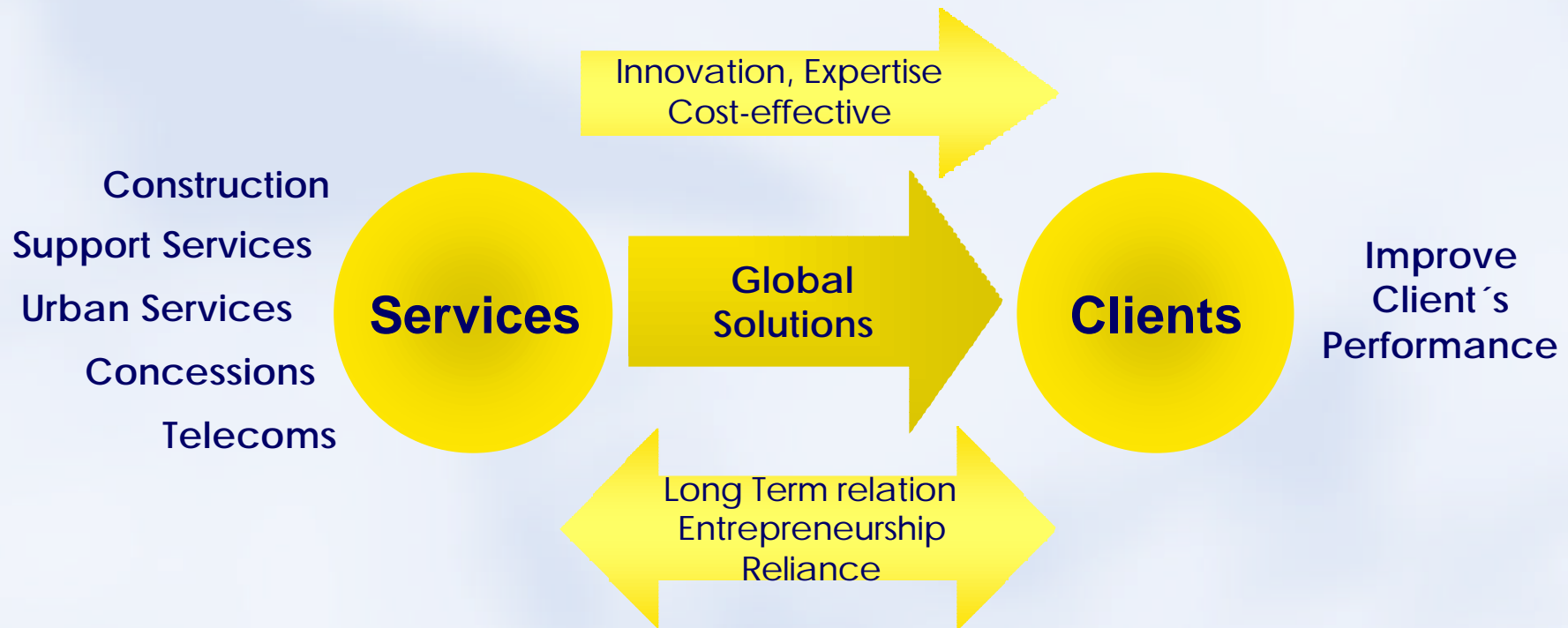




# Presentation to Investors July 2002



Capacity to promote, develop, execute and manage  
Infrastructures and related services

# Grupo ACS

## Corporate Strategy

### Value

Maximise Profitability of Traditional businesses

Enhance quality of service over volume

≈ Cash generation

### Growth through Diversification

Promote activities with high growth potential

Invest in emerging industries

Larger technological and service content

Strategic view to develop new projects

≈ Balanced business Portfolio  
≈ Higher revenues visibility  
≈ High and sustainable growth potential

### Competitive Advantages

- Ability to offer global solutions
- Close knowledge of our Client´s needs
- Managerial skills to deal with a wide range of products and services

# Grupo ACS Organization

Strategic centralization  
Management and control of the  
Group's resources



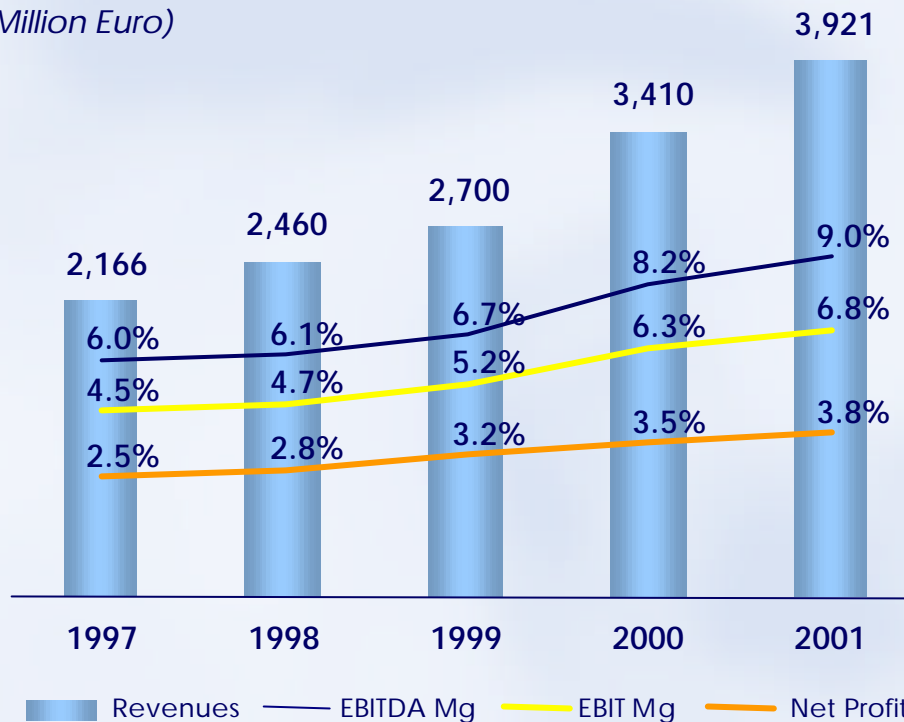
Operational decentralization by business area: efficiency improvement

# Financial Track Record

## Key Financials

Continuous improvement: double digit growth over last 5 years

(Million Euro)



CAGR 01/97

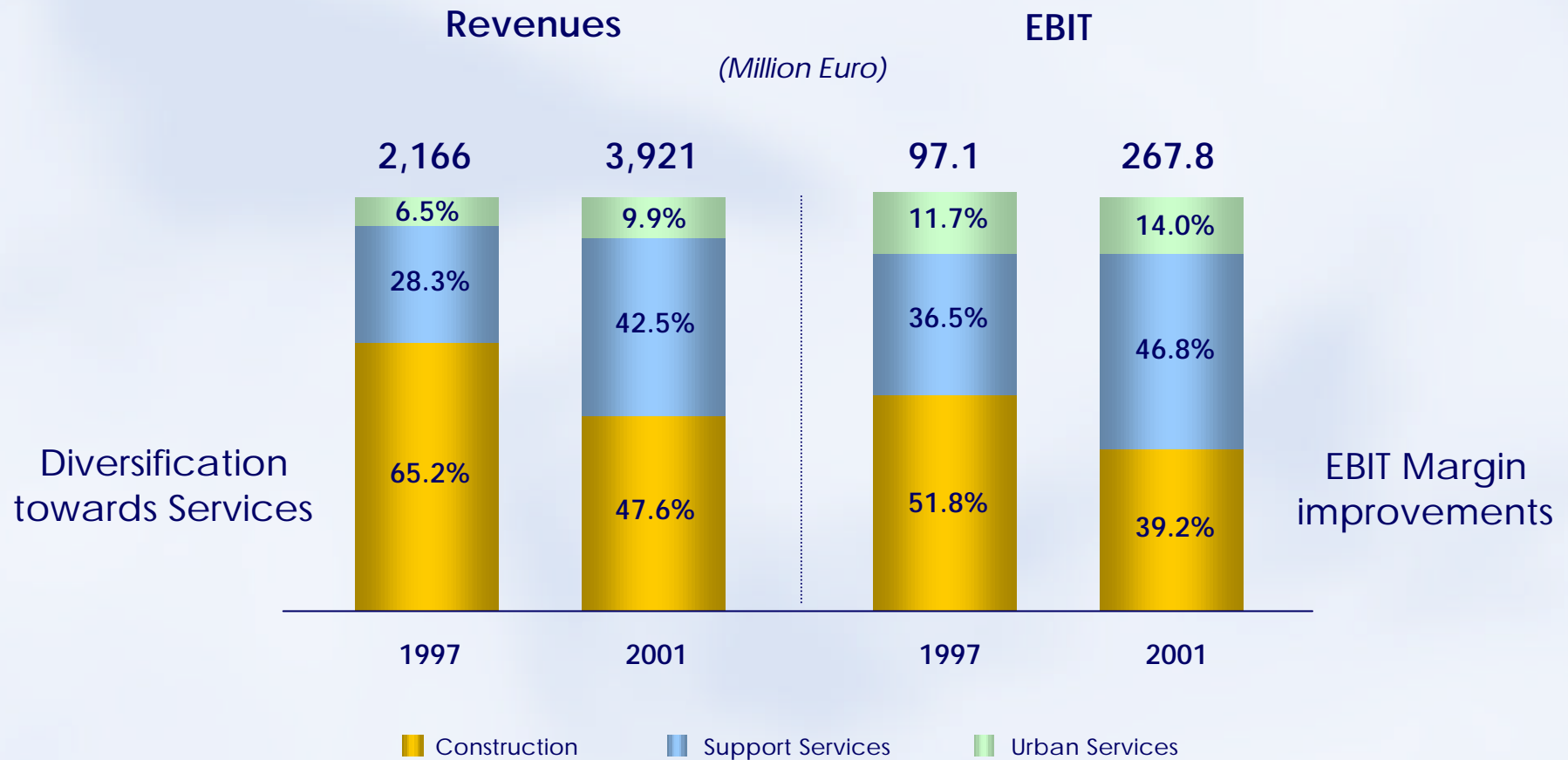
Revenues	16,0%
EBITDA	28,4%
EBIT	28,9%
Net Profit	28,6%

✍ Excellent margins performance, enhanced by a higher contribution of higher value added activities

✍ International activities represented 16% of total revenues

# Financial Track Record

## *Breakdown by Activity*



# Financial Track Record

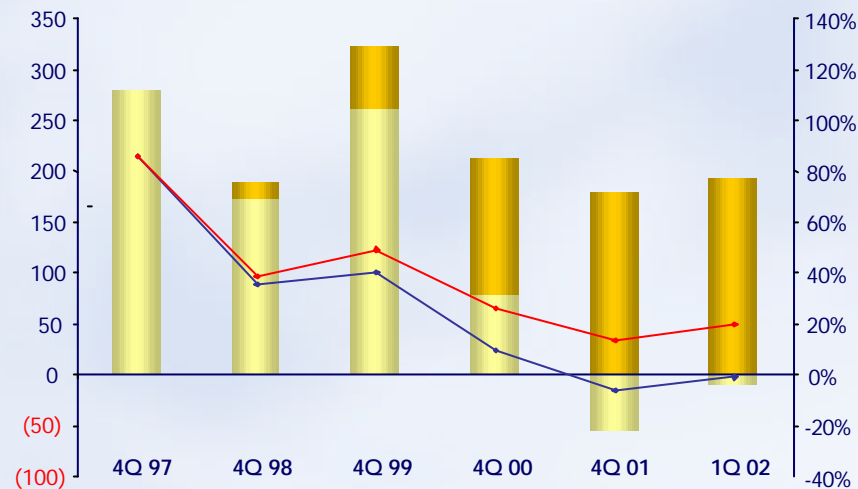
## Balance sheet

### Resources rationalization: solid financial position

(Million Euro)	dec-97	dec-98	dec-99	dec-00	dec-01
Fixed Assets	278.9	285.9	662.0	903.1	1,027.2
Working Capital	394.8	435.2	401.6	208.4	95.0
<b>Net Assets</b>	<b>673.7</b>	<b>721.1</b>	<b>1,063.6</b>	<b>1,111.5</b>	<b>1,122.2</b>
Equity	326.1	488.0	654.7	814.9	910.8
Other Liabilities Long Term	42.6	44.3	86.3	84.0	86.7
Long Term Liabilities:	216.7	153.9	270.6	263.9	402.2
- Project Finance	0.0	15.8	60.1	129.0	179.9
- Net Bank Loans	216.7	138.1	210.4	134.9	222.3
Short Term Liabilities	88.3	34.9	52.1	-51.3	-277.5
<b>Equity and Liabilities</b>	<b>673.7</b>	<b>721.1</b>	<b>1,063.6</b>	<b>1,111.5</b>	<b>1,122.2</b>

### Consolidated Debt (Million Euro)

- Bank Net Debt
- Project Finance
- ◆— Net Debt / Equity
- ◆— Total Debt/ Equity

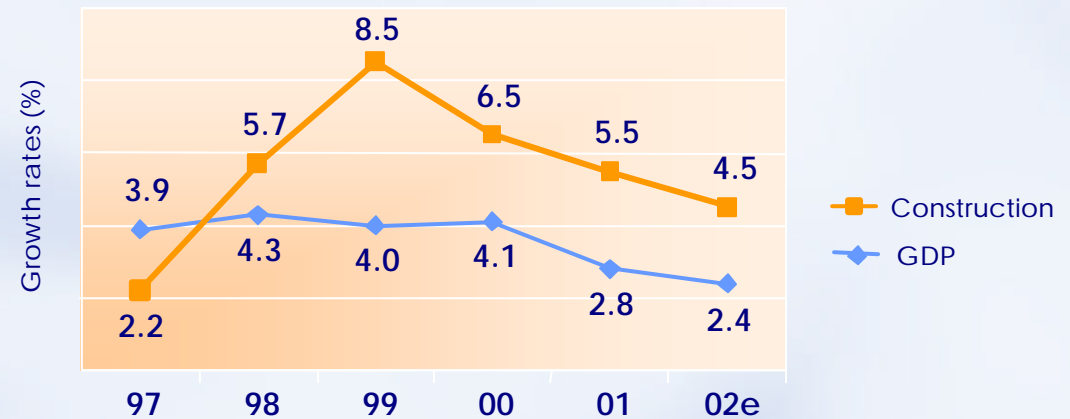




# Construction Industry

## Market Conditions:

- ✍ Industry growth rate:
  - Over GDP's since 1998
  - Above Euro zone industry growth



Source 02e: PricewaterhouseCoopers

## Market Opportunities:

- ✍ Infrastructure Investment Plan 2000-2007: €114 bn
  - Roads and highways: Complete the high capacity road network
  - Railways: Update current railway communications
  - Hydraulic Works: Supply and transfer of water North to South of Spain, irrigation, sanitation...
  - New Airports Infrastructures
  - Modernisation and enlargement of Spanish Ports

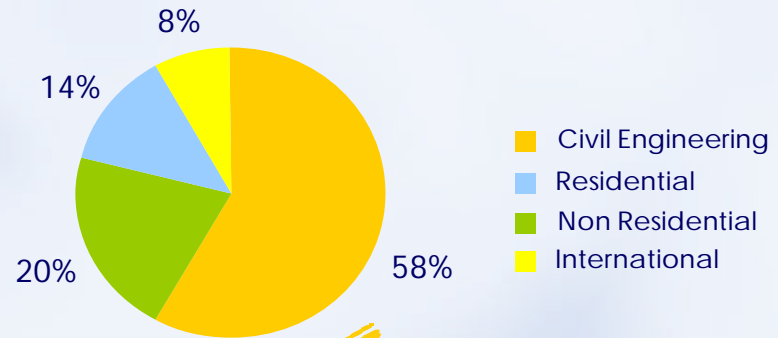


# Construction Description

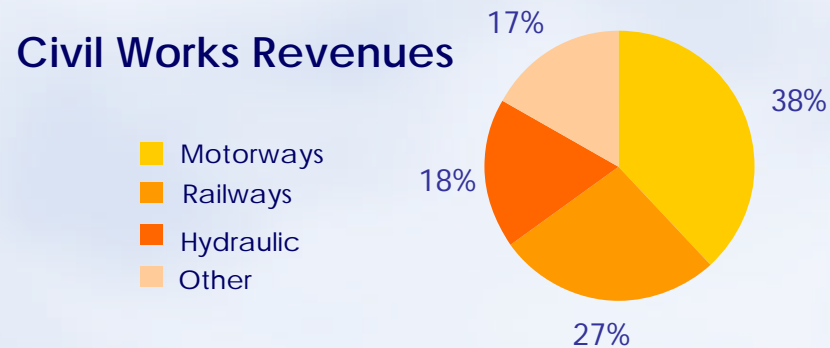
One of the main Iberian contracting firms

2001 Revenues amounted €1.886 bn

✍ Backlog of 21 months of work as of 31<sup>st</sup> March 2002



Focus in civil works, on large projects

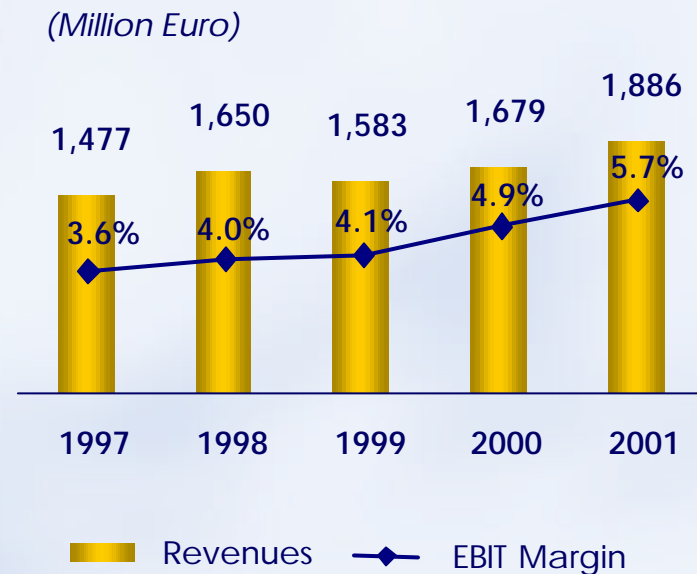


## Long term sustainable growth of sales

- ✍ Iberian market boosted by 2000-2007 Infrastructure Plan
- ✍ International expansion through concessions works

## Positive trend of margins

- ✍ Strict cost control
  - Plain structure - low overheads
  - Outsourcing rate over 55%



# Support Services

## Market Opportunities

Energy		Telecoms	Control Systems		Industrial Services		
Generation		Distribution	Railroads	Urban Systems	Installation	Maintenance	
Energy shortage in South Europe	Renewable Energy: Support from the Administration	Outsourcing services for utilities	High standard technology, new operators	High speed train development	Traffic systems for large and medium size cities	New capacities for Chemical Plants and other Industrial Facilities	Outsourcing of facilities services
Utilities will build generation plants (mainly CCGT): 8,000 MW authorised and 22,000 MW under study	Wind energy will contribute over 7.2% in 2010. Current contribution: 3.8% 13,000 MW installed in 2010	Liberalisation of the market, new competitors Expansion of current Network	Upgrading and maintenance of the existing networks, broadband fixed systems, new wireless networks, etc.	Public investment until 2010: € 40,9 bn	Increase of outsourcing from municipalities		

# Support Services

## *Grupo Cobra - Description*

Leading provider of applied engineering and support services in Spain, Portugal and Latin America, in the fields of Energy, Telecom, Industrial & Control Systems

### Global Service

Wide geographical coverage provided by an extent network of domestic & international branches

### Commitment to the client

Long term relation with main Spanish industrial and service groups and Public Administration

### Expertise

Increasing range of products to satisfy the clients' necessities

### Value Adding

Development of new specialised and integrated products

# Support Services

## Grupo Cobra - Financials

### 2001 Revenues Breakdown

#### ■ Industrial Services

- Applied engineering in industrial plants
- Heating & conditioning systems
- Integrated maintenance

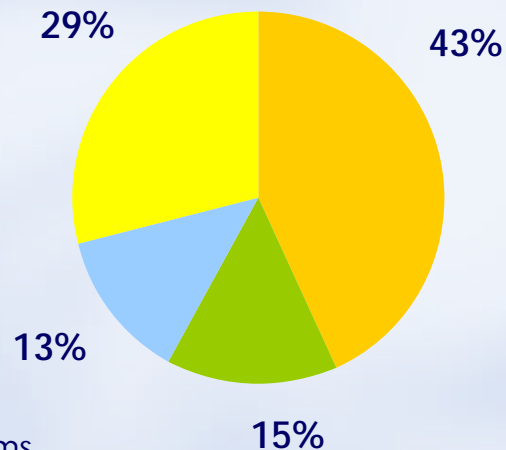
#### ■ Control Systems

##### Traffic Control

- Lighting systems
- Other control & signalling systems

##### Railways

- Power lines (catenaries)
- Signalling systems (dynamic & static)
- Other control systems



#### ■ Energy Projects

##### Generation:

- Power generation (CCGT)
- Renewable energy
- Energy transportation (HT networks)

##### Distribution Networks

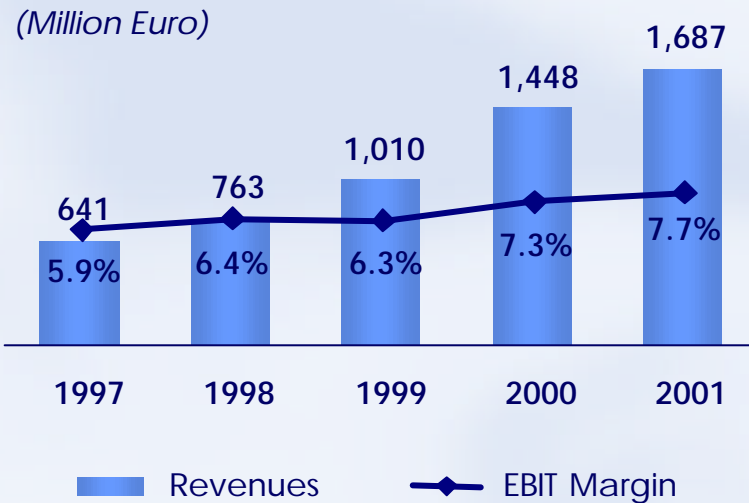
- Electricity, Gas & Water

#### ■ Telecommunications

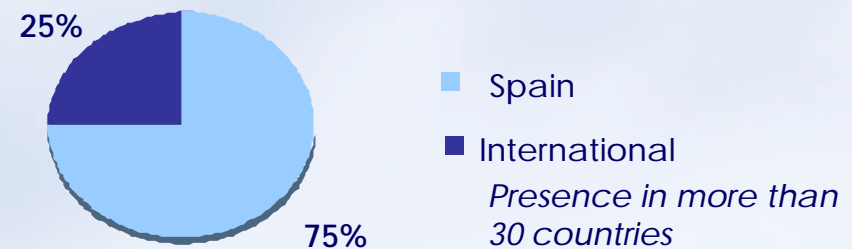
- Fixed telephony
- Mobile telephony (2G & 3G)
- Other networks & systems

# Support Services

## Grupo Cobra - Financials



### 2001 Revenues Breakdown



### STRENGTHS

#### Key player as a developer of the 21st century infrastructures:

- ✍ Long experience as support services provider for the main utilities in Spain and abroad
- ✍ Key agent in the development of energy plants (CCGT & wind farms)
- ✍ Developer, installer and maintainer of the most advanced control systems in railway & traffic infrastructures
- ✍ Main supplier of the Spanish telecom operators and vendors

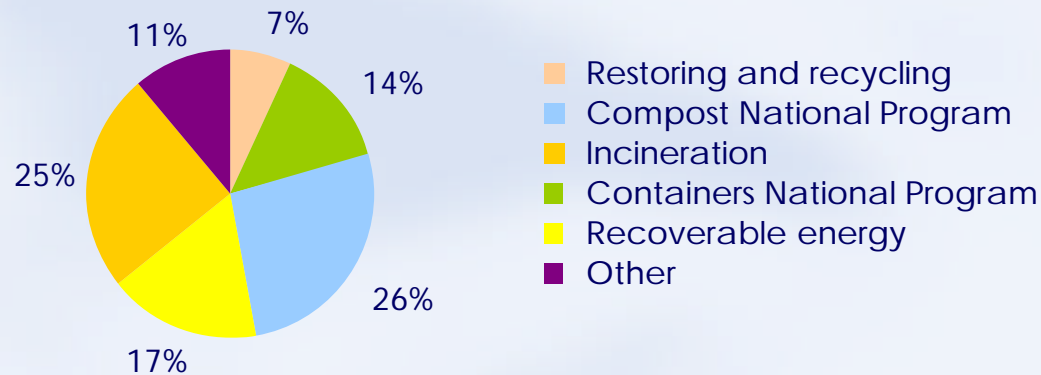
### TARGETS

- ✍ Achieve sales growth rates over 10% during the next 3 years
- ✍ Increasing presence in leading-edge activities: improved operating margins
- ✍ Individual projects combined with a significant share (> 60%) of recurrent activities: highest and balanced backlog
- ✍ Develop Renewable Energy Plants to become one of the leading players in the Spanish market



## Environmental Services - Market Opportunities

### GOVERNMENT INVESTMENT PLAN 2000-2006



Source: Ministry of Environmental Affairs

- ✍ Market growth prospects for next 3 years > 10%
- ✍ Most active business areas: Treatment and Collection
- ✍ Government main actions:
  - ✍ Closure of uncontrolled landfills
  - ✍ Construction of new infrastructures
  - ✍ Selective waste collection

### Barriers of Entry

Strong positioning of the main companies: financial standing and experience

Increasing capital and financial requirements from the Administration

Very long term contracts (7-20 years depending on the activity)

# Urban Services

## Tecmed - Description

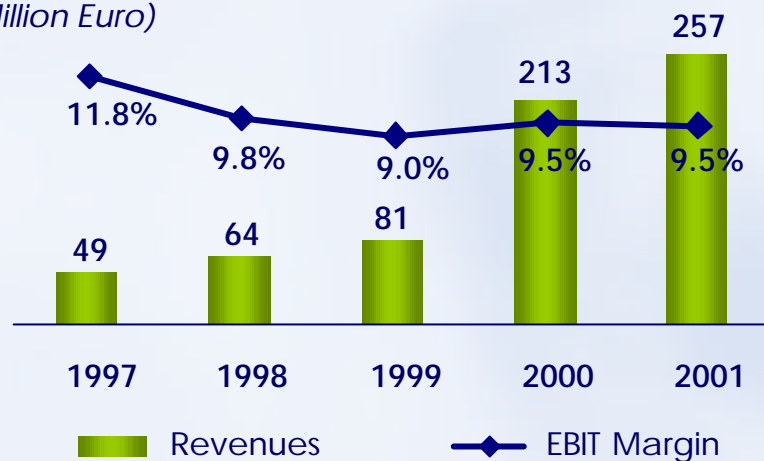
Strong activity growth: leader of its niches

Firmly positioned in SUW Industry:

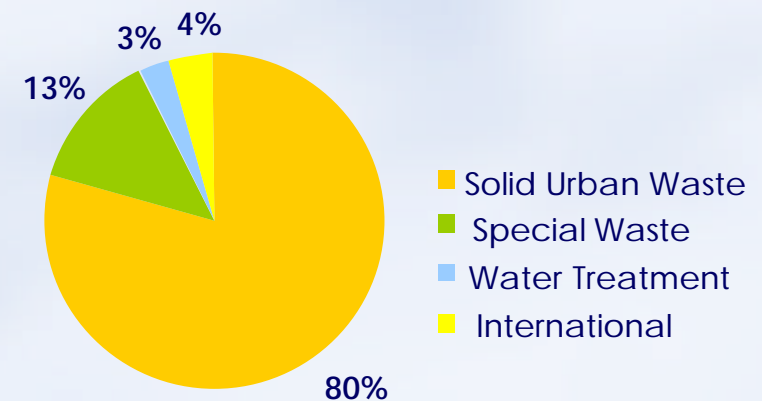
- ✍ Population covered: 12 million
- ✍ Management of 7 Treatment Plants including the largest in Europe
- ✍ 6 controlled landfills

Favourable prospects reflected in the order book (€ 1.9 bn)

(Million Euro)

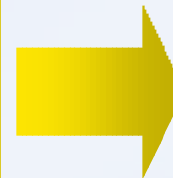


2001 Sales Breakdown



## Transportation Services - Market Opportunities

- ✍ Highly fragmented market
- ✍ Increasing service outsourcing from the municipalities
- ✍ Similar prospects for the railway business
- ✍ Consolidation of the interurban market
- ✍ Privatisation of urban services (city buses)
- ✍ Privatisation of the railway lines (high speed train, long distance, suburban train, subway...)



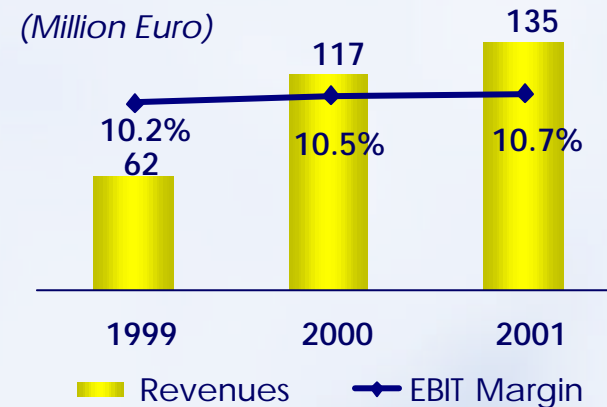
Current leading position will be critical to become one of the main agents in the process of change

# Urban Services

## Continental Auto - Description

GCA is one of the main players:

- ✍ More than 1,700 employees
- ✍ A fleet of more than 800 vehicles
- ✍ 50 million users transported
- ✍ 91 million kilometres travelled
- ✍ 2001 Revenues: € 135 mn



Runs four main geographic areas under monopoly concessions:

- ✍ Madrid Area
- ✍ Northern Spain
- ✍ Cataluña
- ✍ Andalucía



# Concessions

## Description



# Concessions Projects

Country	Project	Activity	Characteristics	Total Invest. € mn	Equity	ACS % Equity	ACS Funds € mn	Start up Schedule	Demand
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## Transport Infrastructure

Spain	M-45 Highway	Shadow toll	14,4 km	184	15%	50%	14		ADT: 19.200 vehicles
Chile	Santiago-Valparaiso Highway	Toll	141,36 km	518	22%	50%	58		ADT: 5.700 vehicles
Spain	Santiago-Orense Highway	Toll	56,17 km	278	10%	13%	4	2S/2003	ADT: 24.500 vehicles
Spain	Radial Highway	Electronic toll	93,3 km	873	20%	16%	31	2S/2003	ADT: 47.400 vehicles
Spain	Arganda Railway	Urban transport	20 km	126	20%	8%	2		19.900 pax/day
Spain	Avda.America transfer station	Transfer station	24 mn pax	23	20%	28%	1		68.900 pax/day
<b>Total Transport Infrastructure</b>				<b>2.002</b>			<b>110</b>		

## Energy and Distribution

Peru	South electric grid	High voltage 220 KW line	431 km of power lines	81	34%	20%	6		
Brazil	North-South High electric grid	High voltage 500 KW line	575 km of power lines	172	30%	25%	13	2S/2003	
Spain	L'Enderrocada	Wind farm	30 MW	31	20%	48%	3		67 Gwh / year
Spain	Somozas	Wind farm	48 MW	50	10%	47%	2		128 Gwh / year
Spain	Vimianzo	Wind farm	49,5 MW	51	20%	60%	6		134 Gwh / year
Spain	Novo	Wind farm	18,75 MW	16	30%	60%	4	2S/2002	45 Gwh / year
Spain	Pisuerqa	Wind farm	110,88 MW	114	18%	51%	10	2S/2003	276 Gwh / year
<b>Total Energy and Distribution</b>				<b>515</b>			<b>44</b>		

<b>Total</b>				<b>2.518</b>			<b>154</b>		
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 Under operation



# Telecommunications

## *Description*

### Participate in the development of new telecom infrastructures in Spain

- ✍ Capacity to manage start-up projects
- ✍ Financial and industrial partners which increase Project's opportunities to success

### Current Projects:

Xfera: Mobile UMTS		Broadnet: fixed wireless LMDS	
20%	No Majority Stakes	20%	
Current ACS Investment: € 101 mn Bank guarantees only apply after commercial launching		Current ACS Investment: € 9 mn	
No commercial launching expected until UMTS technology is available, legal framework is fully developed, and economic and financial viability is cleared		High capacity network covering 36 major cities, including Madrid and Barcelona, providing Broadband services directly to final customers	



### Growth Strategy:

- ✍ Unique opportunity in size and quality
- ✍ Strong position to participate in future consolidation process in the Infrastructure Industry

### Financial Impact:

- ✍ Non dilutive on 2002 EPS
  - Grupo Dragados 2002e Net Profit > € 240 mn
  - Financial costs at 5%
  - Goodwill generated: € 641 mn
- ✍ Balance strength
  - April Net Debt (excluding Project Finance) < € 800 mn
  - Gearing < 90%

ACS takes part in the development, construction and maintenance of the XXI Century infrastructures

ACS will lead the consolidation process in the Spanish market

ACS enjoys Excellent financial growth prospects for year 2002:

Revenues	15%
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Net Profit	25%
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