

Results Report

January-September 2004



November 4th, 2004

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1. Executive summary

1.1. Main financial figures

Grupo ACS			
Main financial figures		January - September	
Million Euro	2003pf	2004	Var. 04/03
Turnover	7.932,5	8.042,6	+1,4 %
EBITDA	661,3	704,4	+6,5 %
Margin	8,3 %	8,8 %	
EBIT	458,6	512,7	+11,8 %
Margin	5,8%	6,4 %	
Pre-goodwill PBT	426,1	534,0	+25,3 %
Attributable net profit	270,3	333,1	+23,2 %
EPS	0,76 €	0,94 €	+24,1 %
Total net debt	1.712,8	1.943,5	+13,5 %
Project financing	302,5	343,3	+13,5 %
Net debt with recourse	1.410,3	1.600,2	+13,5 %
Gearing*	71,7 %	74,7 %	
Shareholders' equity	1.877,2	2.043,7	+8,9 %
Net investments	471,7	828,0	+75,5 %

* Net debt with recourse / (Shareholders' equity & Minority interests)

NOTE: The 2003 pro-forma figures consider the merger effective since January 1st, 2003. For further details, look Annex I.

- Turnover grew by 1.4%, backed by the solid growth of the activities of Services.
- Significant improvement in operating margins.
- Ordinary profit before goodwill amortization and taxes grew by 25.3%.
- Net profit increased by 23.2%, while EPS grew by 24.1%.
- Net debt with recourse stood at € 1,600 million, resulting a gearing ratio of 74.7%.
- Net investments reached € 828 million, of which € 385 million correspond to the acquisition of shares of Abertis.

1.2. Main financial figures by businesses

TURNOVER			January - September		
Million Euro	2003pf	%	2004	%	Var. 04/03
Construction	4.191,1	52,4 %	3.868,2	47,5 %	-7,7 %
Industrial Services	2.238,7	28,0 %	2.524,1	31,0 %	+12,7 %
Services & Concessions	1.564,3	19,6 %	1.746,8	21,5 %	+11,7 %
Holding / Adjustments	(61,6)		(96,5)		-56,6 %
TOTAL	7.932,5		8.042,6		+1,4 %

EBITDA			January - September		
Million Euro	2003pf	%	2004	%	Var. 04/03
Construction	321,8	46,4 %	284,8	39,4 %	-11,5 %
Industrial Services	187,0	27,0 %	211,1	29,2 %	+12,9 %
Services & Concessions	184,5	26,6 %	227,1	31,4 %	+23,1 %
Holding / Adjustments	(32,0)		(18,6)		+41,8 %
TOTAL	661,3		704,4		+6,5 %

EBIT			January - September		
Million Euro	2003pf	%	2004	%	Var. 04/03
Construction	241,2	48,8 %	234,4	44,0 %	-2,8 %
Industrial Services	157,3	31,8 %	176,4	33,1 %	+12,1 %
Services & Concessions	95,6	19,3 %	122,5	23,0 %	+28,2 %
Holding / Adjustments	(35,5)		(20,6)		+41,9 %
TOTAL	458,6		512,7		+11,8 %

NET PROFIT			January - September		
Million Euro	2003pf	%	2004	%	Var. 04/03
Construction	165,7	48,2 %	166,0	42,9 %	+0,2 %
Industrial Services	92,1	26,8 %	109,3	28,2 %	+18,6 %
Services & Concessions	86,1	25,0 %	111,9	28,9 %	+29,9 %
Holding / Adjustments	(73,6)		(54,1)		+26,5 %
TOTAL	270,3		333,1		+23,2 %

Backlog			January - September		
Million Euro	2003pf	months	2004	months	Var. 04/03
Construction	8.325	18	8.519	19	+2,3 %
Industrial Services	3.090	12	3.302	12	+6,9 %
Services	11.555	67	11.174	58	-3,3 %

1.3. Most significant events in the last quarter

- Last July, the subsidiaries of the Services division dedicated to Environmental activities merged under the name Urbaser, operating since then as a single company.
- On September 21st, the ACS Group and "la Caixa" acquired in the stock market the Autostrade's stake in Abertis, which represented a total of 27,472,168 shares, equivalent to a 4.98% of the capital. Consequently, ACS acquired 13,736,084 shares, a 2.49% of Abertis capital, by an amount of € 200.5 million. The current stake of ACS in Abertis stands at 17.2%.
- On September 29th an Investors Day on Industrial Services was held, where top management explained to analysts and investors through various presentations the different activities of the Group related to promotion, engineering, installation and maintenance of industrial infrastructures, and their main growth drivers, highlighting:
 - The description of the industrial support services activity, split in two main business areas: Networks and Specialized Products, outstanding the high recurrence and visibility of the activity, as well as detailing its growth drivers.
 - The leadership of the Control Systems area in the industry and the importance of the technological component in the activity are features that become significant barriers of entry.
 - The in-depth description of the Integrated Projects, including the market trends, its international presence, the features of the Off-shore business, and the prospects for renewable energies.
- Awarding of the concession for 30 years of the By-pass Vespucio-El Salto-Kennedy (Chile), urban highway of 4.1 km. This stretch is the extension of the highway North Américo Vespucio.

2. Consolidated financial statements

2.1. Income statement

Grupo ACS Consolidated Income Statement			January - September		
Million Euro	2003pf	%	2004	%	Var. 04/03
Net sales	7.932,5	100,0 %	8.042,6	100,0 %	+1,4 %
Other revenues	303,9	3,8 %	483,9	6,0 %	+59,2 %
Total income	8.236,4	103,8 %	8.526,5	106,0 %	+3,5 %
Operating expenses	(5.694,0)	(71,8 %)	(5.848,3)	(72,7 %)	+2,7 %
Personnel expenses	(1.881,0)	(23,7 %)	(1.973,8)	(24,5 %)	+4,9 %
Operating cash flow (EBITDA)	661,3	8,3 %	704,4	8,8 %	+6,5 %
Fixed assets depreciation	(168,0)	(2,1 %)	(170,2)	(2,1 %)	+1,3 %
Reversion fund amortization	(3,3)	(0,0 %)	(3,9)	(0,0 %)	+17,0 %
Current assets provisions	(31,4)	(0,4 %)	(17,6)	(0,2 %)	-43,9 %
Operating profit (EBIT)	458,6	5,8 %	512,7	6,4 %	+11,8 %
Net financial results	(87,0)	(1,1 %)	(62,4)	(0,8 %)	-28,3 %
Equity method	54,4	0,7 %	83,7	1,0 %	+53,7 %
Goodwill amortization	(45,0)	(0,6 %)	(61,8)	(0,8 %)	+37,4 %
Ordinary income	381,1	4,8 %	472,2	5,9 %	+23,9 %
Net extraordinary results	(14,4)	(0,2 %)	(18,7)	(0,2 %)	+29,8 %
Earning before taxes	366,7	4,6 %	453,5	5,6 %	+23,7 %
Corporate income tax	(90,6)	(1,1 %)	(115,7)	(1,4 %)	+27,7 %
Consolidated result	276,1	3,5 %	337,8	4,2 %	+22,3 %
Minority interest	(5,8)	(0,1 %)	(4,7)	(0,1 %)	-18,4 %
Net profit attributable to the Parent company	270,3	3,4 %	333,1	4,1 %	+23,2 %

2.1.1. Net sales

- Reached € 8,042.6 million, slightly above the pro-forma figure of both Groups in the first nine months of 2003.
- The lower activity in Construction has been compensated by the increase in sales of the Services areas, which confirms the ACS Group strategy focused on growth, mainly through the Services activities.

- The recovery signs perceived in this quarter in the Construction sales foresee the ACS Group consolidated revenues to achieve for year-end growth rates above the current ones.

2.1.2. Operating cash flow (EBITDA)

- Stood at € 704.4 million, up by 6.5% from the same period of the previous year. This growth has been backed by the positive performance of Industrial Services and Services and Concessions, which grew by 13% and 23% respectively, and by the significant reduction of general expenses.
- EBITDA margin over sales reached 8.8%, 50 b.p. over the comparable figure of the previous year.

2.1.3. Operating profit (EBIT)

- Totaled € 512.7 million, growing by 11.8% from the previous year, placing the margin over sales at 6.4%, up by 60 b.p. from the first nine months of year 2003.
- Fixed assets depreciations stayed flat from the previous year.

2.1.4. Net financial results

- Accounted for € 62.4 million, decreasing by 28.3% from the same period of the year before.
- Total financial expenses reached € 136.6 million, of which € 121.8 million correspond mainly to financial expenses associated to loans with credit entities, while the remaining (€ 14.8 million) correspond to negative exchange differences.
- Total financial income accounted for € 74.2 million, of which € 18.7 million correspond to positive exchange differences.
- Consequently, the net exchange differences stood at positive € 3.9 million, which confirms the tendency change of this heading from the last years.

2.1.5. Ordinary income

- Grew by 23.9% to up to € 472.2 million, 5.9% over sales.
- Affiliates, accounted by the equity method, contributed to the net profit of the Group by € 83.7 million, of which € 58.7 million correspond to concessions

(including the contribution of Abertis) and the remaining correspond mainly to Inmobiliaria Urbis.

- The goodwill amortization stood at € 61.8 million, growing by 37.4% from the pro-forma figure of the first nine months of 2003. This variation is a consequence of the exceptional accounting in the 2Q/04 of € 11 million to completely amortize the goodwill of certain international subsidiaries, and of the increase of the stake in Abertis.

2.1.6. Extraordinary results

- Totaled € -18.7 million, increasing by 29.8% from the same period of the previous year, and are mainly due to the to the provisions related to investments in Telecommunications.

2.1.7. Net profit attributable to the Parent company

- Stood at € 333.1 million, which implies a growth rate of 23.2%, with its margin over sales standing at 4.1%, 70 b.p. over the previous year.
- The accrued corporate taxes amounted to € 115.7 million, growing by 27.7% from the pro-forma figure of the first nine months of 2003. The effective tax rate, calculated as Taxes/(PBT-Equity method profit), stood at 31.3%, versus 29% of the same period of the previous year.

2.2. Consolidated balance sheet

Grupo ACS			September 30 th		
Consolidated Balance Sheet					
Million Euro	2003pf	%	2004	%	Var. 04/03
Start-up expenses	19,5	0,2 %	12,9	0,1 %	-33,9 %
Intangible fixed assets	409,9	3,6 %	461,0	3,7 %	+12,5 %
Tangible fixed assets	1.550,7	13,7 %	1.655,9	13,4 %	+6,8 %
LT financial investments	1.328,3	11,8 %	1.763,5	14,3 %	+32,8 %
Fixed and non-current assets	3.308,3	29,3 %	3.893,2	31,6 %	+17,7 %
Goodwill	1.051,6	9,3 %	1.226,0	9,9 %	+16,6 %
Deferred charges	45,6	0,4 %	55,3	0,4 %	+21,3 %
Inventories	424,0	3,8 %	415,5	3,4 %	-2,0 %
Accounts receivables	5.375,0	47,6 %	5.451,6	44,2 %	+1,4 %
ST financial investments	597,0	5,3 %	699,1	5,7 %	+17,1 %
Treasury stock	26,9	0,2 %	90,0	0,7 %	+234,7 %
Cash and banks	429,2	3,8 %	464,2	3,8 %	+8,2 %
Prepayments	34,7	0,3 %	31,5	0,3 %	-9,4 %
CURRENT ASSETS	6.886,7	61,0 %	7.151,9	58,0 %	+3,9 %
TOTAL ASSETS	11.292,2	100,0 %	12.326,3	100,0 %	+9,2 %
Shareholders' equity	1.877,2	16,6 %	2.043,7	16,6 %	+8,9 %
Minority interests	91,0	0,8 %	97,4	0,8 %	+7,1 %
Negative dif. in consolidation	3,8	0,0 %	4,4	0,0 %	+13,3 %
Deferred income	135,3	1,2 %	156,5	1,3 %	+15,6 %
Project finance	302,5	2,7 %	343,3	2,8 %	+13,5 %
Provisions for risks and charges	260,2	2,3 %	309,4	2,5 %	+18,9 %
LT loans from credit entities	583,6	5,2 %	1.470,4	11,9 %	+152,0 %
Other liabilities	70,9	0,6 %	195,7	1,6 %	+176,0 %
Long term liabilities	654,5	5,8 %	1.666,2	13,5 %	+154,6 %
ST loans from credit entities	1.879,8	16,6 %	1.383,0	11,2 %	-26,4 %
Trade accounts payables	4.834,7	42,8 %	5.128,9	41,6 %	+6,1 %
Other non-trade payables	1.253,2	11,1 %	1.193,6	9,7 %	-4,8 %
Short term liabilities	7.967,6	70,6 %	7.705,5	62,5 %	-3,3 %
TOTAL EQUITY & LIABILITIES	11.292,2	100,0 %	12.326,3	100,0 %	+9,2 %

2.2.1. Total fixed assets

- Fixed assets grew from € 3,308.3 million in September 2003 to € 3,893.2 million in September 30th, 2004, which implies a growth rate of 17.7%.
- Net balance of goodwill reached € 1,226 million. The increase from the same period of the previous year comes mainly from the increase of ACS stake in Abertis.

2.2.2. Working capital

- Working capital accounted for € -423.9 million, improving by € 169.7 million from the same period of the previous year.
- In terms of days of sale, the inter-annual variation improved by six days, reaching fourteen days of sales at the end of September of 2004, mainly due to the production mix and to the policy applied by the Group on the management of working capital.

2.2.3. Net debt

- Total net debt at September 30th, 2004 amounted to € 1,943.5 million, up by 13.5% from the first nine months of 2003, after the significant investment effort carried out during these months.
- From the total amount of net debt, € 343.3 million correspond to project finance in Concessions, without recourse to shareholders. Thus, the gearing ratio (net debt with recourse/(Shareholders' equity + minority interests)) stood at 74.7%.
- Long term debt with credit entities increased to € 1,470.4 million, after having signed last March with some credit entities a long term syndicated loan of € 900 million.
- Consequently, the short term net debt with credit entities at the end of September decreased significantly to € 129.8 million, 84.3% below the amount showed twelve months ago.

2.2.4. *Shareholders equity*

- Stood at € 2,043.7 million, after the 2003 complementary dividend of € 54.1 million was paid in June, 2004, equivalent to € 0.153 per share (adjusted to the share split approved in the last AGM).

2.3. Cash flow statement

Grupo ACS		Pro-forma Cash Flow Statement		
		January - September		
Million Euro	2003pf	2004	Var. 04/03	
EBITDA	661,3	704,4	+6,5 %	
plus: Dividends received from affiliates	44,0	15,6		
plus: Interests received	48,8	55,5		
minus: Interests paid	(123,7)	(121,8)		
minus: Extraordinary losses from operations	(14,4)	(6,4)		
minus: Corporate tax paid	(90,6)	(115,7)		
Cash flow from operations	525,4	531,6	+1,2 %	
Dec/(Inc) Trade receivables & other debtors	(586,1)	(292,4)		
Dec/(Inc) Inventories	(9,5)	9,4		
Inc/(Dec) Trade creditors	138,8	69,6		
Inc/(Dec) Other creditors & ST provisions	126,8	21,2		
Working capital (requirement) / excess	(330,0)	(192,2)	-41,8 %	
Cash flow from operating activities	195,4	339,4	+73,7 %	
minus: Fixed assets investments	-	(294,6)		
minus: Concessions investments	-	(152,3)		
minus: Other investments	-	(418,0)		
Capital expenditure	-	(865,0)	n.s.	
Disposals of assets	-	37,0		
Cash flow from financing activities	(471,7)	(828,0)	+75,5 %	
Inc/(Dec) ST bank credits	854,4	(73,9)		
Inc/(Dec) Project finance	(2,8)	27,1		
Inc/(Dec) LT bank credits	(46,4)	858,6		
Bank financing	805,2	811,8	+0,8 %	
minus: Dividends paid	(64,1)	(96,4)		
minus: Treasury stock acquisition ⁽¹⁾	(385,2)	(90,0)		
Equity financing	(449,3)	(186,4)	-58,5 %	
Other liabilities	(8,6)	(101,1)	n.s.	
Cash flow from financing activities	347,3	524,4	+51,0 %	
Inc/(Dec) Cash & equivalents	71,0	35,8		
Cash position at the beginning of the period	955,2	1.127,5	+18,0 %	
Current cash position	1.026,2	1.163,3	+13,4 %	

(1) Year 2003 includes the amount paid (€ 384.5 mn) for the acquisition of the additional 10% of Dragados, acquired through the Take Over Bid in the first quarter of 2003.

2.3.1. Cash flow from operations

- The cash flows from operations accounted for € 531.6 million, up by 1.2% from the pro-forma figure of the same period of 2003, which included the extraordinary dividend of Aurea that amounted to € 30 million.
- Working capital registered a variation from the end of 2003 of € 192.2 million, improving by 41.8% from the same period of the previous year, showing the positive results of the working capital management of the Group.

2.3.2. Net consolidated investments

- Total investments carried out by the Group in the first nine months of 2004 reached € 865 million, highlighting the acquisition of more than 5% of the capital of Abertis by € 385 million. Of the remaining investments, € 480 million, remark:
 - The investments in the Construction area in equipment and facilities, which totalled € 52 million.
 - Industrial Services invested € 94 million, highlighting € 49 million in wind farms, and those carried out in concession projects of HT power lines, industrial installations, and technical equipment.
 - Services invested more than € 167 million, mainly in environmental assets, Ports & Logistics services, and in the partial renewal of the fleet of Continental Auto.
 - The investments in Concessions reached more than € 85 million, outstanding the trans-border railway connection between Figueras and Perpignan, the Railways of North of Colombia (Fenoco), the Seville subway, the Alicante by-pass, and the Dundalk Western by-pass highway in Ireland.
- The disposal of assets reached € 37 million, being the most remarkable the sale of some coaches of Continental Auto as they were being renewed.
- The net investments stood at € 828 million, up by 75.5% from the net aggregated investments carried out by both Groups in the first nine months of 2003, without considering the Take Over Bid of the 10% additional stake in Dragados, which totaled € 385 million.

3. Businesses performance

3.1. Construction

Construction			
Main Pro-forma Figures		January - September	
Million Euro	2003pf	2004	Var. 04/03
Turnover	4.191,1	3.868,2	-7,7 %
EBITDA	321,8	284,8	-11,5 %
Margin	7,7%	7,4%	
EBIT	241,2	234,4	-2,8 %
Margin	5,8%	6,1%	
Ordinary Profit	252,6	248,3	-1,7 %
Margin	6,0%	6,4%	
Net Profit	165,7	166,0	+0,2 %
Margin	4,0%	4,3%	
Backlog	8.325	8.519	+2,3 %
Months	18	19	

3.1.1. Turnover breakdown by activity

Construction			
Turnover Breakdown by activity		January - September	
Million Euro	2003pf	2004	Var. 04/03
Domestic	3.856,3	3.565,9	-7,5 %
Civil Works	2.211,9	2.010,1	-9,1 %
Building	1.644,3	1.555,8	-5,4 %
International	334,8	302,3	-9,7 %
TOTAL	4.191,1	3.868,2	-7,7 %

- Turnover in the first nine months includes the already mentioned effects in the previous quarter of matching the production, mainly in the domestic civil works, to the execution plans of the clients and the decrease in the international activity. In this way, the executed works pending certification (EWPC) account has been reduced by € 215 million in the last 12 months.
- The change of trend showed in the last quarter foresee moderated decrease rates of sales for year-end.
- The international activity continues reducing its contribution to sales, as a consequence of the strategy followed to limit the international expansion of the Construction area to concession projects or to markets where the Group has a

stable presence. And so, the Group has sold its stake (50%) in Vía Dragados, its subsidiary in Brazil.

3.1.2. Operating results

- EBITDA margin improved from previous quarters. Nevertheless, from the same period of 2003 it has decreased, due to an exceptional operation in Argentina in 3Q/03, registered at Sales and EBITDA level, totally provisioned and in this sense, with no effect on EBIT.
- Consequently, the EBIT margin over sales improved by 30 b.p. standing at 6.1%.
- Net profit reached € 166.0 million, similar to the figure registered the previous year, improving its margin by 30 b.p. to 4.3% over sales.

3.1.3. Backlog evolution

- Order book at the end of September, 2004 reached € 8,519 million, up by 8% from the end of 2003, equivalent to 19 months of sales.
- Good performance of the domestic order book, representing 88% of the total, which confirms the maintenance of the market share, which compensates comfortably the decrease of the international order book.

3.2. Industrial Services

Industrial Services			
Main Pro-forma Figures		January - September	
Million Euro	2003pf	2004	Var. 04/03
Turnover	2.238,7	2.524,1	+12,7 %
EBITDA	187,0	211,1	+12,9 %
Margin	8,4%	8,4%	
EBIT	157,3	176,4	+12,1 %
Margin	7,0%	7,0%	
Ordinary Profit	139,7	166,5	+19,2 %
Margin	6,2%	6,6%	
Net Profit	92,1	109,3	+18,6 %
Margin	4,1%	4,3%	
Backlog	3.090	3.302	+6,9 %
Months	12	12	

3.2.1. Turnover breakdown by activity

Industrial Services		January - September	
Turnover Breakdown by activity			
Million Euro	2003pf	2004	Var. 04/03
Networks	466,7	526,3	+12,8 %
Specialized Products	863,6	872,8	+1,1 %
Integrated Projects	440,7	659,5	+49,6 %
Control Systems	467,6	465,4	-0,5 %
TOTAL	2.238,7	2.524,1	+12,7 %
International	667,2	746,1	+11,8 %

- The activity of Networks, which represents 21% of total, includes the maintenance of LT electric networks, installations and gas and water networks, and industrial and support services. This area grew close to 13%, backed by its leadership as supplier of services to the industry, reaching a growth rate in the international market of 24%.
- Specialized Products agglutinates the activities of installation and maintenance of HT electric networks, engineering, installation and maintenance of telecommunication systems, maintenance of railway installations, electric installations, and mechanic and cooling systems. This area grew slightly, by 1.1%, affected by the completion of various projects of electric installations abroad in the first nine months of 2003.
- The activity of Integrated Projects includes energy projects, renewable energy, industrial projects, off-shore platforms, and high speed railway projects. This area grew significantly, by close to 50%, strongly backed by growth registered in energy projects, through the installation of new electric generation plants, mainly C.C.G.T. and renewable energy, and by the development and construction of off-shore platforms.
- The Control Systems activity, dedicated to traffic, transportation and lightening control systems and to integral maintenance of public infrastructures, registered a flat performance in comparison with the first nine months of the previous year.

3.2.2. Operating results

- Operating margins stayed similar to the pro-forma's of the previous year, standing the EBITDA over sales at 8.4% and the EBIT over sales at 7.0%.
- Net profit grew by 18.6% to € 109.3 million, improving the margin over sales by 20 b.p. to 4.3%, driven by the financial results.

3.2.3. Backlog evolution

- With an order book of € 3,302 million and a solid maintenance contract base, not included in the backlog, the prospects of the activity are very attractive for the next two years.

3.3. Services and Concessions

3.3.1. Services

Services			
Main Pro-forma Figures		January - September	
Million Euro	2003pf	2004	Var. 04/03
Turnover	1.562,4	1.733,5	+11,0 %
EBITDA	189,6	224,9	+18,6 %
Margin	12,1%	13,0%	
EBIT	99,0	120,4	+21,7 %
Margin	6,3%	6,9%	
Ordinary Profit	58,8	78,9	+34,1 %
Margin	3,8%	4,6%	
Net Profit	43,2	58,3	+35,0 %
Margin	2,8%	3,4%	
Backlog Enviromental Serv.	11.555	11.174	-3,3 %
Months	67	58	

3.3.1.1. Turnover breakdown by activity

Services			
Turnover Breakdown by activity		January - September	
Million Euro	2003pf	2004	Var. 04/03
Environment	751,7	782,5	+4,1 %
Ports & Logistics	371,1	443,9	+19,6 %
Passenger Transportation	115,6	128,7	+11,3 %
Facility Management	324,0	378,4	+16,8 %
TOTAL	1.562,4	1.733,5	+11,0 %
International	73,5	110,0	+49,7 %

- Moderate growth rate registered in Environment, in line with the evolution of the total market in Spain.
- Ports & Logistics grew organically over 15%. The remaining growth came from small acquisitions in the Logistics activity.
- Passenger transportation grew by 11.3% thanks to the investments in new routes and passengers growth registered in long distance lines.
- Integral Maintenance increased by 16.8%, as a consequence of the new contracts awarded.

3.3.1.2. *Operating results*

- EBITDA grew by 18.6%, reaching a margin over sales of 13.0%, 90 b.p. over the first nine months of 2003. All the activities improved margins.
- EBIT increased by 21.7%, improving its margin by 60 b.p. to 6.9% over sales.
- Net profit grew by 35.0%, reaching € 58.3 million, which confirms growth of profitability in the area of Services.

3.3.1.3. *Backlog evolution*

- The order book of the Environmental services stood at € 7,112 million at the end of September, equivalent to close to five years of activity.
- The remaining activities, mainly Ports & Logistics and Transportation services, maintain an order book of € 4,062 million, which corresponds to ongoing long term concessions or contracts that were in force at the end of the year.

3.3.2. *Transportation infrastructure concessions*

Concessions			
Main Pro-forma Figures		January - September	
Million Euro	2003pf	2004	Var. 04/03
Turnover	1,9	13,3	n.s.
EBITDA	(5,1)	2,3	n.s.
EBIT	(3,4)	2,1	n.s.
Equity method	35,1	58,7	+67,2 %
Attributable net profit	42,9	53,6	+24,9 %

- The contribution of Abertis to the net profit of the Group reached € 54.5 million, growing by 76.2% from the contribution of the first nine months of 2003.
- The remaining amount of the “equity method” heading, € 4.2 million, is a combination of profits and losses of different concessions that have already initialized their operations.

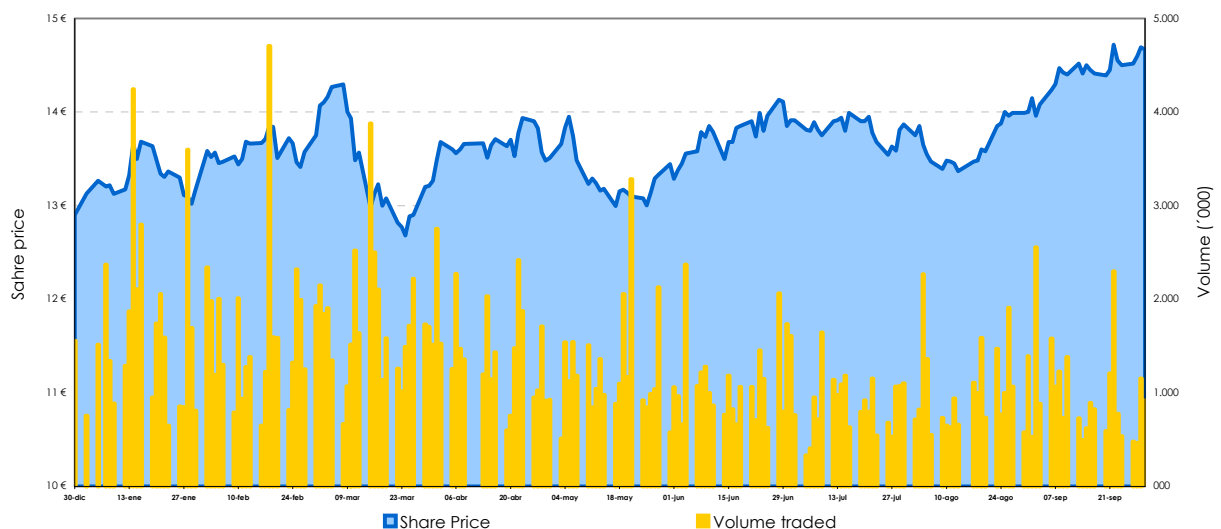
3.4. Others

- The contribution of Inmobiliaria Urbis to the net profit of the Group totalled € 17.7 million, growing by 30.9% from the first nine months of 2003.

4. Capital markets

4.1. ACS share information

ACS Data Share	2003		2004
	jan-sept	jan-dec	jan-sept
Closing price	12,12 €	12,90 €	14,67 €
Annual performance	18,66%	26,26%	13,72%
Maximum in the period	13,30 €	13,30 €	14,83 €
Maximum date	16-jul	16-jul	22-sep
Minimum in the period	9,82 €	9,82 €	12,55 €
Minimum date	31-jan	31-jan	24-mar
Average in the period	35,53 €	11,97 €	13,61 €
Total volume ('000)	180.844	268.436	252.737
Daily average volume ('000)	956,85	1.073,74	1.316,34
Total traded effective (€ mn)	2.128	3.211	3.440
Daily average effective (€ mn)	11,26	12,84	17,92
Number of shares (mn)	192,19	355,58	352,78
Market cap (€ mn)	2.330	4.587	5.175



4.2. Treasury stock

- The balance of September 30th, 2004 reached 7,077,126 shares, which represents 2.0% of the total capital stock of the Company, all acquired during 2004.

4.3. Investor calendar

- **November 4th: 3Q/04 Results release.**
- **November 5th: 3Q/04 Results conference call at 12:00 hrs. (local time).**
- **February 28th, 2005 (tentative): FY 2004 Results release.**

Annexes

Annex I. Pro-forma adjustments of the 3Q/ 2003 P & L

GRUPO ACS	PRO-FORMA ADJUSTEMENTS					3Q/03 ProForma
	ACS Jan-Jun ⁽¹⁾	DRC Jan-Jun ⁽²⁾	Adjustments & Elim. ⁽³⁾	Elimination EqA DRC ⁽⁴⁾	Fin Exp + Goodwill ⁽⁵⁾	
Million Euro						
Net sales	3.551,6	4.380,9	(0,0)			7.932,5
Operating expenses	(3.230,0)	(4.041,1)	(0,0)			(7.271,1)
Operating cash flow (EBITDA)	321,6	339,8	(0,0)			661,3
Depreciation/Amortization	(80,8)	(121,9)	(0,0)			(202,7)
Operating profit (EBIT)	240,7	217,9	(0,0)			458,6
Net financial results	(46,0)	(38,0)	(0,0)		(3,0)	(87,0)
Equity method	58,7	80,5	(28,6)	(56,2)		54,4
Goodwill amortization	(33,9)	(8,1)	0,0		(3,0)	(45,0)
Ordinary income	219,6	252,3	(28,6)	(56,2)	(6,0)	381,1
Net extraordinary results	(9,3)	(5,1)	(0,0)			(14,4)
Earning before taxes	210,2	247,3	(28,6)	(56,2)	(6,0)	366,7
Corporate income tax	(58,6)	(61,7)	28,6		1,1	(90,6)
Minority interest	(1,4)	(4,4)	0,0			(5,8)
Net profit	150,2	181,2	0,0	(56,2)	(5,0)	270,3

(1) 3Q/03 ACS P&L Account

(2) 3Q/03 DRC P&L Account

(3) Unification adjustments and elimination of transactions between both Groups

(4) Elimination of DRC result in ACS, equity accounted, in 3Q/03

(5) Adjustments when considering ACS had a 33,5% stake in DRC since January 1st 2003

Annex II. Main contracts awarded in the quarter

i. Construction

Highways and roads

- Alicante ring road
- M-30 remodelation, by-pass South – South tunnel, in Madrid
- Enlargement of the fourth lane of A-6 highway in Las Rozas (Madrid)

Hydraulic infrastructures, coasts and ports

- La Breña dam (Seville)

Railways

- Construction of new stretches of Line 7 of Madrid`s subway: Coslada-San Fernando and M-40-Coslada
- Extension of Line 11 of Madrid`s subway to Carabanchel
- High speed train stretches to Galicia Lalín-Boqueixón and Lalín Abeleda-Baxán (Pontevedra)

Other civil works

- Runway in airport, in Madrid

Building

- Can Brian II jail, in Barcelona

ii. Industrial Services

Networks

- Maintenance of LT lines in Centre zone, for Unión Fenosa
- Electro mechanic assembly in S. Galapagar (Madrid) for REE
- Electrification of the urbanization Cortijo Colorado

Specialized products

- 105 S Project, 709 transmission line for C.F.E.
- Supply, equipment and infrastructure services for radio devices in Mexico for Telefónica Móviles
- 400 kV. HT line Escombreras-El Palmar (Murcia) for REE
- Energy distribution works and electrification in the remodeling of Line 3 of Madrid's subway
- Network tunnels infrastructure project for the high speed train Madrid-Lérida, for Telefónica Móviles, Amena and Vodafone
- HT line 225 kV, Elancourt-Villejust (France)
- Electric submarine connection in Mallorca, for Gesa-Endesa
- HT line and conversion substation of 400 KV. of the thermic Plant Escatrón, for Heyno-Global
- JINAMAR thermic plant revision (Gran Canarias), for Unelco
- Specialized assembly of components in the machinery room of Cazaminas 0225, for Izar Cartagena

Integrated projects

- PB-KU-A2 platform for PEMEX, in Mexico
- Enlargement of the Snhovit-Hammerfest project in Norway, consisting in the construction of a liquated gas plant

- Gas pipeline Cacimbas - Vittoria for PETROBRAS, in Brazil

Control systems

- Extension of the contract of integral maintenance of the roads networks of Almería and Alicante
- Integral maintenance of the highways A-4 and A-1, for the Public Works Ministry
- Forest treatments in Segovia

iii. Services and Concessions

Integral maintenance

- Extension of the cleaning contracts for the offices of the Guardia Civil and the National Police
- Extension of the cleaning contract of the fleet of Cat España, S.A.
- Restoration service of the quarters of the South region, for the Defense Ministry
- Cleaning services in the following hospitals: Juan Carlos I, Dr. Negrin (Gran Canaria), and the Hospital General Universitario of Valencia
- Integral management of the social centre for the elder for day stays (Melilla)
- Conservation and maintenance of gardening zones in Los Carneros (Tenerife), in Toledo, and in the Barcelona University campus
- Improvement of the natural environment in the zones of Hoyo de Pinares, Arévalo and Piedrahita (Avila)

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