

REPORT BY THE BOARD OF DIRECTORS OF ACS ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A., ISSUED ON 26 MARCH 2014, REGARDING THE AUTHORISATION GRANTED TO THE BOARD OF DIRECTORS SO THAT, PURSUANT TO THAT SET FORTH IN ARTICLE 297 OF THE CONSOLIDATED TEXT OF THE SPANISH COMPANIES LAW, WITHIN A MAXIMUM PERIOD OF FIVE YEARS FROM THE DATE OF THE GENERAL MEETING, IT MAY INCREASE THE SHARE CAPITAL UP TO HALF OF ITS CURRENT AMOUNT, ON ONE OR VARIOUS OCCASIONS, AND AT THE TIME AND IN THE AMOUNT CONSIDERED APPROPRIATE, WITH POWER TO DISAPPLY PREFERENTIAL SUBSCRIPTION RIGHTS, AND EMPOWERED TO REWRITE ARTICLE 6 OF THE COMPANY BYLAWS.

This report has been issued in accordance with that established in articles 297 and 506 of the Consolidated Text of the Spanish Companies Law and refers to the proposal to be submitted to the shareholders at the General Meeting to be held on 28 May 2014, on first call, and the following day, 29 May 2014, on the second call, to authorise the Board of Directors so that, pursuant to that set forth in articles 297 and 506 of the Consolidated Text of the Spanish Companies Law, within a maximum period of five years from the date of the General Meeting, it may increase the share capital up to half of its current amount, on one or various occasions, and at the time and in the amount considered appropriate, with the express power to disapply preferential subscription rights, and consequently empowered to rewrite article 6 of the Company Bylaws.

The Board of Directors of ACS Actividades de Construcción y Servicios, S.A., in its meeting held on 26 March 2014, proposed that the shareholders at the aforementioned General Meeting empower the Board of Directors to increase the share capital in the manner it considers appropriate, always within the legal limits, so that the Company may flexibly and effectively respond to today's global market needs which is even more necessary in times such as these in which certain uncertainties persist.

This flexibility in the Company's actions also necessitates that the Board of Directors be expressly empowered to disapply preferential subscription rights when it considers that it is in the Company's interest and provided that the nominal value of the shares to be issued, plus any share premium resolved, is equal to the fair value of the Company's shares based on the auditors' report.

The text of the proposal which is submitted to the shareholders at the General Meeting literally states the following:

"In accordance with article 297 of the Consolidated Text of the Spanish Companies Law, authorise the Company's Board of Directors to increase capital by up to half the Company's share capital at the date of this resolution on one or more occasions, and at the date, in the amount and under the conditions freely agreed in each case, within five years following the date of this Meeting, and without prior approval from the shareholders at the General Meeting. Accordingly, the Board of Directors may set all the terms and conditions

under which capital is increased as well as the features of the shares, investors and markets at which the increases are aimed and the issue procedure, freely offer the unsubscribed shares in the preferential subscription period; and in the event of incomplete subscription, cancel the capital increase or increase capital solely by the amount of the subscribed shares.

The share capital increase or increases may be carried out by issuing new shares, whether ordinary shares, shares without voting rights, preferred shares or redeemable shares, with the corresponding amendment of article 6 of the Company Bylaws. The new shares shall be payable by means of monetary contributions equal to the par value of the shares and any share premium which may be agreed.

In accordance with that set forth in article 506 of the Consolidated Text of the Spanish Companies Law, the Board of Directors is expressly empowered to disapply, in full or in part, preferential subscription rights with regard to all or some of the issues which it may resolve to carry out pursuant to this authorisation, provided that it is in the Company's interest and that the nominal value of the shares to be issued, plus any share premium resolved, is equal to the fair value of the Company's shares based on the report that, at the request of the Board of Directors, must be drafted by an auditor, other than the Company's auditor, appointed for these purposes by the Mercantile Register each time that it exercises the power to disapply preferential subscription rights conferred to it in this paragraph.

Additionally, the Company's Board of Directors is authorised to request the listing or delisting of any shares issued, in Spanish or foreign organised secondary markets.

The Board of Directors is expressly authorised to delegate the powers described in this resolution."

In Madrid, on 26 March 2014.