

# Annual Report of ACS Group 2009



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Cover photo: Combined cycle power plant in Lares (Portugal).

# Economic and Financial Report of ACS Group 2009



# Economic and Financial Report of ACS Group

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*Profitability*

# Directors' Report on the Consolidated Group

## 1. Business performance of the ACS Group in 2009

### 1.01. Main events

Key operating and financial indicators	2008	2009	Var. 09/08
<small>Million of euros</small>			
<b>Turnover</b>	15,275.6	15,605.9	+2.2%
<i>International</i>	21.9 %	26.3 %	
<b>EBITDA</b>	1,382.5	1,458.0	+5.5%
<i>Margin</i>	9.1 %	9.3 %	
<b>EBIT</b>	1,042.7	1,079.9	+3.6%
<i>Margin</i>	6.8%	6.9 %	
<b>Net Profit of Continued Operations*</b>	699.6	842.2	+20.4%
<b>Attributable Net Profit</b>	1,805.0	1,951.5	+8.1%
<b>EPS</b>	5.43 €	6.28 €	+15.6%
<b>Cash flow from operations</b>	971.7	1,652.2	+70.0%
<b>Net Investments</b>	63.6	(1,307.3)	n.a.
Investments	2,813.1	4,597.9	+63.4%
Disposals	2,749.5	5,905.2	+114.8%
<b>Total Net Debt</b>	9,355.8	9,271.3	-0.9%
Net debt with recourse	2,933.7	302.1	-89.7%
Non recourse financing	6,422.1	8,969.2	+39.7%

\* Profit after taxes not including exceptional results nor profits from discontinued operations.

Note: The figures included in this report are presented in accordance with the Group's management criteria and may differ with respect to those presented in the financial statements due to certain reclassifications which have no effect on net profit.

The year 2009 was very positive for the ACS Group. The ACS Group's turnover amounted to EUR 15,606 million, up 2.2% on 2008, backed by a substantial increase in international sales (+22.4%). Operating profit also showed signs of good performance. Accordingly, EBITDA rose by 5.5% and EBIT grew by 3.6%.

The net profit attributable to the Group increased by 8.1% to EUR 1,952 million. The earnings per share adjusted by the average numbers of shares outstanding, stood at EUR 6.28 per share, up by 15.6%. Net profit from continuing operations, excluding the profit from Unión Fenosa and SPL, rose by 20.4% to EUR 842 million.

The cash flow generated by operations increased by 70% to EUR 1,652 million as a result of the positive performance of operating profit and the efficient management of working capital. The sound cash flow generation capacity of operations as well as the completion of the sale of 35.3% of Unión Fenosa enabled the Group to make the foreseen investments, which in 2009 amounted to EUR 4,598 million, and to maintain the same net debt level as 12 months ago.

Specifically, the ACS Group's total net debt at 31 December 2009 amounted to EUR 9,271 million, i.e. 0.9% lower than in the previous year. Net recourse debt amounted to EUR 302 million, while non-recourse debt stood at EUR 8,969 million.

Also noteworthy are different financial transactions performed in 2009 to reinforce the financial soundness and international expansion of the Group:

- In February 2009, after receiving the appropriate administrative authorisations, the remaining 35.3% of Unión Fenosa still held by the ACS Group was sold for EUR 5,824.8 million.
- The "equity swap" for 4.88% of the shares of Iberdrola, S.A. was novated, and accordingly, the exercise period was expanded and the ACS Group acquired all the voting and economic rights inherent to the underlying shares.
- On 30 July 2009, the ACS Group, through Dragados, the company heading the Construction area, launched a takeover bid in the Warsaw stock market on shares representing 65.53% of the share capital of the Polish construction company Przedsiębiorstwo Robót Inżynierskich "Pol-Aqua" Spółka Akcyjna (hereinafter Pol-Aqua), at a price of 27 zlotys per share. On 21 October 2009 this transaction was completed, and Dragados acquired an ownership interest of 66% in the share capital of Pol-Aqua for 486.6 million zlotys (€117.7 million).
- Also on 30 July, ACS Actividades de Construcción y Servicios S.A. entered into a loan agreement with a syndicate of 37 financial institutions amounting to EUR 1,500 million, and then increased to EUR 1,594 million, which matured in 2012.
- In December 2009 Dragados Construction USA, Inc., closed the acquisition of two US construction companies, Pulice Construction Inc., whose headquarters are in Phoenix (Arizona), and John P. Picone Inc., whose headquarters are in New York, for a total US \$ 245 million.

# Directors' Report on the Consolidated Group

## 1.02. Consolidated income statement of the ACS Group

Consolidated Income Statement	2008	%	2009	%	Var. 09/08
<small>Million of euros</small>					
<b>Revenue</b>	15,275.6	100.0%	15,605.9	100.0%	+2.2%
Other revenues	523.8	3.4%	391.0	2.5%	-25.4%
<b>Total Income</b>	15,799.4	103.4%	15,996.9	102.5%	+1.3%
Operating expenses	(10,644.0)	(69.7%)	(10,676.4)	(68.4%)	+0.3%
Staff costs	(3,772.9)	(24.7%)	(3,862.4)	(24.7%)	+2.4%
<b>Operating cash flow (EBITDA)</b>	1,382.5	9.1%	1,458.0	9.3%	+5.5%
Depreciation and amortisation expense	(299.4)	(2.0%)	(365.1)	(2.3%)	+22.0%
Operating allowances	(40.4)	(0.3%)	(13.0)	(0.1%)	-67.9%
<b>Ordinary Operating profit (EBIT)</b>	1,042.7	6.8%	1,079.9	6.9%	+3.6%
Impairment and gains on the disposal of financial instruments	0.3	0.0%	0.6	0.0%	n.a.
Other operating profit or loss	147.6	1.0%	(39.2)	(0.3%)	n.a.
<b>Operating profit</b>	1,190.6	7.8%	1,041.4	6.7%	-12.5%
Financial income	402.6	2.6%	395.5	2.5%	-1.8%
Finance costs	(770.8)	(5.0%)	(664.6)	(4.3%)	-13.8%
<b>Financial profit/Loss</b>	(368.2)	(2.4%)	(269.1)	(1.7%)	-26.9%
Exchange gains and losses	1.6	0.0%	(0.4)	(0.0%)	n.a.
Change in fair value of financial instruments	(650.8)	(4.3%)	(2.3)	(0.0%)	n.a.
Impairment and gains on the disposal of financial instruments	703.8	4.6%	22.8	0.1%	n.a.
<b>Net Financial Profit/Loss</b>	(313.6)	(2.1%)	(249.0)	(1.6%)	-20.6%
Companies accounted for by equity method	157.3	1.0%	195.6	1.3%	+24.3%
<b>Profit before tax from continuing operations</b>	1,034.4	6.8%	988.0	6.3%	-4.5%
Corporate income tax	(27.6)	(0.2%)	(120.4)	(0.8%)	n.a.
<b>Profit after tax from continuing operations</b>	1,006.8	6.6%	867.5	5.6%	-13.8%
Profit after tax from discontinued operations	816.0	5.3%	1,113.0	7.1%	+36.4%
<b>Profit for the year</b>	1,822.7	11.9%	1,980.5	12.7%	+8.7%
Non-controlling interests	(17.7)	(0.1%)	(29.0)	(0.2%)	+63.7%
<b>Net Profit Attributable to the Parent</b>	1,805.0	11.8%	1,951.5	12.5%	+8.1%



## 1.02.01. Revenue

Revenue amounted to EUR 15,606 million, up by 2.2% in 2008. This positive trend was a result of a 9.3% increase in Environment area activity, combined with a 6% increase in Industrial Services sales, which offset the 7.5% drop in Construction activity with respect to the previous year.

Revenue	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Construction	6,625.4	43%	6,125.3	39%	-7.5%
Concessions	66.1	0%	64.0	0%	n.a.
Environment	2,413.8	15%	2,638.5	17%	+9.3%
Industrial Services & Energy	6,476.7	42%	6,862.1	44%	+6.0%
Corporate Unit / Adjustments	(306.4)		(84.0)		
<b>Total</b>	<b>15,275.6</b>		<b>15,605.9</b>		<b>+2.2%</b>

The Group's total international sales rose by 22.4% to EUR 4,104 million, and accounted for 26.3% of total revenue. There was significant growth in all activity areas and especially in the Construction area, whose international sales rose by 74.9%.

Domestic Sales	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Construction	5,809.4	88%	4,698.4	77%	-19.1%
Concessions	56.7	100%	49.2	99%	-13.1%
Environment	2,106.3	87%	2,272.7	86%	+7.9%
Industrial Services & Energy	4,257.1	66%	4,565.4	67%	+7.2%
Corporate Unit / Adjustments	(306.5)	100%	(84.0)	100%	-72.6%
<b>Total</b>	<b>11,923.0</b>	<b>78%</b>	<b>11,501.7</b>	<b>74%</b>	<b>-3.5%</b>

International Sales	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Construction	816.0	12%	1,426.9	23%	+74.9%
Concessions	9.4	0%	14.7	1%	+55.9%
Environment	307.5	13%	365.9	14%	+19.0%
Industrial Services & Energy	2,219.6	34%	2,296.7	33%	+3.5%
<b>Total</b>	<b>3,352.5</b>	<b>22%</b>	<b>4,104.2</b>	<b>26%</b>	<b>+22.4%</b>

# Directors' Report on the Consolidated Group

## 1.02.02. Gross profit from operations

Gross profit from operations stood at EUR 1,458 million, 5.5% higher than in 2008. The gross profit margin stood at 9.3%, up 20 basis points on 2008.

EBITDA	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Construction	494.3	35%	458.9	31%	-7.2%
Concessions	23.2	2%	13.6	1%	n.a.
Environment	314.8	22%	341.3	23%	+8.4%
Industrial Services & Energy	591.2	41%	680.5	45%	+15.1%
Corporate Unit / Adjustments	(41.0)		(36.3)		
<b>Total</b>	<b>1,382.5</b>		<b>1,458.0</b>		<b>+5.5%</b>

## 1.02.03. Net profit from operations

Net profit from operations amounted to EUR 1,080 million, up by 3.6% on the previous year, placing the net profit margin at 6.9%, up 10 basis points on 2008.

EBIT	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Construction	410.9	38%	379.8	34%	-7.6%
Concessions	7.8	1%	(0.7)	(0%)	n.a.
Environment	195.3	18%	202.0	18%	+3.4%
Industrial Services & Energy	471.9	43%	537.3	48%	+13.9%
Corporate Unit / Adjustments	(43.2)		(38.5)		
<b>Total</b>	<b>1,042.7</b>		<b>1,079.9</b>		<b>+3.6%</b>

## 1.02.04. Net financial profit/loss

Net financial profit amounted to EUR 269 million, down by 26.9% on 2008 as a result of the decrease in the average debt balance and the change in interest rates as well as the increased dividends from Iberdrola.

The dividends from Iberdrola accrued up to the date of this report were included in this balance and amounted to EUR 208 million relating to its 12% ownership interest.

## 1.02.05. Profit before tax from continuing operations

Profit before tax from continuing operations amounted to EUR 988 million, down by 4.5% on 2008, in which this balance included the extraordinary gains on the sale of the concession assets (both the airports and 49% of the Chilean motorways in addition to the derivatives of Iberdrola). In 2009 the extraordinary gains from the sale of Unión Fenosa are included under profit from discontinued operations in the income statement.

The gains on companies accounted for using the equity method amounted to EUR 196 million. Abertis contributed EUR 139.6 million and Hochtief contributed € 52.4 million.

## 1.02.06. Net profit attributable to the Group

The net profit attributable to the Group rose to EUR 1,951.5 million, up 8.1% on 2008.

Net Profit	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Construction	275.0	15%	241.4	12%	-12.2%
Concessions	20.2	1%	(26.7)	(1%)	n.a.
Environment	144.6	8%	146.2	7%	+1.1%
Industrial Services & Energy	316.7	18%	348.3	18%	+10.0%
Listed Companies	17.4	1%	117.5	6%	n.a.
Corporate Unit / Adjustments	1,031.1	57%	1,124.8	58%	
<b>Total</b>	<b>1,805.0</b>		<b>1,951.5</b>		<b>+8.1%</b>

Net profit from continuing operations, excluding the profit from Unión Fenosa in the first two months of the year up to its sale date and the profit from SPL, whose sale was initiated in the second quarter of the year, amounted to EUR 842 million, showing year-on-year growth of 20.4%.

Ordinary Net Profit	2008	2009	Var. 09/08
<i>Million of euros</i>			
<b>Net Profit</b>	<b>1,805.0</b>	<b>1,951.5</b>	<b>+8.1%</b>
Capital gain from 35,3% UNF	(403.5)	(1,001.5)	
Ordinary Profit from UNF	(397.9)	(80.0)	
Ordinary Profit from SPL	(29.5)	(27.8)	
Capital gains from concessions disposals	(621.2)		
Other exceptionals	346.7		
<b>Ordinary Net Profit from Continuing Operations</b>	<b>699.6</b>	<b>842.2</b>	<b>+20.4%</b>

The income tax charged on continuing operations amounted to EUR 120.4 million. The effective tax rate, adjusted for the gains recognised net of taxes (companies accounted for using the equity method, the sale of assets and dividends relating to financial investments), stood at 21% as a result, inter alia, of the recognition of tax credits for reinvestment, which in 2009 did not exceed EUR 50 million.

The profit attributable to non-controlling interests amounting to EUR 29.0 million in which the Group has a controlling interest.

# Directors' Report on the Consolidated Group

## 1.03. Consolidated Balance Sheet at 31 December

Consolidated Balance Sheet	2008	%	2009	%	Var. 09/08
<i>Million of euros</i>					
Intangible assets	1,466.9	2.9 %	1,575.2	5.0 %	+7.4%
Property, plant and equipment	1,718.5	3.3 %	1,483.9	4.7 %	-13.7%
Non-current assets in projects	3,587.1	7.0 %	4,492.6	14.1 %	+25.2%
Investment property	70.9	0.1 %	61.0	0.2 %	-13.9%
Investments accounted for using the equity method	3,892.8	7.6 %	4,174.2	13.1 %	+7.2%
Non-current financial assets	3,188.3	6.2 %	5,156.6	16.2 %	+61.7%
Financial instrument receivables	0.5	0.0 %	21.7	0.1 %	n.a.
Deferred tax assets	694.4	1.4 %	773.2	2.4 %	+11.3%
<b>Total non-current assets</b>	<b>14,619.4</b>	<b>28.4 %</b>	<b>17,738.4</b>	<b>55.9 %</b>	<b>+21.3%</b>
Non-current assets held for sales	24,350.6	47.4 %	1,178.7	3.7 %	-95.2%
Inventories	698.6	1.4 %	657.8	2.1 %	-5.8%
Trade and other accounts receivable	7,301.6	14.2 %	7,174.9	22.6 %	-1.7%
Current financial investments	2,185.1	4.3 %	2,711.1	8.5 %	+24.1%
Other current assets	62.0	0.1 %	86.3	0.3 %	+39.2%
Cash and cash equivalents	2,181.0	4.2 %	2,207.0	7.0 %	+1.2%
<b>Current assets</b>	<b>36,779.0</b>	<b>71.6 %</b>	<b>14,015.8</b>	<b>44.1 %</b>	<b>-61.9%</b>
<b>Total Assets</b>	<b>51,398.4</b>	<b>100.0 %</b>	<b>31,754.2</b>	<b>100.0 %</b>	<b>-38.2%</b>
Equity attributed to the parent	3,402.4	6.6 %	4,303.4	13.6 %	+26.5%
Non-controlling interests	6,510.6	12.7 %	288.1	0.9 %	-95.6%
<b>Equity</b>	<b>9,913.0</b>	<b>19.3 %</b>	<b>4,591.5</b>	<b>14.5 %</b>	<b>-53.7%</b>
Grants	65.4	0.1 %	90.5	0.3 %	+38.4%
Non-current financial liabilities	9,576.3	18.6 %	11,774.3	37.1 %	+23.0%
Deferred tax liabilities	230.8	0.4 %	374.0	1.2 %	+62.1%
Non-current provisions	158.6	0.3 %	378.8	1.2 %	+138.8%
Financial instrument payables	855.7	1.7 %	320.0	1.0 %	-62.6%
Other non-current liabilities	182.9	0.4 %	242.2	0.8 %	+32.4%
<b>Non-current Liabilities</b>	<b>11,069.7</b>	<b>21.5 %</b>	<b>13,179.8</b>	<b>41.5 %</b>	<b>+19.1%</b>
Liabilities relating to non-current assets held for sale	15,912.9	31.0 %	845.1	2.7 %	-94.7%
Current provisions	264.7	0.5 %	275.2	0.9 %	+3.9%
Current financial liabilities	4,145.7	8.1 %	2,415.2	7.6 %	-41.7%
Trade and other accounts payable	9,376.0	18.2 %	9,850.0	31.0 %	+5.1%
Other current liabilities	716.3	1.4 %	597.5	1.9 %	-16.6%
<b>Current Liabilities</b>	<b>30,415.7</b>	<b>59.2 %</b>	<b>13,982.9</b>	<b>44.0 %</b>	<b>-54.0%</b>
<b>Total Equity &amp; Liabilities</b>	<b>51,398.4</b>	<b>100.0 %</b>	<b>31,754.2</b>	<b>100.0 %</b>	<b>-38.2%</b>

### 1.03.01. Non-current assets

Intangible assets amounted to EUR 1,575 million of which EUR 1,127 million relate to goodwill, and property, plant and equipment stood at EUR 1,484 million. Additionally, assets in concession projects amounted to EUR 4,493 million, relating mainly to renewable energy and transport concession projects.

Non-current financial assets, which include the 12.0% ownership interest in Iberdrola at market price, amounted to EUR 5,157 million. The balance of investments accounted for using the equity method, which mainly include the ownership interests in Abertis and Hochtief, amounted to EUR 4,174 million.

### 1.03.02. Working capital

Net working capital payable amounted to EUR 2,804 million. The increase in working capital payable amounting to EUR 509 million is basically a result of the good performance of Industrial Services. The other lines of business gave rise to a slight increase in working capital receivable mainly as a result in the drop in domestic construction sales.

### 1.03.03. Net borrowings

The Group's net borrowing at 31 December 2009 amounted to EUR 9,271 million, of which EUR 8,969 million relates to non-recourse financing, whereas the net debt from operating activities amounted to EUR 302 million.

The Corporate Unit's non-recourse debt amounted to EUR 5,227 million relating to financial vehicles used for the acquisition of shares of Iberdrola (EUR 4,470 million) and Hochtief (EUR 757 million). The remainder of the non-recourse debt, amounting to EUR 3,742 million, arose from the financing of concession projects, mainly in renewable energies.

The net debt relating to Port Services and Logistics, which amounted to EUR 518 million and EUR 485 million at 31 December 2008 and 2009 respectively, was reclassified under assets and liabilities held for sale in the ACS Group's consolidated balance sheet at 31 December.

Debt Position	2008	2009	Var. 09/08
<small>Million of euros</small>			
Net recourse debt	2,934.0	302.0	-89.7%
Non-recourse debt	6,422.0	8,969.3	+39.7%
Net borrowings	9,356.0	9,271.3	-0.9%

### 1.03.04. Equity

Equity amounted to EUR 4,592 million, of which EUR 4,303 million relate to equity attributable to the Parent, up 26.5% on 2008.

# Directors' Report on the Consolidated Group

## 1.04. Cash flows

In comparable terms the Group's cash flows are as follows:

Statement of Cash Flows	2008	2009	Var. 09/08
<i>Million of euros</i>			
<b>Net Profit</b>	<b>1,805.0</b>	<b>1,951.5</b>	<b>+8.1%</b>
Adjustments to profit not giving rise to cash flows	(628.1)	(794.2)	
Changes in working capita	(205.2)	494.9	
<b>Net cash flows from operating activities</b>	<b>971.7</b>	<b>1,652.2</b>	<b>+70.0%</b>
1. Investment payables	(2,813.1)	(4,597.8)	
2. Disinvestment receivables	2,468.5	5,905.1	
<b>Cash flows from investing activities</b>	<b>(344.6)</b>	<b>1,307.3</b>	<b>n.a.</b>
1. Purchase of treasury shares	(674.4)	(465.7)	
2. Dividends payable	(600.2)	(653.2)	
3. Other adjustments	(101.7)	(261.6)	
<b>Other cash flows</b>	<b>(1,376.3)</b>	<b>(1,380.5)</b>	<b>+0.3%</b>
<b>Total cash flow</b>	<b>(749.2)</b>	<b>1,579.0</b>	<b>n.a.</b>

### 1.04.01. Net cash flows from operating activities

The funds obtained from operations in all lines of business and the increase in working capital enabled net cash flows from operating activities amounting to EUR 1,652 million to be obtained, up by 70% on 2008 (EUR 680 million).

### 1.04.02. Consolidated net investments

The Group's investments and divestments in 2009 amounted to EUR 4,598 million and EUR 5,905 million, respectively, which relates mainly to the sale of Unión Fenosa. The detail thereof, by line of business, is as follows:

Net Investments	Gross Investments	Disposals	Net Investment
<i>Million of euros</i>			
Construction	408.1	(30.1)	378.1
Concessions	252.5		252.5
Environment & Logistics	280.3	(27.0)	253.2
Industrial Services	1,283.5	(23.3)	1,260.2
Corporate Unit	2,373.4	(5,824.7)	(3,451.3)
<b>Total</b>	<b>4,597.8</b>	<b>(5,905.1)</b>	<b>(1,307.3)</b>

The balance of Corporate Unit investments includes the novation of the equity swap over 4.88% of the shares of Iberdrola recognised under the Group's consolidated assets in view of their conditions.

In the Construction area, investments amounted to EUR 408 million and included the investment in Pol-Aqua, Pulice and Picone amounting to EUR 284 million.

EUR 253 million were invested in Concession projects, including inter alia, EUR 173 million in the I-595 expressway in Florida (USA) and EUR 30 million in the Transport Interchange of Plaza de Castilla.

EUR 280 million were allocated to the Environment area, of which EUR 233 million was earmarked for the replacement of machinery and projects in treatment plants. These balances do not include the investments made in the Port Services and Logistics area amounting to EUR 46 million.

EUR 1,283 million were invested in Industrial Services in 2009, mainly in renewable energy projects, including inter alia, investments in thermal solar plants (EUR 679 million), wind-powered facilities (EUR 309 million), transmission lines (EUR 179 million) and desalination plants (EUR 47 million).

### 1.04.03. Net cash flows from financing activities

The Group's financial debt decreased by EUR 1,579 million in 2009 and took into account the repayment of the non-recourse debt allocated to financial vehicles used for the acquisition of Unión Fenosa. At 31 December 2008, this debt amounted to EUR 2,260 million and was included under "Liabilities relating to Non-Current Assets Held for Sale" in the balance sheet.

In 2009 the Group paid its shareholders dividends amounting to EUR 653 million with a charge to profit for 2008, equivalent to EUR 2.05 per share.

The treasury share transactions carried out by the Group in 2009 involved a disbursement amounting to EUR 466 million. At the end of the reporting period, treasury shares accounted for 3.1% of the share capital.

# Directors' Report on the Consolidated Group

## 1.05. Profit/loss by business area

### 1.05.01. Construction

Main financial figures	2008	2009	Var. 09/08
<small>Million of euros</small>			
<b>Revenue</b>	6,625.4	6,125.3	-7.5%
<b>EBITDA</b>	494.3	458.9	-7.2%
Margin	7.5%	7.5%	
<b>EBIT</b>	410.9	379.8	-7.6%
Margin	6.2%	6.2%	
<b>Net Profit</b>	275.0	241.4	-12.2%
Margin	4.2%	3.9%	
<b>Backlog</b>	11,023.2	11,431.1	+3.7%
Months	20	22	

Sales in 2009 amounted to EUR 6,125.3 million, down 7.5% on the previous year.

Turnover breakdown by activity	2008	2009	Var. 09/08
<small>Million of euros</small>			
Civil Works	4,117.3	4,389.0	+6.6%
Non Residential Building	1,487.2	1,189.3	-20.0%
Residential Building	1,020.9	547.0	-46.4%
<b>Total</b>	6,625.4	6,125.3	-7.5%
<b>International</b>	816.0	1,426.9	+74.9%
% over total sales	12%	23%	

The decrease in domestic activity in 2009 was due to the drop in building in all of Spain and the significant decrease in civil works by government bodies, exacerbated in the last quarter of the year by public Budget contraction and bad weather.

International operations grew by 74.9% as a result of the increase in production and the backlog in the USA, Canada and Chile in America, and in Portugal, Poland and other European countries. These balances partially include the impact of the companies acquired in 2009. International operations accounted for 23% of total activities, which was eleven percentage points higher than in 2008 and related almost exclusively to civil engineering projects.

The operating margins in construction remained unchanged with respect to 2008 as a result of two factors: shifting of the different lines of business due to the ongoing increases in the weight of civil engineering works, which have a higher operating margin; and secondly, an increase in operating efficiency as a result of a permanent cost rationalisation and Project performance control policy. Both EBITDA and EBIT remained unchanged with respect to 2008 at 7.5% and 6.2%, respectively.



Net profit amounted to EUR 241.4 million, down 12.2% on 2008, and a sales margin of 3.9% was maintained.

Backlog breakdown by activity	2008	2009	Var. 09/08
<i>Million of euros</i>			
Civil Works	8,525.6	9,544.2	+11.9%
Non Residential Building	1,805.7	1,427.0	-21.0%
Residential Building	691.9	460.0	-33.5%
<b>Total</b>	<b>11,023.2</b>	<b>11,431.2</b>	<b>+3.7%</b>
<b>International</b>	<b>2,545.9</b>	<b>4,260.3</b>	<b>+67.3%</b>
% over total sales	23%	37%	

The construction backlog amounted to EUR 11,431 million, and was equivalent to 22 months of production, up by 3.7% on the previous year.

The civil works order book was down by 11.6% in relation to that registered in December 2008. However this drop was offset by a significant increase in the international order book, which showed growth of 67.3%. In total, the Civil Works order book showed growth of 11.9%.

The Building order book decreased as a result of the steep contraction of the real estate market in Spain. The residential building order book decreased by 33.5%.

Consequently, the weight of civil works in the Construction order book accounted for 83.5% of total works as compared to 67% two years ago or 77% in December 2008. This upward trend is partly due to the increase in projects outside of Spain, which account for 37% of total works.

## 1.05.02. Concessions

Main financial figures	2008	2009
<i>Million of euros</i>		
Turnover	66.1	64.0
EBITDA	23.2	13.6
EBIT	7.8	(0.7)
Equity method	(37.3)	(24.4)
Attributable Net Profit	20.2	(26.7)

Sales relate mainly to the revenue from concessions already in operation such as the la Mancha motorway, the Santiago – Brión motorway, the interchanges of Príncipe Pío and Avenida América in Madrid. The balance of net profit in 2008 included the sale of the motorway Scut da Beira in Portugal for EUR 56.8 million.

The drop in sales, EBITDA and EBIT arose as a result of the change in the scope of consolidation given the fact that the Hospital de Majadahonda is now accounted for using the equity method. If this effect had not been taken into account, EBITDA would have increased by EUR 11 million.

Construction activity was initiated in a large number of concessions, awarded in the second half of 2008, such as the I-595 in the USA, the Baixo Alentejo motorway in Portugal, the Eje Diagonal motorway and line 9 of the underground, the latter two in Barcelona.

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## 1.05.03. Environment

Main financial figures	2008	2009	Var. 09/08
<small>Million of euros</small>			
<b>Revenue</b>	2,413.8	2,638.5	+9.3%
<b>EBITDA</b>	314.8	341.3	+8.4%
Margin	13.0%	12.9%	
<b>EBIT</b>	195.3	202.0	+3.4%
Margin	8.1%	7.7%	
<b>Net Profit</b>	144.6	146.2	+1.1%
Margin	6.0%	5.5%	
<b>Backlog</b>	10,412.1	11,457.4	+10.0%
Months	52	52	

In 2009 there was a 9.3% increase in sales in the Environment area, resulting from the good performance of both the Environment and Integral Maintenance area, which showed growth of 10.0% and 8.2%, respectively. The Port Services and Logistics area was excluded from the revenues from the Environment area as a result of its sale, as discussed in section 1.3 of this report.

The domestic market showed year-on-year growth of 7.9% despite the recession, evidencing its stability. Additionally, international sales rose by 19.0% as a result of the heavy treatment plant activity in international markets in view of the contracts awarded and investments made in recent years.

EBITDA and EBIT rose by 8.4% and 3.4%, respectively. Sales margins stood at 12.9% and 7.7%. The EBIT margin dropped by 40 basis points for two reasons: an increase in the pressure on prices in relation to maintenance, cleaning and landscaping activities, in addition to the increase in amortisation in the Environment area as a result of the entrance into operation of several treatment plants outside of Spain.

Net profit was up by 1.1% with a margin of 5.5%. This balance includes the contribution to profit or loss by Port Services and Logistics as a discontinued operation.

If the contribution from Port Services and Logistics in 2008 and 2009 had not been included, the Environment area's net profit would have increased by 2.9%.

Backlog breakdown by activity	2008	2009	Var. 09/08
<small>Million of euros</small>			
Environmental Services	9,310.4	10,287.1	+10.5%
Facility Management	1,101.7	1,170.3	+6.2%
<b>Total</b>	10,412.1	11,457.4	+10.0%
<b>International</b>	3,315.6	3,465.5	+4.5%
% over total backlog	32%	30%	

The Environment backlog was EUR 11,457 million, equivalent to over four years of production, and up 10% on the previous year. The international backlog accounted for 30% of the total and a 4.5% increase at year-end.

## 1.05.04. Industrial Services

Main financial figures	2008	2009	Var. 09/08
<small>Million of euros</small>			
<b>Revenue</b>	6,476.7	6,862.1	+6.0%
<b>EBITDA</b>	591.2	680.5	+15.1%
Margin	9.1%	9.9%	
<b>EBIT</b>	471.9	537.3	+13.9%
Margin	7.3%	7.8%	
<b>Net Profit</b>	316.7	348.3	+10.0%
Margin	4.9%	5.1%	
<b>Backlog</b>	6,244.3	6,619.3	+6.0%
Months	12	12	

Industrial Services sales showed solid growth of 6% in 2009, driven by the performance of Energy Projects, including both EPC and renewable energy projects.

Turnover breakdown by activity	2008	2009	Var. 09/08
<small>Million of euros</small>			
<b>Support Services</b>	4,434.8	4,351.4	-1.9%
Networks	957.0	887.9	-7.2%
Specialized Products	2,368.4	2,362.7	-0.2%
Control Systems	1,109.4	1,100.7	-0.8%
<b>Energy Projects</b>	2,126.4	2,577.8	+21.2%
<i>Consolidation Adjustments</i>	-84.5	-67.1	<i>n.a.</i>
<b>Total</b>	6,476.7	6,862.1	+6.0%
<b>Total International</b>	2,219.6	2,296.7	+3.5%
% over total sales	34%	33%	

Industrial Facilities and Maintenance activities dropped by 1.9% mainly due to the decrease in industrial maintenance activity in Spain. However, this drop was offset by the growth in international activity, which in the case of Specialised Facilities was higher than 40% in 2009.

There was a sharp 21.2% increase in production in the Energy Projects area, with excellence performance in both activity segments. In this connection, EPC projects were up by 21.9%, rising sharply in the last quarter, and the generation and transmission of renewable energy sources showed growth of 12.8%.

In 2009 the thermal solar power plants Andasol II y Extresol I launched technical trial operations. These plants, together with Andasol I, which has been connected to the network in trial phase since November 2008 and was officially inaugurated in July 2009, have installed power of 150 MW.

EBITDA rose by 15.1% with a sales margin of 9.9%, 80 basis points higher than the margin recorded in the previous year as a result of the change in the mix and the higher proportion of Energy projects.

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EBIT also rose by 13.9%, with a margin of 7.8%, 50 basis points higher than in 2008. There was a significant increase in amortisations, as a result of the higher contribution of more capital intensive energy concessions.

Backlog breakdown by activity	2008	2009	Var. 09/08
<small>Million of euros</small>			
Support Services	4,027.6	4,156.1	+3.2%
Energy Projects	2,216.7	2,463.2	+11.1%
<b>Total</b>	<b>6,244.3</b>	<b>6,619.3</b>	<b>+6.0%</b>
<b>International</b>	<b>2,066.1</b>	<b>2,598.8</b>	<b>+25.8%</b>
% over total backlog	33%	39%	

The total backlog increased by 6.0% to EUR 6,619 million, equivalent to one year of production. There was an increase in the order book for all activities except Networks, which remained unchanged. There was a 10% increase in the order book for Energy Projects and Control Systems in 2009.

## 1.05.05. Listed associates

Main financial figures	2008	2009	Var. 09/08
<small>Million of euros</small>			
Abertis	130.4	139.6	+7.0%
Hochtief	44.2	52.4	+18.6%
Iberdrola	184.9	208.1	+12.5%
<b>Profit from associates</b>	<b>359.5</b>	<b>400.1</b>	<b>+11.3%</b>
Associated finance costs	(457.0)	(402.8)	-11.9%
Taxes	114.9	120.2	+4.7%
<b>Net profit</b>	<b>17.4</b>	<b>117.5</b>	<b>+576.0%</b>

The contribution of these listed companies to the Group's profit prior to deducting finance costs and associated taxes amounted to EUR 400.1 million, up 11.3% in relation to 2008. The contribution by all associates is as follows:

- The contribution of Abertis, which is accounted for by the equity method, amounted to EUR 139.6 million.
- The Group's holding in Hochtief contributed EUR 52.4 million as a result of its being accounted for by the equity method.
- Iberdrola contributed the dividends accrued, which amounted to EUR 208.1 million and were accounted for as finance income. In order to make the figures comparable, the dividends arising from the equity swap in 2008 which were recognised as a decrease in finance costs in the previous year were reclassified.

The finance costs associated with the Group's investments in these companies amounted to EUR 402.8 million, and included the costs arising from the equity swap over Iberdrola. The positive tax effect was EUR 120.2 million.

Accordingly, the net contribution of the listed companies to the Group's profit at 31 December 2009 was EUR 117.5 million.

## 2. Stock market performance

### 2.01. Stock market information for 2009

In terms of the stock market, 2009 was a very good year, especially after March when share prices were at their lowest. It is true that Stock Market was recovering from the worst year in its history, in which the stock market showed an extremely bearish trend. This trend reversed in mid-March and since then the international financial markets recovered a portion of their 2008 losses. The Dow Jones index rose by 41.6%, the EUROSTOXX 50 by 21.0%, and the NIKKEI index of the Tokyo Stock Exchange returned 19.0%.

Stock exchange information for 2009



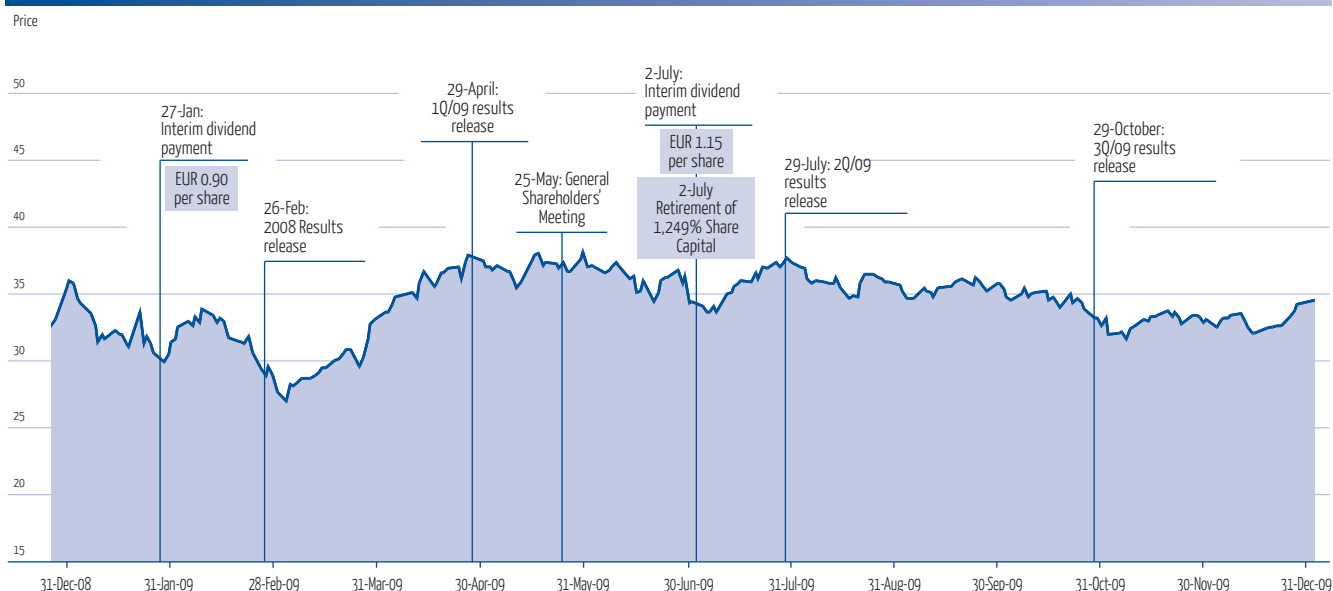
Similarly, the Spanish stock market IBEX35 index recovered 29.8% of its losses, and the Construction sector index showed an upward trend, increasing by 17.7%. The performance of the ACS Group was more moderate, with a 6.6% revaluation, as a result of the decreased volatility of the market and the fact that the Group's performance in 2008 was better than the performance of the market as well as its main competitors.

The detail of the ACS Group's main stock market data in 2008 and 2009 is as follows:

ACS Shares Data	2008	2009
Closing price	32.65 €	34.81 €
Revaluation in the period	-19.68%	6.62%
Period high	40.99 €	38.75 €
Date reached	02-Jan	30-Apr
Period low	24.03 €	27.67 €
Date reached	24-Oct	09-Mar
Average in the period	32.66 €	34.46 €
Total volume ('000)	382,506	196,116
Daily average volume ('000)	1,505.93	769.08
Total traded effective (€ mn)	12,492	6,759
Daily average effective (€ mn)	49.18	26.51
Number of shares (mn)	335.39	314.66
Market cap (€ mn)	10,950	10,953

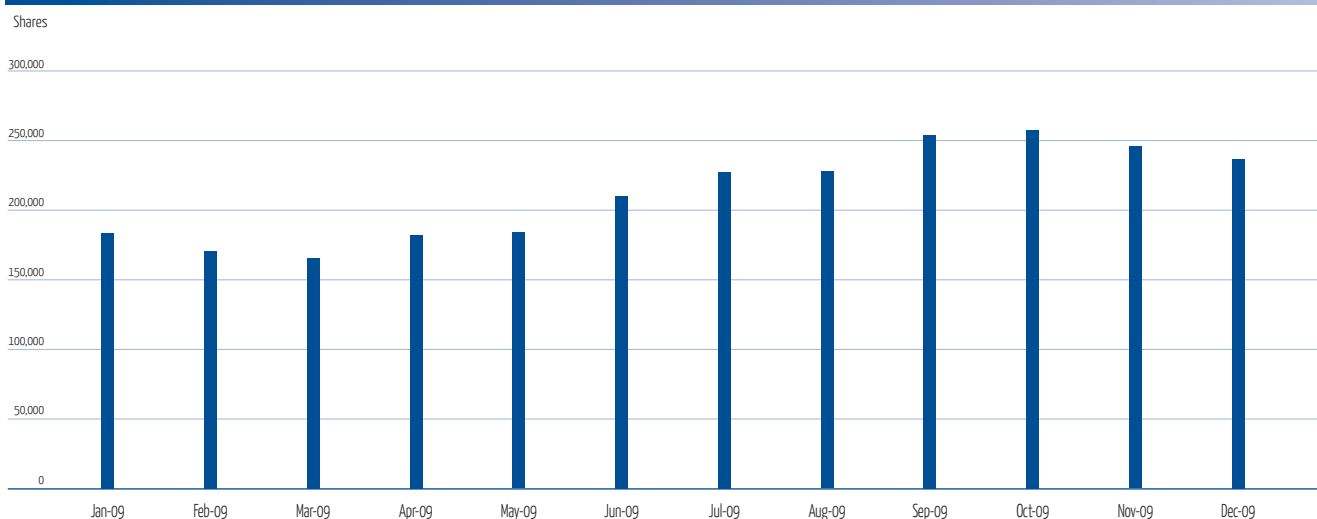
# Directors' Report on the Consolidated Group

## ACS's stock price evolution in 2009 and main events of the year



The trading volume reached a monthly average of a little over 16.3 million shares.

## Monthly Volume of Shares



In the event that the proposal to be made at the Ordinary General Shareholders' Meeting were accepted, direct shareholder return in the form of 2009 dividends would amount to EUR 2.05 per share, in two payments: an initial interim dividend of a gross EUR 0.90 per share, paid on 12 January 2010, and a complementary dividend of EUR 1.15 per share representing 33% of the earnings per share in 2009. The dividend yield for shareholders at the 2009 year-end closing price stood at 5.9%.

## 2.02. Treasury shares

At 31 December 2009, the ACS Group had 9,835,633 treasury shares on its balance sheet, representing 3.126% of its share capital. The detail of the transactions performed in the year is as follows:

Treasury Stock	Number of Shares
Balance, December 31st 2008	-
Purchases	15,473,056
Sales	-1,658,043
Redemption of shares	-3,979,380
<b>Balance, December 31st 2009</b>	<b>9,835,633</b>

In June 2009 and as resolved by the ACS Group's General Shareholders' Meeting held on 25 May 2009, 3,979,380 treasury shares (1.249% of share capital). Therefore, the share capital of ACS amounts to EUR 157,332,297 represented by 314,664,594 shares.

## 3. Information about the main risks and doubts intrinsic to the ACS Group's activity and management of financial risk

The ACS Group operates in sectors, countries and social, economic and legal environments which involve the assumption of different levels of risk caused by these determining factors.

The ACS Group monitors and controls the aforementioned risks in order to prevent an impairment of profitability for its shareholders, a danger to its employees or corporate reputation, a problem for its customers or a negative impact on the company as a whole. For this purpose, the ACS Group has instruments enabling it to identify such risks sufficiently in advance to manage them appropriately either by avoiding them or by minimising the risk thereof, prioritising their significance as necessary.

The ACS Group's 2009 Corporate Governance report details these risk control instruments, as well as the risks and uncertainties to which it was exposed over the year.

### 3.01. Gestión del riesgo financiero

The ACS Group is exposed to various financial risks, including the risks of changes in interest rates and exchange rates, as well as liquidity and credit risk.

Risks arising from changes in interest rates affecting cash flows are mitigated by hedging the rates through the use of financial instruments which cushion their fluctuation. In this connection, the Company uses interest rate swaps to reduce exposure to non-current loans.

The risk of changes in exchange rates is managed by borrowing in the same operating currency as that of the assets being financed by the Group abroad. In order to hedge net positions in currencies other than the Euro, the Group arranges different financial instruments to reduce the exposure to the risk of changes in exchange rates.

To manage the liquidity risk resulting from the temporary mismatches between funds required and funds generated, a balance is maintained between the term and the flexibility of the borrowings through the use of staggered financing matching the Group's fund requirements. In this connection, noteworthy is the renewal of the syndicated loan of ACS, Actividades de Construcción y Servicios, S.A. amounting to EUR 1,500 million on 30 July 2009, extending its maturity date to July 2012 and increasing the amount to EUR 1,594 million. Additionally, Urbaser, S.A. entered into a similar transaction by which its syndicated loan was increased from EUR 650 million to EUR 750 million and its maturity date was extended to May 2012.

# Directors' Report on the Consolidated Group

Finally, credit risk caused by the non-payment of commercial loans is dealt with through the preventive assessment of the solvency rating of potential Group customers, both at the commencement of the relationship with these customers and during the term of the contract, through the evaluation of the credit quality of the outstanding amounts and the revision of the estimated recoverable amounts in the case of balances considered to be doubtfully collectible.

A full detail of the mechanisms used to manage these financial risks and of the hedging instruments used to hedge these risks is included in the notes to both the Company's individual financial statements and the Group's consolidated financial statements for 2009.

## 4. Human Resources

At 31 December 2009, the ACS Group employed a total of 142,176 individuals, of which 32,201 worked abroad. In 2009, the ACS Group created over 4,059 net jobs.

The ACS Group's human resource policy consists mainly in maintaining and hiring committed teams of individuals, with a high level of knowledge and specialisation, capable of offering the best service to the customer and generating business opportunities with rigour and efficiency.

These objectives are achieved by means of active personnel selection policies, the fostering of teamwork, excellence in decision-making and cutting down on bureaucracy. Additionally, specialised training is promoted in each activity, aimed at fostering innovation and professional expertise in order to improve ACS Group processes, products, services and safety levels.

All details relating to the ACS Group's efforts in the area of Human Resources are included in the section on the Commitment to People and the Social Environment included in the Corporate Social Responsibility Report for 2009.

## 5. Technological Innovation and Environmental Protection

The ACS Group considers that sustainable growth, a vocation to care for and respect the environment, and meeting the expectations that society places on it must all have a decisive influence on its strategy and on each of its actions.

This commitment is identified in each of the activities in which the Group is present, in each of the investments that it promotes and in the decisions that it takes in order to satisfy its customers and shareholders, to boost profitable growth, quality and technological development, while also attending to growing demands for respect of the environment by implementing measures to prevent or minimise the environmental impact of the Group's infrastructure development and service activities.

### 5.01. Research and development activities

The ACS Group is committed to a policy of ongoing improvement of its processes and of applied technology in all activities. For this purpose, the ACS Group has its own research programme aimed at developing new technological know-how applicable to design of processes, systems, new materials, etc. in each activity.

To apply and foster this commitment, the Company has established a number of committees at the various Group companies, which handle numerous initiatives undertaken in 2009.

In the Construction area, effort is made mainly to increase quality, the safety of employees, and the improvement of processes and techniques whose final objective is to respect the environment.

The work performed in the Industrial Services and Energy area is relating to technological improvements in the energy area, including renewable energies, urban control systems and systems relating to high speed trains.



In the Environment area, efforts are concentrated on two main activities: the improvement of solid urban waste management and the reduction of CO2 emissions, as well as inter-modal logistics systems improving the efficiency of the transport of goods.

The details of all these activities as well as specific cases of technological innovation can be consulted in the ACS Group's 2009 Corporate Social Responsibility Report.

## 5.02. Environmental protection

The ACS Group's main activity, namely the development and maintenance of infrastructures, involves environmental impacts including the use of materials deriving from natural resources, the use of energy (both during construction and during the life of the various infrastructures), the generation of waste, as well as both visual effects and effects on the landscape.

In line with its vocation to protect the environment, which has prevailed since its creation, the ACS Group promotes two main action areas: an environmental policy with strict criteria and an Environmental Management System relating to the specific actions taken by each Group, both of which aim to minimise the environmental impact of its activity. The result of this effort is an increase in environmentally certified production and in the number of companies certified in accordance with the ISO 14.001 standard.

The detail of the activities carried on in 2009 and of the data on production and certifications can be consulted in the Group's 2009 Corporate Social Responsibility Report.

## 6. Significant events subsequent to year-end

At the date of the preparation of these financial statements there were no events worthy of mention with an effect on the information contained in the financial statements.

## 7. Outlook for 2010

Although certain events in the recently ended year 2009 cause the ACS Group to approach 2010 cautiously, there are indications enabling the Group to have a somewhat optimistic outlook. Although the economic backdrop in Spain is difficult, recent investments and internationalisation will enable the ACS Group to continue supplying sustainable growth and value to its shareholders.

The performance of Construction in 2010 will depend to a large extent on the performance of the domestic market and of the international markets in which the Group is present:

- On the one hand, construction in Spain continues to be affected by the real estate crisis and the reduction in public resources for new infrastructures. Specifically, the civil engineering works segment, where the Group's exposure is highest, will depend on the Government's continued commitment to developing infrastructures in Spain. In the State Budget EUR 21,000 million have been allocated for this purpose. However, the degree of completion will depend on the performance of public accounts as well as economic recovery.
- On the other hand, internationally the outlook for 2010 centres on capitalising on infrastructure investments in the USA and Poland, where the Group has invested heavily in previous years, in addition to markets in which the Group has traditionally been present such as Portugal and Chile, and where it competes in the development of concession and civil engineering projects. This increase in the internationalisation of construction activity will enable the projected drop in activity in the Spanish market to be offset.

The Group will continue to work towards maintaining its capacity to maintain high operating efficiency through cost containment and the management of working capital, variables which are crucial in a business which is competitive as construction.

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In line with the performance of large civil engineering works, the ACS Group has significant opportunities based on the large and mainly international projects awarded in recent years, which will require investments of more than EUR 3,000 million.

In 2010, the ACS Group is prequalified in several calls for tender for projects for which the related investment will amount to over EUR 1,000 million, and is ready to continue bidding on projects which are to be tendered by government bodies in Europe and the US in the near future.

In 2010 the ACS Group will maintain its strategy of rotating older concessions, selling those for which the development period has been completed to heighten the value of its initial investment. In this connection, ACS will continue to foster operating and strategic synergies shared with Abertis, which will enable the Group to uphold its position as worldwide leader in the development of concessions, as in the past 15 years.

In Environmental Services, the ACS Group has identified several lines of action which will enable it to maintain profitability in this area, characterised by its visibility and recurrent long-term income:

- Firstly, in the management of urban solid waste, where Urbaser is a reference, it will continue its international expansion into countries where it has already been successful in tender processes, and mainly waste treatment plants.
- In the Integral Maintenance area, Clece will continue offering services enabling its clients to face cost reductions efficiently by outsourcing their maintenance activities. This trend has peaked as a result of the current economic backdrop, particularly among large public and private clients.

Environmental Services will continue its tradition of offering public service utilities, depending on long-term concessions and projects for growth.

In the Industrial Services and Energy area, the ACS Group combines significant international growth with the stability of its maintenance contracts and the opportunities to invest in energy generation and concession project assets it has seized.

The growth in international activity stems mainly from the investment plans of its clients outside of Spain, and mainly in Latin America, where Brazil and Mexico continue to be the important markets of reference. The Asian markets, such as India and the Middle East also offer a number of opportunities relating to new energy infrastructures in relation to which the Group has extensive experience of executing contracts.

Lastly, the ACS Group will continue investing in its portfolio of renewable energy, both thermal solar power and wind power, with over 2,000 MW in different phases of construction and completion. This investment is a clear future commitment will lead to improved margins and the growth of the ACS Group's traditional activity in Industrial Services.

In view of the aforementioned scenario, the objective of the Group for 2010 includes maintaining sustained operating growth and improving the profitability of all its shareholders.

## 8. The Board of Directors' report for the 2009 financial year in accordance with the provisions of Article 116 bis of the Stock Exchange Law

Pursuant to Article 116 bis of the Spanish Securities Market Law 24/1998 of 25 July, introduced by Law 6/2007 of 12 April, the Board of Directors of ACS Actividades de Construcción y Servicios S.A. submits to its shareholders the following explanatory report with the disclosures, which in accordance with the aforementioned provision, have been included in the Directors' Reports accompanying the financial statements for 2009.

**a) Capital structure, including securities not traded on an EC regulated market, with indication of different classes of shares and, for each class, the rights and obligations they confer and the percentage of share capital they represent.**

As provided in Article 6 of its Company By-Laws, the Company's share capital amounts to EUR 157,332,297 represented by 314,664,594 fully subscribed and paid shares of EUR 0.50 each, all of the same class and series. All of the shares are fully paid. Pursuant to Article 23 of the Bylaws, in order to be able to attend the General Shareholders' Meeting, shareholders are required to hold at least one hundred shares.

**b) Any restriction on the transferability of securities.**

There are no statutory restrictions on the transferability of shares representing the company's share capital.

Since the company is listed, in order to acquire a percentage equal to or higher than 30% of its share capital or voting rights, a takeover bid is to be launched under the terms provided in Article 60 of the Stock Exchange Law 24/1988 and Royal Decree 1066/27 of June 2007.

**c) Significant direct or indirect holdings in the share capital.**

According to the data reported to the company by the corresponding shareholders, or otherwise, according to data included in the corresponding register of the Spanish Stock Market Commission:

Shareholders	31/12/2009
Corporación Financiera Alba, S.A.	23.481%
Corporación Financiera Alcor, S.A.	13.855%
Inversiones Vesán, S.A.	12.336%
Fluxá Rosselló, Miguel	5.638%
Southeastern Asset Management Inc	5.455%

**d) Any restriction on voting rights.**

There are no specific restrictions on this right under the Company By-laws. However, as previously indicated, pursuant to Article 23 of the Company By-Laws, in order to be able to attend the General Shareholders' Meeting (attendance right), shareholders are required to hold at least one hundred shares.

**e) Shareholders' agreements.**

No shareholders' agreements have been reported to the Company.

**f) Regulations applicable to appointments and substitution of members of governing bodies and the amendment of Company By-laws.**

**Appointment and substitution of members of the Board of Directors.**

This matter is regulated in Articles 13 and 14 of the Company By-laws and Articles 3, 11 and 24 of the Rules of the Board of Directors, which essentially provide the following:

The Company is governed by a Board of Directors consisting of a minimum of eleven (11) and a maximum of twenty-one (21) members. At the proposal of the Board of Directors, the General Shareholders' Meeting shall be responsible for setting, within the aforementioned limits, the exact number of members of the Board of Directors, and appointing the individuals to fill these positions; the Board's proposal is to be preceded by a proposal by the Appointment and Remuneration Committee. No age limit has been set to be appointed Board Member or for the exercise of this position.

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Board members shall hold their positions for the term provided in the Company By-laws (six years) and may be re-elected on one or several occasions for terms of the same length.

The board members shall cease to hold their position when removed by the General Shareholders' meeting, when they notify the Company of their resignation or when the term for which members were appointed has expired, in accordance with Article 145 of the Regulations of the Spanish Mercantile Registry. In the event of a vacancy for any reason, the Board of Directors may provisionally fill it from among the shareholders until the next General Shareholders' Meeting, where a definitive election shall take place.

## **Amendment of the Company By-laws**

The procedure for amending the Company By-laws is regulated by Article 29 and generally, Article 144 of the Corporations Law, which require approval by the General Shareholders' Meeting, with the attendance quorums and, if applicable, majorities provided in Article 103 of the aforementioned law. Resolutions shall be adopted by a simple majority, except where under section 2 of the aforementioned Article 103 of the Corporations' Law, such resolutions are required to be adopted by means of the vote in favour of two thirds of the share capital present or represented when the shareholders present or represented hold less than fifty percent of the subscribed share capital with a right to vote. The simple majority necessary to approve a resolution shall require the vote in favour of half plus one of the shares with voting rights present or represented at the meeting.

## **g) Powers of the members of the Board of Directors and, in particular, powers to issue and/or repurchase shares**

The Board of Directors acts jointly and is granted the broadest of powers to represent and govern the Company. The executive team is generally entrusted with the management of the Company's ordinary business by the Board, which carries out the general function of supervising and controlling the Company's operations. However, the Board of Directors may directly assume the responsibilities and decision-making powers deemed appropriate in relation to the management of the Company's business.

The Chairman of the Board of Directors is of an executive nature and is vested with all powers of the Board of Directors, except those which may not legally or statutorily be transferred. Additionally, the Executive Committee is vested with all powers of the Board of Directors which may be legally or statutorily transferred. The executive Vice Chairman and Board Member-Secretary also have broad notary powers registered in the Mercantile Register.

At the General Shareholders' Meeting held on 25 May 2009, the Board of Directors of the Company as well as those of subsidiary companies were authorised to acquire shares in the Company for valuable consideration, for the 18-month period following the date of the General Shareholders' Meeting, and pursuant to the terms and requirements set forth in section 75 and related provisions of the Spanish Corporations Law, the par value of which when added to the shares already held by the Company and its subsidiaries, does not exceed 5% of the issued share capital. The minimum and maximum price shall be, respectively, the par value of the shares and a price not exceeding the price at which they are traded at the stock market on the date of the purchase, or the price authorised by the competent body of the Stock Exchange or by the Spanish Stock Market Commission.

Likewise, in accordance with Article 153.1.b) and 2 of the Spanish Corporations Law, the General Shareholders' Meeting held on 25 May 2009 authorised the Company's Board of Directors to increase capital by up to half the Company's share capital at the date of this resolution on one or more occasions, and at the date, in the amount and under the conditions freely agreed in each case, within five years following 25 May 2009, and without having previously submitted a proposal to the General Shareholders' Meeting. Accordingly, the Board of Directors may set the terms and conditions under which capital is increased, as well as the features of the shares, investors and markets at which the increases are aimed and the issue procedure; freely offer the unsubscribed shares in the preferential subscription period; and in the event of incomplete subscription, cancel the capital increase or increase capital solely by the amount of the subscribed shares. The capital increase or increases may be carried out through the issue of new shares, either ordinary, without voting rights, preference or recoverable, and Article 6 of the Bylaws shall be amended accordingly. The new shares shall be payable by means of monetary contributions equal to the par value of the shares and any share premium which may be agreed. In accordance with Article 159.2 of the Spanish Corporations Law, the Board of Directors is expressly empowered to exclude preferential subscription rights in full or in part in relation to all or some of the issues agreed under the scope of this authorisation, where it is in the interest of the company and as long as the par value of the shares to be issued plus any share premium agreed is equal to the fair value of the Company's shares based on a report to be drawn up at the Board's request, by an independent auditor other than the Company's auditor, which is appointed for this purpose by the Spanish Mercantile Register on any occasion in which the power to exclude preferential subscription rights granted in this paragraph is exercised. Additionally, the Company's Board of Directors is authorised to request the listing or delisting of any shares issued, in Spanish or foreign organised secondary markets. The Board of Directors is expressly authorised to delegate the powers contained in this resolution.

Additionally, at its meeting held on 25 May 2009 and in accordance with applicable legislation, the Board of Directors resolved to delegate to the Board of Directors the power to issue fixed income securities, either simple and exchangeable or convertible, and warrants on the Company's newly issued shares or shares in circulation, under the following terms:

1. The securities the Board of Directors is empowered to issue may be debentures, bonds and other similar fixed income securities, whether simple or, in the case of debentures and bonds, exchangeable for shares of the Company or any of the Group companies and/or convertible into shares of the Company, and warrants on the Company's newly issued shares or shares in circulation.
2. Securities may be issued on one or more occasions, and at any date within the maximum five-year period following the date of the adoption of this resolution.
3. The total amount of the issue or issues of securities agreed under this delegation of authority, regardless of their nature, plus the total number of shares listed by the Company and outstanding at the issue date may not exceed a maximum limit of eighty five percent of the equity of ACS Actividades de Construcción y Servicios, S.A. according to the latest approved balance sheet.
4. In exercise of the powers granted herein, the Board of Directors shall have powers including, but not limited to determining the following: the amount, within the aforementioned overall maximum limit; the place, date and currency of the issue, and if applicable, its equivalence in Euros; the denomination, whether, bonds or debenture, subordinate or not, warrants or any other instrument permitted by law; the interest rate, payment dates and payment procedures; and in the case of warrants, the amount and means of calculating the premium or exercise price; whether they are instrumented in perpetuity or are repayable, and in the latter case, the repayment term and maturity dates; the type of reimbursement, premiums or batches, any guarantees; the form of representation, i.e. by means of certificates or book entries; preferential subscription rights, if any, and the subscription regime; applicable legislation; application, if applicable, for listing on official or unofficial secondary markets, whether organised or not, in Spain or abroad, of the securities issued; and appointment, if applicable, of a commissioner and approval of the rules that are to govern the legal relationships between the Company and the syndicate of holders of the securities issued.
5. In the case of the issue of convertible and/or exchangeable bonds or debentures, the following criteria has been established:
  - 5.1. The Board of Directors shall be authorised to determine whether the securities are convertible and/or exchangeable, and whether conversion and/or exchange shall be obligatory or voluntary, and in the latter case, if it is to be at the option of the holder or the issuer, with the periodicity and within the time limits laid down in the resolution on their issue, not exceeding ten years from the date of issue.
  - 5.2. The Board of Directors is also empowered to determine if the issuer reserves the right at any moment to opt between conversion into new shares or exchange for shares in circulation, specifying the nature of the shares to be delivered at the time of conversion or exchange. The issuer may also opt to deliver a combination of new and circulating shares.
  - 5.3. The ratio of conversion and/or exchange may be fixed, and for this purpose, the fixed income securities will be valued at their par value and shares at the fixed rate indicated in the resolution of the Board of Directors which made use of this delegated power, or at the rate of exchange defined on the date(s) indicated in the resolution of the Board of Directors, according to the Company's share price on the stock exchange on the date(s) or in the period(s) taken as reference in the resolution. However, the price of the shares, for the purpose of their conversion or exchange, may not be less than the greater of (i) the arithmetic mean of the closing prices of the Company's shares in the Spanish Continuous Market of stock exchanges over the period defined by the Board of Directors, which shall not be more than three months nor less than fifteen days prior to the date on which the Board passed the resolution to issue the fixed income securities, and the closing price of the shares on the same Continuous Market on the day prior to the passing of the resolution to issue the fixed income securities. Notwithstanding the above, the Board of Directors may issue the debentures or bonds with a variable rate of conversion and/or exchange. In this case, the price of the shares for the purposes and/or exchange shall be the arithmetic mean of the closing prices of the Company's shares on the Spanish Continuous market of stock exchanges over the period defined by the Board of Directors, which shall not be more than three months nor less than fifteen days prior to the date of conversion and/or exchange, with a premium, or if applicable, a discount on said price per share. The premium or discount may differ for each conversion and/or exchange date (or, if applicable, each tranche of the issue), although if a discount is set on the price per share, this may not be more than twenty percent.

# Directors' Report on the Consolidated Group

- 5.4. The fractions of a share which might be due to a bond or debenture holder shall be rounded down to the nearest whole number of shares and each holder shall be paid in cash any difference in value this rounding has given rise to.
  - 5.5. Pursuant to Article 292.3 of the Spanish Consolidated Corporations Law, debentures may not be converted into shares when the par value of the shares is less than that of the debentures. Likewise, the value of the share may not be less than its par value.
  - 5.6. Upon approving an issue of convertible and/or exchangeable bonds or debentures, the Board of Directors shall issue a Directors' report developing and specifying, based on the criteria described above, the basis for and forms of conversion specifically applicable to the indicated issue. This report shall be accompanied by the relevant report from the auditors referred to in Article 292 of the Spanish Corporations Law. Additionally, these reports will be made available to the shareholders, and if applicable, to the holders of convertible and/or exchangeable fixed income securities and/or warrants, and the shareholders will be informed at the first General Shareholders' Meeting held after adopting the resolution on the issue of the securities.
6. In the case of the issue of warrants, to which, by analogy, the provisions of the Spanish Corporations Law for issues of convertible debentures shall apply, the following criteria is set:
    - 6.1. The warrants issued may entitle their holders to subscribe new shares in the Company and/or acquire circulating shares in the Company, and the Board of Directors shall be authorised to determine whether or not they are entitled to do so.
    - 6.2. The deadline for the exercise of the securities issued shall be determined by the Board and may not exceed ten days following the date of their issue.
    - 6.3. The Board of Directors may also stipulate that the Company reserves the right to opt for holders of warrants to subscribe new shares or acquire shares in circulation at the time of exercising the warrant. It may also opt to deliver a combination of new and circulating shares. However, the issuer must respect the principle of equal treatment to all the holders of warrants that are exercised on the same date.
    - 6.4. The exercise price of the warrant shall be defined by the Board of Directors in the resolution on the issue of securities, or shall be defined on the date or dates indicated in the resolution adopted by the Board of Directors, depending on the market price of the Company's shares on the date(s) or during the period(s) taken as a reference in the resolution. The exercise price may be variable depending on the date on which the warrant is exercised. However, the share price to be considered, may not be less than the greater of (i) the arithmetic mean of the closing prices of the Company's shares in the Spanish Continuous Market of stock exchanges over the period defined by the Board of Directors, which shall not be more than three months nor less than fifteen days prior to the date on which the Board passed the resolution to issue the warrants, and (ii) the closing price of the shares on the same Continuous Market on the day prior to the passing of the resolution to issue the warrants. In no case may the sum of the premium(s) paid for each warrant and its exercise price be less than the market value of the company's shares as defined in the previous paragraph, or less than the par value of the Company's shares.
    - 6.5. Upon approving an issue of warrants, the Board of Directors shall issue a Directors' report developing and specifying, based on the criteria described above, the basis for and forms of conversion specifically applicable to the indicated issue. This report shall be accompanied by the relevant report from the auditors referred to in Article 292 of the Spanish Corporations Law. Additionally, these reports will be made available to the shareholders, and if applicable, to the holders of convertible and/or exchangeable fixed income securities and/or warrants, and the shareholders will be informed at the first General Shareholders' Meeting held after adopting the resolution on the issue of the securities.
  7. In all events, the authorisation of the Board of Directors to issue convertible and/or exchangeable debentures or bonds, and to issue warrants, shall include, but shall not be limited to the following powers:
    - 7.1. The authority to increase the share capital by the amount necessary to meet demand for the conversion of convertible securities or the exercise of warrants on newly issued shares. This power may only be exercised by the Board to the extent that the sum of the increase in capital necessary to meet the demand resulting from the issue of convertible debentures or bonds or the exercise of warrants on newly issued shares, added to all other capital increases that have been agreed under the scope of authorisations granted by the General Shareholders' Meeting, does not exceed the limit of one half of the share capital envisaged in Article 153.1 b) of the Spanish Consolidated Corporations Law. This authorisation to increase the share capital includes the power to issue and put into circulation, on one or more occasions, the shares that are necessary to carry out the conversion or exercise, and to amend the Article of the Bylaws

relating to the share capital figure, and if applicable, to cancel the part of the capital increase that was not necessary for the conversion of securities into shares or the exercise of the warrants.

- 7.2. The power to exclude, pursuant to Article 159.2 of the Spanish Consolidated Corporations law, the preferential subscription rights of shareholders or the holders of convertible and/or exchangeable bonds or debentures, or of warrants, when necessary to capture financial resources in the domestic and international markets, or it is otherwise in the Company's interest. In any event, if the Board decides to override preferential subscription rights in relation to a specific issue of convertible debentures or bonds or warrants on newly issued shares under the authorisation granted herein, at the date on which this resolution is passed, it shall issue a detailed report stating the specific reasons why it is in the Company's interest to take this measure. This report will be accompanied by a further report issued by an auditor, pursuant to Article 159.2 of the Spanish Consolidated Corporations Law. These reports will be made available to the shareholders and holders of convertible debentures or bonds, and the shareholders will be informed at the first General Shareholders' Meeting held after adopting the resolution on the issue of the securities.
- 7.3. The power to develop and specify in detail the basis for and modes of conversion or exchange and exercise of warrants bearing in mind the criteria defined above.
8. The Board of Directors, at the successive General Shareholders' Meetings held by the Company, shall inform shareholders of any use made of the delegation of power referred to in this resolution.
9. The Board of Directors is expressly authorised to guarantee, on the Company's behalf and for a maximum of five years following the adoption of this resolution, the obligations of all types which may arise for its subsidiaries as a result of the issues of fixed income securities (debentures, bonds, promissory notes, or any other) or of warrants, by the aforementioned subsidiaries.
10. Where appropriate, the Company shall apply for admission to trading on official or unofficial secondary stock markets, whether organised or otherwise, of the bonds, debentures and other securities issued by virtue of this authorisation, and the Board of Directors shall be empowered to undertake the formalities necessary or appropriate for these purposes. In accordance with Article 27 of the Spanish Stock Market Regulations, it is hereby expressly stated that in the case of the subsequent application for the exclusion from the stock exchange of the securities issued by virtue of this authorisation, this shall be adopted with the same formalities as stated in said Article and, in this event, the interests of shareholders or bondholders who oppose this move or vote against it shall be guaranteed in accordance with all applicable provisions of law.
- h) Significant resolutions that the Company may have adopted that once in force, were amended or concluded in the event of any change of control over the company following a public takeover bid, and the effects thereof, except when such disclosure may be seriously damaging to the Company. This exception shall not be applicable when the company is legally required to disclose this information**

There are no significant contracts giving rise to the aforementioned circumstance.

- i) Agreements between the Company and its directors, managers or employees establishing severance payments when they resign or are dismissed without due cause or if the employment contract expires due to a takeover bid**

Pursuant to sections B.1.13 and G of the 2009 Annual Corporate Governance Report, there are a total of 9 senior management members in the different ACS Group companies, including executive board members, whose contracts provide for the cases described under this heading with maximum severance payments of up to five years' salary.

## 9. Annual Corporate Governance Report

In accordance with Article 202.5 of the Corporations Law, following is the Annual Corporate Governance Report, which forms and integral part of the 2009 Directors' Report.

# Consolidated Financial Statements

## Consolidated statements of financial position at 31 december 2009 and 2008

Assets	Note	31/12/2009	31/12/2008
Thousands of euros			
<b>Non-current assets</b>		<b>17,738,415</b>	<b>14,619,413</b>
Intangible assets	4	1,575,238	1,466,906
Goodwill		1,127,018	1,132,563
Other intangible assets		448,220	334,343
Property, plant and equipment	5	1,483,866	1,718,506
Non-current assets in projects	6	4,492,643	3,587,050
Investment property	7	61,021	70,898
Investments in companies accounted for by the equity method	9	4,174,152	3,892,825
Non-current financial assets	10	5,156,589	3,188,286
Financial instrument receivables	22	21,737	546
Deferred tax assets	26.06	773,169	694,396
<b>Current assets</b>		<b>14,015,798</b>	<b>36,778,952</b>
Non-current assets held for sale and discontinued operations	03.09	1,178,749	24,350,617
Inventories	11	657,809	698,594
Trade and other receivables	12	7,174,863	7,301,556
Trade receivables for sales and services		6,166,801	6,101,610
Other receivables		885,410	1,097,564
Current tax assets	26	122,652	102,382
Other current financial assets	10	2,711,051	2,185,135
Other current assets	13	86,297	62,010
Cash and cash equivalents	14	2,207,029	2,181,040
<b>Total assets</b>		<b>31,754,213</b>	<b>51,398,365</b>

The accompanying notes 1 to 39 and Appendices I to IV are an integral part of the consolidated statement of financial position at 31 December 2009.



Equity and liabilities	Note	31/12/2009	31/12/2008
Thousands of euros			
<b>Equity</b>	15	4,591,503	9,913,040
Shareholders' equity		5,310,171	4,404,604
Share capital		157,332	159,322
Share premium		897,294	897,294
Reserves		2,937,959	1,829,732
(Treasury shares and equity interests)		(350,747)	-
Profit for the year of the parent		1,951,531	1,805,036
(Interim dividend)		(283,198)	(286,780)
Adjustments for changes in value		(1,006,761)	(1,002,182)
Available-for-sale financial assets		(734,568)	(539,434)
Hedging transactions		(280,342)	(236,405)
Exchange differences		8,149	(226,343)
Equity attributed to the parent		4,303,410	3,402,422
Non-controlling interests		288,093	6,510,618
<b>Non-current liabilities</b>		13,179,798	11,069,671
Grants related to assets	16	90,524	65,386
Non-current provisions	20	378,838	158,647
<b>Non-current financial liabilities</b>		11,774,258	9,576,277
Bank borrowings, debt instruments and other held-for-trading liabilities	17	3,033,655	3,288,055
Project finance with limited recourse	18	8,691,229	6,245,240
Project finance with limited recourse	19	49,374	42,982
Financial instrument payables	22	319,959	855,706
Deferred tax liabilities	26.06	374,048	230,805
Other non-current liabilities		242,171	182,850
<b>Current liabilities</b>		13,982,912	30,415,654
Liabilities relating to non-current assets held for sale and discontinued operations	03.09	845,058	15,912,940
Current provisions	20	275,155	264,713
<b>Current financial liabilities</b>		2,415,235	4,145,663
Bank borrowings, debt instruments and other held-for-trading liabilities	17	2,113,521	3,960,946
Financiación de proyectos y deuda con recurso limitado	18	278,049	176,840
Other financial liabilities	19	23,665	7,877
<b>Trade and other payables</b>	23	9,849,968	9,376,020
Suppliers		3,110,787	2,768,592
Other payables		6,515,739	6,540,430
Current tax liabilities	26	223,442	66,998
<b>Other current liabilities</b>	24	597,496	716,318
<b>Total equity and liabilities</b>		31,754,213	51,398,365

The accompanying notes 1 to 39 and Appendices I to IV are an integral part of the consolidated statement of financial position at 31 December 2009.

# Consolidated Financial Statements

## Consolidated income statements for the years ended 31 december 2009 and 2008

	Note	31/12/2009	31/12/2008
Thousands of euros			
<b>Revenue</b>	27	<b>15,605,930</b>	<b>15,275,568</b>
Changes in inventories of finished goods and work in progress		(9,095)	(4,263)
Capitalized expenses of in-house work on assets	27	141,849	278,456
Procurements	28.01	(9,061,725)	(9,042,749)
Other operating income		390,956	523,787
Staff costs	28.02	(3,862,444)	(3,772,906)
Other operating expenses		(1,763,669)	(1,918,330)
Depreciation and amortisation charge	4, 5, 6 y 7	(36,106)	(299,378)
Allocation of grants relating to non-financial assets and others	16	3,236	2,510
Impairment and gains on the disposal of non-current assets		634	283
Other profit or loss	28.05	(39,179)	147,628
<b>Operating income</b>		<b>1,041,387</b>	<b>1,190,606</b>
Finance income	28.07	395,485	402,612
Finance costs		(664,586)	(770,779)
Changes in the fair value of financial instruments	21 y 28.06	(2,325)	(650,767)
Exchange differences		(370)	1,580
Impairment and gains on the disposal of financial instruments	29	22,768	703,772
<b>Financial profit</b>		<b>(249,028)</b>	<b>(313,582)</b>
Results of companies accounted for using the equity method	9	195,615	157,342
<b>Profit before tax</b>		<b>987,974</b>	<b>1,034,366</b>
Income tax	26.04	(120,430)	(27,609)
<b>Profit for the year from continuing operations</b>		<b>867,544</b>	<b>1,006,757</b>
Profit after tax from discontinued operations ( *)		1,279,571	1,632,974
<b>Profit for the year</b>		<b>2,147,115</b>	<b>2,639,731</b>
Profit attributed to non-controlling interests	15.07	(28,973)	(17,700)
Profit from discontinued operations attributed to non-controlling interests	15.07	(166,611)	(816,995)
<b>Profit attributed to the parent</b>		<b>1,951,531</b>	<b>1,805,036</b>
( *) Profit after tax from discontinued operations attributed to non-controlling interests		1,112,960	815,979

Earnings per share	Note	31/12/2009	31/12/2008
Euros per share			
Basic earnings per share	31	6.28	5.43
Diluted earnings per share	31	6.28	5.43
Basic earnings per share from discontinued operations	31	3.58	2.45

The accompanying notes 1 to 39 and Appendices I to IV are an integral part of the consolidated income statement at 31 December 2009.

## Consolidated statements of comprehensive income for the years ended 31 december 2009 and 2008

	31/12/2009			31/12/2008		
	Of the Parent	Of Non-Controlling Interests	Total	Of Non-Controlling Interests	Of the Parent	Total
Thousands of euros						
<b>A) Total profit for the year</b>	<b>1,951,531</b>	<b>195,584</b>	<b>2,147,115</b>	<b>1,805,036</b>	<b>834,695</b>	<b>2,639,731</b>
Consolidated profit (loss) for the year	1,951,531	28,973	1,980,504	1,805,036	17,700	1,822,736
Profit from discontinued operations (non-controlling interests)	-	166,611	166,611	-	816,995	816,995
<b>B) Income and expenses recognised directly in equity</b>	<b>28,406</b>	<b>9,046</b>	<b>37,452</b>	<b>(1,686,793)</b>	<b>(60,061)</b>	<b>(1,746,854)</b>
Measurement of financial instruments	(108,249)	-	(108,249)	(1,548,950)	52,326	(1,496,624)
Cash flow hedges	(76,955)	(1,783)	(78,738)	(483,143)	(52,267)	(535,410)
Translation differences	161,139	10,294	171,433	(169,438)	(29,931)	(199,369)
Actuarial gains and losses	-	-	-	(13,862)	(27,115)	(40,977)
Tax effect	52,471	535	53,006	528,600	(3,074)	525,526
<b>C) Transfers to income</b>	<b>(32,985)</b>	<b>(113,965)</b>	<b>(146,950)</b>	<b>(1,678)</b>	<b>(55,970)</b>	<b>(57,648)</b>
Reversal of financial instruments	(205,711)	(376,951)	(582,662)	(42,327)	(77,560)	(119,887)
Cash flow hedges	58,072	29,955	88,027	-	-	-
Reversal of translation differences	79,457	145,600	225,057	32,946	-	32,946
Tax effect	35,197	87,431	122,628	7,703	21,590	29,293
<b>Total comprehensive income in the year</b>	<b>1,946,952</b>	<b>90,665</b>	<b>2,037,617</b>	<b>116,565</b>	<b>718,664</b>	<b>835,229</b>

The accompanying notes 1 to 39 and Appendices I to IV are an integral part of the consolidated statement of comprehensive income at 31 December 2009.

# Consolidated Financial Statements

## Statement of changes in equity for the years ended 31 december 2009 and 2008

	Share capital	Share premium	Retained earnings and other reserves	Treasury shares	Adjustments for Changes in Value	Profit Attributed to the Parent	Interim dividend	Non-Controlling Interests	Total
Thousands of euros									
<b>Balance at 1 January 2008</b>	176,437	897,294	2,133,169	(516,341)	676,738	1,551,115	(264,655)	5,787,278	10,441,035
Revenue (expenses) recognised in equity	-	-	(9,551)	-	(1,678,920)	1,805,036	-	718,664	835,229
Share Options	-	-	2,654	-	-	-	-	-	2,654
Distribution of profit from the prior year									
To reserves	-	-	951,070	-	-	(951,070)	-	-	-
To dividends	-	-	9,075	-	-	(600,045)	264,655	(379,694)	(706,009)
Treasury shares	(17,115)	-	(1,173,684)	516,341	-	-	-	-	(674,458)
Change in the scope of consolidation and other effects of a lesser amount	-	-	(83,001)	-	-	-	-	384,370	301,369
2008 interim dividend	-	-	-	-	-	-	(286,780)	-	(286,780)
<b>Balance at 31 December 2008</b>	159,322	897,294	1,829,732	-	(1,002,182)	1,805,036	(286,780)	6,510,618	9,913,040
Revenue (expenses) recognised in equity	-	-	-	-	(4,579)	1,951,531	-	90,665	2,037,617
Share Options	-	-	1,734	-	-	-	-	-	1,734
Distribution of profit from the prior year									
To reserves	-	-	1,151,816	-	-	(1,151,816)	-	-	-
To dividends	-	-	11,425	-	-	(653,220)	286,780	(13,315)	(368,330)
Treasury shares	(1,990)	-	(114,973)	(350,747)	-	-	-	-	(467,710)
Change in the scope of consolidation and other effects of a lesser amount	-	-	58,225	-	-	-	-	(6,299,875)	(6,241,650)
2009 interim dividend	-	-	-	-	-	-	(283,198)	-	(283,198)
<b>Balance at 31 December 2009</b>	157,332	897,294	2,937,959	(350,747)	(1,006,761)	1,951,531	(283,198)	288,093	4,591,503

The accompanying notes 1 to 39 and Appendices I to IV are an integral part of the consolidated statement of changes in equity at 31 December 2009.

## Consolidated statements of cash flows for the years ended 31 december 2009 and 2008

	31/12/2009	31/12/2008
Thousands of euros		
<b>A) Cash flows from operating activities</b>	<b>1,652,244</b>	<b>1,060,467</b>
1. Profit before tax	987,974	1,068,498
2. Adjustments to profit:	420,632	349,823
Depreciation and amortisation charge	365,106	340,247
Other adjustments to profit (net)	55,526	9,576
3. Changes in working capital	494,921	(185,829)
4. Other cash flows from operating activities:	(251,283)	(172,025)
Interest payable	(664,586)	(803,489)
Dividends receivable	354,253	451,984
Interest receivable	179,480	295,596
Income tax payable/receivable	(120,430)	(116,116)
<b>B) Cash flows from investing activities</b>	<b>1,307,296</b>	<b>(451,367)</b>
1. Investment payables:	(4,597,849)	(2,968,539)
Group companies, associates and business units	(294,525)	(1,150,563)
Property plant and equipment, intangible assets and property investments	(1,719,353)	(1,548,879)
Other financial assets	(2,523,299)	(258,108)
Other assets	(60,672)	(10,989)
2. Divestment receivables:	5,905,145	2,517,172
Group companies, associates and business units	5,824,811	2,416,708
Property, Plant and equipment, intangible assets and property investments	59,728	85,139
Other financial assets	20,474	12,141
Other assets	132	3,184
<b>C) Cash flows from financing activities</b>	<b>(2,933,551)</b>	<b>(963,862)</b>
1. Equity instrument receivables (and payables):	(465,722)	(674,418)
Amortisation and acquisition	(465,722)	(674,418)
2. Liability instrument receivables (and payables):	(1,513,627)	492,657
Issue	-	492,657
Refund and repayment	(1,513,627)	-
3. Dividends payable and remuneration relating to other equity instruments	(653,220)	(600,245)
4. Other cash flows from financing activities:	(300,982)	(181,856)
Other financing activity receivables and payables	(300,982)	(181,856)
<b>D) Net increase (decrease) in cash and cash equivalents</b>	<b>25,989</b>	<b>(354,762)</b>
<b>E) Cash and cash equivalents at beginning of the year</b>	<b>2,181,040</b>	<b>2,535,802</b>
<b>F) Cash and cash equivalents at end of year</b>	<b>2,207,029</b>	<b>2,181,040</b>
1. Cash flows from operating activities	36,965	305,008
2. Cash flows from investing activities	5,824,811	911,247
3. Cash flows from financing activities	(2,336,540)	(567,100)
<b>Net cash flows from discontinued operations</b>	<b>3,525,236</b>	<b>649,155</b>
<b>Cash and cash equivalents at end of year</b>		
Cash and banks	1,422,520	1,321,061
Other financial assets	784,509	859,979
<b>Total cash and cash equivalents at end of year</b>	<b>2,207,029</b>	<b>2,181,040</b>

The accompanying notes 1 to 39 and Appendices I to IV are an integral part of the consolidated statement of cash flows at 31 December 2009.

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## Notes to the consolidated financial statements for the year ended 31 December 2009

### 1. Group activity

The Parent ACS, Actividades de Construcción y Servicios, S.A. is a company incorporated in Spain in accordance with the Spanish Consolidated Companies Law. Its registered office is at Avda. de Pío XII, 102, 28036 Madrid.

In addition to the operations carried out directly by it, ACS, Actividades de Construcción y Servicios, S.A. is the head of a group of subsidiaries that engage in various business activities and which constitute, together with it, the ACS Group. Therefore, ACS, Actividades de Construcción y Servicios, S.A. is obliged to prepare, in addition to its own individual financial statements, the Group's consolidated financial statements, which also include the interests in joint ventures and investments in associates.

In accordance with its company objects, the main business activities of ACS, Actividades de Construcción y Servicios, S.A., the parent of the ACS Group, are as follows:

1. The business of constructing all kinds of public and private works, as well as the provision of services, for the conservation, maintenance and operation of motorways, highways, roads and, in general any type of public or private ways and any other type of works. Any kind of industrial, commercial and financial actions and operations which bear a direct or indirect relationship thereto.
2. Promoting, constructing, restoring and selling housing developments and all kinds of buildings intended for industrial, commercial or residential purposes, either on its own or through third parties. Carrying out conservation and maintenance of works, facilities and services, whether urban or industrial.
3. The direction and execution of all manner of works, facilities, assemblies and maintenance related to production plants and lines, electric power transmission and distribution, substations, transformation, interconnection and switching centres, generation and conversion stations, electric, mechanical and track, installations for railways, metros and light trains, railway, light train and trolleybus electrification, electric dam installations, purifying plants, drinking water treatment plants, wharfs, ports, airports, docks, ships, shipyards, platforms, flotation elements, and any other elements for diagnostics, tests, security and protection, controls for interlocking, operating, metering –either directly or remotely– for industries and buildings as well as those suited to the above listed, facilities, electrification, public lighting and illumination, electric installations in mines, refineries and explosive environments; and in general all manner of, facilities related to the production, transmission, distribution, upkeep, recovery and use of electric energy in all its stages and systems, as well as the operation repair, replacement and upkeep of the components thereof. Control and automation of all manner of electric networks and installations, remote controls and computer equipment required for the management, computerization and rationalisation of all kinds of energy consumption.
4. The direction and execution of all manner of works, facilities, assemblies and maintenance related to the electronics of systems and networks for telephone, telegraph, signalling and S.O.S. communications, civil defence, defence and traffic, voice and data transmission and use, measurements and signals, as well as propagation, broadcast, repetition and reception of all kinds of waves, antennas, relays, radio-links, navigation aids, equipment and elements required for the execution of such works, assemblies and facilities.
5. The direction and execution of all manner of works, facilities, assemblies and maintenance related to the development, production, transformation, storage, transmission, channelling, distribution, use, metering and maintenance of any other kind of energy and energy product, and of any other energy that may be used in the future, including the supply of special equipment, elements required for installation and erection, and materials of all kinds.
6. The direction and execution of all manner of works, assemblies, facilities and maintenance of hydroelectric works to develop, store, raise, drive or distribute water, and its piping, transport and distribution, including water and gas treatment facilities.
7. The direction and execution of all manner of works, assemblies, facilities and maintenance for developing, transporting, channelling and distributing liquid and solid gases for all kinds of uses.

8. The direction and execution of all manner of works, assemblies, facilities and maintenance of ventilation, heating, air conditioning and refrigeration works and works to improve the environment, for all kinds of uses.
9. The direction and execution of all manner of works, facilities, assemblies and maintenance related to cable cars, gondola lifts, chair lifts and aerial lifts for both passenger and material transport by means of systems of cables or any type of mechanical element. The retrieval of ships and submerged elements, maritime, salvages, ship breaking, naval fleet repairs, repairs and assembly of engines and mechanical elements for ships, and underwater work and sale of aquatic and sports material.
10. The manufacture, transformation, processing, handling, repair, maintenance and all manner of operations of an industrial nature for commercialisation related to machinery, elements, tools, equipment, electric protection material, bare and insulated conductors, insulators, metal fittings, machines, tools and auxiliary equipment for assemblies and installation of railways, metros and light trains, electric power transmission and distribution plants, lines and networks and for telephone and telegraph communications, telecommunication, security, traffic, telematics and voice and data transmission systems; of elements and machines for the development, transformation, transmission and use of all kinds of energies and energy products; of fluid and gas lift pumps, piping and other elements, mechanisms, accessory instruments, spare parts and materials required for execution, execution of any industrial, agricultural, naval, transport, communication and mining works, facilities and assemblies and others listed in the preceding paragraphs. Managing the business of production, sale and use of electric energy, as well as other energy sources, and carrying out studies related thereto, and managing the business of production, prospecting, sale and use of all kinds of primary solid, liquid or gaseous energy resources, specifically including hydrocarbons and gas, whether natural, liquid or in another state, in their different forms and classes. Energy planning and rationalisation of the use of energy and cogeneration of same. Research, development and operation of all aspects of communication and computing systems.
11. The manufacture, installation, assembly, erection, supply, maintenance and commercialisation of all kinds of products and elements pertaining to or derived from concrete, ceramics, resins, varnishes, paints, plastics or synthetic materials; as well as metal structures for industrial plants and buildings, bridges, towers and supports of metal or reinforced concrete or any synthetic material for all manner of communications and electric power transmission or distribution, or any other class of energy material or product related to all types of energy.
12. The manufacture, preparation, handling and finishing, diagnosis, treatment and impregnation for protection and preservation and sale of wood in general, and especially of posts used for electric, telephone and telegraph lines, impregnation or servicing for mine and gallery timbering, building supports, construction woodwork, crossties for railways and barricades, and the production and commercialisation of antiseptic productions and running of procedures for preserving wood, elements, tools and equipment of this nature. The acquisition, provision, application and use of paints, varnishes, coverings, plating and, in general, construction materials.
13. The management and execution of reforestation and agricultural and fishery restocking works, as well as the maintenance and improvement thereof. Landscaping, planting, revegetation, reforestation, maintenance and conservation of parks, gardens and accessory elements.
14. The manufacture, installation, distribution and use in any way of all manner of ads and advertising supports. The design, construction, fabrication, installation, maintenance, cleaning, upkeep and advertising use of all manner of street furniture and similar elements.
15. The provision of all manner of public and private services of an urban nature, including the execution of any necessary works and facilities, either by administrative concession or leasing. The treatment, recycling and recovery of all kinds of urban, urban-assimilable, industrial and sanitary wastes; the treatment and sale of waste products, as well as the management and operation of waste treatment and transfer plants. Drafting and processing of all manner of environment-related projects.
16. Cleaning services for buildings, constructions and works of any kind, of offices, commercial premises and public places. Clothes cleaning, washing, ironing, sorting and transportation.
17. Furniture assemblies and installations, including tables, shelves, office material, and similar or complementary objects.

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18. Transports of all kinds, especially ground transportation of passengers and merchandise, and the activities related thereto. Management and operation, as well as provision of auxiliary and complementary services, of all manner of buildings and properties or complexes for public or private use, intended for use as service areas or stations, recreational areas, and bus or intermodal transportation stations.
19. Provision of integral health care and social assistance services by qualified personnel (physicians, psychologists, educators, university graduates in nursing, social workers, physical therapists and therapists) and performance of the following tasks: home care service; tele-home care and social health care; total or partial running or management of homes, day care centres, therapeutic communities and other shelters and rehabilitation centres; transportation and accompaniment of the above mentioned collectives; home hospitalisation and medical and nursing home care; supply of oxygen therapy, gas control, electro-medicine, and associated activities.
20. Provision of auxiliary services in housing developments, urban properties, industrial facilities, roadway networks, shopping centres, official agencies and administrative departments, sports or recreational facilities, museums, fairgrounds, exhibition galleries, conference and congress halls, hospitals, conventions, inaugurations, cultural and sports centres, sporting, social and cultural events, exhibits, international conferences, general shareholders' and owners' association meetings, receptions, press conferences, teaching centres, parks, farming facilities (agricultural, livestock and fisheries), forests, rural farms, hunting reserves, recreational and entertainment areas, and in general all kinds of properties and events, by means of porters, superintendents, janitors, ushers, guards or controllers, console operators, auditorium personnel, concierges, receptionists, ticket clerks (including ticket collection), telephone operators, collectors, caretakers, first aid personnel, hostesses and similar personnel or personnel who complement their functions, consisting of the maintenance and upkeep of the premises, as well as attention and service to neighbours, occupants, visitors and/or users, by undertaking the appropriate tasks, excluding in all cases those which the law reserves for security firms. . Development, promotion, exhibition, performance, acquisition, sale and provision of services in the field of art, culture and recreation, in their different activities, forms, expressions and styles.
21. Provision of emergency, prevention, information, telephone switchboard, kitchen and dining hall services. Opening, closing and custody of keys. Turning on and off, running, supervision, maintenance and repair of engines and heating and air conditioning, electricity and lift installations, water, gas and other supply pipes, and fire protection systems. The operation of rapid communication systems with public assistance services, such as police, firemen, hospitals and medical centres. Fire fighting and prevention services in general, in woodlands, forests, rural farms, and industrial and urban facilities.
22. Integral management or operation of public or private educational or teaching centres, as well as surveillance, service, education and control of student bodies or other educational collectives.
23. Reading of water, gas and electricity meters, maintenance, repair and replacement thereof, monitoring and transcription of readouts, meter inspection, data acquisition and updating, and instalment of alarms. Temperature and humidity measurements on roadways and, in general, all kinds of properties and real estate, and public and private facilities, providing all the controls required for proper upkeep and maintenance thereof, or of the goods deposited or guarded therein.
24. Handling, packing and distribution of food or consumer products; processing, flavouring and distribution of food for own consumption or supply to third parties; servicing, replacement and maintenance of equipment, machinery and dispensing machines of the mentioned products; and participation in operations with raw materials, manufactured goods and supplies.
25. Provision of ground services to passengers and aircraft. Integral logistic freight services, such as: loading, unloading, stowing and unstowing, transport, distribution, placement, sorting, warehouse control, inventory preparation, replacement, control of warehouse stocks and storage of all kinds of merchandise, excluding the activities subject to special legislation. Management and operation of places of distribution of merchandise and goods in general, and especially perishable products, such as fish exchanges and wholesale and retail markets. Reception, docking, mooring and service connections to boats.
26. Direct advertising services, postage and mailing of printed advertising and publicity material and, in general, all kinds of documents and packages, on behalf of the clients.
27. Management, operation, administration, maintenance, upkeep, refurbishment and fitting out of all kinds of concessions in the broadest sense of the word, including those that are part of the concessionary firm's shareholders and those that have any type of contractual relation to develop any of the above listed activities.



28. The acquisition, holding, use, administration and disposal of all manner of own-account securities, excluding activities that special legislation, and in particular the legislation on the stock market, exclusively ascribes to other entities.
29. Manage and administer representative securities of the shareholders' equity of non-resident entities in Spanish territory, through the appropriate organisation of personal and material means suited to this end.
30. Preparation of all manner of studies, reports and projects, and entering into contracts concerning the activities indicated in this article, as well as supervision, direction and consulting in the execution thereof.
31. Occupational training and recycling of people who provide the services described in the preceding points.

## 2. Basis of presentation of the consolidated financial statements and basis of consolidation

### 2.01. Basis of presentation

The consolidated financial statements for 2009 of the ACS Group were prepared:

- By the directors of the Parent, at the Board of Directors' Meeting held on 11 March 2010.
- In accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union, in conformity with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council and subsequent amendments thereto. The principal accounting policies and measurement bases applied in preparing the Group's consolidated financial statements for 2009 are summarised in Notes 2 and 3.
- Taking into account all the mandatory accounting policies and rules and measurement bases with a material effect on the consolidated financial statements, as well as the alternative treatments permitted by the relevant legislation in this connection, which are specified in Note 3 (accounting policies).
- So that they present fairly the Group's consolidated equity and financial position at 31 December 2009, and the results of its operations, the changes in consolidated equity and the consolidated cash flows in the year then ended.
- On the basis of the accounting records kept by the Company and by the other Group companies.

However, since the accounting policies and measurement bases used in preparing the Group's consolidated financial statements for 2009 (IFRSs as adopted by the European Union) differ from those used by the Group companies (local standards), the required adjustments and reclassifications were made on consolidation to unify the policies and methods used and to make them compliant with the International Financial Reporting Standards adopted in Europe.

The ACS Group's consolidated financial statements for 2008 (IFRSs as adopted by the European Union) were approved by the shareholders at the Annual General Meeting of ACS, S.A. on 25 May 2009. The 2009 consolidated financial statements of the Group have not yet been approved by the shareholders at the Annual General Meeting. However, the Parent's Board of Directors considers that the aforementioned financial statements will be approved without any material changes.

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Reclassifications were made in the presentation of the financial statements for 2008 and the income statement was restated as a result of the consideration of port and logistics services as a discontinued operation. The effect of these reclassifications on the statement of cash flows is detailed in Note 3.09. However, in accordance with IFRS 5, in the statement of financial position, the assets and liabilities relating to this line of business were reclassified as "Non-Current Assets Held for Sale and Discontinued Operations" and as "Liabilities relating to Non-Current Assets Held for Sale" in the year-in-progress but not in the previous year. For this reason, the ACS Group did not present the statement of financial position for the beginning of the first comparative year (i.e. January 2008) since it is the same as the statement approved in the consolidated financial statements for 2007.

## Responsibility for the information and for the estimates made

The information in these financial statements is the responsibility of the directors of the Parent Company of the Group.

The accompanying consolidated financial statements were prepared from the 2009 accounting records of ACS, Actividades de Construcción y Servicios, S.A. and of its subsidiaries whose respective individual financial statements were approved by the directors of each company and business segment, once they were adapted on consolidation in conformity with International Financial Reporting Standards, as adopted by the European Union.

In the Group's consolidated financial statements estimates were occasionally made in order to quantify certain of the assets, liabilities, income, expenses and commitments reported herein. These estimates relate basically to the following:

- The useful life of the intangible assets and property, plant and equipment (Notes 3.02 and 3.03).
- The impairment losses on certain assets (Notes 3.01 and 3.06).
- The measurement of goodwill and the assignment of assets on acquisitions (Note 3.01).
- The amount of certain provisions (Note 3.13).
- The assumptions used in the calculation of liabilities and commitments to employees (Note 3.12).
- The market value of derivatives, and particularly, the equity swaps mentioned in Notes 9 and 10.

Although these estimates were made on the basis of the best information available at the date of this consolidated financial statement, on the events analysed, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively, recognising the effects of the change in estimates in the related future consolidated financial statements.

## Changes in accounting estimates and policies and correction of fundamental errors

**Changes in accounting estimates.**- The effect of any change in accounting estimates is recorded under the same heading in the income statements in which the revenue or expense based on the previous estimate was recorded.

**Changes in accounting policies and correction of fundamental errors.**- The effect of any change in accounting policies or correction of fundamental errors is recorded in accordance with IAS 8, in the following manner: the cumulative effect at the beginning of the year is adjusted in reserves whereas the effect on the year is recorded under profit/loss for the year. Also, in these cases the financial data on the comparative year presented together with the year in course is restated.

There were no changes in accounting policies and no errors were corrected in the 2009 and 2008 financial statements.

## Functional currency

These consolidated financial statements are presented in euros, since this is the functional currency in the area in which the Group operates. Transactions in currencies other than the euro are recognised in accordance with the policies established in Note 3.21.

## 2.02. Basis of consolidation

### a) Balances and transactions with Group companies and associates

All significant intra-Group balances and transactions are eliminated on consolidation. Accordingly, all gains obtained by associates up to their percentage of ownership interest and all gains obtained by fully consolidated companies in 2009 were eliminated.

However, balances and transactions relating to construction projects undertaken by the Construction division companies for infrastructure concession companies are not eliminated on consolidation since these transactions are considered to have been performed for third parties as the projects are being completed. This is the intention currently supported by the IFRIC (International Financial Reporting Interpretation Committee), the interpretative body of the IASB, in the interpretations on concession arrangements approved in November 2006 as IFRS 12, which have not yet been approved by the European Union (Note 3.24). This interpretation is based on the consideration that in this type of business, the group completes a construction project for the concession provider, and receives in exchange the right to operate the infrastructure in accordance with the terms of the contract. In these cases, the concession provider has control over the asset, and accordingly, it can be concluded that on a consolidated level, the project has been completed for a third party.

### b) Standardisation of items

In order to uniformly present the various items comprising these consolidated financial statements, accounting standardisation criteria have been applied to the individual financial statements of the companies included in the scope of consolidation.

In 2009 and 2008 the reporting date of the financial statements of all the companies included in the scope of consolidation was the same or was temporarily standardised to that of the Parent.

### c) Subsidiaries

"Subsidiaries" are defined as companies over which the ACS Group has the capacity to exercise effective control; control is, in general but not exclusively, presumed to exist when the Parent owns directly or indirectly half or more of the voting power of the investee or, even if this percentage is lower or zero, when, for example, there are agreements with other shareholders of the investee that give the Parent control. In accordance with IAS 27, control is the power to govern the financial and operating policies of a company so as to obtain benefits from its activities.

The financial statements of the subsidiaries are fully consolidated with those of the Parent. Where necessary, adjustments are made to the financial statements of the subsidiaries to adapt the accounting policies used to those applied by the Group.

The companies more than 50% owned by the ACS Group, which are not fully consolidated include Dinsa Eléctricas y Gymi, S.A. de C.V., Escal UGS, S.L., TRESIMA Limpiezas Industriales, S.A., Hospital Majadahonda, S.A., Sociedad Hospital de Majadahonda Explotaciones, S.L. and Autovía de los Pinares, S.A. This circumstance arises because the control over these companies is exercised by other shareholders or because decisions require the affirmative vote of another or other shareholders, and consequently, they have been recognised as joint ventures or companies accounted for by the equity method.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. a discount on acquisition) is credited to profit and loss on the acquisition date. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised. Subsequently, any losses applicable to the non-controlling interests in excess of the non-controlling interests are allocated to the Parent, unless they have the obligation to cover such a loss.

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Also, the share of third parties of:

- The equity of their investees is presented within the Group's equity under "Non-controlling interests" in the consolidated statement of financial position.
- The profit or loss for the year is presented under "Profit Attributed to Non-Controlling Interests" and "Profit from Discontinued Operations Attributed to Non-Controlling Interests" in the consolidated income statement and in the consolidated statement of changes in equity.

The results of subsidiaries acquired during the year are included in the consolidated income statement from the date of acquisition to year-end. Similarly, the results of subsidiaries disposed of during the year are included in the consolidated income statement from the beginning of the year to the date of disposal.

Appendix I to these notes to the consolidated financial statements details the subsidiaries and information thereon.

Section f) of this note contains information on acquisitions and disposals, as well as increases and decreases in ownership interest.

## d) Joint ventures

A joint venture is a contractual arrangement whereby two or more companies ("venturers") have interests in entities (jointly controlled entities) or undertake operations or hold assets so that strategic financial and operating decisions affecting the joint venture require the unanimous consent of the venturers.

Within the area of business in which the ACS Group operates, mention should be made of the Spanish UTEs (Unincorporated joint venture), which are unincorporated joint ventures with no separate legal personality, through which cooperation arrangements are entered into with other venturers in order to carry out a project or provide a service for a limited period of time. In these cases, as in the case of economic interest groupings and of companies so formed, it is understood that the venturers exercise joint control over the joint venture, and accordingly, UTEs are proportionally consolidated.

The assets and liabilities assigned to joint operations or operations which are jointly controlled are recognised in the consolidated statement of financial position classified according to their specific nature and the Group's percentage of ownership interest therein. Similarly, the Group's share of the income and expenses of joint ventures is recognised in the consolidated income statement on the basis of their nature.

Appendix II and Note 8 contain relevant information on these companies.

Section f) of this note contains information on acquisitions and disposals, as well as increases and decreases in ownership interest.

## e) Associates

Associates are companies over which the Group is in a position to exercise significant influence, but not control or joint control, usually because it holds –directly or indirectly– 20% or more of the voting rights of the investee.

Exceptionally, the following entities, in which the Group owns 20% or more of the voting rights, are not considered to be Group associates since they are in the process of being dissolved or are fully inoperative and are irrelevant for the Group as a whole. These companies are Grupo Comercializador del Sur, S.A. and Chipset Sistemas, S.L.

Investments in associates are accounted for using the equity method, i.e. they are measured initially at acquisition cost, and subsequently on each reporting date, are measured at cost, plus the variations in the net assets of the associate according to the Group's percentage of ownership interest. The excess of the cost of acquisition over the fair value of the net assets of the associate at the date of acquisition is recognised as goodwill. The goodwill relating to an associate is included in the carrying amount of the investment and is not amortised. Any excess in the Group's share in the fair value of the net assets of the associate over acquisition cost at the acquisition date is recognised in profit or loss.

The profit or loss of associates net of taxes is included in the Group's income statement under "Results of Companies Accounted for Using the Equity Method" according to the Group's percentage of ownership interest, after the required adjustments have been made to take into account the depreciation of the depreciable assets based on their fair value at the date of acquisition.

If as a result of losses incurred by an associate its equity is negative, the investment should be presented in the Group's consolidated statement of financial position with a zero value, unless the Group is obliged to give it financial support.

Appendix III and Note 9 contain relevant information on these companies.

## f) Changes in the scope of consolidation

The most significant changes in the scope of consolidation in 2009 and 2008 were as follows:

In addition to the closing of the sale of Unión Fenosa initiated in 2008 which is explained in the section on the 2008 financial year, noteworthy are the following transactions:

On 30 July 2009, the ACS Group, through Dragados, S.A., the company heading the Construction area launched a takeover bid in the Varsovia stock market on shares representing 65.53% of the share capital of the Polish construction company Przedsiębiorstwo Robót Inżynieryjnych "Pol-Aqua" Spółka Akcyjna (hereinafter Pol-Aqua), at a price of 27 zlotys per share. On 21 October 2009 this transaction was completed, and the group acquired an ownership interest of 66% in the share capital of Pol-Aqua for 486.6 million zlotys (EUR 117,665 thousand). Commencing on this date, in accordance with IFRS 3, it became necessary to measure the assets and liabilities from Pol-Aqua at fair value ("purchase price allocation"). The detail of the allocation of the purchase price was as follows:

	Carrying Amount	Allocation of Assets	Fair Value of Assets
Thousands of euros			
Property, plant and equipment	65,043	-	65,043
Other intangible assets	28,168	10,539	38,707
Other non-current assets	6,735	-	6,735
Current assets	154,731	-	154,731
Non-current liabilities (deferred tax liabilities)	(23,783)	(3,163)	(26,946)
Current liabilities	(105,657)	-	(105,657)
<b>Total net assets</b>	<b>125,237</b>	<b>7,376</b>	<b>132,613</b>
Non-Controlling Interests	-	-	(52,995)
<b>Total fair value of the net assets acquired</b>	<b>-</b>	<b>-</b>	<b>79,618</b>
Purchase price	-	-	117,665
<b>Goodwill</b>	<b>-</b>	<b>-</b>	<b>38,047</b>

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The main assets to which a reasonable value was attributed are intangible assets relating to the Company's construction order book and client base. This company's sales for all of 2008 amounted to EUR 309,619 thousand and its net profit amounted to EUR 911 thousand (at the year-end exchange rate).

On 22 December 2009, Dragados Construction USA, Inc. closed the acquisition of the US construction company Pulice Construction, Inc., with headquarters in Phoenix, Arizona (USA). The transaction totalled USD 113.9 million (EUR 75,968 thousand). This company specialising in civil engineering operates in the states of Arizona, Utah, Nevada and California.

The detail of the allocation of the purchase price at the fair value of the assets and liabilities is as follows:

	Carrying Amount	Allocation of Assets	Fair Value of Assets
Thousands of euros			
Property, plant and equipment	11,840	-	11,840
Other intangible assets	-	52,231	52,231
Other non-current assets	-	-	-
Current assets	38,162	-	38,162
Non-current liabilities (deferred tax liabilities)	(17,649)	(15,711)	(33,360)
Current liabilities	(29,425)	-	(29,425)
<b>Total net assets</b>	<b>2,928</b>	<b>36,520</b>	<b>39,448</b>
<b>Total fair value of the net assets acquired</b>	<b>-</b>	<b>-</b>	<b>39,448</b>
Purchase price	-	-	75,968
<b>Goodwill</b>	<b>-</b>	<b>-</b>	<b>36,520</b>

The main assets to which a reasonable value was attributed are intangible assets relating to the Company's construction order book and client base. In 2009 annual sales amounted to EUR 137,135 thousand and its net profit amounted to EUR 12,055 thousand (at the year-end exchange rate).

On 30 December 2009 Dragados Construction, USA, Inc. acquired the US company John P. Picone, Inc. with headquarters in New York (USA). The transaction was structured in such a manner that on the aforementioned date, 80% of the company's share capital was obtained for US \$68.2 million. In one year an additional US \$38.1 million will be paid. The acquisition of the remaining 20% of the share capital is to be completed in four years for an agreed upon US \$25.4 million. This company specializes in civil engineering, and mainly tunnels and infrastructures relating to water. According to several different private rankings, it is one of the three main companies in New York engaging in this type of construction work, whose main customers are the "New York Department of Environmental Protection" and the "New York Metropolitan Transportation Authority".

The detail of the allocation of the purchase price at the fair value of the assets and liabilities is as follows:

	Carrying Amount	Allocation of Assets	Fair Value of Assets
Thousands of euros			
Property, plant and equipment	8,340	-	8,340
Other intangible assets	-	35,452	35,452
Other non-current assets	671	-	671
Current assets	157,905	-	157,905
Non-current liabilities (deferred tax liabilities)	(23,409)	(9,255)	(32,664)
Current liabilities	(105,953)	-	(105,953)
<b>Total net assets</b>	<b>37,554</b>	<b>26,197</b>	<b>63,751</b>
<b>Total fair value of the net assets acquired</b>	-	-	<b>63,751</b>
80% of purchase price	-	-	73,231
Commitment to pay 20% of purchase price	-	-	16,717
<b>Goodwill</b>	-	-	<b>26,197</b>

The main assets to which a reasonable value was attributed are intangible assets relating to the Company's construction order book and client base.

In 2009 annual sales amounted to EUR 176,071 thousand and its net profit amounted to EUR 16,689 thousand (at the year-end exchange rate).

All asset value allocations are to be considered provisional. In accordance with IFRS 3, the Group will assess the allocation and whether or not there are any contingent liabilities 12 months following the purchase date.

No significant business combinations have arisen subsequent to year-end and prior to the preparation of the current Consolidated Financial Statements.

In 2008 the following transactions were noteworthy:

On 8 January 2008, the ACS Group acquired 4.84% of the shares of Unión Fenosa for EUR 657 million, increasing its ownership interest to 45.3% of the share capital of the electricity utility. This acquisition gave rise to goodwill amounting to EUR 300.3 million.

On 30 July 2008 the ACS Group entered into an agreement with Gas Natural SDG, S.A. to sell the whole of its 45.3% ownership interest in the share capital of Unión Fenosa, S.A.

This transaction was performed in the following phases:

- On 1 August 9.9999% of the shares of Unión Fenosa were transferred at the price of EUR 18.33 per share, which amounted to EUR 1,675.4 million and gave rise to gains net of taxes amounting to EUR 403.5 million, recognised under "Profit after Tax from Discontinued Operations" (Note 3.09).
- The remaining 35.3061% was sold on 26 February 2009 (following approval of the merger of Gas Natural and Unión Fenosa by the competent authorities) for EUR 5,824.8 million (equivalent to EUR 18.05 per share, net of the dividend received from Unión Fenosa in January 2009), which gave rise to a net gain of EUR 1,005 million (Note 3.09).

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On 27 March 2008 the ACS Group purchased 1% of the shares of Abertis for a total EUR 134 million, increasing its ownership interest to 25.8% of the company's share capital. With respect to this acquisition, the fair value assigned to the assets was EUR 55,470 thousand, after having taken the corresponding deferred tax into consideration. This amount includes the underlying carrying amount of the investment totalling EUR 37,129 thousand. The goodwill arising on this purchase amounted to EUR 78,650 thousand, and as in the case of the previous acquisitions, is attributable to the Abertis Group's high profitability and to the strategic and complementary nature of the activities carried on by the ACS Group.

In 2008 the ACS Group sold its shares representing the whole of the share capital of Desarrollo de Concesiones Aeroportuarias, S.L. which includes the Group's investment in the airports of Chile, Colombia, Jamaica and Mexico, to Abertis Infraestructuras, S.A. This transaction, representing a company value of EUR 270.8 million, gave rise to consolidated gains before tax amounting to EUR 114.5 million, after having eliminated the percentage of ownership interest in Abertis Infraestructuras, S.A.

In 2008 the ACS Group sold the whole of its ownership interest in its subsidiary Inversora de Infraestructuras, S.L, which holds shares in the Chilean tollroads, Rutas del Pacífico, S.A. (48%) and Autopista Central (50%), to Abertis Infraestructuras, S.A. and to a Santander Group venture capital fund. This transaction gave rise to gains before tax amounting to EUR 530,136 thousand, after having eliminated the percentage of ownership interest in Abertis Infraestructuras, S.A.

In 2008 the ownership interest in Autopista Scutvias Autostrade da Beira Interior was sold for EUR 56.8 million.

Appendix IV contains information on the remaining acquisitions and disposals, as well as increases and decreases in ownership interest affecting the scope of consolidation.

## 3. Accounting policies

The principal accounting policies used in preparing the Group's consolidated financial statements, in accordance with International Financial Reporting Standards (IFRSs), as adopted by the European Union, were as follows:

### 3.01. Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or jointly controlled entity at the date of acquisition.

Any excess of the cost of the investments in the consolidated companies over the corresponding underlying carrying amounts acquired, adjusted at the date of first-time consolidation, is allocated as follows:

- Those attributable to specific assets and liabilities of the companies acquired, by increasing the value of the assets (or reducing the value of the liabilities) whose market values were higher (lower) than the carrying amounts at which they had been recognised in their statements of financial position and whose accounting treatment was similar to that of the same assets (liabilities) of the Group: amortisation, accrual, etc. Those attributable to specific intangible assets, by recognising them explicitly in the consolidated statement of financial position provided that the fair value at the date of acquisition can be measured reliably.
- Goodwill is only recognised when it has been acquired for consideration and represents, therefore, a payment made by the acquirer in anticipation of future economic benefits from assets of the acquired company that are not capable of being individually identified and separately recognised.
- Goodwill acquired on or after 1 January 2004, is measured at acquisition cost and that acquired earlier is recognised at the carrying amount at 31 December 2003.



In both cases, at the end of each reporting period goodwill is reviewed for impairment (i.e. a reduction in its recoverable amount to below its carrying amount) and any impairment is written down with a charge to "Net Impairment Losses" in the consolidated income statement, since, as stipulated in IFRS 3, goodwill is not amortised.

An impairment loss recognised for goodwill must not be reversed in a subsequent period.

On disposal of a subsidiary or jointly controlled entity, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Goodwill arising on the acquisition of companies with a functional currency other than the Euro is translated to Euros at the exchange rates prevailing at the date of the consolidated statement of financial position, and changes are recorded as either exchange gains or losses or impairment losses.

Any deficiency of the cost of investments in consolidated companies and associates below the related underlying carrying amounts acquired, adjusted at the date of first-time consolidation, is classified as negative goodwill and is allocated as follows:

1. If the negative goodwill is attributable to specific assets and liabilities of the companies acquired, by increasing the value of the liabilities (or reducing the value of the assets) whose market values were higher (lower) than the carrying amounts at which they had been recognised in their statements of financial position and whose accounting treatment was similar to that of the same assets (liabilities) of the Group: amortisation, accrual, etc.
2. The remaining amounts are presented under "Other Profit or Loss" in the consolidated income statement for the year in which the share capital of the subsidiary or associate is acquired.

## 3.02. Other intangible assets

The other intangible assets are identifiable non-cash assets without physical substance which arise as a result of a legal transaction or which are developed internally by the consolidated companies. Only assets whose cost can be estimated reliably and from which the consolidated companies consider it probable that future economic benefits will be generated are recognised.

Intangible assets are measured initially at acquisition or production cost and are subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses. These assets are amortised over their useful life.

The ACS Group recognises any impairment loss on the carrying amount of these assets with a charge to "Impairment and Gains on the Disposal of Non-Current Assets" in the consolidated income statement. The criteria used to recognise the impairment losses on these assets and, where applicable, the reversal of impairment losses recognised in prior years are similar to those used for property, plant and equipment (Note 3.06).

### 3.02.01. Development Expenditure

Development expenditure is only recognised as intangible assets if all of the following conditions are met:

- a) an identifiable asset is created (such as computer software or new processes);
- b) it is probable that the asset created will generate future economic benefits; and
- c) the development cost of the asset can be measured reliably.

Internally generated intangible assets are amortised on a straight-line basis over their useful lives (over a maximum of five years). Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the year in which it is incurred.

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## 3.02.02. Administrative Concessions

Concessions may only be recognised as assets when they have been acquired by the Group for consideration (in the case of concessions that can be transferred) or for the amount of the expenses incurred to directly obtain the concession from the state or from the related public agency.

Concessions are generally amortised on a straight-line basis over the term of the concession.

In the event of non-compliance, leading to the loss of the concession rights, the carrying amount of the concession is written off.

## 3.02.03. Computer Software

The acquisition and development costs incurred in relation to the basic computer systems used in the Group's management are recognised with a charge to "Other Intangible Assets" in the consolidated statement of financial position.

Computer system maintenance costs are recognised with a charge to the consolidated income statement for the year in which they are incurred.

Computer software may be contained in a tangible asset or have physical substance and, therefore, incorporate both tangible and intangible elements. These assets will be recognised as property, plant and equipment if they constitute an integral part of the related tangible asset, which cannot operate without that specific software.

Computer software is amortised on a straight-line basis over a period of between three and four years from the entry into service of each application.

## 3.03. Property, plant and equipment

Land and buildings acquired for use in the production or supply of goods or services or for administrative purposes are stated in the statement of financial position at acquisition or production cost less any accumulated depreciation and any recognised impairment losses.

Capitalised costs include borrowing costs relating to external financing incurred only during the period of construction of the assets, provided that it is probable that they will give rise to future economic benefits for the Group. The capitalised borrowing costs relate both to specific financing expressly for the acquisition of assets and to general financing in accordance with the criteria of IAS 23. Investment income earned on the temporary investment of specific borrowings pending their investment on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other interest costs are recognised in profit or loss in the year in which they are incurred.

Replacements or renewals of complete items that lead to a lengthening of the useful life of the assets or to an increase in their economic capacity are recognised as additions to property, plant and equipment, and the items replaced or renewed are derecognised.

Periodic maintenance, upkeep and repair expenses are recognised in profit or loss on an accrual basis as incurred.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their projected use.

Fixtures and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is calculated, using the straight-line method, on the basis of the acquisition cost of the assets less their residual value; the land on which the buildings and other structures stand has an indefinite useful life and, therefore, is not depreciated.

The period property, plant and equipment depreciation charge is recognised in the consolidated income statement and is basically based on the application of depreciation rates determined on the basis of the following average years of estimated useful life of the various assets:

	Years of Estimated Useful Life
Structures	33-50
Plant and machinery	3-20
Other fixtures, tools and furniture	3-14
Other items of property, plant and equipment	4-12

Notwithstanding the foregoing, the fixed assets relating to certain service contracts which reverse back to the contracting body at the end of the term of the contract are depreciated over the lesser of the contract term or the useful life of the assets.

Assets held under finance leases are recognised in the corresponding asset category at the current value of the minimum payments to be made including their residual value, and are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are depreciated on a basis similar to that of owned assets. If there is no reasonable certainty that the lessee will ultimately obtain ownership of the asset upon the termination of the lease, the asset is depreciated over the shorter of its useful life or the term of the lease.

Interest relating to the financing of assets held under finance leases is charged to consolidated profit for the year in accordance with the effective interest method, on the basis of the repayment of the debt. All other interest costs are recognised in profit or loss in the year in which they are incurred.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated income statement.

The carrying amounts of property, plant and equipment were considered to be the carrying amounts of the assets in the transition to IFRSs.

The future costs that the Group will have to incur in respect of decommissioning, restoration and environmental rehabilitation of certain facilities are capitalised to the cost of the asset, at present value, and the related provision is recognised. The Group reviews each year its estimates of these future costs, adjusting the value of the provision recognised based on the related studies.

### 3.04. Non-current assets in projects

This heading includes the amount of investments, mainly in transport, energy and environmental infrastructures which are operated by ACS Group subsidiaries and which are financed by the Project Finance method (limited recourse financing applied to projects).

These financing structures are applied to projects capable in their own right of providing sufficient guarantee to the participating financial institutions with regard to the repayment of the funds borrowed to finance them. Each project is performed through specific companies in which the project's assets are financed, on the one hand, through a contribution of funds by the developers, which is limited to a determined amount, and on the other, generally of a larger amount, through borrowed funds in the form of long-term debt. The debt servicing of these credit facilities or loans is mainly supported by the cash flows generated by the project in the future.

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Non-current assets in projects are valued at the costs directly allocable to construction incurred through their entry into operation (studies and designs, expropriations, reinstatement of services, project execution, project management and administration expenses, installations and facilities and similar items) and the portion relating to other indirectly allocable costs, to the extent that they relate to the construction period.

Also included in this cost are the borrowing costs incurred prior to the entry into operation of the assets arising from the external financing used to acquire such assets. The capitalised borrowing costs relate to specific financing expressly for the acquisition of assets.

The main features to be considered in relation to non-current assets in projects are as follows:

- The assets under concession are owned by the grantor in most cases.
- The grantor controls or regulates the service offered by the concession operator and the conditions under which it should be provided.
- The assets are operated by the concession operator as established in the concession tender specifications for an established concession period. At the end of this period, the assets are returned to the grantor, and the concession operator has no right whatsoever over these assets.
- The concession operator receives revenues for the services provided either directly from the users or through the grantor.

Repair and maintenance expenses which do not lead to a lengthening of the useful life of the assets or an extension of their production capacity are expensed currently.

Concession operators cover all the investment made on completion of the concession term by way of amortisation.

The interpretation IFRIC12 relating to the accounting treatment of service concession arrangements was approved by the European Union in 2009 and its application is mandatory beginning in 2010. The ACS Group did not adopt this interpretation early at the end of 2009 and 2008, and an assessment of all impacts is currently pending. The most significant accounting policies applied by the ACS Group in relation to its concession projects are as follows:

- Capitalise borrowing costs accrued during the construction period and not capitalise borrowing costs subsequent to the date on which the assets come into operation.
- The ACS Group amortises assets relating to toll road concession arrangements using the increasing-charge method based on their consumption pattern, which is considered to relate to traffic estimates over the concession term.

## 3.05. Investment property

The Group classifies as investment property the investments in land and structures held either to earn rentals or for capital appreciation, rather than for their use in the production or supply of goods or services or for administrative purposes; or for their sale in the ordinary course of business. Investment property is measured initially at cost, which is the fair value of the consideration paid for the acquisition thereof, including transaction costs. Subsequently, accumulated depreciation, and where applicable, impairment losses are deducted from the initial cost.

In accordance with IAS 40, the ACS Group has elected not to periodically revalue its investment property on the basis of its market value, but rather to recognise it at cost, net of the related accumulated depreciation, following the same criteria as for plant, property and equipment.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its sale or disposal by any other means.

Gains or losses arising from the retirement, sale or disposal of the investment property by other means are determined as the difference between the net disposal proceeds from the transaction and the carrying amount of the asset, and is recognised in profit or loss in the period of the retirement or disposal.

Investment property is depreciated on a straight-line basis over its useful life, which is estimated to range from 25 to 50 years based on the features of each asset, less its residual value, if material.

### 3.06. Impairment of property, plant and equipment and intangible assets excluding goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets, as well as its investment property, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset itself does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

### 3.07. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and overheads incurred in bringing the inventories to their present location and condition.

Trade discounts, rebates and other similar items are deducted in determining the costs of purchase.

The cost of inventories is calculated by using the weighted average cost formula. Net realisable value is the estimated selling price less the estimated costs of completion and costs to be incurred in marketing, selling and distribution.

The Group assesses the net realisable value of the inventories at year-end and recognises the appropriate loss if the inventories are overstated. When the circumstances that previously caused inventories to be written down no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount of the write-down is reversed.

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## 3.08. Non-current and other financial assets

Except in the case of financial assets at fair value through profit or loss, financial assets are initially recognised at fair value, plus directly attributable transaction costs. The Group classifies its financial investments in four categories regardless of whether they are long- or short-term, excluding investments in associates and assets held for sale.

In the statement of financial position, financial assets maturing within no more than 12 months are classified as current assets and those maturing within more than 12 months as non-current assets.

### 3.08.01. Loans and receivables

These are non-derivative financial assets with fixed or determinable payments not traded in an active market. After their initial recognition, they are measured at amortised cost using the effective interest method.

The amortised cost is understood to be the initial cost of a financial asset or liability minus principal repayments, plus or minus the cumulative amortisation of any difference between that initial amount and the maturity amount. In the case of financial assets, amortised cost also includes any reduction for impairment.

The effective interest rate is the discount rate that exactly matches the net carrying amount of a financial instrument to all its estimated cash flows of all kinds through its residual life.

Deposits and guarantees given are recognised at the amount delivered to meet contractual commitments, regarding gas, water and lease agreements.

Period changes for impairment and reversals of impairment losses on financial assets are recognised in the consolidated income statement for the difference between their carrying amount and the present value of the recoverable cash flows.

### 3.08.02. Held-to-maturity investments

These include non-derivative financial assets with fixed or determinable payments and with a fixed maturity date that the Group has the positive intention and ability to hold to the date of maturity. After their initial recognition, they are also measured at amortised cost.

### 3.08.03. Financial assets at fair value through profit or loss

These include the financial assets held for trading and financial assets managed and measured using the fair value model. These assets are measured at fair value in the consolidated statement of financial position and changes are recognised in the consolidated income statement.

### 3.08.04. Available-for-sale investments

These are non-derivative financial assets designated as available for sale or not specifically classified within any of the previous categories. These relate mainly to investments in the share capital of companies not included in the scope of consolidation.

After their initial recognition at acquisition cost, they are measured at fair value, and the gains and losses from changes in fair value are recognised directly in equity until the asset is disposed of or it is determined that it has become impaired, at which time the cumulative gains or losses previously recognised in equity under "Adjustments for Changes in Value" are recognised in the profit or loss for the year of the related financial assets.

The fair value of investments actively traded in organised financial markets is determined by reference to their closing market price at year-end. Investments for which there is no active market and whose fair value may not reliably be determined are valued at cost or at a lesser cost in the event that impairment is evidenced.

### 3.08.05. Derecognition of financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership, as in the case of firm sales, transfers of trade receivables in factoring transactions in which no credit or interest risk is retained, sales of financial assets in relation to which repurchase agreements have been entered into at fair value or securitizations of financial assets in which the assignor does not retain subordinated financing or grant any type of guarantee or assume any other type of risk.

On the contrary, the Group does not derecognise financial assets and recognises a financial liability equal amount to the amount of consideration received where the Group retains substantially all the risks and rewards of ownership of the transferred asset, as in the case of draft discounting facilities, recourse factoring, the sale of financial assets in relation to which a repurchase agreement is entered into at a fixed price or at the sale price plus interest, and the securitization of financial assets in which the assignor retains subordinated financing or other types of guarantees covering substantially all of the projected losses.

### 3.08.06. Fair value hierarchy

The assets and liabilities measured at fair value are broken down by levels in accordance with IFRS 7:

*Level 1:* Quoted prices (unadjusted) in active markets for identical assets or liabilities.

*Level 2:* Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

*Level 3:* Inputs for assets or liabilities that are not based on observable market data.

## 3.09. Non-current assets held for sale, liabilities relating to non-current assets held for sale and discontinued operations

Non-current assets or disposal groups are classified as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use. For this to be the case, the assets or disposal groups must be available for immediate sale in their present condition, and their sale must be highly probable.

Discontinued operations represent Group components that have been sold or disposed of by any other means, or that have been classified as held for sale. These components comprise groups of operations and cash flows that can be distinguished, operationally and for financial reporting purposes, from the rest of the Group. They represent separate lines of business or geographical areas.

They also include subsidiaries acquired solely with a view to resale.

The income, expenses, assets and liabilities of the discontinued operations and assets classified as held for sale are presented separately in the consolidated income statement and the consolidated statement of financial position, and continue to be measured at their carrying amounts adjusted for any possible impairment losses, except in the case of assets that had previously been classified as available-for-sale financial assets, which continue to be measured at fair value through equity.

In the second quarter of 2009 the ACS Group initiated a formal process for the sale of the port and logistics line of business. For this reason, the ACS Group reclassified the assets relating to this line of business as "Non-Current Assets Held for Sale and Discontinued Operations" at 31 December 2009. The profit for this line of business in 2009 is included under "Profit for the Year from Discontinued Operations Net of Taxes".

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In view of the decision to sell the whole of the ACS Group's ownership interest in Unión Fenosa, S.A. in July 2008, the energy line of business was considered to be a discontinued operation and was classified as such in the income statements and statements of cash flows for 2009 and 2008. In 2009 and 2008 the amount included under "Profit after Tax from Discontinued Operations" in the income statements relates to the profit contributed by Grupo Unión Fenosa, S.A. prior to the date on which the decision to sell the company was made, as well as the profit net of taxes corresponding to the sale of this line of business.

The breakdown of the profit from discontinued operations in 2009 and 2008 is as follows:

	31/12/2009			31/12/2008		
	Energy (*)	SPL	Total	Energy	SPL	Total
Thousands of euros						
Revenue	1,261,600	575,773	1,837,373	7,099,592	734,422	7,834,014
Operating expenses	(826,484)	(521,829)	(1,348,313)	(5,196,346)	(677,398)	(5,873,744)
Net operating income	435,116	53,944	489,060	1,903,246	57,024	1,960,270
<b>Profit before tax</b>	<b>334,244</b>	<b>35,195</b>	<b>369,439</b>	<b>1,608,089</b>	<b>34,132</b>	<b>1,642,221</b>
Corporate income tax	(86,053)	(7,332)	(93,385)	(410,690)	(2,052)	(412,742)
Profit after tax from discontinued operations	-	(1,630)	(1,630)	-	-	-
<b>Profit attributed to non-controlling interests</b>	<b>(168,143)</b>	<b>1,532</b>	<b>(166,611)</b>	<b>(814,377)</b>	<b>(2,618)</b>	<b>(816,995)</b>
Profit after tax and non-controlling interests	80,048	27,765	107,813	383,022	29,462	412,484
Net profit from the disposal of discontinued operations	1,005,147	-	1,005,147	403,495	-	403,495
<b>Profit after tax from discontinued operations</b>	<b>1,085,195</b>	<b>27,765</b>	<b>1,112,960</b>	<b>786,517</b>	<b>29,462</b>	<b>815,979</b>

(\*) Relating to ordinary operations up to February 2009.

The detail of the assets and liabilities relating to the discontinued operations is as follows:

	31/12/2009 SPL	31/12/2008 Energy
Thousands of euros		
Property, plant and equipment	553,237	15,122,839
Intangible assets	207,927	2,878,149
Financial assets	69,852	2,496,421
Deferred tax and other non-current assets	35,094	729,374
Current assets	311,054	3,122,249
<b>Non-current assets held for sale from discontinued operations</b>	<b>1,177,164</b>	<b>24,349,032</b>
Non-current liabilities	593,437	11,615,666
Current liabilities	251,618	4,297,259
<b>Liabilities relating to assets held for sale from discontinued operations (a)</b>	<b>845,055</b>	<b>15,912,925</b>
<b>Non-controlling interests from discontinued operations</b>	<b>55,522</b>	<b>6,292,012</b>

(a) At 31 December 2008 this balance includes debt amounting to EUR 2,260 million associated with the Energy line of business (Note 18)

Additionally, the statement of financial position includes Industrial area assets held for sale amounting to EUR 1,585 thousand.



In relation to the assets and liabilities associated with discontinued operations in 2009 and 2008, the Group has recognised as liabilities those directly related to this line of business which must be derecognised once disposed of, holding those that are associated with the financing of this line of business but are not required to be derecognised in the case of the sale of the operation.

Additionally, since the Group continued to have control over Unión Fenosa, S.A. at the end of 2008, it continued to recognise the "Non-Controlling Interests" relating to this holding until such control was lost or the whole of the ownership interest was sold, which was what occurred in February 2009.

The breakdown of the effect on the 2009 and 2008 statements of cash flows is as follows:

	31/12/2009			31/12/2008		
	Energy	SPL	Total	Energy	SPL	Total
Thousands of euros						
Cash flows from operating activities	-	36,965	36,965	214,483	90,525	305,008
Cash flows from investing activities	5,824,811	-	5,824,811	1,018,179	(106,932)	911,247
Cash flows from financing activities	(2,260,200)	(76,340)	(2,336,540)	(584,070)	16,970	(567,100)
<b>Net cash flows from discontinued operations</b>	<b>3,564,611</b>	<b>(39,375)</b>	<b>3,525,236</b>	<b>648,592</b>	<b>563</b>	<b>649,155</b>

### 3.10. Equity

An equity instrument represents a residual interest in the assets of the Group after deducting all of its liabilities.

Capital and other equity instruments issued by the Group are recognised in equity at the proceeds received, net of direct issue costs.

#### 3.10.01. Share capital

Ordinary shares are classified as capital. There are no other types of shares.

Expenses directly attributable to the issue or acquisition of new shares are recognised in equity as a deduction from the amount thereof.

#### 3.10.02. Treasury shares

Note 15.4 summarises the transactions performed with treasury shares in 2009 and 2008. Such shares are recognised as a reduction of equity in the accompanying statement of financial position at 31 December 2009 and 2008.

If the Group were to acquire or sell treasury shares, the amount paid or received for the treasury shares would be directly recognised in equity. No loss or gain from the purchase, sale, issue or amortisation of the Group's own equity instruments is recognised in the consolidated income statement for the year.

The shares of the Parent are measured at average acquisition cost.

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## 3.10.03. Share Options

The Group has granted options on ACS, Actividades de Construcción y Servicios, S.A. shares to certain employees.

In accordance with IFRS 2, the options granted are deemed to be equity-settled share-based payment transactions and are therefore measured at fair value at the grant date and are expensed over the vesting period with a credit to equity, based on the periods of irrevocability of the options.

Since market prices are not available, the value of the share options has been determined using valuation techniques taking into consideration all factors and conditions that would have been applied in an arm's length transaction between knowledgeable parties (Note 28.03).

## 3.11. Government grants

The ACS Group has received grants from various government agencies mainly to finance investments in property, plant and equipment relating to environment activity. Evidence of compliance with the conditions established in the related grant resolutions was provided to the relevant competent agencies.

Government grants given to the Group to acquire assets are taken to income over the same period and on the same basis as those applied to depreciate the asset relating to the aforementioned grant.

Government grants to compensate costs are recognised as income on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate.

Government grants receivable as compensation for expenses or losses already incurred, or for the purpose of giving financial support with no future related costs, are recognised as income in the period in which they become receivable.

## 3.12. Financial liabilities

Financial liabilities are classified in accordance with the content of the contractual arrangements, bearing in mind the economic substance thereof.

The main financial liabilities held by the Group companies relate to held-to-maturity financial liabilities which are measured at amortised cost.

Financial risk management is detailed in Note 21.

### 3.12.01. Bank borrowings, debt and other securities

Interest-bearing bank loans and overdrafts are recognised at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

Loans are classified as current items unless the Group has the unconditional right to defer repayment of the debt for at least 12 months from the end of the reporting period.

### 3.12.02. Trade and other payables

Trade payables are not interest bearing and are stated at their nominal value, which does not differ significantly from their fair value.

### 3.12.03. Current/Non-current classification

In the accompanying consolidated statement of financial position debts due to be settled within 12 months are classified as current items and those due to be settled within more than 12 months as non-current items.

Loans due within 12 months but whose long-term refinancing is assured at the Group's discretion, through existing long-term credit loan facilities, are classified as non-current liabilities.

Limited recourse financing of projects and debts is classified based on the same criteria, and the detail thereof is shown in Note 18.

### 3.12.04. Retirement benefit obligations

#### a) Post-employment benefit obligations

Certain Group companies have post-employment benefit obligations of various kinds to their employees. These obligations are classified by group of employees and may relate to defined contribution or defined benefit plans.

Under the defined contribution plans, the contributions made are recognised as expenditure under "Staff Costs" in the consolidated income statements as they accrue, whereas for the defined benefit plans actuarial studies are conducted once a year by independent experts using market assumptions and the expenditure relating to the obligations is recognised on an accrual basis, classifying the normal cost for the current employees over their working lives under "Staff Costs" and recognizing the associated finance cost, in the event that the obligation were to be financed, by applying the rates relating to investment-grade bonds on the basis of the obligation recognised at the beginning of each year (Note 21).

The defined benefit pension obligations arising from the companies incorporated as a result of the merger by absorption of Grupo Dragados in 2003, are funded by Group life insurance policies, in which investments have been assigned, and whose flows coincide in time and amount with the payment schedule of the insured benefits. Based on the valuation made, at 31 December 2009 the amounts required to cover the obligations to current and retired employees amounted to EUR 47,478 thousand (EUR 64,127 thousand in 2008) and EUR 194,676 thousand (EUR 187,147 thousand in 2008), respectively. The actuarial assumptions used in 2008 and 2009 are those indicated below:

Annual rate of increase of maximum social security pension benefit	2.00%
Annual wage increase	2.35%
Annual CPI (Consumer Price Index) growth rate	2.00%
Mortality table ( *)	PERM/F-2000 P

(\*) Guaranteed assumptions which will not vary

The applicable interest rates from the date of the externalisation of these pension obligations have ranged from a maximum of 5.93% to a minimum of 3.02%. In 2009 the interest rate applied was 3.27% and in 2008 the rate was 3.02%.

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The aforementioned pension obligations, which are recognised under "Staff Costs" in the income statement for 2009, amounted to EUR 289 thousand in 2009 since the increase in the social security contribution was higher than the average increase in salary for the collective in question, and to EUR 2,770 thousand in 2008.

Additionally, ACS, Actividades de Construcción y Servicios, S.A. and other ACS Group companies have alternative pension system obligations to certain members of the management team and the Board of Directors of the parent. These obligations have been formalised through several group savings insurance policies which provide benefits in the form of a lump sum. The contribution required in this connection amounted to EUR 4,330 thousand and was recognized under "Staff Costs" in the 2009 income statements. The obligation assumed in this respect in 2008 amounted to EUR 4,025 thousand. The portion relating to the Parent's directors who performed executive duties in 2009 amounted to EUR 2,025 thousand (EUR 2,204 thousand in 2008) (Note 34).

## b) Other employee benefit obligations

The expense relating to termination benefits is recognised in full when there is an agreement or when the interested parties have a valid expectation that such an agreement will be reached that will enable the employees, individually or collectively and unilaterally or by mutual agreement with the company, to cease working for the Group in exchange for a termination benefit. If a mutual agreement is required, a provision is only recognised in situations in which the Group considers that it will give its consent to the termination of the employees.

### 3.12.05. Termination benefits

Under current legislation, the Spanish consolidated companies and certain foreign companies are required to pay termination benefits to employees terminated without just cause. There are no redundancy plans making it necessary to record a provision in this connection.

## 3.13. Provisions

The Group's consolidated financial statements include all the material provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the consolidated financial statements, but rather are disclosed, as required by IAS 37.

Provisions, which are quantified on the basis of the best information available on the consequences of the event giving rise to them and are reviewed and adjusted at the end of each year, are used to cater for the specific obligations for which they were originally recognised. Provisions are fully or partially reversed when such obligations cease to exist or are reduced.

### Litigation and/or claims in process

At the end of 2009 certain litigation and claims were in process against the consolidated companies forming part of the ACS Group arising from the ordinary course of their operations, which, unless indicated below, are not representative on an individual level. The Group's legal advisers and directors consider that the outcome of litigation and claims will not have a material effect on the financial statements for the years in which they are settled.

### Provisions for termination benefits to employees

Also, pursuant to current legislation, a provision is recognised to meet the cost of termination of temporary employees with a contract for project work.

## Provisions for completion of construction projects

Inspection fee expenses, estimated costs for site clearance and other expenses that may be incurred from completion of the project through final settlement thereof are accrued over the execution period on the basis of production volumes and are recognised under “Current Provisions” on the liability side of the consolidated statements of financial position.

## Dismantling of non-current assets and environmental restoration

The Group is obliged to dismantle certain facilities at the end of their useful life, such as those associated with the closing of landfills, and to ensure the environmental restoration of the sites where they were located. The related provisions have been made for this purpose and the present value of the cost that these tasks would represent has been estimated, a concession asset being recorded as a balancing item.

## Other provisions

Other provisions include mainly provisions for warranty costs.

## 3.14. Risk management policy

The ACS Group is exposed to certain risks which it manages by applying risk identification, measurement, concentration limitation and monitoring systems.

The main principles defined by the ACS Group for its risk management policy are as follows:

- Compliance with corporate governance standards.
- Establishment by the Group's various lines of business and companies of the risk management controls required to assure that market transactions are performed in accordance with the policies, standards and procedures of the ACS Group.
- Special attention to the management of financial risk, basically including interest rate risk, foreign currency risk, liquidity risk and credit risk (Note 21).

The ACS Group's risk management is of a preventative nature and is aimed at the medium and long-term taking into account the most probable scenarios with respect to the performance of the variables affecting each risk.

## 3.15. Derivative financial instruments

The Group's activities are exposed mainly to financial risks of changes in foreign exchange rates and interest rates. The transactions performed are in line with the risk management policy defined by the Group.

Derivatives are initially recognised at acquisition cost in the consolidated statement of financial position and the required value adjustments are subsequently made to reflect their fair value at all times. These adjustments are recorded under “Financial Instrument Receivables” in the consolidated statement of financial position if they are positive and under “Financial Instrument Payables” if they are negative. Gains and losses from fair value changes are recognised in the consolidated income statement, unless the derivative has been designated and is highly effective as a hedge, in which case it is recognised as follows:

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## Fair value hedges

The hedged item and hedging instrument are both measured at fair value, and changes in fair value are recognised in the consolidated income statement under "Changes in the Fair Value of Financial Instruments".

## Cash flow hedges

Changes in the fair value of the derivatives are recognised, in respect of the effective portion of the hedges, in equity under "Adjustments for Changes in Value" in the accompanying consolidated statement of financial position. Hedges are considered to be effective or efficient for derivatives in relation to which the effectiveness test results are within a range of 80% to 125%. The cumulative gain or loss recognised in this account is transferred to the consolidated income statement to the extent that the underlying has an impact on this account in relation to the hedged risk, and the related effect is deducted from the same heading in the consolidated income statement.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to net profit or loss for the year.

Derivatives embedded in other financial instruments or other host contracts are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not carried at fair value with unrealised gains or losses reported in the income statement.

The fair value of the derivative financial instruments is calculated as follows:

- For derivatives whose underlying is quoted in an organized market, valuation is based on a Value at Risk (VaR) analysis, which determines the asset's expected value, taking into consideration its exposure to risk for a certain confidence level on the basis of market performance, the asset's characteristics and the potential loss arising under a scenario which is highly unlikely to occur. The analysis is based on applying a normal distribution to the daily evolution of the asset's price and the use of the expected volatility required on the basis of the derivative's characteristics to establish the probability associated to the required confidence level. For the purposes of this calculation, the periods required to undo this position without affecting the market are taken into account. The outstanding finance costs associated with each derivative evaluated is deducted from the values obtained.
- Derivatives not traded in organised markets are valued using normal financial market techniques, i.e., discounting the expected cash flows in the contract in view of its characteristics, such as the notional amount and the collection and payment schedule, based on spot and forward market conditions at the reporting date. Interest rate swaps are measured using zero-coupon curves, which is determined on the basis of the deposits and swaps traded at a given time through a bootstrapping process through which the discount factors are obtained. For derivatives with caps and floors or combinations thereof, occasionally tied to the fulfilment of special obligations, the interest rates used are the same as in the case of interest rate swaps. However, in order to allow for the random exercise of options, the Black-Scholes methodology is used, as is standard practice in the financial market.

## 3.16. Revenue recognition

Revenue is recognised to the extent that the economic benefits associated with the transaction flow to the Group. Revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for the goods and services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Sales of goods are recognised when substantially all the risks and rewards arising from their ownership have been transferred.

Revenue associated with the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

In an agency relationship, when the reporting company acts as a commission agent, the gross inflows of economic benefits for amounts collected on behalf of the principal do not result in increases in equity for the company. Therefore, these inflows are not revenue and, instead, revenue is the amount of commissions.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Following is a disclosure of specific revenue recognition criteria for certain activities carried on by the Group.

### 3.16.01. Construction business

In the construction business, the outcome of a construction contract is recognised by the percentage of completion method, by reference to the stage of completion of the contract work.

In the construction industry estimated revenues and costs of construction projects are susceptible to changes during the performance period which cannot be readily foreseen or objectively quantified. In this connection, production each year is valued at certification price of the units completed in the period that, since they are covered in the contract entered into with the owners, or in approved addenda or amendments thereto, do not give rise to any doubts regarding their certification. In addition, production is valued at certification price of other project units that have already been completed for which management of the consolidated companies consider there is reasonable assurance of recovery.

Should the amount of production from inception, valued at certification price, of each project be greater than the amount certified through the end of the reporting period, the difference between the two amounts is recorded under "Trade and Other Receivables" on the asset side of the consolidated statement of financial position. Should the amount of production from inception be lower than the amount of the certificates issued, the difference is recorded as "Customer Advances" under "Trade and Other Payables" on the liability side of the consolidated statement of financial position.

Inspection fee expenses, estimated costs for site clearance and other expenses that may be incurred from completion of the project through final settlement thereof are accrued over the execution period on the basis of production volumes and are recognised under "Current Provisions" on the liability side of the consolidated statement of financial position.

Machinery or other fixed assets acquired for a specific project are depreciated over the estimated project execution period and on the basis of the consumption pattern thereof. Permanent facilities are depreciated on a straight-line basis over the project execution period. The other assets are depreciated in accordance with the general criteria indicated in these notes to the financial statements.

Late-payment interest arising in relation to delays in the collection of certification amounts is recognised when collected.

### 3.16.02. Industrial, environment and other service businesses

Group companies recognise as the outcome from the rendering of services for each year the difference between production (valued at the sale price of the services provided during the period, which are covered by the initial contract entered into with the customer or in approved modifications or addenda thereto, and of services which have not yet been approved but there is reasonable assurance of recovery) and the costs incurred in the year.

Price increases recognised in the initial contract entered into with the customer are recognised as revenue on an accrual basis, regardless of whether they have been approved annually by it.

Late-payment interest is recognised as financial income when finally approved or collected.

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## 3.17. Expense recognition

An expense is recognised in the consolidated income statement when there is a decrease in the future economic benefits as a result of a reduction of an asset, or an increase in a liability, which can be measured reliably. This means that an expense is recognised simultaneously to the recognition of the increase in a liability or the reduction of an asset.

Additionally, an expense is recognised immediately when a disbursement does not give rise to future economic benefits or when the requirements for recognition as an asset are not met.

Also, an expense is recognised when a liability is incurred and no asset is recognised, as in the case of a liability relating to a guarantee.

In the specific case of expenses associated with commission income when the commission agent does not have any inventory risk, as in the case of certain Group logistics service companies, the cost to sell or to render the related service does not constitute an expense for the company (commission agent) since the latter does not assume the inherent risks. In these cases, as indicated in the section on revenue recognition, the sale or service rendered is recognised for the net amount of the commission.

## 3.18. Offsetting

Asset and liability balances must be offset and, therefore, the net amount thereof is presented in the consolidated statement of financial position only when they arise from transactions in which, contractually or by law, offsetting is permitted and the Group intends to settle them on a net basis, or to realise the asset and settle the liability simultaneously.

## 3.19. Corporation tax

The corporation tax expense represents the sum of the current tax expense and the change in deferred tax assets and liabilities.

The current income tax expense is calculated by aggregating the current tax arising from the application of the tax rate to the taxable profit for the year, after deducting the tax credits allowable for tax purposes, plus the change in deferred tax assets and liabilities.

Deferred tax assets and liabilities include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, unless the temporary difference arises from the initial recognition of goodwill or the initial recognition (except in the case of a business combination) of other assets and liabilities in a transaction that affects neither accounting profit nor taxable profit. Deferred tax assets are recognised for temporary differences to the extent that it is considered probable that the consolidated companies will have sufficient taxable profits in the future against which the deferred tax asset can be utilised, and the deferred tax assets do not arise from the initial recognition (except in a business combination) of other assets and liabilities in a transaction that affects neither accounting profit nor taxable profit. The other deferred tax assets (tax loss and tax credit carryforwards) are only recognised if it is considered probable that the consolidated companies will have sufficient future taxable profits against which they can be utilised.

The deferred tax assets and liabilities recognised are reassessed at the end of each reporting period in order to ascertain whether they still exist, and the appropriate adjustments are made on the basis of the findings of the analyses performed.

Spanish companies in which the Parent owns more than 75% of their share capital file consolidated tax returns in accordance with the current regulations as part of Tax Group 30/99.



### 3.20. Earnings per share

Basic earnings per share are calculated by dividing net profit attributable to the Parent by the weighted average number of ordinary shares outstanding during the year, excluding the average number of shares of the Parent held by the Group companies (Note 31.01).

Diluted earnings per share are calculated by dividing net profit attributable to ordinary shareholders adjusted by the effect attributable to the dilutive potential ordinary shares by the weighted average number of ordinary shares outstanding during the year, adjusted by the weighted average number of ordinary shares that would have been outstanding assuming the conversion of all the potential ordinary shares into ordinary shares of the Parent. For these purposes, it is considered that the shares are converted at the beginning of the year or at the date of issue of the potential ordinary shares, if the latter were issued during the current period.

At 31 December 2009 and 2008, basic earnings per share were the same as diluted earnings per share since none of the aforementioned circumstances arose.

### 3.21. Foreign currency transactions

The Group's functional currency is the euro. Therefore, transactions in currencies other than the euro are deemed to be "Foreign Currency Transactions" and are recognised by applying the exchange rates prevailing at the date of the transaction.

Foreign currency transactions are initially recognised in the functional currency of the Group by applying the exchange rates prevailing at the date of the transaction.

At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates prevailing at the end of the reporting period date. Non-cash items measured at historical cost are translated to euros at the exchange rates prevailing on the date of the transaction.

Any exchange differences arising on settlement or translation at the closing rates of monetary items are recognised in the consolidated income statement for the year, except for items that form part of an investment in a foreign operation, which are recognised directly in equity net of taxes until the date of disposal.

On certain occasions, in order to hedge its exposure to certain foreign currency risks, the Group enters into forward currency contracts and options (see Note 21 for details of the Group's accounting policies in respect of such derivative financial instruments).

On consolidation, the assets and liabilities of the Group's foreign operations are translated to euros at the exchange rates prevailing at the end of the reporting period date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly. Any exchange differences arising are classified as equity. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign company are treated as assets and liabilities of the foreign company and translated at the closing rate.

### 3.22. Entities and branches located in hyperinflationary economies

None of the functional currencies of the consolidated subsidiaries and associates located abroad relate to hyperinflationary economies as defined by IFRSs. Accordingly, at the 2009 and 2008 accounting close it was not necessary to adjust the financial statements of any of the subsidiaries or associates to correct for the effect of inflation.

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## 3.23. Consolidated statement of cash flows

The following terms are used in the consolidated statements of cash flows with the meanings specified:

**Cash flows:** inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.

**Operating activities:** the principal revenue-producing activities of the Group and other activities that are not investing or financing activities.

**Investing activities:** the acquisition and disposal of non-current assets and other investments not included in cash and cash equivalents.

**Financing activities:** activities that result in changes in the size and composition of the equity and borrowings of the Group that are not operating activities.

In view of the diversity of the Groups businesses and activities, the Group opted to report cash flows using the indirect method.

## 3.24. Entrance into force of new accounting standards

In 2009 the following interpretations of standards came into force and, if applicable, were used by the Group in the preparation of the accompanying consolidated financial statements:

(1) "Standards" and "Interpretations" already adopted by the European Union whose application is mandatory in 2009:

Standards and Amended Standards:		Mandatory Application in the year commencing:
IFRS 8	Operating segments	1 January 2009
Revised IAS 23	Borrowing costs	1 January 2009
Amendment of IFRS 2	Share-based payment	1 January 2009
Revised IAS 1	Presentation of financial statements	1 January 2009
Amendment of IAS 32 and IAS 1	Puttable financial instruments and obligations arising on liquidation	1 January 2009
Amendment of IFRS 1 and IAS 27	Cost of an investment in a subsidiary, jointly controlled entity or associate	1 January 2009
Amendment of IFRS 7	Enhancing disclosures about fair value and liquidity risk	1 January 2009
Amendment of IAS 39 and IFRIC 9	Reassessment of embedded derivatives	1 January 2009

Interpretations:		Mandatory Application in the year commencing:
IFRIC 13	Customer loyalty programmes	1 January 2009
IFRIC 14	IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction	1 January 2009

Following is a brief summary thereof:

### **IFRS 8 “Operating segments”**

This Standard replaces IAS 14 “Segment Reporting”. The basis used to identify segments and the segmented information reported are the same as those used internally by management to assess management and allocate resources.

### **Revised IAS 23 “Borrowing costs”**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets (assets that take more than one year to get ready for their intended use) shall be capitalised as part of the cost of those assets.

### **Revised IFRS 2 “Share-Based Payment”**

It defines the vesting conditions (service and performance conditions) of share-based payments and requires all cancellations, whether by the entity or by other parties, to receive the same accounting treatment.

### **Revised IAS 1 “Presentation of financial statements”**

It introduces changes in the terminology of the financial statements, and in their content and format.

### **Revised IAS 32 “Financial instruments: presentation”**

It enables instruments, subordinated to other classes of instruments that impose on the entity an obligation to deliver to the holder a pro rata share of the net assets of the entity only on liquidation to be classified as equity if certain criteria are met.

### **Revised IAS 27 “Consolidated and Separate Financial Statements”**

Reference to the cost method in the separate financial statements was deleted, and accordingly, there is no distinction between pre-acquisition and post-acquisition dividends. An entity shall recognise a dividend from a subsidiary, jointly controlled entity or associate in profit or loss when its right to receive the dividend is established, regardless of whether the profit was earned prior to the purchase date of the ownership interest.

### **Revised IFRS 7 “Financial instruments: Disclosure”**

Changes in disclosures were introduced in order to improve disclosures on the calculation of the fair value of financial instruments and on liquidity risk relating to financial liabilities.

### **Amendments to IAS 39 and IFRIC 9 - Embedded derivatives**

The treatment of embedded derivatives following the latest amendments relating to reclassifications made in IAS 39 is clarified.

La IFRIC 9 allows for the separation of embedded derivatives from hybrid financial instruments measured at fair value through profit or loss, when the latter are reclassified to other categories.

La IAS 39 prohibits the reclassification of a hybrid financial instrument measured at fair value through profit or loss, where such reclassification gives rise to the separation of the embedded derivative from its host contract, and it is impossible to appropriately calculate its fair value.

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## IFRIC 13 "Customer loyalty programmes"

Where customers purchase goods or services from companies implementing such programs, they are awarded with certain rights (points, air miles, etc.) redeemable for free or discounted goods or services.

This interpretation requires companies offering these types of awards to defer the revenue relating to the rights awarded until the awards have been supplied, rather than recognising such revenue at the initial sale date.

## IFRIC 14 "IAS 19 The Limit on a defined benefit asset, minimum funding requirements and their interaction"

This interpretation analyses the effect of the minimum financing requirements for defined benefit pension commitments existing in many countries on the measurement of the defined benefit asset or liability, in accordance with IAS 19. Specifically, it determines how such requirements might affect the availability of the net assets of the plan or reductions in future contributions and under what circumstances this might give rise to the recognition of a pension obligation.

Of these standards, only the amendments to IAS 1 and IFRIC 7 have had a significant impact on the Group, mainly in relation to financial statement presentation and disclosure requirements:

### IAS 1

Change in the name of the consolidated financial statements, which are now identified as "Consolidated Statement of Financial Position", "Consolidated Income Statement", "Consolidated Statement of Comprehensive Income", "Consolidated Statement of Changes in Equity", and "Consolidated Statement of Cash Flows".

### IFRS 7

Breakdown of the fair value hierarchy (Note 03.08.06)

(2) Standards and Interpretations which had not yet entered into force at the date of the preparation of the financial statements:

At the date of the approval of these financial statements, the following standards and interpretations had been published by the IASB but had not yet entered into force, either because the date they were to enter into force was subsequent to the date of the financial statements, or because they had not yet been adopted by the European Union:

Standards and Amended Standards:		Mandatory Application in the year commencing:
<b>Approved by the E.U.:</b>		
Amendment of IAS 27	Consolidated and separate financial statements	15 June 2009
Revised IFRS 3	Business combinations	15 June 2009
Amendment of IAS 39	Eligible hedged items	1 July 2009
Amendment of IAS 32	Classification of rights over shares	1 February 2009
Amendment of IFRS 2	Share-based payments within the Group	1 January 2010
<b>Not yet adopted by the E.U.:</b>		
IFRS 9	Financial instruments Classification and measurement	1 January 2013
Improvements IFRS 2009	Improvement of the International Financial Reporting Standards	Mainly 1 January 2010
Revised IAS 24	Related party disclosures	1 January 2011

**Interpretations:****Mandatory Application  
in the year commencing:****Adopted by the E.U.:**

IFRIC 12	Service concession arrangements	29 March 2009
IFRIC 16	Hedges of a net investment in a foreign operation	1 July 2009
IFRIC 15	Agreements for the construction of real estate	1 January 2010
IFRIC 17	Distributions of non-cash assets to owners	1 November 2009
IFRIC 18	Transfer of assets from customers	1 November 2009
<b>Not yet adopted by the E.U.:</b>		
Amendment to IFRIC 14	Prepayments of minimum funding requirements	1 January 2011
Amendment to IFRIC 19	Extinguishing financial liabilities with equity	1 July 2010

IFRIC 12 – “Service Concession Arrangements” (initially effective for annual periods beginning on or after 1 January 2008). This interpretation was issued on 30 November 2006 and regulates the accounting treatments of public-private service concession agreements by the concession company. It provides different accounting methods (Intangible asset model, financial asset model and the mixed model, based on the agreements reached by the concession company and the concession provider.

In November 2008 (and after having commissioned a detailed study on the impacts of its application, given the opinions evidenced in connection thereto) the corresponding European Union Committee (ARC) ruled favourably with respect to the IFRIC 12.

This interpretation was finally adopted by the European Union on 26 March 2009, and its application is mandatory for annual periods commencing subsequent to 29 March 2009.

At the date of this report, the Group is in the process of carrying out a plan to adapt to the criteria provided in the IFRIC 12 and analysing the impact it will have on the consolidated financial statements.

- IAS 27 (revised in January 2008 and adopted on 12 June 2009) – “Consolidated and Separate Financial Statements” (mandatory application for annual periods subsequent to 1 June 2009). The revised standard requires the effects of all transactions with non-controlling interest to be recognised in equity as long as there are no changes in control, and consequently these transactions no longer have an effect on goodwill nor do they result in a gain or loss. The amendment also provides the accounting treatment to be applied when control is lost. The non-controlling interest which is retained should be measured at fair value, and the effect should be recognised in profit or loss.
- IFRS 3 (revised in January 2008 and adopted on 12 June 2009) – “Business Combinations” (mandatory application for annual periods subsequent to 1 July 2009). Acquisition methods are maintained for business combinations. However, significant amendments are included such as the following:
  - In the case of step acquisitions, on the date that control is obtained, the fair values of the acquired entity’s assets and liabilities are measured, including the portion already held. Any resulting differences to previously recognised assets and liabilities are recognised in profit or loss.
  - All acquisition costs are recognised at fair value at the acquisition date. Contingent considerations classified as liabilities are measured at fair value at the end of the reporting period, and any changes are recognised in profit or loss.
  - It introduces an accounting policy choice applicable to business combinations, consisting in measuring non-controlling interests either at fair value or at the non-controlling interest’s proportionate share of net assets of the acquiree.
  - Transaction costs are expensed (currently they can be capitalised to acquisition costs).

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- IFRIC 16 – “Hedges of a Net Investment in a Foreign Operation” (effective as of 1 October 2008, although it is finally applicable for annual periods subsequent to 1 July 2009). It clarifies the accounting treatment to be applied to hedges of a net investment. Its application is not expected to have an impact on the ACS Group's consolidated financial statements.

All mandatory accounting policies and measurement bases with a material effect on the consolidated financial statements were applied in the preparation thereof.

## 4. Intangible assets

### 4.01. Goodwill

The changes in this consolidated statement of financial position heading in 2009 and 2008 were as follows:

	2009	2008
Thousands of euros		
<b>Beginning balance</b>	<b>1,132,563</b>	<b>2,950,375</b>
Additions	113,613	340,032
Disposals and allocations	(19,830)	(39,015)
Impairment	(241)	(4,794)
Change in consolidation method	(98,512)	(2,116,059)
Exchange differences	(575)	2,024
<b>Ending Balance</b>	<b>1,127,018</b>	<b>1,132,563</b>

Additions in 2009 relate mainly to acquisitions made in the Construction area concerning Pol-Aqua, John P. Picone, Inc. and Pulice Construction, Inc (see Note 02.02 f). In 2008 they relate to Unión Fenosa, S.A.

The change in the scope of consolidation in 2009 and 2008 relates mainly to the consideration of the activities relating to port, logistics and energy services as discontinued operations.

The detail by line of business of the changes in goodwill in 2009 and 2008 is as follows:

Line of Business	Balance at 31/12/2008	Change in consolidation method	Additions	Disposals and allocations	Impairment	Exchange Differences	Balance at 31/12/2009
Thousands of euros							
Parent	780,939	-	-	-	-	-	780,939
Construction	55,129	-	100,764	(12,439)	-	(483)	142,971
Industrial Services	52,483	-	4,728	(86)	-	-	57,125
Environment	244,012	(98,512)	8,121	(7,305)	(241)	(92)	145,983
<b>Total</b>	<b>1,132,563</b>	<b>(98,512)</b>	<b>113,613</b>	<b>(19,830)</b>	<b>(241)</b>	<b>(575)</b>	<b>1,127,018</b>

Line of Business	Balance at 31/12/2007	Change in consolidation method	Additions	Disposals and allocations	Impairment	Exchange Differences	Balance at 31/12/2008
Thousands of euros							
Parent	780,939	-	-	-	-	-	780,939
Construction	50,837	-	4,900	-	(2,791)	2,183	55,129
Industrial Services	46,730	-	11,051	(4,895)	(403)	-	52,483
Environment	240,625	15,489	23,777	(34,120)	(1,600)	(159)	244,012
Energy	1,831,244	(2,131,548)	300,304	-	-	-	-
<b>Total</b>	<b>2,950,375</b>	<b>(2,116,059)</b>	<b>340,032</b>	<b>(39,015)</b>	<b>(4,794)</b>	<b>2,024</b>	<b>1,132,563</b>

In the case of goodwill, annually the ACS Group compares the carrying amount of the company or cash-generating unit to the value in use obtained by means of the cash flow discounting measurement method (Note 3.06).

The ACS Group assessed the recoverability of the most significant goodwill arising from the merger with Grupo Dragados, S.A. relating to the amount paid in excess of the value of the assets on the acquisition date, which amounted to EUR 780,939 in 2003, and was assigned mainly to the cash generating units of the construction and industrial area in 2008 and 2009. For the goodwill of these cash generating units, the cash flow projections of the aforementioned businesses were used in addition to the calculation of the residual value resulting from projecting the cash flow for the last year at a growth rate of 0.6%, a rate lower than the normal growth of business. The aforementioned cash flows were discounted at a discount rate of 8.8%, generally based on the weighted average cost of capital (WACC) for each line of business, after tax, for this type of assets. Additionally, companies with similar activities were analysed to check the rates used against those used by analysts for the purpose of estimating the differences which might be identified. Also, in order to obtain the cash flows to be discounted, the hypotheses relating to the degree of leveraging and interest rates of the equity and borrowed funds considered in the business plan of the cash generating unit served as a basis for calculating the discount rate.

In the Group's opinion, there are no reasonable changes in the main hypotheses which might give rise to the impairment of the goodwill of Grupo Dragados, S.A.

According to the estimates and projections available to the directors of the Group and of each of the companies concerned, the projected cash flows attributable to these cash-generating units (or groups of units) to which the goodwill is allocated will make it possible to recover the carrying amount of the goodwill recognised at 31 December 2009 and 2008. If the carrying amount will not be recovered, the related impairment loss has been recognised.

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## 4.02. Other intangible assets

The changes in this consolidated statement of financial position heading in 2009 and 2008 were as follows:

	Development Expenditure	Computer Software	Concessions	Other Intangible Assets	Total Other Intangible Assets	Accumulated Amortisation	Impairment Losses	Total Other Intangible Assets, Net
Thousands of euros								
<b>Balance at 1 January 2008</b>	<b>58,705</b>	<b>384,458</b>	<b>557,173</b>	<b>925,161</b>	<b>1,925,497</b>	<b>(482,275)</b>	<b>(610)</b>	<b>1,442,612</b>
Changes in the scope of consolidation	(52,109)	(338,402)	(349,781)	(758,799)	(1,499,091)	407,436	526	(1,091,129)
Additions or charges for the year	298	3,607	1,016	14,832	19,753	(12036)	14	7,731
Disposals or reductions	(924)	(1,669)	(12,794)	(3,806)	(19,193)	10,027	-	(9,166)
Exchange differences	6	(53)	(270)	(198)	(515)	180	-	(335)
Transfers from/to other assets	4,436	417	21,067	(41,384)	(15,464)	103	(9)	(15,370)
<b>Balance at 31 December 2008</b>	<b>10,412</b>	<b>48,358</b>	<b>216,411</b>	<b>135,806</b>	<b>410,987</b>	<b>(76,565)</b>	<b>(79)</b>	<b>334,343</b>
Changes in the scope of consolidation	-	(15,654)	(105,332)	114,171	(6,815)	7,355	-	540
Additions or charges for the year	2,073	4,595	32,396	90,964	130,028	(15,434)	16	114,610
Disposals or reductions	(187)	(2,368)	(6,258)	(112)	(8,925)	4,059	3	(4,863)
Exchange differences	225	117	6	(14)	334	(111)	-	223
Transfers from/to other assets	1,505	146	(1,578)	5,376	5,449	(2,092)	10	3,367
<b>Balance at 31 December 2009</b>	<b>14,028</b>	<b>35,194</b>	<b>135,645</b>	<b>346,191</b>	<b>531,058</b>	<b>(82,788)</b>	<b>(50)</b>	<b>448,220</b>

The changes in scope of consolidation in 2009 relate mainly to the consideration of port and logistics services as a discontinued operation and the allocation of intangible assets relating to the acquisition of the companies Pol-Aqua, Pulice Construction, Inc. and John P. Picone, Inc. which amounted to EUR 98,222 thousand, was included under the heading "Other Intangible Assets" (see Note 2.02.f).

The changes in the scope of consolidation in 2008 relate mainly to the consideration of Unión Fenosa as a discontinued operation.

In 2009 investments amounted to EUR 247,200 thousand, of which EUR 130,028 thousand relate to separate acquisitions and EUR 117,172 thousand to assets acquired through business combinations.

In 2008 investments amounted to EUR 25,995 thousand, of which EUR 19,753 thousand relate to separate acquisitions and EUR 6,242 thousand to assets acquired through business combinations.

Fully amortised intangible assets in use at 31 December 2009, amounted to EUR 35,779 thousand (EUR 39,007 thousand at 31 December 2008). There were no items temporarily taken out of use at 31 December 2009 or 31 December 2008.

No significant development expenditure was recognised as an expense in the accompanying 2009 and 2008 consolidated income statements.

There were no intangible assets whose title was restricted in 2009 and 2008.

At 31 December 2009 and 2008, there were no assets with an indefinite useful life other than those reported as goodwill.



## 5. Property, plant and equipment

The changes in this consolidated statement of financial position heading in 2009 and 2008 were as follows:

	Land and Buildings	Plant and machinery	Other items of property, plant and equipment	Advances and Property, Plant and Equipment in the Course of Construction	Total Property, Plant and Equipment	Accumulated Depreciation	Impairment Losses	Total Net Property, Plant and Equipment
<b>Balance at 1 January 2008</b>	<b>1,072,036</b>	<b>17,276,439</b>	<b>4,022,144</b>	<b>1,301,771</b>	<b>23,672,390</b>	<b>(9,069,164)</b>	<b>(76,900)</b>	<b>14,526,326</b>
Changes in the scope of consolidation	(522,685)	(15,966,644)	(3,320,356)	(996,650)	(20,806,335)	7,786,283	65,728	(12,954,324)
Additions or charges for the year	117,065	128,663	118,167	109,798	473,693	(229,454)	(2,262)	241,977
Disposals or reductions	(39,092)	(57,520)	(41,579)	(6,112)	(144,303)	78,112	1,438	(64,753)
Exchange differences	(3,445)	(3,638)	(7,167)	562	(13,688)	4,099	(7)	(9,596)
Transfers from/to other assets	15,331	45,046	17,706	(109,904)	(31,821)	4,269	6,428	(21,124)
<b>Balance at 31 December 2008</b>	<b>639,210</b>	<b>1,422,346</b>	<b>788,915</b>	<b>299,465</b>	<b>3,149,936</b>	<b>(1,425,855)</b>	<b>(5,575)</b>	<b>1,718,506</b>
Changes in the scope of consolidation	(181,029)	(169,690)	(83,453)	(36,725)	(470,897)	160,989	102	(309,806)
Additions or charges for the year	68,368	116,285	72,833	68,191	325,677	(215,478)	(12,915)	97,284
Disposals or reductions	(10,307)	(59,469)	(33,205)	(12,128)	(115,109)	92,990	85	(22,034)
Exchange differences	3,631	7,415	6,139	(418)	16,767	(8,589)	(103)	8,075
Transfers from/to other assets	80,245	78,156	11,554	(185,121)	(15,166)	7,007	-	(8,159)
<b>Balance at 31 December 2009</b>	<b>600,118</b>	<b>1,395,043</b>	<b>762,783</b>	<b>133,264</b>	<b>2,891,208</b>	<b>(1,388,936)</b>	<b>(18,406)</b>	<b>1,483,866</b>

Of which the following are leased assets:

	Land and Buildings	Plant and machinery	Other items of property, plant and equipment	Total Property, Plant and Equipment	Accumulated Depreciation	Total Net Property, Plant and Equipment
Thousands of euros						
<b>Balance at 31 December 2008</b>	<b>5,926</b>	<b>83,969</b>	<b>51,716</b>	<b>141,611</b>	<b>(49,813)</b>	<b>91,798</b>
<b>Balance at 31 December 2009</b>	<b>3,565</b>	<b>27,646</b>	<b>46,476</b>	<b>77,687</b>	<b>(24,642)</b>	<b>53,045</b>

The changes in the scope of consolidation in 2009 relate mainly to the consideration of port and logistics services as a discontinued operation, In 2008 these changes relate mainly to Unión Fenosa and its consideration as a discontinued operation.

The most significant additions under this heading in 2009 related to the Environment area and amounted to EUR 173,014 thousand (EUR 243,304 thousand in 2008), which were allocated to the start-up of new landfills, treatment plants and tools in the renewal and award of new agreements. Noteworthy are the investments in land and building for the machinery pool, solid urban waste treatment plants and landfills, amounting to EUR 47,926 thousand (EUR 35,635 thousand in 2008). Additionally, in this area investments in machinery and tools amounted to EUR 50,890 thousand in 2009 and relating to equipping the landfill Las Lomas El Colorado in Chile and urban services in Palencia, Vila-Seca, Prat de Llobregat, La Laguna and San Sebastián de los Reyes (EUR 82,175 thousand in 2008 basically related to equipping of the rubbish collection and street cleaning services of the main town halls such as Madrid, Elche, Barcelona and the new services in Morocco and Portugal). Under "Advances and Property, Plant and Equipment in the Course of Construction" noteworthy in 2009 are different oil treatment plants in Spain and an urban solid waste treatment plant in the UK amounting to EUR 44,685 thousand. Under this same heading, noteworthy in 2008 were the additions of the Zaragoza and Costa del Sol urban solid waste treatment plants, the Port of Algeciras marpole treatment plant and machinery and fixtures in the port terminals, which amounted to EUR 69,301 thousand.

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In the Construction area, additions amounted to EUR 89,698 thousand, and mainly consisted in the acquisition of new machinery and equipment for the development of new projects (EUR 100,502 thousand in 2008).

In the Industrial Services area, additions in 2009 amounted to EUR 48,285 thousand (EUR 125,261 thousand in 2008, of which EUR 24,750 thousand related mainly to the construction of a wharf by Dragados Offshore).

Operating costs relating directly to property, plant and equipment in the course of construction capitalised in 2009 amounted to EUR 3,058 thousand (EUR 1,128 thousand in 2008).

Fully depreciated property, plant and equipment in use amounted to EUR 558,459 thousand in 2009 and EUR 614,029 thousand in 2008.

The Group has taken out insurance policies to cover the possible risks to which its property, plant and equipment are subject and the claims that might be filed against it for carrying on its business activities. These policies are considered to adequately cover the related risks.

The indemnities received for losses covered by insurance policies recognised in profit or loss were not material in 2009 or 2008.

The Group has mortgaged land and buildings with a carrying amount of approximately EUR 14,619 thousand (EUR 10,827 thousand in 2008) to secure banking facilities granted to the Group.

At 31 December 2009, the Group had recognised a net EUR 495,915 thousand relating to property, plant and equipment owned by its foreign companies and branches (EUR 268,154 thousand in 2008).

At 31 December 2009 and 2008, the Group had not entered into any material contractual commitments for the future acquisition of property, plant and equipment.

The impairment losses recognised in profit or loss at 31 December 2009 amounted to EUR 285 thousand (EUR 135 thousand in 2008). The impairment losses reversed and recognised in profit or loss in 2009 total EUR 389 thousand (EUR 1,035 thousand in 2008).

## 6. Non-current assets in projects

The balance of "Non-Current Assets in Projects" in the consolidated statement of financial position at 31 December 2009, includes the costs incurred by the fully and proportionally consolidated companies in the construction of transport, service and power plant infrastructures whose operation constitutes the purpose of their respective concessions, the detail being as follows:

Type of Infrastructure	End Date of Operation	Investment	Accumulated Depreciation	Net Carrying Amount of Non-Current Assets in Projects
Thousands of euros				
Thermal solar power plant	2020 - 2028	1,383,625	(3,083)	1,380,542
Wind-powered facilities	2010 - 2037	1,558,285	(184,863)	1,373,422
Motorway / Highway	2033 - 2042	531,362	(58,028)	473,334
Waste treatment	2015 - 2038	521,418	(151,772)	369,646
Energy transport	2034 - 2035	314,487	(19,205)	295,282
Desalination plants	2024 - 2031	262,657	(4,280)	258,377
Police stations	2024 - 2032	95,803	(8,881)	86,922
Interchangers	2040 - 2050	88,350	(15,427)	72,923
Water management	2023 - 2037	57,285	(8,711)	48,574
Photovoltaic plants	2026	45,220	(314)	44,906
Other infrastructures	-	124,029	(35,314)	88,716
<b>Total</b>		<b>4,982,521</b>	<b>(489,878)</b>	<b>4,492,643</b>

The changes in this heading in 2009 and 2008 were as follows:

	2009			2008		
	Investment	Accumulated Depreciation	Net Carrying Amount	Investment	Accumulated Depreciation	Net Carrying Amount
Thousands of euros						
<b>Beginning balance</b>	<b>3,953,424</b>	<b>(366,374)</b>	<b>3,587,050</b>	<b>4,451,364</b>	<b>(502,938)</b>	<b>3,948,426</b>
Changes in the scope of consolidation	(216,722)	11,811	(204,911)	(1,449,566)	244,272	(1,205,294)
Additions or charges for the year	1,214,361	(131,072)	1,083,289	1,093,067	(97,806)	995,261
Exchange differences	46,884	(1,548)	45,336	(45,432)	4,425	(41,007)
Disposals or reductions	(33,840)	2,002	(31,838)	(109,357)	3,351	(106,006)
Transfers	18,414	(4,697)	13,717	13,348	(17,678)	(4,330)
<b>Ending Balance</b>	<b>4,982,521</b>	<b>(489,878)</b>	<b>4,492,643</b>	<b>3,953,424</b>	<b>(366,374)</b>	<b>3,587,050</b>

The most significant additions in 2009 relate to investments in thermal solar power plants and photovoltaic plants amounting to EUR 654,908 thousand (EUR 404,777 thousand in 2008), investments in wind-powered facilities amounting to EUR 270,762 thousand (EUR 406,855 thousand in 2008) and to the investment in the motorway I 595 Express, Llc in Florida (USA) amounting to EUR 153,832 thousand.

Additionally, the change in the scope of consolidation relates mainly to the consideration of port and logistics services and of Unión Fenosa, S.A. as discontinued operations in 2009 and 2008, respectively.

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The disposals in 2008 include, inter alia the recognition of the sale of the receivables associated with the construction contract and subsequent leasing of the prison Can Brians 2, S.A. to the regional government of Catalonia. At the prison start-up date, this transaction involved the record of a future right of collection from the City Council and a decrease in the balance of the concession asset, which was subsequently transferred without recourse to a financial institution.

Interest capitalised in 2009 amounted to EUR 24,012 thousand (EUR 13,469 thousand in 2008). This capitalisation was performed by applying an average capitalisation rate of 2.40 % in 2009 (4.67% in 2008).

No impairment losses were recognised in profit or loss in 2009 and 2008.

The financing relating to non-current assets in projects is explained in Note 18.

In relation to concession operators and in accordance with its contractual commitments under the related concession agreements, the Group has obligations relating to the acquisition of non-current assets or the completion of projects in the course of construction including inter alia, EUR 903,512 thousand at 31 December 2009 relating mainly to expressway I-595 in the USA. At 31 December 2008, the Group had entered into contractual commitments for the future acquisition of property, plant and equipment amounting to EUR 78,945 thousand.

The concession operator's obligations include, inter alia, the maintenance of restricted cash balances, known as reserve accounts and included under the heading "Other Current Financial Assets" (Note 10.04).

## 7. Investment property

The changes in this heading in 2009 and 2008 were as follows:

	2009	2008
Thousands of euros		
<b>Beginning balance</b>	<b>70,898</b>	<b>47,268</b>
Additions	-	244
Sales	(6,784)	(1,400)
Charges for the year	(3,122)	(952)
Transfers from/to other assets	29	25,738
<b>Ending Balance</b>	<b>61,021</b>	<b>70,898</b>

The Group's investment property relate mostly to subsidised housing in Madrid earmarked for lease by the lessee IVIMA (Madrid Housing Institute) and maturing from 2023 to 2024. The other investment property relates to housing, car Parks and commercial premises earmarked for lease.

The rental income earned from investment property amounted to EUR 9,078 thousand in 2009 (EUR 6,346 thousand in 2008).

The direct operating expenses arising from investment property included under "Other Operating Expenses" amounted to EUR 5,776 thousand (EUR 4,676 thousand in 2008).

Contractual commitments for the acquisition, construction or development of investment property, and for repairs, maintenance and improvements, were not material.

At the beginning of 2009, the gross carrying amount was EUR 74,727 thousand and accumulated depreciation (increased by accumulated impairment losses) amounted to EUR 3,829 thousand. At year-end, the gross carrying amount and accumulated depreciation were EUR 70,515 thousand and EUR 9,494 thousand, respectively. There were no material differences with respect to fair value in the accompanying consolidated financial statements.

## 8. Joint ventures

The main aggregates in the accompanying consolidated financial statements relating to joint ventures operated by means of Spanish UTEs (unincorporated joint ventures) and economic interest groupings, and the assets, liabilities, revenue and profit for 2009 and 2008 corresponding to the joint ventures, in proportion to the percentage of ownership interest in the share capital of each company and joint venture, are as follows:

	UTE's, AIE's		Companies	
	Balance at 31/12/2009	Balance at 31/12/2008	Balance at 31/12/2009	Balance at 31/12/2008
Thousands of euros				
Non-current assets	380,879	362,379	270,546	285,301
Current assets	3,649,746	3,342,998	180,981	226,367
Non-current liabilities	83,352	85,306	125,247	241,800
Current liabilities	3,640,227	3,349,355	230,690	1420,081
Revenue	3,969,656	4,128,534	248,423	219,288
Profit for the year	231,683	245,891	25,554	15,451

The identification data relating to the main ACS Group companies and unincorporated joint ventures (UTEs) are detailed in Appendix II.

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## 9. Investments in companies accounted for by the equity method

The changes in the balance of this heading were as follows:

	2009	2008
Thousands of euros		
<b>Beginning balance</b>	<b>3,892,825</b>	<b>4,231,428</b>
Additions	69,447	575,869
Disposals	(22,393)	(101,063)
Elimination of unrealised gains	-	(123,895)
Change in consolidation method	26,211	1,140
Profit for the year	195,615	163,673
Changes in the equity of associates		
Exchange differences/ Other	196,832	(133,749)
Cash flow hedges	(69,700)	(11,465)
Available-for-sale financial assets	92,095	(102,391)
Transfer to non-current assets held for sale	(60,984)	(473,216)
Distribution of dividends	(145,796)	(133,506)
<b>Ending Balance</b>	<b>4,174,152</b>	<b>3,892,825</b>

The eliminated unrealized gains relate to the portion relating to the ownership interest in Abertis Infraestructuras, S.A., in the sale of Invin, S.L. and Desarrollo de Concesiones Aeroportuarias, S.L. (Note 2.02.f).

The transfers to non-current assets relate mainly to the recognition of the ownership interest in Indra Sistemas, S.A. and Sociedad Galega de Medio Ambiente, S.A. as discontinued operations since they form part of the Unión Fenosa Group.

The detail, by company, of the investments accounted for by the equity method are as follows:

Company	2009					2008				
	% of Ownership	Share of Net Assets	Profit for the year	Goodwill	Total Carrying Amount	% of Ownership	Share of Net Assets	Profit for the year	Goodwill	Total Carrying Amount
Abertis Infraestructuras, S.A.	25.83%	1,328,557	139,550	564,638	2,032,745	25.83%	1,128,774	130,392	564,638	1,823,804
Hochtief Aktiengesellschaft	29.98%	741,993	52,452	765,229	1,559,674	29.98%	780,515	44,210	751,573	1,576,298
Itumbiara Transmissora de Energia, Ltda.	33.33%	47,750	5,370	-	53,120	33.33%	38,092	677	-	38,769
Metro de Sevilla Sociedad Concesionaria Junta de Andalucía Guadalmetro, S.A.	34.01%	39,078	(340)	483	39,221	31.13%	34,240	-	479	34,719
Serra da Mesa Transmissora de Energia Ltda	33.33%	36,215	1,254	-	37,469	33.33%	27,388	1,147	-	28,535
Nordeste Transmissora de Energía, Ltda.	49.99%	31,544	4,628	-	36,172	49.99%	21,604	5,378	-	26,982
Concesionaria LT Triángulo	33.33%	30,618	862	-	31,480	33.33%	22,058	-	-	22,058
Concesionaria Pocos de Caldas	33.33%	27,805	(404)	-	27,401	33.33%	9,937	-	-	9,937
Porto Primavera, Ltda.	33.33%	24,972	2,362	-	27,334	33.33%	19,556	420	-	19,976
Cleon, S.A.	25.00%	25,000	223	-	25,223	25.00%	25,204	(204)	-	25,000
Concesionaria Ribeirao Preto	33.33%	22,863	(98)	-	22,765	33.33%	13,349	-	-	13,349
Concesionaria Serra Paracatu	33.33%	22,035	118	-	22,153	33.33%	15,101	-	-	15,101
STE - Sul Transmissora de Energia, Ltda.	49.90%	19,819	2,180	-	21,999	49.90%	12,733	3,043	-	15,776
TP Ferro Concesionaria, S.A.	50.00%	21,034	-	-	21,034	50.00%	22,016	-	-	22,016
Other associates		223,943	(12,542)	4,961	216,362		220,898	(21,390)	20,997	220,505
<b>Total</b>		<b>2,643,226</b>	<b>195,615</b>	<b>1,335,311</b>	<b>4,174,152</b>		<b>2,391,465</b>	<b>163,673</b>	<b>1,337,687</b>	<b>3,892,825</b>

#### • Ownership interest in Abertis Infraestructuras, S.A.

In 2008 the ACS Group purchased 1% of the shares of Abertis for a total EUR 134 million, increasing its ownership interest to 25.83% of the company's share capital. With respect to this acquisition, the fair value assigned to the assets was EUR 55,470 thousand, after having taken the corresponding deferred tax into consideration. This amount includes the underlying carrying amount of the investment totalling EUR 37,129 thousand. The goodwill which arose amounted to EUR 78,650 thousand.

The goodwill is attributable to the Abertis Group's high profitability and to the strategic and complementary nature of the activities carried on by the ACS Group.

The depreciation and amortisation charge for the assigned assets amounted to EUR 28,100 thousand in 2009 (EUR 27,871 thousand in 2008), and was recorded as a reduction in "Profit of Associates" in the accompanying consolidated income statement.

In relation to the goodwill of Abertis Infraestructuras, S.A. amounting to EUR 564,638 thousand, the ACS Group performed the corresponding impairment test. In this connection, since the company is traded through the Spanish computerized trading system, the analysis was performed in comparison with the market price of the company at year-end, and the consolidated carrying cost was higher. Accordingly, no signs of impairment with an effect on the income statement were considered to exist.

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- Ownership interest in Hochtief, A.G.

After executing the option to settle in shares the equity swap the ACS Group had entered into for shares of Hochtief, A.G. representing 4.9% of its share capital, the Group has an ownership interest of 29.98% of the company's share capital, and the related cost increased by EUR 287,505 thousand. In relation to this acquisition, in 2008 the Group analysed the fair value of the assets and liabilities in order to allocate the gains on the equity paid, and the final allocation in 2009 gave rise to the recognition of additional goodwill amounting to EUR 13,656 thousand.

The depreciation and amortisation charge for the allocated assets amounted to EUR 4,317 thousand in 2009 (EUR 3,612 thousand in 2008), and was recorded as a reduction in "Profit of Associates" in the accompanying consolidated income statement.

In relation to the ownership interest in Hochtief, A.G., a company listed on the Frankfurt stock exchange, since the market price stood at EUR 54.31 in the last quarter and EUR 53.55 at the end of the reporting period, amounts which were lower than the acquisition cost, the ACS Group considered it to be possible for signs of impairment to exist and performed the corresponding test. For the purpose of performing this test, the company used public information from market analysts relating to the target price of the share of the Hochtief group. This calculation includes the valuation of the German groups different business segments, identified as concession, services and real estate, and construction Europe, America and Asia/Pacific. The value of the aforementioned business segments was calculated based on the related activity, using the cash flow discount associated with the business plans presented by the Group in the case of the construction and real estate segments and the expected cash flows to shareholders until the end of the concession period in the case of concession activity, as well as performance and market price in the case of subsidiaries listed on stock markets. This calculation evidenced that there was no need to record a provision for the impairment of the ownership interest in Hochtief, A.G., since its fair value was higher than the cost of the ownership interest. In the Group's opinion, there are no reasonable changes in the main hypotheses which might give rise to the impairment of the ownership interest in Hochtief, A.G.

The market values of the ACS Group's investments in associates listed on an organised secondary market, based on their year-end market prices, is as follows:

Thousands of euros	
Abertis Infraestructuras, S.A.	2,858,183
Hochtief, A.G.	1,123,693

In addition to the aforementioned impairment tests performed on Abertis Infraestructuras, S.A. and Hochtief, A.G., the Group performed the required impairment tests to verify the recoverability of the other assets. For the purpose of performing these impairment tests, the Group took into consideration the future cash flow projections, dividend discounts and external market valuations for each of the investments based on the available information, and, and particularly in relation to the underlying goodwill, no need to recognize a provision for impairment was evidenced at the end of 2009 and 2008.



## 10. Financial assets

The detail of the balance of this heading in the consolidated statements of financial position in 2009 and 2008 is as follows:

	Balance at 31/12/2009		Balance at 31/12/2008	
	Non-Current	Current	Non-Current	Current
Thousands of euros				
Equity Instruments	4,418,844	4,249	2,639,391	4,691
Loans to associates	171,438	179,891	117,766	27,401
Other loans	508,145	159,850	395,791	735,809
Debt securities	7,167	363,049	4,390	294,206
Other financial assets	50,995	2,004,012	30,948	1,123,028
<b>Total</b>	<b>5,156,589</b>	<b>2,711,051</b>	<b>3,188,286</b>	<b>2,185,135</b>

### 10.01. Equity Instruments

The detail, by company, of the balance of this heading at 31 December 2009 is as follows:

	Cost	Impairment	Fair Value
Thousands of euros			
Corporate Unit			
Iberdrola, S.A.	4,203,960	-	4,203,960
Xfera Móviles, S.A.	79,206	-	79,206
Construction			
Madrid Calle 30, S.A.	50,000	-	50,000
Concessions			
Accesos de Madrid Concesionaria Española, S.A.	45,669	(3,074)	42,595
Inversora de la Autovía de la Mancha, S.A.	28,348	-	28,348
Other investments	31,378	(16,643)	14,735
<b>Total</b>	<b>4,438,561</b>	<b>(19,717)</b>	<b>4,418,844</b>

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The detail, by company, of the balance of this heading at 31 December 2008 is as follows:

	Cost	Impairment	Fair Value
Thousands of euros			
<b>Corporate Unit</b>			
Iberdrola, S.A.	2,422,018	-	2,422,018
Xfera Móviles, S.A.	79,206	-	79,206
<b>Construction</b>			
Madrid Calle 30, S.A.	50,000	-	50,000
<b>Concessions</b>			
Accesos de Madrid Concesionaria Española, S.A.	45,669	(3,074)	42,595
Inversora de la Autovía de la Mancha, S.A.	27,726	-	27,726
Other investments	52,390	(34,544)	17,846
<b>Total</b>	<b>2,677,009</b>	<b>(37,618)</b>	<b>2,639,391</b>

In accordance with IAS 39, these investments are considered to be available-for-sale financial assets. They have been measured at cost since there is no reliable market for them, except for in the case of Iberdrola, S.A.

At 31 December 2009 and 2008, the ACS Group had an ownership interest of 17% in the share capital of Xfera Móviles, S.A. through ACS Telefonía Móvil, S.L. following the sale of a portion of its ownership interest to the Telia Sonera Group in 2006. At 31 December 2009, this ownership interest was valued at EUR 188,346 thousand (EUR 165,396 thousand at 31 December 2008) following the contributions made, including the participating loans associated thereto, which amounted to EUR 109,140 thousand and were recognized under "Other Non-Current Loans". In any case, in accordance with this Company's business plans, the recoverable value of this investment would be higher than its carrying value.

## Iberdrola, S.A.

At 31 December 2009, the ACS Group held 630,278,959 shares representing 12.0% of the share capital of Iberdrola, S.A.

In accordance with IAS 39, this investment was adjusted to the market-price at year-end with an effect on equity of EUR 4,203,960 thousand (EUR 2,422,018 thousand in 2008), and the difference in value was included under "Adjustments for Changes in Value - Available-for-Sale Financial Assets" in the accompanying statement of financial position.

The most significant movement in 2009 in relation to this ownership interest arose because the ACS Group entered into a novation of the equity swap for 4.88% of the shares of Iberdrola, S.A. it held at 31 December 2008. This novation extends the period for the exercise of the equity swap (which is currently March 2011); the exercise of voting rights inherent to the underlying shares shall correspond to ACS, Actividades de Construcción y Servicios, S.A. and accordingly, the financial institution commits to being represented at all Shareholders' Meetings held by Iberdrola, S.A. by the representative appointed by ACS, who is entitled to vote freely. The equity swap may now only be settled by the physical handing over of shares, unless the market price of the share is less than EUR 4.00 in which case ACS, Actividades de Construcción y Servicios, S.A. may settle the swap by means of differences. Accordingly, the ACS Group now holds 12.0% of the voting rights in the electricity utility directly and indirectly. As a result of this novation, the Company recognised the investment through an equity swap at fair value on the asset side of the statement of financial position under "Non-Current Financial Assets". The financing relating to this asset was recognised under "Project Finance with Limited Recourse" in the accompanying statement of financial position at 31 December 2009. The decrease in the fair value of this derivative, amounting to EUR 648,185 thousand, which in 2008 did not meet the requirements to be carried as an asset, was included as a loss under "Changes in the Fair Value of Financial Instruments", with a related liability of EUR 533,552 thousand (Note 22).

The full transaction was financed, on the one hand, by means of a syndicated loan and a credit line with different banks, secured by the shares of Iberdrola, S.A. and with a subordinated loan of ACS, Actividades de Construcción y Servicios, S.A. (Note 18), and the other hand by an “equity swap”, which includes a coverage ratio over the market value of the underlying shares of Iberdrola, S.A., and if this ratio were not to be met, the agreement could be terminated. The Group contributed funds to meet this ratio at 31 December 2009 and 2008 (Note 10.04).

In 2009 and 2008 the ACS Group did not recognise adjustments for impairment in relation to the ownership interest in Iberdrola, since the company is traded through the Spanish computerized trading system. Since the market price stood at EUR 6.43 in the last quarter and EUR 6.67 at the end of the reporting period, amounts which were lower than the acquisition cost, the ACS Group considered it to be possible for signs of impairment to exist and performed the corresponding test.

For the purpose of performing this analysis the ACS Group used the dividend discount method on the basis of public analyst information for 2009 to 2013 which is less than 180 days old, relating to the net profit, “pay out”, growth and discount rate to be applied. The main variables used were as follows:

Iberdrola, S.A.	
Net profit	From EUR 2,758 mn (2009) to EUR 3,796 mn (2014)
Growth (*)	3%
Average pay out	58.04%
Discount rate	7%

(\*) Although historical growth stood at 22% and the growth foreseen by analysts for the next four years is 5%, in view of the economic environment, the Company chose to use a 3% residual value growth rate to calculate the impairment of the investment in Iberdrola, S.A.

In accordance with the above, the directors of the ACS Group do not consider factors to exist giving rise to impairment at the end of the reporting period, since its fair value was calculated to be above the cost of the ownership interest. The impairment test is highly sensitive to changes in the discount rate and the residual value growth rate, meaning that changes of certain significance might lead to the recognition of impairment.

## 10.02. Loans to associates

The detail of the balances of “Loans to Associates” and of the scheduled maturities at 31 December 2009, is as follows:

	Current		Non-Current			Total Non-Current
	2010	2011	2012	2013	2014 and subsequent years	
Thousands of euros						
Euro loans	178,701	1,051	-	-	122,887	123,938
Foreign currency loans	1,190	47,500	-	-	-	47,500
<b>Total</b>	<b>179,891</b>	<b>48,551</b>	<b>-</b>	<b>-</b>	<b>122,887</b>	<b>171,438</b>

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The detail of the balances of “Loans to Associates” and of the scheduled maturities at 31 December 2008, is as follows:

	Current	Non-Current				
	2009	2010	2011	2012	2013 and Subsequent Years	Total Non-Current
Thousands of euros						
Euro loans	26,473	3,018	-	-	79,900	82,918
Foreign currency loans	928	34,848	-	-	-	34,848
<b>Total</b>	<b>27,401</b>	<b>37,866</b>	<b>-</b>	<b>-</b>	<b>79,900</b>	<b>117,766</b>

At 31 December 2009, noteworthy is the loan in Euros granted by ACS, Servicios Comunicaciones y Energía, S.L. to Escal, UGS, S.L. which matured in 2010 and amounted to EUR 142,714 thousand.

In relation to the Euro loans, of significance are the EUR 32,197 thousand 2009 (EUR 30,697 thousand in 2008) loan granted to Circunvalación de Alicante, S.A. in 2008, the EUR 28,571 thousand (EUR 27,469 thousand in 2008) loan granted to TP Ferro Concesionaria, S.A. in 2009, as well as the EUR 27,399 thousand (2,250 thousand in 2008) loan granted to Intercambiador de Transportes de Plaza Castilla, S.A. maturing in 2034, 2035 and 2039, respectively.

In relation to foreign currency loans, noteworthy is the EUR 35,535 thousand loan in Chilean pesos granted to Concesionaria Vespucio Norte Express, S.A., which matures in 2011 (EUR 27,589 thousand in 2008 and maturing in 2010).

These loans bear market interest.

## 10.03. Other loans

The detail of the balances of “Other Loans” and of the scheduled maturities at 31 December 2009, is as follows:

	Current	Non-Current				
	2010	2011	2012	2013	2014 and subsequent years	Total Non-Current
Thousands of euros						
Euro loans	155,606	41,650	143,921	29,011	290,470	505,052
Foreign currency loans	4,244	2,341	752	-	-	3,093
<b>Total</b>	<b>159,850</b>	<b>43,991</b>	<b>144,673</b>	<b>29,011</b>	<b>290,470</b>	<b>508,145</b>

The detail of the balances of “Other Loans” and of the scheduled maturities at 31 December 2008 is as follows:

	Current	Non-Current				
	2009	2010	2011	2012	2013 and Subsequent Years	Total Non-Current
Thousands of euros						
Euro loans	733,441	52,332	34,951	29,888	278,620	395,791
Foreign currency loans	2,368	-	-	-	-	-
<b>Total</b>	<b>735,809</b>	<b>52,332</b>	<b>34,951</b>	<b>29,888</b>	<b>278,620</b>	<b>395,791</b>

At 31 December 2009, this heading included the portion of the contributions made by the ACS Group to meet the financing arrangement ratios associated with the acquisitions of 25.08% of Hochtief, A.G. and 6.87% of Iberdrola, S.A. which surpass the amounts of the credit lines forming part of this financing and that amount to EUR 108,441 thousand (688,739 thousand in 2008) (Note 18).

Also classified under this statement of financial position heading are surplus cash investments relating to short-term debt securities.

Non-current loans included refinanced loans to local government entities amounting to EUR 158,009 thousand at 31 December 2009 (EUR 141,556 thousand at 31 December 2008), as well as a participating loan to Xfera Móviles, S.A. amounting to EUR 109,140 thousand (EUR 86,190 thousand at 31 December 2008).

These loans bear interest at a rate tied to Euribor less a market spread.

## 10.04. Other financial assets

This statement of financial position heading relates to short-term deposits amounting to EUR 1,891,484 thousand (EUR 938,588 thousand at 31 December 2008). Of this amount, noteworthy is the EUR 712,052 thousand (EUR 760,812 thousand at 31 December 2008) contributed by the ACS Group to meet the coverage ratio relating to the acquisition of Iberdrola, S.A., through the use of derivative financial instruments. These amounts are remunerated at market rates and their availability depends on the meeting of coverage ratios. This amount is recognized under the current financial liabilities incurred to meet these commitments.

The balance of this heading also includes the outstanding dividends accrued amounting to EUR 972 thousand (EUR 54,515 thousand at 31 December 2008), the current account with the asset securitisation funds (Note 12) and the balance of the reserve account relating to project activity.

## 11. Inventories

The detail of "Inventories" is as follows:

	Balance at 31/12/2009	Balance at 31/12/2008
Thousands of euros		
Trade receivables	220,548	228,354
Raw materials and other procurements	237,140	279,276
Work in progress	54,904	49,127
Finished goods	5,583	17,487
By-products, waste and recovered materials	209	165
Advances to suppliers and subcontractors	139,425	124,185
<b>Total</b>	<b>657,809</b>	<b>698,594</b>

In 2009 inventories with a carrying amount of EUR 12,050 thousand (EUR 4,699 thousand in 2007) were pledged and/or mortgaged as security for the repayment of debts.

The total impairment losses on inventories recognised and reversed in the consolidated income statement for 2009, relating to the various ACS Group companies, amounted to EUR 2,000 thousand and EUR 2,053 thousand, respectively (EUR 3,617 thousand and EUR 1,067 thousand in 2008).

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## 12. Trade and other receivables

The carrying amount of trade and other receivables reflects their fair value, the detail being as follows:

	Balance at 31/12/2009	Balance at 31/12/2008
Thousands of euros		
Trade receivables for sales and services	6,025,576	5,946,228
Receivable from companies accounted for using the equity method	141,225	155,382
Other receivables	885,410	1,097,564
Current tax assets	122,652	102,382
<b>Total</b>	<b>7,174,863</b>	<b>7,301,556</b>

### Trade receivables for sales and services

The detail of this heading at 31 December 2009 and 2008 is as follows:

	Balance at 31/12/ 2009	Balance at 31/12/2008
Thousands of euros		
Trade receivables and notes receivable	4,871,905	5,003,487
Completed work pending certification	1,307,740	1,083,600
Allowances for doubtful debts	(154,069)	(140,859)
<b>Trade receivables for sales and services</b>	<b>6,025,576</b>	<b>5,946,228</b>
Advances received on orders (Note 23)	(2,491,451)	(2,398,787)
<b>Total net trade receivables balance</b>	<b>3,534,125</b>	<b>3,547,441</b>

The detail of the net trade receivables balance, by line of business, is as follows:

	Balance at 31/12/ 2009	Balance at 31/12/2008
Thousands of euros		
Construction	1,302,178	1,089,790
Industrial Services	1,206,033	1,368,248
Environment & Logistics	1,006,541	1,046,891
Concessions	13,383	37,045
Corporate Unit and other	5,990	5,467
<b>Total</b>	<b>3,534,125</b>	<b>3,547,441</b>

At 31 December 2009, retentions held by customers for contract work in progress amounted to EUR 126,467 thousand (EUR 155,894 thousand in 2008).

The Group companies assign trade receivables to financial entities, without the possibility of recourse against them in the event of non-payment. The balance of receivables was reduced by EUR 443,047 thousand in this connection at 31 December 2009 (EUR 448,837 thousand at 31 December 2008).

Substantially all the risks and rewards associated with the receivables, as well as control over them, were transferred through the sale and assignment of the receivables, since no repurchase agreements have been entered into between the Group companies and the credit institutions that have acquired the assets, and the credit institutions may freely dispose of the acquired assets without the Group companies being able to limit this right in any manner. Consequently, the balances receivable relating to the receivables assigned or sold under the aforementioned conditions were derecognised in the consolidated statement of financial position. The Group companies continued to manage collection during the period to maturity.

The balance of "Trade Receivables and Notes Receivable" was reduced by the amounts received from the CAP-TDA1 "Fondo de Titulización de Activos", a securitisation SPV which was set up on 25 June 2003.

The ACS Group companies fully and unconditionally assign receivables to the securitisation SPV. By means of this mechanism, at the date of assignment, the Company charges a set price (cash price) which does not reverse back to the securitisation SPV for any reason. This securitisation SPV, which is subject to Spanish law, transforms the receivables into marketable bonds. It is managed by a management company called Titulización de Activos, Sociedad Gestora de Fondos de Titulización, S.A. The bonds issued by the securitisation SPV received an AAA rating from rating agencies.

The amount of the receivables sold to the securitisation SPV was EUR 302,358 thousand at 31 December 2009 (EUR 315,837 thousand at 31 December 2008), of which EUR 65,592 thousand (EUR 78,710 thousand at 31 December 2008) were recognised as a current account with the securitisation SPV included under "Other Current Financial Assets-Other Loans" (Note 10.04).

A concentration of credit risk is not considered to exist since the Group has a large number of customers engaging in various activities. The main clients of Construction and Environment are public authorities.

Group management considers that the carrying amount of trade receivables reflects their fair value.

## 13. Other current assets

This statement of financial position includes current accruals of prepaid expenses and interest.

## 14. Cash and cash equivalents

"Cash and Cash Equivalents" includes the Group's cash and short-term bank deposits with an original maturity of three months or less. The carrying value of these assets reflect their fair value and there are no restrictions as to their use.

## 15. Equity

### 15.01. Share capital

In 2008 capital was reduced by means of the redemption of treasury shares on two occasions. In June 2008 and as resolved by the General Shareholders' Meeting of ACS, Actividades de Construcción y Servicios, S.A., 17,482,707 treasury shares (4.954%) were redeemed for a par value of EUR 8,742 thousand, thereby reducing the share capital from 352,873,134 to 335,390,427 shares. In December 2008 and as resolved by the Extraordinary General Shareholders' Meeting of ACS, Actividades de Construcción y Servicios, S.A. held on 3 December 2008, 16,746,453 treasury shares (4.993%) were redeemed for a par value of EUR 8,373 thousand, thereby reducing the number of shares representing the share capital from 335,390,427 to 318,643,974.

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The General Shareholders' Meeting held on 25 May 2009 resolved to redeem 3,979,380 treasury shares. This resolution was registered in the Spanish Mercantile Register on 1 July 2009, the resulting capital being EUR 157,332,297, represented by 314,664,594 fully subscribed and paid shares of EUR 0.5 par value each, all with the same voting and dividend rights.

In accordance with Article 153.1.b) and 2 of the Spanish Corporations Law, the General Shareholders' Meeting held on 25 May 2009 authorized the Company's Board of Directors to increase capital by up to half the Company's share capital at the date of this resolution on one or more occasions, and at the date, in the amount and under the conditions freely agreed in each case, within five years following 25 May 2009, and without having previously submitted a proposal to the General Shareholders' Meeting. Accordingly, the Board of Directors may set the terms and conditions under which capital is increased, as well as the features of the shares, investors and markets at which the increases are aimed and the issue procedure; freely offer the unsubscribed shares in the preferential subscription period; and in the event of incomplete subscription, cancel the capital increase or increase capital solely by the amount of the subscribed shares.

The capital increase or increases may be carried out through the issue of new shares, either ordinary, without voting rights, preference or recoverable. The new shares shall be payable by means of monetary contributions equal to the par value of the shares and any share premium which may be agreed.

In accordance with Article 159.2 of the Spanish Corporations Law, the Board of Directors was expressly empowered to exclude preferential subscription rights in full or in part in relation to all or some of the issues agreed under the scope of this authorisation, where it is in the interest of the company and as long as the par value of the shares to be issued plus any share premium agreed is equal to the fair value of the Company's shares based on a report to be drawn up at the Board's request, by an independent auditor other than the Company's auditor, which is appointed for this purpose by the Spanish Mercantile Register on any occasion in which the power to exclude preferential subscription rights granted in this paragraph is exercised.

Additionally, the Company's Board of Directors is authorised to request the listing or delisting of any shares issued, in Spanish or foreign organised secondary markets.

Also, in accordance with applicable legislation, the General Shareholders' Meeting held on 25 May 2009 resolved to delegate to the Board of Directors the power to issue fixed income securities, either simple and exchangeable or convertible and warrants on the Company's newly issued shares or shares in circulation. Securities may be issued on one or more occasions within five years following the resolution date. The total amount of the issue or issues of securities, plus the total number of shares listed by the Company, plus the total number of shares listed by the Company and outstanding at the issue of the date may not exceed a maximum limit of eighty percent of the equity of ACS Actividades de Construcción y Servicios, SA. according to the latest approved statement of financial position.

The shares of ACS, Actividades de Construcción y Servicios, S.A. are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges and traded through the Spanish computerised trading system.

Apart from the Parent, the companies included in the scope of consolidation whose shares are listed on securities markets are Abertis Infraestructuras, S.A. on the Spanish stock markets, Hochtief A.G on the German stock markets and Dragados y Construcciones Argentina, S.A.I.C.I. on the Buenos Aires Stock Exchange (Argentina).

At 31 December 2009, the shareholders with an ownership interest of over 10% in the share capital of the Parent were Corporación Financiera Alba, S.A. –with an ownership interest of 23.48%, Corporación Financiera Alcor, S.A. –with an ownership interest of 13.86% and Inversiones Vesán, S.A. –with an ownership interest of 12.34%.



## 15.02. Share premium

The share premium at 31 December 2009 and 2008 amounted to EUR 897,294 thousand. There have been no changes in the share premium account in the past two years.

The Consolidated Companies Law expressly permits the use of the share premium account balance to increase capital and does not establish any specific restrictions as to its use.

## 15.03. Retained earnings and other reserves

The detail of this heading at 31 December 2009 and 2008 is as follows:

	Balance at 31/12/ 2009	Balance at 31/12/2008
Thousands of euros		
Reserves of the Parent	1,222,931	1,251,750
Reserves at consolidated companies	1,715,028	577,982
<b>Total</b>	<b>2,937,959</b>	<b>1,829,732</b>

### 15.03.01. Reserves of the Parent

This heading includes the reserves set up by the Group's Parent, mainly in relation to retained earnings, and if applicable, in compliance with the various applicable legal provisions.

The detail of this heading at 31 December 2009 and 2008 is as follows:

	Balance at 31/12/ 2009	Balance at 31/12/2008
Thousands of euros		
Legal reserve	35,287	35,287
Voluntary reserves	845,152	501,584
Reserve for redenomination of share capital in euros	162	162
Other retained earnings	342,330	714,717
<b>Total</b>	<b>1,222,931</b>	<b>1,251,750</b>

### Legal reserve

Under the Consolidated Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital.

The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

The legal reserve recognised by the Group's Parent, which amounts to EUR 35,287 thousand, has reached the stipulated level at 31 December 2009 and 2008.

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## Voluntary reserves

These are reserves, the use of which is not limited or restricted, freely set up by means of the allocation of the Parent's profits, after the payment of dividends and the required appropriations to the legal or other restricted reserves in accordance with current legislation.

Pursuant to Article 194 of the Consolidated Companies Law, until the start-up expenses and goodwill recorded in the individual financial statements in accordance with generally accepted accounting principles in Spain have not been fully amortised, any distribution of profit is prohibited, unless the unrestricted reserves recorded are at least equal to the amount of the unamortised balances. In this case the reserves allocated to meet this requirement are considered to be restricted reserves.

## 15.03.02. Reserves at consolidated companies

The detail, by line of business, of the balances of these accounts in the consolidated statements of financial position –after considering the effect of consolidation adjustments– is as follows:

	Balance at 31/12/ 2009	Balance at 31/12/2008
Thousands of euros		
Construction	297,085	258,328
Industrial Services	491,271	304,174
Environment & Logistics	477,897	360,622
Concessions	(113,769)	(74,821)
Corporate Unit	562,544	(270,321)
<b>Total</b>	<b>1,715,028</b>	<b>577,982</b>

Certain Group companies have clauses in their financing agreements (this is standard practice in project financing) restricting the payment of dividends until certain ratios have been met.

## 15.04. Treasury shares

The changes in "Treasury Shares" in 2009 and 2008 were as follows:

	2009		2008	
	Number of shares	Thousands of euros	Number of shares	Thousands of euros
At beginning of year	-	-	11,941,061	516,341
Purchases	15,473,056	535,793	22,718,071	688,345
Sales	(1,658,043)	(53,857)	(429,972)	(13,553)
Redemption July 2009 / July 2008	(3,979,380)	(131,189)	(17,482,707)	(715,898)
Redemption December 2008	-	-	(16,746,453)	(475,235)
<b>At end of year</b>	<b>9,835,633</b>	<b>350,747</b>	<b>-</b>	<b>-</b>

At 31 December 2009, the Group held 9,835,633 shares of the Parent, of EUR 0.5 par value each, representing 3.13% of share capital, with a carrying value per consolidated books of EUR 350,747 thousand which is recorded under "Treasury Shares and Equity Interests" in the accompanying consolidated statement of financial position. At 31 December 2008, the Group did not hold shares of the Parent.

The average purchase price of the shares of ACS in 2009 was EUR 34.63 per share and the average selling price of the shares in 2009 was EUR 32.48 per share (EUR 30.30 and EUR 31.52 per share, respectively, in 2008).

In June 2009 and as resolved by the General Shareholders' Meeting of ACS, Actividades de Construcción y Servicios, S.A. held on 25 May 2009, 3,979,380 treasury shares (1.249%) were redeemed for a par value of EUR 1,990 thousand, thereby reducing the share capital from 318,643,974 to 314,664,594 shares.

In 2008 capital was reduced by means of the redemption of treasury shares on two occasions. In June 2008 and as resolved by the General Shareholders' Meeting of ACS, Actividades de Construcción y Servicios, S.A., 17,482,707 treasury shares (4.954%) were redeemed for a par value of EUR 8,742 thousand, thereby reducing the share capital from 352,873,134 to 335,390,427 shares. In December 2008 and as resolved by the Extraordinary General Shareholders' Meeting of ACS, Actividades de Construcción y Servicios, S.A. held on 3 December 2008, 16,746,453 treasury shares (4.993%) were redeemed for a par value of EUR 8,373 thousand, thereby reducing the share capital from 335,390,427 to 318,643,974 shares.

## 15.05. Interim dividend

At the meeting on 17 December 2009, the Parent's Board of Directors resolved to distribute an interim dividend of EUR 0.90 per share, totalling EUR 283,198 thousand, which was paid on 12 January 2010. For this purpose, the Parent prepared the liquidity statement required under Article 216 of the Consolidated Companies Law in this connection. This interim dividend paid is recognised under "Interim Dividend" and is deducted from "Equity Attributable to the Parent" included at 31 December 2009 under the heading "Other Current Liabilities" in the accompanying consolidated statement of financial position.

At the meeting on 3 December 2008, the Parent's Board of Directors resolved to distribute an interim dividend of EUR 0.90 per share, totalling EUR 286,780 thousand, which was paid on 27 January 2009. For this purpose, the Parent prepared the liquidity statement required under Article 216 of the Consolidated Companies Law in this connection. This interim dividend paid is recognised under "Interim Dividend" and is deducted from "Equity Attributable to the Parent" included at 31 December 2008 under the heading "Other Current Liabilities" in the accompanying consolidated statement of financial position.

## 15.06. Adjustments for changes in value

The changes in the balance of this heading in 2009 and 2008 were as follows:

	2009	2008
Thousands of euros		
<b>Beginning balance</b>	<b>(1,002,182)</b>	<b>676,738</b>
Hedging instruments	(43,937)	(344,112)
Available-for-sale financial assets	(195,134)	(1,200,341)
Exchange differences	234,492	(134,467)
<b>Ending Balance</b>	<b>(1,006,761)</b>	<b>(1,002,182)</b>

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The adjustments for hedging instruments relate to the reserve generated by changes in the fair value of the financial instruments designated and classified as cash flow hedges. These relate mainly to interest rate and exchange rate hedges tied to statement of financial position asset and liability items, as well as the future transaction commitments to which the recording of hedges applies, due to the fulfilment of certain requirements of IAS 39.

Available-for-sale financial assets include the unrealised losses and gains arising from changes in fair value net of the related tax effect. The main changes arose from the ownership interest in Iberdrola, S.A., in relation to which a negative balance amounting to EUR 799,893 thousand was recognised at 31 December 2009 (EUR 659,618 thousand at 31 December 2008).

This heading also includes the indirect ownership interest held mainly by Abertis Infraestructuras, S.A. amounting to a negative EUR 57,753 thousand in 2009 and EUR 34,300 thousand in 2008 (mainly relating to its holding in Atlantia and in Brisa Auto-estradas de Portugal, S.A.).

The exchange differences at 1 January 2004 were recognised in the transition to IFRSs as opening reserves. Consequently, the amount presented in the Group's consolidated statement of financial position at 31 December 2009 relates exclusively to the difference arising from 2004 to 2009, net of the tax effect, between the closing and opening exchange rates; on non-cash items whose fair value is adjusted against equity and on the translation to Euros of the balances in the functional currencies of fully and proportionally consolidated companies, as well as companies accounted for using the equity method, whose functional currency is not the Euro.

Following are the main exchange differences by currency:

	Balance at 31/12/2009	Balance at 31/12/2008
Thousands of euros		
Brazilian real	66,146	(34,132)
Argentine peso	(17,359)	(13,181)
Mexican peso	(5,771)	(4,586)
Chilean peso	(5,079)	(19,127)
British pound	(3,313)	(3,739)
South African Rand	(3,161)	(3,164)
Algerian dinar	(3,217)	(1,267)
Other currencies	(1,351)	1,368
Exchange differences of companies accounted for using the equity method	(18,746)	(75,163)
Exchange differences arising from Unión Fenosa	-	(73,353)
<b>Total</b>	<b>8,149</b>	<b>(226,343)</b>

## 15.07. Non-controlling interests

The detail, by line of business, of the balance of "Non-controlling interests" in the consolidated statement of financial position at 31 December 2009 and 2008 is as follows:

Line of Business	Balance at 31/12/2009			Balance at 31/12/2008		
	Non-controlling interests	Profit attributed to Non-controlling interests	Profit from Discontinued Operations	Non-controlling interests	Profit to Non-Controlling Interests	Profit from Discontinued Operations
Thousands of euros						
Construction	67,989	3,674	-	12,137	1,584	-
Industrial Services	93,882	17,387	-	79,367	10,152	-
Environment & Logistics	87,286	7,696	(1,532)	87,131	6,650	2,618
Concessions	11,495	216	-	19,653	(686)	-
Energy	(168,143)	-	168,143	5,477,635	-	814,377
<b>Total</b>	<b>92,509</b>	<b>28,973</b>	<b>166,611</b>	<b>5,675,923</b>	<b>17,700</b>	<b>816,995</b>

This heading in the accompanying consolidated statement of financial position reflects the proportional share of the equity of non-controlling interests in the Group companies. The changes in 2009, by item, were as follows:

	Thousands of euros
<b>Balance at 31 December 2008</b>	<b>6,510,618</b>
Profit for the year from continuing operations	28,973
Profit for the year from discontinued operations	166,611
Dividends received	(13,315)
Change in the scope of consolidation	(6,309,396)
Changes in share capital and other	9,521
Valuation adjustments	(104,919)
<b>Balance at 31 December 2009</b>	<b>288,093</b>

The changes in 2008, by item, were as follows:

	Thousands of euros
<b>Balance at 31 December 2007</b>	<b>5,787,278</b>
Profit for the year from continuing operations	17,700
Profit for the year from discontinued operations	816,995
Dividends received	(379,694)
Change in the scope of consolidation	363,159
Changes in share capital and other	21,211
Valuation adjustments	(116,031)
<b>Balance at 31 December 2008</b>	<b>6,510,618</b>

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The detail of this balance at 31 December 2009, by business segment, is as follows:

Line of Business	Share capital	Reserves	Profit for the Year	Profit from Discontinued Operations	Total
Thousands of euros					
Construction	8,905	59,084	3,674	-	71,663
Industrial Services	82,455	11,427	17,387	-	111,269
Environment & Logistics	49,795	37,491	7,696	(1,532)	93,450
Concessions	18,176	(6,681)	216	-	11,711
Energy	-	(168,143)	-	168,143	-
<b>Total</b>	<b>159,331</b>	<b>(66,822)</b>	<b>28,973</b>	<b>166,611</b>	<b>288,093</b>

The detail of this balance at 31 December 2008, by business segment, is as follows:

Line of Business	Share capital	Reserves	Profit for the Year	Profit from Discontinued Operations	Total
Thousands of euros					
Construction	4,814	7,323	1,584	-	13,721
Industrial Services	73,860	5,507	10,152	-	89,519
Environment & Logistics	45,207	41,924	6,650	2,618	96,399
Concessions	24,335	(4,682)	(686)	-	18,967
Energy	322,704	5,154,931	-	814,377	6,292,012
<b>Total</b>	<b>470,920</b>	<b>5,205,003</b>	<b>17,700</b>	<b>816,995</b>	<b>6,510,618</b>

At 31 December 2009, the shareholders with an ownership interest equal to or exceeding 10% of the share capital of the Group's main subsidiaries were as follows:

Group Company	Percentage of Ownership	Shareholder
Thousands of euros		
<b>Construction</b>		
John P. Picone, Inc.	20.00%	John P. Picone (*)
Construrail S.A.	49.00%	Renfe Operadora
<b>Industrial Services</b>		
Artemis Transmissora de Energia, Ltda.	49.00%	Eletrosul Centrais Eléctricas, S.A. (44%)
Beni Saf Water Company Spa.	49.00%	Algerian Energy Company -SPA
Emurtel, S.A.	49.90%	Ginés Heredia (20%) José María Rodríguez (29.9%)
Energías Ambientales, S.A. (Easa)	33.33%	Enel Unión Fenosa Energías Renovables, S.A.
Procme, S.A.	25.00%	José Reis Costa
Serpista, S.A.	49.00%	Temg Mantenimiento, S.A. (10%) Iberia, S.A. (39%)
Sistemas Sec, S.A.	49.00%	Compañía Americana de Multiservicios Limitada
Uirapuru Transmissora de Energia, Ltda.	49.00%	Eletrosul Centrais Electricas, S.A.
<b>Environment &amp; Logistics</b>		
Centro de Transferencias, S.A.	30.00%	Emgrisa
Ecoparc de Barcelona, S.A.	33.60%	Comsa Medio Ambiente S.L. (28.30%)
Residuos Industriales de Zaragoza, S.A.	30.00%	Marcor Ebro, S.A.
Residuos Sólidos Urbanos de Jaén, S.A.	40.00%	Diputación Provincial de Jaen Cesa Stevedoring, S.A. (28.75%)
Tirmadrid, S.A.	33.64%	Enel Unión Fenosa Energías Renovables, S.A. (18.64%) Endesa Cogeneración y Renovables, S.A. (15%)
Urbana de Servicios Ambientales, S.L.	30.00%	Construcciones Sánchez Domínguez (20%) Unicaja (10%)
Vertederos de Residuos, S.A.	16.03%	Fomento de Construcciones y Contratas, S.A.
<b>Concessions</b>		
Autovía de La Mancha S.A. Conces. JCC Cast-La Mancha	25.00%	CYOP, S.A.
Concesionaria Santiago Brión, S.A.	30.00%	Francisco Gómez y CIA, S.L. (15%) Extraco Construcciones e Proyectos, S.A. (15%)
Intercambiador de Transportes de Príncipe Pío, S.A.	30.00%	Empresa de Blas y Compañía, S.L.

(\*) There is a purchase commitment of 20%.

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## 16. Grants

The changes in the balance of this heading in 2009 and 2008 were as follows:

	2009	2008
Thousands of euros		
<b>Beginning balance</b>	<b>65,386</b>	<b>810,599</b>
Changes in the scope of consolidation	18,733	(748,872)
Additions	11,772	6,935
Transfers	(2,131)	(742)
Recognition in income statement	(3,236)	(2,534)
<b>Ending Balance</b>	<b>90,524</b>	<b>65,386</b>

The grants related to assets taken to income in 2009 (recognised under "Allocation of Grants Relating to Non-Financial Assets and Others" in the statement of financial position) amounted to EUR 3,236 thousand (EUR 2,510 thousand in 2008). Following is a detail of the timing of recognition:

	2009			2008		
	< 1	2-5	> 5	<1	2-5	> 5
Thousands of euros						
Grants related to assets	9,159	19,366	61,999	7,516	15,110	42,760

## 17. Bank borrowings, debt instruments and other held-for-trading liabilities

### 17.01. Debt instruments and other held-for-trading liabilities

At 31 December 2009 and 2008, the ACS Group did not have any current or non-current held-for-trading liabilities.

### 17.02. Bank loans

The detail of the bank borrowings at 31 December 2009 and the repayment schedules are as follows:

	Current		Non-Current			
	2010	2011	2012	2013	2014 and Subsequent Years	Total Non-Current
Thousands of euros						
Euro loans	1,975,831	274,671	2,491,757	26,753	108,905	2,902,086
Foreign currency loans	123,453	51,693	4,106	5,851	36,787	98,437
Finance lease obligations	14,237	11,428	6,885	4,426	10,393	33,132
<b>Total</b>	<b>2,113,521</b>	<b>337,792</b>	<b>2,502,748</b>	<b>37,030</b>	<b>156,085</b>	<b>3,033,655</b>



The detail of the bank borrowings at 31 December 2008 and the repayment schedules are as follows:

	Current		Non-Current			Total Non-Current
	2009	2010	2011	2012	2014 and Subsequent Years	
Thousands of euros						
Euro loans	3,843,801	2,610,767	400,462	35,973	159,006	3,206,208
Foreign currency loans	96,546	16,965	2,230	1,771	10,075	31,041
Finance lease obligations	20,599	14,143	11,849	9,652	15,162	50,806
<b>Total</b>	<b>3,960,946</b>	<b>2,641,875</b>	<b>414,541</b>	<b>47,396</b>	<b>184,243</b>	<b>3,288,055</b>

In 2009 and 2008 the ACS Group satisfactorily repaid all its financial liabilities at their maturity date. Also, up to the date of the preparation of these consolidated financial statements, the Group had not defaulted on any of its financial obligations.

The ACS Group's most significant bank loans are as follows:

In 2005, ACS, Actividades de Construcción y Servicios, S.A. arranged a syndicated loan amounting to EUR 1,500,000 thousand with 39 credit institutions, which matures on 22 July 2010, on which date a single repayment in full is required. This loan bears interest at a variable rate tied to Euribor plus a spread. Various interest rate swaps were arranged to hedge 100% of the loan granted, which mature in July 2010. This loan requires compliance with certain ratios that are being met by the Group. At 30 July 2009, in order to repay its existing syndicated loan at maturity, ACS, Actividades de Construcción y Servicios, S.A. entered into a syndicated loan agreement, in which the agent entity was Caja Madrid, amounting to EUR 1,594,450 thousand and maturing in July 2012. Therefore, this loan continued to be classified as non-current. This new loan also bears interest at a variable rate tied to Euribor plus a spread.

Additionally, the Parent arranged bilateral non-current loans with different credit institutions amounting to EUR 360,000 thousand, at an interest rate tied to Euribor plus a market spread.

Non-current financing includes EUR 650 million relating to a syndicated loan granted to Urbaser, S.A. on 26 May 2005, which fully matures in five years and requires compliance with certain ratios that are being met by the Urbaser Group. Various interest rate swaps were arranged to cover 60% of this loan, which mature in June 2010. Urbaser, S.A. entered into a similar transaction with a syndicate of Banks, by means of which its syndicated loan agreement was extended to EUR 750,000 thousand and the maturity date was extended to May 2012. Therefore, this loan continues to be classified as non-current. With this and the aforementioned transaction relating to the Parent, the ACS Group assured the liquidity of its business activity.

Additionally, the SPL Group was granted a syndicated loan amounting to EUR 280,000 thousand, which also requires compliance with certain ratios that are being met by the SPL Group. Various interest rate swaps were arranged to cover 64% of this loan, which mature in July 2011. As a result of its consideration as a discontinued operation, it was classified under "Liabilities relating to Non-Current Assets Held for Sale and Discontinued Operations".

The ACS Group's mortgage loans amount to EUR 15,203 thousand (EUR 8,537 thousand in 2008).

At 31 December 2009 the Group companies had credit facilities with limits totalling EUR 3,666,296 thousand (EUR 5,199,259 thousand in 2008), of which EUR 1,687,530 thousand were undrawn (EUR 2,187,463 thousand at 31 December 2008). These credit facilities sufficiently cover all the Group's needs in relation to its short-term commitments.

At 31 December 2009, current and non-current bank borrowings in foreign currencies amounted to EUR 221,890 thousand (EUR 127,587 thousand in 2008), of which EUR 104,493 thousand were denominated in US dollars (EUR 48,413 thousand in 2008), EUR 45,025 thousand were denominated in Chilean pesos (EUR 34,544 thousand in 2008), EUR 20,600 thousand were denominated in Moroccan dirham, EUR 14,653 thousand were denominated in Brazilian reals (EUR 5,746 thousand in 2008), EUR 12,111 thousand were denominated in Polish zloty and EUR 9,286 thousand in Colombian pesos (EUR 9,149 thousand in 2008).

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Foreign currency loans and credits are recognised at their equivalent Euro value at each year-end, calculated at the exchange rates prevailing at 31 December.

In 2009 the Group's Euro loans and credits bore average annual interest of 3.35% (4.84% in 2008). Foreign currency loans and credits bore average annual interest of 4.33% (7.20% in 2008).

In accordance with its risk management policy, the ACS Group attempts to achieve a reasonable balance between non-current financing for the Group's strategic investments (above all, project financing and limited recourse financing of debt as described in Note 18) and current financing for the management of working capital. The effect on finance charges of the changes in interest rates is indicated in Note 21.

## 17.03. Finance lease obligations

The detail of the amounts payable under finance leases at 31 December 2009 and 2008 is as follows:

2009	Within one year	Between two and five years	Over five years	Balance at 31/12/2009
Thousands of euros				
Present value of minimum lease payments	14,237	22,739	10,393	47,369
Unaccrued finance charges	702	1,379	536	2,617
<b>Total amounts payable under finance leases</b>	<b>14,939</b>	<b>24,118</b>	<b>10,929</b>	<b>49,986</b>

2008	Within one year	Between two and five years	Over five years	Balance at 31/12/2008
Thousands of euros				
Present value of minimum lease payments	20,599	35,644	15,162	71,405
Unaccrued finance charges	1,643	2,670	1,179	5,492
<b>Total amounts payable under finance leases</b>	<b>22,242</b>	<b>38,314</b>	<b>16,341</b>	<b>76,897</b>

The decrease in finance lease obligations at 31 December 2009 with respect to the same date in 2008 is mainly due to the consideration of port and logistics services as a discontinued operation.

It is the Group's policy to lease certain of its fixtures and equipment under finance leases. The average lease term is three to four years. Interest rates are set at the contract date. All leases are on a fixed repayment basis. The contingent rental payments were not material at 31 December 2009 nor at 31 December 2008. All the lease obligations are denominated in Euros.

The Group's finance lease obligations are secured by the lessors' charges on the leased assets.

## 18. Limited recourse financing of projects and debts

"Limited Recourse Financing of Projects and Debts" on the liability side of the statement of financial position includes the financing for the acquisition of Iberdrola, S.A. and Hochtief, A.G., as well as the financing amount associated with projects. The detail of the balance of this heading, by type of asset financed, at 31 December 2009 is as follows:

	Current	Non-Current	Total
Thousands of euros			
Iberdrola, S.A.	46,342	4,424,047	4,470,389
Hochtief Aktiengesellschaft	16,431	740,731	757,162
<b>Project financing</b>			
Wind-powered facilities	57,134	1,181,279	1,238,413
Thermal solar power plant	28,667	1,128,370	1,157,037
Roads	2,462	533,251	535,713
Desalination plants	1,563	206,797	208,360
Waste treatment	19,207	160,961	180,168
Energy transport	87,785	81,819	169,604
Police stations	3,797	73,824	77,620
Transport interchange	1,460	54,593	56,053
Water management	4,032	33,582	37,615
Photovoltaic plants	1,499	28,041	29,540
Other infrastructures	7,670	43,934	51,604
	<b>278,049</b>	<b>8,691,229</b>	<b>8,969,278</b>

The detail of the balance of this heading, by type of asset financed, at 31 December 2008 is as follows:

	Current	Non-Current	Total
Thousands of euros			
Iberdrola, S.A.	53,481	2,472,244	2,525,725
Hochtief Aktiengesellschaft	13,592	627,023	640,615
<b>Project financing</b>			
Wind-powered facilities	55,909	1,123,923	1,179,832
Thermal solar power plant	2,417	612,181	614,598
Roads	1,002	385,021	386,023
Desalination plants	-	197,271	197,271
Port terminals	8,399	178,003	186,402
Waste treatment	16,264	102,868	119,132
Police stations	3,303	80,712	84,015
Energy transport	6,324	54,592	60,916
Transport interchange	1,340	56,083	57,423
Water management	-	22,550	22,550
Other infrastructures	14,809	332,769	347,578
	<b>176,840</b>	<b>6,245,240</b>	<b>6,422,080</b>

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At 31 December 2009 and 2008, the detail, by maturity, of non-current financing is as follows:

	Maturity in				Total
	2011	2012	2013	2014 and Subsequent Years	
Thousands of euros					
Balance at 31 December 2009	4,644,720	898,188	156,956	2,991,365	8,691,229

	Maturity in				Total
	2010	2011	2012	2014 and Subsequent Years	
Thousands of euros					
Balance at 31 December 2008	85,772	2,522,826	676,258	2,960,384	6,245,240

The most significant financing arrangements were as follows:

## Financing of the acquisition of Iberdrola, S.A.

For the acquisition of 6.87% of Iberdrola, S.A., limited recourse financing was obtained through a syndicated loan of EUR 2,486,900 thousand arranged on 28 December 2006 (of which EUR 360,000 thousand was repaid in 2009), and a credit line from Banco Bilbao Vizcaya Argentaria, S.A. guaranteed by the participating banks, which amounted to EUR 331,600 thousand. Both loans mature on 28 December 2011, bear interest tied to Euribor plus a spread, and are secured by the shares acquired. The balance at 31 December 2009 amounted to a total of EUR 2,163,918 thousand (EUR 2,525,725 thousand at 31 December 2008). In relation to this financing, various interest rate swaps were entered into for 90% of the initial amount of this syndicated loan, which mature in July 2011.

The main characteristics of the financing arrangement include the maintenance of a coverage ratio over the market value of the shares of Iberdrola, S.A. If this ratio were not met, the pledge could be executed. If the aforementioned coverage ratio were not met and the ACS Group decided to maintain the financing, ACS, Actividades de Construcción y Servicios, S.A. would be required to provide funds up to a limit of EUR 331,600 thousand in the form of a subordinated loan. Both at 31 December 2009 and at the date of the preparation of these consolidated financial statements, this coverage ratio was being met (Note 10.04).

The rest of the investment was financed with a subordinated loan of the Parent.

In addition to the financing mentioned in the previous paragraph, and as a result of the novation of the equity swap for the shares of Iberdrola, S.A. held by the ACS Group (See Note 10.01), a liability was recognised for the related financing amounting to EUR 2,306,918 thousand at 31 December 2009 and maturing in March 2011, secured by shares representing 4.88% of the share capital in Iberdrola, S.A. It bears an interest rate tied to Euribor. As in the case of the aforementioned loan, the ACS Group must meet a coverage ratio over the market value of this ownership interest. Both at 31 December 2009 and at the date of the preparation of these consolidated financial statements, this coverage ratio was being met (Note 10.04).

## Financing of the acquisition of Hochtief, A.G.

For the acquisition of 25.08% of Hochtief, A.G., in 2007, financing by BBVA was arranged amounting to EUR 948,000 thousand, divided into two tranches, tranche A consisting in a loan of EUR 632,000 thousand (EUR 71,000 of which was repaid early in 2009) and Tranche B consisting of a current account credit line amounting to EUR 316,000 thousand. Both tranches are secured by the shares acquired and have a finance cost tied to Euribor, and the sole and final maturity date for this financing is 24 July 2012.

The main characteristics of the financing arrangement include the maintenance of a coverage ratio over the market value of the shares of Hochtief, A.G. If this ratio were not met, the pledge could be executed. If the aforementioned coverage ratio were not maintained and the ACS Group decided to maintain the financing, ACS, Actividades de Construcción y Servicios, S.A. would be required to provide funds up to a limit of EUR 316,000 thousand in the form of a subordinated loan. Both at 31 December 2008 and at the date of the preparation of these consolidated financial statements, this coverage ratio was being met.

The remainder of the investment was made through a participating loan from ACS, Actividades de Construcción y Servicios, S.A. amounting to EUR 326,000 thousand, the sole and final maturity date of which is 31 October 2012. This loan bears interest at both a fixed and variable rate, on the basis of the company's net profit.

To cover the ratios required to be met for the financing of Hochtief A.G. and Iberdrola, S.A., the Group contributed funds amounting to EUR 413,416 thousand at 31 December 2009 (EUR 1,238,407 thousand at 31 December 2008). These funds reduced the limited recourse financing and the portion exceeding the credit line amount was recognised on the asset side of the statement of financial position under "Other Current Financial Assets" (Note 10.04).

## Project financing

Project financing included, inter alia, the following:

- Wind-powered Facilities These are financed through non-current non-recourse loan agreements granted to shareholders, which are tied to Euribor plus a floating spread based on certain ratios and mature between 2012 and 2028.
- Thermal solar plants such as Andasol 1 and 2, Extresol 1, 2 and 3 and Manchasol 1 and 2, are financed through syndicated loans tied to Euribor plus a market spread, maturing in 2029.
- Motorways relate mainly to the following:
  - On 3 March the financing of I-595 in Florida (USA) was closed for US \$ 1,389 million in two tranches. The first tranche was financed during construction by means of a bank loan entered into with 13 entities amounting to US \$ 781 million maturing in 10 years. 6.5775% has been fully hedged for Tranche A (US \$ 525 million) and 7.1375% for Tranche B (US \$ 256 million). The second was financed by means of a Federal Government loan (TIFIA) amounting to US \$ 608 million maturing in 33 years and bearing a fixed interest rate of 3.64%.
  - Autovía de La Mancha: The full debt of the concession company Autovía de la Mancha was refinanced in April 2008. On 17 April 2008 a long-term loan agreement amounting to EUR 110,000 thousand was arranged with Dexia Sabadell S.A. The new loan obtained an A1 rating from Moodys and an A- rating from S&P, the second motorway worldwide to obtain this rating. The loan matures in full in October 2031. EUR 93,500 thousand have been hedged at a fixed interest rate.
  - Inversora de la Autovía de la Mancha, S.A. entered into a loan agreement with Dexia Sabadell S.A. amounting to EUR 53,600 thousand. EUR 45,560 thousand have been hedged at a fixed interest rate and the loan matures in full in 2032.
  - Santiago Brión: On 19 December 2005, the company arranged a commercial loan with Société Générale, S.A. and Dexia Sabadell Banco Local, S.A. amounting to EUR 35,000 thousand. Additionally, it entered into a loan agreement amounting to EUR 54,000 thousand with the BEI. They are to be repaid in 46 bi-yearly instalments. Both loans mature on 15 December 2032. The loan arranged with Société bears interest tied to three-month Euribor plus a spread. In the case of the BEI loan, the interest rate is at BEI rate plus a spread.
- Desalination plants: It relates to the financing of Beni Saf Water Company, Spa by means of a syndicated loan at a fixed interest rate of 3.75% which matures in 2024 and the financing of Hydromanagement, S.L. by means of a syndicated loan tied to Euribor plus a spread, which matures in 2031.

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- Waste treatment: Of significance is the plant Ecoparc de Barcelona, S.A. On 30 July 2009 a loan was arranged amounting to EUR 53,000 bearing interest at a variable rate tied to Euribor plus a market spread and maturing on 30 July 2024. Its purpose was to refinance the construction project, management and operation of the Complejo Metropolitano de Tratamiento Integral de Residuos Municipales (Metropolitan Complex of Municipal Waste Treatment) located in Zona Franca in Barcelona.
- Energy transport: It relates mainly to the financing of the electricity transmission line in Brazil which matures between 2018 and 2037, which was arranged with Banco Nacional de Desarrollo de Brasil and Banco Regional de Desarrollo del Estado de Santa Catarina at a fixed interest rate with a variable spread on the basis of certain ratios and a basket of currencies.

The Group has arranged various interest rate hedges in connection with the aforementioned financing (Note 22).

The average annual interest rate for this type of financing amounted to 4.54% in 2009 and to 5.18% in 2008.

The debts relating to this type of financing are secured by project assets and include clauses requiring that certain ratios be complied with by the project and which were being met at 31 December 2009.

## 19. Other financial liabilities

The breakdown of the balances of this heading in the consolidated statements of financial position is as follows:

	Balance at 31/12/2009		Balance at 31/12/2008	
	Non-Current	Current	Non-Current	Current
Non-bank borrowings at a reduced interest rate	38,622	5,988	38,463	6,059
Payable to associates	-	63	2,648	5
Other	10,752	17,614	1,871	1,813
<b>Total</b>	<b>49,374</b>	<b>23,665</b>	<b>42,982</b>	<b>7,877</b>

"Non-Bank Borrowings at a Reduced Interest Rate" are loans at reduced or zero interest rates granted by the Ministry of Industry, Commerce and Tourism and dependent agencies. The effect of the financing at market interest rates would not be material.

## 20. Provisions

The changes in non-current provisions in 2009 were as follows:

Non-Current	Provision for Pensions and Similar Obligations	Provision for taxes	Provision for third-party liability	Total
Thousands of euros				
<b>Balance at 31 December 2008</b>	976	18,216	139,455	158,647
Additions or charges for the year	47	40,371	235,566	275,984
Amounts used	34	(3,259)	(25,516)	(28,741)
Reversals	-	(215)	(18,863)	(19,078)
Increases due to the passing of time and the effect of exchange rates on discount rates	(8)	-	73	65
Exchange differences	4	323	893	1,220
Changes in the scope of consolidation	(773)	(2,903)	(5,583)	(9,259)
<b>Balance at 31 December 2009</b>	<b>280</b>	<b>52,533</b>	<b>326,025</b>	<b>378,838</b>

Non-current provisions include provisions for third-party liabilities whose purpose is to cover different Group liabilities including, inter alia, provisions for litigation, arbitration and claims in which the various Group companies act as the defendant due to the liabilities inherent to the activities carried on by them, provisions for restructuring costs and provisions for the closing and post-closing of landfills (basically in the services area).

The detail of the provision for third-party liabilities, by line of business, is as follows:

Line of Business	Thousands of euros
Construction	62,824
Industrial Services	78,234
Environment	116,696
Concessions	22,677
Corporate Unit	45,564
<b>Total</b>	<b>326,025</b>

Additionally, and in accordance with the opinion of the external lawyers responsible for the legal aspects of this matter, the Group considers that there is no economic risk relating to the lawsuit filed by Boliden-Apirsa in 2004. In relation to this matter, the Madrid Court of First Instance and the Madrid Provincial Appeal Court dismissed the lawsuit filed by Boliden-Apirsa. An appeal against this judgement has been filed before the Supreme Court.

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The changes in current provisions in 2009 were as follows:

Current	Provision for Termination Benefits	Provision for Contract Work Completion	Operating Allowance	Total
Thousands of euros				
Balance at 31 December 2008	13,276	132,707	118,730	264,713
Additions or charges for the year	7,065	22,585	54,060	83,710
Amounts used	(3,466)	(39,914)	(22,938)	(66,318)
Reversals	(307)	(877)	(3,579)	(4,763)
Exchange differences	(167)	(103)	(138)	(408)
Changes in the scope of consolidation	(640)	-	(1,139)	(1,779)
Balance at 31 December 2009	15,761	114,398	144,996	275,155

## 21. Financial risk and capital management

In view of its activities, the ACS Group is exposed to different financial risks, mainly arising from the ordinary course of its operations, the borrowings to finance its operating activities, and its investments in companies with functional currencies other than the Euro. The financial risks to which the operating units are subject include interest rate, foreign currency, liquidity and credit risks.

### Interest rate risk on cash flows

This risk arises from changes in future cash flows from borrowings bearing interest at floating rates (or with current maturity and likely renewal) as a result of fluctuations in market interest rates.

The objective of the management of this risk is to mitigate the impact on the cost of the debt arising from fluctuations in interest rates. For this purpose financial derivatives which guarantee fixed interest rates or rates with a narrow range of fluctuation are arranged for a substantial portion of the borrowings that may be affected by this risk (Note 22).

Taking into consideration the existing hedging instruments, as well as financing at a fixed interest rate, the sensitivity of the ACS Group's profit or loss to changes in interest rates is as follows:

	Increase/Decrease in the Interest Rate (basic points)	Effect on Profit or Loss (prior to tax)	Effect on Equity (after tax)
Million of euros			
	+ 50	(13.1)	74.3
2009	- 50	13.1	(74.3)
	+ 50	(12.8)	104.8
2008	- 50	12.8	(104.8)



## Foreign currency risk

The foreign currency risk arises mainly from the foreign operations of the ACS Group which makes investments and carries out business transactions in functional currencies other than the Euro, and from loans granted to Group companies in currencies other than those of the countries in which they are located.

To reduce the risk inherent to structural investments in foreign operations with a functional currency other than the Euro, the Group attempts to arrange debt in the same functional currency as the assets being financed.

For the hedging of net positions in currencies other than the Euro in the performance of contracts in force and contracts in the backlog, the Group uses different financial instruments for the purpose of mitigating exposure to foreign currency risk (Note 22).

In this regard, the main currency operated with against the Euro in 2009 and 2008 are the Brazilian Real and the US dollar and the sensitivity is as follows:

		2009		2008	
		5%	-5%	5%	-5%
Million of euros					
Brazilian real	Effect on profit or loss before tax	1.6	-1.6	5.2	-5.2
	Effect on equity before tax	26.1	-26.1	26.5	-26.5
US Dollar	Effect on profit or loss before tax	0.7	-0.7	4.2	-4.2
	Effect on equity before tax	23.7	-23.7	5.9	-5.9

Following is the ACS Groups exposure to the main currencies:

At 31 December 2009	US Dollar (USD)	Brazilian Real (BRL)	Moroccan Dirham (MAD)	Chilean Peso (CLP)	Mexican Peso (MXP)	Australian Dollar (AUD)	Argentine Peso (ARS)	Other currencies	Balance at 31/12/2009
Thousands of euros									
Marketable securities (portfolio of short and long-term investments)	-	-	29	818	-	7,440	-	1,220	9,507
Loans to associates	-	17,582	0	47,871	-	-	-	-	65,453
Other loans	80,438	5,909	1,811	1,986	31,888	3	7,749	19,886	149,670
Bank borrowings (non-current)	29,156	61,436	-	12,058	88	-	1,088	11,063	114,889
Bank borrowings (current)	166,539	47,100	33,337	(14,592)	4,970	-	8,791	15,380	261,525

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At 31 December 2008	US Dollar (USD)	Brazilian Real (BRL)	Moroccan Dirham (MAD)	Chilean Peso (CLP)	Mexican Peso (MXP)	Australian Dollar (AUD)	Argentine Peso (ARS)	Other currencies	Balance at 31/12/2008
Thousands of euros									
Marketable securities (portfolio of short and long-term investments)	1	2,234	-	1,193	3,073	10,105	126	1,076	17,808
Loans to associates	-	-	3,967	35,148	174	-	372	-	39,661
Other loans	30,883	66,326	54	2,056	889	8	2,379	185	102,780
Bank borrowings (non-current)	1,030	-	-	13,944	139,121	-	7,054	108,959	270,108
Bank borrowings (current)	5,180	5,746	25,484	(7,488)	39,863	-	2,653	10,246	81,684

## Liquidity risk

This risk results from the timing gaps between fund requirements for business investment commitments, debt maturities, working capital requirements, etc. and the funds arising from cash generated in the course of the Group's ordinary operations, different forms of bank financing, capital market operations and divestments.

The Group's objective with respect to the management of liquidity risk to maintain a balance between the flexibility, term and conditions of the credit facilities arranged on the basis of projected short-, medium-, and long-term fund requirements. In this connection, noteworthy is the use of the limited recourse financing of projects and debts, as described in Note 18, and current financing for working capital requirements.

Additionally, on 30 July 2009, in order to repay its existing amounting to EUR 1,500,000 thousand and maturing in 2010, ACS, Actividades de Construcción y Servicios, S.A. entered into a syndicated loan agreement, in which the agent entity was Caja Madrid, amounting to EUR 1,594,450 thousand and maturing in July 2012. Therefore, this loan continued to be classified as non-current. Urbaser, S.A. entered into a similar transaction with a syndicate of banks, by means of which its syndicated loan agreement was extended from EUR 650,000 thousand to EUR 750,000 thousand and the maturity date was extended to May 2012. In this context, the financing relating to the equity swap of Iberdrola, S.A. was expanded to March 2011. With these transactions, the ACS Group assures the liquidity of its business activity.

## Credit risk

This risk mainly relates to the non-payment of trade receivables. The objective of credit risk management is to reduce the impact of credit risk exposure as far as possible by means of the preventive assessment of the solvency rating of the Group's potential clients. When contracts are being performed, the credit rating of the outstanding amounts receivable is periodically evaluated and the estimated recoverable doubtful receivables are adjusted and written down with a charge to the income statement for the year.

## Capital management

The ACS Group's objectives in relation to capital management are to maintain an optimal financial-equity structure in order to reduce the cost of capital, while safeguarding the company's ability to continue operating with an adequately stable debt-to-equity ratio.

The capital structure is mainly controlled through the debt-to-equity ratio, which is calculated by dividing net financial debt by net equity. Net financial debt is understood to comprise the following:

- + Net recourse debt:
  - + Non-current bank borrowings
  - + Current bank borrowings
  - + Issue of bonds and debentures
  - Cash and other current financial assets
- + Project financing debt.

The Group's directors consider the leverage to be appropriate at 31 December 2009 and 2008. Following is the detail thereof:

	2009	2008
Thousands of euros		
<b>Net recourse debt</b>	<b>302,135</b>	<b>2,933,685</b>
Non-current bank borrowings	3,033,655	3,288,055
Current bank borrowings	2,113,521	3,960,946
Other financial liabilities	73,039	50,859
Other current financial assets and cash	(4,918,080)	(4,366,175)
<b>Project financing</b>	<b>8,969,278</b>	<b>6,422,080</b>
Equity	4,591,503	9,913,040
Leverage	202%	94%
<b>Leverage to net recourse debt</b>	<b>7%</b>	<b>30%</b>

## Estimation of fair value

The breakdown at 31 December of the ACS Group's assets and liabilities measured at fair value according to the hierarchy levels mentioned in Note 08.06 is as follows:

	Value at 31/12/2009	Level 1	Level 2	Level 3
Thousands of euros				
<b>Financial assets measured at fair value</b>	<b>4,225,687</b>	<b>4,203,960</b>	<b>21,727</b>	-
Equity Instruments (Iberdrola)	4,203,960	4,203,960	-	-
Financial instrument receivables	21,727	-	21,727	-
<b>Financial liabilities measured at fair value</b>	<b>319,959</b>	-	<b>319,959</b>	-
Financial instrument payables	319,959	-	319,959	-

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	Value at 31/12/2008	Level 1	Level 2	Level 3
Thousands of euros				
<b>Financial assets measured at fair value</b>	<b>2,422,564</b>	<b>2,422,018</b>	<b>546</b>	<b>-</b>
Equity Instruments (Iberdrola)	2,422,018	2,422,018	-	-
Financial instrument receivables	546	-	546	-
<b>Financial liabilities measured at fair value</b>	<b>855,706</b>	<b>-</b>	<b>855,706</b>	<b>-</b>
Financial instrument payables	855,706	-	855,706	-

## 22. Derivative financial instruments

The ACS Group's different lines of business expose it to financial risks, mainly foreign currency and interest rate risks. In order to minimise the impact of these risks and in accordance with its risk management policy (Note 21), the ACS Group entered into various financial derivative contracts, most of which have non-current maturities.

The detail, by maturity, of the notional amounts of the aforementioned hedging instruments in 2009 and 2008, on the basis of the nature of the contracts, is as follows:

	Notional Value	2010	2011	2012	2013	2014	Subsequent Years	Net Fair Value
Thousands of euros								
Interest rate	6,656,646	1,921,199	2,268,696	644,092	117,508	46,733	1,658,418	(305,620)
Exchange Rate	547,120	416,065	131,055	-	-	-	-	4,349
Price	21,907	-	21,907	-	-	-	-	3,662
Non-qualified hedges	167,349	-	167,349	-	-	-	-	(613)
<b>Total</b>	<b>7,393,022</b>	<b>2,337,264</b>	<b>2,589,007</b>	<b>644,092</b>	<b>117,508</b>	<b>46,733</b>	<b>1,658,418</b>	<b>(298,222)</b>

	Notional Value	2009	2010	2011	2012	2013	Subsequent Years	Net Fair Value
Thousands of euros								
Interest rate	9,065,758	253,333	4,186,283	2,274,277	750,678	83,504	1,517,683	(297,389)
Exchange Rate	657,029	113,979	411,995	131,055	-	-	-	(19,582)
Price	21,907	-	-	21,907	-	-	-	(1,037)
Non-qualified hedges	2,603,492	2,349,428	86,715	167,349	-	-	-	(537,152)
<b>Total</b>	<b>12,348,186</b>	<b>2,716,740</b>	<b>4,684,993</b>	<b>2,594,588</b>	<b>750,678</b>	<b>83,504</b>	<b>1,517,683</b>	<b>(855,160)</b>

The following table shows the fair value of the hedging instruments based on the nature of the contract, at 31 December 2009 and 2008:

	2009		2008	
	Assets	Liabilities	Assets	Liabilities
Million of euros				
<b>Interest rate</b>				
Cash flows	13,726	319,346	546	297,935
Non-efficient	-	-	-	-
Exchange Rate	4,349	-	-	19,582
Price	3,662	-	-	1,037
Non-qualified hedges	-	613	-	537,152
<b>Total</b>	<b>21,737</b>	<b>319,959</b>	<b>546</b>	<b>855,706</b>

The Group has no hedges for investments in foreign operations, since the foreign currency risk is covered with transactions carried out in local currencies. Additionally, the most significant foreign investments were made with non-current financing, in which the interest rates on project financing debt were hedged.

### Cash flow hedges (interest rate)

The objective of using these derivatives was to limit changes in interest rates on its project borrowings and to guarantee fixed interest rates, mainly by entering into interest rate swaps as the borrowings are arranged and used.

Most of the hedges are interest rate swaps which mature on the same date as or slightly earlier than the underlying amounts hedged.

Hedges of this type are mainly related to the various syndicated loans within the Group as well as project financing and other non-current financing, both at 31 December 2009 and 31 December 2008 (Notes 17 and 18).

In relation to syndicated loans, the following hedges were arranged:

- Loan of EUR 1,500 million. Various interest rate swaps were arranged to hedge 100% of this loan, which mature in July 2010.
- The syndicated financing of the Urbaser Group is hedged by interest rate swaps amounting to EUR 390,000 thousand, which mature in June 2010.

Noteworthy are the following hedges in relation to limited recourse financing of projects and debts:

- Interest rate hedge to cover the syndicated loan financing the purchase of 6.87% de Iberdrola, S.A. and maturing in July 2011.
- Interest rate swap to hedge the loan relating to the purchase of 25.08% of Hochtief, A.G. for EUR 632,000 thousand, which matures in 2012.
- Interest rate swap to hedge 75% to 100% of the financing of thermal solar plants maturing between 2019 and 2022.
- Hedging of the project financing of wind-powered facilities. These relate mostly to interest rate swaps maturing between 2011 and 2024.

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- The concession I-595 entered into two interest rate swaps through tranches A and B of the senior debt amounting to US \$ 780,587 thousand and maturing in full in 2018 and 2031, respectively.
- Autovía de La Mancha and Inversora de la Mancha have hedges amounting to EUR 139,060 thousand instrumented in an interest rate swap maturing in full in 2032.
- La Concesionaria Santiago Brión, S.A. entered into two interest rate swaps amounting to EUR 27,000 thousand and maturing in full in 2032.

## Cash flow hedges (exchange rate)

The foreign currency risk relates mainly to contract work in which payables and/or receivables are in a currency other than the functional currency.

The most significant derivatives contracted to hedge these risks relate to foreign currency hedges for industrial projects abroad amounting to EUR 547,120 thousand in 2009 and maturing between 2009 and 2011 (EUR 657,029 thousand in 2008 and maturing between 2009 and 2011).

## Derivative Instruments not qualified as hedges

Of the non-hedging derivative instruments, noteworthy at 31 December 2008 was the derivatives agreements, and specifically, the equity swap entered into by the Parent on shares of Iberdrola, S.A. affecting 259,939,800 shares, which represented 4.88% of its share capital and which may be settled in cash or shares at the option of ACS Actividades de Construcción y Servicios, S.A. In the first quarter of 2009, the Parent novated the contracts affecting 256,371,800 shares. In this novation the exercise period was extended (Note 10.01) and the contracts were no longer recognised as derivative instruments not qualified as hedges but rather as assets in the consolidated statement of financial position under "Non-Current Financial Assets" in accordance with IAS 39, and are measured at fair value. The changes in this fair value are recognised directly in equity. The related Financing is recognised on the liability side of the consolidated statement of financial position (Note 18).

The changes in the fair value of these instruments were charged to the income statement in 2008 with a net loss of EUR 648,185 thousand recognised under the heading "Changes in the Fair Value of Financial Instruments" (Note 28.06).

Additionally, non-hedging derivative instruments worthy of mention include those relating to share option plans. As discussed in Note 28.03, the Group has granted share option plans to certain managers and directors carrying out executive functions.

The obligations arising from these plans have been externalised and transferred to a financial institution. In relation to these obligations, the financial institution has a put option hedging the risk that the value of the share option will be less than the exercise price. Since this derivative is a fair value hedge, the hedged item is measured in the same manner as the hedging instrument and the effect is recognised in profit or loss. The changes in the fair value of these derivatives recorded with a charge to the income statement gave rise to a loss of EUR 2,325 thousand at 31 December 2009 (EUR 2,582 thousand at 31 December 2008).

## 23. Trade and other payables

"Trade and Other Payables" includes mainly the amounts outstanding for trade purchases and related costs.

Customer advances for contract work amounted to EUR 2,491,451 thousand in 2009 (EUR 2,398,787 thousand in 2008) (Note 12).

## 24. Other current liabilities

The detail of this heading at 31 December 2009 and 2008 is as follows:

	Balance at 31/12/2009	Balance at 31/12/2008
Thousands of euros		
Advance payments received	32,248	40,694
Payable to non-current asset suppliers	40,022	21,625
Interim dividend payable (Note 15.05)	283,198	286,780
Deposits and guarantees received	7,005	2,471
Other	235,023	364,748
<b>Total</b>	<b>597,496</b>	<b>716,318</b>

## 25. Segments

### 25.01. Basis of segmentation

In accordance with the ACS Group's internal organisational structure, and consequently, its internal reporting structure, the Group carries on its business activities through lines of business, which are the reporting segments.

#### 25.01.01. Business segments

The business segments used to manage the ACS Group are as follows:

- **Construction.** Engaging in the construction of civil works, and residential and non-residential building construction.
- **Industrial Services.** This segment is engaged in the development of applied engineering services, installations and the maintenance of industrial infrastructures in the energy, communications and control systems sectors.
- **Environment.** This segment groups together environmental services and the outsourcing of integral building maintenance.
- **Concessions.** This segment mainly engages in transport infrastructure concessions.
- **Corporation.** This segment groups together strategic investments in energy (Iberdrola, S.A.), construction and concessions (Hochtief, A.G.), telecommunications (Xfera Móviles, S.A.) and concessions (Abertis Infraestructuras, S.A.) activities.

#### 25.01.02. Geographical segments

The ACS Group is managed by business segments and the management based on geographical segments is irrelevant. Accordingly, a distinction is made between Spain and the rest of the world, in accordance with the stipulations of IFRS 8.

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## 25.02. Basis and methodology for business segment reporting

The reporting structure is designed in accordance with the effective management of the different segments comprising the ACS Group. Each segment has its own resources based on the entities engaging in the related business, and accordingly, has the assets required to operate the business.

Each of the business segments relates mainly to a legal structure, in which the companies report to a holding company representing each activity for business purposes. Accordingly, each legal entity has the assets and resources required to perform its business activities in an autonomous manner.

Segment reporting for these businesses is presented below.

### 25.02.01. Income statement by business segment: 2009

	Construction	Concessions	Environment	Industrial Services	Corporate and Adjustments	Group Total
Thousands of euros						
<b>Revenue</b>	<b>6,125,317</b>	<b>63,964</b>	<b>2,638,549</b>	<b>6,862,099</b>	<b>(83,999)</b>	<b>15,605,930</b>
Changes in inventories of finished goods and work in progress	(13,554)	-	3,554	892	13	(9,095)
Capitalized expenses of in-house work on assets	12,768	10,210	112,854	4,079	1,938	141,849
Procurements	(4,281,513)	(5,358)	(667,438)	(4,209,952)	102,536	(9,061,725)
Other operating income	275,333	4,787	75,438	60,881	(25,483)	390,956
Staff Costs	(932,275)	(19,327)	(1,537,453)	(1,349,417)	(23,972)	(3,862,444)
Other operating expenses	(719,702)	(40,885)	(296,193)	(698,494)	(8,395)	(1,763,669)
Depreciation and amortisation charge	(86,596)	(14,248)	(129,829)	(133,279)	(1,154)	(365,106)
Allocation of grants relating to non-financial assets and others	-	168	2,543	525	-	3,236
Impairment and gains on the disposal of non-current assets	1,653	(1)	(507)	(512)	1	634
Other profit or loss	(23,030)	46	7,104	(18,122)	(5,177)	(39,179)
<b>Operating income</b>	<b>358,401</b>	<b>(644)</b>	<b>208,622</b>	<b>518,700</b>	<b>(43,692)</b>	<b>1,041,387</b>
Finance income	62,607	24,538	34,069	66,337	207,934	395,485
Finance costs	(71,146)	(38,273)	(71,981)	(146,726)	(336,460)	(664,586)
Changes in the fair value of financial instruments	-	(197)	(238)	(277)	(1,613)	(2,325)
Exchange differences	3,511	(949)	(1,831)	(1,087)	(14)	(370)
Impairment and gains on the disposal of financial instruments	(1,534)	(288)	692	20,475	3,423	22,768
<b>Financial profit</b>	<b>(6,562)</b>	<b>(15,169)</b>	<b>(39,289)</b>	<b>(61,278)</b>	<b>(126,730)</b>	<b>(249,028)</b>
Results of companies accounted for using the equity method	(1,711)	(24,388)	(258)	29,969	192,003	195,615
<b>Profit before tax</b>	<b>350,128</b>	<b>(40,201)</b>	<b>169,075</b>	<b>487,391</b>	<b>21,581</b>	<b>987,974</b>
Corporate income tax	(105,040)	13,706	(42,928)	(121,706)	135,538	(120,430)
<b>Profit for the year from continuing operations</b>	<b>245,088</b>	<b>(26,495)</b>	<b>126,147</b>	<b>365,685</b>	<b>157,119</b>	<b>867,544</b>
Profit after tax from discontinued operations	-	-	26,233	-	1,253,338	1,279,571
<b>Profit for the year</b>	<b>245,088</b>	<b>(26,495)</b>	<b>152,380</b>	<b>365,685</b>	<b>1,410,457</b>	<b>2,147,115</b>
Profit attributed to non-controlling interests	(3,675)	(216)	(7,696)	(17,386)	-	(28,973)
Profit from discontinued operations attributed to non-controlling interests	-	-	1,532	-	(168,143)	(166,611)
<b>Profit attributed to the parent</b>	<b>241,413</b>	<b>(26,711)</b>	<b>146,216</b>	<b>348,299</b>	<b>1,242,314</b>	<b>1,951,531</b>



## 25.02.02. Income statement by business segment: 2008

	Construction	Concessions	Environment	Industrial Services	Corporate and Adjustments	Group Total
Thousands of euros						
<b>Revenue</b>	<b>6,625,401</b>	<b>66,126</b>	<b>2,413,815</b>	<b>6,476,696</b>	<b>(306,470)</b>	<b>15,275,568</b>
Changes in inventories of finished goods and work in progress	(3,535)	-	(33)	(508)	(187)	(4,263)
Capitalized expenses of in-house work on assets	34,629	49,890	162,155	34,302	(2,520)	278,456
Procurements	(4,691,513)	(44,201)	(623,003)	(3,868,391)	184,359	(9,042,749)
Other operating income	320,011	5,243	74,876	24,074	99,583	523,787
Staff Costs	(965,432)	(14,368)	(1,417,103)	(1,350,913)	(25,090)	(3,772,906)
Other operating expenses	(843,726)	(37,426)	(308,054)	(737,287)	8,163	(1,918,330)
Depreciation and amortisation charge	(64,890)	(17,494)	(108,532)	(107,442)	(1,020)	(299,378)
Allocation of grants relating to non-financial assets and others	-	-	1,173	1,337	-	2,510
Impairment and gains on the disposal of non-current assets	1,755	(35)	(722)	(715)	-	283
Other profit or loss	(49,901)	(1)	12,627	(8,320)	193,223	147,628
<b>Operating income</b>	<b>362,799</b>	<b>7,734</b>	<b>207,199</b>	<b>462,833</b>	<b>150,041</b>	<b>1,190,606</b>
Finance income	130,811	28,607	48,888	157,934	36,372	402,612
Finance costs	(89,571)	(54,740)	(80,164)	(204,905)	(341,399)	(770,779)
Changes in the fair value of financial instruments	-	-	-	-	(650,767)	(650,767)
Exchange differences	(3,603)	6,773	(2,612)	960	62	1,580
Impairment and gains on the disposal of financial instruments	3,064	705,064	(3,467)	(1,174)	285	703,772
<b>Financial profit</b>	<b>40,701</b>	<b>685,704</b>	<b>(37,355)</b>	<b>(47,185)</b>	<b>(955,447)</b>	<b>(313,582)</b>
Results of companies accounted for using the equity method	(3,005)	(37,310)	(140)	23,196	174,601	157,342
<b>Profit before tax</b>	<b>400,495</b>	<b>656,128</b>	<b>169,704</b>	<b>438,844</b>	<b>(630,805)</b>	<b>1,034,366</b>
Corporate income tax	(123,896)	(15,405)	(47,894)	(112,016)	271,602	(27,609)
<b>Profit for the year from continuing operations</b>	<b>276,599</b>	<b>640,723</b>	<b>121,810</b>	<b>326,828</b>	<b>(359,203)</b>	<b>1,006,757</b>
Profit after tax from discontinued operations	-	-	32,080	-	1,600,894	1,632,974
<b>Profit for the year</b>	<b>276,599</b>	<b>640,723</b>	<b>153,890</b>	<b>326,828</b>	<b>1,241,691</b>	<b>2,639,731</b>
Profit attributed to non-controlling interests	(1,584)	686	(6,651)	(10,151)	-	(17,700)
Profit from discontinued operations attributed to non-controlling interests	-	-	(2,618)	-	(814,377)	(816,995)
<b>Profit attributed to the parent</b>	<b>275,015</b>	<b>641,409</b>	<b>144,621</b>	<b>316,677</b>	<b>427,314</b>	<b>1,805,036</b>

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## 25.02.03. Statement of financial position by business segment: 2009

Assets	Construction	Concessions	Environment	Industrial Services	Corporate and Adjustments	Group Total
Thousands of euros						
<b>Non-current assets</b>	<b>1,899,311</b>	<b>1,029,184</b>	<b>1,919,981</b>	<b>4,515,000</b>	<b>8,374,939</b>	<b>17,738,415</b>
Intangible assets	830,018	5,587	268,709	195,807	275,117	1,575,238
Goodwill	648,791	-	145,987	57,126	275,114	1,127,018
Other intangible assets	181,227	5,587	122,722	138,681	3	448,220
Property, plant and equipment / investment property	568,417	13,612	752,442	206,662	3,754	1,544,887
Non-current assets in projects	106,955	556,707	382,854	3,447,486	(1,359)	4,492,643
Non-current financial assets	207,219	405,568	495,158	570,280	7,652,516	9,330,741
Other non-current assets	186,702	47,710	20,818	94,765	444,911	794,906
<b>Current assets</b>	<b>5,658,477</b>	<b>276,637</b>	<b>2,773,765</b>	<b>4,771,724</b>	<b>535,195</b>	<b>14,015,798</b>
Non-current assets held for sale	-	-	1,177,164	1,585	-	1,178,749
Inventories	453,775	66	40,988	165,812	(2,832)	657,809
Trade and other receivables	2,815,623	32,404	1,227,822	3,117,280	(18,266)	7,174,863
Other current financial assets	1,121,199	187,191	187,199	662,691	552,771	2,711,051
Other current assets	59,355	1,127	10,458	14,356	1,001	86,297
Cash and cash equivalents	1,208,525	55,849	130,134	810,000	2,521	2,207,029
<b>Total assets</b>	<b>7,557,788</b>	<b>1,305,821</b>	<b>4,693,746</b>	<b>9,286,724</b>	<b>8,910,134</b>	<b>31,754,213</b>
Equity and Liabilities	Construction	Concessions	Environment	Industrial Services	Corporate and Adjustments	Group Total
Thousands of euros						
<b>Equity</b>	<b>821,699</b>	<b>261,772</b>	<b>1,127,228</b>	<b>882,917</b>	<b>1,497,887</b>	<b>4,591,503</b>
Equity attributed to the Parent	750,036	249,900	1,033,778	771,648	1,498,048	4,303,410
Non-controlling interests	71,663	11,872	93,450	111,269	(161)	288,093
<b>Non-current liabilities</b>	<b>665,273</b>	<b>671,627</b>	<b>1,167,868</b>	<b>3,321,790</b>	<b>7,353,240</b>	<b>13,179,798</b>
Grants	-	5,486	69,426	15,612	-	90,524
Non-current financial liabilities	437,095	496,108	913,596	2,925,849	7,001,610	11,774,258
Bank borrowings, debt instruments and other held-for-trading liabilities	270,675	9,726	739,462	176,961	1,836,831	3,033,655
Project finance with limited recourse	140,424	486,382	174,134	2,725,510	5,164,779	8,691,229
Other financial liabilities	25,996	-	-	23,378	-	49,374
Financial instrument payables	8,301	31,288	8,867	109,601	161,902	319,959
Other non-current liabilities	219,877	138,745	175,979	270,728	189,728	995,057
<b>Current liabilities</b>	<b>6,070,816</b>	<b>372,422</b>	<b>2,398,650</b>	<b>5,082,017</b>	<b>59,007</b>	<b>13,982,912</b>
Liabilities relating to non-current assets held for sale	-	3	845,055	-	-	845,058
Current financial liabilities	947,783	292,209	595,469	582,915	(3,141)	2,415,235
Bank borrowings, debt instruments and other held-for-trading liabilities	782,204	288,259	575,760	376,753	90,545	2,113,521
Project finance with limited recourse	3,797	3,922	19,297	188,259	62,774	278,049
Other financial liabilities	161,782	28	412	17,903	(156,460)	23,665
Trade and other payables	4,828,362	65,462	836,022	4,139,001	(18,879)	9,849,968
Other current liabilities	294,671	14,748	122,104	360,101	81,027	872,651
<b>Total equity and liabilities</b>	<b>7,557,788</b>	<b>1,305,821</b>	<b>4,693,746</b>	<b>9,286,724</b>	<b>8,910,134</b>	<b>31,754,213</b>

## 25.02.04. Statement of financial position by business segment: 2008

Assets	Construction	Concessions	Environment	Industrial Services	Corporate and Adjustments	Group Total
Thousands of euros						
<b>Non-current assets</b>	<b>1,541,004</b>	<b>984,100</b>	<b>2,570,832</b>	<b>3,180,353</b>	<b>6,343,124</b>	<b>14,619,413</b>
Intangible assets	585,979	12	456,921	148,877	275,117	1,466,906
Goodwill	560,950	-	244,015	52,484	275,114	1,132,563
Other intangible assets	25,029	12	212,906	96,393	3	334,343
Property, plant and equipment / investment property	477,736	3,964	1,101,466	207,148	(910)	1,789,404
Non-current assets in projects	138,527	634,055	429,029	2,386,854	(1,415)	3,587,050
Non-current financial assets	187,236	327,938	535,198	394,385	5,636,354	7,081,111
Other non-current assets	151,526	18,131	48,218	43,089	433,978	694,942
<b>Current assets</b>	<b>6,110,146</b>	<b>435,441</b>	<b>1,921,042</b>	<b>4,323,059</b>	<b>23,989,264</b>	<b>36,778,952</b>
Non-current assets held for sale	-	-	-	1,585	24,349,032	24,350,617
Inventories	494,872	62	42,057	162,039	(436)	698,594
Trade and other receivables	3,068,693	76,462	1,268,464	3,060,311	(172,374)	7,301,556
Other current financial assets	1,266,822	293,107	374,955	440,941	(190,690)	2,185,135
Other current assets	36,671	1,294	6,995	16,124	926	62,010
Cash and cash equivalents	1,243,088	64,516	228,571	642,059	2,806	2,181,040
<b>Total assets</b>	<b>7,651,150</b>	<b>1,419,541</b>	<b>4,491,874</b>	<b>7,503,412</b>	<b>30,332,388</b>	<b>51,398,365</b>

Equity and Liabilities	Construction	Concessions	Environment	Industrial Services	Corporate and Adjustments	Group Total
Thousands of euros						
<b>Equity</b>	<b>742,932</b>	<b>297,970</b>	<b>1,156,470</b>	<b>721,368</b>	<b>6,994,300</b>	<b>9,913,040</b>
Equity attributed to the Parent	729,211	278,803	1,060,072	631,847	702,489	3,402,422
Non-controlling interests	13,721	19,167	96,398	89,521	6,291,811	6,510,618
<b>Non-current liabilities</b>	<b>471,709</b>	<b>710,106</b>	<b>1,680,271</b>	<b>2,533,155</b>	<b>5,674,430</b>	<b>11,069,671</b>
Grants	-	-	53,877	11,509	-	65,386
Non-current financial liabilities	350,436	573,555	1,407,785	2,281,913	4,962,588	9,576,277
Bank borrowings, debt instruments and other held-for-trading liabilities	135,266	11,859	1,108,478	144,292	1,888,160	3,288,055
Project finance with limited recourse	170,480	553,846	295,501	2,126,145	3,099,268	6,245,240
Other financial liabilities	44,690	7,850	3,806	11,476	(24,840)	42,982
Financial instrument payables	17,633	30,535	23,486	96,395	687,657	855,706
Other non-current liabilities	103,640	106,016	195,123	143,338	24,185	572,302
<b>Current liabilities</b>	<b>6,436,509</b>	<b>411,465</b>	<b>1,655,133</b>	<b>4,248,889</b>	<b>17,663,658</b>	<b>30,415,654</b>
Liabilities relating to non-current assets held for sale	-	-	-	15	15,912,925	15,912,940
Current financial liabilities	781,180	327,023	523,409	433,575	2,080,476	4,145,663
Bank borrowings, debt instruments and other held-for-trading liabilities	570,306	298,733	491,322	359,061	2,241,524	3,960,946
Project finance with limited recourse	6,346	7,008	24,664	71,750	67,072	176,840
Other financial liabilities	204,528	21,282	7,423	2,764	(228,120)	7,877
Trade and other payables	5,169,555	70,495	834,972	3,509,395	(208,397)	9,376,020
Other current liabilities	485,774	13,947	296,752	305,904	(121,346)	981,031
<b>Total equity and liabilities</b>	<b>7,651,150</b>	<b>1,419,541</b>	<b>4,491,874</b>	<b>7,503,412</b>	<b>30,332,388</b>	<b>51,398,365</b>

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The detail of revenue from Construction is as follows:

	2009	2008
Thousands of euros		
Spain	4,698,427	5,809,391
Civil Engineering Work	2,962,140	3,301,270
Building Construction	1,736,287	2,508,121
International	1,426,890	816,010
<b>Total</b>	<b>6,125,317</b>	<b>6,625,401</b>

The detail of revenue from Industrial Services is as follows:

	2009	2008
Thousands of euros		
Networks	887,910	957,045
Specialized Facilities	2,362,745	2,365,044
Integrated Projects	2,577,823	2,126,354
Control Systems	1,100,734	1,109,430
Eliminations	(67,113)	(81,177)
<b>Total</b>	<b>6,862,099</b>	<b>6,476,696</b>

Of the total revenue from Industrial Services, EUR 2,296,734 thousand related to international operations in 2009 (EUR 2,219,612 thousand in 2008), representing 33.5% and 34.3% respectively.

The detail of revenue from Environment activity is as follows:

	2009	2008
Thousands of euros		
Environment	1,620,918	1,473,087
Integral Maintenance	1,017,631	940,727
<b>Total</b>	<b>2,638,549</b>	<b>2,413,814</b>

Of the total revenue from Environment activity, EUR 365,893 thousand related to international operations in 2009 (EUR 307,508 thousand in 2008), representing 13.9% and 12.7%, respectively.

Inter-segment sales are made at prevailing market prices.

The breakdown of certain of the Group's consolidated balances based on the geographical location of the companies that gave rise to them is as follows:

	Spain		Rest of the World	
	2009	2008	2009	2008
Thousands of euros				
Revenue	11,501,689	11,922,996	4,104,241	3,352,572
Segment assets	25,704,227	43,558,943	6,049,986	7,839,422
Total net investments	(2,142,808)	599,596	835,512	(429,221)

The additions to non-current assets, by line of business, were as follows:

	2009	2008
Thousands of euros		
Construction	120,160	144,412
Concessions	184,581	76,658
Environment & Logistics	242,868	324,519
Industrial Services	1,119,535	1,039,667
Corporate Unit	2,922	1,274
<b>Total</b>	<b>1,670,066</b>	<b>1,586,530</b>

## 26. Tax matters

### 26.01. Consolidated Tax Group

Pursuant to current legislation, the consolidated tax Group 30/99 includes ACS, Actividades de Construcción y Servicios, S.A., as the Parent, and the Spanish subsidiaries in which the Parent has, directly or indirectly, an ownership interest of at least 75% and that meet the other requirements provided for in Spanish legislation regulating the tax consolidation regime.

The Group's other subsidiaries file individual tax returns in accordance with the tax legislation in force in each country.

### 26.02. Tax audit

In 2009 an inspection was commenced by the Spanish tax authorities on the consolidated tax group 30/99 in relation to corporation tax for the years 2003 to 2005 and on the tax group 24/97, whose parent was Grupo Dragados, S.A., for 2003. As part of this tax audit, the review of other taxes was also commenced for certain companies. In this connection, no conclusion has yet to be documented.

Additionally, in relation to the appeals filed against tax assessments issued in previous years with respect to tax credits relating to export activities, a ruling has yet to be handed down in the case of the tax assessment issued against tax group 24/97 for the years 2000 to 2002. However, the hypothetical affect on the Group's financial statements would be covered by the provisions for contingencies and expenses.

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In view of the varying interpretations that can be made of the applicable tax legislation, the outcome of the tax audits of the open years that could be conducted by the tax authorities in the future could give rise to tax liabilities which cannot be objectively quantified at the present time. However, the directors of the ACS Group consider that the liabilities that might arise, if any, would not have a material effect on the consolidated financial statements for 2009.

## 26.03. Reconciliation of the current income tax expense to accounting profit

The reconciliation of the income tax expense resulting from the application of the standard tax rate in force in Spain to the current tax expense recognised, as well as the determination of the average effective tax rate, are as follows:

	2009	2008
Thousands of euros		
Consolidated profit before tax	987,974	1,034,366
Net profit from equity accounted investments	(195,615)	(157,342)
Permanent differences	(44,016)	(702,233)
Taxable profit	748,343	174,791
Tax at 30 %	224,503	52,437
Tax credits and tax relief	(112,797)	(51,610)
Effect of different standard tax rate in other countries	16,650	19,442
Current income tax expense	128,356	20,269
Effective rate, excluding equity method	16.20%	2.31%

The tax credits in 2009 relate mainly to the credit for the double taxation of dividends of Iberdrola, S.A. amounting to EUR 60,527 thousand, and tax relief relating to investment incentives. The permanent differences arising in 2008 are mainly a result of the tax exemption applicable to the gains obtained on the sale of assets abroad.

## 26.04. Detail of income tax expense

The detail of the corporation tax expense is as follows:

	2009	2008
Thousands of euros		
Current income tax expense (table 26.03)	128,356	20,269
Expense / (Income) arising from deferred tax assets not generated or applied in the year	-	(491)
Expense / (Income) relating to adjustments to current tax	5,149	15,895
Expense / (Income) relating to adjustments to prior years' tax	(7,879)	(6,237)
Expense / (Income) relating to the effect of legislative changes on deferred taxes	(822)	(733)
(Income) arising from the application of prior years' deferred tax assets	(4,627)	(6,784)
Expense arising from deferred tax assets generated in the year	253	5,690
Ending corporation tax expense balance	120,430	27,609

## 26.05. Tax recognised in equity

In addition to the Corporation tax recognised in the consolidated income statement, in 2009 and 2008, the Group recognised EUR 175,634 thousand in equity in 2009 (EUR 554,819 thousand in 2008). These amounts relate mainly to the tax effect of available-for-sale assets amounting to EUR 226,439 thousand in 2009 (EUR 382,162 thousand in 2008), and cash flow derivatives amounting to EUR (33,508) thousand in 2009 (EUR 154,711 thousand in 2008).

## 26.06. Deferred taxes

The detail of the main deferred tax assets and liabilities recognised by the Group and of the changes therein in 2009 and 2008 is as follows:

	Charge/Credit to Equity						Business combinations		Balance at 31 December 2009
	Balance at 31 December 2008	Charge/ Credit to Income Statement	Foreign Currency Balance Translation Differences	Cash Flow Hedges	Available-for-sale financial assets	Reclassifications and Other	Period Additions	Period Disposals	
Thousands of euros									
<b>Assets</b>									
Temporary differences	629,792	(1,947)	394	15,227	10,183	7,321	-	(24,475)	636,495
Tax losses	17,755	5,424	(1)	1,060	-	-	-	(6,736)	17,502
Tax credits	46,849	71,788	-	-	-	-	1,524	(989)	119,172
<b>Liabilities</b>									
Temporary differences	230,805	159,913	(2)	15,555	(49,920)	2,217	55,330	(39,850)	374,048

	Charge/Credit to Equity						Business combinations		Balance at 31 December 2008
	Balance at 31 December 2007	Charge/ Credit to Income Statement	Foreign Currency Balance Translation Differences	Cash Flow Hedges	Available-for-sale financial assets	Reclassifications and Other	Period Additions	Period Disposals	
Thousands of euros									
<b>Assets</b>									
Temporary differences	878,671	12,897	41	95,027	281,667	15,208	(266)	(653,453)	629,792
Tax losses	44,230	6,929	-	-	-	641	383	(34,428)	17,755
Tax credits	134,252	39,255	-	107	-	(15,070)	-	(111,695)	46,849
<b>Liabilities</b>									
Temporary differences	1,945,668	25,086	(8)	(18,957)	(81,558)	6,976	13,907	(1,660,309)	230,805

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Deferred tax assets and liabilities have not been offset.

In 2009 and 2008, the movements in deferred taxes for temporary differences arose as a result of the following:

	2009	2008
Thousands of euros		
<b>Deferred Tax Assets:</b>		
Asset valuation adjustments and impairment losses	341,971	385,891
Other provisions	101,039	47,574
Pension costs	28,795	35,226
Income with different timing of recognition for tax and accounting purposes	109,854	115,464
Other	54,836	45,637
<b>Total</b>	<b>636,495</b>	<b>629,792</b>
<b>Deferred Tax Liabilities:</b>		
Assets recognised at an amount higher than their tax base	300,235	158,621
Income with different timing of recognition for tax and accounting purposes	41,336	33,706
Other	32,477	38,478
<b>Total</b>	<b>374,048</b>	<b>230,805</b>

The increase in deferred tax assets in 2009 relates mainly to the application of the unrestricted amortisation tax regime.

In addition to the amounts recognised on the asset side of the statement of financial position, as detailed in the table above, the Group has other deferred tax assets and tax loss and tax credit carryforwards not recognised on the asset side of the statement of financial position because it is not possible to predict the future flows of economic benefits, the amount of which are immaterial.

The temporary differences arising in connection with investments in associates and interests in joint ventures are not material.

## 27. Revenue

The distribution of revenue relating to the Group's ordinary operations is as follows:

	2009	2008
Thousands of euros		
Construction	6,125,317	6,625,401
Industrial Services	6,862,099	6,476,696
Environment	2,638,549	2,413,814
Concessions	63,964	66,126
Corporate Unit and other	(83,999)	(306,469)
<b>Total</b>	<b>15,605,930</b>	<b>15,275,568</b>



In 2009 foreign currency transactions relating to sales and services amounted to EUR 3,161,483 thousand (EUR 2,237,737 thousand in 2008) and those relating to purchases and services received amounted to EUR 2,132,525 thousand (1,553,401 thousand in 2008).

Single clients accounting for over 10% of total sales included the Spanish government, with sales amounting to 43.6% (42.8% in 2008).

The backlog by line of business as of 31 December 2009 and 2008 was as follows:

	2009	2008
Thousands of euros		
Construction	11,431,110	11,023,180
Industrial Services	6,619,331	6,244,272
Environment	11,457,444	10,412,098
<b>Total</b>	<b>29,507,885</b>	<b>27,679,550</b>

EUR 141,849 thousand (EUR 278,456 thousand in 2008) relating to in-house work on property, plant and equipment and intangible assets in projects were recognised under "Capitalised Expenses of In-House Work on Assets" in the income statement in 2009.

"Other Revenue" related mainly to services provided to third parties in relation to joint ventures in the Construction area in 2008.

As a result of the consideration of the port and logistics services as a discontinued operation (Note 3.09) the 2008 revenue figures were restated in accordance with IFRS 5 in 2008.

## 28. Expenses

### 28.01. Procurements

The detail of this heading is as follows:

	2009	2008
Thousands of euros		
Cost of merchandise sold	1,600,906	1,603,024
Cost of raw materials and other consumables used	1,629,299	1,916,361
Contract work carried out by other companies	5,831,436	5,520,827
Impairment of merchandise, raw material and other procurements	84	2,537
<b>Total</b>	<b>9,061,725</b>	<b>9,042,749</b>

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## 28.02. Staff Costs

The detail of "Staff Costs" is as follows:

	2009	2008
Thousands of euros		
Wages and salaries	2,986,024	2,898,811
Social security costs	818,750	818,055
Other staff costs	45,178	50,932
Provisions	12,492	5,108
<b>Total</b>	<b>3,862,444</b>	<b>3,772,906</b>

Staff costs amounting to EUR 1,734 thousand in 2009 and EUR 3,791 thousand in 2008 relating to the share option plans were charged to the income statement and are recognised under "Wages and Salaries".

The average number of employees at Group companies in 2009 was 142,085 (136,100 in 2008).

The detail of the average number of employees, by professional category and sex is as follows:

Category	Average Number of Employees at 31/12/2009			Average Number of Employees at 31/12/2008		
	Men	Women	Total	Men	Women	Total
University graduates	4,508	1,528	6,036	3,891	1,381	5,272
Junior college graduates	4,424	1,934	6,358	4,078	1,328	5,406
Non-graduate line personnel	9,177	2,923	12,100	6,516	2,389	8,905
Clerical personnel	2,073	3,199	5,272	1,909	2,788	4,697
Other staff	68,718	43,601	112,319	70,919	40,901	111,820
<b>Total</b>	<b>88,900</b>	<b>53,185</b>	<b>142,085</b>	<b>87,313</b>	<b>48,787</b>	<b>136,100</b>

The distribution of the average number of employees, by line of business, was as follows:

	2009	2008
Thousands of euros		
Construction	18,328	19,310
Industrial Services	41,176	39,886
Environment	82,253	76,645
Concessions	271	202
Corporate Unit and other	57	57
<b>Total</b>	<b>142,085</b>	<b>136,100</b>

## 28.03. Share-based payments

In 2009 and 2008 there were two share option plans, the salient features of which are as follows:

### 2004 Plan

On 1 July 2004, the Board of Directors of ACS, Actividades de Construcción y Servicios, S.A., in keeping with the resolutions adopted by the shareholders at the Annual General Meeting on 20 May 2004, set up a Share Option Plan with the following features:

- Number of shares covered under the Plan: 7,038,000 shares.
- Beneficiaries: 33 managers: 1 manager with 1,710,000 shares; 6 managers with between 900,000 and 300,000 shares; 16 managers with 108,000 shares, 10 managers with between 75,000 and 45,000 shares.
- Acquisition price: EUR 13.91 per share.

The options are exercisable in three equal parts and may be accumulated at the beneficiary's option in the fourth, fifth and sixth year after 1 May 2004, inclusively. However, in the case of the termination of an employee for causes other than just cause or the beneficiary's own will, the options will be exercisable six months following the event in question, in the cases of death, retirement, early retirement or permanent disability, and following 30 days in all other cases. Tax withholdings and taxes will be borne by the beneficiaries.

At 31 December 2009, 4,318,000 of the 2004 plan options had been exercised ( 2,421,500 at 31 December 2008).

### 2005 Plan

At the Annual General Meeting held on 19 May 2005, the shareholders of ACS, Actividades de Construcción y Servicios, S.A. resolved to authorise the Board of Directors to modify the previous Share Option Plan by increasing the number of share options of the Parent and maintaining the conditions of the previous Plan. Accordingly, the features of this plan subsequent to this increase are as follows:

- Number of shares covered under the Plan: 7,076,925 shares.
- Beneficiaries: 39 managers – 1 manager with 1,400,000 shares, 6 managers with between 950,000 and 350,000 shares, 7 managers with between 178,000 and 100,000 shares and 25 managers with between 83,769 and 19,825 shares.
- Acquisition price: EUR 24.10 per share.

The options will be exercisable in three equal parts and may be accumulated at the beneficiary's option in the fourth, fifth and sixth year after 1 May 2005. The rest of the conditions are the same as for the 2004 Plan.

At 31 December 2009, 2,362,768 of the 2005 plan options had been exercised ( 1,783,770 at 31 December 2008).

The share options are always to be exercised by means of equity instruments and never in cash. However, as indicated in Note 22, since the Group has hedged the commitments arising from these plans with a financial institution, in no case shall the exercise thereof involve the issue of equity instruments additional to those outstanding at 31 December 2009 and 31 December 2008. In this respect and in accordance with IFRS 2, "Share-Based Payments" EUR 1,734 thousand (EUR 3,791 thousand in 2008) were to be charged to income for these plans, with a credit to equity. Additionally, these costs do not imply the recognition of income by the managers for tax purposes until the options are exercised, as provided in the various option plans and the legislation in force. The Parent has externalised these commitments and transferred them to a financial institution (Note 22).

The stock market price of ACS shares at 31 December 2008 and 2006 was EUR 34.81 and EUR 32.65 euros per share, respectively.

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## 28.04. Operating leases

The most significant information relating to the operating leases held by the Group as lessee is as follows:

	2009	2008
Thousands of euros		
Lease payments under operating leases recognised in profit for the year	497,900	661,235

At the end of the reporting period, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2009	2008
Thousands of euros		
Within one year	61,947	31,531
Between two and five years	106,234	73,295
Over five years	50,893	41,462

The Group has no material operating leases as lessor.

## 28.05. Other profit or loss

The balance under this heading in the accompanying consolidated income statement in 2008 relates to the reversal of provisions for contingencies and expenses amounting to EUR 151 million.

## 28.06. Changes in the fair value of financial instruments

This heading includes the effect on the income statement of derivative instruments which do not meet the efficiency criteria provided in IAS 39, or which are not hedging instruments. The most significant effect in 2008 is from derivatives relating to the investment in Iberdrola, S.A. (Note 21).

## 28.07. Finance income

In 2009, most noteworthy under this heading was EUR 206,102 thousand relating to the dividend payable on the 12% ownership interest in Iberdrola, S.A. (EUR 109,215 thousand in 2008).

## 29. Impairment and gains on the disposal of financial instruments

In 2009 there were no material transactions. However, noteworthy in 2008 were the following transactions:

The ACS Group sold its ownership interest in Desarrollo de Concesiones Aeroportuarias, S.L., which included its investment in the airports of Chile, Columbia, Jamaica and Mexico. This transaction gave rise to consolidated profit before tax amounting to EUR 114.5 million.

The ACS Group sold the whole of its ownership interest in its subsidiary Inversora de Infraestructuras, S.L, which holds shares in the Chilean tollroads, Rutas del Pacífico, S.A. (48%) and Autopista Central (50%), to Abertis Infraestructuras, S.A. and to a Santander Group venture capital fund. The gain from this sale before tax amounted to EUR 530,136 thousand.

Lastly, the ACS Group sold 20% of its ownership interest in Scutvias Autostradas da Beira Interior, S.A. giving rise to a gain before tax amounting to EUR 48,349 thousand.

## 30. Distribution of profit

The distribution of the Parent's net profit for 2009 that the Board of Directors will propose for approval by shareholders at the Annual General Meeting is as follows:

Thousands of euros	
To goodwill reserve	41,208
To voluntary reserve	151,114
Dividends	645,062
<b>Total</b>	<b>837,384</b>

The proposed final dividend is subject to approval by the General Shareholders' Meeting and has not been included as a liability in these financial statements.

Of the dividend out of 2009 profit, an interim dividend of EUR 0.90 per share was already approved in 2009 for a total of EUR 283,198 thousand, which was recognised as a reduction in the ACS Group's equity at 31 December 2009. The Board of Directors has presented the liquidity statement required under Article 216 of the revised Companies Law in the individual financial statements of the Parent.

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## 31. Earnings per share

### 31.01. Basic earnings per share

Basic earnings per share are calculated by dividing the net profit attributed to the Group by the weighted average number of ordinary shares outstanding during the year, excluding the average number of treasury shares held in the year.

Accordingly:

	31/12/2009	31/12/2008	Change ( % )
Net profit for the year (thousands of euros)	1,951,531	1,805,036	8.12
Weighted average number of shares outstanding	310,976,087	332,585,104	(6.50)
<b>Basic earnings per share (euros)</b>	<b>6.28</b>	<b>5.43</b>	<b>15.65</b>
Profit after tax and non-controlling interests of discontinued operations	1,112,960	815,979	36.40
<b>Basic earnings per share from discontinued operations (euros)</b>	<b>3.58</b>	<b>2.45</b>	<b>46.12</b>

### 31.02. Diluted earnings per share

The diluted earnings per share were the same as basic earnings per share. At 31 December 2009 and 2008, the ACS Group had no ordinary shares that could potentially be diluted since no convertible debt had been issued and as stipulated in Note 28.03, the share based payments would not involve an increase in capital for the Group given the manner in which they operate. Therefore, in no case would exercising share options lead to diluted earnings.

## 32. Events after the reporting period

At the date of the preparation of these financial statements there were no other events worthy of mention with an effect on the information contained in the financial statements.

## 33. Balances and transactions with related parties

Transactions between the Parent and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note. Transactions between the Group and its associates are disclosed below. Transactions between the Parent and its subsidiaries and associates are disclosed in the Parent's individual financial statements.

The Group companies carry out all transactions with related parties at market prices. Additionally, the transfer prices are appropriately supported and the Parent's directors do not consider there to be any significant risks in this connection which could lead to material liabilities in the future.

### 33.01. Transactions with associates

The Group companies performed the following transactions with related parties that do not form part of the Group:

	Sales of Goods and Services		Purchases of Goods and Services		Accounts Receivable		Accounts Payable	
	2009	2008	2009	2008	2009	2008	2009	2008
Thousands of euros								
Associates	233,430	241,171	5,011	2,206	626,009	321,403	22,767	21,214
Joint ventures	12,971	7,976	8,613	3,063	55,572	22,942	6,279	2,687

Transactions between Group companies are carried out on an arms-length basis.

### 33.02. Balances and transactions with other related parties

Information relating to the transactions with related parties carried out in 2009 is disclosed in accordance with the Order EHA/3050/2004, of 15 September of the Ministry of Economy and Finance and its application by means of the CNMV Circular 1/2005, of 1 April.

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## Transactions between individuals, companies or Group entities related to Group shareholders or Board members

The transactions performed in 2009 were as follows:

Expenses and Revenue	31/12/2009				Total
	Significant Shareholders	Directors and Managers	Individuals, Companies or Group Entities	Other Related Parties	
Thousands of euros					
<b>Expenses:</b>					
Finance costs	-	-	-	-	-
Management or cooperation agreements	-	-	-	3,417	3,417
R&D transfers and license agreements	-	-	-	-	-
Leases	-	-	-	615	615
Reception of services	1	-	-	19,377	19,378
Purchase of goods (unfinished or finished)	-	-	-	13	13
Value adjustments for uncollectible or doubtfully collectible	-	-	-	-	-
Losses arising from the retirement or disposal of assets	-	-	-	-	-
Other expenses	-	-	-	71,448	71,448
	<b>1</b>	<b>-</b>	<b>-</b>	<b>94,870</b>	<b>94,871</b>
<b>Revenue:</b>					
Finance income	-	-	-	-	-
Management or cooperation agreements	-	-	-	-	-
R&D transfers and license agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leases	-	-	-	-	-
Provision of services	2,519	-	-	1,846	4,365
Sale of goods (unfinished or finished)	-	-	-	1,906	1,906
Gains arising from the retirement or disposal of assets	-	-	-	-	-
Other revenue	-	-	-	-	-
	<b>2,519</b>	<b>-</b>	<b>-</b>	<b>3,752</b>	<b>6,271</b>



Other Transactions	31/12/2009				Total
	Significant Shareholders	Directors and Managers	Individuals, Companies or Group Entities	Other Related Parties	
Thousands of euros					
Purchase of property, plant or equipment, intangible assets or other assets	-	-	-	-	-
Financing agreements: Loans and capital contributions (lender)	54,170	-	-	99,222	153,392
Finance lease agreements (lessor)	-	-	-	-	-
Repayment or write-off of loans and lease agreements (lessor)	-	-	-	-	-
Sale of property, plant or equipment, intangible assets or other assets	-	-	-	-	-
Financing agreements: Loans and capital contributions (borrower)	-	-	-	-	-
Finance lease agreements (lessee)	-	-	-	-	-
Repayment or write-off of loans and lease agreements (lessee)	-	-	-	-	-
Guarantees given	67,200	-	-	80,186	147,386
Guarantees received	-	-	-	-	-
Commitments acquired	-	-	-	-	-
Cancelled commitments/guarantees	-	-	-	-	-
Dividends and other distributed profit	-	-	-	4,449	4,449
Other transactions	98,054	-	-	-	98,054

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The transactions performed in 2008 were as follows:

Expenses and Revenue	31/12/2008				Total
	Significant Shareholders	Directors and Managers	Individuals, Companies or Group Entities	Other Related Parties	
Thousands of euros					
<b>Expenses:</b>					
Finance costs	-	-	-	-	-
Management or cooperation agreements	-	-	-	305	305
R&D transfers and license agreements	-	-	-	-	-
Leases	-	-	-	605	605
Reception of services	-	-	-	100,422	100,422
Purchase of goods (unfinished or finished)	-	-	-	84	84
Value adjustments for uncollectible or doubtfully collectible	-	-	-	-	-
Losses arising from the retirement or disposal of assets	-	-	-	-	-
Other expenses	-	-	-	54,772	54,772
	-	-	-	156,188	156,188
<b>Revenue:</b>					
Finance income	-	-	-	-	-
Management or cooperation agreements	-	-	-	-	-
R&D transfers and license agreements	-	-	-	-	-
Dividends received	-	-	-	-	-
Leases	-	-	-	1,484	1,484
Provision of services	21,191	-	-	22,581	43,772
Sale of goods (unfinished or finished)	-	-	-	2,183	2,183
Gains arising from the retirement or disposal of assets	-	-	-	-	-
Other revenue	-	-	-	-	-
	21,191	-	-	26,248	47,439

Other Transactions	31/12/2008				
	Significant Shareholders	Directors and Managers	Individuals, Companies or Group Entities	Other Related Parties	Total
Thousands of euros					
Purchase of property, plant or equipment, intangible assets or other assets	-	-	-	-	-
Financing agreements: Loans and capital contributions (lender)	25,446	-	-	2,214,073	2,239,519
Finance lease agreements (lessor)	-	-	-	2,712	2,712
Repayment or write-off of loans and lease agreements (lessor)	-	-	-	-	-
Sale of property, plant or equipment, intangible assets or other assets	-	-	-	-	-
Financing agreements: Loans and capital contributions (borrower)	-	-	-	-	-
Finance lease agreements (lessee)	-	-	-	-	-
Repayment or write-off of loans and lease agreements (lessee)	-	-	-	-	-
Guarantees given	71,642	-	-	1,830,663	1,902,305
Guarantees received	-	-	-	-	-
Commitments acquired	-	-	-	-	-
Cancelled commitments/guarantees	-	-	-	-	-
Dividends and other distributed profit	-	-	-	4,284	4,284
Other transactions	172,323	-	-	788,131	960,454

The transactions with other related parties include those performed with Grupo Terratest, Fidewi Inversiones, S.L., Lynx Capital, S.A., Indra Sistemas, S.A., Banco Guipuzcoano, S.A., Fidalsar, S.L., Geblasa and Zardoya Otis, S.A. due to their relationship with positions of responsibility in these companies held by directors of ACS, Actividades de Construcción y Servicios, S.A. In 2008 noteworthy are the transactions carried out with Banco Santander due to the relationship of a certain Board Member to this Bank in the year, a circumstance which did not arise in 2009.

Also included were the "intermediate premiums" paid to Unipsa (a company related to Banca March), amounting to EUR 71,448 thousand and EUR 54,772 thousand in 2009 and 2008, respectively, although these amounts were not consideration for insurance Brokerage services.

All these commercial transactions were carried out on an arm's length basis in the ordinary course of business and relate to the normal operations of the Group companies.

The transactions performed between ACS consolidated group companies were eliminated in the consolidation process and form part of the normal business of the companies in terms of their company object and conditions. The transactions are performed on an arm's length basis and the related information is not necessary to fairly present the equity, financial position and results of the Group's operations.

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## 34. Board of Directors and senior executives

In 2009 and 2008 the members of the Board of Directors de ACS, Actividades de Construcción y Servicios, S.A. received the following remuneration for membership of the Board of Directors of the Parent or of those of Group companies or for being senior executives of the Group companies.

	2009	2008
Thousands of euros		
Fixed remuneration	3,535	3,395
Variable remuneration	3,596	3,483
Bylaw-stipulated directors' emoluments	5,897	4,657
Other	158	60
<b>Total</b>	<b>13,186</b>	<b>11,595</b>

EUR 1,924 thousand and EUR 12,100 thousand were charged to income in relation to share options granted to members of the Board of Directors with executive duties in 2009 and 2008, respectively. These amounts relate to share options, which do not imply the recognition of income by the beneficiaries until the date on which the options are exercised, as provided for under current legislation.

Additionally, the benefits relating to pension funds and plans and to life insurance premiums are as follows:

Other Benefits	2009	2008
Thousands of euros		
Pension funds and plans: contributions	2,025	2,204
Pension funds and plans: obligations assumed	2,025	2,204
Life insurance premiums	16	12

The amount recognised under "Pension Funds and Plans: Contributions" relates to disbursements by the Company during the year. The amount recognised under "Pension Funds and Plans: Obligations Assumed" relates, in addition to the foregoing, to obligations charged to income in the year in this connection, even if they had been disbursed prior to the related year. The obligations assumed in relation to pension plans are the same as the amounts recognised under the related heading, since these obligations have been externalised and transferred to an insurance company. Accordingly, the Group has not assumed any outstanding obligation other than the contribution of the annual premium.

The ACS Group has not granted any advances, loans or guarantees to any of the Board members.

Remuneration, by type of director, including the amounts charged to the income statement relating to share options, were as follows:

	2009	2008
Thousands of euros		
Executive directors	8,844	9,284
Non-executive nominee directors	1,721	1,639
Non-executive independent directors	705	716
Other non-executive independent directors	2,503	1,239
<b>Total</b>	<b>13,773</b>	<b>12,878</b>

## 34.01. Transactions with members of the Board of Directors

The transactions with members of the Board of Directors or with companies in which they have an ownership interest giving rise to relatedness with the ACS Group are indicated in Note 33.02 on transactions with related parties.

## 34.02. Remuneration of senior executives

The remuneration of the Group's senior executives in 2009 and 2008, excluding those who are simultaneously executive directors, was as follows:

	2009	2008
Thousands of euros		
Salaries (fixed and variable)	25,059	24,294
Pension Plans	2,138	2,270
Life insurance	52	428

EUR 1,147 thousand and EUR 2,507 thousand were charged to income in relation to share options granted to the Group's senior executives in 2009 and 2008, respectively.

There were no other ACS Group transactions with senior executives other than those previously mentioned on remuneration.

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## 35. Other disclosures concerning the Board of Directors

Pursuant to Article 127 ter.4 of the Spanish Companies Law, introduced by Law 26/2003, of 17 July, which amends Securities Market Law 24/1988 of 28 July, and the Consolidated Spanish Companies Law, in order to reinforce the transparency of listed corporations, following is a detail of the companies engaging in an activity that is identical, similar or complementary to the activity that constitutes the company object of ACS, Actividades de Construcción y Servicios, S.A. in which the members of the Board of Directors own equity interests, of the positions or functions, if any, that they discharge thereat:

Owner	Investee	Activity	Ownership Interest	Functions
Pablo Vallbona Vadell	Abertis Infraestructuras, S.A.	Concessions	0.001%	Vice Chairman
Antonio García Ferrer	Abertis Infraestructuras, S.A.	Concessions	0.000%	Board member
Javier Echenique Landiribar	Abertis Infraestructuras, S.A.	Concessions	0.002%	Board member
Pedro López Jiménez	Terratest Técnicas Especiales, S.A.	Special Foundations	45%	Chairman (through Fapindus, S.L.)
Santos Martínez-Conde Gutiérrez-Barquín	Fomento de Construcciones y Contratas, S.A.	Construction and Services	0.004%	None
	Técnicas Reunidas, S.A.	Construction of Industrial Facilities	0.002%	None
	Repsol YPF, S.A.	Energy	0.001%	None
	Indra Sistemas, S.A.	Information technologies and defence systems	0.001%	None
	Endesa, S.A.	Energy	0.000%	None
	Grupo Ferrovial, S.A.	Construction and Services	0.001%	None
	Telefónica, S.A.	Telephony	0.001%	None
	Abertis Infraestructuras, S.A.	Concessions	0.001%	None
	Iberdrola Renovables, S.A.	Energy	0.000%	None
	Gas Natural SDG, S.A.	Energy	0.001%	None
	Enagas, S.A.	Energy	0.002%	None
	Iberdrola, S.A.	Energy	0.001%	None
Javier Monzón de Cáceres	Indra Sistemas, S.A.	Information technologies and defence systems	0.094%	Chairman
	Banco Inversis Net, S.A.	Finance	0.000%	Individual representing the Board Member Indra Sistemas, S.A.
	YPF, S.A.	Energy	0.000%	Board member
	Lagardere SCA	Communication	0.0001%	Board member
José Luis del Valle Pérez	Inmobiliaria Paredes, S.A.	Real Estate	13.57%	Sole Director
	Del Valle Inversiones, S.A.	Real Estate	33.33%	Director acting severally
	Inversiones Montecarmelo, S.A.	Real Estate	23.49%	None
	Sagital, S.A.	Private security and integral building maintenance	5.10%	None
Florentino Pérez Rodríguez	Abertis Infraestructuras, S.A.	Concessions	0%	Vice Chairman

Also pursuant to the aforementioned law, following is a detail of the activities performed by the directors, as independent professionals or as employees, that are identical, similar or complementary to the activity that constitutes the corporate purpose of ACS, Actividades de Construcción y Servicios, S.A.:

Name	Activity Performed	Type of Arrangement	Company through which the Activity is Performed	Position or Function at the Company Concerned
Pablo Valbona Vadell	Concessions	Employee	Abertis Infraestructuras, S.A.	Vice Chairman
	Holding	Employee	Corporación Financiera Alba, S.A.	Vice Chairman
Antonio García Ferrer	Construction	Employee	Dragados, S.A.	Board member
	Industrial Services	Employee	ACS, Servicios, Comunicaciones y Energía, S.L.	Board member
	Urban services and concessions	Employee	ACS, Servicios y Concesiones, S.L.	Board member
	Concessions	Employee	Abertis Infraestructuras, S.A.	Board member
José María Aguirre González	Engineering and Assembly Work	Employee	Cobra Gestión de Infraestructuras, S.L.	Chairman
	Industrial Services	Employee	ACS, Servicios, Comunicaciones y Energía, S.L.	Vice Chairman
Manuel Delgado Solís	Construction	Employee	Dragados, S.A.	Board member
Javier Echenique Landiribar	Industrial Services	Employee	ACS, Servicios, Comunicaciones y Energía, S.L.	Board member
	Finance	Employee	Banco Guipuzcoano	Chairman of the Board of Directors
	Energy	Employee	Repsol YPF, S.A.	Board member
	Paper	Employee	Ence, S.A.	Board member
	Concessions	Employee	Abertis Infraestructuras, S.A.	Board member
	Holding	Employee	Corporación Financiera Alba, S.A.	Board member
Juan March de la Lastra	Information Technologies	Employee	Indra Sistemas, S.A.	Board member
	Lifts	Employee	Zardoya Otis, S.A.	Vice Chairman
José María Loizaga Viguri	Venture Capital	Independent Professional	Cartera Industrial REA, S.A.	Chairman
	Storage Systems	Employee	Mecalux	Board member
	Port and logistics services	Employee	Dragados Servicios Portuarios y Logísticos, S.L.	Vice Chairman
Agustín Batuecas Torrego	Rail transport of goods	Employee	Continental Rail, S.A.	Individual representing Continental Auto, S.L. Chairman and CEO
	Transport interchange	Employee	Intercambiador de Transportes Príncipe Pío S.A.	Individual representing Iridium Concesiones de Infraestructuras, S.A. Chairman and CEO
	Transport interchange	Employee	Intercambiador de Transportes Plaza de Castilla, S.A.	Individual representing Iridium Concesiones de Infraestructuras, S.A. Chairman and CEO
	Rail transport of goods	Employee	Construirail, S.A.	Board member
	Construction	Employee	Dragados, S.A.	Vice Chairman
Pedro José López Jiménez	Urban services and concessions	Employee	ACS, Servicios y Concesiones, S.L.	Board member

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Name	Activity Performed	Type of Arrangement	Company through which the Activity is Performed	Position or Function at the Company Concerned
Pedro José López Jiménez	Special Foundations	Employee	Grupo Terratest	Chairman (through Fapindus, S.L.)
Santos Martínez-Conde Gutiérrez-Barquín	Finance	Employee	Banca March, S.A.	Board member
	Steel	Employee	Acerinox, S.A.	Board member
	Holding	Employee	Corporación Financiera Alba, S.A.	CEO
Javier Monzón de Cáceres	Urban services and concessions	Employee	ACS, Servicios y Concesiones, S.L.	Board member
	Information Technologies	Employee	Indra Sistemas, S.A.	Chairman
	Finance	Employee	Banco Inversis Net, S.A.	Individual representing the Board Member Indra Sistemas, S.A.
	Energy	Employee	YPF, S.A.	Board member
	Communication	Employee	Lagardere, SCA	Board member
Julio Sacristán Fidalgo	Tollroad Concessions	Employee	Autopistas Aumar, S.A.C.E.	Board member
	Concessions	Employee	Abertis Infraestructuras, S.A.	Board member
Miquel Roca i Junyent	Infrastructure Concessions	Employee	Abertis Infraestructuras, S.A.	Non-Director secretary
	Finance	Employee	Banco Sabadell, S.A.	Non-Director secretary
	Energy	Employee	Endesa	Independent non-executive board member
Álvaro Cuervo García	Stock Exchange	Employee	BME-Bolsas y Mercados Españoles, S.A.	Board member
José Luis del Valle Pérez	Urban services and concessions	Employee	ACS, Servicios y Concesiones, S.L.	Director-Secretary
	Industrial Services	Employee	ACS, Servicios, Comunicaciones y Energía, S.L.	Director-Secretary
	Construction	Employee	Dragados, S.A.	Director-Secretary
	Engineering and Assembly Work	Employee	Cobra Gestión de Infraestructuras, S.L.	Director-Secretary
	Engineering and Assembly Work	Employee	Sociedad Española de Montajes Industriales, S.A.	Director-Secretary
	Port and logistics	Employee	Dragados Servicios Portuarios y Logísticos, S.L.	Board member
	Infrastructure Concessions	Employee	Iridium Concesiones de Infraestructuras, S.A.	Board member
	Integral Maintenance	Employee	Clece, S.A.	Board member
	Concessions	Employee	Saba Aparcamientos, S.A.	Board member
	Urban Services	Employee	Urbaser, S.A.	Board member
	Investments	Employee	Del Valle Inversiones, S.A.	Director acting severally
	Motorway Concessions	Employee	Iberpistas, S.A.C.E.	Director-Secretary
	Real Estate	Employee	Inmobiliaria Paredes, S.A.	Sole Director
Francisco Verdú Pons	Holding	Employee	Corporación Financiera Alba, S.A.	Board member
	Finance	Employee	Banca March, S.A.	CEO
Florentino Pérez Rodríguez	Concessions	Employee	Abertis Infraestructuras, S.A.	Vice Chairman
Sabina Fluxá Thienemann	Tourism	Employee	Iberostar Hoteles y Apartamentos, S.L.	Director



In 2009 the Company performed commercial transactions with companies in which certain of its Board Members perform management functions. All these commercial transactions were carried out on an arm's-length basis in the ordinary course of business, and related to ordinary Company transactions.

## 36. Guarantee commitments to third parties and other contingent liabilities

At 31 December 2008 the ACS Group had provided guarantees to third parties in connection with its business activities totalling EUR 9,509,682 thousand (EUR 7,575,246 thousand in 2008).

The ACS Group's directors consider that no material liabilities additional to those recognised in the accompanying consolidated statement of financial position will arise as a result of the transactions described in this Note.

The contingent liabilities include that relating to the normal liability of the companies with which the Group carries on its business activities. Normal liability is that related to compliance with the contractual obligations assumed in the course of the provision of construction, industrial services or urban services by the companies or the joint ventures of which they are venturers.

This coverage is achieved by means of the corresponding guarantees provided to secure the performance of the contracts, compliance with the obligations assumed in the concession contracts, etc.

Lastly, the various Group companies are exposed to the risk of having court and out-of-courts claims filed against them. In these cases, the directors of the Group companies consider that the possible effect on the financial statements would not be material.

## 37. Information on the environment

In its business strategy, the ACS Group declares a firm commitment to sustainability, which includes, inter alia, a commitment to the natural environment, whose aim is to prevent, reduce, or repair the damage caused to the environment. This is channelled through the implementation of programs and procedures contributing to minimizing the negative impact of the different business activities carried on by the Group.

Among the latter is an Environment area consisting of street cleaning, the collection of urban solid waste, the operation of landfills and waste treatment plants, etc. Additionally, an environmental impact study is performed for most construction and engineering contracts. However, the Group considers the assets and expenses relating to these activities to be of an operating nature although they have an effect on the natural environment inherent to their features.

The development of infrastructures leads to changes in the environment resulting from the use of materials, of energy (both at the time of construction and over the life of the different infrastructures) or from the generation of waste. It may also give rise to visual effects and effects on the landscape, and all of these effects may be either positive or negative.

Therefore, given the commitment of ACS to the natural environment, it undertakes specific measures in relation to each of the Group's activities in order to improve overall results, decrease risks and preserve, reuse and reduce the resources used.

Currently, 79% of the Group's production takes place in companies that are environmentally certified in accordance with ISO 14001 standards.

In 2009 the ACS Group performed 444 environmental audits complementary to its ongoing certification and control process. This year there were 1,398 environmental incidents of differing impacts, but only 28 led to the filing of administrative proceedings resulting in a minor administrative fine, Total fines amounted EUR 107 thousand.

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The main environmental measures taken by the ACS Group in 2009 included most notably the following:

## Construction

The ACS Group actively complies with all environmental protection obligations arising from its construction projects. Accordingly, it considers preserving natural resources and acting responsibly towards the environment to be an integral part of its business activity.

The ACS Group is aware of the effect of construction activity on the natural environment. Although this effect is temporary, it may affect different elements of the environment: such as water, the atmosphere, soil, the natural environment, biodiversity, etc.

For Dragados, the company leading the ACS Group's construction area, the main aim is to identify the environmental impact of its projects and activities in an early phase and to eliminate or minimize these effects. Consequently, its companies have environmental management systems integrated into the general management system. Consequently, a number of preventive measures or good practices aimed at the sustainability of the environment and the fulfilment of legal requirements are implemented.

The main effects of the industry include, inter alia, the following:

- Use of natural resources
- Emissions into the atmosphere
- Generation of waste
- Biodiversity
- Environmental performance

By applying the policies and measures included in the annual environmental plan, the following objectives have been achieved:

- The ratio or relative consumption of water continues to be maintained within the range of 450 to 550 m<sup>3</sup>/million of euros in recent years and shows a downward trend.
- The total consumption of energy dropped to 5.4 tep/million Euros, as a result of the decrease in construction activity in the building area, leading civil engineering work to have a greater specific weight, since the highest amount of energy is consumed in this type of work.
- The upturn in the management of construction and demolition waste generated has been maintained since a valuation rate of over 58% was reached in 2009 as compared to 37% in the previous year.
- Total CO<sub>2</sub> emissions dropped from over 75,000 tons in 2008 to under 55,000 tons.

At 31 December 2009 and 2008, there were no environmental assets and no material expenses were incurred.

## Environment

The main impacts of this activity are related to the emission of greenhouse effect gases produced by the fleet of vehicles used for different services, as well as their fuel consumption, to the emission of methane from dumps and to waste generation.

The Environment area is working hard to reduce the fuel consumed by the various fleets of vehicles managed, an objective that was achieved in 2009, with a reduction from 96.6 million litres in 2007 to 35.8 million litres in 2009.

The ACS Group, through its company Urbaser, S.A., is the leader in the management of solid urban waste treatment plants in Spain, and has undertaken significant actions abroad. It currently manages the following:

- 44 urban solid waste pre-treatment plants with an installed capacity of 7,026,436 tons a year.
- 8 Energy recovery plants with a treatment capacity of 2,076,000 tons/year.
- 19 Biomethanization of the organic fraction plants with an installed capacity of 1,361,260 tons a year.
- 50 composting plants with an installed capacity of 2,584,568 tons a year.
- 78 transfer plants with an installed capacity of 7,004,008 tons a year.
- 48 controlled landfills with an installed capacity of 9,179,439 tons a year.
- 14 landfill regasification plants producing 421 Hm<sup>3</sup> of Biogas a year.

The whole of the treatments in plants where materials are recovered and electricity is generated, in addition to the degasification of landfills, gave rise to CO<sub>2</sub> savings equivalent to approximately 4,095,935 million tons in 2009.

The different processes generating energy from urban waste had a total installed power of 205 MW.

One of the ACS Group's environmental activities is the treatment and integral management of water as a scarce resource. The ACS Group is responsible for the supply of drinking water to several million people in Spain, Latin America and Morocco and its treatment, and focuses on maximum efficiency and savings in the use of this extremely valuable resource.

It purifies over 354 million of m<sup>3</sup> of water, supplying over 835 million of m<sup>3</sup> and makes over 90 million of m<sup>3</sup> drinkable for over 8.8 million equivalent inhabitants. For the ACS Group, the sustainable management of water is a key resource in its commitment to the environment and to sustainability.

The main environmental assets are the purifying facilities, biofuel, incineration and lixivate systems and investments in an automated bulk terminal to prevent and reduce environmental pollution and minimise the damage to the environment. At 31 December 2009, the value of these assets, net of depreciation, was EUR 22,359 thousand (EUR 68,770 thousand in 2008). The drop is a result of the consideration of the port and logistics line of business as a discontinued operation.

The environmental expenses incurred in 2009 and 2008 were not material.

## Industrial Services

The two main areas with an impact on the environment resulting from Industrial Services activity relate to CO<sub>2</sub> emissions and waste production. To minimize these impacts it dedicates a large amount of effort to environmental management year after year. In this respect, managers are not only concerned with the reduction of waste, but also the appropriate treatment and recycling of the waste inevitably produced by the environmental management departments of each of the Group companies.

At all its operating centres and branches measures have been taken to reduce the most significant environmental effects in this area (CO<sub>2</sub> emissions, consumption of raw materials, waste generation/valuation and recycling of waste). The main measurements taken in 2009 were as follows:

- Directly reduce CO<sub>2</sub> emissions through the replacement of fleet vehicles with others which are less pollutant.
- Investment in renewable energy assets including wind powered facilities and thermal solar power plants which currently have installed power of 1.175 MW. If this electricity had been produced by a coal boiler (e.g. lignite), 2,414,063 tons of CO<sub>2</sub> would have been emitted as a result of the combustion of this mineral.
- An environmental incident identification and safety system was implemented at work sites enabling the analysis and planning of improvement actions in future projects.
- Environment plan for the projects "Puente Bahía de Cádiz" and "Castor".
- Drop in electricity consumption in the development of various Group company projects.

At 31 December 2009 and 2008, there were no environmental assets and no material expenses were incurred.

## 38. Auditors' fees

The fees for financial audit services provided to the various companies composing the Consolidated Group in 2009 amounted to EUR 4,429 thousand (EUR 4,709 thousand in 2008). Of this amount, EUR 3,306 thousand (EUR 3,450 thousand in 2008) corresponded to the principal auditor, Deloitte, S.L.

The Group paid EUR 1,141 thousand (EUR 1,162 thousand in 2008) to audit firms for other services, mainly accounting services. Of this amount, EUR 862 thousand (EUR 736 thousand in 2008) corresponded to the principal auditor, Deloitte, S.L.

## 39. Explanation added for translation to English

These consolidated financial statements are presented on the basis of IFRSs as adopted by the European Union. Certain accounting practices applied by the Group that conform with IFRSs may not conform with other generally accepted accounting principles.

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## Appendix I. Subsidiaries

Company	Registered Office	Activity	Auditor	% Effective Ownership
<b>PARENTS</b>				
ACS, Actividades de Construcción y Servicios, S.A.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Parent	Deloitte	-
ACS Colombia, S.A.	Santa Fè de Bogotá. Colombia	Construction	Elquin Infante Lomba	100.00%
ACS Telefonía Móvil, S.L.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	-	100.00%
Admirabilia, S.L.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	-	100.00%
Aurea Fontana, S.L.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	-	100.00%
Cariátide, S.A.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	Deloitte	100.00%
Novovilla, S.L.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	-	100.00%
PR Pisa, S.A.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	Deloitte	100.00%
Residencial Monte Carmelo, S.A.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	Deloitte	100.00%
Roperfeli, S.L.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	Deloitte	100.00%
Villa Aurea, S.L.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	-	100.00%
Villanova, S.A.	Avda. de Pio XII, 102. 28036 Madrid. Spain	Holding Company	-	100.00%
<b>CONSTRUCTION</b>				
Dragados, S.A.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Construction	Deloitte	100.00%
Acainsa, S.A.	C/ Orense, 34-1º 28020 Madrid. Spain	Real Estate Development	-	100.00%
Aparcamiento Tramo C. Rambla-Coslada, S.L.	C/ Orense, 34-1º 28020 Madrid. Spain	Operation of carparks	-	100.00%
Besalco Dragados, S.A.	Avda. Tajamar nº 183 piso 1. Las Condes. Santiago de Chile. Chile	Construction	KPMG	50.00%
Castellano Leonesa de Minas, S.A.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Minig- Inactive	-	100.00%
Cesionario Vallés Occidental, S.A.	Avda. Josep Tarradellas, nº 34-36. 08029 Barcelona. Spain	Concession	Deloitte	100.00%
Colonial Leasing Corporation	150 Meadowlands Parkway Seacaucus. New Jersey 07068. USA.	Vehicle Rental	-	100.00%
Comunidades Gestionadas, S.A. (COGESA)	C/ Orense, 34-1º 28020 Madrid. Spain	Real Estate Development	Deloitte	100.00%
Concesionaria San Rafael, S.A.	C/ Diputado José Rivas, s/n. 07816 Sant Antonio de Port. Ibiza. Spain	Concession	Deloitte	100.00%
Consorcio Dragados Compax, S.A.	Avda. Vitacura, 2939 ofic. 2201. Las Condes. Santiago de Chile. Chile.	Construction	-	60.00%
Consorcio Tecdra, S.A.	Avda. Vitacura, 2939 ofic. 2201. Las Condes. Santiago de Chile. Chile.	Construction	Quezada & Díaz	100.00%
Construcciones y Servicios del Egeo, S.A.	Alamanas, 1ª 151 25 Maroussi. Athens. Greece	Construction	-	100.00%
Constructora Dycven, S.A.	Veracruz Edif. Torreón, 3º, Urbaniz. Las Mercedes. Caracas. Venezuela	Construction	Deloitte	100.00%
Constructora Vespucio Norte, S.A.	Avda. Vitacura, 2939 ofic. 2201 Las Condes. Santiago de Chile. Chile.	Construction	Ernst & Young	54.00%
Construrail, S.A.	C/ Orense, 11. 28020 Madrid. Spain	Logistics service	PricewaterhouseCoopers	51.00%
Continental Rail, S.A.	Avda. de América nº 2, piso 17 B. 28002 Madrid. Spain	Rail Transport	PricewaterhouseCoopers	100.00%
Drace Medio Ambiente, S.A.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain.	Environment	Deloitte	100.00%
Dragados Canadá Inc.	Suite 1400 40 Elgin Street. Ottawa. Ontario. Canada	Construction	BDO	100.00%
Dragados Construction USA, Inc.	500 Fifth Avenue, 38 th. Floor. New York, NY 10110. USA.	Holding company	-	100.00%
Dragados Inversiones USA, S.L.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain.	Holding of securities	-	100.00%
Dragados Obra Civil y Edificac México S.A de C.V.	C/ Hamburgo, 172, piso 1. Juárez Distrito Federal 06000. Mexico	Construction	-	100.00%
Dragados Roads Ltd.	Hill House 1 Little New Street. London EC4A3TR. United Kingdom	Construction	Deloitte	100.00%
Dragados USA, Inc.	500 Fifth Avenue, 38 th. Floor. New York, NY 10110. USA.	Construction	BDO Seid Man	100.00%
Drasel, SARL	Route de Versonnex, 5, Cessy. France	Construction	-	60.00%
Dycasa S.A.	Avda. Leandro N. Alem, 986. Buenos Aires. Argentina	Construction	Estudio Torrent Auditores	66.10%
Eix Diagonal Construccions, S.L.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain.	Construction	-	100.00%
Flota Proyectos Singulares, S.A.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain.	Construction	Deloitte	100.00%
Gasoductos y Redes Gisca, S.A.	C/ Orense, 11. 28020 Madrid. Spain	Petroleum and water pipelines	PricewaterhouseCoopers	52.50%
Geocisa USA Inc.	2711 Centerville Road, Suite 400, Wilmington, New Castle - Delaware. USA.	Construction	-	100.00%
Geotecnia y Cimientos, S.A.	C/ Los Llanos de Jerez, 10-12. 28823 Coslada. Madrid. Spain	Construction	Deloitte	100.00%
Gestifisa, S.A.	C/ Orense, 34 1º. 28020 Madrid. Spain	Real Estate Development	-	100.00%
Hullera Oeste de Sabero, S.A.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Minig- Inactive	-	100.00%
Inmobiliaria Alabega, S.A.	C/ Orense, 34-1º. 28020 Madrid. Spain	Real Estate Development	-	100.00%
John P. Picone Inc.	31 Garden Lane. Lawrence. NY 11559. USA.	Construction	J.H. COHN	80.00%
Logística y Transportes Ferroviarios, S.A.	Edificio Autoterminal. Muelle Dársena Sur- Puerto. 08039 Barcelona. Spain	Logistics and transport	PricewaterhouseCoopers	64.01%
Lucampa, S.A.	C/ Orense, 34-1º. 28020 Madrid. Spain	Real Estate Development	-	100.00%
Manteniment i Conservació del Vallés, S.A.	Avda. Josep Tarradellas, 34-36. 08209 Barcelona. Spain	Concession	Deloitte	100.00%
Newark Real Estate Holdings, Inc.	500 Fifth Avenue, 38 th. Floor. New York, NY 10110. USA.	Real Estate Development	-	100.00%
Pol-Aqua, S.A.	Dworska 1. 05-500 Piaseczno k/ Varsovia. Poland	Construction	Korycka, Budziak & Audytorzy Sp z.o.o.	66.00%
Protide, S.A.	C/ Ramiro Valbuena, 12. 24002 León. Spain	Real Estate Development	-	100.00%
Pulice Construction Inc.	2033 W Mountain View Rd. Phoenix. AZ 85021. Phoenix. USA.	Construction	Mayer Joffman McCann p.c.	100.00%
Remodelación Ribera Norte, S.A.	Avda. Josep Tarradellas, nº 34-36. 08029 Barcelona. Spain	Concession	Deloitte	100.00%
Residencial Leonesa, S.A.	C/ Orense, 34-1º. 28020 Madrid. Spain	Real Estate Development	-	100.00%
Schiavone Construction Company	150 Meadowlands Parkway Seacaucus. New Jersey 07068. USA.	Construction	J.H. COHN	100.00%
Servia Conservación y Mantenimiento, S.A.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Construction	-	51.00%

Company	Registered Office	Activity	Auditor	% Effective Ownership
Sicsa Rail Transport, S.A.	Avda. del Puerto, 189, 5. 46022 Valencia. Spain	Combined transport	Deloitte	76.00%
Soluc Edific Integrales y Sostenibles, S.A. (SEIS)	Avda. Camino de Santiago, 5. 28050 Madrid. Spain	Construction	Deloitte	100.00%
Sussex Realty, Llc.	31 Garden Lane Lawrence, NY 11559. USA.	Construction	-	90.00%
Técnicas e Imagen Corporativa, S.L.	Avda. de París, 1. 19200. Azuqueca de Henares. Guadalajara. Spain	Design of signs and corporate image	Deloitte	100.00%
Tecsa Empresa Constructora, S.A.	Avda. Madariaga, 1, 4. 48014 Bilbao. Spain	Construction	Deloitte	100.00%
Tedra Australia Pty. L.T.D.	Level 5, Mayne Building 390 ST Kilda Road. Melbourne 3004. Australia	Construction	-	100.00%
Vías y Construcciones, S.A.	C/ Orense, 11. 28020 Madrid. Spain	Construction	PricewaterhouseCoopers	100.00%

### INDUSTRIAL SERVICES

ACS Servicios Comunicaciones y Energía, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Industrial Services	Deloitte	100.00%
ACS industrial Services, LLC.	3511 Silverside road suite 105. Wilmington Delaware 19810. County of New Castle	Energy Production	-	100.00%
ACS Perú	Avenida Víctor Andrés Belaúnde 887 Distrito. Carmen de Le Legua. Reinoso	Auxiliary services	-	100.00%
ACS Servicios Comunicac y Energía de México SA CV	C/ Juan Racine, 112 piso 8. 11510. Mexico DF	Construction	-	100.00%
Actividades de Instalaciones y Servicios, Cobra, S.A.	Calle 21, nº 7070. Parque Empresarial Montevideo. Bogotá. Colombia	Auxiliary electricity, gas and communication distribution services	-	100.00%
Actividades de Montajes y Servicios, S.A.	Polígono Pocomaco, parcela G-2, Nave 3. 15190 Mesoiro. La Coruña. Spain	Industrial installation and assembly	-	100.00%
Actividades de Montajes y Servicios, S.A. de CV.	C/ Melchor Ocampo, 193 Torre C, Piso 14, Letra D. Colonia Verónica Anzures. Mexico	Auxiliary electricity, gas and communication distribution services	BDO	100.00%
Actividades de Servicios e Instalaciones Cobra, S.A.	2 Avda. 13-35 Zona 17, Ofibodegas los Almendros N 3. 01017. Ciudad de Guatemala. Guatemala	Auxiliary electricity, gas and communication distribution services	-	100.00%
Agadirver	Rua Rui Teles Palhinha, 4. Leirão. 2740-278. Porto Salvo. Portugal	Asset-holding company	-	74.54%
Agrupación Offshore 60, S.A. de CV.	Juan Racine nº 112, piso 8, Col. Los Morales. 11510. Mexico D.F.	Manufacturing of metallic structures	KMPG Cardenas Dosal, S.C.	100.00%
Al-Andalus Wind Power, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	Deloitte	100.00%
Albares Renovables, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Promotion, management and distribution of energy	-	60.00%
Albatros Logistic, S.A.	C/ Franklin Naves, 24-29. 28906 Getafe. Madrid. Spain	Distribution Logistics	Deloitte	100.00%
Albufera Projetos e Serviços, Ltda.	Avda. Presidente Wilson 231, Sala 1701 Parte. Rio de Janeiro. Brazil	Electrical installations	-	50.00%
Aldebarán S.M.E., S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	100.00%
Aldeire Solar, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Aldeire Solar-2, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Alfrani, S.L.	C/ Baron Del Solar, 18. 30520 Jumilla. Murcia. Spain	Electric assemblies	-	100.00%
Altomira Eólica, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Andasol 1, S.A.	Plaza Rodrigo s/n. 18514 Aldeire. Granada. Spain	Energy Production	Deloitte	100.00%
Andasol 2, S.A.	Plaza Rodrigo s/n. 18514 Aldeire. Granada. Spain	Energy Production	Deloitte	100.00%
Andasol 3 Central Termosolar Tres, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Andasol 4 Central Termosolar Cuatro, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Andasol 5 Central Termosolar Cinco, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Andasol 6 Central Termosolar Seis, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Andasol 7 Central Termosolar Siete, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Antennea Technologies, S.L.	C/ Sepúlveda, 6. 28108 Alcobendas. Madrid. Spain	Telecommunications	-	100.00%
Apadil Armad. Plást. y Acces. de Iluminación, S.A.	E.N. 249/4 Km 4.6. Trajouce. São Domingos de Rana. 2775. Portugal	Design, manufacture and installation of corporate image	PricewaterhouseCoopers	100.00%
API Fabricación, S.A.	Raso de la Estrella, s/n. 28300 Aranjuez. Spain	Manufacturing	Deloitte	100.00%
API Movilidad, S.A.	Avda. de Manoteras, 26. 28050 Madrid. Spain	Road maintenance	Deloitte	100.00%
Applied Control Technology, LLC.	5005 N. Stalene Av. Texarcana Texas TX 75503. USA	Electrical installations	-	55.00%
Araraquara Transmissora de Energia, S.A.	Avda. Marechal Camara, 160 Sala 1036 (parte). Rio de Janeiro. Brazil	Electrical installations	-	100.00%
Araucária Projetos e Serviços de Construção, Ltda.	Avda. Presidente Wilson 231, Sala 1701 (parte). Rio de Janeiro. Brazil	Electrical installations	-	50.00%
Argencobra, S.A.	Nicaragua 5935 2º Piso. CP C1414BWK. Buenos Aires. Argentina	Auxiliary electricity, gas and communication distribution services	Oswaldo Jorge Paulino / Alejandra Tempestini	100.00%
Artemis Transmissora de Energia, Ltda.	Rua Deputado Antonio Edu Vieira 999 Florianopolis. Estado Santa Catarina. Brazil	Electrical concession	Assurance Auditores e Consultores	51.00%
Asistencia Offshore, S.A.	Bajo de la Cabezueta, s/n. 11510 Puerto Real. Cadiz. Spain.	Engineering services	-	100.00%
Atil-Cobra, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Sale and assembly of industrial and air-conditioning installations	Deloitte	100.00%
B.I. Josebeso, S.A.	Pza. Venezuela, Torre Phelps s/n. 1050 Caracas. Venezuela	Industrial cleaning	-	82.80%

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Company	Registered Office	Activity	Auditor	% Effective Ownership
Benisaf Water Company, Spa	29 Bis Rue Abou Nouas. Hydra. Alger	Concession	-	51.00%
Benq	Rua Rui Teles Palhinha 4 - 3. Leião 2740-278. Porto Salvo. Portugal	Inactive	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Berea Eólica, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	70.00%
Biobeiraner, Lda.	Tagus Sapce. Rua Rui Teles Palhinha, N 4 2740-278. Porto Salvo. Portugal	Generation of electricity	-	21.75%
Biodemira, Lda.	Tagus Sapce. Rua Rui Teles Palhinha, N 4 2740-278. Porto Salvo. Portugal	Generation of electricity	-	30.00%
Bioparque Mira, Lda.	Tagus Sapce. Rua Rui Teles Palhinha, N 4 2740-278. Porto Salvo. Portugal	Biomass	-	30.00%
Biorio, Lda.	Tagus Sapce. Rua Rui Teles Palhinha, N 4 2740-278. Porto Salvo. Portugal	Generation of electricity	-	45.00%
Bioteceira SGPS, S.A.	Rua Mario dionisio, nº 2. Linda-a-Velha. Oeiras. Portugal	Asset-holding company	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Bonal Serveis Elèctrics i Electrònics, S.A.	Pl. Girona. Avda. Mas de Vila 39-41. 17457 Riudellots de la Selva. Girona. Spain	Regulation of traffic and lighting systems	Deloitte	100.00%
BT0B Construcción Ventures, S.L.	C/ Teide, 4-1 plta. 28709 San Sebastián de los Reyes. Madrid. Spain	Administrative management services	-	100.00%
C. A. Weinfel de Suministro de Personal	Pza. Venezuela, Torre Phelps s/n. 1050 Caracas. Venezuela	Industrial cleaning	-	82.80%
Cabeço das Pedras	Rua Rui Teles Palhinha 6 - 3. Leião 2740-278. Porto Salvo. Portugal	Energy production	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Cachoeira Montages e Serviços, Ltda.	Marechal Camera, 160. Rio de Janeiro. Brazil 20020	Electrical assembly and service	-	100.00%
California Sun Power, LLC.	818 West Seventh Street. Los Angeles California 90017. USA.	Energy production	-	100.00%
Calvache Eólica, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	70.00%
Carta Valley Wind Power, LLC.	2711 Centerville Road Suite 400 Wilmington county of New Castle delaware 19808	Energy Production	-	100.00%
Catalana de Treballs Públics, S.A.	Gran Capitán, 4. 08034 Barcelona. Spain	Auxiliary electricity and communication distribution services	Deloitte	100.00%
Cataventos Acarau, Ltda.	Fortaleza. Brazil	Generation of electricity	-	75.00%
Cataventos de Paracuru, Ltda.	Fortaleza. Brazil	Generation of electricity	-	60.00%
Cataventos Embuaca, Ltda.	Fortaleza. Brazil	Generation of electricity	-	75.00%
Catxeré Transmissora de Energia, S.A.	Avda. Marechal Camara, 160 Sala 1036 (parte). Rio de Janeiro. Brazil	Electrical installations	-	100.00%
CCR Platforming Cangrejera S.A. de C.V.	C/ Juan Racine, 112, piso 8. 11510	Construction	-	68.00%
Central Térmica de Mejillones, S.A	Avda. José Pedro Alessandri, 2323 Macul. Santiago Chile	Engineering, supply and construction of Central Térmica de Mejillones	BDO	100.00%
Centro de Control Villadiego, S.L.	José Luis Bugallal Marchesi, 20. 15008 La Coruña. Spain	Generation of electricity	-	100.00%
Chaparral Wind Power, S.L.	C/ Cardenal Marcelo Spínola 10. Madrid 28016. Spain	Generation of renewable energy	-	100.00%
CIL	Avda. Marechal Camera 160. Rio de Janeiro. Brazil	Distribution of electricity	-	100.00%
CM- Construções, Ltda.	Rua, XV de Novembro 200, 14. Andar San Paulo. Brazil CPE 01013-000	Energy production	-	74.54%
Cme Aguas, S.A.	Rua Rui Teles Palhinha, 4. Leião 2740-278 Porto Salvo. Portugal	Operation of a landfill	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
CME Al Arabia, Lda.	Riade Arabia Saudita	-	-	37.50%
Cme Angola, S.A.	Angola	Asset-holding company (inactive)	-	74.54%
Cme Business	Brazil	Asset-holding company (inactive)	-	74.54%
CME Cabo Verde, S.A.	Cabo Verde	-	-	75.00%
CME Chile, SPA.	Chile	-	-	75.00%
Cme Madeira, S.A.	Rua Alegria Nº 31-3. Madeira. Portugal	Industrial services	Oliveira, Reis & Associados, Sroc, Ltda	38.02%
CME- Participações SGPS, S.A.	Tagus Sapce - Rua Rui Teles Palhinha, nº 4 2740-278. Porto Salvo. Portugal	Holding company	-	75.00%
CME Roménia	Rumania	Different installations	-	74.54%
Cme, S.A.	Rua Rui Teles Palhinha 4. Leião 2740-278. Porto Salvo. Portugal	Industrial services	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Cobra Bahia Instalações e Serviços	Cuadra 4, 10. Estrada do Coco. Bahia Brazil 47680	Electrical assemblies and installations	-	100.00%
Cobra Bolivia, S.A.	Rosendo Gutierrez, 686. Sopocachi. Bolivia	Development of electronic systems	-	100.00%
Cobra Chile, S.A.	José Pedro Alexandri, 2323. Macul. Santiago de Chile. Chile	Electrical assemblies and installations	BDO	100.00%
Cobra Concesiones Brasil, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Infrastructures operation	-	100.00%
Cobra Concesiones, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Services	-	100.00%
Cobra Energy, Ltd	60 Solonos street. Athens. Greece	Electricity, water treatment, management of renewable natural resources, various public sector and private sector works	-	100.00%
Cobra Gestión de Infraestructuras, S.L.U	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Industrial services	Deloitte	100.00%
Cobra Industrial Services, Inc.	3511 Silverside road suite 105 Wilmington Delaware 19810. County of New Castle	Energy Production	-	100.00%
Cobra Infraestructuras Hidráulicas, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Development of projects and performance of all types of construction	Deloitte	100.00%
Cobra Ingeniería de Montajes, S.A.	C/ Fernando Villalón, 3. 41004 Sevilla. Spain.	Installation and assemblies	-	100.00%

Company	Registered Office	Activity	Auditor	% Effective Ownership
Cobra Instalaciones México, S.A. de C.V.	C/ Melchor Ocampo, 193. Colonia Verónica Anzures. Mexico	Auxiliary electricity, gas and communication distribution services	BDO	100.00%
Cobra Instalaciones y Serv. India PVT	B-324. New Friends Colony New Delhi-110 025. India	Catenary		100.00%
Cobra Instalaciones y Servicios Internacional, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Holding company	Deloitte	100.00%
Cobra Instalaciones y Servicios República Dominicana	Avda. Anacanoa. Hotel Dominican Fiesta Santo Domingo, DN	Auxiliary electricity, gas and communication distribution services	-	100.00%
Cobra Instalaciones y Servicios, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Industrial services	Deloitte	100.00%
Cobra Instalações y Servicios, Ltda.				100.00%
Cobra Inversiones y Gestión, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Holding company	-	100.00%
Cobra La Rioja Sur	Concepción Arenal 2630 CP 1426. Capital Federal Buenos Aires. Argentina	Electricity, water treatment, management of renewable natural resources, various public sector and private sector works	-	100.00%
Cobra Perú II, S.A.	Avda. Víctor Andrés Belaúnde 887. Distrito: Carmen de Le Legua Reinoso	Electrical installations	-	100.00%
Cobra Perú, S.A.	Avda. Víctor Andrés Belaúnde 887. Distrito: Carmen de Le Legua Reinoso	Auxiliary electricity and communication distribution services	Deloitte	100.00%
Cobra Servicios Auxiliares, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Reading of electricity meters and other services	Deloitte	100.00%
Cobra Sistemas de Seguridad, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Sale and installation of security systems	-	100.00%
Cobra Sistemas y Redes, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Installation of communication and control services	-	100.00%
Cobra Solar del Sur, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Development, construction, operation and management of solar plants.	-	100.00%
Cobra Sun Power USA, Inc.	2711 Centerville Road Suite 400 Wilmington Country of New Castle Delaware 19808	Energy Production	-	100.00%
Cobra Telecomunicaciones Chile	José Pedro Alexandri, 2323. Macul. Santiago de Chile. Chile	Electrical assemblies and installations	-	100.00%
Cobra Termosolar USA, S.L.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Cobra-Udisport Conde de Guadalhorce, S.L.	Paseo Cerrado de Calderón, 18. Edif. Mercurio 1ª plta. 29018 Málaga. Spain	Operation, maintenance and provision of public service at Centro Deportivo Guadalhorce	-	51.00%
Codeven. Venezuela	Av. San Fco C/ Sta. Margarita Colinas California, Ed.Torre. California 1070. Caracas. Venezuela	Construction and Engineering		100.00%
Coinal Instalaciones y Servicios, S.A. de C.V.	Residencial Palermo, Pasaje 3. Polígono G Casa #4. San Salvador. El Salvador	Installations and assembly	-	100.00%
Coinsmar Instalaciones y Servicios, SARLAU	210 Boulevard Serketouni Angle Boulevard Roudani n° 13, Maarif 2100. Casablanca. Morocco	Electricity and public works	-	100.00%
Consortio Especializado Medio Ambiente, S.A.de CV	Melchor Ocampo, 193 piso 14. Mexico D.F Mexico.	Integrated services	-	60.00%
Construcciones Dorsa, S.A.	C/ Cristóbal Bordinú, 35-5, oficina 515-517. Madrid. Spain	Construction	-	99.73%
Control y Montajes Industriales CYMI, S.A.	C/ Teide 4, 2ª planta. 28709 San Sebastián de los Reyes. Madrid. Spain	Electrical installations	Deloitte	100.00%
Control y Montajes Industriales de Méjico, S.A. de C.V.	C/ Juan Racine, 116- 6. 11510 Mexico. D.F	Electrical installations	Deloitte	100.00%
Cosersa, S.A.	Avda. de Manóteras, 26. 28050 Madrid. Spain	Industrial cleaning	Deloitte	100.00%
Cymi do Brasil, Ltda.	Avda. Presidente Wilson 231, sala 1701 20030-020. Rio de Janeiro. Brazil	Electrical installations	-	100.00%
Cymi Holding, S.A.	Avda. Presid Wilson 231 Sala 1701 Parte Centro. Rio de Janeiro. Brazil	Holding company	Assurance Auditores e Consultores	100.00%
Cymi Investment USA, S.L.	C/ Teide, 4-2ª plta. 28709 San Sebastián de los Reyes. Madrid. Spain	Holding company	-	100.00%
Cymi Seguridad, S.A.	C/ Teide, 4-2ª plta. 28709 San Sebastián de los Reyes. Madrid. Spain	Security systems installation	-	100.00%
Delta P I, LLC.	400-A Georgia Av. Deer Park Texas 77536. USA	Electrical installations	-	55.00%
Depuradoras del Bajo Aragón S.A.	Paraíso 3- 50410 Cuarte de Huerva. Zaragoza. Spain	Water treatment	Deloitte	55.00%
Desarrollo Informático, S.A.	Avda. de Santa Eugenia, 6. 28031 Madrid. Spain	Computer maintenance	Deloitte	100.00%
Desarrollos Energéticos Riojanos, S.L.	Pol. Industrial Las Merindades, calle B s/n. Villarcayo. 09550 Burgos. Spain	Generation of electricity	-	80.00%
Dimática, S.A.	C/ Saturnino Calleja, 20. 28002 Madrid. Spain	Sale of computer equipment	-	100.00%
Dragados Construc. Netherlands, S.A.	Amsteldijk 166-6 1079LH. Amsterdam. Netherlands	Electrical installations	-	100.00%
Dragados Gulf Construction, Ltda.	P. O Box 3140 Al Khobar 31952. Kingdom of Saudi Arabia	Construction	Deloitte	100.00%
Dragados Industrial, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Construction	Deloitte	100.00%
Dragados Industrial Algeria S.P.A.	Lot nº 7. Ville Coopérative El Fetej - El Bihar. Alger. Algérie	Industrial maintenance and assemblies	Menguellatti Encha Allah	100.00%
Dragados Industrial Canada, Inc.	620 Rene Levesque West Suite 1000 H3B 1 N7 Montreal. Quebec. Canada	Electrical installations	-	100.00%
Dragados Offshore de Méjico KU-A2, S.A de C.V.	Juan Racine n 112, piso 8, Col. Los Morales 11510. Mexico D.F.	Manufacturing of metallic structures	KMPG Cardenas Dosal, S.C.	100.00%
Dragados Offshore de Méjico, S.A. de C.V.	Juan Racine n 112, piso 8, Col. Los Morales 11510. Mexico D.F.	Manufacturing of metallic structures	KMPG Cardenas Dosal, S.C.	100.00%
Dragados Offshore USA, Inc.	10333 Richmond Avenue, suite 720 77042 Texas. Houston. USA.	Market research and capturing of markets	-	100.00%
Dragados Offshore, S.A.	Bajo de la Cabezueta, s/n. 11510 Puerto Real. Cádiz. Spain	Manufacturing of metallic structures	Deloitte	100.00%
Dragados Proyectos Industriales de Méjico, S.A. de C.V.	Juan Racine 112, 8 piso Colonia Los Morales. Mexico (DF). Delegacion Miguel Hidalgo 11510	Engineering and construction	Deloitte	100.00%

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Company	Registered Office	Activity	Auditor	% Effective Ownership
Dyctel infraestrutura de Telecomunicações, Ltda.	C/ Rua Riachuelo, 268. 90010 Porto Alegre. Brazil	Telecommunications	-	100.00%
Dyctel Infraestructuras de Telecomunicaciones, S.A.	C/ La Granja, 29. 28108 Alcobendas. Madrid. Spain	Telecommunications	-	100.00%
Ecocivil Electromur G.E., S.L.	C/ Paraguay, Parcela 13/3. 30169 San Ginés. Murcia. Spain	Civil works	Deloitte	94.50%
Ecovent Parc Eólico, S.A.	C/ Cardenal Marcelo Spínola 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	100.00%
El Otero Wind Power, S.L.	C/ Cardenal Marcelo Spínola 10. Madrid 28016. Spain	Renewable energy generation	-	100.00%
El Recuento Eólica, S.L.	C/ Cardenal Marcelo Spínola 10. Madrid 28016. Spain	Renewable energy generation	-	100.00%
Elétrén, S.A.	Avda. del Brasil, 6. 28020 Madrid. Spain	Specialized construction	PricewaterhouseCoopers	100.00%
Electromur, S.A.	C/ Cuatro Vientos, 1. San Ginés. Murcia. Spain	Electrical installations	Deloitte	100.00%
Electronic Traffic, S.A.	C/ Tres Forques, 147. 46014 Valencia. Spain	Electrical installations	Deloitte	100.00%
Emplogest, S.A.	Rua Alfredo Trínidade, 4 Lisboa. 01649 Portugal	Holding company	-	98.21%
Emurtel, S.A.	C/ Carlos Egea, parc. 13-18. Pl. Oeste. Alcantarilla. Murcia. Spain	Telecommunications	Deloitte	50.10%
Enclavamientos y Señalización Ferroviaria, S.A.	C/ La Granja, 29. 28108 Alcobendas. Madrid. Spain	Construction	Deloitte	100.00%
Enelec, S.A.	Avda. Marechal Gomes da Costa 27. 1800-255 Lisboa. Portugal	Electrical installations	L. Graça, R. Carvalho & M. Borges, SROC, LDA	100.00%
Energía Sierrezuela, S.L.	C/ Cardenal Marcelo Spínola 10. Madrid 28016. Spain	Renewable energy generation	-	100.00%
Energía y Recursos Ambientales Internacional, S.L.	C/ Cardenal Marcelo Spínola, 10.28016 Madrid. Spain	Renewable energy generation	-	100.00%
Energías Ambientales de Guadalajara, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Energías Ambientales de Novo, S.A.	José Luis Bugallal Marchesi M-10. 15008 La Coruña. Spain	Generation of electricity	Deloitte	66.67%
Energías Ambientales de Oaxaca, S.A. de C.V.	Juan Racine, 112 piso 6 Mexico D.F.	Generation and transmission of electricity	-	100.00%
Energías Ambientales de Outes, S.A.	José Luis Bugallal Marchesi, 20. 15008 La Coruña. Spain	Generation of electricity	Deloitte	100.00%
Energías Ambientales de Somozas, S.A.	José Luis Bugallal Marchesi M -10. 15008 La Coruña. Spain	Generation of electricity	Deloitte	51.70%
Energías Ambientales de Soria, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Energías Ambientales de Vimianzo, S.A.	José Luis Bugallal Marchesi M -10. 15008 La Coruña. Spain	Generation of electricity	Deloitte	66.67%
Energías Ambientales, S.A.	José Luis Bugallal Marchesi M -10. 15008 La Coruña. Spain	Generation of electricity	Deloitte	66.67%
Energías y Recursos Ambientales, S.A.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	100.00%
Enipro, S.A.	Rua Rui Teles Palhinha, 4. Leião. 2740-278 Porto Salvo. Portugal	Holding company	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Enq, S.L.	C/ F, nº 13. Pl. Mutiva Baja. Navarra. Spain	Electrical installations	-	100.00%
Eólica del Guadiana, S.L.	C/ Manuel Siurot, 27. 21004 - Huelva	Energy Production	-	90.00%
Eólica Majadillas, S.L.	C/ Cardenal Marcelo Spínola 10. Madrid 28016. Spain	Renewable energy generation	-	100.00%
Eólica Torrellana, S.L.	C/ Cardenal Marcelo Spínola 10. Madrid 28016. Spain	Renewable energy generation	-	00.00%
EPC Ciclo Combinado Norte, S.A. de C.V.	Melchor Ocampo, 193, Torre C piso 14 D. 11300 Méjico D.F. Mexico	Industrial plants	BDO	100.00%
Equipos de Señalización y Control, S.A.	C/ Severino Covas, 100. Vigo. Pontevedra. Spain	Electrical installations	Deloitte	100.00%
Etra Cataluña, S.A.	C/ Mercuri, 10-12. Cornellá de Llobregat. Barcelona. Spain	Electrical installations	Deloitte	100.00%
Etra Interandina, S.A.	C/ 100, n 8A-51, Of. 610 Torre B. Santafe de Bogota. Colombia	Electrical installations	Elquin Infante	100.00%
Etra Investigación y Desarrollo, S.A.	C/ Tres Forques, 147. 46014 Valencia. Spain	Research and development	Deloitte	100.00%
Etralux, S.A.	C/ Tres Forques, 147. 46014 Valencia. Spain	Electrical installations	Deloitte	100.00%
Etranorte, S.A.	C/ Errerruena, pab. G. Pl. Zabalondo. Munguia. Vizcaya. Spain	Electrical installations	Deloitte	100.00%
Extresol 2, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	Deloitte	100.00%
Extresol 3, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Extresol-1, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	Deloitte	100.00%
Eyra Energías y Recursos Ambientais, Lda.	Avda Sidonio Pais, 28. Lisboa. Portugal	Generation of electricity	-	98.00%
Eyra Wind Power USA Inc	2711 Centerville Road Suite 400 Wilmington county of New Castle delaware 19808	Energy Production	-	100.00%
France Semi, S.A.	20/22 Rue Louis Armand rdc. 75015 Paris. France	Assemblies	-	99.73%
Garby Aprovechamientos Energéticos, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Geida Beni Saf, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Madrid	Desalination plant	-	100.00%
Gerovitae La Guancha, S.A.	Ctra. del Rosario Km 5,2. La Laguna. 38108 Santa Cruz Tenerife. Islas Canarias. Spain	Manangement and operation of social-health centre	-	100.00%
Global Spa, S.L.	Camino Vell de Bunyola, 37. 07009 Palma de Mallorca. Islas Baleares. Spain	Climate control systems	-	100.00%
Golden State Environmental Tedagua Corporation S.A.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Electronic systems development	-	100.00%
Gpme, S.A.	Rua Rui Teles Palhinha 4 Leião 2740-278 Porto Salvo. Portugal	Holding company	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Guatemala de Tráfico y Sistemas, S.A.	C/ Edificio Murano Center, 14. Oficina 803 3-51. Zona 10. Guatemala	Construction	-	100.00%
H.E.A Instalações Ltda.	Rua das Patativas, 61 Salvador de Bahia. Brazil	Air-conditioning, electricity network installation and maintenance	-	55.00%
Hidra de Telecomunicaciones y Multimedia, S.A.	C/ Severo Ochoa, 10. 29590 Campanillas. Málaga. Spain	Telecommunications	-	100.00%
Hidráulica de Mendre Dos, S.A.	Urbanización Doleguita Calle D Norte, Edificio Plaza Real, Apto/Local 1.Chiriqui. Panama	Assembly and maintenance of hydraulics works	-	75.00%



Company	Registered Office	Activity	Auditor	% Effective Ownership
Hidráulica de Mendre, S.A.	Dr. Ernesto Pérez Balladares. Provincia de Chiriquí. Panama	Hydroelectric plant	-	100.00%
Hidráulica del Chiriquí, S.A.	Dr. Ernesto Pérez Balladares. Provincia de Chiriquí. Panama	Hydroelectric plant	-	100.00%
Hidrogestión, S.A.	Avda. Manóteras, 28. Madrid. Spain	Distribution of water	Deloitte	100.00%
Hidrolanzán, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Hydroelectric plant	-	100.00%
Humiclíma Caribe Cpor A.Higüey	Ctra. Cruce De Friusa, s/n. Higüey. Altagracia. República Dominicana	Climate control systems	BDO	100.00%
Humiclíma Centro, S.A.	C/ Orense, 4 1ª planta. 28020 Madrid. Spain	Climate control systems	-	100.00%
Humiclíma Est Catalunya, S.L.	C/ San Quinti, 47. 08041 Barcelona. Spain	Climate control systems	Deloitte	100.00%
Humiclíma Est, S.A.	Camino Vell de Bunyola, 37. 07009 Palma de Mallorca. Islas Baleares. Spain	Climate control systems	Deloitte	100.00%
Humiclíma Jamaica Limited	Corner Lane 6 Montego Bay. St James. Jamaica	Climate control systems	KPMG	100.00%
Humiclíma Magestic Grupo, S.L.	Camino Vell de Bunyola, 37. 07009 Palma de Mallorca. Islas Baleares. Spain	Climate control systems	-	100.00%
Humiclíma Mexico, S.A. de C.V.	Cancun (Quintana De Roo). Mexico	Climate control systems	BDO	100.00%
Humiclíma Panamá, S.A.	Calle 12, Corregimiento de Río Abajo. Panama	Works, projects and research services	-	100.00%
Humiclíma Sac, S.A.	Camino Vell de Bunyola, 37. 07009 Palma de Mallorca. Islas Baleares. Spain	Climate control systems	Deloitte	100.00%
Humiclíma Sur, S.L.	C/ Marruecos, 12. Jérez de La Frontera. Cádiz. Spain	Climate control systems	-	100.00%
Humiclíma Valladolid, S.L.	C/ Puente Colgante, 46. Valladolid. Spain	Climate control systems	-	100.00%
Hydro Management, S.L.	Avda.Tenerife General Gutiérrez, 9. 30008 Murcia. Spain	Services	Deloitte	75.00%
Iberoamericana de Hidrocarburos, S.A. de C.V.	C/ Melchor Ocampo 193. Colonia Verónica Anzures. Mexico	Industrial plant construction	-	59.50%
ImesAPI, S.A.	Avda. de Manóteras, 26. 28050 Madrid. Spain	Electrical installations	Deloitte	100.00%
Imocme, S.A.	Rua Rui Teles Palhinha, 4. Leião. 2740-278 Porto Salvo. Portugal	Asset holding company	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Infraest. Energéticas Medioambi. Extremeñas, S.L.	Polígono Industrial Las Capellanías. Parcela 238B. Cáceres. Spain	Services	-	100.00%
Infraestructuras Energéticas Aragonesas, S.L.	C/ Paraíso, 3. 50410 Cuarte de Huerva. Zaragoza. Spain	Assembly and maintenance	-	100.00%
Infraestructuras Energéticas Castellanas, S.L.	Aluminio, 17. 47012 Valladolid. Spain	Generation of electricity	-	51.00%
Initec Energía, S.A.	C/ Príncipe de Vergara, 120 planta. 28002 Madrid. Spain	Technical engineering services	C.T.A. Auditores	100.00%
Injar, S.A.	C/ Catamarca Esq. C/ Mendoza. PG El Sebadal. 35008 Las Palmas. Islas Canarias. Spain	Sale and assembly of industrial and air-conditioning installations	Deloitte	100.00%
Inotec	Angola	Energy production	-	37.27%
Instalaciones y Montajes de Aire Climatizado, S.L.	Camino Vell de Bunyola, 37. 07009 Palma de Mallorca. Islas Baleares. Spain	Climate control systems	-	100.00%
Instalaciones y Servicios Codení, S.A.	De la Casa del Obrero 1º C Bajo, 2º C Sur, 75 Varas abajo, Casa #1324. Bolonia Managua. Nicaragua	Electrical assemblies and installations	-	100.00%
Instalaciones y Servicios Codepa, S.A.	Calle 12. Río Abajo Ciudad de Panamá. Panamá	Electrical assemblies and installations	-	100.00%
Instalaciones y Servicios Codeven, C.A.	Avda. S. Fco Miranda. Torre Parque Cristal. Torre Este, planta 8. Oficina 8-10. Chacao. Caracas. Venezuela	Engineering and construction	-	100.00%
Instcobra. Ecuador	Avda. Amazonas 3459-159 e Iñaquito Edificio Torre Marfil. Oficina 101. Ecuador	Electricity services (transport)	-	100.00%
Intebe, S.A.	C/ Doctor Alexandre Frias nº 3, 3ª C. Cambriels. Tarragona. Spain	Maintenance	-	99.40%
Intecsa Ingeniería Industrial, S.A.	Vía de los Poblados, 11. 28033 Madrid. Spain	Engineering	Deloitte	100.00%
Integrated Technical Producs, LLC.	1117 Joseph Street Shreveport Louisiana LA 71107. USA	Electrical installations	-	55.00%
Invexta Recursos, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Research, exploration and operation of all types of deposits and storage of hydrocarbons	-	100.00%
Iracema Transmissora de Energia, S.A.	Avda. Presidente Wilson 231, Sala 1701 Parte. Río de Janeiro. Brazil	Electrical concession	Assurance Auditores e Consultores	100.00%
Iscobra Instalacoes e Servicos, Ltda.	General Bruce, 810. Río de Janeiro. Brazil 20921	Electrical assemblies and installations	-	100.00%
Itumbiara Marimondo, Ltda.	Marechal Camera, 160. Río de Janeiro. Brazil 20020	Electrical assembly and services	-	100.00%
La Caldera Energía Burgos, S.L.	Almirante Bonifaz, 3. 09003 Burgos. Spain	Generation of electricity	Deloitte	61.79%
Lestenergia	Calçada Da Rabaça, nº 11. Penamacor. Portugal	Energy production	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Litran do Brasil Partipações S.A.	Avda. Marechal Camera 160, sala 1808. Río de Janeiro. Brazil	Energy transport	-	75.00%
Lumicán, S.A.	C/ Arco, nº 40. Las Palmas de Gran Canaria. Islas Canarias. Spain	Electrical installations	Deloitte	100.00%
Lusobrisa	Rua Rui Teles Palhinha, 4-3. Leião 2740-278. Porto Salvo. Portugal	Energy production	-	74.54%
Luziana Montagens e Servicos, Ltda.	Avda. Marechal Camara, 160. Río de Janeiro. Brazil	Holding company	-	100.00%
Maessa Telecomunicaciones, S.A. (MAETEL)	C/ Bari, 33. Edificio 3. 50197 Zaragoza. Spain	Maintenance and assembly	Deloitte	99.40%
Makiber, S.A.	Paseo de la Castellana, 182-2. 28046 Madrid. Spain	Merchandise export	Deloitte	100.00%
Manchasol 1 Central Termosolar Uno, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	Deloitte	100.00%
Manchasol 2 Central Termosolar Dos, S.L.	C/ Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	Deloitte	100.00%
Mant. Ayuda a la Explot. y Servicios, S.A. (MAESSA)	C/ Manzanares, 4. 28005 Madrid. Spain	Industrial maintenance	Deloitte	100.00%
Mantenimiento y Montajes Industriales, S.A.	Edif. Milenium, C/ Teide 5-1. 28709 San Sebastián de los Reyes. Madrid. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Mantenimientos Integrales Senax, S.A.	C/ Tarragones, 12. L'Hospitalet de L'Infant. Tarragona. Spain	Assemblies	-	100.00%
Mas Vell Sun Energy, S.L.	C/ Prósper de Bofarull, 5. Reus (Tarragona). Spain	Concession of Energy solar generation	-	100.00%
Masa Algeciras, S.A.	Avda. Blas Infante, Edificio Centro Blas Infante, local 8. 11201 Algeciras. Cádiz. Spain	Industrial maintenance and assemblies	Deloitte	100.00%

# Consolidated Financial Statements

Company	Registered Office	Activity	Auditor	% Effective Ownership
Masa Brasil, S.L.	Av. São Gabriel, 149, sala 207. Itaim Bibi. São Paulo CEP. 01435-001. Brazil	Preparation of studies, projects, industrial assembly and maintenance	-	100.00%
Masa Galicia, S.A.	Políg. Ind. De la Grela - C/ Guttember, 27, 1º Izqd. 15008 La Coruña. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Masa Huelva, S.A.	C/ Alonso Ojeda, 1. 21002 Huelva. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Masa Méjico, S.A. de C.V.	C/ Juan Racine, 112, 8º - Colonia Los Morales, Del. Miguel Hidalgo - 11510 Mexico D.F.	Industrial maintenance and assemblies	Ruiz, Luna y Cia	100.00%
Masa Norte, S.A.	C/ Ribera de Axpe, 50-3º. 48950 Erandio Las Arenas. Vizcaya. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Masa Puertollano, S.A.	Crta. Calzada de Calatrava, km. 3,4. 13500 Puertollano. Ciudad Real. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Masa Servicios, S.A.	Políg. Ind. Zona Franca, Sector B, Calle B. 08040 Barcelona. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Masa Tenerife, S.A.	Pº Milicias de Garachico, 1, 4º, Ofic. 51 - Edif. Hamilton. 38002 Sta. Cruz de Tenerife. Islas Canarias. Spain	Industrial maintenance and assemblies	-	100.00%
Menci, S.L.	C/ Binea Roca, s/n, Local 16. 07710 Sant Lluís. Menorca. Islas Baleares. Spain	Climate control systems	-	100.00%
Mexicana de Servicios Auxiliares, S.A. de C.V.	Avda. Paseo de la Reforma, 404. Piso 15.1502. Colonia Juárez. Delegación Cuauhtemoc. 06600 Mexico D.F. Mexico.	Administrative management services	-	100.00%
Mexicobra, S.A.	Colonia Polanco C/ Alejandro Dumas, 160. Mexico D.F. 11500	Auxiliary electricity, gas and communication distribution services	-	100.00%
Mexsemi, S.A. de C.V.	Avda. Dolores Hidalgo 817 CD Industrial Irapuato Gto. 36541. Mexico	Assemblies	RMS Bogarin, Erhard, Padilla, Alvarez & Martinez	99.73%
Mimeca, C.A.	Pz. Venezuela, Torre Phelps, s/n. 1050 Caracas. Venezuela	Industrial cleaning	-	82.80%
Moe	Rua Rui Teles Palhinha, 4-3º. Leião 2740-278 Porto Salvo. Portugal	Energy production	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Moncobra Canarias Instalaciones, S.A.	León y Castillo, 238. 35005 Las Palmas de Gran Canaria. Islas Canarias. Spain	Industrial maintenance and assemblies	-	100.00%
Moncobra Perú	Avda. Víctor Andrés Belaúnde 887 Distrito: Carmen de la Legua Reinoso	Auxiliary services	-	100.00%
Moncobra, S.A.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Industrial maintenance and assemblies	Deloitte	100.00%
Monelec, S.L.	C/ Ceramistas, 14. Málaga. Spain	Electrical installations	Deloitte	100.00%
Murciana de Tráfico, S.A.	Carril Molino Nerva, s/n. Murcia. Spain	Electrical installations	Deloitte	100.00%
NGS, Ltda.	Brazil	-	-	75.00%
OCP Perú	Avda. Víctor Andrés Belaúnde 887 Distrito: Carmen de la Legua Reinoso	Auxiliary services	-	100.00%
Oficina Técnica de Estudios y Control de Obras, S.A	C/ Guzmán el Bueno, 133-1º. Edificio Britania. 28003 Madrid. Spain	Consultancy services	Deloitte	100.00%
Opade Organizac. y Promoc de Actividades Deportivas, S.A.	Avda. de América, 10. Madrid. Spain	Organization and promotion of athletic activities	Deloitte	100.00%
PE. Sierra de las Carbas, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	61.79%
PE. Monte das Aguas, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	60.00%
PE. Monte dos Nenos, S.L.	La Paz, 23-2ºB. Valencia. Spain	Energy Production	-	100.00%
PE. Donado, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	100.00%
PE. Tesosanto, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	-	61.79%
Parque Eólico Bandelera, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	70.10%
Parque Eólico Buseco, S.L.	Comandante Caballero, 8. 33005 Oviedo. Asturias. Spain	Energy Production	-	80.00%
Parque Eólico de Valdecarro, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	-	100.00%
Parque Eólico La Boga, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	75.00%
Parque Eólico Marmellar, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	70.00%
Parque Eólico Roderia Alta, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	70.10%
Parque Eólico Santa Catalina, S.L.	La Paz, 23-2ºB. Valencia. Spain	Energy Production	Deloitte	100.00%
Parque Eólico Tadeas, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	-	51.48%
Parque Eólico Valcaire, S.L.	Ayuntamiento, 7 Padul. 18640 Granada. Spain	Generation of electricity	-	55.00%
Parque Eólico Valdehierro, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	-	51.48%
Percomex, S.A.	Melchor Ocampo, 193 Torre C-Colonia Verónica Anzures. Mexico	Auxiliary electricity, gas and communication distribution services	BDO	100.00%
Planta de Tratamiento de Aguas Residuales, S.A.	Avda. Argentina, 2415 Lima (Perú)	Water treatment plant	-	100.00%
Portumasa, S.A.	Avda. Merechal Gomes Da Costa, 27, RC Esquerdo 1800-255 Lisboa. Portugal	Study and performance of projects, assemblies, manufacture and sale of electrical and electronic equipment	-	100.00%
Procme, S.A.	Rua Rui Teles Palhinha, 4. Leião 2740-278 Porto Salvo. Portugal	Holding company	Deloitte	74.54%
Promservi, S.A.	Avda. de Manteras, 26. 28050 Madrid. Spain	Real estate development	-	100.00%
Recursos Ambientales de Guadalajara, S.L.	Cardenal Marcelo Spínola, 10. Madrid 28016. Spain.	Renewable energy generation	-	100.00%
Recursos Eólicos de Mexico, S.A. de C.V.	Juan Racine, 112 piso 6. Mexico D.F. Mexico.	Renewable energy generation	-	100.00%
Red Top Wind power, LLC.	2711 Centerville Road Suite 400 Wilmington county of New Castle delaware 19808	Energy Production	-	100.00%
Riansares Eólica, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	70.00%

Company	Registered Office	Activity	Auditor	% Effective Ownership
Ribagrande Energía, S.L.	Cardenal Marcelo Spínola, 10. Madrid 28016. Spain.	Renewable energy generation	-	100.00%
Rioparque, Lda.	Tagus Sapce - Rua Rui Teles Palhinha, N 4 2740-278. Porto Salvo. Portugal.	Biomass	-	30.00%
Robledo Eólica, S.L.	Cardenal Marcelo Spínola, 10. Madrid 28016. Spain.	Renewable energy generation	-	100.00%
Rodonya Solar 1, S.L.	C/ Teide, 4. San Sebastián de los Reyes. Madrid. Spain	Operation of photovoltaic installations	-	100.00%
Roura Cevasa, S.A.	Caracas, 5. Barcelona. Spain	Corporate image	PricewaterhouseCoopers	100.00%
Salmantina de Seguridad Vial, S.A.	Cascalajes, 65-69. 37184 Villares de la Reina. Salamanca. Spain	Painting and signposting	Deloitte	100.00%
Sao Simao Montagens e Servicos de Electricidade, Ltda.	Rua Marechal Camara, 160. Rio de Janeiro. Brazil	Civil works	-	100.00%
Sedmive, C.A. (Soc. Españ. Montajes Indus. Venezuela)	Av. Fco Miranda Edif. Parq Cristal Tor Este, p8, of 8-8. Palos Grandes 1070 Caracas. Venezuela	Electrical assemblies	Deloitte	100.00%
Seguridad Integral Metropolitana, S.A.	C/ La Granja, 29. 28108 Alcobendas. Madrid. Spain	Security systems maintenance	Deloitte	90.00%
Semi Maroc, S.A.	5, Rue Fakir Mohamed. Casablanca Sidi Belyout Maroc	Electrical assemblies	Lhoussaisve El Hanaoui	99.73%
Sermacon Joel, C.A.	Pz Venezuela, Torre Phelps s/n. 1050 Caracas. Venezuela	Industrial cleaning	-	82.80%
Sermicro, S.A.	C/ Pradillo, 48-50. 28002 Madrid. Spain	Computer maintenance	Deloitte	100.00%
Serpimex, S.A. de CV.	Juan Racine 112 8 Colonia Los Morales Polanco Delegación Miguel Hidalgo. Mex DF 11510	Provision of personal services	Deloitte	100.00%
Serpista, S.A.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Services	Deloitte	51.00%
Serra do Mocosco Cambas, S.L.	Rua da Constitución, 30. Culleredo. 15189 La Coruña. Spain	Electricity generation	-	51.00%
Serveis Catalans, Serveica, S.A.	Avda. de Manoteras, 26. 28050 Madrid. Spain	Electrical installations	-	100.00%
Servicios Administrativos Offshore, S.A. de C.V.	Juan Racine, 112 Piso 8 Col. Los Morales C.P. 11510 Mexico D.F.	Provision of personal services	Deloitte	100.00%
Servicios Gymimex, S.A. de CV.	Juan Racine 112 6º piso Colonia Los Morales 11510. Mexico D.F. Mexico	Electrical installations	Deloitte	100.00%
Servicios Dinsa, S.A. de CV.	Juan Racine 112 3º piso Colonia Los Morales Mexico (DF) Delegación Miguel Hidalgo 11510	Provision of personal services	Deloitte	100.00%
Servicios Logísticos y Auxiliares de Occidente, SA	Avda. Ofibodegas Los Almendros, 3 13-35 Guatemala	Auxiliary services	-	100.00%
Servicios Operativos Offshore, S.A. de C.V.	Juan Racine, 112 Piso 8 Col. Los Morales C.P. 11510 Mexico D.F.	Provision of personal services	Deloitte	100.00%
Servicios Proyectos Industriales de Méjico, S.A. de CV.	Juan Racine, 112 8º piso Colonia Los Morales Mexico (DF) Delegación Miguel Hidalgo 11510	Provision of personal services	Deloitte	100.00%
Setec Soluções Energeticas de Transmissao e Controle, Ltda.	Av. Presidente Wilson 231, sala 1701 20030-020 Rio de Janeiro. Brazil	Electrical installations	-	100.00%
Sice do Brasil, S.A.	C/ Joaquim Eugenio de Lima, 680. Sao Paulo. Brazil	Construction of all types of works	-	100.00%
Sice Energía, S.L.	C/ Sepúlveda, 6. 28108 Alcobendas. Madrid. Spain	Photovoltaic plants construction	-	100.00%
Sice Hellas Sistemas Tecnológicos Sociedad Unipersonal de Responsabilidad Limitada	C/ Omirou. 14562 Kifissia. Greece	Construction of all types of works	-	100.00%
SICE PTY, Ltd.	Level 5, Mayne Building. 390 St. Kilda Road Melbourne, Vicotira 3004. Australia	Construction of all types of works	Deloitte	100.00%
Sice Puerto Rico, Inc.	C/ Fordham 275 San Juan PR 00927. University Gardens. Puerto Rico	Construction and all business permitted under law	-	100.00%
Sice South Africa Pty, Ltd.	C/ PO Box 179. 009 Pretoria, South Africa	Construction of all types of works	PKF Pretoria Incorporated	100.00%
Sice Tecnología y Sistemas, S.A.	C/ Sepúlveda, 6. 28108 Alcobendas. Madrid. Spain	Acquisition and sale of all types of movable assets and securities	Deloitte	100.00%
SICE, Inc.	9442 Capital of Texas Hwy North. Arboretum Plaza One Suite 500 Austin TEXAS 78759. USA	Development of intelligent toll systems	-	100.00%
SICE, LLC.	Rublevskoye Shosse 83/1 121467 Moscu. Russia	Design, construction, installation and maintenance off traffic and trade	-	100.00%
Sidotel, S.A.	Avda. Manoteras, 28. Madrid. Spain	Electrical installations	-	100.00%
Sistemas Integrales de Mantenimiento, S.A.	C/ Teide, 5-1º. 28709 San Sebastián de los Reyes. Madrid. Spain	Industrial maintenance and assemblies	-	100.00%
Sistemas Radiantes F. Moyano, S.A.	C/ La Granja, 72. 28108 Alcobendas. Madrid. Spain	Telecommunications	Deloitte	100.00%
Sistemas Sec. S.A.	C/ Miraflores 383. Santiago de Chile. Chile	Telecommunications	Deloitte	51.00%
Soc Ibérica de Construcciones Eléctricas de Seguridad, S.L.	C/ La Granja, 29. 28108 Alcobendas. Madrid. Spain	Security system and fire prevention device installation and maintenance	-	100.00%
Soc. Española de Montajes Industriales, S.A. (SEMI)	C/ Manzanares, 4. 28005 Madrid. Spain	Electric assemblies	Deloitte	99.73%
Sociedad de Generación Eólica Manchega, S.L.	Cardenal Marcelo Spínola, 10. Madrid 28016. Spain	Renewable energy generation	-	100.00%
Sociedad Ibérica de Construcciones Eléctricas, S.A.	C/ Sepúlveda, 6. 28108 Alcobendas. Madrid. Spain	Construction of all types of works	Deloitte	100.00%
Sociedad Industrial de Construcciones Eléctricas, S.A.	C/ Aquilino de la Guardia. Edificio IGRA Local 2. Urbanización Bella Vista Panama	Construction of all types of works	Interamericana	100.00%
Sociedad Industrial de Construcciones Eléctricas de Costa Rica, S.A.	C/ San Jose Barrio Los Yoses-Final Avenida Diez.25 m.norte y 100 este. San Jose. Costa Rica	Trade, industry and tourism in general	Interamericana	100.00%
Sociedad Industrial de Construcciones Eléctricas Siceandina, S.A.	C/ Chinchinal, 350. Barrio El Inca. Pichincha - Quito (Ecuador)	Construction of all types of works	-	100.00%

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Sociedad Industrial de Construcciones Eléctricas, S.A. de C.V.	Paseo de la Reforma, 404. Despacho 1502, Piso 15 Col. Juárez 06600 Delegación Cuauhtemoc Mexico D.F.	Construction of all types of works	BDO	100.00%
Sociedad Industrial de Construcciones Eléctricas, S.L., Ltda.	CL 94 NO. 15 32 P 8. Bogotá D.C. Colombia	Construction of all types of works	-	100.00%
Societat Eòlica de l' Enderrocada, S.A.	Amistat, 23. 08005 Barcelona. Spain	Generation of electricity	Deloitte	53.30%
Société Industrielle de Construction Electrique, S.A.R.L.	Espace Porte D Anfa 3 Rue Bab Mansour Imm C 20000 Casa Blanca. Morocco	Services for public authorities	-	100.00%
Soluc Eléctricas Integr de Guatemala, S.A.	Avda. Ofibodegas Los Almendros, 3 13-35 Guatemala	Auxiliary services	-	100.00%
Soluciones Auxiliares de Guatemala, S.A.	Avda. Ofibodegas Los Almendros, 3 13-35 Guatemala	Auxiliary services	-	100.00%
Spcobra Instalações e Serviços, Ltda.	Joao Ventura Batista, 986 Sao Paulo. Brazil 02054	Electrical assemblies and installations	-	56.00%
Sumipar, S.A.	C/ B Sector B Zona Franca 4. 08040 Barcelona. Spain	Construction of all types of works	-	100.00%
Tecn. de Sist. Electrónicos, S.A. (Eyssa-Tesis)	Rua General Pimenta do Castro 11-1. Lisboa. Portugal	Electrical installations	Deloitte	100.00%
Tecneira do Paracuru, Ltda.	Fortaleza. Brazil	Generation of electricity	-	60.00%
Tecneira Moçambique SA-Tecnologias Energéticas, S.A.	Avda 25 Setembro 1020 1º Andar. Maputo. Moçambique	Energy Production	Deloitte	74.54%
Tecneira Novas Enérias SGPS, S.A.	Rua Rui Teles Palhinha, 4. Leiaõ 2740 Oeiras. Portugal	Energy Production	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Tecneira Participações SGPS	Tagus Space - Rua Rui Teles Palhinha N42740-278 Porto Salvo	Holding company	-	74.54%
Tecneira, S.A.	Rua Rui Teles Palhinha, 4. Leiaõ 2740-278 Porto Salvo. Portugal	Energy Production	Oliveira, Reis & Associados, Sroc, Ltda	74.54%
Técnicas de Desalinización de Aguas, S.A.	Procesador, 19. Telde 35200 Las Palmas. Islas Canarias. Spain	Desalination plant	Deloitte	100.00%
Tecnotel Clima, S.L.	Pg. Ind. Valle Guimar Manz, 6. Arafo. Santa Cruz de Tenerife. Islas Canarias. Spain	Climate control systems	-	100.00%
Tecnotel de Canarias, S.A.	Misiones, 13. Las Palmas de Gran Canaria. Spain	Climate control systems	Deloitte	100.00%
Tedagua Renovables, S.L.	Procesador, 19. Telde 35200 Las Palmas. Islas Canarias. Spain	Services	-	100.00%
Telcarrier, S.A.	C/ La Granja, 29. 28108 Alcobendas. Madrid. Spain	Telecommunications	-	100.00%
Telsa Instalaciones de Telecomunicaciones y Electricidad, S.A.	C/ La Granja, 29. 28108 Alcobendas. Madrid. Spain	Telecommunications	Deloitte	100.00%
Tesca Ingeniería del Ecuador, S.A.	Avda. 6 de diciembre N37-153 Quito. Ecuador	Assemblies	Deloitte	100.00%
TNG Brasil, Ltda.	Fortaleza. Brazil	Projects development	-	75.00%
Torre de Miguel Solar, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Energy Production	-	100.00%
Trafirbe, S.A.	Estrada Oct vio Pato C Empresar-Sao Domingo de Rana. Portugal	Painting and signposting	-	76.20%
Triana do Brasil Projetos e Serviços, Ltda.	Avda. Presidente Wilson 231, Sala 1701 Parte. Rio de Janeiro. Brazil	Electrical installations	-	50.00%
Uirapuru Transmissora de Energia, Ltda.	Rua Deputado Antonio Edu Vieira 999 Florianopolis Estado Santa Catarina. Brazil	Electrical concession	Assurance Auditores e Consultores	51.00%
Urbaenergia, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Generation of electricity	Deloitte	100.00%
Valdelagua Wind Power, S.L.	Cardenal Marcelo Spínola, 10. 28016 Madrid. Spain	Renewable energy generation	-	100.00%
Venezolana de Limpiezas Industriales, C.A. (VENELIN)	Pz Venezuela, Torre Phelps s/n. 1050 Caracas. Venezuela	Industrial cleaning	Carolina Pueyo	82.80%
Ventos da Serra Produção de Energia, Ltda.	Rua Rui Teles Palhinha, 4. Leiaõ 2740 Oeiras. Portugal	Energy Production	-	74.54%
Viabal Manteniment i Conservacio, S.A.	Roders, 12. 07141 Marratxi. Islas Baleares. Spain	Painting and signposting	-	100.00%
Vieyra Energía Galega, S.A.	José Luis de Bugallal Marchesi, 20-1 izq. 15008 La Coruña. Spain	Energy Production	-	50.00%
Villanueva Cosolar, S.L.	Guadalajara, 14. 19193 Guadalajara. Spain	Energy Production	-	74.54%
Wayserv SGPS, S.A.	Tagus Sapce - Rua Rui Teles Palhinha, N 4 2740-278. Porto Salvo. Portugal.	Holding company	-	75.00%

## ENVIRONMENT

ACS Servicios y Concesiones, S.L.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain.	Environment	Deloitte	100.00%
Actividades de Mantenimiento de Jardines 21, S.L	Calle Fray Junípero Serra, 65, 3. 08030 Barcelona. Spain	Garden maintenance	-	100.00%
Aureca Aceites Usad y Recuper Energét de Madrid, S.L.	Avda. Logroño km 9.800. 28042 Madrid. Spain	Treatment of oils and marpoles	-	100.00%
Bias Moreno, S.L.	Avda. Diagonal, 611, 2. Barcelona. Spain	Collection of urban solid waste, street cleaning and selective collection	-	60.00%
Centro de Transferencias, S.A.	Polígono Los Barriales, s/n. Valladolid. Spain	Physical and chemical treatment and storage of industrial waste in a safe deposit	Deloitte	70.00%
Claerh, S.A.	Avda. del Descubrimiento. Alcantarilla. Murcia. Spain	Collection and treatment of sanitary waste	-	51.00%
Clece FS, S.A.	Avenida de Manoteras, 46 28050 - Madrid. Spain	Interior cleaning	Deloitte	100.00%
Clece, Inc.	1111 Brickell Avenue 11Th Floor. Florida 33131. Miami. USA.	Cleaning and maintenance services for buildings	-	100.00%
Clece, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Interior cleaning	Deloitte	100.00%
Consensur, S.A.	Polígono Industrial Finanzauto. C/ Ebro, Arganda del Rey. Madrid. Spain	Management and treatment of hospital waste	Deloitte	100.00%
Cytrar, S.A. de C.V.	Calle Lázaro Cardenas, Km 6 en Hermosillo. Sonora. Mexico	Management and treatment of hospital waste	Mancera, SC. Ernst & Young	100.00%
Dramar Andalucía Tratamiento de Marpoles, S.L.	Muelle Isla Verde, s/n. 11207 Algeciras. Cádiz. Spain	Treatment of oils and marpoles	-	100.00%

Company	Registered Office	Activity	Auditor	% Effective Ownership
Ecoentorno Ambiente, S.A.	Camino de la Muñosa, s/n. Ctra. Madrid-Barcelona, km. 15,200. 28042 Madrid	Waste treatment	-	51.00%
Ecología y Técnicas Sanitarias, S.L.	C/ Josefa Mayor, 9. Nave 3. Urb. Industrial El Goro. Telde. Gran Canaria. Islas Canarias. Spain	Collection, transportation, storage and re-delivery of sanitary services	-	100.00%
Ecoparc de Barcelona S.A.	C/ A. Políg. Industrial Zona Franca. Barcelona. Spain	Waste treatment	Deloitte	66.40%
Ecosenda Gestión Ambiental, S.L.	Pol. Ind. Montguit-1 C-17 km 24. Barcelona. Spain	Urban services and waste treatment	Deloitte	100.00%
Edafología y Restauración del Entorno Gallego, S.L.	C/ Copérnico, s/n 1, 1º dcha. Pol. Ind. A Grenla. Coruña. Spain	Waste treatment	-	100.00%
Empordanesa de Neteja, S.A.	Avda. Diagonal, 611 , 2. Barcelona. Spain	Urban waste collection and street cleaning	-	60.00%
Evar, S.A.S.	1140, Avenue Albert Einstein. 34000 Montpellier Cedex 09. France	Waste treatment	Deloitte	96.75%
Evere, S.A.S.	Avda. Albert Einstein. 34000 Montpellier. France	Waste treatment	Deloitte	99.35%
Gestión Ambiental Canaria, S.L.	Alejandro del Castillo, s/n. San Bartolomé de Tirajana. Las Palmas Gran Canaria. Spain	Treatment of oils and marpoles	-	50.00%
Gestión Medioambiental de Torrelavega, S.A.	Boulevard Demetrio Herrero, 6. 39300 Torrelavega. Santander. Spain	Operation of urban solid waste dump	-	60.00%
Gestión y Protección Ambiental, S.L.	C/ Condado de Treviño, 19. Burgos. Spain	Collection of used oils	-	70.00%
GPL Limpiezas, S.L.	C/ Diputación, 180, 1ª planta. 08011 Barcelona. Spain	Interior cleaning	-	100.00%
Integra Man Gestí y Serveis Integ CEE Catalunya, S.L.	C/ Selva de Mar, 140. 08020 Barcelona. Spain	Interior cleaning	-	100.00%
Integra Man Gestí y Servíc Integ CEE Galicia, S.L.	Avda. Hispanidad, 75. 36203 Vigo. Pontevedra. Spain	Interior cleaning	-	100.00%
Integra Mant Gestí Servíc Integ Cent Esp Empleo, S.L.	C/ Alfonso Gómez, 42 - Nave 1.2.1. 28037 Madrid. Spain	Interior cleaning	-	100.00%
Integra Mant Gestí y Servíc Integ CEE Andalucía, S.L.	C/ Industria Edif Metrópoli, 1 Esc 4. Pl MD P20. 41927 Mairena de Aljarafe. Sevilla. Spain	Interior cleaning	-	100.00%
Integra Mant Gestí y Servíc Integ CEE Murcia, S.L.	C/ Velázquez, 3 Bajo. Alguazas 30560 Murcia. Spain	Interior cleaning	-	100.00%
Integra Mant Gestí y Servíc Integ CEE Valencia, S.L.	Avda. Ingeniero Joaquin Benlloch, 65 Bajo. 46026 Valencia. Spain	Interior cleaning	-	100.00%
Interenvases, S.A.	Vial Secundario, s/n. Polígono Industrial de Araia. Bilbao. Spain	Recovery, collection, transport and storage of containers and packages	-	100.00%
Laboratorio de Gestión Ambiental, S.L.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Hazardous toxic waste	-	92.50%
Limpezas Guia, Ltd.	Edifício Luso Galaico -Lugar Das Antas- Fração AE. Apartado 62 4930-601 Valença. Portugal	Cleaning	-	100.00%
Limpieza Municipales, S.A.	Crta. de Málaga, 96 Alhaurín El Grande. Málaga. Spain	Urban services and waste treatment	Eduardo Márquez García	100.00%
Limpiezas Deysé, S.L.	C/ Lérica, 1. Manresa. Barcelona. Spain	Interior cleaning	-	100.00%
Limpiezas Lafuente, S.L.	C/ Ingeniero Joaquin Benlloch, 65 Bajo. 46026 Valencia. Spain	Cleaning	Andreu Romero y Asociados	100.00%
Lireba Serveis Integrats, S.L.	Carlos I, 10 - local 2. 07012 Palma de Mallorca. Islas Baleares. Spain	Interior cleaning	Deloitte	51.00%
Mapide, S.A.	C/ Santa Juliana, 16. 28039 Madrid. Spain	Interior cleaning	-	100.00%
Max-Lim, S.L.	C/ Melchor de Palau, 9. 08028 Barcelona. Spain	Interior cleaning	-	100.00%
Monegros Depura, S.A.	Pza. Antonio Beltrán Martínez, 1. Edificio Trovador, oficina 6 C. 50002 Zaragoza. Spain	Water	Deloitte	55.00%
Mora la Nova Energia, S.L.	C/ Lincoln, 11. 08006 Barcelona. Spain	Waste treatment	GMP Auditores	71.00%
Net Brill, S.L.	Camino Les Vinyes, 15. Mataró. 08302 Barcelona. Spain	Interior cleaning	-	100.00%
Octeva, S.A.S.	ZA Marcel Doret rue Jacques Monod. 62100 Calais. France	Waste treatment	Deloitte	68.69%
Olimpia, S.A. de CV.	C/ 6 Oriente. Colonia Francisco Sarabia. Tehuacan. Puebla. Mexico	Urban solid waste collection	Mancera, S.C. Ernst & Young	100.00%
Orto Parques y Jardines, S.L.	Luçar Dócean s/n. Parroquia de Orto. A Coruña. Spain	Collection of urban solid waste, street cleaning, selective collection and dump management	Deloitte	100.00%
Pisman Serveis, S.L.	C/ Miramargés, 7 VIC. 08500 Barcelona. Spain	Interior cleaning	-	100.00%
Pruvalsa, S.A.	Calle Independencia, Sector centro, Edificio Ariza, piso 2, ofic. 2-2. Valencia, Edo. Carabobo. Venezuela	Waste treatment	Ernst & Young	82.00%
Publimedia Sistemas Publicitarios, S.L.	Avda. de Manóteras, 46 Bis, 2ª planta 28050 Madrid. Spain	Advertising services	Deloitte	100.00%
Reciclados Integrales Argame, S.L.	Pol. Ind. Argame Parcela 27-28. 33163 Morcin. Asturias. Spain	Industrial wastes	-	100.00%
Recogida de Aceites Usados, S.A.	Pol. Ind. Torrelaragoiti, s/n. 48170 Zamudio. Vizcaya. Spain	Collection of used oils	-	100.00%
Recuperación Crom Industrial, S.A. (RECRISA)	Passeig Verdaguer 118. Igualada. Barcelona. Spain	Recovery	-	75.00%
Recuperación de Rodas e Madeira, S.L.	Camiño das Plantas, s/n. 36313 Xestoso. Bembibre. León. Spain	Treatment of oils and marpoles	-	100.00%
Recuperación Int. Residuos de Castilla y León, S.A.	Polígono Industrial Ntra. Sra. de Los Angeles. Parcela 10, nave 8 y 9. Palencia. Spain	Industrial waste management	-	100.00%
Recurba Medio Ambiente, S.A.	Avda. de Tenerife 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Galvanic waste treatment	-	100.00%
Residuos de la Janda, S.A.	C/ La Barca de Vejer s/n. Vejer de La Frontera. Cádiz. Spain	Collection of urban solid waste, street cleaning, selective collection and dump management	-	60.00%
Residuos Industriales de Teruel, S.A.	Ctra. de Madrid, km. 315,800 Edif. Expo Zaragoza, 3 Ofic. 14. 50012 Zaragoza. Spain	Construction and operation of a landfill	-	51.00%
Residuos Industriales de Zaragoza, S.A.	Crta. de Madrid Edif. Expozaragoza Km. 315.8 3 of 14. 50012 Zaragoza. Spain	Urban services	-	70.00%
Residuos Sólidos Urbanos de Jaén, S.A.	Palacio de la Excma. Diputación de Jaén. Jaén. Spain	Provision of USW collection, elimination and incineration services	PricewaterhouseCoopers	60.00%
RetraOil, S.L.	Pol. Ind. Tambarria, parcela 20. 26540 Alfaro. La Rioja. Spain	Treatment of oils and marpoles	Deloitte	100.00%
Salins Residuos Automoción, S.L.	Calle 31 c/v calle 27. Nave 715-701. Pl. Catarroja. Valencia. Spain	Treatment of oils and marpoles	-	80.00%

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Company	Registered Office	Activity	Auditor	% Effective Ownership
Sanypick Plastic, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Manufacturing and management of hospital waste containers	Deloitte	51.00%
Senda Ambiental, S.A.	Pol. Ind. Montguit-1 C-17 km 24. Barcelona. Spain	Urban services and waste treatment	Deloitte	100.00%
Sermed, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastian de los Reyes. Madrid. Spain	Sterilization and clinical material	-	100.00%
Servicios de Aguas de Misiones, S.A.	Avda. López y Planes, 2577. Misiones. Argentina	Water treatment	Deloitte	90.00%
Servicios Generales de Jaén, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Water	-	75.00%
Servicios Selun, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Transport and works in landfill	-	100.00%
Servicios Corporativos TWC, S.A. de CV.	Calle Lázaro Cardenas, Km 6 en Hermosillo. Sonora. Mexico	Corporate services for Mexican subsidiaries	Mancera, SC. Ernst & Young	100.00%
Sistemas de Incineración y Depuración, S.L. (SINDE)	Ctra. San Vicente-Agost Km. 10.2. Alicante. Spain	Sanitary waste treatment	-	100.00%
Socamex, S.A.	C/ Cobalto, s/n Par. 213. Pol. San Cristóbal. Valladolid. Spain	Construction and operation of waste water treatment plants	Deloitte	100.00%
Sociedad Peninsular de Limpiezas Mecanizadas, Lda.	C/ Estrada de Chelas, 192 B do Beato Lisboa. Portugal.	Interior cleaning	-	100.00%
Soluciones para el medioambiente, S.L.	C/ Formentera, 1. Edif. ECU II, oficina Bajo B. Las Rozas. Madrid. Spain	Environmental education, museography and management of fauna	Deloitte	94.00%
Somasur, S.A.	20, Rue Meliana Hai Ennahada. Rabat. Morocco	Intermediary company in Morocco	-	100.00%
Talher, S.A.	Avda. de Manteras, 46 Bis, 2ª planta 28050 Madrid. Spain	Gardening	Deloitte	100.00%
Tecmed Environment, S.A.S.	21 Rue Jules Guesde. 69230 Saint Genis Laval. Lyon. France	Hospital waste	René Grisson / Deloitte	96.75%
Tecmed Maroc, S.A.R.L. Associe Inique	Av. capitaine Sidi Omar Elaissoui cite OLM-Suisi II. Rabat. Morocco	Urban solid waste	Deloitte	100.00%
Tecmed Servicios de Recolección, S.A. de CV.	C/ Homero, 109 Dp 604. Colonia Chapultepec, Morales del Miguel Hidalgo. Mexico DF	U.S.W. collection and treatment	Mancera, SC. Ernst & Young	100.00%
Tecmed Técnicas Mediamb. de México, S.A. de CV.	Melchor Ocampo, 193 Torre C, piso 14D. Mexico	USW, environmental construction, hospital waste, industrial waste and water treatment	Mancera, SC. Ernst & Young	100.00%
Técnicas Aplicadas de Recuperaciones Industriales, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Waste treatment	-	95.00%
Técnicas de Recuperación e Inertización, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Industrial waste management	-	100.00%
Tirnadrid, S.A.	C/ Cañada Real de las Merinas, s/n. Madrid. Spain	Integral treatment of solid waste	Deloitte	66.36%
Tracemar, S.L.	Avda de Tenerife, 4-6. 28703 San Sebastian de los Reyes. Madrid. Spain	Treatment of oils and marpoles	Deloitte	100.00%
Transportes Residuos Industriales y Peligrosos, S.L.	C/ Copérnico, 1 1º dcha., P.I. La Grenla. A Coruña. Spain	Industrial waste transport	Deloitte	75.00%
Tratamiento de Residuos Sólidos Urbanos, S.A. de CV.	Calle Lázaro Cardenas, Km 6, en Hermosillo, Sonora. Mexico	Environmental services	Mancera, SC. Ernst & Young	100.00%
Tratamiento Integral de Residuos de Cantabria S.L.U.	Avda de Tenerife, 4-6. 28703 San Sebastián de los Reyes Madrid. Spain	Waste treatment	-	100.00%
Trenmedia, S.A.	C/ Fernando Rey, 3 (Ciudad de la Imagen). 28023 Pozuelo de Alarcón. Madrid. Spain	Advertising	KPMG	51.00%
TV Transit, S.A.	Avda. de Manteras, 46 bis 2ª planta. 28050 Madrid. Spain	Advertising	KPMG	100.00%
Urbalia Panama, S.A.	Betania Urbanización Los Angeles, Calle 63 A, Edificio Plotosa, 12. Rep. Panama	Waste treatment	-	70.00%
Urbamar Levante Residuos Industriales, S.L.	C/ 31 c/v calle 27. Nave 715-701. P.I. Catarroja. Valencia. Spain	Treatment of oils and marpoles	-	80.00%
Urbana de Servicios Ambientales, S.L.	Avda. José Ortega y Gasset, 194-196. Madrid. Spain	Street cleaning and urban solid waste collection	-	70.00%
Urbaoil, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Treatment of oils and marpoles	-	100.00%
Urbaser Argentina, S.A.	L.N. Alem 986, Piso 3. Capital Federal. Buenos Aires. Argentina	Holding company	Razzeto - López Rodríguez	100.00%
Urbaser Barquisimeto, C.A.	Carrera, 4 Zona Ind Barquisimeto. Lara. Venezuela	Street cleaning and urban solid waste collection	Ernst & Young	100.00%
Urbaser Bolívar, C.A.	Via Puente Angostura (frente Sector Agua Salada). Ciudad Bolívar. Venezuela	Street cleaning and urban solid waste collection	Ernst & Young	100.00%
Urbaser de Méjico, S.A. de CV.	C/ Juan Racine 112-8, Col. Los Morales. 11510 Mexico DF	Street cleaning, urban solid waste collection and dump management	Mancera, SC. Ernst & Young	100.00%
Urbaser Environnement, S.A.S.	1140 Avenue Albert Einstein. BP 51. 34000 Montpellier Cedex 09. France	Waste treatment	Deloitte	96.75%
Urbaser INC.	Hunton & William LLP, 1111 Brickell Av. Suite 2500 Miami, Florida 33131. USA.	Environmental services	-	100.00%
Urbaser Libertador, C.A.	Av. Paseo Cabriales, Sector Kerdell, Torre Movilnet, piso 11, ofic. 4. Valencia. Estado de Carabobo. Venezuela	Street cleaning and urban solid waste collection	Ernst & Young	100.00%
Urbaser Mérida, C.A.	Calle 26, entre Av. 2 y 3, C.C. La Casona, piso 2, local 18. Mérida. Estado Mérida. Venezuela	Street cleaning and urban solid waste collection	Ernst & Young	100.00%
Urbaser San Diego, C.A.	Cent Com Fin de Siglo, pta baja, Av. D. Julio Centeno, Sector La Esmeralda, Local 11. Venezuela	Urban solid waste collection	Ernst & Young	65.00%
Urbaser Santo Domingo, S.A.	C/ Virgilio Díaz Ordóñez, 54, Sector Julieta Morales. Santo Domingo	Street cleaning and urban solid waste collection	V.R. Marte Asociados	100.00%
Urbaser Transportes, S.L.	Avda. Diagonal, 611 - 2. Barcelona. Spain	Public/private transport, sale of spare parts for all type of vehicles and the repair of vehicles. Environmental audit.	-	100.00%
Urbaser United Kingdom, Ltd.	Pillar House, 113-115 Bath Road, Cheltenham. Gloucestershire GL53 7LS, England	Holding	Davie Mayers Barnett	100.00%
Urbaser Valencia, C.A.	C/ 123, s/n, cruce con avenida 94, avda. Izandro Alvarado. Zona industrial la Guacamaya, Galpon, Urbaser, Valencia Estado Carabobo. Venezuela	Street cleaning and urban solid waste collection	Ernst & Young	100.00%
Urbaser Venezuela, C.A.	Centro Comercial Punta de Sol, planta alta, local 1, Avenida Manauare, Municipio Mirahda, ciudad de Coro. Estado de Falcon. Venezuela	Street cleaning and urban solid waste collection	Ernst & Young	100.00%

Company	Registered Office	Activity	Auditor	% Effective Ownership
Urbaser, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Environment	Deloitte	100.00%
Urbaser, S.A. E.S.P.	Mamonal Km 2A nº 56 581. Cartagena de Indias. Colombia	Street cleaning and urban solid waste collection	Wilma Cervantes Aparicio (Revisor Fiscal)	100.00%
Urbasys, S.A.S.	Route de Tremblay, F-91480 Varennes-Jarcy. France	Waste treatment	Deloitte	99.35%
Valenciana de Eliminación de Residuos, S.L.	Paraje "El Cabezo del Pino". Real de Monroi. Valencia. Spain	Storage of industrial waste in a safe deposit	-	85.00%
Valenciana de Protección Ambiental, S.A.	L'Alcudia de Crepins. Polig. El Caneri, parcela 6. Valencia. Spain	Management and treatment of hospital and industrial waste	-	99.55%
Valorga International, S.A.S.	1140 Avenue Albert Einstein. BP 51. 34000 Montpellier Cedex 09. France	Tecnological consulting	Deloitte	96.75%
Valorgabar, S.A.S.	1140 Avenue Albert Einstein. BP 51. 34000 Montpellier Cedex 09. France	Waste treatment	Deloitte	99.35%
Vertederos de Residuos, S.A. (VERTRESA)	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Street cleaning, urban solid waste collection and dump management	Deloitte	83.97%
Verterra Galicia, S.L.	C/ Copérnico, 1 1 dcha. P. I. La Grenla. A Coruña. Spain	Collection and treatment of waste	-	75.00%
Verterra, S.L.	C/ Copérnico, 1 1 dcha. P. I. La Grenla. A Coruña. Spain	Collection and treatment of waste	-	75.00%
Vicente Fresno Aceite, S.L.	Barrio de San Martín, 141. 48170 Zamudio. Vizcaya. Spain	Treatment of oils and marpoles	-	100.00%
Zenit Servicios Integrales, S.A.	C/ Cardenal Marcelo Spínola, 42-8º dcha. Madrid. Spain	Integral services at airports	-	100.00%

## CONCESSIONS

ACS Infrastructure Canada, Inc.	1 First Canadian Place, 100 King Street West, Suite 1600. Toronto (M5X 1G5). Canada.	Holding	-	100.00%
ACS Infrastructure Development, Inc.	2711 Centerville Road Suite 400 Wilmington County of New Castle- Delaware. USA	Infrastructures	BDO	100.00%
Autovía de La Mancha, S.A. Conces. JCC Cast-La Mancha	21.500 de la CM-42 en el 54430 de Mascaraque. Toledo. Spain	Roads	Deloitte	75.00%
Autovia del Camp del Turia, S.A.	C/ Álvaro de Bazán, nº 10 Entlo. 46010 Valencia. Spain	Roads	-	65.00%
Autovía del Pirineo, S.A.	C/ Emilio Arrieta 8 - 6. 31002 Pamplona. Navarra. Spain	Roads	Deloitte	72.00%
Autovía Medinaceli-Galatayud Soc.Conces.Estado, S.A.	Avda. Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Concession	-	95.00%
Can Brians 2, S.A.	Avinguda Josep Tarradellas, 34-36, 9. 08029 Barcelona. Spain	Jail	Deloitte	99.58%
CAT Desenvolupament de Concessions Catalanes, S.L.	Avinguda Josep Tarradellas, 34-36, 9. 08029 Barcelona. Spain	Infrastructures	Deloitte	100.00%
Concesionaria Santiago Brión, S.A.	Centro de Control AG-56. Enlace de Pardiñas - Costola. 15895 Ames. A Coruña. Spain	Roads	Ernst & Young	70.00%
Concesiones Viarias Chile Tres, S.A.	Alfredo Barros Errazuriz 1953, Oficina 1003. Comuna de Providencia. Santiago de Chile. Chile.	Roads	-	100.00%
Concesiones Viarias Chile, S.A.	Alfredo Barros Errazuriz N 1953 oficina 1003. Comuna de Providencia. Santiago de Chile	Holding	Ernst & Young	100.00%
Desarrollo de Concesionarias Viarias Dos, S.L.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Infrastructures	-	100.00%
Desarrollo de Concesionarias Viarias Uno, S.L.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Infrastructures	-	100.00%
Desarrollo de Concesiones Ferroviarias, S.L.	Avda. Camino de Santiago, 50. 28050 Madrid. Spain	Railroad	-	100.00%
Dragados Concessions, Ltd.	Hill House, 1 - Little New Street. London EC4A 3TR. England	Holding	Deloitte	100.00%
Dragados Waterford Ireland, Ltd.	Fitzwilliam Business Centre, 77. Sir John Rogerson's Quay, Dublin 2 Ireland	Holding Roads	Deloitte	100.00%
Eix Diagonal Concesionària de la Generalitat de Catalunya, S.A.	Avda. Josep Tarradellas, 34-36, 9º dcha. 08029 Barcelona. Spain	Roads	-	100.00%
Estacionament Centre Direccional, S.A.	Puerto Tarrac, Moll de Llevant. Edificio B5, 1ª planta. 43004 Tarragona. Spain.	Parkings	-	100.00%
Explotación Comercial de Intercambiadores, S.A.	Avda. de America, 9A (Intercambiador de Tptes) Madrid. Spain	Commercial Operation	-	100.00%
Green Canal Golf, S.A.	Avenida Filipinas, s/n esquina Avenida Pablo Iglesias s/n. 28003 Madrid Spain	Management of sport facilities	Deloitte	100.00%
I 595 Express, LLC	Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington New Castle, Delaware 19801	Roads	-	100.00%
I 595 ITS Solutions, LLC.	Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington New Castle, Delaware 19801	Toll road facilities	-	100.00%
Intercambiador de Transportes de Avda. de América, S.A.	Avda. América, 2-17-B. 28002 Madrid. Spain	Transport interchange	Deloitte	100.00%
Intercambiador de Transportes de Príncipe Pío, S.A.	Avda. América, 2-17-B. 28002 Madrid. Spain	Transport interchange	Deloitte	70.00%
Inversora de la Autovía de la Mancha S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Roads	Deloitte	75.00%
Iridium Aparcamientos, S.L.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Parkings	-	100.00%
Iridium Concesiones de Infraestructuras, S.A.	Avenida del Camino de Santiago, 50. 28050 Madrid. Spain.	Concession	Deloitte	100.00%
Iridium Nouvelle Autoroute 30, Inc.	1, Place Ville-Marie 37e étage Montreal. Quebec H3B 3P4. Canada	Holding	Deloitte	100.00%
Iridium Portlaoise Ireland Limited	Fitzwilliam Business Centre, 77 Sir John Rogerson's Quay, Dublin 2 Ireland	Holding	Deloitte	100.00%
Marestrada-Operações e Manutenção Rodoviária, S.A.	Av. Visconde Valmor, 66 4. 1050-242 Lisboa. Lisboa. Portugal	Road operator	Mazars	70.00%
Parking Mérida III, S.A.	Avenida Lusitania, 15 1, puerta 7. Mérida. Badajoz. Spain.	Parkings	-	60.00%
PLANESTRADA - Operação e Manutenção Rodoviária, S.A.	Av. Visconde Valmor, 66 4 . 1050-242 Lisboa. Lisboa. Portugal	Road operator	Mazars	70.00%
Reus-Alcover Conc de la Generalitat de Catalunya, S.A.	Avinguda Josep Tarradellas, 34-36, 9. 08029 Barcelona. Spain	Roads	Deloitte	85.00%
Soc.Inversora de Infraestructuras de la Mancha, S.L.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Holding	-	66.67%
Taurus Holdings Chile, S.A.	Alfredo Barros Errazuriz 1953 oficina 1003. Providencia. Santiago de Chile	Holding	Ernst & Young	100.00%
The Currituck Development Group, LLC.	Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington New Castle, Delaware 19801	Roads	-	100.00%

# Consolidated Financial Statements

## Appendix II. Joint ventures (Not UTES or EIGs)

Company	Address	Activity	Auditor	% Effective Ownership	Consolidation method	Revenue (100%) (Thousand of euros)
<b>CONSTRUCTION</b>						
ACS Sacyr Chile, S.A.	Avda. Andrés Bello, 2711, ofic. 1003. Las Condes. Santiago. Chile	Construction	Ernst & Young	50.00%	Proportional	-
Blue Clean Water, LLC.	150 Meadowlans PKWY, Secaucus. New Jersey 07094. USA.	Construction	-	41.00%	Proportional	-
Constructora Comsa Dragados, S.A.	Avda. Vitacura, 2939, ofic. 2201. Las Condes. Santiago. Chile	Construction	Servicios Empresariales Novarum Ltda.	50.00%	Proportional	15,631
Constructora Norte Sur, S.A.	Avda. Apoquindo 4001 ofic. 604. Las Condes. Santiago. Chile	Construction	Ernst & Young	48.00%	Proportional	-
Corfica 1, S.L.	C/ Los Vergos, 26-5 . 08017 Barcelona. Spain	Construction	-	50.00%	Proportional	-
Draga, S.A.	Crta.de la Comella, 11, Edif. Cierco AD500. Andorra	Construction	Deloitte	50.00%	Proportional	6,897
Dragados Besalco, S.A.	Avda. Vitacura, 2939, ofic. 2201. Las Condes. Santiago. Chile	Construction	KPMG	50.00%	Proportional	6,868
Dragados Fomento Canadá, S.A.L.	Queen Street, 570 Fredericton NB. Canada	Construction	-	50.00%	Proportional	6,821
Dragasa Pirinca, S.L.	Vía Laietana, 33, 5 08003 Barcelona. Spain	Construction	-	50.00%	Proportional	-
Dravo, S.A.	Plaza de Castilla, 3 Piso 21-A. 28046 Madrid. Spain	Construction	Ernst & Young	50.00%	Proportional	42,389
Elaboración de Cajones Pretensados, S.L.	Avda. general Perón, 36. 28020 Madrid. Spain	Construction	-	50.00%	Proportional	-
Empresa Mantenimiento y Explotación M-30, S.A.	C/ Méndez Álvaro, 95. 28053 Madrid. Spain	Concession for the operation and maintenance of the M-30	Deloitte	50.00%	Proportional	26,857
Gaviel, S.A.	Paseo de Gracia, 29. 08007 Barcelona. Spain	Real Estate development	-	50.00%	Proportional	-
SDD Shanganagh (Water Treatment) Limited	Wilton Works, Naas Road, Clondalkin. Dublin 22. Ireland	Construction and environment	-	50.00%	Proportional	-
<b>INDUSTRIAL SERVICES</b>						
Dinsa Eléctricas y Gimi, S.A. de CV	C/ Juan Racine, 116-6. 11510 Mexico D.F	Electrical installation	Deloitte	60.00%	Proportional	-
Hospec, S.A.	Tamer Bldg., Sin El Deirut. Lebanon	Import/Export	-	50.00%	Proportional	-
Incro, S.A.	Serrano, 27. 28016 Madrid. Spain	Engineering	-	50.00%	Proportional	10,964
JC Deaux Cevasa	Avda. de Aragón 328 28022 Madrid	-	-	50.00%	Proportional	190
Montrasa Maessa Asturias, S.L.	C/ Cámara, 54-1º dcha. 33402 Avilés. Asturias. Spain	Maintenance	Alvarez Artime y CIA.	50.00%	Proportional	21,390
Visadrag Gas, Ltda.	Av. Gago Coutinho, 147. 1700-029. Lisboa. Portugal	Sales promotion, construction and maintenance of gas pipelines, marketing of gas industry equipment	-	50.00%	Proportional	-
<b>ENVIRONMENT</b>						
Aseo Urbano, S.A. E.S.P.	Avda. Canal Bogotá, 7N-114 Zona Industrial. Departamento Norte de Santander. Cúcuta. Colombia	Street cleaning	Jaime Remírez Téllez	50.00%	Proportional	37,515
Demarco, S.A.	Alcalde Guzmán, 18. Quilicura. Chile	Urban solid waste collection and street cleaning	Gran Thornton	50.00%	Proportional	15,921
Desarrollo y Gestión De Residuos, S.A. (Degersa)	Avda. Barón de Carcer, 37. Valencia. Spain	Company formed to privatize Girsra	-	40.00%	Proportional	-
Desorción Térmica, S.A.	C/ Velázquez, 105-5 Plta. 28006 Madrid. Spain	Industrial waste	-	45.00%	Proportional	1,914
Eco Actrins, S.L.U.	C/ Alcalde Luis Pascual, 17 Bajo Caudete. Albacete. Spain	Collection and treatment of waste	PriceWaterhouse Coopers	50.00%	Proportional	3,347
Electrorecycling, S.A.	Crta. BV 1224, Km. 6,750. El Pont de Vilomara i Rocafort. Barcelona. Spain	Collection, transport and treatment of waste	KPMG	33,33%	Proportional	6,834
Empresa Mixta de Limpieza, S.A.	Avda. Logroño II, 10. 24001 León. Spain	Interior cleaning	Deloitte	49.00%	Proportional	5,694
Empresa Municipal de Aguas del Ferrol, S.A.	C/ Praza da Ilustración, 5-6 Baixo. Ferrol. La Coruña. Spain	Integral water management	Audigal S.L.	49.00%	Proportional	5,344
Esteritex, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Hospital waste treatment	-	50.00%	Proportional	1,436
Gestión Medioambiental de L'Anoia, S.L.	C/ Viriato, 47. 08000 Barcelona. Spain	Inactive	-	50.00%	Proportional	-
KDM, S.A.	Alcalde Guzmán, 18. Quilicura. Chile	Dump transfer and management plant	Gran Thornton	50.00%	Proportional	35,271
Multiservicios Aeroportuarios, S.A.	Avda. Manoteras, 46. 28050 Madrid. Spain	Integral services at airports	Deloitte	51.00%	Proportional	67,414
Pilagest, S.L.	Crta. BV 1224, Km. 6,750. El Pont de Vilomara i Rocafort. Barcelona. Spain	Batteries management	-	50.00%	Proportional	3,016
Reciclados del Mediterraneo, S.L.	Paraje de los cabecicos, s/n. 03400 Villena. Alicante. Spain	Collection and treatment of waste	-	50.00%	Proportional	6,980
Salmedina Tratamiento de Residuos Inertes, S.L.	Cañada Real de las Merinas, s/n. Cno. de los Aceiteros, 101. Madrid-Spain	Treatment of inert waste	BDO	41,98%	Proportional	8,914
Senderol, S.A.	Paraje de los cabecicos, s/n - 03400 Villena. Alicante. Spain	Holding company	-	50.00%	Proportional	-
Servicios Urbanos e Medio Ambiente, S.A.	Avda. Julio Dinis, 2. Lisboa. Portugal	Collection of urban solid waste, street cleaning, selective collection and dump management	Deloitte	38.50%	Proportional	87,991



Company	Address	Activity	Auditor	% Effective Ownership	Consolidation method	Revenue (100%) (Thousand of euros)
Starco, S.A.	Alcalde Guzmán, 18. Quilicura. Chile	Collection of urban solid waste, street cleaning and dump management	Gran Thornton	50.00%	Proportional	12,505
Técnicas Medioambientales del Golfo, S.A de C.V.	Mier y Teran No. 260 4to piso en Cd Victoria Tamaulipas. Mexico	USW, environmental construction, hospital waste, industrial waste and water treatment	Mancera, SC. Ernst & Young	50.00%	Proportional	2,829
Tractaments Ecologics, S.A.	Pl. La Vallan C/ Serra Fariols, 137 Berga. Barcelona - Spain	Waste treatment	Equipond Auditores, S.L.	50.00%	Proportional	2,431
Tresima Limpiezas Industriales, S.A. (TRELIMS)	C/ Copérnico, 1 1º dcha., Pl. La Gresla (A Coruña) Spain	Industrial cleaning	Deloitte	60.00%	Proportional	1,193
Valdemingomez 2000, S.A.	Avda. de Tenerife, 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Veldemingómez degasification	Deloitte	33.59%	Proportional	6,054
Vertedero Las Mulas, S.L.	Camino de Las Mulas, s/n. 28945 Fuenlabrada. Madrid. Spain	Waste treatment	-	50.00%	Proportional	4,125
Zoreda Internacional, S.A.	C/ Rodríguez San Pedro, 5. Gijón. Asturias. Spain	Search for environmental business in Central and South America	-	40.00%	Proportional	-

#### CONCESSIONS

Infraestructure Concessions South Africa (Pty), Ltda.	24 Sunninghill Office Park, Peltier Road. Sunninghill-2157. South Africa	Holding	Deloitte	50.00%	Proportional	-
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UTE/EIG	Address	Activity	Auditor	% Effective Ownership	Consolidation method	Revenue (100%) (Thousand of euros)
<b>CONSTRUCTION</b>						
Ave Lalín	Avda. Finisterre, 25. A Coruña	Construction	-	100.00%	Proportional	14,500
Ave Ulla	Avda. Finisterre, 25. A Coruña	Construction	-	100.00%	Proportional	53,392
384 Viviendas F. General Univ. Complu	Avda. Camino de Santiago, 50. Madrid	Construction	-	50.00%	Proportional	20,067
Guadarrama IV	Tr. del Fielato, 2. Segovia	Construction	-	33.33%	Proportional	77,175
Guadarrama III	Tr. del Fielato, 2. Segovia	Construction	-	33.33%	Proportional	56,399
Gorg Línea 9	C/ Via Laietana, 33. Barcelona	Construction	-	43.50%	Proportional	196,024
Novo Hospital Xeral de Lugo	C/ Salvador Moreno, 44. Pontevedra	Construction	-	50.00%	Proportional	24,029
Túneles de Pajares 2	Avda. Tenerife 4 y 6. San Sebastián de los Reyes	Construction	-	84.00%	Proportional	67,911
L-9 Estaciones	C/ Arago, 390. Barcelona	Construction	-	66.00%	Proportional	30,298
Nuevo Hospital La Fe	C/ Álvaro de Bazán, 10. Valencia	Construction	-	70.00%	Proportional	70,601
Terminal Aeropuerto	C/ Arago, 390. Barcelona	Construction	-	70.00%	Proportional	18,442
Metro de Sevilla	Avda. San Francisco Javier, 15. Sevilla	Construction	-	42.04%	Proportional	79,565
L-9 Llobregat Fira	Avda. Diagonal, 427. Barcelona	Construction	-	28.70%	Proportional	41,929
L-9 Viaducte Zona Franca	C/ Arago, 390. Barcelona	Construction	-	27.00%	Proportional	32,379
Túnel Guadarrama Sur	Avda. Europa, 18. Alcobendas. Madrid	Construction	-	34.46%	Proportional	22,326
M-30 Túnel Sur	Avda. Tenerife 4 y 6. San Sebastián de los Reyes. Madrid	Construction	-	50.00%	Proportional	17,285
Centro Acuático	Avda. Camino de Santiago, 50. Madrid	Construction	-	80.00%	Proportional	18,149
Terminal Aeropuerto La Palma	C/ Puerta Canseco, 49. Santa Cruz de Tenerife	Construction	-	70.00%	Proportional	10,588
Langosteira	Avda. Finisterre, 25. A Coruña	Construction	-	55.00%	Proportional	121,977
Dique Torres	C/ Santa Susana, 27. Oviedo	Construction	-	38.00%	Proportional	140,548
Remodelación Facultad de Medicina	C/ Alvaro de Bazán, 10. Valencia	Construction	-	75.00%	Proportional	14,688
Plaza Castilla	C/ Estébanez Calderón, 3. Madrid	Construction	-	75.00%	Proportional	20,012
Estanque de Tormentas Arroyofresno	Avda. Tenerife 4 y 6. San Sebastián de los Reyes. Madrid	Construction	-	100.00%	Proportional	13,580
Soterram. Basurto	Pza. Sagrado Corazón, 2. Bilbao	Construction	-	50.00%	Proportional	21,265
Dique de Abrigo	Avda. Tenerife 4 y 6. San Sebastián de los Reyes. Madrid	Construction	-	50.00%	Proportional	17,139
Variante de la Carretera G-131	Ps. de Errotaburu 3, 1. Donostia. San Sebastián	Construction	-	50.00%	Proportional	11,138

# Consolidated Financial Statements

UTE/EIG	Address	Activity	Auditor	% Effective Ownership	Consolidation method	Revenue (100%) (Thousand of euros)
Laurena	Ps. de Errotaburu 3, 1. Donostia. San Sebastián	Construction	-	40.00%	Proportional	35,390
Santa Caterina	C/ Arago, 390. Barcelona	Construction	-	80.00%	Proportional	10,957
Ave Luko	C/ Padre Damián, 41. Madrid	Construction	-	50.00%	Proportional	18,048
Regadiós Jucar	C/ Álvaro de Bazán, 10. Valencia	Construction	-	65.00%	Proportional	11,319
Valladolid-Cuéllar	Pza. Juan de Austria, 2. Valladolid	Construction	-	66.66%	Proportional	11,723
Etar Da Guia, A.C.A.	Avda. Rua Rui Teles Palhinha, 4. Lisboa	Construction	-	34.00%	Proportional	22,364
Hospital de Sant Pau	C/ Gran Via de Las Cortes Catalanes, 670. Barcelona	Construction	-	75.00%	Proportional	28,413
Ave Ulxes-Pocomaco	C/ Wenceslao Fernández Flórez, 1. A Coruña	Construction	-	100.00%	Proportional	30,366
Isla Verde	Avda. Tenerife 4 y 6. San Sebastián de los Reyes. Madrid	Construction	-	35.00%	Proportional	18,478
Etap Almoquera Algodor	C/ 52. Madrid	Construction	-	100.00%	Proportional	19,134
Desaladora Barcelona	Avda. Diagonal, 211. Barcelona	Construction	-	28.20%	Proportional	87,204
Cibeles	C/ Agustin de Foxa, 29. Madrid	Construction	-	50.00%	Proportional	17,814
Lav Ultrera Las Cabezas	Avda. Tenerife 4 y 6. San Sebastián de los Reyes. Madrid	Construction	-	100.00%	Proportional	31,587
Jucar-Vinalopo Tramo A	C/ Álvaro de Bazán, 10. Valencia	Construction	-	65.00%	Proportional	20,405
Ripoll-Puigcerda	C/ Via Laietana, 33. Barcelona	Construction	-	100.00%	Proportional	14,849
Llotja	C/ Arago, 390. Barcelona	Construction	-	65.00%	Proportional	23,933
Hospital Son Dureta	Pza. Es Forti, 4. Palma de Mallorca	Construction	-	49.50%	Proportional	101,437
Hospital de Reus	C/ Via Laietana, 33. Barcelona	Construction	-	75.00%	Proportional	40,877
Puente de Cádiz	Avda. Tenerife 4 y 6. San Sebastián de los Reyes. Madrid	Construction	-	100.00%	Proportional	68,269
Etap Sant Joan Despi	C/ Ribera del Loira, 42. Madrid	Construction	-	50.00%	Proportional	19,198
Gorostiza	C/ Barrio Bañales S/N. Ortuella	Construction	-	30.00%	Proportional	44,423
2 Fase Dique De La Esfinge	Avda. Juan XXIII. Entrepanta A y B, 9. Las Palmas de Gran Canaria	Construction	-	35.00%	Proportional	12,462
Construction Alhondiga	Avda. Sabino Arana, 20. Bilbao	Construction	-	50.00%	Proportional	13,905
Canal De Terreu	C/ Capitán Portolés, 1-3-5, 4. Zaragoza	Construction	-	62.50%	Proportional	14,507
Estación de Albacete	Avda. Camino de Santiago, 50. Madrid	Construction	-	100.00%	Proportional	41,988
Urbanización Villalonquejar	Pza. Juan de Austria, 2. Valladolid	Construction	-	60.00%	Proportional	21,615
Estacion Mercado Central	C/ Álvaro de Bazán, 10. Valencia	Construction	-	65.00%	Proportional	12,829
Aeropuerto Ibiza	Pza. Es Forti, 4. Palma de Mallorca	Construction	-	70.00%	Proportional	12,749
Estación Mercado	C/ Porto Pi, 8. Palma de Mallorca	Construction	-	50.00%	Proportional	12,796
Ave Girona	C/ Acanto, 22, 5ª planta. Madrid	Construction	-	40.00%	Proportional	61,960
Muelle Polivalente	Avda. Fuente de La Mora, 2. Madrid	Construction	-	50.00%	Proportional	15,632
Parking Aena Bcn	C/ Arago, 390. Barcelona	Construction	-	87.00%	Proportional	11,118
Complejo Administrativo 9 De Octubre	Pza. Legión Española, 12. Valencia	Construction	-	54.00%	Proportional	18,715
Edar Alto Orbigo	Avda. Fuente de La Mora, 2. Madrid	Construction	-	100.00%	Proportional	18,479
Ciudad de La Justicia de Elche	Pza. Legión Española, 12. Valencia	Construction	-	65.00%	Proportional	13,750
Boca Dest	Ctra. de La Comella, 11. Andorra La Vella	Construction	-	66.00%	Proportional	14,034
Central Greece Motorway E-65	Avda. Messogeon Avenue 85 115 26. Athens	Construction	-	33.33%	Proportional	48,235
Kinopraxia Euro Ionia	Avda. Messogeon Avenue 85 115 26. Athens	Construction	-	33.33%	Proportional	110,350
Ascon and Dragados Portlaoise Joint Vent	C/ Kill, Kildare Ireland	Construction	-	50.00%	Proportional	110,871
Ascon-Dragados Waterford Joint Venture	C/ M1 Southern Link Interbridge	Construction	-	50.00%	Proportional	53,043
Hospital de Bellvitge	C/ Via Laietana, 33. Barcelona	Construction	-	55.00%	Proportional	15,929
Reheta	Barrio Bañales, s/n. Ortuella	Construction	-	50.00%	Proportional	13,722
Quejigares	Carretera Villanueva De Tapia, 2. Archidona Málaga	Construction	-	100.00%	Proportional	26,589
Obras Abrigo Puerto Valencia	C/ Álvaro de Bazán, 10. Valencia	Construction	-	29.00%	Proportional	80,963
Torroella	C/ Arago, 390. Barcelona	Construction	-	75.00%	Proportional	35,986
Portusan	C/ Avda. Madariaga, 1 - 4. Bilbao	Construction	-	33.34%	Proportional	19,089
Arquitectura Gorg	C/ Via Laietana, 33. Barcelona	Construction	-	35.00%	Proportional	41,709
Variante Oeste Arrasate	Pza. de Los Amezqueta, 10 Bajo. Donostia-San Sebastián	Construction	-	33.34%	Proportional	14,582
Muelle Sur Barcelona	C/ Via Laietana, 33. Barcelona	Construction	-	100.00%	Proportional	18,165
Serrano	C/ Cardenal Marcelo Spinola, 52. Madrid	Construction	-	50.00%	Proportional	29,377
Const.Muelle Az-2 Ados.Dique Zierben	C/ Calero. Zierbena. Vizcaya	Construction	-	95.00%	Proportional	16,042
Tarraco	C/ Arago, 390. Barcelona	Construction	-	60.00%	Proportional	19,649
Acabados Alhóndiga	Pza. Arrikibar. Bilbao	Construction	-	50.00%	Proportional	11,247
Centro Penitenciario Canarias II	C/ Padre Anchieta, 6. Las Palmas de Gran Canaria	Construction	-	90.00%	Proportional	31,629
Ave Túnel de Serrano	C/ Cardenal Marcelo Spinola, 52. Madrid	Construction	-	42.00%	Proportional	19,058
Estaciones L9-Besos	C/ Via Laietana, 33. Barcelona	Construction	-	50.00%	Proportional	10,638
Valencia V	Camino De Las Viñas, s/n. Luceni. Zaragoza	Construction	-	50.00%	Proportional	11,029
Ampliacion Complejo Atocha Fase I	Avda. Camino de Santiago, 50. Madrid	Construction	-	100.00%	Proportional	25,017
Shanganagh Joint Venture	Wilton Works, Naas Road, Clondalkin, Dublin 22. Ireland	Construction	-	50.00%	Proportional	17,423
Dragado Gijón	Pza. de Castilla 3, 7ªA. Madrid	Construction	-	60.00%	Proportional	16,772
Linea T2 Nazaret Metro de Valencia	Avda. Campanar, 22. Valencia	Construction	-	50.00%	Proportional	14,792
Autovia Cocentaina	C/ Caballero Andante, 8. Madrid	Construction	-	50.00%	Proportional	43,798
Maceiras Redondela	C/ Caballero Andante, 42. Madrid	Construction	-	50.00%	Proportional	11,193
Ave Trinidad-Tramo Moncada	C/ Caballero Andante, 8. Madrid	Construction	-	33.33%	Proportional	50,104

UTE/EIG	Address	Activity	Auditor	% Effective Ownership	Consolidation method	Revenue (100%) (Thousand of euros)
Ramal Castellbisbal-Mollet	C/ Orense, 11. Madrid	Construction	-	50.00%	Proportional	40,234
A-32: Ibrós-Ubeda	C/ Orense, 11. Madrid	Construction	-	65.00%	Proportional	13,475
Dragados / Judlau A Jv (009)	26-15 Ulmer Street - College Point. NY 11354	Construction	-	70.00%	Proportional	48,070
Dragados / Judlau A Jv (019)	26-15 Ulmer Street, College Point. NY 11354	Construction	-	55.00%	Proportional	48,482
MCM / Dragados a JV	6201 Sw 70 Street, 2Nd Floor. Miami, FL 33143	Construction	-	50.00%	Proportional	22,106
Yonkers Contracting / Dragados a JV (I-287)	969 Midland Avenue - Yonkers. NY 10704	Construction	-	50.00%	Proportional	16,403
Schiavone/Shea/Frontier Kemper (509)	605 West 30Th Street. NY	Construction	-	50.00%	Proportional	23,470
Schiavone/Picone (511)	3701 Jerome Ave - Bronx. NY	Construction	-	80.00%	Proportional	37,170
Schiavone/Picone (512)	29 W. 30Th St. NY	Construction	-	55.00%	Proportional	15,121
Schiavone/Citnalta (513)	81 Willoughby St. Brooklyn. NY	Construction	-	60.00%	Proportional	31,925
S3 Tunnel Constructors (514)	207 East 94Th St. NY	Construction	-	37.50%	Proportional	63,165
Rondout Constructors (515)	203 River Road North. Wappinger Falls. NY	Construction	-	41.10%	Proportional	36,289
S3 II Tunnel Constructors (516)	360 West 31St. NY	Construction	-	30.00%	Proportional	263,641
Consorcio Dycvensa Vinccler	Avda. 20 Prolongación Carrera 21 Avda. Moran, 6. Venezuela	Construction	-	70.00%	Proportional	34,120

### INDUSTRIAL SERVICES

Ute ACS-Cobra Castor	C/ Cardenal Marcelo Spinola 10. Madrid 28016	Infrastructure for gas extraction	-	10.00%	Proportional	230,712
Ute Consortium Balfour-Cobra	Avenida de la Vega, 15. Alcobendas. Madrid 28018	Electrical systems for railway	-	50.00%	Proportional	55,589
UTE C.T. Extresol 2	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Thermosolar plant	-	80.00%	Proportional	37,203
UTE C.T. Andasol 2	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Thermosolar plant	-	80.00%	Proportional	25,866
Ute Cosebal	C/ Barquillo 19. Madrid 28004	Railroad network	-	85.00%	Proportional	41,935
Ute Ampliación Regasagunto	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Turnkey project	-	80.00%	Proportional	29,307
Ute Manchasol 1	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Thermosolar plant	-	100.00%	Proportional	91,195
Ute Extresol 2	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Thermosolar plant	-	80.00%	Proportional	127,548
UTE Desaladora Beni Saf const.	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Construction of desalination plant	-	100.00%	Proportional	12,552
UTE C.T. Solar 3	C/ Biología, 12. Torneo Parque Empresarial Sevilla 41015	Thermosolar plant	-	50.00%	Proportional	74,770
Ute Extresol 1	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	Thermosolar plant	-	80.00%	Proportional	105,135
Ute Climatización Son Dureta	C/ Orense, 4 Madrid 28020	Climate control systems	-	58.00%	Proportional	12,123
UTE Libia-lineas	C/ Cardenal Marcelo Spinola, 10. Madrid 28016	High-voltage power line and installation of fibre optics	-	50.00%	Proportional	15,697
UTE AVELE	C/ Caballero Andante, 8. 28021. Madrid	Electrical substations	-	22.00%	Proportional	36,425
UTE AVELE 2	C/ Caballero Andante, 8. 28021. Madrid	Electrical substations	-	22.00%	Proportional	31,289
UTE CATENARIA L/6	Avda del Brasil, 6. 28020. Madrid	Catenary	-	25.00%	Proportional	16,422
AIE EDAR Cádiz - San Fernando	Crta. N-IV, km. 683. 11100 San Fernando. Cadiz	Water treatment	Deloitte	43.90%	Proportional	4,512
Ute Vinci-Etralux (Ute VEA)	C/ Orense, 68, 2ª planta. Madrid	Parking meters	-	20.00%	Proportional	11,845
Ute Imes-Alea, Coruña	Avda. Manteras, 26. 28050 Madrid	Construction of desalination plant	-	50.00%	Proportional	16,853
UTE SAMCASOL I	Paseo de la Castellana, 149, 1ª planta. Madrid	Assemblies	-	40.00%	Proportional	62,787
UTE SAMCASOL II	Paseo de la Castellana, 149, 1ª planta. Madrid	Assemblies	-	40.00%	Proportional	29,208
UTE SEMLA	C/ Afueras, s/n C.N. Ascó. Tarragona	Maintenance	Attest	50.00%	Proportional	19,395
UTE ENWESA-MAESSA	Hospitalet del Infant	Maintenance	PwC	50.00%	Proportional	12,301
Ute Manchasol 2	C/ Cardenal Marcelo Spinola, 10	Renewable energy	-	100.00%	Proportional	37,203
U.T.E. MAADEN	C/ Via de los Poblados, 9-11	Engineering and provision	-	20.00%	Proportional	16,527
Ute Servicios Coker C-10	Cartagena. Murcia	Engineering, sales and construction supervision	-	50.00%	Proportional	48,387
Ute Makiber-Dinsa Angola	Paseo de la Castellana, 182. 28046 Madrid	Construction	-	100.00%	Proportional	12,031
Ute Energía Angola	Paseo de la Castellana, 182. 28046 Madrid	Construction	-	100.00%	Proportional	10,552

### ENVIRONMENT

UTE Clecet	C/ Orense, 6 1. 28020 Madrid	Interior cleaning	-	100.00%	Proportional	45,237
UTE Legio	C/ Valle de Portugal, s/n. San Román de la Vega. León	USW treatment	-	50.00%	Proportional	14,288
UTE Urbapi	C/ Castrobarro, 10. Madrid	Urban services (gardening)	-	85.00%	Proportional	13,331
UTE Etoparc V	Crta. Terrasa - Manresa C - 58. Barcelona	USW treatment	-	20.00%	Proportional	19,672
UTE Vertresa - FCC (Tenerife)	Pol. Ind. San Isidro. El Rosario. Tenerife	USW treatment	-	90.00%	Proportional	15,733
UTE Vertresa - Senda (Las Dehesas)	Crta. Valencia, km 14. Complejo Valdemingómez. Madrid	USW treatment	Deloitte	100.00%	Proportional	24,442
UTE Ebro	Parque Tecnológico de Reciclados. Parc. C1-18. Crta. La cartuja a Torrecilla de Valmadrid. Km. 1,195. 50720 Zaragoza	USW treatment	-	100.00%	Proportional	10,324

# Consolidated Financial Statements

## Appendix III. Associates

Company	Address	Activity	Auditor	% Effective Ownership	Data on the investee (100%)					
					Assets	Liabilities	Equity (*)	Revenue	Profit for the year	
<b>PARENTS</b>										
Abertis Infraestructuras, S.A.	Avinguda del Parc Logistic, 12-20. 08040 Barcelona. Spain	Concessions	PricewaterhouseCoopers	25,83%	24,637,348	20,345,368	4,291,980	3,836,695	653,064	
Hochtief Aktiengesellschaft (**)	Essen. Germany	Construction and concessions	Deloitte	29,98%	12,099,000	9,238,000	2,861,000	19,103,000	175,000	
<b>CONSTRUCTION</b>										
Central Greece Motorway Concession, S.A.	Municipality of Athens, 87 Themistokleous, 10683 Athens. Greece	Concessions	PricewaterhouseCoopers	33,33%	361,233	400,494	(39,261)	-	-	
Cleon, S.A.	Avda. General Perón, 36 1 -28020 Madrid. Spain	Real Estate Development	KPMG	25,00%	130,982	30,089	100,893	-	(6)	
Juluna, S.A.	C/ Sorni, 3 bajo. 46004 Valencia. Spain	Real Estate Development	-	24,45%	897	1	896	-	(19)	
Logitren Ferroviaria, S.A.	Avda. Blasco Ibáñez, 18 - 46010 Valencia. Spain	Railroad transport	-	33,33%	351	76	275	-	(20)	
Supercor Orense, S.A.	C/ Benito Blanco Rajoy, 9. 15006 La Coruña. Spain	Real Estate Development	-	35,00%	4	-	4	-	-	
<b>INDUSTRIAL SERVICES</b>										
Afta, S. A.	Rua A Gazeta de Oeiras, N 2- 4 A. Oeiras. Portugal	Purchase/sale of assets	Revisor Oficial de Contas (Julio Alves, Mário Baptista e Associados)	24,84%	-	-	-	-	-	
Brilhante Transmissora de Energias, S.A.	Avda. Marechal Camara, 160 sala 1621. Rio de Janeiro. Brazil.	Energy transport	-	50,00%	22,654	22,613	41	-	(8)	
C.I.E.R. S.L.	Pol. Ind. Las Merindades Calle B s/n. 09550 Villarcayo. Burgos. Spain.	Electricity production	-	50,00%	11	3	8	-	-	
Cachoeira Paulista Transmissora de Energia, S.A.	Rua Marechal Camara, 160. Rio de Janeiro. Brazil 20020	Electrical services and assemblies	Deloitte	33,00%	77,629	43,407	34,222	18,128	10,095	
Cme Marrocos	332 Bd. Brahim Roudani 12 Ma rif. Casablanca 01. Morocco	Performance, maintenance and operation of various works	Deloitte	74,54%	-	-	-	-	-	
Concessionaria Jauru Transmissora de Energia	Rua Marechal Camara, 160. Sala 1534. Rio de Janeiro. Brazil	Concessions	Deloitte	33,00%	115,491	104,931	10,560	1,526	(1,373)	
Concessionaria LT Triângulo, S.A.	Rua Marechal Camara, 160. Sala 1534. Rio de Janeiro. Brazil	Energy transport	Deloitte	33,33%	245,490	159,334	86,156	25,271	2,807	
Concessionaria Pocos de Caldas	Rua Marechal Camara, 160. Sala 1534. Rio de Janeiro. Brazil	Concessions	Deloitte	33,00%	158,148	75,947	82,201	4,414	(1,152)	
Concessionaria Ribeirao Preto	Rua Marechal Camara, 160. Sala 1534. Rio de Janeiro. Brazil	Concessions	Deloitte	33,00%	127,863	59,519	68,344	6,104	(10)	
Concessionaria Serra Paracatu	Rua Marechal Camara, 160. Sala 1534. Rio de Janeiro. Brazil	Concessions	Deloitte	33,00%	115,321	48,827	66,494	6,803	445	
Consorcio de Telecomunicaciones Avanzadas, S.A.	Av Juan Carlos I, 59-6. Espinardo. Murcia. Spain	Telecommunications	-	10,52%	2,295	96	2,199	321	225	
Corporación Ygnus Air, S.A.	Rua Mario Dionisio, nº 2. Linda-a-Velha. Oeiras. Portugal	Air transport	Deloitte	40,00%	43,263	32,559	10,704	37,589	(2,401)	
Desarrollos Energéticos Asturianos, S.L.	Pol. Industrial Las Merindades calle B, s/n. 09550 Villarcayo. Burgos. Spain	Electricity generation	-	50,00%	527	52	475	-	(6)	
Dora 2002, S.A.	C/ Monte Esquinza, 34. 28010 Madrid. Spain	Holding company	-	45,39%	46	-	46	-	-	
Eledcey de Castilla La Mancha, S.A.	Villalar, 1 1 dcha. 28010 Madrid	Electricity generation	-	42,00%	49,650	44,625	5,025	9,164	1,651	
Electra de Montanchez, S.A.	Periodista Sánchez Asensio, 1. Cáceres. Spain	Production and sale of electricity	-	40,00%	330	11	319	-	(62)	
Energía de la Loma S.A.	C/ Las Fuentesillas, s/n. Villanueva del Arzobispo. 23330 Jaén. Spain.	Electricity generation	-	20,00%	13,012	6,877	6,135	9,268	812	
Energias Alternativas Eólicas, S.L.	Gran Via Juan Carlos I, 9. 26002 Logroño. Spain	Electricity generation	-	37,50%	29,732	22,439	7,293	7,209	1,787	
Energias Renovables de Ricobayo, S.A.	Romero Girón, 4. 28036 Madrid. Spain	Electricity generation	-	50,00%	871	511	360	-	(29)	
Eolicaman, S.A.	Plaza Altozano, 2 2 B. 02001 Albacete	Electricity generation	-	40,00%	4,202	28	4,174	-	(57)	
Escal UG&S, S.L.	C/ San Francisco de Sales, nº 38, 1ª plta. Madrid. Spain	Storage of natural gas and other gaseous hydrocarbons	Deloitte	66,67%	28,775	23,558	5,217	-	(32)	
Expansion Transmissao de Energia Eléctrica, S.A.	Rua Marechal Camara, 160. Sala 1534. Rio de Janeiro. Brazil	Electrical assembly and services	Deloitte	25,00%	145,708	99,330	46,378	43,080	20,181	
Explotaciones Eólicas Sierra de Utrera, S.L.	Príncipe de Vergara. 28006 Madrid. Spain	Electricity generation	-	25,00%	18,835	10,397	8,438	7,098	4,183	
Interligação Eléctrica de Minas Gerais, S.A.	Rua Bela Cintra 847-3 andar. Sao Paulo. Brazil	Electrical concession	Assurance Auditores e Consultores	40,00%	62,128	30,692	31,436	-	(158)	
Interligação Eléctrica Norte e Nordeste, S.A.	Av. Marechal Camara 160 sala 1833 y 1834. 20030-020. Rio de Janeiro. Brazil	Electrical facilities	Assurance Auditores e Consultores	25,00%	151,086	75,881	75,205	-	-	
Itumbiara Transmissora de Energia, Ltda.	Rua Marechal Camara, 160. Rio de Janeiro. Brazil	Energy transport	Deloitte	33,33%	328,765	177,892	150,873	45,000	16,086	
Loma del Capón, S.L.	Loja 8. Albolote. 18220 Granada. Madrid. Spain	Electricity generation	-	50,00%	1,068	947	121	-	-	
Nordeste Transmissora de Energia, Ltda.	Av. Marechal Camara 160 sala 1833 y 1834. 20030-020 Rio de Janeiro. Brazil	Electrical concession	Assurance Auditores e Consultores	49,99%	156,940	84,581	72,359	33,830	9,258	
Parqa, S. A.	Rua Dr. António Loureiro Borges 9. Portugal	Construction and operation of car parks	Ernst & Young	37,27%	-	-	-	-	-	
Parque Eólico Región de Murcia, S.A.	Central, 12. 30007 Murcia. Spain	Electricity generation	-	20,00%	-	-	-	-	-	
Porto Primavera, Ltda.	Rua Marechal Camara, 160. Rio de Janeiro. Brazil	Energy transport	Deloitte	33,33%	148,220	70,079	78,141	20,289	7,056	
Red Eléctrica del Sur, S.A.	Juan de la Fuente, 453 Miraflores. Lima. Perú	Energy transport	PricewaterhouseCoopers	23,75%	42,379	27,575	14,804	9,637	2,400	
Serra da Mesa Transmissora de Energia, Ltda.	Rua Marechal Camara, 160. Sala 331. Rio de Janeiro. Brazil	Energy transport	Deloitte	33,33%	286,984	175,681	111,303	31,026	3,615	
Sistema Eléctrico de Conexión Hueneja, S.L.	C/ Loja nº 8, Local 26. Albolote. Granada. Spain	Construction and operation of network interconnection installations	-	24,35%	32,316	32,164	152	-	(70)	
Sistema Eléctrico de Conexión Valcaire, S.L.	C/ Loja nº 8, Local 26. Albolote. Granada. Spain	Construction and operation of network interconnection installations	-	29,79%	286	175	111	-	(34)	
Sociedad Aragonesa de Estaciones Depuradoras, S.A.	Dr. Aznar Molina, 15-17. 50002 Zaragoza. Spain	Concessions- Actions in Area 07-A of special plan for purification of the Instituto Aragonés de Aguas	-	40,00%	25,629	19,998	5,631	195	(20)	

(\*) Minority interests not included.

(\*\*) Data December, 31 2008 as Hochtief Aktiengesellschaft dint release its December 31, 2009 financial statement at the moment of the elaboration of ACS Group's Annual Accounts.

Company	Address	Activity	Auditor	% Effective Ownership	Data on the investee (100%)					
					Assets	Liabilities	Equity (*)	Revenue	Profit for the year	
Sociedad de Aguas Residuales Pirineos, S.A.	Doctor Aznar Molina, 15-17, 50002 Zaragoza. Spain	Infrastructures for the purification of water in the Pirineo	-	37.50%	1,859	8	1,851	-	(2)	
Somozas Energías Renovables, S.A.	Lg Iglesia, 1. 15565 La Coruña. Spain	Generation of electricity	Deloitte	25.00%	10,383	10,058	325	2,352	164	
STE - Sul Transmissora de Energia, Ltda.	Av. Marechal Camara 160 sala 1833 y 1834. 20030-020 Rio de Janeiro. Brazil	Electrical concession	Assurance Auditores e Consultores	49.90%	91,114	47,029	44,085	17,449	4,369	
Transmissão Itumbiara Marimondo, S.A.	Marechal Camera,160. Rio de Janeiro. Brazil 20020	Electrical services and assemblies	Deloitte	25.00%	71,143	39,491	31,652	17,099	10,022	
Vila do Conde, Ltda.	Rua Marechal Camara, 160. Rio de Janeiro. Brazil	Energy transport	Deloitte	33.33%	106,093	64,845	41,248	15,690	5,552	
<b>ENVIRONMENT</b>										
Aguas del Gran Buenos Aires, S.A.	C/ 48 N 877, piso 4 oficina 408. La Plata Provincia de Buenos Aires. Argentina	Integral water management	Dr. Santos Óscar Sarnaril (contador público)	26.34%	2,734	3,226	(492)	-	(51)	
Betearte, S.A.	Colón de Larreategui, 26. Bilbao. Spain	Industrial waste	-	33.33%	14,348	13,056	1,292	10	477	
Ecoparc del Mediterrani, S.A.	Avda. Eduard Maristany, s/n. 08930 Sant Adria de Besós. Barcelona. Spain	Urban solid waste treatment	Deloitte	32.00%	18,009	17,531	478	7,072	-	
Energías y Tierras Fértiles, S.A.	C/ Pascual y Genís, 19. 46002 Valencia. Spain	Waste treatment	-	33.36%	63	-	63	-	-	
Entaban Biocombustibles del Pirineo, S.A.	Paseo Independencia, 28. Zaragoza. Spain	Biodiesel	Deloitte	37.50%	13,358	15,942	(3,544)	666	(4,858)	
Huesca Oriental Depura, S.A.	Ctra. de Madrid, km. 315,800. Edif. Expo Zaragoza, 3 Ofic. 14. 50012 Zaragoza-Spain	Construction and operation of EDAR	-	60.00%	1,139	59	1,081	-	-	
International City Cleaning Company	Bordi Masser Lel-Siaha, Maydan. Al-Abbasia Aawan. Egipto	Urban solid waste	Osama Ahmed Zaki	30.00%	3,266	2,241	1,025	-	28	
Mac Insular, S.L.	C/ Julián Álvarez, nº 12-A-1. Palma de Mallorca. Spain	Waste treatment	Deloitte	8.00%	68,640	54,428	14,213	25,519	(144)	
Tirme, S.A.	Ctra. de Soller, Km 8,2. 07120 Son Reus. Palma de Mallorca. Spain	Urban solid waste treatment	Deloitte	20.00%	488,951	434,236	38,509	79,400	7,333	
Tratamiento Industrial de Residuos Sólidos, S.A.	Rambla Cataluña, 91. 08008 Barcelona. Spain	Collection and treatment of waste	Castellá Auditors Consultors, S.L.	33.33%	8,567	3,517	5,050	15,684	34	
<b>CONCESSIONS</b>										
Autovia de los Pinares, S.A.	Km 20.200 A-601. 47160 Portillo. Valladolid. Spain	Roads	Deloitte	53.33%	98,062	90,075	7,987	4,357	(2,929)	
Bahwena Platinum Corridor Concessionaire (Pty), Ltd.	24 Sunninghill Office Park Peltier Road Sunninghill - 2157. Sudáfrica	Roads	Deloitte	25.00%	279,254	370,226	(90,972)	-	-	
Bidelan Guipuzkoako Autobideak, S.A.	Asti Auzoa, 631 B. 20800 Zarauz. San Sebastián. Spain	Roads	BSK Bask Consulting	50.00%	36,258	29,539	6,719	36,427	1,309	
Celtic Roads Group (Port/Laoise) Limited	Toll Plaza, Balgeen Co. Meath Ireland	Roads	KPMG	33.33%	226,946	256,893	(29,947)	-	-	
Celtic Roads Group (Waterford), Ltd.	Toll Plaza, Balgeen Co. Meath Ireland	Roads	KPMG	33.33%	216,552	230,759	(14,207)	593	(1,780)	
Circunvalación Alicante, S.A.C.E.	Autopista AP 7, pk 703. Area Monforte del Cid. 03670 Monforte del Cid. Alicante. Spain	Roads	Deloitte	50.00%	440,315	424,295	16,020	7,155	(15,860)	
Concesionaria Aparcamiento La Fe, S.A.	Tres Forques, 149 Accesorio. 46014 Valencia. Spain.	Parkings	-	50.00%	242	-	242	-	(8)	
Concesionaria Hospital Son Dureta S.A.	Pz. Es Forti 4 1 A Palma de Mallorca. Islas Baleares	Hospital Concession	Deloitte	49.50%	204,530	185,851	18,679	-	-	
Estacionamientos El Pilar S.A.	Avda de Tenerife 4-6. 28703 San Sebastián de los Reyes. Madrid. Spain	Parking operation	Deloitte	50.00%	7,995	1,690	6,305	3,294	1,312	
Hospital de Majadahonda, S.A.	Paseo de la Castellana, 95. Madrid. Spain	Concession	Deloitte	55.00%	249,166	237,520	11,646	43,766	(3,028)	
Infraestructuras y Radiales, S.A.	Ctra.M-100 Alcalá de Henares a Daganzo Km 6.300. 28806 Alcalá de Henares. Madrid. Spain	Roads	KPMG	35.00%	576,402	633,257	(56,854)	23,905	(19,896)	
Intercambiador de transportes Plaza de Castilla, S.A.	Avda. de América 2-17 B. Madrid. Spain	Transport interchange	Deloitte	50.00%	180,298	165,468	14,830	10,411	(4,030)	
Línea Nueva Tramo Cuatro, S.A.	Avinguda Josep Tarradellas, 34-36, 9. 08029. Barcelona. Spain	Underground	Deloitte	49.38%	435,908	430,896	5,012	18,131	(737)	
Metro de Sevilla Sdad Conce Junta Andalucía, S.A.	C/ Carmen Vendrell, s/n (Prolongación de Avda. de Hytasa) 41006 Sevilla. Spain	Railroad	KPMG	34.01%	697,262	583,360	113,903	30,846	(998)	
Nea Odos Concession Societe Anonyme	Municipality of Athens 87 Themistokleous 10683 Athens. Greece	Roads	PricewaterhouseCoopers	33.33%	276,928	221,622	55,307	66,606	-	
Nouvelle Autoroute 30, S.E.N.C.	1 Place Ville-Marie 37e étage. Montreal. Quebec) H3B 3P. Canada	Roads	Deloitte	50.00%	305,463	406,321	(100,858)	1,811	0	
PT Operational Services Pty, Ltd.	1 Lavender Road Bon Accord 009. Sudáfrica	Parking	KPMG	33.40%	2,605	840	1,765	8,886	1,801	
Road Management (A13), Plc.	Sandway House, Littlelades Lane Hartford, Northwich Cheshire CW8 2YA. Inglaterra	Roads	Ernst & Young	25.00%	242,133	281,325	(39,192)	23,671	(5,344)	
Rotas Do Algarve Litoral, S.A.	Av. Visconde Valmor, 66 4. 1050-242 Lisboa Lisboa. Portugal	Roads	Mazars	45.00%	43,688	48,505	(4,817)	-	-	
Ruta de los Pantanos, S.A.	Avenida de Europa, 18. 28100 Alcobendas. Madrid. Spain	Roads	Deloitte	33.33%	85,663	83,826	1,837	11,695	1,262	
Serranopark, S.A.	Pza. Manuel Gómez Moreno, 2. 28020 Madrid. Spain	Parking	-	50.00%	77,012	58,952	18,060	-	0	
Sociedad Concesionaria Túnel San Cristóbal, S.A.	Avenida del Valle 945 oficina 3604. Ciudad Empresarial Huechuraba. Santiago de Chile.	Roads	Deloitte	50.00%	92,561	90,470	2,091	3,761	(2,371)	
Sociedad Concesionaria Vespucio Norte Express, S.A.	Avda. Américo Vespucio Oriente 1305, Parque Enea, Pudahuel. Santiago de Chile.	Roads	Deloitte	46.48%	515,924	570,169	(54,244)	44,136	(7,821)	
Sociedad Hospital de Majadahonda Explotaciones, S.L	C/ Joaquín Rodrigo, 2. 28220 Majadahonda. Madrid. Spain	Hospital operator	-	55.00%	19,478	17,986	1,491	24,481	646	
SPER - Sociedade Portuguesa para a Construção e Exploração Rodoviária, S.A.	Av. Visconde Valmor, 66 4. 1050-242 Lisboa Lisboa. Portugal	Roads	Mazars	49.50%	56,275	61,233	(4,958)	-	-	
Tag Red, S.A.	Avda. Vitacura n 2939 piso 8. Las Condes. Santiago de Chile.	Roads	-	25.00%	5	2,076	(2,071)	-	-	
TP Ferro Concesionaria, S.A.	Ctra. de Llers a Hostalets GIP-5107 p.k. 1, s/n. 17730 Llers. Girona. Spain	Railroad	KPMG	50.00%	1,179,676	1,137,606	42,070	-	-	
Zachry American/ACS 69 Partners, Llc.	Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington New Castle, Delaware 19801	Roads	-	50.00%	-	-	-	-	-	

(\*) Minority interests not included.

(\*\*) Data December, 31 2008 as Hochtief Aktiengesellschaft dint release its December 31, 2009 financial statement at the moment of the elaboration of ACS Group's Annual Accounts.

# Consolidated Financial Statements

## Appendix IV. Changes in the scope of consolidation

The main companies included in the scope of consolidation are as follows:

SPER - Sociedade Portuguesa para a Construção e Exploração Rodoviária, S.A.	Tedra Australia Pty. L.T.D.
Planestrada-Operação e Manutenção Rodoviária, S.A.	Pol-Aqua, S.A.
I 595 Express, Ll.	Sice Energía, S.L.
Eix Diagonal Concessionària de la Generalitat de Catalunya, S.A.	Clece, Inc.
The Currituck Development Group, Ll.	CME- Participações SGPS, S.A.
Zachry American/ACS 69 Partners, Ll.	CME Al Arabia, Lda.
I 595 ITS Solutions, Ll.	CME Cabo Verde, S.A.
Geocisa USA, Inc.	CME Chile, SPA.
Mas Vell Sun Energy, S.L.	Cataventos de Paracuru, Ltda.
Rotas Do Algarve Litoral, S.A.	Tecneira do Paracuru, Ltda.
Marestrada-Operações e Manutenção Rodoviária, S.A.	TNG Brasil, Ltda.
Integra Mantenimiento Gestión y Servicios Integrales CEE Murcia, S.L.	Cataventos Acarau, Ltda.
Actividades de Mantenimiento de jardines 21, S.L.	Cataventos Embuaca, Ltda.
Sice Hellas Sistemas Tecnológicos Sociedad Unipersonal de Responsabilidad Limitada	NGS, Ltda.
Sociedad Peninsular de Limpiezas Mecanizadas, Lda.	Biorio, Lda.
Terminal Docks, S.L.	Biodemira, Lda.
Eólica del Guadiana, S.L.	Biobeiraner, Lda.
Servicios Logísticos y Auxiliares de Occidente, S.A.	Bioparque Mira, Lda.
Soluciones Auxiliares de Guatemala, S.A.	Rioparque, Lda.
Soluciones Eléctricas Integrales de Guatemala, S.A.	Wayserv SGPS, S.A.
Cobra Solar del Sur, S.L.	Parking Mérida III, S.A.
Técnicas Aplicadas de Recuperaciones Industriales, S.A.	Estacionament Centre Direccional, S.A.
Planta de Tratamiento de Aguas Residuales, S.A.	Concesionaria Aparcamiento La Fe, S.A.
Humiclíma Panamá, S.A.	Consortio Dragados Compax, S.A.
Autovia del Pirineo, S.A.	Mexicana de Servicios Auxiliares, S.A. de CV.
Sociedad Industrial de Construcciones Eléctricas Siceandina, S.A.	Asistencia Offshore, S.A.
ACS Servicios Comunicaciones y Energía de México, S.A. de CV.	Sociedad de Aguas Residuales Pirineos, S.A.
CCR Platforming Cangrejera, S.A. de CV.	Hidráulica de Mendre Dos, S.A.
H.E.A Instalações, Ltda.	Concesiones Vías Chile Tres, S.A.
Energías Ambientales de Oaxaca, S.A. de CV.	Construcciones y Servicios del Egeo, S.A.
Sociedad de Generación Eólica Manchega, S.L.	Eix Diagonal Construccions, S.L.
El Recuenco Eólica, S.L.	Dragados Construction USA, Inc.
Ribagrande Energía, S.L.	Pulice Construction, Inc.
Eólica Majadillas, S.L.	John P. Picone, Inc.
Robledo Eólica, S.L.	ACS Infrastructure Canada, Inc.
Recursos Ambientales de Guadalajara, S.L.	Tratamiento Integral de Residuos de Cantabria, SLU
El Otero Wind Power, S.L.	Sussex Realty, Ll.
Energía Sierrezuela, S.L.	Consortio Especializado Medio Ambiente, S.A. de CV.
Valdelagua Wind Power, S.L.	Recursos Eólicos de Mexico, S.A. de CV.
Eólica Torrellana, S.L.	Energía y Recursos Ambientales Internacional, S.L.
Chaparral Wind Power, S.L.	Brihante Transmissora de Energias, S.A.

The main companies no longer included in the scope of consolidation are as follows:

Unión Fenosa, S. A.	Dragados Offshore SLP, S.A. de CV
Integral Port Services, S.L.	IPS Serveis Portuaris ETT, S.L.
Igest Mensajería, S.L.	Masa Argentina, S.A.
Terminal de Graneles de Castellón, S.A.	Gestión Marina Deportiva, S.A.
ACT Financing, LLC	Dragados Maroc, S.A.
New ad Publicity, S.A.	Asisteve, S.A.
Gestión y Valorización del Mediterraneo, S.L.	Canal Ecociudad, S.L.
Clickair, S.A.	

## Held for sale (SPL):

A.T.M. Cartera, S.L.	Progeco Bilbao, S.A.
Abra Terminales Marítimas, S.A.	Progeco España, S.A.
Agencia Marítima de Consignaciones, S.A.	Progeco Valencia, S.L.U.
Atlas Forwarding, S.L.	Progeco Vigo, S.A.
Autoterminal, S.A.	Puerto Seco Santander-Ebro, S.A.
Bilbao Atlantic Fruit Terminal, AIE.	Reconorsa Bilbao, S.L.
C. Steinweg Ibérica, S.L.	Remolcadores de Barcelona, S.A.
Castellón Terminal Portuaria, S.A.	Reparaciones e Instalaciones Marítimas, S.L.
CLB Universal Marítima, S.L.	S.A.R.L. Universal Marítima
CLS Beverage Bonded Warehouse, S.L.	Sadoport-Terminal Marítimo do Sado, S.A.
Combalia Agencia Marítima, S.A.	SCI Sintax
Combalia Logistic Services S.A.	Servicio Puerto Rada y Antipolucción, S.A.
Comp.Sudamericana de Vapores Agencia Marítima, S.L.	Sintax Est EUURL
Conterail, S.A.	Sintax Ile de Francia EUURL
Cotransa, S.A.	Sintax Logística Transportes, S.A.
Desarrollo de Espacios Portuarios, S.A.	Sintax Logística, S.A.
DPI Terminals Dominicana, Ltda.	Sintax Logistique Francia, SAS.
Dragados Servicios Portuarios y Logísticos, S.L.	Sintax Logistique Maroc, S.A.R.L.
Dragados SPL del Caribe, S.A. de C.V.	Sintax Logistique Valenciennes, S.A.R.L.
Elite Spain Logistics, S.L.	Sintax Navigomes, Ltda.
Erhardt Mediterráneo, S.L.	Sintlogistica, Ltda.
Euroshipping Europe, B.V.	SLPP-Serviços Logísticos de Portos Portugueses, S.A
Frigoríficos de Castellón, S.A	SM Gestinver, S.A.
Graneles Sólidos Minerales, S.A.	Tandem Global Logistics (HK), Ltd.
Hércules International Towage Services, S.A.	Tandem Global Logistics (SH), Ltd.
Igest, S.A.	Tandem Holding (HK), Ltd.
Indira Container Terminal Private Limited	Terminal de Castellón, S.A.
Iquique Terminal Internacional, S.A.	Terminal Docks, S.L.
Jingtang International Container Terminal Co, Ltda.	Terminal Marítima de Cartagena, S.L.
Lager Logistics, S.L.	Terminales Marítimas Servicesa, S.A.
Lematrans Castellón, S.A.	Terminales del Sudeste, S.A.
Lev Aragonesa de Tránsitos, S.A.	Terminales Marítimas de Santander, S.L.
Marítima Consiflet, S.A.	Terminales Marítimas de Galicia, S.L.
Marítima de Galicia, S.L.	TESC - Terminal Santa Catarina, S.A.
Marítima del Mediterráneo, S.A.	Trafimar, S.A.R.L
Marítima Eurogulf, S.L.	Trans Inter Europe, SAS.
Marítima Valenciana, S.A.	Transportes Portuarios Gallegos, S.L.
Marmedsa Agência Marítima (Portugal), Ltda.	Transportes Rontegui, S.L.
Marmedsa Canarias, S.L.	Universal Forwarding Kec, Ltda.
Marmedsa Group Portugal, S.A.	Universal Global Logistics, S.A.
Marmedsa, S.A.R.L.	Universal Marítima Portugal Unipessoal Ltda.
Mepsa Servicios y Operaciones, S.A.	Universal Marítima, S.L.
Montañesa de Consignaciones, S.L.	Viajes Cosmos, S.L.
Operaciones Portuarias Canarias, S.A.	WRC Operadores Portuarios, S.A.

# Auditors' Report on Consolidated Financial Statements

## ACS, Actividades de Construcción y Servicios, S.A. and Subsidiaries

Consolidated Financial Statements for the year ended 31 December 2009  
and Directors' Report, together with Independent Auditors' Report.



*Translation of a report originally issued in Spanish based on our work performed in accordance with generally accepted auditing standards in Spain and of financial statements originally issued in Spanish and prepared in accordance with IFRSs as adopted by the European Union (see Notes 3 and 39). In the event of a discrepancy, the Spanish-language version prevails.*

## AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of  
ACS, Actividades de Construcción y Servicios, S.A.:

1. We have audited the consolidated financial statements of ACS, Actividades de Construcción y Servicios, S.A. and Subsidiaries comprising the consolidated statement of financial position at 31 December 2009 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended. The preparation of these consolidated financial statements is the responsibility of the Parent's directors. Our responsibility is to express an opinion on the consolidated financial statements taken as a whole based on our audit work performed in accordance with generally accepted auditing standards in Spain, which require examination, by means of selective tests, of the evidence supporting the consolidated financial statements and evaluation of their presentation, of the accounting policies applied and of the estimates made. Our work did not include an examination of the financial statements for 2009 of certain subsidiaries and associates whose assets, revenue and net results, in absolute terms, represent 15%, 21% and 16%, respectively, of the corresponding consolidated totals. The financial statements of these companies were audited by other auditors and, accordingly, our opinion as expressed in this report on the consolidated financial statements of ACS, Actividades de Construcción y Servicios, S.A. and Subsidiaries is based, with respect to the ownership interests in these companies, solely on the reports of the other auditors. These companies and their respective auditors are listed in Appendices I, II and III to the accompanying notes to the consolidated financial statements.
2. As required by Spanish corporate and commercial law, for comparison purposes the Parent's directors present, in addition to the consolidated figures for 2009 for each item in the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements, the figures for 2008. The presentation of the information for 2008 differs from that contained in the approved consolidated financial statements for that year as a result of the consideration, for comparison purposes, of the port and logistics business segment as a discontinued operation (see Note 3.09 to the accompanying consolidated financial statements). Our opinion refers only to the consolidated financial statements for 2009. On 1 April 2009, we issued our auditors' report on the 2008 consolidated financial statements, in which we expressed an unqualified opinion.
3. In our opinion, based on our audit and on the reports of the other auditors mentioned in paragraph 1 above, the accompanying consolidated financial statements for 2009 present fairly, in all material respects, the consolidated equity and consolidated financial position of ACS, Actividades de Construcción y Servicios, S.A. and Subsidiaries at 31 December 2009 and the consolidated results of their operations, the changes in the consolidated statement of comprehensive income, the changes in consolidated equity and their consolidated cash flows for the year then ended, and contain the required information, sufficient for their proper interpretation and comprehension, in conformity with International Financial Reporting Standards as adopted by the European Union applied on a basis consistent with that used in the preparation of the consolidated financial statements for the preceding year, which were included in the consolidated financial statements for 2009 for comparison purposes.
4. The accompanying consolidated directors' report for 2009 contains the explanations which the Parent's directors consider appropriate about the Group's situation, the evolution of its business and other matters, but is not an integral part of the consolidated financial statements. We have checked that the accounting information in the consolidated directors' report is consistent with that contained in the consolidated financial statements for 2009. Our work as auditors was confined to checking the consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of ACS, Actividades de Construcción y Servicios, S.A. and Subsidiaries.

DELOITTE, S.L.  
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Javier Parada Pardo  
11 March 2010

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# Historical Performance

Consolidated income statement evolution	2004	2005	2006	2007	2008 <sup>(1)</sup>	2009	CAGR <sup>(3)</sup> 09/04
Million of euros							
<b>Revenues</b>	<b>10,817.9</b>	<b>12,113.9</b>	<b>13,868.7</b>	<b>15,344.9</b>	<b>15,275.6</b>	<b>15,605.9</b>	<b>7.6%</b>
Construction	5,230.3	5,724.8	6,750.3	7,352.9	6,625.4	6,125.3	3.2%
Concessions	15.3	13.8	26.1	35.8	66.1	64.0	33.1%
Environment	2,186.6	2,406.5	2,458.6	2,834.9	2,413.8	2,638.5	3.8%
Industrial Services and Energy	3,490.5	4,077.4	4,747.7	5,488.7	6,476.7	6,862.1	14.5%
Holding / Adjustments	(104.8)	(108.6)	(114.0)	(368.4)	(306.4)	(84.0)	-4.3%
<b>EBITDA</b>	<b>981.1</b>	<b>1,095.5</b>	<b>1,218.9</b>	<b>1,379.8</b>	<b>1,382.5</b>	<b>1,458.0</b>	<b>8.2%</b>
Construction	398.1	427.6	504.0	548.9	494.3	458.9	2.9%
Concessions	(0.9)	7.5	6.9	1.5	23.2	13.6	-
Environment	314.6	346.2	324.7	381.5	314.8	341.3	1.6%
Industrial Services and Energy	291.8	344.4	419.6	488.4	591.2	680.5	18.5%
Holding / Adjustments	(22.5)	(30.2)	(36.3)	(39.4)	(41.0)	(36.3)	11.4%
<b>EBIT</b>	<b>723.9</b>	<b>817.4</b>	<b>942.5</b>	<b>1,056.7</b>	<b>1,042.7</b>	<b>1,079.9</b>	<b>8.3%</b>
Construction	327.7	358.6	422.7	460.3	410.9	379.8	3.0%
Concessions	(1.0)	2.0	(2.7)	(5.2)	7.8	(0.7)	-7.2%
Environment	177.8	203.7	195.5	232.8	195.3	202.0	2.6%
Industrial Services and Energy	244.9	285.9	364.7	412.5	471.9	537.3	17.0%
Holding / Adjustments	(25.5)	(32.8)	(37.7)	(43.7)	(43.2)	(38.5)	8.6%
<b>Net Profit</b>	<b>452.5</b>	<b>608.7</b>	<b>1,250.1</b>	<b>1,551.1</b>	<b>1,805.0</b>	<b>1,951.5</b>	<b>34.0%</b>
Construction	221.4	239.1	282.1	310.3	275.0	241.4	1.7%
Concessions <sup>(2)</sup>	(14.5)	6.5	(17.3)	3.7	20.2	(26.7)	13.0%
Environment	98.9	112.7	109.1	131.7	144.6	146.2	8.1%
Industrial Services and Energy	150.1	179.2	222.6	264.9	316.7	348.3	18.3%
Listed Associates	-	-	81.1	57.7	17.4	117.5	-
Holding / Adjustments	(3.4)	71.2	402.4	782.4	1,031.1	1,124.8	-

(1) 2008 data proforma, SPL has been reclassified as "Assets held for sale", using the same criteria that it has been used in 2009

(2) Concessions division includes the extraordinary results derived from the sale of DCA and InvinSL in 2008.

(3) CAGR: Compound Annual Growth Rate

Consolidated balance sheet as of December, 31	2004	2005	2006	2007	2008	2009
Million of euros						
<b>Fixed and other non-current assets</b>	<b>4,397.5</b>	<b>8,488.2</b>	<b>14,018.1</b>	<b>32,265.7</b>	<b>37,837.5</b>	<b>17,790.1</b>
Property, plant and equipment	1,981.0	2,356.0	2,917.2	18,294.2	5,207.6	5,998.3
Intangible assets	305.7	451.9	397.6	1,670.4	503.2	487.4
Non-current financial assets	1,833.2	5,317.9	10,227.5	10,299.7	7,081.7	9,352.5
Other non-current assets <sup>(1)</sup>	277.6	362.3	475.8	2,001.4	25,045.0	1,951.9
<b>Goodwill</b>	<b>1,010.8</b>	<b>1,047.6</b>	<b>1,086.6</b>	<b>2,950.4</b>	<b>1,132.6</b>	<b>1,127.0</b>
<b>Working capital</b>	<b>(1,304.8)</b>	<b>(1,872.1)</b>	<b>(2,496.7)</b>	<b>(3,441.0)</b>	<b>(2,294.9)</b>	<b>(2,803.7)</b>
<b>Total Assets</b>	<b>4,103.5</b>	<b>7,663.6</b>	<b>12,608.0</b>	<b>31,775.0</b>	<b>36,675.1</b>	<b>16,113.5</b>
<b>Equity</b>	<b>2,019.2</b>	<b>2,635.5</b>	<b>3,256.4</b>	<b>10,441.0</b>	<b>9,913.0</b>	<b>4,591.5</b>
Attributable equity to Parent Company	1,905.4	2,480.9	3,115.7	4,653.8	3,402.4	4,303.4
Minority interests	113.8	154.6	140.7	5,787.3	6,510.6	288.1
<b>Other non-current liabilities <sup>(2)</sup></b>	<b>660.4</b>	<b>763.5</b>	<b>605.3</b>	<b>4,759.5</b>	<b>17,406.3</b>	<b>2,250.6</b>
<b>Non-current liabilities</b>	<b>1,907.5</b>	<b>5,017.4</b>	<b>10,120.9</b>	<b>16,804.5</b>	<b>9,576.3</b>	<b>11,774.3</b>
Non-recourse project financing	425.3	2,304.8	6,797.6	9,278.3	6,245.2	8,691.2
Non-current bank borrowings	1,482.2	2,712.6	3,323.3	7,526.2	3,331.0	3,083.0
<b>Current payables/ Current liabilities</b>	<b>(483.5)</b>	<b>(752.8)</b>	<b>(1,374.6)</b>	<b>(230.0)</b>	<b>(220.5)</b>	<b>(2,502.8)</b>
Non-recourse project financing	37.0	50.4	195.4	363.2	176.8	278.0
Current bank borrowings	1,075.7	1,242.1	1,237.7	3,479.3	3,968.8	2,137.2
Other current financial assets	(1,018.1)	(1,277.4)	(1,880.9)	(1,420.9)	(2,185.1)	(2,711.1)
Cash and cash equivalents	(578.1)	(767.8)	(926.6)	(2,651.6)	(2,181.0)	(2,207.0)
<b>Total Equity and Liabilities</b>	<b>4,103.5</b>	<b>7,663.6</b>	<b>12,608.0</b>	<b>31,775.0</b>	<b>36,675.1</b>	<b>16,113.5</b>

(1) In 2008, there is included "Non-current assets held for sale" accounted for 24,351 million of euros derived from the sale of Union's Fenosa stake. In 2009 there is included 1,177 million of euros related to SPL.

(2) In 2008, there is included "Non-current liabilities held for sale" accounted for 15,931 million of euros derived from the sale of Union's Fenosa stake. In 2009 there is included 845 million of euros related to SPL.







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