



# **2004 RESULTS**

***February 28<sup>th</sup>, 2005***

- **Year 2004 Summary**
- **2004 Consolidated Results**
- **2004 Consolidated Balance Sheet**
- **Business area analysis**
- **Conclusions**

## 2004 has been a Relevant Year for the ACS Group



**OPERATING  
EFFICIENCY**

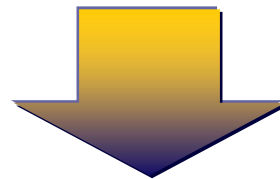
**FINANCIAL  
SOUNDNESS**

**CORPORATE  
LEADERSHIP**

**Higher  
Profits**

**Strong Cash  
Generation**

**Merger  
consolidation**



**VALUE CREATION FOR OUR SHAREHOLDERS**

# Operating Efficiency



Activity in line with our Budget	Turnover € 10,961 mn + 2.1%
Results better than expected	Net Profit € 460 mn + 21.1%
Growing Operating Margins	Operating Profit (EBIT) € 711 mn + 9.6%
Financial Results improvement	(€ 96 mn) + 18.6%
Higher contribution from Affiliates	€ 112 mn + 64.6%

# Solid Financials



**Strong Cash Generation**

**Cash Flow from Operating Activities**  
**€ 1,230 mn + 50.3%**

**Increase of Investments**

**Net Investments**  
**€ 1,196 mn + 120.3%**

**Shareholders' Return**

**Paid Dividends**  
**€ 96.5 mn + 71%**

**Solid Financial Structure**

**Net Debt with recourse**  
**€ 958 mn D/E = 43%**

**Merger Expenses Provision**

**2003-04 Provision spent**  
**€ 88.5 mn 80%**

# Corporate Leadership



Industry leadership <sup>(1)</sup>

N° 1 in SPAIN  
N° 3 in EUROPE  
N° 8 in the WORLD

Advanced Merger Process

Net Synergies 2004  
€ 82 mn

Important Commercial Activity

Total Backlog  
€ 23,928 mn + 6.2%

Sustained Profitability for the Shareholder

TRS <sup>(2)</sup>  
Year 2004 > 31% 1995-04 > 33%

Market Capitalization Dec/31/04

€ 5,928 mn + 29.2%

(1) Source: ENR

(2) **Total Return to the Shareholder:** Internal Rate of Return for a Shareholder considering the share performance and the dividends paid in the period

# Total Backlog



(Million Euros)

	2003	2004	Var.	Months
<b>Construction</b>	7,888	8,525	+8.1 %	20
National	6,989	7,932	+13.5 %	
International	899	593	-34.0 %	
<b>Industrial Services</b>	3,049	3,415	+12.0 %	12
<b>Services</b>	11,600	11,988	+3.3 %	63
<b>TOTAL</b>	<b>22,537</b>	<b>23,928</b>	<b>+6.2 %</b>	

## 2004 Most significant awards:

- Alicante Ring road € 354 mn
- 2 Desalination Plants in Argelia € 264 mn
- Port facilities for Punta Langosteira (La Coruña) € 235 mn
- Enlargement of Gijón Port € 220 mn
- Enlargement of L7 of the Madrid subway: M40 - Coslada - San Fernando € 219 mn
- Remodelation of M-30: Bypass South-Tunnel South (Madrid) € 205 mn
- Crude Production Platform for Pemex (Mexico) € 154 mn
- By-pass Vespucio - El Salto - Kennedy (Chile) concession € 70 mn

# Merger Synergies: Beyond Targets



11.9

42.2

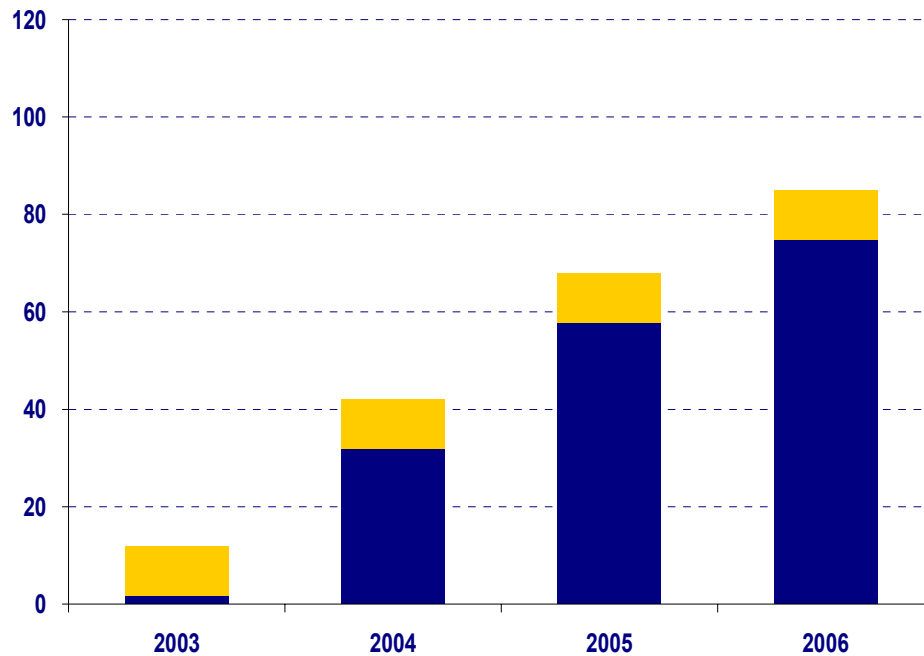
68.0

85.0

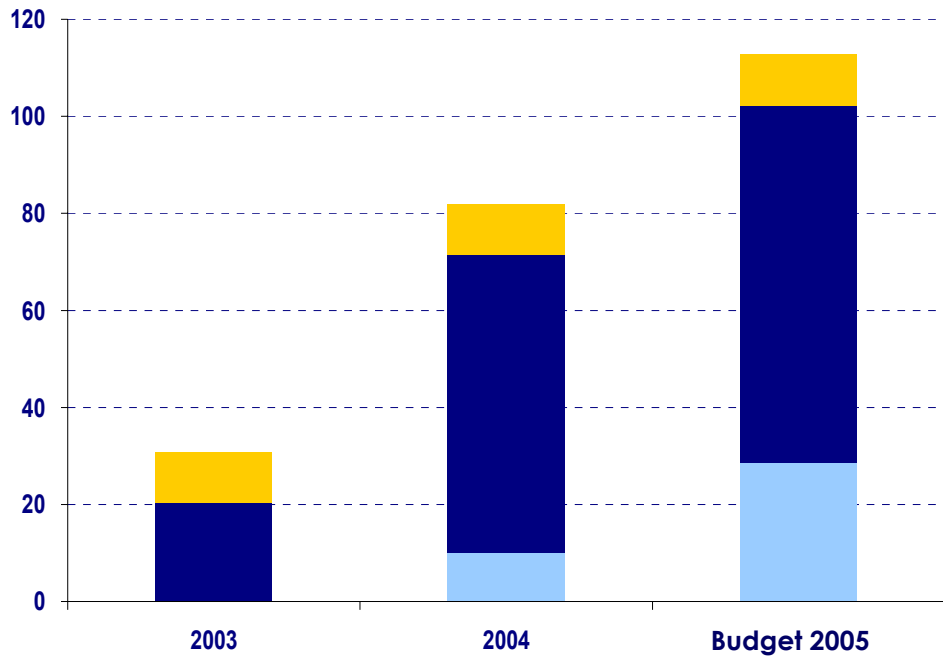
30.8

81.9

112.8



**Targets**



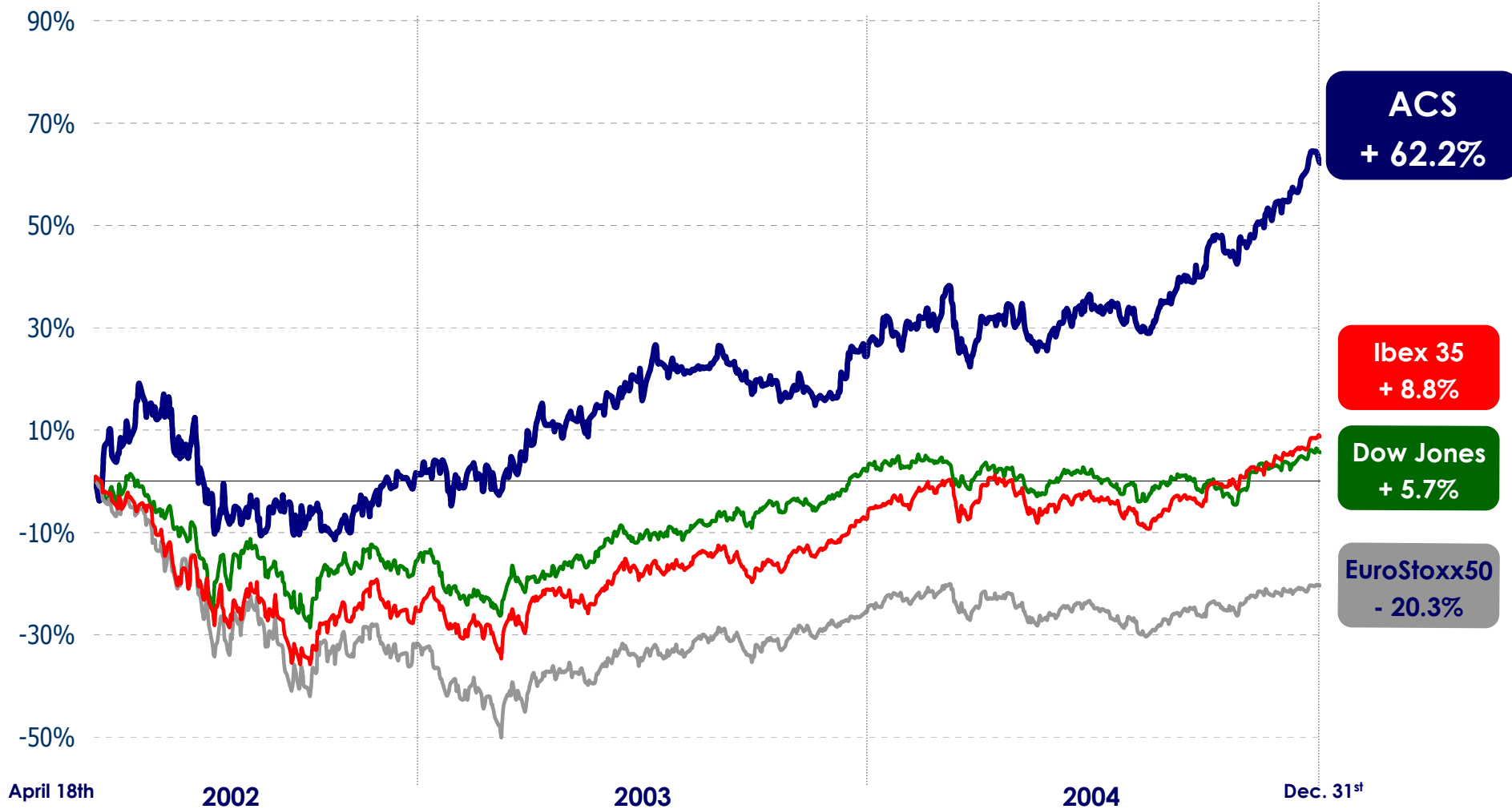
**Current**

■ Production efficiency    
 ■ Overheads    
 ■ Goodwill Tax shield

● Synergies Net of Taxes



# ACS evolution in the Stock Market since April 18<sup>th</sup>, 2002



- **Year 2004 Summary**
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## Main Figures: Income Statement



(Million Euros)

	2003 PF	2004	Var.
<b>Turnover</b>	<b>10,733.6</b>	<b>10,960.7</b>	<b>+2.1 %</b>
<i>Construction</i>	5,594.9	5,230.3	-6.5 %
<i>Industrial Services</i>	3,072.6	3,490.5	+13.6 %
<i>Services</i>	2,153.8	2,329.3	+8.2 %
<i>Holding / Adjustments</i>	(87.7)	(89.4)	
<b>EBITDA</b>	<b>931.8</b>	<b>977.3</b>	<b>+4.9 %</b>
<b>EBIT</b>	<b>649.0</b>	<b>711.0</b>	<b>+9.6 %</b>
<b>Attributable Net Profit</b>	<b>380.3</b>	<b>460.4</b>	<b>+21.1 %</b>
<b>EPS</b>	<b>1.07 €</b>	<b>1.30 €</b>	<b>+22.0 %</b>

## Main Figures: Consolidated Balance Sheet



(Million Euros)	2003 PF	2004	Var.
<b>Total Net Debt</b>	1,230.6	1,424.0	+15.7 %
<b>Net Debt with recourse</b>	914.4	958.1	+4.8 %
<b>Project Finance</b>	316.2	465.9	+47.3 %
<b>Shareholders Equity</b>	1,796.4	2,103.9	+17.1 %
<b>Net Investments <sup>(1)</sup></b>	543.0	1,196.4	+120.3 %
<b>Market Value of Affiliates <sup>(2)</sup></b>	1,275.8	1,848.1	+44.9 %

(1) 2003 investments exclude the Take Over Bid of 10% of DRC, which totaled € 385 mn

(2) Abertis and Urbis with the stakes and market values as of December 31<sup>st</sup> of each corresponding year

# Income Statement

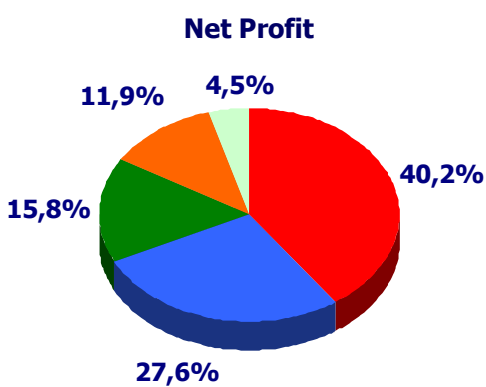
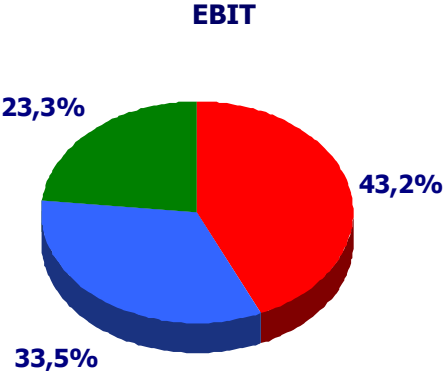
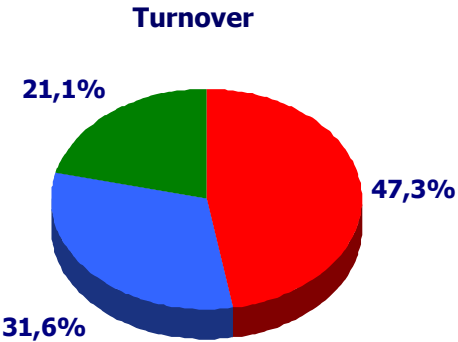


(Million Euros)	2003 PF	2004	Var.
<b>Turnover</b>	<b>10,733.6</b>	<b>10,960.7</b>	<b>+2.1%</b>
Operating expenses	9,801.8	9,983.3	
<b>EBITDA</b>	<b>931.8</b>	<b>977.3</b>	<b>+4.9%</b>
Amortizations/Provisions	(282.8)	(266.3)	
<b>EBIT</b>	<b>649.0</b>	<b>711.0</b>	<b>+9.6%</b>
Net financial results	(118.5)	(96.4)	
Equity method	67.8	111.5	
Goodwill amortization	(61.0)	(80.7)	
<b>Ordinary profit</b>	<b>537.3</b>	<b>645.4</b>	<b>+20.1%</b>
Extraordinary results	(38.5)	(21.9)	
<b>Profit before taxes</b>	<b>498.8</b>	<b>623.4</b>	<b>+25.0%</b>
Corporate income tax	(109.7)	(146.0)	
Minority interests	(8.9)	(17.1)	
<b>Attributable net profit</b>	<b>380.3</b>	<b>460.4</b>	<b>+21.1%</b>
Effective tax rate	25.4%	28.5%	

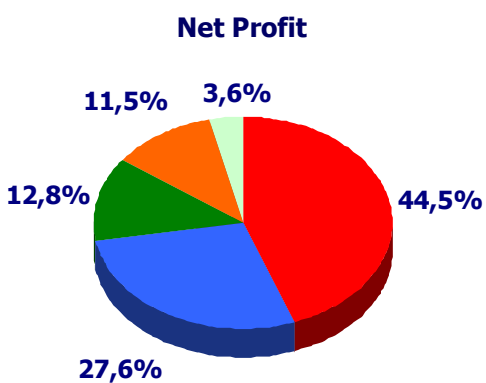
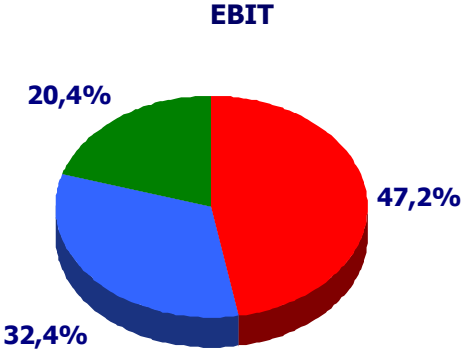
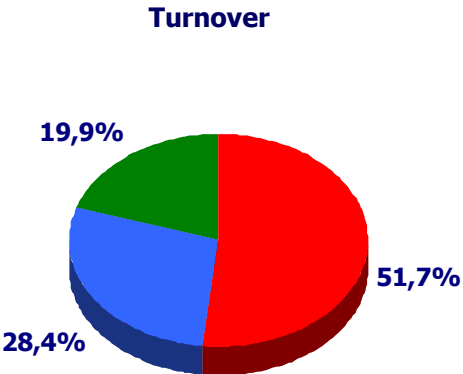
# Businesses breakdown



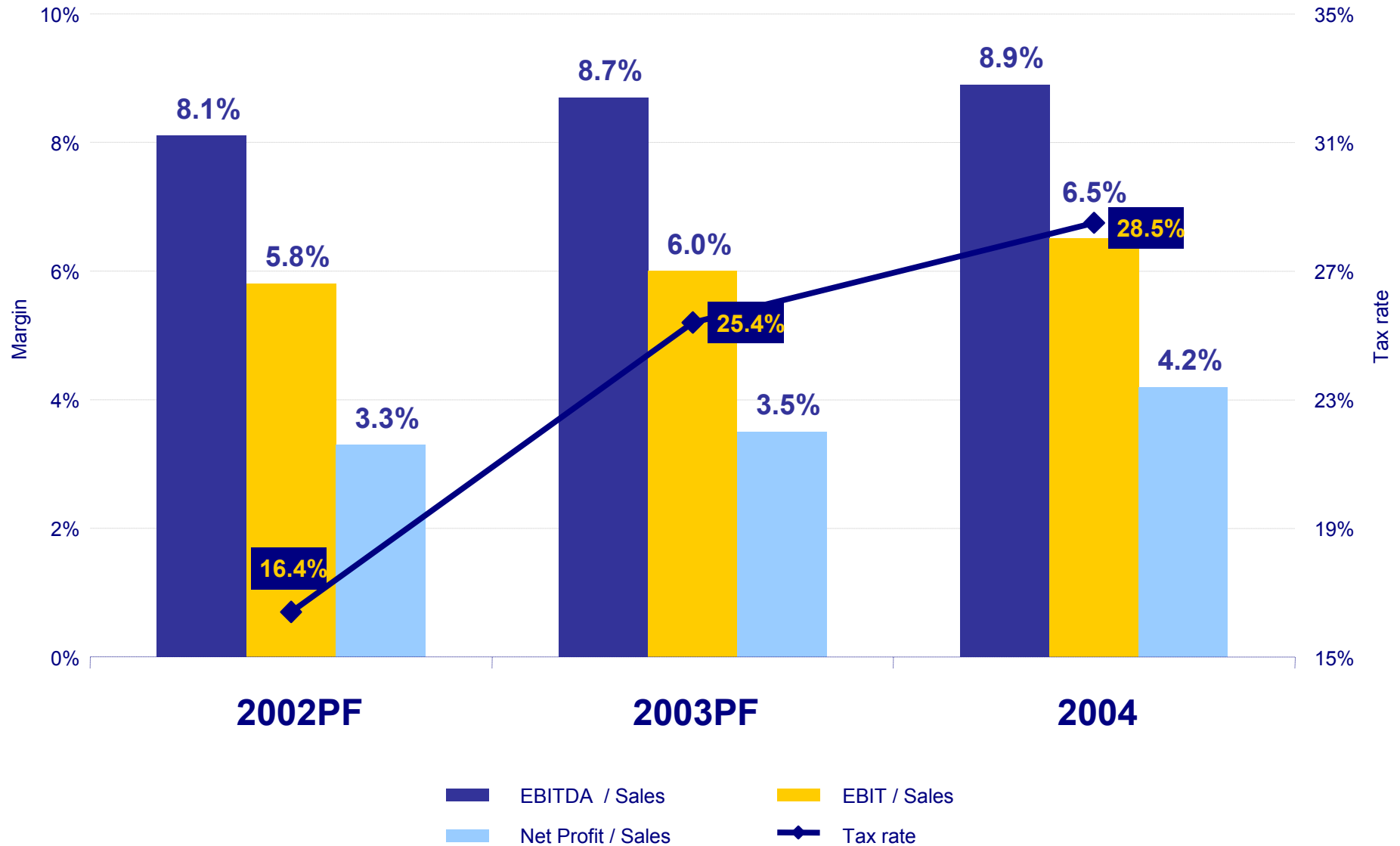
## 2004



## 2003 PF



# Operating Ratios evolution



## Financial Results

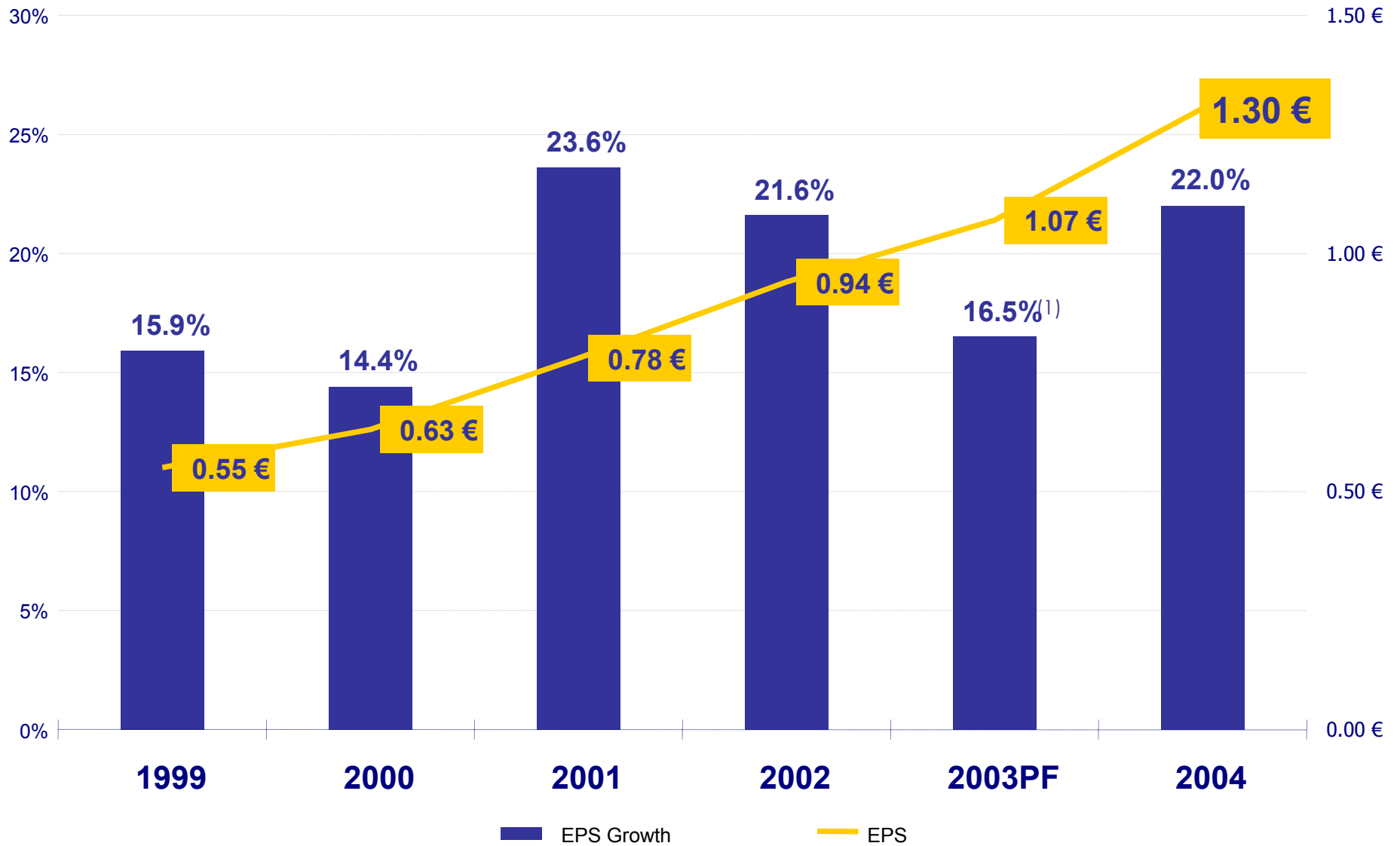


<i>(Million Euros)</i>	<b>2003PF</b>	<b>2004</b>	<b>Var.</b>
Interests paid <sup>(1)</sup>	(154.8)	(153.8)	
Interests received	66.2	68.7	
Financial provisions	(5.0)	(1.2)	
<b>Net financial result</b>	<b>(93.6)</b>	<b>(86.3)</b>	<b>7.8%</b>
Net exchange differences	(24.9)	(10.1)	
<b>Net financial result with exchange differences</b>	<b>(118.5)</b>	<b>(96.4)</b>	<b>18.6%</b>

(1) The interests paid in 2003 include € 3 mn as the pro-forma effect of considering the Take Over Bid as of January 1<sup>st</sup>, 2003.



# EPS evolution



<sup>(1)</sup> Growth calculated over 2002 Pf EPS, which reached 0.92 €. The 2003 Pf EPS figure does not include the extraordinary provision for merger expenses (€ 111.5 mn) at once

# ACS Group Headcount



	Dec-03	Dec-04	Var.	Fixed	Var.
Construction	19,051	17,263	-9.4 %	6,920	-5.5 %
Industrial Services	27,145	29,183	+7.5 %	8,011	+5.1 %
Services and Concessions	53,004	64,632	+21.9 %	5,491	+4.4 %
Holding / Adjustments	134	80	-40.3 %	80	-18.4 %
<b>TOTAL</b>	<b>99,334</b>	<b>111,158</b>	<b>+11.9 %</b>	<b>20,502</b>	<b>+0.8 %</b>
<b>Average Headcount</b>	<b>97,920</b>	<b>107,528</b>	<b>+9.8 %</b>	<b>20,394</b>	<b>+1.7 %</b>

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# Consolidated Balance Sheet



(Million Euros)	2003	2004	Var.
<b>Fixed Assets</b>	<b>4,446.8</b>	<b>5,384.7</b>	<b>+21.1%</b>
Fixed assets	3,406.9	4,157.9	+22.0%
Tangible	1,707.4	2,056.6	
Intangible & Others	307.0	377.9	
Financial	1,392.5	1,723.5	
Goodwill	1,039.9	1,226.8	+18.0%
<b>Working capital</b>	<b>(658.8)</b>	<b>(1,130.6)</b>	<b>+71.6%</b>
Days of sale	(22)	(38)	
<b>Total Assets</b>	<b>3,788.1</b>	<b>4,254.1</b>	<b>+12.3%</b>
<b>Shareholders Equity</b>	<b>1,796.4</b>	<b>2,103.9</b>	<b>+17.1%</b>
<b>Other long term liabilities</b>	<b>761.1</b>	<b>726.3</b>	<b>-4.6%</b>
<b>Net Debt</b>	<b>1,230.6</b>	<b>1,423.9</b>	<b>+15.7%</b>
Project finance	316.2	465.9	+47.3%
Net debt with recourse	914.4	958.0	+4.8%
Gearing <sup>(1)</sup>	48.2%	43.1%	
<b>Total Equity &amp; Liabilities</b>	<b>3,788.1</b>	<b>4,254.1</b>	<b>+12.3%</b>

<sup>(1)</sup> Net debt with recourse / (Shareholders Equity + Minority interests)

## 2004 Investments breakdown

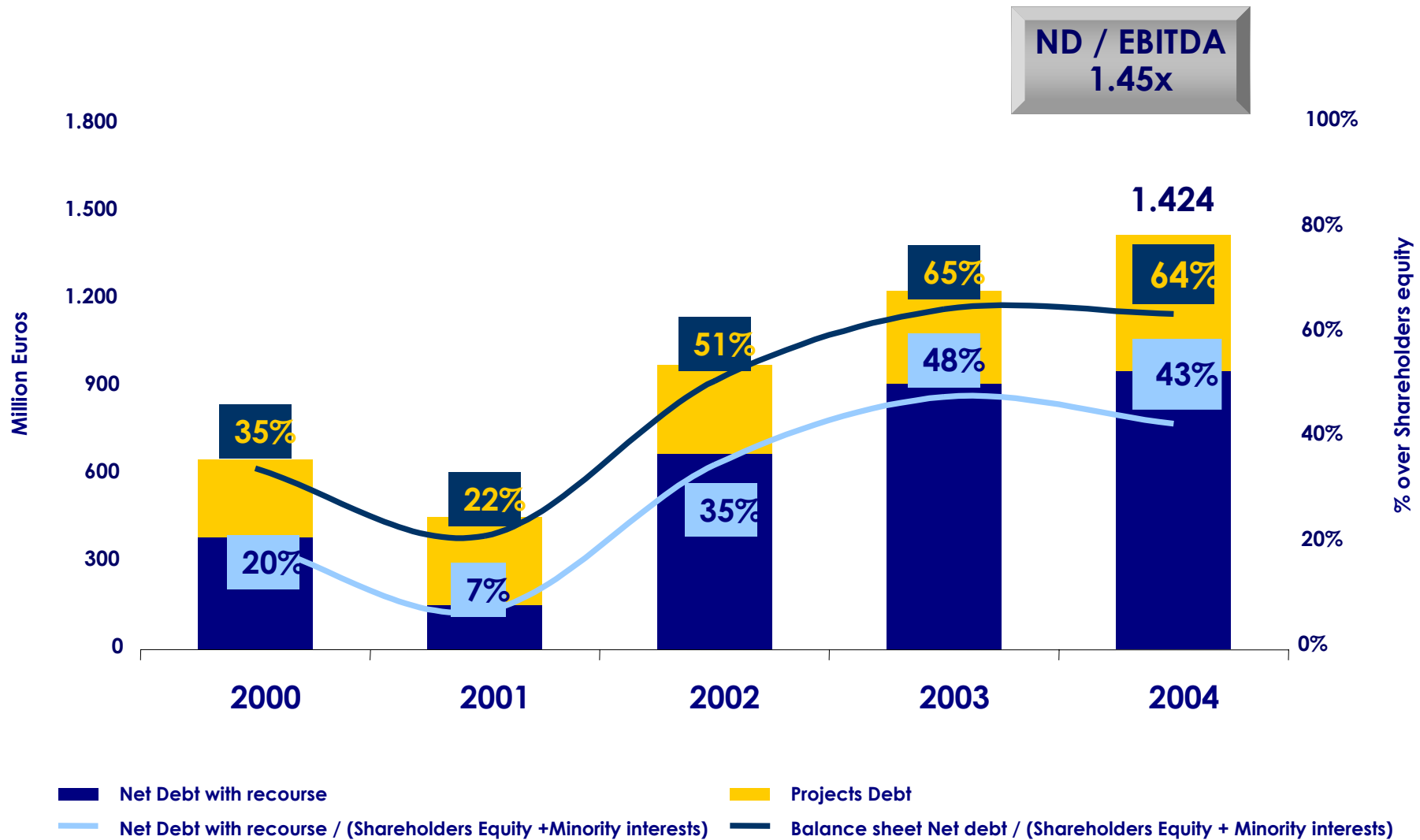


(Million Euros)	Fixed assets Investments	Concession Projects	Total Investment
Construction	64.5	29.5	94.0
Industrial Services	59.9	178.1	237.9
Services and Concessions	181.5	204.4	386.0
Holding	478.5		478.5
<b>TOTAL</b>	<b>784.4</b>	<b>412.0</b>	<b>1,196.4</b>

### Main Investments:

- **Construction:** equipment and technical installations
- **Industrial Services:** wind farms and HT lines projects in Brazil
- **Services:** mainly in SPL and Environment
- **Concessions:** investments in La Mancha highway. Fenoco (Railways of the North of Colombia). TP Ferro (Figueras – Perpignan). Autopista Central in Chile. Sevilla subway and A-13 in U.K.
- **Holding:** Abertis and others

# Net Debt evolution



# Cash Flow Statement



(Million Euros)

	<b>2003 PF</b>	<b>2004</b>	<b>Var.</b>
Cash Flow from operations	743.9	764.7	
Working capital variations	74.6	465.2	
<b>Cash Flow from operating activities</b>	<b>818.5</b>	<b>1,229.9</b>	<b>+50.3 %</b>
Investments	(657.5)	(1,248.6)	
Disposal of assets	114.5	52.2	
<b>Net Investments</b>	<b>(543.0)</b>	<b>(1,196.4)</b>	<b>+120.3 %</b>
Bank loans	424.2	658.3	
Treasury stock acquisitions + Dividends <sup>(1)</sup>	(440.8)	(125.5)	
Other long term credits	(86.6)	(103.6)	
<b>Financing variations</b>	<b>(103.2)</b>	<b>429.2</b>	<b>n.a.</b>
<i>Cash &amp; equivalentents</i>	172.3	462.7	

(1) € 385 mn from the Take Over Bid of 10% DRC in March, 2003 and € 56 mn for dividends paid during 2003; € 29 mn. of Treasury stock acquisition and € 96.5 mn for dividends paid during 2004

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# Construction: Results



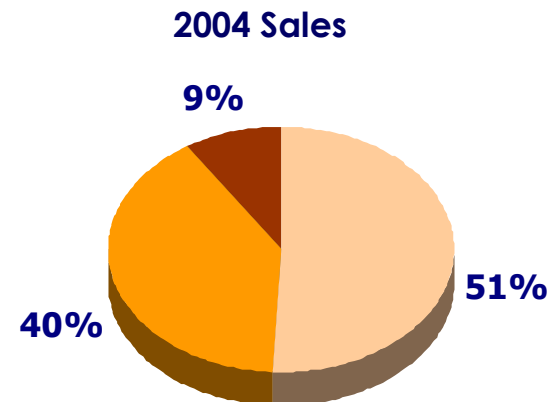
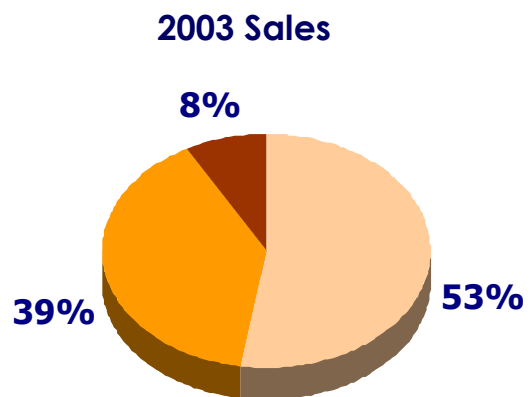
(Million Euros)	2003 PF	2004	Var.
<b>Turnover</b>	<b>5,594.9</b>	<b>5,230.3</b>	<b>-6.5%</b>
<b>EBITDA</b>	<b>424.3</b>	<b>389.4</b>	<b>-8.2%</b>
Margin	7.6%	7.4%	
<b>EBIT</b>	<b>330.9</b>	<b>318.9</b>	<b>-3.6%</b>
Margin	5.9%	6.1%	
<b>Ordinary Profit</b>	<b>341.3</b>	<b>337.3</b>	<b>-1.2%</b>
Margin	6.1%	6.4%	
<b>Net Profit</b>	<b>214.8</b>	<b>217.3</b>	<b>+1.2%</b>
Margin	3.8%	4.2%	
<b>Effective Tax rate</b>	<b>32.4%</b>	<b>31.2%</b>	

# Construction: Production breakdown



(Million Euros)

	2003 PF	2004	Var.
Domestic	5,144.4	4,745.9	-7.7 %
Civil Works	2,940.6	2,664.5	-9.4 %
Building	2,203.8	2,081.4	-5.6 %
International	450.5	484.4	+7.5 %
<b>TOTAL</b>	<b>5,594.9</b>	<b>5,230.3</b>	<b>-6.5 %</b>



## Industrial Services: Results



(Million Euros)	2003 PF	2004	Var.
<b>Turnover</b>	<b>3,072.6</b>	<b>3,490.5</b>	<b>+13.6%</b>
<b>EBITDA</b>	<b>278.0</b>	<b>295.9</b>	<b>+6.5%</b>
<i>Margin</i>	9.0%	8.5%	
<b>EBIT</b>	<b>227.3</b>	<b>246.7</b>	<b>+8.5%</b>
<i>Margin</i>	7.4%	7.1%	
<b>Ordinary Profit</b>	<b>199.1</b>	<b>226.6</b>	<b>+13.8%</b>
<i>Margin</i>	6.5%	6.5%	
<b>Net Profit</b>	<b>133.3</b>	<b>149.0</b>	<b>+11.8%</b>
<i>Margin</i>	4.3%	4.3%	
<b>Effective Tax rate</b>	<b>29.1%</b>	<b>30.8%</b>	

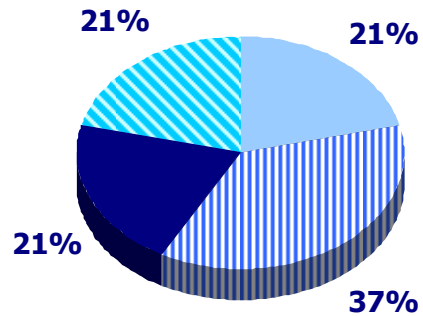
# Industrial Services: Production breakdown



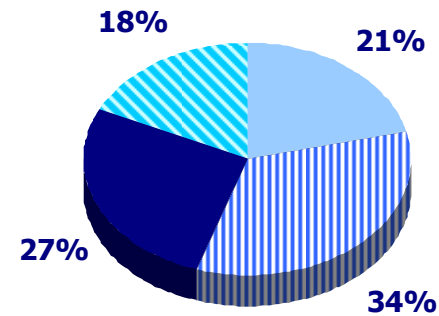
(Million Euros)

	2003 PF	2004	Var.
Networks	637.9	722.2	+13.2 %
Specialized Products	1,139.2	1,170.2	+2.7 %
Integrated Projects	659.3	954.8	+44.8 %
Control Systems	636.2	643.3	+1.1 %
<b>TOTAL</b>	<b>3,072.6</b>	<b>3,490.5</b>	<b>+13.6 %</b>

2003 Sales



2004 Sales



## Services and Concessions: Services Results



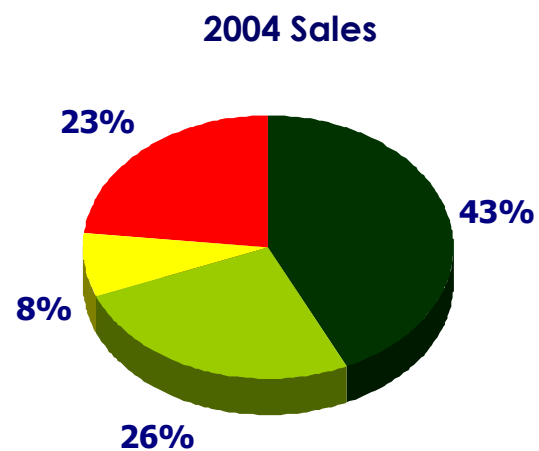
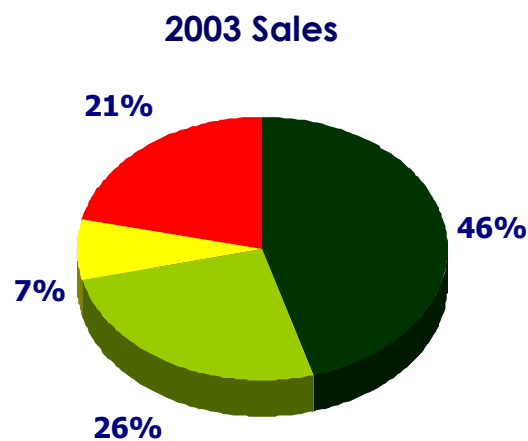
	2003 PF	2004	Var.
<i>(Million Euros)</i>			
<b>Turnover</b>	<b>2,153.8</b>	<b>2,329.3</b>	<b>+8.2%</b>
<b>EBITDA</b>	<b>274.8</b>	<b>314.9</b>	<b>+14.6%</b>
<i>Margin</i>	12.8%	13.5%	
<b>EBIT</b>	<b>142.7</b>	<b>171.5</b>	<b>+20.2%</b>
<i>Margin</i>	6.6%	7.4%	
<b>Ordinary Profit</b>	<b>89.8</b>	<b>118.3</b>	<b>+31.7%</b>
<i>Margin</i>	4.2%	5.1%	
<b>Net Profit</b>	<b>61.8</b>	<b>85.6</b>	<b>+38.4%</b>
<i>Margin</i>	2.9%	3.7%	
<b>Effective Tax rate</b>	<b>27.6%</b>	<b>25.3%</b>	

# Services and Concessions: Services production breakdown



(Million Euros)

	2003 PF	2004	Var.
Environment	982.3	1.000.4	+1.8 %
Ports & Logistics	552.1	606.3	+9.8 %
Passenger Transportation	157.4	178.1	+13.1 %
Facility Management	462.0	544.5	+17.9 %
<b>TOTAL</b>	<b>2,153.8</b>	<b>2,329.3</b>	<b>+8.2 %</b>



## Services and Concessions: Concessions Results



(Million Euros)

	2003 PF	2004
<b>EBIT</b>	<b>(5.7)</b>	<b>(2.0)</b>
<b>Equity method</b>	<b>44.8</b>	<b>75.8</b>
Abertis	39.0	70.7
Others	6.0	5.1
<b>Extraordinary Results</b>	<b>10.4</b>	<b>(2.2)</b>
<b>Net Profit</b>	<b>55.3</b>	<b>64.4</b>

# Services and Concessions: List of concessions



Concession	Stake		Country	Activity	State	Km	Expiration Date	ACS Contribution*
1 A8 - Bidelan Guipuzkoako Autobideak	50.0%	E.M. <sup>(1)</sup>	Spain	Highways	Operation	78	2013	3
2 Autopista Central Gallega (Santiago Orense)	13.3%	N.C. <sup>(2)</sup>	Spain	Highways	Constr./Operat.	57	2074	7
3 La Mancha highway	66.7%	G.C. <sup>(3)</sup>	Spain	Highways	Construction	52	2033	15
4 Alicante Ring road	50.00%	E.M. <sup>(1)</sup>	Spain	Highways	Construction	147	2043	38
5 Radial 2 (R2 y M50)	35.00%	E.M. <sup>(1)</sup>	Spain	Highways	Operation	80	2028	29
6 Radiales R3/R5 and M50	15.8%	N.C. <sup>(2)</sup>	Spain	Highways	Operation	92	2049	31
7 Ruta de los Pantanos	25.00%	E.M. <sup>(1)</sup>	Spain	Highways	Operation	22	2024	4
8 Américo Vespucio Norte	54.00%	E.M. <sup>(1)</sup>	Chile	Highways	Construction	29	2033	115
9 Autopista Central (North South urban system)	48.00%	E.M. <sup>(1)</sup>	Chile	Highways	Constr./Operat.	62	2031	154
10 Santiago Valparaíso Rutas del Pacífico	50.00%	E.M. <sup>(1)</sup>	Chile	Highways	Operation	129	2025	53
11 Vespucio El Salto - Kennedy By-pass	50.00%	E.M. <sup>(1)</sup>	Chile	Highways	Awarded	4	2034	12
12 Dundalk	33.33%	E.M. <sup>(1)</sup>	Ireland	Highways	Construction	54	2034	13
13 Scut da Beira Interior	20.00%	E.M. <sup>(1)</sup>	Portugal	Highways	Construction	187	2029	15
14 A1 Darrington-Dishforth	25.00%	E.M. <sup>(1)</sup>	U.K.	Highways	Construction	53	2036	7
15 A-13 Puerta del Támesis	25.00%	E.M. <sup>(1)</sup>	U.K.	Highways	Constr./Operat.	22	2030	9
16 Platinum Project	25.00%	E.M. <sup>(1)</sup>	South Africa	Highways	Operation	381	2031	16
<b>HIGHWAYS</b>						<b>1,449</b>		<b>519</b>
17 SCL	14.78%	E.M. <sup>(1)</sup>	Chile	Airports	Operation		2018	5
18 Aerocalí	33.33%	E.M. <sup>(1)</sup>	Colombia	Airports	Operation		2019	2
19 Montego Bay	35.00%	E.M. <sup>(1)</sup>	Jamaica	Airports	Constr./Operat.		2033	10
20 AMP (Airports Mexicanos del Pacífico)	28.16%	E.M. <sup>(1)</sup>	Mexico	Airports	Operation		2014 (pr. 2049)	71
<b>AIRPORTS</b>								<b>87</b>
21 Figueras Perpignan	50.00%	E.M. <sup>(1)</sup>	Spain - Fr	Railways	Construction	45	2054	51
22 Sevilla subway (Guadalmetro)	27.83%	E.M. <sup>(1)</sup>	Spain	Railways	Construction	19	2038	25
23 Fenoco	71.32%	G.C. <sup>(3)</sup>	Colombia	Railways	Constr./Operat.	1,484	2030	29
<b>RAILWAYS</b>						<b>1,548</b>		<b>106</b>
<b>TOTAL</b>								<b>712</b>

<sup>(1)</sup> Equity method

<sup>(2)</sup> Non consolidated

<sup>(3)</sup> Global consolidation

\* Contributions done + commitments



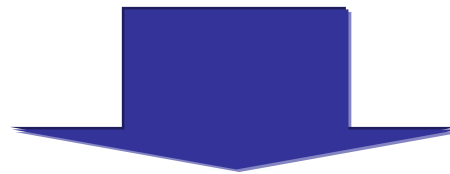
- **Year 2004 Summary**
- **2004 Consolidated Results**
- **2004 Consolidated Balance Sheet**
- **Business area analysis**
- **Conclusions**

## 2004 Results: Consolidating leadership



### Good operating performance

<b>EBIT</b>	<b>&gt; € 710 mn</b>	<b>+10%</b>
<b>Ordinary Profit</b>	<b>&gt; € 645 mn</b>	<b>+ 20%</b>
<b>PBT</b>	<b>&gt; € 623 mn</b>	<b>+ 25%</b>
<b>EPS</b>	<b>&gt; € 1.3 mn</b>	<b>+ 22%</b>



**Net Debt**  
**< € 1,425 mn**

**Net Investment**  
**~ € 1,200 mn**

**Cash Flow**  
**> € 1,200 mn**

# Solid Sector Demands



**Construction**

- Civil Works**
  - Investments PGE'05 +5%
  - PEIT 2005-20: € 241 bn
  - Regional Governments: Public-private finance
- Building**
  - Public: Health and Education
  - Commercial: more activity
  - Residential: sustained demand

**Visibility**

**Industrial Services**

- Energy Investments**
  - New infrastructures
  - Sustained growth of demand
  - Kyoto Protocol accomplishment
  - International market
- Industrial maintenance**
  - Services outsourcing
  - New public services in control systems

**Growth**

**Urban Services**

- Public Services**
  - Population growth
  - Social demand for Environment
  - More outsourcing
  - New services to Public Administrations
- Transports and logistics**
  - Economic activity growth
  - Globalization: export-import

**Recurrence**

**Concessions**

**Investments, development and operation of new infrastructures**

# Excellent 2005 Prospects



<b>TURNOVER</b>	<b>+ 5 - 10%</b>
<b>Construction</b>	<b>+ 5 - 8%</b>
<b>Industrial Services</b>	<b>+ 8 - 12%</b>
<b>Services and Concessions</b>	<b>+ 5 - 10%</b>
<b>EBIT</b>	<b>+ 9 - 15%</b>
<b>NET PROFIT</b>	<b>+ 15 - 20 %</b>
<b>INVESTMENTS</b>	<b>~ € 1,000 mn</b>

# ACS

ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS

