

ACS

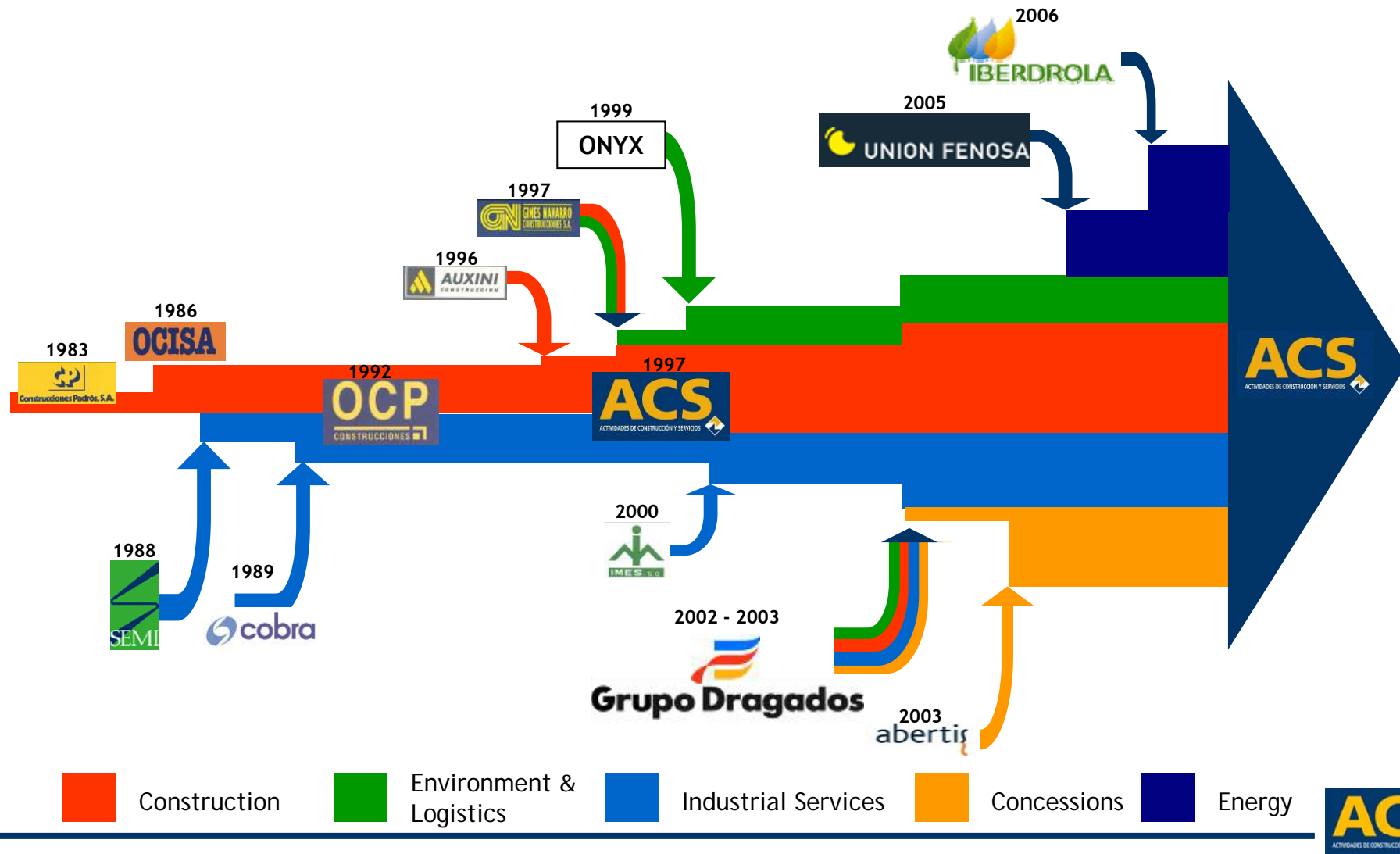
ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS



Presentation to Investors

March 2007

Grupo ACS has been the result of continuous and successful integration processes all through its history



Grupo ACS is a world reference in Construction and Services...



ABERTIS

IBERDROLA

Strategic investments on listed companies

... that participates in the economy key industries

Consolidating industry with an attractive growing outlook

- Spain is the 4th electrical market in Europe and the fastest growing gas market
- Regulatory framework is being modified to adapt new market conditions
- Industry consolidation in Europe

ACS long experience and know-how of the industry

- More than 75 years building and maintaining energy facilities
- Good understanding of Spanish regulation
- Reinforce the industrial vision as reference shareholder

Positive impact in ACS from a financial point of view

- Investments made through a non-recourse financing schemes
- EPS accretive from the beginning
- Free cash flow generation

Value creation for ACS

Grupo ACS 2006
Main Financial Figures

	<i>Real</i>		<i>Pro-forma*</i>
Turnover	€ 14.1 bn	+16%	€ 20.0 bn
EBITDA	€ 1.27 bn	+16%	€ 3.17 bn
EBIT	€ 0.97 bn	+19%	€ 2.19 bn
Net Profit	€ 1.25 bn	+105%	€ 1.25 bn
Total Equity	€ 3.26 bn		€ 8.55 bn
Net Debt	€ 8.75 bn		€ 14.3 bn
Corporate Debt	€ 1.75 bn		€ 6.85 bn
Non recourse Debt	€ 7.00 bn		€ 7.47 bn
<i>Net Debt / EBITDA</i>		6.9x	4.5x
<i>Total gearing</i>		269%	175%

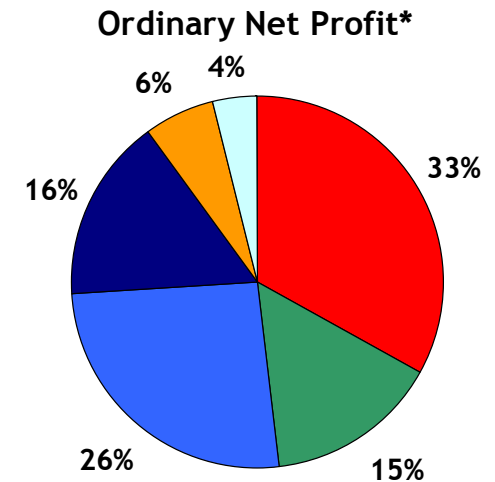
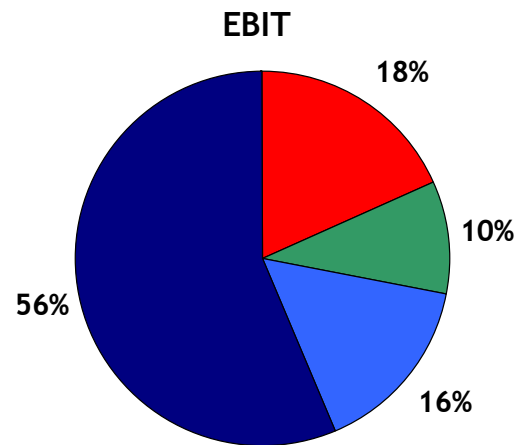
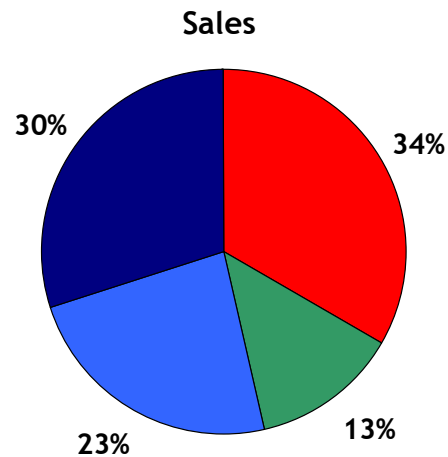
* Unión Fenosa consolidated through global integration



2006 Pro-forma Operating Results Breakdown by activity

(Million Euros)

	Construction		Environment & Logistics		Industrial Services		Energy (UNF)	
Turnover	6,750	+18%	2,657	+10%	4,748	+16%	6,057	-1%
EBITDA	504	+18%	376	+9%	420	+22%	1,900	+29%
<i>Margin</i>	<i>7.5%</i>	<i>=</i>	<i>14.2%</i>	<i>-20bp</i>	<i>8.8%</i>	<i>+40bp</i>	<i>31.3%</i>	<i>+710bp</i>
EBIT	423	+18%	225	+10%	365	+22%	1,308	+42%
<i>Margin</i>	<i>6.3%</i>	<i>=</i>	<i>8.5%</i>	<i>=</i>	<i>7.7%</i>	<i>+70bp</i>	<i>21.6%</i>	<i>+640bp</i>

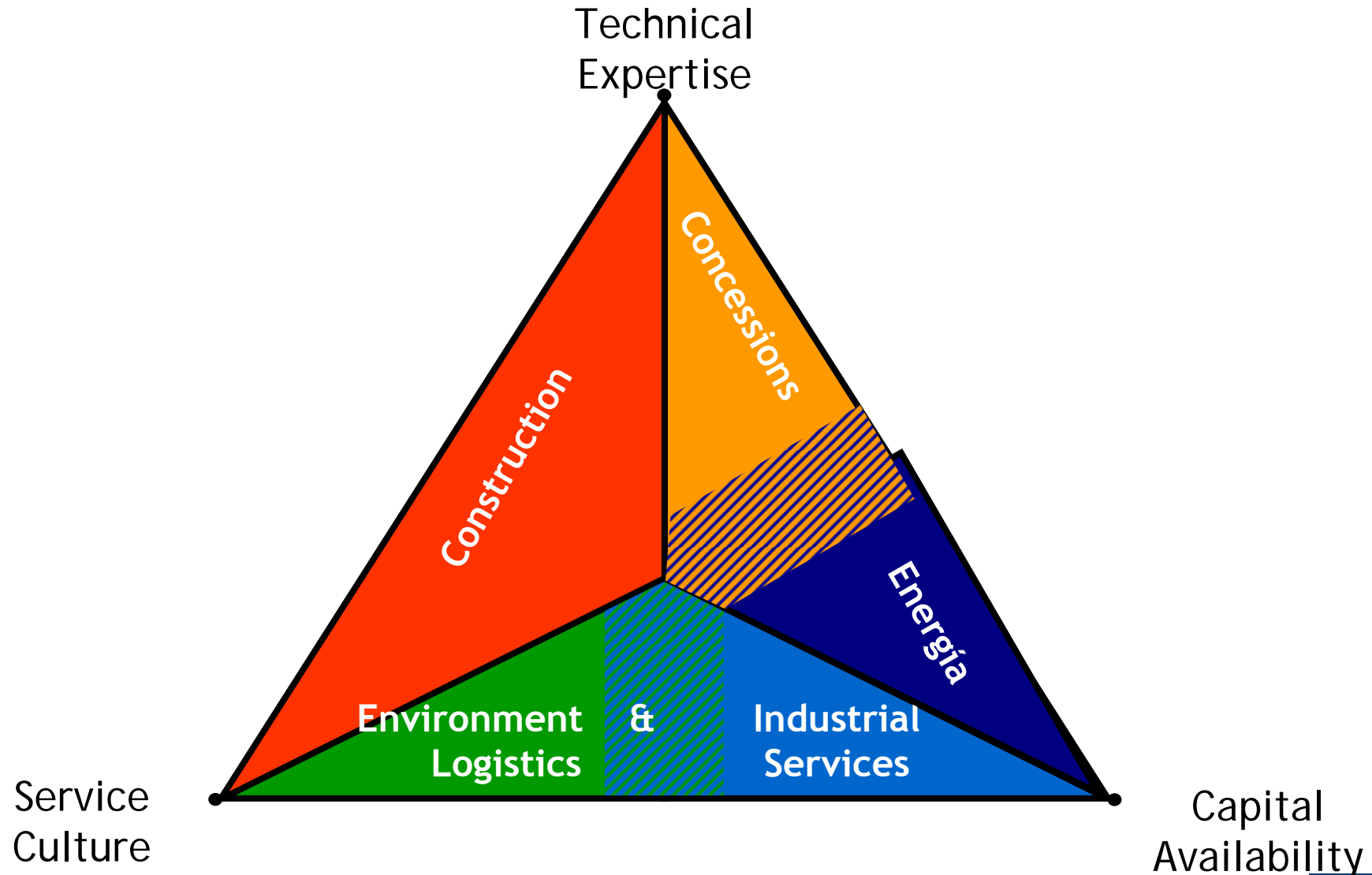


* Profit after taxes not including exceptional results

■ Construction
 ■ Environment & Logistics
 ■ Industrial Services
 ■ Energy
 ■ Concessions
 ■ Urbis



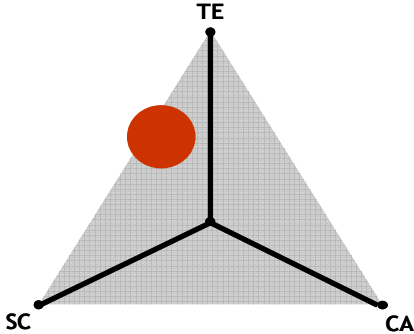
Leadership based on competitive advantages



Construction

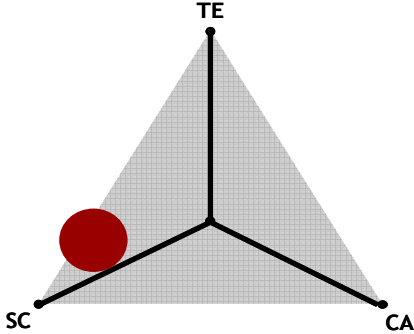
Civil Works

Contracting activities on Road, Hydraulic, Railways, Tunneling, Bridge Building, etc.



Building

Residential and Non Residential Building



Levers of Operating Growth

Construction: Civil Works

CONSTRUCTION

Civil Works

Main contractor in Spain
 57% of the ACS Construction activity
 International activity = 10%

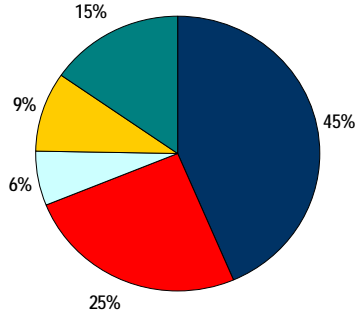
Infrastructures plan (PEIT) to invest
 €250 bn between 2005 and 2020

Commitment to continue investing from
 the public administrations in Spain on
 2007

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

Total Investments € 248.7 bn

(60% Public, 40% Private-Public)



All figures in € billion

	2006	2007	%Δ
Investment budget for the Central Government	16.2	17.4	+7.4%
Areas	2006	2007	Var.
Roads	3.5	4.2	+20%
Railways	5.8	5.6	-4%
Ports	1.4	1.3	-9%
Airports	1.8	2.0	+15%
Hydraulic works	3.2	3.5	+9%
Environmental and Others	0.5	0.8	+60%

Source: Spanish Ministry of Economy - Budget for 2007



CONSTRUCTION

Building

Focus on big projects and PPPs
43% of the ACS Construction activity
Domestic activity

Non Residential

Large developments for public and private clients
26% of the ACS Construction activity

- Commercial building backed by GDP growth
- Institutional building
 - ❑ Development of new projects under a PPP scheme
 - ❑ Growing demand for public buildings: stadiums, museums,...

Homebuilding

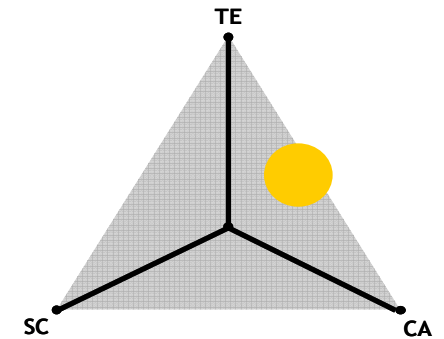
Large developments for the big realtors in Spain
17% of the ACS Construction activity

- Increase of population in Spain: immigration and long term tourists
- More than 550,000 units built per year
- Refurbishment market growing in Spain

Concessions

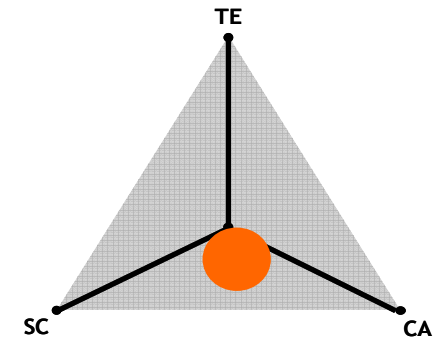
Transport Infrastructures

Motorways (Barrier Toll, Dynamic Toll, Shadow toll), Railways, Airports



Public Equipment

Hospitals, Penitentiaries, Court Houses, Transfer Stations, Police Stations (mainly in Spain)



Levers of Operating Growth

Concessions development

CONCESSIONS

Iridium

Development of Greenfield projects
Main source of international expansion in construction
16 international projects

Attractive portfolio of concessions:
40 projects under development

A World leader PFI developer over the last 15 years

- € 1 billion invested in equity
- € 11.3 bn total investment managed

Increasing global demand, specially in developed economies
Limited public budgets -> opportunity for solid financial groups
Main target markets: United States, Western Europe, Chile

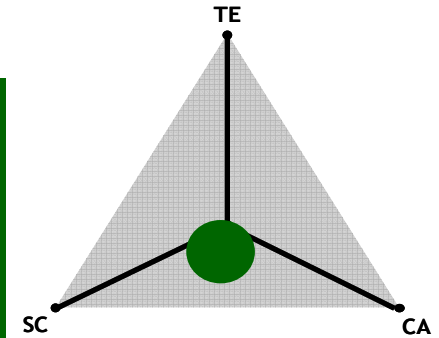


Environment & Logistics

Environment



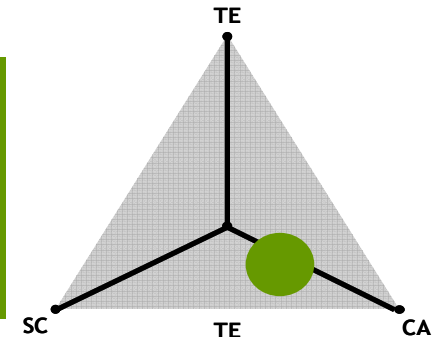
Solid waste treatment & collection



Ports & Logistics



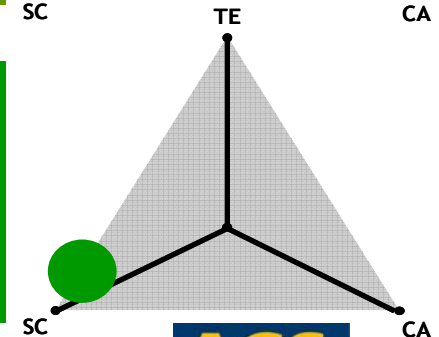
Port and Logistic Services



Facility Management



Integral maintenance services of facilities and public premises



Environment & Logistics

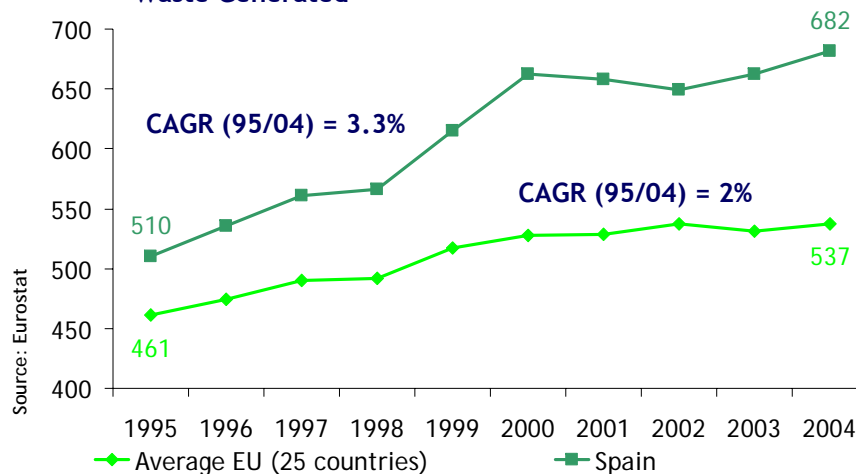
Environment
Facility Management

Solid Urban (SUW) and Special Waste management and treatment
Integrated building maintenance, gardening, reforestation and
landscape restoration, social health systems, airports' services
International activity = 10%

Environmental

- Municipalities and central government to increase environmental investment to face demand
- International expansion based on in-house R&D: SUW treatment plants

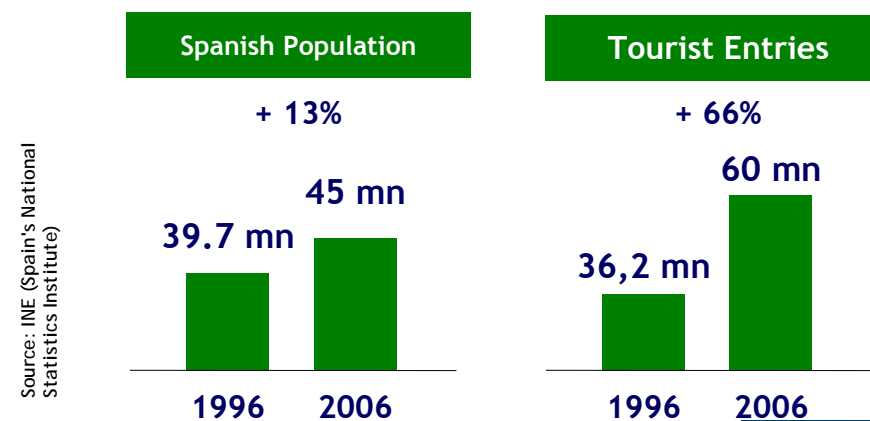
Average Kilograms per Person per Year of Urban Waste Generated



Facility Management

- Outsourcing trends in public services
- Flexibility and productivity targets in large corporations
- New added-value services

Spanish Population Evolution and Tourists entries



Environment & Logistics

Ports & Logistics

Integral logistics operator:

- Port handling
- Shipping Agent

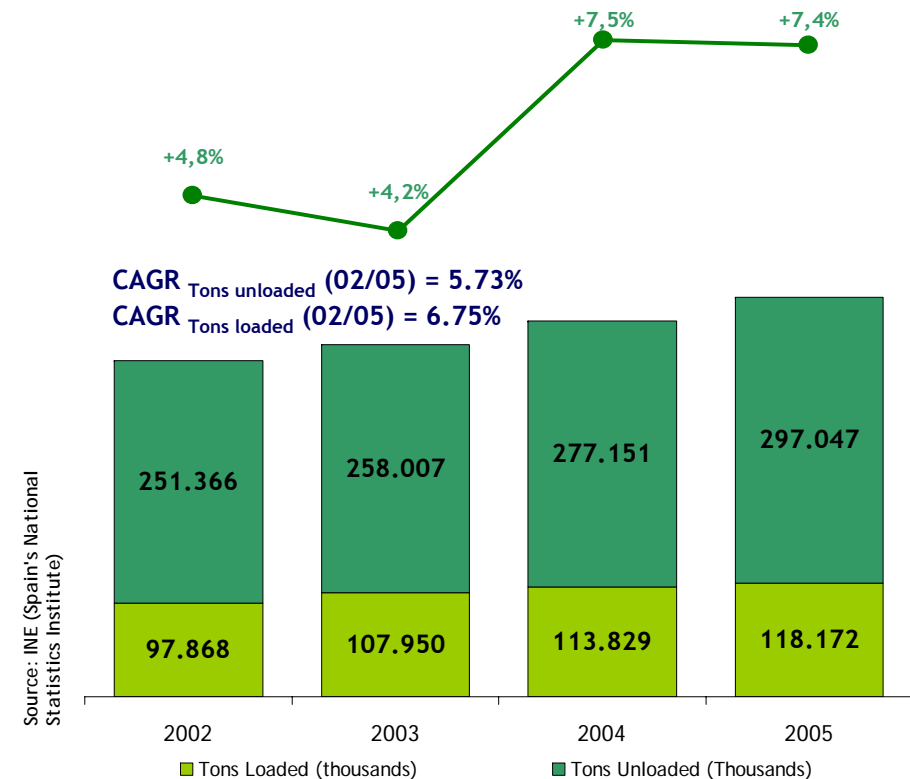
International activity = 10%

- Land, air and sea forwarding
- Combined transport & specialized logistics

Ports & Logistics

- Globalization vs local markets
- Transport infrastructures improvement
- Productivity increases promote worldwide procurement
- Heavy automotive industry presence in Spain
- Increase of hinterland areas in need of port hubs in Europe, Asia and America

Spanish Ports Activity - Tons



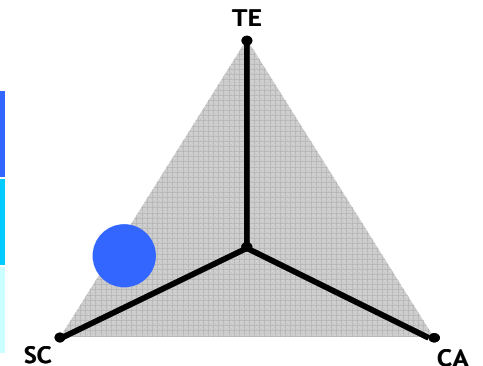
Industrial Services

Industrial Maintenance

Networks

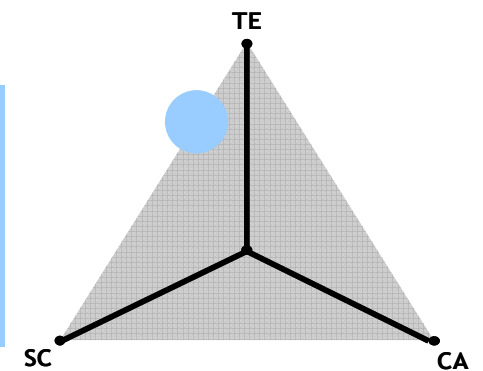
Specialized Products

Control Systems



Energy Projects

Electricity, Oil & Gas
Turn Key Projects



INDUSTRIAL SERVICES

Industrial Maintenance

Main supplier of utilities & large industrial corporations
 Global player in the support services market
 International activity > 25%

Networks

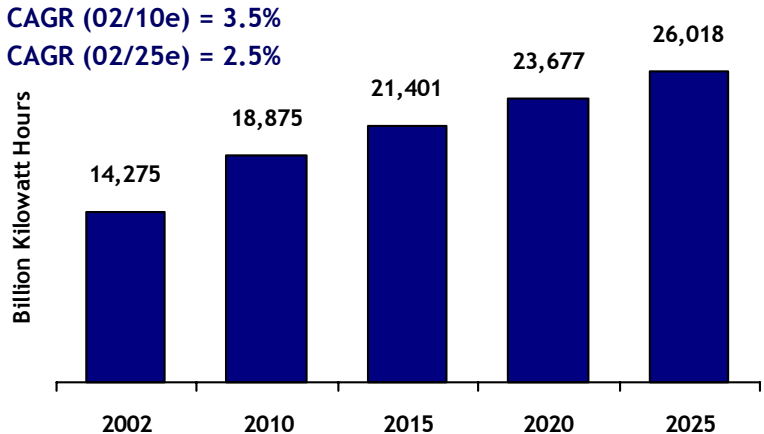
- Higher maintenance services demand by utilities to improve networks efficiency
- Outsourcing form large corporations in order to increase productivity

Specialized Products

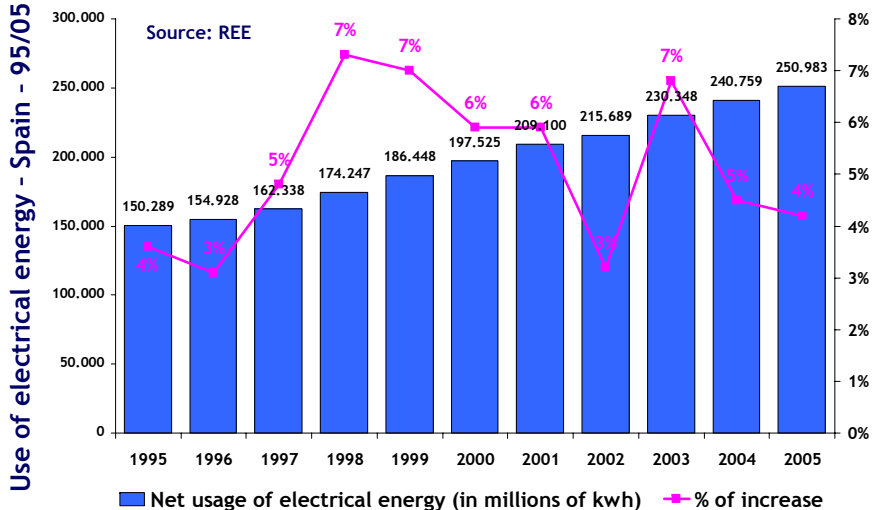
- Increased demand of telecom systems
- Railways & undergrounds investments plan
- Industrial facility maintenance growth

Control Systems

- Outsourcing trend to modernize basic public services
- New technologies developed to increase safety and productivity



Source: U.S. Department of Energy, Energy Information Administration



Levers of Operating Growth Energy Projects

INDUSTRIAL SERVICES

Energy Projects

World reference in the integrated projects industry
 Electricity generation projects: CCGT & renewable energy
 Oil & gas facility projects (off-shore platforms, refineries, etc)
 International activity > 50%

Energy Projects

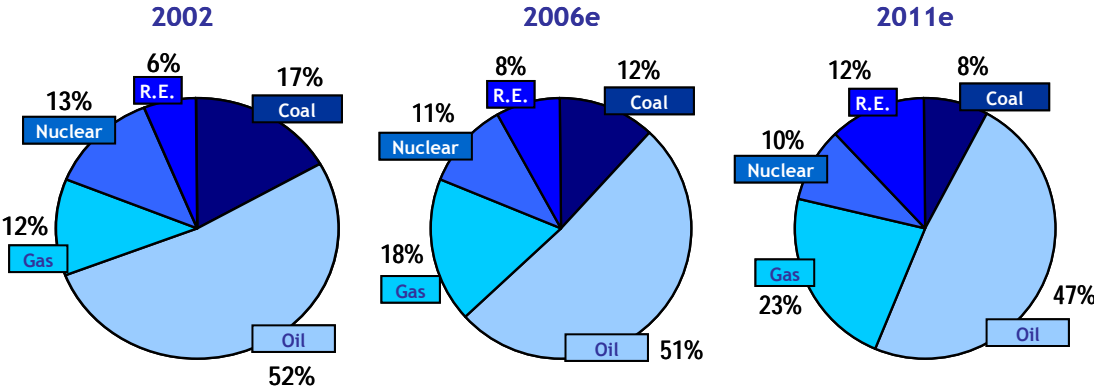
Very strong demand in the oil & gas industry

- High oil prices
- Increasing world energy demand

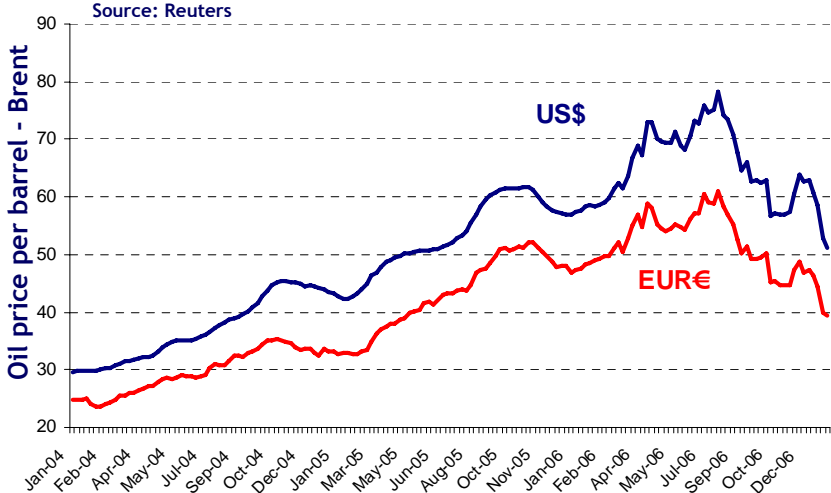
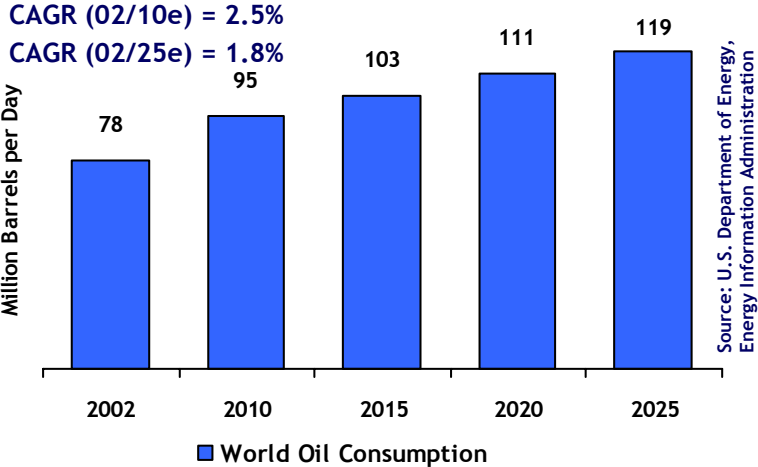
Electricity generation assets for utilities

- CCGT development
- Renewable energies

Evolution primary energy use - Spain - 2002-2011e



R.E. stands for Renewable Energies
 Source: Ministry of Industry and Energy, Spain

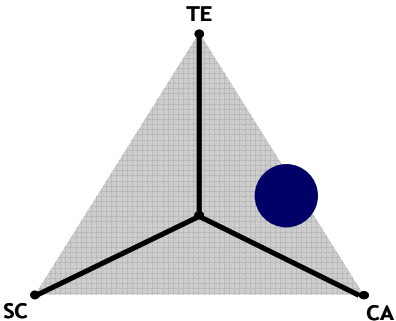


Energy



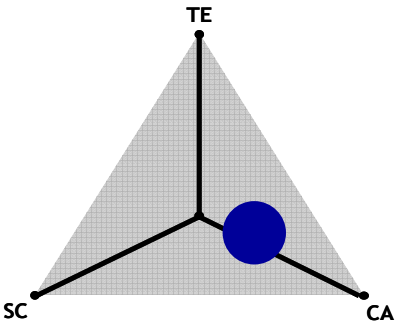
Generation of Electricity

7,434 MW installed; 30,000 GWh Spain
2,773 MW installed; 15,111 GWh International



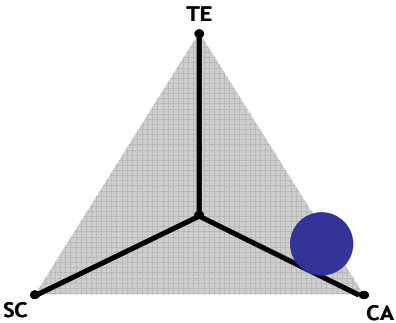
Distribution of Electricity

33,311 GWh Spain
17,813 GWh International



Gas

Union Fenosa Gas (50%)
30,000 GWh in Spain



Summary of Unión Fenosa Strategic Plan 2007-11

Targets	EBITDA 2011	> 3.2 bn €
	EPS 2011	EPS 2006 x 2 = 4 €/share
	Financial Ratios 2011	Leverage < 55% & Debt/EBITDA = 3x
	Investment Capacity	9.0 bn €
Base Case	TOTAL CAPEX	5.4 bn €
	Recurrent Capex	2.5 bn €
	Identified projects Capex	2.9 bn €
	Capex for Acquisitions	Not contemplated
	EBITDA 2011	2.9 bn €
	EPS 2011	3.6 €/share
	Financial Ratios 2011	Leverage = 46% & Debt/EBITDA = 2.2x

**Additional investment capacity of € 3.6 bn
to exceed Strategic Plan targets**

Levers of Operating Growth

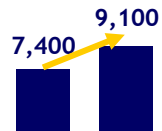
...based on an outstanding operating performance

Domestic Generation

Ordinary Regime

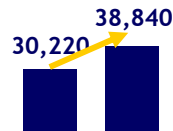
MWs installed

CAGR +5%



GWh Generated

CAGR +5%



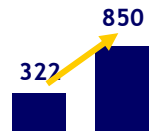
CAGR EBITDA 06-11e > 10%

Mainly CCGT generation, 2,000 MW compromised & 4,000 planned to face market demand
1,200 MW from a new technology coal thermal power station

Special Regime

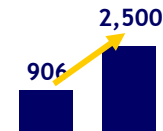
MWs installed

CAGR +21%



GWh Generated

CAGR +22%



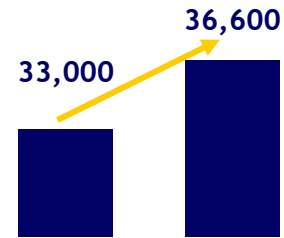
CAGR EBITDA 06-11e > 25%

Organic growth: 3 facilities under construction (67% finished, to be deployed in 2007-2009)
Project portfolio under permitting stage: 1,500 MW

Domestic Distribution

GWh distributed

Growth +11%



2006

2011e

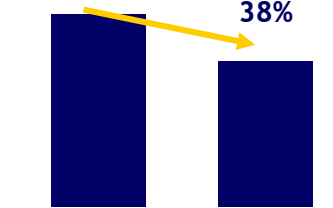
CAGR EBITDA 06-11e > 8%

Operating efficiency

(Opex/Gross margin)

Improvement 500 b.p.

43%



2006

2011e

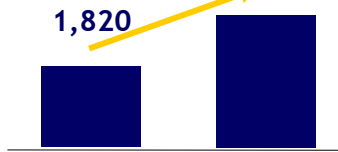
International

Generation: MW installed

2.6x

1,820

4,800



2006

2011e

CAGR EBITDA 06-11e > 10%

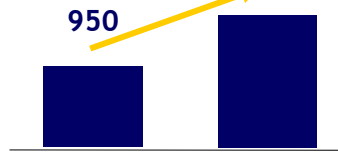
+500 MW CCGT in Mexico
Potential for additional capacity in Mexico (500 - 1,000 MW)
Opportunities identified to increase up to other 1,500 MW in America

Renewable: MW installed

2x

950

1,900



2006

2011e

CAGR EBITDA 06-11e > 25%

+150 MW in Mexico
+300 MW in Colombia and Central America
+250 MW in other countries
Avoid the emission of more than one million CO2 tons per year

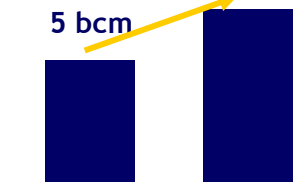
Gas

Gas Production

Growth +60%

5 bcm

8 bcm



2006

2011e

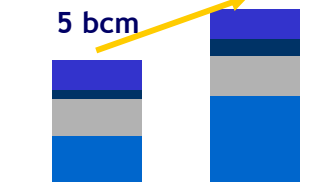
Increase 30% the supply of gas diversifying the origins (+2 bcm)
Reach 15% of Spanish market share

Gas Sales by Customer

Growth +60%

5 bcm

8 bcm



2006

2011e

Trading Industrial
Commercial CCGT

Affiliates: Commitment with European Leaders

Global Vision, Remarkable Size and European Leadership



Grupo ACS maintains a strong industrial commitment for the long term with Abertis, owning a 24.8% stake of the company

- ❑ European concessions leader by market cap and number of projects
- ❑ Straight-forward strategic vision on the development and operation of infrastructures
- ❑ Outstanding investment capacity

Results Contribution

Equity Method

No direct debt assignment to ACS



Grupo ACS reaffirms its commitment with the utilities industry in Europe through the financial stake in Iberdrola, owning a 12.4% of the company.

- ❑ One of the top 10 European utility companies
- ❑ Diversified mix of generation
- ❑ Growth strategy in Spain and abroad

Results Contribution

Financial Results

Financed through non-recourse debt SPV

* 2.4% through *equity swaps*



Conclusions

2006 Results: better than expected

	Target 2006	Real 2006
TURNOVER	+10%	+16%
ORDINARY NET PROFIT	≈ 20%	+37%
NET PROFIT	€ 1,250 mn	+105.4%

CASH FLOW GENERATION
≈ € 1,400 mn

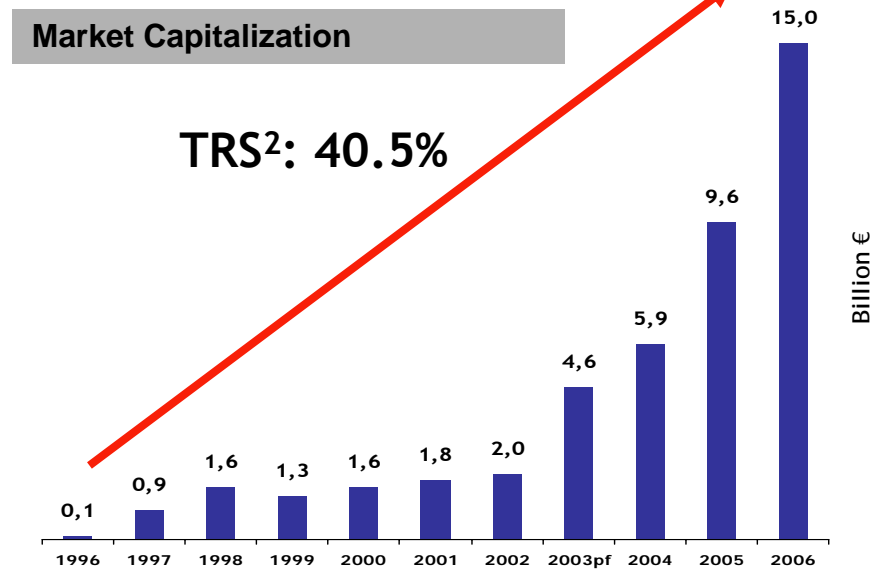
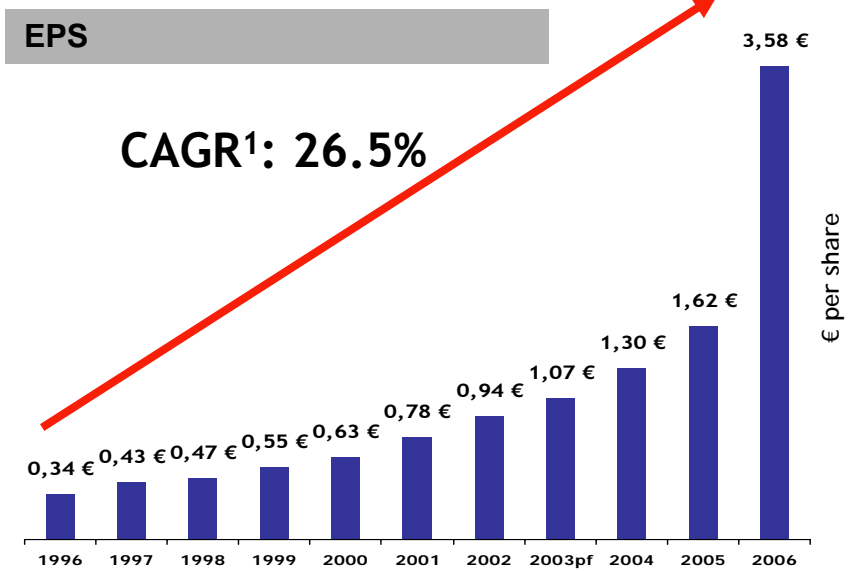
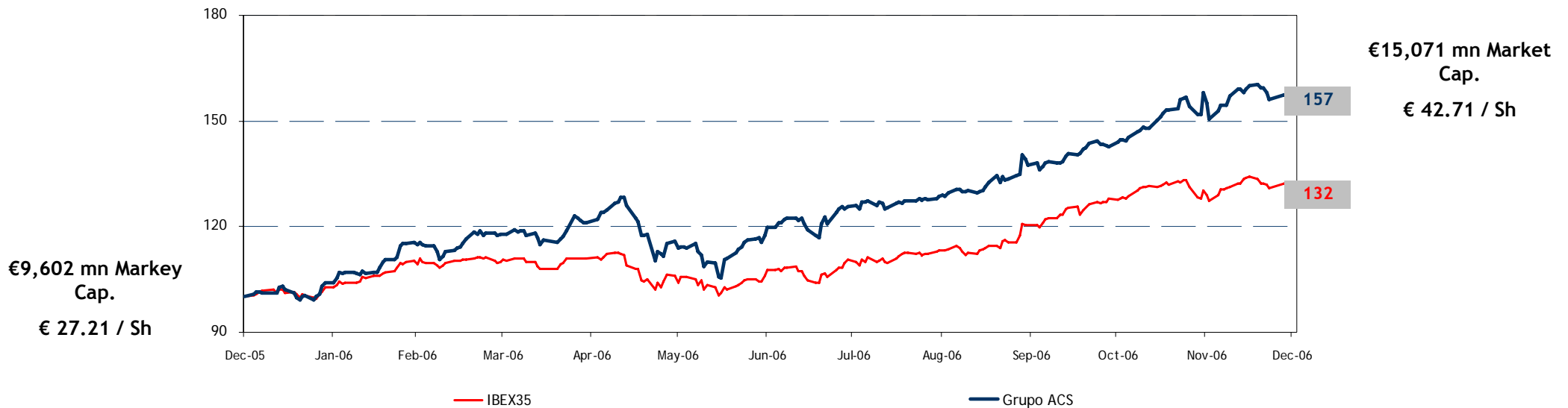
NET INVESTMENTS
> € 5,400 mn



Sustained and Profitable Growth

Conclusions

Attractive shareholder's returns



1: CAGR: Compound annual growth rate

2: TRS (Total Return to Shareholders) is calculated as the IRR including the shares performance and the dividends paid



Good Operating Outlook

More Growth

Strategic strengthening in the
Infrastructures and Energy sectors

More Opportunities

Integration of Unión Fenosa as a new area of
activity in Grupo ACS

More Visibility

More Profitability for the Shareholders

