



Dragados enters Poland and extends its presence in the United States

The Spanish construction company is awarded its first works project in a former Eastern Bloc country

The ACS Group company secures the refurbishing of three dams in the state of New York

Madrid, November 16, 2006. Dragados, SA has been awarded its first contract in Poland, specifically the construction of a ring road around the city of Skoczow at a price of 21.5 million euros, and it has increased its presence in the United States via a contract for the refurbishing of three dams built last century in the state of New York, amounting to 74 million dollars.

The first works project awarded to the ACS Group construction company in a former Eastern Bloc country will be executed as a Joint Venture with the Polish company Polimex-Mostostal and it will be carried out by the Road and Highway Administration of the Polish Ministry of Infrastructures and Transportation. The ring road around Skoczow is part of the S1 motorway connecting Krakow with the Czech Republic.

The works in this city located in the south of Poland, with an execution term of one year, are backed by funding from the European Union Cohesion Funds and they will include the execution of a structure over a railroad track. The Spanish company has a 60% holding in the company that was awarded the project and the Polish construction partner holds the remaining 40%. Polimex-Mostostal is one of the largest Polish construction groups and its turnover in 2005 amounted to 370 million euros.

Dragados SA wants to progress in the Polish construction market in the same way as it has done in the United States, that is, by testing the market and accessing contracts hand in hand with local partners that can furnish their knowledge of the sector, while Dragados contributes its *know how* technology and works management models.

And precisely the ACS Group construction company has just been awarded a new contract in the United States, consisting of the refurbishing of three dams in the state of New York. These works will be carried out for the Environmental Protection Department (EPD) of the state of New York and they have an execution deadline of 36 months. They will basically consist of an extension of the unloading capacity of the spillways, the reconstruction of a power supply tower, and the replacement of electro-mechanical elements.

The third contract in the United States

This is the third contract awarded to the Spanish company in the United States since it began its operations in this country last summer. In July the ACS Group construction company was awarded its first contract for the enlargement of the New York Subway, the construction of the East Side Access to Manhattan Tunnels, for a price of 428

million dollars, and a few days before that it was commissioned to modernise the I-287 interstate highway in the north of New York state, valued at 141 million dollars.

The contract for the enlargement of the New York Subway entails the construction of a new direct subway connection between the Long Island network at Queens and Grand Central Terminal in Manhattan. Dragados will use two rock boring machines to build four tunnels with a total length of 7,500 metres.

The entry into the Polish and US markets is a consequence of the strategy carried out by ACS Group's construction area, consisting of extending its presence on the international market by developing new transportation infrastructure concessions and construction projects requiring a high level of specialisation, via tenders called in countries with stable growth rates and sufficient legal protection. In 2005, the international activity in the construction area reaped 555 million euros, and for ACS Group as a whole, international sales last year amounted to 2,106 million euros.

The major international projects currently under development by ACS Group in the field of international construction, aside from the enlargement of the New York subway and the modernisation of the I-287 highway that were both secured last July, include the construction of the high-speed railway connection between Spain and France at Figueras and Perpignan, the Waterford By-Pass motorway in Ireland, and the San Cristóbal Tunnel in Santiago de Chile.