

Grupo ACS

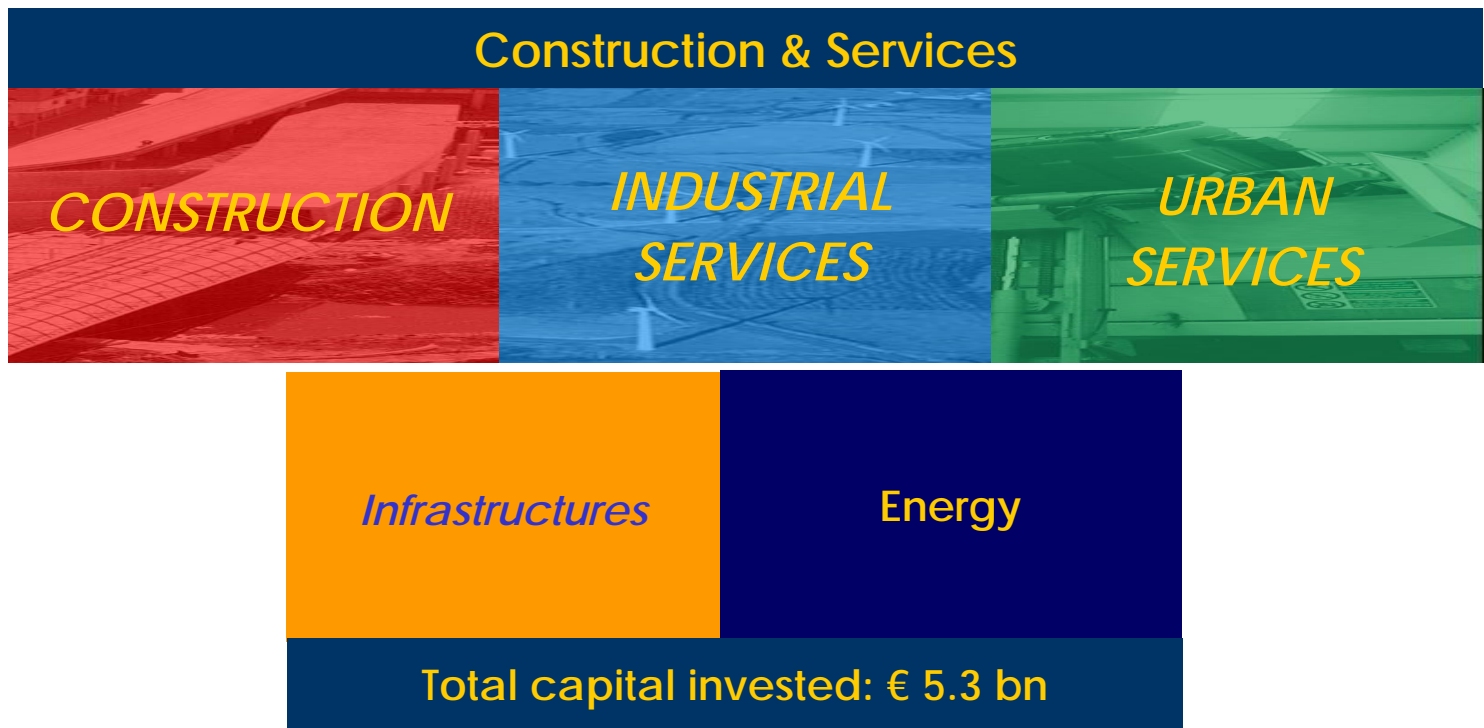
Presentation to Investors

November 2005



- ❖ Our Group
- ❖ Our Businesses
- ❖ Our Core Stakes
- ❖ Conclusions

Grupo ACS is a world leading construction and services group,



which actively participates in the development of key industries

A world reference in the construction and services industry

TOP GLOBAL CONTRACTORS	
RANK	FIRM
1	VINCI, Rueil-Malmaison, Cedex, France
2	BOUYGUES, Saint-Quentin-en-Yvelines, France
3	Hochtief AG, Essen, Germany
4	Grupo ACS, Madrid, Spain
5	Bechtel, San Francisco, Calif., U.S.A.
6	Skanska AB, Solna, Sweden
7	Taisei Corp., Tokyo, Japan
8	Kajima Corp., Tokyo, Japan
9	Shimizu Corp., Tokyo, Japan
10	Obayashi Corp., Tokyo, Japan
11	China Railway Engineering Corp., Beijing, China
12	KBR, Houston, Texas, U.S.A.
13	Takenaka Corp., Osaka, Japan
14	Centex, Dallas, Texas, U.S.A.
15	China Railway Construction Corp., Beijing, China
16	EIFFAGE, Issy les Moulineaux, France
17	China State Construction Eng'g Corp., Beijing, China
18	Ferrovial, Madrid, Spain
19	Royal BAM Groep nv, Bunnik, The Netherlands
20	FIMAG Finanz Industrie Mgmt. AG, Spittal/Drau, Austria
21	Balfour Beatty plc, London, U.K.
22	Bilfinger Berger AG, Mannheim, Germany
23	FCC, Fomento de Constr. y Contratas, Madrid, Spain
24	Fluor Corp., Aliso Viejo, Calif., U.S.A.
25	TECHNIP, Paris La Defense Cedex, France

1 in Spain

4 in Europe

4 in the World

Source: Engineering News-Record – August 2005

which aims to

serve clients needs of infrastructure developments

with our own corporate culture and values

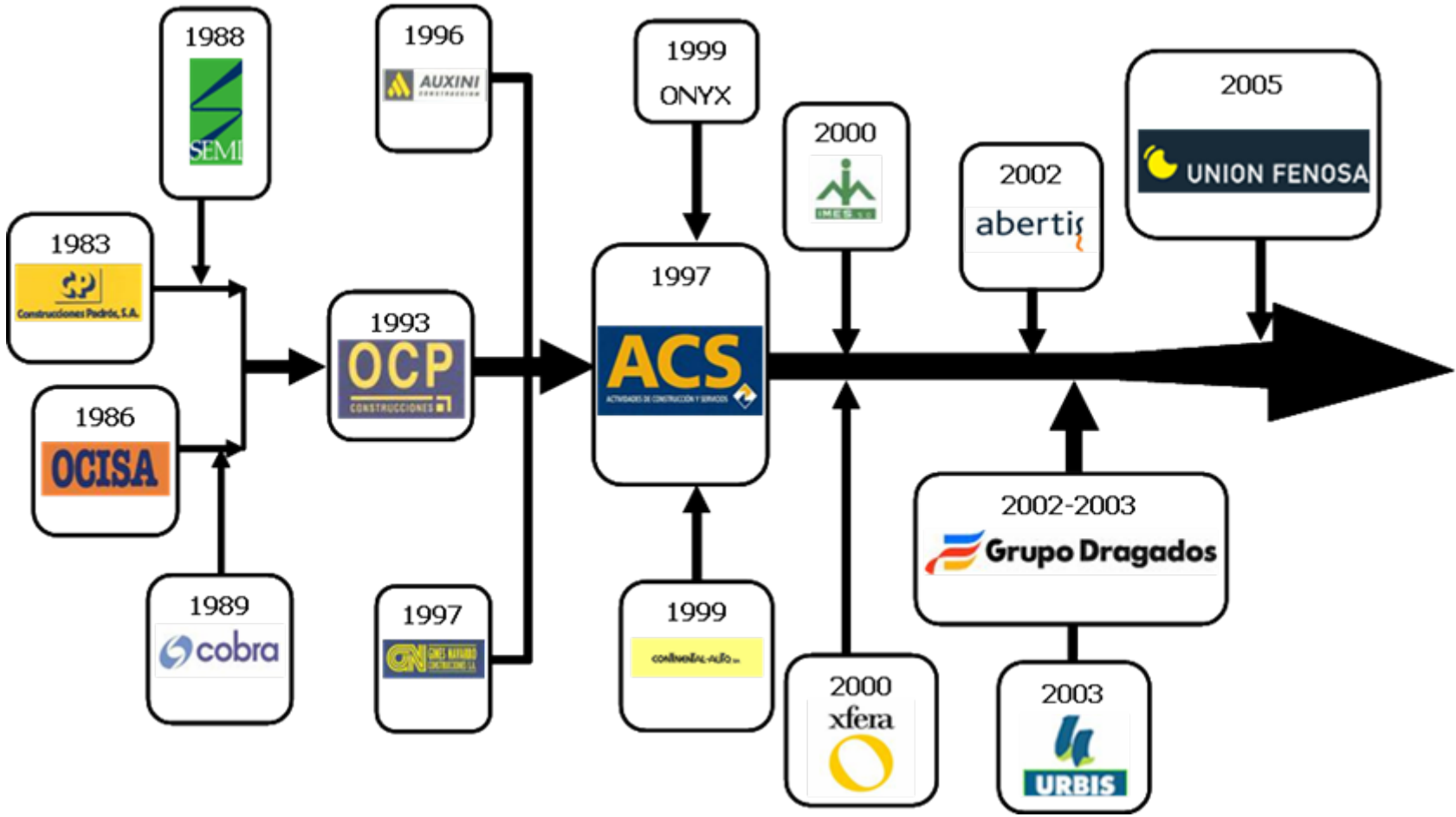
Expertise

Trust

Commitment

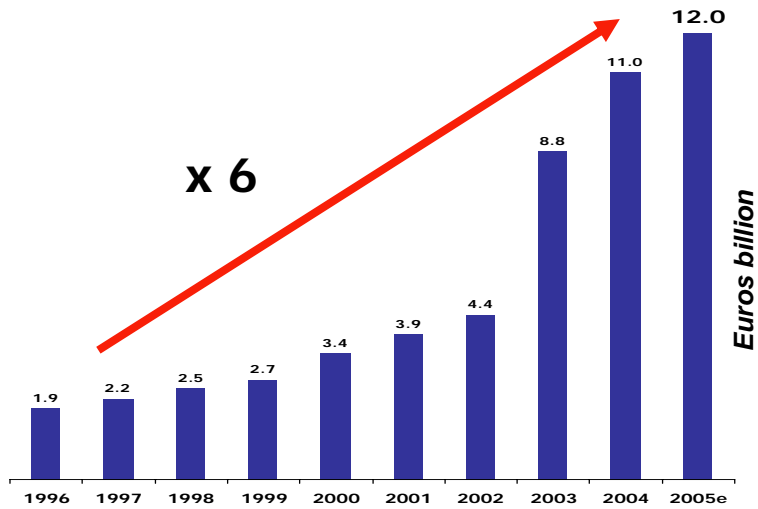
Profitability

We present an unrivalled history of value creation through successful integration processes





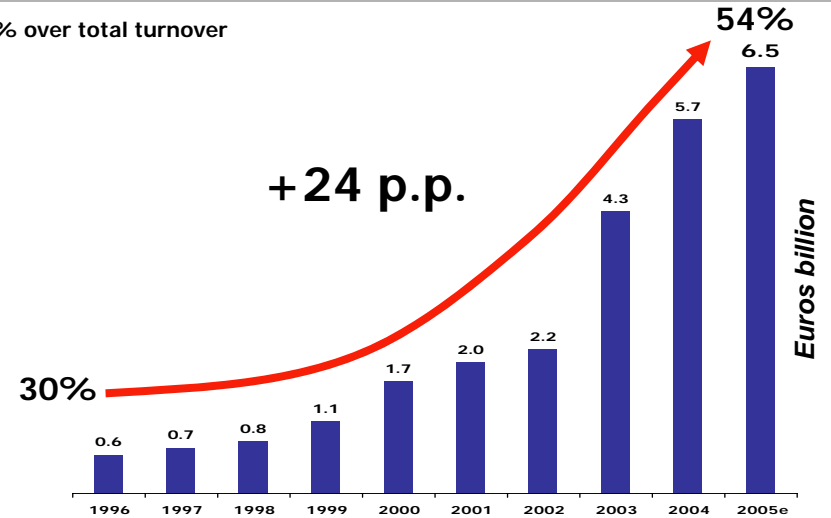
Turnover



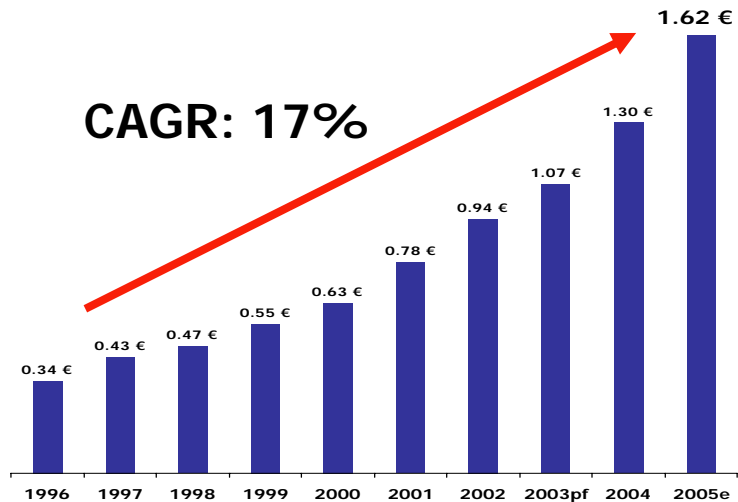
Diversification

Turnover generated by non construction activities

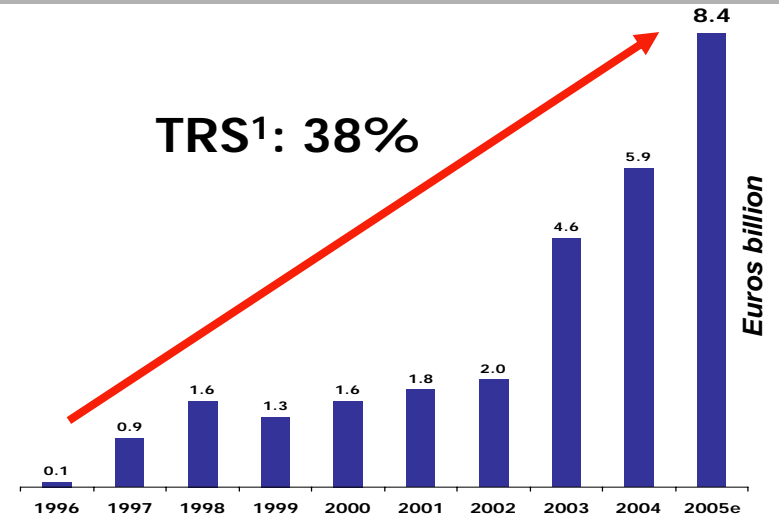
In % over total turnover



EPS



Market Cap.

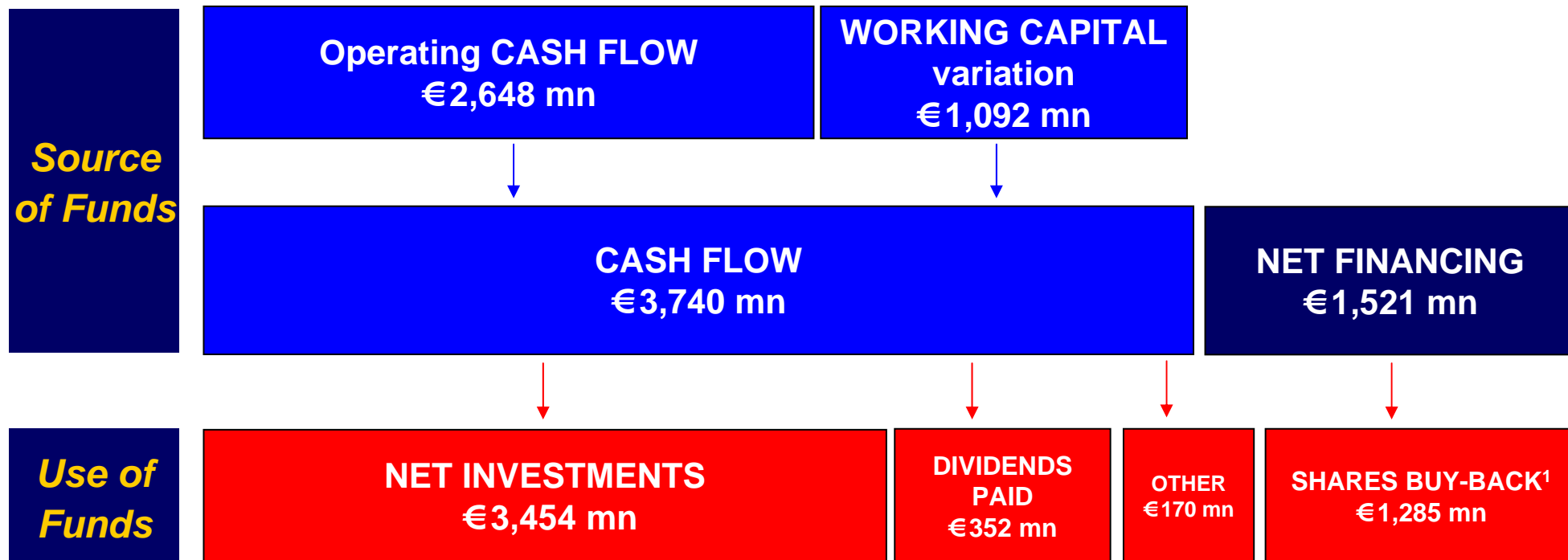


1: TRS (total return to shareholders) is calculated as IRR including shares performance and dividends payment



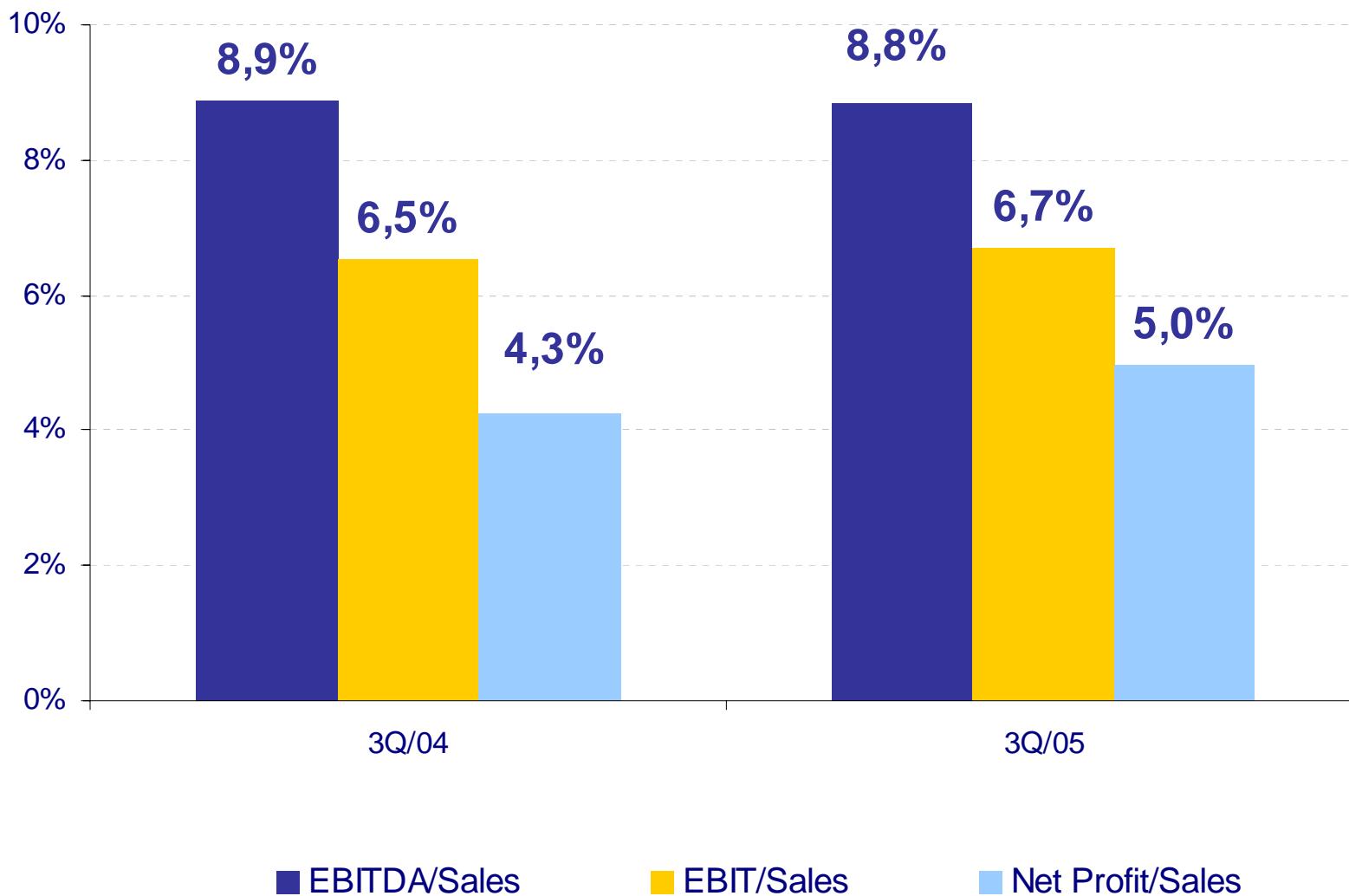
- Since the Grupo Dragados acquisition in 2002, an excess of € 3.7 bn of total cash flow has been generated.
- Net investments (excluding UNF deal) account for close to € 3.5 bn

**Aggregate figures
2002 – 3Q/2005**



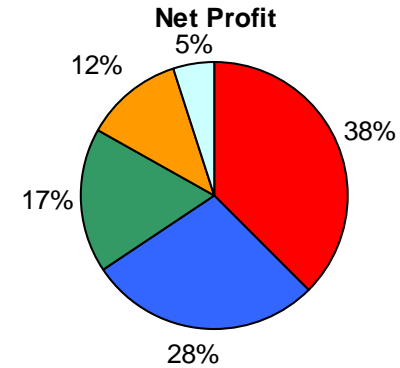
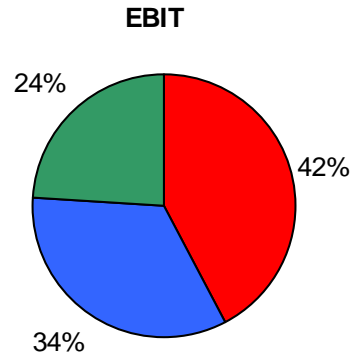
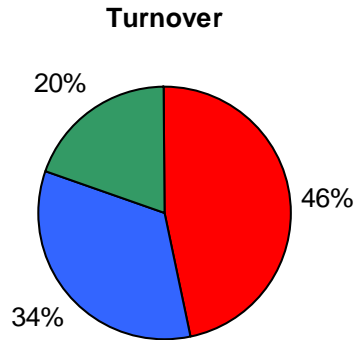
Note 1: Correspond to the acquisition of a 33.5% stake in Grupo Dragados, which was cancelled after the merger

<i>Euro Millions</i>	3Q/04	3Q/05	Var
Turnover	7.941,4	8.891,3	+12,0 %
EBITDA	704,2	785,7	+11,6 %
EBIT	517,4	596,4	+15,3 %
Profit from Associates	65,3	93,4	+43,1 %
Net Profit	338,7	440,3	+30,0 %
EPS	0,97 €	1,26 €	+30,2 %
Total Net Debt	2.009,8	1.960,0	-2,5 %
Corporate Net Debt	1.666,5	1.380,5	-17,2 %
Project Finance	343,3	579,5	+68,8 %
Shareholders' Equity	1.938,8	2.521,3	+30,0 %
Net Investments	828,0	3.482,7	+320,6 %
Ordinary net investments	828,0	1.263,4	+52,6 %
Acquisition 22% stake in UNF	n.a.	2.219,3	

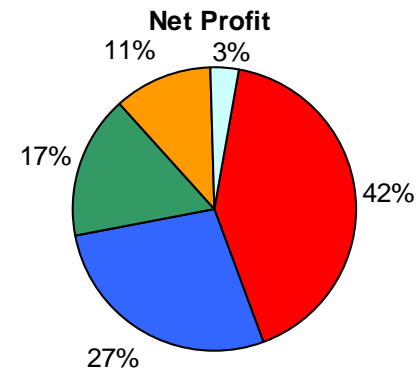
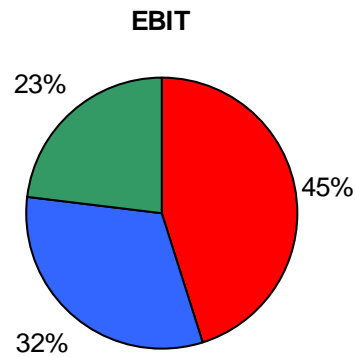
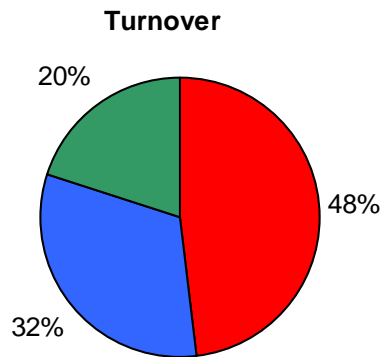


Breakdown by activity 3Q/05

3Q/05



3Q/04

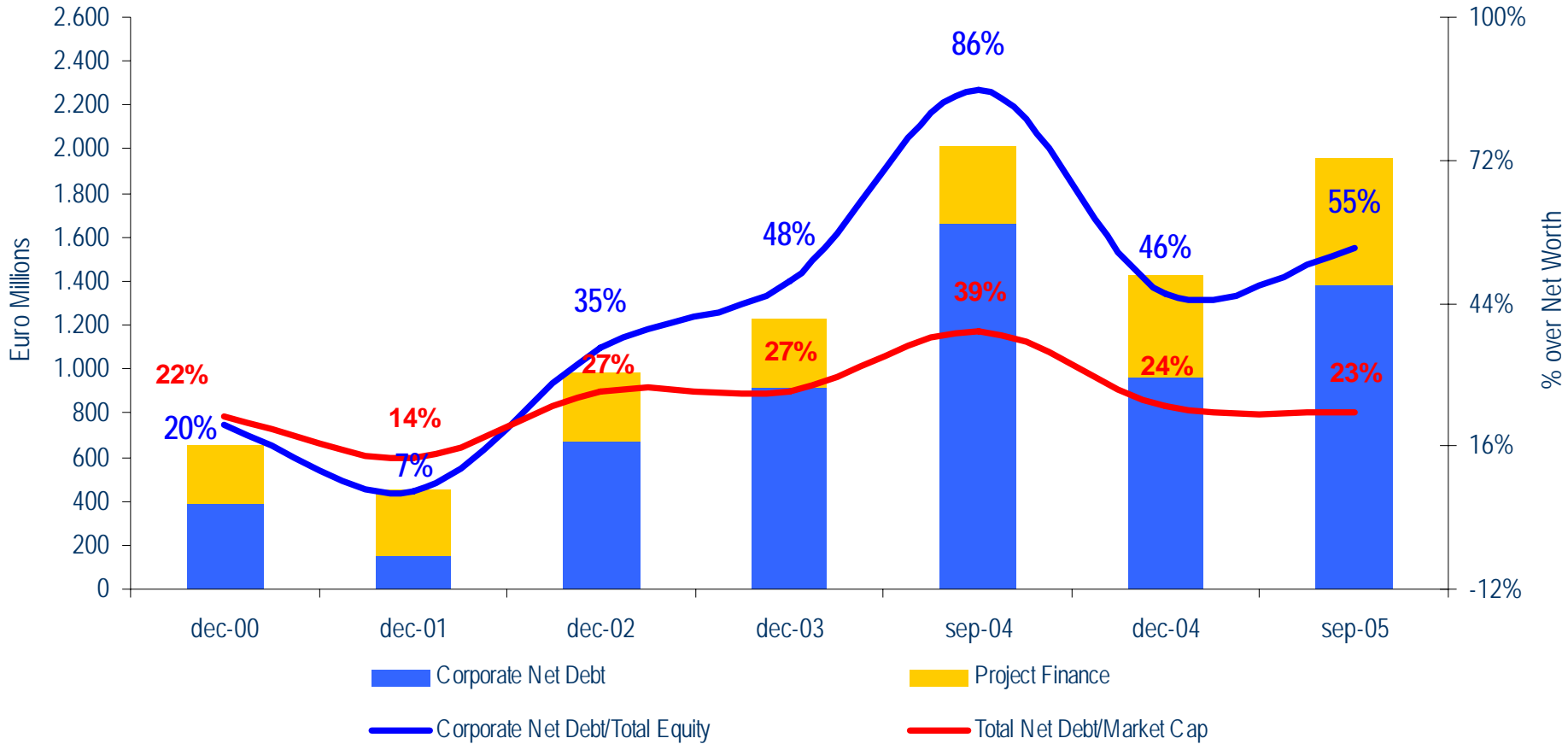


■ Construction ■ Industrial Services ■ Services ■ Concessions ■ Urbis

NOTE: Percentages are calculated over the sum of the activities considered in each graph

Million Euro	sep-04	dec-04	sep-05	Var. 05/04
Tangible fixed assets	1.791,4	1.981,0	2.255,6	+25,9 %
Goodwill	1.000,4	1.012,1	1.039,1	+3,9 %
Intangible assets & others	629,0	590,8	825,1	+31,2 %
LT financial assets	1.812,5	1.868,1	2.542,5	+162,7 %
22% Stake in UNF			2.219,3	n.a.
Fixed Assets	5.233,3	5.452,1	8.881,7	+69,7 %
Current non financial assets	5.624,0	5.395,1	5.889,2	+4,7 %
Current non financial liabilities	(6.298,6)	(6.697,8)	(7.357,4)	+52,0 %
Working Capital	(674,6)	(1.302,7)	(1.468,2)	+117,6 %
TOTAL NET ASSETS	4.558,6	4.149,3	7.413,5	+62,6 %
Shareholders' Equity	1.844,4	1.991,6	2.382,6	+29,2 %
Minority Interests	94,4	117,0	138,7	+47,0 %
Net Worth	1.938,8	2.108,6	2.521,3	+30,0 %
Other non current liabilities	610,0	616,8	712,8	+16,9 %
Loans from credit entities	2.776,0	2.508,5	3.733,4	+34,5 %
Project Finance	343,3	462,3	579,5	+68,8 %
Other financial liabilities	53,8	49,4	38,7	-28,1 %
Cash and equivalents	(1.163,3)	(1.596,3)	(2.391,6)	+105,6 %
Net Debt	2.009,8	1.423,9	1.960,0	-2,5 %
Payment pending on 22% UNF acq.			2.219,3	n.a.
TOTAL LIABILITIES AND EQUITIES	4.558,6	4.149,3	7.413,5	+62,6 %

Net debt evolution

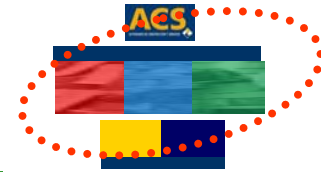


Sep-05 figure does not include UNF operation as the amount was paid on October, 3rd.

Million Euro	3Q/04	3Q/05	Var. 05/04
Cash Flow from Operations	478,6	561,3	+17,3 %
Working Capital (Requirements) / Excess	(192,2)	212,9	n.a.
Cash Flow from Operating Activities	286,4	774,2	+170,3 %
<i>Fixed assets investments</i>	(257,7)	(311,0)	
<i>Concessional projects investments</i>	(152,3)	(258,0)	
<i>Financial assets investments</i>	(418,0)	(694,4)	
<i>22% stake in Unión Fenosa acquisition</i>	n.a.	(2.219,3)	
Capital Expenditure	(828,0)	(3.482,7)	320,6%
Bank Financing	811,8	1.331,5	+64,0 %
<i>Dividends paid</i>	(96,4)	(137,6)	
<i>Treasury stock movements</i>	(90,0)	36,8	
Equity Financing	(186,4)	(100,8)	-45,9 %
<i>Payment pending on UNF 22% stake acquisition</i>	n.a.	2.219,3	
<i>Other sources</i>	(48,1)	53,9	
Other Liabilities	(48,1)	2.273,2	n.a.
Cash Flow from Financing Activities	577,4	3.503,9	+506,9 %
Total Cash Flow Inc/(Dec)	35,8	795,3	
<i>Cash Position at the Begining of the Period</i>	1.127,5	1.596,3	+41,6 %
<i>Current Cash Position</i>	1.163,3	2.391,6	+105,6 %



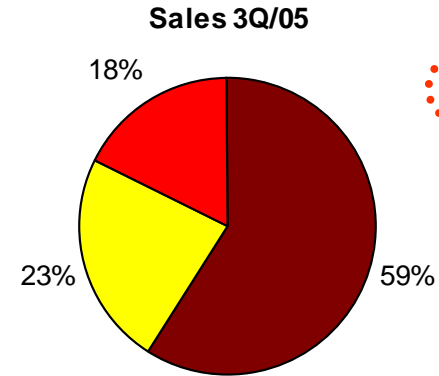
- ▣ Our Group
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- ▣ Conclusions



	Construction		Industrial Services		Services	
<i>(Million Euros)</i>						
Turnover	4.174,4	+7,9%	3.010,5	+19,3%	1.777,7	+8,9%
EBITDA	307,3	+5,4%	247,8	+19,7%	252,1	+13,3%
<i>Margin</i>	7,4%		8,2%		14,2%	
EBIT	261,7	+8,5%	209,4	+20%	148,3	+22,7%
<i>Margin</i>	6,3%		7%		8,3%	
PBT	276,0	+13,3%	194,6	+21,7%	121,9	+30%
<i>Margin</i>	6,6%		6,5%		6,9%	
Net Profit	117,8	+5,4%	132,3	+19,4%	82,6	+23,2%
<i>Margin</i>	4,3%		4,4%		4,6%	

Million Euro

	3Q/04	3Q/05	Var. 05/04
Civil Works	2.312,4	2.460,5	+6,4 %
Non residential Building	868,1	970,1	+11,7 %
Residential Building	687,7	744,1	+8,2 %
TOTAL	3.868,2	4.174,7	+7,9 %
<i>International</i>	<i>302,3</i>	<i>415,5</i>	<i>+37,4 %</i>
%	8%	10%	



It allows the Group to finance other activities

Strong cash flow generation capacity

Deep clients' knowledge
Ability to anticipate their needs
Trust & long term relationship

Competitive size
Economies of scale
Subcontracting & purchase power

Technical Know-how
Attract the best professionals
Quality control

Local management **High competitive and mature business**

International development:
Own concessions
Markets with ACS long term presence

Focus on the local markets



Spanish construction sector:

- One of the largest and most dynamic markets across Europe
- Ambitious and parliamentary approved infrastructures plan on a PFI model (60% public - 40% Private)
- An important and consistent contributor to the GDP growth

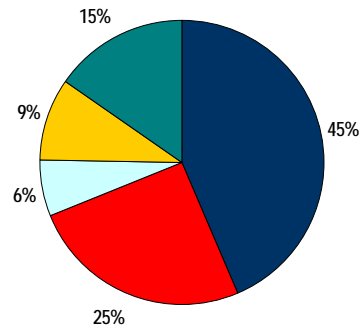
Graph 2 – New National Strategic Infrastructure Plan (PEIT)

Source: Spanish Ministry of Civil Works

Investment plan 2005 - 2020

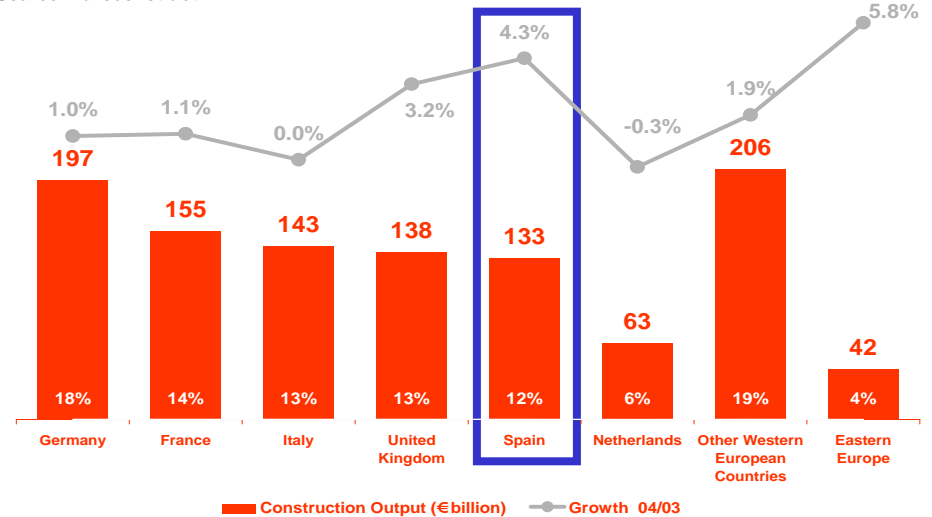
- Railroads € 108.6 bn
- Highways € 62.7 bn
- Airports € 15.7 bn
- Ports € 23.5 bn
- Others € 38.2 bn

Total Investments € 248.7 bn
(60% Public. 40%: Private-Public)



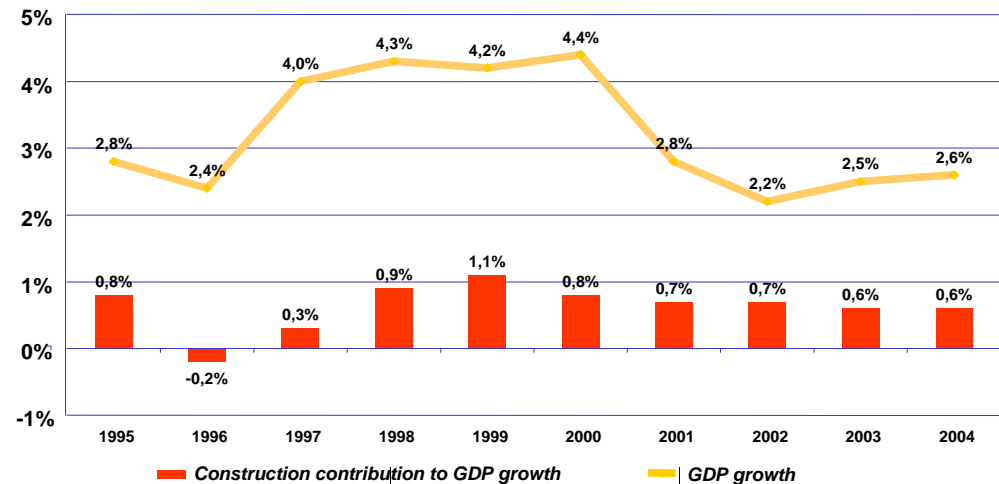
Graph 1 - Construction output and Growth – by country (2004)

Source: Euroconstruct



Graph 3 - Construction contribution to GDP growth (95-04)

Source: Seopan

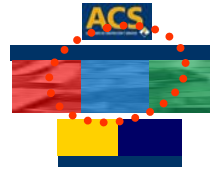
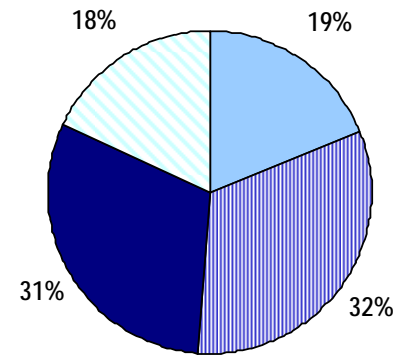




Million Euro

	3Q/04	3Q/05	Var. 05/04
Networks	526,3	577,4	+9,7 %
Specialized Products	872,8	963,5	+10,4 %
Energy Projects	659,5	932,9	+41,4 %
Control Systems	465,5	536,7	+15,3 %
TOTAL	2.524,1	3.010,5	+19,3 %
<i>International</i>	<i>746,1</i>	<i>961,7</i>	<i>+28,9 %</i>
<i>%</i>	<i>30%</i>	<i>32%</i>	

Sales 3Q05



Leading provider of applied engineering & support services

- European reference: presence in more than 25 countries
- Own corporate culture: more than 75 years of experience

- Main supplier of the utilities (installation & maintenance of generation and distribution facilities)
- Leader installing & maintaining industrial infrastructures

Consistent growth based on diversification

Product diversification

Potential growth based on geographical diversification

RETAIL

70%

International 9%

Networks
Specialized installations
Control Systems

LARGE PROJECTS

30%

International 60%

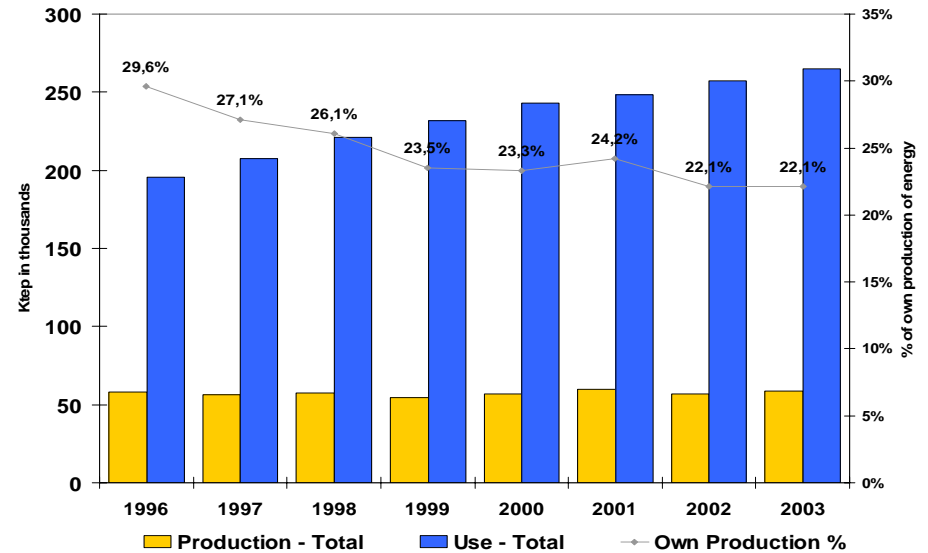
Large specialized installations
Integrated projects
Concessions

Industrial services sector:

- Substantial growth of energy demand
- Capacity increase of renewable and gas based energy in the forthcoming years
- High oil prices accelerate investments in the oil industry (drilling, refining, transportation, distribution)

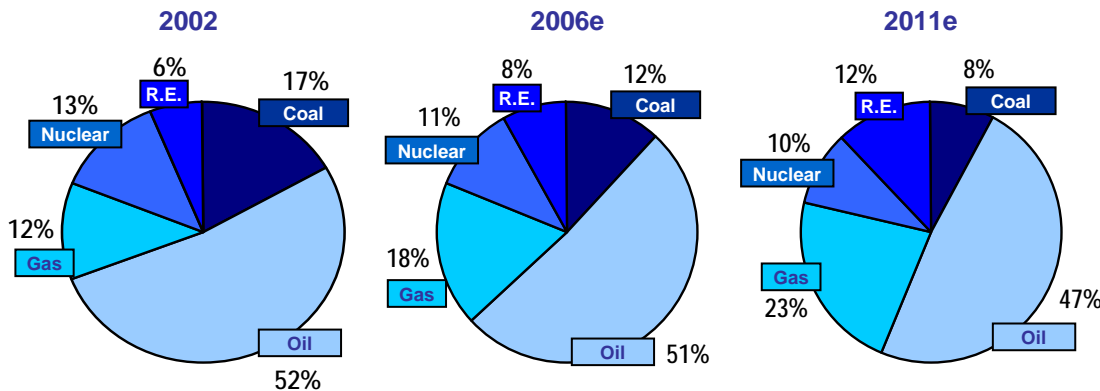
Graph 1– Production and Use of energy – Spain – 96/03

Source: INE (National Statistics Institute)



Graph 2 – Evolution primary energy use – Spain – 2002-2011e

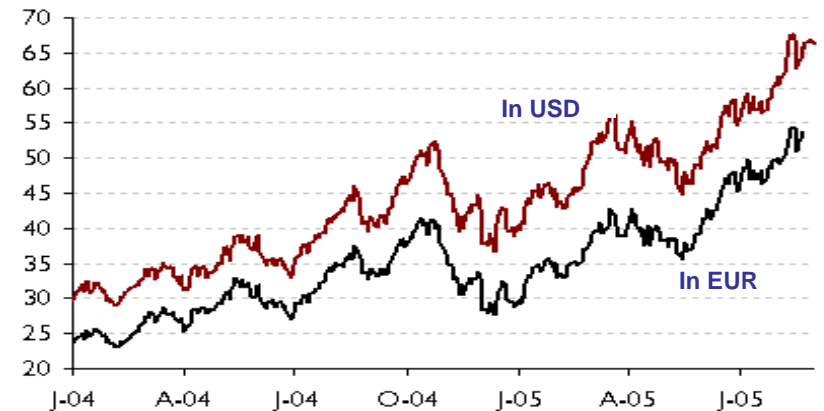
Source: Spanish Industry, Tourism and Commerce Ministry.



R.E. stands for Renewable Energies

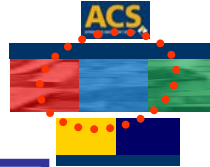
Graph 3 – Oil price per barrel - Brent

Source: Reuters





Main supplier of utilities & large industrial corporations



3Q05

1st line: Revenues
2nd line: Backlog

€577 mn
€848 mn

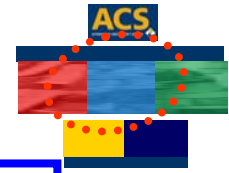
Networks

- Maintenance of LT electric networks
- Maintenance of gas & water installations and networks
- Industrial maintenance and support services





Global player in the support services market

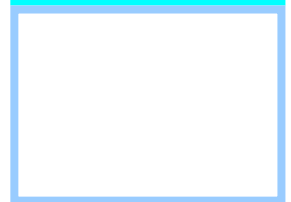
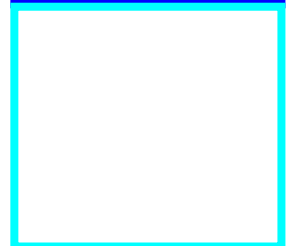


3Q05

1st line: Revenues
2nd line: Backlog



€963 mn
€1,279 mn



Specialized Products

- Installation and maintenance of HT electric networks
- Engineering, installation, and maintenance of telecommunications systems
- Maintenance of railways systems
- Electrical installations
- Mechanical and cooling systems

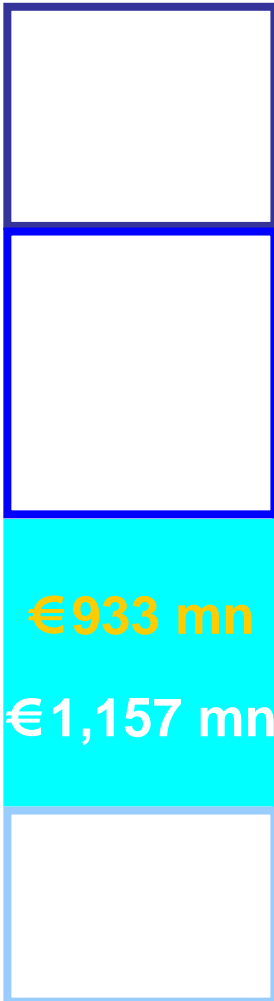




World reference in the integrated projects industry

3Q05

1st line: Revenues
2nd line: Backlog



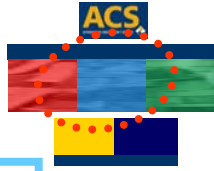
Energy Projects

- Electricity projects & renewable energy
- Oil & gas facility projects
- Off-shore platforms
- High speed railway projects



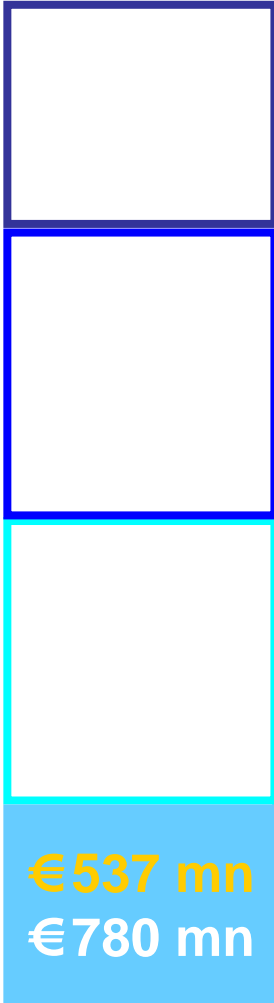


Spanish leading company in control systems



3Q05

1st line: Revenues
2nd line: Backlog







Control Systems

- Traffic & transport control systems
- Lightening systems
- Integral maintenance of public infrastructures

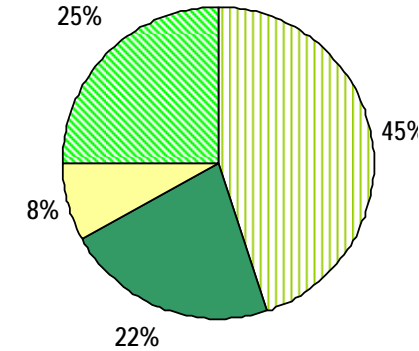




Million Euro

	3Q/04	3Q/05	Var. 05/04
 Environmental	755,3	801,1	+6,1 %
 Ports & Logistics	342,8	398,4	+16,2 %
 Passenger Transportation	128,7	137,3	+6,7 %
 Facility Management	405,6	440,9	+8,7 %
TOTAL	1.632,4	1.777,7	+8,9 %
<i>International</i>	<i>162,7</i>	<i>163,7</i>	<i>+0,6 %</i>
<i>%</i>	<i>10%</i>	<i>9%</i>	

Sales 3Q05



Competitive Advantages

Leadership

Financial and technological capacity

Experience in building and operation of treatment plants

International experience

Solid position in sectors to be developed

Extensive service range

1 in Environmental Services in Spain

1 in Facility Management in Spain

1 in Ports & Logistics in Spain

2 in Road Passenger Transportation in Spain



High recurrence in revenues

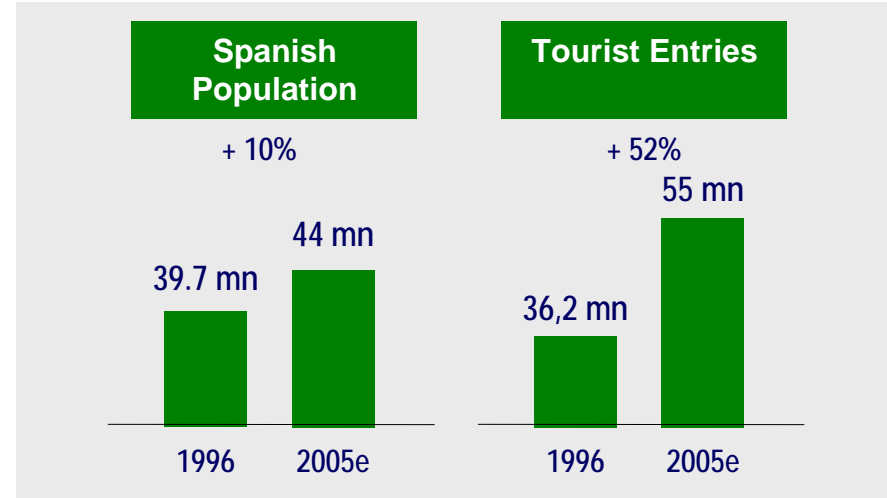
Strong visibility

Urban services sector:

- Spanish Urban Services market addresses the growing Spanish population as well as the 55 million visitors per year.
- Globalization drives sustained growth in ports activities
- Waste management services increase supported by higher environmental awareness

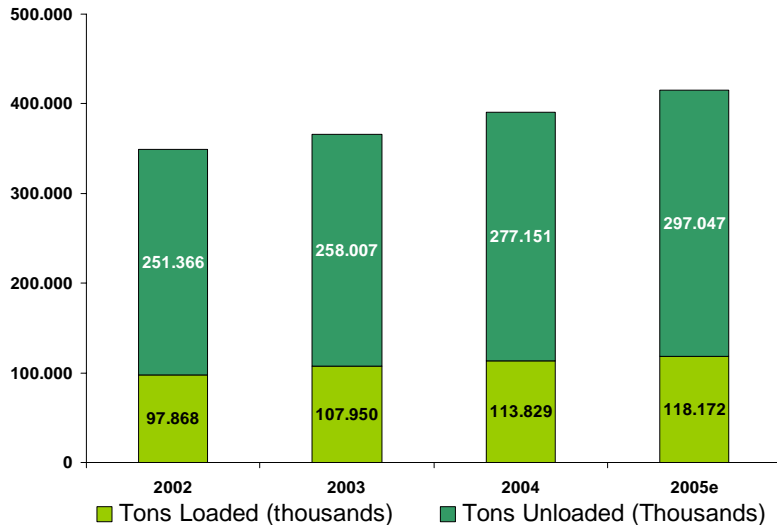
Graph 1 – Spanish Population Evolution and Tourists entries

Source: INE (National Statistics Institute)



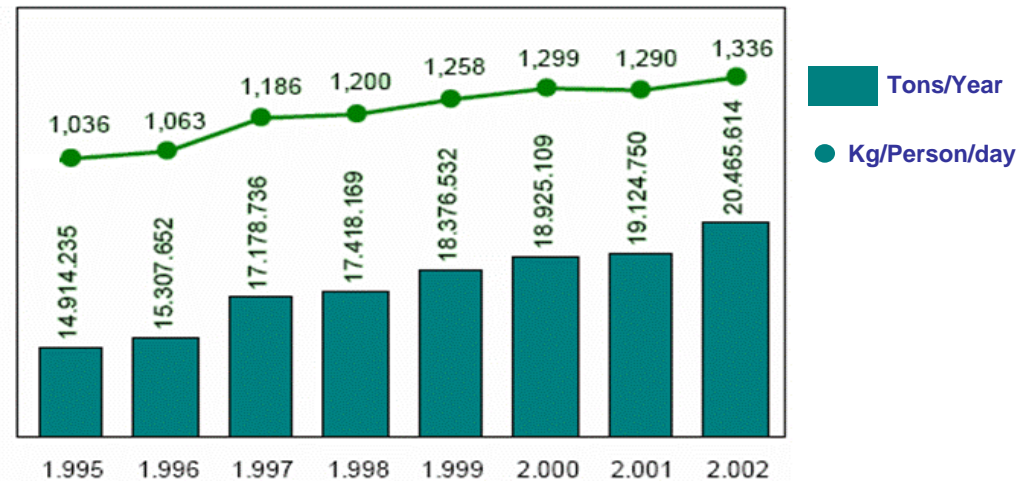
Graph 2 - Spanish Ports Activity – Tons – 2002-2005e

Source: INE (National Statistics Institute)



Graph 3 – Solid Urban Waste generated – Spain – 95/02

Source: Spanish Environmental Ministry
Latest statistics published by Eurostat





3Q05

Environmental services

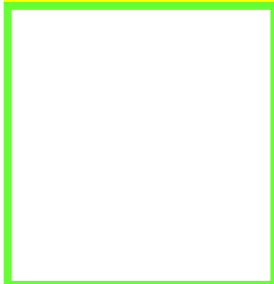
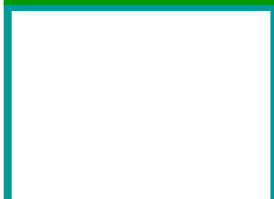
Urban Solid Waste (USW) management and treatment

- Collection & street cleaning
- Treatment Plants
- Landfills
- Waste to Energy Plants

Special Waste management: Hospital & industrial waste

1st line: Revenues
2nd line: Backlog

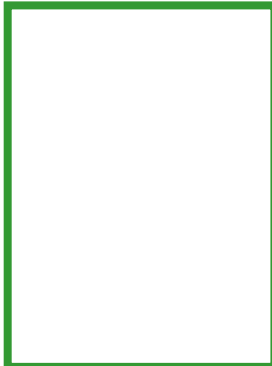
€ 801 mn
€ 7,400 mn



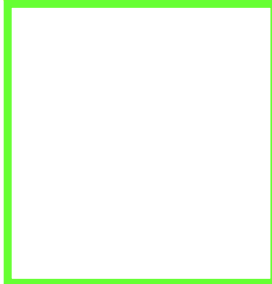
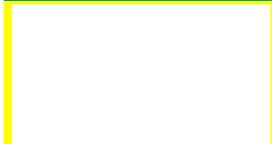


1st line: Revenues
2nd line: Backlog

3Q05



€ 398 mn
€ 3,216 mn



Ports & logistics

Integral logistics operator :

- Port handling
- Shipping Agent
- Land, air and sea forwarding
- Combined transport & specialized logistics



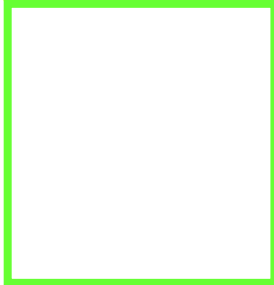


1st line: Revenues
2nd line: Backlog

3Q05



€ 137 mn
€ 1,338 mn



Passenger transportation

Scheduled passenger service on a concession basis:

- Long distance, intercity and urban road transportation
- Services in the Madrid, North of Spain, Catalonia and Andalusia
- New routes through concession acquisitions

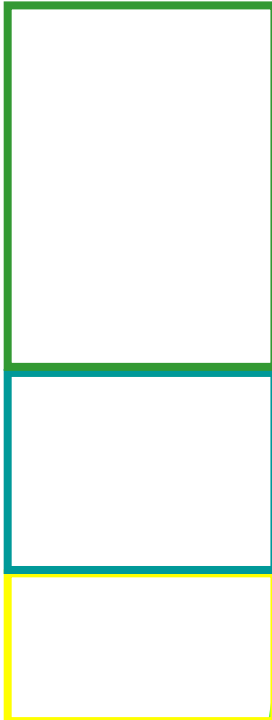
Continental Rail: shipping materials by rail





1st line: Revenues
2nd line: Backlog

3Q05



€ 441 mn
€ 503 mn

Facility management

Integrated building maintenance & cleaning

Gardening, reforestation and landscape restoration

Airports' multiservices

Social-sanitary services





- ▣ Our Group
- ▣ Our Businesses
- ▣ Our Core Stakes
- ▣ Conclusions



DEMAND

STABLE MARKET CONDITIONS

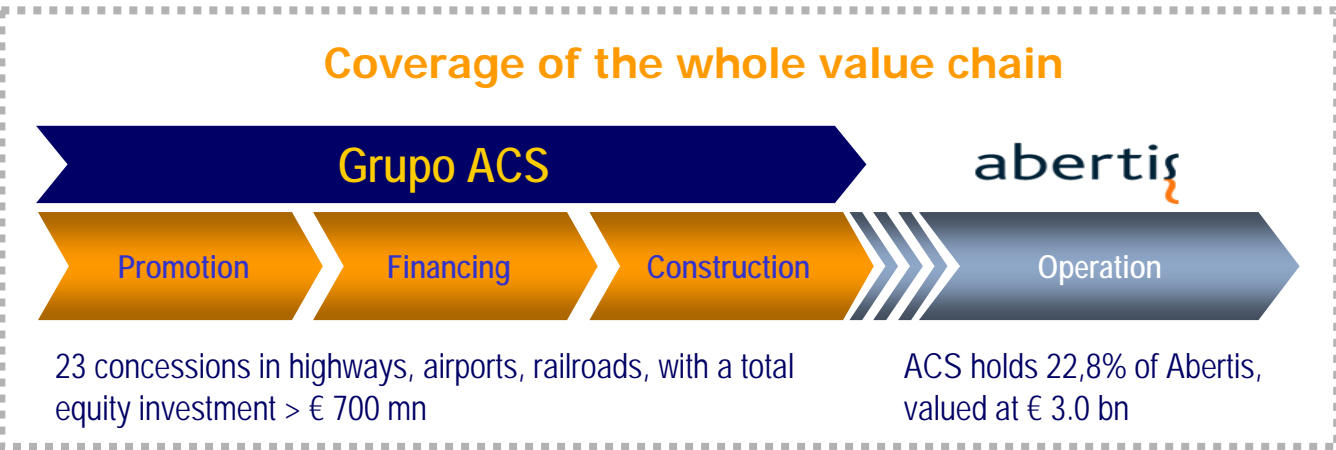
SUPPLY

- Increasing demand of new & more complex infrastructures
- Public initiative to satisfy such demand, without Government spending

- Large availability of financial resources for this kind of projects
- Legal framework which encourages Public & Private partnerships
- PEIT supports private financing

- Strong companies to face the whole value chain of these projects
- Contracting firms are the best positioned
 - L.T. commitment
 - Project risks' management
 - Technical specialization

Excellent market opportunities to develop new Concessions projects

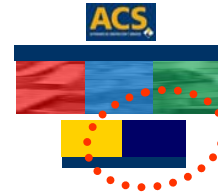


Infrastructure promotion world leader (1)

(1) Source: Public Works Financing (PWF)



Grupo ACS has acquired 22% of Unión Fenosa, for a total amount of € 2,219 million, equivalent to € 33 per share



Investment Rationale

- ❑ **Strategic investment** to become the **reference shareholder** of the **third utility in Spain**.
- ❑ **Consolidating industry** with **growing perspectives**.
 - ✓ Spain is the 4th electrical market in Europe
 - ✓ and it has the fastest growing gas market of the continent
- ❑ Our **experience and know how** in the energy industry will:
 - ✓ Support the **expansion plans**, both international and domestic, in gas and electricity
 - ✓ Take advantage of the **new regulatory framework in Spain**
 - ✓ Reinforce the **industrial vision of Unión Fenosa** in the long term.
- ❑ The operation has a **positive impact** from a financial point of view being **accretive both in EPS and Cash Flow**.

Unión Fenosa Snapshot

Domestic Electricity 57% of EV 53% of EBITDA	Gas 11% of EV 13% of EBITDA	International 20% of EV 30% of EBITDA	Soluziona 4% of EV 5% of EBITDA
Generation Inst. Capacity Hydro 1,825 MW Coal 2,048 MW Fuel & Gas 774 MW Nuclear 739 MW CCGT 1,200 MW Spec.Reg. 502 MW Total 7,088 MW Production 25,544 GWh	Liquefaction Damietta – Egypt Qalhat - Oman Regasification Reganosa (21%) Sagunto (42,5%)	Mexico Inst. Capacity 1,550 MW Production 9,997 GWh Colombia Inst. Capacity 892 MW Customers 2,0 mn Panama Energy Dist. 2,737 GWh Customers 0,4 mn Nicaragua Energy Dist. 1,708 GWh Customers 0,6 mn Guatemala Energy Dist. 1,305 GWh Customers 1,16 mn Dominican Republic Inst. Capacity 198 MW Costa Rica Inst. Capacity 50MW	Engineering Consulting Telecommunications Quality and Environmental Others 8% of EV 0% of EBITDA REE Cepsa Mining Real Estate Other financial invest.
Distribution and Supply Energy distr. 31,177 GWh Customers Madrid 1,1 mn Galicia 1,3 mn Cast la Mancha 0,5 mn Cast Leon 0,3 mn Total 3,3 mn	Commercialization 4,6% market share 6,992 KWh sold Unión Fenosa Gas 60% Guaranteed supply Contracts		



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Good operating performance: excellent results and 2005 prospects so far

International expansion through organic growth

Strategic investment in Union Fenosa

Ordinary Capex committed to sustainable & profitable growth

Financial soundness



Focus on shareholder's return

We fulfill our targets



	<i>2005 Initial Target</i>	<i>3Q05</i>
TURNOVER	+ 5 - 10%	+ 12%
Construction	+ 5 - 8%	+ 7.9%
Industrial Services	+ 8 - 12%	+ 19.3%
Services and Concessions	+ 5 - 10%	+ 8.6%
EBIT	+ 9 - 15%	+ 15.3%
NET PROFIT	+15 - 20 %	+ 30%
ORDINARY INVESTMENTS	> € 1,000 mn	>1,200mn