



The investment amounts to 1,264 million euros

ACS Group acquires 25.1% of the German construction and concessions group Hochtief

Hochtief is the third leading construction company in the world with a strong presence in the United States, Central Europe, Australia and Southeast Asia

The transaction will provide ACS with a platform to increase and accelerate its international expansion

Madrid, 20 March 2006. The ACS Group has reached an agreement to acquire 25.1% of the German construction and concessions group Hochtief from the holding company Custodia for 1,264 million euros. With this transaction, the ACS Group becomes its reference shareholder while the remaining shareholders are free-float; there is no intention to increase this stake. The transaction price was 72 euros per share and it was conducted amicably.

Hochtief leads the construction business in Germany and is the third leading construction company in the world in sales (15,000 million euros in 2006 with net profit close to 100 million euros). The German group is, in addition, one of the top ten infrastructure concession developers and a world-wide leader in international sales in the construction sector. International markets represented more than 80% of Hochtief's sales in 2005.

Great potential for improvement in results and value creation

With this transaction, the ACS Group becomes the industrial reference shareholder for German companies, with great potential for growth and increased profitability. At the same time, it has obtained a privileged platform from which to increase and accelerate its international expansion in the United States, Central Europe and the Asia Pacific region, fundamentally in the business of infrastructure concessions, large civil works and official building, in which projects will be carried out in conjunction with other companies.

Once the transaction is approved by the competition authorities, the ACS Group will consolidate the participation in the German company in its accounts using the equity method, where the latter will continue as an independent company.

Presence in highly promising international markets

At closing on 19 March, the German group had a market value of 4,739 million euros. Hochtief has five large business areas: Hochtief Construction America, Hochtief Construction Europe, Hochtief Construction Asia Pacific, Hochtief Airports and Hochtief Development (concession projects and general maintenance). The group has more than 41,000 employees, 70% of which are outside Germany and distributed throughout the different countries in which it is present.

The principal international markets of Hochtief are the United States, the largest construction market in the world with great potential for development in the concession business; Central Europe and especially Germany, where very ambitious plans of investment in infrastructures with private capital are being developed; and the Asia Pacific region, where economic development foreshadows an ever-growing construction market. All of these, therefore, are geographic areas of great strategic interest for the ACS Group.

Well-known and prestigious leading brands

In fact, through its company The Turner Corporation in the United States and Leighton Holdings Limited in Australia, Hochtief occupies positions of leadership in both markets. Hochtief also has a significant presence in Canada, the Czech Republic, Austria, Bulgaria, Brazil and Southeast Asia, among other countries/regions.

The company, founded in 1875, is one of the oldest European construction companies and has evolved into the most international in Europe and one of the main promoters of infrastructure concessions and public buildings in the world.

Among the top 10 in the world in concessions

In 2006, Hochtief ranked 8 in the world in developers of infrastructure concessions, according to *PWF* magazine. It participates, along with other concessions, in the airports of Athens, Dusseldorf, Hamburg and Sydney, which transported almost 75 million passengers in 2005. It also participates in the following motorways and tunnels: Vienna North Highway, the tunnel of San Cristóbal and Vespucio North Express in Chile, the Tunnel of Herren in Lübeck (Germany), the North-South Bypass tunnel in Australia and the North Luzon Expressway in the Philippines. It is, in addition, an important developer of public buildings with private participation in Germany, United Kingdom and Ireland, with more than 80 projects, mostly educational in nature.