

ACS GROUP'S NET PROFIT ROSE BY 23.2%

Madrid, 4 November 2004. ACS Group obtained in the first nine months of 2004 a net profit of €333,1 million, 23.2% more than the pro-forma result for the same period one year back. EPS were set at €0.94, a 24.2% increase after the share buyback approved at the last General Meeting of Shareholders.

The consolidated turnover in the first nine months of the year amounted to €8,043 million, which represents a 1.4% increase over the pro-forma sales in the same period one year back, with a steady growth of all the service activities.

Gross Operating Profit (GOP) between January and September totalled €704.4 million, 6.5% more than the comparable figure for the first nine months of last year. Net Operating Profit After Taxes (NOPAT) through September amounted to €512,7 million, 11.8% more than in the same period of 2003.

This favourable operating profit, the higher contribution of the companies consolidated by the equity method, mainly Abertis, and the improvement in financial expenditure, which declined by 28%, have led ACS Group's ordinary profit in this period to rise by 23.9% over the pro-forma figure, totalling €472.2 million.

Construction activity showed a change of trend in the evolution of sales: although the growth rate remains negative (-7.7%) as a result of the adaptation of production to customers' budgetary programming, the decline is expected to be much milder at the end of the year. Net operating profit amounted to €234.4 million, substantially improving the margin over sales, while net profit settled at €166 million, the same figure recorded one year earlier. The works portfolio totalled €8,519 million, equal to 19 months of production capacity.

The Industrial Services area had an excellent performance in the third quarter of the year and increased its sales in the first nine months by 12.7% to €2,524 million. Net operating profit rose by 12.1% to €176.4 million, while net profit totalled €109.3 million, 18.6% more than in the same period in 2003. The project portfolio at the end of September totalled €3,302 million, 8% more than at year-end 2003.

The Services and Concessions area attained a turnover of €1,747 million, representing an 11.7% increase, while net operating profit rose by 28.2% to €122.5 million and net profit grew by 29.9% to a total €111.9 million, including the contribution from the holding in Abertis (€54.5 million) carried by the equity method.

The contribution to the Group profit of Inmobiliaria Urbis amounted to €17.7 million.

Investment.

The Group continues with its investment policy geared towards ensuring a sustainable and profitable growth of all of its activities. Thus, during the first nine months of the year, ACS has carried out net investments totalling €828 million, including an investment of €385.5 million to increase the holding in Abertis, currently at 17.2%.

In addition to this, over €167 million have been invested in assets for environmental, harbour and logistical services, €94 million have gone to the industrial services area, mainly Aeolian parks, and €86 million have been invested in transportation infrastructure concession projects, for instance the cross-border railway connection between Figueras and Perpignan, the Seville underground, the La Mancha motorway and the ring roads around Alicante and Dundalk (Ireland).

Borrowing.

The important Investment volume has not had a significant repercussion on the Group's financial structure thanks to its solid cash flow generation capacity. Group leverage remains below 75%, with net borrowing not including project finance at €1,600 million at the end of September, a figure below the market value of the Group's holdings in listed companies (€1,650 mn) and 13% higher than one year back in spite of the investments carried out and the dividend payout, amounting to over €96 million.

Additionally, project finance amounted to €343 million, 13% over the pro-forma figure for September 2003, thanks to the Aeolian energy projects developed during the year.

These figures allow ACS Group to continue to invest in new opportunities relating to the infrastructures sector and to keep on creating value for its shareholders.