

ACS

ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS



Results 3Q06 January - September

November 8th, 2006

Executive Summary

Income Statement

Results by Business Areas

Balance Sheet

Cash Flow Statement

Conclusions

Executive Summary

Maintaining the growth with high profitability

Solid turnover growth

Turnover
€ 10.476 mn +17,8 %

Good operating performance

EBIT
€ 711 mn +19,1 %

Outstanding results

Net Profit
€ 607 mn +38,0 %

Maintaining the commercial activity

Total Backlog
€ 27.987 mn +9,5 %

Investing for the future

Total Investment
€ 5.324 mn +52,9 %

Grupo ACS has acquired a 10% of Iberdrola for a total amount of € 3,322.2 million, equivalent to 36,8€ per share.

- ❑ This investment reinforces the Group's commitment within the utility sector.
- ❑ It continues the Group's strategy that started with the acquisition of a stake of Unión Fenosa. Grupo ACS is now the main industrial shareholder of both companies.
- ❑ The financing scheme utilized for these acquisitions guarantees the investment capacity of the Group for the future.
- ❑ From a financial perspective the operation is neutral in terms of EPS and cash generation as the dividends from Iberdrola will be accounted as a financial income.

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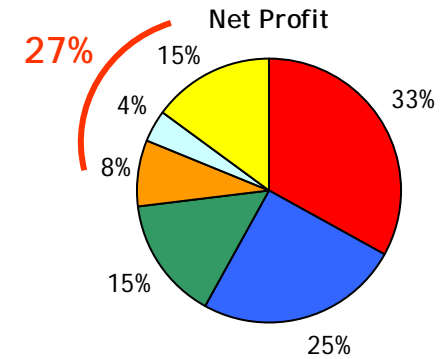
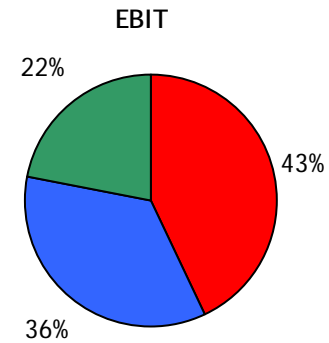
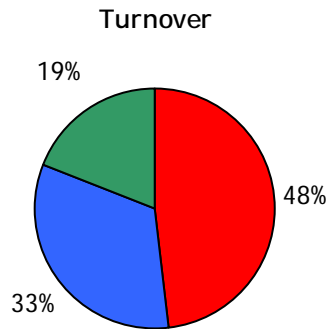
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Income Statement Key Figures

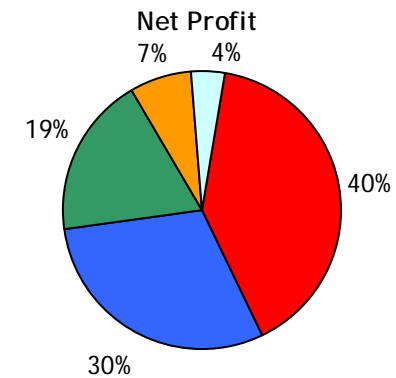
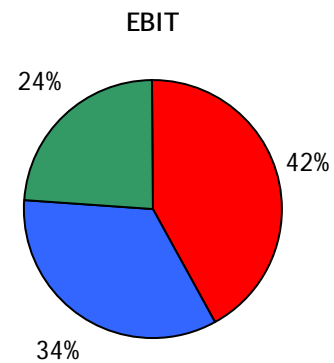
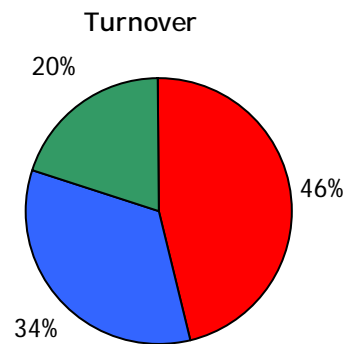
<i>Euro Millions</i>	3Q05	3Q06	Var
Turnover	8.891,3	10.476,2	+17,8 %
EBITDA	785,7	925,2	+17,8 %
EBIT	596,4	710,6	+19,1 %
Net Profit from Listed Affiliates	64,2	173,8	n.a.
Net Profit	440,3	607,5	+38,0 %
<i>EPS</i>	1,26 €	1,74 €	+37,7 %

Income Statement Breakdown by Activities

3Q06



3Q05

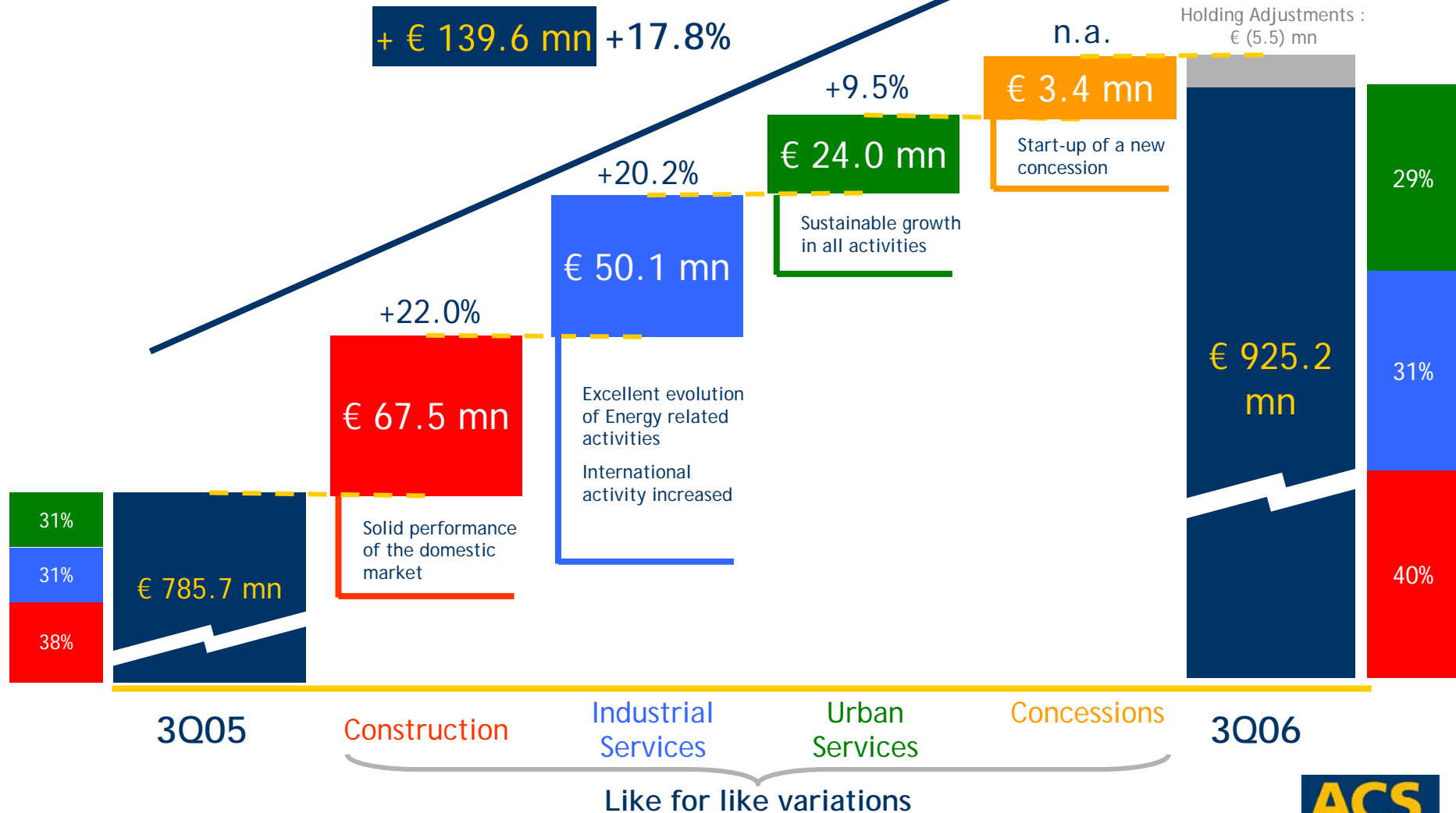


■ Construction ■ Industrial Services ■ Services ■ Concessions ■ Urbis ■ Unión Fenosa

NOTE: The percentages have been calculated as the sum of the activities considered in each graph

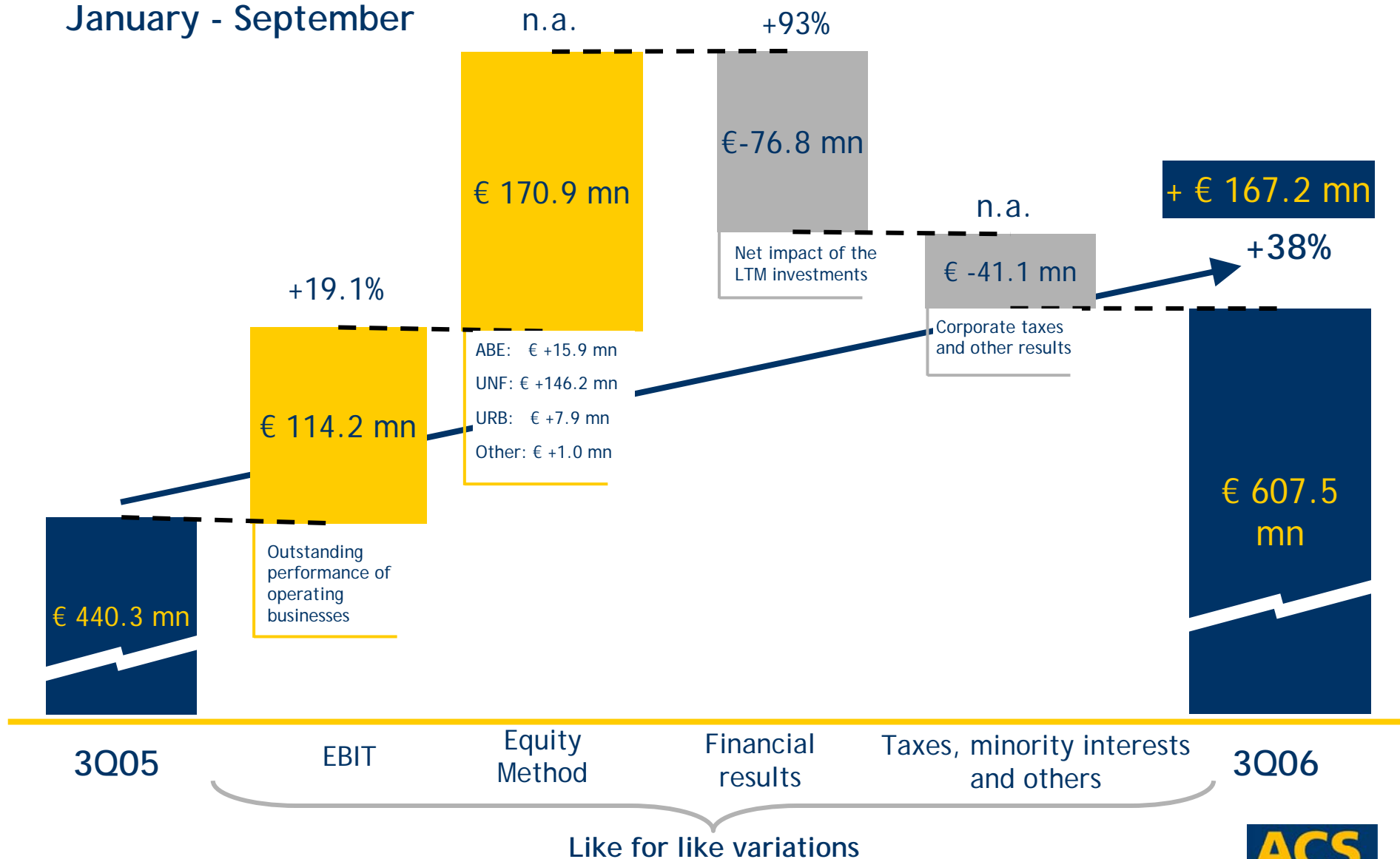
Income Statement Analysis of the Evolution of the EBITDA

January - September



Income Statement Analysis of the Evolution of the Net Profit

January - September



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

Construction: Income Statement

Million Euro	3Q05	3Q06	Var. 06/05
Turnover	4.174,7	5.054,7	+21,1 %
EBITDA	307,3	374,8	+22,0 %
EBIT	261,7	316,4	+20,9 %
Cont. Operations PBT	276,0	335,1	+21,4 %
Net Profit	177,8	215,3	+21,1 %
<i>EBITDA margin</i>	<i>7,4%</i>	<i>7,4%</i>	
<i>EBIT Margin</i>	<i>6,3%</i>	<i>6,3%</i>	
<i>Net Profit Margin</i>	<i>4,3%</i>	<i>4,3%</i>	
<i>Effective Tax Rate</i>	<i>32,0%</i>	<i>35,0%</i>	

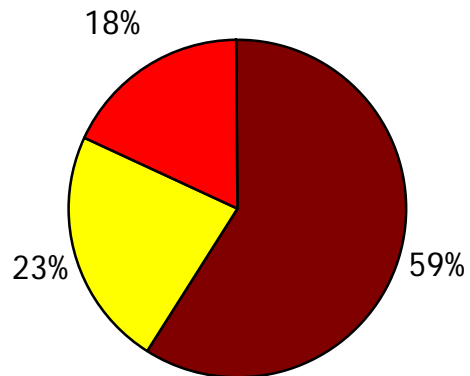
Results by Business Areas

Construction: Activity Breakdown

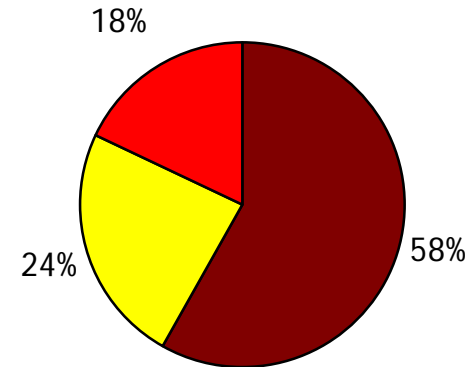
Million Euro

	3Q05	3Q06	Var. 06/05
 Civil Works	2.460,5	2.922,1	+18,8 %
 Non residential Building	970,1	1.282,2	+32,2 %
 Residential Building	744,1	850,4	+14,3 %
TOTAL	4.174,7	5.054,7	+21,1 %
<i>International</i>	<i>415,5</i>	<i>310,1</i>	<i>-25,4 %</i>
<i>%</i>	<i>10%</i>	<i>6%</i>	

Sales 3Q05



Sales 3Q06



Results by Business Areas

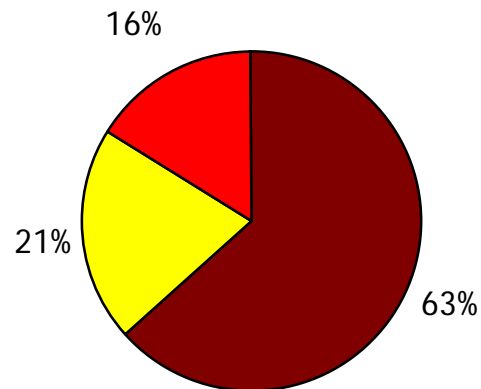
Construction: Backlog Breakdown

Million Euro

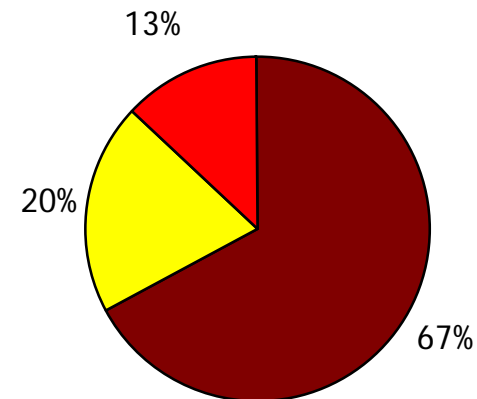
- Civil Works
- Non residential Building
- Residential Building

	3Q05	3Q06	Var. 06/05
Civil Works	6.022,9	6.587,6	+9,4 %
Non residential Building	1.783,9	2.157,2	+20,9 %
Residential Building	1.221,2	1.643,7	+34,6 %
TOTAL	9.028,0	10.388,5	+15,1 %
<i>International</i>	<i>658,1</i>	<i>482,3</i>	<i>-26,7 %</i>
<i>%</i>	<i>7%</i>	<i>5%</i>	

Backlog 3Q05



Backlog 3Q06







Results by Business Areas

Industrial Services: Income Statement

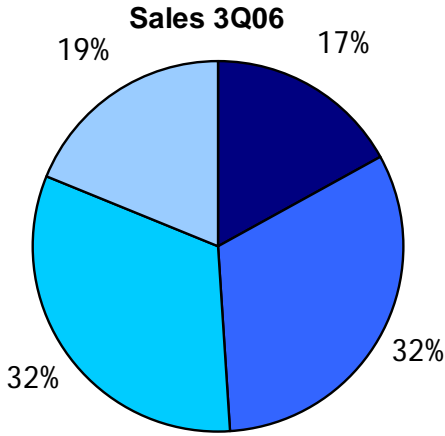
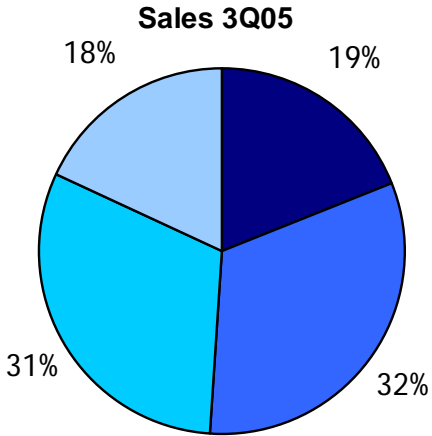
Million Euro	3Q05	3Q06	Var. 06/05
Turnover	3.010,5	3.493,8	+16,1 %
EBITDA	247,8	297,9	+20,2 %
EBIT	209,4	257,0	+22,8 %
Cont. Operations PBT	194,6	239,0	+22,9 %
Net Profit	132,3	163,4	+23,5 %
<i>EBITDA margin</i>	<i>8,2%</i>	<i>8,5%</i>	
<i>EBIT Margin</i>	<i>7,0%</i>	<i>7,4%</i>	
<i>Net Profit Margin</i>	<i>4,4%</i>	<i>4,7%</i>	
<i>Effective Tax Rate</i>	<i>31,8%</i>	<i>31,3%</i>	

Results by Business Areas Industrial Services: Sales by Activity

Million Euro

-  Networks
-  Specialized Products
-  Energy Projects
-  Control Systems

	3Q05	3Q06	Var. 06/05
Networks	577,4	575,6	-0,3 %
Specialized Products	963,5	1.130,7	+17,3 %
Energy Projects	932,9	1.120,5	+20,1 %
Control Systems	536,7	667,0	+24,3 %
TOTAL	3.010,5	3.493,8	+16,1 %
<i>International</i>	<i>961,7</i>	<i>1.179,8</i>	<i>+22,7 %</i>
%	32%	34%	

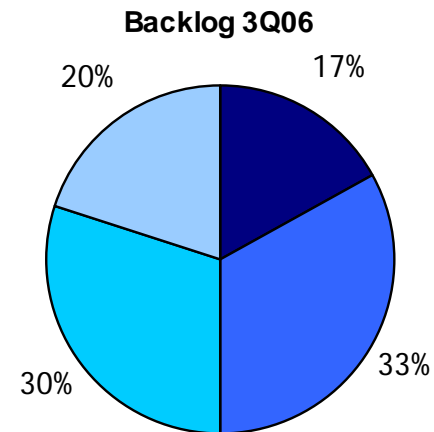
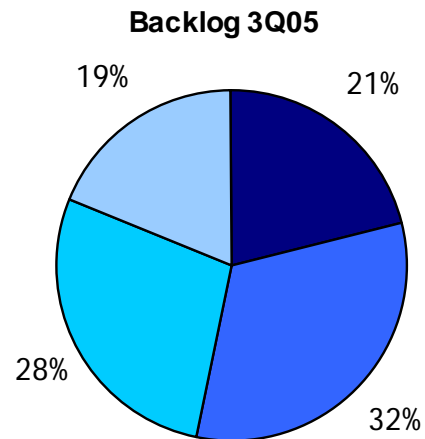


Results by Business Areas

Industrial Services: Backlog Breakdown

Million Euro

	3Q05	3Q06	Var. 06/05
Networks	848,0	800,0	-5,7 %
Specialized Products	1.279,3	1.622,5	+26,8 %
Energy Projects	1.157,2	1.477,1	+27,6 %
Control Systems	780,1	960,3	+23,1 %
TOTAL	4.064,6	4.859,9	+19,6 %
<i>International</i>	<i>1.222,6</i>	<i>1.207,8</i>	<i>-1,2 %</i>
%	30%	25%	



Results by Business Areas Services: Income Statement

Million Euro	3Q05	3Q06	Var. 06/05
Turnover	1.777,7	1.987,4	+11,8 %
EBITDA	252,1	276,2	+9,5 %
EBIT	148,3	166,3	+12,2 %
Cont. Operations PBT	121,9	134,9	+10,7 %
Net Profit	82,6	94,8	+14,8 %
<i>EBITDA margin</i>	<i>14,2%</i>	<i>13,9%</i>	
<i>EBIT Margin</i>	<i>8,3%</i>	<i>8,4%</i>	
<i>Net Profit Margin</i>	<i>4,6%</i>	<i>4,8%</i>	
<i>Effective Tax Rate</i>	<i>29,4%</i>	<i>27,3%</i>	

Results by Business Areas

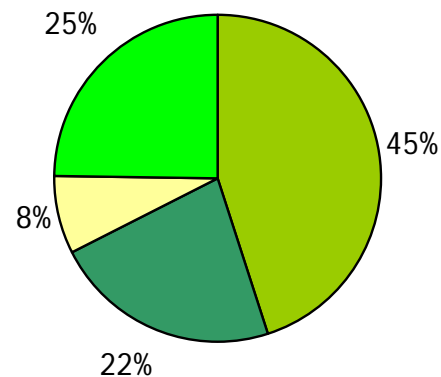
Services: Sales by Activity

Million Euro

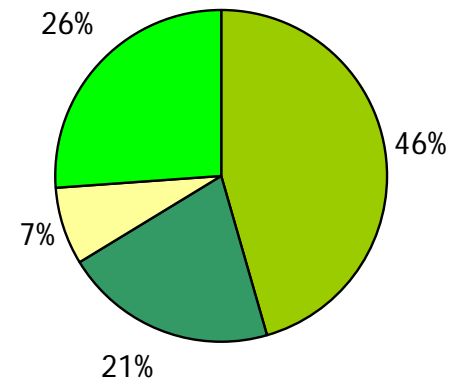
-  Environmental
-  Ports & Logistics Services
-  Transportation Services
-  Facility Management

	3Q05	3Q06	Var. 06/05
Environmental	801,1	904,8	+12,9 %
Ports & Logistics Services	398,4	414,3	+4,0 %
Transportation Services	137,3	149,0	+8,5 %
Facility Management	440,9	519,4	+17,8 %
TOTAL	1.777,7	1.987,4	+11,8 %
<i>International</i>	<i>163,7</i>	<i>196,7</i>	<i>+20,1 %</i>
%	9%	10%	

Sales 3Q05







Sales 3Q06



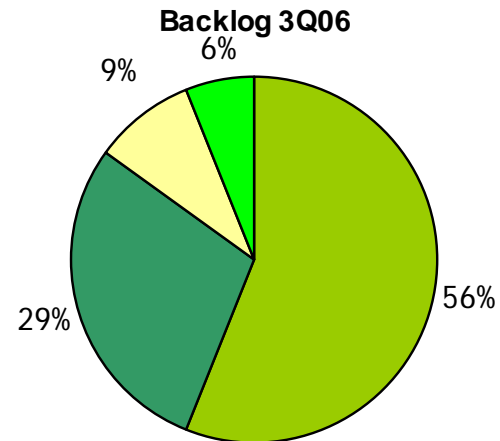
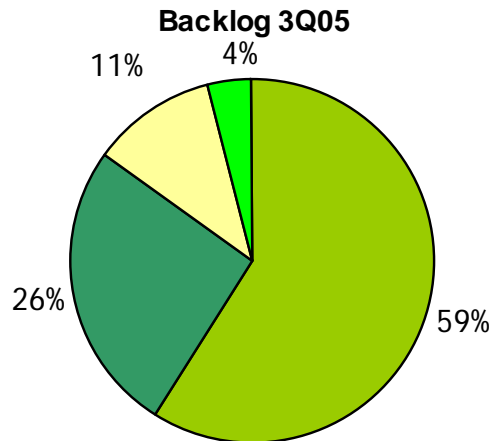
Results by Business Areas

Services: Backlog Breakdown

Million Euro




-  Environmental
-  Ports & Logistics Services
-  Transportation Services
-  Facility Management

	3Q05	3Q06	Var. 06/05
Environmental	7.399,6	7.090,7	-4,2 %
Ports & Logistics Services	3.216,5	3.674,7	+14,2 %
Transportation Services	1.337,8	1.161,6	-13,2 %
Facility Management	502,8	811,7	+61,4 %
TOTAL	12.456,7	12.738,7	+2,3 %
<i>International</i>	<i>1.979,0</i>	<i>1.850,0</i>	<i>-6,5 %</i>
%	16%	15%	



Results by Business Areas

Net Impact of Listed Affiliates

<i>Euro Millions</i>	3Q05	3Q06	Stake
	68,6	84,4	24,8%
	23,4	31,4	24,8%
		146,2	35,7%
Total Equity Method	92,0	262,0	
<i>Financial Expenses</i>	(42,8)	(135,7)	
<i>Corporate taxes</i>	15,0	47,5	
Net Profit	64,2	173,8	

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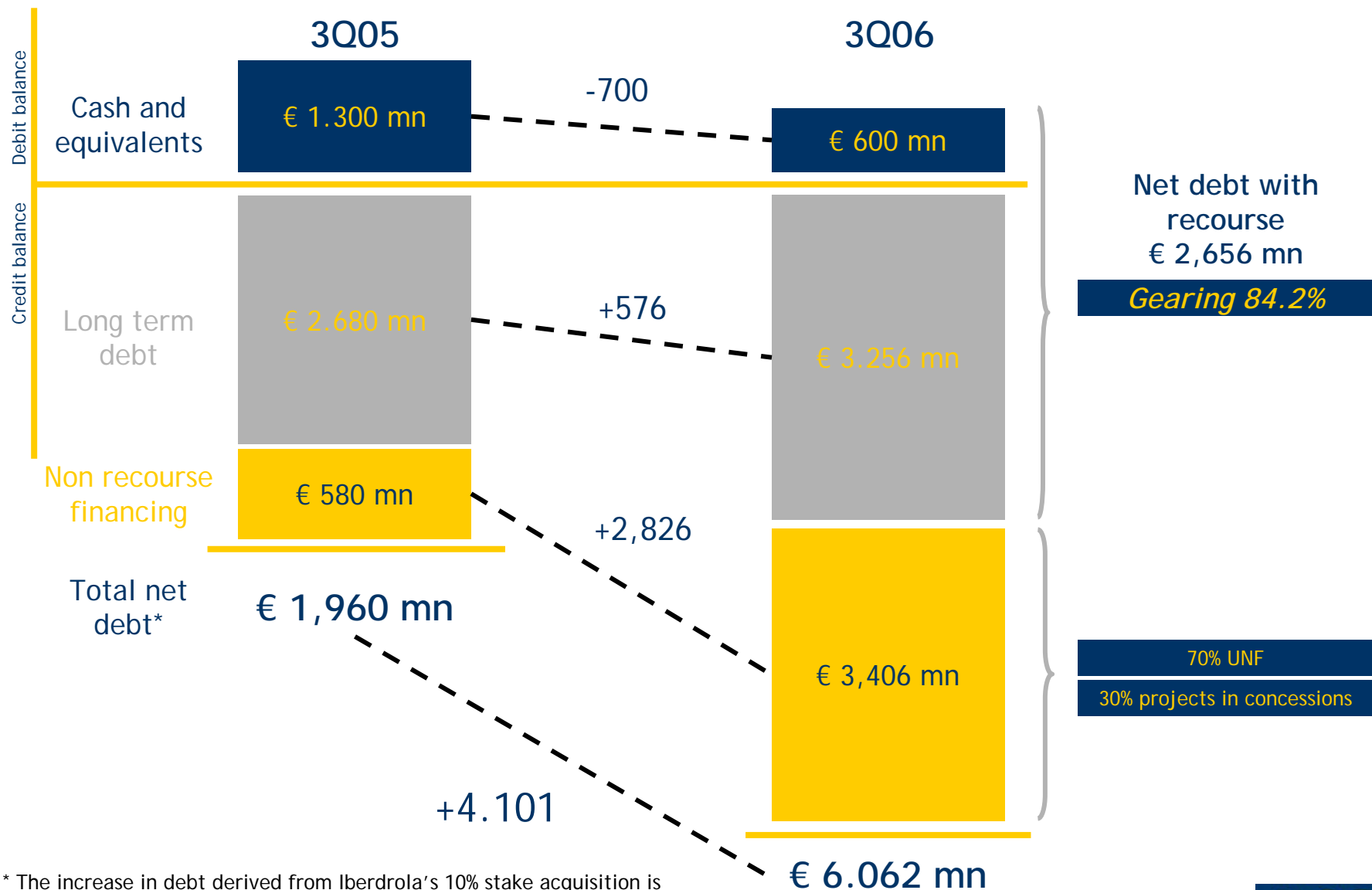
Conclusions

Balance Sheet Key Figures

Million Euro	sep-05		sep-06		Var. 06/05
Fixed Assets	8.882	100%	14.829	100%	+67 %
Working Capital	(1.468)	17%	(1.690)	11%	+36 %
Total Equity	2.521	28%	3.152	21%	+25 %
Net Debt	1.960	22%	6.062	41%	+209 %
Non Recourse Financing	580		3.406		+488 %
Net Debt With Recourse	1.380		2.656		+92 %
Other liabilities	2.932	33%	3.925	26%	-15 %
Payables due to UNF/IBE*	2.219		3.322		
Other	713		603		

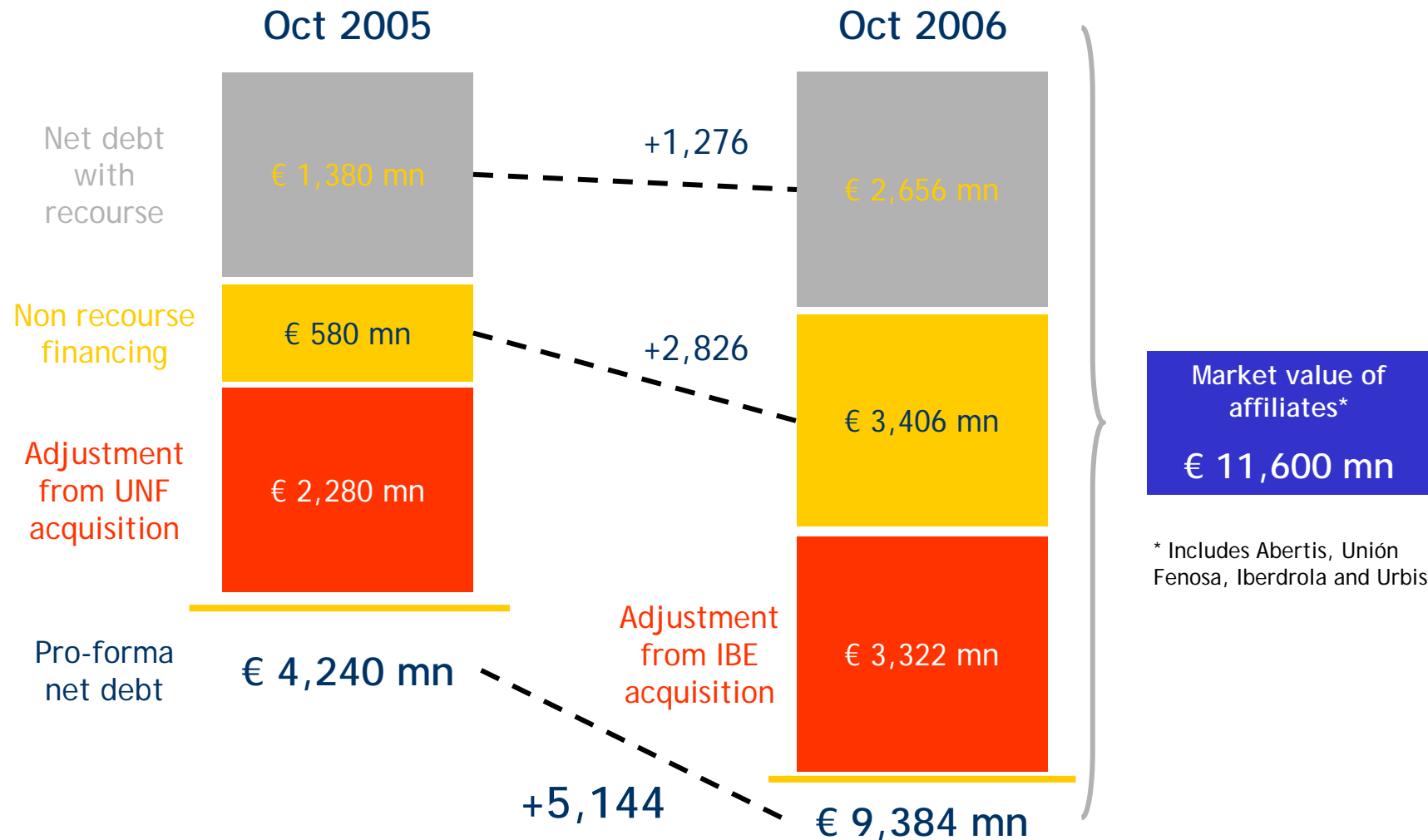
* The increase in debt derived from Iberdrola's 10% stake acquisition is not included as this investment has been paid on October 2nd, 2006

Balance Sheet Net Debt Breakdown



* The increase in debt derived from Iberdrola's 10% stake acquisition is not included as this investment has been paid on October 2nd, 2006

Consolidated Balance Sheet Pro-forma Net Debt



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Cash Flow Statement

Key Figures

Million Euro	3Q05	3Q06	Var. 06/05
EBITDA	786	925	+17,8 %
Cash Flow from Operations	561	632	+12,7 %
Working Capital (Requirements) / Excess	163	(182)	n.a.
Cash Flow from Operating Activities	725	450	-37,9 %
Capital Expenditure	(3.483)	(5.324)	+52,9 %
Dividends paid	(138)	(212)	+53,9 %
Others*	2.360	3.288	+40,8 %
Net Financing Variation	536	1.797	n.a.

* Includes the short term liabilities generated by the acquisition of Iberdrola (2006) and Union Fenosa (2005)

Cash Flow Statement Breakdown of Capital Expenditure

<i>Euro Million</i>	Gross Investment	Divestments	Net Investment
Construction	307,1	33,4	273,7
Industrial Services	349,4	56,5	292,9
Services	245,5	24,5	221,0
Concessions	67,6	65,7	1,9
Subtotal	969,6	180,2	789,5
Iberdrola	3.322,2		3.322,2
Unión Fenosa	1.144,0		1.144,0
Others	90,5	22,2	68,3
TOTAL	5.526,4	202,3	5.324,0

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Sustained Value Creation

