

Cidemco, ESI, Euve, Fatronik, Inasmet, Leia and Robotiker ratify the agreement to merge approved by Labein on July 16

All set for the constituting of Tecnalia Research & Innovation, number one Technology Centre in Spain and fifth in Europe

- **It will be constituted as a private Centre for applied Research with a new staff of 1,450 highly qualified people and a turnover of 125 million euros**
- **Its first Chairman will be the business executive Javier Ormazabal**

6 August 2010. The Technology Centres Cidemco, ESI, Euve, Fatronik, Inasmet, Leia and Robotiker have ratified the merger agreement approved by Labein on 16 July to create Tecnalia Research & Innovation, number one private Technology Centre in Spain and fifth in Europe.

This morning, ESI's Board of Trustees has taken the decision to join Tecnalia Research & Innovation, a step that has already been taken by the Boards of Trustees of Euve, Leia and Robotiker (27 July), Cidemco and Inasmet (28 July), and Fatronik (29 July).

The keynote of these decisions has been the entrepreneurial vision of the process geared towards bringing to a conclusion the project to merge, which was begun a year and a half ago. The Boards of Trustees have also given due consideration to the importance of the new Centre for society in general, for the people who work at the 8 Centres that have merged, and for current and future clients.

For technical reasons the merger has been designed so that one of the Centres, in this case Labein, will be the body that will absorb the remaining seven. Labein will become Tecnalia Research & Innovation on 1 September with provisional corporate headquarters, while the remaining seven organisations will become Tecnalia Research & Innovation on 1 January 2011.

So the organisation resulting from the merger will be operating under the legal formula of Foundation with full legal effect as from 1 January, 2011, but with immediate effect for operational purposes. In actual fact, the new Technology Centre already has its own organigram and the new Management Council has been functioning since the beginning of the year.

Tecnalia Research & Innovation is thus constituted as the number one private Centre of Applied Research in Spain and fifth in Europe, with a staff comprising 1,450 highly qualified people and a turnover of 125 million euros. Nearly 200 Companies and Institutions will be participating as Associate Collaborators of the new organisation set up, and will be contributing to its development.

As regards the composition of the first Board of Trustees, this has a strong business presence as 33 of its 44 members belong to the private sphere and 11 to the institutional sphere. (See Attachment I for the full list).

The constituent Board of Trustees is scheduled to meet for the first time as early as September in order, among other things, to rebuild inter-institutional collaboration and tackle the decisions pending, like the permanent location of the corporate headquarters.

CHAIRMAN

Javier Ormazabal, Chairman of the Ormazabal Group, has been appointed by consensus among all the merged Technology Centres as the **first Chairman of Tecnalía Research & Innovation**.

What stands out in the decision behind this appointment is the independent nature of the new Chairman (right now he does not belong to any of the existing Boards of Trustees) and the representation of the business spirit of the new Technology Centre as well as the business community's commitment to it.

The Ormazabal Industrial Group is an organisation with a staff of over 2,000 people, a turnover of 400 million euros, and a production and commercial presence in over 50 countries.

The following people have been appointed as the Deputy Chairmen: Asís Canales, representing Iberdrola, and Ignacio Sáenz de Gorbea, on behalf of the Federación Española de Asociaciones de Fundidores (Spanish Federation of Smelters' Associations). Félix Iraola, current Chairman of one of the merged Centres, has been appointed as Secretary.

DIVISIONS AND SECTORAL BUSINESS UNITS

Tecnalia Research & Innovation, whose brand will continue to be Tecnalía, will have a single Management with strategic and operating guidelines. Its **General Manager** will be **Joseba Jauregizar** and it will have an organisational structure comprising five specialised Divisions in the spheres of Sustainable Development; Industry and Transport; Innovation and Society; Information and Communications Technologies; and Health and Life Quality.

Each Division will group together different Business Units up to a total of 16, which will be geared towards the client and be specialised according to sectors of activity like energy, environment, construction, casting and iron and steel, transport, health, software, industrial systems or telecommunications.

The new centre will be in a position to offer its clients comprehensive solutions by hybridizing the technological and market capacities of the different Business Units in a proactive way. The co-operation, multidisciplinary and transversality of the centre will enable it to address complex technological challenges by tackling them in a coordinated way and offering all-round, highly specialised solutions.

Tecnalia Research & Innovation has come about with a clear international calling and will be nourished by clients, associates and talent from all over the world. With a total of 26 locations, it will have the capacity to respond to the R+D+i needs of clients through its presence in Spain (Azpeitia, Burtzeña, Derio, Donostia-San Sebastian, Miñano, Irun, Zamudio, Cadiz and Madrid), Germany, France, Italy, Bulgaria, Serbia, Egypt, USA, Colombia, Chile, Brazil and Argentina.

Tecnalia Research & Innovation will be integrated into **Tecnalia Technology Corporation**, to which AZTI-Tecnalia and NEIKER-Tecnalia also belong; the first specialises in marine and foodstuff research, and the second in agricultural innovation and environment-natural resources. The 3 Technology Centres share strategies and an innovative operating model based on Business Units of a sectoral nature with a high degree of transversality. José María Echarri will remain as Chairman of Tecnalia Technology Corporation.

HEADQUARTERS

A Commission, to be appointed by the constituent Board of Trustees, will undertake to reach agreement on the permanent location of the corporate headquarters by 31 December 2010. From 1 January onwards and while agreement is yet to be reached, the headquarters will continue to be the present ones until 1 July 2011. From that moment onwards the territorial location of the headquarters will alternate every 18 months starting in Donostia-San Sebastian.

LANDMARKS/PROCESS

This merger signifies the consolidation of a model for success started in July 2001 with the setting up of Tecnalia Technology Corporation. Since then, the members of Tecnalia have been moving their integration forward up until the present moment.

2001: Tecnalia Technology Corporation set up by Inasmet, Labein and Robotiker.

2003: Azti joined Tecnalia Technology Corporation.

2003: The European Software Institute (ESI) came in to form part of Tecnalia Technology Corporation.

2006: Neiker joined Tecnalia Technology Corporation.

2007: Fatronik became a member of Tecnalia Technology Corporation.

2008: Cidemco joined Tecnalia Technology Corporation.

2008: In December, 6 of the Centres in the Corporation decided to take the final step within their alliance and began the process that led to their definitive integration.

24 June, 2009: Cidemco, ESI, Fatronik, Inasmet, Labein and Robotiker signed a merger protocol.

16 July 2010: Labein approved the merger agreement.

27 July 2010: Euve, Leia and Robotiker approved the merger agreement.

28 July 2010: Cidemco and Inasmet approved the merger agreement.

29 July 2010: Fatronik approved the merger agreement.

6 August 2010: ESI approves the merger agreement.

1 September 2010: Labein to become Tecnalia Research & Innovation.

1 January 2011: Cidemco, ESI, Euve, Fatronik, Inasmet, Leia and Robotiker to become Tecnalia Research & Innovation

1 January, 2011: Tecnalia Technology Corporation to be made up of Tecnalia Research & Innovation, Azti and Neiker.

Attachment I: Composition of the Board of Trustees of Tecnalia Research & Innovation.

ATTACHMENT I

FIRST BOARD OF TRUSTEES OF TECNALIA RESEARCH & INNOVATION: 44 MEMBERS

26 COMPANY MEMBERS:

- ACCIONA INFRAESTRUCTURAS, S.A.
 - Ignacio Calvo
- ALMAVIVA, S.p.A.
 - Luigi Viscione
- BATZ S. COOP.
 - Bingen Aranzabal
- CEMENTOS LEMONA, S.A.
 - Ignacio Manuel Machimbarrena
- CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES S.A.
 - Eduardo Etxeberria
- ELECTROTÉCNICA ARTECHE HNOS. S.A.
 - José Javier de Arteche
- EUROPEAN SOFTWARE INSTITUTE - CENTER BULGARIA
 - George Ivanov Sharkov
- FAGOR EDERLAN, S. COOP.
 - Juan M^a Palencia
- FEDERACIÓN ESPAÑOLA DE ASOCIACIONES DE FUNDIDORES (Spanish Federation of Smelters' Associations)
 - Ignacio Sáenz de Gorbea
- FUNDACIÓN BBK - BBK FUNDAZIOA (savings bank)

- Fernando Irigoyen
- FUNDACIÓN METROPOLI PARA LA INNOVACIÓN Y DISEÑO DEL TERRITORIO (Metropoli Foundation for Spatial Innovation and Design)
 - Alfonso Vegara
- GAMESA CORPORACIÓN TECNOLÓGICA, S.A.
 - José Antonio Malumbres
- GUARDIAN LLODIO UNIO, S.L.
 - María Pilar Veiga
- HYDRO BUILDING SYSTEM, S.L.
 - José Luis Velasco
- IBERDROLA GENERACIÓN, S.A.
 - Javier Morrás
- IBERDROLA, S.A.
 - Asís Canales
- IBERMÁTICA, S.A.
 - Iñaki Rementería
- INDRA
 - Heliodoro Ruipérez
- INGETEAM CORPORACIÓN, S.A.
 - Miguel Gandiaga
- LANTIK, S.A.
 - Roberto Ibarretxe
- NICOLAS CORREA, S.A.
 - José Ignacio Sáez
- ORMAZABAL CORPORATE TECHNOLOGY A.I.E.
 - Javier Ormazabal
- SDAD. FINANCIERA Y MINERA, S.A. – CEMENTOS REZOLA
 - José M^a Echarri
- VICINAY, S.A.
 - Luis María Cañada
- W.E.E. – HAIZERROTA, A.I.E.
 - José Manuel Sorazu
- ZIV APLICACIONES Y TECNOLOGIA, S.L.
 - Norberto Santiago

11 INSTITUTIONAL MEMBERS:

- GOVERNMENT OF THE BASQUE AUTONOMOUS COMMUNITY (region)

- 6 Representatives
- CHARTER PROVINCIAL COUNCIL OF ARABA
 - 1 Representative
- CHARTER PROVINCIAL COUNCIL OF BIZKAIA
 - 1 Representative
- CHARTER PROVINCIAL COUNCIL OF GIPUZKOA
 - 1 Representative
- General (Spanish) State Administration
 - 1 Representative
- UPV/EHU UNIVERSITY OF THE BASQUE COUNTRY
 - 1 Representative

7 MEMBERS: PROMINENT FIGURES:

- Andoni Lorenzo
- Carlos Olabe
- Félix Iraola
- Juan Ignacio López Gandásegui
- Juan José Azurmendi
- Luis Goenaga
- Pedro Miguel Etxenike