



Ordinary General Shareholders' Meeting

15 April 2010

Chairman's Speech

Florentino Pérez

INTRODUCTION

It is a pleasure to be with all of you at this Ordinary General Shareholders' Meeting of the Grupo ACS, and I would sincerely like to thank you for being here.

As in every year at around this date we come here before you in order to explain to you the work we have been carrying out over the course of the last financial year. A year 2009 which presented major challenges and great uncertainties in the middle of the serious international economic crisis which we have been suffering.

In spite of this difficult economic environment, we have been able to continue to grow, contributing to the economic and social development of society, with the responsibility and rigour which is demanded of one of the most important companies in our country, creating value for all of you, our shareholders.

Looking at the results obtained in financial year 2009, we can assert that it has been one of the best in our history, and with these results we can face up to the challenge of making the decade which is just beginning better and more fruitful than the one which has just ended, which as we will now see, was spectacular.

During these first ten years of the 21st Century, Grupo ACS has consolidated into one of the most important infrastructure companies in the world, with an outstanding position of leadership in terms of both size and profitability, and with an extensive and growing international presence over the five continents. Currently, we are the leading Spanish company in the sector in terms of turnover, earnings, and capitalisation, and the third in the world in terms of capitalisation.

During the last ten years we have succeeded in growing the turnover of the Group by an annual average of 18%, to reach a level of turnover in 2009 of Euros 15,606 million.

In these ten years, sales outside Spain have changed from representing 15%

in the year 2000, to exceed 26% of total sales at the end of the decade. Moreover, we are continuing to increase our internationalisation as is shown by the current portfolio of projects, which now stands at 35% of the total.

Over the last 10 years our EBITDA has also grown by an average in excess of 20%, to reach the Euros 1,458 million with which we closed the year 2009.

Net earnings, which this year were in excess of Euros 1,950 million, show an average annual growth rate of greater than 36% since the beginning of the century; the net earnings, expressed in earnings per share, show an average annual growth rate of greater than 29%.

Our growth would not have been possible without the efforts of the more than 142,000 employees of the Grupo ACS, in addition to the 35,000 people working in the subcontractors; a group of people which defines us as one of the principal generators of employment in this country. Their talent, effort, and dedication have been the principal cause of this exceptional progress, and I am convinced that they will continue to contribute to the achievement of even more ambitious targets.

Our business and the results obtained classify us as one of the companies which have generated most value and employment in the Spanish economy over these recent years. Creation of value which is reflected in our progress on the Stock Exchange.

In spite of the circumstances of the year 2009, a year in which our shares grew in value by only 6.6%, we have closed the decade in brilliant fashion. The cumulative revaluation since the end of 1999 is in excess of 343%, and is equivalent to a mean annual rate of 20.5%, which places us as one of the European companies with the best performance on the Stock Exchange. During this decade, the IBEX 35 grew in value by only 2.6%, and the EuroStoxx 50 fell by more than 37%.

The mean annual return of ACS over the same period, including dividends, capital increases and capital decreases, and appreciation in value from the

year 2000 up to 31 December 2009, was greater than 20% per year. We are the Spanish company which has created most value for its shareholders over this decade, with Euros 6,841 million.

In short, I believe that we have done things well over these ten years, and that we are sufficiently well prepared to meet the challenges of the decade which is just beginning.

I will now describe the most significant facts of the year 2009 for Grupo ACS:

- We have exceeded Euros 15,600 million in turnover, which means a growth of 2.2% over the preceding year.
- We have increased our international presence organically, growing in our reference markets, to which we have added the acquisition of some civil engineering companies. This means that our international sales have grown by 22.4%, to reach Euros 4,104 million.
- The gross operating earnings, or EBITDA, reached Euros 1,458 million, 5.5% more than the preceding year.
- As you know, in the first quarter of 2009 we sold the 35.3% which remained of our holding in Unión Fenosa, giving us a net capital gain of Euros 1,000 million.
- The net attributable earnings reached Euros 1,952 million, with a growth of 8.1%.
- During the year we bought back almost 4 million shares, 1.25% of our capital, which has contributed to the growth in earnings per share of 15.6%, to reach Euros 6.28.
- This development was accompanied by a reduction of 0.9% in our net indebtedness, which stood at Euros 9,271 million at the end of 2009. We have refinanced more than Euros 2,200 million of our long-term debt, extending its maturity to the year 2012.

In short, our results for financial year 2009 confirm our leadership, based upon the professionalism and commitment of all of us who form a part of the Grupo ACS. I wish to extend my thanks to all of these people, in the name of the members of the Board of Directors which I have the honour to chair, for their enthusiasm and effort in achieving these excellent results which I am presenting to you today.

I should also mention our clients, suppliers, and sub-contractors, whose responsibility and dedication form a fundamental part of the success of our project.

And I would also like to thank you, ladies and gentlemen, the shareholders, for your support, confidence, and loyalty which you have shown over all these years, without which we could never have reached where we are now.

ECONOMIC ENVIRONMENT

Please allow me to discuss the current economic situation, which constitutes one of the greatest concerns of our company.

The year 2009 was a difficult year from an economic point of view for Spain and, in general, for the most important economies throughout the entire world. This is without any doubt proving to be a difficult period, but I believe that data is beginning to appear which will permit us to be optimistic.

The data published recently appear to indicate that the bottom has now been reached. The principal developed economies are beginning to show a certain degree of growth, and the emerging economies are intensifying their rate of expansion. With all the prudence in the world, and in the knowledge that doubts do persist as to the solidity of the recovery, the forecasts published by the international economic and financial bodies do allow us to foresee a positive scenario for the forthcoming months.

In Spain, the published data indicate that the worst phase of the cycle has

probably been left behind us. It is true that very high unemployment figures remain, and that the levels of public deficit are worrying, but the prospects point towards a change in the trend in the second part of this year.

We are leaving behind a year 2009 in which Spain went through a decline of 3.6% in the Gross Domestic Product, something less than the 4% experienced in the Eurozone. On a worldwide level, total production fell by 0.8%.

Among the most advanced economies, the countries most affected by the recession have been Japan, with a fall in the GDP of 5.3%; Germany, the United Kingdom, and Italy, all of which fell by 4.8%, and Canada and the United States, both with a decline of 2.5%. France fell by 2.3%, and it was the G8 economy which best resisted the tough economic adjustment of 2009.

For their part, the impact has been very varied among the major emerging countries. Russia and Mexico suffered a fall in their GDP of 9% and 6.8% respectively during this year of 2009. Brazil managed to maintain their GDP virtually unchanged with a minimal fall of 0.4%. On the other hand, both India and China continue with their exceptional rate of expansion, with their GDP growing 5.6% and 8.7% respectively.

In this generalised recession on a worldwide level, a series of common symptoms can be detected for all of the developed economies: the severe contraction in consumption has produced an excess of production capacity; the restriction on credit and the loss of confidence on the part of the economic agents has put a brake on private investment. The consequence has been the growth of unemployment which feeds back into the set of problems.

Faced with this economic scenario, the various different national governments introduced a multiplicity of stimulus packages based upon public expenditure and investment, with the ensuing increase in the public deficit, and financing them by means of issuing sovereign debt. Evidently, the policies followed are generating problems, but it seems to be clear that inaction would have been worse.

Spain has followed a similar process, and the fall of 3.6% in the GDP consequently has the increased deficit added to it.

Internal demand fell by 6.4% during 2009. Consumption by families fell by 5%, and the gross formation of fixed capital fell by 15.3%, an item in which the fall of more than 23% in the investment in capital goods stands out. The Public Authorities have spent 3.8% more as a consequence of the increase in unemployment benefit and the implementation of the stimulus packages. The substantial increase in expenditure and the severe reduction in the tax revenues make up the increase in the public deficit which I mentioned earlier.

The severe imbalance in the public finances is not an exclusive feature of our country. A number of countries in the OECD, including the United States, are developing very high public deficits as a consequence of their stimulus packages and the fall in tax revenues. The starting position in Spain, in levels of public debt, was better than the average, which has mitigated the problems arising from increasing indebtedness.

The fall in internal demand has meant that the Spanish foreign balance of trade has seen a notable improvement. While in 2008, imports exceeded exports by more than Euros 108,000 million, the imbalance has descended to slightly more than Euros 21,000 million at the end of 2009, an effect which has moderated the fall in the GDP to the 3.6% mentioned earlier. That is to say, in only one year we have gone from a foreign trade deficit in excess of 10% to slightly more than 2%.

For the year 2010, the forecasts of the International Monetary Fund are positive, with expected growth on a worldwide level in the region of 4%, and in the area of 2% for the advanced economies. The United States is forecast to grow by 2.7%, the Eurozone by 1%, and China in the region of 10%. Spain will be slower to come out of the recession, and it is possible that the year 2010 closes with a fall of 0.6% in the GDP.

In respect of employment in our country, you all know that we find ourselves in a very difficult situation.

Unemployment is affecting more than four million Spanish people, 18.8% of the active population.

That is, without any doubt, the principal problem which we face, to which are added others of a structural nature which are equally pressing. In my opinion, the most important problems are:

Our economy is displaying a substantial loss of competitiveness, particularly in comparison with our European partners.

The public deficit is in excess of 10% of the GDP; and

The levels of indebtedness of families, companies, and the public sector are all very high.

These problems also appeared in previous crises, but now they can no longer be corrected by devaluation of the currency, or with our own monetary policy measures.

The only route, therefore, is to face up to structural reforms in our model of production, which will permit us to improve our productivity and join the pathway to sustainable growth once again. Reforms which should include a labour reform which is reached by consensus, which will streamline the labour market and promote the creation of employment.

Over the last few weeks, management and the unions, the political parties, and the economic authorities have been putting ideas and proposals on the table. We should, all of us, support the objective of reaching solid agreements as soon as possible.

It is necessary to recover healthy public accounts, and to bring our public deficit down to sustainable levels. The usual plans to reduce the items in the budget will not be enough. It will be necessary to undertake in-depth reforms in every single one of the expense items which will define the limits to avoid letting a situation like that we face today being repeated in the future. Getting in control of the fiscal crisis in which we are immersed should not put at risk the welfare state which we have achieved, but it is essential to eliminate the

bureaucratic redundancies and inefficiencies, in the same way as we would for a company which we know we have to re-launch.

Without any doubt the necessary reforms will require effort and sacrifice from everyone, but I am convinced that we will be capable of orientating our productive model towards greater competitiveness, and that in the future we will manage to achieve more employment, more development, and more welfare.

And this is the direction being taken by the Extraordinary Infrastructure Plan recently announced by the President of the Government, and which will mobilise Euros 17,000 million in investments over the next two years. This initiative of the Government has the goal of relaunching economic activity and generating employment over the short and long terms by, first of all, the construction of infrastructure and, subsequently, in the conservation and maintenance of that infrastructure. We should be grateful for this clear commitment to a model based upon productive investment which has given us such good results in the past, and which will contribute to recovering the path of growth in our economy.

This is one step more in the right direction. With this type of decision, we will be capable of generating more resources with which to improve education, health, infrastructure, and our pensions system. This is not empty optimism, but the conviction of our capacity for effort and for surmounting difficulties. In this country we can say that we have seen worse.

REPORT FOR FINANCIAL YEAR 2009

I will now take a look at the activities and the results of our Group over the last quarter.

Consolidated Earnings

As you have all been able to verify in the documentation which has been handed to you, 2009 was a very positive year for Grupo ACS. In the documentation you will find all of the financial information, the details of the

financial situation, and the results obtained.

I would like to highlight some of the data which show the good progress made by the Grupo ACS during the year 2009.

Income Statement

The net turnover figure reached Euros 15,606 million, 2.2% more than that of the previous year in comparable terms. The contribution made by each area of business to the consolidated turnover was 39% from the Construction area, 17% from the Environment area, and 44% from the Industrial Services and Energy area.

2009 was a very important year in our international business. Our sales outside Spain grew by 22.4% to reach Euros 4,104 million, representing 26% of total sales, and our foreign portfolio grew by 30%, to reach Euros 10,325 million, representing 35% of the total portfolio. We have more than 32,000 employees outside Spain, in 42 countries.

The gross operating margin (EBITDA) stood at Euros 1,458 million, with a growth of 5.5% over the preceding year, representing a gross operating margin over sales of 9.3%.

The net operating margin (EBIT) grew to reach Euros 1,080 million, 6.9% of sales, which in comparable terms meant a growth of 3.6%. The contribution made by each area of business to the consolidated turnover was 34% from the Construction area, 18% from the Environment area, and 48% from the Industrial Services and Energy area.

The ordinary net earnings of the ongoing businesses, that is to say, the earnings deriving from the recurrent activity of the Group, grew by 20.4% in 2009 to reach Euros 842 million.

With respect to the results from activities terminated in the year 2009, these amounted to Euros 1,110 million. Important in these results is the capital gain from the sale of the remaining holding in Unión Fenosa, and the

contribution it made during January and February 2009, which meant a total net result of Euros 1,082 million. The remaining Euros 28 million came from the contribution made by SPL, which has been posted in the accounts for financial year 2009 as an asset available for sale.

With all of this, the net attributable earnings reached Euros 1,952 million, some 8.1% higher than the year before.

As a consequence of the increased results and the amortisation of shares carried out during the last 18 months, the earnings per share amounted to Euros 6.28, 15.6% more than in 2008.

In the event that you, the shareholders, approve the proposed distribution of an additional dividend of Euros 1.15 per share, the total dividend charged to the results of the year 2009 will amount to Euro cents 205 per share, given that the interim dividend of Euro cents 90 per share was already paid in the month of January last. The total dividend is equal to that of the preceding year, and is equivalent to 33% of the net earnings.

Report on Business Activities

I will now give you the details of the principal work carried out in our areas of activity, the results they obtained in 2009, their international expansion, and their prospects for this financial year, 2010.

Construction

During the year 2009, the Construction business invoiced Euros 6,125 million, some 7.5% less than in financial year 2008. In spite of that, over the last ten year, the Construction business has seen an average annual rate of growth of greater than 15.5%.

Their progress during the last year presented two differentiated facets:

-On the one hand, a fall in domestic activity which was the fruit of the generalised fall in building in Spain, and of the significant reduction in the execution of civil engineering works on the part of the various different

public authorities.

-Going the other way, the international activity grew by 74.9% as a consequence of the increase in production in the United States, Canada, and Chile on the American continent, and also in Portugal, Poland, and other European countries.

The operating margins in construction are maintaining the same levels as in 2008, which is due to a greater weight of civil engineering and an increase in efficiency through the continuous effort to rationalise costs and control in the performance of the projects. The EBITDA margin held at 7.5%, to reach Euros 459 million, and the EBIT margin also held at 6.2%, and reached Euros 380 million.

The net earnings stood at Euros 241 million, 12.2% below the figure for 2008, with the net margin shrinking to 3.9%, which was due, above all, to the fall in financial income.

As a positive detail, at the end of the year, the portfolio of contracted work reached Euros 11,341 million, 3.4% greater than the preceding year, equivalent to 22 months of production.

The fall in activity occurred principally in building, 31% of sales, and is centred entirely in Spain.

On the contrary, the civil engineering activity increased their sales by 6.6%, thanks to the impulse of the international expansion, which already means 23% of production and more than 37% of the total portfolio.

In the documentation which we have handed to you, we include the principal contract awards obtained during financial year 2009. Although I do not wish to bore you with an extensive list, I do wish to highlight that the majority correspond to awards in the international market. Not only are we the winning bidders in major concession projects in countries such as the United States, Canada, and Portugal, but we are also presenting bids for civil engineering tenders of great size and technical complexity.

North America, South America, and Europe are going to continue to be our principal markets, but we are also working to get into new markets in Asia and the north of Africa, through concession projects or projects which are highly specific in technical terms, to which we can bring our experience and capacity.

Obviously North America has been our strategic commitment over recent years. The need for new infrastructure and the legal and financial rights which exist in the United States and Canada offer us many opportunities for expansion in some supremely competitive markets, which are, however, without any doubt at all, highly attractive for us.

I firmly believe that a company which is pursuing global leadership should have a stable, permanent, and ambitious presence in the greatest economy in the world.

In fact we have been competing in North America for many years now, and we have already developed a major presence with 22 offices spread throughout the country.

Sales in North America rose to Euros 624 million in 2009, representing 10% of the total for Construction. The portfolio at the end of the year amounted to Euros 2,824 million, equivalent to 25% of the overall portfolio.

And over the coming years we are going to make our technical capacity, our size, and our international presence felt in order to continue to grow.

In parallel, we will continue to cooperate with Hochtief, in which we maintain a holding of 30%, contributing with our experience to the development of what is today the most international construction company in the world.

The combination of our capacity and our resources, both technical and human, will without any doubt permit us to achieve, in collaboration with the remainder of our partners, an increase in profitability and the offer of a better service to our clients.

Concessions and Infrastructure

The area of concessions has been and remains one of the principal routes to the internationalisation of the Grupo ACS. Iridium is the company which carries out the promotion and development of all types of infrastructure concessions.

With its accredited experience, both because it was a pioneer in this type of contract and because of the number of concessions brought to a successful conclusion in a variety of different countries, Iridium is in the top few places in the world in the promotion, financing, construction, and operation of transport and public amenity infrastructure, and has the objective of continuing to include new concession projects in its portfolio.

Currently Iridium is participating in 45 concession projects for roads, railways, prison facilities, police stations, hospitals, car parks, and transport interchanges which represent a managed investment of more than Euros 17,200 million, with an active presence in the principal concession markets in the world. The company centres its principal efforts in Spain, the United States, Ireland, Chile, Greece, Canada, and Portugal. It is worth while highlighting the concession of the I595 motorway in Florida, one of the motorway ring roads to the north of Miami, with an investment of Euros 1,172 million.

In addition to the concessions which ACS develops and manages directly, the Grupo has a presence in the operation of long-term concessions, as the reference industrial shareholder, with 25.8% of the share capital of Abertis.

Abertis is one of the most important infrastructure companies in the world by stock market capitalisation and number of projects; a leading international group in the management of infrastructure and telecommunications through its five business areas: motorways, telecommunications, airports, car parks, and logistics.

The concessions area offers major opportunities for growth, because the Grupo ACS is already prequalified for a number of tenders for the year 2010,

and will continue to present offers in projects which the Public Authorities both in Europe and in North America are close to tendering. Our objective is to continue to be the world leader in the development of concessions.

Environment

Continuing with our business activities, the Environment area is a reference for the sector in Spain in the activities which it is carrying on: Environmental Services, related principally to the management of solid urban waste, and the Integral Maintenance of buildings and facilities, both public and private.

During financial year 2009, our Environment area achieved a turnover of Euros 2,639 million, with a growth of 9.3%. The average annual growth rate over the last 10 years is greater than 32%, which reaffirms ACS leadership in Spain and consolidated the Group as the reference in the European market.

All of the activities in the Environment area grew in 2009; Environmental Services grew by 10% to reach Euros 1,621 million. Integral Maintenance grew by 8.2% to reach Euros 1,018 million. International sales increased by 19% and now represent 14% of the total.

EBITDA grew by 8.4% to reach Euros 341 million, with a margin on sales of 12.9%, while EBIT increased by 3.4% to stand at Euros 202 million, with a margin of 7.7% on sales.

Net earnings amounted to Euros 146 million, growing by 1.1% and achieving a margin on sales of 5.5%.

The Environment businesses base their production on recurrent contracts, over the medium and long term with both public and private clients. Many of their activities are capital intensive, although their concessionary nature reduces the risk and guarantees an attractive yield. In addition, Environment provides Grupo ACS with stability and geographical diversification of its income.

The portfolio at the end of the year 2009 reached Euros 11,457 million, 10% greater than the preceding financial year. It should be noted that 30% of this

portfolio is international, the fruit of diversification and of the grant of major projects, principally in the construction and exploitation of waste treatment plants.

During the year 2009, various major contract awards were won, the most outstanding being the expansion of a solid urban waste treatment plant, and the contract for the collection of urban waste and street cleaning, both in Barcelona, which together add up to more than Euros 1,000 million.

In the exterior markets we have won contracts in Mexico, Colombia, Chile, Argentina, the United Kingdom, and France. Although currently sales in France only represent 4% of the total, the portfolio of Euros 2,072 million, 18% of the total, together with the typology and duration of these contracts, principally for the construction and operation of treatment plants, will increase sales in that country considerably.

Industrial Services and Energy

The Industrial Services and Energy Area of the Grupo ACS has been growing at an average annual rate of close to 19% since the year 2000. Once again, in the year 2009, it has shown excellent performance, as is shown by the principal operating magnitudes:

Turnover came to Euros 6,862 million, with an increase of 6% over the preceding year.

EBITDA grew by 15.1% and came to Euros 680 million, with a margin on sales of 9.9%, 80 basis points better than the year before.

EBIT increased by 13.9% to reach Euros 537 million, with a margin of 7.8% on sales.

Net earnings amounted to Euros 348 million, growing by 10% and achieving a margin on sales of 5.1%.

The portfolio increased by 6%, to reach Euros 6,619 million, equivalent to one year's worth of business, which in this type of business and with the

growth of the last few years, deserves to be highlighted.

These magnificent results are the consequence of the strategy implemented years ago, which looked for recurrent growth based upon stable diversified activities with a high potential for development. They are also based upon the extensive experience of more than 80 years in the various different companies within the Group, in the development of engineering, installation, and maintenance services in the energy, communications, and control systems sectors in Spain and Portugal, with a significant international presence over recent years.

In 2009 we achieved sales outside Spain of Euros 2,297 million, some 3.5% more than in the year 2008, which represents 33% of total sales. The international portfolio includes projects to the value of Euros 2,599 million, almost 40% of the total portfolio.

Over these years we have managed to achieve a position of leadership as the principal supplier of support services for industry in the business of installation and maintenance for water, gas, and electricity companies, as well as becoming one of the principal firms in applied engineering, specialising in the development of major projects for the gas, petroleum, and electricity industries.

The Group participates in the renewable energy sector through the promotion, turn-key construction, and operation of wind farms and thermo-solar energy plants. As of 31 December 2009, the Grupo ACS was a participant in 43 wind farms under operation, with an installed power of 1,175 megawatts, and an attributable power of 870 megawatts. Furthermore, the Group is a participant in another six wind farms which are in the construction phase, five in Spain and one in Mexico, with a power of 288 megawatts.

During the year 2009 the construction of the thermo-solar plants, Andasol II in Granada, and Extresol I in Badajoz, was terminated. Counting these two together with the Andasol I plant, finished in November 2008, the Grupo ACS has an installed power, of this type, of 149.7 megawatts as of 31 December 2009. These thermo-solar plants of 49.9 megawatts each have an advanced

system of heat storage which makes it possible to manage the production of energy and increase the load factor, thus exceeding other similar plants, which do not dispose of such a system, in energy efficiency.

In addition, there are a further 4 thermo-solar energy plants in the construction phase, the development of which commenced in the year 2009: Extresol II, Extresol III, Manchasol I, and Manchasol II, also of 49.9 megawatts installed power each, located in Badajoz and Ciudad Real respectively.

As of 31 December 2009, the Grupo ACS was a participant as a shareholder in 26 concession projects for the management and maintenance of high tension lines in Brazil and Peru, with the finance guaranteed by the Banco Nacional De Desenvolvimento Económico E Social Do Brasil. These projects add up to a total of 10,616 kilometres and involve a managed investment of greater than Euros 3,000 million.

Since the year 2003, the Grupo ACS has been developing equipment and technologies for the purification of drinking water and desalination. Today, we are one of the worldwide references in this field, particularly in desalination of water by reverse osmosis; we occupy the fourth place in the world in the production of desalinated water by this process, thanks to our extensive international experience in the development of projects in countries such as Algeria, Australia, and Mexico. The Beni Saf desalination plant in Algeria stands out for its size and importance.

Taken together, the Industrial Services and Energy area presents an integrated offer to major clients and public authorities which combines focus on specialist products, multidisciplinary integration in projects, and an extensive geographical coverage both in the domestic market and internationally.

Consistent international growth, together with the stability of the maintenance contracts and the opportunities for investment in concessionary assets permit us to have confidence in the capacity for future growth.

The portfolio of projects awarded in 2009 is considerable, and the number of projects outside Spain is outstanding; it is not in vain that this is the most international area of the Group. Among the projects won in more than 20 countries throughout the length and breadth of the planet, we can highlight contracts in such disparate countries as India, China, Uzbekistan, Brazil, and México.

Mexico is one of the principal markets for ACS, and deserves a special mention because of our level of deployment and its prospects for growth.

In Mexico, ACS is the outstanding leader in the sector of industrial services applied to petroleum, gas, and electricity. ACS is one of the principal suppliers of services for Pemex and for the Federal Electricity Commission.

The most important projects which we are carrying out at the moment are related to the expansion of the Minatitlán refinery, one of the most important in the country with an investment programme of more than Euros 5,000 million; the construction of new petroleum platforms on the coast of the Gulf of Mexico; prospecting for gas in the states to the north of the city of Mexico; and the installation and maintenance of electricity generating plants and transport networks throughout the entire country.

With a portfolio of Euros 521 million at the end of the year, and the recent award of the contract for the repowering of the thermo-electric power station of Manzanillo for more than Euros 700 million, Mexico is an example of how ACS, through our technical excellence, and our commitment to the client, shows itself to be one of the great industrial services companies in the world.

Our vocation for the energy sector is permanent and indisputable. The Grupo ACS, as I have said before, has been present in the sector for more than 80 years. Since the decade of the 20s, companies in the Group were already working in the installation and maintenance of generating and distribution assets, while at the same time building an abiding relationship of confidence with the public regulator and the electricity companies, then both public and private. A relationship of confidence which continues to this day.

This lengthy experience is what we intend to bring to Iberdrola. We continue to think that we can contribute to its business development, enhancing its economic and social function and, moreover, creating value for all of the shareholders in an essential economic sector. For this reason we will continue to attempt to collaborate with the growth and profitability of Iberdrola, together with the remainder of the partners and shareholders of the electricity utility. It is our conviction that if something is reasonable it will always end up winning out.

This is a way of doing things which is similar to what we are carrying out in Abertis or Hochtief, where we apply our experience and capacities in order to assist in increasing the future profitability of the company, and therefore of all of its shareholders.

Investments and indebtedness

The growth and profitability of our businesses provides us with a strong cash generation which has this year exceeded Euros 5,200 million; They come from the operating activities, which exceeded Euros 1,652 million, and from the divestment of the 35.30% holding which remained in Unión Fenosa and which amounted to Euros 5,825 million, of which 2,260 million were used to cancel the debt related to this investment.

Our capacity to generate funds has permitted us to improve our policy of compensating the shareholders, which includes Euros 653 million paid in the form of dividends, 8.8% more than the preceding year, and the acquisition of treasury shares to the value of Euros 466 million. But, fundamentally, this generation of cash permits us to take on the investments devoted to maintaining the objectives of growth which we pursue, and which during financial year 2009 reached Euros 4,518 million. Notable is the investment of Euros 2,349 million in the 5% equity swap in Iberdrola.

An investment of Euros 1,283 million was made in the Industrial Services and Energy area during financial year 2009. We would like to highlight the sum of Euros 679 million invested in five thermo-solar plants in Spain and Euros

309 million invested in various wind farms in Spain, Portugal and Mexico.

The effort put into the Construction area was also considerable, where Euros 408 million was invested, of which Euros 284 million were invested in the acquisition of the construction companies PolAqua in Poland, and Pulice and Picone in the United States. The sum of Euros 253 million was invested in the Concessions area, among which the most outstanding was the Euros 173 million invested in Motorway I595 in Florida, United States.

An investment of Euros 280 million was made in the Environment area, of which more than Euros 233 million were devoted to waste treatment plants and the renovation of machinery in Urbaser.

As you can see, we have invested in capital intensive projects, related to our basic activities, which generates the constant growth in our income statement and ensures the stability of our future income. Moreover, we have increased our diversification and internationalisation, always working within strict criteria of profitability and financial prudence.

Taken overall, and in spite of the heavy investments made during financial year 2009, the Grupo ACS has reduced its debt position by Euros 85 million. As at 31 December 2009 the debt of the Grupo ACS amounted to Euros 9,271 million, which corresponds to Euros 8,969 of finance without recourse, and Euros 302 million of net debt with recourse.

From the analysis of our financial structure, it can be concluded that:

Our operating activities have barely any debt, which permits us to continue to grow and invest on the basis of their very high capacity to generate sustainable and stable cash flows.

Of the Euros 8,969 million of debt without recourse, Euros 3,741 million correspond to projects in treatment plants, renewable energy, and infrastructure concessions which present a great capacity to generate cash flow and long term debt.

The remaining Euros 5,228 million without recourse are those which

correspond to the finance for our shareholdings in Iberdrola and Hochtief. This figure is virtually Euros 3,000 million less than the market value which our holdings in quoted companies had at the end of the year 2009, and which amounted to Euros 8,186 million.

The total of our net debt is 5.1 times the annual gross operating earnings of the Grupo (EBITDA) plus the dividends received from our investee companies.

Stock market movement and creation of value

As you also know, the Grupo ACS develops infrastructure which combines high visibility, an excellent capacity for growth, sustainable yield and generation of funds, and common industrial characteristics. Consequently, today we are one of the world leaders in the development of infrastructure.

Our leadership is based not only upon our financial solidity, or in our operating growth, but also upon our capacity to create value for our shareholders.

In stock market terms, the year 2009 has been highly positive for the capital markets, especially since the month of March when the minima for the year were reached. It is true that we came from one of the worst years in the history of the Stock Market in which the principal stock market indices demonstrated an extremely negative performance.

This trend reversed in the middle of March, and from that moment on, all of the international financial markets recovered a part of the ground they had lost during 2008. For example, the EUROSTOXX 50 improved by 21%, and in the Spanish market the IBEX35 index saw a recovery of 29.8%. The Grupo ACS had a more moderate behaviour, with a revaluation of 6.6%, the fruit of lower volatility and progress in 2008 which was much better than the market and the company's principal competitors.

Nevertheless, with a longer term view, it can be seen that the Grupo ACS is the Spanish company which has created most value for its shareholders in

the first decade of the twenty first century, as I mentioned at the start of my talk.

During this period, the net present value of all of the flows for the shareholder, that is to say dividends, capital increases and reductions, and appreciation in value amount to Euros 6,841 according to the study varied out by Professor Francisco López Lubián of the Instituto de Empresa. This study is the one that places us as the Spanish company which has created most value during this decade.

In fact the average annual yield of ACS from the year 2000 to 31 December 2009 exceeds 20% per year, which contrasts with the yield of the IBEX35 which barely goes beyond 3.5% including dividends.

Corporate Strategy

Throughout these years, the Grupo ACS has been an example of operating growth and strategic solidity. We have maintained and cultivated the values and principles of our group, which define our culture, throughout our now extensive trajectory.

As all of you know, the origin of what is today the Grupo ACS starts from our project in the year 1983 with Construcciones Padrós, and developed through a fruitful and intense process of integration with some of the best construction and services companies of our country.

Today, we continue to look to the future with the same optimism, but with a greater business experience and a solid basis of technical capacities which permits us to continue to pursue being the most profitable infrastructure development company in the world.

During these years, the Group has developed a decentralised organisation with a powerful orientation towards the client, supported by teams of human resources with a profound technical excellence, and an entrepreneurial mentality based upon our activity as contractors.

In the development of our strategy, we maintain three essential criteria which

we apply to each and every one of the activities in which we take part:

In the first place, we pursue recognised world leadership in each of our areas of activity, as a means to enhance our competitiveness, and to continue to attract talent to our organisation.

In second place, we pursue the permanent improvement of our operating efficiency: continuous improvement of the operating margins and the maintenance of a flexible and highly decentralised structure.

And thirdly, we are continuing to maintain a solid financial structure, which will allow us a reasonable investment policy in profitable projects and sustainable growth.

In line with these criteria, I consider that our competitive position is sufficiently solid to continue to pursue this profitable growth in the current economic and sectorial environment. Our solid financial structure and the capacity which we have demonstrated when it comes to generating profitability for our shareholders is, without any doubt, a guarantee for a successful future.

Corporate Responsibility

In terms of Corporate Responsibility, the policy of the Grupo ACS is based upon our commitments to all of the agents who interact with us, namely:

our clients, in the awareness that we are a services company and we want to retain their confidence;

our employees, through the search for the excellence which enables us to attract talent, to promote professional development, and to motivate creativity and dedication;

you, our shareholders, through profitable sustained growth, based upon a strict policy of assigning resources and investment in recurrent business;

and society in general, through our contribution to their sustainable

development and constant improvement, serving society in an effective and ethically responsible manner.

Our Corporate Responsibility policy pursues sustainable growth which will improve social welfare and respect the environment, carried on with total transparency.

During 2009, the Grupo ACS continued to reinforce its strategy of sustainability by means of a range of practices related to corporate responsibility in its three dimensions: economic, social, and environmental.

I would like to select one initiative out of all of them, one which we have been carrying on for many years now, the integration of people with a disability, a social reality which in a moment of crisis like now seems to me to be paramount, given that the environment is particularly hard for this group of people.

In 2009, more than 2,300 people with a disability worked in the Grupo ACS, and this is a figure which has grown continuously over recent years: specifically 14.3% in 2009. Behind these figures there is a firm and decided commitment which is always in tune with the policies of Corporate Responsibility in the Grupo ACS, and means a more ambitious response than one that derives from the mere compliance with legal obligations, since it entails finding a concrete solution to problems and circumstances which only real life is capable of showing.

These initiatives unite social commitment with the operating management of the company, because we must not forget that our employees with a disability form an integral part of a company and contribute to its continuous growth with normality and notable enthusiasm.

In order to complement this commitment, the Fundación ACS develops initiatives which promote accessibility in a parallel manner to our integrative efforts. Thus, in the year 2009, 35 projects have been developed in this area with an investment of more than Euros 780,000.

We are very proud of our activity in this area, and we are convinced that we can integrate many people who are for us, as for society as a whole, extremely useful and profitable and are doubly motivated, in a professional, effective, and successful manner.

In the Annual Report which has been handed to you, we include the Report on Corporate Responsibility for financial year 2009, which presents extensive information with respect to the economic, environmental, and social performance of the Group and the various interest groups which interact with us. Also, as in every year, the Vice-Chairman of the Grupo ACS, Antonio García Ferrer, will give you details of the most important features of this subject in his talk.

We have also handed out the Annual Report on Corporate Governance. In this area, we have introduced substantial changes which are directed towards reinforcing the transparency and independence of our system of governance.

We have recently carried out the necessary changes in the Regulations of our Board of Directors to bring our procedures into line with virtually all of the recommendations of the Unified Code. All of these changes are available in the report we have delivered, and on our web page, and will be applied immediately in our system of Corporate Governance, in such a manner that we can analyse their effectiveness next year.

FUTURE PROSPECTS

To conclude, I would like to summarise for you our prospects for the present financial year, 2010, which has already begun. Over the coming months we propose to continue growing globally, by means of an orderly international expansion of our activities without, nevertheless, neglecting the domestic market. To this end we have set ourselves the objective of our consolidated sales growing by at least 3% during this financial year.

We are also working to continue to improve our operating margins, both by

means of greater growth in our most profitable activities, and by means of our technical and operational commitment, with efficiency, cost restraint, and improvement in our working procedures.

During this financial year, 2010, we propose to invest in a sustained and coherent manner, developing new opportunities, in addition to those we have in our portfolio, especially in infrastructure and in our principal areas of business.

In short, we have before us a year in which we intend to continue to consolidate our position as leader in profitability and growth; a year in which we are going to continue to invest in order to emerge from the crisis twice as strong, and during which we shall continue to generate value and profitability for all of you, our shareholders.

We have set as our objective that our ordinary earnings per share should grow by more than 10% in 2010, and as a minimum maintain the dividend for our shareholders.

I trust that I will be able to see you next year and confirm these forecasts and continue to discuss with you how we are advancing in the construction of this project which is so exciting, the Grupo ACS.

Thank you very much.