

ANNEXE I

Annual Corporate Governance Report

LISTED PUBLIC LIMITED COMPANIES

IDENTIFYING DATA OF THE ISSUER 2004 FINANCIAL YEAR

C.I.F. A28004885

Trading Name:

ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS S.A.

Registered Office:

**AVENIDA DE PÍO XII N° 102
MADRID
MADRID
28036
SPAIN**

REPORT MODEL OF CORPORATE GOVERNANCE OF LISTED PUBLIC LIMITED COMPANIES

The instructions for completion of this model that appear at the end of this report must be read in order to gain a better understanding of the model and be able to prepare it.

A. COMPANY OWNERSHIP STRUCTURE

A.1. Complete the following table on the company's share capital:

If there are different classes of shares, identify them in the following table:

Date of last amendment	Share capital (€)	Number of shares
20-05-2004	176.436.567,00	352.873.134

If there are different classes of shares, identify them in the following table:

Class	Number of shares	Par value
SINGLE	352.873.134	0,50

A.2. Information on the direct and indirect holders of significant shareholdings in the company at the end of the financial year, excluding Board Members:

Name or company name of shareholder	Number of direct shares	Number of indirect shares	Total share capital %
CORPORACIÓN FINANCIERA ALBA, S.A.	0	54.879.558	15,552
CORPORACIÓN FINANCIERA ALCOR, S.A.	932.880	31.866.981	9,295
INVERSIONES VESAN, S.A.	21.091.301	0	5,977

(*) Held through:

Name or company name of the direct shareholder	Number of direct shares	% Share capital
FONDATE, S.A.	31.727.925	8,991
INVERSIONES FINALBA, S.A.	21.642.711	6,133
INVERSIONES ARTA, S.A.	1.508.922	0,428
IMVERNELÍN PATRIMONIO, S.L.	31.167.792	8,833
COMERCIO Y FINANZAS, S.A.	90.594	0,026
PERCACER, S.A.	600.594	0,170
D. ALBERTO CORTINA DE ALCOCER	4.728	0,001
D. ALBERTO DE ALCOCER TORRA	3.273	0,001
Total:	86.746.539	

Indicate the most significant changes in the shareholding structure occurring during the financial year:

Name or company /name of shareholder	Transaction date	Description of transaction
INVERSIONES VESAN, S.A.	30-12-2004	5% of the share capital has been exceeded

A.3. Complete the following table on the members of the company's Board of Directors that hold shares in the company

Name or company name of Board Member	Date first nominated	Date last nominated	Number of direct shares	Number of indirect shares (*)	% Total shares capital
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	29-06-1995	12-06-2001	421.500	0	0,119

D. AGUSTÍN BATUECAS TORREGO	29-06-1999	14-10-2003	749.088	0	0,212
D. MIGUEL BLESA DE LA PARRA	14-10-2003	14-10-2003	2.430	0	0,001
D. ALVARO CUERVO GARCÍA	05-09-1997	19-06-2003	0	42.000	0,012
D. JAVIER ECHENIQUE LANDIRIBAR	20-05-2004	20-05-2004	24.438	0	0,007
D. ISIDRO FERNÁNDEZ BARREIRO	05-09-1997	14-10-2003	14.046	0	0,004
D. ANTONIO GARCÍA FERRER	14-10-2003	14-10-2003	5.920	0	0,002
D. JOAN DAVID GRIMÁ TERRÉ	14-10-2003	14-10-2003	0	2.550	0,001
D. JOSÉ MARÍA LOIZAGA VIGURI	28-06-1989	14-10-2003	128.313	100.000	0,065
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	28-06-1989	14-10-2003	0	1.700.000	0,482
D. SANTOS MARTÍNEZ -CONDE GUTIÉRREZ -BARQUÍN	19-06-2002	19-06-2003	3.378	0	0,001
D. FLORENTINO PÉREZ RODRÍGUEZ	28-06-1989	14-10-2003	0	21.091.301	5,977
D. MIGUEL ROCA JUNYENT	14-10-2003	14-10-2003	12	0	0,000
D. JULIO SACRISTÁN FIDALGO	19-02-1998	19-06-2003	1.356	0	0,000
D. PABLO VALLBONA VADELL	05-09-1997	14-10-2003	12.000	0	0,003

(*) Held through

Name or company name of direct shareholder	Number of direct shares
SOCIEDAD DE ESTUDIOS Y ESTRATEGIA EMPRESARIAL, S.A.	42.000
GRIAL INVERSIONES	2.550
INVERSIONES EUROPEAS, S.L.	100.000
FIDWEI INVERSIONES, S.L.	1.465.000
LYNX CAPITAL, S.A.	235.000
INVERSIONES VESAN, S.A.	21.091.301
Total:	22.935.851

% Total share capital in power of Board of Directors 6,886

Complete the following table on the members of the company's Board of Directors that hold rights over shares in the company:

Name or company name of Board Member	Number of option rights held directly	Number of option rights held indirectly	Equivalent number of shares	% Total share capital
D. AGUSTÍN BATUECAS TORREGO	192.000	0	192.000	0,054
D. JOSÉ LUIS DEL VALLE PÉREZ	685.341	0	685.341	0,194
D. ANTONIO GARCÍA FERRER	390.000	0	390.000	0,111
D. FLORENTINO PÉREZ RODRÍGUEZ	2.616.354	0	2.616.354	0,741

A.4. Indicate any relationships of a family, commercial, contractual or corporate nature existing between shareholders or significant ownership interests, to the extent that they are known to the entity, unless they are of little significance or derive from the ordinary course of business or trade.:

Names or company names Related	Type of relationship	Brief description (thousand euros)
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A.5. Indicate the relationships of a commercial, contractual or corporate nature existing between shareholders or significant ownership interests, and the Company, unless they are of small significance or derive from the ordinary course of business or trade:

Names or company names Related	Type of relationship	Brief description (thousand euros)
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A.6. Indicate the side agreements executed between shareholders and reported to the company:

NIFs or CIFs	Parties involved in side agreement	% of share capital affected	Brief description of agreement
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Indicate the concerted actions existing between shareholders of the entity that are known to the company:

NIFs or CIFs	Parties to concerted actions	% of share capital affected	Brief description of concerted action
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If there has been any modification or termination of said pacts or agreements or concerted actions, indicate them expressly.

A.7. Indicate if there is any individual or legal entity that exercises or could exercise control over the company under the terms of article 4 of the Securities Market Law.

Name or company name

Coments

THERE IS NO SHAREHOLDER THAT HOLDS CONTROL OVER THE COMPANY FOR THE PURPOSES OF ARTICLE 4 OF THE STOCK MARKET LAW. LIKewise, THERE IS NO PACT BETWEEN COMPANY SHAREHOLDERS THAT IMPLIES THAT THE SIGNING SHAREHOLDERS COULD EXERCISE CONTROL OVER THE COMPANY.

A.8. Complete the following tables on the company's treasury stock:

At the close of the financial year:

Number of direct shares	Number of indirect shares (*)	% Total share capital
1.726.969	0	0,489

(*) Held through:

Name or company name of the direct shareholder	Number of direct shares
-	-
Total:	

Significant variations in the shares of the parent company during the year, as stipulated in Royal Decree 377/1991:

A.9. Detail conditions and mandate from the Shareholders' Meeting to the Board of Directors for engaging in acquisitions or transfers of treasury stock described in section

Date	Number of direct shares	Number of indirect shares	% total share capital
-	-	-	-

19-03-2004	304.578	0	0,086
15-03-2004	397.296	0	0,113
22-03-2004	186.000	0	0,053
24-03-2004	240.000	0	0,068
30-03-2004	220.836	0	0,063
05-04-2004	181.932	0	0,052
06-04-2004	386.331	0	0,109
07-04-2004	309.135	0	0,088
08-04-2004	134.526	0	0,038
13-04-2004	114.000	0	0,032
14-04-2004	360.120	0	0,102
15-04-2004	207.813	0	0,059
19-04-2004	145.980	0	0,041
20-04-2004	98.649	0	0,028
21-04-2004	198.009	0	0,056
26-04-2004	21.045	0	0,006
27-04-2004	2.707.359	0	0,767
28-04-2004	179.745	0	0,051
03-05-2004	36.039	0	0,010
04-05-2004	38.208	0	0,011
06-05-2004	197.439	0	0,056
07-05-2004	193.170	0	0,055
10-05-2004	166.494	0	0,047
11-05-2004	67.776	0	0,019
12-05-2004	208.647	0	0,059
13-05-2004	196.917	0	0,056
14-05-2004	207.981	0	0,059
17-05-2004	86.100	0	0,024
19-05-2004	355.029	0	0,101
20-05-2004	19.500	0	0,006
21-05-2004	37.122	0	0,011
24-05-2004	60.900	0	0,017
07-06-2004	129.000	0	0,037
16-06-2004	44.204	0	0,013
18-06-2004	16.580	0	0,005
21-06-2004	35.000	0	0,010
22-06-2004	40.500	0	0,011
24-06-2004	34.500	0	0,010
30-06-2004	91.000	0	0,026

02-07-2004	19.912	0	0,006
05-07-2004	18.000	0	0,005
06-07-2004	14.100	0	0,004
07-07-2004	42.500	0	0,012
08-07-2004	91.506	0	0,026
09-07-2004	207.826	0	0,059
12-07-2004	106.588	0	0,030
15-07-2004	75.000	0	0,021
19-07-2004	120.130	0	0,034
20-07-2004	41.825	0	0,012
22-07-2004	69.423	0	0,020
23-07-2004	66.252	0	0,019
26-07-2004	66.552	0	0,019
27-07-2004	87.091	0	0,025
28-07-2004	107.008	0	0,030
30-07-2004	15.376	0	0,004
02-08-2004	61.650	0	0,017
04-08-2004	170.435	0	0,048
12-08-2004	60.000	0	0,017
27-08-2004	100.200	0	0,028
30-08-2004	63.300	0	0,018
31-08-2004	32.795	0	0,009
02-09-2004	184.711	0	0,052
23-09-2004	91.000	0	0,026
24-09-2004	46.534	0	0,013
30-09-2004	81.764	0	0,023

05-10-	61.404	0	0,017
07-10-	60.842	0	0,017
11-10-	10.596	0	0,003
13-10-	70.000	0	0,020
14-10-	185.100	0	0,052
15-10-	99.811	0	0,028
18-10-	46.368	0	0,013
19-10-	162.032	0	0,046
20-10-	134.113	0	0,038
21-10-	40.620	0	0,012
22-10-	73.750	0	0,021
25-10-	139.987	0	0,040
29-10-	180.242	0	0,051
02-11-	265.519	0	0,075
03-11-	50.000	0	0,014
08-11-	69.231	0	0,020
11-11-	10.000	0	0,003
12-11-	31.050	0	0,009
16-11-	15.000	0	0,004
18-11-	5.000	0	0,001
22-11-	31.986	0	0,009
30-11-	91.200	0	0,026
10-12-	42.561	0	0,012
13-12-	56.000	0	0,016
28-12-	182.070	0	0,052
30-12- 2004	1.726.969	0	0,489

**Results obtained in the year on treasury
stock transactions (thousand euros)**

29.611

A.9. Detail conditions and mandate from the Shareholders' Meeting to the Board of Directors for engaging in acquisitions or transfers of treasury stock described in section A.8.

The following resolution was adopted at the Ordinary Shareholders' Meeting that was held on 20 May 2004:

"The previous authorisation awarded through an Agreement of the General Shareholders' Meeting that was held on 19 June 2003 and protected under the provisions of article 75 of the Public Limited Companies Act is no longer in force. Said agreement authorised both the Company's Board of Directors as well as those of subsidiary

companies to acquire shares, by onerous title, in the company, the nominal value of which does not exceed 5% of the issued share capital. Said authorisation was for a period of 18 months from the date of the aforementioned meeting. The minimum and maximum price shall be the nominal face value and the price that does not exceed the quoted price of the Stock Exchange session on the day that the shares are purchased or the price authorised by the competent body of the Securities Market or the Stock Market Committee respectively”

A.10. Indicate the legal and statutory restrictions on the exercise of voting rights, as well as the statutory restrictions on the acquisition or sale of holdings in the share capital:

Apart from legal restrictions, there are no statutory restrictions regarding the exercising of voting rights or to the acquisition or transfer of shares. Articles 11, 23 and 26 of the Company's Articles of Association provide for these issues:

Article 11. (...) The shares shall be transferable between Spanish physical individuals or legal personalities without any restriction whatsoever; and to foreign physical individuals or legal personalities with the legal restrictions that may apply in each case.

Article 23. The General Meeting comprises all those that hold at least one hundred shares, either present or represented. The owners or holders of less than one hundred shares may group together in order to reach this number and may be represented either by one of them or by another shareholder who alone possesses the requisite number of shares required to form part of the General Meeting.

Article 26. (...) Each shareholder shall have the right to the number of votes that corresponds to the number of shares held or represented. Said votes may be cast by postal correspondence or telegraph or any other means, providing that a full guarantee exists as to the identity of the person casting their vote(s) in this manner. The shareholders with a right to attend may appoint another person to represent them at the Meeting. The right of representation granted to shareholders who only have the right to vote by grouping themselves together can fall to any of them.

B COMPANY MANAGEMENT STRUCTURE

B.1. Board of Directors

B.1.1. Outline the maximum and minimum number of Board Members provided for in the articles of association:

Maximum number of Board Members

B.1.2. Complete the following table with the Board Members:

Name or company name	Representative	Position on Board	Date nominated	Election procedure
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	BOARD MEMBER	29-06-1995	12-06-2001	GENERAL SHAREHOLDERS' MEETING
D. AGUSTÍN BATUECAS TORREGO	BOARD MEMBER	29-06-1999	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. MIGUEL BLESA DE LA PARRA	BOARD MEMBER	14-10-2003	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. ALVARO CUERVO GARCÍA	BOARD MEMBER	05-09-1997	19-06-2003	GENERAL SHAREHOLDERS' MEETING
D. JOSÉ LUIS DEL VALLE PÉREZ	SECRETARY	28-06-1989	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. MANUEL DELGADO SOLÍS	BOARD MEMBER	20-05-2004	20-05-2004	GENERAL SHAREHOLDERS' MEETING
D. JAVIER ECHENIQUE LANDIRIBAR	BOARD MEMBER	20-05-2004	20-05-2004	GENERAL SHAREHOLDERS' MEETING
D. ISIDRO FERNÁNDEZ BARREIRO	BOARD MEMBER	05-09-1997	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. ANTONIO GARCÍA FERRER	VICE CEO	14-10-2003	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. JOAN DAVID GRIMÁ TERRE	BOARD MEMBER	14-10-2003	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. JOSÉ MARÍA LOIZAGA VIGURI	BOARD MEMBER	28-06-1989	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	BOARD MEMBER	28-06-1989	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	BOARD MEMBER	19-06-2002	19-06-2003	GENERAL SHAREHOLDERS' MEETING
D. JAVIER MONZÓN DE CÁCERES	BOARD MEMBER	20-05-2004	20-05-2004	GENERAL SHAREHOLDERS' MEETING
D. FLORENTINO PÉREZ RODRÍGUEZ	CHAIRMAN-CEO	28-06-1989	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. MIGUEL ROCA JUNYENT	BOARD MEMBER	14-10-2003	14-10-2003	GENERAL SHAREHOLDERS' MEETING
D. JULIO SACRISTÁN FIDALGO	BOARD MEMBER	19-02-1998	19-06-2003	GENERAL SHAREHOLDERS' MEETING
D. PABLO VALLBONA VADELL	VICE CHAIRMAN	05-09-1997	14-10-2003	GENERAL SHAREHOLDERS' MEETING

Número Total de Consejeros

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Indicate the resignations from the Board of Directors that occurred during the period:

The resignations occurring during 2004 were:

Name or company name of Board Member	Date of resignation
COMERCIO Y FINANZAS, S.A.	20-05-2004
IMVERNELÍN PATRIMONIO, S.L.	20-05-2004
PERCACER, S.A.	20-05-2004

B.1.3. Complete the following tables on the Board Members and their position:

EXECUTIVE BOARD MEMBERS

Name or company name of Board Member	Committee that proposed nomination	Position in company organisational
D. FLORENTINO PÉREZ RODRÍGUEZ	NONE	CHAIRMAN- CEO
D. ANTONIO GARCÍA FERRER	NONE	EXECUTIVE VICE-CHAIRMAN
D. JOSÉ LUIS DEL VALLE PÉREZ	NONE	SECRETARY OF THE BOARD
D. AGUSTIN BATUECAS TORREGO	NONE	BOARD MEMBER

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PROPRIETARY & EXTERNAL DIRECTORS

Name or company name of Board Member	Committee that proposed nomination	Name or company name of Shareholder represented or that proposed nomination
D. MANUEL DELGADO SOLÍS	NONE	PERCACER S.A.
D. JAVIER ECHENIQUE LANDIRIBAR	NONE	IMVERNELÍN PATRIMONIO, S.L.
D. ISIDRO FERNÁNDEZ BARREIRO	NONE	CORPORACIÓN FINANCIERA ALBA, S.A.
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	NONE	D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	NONE	CORPORACIÓN FINANCIERA ALBA, S.A.
D. JAVIER MONZÓN DE CÁCERES		COMERCIO Y FINANZAS, S.A.
D. JULIO SACRISTÁN FIDALGO	NONE	INVERSIONES VESAN, S.A.
D. PABLO VALLBONA VADELL	NONE	CORPORACIÓN FINANCIERA ALBA, S.A.

INDEPENDENT NON EXECUTIVE BOARD MEMBERS

Name or company name of Board Member	Committee that proposed nomination	Profile
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	NONE	EMPRESARIAL
D. MIGUEL BLESA DE LA PARRA	NONE	EMPRESARIAL
D. ALVARO CUERVO GARCÍA	NONE	EMPRESARIAL
D. JOAN DAVID GRIMÁ TERRÉ	NONE	EMPRESARIAL
D. JOSÉ MARÍA LOIZAGA VIGURI	NONE	EMPRESARIAL
D. MIGUEL ROCA JUNYENT	NONE	EMPRESARIAL

OTHER NON EXECUTIVE BOARD MEMBERS

Name or company name of Board Member	Committee that proposed nomination	Fecha del cambio	Condición anterior	Condición actual
Indicate the reasons why they cannot be considered independent or institutional:				
Indicate any variations that have occurred in the type of each director during the period				

B.1.4. Indicate whether the classification of Board Members in the above section corresponds with the provisions of the Board regulations.:

The rating of the Directors carried out in the foregoing point corresponds with the provisions set forth in article 3 of the Rules of the Board of Directors.

B.1.5. Indicate any powers delegated to the Board Members or Chief Executive:

Name or company name of Board Member	Brief description
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D. FLORENTINO PÉREZ RODRÍGUEZ	ALL POWERS THAT CORRESPOND TO THE DIRECTOR EXCEPT THOSE THAT CANNOT BE TRANSFERRED.
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B.1.6. Indicate the Board Members that hold the office of director or executive at any other company that forms part of the group of the listed company

Name or company name of Board Member	Company name of the group entity	Positions
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	COBRA, INSTALACIONES Y SERVICIOS S.A.	CHAIRMAN
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	VICE CHAIRMAN
D. AGUSTÍN BATUECAS TORREGO	CONTINENTAL AUTO S.L.	CHAIRMAN AND CEO
D. JOSÉ LUIS DEL VALLE PÉREZ	ACS SERVICIOS Y CONCESIONES S.L.	SECRETARY OF THE BOARD
D. JOSÉ LUIS DEL VALLE PÉREZ	ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	SECRETARY OF THE BOARD
D. JOSÉ LUIS DEL VALLE PÉREZ	DRAGADOS S.A.	SECRETARY OF THE BOARD
D. JOSÉ LUIS DEL VALLE PÉREZ	COBRA, INSTALACIONES Y SERVICIOS S.A.	SECRETARY OF THE BOARD
D. JOSÉ LUIS DEL VALLE PÉREZ	SOCIEDAD ESPAÑOLA DE MONTAJES INDUSTRIALES S.A.	SECRETARY OF THE BOARD
D. JOSÉ LUIS DEL VALLE PÉREZ	IBERPISTAS S.A.C.E	SECRETARY OF THE BOARD
D. JOSÉ LUIS DEL VALLE PÉREZ	DRAGADOS SERVICIOS PORTUARIOS Y LOGÍSTICOS S.L.	BOARD MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	DRAGADOS CONCESIONES DE INFRAESTRUCTURAS S.A.	BOARD MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	CLECE, S.A.	BOARD MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	CONTINENTAL AUTO S.L.	BOARD MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	SABA APARCAMIENTOS S.A.	BOARD MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	ACS TELEFONÍA MÓVIL S.L.	BOARD MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	URBASER S.A.	BOARD MEMBER
D. MANUEL DELGADO SOLÍS	DRAGADOS S.A.	BOARD MEMBER
D. JAVIER ECHENIQUE LANDIRIBAR	ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	BOARD MEMBER
D. ISIDRO FERNÁNDEZ BARREIRO	XFERA MOVILES S.A.	BOARD MEMBER
D. ANTONIO GARCÍA FERRER	DRAGADOS S.A.	BOARD MEMBER
D. ANTONIO GARCÍA FERRER	ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	BOARD MEMBER
D. ANTONIO GARCÍA FERRER	ACS SERVICIOS Y CONCESIONES S.L.	BOARD MEMBER
D. ANTONIO GARCÍA FERRER	ABERTIS INFRAESTRUCTURAS S.A.	BOARD MEMBER
D. ANTONIO GARCÍA FERRER	INMOBILIARIA URBIS S.A.	BOARD MEMBER
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	BOARD MEMBER
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	ACS SERVICIOS Y CONCESIONES S.L.	BOARD MEMBER
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	SOCIEDAD ESPAÑOLA DE MONTAJES INDUSTRIALES S.A.	BOARD MEMBER
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	DRAGADOS S.A.	VICE CHAIRMAN
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	COBRA, INSTALACIONES Y SERVICIOS S.A.	VICE CHAIRMAN
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	ACS SERVICIOS, COMUNICACIONES Y ENERGÍA	BOARD MEMBER

	S.L.	
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	ACS SERVICIOS Y CONCESIONES S.L.	BOARD MEMBER
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	SOCIEDAD ESPAÑOLA DE MONTAJES INDUSTRIALES S.A.	BOARD MEMBER
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	DRAGADOS S.A.	BOARD MEMBER
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	AUTOPISTAS CONCESIONARIA ESPAÑOLA S.A.U	BOARD MEMBER
D. JAVIER MONZÓN DE CÁCERES	ACS SERVICIOS Y CONCESIONES	BOARD MEMBER
D. JULIO SACRISTÁN FIDALGO	AUTOPISTAS AUMAR S.A.C.E	BOARD MEMBER
D. PABLO VALLBONA VADELL	ABERTIS INFRAESTRUCTURAS	VICE CHAIRMAN

B.1.7. . Detail the Board Members of the company that are Board Members of other companies listed on the official stock exchanges in Spain different from its Group, which have been notified to the company:

Name or company of Board Member	Company name	Listed entity	Position
D. JOSÉ MARÍA AGUIRRE		BANCO GUIPUZCOANO S.A A.	CHAIRMAN
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ		ACERINOX S.A.	BOARD MEMBER
D. MIGUEL Blesa de la Parra		ENDESA S.A.	BOARD MEMBER
D. MIGUEL Blesa de la Parra		IBERIA LINEAS AEREAS DE ESPAÑA S.A.	VICE CHAIRMAN
D. ALVARO CUERVO GARCÍA		TAFISA, TABLEROS DE FIBRAS S.A.	BOARD MEMBER
D. JAVIER ECHENIQUE LANDIRIBAR		TELEFÓNICA MÓVILES S.A.	BOARD MEMBER
D. JAVIER ECHENIQUE LANDIRIBAR		URALITA S.A.	BOARD MEMBER
D. ISIDRO FERNÁNDEZ BARREIRO		PROSEGUR S.A.	BOARD MEMBER
D. JOAN DAVID GRIMÁ TERRÉ		ANTENA 3, TV S.A.	BOARD MEMBER
D. JOSÉ MARÍA LOIZAGA VIGURI		ZARDOYA OTIS S.A.	VICE CHAIRMAN
D. JOSÉ MARÍA LOIZAGA VIGURI		CARTERA HOTELERA, S.A.	CHAIRMAN
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ		LINGOTES ESPECIALES S.A.	BOARD MEMBER
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN		ACERINOX S.A.	BOARD MEMBER
D. JAVIER MONZÓN DE CÁCERES		INDRA SISTEMAS S.A.	CHAIRMAN

B.1.8. Complete the following tables showing the total remuneration of the Board Members accrued during the financial year:

a) In the company object of the present report

Nature of remuneration	Figures in thousand euros
Fixed remuneration	2.168
Variable remuneration	2.458
Expenses	0
Statutory duties	1.790
Stock options and/or other financial instruments	337
Other	0
Total:	6.753

Other benefits	Figures in thousand euros
Advances	0
Credits granted	0
Pension plans and funds: contributions contracted	425
Pension plans and funds: obligations contracted	1.803
Life insurance premiums	0
Guarantees provided by the Company in favour Board Members	

b) Received by Board Members of the company for belonging to other Boards of Directors and/or senior management of companies of the group:

	Figures in thousand euros
Nature of remuneration	
Fixed remuneration	308
Variable remuneration	224
Expenses	430
Statutory duties	0
Stock options and/or other financial instruments	14
Other	439
Total:	1.415

	Figures in thousand euros
Other benefits	
Advances	
Credits granted	
Pension plans and funds: contributions Pension plans and funds: obligations contracted	
Life insurance premiums	
Guarantees provided by the Company in favour Board Members	

c) Total remuneration by type of Board Member:

Type of Board Members	By company	By group
Ejecutivos	5.559	884
Externos Dominicales	747	495
Externos Independientes	447	36
Otros Externos	0	0
Total:	6.753	1.415

d) Respect to profit due to the parent company:

Total Board Member remuneration (thousand euros)	8.168
Total Board Member remuneration/ profit due to parent company (expressed as %)	1,774

B.1.9. Identify the members of senior management that are not in turn executive Board Members, and indicate the total remuneration accrued in their favour during the financial year

Name or company name	Position
ACS ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A.	
DRAGADOS S.A.	CORPORATE DIRECTOR GENERAL
DRAGADOS S.A. DRAGADOS S.A. DRAGADOS S.A. DRAGADOS S.A.	CHAIRMAN AND CEO CHAIRMAN'S ASSISTANT
S.A. DRAGADOS S.A. DRAGADOS S.A. DRAGADOS S.A.	DIRECTOR OF CONTRACTS
DRAGADOS S.A. DRAGADOS S.A. DRAGADOS S.A.	DIRECTOR OF TECHNICAL SERVICES
VIAS Y CONSTRUCCIONES S.A.	DIRECTOR OF BUILDING AREA A
VIAS Y CONSTRUCCIONES S.A.	DIRECTOR OF BUILDING AREA B
VIAS Y CONSTRUCCIONES S.A.	DIRECTOR OF CIVIL WORK AREA A
TECSA EMPRESA CONSTRUCTORA, S.A.	SECRETARY GENERAL
COMUNIDADES GESTIONADAS, S.A (COGESA)	DIRECTOR OF INTERNATIONAL
DRAGADOS Y CONSTRUCCIONES ESPECIALES , S.A. GEOTECNIA	DIRECTOR OF CIVIL WORKS AREA B
Y CIMIENTOS, S.A.	DIRECTOR OF SHAREHOLDINGS
ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	CHAIRMAN AND CEO DIRECTOR
ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	DIRECTOR GENERAL
ACS SERVICIOS, COMUNICACIONES Y ENERGÍA S.L.	DIRECTOR OF PRODUCTION
COBRA, INSTALACIONES Y SERVICIOS S.A.	SOLE ADMINISTRATOR
PROCME, LTD	SOLE ADMINISTRATOR
SOCIEDAD ESPAÑOLA DE MONTAJES INDUSTRIALES S.A.	SOLE ADMINISTRATOR
APLICACION DE PINTURAS API, S.A.	SOLE ADMINSTRATOR
DRAGADOS INDUSTRIAL, S.A.	CHAIRMAN
DRAGADOS INDUSTRIAL, S.A.	EXECUTIVE DIRECTOR GENERAL
	SECRETARY GENERAL
CONTROL Y MONTAJES INDUSTRIALES SA (CYMI) DRAGADOS OFF	CEO
-SHORE, S.A.	CHAIRMAN
DRAGADOS SISTEMAS, S.A.	CEO
MANTENIMIENTO Y MONTAJES INDUSTRIALES, S.A. (MASA) ACS	VICE CHAIRMAN
SERVICIOS Y CONCESIONES, S.A.	CHAIRMAN AND CEO DIRECTOR GENERAL OF
ACS SERVICIOS Y CONCESIONES, S.A.	INDUSTRILA ENGINEERING AND PLANTS
URBASER, S.A.	DIRECTOR GENERAL
URBASER, S.A.	DIRECTOR GENERAL
DRAGADOS SERVICIOS PORTUARIOS Y LOGÍSTICOS S.L. CLECE,	DIRECTOR GENERAL
S.A.	DIRECTOR GENERAL
DRAGADOS CONCESIONES DE INFRAESTRUCTURAS S.A.	CHAIRMAN AND CEO SECRETARY GENERAL
DRAGADOS CONCESIONES DE INFRAESTRUCTURAS S.A.	CEO
DRAGADOS CONCESIONES DE INFRAESTRUCTURAS S.A.	DIRECTOR GENERAL
DRAGADOS CONCESIONES DE INFRAESTRUCTURAS S.A.	EXECUTIVE DIRECTOR
	EXECUTIVE DIRECTOR
	CHAIRMAN
Total Board Member remuneration (thousand euros):	DIRECTOR GENERAL ZONE A
	DIRECTOR GENERAL ZONE B
	DIRECTOR GENERAL OF TENDERS

18,874

B.1.10. Indicate on an aggregate basis if there are guarantee or protection clauses, in the case of dismissal or changes of control in favour of members of senior management, including the executive Board Members, of the company or its group. Indicate if these contracts have to be notified and/or approved by the bodies of the company or its group:

	Number of beneficiaries	16		
Board of Directors			Shareholders' Meeting	
	X			
		Board of Directors	Shareholders' Meeting	
Body that authorised the clauses		X		
			YES	NO
Is the General Meeting informed about the clauses?				X

B.1.11 Indicate the process to determine the compensation of members of the Board of Directors and the related clauses of the articles of association.

The remuneration of the different Board Members for statutory dues was proposed by this board at the proposal of the Compensation Committee. Every year, the global amount is submitted to the approval of the Company Shareholders' Meeting within the agreement regarding the allocation of profits.

This matter is regulated through the last three paragraphs of article 34 of the articles of association which set forth: "In addition to the allowances and expenses agreed by the General Meeting, for statutory participation, the Board of Directors shall also be entitled to remuneration that does not exceed ten percent of the liquid profit. This can only be allocated once the legal reserves and, if applicable, the statutory reserve have been made and the shareholders have been paid a dividend of at least four percent of the paid-up capital for each share.

Express authorisation is hereby given to allow remuneration to all or any of the members of the Board of Directors, as well as executive staff of the company and the companies that belong to the same Group, which consists in the surrender of company shares or of stock option rights or through a reference to the value of said shares, in the manner, terms and conditions set by the General Shareholders' Meeting through the opportune agreement with the legally established requirements.

The Board of Directors shall decide on the manner of distributing the remuneration due through the application of this article, including the different amounts".

B.1.12. Indicate the identity of any Board Members that are, at the same time, Board Members or executives at companies that hold significant shareholdings in the listed company and/or entities in the group:

Name or company Board Member	Company name of	Name or company name of the significant Shareholder	Position
D. FLORENTINO PÉREZ RODRÍGUEZ		INVERSIONES VESAN, S.A.	ADMINISTRATOR
D. ISIDRO FERNÁNDEZ BARREIRO		CORPORACIÓN FINANCIERA ALBA, S.A.	EXECUTIVE DIRECTOR
D. SANTOS MARTÍNEZ -CONDE GUTIÉRREZ -BARQUÍN		CORPORACIÓN FINANCIERA ALBA, S.A.	DIRECTOR GENERAL
D. PABLO VALLBONA VADELL		CORPORACIÓN FINANCIERA ALBA, S.A.	VICE CHAIRMAN
D. AGUSTÍN BATUECAS TORREGO		INVERSIONES BATUECAS TORREGO S.L.	EXECUTIVE DIRECTOR

Detail of any relevant relationships, other than those contemplated in the chart above, which could bind any board members with significant shareholders and/or their group companies:

Name or company Board Member	Company name of	Name or company name of the significant Shareholder	Descripción relación
D. JULIO SACRISTÁN FIDALGO		INVERSIONES VESAN, S.A.	BROTHER IN LAW OF MR FLORENTINO PÉREZ, INVESTMENT ADMINISTRATOR VESAN, S.A.
D. PABLO VALLBONA VADELL		CORPORACIÓN FINANCIERA ALBA, S.A.	EXECUTIVE VICE CHAIRMAN OF BANCA MARCH S.A., MAIN SHAREHOLDER OF CORPORACIÓN FINANCIERA ALBA S.A.
D. ISIDRO FERNÁNDEZ BARREIRO		CORPORACIÓN FINANCIERA ALBA, S.A.	DIRECTOR OF BANCA MARCH S.A., MAIN SHAREHOLDER OF CORPORACIÓN FINANCIERA ALBA S.A.

B.1.13. Indicate any amendments made to the Board Regulations during the year.

On 25 March 2004, the Board of Directors unanimously adopted the following resolution:

“As a precedent condition to the Shareholders’ Meeting approving the amendment of article 20 b of the Articles of Association, to modify the first paragraph of article 23 of the Rules of the Board of Directors to be redrafted as follows:

In accordance with the provisions set forth in article 20 b of the Articles of Association, there shall be an Audit Committee that shall comprise a minimum of three and a maximum of five members who shall be nominated and released from among its members by the Board of Directors. This appointment cannot fall to anyone who currently occupies this post, or who has carried out tasks of an executive or work nature in the company during the three immediately preceding years. The appointment of the Chairman, also to be made by the Board of Directors, must fall on one of the non-executive directors of the Company. The chairman cannot hold this post for a period of more than four years, although he may be re-elected once a period of one year has elapsed from his stepping down. The Secretary of the company shall carry out the same function at the meetings, with voice but without vote”.

Likewise, at the General Shareholders’ Meetings that took place on 20 May 2004, it was favourably agreed to modify the first paragraph of article 23 of the Rules of the Board of Directors, conditionally approved at the session of the Board of Directors that took place on 25 March 2004.

B.1.14. Indicate the procedures for nomination, re-election, evaluation and removal of the Board Members. Detail the competent bodies, the steps to follow and the criteria to use in

each of the procedures.

The issue is regulated in the Rules of the Board of Directors, in the following articles, the literal content of which is the following:

Article 3. Composition and appointment

Within the limits set forth in article 13 of the Articles of Association in force and without prejudice to the powers of proposal which, in accordance with current legislation, corresponds to the shareholders, it shall fall to the Board of Directors to propose to the General Shareholders' Meeting both the number of Directors as well as the natural or legal individuals that must be appointed. The appointment proposal shall record the executive, external and proprietary or external and independent status of the proposed Directors.

In addition, in the event of vacancies, the Board of Directors may provisionally fill them from among the shareholders until the next General Shareholders' Meeting, when the definitive election shall take place.

Article 4. Duties (...) In particular, the Board of Directors shall be responsible for:

Accepting the resignation of Directors.

To name, revoke and accept the resignation of the posts of Chairman, Vice chairman and Secretary of the Board.

To name, revoke and accept the resignation of the Directors who are to form part of the Committees and Committees that are provided for in these Rules.

Article 11. Period of appointment of the Directors

The Directors shall exercise their role for the period for which they are elected. Under no circumstances may this exceed a period of five years. They may be re-elected one or more times for terms of an equal duration. The foregoing is without prejudice to the Directors continuing to exercise their position until the next General Shareholders' Meeting takes place once their term has expired.

The Directors elected through co-optation shall exercise their role until the next General Shareholders' Meeting, when the definitive election to cover the vacancy shall take place.

Article 17. The Chairman

The Board shall elect a Chairman from among its members. The chairman, in addition to the duties that correspond to him by virtue of current legislation, the Articles of Association and these Rules, shall undertake duties that befit the status of the top executive post of the company, within the guidelines laid down by the General Shareholders' Meeting, the Board of Directors and the Executive Committee.

The Chairman shall have the widest possible powers for the purpose of carrying out his duties and, unless lawfully prohibited, may totally or partially replace same in favour of other members of the Board and executive personnel of the company and, in general, to whoever he deems fit and proper.

Article 18. The Vice Chairmen

The Board may likewise elect one or two Vice Chairmen from among its Directors: The Vice Chairmen shall deputise for the Chairman in those instances of delegation, absence or illness and, in general, shall exercise all those duties that fall to the Chairman, the Executive Committee and the Board of Directors.

The replacement of the Chairmen by the Vice Chairmen shall be carried out in accordance with the order of their appointment or, in the absence of this, through the order of their seniority and, finally, in order of age from eldest to youngest.

Article 19. The CEO

The Board may appoint a CEO and award him the powers required unless these are prohibited from being delegated through the Law or through the Articles of Association.

Article 20. The Secretary

The Board of Directors shall appoint a Secretary. The Secretary cannot be a Board Member and must be a practising Lawyer. In addition to the duties that the Secretary is responsible for through current legislation, the Articles of Association and these Rules, the Secretary of the Board of Directors must also oversee the legality of the acts that emanate from the company bodies that it forms part of, providing the due warnings and taking minutes of same.

B.1.15. Indicate the events in which Board Members are obliged to resign.

Not expressly considered.

B.1.16. State whether the function of the chief executive officer of the company rests with the Chairman of the Board. If this is the case, indicate the measures that have been taken to limit the risks of accumulation of powers in a single person:

YES NO
Measures to limit risks

The Chairman of the Board, Mr Florentino Pérez Rodríguez, is also CEO, and has delegated all the powers of the Board, except those that cannot be transferred. His duty is not only delimited by this scope of powers that cannot be transferred, but also by the duties that he carries out as Chairman of the Executive Committee. There is no other specific risk limitation of the accumulation of these duties.

B.1.17. ¿ Are higher majorities required, different from the legal majority, in any type of decision?:

sí NO

Indicate how resolutions are adopted in the Board of Directors, identifying at least, the minimum quorum of attendance and the type of majority to adopt resolutions:

ADOPTION OF RESOLUTIONS

Description of agreement	Quorum	Type of Majority
--------------------------	--------	------------------

B.1.18. State whether there are specific requisites, different from those related to Board Members, to be nominated Chairman..

sí NO

Description of requisites

B.1.19. Indicate if the Chairman has a quality vote:

YES NO Matters where the quality vote exists

B.1.20. Indicate if the articles of association or the Board Regulations establish any limit on the age of Board Members:

sí NO

Age limit of Chairman:
Age limit of Chief Executive Officer:
Age limit of Board Member:-

B.1.21 Indicate if the articles of association or the Board Regulations establish a limited mandate for independent Board Members:

sí NO

B.1.22. Indicate if there are formal processes for the delegation of votes in the Board of Directors. If so, explain them briefly.

Without prejudice to the obligation to attend, the Directors that cannot attend a meeting in person may be represented and cast a vote through another Director. This delegation must be made in writing to the Chairman and must in the form of a letter, telegram, telex or fax or any other written means that acknowledges receipt by the addressee.

B.1.23. Indicate the number of meetings that the Board of Directors has held during the year. In addition, indicate the number of time the Board has meet without the presence of the Chairman, if applicable:

Number of Board meetings	7
Number of Board meetings without the presence of the Chairman	0

Indicate the number of meetings held during the year by the different Board committees:

Number of meetings of the Executive comision	10
Number of meetings of the Audit and Control	6
Number of meetings of the Nomination and Compensation Committee	3
Number of meetings of the Strategy and Investments Committee	0
Número de reuniones de la comision	0

B.1.24. . Indicate whether the parent company and consolidated accounts that are presented to the Board of Directors for their approval are previously certified:

sí NO X

Identify, if applicable, the person/people that has/have certified the parent company and consolidated accounts of the group, for their preparation by the Board:

Name	Position
------	----------

B.1.25. Explain the mechanisms established by the Board of Directors, if there are any, to avoid the parent company and consolidated accounts that it prepares being presented in the Shareholders' Meeting with a qualified auditor's report.

In this regard, periodic contracts are signed between the accounts auditor and the Audit Committee. These contracts allow any differences of accounting criteria between the accounting policies of the Company, its group companies and the auditor's interpretation of same to be checked beforehand. The foregoing is in accordance with article 20 b of the Articles of Association. It is thought that the audit report, both for ACS Actividades de Construcción y Servicios, S.A as well as Grupo ACS for the 2004 financial year shall be issued with a favourable opinion, as were the opinions that corresponded to the 2002 and 2003 financial years .

B.1.26. Outline the measures adopted so that the information released to the stock exchange is transmitted in a symmetrical and equitable manner.

We try to ensure that knowledge of relevant facts for the market is restricted to the minimum number of identified persons, until the public in general is made aware of the corresponding relevant fact through the dissemination of same.

B.1.27. ¿ Is the Secretary of the Board of Directors a Board Member?:

sí X NO

B.1.28. Indicate the mechanisms established by the company, if any, to preserve the independence of the auditor, of the financial analysts, of the investment banks and the rating agencies.

With regard to the auditor, article 23 of the Rules of the Board expressly sets forth that in addition to the appointment proposal, the Audit Committee shall be responsible for dealing with the external auditors in order to receive information on those matters that could jeopardise their independence and any others related to the process of implementation of the accounts auditing as well as those other communications provided for in accounts auditing legislation and technical standards of auditing. Elsewhere, both article 20 b of the Articles of Association as well as article 23 of the Rules of the Board set forth that the appointment of the members of the Audit Committee cannot fall to anybody that is currently performing this task or who had carried out tasks of an executive or work nature in the Company during the three immediately preceding years. Moreover, the appointment of the Chairman must fall to a non-executive board member of the Company who cannot remain in this post for a period greater than four years. He can, however, be re-elected once a period of one year has elapsed from his stepping down.

B.1.29. Indicate if the auditing firm undertook other work for the company and/or its group other than the audit and in this case indicate the amount paid in fees for said work and the percentage that it represents of the total fees invoiced to the company and/or group.

	SÍ X	NO			
			company	Group	Total
Amount from work other than the audit (thousand euros)			210	290	500
Amount from work other than audit /			73,680	9,000	14,200
Total amount invoiced by auditing firm (in %)					

B.1.30. . Indicate the number of uninterrupted years that the current auditing firm has carried out the audit of the annual accounts of the company and/or its group. Also indicate the percentage that the number of years audited by the current auditing firm represents of the total number of years which the annual accounts have been audited:

	Company	Group
Number of uninterrupted years	o 15	15

Number of years audited by current auditing firm /
No. of years that the company has been audited (%)

Sociedad
100,000

Grupo
100,000

B.1.31. Indicate the shareholdings of members of the company's Board of Directors in entities that have the same, analogous or complementary kind of activity to the business purpose of both the company and its group, which have been notified to the company. Also indicate the positions or duties that they perform in these companies:

Name or trade name of the board member	Name of the object company	% shareholding	Post or duties
		0.005	
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	INMOBILIARIA URBIS S.A.		
D. MIGUEL Blesa de la Parra	CORPORACIÓN FINANCIERA DE CAJA DE MADRID S.A.	0.000	CHAIRMAN
D. MIGUEL Blesa de la Parra	CINTRA CONCESIONES DE INFRAESTRUCTURAS DE TRANSPORTE S.A.	0.001	
D. JOSÉ LUIS DEL VALLE PÉREZ	INMOBILIARIA PAREDES S.A.,		13.570 SOLE ADMINISTRATOR
D. JOSÉ LUIS DEL VALLE PÉREZ	DEL VALLE INVERSIONES S.A.		33.330 SOLE ADMINISTRATOR
D. JOSÉ LUIS DEL VALLE PÉREZ	INVERSIONES MONTECARMelo, S.A.	23.490	
D. JOSÉ LUIS DEL VALLE PÉREZ	SAGITAL, S.A.	5.100	
D. JOSÉ LUIS DEL VALLE PÉREZ	CONTINENTAL INDUSTRIAS DEL CAUCHO S.A.	0.000	CHAIRMAN
D. JOSÉ LUIS DEL VALLE PÉREZ	FSC SERVICIOS DE FRANQUICIA S.A.	0.000	CHAIRMAN
D. JAVIER ECHENIQUE LANDIRIBAR	ERHARDT Y CÍA. S.A.	0.000	BOARD MEMBER
D. ISIDRO FERNÁNDEZ BARREIRO	FCC	0.001	
D. ANTONIO GARCÍA FERRER	INMOBILIARIA URBIS S.A.	0.000	BOARD MEMBER
D. JOSÉ MARÍA LOIZAGA VIGURI	MERCAPITAL S.L.	20.224	CHAIRMAN
D. JOSÉ MARÍA LOIZAGA VIGURI	CAPITAL STOCK	99.990	CHAIRMAN
D. JOSÉ MARÍA LOIZAGA VIGURI	INVERSIONES EUROPEAS S.L.	99.970	VICE CHAIRMAN
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	TERRATEST TÉCNICAS ESPECIALES S.A.	45.000	CHAIRMAN (THROUGH FAPINDUS S.L.)
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	GHESA INGENIERÍA Y TECNOLOGÍA S.A.	0.000	BOARD MEMBER
D. PEDRO-JOSÉ LÓPEZ JIMÉNEZ	ATLAS COPCO, SAE	0.000	BOARD MEMBER
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	FCC	0.003	
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	GRUPO FERROVIAL S.A.	0.001	
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	ABENGOA	0.002	
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	GAMESA CORPORACIÓN TECNOLÓGICA S.A.	0.000	
D. SANTOS MARTÍNEZ-CONDE GUTIÉRREZ-BARQUÍN	ABERTIS	0.000	
D. JAVIER MONZÓN DE CÁCERES	INFRAESTRUCTURAS S.A.		
D. JAVIER MONZÓN DE CÁCERES	INDRA SISTEMAS S.A.	0.039	CHAIRMAN
D. JAVIER MONZÓN DE CÁCERES	INDRA SI, S.A.	0.000	BOARD MEMBER
D. JAVIER MONZÓN DE CÁCERES	EUOPRAXIS-ATLANTE, S.L.	0.000	CHAIRMAN
D. JAVIER MONZÓN DE CÁCERES	INVERSIS NETWORKS, S.A.	0.000	BOARD MEMBER
D. JAVIER MONZÓN DE CÁCERES	BANCO INVERSIS NET, S.A.	0.000	BOARD MEMBER
D. JAVIER MONZÓN DE CÁCERES	MARCO POLO	0.000	REPRESENTATIVE

B.1.32. Indicate and detail, if applicable, if there is any procedure for the Board Members to obtain external advice:

sí NO X

Detail of procedure

B.1.33. Indicate and if applicable provide details of any procedure for Board Members to obtain the information required to prepare for the meetings of the administrative bodies with sufficient time

sí x NO

Detail of procedure

In article 15, the rules expressly provide for the right of the board members to request the assessment and information required to carry out their duties to the best of their ability and to request the information they deem necessary through the Chairman or Secretary of the Board.

B.1.34. Indicate if there is a liability insurance policy that covers the company's board members:.

sí x NO

B.2. Committees of the Board of Directors

B.2.1. Identify the administrative bodies:

Name of body	number of members	Functions
BOARD OF DIRECTORS	18	THE REPRESENTATION OF THE COMPANY AND THE ADMINISTRATION OF ITS BUSINESSES AND THE CARRYING-OUT OF AS MANY OPERATIONS AS FORM THE CORPORATE PURPOSE OR ARE RELATED THERETO.

EXECUTIVE COMMITTEE

7

Through delegation from the Board of Directors, this committee shall hold all the powers that correspond to this body, except those that cannot be transferred by law or through a provision in the Articles of Association.

That notwithstanding, the Board of Directors may discuss the knowledge and decision of any issue that falls under its terms of reference, and the Executive Committee may submit any matter to the decision of the Board of Directors when, although the matter could be dealt with by the Committee, this body believes it is necessary for the Board to take the appropriate decision.

AUDIT COMMITTEE

4

a) To inform the Shareholders' Meeting on matters that the shareholders raise.

b) To propose the appointment of the external accounts auditors to the Board of Directors, referred to in article 204 of the revised text of the Public Limited Companies Act.

c) To review and approve any significant changes to the accounting policies of the Company and the subsidiary companies that form the Group of Companies.

Likewise, in general, all dealings with the external auditors in order to receive information on those issues that could jeopardise their independence as well as any others related to the process of implementation of accounts auditing and any other communications set forth in legislation governing accounts auditing and the technical rules of accounting.

d) To supervise the internal auditing services if this body exists within the business organisation.

e) To be aware of the financial information process and the internal control systems of the company.

f) To review and provide information on the estimates made by the Company management and those that are integrated into its Group of Companies on possible tax and legal contingencies of a significant nature.

g) To be aware of the results of inspections carried out by official authorities.

h) To be aware of the information regarding the company's accounts that is periodically supplied to the Stock Market

i) Any other special issues that are referred to the Board of Directors.

COMPENSATION COMMITTEE responsible for providing the Board of Directors with information about::

4 The Compensation Committee is

1. Remuneration scheme of the Chairman of the Board and other top executives of the company.

2.- Remuneration of the Board Members.

3.- Long-term plans that may be established in accordance with the value of the share, such as stock option plans.

B.2.2. Detail of all the committees of the Board of Directors and its members:

EXECUTIVE COMMITTEE

Name	Position
D. FLORENTINO PÉREZ RODRÍGUEZ	CHAIRMAN
D. JOSÉ MARÍA LOIZAGA VIGURI D.	MEMBER
ISIDRO FERNÁNDEZ BARREIRO D.	MEMBER
ANTONIO GARCÍA FERRER D.	MEMBER
JAVIER ECHENIQUE LANDIRIBAR D.	MEMBER
PEDRO-JOSÉ LÓPEZ JIMÉNEZ D.	MEMBER
PABLO VALLBONA VADELL	MEMBER
D. JOSÉ LUIS DEL VALLE PÉREZ	SECRETARY (NON MEMBER)

AUDIT AND CONTROL COMMITTEE

Name	Position
D. SANTOS MARTÍNEZ -CONDE GUTIÉRREZ -BARQUÍN	CHAIRMAN
D. ALVARO CUERVO GARCÍA	MEMBER
D. JULIO SACRISTÁN FIDALGO	MEMBER
D. MANUEL DELGADO SOLÍS	SECRETARY (NON MEMBER)
D. JOSÉ LUIS DEL VALLE PÉREZ	

NOMINATION AND COMPENSATION COMMITTEE

Name D.	Position
PABLO VALLBONA VADELL	CHAIRMAN
D. JOSÉ MARÍA AGUIRRE GONZÁLEZ	MEMBER
D. JOSÉ MARÍA LOIZAGA VIGURI D.	MEMBER
JAVIER ECHENIQUE LANDIRIBAR D.	SECRETARY (NON MEMBER)
JOSÉ LUIS DEL VALLE PÉREZ	

STRATEGY AND INVESTMENTS COMMITTEE

Name

Position

B.2.3. Provide a description of the organisation and operating rules, along with the responsibilities that are attributed to each Board Committee.

These are included in articles 21 to 24 of the Rules of the Board of Directors, the contents of which are the following:

Article 21. The Committees

For greater efficiency in the exercise of its duties and without prejudice to the statutory powers that correspond to the Board for the creation of the Committees that it deems necessary, an Executive Committee shall be formed, with delegated powers from the board, an Audit Committee and a Compensation Committee, with the functions that are set forth in these Rules within the framework of current legislation and the Articles of Association

Article 22. - The Executive Committee

The Executive Committee shall comprise the Chairman of the Board, who shall be its Chairman, and by the one or two Vice Chairmen, if these positions have been designated, by the Board Members designated by the Board of Directors, and by the Secretary of the Board, with voice but without vote, who shall act as Secretary.

The Executive Committee shall meet as often as it is convened by the Chairman, either on his own initiative or when at least two members request same. The Committee is understood to be validly constituted when the majority of its elements are either present or represented and, save any other provision set forth in current legislation, in the Articles of Association or in these Rules, shall adopt its resolutions through a majority of attendees, either present or represented.

Through delegation of the Board of Directors, the Executive Committee shall hold all the powers that correspond to this body, except those that cannot be transferred by law or through a provision in the Articles of Association.

That notwithstanding, the Board of Directors may discuss the knowledge and decision of any issue that falls under its terms of reference, and the Executive Committee may submit any matter to the decision of the Board of Directors when, although the matter could be dealt with by the Committee, this body believes it is necessary for the Board to take the appropriate decision.

The provisions set forth in these rules regarding the operation of the Board of Directors shall be applied as necessary and with the natural adaptations.

Article 23. The Audit Committee

In accordance with the provisions set forth in article 20 b of the Articles of Association, there shall be an Audit Committee that shall comprise a minimum of three and a maximum of five members who shall be nominated and released, from among its members, by the Board of Directors. This appointment cannot fall to anyone who currently occupies this post, or who has carried out tasks of an executive or work nature in the company during the three immediately preceding years. The appointment of the Chairman, also to be made by the Board of Directors, must fall on one of the non-executive directors of the Company. The chairman cannot hold this post for a period of more than four years, although he may be re-elected once a period of one year has elapsed from his stepping down. The Secretary of the company shall carry out the same function at the meetings, with voice but without vote.

This shall only be understood to be constituted when the majority of its members are present and shall adopt its resolutions through a majority of attendees. In the event of a tie, the Chairman shall have the casting vote. It shall meet whenever the Chairman convenes a meeting and at least twice a year, coinciding with the initial and final stages of the auditing of the Company's financial statements and the consolidated accounts of the Group of Companies and always prior to the issue of the audit reports. The Company's Auditor may attend these meetings, whenever especially convened, for the purpose of explaining the most significant aspects of the audit.

The Auditing Committee shall be responsible for the following functions:

To inform the Shareholders' Meeting on matters that the shareholders raise.

To propose the appointment of the external accounts auditors to the Board of Directors, referred to in article 204 of the revised text of the Public Limited Companies Act.

To review and approve any significant changes to the accounting policies of the Company and the subsidiary companies that form the Group of Companies.

Likewise, in general, all dealings with the external auditors in order to receive information on those issues that could jeopardise their independence as well as any others related to the process of implementation of accounts auditing and any other communications set forth in legislation governing accounts auditing and the technical rules of accounting.

To supervise the internal audit services if this body exists within the business organisation.

To be aware of the financial information process and the internal control systems of the company.

To review and provide information on the estimates made by the Company management and those that are integrated into its Group of Companies on possible tax and legal contingencies of a significant nature.

To be aware of the results of inspections carried out by official authorities.

To be aware of the information regarding the company's accounts that is periodically supplied to the Stock Market

Any other special issues that are referred to the Board of Directors

The provisions set forth in these rules regarding the operation of the Board of Directors shall be applied to the Audit Committee as necessary and with the natural adaptations.

Article 24. The Compensation Committee

A Compensation Committee shall likewise be set up that shall be made up of a Chairman and a minimum of two members of the Board who shall be freely elected and removed from among the members by the Board of Directors. Furthermore, they shall exercise their positions for the period for which they are appointed. This period cannot exceed four years. The Secretary of the Board of Directors of the Company shall attend these meetings in the capacity of Secretary, with voice but without vote.

This shall only be understood to be validly constituted when the majority of its members are present and shall adopt its resolutions through a majority of attendees. In the event of a tie, the Chairman shall have the casting vote. It shall meet whenever the Chairman convenes a meeting and at least twice a year

The Compensation Committee is responsible for providing the Board of Directors with information on:

The remuneration scheme of the Chairman of the Board of Directors and other top executives.
Remuneration of the Board Members.

Long-term plans that may be established in accordance with the value of the share, such as stock option plans.

The provisions set forth in these rules regarding the operation of the Board of Directors shall be applied to the Compensation Committee as necessary and with the natural adaptations.

B.2.4. Indicate the powers of assessment, consultation and, if applicable, the delegations held by each of the committees:

Denominación comisión	Breve descripción
EXECUTIVE COMMITTEE	THE EXECUTIVE COMMITTEE HAS ALL THE POWERS THAT CORRESPOND TO THE BOARD OF DIRECTORS EXCEPT FOR THOSE THAT CANNOT BE TRANSFERRED BY LAW OR BECAUSE OF THE ARTICLES OF ASSOCIATION.
AUDIT COMMITTEE	<p>THE AUDIT COMMITTEE IS RESPONSIBLE FOR THE FOLLOWING FUNCTIONS OF ADVICE AND CONSULTANCY. AS WELL AS THOSE THAT THE BOARD OF DIRECTORS MAY ENTRUST TO IT:</p> <ul style="list-style-type: none">- TO INFORM THE GENERAL SHAREHOLDERS' MEETING ON MATTERS RAISED BY THE SHAREHOLDERS.- TO PROPOSE THE APPOINTMENT OF THE EXTERNAL ACCOUNTS AUDITOR TO THE BOARD OF DIRECTORS IN ORDER THAT THE LATTER CAN PRESENT THIS PROPOSAL TO THE GENERAL SHAREHOLDERS' MEETING, IN ACCORDANCE WITH ARTICLE 204 OF THE REVISED TEXT OF THE PUBLIC LIMITED COMPANIES ACT.- TO REVIEW AND APPROVE ANY SIGNIFICANT CHANGES TO THE ACCOUNTING POLICIES OF THE COMPANY AND THE SUBSIDIARY COMPANIES THAT FORM THE GROUP OF COMPANIES. LIKEWISE, IN GENERAL, ALL DEALINGS WITH THE EXTERNAL AUDITORS IN ORDER TO RECEIVE INFORMATION ON THOSE ISSUES THAT COULD JEOPARDISE THEIR INDEPENDENCE AS WELL AS ANY OTHERS RELATED TO THE PROCESS OF IMPLEMENTATION OF ACCOUNTS AUDITING AND ANY OTHER COMMUNICATIONS SET FORTH IN LEGISLATION GOVERNING ACCOUNTS AUDITING AND THE TECHNICAL RULES OF ACCOUNTING.- TO REVIEW AND PROVIDE INFORMATION ON THE ESTIMATES MADE BY THE COMPANY MANAGEMENT AND THOSE THAT ARE INTEGRATED INTO ITS GROUP OF COMPANIES ON POSSIBLE TAX AND LEGAL CONTINGENCIES OF A SIGNIFICANT NATURE. ALL OF THE FUNCTIONS OF THE COMPENSATION COMMITTEE MAY BE CONSIDERED TO BE ADVICE OR CONSULTANCY TASKS ON BEHALF OF THE BOARD OF DIRECTORS.

COMPENSATION COMMITTEE

B.2.5. Indicate, if applicable, if there are regulations of the Board Committees, where they can be consulted, and amendments made during the year. In addition, indicate on a voluntary basis if any annual report has been prepared on the activities of each committee.

The Board Committees are regulated through the Rules of the Board and the activity of each committee is set forth in minutes that are sent to each and every one of its members. In addition, the Audit Committee issued the corresponding report for the General Shareholders' Meeting with regard to the accounts for the 2003 financial year and must do the same in 2005 for the 2004 accounts.

B.2.6. In the event that there is an executive committee, explain the level of delegation

and autonomy that it has in carrying out its functions, in passing resolutions on the administration and management of the company

Through delegation of the Board of Directors, this Committee shall hold all the powers that correspond to this body, except those that cannot be transferred by law or through a provision in the Articles of Association. That notwithstanding, the Board of Directors may discuss the knowledge and decision of any issue that falls under its terms of reference, and the Executive Committee may submit any matter to the decision of the Board of Directors when, although the matter could be dealt with by the Committee, this body believes it is necessary for the Board to take the appropriate decision.

B.2.7. Indicate if the members of the executive committee reflect the shareholding in the Board of the different Board Members based on their status:

Sí NO X

If no, please explain the composition of its executive committee

The Executive Committee comprises an independent board member, two executive board members and four proprietary board members as well as a Secretary with voice but without vote.

B.2.8. If there is a Nominations Committee, indicate if all its members are non-executive Board Members:

Sí NO X

C RELATED AND INTERGROUP TRANSACTIONS

C.1. Detail the relevant operations that involved a transfer of resources or obligations between the company or entities of the group and significant shareholders of the company

Name or company name of the significant shareholder	NIF or CIF of the group company or entity	Name or company name of the group company or entity	Nature of relationship	Type of operation	Amount (thous. euros)
:					

C.2. Detail of the relevant operations that involved a transfer of resources or obligations between the company and entities of its group and the administrators or executives of the company:

Name or company name of the significant shareholder	NIF or CIF of the group company or entity	Name or company name of group company or entity	Nature of relationship	Type of operation	Amount (thous. euros)
					0

0

C.3. Detail the relevant operations made by the company with other companies belonging to the same group, provided that they are not eliminated in the process of preparing the consolidated financial statements and do not form part of the normal business of the company in terms of its business purpose and conditions:

Trading name of the group entity	Brief description of the operation	Amount (thousands of euros)
		0

C.4. Identify, if applicable, the existence of any conflicts of interest faced by the Board Members of the company, as established under article 127 of the Companies Act.

C.5. Outline the mechanisms established to detect, determine and resolve the possible conflicts of interest between the company and/or its group, and its Board Members, executives or significant shareholders.

1). There are several standards included in the Rules of the Board. Article 13 specifically regulates conflicts of interest. With regard to the duty of loyalty, this article stipulates that the Board Members shall avoid conflicts of interest between themselves, or their most immediate relatives and the Company. Should any conflict of interest exist and be unavoidable, this must be notified to the Board of Directors and recorded in the Minutes of the first Board meeting that takes place. Shares, stock or derivative options that refer to the value of the share of which they are holders, either directly or indirectly, must also be notified to the Company as soon as possible, and under all circumstances within the five days that follow. This applies both to the Board Members as well as their most immediate relatives.

The Board Members must also notify the Company of any significant changes in their professional capacity and, specifically, those changes that affect their designation as a board member. They shall likewise inform the Company of any legal or administrative procedure that could have a negative affect on the reputation of the Company.

The Board Members shall abstain from intervening in the deliberations and of taking part in the voting on those matters in which they have a particular interest. This shall also be expressly recorded in the Minutes

Likewise, on regulating the non-competition and the use of information, article 14 sets forth that the Board Members cannot, either directly or indirectly, hold positions in companies or firms that are competitors of the Company or of any of the Group companies or provide representation services on behalf of same.

The Board Members cannot use restricted information that they have become aware of through the exercise of their position as a Board Member for any private purpose. More specifically, unless expressly authorised by the Board of Directors, the Board Members cannot benefit from commercial transactions that they have become aware of in their capacity as a Board Member.

Unless it is a duly authorised payment in kind, Board Members cannot make use of Company assets or use these assets to obtain a patrimonial advantage without paying the adequate consideration.

2). Likewise, there are Regulations of Conduct on the Stock Market that include a set of rules designed to detect and regulate any possible conflicts of interest between the Company and/or its group, its board members, directors or significant shareholders.

At the meeting on 17 July 2003, the Executive Committee of ACS, Actividades de Construcción y Servicios, S.A., through the use of the powers delegated by the Board of Directors, approved the Regulations of Conduct on the Stock Markets. This was notified to the Stock Market Committee on 31 July 2003. At its session on 1 July 2004, the Board of Directors unanimously agreed to approve a series of modifications to the Regulations of Conduct on the Securities Markets. These were notified to the Stock Market Committee on 2 July 2004.

In general, the regulations apply to the members of the Board of Directors, members of the Group Management Committee as well as, in general, those representatives and personnel of the Company that carry out activities that could fundamentally influence the Company's share listing. Likewise, those representatives or personnel of the Company as well as external consultants who hold privileged or inside information regarding the Company's shares, with regard to a specific operation, shall also be specifically bound by these regulations.

The Monitoring Unit provided for in the Regulations shall have an updated list of the Board Members, representatives and personnel of the Company as well as external consultants bound by the same regulations. This list shall be made available to all supervising authorities of the stock markets. Both the inclusion on this list as well as exclusion from same shall be communicated in writing by the Chairman of the Monitoring Unit to all those affected.

The Regulations are applied with regard to shares, stock options and similar contracts that grant the right to subscribe to or acquire Company shares, convertible or non-convertible securities, bonds, promissory notes, junior debt and, in general, any kind of financial instrument issued by the Company or, if applicable, by Group entities. The Regulations shall also apply to cases of conflicts of interest pursuant to article 7 of same.

All persons to whom the Regulations apply must abstain from carrying out, or preparing to carry out, any kind of acts that falsify the free formation of prices on the stock market. Moreover, they must abstain from using all manner of privileged information, whether for personal gain or on behalf of third parties, which they have gained through the exercise of their functions at the Company or on behalf of the Company.

All members of the Board of Directors, representatives and personnel of the Company that possess privileged information regarding the negotiable securities and financial instruments issued by the Company or Group entities, are bound to safeguard same. This is without prejudice to their duty to communicate this information and to collaborate with the legal and administrative authorities in the terms legally set forth.

During the study or negotiation stages of any kind of legal or financial operation that could have an appreciable influence on the listing of the securities to which the Regulations refer, the Company personnel that are in charge of these operations shall be obliged:

- a) To limit the information strictly to those persons, either within or outside the organisation, whose participation is essential.
- b) To keep a documentary register for each operation that lists the names of the persons referred to in the foregoing section and the date on which each one of them was given the information
- c) To warn the persons that are included on the list of the nature of the information and of their duty of non-disclosure and the prohibition of using said information.
- d) To establish security measures for the custody, filing, access, copying and distribution of the information.
- e) To watch over the trend of the negotiable securities or financial instruments market related to the operation underway, as well as the news broadcasts by the communication media, whether or not specialised in financial information, which could affect them.
- f) If there is an abnormal trend of the volumes contracted or of the trading prices, and there is evidence that this trend is due to early, partial or distorted dissemination of the operation, the persons in charge of the operation must immediately inform the Secretary General and the Board so that the latter can disclose a relevant fact that provides clear and concise information of the state of the operation underway and which contains the advance information to be supplied.

Persons subject to the Regulations who carry out any kind of operation on negotiable securities or financial instruments issued by the Company must observe the following duties:

a) To provide the Company, via the Chairman of the Monitoring Unit, with written information on any kind of purchase or sale or acquisition of option rights operation, carried out on their own behalf and which is related to the securities that constitute the target scope of these Regulations. Also considered on the same level as operations carried out on their own behalf are those carried out by the spouse, unless this only affects their private or exclusive wealth in accordance with the financial marriage rules, by children under legal age or disabled under paternal powers of the obligee or by companies that are directly or indirectly controlled, or by intervening persons. Those operations that have not involved intervention by the person that is subject to these Regulations because they were ordered by the entities that the affected person has entrusted their securities portfolio management to on a stable basis are excluded from this information obligation. In this case it shall be sufficient to inform the Chairman of the Monitoring Unit of the existence of the portfolio management contract and the name of the managing agent.

b) At the request of the Chairman of the Monitoring Unit, to provide full details of the operations carried out on their own behalf that are related to the securities that constitute the objective sphere of application of these Regulations.

c) To communicate in writing to the Chairman of the Monitoring Unit, at the time of acquiring the status of Board Member, representative or staff member of the Company that is subject to these regulations, the list of the securities of the Company or the Group entities of which they are the holder, directly or indirectly via controlled companies or through intervening persons or entities or persons and entities that act jointly, as well as those that are owned by their children under the legal age or disabled under paternal powers of the obligee or those carried out by the spouse, unless this only affects their private or exclusive wealth in accordance with the financial marriage rules. In addition, written notification of the existence of the portfolio management contract and the name of the managing agent must be given.

d) To submit any doubt regarding the application of these Regulations to the Monitoring Unit, through its Chairman. No action must be taken until a response to the enquiry has been received.

Without prejudice to the foregoing, when the operations on securities or financial instruments issued by the Company are carried out by Board Members, these must also be notified to the Stock Exchanges where the shares are listed and the Stock Market Committee, in the legally determined manner.

The Secretary of the Monitoring Unit shall maintain the communications, notifications and anything else related to the Regulations duly filed and organised. Moreover, the Secretary shall maintain said file confidential and may, at any time, request confirmation from persons that are bound by the Regulations of balances of securities and financial instruments that derive from the file.

Through its Chairman, the Monitoring Unit is responsible for the preparation and updating of the list of persons that are subject to the Rules of Conduct. The Monitoring Unit shall comprise the Secretary of the Board of Directors, who shall chair, the Corporate Director General and the Director of Administration, who shall act as Secretary.

Breach of the rules of conduct contained herein with regard to the provisions set forth in the Stock Market regulations may give rise to the corresponding administrative sanctions and other consequences that derive from applicable legislation. This shall be considered to be a work misdemeanour in so far as it affects Company staff.

D RISK CONTROL SYSTEMS

D.1. General description of the risk policies of the company and/or its group, detailing and evaluating the risks covered by the system, along with the justification of the appropriateness of these systems for the profile of each type of risk.

The diversity and complexity of the sectors in which the Group carries out its activities imply a variety of risks that can be grouped into the following categories:

Client risks, derived from their quality of credit, default, concentration of risks and works carried out pending certification.

Operating risks, stemming from the businesses that the Group develops and which vary depending on the area of activity, but which can be summarised into risks for changes to

deadlines and costs, risks for quality deficiencies, work risks, environmental risks and risks for third part damages.

Financial risks, as a consequence of borrowing levels, working capital, exposure to different currencies and rates of interest, guarantees and underwriting. The intrinsic risks of new investments are also the object of analysis and control, as are the risks derived from the deterioration of the Group's assets.

Market risks, both regulatory as well as structural, inherent to the diverse markets where the Group has a presence, as well as the risk concentration levels of each country.

The risk control systems of the Group are based on a set of strategic and operational strategies targeted at the compliance with the risk policies by each area of the Group's activity. These assume a decentralised model that allows each business unit to exercise its control and risk evaluation policies under a few basic principles. These principles are the following:

Definition of the maximum limits of risk that can be assumed by each business in accordance with the characteristics and expected returns of same.

Setting up of the identification, approval, analysis, control and information procedures of the different risks for each business area. Coordination and communication to ensure that the risk policies and procedures of the areas of activity are consistent with the Group's global risk policy.

The systems supply the information necessary to enable the supervision of exposure to risk of each business area and due assessment of same. It also allows the corresponding management information to be prepared for decision taking. The control systems implemented in each business area may be classified into the following categories:

Quality management systems

These are the means used to ensure the products manufactured and the services provided are in accordance with the requirements specified in the contract, as well as legal and statutory requirements, for the purpose of ensuring client satisfaction.

The systems, which meet the requirements of the ISO 9001 standard, are based on preliminary identification of the relevant processes from the quality management point of view in which the activities developed in different area are organised, in order to plan them and track them accordingly.

The periodic review of the systems by the management and the setting of targets allows for ongoing improvements to be made to same.

Environmental management systems

The implantation of these systems to the different business areas of the Group allows the corresponding activities to be implemented, thus ensuring maximum respect of the environment.

The systems, standardised in accordance with the ISO 14001 international standard, are based on the identification and evaluation of the environmental aspects on which they could have an impact. The actions required to prevent or minimise this impact are planned and suitable control measures are put in place, in accordance with current legal requirements that are in force and with the environmental code of conduct for each area of activity. The basic criteria of this code of conduct are:

Incorporation of the most advanced technologies in environmental issues, such as:

- The saving of energy and of raw materials
- The use of materials that can be recycled and biodegraded
- Minimisation of waste production and treatment that respects the environment.
- The promotion of reforestation and landscaping of works

Development of specific actions for activities that so require, depending on the effect of the impact and the means

Ongoing information to the client with regard to the environmental risks and possible measures of prevention.

Technical-economic management systems

The Group has diverse economic and productive control systems designed to find out the economic forecasts and associated deadlines as well as the information regarding the real situation of the project during both the tender stage as well as the execution of the project.

These systems are integrated into a global budgetary and economic control system for each business, and are adapted to the characteristics of each area of activity in order to provide the information required to those in charge of the business operation and allow them to control the risks derived from any changes and to adopt the most suitable decisions to optimise the management of same.

All the information is considered in a single Economic Information System which permits the tracking and control of all the consolidated criteria in a swift, dynamic and rigorous way. This allows the Group management to have in-depth awareness of the financial situation, of the potential and assumed risks, thus becoming an essential element in the decision-making process.

Prevention of work hazards management systems

The ACS Group has developed a prevention of work hazards policy that fully complies with current legislation. The policy is based on specific management systems for each business area. The criteria taken into consideration in this policy follow the basic principles of training, participation, individual responsibility and control of safety conditions.

The systems are adapted to the particular characteristics of each area of activity. Prevention of work hazard plans are designed and implanted based on the identification of the existing risks for the purpose of removing them and on the evaluation of existing risks in order to minimise them and put in place the necessary protection measures.

As with all management systems adopted by the Group, it is based on initial specific planning for each business which is tracked and updated during the development of same in order to provide ongoing improvement with regard to the efficiency.

Financial risk control systems

Essentially targeted at identifying, evaluating and covering the risks derived through:

Non-payment or default with certain types of clients. The procedures are based on:

Analysis of the client's financial solvency and of the proposed contract conditions by the risk committee of each activity at its periodic meetings.

Decision on the go-ahead or, if appropriate, the establishing of specific conditions in the contract targeted at ensuring payment.

Individualised negotiation with the client with legal support.

Centralised signing of contracts.

Variation of the exchange rates, which are covered using financing policies in local currency and coverage mechanisms for intensive infrastructures in capital where the financing is in a different currency. The variation of interest rates, the monitoring and evaluation of which determines the leverage structure of each business and the consolidated structure of the Group. The deterioration of any asset, both financial as well as any that is targeted at the productive activities of the Group.

The new investments, which require rigorous analysis and evaluation of the risks that are inherent to same.

The Group pursues a policy of coverage of accidental risks that could affect the assets and the activities of the Group. The Group does this by subscribing to several insurance policies to cover those risks that can be covered, the characteristics of which are periodically reviewed in order to adapt them to the real and specific situation of the risk covered.

D.2. Indicate the control systems established to evaluate, mitigate or reduce the main risks of the company and its group.

Nothing other than those described in the foregoing section D.1

D.3. In the event that any of the risks that affect the company and/or its group had

occurred, indicate the circumstances that caused them and whether the control systems established have worked.

D.4. Indicate if there is a committee or any other governing body responsible for establishing and supervising the control mechanisms and outline its functions.

Specific procedures and different organisational levels to manage the risks indicated in sections D1 have been set up. These have been established for each business and ensure that the adopted risk profiles adapt to the performance criteria established by the Board of Directors for each activity. These procedures work with the global policy of risks that is structured as follows:

- The Management Committee determines the Group's global risk policy and, if appropriate, sets up the management mechanisms that ensure that the risks are kept within the approved levels.
- The Board of Directors delegates the supervision of compliance with the established procedures to the Audit Committee, with the latter also responsible for the effective vigilance of compliance with the risk levels relevant to each activity.
- The risk control systems according with the established policies are developed in the corresponding management systems.
- Actions taken with risk levels that are greater than those set forth in the global risk policy must have the prior approval of the Management Committee.

D.5. Identification and description of the processes of compliance with the different regulations that affect the company and/or its group.

ESHAREHOLDERS' MEETING

E.1. State the quorum for the constitution of the general shareholders' meeting established in the articles of association. Describe how it differs from the minimum levels established in the Companies Act (LSA)

The Articles of Association do not differ in any way from the Revised Text of the Public Limited Companies Act in force, where articles 26 and 29 set forth the following:

The resolutions shall be adopted by a majority vote of shareholders present or represented, except where the law demands a qualified majority.

The Ordinary or Extraordinary General Meeting shall be valid at first call when the shareholders present or represented possess at least twenty-five percent of the subscribed capital with a right to vote; the second call shall be validly constituted whatever the amount of capital is represented.

However, in order that the Ordinary or Extraordinary General Meeting can resolve to issue securities, increase or decrease capital, transfer, merge or divide the company and, in general, any amendment of the Articles of Association, shareholders with a minimum of fifty percent of the capital subscribed and with a right to vote must be present or represented at the first call. The second call only requires that shareholders with twenty-five percent of said capital be present or represented.

When shareholders with less than fifty per cent of the capital subscribed and with a right to vote are present or represented, the resolutions referred to in the aforementioned paragraph can only be validly adopted with the favourable vote of two thirds of the capital either present or represented at the Meeting.

E.2. Explain the regime for the adoption of resolutions. Describe how it differs from the regime envisaged in the Companies Act.

This has been explained in the foregoing section E.1 which also states that the regime does not differ in any way from the P.L.C.A.

E.3. Detail the rights of shareholders with respect to the shareholders' meetings that

are different from those established in the Companies Act.

There are no rights that are different to those set forth in the P.L.C.A.

E.4. Indicate, if applicable, the measures adopted to encourage the participation of shareholders in the shareholders' meetings.

§ Implantation of measures that make the vote delegation mechanism more transparent and to accentuate communication of the company with its shareholders.

§ To provide detailed justification of the voting proposals that are offered in the application, with regard to the adoption of resolutions that involve a certain delegation importance, and reveal the existence of any conflict of interest, whenever appropriate.

§ The creation of channels or instruments of flexible communication. In addition to the standard information that the company provides in the form of annual, six-monthly or quarterly reports, to promote meetings with market analysts, in order that these experiences reach the investors. The purpose of these measures is to maintain permanent communication channels with the shareholder that are complementary to the right to question at the general Meeting provided for under current legislation. This will allow shareholders to obtain the information they require at any time.

§ In addition, article 26 of the Articles of Association expressly includes the possibility of shareholders casting their vote from outside the General Meeting and, for the first time, at the Ordinary Shareholders' Meeting to be held in 2005, this method of voting shall be disseminated and details on the procedure to be followed shall be provided on the Company's web page.

E.5. Indicate if the position of chairman of the shareholders' meeting coincides with the chairman of the Board of Directors. Detail, in this event, the measures adopted to guarantee the independence of the shareholders' meeting and that it functions correctly:

SÍ X NO

Detail of measures

E.6. Indicate, if applicable, the amendments made to the regulations of the shareholders' meeting during the year..

At its session held on 25 March 2004, the Board of Directors of the company approved the proposal of the Regulations of the General Meeting which was passed by the Ordinary Shareholders' Meeting on 20 May 2004; this resolution was made public by virtue of the deed granted in the presence of the notary public of Madrid Mr Cruz-Gonzalo López-Muller Gómez on 19 July 2004 under number 2,047 of his records, registered in the Mercantile registry of Madrid, on 27 July 2004 in Volume 10,064, Folio 184, Section 8, Sheet M-30221, Entry 807: The foregoing was notified to the CNMV on 14 September 2004.

E.7. Indicate attendance figures for the Shareholders' Meetings held in the year that the present annual report refers to:

Dated of Shareholders Meeting	Attendance information			Total
	% attending in person	% by proxy	% remote voting	
20-05-2004	1,427	53,883	0,000	55

E.8. E.8. Indicate briefly the resolutions adopted in the Shareholders' Meetings held during the year that the present annual report refers to and voting percentage by which

each resolution was adopted.

The Ordinary Shareholders' Meeting on 20 May 2004:

The proposals of the Board regarding point 1 of the Agenda, read by the Secretary under letters a) b) and c) (approval of the individual and consolidated accounts, approval of the proposal for the allocation of profits and approval of the Annual Corporate Governance Report for the 2003 financial year), were approved by a majority with 64,596,659 votes in favour (representing 98.534% of the shares present or represented), 955,828 abstentions (representing 1.458% of the shares present or represented) and 5,478 votes against (representing 0.008% of the shares present or represented).

The proposal of the Board regarding point 2 of the Agenda, read by the Secretary under letter d) (approval of the management of the Board of Directors), was approved by a majority with 65,002,886 votes in favour (representing 99.153% of the shares present or represented), 553,143 abstentions (representing 0.844% of the shares present or represented) and 1,956 votes against (representing 0.003% of the shares present or represented).

The proposals of the Board regarding point 3 of the Agenda, read by the Secretary under letter e) (acceptance of the resignation and proposal of appointment of three Board Members), were approved by a majority with 46,258,367 votes in favour (representing 70.561% of the shares present or represented), 18,946,832 abstentions (representing 28.901% of the shares present or represented) and 352,766 votes against (representing 0.538% of the shares present or represented).

The proposal of the Board regarding point 4 of the Agenda, read by the Secretary under letter f) (authorisation for the share derivative acquisition), was approved by a majority with 65,041,156 votes in favour (representing 99.212% of the shares present or represented), 516,314 abstentions (representing 0.788% of the shares present or represented) and 486 votes against (representing 0.000% of the shares present or represented).

The proposal of the Board regarding point 5 of the Agenda, read by the Secretary under letter g) (designation of the auditors for the 2004 financial year), was approved by a majority with 64,746,954 votes in favour (representing 98.763% of the shares present or represented), 750,070 abstentions (representing 1.144% of the shares present or represented) and 60,941 votes against (representing 0.093% of the shares present or represented).

The proposal of the Board regarding point 6 of the Agenda, read by the Secretary under letter h) (reduction of share capital by an amount of 1,353,679.50 nominal euros, through the redemption of 902,453 shares), was approved by a majority with 64,984,993 votes in favour (representing 99.126% of the shares present or represented), 572,972 abstentions (representing 0.874% of the shares present or represented) and no votes against.

The proposals of the Board regarding point 7 of the Agenda, read by the Secretary under letters i) and j) (reduction of the nominal value of the shares from the current 1.50 euros to 0.50 euros with the consequent simultaneous increase in the number of shares representing the share capital which, following the reduction agreed in the previous point, is from 117,624,378 shares with an individual nominal value of 1.50 euros to 352,873,134 shares, leaving article 6 of the Articles of Association duly modified), were approved by a majority with 65,005,829 votes in favour (representing 99.158% of the shares present or represented), 552,033 abstentions (representing 0.842% of the shares present or represented) and 103 votes against (representing 0.000% of the shares present or represented).

The proposal of the Board regarding point 8 of the Agenda, read by the Secretary under letter k) (modification of articles 13, 15, 20 b, 22, 26 and 28 of the Articles of Association), was approved by a majority with 63,041,075 votes in favour (representing 96.161% of the shares present or represented), 2,495,379 abstentions (representing 3.806% of the shares present or represented) and 21,511 votes against (representing 0.033% of the shares present or represented).

The proposal of the Board regarding point 9 of the Agenda, read by the Secretary under letter l) (authorisation to the Board of Directors for the establishment of a Stock Option Plan), was approved by a majority with 64,171,499 votes in favour (representing 97.885% of the shares present or represented), 572,773 abstentions (representing 0.874% of the shares present or represented) and 813,693 votes against (representing 1.241% of the shares present or represented).

The proposals of the Board regarding point 10 of the Agenda, read by the Secretary under letters m) and n) (approval of the Regulations of the Meeting and favourable report of the Board of Directors Regulations), were approved by a majority with 65,005,932 votes in favour (representing 99.158% of the shares present or represented), 552,033 abstentions (representing 0.842% of the shares present or represented) and no votes against.

The proposal of the Board regarding point 11 of the Agenda, read by the Secretary under letter ñ) (delegation of powers for the execution and formalisation of agreements), was approved by a majority with 65,005,932 votes in favour (representing 99.158% of the shares present or represented), 552,033 abstentions (representing 0.842% of the shares present or represented) and no votes against.

The Board's proposal to approve the minutes of the Meeting was approved by a majority of 65,006,627 votes in favour (representing 99.159% of the shares present or represented), 551,338 abstentions (representing 0.841% of the shares present or represented) and no votes against.

E.9 Indicate, if applicable, the number of shares required to attend the shareholders' meeting and if there is any limitation in the articles of association in this respect..

In this respect, article 23 of the Articles of Association and article 1.3 of the Regulations of the General Meeting, state that this is made up of shareholders that possess at least one hundred shares, either present or represented. Owners or holders of less than one hundred shares may group themselves together in order to reach this number and may be represented either by one of the group or by another shareholder that possesses enough shares to form part of the General Meeting.

E.10. Outline and justify the policies followed by Abertis regarding voting by proxy in the Shareholders' Meeting.

The company does not pursue any policy with regard to the vote delegation at the General Meeting.

E.11. Indicate if the company is aware of the policy of institutional investors regarding whether they participate or not in company decisions:

sí

NO X Describe the policy

E.12. Indicate the Internet address and procedure to access to the information on corporate governance at the company's website.

The address is www.grupoacs.com / Conozca ACS/ Organización / Gobierno Corporativo.

Access is very simple: once at the web page you choose the language (Spanish or English). A presentation of the Group appears which you can skip by clicking "skip intro"; a page appears with several tabs on the edge, one of which is "CORPORATE GOVERNANCE"; if you click on this tab the following sub-sections appear: "Articles of Association", "Regulations of the General Meeting", "2003 Annual Corporate Governance Report", "Board of Directors", "Parasocial Pacts" and "Rules of Conduct of the Securities Market"; Each sub-section contains pertinent information. If you click on "2003 Annual Corporate Governance Report" and following a brief introduction, there is a specific instruction to click on it and download the 2003 annual report as a PDF.

F. DEGREE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the company's degree of compliance with the corporate governance

recommendations, or, if applicable, the decision not to adopt these recommendations. In the event that any recommendations are not complied with, explain the recommendations, rules, practices or criteria that the company follows. Should the single document referred to in ORDER ECO/3722/2003, dated 26 December 26 not been prepared, the recommendations of the Olivencia Report and the Aldama Report should be used as references to complete this section

Section F lists the most relevant aspects with regard to compliance with the recommendation of Corporate Governance included in the Code of Good Governance ("Olivencia Code") which have been updated and, wherever appropriate, amended by the Special Commission for the Promotion of Transparency and Security on the Markets and in Listed Companies ("Aldama Committee").

Recommendation 1. FUNCTIONS OF THE BOARD OF DIRECTORS:

"That the board of directors specifically assumes the function of overall supervision as central to its mission, exercising the responsibilities involved therein, which can not be delegated, and establishing a formal list of material restricted for its knowledge."

The recommendation is widely considered in the Regulations of the Board, where article 4 states for these purposes:

" In accordance with the provisions of article 18 of the Articles of Association in force, the Board of Directors is responsible for the representation of the Company and the administration of its businesses as well as whatsoever other operations make up the Company's corporate purpose or are related thereto.

The Board of Directors, in the exercise of its duties, shall act in accordance with company interest and in benefit of the shareholders' interest.

More specifically, it shall fall to the Board of Directors to: Accept the resignation of Board Members.

Appoint, revoke and accept the resignation of the Chairman, Vice chairman and Secretary of the Board.

Appoint, revoke and accept the resignation of the Board members that are to form part of the Committees and Commissions set forth in these Regulations.

Delegate the powers that correspond to the Board Member to any members, either totally or partially, except those that cannot be transferred.

Prepare the individual and consolidated annual accounts and management reports and submit them for approval at the General Shareholders' Meeting.

Prepare the reports, including the Annual Corporate Governance Report, and the proposals which, in accordance with current legislation and the Articles of Association, the Board of Directors has to adopt.

The approval of annual budgets.

Approve operations of mergers, takeovers, division and concentration in which the main subsidiary companies of the Group in which the Company is dominant are interested.

Approve the issue of securities, promissory notes or similar by the main companies of the Group of which the Company is dominant.

Approve the assignment of rights over the trade name, brands and other rights of industrial and intellectual property that belong to the Company of Group companies, providing these are of financial relevance.

To modify these Regulations

Carry out, in general, all of the functions that correspond legally, statutorily and in accordance with these regulations and to perform whatsoever other function delegated by the General Shareholders' Meeting. The Board may, in turn, only delegate those that are expressly able to be transferred through the delegation resolution of the General Shareholders' Meeting."

Recommendation 2. INDEPENDENT BOARD MEMBERS

"That the board of directors includes a reasonable number of independent board members, being professionals of note that are not linked to the management team or the core shareholders."

In compliance with the recommendations of Corporate Governance included in the Good Governance Code ("Olivencia Report"), and the report issued by the Special Commission for the Promotion of Transparency and Security on the Markets and in Listed Companies ("Aldama Committee"), ACS Actividades de Construcción y Servicios S.A. gives special relevance to the Independent Board Member, a professional of note who can contribute their experience and knowledge to the corporate governance and who, as they are neither executive nor proprietary, is elected as such and satisfies the conditions that ensure their impartiality and criteria objectivity.

At 31 December 2004, the Board of Directors of the Company, comprising eighteen members, has the following Independent Board Members: Mr José María Aguirre González, Mr Miguel Blesa Parra, Mr Álvaro Cuervo García, Mr Joan David Grimá Terré, Mr José María Loizaga Viguri and Mr Miguel Roca Junyent, who form a total of six from a Board of Directors made up of eighteen members (33.3% of the total Board Members).

Recommendation 3. COMPOSITION OF THE BOARD OF DIRECTORS.

"In the composition of the board of directors the non executive directors (representatives and independents) make up a significant majority over the executive board members and the proportion between representative and independent members is established taking into account the relationship existing between the capital held by significant shareholders and the rest."

This recommendation has been updated by the Aldama report, by stating:

"The establishment of rules, criteria or recommendations of corporate governance and, in particular, the composition of the Board of Directors and its Committees, must take into account the structure of ownership in order to comply with the general objectives of protecting minority shareholders.

The Committee recommends that the Board of Directors, through its board members, represent the largest percentage of capital possible.

We have also looked at the difficulty of setting up a rule of a general nature to define the number and proportion that the independent and external shareholders should reach: one possibility that could be applied, by updating the Olivencia report, would be to have a large majority of external board members on the board and, within these, a very significant participation of independent board members, taking into account the ownership structure of the company and the capital represented by the Board".

As indicated previously, the Board of Directors is made up of 18 member, of which: 4 are Executive Board Members, 8 are External and Proprietary Board Members and 6 are Independent Board Members.

Recommendation 4. NUMBER OF BOARD MEMBERS

"That the board of directors adjusts its size to achieve a more efficient and participative working model. In principle, an appropriate size might oscillate from five to fifteen members."

The current number of members of the Board of Directors, 18 members, within the limits of 11 and 21 set forth in article 13 of the Articles of Association, is considered to be adequate both with regard to the structure of ownership of the company as well as its main financial magnitudes.

Recommendation 5. CHAIRMAN OF THE BOARD OF DIRECTORS.

"That, should the board opt for the formula of accumulation in the Chairman as chief executive of the company, it takes the precautions necessary to reduce the concentration of power in a single person. One of the topics that the Committee has paid special attention to, is whether or not it is advisable to recommend the separation of the position of Chairman of the Board and the function of chief executive of the company. The Commission has been very sensitive to the argument of the separation of positions and functions but at the same time has been unable to stop weighing up the disadvantages of the dualist alternative, namely: it may deprive the company of clear leadership; it may make the transfer of information between the company management and the Board notably more difficult; and it may generate coordination costs in the organisation. In view of the foregoing, the Commission has finally decided not to vote in favour of the separation of positions and that, in summary, it must reiterate the criteria of the Olivencia Committee, including the precautions therein. In the last analysis, this criteria is justified through the conviction that the option of a leadership structure of one kind or another -dual or unitary- cannot be formulated as a

general rule, but rather that this depends crucially on the circumstances of each company“.

The Chairman and CEO of ACS, Actividades de Construcción y Servicios S.A., holds full powers of the Board, except those that cannot be transferred and which have already been listed when the degree of compliance with Recommendation was analysed. This position is not only delimited by this sphere of powers that cannot be transferred and by the powers held by the Board of Directors, but also by the functions carried out by the different Committees that exist through the Board, especially the Executive Committee, as well as the Audit Committee and the Compensation Committee) for the adoption of certain resolutions.

Recommendation 6. SECRETARY OF THE BOARD OF DIRECTORS.

“Give greater importance to the position of secretary of the board of directors, strengthening his independence and stability, and emphasising his function to watch over the legality of the board's actions in form and substance.”

The recommendation is broadly followed by the company through the Secretary of the Board who has been carrying out the functions of secretary since 1991, in turn regulated by article 20 of the set of rules of the Board: “The Board of Directors shall appoint a Secretary, who may or may not be a Board Member, and who must be a practising lawyer. In addition to the duties that the Secretary is responsible for through current legislation, the Articles of Association and these Rules, the Secretary of the Board of Directors must also oversee the legality of the acts that emanate from the company bodies that it forms part of, making the due warnings and taking minutes of same.”

Recommendation 7. EXECUTIVE COMMITTEE

“That the composition of the Executive Committee, when there is one, reflects the same balance as in the board between the different classes of board members, and that the relationships between both bodies are conducted under the principle of transparency, so that the board has complete knowledge of the matters dealt with and the decisions adopted by the committee.”

In addition to the Secretary of the board, with voice but without vote, the Executive Committee is made up of 7 Board Members, two of which are Executive Board Members, one is an External and Independent Board Member. The remaining 4 are External and Proprietary Board Members. Through delegation from the Board of Directors, the Executive Committee exercises all the corresponding powers except those that cannot be transferred by law or because of the Articles of Association. That notwithstanding, the Board of Directors may discuss the knowledge and decision of any issue that falls under its terms of reference, and the Executive Committee may submit any matter to the decision of the Board of Directors when, although the matter could be dealt with by the Committee, this body believes it is necessary for the Board to take the appropriate decision.

Recommendation 8. DELEGATED CONTROL COMMITTEES.

“That the board of directors establishes from within delegated control committees, made up entirely of non executive members, in the areas of information and accounting control (auditing); selection of board members and senior executives (nominations); establishing and reviewing the remuneration policy (remunerations), and evaluating systems of government (compliance).”

The Board of Directors of the Company has two Committees in place: the Audit Committee and the Compensation Committee. In addition to the Secretary of the Board, with voice but without vote, the Audit Committee is made up of three External and Proprietary Board Members and one Independent Board Member, while the Compensation Committee is made up of a Secretary of the Board, with voice but without vote, two External and Proprietary Board Members and two Independent Board Members, with the terms of reference that are detailed in the set of rules of the Board in each one of the cases.

Recommendation 9. INFORMATION TO BOARD MEMBERS s.

“That the necessary measures are adopted to ensure that the board members receive sufficient information, specifically prepared and focused to prepare for the board meetings with sufficient time, whereby the importance or confidential nature of the information cannot exempt the application of these measures, except in exceptional circumstances.”

Article 15 of the set of rules of the Board includes the right of the Board Members to request the documentation that they require in order to carry out their functions. This request is to be made through the Chairman or the Secretary of the Board of Directors.

Recommendation 10. WORKINGS OF THE BOARD OF DIRECTORS.

“To ensure that the board of directors functions correctly, its meetings will be held with the necessary frequency to meet its objective; the chairman will foster the participation of all board members and the freedom to act; great care will be taken in writing up the minutes, and the quality and efficiency of its work will be evaluated at least once a year.”

Article 16 of the Articles of Association sets forth that the Board shall meet whenever the interests of the Company are at stake. It shall be convened by its Chairman or, in his absence, a Vice chairman, either through his own initiative or when requested to do so by at least two Board Members. Under all circumstances, the Board shall meet at least four times a year in order to monitor the progress of the Group in comparison with the budgets and the previous financial year. Article 8 of the set of rules of the Board also provides for the foregoing.

The notification of the meeting shall be sent by letter, telex, telegram, fax or any written procedure that requires acknowledgement of receipt by the different Board members. Said notification shall include the agenda and shall be sent at three days prior to the meeting unless reasons of urgency prevent this.

Elsewhere, there is a yearly calendar of pre-set sessions, which facilitates the tasks of the Board Members. The Board Members shall be provided with whatsoever information or clarification that they require in relation to the points included in the Agenda. This shall be provided either during the meeting or afterwards.

The Board of Directors met 7 times during the 2004 financial year.

Recommendation 11. SELECTION AND RE-ELECTION OF BOARD MEMBERS.

“The participation of the Board of Directors in the selection and re-election of its members will be guided by a formal and transparent procedure, based on a reasoned proposal from the Nominations Committee.”

The Board does not have a Nominations Committee. The set of rules of the Board set forth that within the limits established in article 13 of the Articles of Association and without prejudice to the powers of proposal that correspond to the shareholders in accordance with current legislation, it shall fall to the Board of Directors to propose to the General Shareholders' Meeting both the number of Board Members as well as the type of persons, natural or legal, who should be nominated. The nomination proposal shall record the executive, external and proprietary or external and independent status of the proposed Board members.

In addition, in the event of vacancies, the Board of Directors may provisionally fill them from among the shareholders until the next General Shareholders' Meeting, when the definitive election shall take place

Recommendation 12. RESIGNATION OF BOARD MEMBERS.

“That companies include in their regulations the obligation that board members resign under circumstances that may negatively affect the workings of the board of directors or the creditability and reputation of the Company.”

This is not expressly considered.

Recommendation 13. AGE OF BOARD MEMBERS.

“Establish an age limit for holding the position of board member, which could be sixty-five to seventy for executive directors and the chairman, with a greater degree of flexibility for the other members.”

The Aldama report has reviewed the criteria of the Olivencia Report with regard to this point and it does not set an age limit, rather it requires the company that adopts a policy in this respect to clearly establish same in its internal regulations. The set of rules of the Board do not set forth an

age limit to be appointed Board Member or for the exercise of this position.

Recommendation 14. RIGHT TO INFORMATION OF BOARD MEMBERS.

“Formal recognition of the right of all board members to request and obtain the information and advice necessary for compliance with their supervisory functions, with the appropriate channels being established to exercise this right, including calling on external experts in special circumstances.

In article 15, the regulations expressly consider the right of the Board Members to request and obtain the information and advice required to carry out their functions. The information that they consider necessary is to be requested through the Chairman or the Secretary of the Board.

Recommendation 15. REMUNERATION OF BOARD MEMBERS:.

“The policy for the remuneration of board members, where the proposal, evaluation and revision should be carried out by the Compensation Committee, follows the criteria of moderation, in line with the company’s profit and the provision of detailed individual information.”

The total remuneration of the Board of Directors during the 2004 financial year in return for statutory duties was €1,789,986.76. The distribution of this amount was approved by the Board at the proposal of the Compensation Committee.

Recommendation 16. GENERAL DUTIES OF BOARD MEMBERS AND CONFLICTS OF INTEREST

“The internal rules of the company set out the obligations arising from the general duties of diligence and loyalty for board members, considering, in particular, the situation of conflicts of interest, the duty of confidentiality, the exploitation of business opportunities and the use of company assets.”

Articles 13 and 14 specifically regulate conflicts of interest. With regard to the duty of loyalty, these article stipulate that the Board Members shall avoid conflicts of interest between themselves, or their most immediate relatives and the Company. Should any conflict of interest exist and be unavoidable, this must be notified to the Board of Directors and recorded in the Minutes of the first Board meeting that takes place. Shares, stock or derivative options that refer to the value of the share of which they are holders, either directly or indirectly, must also be notified to the Company as soon as possible, and under all circumstances within the five days that follow. This applies both to the Board Members as well as their most immediate relatives.

The Board Members must also notify the Company of any significant changes in their professional capacity and, specifically, those changes that affect their designation as a board member. They shall likewise inform the Company of any legal or administrative procedure that could have a negative affect on the reputation of the Company.

The Board Members shall abstain from intervening in the deliberations and of taking part in the voting on those matters in which they have a particular interest. This shall also be expressly recorded in the Minutes

Board Members cannot, either directly or indirectly, hold positions in companies or firms that are competitors of the Company or of any of the Group companies or provide representation services on behalf of same.

The Board Members cannot use restricted information that they have become aware of through the exercise of their position as a Board Member for any private purpose. More specifically, unless expressly authorised by the Board of Directors, the Board Members cannot benefit from commercial transactions that they have become aware of in their capacity as a Board Member.

Unless it is a duly authorised payment in kind, Board Members cannot make use of Company assets or use these assets to obtain a patrimonial advantage without paying the adequate

consideration.

Recommendation 17. TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS

“The board of directors promotes the adoption of the necessary measures to extend the duties of loyalty to significant shareholders, establishing, in particular, precautions for transactions made between them and the Company.”

Section C.5.2) of this Annual Corporate Governance Report recognises the Conduct Regulations of the Stock Market, made up of a set of rules designed to detect and regulate possible conflicts of interest between the company and/or its group, and its board members, directors or core shareholders.

Recommendation 18. COMMUNICATION WITH SHAREHOLDERS

“Put together measures designed to make the system for delegating votes more transparent and strengthen the company’s communication with its shareholders, in particular with institutional investors.”.

Both the Articles of Association as well as the Regulations of the General Meeting regulate the exercise of the rights of information, representation and voting through electronic or telematic remote means, thus favouring shareholder participation in the management of the Company.

Without prejudice to the foregoing, article 15 of the By-laws of the Board stipulates that:

“For the purposes of permitting the General Shareholders’ Meeting to carry out its functions properly, the Board of Directors of the Company must place all the information that is legally required at the disposal of the shareholders prior to each Meeting. This requirement extends to information that, while not legally required must be supplied as it is in the company’s and shareholders’ interest. Following this line, the Board of Directors shall be obliged to deal with shareholders’ requests either before or after the Meeting, with the maximum diligence, providing the company’s interest are not harmed.

For the purposes of transparency and maximum dissemination of the corresponding information as well as the promotion of immediate access to same by the shareholders and investors in general, the Board of Directors shall have a Company web page that includes all those documents that are for general dissemination and, especially, the Articles of Association; the set of rules of the Board; the reports which, in accordance with legislation in force, must be given to the Stock Markets; the calls to the General Shareholders’ Meetings and the proposals that are submitted for deliberation and approval as well as the resolutions adopted at the last General Shareholders’ Meeting”

Recommendation 19. TRANSPARENCY

“The board of directors, beyond the demands established in the legislation in force, will be responsible for providing quick, precise and reliable information to the markets, especially when it refers to the shareholding structure, significant changes in the rules of governance, related operations of special importance or trading of the company’s own shares.”

Article 7 of the set of rules of the Board expressly sets forth, under the rubric of “Obligations derived from the status of listed company” that the Board of Administration shall be obliged to adopt or promote the adoption of whatsoever measures that are required or appropriate to ensure transparency of the Company’s actions on the financial markets and to exercise whatsoever functions as it needs to as a listed company on the Stock Markets.

Recommendation 20. FINANCIAL INFORMATION

“All the periodic financial information, in addition to the annual report, provided to the markets is prepared in accordance with the same principles and professional practices as followed for the annual financial statements and is verified by the Audit Committee prior to being released.”

The financial information that, in accordance with the legislation currently in force is given to the markets, is verified beforehand by the Audit Committee of the Company.

Recommendation 21. EXTERNAL AUDITORS

“The board of directors and the Audit Committee will monitor situations that may represent a risk to the independence of the Company’s external auditors and, specifically, verify the percentage represented by the fees paid for all matters out of the total income of the audit firm, and it will publicly inform of corresponding professional services other than auditing.”

Included in the functions set forth in article 20 b of the Articles of Association for the Audit Committee is “To revise and approve significant changes in the accounting policies of the Company and its subsidiaries that form part of the Group of Companies. Also, in general, the Audit Committee shall be responsible for dealing with the external auditors in order to receive information on those matters that could jeopardise their independence and any others related to the process of implementation of the accounts auditing as well as those other communications provided for in accounts auditing legislation and technical standards of auditing.

Recommendation 22. RESERVATIONS IN AUDITOR’S REPORT

“The board of directors will aim to avoid that the accounts prepared are presented to the Shareholders’ meeting with provisos or reservations in the auditor’s report, and that when this is not possible, both the board of directors and the auditors explain clearly to shareholders and the markets the content and extent of the discrepancies.”

In this regard, periodic contracts are signed between the accounts auditor and the Audit Committee. These contracts allow any differences of accounting criteria between the accounting policies of the Company, its group companies and the auditor’s interpretation of same to be checked beforehand. The foregoing is in accordance with article 20 b of the Articles of Association. It is thought that the audit report, both for ACS Actividades de Construcción y Servicios, S.A as well as Grupo ACS for the 2004 financial year shall be issued with a favourable opinion, as were the opinions that corresponded to the 2002 and 2003 financial years.

G. OTHER INFORMATION OF INTEREST

If it is considered that there is some principle or matter that is relevant with respect to the practices of corporate governance applied by the company that has not been covered by the present report, include it below and explain its content.

This section may include any information, clarification or detail related to the above sections of the report, so far as it is relevant and not repetitive.

Specifically, indicate whether the company is submitted to legislation other than Spanish law in matters of corporate governance and, if so, include that information that it is obliged to provide which is different from the information required in the report herein.

We include hereunder information and clarification regarding the following sections of the Report:

A STRUCTURE OF OWNERSHIP

A.2. Detail the direct or indirect holders of significant shareholdings, of their importance at the close of the financial year, excluding the Board Members:

- Corporación Financiera Alba, S.A. is a listed company with a Parasocial Pact, which was notified to the CNMV and was made public as a Relevant Fact on 9 June 2004, which affects 62.18% of its share capital. The brothers and sisters Juan, Carlos, Leonor and Gloria March Delgado own all of the shares of Banca March, S.A., which is a non-listed company whose business activity is banking. It has a significant shareholding in Corporación Financiera Alba, S.A. The abovementioned persons, who are also direct or indirect owners of shares in Corporación Financiera Alba, S.A., signed a Parasocial Pact on 24 May 2004, with regard to the aforementioned banking entity that also affects Corporación Financiera Alba, S.A., given its holding. This Pact is an extension of the one signed on 10 March 1980 and is in force until 31

March 2015. Taking into account the shareholdings that are held by both Banca March, S.A. as well as the shareholders that signed the Pact, there was and is joint and agreed control of Corporación Financiera Alba, S.A. by same.

- IMVERNELIN PATRIMONIO, S.L. is controlled by CORPORACION FINANCIERA ALCOR, S.A., which in turn does not have a controlling shareholder; There is considered to be a tacit agreement between the parties, adopting a long-standing common policy in the Company through the agreed exercise of the voting rights that it has. 1. IMVERNELIN PATRIMONIO, S.L., is holder of 31,167,792 Company shares, which represents 8.833% of the capital of same. The partners of IMVERNELIN PATRIMONIO, S.L. are the following companies (with their respective shareholding percentages): a) COMERCIO Y FINANZAS, S.A. 15.734% b) PERCACER, S.A. 15.734% c) CORPORACION FINANCIERA ALCOR, S.A. 68.532% 2. CORPORACION FINANCIERA ALCOR, S.A. is holder of 932,880 Company shares, which represent 0.264% of the capital of same. The partners of CORPORACION FINANCIERA ALCOR, S.A. are the following: a) COMERCIO Y FINANZAS, S.A. (44,10%). 99.99% of the shares of this company are held by Mr Alberto Alcocer Torra. b) PERCACER, S.A. (44.10%). 95% of the shares of this company are held by Mr Alberto Cortina de Alcocer. c) Mr Alberto de Alcocer Torra (5.90%) d) Mr Alberto Cortina de Alcocer (5.90%). The aforementioned shareholders of IMVERNELIN PATRIMONIO SL and CORPORACION FINANCIERA ALCOR SA, directly hold the following Company securities - PERCACER, S.A. 600,594 - COMERCIO Y FINANZAS, S.A. 90,594 - Mr Alberto Cortina de Alcocer 4,728 - Mr Alberto de Alcocer Torra 3,273.

A.8. In accordance with the provisions set forth in Royal Decree 377/1991, detail the significant variations carried out during the financial year:

The resolutions adopted by the General Shareholders' Meeting on the 20 May 2004 were made public and registered in the Mercantile registry of Madrid on 8 June 2004. These resolutions referred to the reduction of share capital by 1,353,679.50 nominal euros, through the redemption of 902,453 shares that formed part of the Company's own portfolio and the reduction in the nominal value of the shares from 1.50 euros to 0.50 euros and the consequent simultaneous increase in the number of shares representing the share capital. Following the agreed reduction, this figure went from 117,624,378 shares with an individual nominal value of 1.50 euros to 352,873,134 shares with an individual nominal value of 0.50 euros. This was equivalent to one of the shares that was in circulation with an individual nominal value of 1.50 euros for 3 new shares with an individual nominal value of 0.05 euros.

For the purposes of this heading, the split operation was carried out on 1 January 2004.

The purchase dated 27 April 2004 was made from Dragados Obras y Proyectos, S.A. (a company directly held by ACS Actividades de Construcción y Servicios, S.A. with a shareholding of 99.99%) for the purpose of redeeming the 902,453 (2,707,359 following the split) shares after the approval from the General Shareholders' Meeting held on 19 May 2004.

B STRUCTURE OF THE COMPANY ADMINISTRATION B.1 Board of Directors.

B.1.3. The Board Member Mr Agustín Batuecas Torrego is considered to be an Executive Board member, given that he is the CEO of Continental Auto S.L., a 100% subsidiary of ACS, Actividades de Construcción y Servicios S.A.

B.1.6. If applicable, identify the members of the Board that hold the positions of administrators or directors of other companies that form part of the listed company:

At 31 December 2004 Mr José-Luís del Valle Pérez was no longer a Board Member of ACS, Telefonía Móvil S.L.

The companies IBERPISTAS S.A.C.E, SABA APARCAMIENTOS S.A., XFERA MÓVILES S.A., ABERTIS INFRAESTRUCTURAS S.A., INMOBILIARIA URBIS S.A., AUTOPISTAS CONCESIONARIA ESPAÑOLA S.A.U., AUTOPISTAS AUMAR S.A.C.E, are held, directly or

indirectly, by ACS Actividades de Construcción y Servicios S.A. although they do not form part of the ACS Group of Companies. Mr Isidro Fernández Barreiro is a Board Member of Xfera Móviles S.A. through the shareholding block that Corporación Financiera Alba S.A has in this company.

B.1.7. Detail, if applicable, the Board members of the Company who are members of the Board of Directors of other companies that are listed on official securities markets in Spain and which do not form part of the Company's group and of which the company is aware: Mr Pedro López Jiménez is a Board Member of Lingotes Especiales S.A. through Fapindus S.L.

B.1.8. a) and b)

The amount set forth in heading B.1.8. a) and b) corresponds to the point "Stock options and/or financial instruments" and includes the proportional amount of the financial cost supported by the Company in the financial year in accordance with the number of stock options the beneficiaries of which are the Board members, without this involving any recognition of income whatsoever until the moment when these are carried out, as set forth in the different option plans and applicable legislation currently in force; the amount that corresponds to the point "Funds and Pension Plans: Contributions" includes the payments made by the Company in the financial year; and the amount that corresponds to the point "Funds and Pension Plans: Contracted Obligations" refers to, in addition to what has already been indicated, the obligations that are attributable to the financial year for this concept, even though they had been paid out beforehand.

B.1.9.

In the case of the heading B.1.9. regarding the directors, the calculation mentioned in the previous paragraph has also been included for those that are beneficiaries of said plans.

B.1.21. There is no limitation to the mandate of the Independent Board Members. Article 11 of the set of rules of the Board sets forth for the Board Members, in general, that they shall exercise their role for the period for which they are elected. Under no circumstances may this exceed a period of five years. They may be re-elected one or more times for terms of an equal duration. The foregoing is without prejudice to the Directors continuing to exercise their position until the next General Shareholders' Meeting takes place once their term has expired.

B.1.24. The individual and consolidated annual accounts are presented to the Board of Directors by the Chairman and the Secretary of the Board following the preparation of same by the Corporate General Management on which the Financial Management of the company depends.

C ASSOCIATED OPERATIONS.

During the 2004 financial year 2004, the ACS Group has had commercial dealings with companies in which some of its Board Members have functions of responsibility. All of these commercial dealings have been carried out in the normal course of business under market conditions and correspond to the habitual operations of the Group Companies.

Specifically, indicate whether the company is subject to legislation other than Spanish legislation in matters of corporate governance and, if applicable, include information that the company is required to supply and which is different to that required in this report.

The company is not subject to legislation that is different to Spanish legislation in matters of corporate governance.

This Annual Corporate Governance Report was approved by the Board of Directors of the company at its session held on 31-03-2004.

Indicate the Board Members that voted against or abstained with regards to the approval of this Report.