



## **Dragados Industrial will develop the fertilizer industry in Saudi Arabia**

**The ACS Group Company will build four phosphate plants valued at 240 million dollars on the coast of the Persian Gulf**

**It will form one of the five largest fertilizer complexes worldwide and will be the largest complex built on a single occasion**

**It will quadruple Saudi Arabia's current production and convert this country into one of the largest producers worldwide**

**Madrid, July 20, 2006.** Dragados Industrial, a company forming part of the Industrial Services area of the ACS group, was awarded the contract to build four ammonium phosphate plants valued at SR 900 million (\$240 million). These four plants will form a fertilizer production complex to be one of the five largest in the world.

These fertilizer production plants will be built in the industrial and mining city of Ras Az Zawr, on the coast of the Persian Gulf. They will have a combined daily production capacity of 9,000 tons, and are expected to reach an annual 3 million tons of phosphates. Additionally, it will be the largest fertilizer complex constructed in a single phase.

These plants will be built within the next 34 months and it is projected that they will start to produce fertilizers in 2010. Dragados Industrial will leave the plants prepared for a possible increase in production of up to a daily 10,000 tons of ammonium phosphate.

This project represents another initiative by the Saudi Arabian government to diversify its economy, which is highly dependent on petroleum, and also forms parts of the mining company Maaden's strategic plan to become one of the leading producers of phosphate fertilizers worldwide. In fact, following the start-up of these plants, Saudi Arabia's production of these fertilizers will be quadrupled from one to four million tons annually.

During the past two years, the Industrial Services Area of the ACS Group has carried on significant marketing work in the Persian Gulf area, as a result of which the large integrated project area has recently been awarded contracts.

In March, Dragados Industrial was awarded a contract valued at 150 million dollars for the expansion of a petrochemical plant owned by the company Equate Petrochemical Co KSCC (a joint venture between the US company Dow Chemical and the Kuwaiti Petrochemical Industries CO) in Al-Shuaiba, which is approximately 30 kilometres from Kuwait City. These facilities produce high density polyethylene, a plastic with multiple

uses for the construction and manufacture of, inter alia, containers, gas cylinders, and water and fuel containers.

The contract work already being carried out by the ACS Group company in this plant will extend to 2008 and will enable these facilities to increase their capacity to produce high density polyethylene to an annual 223,000 tons. The company's work will include the engineering, supply of equipment and materials, and the building of the facilities required to increase production.

In the past year, Dragados Industrial's turnover exceeded 1,500 million euros, 57% of which was earned in foreign markets. The whole of the ACS Group's Industrial Services Area, of which Dragados Industrial forms a part, ended 2005 with sales of 4,077 million euros, 16,8% higher than in the previous year, as well as a portfolio of 4,269 million euros, up by 25%. 32% of this area's sales, which amounted to a little over 1,316 million euros, were made in international markets, following an increase of 21.4% with respect to the previous year.