share amounts)

6. Deposits and Other Investments

"Deposits and other investments" in the Company's consolidated balance sheets consist of the following:

	As of December 31,	
	2009	2008
Deposits for rentals and customers	€ 1,482	€ 1,559
Investment in S21 Sec	5,582	5,582
Other Investments	412	454
	€ 7,476	€ 7,595

As described in Note 20, on November 23, 2007, the Company's subsidiary, Telvent Outsourcing, acquired 10% of the shares of Group S21 Sec Gestion, S.A. ("S21 Sec"), a non-public company based in Spain specializing in computer security services. Prior to this acquisition, the Company owned 5% of the shares of S21 Sec, which were purchased from a related party in October 2007. As of December 31, 2009 and 2008 the total carrying amount of this investment was € 5,582.

As of December 31, 2009 and 2008, "Other investments" in the Company's consolidated balance sheets primarily consisted of investments of the Company's subsidiary Telvent DTN related to its deferred compensation plan for key executives and select senior management. The amount of compensation deferred is based on individual participant elections. Participants are permitted to direct their deferrals among several mutual fund options available within the deferred compensation plan. Participant account balances are credited with fund earnings and fluctuate on a daily basis depending on market performance. Deferrals are subject to loss of principal. The Company makes no matching contribution to the deferred compensation plan. Participants will be eligible to receive distributions based on elected deferral periods that are consistent with the plan and applicable U.S. tax law. As of December 31, 2009 and 2008, the obligation of the plan totals € 412 and € 354, respectively, and is included in "Other long term liabilities" in the Company's consolidated balance sheets. Through December 31, 2009 and 2008, the Company had fully funded its obligation under the plan.

7. Investments carried under the equity method

Investments carried under the equity method consist mainly of the investment made in 2008 by the Company's subsidiary, Telvent Energia, in a joint venture with the DMS Group LLC ("DMS Group"), based in Serbia, under the name "Telvent DMS LLC, Novi Sad" ("Telvent DMS"). Telvent Energía owns a 49% interest in Telvent DMS, while the DMS Group owns the remaining 51%.

The Company agreed to make a total investment of € 6,111 in Telvent DMS. As of December 31, 2009, € 5,111 of this committed investment was made. The Company is committed and obligated to pay the remaining € 1,000 by making scheduled payments ending on April 30, 2010. As of December 31, 2009, the liability corresponding to the remaining payments has been booked in "Accrued and other liabilities" in the Company's consolidated balance sheets.

In addition, the Company has other equity method investments as described below.

8. Investments in Joint Ventures

The Company participates in special joint venture arrangements called "Union Temporal de Empresas" ("UTEs") in connection with its share of certain long-term service contracts.

These joint ventures are considered to be variable interest entities as they have no equity, and are operated through a management committee comprised of equal representation from each of the joint venture partners, which makes decisions about the joint venture's activities that have a significant effect on its success. Transfer restrictions in the agreements establish a de facto agency relationship between all members. In accordance with ASC 810-10 (pre-codification FIN 46-R), Consolidation of Variable Interest Entities, the Company consolidates those joint ventures where it is the member most closely associated with the joint venture. Investments in joint ventures and other entities in which the Company is not the member most closely associated with the joint venture, but does have the ability to exercise significant influence over its operating and financial policies, are carried under the equity method. The total carrying value of equity method investments that correspond to UTEs joint ventures as of December 31, 2009 and 2008 were € 495 and € 585, respectively. The Company also carries other investment under the equity method as described in Note 7.

(In thousands, except share and per share amounts)

Total assets coming from these consolidated UTEs amounted to € 38,383 and € 90,673 as of December 31, 2009 and 2008, respectively. Total revenue and cost of revenues recognized with respect to these consolidated joint ventures, which include the revenue and cost of revenues attributable to other venture partners in these arrangements during the years ended December 31, 2009, 2008 and 2007 are as follows:

	Year Ended December 31, 2009	2008	2007
Total revenues consolidated from UTEs	€ 49,159	€ 67,997	€ 42,526
Total revenues attributable to other venture partners	23,456	53,551	29,515
Total cost of revenues consolidated from UTEs	€ 48,557	€ 68,160	€ 42,154
Total cost of revenues attributable to other venture partners	23,355	53,640	29,372

There are no consolidated assets that are collateral for the UTEs' obligations. The effect in operating cash flow was a decrease of € 807, an increase of € 887 and a decrease of € 2,787 (including a decrease of € 1,338 and an increase of € 935 and a decrease of € 2,817 of changes in operating assets and liabilities) for the years ended December 31, 2009, 2008 and 2007, respectively. The enterprise's maximum exposure to loss related to performance guarantees given by the Company as a result of its involvement with the UTEs that are not consolidated is € 3,346.

9. Long-term Receivables and Other Assets

Long-term receivables and other assets consist of the following:

	As of December 31, 2009	2008
Long-term receivables	€ 10,655	€ 10,865
Other assets	77	74
	€ 10,732	€ 10,939

As of December 31, 2009 and 2008 long-term receivables consisted mainly of a trade note receivable to be collected monthly over a period of twenty years in relation to the execution of the Company's El Toyo digital city project (the "El Toyo Project") (see "Contingencies" section of Note 20). In connection with this receivable, on November 10, 2005, the Company also signed a Credit Agreement with Unicaja (Note 17), that will be established on a non-recourse basis when the customer accepts delivery of the above mentioned project in its turn-key phase.

10. Inventory

Inventory consists of the following:

	As of December 31, 2009	2008
Raw Materials	€ 7,686	€ 7,475
Work-in-progress	12,746	12,087
	€ 20,432	€ 19,562

(In thousands, except share and per share amounts)

11. Property, Plant and Equipment

Property, plant and equipment consist of the following:

	As of December 31,					
	2009			2008		
	Cost	Accumulated Depreciation	Net Value	Cost	Accumulated Depreciation	Net Value
Land and buildings	€ 5,026	€ (650)	€ 4,376	€ 7,579	€ (2,281)	€ 5,298
Integral equipment	80,726	(19,063)	61,663	67,746	(13,457)	54,289
Furniture and fixtures	11,930	(6,150)	5,780	9,266	(4,958)	4,308
Computer equipment	24,636	(16,135)	8,501	21,452	(12,816)	8,636
Vehicles	1,913	(1,000)	913	1,387	(707)	680
Other	314	2	316	739	(89)	650
	€ 124,545	€ (42,996)	€ 81,549	€ 108,169	€ (34,308)	€ 73,861

Total depreciation expense for property, plant and equipment other than leases for the years ended December 31, 2009, 2008 and 2007 were € 5,820, € 3,054 and € 3,023, respectively. Additionally, there were € 1,994, € 362 and € 279 of depreciation included in "Cost of revenues" in the Company's consolidated statements of operations for the years ended December 31, 2009, 2008 and 2007, respectively.

Total depreciation expense for capitalized leases for the years ended December 31, 2009, 2008 and 2007 were € 5,223, € 4,836 and € 2,647, respectively. Additionally there was € 701 of depreciation included in "General and administrative" in the Company's consolidated statements of operations for the year ended December 31, 2007.

12. Other Intangible Assets

Intangible assets consist of the following:

	As of December 31,					
	2009			2008		
	Cost	Accumulated Amortization	Net Value	Cost	Accumulated Amortization	Net Value
Intangible assets, subject to amortization:						
Software	€ 21,326	€ (2,885)	€ 18,441	€ 4,362	€ (1,875)	€ 2,487
Customer contracts and relationships	152,595	(24,279)	128,316	37,329	(10,296)	27,033
Purchased software technology	21,369	(11,320)	10,049	16,401	(7,129)	9,272
Trade names	137	(128)	9	137	(46)	91
Total intangible assets subject to amortization	195,427	(38,612)	156,815	58,229	(19,346)	38,883
Intangible assets, not subject to amortization:						
Brand names	27,544	—	27,544	9,561	—	9,561
Total	€ 222,971	€ (38,612)	€ 184,359	€ 67,790	€ (19,346)	€ 48,444

Total amortization expense for other intangible assets for the years ended December 31, 2009, 2008 and 2007 was € 18,938, € 6,671 and € 4,953, respectively. Based on the amount of intangible assets subject to amortization at the end of 2008, the expected amortization for each of the next five years and thereafter is as follows:

	(Unaudited) Year ended December 31,
2010	€ 18,981
2011	17,624
2012	16,973
2013	16,509
2014	14,105
Thereafter	72,623
	€ 156,815

13. Acquisitions

Acquisition of DTN Holding Company, Inc.

On October 28, 2008, the Company's subsidiary, Telvent Export, S.L. ("Telvent Export"), completed a stock purchase agreement pursuant to which it acquired all of the issued and outstanding shares of the capital stock of DTN Holding Company, Inc. Telvent DTN is a business information service provider providing critical data to key decision makers across the markets it serves, including agriculture, energy and environment.

Under the stock purchase agreement, the purchase price for 100% of the shares amounted to U.S. $250,910 (€ 187,657) including acquisition costs, payable in two payments: (i) a cash payment which was paid on closing; and (ii) a deferred payment to certain stockholders of Telvent DTN who are Telvent DTN employees (the "Employee Stockholders"). The deferred payment to the Employee Stockholders will be paid on or before December 31, 2011, together with interest thereon calculated at a rate equal to 90-day London Interbank Offered Rate ("LIBOR") as of the closing date adjusted as of the last day of each calendar year, but not less than 4% per annum. In addition to the purchase price, the Employee Stockholders have the right, subject to certain conditions, to earn a premium, or earn out, on the amount of their deferred purchase price. Such premium, or earn out, will be a variable amount determined based on Telvent DTN achieving stipulated financial targets for the period January 1, 2009 to December 31, 2011. The Company estimates the total amount of the earn out to be approximately U.S. $8,108 (€ 5,628), which is being recorded as compensation expense over the service period in accordance with ASC 805 on business combinations (pre-codification SFAS 141(R), taking into consideration, on each closing date, the probability of such payment. As of December 31, 2009, such provision was recorded within "Other Long Term Obligations" in the Company's accompanying Consolidated Balance Sheets.

The cash consideration is subject to a stand-by letter of credit which has been deposited into escrow to secure the indemnification obligations of the sellers (discussed below) and a working capital purchase price adjustment that was paid during the first quarter of 2009.

At the closing of the acquisition, Telvent Export deposited a stand-by letter of credit into escrow in an amount of U.S. $21,800 plus interest, which is equal to 10% of the cash consideration received by sellers that are not designated as Employee Stockholders under the stock purchase agreement. Such stand-by letter of credit was deposited to secure any post-closing adjustment in the purchase price in Telvent Export's favor and to secure the indemnification obligations of such sellers. As of December 31, 2009, fifty percent of the original amount matured and the remaining U.S. $11,274 (€ 7,826), including interest, was recorded within "Other long term liabilities" in the Company's Consolidated Balance Sheets.

At the closing of the acquisition, Telvent Export also deposited a stand-by letter of credit into escrow in an amount of U.S. $12,100 plus interest, which is equal to the aggregate amount of proceeds deferred by all deferring Employee Stockholders. Such letter of credit secures Telvent Export's obligation to pay, subject to certain adjustments, such deferred amounts and interest to the applicable Employee Stockholders on December 31, 2011. As of December 31, 2009 an amount of U.S. $12,226 (€ 8,487), including interest, is recorded within "Other long-term liabilities" in the Company's Consolidated Balance Sheets.

The Company financed the acquisition partially through the proceeds of a private placement of 4,847,059 ordinary shares of the Company to certain of its existing and new investors, including Telvent Corporation, S.L., a subsidiary of Abengoa, at a negotiated purchase price of $21.25 per share, for an aggregate consideration of approximately U.S. $103,000; partially through the proceeds of an unsecured loan agreement with Caja de Ahorros y Monte de Piedad de Madrid, Caja de Ahorros y Pensiones de Barcelona ("La Caixa") and ING Belgium S.A., Sucursal en España, in the amount of € 57,500; and from the Company's own resources and proceeds of its initial public offering.

The Company has finalized the purchase price allocation to the fair value of the tangible assets and identifiable intangible assets acquired and liabilities assumed (the "net assets"). The excess of the purchase price over the fair value of the net assets acquired has been allocated to goodwill. The following is a summary of the purchase price allocation at the date of acquisition (in thousands of Euros):

	As of October 28, 2008
Cash and cash equivalents	€ 12,696
Other currents assets	10,640
Tangible assets	32,827
Liabilities assumed	(193,223)
Intangible assets	
Customer relationships	142,400
Trade names	22,287
Software technology	8,150
Favorable leases	2,037
Deferred tax liabilities	(46,098)
Goodwill	195,941
Total purchase price	€ 187,657

The results of operations of Telvent DTN have been included in the Company's Energy, Environment and Agriculture segments from the date of its acquisition.

Pro forma revenues, income from operations, net income and earnings per share would have been as follows if this acquisition had occurred as of the beginning of the years ended December 31, 2008 and 2007 respectively:

	Year ended December 31, 2008	Year ended December 31, 2007
	(Unaudited)	
Revenues	€ 820,952	€ 745,708
Income from operations	€ 74,493	€ 50,164
Net income	29,756	25,024
EPS	0.87	0.73

The number of shares used in the EPS calculation is 34,094,159.

Acquisition of Matchmind

On May 21, 2009, the Company's subsidiary, Telvent Outsourcing, entered into two definitive agreements to purchase the remaining 42% interest in Matchmind, and thus, fully completed its purchase of all of Matchmind's issued and outstanding shares of capital stock. The Company has held 58% interest in Matchmind since October of 2007.

The first agreement provided for the purchase of 40% of the remaining Matchmind interests from its management shareholders for an aggregate purchase price of € 17,842. On May 25, 2009, the Company made the first payment relating to this agreement for a total of € 10,000 (€ 8,637 cash payment and € 1,363 escrowed). The second payment was made on July 7, 2009 for € 7,842.

The second agreement provided for the purchase by Telvent Outsourcing from José Luis Galí, Matchmind's founder and former president, of the remaining 2% interest in Matchmind, for a purchase price of € 895. A first payment of € 500 was made on May 25, 2009. The second payment was made on July 7, 2009 for € 395.

The Company adopted the ASC 480-10, on the classification and measurement of redeemable securities (pre-codification EITF D-98), in conjunction with its adoption of the ASC 810-10, on accounting for noncontrolling interests in consolidated financial statements (pre-codification SFAS 160), during the first quarter of 2009. This standard is applicable for all non-controlling interests where the Company was subject to a put option under which it may be required to repurchase an interest in a consolidated subsidiary from the non-controlling interest holder.

As described above, as of March 31, 2009 and December 31, 2008, the Company was subject to a redeemable put option for the purchase of the remaining 42% of Matchmind. The redemption value of the put (including dividends payable) was estimated at € 20,020 and was reflected in the Consolidated Balance Sheets as "Redeemable non-controlling interest" at those dates. The retrospective impact of applying the ASC 480-10 on the classification and measurement of redeemable securities mentioned above was a reduction to opening "Additional Paid in Capital" of € 16,789. As of December 31, 2009, the Matchmind purchase agreement has been fully performed and thus, no balance remains in "Redeemable non-controlling interest" in Telvent's consolidated balance sheets as of this date.

The results of operations of Matchmind have been included in the Company's Global Services segment from October 2007, the date of purchase of the original 58%.

Acquisition of Certain Assets of Northern Lakes Data Corp.

On February 3, 2009, the Company's subsidiary, Telvent Farradyne, signed an asset purchase agreement through which it acquired certain of the assets of Northern Lakes Data Corp. ("NLDC"). NLDC provides back office solutions, as well as consulting and systems integration services to the electronic toll collection industry in the United States and abroad. Assets acquired include NLDC's proprietary back office/customer service center software solution called "TollPro", as well as NLDC's interest in the license agreements and service contracts relating to NLDC's back office system. The purchase price for these assets was U.S. $1,500 (€ 1,041), of which U.S. $1,000 (€ 695) was paid in 2009. In addition, Telvent Farradyne also entered into a Consulting Services Agreement under which Telvent will pay a total of U.S. $2,000 (€ 1,388) through four installments payable every six months starting July 1, 2009, of which U.S. $500 (€ 347) was paid in 2009, and additional contingent payments up to U.S. $500 (€ 347). In addition, Telvent will pay NLDC additional commission payments up to a maximum of U.S. $5,000 (€3,470) in respect of contract bookings signed by Telvent during the four years from 2009 through 2012 related to back-office and customer service center systems utilizing the TollPro Software. The Company estimates, at December 31, 2009, the pending amount to be paid under these agreements, including contingent payments, to be approximately U.S. $3,250 (€ 2,256). As of December 31, 2009 the Company has recorded a liability of U.S. $ 2,620 (€ 1,819) corresponding to the present value of such obligation in the accompanying Consolidated Balance Sheets. Amounts have been recorded taking into consideration, on each closing date, the probability of such payment.

The Company has determined this transaction to be a business combination as described in the ASC 805, on business combinations (pre-codification SFAS 141-R). The Company has finalized the purchase price allocation to the fair value of the tangible assets and identifiable intangible assets acquired. The excess of the purchase price over the net book value of the assets acquired has been allocated to goodwill. The following is a summary of the purchase price allocation at the date of acquisition (in thousands of Euros):

	As of February 3, 2009
Tangible assets	€ 114
Intangible assets:	
Non competition agreement	11
Trade name	638
Software	1,427
Contracts	36
Goodwill	732
Total purchase price	€ 2,958

(In thousands, except share and per share amounts)

14. Goodwill

As discussed in Note 2, the Company applies ASC 350 (pre-codification SFAS 142), which requires that goodwill and certain intangible assets with an indefinite useful life not to be amortized, and should instead be reviewed for impairment annually.

During the fourth quarter of every year, the Company performs its annual impairment review for goodwill and other indefinite-life intangible assets. Based on the results of the impairment review, no charge for impairment has been required.

The following analysis details the changes in the Company's goodwill during 2009 and 2008 by segment:

	Energy	Transportation	Global Services	Agriculture	Environment	Total
Balance, December 31, 2007	€ 23,224	€ 21,098	€ 20,316	€ —	€ —	€ 64,638
Acquisitions and purchase price allocation adjustments	—	(2,960)	(6,433)	327,364	—	317,971
Currency translation adjustment	(2,137)	(2,138)	—	(32,989)	—	(37,264)
Balance, December 31, 2008	21,087	16,000	13,883	294,375	—	345,345
Acquisitions and purchase price allocation adjustments	70,723	661	—	(190,649)	13,741	(105,524)
Currency translation adjustment	(977)	(487)	—	(3,491)	(462)	(5,417)
Balance, December 31, 2009	€ 90,833	€ 16,174	€ 13,883	€ 100,235	€ 13,279	€234,404

Goodwill arising from the acquisition of DTN Holding Company, Inc. has been assigned to reporting units within Telvent's Energy, Agriculture and Environment segments according to the purchase price allocation finalized in 2009.

15. Accrued and Other Liabilities

"Accrued and other liabilities" in the Company's consolidated balance sheets consist of the following:

	As of December 31, 2009	As of December 31, 2008
Payroll, accrued vacation and other employee benefits	€ 12,372	€ 12,710
Current portion of government loans	765	924
Other short-term liabilities	2,814	3,526
	€ 15,951	€ 17,160

16. Short-Term Debt

"Short-term debt" in the Company's consolidated balance sheets at December 31, 2009 and 2008 consists of the following:

	As of December 31, 2009	As of December 31, 2008
Short-Term credit facilities:		
Bank of America N.V	€ 17,354	€ 17,964
Caja de Ahorros y Monte de Piedad de Madrid	—	56
Banco Santander S.A.	376	593
The Royal Bank of Scotland (formerly ABN AMRO Bank N.V.)	1,971	1,689
Citibank Co., Ltd. Beijing Branco (Citibank)	472	493
Natixis Sucursal en España	8,538	2,490
Banco Bilbao Vizcaya Argentaria S.A.	567	—
Banco Cooperativo	890	—
Deutsche Bank	6,213	—
Other facilities	947	822
Due under short term credit facilities	**37,328**	**24,107**
Advance payments	56,693	28,766
Other short-term debt	3,314	3,855
Total short-term debt	**€ 97,335**	**€ 56,728**

On March 31, 2008, the Company's subsidiary, Telvent Canada Ltd. ("Telvent Canada"), entered into a new credit agreement with ABN AMRO Bank N.V., renamed to The Royal Bank of Scotland N.V. on February 2010, (the "Bank") to replace the previous one dated May 2, 2003. The new credit agreement provides for three separate credit facilities all of which are unsecured with respect to Telvent Canada and its subsidiary, Telvent USA, Inc. "Telvent USA". The first facility ("Facility A") is a revolving credit line available for working capital purposes with funds available up to U.S. $3,000. The second facility ("Facility B") is a hedging facility with a maximum aggregate amount of U.S. $6,000 and is solely for the purposes of financing hedging agreements. The third facility ("Facility C") is a credit facility with a maximum aggregate amount of up to U.S. $12,000 for the purpose of issuing standby letters of credit in connection with projects in which Telvent Canada or Telvent USA are required to provide bid, advance payment or performance securities. As of December 31, 2009, there was U.S. $3.0 million outstanding under Facility A, U.S. $4.5 million under Facility B and U.S. $10.1 million in letters of credit issued under Facility C. The new credit agreement is a "demand facility" agreement which means that there is no maturity date and that any borrowing made are repayable on demand. The Bank reserves the right to terminate the new credit agreement at any time and for any reason.

On April 29, May 14 and May 21, 2009, the Company's subsidiary, Telvent Traffic, entered into agreements to amend its U.S. $25,000 credit agreement with Bank of America N.V. as successor to LaSalle Bank National Association, dated May 31, 2006, extending the termination date. The tenth amendment, signed on May 21, 2009, extends the termination date of the Credit Agreement to April 30, 2010. The Eight Ammendment, signed April 29, 2009 amended the credit agreement so that loans bear interest on the outstanding principal amount at a rate per annum equal to either (depending on the election made by Telvent Traffic): (i) the prime rate in effect as publicly announced by Bank of America N.V. plus a Base Rate Loan Applicable Margin of 2.00% or (ii) the LIBOR for U.S. dollar deposits in the London Interbank Eurodollar market, plus a Libor Loan Applicable Margin of 3.00%. In connection with these amendments, the Company reaffirmed its commitment to guarantee all of the obligations under the Credit Agreement. The total amount outstanding under this facility as of December 31, 2009 was U.S. $25,000 (€ 17,354). The obligations of Telvent Traffic under the credit agreement are guaranteed by the Company. The credit facility was available for partial financing of acquisitions permitted under the agreement.

On December 4, 2007, Telvent Tráfico y Transporte, S.A. ("Telvent Tráfico") entered into a credit agreement with Natixis Sucursal en España ("Natixis") under which Telvent Tráfico may borrow U.S. $12,300 to finance the complete investment of the design and implementation of the Panama City Traffic Control Project, a nine-year concession awarded to Telvent Tráfico by the Autoridad del Tránsito Transporte Terrestre of Panama that came into force on August, 28 2007. This credit facility has a cost of LIBOR +0.90% during the investment phase and LIBOR + 2% during the operations and maintenance phase. On December 15, 2009, Telvent Tráfico signed an amendment to its credit agreement with Natixis to extend the grace period under the agreement to July 14, 2010. As result of the former, this credit facility has a cost from the date on which the amendment was signed of LIBOR + 3%. The total amount outstanding as of December 31, 2009 was U.S. $12,300 (€ 8,538), thus fully utilizing the total available credit line under this loan. At the end of the project, the agreement calls for the collection and associated recourse of the accounts receivable associated with the project to be transferred over to Natixis.

On December 29, 2009 the Company's subsidiary, Telvent USA, Inc, entered into a credit agreement with Deustche Bank, S.A. under which Telvent USA, Inc. may borrow up to U.S. $18,000 to finance general working capital needs in North-America. The Credit facility matures on June 29, 2010 and the agreement automatically extends its maturity to December 29, 2010. Drawdowns under the credit agreement bear interest on the outstanding principal amount at a rate per annum equal to LIBOR plus a margin of 1.90%. The total amount outstanding under this facility as of December 31, 2009 was U.S. $8,950 (€ 6,213).

As of December 31, 2009 and 2008, respectively, "Advanced payments" in the Company's consolidated balance sheets consisted primarily of inter-company balances in connection with commercial transactions in the normal course of business, where the group has received advanced payments from the financial institutions.

Furthermore, as of December 2009 and 2008 "Other short-term debt" in the Company's consolidated balance sheets consisted primarily of amounts outstanding under corporate Diners and American Express cards.

(In thousands, except share and per share amounts)

17. Long-Term Debt

Long-term debt consists of the following:

	As of December 31, 2009	2008
Total long-term debt	€ 188,823	€ 221,027
Current portion of long-term debt	(17,621)	(27,532)
Long-term debt less current portion of long-term debt	€ 171,202	€ 193,495

The total principal amount outstanding with each counterparty, less the corresponding current portion at December 31, 2009 and 2008 is as follows:

As of December 31, 2009	Total Long-Term Debt	Current Portion of Long-Term Debt	Long-Term Debt Less Current Portion
ING and Liscat	€ 878	€ 878	€ —
Bank of Communications	632	130	502
Unicaja	9,945	—	9,945
Caja de Ahorros y Monte de Piedad de Madrid, ING Belgium and Caja de Ahorros y Pensiones de Barcelona.	54,348	13,376	40,972
Goldman Sachs Credit Partners and General Electric Capital	117,908	3,121	114,787
Caixa Catalunya	179	116	63
Caja de Ahorros y Pensiones de Barcelona ("La Caixa")	4,933	—	4,933
	€ 188,823	€ 17,621	€ 171,202

As of December 31, 2008	Total Long-Term Debt	Current Portion of Long-Term Debt	Long-Term Debt Less Current Portion
ING and Liscat	€ 1,715	€ 837	€ 878
Bank of Communications	799	138	661
Unicaja	9,956	—	9,956
Caja de Ahorros y Monte de Piedad de Madrid and ING Belgium	56,938	15,609	41,329
Goldman Sachs Credit Partners and General Electric Capital	151,328	10,828	140,500
Caixa Catalunya	291	120	171
	€ 221,027	€ 27,532	€ 193,495

Goldman Sachs Credit Partners and General Electric

Telvent's subsidiary, Telvent DTN is party to an Amended and Restated First Lien Credit and Guaranty Agreement (the "Telvent DTN Credit Agreement"), dated March 16, 2007, by Telvent DTN, Inc., as borrower, various Lenders, Goldman Sachs Credit Partners L.P., as lead arranger, sole bookrunner and sole syndication agent, and General Electric Capital Corporation, as administrative agent. The obligations under the credit agreement are secured by a lien on substantially all of the assets of the borrower and guarantors.

The credit facilities consist of revolving loan commitments of U.S. $25,000, including sub-limits for swing line loans and letters of credit; Tranche C term loans in the original aggregate principal amount of up to U.S. $242,000; and an incremental facility of up to U.S. $25,000 in additional new term loans. The Tranche C term loan facilities mature on March 10, 2013. The revolving commitments terminate on March 10, 2011.

The change in control that was triggered by the Company's acquisition of DTN Holding Company, Inc.'s issued and outstanding capital stock would have constituted a default by Telvent DTN under the Telvent DTN Credit Agreement at the time the acquisition occurred. Accordingly, Telvent DTN requested the consent of the lenders to the change of control. Telvent DTN and the lenders, entered into the First Amendment, Consent and Waiver to Amended and Restated First Lien Credit and Guaranty Agreement, dated September 15, 2008, which became effective on October 28, 2008, under which the lenders consented to the change of control. Under the First Amendment, the applicable margin with respect to Revolving Loans and Tranche C term loans that are Eurodollar Rate Loans is 5% if Telvent DTN's S&P Rating and Moody's Rating is higher or equal than B+ and B1, respectively. If Telvent DTN's S&P Rating and Moody's Rating falls to less than B+ and B1, respectively, the applicable margin will increase to 5.5%. For Revolving Loans and Tranche C term loans that are Base Rate Loans, the applicable margin is 3.75% if Telvent DTN's S&P Rating and Moody's Credit Rating is higher or equal than B+ and B1, respectively, and 4.25% if Telvent DTN's credit ratings are lower.

The amount outstanding for Tranche C Loans is € 117,908 (U.S. $169,859) as of December 31, 2009. The Company has made voluntary prepayments under this credit agreement in 2009 amounting to € 20,825. No borrowings have been made under the revolving commitments feature of the credit facility as of December 31, 2009. The Company, at December 31, 2009, is in compliance with all its covenants.

Caja de Ahorros y Monte de Piedad, Caja de Ahorros y Pensiones de Barcelona ("La Caixa") and ING Belgium S.A., Sucursal en España

On September 12, 2008, the Company, as borrower, entered into an unsecured loan agreement governed by Spanish law with Caja de Ahorros y Monte de Piedad de Madrid (Caja Madrid) and ING Belgium S.A., Sucursal en España (ING), as lenders, in the amount of € 57,500, divided into two different tranches: (i) Tranche A, in the amount of € 10,450, and (ii) Tranche B, in the amount of € 47,050. The full amount of the loans in the amount of € 57,500 was drawn down on October 28, 2008 to partially finance the acquisition of DTN Holding Company, Inc.

In connection with the acquisition of the remaining 42% of Matchmind, on May 21, 2009, as described in Note 13, the Company entered into an amendment and restatement of its unsecured loan agreement signed with Caja Madrid and ING on September 12, 2008. Under the amended and restated unsecured loan agreement, the Company has the right to borrow from Caja de Ahorros y Pensiones de Barcelona ("La Caixa"), as a new lender, an additional € 20,000 under two new subtranches: (i) Subtranche A1, in the amount of € 3,634, and (ii) Subtranche B1, in the amount of € 16,366. During the year 2009 the Company drew down the total available credit under Subtranches A-1 and B-1.

On September 12, 2009 the Company, as scheduled, repaid the total amounts of Tranche A and Subtranche A1 (€ 10,450 and € 3,634, respectively). Additionally the Company repaid € 5,050 of its Tranche B and the first installment payment for Subtranche B1 in the amount of € 1,754. The balance of Subtranche B1 is payable in annual installments of € 3,653 on September 12 of each year thereafter through and including September 12, 2013. As of December 31, 2009, the total amount owed under this arrangement amounted to an aggregate amount of € 56,612 (€ 42,000 under Tranche B and € 14,612 under Tranche B1). The loans bear interest at a rate calculated on the basis of EURIBOR plus a spread of 2.50% until December 31, 2009 and thereafter loans under Tranche B and Subtranche B1 bear interest at a rate calculated on the basis of EURIBOR plus a spread ranging from 1.75% to 2.75% depending on the Company's Net Financial Debt/EBITDA ratio. The amount outstanding under this Syndicated Agreement as of December 31, 2009, net of debt issuance costs, was € 54,348.

The loan agreement includes customary provisions for transactions of this nature, including mandatory prepayment events, financial covenants, representations and warranties, affirmative and negative covenants and events of default. The Company, at December 31, 2009, is in compliance with all its covenants.

Bilateral agreement with Caja de Ahorros y Pensiones de Barcelona ("La Caixa")

As described in Note 23, on September 11, 2009, Telvent GIT, S.A. entered into a Purchase Agreement with Telvent Corporation, S.L., a subsidiary of Abengoa and existing shareholder of the Company, pursuant to which the Company acquired 370,962 of its ordinary shares, nominal value € 3.00505 per share, at a price of U.S. $18.50 per share, for an aggregate purchase price of U.S. $6,863 (€ 4,763). The closing of the re-purchase occurred on September 15, 2009. The shares were purchased in relation to the modification of the Company's Extraordinary Variable Compensation Plan, which has been partially converted from a cash to an equity plan.

In connection with the purchase of these shares, the Company, as borrower, entered into an unsecured, bilateral loan agreement with Caja de Ahorros y Pensiones de Barcelona (Caixa), as lender. The Company made a single drawdown on September 15, 2009 in the amount of € 5,000. The loan will be due and payable in one installment on December 31, 2012. The loan agreement includes customary provisions for transactions of this nature, including mandatory prepayments events, financial covenants, representations and warranties, affirmative and negative covenants and events of default. Covenants under this agreement are identical to covenants under the agreement with Caja Madrid and ING described above. The Bilateral Credit Agreement bears interest on the outstanding principal amount at a rate equal to EURIBOR plus an applicable margin which is equal to 2.75% until December 31, 2009 and thereafter at a rate calculated on the basis of EURIBOR plus a spread ranging from 2.00% to 4.50% depending on the Consolidated Net Financial Debt/Consolidated EBITDA ratio. The amount outstanding under this Bilateral Credit Agreement at December 31, 2009 was € 4,933.

(In thousands, except share and per share amounts)

Unicaja

On November 10, 2005, the Company signed a credit agreement with Caja de Ahorros de Ronda, Cádiz, Almería, Málaga y Antequera (Unicaja). The total amount available under this facility is € 12,600. The term of this credit agreement is twenty-two years and the interest rate is EURIBOR +1%, on a monthly basis. The amount outstanding under this agreement at December 31, 2009 was € 9,945. The credit agreement has been obtained in connection with El Toyo Project, and will become non-recourse when the client accepts delivery of the project. As of December 2009, delivery of the project has not been completely accepted by the customer due to certain litigation currently in progress (as described in Note 20) and thus, the credit facility has not yet been converted into a non-recourse facility.

18. Other Long-Term Liabilities

Other long-term liabilities in the Company's consolidated balance sheets consist of the following:

	As of December 31,	
	2009	2008
Government loans excluding current portion	€ 1,493	€ 1,436
Long-term customer deposits	2,731	2,300
Deferred payment on DTN Holding Company, Inc. acquisition (Note 13)	16,313	24,662
Deferred payment on DMS Group investment (Note 7)	—	1,000
Extraordinary variable compensation plan (Note 23)	164	2,605
Reserves for uncertain tax positions under FIN 48 (Note 21)	3,586	3,252
Other long-term obligations	5,229	2,490
	€ 29,516	€ 37,745

The Company receives interest-free, five-year loans from the Spanish Science and Technology Ministry for research and development purposes. These loans also provide a two-year grace period before repayments of principal must begin. The current portion of government loans of € 765 and € 924 as of December 31, 2009 and 2008, respectively, is included within "Accrued and other liabilities" in the Company's consolidated balance sheets (Note 15).

Long-term customer deposits represent security deposits from customers primarily in relation to long-term hosting contracts.

As of December 31, 2009, "Other long-term obligations" correspond mainly to the deferred payment on NLDC acquisition amounting to € 1,124 and to the premium payable to employee stockholders of Telvent DTN amounting to € 1,876 (see Note 13).

Maturity of Debt and Similar Obligations

The aggregate principal repayment of short-term debt, long-term debt and government loans, including amounts shown under current liabilities, required in each of the next five fiscal years and thereafter are as follows:

	Year Ending December 31,				
	Current Portion of Long-Term Debt	Short-Term Debt	Long-Term Debt Less Current Portion	Government Loans	Total
2010	€ 17,621	€ 97,335	€ —	€ 765	€ 115,721
2011	—	—	14,842	195	15,037
2012	—	—	19,666	189	19,855
2013	—	—	128,434	164	128,598
2014			545	173	718
Thereafter	—	—	7,715	772	8,487
	€ 17,621	€ 97,335	€ 171,202	€ 2,258	€ 288,416

19. Financial Instruments

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist of cash, accounts receivable (including unbilled revenue) and long-term receivables. The Company generally does not require collateral from its customers. During the years ended December, 31, 2009 and 2008, no customer comprised greater than 10.0% of the Company's revenues and/or accounts receivable balance.

(In thousands, except share and per share amounts)

Derivatives

The majority of the Company's assets, liabilities, sales and costs are denominated in Euros. The Company enters into contracts where revenues and costs are denominated in other currencies, principally the U.S. Dollar. The Company's foreign subsidiaries also enter into contracts principally denominated in local currencies, the U.S. Dollar or the Euro that are managed against the relevant functional currency or the Euro. The Company manages foreign exchange exposures in accordance with internal policies and guidelines. This is performed on an individual contract basis using foreign exchange contracts that generally have maturities of three months to twelve months and which mature when the forecasted payments or collections are anticipated to occur. The counterparties to these contracts are highly rated financial institutions.

The Company applies hedge accounting based on ASC 815 issued on accounting for derivative instrument and hedging activities (pre-codification SFAS 133). As a result, these transactions have been designated as cash flow hedges and are recorded at fair value within the balance sheet, with the effective portion of changes in fair value recorded temporarily in equity (other comprehensive income). The effective portion of the gain or loss on the hedging instrument recognized in equity (other comprehensive income), is subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Any ineffective portion of the hedged transaction is recorded in earnings as it occurs.

The following table provides quantitative information about the Company's outstanding foreign exchange contracts by principal currency.

	As of December 31, 2009			
	Positive Fair Value	Notional Amount	Negative Fair Value	Notional Amount
Forward exchange contracts:				
U.S. Dollars	€ 2,257	€ 39,884	€ 5,039	€ 72,181
Canadian Dollars	51	2,910	5	201
Morocco Dirhams	—	—	1	30
Jordan Dinars	117	627	—	—
Qatari Riyals	56	2,323	19	746
Australian Dollars	39	301	—	—
Kuwaiti Dinar	102	916	—	—
Chinese Yuan	—	—	2	38
Euro	205	9,912	185	3,862
	€ 2,827	€ 56,873	€ 5,251	€ 77,058
Interest rate contracts:				
Interest rate caps and swaps	626	80,001	967	76,634
Total	**€ 3,453**	**€ 136,874**	**€ 6,218**	**€ 153,692**

(In thousands, except share and per share amounts)

	As of December 31, 2008			
	Positive Fair Value	Notional Amount	Negative Fair Value	Notional Amount
Forward exchange contracts:				
U.S. Dollars	€ 6,599	€ 63,001	€ 7,808	€ 78,893
Canadian Dollars	12	670	42	458
Morocco Dirhams	379	1,600	—	—
Jordan Dinars	11	381	19	661
Qatari Riyals	292	4,256	17	318
Japanese Yen	—	—	5	415
Thai Bahts	34	1,022	—	—
Swedish Kronor	349	2,348	—	—
Kuwaiti Dinar	—	—	1,374	9,186
Chinese Yuan	19	1,049	2	198
Euro	465	6,116	104	1,526
	€ 8,160	€ 80,443	€ 9,371	€ 91,655
Interest rate contracts:				
Interest rate caps and swaps	384	82,026	4,200	112,380
Total	**€ 8,544**	**€ 162,469**	**€ 13,571**	**€ 204,035**

The above table includes embedded derivatives that the Company bifurcates from certain long-term binding contracts denominated in a different currency to the functional or reporting currency of either party. Similar to freestanding derivatives, these are recorded at fair value in the Company's consolidated balance sheets, with related gains and losses recorded in earnings.

The Company also is exposed to interest rate risk from its interest-bearing debt obligations. The interest rate on these instruments is, mainly, based on a rate of three-months or one-year both EURIBOR and LIBOR, plus the applicable margins.

The Company manages certain specific exposures using interest rate caps to limit the impact of interest rate increases. These contracts mature between 2010 and 2022. The exposure of the Company is limited to the premiums paid to purchase the caps. Total premiums paid to purchase the caps were € 613 and € 18 during the years ended December 31, 2009, and 2008, respectively.

As a result of debt of DTN Holding Company, Inc., the Company maintains an interest rate swap contract with a notional amount of U.S. $110,400 and a fixed rate of 5.32% to limit the interest rate risk associated with its variable-rate long-term debt.

The ineffective portion of changes in fair value of hedged positions, reported in earnings for the twelve-month period ended December 31, 2009, amounted to € (25), and has been recorded within "Other financial (income)/expense" in the Company's consolidated statement of operations.

The effective portion of cash flow hedges recorded in other comprehensive income amounted to € (129), net of tax, and will be reclassified to earnings over the next twelve months.

Fair Values of Financial Instruments

Fair value is defined as the amount that a financial instrument could be bought or sold in an arm's length transaction, other than in a forced or liquidation sale. The Company uses the following methods and assumptions in order to estimate the fair values of its financial instruments.

These determinations were based on available market information and appropriate valuation methodologies. The inputs used to calculate fair value of Telvent's derivatives are inputs other than quoted prices includes Level 1 that are observable for the asset or liability, either or indirectly through corroboration with observable market data (Level 2). Telvent's valuation technique to calculate fair value of Telvent's forward contracts is based on discounting estimated future cash flows. The Company estimates future cash-flows based on the forward rate, discounted to reflect the time value of money until the settlement date.

Cash, Short-Term Investments, Accounts Receivable and Accounts Payable

The carrying amounts for "Cash and cash equivalents", "Other short-term investments", "Accounts receivable", "Unbilled revenues" and "Accounts payable" in the Company's consolidated balance sheets approximate fair values due to the short maturity of these instruments, unless otherwise indicated.

(In thousands, except share and per share amounts)

Short-Term and Long-Term Debt

Debt is primarily based on variable rates. The fair value of Short-Term Debt is similar to its carrying value.

Other Long-Term Liabilities

The fair value of interest free loans received from the Spanish Science and Technology Ministry is estimated based on quoted market prices or current rates offered to the Company for debt of similar maturities. "Other long-term liabilities" in the Company's consolidated balance sheets include payments due to suppliers. Interest is payable based on variable rates; therefore, fair value approximates carrying value.

Derivatives

The fair value derived from market information and appropriate valuation methodologies reflects the estimated amounts the Company would receive or pay to terminate the transaction at the reporting date.

The inputs used to calculate fair value of Telvent's derivatives are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either or indirectly through corroboration with observable market data (Level 2). Telvent's valuation technique to calculate fair value of Telvent's forward contracts is based on discounting estimated future cash flows. The Company estimates future cash-flows based on the forward rate, discounted to reflect the time value of money until the settlement date.

Redeemable Non-Controlling Interest

Redeemable non-controlling interest represents the Company's financial obligation to purchase equity instruments for cash and is presented in the consolidated financial statements at its fair value.

The carrying value and estimated fair value of financial instruments are presented below:

	As of December 31,			
	2009		2008	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Assets:				
Cash and cash equivalents (including restricted cash)	€ 92,893	€ 92,893	€ 85,808	€ 85,808
Other short-term investments	758	758	589	589
Accounts receivable	66,450	66,450	150,598	150,598
Derivative contracts	3,453	3,453	8,544	8,544
Long-term receivables and other assets	10,732	10,732	10,939	10,939
Liabilities:				
Short-term debt	97,335	97,335	56,728	56,728
Long-term debt including current portion	188,823	175,151	221,027	196,293
Other long-term liabilities	29,516	29,359	37,745	37,574
Derivative contracts	6,218	6,218	13,571	13,571

20. Commitments and Contingencies

Commitments

As described in Note 6, the Company's subsidiary, Telvent Outsourcing, has an ownership stake of 15% in S21 Sec, a leading Spanish company specializing in computer security. Navarra de Gestión para la Administración S.A.'s ("NGA") has an option to sell an additional 10% of the shares of S21 Sec to the Company on or before October 31, 2010, conditional upon Telvent or any company of the Abengoa Group investing € 15,000 in the territory of Navarra. Telvent does not have the obligation or intent to make such investments, in which case NGA could still have the option to sell the 10% stake of S21 Sec to Telvent at a price not to exceed € 3,900.

On April 27, 2007, the Company's subsidiary, Telvent Traffic, completed the acquisition of 100% of the shares of Caseta Technologies, Inc. ("Telvent Caseta"). The stock purchase agreement with respect to the acquisition provides for contingent and variable earn-out payments and post-closing adjustments. As of December 31, 2009, the total payments made for this acquisition amounted to U.S. $12,463 and the Company's best estimate of the potential earn-out payments under this agreement amounted to U.S. $732 as of this date. There is an overall limit of U.S $20,728 on the aggregate purchase price.

(In thousands, except share and per share amounts)

The Company is not required to make any future payments that would cause the aggregate purchase price to exceed that limit.

As described in Note 13, in October 2008 the Company's subsidiary, Telvent Export, completed the acquisition of 100% of the shares of DTN Holding Company, Inc. for a purchase price of U.S. $250,910 (€ 187,657) including acquisition costs, payable in two payments: (i) a cash payment made on the closing; and (ii) a deferred payment to certain stockholders of Telvent DTN who are Telvent DTN employees (the "Employee Stockholders"). See Note 13 for complete details on the commitments assumed in this acquisition.

As described in Note 7, the Company and the DMS Group formed a limited liability company joint venture, Telvent DMS, LLC for the purpose of services and solutions development. Telvent Energía agreed to make a total investment of € 6,111 related to the joint venture. As of December 31, 2009, € 5,111 of this committed investment was made. The Company is committed and obligated to make scheduled payments for the remaining € 1,000 ending on April 30, 2010.

As described in Note 13, on February 3, 2009, the Company's subsidiary, Telvent Farradyne, signed an agreement through which it acquired certain of the assets of NLDC. See Note 13 for details of the commitments assumed in this acquisition.

Leases

The Company leases corporate buildings that it classifies as operating leases. Computer equipment and machinery used in the normal course of business and that meet the relevant criteria are classified as capital leases. During the year 2009, the capital leases generally required interest payments based on a variable interest rate plus a margin. The effective interest rate of these contracts ranged from 5.9% to 11.9% in 2009.

Future minimum lease payments under non-cancelable operating and capital leases are as follows:

Year Ending December 31,	Operating	Capital
2010	€ 25,201	€ 9,421
2011	24,029	13,373
2012	22,820	490
2013	16,556	—
2014	7,682	—
Thereafter	46,991	—
	€ 143,279	23,284
Less: amounts representing interest		(1,419)
Present value of future lease payments		21,865
Less: current portion		(8,822)
Long-term leasing obligations		€ 13,043

Total rent expense under the Company's operating leases for the years ended December 31, 2009, 2008 and 2007 was € 25,883, € 19,872 and € 19,673, respectively. Total payment under the Company's capital leases for the years ended December 31, 2009, 2008 and 2007 was € 8,966, € 7,689 and € 3,507, respectively. Total rent expense under the Company's related party leases was € 584, € 33 and € 374 for the years ended December 31, 2009, 2008 and 2007, respectively.

Contingencies

From time to time, the Company has been party to various litigation and administrative proceedings relating to claims arising from its operations in the normal course of business.

On September 13, 2006, a court in Spain issued a judgment stating that the award of the concession contract for the Advanced Digital Services Center for the City of Almería (the "El Toyo Project") to Telvent was void on the grounds that the procurement procedures followed by the government of the City of Almería (the "City") in awarding the contract were inadequate. The City filed an appeal against the judgment. On July 6, 2006, Telvent, as an interested party, also filed an appeal. The filing of the appeals rendered the judgment ineffective until all of the appeals have been resolved. On May 26, 2008, the Spanish appeals court issued a judgment accepting the appeal filed by Telvent. The appeals court revoked the judgment made on September 13, 2006 and replaced that judgment with a declaration that the awarding of the concession contract to Telvent by the City was valid. The other parties to the appeal did not exercise their right to appeal the judgment to the Supreme Court in Spain; therefore, the Company considers that the court proceeding has been concluded.

(In thousands, except share and per share amounts)

As of December 31, 2009, the development and installation work for the El Toyo project was complete, although acceptance by the City has not yet been obtained.

In addition, a commercial dispute has arisen between Telvent and its client regarding a transportation project in Saudi Arabia. The dispute concerns the violations enforcement part of the project, which involves equipment that was subcontracted by Telvent. The client has taken the position that the violations enforcement equipment provided by the subcontractor does not meet the specifications of the contract and, as a result, has purported to terminate its contract with Telvent. Telvent is disputing the validity of the termination and has invoked the dispute resolution procedures under the contract. If the dispute resolution procedures are not successful, we believe that it is likely that arbitration proceedings will be commenced.

Based on the information presently available, including discussions with counsel, management believes that resolution of these matters will not have a material adverse effect on the Company's business, consolidated results of operations, financial condition or cash flows.

Guarantees

Performance Guarantees

In the normal course of business, the Company provides performance guarantees in the form of performance bonds to customers that secure the Company's fulfillment of the terms of the underlying contract. These bonds are for a fixed monetary amount and match the duration of the underlying contract that is generally between 18 and 36 months. Telvent requests similar bonds from sub-contractors to mitigate this risk. The guarantees are generally not drawn upon as Telvent usually successfully completes the contract or renegotiates contract terms.

Financial Guarantees

As of December 31, 2009, the Company maintained the following guarantees:

	Maximum Potential Payments	Estimated Proceeds from Collateral/ Recourse	Carrying Amount of Liabilities
Performance guarantees	€ 246,977	€ 26,835	€ -
Financial guarantees	19,300	-	-
	€ 266,277	€ 26,835	€ -

Financial guarantees include € 16,313 corresponding to stand-by letters of credit signed in connection with the acquisition of Telvent DTN, as described in Note 13.

The maximum potential payments represent a "worse-case scenario," and do not necessarily reflect expected results. Estimated proceeds from collateral and recourse represent the anticipated value of assets that could be liquidated or received from other parties to offset the Company's payments under guarantees.

Warranties

The Company provides warranties in connection with all of its sales contracts except for housing, hosting and maintenance contracts and information and electronic communication services. Warranties typically range from one to two years depending on the contract and cover factors such as non-conformance to specifications and defects in materials and workmanship. Based on historical experience, the Company has not incurred any material unexpected costs associated with servicing its warranties.

21. Income Taxes

The taxable results of the Company are included in the various domestic and foreign consolidated tax returns of Telvent or its subsidiaries. Also, in certain states, local and foreign jurisdictions, the Company files tax returns on a stand-alone basis.

The income tax expense/(benefit) consists of the following:

(In thousands, except share and per share amounts)

	Year Ended December 31,		
	2009	2008	2007
Domestic			
Current	€ 5,695	€ 8,107	€ 4,651
Deferred	(13,528)	(3,942)	1,098
	(7,833)	4,165	5,749
Foreign			
Current	5,150	3,028	613
Deferred	1,596	(303)	(1,682)
	6,746	2,725	(1,069)
Total income tax expense (benefit)	€ (1,087)	€ 6,890	€ 4,680

The following is a reconciliation of the effective tax rate:

	Year Ended December 31,		
	2009	2008	2007
Income before taxes	€ 38,164	€ 38,244	€ 29,825
Domestic federal statutory tax rate	30.0%	30.0%	32.5%
	11,449	11,473	9,693
Stock compensation plans	71	71	563
Research and development tax credits	(3,545)	(3,750)	(3,467)
Export activities tax credits	(27,636)	—	—
Changes in valuation allowances	19,631	—	—
Reduction of the domestic federal statutory tax rate	—	—	(280)
Tax deductions and effect on different tax rates on foreign subsidiaries	(462)	(1,077)	(1,951)
Permanent differences	192	240	—
Other	(787)	(67)	122
Tax expense (benefit)	€ (1,087)	€ 6,890	€ 4,680

Detail of income and other taxes payable as of December 31, 2009 and 2008 are as follows:

	As of December 31,	
	2009	2008
Income tax payable	€ 3,614	€ 3,046
Other taxes payable	20,912	24,724
	€ 24,526	€ 27,770

"Other taxes payable" in the Company's consolidated balance sheets include mainly value-added tax ("VAT"), payroll withholdings on account and social security. Additionally, "Other taxes receivable" include mainly VAT.

Significant components of the Company's net deferred tax assets/(liabilities) are as follows:

	As of December 31,					
	2009			2008		
	Short-Term	Long-Term	Total	Short-Term	Long-Term	Total
Deferred tax assets:						
Export activities tax credits	—	27,636	27,636	—	—	—
Capitalized research and development and other	€ 1,643	€ 18,168	€ 19,811	€ 2,471	€ 14,616	€ 17,087
Net operating tax loss carry-forwards	87	6,088	6,175	2,087	2,617	4,704
Derivative contracts and other assets	2,407	8,904	11,311	1,327	9,493	10,820
Valuation allowance	—	(19,630)	(19,630)	—	—	—
	€ 4,137	€ 41,166	€ 45,303	€ 5,885	€ 26,726	€ 32,611

(In thousands, except share and per share amounts)

	As of December 31,					
	2009			2008		
	Short-Term	Long-Term	Total	Short-Term	Long-Term	Total
Deferred tax liabilities:						
Intangible assets	€ 1,867	€ 45,638	€ 47,505	€ 894	€ 4,307	€ 5,201
Unrealized foreign exchange gains	1,209	59	1,268	363	—	363
Tax deduction of goodwill	—	1,687	1,687	894	611	1,505
Other liabilities	1,478	842	2,320	271	320	591
	€ 4,554	€ 48,226	€ 52,780	€ 2,422	€ 5,238	€ 7,660
Net deferred tax recognized	€ (417)	€ (7,060)	€ (7,477)	€ 3,463	€ 21,488	€ 24,951

According to Spanish Corporate Income Tax (CIT) Law the Company has recognized a tax credit for export activities calculated as a percentage of investments which are effectively made in the acquisition of interest in foreign companies or the incorporation of subsidiaries established abroad. This percentage, which was initially at 25% is being gradually reduced since 2007 to reach 3% in 2010. To benefit from this tax credit, among other requirements, the acquisition or incorporation of companies must be directly related to the export of services and solutions from Spain. The Company has recorded a deferred tax asset amounting to € 27,636 as a result of the acquisitions made between 2004 and 2008. These tax credits have been accredited in Spanish Income Tax Declarations in 2009. In addition, the Company benefits from a deduction of goodwill for certain of its acquisitions. Such goodwill tax deduction has been applied on the acquisitions of Metso, Telvent Farradyne and NLDC.

According to article 35 of the CIT Law, the Company is entitled to a tax credit of 25% of the expenses incurred in research and development (R&D) activities carried out in the tax period in any country belonging to the European Union (EU) and 8% of the investments in assets, except real state, exclusively dedicated to R&D. The amount of the applicable R&D tax credit is determined considering the total expenditure incurred, including the depreciation of assets used in the activities as long as they are directly related to such activities. Gross Spanish and foreign tax carry-forwards as of December 31, 2009 amounted to approximately to € 13,920. If the net operating losses are not fully utilized in the future, carry-forwards will expire from 15 to 20 years after their effective generation date.

The expiration dates of future tax loss carry-forwards are as follows:

	Year Ending December 31,
2022	105
2023	1,829
2024	232
2025	1,004
2026	1,243
2027	2,928
2028	1,740
2029	4,839
2030	
	€ 13,920

As explained in Note 2, during the year ended December 31, 2007, the Company adopted the provisions of ASC 740-10 (pre-codification FIN 48), which clarifies the accounting for and disclosure of uncertainty in tax positions. As a result of the adoption of ASC 740-10 (pre-codification FIN 48), the Company recognized an increase of approximately € 1,286 in its reserve for uncertain tax positions, which was reflected as a decrease to the January 1, 2007 balance of retained earnings. The Company adjusts these reserves in light of changing facts and circumstances.

As of December 31, 2009 and 2008, the Company had approximately € 3,586 and € 3,252 of tax liabilities, including interest and penalties, related to uncertain tax positions. The Company's policy is to include interest and penalties related to unrecognized tax benefits in the provision for income taxes in the accompanying consolidated statements of operations.

In addition, the Company has recorded a valuation allowance on its deferred tax assets when it considers more likely than not that such assets will not be recovered in the future.

Final determination of a significant portion of the Company's tax liabilities that will effectively be settled remains subject to ongoing examination by various taxing authorities. The Company files income tax returns in various jurisdictions in which it operates, including U.S. federal and state and numerous other foreign jurisdictions. Currently, several of the Company's subsidiaries are undergoing tax audits including: Telvent Canada (year 2006 for corporate income tax), Telvent USA (year 2006 for corporate income tax) and the consolidated fiscal group in Spain (covering the years 2004 through 2007 for corporate income tax). No significant issues are expected to come from the results of these audits. Furthermore, the Company has the years ranging from 2005 through 2009 open to other tax audits in most of its jurisdictions, including the United States.

(In thousands, except share and per share amounts)

22. Share Capital

The following table shows increases in share capital of the Company since incorporation. Share capital amounts are shown in actual amounts rather than thousands of Euros:

Event	Date	Number of shares	Cumulative Shares Balance	Cumulative Share Capital In Euros
		(In actual amount)		
	December 31, 2003		100,000	€ 60,101,000.00
Split (200 for 1)	April 15, 2004	—	20,000,000	€ 60,101,000.00
Increase in capital	October 21, 2004	8,700,000	28,700,000	€ 86,244,935.00
Increase in capital	November 19, 2004	547,100	29,247,100	€ 87,888,997.86
	Balance as of December 31, 2005, 2006 and 2007		29,247,100	€ 87,888,997.86
Private placement	October 24, 2008	4,847,059	34,094,159	€ 14,565,655.00
	Balance as of December 31, 2009 and 2008		34,094,159	€ 102,454,652.86

In each transaction involving an increase in share capital, the new shares have the same rights and obligations as those previously in circulation.

On October 21, 2004 the number of shares was increased by 8,700,000, with an offering price of U.S. $9.00 in relation to the Company's initial public offering. On November 19, 2004, there was an additional increase in the number of shares of 547,100, with the same offering price of U.S. $9.00, due to the underwriters' partial exercise of the over-allotment option.

The proceeds from the above described increases of capital amounted to € 60,518, net of related expenses.

The number of shares was increased to 34,094,159, in a private placement offering of 4,847,059 shares, at an offering price of U.S. $21.25. The purchase agreements were signed on October 24, 2008, as registered with the SEC on February 13, 2009, when the transaction was declared effective, The proceeds from the placement totaled € 78,510, net of related expenses.

In addition, on September 15, 2009, the Company acquired 370,962 of the Company's ordinary shares at a price of $18.50, in connection with the amendment of its Extraordinary Variable Compensation Plan, as explained in Note 23.

23. Stock Compensation Plan

Formula-based stock compensation plan

Under a plan established by Abengoa in 2003, certain of the Company's employees, including members of its senior management team, entered into agreements with the Company's principal shareholders to buy the Company's ordinary shares from Abengoa. The shares purchased were already issued and outstanding on the date of sale. All shares were sold at a pre-split price of € 601.01 (€ 3.00505 nominal value per share post-split price), which is also the weighted-average purchase price of the shares. This nominal value represented a discount to fair value. The shares sold under the stock compensation plan contained certain performance and vesting features.

In March 2004, various employees, including managers of the Company, were granted additional shares under the stock compensation plan. All shares were sold at a post-split price of € 3.00505 per share (€ 601.01 pre-split price). The estimated fair value on the date of grant was the midpoint of the estimated offering price range of € 12.37 (€ 2,475 pre-split price). The midpoint of the estimated offering price range of € 12.37 was deemed to be the fair value of the shares at March 2004.

The shares were accounted for as a formula value stock plan in accordance with paragraphs 97 and 98 of Emerging Issues Task Force ("EITF") 00-23, with compensation expense being calculated as the difference between the purchase value (which was par value) and the formula value. Compensation expense for shares that were purchased after January 1, 2003, was calculated based on the midpoint of the Company's expected initial public offering price range less a discount of 15%.

As of October 2004, the Company successfully listed its shares on the NASDAQ, as such, the put feature within the stock plan expired. The variable nature of the plans reverted to a fixed plan, apart from where performance conditions still had to be met by the employees, for which these plans continued to be variable after the date of Telvent's initial public offering. For the plans which were fixed plans after the date of Telvent's initial public offering the remaining deferred compensation was expensed over the vesting period. For plans which continued to be variable, the deferred compensation cost and resulting compensation expense was adjusted to the market value of the shares as of December 31, 2005 and 2004. As a result of the adoption of ASC 718 (pre-codification SFAS 123R), Share-Based Payment, on January 1, 2006, the Company designated its formula-based stock purchase plan as an equity award plan and started to record as an expense the fair value of the shares purchased by employees under the plan. As the shares sold under the incentive plan consist of unvested stock, the fair value applied was the estimated market value on the grant date, as previously calculated for the pro-forma disclosures required by ASC 718 (pre-codification SFAS 123R). The Company chose the modified prospective application transition method allowed by ASC 718 (pre-codification SFAS 123R).

Total compensation cost recorded under this plan was € 0, € 0 and € 1,506 for the years ended December 31, 2009, 2008 and 2007, respectively. All shares under this plan were fully vested as of December 31, 2009.

Parent Company Stock Purchase Plan

On February 2, 2006, Abengoa implemented a Share Acquisition Plan (the "Abengoa Plan") on Abengoa S.A.'s shares for members of the senior management of Abengoa's subsidiaries, including 12 employees of the Company, of which 10 are members of the Companies and its subsidiaries' senior management. The implementation of the Abengoa Plan was approved by the board of directors of Abengoa on January 23, 2006. The duration of the Abengoa Plan is five complete financial years 2006 through 2010 plus six months (until June 30, 2011). The Plan is based on the annual accomplishment by the participant of annual management objectives set for the participant by the management of the applicable company with which each participant is employed. If the annual objectives are not met by the participant, the bank may sell a percentage of the shares as follows:

2006 - 30%
2007 - 30%
2008 - 15%
2009 - 15%
2010 - 10%

Under the Abengoa Plan, Abengoa has a repurchase option under which Abengoa can purchase the shares from the participant on the occurrence of certain events, such as death, disability or retirement of the participant or termination of the employment of the participant within the Abengoa Group.

The Company has applied ASC 718 (pre-codification SFAS 123R) to account for this Abengoa Plan as an equity award plan, and is being treated similar to a stock option plan. A valuation of the plan has been performed at the grant date, which was January 23, 2006, and the corresponding compensation cost is being recognized over the requisite service period of five years and six months (cliff vesting). The acquisition cost for all participants was the average acquisition price plus associated costs for all of the shares purchased under the Abengoa Plan for all participants. The fair value of the 516,100 Abengoa shares granted pursuant to the Abengoa Plan, amounting to € 1,621 (€ 2.87 per share), less estimated forfeitures of 12,600 shares, is measured at the grant date and remains fixed unless and until the award is modified. The assumptions used in the valuation of the shares granted, performed as a theoretical valuation of an European call option on Abengoa ordinary shares as of January 23, 2006, were as follows: Abengoa spot price — € 14.15; strike price — € 26.1; Maturity — July 1, 2011; Volatility — 40%. Compensation cost recorded on this plan for the years ended December 31, 2009, 2008 and 2007 amounted to € 236, € 236 and € 228, respectively.

Extraordinary Variable Compensation Plan

On March 22, 2007, as later amended on September 20, 2007, the Nomination and Compensation Committee of the Company's Board of Directors and the Company's Board of Directors approved a variable compensation plan (the "Plan") for members of the senior management of the Company and its subsidiaries. The participants in the Plan currently include 31 members of the senior management, including business unit managers; senior project managers; technical, research and development managers; and corporate services officers and managers (the "Participants"). The Plan is based on the accomplishment of objectives based on the Company's strategic plan in effect as of December 31, 2006. The duration of the Plan is five complete fiscal years (2007 through 2011) commencing January 1, 2007 and ending December 31, 2011. The calculation and the payment of the benefits under the Plan must occur no later than June 30, 2012, after the verification of the fulfillment of the objectives.

The Plan provides for extraordinary, variable compensation to the participants based on fulfillment of the annual objectives during the term of the Plan and is in addition to any other variable compensation and/or bonuses earned or which may be earned by each participant. The compensation only vests and becomes payable after the end of the 5th year of the Plan, but includes the following gradual general vesting period based on the accomplishment of the established objectives: 10% (2007), 15% (2008), 15% (2009), 30% (2010), and 30% (2011). The Company recognizes compensation costs on this Plan based on the gradual vesting percentages. For the years ended December 31, 2009, 2008 and 2007, the Company recorded € 2,273, € 1,572 and € 1,048, respectively, of compensation expense related to this Plan.

On November 19, 2009, the Company's shareholders, at the Extraordinary Shareholder's Meeting, ratified the decision taken by the Board of Directors on June 25, 2009, to amend the Company's Extraordinary Variable Compensation Plan (the "Plan"), in order to allow eligible Participants of the Plan to receive certain of their Plan awards in the form of the Company's ordinary shares rather than in cash. At the election of Plan Participants, who had to accept and agree to the amendment at the grant date of June 25, 2009, the amount vested during the first three years of the Plan will be converted into such number of shares as is determined by dividing the amount of the original vested cash award by U.S. $18.50, the price paid by the Company for such shares on September 15, 2009. Until the Plan fully vests on December 31, 2011 and the calculation and the payment of the benefits under the Plan occurs (no later than June 30, 2012), the shares will be held as treasury shares of the Company in the accompanying Consolidated Balance Sheets, and will be treated as issued, but not outstanding.

As a result of this amendment, the amount vested at December 31, 2009, and for which participants elected to receive shares instead of cash, has been accounted for as an equity award plan under ASC 718 (pre-codification SFAS No. 123R). Up to the date of the amendment, the Company had been recording a provision for such plan based on the vested amounts at each date. Upon amendment of the Plan, the provision recorded for that portion of the plan which will no longer be paid in cash has been reclassified to Additional Paid in Capital in the accompanying balance sheets. In addition, a valuation of the award was performed at the grant date according to the fair value of the shares on that date, and any difference with the amount previously provisioned for was recorded as additional compensation expense against Additional Paid in Capital. Any portion of the Plan expected to be settled in cash remains as a provision within "other long term obligations" in the accompanying consolidated balance sheets. Finally, the cash award to be vested during the last two years of the Plan will be recorded as compensation expense, against other long term liabilities, according to its vesting period. After this amendment, the amount available for distribution in cash is € 5,848.

In addition, according to the amendment of the Plan approved in December 2008, certain events, such as a sale of a controlling interest in the company, can accelerate certain compensation which its participants are eligible to earn.

24. Related-Party Transactions

During the normal course of business, the Company has conducted operations with related parties, through the execution of projects, loan contracts and advisory services. The transactions were completed at market rates.

Services Agreement

The Company and certain subsidiaries have entered into one-year contractual arrangements with Abengoa from which the Company receives certain administrative services. Such services include cash pooling arrangements, finance management, centralized asset management, legal advice, institutional support with international multilateral financing organizations, institutional commercial assistance, support in providing official global ratings, auditing and consolidation, tax advisory services, negotiation and optimization of global corporate insurance policies, provision of guarantees and endorsements, services including internal communication, corporate image and institutional relations, human resource services and other specific support services upon request. Total amounts paid to Abengoa under the services agreement were € 5,972, € 5,880 and € 4,853, for the years ended December 31, 2009, 2008 and 2007, respectively. Such agreements are extended annually, unless terminated by either party.

The allocation of such expenses is based on anticipated annual sales. The allocation method is considered reasonable and properly reflects Company's cost of doing business, as corporate expenses incurred are allocated based upon Company's projected sales as a proportion of Abengoa's total projected sales.

(In thousands, except share and per share amounts)

Reciprocal Credit Agreements

On April 20, 2004, the Company established a reciprocal credit agreement with Abengoa which replaced any prior credit arrangements. Under this arrangement, the Company and Abengoa could borrow funds from or lend funds to each other, from time to time upon not less than 24 hours' notice, up to a maximum of € 45,000 (or the equivalent amount in any other currency quoted in the Spanish currency market). The agreement was amended in 2007 to increase the maximum credit limit to € 60,000 (or the equivalent amount in any other currency quoted in the Spanish currency market). Borrowings under this credit arrangement bear interest at 6.99% per year. Each borrowing matures on the last date of the fiscal year in which such borrowing was made, without requiring any earlier payment of principal. This credit arrangement is optional and either the Company or Abengoa may elect not to make loans to the other. This arrangement had an initial term ending December 31, 2004, and renews for annual one-year terms until terminated by either party.

Under this reciprocal credit agreement, if any of the parties of the reciprocal credit agreement requests an advance that would cause the total amount owing by that party to exceed the established credit limit, the other party can decide to lend that amount, in its sole discretion. In this case, according to the terms of the reciprocal agreement, the credit limit is automatically modified between both parties, with no need to sign a new agreement. During 2009, the credit limit was exceeded with the authorization of Abengoa and, thus, the reciprocal credit agreement was automatically modified.

On December 1, 2002, Telvent Mexico also established a reciprocal credit agreement with Abengoa Mexico. Under this agreement Telvent Mexico and Abengoa Mexico may borrow funds or lend funds to each other up a maximum of U.S. $10,000. The agreement has been amended two times, the first time, on January 1, 2006, to increase the maximum of the credit limit to U.S. $25,000 and the last time, on June 1, 2007 to increase the maximum credit limit to U.S. $30,000. Borrowings under these credit arrangements bear interest at three-month LIBOR plus variable margin of 0% to 6.0%. These arrangements renew for annual one-year terms until terminated by either party.

Both of the credit arrangements result in a total credit line for the Company of approximately € 80,825. As of December 31, 2009 the net credit line payable was € 51,740, with € 29,085 remaining available to the Company as of this date. The Company incurs no costs and receives no payments under these arrangements unless and until it borrows or loans funds hereunder.

The average monthly balance of amounts (due to) or due from Abengoa affiliates was € (61,951) and € (55,200) in 2009 and 2008, respectively. At each year end, the creditor has the right to demand, or to give notice of its intention to demand repayment.

Details of transactions with group companies and related parties for the years ended December 31, 2009, 2008 and 2007 is provided on the face of the consolidated statements of operations.

Details of balances with group companies and related parties as of December 31, 2009 and 2008 are as follows:

	As of December 31,	
Due from related parties	**2009**	**2008**
Trade receivables	€ 8,761	€ 1,228
Credit line receivable	1	17,094
	€ 8,762	€ 18,322

	As of December 31,	
Due to related parties	**2009**	**2008**
Trade payables	€ 12,174	€ 16,823
Credit line payable	51,741	12,282
	€ 63,915	€ 29,105

25. Segments and Geographic Information

The Company changed, effective November 1, 2008, its internal reporting structure, and from such date, has five reportable operating segments consisting of Energy, Transportation, Environment, Agriculture, and Global Services. The Public Administration segment, which was reported separately in prior reporting periods, has now been incorporated into Telvent's Global Services segment. The segments are grouped with reference to the types of services provided and the types of clients that use those services. The Company assesses each segment's performance based on net revenues and gross profit or contribution margin. Prior period segment information has been restated to conform to current year presentation.

(In thousands, except share and per share amounts)

- ***Energy*** focuses on real-time IT solutions to better manage energy delivery efficiency. It offers measurement and control systems and services that help manage critical infrastructures and data through highly available and secure solutions in two primary areas: electricity and oil & gas.

- ***Transportation*** provides solutions and services for traffic information and control systems, freeway information and management applications, and automatic fare collection solutions, which through enabling more efficient management of traffic, can reduce emissions of greenhouse gases.

- ***Environment*** focuses on the observation and forecasting of the weather, the climate, the air quality and the hydrology and its impact on the different economic sectors together with the provision of technology oriented to improve the use and management of water resources done by water utilities.

- ***Agriculture*** provides information services, including critical business information and trading services, that support the agriculture supply chain, including producers, originators, traders, and food processors in the U.S. and Canada.

- ***Global Services*** offers an integral technology services model that spans the full life cycle of the client's Information and Communications Technologies ("ICT"). It comprises consulting, integration and outsourcing and IT infrastructure management services to enable the evolution and control of the Company's customers' current and future technology needs.

	Year Ended December 31, 2009					
	Energy	**Transportation**	**Environment**	**Global Services**	**Agriculture**	**Total**
Revenues	€239,892	€ 244,430	€ 55,535	€173,715	€ 77,481	€791,053
Cost of revenues	(166,024)	(190,845)	(32,940)	(120,170)	(16,910)	(526,889)
Gross profit	€ 73,868	€ 53,585	€ 22,595	€ 53,545	€ 60,571	€264,164
Operating expenses						(186,904)
Other expenses, net						(39,096)
Income before income taxes						€ 38,164

	Year Ended December 31, 2008					
	Energy	**Transportation**	**Environment**	**Global Services**	**Agriculture**	**Total**
Revenues	€198,364	€ 295,182	€ 46,951	€168,839	€ 15,277	€724,613
Cost of revenues	(144,326)	(236,050)	(34,677)	(120,040)	(3,548)	(538,641)
Gross profit	€ 54,038	€ 59,132	€ 12,274	€ 48,799	€ 11,729	€185,972
Operating expenses						(122,735)
Other expenses, net						(24,993)
Income before income taxes						€ 38,244

	Year Ended December 31, 2007					
	Energy	**Transportation**	**Environment**	**Global Services**	**Agriculture**	**Total**
Revenues	€228,093	€ 246,794	€ 38,320	€111,110	€ —	€624,317
Cost of revenues	(179,026)	(197,926)	(28,018)	(80,642)	—	(485,612)
Gross profit	€ 49,067	€ 48,868	€ 10,302	€ 30,468	€ —	€138,705
Operating expenses						(97,297)
Other expenses, net						(11,583)
Income before income taxes						€ 29,825

Approximately 79% of the joint ventures' net revenues consolidated by the Company due to ASC 810-10 (pre-codification FIN 46-R) are included in the Company's Transportation segment.

Assets by segment

The Company evaluates its assets by segment to generate information needed for internal control, resource allocation and performance assessment. This information also helps management to establish a basis for asset realization, determine insurance coverage, assess risk exposure, and meet requirements for external financial reporting.

(In thousands, except share and per share amounts)

Segment assets of the Company are as follows:

	As of December 31, 2009					
	Energy	Transportation	Environment	Global Services	Agriculture	Total
Segment assets	€297,237	€ 296,790	€ 103,211	€ 159,302	€ 228,285	€1,084,825
Unallocated assets						23,805
Total assets						€1,108,630

	As of December 31, 2008					
	Energy	Transportation	Environment	Global Services	Agriculture	Total
Segment assets	€254,998	€ 304,385	€ 97,759	€ 153,495	€ 221,666	€1,032,303
Unallocated assets						18,920
Total assets						€1,051,223

Unallocated assets include certain financial investments and other assets held for the benefit of the entire Company.

Geographic Information

For the years ended December 31, 2009, 2008 and 2007, sales outside of Spain comprised 56.1%, 53.6% and 52% of the Company's revenues, respectively. Revenues consisted of sales to customers in the following areas:

	As of December 31,		
	2009	2008	2007
Europe	€ 377,375	€ 369,593	€ 386,219
North America	248,310	133,142	110,647
Latin America	99,566	129,880	75,392
Asia-Pacific	23,972	27,496	25,083
Middle-East and Africa	41,830	64,502	26,976
	€ 791,053	€ 724,613	€ 624,317

The most significant investments included in property, plant and equipment, net of depreciation, outside of Spain, are located in:

	As of December 31,	
	2009	2008
Portugal	€ 5,034	€ 4,646
North America	20,951	15,999
Latin America	659	596
China	1,794	1,936
Other	194	229
	€ 28,632	€ 23,406

26. Subsequent Events

Amendment on credit agreement with Unicaja

On February 11, 2010, the Company signed an amendment to its credit agreement with Unicaja to extend the grace period under the agreement to November 10, 2010, therefore extending the term of the credit agreement to 25 years. As a result, borrowings under this credit arrangement bear interest from the date on which the amendment was signed at one-year Euribor plus a margin of 2.00%.

Asset purchase agreement with Simosa IT, S.A.

Effective January 1, 2010, Telvent Outsourcing sold to Simosa IT, S.A (a wholly-owned subsidiary of Abengoa, S.A.) certain of its assets used in providing IT services to Abengoa, including the employees, equipment, applications, hardware, software, and intellectual property necessary to provide such IT services. The sale of the assets also included Telvent Outsourcing's stock ownership in Telvent Implantación y Sistemas, S.L. The price of the transaction amounted to € 4,000 and has been based on, among other elements, a valuation report of a third-party expert.

Amendment on reciprocal credit agreement with Abengoa

On January 1, 2010, the Company signed an amendment to its credit agreement with Abengoa under which the credit limit was extended to € 135,000. Borrowings under this amended credit arrangement bear interest at 8.35% annual interest rate.

Deferred payments on DTN Holding Company, Inc. acquisition

In January 2010 the Company paid U.S. $3,298 to certain stockholder employees of Telvent DTN in connection with the deferred payment described in Note 13.