

The ACS Group's net profit grew by 34.8% to 1,705 million euros in the third quarter

- Not taking into account extraordinary profit, net profit grew by 21%, reaching 892 million euros

- The construction and project order book reached 32,801 million euros, 9.1% higher than in September 2007

Consolidated Profit

In the first nine months of 2008, the ACS Group's net profit amounted to 1,705 million euros, 35% higher than in the same period of 2007, as a result of the good performance of all its business activities.

Net ordinary profit amounted to 892 million euros, a 21% increase with respect to the previous year.

The extraordinary profit arising from the sales of the airport company DCA, the ownership interests in Autopista Central and Rutas del Pacífico in Chile, and 10% of Unión Fenosa, amounted to 813 million euros.

ACS Group's revenue rose by 6.1% to 12,380 million euros in this quarter. Sales abroad increased by 41% to 2,518 million euros and accounted for 20.3% of total turnover.

EBITDA rose by 10.3% to 1,134 million euros, with a 9.2% sales margin. Additionally, EBIT increased by 9.2% to 871 million euros, accounting for a margin of 11.6%.

ACS Group's total construction and project order book for the third quarter of 2008 amounted to 32,801 million euros, 9.1% higher than at the end of September 2007.

Prior to deducting finance costs, the contribution of the investees Abertis, Hochtief and Iberdrola to the Group's profit in this quarter of 2008 was 209.1 million euros.

Earnings by Business Areas

Construction

Construction activity gave rise to sales of 5,326 million euros in the first nine months of 2008, showing a slight drop of 5.8%, due mainly to the fall in residential building. It was possible to partially compensate for this slowdown in building by increasing activity abroad, which now accounts for 11% after growing by 101% in the first nine months, as a result of the increase in contracts in the United States as well as the rise in concession activity in Europe.

EBITDA for this area reached 397 million euros and a sales margin of 7.5% was maintained. Net profit stood at 227 million euros, which accounts for 4.3% of sales.

The construction order book amounted to 11,158 million euros at the end of September 2008, equivalent to 19 months of production.

The main contracts awarded to the Group in Spain in the last quarter include, inter alia, the construction of rail connections between Atocha and Chamartín in Madrid, the railway viaduct over the river Ulla (La Coruña), the expansion of the port of Tazacorte (Tenerife), a stretch of line 9 of Barcelona's underground (Metro de Barcelona) and the correctional facility of Campo Ríos (Murcia).

Worth mentioning outside of Spain are: the contract awarded to the Group to construct the A-30 motorway in Montreal (Canada), the construction and operation of the EDAR of Shanganagh (Ireland), the wharf of the Terminal Marítimo de San Vicente (Chile) and the construction of the Portuguesa dam on the island of Puerto Rico (USA.).

Environment & Logistics

The Environment and Logistics area recorded a 11.3% increase in sales for the first nine months of the year to 2,362 million euros. Of these sales, 12% were made abroad.

EBITDA rose by 11.6% to 316 million euros, with a 13.4% sales margin. This area's net profit grew by 15.2% to 117 million euros and the sales margin stood at 5%.

The Environment and Logistics order book grew by 23.2% to 15,683 million euros, representing 61 months of production.

Recently awarded contracts include, inter alia, the clean-up and collection of the urban waste of Palencia and Vilaseca (Tarragona), the construction and operation of the urban solid waste treatment plants of Romainville in Paris, of Isla

Guadalupe in the French West Indies and of Palencia, as well as the collection of urban waste from the Municipal Community of Guadiana, and cleaning of the roads of Móstoles, the south of Valencia and several hospitals and schools.

Industrial Services

The Industrial Services area increased its sales by 19.3% to 4,893 million euros. Of these sales, 33.4% were made abroad. EBITDA rose by 21.8% to 429 million euros, with a 8.8% sales margin. Net profit amounted to 236 million euros, which was 21% higher than in the same period in 2007, and accounted for 4.8% of sales.

The Industrial Services backlog amounted to 6,000 million euros at the end of September 2008, equivalent to 12 months of production.

Of the projects awarded abroad in the last quarter, noteworthy are the installation of boilers in the combined cycle plant of Lares (Portugal), the construction of the power plants MDEPC, Cairo West and El Tebbin in Egypt; the construction of three voltage lines in the state of Sonora (Mexico) and one in Brazil between Sao Joao de Piaui and Milagros.

In Spain, worthy of mention is the award of the Coker refinery in Cartagena, phases 6 and 7 of the combined cycle plant of Compostilla (León), the prefabrication of several naval production blocks in the shipyards of El Ferrol, and the mechanical installations in the Iberia hangars of the El Prat Airport (Barcelona).

Net investment and borrowing

ACS Group's total investments in the first nine months of 2008 amounted to 2,128 million euros, whereas disinvestments exceeded 2,752 million euros, and included inter alia the sale of 10% of Unión Fenosa for 1,675 million euros and different concession assets from which it earned over 1,000 million euros.

With respect to investments, noteworthy are the 211 million euros invested in thermal solar plants and the 389 million euros invested in wind-powered facilities by the Industrial Services area. The Concessions area has invested 140 million euros in projects currently under development, whereas the Environment and Logistics area has invested 234 million euros, and especially on waste treatment plants.

The balance of the ACS Group's total net debt at the end of September stood at 9,296 million euros, of which 3,099 million relates to net debt with recourse and 6,197 million euros relates to project financing.

Sale of Unión Fenosa

On July 30, the ACS Group sold 10% of Unión Fenosa to Gas Natural SDG for 1,675 million euros and reached an agreement to sell the remaining 35.3% for 5,915 million euros following the obtainment of proper authorisation from the National Fair Trade Commission.

Accordingly, and in accordance with the International Financial Reporting Standards the Group's financial statements at September 20, 2008, are required to be adjusted as follows:

- In the income statement, the company is no longer fully consolidated and all related items have been eliminated (i.e. from sales to profit). Therefore, exclusively the profit contributed has been recorded under "*Net Profit from Discontinued Operations*". Using the same criteria, the Group is also required to compare the balances of this income statement with the figures for the same period of the previous year.
- In the balance sheet all asset items relating to Unión Fenosa have been reclassified under "*Assets held for sale*", as in the case of the related liability items.

Madrid, October 23, 2008